# Annual report

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Covenant of Mayors - Europe

FOREWORD

EU citizens, supported by a growing number of mayors, are thriving for climate justice. The young generations in particular, are calling on the public authorities at all levels, to act now. The urgency of the crisis in Ukraine, and the consequences it will have on energy in Europe, must push us all the more to commit ourselves and to act. As part of the Covenant of Mayors movement, already more than 170 municipalities have endorsed the bold vision of a fairer, climate-neutral Europe by 2050. We have committed to embark everyone on this journey, and this is a challenge that requires all the good will at our disposal!

All cities and towns across Europe are now invited to join us in this endeavour, and commit to working with their local communities to increase their resilience to the effects of climate change and steer their transition to climate-neutrality.

We, local leaders, have a close relation with our fellow citizens, anchored into our shared daily challenges and concerns. We can, and we must! - help them taking part in the ecological transition of our urban and rural territories, while ensuring no-one is left behind.



Those are the aspirations behind the 2050 vision of the Covenant of Mayors in Europe. By working together, aware of both our commonalities and our own local peculiarities, we are making this movement of cities and towns a key driver of Europe's journey to climate neutrality and climate justice.

Belilde Eduadi

**Belinda Gottardi** is the Mayor of Castel-Maggiore in Italy. She is also a member of the Political Board of the Covenant of Mayors -Europe

## A year of milestone

#### New ambitions, Europe mayors act together for a fairer, climate-neutral Europe

2021 is a milestone for the European Covenant of Mayors, as signatory cities are stepping up their climate ambition to reach a common vision: "By 2050 we will all be living in decarbonised and resilient cities with access to affordable, secure and sustainable energy."

Building on a survey among local authorities and on the climate neutrality target of the European Union, these renewed ambitions reflect local leaders' commitment to a climate and energy transition that is fair, inclusive and respectful of us citizens of the world, and of our planet's resources. Beyond the objective of reaching climate neutrality by 2050, Covenant of Mayors signatories also commit to implementing adaptation to climate change measures and alleviate energy poverty through a just transition. They finally commit to engaging their citizens, businesses and local stakeholders in the transition, thus contributing to the European Climate Pact. The European Climate Pact is an EU-wide initiative inviting everyone to participate in climate action and build a greener Europe.

The renewed ambitions were officially launched during an online high-level event on 21 April. During this event, mayors and local leaders from the Covenant Political Board showed the way by endorsing this new vision and now invite all European local authorities to join the movement.

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The event also celebrated the official nomination of the European Committee of the Regions ambassadors of the Covenant of Mayors. The Committee of the Regions has been supporting the initiative since its creation in 2008, and the cooperation with the European Commission on the Covenant has been recently intensified. The Committee of the appointed Regions thus 27 members - one per Member State to become the national representatives within the Covenant of Mayors in Europe, endorsing and reinforcing the initiative in the EU Member States.

#### Map of 2050 signatories

# A year of milestone

#### The Covenant of Mayors – Europe at COP26

### Localizing the NDCs: how do we fund and implement action at scale?

This side event was co-organised by the Global Covenant of Mayors Secretariat and the Covenant of Mayors – Europe Office, who brought high-level experts together to reflect on how to fund and implement action at scale. During the session, the importance of localising Nationally-Determined Contributions was reiterated by speakers, who outlined the strategic importance, operability and local impact of going through such an exercise.

### Racing to 1.5°: Cities mainstreaming evidence-based climate and energy policies in Europe and the Mediterranean

The session brought together cities and experts from the Mediterranean region, and shed light on the actions taken, needs and aspirations of Mediterranean municipalities with respect to climate and energy policies that combat climate change. The discussion ultimately had a strong focus on evidence- and science-based policies. As a direct result of the event, participating organisations have continued to liaise with the hope of cooperating moving forward.



Paolo Micheli, Mayor of Segrate:

In coping with climate emergency, politics has been slow in providing answers. This should change as soon as possible. Policies at the local level are the answer to fight effectively. It is time to be bold!

### Harnessing collective initiatives to achieve Europe's 2050 climate neutrality goal

This side event, organised by the Covenant of Mayors – Europe, in cooperation with Climate Alliance and ICLEI Europe, explored how varied 'collective initiatives' help cities and local governments to meet climate neutrality. The session touched upon how cities can advance towards reaching climate neutrality via bold, bottom-up initiatives. Furthermore, the speakers discussed how vital it is to discuss and work on these actions collectively with peers – including via the Covenant of Mayors. Speakers spoke of their work in the fields of nature-based solutions, the Renovation Wave, sustainable just cities, and the 2050 vision of the Covenant of Mayors of a fairer, climate-neutral Europe. Throughout the session, speakers showcased how municipalities' commitments influence present and future citizen well-being, by forging fairer and more climate-resilient communities.

More info at www.eumayors.eu

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# Mitigating Dia



June 2021 marks the adoption of the European Union's very first climate law and enshrines into legislation the 2050 climate-neutrality objective of Europe. The climate law sets a binding target at the EU level to reduce net GHG emissions by at least 55% by 2030 compared to 1990 levels. Those two major milestones of Europe's climate and energy transition have been integrated in the new political commitment Mayors are invited to take as signatories of the Covenant of Mayors Europe.

On this basis, the European Commission released a comprehensive <u>legislative package</u> made up of 13 proposals in order to be "Fit for 55". As the catchphrase eloquently suggests, the aim is to align the current climate and energy policies with the new GHG reduction objective of 55%. Local authorities and communities are here featured as prominent actors.

In parallel, the European Commission also launched the <u>EU Mission for 100 climate-neutral</u> <u>and smart cities</u>. This ambitious initiative aims at delivering 100 climate-neutral and smart cities by 2030, by assigning research and innovation a leading role within new forms of governance and collaboration that actively engage with citizens. 100 great sources of inspiration for the thousands of signatories of the Covenant of Mayors to follow suit.

#### How we supported signatories







- Energy Sufficiency: How to shape sustainable behaviours
- Moving forward heating decarbonisation with the Helsinki Energy Challenge
- <u>GET READY FOR 2050: How to build effective</u> <u>collaboration processes</u>
- GET READY FOR 2050: How to successfully plan for the future
- GET READY FOR 2050: How to finance climate and energy plans
- Helsinki Energy Challenge: What alternatives to decarbonise heating systems?
- Climate assessment of local budgets: The case of Oslo, Paris & Strasbourg
- <u>Delivering on the Renovation Wave: Supporting</u> <u>Narratives & Financing</u>

# Adapting to **O** climate change

#### How we supported signatories



#### **Covenant Cities and Regions speeding up climate adaptation**

On 14 October 2021, we organised a session during the European Week of Regions and Cities. This participatory lab, moderated by Markku Markkula, Vice-President of the Committee of the Regions and chair of the Espoo City Board, was organised in two blocks. The first block featured a presentation of the EU context, namely the new <u>European adaptation strategy</u> and two examples from the Covenant of Mayors Community. The second block allowed participants to share and discuss their own challenges when implementing local adaptation plans, using an interactive board.

More info at www.eumayors.eu



- Adapting to climate change in European cities: Towards smarter, swifter & more systemic action
- Mannheim, Germany Mapping the urban climate to reduce the heat island effect
- Cascais, Portugal What a river restoration in Cascais can do: A greenway to adapt and thrive

Webinars

Covenant of Mayors Webinar: <u>Integrating nature in the built</u> <u>environment</u>



#### What happened in EU policy?

While the European Union has agreed to reach climate-neutrality by 2050, the objective has been integrated with the ambition to ensure a fair transition that would leave no one behind, particularly people and households heavily dependent on fossil fuels that are most vulnerable to the systemic change envisaged by the energy transition.

In December 2021, the European Commission published a <u>set of</u> <u>recommendations</u> to provide guidance in light of a fair and inclusive transition towards climate neutrality, aimed at complementing the Green Deal's legislative package presented earlier in July.

Financial support from the European Commission is foreseen through the Just <u>Transition Mechanism</u>, worth €55 billion over the period 2021-2027, to support the most affected regions and alleviate the socio-economic impact of the transition.

In concurrence with the revision of the EU Emissions Trading System (EU ETS), the Commission proposed to set up a <u>Social Climate Fund</u> in order to finance temporary direct income support for households exposed to energy poverty, while strengthening measures and investments that reduce emissions in road transport and building sectors, which in turn reduce costs for vulnerable households, small enterprises and transport users

Finally, the <u>Energy Poverty Advisory</u> Hub was inaugurated by the European Commission as the main platform of energy poverty expertise in Europe for local authorities and all stakeholders interested in taking action to tackle energy poverty in Europe.

#### How we supported signatories



Zagreb, Croatia - A multi-stakeholder partnership to eradicate energy poverty

## **Funding and financing**

#### What happened in EU policy?

The year 2021 has marked the launch of the calls for proposals of many EU funding programmes, and introduced many novelties in the available opportunities for cities and regions to finance their local climate and energy transition.

Among those, the launch of the new calls of the LIFE programme 2021 – 2027. The LIFE Regulation and Multi-Annual Work Programme 2021-2024 was adopted on 9 July 2021. The overall indicative amount devoted to grants for the period 2021-2024 is EUR 2.357,27 billion, out of which 97.65% is indicatively assigned to action grants and 2.35% to operating grants. Among the sub-programmes of interest for Covenant signatories: Climate Change Mitigation and Climate Change adaptation, Clean Energy Transition, and LIFE Disruptive PDA.

The new Horizon Europe programme was also launched in 2021, with a total budget of EUR 14.7 billion in funding for 2021 and 2022. The funds will support projects to develop solutions to reduce greenhouse gas emissions and to adapt to the changing climate. For example, activities will accelerate the transition towards clean energy and mobility in a sustainable and fair way, help adapt food systems and support the circular and bio-economy, maintain and enhance natural carbon sinks in ecosystems, and foster adaptation to climate change.

More info at www.eumayors.eu

Next to this, project development assistance facilities have been launched to help municipalities achieve their Covenant of Mayors Objectives, such as Prospect +, a peer learning programme for innovative financing of local energy projects, and the second and third calls of the European City Facility.



Two calls of the European City Facility (EUCF) were launched in 2021, respectively in March and October. The Facility provides technical and financial support (€60.000) to municipalities, local authorities, their groupings, and public entities aggregating authorities/municipalities, local for the development of investment concepts on sustainable energy projects. The next call for applications is foreseen for Spring 2022.



- The new LIFE programme and launch of the first calls
  - <u>EU and public backed investment platforms</u> for energy efficiency
- How to finance local climate and energy actions, what is missing?

### **Funding and financing**

#### How we supported signatories



#### Two masterclasses with the Smart Cities Marketplace

The Covenant of Mayors and the <u>Smart Cities Marketplace</u> share the common objectives to advise and support cities to access financing opportunities to ensure sustainable solutions for climate and energy actions. As a follow-up of <u>the joint</u> <u>webinar organised in January 2021</u>, interested Covenant signatories had the opportunity to attend a 2-day tailored training programme to help them shape their smart city projects. The objective of these masterclasses was to explore how to design a good smart city strategy that can sustain the work of the city beyond the first experiments and pilots and form the resilient backbone of future projects.

More info at www.eumayors.eu

#### **The Covenant of Mayors Investment Forum**

The 2021 <u>Covenant of Mayors Investment Forum - Energy Efficiency Finance</u> <u>Market Place</u> took place on the 15th and 16th of June. The event was jointly organised by the European Commission's Directorates-General for Energy and Climate Action, and the European Climate, Infrastructure and Environment Executive Agency (CINEA), in close collaboration with the Covenant of Mayors. <u>35</u> <u>project sessions</u>, looked at a multitude of innovative solutions from across Europe to boost large-scale investment in and financing for sustainable energy and climate adaptation. Most of the projects and solutions showcased have been supported by EU funding programmes such as Horizon 2020 and LIFE, or by the European Investment Bank and the European Bank for Reconstruction and Development.

More info at cinea.ec.europa.eu

#### **Covenant of Mayors Interactive funding guide**

Our interactive funding guide has been revised to reflect the changes into the EU Multi annual financial programme. Among the novelties: the EU Just Transition Fund, the Just Transition platform, the new LIFE technical assistance, the Innovation Fund, and Horizon Europe. Do browse our guide and find the right financing for your local projects!

Browse the funding guide here!

#### What happened in EU policy?

To help the EU reach its 2030 climate and energy targets, the Regulation on the Governance of the Energy Union has redefined how the EU and its Member States plan and deliver on the EU's energy and climate goals. It has also established a transparent governance mechanism that would ensure that the EU abides to the commitments taken within the framework of the Paris Agreement. By setting common rules for planning, reporting and monitoring.



In addition, the regulation also requires each Member State to establish a multilevel climate and energy dialogue pursuant to national rules, in which local authorities, civil society organisations, business community, investors and other relevant stakeholders as well as the general public are able actively to engage and discuss the different scenarios envisaged for energy and climate policies, including for the long term, and review progress. National Covenant of Mayors' Ambassadors are also established in each Member State to ensure national representation in terms of its governance.

Finally, <u>LIFE</u> also earmarked specific funding to support Member States "in fostering a multilevel dialogue to deliver the energy governance".

#### **Covenant leading by example**



The Region signed the Pact for Work and Climate with local authorities, trade unions, schools, universities, enterprises, environmental associations, the third and voluntary sectors actors, chambers of commerce and the banking industry, with the aim of decarbonizing the Region by 2050. The Pact addresses, among others, the development of regeneration processes and zero balance in land consumption. The regional legislation on land protection and use sets limits on soil consumption and sealing and provides the improvement of urban quality and the hydrological conservation of the soil for the urban regeneration of the territories.

#### **Covenant leading by example**



Interleuven (Belgium) has developed a digital renovation tool "Mijn Warm Huis". This tool aims to raise the interest of residents and give them an idea of the energy situation of their home in order to encourage them to undertake an energy renovation. In a simple way, residents can estimate the impact of different renovation measures in their home. The tool is a first step in the awareness raising process for retrofitting. At the moment 11 municipalities use this tool for their citizens. To learn more, <u>visit the project</u> <u>website</u>.



The National Fund for Environmental Protection and Water Management (Poland), thanks to the initiative "Miasto z Klimatem" ("City with Climate"), offers grants and advice on climate change adaptation and mitigation to the most ambitious and active municipalities in Poland. This is a competition for cities, which aims to promote modern and effective urban solutions to improve the quality of life of residents by protecting the climate or increasing the resilience of cities to the effects of climate change. To learn more, visit the website.



The Ministry of Environment of the Czech Republic (Czech Republic) has created the National Environmental Programme grant scheme, dedicated to supporting municipalities in developing their SECAPs since 2015, has been opened in 2021 to groups of municipalities to facilitate joint commitments within the Covenant. As a result, during the year 2021, >70 Czech municipalities have joined the Covenant of Mayors.

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#### How we supported signatories

#### Promotion and mainstreaming of the Covenant of Mayors in EU Members States

As part of the national approach of the Covenant of Mayors, the Covenant of Mayors Office maintains regular exchanges with national partners (national associations of local and regional governments, city networks, etc) to collect feedback about the needs of the Covenant community in the country as well as the challenges faced by local government to EU reach its 2030 and 2050 climate and energy targets.

This allows the Covenant of Mayors to offer tailored support to signatories in different countries, encouraging local governments of all sizes to join the movement and take local action towards climate neutrality, increasing the visibility of the initiative while strengthening the capacities of local governments in the fields of mitigation, adaptation, alleviating energy poverty as well as access to funding.



#### National and regional Covenant Communities meetings

- The new Covenant of Mayors for a fairer, climateneutral Europe: Dialogue with Swedish stakeholders, 31/03/2021, Sweden
- The Covenant reporting in the French context, 27/09/2021, France
- Covenant Supporters meeting, 20/10/2021, Italy
- Covenant Coordinators meeting, 17/11/2021, Italy
- Covenant of Mayors Europe Ceremony, 07/10/2021



- Covenant of Mayors: Support towards climate neutrality, 25/03/2021, Romania
- "Y(OUR) EARTH: THE COVENANT OF MAYORS FOR A FAIRER, CLIMATE-NEUTRAL EUROPE", 12/05/2021, Latvia



### Standard presentations at national level

- SASEC annual conference, 23/02/2021
- Presentation of the new CoM 2.0 "Quel dispositif européen pour la rénovation thermique des bâtiments pour aider les communes à en saisir les opportunités?", 26/02/2021, France
- Presentation to Local Authorities from Region Paysde-la-Loire, 04/03/2021, France
- Presentation to Brussels Representations of FR Regions, 11/03/2021, France
- Presentation the CoM and financing opportunities for municipalities, 18/03/2021, Asturias, Spain
- Presentation The new Covenant of Mayors for a fairer, climate-neutral Europe, EU Climate Pact and Green City Accord, 19/05/2021, France
- Presentation to the Union of Towns and Cities, 25/05/2021, Czech Republic
- Presentation at Gabrovo's Green Leaf conference, 24/06/2021, Bulgaria
- Presentation at FLAME Fédération des agences locales de l'énergie et du climat, 25/11/2021, France

#### How we supported signatories



#### National capacity building workshops

- Energy Efficiency of the Regions 2021, 18/02/2021 & 26/02/2021, Bulgaria
- Presentation and exchange on energy communities, energy audits and financial support, Czech Republic, 10/06/2021
- Can citizens accelerate the energy transition of cities? 22/09/2021, Croatia
- Convocazione sostenitori del Patto dei Sindaci webinar, 20/10/2021, Italy
- La seconda fase del Patto dei Sindaci: Una struttura multilivello per la transizione ecologica locale, Italy, 17/11/2021



The Covenant Community: A trailblazer for the green transition: At the occasion of the European Week of Regions and Cities 2021, the Covenant of Mayors Europe Office and the European Committee of the Regions (CoR) organised the workshop The Covenant Community: A trailblazer for the green transition on 13 October 2021. The event was the moment to bring together the Covenant community of Coordinators, Supporters and National Ambassadors. It demonstrated how the Covenant of Mayors' multi-level governance model works in practice to accelerate the green transition. The event highlighted concrete examples from the Covenant community on mitigation, adaptation and energy poverty.



Multi-Level Governance in (Climate) Action – Co-creating policy solutions to tackle climate change, Covenant of Mayors - Europe Office, 2021, English

# **Peer-learning**

#### **Covenant of Mayors' Peer-learning programme**

The Covenant of Mayors has supported *four tailored programmes* targeting those at various stages of the climate adaptation and mitigation journey: *twinning, expert mission, peer review, and technical assistance*. Each programme offers exchanges that aim to increase participants' capacity to mitigate and adapt to climate change, to develop and implement ambitious long-term strategies as well as to address energy poverty. Each programme offers something unique.

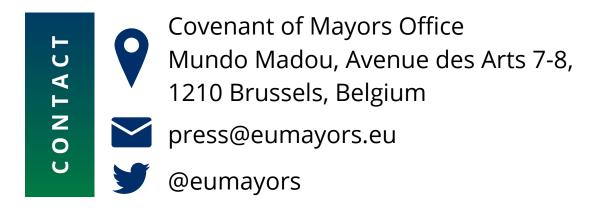
In 2021, the Covenant Office supported 45 cities, 6 coordinators, and 4 energy agencies, connecting with each other to improve their capacities to design and implement their local action plans.



#### Knowledge sharing and peer-learning events

- <u>Technical Assistance</u>
- <u>Twinned cities Brasov, Dresden and Bucharest exchange on air quality,</u> <u>sustainable mobility, and energy</u>
- <u>Twinned cities Prague, Karsiyaka & Bucharest exchange on energy and</u> <u>adaptation plans & projects</u>
- <u>Cities Essen and Gothenburg explore how to move towards developing a</u> <u>Climate Pact</u>
- <u>CoM Expert Mission: Sunderland, Vitoria-Gasteiz and Parma</u>
- Peer-learning expert mission: Tearing up pavements in Milan, going digital in Helsinki
- Peer-learning expert mission and energy: communities in Piemonte, good practices in Alicante
- Peer-learning exepert mission: energy agencies' good practices

#### Join the Covenant of Mayors movement!



#### www.eumayors.eu

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