

Policy Position

October 2018

Long-Term Strategy on Reducing Emissions

Approved by the CPMR Political Bureau by written procedure

Introduction

The EU faces a major transformational change unprecedented in modern times in tackling the challenges presented by global warming and the need for climate action.

It can only do this, and assume its global leadership role, by mobilising all levels of government, citizens, businesses and other stakeholders.

The CPMR's regions stand ready to play our part in this transformation. Europe's regions, cities and local authorities are an asset for the European Union, both in delivering the internal transition necessary within the EU, and at an international level through our active role in para-diplomacy, development policy, and the plethora of links that our regions have established with communities across the world.

Key messages to the European Union

- 1. Europe must deliver on the ambition of restricting global warming to 1.5°C by 2100 and net zero carbon¹ by 2050;
- 2. Regions show net zero-carbon is achievable by 2050... the new strategy must valorise a multi-level governance approach;
- 3. Unlocking innovation can deliver transformational change and create new sustainable employment and businesses;
- 4. Changing behaviours: citizens, businesses and governments to facilitate energy transition:
- 5. Renewable energies are delivering... but we need to go much further including prioritising marine renewable energies;
- 6. Let's work with nature, not against it;
- 7. Just transition: Territorial cohesion must underpin climate action;
- 8. Regions must be part of EU external policy response to climate action;
- 9. Europe must shift towards a sustainable finance framework that drives forward investments in climate action.

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¹ Net zero carbon footprint means carbon neutrality: this comprises zero carbon emissions together with an offset – through carbon storage and sequestration and carbon credits – of any carbon emissions generated.

Key messages to the European Union

1. Europe must deliver on the ambition of restricting global warming to 1.5°C by 2100 and net zero carbon² by 2050

The costs of not delivering the Paris Agreement should be foremost in our minds when recognising the challenges of transforming the EU (and global economy) to a net zero carbon future. The impacts of climate change will be felt severely in maritime and coastal regions as they are particularly vulnerable to the effects of global warming, and the extreme weather patterns across the whole of Europe this summer are a timely reminder of the devastating impacts climate change will have on citizens, businesses, agricultural production, land use, natural resources and eco-systems.

The EU has a leadership role to play internationally in driving this agenda. Failure to assume this role will have extremely negative consequences globally. There must be no reneging on the Paris Agreement: the new Strategy must rest firmly on the goal of limiting global warming to 1.5°C and well below 2°C by the end of the century. We must be ambitious in striving to achieve carbon-neutrality by 2050 by the very latest.

The Strategy's modelling must set out different pathways by which these targets can be achieved. It must identify how existing policy tools and legislation, including the EU budget as well as an effective carbon pricing closely aligned with the EU's ambitions, will support this and the wider transformational change needed across society to deliver this ambitious agenda. This will require sectoral analysis but also crucially a place-based approach to climate transition, building on the EU's Cohesion Policy. The Strategy must set out a clear action plan with milestones to be monitored on a systematic basis up to 2050.

Regional examples:

- Lower Saxony, Germany: due to the damage caused by floods a €50 million programme has been introduced to help with damage to buildings and private households, businesses, the agricultural sector and forestry, and for damage to public infrastructure.
- **Highland Council, Scotland:** over €6m damage to road infrastructure during the winter of 2017-2018 resulting from adverse weather.
- Emilia Romagna, Italy: €24m of hydrogeological instability damages in the region in 2013 caused by extreme climatic conditions, and major risks identified to region's natural and man-made resources such as growing salination of inland waters, coastal erosion, forest fires, drought, and soil degradation.
- **Hordaland, Norway:** compensation for damages from weather events of around NK10m per annum. An estimated NK6.5bn is required to upgrade road infrastructure resilience to adverse weather patterns.
- Murcia, Spain: in 2016 as a result of extreme weather patterns, storms and flooding, approximately 4% of road infrastructure was damaged, with damages of €500,000 to the airport. A dramatic rise has been seen in the number of sea storms (and resulting coastal damages) in the past decade compared.
- Skåne, Sweden: the 2018 high summer temperature had a dramatic effect on Swedish agriculture with harvest yields at their lowest since 1992. This has a disproportionate impact in regions like Skåne where agriculture is an important part of the regional economy.
- Azores, Portugal: following the extreme weather events in 2018 the Azores introduced an extraordinary <u>support scheme for farmers</u>) to compensate the losses in production and/or harvesting the crops of corn, vegetables and tobacco due to an exceptional drought.
- SUD Provence Alpes Côte d'Azur Region, France: the region provided support to agricultural companies impacted by the drought and is currently reflecting on the implementation of an Emergency

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Exceptional Fund. A Regional Risks Committee (C2R2) has been created, and one of its priority is to fight against agricultural risks.

- **Southwest Finland:** High summer temperatures have reduced by half Finnish agriculture harvest yields, whilst in Southwest Finland harvest yields have decreased by 25-60%.
- **Estonia:** 30%-70% drop in grain harvests experienced in 2018 due to the heatwave and drought. The Estonian government created a €20m reserve fund for farmers.

2. Regions show net zero-carbon is achievable by 2050... the new strategy must valorise a multi-level governance approach

The CPMR's regions are committed to playing a central role driving forward this ambition on climate action, and contributing to the wider Sustainable Development Goals for 2030. Many CPMR regions are already well advanced on the pathway to carbon neutrality, introducing new policies and practices as pathfinders. This is not just rural and sparsely populated regions with strong renewable energy potential: we see increasingly that regions with cities and large urban areas are driving this agenda to deliver carbon neutrality well in advance of 2050.

Europe's regions have competences and responsibilities for climate action, including being empowered to add emission reductions to those proposed by the national governments and to manage climate change risks in territories and sectors, whilst also owning and/or managing buildings, infrastructure and public transport. Regions are, therefore, well placed to act as instigators of change.

The new Strategy, in line with the strengthened provisions on governance in the EU's Clean Energy Package proposals, must address multi-level governance, recognising the role of regions and cities, and setting out proposals on frameworks through which this will happen in practice: in the preparation and implementation of the National Climate and Energy Plans, in the revised EU Adaptation Strategy, in the governance of the Energy Union, and in the implementation of the Paris Agreement.

Complementary to this is the need for accurate and robust regional data on climate change. A number of CPMR regions have undertaken extensive work on monitoring and analysing climate impacts, in an attempt to be able to anticipate policy responses to the challenges facing their territories. We called in our Policy Position on the EU Adaptation Strategy for more action to support this at European level. The Long-Term Strategy should set out a priority and action plan to develop comprehensive EU-wide profiles of climate impacts at regional level, identifying vulnerability and risks for specific communities, in particular outermost regions, sectors and industries.

Regional examples:

- Skåne, Sweden: regional strategy sets a goal of being carbon neutral with fossil free transport by 2030.
- Helsinki-Uusimaa, Finland: its Regiona Programme 2.0 agreed by the Regional Assembly in December 2017 sets a target of net zero carbon by 2035.
- **Kymenlaakso, Finland:** The Regional Strategic Programme 2018-2021 sets a goal of carbon neutrality by 2040. A Roadmap for Carbon Neutral Kymenlaakso 2040 is currently in preparation with participation of all key stakeholders in the region, and this will include calculations of CO₂ emissions, the most important measures to reduce emissions in the region and a timetable for implementation.
- Southwest Finland, Finland: Regional target to be carbon neutral by 2040. The Regional Council and Valonia (Service Centre for Sustainable Development and Energy) has challenged municipalities to achieve this goal in co-operation with regional "Carbon neutral municipalities" in 2017. The city of Turku aims to be carbon neutral in 2029.
- Northern Netherlands (provinces of Drenthe, Groningen and Friesland): goal to achieve 100% net zero carbon by 2050. The region is already a front runner in the field of green gas, with a goal of achieving an energy transition that enables 95% of all energy used in the region to come from Renewable Energy Sources (RES), and there is to deliver zero emissions transport by 2035.

- **Stockholm, Sweden:** goal to become a resource efficient and sustainable region with no greenhouse gas emissions (GHGs) in 2050 is set in the Regional Development for the Stockholm Region which was developed through comprehensive dialogue with the 26 municipalities, private and other public actors. It has already reduced GHG emissions by 70% since 1990 and 45% since 2011. Direct emissions of GHGs should be less than 1.5 tonnes/resident, with GHGs from consumption halved.
- Västra Götaland, Sweden: goal to be fossil free by 2030, reducing GHGs by 80 % by 2030 compared with levels in 1990. Additional goal to reduce emissions by 30 % (compared with levels in 2010) in consumption by residents of Western Sweden wherever in the world this occurs.
- SUD Provence Alpes Côte d'Azur Region, France: Regional Climate Plan (December 2017) sets a target of carbon neutrality by 2050 with a 50% reduction of fossil-fuel energy consumption. The region's climate-related budget increased from 20% in 2018 to 33% in 2021. A Regional Group of Experts on Climate (GREC PACA) has been created to gather scientific expertise on climate change attenuation and impacts to inform policy-making at local, regional and national levels. The region has created new types of specific contracts (CRET) with the territorial authorities in the region for the delivery of balanced territorial development, with a strong focus on climate action.
- Occitanie, France: target to achieve 100% renewable energy and net zero carbon by 2050, reducing energy consumption per habitant by 39% and trebling current level of renewable energy production.
- Nouvelle Aquitaine, France: aiming to be carbon neutral by 2050. A Regional Scientific Committee on Climate Action (Acclimaterra) has been established to study and analyse climate impacts and to inform policy-making by the Regional Council, and it has produced two extensive reports on the climate profile of the region (in 2013 and 2018), including for example the major effects of climate change on agricultural land and land-use, and the need to take adaptive measures in the next 10 years.
- Central Denmark: Central Denmark aims to achieve carbon neutrality ahead of 2050. On this pathway it has a target 50% of energy consumption produced from renewable energy by 2025 to be reached via improved utilization of renewable energy in the total energy system (electricity and district heating systems as well as in the transport sector). The proportion of renewable energy from biomass is to be doubled in 2025 compared to 2005. By 2035 the region aims to achieve 70%, rising to 90% when energy exported (from the region) to other parts of Denmark is taken into account.
- Catalunya, Spain: Climate Change law 2017 sets a commitment to net zero carbon by 2050.
- Navarra, Spain: Roadmap against Climate Change 2017-2020 with €226 million budget to support its implementation. An Act on Waste has been introduced including taxation of waste from July 2018.
- **Emilia Romagna, Italy:** Regional Mitigation and Adaptation Strategy in preparation since 2016, which will coordinate all actions at regional and local level, with a new regional observatory to be established.
- Veneto, Italy: in May 2017 the Regional Council approved a new law on the containment of land consumption, to promote a process of substantial revision of urban planning, inspired by a new awareness of territorial and environmental resources. The law aims to progressively reduce development on land that has not yet been urbanized, as well as the demolition of incongruous works or decaying sites, the recovery and redevelopment of existing buildings and the development of urban structures with low energy and environmental impact. A regional fund has been established to support urban regeneration and the planning and demolition costs of incongruous works.

3. Unlocking innovation can deliver transformational change and create new sustainable employment and businesses

Climate change and environmental degradation already pose significant challenges to economic growth and employment, and risks will become even greater in the medium to long-term as the impacts of global warming take effect. However, through effective preparation and management climate action can and should lead to more and better jobs both within climate mitigation and adaptation (including the

strengthening of climate resilience). As the Helsinki Metropolitan's Smart & Clean Foundation states: 'Saving the planet is good business'.

CPMR regions are amongst the frontrunners in embracing the clean energy transition, introducing strategies, legislation and practical measures to support and facilitate innovation at the regional and local level, including through Smart Specialisation Strategies (RS3), renewable energy and energy efficiency plans, sustainable (eco-)tourism, smart mobility, regional adaptation strategies, and revisions to planning guidance and legislation. In many instances European funding is playing a pivotal role in such initiatives, through the EU Structural Funds, Territorial Cooperation Programmes, as well as LIFE and Horizon 2020.

Decarbonising transport is an urgent priority for Europe, and many CPMR regions are pioneering efforts to introduce clean transport and promote clean fuels for transport.

Setting the right narrative at European level is imperative: championing the agents of change, being ambitious and providing a framework through which successful changes can be communicated and celebrated. The Long-Term Vision must fulfil this role.

Regional examples:

- Central Denmark: the region exports around €8bn of clean energy and environmental technology per annum, whilst around 20,000 people are employed in the wind energy sector in the region and 60% of the sector's revenues in Denmark reside in the region. Central Denmark has a number of projects and initiatives in development, which over the coming decade should see several thousand more jobs, and the associated businesses, created in the region. One such example is GreenLab Skive, which is developing a new industrial park based on the principle of industrial symbiosis to integrate the energy production, consumption and resource uses of the companies co-located on the site as part of a circular economy approach to developing sustainable business parks. This site will also include research, testing and educational facilities on sustainable energy and resource management.
- Northern Netherlands: the region aims to create a zero emission (ZE) transport system by 2035, encompassing road, rail and inland waterway transport. Hydrogen will play an instrumental role in achieving this goal, whilst other technologies and alternative fuels which can lead to ZE mobility in the region will be considered and facilitated. A key part of the approach is to strengthen cross-border connections in particular railway connections to Germany, as well as exploring the potential for innovative developments like Hyperloop. The region will also take a prominent role in testing autonomous transport (including train, vehicles, and airplanes) and prioritise promoting modall shifts, including using maritime and inland waterways.
- Occitanie, France: framework agreement on clean energy transition, innovation, jobs and skills signed by the Occitanie Region with French energy producer EDF in July 2018, as part of the Region's strategy to deliver 100% renewable energy by 2050.
- **Kymenlaakso, Finland:** a strong and versatile forestry tradition and related know-how are a strong basis for the development of bioeconomics in the region, which has an excellent logistical location, industrial infrastructure and knowledge of using renewable natural resources. Regional development companies in the region are focusing on the circular economy, bioeconomy and bioenergy, with huge potential to create new products from raw forest material and wood construction, to develop the packaging industry, renewable energy and promote energy efficiency solutions. The use of renewable energy sources is already over 60 % of the energy production in the region.
- Southwest Finland, Finland: the recent focus has been in promoting biogas production (from agriculture residuals and from sewage slurry), renewable fuel production for maritime vessels and bioenergy production in district heating. Also innovative solutions have been found in the traffic sector (an electric ferry in Nauvo and river ferry in Turku) and Mobility as a Service (MaaS).
- Lower-Saxony, Germany: through the project SALCOS®, Salzgitter AG, a steelmaking company based in Salzgitter, Lower Saxony, is planning to replace carbon with natural gas (CH4) and/or hydrogen produced from renewable energy via electrolysis to take advantage of a unique feature of ferrous metallurgy: Hydrogen can sustainably replace carbon in iron ore reduction processes leading to the

final formation of water (H_2O) rather than CO_2 . It is estimated that SALCOS will eventually lead to CO_2 emission reductions of 95% (compared to the currently used production technologies). The general concept of SALCOS is Carbon Direct Avoidance (CDA) and can be applied in principle to all integrated steelmaking sites world-wide.

- **Stockholm, Sweden:** 90% of public transport (buses, boats and trains) run on renewable energy. In 2017 Stockholm got the world's first electrified commuter boat.
- **Skåne, Sweden:** within the region a Biogas Roadmap has been developed as a joint effort between around 60 companies and organizations to drive the development of biogas. Waste is converted to biogas for use as vehicle gas, electricity and cogeneration. The nutrients are returned to arable land as fertilizer.
- Västra Götaland, Sweden: a number of innovative projects in the region to create a better environment, lower climate impact and export growth such as *Electricity*, where the public transport of the region trialled electrical buses from the manufacturer Volvo Bus.
- Western Norway: the counties of Møre og Romsdal, Sogn og Fjordane and Hordaland are introducing electric ferries. The first electric ferry was put into service in Sogn og Fjordane in 2015, and several ferries are now under construction and will be put into service during 2018. The counties of Trøndelag and Nordland have also decided to replace existing ferries with electric ones. In 2021, a hybrid hydrogen/electric ferry will be put into service in the country of Rogaland. It has been estimated this will reduce emissions by around 75% compared to traditional ferries.
- SUD Provence Alpes Côte d'Azur Region, France: number of initiatives in the region in the transport sector to reduce emissions including electric vehicle recharging stations on the road transport network, electric buses (in Aix en Provence-Avignon, and Toulon-Aix en Provence), natural gas tanks for vehicles, and other new services for eco-mobility.
- Helsinki-Uusimaa & Pays-de-la-Loire: 27 partners from 6 countries are collaborating to make sustainable cities with smart people and a smart economy a reality, through the mySMARTLife Horizon 2020 project. Activities are carried out in three demonstration cities (Helsinki, Nantes and Hamburg).

4. Changing behaviours – citizens, businesses, governments – to deliver energy transition

The Strategy must address in a practical way how the EU can engage and mobilise all stakeholders – citizens, young people, businesses, NGOs, and all levels of government – to change behaviours and embrace new sustainable, climate-friendly ways of living. Regions are key players in this, with many examples of coordinated campaigns and initiatives to engage communities in climate action, mobilise public opinion, as well as acting responsibly in managing their own assets, infrastructures and services.

The EU has a good track record in creating innovative frameworks that mobilise and connect people, businesses and communities such as Erasmus, Horizon, Leader, and Town-Twinning programmes. We welcome the inclusion in the EU shared-management programmes of measures to support climate action as part of community-led local development action, Leader and Integrated Territorial Investments, and reiterate the importance of such measures in the new Multi-annual Financial Framework.

However, the scale of ambition required to deliver net zero carbon before 2050 means much more is required. We invite the European Commission and European Parliament to enter into a dialogue with CPMR regions to explore the creation of a new mechanism – inspired by the success of Erasmus and Leader – to mobilise action at grassroots, engaging citizens and local communities in climate action, both mitigation and adaptation. Such a mechanism could create a Europe-wide cadre of activists, enthusiasts, mentors and agents for change, working with schools, businesses, young people, entrepreneurs and NGOs to build momentum. It would also provide a feedback loop at European level for exchange, communication and promotion of good ideas and practices.

The EU has a role to play in challenging the opponents of change, through coordinated communication efforts. Mobilising public opinion – as we have seen for plastic waste, fish discards, tackling smoking – is critical in overcoming resistance to change, setting the ground for strong regulatory and legislative frameworks which have teeth.

Regional examples:

- Helsinki Metropolitan Smart & Clean Foundation, Finland: an initiative focused on delivering change by supporting new ideas, technologies and innovation practices and centred on exporting good ideas, products and services. Its goal is to make the Helsinki Metropolitan Area and Lahti the world's best test bed for smart and clean solutions by 2021. A 5-year initiative, it aims to challenge the status quo, guide and gather together initiatives to help the city battle climate change and advance the circular economy.
- Breizh COP Brittany, France: a new initiative of the Regional Council to involve citizens, businesses, institutions, communities and third sector organisations, in defining the future approach to sustainability in Brittany. This includes responding to key priorities in the area of climate action and the environment, and also social, health and food concerns.
- Northern Netherlands Regional Climate Summits (KLIMAATTOP NOORD NL): an initiative to involve and engage local communities in the region in delivering the goals of the Paris Agreement. The first KLIMAATTOP NOORD NL took place in 2017 with 1200 participants and included the signing of 17 agreements on local climate actions initiated at grassroots across the region. A second regional climate summit is planned for 2019.
- Basque Country, Spain: the 2015 Climate Strategy provides a cross-cutting multi-level governance approach to transforming the Basque Country to a low-carbon economy by 2050 and building climate resilience. The Strategy is shared and implemented by all Government departments and linked to the policies driven in the three provinces and their municipalities. The role of these municipalities is essential given their competences in many areas of action and their proximity to citizens. Through the Udalsarea 21 network, more than 198 towns and cities are leading climate action at the local level. In addition, the regional government has launched an energy efficiency plan in its own buildings and facilities with the aim of reducing 25% of energy consumption by 2025. The main tool is a decree that obliges all areas of government to commit to global goals and buy vehicles that consume alternative energies.
- Kymenlaakso, Finland: a network of energy advisors provides free and unbiased energy efficiency and saving advice to citizens, one of many measures that implement the region's Climate and Energy Efficiency Strategy. The service is provided in cooperation with the region's municipalities and energy companies.
- Southwest Finland, Finland: All 27 municipalities in the region participate in the regional sustainable development strategy through a joint advisory organisation Valonia. The guiding document is Southwest Finland Sustainable Development Programme 2015–2020. Valonia offers an extensive range of expert services and supports municipalities in sustainable development issues such as climate and energy, water protection, circular economy, sustainable mobility and awareness raising. Valonia is the operational unit within the Regional Council of Southwest Finland and therefore works from the grassroots to the strategic level.
- Sardinia, Italy: Regional Adaptation Strategy adopted (2018) is based on a multi-level governance approach (engaging local stakeholders and communities; set up of inter-departmental board in the Government; feeding in the region's priorities/needs to the Italian national level). The strategy focuses on identifying risks/opportunities at the local and island level, based on scientific evidence and local engagement, and driving action such as preserving and managing eco-systems and biodiversity including the forests (a Regional Forest Law was introduced in 2016 and Sardinia was awarded the prize of Forest Island in 2018), and coastal management and protection.
- Emilia-Romagna, Marche and Abruzzo, Italy: LIFE PRIMES project aims to reduce land and population damages caused by the increasing number of floods and sea storms being experienced in these Italian

regions. The project focuses on strengthening coordination on risk management between the regions, as well as mobilising communities and integrating adaptation into daily life style and habits of communities: shifting to a risk management and pro-active approach, raising awareness and knowledge on civil protection roles and responsibilities, and adaptation practices.

- **Stockholm, Sweden:** the regional development advocates a resource efficient and dense built environment encouraging walking, cycling and use of public transport (at least 70% of all journeys to be made on through these modes, with 20% of all travel by bicycle). Currently 49% of all journeys are made by public transport and to improve this the County Council is making the largest rail investments since the 1960s.
- Bologna Charter: launched at the initiative of Emilia-Romagna the <u>Bologna Charter</u> has been signed by 28 regions in the Mediterranean area committed to promoting a common framework to delivering protection and sustainable development of coastal areas, including adaptation to climate change.
- Azores, Portugal: three instruments in place to mobilise action: (i) Regional Strategy for Climate Change, adopted in October 2011; (ii) the Strategy for Energy 2030, adopted August 2018; which aims to reduce GHGs, through decarbonisation of electricity; and (iiI) the Regional Plan for Climate Change (PRAC) (pending final approval), with adaptation and mitigation measures.
- Västra Götaland, Sweden: the 2009 Climate Strategy includes a priority to facilitate organizations and citizens to make the right choices and to change the behaviour. Examples include the Academy for School Meals that promotes more vegetarian options and reducing food waste and the project Circular furniture which provide an "Ebay"-function for office furniture, reducing the cost for furniture.
- SUD Provence Alpes Côte d'Azur Region, France: support for eco-tourism, the eight natural regional parks that are the driving forces, and a network of 250 companies using the brand "Regional Natural Park Values".

5. Renewable energies are delivering... but we need to go much further including prioritising marine renewable energies

Marine renewable energies offer huge potential and must be given greater priority in the new Strategy. There are challenging conditions in developing and testing new technologies at sea, such as wave energy devices. However, the long-term benefits of unlocking this potential are huge, and dwarf the long-term costs associated with treating and storing the waste from nuclear fission.

The islands and coastal regions of the European Union can be net exporters of clean renewable energy to mainland urban areas, with renewable energy production exceeding the energy needs of these islands. This brings a double benefit: jobs and income streams for island communities through ownership of community energy supply companies; and reliable clean energy for urban areas.

For this to happen there must be investment in transmission infrastructure (such as High Voltage Direct Current (HVDC) to connect islands to national and European grids), and in new connectors to enable wave and other marine energy technologies to directly connect to grids. There are major infrastructure challenges in connecting remote territories and islands to national (and European) energy grids, which require a European approach and a clearly defined strategy, action plan and roadmap for investment.

Islands, peripheral and outermost regions can also play the role of innovation laboratories for clean renewable energy. We welcome, therefore, the Energy Islands Initiative and the planned Energy Islands Facility. Such initiatives must be stepped up over the coming decade.

Regional Examples:

■ Central Denmark: Denmark has a target of 100% renewable energy by 2050 and Central Denmark is one of the 'engine rooms' of renewable energy and key to delivering this target, generating around 60% of wind sector revenues whilst 40% of the sector's workplaces are located in the region. Central

Denmark has an agreement with its local authorities – as 'Coordinator' for the Covenant of Mayors – to deliver a 50% renewable energy target by 2025.

- Northern Netherlands: Vision for a Green Hydrogen Economy published in October 2017 sets out a roadmap and structured five-phase plan for the development of a Green Hydrogen Economy in the Northern Netherlands by 2050. It is the result of a collaborative process among industry, governments and organizations, initiated and led by members of the Northern Netherlands Innovation Board and excellent example of Smart Specialisation building on the strengths and specificities of this part of the Netherlands.
- **Stockholm, Sweden:** target of 100% renewable energy production by 2050 and for consumption to be no more than 16 MWh/person/annum.
- Västra Götaland, Sweden: The 2009 Climate Strategy sets a target to be fossil-fuel free by 2030, and for the Regional Council this target is 2020. In 2016 90% of fuel in public transport was renewable and 95% of the fuel in public buildings. The strategy for development and growth VG2020 sets a target of 60 % renewable energy by 2020. The region promotes several different renewables and has strategic plans to support and develop both power from wind and sun and biogas production.
- Southwest Finland, Finland: Companies in the region have developed new biofuels for marine vessels, whilst marine companies have also developed multiuse vessels to operate in Offshore Wind farm building and service, and in marine grid projects. Turku shipyard builds cruise ships that use LNG that lowers emissions.
- Joint initiative of Région SUD Provence Alpes Côte d'Azur and Occitanie, France: working together to develop the floating offshore wind power industrial sector and to set up industrial farms in the French Mediterranean, with a target of 3 GW by 2030.
- Sud Provence Alpes Côte d'Azur Region, France: the first marine offshore wind farm is planned to be operational in 2020, off the Saint-Louis Port (Port-Saint-Louis-du-Rhône, Bouches du Rhône). Marseilles also hosts the FOWT (Floating Offshore Wind Turbines) conference, an annual event drawing around 800 participants (businesses, academic, public and third sectors) from across the world, promoting the commercialisation and growth of this sector.
- Azores, Portugal: already above 40% of the production of renewable energy (mainly geothermal energy), the government agreed a <u>new resolution in August 2018</u> for the development of the Azores Energy Strategy for 2030, with increased targets for production and consumption of renewable clean energy.
- Orkney, UK: the designated Pentland Firth and Orkney Waters (PFOW) Marine Energy Park has some of the best sources of marine renewable energy generation (wind, wave and tidal) in the UK and the Orkney-based European Marine Energy Centre (EMEC) provides a globally unique facility for testing marine energy devices. There are currently 12 Crown Estate Agreements for Lease areas for marine energy projects, seven held by developers and five held by EMEC for sea trials and testing. One commercial tidal energy project (Meygen Phase 1) was licensed and consented in January 2014."
- Basque Country, Spain: BiMEP Biscay Marine Energy Platform is an infrastructure in real sea conditions for research, demonstration and exploitation of marine energy capture devices. The infrastructure is at the disposal of promoters and developers to validate their designs and evaluate the technical and economic viability of their devices. In addition, an offshore floating wave converter has been developed in the Basque Country to take advantage of wave energy through a Pre-commercial Public Procurement process. This process included the design, construction, testing and operation of the device.
- INTERREG V A program Germany-Nederland: the cooperation project MariGreen includes CPMR regions of Lower Saxony and the Northern Netherlands. It takes an integrative approach to development and enforcement of GreenShipping technologies in the German-Dutch border area. It has 12 subprojects dedicated to the development of innovative products and processes to improve the

environmental performance and future economic viability of shipping. This includes goals to develop "green shipping" by reducing CO₂ and other emissions through energy efficiency.

6. Let's work with nature, not against it

Climate change poses enormous risks to eco-systems, to nature and biodiversity. The challenges over the coming years include: conserving and using sustainably what we have at present (including our forests and productive farmlands), renaturing our natural defences against floods, and against risks of drought and wildfires; managing ecosystems and natural resources that flow through/cut across administrative (and national) boundaries; and using nature to adapt to changes already afoot as a result of climate change.

The consistent message coming out of the work of CPMR regions in the past few years is that climate impacts are specific to the local situation and local ecosystem, and local and regional governments have an enormous role to play in addressing these challenges, given their competences and responsibilities around planning and development. Understanding the local situation requires studies and research by scientists and experts, such as those taking place in many of CPMR's regions, and coherent and concerted action to respond to the specific circumstances. Building and planning with nature, restoring natural habitats, flood plains, coastal barriers etc. This cannot be undertaken in isolation – ecosystems don't respect administrative or national boundaries and require planning, coordination and communication between the respective governance levels. We have seen good examples of this in practice by CPMR regions.

There may be scope for more globalised solutions, for example the initiative "4 for 1000" which aims to increase the organic carbon in soil by 4 parts in 1000 per annum, as a carbon sequestration tool to increase the capacity of agricultural land to absorb CO₂ and contribute to emissions reductions.

There is a responsibility at all levels to address the root causes of high-carbon emissions, particularly in sectors such as agriculture, with a shift in policy towards supporting and encouraging the introduction of innovative practices and processes – based on an eco-system approach to reduce such emissions. This needs to go hand in hand with initiatives to support farmers and land-managers to adapt to the new realities of climate change, including innovations such as carbon farming, tighter controls on protein imports and measures to disincentivise deforestation outside of Europe.

Regional Examples:

- Lower Saxony, Germany: ERDF-supported pilot project for the implementation of a climate-friendly agriculture in the Gnarren-burger Moor, in the district of Rotenburg/Wümme. The goal is to reduce GHG emissions from peat bog sites used in agriculture while maintaining an economically viable grassland utilization.
- Zuid Holland, The Netherlands: De Zandmotor (Sand Motor): The Sand Motor is a great example of building with nature, using natural processes to deposit sand (20 million m3) as a sea defence in the right places off the Delfland Coast, reducing the need for more expensive and regular man-made interventions. As well as acting as a sea defence, it is a space for leisure and sporting activities, bringing tourism and wider economic benefits to the surrounding area and wider Zuid Holland region.
- SUD Provence-Alpes-Côte d'Azur Region, France: Axis four of the Regional Climate Plan focuses on the preservation of the natural heritage, identifying 30 concrete actions. This includes promoting awareness and understanding of the role of natural Posidonia meadows in the Mediterranean, in limiting beach erosion by mitigating the swell of the tide. The region's LIFE PROJECT "Nature for City Life" aims to build resilience by developing and strengthening the integration of Green and Blue Infrastructures in urban planning in the Region, building with nature. It brings together the region's three coastal metropolises: Aix-Marseilles, Nice-Côte d'Azur, and Toulon Provence Méditerranée.
- **Stockhom, Sweden:** Regional Plan for 2050 identifies preservation of ten 'green wedges' green infrastructure reaching all the way from the countryside to the centre of Stockholm to secure biodiversity, climate adaptation and proximity to nature for the inhabitants.

- **Skåne, Sweden:** LIFECOASTadapt a new project that will implement, test and evaluate ecosystem based coastal protection in urban areas where coastal squeeze is evident.
- Västra Götaland, Sweden, is closely working together with its neighbouring countries example in the Sea Meets Land Interreg project addressing planning and water management in the context of changing climate, including working on intercalibrating on measuring methodology to determine ecological status.
- Malta: National Climate Change Adaptation Strategy highlights the importance of continued conservation of biodiversity and ecologically-dependent ecosystems and the restoration of habitats.
- Helsinki-Uusimaa, Finland: the world's first comprehensive city-wide air quality system has been built in the region, supplementing the existing measurement stations, allowing for further development of air quality improvement measures. The data will be open and available to everyone and can be used to inform the citizens on about local air quality and its development.
- Central Denmark: the <u>C2C Life Project</u> delivers cooperation across river basins between municipalities
 and the region to coordinate conservation and adaptation measure. The region also has a strategic
 agreement with all municipalities on use of natural resources in the region.
- Basque County, Spain: with 250 km of coastline and 70% of the population of the region living in coastal areas the Basque Country has prioritised climate change adaptation projects on the coast including: salt-marsh and dune system restoration projects, to act as buffers against the rise in sea level and storms: Santiago Beach (Zumaia), Barbadún dunes and saltmarshes (Muskiz and Zierbena) and Gorliz Dunes (Gorliz) and an integral restoration project in the Urdaibai Biosphere Reserve.

7. Just transition: Territorial cohesion must underpin climate action

For some regions the challenges are more difficult – where there are heavily carbonised industries and less readily available renewable energy sources such as wind and natural forests or biomass. The Strategy must set out clearly how the EU can deliver a zero-carbon agenda, across all its territory: (i) supporting the pioneering regions in reaching zero-carbon as soon as possible; (ii) providing incentives and support for transition in business processes and practices, in those regions facing the most difficult challenges.

There must be a strong social dimension to clean energy transition and emissions reduction, addressing fuel poverty, ensuring the transition doesn't create new inequalities, as well as tackling unemployment and social exclusion. Clean energy transition offers an opportunity for a more democratic distribution of energy-producing assets across Europe, where communities can become both owners and consumers of energy.

The EU already has a well-established place-based policy framework: the EU Territorial Cohesion Policy. The CPMR is a strong defender of this policy, believing that a modernised and strengthened EU Territorial Cohesion Policy is essential in ensuring a just transition across Europe towards a carbon neutral economy. This policy should enable vulnerable communities and sectors to facilitate the transition, whilst also stimulating investments in regional innovation, business and job creation.

Part of this territorial approach is to recognise the strengths and weaknesses of Europe's territories. Islands peripheral and outermost regions of Europe face barriers and additional costs in the EU Single Market, whilst also being particularly exposed to the impacts of global warming. This is especially true of transport, where peripheral regions suffer poor connectivity to main urban centres. Transition to clean energy in transport must not further exacerbate this remoteness: we must have coordination at all levels of governance, and across borders, to ensure that the huge potential of Europe's islands, peripheral and outermost regions is tapped and contributes to the positive balance in carbon reduction.

Regional Examples:

Basque Country, Spain: manufacturing accounts for 25% of the Basque economy, and much of this is heavy industry, traditionally high in carbon emissions. The Basque Country's 2015 Climate Action Plan sets out ambitious targets and measures to de-carbonise its industry and transition to clean energy, aiming to achieve 80% carbon emissions by 2050. Whilst below our call for an carbon-neutrality by

2050, it is a clear statement of ambition, and we will only achieve overall carbon neutrality if regions like the Basque Country are able to deliver major transformation and decarbonisation of heavy industry.

- Northern Netherlands: the Dutch government has sets a target to strongly reduce gas production and end it by 2030 at the latest, in response to a series of earthquakes in the Province of Groningen which have been a result of natural gas production. It is estimated that this change will result in 12,000 jobs being lost in the Northern Netherlands region, which means implementation of transition policies over the next decade will be a top priority for the region.
- Navarra, Spain: support from the European Fund for Strategic Investments to construct over 500 energy efficient social housing <u>'Nearly Zero Energy Buildings' (NZEBs)</u> with an investment of €80 million.
- Balearic Islands, Spain: LIFE project 'Reusing Posidania' based on sustainable construction of social housing using traditional materials from the Balearic Isles (rather than importing construction materials). This method generates significant efficiency savings and reductions in energy consumption during the construction and the useful life of the housing, water usage, and waste products.
- Lower Saxony, Germany: three different ERDF measures are supporting the ambition to reduce CO₂ emissions in Lower Saxony: (i) energy efficiency and savings projects in public buildings and wastewater facilities (ii) measures supporting SMEs with energy efficiency projects and networks where ideas and information are exchanged to save energy; (iii) support for projects that reduce CO₂ emissions by saving resources.
- Energy efficiency of public buildings: CPMR is a partner in the Interreg Med Modular cooperation project SHERPA (which builds on previous projects like EIH-MED), to improve the energy efficiency of public buildings in regions across the Mediterranean, helping to implement the EU Directive on Energy Efficiency in Buildings. One of the key aims is to set-up 200 projects for Energy Renovation in Public Buildings (100 in regional buildings and other 100 in buildings from the municipalities of the partner Regions). Their implementation will draw on public-private investment and will create thousands of jobs. A joint action plan on energy retrofitting in Mediterranean buildings will be adopted.

8. Regions must be part of EU external policy response to climate action

There is a strong tradition of regional cooperation at international level, in the EU neighbourhood, with developing countries and with developed countries including when local and regional authorities drive energy transition and display broader policies than the national level. The voice of local and regional authorities has been increasingly recognised in the UN both in the COP and in the Sustainable Development Goals. The CPMR is in process of securing observer status for COP.

Migration remains a major challenge for Europe and climate change risks to increase this pressure even further over the coming years and decades, with increased desertification in Africa as a result of global warming (a recent study estimating 1 million per year by 2100). The EU has to date failed to recognise the regional dimension to this complex issue, and the role that regions can play in helping to alleviate pressures. CPMR's regions in the Mediterranean in particular, as well as other parts of the EU, have been playing an important role in the reception and integration of migrants.

Regional Examples:

- Valencia, Spain: holistic strategy to locale the SDGs <u>"Promoting alliances for Sustainable Development"</u> within the Valencian region.
- Basque Country, Spain: <u>Triangular cooperation project</u> (Basque Government, Provinces, Municipalities / Basque Cooperation Agency / Basque Water Agency) with Salvador and Costa Rica, on water governance and environment and climate change including technical cooperation and technical infrastructure. The project is funded through the "Water Canon", an indirect ecological tax created by the Basque government, 5% of which is used to fund decentralised cooperation projects.

- Tuscany, Italy: Under the EGREJOB Initiative http://www.egrejob.eu/ cooperation with Sousse (Tunisia) providing training for young people in technologies linked to solar energy for installing and maintaining photovoltaic equipment and recycling green waste for ecological use. The University of La Manouba and Eco/Science Park are capitalising on the results to promote green entrepreneurship in Tunisia among engineering students.
- SUD Provence-Alpes-Côte d'Azur Region, France: the region is providing funding through its initiative CLIMAAAT "Contribution to the fight against Climate Change in the Mediterranean Sea: adaptation, mitigation and territorialized action" launched on 16th of July 2018. The initiative will support the development of actions of decentralized cooperation in the sectors of energy, transport, waste management, circular economy, agriculture, water, risks management, and sustainable tourism. An important Conference was organized in Marseille in 2018 "Mediterranean of the Future: a common bond for the Climate Agreements", gathering many countries of the Mediterranean basin.
- Welsh Government (Wales for Africa team): <u>Ten Million Trees Project</u> aims to bring everyone in Wales together to help sustain an area of tropical forest twice the size of Wales in the Mbale region of Uganda to alleviate problems caused by years of soil erosion as a result of deforestation, and provide new and sustainable livelihoods for local people from the fruit and wood provided by the trees.
- Balearic Islands, Spain: Cooperation project with Tanger-Tetouan to improve the management of the Bouchachem natural park (Tanger Tetouan, Morocco) with support in three areas: (i) Waste Management of the Natural Park; (ii) Promotion of rural tourism in the Natural Park; and (iii) Promotion of renewable energies in the facilities of the Natural Park.
- Basque Country, Spain: the Basque Country is active internationally on climate in a number of ways including participation of the Basque Government in the nrg4SD network, The Climate Group; and the Compact of States and Regions which it jointed at the COP20 in Lima in 2014. The Basque municipalities, through Udalsarea 21, participate in the ICLEI-Local Governments for Sustainability network.
- CPMR Intermediterranean (IMC) Commission and UFM: in 2013 a Memorandum of Understanding was signed between CPMR's IMC and the UFM (the Union for the Mediterranean) and this has led on to the signing of the UFM Agreement in 2017, under an EASME grant "Promoting the Blue Economy in the Mediterranean", to create synergies between the activities of the two organisations and consolidate and develop their cooperation.
- CPMR Migration Task Force: with the expert guidance and input of former Secretary of State for Immigration and Emigration to the Spanish Government and ex-MEP Anna Terrón, President of Instrategies, the CPMR is currently completing a survey and mapping exercise on the internal dimension of migration to highlight the competences, experiences and needs of its member regions with regard to the reception and integration of migrants and asylum seekers. This analysis includes work on identifying expertise within CPMR regions on the external migration agenda and development strategies and the potential capacity of CPMR members to establish alliances with different non-EU partners in order to achieve the migration objectives fixed in the UN's SDGs.

9. Europe must shift towards a sustainable finance framework that drives forward investments in climate action

It has been estimated that renewable energy and energy efficiency would make the lion's share of the contribution to reaching these goals, with some commentators putting this at over 90% of the required shift, with the remaining reductions coming from carbon sinks including carbon sequestration and storage.

To deliver this shift will require mobilisation of financial resources to ensure investments in renovation, refurbishment, development of new sustainable infrastructures, business processes, machinery, and other capital. Many of these investments will have a long lifetime (20-30 years and much longer), therefore, the EU needs to move as quickly as possible towards a realistic, significant and progressive carbon pricing,

financing sustainable long-term projects now if we are to deliver the 2050 ambitions and to avoid 'locking-in' inefficiencies in new investments/refurbishments now and over the coming decade.

We, therefore, strongly support L'Appel pour un Pacte Finance-Climat Européen launched on 7 December 2017, which calls for measures at European level to ensure that the finance is available over the next 30 years to provide the scale of investments needed for clean energy transition across the European territory.

Whilst we welcome the increase in mainstreaming to 25% within the EU's Multi-annual Financial Framework (MFF) 2021-2027 proposals this is nowhere near enough to drive forward the investments and changes needed for the pathway to zero emissions by 2050.

The EU will need to give greater priority to responding to natural disasters and extreme weather events as climate change deepens, building greater resilience in European infrastructures and in protecting natural habitats and resources against the scale of devastation we have seen with forest fires and drought this summer. This will mean rethinking existing approaches, including exploring the robustness of existing insurance schemes, and the need for a more coordinated and European approach given the escalation of costs we will see in the future. The EU Solidarity Fund provides some degree of support but will be nowhere near enough to respond to the increasing needs at national and regional level, so innovative thinking will be required across the MFF to build resilience, including preventative and responsive measures and tools.

We support calls for a rapid phasing out of subsidies for fossil fuels. Such funding should be redirected towards: (i) supporting development of new clean technologies by unlocking the innovation potential of Europe's regions and businesses; (ii) addressing the socio-economic challenges of transition for carbonintensive sectors and regions; and (iii) building resilience and adaptability to climate change.



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The Conference of Peripheral Maritime Regions (CPMR) brings together some 160 Regions from 25 States from the European Union and beyond.

Representing about 200 million people, the CPMR campaigns in favour of a more balanced development of the European territory.

It operates both as a think tank and as a lobby group for Regions. It focuses mainly on social, economic and territorial cohesion, maritime policies and accessibility.

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