

Tax Cuts and Landscape Commitments in Sardinia, Italy

Tula Municipality in Sardinia, Italy, hosts one of wind park developer ENEL Greenpower's biggest wind farms; ENEL is the owner and sole investor in the farm. When plans were announced to extend the farm, the developer faced community pushback. To solve these challenges they had to cooperate with the local authorities and citizens.



Motivation:

When an extension of the local wind farm was announced, citizens and the community called for a more equal distribution of financial benefits of the farm. They also demanded that the environmental and visual impact of the farms' extension be minimised

Challenges:

When the wind park was first developed, there were few concerns from the local community, low opposition, and subsequently low engagement in the development process. Citizens were unaware of the environmental and visual impacts the farm would have when it was first built.

However, when the extension was initiated, the local population demanded to share in the financial benefits as they now learned about the impact and possible consequences of the extension.

Impacts and results:

To mitigate local concerns, the community was included in a consultation process, resulting in a reduction in the number and density of turbines, and in their repositioning. ENEL also committed to the creation of recreational spaces for hiking, sports or cultural events.

To allow the municipality and individuals to share in the financial benefit, 2% of the gross revenue of the farm is now given to Tula municipality. The municipality also consulted its citizens to decide how this income from the farm would be used to benefit the community. Most notably this resulted in municipal tax reductions for 1600 households, including the elimination of the personal income and real estate taxes. The municipality also invested towards enhancing the quality of life, in family friendly policies and education.

Lessons learned:

Social acceptance: Including the local communities in the decision making process and sharing financial benefits led to an increase in acceptance.

Transferability: The realistic transferability of this unique cooperation relies on having an appropriate party to facilitate the project (such as the region, the municipalities and ENEL in this case). It is also worth noting that having citizen participation during the budget process might only be realistic in small municipalities.

