



LOCAL Policies for GREEN Energy – LOCAL4GREEN

Priority Axis 2: Fostering low-carbon strategies and energy efficiency in specific MED territories: cities, islands and remote areas

Specific Objective 2.2: To increase the share of renewable local energy sources in energy mix strategies and plans in specific MED territories

TERMS OF REFERENCE FOR:

- THE EVALUATION OF THE LOCAL FISCAL POLICIES TO PROMOTE RENEWABLE ENERGY SOURCES;**
- THE INTERNATIONAL HANDBOOK ON GREEN LOCAL FISCAL POLICY MODELS.**

Project Partner in charge: PP6 MUSOL foundation

Project partners involved: All

THE EVALUATION OF THE LOCAL FISCAL POLICIES TO PROMOTE RENEWABLE ENERGY SOURCES.

1 Background (EN).

The Project LOCAL4GREEN supports local authorities to define and implement local fiscal policies, innovative and intended to promote renewable energy sources in all sectors (public, private, households), mainly in the framework of the SEAPs (Sustainable Energy Action Plans submitted under the 2020 Covenant) and SECAPs (Sustainable Energy and Climate Action Plans to be submitted under the 2030 Covenant) adopted by the signatories of the Covenant of Mayors. The project is being implemented in the rural zones and islands of the MED region, where local fiscal policies play a crucial role in order to raise the share of renewable energy sources.

The project has been implementing a pilot experience in local authorities of 9 countries/regions of the MED area (Spain, Portugal, Italia, Cyprus, Malta, Greece, Slovenia, Albania, Croatia). The pilot includes the participative design, implementation, monitoring and evaluation of local fiscal policies to promote renewable energy sources. The pilot is included in the Work Package 3 “Testing” of the project, led by the MUSOL foundation.

Once concluded the phases of designing, implementation and monitoring of the fiscal policies, all partners will evaluate the pilots and the fiscal policies. The evaluation of the policies is a key activity since it will generate information for transferring activities (WP4).

MUSOL has to evaluate 5 pilot municipalities (Quart de Poblet, Alaquas, Altea, Alfàs del pi, Callosa d’Ensarria).

2 Objectives (EN).

The objectives of the evaluation of the local fiscal policies to promote renewable energy sources are:

- Finding out lessons learnt to improve the green fiscal policies in the pilot municipalities as well as in other municipalities.
- Finding out the best practices to be transferred in the WP4.

All the fiscal policies in all the pilot municipalities are the object of the evaluation.

3 Outlines of the evaluation (EN summary).

Main features:

The evaluation will be held during the second semester of 2018. Depending on the pilot calendar, it is an “Ex post” or “On going evaluation” since the fiscal policies will be fully designed but they will be still in process of approval or recently approved. Actually, the evaluation of the policies will face **some constraints** due to the schedule of the LOCAL4GREEN project and because of the timing of the pilot local authorities, namely:

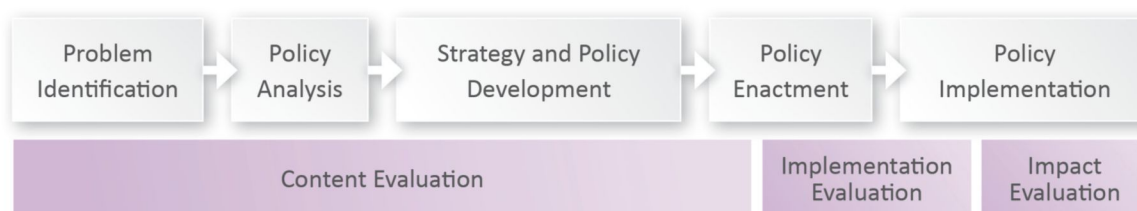
- Late approval of the policies. Since the timing of the approval depends on the local authorities, it is an external factor and the evaluation should be adapted to it. Actually, in the pilots where the policies will not have been approved yet, the evaluation should

focus on the process of elaboration of the policies as well as consider the political commitment (or the lack of) to approve it.

- Unavailability of data about the impact. The late approval of the policies will prevent evaluators to assess the impact of the policies in terms of RES promotion. Even if the local authorities will have approved the policies, such kind of fiscal policies require a considerable time of implementation to produce an impact because the taxpayers have to be informed, the fiscal yearly periods have to be completed, etc. Taking into account this situation, the evaluator and/or the partners should consider using an estimation of the impact of the fiscal policies.

Outlines of the contents:

Figure 3. Policy Development Phases and Types of Evaluation



Source: Overview of Policy Evaluation, p.4

Although there are many theories regarding the policy process and mechanisms of policy change, the policy change process is often conceptualized in several key stages as depicted on the top row of the figure (...). Evaluation is an integral part of each step in the policy process. (...)The three main types of evaluation, shown in the bottom row of the Figure (...), each focus on a different phase of the policy process (...): policy content evaluation, policy implementation evaluation, and policy impact evaluation. (...).

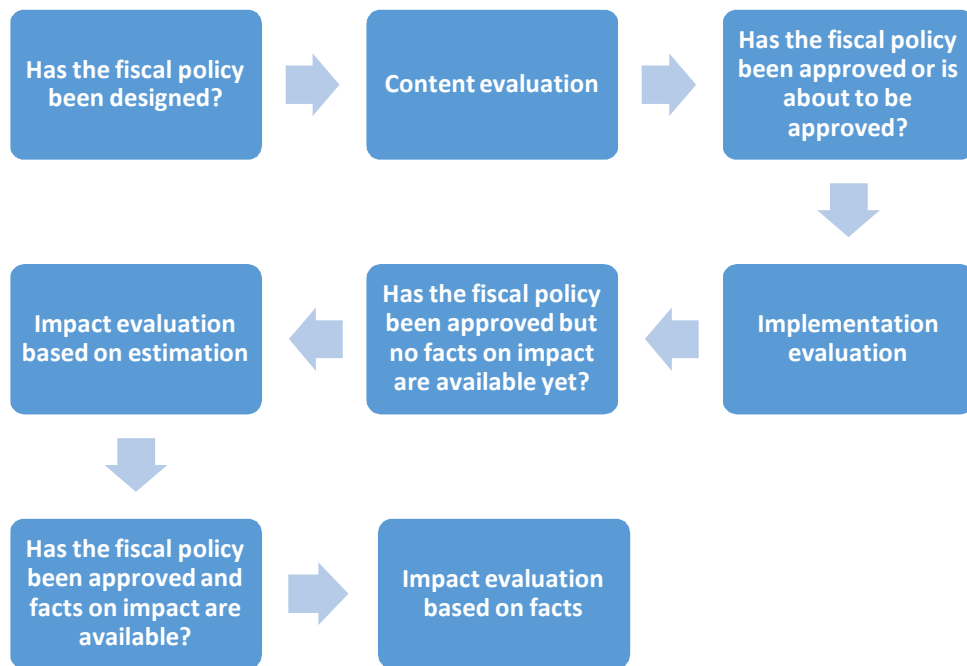
Evaluating Policy Content: Does the content clearly articulate the goals of the policy, its implementation and the underlying logic for why the policy will produce intended change? Evaluating the development of a policy helps to understand the context, content, and implementation.

Evaluating Policy Implementation: Was the policy implemented as intended? The implementation of a policy is a critical component in understanding its effectiveness. Evaluation of policy implementation can provide important information about the barriers to and facilitators of implementation and a comparison between different components or intensities of implementation.

Evaluating Policy Impact: Did the policy produce the intended outcomes and impact? Within injury prevention, the intended impact may be a reduction in injuries or severity of injuries. However, it is important to evaluate short-term and intermediate outcomes as well

(Overview of Policy Evaluation, p.3).

According to the mentioned categories, the evaluation of the pilot fiscal policies of the LOCAL4GREEN project should ideally be a content, implementation and impact evaluation and must be at least a content evaluation.



Taking into account that the all fiscal policy descriptions were supposed to have been submitted at the end of 2017, all partners should be able to provide at least a content evaluation. Furthermore, since the pilot local authorities are intended to approve the fiscal policies in 2018, most of the partners should be able to carry out also an implementation evaluation. Finally, even if more uncertainty is expected regarding the impact evaluation, all partners should be able to provide at least an impact evaluation based on estimation.

In order to further clarify the kinds of evaluation to apply to the LOCAL4GREEN fiscal policies, a list of sample evaluation answer is described below for each type of evaluation:

Content evaluation:

- Is the policy appropriate to promote RES?
- Has the policy negatively affected other policies?
- Is the policy consistent with the legal and economic framework?

Implementation evaluation (was the policy implemented as intended?):

- Has the policy been approved by the local authority?
- If not, why? (Information about the barriers to and facilitators of implementation)
- Has the local authority put in place the mechanism to implement the fiscal policy (administrative arrangements, etc.)?

Impact evaluation:

- Impact in terms of renewable energy sources (MWh).
- Impact in terms of GHG reductions (CO2 eq).

- Impact in terms of raising awareness about RES.
- Financial impact:
 - Negative impact on the LAs accounts (significant and not offset reduction of income, increase of expenditure)/Positive impact (significant increase of the income, significant savings);
 - Impact on the specific municipal budget available for RES promotion. For example, the taxes increase has raised the municipal income and such rise (or part of) has been use to promote RES.

5 Deadlines (EN).

The evaluation reports (final version) should be provided to MUSOL until October 31, 2018, since such outputs will be used to elaborate the International handbook on green local fiscal policy models (deliverables 4.1.1) and the National handbooks on green local fiscal policy models (deliverables 4.1.2). In case of extension of the deadline of the project, a new deadline of delivery of the reports will be agreed.

6 Professional skills required.

Fluency in Spanish. Education or experience in public management/political sciences/public policies evaluation or other related areas. Writing and systematizing skills.

THE INTERNATIONAL HANDBOOK ON GREEN LOCAL FISCAL POLICY MODELS.

1 Background (EN).

The Project LOCAL4GREEN supports local authorities to define and implement local fiscal policies, innovative and intended to promote renewable energy sources in all sectors (public, private, households), mainly in the framework of the SEAPs (Sustainable Energy Action Plans submitted under the 2020 Covenant) and SECAPs (Sustainable Energy and Climate Action Plans to be submitted under the 2030 Covenant) adopted by the signatories of the Covenant of Mayors. The project is being implemented in the rural zones and islands of the MED region, where local fiscal policies play a crucial role in order to raise the share of renewable energy sources.

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Once concluded the phases of designing, implementation and monitoring of the fiscal policies as well as the evaluation of the pilots and the fiscal policies, each partner has elaborated a national handbook on green local fiscal policy models.

According to the application form, MUSOL is in charge of elaborating the *international* handbook on green local fiscal policy models, based mainly on the *national* handbooks.

2 Objectives and object (EN).

The objectives of the international handbook on green local fiscal policy models are:

- Outline policy models transferrable at international level, based on pilots best practices.
- Outline a comparative study of national regulation to facilitate transferring for decision makers.

3 Outlines (EN summary).

Main features:

The international handbook on green local fiscal policy models will be elaborated in the last months of 2018 (11-12/2018), since it should be prepared once each partner has prepared the national handbook on green local fiscal policy models.

The main sources of information for the elaboration of the international handbook are the national handbooks; the structures of contents of the national and international handbooks are totally complementary. The national handbooks will be provided by each project partner.

The international handbook on green local fiscal policy will be available in Spanish, English and French. It will be easy to understand since the target groups are very

varied and include non-specialists, namely the local authorities decision makers from rural authorities.

The main target groups of the international handbook are:

- Local authorities' employees and decision makers;
- Consultants specialist in public management;
- National and regional authorities decision makers;
- Other stakeholders interested in advocacy for renewable energy sources in Local Authorities.

Outlines of the contents:

Main contents	
National handbook on green local fiscal policy models (a handbook in each country)	<u>International handbook</u> on green local fiscal policy models
Introduction: description of the LOCAL4GREEN project; main purposes and features of the handbook; target groups.	Introduction: description of the LOCAL4GREEN project; main purposes and features of the handbook; target groups.
Description of the national regulation regarding the local fiscal policies and the capacity of the local authorities to put in place fiscal policies to promote RES.	Comparative study of national regulations of the LOCAL4GREEN countries, to facilitate international transferring of local fiscal policies.
According to the evaluation reports of the pilots (deliverable 3.5.1 of the LOCAL4GREEN project), full description of the local fiscal policies considered as best practices.	Full description of a selection of the best practices, according to their impact, innovation and transferability at international level.
Description of the national legislative or normative reforms needed to enable the local authorities to put in place improved fiscal policies to promote RES.	Description of general policy recommendations to enable the European local authorities to put in place improved fiscal policies to promote RES, specially policy recommendations aiming at EU bodies.

4 Productos (EN).

An international handbook on green local fiscal policy models according to the guidelines of this ToR written in Spanish or in English.

5 Deadlines (EN).

The international handbook should be available until 31/12/2018. In case of extension of the deadline of the project, a new deadline of delivery of the handbook will be agreed.

6 Professional skills required.

Fluency in English and Spanish. Education or experience in public management/political sciences or other related areas. Writing and systematizing skills.