

## **PRESS RELEASE**

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## **Cohesion Policy:**

## Court of Auditors' concerns now addressed by Covenant of Mayors movement

In its recently-published report on the cost effectiveness of cohesion policy investments in energy efficiency, the European Court of Auditors points to a mismanagement of EU funding, blaming member states for a lack of adequate criteria when programming and monitoring energy efficiency projects. Such shortcomings are now largely addressed at local level through the EU Covenant of Mayors movement, which brings together over 4,500 signatory cities voluntarily committed to planning and monitoring their energy efficiency actions through a sound methodological framework, co-developed by the European Commission Joint Research Centre.

The Court argues that the "right conditions" for cost-efficient energy investments were not met. Among other things, the report's author Harald Wögerbauer highlights that "the municipalities and regions should have plans based on needs assessments, which should include inventories of all their buildings and their energy costs". This is actually one of the key conditions for joining the Covenant of Mayors: for the first time, local authorities voluntary undertake to compile baseline emission inventories, adopt sustainable energy action plans with 2020 objectives and regularly report on their implementation progress. This thus responds to the Court's call to "identify the specific sectors where energy savings could be achieved" and tackles the problem of "inadequate performance indicators and monitoring".

In addition, the Court also mentions that "results of the energy efficiency measures reported by the individual managing authorities are not comparable across the EU and cannot be aggregated." As specified by Energy Cities' Director Gérard Magnin, "this is yet another pitfall addressed at local level through the Covenant of Mayors, which provides a common, unprecedented benchmarking and reporting platform for sustainable energy projects across Europe."

Quite some time before the publication of this report, Energy Cities had already identified shortcomings in the use of cohesion funds and <u>proposed solutions for a better management of European funding</u>, including granting priority access to EU funds to cities having developed sustainable energy action plans. Other suggestions included a call for increased technical assistance support for financial engineering and a stronger involvement of local authorities in the definition and management of operational programmes.

## Press contact:

Alix Bolle | Communication manager | www.energy-cities.eu/alix | Tel.: +3225047860