Interreg North-West Europe

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E2-CUTIES

Local Energy Communities in Belgium, France, Ireland and the Netherlands:

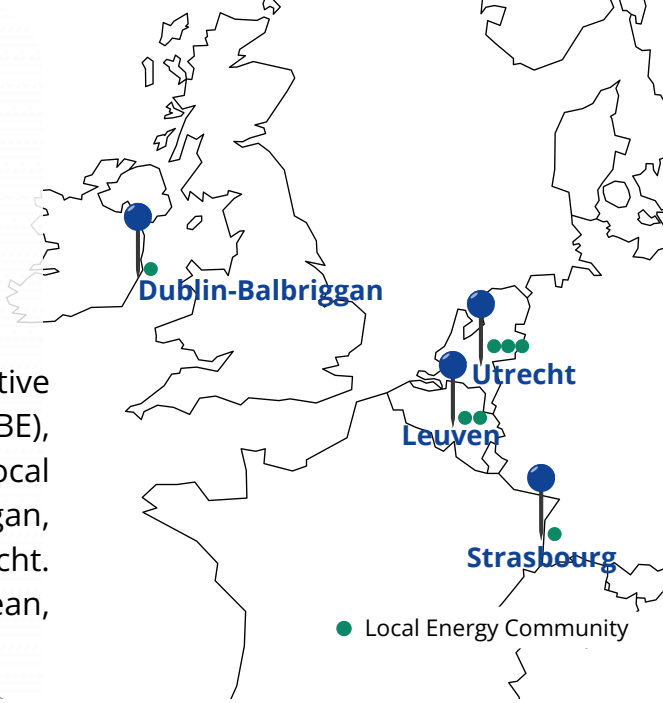
Comparative legal frameworks, business models and financing



https://e2-cuties.nweurope.eu

#E2CUTIES

Overview and Context



What is E2-CUTIES?

E2-CUTIES is a collaborative European initiative connecting four cities: Dublin (IE), Leuven (BE), Strasbourg (FR) and Utrecht (NL) and seven Local Energy Communities (LECs): one in Dublin-Balbriggan, two in Leuven, one in Strasbourg and three in Utrecht. They aim to accelerate the transition towards clean, citizen-driven energy systems.

The project provides tools to help cities, municipalities and local energy communities work together to develop local sustainable energy projects, based on an analysis of their political, legal and financial conditions.

The project explores how cities and communities can:

- Produce and share renewable energy
- Strengthen local economies
- Empower citizens in energy decision-making
- Contribute to climate neutrality goals



Who is involved?

- Four cities acting as public facilitators and enablers
- Seven LECs representing grassroots innovation and citizen engagement
- Researchers and practitioners bringing insights into policy, legislation, finance, and governance.

Why does it matter?

Energy communities are a key pillar of Europe's energy transition, but they face barriers:

- Complex legal frameworks
- Limited access to financing
- Uneven municipal support
- Administrative burdens

E2-CUTIES aims to bridge this gap by turning real-world experiences into actionable knowledge.

Synthesis of the legal frameworks, business models and financing analysis

Method

The analysis compares the four countries and cities by looking at:

- **Energy policy and history:** key developments shaping current energy strategies at the local and national level.
- **Energy transition policies and tools:** national and local strategies, legislation and tools for carbon neutrality.
- **Shared priorities:** affordable energy, grid modernisation, electrification and regional cooperation, while noting differences in timelines, institutions and governance.

The analysis compares how LECs are defined and conceptualised within each national context. It reviews the implementation of EU directives, the emergence of citizen and renewable LECs, and the varying degrees of legal, administrative, and financial support they receive.

Key findings

Legal frameworks

Progress with Gaps

- EU directives support LECs, but implementation varies across countries
- Cities lack clear mandates or guidance
- Administrative procedures are complex and slow

Policy support exists, but local clarity and simplification are needed.

Business models

Diversity is Strength

LECs operate with varied models: Cooperative ownership, public-private partnerships, citizen-led initiatives

Successful models share:

- Strong local anchoring
- Transparent governance
- Flexible structures

There is no “one-size-fits-all” approach. Flexibility is essential.

Financing

The main bottleneck

- Initial investment remains a barrier
- Access to loans and subsidies is often fragmented or unclear
- Smaller communities struggle to scale

Financing tools must be simplified, blended, and tailored to LECs.

Cities’ role

Critical Enablers

- Cities provide land, infrastructure, and data
- They facilitate partnerships
- They act as trusted intermediaries

Active municipal involvement significantly increases LEC success.

Recommendations



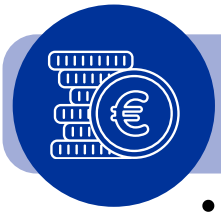
EU and National Policymakers

- Harmonise legal frameworks and reduce administrative barriers
- Provide clear definitions and guidance for LECs
- Enable simplified licensing and grid access



Cities & Public authorities

- Appoint dedicated contact points for LECs
- Integrate LECs into local climate and energy plans
- Offer access to public assets (roofs, land, infrastructure)
- Foster local partnerships and trust-building



Financing bodies

- Develop LEC-friendly financing instruments
- Promote blended funding (public + private + citizen investment)
- Support early-stage development funding



Local Energy Communities

- Build strong governance structures
- Engage citizens early and continuously
- Collaborate with municipalities and other stakeholders
- Share knowledge and replicate proven models



Collaboration between cities, citizens, and institutions is the key to scaling energy communities across Europe.

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Read the full analysis on:

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