



Climate Alliance

## Teaming up in Europe for a sustainable energy future

**Climate Alliance resolution on a strong and ambitious 2030 framework for climate and energy policies, and fair and responsible sharing of tasks across all levels of government**

*Setting the EU's climate and energy policy perspectives on the right path will be crucial in the coming months. With important milestones such as the elections to the European Parliament in May, the UN Secretary General Leaders' Summit in September, a new European Commission in autumn, and the UN Climate Summit in Paris in 2015, clear leadership and coherent climate and energy policies are needed. The proposals for a post-2020 EU climate and energy framework will not lead to the necessary climate change mitigation impacts. These proposals, presented by the European Commission in January 2014 and a mere orientation debate on this during the Council meeting in March are clear evidence of Europe taking a step back from setting a serious energy and climate policy, be it at a European or international level. Climate Alliance therefore calls for ambitious and binding targets, and fair sharing of the responsibilities to build a sustainable energy future for Europe.*

With our commitment to ambitious action through Climate Alliance and the Covenant of Mayors initiative, local authorities play a fundamental role in coherent climate action as well as in pioneering social, political and economic changes towards a real transformation of our society. Local authorities can help ensure the strong level of ambition needed to achieve the necessary emission reductions, reduce energy poverty and create local jobs to help boost Europe's competitiveness.

### **Ambitious and binding targets are a must – and an opportunity**

If the EU's climate and energy policy are to be aligned with the findings of climate science, a more ambitious, binding target for CO<sub>2</sub> emission reduction – by more than 40% – is imperative. Climate Alliance members are committed to reducing their CO<sub>2</sub> emissions by 10% every five years, which corresponds to a halving of emissions by 2030 (baseline year: 1990). Moreover, the outcomes of the Covenant of Mayors initiative indicate that the signatory local authorities aim to reduce their CO<sub>2</sub> emissions by almost 30% by 2020.

We call on the European Commission and the Member States to develop a clear energy efficiency framework. Climate Alliance members support the 40% binding energy efficiency target by 2030 proposed by the European Parliament, and are committed to taking action to achieve this goal. Tackling energy efficiency will reduce energy costs for consumers, create local jobs and boost the energy service markets in Europe, which generate business opportunities beyond merely selling energy.

United by the common target of using 100% renewable energy, local governments are joining forces with their citizens to implement new initiatives to generate locally produced energy, thereby bringing stability to their communities. In order to respond to this new decentralised energy landscape, Europe needs a strong and consistent political framework with adequate financial mechanisms and an ambitious renewable energy target. We commit to contributing to an EU target of an at least 40% renewable energy share by 2030, provided that the subsidiarity principle is applied and that the public services are given priority over competition. Together with our partners, we will strive for energy autonomy.

### **Energy security: energy efficiency and renewable energy are the answer**

Competitiveness and energy security – the most frequently mentioned keywords when arguing against ambitious climate policies – are best achieved through increased energy efficiency and more decentralised energy production with renewable sources. In light of the Ukraine crisis, reducing dependency on energy imports will move even higher up the agenda. Strong and continuous support for energy efficiency and renewable energy production will reduce Europe's dependency on energy imports (oil, natural and liquid gas), valorise the investments already made in renewable energy and improve their international competitiveness, boost local economies and create additional value as well as new jobs. In addition to bringing economic benefits, taking action on energy efficiency and renewable energy, should also alleviate poverty guaranteeing affordable energy to the low income households.

### **Europe must help drive international climate negotiations**

Unambitious targets will also lead to a failure to advance the global climate negotiations. The current 2030 proposal is not a credible contribution to limiting global warming to below 2 degrees Celsius. Europe must retain its leading role in the international discussions and offer a model that other nations can follow. Member States and European institutions must show greater commitment, recognise the challenge of global climate action in its full consequences, and act accordingly. This also includes refraining from including “hot air” in national and European climate objectives.

The consequences of climate change and even some of the ‘mitigation measures’ (e.g. the expansion of palm oil plantations for the production of biofuels) mostly affect the poor as well as indigenous peoples, who have not contributed to the emissions. Climate justice must therefore form an integral part of climate and energy policies at all levels. One key component of this is for the European Commission and the Member States to agree on a step-by-step plan for financing the reduction and adaptation measures in developing countries by 2020. The year 2015, which is also the European Year for Development, must be used to prepare a global agenda for sustainable development.

### **A fundamental reform of the Emission Trading Scheme (ETS) is needed**

A stronger signal than the options for an EU ETS reform currently proposed is needed to reduce CO<sub>2</sub> emissions. Above all, immediate action is required. Only a reform that takes effect well before 2020 will emit an effective price signal and trigger the investments that are so urgently needed. The linear reduction factor determining the allowances available on the market every year must be increased to reduce over-allocation. Moreover, the proposed backloading of 900 million allowances merely constitutes a postponement and not a real solution. Permanent deletion of at least twice as many allowances is required. If this is not achieved by the end of 2015, a carbon tax should be introduced to replace the European Emission Trading Scheme.

### **Decentralisation of energy production = decentralisation of decision-making and responsibilities**

Everyone can play a role in Europe's future energy system – and in helping to shape it. Local authorities and citizens are taking their energy future into their own hands, founding co-operatives and benefiting twice over from the investments. Cities and municipalities are practicing a new culture of participation by involving citizens in decision-making, and financing necessary investments in energy production. A more decentralised energy system promotes the optimal use of local energy resources to satisfy local demand, increase acceptance, create more jobs, ensure greater energy security and boost resilience to extreme weather conditions. In this context, we welcome the new EU 'Mayors Adapt' initiative, which – building on the success of the Covenant of Mayors – invites local authorities to take coherent action to mitigate and adapt to climate change and to improve the resilience of European cities. We are ready to take responsibility, but need the necessary competences and means.

### **The local, regional and national energy transition should not be hindered**

Supportive frameworks are needed in addition to clear and coherent long-term objectives for 2030 and 2050. Individual legislation, such as the new State Aid Guidelines on the environment and energy, must not endanger the energy transition process underway at the local, regional and national levels. With the State Aid Guidelines, fair competition by restricting the application and combination of different promotional instruments will be prevented through the envisioned gradual move to market-base support. This will favour large-scale producers at the expense of local authorities, cooperatives and citizens.

### **United in diversity**

Europe offers a diverse range of landscapes, and consequently also diversity in terms of energy generation: varying potential for renewable energy, different building standards, patterns for energy use and cultures of participation, preparedness of citizens to take their energy future into their own hands via micro co-generation, building zero energy houses and participating in community-based energy solutions.

Diversity is a crucial element for local authorities and regions, which needs to be recognised at the European level. However, what we need most is to work in fair partnerships to ensure a sustainable energy future. We at Climate Alliance are already taking responsibility with ambitious climate action, and invite all levels of government and all actors to "team up for change"!

*This resolution was adopted unanimously at Climate Alliance's General Assembly on 8 May 2014 in Luxembourg.*