



SMALL IS BEAUTIFUL JOINT LETTER

DECENTRALISED ENERGY SOLUTIONS – DRIVING A MODERN, SUSTAINABLE AND INCLUSIVE DECARBONISATION STRATEGY

Small renewable solutions and high-efficiency cogeneration are the backbone of a successful decarbonisation strategy. They contribute to unlocking a thriving ‘green growth’ by stimulating local job creation and Europe’s industrial leadership, through the roll-out of high added-value smart technologies, such as smart homes solutions. Small renewable and high-efficiency cogeneration enjoy high levels of public support, and provide economic benefits for EU citizens, industries and SMEs, schools and local public authorities. Combined with digitalisation, heating and cooling systems and storage solutions, they can support a more flexible, connected, and strong economy.

The European Commission’s long-term strategy “A Clean Planet for All”¹, demonstrated how to achieve a carbon-neutral European economy by 2050. However, the scenarios and the PRIMES modelling fall short on acknowledging the contribution of decentralised clean energy solutions to a sustainable and cost-efficient decarbonisation pathway. This is alarming, as the long-term strategy will have a crucial impact on the next wave of EU energy policies, and shape investment decisions in the energy sector for the years to come.

Climate change is one of the most important topics for European voters in the coming European elections²; involving EU citizens should be at the core of future energy policies. In addition, the recently adopted Clean Energy Package legislation has underlined the need to evaluate the costs and benefits of distributed energy resources³, to develop adequate political and regulatory frameworks. It is therefore critical that the European Union’s 2050 long-term strategy acknowledges and makes a proper assessment of the potential of small-scale energy solutions.

The Small is Beautiful coalition therefore calls on the Council to strike the right balance between centralised and decentralised, consumer-based energy solutions and to ensure that citizens are placed at the core of the decarbonisation of the EU economy by 2050. To that end, EU member states must call on the European Commission to undertake an in-depth study on the socio-economic costs and benefits of as well as barriers to decentralised energy solutions, including system flexibility. This study will support the ongoing discussions for a climate-neutral Europe by 2050 – and make sure all available solutions are considered to drive forward this ambitious goal.

¹ COM (2018) 773 final

² Ipsos Mori (2019). European Parliament Elections Study https://europeanclimate.org/wp-content/uploads/2019/04/European-Parliament-Study_Media_EU.pdf

³ Renewable Energy Directive, article 22

About the Small is Beautiful coalition:

The Small is Beautiful coalition aims to unlock the benefits of small-scale, locally-owned renewable solutions and high-efficiency co-generation. Striking the right balance between centralised and decentralised business models will be a key driver for an inclusive energy transition, empowering European SMEs, cities and citizens, supporting Europe's industrial leadership and the sustainable development of all European regions.

This campaign gathers 18 trade associations including **SolarPower Europe**, **AIE**, **Bioenergy Europe**, **COGEN EUROPE**, **EBA** (European Biogas Association), **EGEC Geothermal**, **Energy Cities**, **EHPA** (European Heat Pump Association), **EREF** (European Renewable Energies Federation), the **European Builders Confederation (EBC)**, **EUREC**, **Euroheat & Power**, **OceanEnergy Europe**, **REScoop.EU**, **Solar Heat Europe**, **WindEurope**, the **International Union of property owners (UIPI)** and **SMEunited** (the European association of craft, small and medium-sized enterprises). This letter is also supported by **smarten**, the European association of digital and decentralised energy solutions.