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# ASEAN – EU Energy cooperation networking for private sector

EUROPEAN ASSOCIATIONS  
SYNTHESIS OF THE EUROPEAN EXPERIENCE



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Innovation Energie Développement

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## Objectives of this presentation

- To present the main characteristics of the European associations active in the field of energy;
- To highlight the key issues to be addressed during our discussions in order to shape the Asean Business Council for Sustainable Energy and Environnement that this project will contribute to build, in cooperation with our Asian partners.



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## General considerations on associations

- Why establish an association and why to be part of it
  - To be listened, to be informed, to be represented, to be part of a network
- What is the wealth of an association?
  - Its members and their involvement



## CARACTERISATION OF THE EUROPEAN ASSOCIATIONS

- Origin of the associations
- Statute
- Representing which corporation?
- Role and mission
- Budget, source of funds
- Management and functioning
- Achievements





## Origin of the associations

1. Organisations, individuals, companies, etc. who decided to join their voice.
2. International organisations or institutions who took the initiative to promote and support the setting up of an organisation representing a sector.
3. Existing organisations which agreed to merge into an unique organisation.



## Statutes

- All associations have chosen the legal statute of: International non-profit making association.
- Although under the statute of association, the organisations are sometimes called council, committee or whatever.





## REPRESENTING WHICH CORPORATION ?

- Association is usually considered as the best way to be heard and defended on a supra national level,
- All energy sectors and environment are represented by European associations but electricity is the sector for which most associations have been created. The various sectors dealing with renewable energy sources are also well represented at European level (see the following tables).



### ELECTRICITY RELATED ASSOCIATIONS

Name	Theme and Corporation represented
APEX	Power Exchanges
CECAPI	Electrical Installation Equipment Manufacturers
CEER	Energy Regulators
CENELEC	Electro technical Standardization
CENTREL	Transmission system operators companies in Central Europe
CIREN	Electricity Distribution
CIS EPC	Power in CIS
COGEN Europe	Cogeneration
COTREL	European Transformers Manufacturers
EECA	Electronic Component Manufacturers
EFET	Energy Traders
EPPSA	Power Plant Suppliers
EPSMA	Power Supply Manufacturers
EREGG	Regulators for Electricity & Gas
ETSO	Transmission System Operators
EUREL	Electrical Engineers
EURELECTRIC	Electricity Industry
EUROHEAT & POWER	Heat and Power
EUROPACABLE	Manufacturers of Insulated Wires and Cables
EUROPEX	European Power Exchanges
GEODE	Energy Distribution Companies and Organisations
NORD POOL	Nordic Power exchange
NORDEL	Nordic Electricity Cooperation
UCTE	Electricity Transmission





## RENEWABLE ENERGY - RELATED ASSOCIATIONS

Name	Corporation represented
AEBIOM	Biomass
BIOFUELD	Biomass
CREST	Renewable and Sustainable Technology
EBB	Biodiesel
EFIEES	Intelligent Energy Efficiency Services
EFOA	Fuel Oxygenates
EGEC	Geothermal Energy
EPIA	Photovoltaic Industry
EREC	Renewable Energy
ESHA	Small Hydropower
ESTIF	Solar Thermal Industry
EUBIA	Biomass
EUBIUM	Biomass
EUFORES	Renewable Energy Sources
EUREC	Renewable Energy Centres
EWEA	Wind Energy
GWEC	Wind Energy
Observ'ER	Renewable Energy



## Other associations

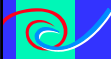
- The same applies for the other energy sectors, but with less European representation:
  - - oil and gas
  - - coal
  - - nuclear
  - - research and economics studies
  - - environment





## Role and mission

- To represent the common interests of an industry or a sector,
- To contribute to the development and competitiveness of the industry or the sector,
- To promote the role of the sector in the advancement of society,
- To spread a message on the benefits brought by a specific technology,
- To represent the members' interests at the European level,



## Role and mission (contin.)

- To carry out technical monitoring activities, market assessments and policy studies
- To assist the members with the understanding of the European directives, regulations and procedures,
- To liaise with other international organisations and to provide networking opportunities,
- To provide the members with updated information on sector development, technologies, regulations, etc.





**EURELECTRIC - BUSINESS DESK**

**SERVICES OFFERED TO BUSINESS ASSOCIATE MEMBERS:**

1. First-hand information on strategic issues and developments within the European Electricity Industry;
2. Detailed opinions and analyses of specialised working groups tackling the Industry's concerns in the areas of Generation, Transmission, Distribution, Supply and Trading;
3. News and views on a number of policy and regulatory issues in the areas of Energy Policy, Market Regulation, Environment & Sustainable Development, and Management Practices (finance and economics, fiscal issues, standardisation, social policy and R&D);
4. In-depth studies drafted by Industry experts on issues of topical interest;
5. Daily News on relevant issues of the day, including early announcements of new publications;
6. On-line issue tracker to monitor progress of EU initiatives through the legislative process;
7. Statistical forecasts and data on the European Electricity Industry;
8. Information-packed website ([www.eurelectric.org](http://www.eurelectric.org)) with cross-links to member websites and other European and international organisations;
9. Inclusion on the mailing list for all our general publications;
10. Networking opportunities through participation in Industry events, including EURELECTRIC's annual convention and conference in June each year, at privileged member conditions;
11. Possibility to set up exhibition booths where foreseen at major events and to distribute publicity material at all other events.



## Mission (contin.)

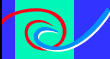
- In their mission, associations must be characterised by:
  - Strict impartiality
  - Internationalism (within Europe)
  - Lack of commercial interest
  - Transparency and equality in all communication issues
  - High quality and efficiency, providing adequate services to their members
  - To be an effective discussion partner for others





## Budget

- Annual budget of an association depends on the mission assigned, the sector and the members it represents
- Budget is for permanent staff, office space and facilities, promotion materials, services and operations, meetings, logistics.
- Amount is generally confidential although the information is sometimes available in the associations annual reports.
- From my survey it varies from 100,000 Euro per year up to 4-5 Million Euro per year.



## Source of Funds

- Four main sources of funds have been identified:
  - Membership fees
  - Participation as service providers in projects
  - Organisation of events which can generate revenues
  - In kind contribution of members' staff







## Membership fees

- By definition, for any association, this is the basic source of funds.
- How to be fair and to take into account the difference and disparities?
  - the purchasing power,
  - the market difference,
  - capacity to pay,
  - the nature of the members,
  - the involvement the members.



## Some criteria for calculation of the membership fees

- Staff number,
- Nature of the member
- Number of members (for national associations)
- Turn over for private companies
- Square meters of collectors sold
- Heat delivered to the network
- Number of segments you want to be member of
- Full member or associate member





## Other criteria

- It can be also a complex formula including the criteria of member status, the member strength, its energy sales, the country position, subjective political criteria (region).
- Associations dealing with the oil sector and with major oil companies an easily ask for membership fees amounting to 100,000 Euro per year without any problems.
- Other associations are proposing 50% discount this year for all new comers...



## Disparities between countries

- Annual membership fee for CIGRE members:

Category of member	Countries without any National Committee	Countries where there is a National Committee		
	Secretariat	Malaysia	France	Brazil
Collective member (cat I)	480	540	574	1,000
Collective member (cat II - universities)	240		287	500
Individual (cat I)	72	75	86	86
Individual (cat II - <35 years old)	36			43





## Participation in projects

- For some associations, revenues from participation in projects may represent up to 50% of their annual budget.
- Advantages
  - additional source of funds for better sustainability and more resources for other activities,
  - Involvement of the staff in concrete activities,
  - Opportunity to work with their members,
  - Obtention of first hand materials and experiences,
  - Optimum way to promote the association and to spread its message.



## Participation in projects (contin.)

- Drawbacks
  - sustainability of the association partly relies on these service contracts,
  - Potential conflict of interest,
  - Activities for projects implementation at the expense of activities for the association itself.





## Other sources of funds

- Organisation of events, publication and other actions generating revenues
- In kind contribution of members



## Management

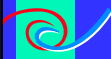
- Board of Directors elected at the General Assembly of Members.
- Between 10 and 30 Board members including the Executive positions of President, Vice Presidents (between 2 and 5), Treasurer and Secretary General.
- In general, the Board of Directors meets 2 - 4 times a year and is composed of 10 - 30 persons and comprises representatives of each membership category.





## Functioning

- Permanent secretariat from 1 person up to 30 permanent staff for the largest associations.
- Very often located in Brussels to facilitate the links with the European Institutions.
- Existence of working groups and/or task forces.
- The Secretariat General is in charge of the daily management, and co-ordinates the work of Groups/Task Forces and other activities on behalf of the association.
- Other models exist: No staff, virtual secretariat, only voluntary involvement of members' staff, only free lance experts. But this mode of functioning is limited.



## Achievements

- Key partner in the process of building up the European energy market,
- Recognised voice of the stakeholders in the discussion with the European Institutions
- Lobbying actions, position papers, participation in working groups have significantly contributed to positive development of the energy sector preserving interest of the customers and the industry.
- The representativeness of the associations in many sectors is also an achievement





## Achievements (contin.)

- EWEA members include manufacturers covering 98% of the global wind power market;
- EUROPIA members account for some 90% of the EU petroleum refining capacity and some 75% of EU motor fuel retail sales;
- 100% of the European gas industry is in EUROGAS;
- All existing national associations dealing with biomass in Europe are members of AEBIOM



## Conclusions

- There is no template or model ready for the ABCDE.
- Key questions to be answered:
  - What role and mission for the ABCDE
  - What activities are foreseen
  - Which audience (members) is targeted
  - What structure is needed
  - Which resources are needed
  - What sources for the financing





## Conclusions

- Good progress during our discussions should allow the launching of the Asean Business Council for Sustainable Energy and Environment before New Year.



## Thank you

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