Annual Report: Finance and Implementation Panel

Deliverable D14.4

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Abbreviations and acronyms

Acronym	Description
WP	Work Package
IP	Investment Plan
FIP	Finance and Implementation Panel
BwB	Bankers without Boundaries

Summary

The purpose of the Finance and Implementation Panel is to strengthen the exchange between financing institutions and experts to ameliorate the conditions, notably financial resources available, for accelerating cities' progress towards climate neutrality. A second, equally important purpose, is to gather proposals on how to improve policy, strategy and programme alignment to develop finance policy recommendations for Mission Cities and relevant stakeholders.

The concept for the Finance and Implementation Panel was developed in strong collaboration with Frankfurt School of Finance & Management and relied upon input from a series of finance expert interviews conducted prior to the Panel. To connect cities' needs in regard to financing their actions with stakeholders, questions regarding the Investment Plan were integrated in the interviews and insights from submitted Investment Plans were presented during the Panel. The Finance and Implementation Panel therefore provided a space for experts from finance institutions and other finance experts (working on municipal, regional or national levels) to discuss experiences and ideas on what approaches need to be strengthened to be more effective in enabling city finance schemes for climate neutrality. By connecting finance experts and collecting their views on the cooperation with cities, NetZeroCities is building capabilities tailored to city conditions and supporting new alliances and collective efforts through fostering mutual understanding and exchange.

A summary of expert insights on finance policies from the session will inform the White Paper at the end of the project.

Keywords

Stakeholder engagement, Expert finance policy dialogue , Cooperation with cities

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1 Introduction

The engagement and participation of stakeholders is a decisive element for effective municipal energy and climate planning and for the implementation of goal-oriented measures. A vital part in this is the discussion of how policies may be of support in the implementation of the EU Cities Mission.

In order to address the vital topic of financing the goal of climate neutrality until 2030, the Finance and Implementation Panel (FIP) provides a platform to exchange on policies with a special focus on finance, in addition to the Stakeholder Consultation Panel with its more sectoral focus. Insights from NetZeroCities clearly reveal that cities with climate neutrality goals must expand their available financial means and diversify funding sources to fully meet the investment demand associated with their action plans. Alongside standard public funding streams, this also includes the involvement of private finance institutions. Accordingly, a first common understanding on both the finance and the local government's side is necessary to successfully create and / or acquire new funding streams and a joint approach. For this reason, the FIP tries to involve such finance institutions to generate a common understanding of their (previous) work with cities. Analysis from stakeholder interviews is consolidated in a report (deliverable 14.5), and the Finance and Implementation Panel served the purpose of providing a stage for financial actors that were to exchange on findings and first impressions of submitted Investment Plans. Central to the FIP is the aim to engage stakeholders and increase dialogue through different kinds of formats to foster connections between cities and the finance sector while creating a network and common ground for successful and sustainable financing of cities´ projects.

2 Methodology

The aim of this format is to provide a platform where stakeholders can meet and exchange on current barriers and opportunities to funding climate neutrality actions in cities. Special focus is given to understanding and providing support for the Action and Investment Plans defined by Mission Cities as part of their Climate City Contracts (CCC). Following a screening of relevant EU finance policies, recommendations will be developed to improve the European finance policy landscape. This part is aligned with engagement and results of further finance-related tasks and deliverables in NetZeroCities (in particular deliverables D7.8 and D14.5).

The Finance and Implementation Panel which took place on June 1st, 2023 served first and foremost as a platform for the further development of an engagement process with financing institutions which began by conducting expert interviews (Task 14.3). Therefore, this report focuses on the basic description of the Panel, while a subsequent White Paper (D14.8) will dive more deeply into the topic of policy recommendations. The series of expert interviews (Task 14.3) focussed on how to unlock the funding and financing potential of the actions cities are outlining in their CCC Action and Investment Plans from (mainly) an investors' point of view. The feedback of panellists was used to validate the interview findings. To connect finance institutions to the cities' needs, a short summary of the learnings from the cities initial submission of Investment Plans was integrated to foster a common understanding and learning on both sides. Feedback to the structure of the FIP was collected from partners involved in Work Packages related to financing climate neutral cities (Task 7.5 and 14.3).

The selection of stakeholders followed the selection of the experts participating in the interviews and additional stakeholders deemed important for understanding the topics (suggestions and invitations were managed via the partners). Importance was given to the level of experience as a financial actor in the European municipal landscape, the knowledge of European and Member State policy contexts, as well as climate policy expertise. At the same time, the aim was to engage actors from different geographical contexts in the EU and from public, as well as private, institutions. City networks were included as well. Importance was also given to stakeholders with experience from working with cities to complement the perspectives from investors. The aim is to continue the engagement with these individuals in the next two FIPs in 2024 and 2025.

Associated partners of the project, as well as consortium partners, had the possibility to participate as observers with limited speaking rights. This ensured the exchange of relevant information while

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maintaining the focus of the session on exchange amongst stakeholders to discuss in a "safe" environment.

The FIP was organised as a 2 hour-online session on June 1st from 09:00 – 11:00 CEST. A structured agenda for the session was formed along 5 parts, starting with a welcome and introduction to the Mission. Then a summary of the interview results was presented. Two keynote presentations were integrated in the Panel (REDO, RESCOOP). Bankers without Boundaries presented lessons learnt from the first cohort of Investment Plans submitted by Mission Cities. Finally, a panel discussion addressed key issues. During the session, participants were offered the possibility to give their feedback or ask questions after every presentation.

In advance, all participants were given the opportunity to highlight the questions they perceived as most pressing for discussion. Responses included:

- How can private finance participate in projects promoted by NetZeroCities?
- How to access EU public finance?

To kick-start the discussions, the following Slido questions were prepared:

Part 1

1. What type of products do you offer in the municipal finance context (loans, credit lines, guarantees, concessions, equity, project finance, bonds, grants, other)?
2. To what extent do you consider climate and environmental criteria in your finance and funding products: up to 10%; 10-40%; 40-60%; 60-75%; 75-90%; more than 90%?
3. How has your business activity changed over the last 5 years regarding funding and finance in the municipal context?
4. Could you provide an example of an existing financial mechanism / instrument / funding activity that works well?

Part 2

1. Which of these identified challenges do you consider the biggest obstacles:
   capacity shortages (on the municipal side), skills and knowledge shortages on sustainable finance (municipal side), capacity and knowledge shortages on sustainable finance (skilled personnel in the market), complexity and technocracy associated with sustainable finance (data, reporting, etc), climate risks (physical and transitional), capital and budget constraints (municipal side), uncertainty associated with climate and sustainable policies and regulations, competition in the market, cooperation with different government levels, other?
2. Are there specific laws, regulations and policies or aspects thereof that may act as blockages in investing additional funding / financing to facilitate net zero transitions in cities?
3. Which potential risks do you consider while funding/financing climate investment in cities?

Part 3

1. Are there specific laws, regulations and policies or aspects thereof that may act as catalysts in investing additional funding / financing to facilitate net zero transitions in cities?
2. Would climate-related investments support your internal EU taxonomy alignment?
3. How important and useful do you rank these proposed solutions and opportunities:
   considering abatement potential in investments, including municipal investments in the EU Taxonomy (social and green), more flexibility in the application of Sustainable Finance regulations, less ambiguity in application of Sustainable Finance regulations, normalizing climate investment aspects in all investments?
4. Which ongoing developments regarding sustainable finance and capital flows to cities in the current landscape of policies and initiatives do you consider most promising and why? How is this useful to your organization and others in mobilizing the needed climate investments in cities?

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5. Given the mix of institutions present, what are your thoughts and suggestions on different blended finance structures? What works well from your perspective and what is needed to make it happen from project partners, such as people in this session?
6. What are your top 2 recommendations when it comes to finance and fiscal policies for investing in/financing cities?

3 Key themes and recommendations

The first presentation by Frankfurt School of Finance & Management (FS) provided an overview of the project and the importance of financing the ambition.

Figure 1: financial challenges within the NetZeroCities project

The second presentation provided an overview of key findings from the expert interview series (task 14.3 FS).

Main Takeaway

Public Companies

1. Regulations and Policies:
   - EU Taxonomy and EU sustainable finance regulatory package influence the work of public institutions.
   - Lack of clear guidance in applying and implementing policies at the local level is a challenge.
   - Policies related to green asset ratio reporting and taxonomy screening criteria lack clarity.
2. Risks and Challenges Considered by Public Institutions:
   - Challenges include stakeholder engagement, multi-city approach, budget availability, and capital base sufficiency.
   - Sustainability requirements can hinder flexibility and create capacity problems for large-scale financing.
   - Skills shortages, other crises (refugees, COVID and inflation) also contribute to capacity problems.
3. Opportunities:
   - Public institutions anticipate increased engagement with net zero thematic projects and alignment with NZC objectives.
   - Projects meeting sustainability objectives and green eligibility criteria can drive engagement with city counterparts.
4. Actors and Partnerships:
   - Public financial institutions engage with other financial institutions or funding agencies.
   - Public institutions focus on projects related to economic infrastructure, water, electricity, and transport.
   - Public lending agencies support SDG at the city level, including climate, environmental, and social sustainability investments.
   - Partnerships and stakeholder engagement pose challenges for public institutions.

Private Companies

1. Regulations and Policies:
   - Private banks are affected by regulation but support for public-private partnerships varies based on politics, not regulation.
   - Government policies influence actions, but progress on net-zero solutions may be insufficient in budgetary support.
2. Risks and Challenges Considered:
   - Challenges include low-quality data, physical climate risks, complex politics, peacekeeping, and competitive lending business.
   - Technocracy and complexity in operating dynamics pose challenges for energy transition.
4. Motives and Incentives:
   - Investing in net-zero assets in cities can provide sustainable investment opportunities but requires careful risk assessment.
   - Different incentives like tax breaks, subsidies, and guarantees can attract a wide range of investments.
   - Cities need to commercialize academic spinouts and drive innovation for effective change.
5. Actors and Partnerships for Private Institutions:
   - Private banks have contact with cities and municipalities but face competition with other banks.
   - Investment from municipalities in climate topics may be limited due to other issues such as migration or COVID-19.
6. Investment Practices:
   - Private banks make investments as loans or credit lines, with a focus on transformation financing.
   - Dutch banks consider incorporating Nature-Based Solutions (NBS) and biodiversity into their portfolios.
   - Most banks prefer investing in known asset classes rather than exploring new ways of investing in net zero.

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Figure 2: main takeaways from interviews on City Finance & Investment Policy Process

The third presentation provided insights about a certain dilemma, in terms of regulatory interpretation: the challenge from the investor´s point of view is that the best case of carbonization strategies produces in some way a loss of property value (Andrea Vecci, Redo).

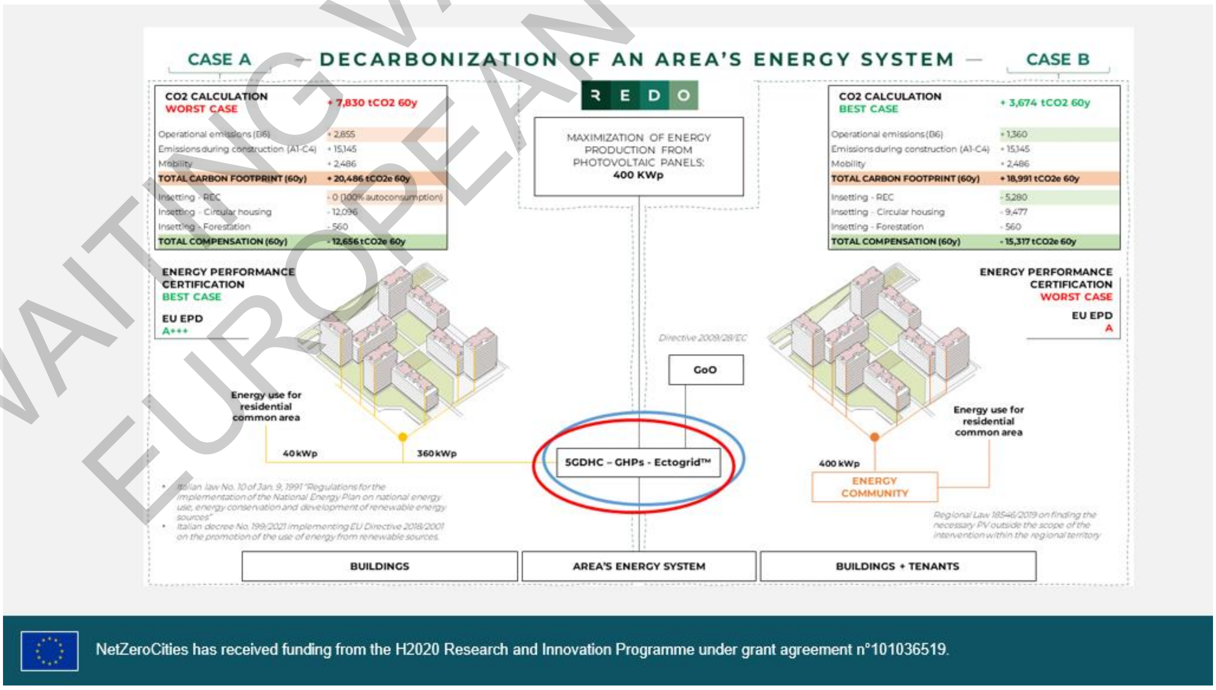

Figure 3: Decarbonization of an area´s energy system

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The fourth presentation provided an overview of lessons learnt from the first Investment Plans submitted by Mission Cities (Ryan McManus, BwB).

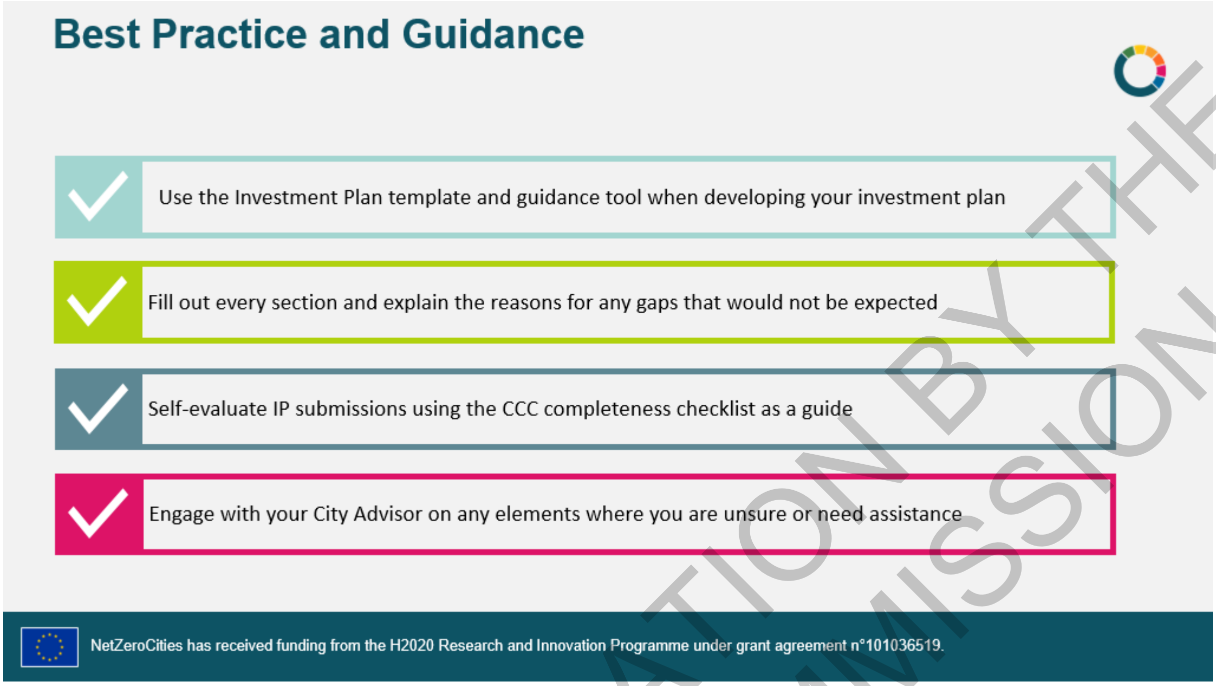

Figure 4: Best practices and guidance on Investment Plan Process

The fifth presentation provided insights on the financing tracker provided by REScoop, CAN Europe and Bank Watch (Chris Vrettos, REScoop). A research project maps out whether and how 19 Member States across the EU are using three types of public funds (the Recovery Resilience Funds, the Cohesion Funds and the Modernization Fund) to channel public money towards energy communities. The most relevant question relates to whether Member States are supporting large-scale industrial players or facilitating the dialogue with stakeholders on the ground, such as energy communities and municipalities.

The panel discussion focussed on Municipal Financing and Investment Processes with a focus on:

1. Current status & financiers´ needs for a net zero future in cities
2. Challenges & barriers to mobilize capital for cities, e.g.
    - (city network) Thinking about structural solutions that are beyond the public budgets in regard to the leveraging of private capital
    - (city network) Local governments need to see cities as a system in order to enable multi-level negotiations to find structural solutions that allow the leveraging of private finance and a strong and engaged discussion process between cities and private finance
    - (city network) Raising local income is politically limited because of long-term instead of direct benefits.
3. Opportunities & recommendations to adapt the climate finance landscape to better provide cities with the means to become climate neutral
    - (from a philanthropic foundation´s point of view) it is important to understand how to segment the concept of private sector and public sector because within each sector there are different institutions to address
    - (from a philanthropic foundation´s point of view) it is important to engage stakeholders at an early stage (e.g. to design the financial plan with them, so as to enhance the probability of securing funding).

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Feedback from the survey (even though limited) confirmed the chosen approach and reinforced the many insights provided during the Panel. The usefulness of Investment Plans was rated good to low with the comment "*at this stage there is no shortage of guidance and planning tools and frameworks, there is a lot of it, even more specific than that presented by BwB, but there is a lack of content, application strategies, inspirational cases for cities, quick-win solutions*". It needs to be stressed that there were too few answers for a representative and therefore validated evaluation.

4 Conclusion and next steps

Summary of discussions:

- the results from the interviews were validated (more in the White Paper, deliverable D14.8).
- the different examples from REDO, the finance tracker (REScoop) and from philanthropic engagement clearly illustrated the different challenges.
- essential to the discussion was how to make more funds available and how to engage actors from the private side.

The panel session contributed to the following aims:

- Brokering and facilitating multi-level dialogue across the EU
- Addressing gaps in regulation and dialogue
- Communicating the discussion into the Mission (Mission Team, cities, consortium)
- Identifying the legislative process to influence better framework conditions
- Developing one voice
- Introducing private companies to an open space for exchange and potential collaboration.

Notes of the panel were distributed among participants after the panel including a feedback survey (see Annex). Panellists were given the opportunity to insert their comments.

Connecting actors on both sides and navigating through the finance landscape on a European level is a first important step to engage both sides for developing a structure for improved climate financing on a city level. Fostering the exchange and improving policies on finance will be decisive to reach the goal of climate neutrality until 2030.

The next Finance and Implementation Panel in 2024 will continue the dialogue and engagement with stakeholders with insights to be collected and shared in the White Paper (D14.8) highlighting policy recommendations for decision-makers at the end of the project. Most of the interviewed experts expressed their interest in further participation, for example, in the FIP 2024.

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Annex

Table 1 List of participants

First name	Last name	Organisation	Job title
Alberto	Anfossi	Cities Mission board	Board member
Constanze	von Jagwitz	Deutsche Kreditbank AG	GK-NH-Koordinatorin
Henrik	Scheller	Deutsches Institut für Urbanistik (Difu)	Teamleiter Wirtschaft, Finanzen, Nachhaltigkeitsindikatorik
Michael	Thöne	FiFo Köln - Finanzwissenschaftliches Forschungsinstitut an der Universität zu Köln	CEO
Eduard	Puig	GNE Finance	COO
Davide	Cannarozzi	GNE Finance	CEO
Wolfgang	Teubner	ICLEI European Secretariat	Regional Director
Laura	Würtenberger	independent	Consultant
Olimpia	Deambrosis	REDO Sgr	Communication Assistant
Paola	Amadeo	REDO Sgr	Communication Assistant
Andrea	Vecci	Redo Sgr Spa Società benefit	Impact, sustainability and communication director
Chris	Vrettos	REScoop.eu	Financing Project Manager
Marcus	Lindeberg Goni	Stockholm Environment Institute	Research Associate
Alexandra	Böhne	WIBank	Hauptreferentin

Table 2 Agenda

Timing	Agenda point
10´	**Welcome and introduction** Moderation by Frankfurt School of Finance & Management **About NetZeroCities** • Finance and Implementation Panel • Agenda and session overview • Introduction of participants
15´	**Presentation of interview results** Context, methodology, and main findings of the stakeholder interviews
15´	**Round of feedback** Discussion and validation of the findings from the participants
10´	**Keynote presentation**
10'	**Lessons learnt from first cohort of Investment Plan Process** Presentation by Bankers without Boundaries

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60´ (each topic up to 20´)	**Panel discussion** “Municipal Financing and Investment Processes” • Current status & financiers’ needs for a net zero future in cities • Challenges & barriers to mobilize capital for cities • Opportunities & Recommendations to adapt the climate finance landscape to better provide cities with the means to become climate neutral
	Keynote presentation
10´	**Conclusions and next steps** • Follow up activities in NETZERO CITIES

Notes FIP 01.06.2023

1. Welcome & Introduction

2. Presentation of interview results

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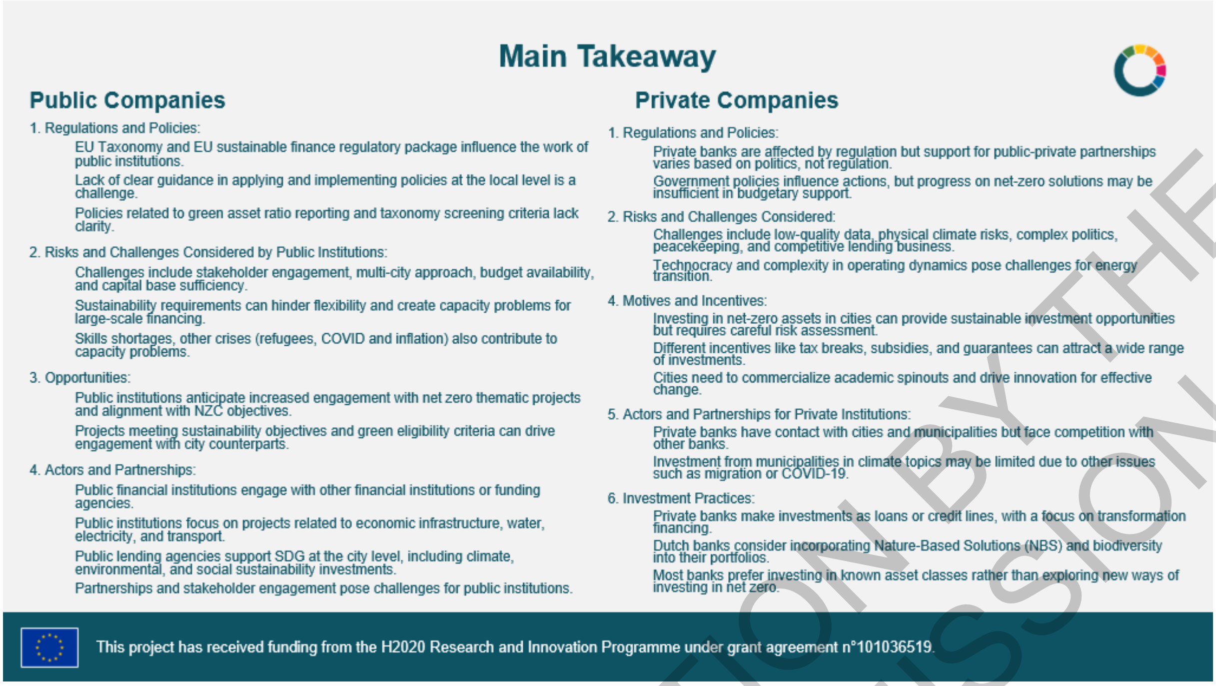

3. Round of feedback

- Dr Thöne (FiFo Cologne): very impressive results. How much can climate change investment be privately financed and how does that interact with public money investment (taxes or debt)? They need to be combined but how does that work?
- W. Teubner (ICLEI): 1. Some points are of a cultural nature. Issues on the public side related to fragmentation of financing. Complex, large-scale projects. Administrative hurdles can exist on the public side. 2. Issue of national context to combine public/private financing, very different in 27 Member States in terms of practices, regulatory boundaries, cultural approaches in the public and private sectors. Not yet addressed this in depth. European programme but no European funding. All relevant funds are transferred to national level, and priorities are not necessarily aligned between European and national funding. Many soft instruments but no directly accessible investment funding. Multi-project facilities on the local level do not exist yet. Talking about individual investments and basically looking at all the administrative challenges, it would be interesting to explore a bit more the space by de-risking of investments via a combination of projects, making packages on a local level and also in principle combining public and private investments in a different way. To facilitate the engagement also from the private banking side which has different demands that are sometimes difficult to meet.
- Andrea Vecci (Redo): agree with takeaways. Interesting case of NBS and biodiversity in Dutch banks. Difficult to convince regulators and banks for investments to address multiple objectives such as climate change mitigation and adaptation. Coexistence of multiple taxonomy objectives achieved with the same amount of funds produce double-counting. Regulators are reluctant to recognize it.

4. Keynote presentation from Redo social housing fund in Italy

- Andrea Vecci: For more information about Redo's Profile: https://redosgr.it/en/about-us/
  Green Between project insights: https://redosgr.it/en/green-between/

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Real estate management company with a focus on social housing and affordable living spaces, e.g., real estate investment for affordable student housing. Benefit company. Provide real estate projects in residential fields that are aligned with EU taxonomy for environmentally sustainable activities.

- **dilemma in terms of regulatory interpretation (directive 2009/28/EC)**

  3 projects where REDO goes beyond aiming for climate neutrality: in Milan there is one of the carbon neutral social housing areas. Contract scheme with city - monitoring of emissions during all phases, starting from the massive planning phase to the operational management phase. Private investment of 65m €

  - From the investor point of view, the challenge is that the best case of decarbonization strategies produces in some way a loss of property value.
  - Instead of dedicating all photovoltaic surface to the area´s energy system, if the photovoltaic surface is dedicated to an energy community, low-income households are engaged in the decarbonization strategies, which is important. However, the disconnection of portable type here from the area's energy system from the grid, the local grid in favour of the energy community has the effect of lowering the energy class of the asset, which means for our investor to lose market value of the asset for the same investment.
  - Maria Baez, FS: best case from a GHG perspective was actually the worst case from an EPC perspective, from an energy performance labelling perspective.
  - REDO: As a solution, the third party operating the photovoltaic surface issues a guarantee of origin for the amount of renewable energy that will be produced off-site. It´s a strategy to free photovoltaic rooftop space in the city and dedicate it to energy communities without the loss of the value of the building, recognizing these energy performance label as a decarbonization strategy.

5. Lessons learnt from first cohort of Investment Plan Process (BwB)

Ryan McManus, BwB: the Investment Plan is a systematic map of costs and benefits associated to CCC Action Plans. Brings different city administration departments to work together. Living iterative document. Useful enabling tool to engage with other public and private stakeholders. Identify funding gaps and potential policy gaps. What needs to be funded, how much will it cost to create bike lanes or set-up electric bus etc. How can it be funded? Not all money will be located within the city budget.

Submitted IPs show a wide spectrum of answers; some very solid examples. Real learning: cities tend to see the plans as an exam, but they are more a tracker of their implementation; it will help them to keep moving forward.

Guidance for cities: Investment Plans have been developed in the last 6 weeks, best practices for future cities on how to best fill out their Investment Plan for review by an independent Panel.

- Use as a guiding document in the next few years.
- Investment Plans and filling out every section enables one to not disregard any aspects. Sections can be left blank but it should be explained why. Living doc.
- Completeness could be checked by cities themselves by using a checklist. Helps with the quality of their plans.
- Engaging with city advisors when unsure or need assistance. Be proactive.

Best Practices:

Part A: Current State of Climate Investment

Guidance on best practice and common mistakes to avoid

Best Practice

- Map out the current and planned budgeted climate activities within the city and any associate companies.
- Use sector specification provided in the Action Plan
- Provide as precise city budget spending (in LCU) as possible and also sources of income and capital
- Identify new, potential capital sources
- Differentiate among structural, fiscal, economic barriers. Describe mitigation actions.

Avoid

- Avoid allocation by city organization department
- Avoid detailing a few specific investments. Present a holistic picture instead.
- Avoid only providing internal municipal income sources (e.g. loca tax). Provide external sources such as grants, green bonds
- Avoid listing barriers without linking them to the potential capital sources
- Avoiding assessment on internal capacity for raising capital

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Part B: Investment Pathways towards Climate Neutrality

Guidance on best practice and common mistakes to avoid

Best Practice

- Provide details about CAPEX and OPEX (let it be absolute or incremental), emissions, and co-benefits.
- Differentiate private/public capital sources project-by-project
- Identify indicators for monitoring and which are related to efficiency of capital deployed (e.g. EUR/gCO2 reduced)
- Use indicators that are relevant to both public and private entities (not only no. of jobs created, not only RIO, but gCO2 reduced)

Avoid

- Avoid only costing for municipality entities. Include private stakeholders with emitting assets.
- Avoid high level deployment of capital without linking it to individual projects
- Avoid focusing on public funding sources with no consideration of private capital or blended finance
- Avoid using the same monitoring process outlined in the Action Plan. Set up separate financial monitoring.

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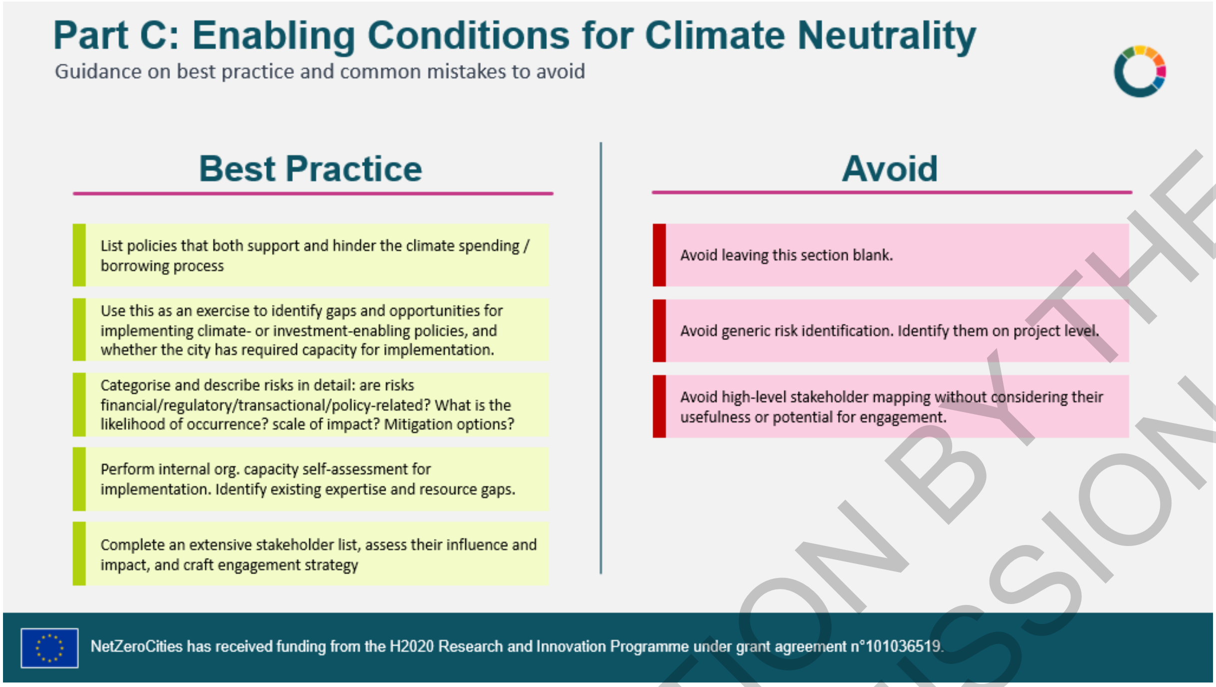

6. Panel discussion - Municipal Financing and Investment Processes

1. Current status & financiers´ needs for a net zero future in cities
2. Challenges & barriers to mobilize capital for cities
3. Opportunities & Recommendations to adapt the climate finance landscape to better provide cities with the means to become climate neutral

Alberto Francesco Anfossi (philanthropic foundation, Italy)

- Brief intervention on the side of philanthropic foundation. Partner with local municipality not to increase the budget, but to look at the bottlenecks they are facing in the process and to help.
- E.g., funding a multi-annual project for the local bus and transport company owned by the municipality which raised the money to buy all the fleet going electric. Bottleneck: they have to rethink the way this is managed in terms of routes and in terms of charging, i.e., when they have to charge the buses, where, for how long and so on. Therefore, a project was founded through a private Research Centre which provides all the competences in terms of energy but also planning, logistics and so on to produce this meta plan that would help the local company manage the new fleet.
- Messages: 1. Important how to segment the concept of private sector and public sector, because within each sector there are different institutions you can address. 2. In terms of engagement, involve stakeholders at an early stage (e.g., to design the financial plan with them, so to enhance the probability to get funding, and also the civic engagement strategy is something that could be considered more because it is one of the distinguishing factors of the Mission to have people engaged in contributing to the results).

Wolfgang Teubner, ICLEI

- Generic challenges regarding the Investment Plans: 1. There is up to 1% of infrastructure turnover that the cities can manage. And if we look at the dimension of the mission this has to be scaled considerably, which is not possible within their budgetary limits. This leads sometimes to a constraint because they're not always willing or able to think outside their current practices and this was revealed in the report. 2. From the public sector side, there are strong limitations regarding the public

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budget for the leveraging of private capital because we are talking about debt funding, and we have debt limitations in all public budgets. We must think much more about structural solutions that are lying beyond the public budgets. 3. Many cities are not necessarily very open to bring in private investors or think of cities as a system. It needs a lot of multi-level negotiations to find these structural solutions that allow the leveraging of private finance, and it needs a strong and engaged discussion process between these two worlds to make this happen at the scale it would be needed. Also, politically to raise local income is limited because first you must raise the fees, then you do the investment and then people can see the benefits, and this is politically risky.

7. **Chris Vrettos (RESCOOP)**

Not-for-profit association based in Belgium and representing more than 1900 energy cooperatives from across the EU. Energy cooperative = a group of citizens that jointly cooperate on energy transition projects/ democratizing the energy transition. It can also include municipalities, SMEs and other sorts of legal entities usually (energy communities).

- **Financing tracker**: This research project with Can Europe and Bank Watch maps out whether 19 Member States across the EU are using three types of public funds, specifically the RRF, the Recovery Resilience funds, the cohesion funds and the Modernization fund to channel public money towards energy communities. The reason is to create transparency about how the funds are being used: supporting large-scale industrial players or are they also supporting communities? Are they supporting conversations with stakeholders on the ground, such as energy communities, municipalities, even managing authorities?
- The reason why specifically Italy and Spain are two countries that stand out is because they are dedicating specific funding for energy communities. They are targeting energy communities that have a strong set of social criteria, so they include citizens. Their purpose is to tackle energy poverty, to promote gender equality. So this is a way to tackle corporate capture, to ensure that the money actually goes to the intended beneficiaries, not just to energy companies or corporations. Also, these two countries are providing all sorts of holistic support to energy communities, also grid connections, legal admin capacity building and so on.
- It's very important to know that, for example, in Italy most of the money that goes to energy communities goes through municipalities. The same in Lithuania with the Recovering Resilience Fund, the same in Greece with the Recovering Resilience Fund. Municipalities will have a role to play in promoting energy communities by leveraging public finance.

8. Conclusions and next steps

- Conclusion to the Panel
  - Consider the results from the interviews as validated.
  - The examples from REDO, the finance tracker (RESCOOP) and on philanthropic engagement clearly illustrated the different challenges.
  - Essential to the discussion is how to make more funds available and how to engage actors from the private side.

- Report “City Finance and investment policy recommendations”

- IP second window submissions

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- City Mission Capital Hub

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