

Energy communities – giving citizens an opportunity to actively participate in the energy transition

Decarbonization of the energy sector in Bosnia and Herzegovina (DecES BiH) | 18.04.2023.



Implemented by



Content

- ✓ Energy Transition and Energy Communities (ECs): Legal and technical elements
- ✓ ECs primary legal framework in BiH
- ✓ TA process: REC in BiH primary and secondary legal framework

Energy transition – Energy Communities (ECs)

ECs Legal framework

Clean Energy for All Europeans Package

[Directive \(EU\) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU \(recast\).](#)

[Directive \(EU\) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources \(recast\)](#)

ECs Categories

Different types of “prosumer” concepts

Categories of CE initiatives as ‘Energy communities’ (EC)

- **Citizen Energy Community (CEC) and**
- **Renewable Energy Community (REC)**

ECs are a way to ‘organize’ collective energy actions around **open, democratic participation and governance and the provision of benefits for the members or the local community.**

CEC & REC definitions

Article 2(11) Electricity Directive – ‘Citizen Energy Community’	Article 2(16) Renewables Directive – ‘Renewable Energy Community’
<p>A legal entity that:</p> <ul style="list-style-type: none">(a) is based on <u>voluntary and open participation</u> and is <u>effectively controlled by members or shareholders that are natural persons, local authorities, including municipalities, or small enterprises</u>;(b) has for its <u>primary purpose</u> to provide <u>environmental, economic or social community benefits</u> to its members or shareholders or to the local areas where it operates <u>rather than to generate financial profits</u>; and(c) <u>may engage in generation</u>, including from renewable sources, distribution, supply, consumption, aggregation, energy storage, energy efficiency services or charging services for electric vehicles or provide other energy services to its members or shareholders	<p>A legal entity:</p> <ul style="list-style-type: none">(a) which, in accordance with the applicable national law, is based on <u>open and voluntary participation</u>, is <u>autonomous</u>, and is <u>effectively controlled by shareholders or members that are located in the proximity</u> of the renewable energy projects that are owned and developed by that legal entity;(b) the shareholders or members of which are <u>natural persons, SMEs or local authorities, including municipalities</u>;(c) the <u>primary purpose</u> of which is to provide <u>environmental, economic or social community benefits</u> for its shareholders or members or for the local areas where it operates, <u>rather than financial profits</u>.

Participation of **commercial energy companies must be limited.**

CEC & REC criteria

Legal entity

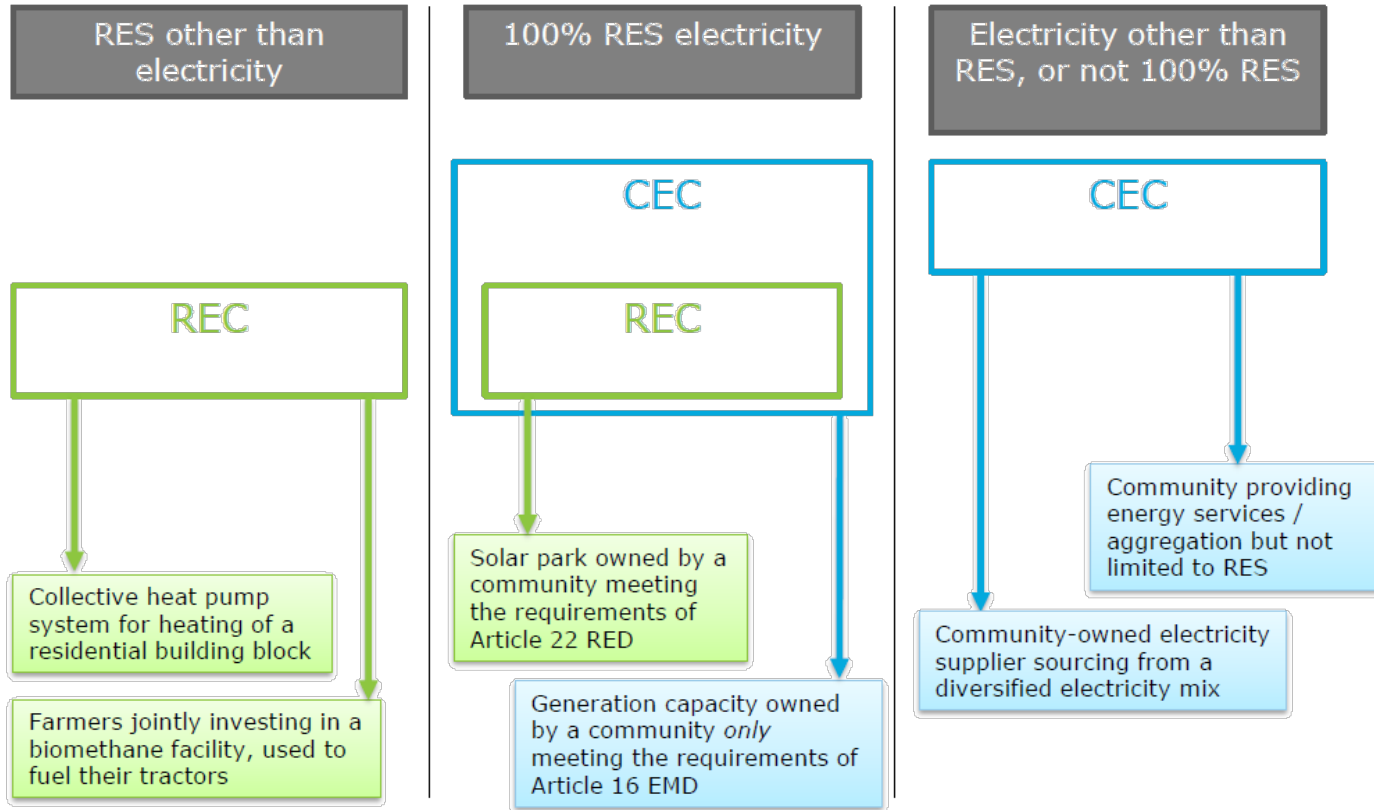
Voluntary and open

Proximity

Governance/effective control

Education, Training and Information sharing

CEC & REC relationship





ECs primary legal framework in BiH

Relevant primary legal framework in BiH

BiH Constitution

TA only in FBiH in RS – relevant to RECs

REC

RES Law of Republika Srpska (2022)
RES Law of Brcko District of BiH (2022)
RES Law of Federation of BiH (in adoption)

Proscribed secondary legislation on: (1)
prosumers, (2) RECs

Clear legal and technical differences between
prosumers and RECs

CEC

Electricity Law of Republika Srpska (2020)

Electricity Law of Federation of BiH (in adoption)

Not proscribed secondary legislation on CECs,
missing full transposition of CEC

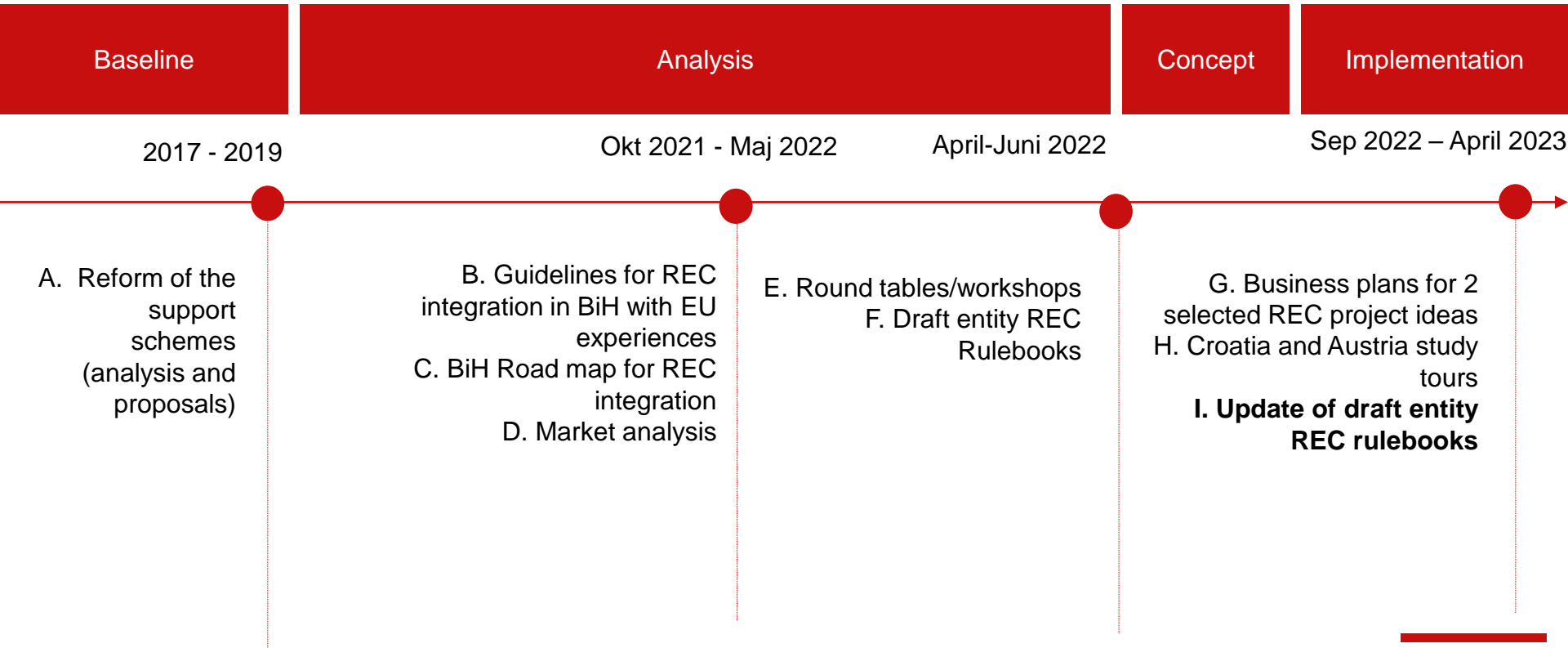
Not clearly defined „growing RECs to CECs“

Overview of REC/CEC

Prosumers are different concept

	RECs	CECs
Definition	Legal entity	Legal entity
Members	Individual, units of local self-government, SMEs	Individual, units of local self-government, SEs
Organization forms	Left opened	FBiH: Cooperatives, Associations, Foundation RS: not defined
Status	Decision of FBiH Energy Ministry/Regulatory Commission RS Planned registers within entities	Permit Regulatory Commission FBiH/ RS: not defined
Criteria	The same or neighbouring municipalities, operator of distribution system, supplier (takeover of electricity) Minimum 2 members	FBiH: Smart metering, the same trafo-station RS: Not defined
Activities	RED II: project implementation Electricity Quotas: Auctions/Premium for own consumption	ED Electricity

TA phases: Definition of REC criteria in BiH



Further steps of RECs in BiH

- Motivation factors?
- Central point of support to ease the creation of citizen-led initiatives?
- Financing tools (and business forms) and relevant information for development and preparation of projects?
- Secondary legislation adoption and establishment of registers?
- Electricity sharing, „no-grid“ payment option?
- Control of „non-profiting“?

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