



# Fit-for-55+: Powering up a sustainable and fair energy transition in Europe



## Overview

For successful post-COVID recovery guided by the principles of the EU Green Deal and the objective of Europe to become the first climate neutral continent in 2050, a rapid, fair and broad energy system transition is no longer an option for the EU, but *the only solution* for a sustainable, and more just future for all Europeans.

Under this pretext, and with regards to the new EU greenhouse gas emissions reduction target of at least 55% by 2030, ICLEI Europe welcomes the planned revision of the Directive 2018/2001/EU on the promotion of the use of renewable energy (RED II) by the European Commission and sees it as an unprecedented opportunity to solidify and amplify the measures already foreseen, while strengthening the provisions to reach a 38% to 40% renewable energy share of gross final energy consumption by 2030.

With local and regional governments (LGs) being not only the level closest to Europeans, but also responsible for implementing 70% of all EU legislation, one third of public spending and two thirds of public investment<sup>1</sup>, their capability to support and leverage the full potential of their communities will be crucial to meet EU objectives. Any revised RED II and, in particular, any transposition at the Member State level, must strengthen and continue to facilitate appropriate frameworks, mandates and resources for LGs to implement ambitious actions, by taking to heart four key pillars: leveraging multi-level governance; accelerating implementation on the ground; fostering integrated, cross-sectoral approaches; and increasing support to local and regional governments to speed-up the energy transition.

<sup>1</sup> See: ICLEI Europe, "[The Mannheim Message](#)". Local Green Deals for a carbon neutral, sustainable and inclusive Europe", 2020.

## Key principles

- ✦ Leveraging multi-level governance and horizontal integration of policies.
- ✦ Shifting focus from defining ambitions to scaling up action on the ground.
- ✦ Fostering cross-sectoral approaches by promoting integrated planning and action.
- ✦ Raising ambitions by stepping up support, including financial and capacity-building.

## Key recommendations

- Establish effective and mandatory multi-level governance platforms for structured and regular consultation that facilitate vertical and horizontal integration of policies and measures.
- Ensure timely transposition of the Clean Energy Package by Member States, and secure provision of coherent, consistent and complete definitions and legislative frameworks for Renewable Energy Communities (RECS), Citizen Energy Communities (CECs) and Prosumers.
- Encourage specific targets for community-owned Renewable Energy Sources (RES) and include clear requirements for the development of co-ownership models in Member States to facilitate community engagement and LGs' direct involvement and support to renewable energy community initiatives.
- Provide succinct guidelines with clear definitions, targets, monitoring systems and streamlined administrative procedures, adaptable to national contexts, regarding auctioning, tendering and permit schemes and criteria to Member States to enhance participation of local governments and consumers in the energy transition.
- Support incentivising models for electricity and thermal energy sharing and investment in prosumer technologies.





ICLEI EUROPE'S POSITION ON THE REVISION OF RED II AS OF FEBRUARY 2021

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Now, more than ever, the financial, social and environmental challenges we are facing require collective political drive, and cross-sectoral, innovative solutions. These solutions must be implemented across all levels and must be supported by the entire community, securing direct participation, and with the aim to foster inclusiveness and social cohesion.

The revision of the RED II should provide an opportunity to scale up the energy transition with communities at its core, in line with four key pillars: leveraging multi-level governance; accelerating implementation on the ground; fostering integrated, cross-sectoral approaches; and increasing support to local and regional governments to speed-up the energy transition.

The [Clean Energy Package](#) adopted in December 2018, included a revised “Renewable Energy Directive” (RED II), which took force in the European Union. In line with the priorities of the Green Deal, and the objective to achieve a climate-neutral Europe by 2050, the Commission will soon table a **Fit for 55 package** to reduce emissions by at least 55% by 2030. This will cover wide-ranging policy areas – including revising RED II.

Local and regional governments implement 70% of all EU legislation, representing one third of public spending and two thirds of public investment. As such, the target of reaching climate neutrality by 2050 has to necessarily be pursued in collaboration with, and with the support of Local and Regional Governments.

As the level of government closest to citizens and the level most directly affected by climate change, local and regional governments are best positioned to engage local communities in exploring and implementing ambitious and timely climate action to reach the objectives of the Paris Climate Agreement and support Europe's effort in becoming the first climate-neutral continent. The circa 1000 global “Pioneers of Climate Ambition” from local and regional government who have already committed themselves to the transition to 100% RES, declared climate emergency, committed to carbon/climate neutrality and to divest from fossils, are proof that local governments, if given the appropriate legal framework, mandate and resources, are not only on board for ambitious targets, but also for piloting of new measures, and scaling up technological and financial solutions for the benefit of local communities.

The [Special report](#) of the Intergovernmental Panel on Climate Change (IPCC)<sup>2</sup> outlines that limiting global warming to 1.5°C above pre-industrial levels requires a rapid and broad transition across sectors to a sustainable, low-emission energy system. A worldwide scenario in line with the Paris Agreement objectives would call for RES to supply at least 70-85% of electricity by no later than 2050. According to the [2017 statistics](#) released by the European Environment Agency (EEA)<sup>3</sup>, the energy supply sector is the largest contributor (28%) of direct greenhouse gas (GHG) emissions in the EU.

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2 Special Report on Global Warming of 1.5 °C, Intergovernmental Panel on Climate Change (IPCC), October 2018.

3 Final Report of the High-Level Panel of the European Decarbonisation Pathways Initiative, Directorate-General for Research and Innovation, European Commission, November 2018.



## RES' increase in Europe is not only scientifically possible but needed.

Decentralised, community owned RES have a key role to play in energy transition. In particular, [studies](#)<sup>4</sup> from the H2020 PROSEU project have shown that prosumers can contribute a very high share to the energy generated by 2050. In the residential sector alone, 98% of electricity can be generated by prosumer technologies, and heating and cooling needs can be covered by prosumers entirely. A variety of viable [business models](#) that could accelerate the role of energy communities in the market are also available.

## A successful and sustainable energy transition keeps citizens at its core.

Citizens and communities now have unprecedented opportunities to become active market participants in Europe's energy transition, and can facilitate the acceleration of the energy transition, including positive effects for the local economy, and a more just socio-economic redistribution of benefits and costs. Both the Electricity Directive and the Renewables Energy Directive acknowledge citizen communities as distinct actors in the energy transition, providing them with defined titles (i.e. renewables self-consumers, active customers and renewable/citizens energy communities), a clear set of rights and obligations, and requirements for national level support.

A fair distribution of financial and social costs, as well as emerging benefits associated with Europe's sustainable energy transition amongst all levels of governments and market actors including citizens is necessary. Freeing up resources for sustainable investments, while creating opportunities for development of new value chains and jobs is crucial to this process, and local and regional governments are the key actors to enable and manage this transition effectively.

ICLEI Europe supports the development of Local Green Deals (LGDs): one process being implemented at the local level to ensure development is integrated with climate neutrality and sustainability, with renewable energy goals at their hearts. Most cities already have sustainability policies and targets, but these tend to be disjointed, with varied timescales, departments involved and funding sources. This can be a major hurdle to successful implementation. An LGD is an instrument that connects city's sustainability goals, aligning them with each other under the framework set by the European Green Deal Policy areas. It avoids duplication of targets, provides a single framework for stakeholder engagement, and facilitates monitoring and evaluation. Furthermore, it leads cities to build on sustainability, equity and just transition, contributing to the overarching objectives of the European Green Deal.

The energy transition in Europe is no longer just an option, but is the only viable path to guarantee a sustainable future for all European citizens. To implement clear, ambitious solutions at all levels to face this challenge, the EU and its Member States will have to agree upon solutions that are able to engage all levels of government to adequately enable their respective contributions to achieve the Paris Agreement, whilst actively engaging local communities and citizens to co-create the EU's energy future.

ICLEI Europe believes this process and the revision of RED II should be based on the following four pillars.

### 1. Raise ambition by leveraging multi-level governance and horizontal integration of policies and actions.

Effective multi-level governance is crucial to ensure a sustainable energy transition for Europe. Local governments need to be supported and enabled to adequately promote and actively take part in renewable energy communities. Permanent platforms for consultation across levels of government are key for this acceleration: alignment between National Energy and Climate Plans (NECPs), Recovery and Resilience Plans and local actions (e.g. Sustainable Energy and Climate Action Plans) is essential.

<sup>4</sup> Sources: PROSEU H2020 Project, [Key technical findings and recommendations for prosumer communities](#), 2020. PROSEU H2020 Project, [Report on local, national and EU scenarios](#), 2020.



## Multi-level Dialogues and Consultation Mechanisms

Whilst multi-level governance remains key in facilitating long-term, coherent planning and implementation, particularly in energy and climate planning, experiences such as the NECPs have shown<sup>5</sup> that a structured engagement and consultation process across levels of government can be challenging to implement, despite the fact that continuous dialogue between Member States and local authorities is strongly encouraged in the Governance of the Energy Union regulation. **Multi-level Energy and Climate dialogues, encompassing strategies around RES support and deployment should be further promoted and extended to include all areas of the Green Deal in order to guarantee the level of coherence necessary to adequately leverage resources, commitments and plans. Consultations with local governments during this phase of target revision should be mandatory, and supported across the development of National Recovery and Resilience Plans.** The mainstreaming of both the new targets and the Green Deal policies in a coordinated and effective manner should be ensured.

In addition, regional cooperation has a crucial role to play in coal and carbon-intensive regions where sharing experiences and good practices on transitioning to cleaner and renewable energy systems must go hand-in-hand with the crucial priority of guaranteeing a fair and just energy transition for affected communities. There is, therefore, a need to continue to streamline processes and initiatives that better inform and support local and regional governments in decision-making processes around coherent, multi-sectoral energy transition measures.

## Timely transposition of stable regulatory frameworks

Appropriate adjustments to the necessary regulatory frameworks are crucial to create a stable environment for implementation and to send a clear message to the market on the importance to align to standards (e.g. in the building sector) and invest in sustainable technologies (e.g. RES).

RED II is already supportive of frameworks that include active consumer engagement. **Citizens, communities and local governments should be firmly kept at the centre of the RED II revision and the energy transition.** Any changes should strengthen the foreseen provisions, and ensure that Member States transpose these frameworks into national legislation in a timely manner, and without hindering or delaying the work that has already begun, nor slowing down or invalidating the transposition process (e.g. Art. 21 and Art 22).

RED II already contains binding elements that ensure the setup of an enabling framework for Renewable Energy Communities by all Member States, such as the launch of public consultations, the assessment of existing barriers and potential of development as well as the definition of capacity building activities to support the initiative's uptake. Nonetheless, in many Member States, community co-ownership models are still underdeveloped and the legal framework governing local governments' abilities to join renewable energy communities, e.g. an energy cooperative, also differ.

It can be challenging to integrate new concepts around renewable self-consumers and energy communities into national and local laws; modifying these definitions at the EU level may therefore create confusion that could discourage Member States from taking prompt action to support these groups. **It is instead crucial to support and accompany Member States throughout the transposition and implementation processes, while monitoring their progress.** This includes ensuring the implementation of clear requirements to develop community ownership models which easily allow local governments to take part in and support renewable energy communities.

Coherence among regulations is also key – including alignment with provisions in the Energy Performance of Buildings Directive (EPBD), and the implementation of the Renovation Wave. Self-consumption in the building sector should be facilitated – via capacity-building, mandates for local governments to raise relevant standards, and more – to boost building-integrated RE generation and thermal energy storage in particular. This would need to be backed by funding schemes at the Member State level in order to be effective, and must be paired with more structured support, in particular around the increased burden of monitoring and enforcement of these measures, to ensure that building-integrated renewable energy potentials and solutions are exploited to their full potential.

## II. Raise ambition by accelerating implementation on the ground.

Whilst ambitious targets are key to provide direction, the focus should be shifted to enable and accelerate implementation. To this end, **legislators should adopt the Fit for 55 Package legislative framework, and**

<sup>5</sup> For further reading: PROSEU H2020 Project, [Guidance for national transposition of new EU directives relating to renewable energy prosumers](#), 2020.

in particular the RED II and its Renewable Energy Communities legislation as soon as possible. This should however be done without harming the quality of the legislation and allowing for sufficient assessment, reflection and consultation.

### Prompt adoption of Renewable Energy Communities & Citizen Energy Communities Definition and Frameworks

**Renewable Energy Communities must be properly defined and consistency between renewable energy communities (RECs) and citizen energy communities (CECs) definitions should be guaranteed.**

**Decisions on enabling frameworks for energy communities and prosumers should be made without delay**, paying specific attention to features such as new rights for citizens to generate, self-consume and share energy; cooperation with distribution system operators and the rights of energy communities to take on that role; the creation of adequate support schemes for vulnerable households; and the right of citizens to access data, information and training.

### Definition of targets for PV capacity and (renewable) energy community projects

**Member States should be urged to set specific rooftop PV capacity or energy targets**, to be set in relation to the technical rooftop potential in each Member State, ideally around 50% by 2030. An energy community target, which should be a share of the total national renewables target, should also be openly encouraged. As energy community projects tend to increase public acceptance, their share must be significant<sup>6</sup>. Non-energy targets, like the number of (renewable) energy communities and the number of their members should also be defined, in light of their significant potential to increase social acceptance, create new jobs, enhance social cohesion and to reduce energy poverty.

**Increased targets should be linked to policy and action enablers, across relevant sectors**, to make targets concrete and attainable (e.g. actions and resources connected to the Green Deal, to the implementation of both NECPs and Recovery and Resilience Plans). Target increases should be accompanied by clear messaging regarding the need for a swift phase out of fossil fuels and related, existing subsidies. The Directive can be instrumental in reinforcing the use of clean technologies as a bridging option, not as an alternative, towards a RES-based energy system.

### Remove barriers and reduce red tape

Barriers and potential drivers of energy communities must be assessed to raise political awareness and acceptance. Innovative ways of cooperating, co-creating and consulting to foster multi-level and citizen participation must be applied.

To reap the benefits of local engagement and direct participation, **administrative procedures should be simplified**, e.g. by creating single contact points, and reducing technical, financial, fiscal and legal requirements. Licence exemptions for small or community-owned energy suppliers can be a key means of enabling local social value.

Exemptions for small or community-owned energy suppliers can be a key means of enabling local social value. Relaxing the requirements for energy suppliers to coordinate transactions can enable peer-to-peer energy trading models to emerge.

### III. Raise ambition by integrating action and fostering cross-sectoral approaches.

The European Green Deal can provide a great framework to bring together actions across sectors. Whilst it is understandable that priorities need to be set with respect to specific actions, this is an unprecedented opportunity to take a more cross-sectoral approach to climate action. Many of the actions required to secure a more sustainable, integrated energy system encompass measures in the field of transport, heating and cooling, building renovation, waste management and more are within the mandate of local governments. These actions come together at the local level, and cannot be addressed in a vacuum – **cross-sectoral planning is key, and should be supported by national and EU legislation.**

### Energy system integration through roll-out of District Heating and Cooling Systems

As laid out in the EU Energy Systems Integration Strategy, district heating and cooling is essential to speed up decarbonisation. RED II should additionally highlight the fact that local governments have long been playing an important role in energy system integration, particularly through their facilitation of local district heating systems (DHS). This role should be further acknowledged. **Local governments are often the owners of DHS and are interested in enabling heating**

<sup>6</sup> Also see: PROSEU H2020 Project, [Transposition Guidance for citizen energy policies](#), 2020.



services at affordable prices while, at the same time, encouraging the intergeneration of e.g. waste heat and renewable energy sources.

### There is great potential in supporting integrated local energy solutions.

As explained by the H2020 [PROSEU](#) project, central heat pumps coupled with thermal storage and PV can add to the overall resilience, sustainability and flexibility of the local heat systems. It therefore becomes possible to supply multiple end-users on a demand-basis. With digitalisation, the role of heat pumps in independent heating systems also increases, allowing these systems to communicate with each other as part of a virtual community. This increases community control and interest in running such assets. Used as stand-alone, or coupled with storage technologies, however, such inter-connected solutions require a willingness on the part of residents to share building temperature data, consumption data and to give insights on comfort requirements.

Member States should be encouraged to further support local governments' capacities to facilitate district heating and cooling systems for the sake of a more integrated energy system. Allowing for higher integration of the electricity system, incentives should be provided to end-users as well as aggregators to promote flexibility. Further cooperation between renewable self-consumers, renewable energy communities and aggregators, publicly-owned grids and cooperation with District System Operators (DSOs) are important and should be supported accordingly.

### Digitalisation, smart grids & technologies

Smart meters and digital platforms to balance electricity and thermal energy sharing, storage and to facilitate demand-side response are essential. The actual expansion of smart meters in EU Member States varies significantly, and expansion has been most successful where coordinated by government actors and distribution operators. Favourable legislative environments are key to boost the development of smart grids – a next step of digitalisation and prosumer integration. Connecting,

building upon, and incorporating the requirements that already exist in the Internal Electricity Market, Electricity and Energy Efficiency Directives will ensure that further acceleration of digitalisation will reduce grid congestion problems. In particular, **remaining grid-based obstacles related to decentralisation, energy communities and connected prosumer approaches** – including access to grids, grid management and balancing capacities – **should be addressed both from regulatory and technical points of view.**

This also includes the **need for regulations that facilitate electricity and thermal energy sharing** and help energy communities to benefit from technologies that can lift prosumer potential. The diversity of models across Member States (e.g. Feed-in-Tariff, market price systems, etc.) have a high influence on the economic return of the energy that can be generated, and determine whether it is profitable to use battery or thermal storage for self-generated energy. **Measures to facilitate investments of prosumer technologies should be foreseen**, as costs remain generally high for citizens and mostly have a payback time of 5 to 15 years, or even more.

National policymakers should expedite their rollout of smart meters and electric vehicles chargers, with interoperability and product standards agreed at the EU level. In many cases, local governments and communities could better operate local networks to strategically align local smart-grid evolution and spatial development.

### Renewable Energy and mobility

Whilst the presence of interoperable chargers is certainly a prerequisite for the use of electricity in mobility, it does not directly encourage the use of renewable energy. Therefore, support may be better directed at local energy supply/sources itself rather than supporting the purchasing of charging station infrastructure and vehicles only (which can be supplied by non-renewable electricity). Such support is needed to encourage additional, ideally local, renewable supply to be added to the grid, rather than existing renewable energy simply being extracted from the grid and harnessed/repurposed for mobility uses (at the expense of other sectors). Projects such as H2020 [GreenCharge](#) are investigating the best ways to achieve this. This would help strengthen paragraph 87 of the current Directive ("Options should be explored to ensure that the new demand for electricity in the transport sector is met with additional generation capacity of energy from renewable sources") and article 27(3).

Investment in neighbourhood smart energy management systems that include the integration



of renewable energy with electric mobility is a further measure that should not be overlooked, in providing reliable and open back-end systems, flexible for community use and widespread adoption.

Should support for vehicles and chargers be maintained in REDII, this should consider incentives to favour/encourage the most efficient vehicles (e.g. size, weight, electricity consumption), and **charging infrastructure availability should be mindful to offer flexible solutions to light electric vehicles (e.g. cargo bikes, ebikes)** becoming a more prominent aspect of urban mobility and not lock us into car dependent charging infrastructure. This will make the most efficient use of the renewable electricity generated, particularly local supplies, to allow more vehicles to be charged, extend the distance travelled per unit of energy, and help minimise peak demand from high energy consuming private electric vehicles. This could help offset the trend towards larger, more space and energy intensive electric vehicles.

### Green Hydrogen Solutions in Select Sectors

Renewable Energy should be considered the choice from the outset. There are several promising applications for hydrogen in energy-intensive industrial processes, heavy traffic or some off-grid solutions. In all cases, the supplied hydrogen must be from renewable energy and **the promotion of hydrogen should be secondary to direct electrification wherever possible**. This includes giving priority to electrification in particular the mobility sector.

Hydrogen is a promising solution in hard-to-abate sectors (e.g. steel, chemicals, shipping and heavy-duty transport). The deployment of hydrogen needs to be done with climate change mitigation ambitions in mind, and needs to be renewable (green hydrogen). It needs to be generated from surplus renewable electricity (or with according renewable electricity capacity).

### National and local RE integration and energy performance targets for buildings

Whilst the introduction of minimum renewable energy targets for buildings is supported, more attention must be given to differentiated approaches to be considered, respecting economic conditions, building characteristics and local / regional RE generation potentials. Key steps must be taken to **secure information, legal certainty and regulation** regarding minimum performance standards, via revision of Minimum Energy Performance Standards in the context of EBPD and EED revisions. Incentives, better information, and stable regulation around RES are also needed. This is particularly necessary in order to

clearly communicate to the market that relevant building policies will be updated, or new policies introduced, and to require countries to set 'whole life carbon' (WLC) targets – moving beyond current operational carbon policies to more circular approaches.

Another factor to consider is that coupling RE generation with energy use ties performance to energy efficiency gains. For a new or retrofitted energy efficient building, or in regions / countries where the RE mix is already high, there would be little incentive to explore building-integrated RE generation **unless self-generation rates are mandated**.

## IV. Raise ambition by stepping-up support.

For Europe to achieve a sustainable, inclusive and fair energy transition, the engagement of communities and citizens is critical. Decentralised and community-owned projects are still, unfortunately, disproportionately burdened by bureaucratic and administrative procedures. The current provisions of RED II can result in an enhancement of the participation of local governments and consumers via renewable energy communities.

The important role of local governments is laid out in the current version of RED II. **The foreseen regulatory and capacity-building support to be provided to public authorities to set up renewable energy communities should be strengthened and monitored**, in particular throughout the transposition and implementation phase of the Directive at national level.

### Capacity building for community energy action

RED II clearly highlights the importance of providing all stakeholders with the needed guidance and knowledge (Art 18) to take action and actively participate in the Energy Transition. In this context, **local governments are a cornerstone of the process and can help to exponentially increase the establishment and replication of RES projects, if provided with adequate resources and support**. The establishment of one-stop-shops at the regional level would provide a point of reference for updates, information and capacity building opportunities, while adapting them to the specificities of local contexts.

Through capacity-building – paired with the removal of existing regulatory barriers – energy communities can become a key instrument in the implementation of inclusive local energy policies, and can be a successful implementing tool for many Sustainable Energy &



Climate Action Plans (SECAPs) developed across Europe. Providing education, training and capacity-building activities to citizens, local governments and SMEs will, in addition, improve energy literacy, and, in this way, support tackling energy poverty and fostering social inclusion. In addition, clear standards should be put in place to provide reliable references for energy communities, particular in the context of regulatory barrier relief.

Capacity-building is also essential for local and regional governments, which should be enabled to engage in community projects as key players for encouraging (collective) prosumer initiatives and to ensure that these are accepted and backed by local citizens. As owners of a significant amount of property and energy intensive services (e.g. street lighting), local governments are major energy consumers, and have high potential for energy production, e.g. on public rooftops.

### Funding and incentivising the energy transition

To accelerate the energy transition, **local and regional governments should have direct access to funding**. Often, resources don't trickle down from the national level. This should apply to funds connected to Recovery and Resilience Plans, as well as those directly relevant to initiatives like the Renovation Wave. Even when funds to support cities are foreseen at the European level, these should not replace funds previously allocated by national governments, but rather add to them (e.g. in the building sector).

More viable, innovative, and successful business models for collective prosumers must be explored and tested – including guaranteed prices for exported electricity, and tax incentives on renewable hardware. Ongoing [H2o2o research](#) is already exploring and testing solutions that consider proper alignment between RED II and the Internal Market Electricity Directive.

Prosumers should receive guaranteed prices for exported electricity, as well as tax incentives on renewable hardware. Fair remuneration of surplus energy should be guaranteed. Incentives should be introduced to reward prosumers on a dynamic basis – maximising the system value of smarter prosumer systems, which often include storage and other flexibility. In addition, schemes for shared self-consumption in multi-occupancy buildings or in local geographies should be made available.

The burden of energy taxation and renewable levies falls disproportionately on electricity bills, penalising low carbon heat electrification and disincentivising prosumer business models. Adopting capacity-based,

locational and dynamic network charging can also contribute to the uptake of prosumerism, by rewarding the flexibility of communal self-consumption, reducing the overall costs of integrating RE, and shifting at least part of the levies into general taxation.

**EU and national regulators should re-design wholesale, balancing and flexibility markets to be accessible to distributed flexibility and independent aggregators** – likely to be the cheapest low-carbon source of system stability. DSOs should be encouraged to operate new local flexibility markets – balancing the system at the lowest voltage levels.

Incentives should be introduced that maximise the value of smarter prosumer systems. National policymakers should expedite their rollout of smart meters and electric vehicle chargers, with interoperability and product standards. Disproportionate energy taxation, and renewable levies that disincentivise prosumer business models – which valorise flexibility – should be removed.

### Tendering and public procurement

Whilst reduction of red tape and administrative burden is foreseen, Member States are tasked with carrying out a comprehensive assessment of administrative and regulatory barriers to make sure these are thoughtfully addressed in the design of national policies. **Stronger guidelines should be provided around formulation of clear definitions, set of targets, structured monitoring systems and streamlined administrative procedures adapted to the national context** (with a coherent link with the Governance of the Energy Union Regulation, and the developed NECPs). Local governments and communities still face a range of administrative barriers related to access to the grid, auctioning schemes, tender procedures and granting planning permits, which should be tackled and improved.

The capacity of local governments in fully using the potential of procurement should be highlighted in support of the implementation. Measures such as **the inclusion of tendering criteria** reflecting the “common good” that community-owned projects bring, could be included as prequalification criteria. Evaluation and selection of bids could be increasingly based on a multi-criteria assessment, which, in contrast to price-only systems, should consider broader socio-economic and environmental considerations. In addition, the recommendation of setting a community RES target at national level could be strongly included, to support acceleration towards meeting a higher target for the EU and for a citizen-driven energy transition.





## ICLEI Europe contact:

**Giorgia Rambelli**

Coordinator Climate Policy & Energy Governance

✉ [iclei-europe@iclei.org](mailto:iclei-europe@iclei.org)

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## ICLEI Europe

ICLEI – Local Governments for Sustainability is a global network of more than 1,750 local and regional governments committed to sustainable urban development. Active in 100+ countries, we influence sustainability policy and drive local action for low emission, nature-based, equitable, resilient and circular development.

ICLEI Europe provides its 160+ members in Europe, North Africa, the Middle East and West Asia with a voice on the European and international stage, a platform to connect with peers and tools to drive positive environmental, economic and social change. ICLEI Europe works closely with an extended network of local and regional governments and national and international partners on a broad range of topics.

*This paper reflects the position of the ICLEI Europe network of Local and Regional governments as a whole, and may not reflect the position of every Member individually.*

