By May 2013, over 4,500 local authorities from 27 European Member States and worldwide had committed to the Covenant of Mayors, representing a staggering 165 million citizens. Interest in the Covenant of Mayors initiative from local and regional authorities is not surprising, as they have an important role to play as consumers, producers and regulators in sustainable energy management.

**Buildings: a key sector for Covenant of Mayors Signatories**

The Covenant of Mayors aims to meet and exceed the European Union 20% CO₂ reduction objective by 2020. Within a year of committing to the Covenant of Mayors, the signatory must compile a baseline emissions inventory (BEI) and formulate a Sustainable Energy Action Plan (SEAP). A SEAP is a document showing how the signatory will reach its CO₂ reduction targets by 2020. It defines activities and measures that will achieve these targets, together with time frames and assigned responsibilities in the building and transport sectors, in local energy production and urban development. As of May 2013, 2,700 SEAPs have been adopted and implemented by municipal councils.

Building-related CO₂ emissions account for up to 40% of the total greenhouse gas emissions, while transport accounts for approximately 30% of CO₂ emissions in cities in Europe. Therefore, reducing energy use and related emissions from buildings and transport is crucial to the success of SEAPs. In tandem with reducing energy use and emissions there is a huge opportunity for local authorities to create jobs in the public and private sectors and open up links with the financial sector.

**What is the support for signatory cities?**

**The European Local ENergy Assistance (ELENA)**

To help signatories develop their Sustainable Energy Action Plan, there are a number of different financial assistance programs. The European Local ENergy Assistance (ELENA) facility was launched in December 2009 by the European Commission and the European Investment Bank. ELENA offers EU grants for technical assistance to prepare investment projects. Over 90% of ELENA funds have been allocated to Covenant of Mayors Signatories, with the majority funding projects in the buildings sector.

In July 2012, the city of Birmingham was awarded €1.5 million of ELENA funding to prepare a project for upgrading of 60,000 homes with energy-saving measures such as boilers, improved insulation and solar panels. Last September, 98 public buildings, mainly schools, located in the Province of Milan were identified for energy efficiency upgrades. A 35% reduction of final energy costs is guaranteed by four Energy Services COmpanies. The measures will be implemented in the 16 municipalities that have signed the Covenant of Mayors. The total contract value is €13 million.

**Energy Performance Contracting (EPC)**
Energy Performance Contracting is useful for signatories, as it helps identify energy saving opportunities in public buildings while at the same time it can facilitate finance. As a result of the EPC recommendations are made as to how to improve the overall performance of the building. By working with an Energy Services Company (ESCO), the public building needs no upfront capital to invest in the refurbishment works as they are financed by the ESCO. The investment is repaid through the anticipated energy savings. This reduces the financial risks for the public body or local authority.

Since November 2012, the Covenant of Mayors has been actively involved in the European Commission’s EPC campaign through organising webinars in Germany, Spain, Greece, Cyprus and Italy. These webinars bring together local authorities and ESCO representatives to address the challenges, opportunities and barriers of EPC at the national and local levels. Upcoming Covenant of Mayors webinars will take place in France, Poland, Portugal, Romania and Slovakia during May and June 2013.

European Projects under the Intelligent Energy Europe (IEE) programme

Taking part in a pan-European movement such as the Covenant of Mayors helps cities network, share expertise and work together on energy-efficiency projects. The SMARTSPACES project is a clear example of cities collaborating to improve their energy management. Launched in January 2012 it involves seven Covenant of Mayors Signatories (Milan, Birmingham, Bristol, Leicester, Hagen, Lleida and Murcia). SMARTSPACES aims to provide an energy optimisation service to exploit the potential of ICT, including smart metering, which will result in significant energy savings for public buildings, offices, museums, universities, schools, nurseries, sports and event centres. There have been 11 pilot sites, covering more than 550 buildings across Europe, reaching almost 20,000 professionals and staff users and over 6,000,000 visitors annually.

Looking to the future

Five years after its launch, the Covenant of Mayors is has reached a crucial point. After a successful experimental phase, the initiative has to further prove its credibility via the implementation of sound action plans and investments in sustainability programmes, demonstrating its capability to produce savings. This year will prove interesting when results from early signatories are mapped showing progress made by individual cities and regions.
On 24 June 2013, Mayors from European cities and beyond will gather in the European Parliament in Brussels for the fourth Covenant of Mayors Ceremony. This will be an opportunity to showcase their achievements and the success of the initiative. It will give insight into challenges and opportunities faced by signatories.

The multi-level governance model of the Covenant of Mayors has been inspirational worldwide and in Europe. Is such a model sustainable? Can the Covenant of Mayors deliver its objectives by 2020? How will the upcoming Multiannual Financial Framework support signatories in the implementation of their objectives?

The Covenant of Mayors (CoMO) is managed by a consortium of European networks representing local and regional authorities, led by Energy-Cities (BUILD UP Partner) and composed of CEMR, CLIMATE ALLIANCE (BUILD UP Partner), EUROCITIES and Fedarene.

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