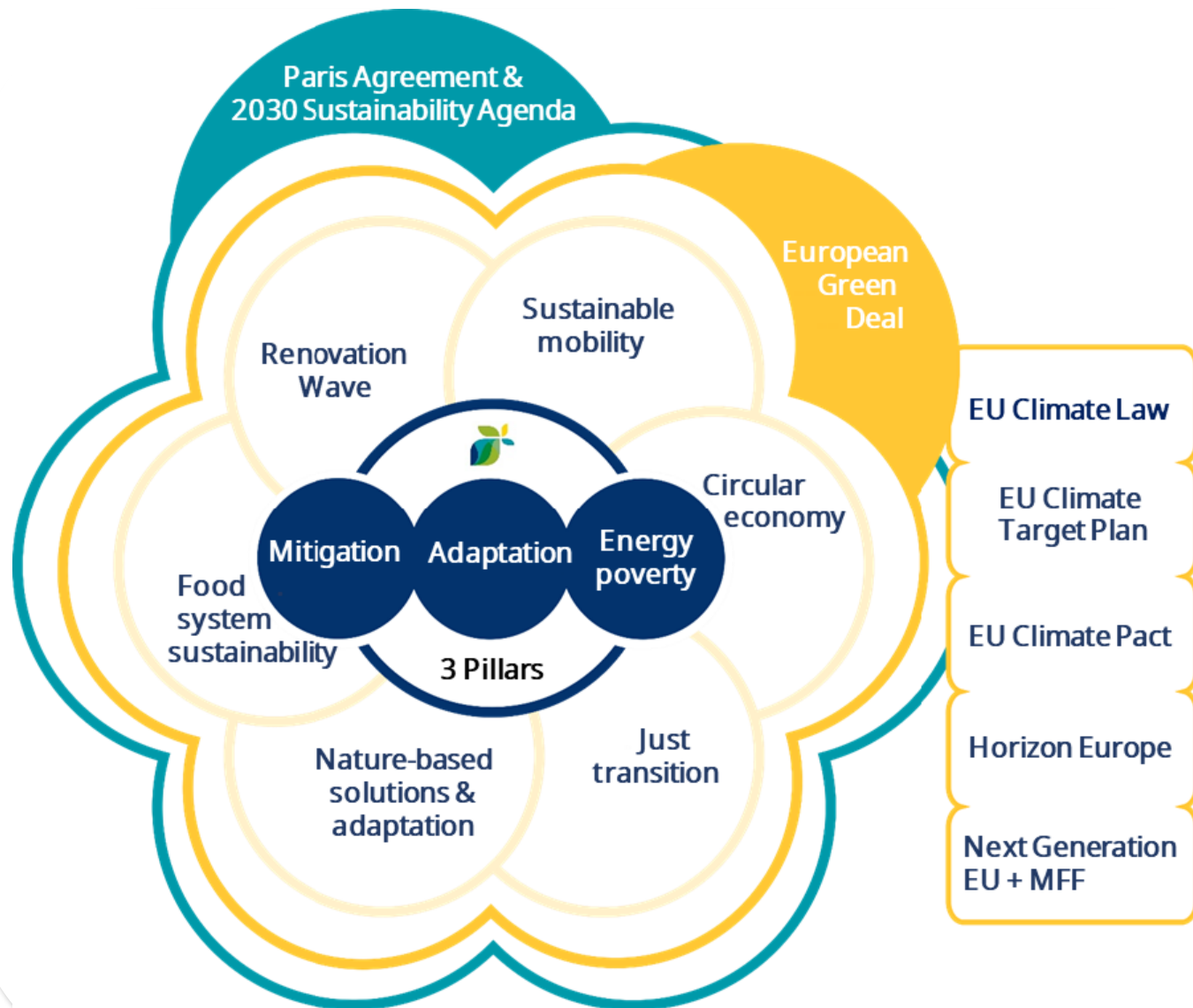


Local authorities leading the clean energy transition



Matching EU policies with local actions





Covenant of Mayors
for Climate & Energy
EUROPE

Key Figures



11862
Signatories



287
Supporters



204
Coordinators



19825
Best Practices
Actions



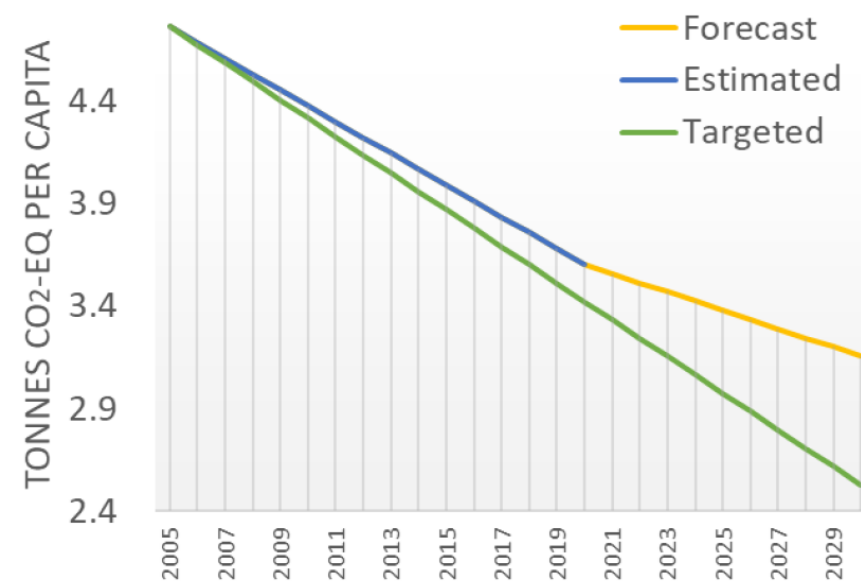
8097
Submitted Action
Plans



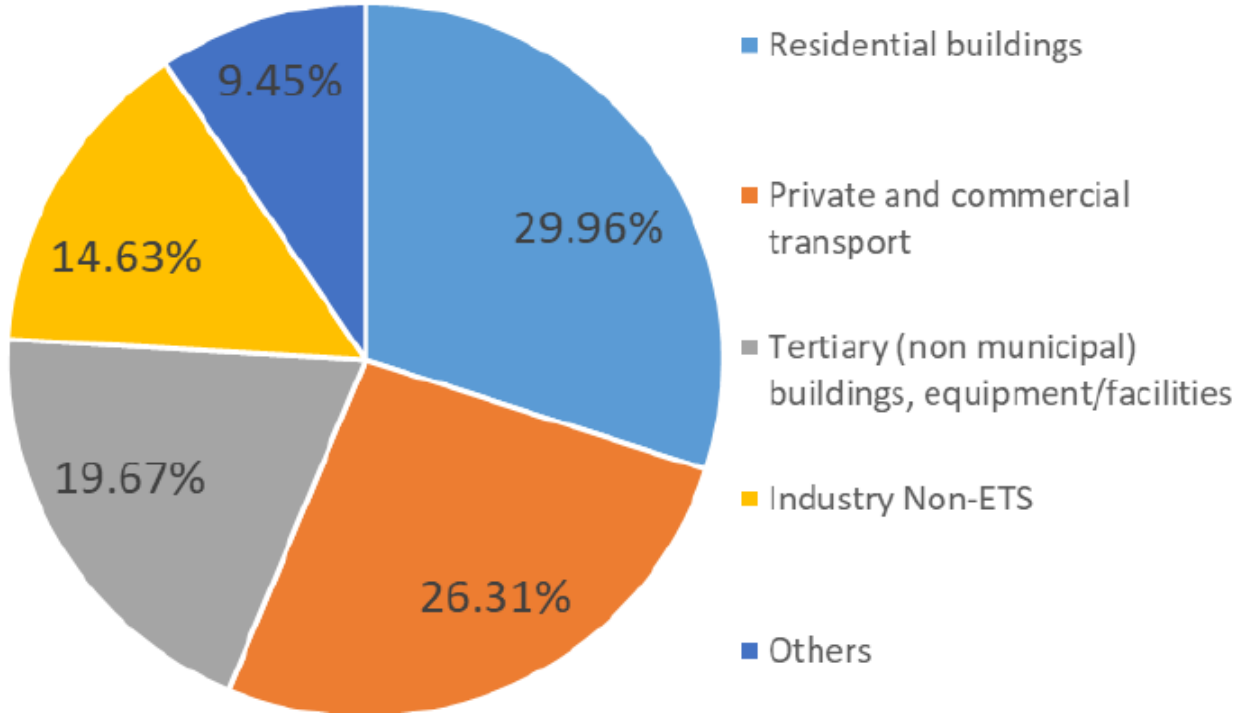
Achievements of Signatories (2022)

Looking only at 412 action plans accompanied by at least one monitoring report, a **30.9 % reduction by 2030 is forecasted**, vs. the **targeted 44.6 %**

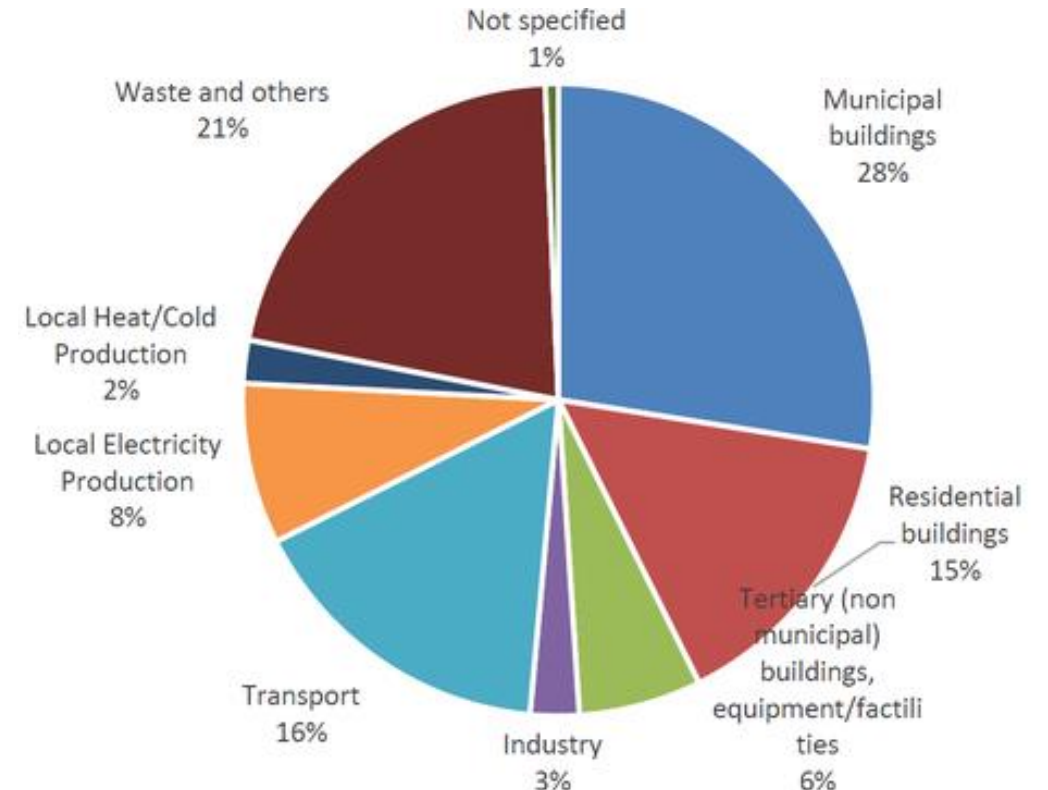
On adaptation, signatories report high-risk hazards (such as extreme heat, droughts & water scarcity, heavy precipitation and floods & sea level rise) that affect **33.3 million people**



Achievements of Signatories (2022)



Emission shares by subsector in MEI of Sign. with SECAPs by 2030



Share of mitigation actions by targeted sector



Today, the EU's **subnational governments** mobilise around **58% of climate-significant public expenditures** surpassing their central governments

They also have sole or shared (with national governments) **responsibility for 68.3% of all dimensions covered in Member States' NECPs**



EU Policies and local leadership

Art. 5 - Public sector leading on energy efficiency

Alinea 6: MS to ensure LRAs establish EE measures in their long-term planning after consultation with relevant stakeholders including vulnerable groups

Alinea 7: MS to support public bodies, through technical/financial support

Art. 6 - Exemplary role of public bodies' buildings with 3% yearly renovation rate to reach "nearly zero-energy or zero-emission buildings"

Art. 25 - Heating and cooling assessment and planning

Alinea 6: MS shall ensure that LRAS >45Khab prepare local heating and cooling plans, ..., provide technical and financial support, assessment by competent authority, etc.





ENERGYCITIES

*Art. 25 - Heating and cooling
assessment and planning*



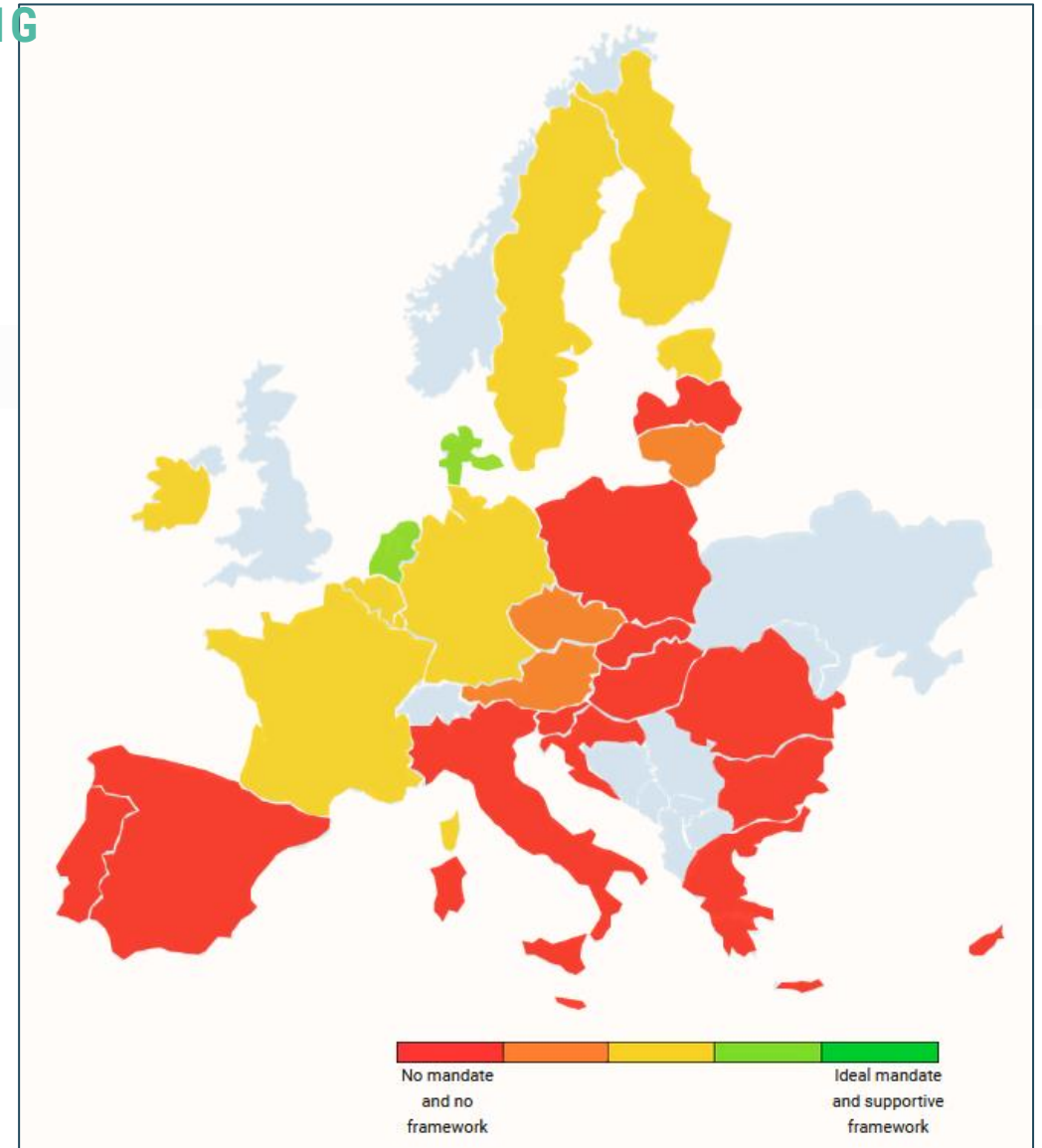
EU TRACKER - LOCAL HEATING AND COOLING PLANNING IN EU MEMBER STATES

Overview of local heating and cooling planning in EU Member States today

Purpose:

Knowledge base to facilitate for the transposition of the EED Article 25(6) → gives an indication to how frameworks and measures can be designed in each national context

→ A **'transposition tracker'** regularly updated until 2026





1. Ensure detailed content of plans in the legislation

- ✓ **SCOPE:** Encompass all energy carriers and energy infrastructures (not reduced to district heating networks projects, looking at both demand and supply)
- ✓ **SCOPE:** NOT focus only on public buildings (spatial and strategic dimensions)
- ✓ **SCOPE:** lower the 45.000 inhabitants threshold
- ✓ **CONTENT:** detail in the legislation all requirements (1. vision & objectives of the plans 2. spatial heat & cooling analysis 3. delivery plan) → existing best practices on this from EU projects
- ✓ **PROCESS:** detail in the legislation the plan making process to encourage engagement with all local actors (DSOs, energy suppliers, business, public services, consumer association, and citizens...)
- ✓ **PROCESS:** Ensure plans are **updated regularly** to maintain alignment with other policies and innovations.

BEST PRACTICE

In **Baden-Württemberg** (Germany), local heat plans include a scenario for climate-neutral heating by 2040 with interim targets for 2030, including a spatial representation of the planned heating supply structures.

2. Set up a good multilevel effective governance model

- ✓ Clear **national and regional heat strategies** to guide and set the framework for local plans
- ✓ “ensure that heating and cooling plans are **aligned with other local climate, energy and environment planning requirements** in order to avoid administrative burden for local and regional authorities and to encourage the effective implementation of the plans” (EED Art. 25(6))

BEST PRACTICE

Excellent multilevel coordination in The Netherlands:

Very good coordination between the national, regional and local decarbonisation strategies, via multi-level dialogue and various working groups. Moreover, the municipal vision on heat transition shall comply with its regional energy strategy.



3. Give local authorities the mandate to use planning to phase out fossil heating infrastructures

- ✓ Local heating and cooling plans needs to be **powerful and governing document** – to be effective and govern cost and resource efficient energy system transformation
- ✓ **DSOs shall comply with local heating and cooling plans** (in negotiations gas directive)
- ✓ Give the **legal mandates** to local authorities to **select certain heating technologies in certain areas** of their territories (NL heat act)
- ✓ **Remove all legal obligations to connect buildings to natural gas networks** (in negotiations gas directive)

BEST PRACTICE

In **Denmark**, city councils regulate both district heating and natural gas networks.

City councils can decide about compulsory connection to district heating for existing and new buildings in the collective heat supply areas and exclude some heating systems in existing or new buildings.

It allows municipalities to provide a long-term vision of the energy systems and ensure economic viability.



4. Develop a comprehensive technical support framework

- ✓ Mandate **one organization** (e.g. national agency or ministry) to coordinate the support to local authorities
- ✓ Provide local authorities with *at least* 1. **Precise step-by-step Guidelines** 2. **Technologies catalogue** (ex: in Baden Wurttemberg or Denmark)
- ✓ Launch a national program for local heating and cooling planning, involving key stakeholders and animating **working groups**
- ✓ Build upon existing technical support to local authorities in each Member States and in EU projects
- ✓ Establish a list of trustworthy consulting companies able to support local authorities (ex: in Wallonia)

BEST PRACTICE

In **Flanders** (Belgium), the Flemish Energy and Climate Agency provides a technical guidance package similar to a one-stop-shop, with:

- (1) Step by step guidance for drawing up a local heat plan, an overview of potential partners and financing options, a catalogue of technologies
- (2) A heat zoning map with a preliminary assessment on the potential for district heating and cooling network on their territories
- (3) A template for tender specifications for the making of heat plans
- (4) A support programme where municipalities can exchange ideas and practices.



5. Ensure sufficient financial support

- ✓ No new obligation without additional support: financial support should cover at least 80% of the costs of the planning exercise.
- ✓ Provide financial support mechanisms **specifically designed for strategic energy and heating & cooling planning**
- ✓ **Provide multi-annual financial support to give visibility to local authorities**
- ✓ The EU should support Member States by **integrating local heating and cooling planning in its Technical Assistance programme** and as a **priority in the current and future European Regional Development Fund**.
- ✓ **Pre-finance the costs** of the technical expertise to avoid long lead times

BEST PRACTICE

In **Baden-Wurtemberg** (Germany), local authorities receive a financial support of 45,000€ to prepare their heat plans.

In **France**, the national Heat Fund can be decentralized and managed by local authorities to finance feasibility studies for renewable heat projects and district heating schemes.

In **Wallonia**, the Region finances feasibility studies for district heating up to 75% of the costs and pays the consultancy directly; the municipality pays the remaining cost to the region when the study is delivered.



6. Recommend MS to ensure larger staffing capacities for local energy planning

- ✓ Include in **National Energy and Climate Plans an analysis of the needs of additional employees in local authorities** to carry out heat planning and the transition in general.
- ✓ **Promote the provision of permanent funding to local authorities to hire skilled staffs** for building long-term and sustained capacities (EU semester, national programmes) → the heat transition is a necessity for the next 30 years, it is not a 3-year project
- ✓ **Pool human resources and competencies** that local authorities can easily benefit via the **development of local and regional energy agencies**
- ✓ **Provide training programs and engage with the academic sector** to develop dedicated curriculum, for instance in the format of a municipal heat competence center

BEST PRACTICE

In **the Netherlands**, municipalities engaged in the Out of Gas program receive national fund to finance job position to perform heat planning.

In **Germany**, the national energy agency, DENA, created a municipal heat competence centre, to provide trainings and guidance to local authorities.

In **Sweden**, local authorities can hire staff through the regional energy agencies.



7. Ensure local authorities have access to quality databases

- ✓ **Provide centralised databases accessible to local authorities** for all data necessary for heat
- ✓ **Oblige energy utilities and grid operators to share their data for free and in a specific format easy to exploit** for local authorities
- ✓ **Require enough granularity from data owners:** heat planning requires data at street and building levels to be precise enough
- ✓ **Finance the collection and treatment of raw data and geodata by third-parties to provide ready-to-use datasets for heat planning purposes** (diagnostic, heat maps...)
- ✓ **Provide Geographic Information System tools for calculating heat scenarios**, filled with datasets

BEST PRACTICE

In **France**, grid operators and fuel suppliers must share their data publicly at street level (aggregation of 10-supply points in the residential sector). Regions and the National energy agency finance regional air, energy and climate observatories which provide already-treated data to local authorities.

In **Denmark**, local authorities have access to national databases in which homeowners need to provide energy-related information (heating systems, energy consumptions). It was the case in Poland as well, but unfortunately not anymore.

In **Estonia**, the technical and economic potentials are available for most of the renewable energy sources and financed by national funds.

HOW CAN MEMBER STATES BEST SUPPORT LOCAL AUTHORITIES ?

Make it obligatory, and give local authorities the mandate to use these plans to guide the transition towards decarbonised, resilient and healthier living environments

+

Ensure that local authorities are not overburdened

+

Create a One-Stop-Shop with all the resources needed to make and finance local heating and cooling plans

<https://energy-cities.eu/wp-content/uploads/2023/11/EU-analysis-Heating-and-Cooling-ENG.pdf>

Art.5&6 - examples

Art. 5 – Public sector leading on energy efficiency

Art. 6. – Exemplary role of public bodies' buildings with 3% yearly renovation rate to reach “nearly zero-energy or zero-emission buildings”

- ✓ One stop shops – [NL example](#)
- ✓ National support to SECAP developments
- ✓ Multi-level governance dialogue ([NECP Platform](#))
- ✓ RRF envelop in Spain and France for local authorities
- ✓ [Slovakia's national renovation program:](#)
- ✓ Energy taxation and energy subsidies



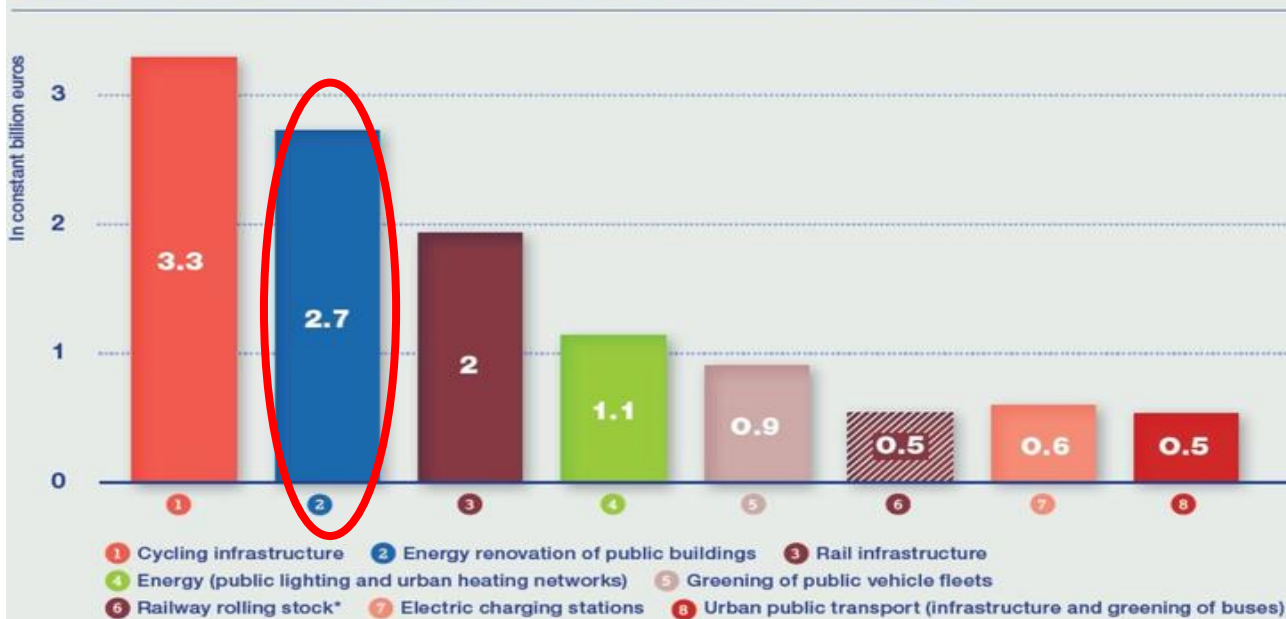
Examples - FR

12bn EUR annual local investment required in FRANCE to achieve 2030 targets

Source:

<https://www.i4ce.org/en/publication/local-authorities-need-for-investment-and-human-resources-for-carbon-neutrality-climate/>

FIGURE 1: CLIMATE INVESTMENT NEEDS OF LOCAL AUTHORITIES PER SECTOR STUDIED (ANNUALLY OVER THE PERIOD 2021-2030 TO MEET SNBC NEEDS)



* Estimates of investment needs in railway rolling stock are imprecise. We have extended the level of investment observed over the last ten years and added an additional 30% cost to cover the greening of almost 1,000 diesel and dual-mode regional express trains between 2028 and 2050.

@I4CE

Coordonné par





Energy prices can discourage the switch

Ratio of electricity to gas prices in
European countries,
First half of 2023

A price ratio of **less than 2**
would make heat pumps
always an economic winner.

Ratio category

- 1-2
- 2-3
- 3-4
- More than 4



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