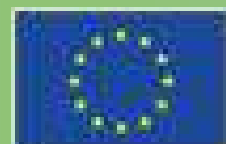




Governance model guide

Achieving the vision and mission of Living Labs to develop
Positive and Clean Energy Districts



Co-funded by
the European Union



Developed by
Three o'clock



Innovation strategies for energy transition and Positive and Clean Energy Districts

Transitioning to sustainable energy and improving energy efficiency requires a collaborative approach involving businesses, academic institutions, citizens, and governments. To achieve this transition, it is essential not only to develop innovative technologies but also to successfully bring them to the market.

In **NEUTRALPATH**, the **Living Labs** (called Climate Neutral Labs or CN-Labs) are crucial tools in developing **Positive and Clean Energy Districts (PCEDs)**. They address local issues related to climate neutrality and positive energy buildings collectively and embed a multi-stakeholder approach. The labs have been created with a mix of representatives from business, society, and academia, bringing in diverse expertise and perceptions to address real-life issues.

In the Living Labs approach, governance refers to the management and organisation of research and activities at both strategic and operational levels. The **governance model** emphasises the involvement of stakeholders from the quadruple helix model, ensuring they actively contribute to the Living Lab's activities. It is crucial that all sectors are represented in the governance model and that everyone involved has opportunities to participate in decision-making.

This guide is an outcome of the **Deliverable 1.2 “Innovative governance models” of NEUTRALPATH** and it outlines the methodology used in the project, including the learnings, tools, and guidelines that were employed to develop the governance models of the Living Labs for each of the participant cities. For further information, you can consult the deliverable on the project website.

Living labs as vehicles for developing Positive and Clean Energy Districts

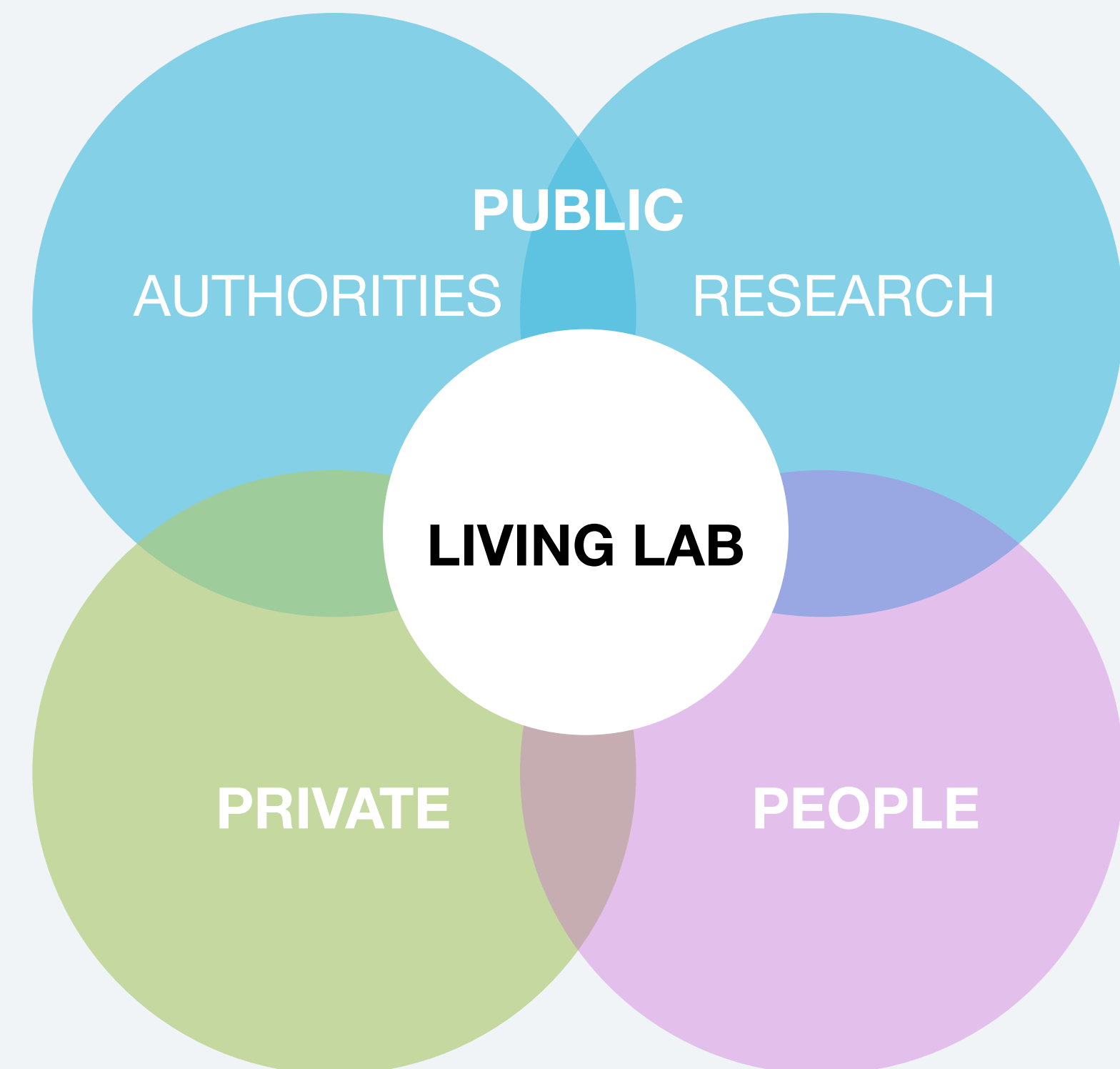
What are Living Labs?

Living labs are open innovation networks where users, consumers, and households are systematically involved in the development of new solutions.

Living Labs play a crucial role in developing and implementing Positive and Clean Energy Districts (PCEDs) by providing real-world testing environments and fostering collaboration between various stakeholders.

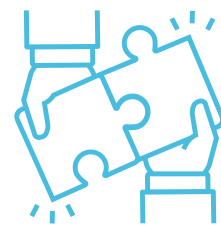
Living Labs orchestrate the collaboration of four types of stakeholders:

- Public authorities
- Research organisations
- Private companies
- Citizens



Source: Carayannis & Campbell (2012)

Common elements of Living Labs



Active user involvement

A Living Lab engages relevant stakeholders actively in all activities, ensuring their feedback is continuously captured and integrated throughout the innovation lifecycle.



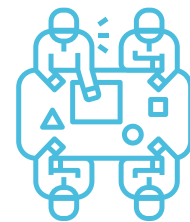
Multi-stakeholder participation

A Living Lab engages stakeholders from government, academia, the private sector, and citizens, ensuring their feedback is integrated throughout the innovation process.



Orchestrator

A Living Lab involves relevant stakeholders “actively” in all relevant activities, ensuring their feedback is captured and implemented through the whole lifecycle of the innovation.



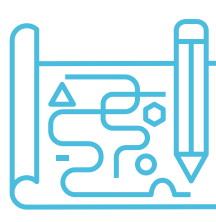
Co-creation

In a Living Lab, values are co-created from the ground up by all relevant stakeholders, ensuring greater adoption of the solutions in the end.



Real life setting

A Living Lab integrates innovations into the real-life environments of end users, avoiding the need to move them to test sites.



Multi-method approach

Each Living Lab activity addresses a specific problem. The chosen methodology for each activity depends on the desired outcomes and the stakeholders involved.

Six building blocks of a Living Lab according to ENoLL

Achieving Living Labs strategy by defining governance

Governance models are structured frameworks that explain how organisations are managed, who is responsible for what, and how different stakeholders work together and stay accountable.

The governance models aim to realise the mission and the vision of the Living Labs. To allow for further innovation throughout the evolution of the PCED and Living Lab.

How can governance models help achieve Labs' objectives?

Governance models help define roles and responsibilities within the Living Lab, outline how decisions are made, and ensure that your mission and vision are delivered.

- 👉 Alignment with lab mission and vision
- 👉 Accountability and Transparency amongst stakeholders
- 👉 Scalability and replicability of Living Labs for other PCED projects or other areas of the cities
- 👉 Risk Management within the labs



Key aspects of Living Labs governance

1

Multi-stakeholder organisation

Living Labs typically involve a "quadruple helix" model of stakeholders (government, academia, private sector and citizens).

The governance model must facilitate collaboration and balance the interests of these diverse groups.

2

Decision-making Processes

Governance models outline how decisions are made within the Living Lab, including:

- Strategic planning
- Project selection and prioritisation
- Resource allocation
- Evaluation of outcomes

3

Stakeholder involvement and engagement

Effective governance ensures active user involvement and co-creation throughout the innovation process

4

Flexibility and adaption to the context

Governance models for Living Labs should be:

- Flexible enough to adapt to changing needs and contexts
- Robust enough to provide stability and continuity

Defining governance models



Guidelines for creating governance models

Defining an effective governance model for a Living Lab involves a structured process that ensures stakeholder engagement, collaboration, and transparency.

👉 Involve diverse stakeholders

Engage representatives from all relevant stakeholder groups.

Clarify what each stakeholder can contribute and their level of involvement.

👉 Create a collaborative environment

Create dedicated spaces for co-creation activities, whether physical facilities, virtual spaces, or a combination of both.

👉 Establish shared goals

Collaboratively define the Living Lab's vision, scope, and objectives. Ensure alignment with local government and decision-makers' support.

👉 Ensure transparency and accountability

Formalise agreements to ensure clarity and commitment. Develop jointly agreed KPIs to measure the effectiveness of governance.

The governance model definition journey

1

Review existing models

- Full public board
- Public-private partnership
- Community based
- Multi-stakeholder partnership
- Project-based
- Cooperatives

2

Establish the vision and scope

- Stakeholders map
- Objectives
- Mission, vision

3

Define the model elements

- Governance model canvas and model elements

4

Create an action plan

- Governance structure
- Implementation plan

5

Continuous monitoring

- Monitor and evaluate

1 Review existing models

Understand and analyse governance models that are already being used, to identify strengths, weaknesses, and applicability to your Living Lab context.

Evaluate how these models align with your lab's goals, local context, and stakeholders.

Five General Governance Models

- **Full public board:** Government-led, with top-down decision-making.
- **Public-private partnership:** Shared leadership between public entities and private organisations.
- **Community-based:** Grassroots-focused with local citizens as decision-makers.
- **Multi-stakeholder partnership:** Inclusive of various sectors (public, private, academic, civil society).
- **Project-based:** Governance tailored for specific, short-term projects.



Full public board

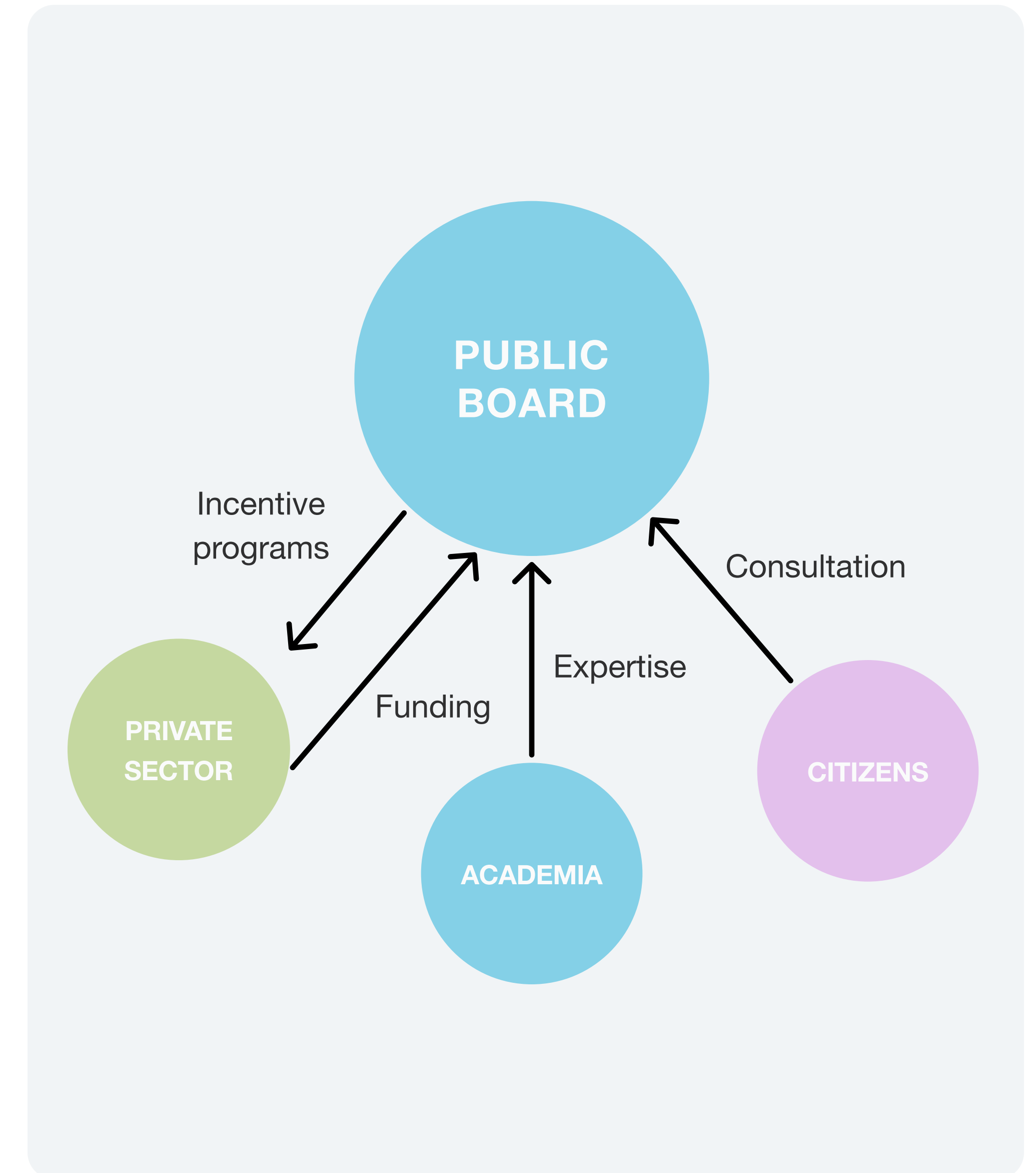
The public board sets the rules for PCED and creates programs to encourage private companies to join and provide funding. It also plans how to involve citizens and coordinates research with universities and research institutions. These rules help promote energy efficiency, zoning regulations, and net metering policies.

Leadership level: Public board consisting of representatives of regional and municipal stakeholders.

Decision-making approach: Top-down, centralised.

Advantages: Clear leadership level that can make decisions based on governmental needs. One point of contact that facilitates meetings, events and develops incentive programs for companies and citizens to participate in consultations. Incentive programs can provide financial incentives, grants, tax credits, or low-interest loans to support PCED projects and attract private investment.

Challenges: Less flexible in making independent decisions for the labs as they are dependent on the structure of the whole institution. Undergoes a more administrative workflow which can impede innovation.



💡 Refer to the governance model canvas of the Full Public Board in the annex

Public-Private Partnership

This model involves collaboration between public sector entities (such as local governments, utilities providers or universities) and private sector organisations (such as energy companies or developers). It allows the sharing of resources, expertise, and risks between public and private entities. The PPP model can provide the necessary funding, technical knowledge, and regulatory support to implement and sustain a PCED.

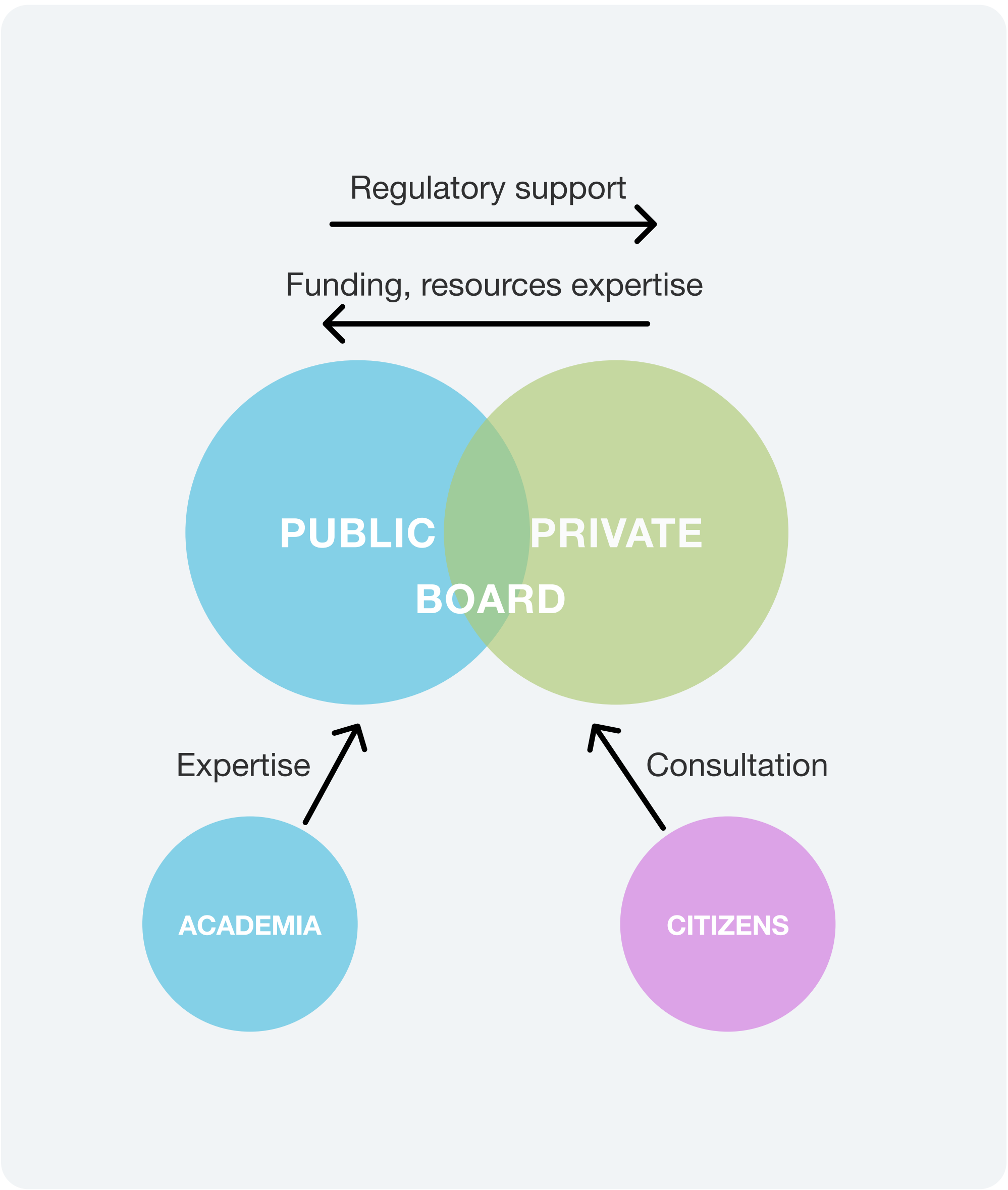
Decision-making approach: Top-down

Leadership level: Board of public and private stakeholders

Advantages: Quick decision-making with a focus on technical innovation and financial sustainability of the lab. Since resources are being shared, in addition to expertise additional income streams to public financing can be accessed.

Disadvantages: Since the decision-making lies solely with the board of public and private partners, not all four stakeholder groups have equal say in the decisions.

💡 Refer to the governance model canvas of the Public-Private Partnership in the annex



Community based governance

In this model, local communities lead the planning, decision-making, and implementation of PCED. Community organisations, residents, businesses, and other stakeholders collaborate to set goals, priorities, and strategies for energy sustainability. This community-based governance fosters local ownership, engagement, and empowerment, enhancing social acceptance and support for PCED initiatives.

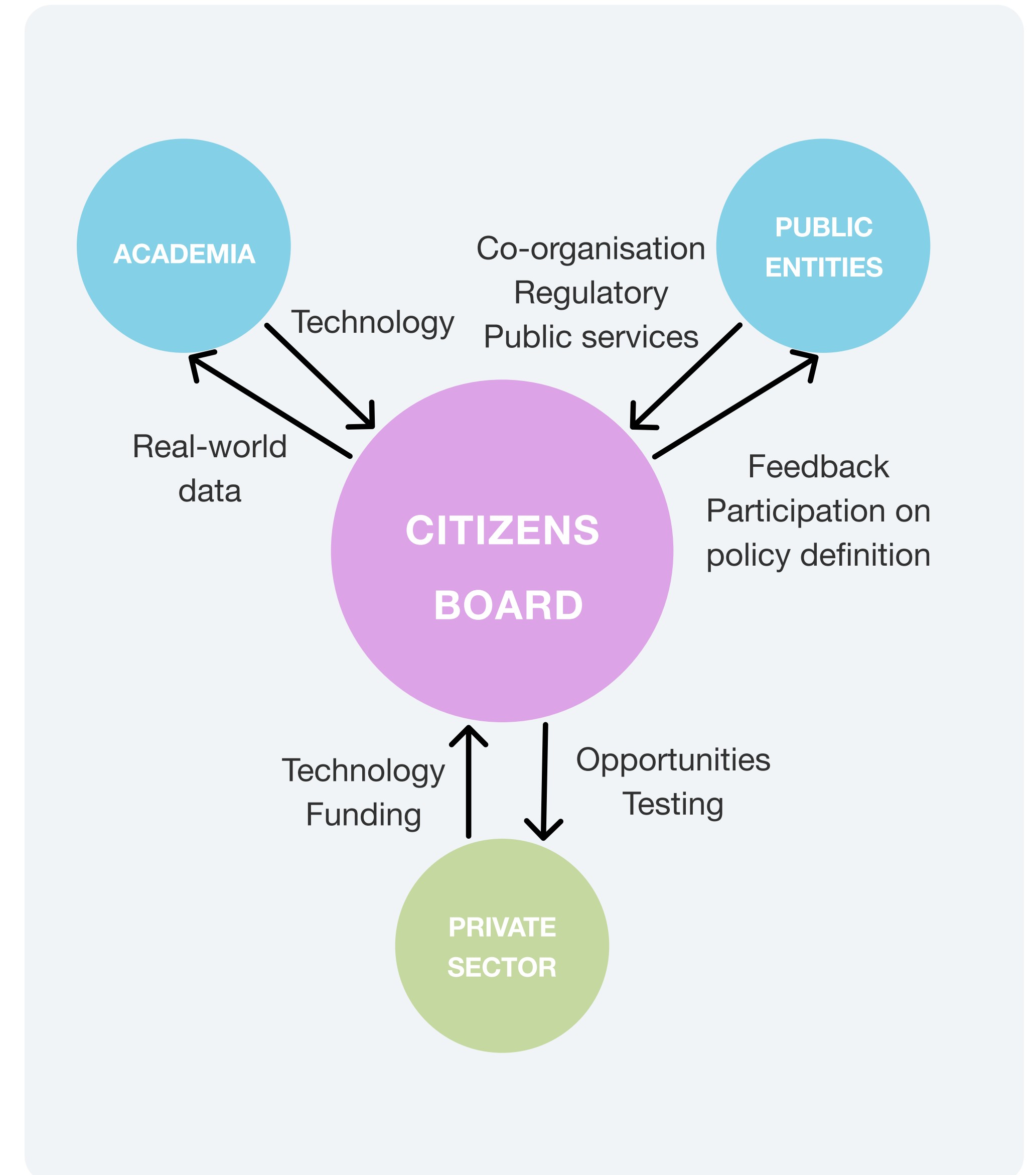
Leadership level: Communities - citizens and small local businesses

Decision-making approach: Bottom-up, decentralised

Advantages: This approach addresses the diverse needs of the local community and fosters local ownership of PCED solutions and initiatives. Engaging local businesses and residents also supports the growth of local capital and financial models.

Disadvantages: Decentralised decision-making can lead to longer, less coordinated processes. Additionally, fostering long-term commitment among stakeholders can be challenging without clearly defined leadership.

💡 Refer to the governance model canvas of the Community based governance in the annex



Multi-Stakeholder Partnership

This model represents partnerships among diverse stakeholders, including government, businesses, academia, NGOs, and community groups. It involves all stakeholders from the quadruple helix in decision-making, bringing unique perspectives, resources, and capabilities. These partnerships promote collaboration, innovation, and collective action to address complex challenges, aligning with the ideal of a Living Lab.

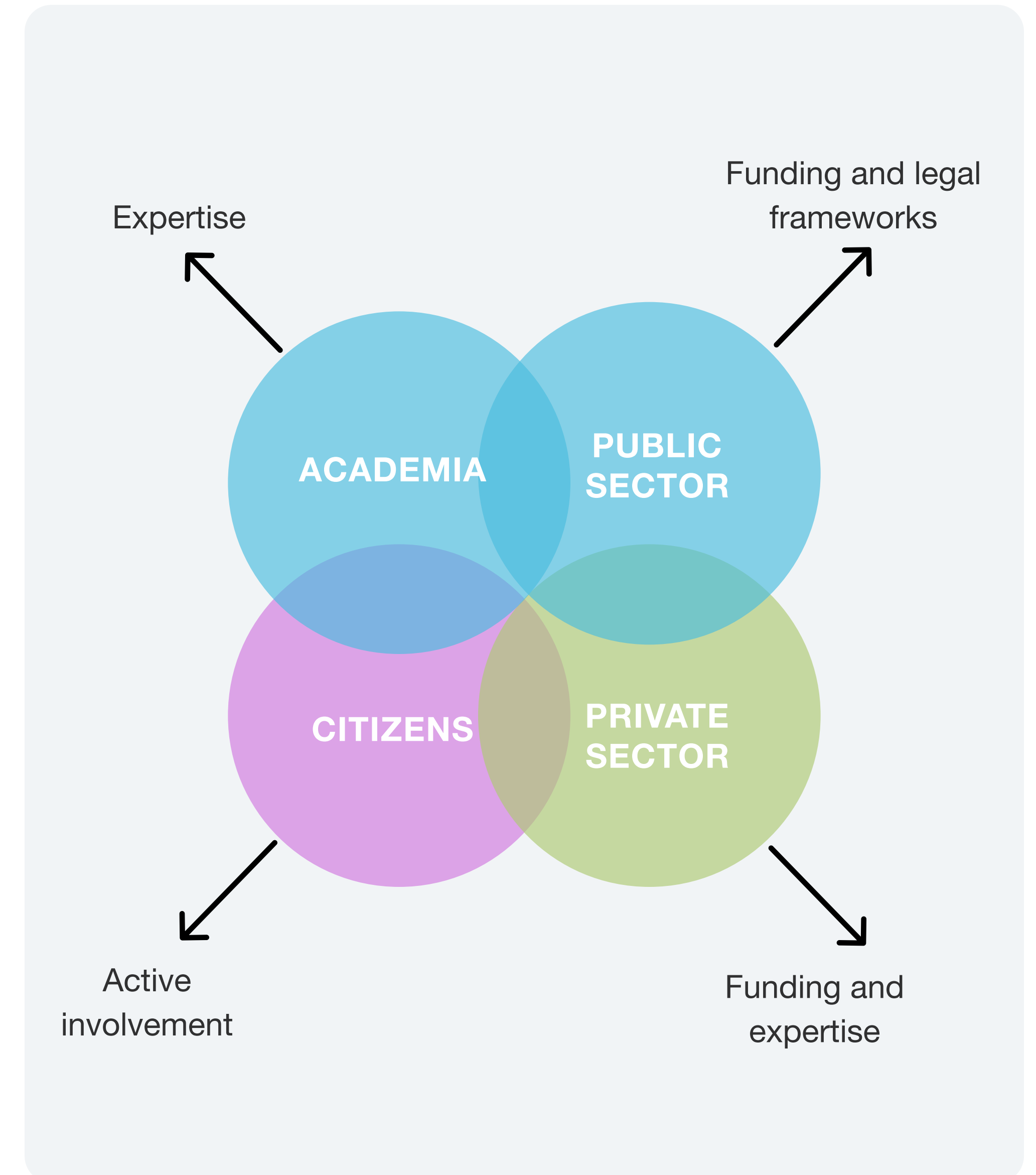
Decision-making approach: Horizontal, centralised

Leadership level: Steering committee representing the four stakeholder groups. It makes decisions based on frequent exchanges with the working groups.

Advantages: All stakeholders are equally involved in the activities and decision-making processes of the PCED. They contribute their expertise to drive innovation while respecting local circumstances.

Disadvantages: Equal involvement of all stakeholders requires time to build trust and strong relationships, as they may have varying interests in the PCED. Therefore, prioritising conflict resolution and strong mediation strategies is essential.

💡 Refer to the governance model canvas of the Multi-Stakeholder Partnership governance in the annex



Project-Based Governance

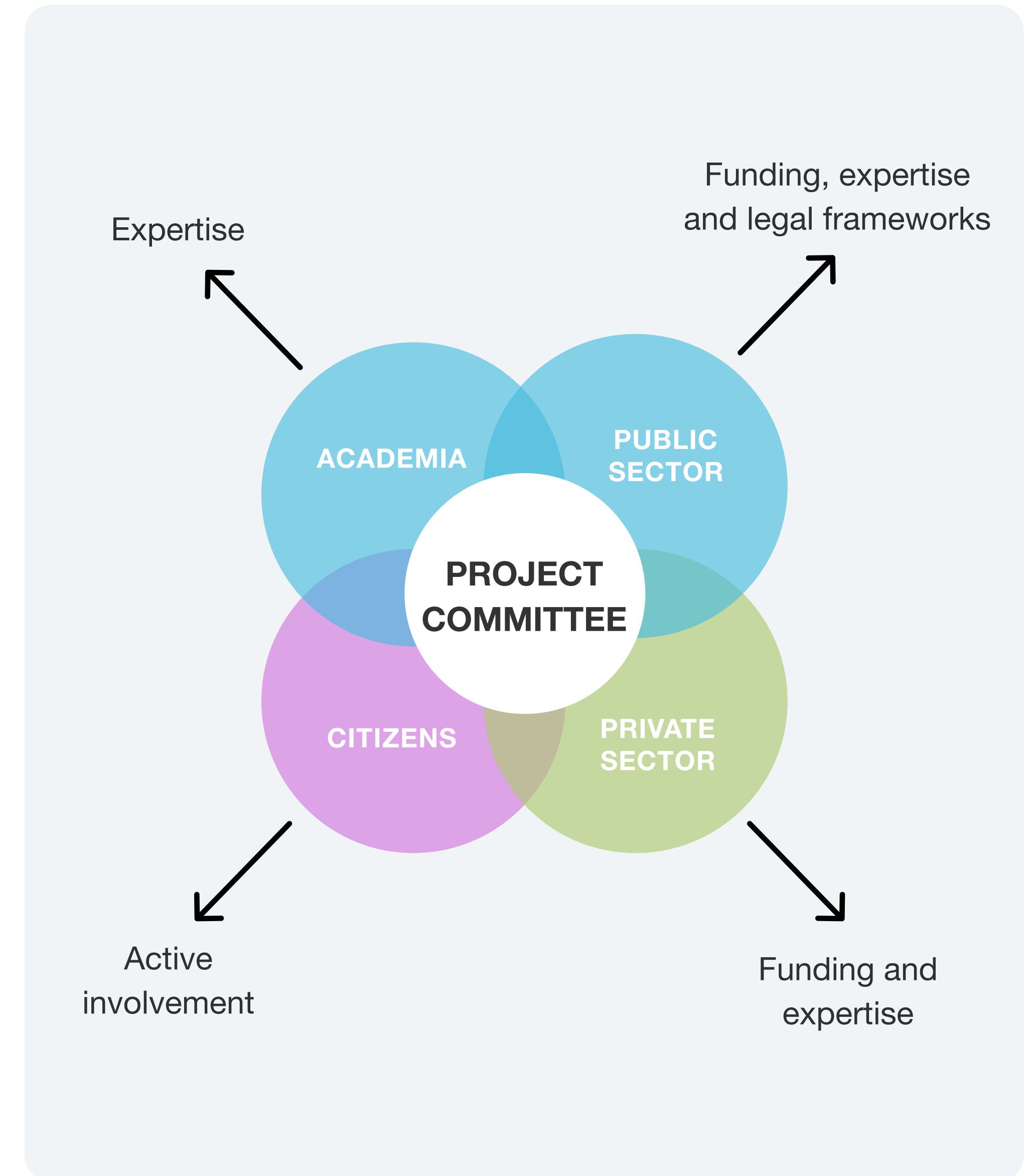
A bottom-up approach starts with citizens and focuses on end-user needs. Projects in various PCED areas involve residents, local businesses, public institutions, academia, and municipalities. These projects build long-term trust and relationships among stakeholders, setting goals and improving trust early in the Living Lab. This approach can evolve into a formal governance model.

Decision-making approach: Horizontal, decentralised

Advantages: High level of citizen involvement making the potential for long-term local changes more viable. The activities of the lab and PCED are tailored to citizens' needs and visions for their neighbourhoods. Moreover, the focus on local projects can strengthen the local community including businesses.

Disadvantages: The initial stages of projects need time to build trust and establish processes. Early participant commitment can vary, requiring coordination through institutions like universities or schools. Streamlining processes and actions can also be challenging.

💡 Refer to the governance model canvas of the Project-based governance in the annex



2 Establish the vision and scope

Prior to developing a Governance Model, it is essential to have clarity on the purpose of the Living Lab. To build a shared understanding of the lab's purpose, goals, and boundaries, start by defining its vision and mission. Begin by identifying potential stakeholder groups and understanding their interests and potential contributions. Try to get an understanding of the potential objectives, identify these objectives for the lab, and prioritize them. This will help you define the vision and mission. The vision should be a broad, long-term aspiration, while the mission should focus on specific, actionable tasks.

Methods

- Stakeholder mapping
- Setting objectives
- Vision and mission - Simon Sinek's Golden Circle



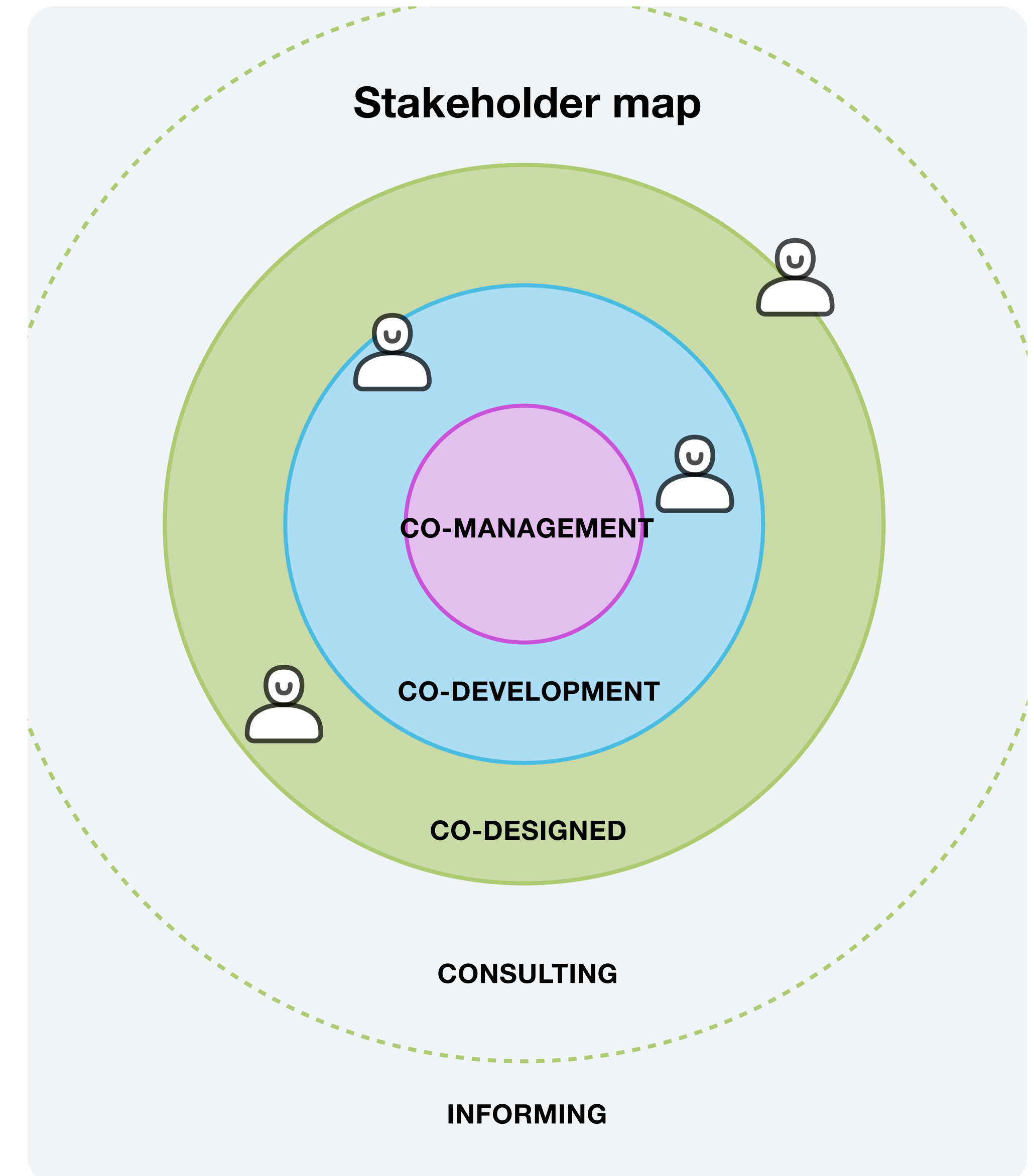
Stakeholder mapping

The first step of the process focused on gaining a comprehensive understanding of the different types of stakeholders needed and their motivations for participating in the lab.

👉 Identify potential types of stakeholders

👉 Place them in a Stakeholder map canvas

- Identify your stakeholders according to their stakeholder type
- Write down separately their names on sticky notes
- Position each stakeholder/sticky note according to your understanding about their role and engagement level:
 - **Co-management:** Active collaboration and shared decision-making between stakeholders and project managers.
 - **Co-development:** Stakeholders work with the project team to develop and implement solutions, engaging in all project stages.
 - **Co-design:** Stakeholders participate early in the design process to define challenges and develop solutions.
 - **Consulting:** Soliciting feedback from stakeholders, with the expectation that it will be considered for project changes.
 - **Informing:** Keeping stakeholders updated on the project's progress and outcomes.



Stakeholder mapping

Once a high-level understanding of the potential stakeholders involved in the Lab is gathered, the next step is to assess their level of importance for the Lab. Identify their needs and motivations to determine the objectives.

👉 **Stakeholder categorisation**

From each stakeholder group identified, try to assess the following:

- Power / influence in the project initiative or solutions (high, low)
- Interest in the project’s initiative or solutions (high, low)
- Possible role in the Living Lab (co-management, co-development, co-design, consulting, informing)

👉 **Refine the stakeholder map following the stakeholder categorisation**

👉 **Identify challenges and opportunities** through consultations and participatory processes (surveys, workshops, brainstorming sessions) identify:

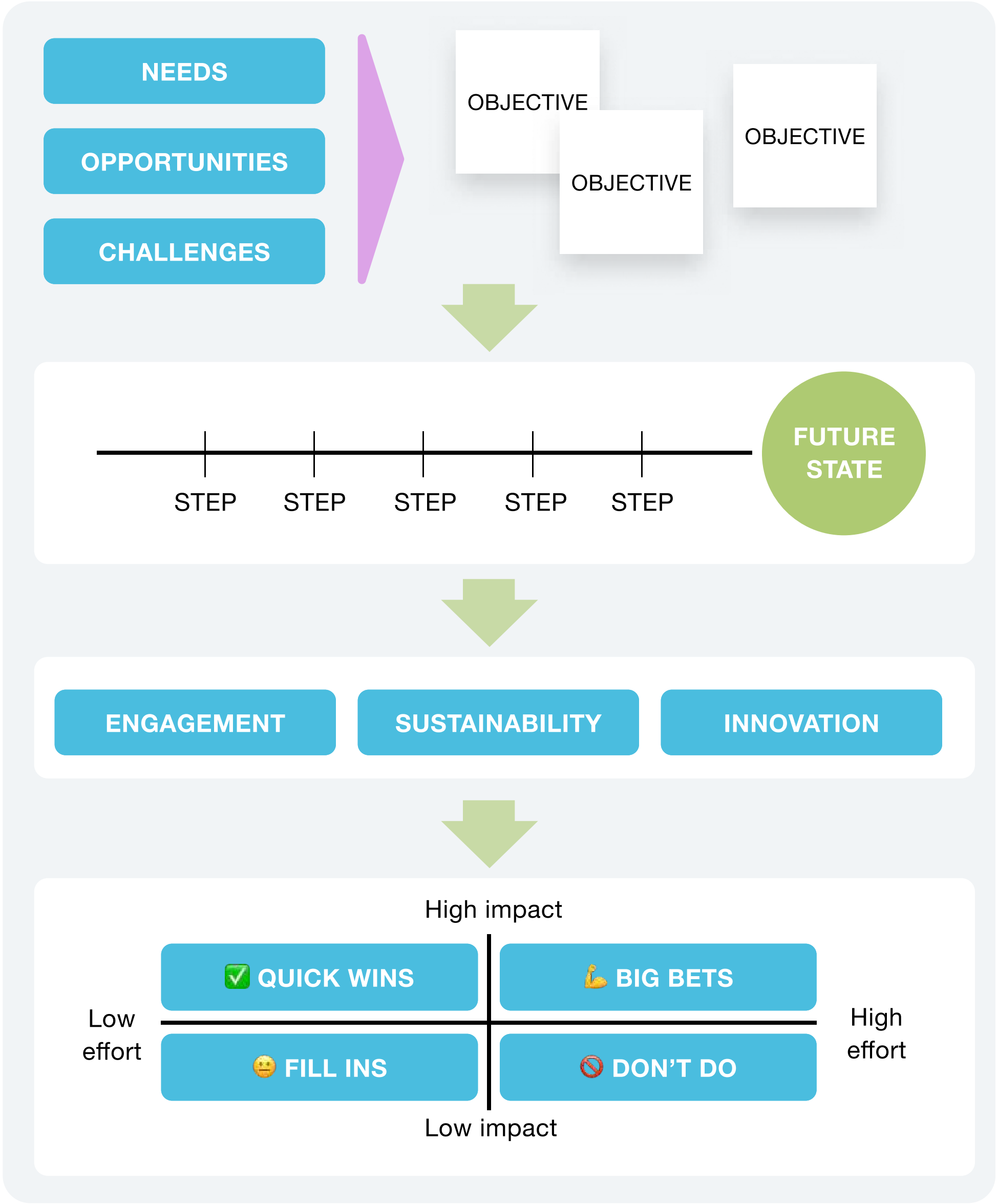
- Their needs and priorities.
- Opportunities they see for the lab.
- Challenges they think the lab should address.

Stakeholder type	STAKHOLDER 1	STAKHOLDER 2	STAKHOLDER 3
Power/ influence			
Interest in the project			
Potential role in the Living Lab			
Consultations and participatory processes (surveys, workshops, brainstorming sessions...)			
Needs and priorities			
Opportunities			
Challenges			

Setting objectives

Identifying objectives in the process of defining the vision and mission for a Living Lab requires a structured approach that balances stakeholder input, the lab’s purpose, and measurable outcomes.

- 👉 **Host workshops** where stakeholders brainstorm and vote on key objectives
- 👉 **Address needs, opportunities and challenges** identified in the local context analysis
- 👉 **Brainstorm objectives based on the future vision**
 - Co-create the ideal future state and identify steps (objectives) to reach that state
- 👉 **Categorise objectives**
 - Citizen engagement
 - Sustainability
 - Innovation ...
- 👉 **Prioritise objectives**
 - Use a prioritisation matrix to evaluate objectives based on impact and effort to achieve the objectives.



Mission and vision

Ensure to set the vision and mission for the Lab, to have a clear positioning of the Lab compared to other local initiatives and to allow all stakeholders to have a common vision. A potential framework to use is the Golden Circle model from Simon Sinek.

Recommended steps:

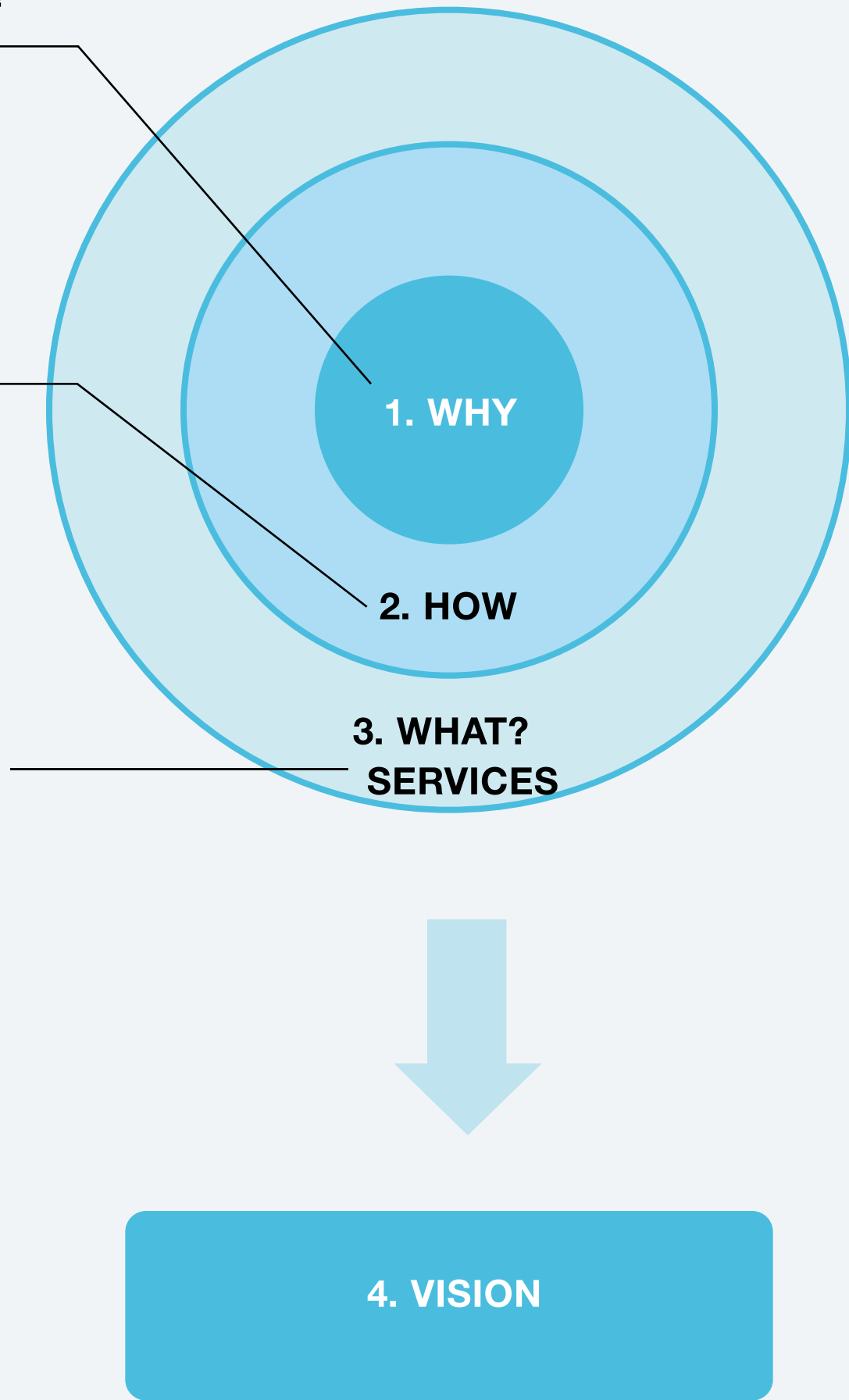
- 👉 **Mission:** The mission defines the “why” of an organisation and the very reason it has been set up. Answer the question on why the Lab should exist, as well as, why stakeholders and citizens should join.
- 👉 **Values:** The values are important principles, beliefs, ways of behaving and seeing the world that connect everyone. They represent how the organisation works.
- 👉 **Services:** The services represent events and activities that the organisation offers to clients/citizens who can buy or subscribe to them. Identify the type of activities and events to propose and see in the Lab.
- 👉 **Vision:** The vision is a purposefully ambitious statement of where the organisation wants to be in the future.

- Why should the Lab exist?
- Why would stakeholders join?
- Why should citizens joining?

- What are the main principles of the lab?
- What are its beliefs?
- Why climate neutrality is important?

- What are the main principles of the lab?
- What are its beliefs?
- Why climate neutrality is important?

- How do you see the Lab at the end of the project?
- Wouldn't be fantastic if at the end of the project the lab....?



3 Define the model elements

It's time to identify and define the elements of your Governance model, always keeping in mind the objectives of your Living Lab. Remember that the governance model aims to realise the mission and vision of the Living Labs. Use this opportunity to collaborate with the involved stakeholders to identify the needs for the lab's strategy and operations. Keep in mind that the Governance you define today is related to the short-term context and may evolve over time as the objectives of the lab and projects develop.

Methods

- Governance Model Canvas



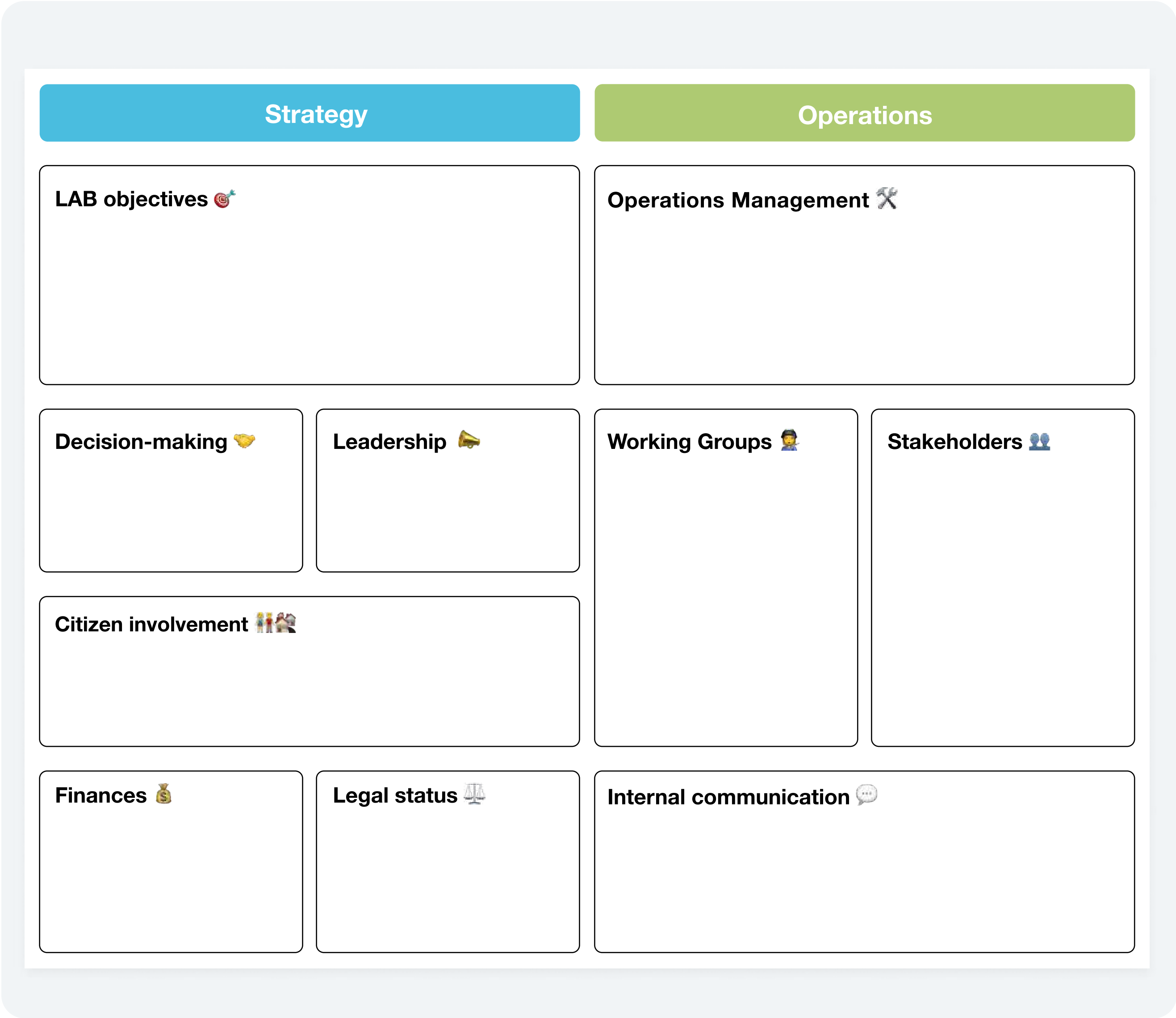
Governance Model Canvas

Use the Governance Model Canvas to outline and design core components of the governance model.

💡 Check governance model elements description to fill the canvas

You can add new categories or modify the canvas if needed:

- Rewrite the Lab objectives and keep those as a North Star to define the strategy and operations for your lab
- Start with the strategy side, identify potential answers for each element and see which ones align better with your objectives
- You can use other tools to complement this activity like the Business Model Canvas for identifying Finances or Stakeholder mapping



Governance models elements

Strategy

Focus on setting the overall direction and ensuring alignment with the mission and vision.

- Decision making approach
- Leadership
- Citizen involvement
- Finances
- Legal status

Operations

Focus on the day-to-day functioning and execution of the strategy.

- Management
- Working groups
- Stakeholders role
- Internal communication

Strategy Decision making approach 🤝

A structured decision-making process ensures the effective implementation of the strategic objectives of the Living lab. Depending on the local context the decision-making can take several forms.

- 👉 Who can make decisions?
- 👉 How are decisions taken?

Decision-making approach (the who)

- Top-down: Decisions are taken by an administrative body usually an institution or municipality.
- Bottom-up: This approach aims to include people who ordinarily have less power and direct influence on decision-making e.g. citizens and local communities.
- Horizontal: Decisions are being made across all stakeholders equally.

Decision-making process (the how)

- Centralised
- Decentralised

Strategy Leadership

The leadership defines the strategy closely following the mission and vision of the lab. This level can be comprised of different stakeholders and different management forms. Depending on the decision-making approach working groups might also inform leadership.

- 👉 Who is the lead?
- 👉 Who is initiating?
- 👉 How is leadership organised?

Public board – led by public entities. It makes decisions for the lab without involving other stakeholders

Public-private board - led by public entities and private companies. The board makes decisions for the lab without involving other stakeholders.

Steering committees – involves stakeholders beyond the committee in decision making e.g. the working groups, resident votes etc.

Project committees – each committee leads a specific project in the PCED and makes decisions for this sub-project.

Strategy Citizen involvement

Following the quadruple helix principle, Living Labs work best when all four stakeholder groups are equally integrated into the work. However, in practice, engaging citizens in the lab activities can be challenging. Developing strategies for citizen involvement is beneficial to the mission and longevity.

- 👉 How are citizens involved in lab activities?
- 👉 Where are citizens placed in the governance?
- 👉 Can they make decisions?

- **Citizens' initiative:** citizens are the main drivers of the actions within the Living Labs. They initiate and manage most of the operational and strategical side.
- **Citizen-centred:** citizens are indirectly involved in the decision-making and their needs are being prioritised.
- **Citizen consultation only:** citizens are not actively forming part of the planning and decision-making of the lab but can be part of consultations.
- **No citizens' involvement:** citizens are periodically updated about the lab activities. They do not form an active part of the labs.

Strategy Finances

💡 Consider creating a Business Model co-creation session to define this section

The management of finances includes a long-term strategy on how existing money is managed, how financial decisions are being made and how the financing is secured in the long term.

- 👉 From where are funds for the lab coming?
- 👉 Who is managing the lab money?
- 👉 What are future funding opportunities?

Management

- Board manages finances
- Shared management of finances by lab stakeholders
- Co-management of finances between leadership and working groups.
- Management of finances by a specific partner (e.g. university, city)

Funding

- Public funds
- Private funds
- Public-private funds

Long-term financing

- Development of market solutions
- Incentivising private investors
- Winning public funding

Strategy Legal status

Living Labs do not require a legal status under which they operate, especially in their initiation phase. However, as the labs grow and become formalised, a legal status can help to make decisions, comply with regulations and work on the growth of the lab, for example when applying for funding.

- 👉 Do we need a legal status?
- 👉 What kind of legal entity suits our work the best?

- No legal status - the lab has no won legal status. It takes on the form of a consortium that is hosted by a pre-existing institution (e.g. city, university, school)
- Registered Association or non-profit organisation
- Joint-venture - a registered legal enterprise between two parties, for example a public and private
- Co-operative - brings together multiple organisations with shared interests in developing and operating the PCED

Operations Management

💡 The elements of these sections will help you define the governance structure

Living Labs do not require a legal status under which they operate, especially in their initiation phase. However, as the labs grow and become formalised, a legal status can help to make decisions, comply with regulations and work on the growth of the lab, for example when applying for funding.

- 👉 Who is managing the operations?
- 👉 Which tasks have to be performed to keep the lab running?

- Operations manager for the whole lab
- Development and implementation of operations by working group
- Operations managers for each working group

Operations Working groups

Working groups or task forces are essential in the operations of the PCEDs and are the heart of the Living Labs. The groups organise and execute the lab activities.

👉 How are working groups organised?

👉 On which areas of the labs do the groups focus?

- Thematic working groups - groups focus on topics e.g. financing, planning or technical implementation
- Geographic working groups - groups are grouped by PCED location e.g. a specific neighborhood or site
- Project working groups - groups are organised based on local mini projects

Operations Stakeholders

💡 You can review your Stakeholder Map to define this section

Working groups or task forces are essential in the operations of the PCEDs and are the heart of the Living Labs. The groups organise and execute the lab activities.

- 👉 How are the four stakeholder groups involved in the PCED?
- 👉 What are their roles, activities and responsibilities?

- Financial contributions
- Contributing through expertise
- Contributing with time
- Contributing through other resources (e.g. meeting rooms, equipment)

Operations Internal communication

Internal communication focuses on how lab members are communicating with each other. Having a defined way of communication and standards can improve communication and make it a priority within the lab.

- 👉 How are we talking to each other?
- 👉 How often should we meet?
- 👉 How do we communicate progress and issues?

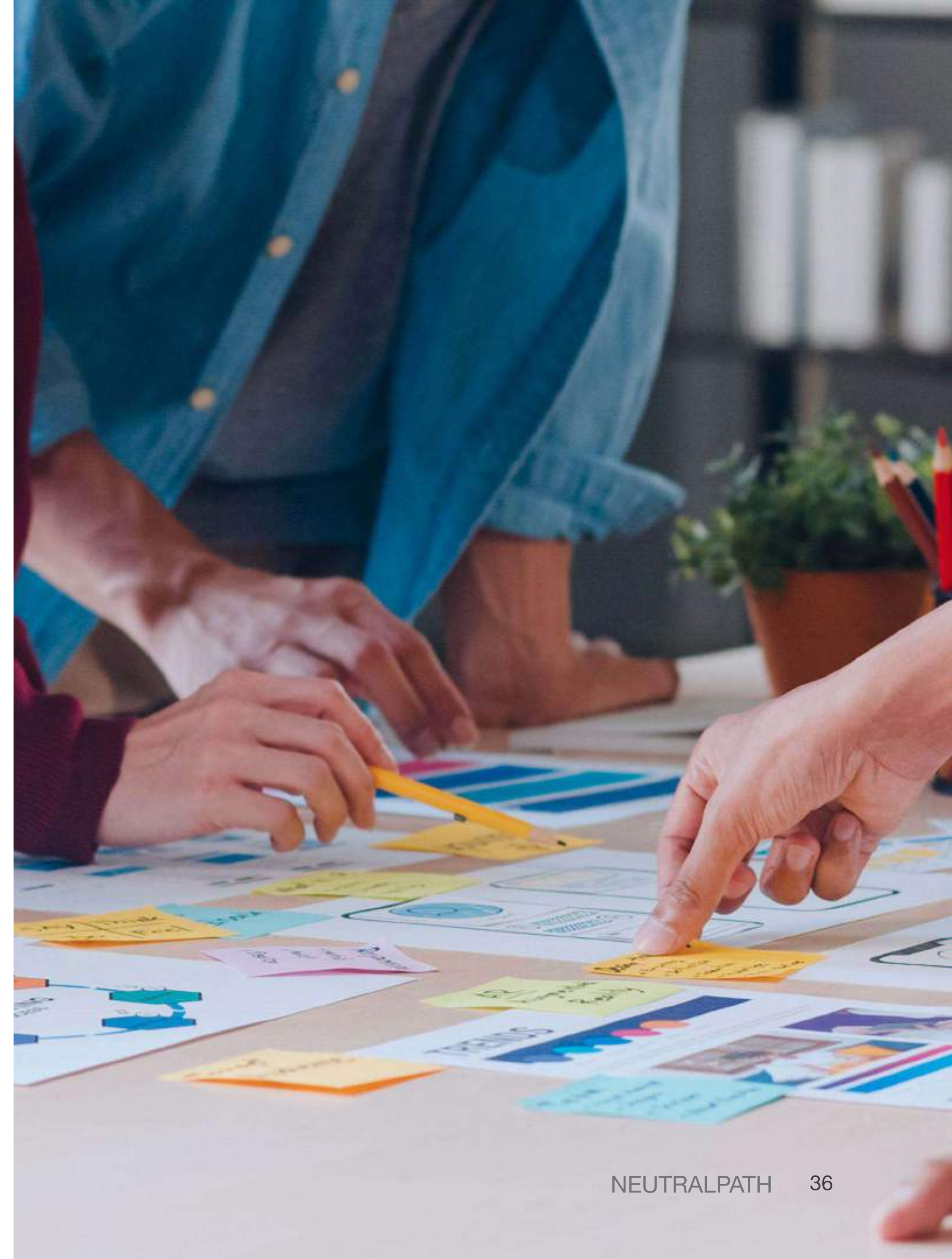
- Online meetings
- In-person meetings
- Workshops
- Working seminars

4 Create an action plan

The action plan involves transitioning from design to implementation with clear steps, timelines, and responsibilities. At this point, we can define the governance structure, which refers to the framework of project management, especially regarding rules, procedures, roles, and the division of responsibilities within the decision-making process. Hence, it is a step further in developing the operational elements of the Governance Model Canvas.

Methods

- Governance structure
- Implementation plan



Governance structure

Defining the governance structure involves bringing the governance framework into actual roles and responsibilities, as well as reporting lines and coordination principles.

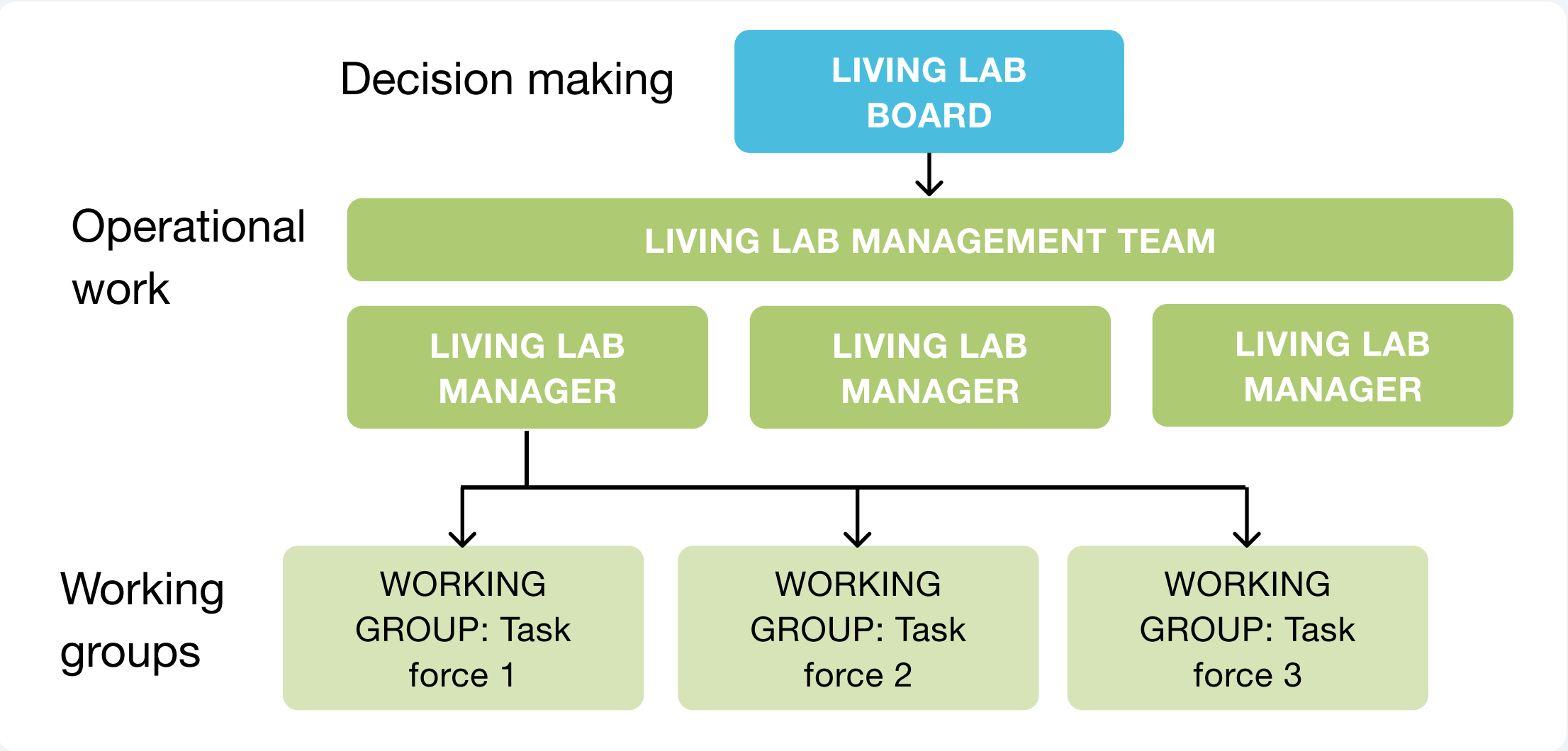
👉 **Defining bodies and reporting lines.**

- Define decision making bodies: Steering committee, advisory board
- Operational Team: Day-to-day management and coordination of communication, tasks...
- Citizen panels or groups: Provide input and represent community interests.
- Working Groups: Address specific topics or projects (technical solutions, climate investment..., etc.)

👉 **Identify roles** within each body

👉 **Assign responsibilities** to each role

Structure



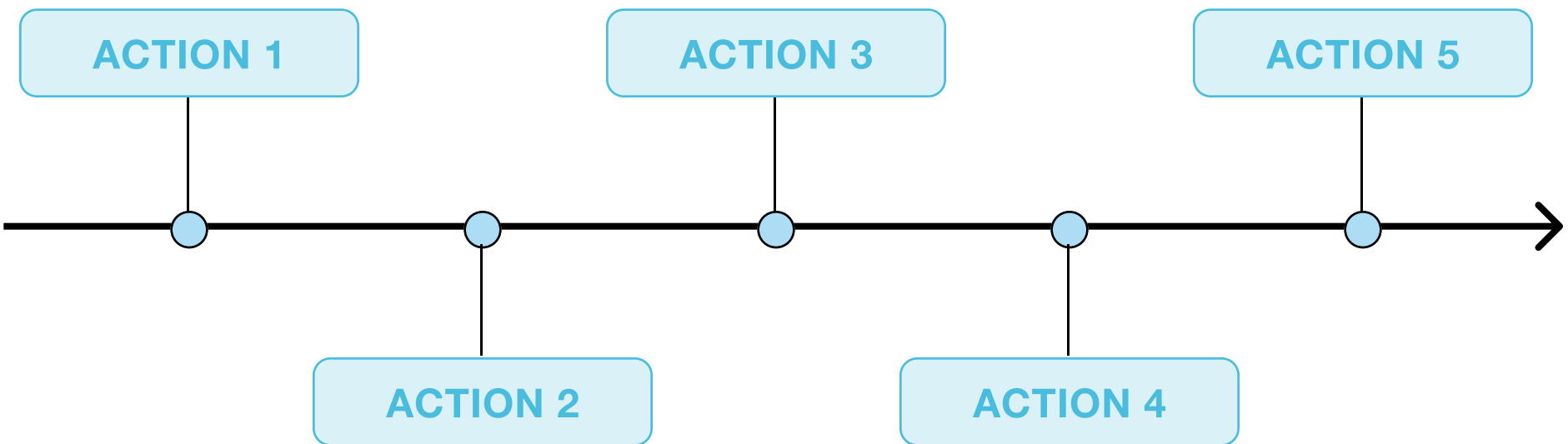
Roles and responsibilities

Governance body	Living Lab Role	Description of responsibilities	Person
Lab management team	Lab manager	Manages everyday practices of the lab, is a front-person, develops lab projects, ensures the lab is maintained and used by intended users. It manages the task forces.	Name Last name

Implementation plan

Creating an implementation plan for a governance model involves translating the governance model elements into actionable steps, defining timelines, roles, and resources, and ensuring stakeholder alignment

- For each element of the Governance Model Canvas, outline specific actions
- Prioritise actions, set timelines and milestones creating a short, medium and long-term roadmap.



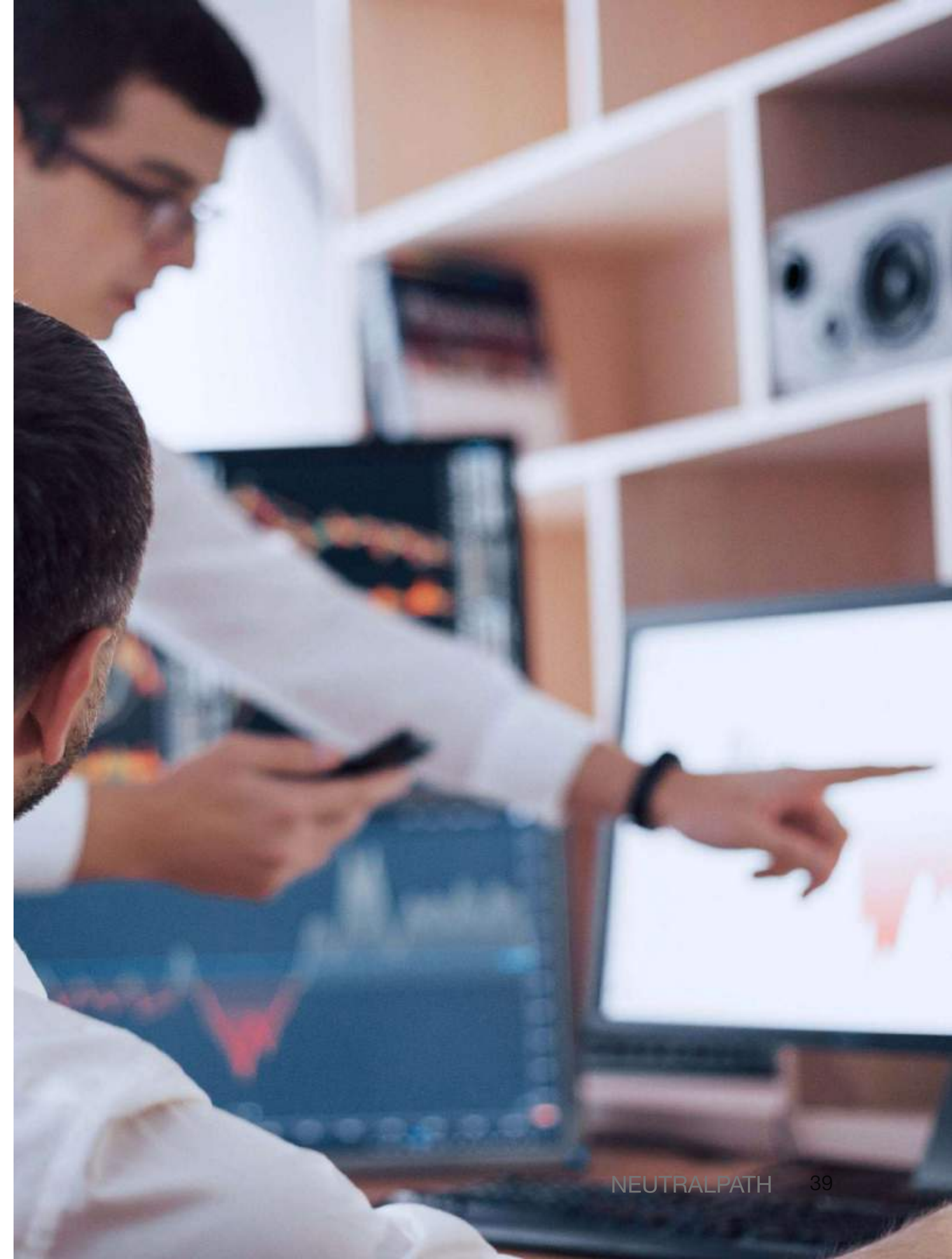
Strategy		Operations	
LAB objectives 🎯 👉 Brainstorm actions to achieve those objectives and identify people or organisations that could lead those actions		Operations Management ⚙️ 👉 Appoint an operations management team and define their tasks to ensure the effective management of the lab	
Decision-making 🤝 👉 Develop procedures (voting, consensus...), guidelines and conflict resolution	Leadership 🗣️ 👉 Appoint leadership roles (e.g., steering committee, advisory board)	Working Groups 👤 👉 Identify focus areas (e.g., thematic topics or operational tasks). Recruit members and define roles and responsibilities for each group.	Stakeholders 👥 👉 Define stakeholder engagement and communication actions.
Citizen involvement 🧑🏠 👉 Design citizen involvement processes (e.g., panels, forums, workshops, surveys)			
Finances 💰 👉 Identify funding agreements and budget allocations	Legal status ⚖️ 👉 Register the legal entity if required.	Internal communication 💬 👉 Set up tools for internal and external communication (e.g., Slack, newsletters). Define frequency and format for updates.	

5 Continuous monitoring

To ensure the governance model remains effective, inclusive, and responsive to changes, continuous monitoring and review are essential. This involves defining Key Performance Indicators (KPIs) to measure success, establishing feedback mechanisms to gather regular input, and conducting periodic evaluations to assess objectives and processes. Adaptations should be made in response to evolving needs, new opportunities, or changes in context. Creating a Monitor & Evaluation framework for transparency, documenting learnings, fostering a culture of reflection, and leveraging external evaluators are also crucial steps in maintaining and improving governance practices.

Methods

- Monitor & Evaluate framework



Monitor & evaluate framework

With your Living Lab ready to launch, you will need a plan to track its effectiveness. The key is to identify indicators that align with your objectives, mission, and vision. A Monitoring & Evaluation (M&E) Framework will outline how to track the Lab's effectiveness. The worksheet will help you start with a basic M&E approach, including key indicators and data gathering methods.

- From higher strategic objectives, identify indicators to measure your desired **outputs** (direct activities, products and services produced by the project) and **outcomes** (the changes or benefits resulting form these outputs).
- Work on the rest of the columns to identify how the data will be collected. If needed, adjust the indicators based on feasibility.
- Outcomes can take time, so set realistic timelines for when certain results can practically be observed.
- Assess what is the best suited team for the data collection and evaluation in practice.

OUTPUT / OUTCOME	OUTPUT 1	OUTPUT 2	OUTCOME 1
INDICATOR	Conduct 20 energy efficiency workshops		
DATA SOURCE How will it be measured?	Workshop attendance records		
FREQUENCY How often will it be measured?	Quarterly		
BASELINE What is the current value?	5 workshops conducted		
TARGET What is the target value?	20 workshops within 1 year		
RESPONSIBLE Who will measure it?	Name / last name		

Source: Design Kit - IDEO

Conclusions & takeaways



Challenges and successful strategies

If you are at this point, you now understand that effective governance is crucial for the success of sustainable energy projects, especially in the creation of PCEDs. However, throughout the process, we have encountered some challenges and identified successful strategies for implementing effective governance models.

Common challenges

- **Lack of pre-established governance models:** Projects often lack formally developed governance models, making coordination and decision-making difficult.
- **Administrative complexity:** Bureaucratic processes and decentralised administrative structures can slow down project implementation.
- **Financial sustainability:** Securing long-term funding to maintain the labs and PCED initiatives is a constant challenge.
- **Citizen engagement:** Meaningfully involving citizens in decision-making and encouraging their active participation can be difficult.
- **Effective communication:** Establishing clear and transparent communication channels among stakeholders is essential to avoid misunderstandings and conflicts.

Successful strategies

- **Co-creation and collaboration:** Involving multiple stakeholders early, including citizens, businesses, academia, and government.
- **Horizontal decision-making:** Promoting that all stakeholders have a voice and vote to foster collaboration and ownership.
- **Context-specific approach:** Adapting governance models to the unique needs and contexts of each location.
- **Incentives for participation:** Offering financial (grants, tax credits) and non-financial (decision-making power) incentives.
- **Flexible governance:** Adapting to changing circumstances.
- **Transparent communication:** Keeping open communication to build trust and support.
- **Monitoring and evaluation:** Regularly assessing and adjusting the governance model for effectiveness.

Lessons learned

The lessons learned from NEUTRALPATH can serve as a valuable guide for other cities seeking to implement effective governance models for their clean energy initiatives.

- 👉 Planning governance from the start of the project is crucial to avoid later problems.
- 👉 Flexibility, communication, and collaboration are key to the success of governance models.
- 👉 Effective citizen participation requires specific strategies tailored to local needs.
- 👉 Long-term financial sustainability requires exploring various funding mechanisms, including private sector involvement.
- 👉 Learning from the experiences of other cities and projects can provide valuable lessons for implementing effective governance models.



Annex



Governance Model Canvas

Strategy		Operations	
LAB objectives 🎯		Operations Management 🛠️	
Decision-making 🤝	Leadership 📢	Working Groups 👤	Stakeholders 👥
Citizen involvement 🧑🏠			
Finances 💰	Legal status ⚖️	Internal communication 💬	

Full public board

Defining elements



Strategy

LAB objectives 🎯

- Sets regulatory frameworks for PCEDs
- Creates incentive programs for private companies
- Develops engagement strategies for research and citizen involvement

Decision-making 🤝

- Top-down
- Centralised

Leadership 📢

- Public Board

Citizen involvement 🧑🧑🏠

- Citizen consultation only
- No citizens' involvement

Finances 💰

- Public funds
- Board manages finances
- Incentivising public funders

Legal status ⚖️

- No legal status

Operations

Operations Management 🛠️

- Operations Manager
- Operations Managers for each working group

Working Groups 🧑

- Thematic groups
- Geographic groups
- Project groups

Stakeholders 👤

- Private sector: contributes through funding and expertise
- Academia contributes technical expertise
- Citizens participate in events or consult

Internal communication 💬

- Online meetings
- In-person meetings
- Workshops
- Working seminars

Public-private partnership

Defining elements

Strategy

LAB objectives 🎯

- Collaboration between public and private sector to make PCEDs economically viable.

Decision-making 🤝

- Top-down
- Centralised

Leadership 📢

- Public-Private Board

Citizen involvement 🧑🏠

- Citizen consultation only
- No citizens' involvement

Finances 💰

- Public and private funds
- Board manages finances
- Development of market solutions

Legal status ⚖️

- No legal status
- Joint-venture

Operations

Operations Management 🛠️

- Appointed operations managers
- Operations manager for each working groups

Working Groups 🧑

- Thematic groups
- Geographic groups
- Project groups

Stakeholders 👥

- Private sector: contributes through funding and expertise
- Academia contributes technical expertise
- Citizens participate in events or consult

Internal communication 💬

- Online meetings
- In-person meetings
- Workshops
- Working seminars

Community based governance

Defining elements



Strategy

LAB objectives 🎯

- Fostering local ownership, engagement, and empowerment to achieve support and acceptance of PCED initiatives

Decision-making 🤝

- Bottom-up
- Decentralised

Leadership 📢

- Steering committee of citizens and local SMEs

Citizen involvement 🧑🧑🏠

- Active citizen involvement
- Main decision makers

Finances 💰

- Public and private funds
- Shared management
- Winning public funding

Legal status ⚖️

- No legal status
- Co-operative
- Registered non-profit

Operations

Operations Management 🛠️

- Operations manager for the whole lab
- Development and implementation of operations by working group
- Operations managers for each working group

Working Groups 🧑

- Thematic groups
- Geographic groups
- Project groups

Stakeholders 👤

- Municipalities provide funding and co-organise local activities
- Academia advises on technology and organisation

Internal communication 💬

- Online meetings
- In-person meetings
- Workshops
- Working sessions

Multi-stakeholder partnership

Defining elements

Strategy

LAB objectives 🎯

- Promoting collaboration, innovation, and collective action to address complex energy challenges
- All four stakeholder groups are actively involved

Decision-making 🤝

- Bottom-up
- Steering committee

Leadership 📢

- Steering committee of four stakeholder groups

Citizen involvement 🏠👥

- Citizens are part of steering committee
- Active citizen involvement

Finances 💰

- Public project funding
- Shared management
- Incentivising private investors
- Winning public funding

Legal status ⚖️

- No legal status
- Co-operative
- Consortium

Operations

Operations Management 🛠️

- Operations manager for the whole lab
- Development and implementation of operations by working group
- Operations managers for each working group

Working Groups 👤

- Thematic groups
- Geographic groups
- Project groups

Stakeholders 👥

- Academia contributes through expertise
- Private sector contributes through funding and expertise
- Municipalities contribute through funding, expertise and legal frameworks
- Citizens contribute time, expertise and other resources

Internal communication 💬

- Online meetings
- In-person meetings
- Workshops
- Working seminars

Project-based governance

Defining elements



Strategy

LAB objectives 🎯

- Build long-term trust and relationships between the stakeholders in the form of local projects with set goals for the PCEDs.

Decision-making 🤝

- Bottom-up
- Decentralised

Citizen involvement 🧑🏠

- Citizens' initiative
- Citizen-centred

Finances 💰

- Public and private funds
- Shared management
- Winning public funding

Leadership 📢

- Project committees, can represent the four stakeholder groups

Legal status ⚖️

- No legal status
- Registered non-profit
- Co-operative

Operations

Operations Management 🛠️

- Development and implementation of operations by working group
- Operations managers for each working group

Working Groups 🧑

- Geographic groups
- Project groups

Internal communication 💬

- Online meetings
- In-person meetings
- Workshops
- Working sessions

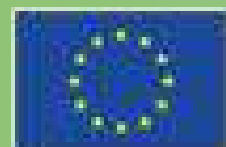
Stakeholders 👥

- Academia contributes through expertise
- Private sector contributes through funding and expertise
- Municipalities contribute through funding, expertise and legal frameworks
- Citizens contribute time, expertise and other resources

Glossary

PCED	Positive and Clean Energy Districts are urban areas designed to achieve a net-positive energy balance, meaning they generate more renewable energy than they consume.	Co-creation	A process in which multiple stakeholders actively participate in the design and implementation of a project from its initial stages.
Living Lab	User-centred, open innovation ecosystem that integrates research and innovation in real-life settings through collaboration among citizens, researchers, companies, and government agencies.	Climate neutrality	In the context of Positive and Clean Energy Districts (PCEDs), climate neutrality means achieving a balance between greenhouse gas emissions and their removal through carbon sinks. PCEDs aim for net-zero emissions by optimising energy efficiency, integrating renewable energy sources, and producing a surplus of renewable energy.
Governance	The set of processes, structures, and institutions that determine how decisions are made, how power is exercised, and how resources are managed in a specific domain, in this case, the energy transition.	CN-Lab	Climate-Neutral Labs are Living Labs that aim to develop and implement innovative solutions to achieve climate neutrality in cities through experimentation and collaboration among various stakeholders.
NEUTRALPATH	It is an EU-funded project aimed at achieving climate-neutral cities through the development of Positive and Clean Energy Districts (PCEDs) and the co-design of efficient, climate-friendly solutions. Dresden and Zaragoza are the Lighthouse cities in the project, while Vantaa, Ghent, and Istanbul are the Fellow cities.		

2030 NEUTRALPATH



Co-funded by
the European Union



Developed by
Three o'clock

