



SUBMISSION TO THE CALL FOR EVIDENCE

Right to Stay Strategy: Your Region, Your Future

Climate Alliance welcomes the European Commission initiative for more coherent and effective EU action to help regions and territories overcome barriers to regional development.

We highlight that:

- **The “Right to Stay” strategy is fundamentally local**
It rests on creating the conditions for people to live, work and thrive in their own communities. Growing territorial inequalities (depopulation, forced economic relocation, unequal access to services, lack of quality jobs and urban affordability), and the adverse effects of climate-related events are compounded locally and require adequate place-based responses.
- **Place-based, tailored policy design should replace one-size-fits-all approaches**
Every region has unique starting points, capabilities, and challenges. EU policy must thus be contextualised, allowing municipalities to design interventions that match their specific demographic, economic, social and geographic realities. There is need for an integrated, place-based approach that builds on the specific strengths and weaknesses of each territory and that enables local decision-makers to design strategies specific to their unique geographies.
- **Strengthened multilevel governance is of the essence**
To effectively tackle regional disparities and ensure that citizens can exercise their right to stay, the EU must move beyond consultations toward genuine co-creation with local and regional authorities. Without strong multilevel governance, the EU risks increasing territorial imbalances rather than realising its growth potential. The Right to Stay Strategy must be anchored in the principle of active subsidiarity, ensuring that local and regional authorities not only have a formal seat at the negotiation table, but that they are involved in every step of the way to realising the reforms and investments required to help communities thrive – from their design to their implementation (see recommendations on multilevel governance in the annex).



- **Policy coherence and integration are essential**
Future EU policy on the “right to stay” must be coherent across all relevant sectors (e.g., economic competitiveness, employment, rural development, mobility, tourism, skills, connectivity, youth, equality, research & innovation). Siloed funding and policy streams risk undermining local authorities’ ability to tackle complex, overlapping challenges like depopulation and service decline. Protecting the “right to stay” is impossible without investment in critical areas such as infrastructure and social services like healthcare, childcare, education and housing. Without these basics, economic incentives alone will not prevent depopulation.
- **Leveraged local knowledge and share experiences**
Regional and municipal authorities possess detailed insight into their territories. Systematic exchange of lessons learned and successful practices between places can help other regions address similar challenges and avoid duplicated effort. EU-facilitated networks such as the EU Covenant of Mayors, the Energy Poverty Advisory Hub, [...], etc. are an effective way for local authorities to share successful strategies and lessons learned.
- **Creating dynamic, inclusive local economies should be a priority**
Policies must enable residents to stay by fostering dynamic local economies with quality jobs and a diverse array of social activities; accessible, high-quality public services (health, education, transport, etc.); strong skills and training pathways; as well as support for innovation, research and digital connectivity.
- **EU funds must be designed as accessible and easy to leverage**
Access to EU funding and resources must be simplified, allowing local authorities to invest in areas crucial for regional development such as infrastructure, education, and social services. This means ensuring that EU programmes and initiatives are better aligned with local governments’ needs as well as improving the availability, accessibility and targeting of EU financial support instruments. In addition, straightforward guidance on how to navigate, combine, and program existing EU funds, how to align cohesion policy with other EU priorities, how to optimise multi-year programming and reduce administrative burdens to make financing more accessible to smaller municipalities would prove invaluable.
- **Local administrative capacity and skills need strengthening.** Local and regional authorities are the primary drivers of territorial cohesion and development, managing most public investments across the EU, promoting innovation, supporting sustainability and strengthening Europe’s strategic autonomy. Their role in implementing cohesion policy and industrial development is crucial, ensuring that their citizens have a ‘right to stay’. However, a clear implementation gap exists: the ambition of these policies outpaces the limited administrative capacity of the local administrations tasked with delivering them. With limited human resources, local



administrations struggle to absorb EU funds and deliver the EU's objectives or overly complex projects required to revitalise their regions.

In addition to the above, we share further details and recommendations:¹

Recommendations related to multilevel governance

- **Establish “implementation dialogues” for genuine multilevel partnership** that engage all levels of government and embed feedback from local and regional level throughout the legislative process to ensure more effective, grounded measures and avoid costly unintended consequences. Indeed, while the initiative emphasizes the need for a structured approach and coherence, we recommend establishing formal implementation dialogues (similar to those foreseen in EU Agenda for Cities) to ensure the 'Right to Stay' is effectively translated into local action. For example, the Covenant of Mayors could act as an “implementation dialogue box” for the EU institutions, where cities and towns could take part in discussions around implementation challenges, and discuss solutions to make European policies a reality on the ground.
- **Encourage Member States to establish structured and permanent multilevel dialogues at national level** (already foreseen in EU legislation, such as in the Governance Regulation) to coordinate policy development, implementation and financing at the national level. These dialogues build trust, identify issues early, enable mid-course corrections, ensuring that EU initiatives deliver tangible results in every community and that relocating remains a choice rather than an obligation.

Recommendations on investing in local renewable energy projects

Prioritizing decentralized renewable energy production allows municipalities to retain capital within the community, directly addressing the stagnation of local economies and the risk of falling into a development trap. By keeping energy savings within the territory, households gain disposable income and small businesses secure a stable financial base, countering the vicious cycle of low growth and declining prosperity.

This approach fosters dynamic local economies, ensuring that the freedom to stay is underpinned by tangible economic resilience rather than abstract policy promises. It aligns with the need for constant investment in infrastructure that empowers citizens to contribute to, rather than flee from, their local markets.

- **Establish dedicated seed-funding streams for community-owned renewable projects** that prioritize benefit-sharing of energy revenues, ensuring that the financial benefits of the green transition directly improve household purchasing power and local business stability in lagging regions.

¹ These recommendations have been developed in collaboration with Energy Cities and feature in their submission on the same subject matter.



- **Mainstream energy communities in local and regional renewable planning:** Include energy communities as a central component in the mapping and planning of renewable energy production technologies (heat and electricity) at the local and regional levels. This ensures that the transition to clean energy is not just a technical upgrade but a **place-based strategy** that empowers communities to shape their own energy future, aligning with the initiative's goal of mobilising reforms and investments to support local development.
- **Enhance grid transparency and coordination to lower barriers to entry:** Mandate coordination between distribution and transmission network operators to provide full transparency regarding **(i) available grid hosting capacities, (ii) application procedures (including timelines and costs), and (iii) maps showing RES potential and available space**. By making this data accessible at the local and regional level, municipalities and energy communities can efficiently match available space with community-led projects, removing administrative and technical barriers that often hinder the structured approach required to revitalize declining regions.

Ensure affordable housing Across Europe, local governments report that middle-income and vulnerable populations are being priced out of their cities. Measures to prevent speculation and provide more affordable and social housing are essential to ensure people's right to stay. Priority should be given to address challenges at the intersection between housing affordability, quality and energy poverty.

Deep renovation must be viewed not merely as an environmental measure, but as a social intervention that secures the physical and economic viability of the region. By targeting the worst-performing dwellings, municipalities can simultaneously reduce the burden of energy bills, improve indoor air quality, make energy efficiency gains, revitalise and green neighbourhoods and stabilize the local housing market, ensuring that vulnerable populations have the ability to remain in their communities.

Establishing One-Stop-Shops can support municipalities by translating policies into tangible outcomes for citizens, when designated as essential public services for effective delivery. This ensures that the structured approach called for in the Right to Stay strategy is not just a policy concept but a functioning service that guides citizens through the entire journey of their projects —from initial audit to final monitoring. By concentrating technical expertise within these hubs, municipalities can overcome the fragmentation that often affects local energy transitions, ensuring that every resident, regardless of their technical knowledge, has a trusted partner to help them improve their life.

Recommendations on affordable housing options in all regions

- **Promote both the renovation of existing and the creation of new social and affordable housing**, including through rehabilitation and adaptive reuse of existing buildings, and support for the development of affordable new housing.



- **Propose a reform of State aid and service of general economic interest (SGEI) rules** to improve the financing of affordable and social housing, focused on supporting vulnerable and low-income groups.
- **Prioritize deep renovation for low-income households and energy-inefficient dwellings as a core component of the Right to Stay Strategy:** Focus resources on the most vulnerable segments of the population to tackle energy poverty directly, recognizing that true affordability encompasses both the cost of acquiring or renting a home and the ongoing running costs. This approach ensures that the right to stay is not undermined by the inability to heat one's home, a situation currently affecting millions of Europeans.
- **Implement rigorous quality assurance and monitoring to guarantee high-performance renovations:** Ensure that all renovation projects, particularly those targeting energy poverty, adhere to strict quality standards to prevent the risks of poor workmanship that often deter investment. By guaranteeing that renovations deliver the promised energy savings and safety improvements, municipalities and OSS can build the confidence necessary for residents to commit to long-term improvements in their homes, thereby securing the economic and social fabric of the region.
- **Integrate OSS into the Right to Stay monitoring framework:** Require that OSS data on citizen inquiries, completed renovations, and energy savings and production be fed directly into regional monitoring systems. This creates a feedback loop that allows local authorities to identify emerging bottlenecks in real-time and adjust their support strategies, ensuring that the freedom to stay is continuously reinforced by responsive, data-driven public services.

We hope this input will prove useful in the design of the Right to Stay Strategy. Climate Alliance and our community of local municipal leaders and practitioners remain available to engage in any further consultations you may organise on this subject.

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With some 2,000 members from more than 25 countries, Climate Alliance is the Europe's largest city network committed to comprehensive and just climate action. For over 35 years, from small rural towns to metropolises inhabited by millions and entire regions, Climate Alliance members address the global climate crisis with their local solutions. Since its founding, Climate Alliance has not only brought together European regions, cities and towns, supporting them with their local climate strategies, but has also stood for climate justice, linking European climate efforts with support for the indigenous peoples of Amazonia.

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