



**REGIONS  
& CITIES**

**European Week**

**Brussels 9-12 October 2017**

# Social Innovation and energy – in the context of Smart Specialisation

Manfred Spiesberger & Javier Gomez

Centre for Social Innovation (ZSI)

Joint Research Centre, Directorate Growth and Innovation

# Social Innovation (SI) definition

Social innovations are defined as “new solutions (products, services, models, markets, processes etc.) that simultaneously meet a social need (more effectively than existing solutions) and lead to new or improved capabilities and relationships and better use of assets and resources.

In other words, social innovations are both good for society and enhance society’s capacity to act.” (Young Foundation, 2012)

## SI & energy – Organisational

- In which organisational forms can SI in energy be found – in first place **consumer/producer associations and cooperatives for renewable energies**. Have sprung up in many EU countries: AT, BE, DE, DK, NL, UK, etc. Citizens are usually participating via a share/shareholding in the cooperative.
- loosely organised in the **REScoop network**, the European Federation of Renewable Energy Cooperatives.
- Decentralised energy production, citizen involvement and self organisation, more and smaller energy production units
- Example **Croatia**: Green Energy Cooperative (ZEZ) established in 2013 and based in Zagreb. Locally initiated RES&EE projects, with the aim of empowering local communities through use of local resources. Strong link to local municipalities. Legal barriers to active citizen participation in the development of renewable energy. Croatia has good potential for renewables and SI approaches. E.g. energy independent islands



**REGIONS  
& CITIES**

**European Week**

**Brussels 9-12 October 2017**

## SI & energy - Funding

innovative financing schemes for energy involving citizen investment. The funding category we can further differentiate into the following sub-categories:

- **Shareholdings** for participating in renewable energy cooperatives /REScoops. Citizen financed renewable power stations, which has been used by utilities. This is usually done also via a shareholding. Example: Wien Energie
- **crowdfunding** initiatives: have often a social component. UK as leading crowdfunding market, other countries follow-up. Energy is a promising and quickly developing field of crowdfunding. Example **Germany**: there several platforms which have an exclusive focus on energy (renewables & energy efficiency): Bettervest, ecoligo, fairzinsung, Greenvesting, GreenXmoney LeihDeinerUmweltGeld and Wiwin. WIWIN has generated investments of 50 Mio. € which helped funding more than 60 wind-, solar- and real estate/energy efficiency projects.
- allocation of **public resources** via vouchers or grants, e.g. via innovation vouchers for SMEs (e.g. for becoming prosumers of RES) Example: ener2i
- **donations**



REGIONS  
& CITIES

European Week

Brussels 9-12 October 2017

## SI & energy – social issues: Energy Poverty

- We refer here to measures for energy justice and for combating energy poverty.
- Some of energy cooperatives have been founded for dealing with energy justice or include it as an activity among others. There are also non-governmental organisations and utilities involved in such approaches to solving energy poverty issues. For example in Austria the CARITAS cooperates with the utility VERBUND to replace energy inefficient appliances with new efficient models for families who have stopped paying their energy bills
- Example **Hungary**: Protect the Future Association, a Hungarian NGO, introduces innovative, sustainable technologies to **Roma communities living in extreme poverty** biomass briquette production, efficient masonry heaters and post-fitted insulation.  
The approach is to engage locals in combating their own energy poverty situation with low-cost, low-investment solutions.

## SI & energy – education

- Education for energy efficiency mostly
- Example **Denmark**: Energitjenesten, a local NGO engaged in informing neighbourhoods about the possibilities for energy saving & energy efficiency measures in private homes.  
“end of the road events”: Short presentations, hands-on demonstration of energy saving technologies (e.g. insulation material), discussion of local needs
- Some of cooperatives have this educational aspect also on their agenda.



**REGIONS  
& CITIES**

**European Week**

**Brussels 9-12 October 2017**

## SI in the energy field - Conclusions

- A multitude of initiatives and cooperatives for RES and EE have sprung-up in the EU in recent years. If the EU gets its way with a more consumer and citizen driven energy system, **SI may become a transformative function.**
- In many cases **SI categories as we have defined them, are dealt with in parallel.** E.g. a cooperative for renewable energy production uses an innovative citizen financing scheme for funding its activities, and follows also educational projects.
- For **regional specialisation** RES and SI initiatives open up ways for **using local resources** (e.g. local biomass, insulation), **competence and business** involvement.
- The **link to municipal /regional authorities is crucial** for a successful and speedy implementation of cooperative RES projects.
- **Resistance from utilities and public administration has to be overcome** to take benefit of the full potential of SI in energy. **Removing legal barriers** is an important element here, and changing the mindset (especially in Central and Eastern European EU member states).
- Support to the initiatives: making the **best practice examples and advise opportunities** (e.g. via REScoop) popular via dissemination activities; providing financial incentives for starting-up RES/EE initiatives locally, could be done in a co-funding approach combined with citizen investment,