

Climate City Contract 2030

Between Eskilstuna Municipality and the government agencies the Swedish Energy Agency, Vinnova, Formas, the Swedish Agency for Economic and Regional Growth, the Swedish Transport Administration, the Swedish Environmental Protection Agency and Viable Cities.

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1. Purpose of the Climate City Contract 2030

The purpose of this Climate City Contract is to accelerate the pace of the climate transition in cities within the framework of the 2030 Agenda, while contributing to the recovery of the Swedish economy in the wake of the coronavirus pandemic. The Climate City Contract expresses the partners' intention to raise the level of ambition in sustainable urban development and climate transition. The Climate City Contract also provides Sweden and Swedish cities with a good foundation to be international role models for climate transition in cities. This will be achieved through mutual, long-term commitment to efforts on the part of the undersigned government agencies, the Viable Cities innovation programme, and the city/municipal authority as set out below.

2. Parties

Parties in the Climate City Contract 2030 are:

- Eskilstuna Municipality.
- The government agencies: The Swedish Energy Agency, Vinnova, Formas, the Swedish Agency for Economic and Regional Growth, the Swedish Transport Administration and the Swedish Environmental Protection Agency.
- The Viable Cities strategic innovation programme.¹

3. Municipal commitments

Eskilstuna Municipality, along with representatives from businesses, the public sector and the ideas industry, has prepared a shared Climate Programme and overarching climate goals that encompass everyone who lives and works in Eskilstuna Municipality with its two cities and rural locations.

The municipal group is one of the many players expected to contribute to the shared climate goals, and also to take responsibility for coordinating, communicating and monitoring joint climate efforts at an overall level.

Alongside Climate Programme Eskilstuna, Eskilstuna Municipality has drawn up a plan for how the municipal group should work moving forwards in order to contribute to the shared climate goals. The two steering documents – *Climate Programme Eskilstuna/Klimatprogram Eskilstuna* and *The Municipal Group's Plan for the Climate/*

¹ Viable Cities is a strategic innovation programme funded jointly by the Swedish Energy Agency, Vinnova and Formas. The programme runs 2017–2030 and has approximately 130 members. The host organization is KTH Royal Institute of Technology.



Kommunkoncernens plan för klimat – were decided by the Municipal Council on 10 November 2022. Eskilstuna will therefore contribute to the mission for climate-neutral cities by 2030 with a good life for all within planetary boundaries by working in broad collaboration, with trust-based working methods and a focus on rapidly reducing both territorial and consumption-based emissions.

3.1. Municipal climate goals

Eskilstuna's climate footprint will gradually move from negative to positive, and the Municipality will work in accordance with the Paris Agreement to limit global warming to less than two degrees Celsius. To contribute to global and national climate goals and Vision Eskilstuna 2030, the long-term objective is a climate-positive ² Eskilstuna by 2045.

Goal:

- a climate-positive Eskilstuna by 2045.

To make the long-term goal possible, everyone who lives and works in Eskilstuna Municipality needs to do their part, and the reduction in emissions must be exponential in line with the indications shown in the regional carbon budget³. This means that the main emission reductions must happen early on. The same applies for other GHGs and to consumption-based emissions.

Interim goal:

- Reduce the total net emission of territorial⁴ GHGs by around 80% between 2020 and 2030.
- For consumption-based emissions, the same reduction rate should be followed or kept in line with national goals as they are agreed.

It should be noted that there is scope for climate-compensated⁵ measures for achieving both the short- and long-term goal.

3.2. Strategy

The guiding principle is 'together'.

² Being climate positive entails capturing more greenhouse gases (GHGs) than you emit.

³ The Södermanland County carbon budget. The carbon budget is based on the latest IPCC report and a global justice aspect. The method should be research based (currently the Tyndall model). Only CO2 emissions are included.

⁴ Emissions that occur within the geographical bounds of Eskilstuna Municipality.

⁵ Climate-compensating measures can take place through active sequestering of GHGs. It may also be achieved by purchasing climate compensation from organizations that offer certified and verified climate projects controlled by independent parties. The climate compensation should complement, not replace, activities that lead to lower emissions in the entire value chain.



For example, Vision Eskilstuna 2030, Eskilstuna's brand platform and Climate Programme Eskilstuna have been developed in broad collaboration with the people who live and work in Eskilstuna Municipality with its two cities and rural locations. The vision describes three goals including a sustainable lifestyle, a good life, and an active work life and a courageous business sector. The branding work has led to a collective ideal whereby Eskilstuna Achieves Evolution*. The aim of ongoing efforts is to lay the foundation for each other to achieve the climate goals, and is taking place in collaboration with the companies and organizations that have signed a declaration of intent for a Climate Positive Eskilstuna by 2045, are partners or supporting partners of the Viable Cities mission Climate Neutral Cities 2030.

Eskilstuna's vision 2030 and the Eskilstuna Climate Programme stake out a common roadmap, with the aim of achieving a Climate Evolution*.

The point of departure in Eskilstuna's climate transition efforts is a trust-based approach where each individual should be able, and willing, to help achieve the climate goal based on their own circumstances, in the areas that they can control, whether they are representing themselves or an organization. Each player and operation is in the best position to identify which activities have the greatest effect in both the short and long term, and the ability to work with others to achieve a high level of innovation in their particular area.

Five focus areas have been identified:

- Sustainable transport and travel
- Energy-efficient production and use
- Building, renovating and constructing with low climate impact
- Conscious consumption and production
- Capturing and storing greenhouse gases

To lay the foundation and create the engagement for a collective, accelerated climate transition based on these five focus areas, Eskilstuna is working with three parallel work packages:

Collaboration

The aim being to establish a collaborative model that mobilizes and enables an accelerated climate transition.

Commitment

The aim being to make it possible and attractive for all players in society to make local commitments for climate transition.



Support

The aim being to identify and develop support systems, so as to be able to offer accelerated climate transition to various players in the five identified focus areas.

The strategy for the municipal group's internal climate efforts is to more clearly implement the climate perspective in regular governance and management. Eskilstuna Municipality applies trust-based governance, which means that no detailed action plans are produced at central level. Instead, committees and company boards are themselves responsible for planning and carrying out relevant, cost-effective climate measures. A mapping of the group's climate impact under the GHG Protocol (base year 2019) underpins the efforts, along with the goals and reduction rate established in the Municipal Group's Climate Plan.

At the same time, the strategy in the group is to extend and formalize collaboration between different operations and areas of expertise within the group. The aims of the extended coordination include creating a harmonized overview of needs and priorities, laying the foundation for politicians and management to muster forces around the right issues, to support relevant functions in the line, and to increase climate expertise in the group's main and support processes. Systematic environmental work serves as a complement, a stable base in the work of the administrations and companies that provides support and context.

3.3. Organization and management

The municipal organization is one of the many players in Eskilstuna, but it does hold a special position when it comes to climate transition efforts. Because of Sweden's 'planning monopoly' for municipal authorities, the municipal organization controls how the climate issue is dealt with locally in decisions relating to how land and water areas are used, and how the built environment should be used, developed and preserved. The Municipality also has control over how the climate issue is dealt with as part of the core municipal assignment, i.e. social services such as schools, health and social care, crisis management, water, environmental and health protection, waste management and so on.

Eskilstuna Municipality's political heads, the Municipal Council, initiated the climate programme and has overall responsibility for making decisions relating to goals and focus areas, and for allocating tasks relating to ongoing climate efforts. Reporting of results, analysis and recommending priorities moving forward take place annually to the Municipal Executive Board, whose task it also is to make sure work is progressing.

Climate work within the municipal group is headed up by a Climate Coordination Group which coordinates, analyses and is responsible for reporting to the steering committee and political side, assisted by focus area teams. The focus area teams



include key people from the line, experts or functions with extensive influence over important processes. The teams have an important part to play in leading and supporting strategic climate efforts for the group within each specific focus area.

The two steering committees have headed up efforts during the period the steering documents Climate Programme Eskilstuna and The Municipal Group's Plan for the Climate were being prepared. One is a political steering committee⁶, and the other is a steering committee^{**7} with representatives from the group management.

- Management of the ongoing work within the municipal group remains to be established.

In order to accelerate the climate transition to the required extent, the Municipality needs to create conditions for agile, innovative systems alongside other players. New forms of organization, governance and management need to be developed and are part of the Collaboration work package. The municipal organization should act as a support function in joint climate efforts and is responsible for overall coordination, communication and monitoring of the collective results.

- Forms and governance of wide-ranging climate transition efforts will be established during 2023.

3.4. Collaboration with business, academia and citizens

Three work packages have been formulated based on discussions in the Climate Programme's think tank with representatives from companies, academia and the public sector. The aim is to have broad collaboration on all three work packages, in order to find ways to achieve the Climate Programme and jointly accomplish the goal of a Climate Positive Eskilstuna by 2045.

The consortium formed to work on the three work packages comprises Eskilstuna Municipality, Mälardalen University, Studieförbundet and ReTuna Reuse Gallery (Eskilstuna Energi och Miljö), and all parties have a part to play in the development and implementation of the work packages. ReTuna brings together players linked to retail, Studieförbundet brings together parties in public education, Mälardalen University examines the need for and availability of support to help ensure that players in Eskilstuna succeed in their climate transition, and Eskilstuna Municipality brings

⁶ The Municipal Executive Board's working committee.

⁷ The Environment & Civil Engineering Director, Trade & Industry Director, Head of Finance, Head of the City Planning Administration and MDs of Eskilstuna Energi och Miljö AB and Eskilstuna Kommunfastigheter AB.



together players linked to the development of a shared arena for climate transition and forms for climate commitments.

Within the framework of these efforts and supported by the 12 organizations* behind the consortium's Viable Cities application, as well as the almost 50 companies and non-profit associations that have to date signed a declaration of intent for a Climate Positive Eskilstuna by 2045, there is a firm basis in place to:

- find support in efforts on the three work packages, and
- lay the foundation for a long-term sustainable collaboration for an accelerated climate transition, one that strengthens local businesses and creates the conditions for a good life, together with a wide range of players in Eskilstuna.

Many of the initiative's support partners already have established networks and working methods that can serve as good examples in the ongoing process.

For instance there is ⁸Affärsplan Eskilstuna, the city's business plan in which the Municipality and the business community come together to work on local social and commercial development; ⁹the County Education Association which brings together the county's various study associations, libraries, folk high schools and the Swedish Sports Confederation; ¹⁰MITC which is run by industry in Mälardalen and Mälardalen University, to work together on the skills, technology, innovation and development of the future;* the Energy Evolution Center which gathers entrepreneurs, scientists, the business community, property owners and public services to test and develop innovative solutions that lead to genuine energy transition and greater competitiveness for companies, as well as helping to secure skills provision.

There is also close collaboration between several associations in Eskilstuna, the municipal organization and academia through the KlimatHoppMöte (Climate Hope Meeting) organized in connection with the Kunskapsfesten Science Festival in Eskilstuna.

⁸ ATEA, Mälardalens Industrial Technology Center (MITC), Berglunds Åkeri, County Education Association, AGRO Sörmland, PEAB, Destination Eskilstuna, Mälarstaden Asset Management, Regio Fastighets AB, Mälarplast AB, Affärsplan Eskilstuna and Energy Evolution Center.

⁹ ATEA, Mälardalens Industrial Technology Center (MITC), Berglunds Åkeri, County Education Association, AGRO Sörmland, PEAB, Destination Eskilstuna, Mälarstaden Asset Management, Regio Fastighets AB, Mälarplast AB, Affärsplan Eskilstuna and Energy Evolution Center.

¹⁰ ATEA, Mälardalens Industrial Technology Center (MITC), Berglunds Åkeri, County Education Association, AGRO Sörmland, PEAB, Destination Eskilstuna, Mälarstaden Asset Management, Regio Fastighets AB, Mälarplast AB, Affärsplan Eskilstuna and Energy Evolution Center.



3.5. Climate Investment Plan

A Climate Investment Plan can provide a cohesive idea of the municipal, regional, national and private actions and investments that will be needed to achieve set goals (ref. VIABLE CITIES REPORT 2021:11). Eskilstuna Municipality has not previously worked with a Climate Investment Plan, but sees it as an opportunity to increase the pace of the climate transition process.

To assure the economic perspective linked to the Eskilstuna municipal group plan for the climate, a group will be formed with representation from the Municipality's Process Management Group for economic aspects. Its remit will be to highlight the economic consequences regarding goals, measures and impacts in the climate plan from an operational perspective.

The Municipality intends to:

- Increase knowledge regarding Climate Investment Plans, and learn from other Viable Cities projects that already have one in place.
- Plan for the next stage of work on a Climate Investment Plan for Eskilstuna Municipality.

3.6. Digital support for implementation

In 2020, Eskilstuna Municipality adopted a programme for digital transformation. The programme focuses on 'Smart welfare tailored to the individual' and 'A digital sustainable city and rural areas' – two areas that interact to contribute to a better life for the people who live and work in Eskilstuna. With a digital sustainable city and rural areas, Eskilstuna lays the foundation for what today is known as a Smart City. Using a common IT architecture and digital infrastructure, which links Eskilstuna with other cities and regions, increases and harnesses the data flow in the city and its rural areas. A digital infrastructure essentially consists of two parts: a soft and a hard infrastructure. The soft infrastructure relates to the ability to collect data and make it available in a controlled way (organizational ability, business models and technical ability). The hard infrastructure comprises, for example, the Internet of Things (IoT), sensors that sense or read information, and a common IT architecture (IoT platform). The IoT platform should be able to collect external data and data from sensors, process it, and communicate with the organizations. Examples of projects within Eskilstuna Municipality relating to digitalization are Digital Twin, Digital Keys, and Procurement of a common IoT platform.

When it comes to digital support for the climate transition, Eskilstuna Municipality is working along two main lines: digitalization of the municipal group's own



environmental data, and digitalization to facilitate climate commitments in the Climate Programme.

If Eskilstuna Municipality is to run an efficient and strategic process around environmental issues, it requires both knowledge of the state of the environment via different indicators, and follow-up of the work being done on the issues in the municipal organization. At present, follow-up takes place through several different channels, and is automated or digitalized to only a very small extent. A project is currently under way to take a concerted approach to the collection and follow-up of environmental data in Eskilstuna's municipal group, and to identify ways of collecting such data as efficiently as possible without compromising quality assurance.

Climate transition work in Eskilstuna Municipality within the framework of Viable Cities is based on exploiting the opportunities offered by digitalization, and making it as easy as possible for as many players as possible to adopt climate commitments that lead to actual emission reductions and actual climate transition. The point of departure is to see whether, and if so how, it might be possible to link commitments from different players to the digital climate tool, Panorama. This is so that each commitment can provide data for following up the potential of all the commitments to achieve the climate goals, and for communication activities that make it possible to highlight players and good examples in order to inspire others to do the same.

The Municipality intends to:

- Develop methods that make it easy for different kinds of players to make climate commitments digitally that lead to a Climate Positive Eskilstuna by 2045.
- Look into the possibility of linking the digital climate commitments to overall monitoring of the climate work (currently the climate calculation tool Panorama).
- Automate the collection of environmental data for the municipal group, and quality assure it. Enable open data that is accessible to other players who request it. Enable data analysis and visualization.

3.7. Innovation hub for climate-neutral municipalities

Within the framework of work on the Climate Programme, Eskilstuna Municipality will work broadly with other players in Eskilstuna to test, develop and implement an innovative process which, through an agile work approach, will boost knowledge and incentives for climate investments and climate engagement. The goal is to establish a collaboration platform for innovative, inspiring meetings and collaborations that connect and complement existing support functions.

Eskilstuna Municipality collaborates for example in the following regional and national innovation programmes and networks: Klimatkommunerna, the National Association



of Swedish Eco-municipalities, Glokala Sörmland, Glokala Sverige, *Fyra Mälärstädernas samverkan kring klimat/Four Mälaren cities working together on climate*, and the County Administrative Board's environmental and climate council.

Eskilstuna Municipality is involved in several innovative projects.

Examples include the Resilient Energy Systems Competence Centre 'RESILIENT', coordinated by Mälardalen University. The aim of RESILIENT is to provide new research-based knowledge, tools and practices that adopt a system perspective for safe, efficient energy supply in sustainable, fossil-free energy systems. The competence centre includes, among others, Eskilstuna Municipality, Strängnäs Municipality, Eskilstuna Strängnäs Energi & Miljö AB, Uppsala University and Volvo Construction Equipment.

Another example is the Energy Evolution Center (EEC) which opened in 2022, and is being developed into an arena for innovative solutions that lead to genuine energy transition and greater competitiveness for companies, as well as helping to secure skills provision in the long term. These initiatives are important components in ongoing efforts and collaboration between business, academia and local government.

There is also a scheme to develop an attractive, climate-smart area of operations where a special sustainability offering and orientation goals are being formulated.

Eskilstuna Municipality intends to share the experiences that these collaborations generate with other Viable Cities municipalities, other municipalities and other players via relevant national meeting places and collaborations.

3.8. Climate adaptation

Climate adaptation is an area that requires collaboration within the municipal organization. The Municipality's functions for crisis management, spatial planning and climate transition need to cooperate with the common goal of a society that can deal with the consequences of a changed climate.

Eskilstuna currently works with climate adaptation in a range of areas in the municipal organization. Flood mapping has been conducted for the Municipality, and can be found in *Eskilstunakartan*, the Eskilstuna map service. A storm water policy and plan has been prepared for Eskilstuna Municipality. The policy's goal for storm water management is, as far as possible, to minimize damage to public and private interests following heavy and torrential rain in a changed climate. The climate adaptation perspective is a part of the work on the comprehensive plan and detailed plans, the committees' risk and vulnerability analyses, and the Municipality's preparedness work generally.



The issue of dealing with heat waves was raised in summer 2022, including extreme heat at schools, school playgrounds and retirement homes.

The Municipality intends to:

- Add a further expert to be responsible for coordinating climate adaptation, storm water and water/sewerage in the municipal authority.
- Compile a status report of the climate adaptation work under way in the Municipality, where the Municipality is today, and priorities going forward.

3.9. Climate-smart mobility

Eskilstuna Municipality's Climate Programme focuses on five different areas, one of them being Sustainable Travel and Transport. Climate calculations for Eskilstuna show that transport is the biggest single source of emissions, encompassing domestic travel as well as international aviation and shipping. There are relatively good conditions for sustainable transport in Eskilstuna. The majority of Eskilstuna's population lives within a five-kilometre radius of the city centre, and there are good opportunities for walking, cycling, travelling by bus or train, and charging an electric vehicle. Eskilstuna Logistics Park creates opportunities for companies to transport goods sustainably. Within the geographical site, the municipal group has a special part to play in laying the foundation for fossil-free travel, which is clearly highlighted in the municipal comprehensive plan, and in the plan for traffic, cycling and public transport. But the most important change lies in rethinking how we move around and transport goods, both locally and globally.

Eskilstuna Municipality's Transport Plan takes an overall approach to the issue of transport in Eskilstuna Municipality. The point of departure is how traffic and transport should be designed to create a sustainable society with good accessibility, and where people feel safe. The aim of the Transport Plan is to contribute to a more attractive and sustainable Eskilstuna, as the plan encompasses all modes of transport. The general idea is that dependency on cars should decrease, and that the percentage of pedestrians, cyclists and public transport should increase.

Eskilstuna Municipality has begun its work on a more sustainable transport system by working with flexible parking figures, the aim being to create more opportunities and more scope in the planning process for sustainable modes of transport other than driving a car. The municipality itself has a logistics centre where deliveries to municipal operations are coordinated and reloaded. In the operations themselves there are initiatives such as cargo bikes which not only streamline transport, but also reduce climate impact. There is an ongoing process within the municipal group to switch the vehicle fleet to fossil-free fuels.

**The Municipality intends to:**

- Complete the update of the Transport Plan to a Transport and Mobility Plan (TROMP).
- Continue investing in infrastructure for sustainable travel.
- Review how measuring and monitoring methods can be developed in the field of sustainable transport and climate-smart mobility.

3.10. Reporting and follow-up

The municipal group's climate efforts shall be reported annually to the Municipal Executive Board. The group's emissions have been mapped in accordance with the Green House Gas Protocol, Scope 1–3. The mapping is not followed up annually, but forms a knowledge base for the group's climate work and shows the distribution between different categories of emissions, and how they are spread across different operations. To be able to link climate impact to what is done, built, purchased or transported, more detailed indicators and key metrics are being developed in each focus area. This process is under way and will continue being developed in 2023. Since each committee and company board prepares its own plan for climate efforts, ongoing and planned initiatives and measures are reported at the same time. A first collective report for the group's climate work will be prepared in spring 2023.

GHG emissions per inhabitant in the municipality are followed up in the municipality's annual plan, but the data (SMHI RUS data) lags about two years behind. Official statistics are the foundation for monitoring of Climate Programme Eskilstuna. Results from other systems, surveys and other science-based information are used to produce a good idea of how the work is progressing. Monitoring of Climate Programme Eskilstuna will be developed as part of the third work package in the Viable Cities initiative. A digital sign-up will be tested to enable different players in Eskilstuna to show and concretize their climate commitments, but also to achieve faster feedback on how emissions are changing. That process is based on the Panorama climate tool (Climate OS) mentioned in point 3.6 above.

4. Viable Cities' commitments

The innovation programme Viable Cities is implemented in a broad collaboration in order to contribute to the transition to climate-neutral cities by 2030 as part of Sweden's commitment to meet the Sustainable Development Goals (SDGs) of the 2030 Agenda and the aims of the Paris Agreement. This includes being international role models for climate transition in cities.



Viable Cities works with a wide range of stakeholders across disciplinary boundaries, industries and societal sectors. The programme connects centres of research excellence with large, small and medium-sized enterprises in a range of industries, as well as with public sector and civil society organizations.

Within the framework of Viable Cities' strategic innovation role, the programme shall strive to achieve the following:

4.1. Better regulation

Viable Cities intends to create competence support with policy labs to provide the municipality with a better overview of current and proposed Swedish and European legislation, regulation and standards of relevance to the cities' climate transition. This includes process support for changing regulations and standards to facilitate the climate transition in practice. In the initial phase, this will be linked to work to develop system demonstrators (see Section 6).

4.2. Innovation

In order to make it easier for the municipality to implement innovations that can accelerate the pace of climate transition, Viable Cities will provide a competence network and process support, including by engaging other strategic innovation programmes in the ongoing development of Climate City Contract 2030, particularly in the areas of mobility, energy, built environment, the circular economy, health and digitalization. Based on the collaboration agreement on climate-smart mobility signed with the strategic innovation programme Drive Sweden, this area of collaboration will be further developed with both cities and government agencies, not least the Swedish Transport Administration.

4.3. Coordinated funding

Viable Cities will work in the following ways to support the municipality's funding needs for the climate transition and to promote collaboration and synergies between government agencies and other stakeholders that fund climate transition and sustainable urban development.

- Viable Cities shall continue to work with Climate City Contract 2030 with the 23 cities and five government agencies involved in the programme.
- Through the Council for Sustainable Cities, Viable Cities has launched a collaboration to create synergies between urban climate transition grants from government agencies and Climate City Contract 2030. The agencies are currently working to coordinate the various initiatives under way in the field of sustainable urban development, see Section 5.3 Coordinated funding.



- Viable Cities collaborates with Kommuninvest and the European Investment Bank (EIB) among others in order to develop forms for strengthening the long-term funding of municipal climate investment plans.

Viable Cities continues to develop forms for climate investment plans for cities, the aim being to support all cities in their efforts towards climate neutrality by 2030.

4.4. Cooperation with the EU Cities Mission

Viable Cities cooperates closely with the support structures built up around the EU's Cities Mission – including the NetZeroCities platform (an EU mission platform), CapaCITIES (a network of national nodes), and the Driving Urban Transitions (DUT) Partnership programme.

5. Commitments by the government agencies

The government agencies commit to collaborating within the strategic innovation programme Viable Cities. The agencies thereby contribute to the purpose of the mission-led work to transition to climate-neutral cities by 2030 with a good life for all within planetary boundaries.

Climate City Contract 2030 means that new working methods need to be developed, both between different actors and organizations, and between different levels of governance.

During 2023, the agencies will continue to develop work in the interagency innovation team. Continued dialogue with cities and regions is important in order to capture needs and contribute to systems transition. This work entails active participation in the Transition Lab Forum facilitated by Viable Cities, in which joint workshops, reflective discussions and teaching seminars are important aspects. New working methods may also entail that government agencies initiate experiments and pilot projects.

The agencies undertake to continue joint efforts to support the municipalities' climate transition in the following areas in 2023:

5.1. A learning approach in policy development

The government agencies work together to create the conditions for proactive dialogue and learning regarding policy development, and existing and proposed regulations on sustainable urban development and climate transition.



During 2023, the agencies will explore and test forms, such as policy labs, for identifying obstacles and challenges in policy and regulations for sustainable urban development and climate transition.

The agencies will continue to contribute to activities that promote the development of climate investment plans, digitalization and data sharing, system demonstrators and collaboration processes that relate to multi-level governance.

During Sweden's EU Presidency in the first half of 2023, the government agencies will be involved in several of the 150 or so EU meetings to be held in Sweden. The meetings are forums for learning and policy development, and cities and regions are important participants. Planned discussions include the EU's urban agenda on sustainable urban development and a conference on Green Cities.

5.2. Funding for research, innovation and development

The government agencies fund initiatives for research, innovation, development and systems innovation that support accelerated climate transition.

The agencies' funding focuses on different types of research, innovation, application and demonstration, and to some extent investment support. Funding is provided through open calls and other forms, such as client networks, needs-owner networks and innovation procurement.

As part of the transition process, the agencies¹¹ and Viable Cities have launched an initiative on urban system demonstrators. During autumn 2022, an initial 'design phase' was carried out as part of the initiative. A follow-up call will be made in 2023. The purpose of the effort is to create a form of initiative that takes a clearer systems perspective to the transition process.

5.3. Coordinated funding

To create better foresight and centralized information, the government agencies continuously develop coordination of the various efforts under way in the field of sustainable urban development and climate transition. Development takes place within the framework of several of the agencies' existing tasks and assignments, such as the Council for Sustainable Cities, strategic innovation programmes, the national research programmes for climate and sustainable community building, as well as the European Regional Development Fund.

During 2022, the agencies have begun initial tests with some of the cities, in order to develop, in dialogue, a method for portfolio analysis of the agencies' collective funding for cities. The innovation work is planned to continue in 2023. The long-term goal is for the work to contribute to work on cities' climate investment plans.

¹¹ Vinnova



Hallbarstad.se is the Council for Sustainable Cities central website. Development work on the website will continue in 2023, partly to publicize upcoming funding opportunities, and partly to make it clearer and more user-friendly.

5.4. Participation in European initiatives for sustainable cities

The government agencies are involved in and work with several different European initiatives to support the development of sustainable cities and communities.

Work to support Swedish participation in the Horizon Europe 2021–2027 research programme includes contributing to the design of calls and activities, and informing and advising actors planning to take part in applications for different European efforts. The government agencies also collaborate in the execution of the EU's Regional Development Fund 2021–2027 with efforts for sustainable urban development.

The agencies will continue to collaborate in the Driving Urban Transitions to a Sustainable Future Partnership¹², where there will be calls and other activities in the field of sustainable urban development in the years to come, as well as the European Commission's New European Bauhaus¹³ initiative, the European Urban Initiative (EUI)¹⁴ and URBACT¹⁵.

The agencies will also contribute to develop support functions for the cities selected to participate in the Cities Mission. One example is the CapaCITIES¹⁶ programme. Through CapaCITIES, national change processes are initiated and strengthened to establish national networks and governance structures.

6. Strategic development projects 2023

The following strategic development projects will be conducted during 2023 within the framework of Viable Cities Transition Lab in collaboration with other municipalities, with the aim of further developing the content of the Climate City Contract 2030 during its upcoming revision.

¹² The Swedish Energy Agency, Formas and Vinnova

¹³ New European Bauhaus highlights the significance of aesthetic, social and cultural values in the green transition.

¹⁴ The European Urban Initiative is a hub for sustainable urban development on an EU level. The EUI will offer funding for cities to improve and increase their capacity in designing strategies, policies and projects for sustainable urban development (urban-initiative.eu).

¹⁵ URBACT is a European collaboration programme for exchange and learning in sustainable urban development, Swedish Agency for Economic and Regional Growth,

¹⁶ the Swedish Energy Agency and Viable Cities are taking part.



6.1. System demonstrations

In collaboration with the involved government agencies, Viable Cities is developing a new form of initiative to drive systems innovation for transformation in line with the Cities Mission. A system demonstrator will be conducted to demonstrate the transition of entire social systems in a real-life environment. An important part of this kind of approach is a portfolio of efforts where new solutions, models, initiatives and experiments are linked to a greater whole. Many actors from different sectors are being mobilized in order to learn how to scale up. The system demonstrators start from central areas in the Climate City Contract 2030 and are intended to contribute to revisions of the contract based on insights arising from the work.

During 2022, Vinnova and Viable Cities have jointly begun a design phase to explore how system demonstrators can be a powerful tool in the transition to climate-neutral cities. In collaboration with a number of cities, six consortiums began the design phase in autumn 2022. A call is planned during 2023 for the establishment phase, with the ambition of enabling a number of system demonstrators in Sweden. In tandem, four system demonstrators are being planned: Bogotá (Colombia), Bristol (UK), Curitiba (Brazil) and Makindye Ssabgabo (Uganda) within the Climate Smart Cities Challenge alongside UN-Habitat. The aim is to strengthen the exchange of experiences between system demonstrators both nationally and internationally in 2023.

6.2. Competitiveness and funding

One of the foundations of mission-oriented innovation is that the state and public organizations at different levels of society play an active role in co-creating and redesigning markets in collaboration with business and other players in society, such as academia and civil society. Concerted mobilization for the transition to climate neutrality can lay the foundation for companies in Sweden to develop new business strategies that enhance competitiveness by driving a transition to a sustainable, climate-neutral society. This is crucial to Sweden's ambition of being the world's first fossil-free welfare nation, and to our climate policy framework. During 2023, Viable Cities will further strengthen its collaboration with business in order to muster forces for transition. This will take place on several levels, particularly through collaboration in initiatives such as Fossil Free Sweden and The Green Transition Leap. In addition, there will be development to strengthen the local mobilization of companies in the Climate City Contract 2030.

A central aspect of the Climate City Contract 2030 is to create a Climate Investment Plan with a broad perspective on what investments need to be made to achieve climate transition in a city by 2030 (with broad referring to a wide range of stakeholders such as citizens, civil society, companies, academia and public organizations). The municipality is believed to have control over about 15% of the required investments on average. One crucial task is to bring together the right actors from business



(including the financial sector), public bodies and civil society to bring about the necessary investment and redirect financial flows to transition to climate neutrality, while also securing auxiliary benefits from the climate transition such as jobs, improved health, inclusivity and attractive living environments. Procurement is also a pivotal issue here. Viable Cities' work will continue in 2023 in order to secure the mobilization of investments and develop methods for climate investment plans.

6.3. Citizen engagement

Various societal challenges currently exist, adding further crises to the climate crisis. For example the pandemic, the war in Ukraine, crises relating to energy, food, raw materials and critical minerals, biodiversity and demographics. This also presents a demographic challenge where a growing percentage of the population feels excluded.

This increases the need for efforts aiming at inclusivity, and at putting citizens front and centre for the transition to climate neutrality and a sustainable society, for instance through new forms for citizen involvement (e.g. citizens' councils) and the development of attractive living environments (e.g. New European Bauhaus). During 2023, Viable Cities will further develop collaboration with cities, government agencies and other actors in order to create conditions for citizen engagement in the climate transition. This will be done primarily by developing new forms for citizen involvement in local climate city contracts and collaboration with European efforts in the area.

6.4. International Cities Mission 2030

In October 2021, the EU launched five missions as a new and innovative approach to working together to improve the lives of people in Europe and beyond. The five missions are intended to tackle major societal challenges such as health, climate and the environment and to formulate ambitious goals and deliver solutions by 2030. One of these missions is 100 Climate-Neutral and Smart Cities by 2030 – by and for the citizens (known as the Cities Mission), an important element of the delivery of the European Green Deal and a climate-neutral continent by 2050. This will considerably strengthen Swedish efforts to achieve climate-neutral cities by 2030 and to utilize the Climate City Contract 2030 as a tool to do so.

During 2023, work will be done to further strengthen links between Swedish and joint European efforts to achieve climate-neutral cities by 2030. This will take place within a range of initiatives involving cities, government agencies and the Viable Cities programme; for example, NetZeroCities (a platform for the implementation of the Cities Mission which will be developing e.g. an EU Climate City Contract and climate investment plans), the Driving Urban Transition Partnership, CapaCITIES, New European Bauhaus and others. Launched by the European Commission in January 2021, the New European Bauhaus initiative connects the European Green Deal to our



built environment. In the implementation plan for the Cities Mission, the European Commission highlights that the EU Climate City Contract will also enable participating cities to integrate and promote the values and the principles of the New European Bauhaus initiative in their plans for climate neutrality. The Swedish National Board of Housing, Building and Planning (through the Council for Sustainable Cities) has been tasked by the Government with coordinating Swedish participation in New European Bauhaus.

Work on achieving climate-neutral cities by 2030 will continue to be developed globally. This will primarily be based on several already ongoing projects, e.g. linked to Sweden's EU Presidency in the first half of 2023, and the continuation of the Climate Smart Cities Challenge in the four cities outside of the EU in association with UN-Habitat.

7. Joint monitoring, evaluation and updating

Viable Cities and the municipality agree to conduct an annual review of the municipality's results within the framework of Climate City Contract 2030. Viable Cities shall prepare documentation for annual follow-up at municipal and national levels.

7.1. Most important updates for the municipality

- During 2022, the two steering documents Climate Programme Eskilstuna and The Municipal Group's Climate Plan have been revised and completed after 45 valuable referral responses were received from municipal administrations, companies, the Municipality, the region, the County Administrative Board, political parties, associations and residents in Eskilstuna.
- To work according to the systematic approach specified in the Climate Programme, Eskilstuna Municipality has mapped GHG emissions to visualize what they look like within each administration and municipally owned company in the municipal group. Moreover, each administration and company has been asked to draw up its own plan to reduce its own negative impact on the climate, and to increase its positive climate impact based on the data arising from the mapping of GHG emissions.
- The establishment of five focus area teams, with relevant expertise from administrations and companies, has been initiated. As has a coordination team which compiles and prioritizes major measures based on the group perspective.
- A political initiative on additional climate funding has been started, to give the Municipality's administrations support in implementing climate measures that help



to reduce the municipal organization's negative, or boost its positive, impact on the climate. This might for instance entail pilot studies, special reports or pilot projects.

- The organization for developing forms for the three work packages within the framework of Viable Cities has very nearly been established. Several initiatives are under way based on the five focus areas specified in Climate Programme Eskilstuna. For instance:
 - The public education associations have begun a process to bring together public educators on climate issues, and to consider how they jointly can support others in the climate transition.
 - A work group linked to retail headed up by the circular shopping centre, ReTuna Reuse Gallery, is considering the retail sector's need for support and opportunities to contribute to the climate transition.
 - A Transport Cluster comprising local haulage companies has been formed to support and create a joint voice for the sector's climate transition at the local level.

And last but not least, we would also like to highlight an important advancement that has been made during the year:

The fact that so many ambitious companies, organizations and individuals have contributed to and mustered behind a shared local climate goal, and in such a short time, is an extremely positive sign that bodes well for efforts moving forward.

7.2. Most urgent experiences to share for the municipality

- The mapping conducted in line with all three scopes of the GHG Protocol as part of the Municipal Group's Plan for the Climate has been requested by many other municipalities. The final report is now available (in Swedish).
- The *Power Optimization Eskilstuna/Effektoptimering Eskilstuna* project brings together energy producers, energy distributors and energy users, to jointly find solutions to the challenges of power shortages and transfer limitations in our electricity network. They are looking into what can be done locally, here and now. Information in Swedish (with a Translate function) can be found at <https://www.eem.se/privat/elnat/kapacitetsfragan/projekt-effektoptimering-eskilstuna/>.
- A successful model for working with energy-smarter companies – *Energitrappan* or *The Energy Ladder* – has been developed in a collaboration between EEC, Eskilstuna Municipality energy and climate council and Mälardalen Energy Agency. Information in Swedish: <https://www.energyevolutioncenter.se/verksamheten/energitrappan/>.



- Within the municipal group's energy efficiency work, the long-term process of Upgrading with a Focus on Energy, abbreviated UPMEF, continues to produce good results. Information in Swedish can be found at <https://www.energyevolutioncenter.se/godaexempel/andra-goda-exemplet/>. Selected ongoing energy-related projects include energy use in kitchens, battery storage at the indoor ice rink, and an innovative energy community in a new construction project.
- The Municipality's vehicle unit has been reorganized into a transport unit. By taking a holistic approach to transport, many of the core operation's vehicles in suburban areas, for example, which previously struggled with access to biogas, have been changed for electric cars, and have also led to a financial saving.
- The group is working with category-led purchasing and climate has been integrated as an important parameter in the work, along with more jobs and economic efficiencies. For example, efforts in the furniture & furnishings category have laid a better foundation for and focus on increased reuse.

7.3. Most important updates regarding Viable Cities

During 2022, far-reaching efforts have been made to lay a good foundation for all 23 signatory cities to deepen their work on the Cities Mission, as 14 cities were added in October 2021. The platform for faster learning has been evolved through the Viable Cities Transition Lab Forum, City Labs, Climate Breakfasts and a range of other formats for meetings between cities, government agencies and other actors.

The collaboration with the signatory government agencies has been enhanced so as to further hone the Climate City Contract 2030 process. Viable Cities has also provided documentation for the government's task relating to local and regional climate transition, which is one of the foundations for the government's upcoming climate policy action plan.

During the year, efforts to develop practical, research-based tools and methods for climate investment plans have intensified. An initial prototype of a calculation tool has been available to all 23 signatory cities since October. Development of the system demonstrator concept also continued during the year, and in the autumn a design phase for a brand new effort was launched in a partnership between Vinnova and Viable Cities, which involves several cities.

During 2022, Viable Cities has had responsibility for a government assignment, Thriving North (support for innovation work for sustainable urban and community development in Norrbotten and Västerbotten). An initial prototype of a regional climate contract has been developed with a working group of representatives from the regions and county administrative boards in Västerbotten and Norrbotten. Moreover, a platform for regional societal transition has been initiated in northern Sweden. The platform is called Thriving North, and is now being carried forward by several players in Sweden's four northern regions.



The EU's work on the Cities Mission has been intensified during the year. September 2021 saw the launch of the Cities Mission, one of five EU missions. Cities across Europe were invited to register their interest in becoming forerunners in the transition to climate neutrality. As many as 377 cities applied. In June 2022, 112 cities were chosen to be pioneers in the climate transition, 100 in the EU and 12 in associated nations. These 112 include seven of the Swedish cities that are among the 23 signatories of the Climate City Contract 2030.

Over the past year, the European platform NetZeroCities has begun efforts to support implementation of the Cities Mission within the EU, primarily to facilitate the transition in the 112 cities. Viable Cities is also involved in this work. NetZeroCities is currently designing a Climate City Contract for cities throughout the EU as a tool for accelerated climate transition. Climate investments are an important aspect of this.

Two new complementary initiatives were begun during 2022 to support the Cities Mission in the EU. The first is the Driving Urban Transitions Partnership, in which Viable Cities is taking part together with Swedish organizations Vinnova, the Swedish Energy Agency and Formas. The partnership is a collaboration between national bodies from a large number of nations. The focus is on funding international efforts in three sectors that can help accelerate the climate transition: Positive Energy Districts, Circular Urban Economies and 15-minute City. The other is the CapaCITIES initiative. This EU collaboration aims to facilitate the establishment of national structures to enable climate transition in cities similar to Viable Cities in Sweden and CitiES2030 in Spain.

The Climate Smart Cities Challenge, a global innovation competition, has entered a new phase during the year, and teams of companies and organizations are now working in the four cities outside the EU in association with UN-Habitat.

7.4. Most important updates regarding government agencies

Work in the interagency innovation team

During 2022, the government agencies in the Climate City Contract have continued to develop work in their interagency innovation team. For instance, the team has compiled a summary of the government agencies' various forms of funding and financing instruments, and helped in ensuring that calls related to climate transition and sustainable cities are continually published on the hallbarstad.se website.

The innovation team has participated in Viable Cities Transition Labs, as well as workshops and meetings, in order to learn more about cities' climate investment plans and the agencies' role in the process. Alongside some of the cities, the innovation team has tested developing support and forms for analysing the government agencies' joint funding (including various research and innovation (R&I) programmes, city environment contracts) over the past five years. The aim in the longer term is that



this work should contribute to commitments regarding coordinated funding and the cities' work on planning climate investments.

The government agencies' ongoing work includes many measures and initiatives that are of significance to the cities' work on climate transition. Compiling and providing information about these are important tasks for the government agencies. Below is a selection that relate to the cities in some way.

Funding for research, innovation and development

During the year, the government agencies have announced several calls aiming to facilitate the transition in cities.

Vinnova has worked with Viable Cities to publish a call for a design phase for urban system demonstrators, for instance. A follow-up call will be published in spring 2023. Other examples from Vinnova include Sustainable accessibility across Sweden, on mobility in sparsely populated areas, in association with Drive Sweden and Viable Cities, Civil society's solutions for climate transition, and Innovations to reduce electricity consumption in cooperation with the Swedish Energy Agency.

The Swedish Agency for Economic and Regional Growth has had calls from the European Regional Development Fund: Produce a local strategy for sustainable urban development and Drive a platform for collaboration and experience exchange. The city as a hub for green and digital transition is an initiative within The Green Transition Leap which is also financed by the Regional Development Fund. The initiative aims to develop practical new working methods for working with system innovation for local green transition.

Formas has published the call Climate-neutral and inclusive municipalities to increase the capacity and ability of municipalities to accelerate transition work towards climate neutrality which is characterized by social inclusion and equal living conditions. Within the national research programme for sustainable community building, Formas has published a call for Research schools for sustainable community building. The aim of the research schools is to bolster skills and knowledge development, and they are all distinctly interdisciplinary, practically oriented and challenge driven. Several municipalities are included in the research schools. Formas also funds many R&I projects every year in the fields of environment, community building and areal industries in many national and international calls.

In the Swedish Transport Administration's calls for City Environment Contracts, municipalities and regions can apply for funding that leads to a higher proportion of passenger transit by public transport or cycling and sustainable freight solutions.

The Swedish Energy Agency has published calls in the following programmes that are relevant to sustainable cities and communities: Humans, Energy Systems and Society



(MESAM), Energy efficiency in cultural heritage buildings, Design for Everyday Energy Efficiency, Transport-Efficient Society and E2B2 (energy-efficient building and living), Graduate School in Energy Systems, and Bio+ (biobased society).

For many years, the Energy Agency has funded client groups and networks to create a platform for close collaboration between business operators and the state, with the aim of reducing energy use in buildings. The Energy Agency also finances the municipal and energy/climate advice service intended for households and private players.

Impact Innovation is the name of the next-generation strategic innovation programme. A call for preparatory projects was opened during the year. One of the three focus areas is Attractive, functioning communities, with cities being a particularly important target group.

On an international level, Formas, the Swedish Energy Agency and Vinnova jointly announce funds enabling bodies active in Sweden to take part in international R&I projects tackling urban challenges in the European Driving Urban Transition (DUT) Partnership. The first call includes 27 nations. On a general level, the partnership addresses issues relating to energy, mobility and use of resources in an urban context.

Government agency work and special government assignments

The Swedish Energy Agency has worked alongside the Swedish Agency for Growth Policy Analysis, Transport Analysis and the Uppsala County Administrative Board to draft supporting documentation for the government's next Climate Action Plan. The assignment regarding local and regional climate transition involved a great many dialogues with municipalities, regions, government agencies, research bodies, business and other relevant players, which form the basis for the barrier analysis, and the proposed means of control or suggested actions that were presented. Many assignments are under way at the Energy Agency related to the electrification strategy, energy efficiency and secure energy supply, as well as the establishment of a national centre for carbon capture and storage (CCS).

The Climate City Contract agencies are also five of the 14 members on the government's Council for Sustainable Cities. In March 2022, the council was given an extended and modified remit, with more of a focus on working towards the 2030 Agenda's Sustainable Development Goal 11, Sustainable Cities and Communities. Several of the agencies have been involved in the National Board of Housing, Building and Planning's coordination assignment as part of New European Bauhaus (NEB). One example is the call Ideas for a future Kiruna, Gällivare, Boden, Luleå, Skellefteå and Umeå. Idea sketches ready in the project *Visioner: i norr – Hållbar Stad* (hallbarstad.se).



The Swedish Transport Agency's knowledge forum – Arena for Transport-Efficient Urban Environment – is part of a government assignment (2019–2022) to carry out communication and knowledge-enhancing measures for the transport sector's transition to fossil freedom. An R&I programme for geofencing, financed by the Swedish Transport Administration and run by Closer at Lindholmen, brings together the necessary players in society, business and academia to jointly develop solutions to promote the use of geofencing in controlling the transport system.

Some of the projects related to the development of systems innovation are Evolved working methods and processes for greater synergies between regional, national and international innovation efforts, Systems innovation in cities (Vinnova), Strengthening the regional work on sustainable development (various government agencies), Contributing to upcoming discussions on the EU's urban agenda (Formas), and Vinnova's initiative to support cities' ability to lead and organize innovation, for instance through the companion researcher network which for nearly ten years has been following the development of the Innovation Platforms for Sustainable Cities initiative, and the *Accelerera* project, which is developing and offering funding for innovation management in municipalities to ISO standard.

New signatory agency

The Swedish Environmental Protection Agency decided to sign the Climate City Contract 2030 in December 2022, and will therefore participate in the process moving forward.

8. The contract

The parties agree that their joint commitments as formulated above shall apply for 2022. The first version of Climate City Contract 2030 was signed in 2020. The Climate City Contract shall be updated and renewed prior to each new year.

Climate City Contract 2030

Between Eskilstuna Municipality, the government agencies the Swedish Energy Agency, Vinnova, Formas, the Swedish Agency for Economic and Regional Growth, the Swedish Transport Administration, the Swedish Environmental Protection Agency and Viable Cities.

Stockholm, 8 December 2022 The parties agree that their joint commitments as formulated above shall apply for 2023. The first version of Climate City Contract 2030 was signed in 2020. The Climate City Contract shall be updated and renewed prior to each new year.

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Appendix 1 – document links

Below are links to the most relevant documents in relation to Climate City Contract 2030 for Eskilstuna Municipality.

Links to relevant documents

[Vision Eskilstuna 2030 \(in Swedish\)](#)

[Comprehensive Plan for Eskilstuna Municipality \(in Swedish\)](#)

[Eskilstuna's programme for digital transformation \(in Swedish\)](#)