

Energy Cities' contribution to the call for evidence for a Right to Stay Strategy: Your Region, Your Future

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Introduction

Reducing regional disparities is essential to put people in the position to exercise their right to stay in the place they call home. Such disparities are not only linked to access to quality services and opportunities: climate change and green transition related challenges also risk widening disparities if not properly addressed.

While cohesion policy remains the EU's main investment tool to address these challenges and must stay central in the next MFF, with stronger focus on impact and simplification for local authorities, we also recognise that additional efforts are needed: a Right to Stay Strategy would provide the opportunity to look at regional and local challenges with new lenses. It would facilitate the coordination of the efforts that the EU is currently putting in place in different areas.

We believe the “Right to Stay” Strategy to be fundamentally local: it depends on creating the conditions for people to live, work and thrive in their own communities. Growing territorial inequalities (depopulation, brain drain, unequal access to services, urban affordability), and the adverse effects of climate-related events are experienced locally and require place-based responses.

We believe the “Right to Stay” Strategy should:

- ✓ **Be designed with local governments** and their representatives
- ✓ **Strengthen multilevel governance** to move from consultation to co-creation of EU and national policies.
- ✓ **Offer a long-term, common vision** that supports local authorities in structuring and legitimising their local transformation agendas and mobilises them around shared objectives, contributing to a resilient, competitive, social and green Europe.
- ✓ **Ensure that EU programmes and initiatives are better aligned with local governments' needs**, improving the availability, efficiency and targeting of EU financial support instruments. To achieve this, [a territorial chapter](#) under the next MFF would ensure that EU legislation would be well implemented.
- ✓ **Fully recognise local energy efficiency, production, sharing efforts** as the way to progress EU and national targets, while boosting local economy of lagging regions.

To respond to the specific challenges raised in the call for evidence, Energy Cities had put together concrete proposals to develop the EU Right to Stay Strategy.

1. Ensure effective multilevel governance

To effectively tackle regional disparities and ensure that citizens can exercise their **right to stay**, the EU must move **beyond consultation toward genuine co-creation with local and regional authorities**. As highlighted in the initiative's political context, regions possess “extensive knowledge of the specific strengths and weaknesses of their territory,” making them indispensable partners in designing the place-based policies necessary to prevent the development trap.

Without strong **multilevel governance**, the EU risks increasing territorial imbalances rather than realising its growth potential. Therefore, the **Right to Stay Strategy** must be anchored in the principle of **active subsidiarity**, ensuring that local and regional authorities have not only a formal seat at the negotiation table, but they are involved in every step - from to design to implementation – in realising the reforms and investments required to help communities thrive.

Recommendations

- **Establish “implementation dialogues” for genuine multilevel partnership** that engage all levels of government and embed feedback from local and regional level throughout the legislative process to ensure more effective, grounded measures and avoid costly unintended consequences. Indeed, while the initiative emphasizes the need for a structured approach and coherence, we recommend establishing formal implementation dialogues (similar to those foreseen in EU Agenda for Cities) to ensure the 'Right to Stay' is effectively translated into local action.

For example, the Covenant of Mayors could act as an “implementation dialogue box” for the EU institutions, where cities and towns could take part in discussions around implementation challenges, and discuss solutions to make European policies a reality on the ground.

- **Encourage Member States to establish structured and permanent multilevel dialogues at national level** (already foreseen in EU legislation, such as in the Governance Regulation) to coordinate policy development, implementation and financing at the national level. These dialogues build trust, identify issues early, enable mid-course corrections, ensuring that EU initiatives deliver tangible results in every community and that relocating remains a choice rather than an obligation.

The LIFE NECPlatform project developed a [guide to set up such dialogues platform](#).

- **Encourage Member States to align their tools, programmes for the territorial transformation by having a coordination body between all different strategies**. These coordination bodies would ensure that national budget plans and reforms are coherent with the specific needs of regions facing stagnation, thereby enabling a structured approach to support local economies and essential services.

In France, the model of the Secretariat for the Ecological Planification, placed under the direction of the Prime Minister, has proved very useful to coordinate the different ministries and propose a territorialisation of objectives.

2. Strengthen local administrative capacity and skills

Local and regional authorities are the primary drivers of territorial cohesion and development, managing most public investments across the EU, promoting innovation, supporting sustainability and strengthening Europe's strategic autonomy. Their role in implementing cohesion policy and industrial development is crucial, ensuring that their citizens have a 'right to stay'.

However, a clear implementation gap exists: the ambition of these policies outpaces the **limited administrative capacity of the local administrations** tasked with delivering them. With limited human resources, local administrations struggle to absorb EU funds and deliver the complex projects required to revitalize their regions. According to [Energy Cities' study](#) on human capacity in local governments, an average of 214,000 full-time positions in local administration will be required annually from 2022–2030 to decarbonise building stock alone.

In its Climate City Contract as part of the EU Cities Mission, Dijon Metropole (France), evaluates to 21 FTE per year in the Municipality the workforce required to coordinate the climate action plan that includes biodiversity, Circular economy, Water and Waste as well.

Most European programmes and initiatives, except for the European City Facility and the European Investment Bank's ELENA programme, are unable to finance local and regional authorities' need for staff and skills for their ready-made projects and to guarantee them a medium- to long-term vision of the financing of these positions.

Recommendations:

- **The Commission should assess the workforce needs and cost-benefits of strengthening municipal staff** to meet the EU climate and competitiveness objectives in each Member State.
- **Include systematically the impact on local authorities in the impact assessment of EU legislation** (implementation feasibility and cost, required workforce and tools, impact on cohesion...), and adapt the regulations to the results of this assessment. This will ensure a more transparent, effective and informed policy making.
- **Support (the development of) local/regional energy and climate agencies** to fill the gap in local resources for small and medium-sized municipalities.
- **Simplify access to EU programmes for projects** already approved in Climate City Contracts (CCC) as part of the Mission Cities or Sustainable Energy and Climate Action Plans (SECAPs) as part of the Covenant of Mayors. This will help to lighten the workload for local authorities' project teams.
- **Scale up and replicate, at the regional or national level, successful programmes that enable staff recruitment for cities projects** like the ELENA programme of the EIB, or that support municipal staff technically, such as the European City Facility and the Energy Communities Facility. Energy Cities developed a [guide to set up your own facility](#).

3. Invest in local renewable energy projects

Prioritizing decentralized renewable energy production allows municipalities to retain capital within the community, directly addressing the stagnation of local economies and the risk of falling into a development trap. By keeping energy savings within the territory, households gain disposable income and small businesses secure a stable financial base, countering the vicious cycle of low growth and declining prosperity.

This approach fosters dynamic local economies, ensuring that the freedom to stay is underpinned by tangible economic resilience rather than abstract policy promises. It aligns with the need for constant investment in infrastructure that empowers citizens to contribute to, rather than flee from, their local markets.

In 2025, the municipality of Malaunay (FR) generated 223 MWh of solar electricity. Around 84% was directly consumed by municipal buildings through self-consumption and the collective sharing scheme. Solar power now covers 41% of the municipality's electricity needs. The town saves more than €51,000 every year thanks to its photovoltaic system. These savings help protect the municipal budget from unstable energy prices. The project has attracted new residents into community life, including people who had never previously been involved in local initiatives.

Recommendations:

- **Integrate energy communities into regional development funding frameworks:** Member States should better support energy communities by explicitly including them in European funding programmes for regional development, such as the **ERDF, Cohesion and Regional Development Funds, and the Community-Led Local Development (LEADER)** approach. These tools must be adapted through a **multi-level governance** lens, involving regional and local authorities, as well as existing national federations of energy communities, to co-design calls that are widely disseminated and tailored to the specific strengths and weaknesses of each territory.
- **Establish dedicated funding streams for community-owned renewable projects** that prioritize benefit-sharing of energy revenues, ensuring that the financial benefits of the green transition directly improve household purchasing power and local business stability in lagging regions.
- **Integrate local energy generation targets into national and regional cohesion strategies**, mandating that a percentage of public procurement and infrastructure investment in declining areas be sourced from decentralized, renewable sources to stimulate local supply chains and job creation.
- **Mainstream energy communities in local and regional renewable planning:** Include energy communities as a central component in the mapping and planning of renewable energy production technologies (heat and electricity) at the local and regional levels. This ensures that the transition to clean energy is not just a technical upgrade but a **place-based strategy** that empowers communities to shape their own energy future, aligning with the initiative's goal of mobilising reforms and investments to support local development.

- **Enhance grid transparency and coordination to lower barriers to entry:** Mandate coordination between distribution and transmission network operators to provide full transparency regarding **(i) available grid hosting capacities, (ii) application procedures (including timelines and costs), and (iii) maps showing RES potential and available space**. By making this data accessible at the local and regional level, municipalities and energy communities can efficiently match available space with community-led projects, removing administrative and technical barriers that often hinder the structured approach required to revitalize declining regions.

4. Ensure affordable housing options in all regions

Across Europe, local governments report that middle-income and vulnerable populations are being priced out of their cities. Measures to cope with speculation and provide more affordable and social housing are essential to ensure people's right to stay. Priority should be given to address challenges at the intersection between housing quality and energy poverty.

Deep renovation must be viewed not merely as an environmental measure, but as a social intervention that secures the physical and economic viability of the region. By targeting the worst-performing dwellings, municipalities can simultaneously reduce the burden of energy bills, improve health outcomes, and stabilize the local housing market, ensuring that vulnerable populations have the security needed to remain in their communities.

One-Stop-Shops can support municipalities in this, translating policies into tangible outcomes for citizens. We believe they should be established as essential public services for effective delivery. This ensures that the structured approach called for in the Right to Stay strategy is not just a policy concept but a functioning service that guides citizens through the entire journey of their projects —from initial audit to final monitoring. By concentrating technical expertise within these hubs, municipalities can overcome the fragmentation that often affects local energy transitions, ensuring that every resident, regardless of their technical knowledge, has a trusted partner to help them improve their life.

Energiehuis is a regional One-Stop Shop operating in the Province of Limburg in Belgium. It is an example of successful cooperation between the public and private sector. The Flemish government is politically and financially supporting the One-Stop Shop and providing bank loans to homeowners. In operation since 2009, employing 40 full-time equivalents, it allowed to achieve 1500 buildings renovation in 2023.

Recommendations:

- **Promote both the renovation of existing and the creation of new social and affordable housing,** including through rehabilitation and adaptive reuse of existing buildings, and support the development of affordable homeownership.
- **Propose a reform of State aid and service of general economic interest (SGEI) rules** to improve the financing of affordable and social housing, focused on supporting vulnerable and low-income groups.
- **Prioritize deep renovation for low-income households and energy-inefficient dwellings as a core component of the Right to Stay Strategy:** Focus resources on the most vulnerable segments of the population to tackle energy poverty directly, recognizing

that true affordability encompasses both the cost of acquiring or renting a home and the ongoing running costs. This approach ensures that the right to stay is not undermined by the inability to heat one's home, a situation currently affecting millions of Europeans.

- **Implement rigorous quality assurance and monitoring to guarantee high-performance renovations:** Ensure that all renovation projects, particularly those targeting energy poverty, adhere to strict quality standards to prevent the risks of poor workmanship that often deter investment. By guaranteeing that renovations deliver the promised energy savings and safety improvements, municipalities and OSS can build the confidence necessary for residents to commit to long-term improvements in their homes, thereby securing the economic and social fabric of the region.
- **Integrate OSS into the Right to Stay monitoring framework:** Require that OSS data on citizen inquiries, completed renovations, and energy savings and production be fed directly into regional monitoring systems. This creates a feedback loop that allows local authorities to identify emerging bottlenecks in real-time and adjust their support strategies, ensuring that the freedom to stay is continuously reinforced by responsive, data-driven public services.