

Climate City Contract 2030

Between Östersund municipality, 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 2023



Climate City Contract 2030

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Climate City Contract 2030

Major changes are needed throughout society in order to meet climate goals and save our planet. Doing things the way we have always done them is no longer possible, we have to work in entirely new ways. Together, we are building a movement involving many societal stakeholders in order to achieve our mission: Climate neutral cities by 2030, offering a good life for all within the boundaries of our planet.

Climate City Contract 2030 is a tool that will help us to achieve this. This is a long-term commitment ensuring a developed cooperation between cities and the government level. The starting point for the work is that an increasing number of Swedish municipalities and communities are bringing together a wide range of stakeholders and mobilising at many levels – locally, regionally, nationally and internationally – to pave the way for a faster transition to climate neutrality and sustainability in Sweden, Europe and the world. The cities and agencies working on Climate City Contract 2030 with Viable Cities are pioneers, and thus their ambition is to pave the way for a broader transition involving many more people.

Climate City Contract 2030 is a tool for collaboration in respect of governance and is used to work together beyond the direct control of stakeholders in order to realise a common goal, and it represents a systemic shift towards a holistic approach in public administration

Climate City Contract 2030 provides a context as a catalyst for new, innovative forms of cooperation between cities, the business sector, the academic community, research institutes and civil society. This strengthens the conditions for mobilising and driving joint development in a present and a society that are becoming increasingly complex. Climate City Contract 2030 meets a need for developed governance, a governance process (mobilising on multiple levels) for the climate transition. Climate City Contract 2030 is a way of working to enable stakeholders at different levels of governance to go beyond what they are directly able to control as individual stakeholders in order to realise goals and missions that involve systemic shifts. In particular, it involves moving from piecemeal operations to a holistic approach.

Together, we are building capacity step by step so that we can speed up the transition.



1. Purpose of the Climate City Contract 2030

The purpose of this Climate City Contract is to accelerate the climate transition in cities within the framework of the 2030 Agenda while also contributing to the continued recovery and evolution of the Swedish economy at a time shaped by a number of several interlinked crises.

The Climate City Contract expresses the parties' intention to raise the level of ambition in the field of sustainable urban development and climate transition. The Climate City Contract also places Sweden and Swedish cities in a favourable position to act as international pioneers in the urban climate transition. This is to be achieved by means of mutual, long-term commitments to initiatives by the signatory national agencies, the Viable Cities innovation programme and the municipality.

2. Parties

Parties to the Climate City Contract 2030 are:

- Östersund municipality.
- The agencies: Swedish Energy Agency, Swedish Governmental Agency for Innovation Systems (Vinnova), Swedish Research Council for Environment, Agricultural Sciences and Spatial Planning (Formas), Swedish Agency for Economic and Regional Growth, Swedish Transport Administration and Swedish Environmental Protection Agency.
- The Viable Cities strategic innovation programme¹.

3. Municipal commitments

3.1. Municipal climate goals

Through the Climate Change Programme, Climate City Contract 2030 and the Comprehensive Plan 2020–2040, Östersund municipality has established the following target scenarios with broad support from the municipal council:

- Fossil carbon emissions must be reduced by 100 per cent in Östersund municipality as a geographical region by 2030, and in the municipal organisation by 2025.

¹ Viable Cities is a strategic innovation program funded by the Swedish Energy Agency, Vinnova and Formas. The program runs until 2030 and has approximately 130 member organisations. Host organisation is KTH.



- The Östersund municipal group must be climate-neutral by 2030, and the municipality as a geographical region must be climate-positive by 2040.
- Energy use must be reduced by 40 per cent by 2030 in Östersund municipality as a geographical region, and by 30 per cent in the municipal organisation.
- The modal split in the Östersund urban area must be 40 per cent cars, 20 per cent public transport and 40 per cent active transport (cycling and walking) by 2030.
- Östersund municipality must take action to halve households' consumption-based emissions by 2030, and to a maximum of 1 tonne of carbon dioxide equivalent per person in 2050, in line with the IPCC.

These are municipality-wide objectives, and so they apply to all committees and administrations in Östersund municipality. They primarily cover the aspects that the municipal organisation has the power to decide and implement, but must also lay the foundation for and constitute the desired direction for the municipal group as a whole, the business sector, other activities conducted in the municipality and the opportunity for municipal residents to reduce their climate impact and energy use.

Becoming fossil-free and energy-efficient means that Östersund will fulfil its part in the Paris Agreement, the recommendations of the IPCC (the UN climate panel) and the goals of the Jämtland County Administrative Board's energy and climate strategy, as well as helping to achieve the Sustainable Development Goals.

Achieving the goals will require extensive measures contributing to society's transition, particularly in light of the journey of growth on which Östersund municipality is embarking. With an annual population increase of about 500 people and an ambition to go on growing in terms of number of residents and business establishments, it is important to ensure that this is done sustainably in line with adopted climate goals.

3.2. Strategy

First and foremost, the municipal group must act as a role model by showing the way and providing inspiration for efforts towards freedom from fossil fuels and climate neutrality in its own operations. In cooperation with other stakeholders in the municipality and the region, Östersund municipality must also work on the basis of its powers to lay the foundation for both businesses and residents to make climate-conscious choices and assist with achieving the goals through infrastructure, various policy instruments, participation, information and education. Moreover, national and international policy instruments and collaborations also have an important part to play in the pace of climate transition and the opportunities to achieve the municipality's climate goals.

Östersund municipality's work on reducing climate impact is based on a climate change programme and the political policy document Climate strategy for a



fossil-free and energy-efficient Östersund 2019–2023. At the time of writing, the climate strategy is being revised for the 2024–2027 period, with decisions and implementation taking place in 2024. To achieve the goal of a fossil-free, energy-efficient and climate-neutral municipality, seven strategic development areas are highlighted as being of particular importance in the new climate strategy:

1. Organisation and governance
2. Transport, travel and works machinery
3. Urban planning and construction
4. Energy
5. Consumption
6. Carbon sinks
7. Green finance

The strategy is a policy document that aims to steer the municipal group towards reduced climate impact and energy use and will form a basis for budget work and a foundation for planning of activities; in terms of assignments from the council and committee, but activities at administrative level as well. Implementation of the strategy will help to achieve the Sustainable Development Goals of the 2030 Agenda.

The municipality annually monitors internal emissions of fossil carbon dioxide in relation to the 2025 goal. This is used as a basis for implementing measures and producing decommissioning plans. A process of linking climate emissions to the financial budget has been initiated on 2023, highlighting the investments that are a prerequisite if the 2025 goal is to be achieved.

For the municipality to meet the goal of freedom from fossil fuels, fossil carbon emissions must be reduced by 437 tonnes per year by 2025 for the municipal organisation, and by 11,249 tonnes per year for the entire geographical region by 2030 (territorial, i.e. all emissions within municipal boundaries). This reduction rate will allow the municipality to remain within its greenhouse gas budget, i.e. the emissions allowance defined by the Paris Agreement. The greenhouse gas budget requires greenhouse gas emissions in Östersund municipality to be reduced by at least 9 per cent per year by 2050. Consumption-based emissions must also be significantly reduced if we are to achieve climate neutrality².

In 2023, the municipality has produced an environmental spend analysis showing total consumption-based emissions from Östersund's municipal organisation in 2022, divided into different categories. This provides a picture of the current situation and will guide further efforts on emission reductions. In parallel with efforts to reduce

² All emissions caused by our consumption, regardless of when and where in the production process the emissions occur.



emissions, Östersund municipality will also be working on offsetting measures such as carbon sequestration and conversion.

It is important for other policy instruments, in addition to the revised climate strategy, to also address and integrate the climate issue in order to pave the way for attainment of the climate goals in Östersund municipality. Examples of key policy instruments include a strategy/action plan for climate-neutral construction, revision of the waste strategy, a thematic mobility addendum to the current comprehensive plan, and a purchasing and procurement guideline to be initiated in 2024. Mandates, resources, knowledge and implementation capability need to be secured and reinforced, in addition to strategies indicating direction.

3.3. Organisation and management

For a long time, Östersund municipality has been doing active environmental work that is governed by an environmental management system, together with the management and budget process. The vision of a fossil fuel-free Östersund was adopted back in 1997, and two years later the municipality decided to work systematically according to an environmental management system. The municipal organisation has held certification according to the ISO 14001 standard since 2007, and also has an EMAS registration. The municipality's property unit is also certified under the ISO 50001 energy management system. The municipality conducts systematic work on prioritised environmental aspects: greenhouse gas emissions, energy use, urban air pollution, sustainable spatial planning, waste management and exposure to substances harmful to health.

The municipality's long-term governance is based on the municipal council's vision, "A democratically, socially, ecologically and economically sustainable Östersund is the common, fundamental vision for the development of Östersund and the starting point for long-term political work". The most important policy document for long-term governance is the Comprehensive Plan – Östersund 2040, which describes the municipality's intentions in respect of land, water and buildings (including climate and energy goals). Long-term governance then forms a foundation for the general policy objectives, which are renewed during each mandate period. Two of the three cross-cutting goals that permeate the entire organisation are related to sustainability:

- Östersund municipality has sustainable growth where everyone feels involved in the governance and organisation of the municipality
- Östersund municipality's activities and companies are run in a socially, environmentally and economically sustainable manner

There are a number of strategies to support the policy objectives, including the climate strategy. A great deal of work has been done on 2023 on revising the



current strategy applicable to 2019–2023, with a wide range of co-creators from the internal municipal organisation and external stakeholders contributing proposals for measures. The new climate and energy strategy planned for 2024–2027 is out for consultation at the time of writing and is expected to be adopted in spring 2024.

The goals and budget for coming years will then be developed on the basis of the general political goals, current strategies and an analysis of the current situation and business intelligence.

Strategic responsibility for environmental and climate issues rests with the municipal board, which is also the principal for Climate-Neutral Östersund 2030. However, all municipal companies, committees and administrations bear operational responsibility for integrating climate issues into decisions, processes and planning of operations. Urban Development is responsible for ongoing monitoring and coordination of operational efforts linked to the climate strategy, and reports to the internal climate steering committee Fossilfri 2025, which is made up of both municipal officials and politicians.

A sustainable urban planning process was initiated during the year. Its aim is to incorporate all issues enabling urban development to be steered towards sustainable development throughout the entire planning and development process, from early stages to implementation. The process is designed to be transparent, inclusive and efficient in order to deal with conflicting goals and meet the societal challenges the municipality is facing, including increased demands and expectations for dealing with sustainability aspects in urban planning. The process will be implemented in 2024.

Given the strategic development areas identified in the climate strategy, there is a need to establish working groups across different administrations in a number of areas. There will be focus on climate-neutral mobility and climate-neutral construction, for example, in 2024.

An internal transition arena will be initiated in the municipality in 2024 to further accelerate efforts towards climate neutrality and sustainable growth. The aim is to coordinate and synchronise initiatives and activities as part of the transition work, offer and coordinate training activities and workshops, and work on disseminating knowledge in the organisation.

3.4. Collaboration with the business sector, civil society, the academic community and citizens

Collaboration with other stakeholders at different levels of society is a prerequisite for a successful transition to climate neutrality. That is why Östersund municipality is continuing its important work of promoting climate-smart innovation and



co-creation across organisational boundaries together with the business sector, universities, public government agencies, independent organisations and civil society.

As part of networks such as the Klimatkommunerna association, Fossil Free Sweden and Viable Cities, we acquire knowledge and exchange experiences that reinforce our ability to conduct climate action effectively. There are many examples of how we are using collaboration to drive our transition work forward, and this is something we will go on doing.

Östersund municipality is also working on a broad portfolio of projects with partners from both the business sector and universities. These projects span a number of areas such as reuse of building materials, dialogue with citizens for sustainable mobility, sustainable spatial planning in northern Sweden, development of fossil-free air transport, climate investment plans and snow cooling as a way of controlling temperatures in buildings for lower energy use/climate impact. These are important as a way of acquiring new knowledge, developing new ways of working and then testing them in day-to-day operations.

One example of a pilot being implemented at the time of writing is the Ottfjället preschool, which is the EU's first zero-emission workplace. About 95 per cent of the preschool will be built using electrified works machinery, which is expected to reduce emissions by around 64 tonnes of CO₂e compared to traditional construction. This project is the result of a collaboration between Östersund municipality, Fossil Free Sweden, Volvo Construction Equipment (Volvo CE) and Skanska. Building using machines that run on electricity is part of the "climate leaders in public procurement" project run by the Fossil Free Sweden government initiative together with six municipalities. The ambition, after following up the project, is to standardise the design for inclusion in future construction of preschools and schools in the municipality.

To reinforce the regional climate action, the Climate Transition Arena in the county of Jämtland has been launched in 2023 on the initiative of Climate-Neutral Östersund 2030. This is a platform for cooperation in the county and aims to increase the pace and impetus of climate transition work. The Transition Arena is an activity within the framework of the Environment and Climate Council where Östersund municipality is working together with the Jämtland County Administrative Board, Region Jämtland Härjedalen, Samling Näringsliv, the Swedish Federation of Business Owners, the Chamber of Commerce of Central Sweden, IUC-Z Group, Mid Sweden University, RISE, Almi and Jämtland Härjedalen Turism to create a regional arena for coordination, exchange of knowledge and experience, inspiration and networking. A joint initiative for developing regional climate pledges will begin in 2024.

With initiatives and activities linked to events such as the annual Climate Seminar, Earth Week and European Mobility Week, the municipality is working to increase



emphasis on and reinforce knowledge of the climate issue among the general public, the business sector and politicians in collaboration with study associations.

3.5. Climate investment plan

In 2023, Östersund municipality has initiated efforts to highlight the investments required to achieve the imminent climate goal of freedom from fossil fuels by 2025 in the municipality's long-term investment plan. The data provided a basis for politicians to decide on the implementation of the necessary investments.

The municipality has also started working on familiarising itself with climate investment plans as a tool for transition with the help of Viable Cities. The climate investment plan should serve as a coherent policy document for the work of the climate transition function and clarify how the city's financial interests support an accelerated climate transition. This plan should describe the initiatives that will need to be implemented by various stakeholders in different sectors, and also attempt to apply social costs and benefits to it. The climate investment plan may also assist with prioritisation of actions.

Efforts to highlight the necessary investments in order to meet climate goals at different levels will be continuing in 2024. On the one hand, climate investments will be integrated more clearly into regular budget work in Östersund municipality; and on the other, climate investment plans will be the subject of in-depth work as part of the Climate 4cast project, in which Östersund municipality will be participating together with a number of external stakeholders from late 2023. Additionally, the tool will be promoted in the Climate Transition Arena among a wide range of stakeholders in the county of Jämtland in the context of the regional climate goals.

3.6. Digital support for implementation

Digitalisation helps to create more opportunities for faster transition. To harness the potential, we need to learn more about how digitalisation can facilitate the climate transition and the contexts in which digital tools can help to bring about behavioural change. As much of the transition involves making it easier for stakeholders at various levels in society to live and work without negative climate impact, the emphasis on digital support needs to be linked to this.

Östersund municipality implemented a climate visualisation system in 2023 to illustrate the municipality's emissions allowance, which categories contribute most to emissions and how different measures affect the municipality's projected climate emissions over time. This system makes it easier to collect statistics and monitor progress towards defined goals. Work on visualising data in priority areas with particular potential for the transition through digital tools will be continuing in 2024.



As regards transport, the municipality is working on developing digital support for optimisation of transport routes. This project aims to reduce environmental and climate emissions, which will save time when emptying the municipality's dustbins and collecting household waste.

3.7. Innovation hub for climate neutral municipalities

Utilising the networks that we are part of and the platforms for cooperation that already exist at both local and national level is key to innovation and systemic change. That is why Östersund municipality will go on sharing experiences, learning from others and participating in innovation projects and pilots through the various networks and organisations in which we are active. These include the Environment and Climate Council in Jämtland Härjedalen, Viable Cities, Fossil Free Sweden, the Klimatkommunerna association, Fossilfri Konkurrenskraft, N6 and Thriving Northern Cities.

3.8. Climate change adaptation

While it is important to carry on working on reducing emission, Östersund municipality needs to create conditions that will allow it to be better equipped for the impact of climate change both now and in the future. SMHI's climate analysis for the county of Jämtland shows that the average temperature will increase by 3–5 °C within the next century. The effects of climate change can already be seen in Östersund due to aspects such as an increase in the number of storms, fewer days of ice on Lake Storsjön, black ice during the winter months, and heatwaves with forest fires. Climate change adaptation is all about identifying and implementing measures to reduce the vulnerability of society and residents and ensure that municipal services can be maintained.

The comprehensive plan must help to bring about a resilient society. Many climate change adaptation measures that need to be implemented in the physical environment are linked to ecosystem services found in various types of green and blue environments, i.e. both land and water areas. Climate change adaptation will be strongly integrated into the processes that deal with physical urban planning. There is an enormous need for knowledge and development of new environments for ecosystem services if we are to succeed.

The municipality has performed a risk analysis and risk inventories that assess the probability of various climate impacts occurring and the consequences if they do. The results have been summarised in a climate change adaptation guideline and an accompanying background report that were adopted by the municipal council in 2021. This guideline includes the following policy standpoints:

- A robust community



- Secured planning documentation
- Communication preparedness for climate-related events
- Emergency response preparedness for climate-related events
- Preventing financial risks

The municipality's risk and vulnerability analysis was revised in 2023 and focuses in particular on climate-related risks due to a changing climate. An action plan is to be developed in 2024.

A knowledge base for ecosystem analysis in the municipality was produced in 2023, which includes regulatory ecosystem services such as water and heat regulation. Östersund municipality is to have integrated ecosystem services in construction, planning and administration by 2025.

3.9. Climate smart mobility

Östersund municipality needs to create a transport structure that meets needs and also helps residents, businesses and visitors to make sustainable travel and transport choices. Transport accounts for the majority of fossil carbon emissions in Östersund, most of which come from cars. That said, Östersund faces a challenge in terms of local air quality and does not meet the limit values linked to the EU environmental quality standard for outdoor air (PM10). If we are to achieve our environmental and climate goals, we need to work on a portfolio of activities in respect of mobility, ranging from infrastructure to initiatives designed to bring about behavioural change.

The comprehensive plan steers towards urban planning in which active transport and public transport are prioritised in order to achieve the goal for the modal split in the Östersund urban area (40 per cent cars, 20 per cent public transport and 40 per cent active transport by 2030). Urban planning has an important part to play in making both public transport and active transport attractive. Including walking, cycling and public transport in the planning process early on will create structural conditions for an Östersund that can grow sustainably. A mobility addendum is to be developed for the comprehensive plan. This addendum will aim to support the modal split goal on the basis of the mobility study that was conducted in 2023.

All city buses will run on electricity from summer 2024 onwards, and a new route network with more frequent urban transport services will make public transport more attractive.

Östersund will also work to ensure society's transition to a fossil-free vehicle fleet by increasing capacity for refuelling and charging both light and heavy vehicles by making land, power and infrastructure available within the municipality. Additionally, in its role as a consumer, the municipality must define sustainability requirements



when the internal municipal organisation procures and purchases different types of vehicles, contracts and mobility services.

At the same time, we need to work on transport efficiency and mobility management. We need to assist Östersund's stakeholders and residents by passing on knowledge, networking and influencing behaviours in order to promote sustainable mobility. In 2024, Östersund municipality will be working actively to use dialogue with citizens as a tool to increase understanding of needs and promote behavioural change towards sustainable transport.

The geographical location of Östersund means that reliable and efficient long-distance transport or long-distance transport links have an important part to play when it comes to travelling to and from the region, but also within the region. Hence the climate transition of aviation is an important issue. Östersund municipality, together with stakeholders such as Region Jämtland Härjedalen, the County Administrative Board, Trøndelag County Council, Swedavia, Samling Näringsliv and others, has been the project owner for the Interreg project Green Flyway. This project has examined how the region is able to assist with the transition for aviation in various ways, which includes establishment of a test arena for electrified flight and autonomous aircraft. The expansive development currently taking place in respect of drones may help to enhance accessibility and regional development in Östersund municipality and the county of Jämtland.

3.10. Reporting and monitoring

The municipality's work is audited annually by an independent auditor within the framework of the environmental management system. Östersund municipality also monitors energy, environment and climate indicators on an annual basis through its environmental report and other measures. This is done internally as part of the regular governance model. Monitoring of the measures in the climate strategy and the gap between our climate goals and actual development is reported to the steering committee for Fossil Free 2025, the city's climate transition function, which is made up of parts of the municipal management group and a few politicians. The work done as part of Climate-Neutral Östersund 2030 is also reported regularly to this group, as well as to the municipal board. Monitoring of the Climate City Contract will take place in accordance with the guidelines defined by Viable Cities: see section 7 below.

4. Viable Cities' commitments

The Viable Cities innovation programme is being conducted in broad collaboration in order to contribute to the transition to climate neutral cities by 2030 as part of



the Swedish commitment to meet the goals of the 2030 Agenda and the Paris Agreement. This includes acting as international pioneers in the transition for cities.

Viable Cities is working with a wide range of stakeholders across academic disciplines, industries and sectors of society. It links outstanding research environments with enterprises of all sizes across a range of sectors, as well as public and civil society organisations.

Viable Cities will promote the following as part of its role as a strategic innovation programme:

4.1. Coordination of Climate City Contract 2030

Accelerated mobilisation in respect of the transition on a local, national and international level is now taking place using Climate City Contracts as a tool. This requires more of an ability to coordinate the efforts and go on developing the contracts in order to achieve upscaling, broadening, replicability, prioritisation and more effective coordination of meetings and dialogues between stakeholders.

That is why the Viable Cities programme office is developing a coordination function for Climate City Contract 2030 in Sweden so as to further support the Climate City Contract process, the commitments of agencies, municipalities and other relevant stakeholders being developed and refined step by step. This is being done in parallel with implementation and scaling to drive the transition more effectively. The coordination function will support the building of stakeholders' collective capacity for transition from knowledge to implementation and develop the Climate City Contract to the next level – in a local, national and international context.

The coordination function aims to create better opportunities for municipalities and stakeholders to benefit from and manage at a local level the comprehensive policy packages at EU level that result from the European Green Deal (such as Fit for 55 and the Taxonomy Regulation for sustainable investments).

4.2. Smart policy development

Viable Cities intends to create expertise support in respect of policy and regulations with related initiatives in respect of smart policy development. This will involve providing the municipality with more of an overview of current and future Swedish and European legislation, rules and standards of relevance to the climate transition of cities (such as the Fit for 55 policy package). It will also include process support for amending regulations and standards to facilitate climate transition in practice. This will link to agencies' commitments (section 5.1) and development work on system demonstrators (see section 6).



4.3. Innovation

Viable Cities intends to develop its role as a pioneer and intermediary (linker of systems, manager of gaps, crosser of boundaries) in order to reinforce the coordinating, mobilising and facilitating efforts in the emerging ecosystem for the Climate Neutral Cities mission, offering a good life for all within the boundaries of our planet.

Viable Cities will contribute competence networks and process support to make it easier for the municipality to implement innovation that accelerates climate transition. This will include engaging other strategic innovation programmes in the further development of Climate City Contract 2030. This is particularly applicable to mobility, energy, the built environment, circular economy, health and digitalisation. Working on the basis of the partnership agreement with the Drive Sweden strategic innovation programme on climate smart mobility, collaboration will be developed further with both cities and agencies in this respect, not least with the Swedish Transport Administration.

4.4. Coordinated funding

Viable Cities will be supporting the municipality's need for climate transition funding and promoting cooperation and synergy between agencies and other stakeholders funding climate transition and sustainable urban development in the following ways.

- Viable Cities will go on working with the 23 cities and six agencies involved in Climate City Contract 2030 on developing forms of funding linked with this.
- Viable Cities will cooperate with the Swedish Agency for Economic and Regional Growth as the managing authority for the European Regional Development Fund in Sweden and the initiatives earmarked for sustainable urban development with a view to creating synergy with Climate City Contract 2030.
- Viable Cities will be working together with the agencies to develop work on coordinated funding by means of various ongoing initiatives in respect of sustainable urban development: see 5.3 Coordinated funding.
- Viable Cities will be continuing to develop forms of climate investment plans for cities with a view to supporting all cities as part of the Climate Neutral Cities 2030 initiative.

4.5. Interaction with the EU's Climate Neutral Cities mission

Viable Cities is working in close cooperation with the support structures that are being built around the EU Climate Neutral Cities 2030 mission – both a platform for implementation of the EU mission, NetZeroCities, and CapaCITIES, a network of national nodes such as the Driving Urban Transitions (DUT) partnership programme. At EU level, closer interaction and synergies with the sister mission "Adaptation to



Climate Change”, as well as with the proposed “New European Bauhaus” mission, are also being discussed.

5. The agencies’ commitments

The agencies are committed to working together within the scope of Climate City Contract 2030. In this way, the agencies will contribute to the purpose of the mission-driven effort to make the transition to climate neutral cities by 2030 with a good life for all within the boundaries of our planet.

In 2024, the agencies will go on developing supporting structures and new ways of working for a more coherent, strategic and learning development process. The Sustainable Cities Council (Rådet för hållbara städer) acts as a framework and strategic forum for collaboration between agencies, the Swedish Model for Sustainable Development (Svensk modell för Hållbar utveckling) as an operational platform for collaboration between agencies, and Climate City Contract 2030 as a joint innovation and test lab for the 23 cities and agencies.

As part of this, the innovation teams at the Climate City Contract agencies will hold joint responsibility for driving the following innovation processes: Policy labs (5.1), System demonstrators (5.2) and Local portfolio analysis (5.3). This work also involves participation in the Transition Lab facilitated by Viable Cities. In 2024, the agencies intend to focus in particular on the development of Climate City Contract 2030 as an innovation in governance for the Climate City Contract Arena, the meeting place for dialogue workshops between municipalities and agencies (see 6.1).

The agencies commit to continue their joint efforts in respect of the following developments in 2024 in order to support municipalities’ climate transition:

5.1. Smart policy development

The agencies are working together with the municipalities to identify and contribute to development towards more appropriate regulations and other policy instruments for sustainable urban development and climate transition, and also to increase understanding and knowledge of existing regulations. The process will continue to be based on proactive dialogue and mutual learning, focusing on the development needs of municipalities in an accelerated climate transition.

In 2024, work will continue with policy labs in one or more of the challenge areas identified: inclusive mobility that promotes health, land use and land allocation, energy planning and energy streamlining, and circular resource and material flows. Joint development and planning efforts are ongoing through collaboration and



dialogue in order to clarify policy challenges and identify key stakeholders, as well as ensuring the transition potential of policy labs.

5.2. Funding for research, innovation and development

The agencies are funding research, innovation, development and system innovation activities that support more rapid climate transition. The agencies' support is aimed at various types of research, innovation, application and demonstration and, to some extent, investment funding. Funding is provided through open calls for proposals and other forms such as, for example, client networks, stakeholder networks and innovation procurement³.

In 2024, the agencies are committing to go on developing and funding new types of initiatives, such as: System Demonstrators for Climate Neutral Cities (see 6.2 for more information) and the Urban Twin Transition Center for the digitalisation of cities.

5.3. Coordinated funding

The agencies are constantly developing coordination in respect of ongoing initiatives in the field of sustainable urban development and climate transition so as to create better advance planning and comprehensive information.

In 2024, the agencies are intending to deliver aggregated output data from some of the agencies' funding to all 23 municipalities, based on the innovation process on methodology development for local portfolio analyses that was conducted in 2023. The innovation work will also continue in 2024 with a view to improving the quality and coverage of data supplied, and by means of one or more in-depth projects in collaboration with certain interested municipalities in order to streamline the process and increase the benefits for recipients. The long-term goal of the portfolio analyses is to assist in efforts relating to cities' climate investment plans.

Hållbarstad.se is the joint website of the Sustainable Cities Council. Here, the agencies have undertaken to regularly publish information on funding opportunities and calls for proposals, as well as collective knowledge support from all participating agencies involved in the Sustainable Cities Council⁴.

5.4. Participation in European sustainable cities initiatives

The agencies are part of and working with a number of European initiatives to support the development of sustainable cities and communities.

³ See [pressannouncement from the Swedish Internet Foundation](#) (Swedish)

⁴ The Swedish National Board of Housing, Building and Planning, the Swedish Energy Agency, the Public Health Agency, Formas, the county boards, the Swedish Agency for Participation, the Swedish Environmental Protection Agency, the Swedish National Heritage Board, ArkDes (the Sweden's national museum for architecture and design) the Public Art Agency Sweden, the Swedish Association of Local Authorities and Regions, the Swedish Agency for Economic and Regional Growth, the Swedish Transport Administration och Vinnova.



Efforts to support Swedish participation in the Horizon Europe 2021–2027 research programme include contributing to the formulation of activities and calls for proposals and providing information and advice to stakeholders who are planning to participate in applications regarding various European initiatives. The agencies are also cooperating on the implementation of the EU Regional Development Fund 2021–2027 with initiatives for sustainable urban development.

The agencies are continuing to participate in the Driving Urban Transitions to a Sustainable Future partnership, where calls for proposals and other activities in respect of sustainable urban development will be of relevance in the next few years, as well as the European Commission’s “New European Bauhaus” initiative,⁵ European Urban Initiative (EUI)⁶ and Urbact⁷.

The agencies are also helping to develop support functions for the cities selected for the 100 Climate Neutral Cities mission. One example is the “CapaCITIES” programme⁸. CapaCITIES is being used to initiate and reinforce national change processes in order to establish national networks and governance structures.

6. Strategic development projects for 2024

The strategic development projects are key accelerators for the emergence of an ecosystem relating to the Climate Neutral Cities 2030 mission and provide a common platform and arena for collaboration and learning.

The following strategic development projects will be conducted in 2024 within the Viable Cities Transition Lab in collaboration with other municipalities, with a view to further developing the content of Climate City Contract 2030 during the upcoming revision of the contract.

6.1. Governance

Developments in climate transition governance, both at local level and between local, national and even EU level, are fundamental to broader mobilisation and more effective systemic changes. This involves coordinating and leading different stakeholders at different levels with a view to accelerating the climate transition and slowing climate change so that a sustainable future can be built. Governance

⁵ New European Bauhaus highlights the importance of aesthetic, social and cultural assets in the green transition.

⁶ The European Urban Initiative is a hub for sustainable urban development at EU level. The EUI aims to offer support to cities to improve and increase their capacity when it comes to formulating sustainable urban development strategies, policies and projects. (urban-initiative.eu)

⁷ Urbact is a European cooperation programme for exchange and learning in the field of sustainable urban development, Swedish Agency for Economic and Regional Growth.

⁸ The Swedish Energy Agency and Viable Cities are participating.



refers to the process and structure of governing, managing and regulating an organisation, society or system. It considers how decisions are made, how authority and responsibilities are allocated, and how rules and guidelines are maintained and followed. This is a complex process involving political, economic, technical and social aspects, which in turn requires cooperation and commitment from a wide range of societal stakeholders.

Mobilisation through Climate City Contract 2030 has proven to be successful and will go on being developed in order to further reinforce, scale up, broaden and accelerate the transition work. Clearer needs orientation/prioritisation and stricter commitments are required from several quarters: from the national agencies and the municipalities, and also linked to the Viable Cities role/commitments.

The Climate City Contract is a new and innovative governance tool that is building a long-term strategic process from local to international level on the basis of the collective mission of achieving sustainable and climate neutral cities by 2030. Commitments from cities, agencies and other stakeholders are revised and refined every year, and implementation takes place in interaction between the public sector, the business sector, the academic community and civil society stakeholders. The whole process is building ever stronger mobilisation of ecosystems of stakeholders and initiatives and constantly reinforcing the collective capacity for faster transition. This is a multi-level governance perspective that has also acted as an international role model when it comes to mobilising cities in a broad partnership between enterprises, the academic community, the public sector and civil society, implementing the EU's "Climate Neutral and Smart Cities" mission, which is aiming to achieve 100 climate neutral cities (municipalities) in Europe by 2030. Being the first to set up Climate City Contracts makes Sweden a pioneer, leading the way for other European countries and the European Commission. This, in turn, will strengthen the Swedish business sector's ability to take its place and contribute to the global transition.

In the run-up to 2024, there is still a major need to develop a more in-depth understanding of what transformative governance involves and how municipalities and cities can work with it in practice. Collective analysis support for Climate City Contracts will be developed further using experience and insights from the initial steps. This work has to be done in close cooperation between Viable Cities, agencies and municipalities. This work will be coordinated by the programme office, which will ensure stronger emphasis on analysis and monitoring in the Climate City Contract Arena in 2024.

6.2. Climate investment plans

A basic tenet of mission-driven innovation is that the state and public organisations at different levels of society play an active role in co-creating and reshaping markets



in interaction with the business sector and other societal stakeholders such as the academic community and civil society.

Climate investment planning is a crucial part of the transition in a municipality or from a broader perspective. Such planning makes it possible to understand what measures the various stakeholders in the city – the municipality and other stakeholders – need to implement, how these measures can be implemented in a manner that is economically viable, and which financial instruments can be used to raise the capital necessary for the transition. On average, the municipality itself is estimated to have control over about 15 per cent of the investments needed. That is why a series of stakeholders need to be involved, including citizens, civil society, enterprises (including the financial sector), the academic community and public organisations.

Climate investment plans as a key part of the work on developed governance for the mission, and in 2024 we will be focusing on climate investment plans in a number of areas; analyses and tests on how climate investment plans can be linked to regular decision-making processes, including roadmaps for climate neutrality at city level, analyses of necessary climate investments in areas with a major impact on climate emissions, such as heating/cooling, mobility, food, etc., economic analyses of multiple benefits of climate transition, such as where climate transition can both help to save money and provide quantified benefits such as better health, more jobs, security, etc., how sustainability indicators can be incorporated more systematically into commercial management and contract management

In 2024, the Viable Cities financial dashboard will undergo further development and incorporate the investment plan page, financial indicators and funding flows provided by different national agencies (see section 5.3). The functions of various financial instruments will be mapped, and a number of learning cases will be launched in areas where financial roadmaps are being developed. There will also be a developed collaboration with investors in order to discuss how to mobilise private funding for climate neutral cities.

The work on climate investment plans in Sweden is closely linked to what is happening within NetZeroCities, the platform for implementing the climate neutral cities mission at European level.

6.3. Competitiveness through transition

Strong mobilisation for the transition to climate neutrality may provide the conditions for enterprises in Sweden to develop new business strategies and entirely new markets, which in turn will provide competitiveness by driving a transition to a climate neutral, sustainable society. This is crucial for Sweden's ambition to be the world's first fossil-free welfare state and our climate policy framework. Enterprises play a key role



in the climate transition; as major emitters of greenhouse gases, but also as providers of solutions for climate transition and climate change adaptation.

In 2024, Viable Cities is joining forces with the Climate Competitiveness initiative to explore – together with a range of other stakeholders – what systemic changes can accelerate collaboration between municipalities and the business sector in order to achieve the Climate Neutral Cities 2030 mission with a good life for all within the boundaries of our planet. Collaboration with the agencies signing the Climate City Contract is a key aspect of this work so that policy change can be driven. The initiative is targeted primarily at the 23 cities signing Climate City Contracts for 2030, with the objective of creating knowledge that can be used in all Swedish municipalities.

The aim is to focus jointly on key areas of activity linked to the cities' transition journeys, where enterprises are mobilised and systematically engaged. One important element in this work is to reinforce one another in handling the opportunities and challenges presented by the EU's "Fit for 55" programme. Examples of areas of activity include procurement, skills supply, business development and establishment. The work includes reviewing the chances of using municipal policy documents such as procurement policy, business programmes and ownership directives for municipal companies in order to drive development. In its work, Viable Cities also engages with business-oriented organisations and initiatives at international, national and regional level where fair and inclusive transition is a key aspect.

6.4. Citizen engagement

Current societal challenges mean that a number of crises coincide with the climate crisis: the pandemic, the war in Ukraine, crises in respect of energy, food, raw materials and critical minerals, biodiversity and demography. These challenges are exacerbated by the fact that we are also experiencing a democratic development where a growing proportion of the population feels excluded.

This increases the need for initiatives aimed at inclusion and putting citizens at the centre of the transition to a climate neutral, sustainable society through initiatives such as new forms of citizen involvement (such as citizens' councils) and the development of attractive living environments (such as New European Bauhaus) and policies for the designed living environment. It is necessary to make the most of citizens' knowledge and expertise with regard to the decisions that affect their lives, and these decisions must be supported by the vast majority so that action and change can be implemented at the pace and to the extent required.

There will be further development of cooperation between cities, agencies and other stakeholders in 2024 in order to pave the way for citizen engagement in the climate



transition; not least by developing new forms of citizen involvement in local Climate City Contracts and interaction with European initiatives in this respect.

A number of learning cases, tests and initiatives in respect of citizen participation will be mobilised in 2024 with a view to building on empowering citizens so as to accelerate the climate transition.

6.5. System demonstrators

System Demonstrators for Climate Neutral Cities is a strategic development project under Climate City Contract 2030. The system demonstrators are expected to play an essential role in the ability of cities to accelerate the transition, raise awareness and create plenty of engagement on a local, regional, national and international level.

The initiative focuses clearly on mission-oriented innovation, and clearly emphasises the importance of a systems perspective in the transition process. A portfolio approach, where a number of actions, initiatives and experiments combine to form a larger whole, is an important element in this form of intervention. The system demonstrators are based on key areas of Climate City Contract 2030 and are intended to assist with the development of the contract on the basis of insights from the work.

Viable Cities and the agencies undertake to help raise the profile of the system demonstrators in key contexts at national and international level, and to capitalise on the insights from the system demonstrators with a view to facilitating upscaling. All Climate City Contract 2030 municipalities undertake to capitalise on the insights from the system demonstrators with a view to facilitating upscaling.

6.6. Climate Neutral Cities 2030 mission on an international level

In October 2021, the EU launched five missions for a new and innovative way of working together and improving people's lives in Europe and beyond. These five missions aim to tackle major societal challenges such as health, climate and the environment, and set ambitious goals with deadlines to be achieved by 2030. One of these is 100 Climate Neutral and Smart Cities by 2030 (known as the Cities Mission), which is a key element in delivering the European Green Deal with a view to making the continent climate neutral by 2050. This will involve significant reinforcement of Swedish efforts on the mission of achieving climate neutral cities by 2030 and using Climate City Contract 2030 as a tool for this.

There will be continued mobilisation and development in 2024 in order to reinforce the link between Swedish and European efforts on the Climate Neutral Cities 2030 mission. This is taking place by means of a series of initiatives involving cities, agencies and Viable Cities programmes. Examples include NetZeroCities (a platform



for implementing the Cities Mission, with development work on aspects such as Climate City Contracts and Climate Investment Plans), the Driving Urban Transitions partnership (with research and innovation projects focusing on 15-minute cities, energy-positive districts and the circular urban economy) and CapaCITIES (which is developing national support platforms similar to Viable Cities in a number of countries in Europe).

At EU level, closer interaction and synergies between the Cities Mission and its sister mission “Adaptation to Climate Change”, as well as with the “New European Bauhaus” initiative, are also being discussed.

Launched by the European Commission in January 2021, the New European Bauhaus initiative links the European Green Deal with our built environment. In the Cities Mission implementation plan, the European Commission points out that EU Climate City Contracts will enable participating cities to integrate the values and principles of the New European Bauhaus initiative in their climate neutrality plans and reinforce them. Work on the New European Bauhaus is taking place in collaboration with the government assignment awarded to the Swedish National Board of Housing, Building and Planning (Sustainable Cities Council, Rådet för hållbara städer) aimed at coordinating Sweden’s participation in the New European Bauhaus.

7. Joint efforts on monitoring, evaluation and updating

Viable Cities and the municipality have agreed to conduct annual monitoring of the municipality’s performance within the framework of Climate City Contract 2030. Viable Cities will provide documentation annual monitoring at municipal and national level.

7.1. Key updates for the municipality

Östersund will have a new municipality-wide sustainability goal as of 2024. The new goal is horizontal and more comprehensive than before, as it now includes all three dimensions of sustainability. This means that responsibility for including sustainability aspects in all decisions and processes is placed more clearly with all administrations and committees.

The actions and initiatives we have run to achieve our goal of a fossil fuel-free municipal organisation by 2025 have resulted in an 83 per cent reduction in fossil carbon emissions in the Östersund municipal organisation between 2010 and 2022, according to the latest monitoring of the goal. The corresponding figure for the municipality as a geographical unit is 55 per cent.



A proposal for a new, revised climate strategy for the period 2024–2027 was developed during the year (and is currently out for consultation for a decision to be made in 2024). This includes a new goal for consumption-based emissions and energy efficiency, as well as new proposed measures to address the gap between the current situation and the goal.

Important work is continuing on a portfolio of measures in this area as transport and works machinery accounts for most of the fossil carbon emissions in Östersund municipality, and particle levels in the air in Östersund city centre exceed the EU environmental quality standard. One new aspect since last year is the fact that Östersund municipality has adopted the action programme for air, which aims to improve air quality and meet the environmental quality standard for particulates (PM10). Given the fact that Östersund is growing, the municipality has devised new rules for workplace parking in order to encourage active transport. This is done to promote justice as well as the environment and climate. At the time of writing, a major study is also taking place in order to specify what measures we need to implement in order to achieve the goal of changing the modal split.

In 2023, we have conducted an environmental spend analysis that shows the municipal organisation's emissions based on all purchases and investments in 2022 (scope 1, 2 and 3). This shows that the building and construction sector accounts for almost half of our emissions, and it emphasises the importance of working to reduce these if we are to achieve the goal of climate neutrality. This is something we will be focusing on in the next few years.

Project partnerships with external partners are one way of securing funding and resources for initiatives in the areas referred to above. During the year, we initiated new project partnerships with funding from Vinnova, the Swedish Energy Agency, Interreg and the ERDF on the topics of sustainable mobility, citizen dialogue, sustainable urban development and climate budgeting.

Östersund municipality launched the *Climate Transition Arena* in 2023 in collaboration with the Environment and Climate Council for further mobilisation in respect of the Climate-Neutral Cities 2030 mission. Ten or so partners are supporting this initiative and will help to contribute to a consolidation in which local companies, associations, Mid Sweden University and other public organisations will join forces for specific collaboration in the field of climate-driven business and operational development.

7.2. Most urgent experiences for the municipality to share

Our transition work is dependent on shared priorities and greater collaboration both within the municipal organisation and with other stakeholders at different levels in society. We have worked on a broad portfolio of initiatives over the past year that



have provided important experiences. A few examples that we would like to share are presented below:

- During the year, we have implemented clearer integration of our efforts to achieve the climate goals with our budget work. This has allowed us to highlight the investments required in the municipality's investment budget to achieve the climate goals. This is a result of climate budget work initiated previously. Close cooperation with the municipality's budget function has been a key factor in ensuring a clear and transparent foundation for elected representatives to consider when the investment plans were set out.
- Work on the EU's first zero-emission construction site was decided upon and began during the year. This involves construction of the Ottfjället preschool using electrified works machinery in close collaboration with Fossil Free Sweden, Skanska and Volvo. Besides reducing fossil emissions from construction and helping to increase market demand for this type of machinery, the project is helping to provide construction workers with a better working environment. This project will be monitored closely, and the ambition is to scale it up for future refurbishment work and construction of new schools and preschools in the municipality.
- The municipality's comprehensive plan was revised in 2022 and supplemented with an integration of ecosystem services and the 2030 Agenda. A process has subsequently been developed in order to ensure horizontal overall assessments at early stages when changing land and water use, with broad involvement of various administrations and management functions. Training activities will commence in autumn 2023, and the process will be implemented in 2024.
- The municipality has been working purposefully together with Jämtkraft, the municipality-owned energy company, for a number of years in order to identify the right partner for establishing electricity-intensive energy focusing on circularity. In 2023, this collaboration resulted in the establishment of a data centre to be powered by renewable energy while also supplying heat to a large-scale food farm.

7.3. Key updates for Viable Cities

The work done by Viable Cities on facilitating the Climate City Contract process has undergone development in 2023. The Viable Cities programme has also prepared a new multi-year phase of the programme. Moreover, significant development work on climate investment plans has taken place and the new system demonstrator intervention has taken new steps. An EU-level process on Climate City Contracts has been established in the international cooperation on the mission and a number of Swedish cities have been successful in becoming involved in the work of the mission regarding climate-neutral cities with funding from Horizon Europe.



7.3.1 The Climate City Contract process

Work has continued in 2023 on developing the role of Viable Cities as a facilitator of the Climate City Contract process in interaction with the 23 cities and 6 government agencies that are signatories to date. The accelerated learning platform has been further developed through the Viable Cities Transition Lab Forum, City Labs, Climate Breakfasts and a series of different formats for meetings between cities and government agencies and other stakeholders. Interaction with the signing government agencies has also been developed in order to further extend the Climate City Contract 2030 process. In parallel, work has continued in the 23 cities on developing different forms of local climate contracts as part of mobilising local transition arenas with companies, the public sector, the academic community and research institutes and civil society. Mobilisation at EU level with the 112 cities that are pioneers in the Climate-Neutral Cities 2030 mission has also involved a process of establishing Climate City Contracts with the participation of Viable Cities. Viable Cities perceives an increased need to create synergies and work on developing support for learning between cities and further developing interfaces between local, national and international levels. The aim of all this is to reinforce the collective capacity for transition.

7.3.2 Strategic efforts prior to new programme phase

Scaling up relevant initiatives in various ways for greater impact and to increase the pace of transition is a crucial element in Viable Cities' work going forward. It is also clear that further work needs to be done in a situation in which multiple crises coincide with the climate crisis. Extensive strategy work took place during the year in preparation for the next multi-year phase of the programme. In October, Viable Cities submitted an application to become one of the programmes under the new, mission-oriented Impact Innovation programme. In parallel, documentation is being submitted for the next phase as a strategic innovation programme in which an evaluation of the first six years of the programme has been completed. In various ways, Viable Cities has also provided input for the Government's forthcoming climate policy action plan and the forthcoming research and innovation bill and contributed to SALAR's planning⁹ of how municipalities and regions can improve and intensify their efforts on climate change adaptation and reduced climate impact.

7.3.3 Strategic upscaling and acceleration initiatives

Continued development work on climate investments for the transition for cities has taken place both in Sweden and in European cooperation as part of the work on Climate City Contracts. Dialogue with relevant financial stakeholders has also been developed in this regard. Digitalisation efforts were also intensified during the year, and November saw the establishment of the Urban Twin Transition Centre

⁹ Fair and sustainable transition for the climate - Proposal from SKR's program preparation for sustainable transition, SALAR, September 2023 (Swedish)



in collaboration with Viable Cities. Work has also begun on preparing processes for enhanced citizen engagement/participation in order to create methods and insights that can be used by many cities. A Just Transitions graduate school was launched at Linköping University during the year, in cooperation with Viable Cities. Lund University, in collaboration with Viable Cities, has also launched a Massive Online Open Course (MOOC): Cities, Climate and Change: Pathways and Opportunities. Work on storytelling and communication for transition has also undergone further development. The next step in developing a new form of intervention known as System Demonstrators has been taken with funding from Vinnova and Viable Cities for two system demonstrators: CoAct in Lund, which is focusing on both sustainable mobility and energy-positive districts, and SnabbSam in Stockholm, which is focusing on a fossil-free city centre. Other cities are keen to join in with these collective learning efforts. Fifteen feasibility studies have been funded as part of Viable Cities in order to explore how we can further energise the transition of cities in three respects: citizen engagement, climate investments and regional collaboration.

7.3.4 International alliances in respect of the mission

Efforts to mobilise cities and countries in respect of the mission, in which Viable Cities is involved in a number of ways (e.g. NetZeroCities, Driving Urban Transitions, CapaCITIES, Urban Transitions Mission), are continuing. An evaluation commissioned by the European Commission of the EU's work on the five missions¹⁰ was published during the year. This concludes that the Climate-Neutral and Smart Cities 2030 mission (Cities Mission) has already achieved significant mobilisation to step up the pace of climate transition in cities. The evaluators highlight the fact that establishment of the Cities Mission was an important and timely initiative in order to address the "implementation gap" and the systemic challenges that individual cities' climate efforts could never handle alone.

Viable Cities has continued its efforts as one of many international NetZeroCities partners in order to facilitate the transition in the 112 cities (seven of which are Swedish). NetZeroCities, in dialogue with the European Commission, has formulated a Climate City Contract for cities throughout the EU as a tool to accelerate climate transition. Climate investments are a key element in this regard. As with everything else Viable Cities does, the ambition is for methods, tools and lessons learned to benefit many more cities as they make their transitions. Swedish cities have achieved success within the framework of NetZeroCities and been granted funding for a number of initiatives in order to reinforce their climate transition initiatives. Malmö, Uppsala and Umeå, for instance, have received funding as part of the Pilot Cities initiative (totalling around SEK 45 million); and Luleå (matched with Umeå) and Lund are just two of the cities that have been selected and matched with pilot cities under the Twinning initiative, which focuses on learning partners for transition.

¹⁰ Alasdair Reid et al. Study supporting the assessment of EU Missions and the review of mission areas – Mission areas review report. 10.2777/61143, European Commission, 2023



New steps are being taken as part of the work that has been conducted at global level within the Climate Smart Cities Challenge for a number of years, and which involves a number of Swedish stakeholders, with a view to further developing the work. This includes linking the four system demonstrators as part of the initiative with the two Swedish ones, and also working to mobilise capital. The partnership with UN-Habitat is key to this, and a dialogue is being conducted regarding broader cooperation with UN-Habitat on the basis of climate transition for cities. Similarly, a dialogue has been initiated regarding broader cooperation with the World Wide Fund for Nature (WWF) regarding climate transition for cities in Sweden and internationally.

7.4. Key updates for the government agencies

The agencies have worked jointly on four innovation processes in 2023 as part of Climate City Contract 2030. Four challenges have been identified for policy labs as part of Smart Policy Development. System demonstrators for climate neutral cities are being trialled in two cities. A local portfolio analysis method has been trialled and scaled up. Climate City Contracts as a model for developed governance have been analysed in depth.

7.4.1 Smart policy development

In 2023, a number of joint workshops with Climate City Contract municipalities and Climate City Contract agencies were organised so that development of more appropriate regulatory frameworks and other instruments could begin. Four challenge areas were identified, and these were mapped and investigated further with a view to making decisions to launch a number of “policy labs” in one or more of the areas identified. Representatives from the agencies continued working between the workshops, processing the data that emerged and planning for future work. All the work involved forms of exploration and learning, with everyone involved.

7.4.2 System demonstrators

The emphasis on system demonstrators for climate neutral cities has continued in 2023. The call for proposals for System Demonstrators for Climate Neutral Cities – Planning Phase took place, and two cities were awarded funding. This call for proposals will be seamlessly followed in 2024 by the call for proposals for System Demonstrators for Climate Neutral Cities – Implementation Phase, which will be open only to the same two cities that were awarded funding for System Demonstrators for Climate Neutral Cities – Planning Phase.

7.4.3 Local portfolio analyses

In 2023, the agencies have carried on developing a methodology for portfolio analysis of the agencies’ overall funding to cities. The methodology was trialled in discussion with five of the municipalities during the year. The aim during the year has been to investigate applications in the municipalities and enable all 23 municipalities to scale



up. The year's work and completed tests were presented and further developed jointly during the Transition Lab Forum in Kristianstad in the autumn.

7.4.4 Greater collaboration between agencies

In 2023, the agencies forming the Sustainable Cities Council have been granted funding from the European Regional Development Fund's National Programme to develop a more operational inter-authority collaboration platform. This collaboration platform has been named *Svensk modell för hållbar urban utveckling*, the Swedish Model for Sustainable Urban Development. The aim of this is to focus on the more operational efforts of the agencies and develop a coordinated and joint initiative to reinforce the municipalities' capacity for innovation. The Sustainable Cities Council decided to review in 2023 how the Council can be strengthened in its role as a strategic forum and provide a framework for the operational collaboration platform *Svensk Modell for Urban Sustainable Development and Climate City Contract 2030* as a joint innovation and test lab for the 23 cities and agencies, as well as other related initiatives identified. The aim of this was to increase synergies and learning between several of the agencies' related assignments and initiatives.

7.4.5 Climate City Contracts as a governance model

Developments in climate transition governance, both at local level and between local, national and even EU level, are fundamental criteria for broader mobilisation and more effective systemic changes. In 2023, collaboration between agencies – with analytical support by Vinnova – focused on governance issues in particular A strategic analysis project entitled “*Klimatomställning av städer – en svensk modell för att öka takten i omställning*” (Climate transition of cities – a Swedish model to increase the pace of transition) was conducted in close cooperation with Viable Cities, and with the active participation of both the agencies and the cities. From an operational perspective, it has been possible to devise the term “governance” for climate transition on the basis of practical experience from the last two decades. Governance is used when an authority needs to go beyond what it can directly control in order to realise a goal, which also involves systemic shifts from piecemeal operations to a holistic approach to public administration. In governance, the authority collaborates with the business sector, civil society and the academic community.

9. The contract

The Parties agree that these joint commitments, as formulated above, shall apply for 2024. The first version of Climate City Contract 2030 was signed in 2020, the second in 2021 and the third in 2022. The Climate City Contract is to be updated and renewed for each new year.

Climate City Contract 2030

Between Östersund municipality, 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 2023-12-08 The Parties agree that these joint commitments, as formulated above, shall apply for 2024. The first version of Climate City Contract 2030 was signed in 2020, the second in 2021 and the third in 2022. The Climate City Contract is to be updated and renewed for each new year.

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Appendix 1 – Links to documents

Below are the links to the most relevant documents in relation to Climate City Contract 2030 for Östersund municipality (may be in Swedish).

- [Overview plan Östersund 2040](#)
- [Climate programme](#)
- [Program för avfall](#)
- [Plan for traffic](#)
- [Plan for water and sewage supply](#)
- [Plan for nature conservation and park](#)
- [Climate strategy for a fossil-free and energy-efficient Östersund 2019 - 2023](#)
- [Environmental reporting 2022 Östersund municipality](#)
- [Business strategy for sustainable growth 2022 - 2026](#)
- [Strategy for green structure](#)
- [Action program Östersund - to improve air quality and achieve the environmental quality standard \(PM10\)](#)