

# **IRENA Coalition for Action:**

# White Paper: Financing Community Energy in the Developing World

**Bonn, 6 September 2018**

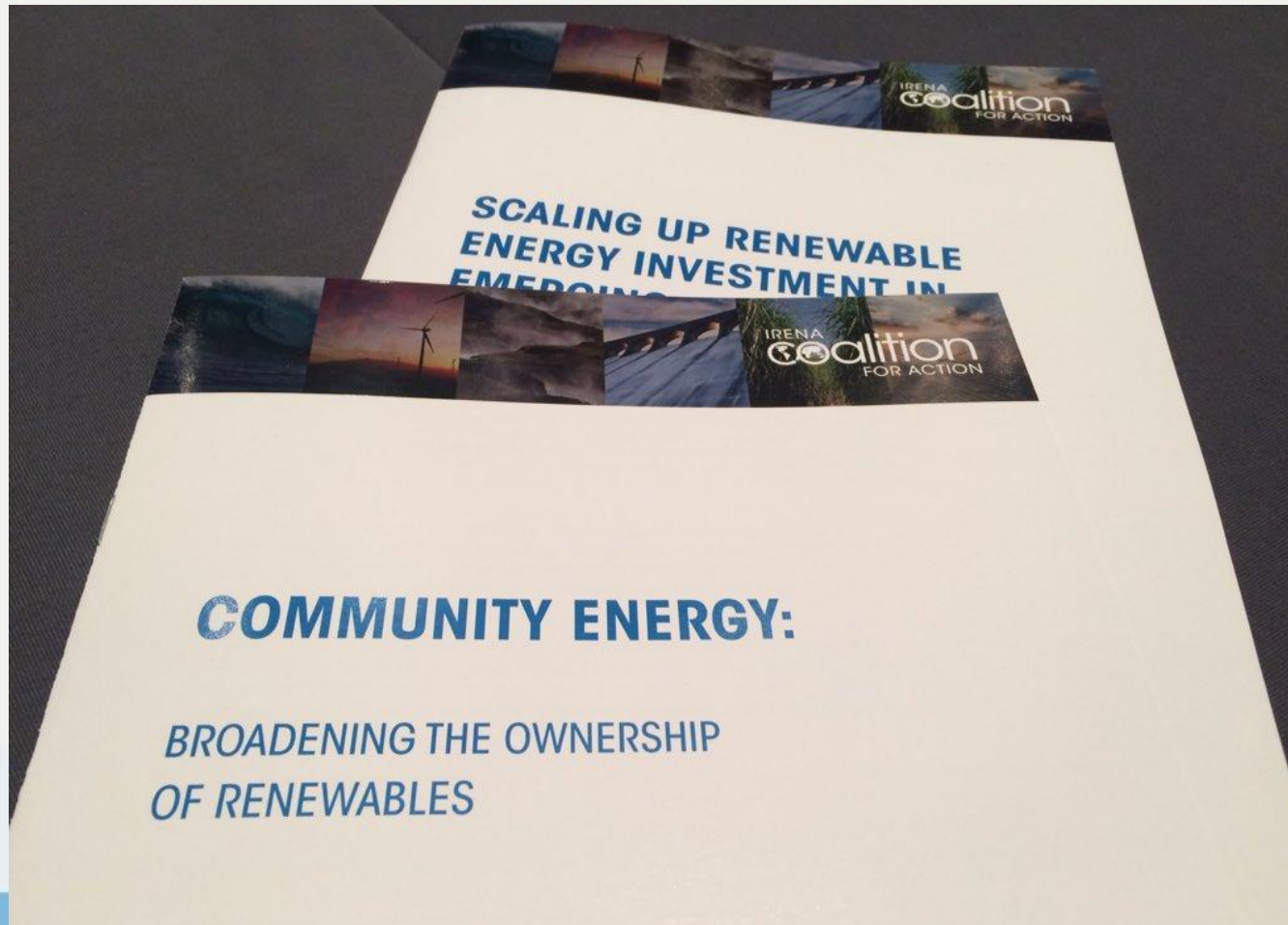
# IRENA Coalition for Action



- Provides input from non-governmental organisations to IRENA's work
- Broad membership basis and several working groups
- Business & Investors Working group was established in 2017 including Community Energy sub-group
- Members from all continents, chaired by WWEA

# 2017 White Paper

## Community Energy: Broadening the Ownership of Renewables



# **2018 White Paper**

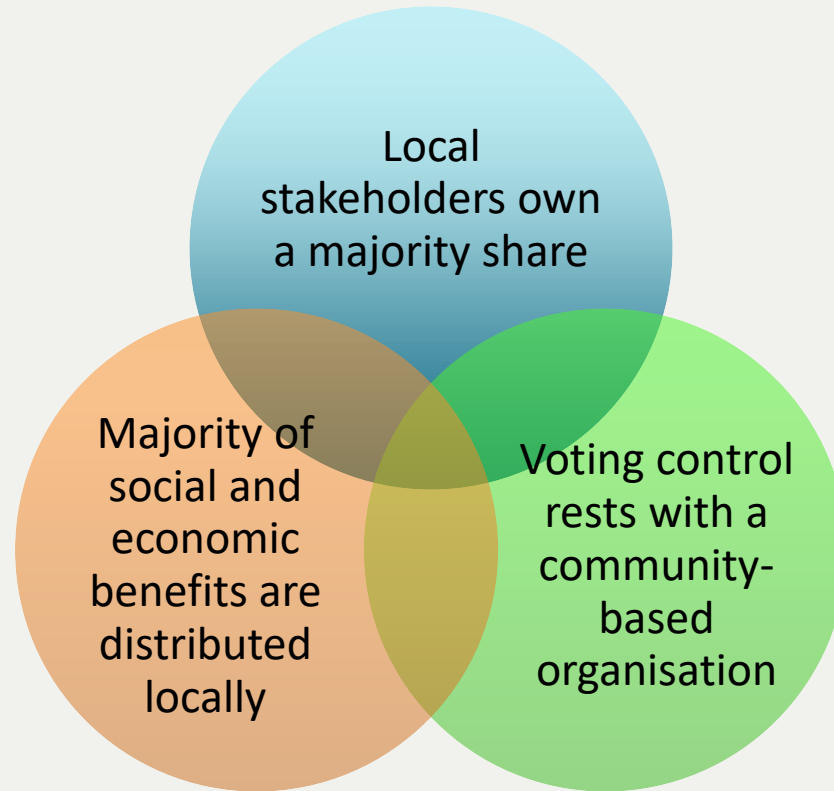
Financing Community Energy in the Developing World

Part 1: Definition and Benefits of Community Energy



# Defining Community Power

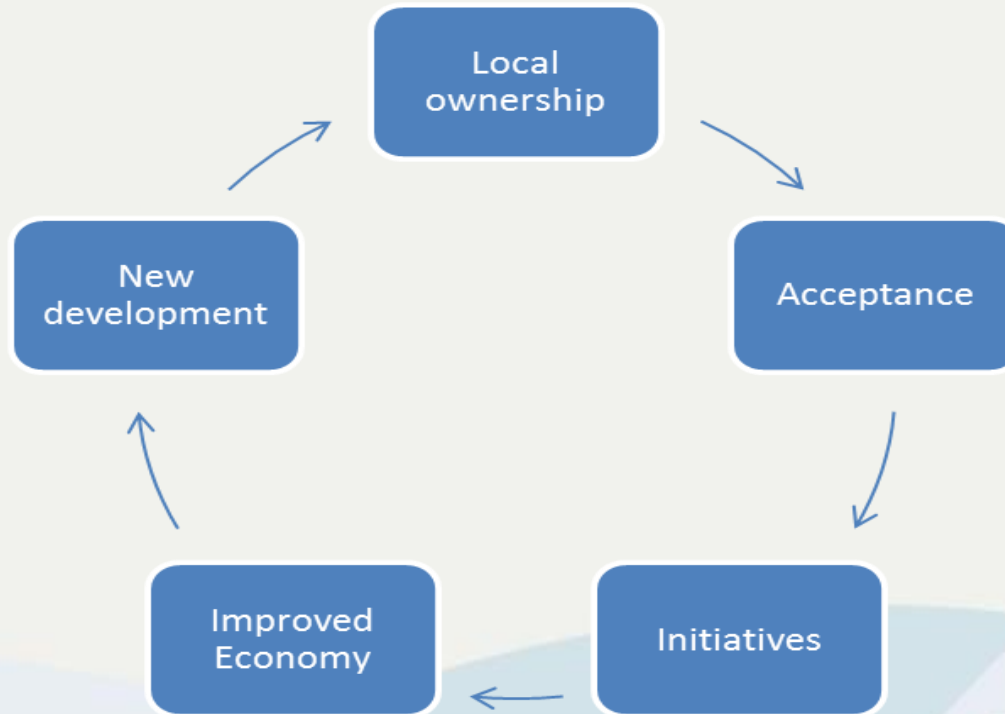
2 out of 3 criteria must be fulfilled



“A local individual or a group of local stakeholders, whether they are farmers, cooperatives, independent power producers, financial institutions, municipalities, schools, etc., own, immediately or eventually, the majority or all of a project.”

# Local Ownership and Community Power multiply the Benefits of Renewable Energy

- Increase in local wealth
- Beyond acceptance: Citizens become drivers
- Strengthening democratic structures



# Benefits of Community Power: Germany



## Very high influence

- Acceptance
- Added value for the region
- Increase in actor diversity
- Creation of local identity

## High influence

- Only means to realise specific kind of plants
- Shared decision-making and transparency
- Integration of citizens into sustainable economic processes
- Increase of citizens' involvement

## Medium influence

- Jobs
- Creation of a new economic sector

# **2018 White Paper**

## Financing Community Energy in the Developing World

### Part 2: Existing national and international support programmes





## **Drawing conclusions from what works and what does not work:**

An increasing number of countries is setting up specific frameworks and/or sees CP investment, e.g.

Argentina, Australia, Austria, Belgium, Canada, Chile, Croatia,  
Denmark, European Union, France, Germany, Israel, Japan,  
Republic of Korea, Netherlands, Scotland, Spain, Sweden, Turkey,  
USA  
and many more

# 2018 White Paper

## Financing Community Energy in the Developing World

### Part 3: Recommendations for national and international support schemes



## **Which policies are supportive and inclusive?**

FITs have proven to be non-discriminatory but under pressure  
Quota systems and auctions tend to exclude small players

How to incentivise integrated and offgrid solutions?  
Microcredits – and what else?

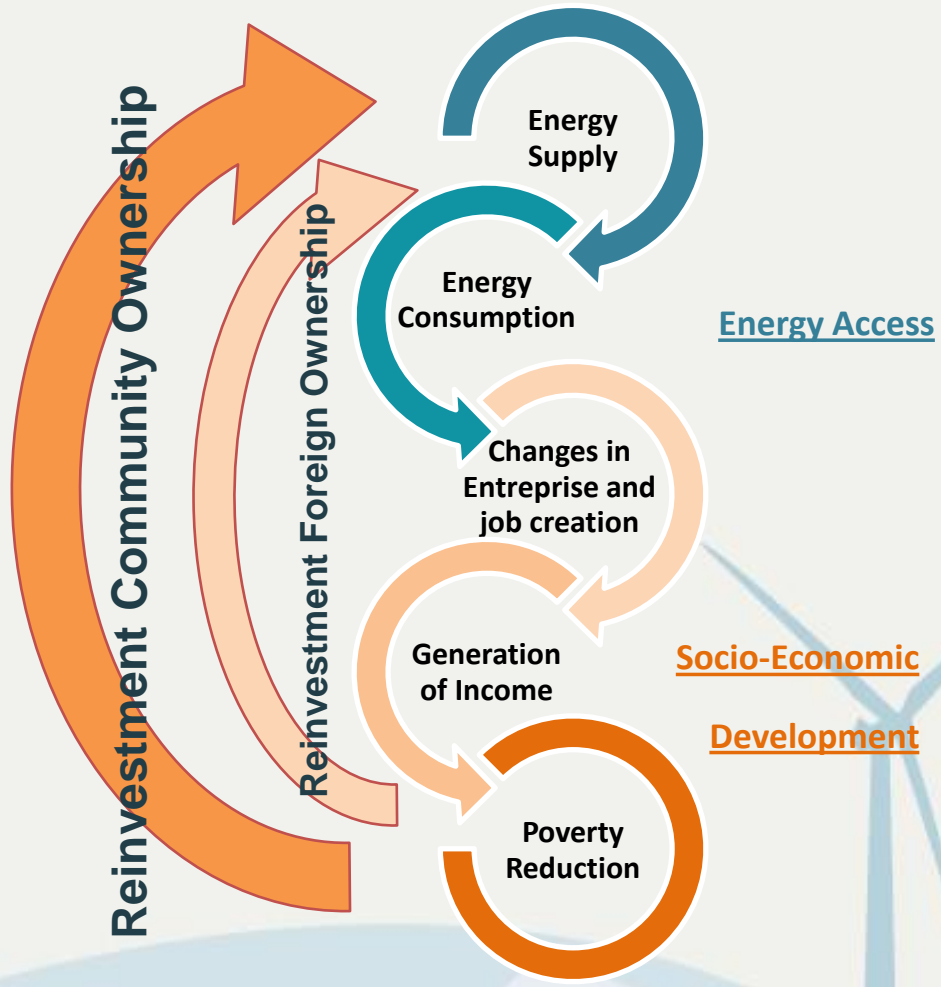


The following aspects are in particular of importance:

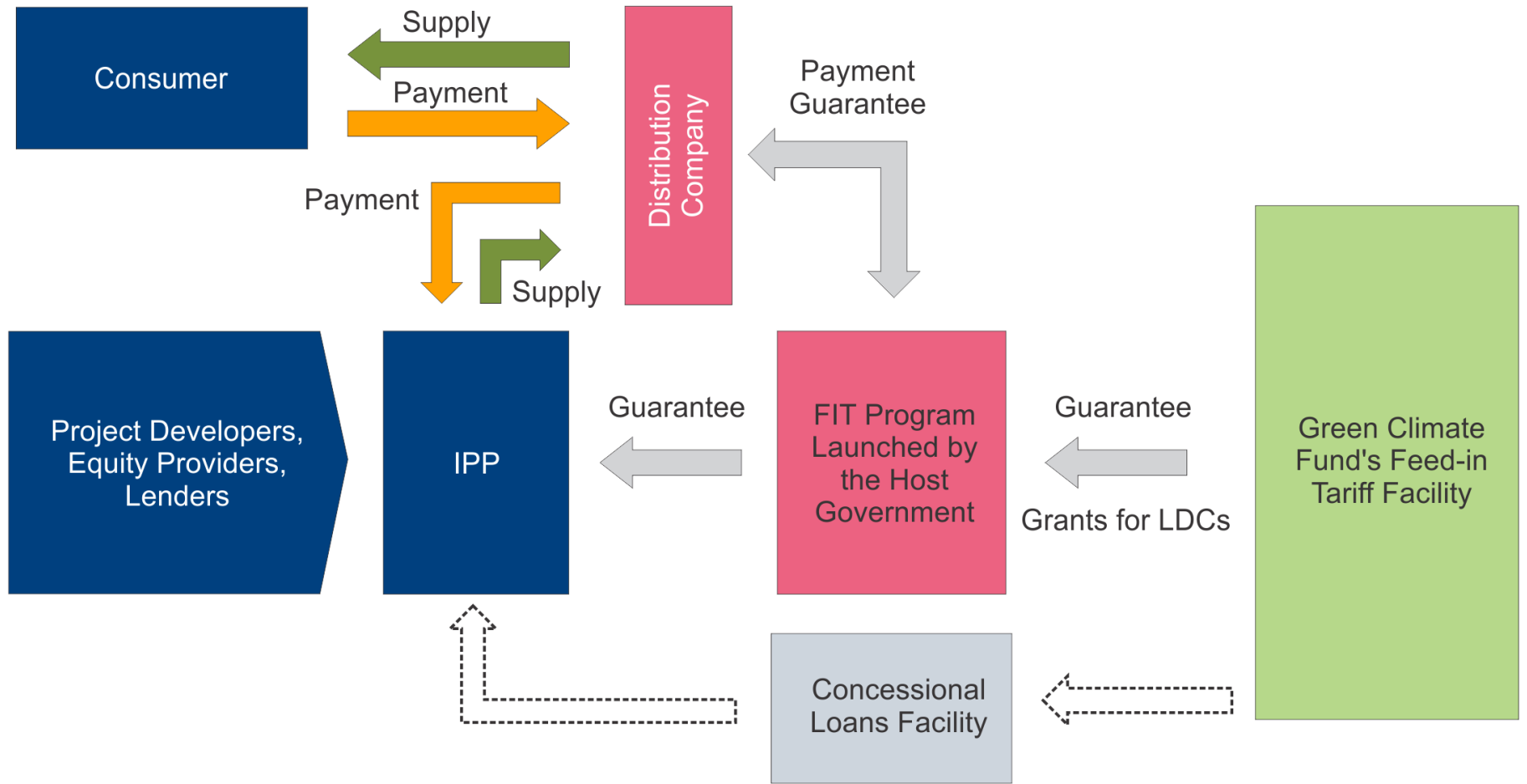
- Productive use of energy which allows payments for energy to be secured, “credits” to be given to communities, and, during the financial lifetime of a project, that these (expected) payments are to be converted into actual ownership.
- Allowing, fostering and prioritising self-consumption of energy
- Capitalisation of contributions such as land and labour taking into account that community based investors have usually little or no direct access to cash

# Productive Use of Energy: Ownership Makes a Difference

Five Steps  
from  
Energy Supply  
to  
Poverty Alleviation



# Grid connected: A Global FIT



## Next steps:



**2<sup>nd</sup> World Community Power Conference**  
in Bamako/Mali, 8-10 November 2018  
[www.conference.community](http://www.conference.community)

And launch of the White Paper at the  
**IRENA Assembly January 2019**

**Thank you very much!**

**[www.wind.community](http://www.wind.community)**

**[www.wwindea.org](http://www.wwindea.org)**

