

Response to the Commission's call for evidence on the Citizens Energy Package

Publication date: 23/09/2025

Contents

Introduction.....	3
Summary of recommendations.....	4
SECTION 1: Energy Communities are demonstrating their added value for Europe's energy transition.....	6
SECTION 2: An Energy Communities Action Plan.....	9
PILLAR I: Addressing barriers for energy communities and creating a level-playing field	10
1.1. Gaining recognition as an energy community	10
1.2. Access to the grid.....	12
1.3. Ensuring energy communities can benefit from energy sharing.....	14
1.4. Competing in tenders.....	16
1.5. Fair benefit sharing and co-ownership.....	16
Pillar II: Enhanced EU level governance support for implementation.....	17
2.1. Enforcement and support for implementation of EU rules on energy communities	18
2.2. Political ambition and the establishment of objectives for the development of energy communities.....	19
2.3. Guidance to assist with implementation	20
2.4. Strengthen acknowledgement of energy communities in the EU's Energy Union Governance Framework	23
2.5. Supporting Secondary Structures.....	23
2.6. Supporting Second Generation activities.....	25
PILLAR III: Financing and other support for energy communities.....	27
3.1. Support the development of Community Energy Financing Schemes (CEFS)	28
3.2. Support from the European Investment Bank	31

3.3. EU Support for innovation and uptake	32
3.4. Supporting the creation of One-Stop-Shops (OSS) to promote professionalisation	32
3.5. National support schemes for energy communities.....	34
3.6. Capacity building for national lending institutions.....	34
PILLAR IV: Supporting energy communities to provide flexibility to the energy system	34
PILLAR V: Inclusivity and tackling energy poverty	37

Introduction

Energy communities are legal entities that empower citizens to take ownership of their local transition projects, from solar panel and wind installations to citizen-led renovations, or shared renewable district heating pipes. Energy communities carry out these projects oftentimes thanks to volunteers, lacking financial resources and overall adequate conditions to do so. Yet energy communities and their citizens add significant value to Europe's Energy transition all the same. The Citizens Energy Package (CEP) has the potential to be the spark that helps speed up the energy community movement.

Before 2016, EU policy support for community-led projects was non-existent. Then in the Juncker Commission's first Communication on the Energy Union, for the first time the EU Commission acknowledged the need to put citizens at the centre:

*"Most importantly, our vision is of an Energy Union with citizens at its core, where citizens take ownership of the energy transition, benefit from new technologies to reduce their bills, participate actively in the market, and where vulnerable consumers are protected."*¹

The Commission's Clean Energy for all Europeans Package breathed life into these words, introducing the legal definition of energy communities, a set of rights for citizens and energy communities alike, and requirements for Member States to set up an enabling framework at national level to promote their development. The Fit-For-55 Legislative Package, through the Renewable Energy Directive, Energy Efficiency Directive, European Performance of Buildings Directive, and Social Climate Fund Regulation expanded support across the range of activities that energy communities cover, from electricity generation to sharing, heating and cooling, renovations, energy efficiency, and poverty alleviation.

To date however, energy communities remain an unrealised aspiration for many citizens across the EU, largely due to insufficient policy support or patchy, unclear frameworks that lead to corporate capture,² overtly complicated processes, and additional barriers to the creation of energy community initiatives. The CEP has the potential to reinforce the EU's existing policies on supporting the buildout of an energy community movement. The CEP should provide a strategy for how the EU, including the Commission, the European Investment Bank (EIB), Agency for Cooperation of European Regulators (ACER), the DSO Body and others, will work together with Member States to turn the aspiration expressed in the original Clean Energy for All Europeans package into reality.

¹ European Commission, 'A Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy', COM(2015) 80 final

² Friends of the Earth Europe (2025). [Report on the corporate capture of energy communities](#).

Summary of Recommendations:

Concentration on supporting energy communities should serve as “a foundational pillar” of the CEP. The CEP should, in effect, create an Energy Communities Action Plan through proposing and delivering on a distinct set of actions and measures that will ensure Europe's citizens can reach their potential in taking ownership in the transition to clean, locally-produced renewable energy. At the forefront of delivery, the Commission should ensure that the CEP assists with the implementation of EU rules designed to create enabling conditions for energy communities to grow and thrive. To help deliver the potential of energy communities, the CEP should:

- 1. Establish a 2040 EU level objective expressed as a combination of overall renewable energy production by energy communities with the total number of citizens participating.** This will provide a medium- to long-term guiding post that represents the EU's ambition for empowering energy communities in its energy transition. Such a target should be underpinned by an assessment of potential coordinated by the Commission, in cooperation with the Member States.
- 2. Detail new requirements for co-ownership** of commercially developed renewables projects, effectively creating a right of local communities to choose whether to co-invest in new onshore PV and wind.
- 3. Produce distinct Commission guidance on energy communities** (separate from guidance on energy sharing) that covers building out enabling frameworks (Article 22 paragraph 4 of the Renewable Energy Directive), assessing potential and barriers for energy communities at the national level, energy community definitions, registration, monitoring and oversight, design of investment support mechanisms and renewables support schemes, integration of energy communities into local, regional and national energy planning, developing and supporting secondary structures (federations and coalitions), supporting community initiatives that work on energy poverty, and collaboration with municipalities.
- 4. Commit the Commission to proposing amendments to the Electricity Directive** to provide Regulators and System Operators with a clear duty to take the specificities of energy communities into consideration when designing grid connection procedures, including grid queues.
- 5. Take measures to enhance transparency on ongoing implementation issues** and the creation of a dedicated exchange platform around energy communities between the Commission, national governments and their respective energy community sectors. This will improve dialogue, understanding of issues, and collaboration and could be done through a platform similar to CA-RES or as a subgroup within the DG Energy.

6. **Support the financing of energy community projects through:**
 - **Committing the European Investment Bank to create a Guarantee Facility** and help unlock low interest loans by national promotional and commercial banks in every Member State (“an InvestEU for energy communities”);
 - **Supporting national community energy expert organisations (e.g. federations and coalitions)** to provide capacity building and technical assistance, including through One-Stop-Shops);
 - **Work with Member States to create Community Energy Financing Schemes (CEFS)** and provide equity funding for cost-intensive activities such as energy efficiency, renovation and heating and cooling initiatives; and
 - **Creation of a capacity building forum targeting banks** so they can learn more about how to finance energy community projects (e.g. through an Investors Dialogue format).

7. **Take action to enhance the role of non-price criteria in auctions and tenders**, for instance through revisions to the Net Zero Industry Act, EU public procurement rules, and by providing guidance (i.e. Social Procurement Criteria) for local and regional authorities so they can better support energy communities through concessions.

8. **Establish a dedicated work plan to collaborate with Member States in identifying and removing capacity and empowerment constraints for energy communities and vulnerable households alike**, including development of special support mechanisms to support inclusive business models, promoting collaboration between energy communities, local authorities and organisations that provide social services, addressing impacts of becoming active on eligibility to receive social benefits.

9. **Leverage the Semester Process** to provide dedicated guidance to Member States on implementing EU provisions on energy communities.

10. **Set up a process to work together with Member States to actively embrace and support timely and effective transposition of second generation legislation for energy communities**, expanding enabling frameworks beyond renewable electricity production to activities such as energy efficiency, citizen-led renovation approaches and community heating and cooling.

11. **Take actions to encourage the participation of energy communities in providing flexibility**, including developing collaboration between energy communities and other actors such as DSOs and Regulators to improve issues around energy sharing, tariff design, incentives around time of use, storage, and the participation of energy communities in flexibility markets.

SECTION 1: Energy Communities are demonstrating their added value for Europe's energy transition

Day in and day out, energy communities are delivering value for citizens and their local communities by engaging in renewable energy production and other related activities.

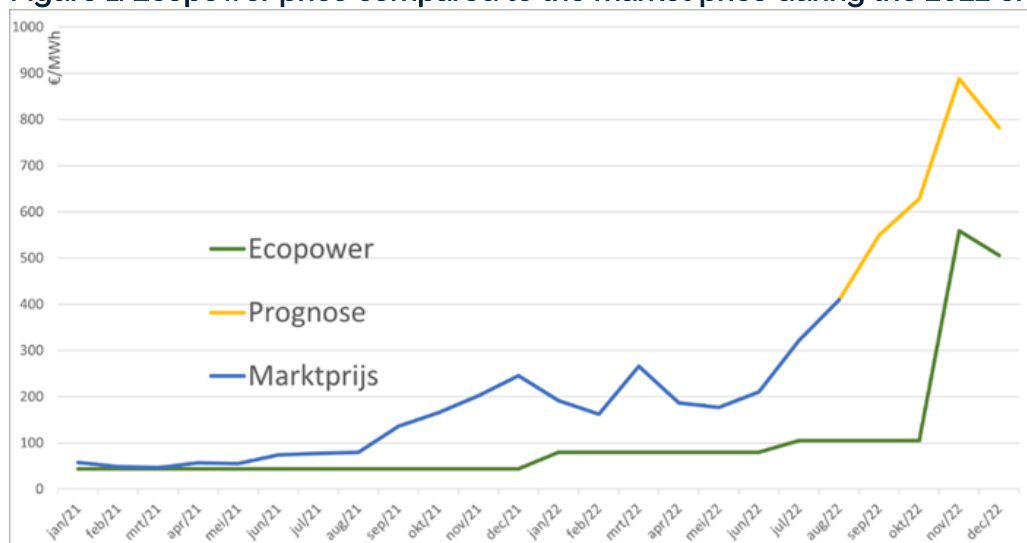
Given the importance of affordable access to energy, it is important to note the contribution of energy communities in this area. According to the EU Commission, energy communities that produce and consume locally are a way to tackle the energy crisis by shielding consumers from volatile wholesale markets. In a recent report by the Council of European Energy Regulators (CEER), renewable energy communities (RECs) mitigated the effects of high market prices for members in Italy and the Netherlands during the most recent energy crisis.³ There are also concrete examples of energy communities shielding their members from high prices during the crisis. Specifically, in the Belgian regions of Flanders and Wallonia, cooperative retail energy suppliers Ecopower and Cociter, both citizen energy communities (CECs), were able to either cap or keep prices below that of the market due to their ability to supply their members' full needs through self-owned renewable energy production located within the respective regions.⁴

From the below figures, it is possible to track the price paid by members of these cooperative suppliers compared to the market during the height of Europe's energy crisis in 2022.

³ CEER (2024). [Impact of high market prices on renewables](#), p 24-25.

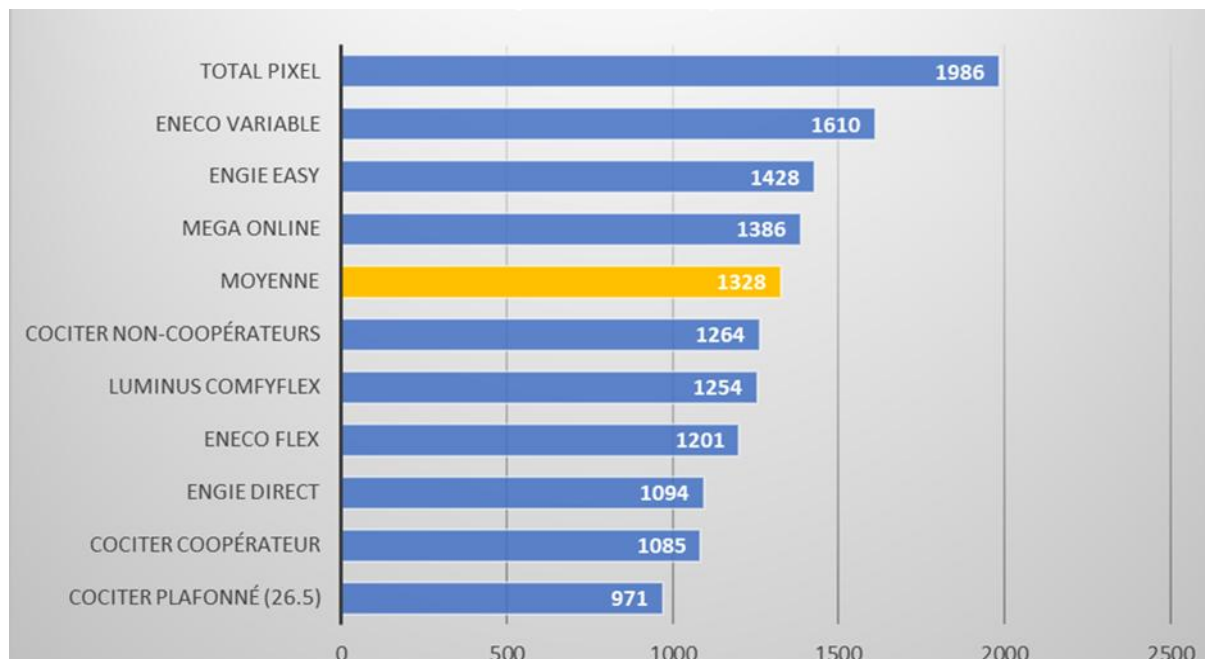
⁴ See Cociter (27 October 2022). Press Release – "[Cociter is the only supplier in Wallonia to cap the price of electricity for its customers](#)"; and Ecopower (31 August 2022) "[November 1: price increase and change in pricing system for green citizen electricity at Ecopower](#)".

Figure 1: Ecopower price compared to the market price during the 2022 energy crisis



The graph shows the electricity price excluding VAT on the market (Epex) (blue), the current forecast of the future market price (yellow) and the Ecopower price (only the electricity part, green).

Figure 2: VAT price of the energy component for a contract established in January by an average household in 2022



Source: REScoop Wallonie

This phenomenon during the energy crisis was not limited to the electricity market. In Denmark, the annual price of heating actually went down by more than 50 per cent for the customers of some community-owned district heating networks that have shifted to

renewables over time.⁵ In Germany, as a response to the energy crisis, 28 cooperative district heating initiatives came on line during the third quarter of 2023 alone.⁶ These positive experiences have encouraged energy communities in other countries, such as the Netherlands and Belgium to follow suit.

It is important to keep in mind that setting up an energy community supplier does not guarantee lower prices. Indeed, evidence from our members shows that the cooperatives that performed the best during the energy crisis were able to hedge themselves against wholesale market volatility through relying on their own consumption. Energy community suppliers are also unable to take advantage of economies of scale in the same way as larger vertically integrated suppliers.

Even where energy community suppliers are not the cheapest option, they are able to provide price stability and often offer price reductions for consumers that are also members. EWS Schonau reports that its customers are also eligible for financial support for installation of home PV and storage systems. Coopérnico, a cooperative supplier in Portugal, also offers dynamic pricing as a tool to help members and customers choose the best times to consume electricity. With this dynamic price, its members can access the lowest prices during certain hours of the day and during certain parts of the year.

While we are still at an early stage of being able to document all of the benefits that energy communities can provide across their activities, the methods of tracking these benefits are continually improving.

Examples from the ground:

- In France, Association des Centrales Villageoises publishes an annual activity report with key indicators which reflect the benefits of its activities. Their latest report was published in 2024.⁷ The network is currently working to define more indicators on social impact. Furthermore, Energie Partagée has published different studies showing the positive impacts of energy communities, including:
 - Social impacts of energy communities;⁸
 - Economic benefits of energy communities.⁹

⁵ Dansk Fjernvarme (2022). "[Tre vindmøller giver Hvide Sande uhørt billig fjernvarme](#)" (30 Nov 2022).

⁶ DGRV (2023). "[Umfrage unter den Energiegenossenschaften](#)".

⁷ Centrales Villageoises (2024). [RAPPORT D'ACTIVITÉ](#)

⁸ Energie Partagée (March 2023). Study [L'énergie citoyenne, qu'est-ce que ça change ?](#)

⁹ Energie Partagée (December 2019). Study [Les retombées économiques locales des projets citoyens](#)

- In Croatia, a study is planned for assessing the social impact and added value of energy communities through surveys, interviews, focus groups and field research.
- In Germany, EWS Schönau publishes an annual activity report with key indicators that reflect the benefit of its activities.¹⁰ EWS's electricity and gas tariffs include a "Sonnencent" as a funding component, so customers can contribute to a special fund. These funds are committed to promote decentralised and renewable energy projects, educational and awareness-raising measures and campaigns for the energy transition. In 2024, more than 2 million euros were available for this purpose. Two thirds are used to finance solar PV and wind projects owned by the cooperative and to support customers with their individual PV systems, storage and efficient heating. One third is used to support projects and campaigns. Since the start of the funding program, EWS was able to support 8,300 generation plants from Sonnencents. These power plants with a total output of 69,000 kWp produce around 67 million kWh of clean electricity per year across Germany. On its website it provides information on how funds are used to promote the various ways in which the energy transition and climate protection are promoted.

SECTION 2: An Energy Communities Action Plan

The CEP should, in effect, create an Energy Communities Action Plan through proposing and delivering on a distinct set of actions and measures that it will take to ensure that Europe's citizens can reach their potential in taking ownership in the transition to clean, locally-produced renewable energy. This Action Plan should be supported by 5 Pillars:

Pillar I: Addressing barriers for energy communities and creating a level playing field

Pillar II: Enhanced EU and national level governance to support implementation

¹⁰ EWS [Geschäftsberichte](#)

Pillar III: Financing and other support for energy communities

Pillar IV: Support for energy communities to provide flexibility to the energy system; and

Pillar V: Support for inclusive energy communities and tackling energy poverty

PILLAR I: Addressing barriers for energy communities and creating a level-playing field

As smaller social economic actors, energy communities face inherent challenges establishing themselves and operating in the energy market along with other larger profit-oriented actors. This was one of the foundational reasons for recognising energy communities in legislation and policy and providing them with specific rights and a supportive framework.

The unique challenges faced by energy communities have been well documented. However, very few Member States have yet to concretely address them from a regulatory perspective. As such, many regulatory and administrative barriers persist for energy communities. The CEP needs to tackle this challenge head on, working with National Regulatory Authorities (e.g. ACER, CEER), DSOs and national decision makers.

1.1. Gaining recognition as an energy community

In many Member States, definitions have simply been copy-pasted from the EU directives which, combined with no regulatory oversight, has left the concepts open to abuse from traditional market actors. In other cases, energy communities have been defined into national law in an overly restrictive manner, placing additional barriers to their ability to emerge and to build sustainable business models. National Regulators are also starting to set up registration procedures for energy communities, which can be overburdensome.

Examples from the ground:

- In France, being recognised as an energy community is really challenging. The government has still not designated an authority to monitor RECs and CECs. Furthermore, there are major concerns that the French definitions of CEC's and REC's do not reflect the reality on the ground:

- The definition of “autonomy” is, for simplification matters, linked to the existing definition of the autonomy of SMEs, although RECs and CECs are not always formed as an enterprise. The main concern is that RECs and CECs are not allowed to hold more than 25% of the shares of another enterprise, thus creating a strong obstacle to the creation of Special Purpose Vehicles (SPVs) by RECs and CECs;
- The definition of geographic proximity varies according to members. It is very restrictive for cities and, if strictly applied, would need a new definition of which members have effective control of the REC each time a new project is developed.

Ultimately, many existing citizen-led projects/structures could be excluded from the actual French definition of energy communities. Nevertheless, a “Citizen Energy Label”¹¹ has been developed by the French community energy movement and is supported by institutions such as ADEME. Coherent with the REC framework, it is a robust framework and could be considered as an operational framework for REC.

- In Croatia, energy communities face significant administrative obstacles due to complex and costly registration requirements, which mirror those applied to commercial energy companies. Citizens' energy initiatives must submit extensive documentation, cover registration and operational costs exceeding €4,000, and maintain office space—even if unnecessary—just to enter the Register that is managed by the National Energy Regulator. Although recent legal changes simplified the process for RECs by removing the energy service permit, the new registration process remains undefined and there are no practical guidelines. Only three initiatives have successfully registered with expert support, spending over €20,000 each to complete the process, yet all are now financially unsustainable and at risk of closing.

Furthermore, entities that want to register as a CEC need to adhere to non-profit accounting procedures that can in future limit the diversity of activities/business models that energy communities can undertake. Operating as non-profits largely restricts how surplus income from energy projects can be distributed, and thus will push energy communities into a grey area where available income is distributed indirectly through offering services or paying for

¹¹ Énergie Partagée. [Le Label et la Charte Énergie Partagée.](#)

services from their members rather than providing direct financial returns. These issues highlight that current regulation fails to reflect the unique nature of energy communities and, if left unaddressed, will likely discourage further development and stall the energy transition.

- In Portugal, there are a number of issues surrounding the recognition of energy communities, which include accounting and legal support, the application form and the community's internal regulations for approaching regulatory authorities. In particular, energy communities are legally required to have a self-consumption system installed. This means that Coopérnico, for example, is not recognised as an energy community. Secondly, the licensing process at the Directorate-General for Energy is problematic.
- In the Czech Republic, registration of energy communities is relatively simple. The responsible authority is the Energy Regulatory Office, who published a comprehensive guide on the registration process on their websites, including template forms.¹² It also publishes FAQs and the most common mistakes to avoid.¹³

1.2. Access to the grid

Energy communities face a number of distinct issues in accessing the grid in order to connect their renewable energy projects.¹⁴ Most Member States do not have measures to ease the ability for RECs to obtain a grid connection, although several methods are being tested. Nevertheless, under the existing Internal Electricity Market legal framework, DSOs are hesitant to provide any special dedicated procedures for energy communities.

It is important to clarify that priority or dedicated access to the distribution grid through tailored procedures for energy communities is consistent with the application of non-discrimination. According to the Court of Justice of the EU (CJEU), where actors are

¹² Energetický regulační úřad (2025). [Energetické společenství - žádost o registraci](#).

¹³ Energetický regulační úřad (2024). [Energetické společenství - žádost o registraci](#).

¹⁴ Energy Communities Repository (2024). Barriers and Drivers for the Development of Different Activities by Renewable and Citizen Energy Communities, pp 50-51.

in sufficiently different positions or situations, different treatment may be seen as non-discriminatory. Under the principle of equality, only similar network users should be treated similarly. The CJEU has ruled that the general principle of equality prohibits “treating similar situations differently and treating different situations in the same way, unless there are objective reasons to do so.”¹⁵ In economic terms, equality is not necessarily a goal in itself, but instead “an instrument with the aim of establishing and making the internal market functional, and providing real and free choice for consumers.”¹⁶ It is meant to make sure groups or companies cannot block the entrance of competitors through indirect discrimination. Under the general principle of equality, only similar network users should be treated similarly.

Energy communities can be seen as a distinct user group of energy infrastructure. Their unique characteristics are clearly defined in the recitals to the Renewable Energy Directive and Recast Electricity Directive, and they face distinct challenges not faced by other market actors. They operate outside of a traditional market logic, intending to provide for the energy needs of members and provide community benefits, rather than profit. As such, not only do they use the grid for a different ultimate purpose than other market actors, but they also provide additional benefits through the use of the grid that other actors do not.

To create a level playing field so that energy communities can access the grid, the Commission should propose further amendments to the Electricity Directive to provide Regulators and System Operators with a clear duty to take the specificities of energy communities into consideration when designing grid connection procedures, including grid queues. This would allow system operators to integrate special provisions into their procedures to ensure communities can obtain a grid connection on a level playing field with more professionalised market actors.

More generally, there is a need to revise rules around how different actors connect to the grid. Clear criteria for the connection of new projects to the grid should be established. Such as readiness and strategic social relevance. ‘First-come-first-serve’ inherently discriminates against smaller less professionalised network users and prevents them from exercising their active consumer rights. Furthermore, rules should require the release of unused capacity reservations: Many Member States experience issues with speculative projects that hold grid reservations, but are unlikely to build the project in question. Reallocating this grid capacity to advanced energy community that are guaranteed to use the connection will accelerate the grid's transition.

¹⁵ VEMW and Others (Case C-17/03) [2005] ECR I-4983, paras. 41-48; and Citiworks AG (Case C-439/06) [2008] ECR I-3913, para. 42.

¹⁶ Kruimer, H (2014), supra note 9 at p. 68; and Tobler, C. (2005). Indirect Discrimination. A case study into the development of the legal concept of indirect discrimination under EC law, p. 35 (Intersentia: Antwerp).

1.3. Ensuring energy communities can benefit from energy sharing

Given the relatively new nature around the activity of energy sharing, energy communities are engaged in learning just as any other market actor. While different business models are currently being explored, a number of positive lessons, as well as challenges have been identified around navigating regulations and engaging with DSOs and suppliers.

Examples from the ground:

- In France, the national DSO has an operational information system that collects the local curves efficiently at a 15-minute timestep from the smart meters and interacts with suppliers, consumers, and prosumers to send them the data every month. It works well. Several repartition keys can be set up to choose the way the energy community wants the energy to be shared. Energy sharing is also compatible with feed-in tariffs. The electricity that is not shared is sold at the feed-in tariff and this is a very strong financial back-up (as long as feed-in tariffs exist...)

However, an authorisation is required to become an energy sharing organiser, and obtaining this licence is more or less the same as for a professional supplier. However, suppliers interact with electricity markets (buying and selling electricity) whereas energy communities simply produce and sell, and only deal with small projects when speaking of collective self-consumption. The geographical scope may vary according to the rural / urban criteria and relies on an exemption (to be requested from the Ministry). Developing a business model without feed-in tariffs for the excess energy (banks need the feed-in tariff for the remaining excess energy to secure the loans) could make energy sharing challenging as a business case.

There are also ongoing changes impacting the allocation key. It might be less flexible for an energy sharing organiser to decide how to allocate the energy among the participants of the collective self-consumption project. This is particularly negative for energy communities that are not professional and small. Lastly, it can be difficult to find a balance manager for the electricity.

- In the Czech Republic, electricity sharing organisers are not specifically regulated at the national level. Therefore, anyone can theoretically help to organise the electricity sharing, especially as regards the groups of so-called active customers (max. 11 consumers and producers). It is quite easy to do so and some of the traditional energy suppliers offer this as their product. It is quite an easy process, which can be finished in a few days by the centralised Energy Data Centre that was set up jointly between the DSOs in the country. However, there is a concern that if there are bigger groups of active customers allowed in the future (i.e. groups consisting of more than 11 consumers and producers), almost no one will be interested in energy communities anymore, as the electricity sharing organisers (often organised by commercial suppliers) will completely take over.
- In Portugal, Coopérnico, a cooperative supplier, supports local energy communities in licensing energy sharing projects with the national directorate of energy and the DSO. In this case they submit and manage the licensing process. The experience with the national licensor and the DSO has been difficult, since the process is complex. The authorities don't provide enough clarification on the requirements that the energy community must comply with, and the timing of the responses is very long. There is also no fast track for permitting renewable energy facilities for energy communities, as they must pass the same procedures as the individual prosumer. Finally, the consumption of the energy community must match the production, so there's not much surplus. This can be difficult since there's no certainty in the energy sharing process, and how it can be economically feasible. Perhaps most importantly, national legislation does not really distinguish between energy sharing and energy communities, while energy sharing organisers are allowed to own and manage the installations. This has created a confusing situation whereby commercial third parties are dominating the market at the expense of grass-roots community initiatives.
- In the Flemish Region of Belgium, the treatment of energy communities by the DSO has experienced some start-up issues, but overall it has been well organised. The largest complication is the lack of a business case for households doing energy sharing, because there are no financial incentives from the authorities, no grid use reductions, nor subsidies, or tax reductions. Energy suppliers also charge additional fees on citizens and companies that do energy sharing, and these fees are charged in a non-transparent way.

- In Croatia, for more than two years, the DSO has failed to establish clear procedures, economic parameters, and/or upgrade IT systems to support energy sharing and speed up the grid connection for energy communities. Applications are still handled on paper, with frequent delays, unclear requirements, and no transparency, making it nearly impossible for citizen-led RES projects to move forward. As a result, several communities have had to abandon shared energy models and revert to individual installations.

1.4. Competing in tenders

There are numerous examples of how energy communities can compete in tenders when non-price criteria around delivery of social benefits (e.g. participation and acceptance) are developed. However, EU policies are not coherent in this area. At the very least, the rules around how to integrate non-price criteria into auctions or tenders are ambiguous. At worst, they neglect or even intentionally ignore the inclusion of non-price criteria. For example, the Net Zero Industry Act (NZIA), while detailing a number of non-price criteria that can be taken into account, entirely neglects social criteria. Moreover, EU public procurement rules create a lack of legal clarity for regional authorities on how they can integrate energy communities into tenders around concessions for using public spaces to site renewable energy projects.

The CEP represents a chance to change course and better acknowledge the social benefits of energy communities. The Commission should commit to amending NZIA so that it supports citizen and community participation in larger tenders. Furthermore, public procurement rules should be amended to create space for dedicated tenders to support energy communities.

1.5. Fair benefit sharing and co-ownership

As highlighted in CAN Europe's recent report on Benefit Sharing from renewable energy projects, shared ownership is the gold standard for benefit sharing between commercial renewables developers and local communities. Such arrangements help deliver significant socio-economic benefits to local communities and promote public acceptance of such projects.

At the EU level, the Commission should introduce a requirement for new onshore PV and wind projects to offer communities the choice of whether to co-develop the project. This

would not equate to a requirement of result. Rather, it would provide the community the right to choose to co-invest in the project, or to choose another form of benefit sharing. The key aspect here is that the developer would be required to allow members of the local community, such as energy communities and local authorities, to exercise this right. To ensure investment certainty both for developers and local communities, local and regional authorities can be encouraged to adopt local renewable energy development policies and objectives that provide the basis for co-investment from the local community. Such policy objectives have been developed at the municipal and regional level in Belgium, Germany, and elsewhere.

Such a legal framework could also be complemented with other measures, including:

- Conditioning support under the Competition Fund for large renewable energy developers to take measures to boost citizen participation in the energy transition. This may include share offerings in renewable projects, donations to local energy communities, or the set-up of revolving community energy funds.
- The Commission should actively work with Member States and individual project developers to mainstream and streamline minimum citizen participation in all renewable projects, including in Renewable Energy Acceleration Areas (under Article 15d of the Revised Renewable Energy Directive).
- Leverage the Innovation Fund to support cutting-edge renewable energy projects (e.g., offshore wind), which also include a -social- innovation component, i.e., participation by local citizens, SMEs, and municipalities.

Pillar II: Enhanced EU level governance to support implementation

While the EU acknowledged the right of citizens to actively participate in the energy sector through the 2019 Clean Energy for all Europeans Package, transposition and implementation remains patchy across Member States. This is creating increasing divergences in the community energy sector, with countries such as the Netherlands, Germany and Belgium counting hundreds of energy communities, while particularly Eastern European states (e.g., Bulgaria, Romania), lag behind. This strips away opportunities from EU citizens and SMEs to mobilise capital for the energy transition, stabilise energy prices, and reduce energy poverty. For example, by 2024 100,000 citizens in the Flemish Region of Belgium had invested in citizen energy projects, mobilising over 36 million euros. It's evident that unequal transposition leads to further regional disparities and reduced competitiveness.

2.1. Enforcement and support for implementation of EU rules on energy communities

Many Member States still struggle with the correct implementation of EU energy communities legislation, including Directive (EU) 2018/2001 (Recast Renewable Energy Directive) and Directive (EU) 2019/944 (Recast Electricity Market Design Directive). These directives were required to be written into national law by 30 June 2021 and 31 December 2021, respectively. Significant implementation issues include incorrect transposition of energy community definitions into national law, lack of analysis of barriers and potential of renewable energy communities at the national level, and failure to implement policies and measures that are required to put in place an enabling framework.

Since then, the Fit-for-55 and RePower EU legislative packages adopted several new provisions relevant for energy communities in the revised Renewables Directive, Energy Efficiency Directive, Energy Performance of Buildings Directive, the Social Climate Fund and the revised Electricity Directive and Electricity Regulation.

The Commission needs to be proactive in its enforcement of EU energy legislation on energy communities, which guards rights that guarantee citizens' ability to participate in an energy community.¹⁷ There should be an emphasis on Article 2(16) and Article 22(1),(3),(4) and (7). At the same time, the Commission should use the ongoing transposition of new 'second generation' legislative provisions on energy communities to ensure a holistic approach and ensure that delays in implementation are not repeated.

The Commission should also provide more transparency on ongoing implementation issues. There is a need to better platform expert voices from within the energy community movement to help inform the Commission on the implementation and development of EU policy on energy communities. There should be an EU level information exchange mechanism between the European Commission, national governments, and national energy communities (including federations and coalitions), aimed at supporting national implementation. Such exchange happens currently between national governments and the Commission via The Concerted Action on the Renewables Directive (CA-RES). However, a dedicated exchange around energy communities between the Commission, national governments and their respective energy community sectors, would greatly improve dialogue, understanding of issues, and collaboration. Cooperation could be coordinated through the establishment of a permanent platform similar to CA-RES, or as a subgroup within the DG Energy.

¹⁷ Directive 2018/2001, Article 22(1) & (2).

2.2. Political ambition and the establishment of objectives for the development of energy communities

The CE Delt Study on The Potential of Energy Citizens in the European Union estimated that by 2050, about half of all EU households, around 113 million, may produce energy, 64 million of those being able to participate collectively through a cooperative or an association.¹⁸ Another study estimates that by 2030 alone, there is a social potential of 176 billion euros that could be harnessed from EU citizens wanting to invest in wind projects, leading to an aggregated production potential of 195,805 GWh every year.¹⁹

According to soon to be published data gathering around numbers of energy communities by ESPON-TANDEM, at least 8,072 energy communities now exist throughout Europe. Due to the limited number of national monitors of energy communities and their characteristics, and the fact that most Member States have not undertaken a proper assessment of the potential growth of energy communities, we do not have a good understanding of the impact this growth has had on the increased installation of renewable energy production, nor its impact on empowering citizens to take ownership of the energy transition.

National, regional and local governments across the EU have adopted political objectives around the development of energy communities and other citizen energy models, and this has had a significant impact in the development of further supportive measures. The Energy Communities Repository catalogued many of these examples. Following suit, in 2022, as part of its RePower EU Solar Strategy, the EU Commission set an objective that the EU and Member States work together to set up at least one renewables-based energy community in every municipality with a population higher than 10,000 by 2025.²⁰

The objective developed under the Solar Strategy was helpful in focusing efforts towards the development of energy communities. However, the objective should be modified and improved moving forward. The RePower EU objective is not easy to track. It has also created significant pressure at the municipal level, resulting in two unintended consequences:

Many municipalities have rushed to create their own energy communities, which have little participation from citizens and therefore do not really embody the original intent of adopting energy communities into the EU legal and policy framework. In order to meet

¹⁸ CE Delft (2016). The Potential of energy citizens in the European Union.

¹⁹ Pons-Seres de Brauwer, C and Cohen, J (2020). "Analysing the potential of citizen-financed community renewable energy to drive Europe's low-carbon energy transition," *Renewable and Sustainable Energy Reviews* 133 (2020) 110300.

²⁰ EU Commission (2022). Communication on the EU Solar Energy Strategy. COM(2022) 221 final.

the objective, there is a trend to develop small to very small energy communities, which do not have capacity to stand alone in building and sustaining a business model.

This has resulted in the prioritised uptake of energy communities without citizens as members, and an overreliance on commercial service providers, which takes away decision making power from the members of the energy community. It has also resulted in many energy community initiatives needing to merge into larger entities in order to continue their operations.

The CEP should set a new EU level objective that can serve as a medium- to long-term guiding post that represents the EU's ambition for empowering energy communities in its energy transition. Such a target should be underpinned by an assessment of potential coordinated by the Commission, in cooperation with the Member States. This could be done to support the delivery of Member States' requirements to assess the potential and barriers for energy communities at the national level under Article 22(3) of the Renewable Energy Directive.

2.3. Guidance to assist with implementation

At the closing of the 2024 Citizens Energy Forum in Budapest, the Regulatory Authority emphasised the need for more clarity on the energy communities and other different citizen energy concepts (e.g. the activity of energy sharing).

Given the differing nature between energy communities as an organisational concept and energy sharing as an activity, there is a need to develop separate guidance between them. Energy communities have their own distinct issues outside of just energy sharing, and Member States need guidance on a number of issues, including:

- Building out enabling frameworks (Article 22 paragraph 4 of the Renewable Energy Directive);
- Assessing potential and barriers for energy communities at the national level;
- National level energy community definitions;²¹
- Registration, monitoring and oversight of energy communities by the Regulatory Authority;
- Designing national investment support mechanisms and renewables support schemes for energy communities, including through the use of state aid;
- How to integrate energy communities into local, regional and national energy planning;

²¹ See Energy Communities Repository (2024). [A Roadmap for a policy and legal framework that enables the development of energy communities.](#)

- The development and support for secondary structures such as federations and coalitions; and
- Public procurement and use of concessions as a way for municipalities to support energy communities.²²

Many examples on the issues above have been identified and described by EU projects (e.g. under the LIFE and Horizon programmes), and by the Energy Communities Repository. However, they lack an authority, and an official endorsement and encouragement by the Commission is missing. Furthermore, there are many “grey areas” that could be solved through the provision of further clarity by the Commission.

Despite delays and other challenges associated with the above issues, there are numerous positive examples from different Member States that can provide inspiration for replication.

Examples from the ground on integrating energy communities into energy planning:

- In France, there are several examples of local authorities inviting the energy communities (e.g. from the network of Association des Centrales Villageoises) to collaborate in setting up sustainable energy and climate plans. There are also examples where the energy communities have helped the local municipalities in defining the “RES acceleration areas”, which were defined in the 2023 Law on RES acceleration.

In some regions, energy communities' regional networks are involved in regional energy committees. These committees facilitate regional dialogue and cooperation on energy issues. Local energy communities often have an accurate knowledge of the territory, its potential, its stakeholders, etc. And this information is highly valuable when setting up an action plan or mapping the deployment of renewable energy. The Centrales Villageoises charter requires that each energy community creates close links with local public bodies, which facilitates the consultation process on energy planning. Nonetheless, practices

²² See REScoop.eu (2023). Procurement Guide for Community Energy; and REScoop.eu and Energy Cities (2025). [Joint response to the European Commission's call for evidence on the evaluation of the Public Procurement Directives](#).

differ a lot from one territory to another, and there are still some places where energy communities are not consulted on energy mapping projects.

- In Croatia, national documents are expected to include measures for the planning, mapping, and designation of renewable energy areas suitable for energy communities and energy sharing. The City of Zagreb's solar plan also mentions crowd funding of PV on public roofs, while the City of Križevci mentions energy communities and energy sharing in its SECAP²³ and 2030 Development Plan.²⁴
- In Spain, public administration policies include planning or mapping areas for the development of energy communities. In this regard, work is underway on regulatory and support aspects for the development of energy communities in Spain.
- In the Czech Republic, at the local and regional level, energy communities are part of energy planning of several regions, cities and villages (in so called local and regional energy plans).
- In Romania, Cooperativa de Energie (an energy community), WWF Romania, and Energy Policy Group published a Joint Declaration on Renewable Energy Acceleration Areas (REAAAs).²⁵ The declaration urges national and local authorities to actively involve citizens and energy communities in the designation and development of REAAAs, in alignment with the Renewable Energy Directive. These areas are meant to simplify and fast-track the deployment of renewable energy projects.

²³ [Sustainable Energy and Climate Action Plan \(SECAP\) of the City of Križevci](#)

²⁴ [DEVELOPMENT PLAN OF THE CITY OF KRIŽEVAC FOR THE PERIOD FROM 2021 TO 2030](#)

²⁵ Cooperativa de Energie (2024). [Declaratia Comună privind zonele de accelerare a energiei regenerabile în România: o inițiativă WWF România și Energy Policy Group susținută de 16 organizații.](#)

2.4. Strengthen acknowledgement of energy communities in the EU's Energy Union Governance Framework

A coherent approach to community energy governance would ensure that all Member States create effective enabling frameworks for energy communities. This would increase opportunities for cross-border collaboration and investment, reduce corporate capture, and -crucially- increase citizen acceptance for the energy transition.

As explained in detail in a new briefing jointly prepared by REScoop.eu and Climate Action Network²⁶ the European Semester should be further leveraged to encourage Member States to promote energy communities and other forms of citizen energy. Analysis of the 2023, 2024 and 2025 Semester reports and Country Specific Recommendations shows consistent acknowledgement of energy communities and decentralised energy, but there is room for progress.

The Commission should use the CEP to commit to offering systematic guidance on energy communities, transposition, and enabling frameworks in Country Specific Recommendations (currently only addressed to 7 out of 27 EU Member States).

Semester Reports should have a specific section dedicated to citizen energy (beyond the current limited framing around 'consumer empowerment'). The section should monitor Member State progress in transposing all relevant elements of Article 22 of the Renewable Energy Directive (on Renewable Energy Communities), as well as all elements of Article 16 of the Internal Electricity Market Directive (on Citizen Energy Communities).

The yearly State of the Energy Union Report should include a dedicated paragraph on EU-wide progress in renewable energy projects that specifically come from prosumers and energy communities. The accompanying country fiches should also include a country-specific update on the situation, with relevant recommendations around the transposition of the relevant Directives.

2.5. Supporting Secondary Structures

Secondary structures are crucial in uniting diverse stakeholders and ensuring that energy communities have a strong voice in shaping the enabling frameworks. Evidence from the Life COMET project²⁷ shows secondary structures of energy communities, whether

²⁶ REScoop.eu and CAN-E (2025). [Energising the Semester: How the European Semester could further energy democracy in the EU.](#)

²⁷ LIFE COMET. Available at: <https://lifecomet.rescoop.eu/resources>.

formal or informal, are already raising awareness, building legitimacy and ensuring energy communities are represented in national policy dialogues.

Examples from the ground:

- For instance, the Estonian Community Energy Roundtable brings together the Ministry of Climate, DSOs, political associations, energy organisations and universities, creating a permanent space for dialogue. In Greece, the national community energy coalition (Desmi) actively advocates to strengthen the legal framework for energy communities and improve community welfare. Similarly, Slovenia and Romania, have been supporting policymakers with key files, such as the drafting of Social Climate Plans, and procurement rules by municipalities. In addition to these emerging secondary structures in Central and Eastern Europe, more mature examples in Western Europe have become key partners of institutional actors for energy community development.

Beyond helping shape enabling frameworks, secondary structures are equally important for capacity building and improving access to finance and key skills for local initiatives.

- REScoop Flanders, the federation of energy communities in Flanders, has been working together with VEKA, the Flemish Energy Agency, to support the establishment of an enabling framework for energy sharing in the Region.
- Energie Samen, the national federation of energy cooperatives in the Netherlands has provided crucial data on community energy to Dutch lawmakers through its Local Energy Monitor, ahead of the recently approved Heating Law (2025) which provides a unique position for energy communities to participate in district heating projects, and to get support to develop local citizen-owned thermal energy projects. Energie Samen has also successfully contributed to the creation of a Development and a Realisation Fund, financing tools dedicated to energy communities.
- In Slovenia, advocacy by the national coalition unlocked grants and favourable loans for citizen-led projects.
- In Estonia, financing became more accessible in parallel with coalition-led knowledge dissemination efforts.
- In France, Energie Partagée represents nearly 400 stakeholders and combines national advocacy with technical assistance and direct investment. Through its Citizen Energy Observatory and citizen energy label, it safeguards cooperative identity, while its citizen investment fund has channelled more than €45 million into 146 local projects, helping them leverage additional bank loans. Its 13 regional networks ensure that capacity building and financing tools reach communities nationwide, demonstrating how federations can operate at multiple scales.

2.6. Supporting Second Generation activities

Under the Fit-for-55 and RePower EU legislative packages, new provisions relevant for energy communities were included in the revised Renewables Directive, Energy Efficiency Directive, Energy Performance of Buildings Directive, the Social Climate Fund and the revised Electricity Directive and Electricity Regulation. These EU legislation developments can be considered as the second generation EU legislation for energy communities.

These revised legal acts expanded support for activities of energy communities to initiatives in the fields of energy poverty, energy efficient renovations, offshore wind, and heating and cooling.

Deploying energy efficiency enables citizens, businesses, and local authorities to lower their energy consumption, in particular from fossil fuels, reducing the need for energy imports as well as the materials necessary to produce that energy. As a result, the EU energy system will be more independent and resilient to current or new geopolitical events that could lead to import disruptions or general price volatility of foreign energy. This reality has led energy communities to engage in citizen-led renovations, and community-led heating and cooling initiatives. While the results of these second generation activities have been encouraging, energy citizens still face practical challenges when actively contributing to the Green Transition.

Examples from the ground:

- A recent survey of REScoop.eu's members studied the existence of thermal energy projects by citizens in seven Member States. The results show that there are over 650 Community-led Heating and Cooling projects in development or ongoing, providing renewable thermal energy to 1.9 million homes, SMEs, public buildings, and churches.
- The energy community ESEK of Karditsa (Greece) innovated to create coffee-pellets made from a mix of municipal forest prunings and used coffee grounds. These coffee-grounds were collected by children in a programme that taught them about circular economy, and ended up heating the kindergarten with renewable energy for the first time. ESEK had one tonne of coffee-pellets left, and decided to ask the kindergarten what they would like to do with it. The children decided to give the renewable coffee-pellets to the local households suffering from energy poverty. ESEK is a great example of community

mobilisation, as they organise renewable energy festivals, and create a 'christmas boiler' where the local children can drop their letters to Santa Klaus, as they learn about renewable energy.

- The energy community Energent in Belgium has renovated over 2,000 homes, advising their customers on how to renovate and ensuring that suppliers comply with their promises; they have unlocked more than 6,000 MWh/year in energy savings. Energent is also a shareholder and co-investor in Ducoop, this is a sustainability cooperative that provides services to the residents of the New Docks, a project development of approximately 340 homes in Ghent in the long term. In this project, a low-temperature heat network is constructed, which is fed by the residual heat from the site's own and residual heat from a nearby company. In addition, a smart grid will be built in this project in which PV production, a central battery system and smart control of electric consumers are realised.
- The energy community Les7Vents in France has facilitated 20,000 deep renovations, and many more shallow ones, leading to final energy savings of 20,000MWh/year. They are now benefitting from a government subsidy of €7,000 per home, to focus on some of the most vulnerable people in society, helping them with their renovation, but also offering them social worker services or facilitating contact with existing social workers. This exemplifies the strong connection between energy efficiency measures by energy communities, and their social benefits to the local population.

We urge the Commission to dedicate part of the CEP to working together with Member States to actively embrace and support activities beyond renewable electricity production. Specifically, this should include:

Citizen-led Renovation approaches - As part of the broader energy communities agenda, the importance of local partnerships and cooperative models should be emphasised in the area of renovations. This should be done by expanding enabling frameworks to support renewable energy communities under Article 22(4) of the Renewable Energy Directive to citizen-led renovations. This recommendation seeks to embed sustainability and democratisation at the heart of inclusive renovation strategies.

Heating and cooling - The CEP should recommend that municipalities support the establishment of energy communities active in the energy efficiency sector, both for citizen-led renovations, and Community-led Heating and Cooling. After consulting with the representative energy community organisations, Member States should be

supported to set up a facilitative framework to promote the development of Community-led Heating and Cooling and make financial resources available until the financial close of the project. Such support could be informed by existing examples, such as the one in the Netherlands based on Art.15.5a of the Dutch 'Collective Heat Act'.

PILLAR III: Financing and other support for energy communities

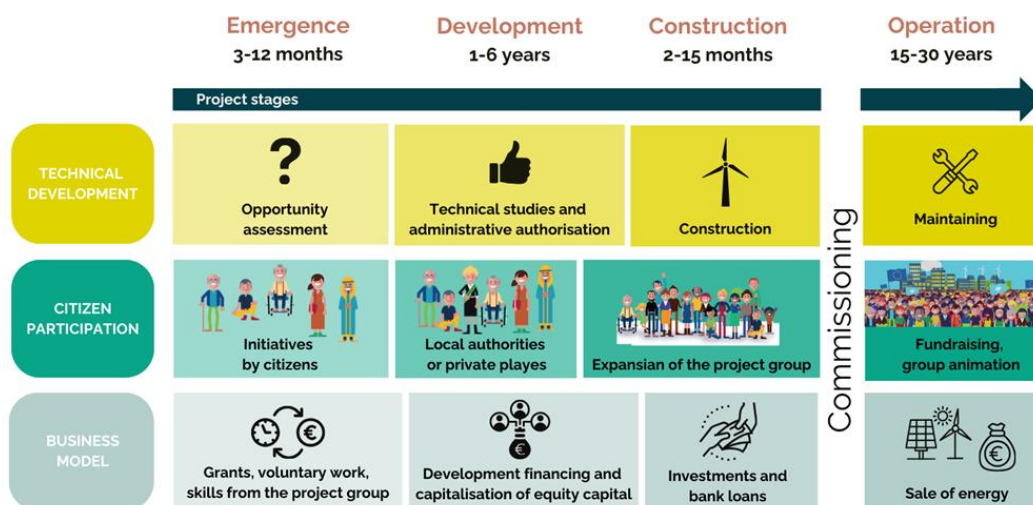
For years, access to finance has been highlighted as a key barrier (and opportunity) for the growth of the community energy movement.²⁸ REScoop.eu's financing tracker²⁹ shows that EU funds are not targeting energy communities in most Member States. This is particularly the case in Central and Eastern European countries, where paradoxically, EU funds are the drivers of up to 80% of all climate and energy investments. The CEP can play an important role in mobilising grants for vulnerable households to benefit from community energy projects, as well as to create financial instruments (e.g. loans, guarantees) to mobilise large amounts of private capital.

The CEP must consider the creation of dedicated financial instruments **targeting all stages of a community energy project's development**. Providing subsidised technical assistance might be more relevant during the "**Emergence**" phase of a community energy project, while grants might be relevant during the "**Development**" phase, for an energy community to set up a robust business plan. Guarantees and loans are generally more relevant for the "**Construction**" phase, while income support schemes, such as feed-in-tariffs or contracts for difference, are especially relevant for the "**Operation**" phase. Such support schemes could also be targeted towards the delivery of certain specific objectives, such as tackling energy poverty.

²⁸ Energy Communities Repository (2024). [Barriers and action drivers for the development of energy communities and their activities](#).

²⁹ REScoop.eu. [Financing Tracker](#).

Figure 3: Access to capital for community energy initiatives



Source: LIFE ACCE Project

The CEP can strengthen the EU’s approach to supporting the financing of energy communities across the EU:

3.1. Support the development of Community Energy Financing Schemes (CEFS)

The CEP should acknowledge the value of Community Energy Financing Schemes (CEFS) and work with Member States to support them.³⁰ The Development Fund in the Netherlands, one of the original CEFS in Europe, has shown that 1 euro of initial public investment can crowd in 40 euros of private capital down the line. CEFS can effectively bundle projects, creating financially attractive project portfolios. Crucially, they often include a dedicated capacity building and financial literacy component, helping pick projects off the ground. Another important example is Énergie Partagée’s citizen savings investment fund, Energie Partagée Investissement, with €46 million invested in over 160 renewable energy projects. This funding acts as leverage for energy communities to access bank loans.

Existing European Funds can be leveraged to support the development of CEFS and provide other types of investment support for energy communities (e.g., the European Regional Development, the Modernisation Fund, and the Just Transition Fund).

³⁰ LIFE ACCE project. [Community Energy Financing Schemes \(CEFS\) - the key for community energy.](#)

Uptake should also be promoted across diverse regions and should target rural areas through a multi-level governance approach. National federations of energy communities could be tapped to help implement the Community Led Local Development/LEADER approach, and co-design rural development strategies with energy communities. Member States could leverage funds from the European Agricultural Fund for Rural Development (EAFRD) to support rural community energy actions, including agrivoltaics and (sustainable) biomass, thereby effectively creating an additional and predictable source of revenue for farmers.

Member States should also be encouraged to tackle energy poverty by providing financial support to energy communities pursuing such objectives, and by subsidising the participation of vulnerable households in energy communities (see Pillar V of this document). This would offer a long-term, structural path outside of energy poverty, while building on existing proposals (e.g., Social Climate Plans that look to integrate energy communities, such as Spain's).

Following the examples of the Spanish and Italian Recovery Facility, Member States should also dedicate public funds to incentivise energy communities to take up local energy sharing, coupled with flexibility such as demand response and storage (see Pillar IV of this document).

CEFs need to be designed properly, and the Commission can help to ensure energy communities are able to access EU funds. Our experience suggests a need to provide technical support to managing authorities to create calls for funding. This should:

Ensure the application of strong social criteria, including citizen ownership, in the disbursement of funds to prevent corporate capture. The checklist of criteria addressed to Managing Authorities, currently under preparation by the Energy Working Group of the Cohesion for Transitions (C4T) Community of Practice of DG REGIO, could be instrumental in this work. The Technical Support Instrument (TSI) could also be leveraged for this purpose.

The TSI should particularly be used to support less developed regions in setting up dedicated funding calls for energy communities. Results from the ESPON TANDEM project showed that these areas often lack the institutional strength or governance conditions necessary to translate funding into effective energy community support.

In particular, the Social Climate Fund should be used as an opportunity to support energy communities that want to tackle [energy poverty](#).³¹ The Commission should encourage Member States to implement:

- Dedicated investments for community energy, including in community heating & cooling projects, and citizen led renovations;
- Establish municipal-community energy collaborations with the goal of tackling energy poverty.
- Dedicated reforms to further implement an enabling framework for energy communities (e.g., simplifying permitting, public procurement, etc).

Examples from the ground:

- The LIFE ACCE project highlights several CEFS that are fully mature, or under development. In Romania, Cooperativa de Energie has created a CEFS that allows for members of a cooperative to invest in solar installations on the rooftops of public and multiapartment buildings. The investment is paid back (with certain interest) to the cooperative stakeholders through the savings incurred by the building residents.³²
- In Spain, Goiener has created a CEFS that links ethical banks (Coop57 and Fiare Banca Etica) with community energy projects.³³ Goiener standardises the paperwork (e.g., business plan templates) that energy communities fill in, thereby reducing risks for the financiers, and simplifying the process for community energy groups.
- In France, the national federation of energy communities has created a citizen's savings investment fund, allowing them to invest in over 160 RES projects, as well as to use this fund as leverage for loans for energy communities.
- REScoop.eu's financing tracker also highlights best practice examples from public financing calls. This includes, inter alia, calls for funding for energy communities by the Recovery Facility (Spain and Lithuania), the European Regional Development Fund (Italy), the Just Transition Fund (Greece), and the

³¹ For examples of how energy communities have been acknowledged in different Social Climate Plans, see REScoop.eu. [Social Climate Fund Tracker](#).

³² ACCE Project (2025). [CEFS Talk \(03/03/2025\): Empowering Communities with Solar Energy in Romania: A New Financing Model](#).

³³ ACCE Project (2025). [CEFS Talk \(06/03/2025\): Connecting Ethical Finance with Citizen Energy](#).

Modernisation Fund (Czechia). Member States have opted for different tendering criteria, in some cases placing great emphasis on social components (e.g., providing extra points to energy communities that explicitly tackle energy poverty, promote gender parity, and implement projects in Just Transition Areas).³⁴

3.2. Support from the European Investment Bank

The EIB should play a bigger role in helping unlock finance for community energy projects. We propose the creation of a dedicated guarantee Facility by the EIB, unlocking low interest loans by national promotional and commercial banks in every Member State (“an InvestEU for energy communities”). This should consider the role of national community energy expert organisations and Federations to provide capacity building and technical assistance to assist in the national implementation of the programme.³⁵ In addition, equity funding should be provided for cost-intensive activities such as energy efficiency investments, which will allow energy communities to leverage this equity to obtain the required investments to start renovation and heating and cooling initiatives.

The European Investment Bank should work together with Member States to create guarantee schemes to facilitate community energy actors entering into PPAs with suppliers (or end consumers, e.g., an industrial facility). This would contribute to price stabilisation, while further allowing energy communities to contribute to reindustrialisation objectives. The newly announced counter-guarantee scheme³⁶ of the EIB and partner banks for energy-intensive mid-caps to enter into PPAs and stabilise prices, can offer a blueprint for this.

Examples from the ground:

- Energy communities in Germany struggle to obtain bank loans at reasonable interest rates and timeframes for their more complex projects. This has slowed

³⁴ See REScoop.eu (2024). [Following the frontrunners: a public financing guide for Managing Authorities](#).

³⁵ REScoop.eu (2025). [Fit for communities: Ensuring the next EU budget can support citizen energy projects effectively](#)

³⁶ European Investment Bank (20 June 2025). Press release “[EIB Group increases 2025 financing ceiling to record €100 billion to step up investments in security and defence, energy grids and Europe's tech leadership](#)”

down the development of community-led district heating. Having access to a guarantee fund for cost-intensive projects by energy communities would remove an important financing barrier to develop sizable installations.

3.3. EU Support for innovation and uptake

While dedicated funding streams for energy communities still lack at the national level, members of the REScoop.eu network have largely benefitted from Horizon and LIFE grants. With discussions of a potential merging of the LIFE CET strand under a broader Competitiveness Fund in the next EU budget (post 2028), REScoop.eu emphasises the crucial importance to maintain a dedicated, earmarked fund for energy communities, including both a research component (Horizon), and a practical application component (LIFE). Co-financing and indirect costs should be maintained at current levels.

3.4. Supporting the creation of One-Stop-Shops (OSS) to promote professionalisation

The CEP should commit to help provide funding to community energy organisations so they can provide OSS services to their local communities. This will help with information provision, capacity building, and professional development of the sector, particularly in Member States where energy communities are newer concepts.

Examples from the ground:

- Wallonia (Belgium) has allocated a 3-year grant of €300,000³⁷ to the regional federation of energy communities (REScoop Wallonie) to carry out actions in relation to the social economy, the creation of new energy communities, networking, and capacity building.

³⁷ La Libre (03 July 2025). [La Wallonie désigne cinq fédérations représentatives des entreprises d'économie sociale](#)

- In Spain, funds from the Recovery and Resilience Facility are being used to set up local “Community Energy Transformation Offices”.³⁸ These are meant to facilitate capacity building actions across the country to set up new energy communities. However, a key gap identified in this program is that it currently does not cover staff costs. Following a similar blueprint, La Palma Renovable³⁹ has been funded by the local administration Insular Council (Cabildo Insular de La Palma) since 2017, using the Council's own budget. With these resources (about €130.000 yearly), La Palma Renovable is working towards materialising the citizen's energy transition in La Palma, with a special focus on mitigating energy poverty, creating and technically mentoring the local energy community Energía Bonita, and organising educational and cultural projects to engage the general population on the energy and climate crisis. Most of the structural funding that La Palma Renovable receives covers human resources in order to implement these projects.
- In Ireland, the energy community 'Ecovision'⁴⁰ provides citizens of the Tipperary, Clare and Limerick counties with advice on housing renovations, energy savings measures, and on how to set up community energy generation projects. It is receiving structural funding from the Sustainable Energy Authority of Ireland (SEAI), and from the Just Transition Fund.
- Four French regions provide structural funding to regional nodes of Energie Partagée,⁴¹ the national federation of energy communities, through the European Regional Development Fund (ERDF). In Region Centre-Val de Loire, ERDF funding amounts to 253,000 euros for the 2023-2025 period, co-financing part of staff costs as well as direct charges. In Grand-Est, it amounts to 107,000 euros during 3 years as well, co-financing some staff costs. Region Pays-de-la-Loire recently (2024) decided to co-finance the regional network's action plan for 4 years through 460,000 of ERDF funding. This co-financing is vital to their work in offering long-term technical assistance to emerging energy communities, even more in a context of strong cuts in regional and other local governments' budgets (e.g. region Pays-de-la-Loire's announcement in November 2024 of the suppression of its grant from its own budget to the regional network).

³⁸ IDAE [Ayudas a Oficinas de Transformación Comunitaria para la promoción y dinamización de comunidades energéticas](#)

³⁹ See lapalmarenovable.es

⁴⁰ See ecovision.ie

⁴¹ Rescoop.eu (22 April 2025). [Success story: Ensuring EU funds reach local \(energy\) communities](#)

3.5. National support schemes for energy communities

The Commission should encourage and help Member States create dedicated/ringfenced auction schemes offering contracts for difference and/or feed-in-premiums to energy communities. Securing such stable operational revenues would allow energy communities to access bank loans. This could be done, for instance, through revisions to the General Block Exemption Regulation (GBER) and the 2022 Guidelines on state aid for climate, environmental protection and energy.

3.6. Capacity building for national lending institutions

Banks need to be better mobilised at the national level to help finance energy community projects. The Commission should use its convening power to create a capacity building forum for energy communities, targeting banks. This would put national level financing institutions in contact with energy communities to help familiarise them to the relevant concepts and activities, and build knowledge capacity to unlock private finance for energy communities. This program could meet at fixed intervals (e.g., annually), under the auspices of the European Commission, with contributions from community energy experts, banks, the European Investment Bank, and other stakeholders (similar to the Investor's Dialogue format). Here, banks can exchange best practises on engagement with energy communities, and thus reduce the perceived risk they have towards the business models of community energy organisations

This network of banks could also be leveraged to capitalise and support CEFS (see point above), creating a strong leverage factor and crowding in additional citizen capital to the energy transition.

PILLAR IV: Supporting energy communities to provide flexibility to the energy system

Demand-side flexibility, whereby someone alters their consumption of electricity in response to signals, is a crucial piece of the puzzle for decarbonising our energy system. It allows for more variable sources of renewable energy, wind and solar, to be brought online while optimising the use of existing infrastructure. It also offers new opportunities for citizens and communities to increase self-consumption of their own renewable electricity, and to benefit from remuneration by offering services to the grid.

Much can be gained by making greater use of the potential of demand side flexibility. Cost-benefit analyses of local network tariff components for shared energy conducted

by the Flemish and Brussels regulators show that with appropriate market design (e.g. smartly designed time of use tariffs) and local network tariff incentives, energy sharing by energy communities can contribute to peak shaving⁴². In 2024, energy communities from Germany published a report showing the contribution of energy sharing for grid, system and market usefulness⁴³.

Several Member States have already adopted incentives connected to the volumetric component of their network tariffs to encourage energy sharing in a cost-reflective manner.

Citizens wanting to get active in the energy transition, equipped with smart meters, can optimise their (individual or collective) self-consumption of renewable energy by changing consumption patterns to match moments in the day when wind or solar is plentiful. They can also activate the flexible potential of certain assets, like heat pumps and electric vehicles, whose consumption can be altered in response to price signals, and when they act collectively this potential can be aggregated and remunerated for services easing congestion in the grid.

Local self-balancing should be rewarded to encourage investment in storage and flexibility, which will also help to stabilise the grid and limit congestion. Here, the support of local system operators is crucial. There is potential for energy communities to act as the intermediary between their members and aggregators, or as aggregators themselves in providing flexibility services to the grid, which can in turn act as revenue streams for the citizen-led initiatives.

Local flexibility markets are still being developed in many Member States. While this is a barrier common to all actors, energy communities may face specific hurdles such as minimum bid thresholds for participating in balancing markets that are out of reach for smaller aggregated loads, among others.

To support the increased participation of energy communities in providing flexibility to the energy system, the CEP should support the following:

Complete the rollout of smart meters, and facilitate access to smart meters for vulnerable households;

Improve data interoperability to facilitate activities such as energy sharing and providing flexibility services; and

⁴² REScoop.eu (2025). [Ensuring Access to Affordable, Secure Renewable Energy: local ownership through energy communities](#).

⁴³ EWS (2024). [Flexibilisierung des Stromsystems](#).

Create accessible minimum bid thresholds to facilitate smaller actors such as energy communities participating in flexibility markets.

Furthermore, the CEP should support the development of collaboration between energy communities and other actors such as DSOs and Regulators. To this extent, the CEP should:

- Include flexibility in Commission Guidance on energy communities;
- Encourage Regulators to develop and share best practice to encourage flexible energy communities, including different tariff designs (e.g. Time of use tariffs) and local network charge reductions for behavior that can help relieve grid congestion;
- Promote incentives to combine storage and EVs with energy sharing;
- Collaboration with DSO associations/Entity on the development of flexible connection agreements and local flexibility markets; and
- Promote uptake of programmable/ICT devices along with a code of conduct to ensure ownership/control of data by communities.
- Dynamic network tariffs to incentivise citizens to adjust consumption patterns according to network loads.

Examples from the ground:

- In Greece, several energy communities (members of REScoop.eu) are taking part in the Horizon project DR-RISE, which is developing a software platform for community-led flexibility. Through the instalment of smart meters and smart devices for up to 130 households across the country, the pilot will test to what extent the aggregation of loads by energy communities can meaningfully contribute to local flexibility.
- Recently in Italy, three pilot projects on local flexibility proposed by DSOs have been approved by the national regulator with the purpose of testing the market and related rules on remuneration. Experience to date has shown that to ensure the participation of end consumers, as requested in the EMD, and of smaller Balancing Service Providers, it is necessary that low enough entry bid thresholds are guaranteed (for aggregated capacity and for individual resources); non-discriminatory mechanisms and procedures are adopted; and distortion of service prices between competing technologies is avoided.
- In Portugal, supplier cooperatives are offering dynamic pricing, reflecting the fact that electricity is cheaper to purchase and use at certain times of the day

when renewable generation is plentiful. They have developed a digital tool to help their members and customers choose the best times to consume electricity.

PILLAR V: Inclusivity and tackling energy poverty

Energy communities offer practical solutions to energy transition challenges such as lowering energy bills, shielding households from market price volatility, increasing access to clean energy and promoting energy savings.⁴⁴ Ensuring that energy communities are inclusive and accessible is vital for equitable distribution of these advantages, preventing social divides, promoting justice, and supporting broader sustainability and climate goals. With 48 million Europeans unable to keep their homes warm, the stakes could not be higher.

Energy communities are built on principles of solidarity, participation, and fairness, values that stand in stark contrast to the profit-driven logic of traditional energy corporations. Their consistent efforts to include vulnerable households in both membership and benefit-sharing underline a commitment to tackling energy poverty and broadening democratic participation. Despite limited resources and insufficient supportive frameworks, energy communities are already demonstrating the willingness and readiness to address these challenges.⁴⁵ What they lack is not ambition, but the enabling conditions to scale their impact.

Recommendations:

In today's context, supporting energy communities as collective and inclusive initiatives is not only an energy policy issue but a democratic imperative. By putting people and communities at the heart of the energy transition, energy communities not only offer a fairer path forward but also strengthen the social fabric needed to sustain Europe's democratic project. To unlock their full potential, the CEP must ensure enabling

⁴⁴ REScoop.eu (2023), ['The social impact of energy communities: Ten benefits they bring'](#).

⁴⁵ LIFE CEES Project, [CEES survey finds few ECs are tackling energy poverty](#)

frameworks that recognise their social and economic value, ensure equitable access to their benefits, and remove barriers to participation.

- **Remove capacity and empowerment constraints for vulnerable households:** Support mechanisms should be provided that enable people from marginalised backgrounds to not only be recipients of community energy benefits but also to actively participate in and take on leadership roles in energy communities. Targeted training and tools should be provided to energy communities and their partners, for example by national regulators, to remove structural barriers for vulnerable households to influence decision-making and help them take charge of various aspects of community energy projects. As experts by experience, vulnerable groups are well placed to identify potential justice concerns in the energy system.
- **Remove financial constraints for vulnerable households:** Energy communities offer more than revenues, but cost savings remain a decisive factor, especially for households in hardship. In Portugal, Telheiras REC highlights the challenges energy communities face in attracting vulnerable households: many vulnerable families already receive social energy tariffs that match or exceed potential savings, while upfront costs and membership fees may further limit participation. For Som Energia in Spain, access to the social bonus is vital to engage vulnerable households, yet as they are not a recognised Provider of Last Resort, it cannot offer regulated tariffs—restricting its ability to retain and support those most in need. **Member States should adapt existing social energy support schemes, such as social tariffs and bonuses, so they can be combined with participation in energy communities.** This could mean allowing vulnerable households to keep their entitlement to social tariffs while also benefiting from participation or enabling energy communities to distribute social bonuses directly. In parallel, EU rules could require Member States to remove upfront costs and membership fees as barriers for low-income households by introducing solidarity funds or targeted subsidies. Such measures would ensure that energy communities can complement—rather than compete with—existing social protections, making it easier for vulnerable families to participate and benefit from the energy transition.
- **Remove capacity and empowerment constraints for energy communities:** Member States should be required to create enabling frameworks that ensure inclusivity and accessibility in energy communities, without overburdening the communities themselves. This approach ensures that Member States carry the legal responsibility for creating inclusive, supportive environments, while energy communities are empowered and rewarded—not penalised—for taking steps toward inclusivity and energy poverty alleviation. This includes Member State obligations to provide dedicated funding for outreach, awareness campaigns, and training on inclusivity practices for the empowerment of people from diverse backgrounds, including

different socioeconomic classes, genders, ages and ethnicities. It also includes targeted incentives (e.g., priority access to grants or simplified administrative procedures) for energy communities that demonstrate efforts to include vulnerable or underrepresented groups.

Member States should also report to the Commission on how inclusivity and energy poverty alleviation are being supported through national programmes, linked to EU-level benchmarks, **removing informational constraints**. This should include the facilitation of the integration of a (gender) justice perspective and analysis into all stages of community energy projects, from planning to implementation. This also includes supporting the collection of data on energy poverty, gender, socioeconomic and generational justice and conducting organisational self-assessments, for example through the development of concrete **Gender Action Plans** with specific targets and budgets. Gender audits should also be supported in order to properly assess the institutionalisation of gender equality into organisations.

Finally, a crucial aspect to overcome the various constraints mentioned above, **municipalities and local authorities should be supported** and encouraged to collaborate with and participate in energy communities that pursue specific social objectives such as inclusion and energy poverty alleviation, especially in ways that account for public procurement requirements. This support also involves sharing assets, skills, and information for the collaborative development of energy community projects.

Examples from the ground:

- Supportive national and municipal policies are key for energy communities to tackle energy poverty. In Greece, the regulatory framework allows vulnerable households to join collective self-consumption projects at no cost, with other members covering expenses. Using this model, Hyperion built a 500 kWp solar park that provides free energy to low-income families, identified in partnership with municipalities—showing how well-designed policies can enable inclusive energy solutions.
- In the UK several local initiatives join local authorities and energy communities: Edinburgh Solar Community⁴⁶ has 30 sites across the city, generating 894MWh in 2024. Energy4All works with over 100 schools to put solar energy on their

⁴⁶ See edinburghsolar.coop

roofs.⁴⁷ The Oxfordshire Low Carbon Hub⁴⁸ is a partnership of local authorities and a community group that want to develop 8GW of community-owned energy.

- The Spanish municipality of Cádiz adopted in 2015 an inclusive approach to energy. The local government aimed at transforming the local energy model with the support of the municipal energy company Eléctrica de Cádiz and its citizens. In order to foster democratic and inclusive decision making, two open energy committees were founded, which made decisions by consensus, and wanted to ensure that everyone could have access to affordable renewable energy: the Energy Transition Committee and the Committee against Energy Poverty. Members of the committees included civil society organisations, energy specialists, the department of social affairs of the municipality, political parties, people affected by energy poverty, employees of Eléctrica de Cádiz and the city council.
- Dutch municipalities employ energy coaches to help social housing residents improve their household energy efficiency and lower their energy consumption. With a short training, local residents become energy coaches and help their neighbours save energy with simple measures, like the installation of thermostats, LED lamps, or water-saving showerheads. They also give them tips, like taking shorter showers, keeping room doors closed and turning the heating down at night, to save energy and money quickly and easily.
- Rožnov pod Radhoštěm (Czechia) is installing solar PV on a social housing building. The vulnerable households in the apartment building will benefit from lower electricity bills in the common areas and in their own flats. The municipality will explore possible financing models to get part of the investment back, to be able to invest in other installations. In addition, the municipality provides energy consultancies to its citizens to allow them to implement energy savings measures. Thanks to the EU funded project 'Power Up', Rožnov pod Radhoštěm is also working with energy poor households on energy efficiency and together with them, they defined a suitable business model based on collective renewable self-consumption. The municipality is currently waiting for the City Council to approve the investment concept to implement the model. The project allowed the city to engage inhabitants and energy poor citizens in

⁴⁷ See [The Schools Energy Co-Operative: Cutting Costs for Schools, Cutting Carbon Emissions for Everyone](#)

⁴⁸ See lowcarbonhub.org

discussions about their needs with co-creation workshops organised throughout 2023.

However, Czechia's DSOs still do not explicitly mention energy communities in their plans, nor are the national authorities specifying areas for energy community development. A similar situation can be found in Portugal. The RES acceleration areas would be an excellent starting point to support inclusive community energy across the EU.

- In Ireland, the energy community Ecovision started last year a collaboration with the Children and Young People's Services Committee to launch *Engage in Energy*.⁴⁹ This initiative will allow Ecovision to improve the energy efficiency of homes where families are experiencing energy poverty through education on sustainable practices, financial support for minor energy enhancements, and help with applications for further renovation upgrades.
- Following the first cooperative principle "open and voluntary membership", Repowering London (Brixton energy) has made significant efforts to integrate people from diverse backgrounds into its projects. They ensure inclusivity by operating in the most diverse part of London, making it a priority to reach out to as many people as possible, including those who may be socially disadvantaged or living in areas facing unemployment issues. They actively engage with the community, work with local community groups such as food banks, kitchens, and gardening groups, knock on doors and talk to local representatives. Investing considerable time and effort allows them to reach people on the ground. That's the only way to achieve real open membership. Moreover, to ensure that no one is left behind, they have implemented a one-pound membership policy. This policy enables people from any economic situation to become a member of the cooperative, granting them voting rights and co-ownership of the installations.
- Eeklo & Ecopower: The collaboration between the local municipality and the local energy cooperative has helped to reduce the barriers for citizen participation in renewable energy schemes. The city provided 750 citizens with one pre-financed share of Ecopower. "Although Ecopower membership can significantly reduce energy expenditure as energy is supplied at cost prices

⁴⁹ Ecovision (25 October 2024). Press Release "[EcoVision Joins Forces with CYPSC and LCDC to Launch the Engage in Energy Project](#)"

(thus lower than market price), membership costs at least €250. While this is not a particularly high sum, it can still be very challenging for low-income households to pay this money in advance. In addition, much like with other energy cooperatives, low-income households are underrepresented because they simply lack the time to research and pursue the administrative aspects of joining. Recognising this, Ecopower is now actively cooperating with different institutional and civil society actors to develop a mechanism to reach and support low-income and energy poor households.