

#### UNFCCC SB58 - BONN, GERMANY

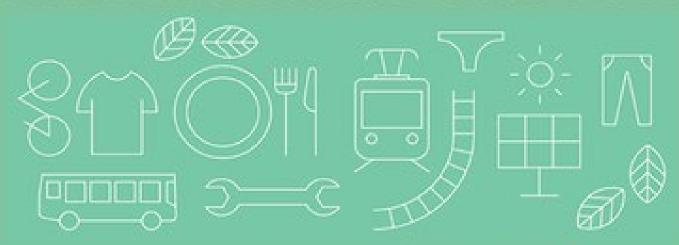
SIDE EVENT: INFORSE - FRAUNHOFER - REScoop.eu - SE

Saturday, 10 June, 2023

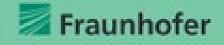
Time: 14:45-16:00 Room: Berlin



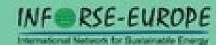
#### Sustainable Lifestyles for Climate Action and Policies for ALL







International Network for Sustainable Energy

















# Energy Communities: reducing emissions, promoting a just transition

**Chris Vrettos** 

June 10th 2023 | Side-event at UNFCCC SB58 Conference

#### Who is RESCOPEU?

 European Federation of Citizen Energy Cooperatives

- Not for profit association
- Based in Belgium
- Founded in 2013
- 1.900+energy cooperatives
- 1 250+ million EU citizens



#### What is an energy cooperative?

- Groups of citizens who jointly cooperate on energy transition projects
- Legal entity (many times adopts the cooperative form)
- 7 ICA principles
  - Voluntary and open membership
  - Democratic member control
  - Member economic participation
  - Autonomy and independence
  - Education, training and information
  - Cooperation among cooperatives
  - Concern for Community



### Acknowledgement at EU level: the 2019 Clean Energy for all Europeans Package

- ½ of EU citizens could be producing their own energy by 2050, meeting 45% of the EU's energy demand. 89% could be participating in some sort of energy system activity (e.g., demand response)
- RECs = Recast Directive 2018/2001 (Renewable Energy Directive II, or REDII)
- CECs = Recast Directive 2019/944 (the Internal Electricity Market Directive, or IEMD)
- Requires Member States to secure certain rights of energy communities and establish enabling frameworks to ensure a level playing field and promote their development.
  - Deadline of transposition: summer 2021

# What kind of activities do citizen energy cooperatives focus on?

- Production
- Supply
- Distribution
- Flexibility Storage, Demand response, &
  VPP
- Energy monitoring
- District heating
- Transportation E-car sharing
- Energy savings Collective home retrofits



# Citizen Led Renovation & Community Heating and Cooling

- Buildings are responsible for 36% of GHG emissions, and H&C represents 50% of our energy consumption.
- In Ireland, a local energy community has renovated over **800 homes** and 25 communal buildings, they have seen **8.8GWh of energy savings**.
- In Denmark **75**% of all district heating systems are owned by cooperatives
- Profits from these activities are are re-invested in the local community, creating added value and jobs.

### Transforming how we use energy (and other resources)

- Decommodifying energy: moving from profit orientation to self-sufficiency
  - Across the EU, energy cooperatives own projects of 7.2–9.9 GW capacity, i.e., able to cover the needs of their 2+ million members
- Reinvesting profits into their local communities
- Tackling energy poverty (Hyperion -Greece)





#### Democratic governance

- In many EU countries energy communities function under a 1 member = 1 vote system.
- Transparency checks and balances (GA, BOD, Oversight Board)
- Gender Equality & Inclusion Action
  Plans (Goiener is a good example!) /
  - REScoop working to make this a statutory commitment



#### In the (k)now: climate finance

- 2020-2030: decade of implementation.
  From 'what' to 'how'
- Climate finance dominating global climate politics (including COPs)
- Finding the money, but also channeling it towards the right directions
- To de-risk community energy investments and crowd-in private finance, public finance is needed



## Public Financing Tracker: Purpose and objectives

This tracker is a collaboration between **REScoop.eu**, **CEE Bankwatch Network and CAN-Europe**. Its purpose is to inform community energy practitioners and policy makers of the availability of supportive programs for Energy Communities at National level.

#### **Key objectives**

- 1. Create **transparency** in the utilisation of EU funds.
- 2. Support conversations with managing authorities, and allow for civil participation.
- 3. Provide guidance to set up successful programs dedicated to energy communities.

#### **Building the map**

#### **Methodological Steps**

- Mobilised campaigners from various Member States -> combed through national plans
- 2. Corroborating the findings: Bilateral discussions with NGOs & Managing Authorities

#### Colour assignment based on Analytical Framework

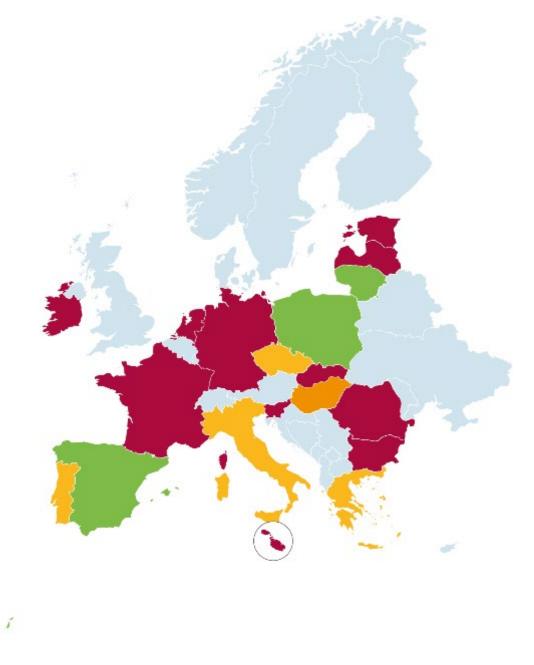
- Allocation & transposition
- Link to a wider scope of activities and objectives
- Transparency and inclusiveness

#### **Colour Grading**

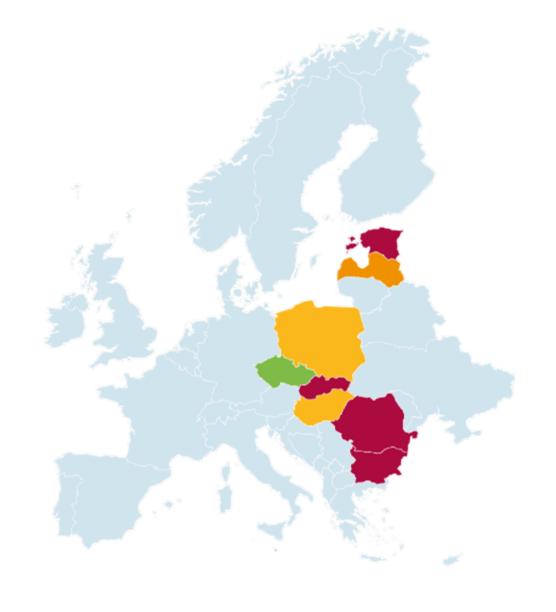
Here is an explanation of the logic behind the colours:

- No mentions of energy communities or related concepts Mentions of energy communities but in a limited capacity
- Specific mentions of energy communities, but limited to a specific type of actor or activity
- Specific mentions of energy communities with a full scope of activities and actors included

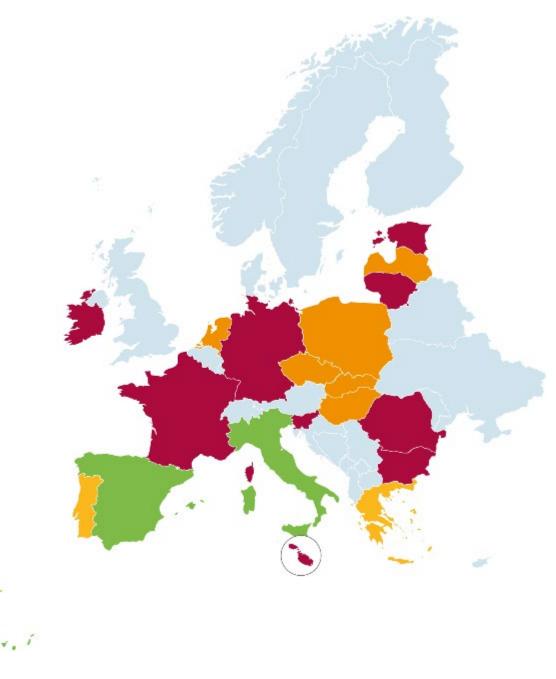
#### Recovery and Resilience Fund (19 Member States)



#### **Modernisation Fund**



#### **Cohesion & ERDF**



#### What makes Italy and Spain stand out?

- They integrate specific budget lines for ECs OPs
- Alignment with EU definitions & set strong social criteria to tackle corporate capture (minimum citizen inclusion, tackling energy poverty...) and promote a just, inclusive transition
- Holistic support: legal, admin, capacity building, grid connections / in most cases only parts of the project development chain are targeted
- Process is transparent and inclusive (civil society + ECs are part of the Monitoring Committees)

#### Explore our tracker!

https://www.rescoop.eu/financing-tracker

### Civil society in CEE is ringing the alarm bell: EU funds must not be misused



- Money is spent
   without
   transparency, or
   CSO involvement ->
   pervasive risk of
   corruption
- Investments that counter the EU's goals / REPowerEU proposals to fund fossil fuels!
- Bureaucracy & red tape discourages smaller actors

## Other policies to unlock the potential of energy communities

- One Stop Shops: aggregating information, easy access
- Permitting: bike lanes for energy communities (add social elements to tackle corporate capture)
- Legal framework & policy targets: transpose the EU Directives and set % policy tagets by 2030-40 (NL, Scotland)
- Creating a level playing regulatory field: simplify administrative processes, provide financial incentives

#### RESCOP.EU

www.rescoop.eu

**Chris Vrettos** 

chris.vrettos@rescoop.eu

+306948387911











