

THE CONGRESS OF LOCAL AND REGIONAL AUTHORITIES

Resolution 193 (2005)¹ on local and regional authorities and renewable energy sources

The Congress,

1. Having examined the report on local and regional authorities and renewable energy sources, presented by Ms Ute Koczy (Germany, R) on behalf of the Committee on Sustainable Development;
2. Thanking the expert, Mr Gerd Marx of the North-Rhine Westphalia Energy Agency (Germany) for his kind and valuable assistance with the preparation of the report;
3. Recalling earlier texts adopted by the Congress on energy related issues, including Resolution 55 (1997) and Recommendation 57 (1999) on local and regional economic instruments for the environment, Recommendation 106 (2002) and Resolution 127 (2002) on sustainable development and the liberalisation of the energy market;
4. Recalling that the role of energy in the pursuit of sustainable development has been enshrined in the text of the Johannesburg Plan of Implementation, the UN Habitat Agenda and the UN Millennium Development Goals;
5. Considering that:
 - a. fossil fuels account for almost 80% of the world's primary energy consumption, and our dependence on these fuels poses a number of dilemmas;
 - b. air pollution, global climate change and inequitable access to energy supply are the most visible and pressing concerns, but declining reserves of fossil fuels are also making communities evermore dependent on imported energy in many parts of Europe, reducing cities' energy security and draining jobs from the local economy;
 - c. energy poverty within cities and rural areas in particular leads to severe social and health problems, and contributes to the pressure on urban agglomerations;
 - d. today's energy systems and patterns of consumption do not address the basic needs of the population, since they put existing and future communities at risk of climate change, local environmental degradation and disturbances in international energy markets;
6. Convinced that:
 - a. a far-reaching shift towards sustainable energy systems in our cities and regions is urgently required: a change-over to renewable energies and, as a prerequisite, significant energy efficiency improvements, should contribute to

reducing the health and environmental impacts of energy production and consumption, to fostering economic development and job creation and to minimising dependence on energy imports;

- b. with regard to the Johannesburg Plan of Implementation that calls on us to "improve access to reliable, affordable, economically viable, socially acceptable and environmentally sound energy services and resources", local and regional authorities must be actively involved: they should seek regional approaches for their mutual benefit to provide clean energy for everyone, thereby improving quality of life and fostering economic development;
7. Stressing that local and regional authorities have considerable influence on local energy production and consumption structures and patterns, through:
 - a. urban and spatial planning: by defining preconditions that are decisive for the development of renewable energy sources, for example creating settlements and structures that are favourable for the passive and active use of solar energy, siting policies for biomass and wind power;
 - b. local regulations and financial incentives: by introducing preferential application of certain energy sources, for example obligations for the use of solar thermal energy in buildings, by providing subsidies, rebates and tax exemptions for renewable installations;
 - c. investments in infrastructure: by creating the preconditions for the utilisation of waste heat and heat from renewables, in particular through small and large-scale district heating or cooling systems and the utilisation of combined heat and power systems;
8. Recalling that there are various financial incentives to stimulate voluntary investments in renewable energy by reducing the costs of such investments, including:
 - a. subsidies and rebates: local and regional authorities, especially those that operate municipal utilities or regulate (via the provision of licenses, permits, etc.) private energy providers, can use or require the utility to offer subsidies and rebates to reduce the initial capital outlay that businesses and residences face in installing renewable energy systems;
 - b. tax relief: local and regional authorities that levy property taxes can make renewable energy property partially or fully excluded from property tax assessment, cap renewable energy property value at the value of an equivalent conventional energy system providing the same service, and award tax credits to offset property taxes;
 - c. loans: cities or municipal utilities can offer financing for the purchase of renewable energy equipment;
9. Recalling that in the field of infrastructure policies, local and regional authorities have the following options:
 - a. they can promote and facilitate the development of decentralised, renewable energy generation as a cost-effective alternative to grid extensions;

b. in the field of building regulations, they can dramatically improve the performance of energy systems by setting new requirements for the inclusion of renewables in new construction or major renovation projects;

c. they can influence local industry through the use of financial incentives such as tax credits, grants, and government procurement commitments to attract renewable energy equipment manufacturers to a particular area. These incentives are designed to create local jobs, strengthening the local economy and tax base, and improving the economics of local renewable development initiatives;

d. local governments that operate a municipal utility can allow residents to buy or lease renewable energy systems directly from the electricity provider at subsidised rates;

e. the management and operation of landfills and waste treatment plants give local and regional authorities access to a potentially large source of methane that can be turned into useful fuel;

10. Recalling that, within their own facilities and buildings, local and regional authorities can substantially increase the share of renewables, through energy conservation and management, use of waste heat and procurement of renewable electricity;

11. Calls on local and regional authorities to:

a. inform their citizens about climate change and its global impacts, energy efficiency and renewable energies, provide advice on their application and include these issues in training curricula and capacity building programmes;

b. increase the share of renewables in their communities through promoting the acceptance of renewable energy projects and supporting the diffusion of renewable technologies;

c. set up local or regional “energy-advice-bureaux” to carry out energy audits and make recommendations concerning suitable measures to improve energy efficiency and the use of renewables;

d. exploit the possibilities for local legislation and regulation to give preferential treatment to renewable energies;

e. make the sale of building land to private individuals and business companies dependent on the use of energy from renewable sources;

f. facilitate local co-operation on new financing schemes, bringing together investors, suppliers and consumers in order to realise collaborative renewable energy projects;

g. promote the development of the renewable energy industry in their cities and regions through building alliances with local trade and business that deal with the decentralised application of renewable energy technologies;

h. support the setting up of operating companies run by citizens for projects involving the use of renewables;

i. carefully assess the potential landscape impact of renewable energy installations such as wind farms;

j. implement innovative renewable energy projects in their own buildings and facilities, in order to provide a model for private investors;

k. use their purchasing power to procure green electricity in order to stimulate the market for renewables;

l. purchase for their own fleet, and promote the use of, electric, gas, hybrid-powered and other less polluting vehicles in public transport, in accordance with the Geneva Declaration on the Future of Mobility adopted on 24 November 2004;

m. strengthen their efforts to work together in partnership, and to exchange information and experience on successful renewable energy strategies.

1. Debated and adopted by the Standing Committee of the Congress on 17 March 2005 (see Document CG (11) 29, draft resolution presented by U. Koczy (Germany, R, NR), rapporteur).