Opinion of the European Committee of the Regions — Delivering the global climate agreement — a territorial approach to COP22 in Marrakesh

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Rapporteur: Francesco Pigliaru (IT/PES) President of the Region of Sardinia

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POLICY RECOMMENDATIONS

1. The Paris Agreement is a considerable achievement in that it is universal, binding and balanced. It sets out a global action plan to keep the increase in temperature this century to well below 2 degrees and to drive efforts to limit the increase even further to 1.5 degrees compared to 1990 levels. It is particularly important because the outlined path to decarbonisation provides reliable guidance for decision makers at all levels, avoid costly lock-in to high carbon investments, and provides certainty and clear direction to businesses and investors. The 22nd Conference of the Parties of the United Nations Framework Convention on Climate Change (UNFCCC COP22) will be tasked with maintaining the positive momentum from Paris and operationalising the agreement’s various mechanisms.

2. However, even if fully implemented, the Parties’ current pledges will not be sufficient to reach the agreed goals. Enhanced action will have to come from regions and cities, which are closely connected with local communities and territories, while the Parties must table updated contributions as soon as possible — as early as in the context of the facilitative dialogue in 2018. With regard to the EU in particular, the European Committee of the Regions maintains its past position regarding the need for a 50% reduction in greenhouse gas emissions by 2030 with the aim that global GHG emissions should reach their peak as soon as possible and should be phased out by 2050 or shortly after.

3. The EU with its highly developed multi-level governance system has a particular responsibility to show united and ambitious leadership in addressing climate change; the CoR therefore welcomes the timely ratification of the Paris agreement by the European Union and calls on the Member States which have not done so yet to ratify it as soon as possible. The CoR also calls the European Commission and the Member States to update and specify the 2030 Framework and 2050 Roadmap in order to comply with the Agreement’s obligation to formulate mid-century, long-term low greenhouse gas emission development strategies; this process should start as soon as possible, to allow a comprehensive debate, in which the representatives from national, regional and local authorities as well as civil society and the business sector should be closely involved.

A multi-level governance

4. The Paris Agreement recognised the importance of multi-level governance in climate policy. This principle should now be put into practice across all levels of government in order to develop connections and to close existing gaps between national, regional and local climate change policies, together with an enhanced transparency framework and the development of the necessary instruments for global stocktaking, a better understanding of differentiated impact of climate change, loss and damage and the appropriate climate finance and capacity support.

5. The CoR therefore calls for the further development of the Lima-Paris Action Agenda (LPAA) and its corresponding platform, the Non-State Actors Zone for Climate Action (NAZCA). These could be fully integrated into the UNFCCC Secretariat through the Global Climate Action Agenda launched by the newly appointed Climate Champions (1). This should in turn become the basis for fully-fledged multi-level governance on climate action, as also noted in the European Parliament’s resolution.

(1) http://newsroom.unfccc.int/climate-action/global-climate-action-agenda/
6. As the biggest contributors to the LPAA and NAZCA, regions and cities have already shown the extent of their commitment to combatting climate change and their potential for increased action. Voluntary initiatives, such as the EU Covenant of Mayors and the Under 2 Degrees Memorandum of Understanding, are of particular added-value as they feed into the LPAA and NAZCA with quantified data and demonstrate greater ambition than national legislators. The contribution of these initiatives to stirring up action at all levels should be acknowledged and encouraged by subnational and national governments as well as intergovernmental organisations. Their efforts should be accounted for and included within the respective Nationally Determined Contributions, as it is already the case for Mexico for example. Other monitoring and reporting initiatives and mechanisms to measure emissions reduction and evaluate mitigation and adaptation policies should also be fostered.

**Better integration of regions and cities within the UNFCCC**

7. Better integration of regions and cities within the UNFCCC process is also necessary and would allow for feedback from the ground to be channelled back to the UN level in a timely manner. Countries would have access to the best information, enabling them to make cost-effective decisions that can be implemented by regions and cities on the ground. It is therefore necessary to establish a permanent and direct dialogue between the different levels, starting from the local and regional level.

8. Measures to enhance this dialogue include:

— regular exchanges between regions’ and cities’ representatives and the COP presidencies, Climate Champions as well as the UNFCCC Secretariat,

— trilateral dialogues involving cities, regions and Parties in the framework of the UNFCCC structures and in particular during COPs,

— daily debriefings of the European Commission and the Council for the CoR during COPs,

— regular exchanges with the European Parliament (EP), notably the EP delegation at the COPs,

— Parties’ (countries) participation in the Friends of the Cities informal group meetings.

**At EU level**

9. Following the COP21, the European Commission and the Council have been liaising increasingly with the CoR to better integrate a local approach to EU legislation — notably through the EU Urban Agenda. Moreover, the roadmap for the implementation of the Paris Agreement in the EU fully endorses the multi-level governance principle.

10. The European Commission has also set in motion the extension and reinforcement of the EU Covenant of Mayors. It now includes an adaptation component in addition to being developed in different parts of the world.

11. From the CoR perspective, it is of utmost importance to build on this recognition and to ensure a balanced approach that recognises the distinct contributions of both regions and cities in this context.

12. The CoR would like to emphasise that the principle of multi-level governance is inclusive and cost-effective because it allows all levels of government to coordinate their efforts, and in doing so, to maximise their potential for action.

13. Regions have a key role in providing the context for urban policies within a larger territory and linking them with other policies such as forestry, green and blue infrastructures, territorial cohesion and agriculture. This function of regions is especially important in the EU as the territory is made up of small and medium-sized cities, which often have limited resources and capacity for action. Regions help to avoid costly duplication of efforts and to ensure broad cohesion between urban and non-urban areas.

14. The EU Covenant of Mayors, for example, includes many regions as regional coordinators. These can empower several cities simultaneously to become part of the Covenant.
15. The CoR therefore notes the pivotal role of regions in Member States in driving this kind of vertical coordination between all levels of government.

16. In Italy, for example, regions have established an interregional board on climate adaptation. The board brings together the national government and all regions. It ensures that the Italian strategy on adaptation, which was developed on the basis of the European Strategy on adaptation to climate change, will be implemented at regional level.

Regions in turn are also responsible for helping cities and towns within their territories to build local adaptation plans accordingly.

17. Based on this example, the CoR calls on the EU regions to show leadership in applying EU and national climate strategies, and in driving change at local level. It also calls on the European Commission and Member States to incorporate this role into their definition of inclusive governance on climate and energy, as well as within their strategy for implementing the Paris Agreement. This would include the need to take due account of the role of ‘regional coordinators’ in the context of the Covenant of Mayors when designing new support tools for signatories.

**Horizontal coordination**

18. In addition to vertical coordination, the CoR deems it necessary to deepen horizontal coordination between different policies. Mainstreaming climate in all policies will allow local populations to benefit from many co-benefits such as higher quality of life and local jobs. It will also allow to create synergies and decrease costs of action. For example, it is estimated that the EU circular economy package could help lowering greenhouse gas emissions by 2 to 4% annually (2) if properly implemented. The CoR therefore calls on the COP22 to address the key role of the reduction of raw materials’ exploitation and sustainable waste management in the context of combating climate change.

19. The CoR therefore calls on regions and cities to champion cross-administrative cooperation. One may note the successful model of the cross-administrative committee on sustainable development of Espoo, Finland. Not least thanks to this integrated approach, Espoo has recently been ranked the most sustainable city in the EU according to a study ordered by the Dutch presidency of the EU.

20. Beyond horizontal cooperation at local and regional levels, silo-thinking should also be avoided when designing EU support measures available for regions and cities. To this end, the CoR is looking forward to the one-stop shop announced by the European Commission in its communication ‘The Road from Paris’ and also underlines the importance of this service in addressing the needs of regions.

**The contribution of the Committee of the Regions**

21. In preparation for the COP22 and beyond, the CoR commits to supporting the European Commission and the Council in their efforts to make the implementation of the agreement a success in close cooperation with the European Parliament.

22. The CoR should aim to be carbon neutral as an institution and will liaise with the other EU institutions, notably the European Parliament in this endeavour.

23. Within the EU, the CoR is committed to informing regions and cities about their key role in enhanced climate action and about all facilitating mechanisms for supporting bottom-up action.

24. The CoR, as a strong supporter of the EU Covenant of Mayors, is encouraging participation in the initiative among its members and has also created a CoR group of Covenant ambassadors to promote the initiative within their respective countries.

(2) ‘Circular Economy Package 2.0: Some ideas to complete the circle’ March 2015, European Environmental Bureau http://www.eeb.org/index.cfm?LinkServID 2E1B48-5056-B741-D8594FD34CE970E9
25. The CoR is therefore committed to leading by example. It is part of the Eco-Management and Audit Scheme (EMAS) and pledges to continue its efforts collectively with the administration and its members to lower its carbon emissions and decrease its consumption of fossil fuels. To this end, the CoR will explore how to offset the unavoidable greenhouse gas emissions caused by the travel of its members and staff. This implies calculating the CoR carbon footprint, including all missions and external meetings in this calculation. Offsetting greenhouse gas emissions should finance sustainable projects within the EU. New technologies such as video-conferencing should be more widely used, including in CoR Commission meetings.

26. With a view to becoming paperless, the CoR should follow the example of the European Parliament which does not print files for Plenary and Commission meetings anymore, unless members specifically request to have them or other imperative reasons require printed-out documents.

27. Beyond the EU’s borders, the CoR is committed to working in coordination with DG CLIMA, the European External Action Service and Member States in the framework of the Green Diplomacy Network to support the implementation of the existing pledges from Non-EU Parties and to encourage them to make new pledges resembling those made by the European Union.

28. In particular, the CoR will use its structures such as the Euro-Mediterranean Regional and Local Assembly, the Conference of the Regional and Local Authorities for the Eastern Partnership, Task Force Ukraine and the Joint Consultative Committees and Working Groups with candidate and pre-candidate countries to keep climate policy high on the political agenda and support its implementation by local and regional authorities across the world.

29. The CoR will actively engage within the MEDCOP22 organised in Tangiers to further empower cities and regions of the area to act on climate and energy. It will notably support the focus on financing and capacity-building for local and regional authorities in the Euro-Mediterranean area, and will bring these issues to the attention of the EU delegation to the COP22.

30. Specifically, the CoR will help to promote the Covenant of Mayors at global level, starting with the Euro-Mediterranean Covenant of Mayors and possibly with the Eastern Covenant of Mayors in 2016.

31. The CoR will also continue its engagement at UNFCCC level to support the EU delegation’s ambitious position for climate and especially the EU multi-level governance model among its partners from the Local Governments and Municipal Authorities Major Group.

**Empowering our communities**

32. Given the scale of action required on climate, we all need to change the ways we produce and consume. As a result, in order to build public acceptance for these profound changes, regions and cities will have a key responsibility for engaging with citizens and empowering them to play an active role in this transition.

33. Both regions and cities have a crucial role to play in facilitating the dissemination of information about behaviour change and measures to support individual action on climate.

34. Regions and cities also have to identify and remove bottlenecks, which prevent citizens from fully participating in the transition to low-carbon and resilient societies by coordinating with higher levels of government (national, EU and global).

35. Regions’ and cities’ long-term partnerships with businesses, universities, local communities, civil society, non-governmental organisations (NGOs) and schools are vital for fostering action on climate.

36. The CoR therefore calls on regions and cities to fully play their role in championing multi-actor projects at subnational level in order to create a culture for sustainable development that will galvanise efforts at national and European levels, emphasising that there are strong differences in terms of needs and vulnerability linked to climate change among different parts of the EU and between regions and cities.
A focus on research

37. The role of research in formulating appropriate policy responses to the challenge of climate change is crucial. Close links with the academic world will contribute to good policy-making with decisions based on sound expert advice.

The CoR therefore calls on regions and cities to build close links with universities and research centres within and beyond their territories and to support inter-regional cooperation in these fields.

38. Co-production of knowledge from an early stage and cross review between policy-makers and academics will foster cooperation in identifying problems and joint problem-solving throughout the entire research process and policy-making cycle.

39. The CoR notes with satisfaction that the recent decision by the Intergovernmental Panel on Climate Change to draft a special report on cities and climate in 2023 will drive increased research as of now on the importance of cities in combating climate change. It calls on the European Commission to take an active part in drawing up this report and to involve the CoR in this process, as well as to champion a multi-level territorial vision of climate action. In particular, the CoR calls on the European Commission to promote research in these areas in order to feed constructively into the special report which will be used in future UNFCCC discussions, notably the global stocktake, which will assess the state of the implementation of the Paris Agreement by 2023.

40. The CoR promotes the inclusion of research representatives in the planning and implementation of adaptation and mitigation policies.

Resilient societies

41. Importantly, the Paris Agreement recognises the important positive impact of adaptation on mitigation measures.

42. The CoR will draft a separate opinion focusing on the review of the EU strategy on adaptation to climate change planned for 2017. In this context, the CoR calls for a strong commitment to integrating mitigation and adaptation measures, as well as to mainstreaming adaptation within all relevant policies.

43. The CoR points out that due to the potential adverse effect of climate change on people and assets, regions and cities should be empowered to increase their resilience as soon as possible. However, the CoR insists that adaptation to climate change calls for vertical and horizontal cooperation, and that regions and cities also need to be connected in order to adapt to climate change.

44. The CoR welcomes the release of the European Commission’s Action Plan on the Sendai Framework for Disaster Risk Reduction 2015-2030, as well as mainstreaming of disaster resilience in the COP21 Agreement. Links between building resilient infrastructure and climate change adaptation should be further strengthened to promote cross-sector coordination between civil protection services and climate adaptation actions at all levels.

45. The CoR calls for better awareness and support mechanisms for developing regionally oriented national adaptation strategies. Their development into coherent regional action plans and down to the local level should be closely monitored with clear milestones set at EU level to be reached at regular intervals.

Financing EU regions’ and cities’ action on climate change

46. The question of financing and access to financing, particularly for regions and cities, is fundamental for the implementation of the Paris Agreement.

47. Although there are different funding opportunities within the EU, regions and cities encounter various hurdles, which prevent them from accessing the support measures available at EU level, both from the EU funds and through the European Investment Bank (EIB).
Following numerous debates in the CoR and with different stakeholders, the CoR calls on the European Commission, the EIB and Member States to focus on developing the appropriate administrative capacity of regions and cities, in order to take full advantage of the public and private financing opportunities available at EU level, particularly for smaller territorial entities.

48. The EU institutions should also make a particular effort to communicate and provide information about these different opportunities. The CoR commits to supporting the European Commission and the EIB in developing the necessary targeted communication tools.

49. The CoR is also alarmed by the potentially inefficient use of structural funds in several Member States. Whereas 20% of the EU budget is dedicated to climate action, a climate criterion in projects financed by structural funds is not systematically applied or verified, which risks EU funding being used for projects that are contrary to EU climate objectives. The European Commission and Member States should be particularly vigilant and investigate these matters and take the necessary corrective measures, while having in mind the principle of technological neutrality and the right of the Member States to choose between different energy sources.

50. The CoR calls on Member States to abide by their commitment to phase out environmentally harmful subsidies. Moreover, the CoR considers that the ongoing reform of the ETS should result in setting a fair carbon price which will not harm competitiveness of the Member States, and a mechanism enabling regions to support efforts to lower greenhouse gas emissions. The CoR would like to draw the attention of the European Commission and the Council to the successful example of the carbon market set up between California and Quebec. Billions of dollars are now being reinvested in the local economy to support companies, cities and towns and citizens in the transition towards low-carbon economies. The CoR calls for the EU to take inspiration from this example in the allocation of quotas. It also calls on Member States to allow regions to play an active role in the Emissions Trading System (ETS), notably by managing part of the auction revenues and to reinvest them in sustainable projects.

51. The EU also needs to review its own legislation to facilitate investment in renewable energy; one example is that lower tax on biofuels is at present considered to be State aid, which may only be granted as a time-limited exemption, giving rise to uncertain investment conditions and administrative red tape for producers and suppliers of renewable fuels.

Given the large scale of funding needed, regions and cities will need to attract both public and private financing. There is still large untapped potential for business in sectors relating to the implementation of the Paris Agreement.

52. The CoR therefore calls on regions and cities to support a shift in mentality from ‘funding’ to ‘financing’ viable business plans for sustainable development.

53. To this end, dialogue between the public and private sector needs to be enhanced. In addition, regions and cities should work with the EIB and the banking sector more widely in order to increase their knowledge of innovative financing mechanisms for low-carbon and resilient projects.

In this context, the CoR insists that regulatory certainty and predictability must be key prerequisites in order for such projects to materialise. The CoR also highlights the importance to share good practices on the integration of sustainability criteria into the financial sector. Financial products should be evaluated and labelled with regard to their exposure to climate-related risks as well as their contribution to the low carbon transition, in order to give guidance to public and private investors.

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The President
of the European Committee of the Regions
Markku MARKKULA