

ABERDEEN CITY COUNCIL

COMMITTEE	Enterprise, Strategic Planning & Infrastructure
DATE	3 rd June 2014
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Hydrogen Fuel Cells and Electro-Mobility in European Regions (HyER) and Conference of Peripheral Maritime Regions (CPMR) Annual Meetings and EU Funding update
REPORT NUMBER:	EPI/14/117
CHECKLIST RECEIVED	Yes

1. PURPOSE OF REPORT

This report is to give elected members an update on EU funded projects and approval for future EU projects as well as an update on the North Sea Commission and the Covenant of Mayors.

2. RECOMMENDATION(S)

That the committee:

1. Approves the travel for the Convenor of EP&I Committee and one Officer to attend the HyER AGM in Copenhagen, Denmark.
2. Approves the request to nominate a member of the EP&I Committee to the HyER Board. Their role would be to support decision-making on the actions of HyER.
3. Approves the travel for an Officer to attend the Fuel Cell Hydrogen Joint Undertaking (FCHJU) Communication Campaign workshop on the 23rd June, 2014 and to attend the FCHJU Info Day for New Call for Proposals on the 10th July, 2014, Brussels, Belgium.
4. Approves the travel for the Council Leader, or whom failing another elected member, and two officers to Umea, Sweden to attend the Conference of Peripheral Maritime Regions (CPMR) General Assembly Meeting.
5. Approves the request to participate in the North Sea Region Programme project Digital Agenda for the North Sea: Orientation

towards New Innovation (DANS ON) if the funding application is successful and approve officer travel for the project.

6. Approves the participation of Aberdeen City Council in the Energy Technology Institute (ETI) and Heat Programme project.
7. Nominates the Convenor of EP&I for the position of Vice President of North Sea Commission and approves associated travel costs for North Sea Commission work.
8. Notes the success of the Aberdeen City Hydrogen Energy Storage (ACHES) project in drawing down £757,630.78 in external grant funding.
9. Approves the request, subject to the approval by the Head of Legal & Democratic Services of the relevant documentation, for the Council to sign up to the Covenant of Mayors climate change adaptation initiative, Mayors Adapt and overseas travel that will be undertaken.

3. FINANCIAL IMPLICATIONS

- Costs for the Convenor of EP&I and Officer's attendance at the HyER AGM will be met from the current service travel budget. Approximate costs £1,500.
- Costs for an Officer's attendance to the FCHJU Information Days will be met from the current service travel budget. Approximate costs are £700 total.
- Costs for the Council Leader and Officers attendance at the CPRM General Assembly will be met from the current service travel budget. Approximate costs £2,000.
- Aberdeen City Council will provide equivalent €27,000 match funding to the DANS ON project in staff costs and travel to project meetings from current service budget.
- If the Council is successful in its bid to the Energy Technology Institute (ETI) a further report will be brought to Council for the approval of match funding.
- The position of vice-president would require travel to four meetings per year by Elected Member plus one officer. These costs are estimated at £400 per person per meeting.
- Travel that will be undertaken for the Covenant of Mayors will be met from current service budgets. It is estimated at £750.00

4. OTHER IMPLICATIONS

Travel

As far as possible, measures relevant to the destination will be taken to reduce any risks in line with Council Policy.

Risk Management

It is important that Aberdeen is fully represented in all European matters, especially those dealing with energy issues, and all opportunities for influencing policy and the development of transnational projects for the City's benefit are grasped in order that opportunities are maximised. This level of participation will help increase the understanding of the new programmes and will assist in developing the capacity to successfully develop new projects and work with other European cities that will benefit Aberdeen City.

Human Rights/Equality/Diversity

European Policy takes full account of the Equal Opportunities Policy of the Council.

Sustainability

Aberdeen City Council has a clear contribution to make to sustainable development with an emphasis on enhancing productivity through improved resource efficiency, new business opportunities in the developing market for sustainable technologies and delivering better and more efficient Council services. By attending these events, it will give Aberdeen City Council the opportunity to look at the possibilities of best practice and drawing down more funds from EU programmes to raise the quality of life through increasing economic opportunity for all on a socially and environmentally sustainable basis. Attendance at this event will help ensure Aberdeen promotes awareness as an internationally recognised energy efficiency hub and pool for generating innovative solutions.

Environmental

European activities are implemented in line with the aim of achieving a quality and sustainable environment.

Social

The principles of Social Inclusion underpin European cohesion policy.

Economic

European representation and inter-regional networking contributes to the City's overall effort to maximise opportunities and to promote its interests, both at home and overseas with the aim of creating sustainable economy and energy efficiency environment.

5. BACKGROUND/MAIN ISSUES

5.1 HyER AGM in Copenhagen, Denmark, 24th to 25th June 2014.

It is proposed the Convenor of EP&I Committee and 1 Officer of Aberdeen City Council attend the Hydrogen Fuel Cells and Electro-Mobility in European Regions (HyER) AGM in Copenhagen, Denmark between the 24th and 25th June 2014.

HyER is an association which was established in collaboration with the EU Commission in 2008 and supports the deployment and uptake of hydrogen and fuel cell technologies and electro-mobility in Europe. This is in order to contribute positively to the carbon dioxide emissions reduction, environmental protection as well as economic growth and employment. HyER represents over 30 regions and cities in Europe. The association seeks to develop fact-based policy at EU, national and local level to establish robust local deployment channels and a first customer base. HyER is currently facilitating development European wide electro-mobility monitoring facility to collect data and experiences of electro-mobility projects.

The benefits of HyER are that it provides its members with a representative body that can be coherent, distinguishable and influential towards all relevant stakeholders and decision-makers at public and private level. It allows members to play a key role in the implementation of strategies which aim at increasing the uptake of hydrogen, fuel cells and electric-mobility.

The Aberdeen City Council delegation will attend the AGM, which follows the Green Capital Award Ceremony 2014 which was won by Copenhagen. Following the AGM there will be an exclusive symposium on the integration of fuel cell vehicles in specific fleets. This will be useful information for the Aberdeen City Council delegation to learn from as we try to encourage transport fleets to deploy hydrogen fuel cell vehicles.

5.2 Nomination of Aberdeen City Council Elected Member to HyER Board

To ensure Aberdeen's influence and demonstrate our lead by example approach in the hydrogen and fuel cell sector, we seek approval to nominate the Convenor of EP&I Committee to sit on the HyER Board.

The HyER Board meets three times a year in Brussels, or another member location, as well as once a year via teleconference. There are also informal Board update calls every Wednesday in which the latest HyER and relevant regional, national and EU activities are discussed.

Given Aberdeen City Council's leadership in Hydrogen Fuel Cells, for example the recent arrival of the hydrogen bus to the city, it is appropriate to consider the nomination of the Convenor of EP&I Committee to the HyER Board to observe the actions of other member countries as well as decision making for the running of HyER. Their nomination to the Board can also possibly lead to hosting the HyER AGM where the city can demonstrate its forward-looking vision and further promote our international and business links. Participation on the board can further lead to join Taskforces such as Smart Cities and Communities and Ten T as examples. It also allows Aberdeen City Council to disseminate information on Aberdeen City on an international scale. It will ensure Aberdeen remains at the forefront of research and innovation, continuing to make the city an internationally recognised energy and sustainability hub.

5.3 Fuel Cell Hydrogen Joint Undertaking (FCHJU) Information Sessions

It is proposed that an Officer from Economic Business Development attends two information sessions which have been organised by the FCHJU.

The first of these sessions is 'Communication Campaign' which takes place on the 23rd June, 2014 in Brussels. The purpose of the workshop is to explain common financial issues related to the FCHJU Grant Agreement and to improve the costs' reporting and assessment process. The main points which will be discussed include the following;

- Rules
- Eligibility of Costs
- Ex ante certificates
- Ex post audits
- Most common errors

Aberdeen City Council is a grant receiver of the FCHJU. The workshop would provide invaluable information which can be disseminated to colleagues on the Officer's return to office to ensure we comply within the financial rules of the funding granted, as well as make efficient use of resource time by avoiding errors.

The second workshop takes place on the 10th July, 2014 in Brussels and it is proposed an Officer also attends this session. The session is an Information Day on the new Call for Proposals and is the first call under the new funding programme Horizon 2020. It would be beneficial if an Officer attends as to understand the funding opportunities available to bring inward investment to Aberdeen City and further Aberdeen City Council's work in a Hydrogen Economy.

5.4 Conference of Peripheral Maritime Regions (CPMR) 42nd General Assembly Meeting, Umea, Sweden, 24th to 26th September 2014

It is proposed that the Council Leader and two Officers attend this Conference.

The CPMR exists to target action towards ensuring the needs and interests of the Member Regions are taken into account in all policies with a high territorial impact. The General Assembly is organised once a year for the member regions to come together for a meeting to adopt the Conference's policy guidelines and budget.

The Council Leader and Officers will attend the General Assembly to ensure the needs and interests of Aberdeen City are being met, as well as have the opportunity to meet and network with other member regions. The networking opportunity is particularly important as the calls for Horizon 2020 and Interreg have or will be launched soon. As the members attending the General Assembly are all maritime regions there will be similar research and innovation problems and solutions which members can act through the aforementioned funding programmes.

5.5 DIGITAL AGENDA FOR THE NORTH SEA: ORIENTATION TOWARDS NEW INNOVATION (DANS ON)

An application has been submitted by Aberdeen City Council to the Interreg North Sea Region Programme to approve the DANS ON project. Aberdeen City Council hope to be a partner in this Swedish led project involving 6 European partners from across the North Sea Region.

The DANS ON project aims at disseminating how the DANS model stimulates innovation in the North Sea Region by demonstrating how the DANS model has been applied and implemented in practice. The DANS model is a Quadruple Helix model suitable to innovation processes where citizens needs are central in the area of digital innovation in open data. The partnership will communicate the DANS Model via a range of media channels and show how regions in the North Sea Region can adapt the model to increase society's capacity for innovation.

If successful the project will draw down €27,500 in EU funds which is a sum of the external funding granted to Aberdeen City Council through its successful application. The Council shall be required to provide equivalent funding in staff and travel costs. This shall be met from current Service budgets.

5.6 ENERGY TECHNOLOGY INSTITUTE – SMART SYSTEMS AND HEAT PROGRAMME

The Energy Technology Institute (ETI) ETI is focused on accelerating the deployment of affordable, secure low-carbon energy systems for 2020 to 2050 by demonstrating technologies, developing knowledge, skills and supply-chains and informing the development of regulation, standards and policy.

This programme has a projected budget of up to £100m, which is solely financed by ETI, and will run in two phases:

Phase 1 (2012-2016): Toolkit Development

Phase 1 will develop software tools to design location-specific smart energy systems. ETI will work with Local Authorities to create a small number of designs specific to their communities. Aberdeen City Council will also undertake a number of consumer behaviour, technology development, business modelling and supply-chain activities to create heat supply and demand management products and services that meet consumer needs.

Phase 2 (2016 onwards): Demonstration and Validation

Phase 2 will see a demonstration of the designed local smart energy system to prove the concept and methodology, importantly proving that the capability and approach can be adopted nationally and providing an evidence base for future supportive policy.

As a shortlisted local authority for the funding bid to ETI Smart Heat and Systems, Aberdeen City Council is working with the ETI to advance Phase 1 of the programme by refining the software under development. To this end, input from the local authority partners in energy delivery is being solicited in order to collate a fuller picture of the issues and potential applications of the tool. Finalist cities are to be announced in the fourth quarter of 2014. Should Aberdeen be selected, further collaboration with partner organisations would be outlined against Phase 2 of the project.

5.7 NOMINATION FOR VICE-PRESIDENT OF NORTH SEA COMMISSION

The North Sea Commission political leader is the President, who is supported by two vice-presidents. From on-going discussions, it is anticipated that one of the existing vice-presidents will take up the vacant president role and that a new vice-president will be sought. A nomination for this post would help to increase the level of influence that Aberdeen City Council has on the future direction of the organisation and our ability to raise local issues at a European level through a recognised body. Councillor Crockett is currently the only ACC elected member involved in the work of the North Sea Commission. The role would also help Aberdeen City Council to

further raise its profile on the EU stage as a leading region with strong relations across northern Europe.

5.8 ABERDEEN CITY HYDROGEN ENERGY STORAGE

Notes the success of the Council in drawing down £757,630.78 in external monies to be utilised in the ERDF project Aberdeen City Hydrogen Energy Storage (ACHES) over the period of one year.

The ACHES project will look to demonstrate the commercial viability of this innovative storage technology. In addition there will be a strong focus on supporting local SMEs to develop products and services which can take advantage of the deployment of the technology here in Aberdeen.

5.9 MAYORS ADAPT

Aberdeen became a signatory of the Covenant of Mayors, a European emissions reduction initiative in 2009. A new Covenant of Mayors initiative, Mayors Adapt, has now been established by the European Commission to engage cities in taking action to adapt to climate change. It recognises that major centres of population and infrastructure are particularly vulnerable to extreme weather events and other effects of climate change.

The initiative offers a platform for communication among cities and between local and European-level authorities. This increases capacity for sharing best practice, learning from each other, sharing expertise and offering and finding support.

To sign up to Mayors Adapt a local authority must agree to complete and sign the commitment document. This document shall require prior approval by the Head of Legal & Democratic Services. By signing up to the initiative, local authorities commit to: either developing a comprehensive local adaptation strategy or integrating adaptation to climate change into relevant existing plans.

The development of an Adaptation Plan will ensure the Council addresses climate change adaptation, a statutory requirement under the Climate Change (Scotland) Act 2009, public bodies duties.

6 IMPACT

Several of the challenges of the Community Plan identified in the Single Outcome Agreement are also supported, such as: Leading the City, Being Informed, Getting Involved, Land Use and the Environment and Clean City, Prosperity and Jobs, and Aberdeen's Image.

7. MANAGEMENT OF RISK

There will be inevitably be some risks associated with overseas travel. As far as possible, measures relevant to the destination will be taken to reduce any risks in line with Council Policy.

It is important that Aberdeen is fully represented in all European matters and that all opportunities for influencing policy and the development of transnational projects for the City's benefit are grasped in order that opportunities are maximised. If this is not done the Council could be at risk of not being able to draw down European grant monies.

8 BACKGROUND PAPERS

None

9 REPORT AUTHOR DETAILS

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