



Financing Community Energy

**Unlocking the Finance Needed to Speed Up Renewables
Development in Europe**

Joint webinar by the **IRENA Coalition for Action Community Energy Working Group** and the **EU Community Power Coalition**, 15th April 2021, 12pm CEST

Financing Community Energy – Agenda

Welcome & Introduction

Daan Creupelandt, Rescoop coordinator and member of the EU Community Power Coalition (Moderation) and
Stefan Gsänger, Chair of the IRENA CfA Community Energy working Group

Community Energy and the Energy Transition

Stephanie Weckend, Programme Officer, Knowledge, IRENA

Solutions to financing community power in Europe

Stanislas d'Herbemont, REScoop.eu

Anna Skowron, World Future Council

Giorgia Rambelli, ICLEI Europe

Molly Walsh, Friends of the Earth Europe

Laura Zöckler, Heidelberger Energiegenossenschaft

Wrap-up & Closing

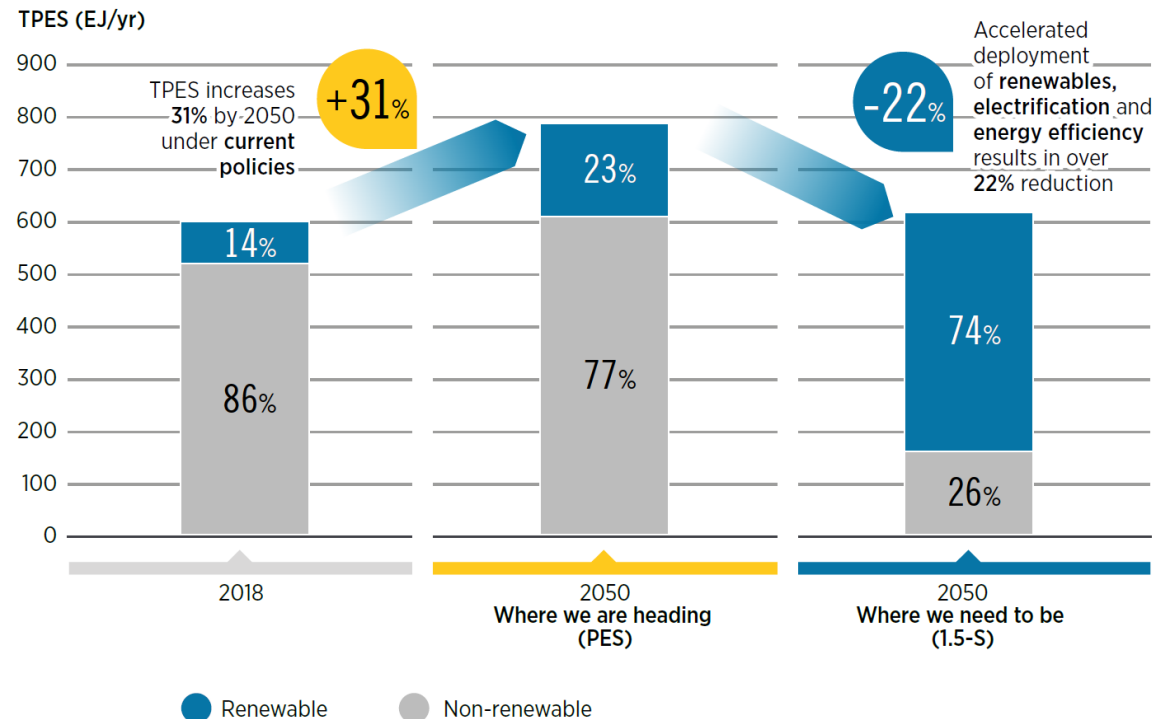
Daan Creupelandt, Moderator



Community Energy and the Energy Transition

Stephanie Weckend
Programme Officer, Knowledge
International Renewable Energy Agency (IRENA)

The global energy supply must become more renewable



Source: IRENA (2021)



- For an energy transition in line with global climate objectives, investment in renewables must more than triple between now and 2050



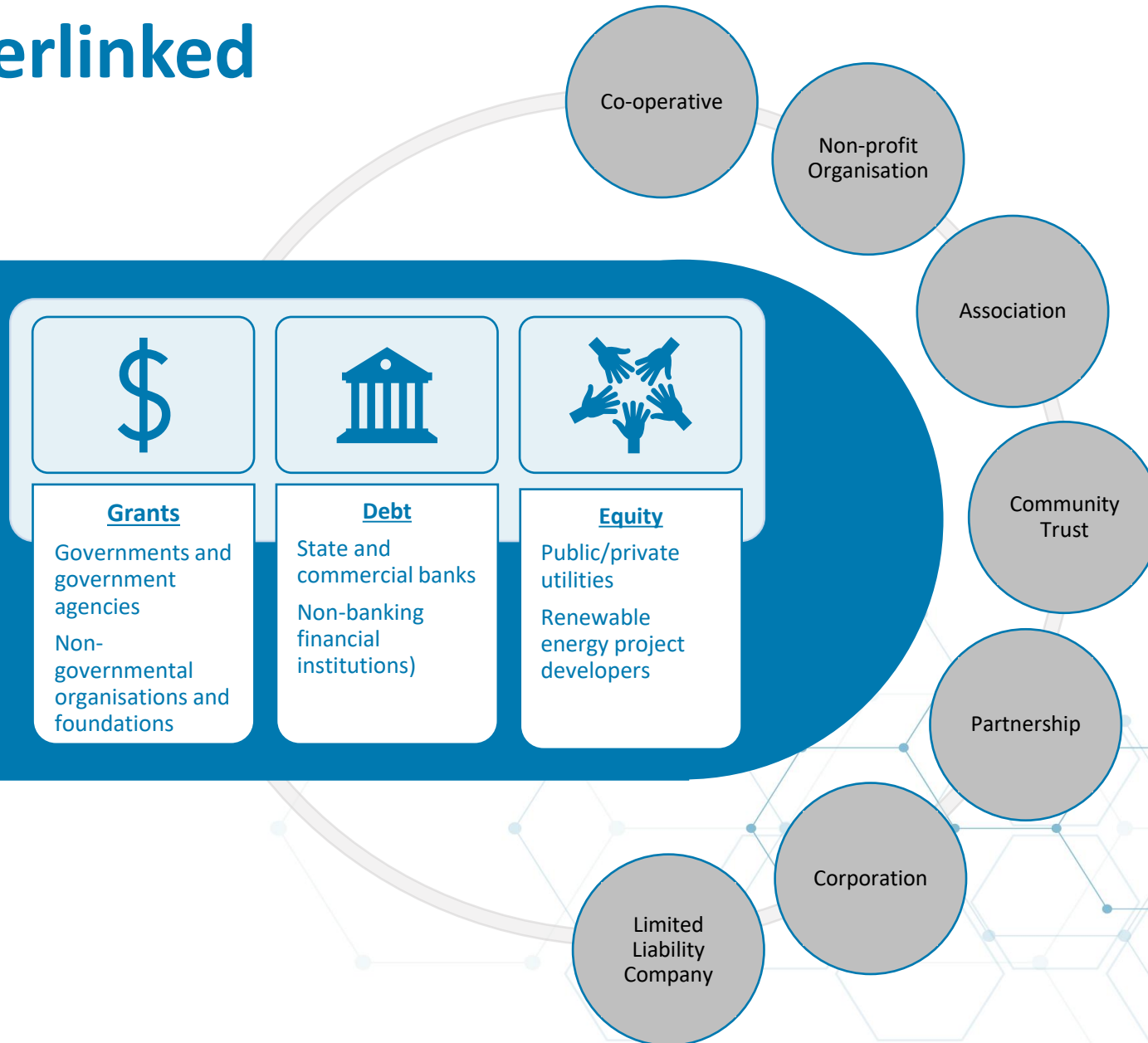
“Economic and operational participation and ownership by citizens or members of a defined community in a renewable energy project”

- IRENA Coalition for Action, 2018

Community energy can help bridge the investment gap

Community energy ownership and financing are interlinked

Examples of external financing



The benefits of community energy...and barriers to its financing

Benefits



Socio-economic gain through investment, job creation and improved welfare



Increased energy security through lower energy costs and greater price certainty



Accelerated access to renewable energy through citizen-driven innovation



Broadened participation in the energy system

Insufficient awareness and acceptance of community energy and its benefits



Policy frameworks structured around centralised, large-scale projects



Risk profiles of individuals and communities that differ from those of private sector companies

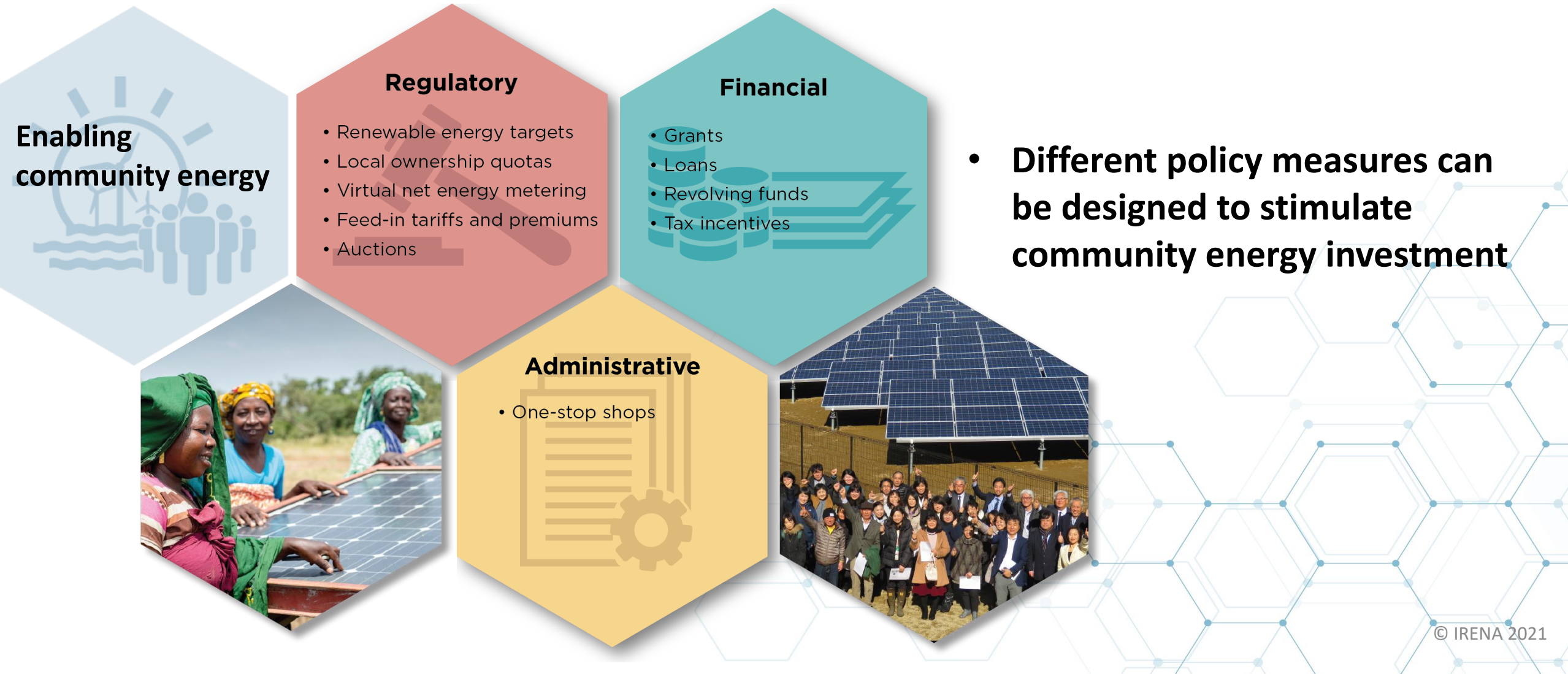


Lack of knowledge in and experience with renewable energy projects



Barriers

Breaking down the barriers to financing community energy



THANK YOU!

For more information about the IRENA Coalition for Action, visit
<https://coalition.irena.org>



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Governance of ownership

Characteristics of a community energy project:

1. Not profit driven finality
2. Open governance and institutions
3. Ownership driven investment and projects
4. Universal approach to energy services



Enabling financing to community energy

Community Energy project therefore are more difficult to find financing for. But they have unique advantages around which enabling frameworks can be built.

1. Specific procurement procedures
2. Requirements for local participation
3. Focus on community benefits



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One-Stop Shops for Community Energy

- ✓ Information hubs for all relevant info you need to set up a community energy project (toolkits, best practice examples, relevant policies etc.)
- ✓ Support all stages of the project development (funding applications, feasibility studies, community consultations, environmental impact studies, managing grid connections, local energy planning)
- ✓ Facilitate trainings and capacity building programmes, to develop long-term capacities and expertise
- ✓ Connect communities with funding sources or provide funding (e.g. grant-to-loan funding, loans, grants)
- ✓ Connect communities with each other, and distribution network operators (DSOs),
- ✓ Empower citizens, add local value, drive the energy transition



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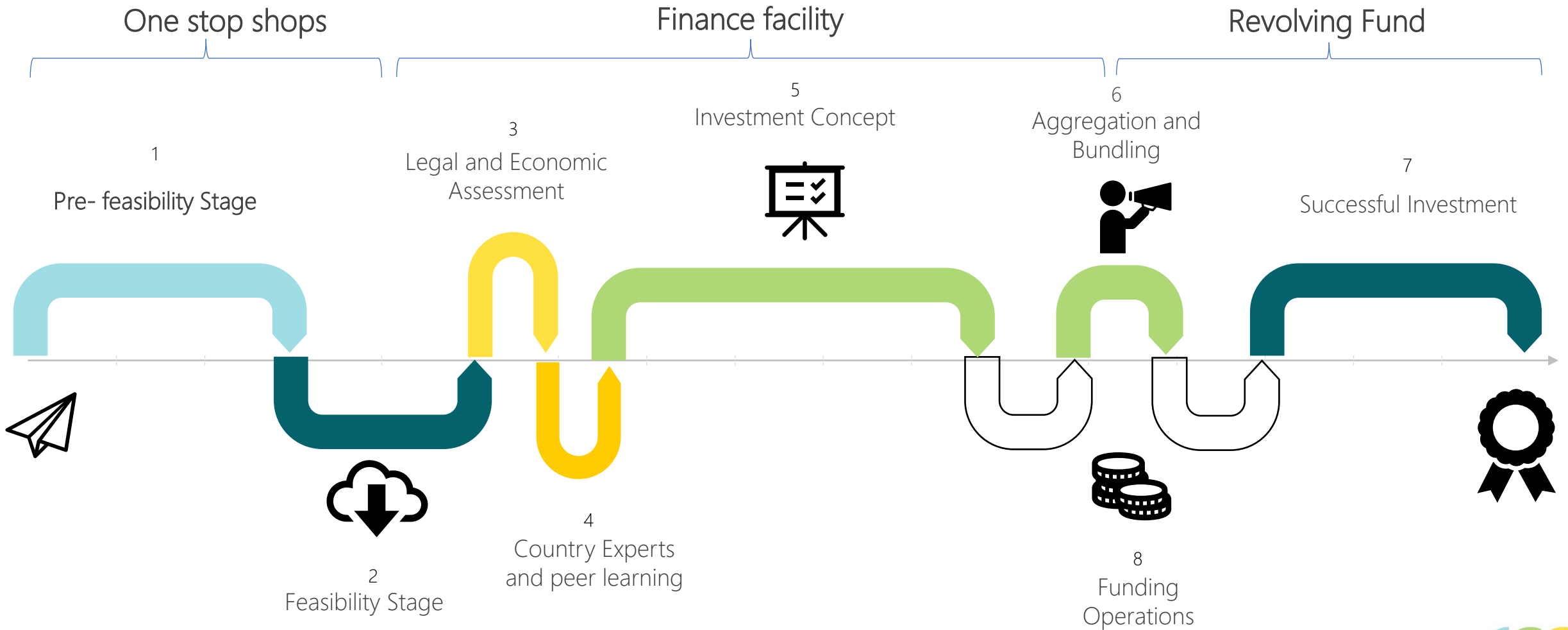
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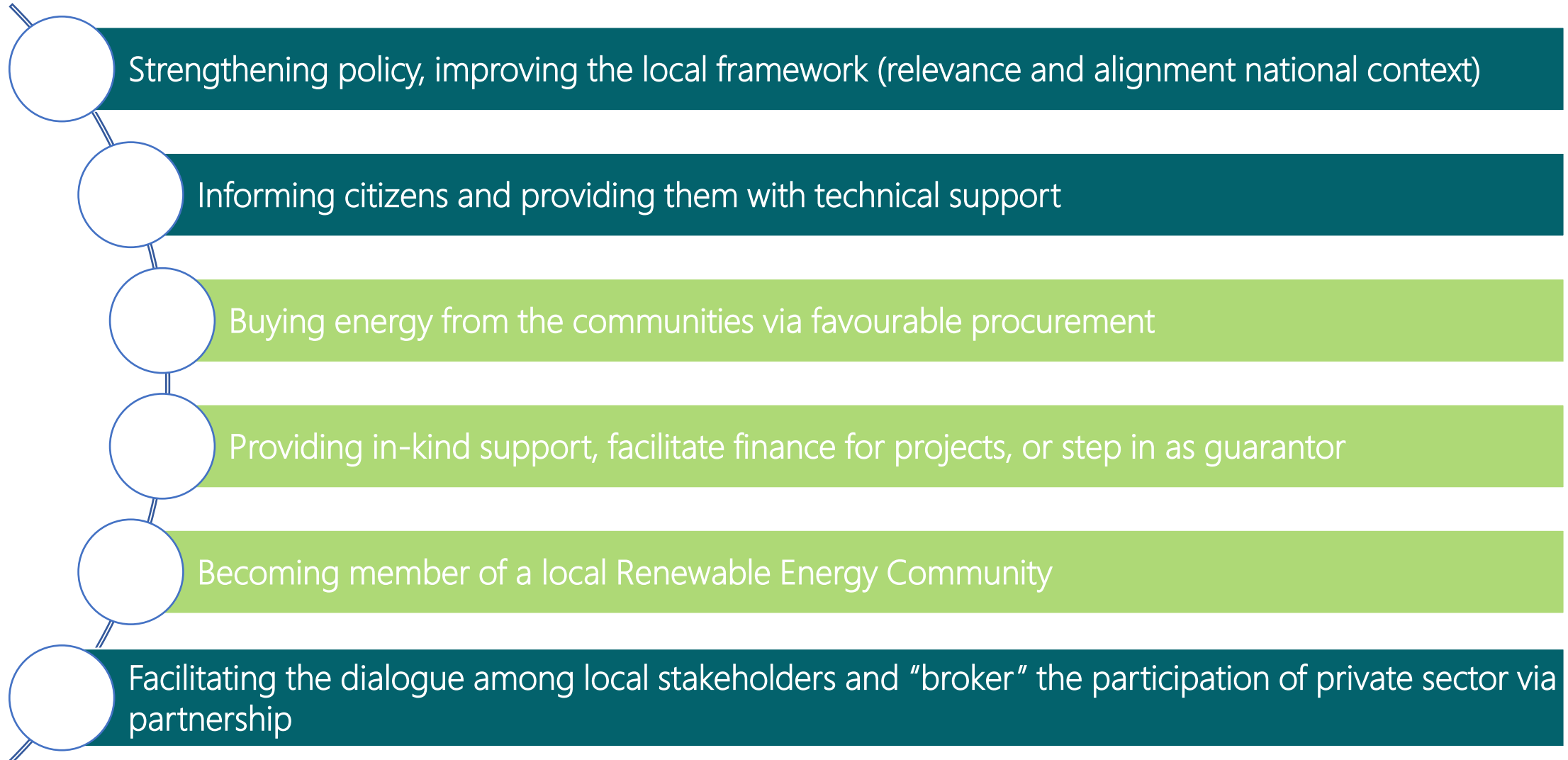
The Financing Journey



Unlocking the potential of local governments



Adequate **regulatory framework, support and funding** are key to enable Local governments in driving action forward by:



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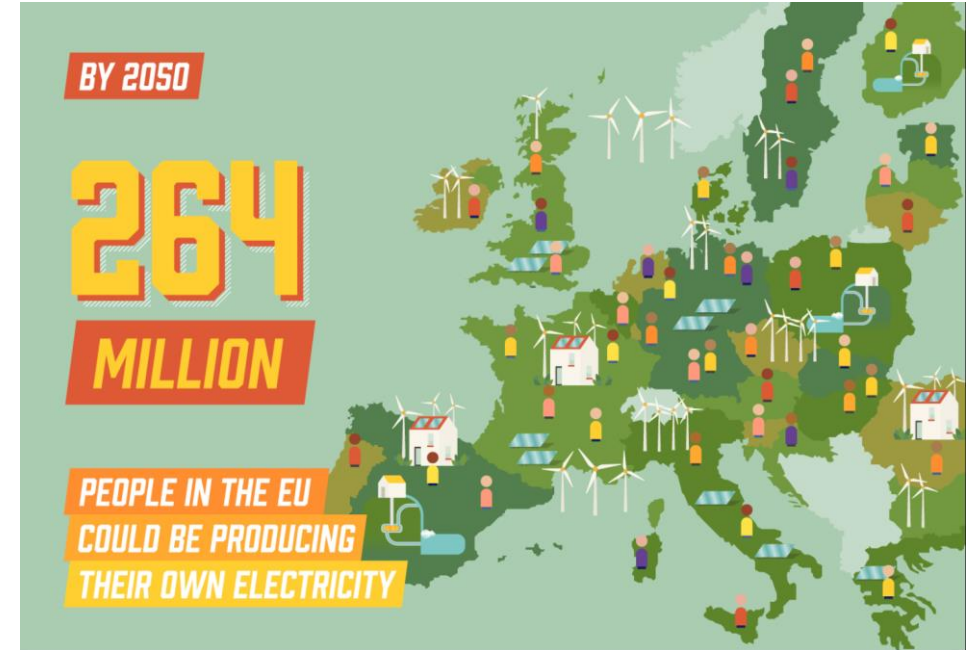
The opportunity and the potential

The Clean Energy Package and the recovery funds makes this a perfect time to unlock the potential of community energy.

The REDII commits member states to *providing an enabling framework to promote and facilitate the development of Renewable Energy Communities (RECs). That framework shall include:*

tools to facilitate access to finance are available;

Member states must also take into account the specificities of RECs when they design support schemes.



Finance demands of the Community Power Coalition

1. Ensure that national programming of existing funding streams goes towards municipalities for the local energy transition
2. National or regional one-stop shops
3. Setting up an EU level Energy Community financing facility
4. Establish revolving funds or similar tools to access capital
5. Providing easier access to EFSI and EIB investment tools
6. Ensure State Aid rules do not block direct financial to support communities
7. Direct Rural development funds towards Community Energy



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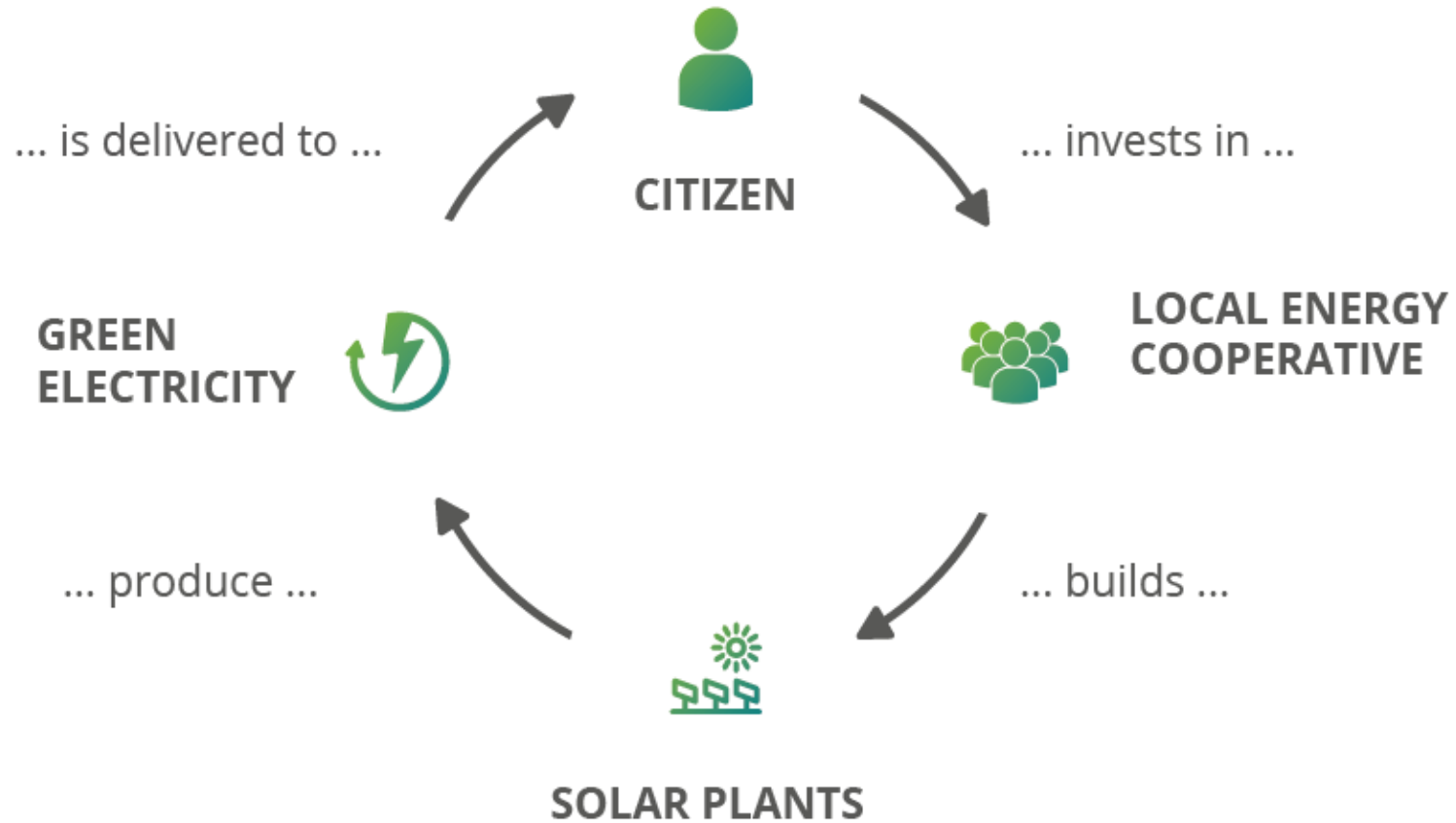
Laura Zöckler, Heidelberger Energiegenossenschaft



Which future do we want? Which future do we need?



Community energy as social, ecological, economic solution



Financing Community Energy – Wrap-up & Closing

Thank you for your participation!

