Urban Agenda for the EU

# Building Decarbonisation Partnership

Integrated Renovation Programmes and Local Heating and Cooling Plans

**Action Plan**

**July 2026**

EUROPEAN URBAN INITIATIVE

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(chapter 4 clause 19.)

Authors: Building Decarbonisation Partnership

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**Contact:** urbanagenda@urban-initiative.eu

# Table of Acronyms

| Acronym | Full Name in English |
|---|---|
| DG CLIMA | European Commission's Directorate General for Climate Action |
| DG ENER | European Commission's Directorate General for Energy |
| DG GROW | European Commission's Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs |
| DG REGIO | European Commission's Directorate General for Regional and Urban Policy |
| DG REFORM | European Commission's Directorate-General for Structural Reform Support |
| DGUM | Directors General on Urban Matters |
| EAA | Ex-Ante assessment |
| EED | Energy Efficiency Directive |
| EPBD | Energy Performance of Buildings Directive |
| EUKN | European Urban Knowledge Network |
| H&C | Heating and Cooling |
| IHRS | Integrated Home Renovation Service |
| JRC | European Commission's Joint Research Center |
| LHCP | Local Heating and Cooling Plan |
| MS | Member State |
| NBRP | National Building Renovation Plan |
| NECP | National Energy and Climate Integrated Plans |
| OSS | One-Stop Shop |
| RED | Renewable Energy Directive |
| UAEU | Urban Agenda for the EU |
| UDG | Urban Development Group |
| UATPG | Urban Agenda Technical Preparatory Group |
| WGL | Working Group Leader |

# Definitions

**An Action Plan is a document that (1) lists the specific Actions that need to be taken, as well as (2) the relationships between these Actions in order to achieve predefined goals in an integrated way. How the Actions complement and support each other to create synergy is an important part of the Action Plan.**

## General Definitions

**Actions** should address a real need, have real and visible impact and concern a larger number of Member States and cities. Actions should be new: no reiterated elements which have already been done or which would be done anyway. Actions should be ready to be implemented: clear, detailed and feasible; a study or a working group or a network is not considered an Action.

**Deadline** refers to the moment where the Action should take place in order to be meaningful.
A deadline refers to a specific day and time.

**Recommendations** are meant to suggest good policies, good governance or good practices examples which could be used for inspiration. For instance, these can be projects that have already been implemented and that are considered successful. The aim of such recommendations is to encourage their mainstreaming (implementation at a wider scale) and transfer (implementation across more Member States and cities).

**Targeted stakeholders/governance level** is meant as the type of stakeholders or the level of governance (EU/ national/ local) to whom the Action is addressed, and where the results and outcomes of an Action should be implemented and used. To describe why a stakeholder/governance level should be involved means that the partnership evaluated the Action and reached the conclusion that an Action fits the purpose.

**Action Leader** is member of the UAEU Thematic Partnership who accepted to take the leading role in a certain group of members (of the Thematic Partnership) and guide them in the process of defining, drafting, developing and in the end implementing a specific Action of this Action Plan.

**Timeline** means a graphical representation of a period of time, on which important events are marked.

## Definitions specific for the topic of the partnership

**BREACH Plans** refer to Building Renovation and Cooling & Heating Plans. This is a term developed by the Partnership members to emphasise the need to develop roadmaps for local authorities on how to integrate the requirements for Building Renovation Plans and Local Heating and Cooling Plans.

**Local heating and cooling plans.** These are strategic and planning instruments aiming at deploying efficient heating and cooling infrastructures adapted to local conditions. As such, they should include potentialities, measures, financing needs and a roadmap. They are defined by article 25 of the Energy Efficiency Directive and required for municipalities with more than 45.000 inhabitants.

**Building renovation plans.** Are strategic and planning instruments aiming at increasing the renovation rate in its respective jurisdictions, with an integrated approach. National Building Renovation Plans are defined by Annex II of the Energy Performance of Buildings Directive, which requires Member States to publish them before 2026. However, no requirements are set for local authorities. In this context, integrated has a threefold meaning:

- Spatial integration within its environment (urban or rural) and other buildings in a district approach
- Integration with other challenges beyond energy efficiency, including accessibility, comfort, indoor environmental quality, climate resilience, electromobility, maintenance, circularity, etc.
- Integration with other strategies both at local level (Heating and Cooling Plans, Climate City Contracts, Sustainable Energy and Climate Plans SECAPs, Local green budgets…) and upper level (regional, national or European policies).

**Decarbonisation.** Building Decarbonisation refers to activities and programs that reduce greenhouse gas emissions from buildings. This includes:

- All type of buildings (new and existing building stock, as well as, public, private, residential and non-residential buildings)
- Covers the whole life cycle of the building (including energy consumption, heating and cooling, for construction/refurbishment, operation, maintenance and deconstruction of building)
- Activities should be in an integrated and place-based approach

**Collective renovation.** Multi-owners' condition (single house units, multi-family buildings, mixed-use) to differentiate it from conditions of individual buildings.

**District/Neighbourhood approach.** 'Neighbourhood' is not a defined boundary, but it is related to the social involvement of communities/citizens/inhabitants and the type of buildings and activities. 'District' refers to an administrative / statistic area, therefore, it is not a spatial definition common for all EU countries. Its geographical boundaries are depended on the territorial characteristics and administrative organisation (it can include many small municipalities in rural areas gathered into a district, or just one neighbourhood within a big city).

**Sustainability (Taxonomy)** Sustainability in the building context is defined as the practice that reduces the negative impacts (and maximizes the positives ones) of buildings taking a triple approach where economic, social and environmental aspects are taken into consideration during their entire life cycle. The focus is placed on multiple environmental objectives, such as climate change mitigation and adaptation, circular economy strategies, sustainable and efficient materials, sustainable use of water resources, protection of

ecosystems, also on objectives related to social equity, health and wellbeing, economic viability, etc.

In terms of EU taxonomy, there are up till now only six environmental objectives defined (which lack social and economic aspects): (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems. For an activity pursuing one or more of the six objectives to qualify as sustainable it cannot cause significant harm to any of the other Taxonomy objectives.

**One-stop shop.** One-stop-shops are single points of contact for the provision of streamlined information and assistance on technical, administrative and financial possibilities for the energy performance of buildings and renewable energy implementation, targeting all actors involved in building renovations, inter alia, homeowners and administrative, financial and economic actors, such as SMEs, including microenterprises. They are established at the local or regional level, and can offer services such as energy audits, advice on upgrades, financial support, and helping meet demand and offer of energy renovation services. One-stop-shops shall:

- Provide independent advice on the energy performance of buildings and may accompany renovation of single homes, housing units, or even integrated district renovation programmes.
- Offer dedicated services for vulnerable households, people affected by energy poverty and people in low-income households.
- The EPBD establishes that there shall be at least one OSS per 80 000 inhabitants along with other requirements (Art. 18).

**Local ecosystem/cluster of stakeholders.** It can be set starting from the original definition of local ecosystem (biology perspective), which refers to specific biological communities of interacting organisms and their physical environment within a limited geographic area. So, a local ecosystem of stakeholders could be defined as "the specific community of stakeholders interacting at municipal level in the activities related to the decarbonisation of buildings and that should be involved in decision-making processes".

**Renovation.** Renovation (or retrofit, or refurbishment) means improving an existing building and its quality including -at least- energy efficiency measures. Renovation can be partial or deep, and is a key element in strategies to decarbonise the building stock.

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# 1 INTRODUCTION

## 1.1 Objectives of the Partnership

***Our aim is to test and demonstrate multilevel governance approaches that integrate district and neighbourhood strategies with local heating and cooling plans, driving the decarbonisation of Europe's building stock in line with the European directives.***

As stated in the Orientation Paper and the Ex-Ante Assessment, the **Urban Agenda for the EU Building Decarbonisation Partnership** addresses decarbonisation of buildings through a strategic integrated approach, going beyond individual buildings by encouraging the district/neighbourhood approach and making full use of the provisions in the revised directives – **Energy Performance of Buildings Directive (EPBD) and Energy Efficiency Directive (EED).**

The recently adopted Energy Efficiency Directive (EED) requires cities with 45,000 inhabitants to develop local cooling and heating plans and introduces an obligation for renovating public buildings at an annual rate of 3%. Adding to this, the Renewable Energy Directive (RED) includes a mandatory percentage of renewable energy in local heating and cooling plans, and a future electricity market design directive (FED) to put in place the incentives for occupants, building owners, distribution system operators, and investors to deliver renovations of buildings and urban regeneration investment into flexible energy resources, from heat pumps, solar panels and storage to heating and cooling networks. To address these challenges, a multi-level governance approach to the decarbonisation of buildings with integrated renovation programmes under the EPBD and local heating and cooling plans under the EED and RED encourages a district, portfolio, and neighbourhood approach to make full use of the provisions in these recently recast directives.

To put these objectives in practice it is important to **develop strategies and plans at the local level.** Therefore, the Building Decarbonisation Partnership will **test and demonstrate multilevel governance approaches** that integrate district and neighbourhood strategies with local heating and cooling plans, driving the decarbonisation of Europe's building stock in line with the European directives. Based on this, the key strategic goals of the Partnership are:

- To support municipal strategic planning by mapping existing legislation and planning requirements and assessing how they interact across levels of government;
- To develop and promote strategies to fund city-wide building decarbonisation;
- To develop ways of improving municipal capacities for running integrated district approaches, aligns investments with urban regeneration and local energy strategies, explores the potentials of alternative financing methods (e.g. on-bill, carbon credits, land value capture), and strengthens municipal fiscal capacity (taking into consideration tools like green bonds and public-private partnerships).
- To explore how cities can lead building decarbonisation by working as part of dynamic local ecosystems, focusing on stakeholder engagement, data-driven decision-making, and multi-level cooperation.

## 1.2 Governance of the Partnership

**Figure 1. Part of the members of the Building Decarbonisation Partnership during the in-person meeting in Mechelen**

### 1.2.1 Coordinator(-s) of the Partnership

The UAEU Partnership on Building Decarbonisation is coordinated by one urban authority, the **City of Mechelen** and an NGO, **Green Building Council España**.

### 1.2.2 Members of the Partnership

The Building Decarbonisation partnership consists of **24 partners**, including 1 member state, 3 regional authorities, 8 local authorities, 3 umbrella organisations, 5 DGs of the European Commission, and 4 other European stakeholders. The full list of members is presented below in Table 1.

**Table 1. List of Building Decarbonisation Partnership Members**

| Member States | Regional Authorities | Local Authorities | Umbrella Organisations | Other Stakeholders | EU Institutions |
|---|---|---|---|---|---|
| MIVAU (Ministry of Housing and | Department of Environment & Spatial Development | City of Milan - IT | Council of European Municipalities and Regions (CEMR) - BE | Green Finance Institute (GFI) - ES | EC Joint Research Centre (JRC) |

| | | | | | |
|---|---|---|---|---|---|
| Urban Agenda) - ES | Flanders - BE | | | | |
| | South Moravian Agency for Public Innovations (JINAG) - CZ | City of Mechelen - BE | EUROCITIES - BE | Green Building Council España (GBCE) - ES | EC – Directorate General for Internal Market, Industry, Entrepreneurship and SMEs.(DG GROW) |
| | Catalan Land Institute (INCASÒL) - ES | City of Vaasa - FI | German Association for Housing, Urban and Spatial Development (DV) - DE | UNIVERCITIES - IT | EC – Directorate General for Regional and Urban Policy (DG REGIO) |
| | | City of Kladno - CZ | | Hungarian Energy Efficiency Institute - HU | EC – Directorate General for Energy |
| | | City of Bytom - PL | | | |
| | | City of Bergisch Gladbach - DE | | | |
| | | City of Baja - HU | | | |
| | | City of Cesis - LV | | | |

### 1.2.3 Working method, process and timeline of the Partnership in defining the Action Plan

The first six months of the Partnership, from January to July 2025, were dedicated to the **Orientation Paper** preparation, through a structured process of brainstorming and narrowing down the topics of interest, starting with the analysis of the priority themes identified in the Building Decarbonisation Ex-Ante Assessment. The Orientation Paper was finalised and formally presented at the Urban Development Group (UDG) meeting, held in Køge (Denmark) on September 17. Following the completion of the Orientation Paper, the partners moved on to identifying and defining actions for the Draft Action Plan. Four Working Groups were established during the Orientation phase:

- Strategic Planning at Municipal Level
- Financing Building Decarbonisation
- Collaboration for Local Ecosystems
- Implementing Projects at District/Neighbourhood Level

In contrast to the four Working Groups identified during the Orientation Paper phase, limited capacity to dedicate sufficient time to working group leadership led members to

refine the scope of their Working Groups. As a result, Working Group 4, *Implementing Projects at District/Neighbourhood Level*, was integrated into other groups.

A preliminary list of Actions was extracted based on the Outputs that were already envisioned in the Orientation Paper. The exercise during the meeting on September 11, 2025 (Figure 1), helped to merge similar Outputs and to start brainstorming on potential formats that the Outputs could be delivered as (e.g. policy brief, roadmap, set of common indicators, funding guide, webinar, online training, etc.).

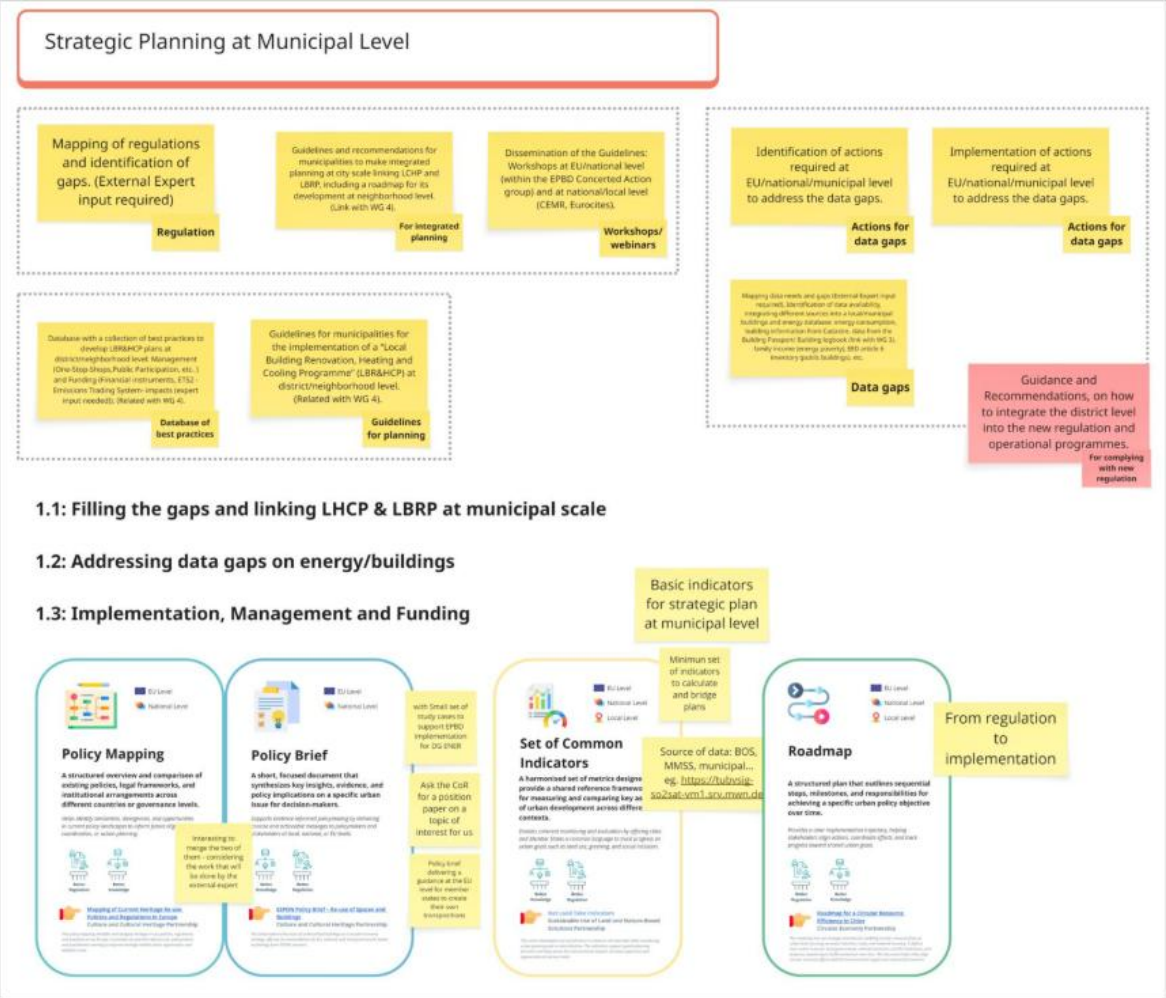



**Figure 2. MIRO exercise on defining Actions and their related outputs (i.e. WG 1: Strategic Planning at Municipal Level)**

An important **exchange between representatives of the European Commission's Directorates-General** (DG REGIO, DG ENER, DG GROW, and DG CLIMA) and the **Working Group Leaders and Coordinators** took place on 25 September 2025. This exchange helped refine the scope of the Actions and better align them with the EU political timeline. Once established, this format was repeated on other occasions as well, where dedicated meetings with DG representatives helped shape the content behind the proposed Actions and Outputs within this Draft Action Plan.

Overall, during the **drafting of the Action Plan phase**, which aimed to identify, select and draft the actions, the Partnership held seven online meetings and one in-person meeting:

- 8th Partnership meeting, online – 11 September 2025
- Exchange between DGs, Coordinators and WGLs – 25 September 2025
- 9th Partnership meeting, online – 9 October 2025
- 10th Partnership meeting, online – 18 November 2025
- 11th Partnership meeting, online – 16 December 2025
- 12th Partnership meeting, online – 21 January 2026 (meeting dedicated to the collection of feedback from DG representatives)
- Exchange between DG ENER and Working Group 1 members on National Building Renovation Plans – 13 February 2026
- 13th Partnership meeting, online – 18 February 2026
- 14th Partnership meeting, in-person, Vaasa (FI) - 19-20 March 2026

By the end of 2025, the Partnership members recognised the need and submitted requests for **external expertise support** (a service provided by the EUI, where UAEU Partnerships can apply for 70 expertise days per year) to conduct preliminary desk research in the following topics:

- Mapping links between National Building Renovation Plans and Local Heating and Cooling Plans at the local level;
- Identification of indicators used on energy and buildings at the local level;
- Funding and financing options for district decarbonisation approaches;
- Mapping best cases of governance models, working on decarbonisation approaches at the local level.

Throughout the first months of 2026, the Partnership received support from external experts to initiate the **preliminary desk research** required for each of the proposed Actions. This work aimed to assess the state of the art of the initial proposals and to identify additional initiatives and case studies undertaking similar work.

During the **Consultation Phase** (April-July 2026), the Partnership meetings focused on reviewing and integrating the feedback received from stakeholders, the European Commission's Directorates-General and Member States, into the final version of the Action Plan, while also initiating the planning of preliminary implementation activities through desk research and survey design.

## 1.2.4 Consultations carried out during the development of the Action Plan

The consultation process for the Draft Action Plan of the Urban Agenda for the EU Partnership on Building Decarbonisation was conducted between **April 16 and May 28, 2026 (extended until June 11).** The integration of feedback into the Action was finalised by **July 30, 2026**. During the consultation phase, a wide range of stakeholders provided their feedback to the Draft Action Plan, including EU institutions, Member States, and urban authorities. Three different consultation processes were organised:

- The Public Consultation was held from April 16 to May 28 (extended until June 11), 2026;
- The UDG Consultation, including Member States was held from April 16 to May 7, 2026;
- The EC DGs Interservice Consultation was held from April 16 to May 7, 2026.

The feedback gathered during this process has been analysed to refine the Food Partnership draft Action Plan and ensure its successful implementation.

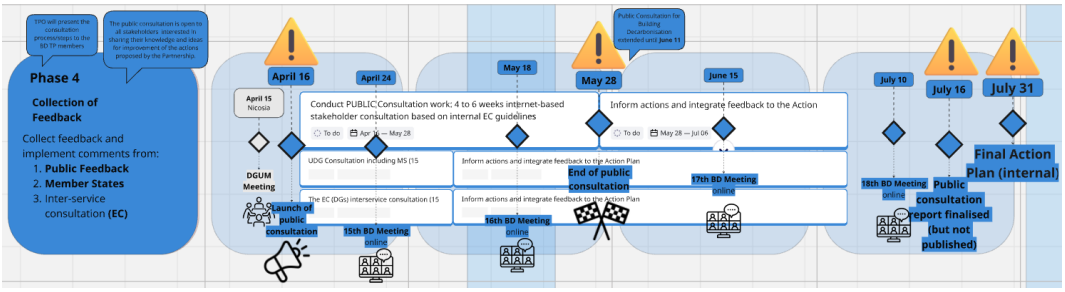



**Figure 3. Consultation process timeline, Building Decarbonisation**

## 1.2.5 Synergies with other Urban Agenda Partnerships and initiatives

During the preparation of the Action Plan, the Building Decarbonisation Partnership has explored synergies with other UAEU Partnerships, both closed and ongoing ones. Several synergies were identified, in terms of processes and content, and some of these concretely led to joint learning and exchange of best practices and knowledge.

In terms of both process and content, strong synergies have been identified with the **Water Sensitive City Partnership.** As both Partnerships operate on the same timeline, there is a clear opportunity to align efforts and create complementarities in the implementation of their respective Actions, enhancing coherence, efficiency, and overall impact. These synergies need to be explored further, especially when it comes to the dissemination of the Actions, as well as reaching out to urban authorities. There is the potential for a common framework when it comes to reaching out to potential stakeholders that could strengthen the implementation of the respective Actions.

From a process perspective, another key synergy that led to valuable knowledge exchange among Partnership members was with the **Greening Cities Partnership.** As a more advanced Partnership, it provided important insights for the Building Decarbonisation Partnership, particularly in understanding how it transitioned from Working Groups to Action Groups and how it translated the key theoretical themes outlined in its Orientation Paper into concrete, practical Actions for the Action Plan phase.

Content-wise, strong synergies were identified with the now-concluded **Energy Transition Partnership.** Both Partnerships address closely related themes, particularly in the area of urban heating and cooling planning. In this context, the Building Decarbonisation Partnership has been specifically examining the integration of Local Heating and Cooling Plans (LHCPs) with National Building Renovation Plans (NBRPs). To avoid duplication and ensure continuity of knowledge, an exchange was organised between the WG1 Leader and the Coordinator of the former Energy Transition Partnership. As a result, the former Coordinator, representing the City of Oostende, was invited to participate in the case study interviews, contributing valuable insights on how NBRPs and LHCPs can be effectively linked at the local level.

Other synergies were identified with other **EU Initiatives** (Mission Cities, NetZeroCities, EU City Facility, etc) which at a later point could help to test, replicate and disseminate the key outputs coming from the Actions during the implementation phase. All these synergies will be further strengthened during the Action Plan implementation phase.

# 2 ACTIONS

## Overview table of Actions

| Nº | Title | Short Description |
|---|---|---|
| 1 | **Mapping the Regulatory Interplay Between the EED and EPBD: A Municipal Perspective on EU Building Policy** | Mapping regulatory interplay between Local Heating and Cooling Plans and National Building Renovation Plans from a municipal perspective, identifying gaps and synergies (supported by case studies) to provide concrete recommendations as a policy brief. |
| 2 | **(Developing a common/minimum) Set of Indicators for Building Renovation and Cooling & Heating Plan (BREACH Plans) at the local level** | This action is intended to help local authorities to developing a common/minimum Set of Indicators for energy strategic planning at local level (H&C plans and BR plans), taking into account data availability and European policy frameworks (EED & EPBD Directives). |
| 3 | **Roadmap for the elaboration of Building Renovation and Cooling & Heating Plan (BREACH Plans) at the local level** | Developing a Roadmap to assist local authorities in the elaboration of an integrated Local Building Renovation, Heating and Cooling Plan (LBR&HCP) at the local level, embedded within the spatial development visions. |
| 4 | **Funding and financing Operational guidance for district investment portfolio** | Elaborate a comprehensive guideline on funding/financing options for municipalities for district decarbonisation projects, including different types of funding: public grant/subsidised loan, bank financing, and alternative financing like blended finance. |
| 5 | **BD Partnership Recommendation on funding and financing for municipalities in the next MFF** | Develop a Building Decarbonization Partnership Recommendation on how to create funding & financing schemes that support both the capacities of municipalities and the implementation of integrated district decarbonization approaches in the next EU Multi-annual Financial Framework (MFF) for the period 2028-2034. More specifically, this action will focus on the role of cities and the EU Cities Agenda in the future MFF. Such recommendations will build on tangible examples and experiences from municipalities and will be validated by other UAEU Thematic Partnerships |
| 6 | **Governance Model for Local Ecosystem to Implement** | Develop a comprehensive Toolbox on governance model options for Building Decarbonization at local level, seeking involvement of |

| | | |
|---|---|---|
| | **Building Decarbonisation** | stakeholders, based on the identification of good practices and considering the diversity of realities in municipalities. |

# Integration

All Actions focus on building decarbonisation at the local level from different perspectives, including strategic planning, development of common indicators for building and energy, funding and finance instruments and governance models. Together, these Actions will inform the development of the roadmap for BREACH Plans (Action 3), which will potentially be tested in one of the pilot cities. All Actions are strongly integrated among each other, and they will inform other Actions at different stages of implementation.

**Action 1: Mapping the regulatory interplay between LHCPs and NBRPs: A municipal perspective on EU building policy**, connects to:

- **Action 2 (Indicators):** Regulatory alignment requires a shared indicator system to track compliance, progress and outcomes across national and local levels.
- **Action 3 (Roadmap for BREACH Plans):** The content developed in Action 1 will directly feed into Action 3. Moreover, links will be made when it comes to the implementation process by streamlining the presentation at the Concerted Action, streamline policy brief (Action 1) with testing workshops (Action 3), as well as streamlining the feedback from EC stakeholders.
- **Action 5 (MFF):** Research on Action 1 can be good input for the Action on the MFF in terms of what is working (or not) between the national and local level. Moreover, these two Actions will also join forces in terms of advocacy.
- **Action 6 (Governance models):** Joint advocacy efforts to reach out to the same institutional partners in order to gather feedback.

**Action 2: (Developing a common/minimum) Set of Indicators for energy strategic planning at local level (H&C plans and BR plans),** connects to:

- **Action 3:** Developing common indicators to be integrated in the Roadmap for local planning (BREACH Plans).
- **Action 4 and Action 5:** regarding the indicators that might be needed for financial instruments. If a financial instrument is created, what are the key indicators that will ensure that the investment is well-invested?
- **Action 6:** will inform Action 2 regarding the key indicator that will be used to track good governance (e.g. social indicators).

**Action 3: Roadmap for the elaboration of Building Renovation and Cooling & Heating Plan (BREACH Plans) at the local level,** connects to:

- **Action 1:** findings from the regulatory interplay between LHCPs and NBRPs will feed into the roadmap.
- **Action 2:** The proposed indicators to track progress regarding building and energy will be part of the roadmap proposed to the municipalities for the implementation of BREACH Plans.

- **Action 4:** The roadmap will include financing options for building decarbonisation approaches at the local level. Moreover, both groups will work on streamlining workshops at local level both for the roadmap and the financing paper. A series of common webinars might be organised.
- **Action 6:** part of the proposal for the roadmap for implementation will also be governance structure models proposed within Action 6.

**Action 4: Funding and financing Operational Guidance for district investment portfolio,** connects to:

- **Action 2:** where financial indicators will be proposed to be included in the indicator system.
- **Action 3:** Action 4 will propose specific funding and financing instruments to be included in the roadmap for municipalities.
- **Action 6:** Involving financial actors and investors will need a specific, targeted approach and Action 4 should be able to support here.

**Action 5: BD Partnership Position on funding and financing for municipalities in the next MFF,** connects to:

- **Action 1:** joining forces in advocacy efforts given the very close timelines that they have for year 2026.
- **Action 6:** Action 5, with its conceptualisation of good investment instruments, will also clarify good governance models.

**Action 6: Governance model for the local ecosystem to implement building decarbonisation,** connects to:

- **Action 1:** by providing information on how renovation and decarbonization strategies are being developed.
- **Action 2:** where good governance models and interactions between stakeholders will help to be more efficient and, therefore, to optimise shared information.
- **Action 3:** the survey developed in Action 6 can provide good practices for the implementation Roadmap about local governance models and possible heating and cooling plan solutions.
- **Action 4 and Action 5:** the research done in Action 6 can provide financing strategies that some municipalities have implemented.

In conclusion, the Draft Action Plan proposes 6 interconnected Actions that will offer proposals for integrating plans at the local level, indicators, funding and financing, and governance models. Figure 4 below shows a visual representation of the Building Decarbonisation Actions and the key relationships between the Actions.

**Figure 4. Constellation of Actions graphic**

# 2.1 Action N° 01 – Mapping the Regulatory Interplay Between the EED and EPBD: A Municipal Perspective on EU Building Policy

This Action aims at mapping the regulatory interplay between Local Heating and Cooling Plans and National Building Renovation Plans from a municipal perspective, identifying gaps and synergies (supported by case studies) to provide concrete recommendations as a policy brief.

**Targeted stakeholders/governance level:**

- Primarily municipalities and local authorities, and their respective organizations:
  - At EU level: CEMR, Eurocities.
  - At national level: National Association of cities and municipalities
- National authorities responsible for the transposition of EU Directive in relation to giving instructions for developing Local Heating and Cooling Plans.

**Deadline: December 2026**

## 2.1.1 Which of the three pillars is this Action contributing to?

This Action contributes primarily to **Better Regulation**, addressing gaps between LHCPs (EED Art.25.6[1]) and NBRPs (EPBD Art.3[2]) to provide concrete recommendations that would improve regulatory coherence while reducing administrative burden across different

[1] To be found in: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ%3AJOL_2023_231_R_0001&qid=1695186598766

[2] To be found in: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L_202401275&pk_keyword=Energy&pk_content=Directive

governance levels. Ultimately, the action plans to support the implementation of EU climate and energy policy at the European level (better guidance), at the national level (more consistent NBRPs and guidelines for LHCPs) and, specifically, at the local level (more knowledge and capacities for comprehensive LHCPs integrating NBRP goals).

### 2.1.2 What is the specific problem this Action is aiming to address?

The Action addresses critical challenges faced by municipalities in the implementation of the EU policies on building decarbonization, due to the fragmented division of responsibilities. Specifically, it addresses the interplay between **EED Art.25.6** (requiring municipalities with over 45,000 inhabitants to develop LHCPs and **EPBD Art.3,** mandating MS to develop NBRPs. Both instruments are intrinsically linked since H&C represents 80% of all energy consumed by buildings, with fossil fuels being its main source (72%), especially natural gas. In fact, they are tackling two aspects of the same issue: H&C systems act on the energy source (offer) and renovation of buildings (demand). By planning comprehensively, the overall cost could be reduced, making living in a quality decarbonised building a more achievable and affordable goal.

However, such approaches are often developed in isolation due to fragmented regulatory and governance frameworks. While these are generally defined only at the EU and national level, it is mainly the local authorities that are in charge of their implementation. In general, local authorities lack guidance, capacities, and even a mandate for effective and integrated implementation. By tackling these problems, the Action contributes to achieving the EU objectives of climate-neutral and affordable building stock, competitiveness, strategic autonomy and reducing (energy) poverty.

### 2.1.3 Which existing EU policies, legislations or instruments are relevant for this Action?

EED (Art.25.6) establishes a clear framework for decarbonising H&C systems across governance levels, with municipalities over 45,000 inhabitants required to develop LHCPs, and MS required to support local authorities through technical assistance, financial instruments, and platforms for inter-municipal cooperation, ensuring that local capacity and administrative efficiency are strengthened rather than strained. Additionally, Art.5 and Art.6 of EED require a yearly energy saving obligation of 1,9% and the renovation of 3% of the public building stock of every public body, including municipalities.

Local authorities also play an important role in the EPBD. Art.3 mandates that local governments must be involved in the co-design of NBRPs, ensuring that national targets reflect local realities, data, and expertise. Art.18 further reinforces this multi-level governance approach by establishing tailored support services such as OSS that could support the link between building upgrades and H&C Decarbonisation, and Arts. 22 and 29 require that building data and capacity building be available for local authorities.

Other relevant policies are:

- RED III, setting mandatory targets for decarbonising H&C systems
- Governance Regulation (EU) 2018/1999, including indicators such as renewable energy use in buildings and district heating into NECPs.

## 2.1.4 Why is this Action needed?

This Action is needed to better understand the current state of EED and EPBD implementation. By mapping the current interplay between both legislations on a national and local level, we will obtain better knowledge and identify gaps and opportunities to better integrate both H&C and renovation planning. Policy recommendations, focusing on different governmental levels, will be tailored. The results of this action will also feed into action 3 on the development of a roadmap.

At the EU level, recommendations will be formulated on how the EED and EPBD could be better implemented to ensure smoother integration between the respective goals. On the national level, recommendations can be made on how to transpose the EED and EPDB into national legislation, making sure links are made, and different departments collaborate. At the local level, hands-on proposals can be offered to guide local governments in how renovation, heating and cooling plans could be implemented in an integrated way.

## 2.1.5 How will the Action be implemented?

The following sub-activities will be conducted as **preliminary work (Phase 0)**, foreseen to be completed by March 2026:

- **Desk research.** Identifying potential case studies at national level, providing a first indication on both the status of the national LHCP strategy and the NBRPs.
- **Selection of 10 cases**, based both on countries represented in the Partnership and countries showing a higher developed maturity level in the transposition of both EED and EPBD in national legislation, strong integration of both plans and a strong municipal implementation.
- **Interviews**. Conducting interviews with the selected case studies to further develop the insights from the desk research.

Building upon the preliminary work, the following activities will be carried out in three different phases:

**Phase 1:** Synthesis Report (by October 2026).

- **Activity 1.1:** Consolidate the main findings, including state of the art in the integration between LHCPs and renovation plans across different levels of governance for the selected Case Studies.

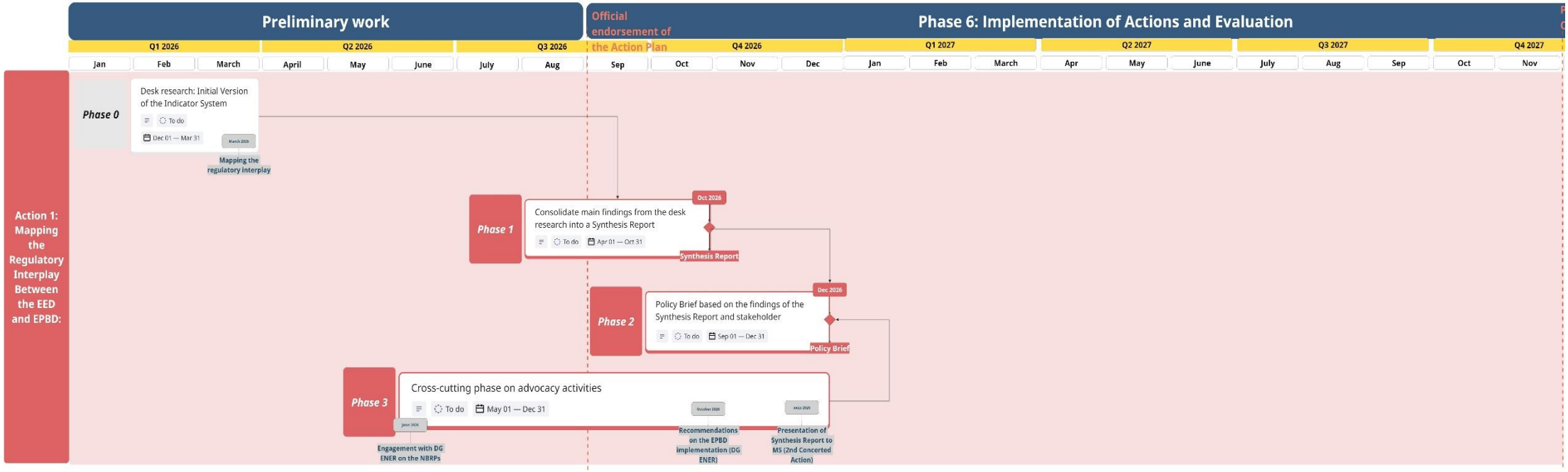
**Phase 2:** Policy Brief (by December 2026)

- **Activity 2.1:** Based on the main findings of the synthesis report and further refined and strengthened by input from other relevant initiatives. Findings from Action 2 and 3 will also be integrated where relevant.

**Phase 3 (cross-cutting)**: Advocacy (before December 2026)

- **Activity 3.1:** Engagement with DG ENER in the revision process of the NBRPs (before June 2026).
- **Activity 3.2:** Recommendations for DG ENER for future guidance for EPBD implementation (before June 2026).
- **Activity 3.3:** Presentation of the Synthesis report to Member States at the Concerted Actions EPBD and EED (2nd semester of 2026) and Workshop with interested Member States. Input will be processed and included in the policy brief.

# Action 1: Timeline



## 2.1.6 What resources are needed?

The Action will rely on the support of an external expert for the sub-activities 1.1-1.4 mentioned in the preliminary work. The Action members will act as the steering group and will advise on the information needed, the cases to select for more in-depth interviews and the structure of the output report. Moreover, the Action members will provide contact details. The WG1 members will contribute to the development of the synthesis report, the policy brief and the advocacy actions. A total of 20 working days will be needed to develop this action by the external expert. For the rest of the activities, dedication by the members will be required, mostly by attending Action meetings and redaction of the Policy brief.

## 2.1.7 Are there any foreseen risks?

The following implementation risks have been foreseen at this stage:

- Lack of engagement and support of the Partnership members.
- Lack of engagement from cities (other than members). The implementation of the Action will rely on their willingness and interest, particularly by sharing their experiences and knowledge.
- Coincidence in time with the revision process of the draft NBRPs (during 2026) and with the starting point of the obligations to cities in relation with LHCPs. This can be a challenge, but also an opportunity.
- Member States delays on the transposition of LHCPs and NBRPs. EED Art.25.6 had to be transposed into national law by 11 October 2025, but there are several Member States that have not yet accomplished this requirement. EPBD Art.3 sets by 31 December 2025 the draft submission, but 19 Member States have not yet submitted their drafts. This can be a challenge, but also an opportunity.
- Lack of interest from the European Commission (DG ENER) in a proposal that goes beyond the strict obligations of the EED and EPBD.

## 2.1.8 Which members of the UAEU Partnership will be involved in implementation of the Action?

| | |
|---|---|
| **Action Leader** | **CEMR** and **Department of Environment & Spatial Development - Flanders** |
| **Contributing Members** | MIVAU, GBCE, City of Baja, City of Kladno, City of Milan (represented by AMAT), EUROCITIES, UniverCities, MEHI |

## 2.1.9 Are there any EU legislative initiatives or proposals that may result in considerable spatial imbalances, which are relevant for this Action?

Compliance with EED Art.25 may lead to imbalances between cities. Although building renovation and district heating are more feasible in regions with cold winter climatic conditions, the obligation to develop H&CP is set only according to the size of the city. Needs in cities in the Mediterranean region are very different from the Central and Northern cities. The provision only applies to cities over >45.000 inhabitants. There is a risk that municipalities with smaller populations are left behind in the energy transition. Moreover, there may also be differences in the financial resources and human capacities to implement these actions between big and small cities, which may need extra support.

# 2.2 Action N° 02 – (Developing a common/minimum) Set of Indicators for Building Renovation and Cooling & Heating Plan (BREACH Plans) at the local level

This Action is intended to help local authorities to developing a common/minimum Set of Indicators for energy strategic planning at local level (H&C plans and BR plans), taking into account data availability and European policy frameworks (EED & EPBD Directives).

**Targeted stakeholders/governance level:**

- Local authorities, with a special focus on small and medium-sized cities.
- Municipalities umbrella organisations:
  - At EU level: CEMR, Eurocities.
  - At national level: National Association of cities and municipalities
- National authorities responsible for the transposition of EU Directive in relation to giving instructions for developing Local Heating and Cooling Plans.
- Regional and supranational authorities that can support municipalities and collect data.

**Deadline: December 2027**

## 2.2.1 Which of the three pillars is this Action contributing to?

This Action contributes primarily to **Better Knowledge** at the local level. This includes the use of and coordination with existing tools and standards such as the Building Logbook, the Energy Performance Certificates databases, and JRC-supported observatories like the EU Building Stock Observatory.

It is also related to **Better Regulation**, as the Set of Indicators could be considered in the transposition of EED Art.25.6, requiring municipalities with over 45,000 inhabitants to develop local H&C plans.

### 2.2.2 What is the specific problem this Action is aiming to address?

The development of any Heating, Cooling and Building Renovation strategic planning at local level requires the use of data (energy sources available, energy consumption, building characteristics, family income, etc.) disaggregated at the building or neighbourhood level, and conveniently integrated in a local/municipal database.

In many cases, there is a lack of accessible, standardised and disaggregated data on buildings at the local level, which hampers effective planning and monitoring. Municipalities in isolation cannot develop such a big effort as constructing an ad hoc database, and would benefit from using existing databases and different data sources into a local/municipal buildings and energy database: energy consumption, building information from Cadastre, data from the Building Passport/ Building logbook (link with WG 3), family income (energy poverty), EED article 6 inventory (public buildings), etc.

This Action will proceed with the following actions:

- Mapping data needs and gaps for energy planning, with the help of an External Expert, identifying data availability, integrating different sources, etc.
- Developing a (common/minimum) Set of indicators for energy strategic planning at the local level (H&C plans and BR plans).
- Providing guidance on how to obtain/improve data related to energy and buildings, identifying actions required at the EU/national/municipal level to address the data gaps, and implementing them.

### 2.2.3 Which existing EU policies, legislations or instruments are relevant for this Action?

This Action is directly linked to existing EU policies, since its main focus is the interplay between the EED and EPBD. More particularly, this Action is linked to the interplay between EED Art.25.6, requiring municipalities with over 45,000 inhabitants to develop local H&C plans and EPBD Art.3, mandating MS to develop national renovation plans.

The EED establishes a clear framework for the coordinated decarbonisation of heating and cooling systems across governance levels, with Member States required to assess national H&C needs and support the design of LHCPs designed by local authorities through technical assistance, financial instruments, and platforms for inter-municipal cooperation, ensuring that local capacity and administrative efficiency are strengthened rather than strained.

Local authorities also play an important role in the EPBD, as Article 3 mandates that local governments must be involved in the co-design of National Building Renovation Plans (NBRPs), ensuring that national targets reflect local realities, data, and expertise. The EPBD's provisions on integrated renovation services in Article 18 further reinforce this multi-

level governance approach by establishing tailored support services such as One-Stop-Shops that could support the link between building upgrades and H&C decarbonisation.

Other existing initiatives relevant to the Action include the Renewable Energy Directive (RED), the Governance Regulation – which integrates indicators such as renewable energy use in buildings and district heating into National Energy and Climate Plans (NECPs) – the Climate City Contracts (CCC) and the Sustainable Energy and Climate Action Plans (SECAP).

## 2.2.4 Why is this Action needed?

There is a need to provide guidance for cities in the implementation of EED Art. 25.6 regarding the development of local H&C plans. Although this guidance should be provided at the national level by the authority responsible for the transposition of the EED, the Action proposes to look forward to and integrate building renovation strategic planning at the local level.

The Set of Indicators will provide a minimum and common list of basic indicators ready to be used by cities in their strategic masterplanning. It will also include a Methodological Appendix helping the data collection/determination of indicators and providing guidance on how to obtain/improve data related to energy and buildings, identifying the actions required at EU/national/municipal level to address the data gaps, and how to implement them.

## 2.2.5 How will the Action be implemented?

The following sub-activities will be conducted as **preliminary work (Phase 0)**, foreseen to be completed by June 2026:

- **Desk research.** State of the Art/Good Practices
- **Engagement of cities for the Testing Phase.**
- Elaboration of the **First Draft** "Set of Indicators for BREACH Plans at the local level".
- **Engagement with EC** in the revision process of the National Building Renovation Plans (before June 2026).

The Action will then be implemented following three other phases:

**Phase 1:** Testing Phase and Production of Final Version of the Indicator System (by February 2027)

- **Activity 1.1:** Testing Phase with selected cities. Including:
  - Testing by 5-10 cities on their own (September 2026)
  - Interviews with selected cities (October 2026)
  - Final Workshop (early November2026)
- **Activity 1.2:** Collection of inputs and processing them to be integrated in the Final Version of the "Set of Indicators for BREACH Plans at the local level" (November 2026)
- **Activity 1.3:** Advocacy activities.
  - Engagement with MS before the deadline (October 2026) for the submission of the National Building Renovation Plans Final Version. Presentation to Member States at the Concerted Action 2nd semester meeting.
  - **Activity 1.4:** Development of a Methodological Appendix (helping the data collection/determination of indicators and providing guidance on how to obtain/improve data related to energy and buildings, identifying actions required

at the EU/national/municipal level to address the data gaps, and implementing them; Mapping best practices; developing Guidelines for cities). (November 2026 –March 2027).

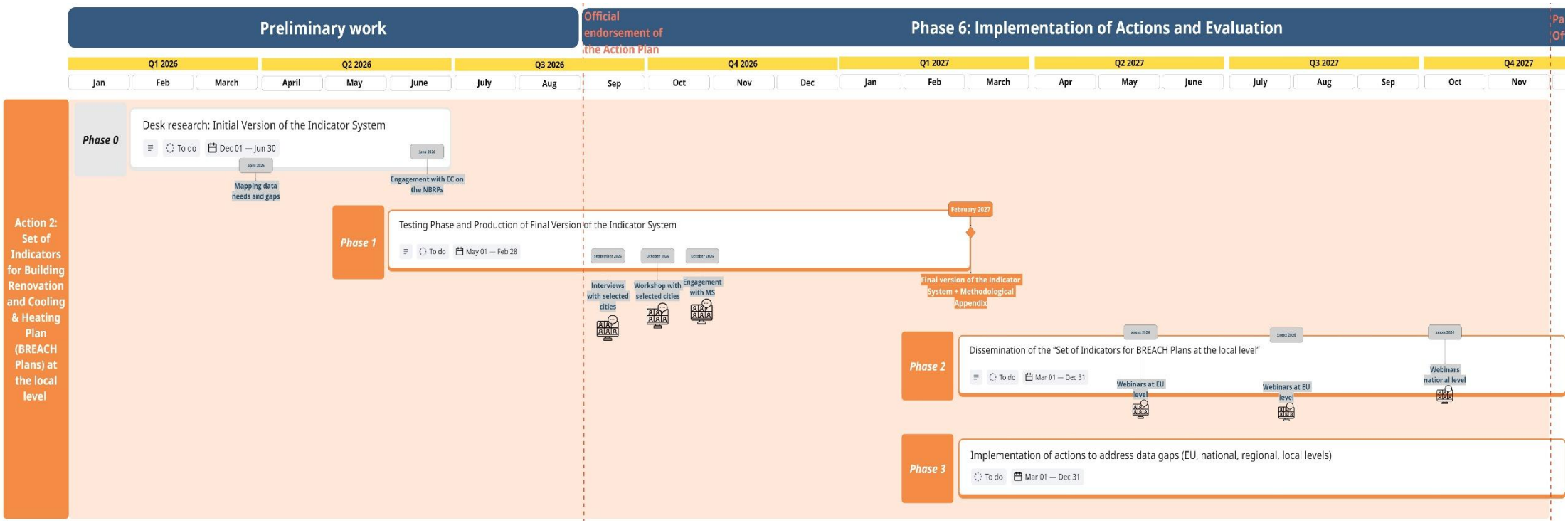
- **Activity 1.5:** Final Edition of the "Set of Indicators" + Methodological Appendix. (by March 2027)

**Phase 2:** Dissemination of the "Set of Indicators for BREACH Plans at the local level" (March-December 2027)

- **Activity 2.1:** Production of Multimedia materials: PowerPoint, flyer, video, templates, dashboards, etc. (by March 2027)
- **Activity 2.2:** Dissemination of materials through other EU networks (BSO, NetZeroCities Portal, JRC)
- **Activity 2.3:** Webinars at EU level (Eurocities, CEMR). (April-December 2027)
- **Activity 2.4:** Webinars at the national level (for interested MS and EUKN). (April-December 2027)

**Phase 3.** Implementation of actions to address data gaps at the EU, national, regional, and local levels. Actions will be built upon the results of previous phases. (March-December 2027).

# Action 2: Timeline



## 2.2.6 What resources are needed?

There is a need for external support carried by an Expert which will be contracted by the EUI. The role of the Expert is key to the success of the actions, but it is also important to take into account that the expert needs the input of case studies and experiences from Member States and cities. It is particularly important to coordinate the timing of the expert work and the transposition of EED Art.25.6 and the finalisation and evaluation of the National Building Renovation Plans.

Additionally, resources for preparing dissemination materials (flyer, slides, video…) will be considered.

## 2.2.7 Are there any foreseen risks?

The following implementation risks have been foreseen at this stage:

- Lack of engagement and support of the Partnership members.
- Lack of engagement from cities (other than members). The implementation of the Action will rely on their willingness and interest, particularly by sharing their experiences and knowledge.
- Coincidence in time with the revision process of the draft NBRPs (during 2026) and with the starting point of the obligations to cities in relation to LHCPs. This can be a challenge, but also an opportunity.
- Member States delays on the transposition of LHCPs and NBRPs. EED Art.25.6 had to be transposed into national law by 11 October 2025, but there are several Member States that have not yet accomplished this requirement. EPBD Art.3 sets by 31 December 2025 the draft submission, but 19 Member States have not yet submitted their drafts. This can be a challenge, but also an opportunity.
- Those Member States having recently transposed EED Art.25 may be reluctant to enlarge the requirements, including provisions for BREACH Plans.
- Lack of interest from the European Commission (DG ENER) in a proposal that goes beyond the strict obligations of the EED and EPBD.
- Insufficient support provided by the EUI expertise support service to reach the ambition of the action. Dedication of experts must be distributed among all the actions of the Partnership.
- Issues related to language accessibility - the final outputs and meetings/workshops planned by this Action should take into account the issue of language barriers. This might have an impact on the active involvement of local authorities.
- Heterogeneous data availability landscape between the different Member States. This implies very different conditions and possibilities, making it complicated to identify common indicators suitable for all.

## 2.2.8 Which members of the UAEU Partnership are involved in implementation of the Action?

| | |
|---|---|
| **Action Leader** | **MIVAU** |
| **Contributing Members** | CEMR, GBCE, Department of Environment & Spatial Development Flanders, City of Baja, City of Kladno, City of Milan (represented by AMAT), EUROCITIES, UniverCities, MEHI |

## 2.2.9 Are there any EU legislative initiatives or proposals that may result in considerable spatial imbalances, which are relevant for this Action?

Compliance with EED Art.25 may lead to imbalances between cities.

Although building renovation and district heating are more feasible in regions with cold winter climatic conditions, the obligation to develop H&CP is set only according to the size of the city. Needs for cities in the Mediterranean region are very different from those of the Central and Northern cities.

The provision only applies to cities over >45.000 inhabitants. There is a risk that municipalities with smaller populations are left behind in the energy transition. Moreover, there may also be differences in the financial resources and human capacities to implement these actions between big and small cities, which may need extra support.

# 2.3 Action N° 03 – Roadmap for the elaboration of Building Renovation and Cooling & Heating Plan (BREACH Plan) at the local level

Developing a Roadmap to assist local authorities in the elaboration of an integrated Local Building Renovation, Heating and Cooling Plan (LBR&HCP) at the local level, embedded within the spatial development visions

**Targeted stakeholders/governance level:**

- Primarily municipalities and local authorities, and their respective organisations:
- At EU level: CEMR, Eurocities.
- At national level: National Association of cities and municipalities
- National authorities responsible for the transposition of EU Directive in relation to giving instructions for developing Local Heating and Cooling Plans.

**Deadline: December 2027**

## 2.3.1 Which of the three pillars is this Action contributing to?

This Action contributes primarily to **Better Regulation**, addressing gaps between LHCPs (EED Art.25.6) and NBRPs (EPBD Art.3) and improving strategic, integrated planning at the municipal level.

## 2.3.2 What is the specific problem this Action is aiming to address?

Building on the prior Actions 1 and 2, this Action focuses on the implementation of strategic integrated planning at the municipal level. Municipalities may lack the knowledge and find difficulties in complying with EED and EPBD, and implementing a Local Building Renovation, Heating and Cooling Plan.

Synergies between these two instruments should be encouraged, and implementation should be embedded within local spatial development visions. A roadmap with guidelines and recommendations for municipalities to make integrated planning at the city scale linking LCHP, NBRP and spatial development will be provided, with a provision for its development at the neighbourhood level. To facilitate setting up the plan at the local level, a toolkit shall be provided to municipalities, which will be developed throughout the process based on participants' feedback.

After the completion of a "Building Renovation, Heating and Cooling Plan" at the local level, the implementation phase will require the deployment of a Programme with sufficient management capacities and funding instruments. Phasing will be a fundamental piece of both planning and programming. In spatial and temporal terms, it will require prioritising certain districts based on the potential.

To disseminate the results of this action, workshops will be considered, for example, at the EU/national level (within the EPBD Concerted Action group) and at the national/local level (CEMR, Eurocites). Additionally, "BREACH Ambassadors" of the pilot cities will share their experiences in setting up the plan, which can be, for instance, shared via Social Media in the form of quotes and pictures from mayors, etc. In collaboration with Action 6 (see below), capacity-building opportunities will be considered, especially to support smaller municipalities in implementation, but also to enable cities of all sizes to learn from each other. Best-practice examples will allow easier replication as well.

## 2.3.3 Which existing EU policies, legislations or instruments are relevant for this Action?

This Action is directly linked to existing EU policies, since its main focus is the interplay between the EED and EPBD. More particularly this action is linked to the interplay between EED Art.25.6, requiring municipalities with over 45,000 inhabitants to develop local H&C plans and EPBD Art.3, mandating MS to develop national renovation plans.

The EED establishes a clear framework for the coordinated decarbonisation of heating and cooling systems across governance levels, with Member States required to assess national H&C needs and support the design of LHCPs designed by local authorities through technical assistance, financial instruments, and platforms for inter-municipal cooperation, ensuring that local capacity and administrative efficiency are strengthened rather than strained.

Local authorities also play an important role in the EPBD, as Article 3 mandates that local governments must be involved in the co-design of National Building Renovation Plans (NBRPs), ensuring that national targets reflect local realities, data, and expertise. The EPBD's provisions on integrated renovation services in Article 18 further reinforce this multi-level governance approach by establishing tailored support services such as One-Stop-Shops that could support the link between building upgrades and H&C decarbonisation. But, going beyond this mandate, and according to the subsidiarity principle, municipalities and local authorities are the ones closer to the scale of the projects of Heating and Cooling networks and building renovation actions, so that they should be considered as the key actors for planning.

Other existing initiatives relevant to the action include the Renewable Energy Directive and the Governance Regulation, which integrates indicators such as renewable energy use in buildings and district heating into National Energy and Climate Plans.

## 2.3.4 Why is this Action needed?

There is a need to provide guidance for cities in the implementation of EED Art.25.6 regarding the development of local H&C plans. Although this guidance should be provided at the national level by the authority responsible for the transposition of the EED, we are proposing to look forward to and integrate building renovation strategic planning at the local level.

The Roadmap will help local authorities in the elaboration of (EED Art.25.6 compulsory) Heating and Cooling Plans integrated with Building Renovation Plans (voluntary, aligned with EPBD Art.3 National BRP) at the local level.

## 2.3.5 How will the Action be implemented?

This Action will initially build upon Actions 1 and 2 (the rest of the Actions will also provide additional content for this Action).

**Preliminary work (Phase 0):** Initial Version of the Roadmap for the BREACH Plan (by June 2026)

- **Analysis and Synthesis.** Elaboration of the First Draft of the Roadmap.
- **Advocacy activities.**
    - Engagement with EC in the revision process of the National Building Renovation Plans (before June 2026).

Following this, the Action will then be implemented in three phases:

**Phase 1:** Co-creation with cities on the Final Version of the Roadmap. (by December 2026).

- **Activity 2.1:** Workshops with selected cities. (September 2026)
- **Activity 2.2:** Collection of inputs and processing them to be integrated in the Final Version of the Roadmap. (November 2026)
- **Activity 2.3:** Advocacy activities.
    - Engagement with MS before the deadline (December 2026) for the submission of the National Building Renovation Plans Final Version. Presentation to Member States at the Concerted Action 2nd semester meeting.

**Phase 2:** Dissemination of the Roadmap for the BREACH Plan implementation. (March-December 2027)

- Production of Multimedia materials: PowerPoint, flyer, video, etc. (January-March 2027)
- Webinars at EU level (Eurocities, CEMR). (March-December 2027)
- Webinars at the national level (for interested MS and EUKN). (March-December 2027)

**Phase 3.** Implementation of the BREACH Plan Roadmap in pilot cities. (March-December 2027) (coordination with EU/national calls or with municipal funding)

- Share best practices;
- Promote BREACH Ambassadors.

# Action 3: Timeline

## 2.3.6 What resources are needed?

There is a need for external support carried by an Expert which will be contracted by the EUI. The role of the Expert is key to the success of the actions, but it is also important to take into account that the expert needs the input of case studies and experiences from Member States and cities. It is particularly important to coordinate the timing of the expert work and the transposition of EED Art. 25.6 and the finalisation and evaluation of the National Building Renovation Plans.

## 2.3.7 Are there any foreseen risks?

The following implementation risks have been foreseen at this stage:

- Lack of engagement and support of the Partnership members.
- Lack of engagement from cities (other than members). The implementation of the Action will rely on their willingness and interest, particularly by sharing their experiences and knowledge.
- Coincidence in time with the revision process of the draft NBRPs (during 2026) and with the starting point of the obligations to cities in relation to LHCPs. This can be a challenge, but also an opportunity.
- Member States delays on the transposition of LHCPs and NBRPs. EED Art.25.6 had to be transposed into national law by 11 October 2025, but there are several Member States that have not yet accomplished this requirement. EPBD Art.3 sets by 31 December 2025 the draft submission, but 19 Member States have not yet submitted their drafts. This can be a challenge, but also an opportunity.
- Those Member States having recently transposed EED Art.25 may be reluctant to enlarge the requirements, including provisions for BREACH Plans.
- Lack of interest from the European Commission (DG ENER) in a proposal that goes beyond the strict obligations of the EED and EPBD.
- Insufficient support provided by the EUI expertise support service to reach the ambition of the action. Dedication of experts must be distributed among all the actions of the Partnership.
- Issues related to language accessibility - the final outputs and meetings/workshops planned by this Action should take into account the issue of language barriers. This might have an impact on the active involvement of local authorities.

## 2.3.8 Which members of the UAEU Partnership are involved in implementation of the Action?

| | |
|---|---|
| **Action Leader** | **MIVAU** |
| **Contributing Members** | CEMR, GBCE, Department of Environment & Spatial Development Flanders, City of Baja, City of Kladno, City of Milan (represented by AMAT), EUROCITIES, UniverCities, MEHI |

## 2.3.9 Are there any EU legislative initiatives or proposals that may result in considerable spatial imbalances, which are relevant for this Action?

Compliance with EED Art.25 may lead to imbalances between cities.

Although building renovation and district heating are more feasible in regions with cold winter climatic conditions, the obligation to develop H&CP is set only according to the size of the city. Needs in cities in the Mediterranean region are very different from the Central and Northern cities.

The provision only applies to cities over >45.000 inhabitants. There is a risk that municipalities with smaller populations are left behind in the energy transition. Moreover, there may also be differences in the financial resources and human capacities to implement these actions between big and small cities, which may need extra support.

# 2.4 Action N° 04 – Funding and financing Operational Guidance for district portfolio investment

Elaborate a comprehensive operational guidance on funding/financing options for municipalities for district decarbonisation projects, including different types of funding: public grant/subsidised loan, bank financing, alternative financing like blended finance.

**Targeted stakeholders/governance level:** Municipalities are the core audience, but also regional and national authorities offering funding and financing

**Deadline:** Mid-2027 for the whole Action

## 2.4.1 Which of the three pillars is this Action contributing to?

This action is related to both pillars: on the one hand it improves the **knowledge** of municipalities on how to use different sorts of funding and financing sources and mechanisms for financing building decarbonisation investments at a district/neighbourhood level. On the other hand, it creates an important basis to improve the uptake as well as the effectiveness of **funding and financing instruments** for municipalities.

## 2.4.2 What is the specific problem this Action is aiming to address?

Municipalities undertaking district decarbonisation strategies/programmes face challenges in ensuring funding and financing for implementation in three different dimensions:

- Access to funding for their own activities: for building up capacities to coordinate the program implementation, as well as financing investments in municipal buildings and energy supply infrastructures (if owned by the municipality or their entities);
- Making available/accessible funding and financing schemes to diverse stakeholders to invest in decarbonisation (e.g., own municipal companies and other public actors, private companies, and citizens, especially a variety of building owners);
- Designing and financing additional local public support mechanisms (tax credits, municipal funding schemes) or other mechanisms like land value capture

Up till now, there are rarely holistic funding approaches that gather the different needed funding/financing instruments into one scheme for a district decarbonisation investment portfolio, but a variety of demanding funding and financing instruments on European, national, and regional levels that need to be combined in a complex approach on the local level. Especially for smaller cities, this creates a major barrier to implementing district decarbonisation strategies. Moreover, the EU funding instruments are often targeted at big investment volumes encompassing governance and investment capacities in small and medium-sized cities.

## 2.4.3 Which existing EU policies, legislations or instruments are relevant for this Action?

The action will mainly analyse the system of different EU funding schemes and innovative financing initiatives and try to give orientation and guidance for cities on how to find a way to bundle different types of funding and finance into one investment portfolio program. Relevant are e.g.:

- Cohesion policy and related instruments: ESI funds, JTF, React EU, (implemented by national or regional programming).
- LIFE PDA, Horizon, NEB, EU Energy Community Facility (directly administered at EU level)
- EIB instruments for energy-efficient building renovation, like ELENA and EIAH for technical assistance, direct investment loans and framework loans (credit lines via local banks), blended finance (PF4EE, Smart Finance for Smart Buildings Guarantee Facility)
- Social Climate Fund and National Social Climate Plans
- National Regional Partnership Plans
- European Competitiveness Fund

It is important not only to focus on EU funding and financing instruments accessible to view municipalities with high capacities that are successful in competitive application processes (Horizon, EUI, LIFE, INTERREG).

The analyses shall not focus on funding targeted at district decarbonisation strategies only. However, it is important to analyse if and how the funding and financing instruments can be applied and integrated in district decarbonisation strategies. Thus, one of the main questions is not only how to bring the different financing instruments to a district

decarbonisation investment portfolio, but also how to adapt the conditions of the instruments to make them more accessible for district investment portfolios.

## 2.4.4 Why is this Action needed?

Municipalities that want to undertake district decarbonisation strategies often lack the capacity to finance the governance, coordination, and mobilisation of investments by diverse stakeholders, as well as access to specific funding and financing for investments in building retrofitting and the transformation of the energy supply infrastructures that have to be done by diverse public and private stakeholders.

However, there is a variety of funding and financing instruments, especially dedicated to decarbonisation of the building stock and the transformation of the energy supply system, in terms of technical assistance and investments. Especially for small and medium-sized cities, it is highly complex and demanding to get access to and bundle diverse financing instruments into a district investment portfolio. Moreover, often those instruments, despite being dedicated to financing portfolios of similar investments, do not have a district perspective allowing for financing different investment measures from different Stakeholders. Thus, this action will analyse the existing funding and financing framework and provide orientation for municipalities on how to make them accessible and bundle them in district investment portfolios.

## 2.4.5 How will the Action be implemented?

The Action consists of three consecutive steps providing three outputs: mapping of relevant funding and financing instruments, guideline for municipalities on how to use the available funding/financing in district decarbonisation approaches and workshop(s) for municipalities and other relevant stakeholders explaining the guideline.

**Preliminary work: Mapping (by March 2026).** An expert hired through the EUI has collected and assessed relevant funding and financing instruments available.

This was done by desktop research using also existing results of mapping activities by EU bodies, other EU projects, networks and platforms, e.g., EU 27 Country Mapping of financing, Built4People, re-Modluees, Prospect+. Moreover, the expert involved the information and knowledge of partners' experiences with funding and financing via a survey as well as workshops, preferably also including other financing experts responsible for some relevant European funding and financing instruments.

The mapping was not only about collecting different funding/financing opportunities. It especially concerned the assessment of how effectively cities could make use of the funding/financing for district decarbonisation. Thus, also the conditions for making financing and funding available for municipalities and their investing stakeholders had to be analysed (including problems and solutions for access), as well as which actors were, and under which conditions, able to use the funding and financing instrument (municipality, stakeholders, regional/national government).

It was especially explored how those funding schemes could be used to mobilise different types of investments in district strategies. Moreover, the social effects in terms of affordable housing and heat/energy supply (linked to conditions, interest rates, subsidies) had to be assessed. Based on this assessment, the mapping summarized the possibilities as well as the shortcomings and gaps for using them in district decarbonisation approaches.

The different funding/financing options were initially structured under the following typologies:

- Funds to strengthen municipalities capacities to coordinate and run integrated district decarbonisation approaches
- Non repayable grants and subsidised loans mainly for investments in buildings and infrastructure for incentivising energy efficient building refurbishment as well as transforming heat supply and cooling systems to make investments economically feasible and socially acceptable.
- Alternative financing like blended financing and its potentials to be used for neighbourhood decarbonisation and provide stakeholders with attractive financing conditions ensuring economic feasibility and socially accepted investments in housing and energy supply.
- Indirect instruments like tax credits, land value capture
- Most interesting for the partnership is the combined funding and financing schemes gathering different sorts of funding in one envelope dedicated to district level.

The focus was particularly on EU-funded instruments – reflecting, however, the integration of existing purely national instruments into district decarbonisation Strategies run by municipalities. Based on the desktop research, the expert drafted a first analysis and discussed it with partner during a workshop – This involved representatives from the EC (03/2026). After that, the expert conducted a survey with all partners and included the results in the final draft of the mapping.

Besides the analyses with information on applicable funding / financing instruments, the four reports identify their main challenges, gaps, and shortcomings for applying them in district investment portfolios, e.g., for reaching affordable housing and energy costs, for municipal capacity, or organisational difficulties. The analyses give indications on how to deal with those challenges and how to adapt financing instruments for district investment portfolios. Moreover, the reports identify challenges and limits municipalities face in terms of capacities, legal framework, competences, risk for setting up district investment portfolio financing and provides recommendations how to improve this.

This phase has been completed by the partnership to date.

**Phase 1.** Operational Guidance on using financing Instruments for district investment portfolios by municipalities (by December 2026).

- **Activity 1.1:** Based on the analyses (1) produced by the EUI expert, the WG2 will develop an Operational Guidance with practice-oriented recommendations on how to use and integrate different financing instruments into district investment portfolios. This guidance moves beyond a mapping of funding opportunities towards investment-oriented guidance that includes standard financing approaches, project aggregation models, bankability tools, and practical financing examples. The Guidance will bring the means for municipal coordination and governance, as well as for investments in building retrofit, urban regeneration, and transformation of the energy provision infrastructure. This will include different types of aggregation and derisking mechanisms, as well as financing, especially blended and innovative finance instruments. Following the public consultation process, the partnership will add quantified investment needs and leverage targets.

  This output will provide differentiated guidance for municipalities of different sizes, with particular attention to the needs and capacities of small and medium-sized municipalities in accessing financing and developing investment portfolios. It will aslo further emphasise the role of regional and supramunicipal cooperation in supporting smaller municipalities through pooled investment portfolios, One-Stop Shops, and regional coordination mechanisms.

The partnership recognises the importance of social safeguards in financing mechanisms, including financing solutions adapted to vulnerable households and the integration of affordability and anti-displacement considerations into financial instruments. This topic will be included within the Operational Guidance to outline how financial instruments can be designed to enable local authorities to implement socially responsible renovation programmes, taking into account housing affordability and other social policy considerations.

- **Activity 1.2:** The expert next to WG2 partners will develop a structure for the orientation paper to be discussed. Based on this draft and guidelines, the paper will be elaborated to be presented in the next in-person meeting in autumn (10/2026) and finalised by group members in the first quarter of 2027.

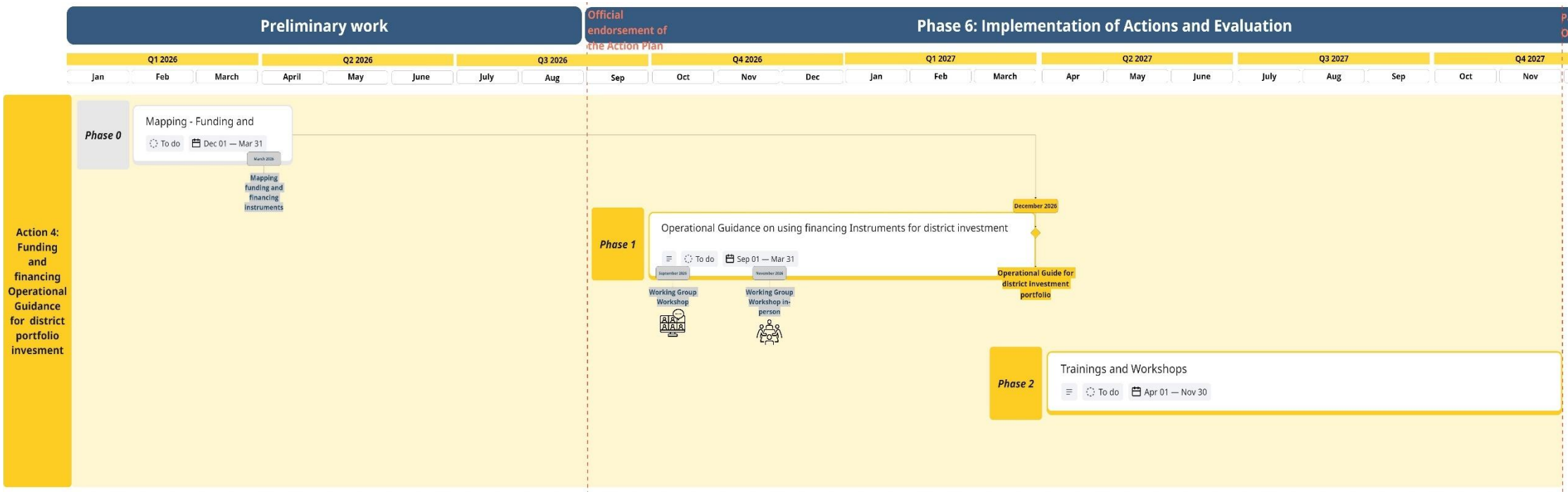
**Phase 2.** Training and dialogue workshops (by March 2027).

- A series of training and dialogue workshops / webinars will be organised by the partnership, not only involving the partners, but also a broader public from European municipalities. The partnership will use the capacities of the European umbrella organisations and EUI National contact points. This will happen from the 2nd quarter of 2027 till the end of the partnership.

  The sessions will have a practical focus, in which cities (and their regional governments) will bring three selected district portfolio cases. A group of experts formed by the WG2 of the partnership, together with experts who have supported the Operational Guidance, as well as the European Commission and the EIB Group, will provide support to apply the Operational Guidance and other recommendations. Those cases will be later circulated next to the Operational Guidance as two-page investment briefs. The workshops will not only help other cities to conduct the same exercise, but also help cities reach out to other financial institutions.

  For the previous activity to happen, the partnership aims to formalise a partnership with the European Investment Bank / European Investment Advisory Hub (EIB Group) for increasing reach towards financial intermediaries, national promotional banks, and implementing the guidance along with cities.

## Action 4: Timeline



## 2.4.6 What resources are needed?

The analysis and the Operational Guidance will be done with the support of an expert. In that sense, the partnership needs to secure sufficient capacity for this task. The partners shall steer and advise the process (especially WG leader, Action leader, and co-Action leader, but also all WG 2 partners through the workshops and asynchronous work). Moreover, preferably all partners provide available information/experiences on funding and financing.

## 2.4.7 Are there any foreseen risks?

There might be different types of risks:

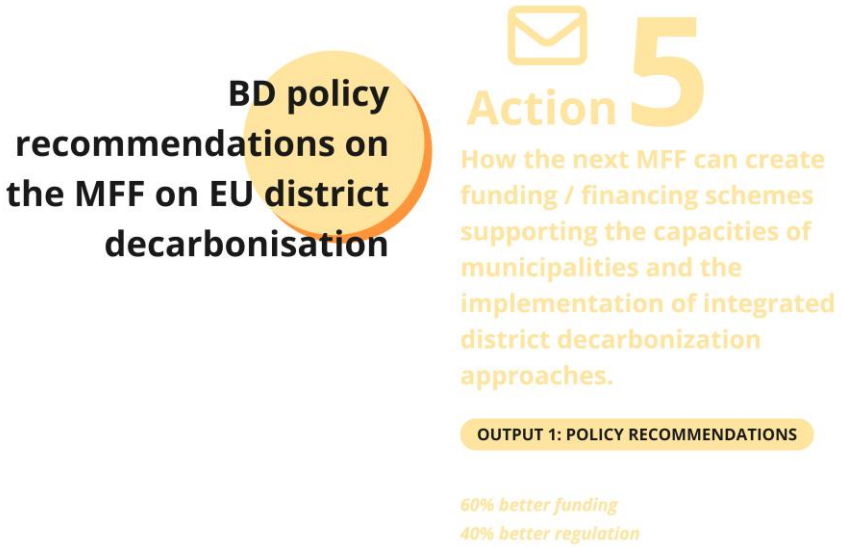
- Insufficient detailed and targeted information and analyses of the funding and financing instruments and their applicability for municipalities in district decarbonisation approaches.
- Lack of capacity to do a comprehensive analysis by experts and partners.
- Relevance and applicability of analysed EU funding and financing instruments for a broad range of (also smaller sized) municipalities.
- Interim phase between the actual funding period (2021-2027) and new MFF 2028-2034.
- Repeating mapping and analyses done by other initiatives without specific added value for the thematic issue of this partnership.
- Challenge of providing practical orientation to municipalities, ensuring that they can be transformed into the set-up of local financing schemes for district investment portfolios.

Therefore, it is very important to target the analyses and assessment of the funding and financing instruments on the applicability to run integrated decarbonisation approaches. The first research done shows, however, that those risks are not very high and moreover that the overall addressed issue is of high relevance for the objective of the partnership. Thus, the main risk that remains is that there are huge difficulties in setting up local financing schemes for district investment portfolios. This was already addressed by Action 5 when providing recommendations on how to improve the financing framework of the next MFF programs to make it better applicable for district investment portfolios.

## 2.4.8 Which members of the UAEU Partnership are involved in the implementation of the Action?

| | |
|---|---|
| **Action Leader** | **German Association for Housing, Urban and Spatial Development (DV)** |
| **Contributing Members** | Green Finance Institute (Spain), City of Mechelen, EUROCITIES, City of Cesis, City of Bergisch Gladbach, City of Milan (represented by AMAT) |

## 2.5 Action N° 05 – BD Partnership Recommendation on funding and financing for municipalities in the next MFF




Develop a Building Decarbonization Partnership Recommendation on how to create funding & financing schemes that support both the capacities of municipalities and the implementation of integrated district decarbonization approaches in the next EU Multi-annual Financial Framework (MFF) for the period 2028-2034. More specifically, this action will focus on the role of cities and the EU Cities Agenda in the future MFF. Such recommendations will build on tangible examples and experiences from municipalities and will be validated by other UAEU Thematic Partnerships.

**Targeted stakeholders/governance level:** EU co-legislators (EU Council and Parliament)

**Deadline: mid 2027 for the whole action**

### 2.5.1 Which of the three pillars is this Action contributing to?

**Action 5 contributes directly to the pillar "Better funding"** by ensuring that the investment needs, barriers, and implementation realities of cities are directly reflected in future funding priorities and instruments within the MFF. Through the development of a consolidated BD Partnership Recommendation, the Action aims to strengthen alignment between EU funding programmes and local capacities to deliver integrated, district-level decarbonisation initiatives. Furthermore, advocacy efforts for the future MFF could promote

dedicated funding streams, as well as adequate technical and financial support for municipalities, ultimately accelerating the implementation of district decarbonisation across EU cities.

This Action also contributes to the "**Better regulation**" pillar by ensuring that the EU MFF is informed by cities' practical experience, challenges, and implementation needs, and by advocating that its future design includes dedicated mechanisms, resources, and support to effectively enable district-level decarbonisation initiatives.

## 2.5.2 What is the specific problem this Action is aiming to address?

Implementing decarbonisation initiatives on a district / neighbourhood level requires a new way of combining different sources of public and private capital, asset classes, and governance structures. Neither subsidies nor loans alone will activate the market and deploy the capital required to achieve **the scale and pace European cities need** for their existing building stock and district heating/cooling infrastructures. Building on the work of Action 5, this action will target the decision-makers (EU co-legislators) of the future funding and financial instruments available for cities.

Instruments such as the Next Generation EU funds and the European Regional Development Fund have been deployed with varied outcomes across Europe. Even though they have created **catalytic and impactful results** in specific contexts, they have also created an **uneven distribution of funds** due to the lack of involvement of local authorities and consideration of their needs. There have been examples in municipalities where pipeline of projects had to stop due to the lack of funds or the capacity to blend these grants with private capital. Learning from such examples and local experiences is key to identifying **key gaps, challenges, and levers** to improve the design of the future MFF and ensuring access for comprehensive district decarbonisation initiatives.

## 2.5.3 Which existing EU policies, legislations or instruments are relevant for this Action?

The Action will mainly address different EU funding and financial schemes from the current MFF instruments and mechanisms, from lessons learnt by municipalities, and the ones to come for the future MFF (to be defined during the action):

Ongoing MFF (2020-2027)

- ERDF, ESF, and Cohesion Fund that are implemented via national or regional programming.
- LIFE PDA
- Social Climate Fund
- Next Generation and its Recovery Resilience Facility

Future MFF (2028-2034)

- European Competitiveness Fund
- National Regional Partnership Plans (The Fund) and access from regions and cities
- EU Facility

EU Cities Agenda

- Cities Platform
- Web Portal
- EUI funds

EIB instruments for energy-efficient building renovation

- ELENA and EIAH for technical assistance,
- Direct investment loans and framework loans (credit lines via local banks), blended finance (PF4EE, Smart Finance for Smart Buildings Guarantee Facility)
- Public Sector Loan Facility (Just Transition Mechanism)

Building on the mapping and funding guide of Action 4, the main focus shall be on the gaps and challenges faced by cities when using such instruments to develop district heating/cooling & building renovations. In order to shape the BD Partnership Recommendation, unique local cases that overcame (or not) fiscal, debt, regulatory, and administrative barriers will be highlighted to propose levers that improve the access to cities in the new MFF.

## 2.5.4 Why is this Action needed?

Europe stands at a pivotal moment - As the European Union defines its Multiannual Financial Framework (MFF) for 2028–2034, decisions taken over this and next year will shape the continent's ability to deliver on its climate and competitiveness goals **for decades to come**. While the existing budget still has a way to go (2029), the new one is being negotiated in a challenging geopolitical and economic environment marked by heightened defence spending, fiscal constraints, and the depletion of temporary recovery instruments. Amidst these shifts, the EU's commitment to allocate at least 35% of its total budget to climate action (approximately €700 billion) signals both an opportunity and a responsibility: to ensure that every euro of public money acts as a catalyst for much greater volumes of private capital.

This action brings together the Building Decarbonisation partnership through a **Joint Recommendation on how to deploy and design funding and financing instruments** for cities that want to strengthen their district decarbonisation efforts. It shows a clear pathway for EU co-legislators on how to design specific instruments within the future National Funds–ECF to increase the opportunities and role of cities when undertaking **comprehensive district decarbonisation initiatives**.

## 2.5.5 How will the Action be implemented?

In order to align with the EU political timeline and for this Action to be relevant within the current MFF milestones, the implementation of this Action will start earlier than the other ones. It will follow 4 integrated phases in order to achieve and disseminate the Output.

**Phase 1:** BD Partnership Recommendation on the role of cities and comprehensive district decarbonisation initiatives in the next MFF (April-June 2026)

- **Activity 1.1:** Drafting structure of BD Partnership Recommendation.
- **Activity 1.2:** Collaborative session in Vaasa to outline key points and messages (19-20/03/2026).
- **Activity 1.3**: Consolidating main content of Partnership Recommendation with WG2.
- **Activity 1.4:** Validation and integration of feedback from rest of the partnership.

**Phase 2:** BD Partnership Recommendation validation with other Urban Agenda for the EU partnerships and EU cities associations (by June 2026)

- **Activity 2.1:** Sharing Recommendation with other Urban Agenda for the EU Partnerships for feedback and endorsement through the EUI.

- **Activity 2.2:** Conducting Bilateral meetings with the Coordinators of the relevant Urban Agenda for the EU Partnerships.
- **Activity 2.3:** Integrating feedback and perspectives from members consulted bilaterally.
- **Activity 2.4:** Publishing Recommendation publicly.

**Phase 3:** BD Partnership Recommendation dissemination to key EU co-legislators (EU Parliament and Council) (by October 2026)

- **Activity 3.1:** Mapping key relevant actors.
- **Activity 3.2:** Sharing Recommendation with EU Parliament representatives that are actively involved in the MFF negotiations and cover district decarbonisation topics and the role of cities.
- **Activity 3.3:** Sharing Recommendation with EU Council representatives that are actively involved in the MFF negotiations and cover district decarbonisation topics and the role of cities.
- **Activity 3.4:** Each BD partner to share the Recommendation with Member States/Ministries representatives from BD partners' geographies (each BD partner reaches out to their national contact points).
- **Activity 3.5:** Conducting Bilateral meetings with key relevant actors

**Phase 4** *(only if there are available resources from the Urban Agenda for the EU):* Wider dissemination and outreach of the BD Partnership Recommendation through communication materials, press releases, and presentations at key policy events, with the support of the Urban Agenda for the EU ( by June 2027)

- **Activity 4.1:** Draft Dissemination Plan and resources needed with WG2 partners
- **Activity 4.2:** Validate and confirm with EUI
- **Activity 4.3:** Implement Dissemination Plan

Phases 1 and 2 have been completed up to now, whereas Phases 3 and 4 have been partially completed. After the consultation process, the partnership has decided to strengthen the latter by developing targeted advocacy materials and having bilateral exchanges with city networks and associations to amplify the outreach. These will be developed based on strong, evidence-based messages from the position to make its content more accessible to relevant stakeholders.

The partnership has also adjusted its dissemination strategy with the targeted stakeholders according to the current political timeline of the MFF. The partnership will especially make a strong effort towards including its recommendations in the drafts of the NRPP at the national level (depending on the partners' outreach and geographical coverage), as well as the future programming by the EC, such as the European Competitiveness Fund.

# Action 5: Timeline

## 2.5.6 What resources are needed?

**Phase 1:** BD Partnership Recommendation on the role of cities and comprehensive district decarbonisation initiatives in the next MFF – Deadline 04-06/2026

- 3 days to prepare structure and hold the workshop in Vaasa
- 1 day to consolidate and integrate feedback into the Partnership Recommendation
- Commitment from the rest of the BD partnership to provide comments / perspectives in the given short timeline

**Phase 2:** BD Partnership Recommendation validation with other Urban Agenda for the EU partnerships and EU cities associations (06/2026)

- Commitment from EUI POs support to receive comments / perspectives and validation from other EUI Partnerships
- Holding 2/3 - 30 min / 1 hour bilateral with key coordinator close related Partnerships to compile main feedback points
- 1 days to integrate feedback
- Layout & Publication of Recommendation on the EUI website

**Phase 3:** BD Partnership Recommendation dissemination to key EU co-legislators (EU Parliament and Council) (04-10/2026)

- 3 days to conduct mapping of key actors
- Commitment Brussels and EUI partners to map key actors to reach out
- 2 days to sharing BD Partnership Recommendation with identified key actors
- Holding 3/4 - 30 min / 1-hour bilateral meetings with key actors

**Phase 4** *(only if there are available resources from the Urban Agenda for the EU):* Dissemination and outreach of the BD Partnership Recommendation through communication materials, press releases, and presentations at key policy events, with the support of the Urban Agenda for the EU (01-06 2027)

- Design comms material (subcontracted) and prepare a BD video for explaining the joint recommendation (subcontracted).
- Commitment from WG2 and BD partners to participate in dissemination activities directly or indirectly
- Securing extra resources from the EUI to implement activities (roundtables, participation in events)

## 2.5.7 Are there any foreseen risks?

The following implementation risks have been foreseen at this stage:

- Shifts in EU MFF negotiations that change the overall structure, pillars, and programmes.
- Lack of alignment among BD WG2 and other partners.
- Lack of commitment and capacity to develop the activities and therefore impacting the final outcomes.
- Limited engagement from other UAEU Partnerships to support and validate BD Partnership Recommendation.
- Limited engagement of EU Co-legislators (Parliament and Council) towards the BD Partnership Recommendation.

- Limited engagement of Member States representatives due to lack of engagement or contact points.
- Limited to no resources available for the wider dissemination activities in Brussels.

## 2.5.8 Which members of the UAEU Partnership will be involved in implementation of the Action?

| | |
|---|---|
| **Action Leader** | **Green Finance Institute (Spain)** |
| **Contributing Members** | German Association for Housing, Urban and Spatial Development (DV), City of Mechelen, EUROCITIES, City of Cesis, City of Bergisch Gladbach, City of Milan (represented by AMAT), GBCE |

## 2.5.9 Are there any EU legislative initiatives or proposals that may result in considerable spatial imbalances, which are relevant for this Action?

The following EU initiatives, which will be placed at the centre of the outputs, may cause spatial imbalances:

- **Cohesion Policy Funds:** The European Regional Development Fund as well as the Just Transition Fund, will still be deployed after the programming period (2027) according to standard rules (N+2 / N+3). The way they are channel by the regional managing authorities may have a direct positive or negative impact across the European regions.
- **European Union's second Emissions Trading System (ETS2) Directive:** Although it started in the current programming period, it has been already included in the new framework through the Social Climate Fund and its National Plans. Such strategic documents and funds will target energy poverty as well as transport poverty, meaning key tools to advance or hinder decarbonisation targets.
- **EU Multiannual Financial Framework 2028-2034 (MFF):** While this framework presents significant complexity, there are three key proposals that can be linked to decarbonisation and may strengthen or minimise the role of cities:
    - National Regional Partnership Plans under *The Fund*, which will be the comprehensive tool (including the National Social Climate Plans) to design, plan and implement EU funds according to national, regional and local priorities.
    - European Competitiveness Fund (ECF), which clusters previous EU funding instruments, previously accessed by cities, but does not have a clear allocation in the present
    - EU Facility, under the ECF, which will be the main mechanism for the EU to match each project proposal with the proper financial instruments to create a catalytic impact
- **EU Cities Agenda:** Published at the end of 2025, it is the first time that the role of local governments is explicitly acknowledged when implementing EU policies. It provides a mandate and clarifies responsibilities among cities, and it calls for more capacities and resources to deal with them. However, not matching such an agenda with dedicated funding in the new programming period may result in spatial imbalances.

The following EU initiatives, which indirectly affect the main outputs of this action, may cause spatial imbalances:

- **Energy Performance of Buildings Directive:** Member states have been complying with the submission of National Building Renovation Plans. This instrument should include national long-term renovation strategies (including regional and local levels) and propose district approaches as well as the way to finance them. Impact results depend highly on geographical granularity of such plans as well as synergies local plans and ongoing local initiatives on RES from the construction and energy sector.
- **Energy Efficiency Directive:** Local authorities of more than 45K inhabitants will need to draw Cooling and Heating Plans. Although a key strategy in connection to the National Building Renovation Plans and comprehensive district approaches, this initiative may be impactful if there's a matching capacity at the local level to mobilise civil servants and technicians to build a strategy and implement the solutions with key local stakeholders.

# 2.6 Action N° 06 – Governance Model for Local Ecosystem to Implement Building Decarbonisation

Develop a comprehensive toolbox (preferably in an online format) to guide municipalities on governance model options for Building Decarbonisation at the local level, seeking involvement of stakeholders, based on the identification of good practices and considering the diversity of realities in municipalities.

**Targeted stakeholders/governance level:**

- Public Administration, at a local, regional and European level.
- Energy companies and operators.
- Energy communities.
- Owners, residents and end users.
- Financial sector.
- One-Stop-Shops (OSS).
- Civil society and academia.

**Deadline: December 2027**

## 2.6.1 Which of the three pillars is this Action contributing to?

This action will contribute to a **better knowledge** of governance models at the local level, identifying what has worked and what has not (from a city's perspective) and what barriers exist. This will provide some ideas/examples/inspiration that cities could apply. In search

of "What an ideal model could be". Material will be generated for dissemination and knowledge: publications, a collection of good practices, webinars, and policy briefs.

## 2.6.2 What is the specific problem this Action is aiming to address?

Success of municipalities in Building Decarbonization depends on a collaborative ecosystem that combines:

- Clear public policy.
- Technical and financial solidity.
- Community participation from the beginning of the project.

The specific problem that this action is aiming to address is the **lack of support from policies or regulations for adequate governance** of decarbonization processes, since current regulations establish "WHAT" regions and municipalities must do, but do not establish "HOW", which generates gaps and lack of adequate governance to suitable address these complex processes.

Another problem is the **lack of coordination and alignment between stakeholders.** There are often silos between different departments involved or lack of participation of key stakeholders. It's necessary to identify and define how multiple actors coordinate, collaborate and share responsibilities to implement urban policies.

Finally, the aim is to respond to one of the main problems that the EU is tackling: **Streamline the information**. Therefore, having information on typologies of governance models and a space to disseminate it will be very useful. For this dissemination, this action will attempt to use an existing platform. "EU Agenda for Cities" plans to introduce a unified platform for cities that brings together existing initiatives, etc. So, this is probably one of the places where the information that will be generated with this action can be used.

## 2.6.3 Which existing EU policies, legislations or instruments are relevant for this Action?

There are several regulatory initiatives that this Action Plan could take into account:

- Directive (EU) 2023/2413, the **Renewable Energy Directive (RED III)**. Promotes its development and mentions integrated heating and cooling planning. However, it doesn't require a clear governance model (who plans, who manages, how different actors coordinate …).
- Directive (EU) 2023/1791, the **Energy Efficiency Directive (EED).** Requires local planning but it's not always clear how coordination between levels works, which authority monitors compliance or what sanctions or incentives exist to ensure compliance.
- Directive (EU) 2024/1275, the **Energy Performance of Buildings Directive (EPBD)** introduces clear governance requirements, but it doesn't operationalize them. For example, it mandates consultation with local and regional authorities but doesn't specify how this coordination is structured (committees, consortia). Another example is when requires the exchange of data on efficiency and certification, but doesn't define which platform, format, or body should manage the data.

Regulations alone don't guarantee effective governance and must translate into clear governance mechanisms. In this sense, this Action Plan doesn't aim to address and propose regulatory improvements to governance models, given their complexity and the long term

for their implementation. Rather, this Action Plan aims to generate knowledge and provide local ecosystems with the best practices of governance models.

## 2.6.4 Why is this Action needed?

By identifying good practices developed in Building Decarbonization, we believe that **we will encourage municipalities to take action.** We will provide them:

- Security in implementation, since the practical cases will show municipalities the resolution to doubts, barriers, problems ... that other cities have certainly already addressed and resolved.
- Standardization and methodology in implementation.
- Flexible solutions, which must allow implementation in different realities (sizes, climatology, building typologies, Building users ...).

By contributing knowledge with identified good practices, this action aims to respond to the lack of guidance and methodologies for municipalities to deploy Building Decarbonization. The regulations are setting some obligations and an agenda for decarbonization but are not providing solutions for deployment. Good practices will also contribute to better collaboration between all stakeholders. An alignment between all entities that will benefit the city and the citizens themselves, as they will be part of the solution.

## 2.6.5 How will the Action be implemented?

The following sub-activities will be conducted as **preliminary work**, foreseen to be completed by March 2026:

- **Mapping successful cases.** Benchmark successful governance models. A sector research will be done by external expertise, looking for good practices in countries/cities that have a governance model in place linked to building decarbonisation. A final report will be done, compiling findings and recommendations.

The Action will then be implemented following four other phases:

**Phase 1a:** Table of Contents, analysis of the findings and possible Good Practices for the Toolbox (by October 2026).

- Brief document with the initial findings. This document will be the base for defining the initial Toolbox.

**Phase 1b:** Designing and launching an EU-wide survey (by October 2026)

- **Activity 1.1.** Survey on the main challenges that cities are facing when setting governance models for building decarbonisation
    - Design the survey using input from the Benchmarking exercise done in the preliminary work
    - Test the survey with the cities that are involved in the BD Partnership
    - A minimum viability threshold will be defined to ensure diversity of cities, both in terms of size and location (climate, culture, urban fabric, etc.)
    - Data collection
    - Data analysis and final report

**Phase 2:** Review of the results considering the answers from the survey campaign (by December 2026)

- **Activity 2.1.** The results from the survey will be collected and compared with the initial findings coming from TASK1.
    - A shortlist of cities will be made, followed by more focused questions for a second round of desk research.
    - The document produced in Phase 1a will be reviewed.

**Phase 3a:** Second desk-research (April 2027)

Second desk research will be conducted to match the results from the survey with the initial desk research and narrow down the best practices and tools. This second desk research will be conducted, focusing on strategically selected target cities and with more specific questions.

**Phase 3b:** Developing the Toolbox tailored for different local contexts (April 2027)

As a result, a Toolbox will be created identifying governance models per different city type, challenges, solutions and best cases:

- Compilation of different governance model scenarios per different city type, including challenges, solutions and best cases.
- Designing and implementing the Toolbox for different local contexts and different building decarbonisation stages.
- Inclusion of intra-city coordination and considering the multilevel governance context (distribution of competences).
- Stakeholders' management and engagement (public, private and residents).
- Consideration of Community-led and resident ownership models.

The toolbox will be designed considering that an effective municipal governance for building decarbonisation is not a fixed structure, but an evolving system that combines different governance models depending on institutional maturity, capacity and resources, stakeholder integration, cultural aspects and implementation needs.

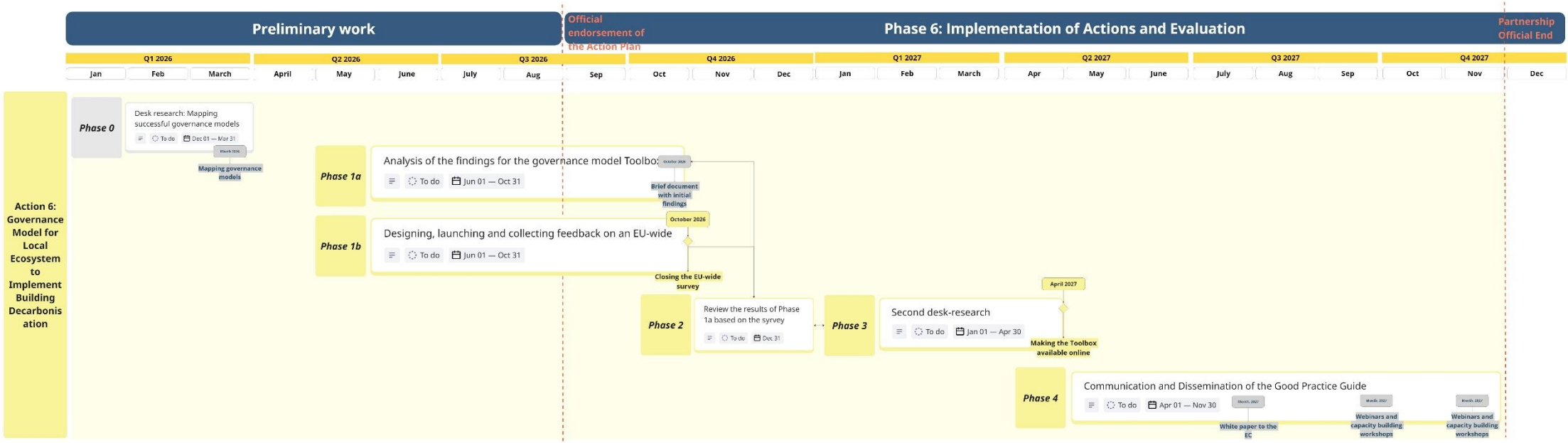
**Phase 3c**: testing the usability and/or user interface toolbox with the municipalities involved in the BD Partnership (October 2027)

- Assessing the feedback received during the testing phase and implementing the additional changes needed.

**Phase 4:** Communication and Dissemination (November 2027)

- **Activity 4.1.** Disseminate the proposed Toolbox with multiplier organisations and EC institutions.
    - White paper to the EC with the proposed governance models for different city type.
    - Webinars and capacity training with local stakeholders.
    - Round table discussion/workshop with multiplier organisations/EC initiatives on how to make use of the Toolbox with their cities' network.
    - Peer-to-peer workshops/exchange platforms.
    - Use an existing platform ("EU Agenda for Cities) to bring together good practices.
    - Use existing dissemination channels (CEMR, NZC Platform, national and municipal associations, OSS platforms, etc.)

# Action 6: Timeline



## 2.6.6 What resources are needed?

**External expertise.** External support will be needed to perform certain analysis tasks:

- Desk research
- Analysis and synthesis work by crossing the good practices identified with the responses to the surveys carried out
- External expert for the 2nd desk research

We will need external services for good communication and dissemination: a communication expert (to identify the best events to attend), Graphic designers, and video editors. This external expert could be used by all Working Groups.

**Synergies with other initiatives.** We will need collaboration and synergies with other ongoing European projects to develop some common activities (such as webinars, training, events, etc.) It will be necessary to have a **platform already in use** that is useful for the dissemination and communication of the good practices identified.

- To explore the EU Construction Platform launched on Wednesday, 17 December 2025 (https://transition-pathways.europa.eu/construction
- https://regions-and-cities.ec.europa.eu/cities-portal_en

## 2.6.7 Are there any foreseen risks?

One of the key risks is linked to not being able to obtain enough examples that could be useful for Building Decarbonization of municipalities in Europe. It will be critical to identify the best tools to disseminate good practices among stakeholders. Because the purpose is to promote decarbonization initiatives. Not only to find them. The following risks have been identified:

- The desk research doesn't give enough information useful for Building Decarbonization of municipalities in Europe.
- Lack of findings in terms of the best tools to communicate and disseminate good practices among stakeholders. Because the purpose is to promote decarbonization initiatives. Not only to find them.
- The findings from the desk research don't match the challenges identified from the survey.
- Cities/municipalities are not interested in the final finding and will not use the toolkit/tool guide.

## 2.6.8 Which members of the UAEU Partnership will be involved in the implementation of the Action?

| | |
|---|---|
| **Action Leader** | **INCASOL** and **City of Vaasa** |
| **Contributing Members** | GBCE, EUROCITIES, UniverCities, City of Kladno, City of Milan, City of Cesis |

### 2.6.9 Are there any EU legislative initiatives or proposals that may result in considerable spatial imbalances, which are relevant for this Action?

The EPBD and EED set obligations for improving the energy efficiency of buildings and promoting carbon neutrality, the requirements of which are binding on Member States and will be implemented in national laws in the coming years. **Regional differences in the age of the building stock, expertise, investment capacity, and financing opportunities can lead to imbalances,** which requires regional targeting and support mechanisms to be considered separately in planning.

Achieving the objectives of the EPBD Directive will require significant investment in building renovations and energy efficiency solutions. **Wealthier regions or Member States may be able to meet the EPBD requirements more quickly** and comprehensively, while less developed regions may face greater cost burdens and capacity constraints (e.g., supply of construction companies, financing, expertise). If national or regional support does not compensate for these differences, this may increase regional disparities in the energy efficiency of the building stock and in investment capacity.

The EED includes, among other things, a requirement to renovate at least 3% of all public sector buildings annually to improve energy efficiency, and this obligation will extend beyond public sector buildings as member states implement the directive. The obligation may put pressure on **smaller municipalities and regions,** which are **not prepared to carry out major renovations of their public buildings** without support mechanisms.

# 3 CONTRIBUTION OF THE ACTION PLAN TO EU COMMITMENTS AND GLOBAL FRAMEWORKS

## 3.1 European dimension

### 3.1.1 Cross-cutting issues

The complexity of urban challenges requires integrating different policy aspects to avoid contradictory consequences and make interventions in Urban Areas more effective (Pact of Amsterdam clause 12).
Cross-cutting Issues represent key aspects to be considered in the overall work of the Urban Agenda for the EU and its Partnerships. Each Partnership shall therefore consider the relevance of the Cross-cutting Issues (Gijon Agreement clause 5).
The Cross-cutting issues are:

- Promoting urban policy for the common good, inclusiveness, accessibility, security and equality.
- Enhancing integrated and innovative approaches, notably through financing and in correlation to the green, digital and just transitions.
- Supporting effective urban governance, participation, and co-creation.
- Promoting multi-level governance and cooperation across administrative boundaries.
- Harmonising measures at different spatial levels and implementing place-based policies and strategies.
- Supporting sound and strategic sustainable urban planning, and balanced territorial development.
- Contributing to the acceleration of the implementation of the 2030 Agenda SDGs, the New Urban Agenda and Habitat III principles.

The BD Action Plan addresses multiple cross-cutting issues, which are crucial to driving the decarbonisation of Europe's building stock in line with the European directives. It **promotes urban policy for the common good, inclusiveness and accessibility** by creating a roadmap for local authorities to help them develop and implement heating and renovation plans and projects (Action 3) in a more efficient way, contributing in this way to the well-being of their citizens.

Through its funding guide for municipalities to implement district decarbonisation approaches (Action 4) and the recommendations on the MFF (Action 5), the two Actions contribute directly to **enhancing integrated and innovative approaches through financing** and in correlation to the green, digital and just transitions. An additional contribution to this comes also from Action 6, dealing with governance models, where one of its suggestions is the formation of viable business models to support the project implementation.

Aiming at creating links among different directives, plans, and different governmental levels, Action 1,2,3 and 6 support the cross-cutting issue of **effective urban governance, participation and co-creation.** Similarly, Action 1, 5 and 6 promote **multi-level governance and cooperation across boundaries** in order to enhance the implementation capacities of the local level and ensure more straightforward coordination among the supranational, national, regional and local level of governance.

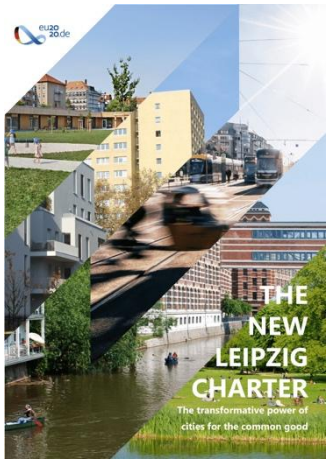
Most of the Actions aim at **harmonising measures at different spatial levels**, as well as **supporting sound and strategic sustainable urban planning.** They seek to align national decarbonisation targets with regional planning frameworks and local implementation tools, ensuring that building renovation, energy efficiency, and clean energy integration are coordinated across governance levels.

Directly or indirectly, all Actions contribute to the implementation of international environmental goals such as the SGDs, the New Urban Agenda and Habitat III principles. Their contribution to these global Agendas will be detailed in the following sections of this Chapter.

Legend: blue cell=cross-cutting issue addressed; white cel=cross-cutting issue not addressed

| | Action1 | Action2 | Action 3 | Action 4 | Action 5 | Action 6 |
|---|---|---|---|---|---|---|
| a. Promoting urban policy for the common good, inclusiveness, accessibility, security and equality. | | | | | | |
| b. Enhancing integrated and innovative approaches, notably through financing and in correlation to the green, digital and just transitions. | | | | | | |
| c. Supporting effective urban governance, participation, and co-creation. | | | | | | |
| d. Promoting multi-level governance and cooperation across administrative boundaries. | | | | | | |
| e. Harmonising measures at different spatial levels and implementing place-based policies and strategies. | | | | | | |
| f. Supporting sound and strategic sustainable urban planning, and balanced territorial development. | | | | | | |
| g. Contributing to the acceleration of the implementation of the 2030 Agenda SDGs, the New Urban Agenda and Habitat III principles. | | | | | | |

## 3.1.2 Link to the New Leipzig Charter




The New Leipzig Charter[3] (adopted on 30 November 2020 under German Presidency of the Council of the European Union) provides a key policy framework document for sustainable urban development in Europe. The Charter highlights that cities need to establish integrated and sustainable urban development strategies and ensure their implementation for the city as a whole, from its functional areas to its neighbourhoods. The document is strongly aligned with the Cohesion Policy and its framework for sustainable urban development. Member States agreed to implement the Charter in their national or regional urban policies. The New Leipzig Charter is also accompanied by an implementing document about the Urban Agenda for the EU.

The action plan fully contributes to the green dimension of urban transformation (The Green City). The implementation of local building renovation and H&C plans (Actions 1-3), guidance for financing neighbourhood decarbonisation (Actions 4-5) and establishment of local governance models and local eco-systems (Action 6) present an integrated approach to a climate-neutral energy supply with renewable resources, the implementation of energy efficiency measures, as well as climate-resilient and carbon-neutral buildings. This will contribute to significantly reducing greenhouse gas emissions and helping European cities adapt to the impacts of climate change.

## 3.1.3 Link to the EU agenda for cities

The EU Agenda for Cities[4] (conclusions approved on 26 February 2026) is a strategic policy framework for sustainable and integrated urban development. It seeks to improve policies affecting cities, increase dialogue, and make it easier for them to access EU support. This Agenda recognises the vital role of cities—including small and medium-sized ones—in driving growth, innovation, decarbonisation, and social inclusion.

This action plan of the Building Decarbonisation Partnership contributes to key areas of action identified for the EU agenda, more in particular "Affordable, sustainable, decent quality and inclusive housing and buildings" and "Climate action, environment and clean energy". As the aim of the EU agenda is to have a streamlined support for investments in cities, the guidance and partnership recommendation for financing building and district decarbonisation (actions 4-5) are highly relevant for the EU agenda.

[3] Source: New Leipzig Charter- The transformative power of cities for the common good (2020). https://ec.europa.eu/regional_policy/whats-new/newsroom/12-08-2020-new-leipzig-charter-the-transformative-power-of-cities-for-the-common-good_en (Accessed: February 16, 2024).

[4] Source: An EU Agenda for Cities: Driving Growth and Prosperity (2025). https://ec.europa.eu/regional_policy/information-sources/publications/communications/2025/eu-agenda-for-cities-2025_en (Accessed: February 26, 2026).

# 3.2 Global (International) dimension

## 3.2.1 The Sustainable Development Goals of the UN

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. Central in the document are the 17 Sustainable Development Goals (SDGs)[5].

With this action plan, the Building Decarbonisation Partnership contributes to the Sustainable Development Goals of the UN, in particular:

Local renovation and H&C plans will increase the share of renewable energy in the energy mix and accelerate the rate of improvement in energy efficiency (Actions 1-3). Guidance to finance neighbourhood decarbonisation will promote investment in energy infrastructure and clean energy technology (Action 4-5).

The aim of the action plan is to unlock building decarbonisation with instruments and approaches at the city level and neighbourhood level (Actions 1-4). Furthermore, the aim is to create local ecosystems in the city with local communities (Action 6).

Strong partnerships address the needs for targeted support and capacity-building. Furthermore, there is a need for guidance to finance neighbourhood decarbonisation and to mobilise private investments (blended finance) (Action 4-5). Appropriate governance models will be needed to unlock effective private-public-civic partnerships (Action 6).

[5] Source: THE 17 GOALS. https://sdgs.un.org/goals (Accessed: February 16, 2024).

## 3.2.2 The Paris Agreement adopted at COP21

The Paris Agreement is a legally binding international treaty on climate change. It was adopted by 196 Parties at the UN Climate Change Conference (COP21) in Paris, France, on 12 December 2015. Its overarching goal is to hold' the increase in the global average temperature to well below 2°C above pre-industrial levels' and pursue efforts 'to limit the temperature increase to 1.5°C above pre-industrial levels.' Since 2020, countries have been submitting their national climate Action plans, known as nationally determined contributions (NDCs). Each successive NDC is meant to reflect an increasingly higher degree of ambition compared to the previous version[6].

The EU submits a single, joint NDC on behalf of all Member States to the United Nations Framework Convention on Climate Change (UNFCCC). The National Energy and Climate Plans (NECPs) are the bottom-up, legally required plans (under the Governance Regulation (EU) 2018/1999) that detail how each Member State will contribute to that collective, top-down goal. These plans require Member States to outline how they will meet obligations for greenhouse gas reductions, renewable energy, and energy efficiency, aligning with the EU's goal of climate neutrality by 2050. NECPs are thus the primary mechanism for implementing the commitments of the Paris Agreement, serving as the bridge between national policies and the EU's climate targets.

The action plan of the Building Decarbonisation Partnership contributes to the NECPs as it provides support to draft National Building Renovation programmes in-line with local H&C plans and the other way around (Actions 1-3). Furthermore, it provides guidance and recommendations to turn NECPs to real investment plans with regards to building decarbonisation (Actions 4-5). Finally, the action plan also targets the needed governance to create local ecosystems to implement these instruments (Action 6).

https://unfccc.int/sites/default/files/english_paris_agreement.pdf

[6] Source: The Paris Agreement (2015). What is the Paris agreement? https://unfccc.int/process-and-meetings/the-paris-agreement (Accessed: February 16, 2024).

# 4 MONITORING

| Action | Action Leaders | What is the objective of the Action? | What is the Action category? | Starting Date | Action Implementation Status | Finalisation date | Outputs delivered or under preparation | Outcomes that have been achieved |
|---|---|---|---|---|---|---|---|---|
| **Action n°1** | **CEMR** and **Department of Environment & Spatial Development - Flanders** | **100% Better Regulation** | Policy Recommendation | **01/09/2026** | Planning/inception stage | **23/12/2026** | Policy Mapping – Synthesis Report by Q2 2026<br><br>Policy Brief by Q4 2026 | Policy Mapping – Preliminary work |
| **Action n°2** | **MIVAU** | **40% Better Regulation 60% Better Knowledge** | Data and Indicators | **01/09/2026** | Planning/inception stage | **30/11/2027** | Set of Common Indicators – Report by Q1 2027<br><br>Methodological Appendix by Q1 2027 | Mapping of Indicators – Preliminary work |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Action n°3** | **MIVAU** | **100% Better Regulation** | Strategy/Plan/Roadmap; Pilot project | **01/09/2026** | Planning/inception stage | **30/11/2027** | Roadmap for municipalities to implement BREACH Plans by Q4 2026<br><br>Potential Pilot Project (dependent on funding) by Q4 2027 | |
| **Action n°4** | **German Association for Housing, Urban and Spatial Development (DV)** | **50% Better Knowledge 50% Better Funding** | Policy Recommendation; Guidance Documents/Handbooks | **01/09/2026** | Planning/inception stage | **30/11/2027** | Operational Guidance on funding and finance for local stakeholders by Q1 2027<br><br>Trainings and workshops with local stakeholders by Q4 2027 | Mapping of funding and financing instruments – preliminary work |
| **Action n°5** | **Green Finance Institute (Spain)** | **40% Better Regulation 60% Better Funding** | Policy Recommendation/Impact Assessment | **01/04/2026** | Planning/inception stage | **30/06/2027** | BD Partnership Recommendation on the next MFF by Q2 2026 | Mapping of funding and financing instruments – preliminary work |
| **Action n°6** | **INCASOL** and **City of Vaasa** | **100% Better Knowledge** | New Governance Body/Structure | **01/09/2026** | Planning/inception stage | **30/11/2027** | EU-wide survey by Q4 2026<br><br>Governance Model Toolbox by Q2 2027 | Mapping governance models – preliminary work |

# 5 EUI OPPORTUNITIES

As the Permanent Secretary for The Urban Agenda for the EU, EUI has developed and is implementing a Support Service Package5 aimed to make the participation of all UAEU members easier, more effective and efficient. Since autumn 2022, this also includes informing and supporting them in making use of the other EUI opportunities.

Below is a list of the available EUI opportunities which have been presented, discussed and are considered to be used during the Action Plan implementation. Between these the City-to-City exchange and the Peer Review are considered an great complementary method for the implementation phase.

## 5.1 Capacity Building

Through capacity building, EUI aims to **enhance and strengthen cities' abilities** to develop **Sustainable Urban Development** policies, strategies, and practices in a collaborative and inclusive manner. Our capacity building approach is nurtured by the wish to create links and knowledge sharing among cities around the EU.

### 5.1.1 City-to-City Exchanges

City-to-City Exchanges[7] are **in-person visits or online** exchanges carried out between an applicant city and a one or two peer cities. Peer cities share new working methods and innovative approaches on specific implementation challenges identified by the applicant city. The challenges relate to the design and implementation of Sustainable Urban Development strategies.

Applications may be submitted by **urban authorities of any size from EU Member States.** Other stakeholders may participate in the exchange if justified by the urban authority.

You can apply for a City-to-City Exchange at any moment, **the call is continuously open.** In general, you can count on starting the actual visits three months after submitting an application.

### 5.1.2 Peer Reviews

**Peer Reviews**[OBJ][7] take the form of workshops in which cities are peer reviewed by other cities and relevant stakeholders in order to benchmark their Sustainable Urban Development strategies. There are two possible roles in the process**: City under Review and Peer Reviewer.**

[7] For more and updated information visit the dedicated EUI webpage: https://www.urban-initiative.eu/capacity-building/pilot-call-c2c-exchanges

**Cities under Review** benefit directly by getting targeted advice on improving their design and implementation of Sustainable Urban Development strategies and practices in an integrated and participative way.

**Peer Reviewers** benefit equally from this process as they are bringing forward their good practices and get new ideas from all the cities that are brought together by the Peer Review.

Applications may be submitted by urban authorities of any size from EU Member States that are involved in the design and implementation of a Sustainable Urban Development Strategy (in line with Article 11 of the ERDF Regulation).

## 5.2 Innovative Actions Calls for Proposals

The Innovative Actions Calls for Proposals provide opportunities for cities, as enablers of innovation, to take the risk and turn ambitious and creative ideas into pilot projects that can be tested in real urban settings.

At the moment of writing this report, EUI already launched four calls for projects. The fourth call on the Innovative Actions has been launched on the 25th of February 2026 and it targets specifically small and medium-sized cities. Two topics can be of interest to be explored further by the Building Decarbonisation local authorities:

- **Topic 4** on affordable, sustainable, decent-quality and inclusive housing and buildings, and
- **Topic 5** on Climate action, environment and clean energy.

During several Partnership meetings, EUI has presented the key objectives of the Innovative Actions Call and made links to the topics of the 4th call and the Building Decarbonisation Partnership topics. A constant exchange between the partnership and these projects is highly recommended and considered during the implementation phase.

# ANNEX REFERENCES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