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POLICY PAPER

Advancing a Just Urban Transition

How the European Commission can support local governments in managing an inclusive and socially fair energy transition

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This policy paper highlights the need for European Union (EU) policymakers to enable local governments in promoting inclusive and socially fair urban transitions. It uses the energy transition as an example to illustrate both the achievements and challenges faced by local governments in ensuring climate actions that genuinely support their most disadvantaged residents. In particular the forthcoming **Social Climate Fund is identified as a key opportunity to provide support**. Yet in its development, the lack of adequate consultation of local and regional governments by national governments risks leaving disadvantaged EU households continually underserved.

To increase support for local and regional governments, the following policy measures are proposed to the EC:

-  **Ensure representation of local governments** during the development of national Social Climate Fund plans.
-  **Enable access to resources that support localized transition leadership** to design contextualized transition solutions that address the unique socio-economic needs of their communities.
-  **Facilitate equitable access to EU funding for local governments** so that all cities, and not only the best-resourced ones, are able to successfully apply.
-  **Ensure equity is addressed in project proposals**, indicating how the project will address and effectively support disadvantaged communities (especially for large proposals).
-  **Build capacity** by supporting local governments with technical training.
-  **Ensure accountability** by implementing EU monitoring of social justice outcomes.

As the EU accelerates toward its climate goals through policies and frameworks, there remains evidence of regional disparities, social exclusion, an unequal just transition, and energy poverty within and between cities. Cities across Europe have developed diverse initiatives that demonstrate promising just transition approaches, aimed at ensuring the benefits of the energy transition truly reach structurally disadvantaged communities.

However, cities generally continue to face challenges. These include limited administrative resources, skill gaps and complex funding mechanisms, which often hinder their ability to fully implement just energy transition initiatives, particularly in the long-term.

The [INCLU:DE project](#), which examines inclusivity and justice in climate transitions, has been working with cities in Europe to address the challenges city administrations face in this regard, helping to ensure the aspect of social justice is integrated into their local climate measures.

This paper advocates for a combined and synergistic top-down and bottom-up approach, urging the European Commission (EC) to enhance policies and better empower local governments to overcome barriers and advance a just energy transition. This can help take into account local and regional nuances, to develop tailored approaches that adequately address the unique needs of different regions.



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Definitions

Understanding the differences between social justice, equality, equity and just transition is essential for creating inclusive policies that ensure the diverse needs of different social groups and demographics are met. The following concepts, although interconnected, address different dimensions of fairness and help to shape a framework for achieving a transition that is not only environmentally (and economically) sustainable but also socially sustainable.

- **Social justice** is the concept and practice of ensuring fair and equitable treatment, opportunities, and rights for all individuals within a society, regardless of their socio-economic status, race, gender, ethnicity, or other personal characteristics.¹

¹ EEA (2024). [Delivering justice in sustainability transitions](#); Justice encompasses various dimensions, including distributive (fair distribution of the benefits and burdens of policies), procedural (ensuring all stakeholders have a voice in decision-making), and recognitional justice (acknowledging and respecting the diverse identities, cultures, and experiences of different groups).



- **Equality** refers to the idea that all individuals should be treated the same and given the same opportunities, regardless of their background, circumstances, or characteristics. Equality assumes that providing the same resources or opportunities to everyone will result in fairness, even though individuals or groups may start from different positions of advantage or disadvantage.²
- **Equity** focuses specifically on addressing disparities by ensuring that disadvantaged individuals and groups are not disproportionately affected by policies and have access to the benefits of these policies. In the energy transition context, equity might mean providing additional support to low-income households or disadvantaged communities to ensure they can benefit from cleaner energy, lower costs, and new job opportunities.³ In this paper and the INCLU:DE project as a whole, focus is strongly on equity, given the need to explore and understand different circumstances and needs of disadvantaged populations in particular.
- **Just transition** refers to the movement towards a sustainable and low-carbon economy in a way that is fair and equitable to all workers, communities, and other societal groups, most affected by this shift. While it is historically associated with the transition of coal regions and other carbon-intensive industries, just transition in the context of EU policies and programs is not limited to these sectors. It encompasses all aspects of economic transformation, including renewable energy and green jobs.⁴

1. Social Justice in Energy Transitions: *How cities contribute to ensuring a just transition*

1.1. Energy-related challenges in EU cities

Millions of Europeans are struggling to keep their homes warm, facing utility bill arrears and living in substandard housing, with the poorest households spending a significant portion of their income on energy.⁵ The surge in energy poverty following Russia's invasion of Ukraine has not abated - increasing from 6.9% of Europeans that were unable to keep their homes warm in 2021, to 9.3% in 2022 and 10.6% in 2023. This is a conservative estimate, with the Joint Research Centre (JRC) placing those unable to maintain essential energy services in general at somewhere between 8 and 16% of the European population. This is driven by high energy costs, low incomes, inadequate housing insulation, and inefficient appliances.⁶

Energy poverty is particularly acute in countries like Bulgaria, Greece, Hungary, and Portugal. In addition, barriers to participate in (urban) energy transition initiatives are especially prevalent in low-income households that, inter alia, lack the financial means to access green technologies, energy efficient housing and appliances, or sustainable public transport. These interlinked processes of vulnerability and disadvantage can lead to cycles of poverty, effectively leaving these communities behind in the green transition.⁷

Energy poverty is a clear example of **how social inequalities increase vulnerability to transition risks, an intersection which should thus be coherently**

2 UN (1948). [Universal Declaration of Human Rights](#).

3 EEA (2024).

4 ILO (2016). [Guidelines for a just transition towards environmentally sustainable economies and societies for all](#); ICLEI Europe (2023). [Towards a Just Transition](#).

5 Widuto, A. & European Parliamentary Research Service (2023). [Energy poverty in the EU](#).

6 Dubeta, N., Sahin, G., Stančec, M. & Smirnova, M. (2024). [From Policy to Action: Unlocking the Potential of Local and Regional Governments in the Social Climate Fund](#).

7 Bouzarovski, S. (2017). [Understanding energy poverty, vulnerability and justice](#).

addressed. The advancement of socially just climate action presents a complex, highly contextual challenge.

The EU is actively addressing climate and socio-economic challenges through various legislative and non-legislative initiatives, with policies designed to reduce greenhouse gas emissions while considering impacts on communities.⁸ However, the responsibility for implementing these transitions falls largely on national, subnational, and local governments. The local level in particular is a flashpoint, where broad policy agendas intersect with residents' lives. It is cities and towns who must adapt EU policies to their unique contexts, and many have launched

localized initiatives to bridge gaps towards a socially just energy transition.

This paper therefore seeks, where possible, to use current energy transition strategies as illustrative examples of the climate transition more broadly - highlighting regional disparities, social exclusion, public resource constraints, and broader inequality concerns as barriers to implementation of a just transition. Addressing these equity-related challenges with on-the-ground implementation should be a top priority as there is a real risk of the energy transition process exacerbating existing inequalities and tensions given its current speed and scale.

1.2. Efforts at the local level to address energy transition challenges

Cities across Europe are attempting to address social justice within energy transitions in ways that reflect their regional and local needs and economic realities.⁹

Many southern European cities like Athens and Madrid, where energy poverty is relatively high, have implemented policies aiming to reduce energy costs and improve access for low-income households. In some cases, municipal actions are supported by national level policies, such as the 'Bono Social' program in Spain.¹⁰ Similarly, Almada, in Portugal, advances social inclusion through the Sun4All project, providing solar access to low-income households, and Ponto de Transição, which supports community-led sustainability.¹¹

Other cities have sought to address the specific needs of certain disadvantaged groups through geographically targeted interventions. For instance, Berlin promotes energy efficiency in underserved neighbourhoods (Berlin's ImpulsE¹²), while Paris focuses on retrofitting affordable housing in low-income suburbs. Some of the INCLU:DE cities, such as Heidelberg and Ludwigsburg, in Germany, have made strides in promoting social equity by offering solar subsidies for low-income areas.¹³

Cities like Warsaw and Bucharest, where industrial transitions are pronounced, have sought to prioritize

inclusive decision-making processes to ensure that disadvantaged communities have a voice in shaping energy policies towards a just transition. Dortmund and Essen have been part of broad structural change programs as they have historically relied on coal and heavy industries. In the INCLU:DE project, these German cities focus on engaging local stakeholders, especially in low-income neighbourhoods, in future decision-making and refinement of existing climate programmes.

These diverse programs work towards a fair distribution of the burdens as well as equitable access to the benefits of the renewable energy transition, while reducing energy poverty and promoting local ownership of the process.



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8 Bouzarovski, S., & Simcock, N. (2017). [Spatializing energy justice](#).

9 EEA (2024).

10 Jové-Llopis, E., & Trujillo-Baute, E. (2024). [Escaping the Energy Poverty Trap](#).

11 Sun4All (website). [Almada](#).

12 BEK 2030 - [Berlin Energy and Climate Protection Programme 2030](#).

13 INCLU:DE (2024). [Interim Project Learnings](#).

1.3 How and why these efforts by local governments potentially still fall short

Despite localized efforts by local governments, significant challenges remain to promote social equity in the context of energy transitions. The INCLU:DE project findings reveal a **lack of comprehensive guidance for municipalities in addressing the specific needs of disadvantaged populations**, such as low-income households or migrant communities.¹⁴ This challenge is exacerbated by persistent barriers to effective community engagement, including difficulties in gaining buy-in from trusted community leaders.¹⁵

Cities face structural and administrative challenges that complicate the equitable implementation of just transition initiatives. This includes limited capacity, administrative complexity, and lack of long-term funding.¹⁶ An example of such administrative complexity would be the need for additional staff capacity to assess eligibility of funding designated specifically for specific disadvantaged groups. Furthermore, in some cases an understanding at the municipal level is still lacking in terms of how justice considerations and environmental sustainability goals can be *jointly* delivered through effective policy interventions.¹⁷ This indicates an ongoing need for capacity-building and localized support to effectively and equitably implement EU energy transition goals in urban settings.

These efforts can be complicated by **persistent demographic and geographic inequalities**, often tied to historical legacies of structural change, e.g. related to migration or industrial decline.¹⁸ Urban planning in many European cities traditionally favours affluent populations, leaving peripheral, low-income areas underserved.¹⁹ These legacies continue to have a lasting impact. For example, residents of wealthier districts in cities like Paris and Essen benefit from better transportation connectivity and energy-efficient housing, while disadvantaged communities in outer suburbs face inadequate infrastructure, deepening social and economic disparities.²⁰

These challenges are compounded by **regional disparities** in approaches to socially just energy transitions across Europe, reflecting deeper structural inequalities. Wealthier cities, such as those in Northern Europe, are advancing more quickly in renewable energy adoption, while cities in Southern Europe struggle to balance ambitious environmental goals with the immediate needs of their disadvantaged populations.²¹

These examples highlight the pressing need for more systemic and contextualized uptake of inclusive policies and frameworks across cities, to ensure disadvantaged populations are not left behind. This also serves as an entry point for the EU to strengthen and build on existing initiatives by prioritising funding and support mechanisms that embed social justice into energy transitions.

Some cities like Copenhagen and Amsterdam have been able to develop comprehensive strategies that prioritize disadvantaged groups through targeted subsidies for energy-efficient housing, and robust participatory governance models that involve local communities in decision-making processes. In contrast, municipalities with fewer resources and lower investment levels - as can often be the case in Southern European regions - have to focus on their routine municipal tasks first, which includes infrastructure systems maintenance, before addressing basic and immediate social welfare needs. In such settings, municipal staff struggle to prioritize equitable climate action.

If not designed well, EU funding mechanisms can actually exacerbate these inequalities. As seen in the INCLU:DE project, cities across Europe are making significant efforts to tailor their climate actions to the needs of their local communities, while municipal staff are well aware of international best practices. However, the bottleneck of funding and capacity makes it difficult for some to implement the kinds of energy solutions implemented by better-resourced municipalities.

14 INCLU:DE (2024). [Interim Project Learnings](#).

15 INCLU:DE (2024). [Case study: Heidelberg](#).

16 EC2 project. (2023). [Energy Citizenship in Coal Regions: Policy Brief #4](#).

17 EEA (2024).

18 European Parliament (2022). [Social Climate Fund](#).

19 Widuto, A. & European Parliamentary Research Service (2023).

20 UN Habitat (2009). [Planning Sustainable Cities](#).

21 Bouzarovski, S. (2017).

EU projects are one important source of additional funding, but again the complexity and reporting requirements create a significant administrative burden for overworked staff. Funding energy transitions through such competitive calls again creates a real risk of a vicious circle - with the best-resourced continuing to win the majority of calls, thereby further widening the gap between themselves and others.

The diverse approaches across Europe illustrate the **complexity of integrating social justice into energy and other climate transitions and the importance of tailoring solutions to local contexts**. Local governments need to be empowered to play this tailoring role.



2. EU Policy Landscape: *How the EU policy frameworks are supporting local just transitions and where they fail to do so*

2.1 Regulations establishing the framework for socially just climate action in the EU

The EU has implemented several policy frameworks that establish the foundation for a just transition to a carbon-neutral future. The **European Green Deal** (EGD) and its **Fit for 55 Package**²² sets the overarching goal of carbon neutrality by 2050. This also explicitly recognizes the need for a just transition within the EGD process.

Despite this recognition, the frameworks that are set up to implement a just transition at European scale are arguably fragmented, limited in scope, and provide insufficient funding.²³ In order to address this complex task, a comprehensive and coherent vertical policy framework is needed that accounts for the outlined challenges of cities in implementing inclusive

energy transitions, while ensuring territorial cohesion and fair participation.

There has been increasing recognition that reaching the ambitious Green Deal targets requires the meaningful involvement of residents in decisions affecting them - including most affected regions and industries, and all relevant groups across the board.²⁴ For that, the substantial involvement of local governments in the localisation of Green Deal policies is needed to reflect and adapt to different needs and contexts.²⁵ This is reflected in a variety of ongoing projects and efforts, including various *Local Green Deal* projects²⁶, and most notably the highly publicized *100 Climate Neutral and Smart Mission Cities*²⁷ and related processes.²⁸

2.2 Where specific supporting tools and mechanisms for socially just climate action fall short

To support the just transition dimension of the EGD, the EU has introduced various tools and mechanisms designed to mitigate the socio-economic impacts of the energy transition.

The Just Transition Mechanism (JTM) is an existing tool that offers financial support to address the socio-economic effects of the transition to regions most affected by the shift to a green economy.

22 EEA (2024).

23 Akgüç M., Arabadjieva K., & Galgoczi B. (2022). [Why the EU's patchy 'just transition' framework is not up to meeting its climate ambitions](#).

24 Jones, M., Mühlenhoff, J. & Van Melkebeke, T., eds. (2024). [Boosting Participation in the Energy Transition](#).

25 9th European Conference on Sustainable Cities and Towns (2020). [The Mannheim Message](#).

26 ICLEI Europe (website). [Local Green Deals](#).

27 European Commission (website). [EU Mission: Climate-Neutral and Smart Cities](#).

28 Most notably the [Net Zero Cities](#) project.

It includes a number of funding sources which aim to promote economic diversification and retraining opportunities in fossil fuel-dependent regions. Most notable in this regard is the Just Transition Fund (JTF).

In order to access such funds, European Member States (i.e. the national level) have to create and submit **Territorial Just Transition Plans** (TJTJs), which outline their plans to phase-out fossil fuel related activities and decarbonize greenhouse gas-intensive processes and production. **Local governments and their stakeholders are often underrepresented** or excluded from these processes. This is why, while the TJTJs do target regions in need, they **fail to meet the just transition needs of cities generally**. There have been long standing calls advocating for national governments (and the EU) to expand beneficiaries or define alternative forms of Just Transition support for the local level generally (rather than for coal regions specifically).²⁹

Similarly, with a specific focus on the *energy transition*, the **Renewable Energy Directive** (RED II) and the Energy Efficiency Directive (EED) offer tools to advance social equity by setting regulatory frameworks and targets for member states, encouraging the development of renewable energy at the national and local levels. This is linked to the recognition of a host of new rights for EU citizens regarding greater participation, production, access, and co-creation in the energy transition.³⁰ The member states are those entrusted with supporting community energy projects through mechanisms such as financial subsidies, technical assistance, and regulatory support. However, the directives in their current form are insufficient, and once again need to better account for the fact that much of the implementation work will occur at the local level. In order to create a truly inclusive enabling environment for active resident involvement in the energy transition, local authorities need to play a more active role than they currently do.³¹ **The role of local governments in the energy transition needs to be more clearly referenced in these tools and frameworks.** Local

governments have a deeper understanding of their region's socio-economic conditions, allowing them to tailor projects to benefit disadvantaged populations, improve energy equity, and engage citizens in a more meaningful way.³²

The **Council Recommendation on Ensuring a fair transition towards climate neutrality** (2022) encourages Member States to adopt comprehensive policy packages for a fair transition.³³ It also promotes a whole-of-society approach, the mainstreaming of fair transition elements and the availability of granular and timely data for policy making and evaluation. It is a milestone in the definition of a more cross-cutting, comprehensive, and inclusive approach to a just transition at EU level. As its implementation will be monitored via the European Semester and advisory committees to the Ministers in the Employment and Social Affairs Council (EPSCO), it is a good example of the EGD being linked with social governance. At the same time, the recommendation is non-binding and its successful **implementation depends on the particular Member State's willingness**.

An upcoming flagship initiative is an opportunity to tackle many of these problems. The **Social Climate Fund** (SCF), part of the Fit for 55 Package, will offer targeted financial assistance to households in energy or transport poverty, based on national SCF plans, starting from 2026. Local governments, with their close connection to local communities, can use the SCF for targeted programs that prioritize and address disadvantaged populations based on local realities. The experience of the cities participating in the INCLU:DE project show that municipal funding and subsidy programs, e.g. for retrofitting, plug-in-photovoltaics or cargobikes, can be an effective tool for inclusive climate action, if equity is explicitly taken into consideration. For instance, INCLU:DE project cities like Heidelberg, Ludwigsburg³⁴ and Dortmund³⁵ have noticed that funding opportunities for solar installations often benefit wealthier individuals first, as they are better equipped to navigate complex application processes

29 ICLEI Europe (2023).

30 EC2 project (2023). [Energy Citizenship: Policy Brief #1](#).

31 EC2 project (2023). [Localised support for establishing & joining energy communities](#).

32 Ibid.

33 Including a) the active support to quality employment, b) equal access to quality and inclusive education, training and lifelong learning c) fair tax benefits and social protection systems, and d) access to affordable essential services and housing.

34 INCLU:DE (2024). [Case study: Ludwigsburg](#).

35 INCLU:DE (2024). [Case study: Dortmund](#).

or make advance payments. Meanwhile, low-income households, which could benefit most from such initiatives, struggle to access these funds.³⁶

Often, even where climate funding is available at the local level, these funds tend not to be accessible enough to those more in need with the above examples showing that structural barriers can be challenging to overcome. At the same time, gathering political support and long-term funding for these programs is a central challenge for all of the project cities. The Social Climate Fund could be used as an opportunity to mainstream and provide sufficient funding for equitable municipal subsidy programs and thus support a just energy transition. The [INCLU:DE Climate Equity Toolbox](#) can serve as a blueprint for designing such programs while avoiding a variety of equity pitfalls.

A key publication in this regard is ICLEI's co-authored report on [Unlocking the Potential of Local and Regional Governments in the Social Climate](#)

[Fund](#). This highlights that **due to inadequate consultation of local and regional governments by national governments, disadvantaged households in the EU are at risk of being underserved by the Social Climate Fund**.³⁷ While the SCF aims to alleviate financial burdens, it could encounter similar barriers as the Just Transition Fund, if participation of local level actors is not clearly defined and included, both in planning and implementation. Against this background, the Social Climate Fund, if designed through a multilevel governance approach with meaningful collaboration from local and regional governments and non-profit energy agencies, who are closer to residents and realities on the ground, can be a gamechanger to develop targeted policies building on the local context and culture to address the root causes of energy and transport poverty holistically. These dialogues can then also serve to address necessary regulatory changes for effective local actions.³⁸

3. Policy Recommendations: *How the EC can more effectively support just energy transitions in European cities*

The challenges faced by cities in advancing social justice within energy transitions, as outlined in Chapter 1, reveal a fundamental need for policies that are better (vertically) aligned with, and provide targeted support for ongoing efforts at the local level.

Generally, the EC should provide **opportunities for cities to conduct individual, tailored equity planning**, thereby addressing local needs while **offering accessible funds and guidelines** for their development. This support should help to avoid increasing regional disparities or technological lock-ins by ensuring that funding mechanisms and policies are designed to reach cities and households effectively, with targeted assistance based on each area's specific socio-economic and environmental priorities.



36 This disparity was underscored in the INCLU:DE German policy paper [Chancengleichheit im Klimaschutz](#), which called for clearer legislation and improved access to ensure that climate protection initiatives effectively reach and benefit all segments of the population, particularly the most disadvantaged.

37 Dubeta, N., Sahin, G., Stančec, M. & Smirnova, M. (2024).

38 For instance, for lower income households living in rental flats, the requirement for landlord consent in rental properties is a major barrier to installing renewable energy systems, like photovoltaic (PV) modules. Also, as outlined in the previous German-level INCLU:DE policy brief, regulation needs to clarify that climate subsidies should not conflict with welfare payments. Without adjustments of policies to ensure social equity outcomes, these mechanisms risk exacerbating the very inequalities they are meant to mitigate, leaving low-income households unable to access clean energy benefits.



1. Ensure representation of local governments in the development of national Social Climate Fund plans

So far, the consultation and inclusion of local governments in the Social Climate Fund has been patchy at best in most member states. This is problematic, as we have seen that local governments, with their close connection to local communities, could potentially use the SCF to ensure that concerns such as energy and transport poverty are coherently addressed, through targeted programs which prioritize and actually reach disadvantaged populations.³⁹

For the development of such inclusive and targeted policies, it is essential that local governments are given a seat at the table in the development of their country's Social Climate Fund plans. This includes informing local governments about processes to develop the Social Climate Fund plan, equipping them with adequate time, capacity and opportunity to provide their own input and perspectives. This would also help to ensure that subsequent plans will be built on insights regarding local contexts and the identification of disadvantaged populations in cities.⁴⁰



2. Enable access to resources that support localized transition leadership

EU policies and frameworks like the Just Transition Mechanism can be overly broad and general. This risks overlooking the unique demographic and geographic challenges faced by rural areas and disadvantaged urban neighbourhoods, particularly by failing to fully consider local variations in economic structure and social vulnerabilities.

Such funds should be used more strategically to make sure that a territorial and community-based transition is enabled. The Social Climate Fund in particular is a strong strategic opportunity to champion this approach. Local governments should be empowered through dedicated funding and resources, independent of national counterparts, thereby enabling them to design contextualized transition solutions that address the unique socio-economic needs of their communities.



3. Facilitate equitable access to EU funding for local governments

We have seen that funding processes are often complicated, making it difficult for cities to access resources such as the Just Transition Fund, where local governments are overly reliant on the approval and support of national actors. Other funding processes can involve lengthy application procedures and strict eligibility criteria that pose challenges for smaller municipalities with limited administrative capacity.

There is a risk of increasing the gap between less resourced municipalities and those with the capacity and wherewithal to continue submitting complex funding applications (e.g. through Horizon Europe). For example, this could be mitigated by providing a supporting contact point for funding applications within the EU funding landscape, and by making geographic spread and extent of economic need a core consideration when evaluating such applications.

EU funding options, such as low- or no-interest loans and grants, could also be increased to support energy-efficient infrastructure improvements in low-income and underserved neighbourhoods. In addition, providing targeted funding solely for local governments should be considered, while setting aside dedicated funding only for disadvantaged groups. Application processes for existing EU funds should be made more accessible to cities with limited administrative resources, promoting equitable participation across all regions.

39 Jones, M., Mühlenhoff, J. & Van Melkebeke, T., eds. (2024); Dubeta, N., Sahin, G., Stančec, M. & Smirnova, M. (2024).

40 Ibid.



4. Ensure equity is addressed in project proposals

EC funding could require that cities and their programs indicate how the project will address and effectively support disadvantaged communities and what effects a measure could have on local communities. Applications should also reflect on how planned measures align with wider equity goals of the municipality, particularly for larger funding proposals. This requirement could extend to other large initiatives or projects in the national and/or private sectors.

This relates back to a number of the other recommendations. By highlighting disadvantaged communities and proposed equity outcomes more specifically, funding proposals could be evaluated with greater emphasis on the scale of local needs, thereby facilitating more equitable access to EU funding for local governments. This could also support the evaluation of project outcomes, linking to the implementation of robust monitoring and reporting systems for social equity impact.



5. Encourage community involvement and trust-building by investing in capacity-building programmes to help engage local communities

As we have seen, there is increasing recognition that reaching the ambitious Green Deal targets requires the meaningful involvement of residents in decisions affecting them. This is reflected in ongoing Green Deal localization processes such as various Local Green Deal projects, and the 100 Climate Neutral and Smart Mission Cities.

The involvement of residents in these and other municipal climate programmes can be supported by providing city officials with training and educational support on inclusive project implementation and the soft skills required for this kind of work (e.g. facilitation, mediation, communication). This would enable cities to build trust with systematically excluded groups, incorporate local knowledge, and foster meaningful public participation in the energy transition.⁴¹



6. Implement robust monitoring and reporting systems

Finally, the EC could work to drive systems for regular monitoring and public reporting on social justice outcomes in energy transitions to ensure transparency, accountability, and inclusivity.

This could integrate with the forthcoming European Fair Transition Observatory platform. Experiences from the INCLU:DE project's own work on social equity indicators suggest that this is an area where cities still face substantial difficulties collecting and assessing data on equity related outcomes of individual projects.

Ensuring a socially just energy transition requires **targeted policies, simplified access to funding, and active local government involvement** in multi-level governance. By **prioritising the needs of disadvantaged communities and regularly monitoring social justice outcomes**, the EC can create a fairer, more inclusive pathway toward a sustainable, carbon-neutral future. In particular, the forthcoming Social Climate Fund (discussed in Section 2.2,

above) is a key avenue through which many of these recommendations could be implemented. The experience of the Just Transition Fund shows that it is crucial to consult local governments generally and recognize them as key just transition actors. This should be done in order to ensure a multilevel governance approach and meaningful collaboration with those public actors who are closer to residents and realities on the ground.

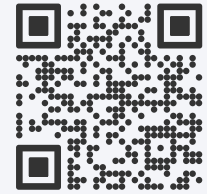
41 ICLEI Europe (2024): [The Power of Many](#).

INCLU:DE - Just and inclusive climate action in German cities

INCLU:DE - Just and inclusive climate action in German cities is implemented by ICLEI - Local Governments for Sustainability and supported by Stiftung Mercator. The project supports local climate measures and fosters dialogue exchanges to better understand what it needs to generate positive equity outcomes for local residents. A specific emphasis is placed on addressing challenges like fair and equitable resource distribution and benefits allocation, while ensuring that GHG reduction goals are not being compromised.

The cities of Bonn, Dortmund, Essen, Heidelberg and Ludwigsburg have joined the INCLU:DE project to improve social justice considerations in their local climate initiatives, spanning different areas such as energy, mobility, housing and urban development. Collaboration with international frontrunner cities Almada, Kaohsiung, Malmö, Rosario, and San José in the field of just and inclusive climate action ensures that best practices can be mainstreamed across local governments.

Learn more: <https://sustainablejustcities.eu/include>



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