

## United behind a European consensus on baseline principles for

#### **Fast & Fair Renewables & Grids**

## Why now?

Climate change is the biggest challenge faced by humanity, threatening people's health, causing conflicts and displacements, at the same time putting at risk water, food and energy security as well as biodiversity. The EU's Climate Law enshrines in law the binding objective of climate neutrality in the EU by 2050 including a binding target of at least 55% reduction in greenhouse gas emissions by 2030. Achieving this target means raising the share of renewable energy in the EU's overall gross energy mix by 42.5% (aiming for 45%) by 2030 as set out by the revised Renewable Energy Directive. This entails massive investment in Renewable Energy Sources (RES) and electricity grids by 2030 and amounts to the equivalent of 80% of total generation capacity we have today. Just five years remain to deliver on this objective.

Decarbonising the electricity sector is an economic opportunity for Europe. The cost to build and operate new RES are below those of coal and fossil gas plants, even amid significant supply chain disruptions. Transitioning the global economy to renewable energy could save as much as \$12 trillion by 2050.

## Renewable energy in harmony with nature is key to safeguard ecosystems.

Currently, 80% of ecosystems are in a poor state and climate change is one of the major drivers of biodiversity loss. Deploying renewables and electricity grids fast and at scale is not just a climate necessity; it is also an urgent measure to safeguard energy security, enhance economic stability, and protect biodiversity. If renewables dominate the energy system, projected risk to biodiversity and ecosystems are up to 75% lower and climate-change related land loss and degradation are 50% lower. With the right strategies in place, renewable energy and electricity grid infrastructure deployment cannot only reduce harm, but contribute to nature-positive outcomes, creating synergies between climate action and biodiversity protection.

**The deployment of additional RES is too slow** and is not advancing at the necessary scale required to achieve climate neutrality. The same concerns the deployment of electricity grids at all voltage levels, which sustain and enable the pace and magnitude of investments in generation and storage assets for renewables across the EU. Key barriers include lengthy permitting times and often lacking political support. Frequent <u>questions on fairness</u> regarding benefits for local communities also weigh on the speed of realisation of new RES and grid infrastructure.

RES are a great opportunity for local communities. However, capacities within local planning entities including local governments to deliver on the much-needed dialogue on the ground with developers, investors, potential hosting communities, civil society actors, including NGOs and energy communities are severely strained. Most mayors, local government staff and local authorities are supportive of the energy transition, and many already see local economic benefits. However, deploying new RES capacity and enabling electricity grids has an impact on hosting communities. Mayors, frequently encounter challenges such as local opposition, a lack of perceived local value and competing interests and motivations. Without adequate support, municipalities have a hard time in playing their key role as enablers, facilitators and mediators for more local acceptance.

**We are united** beyond our individual approaches in collectively recognising the importance of a voluntary set of baseline principles and criteria which act as guidance irrespective of socio-economic context, sector, regulatory differences, and acceleration efforts. These principles focus only on addressing root causes of public opposition to new RES and grids at the local level. In doing so, the endorsing organisations signal a strong willingness to get together beyond sector boundaries and to enable mayors and local government staff to better mediate between interests on the local level by referring to a European cross-sector consensus on the deployment of Fast & Fair Renewables & Grids.



#### Principle 1 (The "Local Projects – Local Influence" Principle)

The endorsing organisations agree that early, continuous, and meaningful engagement of all relevant local stakeholders is essential. Doing so increases local perceived fairness and results in smoother realisation of new RES and electricity grid infrastructure.

We highlight the importance of:

- Early and meaningful engagement between mayor/municipal councils and project stakeholders.
- The need for a joint and collaborative public engagement strategy to involve local communities, through necessary project stages. This includes inviting local communities to consultation events/processes, ideally, while different project locations are being considered with flexibility to shape project outcomes. Public engagement should include a variety of instruments and should actively involve all relevant stakeholders which also includes vulnerable citizens and young people. Some possible instruments include local opinion surveys and engaging local dialogue formats, ideally conducted in partnership with the municipal authorities.
- Establishing concrete mechanisms to address concerns from local citizens and stakeholders. Providing
  opportunities for feedback through the necessary stages of project development. Ensuring
  transparency by engaging in regular, continuous, accessible, and appropriate information sharing
  about the project to citizens through various communication channels, such as local newsletters,
  community boards, and online platforms.
- Ensuring that project developers and local governments are enabled and equipped through appropriate frameworks to set aside sufficient resources for effective communication with citizens, while also supporting local civil society organisations to enable their active participation.
- Engaging with local interest representations (e.g. local citizen associations), including existing and/or potential energy communities that might be interested in investing in the project.

#### Principle 2 (The "Local Projects – Local Value" Principle)

There should be tangible, appropriate, and proportionate community benefit opportunities in conformance with national and regional legislation as well as with the aims of the local communities involved. This is to increase public support, promote a sense of identification and pride with new infrastructure and to ensure that local communities benefit from such projects.

We highlight the importance of:

- Including, where feasible, local businesses, workforce and material in RES and grid planning, construction, operation/maintenance and decommissioning.
- Offering host municipalities and citizens benefit sharing schemes linked to renewables and electricity
  grid infrastructure development, or community co-ownership adapted to their local needs and within
  the context of national and regional regulations. Some good examples include community benefit
  funds; electricity discounts; educational as well as nature protection and restoration initiatives;
  upskilling programs or community investments.
- Ensuring that host municipalities benefit from business tax payments which are already paid to other administrative levels.



# Principle 3 (The "Transparency" Principle)

A transparent use, communication and governance of additional revenue and of the overall process, in accordance with national and regional legislation, brought by the new infrastructure is essential. Spatial planning and permitting authorities should be aware and highlight different options and good practices for benefit schemes, so that their implementation is ensured in a transparent manner.

We highlight the importance of:

- Ensuring clarity in national legislation when negotiating benefits schemes and providing additional
  voluntary payments which feed into local social and infrastructure projects and improvements within
  the context of national and regional regulations. This is to reinforce transparency, fairness and
  accountability. Examples include support for clean public transport, housing renovations, broader
  energy saving and efficiency measures, but can also include cultural and sport endeavours as well as
  renovations and development of public buildings and infrastructure.
- Making publicly available and actively communicate through various channels how any revenue by municipalities from RES and grids is used.

## Principle 4 (The "Nature-Positive" Principle)

We acknowledge that the installation of RES and grids, like any infrastructure, has an impact on nature and biodiversity, but such impact can be minimized and mitigated, and the impact can be an overall positive one. If done in a coordinated manner, therefore, RES and electricity grids have the potential to effectively address the twin climate and biodiversity crises, and their deployment should go hand-in-hand with nature protection and restoration.

We highlight the importance of:

- Informing siting and decision-making at large of RES and electricity grids, through robust and holistic energy system and spatial planning, encompassing technical, environmental, and societal considerations.
- Applying the mitigation hierarchy by:
  - First, avoiding or preventing negative impacts;
  - Second, where impacts cannot be avoided, to minimising damage and rehabilitating their effects (e.g. by increasing biodiversity at PV, wind and grid sites);
  - Third, offsetting or compensating residual adverse impacts. The attainable outcome may vary based on factors such as project specifics, magnitude of impact, site constrains, feasibility of mitigation measures or national framework conditions.
- Cooperating with developers and sharing good practices to address the challenges they face in applying the mitigation hierarchy such as conflicts with other land users, constrained available land, increased costs, limited scientific data, absence of harmonisation in biodiversity assessment approaches, and complex interactions among different ecosystems within the same project.



#### Principle 5 (The "Empowering Community-led Initiatives" Principle)

A level-playing field between all actors on the renewable energy market is instrumental. To share in the local value creation from renewables development, market actors with less administrative and financial capacities (e.g. citizen and renewable energy community-led initiatives) need special support to allow them to develop their own projects and to access the grid on an equal footing with professional actors.

We highlight the importance of:

- Ensuring that enabling processes such as structures, processes, mechanisms and enabling regulations are in place to enable local consumers to connect to and use the local distribution grid to produce, self-consume, share and collectively supply themselves with locally produced renewable energy, so that they can benefit from stable and affordable access to renewable energy, particularly during times of high and volatile market prices. In particular, this requires sufficient investment in power grids to cope with changing grid usage patterns, increased electricity demand and decentralised generation.
- Ensuring that distribution system operators (DSOs) facilitate a level-playing field for community-led
  initiatives when providing access to the grid including in applicable connection queue regulation. This
  can e.g. include reservation of available grid capacity, reserving space in tender procedures for
  opening new grid capacity and/or providing for flexible connection agreements.
- Creating space in tenders, auctions and public procurement to allocate room and/or remunerate
  projects developed by renewable energy communities.<sup>1</sup> This can be coupled with e.g. providing
  information, technical and financial support, reducing administrative requirements, including
  community-focused bidding criteria, creating tailored bidding windows, and exemptions for renewable
  energy communities<sup>2</sup>. This should be supported through appropriate national legal frameworks and
  capacity building.
- Ensuring that citizens and local authorities have adequate awareness on the added value of local
  ownership, as well as access to finance and expertise in order to realise their own community-led
  initiatives, for instance through one-stop shops.

<sup>&</sup>lt;sup>1</sup> Article 22 RED III states: "Member States should take into account specificities of renewable energy communities when designing support schemes in order to allow them to compete for support on an equal footing with other market participants".

<sup>&</sup>lt;sup>2</sup> Article 15a REDIII states: "Where deemed relevant, Member States may promote cooperation between local authorities and renewable energy communities in the building sector, particularly through the use of public procurement".

























We are additionally grateful for the contributions of Renewables Grid Initiative