Sustainable Municipalities - and their responses to energy and climate crisis

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06/09/2023
Since 2019, our main purpose is to **facilitate the development of solidarity economy** in Hungary. We work on two main areas:

1. we develop sustainable solidarity economy model institutions in housing and **green energy production**;
2. we do labour organising and joint union-cooperative projects.

In 2023, our Energy working group founded the **Transzformátor Community Energy Center**.
From the energy crisis to municipalisation
Energy crisis: a hit on municipal services

- Breakdown of municipal finances
- Closure/reduction of municipal services (e.g., sport & cultural facilities)
- Emergency situation at local residents, businesses

Background: Marketisation of energy in the EU

- 1990s: Privatisation of state & municipal utilities
- 2000s: Electricity and gas market liberalisation
- 2010s: Creation of EU energy markets - exchange trading

How did marketisation boost the energy crisis?

1. Vulnerability of complex supply chains
2. Price fluctuation enhanced by short-term trading
3. Fluctuations exposed by speculative trading (financialisation)

Bloomberg. https://index.hu/velemeny/2022/10/12/az-energiavalsag-szetveri-europa-versenykepesseget/
How municipalities are crucial to avoid the next crisis?

**Municipalisation**
- Municipality as service provider
- Municipality as participatory democratic institution
- Strengthening local economy & local community

**Energy: public good or market commodity?**
- Energy autonomy - reducing dependence on energy markets
- Municipal energy services
Community energy and municipalities
What is an energy community?

➔ An open and voluntary legal entity, effectively controlled by members, who can be: natural persons, local authorities, including municipalities, or small enterprises

➔ Primary purpose: to provide environmental, economic or social community benefits (rather than profit generation)

➔ Activities: production, distribution, supply, consumption, aggregation, energy storage, other energy services

➔ Key words: community, self-control, bottom-up, energy democracy, autonomy, ownership, local clean resources

Picture: https://images.app.goo.gl/yBTDSVR1QSu3GASJ6
Benefits of community energy

- **Building local economy:**
  Circulation of local capital, building skills, developing local SMEs

- **Building local society:**
  Establishing trust among local citizens, and between citizens and municipalities, creating local material benefits

- **Building local democracy:**
  Enhancing participation, establishing new municipal services, growing support for sustainable energy transition
Municipalities as energy community facilitators

1. Planning – status (data) and monitoring, SECAPs
2. Information – advice, trainings, workshops, infodays
3. Contributions in-kind - municipal buildings, spaces for community meetings or for RES installments
4. Access to finance – direct support, advice, guarantees
5. Municipality–community cooperations - financing & implementing common projects
6. Local Energy Agency – a dedicated one-stop-shop for energy communities
7. Local Community-owned Energy Utility – as municipal works
International good practices

1. Samsø, Denmark
2. Güssing, Austria
3. Serock, Poland
4. Alsómocsolád, Hungary
5. Krizevci, Croatia
OUR PRODUCT

Through a process called Dual Fluid Bed (DFB) Gasification, ABC turns debris into a synthetic gas. This gas (an ideal ratio of Hydrogen, Carbon Dioxide, Hydrocarbons, and Carbon Monoxide) can be used to produce a variety of useable fuels, which can be converted to power such as:

- Thermal
- Electricity
- Liquid FT Fuel
- Synthesis gas
- Hyrdogen
Common success factors

1. Political will, supporting charismatic local hero
2. Strong engagement, involvement and support of citizens
3. Transparent and inclusive planning
4. Cooperative and local ownership and leadership
5. Originally top-down initiatives!
   (with early support by the national/regional government)
Further information

Solidarity Economy Center:
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