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Covenant of Companies

for Climate and Energy



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In the spotlight

Welcome aboard our journey to net zero!

Good morning dear readers, and welcome to this inaugural edition of The Covenant of Companies for Climate and Energy newsletter! It is Tuesday, 21 June 2022, meaning we have 10 056 days until 2050 – when our net zero future will truly begin.

But what does that mean, net zero? And why has it become so important, so suddenly?

To understand that, we must first understand the **importance of energy to society**. And to get a grasp of that, we must imagine a world without the masses of energy that powers today's society instantaneously. Imagine a world without engine-powered transport. Without electrical lighting. Without refrigeration. Without cookers. Without washing machines. Without computers. A task that takes us seconds today would have taken hours, maybe days prior to the industrial era.

The energy story is one of **continuous liberation of the species**, as physicist [Paul Behrens](#) writes in his book 'The Best of Times, The Worst of Times: Futures from the Frontiers of Climate Science'. Liberation from hard, menial labour to instead focus on the pursuit of progress. However, all that progress came at a cost, and a cost that didn't get factored into the price of energy. Air pollution,

water consumption, global warming, extreme weather events, eco-system breakdown and eventually mass extinction events will be the price we pay if we do not change our ways now.

According to humanity's brightest and best, we must limit global warming to between 1.5 and 2°C above pre-industrial levels by 2100, if we are to avoid the worst consequences of our fossil energy addiction. By the end of 2020, [we had already reached 1.18°C above pre-industrial levels](#). To save the planet from ourselves **we must act globally to reduce our emissions of greenhouse gases to 'net zero'**, where the limited number of emissions still produced is absorbed from the atmosphere. All elements of society must play their part in paving the way to our net zero future, from individuals, right up to governments. And of course – the pillar of our society – the business community. [Learn more about the European Commission's strategy for a clean energy transition](#).

How can you and your business prepare for the energy transition? Join our movement! Read on to learn more about it, and the ways in which you can get involved. This edition of the newsletter is **2400 words** – or around **8 minutes reading time**.

The Covenant of Companies for Climate and Energy - what is that?

If you've subscribed to receive this newsletter, you probably have some idea of what the Covenant of Companies is and does. Maybe you're familiar with the term 'covenant' as an accord, agreement or pact. And you'll certainly be familiar with what a company is – chances are you run one, work for one, or work with them; or any combination of the above. So, you have likely understood that we're catering to a collection of companies who have clean energy concerns top of mind.



Our mission statement is quite simple: it is to help these companies – as well as those who support them – to **address their clean energy concerns**, by guiding them to define and then implement emissions reduction goals that are manageable, attainable and aligned with their level of ambition.

What is more, the Covenant will reward participants' efforts by giving them a **'seal of approval'** that corresponds to the levels of progress a company is making towards its net zero goal.

'Why a seal,' you ask? Well, in English common law, a 'covenant' was distinguishable from a standard contract by the presence of a wax seal, which symbolised the elevated sincerity of the commitments made within the covenant.

Want to find out more? Take a look at our [Information Sheet](#) and spread it among your contacts to raise awareness about the Covenant of Companies and its benefits.

We're here to assist you - and here's how

So, you're a European company, authority or 'enabler' of decarbonisation of businesses – that is, a local energy agency, a business association, or an energy service company, and you're interested in getting involved with the Covenant. But what's in it for you?

Well, in exchange for your commitment to a science-based target for emission reduction, the Covenant will give you free access to a suite of **advisory services**. This includes a range of material, from written guidelines on how to calculate your company's emissions; to overviews of the availability of support available in your country; to a human-powered helpdesk who will support you on the path towards lower greenhouse gas emissions, and higher savings on your energy bill.



What is more, as part of these advisory services, you can apply for [bespoke technical assistance](#). This is a hands-on assistance programme that starts with agreeing the scope of support that your company needs and comprises energy audit assistance, assessing technologies appropriate to your needs, investment support – including connecting your company to funding and financing mechanisms – and identification of the measures needed to reach your targets, to name but a few. A specific time horizon will be agreed upon, and regular sessions with your company and the Covenant experts will ensue. We will be hosting a [webinar for entities interested in applying for the technical assistance services on 23 June](#). Keep reading for more details, or [sign up now](#) to take part.

Sounds good? [Navigate on over to our application form now](#) and apply to be part of the first of two rounds of technical assistance!

How does the Covenant know what support companies need?

Tailored hands-on support from a team of experts to help you reduce your energy footprint and your bills? And for no charge? That all sounds very tempting ... but how can you be sure that the Covenant can cater to your business' specific needs?

Top 3 of the most interesting support services according to the first CCCE survey



Don't worry, we did our market research. The European Commission's [Flash Barometer Survey on SMEs green markets and resource efficiency](#) was instructive. For instance, only 4% of small and medium enterprises (SMEs) claimed to be climate neutral at the time of the survey (2021), while 72% said they haven't even put a strategy in place as yet. It looks like we'll be busy!

'But SMEs are small – it's in their name – surely their emissions footprint reflects their comparative size,' I hear you say.

Well, no, actually. SMEs make up 99% of European businesses. They also [contribute 64% of industrial pollution in Europe according to the OECD](#), while 40-45% of SMEs are considered to have a large environmental impact.

To supplement this secondary research, we also asked companies directly via a survey, to hear 'straight from the horse's mouth' what they need. The key learnings are as follows:

- The centre of gravity of preferred support services across company sizes is strongly towards **energy audits**; a list of **measures to reach net zero**; a **plan** on how to achieve this. On the 'least interesting' side, training for employees; gaining acceptance within the company; and linking to matchmakers, investors and bankers are featured prominently.
- For micro-enterprises, **limited financing** is the biggest barrier to energy and climate progress.
- Companies are ready to dedicate **1-4 hours per week** on working with the Covenant of Companies to develop their emissions reduction strategy.
- **Online research and business associations** came out on top as the most trusted sources of information for companies.

All this to say that you can rest assured, we are ready to support your needs. Are you ready to get involved? [Apply now!](#) It's free!

Policy news

REPowerEU: fast forwarding the green transition

On 24 February 2022, we all woke up to a changed world. A darker world, where war on the continent of Europe had once again been waged. The fallout of Russia's unjustified war has been felt across the globe, adding a humanitarian crisis and a commodities crisis to crises already brought on by the pandemic.



The European Union acted swiftly to sanction Russia and isolate it from its markets. Acknowledging, however, that the EU is dependent on Russian fossil fuels, the [REPowerEU Plan](#) aims to redress this geopolitical imbalance by saving energy, diversifying energy supplies, and accelerating the rollout of renewable energy. All of these measures aim to free Europe from Russian fossil fuels before the end of this decade.

[Read the European Commission press release announcing REPowerEU.](#)

Meanwhile in...

Cluj-Napoca Municipality's 'Retrofit Kit'

While we have been preparing the way for the launch of our technical assistance services, our partners in the Covenant of Mayors for Climate and Energy have been busily implementing some great solutions to reduce their energy consumption. Check out this story from the municipality of Cluj-Napoca, Romania.



[more](#)

Cities Energy Saving Sprint

Another Covenant of Mayors initiative we are glad to promote is the Cities Energy Saving Sprint.

[more](#)



Spreading the word

Meet the Covenant's Steering Committee

The Covenant of Companies for Climate and Energy will be assisted by a Steering Committee (SteerCo), composed of experts in the field of energy efficiency and carbon neutrality.

[more](#)

Hints and tips...

Jennes: a climate-conscious car dealership

For this issue's hints and tips, we caught up with Rudi Jennes, a Belgian entrepreneur who owns Jennes Garage, a car dealership with five different locations across Belgium, boasting more than 200 employees and using an array of innovative solutions to clean up his energy footprint. Here's what he had to say.



What drives your ambition to reduce your carbon footprint?

Honestly, I don't know much about the Paris Agreement targets. As an entrepreneur, I see energy savings as cost reductions. Energy costs a lot of money, and it has been going up and up in recent times. I want to work efficiently and remain profitable with investments in the future, so investing in energy efficiency and savings now makes good business sense.

What are some of the innovative solutions have you installed in your dealerships?

I have invested in fast charging stations for battery electric vehicles in one of my locations, because I have over 1000 solar panels on site. During the weekends, when the site isn't open, I sell the energy generated by the on-site solar panels via the charging station.

We have also invested in 140m boreholes and heat pumps in our Kampenhout premises, which allow us to maintain a constant temperature of 22 degrees. That means no need for air conditioning in summer or heating in winter.

And what about you personally, are you also taking measures in your own life?

Well, as a company we are heavily investing in electric cars, and I have also taken the plunge. It has been three years since I traded in my combustion engine for an electric vehicle, and I am very happy with the performance!

See you there!

Technical Assistance Webinar: 23 June 2022

We know that the road to net zero is not an easy one. Hence, the Covenant will not only award those businesses that are taking concrete steps, but we will also be providing them with the tools they need in order to arrive there. All businesses can apply for these advisory services, and this webinar will provide you with all the information you will need to start the application process.



[Join us on Thursday 23 June at 15:00](#) to learn more about how the Covenant may support your business in going carbon neutral! We will be releasing more details in the run-up to the launch, so be sure to follow [@Energy4Europe](#) on social media to learn more about the event.

Featured

Top tweet of the month

Check out the top tweet about the Covenant of Companies this month!

Like, share and engage with us on social media using the hashtag [#CovenantOfCompanies!](#)



Energy4Europe  
@Energy4Europe

Are you a business in     or  wishing to step up your [#energytransition](#)?

The [#CovenantOfCompanies](#) can help, through its Call for Technical Assistance, we can support you with concrete actions to make your business greener. Apply before 31/8 europa.eu/!jFm8Gr



If you're interested in other initiatives that share our aim to get society to net zero, be sure to check out [Smart Cities Marketplace](#) and the [Covenant of Mayors for Climate and Energy](#) on their websites and social media. We will be working closely together with them to make our collective efforts count!

Covenant of Companies for Climate and Energy – European Commission.

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