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Interim Report – Part A.1
Study on promoting multi-level governance in support of Europe 2020
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Prignitz-Oberhavel:

New approach to a regional energy strategy

prepared by Sabine Zillmer

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Regional and Urban Policy

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spatial foresight
territorial policy support and research

List of abbreviations

ERDF	European Regional Development Fund
INTERREG	European cross-national programme
ILB	Brandenburg business promotion bank
MWE	The Ministry of Economic and European Affairs
RENplus	ERDF programme on use of renewable energies and increase of energy efficiency
ZAB	Brandenburg Economic Development Board

1 Introduction

Many regions and cities in Europe contribute directly or indirectly to achieving the aims and objectives of the Europe 2020 Strategy. To gain more insights on the governance mechanisms at play when cities and regions deliver contributions to Europe 2020 objectives, DG Regio launched a study on "promoting multi-level governance in support of Europe 2020". This study aims to document case studies, test the possibility to transfer learning on governance and to generate lessons from policy experiences.

The study focuses on two specific policy fields linked to the Europe 2020 Strategy, namely Energy Efficiency measures with a special focus on the existing building stock and Social Inclusion in urban areas.

The present case study is one of eight reports detailing examples of how policy actors pursue their objectives, explicitly or tacitly in support of Europe 2020, in the context of the different multi-level governance frameworks they find themselves. The reflections and lessons presented in this and the other reports form an important input to the conclusions of the overall study and for a series of networking and transfer meetings between local and regional representatives from various parts of Europe. The final results of the study, will highlight the processes and success factors leading to strong, high quality political and administrative partnerships across levels of governance and the lesson to be drawn on testing the transfer of experience in good governance.

This study on promoting multi-level governance in support of Europe 2020 is led by Spatial Foresight GmbH and carried out in support of a wide range of collaboration partners.

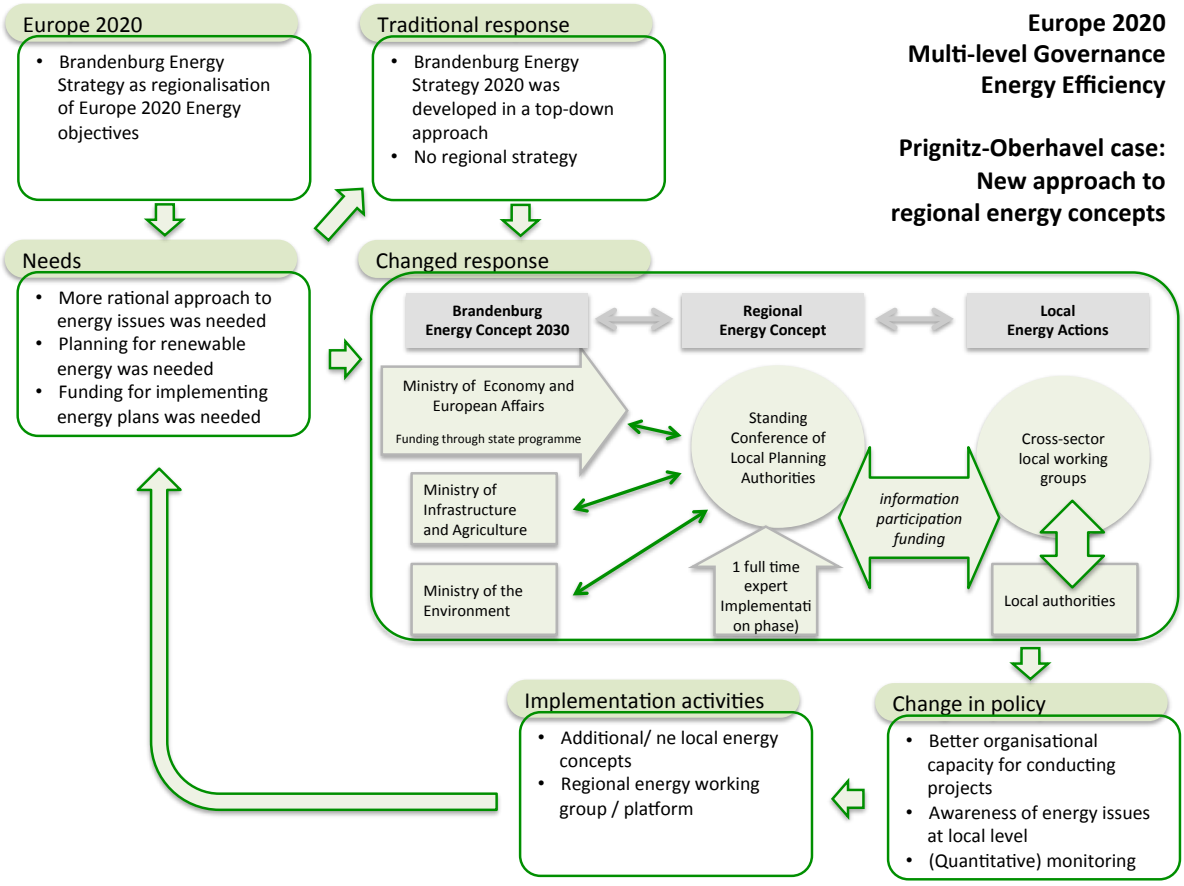
Further details on the study and the progress made are available at http://www.spatialforesight.eu/mlg.html

2 Summary

Prignitz-Oberhavel is a region in the German state (*Land*) of Brandenburg. Implementation of Europe 2020 objectives for energy efficiency is linked to work at both the federal level and the state level. In Brandenburg this is based on the 'Brandenburg Energy Strategy 2020' and the follow-up document 'Brandenburg Energy Concept 2030'.

For more efficient and effective management of energy issues at regional level, key concerns are: a more rational approach to energy issues, a planning strategy for renewable energy and funding for the implementation of energy plans. The original 'Brandenburg Energy Strategy 2020' was developed with a top-down approach and did not really help regional and local players in their work with energy efficiency and renewable energy issues. This traditional response is also shown in the figure below.

In 2011, a new approach has been introduced to improve the support of regional and local players, addressing their needs in relation to energy efficiency. Energy issues are high on the political agenda of Brandenburg, but the state's ambitions had to be implemented at regional and local levels and thus be broken-down. Therefore, the 'Brandenburg Energy Concept 2030' was initiated and provided an alternative multi-level governance approach, which paved the way to support regional and local players in their work.



Within the framework of the States' energy concept, a regional energy strategy for Prignitz-Overhavel was initiated by the Brandenburg Ministry of Economic and supported by the Brandenburg Ministry of Infrastructure and Agriculture, as well as the Brandenburg Ministry of the Environment, as can be seen on the left side of the box 'changed response' in the

graph above. Formulation of the regional energy strategy was subcontracted to a consultancy, which developed it through close cooperation with the region's standing conference of local planning authorities. As illustrated above, one key expert has been appointed in relation to the implementation. The regional energy manager has been employed fulltime by the standing conference of local planning authorities to implement the strategy. In addition there was close communication with the ministries as well as a number of cross-sector working groups, which formed another important link with local authorities and stakeholders. In that sense, a multi-level governance process was initiated. It focused on improved energy planning and actions at *Land*, regional and local level.

This incremental change in governance arrangements, as a consequence of the introduction, development and implementation of Prignitz-Oberhavel's regional energy strategy led to more policy effectiveness. Although the initiative came top-down from the *Land* providing financial incentives, success is based on clear organisational structures and division of responsibilities between the stakeholders, a communication concept taking on board all regional and local stakeholders affected, as well as a transparent process which also tackled difficult discussions. This is also shown in the table below, summarising the main success factors of the regional energy strategy.

As a first result, energy issue awareness at local level has increased and the ability to work with energy issues and act at regional level has been improved. This is expected to assist a more rational approach to energy issues and energy planning. Without the development of a regional strategy, there might have been more single initiatives, leading to less coordinated initiatives resulting in potentially less policy results.

Key aspects of regional energy strategies strengthening multi-level governance approaches to Europe 2020

Key ideas	Concrete methods and techniques
Regional development strategy with clear structure and open communication that creates commitment from regional and local actors.	Communication concept, taking on board all regional and local stakeholders affected by the policy.
Top-down initiation of regional process through financial incentives.	Clear organisational structure of the governance process and assignment of roles to different stakeholders.
Move from top-down sector policy specific strategy development to multi-level and multi-sector approach, involving a wide range of stakeholders.	Transparent process which also manages difficult discussions.
	Clear target orientation and prioritisation of possible actions.

3 Methodology

The text on the new approach to the regional energy strategy of Prignitz-Oberhavel is primarily based on qualitative data compiled from desk research and interviews. The interviews were mostly conducted face-to-face with one by phone. Interviews were conducted with one or two representatives of each relevant institution.

To comprehensively detail the process, several documents were reviewed and included in the description. The documents helped to inform about the political and strategic context as well as the methods which framed the regional energy strategy. The main documents that have contributed to the analysis are:

- Final Report of the Regional Energy Strategy Prignitz-Oberhavel;
- Energy Strategy 2030 of the State of Brandenburg;
- Federal Energy Strategy for future Energy Provision;
- Energy Strategy summary RCG Prignitz;
- Climate Protection Strategy of the regional growth cores Oranienburg – Hennigsdorf – Velten.

To broaden the perspectives provided by these and other documents, a number of interviews were held. These were mainly with administrative and political representatives of the Standing Conference of Local Planning Authorities in Prignitz-Oberhavel, the regional growth areas Prignitz and Oranienburg – Hennigsdorf – Velten and administrative representatives from the state level, including the funding ministry (Ministry of Economic and European Affairs) and the Brandenburg Economic Development Board (ZAB). These representatives were identified by means of the documentation on the Prignitz-Oberhavel Regional Energy Strategy and in cooperation with the regional energy manager and covered all relevant levels from municipalities to the state level.

Although the Regional Energy Strategy is currently in the process of being implemented, it is still in an early phase. Therefore, one difficulty is to evaluate energy efficiency gains and assess its sustainability.

4 Situation prior to the governance change

The strategic context for analysing multi-level governance developments and changes related to the new approach to the regional energy strategy consists of the three following elements:

- regional socio-economic and territorial development closely linked to energy efficiency issues, prompting stakeholder action;
- the Europe 2020 Strategy and its translation in the area; and
- stakeholder and governance configurations in place of regional energy policies.

The region Prignitz-Oberhavel in a nutshell

Population	386.500 inhabitants (2011)*
Area	6 428 km^2
Districts	Prignitz, Ostprignitz-Ruppin and Oberhavel.

Europe 2020 targets related to climate change at national level

CO_2	-14% reduction of greenhouse gas emissions from 2005 levels
Renewable energy	18 % of total energy consumption from renewable sources
Energy efficiency	-38.3 Mtoe reduction of energy consumption

*Europe 2020 targets related to climate change of the State of Brandenburg***

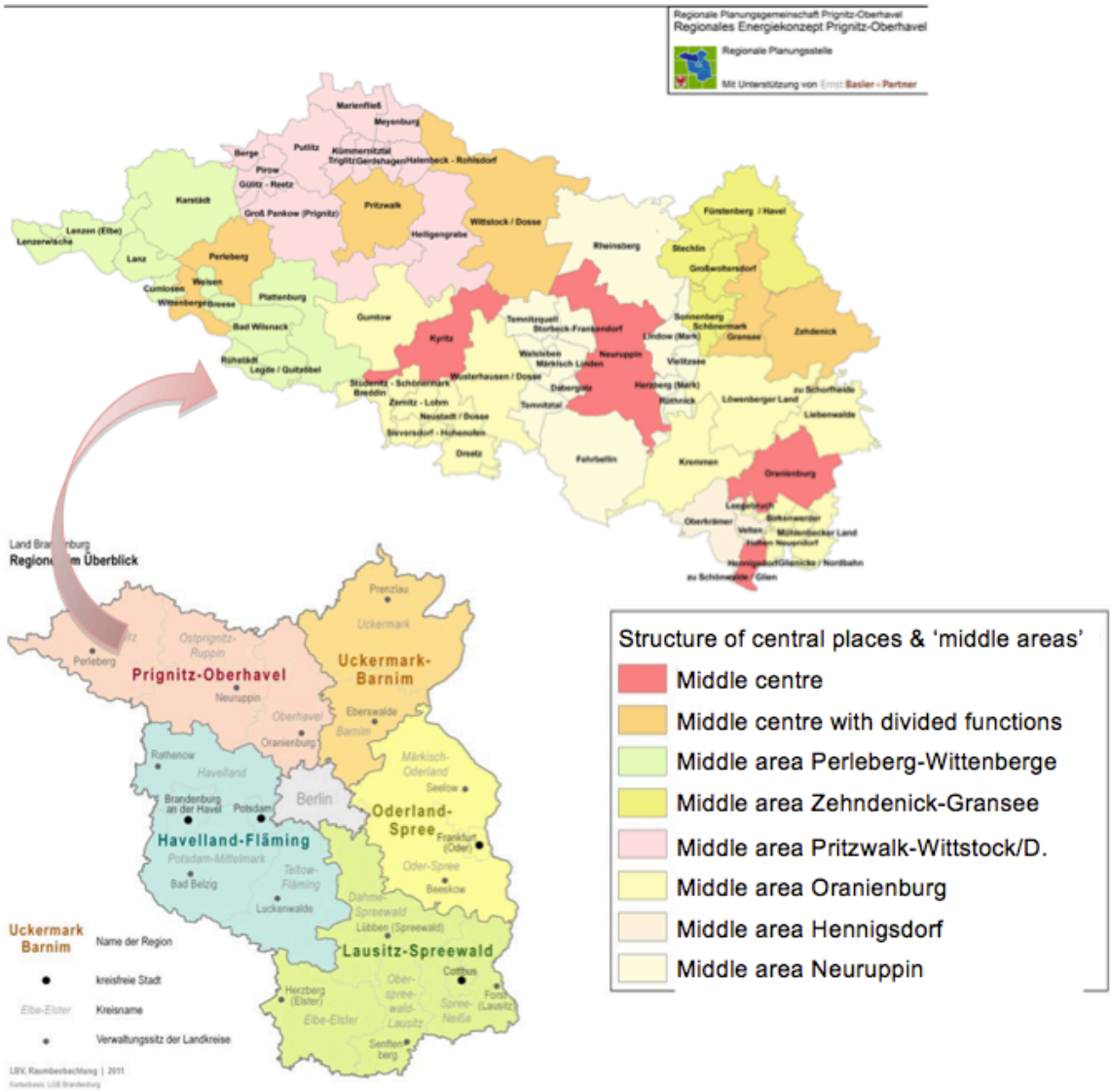
Energy consumption (until 2030)	-20% reduction of primary energy consumption -23% reduction of final energy consumption
Renewable energy (until 2030)	32% of primary energy consumption from renewable resources 40% of final energy consumption from renewable resources

Key governance stakeholders for energy policies

National level	Provides framework with NRP & National Energy Strategy
Regional level - federal state	Brandenburg Ministry of Economic and European Affairs Brandenburg Ministry of Environmental Affairs Brandenburg Ministry of Infrastructure and Agriculture Brandenburg Economic Development Board
Regional level – planning region	Standing Conference of Local Planning Authorities Regional Planning Office
Local level	Districts of Planning Region 68 municipalities directly, indirectly, actively or less actively involved Neighbourhood management***

* Spatial Planning Report Berlin-Brandenburg 2013
** Only quantitative targets
*** Number of municipalities in planning region as of 2011

Figure 1: The region Prignitz-Oberhavel



Source: Regionale Plannungsgemeinshaft Prignitz-Oberhavel (2013)

4.1 Socio-economic development context and challenges

A background of the population, economy and principal settlement structures is crucial for describing the context within which the regional energy strategy was developed. Furthermore, some energy related developments provide the framework for assessing energy efficiency potentials.

The Prignitz-Oberhavel planning region has a relatively low population density of some 60 inhabitants per km^2. Territorial differences are considerable since this density varies from about 10 inhabitants per km^2 in some rural municipalities to more than 2,000 in municipalities near Berlin. While population has been continuously decreasing in the planning region for the past two decades, losses have been particularly high in peripheral

and rural municipalities. Few municipalities, mostly close to Berlin, have experienced population growth. This is expected to continue over the next two decades.

Similarly to the population density differences within the region, employment varies greatly between the peripheral rural and the urban municipalities near Berlin. As a result of highly qualified employees and firms moving away as well as the demographic change, overall employment density has been shrinking since 1996. The region has a lower share of employees working in services than the Brandenburg average. The share of employees working in agriculture, forestry and manufacturing is higher than the Brandenburg average. In Brandenburg economic promotion focuses on the so-called regional growth areas, of which three are in the Prignitz-Oberhavel region. Although the energy sector is a competence of one of the growth areas, it is not very important yet. At the same time there are some highly energy intensive firms in the planning region, such as an electric steel plant.

According to the state development plan, there are seven middle order centres in Prignitz-Oberhavel. Partly urban functions are divided between two cities (see the map above). In the absence of any higher order centre most of the region is characterised by small cities, villages and rural areas. This structure directly affects economic and housing structures. Three quarters of residential buildings have only one housing unit and the large majority of buildings were built before 1990.

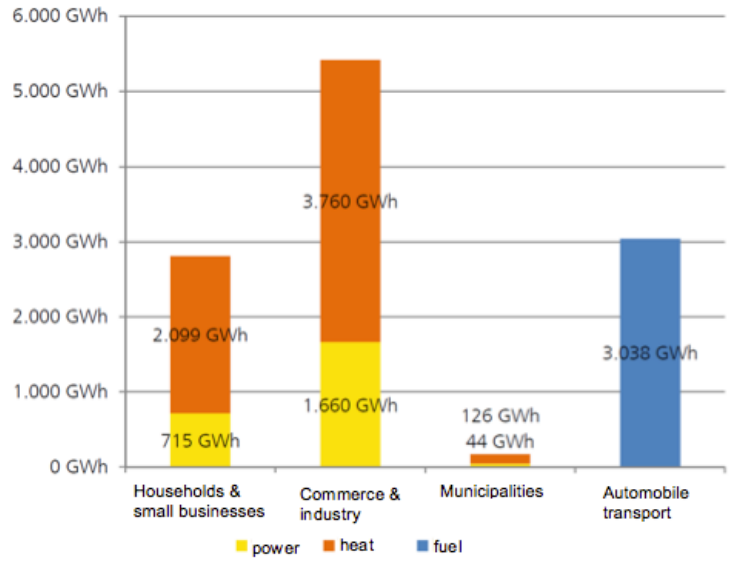
Regarding energetic conditions of the region, four types of municipality and seven types of settlement structure may be differentiated in the planning region. Depending on the buildings and the local economy of these municipalities their potential for increasing energy efficiency varies both quantitatively and qualitatively. The following table gives an overview of the main settlement structures and energy efficiency potentials for the four types of municipality.

Table 1: main energy use per type of municipality and settlement structure in the planning region

Type of municipality	Main settlement structures	Main energy use
Village	Rural mixed buildings	Average power, heat and fuel consumption by private households; low energy consumption by industry
Rural town	Historical centre supplemented by houses with one or two housing units; low share of old (Wilhelminian) buildings, settlements from the 1920s, 30s and 50s and sometimes some large housing estates	Average power, heat and fuel use of private households and industry
Residential	Settlements from the 1920s and 30s, buildings with mostly one or two housing units, partly supplemented by a modern centre	Low heat consumption as a result of high level of refurbishment and many energy efficient new buildings; mostly low power use by industry and above average fuel consumption
Medium sized towns	Dominant city centre with old (Wilhelminian) buildings, buildings from the 1920s, 30s and 50s, partially modern centre buildings; supplemented by settlement areas with large housing estates and buildings with one or two housing units	Below average heat consumption by households; average fuel consumption; economic structure dominates overall energy consumption

Overall energy consumption is dominated by the commercial and industrial sectors, which account for roughly two thirds of regional power and heat consumption:

Figure 2: Overall energy consumption per sector in the planning region



Source: Regionale Planungsgemeinschaft Prignitz-Oberhavel (2013:74)

4.2 Link to Europe 2020 Strategy

In the regional development context, Prignitz-Oberhavel aims at becoming a 'Sustainable and active Energy Region'. This represents a link to the Europe 2020 targets on climate change. Nevertheless, from a regional governance point of view, the Europe 2020 Strategy may be considered as a framework that is more implicitly linked to the regional strategy.

The Prignitz-Oberhavel energy strategy is directly linked to the energy strategy of the State of Brandenburg. The state strategy then explicitly refers to the German energy strategy from 2011 and the draft of the Energy Efficiency Directive from 2011[1]. These documents are explicitly linked to the Europe 2020 Strategy.

For regional stakeholders, German legislation, especially the law on renewable energy (*Erneuerbare-Energien-Gesetz*), and 'Energy Strategy Brandenburg 2030' have been crucial guides for developing the regional energy strategy. At the same time, local activities also influenced the development of the regional strategy. Some cities developed different energy related concepts and strategies prior to the regional energy strategy. Examples are the common climate protection strategy of Oranienburg-Hennigsdorf-Velten and the energy strategy of the Prignitz regional growth area. These are used as examples for regional communication to initiate further local initiatives.

[1] EU-Commussion (2011): Proposal for a Directive of the European Parliament and of the council on energy efficiency and reapealing directives 2004/8/EC and 2006/32/EC. The amended proposal from 2011 has been adopted in 2012: Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC (OJ L 315, 14.11.2912, p. 1).

4.3 Governance context

Traditionally, there is no single level in charge of energy policy. In line with the federal system and the principle of subsidiarity all levels, from national to local, may be responsible for energy policies, depending on its precise aspect.

From discussions about the 'Brandenburg Energy Strategy 2030' it became apparent that energy policy development and implementation had to be continued below state level and needed to cover all municipalities. Since neither the local level with 419 cities and municipalities, nor the district level, with 18 districts and cities appeared realistic for ensuring state-wide coverage, it was decided to use the five planning regions of Brandenburg. These represent the bodies that are responsible e.g. for wind energy planning. Prignitz-Oberhavel is one of these five planning regions, covering three districts of the state of Brandenburg. The regional energy strategy of Prignitz-Oberhavel is now one of five regional energy strategies developed between 2011 and 2013 in Brandenburg.

Prignitz-Oberhavel was faced with several challenges that prompted the energy strategy. New wind energy plants led to increasing land use conflicts, sometimes leading to court procedures. The need for a more rational approach to energy issues became increasingly apparent. It became necessary to develop a database that allowed better assessment of future renewable energy potential and developing this beyond wind energy. Regional stakeholders wanted to know more about their alternatives when promoting renewable energy and energy efficiency.

In principle, the Prignitz-Oberhavel regional energy strategy incorporates stakeholders from three levels: the state level, the planning region and the local level of districts and municipalities. Higher administrative levels, i.e. national and European level, are relevant in a more indirect way since they set the frame and incentives or provide financial support. They are however not directly included in the stakeholder processes.

5 A new approach to regional energy strategies

Following the overview of the governance and development context in the Prignitz-Oberhavel region, this section discusses the governance changes approached in order to improve the delivery of energy efficiency policies in the region.

The development of the regional energy strategy was initiated by the State of Brandenburg as a result of 'Energy Strategy Brandenburg 2030' in a top-down process. The five planning regions of Brandenburg were entitled to apply for state support in Brandenburg's programme RENplus[2], a sub-programme of the Brandenburg ERDF Programme 2007-2013. The state offered to co-finance 75 % of the strategy development costs. This provided the crucial incentive to the planning regions to tackle the apparent regional energy problems. Previously, they only dealt with traditional planning tasks, such as the development of the regional spatial plan.

Development of the 'Prignitz-Oberhavel Regional Energy Strategy' lasted from July 2011 until August 2013[3] and ended with the finalisation of the strategy report. In parallel to finalising the strategy report, implementation started in summer 2013 and is expected to

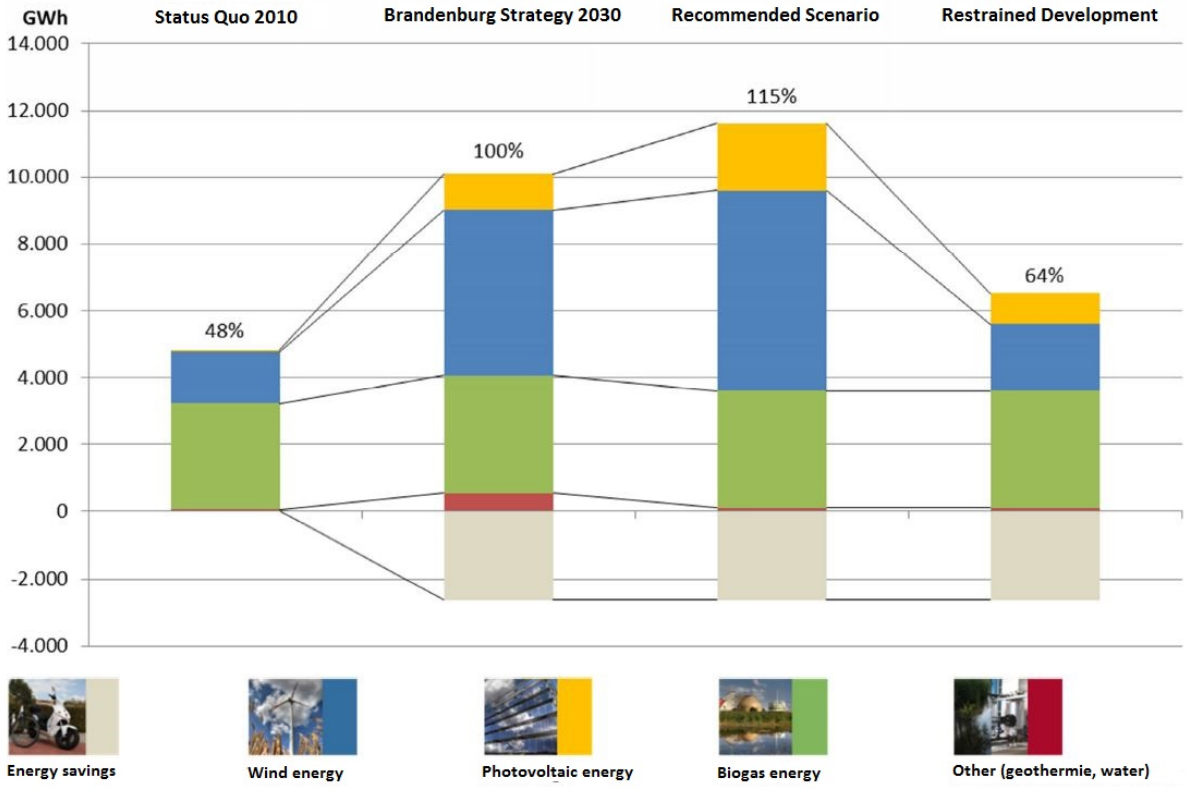
[2] RENplus is the abbreviation for *Einsatz erneuerbarer Energien und Erhöhung der Energieeffizienz* (use of renewable energies and increase of energy efficiency).
[3] This refers to the actual strategy development after employing the consultant. The political process started earlier. On 24 November 2010 the standing conferenceagreed to develop a regional energy strategy and to provide the necessary co-financing.

continue for three years. The strategy represents an integrated approach that combines energy efficiency and renewable energy issues in one strategic document. Given the basic objective of the strategy to reduce greenhouse gas emissions, it focuses on four different activities that:

- reduce energy consumption and increase energy efficiency;
- enhance the use of renewable energy;
- develop grids (including local grids) and storage in a sustainable way;
- improve information flow and the exchange of experience to develop networks.

The following figure relates the status quo in the region to the targets of the Prignitz-Oberhavel regional energy strategy. As a result of framework conditions, currently the scenario of a restrained development is followed rather than the more ambitious recommended scenario. Both scenarios aim at the same target regarding energy efficiency.

Figure 3: Energy targets of the regional energy strategy Prignitz-Oberhavel



Source: Regionale Planungsgemeinschaft Prignitz-Oberhavel (2013:170)

Based on the specifications provided by the State of Brandenburg for the regional strategy development, it triangulated different methods. At the centre was a concept of flexible and transparent communication that aimed at including all relevant stakeholders. Implementation of the regional energy strategy shall considerably reduce the heat consumption of private households and fuel consumption.

Regarding energy efficiency the regional energy strategy mainly provides incentives for the local level to increase energy efficiency. The main contributions are:

- inducing changes in behaviour with regard to energy consumption;
- investing in energy saving technology;
- initiating cooperation for better synergy.

In relation to the above contributions, the implementation phase requires strong local action. Implementation at the regional level is restricted to initiating local action, e.g. by providing incentives through model projects, information and other services such as supporting exchange of experiences or networking, for the municipalities. The measures focus on information and incentive activities conducted by the regional energy manager, who implements the regional energy strategy.

Communication concept

From the very beginning, the communication concept represented a separate working step to coordinate and target a group-oriented approach. It included both 'external' communication between levels and regions and 'internal' communication within the planning region. For the latter, it structured the relevant target groups and the basic principles for communication. It included the municipalities, local housing societies, producers and suppliers of energy, grid operators, existing networks and initiatives, firms and citizens. The communication concept included various tools, such as different types of workshops and conferences with representatives from different territorial levels, internet presentations, publications, campaigns and a survey of relevant players. The concept has been continuously refined.

5.1 Key stakeholders and their motivation

There are three levels of key stakeholders: the state of Brandenburg, the planning region and the local level. Key stakeholders at state level are the:

- Ministry of Economic and European Affairs;
- Ministry of Environmental Affairs;
- Ministry of Infrastructure and Agriculture (with different roles during strategy development and implementation);
- Brandenburg Economic Development Board.

The Ministry of Economic and European Affairs (MWE) runs the RENplus programme that co-financed the regional energy strategy. This ministry could not initiate the regional energy strategy development alone, since it is not responsible for the regional planning authorities in Brandenburg. The Ministry of Infrastructure and Agriculture, who is responsible for the planning regions, agreed to the provision of funds by the MWE.

The motivation of representatives from the state of Brandenburg to initiate the process was strongly linked with the need to implement the state's Energy Strategy 2030. Energy issues are high on the political agenda of Brandenburg, so the state's ambitions had to be implemented and broken-down. The minister responsible for economic affairs supported implementation by 'redirecting' funds to the regional energy strategies. The Brandenburg Economic Development Board (ZAB) is the MWE's agency. In cooperation with the state's business promotion bank, ILB, it administers the state's economic development

programmes and provides different services to firms and municipalities. For delivering the state's energy policies to the planning regions, ZAB, together with the ministries, guided the development of regional energy strategies in all Brandenburg planning regions.

This political initiative at state level is translated to the regional context of Prignitz-Oberhavel. The main responsibility for developing and implementing regional energy strategy lies with the office of the planning region, which regularly consults with its board and assembly. The planning region got involved and was motivated by the financial incentives from the state of Brandenburg. In the light of the regional energy-related needs, the co-financing was attractive enough to convince the planning region's board and assembly to provide the remaining financial resources from district budgets. The main institutions of the planning region and their roles are:

- the office of the planning region, which represents the administration and is responsible for implementing political decisions;
- the board, which consists of the chairman, two vice-chairmen and four other members of the standing conference of local planning authorities and is responsible for preparing decisions;
- the assembly, which consists of the political representatives from the standing conference of local planning authorities and is the central decision-making institution of the planning region.

The planning region, with all its institutions, is responsible for developing and implementing spatial plans, including cross-thematic and specific thematic plans.

Finally also the local level is involved, especially:

- the districts' chief executives, who are also political representatives of the planning region and their district administrations;
- the municipal mayors and representatives of their administrations. Some mayors are also political representatives of the planning region. The other municipalities could also participate in the energy strategy, but not all of them did so.

For implementation, the local level becomes increasingly important, especially municipalities, since they have to finance the activities that lead to measurable energy efficiency gains, e.g. building refurbishment.

On a voluntary basis, interest groups, companies and citizens join in the processes. Their participation has been fostered since the beginning of the strategy's development and is largely motivated by open and transparent discussion processes initiated by the main stakeholder. Thus, the continuous flow of information and frequent opportunities to participate in discussions are considered to be crucial for the overall motivation.

A steering group was formed from the region's stakeholders and state representatives. This was responsible for exchanging information and experiences on developments of the regional energy strategies. This steering group was created for all five planning regions of Brandenburg and was managed by the ZAB. The steering group consists of administrative representatives of the five planning regions, ZAB and representatives of the involved ministries and their offices and meets at most every two months. In addition, ZAB and the

regions' administrative representatives formed a working group with more frequent meetings for a more detailed exchange of experiences at 'working level'.

The other stakeholders contributed in workshops, offering advice etc. The extent of their contributions varied greatly however depending on their experience, capacity and coherence with their approaches.

Summarizing, the stakeholders involved in the new approach to the regional energy strategy in Prignitz-Oberhavel include both administrative and political representatives. From the very beginning both types of representatives of the relevant administrative levels were to be included in the processes.

Modes of governance at play in Prignitz-Oberhavel

- The initiation of a regional energy strategy has been a top-down process from the State of Brandenburg by using the concept of governing by provision, which has became the most important governance arrangement.**Governing by provision** has been the most important incentive for the planning region. Incentives to participate in the RENplus programme were enforced by the promise to support the implementation of a regional strategy if this was successfully developed. This mode also plays a role at local level since municipalities may also apply for financial assistance from RENplus.

In addition also other modes of governance are at play;

- For the implementation of the energy strategy the regional energy manager principally applies **governing through enabling**. She provides information on support mechanisms and sources, offers other services and support to interested municipalities in the region and raises awareness.
- **Self-governing**, is often combined with one of the other modes and plays a role at local level. Not least as a result of the extensive discussion processes over the past two years, more municipal representatives have started local processes by bringing energy issues onto the local political agenda.

6 Governance reflections – general overview

Prignitz-Oberhavel had a novel way to tackle energy issues with a structured approach. The following reflects upon the governance arrangements in support of the development and implementation of the regional energy strategy of Prignitz-Oberhavel

- The approach had several integrative features – including political and administrative stakeholders from different policy fields and levels, including different aspects of energy issues, i.e. renewable energy, energy consumption and efficiency, energy accumulators and energy networks.
- The structure allowed for different adjustments over time and included elements that would only become relevant during the implementation phase, e.g. defining fields of action and instruments, assigning organisational structure.
- Analyses of the present situation and future thematic development potential provided the basis for developing a 'recommended' scenario and general principles (*Leitbild*) for ecological, economic and social goals in the region in 2030. This led to the overall concept: 'Sustainable and active Energy Region Prignitz-Oberhavel'.

- Organisational structures and responsibilities of the different levels are explicitly assigned for the implementation phase.

6.1 Change of organisational capacity

Generally speaking, organisational capacity for **managing projects** related to renewable energies and energy efficiency has been increased in the region through development of the regional energy strategy.

- This is mirrored in the recently increased number of applications for **local energy concepts.**
- There are few energy related citizens' groups that develop new **communication** forms and channels. However, this shall be further emphasized.
- The exchange of experience from local strategies and the participation of local stakeholders in **international projects** (INTERREG B[4]) contributed to transferring good practices in the development of this regional strategy.
- The strategic approach has fostered a structured exchange of needs, potential etc. and supported better **result orientation** by developing clear goals and fields of action.
- The new approach to regional energy strategies furthermore created, at least temporarily, additional capacities to enhance energy related projects by employing a **regional energy manager**.

The regional energy manager can build upon the processes. They helped to create a certain degree of openness to further develop energy projects. In order to make full use of the potential of both the development process as well as the energy manager's activities several competences have been particularly helpful. This includes especially the abilities to:

- structure the principal themes;
- provide well founded analysis to the regional and local stakeholders;
- enhance and build new networks within the field;
- listen and understand local needs; and
- create realistic expectations at local level regarding the regional inputs and possibilities for action.

The last two competences are crucial to take on board the respective local problems and needs and to show a real interest in the topic and the local needs. However, because of the limited resources of the regional energy manager, it is critical to maximise the impact from the regional perspective by delegating coordination of local projects to the local level and to concentrate regional activities on mediating aspects including networking, information, providing services etc.

6.2 Major obstacles

The regional framework, in which demographic change and a weak economic structure play a crucial role, has contributed to the need to combine energy projects that create added value for the region. This was complemented by a number of organisational, technical and objective related challenges, which are outlined below.

[4] INTERREG B refers tot he transnational pillar of European Territorial Cooperation Programmes.

- **Financing.** Both the development and implementation of the regional energy strategy needed local co-financing. This was made available through a 'first time' agreement of the planning region's assembly to contribute local funds.
- **Strategy content.** Besides the tendency to want to do too much, different understandings of the strategy had to be reconciled (from a rather abstract concept to the description of individual local projects).
- **Different interests.** Several diverging interests with regard to energy efficiency became apparent.
  - Generally, energy suppliers were not keen on energy savings. Few local suppliers have adapted to new market conditions by developing different business areas.
  - The trade-off between the cost of zero energy houses and available income created further different interests in relation to refurbishing for heating efficiency and rental costs.
  - Different types of buildings, i.e. historical buildings, historical city centres, large scale housing owned by different stakeholders have varying degrees of cost efficiency.

  The effects of different interests may become even more visible when envisaging implementation at local level.
- **Capacity.** Despite capacity increases, especially at local level, limited personal resources restrain options for action, especially if there is no local energy manager.
- **Stakeholder inclusion.** Not all relevant stakeholders have been sufficiently included in the process yet. This includes the private housing sector, the education sector, artisans and their organisations.
- **Further timing.** Local elections in May 2014 and state level elections in Brandenburg in September 2014 may interrupt the continuous process.

6.3 Main results of the governance changes

The governance changes due to the introduction and implementation of the regional energy strategy had impacted on policy effectiveness. The continuous development process of the regional energy strategy, its on-going implementation and its underpinning of local strategies supports awareness raising and the sensitivity of stakeholders. This has increased the number of stakeholders involved. Willingness to contribute to the future 'Sustainable and active Energy Region Prignitz-Oberhavel' appears to be increasing. Nevertheless, energy efficiency gains are not yet measurable, given the short period of implementation.

The structured process and rational approach has led to a new understanding of overall needs, different interests and the energy projects desired. In particular it showed that there is an urgent need to combine energy issues with regional added value (jobs and income). Future energy savings and investments shall result in local effects to increase purchasing power and create economic added value.

Developing the regional energy strategy has improved cooperation between different levels of governance. Clearly assigning responsibilities to administrative levels and stakeholders has helped clarify the different roles of stakeholders. Vertical relationships become increasingly integrated. The employment of the regional energy manager ensures efficient coordination and communication with the local level. Also coordination with the state level has improved. Overall, coordination within administrations and civil servants has become more advanced than among political stakeholders of different levels. The latter has,

however, also been tackled by the 'Energy tours 2013' with the Brandenburg minister of economic affairs.

Governance change is also visible in horizontal coordination. Previously uncoordinated approaches by the three involved ministries at state level have become much more integrated for energy policies. The collaboration has been based on the common understanding that climate change produces costs that need to be reduced. Based on this understanding climate protection issues have been subordinated to energy and economic concerns. This is complemented by neighbourhood management issues that become increasingly important during implementation. At local level, the networking in the region with useful inter-municipal cooperation is expected to improve.

6.4 Durability

The chosen approach for developing the regional energy strategy provided a base for enhancing communication and cooperation in the region. It raised awareness of energy issues not only among stakeholders but also the wider public on the basis of rational approaches, which is good but not sufficient for durability. There is still the need for projects and putting ideas into practice to ensure durability.

Developing municipal energy profiles has proven to be a practical output at the local level. These profiles may be used by local representatives for decision-making and implementing local strategies and projects. It has become clear that good practices are needed that can be copied by other stakeholders in the region if structures correspond sufficiently. Thus, initiating an exchange of experience is considered to be crucial for durability. However, so far there is still a lack of projects that could inspire new projects for a larger number of municipalities.

The region may not be advanced enough in the implementation process to formulate a conclusion on long-term durability. Thus, it will have to be seen how far the chosen approach can achieve the goals. Durability beyond the foreseen employment period of the regional energy manager cannot be assessed yet.

7 Lessons learned - successes and pitfalls

In this section the lessons learned will be discussed along the stages of the policy cycle. This provides a structured overview of the governance arrangements' successes and pitfalls when using regional energy strategies as new approach in support of the Europe 2020 energy efficiency target. Along the stages of the policy cycle governance processes and arrangements can be depicted as they evolve over time and how the succeed each other. The lessons learned on the governance arrangements are thus discussed stepwise, starting with the **identification** of needs that feed into the policy **formulation** process and, in an ideal world, are followed by the policy **implementation** stage. The policy cycle concludes with the **accountability** of the described policy.

There have been two kinds of prerequisites that were beneficial to the **identification** of needs, potential and challenges though these cannot always be influenced – the availability of funding and individual political representatives who may engage others. These preconditions need to be brought together with a convincing approach of policy identification.

- The **analytical tools** provided a rational approach to future decision-making on energy issues. It is important to consider local information needs and interests to convince local stakeholders.
- The **communication concept** that was applied during development of the regional energy strategy, helped create ownership of the goals and fields of action defined in the strategy.
- While being guided and result oriented, **flexibility** to adjust to stakeholder perspectives creates transparency and credibility.
- A **multidisciplined approach** may be difficult to carry out, depending on differing interests.

The main lessons learned in relation to the identification phase of the policy cycle is the inducement of a communication concept taking on board all regional an local stakeholders affected by the policy, a pure top-down process without consulting these stakeholders should be avoided.

KEY SUCCESS FACTORS: available funding; engaged and convinced political representatives; allow for flexibility without losing the overall goal

POSSIBLE PITFALLS: relevant but not involved stakeholders; lack of ownership

The **formulation of policies** may be affected by shortcomings in the communication concept, timing and overall coherence.

- A mere **'invitation'** to participate is not sufficient if networks are not well established and tested.
- Including stakeholders from beyond established networks may involve **delay** in developing agreements and establishing trusted communication routines.
- The more stakeholders are included, the more perspectives, opinions and people are involved, so **agreement** becomes more difficult.
- A process that is not interrupted by **elections** and their implications may run smoothly.
- In order to develop convincing policies, the **coherence** between policy goals and funding needs to ensured. At the same time co-financing may ensure efficient use of funds.
- **Experiences** of local stakeholders from other projects should be used and integrated.

The main lessons learned in the formulation phase are the clear assignment of roles, the development of a transparent process and authentic and real interest in the needs of the local level. Too much time spent on analysis should be avoided; it is more relevant to focus on those aspects that are really necessary.

KEY SUCCESS FACTORS: give sufficient time to find agreement; build upon existing experiences

POSSIBLE PITFALLS: elections may interrupt smooth processes; policy goals are too ambitious for available funding; stakeholders outside well established networks may be difficult to integrate

The previously mentioned stages of policy development are crucial for successful **implementation**. Some of the following success factors may also have to be considered in the early phases but are even more important during implementation.

- The clear and 'appropriate' **assignment of tasks** to the 'right' administrative level and sectors to ensure awareness of roles and responsibilities.

- There is a need for an **energy manager** (caretaker) who can focus on energy policy implementation rather than being occupied by other 'standard' tasks.
- The energy manager has to continuously **motivate and initiate** the strategy's implementation to support durability.
- To implement policies, a sound **mix of personalities and expertise** among the stakeholders may become particularly necessary.
- Even if not all sector policies were part of the policy development process, **cross-sector impacts** become more important during implementation.

The regional energy strategy is at the beginning of its implementation phase. However, one of the main lessons learned entails stepwise and integrative thinking throughout the entire process; this eases not only the development, but also the implementation.

KEY SUCCESS FACTORS: energy management; appropriate and practical assignment of responsibilities; have the right people on board

POSSIBLE PITFALLS: unconvinced crucial stakeholders

Monitoring is a common means for measuring progress and ensuring **accountability**. Due to the limitations of singular monitoring approaches several monitoring aspects may have to be combined.

- Monitoring reports of the regional energy manager may combine **qualitative and quantitative information,** taking into account different needs.
- Monitoring should be considered to be more than a compulsory act but be used for **communicating results** to different regional institutions, e.g. the regional assembly.
- **Harmonised** monitoring across municipalities and/or regions takes time but may be beneficial in the long-run in terms of transparency, commitment and credibility.
- Processes to agree on the **extent of monitoring** show the trade-off between monitoring costs and benefits.

One of the main lessons learned regarding accountability is the use of multiple approaches to monitor policy results and possible improvements of policy effectiveness.

KEY SUCCESS FACTORS: combine monitoring approaches; aim for transparent monitoring

POSSIBLE PITFALLS: overambitious monitoring

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