



## PRESS RELEASE

### **City networks & renewable energy industry request the re-inclusion of Smart Energy Cities in the EU Recovery Plan**

*Reintegrating an envelope of at least € 500 million for energy projects in cities will allow for short-term economic stimulus and widespread job creation in all 27 EU Member States*

**Brussels, 18<sup>th</sup> March 2009:** City networks and the renewable energy industry request the re-inclusion of Smart Energy Cities in the European Economic Plan for Recovery (EEPR). In order to achieve short-term economic stimulus and widespread job creation, they ask for some adjustments of the Commission proposal to set the foundation for sustainable long-term recovery. On 28 January 2009, as part of this overall plan, the Commission proposed a € 5 billion investment package designed to stimulate the EU's economy in the current recession. A substantial element of this proposal is dedicated to energy related projects.

Gérard Magnin, Executive Director of ENERGIE-CITES states: “We call upon the EU Heads of States meeting in Brussels on 19/20 March 2009 to re-include an envelope of at least € 500 million for smart energy cities into the EEPR as was already foreseen by the Commission's services but which disappeared in the last moment. This would be a strong signal to Europe's citizens confirming the Member States' commitment to the agreed 3 x 20% EU sustainable energy policy goals”.

Christine Lins, Secretary General of EREC underlines that “cities can deliver sustainable development that will lead to both short term stimulation and longer term restructuring of the EU's economy. By re-integrating the budget initially foreseen for energy efficiency and renewable energy projects in cities as well as concrete market stimulation measures for energy smart buildings, Europe's Heads of States can demonstrate that they are serious in reaching the 2020 policy objectives. Furthermore, such an initiative will provide a true sustainable market stimulus of Europe's economy in all 27 EU Member States, benefitting substantially SMEs working in this sector and at the same time unburdening many citizens from increasing and volatile energy prices.”

The Smart Energy Cities initiative is perfectly in line with recent voluntary commitments made by almost 500 cities in the framework of the Covenant of Mayors. And it could help further cities along the path to signing the Covenant. There is a huge potential for energy sustainable investments at local levels that will both create jobs and achieve energy targets more quickly. Funding of the proposed “smart energy cities” initiative could be made available by applying the same eligibility criteria and funding conditions (50 % of total eligible cost) to each envelop proposed within the EEPR.

The city networks ENERGIE-CITES, ICLEI and CLIMATE ALLIANCE, representing thousands of local authorities and many million citizens, as well as EREC, representing one of the most dynamic industry sectors of Europe employing more than 450.000 people and having an annual turnover of € 40 billion are convinced that the re- insertion of “smart energy cities” along the lines described above will make a true contribution to a sustainable recovery of Europe's economy.

#### **Further information:**

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