

Climate City Contract 2030

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

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1. Purpose of the Climate City Contract 2030

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

2. Parties

Parties in the Climate City Contract 2030 are:

- City of Borås
- 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

Vision – the Borås of the future (2022) describes our common vision for a sustainable city. It is a vision shaped jointly by what citizens, civil society, the business sector, academia and the City of Borås want. It begins with the words: "In Borås we have a sense of responsibility, and we treat each other and our environment with care and respect. We live in harmony with a rich and varied natural environment, with other people, and with the world. Social, economic, and ecological sustainability is a key element in all our choices and decisions."

The City of Borås has the goal of keeping within the agreed carbon budget and thus helping to limit the rise in global temperature to 1.5°C. The carbon budget states that

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.



both the municipal group's and Borås residents' consumption-based greenhouse gas (GHG) emissions need to decrease by 16% a year. The carbon budget was adopted in 2019 and is followed up annually. It is based on the UN Intergovernmental Panel on Climate Change report from autumn 2018.

The carbon budget shows the most important priority areas. The City of Borås Energy and Climate Strategy, which aims to help achieve the carbon budget, is broken down into nine priority areas (see section 3.2). For the municipal group, the main priority areas are the construction of buildings and infrastructure, and the purchase of food and other goods and services. In civil society itself, the distribution is slightly different. Air and car travel account for large emissions, as well as the consumption of food and other goods; for instance, electronics and clothing have a significant impact on the climate.

The City of Borås has adopted environmental goals (2018–2022) which encompass end goals, interim goals and activities for several environmental areas. Some of the goals relate to climate adaptation, energy saving and emission reduction.

In addition to its own ambitions, the City of Borås has also aligned itself with Region Västra Götaland's objective to be a fossil-independent region by 2030. This means that GHG emissions must decrease by 80% on 1990 levels by 2030. Moreover, GHG emissions from consumption by West Swedes, wherever in the world they occur, must decrease by 30% compared to 2010.

3.2. Strategy

The City of Borås Energy and Climate Strategy aims to concretize the local carbon budget and adapt society to a changed climate. The strategy establishes nine prioritized focus areas on which each operation within the municipal group should base its work; five relate to reduced climate impact and four to climate adaptation. Each committee and company board is responsible for preparing an action plan based on the strategy. Support and guidance for the process are provided by a group of experts and coordinators within the City of Borås. Below are the five strategies for reduced climate impact. See section 3.8 for the climate adaptation strategies.

Fossil-free road transport

Emissions from road transport are the largest local source of emissions and they are decreasing too slowly, even though tried and tested solutions are in place and decisions have been made. Efforts to reduce the City of Borås's own emissions from passenger transport, work vehicles and procured transport are a high priority. The City of Borås shall also create the conditions for private individuals and the business sector to reduce driving distances, establish more efficient goods transport, be able



to choose sustainable fuels and electricity, and be able to opt for walking, cycling and public transport as means of travelling.

Resource-efficient consumption and production

The purchase of resource-demanding goods, services and food account for a large proportion of Borås dwellers' individual emissions, and for the City of Borås's climate impact. Efforts to reduce these emissions are going slowly, and there is great potential to take action by relatively simple means. The City of Borås's efforts should focus on five areas:

- Purchases of goods, food and services shall place a higher priority on lower climate impact and the sustainable use of resources, circular models of use and lower volumes of waste. Higher prioritization requires a careful balance with other demands on quality and sustainability.
- Increase efforts to disseminate knowledge and inspiration, and to create structural conditions for residents to be able to consume in a more sustainable and circular way. The sustainable choice should be the natural, easy choice.
- Support local business, trade and industry in a climate transition by offering advice, coordination and other services.
- Strengthen the role of sustainable employer by encouraging and making it easier for employees to reduce their climate impact.
- Educate children and young people to being climate-smart residents of Borås. Climate consideration and a sustainable lifestyle should be a natural part of daily life for the next generation of Borås dwellers.

Resource-efficient energy use and supply

The phasing-out of fossil oil as a basic fuel in heating systems has been under way for a long time. As positive efforts in district heating and cogeneration continue, new challenges arise. The City of Borås must reduce output peaks in its use of heat and electricity, which often entails a dependency on fossil energy. In order to promote increased production of sustainable electricity, the City of Borås as a municipal group must explore opportunities to store energy over the short and long term. In addition to these two challenges, we also need to focus on saving energy. Sustainable, renewable fuels and solar cells also have an impact on the environment and climate, which is why reducing the use of energy and resources is always a priority.

Climate-smart construction

Building materials such as conventional concrete, asphalt and steel, as well as building processes, are all areas that cause high emissions. These emissions are not



currently measured and remedied to any great extent. The City of Borås needs to be better at choosing and ordering construction contractors, building materials and building processes that are optimized from a life cycle perspective. Construction should cause low emissions during the building phase, require low energy use during operation, and lead to greater opportunities for reuse and recycling during demolition.

Increased storage and absorption of CO₂

Reducing emissions is not enough; the municipal group must also review its potential to create 'negative emissions', i.e. carbon dioxide absorption. Land and forest owned and managed by the City of Borås has the potential to absorb more CO₂. By increasing the exchange of knowledge between the City of Borås and other players, all parties can develop their efforts to optimize land use and forestry from a climate perspective. Technical measures to bind and store CO₂ will also be explored and implemented.

3.3. Organization and management

The organizational structure for realizing the City of Borås's ambitions to reduce emissions in accordance with the local carbon budget and adapt Borås to a changed climate comprises several aspects.

Climate Council

The Climate Council is a political review board under the City Executive Committee. All parties represented on the City Council have a representative in the Climate Council. The Climate Council deals with climate-related matters and is a forum for dialogue and knowledge development.

Climate Committee

The Climate Committee comprises civil servants with strategic environmental and climate responsibility, and coordinates and monitors efforts to comply with the carbon budget and implement the Energy and Climate Strategy. The Committee serves to support administrations and companies in their climate work. The Committee conveys relevant information to the Climate Council, partly by preparing an annual Climate Report.

Climate Report

Every year, the Climate Committee prepares a Climate Report. The report describes the City of Borås's ongoing climate-related efforts and recommendations for continued work and possible political measures. The Climate Committee's recommendations



and proposed measures are founded on the City of Borås's environmental goals, climate compensation system, and the Energy and Climate Strategy.

Klimatprat

Klimatprat ('Talking Climate') is an ongoing dialogue between residents of Borås, elected officials and civil servants at the City of Borås. The effects of climate change and the necessary transition to a fossil-free society require major efforts, and a concerted effort from all of society. The dialogue takes place in different ways, with regular activities to jointly drive the climate transition in Borås.

Climate Neutral Borås 2030

Since October 2021, the City of Borås has been part of the Viable Cities initiative, Climate Neutral Cities, and Climate Neutral Borås 2030 aims to act as a catalyst for climate-related efforts. Developing innovative working methods and collaborations with civil society, for example, strengthens and expands the City of Borås's climate work. Climate Neutral Borås 2030 is a collaboration between the City of Borås, Navet Science Center, Science Park Borås, Borås Energi och Miljö AB, and Fristadbostäder AB for an ambitious and fair climate transition, where the people of Borås are also encouraged to be involved in climate issues.

The Innovation Team of Climate Neutral Borås 2030

The Innovation Team, which acts as a steering committee for the Climate Neutral Borås 2030 initiative, is made up of civil servants from each organization named at the end of the previous paragraph. The City of Borås is the coordinating body of the inter-sectoral team which is involved in the planning and execution of the initiative, and serves as a valuable interface between the organizations.

Link to finances and budget

For several years, the City of Borås has been working to link emissions and finances, for example through green loans. In recent years, this work has developed in that the City now gives its investments in the investment budget a sustainability label. By publishing the Climate Report prior to the annual budget process, the political sphere has been given the opportunity to translate new knowledge into budget initiatives. One scheme currently under way is a process to analyse climate impact linked to purchases; the finance department has a new tool that directly links expenditure in each area to the emissions generated by that expenditure.

Climate Exchange

The City of Borås has had a Climate Exchange programme in place since 2013, in order to reduce CO₂ emissions and create a fossil-free organization. This means



that the city's administrations and municipal enterprises compensate for their CO₂ emissions from business trips by car and air: each body pays SEK 1.50 per kilogram of fossil carbon dioxide. The charge is primarily used to reduce CO₂ emissions in the body's own operations. Charges that are not used within one year go into a joint climate compensation fund. City of Borås administrations that wish to carry out more extensive measures to reduce the City's climate impact can apply for funding from the climate compensation fund.

Development

During spring 2023, there will be a slight restructuring in the municipal group, which will affect strategic environmental and climate matters. The new political leadership will start up in tandem with this. These organizational changes present a good opportunity to assess and develop the existing organization and working methods. Assessment of the Climate Report and the Climate Council will be supported by monitoring of the wider operating environment, taking account of e.g. working methods and experiences in other municipalities.

3.4. Collaboration with business, academia and citizens

In order to achieve a large-scale and equal climate transition, it is important to have as many parties as possible on board as we work towards a climate-neutral Borås. The climate transition relates to and affects social and economic sustainability. All dimensions of sustainability are closely linked and should be taken in a single wider context. For this reason, collaboration and dialogue with people of different ages and backgrounds are needed, as well as information related to our shared climate challenge. The City of Borås will invite other actors to prepare a local contract or agreement, indicating key focus areas for successful climate efforts for the entire city including all three dimensions of sustainability.

The business sector

In the City of Borås, collaboration and dialogue are important elements that recur in several general strategies for how to achieve our goals, for example the City's business, trade and industry strategy (*Näringslivsstrategi för Borås Stad*). Through a broad sector network and various business clusters, the City of Borås's business, trade and industry department supports, strengthens and collaborates with the local business community in logistical environmental issues, for instance. As an example, the City of Borås is running the Good Goods project alongside Borås City, CiB (Centrumfastigheter i Borås), Interreg North Sea Region Surflogh (EU) and Region Västra Götaland. Good Goods is about climate-smart system solutions for waste management and logistics in the city centre. More initiatives like this are needed to create competitiveness and increase capacity in the transition.



Dialogue and cooperation with citizens

Several municipality-wide efforts are under way in the City of Borås relating to citizen empowerment, and they have close links to work on the climate transition. Examples include work on human rights, a review group for citizen empowerment and Socially Sustainable Borås (*Socialt hållbart Borås*) – the City's long-term initiative to establish equal living conditions and better health for our inhabitants. One challenge facing all the various focus areas is the integration of all three dimensions of sustainability. It is very important that the City of Borås conducts a cohesive process so as to avoid duplicated effort, and benefits from the collective internal expertise and engagement.

There is a need to develop and test new forms for working with youth empowerment in efforts towards a climate-neutral Borås. The foundation for this work was laid in 2022, and in 2023 the City of Borås will continue to work to promote youth empowerment and participation in collaboration with the Navet Science Center.

During 2023, the *Klimatprat* dialogue initiative (see section 3.3) will be further developed and broadened within the framework of Climate Neutral Borås 2030, with the aim of including more people.

Academia

Collaboration between the public sector and the academic sphere is an important success factor in working towards system transformation. For several years, the City of Borås has been working with companion researchers in efforts relating to innovation in the public sector (see section 3.7).

In its strategic climate work, the City of Borås is taking part in projects related to recycling concrete following demolition, and in selective demolition to prepare for recycling of concrete and other materials. The projects are being conducted with RISE Research Institutes of Sweden, the University of Borås, and housing and real estate companies. The City of Borås is also involved in an ongoing project application in which universities want to test climate recommendations as a tool.

The City of Borås is regularly asked to be a collaboration or project partner in different research projects, which is of course pleasing and a sign that the academic sphere sees potential in working together.

The City of Borås collaborates with Science Park Borås in the Climate Neutral Borås 2030 project. One anticipated result of the collaboration is an established collaboration model between the public sector, the business sector and the academic sphere.



3.5. Climate Investment Plan

During 2023, the City of Borås will begin work on a Climate Investment Plan based on the guidelines and knowledge made available through Viable Cities. The Climate Investment Plan will give a detailed description of the initiatives believed to be required by different actors in different sectors up to 2030, as well as estimated costs and benefits to society. The Climate Investment Plan could serve as an assistive document for prioritizing measures, and a tool to help us reduce our emissions in line with the set goals.

3.6. Digital support for implementation

We need to learn more about how digitalization can facilitate climate transition and in which contexts digital tools can contribute to behavioural change. Since much of the transition is about making it easier for citizens to live without negative climate impact, the focus on digital support needs to be linked to this.

Bank of Measures

The City of Borås Energy and Climate Strategy shall have an accompanying Bank of Measures (*Åtgärdsbanken*) containing climate-related actions. The measures are sorted by various parameters, such as strategy, effect and cost. Committees and company boards or administrations and companies add measures to and select measures from the bank when planning for the year ahead. The Bank of Measures, which is a dynamic document, is also a tool that provides an overview of what measures are in progress and which ones have been completed. The aim is to create transparency and boost knowledge internally and externally for anyone who wants to know what is being done. One anticipated measure during 2023 is to develop the Bank of Measures, reporting systems, and to visualize this digitally.

Development

The City of Borås is working with a communication agency in the Climate Neutral Borås 2030 initiative, with the aim of preparing a graphic profile and an Instagram profile in order to accelerate efforts with digital support. One expected result is that this will reach certain groups but not all; target group analysis, market intelligence and continuous monitoring will therefore be important processes in gradually scaling up efforts.

3.7. Innovation hub for climate-neutral municipalities

Innovations in the public sector

Since 2013, the City of Borås has been involved in the establishment of innovations in the public sector. The work has been funded by innovation agency Vinnova, and a



total of six Swedish cities have established innovation platforms based on the cities' varying circumstances. Kiruna, Umeå, Stockholm, Gothenburg, Lund and Borås are the cities taking part.

The project in Borås has been a partnership for sustainable urban development between RISE Research Institutes of Sweden, the University of Borås and the City of Borås. 2013–2015 saw Innovation Platform Norrby, which focused on area development and sustainable cities. 2016–2023 sees the ongoing Innovation Platform Borås, which focuses on sustainable urban development. 2022–2023 sees ongoing implementation of lessons learnt and suggestions for how to move forward.

To assist in the implementation process in 2021–2022, all six platform cities have been supported by Accelerera in order to initiate the Innovation Management standard (ISO 56002). Borås has had three different interdisciplinary groups, one of them comprising politicians, which have taken part in a brief training programme. The City Executive Committee and Group management have also been initiated in the standard. Borås has worked actively alongside Kiruna in this process.

All of the innovation platform cities have had their own companion researcher, from the beginning in 2013 to completion in December 2023. RISE Research Institutes of Sweden is responsible for the companion research. Borås's companion researcher Heiti Ernits has written several reports during the project period and they have attracted nationwide attention. The reports are all in Swedish. (See Annexe.)

Regional and national innovation hub

Great importance is placed on the exchange of experience with municipalities and other players in Region Västra Götaland and nationwide. The City of Borås is part of the networks Fossil Free Sweden, the National Association of Swedish Eco-municipalities, Energikontor Väst, Climate 2030 – Västra Götaland in Transition, and Klimatkommunerna. The Climate Neutral Borås 2030 initiative involves ongoing dialogue with other cities in the Climate Neutral Cities 2030 programme, including Helsingborg, Borlänge and Växjö. Increased exchange is expected regionally between the City of Borås and two other cities in the programme, the City of Gothenburg and Mariestad Municipality.

3.8. Climate adaptation

Climate adaptation is combined with emission reduction in the City of Borås Energy and Climate Strategy. In recent years work on climate adaptation has sped up, with new human resources, action plans and flood mapping. Below are the aspects that relate to climate adaptation in the City of Borås Energy and Climate Strategy.



Integration of climate adaptation in the municipal group's operations

The City of Borås needs to integrate adaptation into municipal group activities that are affected. Municipality-wide coordination related to climate adaptation shall continue to be developed with structural knowledge dissemination and establishment in the municipal group.

Climate adaptation in physical planning and the existing built environment

Through physical planning, the City of Borås shall increase society's ability to deal with a changing climate. The municipal group shall develop its property portfolio, both new and existing homes and workplaces, in order to manage a warmer, wetter climate. The City of Borås shall actively contribute to climate adaptation among the private property portfolio.

Safe, secure infrastructure in a changed climate

In a changed climate, our infrastructure will be challenged. The function of facilities and structures that provide fundamental services in society needs to be secured to ensure they work regardless of the weather and climate.

Robust, reliable management in crises caused by climate change

The City of Borås is the unifying force in the municipality for dealing with crisis situations, also in a changed climate. The municipality's risk and vulnerability analysis shall consider climate adaptation aspects, to look at how society can be protected in extreme weather events.

3.9. Climate-smart mobility

The City of Borås Energy and Climate Strategy emphasizes the importance of accelerating reduction of the City's own emissions from passenger transport, work vehicles and procured transport. The City of Borås shall also create the conditions for private individuals and the business sector to reduce driving distances, establish more efficient goods transport, be able to choose sustainable fuels and electricity, and be able to opt for walking, cycling and public transport as means of travelling. Some of the currently prioritized focus areas are outlined below.

In April 2018 the municipality adopted the current Comprehensive Plan. The plan assumes that the municipality will grow by about 30,000 inhabitants up to 2040. This could mean that travel and transport increase to the equivalent degree. The Comprehensive Plan established several strategies related to traffic and transport. These include securing mobility and safety in the road network, making bus services a high priority in urban development, and ensuring high quality in designing pedestrian



and cycling solutions. The Comprehensive Plan proposes the preparation of a Transport Plan.

Instead of a Transport Plan, the City of Borås has drafted a Transport Programme which has been under political review in 2022. The overall aim of the programme is *to concretize the strategies in the Comprehensive Plan, and to show what measures are needed in the transport infrastructure for each mode of transport.

Work is ongoing in the municipal group to coordinate the matter of charging infrastructure. The aim is to look partly at what is needed for the municipal group's own transport, and partly what role the Municipality should play in the electrification of the transport sector.

At the beginning of 2021, the City Council adopted the City's Cycling Strategy, a general document that forms the basis for the Municipality's efforts to develop cycling. The Cycling Strategy states that the City of Borås's goal for cycle traffic is that travel by bicycle should increase to 12% by 2040.

The strategy points out four focus areas for the Municipality's cycle-related efforts. These are:

- Cycling infrastructure, including parking
- Operation and maintenance
- Communication and mobility management
- Support and services

Every other year, the Technical Department prepares a Cycling Plan. The plan governs which cycling-related measures will be taken in the years ahead. The Technical Department also operates a Mobility Management effort focusing on cycling, including outreach activities. This work needs to be broadened and further developed.

Reporting and follow-up

Every year, the City of Borås follows up on energy and climate data in its work on the Climate Report. Committees and company boards shall work on the strategy in each operation, and is responsible for monitoring each measure. The results of this work are also reported in the annual Climate Report. How work on the strategies is proceeding generally is monitored in connection with monitoring the City of Borås's environmental goals or equivalent, for which the Environment and Consumer Guidance Committee is responsible.



There is a need to disseminate and make available the information from the monitoring and reporting processes. At present the target group is limited: the City of Borås is not reaching out to inhabitants to the extent required to accelerate the transition.

Follow-up of the Climate City Contract will take place in accordance with the guidelines set by Viable Cities.

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 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

² Vinnova

³ The Swedish Energy Agency, Formas and Vinnova



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.

6. Strategic development projects 2023

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

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

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,

⁷ the Swedish Energy Agency and Viable Cities are taking part.



experiences between system demonstrators both nationally and internationally in 2023.

6.2. Competitiveness and funding

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

A central aspect of the Climate City Contract 2030 is to create a Climate Investment Plan with a broad perspective on what investments need to be made to achieve climate transition in a city by 2030 (with broad referring to a wide range of stakeholders such as citizens, civil society, companies, academia and public organizations). The municipality is believed to have control over about 15% of the required investments on average. One crucial task is to bring together the right actors from business (including the financial sector), public bodies and civil society to bring about the necessary investment and redirect financial flows to transition to climate neutrality, while also securing auxiliary benefits from the climate transition such as jobs, improved health, inclusivity and attractive living environments. Procurement is also a pivotal issue here. Viable Cities' work will continue in 2023 in order to secure the mobilization of investments and develop methods for climate investment plans.

6.3. Citizen engagement

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

This increases the need for efforts aiming at inclusivity, and at putting citizens front and centre for the transition to climate neutrality and a sustainable society, for instance through new forms for citizen involvement (e.g. citizens' councils) and the



development of attractive living environments (e.g. New European Bauhaus). During 2023, Viable Cities will further develop collaboration with cities, government agencies and other actors in order to create conditions for citizen engagement in the climate transition. This will be done primarily by developing new forms for citizen involvement in local climate city contracts and collaboration with European efforts in the area.

6.4. International Cities Mission 2030

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

During 2023, work will be done to further strengthen links between Swedish and joint European efforts to achieve climate-neutral cities by 2030. This will take place within a range of initiatives involving cities, government agencies and the Viable Cities programme; for example, NetZeroCities (a platform for the implementation of the Cities Mission which will be developing e.g. an EU Climate City Contract and climate investment plans), the Driving Urban Transition Partnership, CapaCITIES, New European Bauhaus and others. Launched by the European Commission in January 2021, the New European Bauhaus initiative connects the European Green Deal to our built environment. In the implementation plan for the Cities Mission, the European Commission highlights that the EU Climate City Contract will also enable participating cities to integrate and promote the values and the principles of the New European Bauhaus initiative in their plans for climate neutrality. The Swedish National Board of Housing, Building and Planning (through the Council for Sustainable Cities) has been tasked by the Government with coordinating Swedish participation in New European Bauhaus.

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



7. Joint monitoring, evaluation and updating

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

7.1. Most important updates 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.

7.2. Most important updates regarding government agencies

Work in the interagency innovation team

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

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

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



Funding for research, innovation and development

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

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

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

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

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

The Swedish Energy Agency has published calls in the following programmes that are relevant to sustainable cities and communities: Humans, Energy Systems and Society (MESAM), Energy efficiency in cultural heritage buildings, Design for Everyday Energy Efficiency, Transport-Efficient Society and E2B2 (energy-efficient building and living), Graduate School in Energy Systems, and Bio+ (biobased society).

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



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

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

Government agency work and special government assignments

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

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

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

Some of the projects related to the development of systems innovation are Evolved working methods and processes for greater synergies between regional, national and international innovation efforts, Systems innovation in cities (Vinnova), Strengthening



the regional work on sustainable development (various government agencies), Contributing to upcoming discussions on the EU's urban agenda (Formas), and Vinnova's initiative to support cities' ability to lead and organize innovation, for instance through the companion researcher network which for nearly ten years has been following the development of the Innovation Platforms for Sustainable Cities initiative, and the *Accelerera* project, which is developing and offering funding for innovation management in municipalities to ISO standard.

New signatory agency

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

8. The contract

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

Climate City Contract 2030

Between the City of Borås 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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Appendix 1 – document links

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

Links to relevant documents

[Vision – the Borås of the future – City of Borås \(boras.se\)](#)

[Report on the City of Borås’s carbon budget \(in Swedish, boras.se\)](#)

[Energy and Climate Strategy \(in Swedish, boras.se\)](#)

[Omgiven av gränsgångare \(in Swedish\)](#)

[Ledarskap i mellanrummen – fallstudie av gränsgångare och gränspraktiker i en komplex samverkansmiljö \(in Swedish\)](#)

[Projektstudio - En miljö och ett arbetssätt för gränsöverskridande problemlösning, lärande och samarbete \(in Swedish\)](#)

[Kraftsamling - Ett förebyggande arbetssätt för tackling av samhällsutmaningar \(in Swedish\)](#)

[Environmental Goals – City of Borås \(in Swedish, boras.se\)](#)

[Cycling Strategy – City of Borås \(in Swedish, boras.se\)](#)

[Climate Neutral Borås 2030 – City of Borås \(in Swedish, boras.se\)](#)

[Comprehensive Plan for Borås.pdf \(in Swedish, boras.se\)](#)