

STAKEHOLDER CONSULTATION PANEL (SCP)#3 STAKEHOLDER PERSPECTIVES ON THE SOCIAL CLIMATE FUND FROM A MISSION PERSPECTIVE

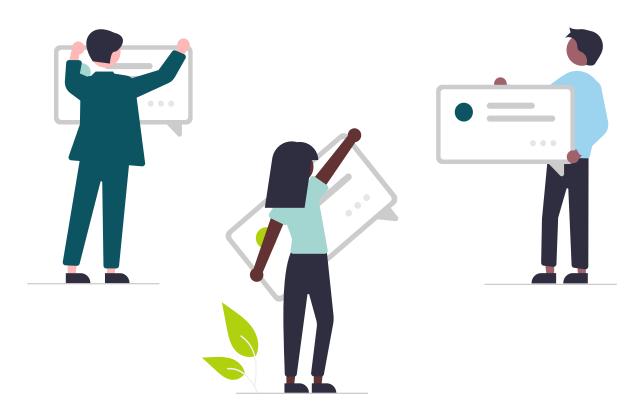
This document summarises an online exchange organised by NetZeroCities on the national consultation processes related to the Social Climate Fund (SCF). Different levels of governments, pan-European stakeholders from business, research and civil society shared their own experiences and discussed specific recommendations for improving the consultation process in Member States.

NetZeroCities is a consortium consisting of 34 partners from 13 European countries, managing the Mission Platform for the EU Cities Mission "100 Climate-Neutral and Smart Cities by 2030". The Cities Mission involves local authorities, citizens, businesses, investors as well as regional and national authorities to deliver 100 climate-neutral and smart cities by 2030 and ensure that these cities act as experimentation and innovation hubs to enable all European cities to follow suit by 2050. The EU Cities Mission contributes to the European Green Deal in building a low-carbon, climate-resilient future through research and innovation.



CONTENTS

<u>Introduction</u>	3
Stakeholder Dialogue	3
Experiences of different national consultation processes	4
Recommendations and requests to the EC	4
Suggestions for the National Level	4
Recommendations for Stakeholders	5
Outlook	5
Additional Resources	6





INTRODUCTION

THE IMPORTANCE OF A JUST TRANSITION TO CLIMATE NEUTRALITY IN CITIES

The "Climate-neutral and Smart Cities Mission" supports cities in their efforts towards a green and digital transition - and social justice must be considered in all policies and implementation measures if the efforts are to be effective. An analysis of the Climate City Contracts of the first 33 submissions illustrates how cities have integrated justice considerations in the commitment part. It shows that a focus is on "responsibilities" (addressing the role of various actors' and citizens' behavioural change) and "procedural justice" (addressing the need to improve decisionmaking processes to enhance legitimacy and inclusion through consultation, participation and co-design). Furthermore, cities see their own responsibility in three main areas: 1. promotion, communication, education, 2. facilitation and enabling, and 3. motivating through leading by example (page 8).

THE ROLE OF THE SOCIAL CLIMATE FUND FOR THE JUST TRANSITION TO CLIMATE NEUTRALITY IN CITIES

The Social Climate Fund (SCF) is part of the Fit for 55 legislative package implementing the European Green Deal and addresses the social impacts arising from the new emission trading system for buildings and road transport (ETS2) on vulnerable groups in the EU, especially those affected by energy poverty or transport poverty. It operates from 2026 - 2032 and will mobilise at least 86.7 billion Euros financed (mainly) from ETS2 auction revenues. To create a National Social Climate Plan, a public consultation with local and regional authorities, representatives of economic and social partners, relevant civil society organisations, youth organisations and other stakeholders is mandatory (article 5, SCF regulation) and will be part of the assessment done by the EC.

The SCF aligns with justice considerations related to cities' climate plans in regard to

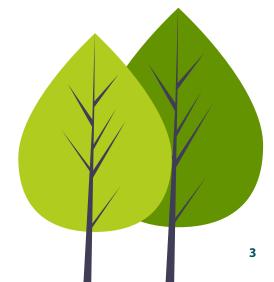
- distributional justice via direct support for those affected most by the transition;
- procedural justice by integrating various local and regional stakeholders in the process;
- enabling cities and others to fulfil their responsibility; while at the same time
- encouraging stakeholders agency through active participation in national processes, enabling them to serve as a good example.

Cities are enablers of change but also need to be enabled and supported by the European and National levels to support national level planning – according to the Mission approach.

STAKEHOLDER DIALOGUE

The 90-minute webinar comprised a short introduction on the relevance of justice in the Cities Mission, followed by an overview of the Social Climate Fund by DG CLIMA, and a view from Mission City Leuven on the national consultation process.

Representatives from different levels of governments, pan-European stakeholders from business, research and civil society were divided into 3 break-out groups and shared their experiences and discussed specific recommendations for improving the national consultation processes related to the Social Climate Plans in Member States.



EXPERIENCES OF DIFFERENT NATIONAL CONSULTATION PROCESSES

Participants' experiences of the consultation process varied considerably from country to country – with some having contributed in formal or ad hoc ways to others not being involved at all. Examples were shared from AT, BE, CZ, DE, GR, LT, PT and overall there was agreement around specific areas of improvement regarding the involvement of relevant stakeholders, e.g. improved outreach and communication to national stakeholder, better information on and responsiveness of the respective contact point in the ministry responsible for the consultation and legitimacy of plans. It was noted that sometimes external factors, such as elections or adversarial agendas also influenced the consultation¹.

RECOMMENDATIONS AND REQUESTS TO THE EC

- Improve the communication on the timeline and next steps in the consultation process – this allows consulted parties to prepare timely contributions which support the National Plans.
- Improve the structures for national consultation practices as these consultations require a lot of preparation it is important to work with solid criteria for a proper consultation that includes participation of all relevant stakeholders (and not only a selected few) throughout the whole process up to the evaluation.
- Collect and publish feedback on the inclusiveness of National Social Climate Plans – did local and regional voices (including civil society actors) have a say and were regional submissions integrated in the plans?
- Better define the scope and content of the Plans – in this case, the definition of transport poverty and the vulnerable groups targeted by the fund which left room for interpretation by Member States.

- Ensure compliance of Member States regarding the consultation processes so that relevant vulnerable groups are given a meaningful opportunity to have a voice.
- Set up feedback mechanisms for subnational actors – to enable stakeholders to share their comments and suggestions on the process to national and EC levels.



SUGGESTIONS FOR THE NATIONAL LEVEL

- Emphasise cooperation and co-design since undertaking consultations and writing the plans is a big challenge, ensure vertical integration and set up sessions in different cities, including NGOs.
- Broaden the selection of stakeholders for an inclusive consultation process – by making use of existing initiatives and networks, i.e. Mission platforms involving cities and regions, national associations, energy poverty associations.
- Draw on knowledge, expertise and local networks of local authorities in the elaboration of the Social Climate Plans including local initiatives that address the needs of the vulnerable groups to support identifying target groups and ensure an alignment of the plans with local realities. Climate City Contracts and SUMPs, for example, provide relevant information for use in the Social Climate Plans.
- Improve the communication on the timeline of the whole consultation process
 this allows consulted parties to prepare best to support the National Plans.

¹More information on the National Consultation Processes from this exchange can be found in the Deliverable (publish time: fall) or via the linked documents in the resource section.



- Communicate clear contact points from the Ministry responsible for the consultation process early on – to enable stakeholders to raise questions and discuss opportunities related to the process and Social Climate Plans².
- Ensure a good coordination on the ministerial level if different ministries are involved – the Social Climate Fund addresses a transversal issue, therefore silos need to be addressed via an integrated approach. National Platforms for climate-neutral cities can facilitate in this regard.
- Ensure the legitimacy of the National Social Climate Plans include a Monitoring Committee to increase accountability, set up follow-up processes to assess whether recommendations are reflected in the final plan and consider direct access to the SCF for local initiatives supporting vulnerable groups.
- Share and learn from good examples

 consult with peers in other countries
 to enhance national processes, e.g. take
 inspiration from the Polish Monitoring
 Committee.

RECOMMENDATIONS FOR STAKEHOLDERS

Given that the SCF is a new programme introducing a new 'architecture', it requires adequate information for those for whom it has been designed. It is recommended that stakeholders reach out to national authorities (ideally via associations) responsible for the elaboration of the plans and ask for means to be involved. It is worth exploring the possibility for consultation during the implementation of the plan. In the case of Greece, for example, albeit summer vacations, the expectation is that more opportunities will arise for cities to discuss the plan. "Big" stakeholders and national platforms can use their direct channels to inform additional local stakeholders about processes.

Contact information about EU initiatives and networks (National Platforms) can be forwarded to the EC, so they may be able to support the facilitation of the national – local dialogue by sharing the information with Member States. Further information on stakeholder experiences and recommendations is appreciated by the EC (contact: CLIMA-B05-ARES@ec.europa.eu and EMPL-SCF@ec.europa.eu in copy).



OUTLOOK

Given the depth and breadth of conversation in the Stakeholder Panels, NetZeroCities is eager to ensure the productive exchanges are continued with our partners and across the EU Cities Mission. Some opportunities to highlight conclusions and support further engagement include:

- NetZeroCities will publish these findings via the NZC Portal and social media.
- NetZeroCities will assess how to further support Mission Cities in the implementation of the Social Climate Fund, for example by providing support via the National Platforms in coordination with the EU project "CapaCITIES".
- NetZeroCities will further coordinate with partner initiatives and projects, including the Local Alliance and liaise with Commission representatives to provide support and feedback where possible.
- The European Commission has five months to review the National Social Climate Plans from the time they are submitted. Although the due date was the 30th of June, at the time of publication of this brief, only a couple Plans have been formally submitted. During this phase of analysis, it is thus recommended to continue to liaise with Member States contact points and also inform the Commission with further recommendations.

²The EU webpage on the SCF has a contact list of the national authorities involved in the process. However, this information was a bit fragmented as some MS appointed the responsible national authority very early on in the process, while others took more time. The page is linked in the resources list.



 We will continue to work together to improve the municipal role for real implementation so as to continuously strengthen the social fabric that Europe is well known for.

ADDITIONAL RESOURCES

- CEE Bankwatch Network (June 2025) "Climbing together: Is the Social Climate Fund
 working for those who need it most?": Climbing
 together: Is the Social Climate Fund working
 for those who need it most? Bankwatch.
- EC(June2025)-"ListofMemberStateAuthorities Responsible for the Preparation of the Social Climate Plans": https://climate.ec.europa.eu/document/download/41d48bfc-3424-4fa0-bbec-03882761e10d en?filename=policy
 scf national authorities en.pdfl.
- EGUM (June 2024): "Social Climate Fund. Public Transport and Shared Mobility EGUM Subgroup": https://transport.ec.europa.eu/document/download/f7e54ea5-23aa-4f8d-a24c-9d902fc9652c en?filename=EGUM Recommendations Social-Climate-Fund.pdf.
- ICLEI (2025) "Advancing a Just Urban Transition: How the European Commission can support local governments in managing an inclusive and socially fair energy transition": INCLUDE EU policy paper final.pdf.
- Local Alliance (June 2025) "With the deadline near, local Governments still left out of national Social Climate Plans": https://iclei-europe/lib/resources/tools/push resource file.php?uid=X5hvAvyY.

- Palmia, F. (2025): "CCC Highlights different perspectives on climate justice": https://netzerocities.eu/wp-content/uploads/2025/06/CCC-Highlights-%E2%80%93-Diverse-Perspectives-on-Climate-Justice.pdf.
- POLIS (March 2025) "Fighting Transport Poverty with the Social Climate Fund: Recommendations for Member States": https://www.polisnetwork.eu/wp-content/uploads/2025/03/Social-Climate-Fund-Policy-Paper.pdf.
- REScoop (June 2025) "Social Climate Fund Tracker": https://www.rescoop.eu/policy/financing-tracker/social-climate-fund.



*Stakeholder Consultation Panels (SCP) are organised once a year to bring together different pan-European stakeholders to discuss policy recommendations on EU level in support of cities' just transition to climate neutrality. The topic is based on cities' experiences, as well as the influence of the EU policy context. The discussions with participants from business, academia and civil society are designed to lead to a more integrated problem-framing and spark new ideas on what needs to change (in broad policy terms). Outputs are intended to improve the enabling environment for Mission Cities. By integrating a broad range of stakeholder perspectives relevant to Mission Cities, these discussions can contribute to strengthened trust, greater knowledge exchange and better cooperation among Mission Cities and their wider ecosystem of actors across Member States.



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