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Sustainable Development

Empowered. Cooperative. For all.

Recommendations on social cohesion in municipalities

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Executive summary

The local government level is crucial to people's trust in the state and for social cohesion. Yet trust in local institutions and their ability to solve problems is crumbling, even as it is essential for a successful socio-ecological transformation. Also a threat to cohesion are a sense of social injustice and economic inequality, as soaring energy and living costs impact vulnerable groups in particular. Furthermore, the lack of meeting spaces and feelings of overwhelm from social diversity and individualisation are only adding to social isolation and the polarisation of society.

As a result, the German Council for Sustainable Development (RNE) recommends strengthening **local government as a driver of social cohesion** in the transition across three solution areas.

Empowered municipalities: Local authorities and administrations must go back to being valued as functioning, proactive, modern, service-oriented, supportive and accessible institutions. At the same time, we need the positive creative power of the local community for a climate-conscious transformation. Against the backdrop of an urban redevelopment backlog in the three-figure billions, the RNE considers better funding for local authorities to be the primary lever in this regard. Adherence to the principle of connectivity and a sweeping reform of the financial relations between the federal government, Länder and municipalities are key here, not to mention a review of the statutory duties incumbent on local authorities. On top of this, we need to tackle the skills shortage in the administrative departments with attractive working conditions, training programmes and the use of digital tools and artificial intelligence (AI). Ultimately, swamped with red tape, municipalities need greater decision-making powers, room to experiment and authority to deviate in their local area.

Municipalities for all: Investment in infrastructure that facilitates cohesion, such as libraries, swimming pools, community colleges and green spaces, is necessary to combat social isolation and strengthen the sense of community. The distribution of financial resources should be need-based to reduce social inequality. The RNE also recommends reinforcing the social dimension in all support programmes relevant to the transition. Outreach offers in the social environment as well as local advice in the neighbourhoods can be key on the road to sustainable municipalities.

Cooperative municipalities: From the RNE's perspective, we need stronger local infrastructure for sustainability engagement, more citizens participating in decision-making processes and, financially, in transition measures, as well as new forms of collaboration between local actors and local government.

Challenges

Where do we see the challenges of social cohesion at the local level?

It is at the local level that the **functional efficiency of the state** is immediately and directly felt. If local authorities are unable to perform their duties, this leads to a direct **loss of trust in state institutions** and also in the system of government that is representative democracy. While satisfaction with the workings of democracy as a whole is relatively stable, a majority nevertheless feel that political problems today are too complex to be properly understood, according to a survey by the Friedrich-Ebert-Stiftung.[1] They criticise the lack of **self-efficacy and opportunities for participation** beyond elections. At the same time, a majority find the political process too cumbersome and the influence of lobby groups and organisational interests too great. There is a basic lack of trust in the **ability** of politicians **to solve problems;**[2] and trust in mayors, town and district councillors and local administrations has been falling steadily for years.[3] This is a dramatic development. After all, local politicians often have good networks and are deeply rooted in their regions. They know people from their schooldays or from the local sports or shooting club or the neighbourhood, **which makes trust the currency** of local politicians. When it is absent, local action as an **engine for sustainable development** begins to stutter, because this is where the **socio-ecological transformation** kicks in. A successful energy, mobility and heating transition as well as effective climate and biodiversity protection at the local level have the potential to provide the necessary trust in the transformation. It is crucial to look at the necessary steps for the transformation holistically with **social security** and to create **framework conditions for sustainable provision of public services**. This will enable people to go along with change processes without dragging their feet.

But there is only scant trust that politicians can implement the appropriate concepts to counter what is perceived as great social injustice. This equity gap on the one hand impacts people who feel disconnected from the general economic development through economic damage. Various studies on the perception of fairness[4] in Germany show that fairness, at its core, is an experience of the

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[1] A narrow majority of 51% are barely or not at all satisfied with the workings of democracy, according to a current study by the Friedrich-Ebert-Stiftung, cf. Best, V., Decker, F., Fischer, S. & Küppers, A. (2023): Demokratievertrauen in Krisenzeiten. Wie blicken die Menschen in Deutschland auf Politik, Institutionen und Gesellschaft? [Trust in democracy in times of crisis. How do people in Germany see politics, institutions and society?] Friedrich-Ebert-Stiftung, p. 18 ff.

[2] Ibid., p. 32.

[3] Currently, fewer than 50% of citizens surveyed have much trust in the institutions mentioned, cf. Forsa-Vertrauensranking [Forsa trust ranking] (2024).

[4] As well as the named study by the Friedrich-Ebert-Stiftung, these include the following studies: Baarck, J., Dolls, M., Unzicker, K. & Windsteiger, L. (2022): Gerechtigkeitsempfinden in

"strong". At the same time, these people experience it as a result of their own actions and are therefore likely to be invested in keeping conditions as they are. The "weak" understandably want to achieve a better distribution of societal assets for themselves.[5] They are particularly hard hit by higher inflation and subsequent higher energy and living costs. Which is why the question of an **affordable good life within our planetary boundaries** has taken centre stage in political debates. The sense of fairness and justice comes when people are in a position to take control of their own lives and shape them as they see fit. Government institutions at all levels should lay the foundations for this, including on topics such as affordable housing, but also questions of accessibility and justice in the education system.

On the other hand, people can feel overwhelmed by individualisation, social differentiation and multicultural diversity. A lack of spaces to meet and opportunities to mix with people from different backgrounds, increasing loneliness[6] as well as socio-spatial divisions exacerbate the **polarisation** of society and prevent stronger social cohesion. Added to this is the structural transformation of the media system and new patterns in the consumption of political content, chiefly through social media. **Disinformation**, the risk of deep fakes through AI and the "death of the newspaper", above all in **local journalism**, are threatening democratic discourse and, with it, societal support for achieving sustainability goals.

But the municipality as the place where crumbling cohesion manifests most directly also offers levers for resolving social conflicts as part of the sustainability transition. This is where polarisation tendencies and social inequality converge, along with differing access to the infrastructures of public services, housing, energy and mobility. The **New Leipzig Charter** from 2020 positions itself at this point as a model for integrated urban development policy for the European

Deutschland [Perception of Fairness in Germany (summary)]. Bertelsmann Stiftung, Gütersloh; Robert Bosch Stiftung (2021): It's Complicated. People and Their Democracy in Germany, France, Britain, Poland, and the United States. More in Common, commissioned by the Robert Bosch Stiftung.

[5] The more respondents perceived society as a whole, their own income and wealth, and the differences between generations to be fair, the more likely they were to trust these institutions. In contrast, older respondents, those who had not attained a higher level of education than their own parents, residents of rural areas, and people who had voted for the AfD or had not voted at all in the last federal elections disproportionally indicated that they did not feel well represented by politicians and policymakers, cf. Baarck, J., Dolls, M., Unzicker, K. & Windsteiger, L. (2022): Gerechtigkeitsempfinden in Deutschland [Perception of Fairness in Germany (summary)]. Bertelsmann Stiftung, Gütersloh, p. 27 ff.

[6] 14% of people living in Germany reported feeling lonely in 2017; in 2021, due to the pandemic, the figure was as high as 42%. People at all life stages can be affected. How to deal with the risk of loneliness is emerging as a pressing issue of the future. Yet the subject has hardly featured in spatial planning or local political strategies thus far, even though, as a societal phenomenon, it impacts various aspects of social coexistence, cf. Potz, P. & Scheffler, N. (2023): Integrierte Stadtentwicklung und Einsamkeit [Integrated urban development and loneliness]. KNE Expertise 14/2023. Kompetenznetz Einsamkeit, p. 7.

Union and sets corresponding objectives (the just city, the green city, the productive city)[7]. Action for local cohesion in a "just city" therefore needs to allow for the following aspects:

- **Empowered municipalities:** Local government institutions and administrative departments should be regarded by residents as functioning, proactive, modern, service-oriented, supportive (empowering) and accessible. At the same time we need the positive creative power of the local community for a climate-conscious transformation, especially when it comes to providing adequate, affordable, resource-efficient and climate-friendly housing for various income levels as well as an excellent local public transport network.

- **Municipalities for all:** To reduce social segregation in the neighbourhoods, we should focus more on individual districts and local consultation as well as strengthening the infrastructure of cohesion, such as libraries, hospitals, swimming pools, cultural and youth centres.

- **Cooperative municipalities:** People's confidence in their own ability to influence matters affecting their home and the local community (self-efficacy) as well as new forms of collaboration between local actors and local government must be boosted as a measure against isolation, frustration and resentment. Solving complex political challenges requires the everyday expertise of the many, and one way to harness this is by increasing social representation in local-government decision-making processes and bodies.

In the following, the German Council for Sustainable Development outlines some key ideas to help the federal government empower the municipalities in these three solution areas.

Solution areas

Solution area I: Empowered municipalities
Revamp local government and administration;
secure the sustainability transition

Funding

To become – or remain – empowered (capable of acting), and be accepted by locals as reliable, service-oriented and citizen-centric institutions, it is imperative that

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[7] Informal Ministerial Meeting on Urban Matters (2020): The New Leipzig Charter. The transformative power of cities for the common good, adopted on 30 November 2020, p. 1: Integrated urban development includes "reliable public services of general interest as well as reducing and preventing new forms of social, economic, environmental and territorial inequalities".

local authorities receive much better **funding**. The German development bank KfW puts the local-government investment shortfall at some 166 billion euros.[8] How these funds are supposed to be raised and invested is unclear to both many local governments and the municipal corporations. Many places already have nowhere near enough resources to provide public services in the necessary quality and in acceptable spatial environments. Often there is not even enough money to maintain assets, such as in the building sector and in public infrastructure as a whole. The municipal corporations, too, will not be able to contribute as much to the consolidation of the municipal budgets moving forward. The cross-subsidisation of loss-making branches of the public utilities, such as local public transport or public swimming pools, with profits from the energy or water companies will now be tricky in light of the high investments in climate-neutral infrastructure in those areas.

Municipalities need financial support, for instance for the accommodation and integration of refugees,[9] but predominantly in view of the soaring costs for youth welfare and social transfer services as well as the renovation backlog in public infrastructure. For robust financing of local-government duties and responsibilities, it is important to effectively adhere to the **principle of connectivity**, where the Land or the federal government takes over the extra costs associated with transferring duties to the municipalities. A **more sensible distribution of responsibilities** too – and the accompanying funding between the levels – is urgently necessary. Similarly, the **list of statutory duties** must be reviewed. In terms of **climate protection and adaptation**, the RNE believes a potential municipal statutory obligation should be specifically developed. To keep funding new, very short-term projects as they arise ("projectitis") here is counterproductive. Instead, to protect transition measures and increase planning certainty, all municipalities should be given **basic funding independent of subsidies** for these areas. No one knows better than the cities, communities and districts themselves how they need to perform their own tasks. But this does require detailed clarification as to which specific, definable tasks are to be taken over by the municipalities and how they will be financed. Recommendations on this, along with further proposals for funding the municipalities across the

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[8] The municipalities report an investment shortfall totalling 165.6 billion euros for 2023, of which 47.44 billion for schools, 12.96 billion for sports facilities, 5.43 billion for cultural institutions and 11.99 billion for daycare centres, cf. KfW Research (2023): KfW Municipal Panel 2023. Currently, the figures on the heating transition are especially difficult to quantify.

[9] In its statement on the European elections, the RNE had already recommended that local authorities that take in refugees by agreement with the respective member state be adequately compensated for receiving and integrating them with money from a new European Integration and Development Fund to be created. The fund should provide equal financing for projects for the entire urban community, cf. German Council for Sustainable Development (2023): Steering Europe towards Sustainability with the Green Deal 2.0. Recommendations of the German Council for Sustainable Development in the run-up to the 2024 European elections, Berlin, p. 12.

sustainability transition, were recently presented in the RNE's "Sustainable City" dialogue.[10]

> ## 1. Recommendation to the federal government and the Länder
>
> The financial relationships between federal government, Länder and municipalities should be restructured, first and foremost with an eye to the local-government services for the sustainability transition and social cohesion. To this end, the RNE proposes a **finance summit** and a federal **government-Länder-municipalities commission** to be appointed promptly and, ideally still in this legislative period, present proposals on redefining the statutory services for sustainability and the requisite financing.[11]

Social mainstreaming

People on low and medium incomes in particular are reliant on support from **state funding**, for example when switching to an electric vehicle or renewable heating. It has become apparent in the discussion around the reform of building-energy legislation that declaring citizens' obligations without concurrently announcing measures for social equity damages acceptance of the transition policy. Local governments, too, are supported in their transition tasks, such as pilot projects, but the **social sustainability component** in these programmes often comes up short. At the same time it is not possible for the municipalities to fittingly complement the federal government/Länder programmes locally with their own financial measures.

> ## 2. Recommendation to the federal government and the Länder
>
> The social dimension should be integrated into all government and Länder (support) programmes that are relevant for the transition (**social mainstreaming**). There must be additional funds available for the municipalities to fittingly complement the government and Länder programmes locally with flanking programmes. At the same time it must be reviewed in the governance of the transition whether municipal **plans with communal offers** are to be preferred over individual solutions.

Tackling the skills shortage in local government

Another severe obstacle to the transition is the **skills shortage** in local government – and the problem will only get worse in the years to come.

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[10] German Council for Sustainable Development (2024): Starke Kommunen oder schwache Transformation. Elf Thesen zur Finanzierung der nachhaltigen Entwicklung vor Ort aus dem Dialog Nachhaltige Stadt [Strong municipalities or weak transition. Eleven proposals on financing local sustainable development from the "Sustainable City" dialogue], Berlin.

[11] In a statement from March 2024, the RNE has already recommended further development of the state's revenue and expenditure policies to finance the conversion of public and private infrastructures. Proposals include a special transformation fund as well as broadening the assessment basis for the taxation of income, assets and inheritances, cf. German Council for Sustainable Development (2024): It's the politics, stupid: The Responsibility of State and Society for Sustainable Living Environments, Berlin.

According to current forecasts, one in three civil servants in local government will retire over the next ten years. This is considerably more people than are being trained to replace them and presents the municipalities – even sooner than other authorities – with enormous demographic challenges, since the **personnel gap** cannot be closed with new hires as things stand.[12]

Particular **shortage occupations** include engineers, IT specialists and educators, who in some cases are actively enticed away by the private sector. It is all the more important, then, in the competition for the best minds, to keep emphasising the strengths of the civil service as a service for the common good. Key levers to make the civil service a more attractive proposition lie in especially good **working conditions** such as a healthy work/life balance, high collective bargaining coverage, flexible working-time models and mobile working, as well as easily accessible training and development opportunities, agile ways of working, a pleasant work environment and a culture of appreciation. Particularly in cross-departmental **collaboration**, **digitalisation** and better use of data interfaces and interoperable tools as well as the use of AI, local authorities must pick up the pace – and fast. On the one hand, they must hold their own in the competition for staff, and on the other, they urgently need to deploy all possible levers for **automation** and process optimisation in order to relieve the pressure on existing personnel and empower them. Another lever is to improve the ability of municipal **immigration authorities** to secure skilled workers. Currently, these are the bottleneck of German migration and integration policy. Owing to unprocessed applications, insufficient availability and exorbitant waiting times for skilled workers, students and refugees, we can see that the immigration authorities cannot fulfil their tasks adequately and are in urgent need of reinforcements.[13]

More authority for local government

The empowerment of municipalities and hence their ability to act also depends on their authority to decide on political issues as far as possible locally (**principle of subsidiarity**). To prevent the **assignment gap** in political decisions[14] from

[12] Brand, S., Pflume, F. & Steinbrecher, J. (2021): Digitalisierung und Fachkräftemangel erfordern neue Personalpolitik in Kommunen [Digitalisation and skills shortages call for new personnel policy in municipalities]. KfW Research, Fokus Volkswirtschaft, p. 1.

[13] A current study by the Bertelsmann Stiftung provides a good overview of the status of immigration authorities in Germany, outlining recommendations to relieve the pressure on five action points, cf. Schlee, T., Schammann, H. & Münch, S. (2023): An den Grenzen? Ausländerbehörden zwischen Anspruch und Alltag [At their limits? Immigration authorities: where expectation meets reality]. Bertelsmann Stiftung, Gütersloh.

[14] More than 50% of participants in a survey by the Friedrich-Ebert-Stiftung find it "fairly" or "completely" difficult to assign political decisions to a specific party or person, cf. Best, V., Decker, F., Fischer, S. & Küppers, A. (2023): Demokratievertrauen in Krisenzeiten. Wie blicken die Menschen in Deutschland auf Politik, Institutionen und Gesellschaft? [Trust in democracy in times of crisis. How do people in Germany see politics, institutions and society?] Friedrich-Ebert-Stiftung, p. 20.

widening even further, more decisions should be diverted to the municipal level. That said, "municipalisation initiatives" often fail because of Länder concerns around losing tax revenue and the execution costs often not being covered in the long term.

> ### 3.   Recommendation to the federal government and the Länder
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> In such areas as mobility (e.g. designating 30 km/h speed-limit zones, urban transport measures in general), the municipalities need substantially more authority. The **reform of the road traffic act (StVG)** and its **implementation in the traffic regulations (StVO)** must go back on the **agenda** after the blockade in the Bundesrat, since they received cross-party support at the local level. Another area that requires more local freedoms involves **taxes and duties** for the purpose of sustainability (e.g. tax on packaging, or local public transport financing) as well as the opening of experimental spaces and living labs (regulatory sandboxes). The **law on regulatory sandboxes** with a contact point for real-world trials and a check on the experimentation clause in the legislation, primarily for local applications, should be swiftly enacted by the federal government.[15]

More dialogue with local government

All too often, municipalities are excluded from decisions that affect them, not least in central policy areas like climate action, migration or health policy. This is despite the **wealth of specific knowledge** that local politicians have when it comes to the impact of federal regulations on their region.

> ### 4.   Recommendation to the federal government
>
> The municipalities must be much more closely involved than before in decision-making processes at other political levels that affect them, for instance via the local umbrella organisations. Including local chief administrative officers in federal or Länder government bodies could also be an option. Specifically, the RNE recommends close and direct integration of the municipalities in the development of the German Sustainable Development Strategy (DNS) as well as the adjacent strategies and planned legislation (climate protection, circular economy, heating transition etc.).

Digitalisation and service-oriented, agile administration

Citizens know the value of a strong civil service. They expect much-needed **modernisations** to be addressed. Chief amongst these are the **digitalisation** of services for citizens and the improvement of advice and **service** generally. Most of the staff, too, would like to be able to use more digital technologies more

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[15] The consultation of the Federal Ministry for Economic Affairs and Climate Action (BMWK) on the corresponding law was already concluded in September 2023.

frequently in their day-to-day work.[16] Similarly, **social mainstreaming** needs to find its way into local government, perhaps through regular management conferences on cross-departmental working and a **"culture of cooperation"** between local administrations beyond disciplinary, sectoral and department-specific boundaries as well as with the citizens.

Solution area II: Municipalities for all
En route to affordable, inclusive outreach municipalities

Infrastructures of cohesion in the neighbourhood

Cohesion occurs first and foremost in the **neighbourhood**. Socio-spatial **divisions** and **gentrification processes** are a particular factor here and meanwhile are no longer just a problem of towns and cities, but are encroaching on rural areas as well. Along with the issues of affordable housing, adequate and easily accessible healthcare in town and countryside as well as affordable mobility, this primarily affects "third spaces" or **infrastructures of cohesion**. To create vibrant neighbourhoods, participation, empowerment and inclusion in the interests of social belonging are key.[17] As such, we need inclusive, climate-neutral, state or state-financed institutions that support cohesion with this proviso – from renovated and adequate **swimming pools**, **hospitals** and public **libraries** to **community colleges** and **integration centres** right through to **parks**, **green spaces** and **cool spaces** in hot summers. **Biodiverse towns** with sufficient communal green spaces have been proven to contribute to people's wellbeing and mental health. They motivate them to walk more and to meet other people more often outside of their own four walls. The more socio-economically deprived groups in particular benefit from these **blue-green infrastructures**.[18] For rural areas, it is important to have attractive and easily accessible **public squares** in the heart of the town, **sports grounds**, but also **pubs and restaurants**. Where such places are absent or had to be given up, this has a negative impact on the dynamics of local engagement.[19] The perceived quality of a neighbourhood is

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[16] Federal management of the German Civil Service Association (publ.) (2024): Monitor öffentlicher Dienst 2024 [Public service monitor 2024], Berlin.

[17] Potz, P. & Scheffler, N. (2023): Integrierte Stadtentwicklung und Einsamkeit [Integrated urban development and loneliness]. KNE Expertise 14/2023. Kompetenznetz Einsamkeit, p. 45.

[18] The RNE already submitted recommendations on urban green spaces in 2023, cf. German Council for Sustainable Development (2023): Zirkulär, klimagerecht, begrünt, bezahlbar und qualitätsvoll: Nachhaltige Wege in der Stadtentwicklungs-, Bau- und Verkehrspolitik [Circular, climate-friendly, green, affordable and high-quality: Sustainable pathways in urban development, building and transportation policy], Berlin, p. 9 ff.

[19] Bliestle, J., Hamra, S., Roß, P.-S. & Saile, N. (2023): Forschungsbericht „Fit für die Zukunft? Bedingungen und Wirkungen Engagement-fördernder Infrastrukturen in kleinen Kommunen des ländlichen Raums im Kontext gesellschaftlicher Transformation" [Research report "Fit for the future? Conditions and impacts of engagement-promoting infrastructures in small, rural municipalities within the context of societal transformation"], Stuttgart, p 38.

also closely linked to any **sense of loneliness**, which makes the neighbourhood a crucial level of intervention to minimise the risk of loneliness.[20] This is at the same time relevant in the fight against democratic scepticism and authoritarianism, because people who often feel lonely, unconnected and misunderstood are more likely to believe conspiracy narratives, condone political violence and agree with authoritarian attitudes.[21]

Need-based funding

Spatial development, town planning support and municipal financial flows, too, should do more to address socio-spatial divisions. Financial resources should therefore be distributed **according to need** (socio-spatial orientation on an index basis). This approach of **social mainstreaming** (instead of special funding) must be specifically anchored in the municipal **governance structures**. Nationwide **subsidy schemes**, such as the urban development support programme "Social Cohesion", also have a comparable thrust but, with only 200 million euros per year despite being proven effective, a relatively low financial volume.[22]

> **5.   Recommendation to the federal government and the Länder**
>
> The RNE recommends continuing the "Social Cohesion" programme and augmenting it, as polarisation in the municipalities is still escalating. At the same time we need ongoing development towards a cross-departmental, integrated support backdrop that combines investment in urban development with socio-integrative funding programmes.

Outreach municipalities

The problem situations facing citizens in the neighbourhoods are many and varied, but people often lack the confidence to take up local support services – if they are even aware of them. In particular, people with a migrant background are often **afraid of contact with government institutions**. In this situation, the work of an "**outreach municipality**" can create more of a two-way street. The best-known and most popular example is the baby-visiting service, where local authority workers visit the family after the birth of a child and help them get started with their new addition, for example helping them apply for state benefits like parental allowance or child support. This way, citizens can

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[20] Bücker, S. (27 October 2020): Nachbarschaft als Chance gegen Einsamkeit [Neighbourhood as a counter to loneliness], blog of Deutsche Fernsehlotterie gGmbH.

[21] Das Progressive Zentrum (2023): Extrem einsam? Die demokratische Relevanz von Einsamkeitserfahrungen unter Jugendlichen in Deutschland [Extremely lonely? The democratic relevance of experiences of loneliness among young people in Germany], p. 4.

[22] Like its predecessor "Social City", the "Social Cohesion" programme was a suitable instrument to combat the consolidation of socio-spatial marginalisation in the cities, stabilise disadvantaged neighbourhoods, organise communal life in the neighbourhood and enable cultural diversity to unfold its potential. It also aimed to minimise or neutralise the negative context-effects on residents' opportunities in life, cf. BBSR (2017): Zwischenevaluierung des Städtebauförderungsprogramms Soziale Stadt [Interim evaluation of the urban development support programme Social City].

communicate with approachable local-authority workers on equal terms.[23] Vulnerable groups need special attention. For instance, numerous **points of contact** can be found for cooperation with associations and initiatives as well: integration guides to support immigrants, social work based around the local community with homeless people or drug users, reaching out with retirement conversations, contacting the very elderly to advise on such topics as heat protection, plus career advice before school graduation or for early school leavers. **Outreach formats** aimed at homeowners have also proved worthwhile on the topic of the **heating transition**. Training opportunities in shortage occupations such as climate-relevant trades could also be offered here.

Accessible advice

As well as outreach work in the community, we also need **fixed advisory services** that use existing **structures in the neighbourhood**. These could be offices, community centres or contact points for local sustainability management.

Solution area III: Cooperative municipalities
Empower citizens as actors in the communal transition

Only if citizens think of the sustainability transition as their own can they be won over by tangible transformation steps. At the same time, we as a society need the initiative and the pioneering spirit of both existing and new networks and champions for sustainable development.

Inclusive civic engagement

At the local level, this can be encouraged on the one hand through inclusive participation offers, which often also have to reach underrepresented sections of the population in engagement processes, first and foremost at the neighbourhood level. Examples include the structural **involvement of children and young people**, outreach participation formats as well as the engagement of citizens based on representative random samples from the residents' register, such as **citizens' assemblies**, which have already been road-tested many times in local communities. Because small municipalities in particular have neither the financial means nor the expertise to carry out extensive participation procedures, we need **advice and support infrastructures at the level of the Länder**. Positive examples here include the office of the State Council for Civil Society and Civic Engagement in Baden-Württemberg or the Saxon State Ministry of Justice.[24]

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[23] Hofe, F. vom (2 September 2019): So stärken Kommunen das Vertrauen in die Demokratie! [How municipalities can boost trust in democracy], blog of the Friedrich-Ebert-Stiftung.

[24] Krenzer, S. & Socher, S. (2024). Kommunale Bürgerräte organisieren. Handbuch für den Weg von der ersten Idee bis zur Verwendung der Empfehlungen [Organising municipal citizens' assemblies. A roadmap from the initial idea to applying the recommendations]. Mehr Demokratie e.V., IDPF Wuppertal, RIFS Potsdam.

Crucial for planning projects is to take a baseline of all issues and needs in an early **phase zero planning stage**.

> ### 6. Recommendation to the federal government and the Länder
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> Citizens' assemblies or other participation formats with a representative random sample of people must be able to be held at the local level throughout the country with legal compliance and low overheads.[25] Those who take part should, much like the regulation on jury duty, be enabled to take time off work, training, study or school. Furthermore, the RNE recommends establishing competence centres for civic engagement at the Länder level (for advising local governments, knowledge transfer, training and development).

Bolstering local engagement infrastructures

Local engagement is an instrumental factor in the cohesion of local communities and their ability to adapt to the requirements of the transition.[26] For as many people as possible to get involved under good framework conditions, a corresponding infrastructure that promotes engagement is necessary. However, engagement offerings can only be successful if they are geared to the living environments of the people they aim to attract. Both civil society and local businesses want to hit the ground running with their engagement for sustainable development.

That said, it has often proved difficult to find local contacts for scaling measures, for example. A lack of contact with politics and administration makes it harder to act on the concerns, networking and opportunities for cooperation with actors who are already working on similar topics locally. Flexible and unbureaucratic provision of resources, such as via **local contact points**, is key to strengthening local engagement.[27]

There is also a lack of **nationwide support offers** for cooperation on sustainability issues. Yes, there is a sectoral contact point for engagement on developmental policy in the form of the Advisory and Networking Office for Development Activities at Engagement Global financed by the Federal Ministry for Economic Cooperation and Development (BMZ). And the German Foundation for Civil Activism and Voluntary Work (DSEE) offers advice on funding, like many project-executing bodies who each administer their own support programmes for federal

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[25] For this reason, Baden-Württemberg became the first of the Länder to regulate by law that municipalities may use registration data for civic engagement activities involving citizens selected at random and must also make this data available, cf. ibid., p. 158.

[26] Hahne, U. & Markert, S. (2015): Bürgerschaftliches und politisches Engagement als Faktoren demografischer Zukunftsfähigkeit [Civic and political engagement as factors in future demographic viability], Kassel, p. 88.

[27] Bliestle, J., Hamra, S., Roß, P.-S. & Saile, N. (2023): Forschungsbericht „Fit für die Zukunft? Bedingungen und Wirkungen Engagement-fördernder Infrastrukturen in kleinen Kommunen des ländlichen Raums im Kontext gesellschaftlicher Transformation" [Research report "Fit for the future? Conditions and impacts of engagement-promoting infrastructures in small, rural municipalities within the context of societal transformation"], Stuttgart.

ministries. But these contact points should be consolidated and offer bespoke advice services as well as being widely promoted with full publicity.

> ### 7. Recommendation to the federal government
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> The RNE recommends promoting local **low-threshold contact points for sustainability engagement** nationwide, also with digital offers for participation and inclusion, similarly **offers** for individuals as well as clubs and businesses **to get involved in the transition** (e.g. installation of balcony power plants, landlord-to-tenant electricity supply models, EV charging points at club premises or in supermarket car parks, selling regional foods in village shops or support for volunteer-based community transport services in rural areas). The experience of existing projects such as the RENN network or the Joint Action for Sustainable Development can be useful here. Plus, the German Environment Agency's thoughts on regional sustainability hubs, which connect and promote green startups and social startups to help the ongoing development of German eco-innovation policy, should be incorporated.[28] And suitably ample, multi-year financing must be assured.

Simplify nationwide funding programmes for contributors

Complex and overly bureaucratic funding programmes by the federal government often deter local sustainability pioneers. Simplified and more transparent access to subsidies (a culture of trust instead of control) is therefore a crucial lever for scaling involvement in sustainability. A positive example in this context is the Prototype Fund of the Federal Ministry of Education and Research (BMBF), which supported software developers, designers and creatives to turn ideas from the concept into an open-source software prototype. The DATIpilot funding guidelines from summer 2023 also employed a lean application process, even when large sums were involved.

> ### 8. Recommendation to the federal government and the Länder
>
> Legislation on subsidies, especially for the target group of initiatives, associations and volunteer organisations, must be freed from red tape. With this in mind, the RNE recommends that those federal ministries that run programmes to support sustainability for local actors (local authorities, civil society, SMEs, startups) review their procedures to simplify the application and accounting processes; we also propose a cross-ministerial exchange (e.g. BMUV, BMWK, BMZ, BMWSB, BMBF, BMFSFJ) on low-threshold processing of development funds. The same applies to grants and subsidies from the Länder.

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[28] Fichter, K., Hurrelmann, K. & Clausen, J. (2021): Konzeptstudie „Sustainability Hubs". Ein Beitrag zur Weiterentwicklung der deutschen Umweltinnovationspolitik [Concept study on Sustainability Hubs. A contribution to the ongoing development of German eco-innovation policy]. German Environment Agency, Dessau-Roßlau.

Financial involvement in transformation measures

As well as mobilising to act themselves, the financial involvement of local government as well as citizens in the transformation, such as around the energy transition, is another important lever for greater acceptance. In fact, people appear more willing to accept projects in their environment if there is a financial benefit for those affected. The greatest local value-creation effect and the strongest anchoring in the population are seen in projects that are initiated or supported by the local authority and backed financially by citizens. The citizens can be consulted to determine which participation models they prefer.[29] Situations where regions that have significantly contributed to the expansion of renewable energies are seemingly "punished" with higher network charges soon lead to resentment. This is where we urgently need to reform the way the energy market is designed. When it comes to wind power, there is currently no federal obligation for the operators of wind farms to involve the impacted municipalities financially. That said, the Renewable Energy Sources Act (EEG) stipulates that, in principle, plant operators "are to" involve the respective communities concerned, albeit without standardising a corresponding legal obligation. In Lithuania, wind farm operators are legally obliged to pay a small production fee to support local socio-economic development.[30]

> ### 9.   Recommendation to the federal government
>
> The RNE recommends further simplifying and incentivising the involvement of local governments and citizens in transformation projects, such as in the energy sector. Thus it must be reviewed whether the federal government, similar to what is already practised in Mecklenburg-Western Pomerania or, as of recently, in North Rhine-Westphalia[31], should regulate the involvement of local communities in wind power projects by law.

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[29] As well as the (co-)ownership of citizens' power plants and citizens' energy cooperatives, indirect participation formats via savings bonds or discounted electricity tariffs are a possibility.

[30] Research Services of the German Bundestag (2023): Kurzinformation "Finanzielle Beteiligung von Kommunen am Windenergieausbau" [Brief information "Financial involvement of local communities in wind power expansion"], p. 2.

[31] Federal state of North Rhine-Westphalia (2023): Gesetz über die Beteiligung von Bürgerinnen und Bürgern sowie Gemeinden an der Windenergienutzung in Nordrhein-Westfalen [Law on the involvement of citizens and communities in wind power use in North Rhine-Westphalia] (citizens' energy law NRW (BürgEnG)).

About the German Council for Sustainable Development

The German Council for Sustainable Development (RNE) advises the Federal Government on issues of sustainability policy. It acts in this capacity as an independent entity, and since 2001 its members have been appointed every three years by the Federal Government. The Council consists of 15 public figures, comprising individuals from civil society, the business sector, the scientific community and the political arena. It has been chaired since 2023 by Reiner Hoffmann and his deputy, Gunda Röstel. The Council also carries out its own projects aimed at advancing the topic of sustainability in practical terms. In addition, it helps shape topically focused momentum within policy and societal dialogue. The Council is supported in its activities by an administrative office based in Berlin.

RNE collaboration for this statement

This recommendation paper from the RNE is the responsibility of the Council members and was produced in collaboration with members of the "Sustainable City" dialogue. It was developed in the context of the focus topic "Social cohesion in the transition" of the RNE Work Programme.

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