

## **CROWDFUNDING FOR COMMUNITY SOLAR PROJECTS | THE NETHERLANDS**

Although they may want to power their homes with clean energy, more than 43% of Dutch households can't install solar panels because they live in apartments, don't own the building or have too much shade on their rooftop.

[WeShareSolar](#) is working to ensure everyone in The Netherlands has access to solar power, even if they don't have a roof. The largest crowdfunding platform in the EU for community solar projects, WeShareSolar connects site owners who have a suitable roof (but are not able to invest in solar themselves) with consumers that want to buy a solar panel but do not have a suitable roof. The project makes it easier for third parties to develop and operate a community solar project.

WeShareSolar does this by providing access to finance and taking care of administrative tasks. Just as Airbnb made it possible for homeowners to become a host for travelers, WeShareSolar is the go-to platform for anyone who wants to invest in solar panels or 'rent out' their roof.

### **Key facts**

- So far, WeShareSolar has enabled 20 projects and the installation of 15,000 solar panels, thanks to investments from thousands of crowdfunders.
- WeShareSolar has crowdfunded €3.0 million. Banks now finance along with the crowdfunders to leverage the impact a crowdfunded euro has. Because of this, WeShareSolar has already built €5 million worth of projects.
- WeShareSolar now sells out new solar projects within hours.

### **The problem**

Solar projects used to have a financing gap, with normal projects ranging from €50,000 to €500,000. This figure is too small to qualify for project financing at a bank, yet it is too large for a project owner to invest on their own because the internal rate of return isn't high enough.

At the same time, 43% of Dutch households can't benefit from solar panels because they live in apartments, don't own the building or have too much shade on their rooftop.

### **The solution**

Thanks to the WeShareSolar platform, crowdfunders can directly invest into solar projects and project owners can submit their solar projects to get the financing needed to build them. WeShareSolar takes care of all the marketing, administrative and legal work that comes along with it. That gives a solar project access to investments at a lower rate.

WeShareSolar's main innovation is a financial one. It developed a specialized solar-bond that has the same characteristics as having a solar panel on your own roof.

When energy prices go up, your return increases, and when production is better than expected, your return also goes up.

Using this proprietary solar-bond, WeShareSolar decided to offer this solution to third-party solar projects via its open platform. This platform uses a newly developed legal framework suitable for solar energy, where all parties involved have one point of contact and all obligations and rights are clear.

This unique approach has allowed WeShareSolar to grow quickly into the largest solar crowdfunding platform in the EU.

The initiative has also launched an award-winning mobile app that is directly connected to the solar projects and gives consumers insights into power generated, current 'index-number' of the current state, current 'solar interest' and what kind of household appliances can be turned on with their solar shares.

For bigger projects, WeShareSolar works together with banks alongside its crowdfunders, giving leverage to the original investments from crowdfunders and reducing the cost of capital. In other words, it is making solar cheaper.

### **Helping the planet**

To date, WeShareSolar has generated 1,000,000 kWh from solar power. Statistics Netherlands (CBS) calculates that solar power saves 0.47 kilogram of CO<sub>2</sub> per kWh generated. That means WeShareSolar has already saved 470,000 kg of CO<sub>2</sub>.

WeShareSolar also encourages energy efficiency through its mobile app, which enables customers to become more aware of (and therefore reduce) the amount of energy they use.

### **Helping people**

Through the WeShareSolar platform, everyone can have access to solar power. Crowdfunders can start their investment with as little as €25. They make an annual return of 3-6%, just shy of the return if they had these solar panels on their own rooftop, but now without any hassle. More solar energy generated in a year means a higher return. In this way, WeShareSolar provides households with a small budget an opportunity to profit from their sustainable investments.

WeShareSolar is making the solar market bigger, generating more work for installers, project developers and their suppliers.

### **Spillover effect**

WeShareSolar is built with scalability in mind. More people on the platform means faster financing of the project and lower costs per customer.

WeShareSolar developed a model that could be, with some knowledge of the local legal framework, be replicated in any other country. The investments WeShareSolar makes in its IT system for communication, administration, bookkeeping and payment

system for crowdfunders, project developers, rooftop/project owners, electricity suppliers and banks can easily be translated and used in every other country.

WeShareSolar has a community of crowdfunders from several countries that want to invest in different solar projects and many of them reinvest several times on its platform.

### **More information**

Digital assets are available for download at: <http://bit.ly/m4c-assets>

#### **Contact:**

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