Climate budgeting at local level

Catrin Robertsen,
Head of Climate Budgeting, C40 Cities

DG ECFIN - 15 June 2023, Brussels
The C40 Cities network

Directly representing **582 million** residents

Influencing **896 million** people living and working in the wider city
Climate Budget Pilot

Sept 2021-Dec 2022

Mission
• Facilitate knowledge sharing
• Provide guidance to cities
• Collect experiences to upscale to program

Deliverables
• Best practice examples
• A «how to» piece on climate budgets (step by step)
• Recommendations for program

Map showing the 13 Climate Budget Pilot Cities
What is climate budgeting?
A climate budget is a governance system that mainstreams climate commitments and considerations into decision-making on policies, actions and budget through integrating climate targets from the city’s Climate Action Plan (CAP) in the financial budget process and assigns responsibility for implementation, monitoring, evaluation and reporting across the city government.
Terminology

Climate Budget

Carbon Budget

Green Budgeting

Budget Climate Assessment

Project Climate Assessment
Why do you need it?
From planning to implementation

GET STARTED
- Mayoral commitment
- Establish core team
- Strategic appraisal

BUILD THE EVIDENCE BASE
- Data collection
- Climate risk assessment
- GHG emissions inventory
- ICA needs assessment

ACTION & PLAN DEVELOPMENT
- Vision setting
- Scenario planning
- Mitigation targets
- Adaptation goals and targets
- Action identification
- Screening
- Action selection and prioritisation
- Action definition
- Planning for implementation
- Final mitigation scenario
- Plan drafting
- Monitoring plan
- Climate action governance

IMPLEMENTATION & MAINSTREAMING
- Implementation
- Mainstreaming & integration
- Financing

MONITORING & EVALUATION
- Monitoring
- Evaluation
- Reporting
Change management

- Mainstream action and accountability across city government
- City finance teams in the lead together with climate teams
- Long-term targets are transformed into concrete, financed, immediate actions
- Transparency, collaboration and accountability
- Mayors make their climate leadership more visible and credible
How does it work?
Oslo’s climate budget
Introduced in 2017

- Integrated in the ordinary municipal budget
- Identifies emission reduction measures
- Identifies investments and operational costs and responsible unit for implementation
- Reporting as part of the ordinary budget cycle
Budget integration

Annual wheel

Budget

Budget resolution

Budget instructions

Strategy conference

Draft budget

The chief municipal executive’s draft budget

Balancing the budget

Frameworks for the entities

C40 CITIES
Mainstreaming across the city

Office of the City Auditor
Control Committee
City Council Administration
City Council
Control Committee
City Government
15 District Councils
Health and Social Service Ombudsmen in Oslo and Akershus

Office of the Governor Mayor
Lobby national government for regulatory instruments and funding
Regional cooperation
International cooperation

Department of Finance
Prepare Climate Budget in collaboration with MOS
Procurement strategy
Standard climate/ environmental regulations for new buildings

Department of Business Development and Public Ownership
Carbon capture and storage at Klemetsrud
Require fossil-free construction sites for municipal undertakings
Green ownership

Department of Urban Development
Sustainable urban development - densification around transport hubs
Land-use part of municipal master plan

Department of Environment and Transport
Public transport development
Commitment to cycling
Car-Free City Life
Overall responsibility for climate work

Department of Culture and Sport
Require fossil-free management for departmental projects

Department of Education
Mobilization and involvement of schools and kindergartens

Department of Primary Health and Social Services
Involve city districts and local communities
Communication with residents
Promote awareness of the health benefits of a green, living city

Source: City of Oslo (2021)
What are the impacts?
Cities are making progress
What are the barriers?

- Time and resources
- Political
- Institutional
- Technical & educational
What are the impacts?

**Regular processes**
- Elevates climate action
- Transparency
- Accountability and ownership

**Operationalise the CAP**
- Prioritisation of efficient actions
- Accelerate implementation
- Efficient decision making

**Identify cost and funding needs**
- Secure financing to reach targets
- Improves resource allocation

**Annual targets**
- Regular GHG accounting
- Tracking emissions
- Integrated MER systems

**Governance & mainstreaming**
- Action implementation

**Access to funding and resources**
- Emissions reduction
Oslo’s climate budget analysis

Historic emissions

- 52 %
Target 2023

- 62 %

- 79 %

- 95 %
Target 2030


Adopted measures
Identified measures
Annual emission limits
How to get started?
C40’s top tips to get started

- Political commitment and administrative leadership
- CFO ownership & climate literate finance team
- Early involvement of internal stakeholders
- Phased approach with annual improvement
Thank you!

Climate budgeting at local level

Catrin Robertsen
Head of Climate Budgeting, C40
crobertsen@c40.org