

LOCAL GOVERNMENTS´ RENEWABLES DECLARATION

Final Version – May 31st 2004, adopted at the Municipal Leaders Conference on Renewable Energies -Local Renewables 2004- in Bonn

We, mayors and representatives of cities and municipalities of the world, and of their associations and networks, on the occasion of the International Conference for Renewable Energies 2004, and the Local Renewables Conference, agree on the following declaration:

Context

Energy is a major factor for the economy and social welfare, and a major threat to the environment and global climate. Energy is thus a core issue for sustainable development. Governments have started to address this challenge: The Kyoto Protocol to the UN Framework Convention on Climate Change calls for “research on, and promotion, development and increased use of, new and renewable forms of energy”, the Johannesburg Plan of Implementation urges “a greater share of renewable energies in the energy mix”, the Millennium Development Goals call for decisive steps to promote poverty alleviation and sustainable development, and the Johannesburg Renewable Energy Coalition is currently seeking government commitments on the development of renewable energies and reduction of energy poverty.

We local governments are aware that today’s urban structures around the world are based on fossil fuel supply. This dependence upon finite resources leads to massive risks for our cities, is very probably causing climate change impacts affecting our municipalities, and seriously threatens urban environments and liveability. At the same time, energy poverty in cities, and particularly in rural areas, leads to severe social and health problems, and is contributing to the pressures on urban agglomerations.

Responding to the urgent need to address these problems, thousands of local governments around the world have entered commitments to combat climate change and work towards sustainable development. They have set up a Local Agenda 21 in close consultation with their citizens, and are implementing local climate protection and sustainable energy programmes. Numerous successful examples demonstrate what can be achieved by resolute policies of cities and municipalities.

City networks and associations together with regional and global partnerships of local authorities have contributed substantially to these efforts and achievements by adopting joint commitments and approaches, exchanging experience and providing mutual support.

Cities and municipalities and renewable energy

We local governments have recognised that a wide-ranging shift towards sustainable energy systems in our cities is urgently required. Cities and local communities will not be viable without this fundamental structural change. The switch to renewable energies, together with the significant energy efficiency improvements that this switch requires, will contribute to reducing the health and environmental impacts of energy production and consumption, to fostering regional economic development and job creation, and to minimising dependence on energy imports. By utilising renewable energies based on local and regional resources, our cities and municipalities can regain the self-reliance that has been lost over the years, and, along with the associated learning process, will gain and enhance self-government.

For decentralised applications of renewable energies in particular, local governments play a crucial role. Local action is complementary to national action: national governments should set proper frameworks, while local governments and communities should facilitate concrete investments in renewable energy technologies, thereby promoting and supporting policies aimed at an increased share of renewables. Given the decentralised nature of a sustainable renewable energy system, national policies and measures will only be successful in the long run if they are joined by local level commitment and action, and vice versa.

The role of local governments

Within their own facilities and buildings, local governments can substantially increase the share of renewables, through energy conservation and management, use of waste heat, and procurement of renewable electricity. Beyond these options, local governments have considerable influence on local energy production and consumption structures and patterns:

- Through **urban and spatial planning**, we define local preconditions that are decisive for the development of renewable energy sources, e.g. by creating settlements and structures that are favourable for the passive and active use of solar energy, and through siting policies for biomass and wind power.
- Through **local regulations and financial incentives**, we introduce preferential application of certain energy sources, e.g. by introducing obligations for the use of solar thermal in buildings, and by providing subsidies, rebates and tax exemptions for renewable installations.
- Through **investments in infrastructure**, we create the preconditions for the utilisation of waste heat and heat from renewables. In particular, we create through small and large-scale district heating or cooling systems the preconditions for deployment of combined heat/cooling and power.
- By initiating, promoting and facilitating **local cooperation and new financing schemes**, we bring together investors, suppliers and consumers in order to realise collaborative renewable energy projects.
- Through **pilot projects** we help to introduce innovative technologies, and through purchasing green power we help to stimulate the market for renewables.
- Through **awareness raising and involvement of citizens and business**, we ensure the acceptance of renewable energy projects, and support the dissemination of renewable technologies.

All these policy options are specific opportunities at the local level, and specific fields of action of local government. Though there are considerable differences in terms of natural, resource-related, institutional and financial preconditions in North and South, and in urban and rural areas, the technical options to utilise renewable energy and the policy instruments at hand are, in principle, similar in industrialised and developing countries.

However, cities and local communities in developing countries face special challenges, in particular the lack of access to energy in some urban and many rural areas, and the lack of institutional and financial capacity to address these problems. In order to “improve access to reliable, affordable, economically viable, socially acceptable and environmentally sound energy services and resources” as the Johannesburg Plan of Implementation puts it, local action is required, and thus local governments must be involved. In rural areas the structure and density of energy demand, and the availability of financial resources, differ from urban areas, calling for appropriate solutions. Cities and their regions should seek for regional approaches for their mutual benefit to provide clean energy for the poor, thereby improving quality of life and fostering economic development.

Commitments

We commit ourselves to strong and consistent long-term policies and measures to increase the share of renewable energy in our communities, and herewith invite other local governments and communities to do so too.

We will take a **systematic approach** involving the following steps:

- assess the local potentials for renewable energies,
- draw up and implement action plans,
- monitor our progress and
- report measurable results.

In doing so, we will observe the following **principles**:

- Improving energy efficiency and developing renewable energies must go hand in hand. We will preferably seek optimum combinations of both, thereby improving economic viability.
- We will take into consideration that we are public bodies with corresponding responsibilities and tasks in terms of providing public services and utilising market forces for overarching goals serving our communities.
- We will take global equity and the global impacts of local policy into consideration, and work in partnership with cities and local communities in other parts of the world.

In our efforts to develop renewable energies, we will fully **integrate sustainability considerations**:

- We will take social and health aspects into consideration, ensure the participation of our citizens, address equity and gender aspects, and seek to link our energy policies with poverty alleviation.
- We will take environmental aspects into consideration, such as nature conservation and noise reduction.
- We will take economic aspects into consideration, prioritise cost-effective solutions, in particular in an integrated approach including energy efficiency, promote sustainable investment schemes and combine our energy policies with regional economic development and job creation.

In our action programmes we will include the following **activities and measures**, in particular:

- In our own buildings and facilities, we will implement innovative renewable energy projects to stimulate the market and provide a model for private investors. Moreover, we will use our purchasing power to procure renewable power.
- We will inform our citizens about climate change and its global impacts, and about energy efficiency and renewable energies, provide advice on their application, and work to include these issues in curricula, as well as in training and capacity building programmes.
- We will involve our citizens in planning processes and implementation, and initiate and support community-based collective investment and participation finance.
- We will exploit the possibilities for local legislation and regulation to give preferential treatment to renewable energies.
- In addition to directly increasing the share of renewables in our communities, we will promote the development of the renewable energy industry in our regions and build alliances with local trade and business for the decentralised application of renewable energy technologies.

To enhance the effectiveness of our efforts, we will cooperate with other local governments and provide mutual support in regional, national and international networks, as well as in North-North, South-South, and North-South partnerships.

Recommendations to the Bonn Conference

Preconditions for local action: In order for our commitments and policies to be effective, local governments' capacity for effective action must be ensured and enhanced. In particular, we local governments must possess adequate authority and powers, sustainable financial resources, and qualified and sufficient staff to be able to fully exploit the manifold options to increase the share of renewables and give our citizens access to clean energy based on renewables.

Framework conditions: We local governments need proper framework conditions for effective action. Therefore, the Bonn Conference should generate strong and visible commitments by all relevant actors to ambitious renewable energy targets, comprehensive action programmes, and effective monitoring mechanisms.

Participation and involvement: Good governance on the national level means, among other things, taking the local level into consideration. As regards renewable energy, there is a broad consensus on the need to consider local circumstances and ensure participation of local stakeholders. However, the role of local government is often neglected. **Therefore, we local governments urge national and international policy-makers to involve us in the formulation and implementation of energy policy, taking into account our important role in facilitating and realising renewable investments, influencing infrastructure, and involving citizens through awareness raising and community-based participatory approaches.** Reporting requirements for national governments should adequately reflect this role.

Legal framework: Energy services are, in principle, public services. This must be taken into consideration when shaping energy markets, taking the environmental and social dimension into account. Existing public sector institutions should be strengthened so as to be able to play a significant role in the joint effort to provide sustainable energy services for all. Legal frameworks should ensure transparency regarding energy markets, in particular the fuel mix and the pricing systems.

Financial resources and funding mechanisms: Financial support for local action is urgently needed. We call upon national governments, international financing institutions and export credit agencies to direct existing funds for sustainable energy from programmes such as REEF (Renewable Energy & Energy Efficiency Fund) and ESMAP (Energy Sector Management Assistance Programme) to local governments, and create new funding opportunities for local governments.

Awareness raising, education and capacity building: Capacity building and training programmes for local authorities should be provided, in particular through their networks, which facilitate the exchange of information and transfer of good practice.

Our next steps

We are addressing this declaration to the International Conference for Renewable Energies 2004, and will continue to put forward our commitments and recommendations during the Conference and in its follow-up process.

We will disseminate this declaration in order to encourage more local governments to add their commitments.

We will strengthen our efforts to work together in partnership, and to exchange information and experience on successful renewable energy strategies.

We will supplement to this declaration an Annex containing commitments, achievements and policy recommendations of individual local governments and local government networks.

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Issues to be taken up by the International Conference on Renewable Energies 2004

- Additional to the Local Governments' Renewables Declaration -

| Issues: Need for | Your Points: | Ranking: |
|--|--------------|----------|
| Financial Support Programmes | 10 Points | 1 |
| Good examples in implementing | 6 Points | 2 |
| Strengthen Partnerships | 6 Points | 2 |
| Public Awareness and Campaigning | 5 Points | 4 |
| Capacity Building | 4 Points | 5 |
| Political Commitments | 4 Points | 5 |
| Removal of financial barriers | 3 Points | 7 |
| Address current challenges | 3 Points | 7 |
| Legislation / legal requirements | 2 Points | 9 |
| Strengthen the role of Local Authorities | 2 Points | 9 |
| Identifying Job creation projects | 2 Points | 9 |
| Incentives for Strategies | 1 Point | 12 |

Additional important issues:

- Use of networks and associations
- Include local government in target setting, monitoring and indicators
- Specific targets should be set at local level
- Learning from good practice and partnerships
- Start locally, but lobby nationally and internationally
- Poverty alleviation is a crucial aspect!