

# What are Cooperatives?

**Cooperatives** are autonomous associations with voluntary membership aimed at mutually assisting its members in working towards a common interest.

In the energy sector, a cooperative business model is usually established by a not-for-profit community organisation in which citizens invest through a cooperative body in the implementation and management of energy-related projects.

Cooperatives raise financial support through collective membership fees and take care of all administrative and operational functions related to the implementation of energy projects.

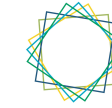
## How do Cooperatives work?



## What are the advantages?

1. Community-based
2. Increased access to financing and business opportunities
3. Sustainability of the project
4. Democratic governance and empowerment
5. Can include government and donor funding

## Targeted Sectors



Cross  
Sectoral

## Characteristics

- Usually employed for long-term initiatives
- Long-term financial overview and mid-to-long term return on investments
- Scale of the project is interesting to multiple private investors

## Example

[Cooperative Energy of Mouscron](#), Belgium

A cooperative jointly owned by the city and the citizens. The cooperative supports households to install rooftop solar PV by subsidizing the upfront costs of the installations and facilitating the technical and administrative processes.

[Rural biomass energy cooperative](#), Karditsa, Greece

The Energy Cooperative Company of Karditsa (ESEK LLC) is the first organized effort at country level for the exploitation of biomass and especially of agro-biomass. It aims to service local markets' renewable energy needs and implement practical solutions that can lead to energy self-sufficiency.



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