

European Covenant of Mayors

Purpose

1. To update members on the recent launch of the new Covenant of Mayors, reflecting new 2030 EU climate and energy targets. To invite expressions of interest in attending a Covenant of Mayors event in Edinburgh, primarily to raise awareness among local representatives but also to look at financing for local climate strategies.

Recommendations

- 2. Members are invited to:
 - i. To consider whether their own council wishes to sign the Covenant; and
 - ii. Note the proposal for a Covenant of Mayors event in Edinburgh in early 2016.

Introduction

- 3. The Covenant of Mayors is a voluntary movement for Local Authorities to commit to EU climate targets, principally the reduction of CO2 emissions. Since its creation in 2009, it has become the "world's biggest urban climate and energy initiative" with over 6,500 Local Authority signatories. To date, it has had a focus on climate mitigation through the implementation of sustainable energy strategies. In Scotland, the Covenant has been signed by Aberdeenshire, Aberdeen, Edinburgh, Dumfries and Galloway, Glasgow, and North Ayrshire with COSLA performing the role of official supporting organisation.
- 4. Mayors Adapt is a similar initiative in terms of governance model (network of Local Authorities making voluntary political commitments), but different in its focus on climate adaptation. Given increasing global ambition to address both adaptation and mitigation under one strategy, these initiatives have been incorporated and on October 15th a joint ceremony was held in the European Parliament, Brussels to launch a new integrated Covenant for 2030.
- 5. After the adoption of the EU Climate and Energy Package in 2008, the European Commission established the Covenant to support Local and Regional Authorities in their efforts to implement sustainable energy strategies. By endorsing local activities, the Covenant's main purpose is to contribute to achieving and going further than the EU's emission reduction and energy efficiency targets.

New 2030 Covenant

- 6. The new integrated 2030 Covenant of Mayors:
 - Features a new target of at least 40% reduction in CO2 emissions by 2030,
 - **includes both the mitigation and adaptation pillars** through the integration of Covenant of Mayors and Mayors Adapt, and
 - **reinforces the external dimension** of the Covenant through the introduction of a global chapter. With local authorities key drivers in energy transition, the global expansion of the movement is seen by the EU institutions as an important EU contribution to the COP21 negotiations in Paris.
- 7. While the level of engagement is a matter for each signatory, the minimum requirements are: 1) signature of the Covenant of Mayors, set up of administrative structures, development of Baseline Emission Inventory and 2) submission of a SEAP (Sustainable Energy Action Plan), with implementation and monitoring processes, and 3) regular

submission of implementation reports. The Baseline Emission Inventory and SEAP are submitted within one year of signatory and the data is verified by the European Commission's Joint Research Council. Signatories then commit to monitor and report on their SEAP implementation every two years after its submission.

Benefits

- 8. The Covenant of Mayors gives councils the opportunity to show leadership on climate change action, share best practice, raise their international profile and benefit from Covenant of Mayor technical support which has recently been focussed on climate finance. It allows councils to build contacts with Local Authorities in other Member States which is key to the transnational requirement of much EU funding. Overall it allows Scottish Local Authorities to visibly contribute to the climate change and energy sustainability targets contained within Europe 2020, the EU's ten-year jobs and growth strategy.
- 9. The Covenant of Mayors is considered a great example of Regional and Local Authority lead innovation by the European Commission and Committee of the Regions. It is widely cited as a success in terms of multi-level governance, allowing local representatives to contribute fully to EU action without the direct involvement of national government. The role of local decision-makers in driving forward local responses to global challenges is receiving increasing recognition at EU level as the Covenant grows.

EU Funding

- 10. The Covenant of Mayors is not directly linked to funding. COSLA with other European Local Government associations has continuously called for a better link to funds. However the Covenant often publicises funding opportunities and provides online resources dedicated to certain investment projects and programmes. This type of support, around securing funds to move beyond commitment to implementation, is likely to increase given current international attention on climate finance in the run up to COP21.
- 11. Recently COSLA has become aware of activities on a European level looking at financial instruments for climate action. The Covenant of Mayors office has been coordinating a number of organisations (such as the European Energy Efficiency Fund, CITYnvest and the Institute for Climate Economics) that are working to highlight new innovative instruments such as green bonds, result-based finance, CO2 credits and crowdfunding. These are additional measures to complement traditional revenue streams and existing climate funds that are accessible to Local Government.
- 12. The Covenant of Mayors has also recently commenced actions to bring academia closer to the Covenant community (called the Academia corner). Support from academia, regional energy agencies and others in the locality can help Local Authorities to identify wider community awareness raising actions, necessary for the SEAP. Linking with Community Planning Partners is an effective way to generate wider community interest and share the burden of data collection.

Scottish Context

13. COSLA is the official supporting organisation for the Covenant of Mayors in Scotland and is keen to work with Scottish councils to support applications, facilitate meetings and feedback on or troubleshoot potential issues. With Scottish councils already signed up to the Climate Change Declaration (and many developing SEAPs), they are able to become signatories without significant human or financial resource implications.

- 14. The Covenant of Mayors office recognises that small and medium-sized authorities may find it more challenging to sign the Covenant due to required staff time and administration. Neighbouring Local Authorities can join as a group of signatories and proceed with either of the following options:
 - Individually commit to reducing CO2 emissions within their own territories, conduct individual local assessments, then come together to develop a joint SEAP which lays out both individual and collective actions; or,
 - Collectively commit to a 40% emissions reduction within the combined territory, conduct one single joint assessment and submit one SEAP which outlines a single set of actions.
- 15. In both circumstances it is recommended to appoint one lead coordinator, but the joint SEAP must be politically approved by each Local Authority involved. In short however, there are options for smaller, more rural authorities to participate and COSLA is available to assist in these cases.

Covenant of Mayors in Edinburgh

- 16. To ensure all Scottish Local Authorities have the opportunity to join, it is suggested that a Covenant of Mayors awareness raising event is held in Edinburgh in early 2016. The event would include a general introduction to the Covenant, detail the benefits of signing up and explore options for collaborative approaches. Best practice examples from Europe and experience from existing Scottish signatories could also be presented.
- 17. It is also proposed that a workshop on financial instruments for climate action is held of part of the event which would give Scottish Local Government further exposure to these discussions on climate finance.

Conclusion

18. The Covenant of Mayors has been relaunched, reflecting new 2030 EU climate and energy targets, the integration of mitigation and adaptation and a clear international dimension. In the European policy landscape, the Covenant of Mayors is considered an innovative bottom up approach to addressing global challenges. COSLA is the official supporter of the Covenant in Scotland and is keen to support interested councils sign up and make the most of best practice exchange at EU level.

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