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Climate Equity Toolbox

A how-to guide for
making municipal
subsidy programs
more socially just

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About the Toolbox

This Climate Equity Toolbox speaks to people working in municipalities, especially city officials who are involved in the development of subsidy programs within their departments. It specifically focuses on municipal subsidy programs that are created with the goal to advance climate protection in cities. The overall aim of social justice components in climate subsidy

programs is to enable more inclusive access to related options and technologies - for example, in the fields of renewable energy and sustainable mobility. However, the featured steps and social justice considerations can also be relevant for subsidies aimed at fostering access to sustainable lifestyles in the wider sense, and for other areas as well.

WHAT ARE MUNICIPAL SUBSIDY PROGRAMS?



A municipal subsidy program, or financial incentive, is a **municipal grant that provides direct payments, discounts or other types of financial benefit to local residents**. They are often aimed at promoting a wider social cause like urban and community development or environmental protection. Such subsidy programs are often embedded in a city's long-term strategies and action plans, as adopted by the local city council, and may entail various measures and items that are subsidized.

Within the scope of municipal climate action, subsidy programs usually provide financial incentives for residents to invest in renewable energy, energy efficient building retrofits or using sustainable mobility options. As energy and buildings are key sectors to achieve greenhouse gas reduction targets, a large share of municipal subsidy programs are directed at home and property owners. Climate subsidy programs in these sectors also exist on regional and national levels, in some cases also addressed at individuals, so that municipal subsidy programs and their objectives can be embedded within a larger political context.

In terms of terminology, it is important to distinguish between larger subsidy *programs*, for example in the field of renewable energy, and various specific subsidy *schemes*. Each of these schemes operates under specific *funding guidelines* that outline eligibility, funding criteria, and other regulatory details.



How to use this toolbox: Invitation to pick and choose

Structured along four key steps, the Climate Equity Toolbox guides city practitioners through the process of designing subsidy programs in a more socially just way. The tools and resources it provides are drawn from collaboration and extensive exchanges with city officials and other stakeholders. This toolbox is not intended to serve as a comprehensive guide for establishing new subsidy programs. Instead, it aims to inspire readers to design both new and existing subsidy programs in a socially just way. The content is structured in such a way that it can be used comprehensively following four steps of program development, while individual parts and resources - for example on communicating or monitoring a subsidy program - can also be freely extracted and applied to specific demands. To make information as accessible as possible, each step is described in a dedicated chapter that provides a summary box, graphics and overviews, a checklist, and a case study for illustration.

Striving for socially just subsidy programs can seem difficult. What does it mean concretely, who are the target groups, what are their needs, and how do these relate back to climate mitigation objectives? This Climate Equity Toolbox aims to encourage and empower city practitioners to start with small steps and improve concrete measures and funding items within their sphere of influence, while advocating for more attention and boldness to advance social justice in the context of municipal climate protection.

Why this is relevant: We need a social justice lens in municipal climate action

Climate protection measures and related financial incentives often explicitly target individuals with carbon intensive lifestyles, which generally coincides with higher socioeconomic status and level of education¹. Yet this conversely means that individuals and groups with lower income levels tend to benefit less from such programs and related benefits, like new technologies and practices. Subsidy programs

targeted at the individual can be a powerful tool for local policy makers and practitioners to ensure that public funds are allocated fairly, and that different groups and communities feel addressed and part of the transition.

In the bigger picture, such efforts towards inclusive, green and thriving cities that cater to all residents are in line with guidelines for integrated urban development such as the [New Leipzig Charter](#) (2020), which forms the basis for policymaking in German and European cities, and in [Goal 11](#) "Inclusive, safe, resilient and sustainable cities and communities" of the United Nations Sustainable Development Goals.

Moving beyond the usual suspects: Common participation hurdles of municipal subsidy programs

If we go one step further and aim to develop subsidy programs that actually *advance* social justice and inclusion, these must be designed in a way that addresses the unique *needs* and *challenges* of disadvantaged communities. Traditionally, subsidy programs require an extensive application process and are designed to reimburse applicants for payments they have already made. While a lack of accessible public services or a complicated application process may already discourage residents from taking part in such subsidy programs, the requirement of making a significant personal contribution and an even higher advance payment can completely exclude economically disadvantaged groups from participating. In addition, there can be uncertainty among city officials and applicants regarding a possible deduction from social benefit payments².

Designing subsidy programs with equity principles in mind means reflecting the needs and lived experiences of all individuals and communities, and thus requires openness to learn and understand. Applying a holistic and collaborative approach can contribute to reaching and benefitting groups beyond the 'usual suspects' and thus making municipal climate subsidy programs more inclusive.

¹ Adua (2022); Akenji et al. (2021); Oehlmann et al. (2021).

² For a detailed description of this particular challenge in the German context see ICLEI (2024): [Chancengleichheit im Klimaschutz. Policy Paper zur gerechten Teilhabe von Grundsicherungsempfänger:innen an kommunalen Förderprogrammen.](#)



Four steps to developing subsidy programs with social justice components

STEP 1: PROGRAM OUTLINE



- Clearly **define the goals and scope** of the program and **identify relevant target groups** based on available data and related **indicators**.
- Use collaborative approaches to **engage these groups early** on to assess their respective needs and challenges and determine what type of program benefits them best.

STEP 2: PROGRAM DESIGN



- Design the program according to **community needs** and responsive to **structural barriers** they might face.
- Ensure that relevant **social components** are integrated into the **funding structures** to facilitate participation of your target group.

STEP 3: PROGRAM ROLL-OUT & COMMUNICATION



- **Simplify the application process** and all **communication materials** to ensure easy accessibility and clear, inclusive language for diverse recipients.
- **Disseminate program information** through various channels and trusted messengers, so communities become interested in the subsidy program and its benefits.

STEP 4: PROGRAM ASSESSMENT & REVIEW



- Revisit the indicators and goals set in the program outline and reach out to participants to **collect data and monitor tangible outcomes**.
- Communicate the results transparently and **consolidate learnings** that might be useful for future projects across the municipal administration.

While the content of this toolbox is structured around four key steps, readers are invited to actively work with the document and freely extract individual parts and resources - for example on designing funding guidelines with social components, on communicating subsidy programs or on monitoring equity outcomes.



STEP 1: PROGRAM OUTLINE

Before getting started

A **systematic and inclusive approach to program design** involves several key steps, often occurring simultaneously rather than sequentially. These include:

- Defining the general objective and geographical focus
- Identifying leverage points for adding a social justice lens
- Liaising with other relevant departments and gaining political backing
- Securing the financial scope of the program
- Aligning efforts with guiding plans and roadmaps
- Establishing a timeline, budget, and project management mechanism
- Setting targets and selecting baseline, program equity and social indicators
- Identifying and engaging the target groups

Possible **target groups** for more socially just subsidy programs include:

- Low-income households
- Residents of disadvantaged districts or neighborhoods
- Tenants
- Families and single parents
- People experiencing exclusion due to language barriers and cultural background
- Senior citizens
- People with disabilities or limited mobility

In order to ensure the program aligns with target group needs, it is critical to **engage target groups systematically** and with an open approach to outcomes already in the program outline phase. To gain a comprehensive understanding while working with the community, it can be helpful to apply a mix of qualitative and quantitative methodologies (e.g. surveys, interviews, focus groups and co-design workshops).

KEY TAKEAWAY



“Meet them where they are”

There is a diversity of communities that can benefit from targeted support and attention to their unique needs and challenges. To design programs that effectively respond to these challenges, it is essential to create a safe and accessible space where community members can openly share their needs, hopes, fears, and emotions, and freely express their concerns and feedback. Engaging with communities in different formats (digital, analogue, face to face) during the program outline phase and beyond ensures that a variety of community members is able to participate and express themselves.

GUIDING QUESTIONS



- *What is the overarching goal and scope of the subsidy program?*
- *What are potential indicators to measure success?*
- *Who is the target group?*
- *How will target group needs be identified and how will they be engaged throughout the program? Which formats could be used?*
- *Who can the program team work with throughout the planning, implementation and monitoring phases (e.g. city departments, community members, local NGOs or businesses...)?*

Defining goals and scope

When developing a subsidy program and identifying subsidy schemes for certain items, it is crucial to clearly define which **overarching aspects of climate protection** the program aims to address, clarify the **geographical focus**, and identify **leverage points for adding a social justice** lens. Is the city striving for climate friendly mobility or an increase in uptake of renewable energy? Should the subsidy program improve the living conditions of residents in a specific neighborhood, the entire city or even a broader region? Measuring cities' performance on social equity more broadly allows to identify which efforts are needed and which programs might lead to improvements in the lives of residents. In this context, it is important to realize that a large share of climate subsidy programs are tailored exclusively to homeowners, like subsidies for energy efficiency retrofits or rooftop solar installations, and have limited possibilities to reach low-income households. One way to implement a social justice lens in this regard would mean to add specific subsidy schemes, for example for balcony solar installations, that fill this gap and enable tenants to participate in the energy transition.

Financial and personal capacities to design and manage a municipal subsidy program largely depend on the program's organizational and political foundation. Thus, **alignment with guiding plans and roadmaps** is a relevant prerequisite to the overall scope and dimensions of the program. Furthermore, **liaising with other relevant departments, gaining political backing** and promoting the inclusion of social equity considerations within the city's governing body (e.g. the city council and other relevant stakeholders) is essential to ensure planning security. A critical step for the success of the program is defining and **securing the financial scope** of the program through internal budget prioritization processes. If municipal funding is not available to launch a program, exploring alternative financing options - such as regional, national or international funding sources and projects - might be a viable solution for supporting a program and personnel needed. After the necessary preparation is completed, establishing a realistic **timeline, budget, and project management mechanism** (i.e. procedural components such as allocating responsibilities among

city staff and the strategic planning of tasks and tools during the program delivery) to ensure effective implementation is a key next step.

At this stage, it is important to also **set targets and translate them into indicators** that will measure the success of the program (more details in step 4).

Three types of relevant indicators can be identified to inform and monitor the program on different levels:

1. *Baseline indicators* to reflect and measure the general objectives of the subsidy program (e.g. the number of households taking part in a balcony solar subsidy program; the total or percentage of reduction of carbon emissions achieved through the program).
2. *Program equity indicators* to evaluate just transition outcomes of the subsidy program and the implemented social justice components (e.g. the number of *low-income* households taking part in a balcony solar subsidy program; the number of funding and application guidelines modified to enhance inclusivity).
3. *Social indicators* to support target group identification and also monitor larger impacts of equity efforts in the city (e.g. the number or percentage of households with access to solar energy in specific districts; energy burden: percentage of income households pay for energy bills per city district).

Selecting indicators from these three types based on the scope of the envisioned subsidy program and available data allows one to monitor possible improvements (and necessary refinements) related to the introduction of a subsidy program. The indicators become relevant over a defined period of time (e.g. annual comparison), and with reference to the subsidy program's timelines (before / after implementation of the program).



The approach should ensure social indicators can be disaggregated by demographic factors such as income, age, gender as this helps to identify disparities. The process of identifying and refining indicators continues throughout all

steps of program development, as this also connects to the question of data collection during the application process and influences the communication measures used to promote the subsidy program.

Identifying key target group(s)

A key aspect for including an equity component to a funding program lies in the identification of the target group(s) and establishing a close understanding of the everyday realities of local residents. Overall, **socially just climate measures seek to provide targeted support** to those who are either most affected by the negative impacts of climate change or face the greatest challenges in implementing climate-friendly measures and extend access to groups beyond the 'usual suspects'³.

The specific aim is to ensure that:

- The **diverse lived realities**, needs, and financial, linguistic or physical abilities of all local residents and communities are **recognized and addressed**; and
- Public climate funds are **distributed equitably** across all population groups.

Determining which groups can be supported and in how far the support can be targeted to specific needs requires the availability of demographic data. This work therefore benefits from close collaboration with other municipal departments such as the housing department or social services.

To increase the affordability of climate measures and enable cost benefits from using energy efficient solutions, a common approach is to provide support to **households living on low incomes**, typically defined by a specific income threshold, or those participating in particular government-funded welfare programs (e.g. housing benefits, food programs or student

loans). Depending on **geographical conditions**, subsidy programs can also focus on urban areas with a high concentration of social housing and/or neighborhoods with a high share of low-income communities, often identified by zip code or district boundaries. Different forms of **housing tenure**, such as homeownership or renting, can also guide the allocation of support to ensure municipal subsidies are fairly distributed.

Families or **single parents**, due to their increased financial burdens and socio-political significance, may also be prioritized for specific subsidies - for example cargo bikes. Additionally, **specific target groups** such as women, the elderly, and people with disabilities are statistically more likely to struggle with energy poverty and in some cases are the first to be impacted by the negative effects of climate change, so additional support could be channeled in their direction⁴. Lastly, **city-specific demographics** may also highlight other groups such as refugees, people with migratory backgrounds, and Indigenous communities to be disproportionately affected by poverty and social exclusion. One should recognise the intersectionality⁵ of these lived experiences and interconnected nature of various socio-economic factors. Therefore programs should ideally be tailored to address multiple, intersecting disadvantages faced by individuals and communities in each city.

As subsidy programs are financial mechanisms, a first entry point to identify target groups and channel specific support to specific demographic groups or neighborhoods is usually the income level. In this logic, low-income households can be directly addressed through higher amounts or exclusive

3 Bouyé et al. (2021)

4 Gu (2023); Robinson (2019).

5 For a more comprehensive insight into the term and the current research landscape visit the blogpost [What does gender+ mean?](#) by the acting project.



funding pools. In order to account for other aspects, the general set-up and communication of a subsidy program can be designed to reduce participation barriers for additional groups (e.g. individuals in linguistic isolation or people with disabilities) and ensure they are well represented among participants.

Building on previously defined target groups, **structural barriers and target group needs** with respect to access and personal participation should be closely investigated.

These might include:

- **Inadequate digital and physical infrastructure** or lack of access to public services (e.g. the unavailability of a printing service or computer or limited or not wheelchair/stroller accessible transport or buildings to reach service providers);
- An increased burden of **complicated administrative and bureaucratic processes** (exacerbated by educational or language barriers);
- The challenge to provide **up-front payments** (even where later reimbursed) and uncertainty regarding a deduction from other social welfare payments;
- A **lack of exposure** and technical knowledge of the subsidized item; and
- A **lack of awareness** that the subsidy program even exists at all.



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While these challenges might not affect the overall launch of the subsidy program, they can result in low participation of such structurally disadvantaged groups. If funds are rapidly depleted without reaching the intended audience, the previously established social justice objectives may become ineffective, leading to failure in achieving the desired impact. To prevent this, it is crucial to engage target groups systematically and with an open approach to outcomes already in the project outline phase.

Actively engaging the target group in planning

Before engaging the identified target group (**who**), it is important to reflect on **what** you want to find out from them, and **how** this engagement will take place.

In order to increase their participation and ensure the program can actually benefit the target groups, it is critical to understand their priorities, specific needs and associated challenges. These could

be both immediate (related to participating in the subsidy program) and long-term (regarding structural barriers). To gain a comprehensive understanding while working with the community, it can be helpful to apply a mix of qualitative and quantitative methodologies, such as **surveys** and **interviews**, **focus groups** (moderated discussion rounds) or even **co-design workshops**⁶.

⁶ OECD (2022).



It takes time and commitment to build trust with target groups and ensure their participation in engagement activities. Consulting and collaborating with well-known and respected community members is an effective way to gain feedback and ideas during the early stages of program development. Such '**multipliers**' can be helpful to gain trust in the community, identify appropriate channels of communication, and establish long-term networks, especially where individuals and groups have been exposed to experiences of isolation and social exclusion. Openly communicating the goals and results of consulting the target group in funding programs is crucial to manage expectations. This can set the future course of collaborative practices in the city beyond the specific subsidy program.

The willingness for **collaborative design** and the **establishment of long-term connections and networks** are already the first steps towards

ensuring that disadvantaged groups gain access to municipal measures and are included in programs and projects. The active involvement of the target group therefore goes beyond informing about measures and selective consultation meetings and relies on long-term partnerships, ongoing dialogue, iterative processes and shared decision making between communities and the city.

There are various **potential formats to engage** and communicate with the target group at different scales. Experimenting with and offering communities a variety of options to work with the city, to take initiative and provide feedback can improve the subsidy program and lead to long-term engagement. Effective engagement can also strengthen the awareness of a city's overarching climate goals and the relevance for targeted subsidy programs, thereby helping to build momentum for other socially equitable climate actions in the future.

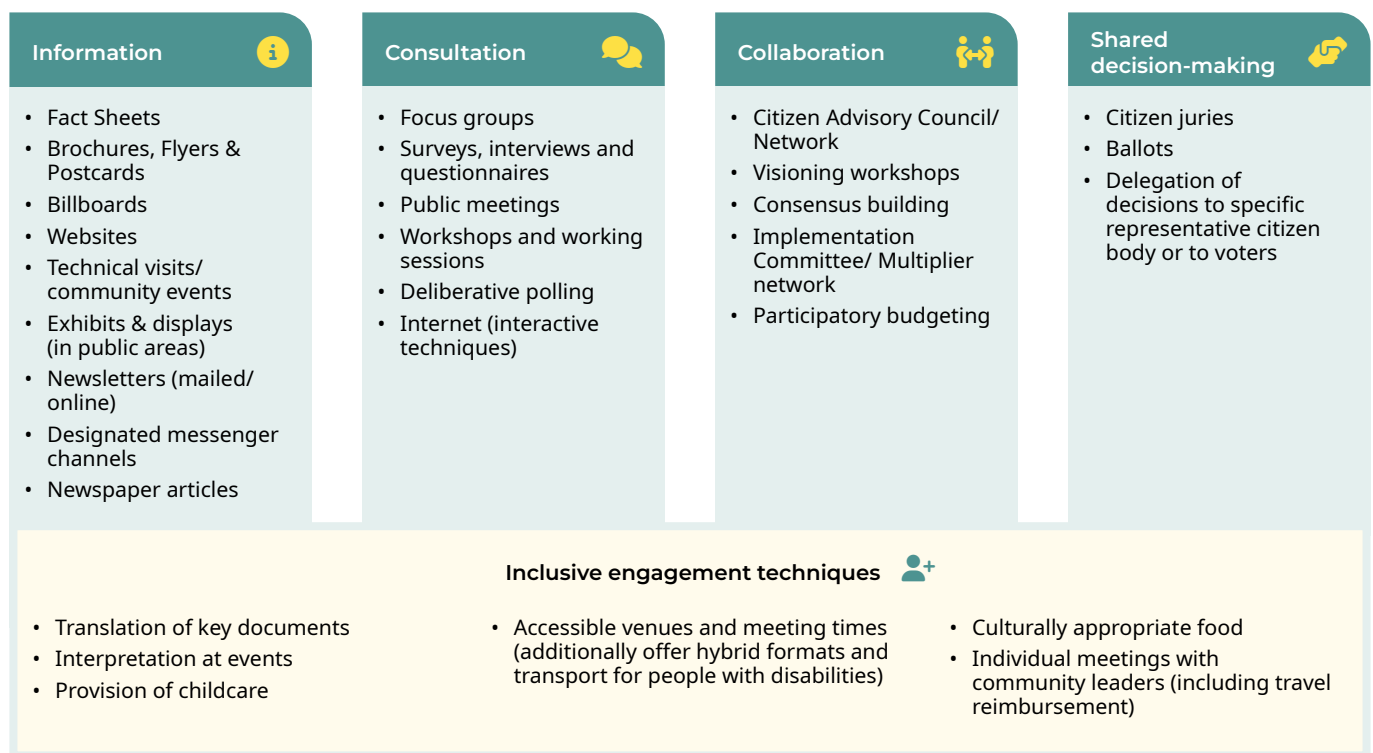


Figure 1. Strategies for effectively engaging communities⁷

⁷ Adapted from McGinn (2009:22f) and complemented with insights from the INCLU:DE project.





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Target group selection and dedicated support services

The City of Rosario bases their efforts to advance social justice and equity on the specific **demographic** makeup of the city and tailors programs and initiatives to the **unique needs and capacities** of the local population. As part of this, the city has identified **three key target groups**:

1. Communities particularly exposed to climate risk

Firstly, the city targets populations living in the most vulnerable neighborhoods of the city based on **geolocation** and cross-reference with **climate risk maps**. These communities are more intensely affected by extreme weather events (heat waves, flooding) and therefore the focus of the city's water and sewer infrastructure efforts. Additionally, the city develops specific services associated with waste management, given that traditional services are often not possible in these neighborhoods.

2. Female breadwinners in peri-urban areas

Connecting **economic and geographical aspects**, the City of Rosario also works closely with female breadwinners who make their living by producing agro-ecological food in the local "Green Belt" of the city. By putting in place local regulations to protect the production, the city implemented programs to specifically support the women and the sale and quality of their produce. This way, the city aims to increase economic access for women while simultaneously advancing an ecological transition of local agriculture.

3. Informal workers

Lastly, the city has identified urban waste pickers as a relevant target group in the context of the local circular economy and waste management. The city works with this group in a set of activities associated with food recovery in fruit and vegetable markets, as well as incorporating them in the treatment of the city's recyclable waste.

By being **responsive** to local communities and **sensitive to their lived experiences**, the city strives to develop meaningful programs that support the target groups effectively.



STEP 2: PROGRAM DESIGN

Establishing target group-specific funding guidelines



To address accessibility challenges and make programs more inclusive, **target group-specific support schemes** can be established via the following mechanisms:

- Staggering of the funding amount depending on income
- Prioritizing underrepresented groups in the approval process
- Allocating quotas to funding volume
- Exclusive, targeted funding of a group
- Adding bonus premiums and incentives
- Providing supplementary advisory and service offers that are easily accessible or in the immediate vicinity

In addition, the following **practices** can further enable the participation of low-income households:

- Minimizing or eliminating the requirement of financial contributions
- Eliminating the requirement of up-front payment or monetary transactions
- Enabling payments by installments and/or direct discounts (vouchers)
- Allowing the purchase of used items or leasing items
- Covering complementary equipment or installation costs
- Including an 'after subsidy service'

KEY TAKEAWAY



"Less is more"

Fewer steps and less time, financial, resources and cognitive capacities required to participate in the program mean lower barriers for groups that face disadvantages in their daily lives. The adoption of socially just design principles in consideration of structural challenges for these groups ensures more equitable funding programs that are tailored towards local communities.

GUIDING QUESTIONS



- *How will a social component be integrated into the funding structures?*
- *What are the challenges of the target group and how will they be accommodated?*



Addressing accessibility challenges through program design

In addition to the collaborative development of a project, embedding specific equity components into the program design ensures that the subsidy program is tailored to the specific needs and challenges of its target groups. The general aim of a municipal climate subsidy program is to increase local adoption of a certain climate-friendly

technology or measure. This can work as an incentive to spark interest in climate friendly solutions, and also as a means to facilitate access for groups that need more financial support to take part in climate initiatives and could otherwise not afford investments in new technologies or lifestyle changes.

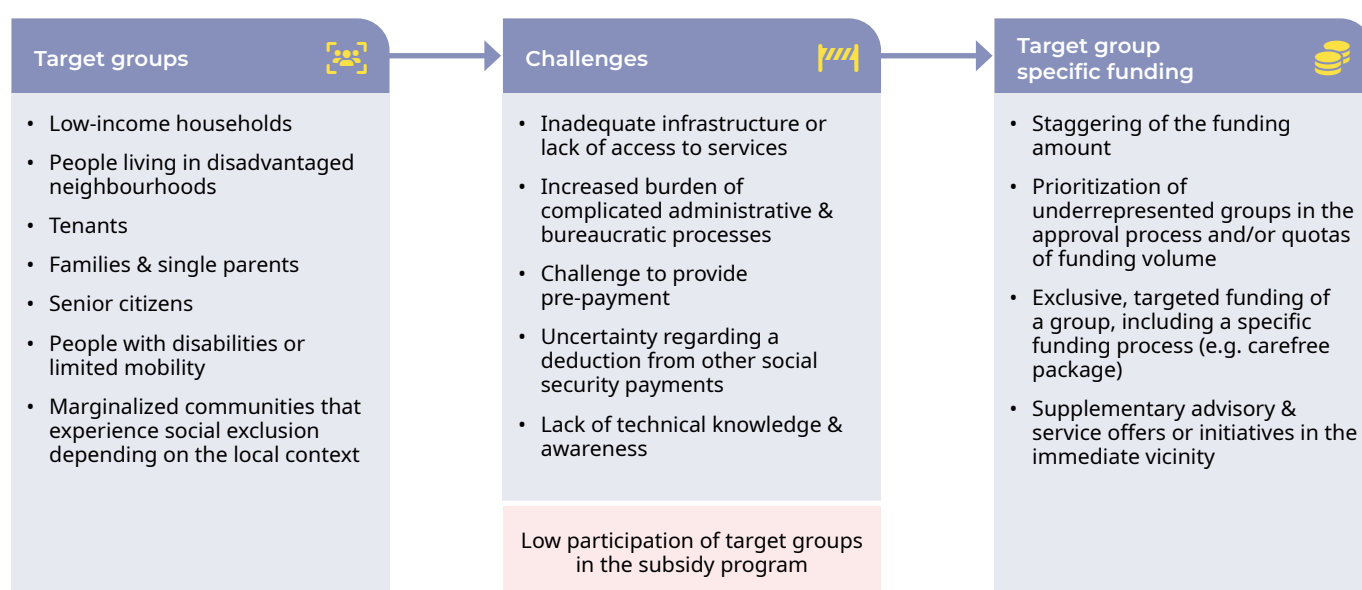


Figure 2: Developing target group-specific programs



There are different ways to design a subsidy program in a socially just way, with regards to the predefined target groups:

1. A socially just approach to subsidy programs can emerge directly through the **exclusive support** (financial, technical and emotional) of one predefined target group that is integrated into the overall funding structures and eligibility criteria (e.g. a cargo bike subsidy *specifically for families*).
2. In the case of an open subsidy program, **staggering the subsidy amount** for target groups is a common approach that is already applied by various cities. In this case, a higher amount is awarded to a specific target group, usually to applicants with a lower income. Some cities use income tables to align the subsidy even more precisely with different income levels. The eligibility to receive higher amounts of funding is dependent on proof (e.g. of the financial / family status or the zip-code in case of geographical targeting) that must be supplied during the application process. Usually, these higher subsidy rates are defined by a higher percentage covered as well as a higher maximum amount. While many cities require **detailed proof of income**, there are different streamlined means of proof that make it easier to apply, such as verifying the receipt of social benefits, providing a notification of contributions for the daycare center (often dependent on income), or the entitlement to specific city and family passes⁸.

3. To ensure that groups beyond the 'usual suspects' have sufficient time to learn about and ultimately access the subsidy, several safeguards can be put in place to avoid the rapid depletion of funds that result from a first-come-first-serve principle. To counter this, municipalities can adopt a **specific prioritization mechanism** during the application process (e.g. different application windows) or provide dedicated **funding pools** (i.e. quotas of the total volume available) for different groups. This can apply both to economically disadvantaged groups, as well as those targeted by geographical criteria or other factors.



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4. In addition to a social component, some municipalities have also integrated various sustainability and equity criteria into their funding programs in form of preconditions or bonuses. In the case of a cargo bike subsidy, for example, such criteria could be the purchase of green electricity, the deregistration of a car, the kms traveled per year or shared usage. To actively promote community togetherness, some subsidy programs also include targeted funding for groups of neighbors, reducing the remaining cost burden for individuals, and also for social initiatives or cooperatives.

⁸ Many cities have implemented a form of city card, often referred to as a City Pass or Family Pass aimed at households or families with a low income. This card provides access to cultural and community services at discounted rates. In some cities, eligible households automatically receive the pass, while in others, interested individuals must apply for it first. This might pose additional administrative effort for applicants.



Rethinking financial contributions for low-income households

Obtaining a subsidy typically involves the following four steps: **1) application** with a cost estimate and proof of eligibility; **2) approval**; **3) purchase** and **4) reimbursement**.

However, this approach might not work well for groups who are unable to pay upfront and wait for reimbursement, or face other challenges such as limited technical knowledge about the best device for their needs and where to buy it.

These groups benefit the most from a subsidy program that:

- *Minimizes or eliminates* the requirement of **financial contribution** for low-income groups;
- Eliminates the requirement of **up-front payment** or monetary transactions, e.g. through direct cooperation with local vendors;
- *Enables* **payments by installments** and/or direct discounts (vouchers);
- Allows the **purchase of used items** or leasing items;
- Covers **complementary equipment** or installation costs; and
- Includes an **'after subsidy service'** (warranty, maintenance, possible replacements) and avoids technological lock in.

Deliberately integrating these social components into municipal climate subsidy programs helps to address systemic barriers for the identified target groups that would otherwise demotivate or prevent them from taking part in these programs.



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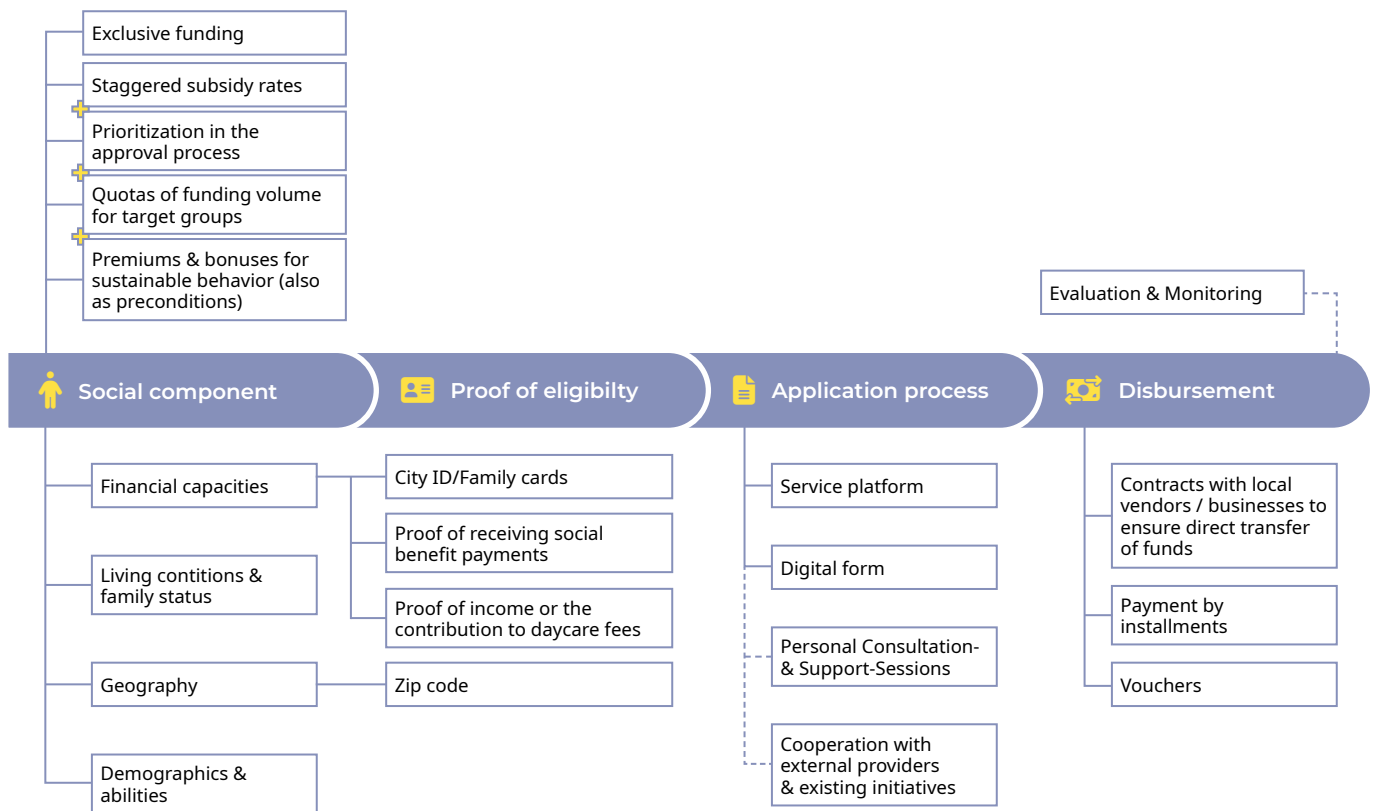


Figure 3: Developing subsidy programs with equity in mind

While the funding guidelines are being developed and before the program is brought to city council for approval, it can be beneficial to reach out to other relevant stakeholders such as local businesses, energy companies, NGOs and other city departments. Identifying and pre-empting potential conflicts of interests (e.g. refusals from local housing

associations to consent to retrofits), as well as highlighting possible synergies and cooperation opportunities with local actors (like the municipal housing department or energy company, and local vendors) can inform and refine the program and ensure that it will lead to long term benefits for all community members.





Revising the subsidy scheme to cater to target group needs

To support the City of Ludwigsburg's commitment towards climate neutrality it has launched a *Climate Bonus program*. This program offers subsidies and financial incentives to adopt energy efficient housing solutions. Its newly adopted subsidy scheme for **plug-in solar modules** is a prime example for how to expand access beyond homeowners and remain sensitive to the needs of groups living on lower incomes. The smaller modules (up to 800W total) can be easily installed on balconies, external window sills or garages and - in an ideal setting - lead to potential energy savings of ~35%.

Ludwigsburg's previous subsidy scheme for plug-in solar modules already offered higher subsidies for holders of the Ludwigsburg Card (a card for low-income residents that offers city wide discounts on visits to educational and cultural institutions). Yet, while this was successful with high-income groups, applications from households living on a low income remained scarce.

In cooperation with the municipal energy company ('Stadtwerke') and after consultation with local agencies, vendors and social associations, the city adopted a new scheme, dedicated exclusively to holders of the Ludwigsburg Card and their specific needs. This group can benefit from a '[care-free package](#)' which **manages the entire installation process centrally, and covers all associated costs**, rendering the device completely **free of charge** for the applicant. Eligible households only have to declare their interest and provide basic contact information. The cities' cooperation partner then contacts the applicant to organize purchase and installation. Ludwigsburg's package therefore amounts to a higher value compared to subsidies offered by other German cities.

This successful approach alleviates economic concerns and administrative struggles for applicants and bridges a lack of technical knowledge, while working with a cooperation partner on the ground limits the capacities needed from the city staff. The package has ultimately led to an increase from 4 applications from low-income groups (old process; 1,5 years) to 80 within the first nine months of implementation.



STEP 3: PROGRAM ROLL-OUT & COMMUNICATION

Effective information sharing and outreach



Ensuring a **straightforward application process** includes:

- Reducing bureaucratic components and the overall steps necessary to apply
- Using clear and inclusive language and comprehensive instructions for filling out forms
- Offering accessible information on various platforms (online, analogue and in-person) and providing support services
- Ensuring the program website is intuitive, translatable and includes all relevant program information needed to complete the application

In addition to target group engagement measures, **inclusive communication** relies on:

- Simplifying language and providing translations
- Providing engaging outreach materials
- Establishing two-way dialog formats to share questions and provide feedback
- Utilizing a diverse mix of channels and formats to reach out and create awareness
- Partnering with multipliers to convey messages and communicate transparently

KEY TAKEAWAY



"Keep on going, your efforts matter!"

It can be hard to build networks from the ground up and to identify and engage the appropriate multipliers. Don't be discouraged - keep building upon previous initiatives and keep experimenting and reaching out to members of the community to establish connections over time!

GUIDING QUESTIONS



- *How will clear and inclusive communication be ensured during the application process?*
- *How will interested members of the target group be supported during the application process and beyond?*
- *Which formats will be used to reach out to the target group?*

Having ensured the program is *designed* in an inclusive way, the next step is to plan accessible and effective **outreach measures** towards the target groups. When addressing a diverse audience, clear and inclusive communication of program-related information should be the goal. This means simplifying language and ideally providing translations for all materials, across all platforms and personal interactions (at least in the main languages, depending on the local context). If professional

translations or personal linguistic support in key languages are not feasible, communicating in easy language and avoiding technical jargon can help interested applicants to make better use of automated translation programs when necessary. Here, consulting the public participation office or the city’s media team could provide valuable insights on possible communication strategies and offer opportunities for cross-departmental collaboration.

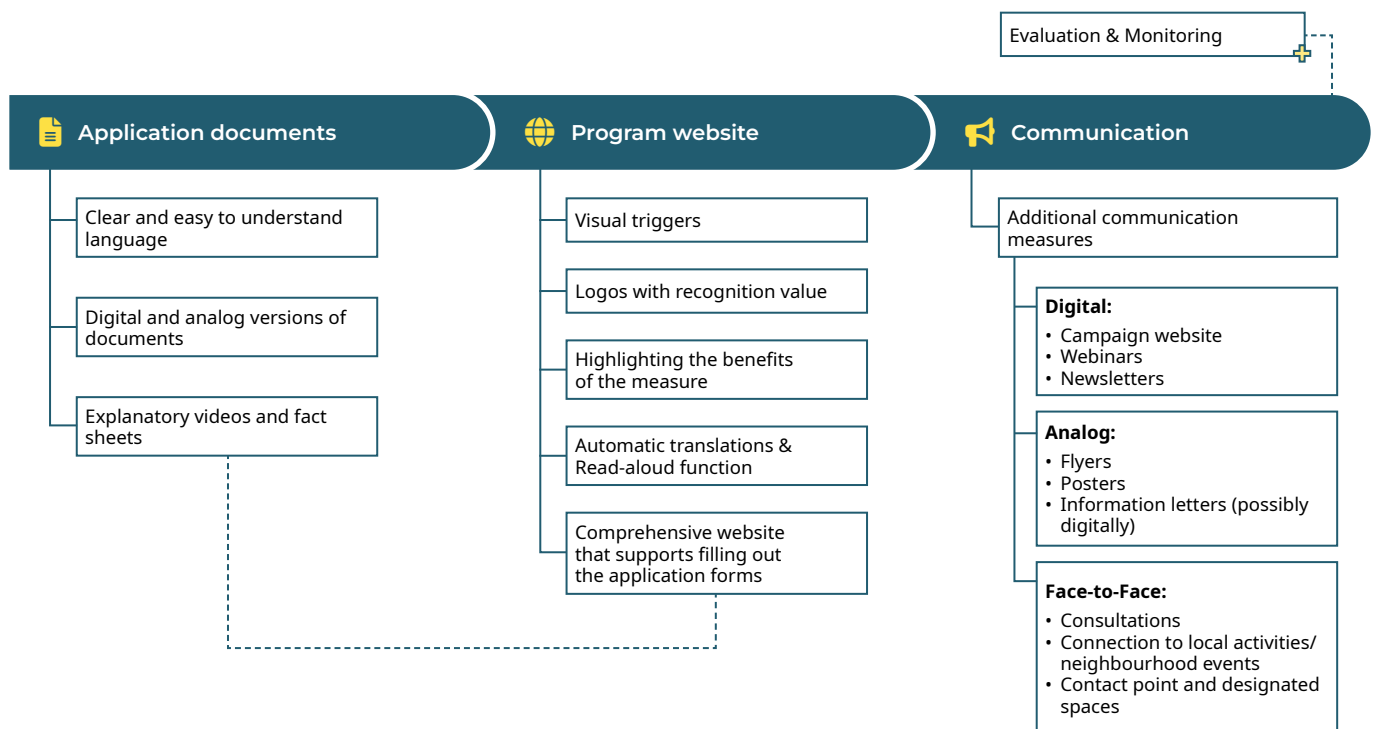


Figure 4: Ensuring engaging communication and effective outreach measures

Ensuring a straightforward application process

The application process for a subsidy program is defined by the information the city needs from participants. This is connected to contact data, proof of eligibility such as residence and income, and to monitoring requirements as set in Step 1. Putting a straightforward application process in place is a pivotal element, as it determines whether interested members of the target group are actually taking part in the program.

To ensure accessibility, **instructions and application forms** need to be easy to find and understand. Therefore, a great first step can be simply asking for basic information and using **plain language and translations**, so interested applicants do not get

demotivated or exhausted while filling out the forms. **Reducing bureaucratic components** during the application process, simplifying steps, and **offering explanatory videos and fact sheets** where necessary, can further increase the likelihood of successful and complete applications. While a **digital application form** that requires only essential information and allows for file uploads can reduce paperwork, a **printed version** should also be available for applicants who are not comfortable with digital tools.

The **program website** often serves as the main platform where all the program information is stored and the application process can be started, which makes it the central anchor point to display



the program. It should therefore be intuitive and easy to navigate and include **translations** or a **read aloud function**, to ensure accessibility for different reading and language skills. Setting up the website in such a way that all relevant information is available at first glance is particularly relevant for interested applicants and readers unfamiliar with the program, especially when using automated translations. The website can be used to directly **link additional**

information (videos, explanatory supporting documents) and should aim for an appealing design with **visual triggers** (i.e. of the funding object) or a **distinct logo** with a high recognition value to draw attention to the program. Content displayed here can also directly highlight and communicate the benefits of participating in the program (cost savings, self-sufficiency, being part of a larger movement etc.) to spark interest and incentivize an application.

Communicating program information in an engaging way

Consistent communication and information sharing between local policymakers, city administrators, multipliers and the target group is essential for participation in a funding program. In order to maintain effective communication and increase the visibility of programs, it is important to develop **interactive public feedback formats** along with an **inclusive communication strategy**. To communicate the benefits of a program and keep refining it, it is useful to **combine information and discussion** opportunities, along with low-threshold access and (financial) incentives to participate in meetings with the city (like vouchers, meals or financial compensation). By establishing appropriate structures and implementing strong public outreach measures, all relevant stakeholders can be regularly informed and actively involved, which in turn strengthens transparency, trust, and long term cooperation.

When communicating with diverse target groups, it is important to use **different channels** and **provide outreach materials** that are **linguistically and culturally sensitive**, avoiding stigmatizing expressions. Channels to inform communities could be newsletters, brochures, billboards, newspaper articles, and also technical visits or community events. In general, campaigns are more likely to succeed when they use **positive messaging** that highlights the opportunities and co-benefits a measure offers (like reduced energy bills) and emphasizes the collective commitment to equitable climate action, rather than simply demanding from people to act more sustainably⁹. Collaborating with

the communities to identify key messages that resonate with current needs, and being available to answer follow-up questions, can ultimately help to overcome reluctance and encourage people to invest resources and participate in these programs.

As mentioned in Step 1, **partnering with multipliers** and **training members of the target group** to convey messages can make program information more accessible and easier to disseminate. Relying on trusted messengers close to the community to convey and share their experience with the subsidy program can further enhance credibility, motivate and increase awareness around the program. Lastly, **proactive efforts** from the city staff, both by showing presence in the city, on social media and messaging services, can increase reach and allow for effective engagement opportunities. Together with offering additional advisory services, contact points and mobile pop-up meeting spaces (both in-person and online), these measures can ultimately contribute to higher application numbers.

Smaller additional measures can be taken, to make sure that engagement with the community is as accommodating as possible. Whether it is through the translations of documents, the interpretation at events, the provision of childcare and (culturally appropriate) food, or ensuring the time and venue of a planned community gathering is accessible. Fostering safe spaces and low-threshold meeting places facilitates participation and allows community members to engage with each other, the city administration and the topic of climate protection.

⁹ Grothmann (2019); Moser (2009); Wohlschlager, Zeiselmaier, & Köppl (2020).





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Community collaboration for the roll-out of energy transition programs

As part of its plan to become climate-neutral, the City of Almada has invested in energy efficient solutions (such as insulation, hybrid solar & thermal photovoltaic (PV) installation and water heating systems) and established [energy sharing processes](#) with the aim to create 'Renewable Energy Hubs'. Through the EU project [Sun4All](#) and the [Ponto de Transição](#) project, the city is applying **inclusive communication** techniques and providing various **engagement opportunities** for residents of the target neighborhoods. Throughout the project implementation the energy department worked closely with the city's housing department to target and reach local residents living in municipal housing.

Residents can now benefit from a **reduction of energy costs** through freely consuming the energy generated by photovoltaic modules installed on the roofs of buildings nearby whilst also receiving advice and training on energy efficiency measures and energy management at home through dedicated capacitation sessions, workshops and technical visits.

During the Sun4All project, the city collaborated with a local community center aiming to establish mentorship and partnership programs which contribute to disseminating program information and thereby amplifying the outreach of municipal energy transition measures. The city also built on a network of 10 **local ambassadors** from previous programs that act as **trusted messengers** and lead technical visits and workshops. As part of Ponto de Transição, Almada will soon be hosting a **mobile meeting point** - a small office in a refurbished shipment container - that moves around public places and allows residents to engage with the city and get informed. Across all measures, the city uses easy and short information materials for citizens to read and get engaged.

Building on these pilot initiatives and existing partnerships, the city is planning to introduce more energy sharing programs and will apply these learning during the design of a socially just program in the future.



STEP 4: PROGRAM ASSESSMENT & REVIEW

Monitoring, data collection and consolidation of learnings

A **comprehensive and holistic approach** to the program assessment & review entails:

- *Reflecting on the predefined indicators.* This is essential to keep monitoring progress and evaluate whether the subsidy program is achieving its social equity goals. Data collection and indicator monitoring are continuous and iterative processes.
- *Collecting data and feedback from applicants and members of the target group.* This can help to continuously refine the program and increase participation.
- *Determining what worked and what did not.* This holds important learnings that can inform the revision of funding guidelines for upcoming rounds of an existing subsidy program or the design of new subsidy programs in the future.
- *Evaluating and communicating program outcomes transparently as well as installing a process to share learnings across the city administration.* This can help to consolidate systematic and inclusive approaches to designing just and equitable subsidy programs.

KEY TAKEAWAY



“Keep learning and evolving!”

Subsidy programs can and should be continuously improved for future application windows. Stay flexible by adapting your program based on new research, community input, and shifting local priorities. Be responsive to the evolving needs of local residents to ensure the program remains equitable and effective.

GUIDING QUESTIONS



- *How will data be collected to monitor and refine the program?*
- *Which indicators will be used throughout the program?*
- *How can learnings be consolidated and systematically integrated into the city administration?*
- *Which platforms will be used to communicate outcomes and learnings?*

Monitoring indicators

While the program is up and running, it can (and should) still be continuously improved, based on data collected from applications or stakeholder feedback. Here, **reflecting on the predefined indicators** is essential to keep monitoring progress and evaluate whether the subsidy program is achieving its social equity goals. Data collection and indicator monitoring are continuous and living processes, in which predefined indicators might be adapted and even become outdated. In practice, there is often

no pre-existing baseline data as a reference that the indicators can build on, and access to data varies from city to city. Some positive outcomes, such as the increased uptake of balcony solar installations in a specific neighborhood, can have small effects in relation to total carbon emissions in the city. Equity related advancements like strengthened social inclusion or increased exposure to new technologies in living environments can be hard to quantify, so adaptability is needed.

POSSIBLE INDICATORS TO MONITOR PROGRESS ON DIFFERENT LEVELS INCLUDE:



BASELINE INDICATORS • to reflect and measure the general objectives of the subsidy program

- Number of households taking part in a subsidy program
- Total or percentage of reduction of carbon emissions achieved through the program
- Usage of funded objects (e.g. distance traveled or energy generated)
- Number of households implementing energy-saving improvements (e.g. insulation, energy-efficient appliances)
- Number of households with access to cargo bikes through individual or shared purchase
- Number of households purchasing electric vehicles or charging infrastructure
- Percentage or number of green roofs area in target district
- Urban tree canopy cover percentage in target district

PROGRAM EQUITY INDICATORS • to evaluate just transition outcomes of the subsidy program and the implemented social justice components

- Number of target group households taking part in the subsidy program
- Demographics of residents applying for the subsidy program
- Demographics of residents granted a subsidy
- Percentage of new applicants (residents who have not yet applied for subsidy programs within the sustainability department or similar)
- Number of funding and application guidelines modified to address social justice factors
- Number of targeted group members surveyed or engaged in discussions with local multipliers to assess their specific needs, knowledge and interests regarding the subsidy program
- Number of target residents invited and participating in program related engagement activities
- Availability of multilingual and low-barrier information on subsidy programs (including bureaucratic documents, websites and communication materials)



POSSIBLE INDICATORS TO MONITOR PROGRESS ON DIFFERENT LEVELS INCLUDE:



SOCIAL INDICATORS • to support target group identification and monitor larger impacts of equity efforts in the city

- Number of forums/councils/civil society governance processes in place in target districts and number of target population participating in these
- Median household income per target group or district
- Median disposable income per target group or district
- Share of households in linguistic isolation per district
- Energy burden: Percentage of household income spent on energy bills per target group or district
- Percentage of target population with access to renewable energy sources (like solar panels) or district distribution of renewable energy
- Total of energy consumption in Kwh per capita or household for target population
- Housing cost burden (income/expenses ratio for target population)
- Percentage of target population renting vs owning their homes
- Access to public transportation and sustainable mobility options by income level
- Ratio income/transport cost for target population

! *The final selection of indicators depends on the specific focus of the subsidy program and also on availability of relevant data. The indicators become relevant over a defined period of time.*

In this context of monitoring, **data received from the application process** can provide insights into the effectiveness of the subsidy program and help to identify potential barriers to accessibility. Possible signs indicating low accessibility include little participation from target groups, incomplete applications, reported misunderstandings, frequent support requests via phone, high amounts of time spent on forms and the engagement with the explanatory materials. Utilizing the information available through digital platforms, such as application forms or the program website, will help to identify potential pitfalls and refine processes. Depending on available staff capacities, sending additional feedback forms to applicants or inviting them for in-person conversations can be considered to gain further insights and gather feedback on their experiences.

These overall insights can be used to identify necessary adjustments in program design and communication, for example offering more translations or providing additional guidance. This reflective practice can strengthen the program and enhance its effectiveness and inclusiveness.



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Consolidating learnings

After each funding period or when a subsidy program is not renewed, determining what worked and what did not, holds important **learnings that can inform the revision of funding guidelines** for upcoming rounds of an existing subsidy program or the design of new subsidy programs in the future. If positive equity outcomes and target group related insights are shared across municipal departments, the individual program can contribute to a broader social justice approach and inform subsidy programs across thematic areas. Making the considerations of equity implications and opportunities a prerequisite when proposing new subsidy programs to the city government can further ensure that a social justice lens is consolidated. Other ways to systematically foster a culture of learning and awareness and advance equity considerations throughout the administration are the establishment of a **cross-departmental task force**, regular **check-in meetings** or **staff training workshops**.

Additionally, strengthening and nourishing the relationships built with the community during the project phase is vital as it ensures ongoing communication and supports network building.

Reporting and communicating results

The data compiled through the indicators and the reflections made during the program can be analyzed and used to produce regular reports on project progress and outcomes related to social equity. The findings and successes should be communicated to stakeholders, policymakers, and the public through reports, presentations, and other communication channels, highlighting achievements and areas for improvement (e.g. number of applications, the selection process, or the efforts to support the target group). This transparent approach ensures that communities and stakeholders remain informed and engaged.



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Collecting target group data and applying city-specific indicators to refine subsidy programs

The City of Dortmund launched a staggered subsidy program for plug-in solar modules that aims to increase the access of low-income households. The city already has extensive access to socio-demographic data, but to what extent this correlates with applications from low-income households remains unclear. Using the subsidy program as a starting point, the city is seeking to collect more data regarding the needs of this target group and increase the number of successful applications, monitoring closely how changes to the program can improve its accessibility.

To **assess the accessibility** of their subsidy program, the City of Dortmund firstly developed a short feedback questionnaire which was attached to the application form. This was set up within the current round of subsidies to evaluate how participants experienced the application process in terms of the communication of the program (e.g. how applicants became aware of the program) and access to relevant information regarding the application process. The city also asked for suggestions for other channels to potentially advertise the subsidy program.

Besides the number of applicants - both in total and specifically the percentage from low-income households - the municipality monitors the clicks on the translated website and the number of participants that report struggling with language during the application to evaluate the inclusivity and accessibility of the subsidy program. This allows them to **continuously tweak the processes** and **provide additional, targeted support** to interested households.

Dortmund is also in the midst of setting up a more **comprehensive study** together with the local university to gain more insight into the priorities of local communities, their needs with regards to the implementation of climate action measures and respective support, as well as the challenges they experience. Findings from this study will hopefully inform and improve the design of future programs generally, with an aim to make them more equitable.



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ABOUT THE INCLU:DE PROJECT

[INCLU:DE - Socially just 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.

Socially just climate measures in INCLU:DE cities

The cities of Bonn, Heidelberg, Ludwigsburg, Dortmund and Essen have joined the INCLU:DE project to improve social justice considerations in their local climate initiatives. 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.

More information is available on the [INCLU:DE website](#).



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