

# *Financing REScoops*

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





# *Objectives of today's workshop*

## **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
  - **15:45-16:00** Brainstorming for possible solutions on the European level
- **16:00-16:15** Feedback of the group discussions and next steps



# *REScoop MECLISE 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 MECLISE 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

→ Too few renewable energy installations owned by communities in Europe



# *REScoop MECLISE 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 time-frame 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 MECLISE 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



# Planning

## 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