

Research for REGI Committee – EU regions in the transformation towards a climate-neutral future



The study provides information on requirements and goals for successful transformation towards a climate neutral future at regional level in the EU. Based on the analysis of six regional best practice examples across the EU, the key drivers, conditions and instruments for a successful transformation were identified. The project results in the formulation of specified policy recommendations for EU decision-makers in the field of supporting the EU regions in achieving the goals of climate neutrality.

Regional transformation towards climate neutrality

The European Union (EU) intends to become the first climate neutral continent in the world. Ambitious policies, strategies and a dedicated use of EU funds are expected to promote and stimulate the European regions to transform their economies towards climate neutrality. Outlined by the European Green Deal (EGD) and legally enshrined in the European Climate Law, the EU should achieve a reduction of greenhouse gas (GHG) emissions of at least 55% by 2030, compared to 1990 levels. The EGD aims to protect, conserve and enhance the EU's natural capital and protect the health and well-being of citizens, including from environment-related risks and impacts. At the same time, this transition aims to be just and inclusive. The EGD is seen as an integral part of the Commission's strategy to implement the United Nation's 2030 Agenda and its 17 Sustainable Development Goals (SDGs).

The present document is the executive summary of the study on EU regions in the transformation towards a climate-neutral future. The full study, which is available in English can be downloaded at: <https://bit.ly/3MrENdW>

Transformation towards climate neutrality is a challenging and complex process. The ways to achieve the goals set by the EU Climate Law and balance GHG emissions and removals, thereby reducing emissions to net zero (Regulation (EU) 2021/1119 Article 2), are still being developed.

There are practically no examples of regions that have achieved full climate neutrality and, consequently, there are no ready-to-use solutions available that could be easily transferred to other regions. Still, there are more and more regions successfully transforming their economies in at least one key sector or area of economy. The in-depth analysis of best practice examples of six such regions provided a wide range of approaches and solutions representing different starting points, scopes and circumstances for the process of transition. The following initiatives have been analysed:

- Climate Action Roadmap of Päijät-Häme (Finland)
- Soft mobility initiative in Werfenweng (Austria)
- 2025 Climate Plan of Copenhagen (Denmark)
- Promotion of climate neutrality in Graciosa (Portugal)
- Transformation of the economy in Wielkopolska Wschodnia (Poland)
- Climate-neutral economic zone in Plovdiv (Bulgaria)

Solutions, barriers and transferability of climate neutrality initiatives

The analysed best-practice examples are very differentiated and focus on one selected area of economic activity or try to implement a holistic transformation throughout all sectors of economy. The most important topic tackled is transport and mobility, other prominent issues addressed are power generation, and technologies enabling the transition. Furthermore, solutions for the agri-food system, and more generally the just transition to climate neutrality, could also be covered. The key roles in the process of transformation are played by the regional or local administration, which is in charge of the initiative's coordination and/or implementation, usually together with other stakeholders (such as municipalities, companies, NGOs and civil society). The private sector plays a strong role as well, or even takes the lead over the initiative.

The main **barriers** for the transformation are the lack of involvement of citizens and the general attachment to the status quo. Not yet existing results of the initiatives, that could have otherwise been shown to, and motivate, inhabitants toward action, weaken the implementation of transformation. At the same time, the absence of targets and monitoring systems as well as the lack of experts, know-how, and resources in smaller regions, or within single municipalities, are also internal barriers. The dependency on external financial support entails a significant vulnerability to any changes in the processing of funding. Furthermore, a lack of regional autonomy for climate related decisions, dependency on complex interrelations with frameworks in the neighbouring regions, the national level, and the continent have also had a hindering influence on the progress towards climate neutrality.

The effective **solutions** can best be achieved when the internal capabilities, such as the openness to innovation and experimentation as well as experience in the development of strategies for climate neutrality and expertise are provided within the region. Smooth and efficient use of available financing sources for the transition process and further innovation move the transition forward. Inclusion of external experts and gradual detachment from external funding are also beneficial for regions on their way towards climate neutrality. It is essential that a well-performing model of a climate-neutral economy (in one sector or as a whole) is established. Then, it can gradually spread out to other areas

and sectors. Small functional regions and islands are especially favourable to innovative projects for climate neutrality.

For the success of a climate neutrality initiative, it is crucial to find appropriate motivation and dedication in the region. A participatory character and communication with the citizens including experts and all relevant stakeholders are also indispensable for a successful transformation. Internationalisation, communication, and networking outside the region, as well as being part of a network together with other regions, are a valuable source of information and support regarding success stories and avoidable mistakes.

Support of climate neutrality initiatives by policy

The recommendations for the EU provided in this study underline the importance of pursuing the ambitious goals for climate neutrality and executing the agreed targets. It is advisable to strengthen the regions which are planning to actively contribute to these goals by creating a possibility for direct EU support for these initiatives. It should also be possible to support the citizen driven initiatives for climate neutrality.

Further sectoral regulations, including taxonomy regulation, e.g. introducing stricter definition and demarcation of climate neutrality should be considered. The competence of the EU in the field of transformation towards climate neutrality in terms of standards and norms, e.g. emission ceilings or technical standards for machinery and vehicles differentiated by the local/regional conditions should be further increased.

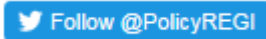
Limiting the transformation process by the funding period or semester should be avoided. For this purpose, the continuity of management on the regional and local level should be actively supported. Interruptions should be prevented by documentation and continuous transfer of knowledge within the region.

To boost the transferability of solutions, the interregional exchange should be further encouraged and facilitated. Many technological solutions for climate neutrality are still not existing, therefore applied science projects should be developed to foster the transition. It is recommendable to support the organisation of living labs to develop and try out technologies and solutions.

Further information

This executive summary is available in the following languages: English, French, German, Italian and Spanish. The study, which is available in English, and the summaries can be downloaded at: <https://bit.ly/3MrENdW>

More information on Policy Department research for REGI: <https://research4committees.blog/regi/>



Disclaimer and copyright. The opinions expressed in this document are the sole responsibility of the authors and do not necessarily represent the official position of the European Parliament. Reproduction and translation for non-commercial purposes are authorised, provided the source is acknowledged and the European Parliament is given prior notice and sent a copy. © European Union, 2022.
© Image on 1 used under the licence from Adobe Stock

Research administrator: Frédéric GOUARDÈRES

Editorial assistant: Adrienn BORKA, Krisztina MÁNYIK

Contact: Poldep-cohesion@ep.europa.eu

This document is available on the Internet at: www.europarl.europa.eu/supporting-analyses