

Launch of the EU Mission on Climate-Neutral and Smart Cities - Concerns from cities

Brussels 19 November 2021

Dear Matthew, dear colleagues,

We have recently participated with great interest in different information sessions addressing the European Mission on Climate-Neutral and Smart Cities (Cities Mission). We have carefully listened to the explanations provided by the European Commission and representatives from the NetZeroCities consortium on the next, implementing, phase of the European Mission on 100 Climate-Neutral and Smart Cities by 2030.

First ERRIN and its members would like to stress that we are committed to this mission and want it to be a success. With COP26 just behind us, the urgency of the global climate challenge has only become more acute. So has the pivotal role of cities, their citizens, as well as their private partners within urban areas across the globe in spearheading the efforts towards CO2 emission reductions. This EU mission could not have come at a more appropriate time.

However, quite a number of critical questions and uncertainties concerning the implementation and the launch of the call for Expressions of Interest (Eoi) still remain. With this letter we would like to, once again, highlight those issues with a hope that the European Commission will be able to provide cities with further clarity, thus contributing to securing the success of the mission in the years to come.

The added value of the mission and its uniqueness comes from its holistic approach, based on the needs of each city - the “demand-led approach”. Creating a local partnership that together commits to climate neutrality, as well as the support, continuous dialogue, and cooperation between government levels, make it an innovation itself. As said many times before, no government is up to delivering on the climate challenge alone. We must find common ground and support one another. We stress, therefore, that this is what the mission, the Mission Platform, and the NetZeroCities project must be about: finding common ground and collaboratively work to deliver on our common challenge - a climate neutral European Union.

With a view to ensure the greatest possible added value from the EU mission for the largest number of EU cities, we would like to see the following issues addressed and clarified.

The Expression of Interest: selection criteria and the evaluation process

Do we understand correctly that the evaluation of the submitted Expressions of Interest will be done by the European Commission services themselves? Will the 100 cities be selected on the basis of information provided following the elements highlighted in the eligibility criteria, as listed in the Cities Information Kit (CIK)?

Our first concern centres around the need for clarification on the criteria for the assessment of these 100 cities. While the European Commission has published a CIK, including an extensive list of eligibility criteria, the various presentations stressed the wish of the European Commission to start work with a diverse group of cities and the key criterion therefore seems to be the “preparedness to commit”.

If the objective is to bring together a diverse group of cities, it seems that the regular criteria of research and innovation programmes - that of the excellence - is not a main criterion. Therefore, we would like to further understand which are the main criteria in the selection process?

The Climate City Contract: reciprocity and commitment at all levels

Our second concern centres around the definition of the Climate City Contract. In the CIK the following definition is given:

The Cities Mission will have as its central feature the “Climate City Contracts”. Each participating city will develop and implement such a contract. While not legally binding, these contracts will constitute a clear and highly visible political commitment not just to the Commission and the national and regional authorities, but also to their citizens. (Page 1 of the CIK)

The Climate City Contract will be non-binding, in the form of a Memorandum of Understanding signed by the Mayor or political representative of the city and witnessed by the Commission. Use of the word “contract” is intended to indicate a clear political commitment on the part of the city to its citizens as well as to the Commission and to the national and regional authorities. The contract will encompass a range of activities including setting up large scale EU R&I demonstrators, establishing innovative models for city governance and citizens’ engagement and an Investment Plan. (Page 2 of the CIK)

This definition raises the following questions:

Both a Memorandum of Understanding (MoU) and a Contract are normally agreements between different - at least two – parties. Why is the European Commission no longer a signatory to this agreement, and what is the added value for a city to sign an agreement unilaterally?

The contract is seen as a multi-level commitment engaging not only the European Commission, but also, whenever possible, national governments and potentially regional authorities. How does the European Commission envisage this process, if none of the other parties sign up to the contract/MoU?

One of the eligibility criteria as listed in the CIK is an outline of existing partnerships and citizen engagement. Cities are asked specifically to outline how they collaborate with other levels of

government and with the private sector. In light of our previous comments regarding the importance of cooperation between government levels as a core added value of the mission, we are not convinced that the current framing of the MoU/Contract, as being a commitment of the individual city, will allow the European Union as a whole to make significant progress in addressing the climate change challenge. Active engagement of our national or federal governments is an essential component of the mission, and without this engagement, the mission will not achieve its objectives.

If implemented as a common agreement between the levels of government, the Climate City Contract can become a very useful and strong instrument to coordinate efforts between the government levels, as well as narrow the existing gap between Europeans and the European institutions. This, however, requires that the MoU/Contract would need to be signed by all government levels.

Climate City Contract and the NetZeroCities platform: support to 100 cities

We were rather disappointed to hear that the European Commission – through the NetZeroCities project – will only be able to support 25-30 cities in their effort to develop the Climate City Contract. This has created some frustration among cities who have actively been mobilising their actors with an aim of being part of the (first) 100 cities.

Again, this raises a number of questions:

The Implementation Plan states that the *CCC will be co-created by cities, with the help of the Mission Platform*. However, the NetZeroCities is a Horizon 2020 project and therefore does not have the same status or mandate as the European Commission in this process. What role does the Commission aim to take in terms of engaging with cities and their activities, resulting in the Climate City Contracts?

Further, we would like to better understand what the support to the 25-30 selected cities entail, as well as what support the remaining 70-75 cities will receive from the Mission Platform?

Finally, we would like to hear who will select the 25-30 cities that are to receive support from the project to develop their Climate City Contracts? Will this process be directly linked to the evaluation of the Expressions of Interest or will there be another process and different evaluators to select this group? Additionally, how will the issue of diversity be taken into account in this process?

During the mission development process (in our inputs to the Green Deal Call) we advocated that the Mission Platform should support at least 100 cities to develop their Climate City Contracts, instead of supporting specific pilot projects. We therefore highlight again that in order to quickly move forward with the mission implementation, the funding allocation should ensure that 100 cities can receive appropriate support to have their Climate City Contracts in place.

Funding and support to financial portfolios

One of the main obstacles to swift progress in addressing the climate change challenge is the need for large-scale investments. Therefore, significant efforts through the Mission Platform should be geared towards an active and intensive support to the 100 selected cities and their local and regional partners

to build the required integrated and large-scale investment portfolios. Therefore, support given to the cities in developing and implementing those portfolios (i.e. financial plans) should be one of the essential elements of the platform.

In addition, the question of mobilising funding from various European programmes – as well as coordinating support from various government levels – remain essential, and is directly linked to the question on the multi-level commitment, and signature, of the Climate City Contracts.

One of the proposals coming from the Cities Mission Implementation Plan is a ‘Mission label’. We would like to better understand this proposal - what added value would the label bring and how would it work in practice? Will it, for example, give advantages in the context of EU project evaluations (i.e. similar to a requirement of having a SECAP in Smart Cities Lighthouse projects in Horizon 2020)? Drawing lessons from the Seal of Excellence could be useful in this context.

Finally, plans for providing further funding for the development and implementation of the Climate City Contracts have been raised in various presentations. We would like to hear more details about these plans. As already highlighted, we believe that it is crucial that the Climate City Contract process, in at least 100 cities, will receive support quickly. Again, the Climate City Contracts are the innovation in the mission process and an important vehicle to ensure the commitment, as well as the necessary support from the various levels of government, in addition to the key local stakeholders.

We look forward to your responses.

Kind regards,

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