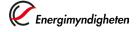




Climate City Contract 2030

Between the City of Malmö 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.

VERSION 2022















Contents

1. Purpose of the Climate City Contract 2030.	4
2. Parties	4
3. Municipal commitments	4
3.1. Municipal climate goals.	4
3.2. Strategy	5
3.3. Organization and management.	6
3.4. Collaboration with business, academia and citizens	6
3.5. Climate Investment Plan.	
3.6. Digital support for implementation	
3.7. Innovation hub for climate-neutral municipalities	
3.8. Climate adaptation	8
3.9. Climate-smart mobility	9
3.10. Reporting and follow-up.	g
4. Viable Cities' commitments	10
4.1. Better regulation.	10
4.2. Innovation.	
4.3. Coordinated funding	
4.4. Cooperation with the EU Cities Mission.	
5. Commitments by the government agencies	11
5.1. A learning approach in policy development	12
5.2. Funding for research, innovation and development	12
5.3. Coordinated funding	12
5.4. Participation in European initiatives for sustainable cities	13
6. Strategic development projects 2023	14
61 System demonstrations	14



6.2. Competitiveness and funding	14
6.3. Citizen engagement.	15
6.4. International Cities Mission 2030.	15
7. Joint monitoring, evaluation and updating	16
7.1. Most important updates for the municipality	16
7.2. Most urgent experiences to share for the municipality	16
7.3. Most important updates regarding Viable Cities	
7.4. Most important updates regarding government agencies	18
8. The contract	21
Climate City Contract 2030	22
Appendix 1 – document links	23



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:

- The City of Malmö.
- 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

3.1. Municipal climate goals

The Environmental Programme for the City of Malmö 2021–2030 was adopted by the City Council and is a strategic document that indicates the direction of the City of Malmö's long-term work on environmental and climate issues. The Environmental Programme governs the City's committees and companies and will also support and inspire residents of Malmö and players in the private and public sector.

The programme consists of 12 goals divided into three goal areas:

- A Malmö with the least possible climate impact
- A Malmö with a good living environment
- A Malmö with rich and healthy nature

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.



The overall climate target area includes the following goals:

- 70% decrease in greenhouse gas emissions in Malmö as a geographical area
- The City of Malmö's organization has net zero emissions
- By 2030, Malmö's consumption-based greenhouse gas emissions are well on the way to a sustainable level.
- Malmö is supplied with 100% renewable and recycled energy.

Two more climate goals can be found in the other goal areas:

- Malmö has a sustainable mobility system
- Increased resource efficiency.

The City Council goals in the City of Malmö's budget 2023 state that the City of Malmö shall be a pioneer in terms of reduced greenhouse gas emissions.

3.2. Strategy

Malmö will continue to be a pioneer in the area of the environment and climate. The entire City of Malmö organization has a joint responsibility for achieving the goals in the environmental programme. Each committee and company board shall, based on their respective basic remits and conditions, integrate the content of the Environmental Programme into their operational planning. This means that each committee and company board is responsible for identifying which goals their operations can contribute to and deciding on the measures that lead to the greatest environmental effect and societal benefit. The Environmental Committee's task is to process-manage, support and coordinate the municipality's environmental work and support committees and companies in their work to implement the Environmental Programme.

The City of Malmö's organization does not have sole control over environmental issues and cannot achieve the goals in the Environmental Programme on its own. Just as for the implementation of the 2030 Agenda, partnership and collaboration will be a success factor in work on the City of Malmö's Environmental Programme. A restructuring is required of all administrations and companies in order to find innovative working methods and solutions to common challenges together with civil society, academia and business.

Exchanges of knowledge, expertise, technology and financial resources are important components in achieving the goals. Properly done, this environmental and climate transition can lead to more green jobs, better health, stronger welfare and increased competitiveness. Changes in Swedish and European regulations and policies will also be required, work that is already under way and of which the City is a part.



3.3. Organization and management

To increase the pace of Malmö's climate transition, the City of Malmö has initiated Climate Transition Malmö, a gathering of forces to mobilize Malmö's players to deliver on the City Council's goal that Malmö shall be a pioneer in reducing greenhouse gas emissions.

Climate Transition Malmö organizationally consists of:

- an ordering group responsible for controlling the overall progress of the process.
- process management that has its main focus on management, coordination and preparation.
- identified areas of transition which independently allow the implementation of measures. At present, seven priority areas of transition have been identified.

Everyone must understand each other's roles and be able to see the cooperation from each other's point of view. Mobility, collaboration and transparency are some organizational qualities that are key to making this a complete success. Through frequent contact with key people involved, both externally and internally at different levels, information is disseminated within the organization and can reach the people it is intended for more quickly. When communication and the flow of information is fast, decision-making also becomes faster. The ambition is to create fast-paced, supportive and complementary structures that can motivate and further strengthen the culture of collaboration.

The preparation and decision-making process within the framework of Climate Transition Malmö shall, as far as possible, connect to the line organization's already established and organized communication channels. There are already a number of established forums for dialogue and collaboration with external players. The City of Malmö's line organization also has financial and personnel resources and a formal decision-making mandate that should not be overlooked.

3.4. Collaboration with business, academia and citizens

Malmö has developed Climate City Contract Malmö, which is aimed at companies, organizations, academia and residents of Malmö.

At present, the City of Malmö has signed climate city contracts and formed work groups with major business players and research institutes in fields such as energy, transport and construction.

Through the contracts, the players undertake to contribute climate commitments they have formulated themselves. Commitments could be a roadmap for the player's organization or an individual climate initiative. Everyone who signs Climate City



Contract Malmö becomes part of Climate Transition Malmö and has an opportunity to collaborate with other participants.

A concept is currently being developed for residents of Malmö and for small and medium-sized enterprises.

3.5. Climate Investment Plan

Malmö has conducted a scenario analysis to understand how it can achieve the City's climate goals. Three different scenarios have been tested based on a combination of measures, relating both to technology and behavioural change. Analytical climate measures also take the socio-economic perspective into account.

As the road maps are being developed in the seven priority transition areas, climate investment plans will be produced for each area and then be aggregated for the whole of Climate Transition Malmö.

Malmö has also looked at citizens' climate transition from an economic perspective. What should they invest in, what will it cost to have a more climate-smart lifestyle, and so on.

3.6. Digital support for implementation

Digital tools create the conditions for new ways of working together on climate transition. The City of Malmö has a collaboration with the company ClimateView in order to develop smart digital solutions that support Malmö's climate transition work. With the help of ClimateView, we will have a clear, comprehensive and fact-based overview of the transition. A collaboration space where we can all see and strive towards the same goals, and increase the pace together.

The City of Malmö will be able to bring together the climate benefits offered by the various measures in the tool, along with their investment cost, savings for various players in society and other social benefits they create. The tool will also help make it simple for the City of Malmö to examine in which sectors more measures are needed and who has control over this. The tool will help the City of Malmö's politicians to make well-informed decisions to facilitate a climate transition in Malmö. It will also be possible to use the tool to educate relevant target groups about the City's climate transition.

3.7. Innovation hub for climate-neutral municipalities

Malmö is part of the world and the world is part of Malmö. The challenges Malmö faces are not unique. Several European cities have similar challenges. By working together and sharing experiences, we can accelerate the transition and create value for residents and businesses in Malmö. During 2022, Malmö has regularly shared its



experiences with national agencies and Swedish and European cities in areas such as climate investment plans, organizing climate transition, roadmaps, citizen commitment and involvement, and digitalization.

Through a number of international networks, the City of Malmö has access to knowledge and experience exchanges with other cities in Europe. For example, Malmö participates in the following networks: EIT Climate-KIC, Viable Cities, Eurocites, KIMO, ICLEI – Local Governments for Sustainability, Klimatkommunerna, Covenant of Mayors, Resilient Regions Association, and United Cities and Local Governments.

Together with other European cities and municipalities, Malmö can also have an influence nationally and internationally on issues that are of pivotal value to Malmö. The networks and organizations are also used to generate project ideas and find collaboration partners.

3.8. Climate adaptation

The need for climate adaptation has recently become apparent to the world and to Malmö. In order to prepare Malmö for climate change, the City has taken the approach that all physical planning should be adapted based on the worst climate scenario our expert authority (SMHI) can deliver, RCP 8.5, which forecasts global warming of 4.3°C by the year 2100.

In 2022, the City of Malmö ran a national advocacy project which is also scheduled to continue in future. The aim is to bring about change and clarifications in Swedish legislation to enable the implementation of climate adaptation by Swedish cities and communities.

The City of Malmö is part of the UN's global Making Cities Resilient 2030 (MCR 2030) campaign, and will arrange at least one international conference a year on climate adaptation within the network. Within the network, the City of Malmö has a special focus on nature-based solutions, which we have been working on diligently in recent years. One example of this is work in the Vinnova-funded Blue Green City Lab project, and we hope to apply lessons learnt in an implementation project through a new project application in 2023. In 2023, the City of Malmö and City of Copenhagen are expected to make a joint application for in-depth collaboration and knowledge exchange. It is hoped that the Malmö area will become a part of EU Mission for Adaptation to Climate Change initiative for 150 climate-resilient regions and communities. The City of Malmö's strategy for coastal protection has been developed and is scheduled to be adopted in 2023.

At the same time, work is under way to bring together previous work carried out in the City and form new collaborations regarding climate adaptation within the City of Malmö's organization. Examples include addressing the risk impact of climate in



the operations' risk and vulnerability analyses. One aim is to bring together various steering documents relating to climate adaptation in a shared climate adaptation strategy starting in 2023.

3.9. Climate-smart mobility

Malmö, like other cities, is facing a major transition in how we move and transport ourselves and goods. Development plays a crucial role in climate transition.

In Malmö, walking, cycling and public transport should be the obvious choice. With this, along with efficient and environmentally friendly freight transport and motor vehicle traffic, we can create a sustainable transport system. A transport system adapted to the people and the city.

In Malmö we are currently testing and exploring opportunities to improve access to shared vehicles through mobility hubs and mobility buildings. The hubs bring together existing and new means of transport, thereby creating a mobility eco-system.

The City of Malmö's traffic and mobility plan, which is being revised, describes how progressive and holistic traffic planning can help improve the quality of life for more people who live and work in or visit Malmö. Malmö is growing and the city's challenges require that traditional methods be supplemented with new ones.

3.10. Reporting and follow-up

The climate goals are followed up with the help of indicators, which are decided by the City Council. The goal fulfilment of the Environmental Programme is followed up in a regular environmental report. The Environmental Committee is responsible for this compilation, which is also the basis for the ecological dimension of the City of Malmö's sustainability reporting. Since environmental and climate work is included in the basic remit, committees and company boards are responsible for the fulfilment of their operations' goals by 2030. In order for the Environmental Committee to be able to make an overall analysis of the environmental situation in Malmö, each committee and company board is required to follow up its own measures and report results to the Environmental Committee every year. The Environmental Committee in turn reports the environmental situation to the City Council.

The City of Malmö monitors and feeds back on work within the Covenant of Mayors 2030 to the CDP and ICLEI global reporting platforms for cities. In both 2020 and 2022, Malmö received the highest rating for its reporting (A), thus confirming that Malmö is an international leader in its climate work.



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 agencies² 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

² Vinnova



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.

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 Partnership³, 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 Bauhaus⁴ initiative, the European Urban Initiative (EUI)⁵ and URBACT⁶.

The agencies will also contribute to develop support functions for the cities selected to participate in the Cities Mission. One example is the CapaCITIES⁷ programme. Through CapaCITIES, national change processes are initiated and strengthened to establish national networks and governance structures.

³ The Swedish Energy Agency, Formas and Vinnova

⁴ New European Bauhaus highlights the significance of aesthetic, social and cultural values in the green transition.

⁵ 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).

⁶ URBACT is a European collaboration programme for exchange and learning in sustainable urban development, Swedish Agency for Economic and Regional Growth,

 $^{^{\}rm 7}$ the Swedish Energy Agency and Viable Cities are taking part.



6. Strategic development projects 2023

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

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 work on 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 the year, Malmö was selected to participate in the EU Mission: 100 Climate-neutral and Smart Cities by 2030. This is recognition that the climate work we are already carrying out is on the right track, and creates new opportunities for Malmö to further accelerate its climate work.

7.2. Most urgent experiences to share for the municipality

An important part of Climate Transition Malmö has been to get an overall picture and a common understanding of Malmö's largest emission sources, what measures can most effectively reduce emissions, and the estimated costs and benefits of these measures.

The situation analysis and socio-economic impact assessment of possible climate measures in Malmö that have been conducted have received much attention. They have helped provide decision-makers and officials in the City of Malmö with



a knowledge base about possible climate measures in Malmö up to 2030, and account for estimated costs and benefits of these measures. The work has contributed to a better understanding of what we need to analyse further and focus our climate work on.

The transition by 2030 is possible but requires courage, perseverance and structure.

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 II, 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 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.





Climate City Contract 2030

Between the City of Malmö 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.

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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Director General. Swedish Agency for Economic and Regional Growth

Björn Risinger

Director General, Swedish Environmental **Protection Agency**





VINNOVA FORMAS :"









Appendix 1 – document links

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

Links to relevant documents

Climate City Contract 2030, Malmö 2022

Environmental Plan for the City of Malmö 2021–2030 (in Swedish)

Comprehensive Plan Malmö (in Swedish)

Transport and Mobility Plan (in Swedish)

Torrential Rain Plan (in Swedish)

Climate Transition Malmö (in Swedish)