

ENVE-VII/027

150th plenary session, 29-30 June 2022

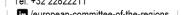
OPINION

Ecological transition – What balance between social acceptability and environmental imperatives from the point of view of cities and regions with a view to building resilient communities?

THE EUROPEAN COMMITTEE OF THE REGIONS

- Believes that the green transition should be at the heart of any policy choices, building a new, systemic and integrated approach to the design and implementation of future policies and programmes;
- Supports the definition of a climate-resilient Europe, in line with the mission of Horizon Europe, combining the resilience of environmental, social and economic systems with a commitment to long-term sustainable development, including equality, social justice and gender equality;
- Calls for the right conditions to be put in place to develop the social economy. The political and legal framework is key to creating the right environment for the social economy;
- stresses that businesses and industry should support efforts to adapt to climate change and that legal and financial means should be put in place to avoid that the local population internalises the costs of negative business externalities;
- Strongly underlines that the most important funds (EU cohesion policy, Recovery and Resilience Facility, Just Transition Fund, Modernisation Fund, etc.), as well as those directly aimed at the local and regional levels (LIFE, Connecting Europe Facility, etc.) which seek to support the green transition, are programmed at national level and that the scope of local and regional projects depends on central government guidelines;
- Points out that, apart from direct access to funding, local and regional authorities should receive adequate technical assistance and support for capacity-building, in order to exploit existing funding opportunities, assist these authorities in ensuring an effective balance between private and public funds, and make greater use of green and sustainable public procurement for investments.





Rapporteur Hanna Zdanowska (PL/EPP), Mayor of Łódź Reference documents Council presidency referral

Opinion of the European Committee of the Regions – Ecological transition – What balance between social acceptability and environmental imperatives from the point of view of cities and regions with a view to building resilient communities?

THE EUROPEAN COMMITTEE OF THE REGIONS

General comments

- 1. welcomes the green transition as one of the key priorities of the French Presidency, as adapting to and mitigating climate change, restoring and protecting biodiversity, ensuring territorial resilience to natural disasters, and promoting a healthy environment and better quality of life help build a more resilient Europe and achieve the objectives of the European Green Deal and the Paris Agreement;
- 2. agrees with the published communication on the new EU Strategy on Adaptation to Climate Change¹ and the special report of the Intergovernmental Panel on Climate Change (IPCC)², and stresses that the green transition is not possible without the involvement of local and regional authorities, as well as residents, businesses, innovation centres and universities;
- 3. believes that the green transition should be at the heart of any policy choices, building a new, systemic and integrated approach to the design and implementation of future policies and programmes; stresses that it should be facilitated by the digital transition, involving the deployment and promotion of modern digital tools with high sustainability standards, including strong democratic and technological safeguards, and investment in them as key enablers of change; In this respect, it is also essential to support and catch up less developed and rural regions too in order to bridge the gap between different areas.
- 4. The local and regional levels are the cornerstone of building resilience. It is important to increase the sense of ownership and community at local and regional level public administration, local and regional government, residents, economic operators of all those who are part of the local and regional fabric, but this requires proper and comprehensive, institutional and financial support;
- 5. calls for the entire health and care sector to be substantially reinforced in light of the climate and biodiversity crises and the war in Ukraine, treating health as a key motive for and priority of the green transition, and strengthening the synergies between climate and health policies in line with the recommendations of the 8th Environment Action Programme;
- 6. believes that a resilient community is able to withstand and absorb the impact of climate hazards and other disruptions and to recover from their consequences. It is therefore important to mitigate the negative effects, but also to create an atmosphere in which society, the environment and the economy can thrive by introducing a range of solutions to incentivise action;

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¹ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2021:82:FIN

^{2 &}lt;u>https://report.ipcc.ch/ar6wg2/pdf/IPCC_AR6_WGII_FinalDraft_FullReport.pdf</u>

- 7. underlines that resilient communities can also be achieved by developing resilient political systems committed to equality, solidarity, social justice and gender equality, by involving children and young people and leaving no one behind especially vulnerable groups and by taking account of spatial diversity, including that of rural, coastal, mountain, island, archipelagic or outermost regions;
- 8. stresses that policies for green production methods and technologies must also make local SMEs more competitive, enable green jobs to be created and developed and boost the skills of workers:
- 9. in view of high energy prices and the war in Ukraine, reiterates its call for a total ban on Russian gas, oil and coal imports into Europe and encourages local and regional authorities to start drawing up contingency plans to prepare for the consequences of such sanctions; believes that the REPowerEU plan is a way to accelerate the energy transition, reduce the EU's overall dependence on imports of energy and raw materials and thus to diminish the political, economic and security risks associated with it; nevertheless, deeply regrets the lack of clear reference to the role of cities and regions, both in terms of overcoming the current energy crisis and providing long-lasting solutions to it;

Choosing the right policy mix for resilient systems

- 10. supports the definition of a climate-resilient Europe, in line with the mission of Horizon Europe, combining the resilience of environmental, social and economic systems with a commitment to long-term sustainable development, including equality, social justice and gender equality. It is important to include children and young people, leave no one behind and strengthen the resilience of political systems in order to promote shared values, solidarity and respect for diversity, achieved through inclusive social transformation;
- 11. stresses, in line with the communication on a new climate adaptation strategy, the need for a systemic and informed response to climate change as soon as possible; notes that resilience is a complex concept, requiring integrated, multi-sectoral and flexible solutions, developed according to a territorial approach and based on evidence; underlines that building resilient systems requires that the right priorities be selected, as well as synergy between different policies that support the transition to becoming a sustainable territory, capable of coping with crises and shocks while preparing to curb their current and anticipated effects;
- 12. proposes, therefore, that investment projects include climate risk analyses and climate vulnerability analyses, and that cost-benefit scenarios be adapted accordingly;
- 13. also expresses its concern about the expected asymmetric regional impact of the energy crisis on EU cities and regions reflecting their different abilities to respond to the disruption of energy supplies and rising energy prices and calls on the European Commission and Member States to take these asymmetries duly into account when devising and implementing the respective measures;

- 14. backs proposals to accelerate local renewable energy and energy efficiency measures in order to safeguard Europe's energy sovereignty and security and combat energy poverty, in particular, in light of the war in Ukraine and its adverse consequences for Europe's energy;
- 15. supports plans and actions to secure a just and inclusive transition in coal areas, in order to help them progress and overcome any obstacles they may encounter, and with the sufficient funds required to do so and to create a new model for their development;
- 16. highlights that the main barriers to rapid implementation of low-carbon technologies are related to the lack of financial and human resources, to existing policies, regulations and organisational structures still dependent on fossil fuels, as well as to socio-cultural factors such as a lack of social acceptance, since this could lead to job losses and a decline in population particularly in coal regions; believes therefore that innovation should stem from specific local contexts and have a direct impact on the overall system and community and counteract processes that cause a lack of public acceptance;
- 17. calls for support to facilitate development of and access to active and public mobility and transport solutions that are zero- and low-emission;
- 18. notes that climate change is possibly the biggest threat to global health in the 21st century, and therefore calls for multidisciplinary and multi-sectoral cooperation and adoption of the one-health approach, leading to coordinated action at all levels of governance in international agencies, NGOs and academic institutions, with a view to protecting nature and restoring biodiversity, habitats and ecosystems;
- 19. points out that disaster risk reduction measures based on an ecosystem approach are cost-effective policy tools. However, they are not fully exploited and their potential should be further enhanced at EU level³;
- 20. calls for the transition to a circular economy to be stepped up and underlines the role of local and regional authorities in this process; calls for the promotion of new business models and stronger tools, especially within the framework of municipal services and their mechanisms for extended consumer responsibility and public-private partnerships, as well as the associated promotion of sustainable consumption and production models and green or sustainable public procurement;
- 21. is in favour of innovative governance solutions being introduced in the public sector, making use of the Living Lab concept; stresses that, in order to build resilient communities, it is crucial to help them find effective ways of overcoming challenges, by harnessing the creativity and innovation of users of public services;

Climate change adaptation and disaster risk reduction in Europe Enhancing coherence of the knowledge base, policies and practices 15/2017, EEA, https://www.eea.europa.eu/publications/climate-change-adaptation-and-disaster

- 22. calls for nature-based solutions to be taken into account in investment processes. This initiative, which forms part of the new EU Strategy on Adaptation to Climate Change, prioritises nature-based solutions⁴:
- 23. welcomes initiatives (including the Covenant of Mayors and Climate Pact) that encourage local and regional authorities to increase their ambitions and transformative actions. The activities of the ambassadors of these initiatives should be stepped up and replicated in other places in order to raise climate awareness among all levels of local government and accelerate their transition;
- 24. supports the Climate, Energy and Environmental Aid Guidelines (CEEAG). These guidelines will increase the effectiveness of efforts to meet the European Green Deal's objectives particularly with regard to building renovation, biodiversity, clean mobility, renewable energy, as well as resource efficiency with a view to supporting the transition to a circular economy;
- 25. calls for the right conditions to be put in place to develop the social economy. The political and legal framework is key to creating the right environment for the social economy. This includes a framework for taxation, public procurement and State aid, which needs to be adapted to the needs of the social economy;

Local and regional authorities as key actors in the green transition

- 26. calls for a well-functioning multilevel governance framework, from local, metropolitan and regional to national, European and global level. Radical and lasting lifestyle changes, necessary for creating a fair, sustainable, low-carbon and resilient society, require requires both bottom-up and top-down cooperation;
- 27. highlights the fact that local and regional authorities are "lead actors" in the green transition. They implement 70% of all EU legislation, 70% of climate change mitigation measures, 90% of climate change adaptation strategies and 65% of the sustainable development goals, as well as carrying out one third of public spending and two thirds of public investment. They are the most familiar with local and regional challenges and should therefore be equipped with the instruments to pursue the systemic solutions that best fit the local scenario; However, this role does not mean that the responsibility is theirs alone. Higher levels of government have an obligation to support local and regional authorities in all their efforts to do so;
- 28. encourages greater use of participatory governance (discussions, budgets, etc.) and multistakeholder governance, as this increases the chances of optimal green investments in small rural towns, cities and regions; points out that local and regional authorities support decisionmaking at all stages and provide active support as part of policy strategies;
- 29. points out that "Thinking globally and acting locally" is the only way to achieve the ambitious climate targets of the Paris Agreement. In this context, the Committee calls on the UNFCCC to

^{4 &}lt;u>https://climate-adapt.eea.europa.eu/eu-adaptation-policy/sector-policies/ecosystem</u>

actively and meaningfully involve local and regional authorities as a credible partner of the COP on climate action;

30. encourages local and regional authorities to organise local climate summits which have a positive impact on the involvement of local and regional authorities in climate change adaptation and energy transition issues and provide an opportunity to prepare the Committee of the Regions' recommendations for the annual UN climate conferences;

The social dimension of building resilience

- 31. stresses that involving local communities in decision-making is crucial for any transition; urges a greater commitment to empowerment, inclusiveness, shared values and solidarity, involving all actors in building more resilient communities; Involving young people is also essential in this respect;
- 32. calls for development of tools to encourage households to get involved in the transition as well as various forms of support, especially for the most vulnerable groups of citizens and territories; welcomes, in this context, the establishment of the Social Climate Fund and calls for financial support to be provided via a system of shared management that respects the principles of partnership and multilevel governance;
- 33. calls for the empowerment of prosumers and consumers in the green transition, using legislation to curb greenwashing and promote informed choices;
- 34. appeals for measures to facilitate and promote relevant initiatives, and for lower barriers to setting up local renewable energy communities, as they are a key tool to promote the widespread use of renewable energy sources and to achieve a decentralised energy system while providing local economic and social benefits;
- 35. notes that the potential for energy savings is underleveraged in the REPowerEU plan, and calls on the Commission and Member States to consider measures such as campaigns to raise public awareness and encourage changes in behaviour;

Education and learning to build resilience

- 36. stresses that the green transition will not succeed unless knowledge capital is developed through climate education at all levels of education, as well as skilling and reskilling;
- 37. highlights that the Climate Pact should accelerate efforts to meet the commitments already signed at local level by local actors (SMEs, schools, local authorities, universities, etc.) and generate new commitments to make Europe the first climate-neutral continent by 2050;
- 38. supports the objectives, principles and guidelines of Horizon Europe and calls for stronger requirements for the durability of projects and for their impact to be monitored;

- 39. stresses the importance of actions to promote, expand and finance existing and new initiatives that support knowledge and best practice sharing by European, national, regional and local networks and city-to-city cooperation such as mutual learning activities, study visits, partner-to-partner mentoring and coaching;
- 40. calls on local and regional authorities to do their utmost to encourage mutual and cross-border administrative cooperation in the implementation of transition projects, including interregional, inter-municipal and cross-border cooperation across the EU;
- 41. proposes the use of best practices in the fight against climate change at local and regional level, generated by initiatives such as the Covenant of Mayors, the Under2 Coalition, EU Missions, etc. The aim is to make use of the data collected when developing long-term climate strategies and to share experience on successful methods, innovative solutions and valuable lessons from such initiatives;
- 42. calls on the European Commission to consider setting up a dedicated instrument for technical assistance and information exchange between local and regional authorities that face similar challenges in terms of the green transition and building resilient communities by providing financial support for sharing EU best practices (study visits);
- 43. underlines the importance of intergenerational cooperation, mainstreaming of youth perspectives and support from the Young Elected Politicians programme; is in favour of building an innovation ecosystem through projects, programmes and actions aimed at talented youth in order to harness the potential of young people for the green transition;
- 44. calls for local/regional climate hubs to be set up as information points and places that encourage local communities to further the green transition. Such hubs may have the potential to launch bottom-up initiatives and projects that promote and encourage collaboration between both committed and sceptical users of cities and regions, as well as those who are not engaged.

Greater public awareness and monitoring change

- 45. stresses that public awareness of climate change, its causes and consequences is a prerequisite for effective climate policy. The use of modern technology tools (teledetection, transport telematics, drones, ICT) enables adopted climate policies to be delivered much more effectively;
- 46. A society aware of climate threats shows greater solidarity in accepting difficult and often costly activities. Up-to-date and reliable information is the basis of the actions and whether they are accepted by local and regional communities;
- 47. underlines that the success of the green transition depends on a large number of local partners getting involved. Clear and ongoing communication on the transition process and dialogue are important, particularly around difficult topics such as limiting individual transport and the location of municipal amenities that the public find difficult to accept.

Economic operators to build resilience

- 48. stresses that businesses and industry should support efforts to adapt to climate change and that legal and financial means should be put in place to avoid that the local population internalises the costs of negative business externalities;
- 49. calls for sustainable production to be stimulated through regulation, by means of extended producer responsibility for an ever greater number of product groups and for the individual stages of their life cycle;
- 50. welcomes the revision of the <u>Industrial Emissions Directive</u>, intended not only to help prevent and control pollution, but also to stimulate innovation, reward frontrunners and help level the playing field in the EU market;
- 51. points out that more cross-border sustainable energy projects and infrastructure need to be developed if we are to achieve a zero-emission and fully integrated energy system in the EU. Existing barriers should be removed and low-emission and renewable energy cooperation strengthened across borders;
- 52. points to the need to boost the internal market for construction products through a regulatory framework that is suited to driving the "renovation wave" and promoting construction investments based on sustainable construction.

Sustainable consumption

- 53. calls for legislative action to make all physical goods on the EU market more environmentally friendly, circular and energy-efficient throughout their life cycle from design, through daily use, to repurposing and re-use;
- 54. calls for legislative changes to ensure more efficient efforts at tackling food waste, including stimulating the development of a sustainable food sector (Farm to Fork strategy) and decreasing the environmental impact of the food processing and retail sector by taking action on transport, storage, packaging and avoiding food waste, and for steps to promote sustainable food consumption;
- 55. is in favour of action by the Commission to support the development of the European social economy, which can genuinely overcome the challenges of food waste and short product life cycles and develop new green activities;
- 56. points out that in the current time of crisis and the resulting challenges, local and regional authorities are forced to constantly revise their goals, identify risks and respond dynamically to emerging development constraints, which may make it difficult to implement transformational actions in an ongoing and comprehensive manner;

- 57. strongly underlines that the most important funds (EU cohesion policy, Recovery and Resilience Facility, Just Transition Fund, Modernisation Fund, etc.), as well as those directly aimed at the local and regional levels (LIFE, Connecting Europe Facility, etc.) which seek to support the green transition, are programmed at national level and that the scope of local and regional projects depends on central government guidelines. Procedures should be put in place to ensure that local and regional authorities participate as much as possible commensurate with their needs in the programming and implementation of EU funds;
- 58. stresses that the REPowerEU plan presented by the European Commission, which relates to increasing energy savings, diversifying supplies, stepping up development of renewables, reducing fossil fuel consumption and smart investments, should provide for financial support for local and regional authorities to implement it, as well as the allocation of existing or new EU funding for this purpose; calls on the Member States to redirect unused funds from the Recovery and Resilience Facility to support local energy security planning and investments in renewable energy sources and energy efficiency;
- 59. highlights the role played by Treaty provisions on the financing of activities of local and regional authorities, particularly in the field of climate protection. The introduction of changes needs to be adapted to the circumstances and possibilities of local communities, enabling these changes to be made effectively without imposing an excessive burden on local people; therefore calls on the European Commission to review the rules for financing municipal services so that better solutions can be put in place to finance the most urgent needs in this area, which has implications for the environmental impact;
- 60. calls for public aid rules to be streamlined, including support for solutions in the area of funding and maintenance of systems essential for waste management, in particular the establishment of opportunities for funding by local and regional authorities to operate these systems, as well as support for crisis management and support for economic operators, including micro-enterprises;
- 61. stresses the need to combat energy and mobility poverty through energy efficiency measures and more widespread implementation of RES and the related need for Member States to provide support in this regard at local and regional level; therefore considers it essential to reduce the initial cost burden of energy efficiency and RES measures, particularly for households, micro and small enterprises and vulnerable consumers;
- 62. stresses that the funding provided for under the revision of the existing ETS is insufficient to ensure a truly just transition, and that consideration should be given to allocating revenue from outside the ETS on road transport and buildings (ETS II) to the Social Climate Fund; proposes that the revenue earmarked for the Social Climate Fund should start to be pooled earlier than the implementation of ETS II;
- 63. believes that the Social Climate Fund should counterbalance the negative effects on households, micro and small enterprises and the most vulnerable transport users and ensure socially sustainable development;

- 64. encourages the private sector (including via extended producer responsibility) to play a bigger part in building the resilience of cities and regions;
- 65. calls for European competition law to be made more flexible, particularly with regard to State aid, as it does not take sufficient account of the nature of competition faced by European businesses in third countries where the same rules are not respected;
- 66. points to the underestimation of the costs borne by local authorities due to numerous crises and the delayed support from higher levels of governance; calls, therefore, for proposals for more effective solutions;
- 67. calls for increased financial support for green investments with a "snowball effect", mobilising further action to drive the green transition;
- 68. points out that, apart from direct access to funding, local and regional authorities should receive adequate technical assistance and support for capacity-building, in order to exploit existing funding opportunities, assist these authorities in ensuring an effective balance between private and public funds, and make greater use of green and sustainable public procurement for investments:
- 69. supports the idea of a "green budget" as a fiscal policy-making tool to help achieve environmental objectives. This will enable the environmental impact of budgetary or fiscal policies to be assessed, as well as their consistency with efforts to meet national and international commitments⁵:
- 70. calls for further administrative simplification and reduction of regulatory barriers concerning the development and implementation of new and innovative technologies and business models;
- 71. points out that the implementation challenges of climate policy are largely focussed around local and regional authorities, whereas potential funding (e.g. revenue from taxes, emission rights) goes mainly into the central budget; calls for the rules on access to resources to be revised.

Strengthening the supply of ecosystem services

72. points to the need to undertake specific measures to streamline water management in urban areas, in particular to streamline management of water resources while taking account of links to the catchment basin, and to establish a programme to develop small-scale retention investments and a fund for this purpose;

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^{5 &}lt;u>https://www.oecd.org/environment/green-budgeting/</u>

73. is concerned that, despite the wide scope of environmental legislation in the EU, large gaps still exist in the legal protection of ecosystems ⁶, while restoring ecosystems is crucial for maintaining a high quality of life and ensuring that the processes needed for sustainable development continue.

Brussels, 30 June 2022

The President of the European Committee of the Regions

Vasco Alves Cordeiro

The Secretary-General of the European Committee of the Regions

Petr Blížkovský

Mapping and Assessment of Ecosystems and their Services: An EU ecosystem assessment, 2020 https://publications.jrc.ec.europa.eu/repository/handle/JRC120383

I. PROCEDURE

TD*41	E-1-1-1-1 (1)
Title	Ecological transition – What balance between social
	acceptability and environmental imperatives from the point
	of view of cities and regions with a view to building
	resilient communities?
Reference documents	Council presidency referral
Legal basis	Rule 41(b)(i)
Procedural basis	
Date of Council/EP referral/Date of	
Commission letter	
Date of Bureau/President's decision	16/12/2021
Commission responsible	Commission for the Environment, Climate Change and
	Energy
Rapporteur	Hanna Zdanowska (PL/EPP), Mayor of Łódź
Analysis	-
Discussed in commission	
Date adopted by commission	31 May 2022
Result of the vote in commission	Unanimous
(majority, unanimity)	
Date adopted in plenary	30 June 2022
Previous Committee opinions	-
Date of subsidiarity monitoring	-
consultation	