The CEFS charter

The present charter defines the shared ethical and organisational principles of energy communities operating in accordance with the seven cooperative principles, for guiding the establishment and governance of community energy financing schemes.

CEFS implementation varies across Member States due to differences in regulatory frameworks and financial cultures. The Charter acknowledges these differences and provides flexible principles that can adapt to local contexts while ensuring core principles are upheld.

This charter is meant as a set of guiding principles for future CEFS but does not exclude the establishment of their own principles based on their local values.

Fundamental ethical and organisational principles

Inspired by the International Cooperative Alliance (ICA) principles, the REScoop.eu charter, and field learnings from the LIFE ACCE project, the CEFS Charter emphasizes:

- Inclusivity: CEFS will ensure equitable access to their financing mechanisms, promoting the participation of diverse stakeholders, particularly underrepresented or marginalized groups. Policies will encourage active involvement from local communities and citizen groups in all decision-making processes.
- Community-first approach and benefits: CEFS will prioritize the needs and benefits of local communities, ensuring that projects align with ethical goals such as sustainability, energy justice, and community empowerment. Financial products and mechanisms must focus on maximizing community benefits over financial returns.
- Autonomy: CEFS will operate autonomously, free from undue influence by profit-driven corporate entities. Mechanisms must be in place to safeguard decision-making processes and investment policies from corporate capture, ensuring that community-led values remain central.

- Transparency: CEFS will maintain clear and open communication about their governance structures, funding sources, investment policies, and project impacts. Regular reporting and public disclosure of financial and operational data will enable stakeholders to assess alignment with the Charter's objectives.
- Accountability: CEFS will establish monitoring and evaluation frameworks to track the social, environmental, and economic impacts of their investments. Mechanisms for addressing grievances and ensuring stakeholder feedback will enhance responsiveness and accountability.
- Knowledge sharing: CEFS will actively promote the dissemination of best practices, lessons learned, and innovative approaches within and beyond their networks. This commitment to education and collaboration will strengthen the overall capacity and impact of energy communities across Europe.
- Democratic control: CEFS will uphold democratic governance as a fundamental principle, ensuring that community stakeholders have meaningful influence over decision-making processes. This includes safeguarding community ownership rights, promoting participatory governance structures, and ensuring decision-making is transparent, inclusive, and accountable to the communities they serve.

Code of conduct

A code of conduct will accompany the Charter to provide detailed guidance on how managing institutions can implement the principles of CEFS. Depending on the national context, this code of conduct may be tailored, simplified or more detailed to acknowledge differences in legal frameworks and financial cultures.

The Code of Conduct establishes operational guidelines essential for the integrity and relevance of CEFS. It ensures adherence to the Charter's principles while fostering trust, accountability, and transparency.

Managing institutions of CEFS should demonstrate a genuine commitment to the principles without requiring all checkbox criteria to be fully met.

Actionable practices to guide CEFS in daily operations and decision-making can be found below:

Inclusivity:

- Develop a clear process to include community stakeholders in decision-making, such as seats on governance boards or advisory committees.
- Whenever a CEFS targets small-scale projects like solar PV, ensure simplified application processes and tailored financial products to make the funds accessible to underrepresented and small communities.
- Commit to a flexible and customised approach by design, providing options such as smaller loans or tailored solutions to promote inclusivity.
- Ensure funding mechanisms are accessible to small-scale and underrepresented community projects through simplified application processes and tailored financial products.
- Offer translated materials, accessible formats, and outreach efforts to include marginalized or less-represented groups.

Community-first approach and benefits:

- Require that at least 50% of governance rights in financed projects remain under citizen or community control.
- Prioritize projects that demonstrate measurable local benefits, such as energy cost reductions, job creation, or renewable energy capacity increases.
- Avoid funding projects where speculative or profit-driven objectives overshadow community benefits.
- The financed projects realised are meant to be exploited and not to be resold.

Autonomy:

- CEFS governance bodies must include a community energy network representative.
- Decisions on fund allocation must be documented and accessible to ensure they align with the interests of community energy projects, not external profit motives.
- Contracts with private investors must include clauses preventing undue influence on CEFS operations or community ownership structures.

Transparency:

- Publish an annual report detailing all financial flows, governance decisions, and project impacts.
- Clearly label the origin of funds (e.g., public, private, or community-based) and disclose any conditions attached to these funds.
- Maintain an accessible database of funded projects, including their community ownership and benefits.

Accountability:

- Establish an independent oversight body or committee to review CEFS operations and adherence to ethical standards.
- Set up a grievance mechanism where stakeholders can report concerns, with a timeline for response and resolution.
- Implement key performance indicators (KPIs) to measure social, environmental, and economic impacts, with regular progress reviews.

Knowledge sharing:

- Organise workshops or webinars to share lessons learned, standards, and innovations among CEFS-funded projects.
- Develop a digital library with open-access case studies, tools, and guidelines for community energy stakeholders.
- Facilitate peer exchanges between successful and emerging energy projects to build capacity and enhance replication.

Democratic control: *will be enforced by the alignment of guidelines on inclusivity, autonomy and transparency.*

The Code of Conduct serves as an ethical guide for all entities participating in CEFS, ensuring that these schemes remain true to their mission of fostering a fair, inclusive, and community-driven energy transition.

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This Charter has been approved and signed by the ACCE partners on 24th of June 2025. It is open for signatures from organisations involved in or aiming to establish a community energy financing scheme.