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DRAFT OPINION

Commission for the Environment, Climate Change and Energy

The future of the Covenant of Mayors

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This document will be discussed at the meeting of the **Commission for the Environment, Climate Change and Energy (ENVE)** to be held from **11 a.m. to 6 p.m. on 28 September 2015**. To allow time for translation, any amendments must be submitted through the online tool for tabling amendments (available on the Members' Portal: <http://cor.europa.eu/members>) **no later than 3 p.m. (Brussels time) on 15 September**. A user guide is available on <http://toad.cor.europa.eu/CORHelp.aspx>.

Reference document

Own-initiative opinion

Draft opinion of the Commission for the Environment, Climate Change and Energy
– The future of the Covenant of Mayors

I. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

Strengthening the Covenant of Mayors and defining new goals

1. has supported the Covenant of Mayors since its launch in 2008. The Covenant of Mayors is a European movement with the aim of achieving and, where possible, going beyond the European Union's target of a 20% decrease in CO₂ emissions by 2020. To this end, participating local authorities have committed themselves to energy efficiency and renewable energy targets. Today the Covenant of Mayors is present in all Member States with the exception of one, and the participating local and regional authorities, which already number 6 000, represent a third of the EU's population. Signatories to the Covenant have committed themselves to reducing carbon dioxide emissions by an average of 28%;
2. in line with previous CoR opinions¹, recognises that, since its formation, the Covenant of Mayors has achieved unprecedented success both in mobilising local and regional authorities on climate and energy issues and in establishing multilevel governance structures;
3. welcomes the fact that the European Commission has launched and is financing this initiative which, thanks to energy-saving measures and the promotion of clean energy, currently helps more than 6 400 towns and regions throughout the world to reduce their CO₂ emissions. On the basis of commitments freely undertaken by the members of the Convention, a reduction of 28% is anticipated by 2020;
4. draws attention to the fact that, with regard to achieving these aims, emphasis is placed first and foremost on improving the energy efficiency of public buildings, modernising street lighting and developing urban transport. Energy planning for buildings accounts for 44% of the target of reducing CO₂ emissions. Moreover, by 2020 energy consumption should be reduced by 20% as a result of investment in buildings and transportation;
5. will, via specific instruments, continue its institutional support for the Covenant of Mayors as well as encouraging, with the help of its current members, accession to the Covenant and the corresponding commitment to achieving the European Union's energy policy objectives and exceeding their targets;

¹

CdR 1536/2015; CdR 1535/2015; CdR 4084/2014; CdR 2691/2014; CdR 6902/2013; CdR 5810/2013; CdR 140/2011; CdR 408/2010; CdR 164/2010; CdR 241/2008.

6. approves of and supports extending and updating the Covenant of Mayors' objectives in line with the EU 2030 climate and energy framework programme, namely a reduction of over 40%² in greenhouse gas emissions compared with 1990³;
7. calls on the European Commission to ensure that the Covenant of Mayors is able to continue its activities beyond 2020. Taking into account the fact that 2020 is approaching and that making new, ambitious commitments makes less and less sense as this date gets nearer, and given that the EU climate and energy framework will be in place until 2030, 2030 should be designated as a medium-term horizon and 2050 as a long-term target, as was the case with the strategy for transitioning towards a low carbon economy by 2050;
8. in the medium term, suggests amending the 2030 target on the basis of scientific reports from the Intergovernmental Panel on Climate Change (IPCC)⁴ and the recommendations of the Committee of the Regions on the 2030 climate and energy framework⁵, namely to set a target of reducing greenhouse gas emissions by at least 50% compared with 1990. The Committee nevertheless notes that as far as it is aware, the EU regulatory framework which is currently being drafted sets a European target of reducing greenhouse gases by 40%;
9. in the long term, suggests that the signatories set a target of at least 95% reduction by 2050. On the basis of scientific reports published by the IPCC, the EU has committed itself to reducing its greenhouse gas emissions by between 80-95% compared with 1990. Taking into account the fact that new scientific data are regularly published regarding intervention measures and further efforts that ought to be made in order to respond to climate deterioration, the CoR proposes that the Covenant of Mayors set its own goal at the top end of this range, in other words a 95% reduction;
10. nevertheless declares itself opposed to making membership of the Covenant of Mayors more difficult. The goal of reducing CO₂ emissions must remain a minimum target, as one of the attractions of this movement lies in its simplicity. The CoR recommends nevertheless that the more ambitious signatories consider putting in place an internal target system at various levels as well as an affiliated recognition regime;
11. advocates focusing more on small towns and municipalities, given that 56% of EU municipalities have between 5 000 and 100 000 inhabitants. The measures taken by conurbations and small and medium-sized towns have a significant cumulative effect when it comes to putting into place sustainable urban development principles. As a result, the Committee proposes developing a simplified plan of action for sustainable energy and monitoring system which take into account the size of conurbations, as the paperwork needed to

² In line with the target set in the climate and energy policy framework for 2030: a 40% reduction of greenhouse gas emissions compared with 1990. Covenant of Mayors signatories pledge to go beyond EU legislation targets.

³ The architects of the Covenant of Mayors' goal for 2020 was to reduce greenhouse gas emissions by more than 20% compared to 1990.

⁴ http://www.ipcc.ch/publications_and_data/publications_and_data_reports.shtml.

⁵ CdR 2691/2014.

participate in the Covenant of Mayors requires too much work for some smaller local authorities;

The globalisation of the Covenant of Mayors

12. notes with satisfaction that the Covenant of Mayors has already expanded beyond EU borders. To date, local authorities in more than 50 countries worldwide have joined the initiative and have freely committed themselves to reducing their CO₂ emissions;
13. supports the global export of the Covenant of Mayors model and declares itself ready to help spread this model by means of partnerships with cities and regions in third countries, thus helping the cities and regions of the world to tackle the challenges of climate change;
14. encourages the European Commission to likewise promote the successful principles and good practice of the Covenant of Mayors beyond the EU and to encourage dissemination of the multi-level governance model for climate objectives⁶ in order to pave the way for further decentralised cooperation;

Increasing the number of signatories and promoting the movement within EU Member States

15. notes with satisfaction that many CoR members are representatives of municipal councils which have already signed up to the Covenant of Mayors, and encourages members of the Committee to promote the Covenant initiative in their own cities and regions, as well as to establish long-term policies which promote the Covenant's goals;
16. considers that the regions and local authorities which already have experience in this area could act as mentors and thus help to encourage new local authorities to sign up to the initiative, as well as developing action plans for sustainable energy and exchanging examples of good practice;
17. suggests the possibility of appointing a "Covenant of Mayors ambassador" in each Member State, in order to attract the attention of cities and regions to the initiative, notably those cities and regions which, following a political change of direction, have not necessarily sought to continue their participation in the Covenant of Mayors. These "ambassadors" would be chosen, on a voluntary basis, from among the members of the Covenant of Mayors and would benefit from the support of the CoR, the relevant national ministries and, via the permanent representations in the Member States, the European Commission;
18. recommends building on existing local and regional partnerships and notably on twinning schemes, in order to continue to promote the Covenant of Mayors and its goals both within and outside the Union, and therefore contribute to the emergence of a global movement;

⁶ CdR 89/2009.

The role of regions in the Covenant of Mayors

19. recalls that the Covenant of Mayors' goal is to put in place a governance structure ensuring that coordination between all levels of government conforms to the principles of subsidiarity and multilevel governance, so that the most ambitious level can take cost-effective measures. A prerequisite is that these measures are initiated at the grassroots level. It is crucial to mobilise the population and local authorities. The local authority level is the most appropriate for developing and implementing action plans, and encouraging public engagement in respect of these. The regions are to ensure coordination and bring the necessary support to the cities whose resources are limited when it comes to developing action plans for sustainable energy. National authorities are also to ensure coordination as well as allocation of national and European resources, while decisions relating to the regulatory framework, financing and technical assistance programmes will be taken at the European level;
20. insists upon the importance, in order to achieve optimal results, of every level of government fulfilling the mission and the role that have been assigned to them within the framework of the Covenant of Mayors;
21. notes that the regions can support or replace cities as candidates for membership of the Covenant of Mayors, as well as when it comes to developing action plans for sustainable energy, implementing and exchanging ideas about good practice, with the aim of making sure that the same task is not performed twice, as well as enabling many small and medium-sized towns to participate in this initiative;
22. recalls its previous recommendations concerning the importance of recognising and reinforcing the coordination role played by the regions within the Covenant of Mayors. This role is in fact essential in order to integrate the measures and projects of the smallest local authorities, as they do not receive any compensation for the costs incurred;

Recommendations on similar initiatives

23. recognises however that the Covenant of Mayors does not have a monopoly and is not the only "way ahead" in the fight against climate change. Firstly, certain local authorities have achieved results that far exceed the Covenant's goals. Secondly, similar initiatives exist both within the Member States as well as within the Council of Europe and efforts should be made to develop synergies with these;
24. recalls that the reduction in CO₂ emissions aims to mitigate the effects of climate change but that the European Union also has another mission: adapting to changing circumstances. This is why the European Commission has launched the "Mayors Adapt" initiative;
25. considers it necessary for the Covenant of Mayors to address in an integrated way issues of adaptation and mitigation, which represent two sides of the same coin, while avoiding the counter-productive effects of any possible overlap with the "Mayors Adapt" initiative;

26. reiterates its recommendation, already expressed in its opinion on the EU strategy on adaptation to climate change⁷, in favour of integrating the Covenant of Mayors and the "Mayors Adapt" initiative, and recommends doing the same with the Pact of Islands initiative;
27. draws the attention of the Covenant of Mayors Office and the European Commission to the benefits that can be reaped from synergies which might arise from bringing together, on the one hand, political commitments connected with membership of the Covenant of Mayors and "Mayors Adapt" and, on the other, technological solutions proposed by "Smart Cities";
28. draws attention to the confusion that the various initiatives could create, bearing in mind the diversity of their membership procedures and control mechanisms, as well as the partial overlap of their goals; argues therefore in favour of better coordination and structuring of the various elements, paying particular attention to transparency, clear communication and reducing paperwork; suggests putting in place a single point of contact via which local and regional authorities could obtain all relevant information on the various initiatives;
29. emphasises that aside from strong institutional support, local and regional authorities also need a legal, financial, methodological and promotional environment that encourages the development of networks and that will facilitate the achievement of targets⁸;
30. is opposed to all forms of discrimination against local authorities which have not joined the Covenant of Mayors;

Funding issues

31. observes with concern that small and medium-sized towns find it very difficult to access the EU's resources, either because they are not aware of the funding possibilities that they can benefit from, or because they do not have access to the skills required to develop proposals for the kind of projects that are likely to be funded; therefore strongly urges the European Commission and the Covenant of Mayors to inform these towns about funding possibilities that are available to them in order to formalise their commitments⁹;
32. wishes to reiterate that, although the action plans for sustainable energy approved by the EU's Joint Research Committee are excellent ways to save urban energy, they still need to attract funding from a bank or from private capital in order to be transformed into projects. This is often because the skills needed to achieve this are absent at the local authority level. The ELENA programme, managed by the European Investment Bank (EIB), can provide assistance in this respect, but it supports almost exclusively large projects. In order for the greatest possible number of plans to be implemented, the scope of the ELENA programme needs to be broadened or another similar programme needs to be established that also provides funding opportunities for more modest projects;

⁷ CdR 3752/2013.

⁸ http://urban-intergroup.eu/wp-content/files_mf/position_paper_smart_cities_public_consultation_2011_en.pdf.

⁹ CdR 283/2011.

33. suggests that signatories should continue to receive technical assistance (feasibility studies, technical and financial engineering, procurement processes, etc.) in order to prepare projects from their SEAP measures that can attract funding, and to implement long-lasting financing schemes to mobilise the necessary investments. The EIB ELENA instrument has helped signatories to implement large and long-term financing models, but is very demanding in terms of project size and leverage factor, which immediately excludes small and medium-sized signatories. More EU support is needed to provide project development assistance for SEAPs of various sizes. Different sources of financing should be streamlined, including EIB facilities (EFSI, EIAH, ELENA), ESIF (Fi-Compass), Horizon2020, EEEF, the future initiative smart financing for smart buildings etc.;
34. invites the European Commission to enable the Covenant of Mayors Office to support - possibly via an online platform - the interconnection of local and regional authorities' projects so that they can access the service proposed by the EIB-managed ELENA programme; also requests that the Commission broaden access to technical support and capacity-building for signatories;
35. urges all information relative to funding opportunities to be collected in a clearly-worded brochure, in all the official languages of the EU, and updated annually, and for this brochure to be sent to relevant stakeholders and notably to the CoR and its members;

Cooperation between the CoR and the Covenant of Mayors

36. recalls that the CoR, as an EU institution representing the voice of the cities and regions of Europe and acting as a focal point for the various local networks, ought to play a central role in the multilevel governance system. This would ensure that EU legislation is more in tune with the situation and needs of towns and municipalities;
37. calls for continued mobilisation of members who have signed up to the "Covenant of Mayors" and for a strategy to be set up in collaboration with the Covenant of Mayors Office and the European Commission, with the aim of promoting the initiative and collecting useful feedback concerning possible areas for development. With this in mind it may be possible to create a club, a platform or a CoR working group that would bring together the members of the Covenant of Mayors;
38. adds, in conclusion, that the Covenant of Mayors constitutes one of the instruments which could potentially help to bring the EU closer to its citizens. Local and regional authorities have demonstrated their capacity to exceed, on the basis of voluntary commitments, the targets set by the EU. Even better results cannot be obtained unless individual households, possibly via initiatives launched by local authorities, manage to set their own objectives for reduced, cleaner and more sustainable energy consumption, in their own interest as well as the interests of the planet as a whole.

Brussels, ...

II. PROCEDURE

Title	The future of the Covenant of Mayors
Reference	Own-initiative opinion
Legal basis	Article 307(4) TFEU
Procedural basis	Rule 41(b)(ii) of the Rules of Procedure
Date of Council/EP referral/Date of Commission letter	
Date of Bureau/President's decision	2 June 2015
Commission responsible	Commission for the Environment, Climate Change and Energy (ENVE)
Rapporteur	Kata Tüttő (HU/PES) Councillor, District 12, Budapest
Analysis	
Discussion in commission	Scheduled for 28 September 2015
Date adopted by commission	Scheduled for 28 September 2015
Result of the vote in commission (majority, unanimity)	
Date of adoption in plenary session	Scheduled for 3/4 December 2015
Previous Committee opinions	<ul style="list-style-type: none"> – Energy Union Package (CdR 1536/2015) – Towards a global climate agreement in Paris (CdR 1535/2015) – Resource efficiency opportunities in the building sector (CdR 4084/2014) – A policy framework for climate and energy in the period from 2020 to 2030 (CdR 2691/2014) – Towards an Integrated Urban Agenda for the EU (CdR 6902/2013) – Green Paper on Framing 2030 Climate and Energy Policy (CdR 5810/2013) – EU strategy for adaptation to climate change (CdR 3752/2013) – The new multiannual financial framework post-2013 (CdR 283/2011) – A resource-efficient Europe – flagship initiative under the Europe 2020 strategy (CdR 140/2011) – EU development policy in support of inclusive growth and sustainable development – increasing the impact of EU development policy (CdR 408/2010) – The role of local and regional authorities in future environmental policy (CdR 164/2010) – The Committee of the Regions' white paper on multilevel governance (CdR 89/2009) – How regions contribute to achieving European climate change and energy goals, with a special focus on the Covenant of Mayors (CdR 241/2008)
Date of subsidiarity monitoring consultation	n/a