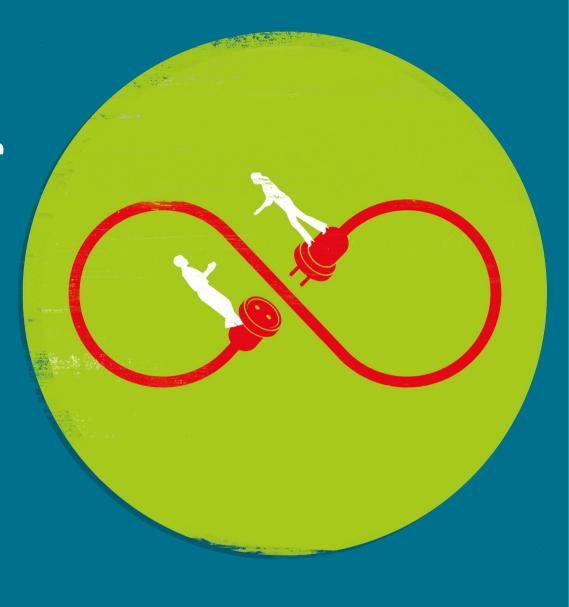
Financing REScoops Working towards tangible solutions for REScoops financing needs on the European level









#### Program of the Financing workshop (15:00 - 16:15)

- 15:00-15:20 Presentation of the work undergoing on the European financing tool
- 15:20-15:30 Q&A and discussion on obstacles faced by the REScoops to finance their projects
- Work in groups per theme:
  - 15:30-15:45 Share experience on specific financing obstacles
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### REScoop MECISE project (1)

#### **Objectives of the financing tool**

- Provide financial capacity to cooperatives in order to invest in Renewable Energy projects
  - Benefit from investment opportunities across Europe
  - Benefit from the non-allocated financial surplus of REScoops to give more time for projects to raise funds locally
  - > Benefit from other sources of financing and upscale the size of citizen-led projects
- How?
  - By pooling resources between European cooperatives
  - By channeling the contribution of European public institutions and potential private partner





## REScoop MECISE project (2)

#### Obstacles the tool aims to address

- Different countries stop-start approaches to renewable energy
- Expensive finance for some REScoops because of:
  - high interest rates
  - extensive due diligence costs
  - extensive legal expenses
  - lack of long-term financing
- Lack of equity and therefore difficulty to lever other funds

- Capital in one place and funds needed elsewhere
- Difficulty to invest in large scale renewable energy projects
- Lack of stable income and lack of access to financial guarantees for REScoops
- Lack of track record for projects led by local communities and therefore lack of access to the same type of finance as larger organizations and companies
- Lack of risk sharing among local projects

#### $\rightarrow$ Too few renewable energy installations owned by communities in Europe





### REScoop MECISE project (3)

#### Success factors of the tool:

- Be able to operate across a range of countries (to both raise and spend funds)
- Cost effectiveness offer less expensive and more flexible funds than alternatives
- Attractive to a wide range of REScoops:
  - Small and large
  - Technology neutral
  - Supporting a wide range of services
  - Across different countries

- Establishment in a reasonable timeframe and at reasonable cost
- Offer fair financial returns to member REScoops
- Built on solidarity principles among REScoops and not solely profit oriented
- Work on cooperative principles and based on the REScoop.eu charter





## REScoop MECISE project (4)

#### Common vision and first governance principles

- Common vision
  - Simple
  - Transparent
  - Cooperative
  - Efficient
- Legal Statutes of a European cooperative society based in Belgium
- The REScoop.eu Federation will hold a key role in the governance and management of the tool so as to represent its members





### REScoop MECISE project (5)

Activities of the tool as currently defined

- Intervention of the tool through equity in construction and/or acquisition phases of renewable energy projects
- Aimed size of the tool: 50M€
- The tool is not meant to replace local cooperatives
  - Price of shares will be higher than average price of shares of local cooperatives
  - Length of investment





Key information on planning

Only members of the REScoop MECISE project involved

- Progressive roll out of the tool
  - Phase 1 set up phase
  - Phase 2 test phase
  - Phase 3 full scale implementation
- Opening participation in the tool to other stakeholders over time
  - Public actors (local authorities, European institutions)
  - Private partners (ethical banks, others)
  - Citizens





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### Work in groups per themes - guidelines

#### • JOIN A GROUP THAT WILL DISCUSS AN OBSTACLE YOU ARE FACING OR YOUR ARE INTERESTED IN SOLVING

- 15 MINUTES: Share experience on specific financing obstacles
  - Specific examples
  - Context (where, when, what type of cooperative)
- 15 MINUTES: Brainstorming on possible solutions on the European level for this type of obstacles
  - What has been done on the local level to address this obstacle?
  - Can something be done on the European level?
  - Through the MECISE financing tool or not?





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# Thank you!







*06/11/17*