

THEORICAL
BACKGROUND
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BY UIA EXPERTS: EDDY
ADAMS, MARCELLINE
BONNEAU, BIRGIT
GEORGI

Just Urban Transitions: the path to building cities' knowledge and capacity



As the biggest users of energy and the majority contributors to greenhouse gas emissions, cities are at the forefront of Europe's climate neutral ambitions. They will, at the same time, feel the impacts of climate change. Being the places where people and enterprises accumulate, they are also the most likely sources of innovation and behavioural changes to help achieve our net zero goals.



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There can be no climate justice without social justice, and the European Green Deal commits Europe to the principle of Just Transition, where we achieve climate neutrality and climate resilience without leaving anyone behind. Increasingly, there is acknowledgment that the concept of sustainability comprises a social, economic and environmental dimension.

In support of this goal, the European Urban Initiative (EUI) reviewed its previous generation of Urban Innovative Actions (UIA) projects to explore key lessons and practices promoting Just Transitions in Europe's cities. The <u>research</u> considered three interlinked aspects of Just Urban Transitions:

- How we identify and equip citizens with the green skills required in the zero carbon economy;
- How we enable everyone to benefit from those transitions, in terms of affordability; and,

 How we ensure a democratic transition, where all citizens have an active role in solution development and decisionmaking.

Two years after the start of this study in 2021, it is timely to review and share key findings across these three pillars, as many of the UIA projects within our scope are either completed or in their final stages of implementation. This means they are now well placed to reflect on the experience and share their wisdom.

This current review identifies examples of effective intervention across all three spheres. These have so far been described in three separate reports: Skills for a green future; Making the transition affordable for all; and Democratic transition for all. The reports also highlight the challenges cities face, and pinpoint their future support needs. These key findings will contribute to the development of EUI's own capacity building service offer, particularly in relation to cities' transition to climate neutrality and resilience. Most importantly, they can help provide a roadmap for cities across the EU as they increase their efforts to become climate neutral, whilst bringing citizens with them.

2.1 Skills for a green future

For the labour market, the scale of the Green Transition represents nothing less than an industrial revolution. Research shows that the most carbon-intensive sectors will disappear altogether, and that no industry sector will remain untouched. This shift will also create jobs and new businesses, although care is needed to ensure equal access to these. For example, only 32% of employees in the high-growth renewable energy sector are women. The International Labour Organisation (ILO, 2022) forecasts that without active policy intervention in such sectors, labour market disparities will continue.

Although quite optimistic about their ability to deliver a just transition in relation to the labour market, 70% of our surveyed cities identified specific groups at risk of being left behind. These included the low-skilled, those already in precarious employment, micro businesses and the self-employed.

What are cities' capacity building priorities around jobs and skills for a climate neutral economy?

This review identifies the following five specific areas where it is critical to build the capacity of cities of all sizes.

1. Create a better understanding of future jobs and skills

In a fast-changing labour market being transformed by the megatrends of green and digital transition, providing reliable intelligence on the direction of travel is vital. Accurate skills forecasting is a key dimension to this. However, many cities struggle to identify future imbalances between labour supply and demand, as the process is complex and expensive, often requiring skillsets beyond the municipal sphere.

2. Understand how to bridge the gaps, anticipate changing demands, and redirect the skills pipeline

Urban economies rely on having the right skills mix in their population in order to function effectively. Cities with a booming economy create, attract and retain the right equilibrium of talent and skills. However, city authorities usually have limited competence in the education and skills field. Furthermore, redirecting the skills pipeline – often a regional or national competence – takes time. Meanwhile, the pace of the digital green transition is placing huge pressure on the skills system.

3. Building the capacity of the municipal sector

Low awareness levels and skills gaps within municipalities are routinely identified as major barriers affecting cities' ability to respond effectively to the skills challenges created by the Green Transition. Cross-departmental working and external stakeholder collaboration are also key. However, small and medium sized cities in particular can find this difficult.

4. Strengthening the narrative to shift mindsets

The scale and speed of the industrial transition can be daunting. The complexity of the shift also makes it hard to explain in simple terms. Too often, the journey is framed entirely in negatives, and city authorities can struggle to present the opportunities and benefits to citizens.

5. Mobilising the right mix of resources

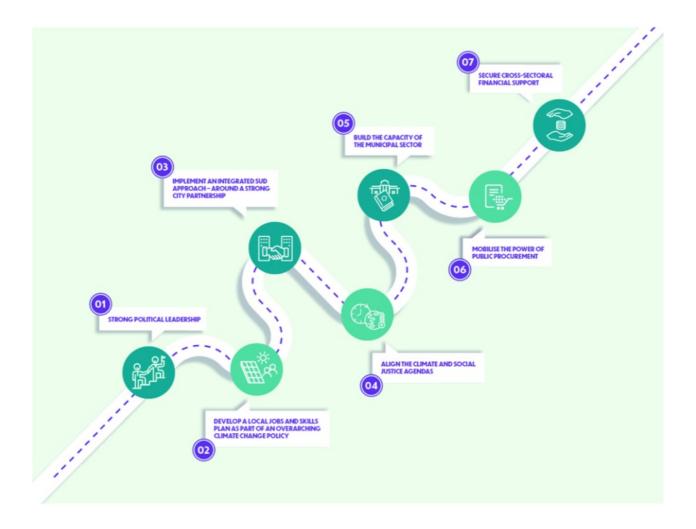
There is unanimity that public funds alone cannot support the transition to climate neutrality. This also applies to the question of green skills and the related new business chains that are emerging. Small and medium sized cities can lack the capacity to identify and secure the resources they need. This factor also inhibits their effectiveness in mixing funds from multiple sources.

What are cities doing to support skills for the Green Transition?

Many cities supported by UIA have already taken important steps to enhance their jobs, skills and business position in line with the Green Transition. The 10 case studies identified in this review h can provide inspiration to others. Cities like Eindhoven (NL) and Cuenca (ES) provide good frameworks for improving our intelligence on future skills needs, and applying these to our competence systems. Small cities like Viladecans (ES) and Lappeenranta (FI) are pioneering ways to support new emerging sectors, and facilitate collaboration between old and new industries. Cluj-Napoca (RO) and Milan (IT) are actively reshaping their available skills provision in line with changing local economy demand.

How can cities be supported?

None of the cities in this review would claim that they have resolved the key issues in meeting the skills demands of the climate neutral economy. This remains a massive challenge, although not without its opportunities. Our Green Skills Roadmap (see below) summarises the journey that cities are on but it also underlines that they cannot get there alone. Collaboration at different levels of government is key, through established multi-level governance frameworks. Local skills plans should be embedded within wider climate change policies, which mobilise the public, private and NGO sectors effectively. Taking innovative and flexible approaches to finance is another essential component where cities need external support to deliver on their green skills ambitions.



2.2 Making the transition affordable for all

The consequences of climate change affect societies unequally. On the one hand, the uneven distribution of air pollution, noise, and extreme temperatures closely mirrors the socio-demographic differences within Europe's regions and at city level. On the other, not all residents are equally impacted by climate change, nor do they benefit from climate policies in the same way.

As such it is crucial to reduce inequalities between people and between groups, to ensure no-one is left behind. This is especially relevant for those at risk of vulnerability for a range of reasons: from identity and economic and social status, to socio-spatial exclusion processes, exposure to shocks and risks, or exclusion from governance processes. Only by reducing inequality will policymakers really be able to build more accessible and affordable cities for all, and ensure that the transition towards a greener future is not exclusionary.

What are cities' knowledge and capacity building priorities?

Cities face a range of barriers in ensuring that their vulnerable populations can access and afford their green solutions and services. These include, for example, hurdles related to the lack of data and knowledge on vulnerable groups and the main issues they face, or on how to design adequately tailored solutions for reaching out to them. The analysis of these hurdles identified the following knowledge and capacity-building needs:

1. Embracing a strong vision and leadership

Elected representatives should support the vision of the climate emergency and the need for Green Transitions. To do so, they should acquire knowledge about its complex issues and challenges. For example, sustainable energy policies need to consider the needs of individuals in addressing energy poverty. These needs could be emerging and never-dealt-with before and cannot be addressed with the traditional approaches to the sustainable energy transition; leaders therefore should be receptive of testing new methods.

2. Designing adequate policy and delivery systems

Cities often lack a strategy or a local plan clearly indicating the goal of inclusivity in the Green Transition. Any such plan would need to be aligned and/or complementary to regional and/or national frameworks. For example, action to ensure that everybody can access nature-based solutions to address climate adaptation requires policies targeted at specific neighbourhoods (for example those with limited green space) and/or specific vulnerable groups.

3. Working across and beyond silos

Public administration often works in silos, making a holistic view or holistic delivery of suitably tailored and joined-up local solutions very difficult. They might also not be used to working with relevant stakeholders who know their target group, their wicked socio-economic context, and could help reach out and work with them. Municipalities should develop more agile and cross-departmental working methods.

4. Monitoring and evaluating policies and actions

Municipalities also often lack a monitoring framework that ensures iterative evaluation and improvement of solutions against clearly identified objectives. For example, for a public transport strategy to be improved and respond to changing needs, it must be designed with follow-up monitoring of key elements. These include, for example, the types of people who use the transport (women, people with disabilities, etc.), the areas it serves (urban-peri-urban), and the time and frequency of use.

5. Building skills to develop targeted solutions and communicate effectively

Municipalities tend to develop green solutions with a one-size-fits-all approach that does not account for the realities and needs of all target groups. At the same time, potential beneficiaries do not always receive information on proposed solutions. Communication channels may not be relevant and/or the information may not be clear, meaningful, and relevant to the needs of specific groups. In turn, vulnerable groups may also show no interest in seeking to access available information. As such, municipal staff should be trained to develop tailored approaches and to provide understandable and accessible information about the future projects and programmes of the municipality.

Improving technical knowledge on green solutions and services Many of the solutions needed for Green Transitions are innovative and not yet mature. Before they can be adopted successfully, various inherent challenges still need to be addressed. For example, technologies for blue and green roofs have required numerous adjustments in recent years.

What are cities doing to support an affordable transition?

Many UIA and URBACT cities have developed practices to ensure that their green urban solutions are available and accessible to all. Amsterdam (NL), Barcelona (ES) and Prato (IT) developed climate-friendly urban planning solutions to ensure that green revitalisation takes place in the most vulnerable neighbourhoods that could also benefit from rainwater management solutions. Getafe (ES) and Viladecans (ES) sought to fight energy poverty and provide support for energy transition. Ghent (BE), Mataró (ES), and Kerkrade (NL) developed innovative schemes for funding and implementing renovation and the building of new houses. Sofia (BG), Toulouse Metropole (FR) and Umeå (SE) developed mobility solutions in remote areas – for all, notwithstanding their gender or physical abilities.

These solutions are encompassed in five promising practices that can serve as lessons for other cities:

- Integrating just and green strategic dimensions in local projects
- Identifying the needs of vulnerable groups
- Collective infrastructure for green transitions
- Tailored solutions for individual households
- Enabling financial models

How can we support cities going forward?

The main conclusions of our analysis point to the need to join the visions to ensure that social inclusion is always taken into consideration in cities' transition projects. This is only possible with cross-departmental work, precise data, and co-creation with relevant stakeholders, using digital solutions when relevant. For this, cities need to learn to become more agile and train their staff accordingly. In times of budgetary constraints, priorities and funding opportunities should also balance the effects of funding for short-term, immediate impact compared with long-term and more impactful investment. Combining hard solutions (e.g. infrastructure-related) and soft solutions (e.g. people-related) is key for all such initiatives. Last but not least, crucially for this stream of work, cities need to limit any unexpected negative impacts caused by Just and Green policies.

2.3 Democratic Transition for all

Just Transition presents challenges – and opportunities – to the way we make decisions in our cities. There is a need for new tools and decision-making mechanisms. This is particularly true in today's highly polarised landscape where various groups of citizens are differently affected by diverse crises and stresses. But many cities feel powerless faced by the enormity of the task. This review indicates that all citizen groups as well as other stakeholders need to be enabled and empowered to participate actively in these processes. This requires new collaborative forms of governance, where participants feel heard and empowered to take part in decision-making. These steps must transcend existing consultation processes that are limited to giving information and providing legitimacy for local authorities. Instead, real co-creation processes are needed that involve, collaborate with and empower citizens. Successful co-creation approaches will integrate local knowledge and creativity held by citizens who have a feeling of ownership for decisions.

UIA projects in this review and other none-UIA projects provide examples of these collaborative inclusive governance approaches. They are creative and often flexible in the way they widen participative opportunities to all groups of society.

What are cities' capacity building priorities for Democratic Transitions?

Municipalities have an important role to play in promoting a democratic transition to climate neutral and resilient cities across Europe. They can create the framework for different types of exchange and dialogue. They can also assume the role of brokers, facilitators, and trusted intermediaries. However, for many city authorities this represents a shift in function from top-down decision-making, informing and consulting citizens, to real cocreation with shared power. This has significant implications for civil servants' working methods. Potential consequences of this might be the need for:

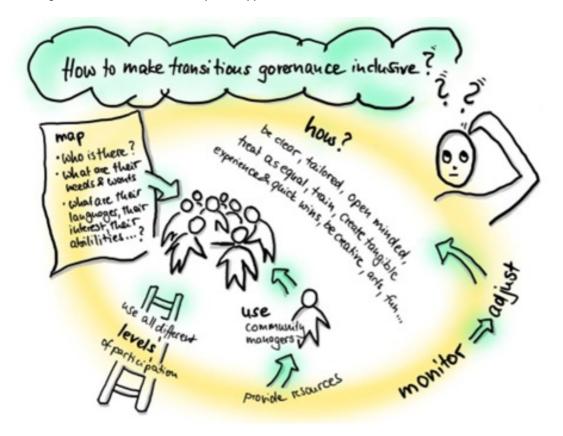
• A better understanding of the tools and frameworks that can support and sustain widespread active participation in the

form of co-creation;

- Specific engagement skills to access, target and empower different groups within communities;
- Substantial capacity for facilitation in the form of skills and staff resources;
- New narratives around collaboration and co-design between local urban authorities and citizens as well as community
 organisations;
- Flexible funding mechanisms to support citizens' grass roots activities in designing and implementing their own spaces or programmes.

What are cities doing to support Democratic Transitions?

The review of UIA cities identifies frontrunner cities that are committed to facilitating Democratic Transitions and renewing their stakeholder relationships to support this.



Paris (FR) and Barcelona (ES) have looked for creative ways to engage school communities as a starting point to involve further citizen groups in the surrounding neighbourhood. Greater Manchester (UK) kicked off an eco-street movement and developed it into an increasingly inclusive process for activating different minority and community groups. Together, they created wonderful spaces and a new sense of community. Baia Mare (RO), Seraing (BE), and Plymouth (UK) gained interesting insights into how to harness different motivations for citizen participation in local green initiatives. As a result, they were able to foster grassroots neighbourhood engagement, and inspire a proenvironmental lifestyle in diverse groups of citizens. Torino (IT) developed pacts of collaboration with communities for re-use of derelict land and buildings. Viladecans (ES) engaged the community at all levels through a public-private-citizen partnership. They went on to incentivise engagement using a local currency, the Vilawatt. Baia Mare also did this by introducing a system of tokens.

Overall, these experiences highlight the value of four key actions:

- Comprehensive mapping of different community groups, including factors such as their interests, needs, skills
 and language. This enables tailored methods to be developed to include all groups in co-creation.
- · Resourcing community engagement managers and trusted neighbourhood groups who can work alongside

- citizens in the long term, in familiar, safe surroundings, using a language they feel comfortable with.
- Tailoring approaches to different communities' needs, embedding the principle of co-design and identifying quick wins to build confidence and maintain engagement levels.
- Monitoring the impact of participation, which although challenging remains a key requirement to improve the participation process.

How can we support cities in facilitating Democratic Transitions?

EU and national structures and funds can support these efforts in many ways. Accessibility to resources to finance capacity building to facilitate the democratic governance of transitions and creating a framework for peer-to-peer learning amongst cities is a top priority. It is also vital to communicate the importance of a democratic transition alongside technical innovation, as well as acknowledging and rewarding good practices. Accordingly, as a specific requirement in programmes that provide funding to urban projects, inclusive and collaborative citizen engagement while providing the space to experiment with the new governance approaches can be requested. Finally, European and national initiatives to encourage research, particularly in relation to impact and added value of citizen engagement in delivering urban projects, are welcome in this complex field.

3. Next steps for EU cities on the path to Just Transitions

UIA projects have developed and tested valuable approaches and tools to implement truly Just Transitions. In the future, they need to be absorbed in everyday practice of urban authorities and broadly scaled up. This will require a mindset shift as well as enhanced capacity to use these tools professionally.

There is a need for both technical transitions – new jobs, skills, businesses and technical solutions – and social transitions, in other words governance of the transition processes with broad and deep engagement of all groups. Both dimensions are equally important if Just Transitions are to be realised. One cannot work properly without the other. This means sufficient capacities and funding need to be provided for transition actions in both domains – going beyond technical innovation alone. Integration of both dimensions should be a requirement when supporting just transitions.

The three strands of this work have identified clear shared conclusions about the most pressing capacity building issues for cities around delivering Just Transitions. Strong leadership is a prerequisite, enabling a shared vision, underpinned by a coherent change narrative to help transform mindsets. New policy and delivery frameworks, embedded in the principles of sustainable urban development, are also required. Adequate funding mechanisms, including the mobilisation of private investment, should be in place to support this.

City authorities have a key enabling role to play here. However, this requires working across established departmental silos and the ability to broker multi-stakeholder participation. New skills in design thinking, social innovation and participative approaches are also key to ensuring that all talents are harnessed, and no-one is left behind. Other bodies – such as Managing Authorities – must also assume an active role in this cultural shift. Their key role in relation to mainstream Cohesion Policy funds places them at the heart of the change agenda. When providing and managing funding they can explicitly request such Just Transition approaches to be applied.

EUI, together with URBACT and other EU programmes, has an important role to play in supporting cities and building their knowledge and capacity to meet these new challenges. The growing range of opportunities to support cities, enabling them to strengthen their approach to Just Transitions within the context of Sustainable Urban Development, offers an ideal platform to further share the learning and experience identified in this review.