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CASE STUDY

REPORT

Skills for a green future

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PROJECT

Vilawatt - Innovative local public-private-citizen partnership for energy governance

📍 Viladecans, Spain

TOPIC

Energy Transition

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Viladecans

1. Short project description

The [Vilawatt](#) project provides a participative model for local energy transition. It is located in the small (population 67,000) Catalan city of Viladecans, initially focused on a low-income neighbourhood comprising older residential buildings with poor energy efficiency. The project forms part of the Viladecans 2030 strategy which integrates the Ecological Transition as one of 6 priority axes with a mission to reduce GHG emissions by 40% in 2030, 80% in 2035 and achieve carbon neutrality by 2050.

Vilawatt's four goals were to:

- Guarantee a renewable energy source for all
- Stimulate the use of local Renewable Energy Systems (RES)
- Promote energy savings and efficiency amongst the population
- Democratize energy and empower citizens around energy

The project has several highly innovative components. One of these is the establishment of a Public Private Citizen Partnership (PPCP) providing an energy governance model involving the local authority, citizens, and businesses. The PPCP's functions have included the bulk buying of renewable energy, provision of energy efficiency services, retrofitting 3 residential housing blocks and the design and implementation of a local currency (the Vilawatt) to channel energy savings into the local economy.

The retrofitting activity galvanised local businesses around the opportunities relating to energy transition. It also highlighted the need for new business know-how and skills. Anticipating the need to inform and support citizens and businesses to adapt, the Vilawatt project established a number of learning communities. These provide information, guidance, and hands on support. The city has also revised its contracting procedures to favour those local businesses that actively improve their business practices in line with the city's climate neutral goals.

The creation of a local currency has improved the visibility of both the Vilawatt project and the issue of energy transition. Citizens can spend their Vilawatts within the local economy, on businesses and services provided by participating businesses in the community. Over 3,500 citizens use it and over 400 local businesses accept it from their customers. Later in 2022 they can also use their Vilawatts to pay for municipal taxes and services.

2. Vilawatt and Just Transitions

What are the implications for Viladecans?

Like all cities, Viladecans expects its local economy to be transformed as it shifts to climate neutrality. That transition is already well under way, and this small ambitious Catalan city has set a target of 2050 to achieve that goal. This has significant implications for local citizens and all businesses.

The local economy is characterised by industry sectors like construction, logistics and food production. All of these will be affected by the shift in energy use, waste management and other transformative processes taking place. The potential impact for smaller businesses, which account for the majority in Viladecans, is especially high, as new processes require investment and know-how that can be hard to access. Micro-businesses have been

identified as amongst those most at risk of being left behind.

Sections of the local population have also been flagged as being particularly vulnerable. They include micro-business owners and self-employed people, low-skilled workers and youth. The city is also mindful of the need to support more women into business generally, but specifically into technical and environmental sectors of them into business.

In summary, Viladecans has identified the following challenges in the green transition:

- Aligning the local business fabric/community
 - Generating an opportunities scenario for companies and citizens
 - Facilitating culture change in relation to the Green Transition amongst local citizens and businesses
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3. How does the UIA Intervention promote Just Transitions?

The Vilawatt project is a central feature of the city's wider strategic approach to reaching climate neutrality without leaving anyone behind. The city authority is investigating the skills and employment implications of the energy transition through research and close dialogue with the local business community. For example, its UIA activity underlined the growing demand related to the installation and maintenance of solar panels, as well as the emergence of new professions related to energy efficiency in buildings. New skills provision aligned with this is being offered in the locality.

Alongside this is pioneering activity to define and accredit skills competencies in emerging green sectors such as energy efficiency in buildings. This encourages new recruits to this growing sector, as well as rewarding those already in it who are investing in their skills development. Work is now under way to establish working groups combining employers, entrepreneurs and employees to enhance this work on occupational profiling.

As a smaller city, Viladecans also exemplifies the value of wider territorial cooperation to ensure its work is leading edge. A good example is the XaloCompetencias project delivered in collaboration with Barcelona Provincial Council, providing a platform relating to the demand for skills in the labour market. Alongside such tools, the city has an established track record in active labour market interventions, which prioritises the most marginalised citizens. Central to this is an individualised diagnostic skills and guidance unit, supported by the Education, Social Services and Youth Department.

This complements the city's training offer targeted at small businesses and their employees, which is increasingly oriented towards climate related professional shifts. The Viladecans Business Innovation Space (VBIS) occupies a pivotal position here as a hybrid facility related to skills development, entrepreneurship, and cross-sectoral collaboration. It provides specific training related to key themes such as circularity, as well as targeted interventions such as the Women's Corporate Programme.

Near the port and airport of Barcelona, Viladecans occupies a prime logistical spot. The VBIS activities include green process themes linked to existing business sectors - for example Airport 4.0 and IoT approaches to cargo business. Two specific benefits have resulted from this. One is the growing set of relationships between these emerging high-tech sectors and the more established business community. Another is the way in which these new innovations have attracted local SMEs to the business development offer. Often smaller businesses cannot or will not find time to invest in such activities, meaning they miss out and are left behind.

Other push factors are encouraging local businesses to adopt more climate friendly behaviours. Public procurement has proven to be an important one, as Viladecans increasingly requires potential contractors to meet certain environmental standards. Support is available for those wishing to move in that direction, whilst future opportunities will diminish for those who have not got the message. But the scale of this transition is a challenge to businesses of all sizes. Viladecans is strategically targeting those established sectors central to the local economy. This includes the logistics, food and construction sectors.

One of the largest local construction businesses is ROCA, involved in the energy intensive production of ceramic goods. The local authority has been instrumental in establishing a sectoral innovation hub with them, other businesses, and the research community. This is focused on the greening of local construction and should be supported through the next generation of EU funds. In this way we can see that the city authority approach is at once strategic and tactical. This represents a good example of our Roadmap point 3.

Collaboration across municipal boundaries is also a feature of the Llobregat Delta Eco-Industry project. This is a

collaborative approach to supporting business circularity across 5 local authorities. Again, addressing smaller businesses, it includes training, awareness-raising and targeted advice and support for companies. The awareness-raising function is particularly important, as people can struggle to understand the issues and the implications for them. Although Viladecans doesn't have a specific Just Transitions campaign, the high profile of the Vilawatt project and some of its key features have been instrumental in stimulating local interest and engagement.

One good example which developed from the UIA project was the establishment of learning communities targeted at neighbourhoods, businesses, and schools. Based on the principle of 'make it easy for those who are on board' these grow people's knowledge and skills, enabling them to take informed steps about energy use and other issues. Another important intervention has been the development of a local currency, also known as the Vilawatt, to recycle financial savings on energy back into the local economy. This digital currency has been adopted by local citizens and now over 400 businesses, creating a positive link between climate change and local economic development.

4. Keys to success

a. Identify your key local priority industry sectors and invest in understanding the potential impact of the shift to climate neutrality for them.

Located within the Barcelona metropolitan area, Viladecans has had to make some clear decisions about its industry sector focus and future in a climate neutral economy. Strong political leadership underpins this, linked to our Roadmap Point 1.

b. Create supported spaces to encourage dialogue and collaboration across industry sectors.

This point is especially relevant between established ones and new ones like AI, IoT and Circularity. The city has several strong examples of this, most notably the VBIS, which allow it to assume an active brokerage role in cross-fertilising ideas and connections.

c. Mobilise the power of public procurement.

Use local buying power to catalyse behaviour change within the business community. Working closely with a well-networked business community in a smaller urban area has helped Viladecans engage in dialogue with local supply chains, as it uses its public buying power to shift attitudes and business practices. This connects with our Roadmap point 6.

d. Work with communities and find ways to incentivise and reward behaviour change.

Viladecans has worked effectively at the grass-roots level through innovative processes like their local learning communities, which utilise and reinforce existing local networks to convey important lessons relating to energy transition and the implications of climate change.

e. Think big and be creative- the Vilawatt currency was a high-risk concept that has captured the public's imagination and made a positive link between climate neutrality and local businesses. Starting in specific neighbourhoods but taking advantage of the city's compact scale to build an effective messaging campaign is a key lesson for other cities.

5. Upscaling and replication potential

Strong political leadership has underpinned the Viladecans' approach to energy transitions at the heart of its UIA project. It is also notable that the Vilawatt model addresses all three of the UIA Just Transitions themes – Jobs and Skills, Affordability and Democracy. As such, it addresses issues that are central for all cities, with a model that is highly replicable and eminently scalable.

Viladecans is already testing the replicability of its UIA project through the URBACT Transfer Pilot Mechanism, which is exploring the transfer of the model to three other European cities.

In terms of scaling, another strength of this UIA project is the city's collaborative approach with neighbouring

municipalities, as well as with other tiers of government. It's proactive partnership activity with the private sector – for example around the concept of a green manufacturing development hub – should also position it well in future.

Vilawatt's innovative and integrated approach to tackling the consequences of climate change aligns well with future Cohesion Policy priorities, which should support its scaling and sustainability prospects.

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