

SUPPORTING SOLAR ENERGY COMMUNITIES
IN SOUTHEAST EUROPE

Report on the best practices in citizen energy communities and crowdfunding initiatives

This document is prepared under the project "SunSharing - Supporting Solar Energy Communities in SEE". This project is part of the European Climate Initiative (EUKI). EUKI is a project financing instrument by the German Federal Ministry for Economic Affairs and Climate Action (BMWK). The EUKI competition for project ideas is implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH. It is the overarching goal of the EUKI to foster climate cooperation within the European Union (EU) in order to mitigate greenhouse gas emissions. The opinions put forward in this document are the sole responsibility of the author(s) and do not necessarily reflect the views of the Federal Ministry for Economic Affairs and Climate Action (BMWK).







Exe	cutive s	summary	2
1.	Minoan Energy Community example from Greece		3
	1.1.	Enhanced democratic procedures	ϵ
	1.2.	Social character	E
	1.3.	Modern financial tools	6
	1.4.	Research & innovation	ϵ
	1.5.	Synergies – extrovert actions	7
	1.6.	Suggestions for replication	7
2.	Energy	community example of CDI Macedonia from North Macedonia	8
	2.1.	Establish a Comprehensive Legal Framework for Energy Communities	10
	2.2.	Develop One-Stop Shops and Provide Targeted Administrative Support	11
	2.3.	Foster Inclusion of Underserved Communities	11
	2.4.	Promote Knowledge Sharing and Regional Cooperation	11
3.	ZEZ Sun crowdfunding campaign from Croatia		12
	3.1.	Clear rules and simplified processes	15
	3.2.	Smart financing and Incentives	16
	3.3.	Hands-on support and skills development	16
	3.4.	Enabling strong public-private alliances	17
4.	An Energy cooperative based on a public-private partnership in Gabrovo, Bulgaria		
	4.1.	Using local authorities as an engine for citizen engagement	21
	4.2.	Working with local NGOs to boost visibility of the program	21
	43	Clear concent of the initiative	22



Executive summary

The SunSharing project aims to trigger the development of PV-based energy communities and crowdfunding initiatives, thus supporting the installation growth of solar PV technologies in the implementing countries. Such developments will contribute to the decarbonisation of the power sector, reaching renewable energy targets and reducing carbon dioxide emissions in the implementing countries. Consequently, this will also boost the energy security of the implementing countries by reducing dependence on fossil fuel.

This report brings forward selected best practices from Bulgaria, Croatia, Greece and North Macedonia, explaining their basic information, their story and then adding the recommendations for national and local administration. The recommendations are made in order to support replication of such examples and moulding of the national policies concerning energy communities in the eco-system that would be supportive of such citizen associations and crowdfunding initiatives.





1. Minoan Energy Community example from Greece



Name of energy community

Minoan Energy

Date of establishment

Minoan Energy was established in 2019 at Crete.

Number of members

Minoan Energy consists of 1054 members.

Structure

The total membership of Minoan Energy is 1054, which are natural persons, companies, the Region of Crete and several Cretan municipalities.

Legal entity

This EC is an urban cooperative.

Location

Minoan Energy was established in Crete.

Energy generator

Minoan Energy has implemented two PV systems.

Capacity of energy system

There are two PV systems; the first one with a nominal capacity of 405 kWp located at Sarafali Mantra in Municipality of Minoa Pediada and the second with 1 MWp capacity located at Sarafali Mandra, southeast of Arkalochori. Both of them are operating under a virtual net-metering policy and cover the energy needs for almost 400 members.

Energy-related activity

The main activity of Minoan Energy is the implementation of virtual netmetering. Moreover, this Energy Community schedules the implementation of new RES, storage and distinct heating projects to support its members and increase their activities. Finally, Minoan Energy contributes to the mitigation of the energy property.

Brief description

Minoan Energy was established in 2019 as the first Energy Community in Crete. Initially established by 38 members, it has since grown to encompass 1054 members. The EC has already implemented two PV systems: the first with a nominal capacity of 405 kWp and the second with 1 MWp capacity. Additionally, Minoan Energy plans to implement new RES, storage, and district heating projects.

Website: https://minoanenergy.com/en/



Photos:

Virtual net-metering PV project (405kWp) located at Sarafali Mantra in Municipality of Minoa Pediada





Virtual net-metering PV project (1MWp) located at Sarafali Mandra, southeast of Arkalochori



IMPACT

A large membership which includes the participation of natural persons, companies and local municipalities.

Significant participation of green energy power in islanded energy grids.

Minoan EC is one of the first (established in 2019) and larger EC in Greece, counting more than 1,050 members.



1.1. Enhanced democratic procedures

A basic pillar of the creation and operation of ECs is based on promote democracy in energy sector by including citizens and members of the local community. Minoan EC goes a step further by applying democratic procedures in all activities in order to raise the active participation. Specifically, the EC has a diverse portfolio of members, including citizens, local self-government, small and medium-sized businesses. All members can generate energy from RES, such as PV and wind, for self-consumption, as well as for their financial support. The registration of new members is always open. A new member can register by finding all information and application forms, which are published online on the EC's website. In this way, Minoan EC encourages the creation of a broad Community.

1.2. Social character

The social character of Minoan EC does not stop only to the energy part but is widened to the local community. For this reason, there are specific actions of solidarity having in mind the vulnerable groups of population. One example is that it covers unanimously the electricity needs of approximately 30 vulnerable families in collaboration with the Region of Crete and the social services. Following the example of Minoan EC, the Region of Crete proceeded to offer free electricity to 50 more families of the earthquake-stricken municipalities of Crete in collaboration with Minoan EC.

Furthermore, due to a recent earthquake at the region of Minoan EC, the Scientific Group submitted a number of proposals concerning direct interventions on this region.

1.3. Modern financial tools

In order to become a member in Minoan EC, the first step is to buy one or more shares in the value of 100 Euros. In case of withdrawal, this amount is returnable. Being a member, there is also the opportunity of buying more shares at the same value (100 Euros per share) up to 20% of the share capital in order to cover the needs of the household or the business. Minoan EC asks for copies of the electricity bills in order to inform of the level of the financial participation and the annual profit from net-metering clearing process.

In case that a member wants also to invest to new projects, such as wind power, photovoltaic, biomass, etc. for the generation and sale of energy to the grid, then this member can secure a proportional satisfactory profit, which may exceed 25%.

1.4. Research & innovation

A basic principle for remaining one step forward regarding the technological achievements is the participation in research and innovation projects. Minoan EC participates in five (5) European projects: Crete Valley, Life Loop, Clean Energy for EU Islands, WENDY and Sustainable Actions for Viable Energy (SAVE). The role of Minoan EC in all these projects is to demonstrate innovative solutions and promote the role of the EC, based on producing clean energy from RES portfolios for the citizens and the local community.



1.5. Synergies – extrovert actions

Minoan EC has close collaboration with local stakeholders, such as the local government, academia, other energy communities and other international partners. At self-government level, Minoan EC has established an open line of communication with most municipalities in Crete and with the Region of Crete, which some of them are already official members of the EC (such as Archanes-Asterousia and Viannos). At academia level, Minoan EC has a regular and close communication with the two Universities and an Institute established at Crete island: Hellenic Mediterranean University, former Technical University of Crete and the Institute of Technological Research of Crete. At energy communities' level, Minoan EC plays a leading role in the establishment of a panhellenic collective body, which will join and represent all the broad-based energy communities. Furthermore, Minoan EC is an official member of the European Federation of Energy Cooperatives (RESCoop.eu), while it also support the municipalities in the islands for establishing their own energy communities. At international partnership level, Minoan EC has officially joined the grid of EC islands for the initiative "Clean Energy for EU Islands" and has a close collaboration with the Hellenic Forum of the UNESCO Global Geoparks. Finally, it is in contact with the Hellenic Forum of the United Nations Sustainable Development and Solutions Network.

1.6. Suggestions for replication

The findings of Minoan EC show that a number of factors can be play a significant role for its replication. The most important factor is the high renewable potential and the capability of connecting a new RES to the electrical grid (electrical space). Many EC wants to invest to new RES projects, but they receive negative answers due to saturation issues of the distribution grid. Minoan EC has already two large PV systems (one PV of 405 kWp nominal power and the other of 1MWp), which is able to cover the annual electricity needs of almost 400 members via a virtual net-metering policy. Therefore, the local community is very willing to participate to the EC expecting high returns from their investments.

Another important factor for the community engagement is its social character and its intervention on local issues, such as a recent earthquake. By assisting people with actual needs and covering their needs for electricity, Minoan EC has become a well-known collective act, forcing team-working and community spirit. Thus, collective actions on local emerging issues can help a new EC to become well-known and attract new members.

A further essential key concerns its knowledge and experience combined with their extrovert character. The continuous knowledge gaining and the strong collaboration with the local and international universities and research institutions (through participation in national and international research projects) creates a dynamic boost for considering and practicing new ideas.



2. Energy
community
example of CDI
Macedonia from
North Macedonia



Name of energy community

Community Development Institute (CDI) Macedonia

Date of establishment

The energy community of CDI Macedonia was formed in 2023

Number of members

The community has a total of 49 members

Structure

Association of citizens with a general assembly, board and director.

Legal entity

The community is based on the 'association of citizens' CDI Macedonia. The existing legislation in North Macedonia does not yet permit an energy community to be registered (March 2024).

Location

Municipality of Brvenica

Energy generator

Rooftop photovoltaic generator

Capacity of energy system

12 kW

Energy-related activity

Self-consumption of the office building of the citizens' association under net-metering scheme.

Brief description

CDI Macedonia started the establishment of an energy community as a response to the rising electricity costs for the offices of the Association. The community is not registered de jure, since there is not legal form that enables this in North Macedonia, as of March 2024. However, while preparing the set-up of the community multiple challenges we faced both at policy level and in practice. Therefore, CDI Macedonia decided to establish a Network of energy communities, in order to facilitate knowledge transfer among peers, and to support the democratization of the energy sector. Since 2021, CDI has helped 5 other communities to secure co-financing of investment in solar energy.



Photos:







IMPACT

First practical attempt to organize an energy community in North Macedonia;

Lessons learned about the lack of adequate legislation are valuable to policy makers and regulator;

Initiative to form
Network of energy
communities can fasttrack knowledge
sharing.

The experience of CDI Macedonia in pioneering an energy community offers valuable lessons for the broader implementation of energy communities in North Macedonia. The value of their experience comes not only from their own investments, but also from their efforts to support other community initiatives and form a Network of energy community initiatives. Based on these experiences, the following strategic recommendations are proposed to facilitate the development of energy communities, improve regulatory frameworks, and strengthen public trust and participation.

2.1. Establish a Comprehensive Legal Framework for Energy Communities

The lack of legal recognition for energy communities in North Macedonia remains a key barrier. While energy cooperatives are mentioned under the Law on Cooperatives, their role is limited, and there are no clear legal distinctions or criteria specific to energy communities. A robust legal framework should clearly define the types of energy communities, their eligible activities, and the rights and obligations of members. This should include distinctions between cooperatives, associations, and other potential organizational forms. The new legal framework must harmonize with laws on cooperatives, housing, agriculture, and land use to avoid conflicting regulations. A coordinated approach can prevent regulatory gaps or overlaps that could hinder energy community development.

Given the current lack of a rules on registration, it is important to establish a clear and accessible process for officially recognizing energy communities as distinct legal entities. Simplified administrative procedures would encourage participation and reduce bureaucratic delays. CDI Macedonia's experience demonstrates the urgency of this recommendation, as the inability to formally register the community limits its capacity to engage in energy projects and participate in broader energy transition efforts.



2.2. Develop One-Stop Shops and Provide Targeted Administrative Support

Many citizens are hesitant to engage in energy projects due to a lack of understanding and uncertainty regarding financial returns. CDI Macedonia's efforts to support various organizations revealed that even with co-financing available, some organizations are reluctant to co-invest, mostly due to the complexity of the process and insufficient knowledge about the long-term benefits of investing in renewable energy.

It is therefore useful to stablish centralized platforms that provide guidance on regulatory procedures, financial mechanisms, and technical requirements. These platforms should offer comprehensive assistance, helping communities to start and manage energy projects. Municipalities can play an important role in this, by helping administratively and logistically. Incentives should be established to enable local authorities and non-governmental organizations (NGOs) to partner and raise awareness about the benefits of energy communities and improve public understanding of the financial and social returns of joint investment in energy projects. There is also value in ensuring that available funding is flexible and tailored to meet the specific needs of different types of communities and investors. Clear financial roadmaps and risk assessments should accompany funding opportunities to build confidence among prospective participants. CDI Macedonia's observation that organizations were hesitant to invest, even with financial support, underscores the importance of structured guidance and targeted outreach.

2.3. Foster Inclusion of Underserved Communities

Energy communities can contribute to the reduction of energy poverty and the empowerment of underserved groups, including low-income households, farmers, and rural communities. The Network of energy community initiatives established by CDI Macedonia has helped recognize this potential and has highlighted the importance of ensuring wider participation. Provisions should be incorporated into energy community legislation to promote the inclusion of marginalized and energy-poor groups. For example, subsidy programs or preferential loans for low-income members could be prioritized.

Tailored co-investment schemes can enable energy-poor households to participate in energy projects with minimal upfront costs, ensuring they benefit from long-term energy savings and increased energy security. Municipalities, NGOs, and SMEs are well-positioned to facilitate energy projects that focus on underserved areas. Cooperation with these stakeholders should be prioritized to help drive inclusive energy transitions.

2.4. Promote Knowledge Sharing and Regional Cooperation

CDI Macedonia's efforts to form a Network of energy community initiatives demonstrate the value of peer-to-peer knowledge transfer. This model could be scaled to fast-track the establishment and operationalization of energy communities across the region. It is useful to expand the existing CDI Macedonia initiative into a formalized network that facilitates knowledge sharing, peer learning, and joint advocacy efforts. Such a network could serve as a platform for best practice exchange and a resource hub for emerging energy communities. Municipalities and SMEs can be key drivers of local energy initiatives. Government policies should encourage public-private partnerships to support the formation of energy communities, providing both technical and financial assistance to accelerate deployment. Regional cooperation should also include technical training for stakeholders involved in energy community projects, particularly for managing and maintaining renewable energy systems like rooftop photovoltaics. By learning from the initial steps taken by CDI Macedonia, policymakers can build a more resilient and inclusive framework that empowers local communities, promotes sustainable energy solutions, and accelerates the energy transition in North Macedonia. These strategic recommendations are aimed at ensuring a smooth and effective scaling of energy communities across the country, with the support of both public and private stakeholders.



3. ZEZ Sun crowdfunding campaign from Croatia



Name of crowdfunding initiative

ZEZ Sun – Our energy

Date of beginning and the end of campaign

The campaign was running for 10 days in the beginning of the March 2023.

Number of investors

127 investors invested their own funds for installation of solar PV.

Structure

What is the structure of the investors (natural persons / local government / SMEs / other)? – IF available!

The investors are very diverse group of various organizations, SMEs and physical persons.

Location

The project is located on public marketplace in the city of Križevci.

Energy generator

The project is solar PV.

Capacity of energy

Powerplant's installed capacity is 200 kW.

Energyrelated activity The powerplant is built for selling the energy to the energy market with long term goal of energy sharing between its members.

Brief description

The initiative involves the installation of the community owned solar power plant, ZEZ Sunce, on the roof of the City Market in Križevci is a groundbreaking project in Croatia spearheaded by the Green Energy Cooperative (ZEZ). Supported by the city of Križevci, the cooperative KLIK, and with a significant contribution from citizens through member shares in the equity based cooperative, the project managed to secure the necessary funds for its first solar power plant, demonstrating a strong community drive towards renewable energy sources. The initiative underscores the potential of collective action and community funding in transitioning towards sustainable energy sources, while also offering financial returns to investors.

The ZEZ Sun cooperative is the only one in Croatia that can by directive classify as energy community. It has been established as equity-based cooperative that develops and implements solar PV projects on national level with support of public bodies on public roofs (especially municipalities). The cooperative encountered numerous challenges in establishment process with court strikes stagnating the confirmation of foundation documentation for 6 months, additionally finding the suitable roof is significant difficulty as for the piloting the roof was owned by public entity that needed to adopt tendering procedure with citizen inclusion criteria. At current legislative level energy cooperative in spirit of EU directives is full energy community, but under Croatian law only associations can become energy communities further



hindering growth of energy communities and provide the emergence of first sustainable business models.

The vision for the future is clear: leveraging community involvement and innovative funding models to expand renewable energy projects, contributing to national energy independence, and fostering a sustainable and environmentally friendly energy sector. The initiative in Križevci sets a valuable example for other cities and communities in Croatia and beyond, illustrating the significant impact of collective investment in renewable energy on achieving sustainability goals it is also regionally recognized and acts as beacon of community energy.

Photos:



IMPACT

Describe in couple of bullet points why this is an influential example of good practice, what kind of influence it had in the local society?

The PV systems is on public buildings of communal company that receives roof rent fee.

The energy is sold to the grid. This is biggest funded solar project by individuals, different organisations and SMEs on national level, fully publicly collected. ZEZ Sunce, one of Croatia's most successful energy cooperatives, faces significant challenges in the registration process and securing rights outlined in EU directives on energy efficiency and renewable energy. These barriers offer opportunity to make positive change in their ability to participate in business activities common to energy communities in other EU countries, from the cooperative's founding to launching its first projects. Establishing partnerships, securing financing, and developing sustainable business models further complicate scalability since clear and intentional political will is needed to develop cooperatives and other forms of communities. However, there is strong interest from citizens, municipalities, and businesses in supporting solar projects, indicating great potential. To fully realize this potential, legislative and administrative processes must be simplified and all main solutions to barriers have been identified, as national energy policies currently prioritize subsidized energy prices for economic and social stability over energy transition.

3.1. Clear rules and simplified processes

To support the growth of energy cooperatives in Croatia, the legal framework should be more flexible to accommodate various forms of energy communities beyond the current limitation to associations. Simplifying the process of establishing a Citizen Energy Community (EZG) is key, as the current setup is complex, costly, and often unsuitable for citizens seeking to launch small-scale renewable energy (RES), energy efficiency (EE), or electromobility (EV) projects.

By streamlining these processes, Croatian citizens can play a more active role in the energy transition, contributing to the adoption of energy-efficient practices and new technologies such as electric vehicles and energy storage systems. The ZEZ Sun cooperative serves as an example where simplified regulations could reduce the complexity of administrative tasks and enhance participation from members, both local and international. Where significant processes got stuck due outdated regulation and strikes in legal systems hindering registration process for almost one year.

The implementation of straightforward amendments to energy laws could significantly improve the situation, such as reducing the steps in the registration process, removing unnecessary staffing requirements for administrative tasks, and enabling more flexible statutes. Expanding the legal definitions to include energy cooperatives in line with EU directives would empower communities to take ownership of their energy solutions.



3.2. Smart financing and Incentives

Croatia's "Green and Digital Croatia" agenda holds great promise, and more comprehensive and inclusive financial mechanisms are needed to enable broader citizen participation in energy projects. Although local authorities and national initiatives like the "Green Fund" recognize the importance of these projects, stronger coordination with national ministries is required to create a cohesive framework for financial support. One feed in premium tender has been published where renewable energy communities have to compete with companies on relatively small quota. Sperate call would enable emergence of first pilot projects that would scale to larger projects if market conditions and energy prices can sustain rentable business models.

To promote energy community projects like ZEZ Sunce, a more systematic approach to financing is essential. This includes tailored subsidies, tax incentives, and public funding for community-led energy initiatives. Establishing a combination of permanent and temporary financial mechanisms during critical phases of development would further encourage growth of first initiatives:

- Permanent mechanisms: Simplified registration, reduced administrative hurdles, and financial backing for initial projects.
- Temporary mechanisms: Capital expenditure support (CAPEX), production premiums (feed-in tariffs), priority access to energy grids, allocation of quotas for energy communities, and easier access to grid connections.

These measures, combined with stable political support, will provide the framework needed to replicate the successes seen in countries like the Netherlands and Austria, where cooperatives and energy communities have become key players in the energy transition.

3.3. Hands-on support and skills development

Effective progress in the energy sector requires the support of specialized experts in energy law, community management, and technical operations. However, Croatia currently lacks a sufficient number of professionals with the expertise needed to guide smaller organizations like energy cooperatives through the complexities of legal and regulatory frameworks.

Simplifying the legislative language and providing clearer guidelines will allow lower-level experts and community leaders to engage with and apply energy laws more easily. This can also make the field more appealing to legal professionals, increasing the availability of necessary expertise.

Additionally, national bodies responsible for implementing energy-sharing systems need systematic support. Despite legislative provisions set for August 2023, these systems have yet to be fully realized. Coordinated efforts between ministries and distribution system operators (DSOs) are essential to ensure smooth and affordable energy-sharing models. Training and capacity-building initiatives for all stakeholders will help create the clear guidelines needed for successful implementation.



3.4. Enabling strong public-private alliances

A key challenge in Croatia is the need for improved coordination between different levels of government and ministries, which would facilitate more effective energy project implementation. Hybrid partnerships between the public and private sectors are rare, largely due to the complexities of adapting these models to the specifics of Croatia's public sector.

To address this, local strategic plans like the Zagreb "Sunčani krovovi" (Sunny Roofs) initiative offer a valuable document for increasing the accountability and initiative of local authorities. Cities can play a leading role by setting clear goals, such as dedicating a percentage of land or buildings for citizen-led energy projects, which would help drive implementation.

Establishing citizen energy commissions at the local level that would consist of municipal staff that would also strengthen communication between local and national authorities, ensuring alignment and consistency in policy implementation. These commissions could serve as a bridge for developing clear guidelines and providing strategic direction for citizen energy projects across Croatia.

For these commissions to be effective, they must have the authority to engage in two-way communication with the ministries of public administration, finance, and energy. Cross-sectoral cooperation requires strong political will and clear priorities at the national level. Without this coordination, the potential for expanding citizen-led energy projects and creating effective public-private partnerships will remain untapped. Political support is crucial for integrating these energy projects into broader sustainable development strategies.



4. An Energy cooperative based on a public-private partnership in Gabrovo, Bulgaria



Name of the crowdfunding initiative

Energy cooperative based on a Public-private partnership

Date of beginning and the end of the campaign

16.11.2023 -22.01.2024 (9 days before the deadline)

Number of investors

73 in total

Structure

67 citizens (natural persons), and 6 SMEs

Location

Gabrovo, Bulgaria

Energy generator

Solar PV panels

Capacity of energy system

99.55 kW Solar inverters –2 units, 50 kVA

Energy-related activity

Gabrovo landfill: Constant consumer - separating plant

Ability to reduce transmission charges by contracting with an energy trader and supplying other municipal facilities.

Commitment of municipality to invest in securing permits and design.

Brief description

The municipality of Gabrovo, together with EnEffect and with the support of the international initiative TANDEMS, wanted to create an energy community (in a format consistent with EU Directives and the requirements of national legislation). To do so, they initiated a crowdfunding initiative for the investment for the construction of RES (BGN 180,000). A public invitation was published to individuals, local authorities, municipalities, non-governmental organizations and small or medium-sized enterprises to join the community, which happened in two stages - in the first stage, the invitation was open only to participants registered on the territory of the Gabrovo municipality, and in the second stage, the process was opened to all other regions of the country. The financial participation of individuals and legal entities was between BGN 500 and BGN 5,000.

Photos:



IMPACT

The initiative raises awareness about crowdfunding and energy communities while promoting municipal development. By engaging citizens and fostering community unity around a green initiative, they not only encourage local investment but also focus on directing these investments into specific local projects.

Crowdfunding for renewable energy projects has proven to be an innovative and effective way to mobilize citizens and raise funds, especially in contexts where public trust and engagement are key. The Energy Cooperative based on a Public-Private Partnership (PPP) in Gabrovo, Bulgaria, is an exemplary case of such success. The municipality of Gabrovo, along with local NGO Eneffect initiated a crowdfunding scheme in order to gather funds for the financing of a solar installation, meant to power the Regional landfill for non-hazardous waste. The pilot project envisaged the construction of RES for the production of 100 kWh of electricity, and the value of the investment is just under 160,000 BGN and the area for the installation was chosen, based on the extremely sunny location of the site, the lack of shading, the presence of a relatively permanent user of energy and other factors important for the success of the initiative. This case provides valuable insights into how other energy projects, particularly in small or developing communities, can replicate its success.



4.1. Using local authorities as an engine for citizen engagement

In Gabrovo, the local authority played a pivotal role in driving the success of the energy cooperative's crowdfunding campaign. In Bulgaria, where scepticism toward large-scale government projects and distant authorities often holds such initiatives back, the close connection between local authorities and citizens became a powerful tool to engage the community. Gabrovo's leadership recognized this and acted as the driving force for initiating conversations about renewable energy and collective action. When the crowdfunding first opened, the citizens of the Municipality of Gabrovo had priority in investing in shares for the energy community – the first stage in the initiative was only open for citizens of the municipality, and only after this first period did it open for the rest of the country. The available shares were between BGN 500-5000 and in the end 73 participants were involved in total, 67 of whom were citizens (natural persons), and 6 were SMEs. This priority for local players further solidified the sense of community and the trust in the local authority.

Such as was the case in Gabrovo, the involvement of local authorities should go beyond just endorsing the project. They need to be strongly involved in creating platforms for dialogue, holding public meetings, and organizing workshops to explain the goals and benefits of such initiatives. This level of engagement helps demystify the concept of energy cooperatives and crowdfunding, making them accessible to citizens who may have previously been unaware of or intimidated by such concepts. As a result of these actions, citizens in Gabrovo felt that they were part of the process from the outset, increasing their willingness to contribute to the funding of the initiative.

Ways to achieve this result can include:

- Involving local leaders from the start by making them active participants in the planning and promotional phases.
- Organizing community events, town halls, or informational sessions hosted by local authorities to explain the project's benefits and gather feedback.
- Ensuring regular communication between the local government and citizens to keep the community informed about project milestones, funding needs, and successes.

4.2. Working with local NGOs to boost visibility of the program

Another key factor in the success of the Gabrovo energy cooperative was its strategic partnership with local non-governmental organizations (NGOs). These organizations are often deeply embedded in the community and have the grassroots connections necessary to rally support for local initiatives. In Gabrovo's case, the energy cooperative's most central partner was the Center for Energy Efficiency EnEffect – an environmental and civic-focused NGO. This organization not only helped to promote the project but also acted as advocates, highlighting the environmental and social benefits of the initiative, such as reducing carbon footprints and generating local jobs.

The involvement of NGOs can also significantly boost the visibility of the program. Through outreach networks, they can help communicate the cooperative's mission through social media, local events, and press coverage. Many local residents who may not have been initially interested or informed about renewable energy or crowdfunding can become involved due to the NGOs' efforts. By mobilizing their networks, these organizations make such projects more relatable and accessible to a wider audience.



Moreover, NGOs often hold a level of independence and moral authority in communities, making them effective messengers for causes like renewable energy. Their endorsement of projects lends an additional layer of credibility, complementing the role of local authorities. Other projects can learn from this example by actively seeking collaborations with NGOs that are respected in their communities. To do so, they should:

- Identify NGOs that align with the project's mission (such as environmental sustainability or community development) and develop partnerships based on shared values.
- Work with NGOs to co-host public events, workshops, and social media campaigns to increase the initiative's visibility.
- Tap into NGOs' networks to reach underrepresented groups or citizens who may not be initially inclined to participate in crowdfunding.

4.3. Clear concept of the initiative

Perhaps the most critical factor in the success of the Gabrovo energy cooperative was the clarity of its concept. Crowdfunding initiatives often falter when their mission or objectives are not easily understood by the general public. Gabrovo's energy cooperative overcame this challenge by crafting a clear and compelling narrative around its initiative. The project was framed not only as a renewable energy solution but also as a community investment. Citizens were made to feel that by contributing to the cooperative, they were investing in their own future. The clear messaging is crucial in fostering a sense of collective ownership. The cooperative should not be presented as a far-off project managed by external entities, but as a local, tangible solution to shared problems. The initiative's goals must be straightforward: to create a sustainable energy source for the community, invest in local, and reinvest profits back into local development. This clarity helps potential contributors see exactly where their money is going and the direct impact it would have on their lives and their environment.

The transparency of the initiative plays a role in building trust. Gabrovo's energy cooperative ensured that all contributors had access to regular updates on the project's progress, financial transparency, and opportunities to be actively involved in decision-making processes. This open and clear communication reassures citizens that their contributions are not only necessary but valued. Other crowdfunding initiatives can adopt this strategy by:

- Defining the initiative's objectives in simple terms, focusing on the tangible benefits for contributors and the community, such as lower energy costs, environmental benefits, or job creation.
- Creating a narrative that emphasizes the project as a local solution to a local problem, thus fostering a sense of ownership and investment among citizens.
- Providing clear, transparent financial goals and explain how the funds will be used, how progress will be measured, and what impact citizens' contributions will have.

