

Crowdfunding as an alternative method of financing renewable energy projects*

Thomas Maidonis | WIP Renewable Energies

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A. Bergmann, B. Burton, M. Klaes | University of Dundee

S. Betz | WIP Renewable Energies

K. Kohl | European Crowdfunding Network

EWEA 2015 | 19 November 2015 | Paris, France



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Definition of Crowdfunding

“... a collective effort of many individuals who network and pool their resources to support efforts initiated by other people or organizations. This is usually done via or with the help of the Internet. Individual projects and businesses are financed with small contributions from a large number of individuals...”

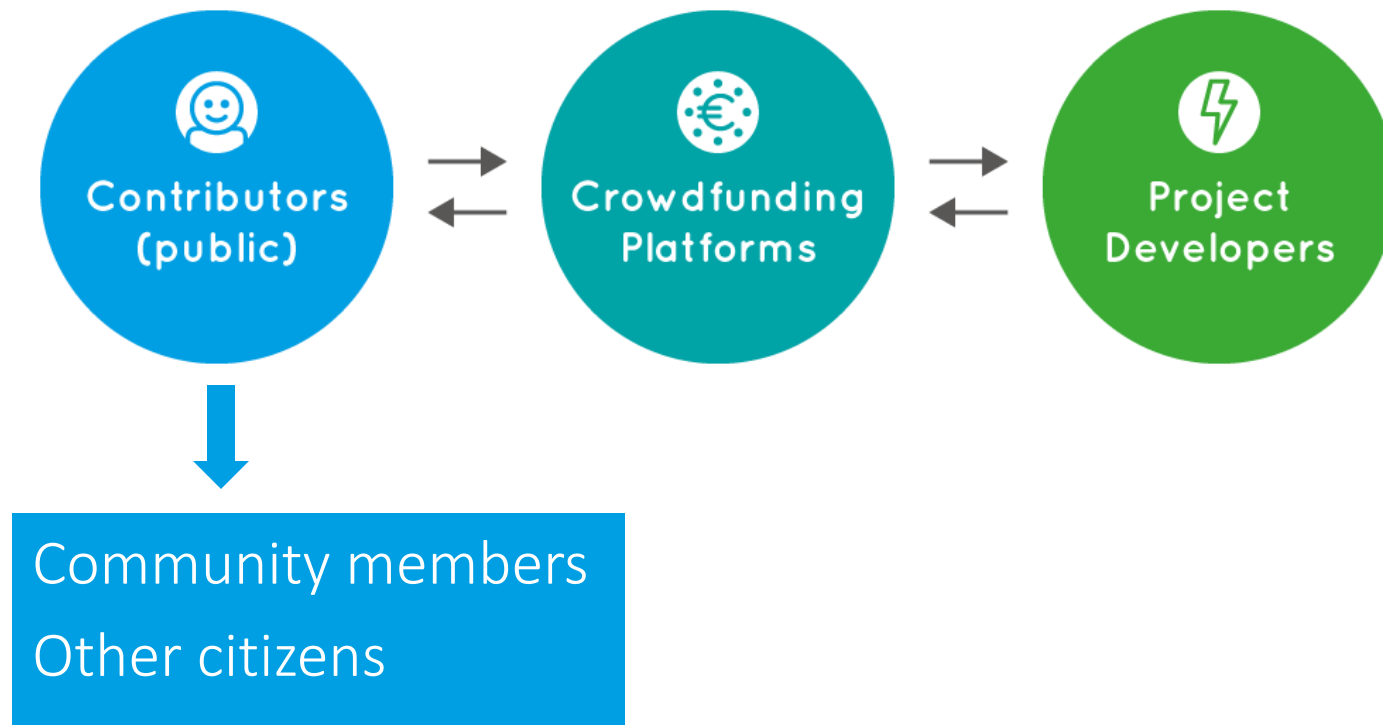
Source: K. De Buysere, O. Gajda, R. Kleverlaan, D. Marom,
“A Framework for European Crowdfunding”

Crowdfunding for Renewable Energy

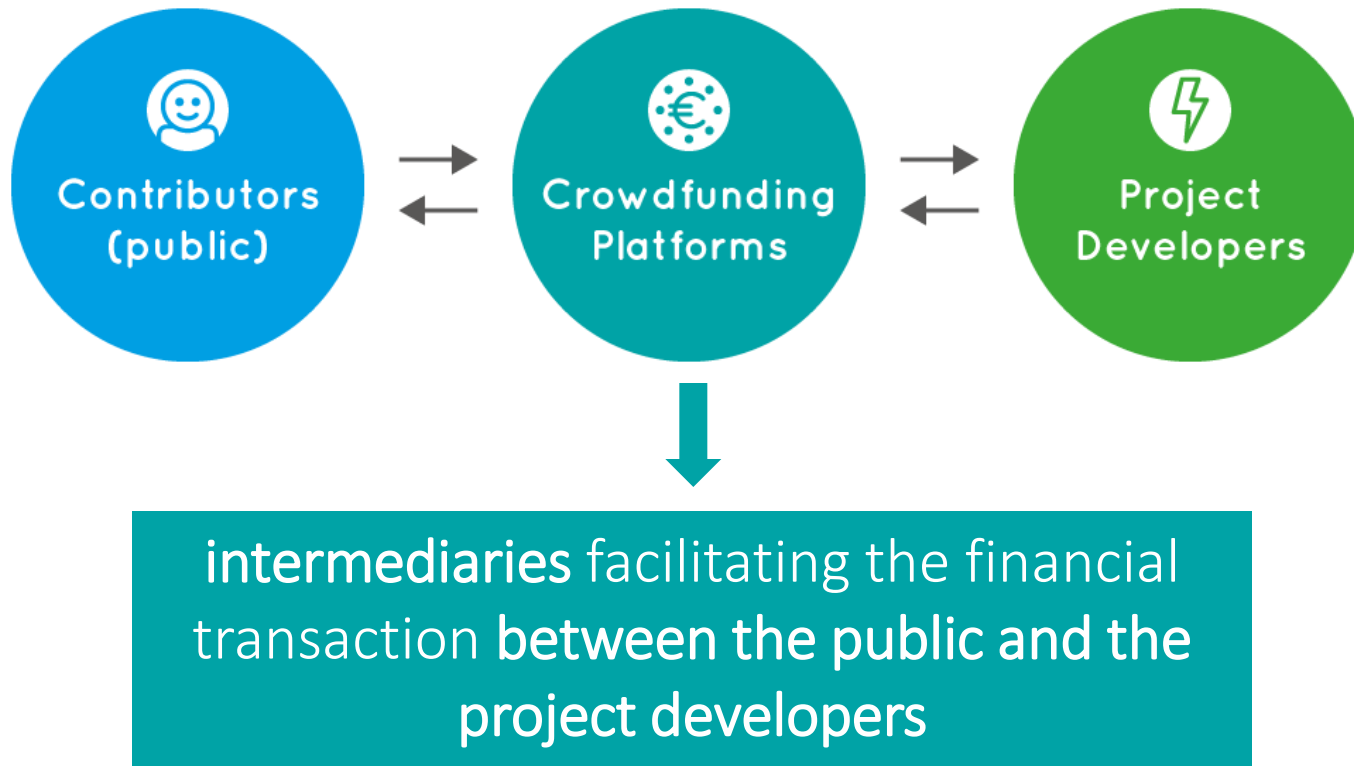


The part of the public that has an **interest in investing** even very small amounts of their savings in renewable energy projects

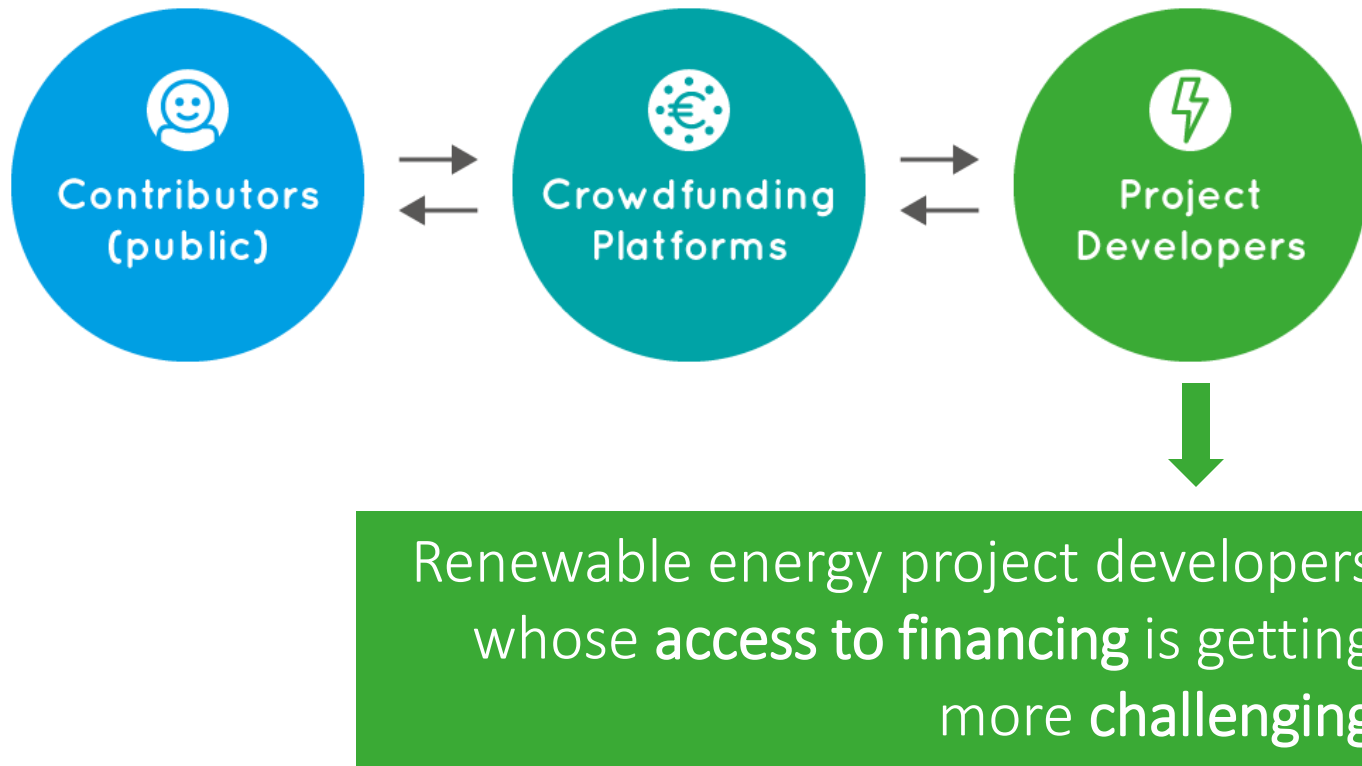
Crowdfunding for Renewable Energy



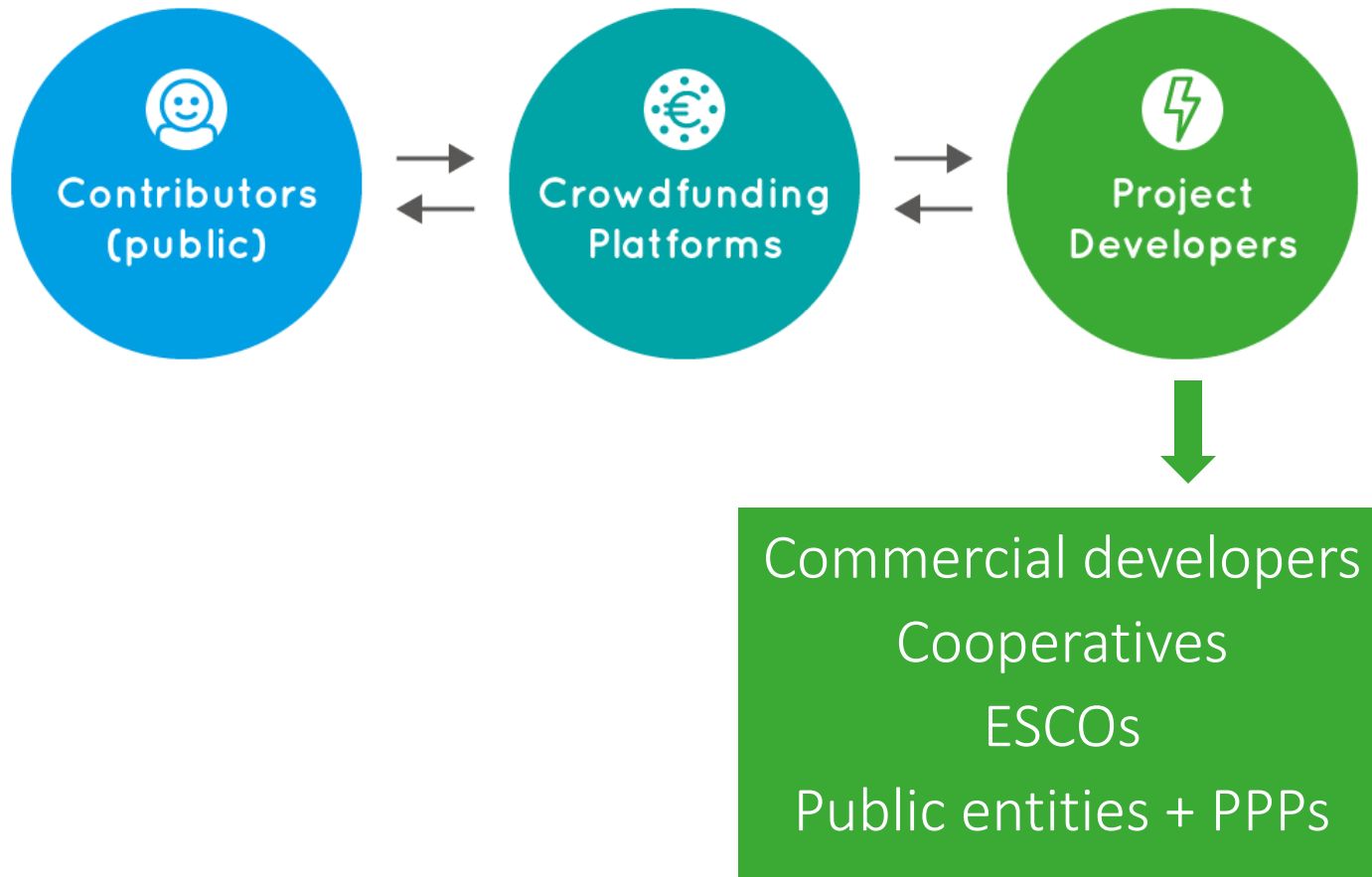
Crowdfunding for Renewable Energy



Crowdfunding for Renewable Energy

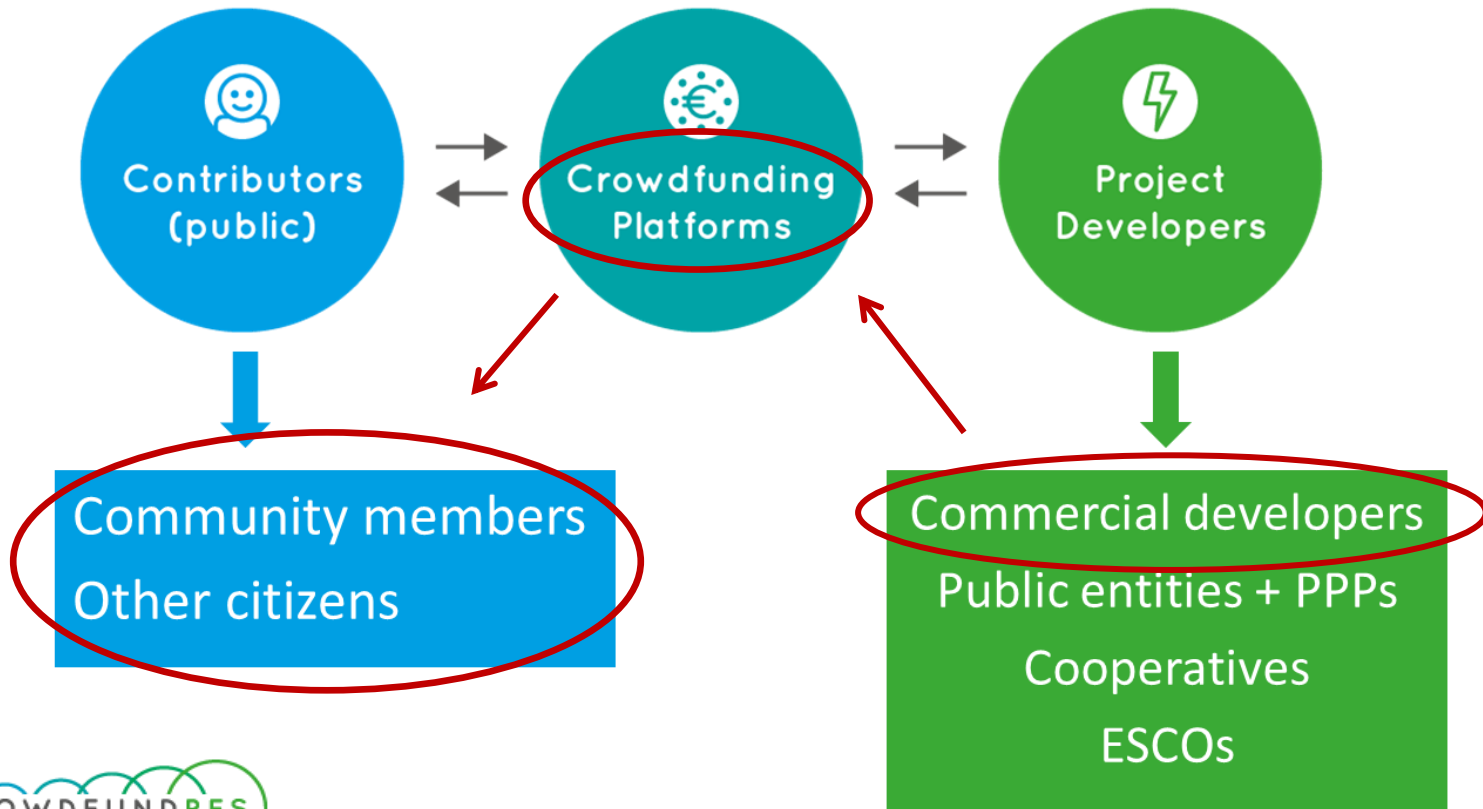


Crowdfunding for Renewable Energy



Case study: Crowdfunding for buying an existing wind project

 de Windcentrale



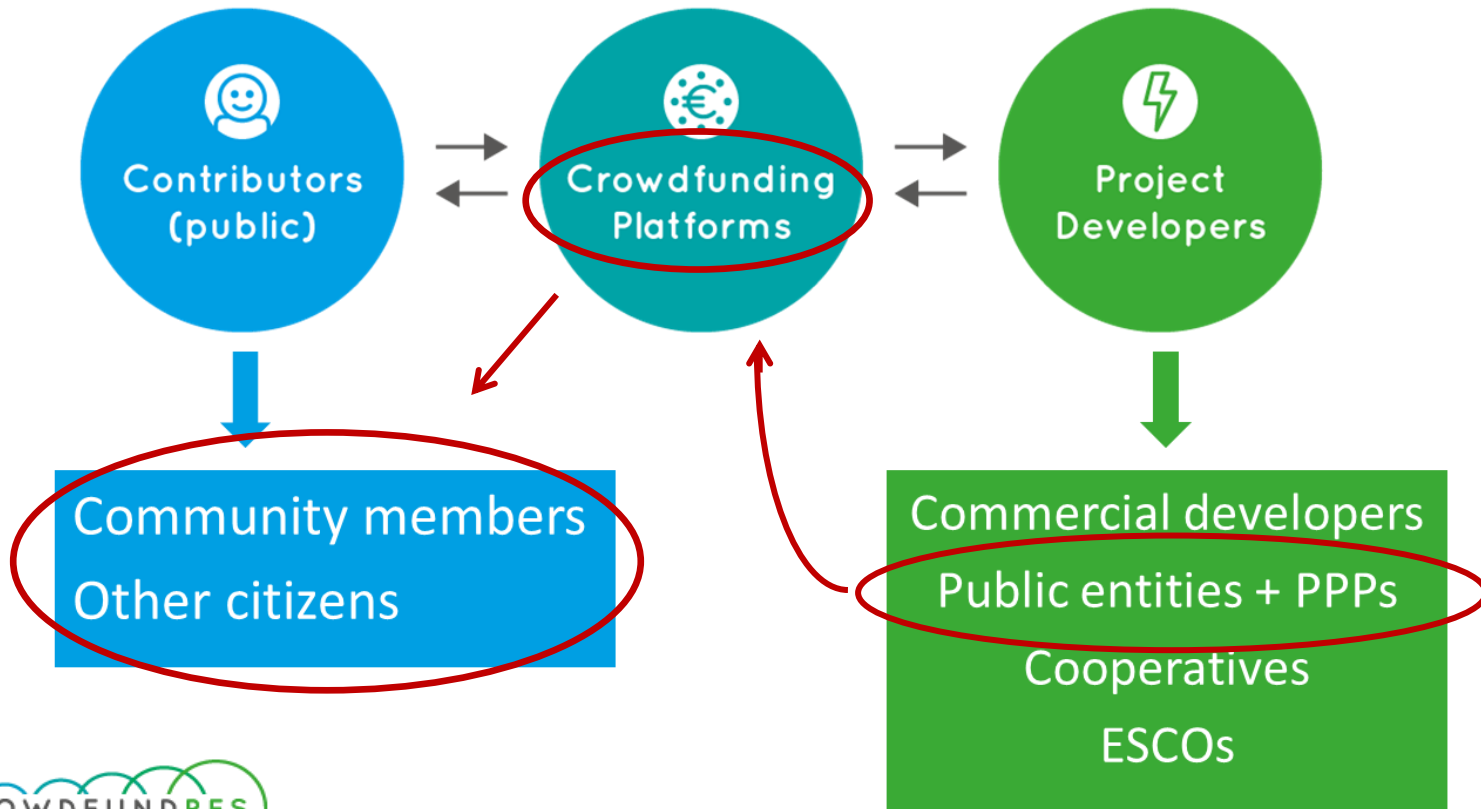
Case study: Crowdfunding for buying an existing wind project

de Windcentrale

- Bought from energy companies, financial institutions and project developers
- Crowdfunding record
- Raised €1.3 Million in just 13 hours
- Sold 6,648 shares of €200 to 1700 Dutch households
- Each share corresponds to 500kWh per year



Case study: Crowdfunding for developing a Public Utility PV project



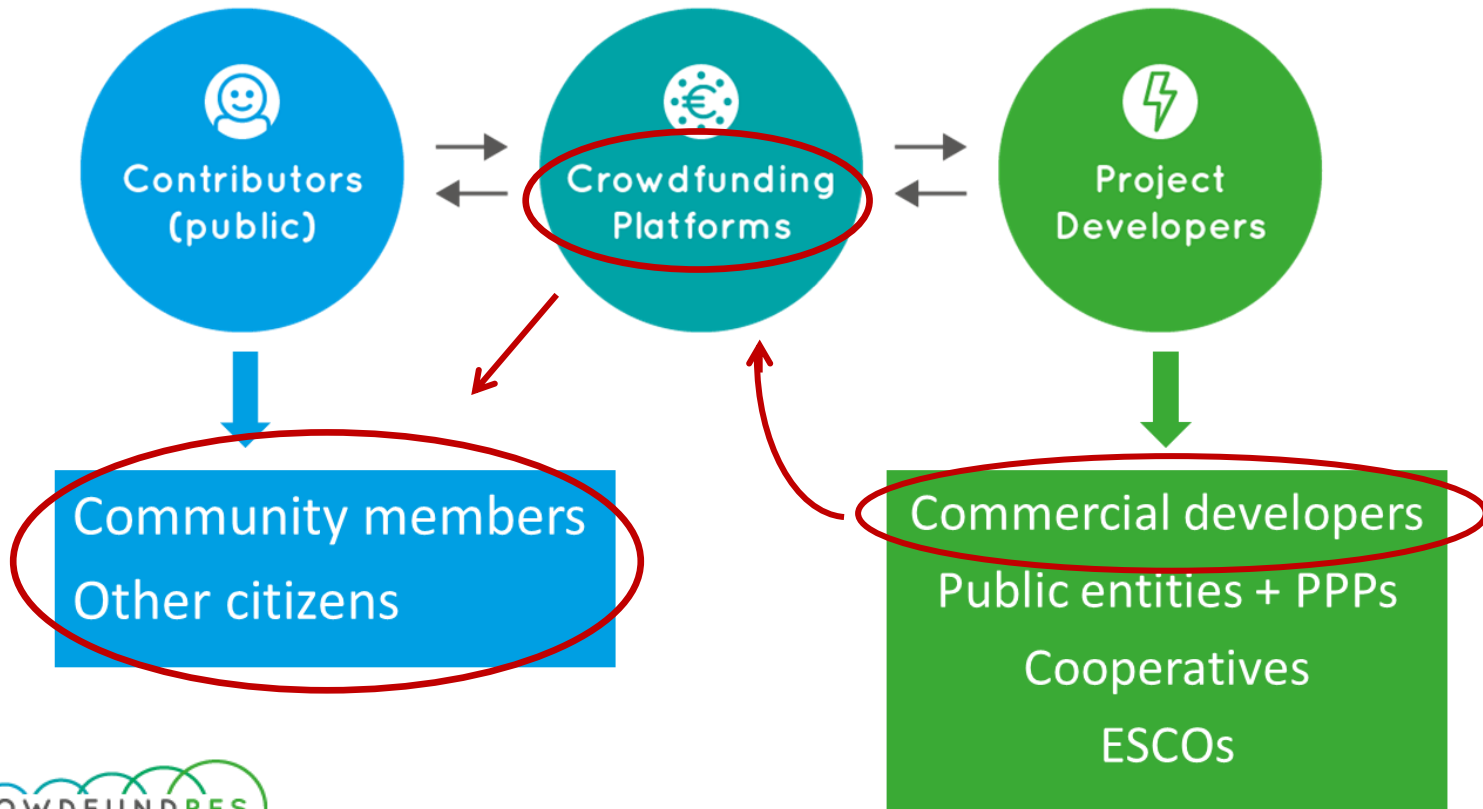
Case study: Crowdfunding for developing a Public Utility PV project



- Public Utility PV project in Iteuil (Vienne)
- Installed capacity: 1,4 MW = 1.3 GWh / year
- electricity to power 481 homes
- 5400 panels in 13,000 m² (2 football fields!)
- Total budget: € 1.9 million
- Covered by crowdfunding: € 150.000



Case study: Crowdfunding for developing a Wind Farm



Case study: Crowdfunding for developing a Wind Farm



- Campaign **on-going** (close date: 30 Nov 2015)
- Wind project in Saint-Michel-Chef-Chef
- Installed capacity: $5 \times 2 = 10 \text{ MW} = 25 \text{ GWh/a}$
- electricity to power 9.000 households
- Target: € 500.000 €
- Raised € 382.160 from 244 shareholders
- Interest rate: 5% (7% for local community)





Aim: Contribute to the acceleration of the renewable energy growth in Europe by unleashing the potential of crowdfunding for financing renewable energy projects.

Objectives:

- **Deepen understanding** of adoption of crowdfunding for financing renewable energy projects
- **Analyse the challenges** faced by the application of crowdfunding for renewable energy projects in Europe

- Develop and apply guidelines that support more effective practices

Case studies

Review and Update of
**Crowdfunding Regulation
& Market Developments**

**EU wide survey for
contributors, platforms &
developers**



Aim: Contribute to the acceleration of the renewable energy growth in Europe by unleashing the potential of crowdfunding for financing renewable energy projects.

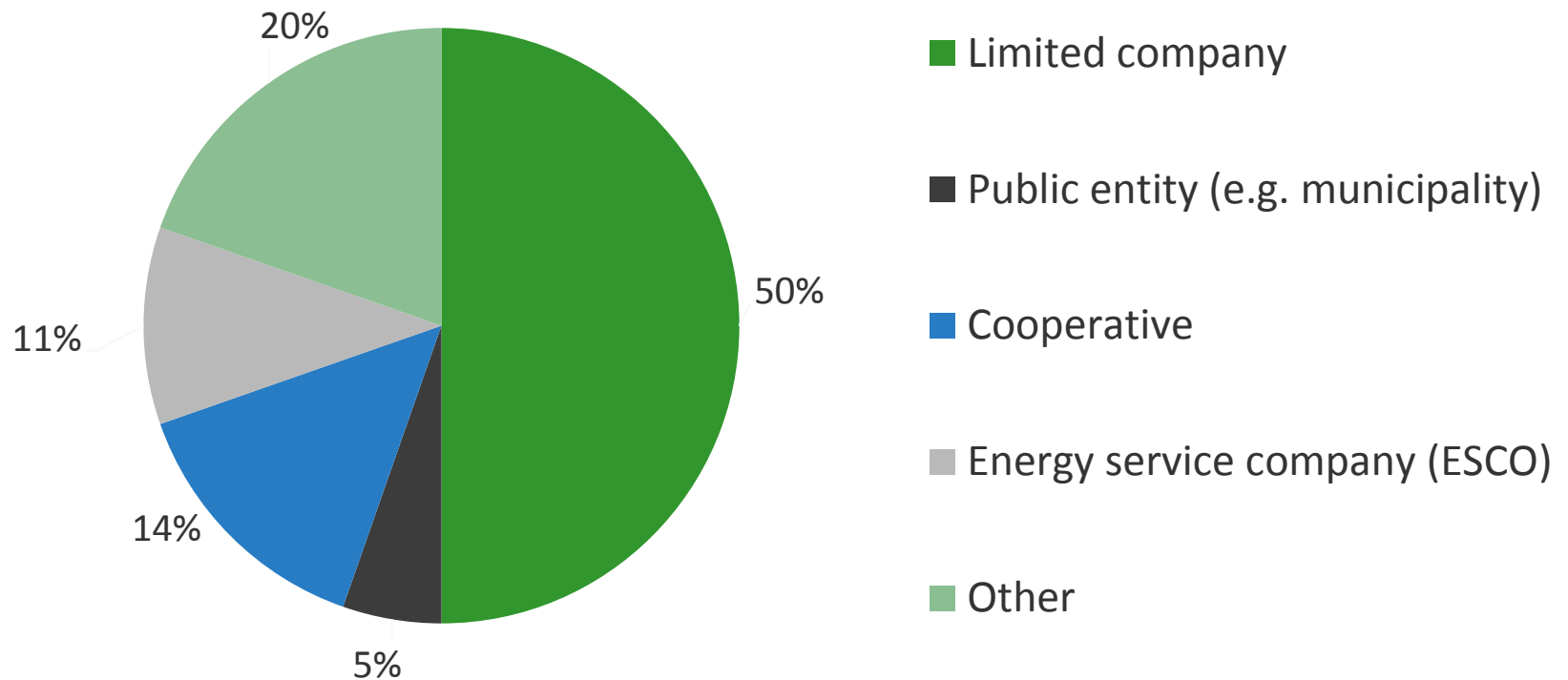
Objectives:

- **Deepen understanding** of adoption of crowdfunding for financing renewable energy projects
- **Analyse the challenges** faced by the application of crowdfunding for renewable energy projects in Europe
- **Develop and apply guidelines** that support more effective practices
- **Help improve the market and regulatory framework in Europe**
- **Promote the crowdfunding concept** and its advantages among those who could contribute or raise funds

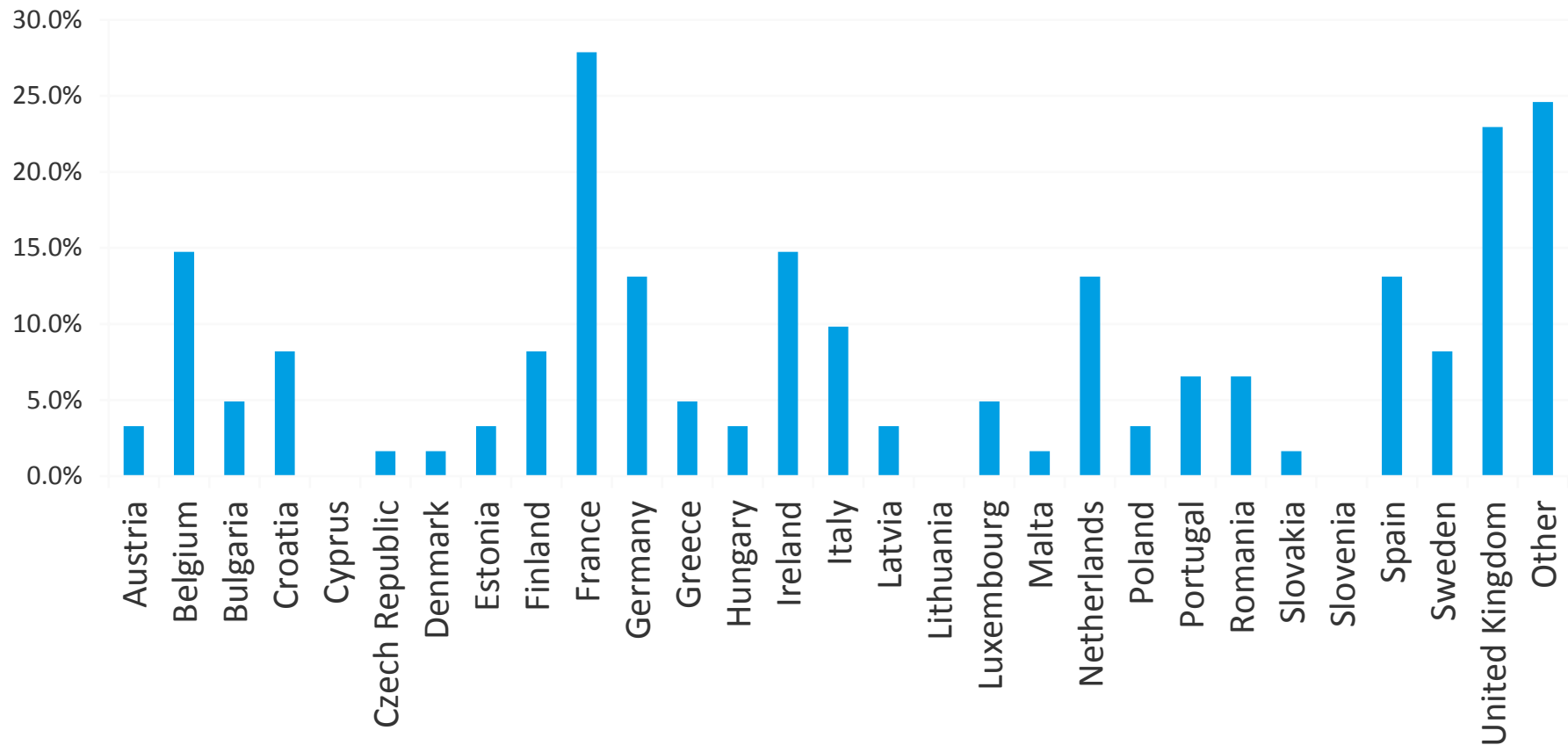
RES Project Developer Survey

(November 2015 release, 113 developers)

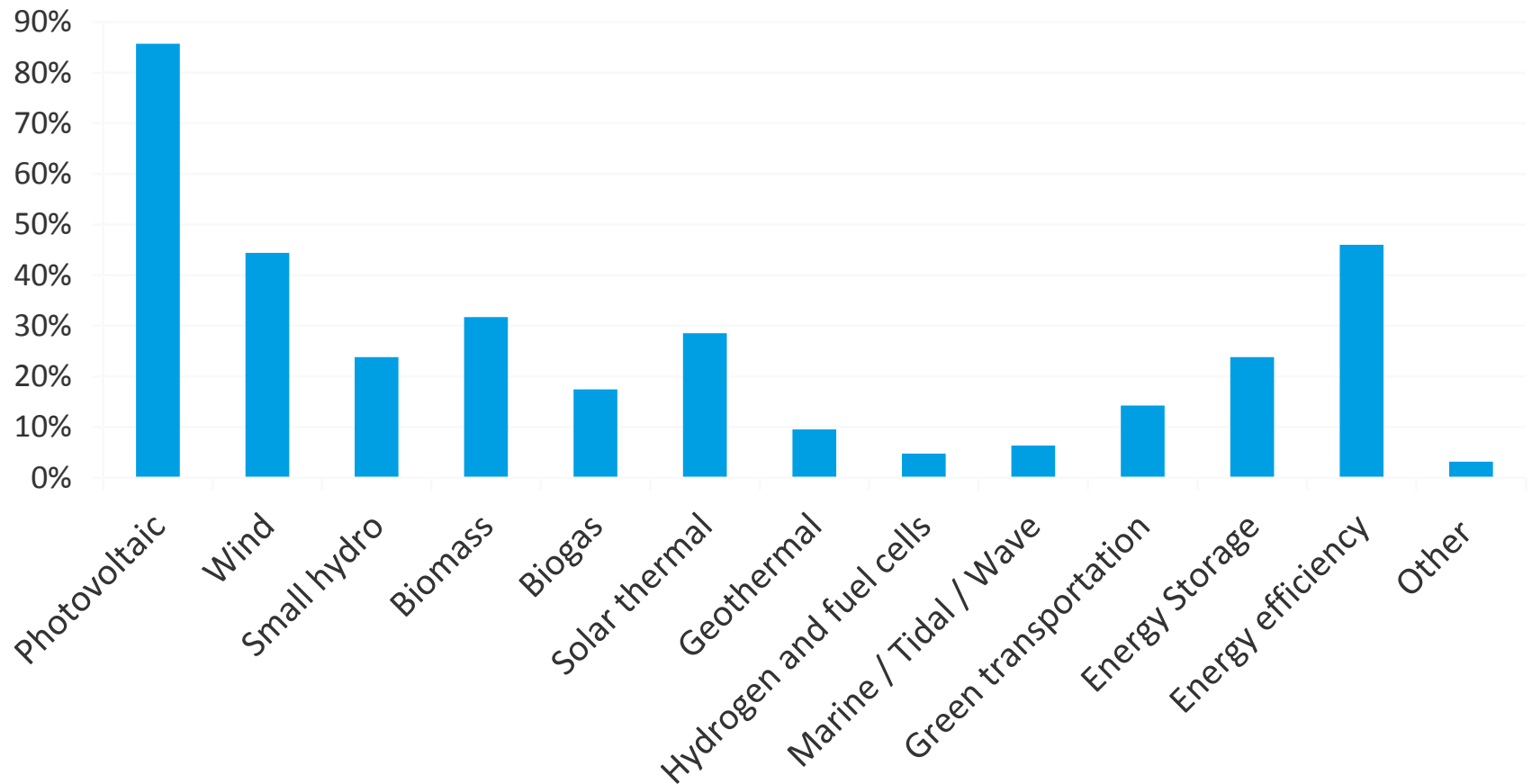
Developers: Organisation structure



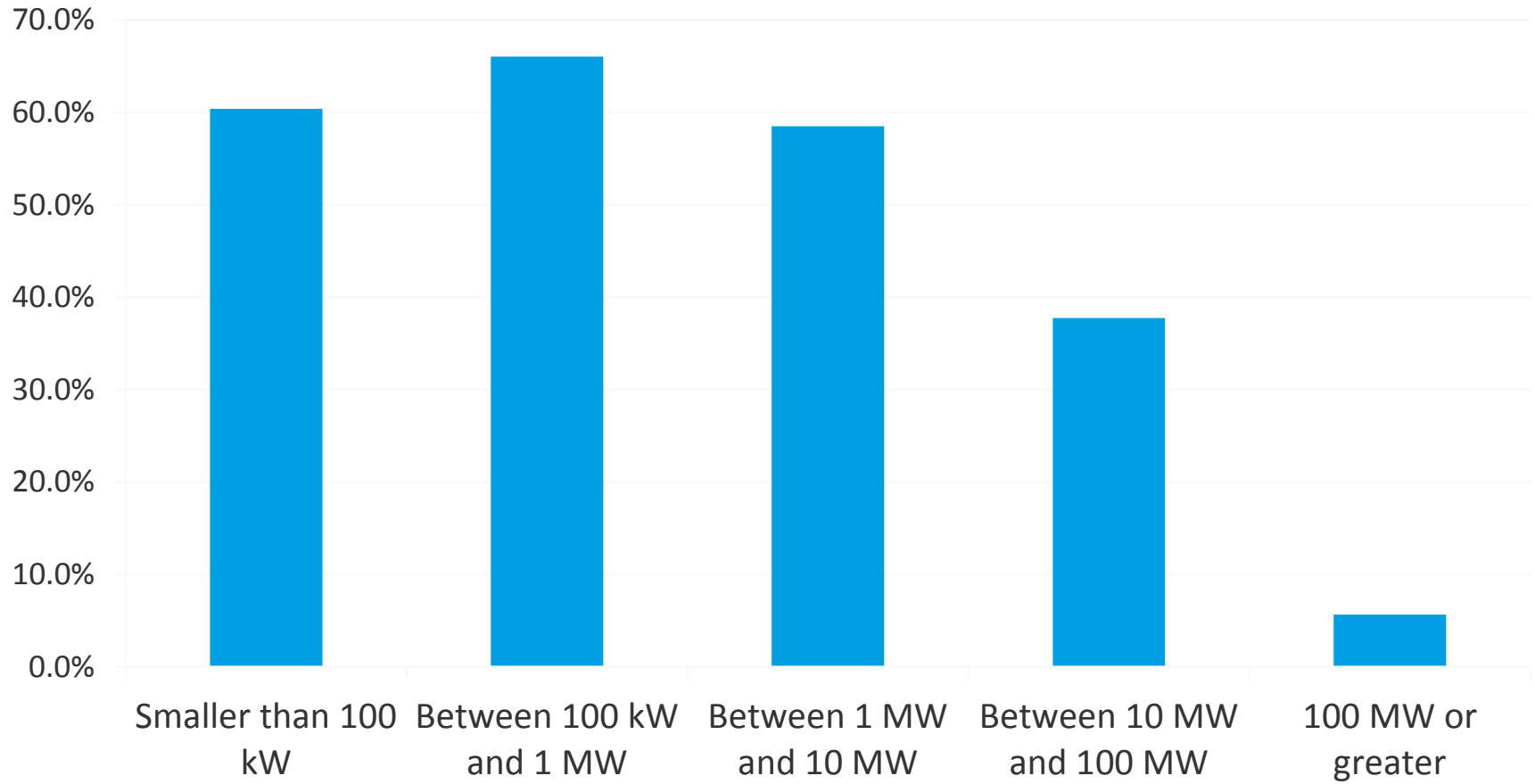
Developers: Geographical coverage



Developers: Technology focus

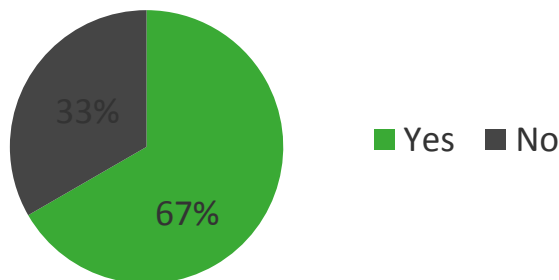


Developers: Project size



Developers: Traditional financing experience

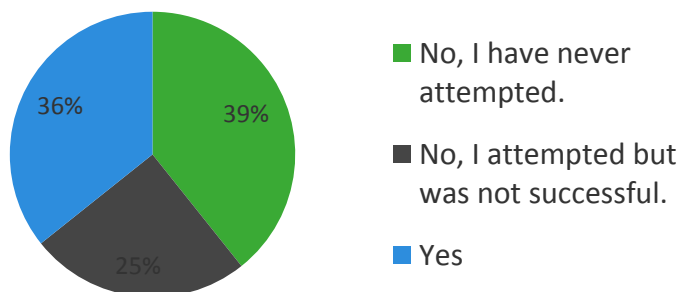
Have you ever used a bank loan for financing your RES project(s)?



3 most important obstacles to securing finance for a RES project

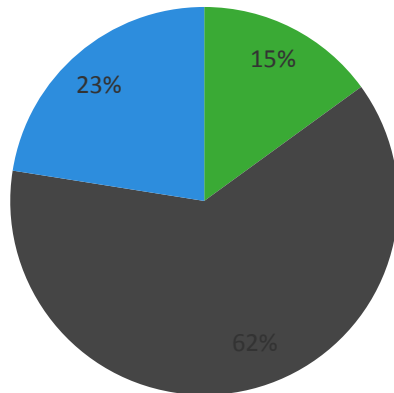
- Uncertainties over policy framework relating to incentives or support mechanisms
- Uncertainties over securing the necessary infrastructure including grid access
- Uncertainties over planning and consenting processes

Have you ever received support from local / national / regional / European programs for financing a RES project?



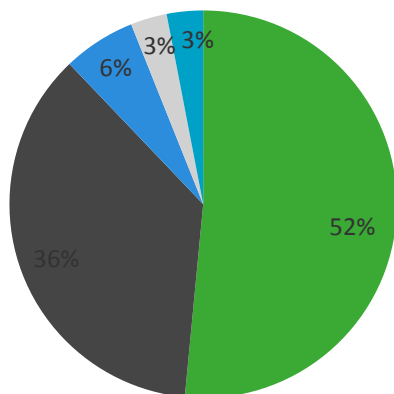
Developers: Crowdfunding experience

How familiar are you with crowdfunding?



- I've heard about it, but what does it have to do with RES project financing?
- I know crowdfunding, but I have never used it for financing any part of a RES project.
- I know crowdfunding and I have used it for financing at least a part of a RES project.

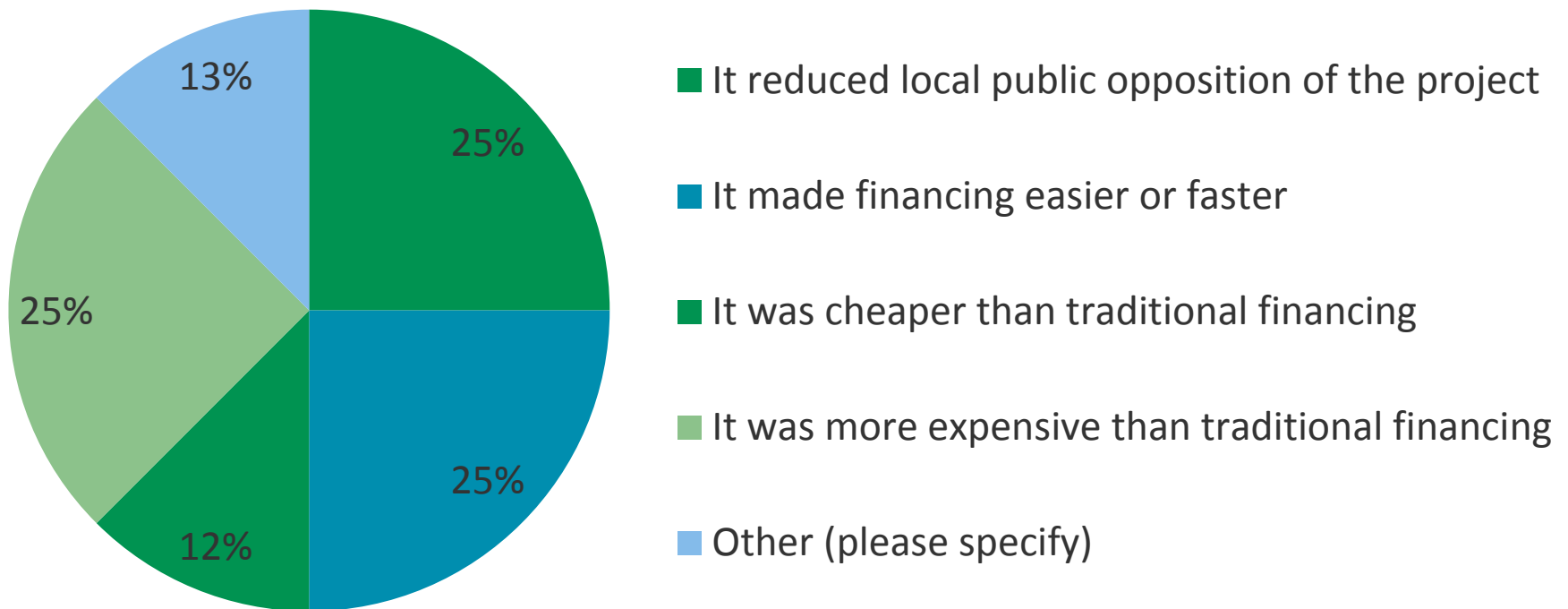
Would you consider using crowdfunding for financing your project (again) in the future?



- Yes, definitely.
- Yes, maybe.
- Undecided.
- No, I don't think so.
- No, definitely not.

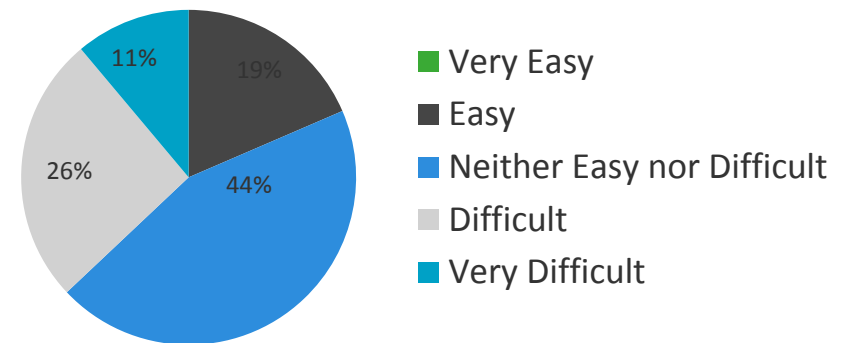
Developers: Crowdfunding experience

Did you see any of the following pros and cons by using crowdfunding for financing your RES project?

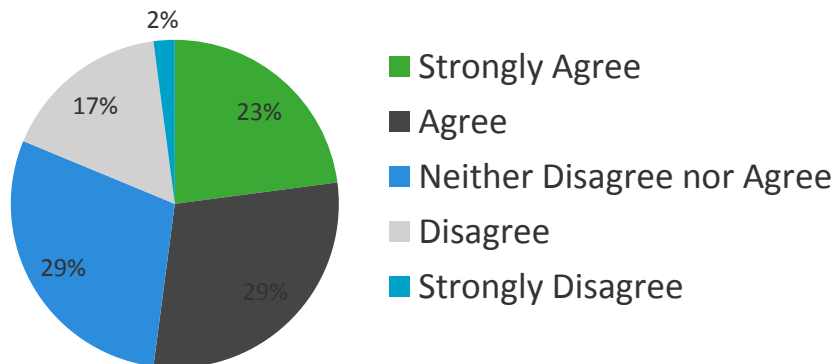


Developers: Traditional financing vs. Crowdfunding

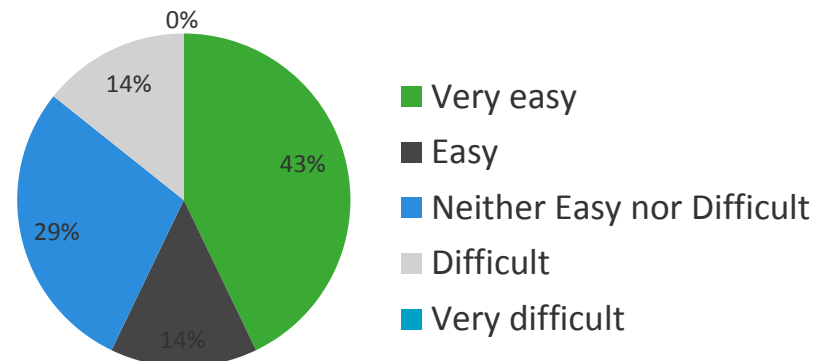
How difficult did you find the process until your received support from **national or European programmes** for financing a RES project?



It is currently difficult to get **bank loans** for RES projects?



How difficult did you find the process of **crowdfunding** your RES project?



TAKE THE SURVEY AND CONTRIBUTE TO ACCELERATE THE GROWTH OF RENEWABLE ENERGY IN EUROPE



**Are you a european citizen
interested in green energy?**

Take the survey and shape a future
with more green energy owned by
more citizens.



SURVEY FOR CITIZENS



**Are you involved in a
crowdfunding platform?**

Take the survey and help us
facilitating the role of intermediaries.



SURVEY FOR PLATFORMS



**Are you a RES project
developer?**

Take the survey and help getting a
easier access to financing for projects.



SURVEY FOR DEVELOPERS

Based on the collected input we will:

- **Organize a workshop** in Brussels (around May 2016) where those who give feedback of good quality will be invited to participate
- **Develop and apply guidelines** for platforms and project developers
- **Develop policy recommendations** which will be discussed with European and national decision makers and regulators



Get involved:

Visit www.crowdfundres.eu and take the survey

We can help:

We can get you in touch with a crowdfunding platform matched to your profile and plans, to help launch and finance your project:

Send “*support*” to info@crowdfundres.eu



Thomas Maidonis


WIP Renewable Energies

Sylvensteinstr. 2, 81369 Munich, Germany

Phone: +49 89 720 12 720

Email: thomas.maidonis@wip-munich.de

www.wip-munich.de

 Join our [Crowdfunding for Renewable Energy](#) Group on LinkedIn