



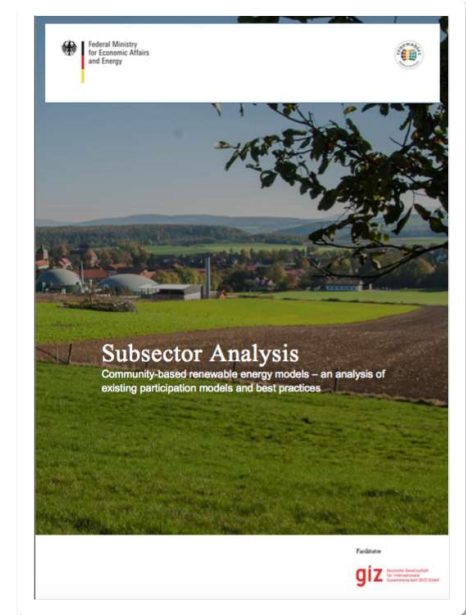
Large Infrastructure Projects and Finance

Models of financial Community Involvement

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Democratization of Energy and Climate Policies
Opportunities for Local Development
Ciudad Mexico
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Meet arepo consult

- What we do: We specialize in policy advice and analysis in renewable energy, energy efficiency, climate change policies.
- Our Scope: Global
- Our clients: Governmental bodies, International organizations, NGOs, Foundations, Private companies
- GIZ Project: Subsector Analysis. *Community-based renewable energy models. GIZ Thailand (2016)*



Community Involvement



- **Community-based renewable energy** covers energy related business models carried out by “small”, non-institutional, (local) actors such as individual citizens, small businesses, small-scale farmers, cooperatives, citizens companies.
- Transferring financial benefits to citizens/ communities:

- Local community benefit schemes

Models of financial participation:

1. Open investment
2. Community connected
3. Community-based

Open Investment Models



- In open investment projects individuals or small businesses can participate financially in a project, e.g. in the form of holding a junior bond or participation right.
- Purpose:
 - Access to non-institutional finances
 - Social acceptance

Examples of open Investments



- Crowdfunding platforms like <https://citizenergy.eu>



- Loans by citizens to their public utility



- Saving bonds offered by banks



- Profit participation rights

Community connected Models



- In community connected models the local community can buy into a RE-project or operate parts of it. The local community can
 - a) buy shares in the project (“shared revenue”),
 - b) own and operate a specific part of the project (“split ownership”).
- Purpose:
 - Fairness and local acceptance
 - Local investment cycles

Examples of a Split-Ownership



- **Wind Farm Schlalach, Germany:** Schlalach Citizens founded a working group which decided on a wind park project company based on max. communal-benefit. The community has the option to buy two turbines out of the 16 plant park



- **ENERGY4ALL, UK:** shares the experience of wind cooperatives (following the example of “Baywind”) to establish local co-operatives that own turbines as part of a larger development through negotiations with wind farm developers.

Community-based renewable energy



- In the community-based renewable energy model the local community holds at least 50 % of decision making power.
- Purpose:
 - Community empowerment and self-efficacy
 - Local investment cycles

Examples of community-based Renewable Energy



- **RevoluSolar, Brazil:** cooperativa de energia solar en las favelas de Babilônia y Chapéu Mangueira en Río de Janeiro.

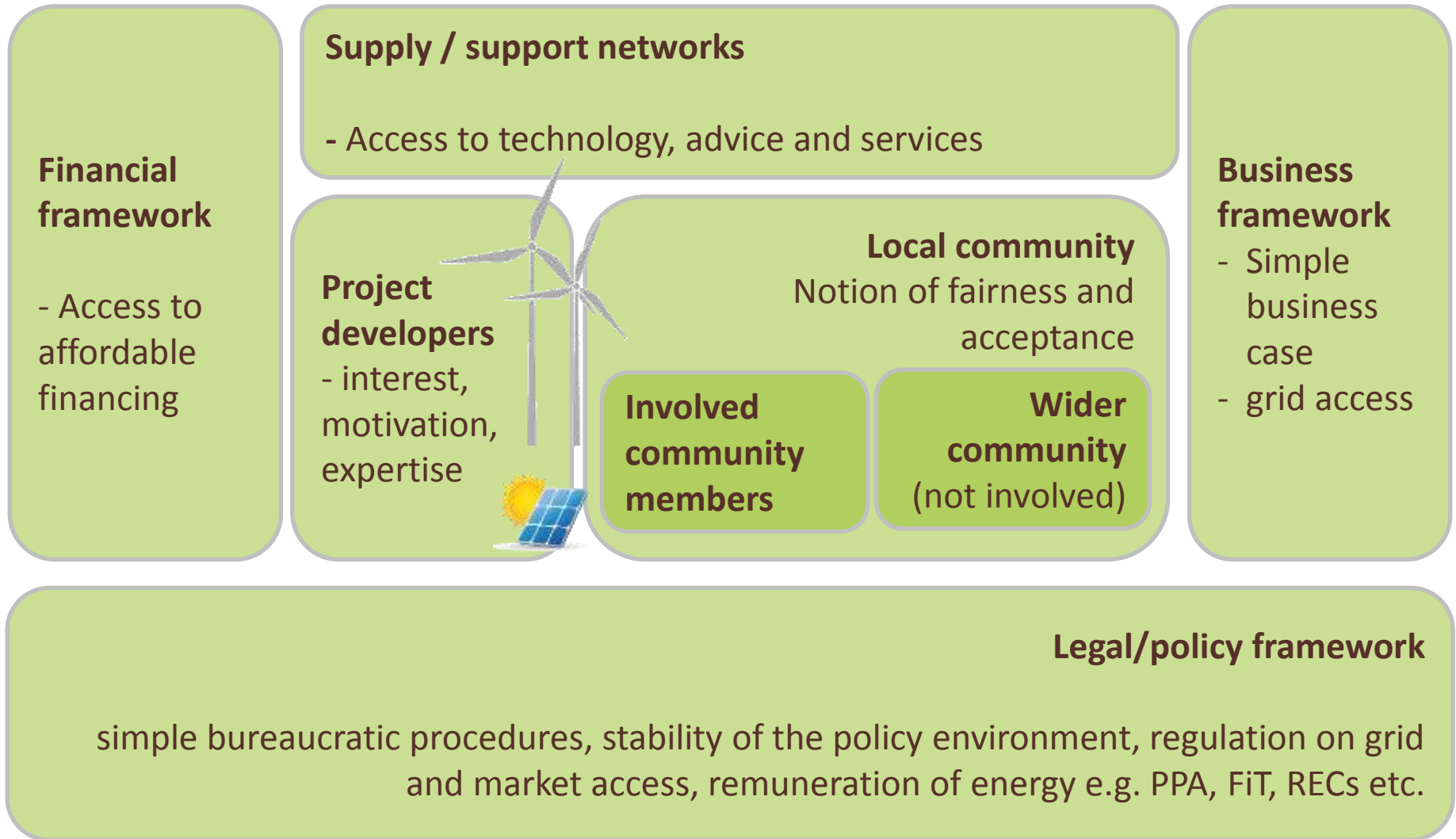


- **Cooperativa de Energías Ener Metropolitan, Chile:** Solar Buin I, 10 kW



- **La Cooperativa de Electrificación Rural Los Santos (Coopesantos), Costa Rica:** 102 kW solar sobre sus oficinas, 15 aerogeneradores de 70 metros y 850 KW producen 42 GWh/año

Enabling Environment of a Renewable Energy Project



Examples of a favourable enabling Environment for Community Involvement



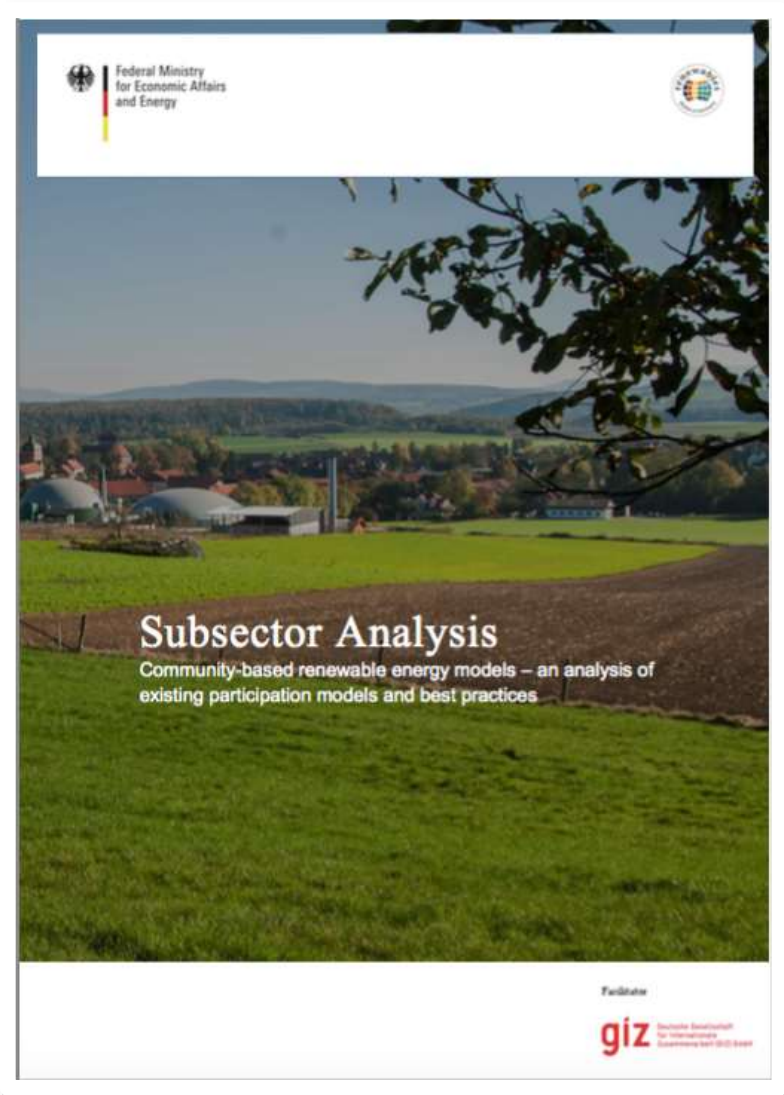
- **Local Energy Scotland** is a consortium of Scottish Agencies that provides free and impartial support and advice to communities/non-profits, supplies grants and loans.



- **Scottish Community energy target: 500 MW by 2020** – *reached in 2017 and reversed to 1 GW by 2020, and 2 GW by 2030*



- **Danish Co-ownership offer:** Developers have to offer 20% of overall ownership shares of large wind projects to citizens living within 4.5 km of the project.



With 39 Examples of international community-based renewable energy projects!

Arepo Consult (2016). Subsector Analysis. Community-based renewable energy models an analysis of existing participation models and best practices for community-based renewable energy deployment in Germany and internationally.

GIZ .