Interregional Event 2

Milano, Italy

3 December 2024

Interreg Europe

Co-funded by the European Union

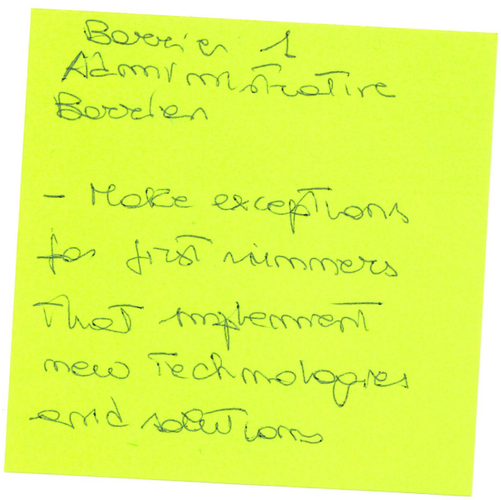
Repower Industries

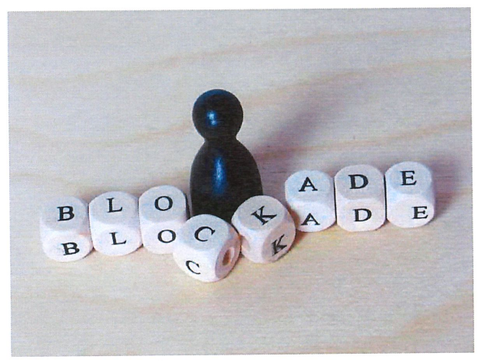
BARRIER 1 – ADMINISTRATIVE COSTS

Overview:
Industries face significant administrative burdens when implementing renewable energy projects. These include expenses for obtaining permits, certifications, and compliance with environmental standards. Delays in approvals increase project costs and reduce efficiency.

Example:
A **medium-sized furniture manufacturer in Lombardy** sought to install solar panels on its factory roof. The company had to navigate through multiple layers of bureaucracy involving municipal permits, environmental assessments, and compliance audits. The process took **18 months** and cost over €50,000 in fees, delaying the expected savings from the solar installation.

BARRIERS IDENTIFIED BY THE PARTICIPANTS





BARRIER 2 - FINANCIAL INVESTMENT

Overview:

The high upfront cost of renewable energy systems (e.g., solar panels, battery storage) deters many industries, especially small and medium sized enterprises (SMEs). While these investments promise long-term savings, the lack of affordable financing options remains a critical barrier.

Example:

A Czech textile company wanted to integrate photovoltaic panels to reduce energy costs. Despite having a sound financial plan, the company struggled to secure a loan due to the high initial cost of €500,000. They eventually had to scale down their project, limiting their energy independence goals.

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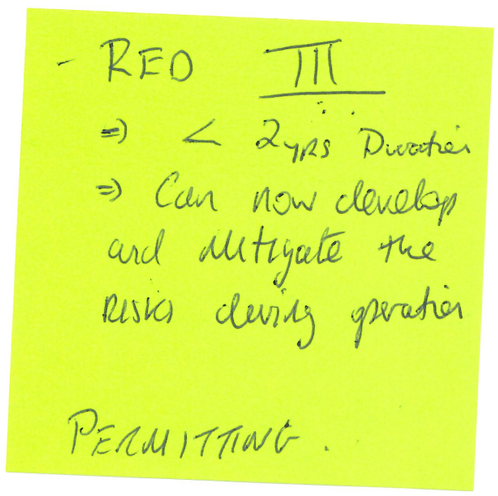
BARRIER 3 - REGULATORY HURDLES

Overview:
Complex regulations related to building permits, energy certifications, and grid integration create significant delays and increase compliance costs. These hurdles can discourage companies from pursuing renewable energy projects.

Example:
A **German steel manufacturer** applied for permits to install a hybrid energy system combining solar and hydrogen technology. The approval process took **24 months** due to stringent local regulations and repeated revisions to meet new environmental standards. The delays led to cost overruns and stalled implementation.

BARRIERS IDENTIFIED BY THE PARTICIPANTS



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BARRIER 4 - LOCAL CONDITIONS

Overview:
Geographic and climatic conditions greatly influence the feasibility of renewable energy projects. For example, limited sunlight, wind speeds, or available land can hinder the adoption of solar and wind energy solutions.

Example:
In **Lithuania**, a food processing plant installed solar panels to cut energy costs. However, during winter months, the region receives minimal sunlight, reducing the system's efficiency by **40%**. The plant had to rely heavily on the grid during these periods, offsetting the expected cost savings.

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BARRIER 5 - TECHNOLOGY

Overview:

Access to advanced renewable energy technology and skilled personnel is crucial for implementing efficient systems. However, high costs and limited expertise often restrict industries from adopting innovative solutions.

Example:

A **Slovenian food processing plant** aimed to implement an advanced heat recovery system to reduce energy consumption. The lack of local expertise in designing and maintaining the system delayed the project by over a year and increased costs by 30%.

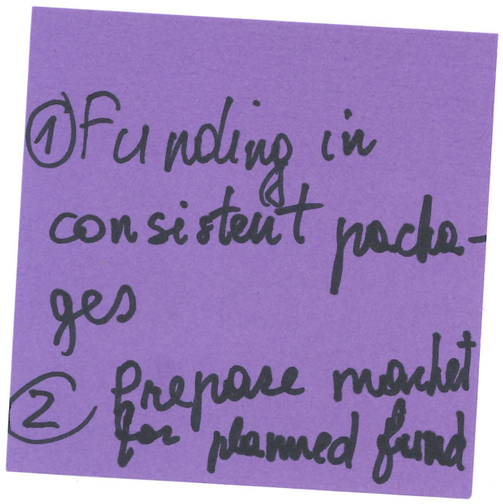
BARRIERS IDENTIFIED BY THE PARTICIPANTS

BARRIER 6 - SUPPLY CHAIN AND LOGISTICS

Overview:
Delays in the supply of critical components (e.g., solar panels, wind turbines) and disruptions in global logistics impact project timelines and budgets.

Example:
A **Spanish automobile manufacturer** faced a six-month delay in procuring battery storage systems due to global supply chain disruptions during the COVID-19 pandemic. This postponed their plans for a hybrid energy solution and increased dependence on conventional energy sources.

BARRIERS IDENTIFIED BY THE PARTICIPANTS



BARRIER 7- PUBLIC AWARENESS AND ACCEPTANCE

Overview:

Community opposition or lack of awareness can obstruct energy projects. Public scepticism about new technologies or their environmental impact adds another layer of difficulty.

Example:

In Poland, a wind energy project faced strong local resistance due to concerns about noise pollution and impacts on property values. The company had to invest heavily in community engagement programs, delaying the project by nearly a year.

BARRIERS IDENTIFIED BY THE PARTICIPANTS

1) Public consultation.
⇒ Important to put a good consultation phase in each of the larger projects.

RISE PUBLIC AWARENESS.

+ REPOWER IND. PROJECT!

BARRIER 8 - POLICY AND SUBSIDY UNCERTAINTY

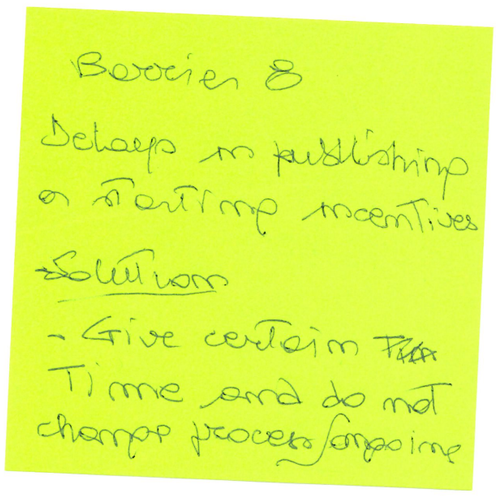
Overview:

Unstable or unclear government policies regarding subsidies, tax incentives, or energy tariffs create uncertainty for investors and industries.

Example:

An Austrian chemical plant planned to transition to hydrogen-based energy but had to halt its project due to sudden changes in government subsidies. The removal of key incentives made the project financially unviable, forcing the company to reconsider its strategy.

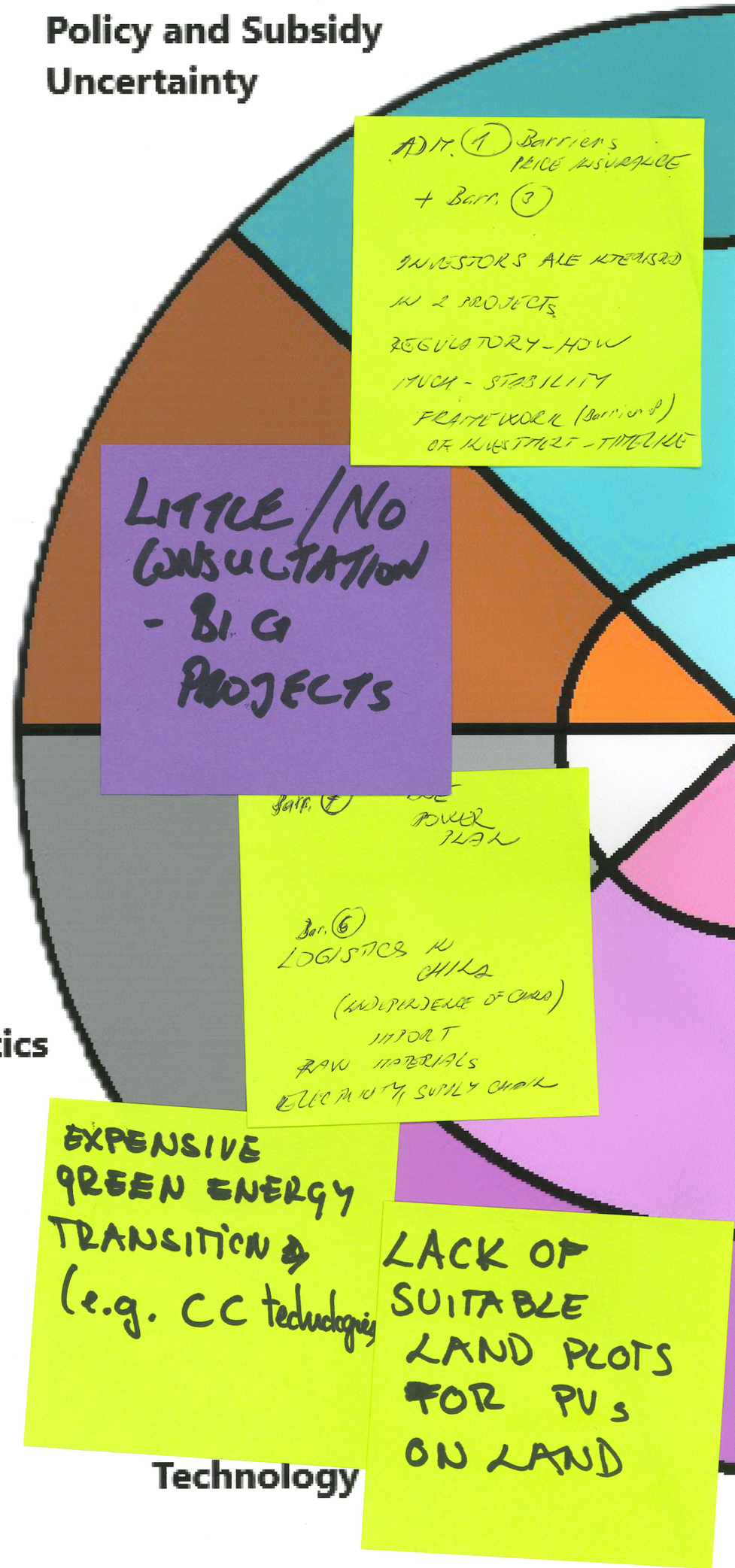
BARRIERS IDENTIFIED BY THE PARTICIPANTS



Barrier 8
Policy and Subsidy Uncertainty

Barrier 7
Public Awareness and Acceptance

Barrier 6
Supply Chain and Logistics



Technology

Barrier 1

Administrative Costs

ADMINISTRATIVE BURDEN - TO PARTICIPATE BUREUCRACY 20%

LT; B1
Administrative; Separated co-ordination; High intensity funding

Barrier 2

Financial Investment

Payback periods

Market price

- Planning permission
- Public objections
- v expensive
- reject for little reason.

PERMITTING

LOW GRID CAPACITY

ENERGY ELECTRICITY GRID CAPACITY

COMMUNITY DISAPPROVAL OF CERTAIN ENERGY PROJECT (PV on land Biogas production

Lack of local expertise