eurelectric
powering people

The electricity industry: a socially performing sector

Eurelectric paper on best practices for community engagement and benefit-sharing mechanisms in renewables development

April 2025

Eurelectric represents the interests of the electricity industry in Europe. Our work covers all major issues affecting our sector. Our members represent the electricity industry in over 30 European countries.

We cover the entire industry from electricity generation and markets to distribution networks and customer issues. We also have affiliates active on several other continents and business associates from a wide variety of sectors with a direct interest in the electricity industry.

We stand for

The vision of the European power sector is to enable and sustain:
- A vibrant competitive European economy, reliably powered by clean, carbon-neutral energy
- A smart, energy efficient and truly sustainable society for all citizens of Europe

We are committed to lead a cost-effective energy transition by:

investing in clean power generation and transition-enabling solutions, to reduce emissions and actively pursue efforts to become carbon-neutral well before mid-century, taking into account different starting points and commercial availability of key transition technologies;

transforming the energy system to make it more responsive, resilient and efficient. This includes increased use of renewable energy, digitalisation, demand side response and reinforcement of grids so they can function as platforms and enablers for customers, cities and communities;

accelerating the energy transition in other economic sectors by offering competitive electricity as a transformation tool for transport, heating and industry;

embedding sustainability in all parts of our value chain and take measures to support the transformation of existing assets towards a zero carbon society;

innovating to discover the cutting-edge business models and develop the breakthrough technologies that are indispensable to allow our industry to lead this transition.

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EXECUTIVE SUMMARY

The transition to renewable energy is central to Europe's climate and energy security ambitions, as well as a key enabler for European competitiveness and prosperity. However, while wind and solar power have reached record high levels, achieving our 2030 targets requires an unprecedented **acceleration in deployment**. Social acceptance remains a critical factor in determining the success or failure of renewable energy project development. Opposition – driven by concerns over land use, perceived lack of local benefits, environmental impacts and misinformation – can lead to costly delays, legal challenges and even project cancellations.

This paper therefore examines the key drivers of public resistance and outlines a practical framework for **enhancing the social acceptance** of renewables, reflecting the electricity sector's commitment to act as **a socially responsible steward of the energy transition**. Drawing on insights from developers and academia, it presents a comprehensive toolbox for best practices, emphasising proactive community engagement and benefit-sharing mechanisms that create tangible value for local stakeholders. Strategies such as community benefit funds, electricity bill discounts, municipal contributions, co-ownership models, training programmes and nature protection initiatives can all help to transform local opposition into active support.

Importantly, there is **no one-size-fits-all solution**, and the specific approach chosen should always depend on the needs of the community in question. Yet, five key success factors emerge as essential for fostering positive and enduring relationships with host communities: trust-building through local engagement, transparency, independence, adaptability and creating a long-term commitment.

Policymakers, too, have a crucial role in improving social acceptance. Beyond streamlining permitting procedures, they must highlight the economic and social benefits of renewables. In addition, they should create flexible legal frameworks for project development and public participation that helps guide developers while allowing for community-specific solutions. Lastly, authorities can further boost support for renewables by redirecting higher-level tax revenues from renewable energy projects to municipal budgets, visibly linking clean energy to local prosperity.

Contents

1. Introduction

Renewables and infrastructure build-out is an opportunity for prosperity and responsibility in our quest to fight climate change

Europe's decarbonisation and resilience goals require tripling wind and solar in the next five years[1]. In the first half of 2024, renewables hit a record 50% of EU electricity generation, surpassing natural gas[2]. However, ahead of 2030, deployment must accelerate significantly to stay on track.

Decarbonising the power sector is an opportunity to create systemic prosperity for our society. Electrification drives economic growth, raises living standards and promotes sustainability. Transitioning to homegrown renewables also reduces reliance on imported fossil fuels, strengthening energy security and economic resilience. Additionally, low operating costs of wind and solar will make electricity more affordable.

Power sector's social impacts and commitment

As stated in Eurelectric's 2023-2025 Presidency Manifesto, the power sector acknowledges that the profound transformation of our energy system comes with externalities, too.[3] Our activities impact a wide range of people – our customers, employees and the communities we operate in.

This document showcases various best practices that reflect the sector's commitment to act as a socially responsible stakeholder. Beyond obtaining permits, with these practices, our sector seeks to embed stakeholder voices into our business strategies and objectives. By doing so, we aim to leave a lasting, positive legacy – delivering long-term benefits to the communities that host us.

Why it is important to promote public acceptance

Holistically, the success of the climate transition depends not only on technological advancements but also on a collective societal sense of responsibility for the transformational changes needed. Public acceptance plays a critical role in driving widespread support for necessary shifts in energy, consumer behaviour and related infrastructure.

At the project level, social risks can undermine a renewable power project in three ways: financial risks, approval delays or cancellations and endless court rulings. In some instances, the municipalities hold veto power at any stage, even after developers have invested millions in pre-engineering, with no option to appeal. Besides, attracting investment depends on demonstrating a robust plan for managing social risks and securing public support.[4] Building a strong synergy between renewable power plants, the local economy and the decision makers is therefore crucial for ensuring mutual benefits and the long-term success of the project.

[1] Eurelectric PowerBarometer 2024
[2] ELDA 2024, EU Electrificity generation greener than ever before
[3] Eurelectric Presidency Manifesto 2023-25: Powering an open strategic Europe
[4] For example, tools like the Equator principles or IFC Performance standards are widely used. Both include community acceptance indicators.

2. Understanding social licence issues

Opposition to projects often arises from a mix of social, economic and political factors, which vary depending on the location. For example, in densely populated areas, resistance is often more direct and visible, driven by concerns over land use, whereas in more remote and less populated areas, opposition is likelier to stem from the desire to preserve natural landscapes or traditional livelihoods. Here, we group them into four main categories:

a) Sense of place: this is the emotional and cultural connection people have to a particular location, shaped by their experiences, memories and the environment. It influences how individuals or communities perceive and interact with their surroundings. When this connection is threatened, it can lead to resistance. Some of the drivers behind this are:

   i. Visual obstruction: For communities that have lived in one locality for generations, there is often a strong sense of ownership and attachment to the landscape. In rural areas this can be compounded by the fact that the project would alter the natural landscape to generate power for urban centres.
   ii. Noise nuisance: Host communities may express concerns about noise generated by new power plants, both during construction and operation. Developers must demonstrate compliance with legal noise limits and ensure that noise conditions are met throughout the project's lifecycle.
   iii. Land/sea use conflicts: there may be tensions with existing land and sea uses, such as fisheries, sea transport or agriculture.

b) Perceived lack of benefits: New infrastructure can exacerbate perceptions of inequality between "haves" and "have-nots." Host communities may feel they bear the burdens of these projects without enjoying the benefits, distributed elsewhere.

   In countries with centralised tax collection systems, real estate or energy taxes are funnelled into the general state budget, leaving municipalities with little to no tangible financial benefit. In regions with already high renewables penetration, residents may question the need for additional projects, especially when these developments are perceived as serving export markets rather than local needs. Furthermore, in some areas, the costs of necessary grid upgrades are factored into regional electricity tariffs, leading to higher energy bills for the same communities hosting the infrastructure.

c) Nature protection: Decarbonising the power system is key for addressing the twin and inter-related climate and biodiversity crises. From a system perspective, in a renewables-dominated scenario, projected risks to biodiversity, natural systems and ecosystems decrease by as much as 75%, and climate change-related land loss and degradation by as much as 50%[5]. But at project level, infrastructure development can still have specific, direct and adverse impacts on local biodiversity. This can also be an important driver for opposition.

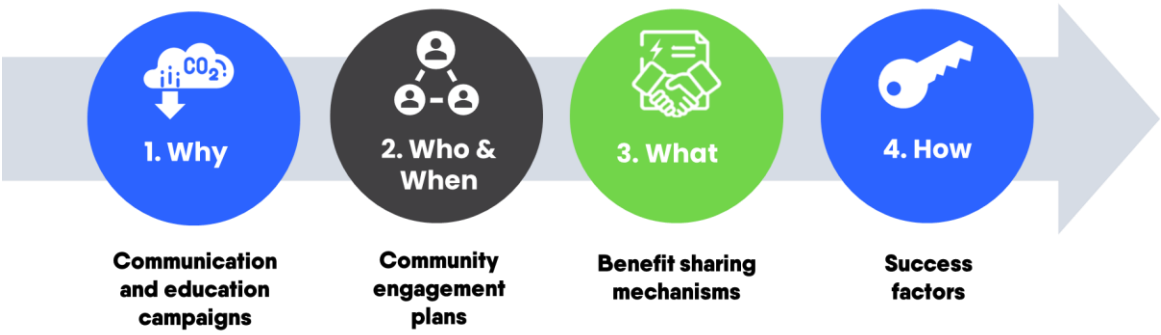
d) Misinformation and populism: In some regions, influential groups or political actors leverage renewables projects as a populist tool, using misinformation to fuel community opposition. These narratives often exploit local concerns, amplifying fears about environmental, social or economic impacts, and positioning renewables as a contentious political issue rather than a shared solution.

[5] WWF & BCG, 2023, Building a Nature-Positive Energy Transformation

To address these social license issues, building a strong synergy between the developers of the renewable power plant, the local priorities and political agenda is crucial.

3. Toolbox for improving social performance of renewables infrastructure – Best practices for community engagement and benefit sharing mechanisms

Together with Eurelectric members, we have created a toolbox to enhance the social acceptance of renewable energy projects and strengthen the synergies between these projects and the priorities of host communities. Importantly, there is no one-size-fits-all solution and the specific approach depends on the needs of the community in question. This toolbox consists of four key steps:



i. Why should a renewable project be supported by the community?

The first step in the toolbox is actively communicating about the broader benefits of renewables, fostering a shared understanding of the value these projects bring to both people and the environment.

a) Communication Campaigns: Effective communication is critical in building trust. This responsibility lies not only with developers but also with policymakers and local governments. A well-coordinated communication campaign can ensure communities understand the urgency to rapidly deploy the necessary levels of renewables.
b) Education and Knowledge Sharing: Knowledge management plays a central role in this process. By providing accessible information and clear explanations, we can counter misconceptions and create a more informed public, reducing scepticism and resistance.
c) Measuring Return on Social and Natural Capital: Beyond traditional financial metrics, it is important to assess the return on both social and natural capital for RES projects. By considering broader measures of success—such as community well-being, happiness, sense of place and long-term sustainability—we can position renewable projects as key economic drivers. These projects can shape a community's future outlook.

Best practice in action: Pjelax wind farm, Fortum

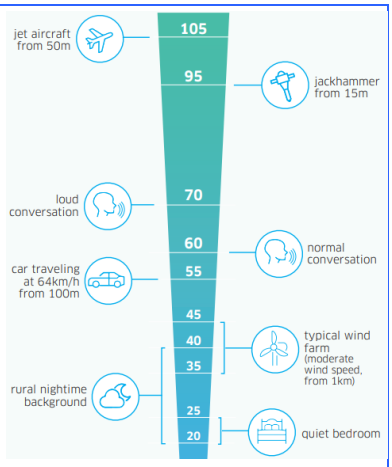
The Pjelax wind farm, a joint project between Fortum and Helen, consists of 56 wind turbines and will produce over 1 TWh of wind power annually, accounting for 5% of Finland's total wind power production. This project, completed on schedule in collaboration with over 400 landowners, local businesses, and organisations, highlights strong community involvement. The construction brought significant regional economic benefits, including land rental income and property taxes. Additionally, local companies played a key role in the extensive infrastructure work. The project demonstrates the companies' commitment to clean energy and provides long-term advantages by reducing electricity prices and supporting Finland's renewable energy goals.

Best practice in action: ENGIE's noise impact factsheet

ENGIE uses different dissemination materials to address concerns over misconceptions about noise or health impacts of renewables on host communities.

For example, they use factsheets to debunk noise impact myths and show proof of compliance with legal noise limits.

Their infographic above shows how the sound level of a typical wind farm (operating at moderate wind speed) from 500m to 1km away is around 35 to 45 decibels, lower than a normal conversation or a car.



ii. Who and when: Community Engagement Plans

Building trust begins with early engagement that continues throughout the lifecycle of the project. Concretely, community engagement is materialised through the following actions:

a) Community liaison team: A key best practice is to appoint a dedicated community liaison team which ensures ongoing communication and fosters strong relationships with local stakeholders. The approach is to be present, open and approachable, ensuring that engagement methods fit local needs.

b) Corporate engagement plans and policies: Companies establish a process for community liaison officers to map and analyse stakeholders and their expectations. Engagement plans should clearly define timing and topics to avoid unnecessary concerns, while identifying risks and opportunities. Strong strategies are essential for understanding community dynamics, involving stakeholders in decision-making and addressing opposition. This approach also supports investment decisions, with progress assessed using ESG metrics in investment committees.

c) Consultations and information sharing: Receiving early feedback from the community allows for identifying knowledge gaps and community sensitivities, which mitigates risk and fosters strong relationships. Engaging early also allows for flexibility in the project design, as long as it makes economic sense. Integrating local knowledge, often not visible from a desk, increases the chances of success. In

practice, the quality of engagement, consultation and co-creation, is a subjective judgement. It is perfectly possible to engage, but not consult, and to consult but not co-create.

Best Practices in Action: Gréng op den Oueren, Enovos Luxembourg S.A.

Enovos created the podcast series "Gréng op den Oueren" to engage with citizens and promote renewable energy awareness in Luxembourg.

The podcast covers a wide range of topics related to sustainability, renewable energy and energy efficiency, with each episode featuring experts and innovators. Episodes discuss innovative concepts such as Agri-PV and floating solar projects, as well as practical advice on how individuals can contribute to the energy transition. By providing accessible information through an engaging format, Enovos fosters a deeper understanding of green energy solutions and encourages active participation in building a sustainable future.

Best Practices in Action: Key Performance Indicators for stakeholder engagement, ENGIE

ENGIE integrates stakeholder dialogue as a key component of its development and ESG strategy, aiming to identify and mitigate risks while enhancing its relationship with local communities. The Group's goal is to ensure 100% of its activities have a societal plan for stakeholder engagement by 2030, with ongoing self-assessments to monitor progress and external communication. A comprehensive toolkit supports operational entities in managing dialogue, including identifying stakeholders, analysing context and tracking impact. ENGIE also offers company-wide training to ensure consistent and effective engagement.

Best Practices in Action: Stakeholder engagement policy, Ørsted

Ørsted's stakeholder engagement policy is public and sets a structural corporate culture within the organisation. Built on transparency and integrity, the principles include:

- Being open and transparent with stakeholders about interests and positions.
- Sharing factual, trustworthy information while maintaining confidentiality where needed.
- Ensuring compliance with laws and regulations and registering in transparency registers of political systems.

iii. What: Benefit-sharing mechanisms

The third step in the toolkit is to establish a tangible positive connection between the project and the host community. This can be done in the form of benefit-sharing mechanisms. These mechanisms take various forms, each with their own trade-offs. They can involve monetary payments or non-monetary contributions to the community. The ultimate choice depends on the specific needs and priorities of the local community. It also depends upon the financial capacity of the projects, which varies depending on the technology as well as the route-to-market.

Summary chart

Benefit-sharing scheme		Opportunities & Risks
Community benefit funds	Developers set up and pay into local funds directly related to a project. Different ways of fund administration and accessibility.	+ Clear perceived benefit with long-lasting effect for the Community. They can decide how to spend the funds. × May be seen as a bribe without clear (regulatory) boundaries. Eligibility, grant sizes and priority zones may raise disputes.
Electricity discounts	Discounts to the electricity bills in local area.	+ Clear direct incentive to host a RES project close by. × Different exposure to power price changes.
Contribution to municipalities	Centrally managed by the authorities to distribute revenues in a certain area.	+ Contribution linked to the profitability of the project. Clear economic contribution to the municipalities' budget. × Uncertainty how the money will be used.
Compensation to individuals or to other land/sea users	Direct payments to individuals impacted by the project.	+ Immediate financial support for affected individuals. × Eligibility criteria and compensation levels may lead to dissatisfaction. Lack of long-lasting effect.
Community ownership	Allow parties to engage and financially participate in the project (offering shares).	× Increased sentiment of ownership of the infrastructure and understanding of the developers' risks. × Communities may be surprised by potential financial losses. Plus, it requires certain financial capabilities to participate.
Training programmes	Financing of scholarships, skills and training, usually in the field of engineering.	+ Know-how enforcement, skilled workforce creation. × Temporal local benefits and limited to certain parts of the Community.
Cultural and historical preservation initiatives	Cultural and historical preservation initiatives for the local community linked to the power plant.	+ Strengthening the sense of historical identity and pride. × Limited scope, potentially not reflecting priorities of all community members.
Nature protection	Project designs pursue biodiversity enhancement.	+ Protecting biodiversity while addressing one of the biggest criticisms towards RES. × Increased costs. Positive change difficult to measure.
Adapted from Rudolph, D., Haggett, C., & Aitken, M. (2018). Community benefits from offshore renewables: The relationship between different understandings of impact, community, and benefit.		

a) Community Benefit funds: This mechanism involves annual contributions to a communal pot, which finances a range of initiatives proposed by the community. The fund is closely tied to the financial capacity of projects and varies across different markets.

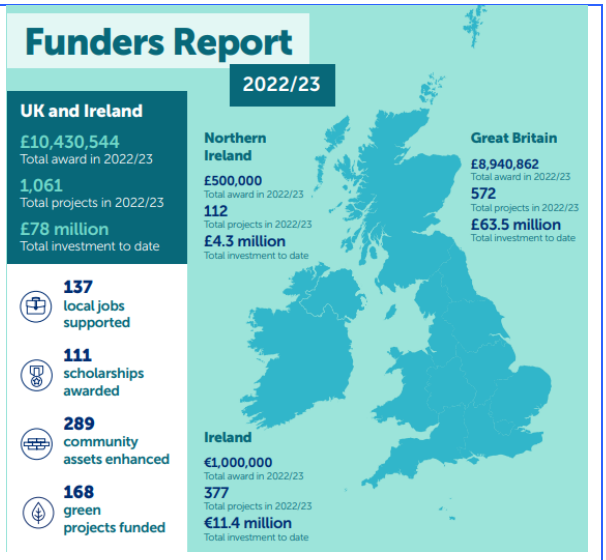
When implemented thoughtfully, community benefits funds can significantly empower local communities, revitalise their economies and establish community priorities and a sense of future outlook. Regular and transparent communication about fund management and outcomes, ideally through local media, is essential for maintaining community trust and support.

However, this mechanism is not without risks. It may inadvertently spark disputes within the community over how funds should be allocated. To address this, communities might require third-party guidance for fair and effective administration. Furthermore, the amount of available funds varies depending on the project's financial capacity, which can lead to differing expectations among communities, especially when comparisons are drawn with previous projects or benefit schemes.

Community benefit mechanisms may be seen as bribery, necessitating legal frameworks. In Europe, Ireland and the UK (especially Scotland), lead in developing robust models for wind projects. In contrast, countries like Poland and Greece prohibit such mechanisms to avoid conflicts of interest. Elsewhere, some nations allow them only post-commissioning. Scotland prohibits discussing financial mechanisms before permits but allows project commitments. France sets contributions upfront and involves local communities in decisions on their use.

Best Practices in Action: SSE Renewables' Fund overview and principles

SSE Renewables has the largest community benefit fund in UK and Ireland from their onshore and offshore wind assets. When setting up the funds, they follow six structural principles:



- Sharing value – distributing benefits fairly to the communities in which they operate
- Co-creation – in fund design and operation of the fund
- Maximising impact – benefits are measured and sustainable
- Flexibility – responsive to each community's unique and changing needs and context
- Good governance – accountable and fair, yet stakeholder-led and inclusive
- Transparency – honest, open and meaningful engagement and reporting

Best Practices in Action: Initiatives funded by Energia's Community Benefit Funds

Energia's Meenadreen Wind Farm Fund, Bluestack Special Needs Foundation Café

Among others, the Meenadreen Wind Farm community benefit fund provided a €6,000 grant to the Bluestack Special Needs Foundation Café in Donegal, Ireland, for an outdoor seating area, enabling the transformation of the café into a year-round covered meeting space. This café offers work experience and social engagement for young adults with additional needs, with profits reinvested in training programs. The centre is always looking to expand its activities but depends on donations and volunteers. The covered seating area for the outdoor café saw profits jump to almost €20,000 last year thanks to the Meenadreen Wind Farm Fund.

Energia's Tyrone Three Wind Farm Benefit Fund, St Ciaran's Connected sensory garden

St Ciaran's Connected is an open centre for local cultural and sporting activities in Ballygawley, Northern Ireland, building social connections and a strong sense of community. The College Eco Group applied to Energia's Tyrone Three Community Fund for a £5,000 (€5,800) grant which helped transform a little-used corner of the school car park in a new biodiversity and sensory garden. By day the garden will be used for outdoor art, geography, science and learning support classes. By evening it will be the Monday night meeting space for the local history group. All ages are encouraged to come and share their family and local history in the sensory garden.

Best Practices in Action: Initiatives funded by Statkraft's Community Benefit Funds

Cushaling Wind Farm: a 9-turbine project under construction, will deliver 55MW of renewable energy to Ireland's grid. Residents within 1km will receive €1,000 annually for ten years. A Community Benefit Fund of €275,000 per year will total €4.125 million over 15 years under the RESS Scheme. The project also includes a 3km walkway for community recreation.

Kilathmoy Wind Farm: a 7-turbine wind farm operational since April 2020, generates 11MW of renewable energy. Over 25 years, 1% of annual revenue funds local projects. To date, €185,000 has supported a diverse range of local initiatives, including schools, sports facilities, community development groups, and various social and recreational organisations in Ireland. A Community Development Project has enhanced a local walkway with surfacing, lighting, fencing, signage, and biodiversity-integration measures to enhance local ecosystem.

Moyvane walking trail's photo credit: Moyvane Development Association

b) Electricity Bill Discounts: these can be designed to provide an annual discount on the electricity bills of consumers living near new RES installations. On the positive side, these are intuitive, providing a tangible incentive to host a renewable power plant.

However, not everybody has the same exposure to electricity prices. For example, in some rural areas, vulnerable consumers may already benefit from public aid. Additionally, due to unbundling rules, developers operate independently from retailers, necessitating a third party to implement the discount. Instead, in most cases annual direct payments are made to individuals.

Best Practices in Action: Octopus Energy's Fan Club

Octopus launched the first energy clubs in four main towns to give customers the benefit of local renewable energy production in real-time. In short:

- Any electricity used while the local turbine is spinning automatically benefits from a 20% discount.
- When the wind picks up and the average wind speed reaches a given threshold, customers get 50% off every unit used.

c) Contribution to municipalities: they connect the revenues of the power plant, or the taxes already paid by the developers, to higher administration levels with the municipal budgets. Positively, host communities become aware of the economic resources provided by infrastructure for the municipality to be spent on local needs. However, the communities' trust on the use of the contribution by the municipalities varies across Europe. An important challenge is to ensure that it is used in ways that authentically benefit the community, aligning closely with their actual needs and aspirations rather than merely fulfilling regulatory requirements or the priorities of local governments.

France has established a legal framework for revenue sharing in the Renewables law of 2023. Projects awarded through auctions are required to contribute financially to local municipalities. These funds are designated for initiatives such as enhancing e-mobility, renovating public buildings, or improving electricity access.

In Germany, benefit-sharing mechanisms are embedded within a combination of federal and state laws. At the national level, operators of ground-mounted photovoltaic systems have the opportunity, under Section 6 of the Renewable Energy Sources Act (EEG) 2023, to involve municipalities with up to 0.2 cents per kilowatt-hour in their solar parks. However, it is not mandatory, and the federal states are also given the option to enact their own participation laws. For example, Bavaria has decided on mandatory financial participation for citizens and municipalities in new wind energy and ground-mounted photovoltaic systems.

- Requirement for operators of wind energy systems with a total height of more than 50 meters, as well as for ground-mounted photovoltaic systems with an installed capacity of more than 5 MW.
- In total, the offer that the project developer must submit according to the Bavarian draft legislation should amount to 0.3 cents per kWh. Of this, 0.2 cents per kWh should be allocated to the municipalities and 0.1 cents per kWh to local residents.

These contributions under the Renewable Energy Sources Act are refunded to the developers via the system operators.

Contrasts in approaches to revenue sharing are particularly notable in Scandinavian countries. In Finland and Norway, real estate taxes from power production directly benefit municipalities, fostering local support and enabling investments in community infrastructure. Conversely, in Sweden, the real estate tax revenue is directed to the central government and municipalities do not directly benefit from the projects within their jurisdictions. Swedish utilities advocate for diverging a combination of the energy tax and the real estate tax to the municipality. This would be particularly useful for the projects under Power Purchasing Agreements.

In Ireland, the Renewable Energy Support Scheme (RESS) mandates community benefit funds and near-neighbour payments for wind projects, requiring €2.00 per megawatt-hour of electricity generated. These payments exclude solar farms, reflecting differing impacts. RESS's strict regulations contrast with privately financed projects like PPAs, which lack such requirements but face tighter profitability margins, resulting in lower funds. This disparity can cause community dissatisfaction, particularly when different project types coexist nearby.

In Greece, wind farms are required to allocate 3% of their revenues to the local communities where they operate. This allocation is split evenly: half goes to the municipality, and the other half subsidises the electricity bills of local residents.

d) Compensation to individuals or to other land/sea use sectors: For individuals, these are direct payments made to households within the vicinity of the power plant. They offer immediate relief for individual impacts, such as potential reductions in property value. However, eligibility criteria and compensation levels may cause discontent, and this approach fails to generate shared value for the broader community. For example, in Ireland, the RESS mandates annual payments of €1,000 per household within a one-kilometre radius for 15 years.

In the case of other sea use sectors, there are schemes that try to address the impact on local industries and communities. In Norway, the Offshore Energy Act mandates compensation for fishermen through one-time or annual payments assessed by a committee, mirroring frameworks for oil and gas impacts. Denmark integrates marine user considerations into spatial planning, addressing fishermen's concerns early in offshore wind projects. Scotland treats such compensations as obligations separate from community benefits that developers must fulfil.

On land, opposition can also stem from their impact on local cultures and economies. For instance, in northern Sweden, resistance arises from disruptions to reindeer herding, vital for indigenous Sami communities. On top of permit conditions to restrict turbines near grazing lands, Sami communities can also benefit from compensation, for example maintaining veterinary care access.

e) Community ownership: offering local residents the opportunity to own a percentage of the shares, essentially inviting them to become investors. This approach increases community involvement and can enhance understanding of the project's constraints and benefits. Nevertheless, it can also exacerbate the existing economic disparities within the same community depending on how the co-ownership is structured. In addition, if not well-communicated, beneficiaries may be surprised by potential financial losses and the schemes can be heavily criticised.

Best Practices in Action: Renewable Choice, Enel

Enel's Renewable Choice initiative focuses on encouraging local community involvement in the development of clean energy through innovative, inclusive methods. The company promotes active participation by offering a crowdfunding platform where local residents can invest in the construction of renewable energy facilities, receiving financial returns and a sense of ownership in the energy transition. It delivers a fixed return based on the initial amount that the participant decides to invest in supporting the construction of the renewable energy facility, in addition to the repayment of the initial investment.

Best Practices in Action: Cooperation with municipalities in the construction of wind parks, CEZ

CEZ has signed the first agreement on cooperation with a municipality in the construction of a wind park. The municipality of Zátor near Krnov in the Moravian-Silesian Region has become the first to develop a joint venture project with CEZ. The construction of a wind power plant with an output of about 20 MW is planned in Zátor in the next seven years. CEZ offers a co-ownership stake in new power plants of this type. The municipality gains the opportunity to participate in the development of the project from its early stages and benefits from its operation for at least 25 years.

f) Training programmes: By financing scholarships, skill development, and workforce training, these programmes help create a pool of skilled workers equipped to participate in renewable energy projects and beyond. They not only empower individuals but also foster local economic growth by improving employment prospects. While the immediate benefits may be tied to the construction phase, the knowledge and skills gained contribute to sustained community development.

Best Practices in Action: Ørsted's Apprentices and Training programmes

Marine Futures programme: Ørsted partners with nonprofits and public institutions like The Crown Estate and Natural England to equip students with marine science skills and support sustainable offshore wind development. Interns gain hands-on experience with organisations like Lincolnshire Wildlife Trust and Ørsted's East Coast Hub. The program includes expert presentations, offshore wind facility tours, and real-world project work. This initiative helps train the next generation of marine scientists while contributing to green energy innovation. It plays a key role in the development and sustainability of offshore wind projects.

STEMillions Program: Ørsted has partnered with Stemettes to inspire girls, young women, and non-binary individuals in STEM, supporting 90 UK primary schools in low socioeconomic areas. The three-year program offers free STEMillions packs with activities, curriculum notes and role model posters. It encourages them to explore STEM careers and contribute to the green energy transition.

Wind Turbine Technician Apprenticeship: Ørsted's three-year program with Grimsby Institute and Furness College offers hands-on offshore wind farm training. Apprentices earn a MOET qualification, learning high safety and environmental standards. The program targets candidates passionate about science, engineering, and sustainability, with a focus on teamwork and problem-solving. Successful apprentices may secure full-time employment upon completion.

g) Cultural and Historical Preservation Initiatives: these are activities go beyond traditional economic or material benefits to include cultural, social, and historical benefits for the local community, strengthening their sense of historical identity and pride. The community views the project not merely as a renewable energy initiative, but as a powerful symbol of respect and remembrance.

Best Practices in Action: Duty of Memory, Calvados offshore wind farm, EDF Renewables

The Calvados offshore wind farm demonstrates a strong commitment to preserving the memory of World War II through various initiatives, particularly around the 80th anniversary of the D-Day landings.

The wind farm produced a film titled "*Between Memory and Future*". The farm participated in key commemorative events, such as ceremonies at Grandcamp-Maisy and Sword Beach, and supported local exhibitions and festivals. Also, they created the "History and Duty of Memory" working group, composed of representatives of the coastal communities of the Bessin coasts, historians, veterans' associations, representatives of museums and actors in the memory of the Second World War. The working group chose to name each of the 64 wind turbines after ships that took part in the D-Day landings.

Caption credit: Between Memory and Future

h) Nature protection: Nature protection can be considered a benefit-sharing mechanism when the preservation and restoration of natural resources or ecosystems lead to benefits for local biodiversity. It can also foster a deeper sense of environmental stewardship by strengthening people's connection to place. Of importance for the projects, these types of initiatives can also clarify the narrative that often gets overlooked, positioning decarbonisation and biodiversity protection as intertwined solutions rather than opposing objectives.

Best Practices in Action: PowerPlant II – A guidebook to electrify in harmony with nature, Eurelectric

In 2024, Eurelectric developed a first-of-a-kind guidebook to support renewable developers and system operators in scaling up nature-inclusive practices across the lifecycle of their projects. It was drafted with the expertise of WSP and co-created with ecology teams from the power sector and with NGOs.

The guidebook covers onshore and offshore wind, solar and hydropower technologies as well as the power grid infrastructure. Founded on the application of the Mitigation Hierarchy, PowerPlant provides actionable guidance for integrating biodiversity across the full lifecycle of a RES and grids project when siting, designing, building, operating and decommissioning an installation. It also contains more than 15 real-life case studies across technologies and across Europe.

iv. How: key success factors for social performance

Drawing on insights from interviewed developers, five key success factors emerged as essential for fostering positive and enduring relationships with host communities:

a) Local Action: Building trust starts with understanding and aiming to address community priorities and needs. Community engagement and benefit-sharing mechanisms have to align with local expectations.
b) Transparency: Openly sharing information fosters trust and credibility. Publicly accessible updates encourage community confidence in the project.
c) Independence: Designing benefit-sharing mechanisms independently of the local planning approval process minimises risks of perceived or actual bias, ensuring fairness and integrity.
d) Flexibility and Adaptability: Each community is unique, so programs must remain responsive to changing local contexts and emerging needs.
e) Long-Term Commitment: Sustainable engagement focuses on creating lasting positive impacts that continue to benefit the community beyond project completion.

Best Practices in Action: Convive Programme, Iberdrola

The Convive Programme builds on Iberdrola's long-standing commitment to sustainable development, aiming to ensure that renewable energy benefits everyone. Globally, it contributes to climate action, while locally, it fosters economic activity and enhances biodiversity.

Key initiatives include integrating livestock and agricultural practices around renewable energy facilities; promoting beekeeping and pioneering agrivoltaic projects to harmonise farming and solar energy; strengthening local renewable energy value chains by supporting suppliers and businesses; establishing energy communities and collaborating with municipalities on development plans; participating in alliances to define best practices, advance knowledge and drive industrial activity.

Highlighted projects under the programme are:

- The first solar community available for a whole town
- An agrivoltaic pilot project on a vineyard site
- The first pilot project to grow mushrooms in a PV plant
- The development of local PV solar cell manufacturing facility

Best Practices in Action: Repowering Projects in Greek Islands, PPC Renewables

In a recent repowering project spanning eleven wind farms across ten Greek islands, the number of turbines was reduced from 105 to 24, while maintaining a total installed capacity of 25.8 MW.

Engagement with local communities played a vital role, as these island regions are popular tourist destinations and sensitive to construction disruptions or visual impact. The repowering initiative offered multiple benefits, including the continued operation of existing wind farms, natural landscape restoration and the integration of advanced technology.

Local communities in Chios, Psara, Samos, Ikaria and Karpathos, among others, played an integral role in the exact infrastructure works. In Chios and Psara, local contractors undertook tasks like concrete for foundations and road construction, using more than 15 heavy construction machines and employing over 25 people from the area. Similarly, about 10 locals worked and 7 heavy construction machines were used in Samos, Ikaria, and Karpathos. The cement facilities of the above-mentioned contractors were utilised too. Special management was applied in the Petrified Forest of Lesvos, where some findings were uncovered during construction, leading to the involvement of local archaeologists. Moreover, in Sitia (Crete Island), PPC Renewables has cooperated closely with members of the local primary sector.

Despite challenges such as complex logistics in remote or nearly inaccessible islands, adverse weather conditions, and limited infrastructure, the project was successfully completed in 2022. PPC Renewables also prioritised sustainability by recycling both wind turbines and their foundations according to national legislation, and by promoting upcycling of old turbine parts into materials for public use.

Best Practices in Action: Windpark Euba, VSB Group

The Windpark Euba is expected to be commissioned in 2028. The wind farm aims to supply green electricity for around 12,400 households, helping meet Saxony's renewable energy targets while promoting community involvement.

The project prioritises stakeholder engagement and benefit sharing, focusing on transparent collaboration with local citizens, municipalities and landowners. The project also emphasises regional economic growth by awarding construction contracts to local companies to the extent possible and providing an additional source of revenues to municipal finances though the EEG mandatory contribution and by land-lease agreements with municipal land.

4. Policy – What role for EU and national policy in fostering social acceptance for the new Renewable Capacity?

Reaching the 2030 EU renewables targets is not a given. While progress has been made in recent years, tripling wind and solar requires a collective effort to deploy the required capacities fast. This means ensuring the new streamlined permitting rules are duly implemented in all Member States and in a timely manner. Unfortunately, Member States are not catching up with the transposition on RED. More action is needed.

In addition to fast permitting rules, there is a need to ensure society understands the urgency of the deployment and the prosperity that decarbonising the power sector brings. For this there is a need to increase awareness of how decarbonising drives economic growth, raises living standards and makes electricity more affordable and secure. Here, a collective communication effort between policymakers, the power sector and civil society is key.

At project level, engaging with communities is essential to mitigate the impacts and identify areas for opportunities. The quality of engagement however, is a subjective judgement. The level and extent of stakeholder engagement, consultation and co-creation will vary depending on the project. It is perfectly possible to engage, but not consult, and to

consult but not co-create. Article 15d of the Renewable Energy Directive provides a legal vehicle for public participation in the planning of renewable acceleration areas as well as direct and indirect participation of local communities in projects. In addition, frameworks like the Aarhus Convention, also establish extensive requirements for community participation.

With regards to the specific benefit-sharing mechanisms, mandatory and rigid requirements are not advisable. There are precedents of how prescriptive regulation on this matter has been ineffective, leading to its removal[6].

Mandatory requirements often lack the necessary flexibility to accommodate country and project-specific adjustments. For example, Member States have different starting points. Some still have low renewables penetration and land-use conflicts are not an issue yet. In others, there may be more trust towards market driven approaches. In addition, each project has different financial capabilities based on the type of technology or route-to-market. There are cases of existing mandatory payments that may negatively impact Power Purchasing Agreements over support schemes, leading to community dissatisfaction, particularly when different project types coexist nearby.

At the same time, the benefit-sharing schemes are an important tool for making a positive link between the project and the host community. For those developers who want to offer them, enabling legal grounds could be helpful to provide clarity on the level of contribution, transparency and non-biased use of potential funds or services. These legal grounds have to factor in the different local, cultural and regulatory underpinnings. In parallel, the State has an important role to play, by redistributing taxes already paid to higher administration levels like real estate or energy taxes to municipal budgets, visibly connecting projects to the prosperity of the community.

[6] For example, Denmark pioneered mandatory requirements for wind developers to offer local citizens to acquire up to 20% of the shares. Due to its lack of effectiveness, it was removed in 2020. See Herrera Anchustegui, Ignacio, Distributive Justice, Community Benefits and Renewable Energy: The Case of Offshore Wind Projects (October 29, 2020). Available here.

5. Annex

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