



INFORMATION SHEET

What is the Covenant of Companies?

- The Covenant of Companies is a new pilot initiative led by the European Commission (DG Energy) to encourage and support companies to step up their contribution to a **clean energy transition** and increase private investments in clean energy Research & Innovation (R&I), technologies and solutions.
- The Covenant provides a **pledging scheme** encouraging businesses, in particular SMEs, to commit to finding ways to reduce their carbon emissions.
- Companies who pledge to find ways to decarbonise automatically become CCCE signatories and gain access to **information and guidance**, in the form of masterclasses and other materials, to help decide which measure/s (if any) they wish to take. Companies also gain access to an online community of companies who have pledged with the CCCE, allowing them to exchange knowledge and collaborate towards decarbonisation. Additionally, companies who have pledged will be recognised on the CCCE website.
- A **partner network** has also been established under this pilot in order to support the roll out of the initiative, ensure synergies, exchange best practices and learnings as well as to allow the initiative to tap into local/regional business ecosystems.

What does the Covenant of Companies set out to achieve?

Businesses have a fundamental responsibility in driving climate action and the energy transition. The Covenant of Companies aims to help decarbonise the business sector, in particular SMEs, by:

- encouraging energy efficiency, renewable energy and other climate-friendly measures;
- exploring synergies between businesses and local authorities in the area of climate action;
- increasing private investments in clean energy Research & Innovation (R&I), technologies and solutions.

Why is it important?

- 24 million small and medium enterprises (SMEs) in the EU make up 99,8% of all EU businesses.
- SMEs contribute to 64% of industrial pollution in Europe.
- 40-45% of SMEs are considered to have a large environmental impact.

By supporting and recognising the efforts of companies – no matter how big or small – to induce bottom-up change, the Covenant of Companies will be instrumental in hitting the 55% emissions reductions targets by 2030.



How will it achieve this?

1. Pledging

- In making a pledge with our programme, companies commit to taking action to decarbonise. In return, we offer them the knowledge and support they need to carry out these measures including a suite of advisory services to help prepare for a net zero future. Our guidance aids companies in defining and then implementing emissions reduction goals that are manageable, attainable and aligned with their level of ambition.
- Companies of all sizes, from all sectors and from all EU member states are able to make a pledge with our programme, individually or as a group. Companies are free to opt out of the Covenant any time.
- To make a pledge, scan the QR code below:



2. Advisory Services to companies

- Guidance documents and other useful resources are publicly available online, with peer-to-peer learning and masterclasses exclusively available to those who have pledged.
- Masterclasses cover a variety of topics that include how to assess a company's emissions and how to identify the right measures to reduce them.

3. Partner Network

- The initiative set up a Partner network, consisting of associations of companies, municipalities, local governments, and other relevant stakeholders.
- Partners act as amplifiers and multipliers of the initiative and have a significant impact in boosting the recognition of the Covenant in the eyes of the target audience.
- The Partner network also ensures relevant synergies, exchange of best practices and learnings as well as allows the initiative to tap into local/regional business ecosystems.

Where can you find more information?

- You can find more information on the [official Covenant of Companies website](https://covenant-of-companies.ec.europa.eu/index_en) as well as on the Futurium page of the initiative: <https://futurium.ec.europa.eu/en/covenant-companies-climate-and-energy>
- In addition, follow DG ENER's X account (@Energy4Europe) for latest updates, or reach out directly to info@covenant-of-companies.eu for any questions.
- Sign up for our Newsletter (4 editions/year):

