

Board of the Covenant of Mayors – Europe  
30 March 2022

**To RePowerEU: RePurpose Public action, ReDirect EU Funds  
and ReOrganise governance**

**Covenant of Mayors’ proposals to get Europe on a firm ground towards peace and climate  
neutrality – We cannot afford to only optimise “business as usual”**

Dear First Executive Vice-President, Dear Frans Timmermans,

Since we last met at the end of January, Europe has been facing the unthinkable. We, Mayors, are your allies in standing for peace and for a sustainable future for all Europeans. The Covenant of Mayors is a wide community with strong roots in Ukraine and in other countries of the Eastern partnership. For years, we have been working together, committed to the same vision of prosperity for all within planetary boundaries, following the path set by the Paris Agreement. Building these links between cities and sharing the same values and objectives is what constitutes the essence of the European project.

The latest IPCC report has made it crystal clear not only that there is an emergency to take climate action, but also that the absolute challenge to adapt to climate change is to ensure social justice. Our European treasure is our social system that helps reducing inequalities between people, between regions. This is the best tool to achieve the transition and cities and towns are Europe’s everyday laboratories to experiment inclusive ways to reach climate neutrality by mid-century.

**As the current humanitarian crisis recalls, links between people, between cities are the strongest assets we have, and we believe it would deserve the necessary support to build on bolder communities.** As agreed during our last meeting, we have listed a set of key EU reform proposals which we are honoured to hereby share with you and that we will invite the community of Signatories to endorse.

## IMMEDIATE ACTION REQUIRED

### Stronger links between communities - Mayors on the front line for Europe's energy security and strategic independence

Energy Markets are broken and unlikely to deliver affordable heat and mobility in the near future. We believe that EU answers need to address next winter and long-term sustainability simultaneously. The challenge ahead cannot afford to disregard the role municipalities play. They need to take emergency measures when planning at the same time tomorrow's society and energy system.

Mayors and their teams are the firefighters of the crisis. They face a refugee crisis, a social crisis induced by the soaring of fossil fuel prices, and a climate crisis all at once. In the emergency, Mayors informally organised themselves to share their questions, their best practices in managing these crises and took advantage of collective intelligence.

#### We, Mayors, urge the European Commission to:

1. **Support us** by facilitating the exchange, the share of our collective experiences and wisdom. This cannot be only accessible to cities who always invested into European networking, cities with the means to do so.
2. **Provide cities with financial and communication means** to deploy an EU-wide campaign to mobilising widely all citizens to reduce our energy needs.

The Covenant of Mayors is this wider community, the biggest cities networking initiative on which to build the knowledge exchange, to host capacity building for local leaders to ensure energy security and to amplify the communication campaign.

#### An "Avoid" chapter is missing in the RePower EU strategy

To reduce consumption and therefore dependency we must avoid generating any more waste and have a proper conversation on what we use energy for.

Given that the issue of energy efficiency is only skimmed over, the question of reducing energy consumption has been totally forgotten in the communication. There is no chapter on "avoid" or "stop", which means in the short-term to **decide what we should unplug and how we can immediately reduce our consumption** (beyond scaling down heating temperature, lighting, road speed-limits... which is already a great first step).

3. **We, Mayors, ask the European Commission to support local debates on how to rethink our way of consuming energy** and to adapt our cities and living spaces in a structural way. We need to have these conversations with local economic actors, with civil society, and share between territories our potential new production.

Today some households or companies are economically forced to reduce or stop their consumption. The energy prices' surge and the potential disruption of energy supply can destroy a large part of our economies while creating an unprecedented social crisis<sup>1</sup>. Households as well as small and medium-sized enterprises should be massively supported: this the greatest act of solidarity that should be shown immediately.

#### **We, Mayors, urge the European Commission to:**

4. **Redirect unused EU Recovery Funds** now to support local planning for energy security. We have 6 months left before next winter, and not a minute to lose.
5. **Use the Technical Support Instrument linked to the Recovery Facility to this emergency question** which impacts every government level in each EU country, while financing the long-term transition to climate-neutrality.

## **MIDTERM ACTIONS**

### **Green energy security: the EU must bet on local RES and reform climate governance accordingly**

Helping cities map their potential for energy system optimisation and increase their community's resilience to climate change is extremely important. But if our findings and strategies do not find an echo at national level, the move would be no more than a toothless tiger. The sum of local solutions needs to add up to what is planned nationally to ensure that national plans promoting specific sector or technology choices are not ivory tower policies, disconnected from local realities. This is why the National Energy and Climate Plans as well as National Adaptation Strategies need to be better aligned with local efforts, notably via synergies with the Covenant of Mayors.

### **Removing national obstacles which still very much hamper our action at local level is crucial.**

#### **We, Mayors, urge the European Commission to:**

6. **Open to revision the Regulation on the Governance of the Energy Union** to ensure Member States coordinate their energy and climate road-mapping and planning exercises with local and regional authorities' energy and climate plans by reinforcing the multilevel governance provisions.
7. Include a cohesion pillar to the State of the Energy Union to **ensure that EU energy and climate policies respect the "do no harm to cohesion" principle<sup>2</sup>** as a fair transition is

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<sup>1</sup> The costs of the war in Ukraine will be massive for Europe (174 billion euros per year [according to the think tank Bruegel](#)) and this will weigh heavily on European citizens, fueling existing tensions.

<sup>2</sup> Speech of Commissioner Ferreira about the 8<sup>th</sup> Cohesion Report

not an option but our condition to be able to answer the future crises and the transformation of our society towards climate-neutrality.

### Empowering cities and towns to redesign local public action

From the governance to the implementation, the pathway to climate-neutrality and resilience requires new forms of decision making, of partnerships, of investments, and public bodies have to steer this process. Territorial engineering is the “immaterial investment” needed to decarbonise cities. Cities play a crucial role in stabilising the economy by investing in social and economic infrastructure, and the current necessity of multiple transitions reveals the critical importance of public institutions in shaping urbanisation processes. Yet, cities are the focal spatial and institutional units that should ground these transitions within their territory. Mayors must be empowered to orchestrate the transition of their communities.

### We, Mayors, urge the European Commission to:

8. **Develop an “attractivity plan”** to re-dynamise the recruitment of qualified personnel in municipalities and regional authorities’ administrations. We do not need new legislation, it could include best practices, recommendations to the Member States regarding recruitment, financing, and development process of local transition staff.
9. **Propose to the Member States a guide book of structuring programmes** they can set up in the framework of the technical support instrument (TSI). This should include the proposal to replicate at national and regional level, capacity building and technical assistance programmes such as the European City Facility (EUCF) or the LIFE – Project Development Assistance.
10. **Change the European Stability and Growth Pact.** What is stability in the world today? How can we assess policies through their impact on planetary boundaries? It is urgent to redefine public action priorities and increase flexibility. We need to allow borrowing for public capital expenditure together with investment in “immaterial assets” (invest in processes to ensure the long-term cooperation of all actors at local level). When investments increase the value of local governments' assets in the long-term, they should be considered as productive investments.
11. **Change the approach to social investment** by looking at spending for social infrastructure and social services as an essential investment and not a cost. Social investment is crucial for inclusive growth and just transitions, and programmes for affordable housing, for example, should be seen as structural reforms and promoted as such in the European Semester.

### Channelling more EU funds to local authorities’ green transition

To finance their transition, while leaving no-one behind, cities must be the direct recipients of **all funds** dedicated to transform our economies towards a carbon neutral future.

The Cohesion policy has a minimum 5% rule to dedicate funds to urban development. This rule should be mirrored in other EU funding such as the Recovery Fund or the future Social Climate Fund to support territorial projects.

**We, Mayors, urge the European Commission to:**

12. **Redirect the Social Climate Fund as a fund for local transition.** Inspired by the EU success-story of the European Agriculture Fund for Rural Development's Local Action Group model, this approach and method should be replicated to guarantee mobilisation and the just transition.
13. Alongside the 8<sup>th</sup> Cohesion report, **assess the impact on social and territorial cohesion of different EU funding programmes** to propose solutions to policies' "blindness" to local diversity; propose a minimum rate of funding of each programme for local actions.
14. **Involve the cultural and education policies into energy and climate literacy programmes** to ensure that all policy design, especially at local level, are done while taking into account global research's latest findings.

We look forward to discussing those proposals with you on the 18<sup>th</sup> of May and remain in the meantime available to provide further details.

The Board of the Covenant of Mayors,

<b>Rafal Trzaskowski</b>	Mayor of Warsaw (PL)
<b>Katarina Luhr</b>	Deputy-Mayor of Stockholm (SE)
<b>Eckart Würzner</b>	Lord Mayor of Heidelberg (DE)
<b>Pilar Díaz Romero</b>	Vice-President of the Province of Barcelona (ES)
<b>Martin Horn</b>	Mayor of Freiburg (DE)
<b>Belinda Gottardi</b>	Mayor of Castel Maggiore (IT)
<b>Alexander Vandersmissen</b>	Mayor of Mechelen (BE)
<b>Tanya Hristova</b>	Mayor of Gabrovo (BG)
<b>Kimmo Jarva</b>	Mayor of Lappeeranta (FI)
<b>Pekka Timonen</b>	Mayor of Lahti (FI)
<b>Julije Domac</b>	Director of REGEA (HR)