



International Year of Cooperatives



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From lignite to local: Addressing regional challenges for citizen participation in the energy transition

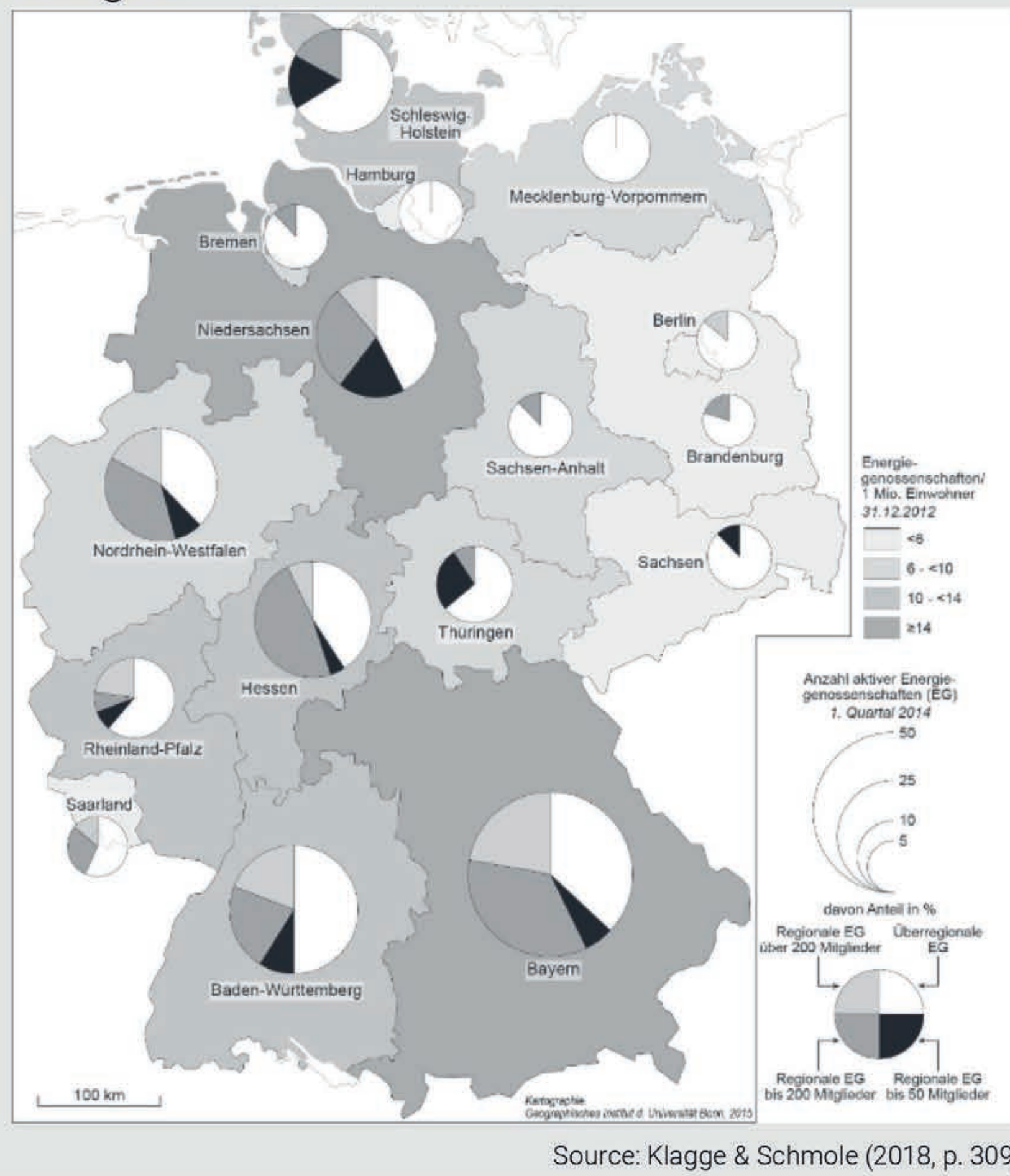
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Motivation:

The EU has recognized the need to get citizens on board for a successful energy transition. Countries like Germany have a long tradition of citizen involvement in energy projects. The remaining ecological and economic potential is enormous in both urban and rural regions. Yet, in challenging the market power of incumbent energy providers, cooperatives face an uphill political battle, and their spatial distribution across the country remains unequal. Especially in the eastern federal states, the cooperative landscape is still underdeveloped. What can policymakers learn from existing cooperative projects to leverage the full potential of citizen involvement? **What is needed to bridge the gap between pioneer and laggard regions in Germany?**

Cooperatives (eG) in the German energy sector

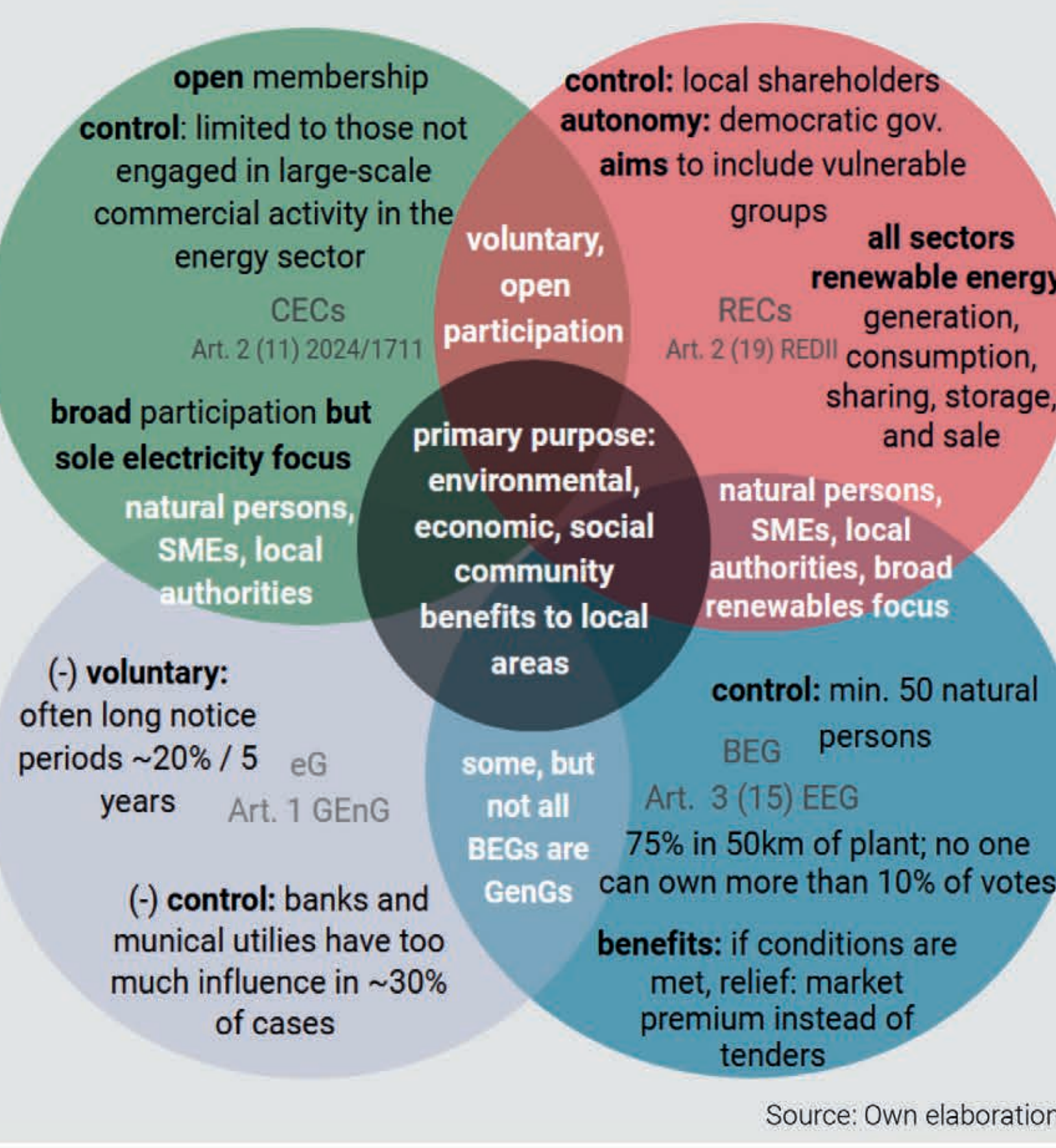
- ... perform diverse activities across the whole sector, including: energy generation & storage; grid operation; efficiency contracting
- ... contribute to an increasing acceptance of renewable energies
- ... are a driving force for innovative solutions
- ... about 1000 entities have mobilized over 3.6 billion Euros of investment in renewable energies



Diffuse legal situation

Comparing four definitions of citizen energy at European and German level:

- Citizen Energy Communities (CECs)** under EU energy legislation
- Renewable Energy Communities (RECs)** under the EU Renewable Energy Directive II (REDII)
- Eingetragene Genossenschaften (eG)** under the German Cooperative Act which operate in the field of renewable energies
- Bürgerenergiegesellschaften (BEG)** under the German Renewable Energies Act (EEG)



When innovation forgets inclusion: A just transition for whom?

Art. 22 (4) (f) REDII: "accessible to all, including low-income, vulnerable households"

- However:** participants are more educated, wealthier, older, whiter and more male than the general population.
- Barriers:** Knowledge, capital, ownership, lack of target group focus
- Tenant electricity:** untapped potential for affordable energy provision.
- Regional differences:** East–West divide in the number of energy cooperatives hints at historical and current structural barriers. Except for Thuringia, energy cooperatives are still rare in the eastern federal states. A significant share of the existing entities was founded by migrants from western states. The reasons for this unequal distribution remain under-researched.

Methodological approach

We conduct interviews with stakeholders from Saxony and Brandenburg. Stakeholders include: Board members of cooperatives and regional associations, and researchers. After reviewing literature on success factors and spatial distribution of energy cooperatives, the following hypotheses were formed:

The sparse cooperative landscape in Brandenburg's and Saxony's energy sector can be explained as a result of...

- H₁** ... a low level of cooperative legitimacy.
- H₂** ... a lack of trust in institutions and national energy policy objectives.
- H₃** ... financial endowment and land ownership structures.
- H₄** ... a lack of institutional support programs.

Preliminary results

Four interviews with stakeholders from East German states have been conducted at the time of preparing this poster. The following challenges have been identified:

- Low legitimacy** of energy cooperatives because they remain relatively rare.
- Weak cross-regional networking** until the recent foundation of federal associations
- Widespread distrust in institutions**, partly due to biographical experiences.
- Demographic challenges** as a result of migration after reunification.
- Land ownership and wealth distribution** are not perceived as challenges.

→ Familiarity with cooperative projects in the energy sector and economies of scale play an important role. But further context specific variables come into play. More research is needed to assess the interplay of those factors.

Recommendations:

- Create new narratives and raise awareness in areas with renewables potential: emphasize decentral and communal spirit, showcase and advertise with local success stories.
- Fund inclusive energy cooperatives through targeted national and state specific support schemes.
- Foster the potential of cooperatives as agents of change by providing support for more innovative and network-friendly business models than only photovoltaic and wind power generation.
- Facilitate energy sharing to allow members to benefit from low electricity prices.
- Leverage synergies: promote joint ventures with established agricultural and housing cooperatives and accelerate the rollout of tenant electricity to create legitimacy spillovers.

5 GENDER EQUALITY 7 AFFORDABLE AND CLEAN ENERGY 10 REDUCED INEQUALITIES

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Sources:



HOW TO BUILD A BETTER WORLD? IN SEARCH FOR COOPERATIVE TRANSFORMATION

