



**European Committee
of the Regions**

**Commission for
the Environment,
Climate Change and Energy**

ENVE

The role of local and regional authorities in National Energy and Climate Plans taking into account the recommendations by the European Commission



© European Union, 2019

Partial reproduction is permitted, provided that the source is explicitly mentioned.

More information on the European Union and the Committee of the Regions is available online at <http://www.europa.eu> and <http://www.cor.europa.eu> respectively.

Catalogue number: QG-02-19-768-EN-N; ISBN: 978-92-895-1027-1; doi:10.2863/458721

This report was written by Mariya Gancheva, Argyro Kepesidi and Sarah O'Brien (Milieu Consulting SPRL., Belgium).

It does not represent the official views of the European Committee of the Regions.

Table of contents

- Summary.....1**
- Introduction.....3**
- 1 Main topics of local and regional relevance in National Climate and Energy Plans.....5**
- 2 Involvement of local and regional authorities9**
- 3 European Commission recommendations13**
- 4 Potential role of the European Committee of the Regions.....19**
- 5 Recommendations and best practices.....23**
 - 1.1 Regional and local dimensions of NECPs..... 23
 - 1.2 Involvement of LRAs in the NECP process..... 25
 - 1.3 Role of the European Committee of the Regions..... 26
- Annex 1: List of references29**

List of tables

Table 1 Most common Commission recommendations on the draft NECPs	13
---	----

List of figures

Figure 1 Commission recommendations on a stronger presence of RES in the energy mix by number of NECPs	16
Figure 2 Commission recommendations for increased ambition of GHG reduction measures by number of NECPs	17

List of abbreviations

CHP	Combined Heat and Power
COP	Conference of the Parties
CoR	European Committee of the Regions
GHG	Greenhouse Gas
ILO	International Labour Organization
LDC	Locally Determined Contribution
LRAs	Local and Regional Authorities
LULUCF	Land Use, Land Use Change and Forestry
NECP	National Energy and Climate Plan
NDC	Nationally Determined Contribution
RES	Renewable Energy Sources
UNFCCC	United Nations Framework Convention on Climate Change

Summary

The Regulation on the governance of the energy union and climate action (Regulation 2018/1999) requires Member States to submit National Energy and Climate Plans (NECPs) that cover the five dimensions of the energy union and set goals for the 2021-2030 period in support of the EU climate and energy priorities and international commitments under the Paris Agreement. In June 2019, the Commission provided feedback to Member States on their NECPs. Member States now have until the end of 2019 to finalise their plans, taking into account the Commission's country-specific recommendations. Considering the important role of Local and Regional Authorities (LRAs) in addressing climate change in their communities, this study examines the areas of NECPs that are relevant to LRAs, the involvement of LRAs in the NECP process and the potential role for the European Committee of the Regions (CoR) in this process.

Key topics covered by NECPs of relevance to LRAs include the generation of renewable energy, the development of local energy communities and addressing energy poverty. Similarly, many of the issues where the Commission provided recommendations to Member States had a strong local or regional dimension, including on the need to improve energy efficiency, increase the share of renewable energy, enable the existence of local energy communities and ensure a just transition to a low-carbon economy. As important planning documents, the NECPs were subject to stakeholder consultations in most of the Member States, however, the involvement of the LRAs in that process varied greatly across countries.

Therefore, to ensure the local and regional dimensions of climate and energy policies are adequately reflected in the NECPs, Member States should:

- Consider local energy communities and the role of LRAs in renewable energy generation when addressing the Commission's recommendations on strengthening the renewable energy measures in NECPs.
- Ensure LRAs are supported in improving energy efficiency and tackling energy poverty through relevant measures in the final NECPs.
- Ensure local and regional dimensions are addressed in a just transition enshrined by the final NECPs.
- Involve LRAs in the NECPs process through:
 - Targeted and regular consultations in multilevel climate and energy dialogues;
 - Promoting the development of local targets and building upon local plans;
 - Facilitating information exchange.

These actions could be reinforced by the CoR, which could: take on a formal role in the review of the NECPs and their implementation; organise regular meetings on the NECP process; and facilitate information exchange through other events and initiatives.

Introduction

The Regulation on the governance of the energy union and climate action (the Governance Regulation)¹ entered into force in 2018 with the goal of creating a system of energy and climate governance that would implement strategies and measures designed to meet the objectives and targets of the European Union in accordance with the Paris Agreement, improve the cooperation between the Member States and enhance transparency and certainty². As part of that effort, Member States are now required to submit National Energy and Climate Plans (NECPs) that cover the five dimensions of the energy union³ and set goals for the 2021-2030 period. After reviewing the draft plans submitted in 2018, the European Commission provided country-specific recommendations to ensure the coherence of EU and Member State climate and energy policy efforts. Member States are obliged to take the recommendations into account in the revision of the plans and submit the final versions by 31 December 2019.

Given their proximity to local communities and their involvement in a broad range of areas that impact, or are impacted by, climate and energy policy, local and regional authorities (LRAs) can play a pivotal role in the drafting of NECPs and assist further in the implementation of measures and public engagement in matters of energy and climate transition. This report aims to support the European Committee of the Regions (CoR) in the drafting of its Opinion on the NECPs⁴ by highlighting the potential of LRAs to contribute to climate change efforts through the NECP process. More specifically:

- **Section 1** aims to highlight the main topics in the NECPs where regional relevance has been identified;
- **Section 2** provides an overview on the level and the ways the LRAs have been involved so far in the drafting of the NECPs;
- **Section 3** comments on the potential ramifications of the European Commission's recommendations at the regional and local levels;
- **Section 4** explores the role of the CoR in the multilevel climate and energy dialogue mechanisms and the drafting of NECPs; and
- **Section 5** provides recommendations and best practices on engaging LRAs in climate and energy policy in general and the NECP process specifically.

¹ Regulation 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action.

² COM(2019) 285 final, United in delivering the Energy Union and Climate Action - Setting the foundations for a successful clean energy transition.

³ Namely energy security, internal energy market, energy efficiency, decarbonisation and research, innovation and competitiveness.

⁴ COR 2019/00618, Draft opinion Implementing the Clean Energy Package: the NECPs as a tool for local and territorial governance approach to climate, active and passive energy.

1 Main topics of local and regional relevance in National Climate and Energy Plans

This section reviews Member States' draft NECPs to consider which topics in the plans are relevant at the local and regional level. The draft NECPs⁵ of France, Germany, Italy, Spain and Poland were selected to be reviewed, based on the size of the Member States, their strong regional dimension and the diversity of climate and energy policy issues that might arise.

The reviewed NECPs varied in the level of detail concerning the role of LRAs in the measures outlined, with most NECPs making limited specific reference to the local or regional dimension. In the Spanish NECP, for instance, each measure specifies the authorities responsible for implementation from a national, regional and local point of view. In the other NECPs reviewed, this is often not the case.

Decentralised renewable energy and local energy communities

All the reviewed NECPs expressed support for energy self-production and consumption (sometimes referred to as 'prosumption') and the creation and development of local energy communities, as well as the development of renewable energy production in general. LRAs are well positioned to assist such measures by developing the necessary infrastructure and by removing regulatory and administrative barriers.

A common feature in all the analysed NECPs was the goal to promote self-production and self-consumption at the regional or local level. Many jurisdictions are promoting participatory investment in energy production projects by citizens and local authorities. These efforts include measures such as a minimum percentage of investment in renewable projects to be open to people and organisations of the municipality or the local area where the project is located, or to provide local opportunities for direct participation in projects⁶.

The need to construct a more simplified administrative procedure for the establishment of energy communities was highlighted throughout all the NECPs. National governments are also establishing collaborative approaches that would allow the transfer of knowledge and best practices between LRAs. For example, Spain has established a roundtable with the Autonomous Communities to exchange good practices for simplifying administrative procedures. Poland is

⁵ European Commission, 2019, National Energy and Climate Plans (NECPs) website: <https://ec.europa.eu/energy/en/topics/energy-strategy-and-energy-union/governance-energy-union/national-energy-climate-plans>

⁶ This is the case in Spain, for example

aiming to establish 300 energy sustainable areas at local level by 2030, and has included this objective in national sustainable development and energy policy documents, proposing grants and financial instruments to support the areas.

Finally, the NECPs propose supporting renewable energy sources (RES) through better coordination at the regional and local level and measures to improve the infrastructure and legal frameworks. These include measures on issues such as adapting electricity transmission and distribution systems to accommodate new sources of renewable energy (Spain) and the integration of local renewable energy projects into urban planning instruments (Spain).

Energy efficiency

Energy efficiency measures for buildings feature prominently in the NECPs and are of particular relevance to LRAs given their urban planning competences, as well as the fact that they own a significant share of the existing building stock themselves. The position of LRAs allows them to set and implement higher standards in new and existing buildings in the residential/services sector as well as to promote better efficiency at the residential equipment sector. The need to cooperate and coordinate between the national, regional and local levels to implement those changes has been highlighted extensively in many NECPs and several initiatives to that end have been launched⁷. Furthermore, there is a particular focus in the NECPs on district heating and cooling and the need to increase the share of renewables into that mix, while Germany is considering aspects of sectoral coupling that can be applied at a regional and local level.

Sustainable and clean mobility

Sustainable mobility was a key topic of local and regional relevance in NECPs. Increasing electrification of transport, the use of alternative fuels, optimising transport systems and co-benefits in terms of air quality were common themes in all the NECPs reviewed. Many of these measures mainly concern urban areas, and therefore LRAs will often be instrumental in their implementation. Specific focus was given to the establishment of Low Emission Zones, the improvement of public transport and the promotion of shared mobility. In France for example, there is an obligation for mandatory Sustainable Urban Mobility Plans for certain municipalities, while Spain will be imposing from 2023 onwards an obligatory limited access of high-emitting vehicles in certain zones. Often these measures are focused on meeting air quality, rather than climate, objectives. Nonetheless,

⁷ For example, in Germany, annual plenary meetings and workshops, mentoring programs and meetings for the exchange of best practices are organised, while the establishment of regional centres of competence is also supported. Italy is also improving energy efficiency instruments to avoid the overlapping of competences and to enhance the support of initiatives on a central and local level.

they can have meaningful co-benefits in terms of greenhouse gas (GHG) emission reductions.

In all cases, the NECPs underlined the need to renew both public and private vehicle fleets in favour of electric/hybrid vehicles, paired with the development of the necessary infrastructure for electrification and/or alternative fuels. A common point was also the need for better coordination between local authorities on intercity and regional transport between cities, and for better management of the vehicle fleets⁸, while France is also considering the promotion of alternative means of transport (such as cycling) to reduce the environmental footprint of the passengers.

Energy poverty

In all of the NECPs reviewed, the concept of affordability of energy and access of all to energy is a priority. LRAs can be crucial partners in energy poverty reduction measures given their proximity to and knowledge of local needs. In many cases, energy poverty measures focus on setting up self-production and consumption systems to assist with the generation of energy⁹. In other cases, the focus is on increasing the efficiency of either buildings, vehicles or district heating and cooling systems in a region¹⁰.

Waste management

Waste collection and management is inherently a local competence. To that end many of the NECPs include measures on improved sorting and collecting of municipal waste¹¹ and are implementing fiscal measures to discourage landfilling and incineration of waste without energy generation¹².

Climate adaptation

Climate adaptation measures necessarily vary according to the local context therefore rendering the involvement of LRAs pivotal. In most of the reviewed NECPs, the national climate adaptation plans have been established after consultation with the LRAs and create coordination channels between the national, regional and local levels. In other instances, the competences of the LRAs extend beyond the creation of the climate adaptation plans. In the case of Poland, for example, LRAs are responsible for the creation of monitoring and

⁸ Common points found in the NECPs in Poland, Spain and France.

⁹ In Italy and Spain for example.

¹⁰ This is the case in Italy, Poland and France.

¹¹ This is the case in France, Italy and Spain.

¹² For example, France and Italy.

warning systems against extreme weather impacts, while in France measures are taken locally to increase resilience to forest fires.

2 Involvement of local and regional authorities

This chapter examines how Member States involve local and regional authorities in the development of NECPs, based on a review of all draft NECPs. The level and the means of involvement of the LRAs in the drafting of the NECPs varied significantly from one Member State to the other. This can be attributed to differences in the legal framework and administrative arrangements of the Member States, as well as to historical differences in the role of multi-level governance within each State.

Member State approaches range from little or no involvement of LRAs towards more active participation of LRAs in the preparation of the draft NECPs. The use of one method of engagement does not exclude the use of others: often Member States used multiple approaches to engage with stakeholders such as LRAs throughout the NECP process.

No involvement (yet)

In some Member States, LRAs have not been involved in the drafting of the NECPs. Some of the Member States – notably Bulgaria, Czechia, Italy, Poland and Portugal – are aiming to involve the LRAs at a later stage through a public consultation process before the final versions of the NECPs are produced. Romania has already given the opportunity for LRAs to participate in the drafting of the NECP by providing written comments, yet according to the NECP no input was received. The NECP of Slovenia does not mention any inclusion of the LRAs in the drafting process altogether.

Traditional stakeholder consultation

The vast majority of Member States have chosen to involve the LRAs in the drafting of the NECPs through the more ‘traditional’ form of public consultation, through written comments or online questionnaire. In most cases – Belgium, Germany, Hungary, Luxembourg, Malta, Sweden and Slovakia – the consultation process is designed so that multiple interest groups (including professional associations, NGOs and the general public) are able to express their position on the NECPs through the same process (usually online open public consultations). In other Member States (Austria, Cyprus and Lithuania), LRAs have been consulted separately from other interest groups.

Organisation of events (workshops, seminars, roundtables)

In preparation of the NECPs, several Member States organised events to engage LRAs in a dialogue on specific aspects of the NECPs. In Austria, roundtable events were organised specifically for the mobility sector, where all nine provinces and the Association of Towns and Municipalities were invited. The Croatian Government organised a consultative workshop for interested stakeholders, while Greece organised a workshop specifically addressing the regional dimension of NECPs and obstacles and challenges for its implementation.

In many cases, national authorities drew on previous or ongoing consultation events to inform their NECPs. In Finland, several consultations, workshops and expert seminars relating to the National Energy and Climate Strategy were organised since 2016. Luxembourg has organised multiple events since 2015 in an attempt to promote sustainable development and to identify social innovation for curbing climate change. Since October 2012, Estonia has been working with stakeholders, including regional authorities, on climate policy through the framework of the Estonian Sustainable Development Plan.

Collaborative platforms

In some Member States, a dialogue between national, local and regional authorities has been ongoing for some years through collaborative platforms or committees. The national authorities drew on these consultative arrangements during the preparation of the NECPs.

For instance, in Germany, the Federal Government and the federal states work on a regular basis together through the organisation of biannual meetings where issues of enforcement and energy transition strategy are discussed, and new goals are identified. In France, the NECP is based on two national planning documents: the Multiannual Energy Plan (Programmation Pluriannuelle de l'Énergie,) and the National Low-Carbon Strategy (Stratégie Nationale Bas-Carbone). Each project has a standing committee, which includes regional authorities and oversees the project's implementation. These committees were involved in the preparation of the NECP, while several workshops and events were organised for other interested stakeholders.

In Denmark, two organisations called 'Local government Denmark' and 'Danish Regions', representing the local and regional authorities respectively, regularly participated in the consultation processes for the drafting of the Danish NECP. Luxembourg set up a platform called 'Energy Future of Luxembourg' to allow for the participation of a wide range of stakeholders in the discussion around energy

transition in Luxembourg. The results of the platform discussions have been taken into consideration in the draft NECP. Finally, the Netherlands has launched an Inter-Administrative Program (Interbestuurlijk Programma), through which both the central government and the regions have committed to climate mitigation and reduction of emissions.

Regional plans and strategies

Certain LRAs have been very active in the drafting of the NECPs and have developed their own regional action plans to contribute to the national strategies. In other Member States there was strong central coordination and support for LRAs to enable local and/or regional climate and energy planning. In Ireland, the Irish government has provided EUR 10 million in funding for the establishment of four Climate Action Regional Offices to support the 31 local authorities in developing their own Regional Spatial and Economic Strategies, which address a broad range of issues, including climate and energy as well as related topics such as transport, waste management, environment and sustainable development.

In order to achieve the goals of its NECP, Latvia is implementing the ‘*Putting Regions on Track for Carbon Neutrality by 2050*’ (C-TRACK-50) project, which aims to promote cross-sectoral cooperation between the central government and local regulatory bodies in order to achieve the goal of becoming carbon neutral by 2050.

Finally, in the Netherlands, the national approach on achieving the climate goals as set out in the NECP, will be based on the Regional Energy Strategies which are to be prepared each year by the Regional Authorities. These Strategies will reinforce the connection between public authorities and regional social partners (such as citizens, businesses, green parties, network managers) and will promote the energy transition.

3 European Commission recommendations

In June 2019, the European Commission published its assessment of all 28 draft NECPs as a whole and looked at their aggregated contribution towards the goal of climate neutrality¹³. Furthermore, specific recommendations were issued on each of the draft NECPs to provide country-specific guidance for the further development of each of the national plans¹⁴. This section reviews these recommendations to draw out the themes of most relevance to the local and regional dimension.

These recommendations do not specifically focus on or refer to the role of LRAs in contributing to the development or implementation of the Plans. Nonetheless, themes with a strong local or regional dimension tended to recur in the Commission's recommendations across Member States. In such cases, Member States should consider how to work with LRAs to improve the NECPs and, more broadly, achieve the goals they set out. The following table provides an overview of the key themes in the Commission recommendations, and is followed by a discussion on how LRAs can contribute to strengthening the NECPs for each of these themes.

Table 1 Most common Commission recommendations on the draft NECPs

Commission recommendation	Member States (EU28)
Improvement of energy efficiency	28
Mainstreaming climate and energy into research and innovation	28
Just transition	28
Links between air quality and climate policy	25
Battle against energy poverty	23
Identification of investment sources	20
Diversification of energy resources	20
Stronger presence of RES in the energy mix	17
Further reduction of GHG emissions	7

Improvement of energy efficiency

The need to improve energy efficiency was a common factor in the Commission's recommendations for all Member States, connected to either the primary and/or secondary consumption of energy¹⁵. LRAs can identify and address the local and regional weaknesses of excessive energy consumption and raise awareness among

¹³ COM(2019) 285 final.

¹⁴ European Commission, 2019, National Energy and Climate Plans (NECPs) website: <https://ec.europa.eu/energy/en/topics/energy-strategy-and-energy-union/governance-energy-union/national-energy-climate-plans>

¹⁵ The term 'primary consumption' relates to the consumption of resources extracted and captured directly from natural resources (such as crude oil, natural gas and coal) while secondary energy products refer to energy products that is a result of a transformation process (such is mostly the case of electricity) (source: <https://ec.europa.eu/eurostat/cache/infographs/energy/bloc-3a.html>).

the population regarding the impact of consumer habits to energy efficiency. They can also strengthen their own energy efficiency efforts in buildings, vehicles and other capital assets belonging to the regions or the municipalities

Mainstreaming climate and energy into research and innovation

The Commission has called for a clearer mainstreaming of national climate and energy objectives into funding for research, innovation and competitiveness. LRAs can support and participate in research and innovation initiatives, for example, through regional hubs focused on climate change. LRAs could also assist the development of relevant research projects by designating spaces in their local and regional development plans for research facilities and hubs.

Just transition

According to the Commission's recommendations, most draft NECPs could give better consideration to ensuring a just and fair transition to a low-carbon economy, by considering the social, employment and skills impacts of the planned objectives and measures. This is one area where LRAs may have a significant role. Transitioning away from fossil fuels is expected to affect certain regions more than others. Social programs of financial and social support can be organised locally, while communities might want to invest in reskilling programs.

Links between air quality and climate policy

For the NECPs of 25 Member States, the Commission recommends a stronger analysis of the interactions between the climate measures outlined in the plan and air quality. There are strong interactions between climate and air quality policies. Ambient air pollutants and GHG are often emitted from the same sources (e.g. transport, industry, energy, agriculture); policies that seek to reduce GHG emissions can also reduce emissions of ambient air pollutants from these sources. However, when climate policy measures are poorly designed, there is a risk that they will have negative impacts on air quality. For example, measures that encourage increased diesel vehicle transport may reduce GHG emissions but can negatively impact urban air quality; policies that rely heavily on carbon removals or offsetting may lead to missed opportunities to improve air quality. In addition to risks of unintended negative consequences of climate measures, climate change itself can also drive or worsen the impacts of air pollution, making the successful implementation of climate policy a key factor in air quality policy.

A large share of responsibility for air quality policy often falls on local authorities, for example, municipalities are often responsible for drafting and implementing

air quality plans under the Ambient Air Quality Directive¹⁶. For such authorities, it will be important to ensure that the design and implementation of climate measures are in line with local air quality objectives. If Member States provide improved information in their plans about the interactions between climate measures and air quality in line with the Commission's recommendations, this information will help local and regional authorities in monitoring the impacts of climate measures on air quality.

Battle against energy poverty

According to the Commission's recommendations, many draft NECPs could further develop the approach to address energy poverty issues, such as specifying objectives and intended impacts of planned policies and measures. Energy poverty often has a local dimension, especially in remote regions that are not well integrated with the main power grid or transport infrastructure. LRAs could assist in addressing this issue by supporting measures to improve local infrastructure or the storage capacity of their region.

Energy poverty impacts lower income households, which are affected disproportionately by the rise of energy prices. This can be exacerbated by some climate policy measures that can lead to energy price increases. In such cases, local authorities can be a valuable partner in measures to address energy poverty. Local authorities can help develop measures adapted to local needs, such as supporting energy efficiency improvements in low-income households, providing information to households, and financial support to vulnerable groups.

Identification of investment sources

A repeating comment of the Commission related to the lack of clarity on the financial resources available for energy and climate projects. LRAs can be a useful dissemination and contact point for stakeholders seeking information on the investment sources that might be available at European, national and regional level. These efforts could seek to further disseminate the information on climate finance already available from the Covenant of Mayors and the CoR.

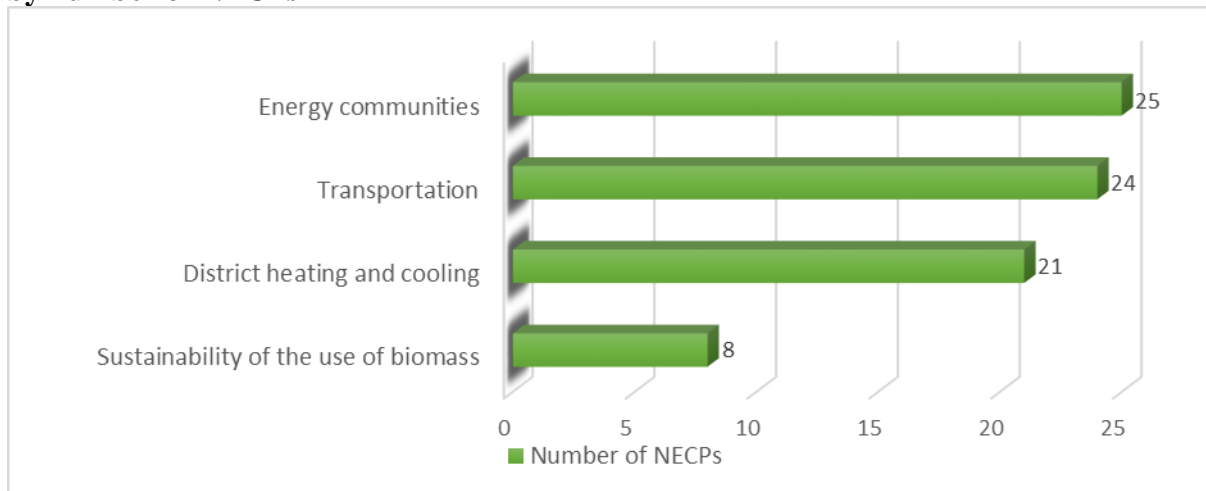
Increasing the presence of RES in the energy mix and diversifying the energy sources

Those two recommendations of the Commission are grouped together as increasing the presence of renewables in the energy mix is one of the main

¹⁶ Directive 2008/50/EC of the European Parliament and of the Council of 21 May 2008 on ambient air quality and cleaner air for Europe.

strategies for achieving diversification of supply both at national or regional level.

Figure 1 Commission recommendations on a stronger presence of RES in the energy mix by number of NECPs



Source: Own analysis of the Commission's recommendations.

As is clear in the figure above, a recurring recommendation of the Commission focuses on the facilitation of establishing energy communities at a local or regional level. LRAs could explore the possibilities to reinforce energy production based on the unique characteristics of their own region (such as for example blue energy (wave/tidal/offshore) for coastal regions, hydraulic energy for regions near rivers and lakes and wind power for locations free of local obstructions to the wind). LRAs could also reduce the administrative burden of such initiatives and remove regulatory barriers in local or regional legislation to such projects. They could furthermore directly participate in local energy generation projects.

In the transportation sector, LRAs could promote eco-friendly initiatives by structuring differently the local transportation network, introducing the use of electricity in public transport and considering investments in renewably powered transportation methods.

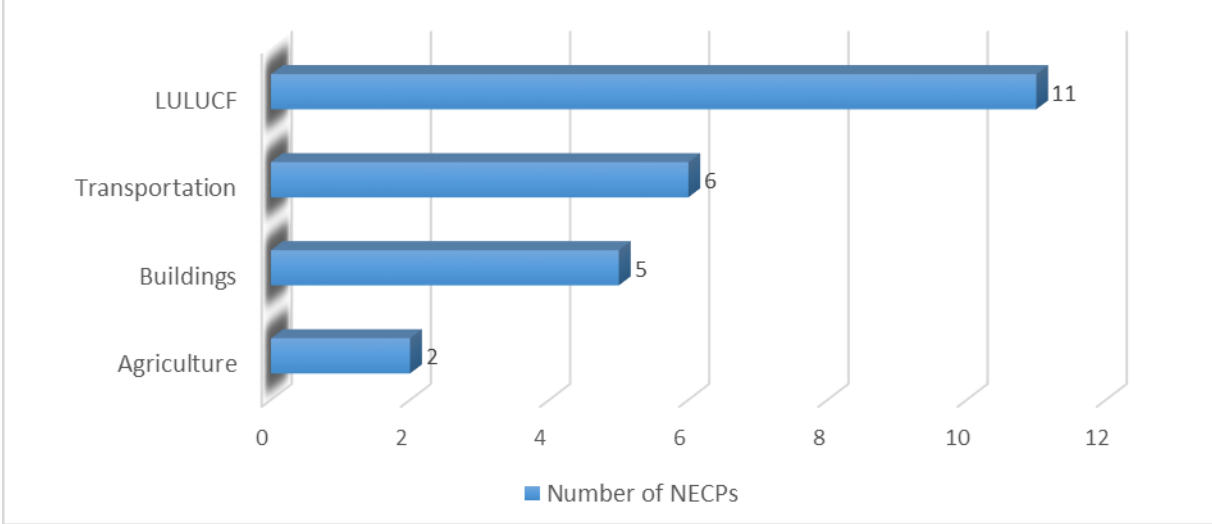
LRAs in heavily industrialised regions could consider the introduction of Combined Heat and Power (CHP) stations. Where district heating and/or cooling systems are in place, authorities could seek to increase the share of RES in these systems. Finally, the LRAs in rural regions could explore opportunities to develop capacity in the production of bioenergy/biofuels.

Further reduction of GHG emissions

Finally, in many Member States, the draft NECPs were found not to meet the necessary ambition to reduce GHG emissions in line with the EU's targets. The

Commission’s recommendations pointed mostly to four sectors where improvement could be achieved: Land Use, Land Use Change and Forestry (LULUCF), transportation, buildings, and agriculture.

Figure 2 Commission recommendations for increased ambition of GHG reduction measures by number of NECPs



Source: Own analysis of the Commission’s recommendations.

LRAs can support the main drivers and enabling conditions for low carbon transition (especially relating to policies in the LULUCF, transport and building sectors) through their competences relating to territorial and urban planning, while they could also organise or support targeted actions on reforestation.

They could also promote the shift to low-emission transport modes (such as walking, cycling, public transport and transport sharing) through awareness-raising campaigns targeting citizens, supported by investment in the relevant infrastructure. Furthermore, investing in smart digital infrastructure to manage traffic circulation could reduce emissions connected to traffic congestion¹⁷.

LRAs could encourage the construction of zero emission buildings and the renovation of existing ones, through the raising of awareness but also through green procurement policies. In agriculture, the smaller size of a region or a municipality could allow the testing of new pilot projects and the testing of new practices¹⁸.

¹⁷ Gancheva, M. et al. 2019, Contribution of EU local and regional authorities to a successful implementation of the EU Long Term Strategy.

¹⁸ Ibid.

4 Potential role of the European Committee of the Regions

This section explores the potential role of the European Committee of the Regions in the development of NECPs. Even though the NECPs are national-level planning tools, the input of relevant stakeholders is expected as part of public consultations. In addition, Article 11 of the Governance Regulation specifies that Member States ‘*shall establish a multilevel climate and energy dialogue*’ that includes local authorities, business representatives, civil society and other relevant stakeholders. The potential of multilevel climate and energy dialogues has been welcomed and EU-level stakeholders such as the CoR, the Covenant of Mayors and Energy Cities have called for Member States to create permanent platforms for these dialogues. They have highlighted the important benefit a permanent and regular dialogue can bring: continuous political support for climate and energy policies; feedback mechanisms especially concerning any unexpected consequences of the energy transition; a sense of ownership and shared responsibility by involving all parties concerned by the transition; and better implementation of the NECPs¹⁹.

Establishing regular multilevel climate and energy dialogues would be useful both at Member State level (where the focus would be the national plans and policies) and EU level (where the focus could be rather on sharing lessons learnt and best practices). The CoR could have a formal role in an EU-level multilevel dialogue; the rest of this section explores specific forms this role could take.

Organisation of regular meetings

The Committee is well placed to connect different stakeholders for the multilevel dialogues. Therefore, a possible role could be to organise formal and regular meetings (e.g. on an annual basis) to discuss the role of LRAs in the preparation and later implementation of the NECPs. In June 2019, the CoR organized the event ‘*EU Regions for Multilevel Climate and Energy Dialogue*’ aiming to gather and share experiences on multilevel climate governance from the Covenant of Mayors. Furthermore, informal meetings between the CoR and permanent representatives from the Member States also took place in order to discuss different approaches for LRAs involvement in the NECPs. Formalising these meetings and ensuring they take place on a regular basis could be an opportunity for the CoR to bring together representatives of LRAs, Member States and other

¹⁹ European Covenant of Mayors, 2018, Open letter to European Energy Ministers to revise the Energy Union Governance Regulation incorporating the needs of local and regional governments; Energy Cities, 2018, The case for a permanent climate and energy dialogue with cities; Carbon Market Watch, 2018, National energy and climate plans and the transition to carbon-free societies.

EU stakeholders and ensure different national or local approaches for involvement are shared.

Providing feedback to Member States

The Committee could support Member States seeking to strengthen the local and regional dimensions of NECPs through direct engagement between the CoR and national authorities. The CoR could be seen by Member States as a source of insight into key issues for LRAs and how national authorities can best engage with them. For instance, a formal step in the multilevel climate and energy dialogues could be for the CoR to issue an opinion on a Member State's NECP and its local and regional dimension. This could be an opportunity to highlight concerns and issues of great importance for LRAs even if they have had no or limited involvement in the NECP process in the given country.

Disseminating best consultation practices

The process of drafting NECPs is iterative and LRAs should continue to be called upon to express their views on NECPs as the plans are finalised, implemented and updated in the future. Often, this engagement is not done effectively. Based on inputs such as this study, the CoR could disseminate best practices for involvement of local and regional stakeholders. It could specifically target Member State representatives and national authorities through events or meetings to allow them to more effectively engage LRAs in the multilevel climate and energy dialogues in their countries.

Promoting broader stakeholder involvement

One shortcoming of the development of the NECPs has been the limited engagement of the general public in the development of the NECPs²⁰. LRAs are often in a better position than other administrative bodies to engage directly with citizens and local stakeholders and to raise awareness of the plans' climate and energy goals. LRAs could be encouraged to develop outreach campaigns promoting the NECPs and their local dimensions. The CoR could continue to support efforts in this area.

Monitoring implementation

Given the important local and regional dimension of the NECPs and climate policy in general, LRAs should be closely involved in the plans' implementation.

²⁰ Duwe, M. et al. 2019, Planning for Net Zero: Assessing the Draft National Energy and Climate Plans.

Monitoring that this involvement takes place effectively could be a responsibility of the CoR. It could do so, for instance, through its pilot project of regional hubs²¹ or through providing official opinions on Member States' reports of the NECP progress.

Serving as an information hub or technical platform for LRAs

Building on the efforts of the Covenant of Mayors and the C40 initiative, the CoR could function as a hub for the exchange of information and best practices between the LRAs. This could include workshops, seminars, webinars or case studies on local and regional approaches taken in support of the NECPs, and would seek to amplify the impacts of initiatives such as the Covenant of Mayors.

²¹ COR 2019/00618, Draft opinion Implementing the Clean Energy Package: the NECPs as a tool for local and territorial governance approach to climate, active and passive energy.

5 Recommendations and best practices

This section builds upon the findings outlined in the preceding sections to define recommendations on: improving the regional and local dimensions of NECPs as Member State address the country-specific recommendations of the Commission; strengthening the involvement of LRAs in the NECP process; and defining the potential role of the CoR in this process. The recommendations are further supported with examples of best practices.

5.1 Regional and local dimensions of NECPs

- **Promote local energy communities as a way to improve the NECPs and involve LRAs**

Increasing the use of RES and facilitating the uptake of local energy communities is an area where the Commission identified a need for improvement in the majority of the draft NECPs. Greece was one of the few countries that did not receive a recommendation to improve the enabling framework for renewable self-consumption and renewable energy communities in line with Articles 21-22 of the Renewable Energy Directive²². In its draft NECP²³ it outlined a target for the promotion of decentralised RES systems through support schemes, self-generation, energy offsetting and energy communities and referred to recent reforms aimed at improving the regulatory environment (see the box below).

Box 1: Greece – legal definition for local energy communities²⁴

In January 2018, Greece became the first EU country to pass dedicated legislation on community energy that provides a definition of energy communities and their activities, including who can participate in them, how they can be established, how they can be operated and the profits used. Moreover, the legislation frames these communities as cooperatives whose aim is to promote a social economy and innovation helping to tackle issues such as energy poverty, generation and storage of energy, energy efficiency and prosumption. It also outlines measures for supporting and promoting energy communities such as tax incentives and sales guarantees.

Promoting the use of RES, including through local energy communities, is an important area of action for Member States that can not only improve their NECPs but also ensure the involvement of LRAs. Putting in place an enabling environment for the establishment of local energy communities can help increase

²² Directive 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources.

²³ Greek draft NECP as available on the Commission NECPs website.

²⁴ Friends of the Earth et al. 2018, Unleashing the power of community renewable energy.

the provision of local renewable energy that is closer to and in service of citizens. Making sure LRAs can take part in local initiatives, as exemplified by the best practices in the next box, can further strengthen these efforts.

Box 2: LRAs in local energy initiatives – energy generation examples²⁵

In Belgium, the municipalities of Amel and Bülingen are establishing a wind generation project on municipal land. 60% of the project will be publically owned, shared equally between the two municipalities, while the remaining 40% will be privately owned by two local energy cooperatives.

In the German municipality of Wolfhagen, the ownership of the local utility is open to citizens who own 25% of the utility and benefit from the revenues of RES installations. The involvement of citizens in the utility's ownership has also influenced the decision-making process.

In the UK, the Scottish Government defined a target of at least 500 MW of community and locally owned renewable energy by 2020 as part of its climate and energy strategy. This target has served as a basis for numerous measures that help achieve the target. Considering the 2020 would be surpassed, the Government updated it to 1 GW of community and locally owned renewable energy by 2020 and 2 GW by 2030. In addition, at least 50% of all new RES projects need to have some element of shared ownership with the local community.

- **Support LRAs in improving energy efficiency and tackling energy poverty**

Another common area where the Commission identified areas for improvements in the draft NECPs concerned energy efficiency, and in many countries, also energy poverty. As highlight in Section 1, LRAs can play an important part in tackling these issues as owners of building stock and managers of social housing projects in their regions. Therefore, when revising their NECPs, Member States should consider measures that enable and support LRAs in their efforts to improve energy efficiency and reduce energy poverty locally. The following box provides information about relevant European initiatives that can serve as examples.

Box 3: LRAs in local energy initiatives – energy efficiency and energy poverty examples²⁶

In Belgium, the municipality of Gent provides free information and supports local citizens to invest in renewable energy and energy efficiency. It has tasked the local cooperative Energent to offer technical assistance and help citizens implement energy efficiency measures. In addition, the cooperative works with a local charity to support low income households invest in energy efficiency measures, even if they are not the owners of the dwelling, while the municipality provides subsidies to both tenants and landlords to implement energy performance upgrades.

In the UK, the Nottingham city council established the 'Robin Hood Energy' as a publically owned, not-for-profit energy supplier to help address energy poverty. The Plymouth city council helped launch an energy community that works on improving the efficiency of the local housing stock while supporting low income households access grants to cancel their energy debt, receive free insulation and advice on energy tariffs.

²⁵ Friends of the Earth et al. 2018, Unleashing the power of community renewable energy.

²⁶ Friends of the Earth et al. 2018, Unleashing the power of community renewable energy; RESCoop, 2017, Local EnergyCommunities: a way to bring 'all Europeans' along in the energy transition.

- **Ensure local and regional dimensions are addressed in a just transition**

All Member States need to ensure the transition to a low-carbon economy is a just one and the Commission concluded that the majority of the draft NECPs require more targeted measures in this area. Involvement of LRAs can help to improve the consideration of social impacts of the measures in the NECPs. Regions have diverse needs in relation to the low-carbon transition and will face different social impacts depending on the local economic conditions. Therefore, it is important to involve LRAs early on in the planning and implementation of just transition measures. Even though there is limited experience with climate-specific measures, there are examples of structural adjustment actions taken worldwide that could provide a basis for defining concrete policies (see the next box), while also following the International Labour Organization’s (ILO) ‘*Guidelines for a just transition towards environmentally sustainable economies and societies for all*’²⁷.

Box 4: Examples of a just transition approach²⁸

In Poland, the ongoing restructuring of the coal sector has resulted in job losses in the sector. Consequently, the government worked closely with labour unions to develop a Mining Social Package and special privileges for mining communes. The Mining Social Package supported voluntary layoffs by incentivising early retirement, offering a one-time unconditional redundancy payment, a welfare allowance and retraining courses. In addition, mining communes were supported with preferential loans and special conditions for acquiring mining properties and using them for economic activity.

In Canada, the commitment to phase out coal-generated electricity by 2030 was coupled with the establishment of a national Task Force on Just Transition for Canadian Coal Power Workers and Communities, comprised of labour, private sector, NGO, academic and local government representatives. The purpose of this task force is to gather information on the impacts on workers and communities in transition and help the government develop policies that can ensure a just transition.

5.2 Involvement of LRAs in the NECP process

As outlined in Section 2, the involvement of the LRAs in the NECPs varies greatly across the Member States and it requires strengthening to ensure that local and regional dimensions are adequately reflected in the plans as their ambition and performance is optimised. Therefore, Member States should promote stronger involvement of the LRAs through, for instance:

- **Targeted and regular consultations in multilevel climate and energy dialogues:** This is particularly relevant for Member States where the involvement of LRAs has been minimal or limited to general public

²⁷ https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/documents/publication/wcms_432859.pdf

²⁸ Zinecker, A. et al. 2018, Real People, Real Change Strategies for just energy transitions.

consultations. Establishing fora for regular meetings and consultations (e.g. in the form of annual information days, workshops, seminars) between national authorities and LRAs can be an important first step in formalizing the multilevel dialogues promoted by the Governance Regulation.

- **Promoting the development of local targets and building upon local plans:** The definition of regional or local climate and energy targets and action plans can support the implementation of the NECPs. Many European cities have committed to taking climate action by becoming signatories to the Covenant of Mayors while the CoR proposed the development of Locally Determined Contributions (LDCs) at the 23rd Conference of the Parties (COP23) to the United Nations Framework Convention on Climate Change (UNFCCC). The LDCs are sub-national emission reduction targets whose aim is to bridge the gap between the Nationally Determined Contributions (NDCs) and the emission reductions needed to meet the objectives of the Paris Agreement²⁹. Member States can promote the establishment of such targets and consider existing climate and energy efforts of LRAs (e.g. in the framework of the Covenant of Mayors or existing Sustainable Urban Mobility Plans) in the NECPs.
- **Facilitating information exchange:** Sharing best practices and lessons learnt will be a critical step during the implementation of the NECPs, especially before any intermediary reviews and updates. Member States, together with EU policy makers, should facilitate the exchange of experiences not only at national level but also between LRAs within and across Member States. The LIFE-funded project PlanUp³⁰ is a good example of possible platforms that can be established.

5.3 Role of the European Committee of the Regions

As explored in Section 4, there are various possible avenues for the CoR to support the NECP process. These could include a formalised role or/in combination with an informal role. For instance, the CoR could:

- **Take on a formal role in the review of the NECPs and their implementation** – this role could be the provision of official opinions. However, such a formal role could be constrained by resource or time limitations.

²⁹ European Alliance, 2017, Major success for CoR and EA group as locally and regionally determined contributions get featured in the COP 23 final declaration.

³⁰ <https://www.planup.eu/en/countries>

- **Organise regular meetings on the NECP process** – this could be another formal role for the CoR, allowing it to bring together national authorities, LRAs and other relevant stakeholders to regularly take stock and exchange practices on the local and regional dimensions of NECPs at a formal, regular and EU-wide event.
- **Facilitate information exchange** – the organisation of a formal meeting on the NECPs could be complemented by ad-hoc activities (e.g. workshops, seminars, webinars) for sharing information, best practices and lessons learnt.

Annex 1: List of references

All web-links, listed below, were accessible as of 6 September 2019.

Legislative documents:

Directive 2008/50/EC of the European Parliament and of the Council of 21 May 2008 on ambient air quality and cleaner air for Europe: <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1567522414187&uri=CELEX:32008L0050>

Directive 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources: <https://eur-lex.europa.eu/eli/dir/2018/2001/oj>

Regulation 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2018.328.01.0001.01.ENG&toc=OJ:L:2018:328:FULL

Other sources:

Carbon Market Watch, 2018, National energy and climate plans and the transition to carbon-free societies: https://carbonmarketwatch.org/wp/wp-content/uploads/2018/09/NATIONAL-ENERGY-AND-CLIMATE-PLANS-AND-THE-TRANSITION-TO-CARBON-FREE-SOCIETIES--WEB_final.pdf

Duwe, M. et al. 2019, Planning for Net Zero: Assessing the Draft National Energy and Climate Plans, Climact and Ecologic Institute study for the European Climate Foundation, May 2019: <https://europeanclimate.org/wp-content/uploads/2019/05/Planning-for-Net-Zero.-Assessing-the-draft-NECPs.pdf>

Energy Cities, 2018, The case for a permanent climate and energy dialogue with cities, March 26, 2018: <https://energy-cities.eu/the-case-for-a-permanent-climate-and-energy-dialogue-with-cities/>

European Alliance, 2017, Major success for CoR and EA group as locally and regionally determined contributions get featured in the COP 23 final declaration, 14/11/2017: <https://web.cor.europa.eu/ea/News/Pages/locally-regionally-determined-contributions-COP-23-final-declaration.aspx>

European Commission, 2019, National Energy and Climate Plans (NECPs) website: <https://ec.europa.eu/energy/en/topics/energy-strategy-and-energy-union/governance-energy-union/national-energy-climate-plans>

European Commission, 2019, United in delivering the Energy Union and Climate Action - Setting the foundations for a successful clean energy transition, COM(2019) 285 final: https://ec.europa.eu/energy/sites/ener/files/documents/recommondation_en.pdf

European Commission, 2018, A Clean Planet for all A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy, COM(2018) 773 final: <https://ec.europa.eu/transparency/regdoc/rep/1/2018/EN/COM-2018-773-F1-EN-MAIN-PART-1.PDF>

European Committee of the Regions, 2019, Draft opinion Implementing the Clean Energy Package: the NECPs as a tool for local and territorial governance approach to climate, active and passive energy, COR 2019/00618.

European Covenant of Mayors, 2018, Open letter to European Energy Ministers to revise the Energy Union Governance Regulation incorporating the needs of local and regional governments, 11 June 2018: https://www.eumayors.eu/index.php?option=com_attachments&task=download&id=536

Eurostat, 2019, 3.1 What kind of energy do we consume in the EU?: <https://ec.europa.eu/eurostat/cache/infographs/energy/bloc-3a.html>

Friends of the Earth et al. 2018, Unleashing the power of community renewable energy, December 2018: <https://www.foeeurope.org/unleashing-power-community-energy>

Gancheva, M. et al. 2019, Contribution of EU local and regional authorities to a successful implementation of the EU Long Term Strategy, Milieu study for the European Committee of the Regions: <https://cor.europa.eu/en/engage/studies/Documents/contribution-LRAs-EU-LTS.pdf>

RESCoop, 2017, Local EnergyCommunities: a way to bring ‘all Europeans’ along in the energy transition, Position Paper May 2017: <https://uploads.strikinglycdn.com/files/23778f72-b5b5-47b8-98cd-dbbea3db3eb3/LECs%20-%20a%20way%20to%20bring%20all%20europeans%20along%20in%20the%2>

[0energy%20transition.pdf](#)

Zinecker, A. et al. 2018, Real People, Real Change Strategies for just energy transitions, GSI Report December 2018:

<https://www.iisd.org/sites/default/files/publications/real-people-change-strategies-just-energy-transitions.pdf>

EN

ISBN 978-92-895-1027-1
doi:10.2863/458721

QG-02-19-768-EN-N



**European Committee
of the Regions**

Created in 1994 following the signing of the Maastricht Treaty,
the European Committee of the Regions is the EU's assembly of 350 regional and
local representatives from all 28 Member States, representing over 507 million Europeans.

Rue Belliard/Belliardstraat 101 | 1040 Bruxelles/Brussel | BELGIQUE/BELGIË | Tel. +32 22822211
www.cor.europa.eu | [@EU_CoR](https://twitter.com/EU_CoR) | [/european.committee.of.the.regions](https://facebook.com/european.committee.of.the.regions)
[/european-committee-of-the-regions](https://linkedin.com/company/european-committee-of-the-regions)