

Trust first, energy later: how institutional trust enables local energy communities (a case of Ukraine)

Nadiya Kostyuchenko^{1,2}, Denys Smolennikov²

¹University of St. Gallen, St.Gallen, Switzerland. ²Sumy State University, Sumy, Ukraine

Extended Abstract

[Download file](#)

Abstract Summary

The study determines how the level of institutional trust in government influences the population's willingness to invest their own resources (time and money) in the development of energy communities, and which organizational models of local energy communities are most acceptable to different segments of society. Based on nationwide quantitative survey data from 1000+ respondents in Ukraine the authors tested the hypothesis that citizens' willingness to engage with local energy community depends on the level of trust in government. Respondents' preferences regarding energy communities' organizational design were identified through choice-based conjoint analysis. The results of the correlation analysis confirmed that trust in local government is a significant driver of willingness to join local energy community.

Segmentation analysis based on the trust level allowed the authors to detail these behavioural patterns. Respondents who express trust in local authorities are more willing to participate in energy communities actively. This group is ready to commit up to 5 hours of their own time per month for the community. Furthermore, institutional trust significantly reduces financial barriers: those who trust local government are willing to contribute with some basic membership fee. In contrast, the group that distrusts local government prefers exclusively passive participation with no time or monetary commitments.

Additionally, the research results showed a high demand for direct democracy – participation in decision-making through voting on all important issues. Additionally, getting all the electricity needs covered through the energy community is viewed as the most preferred participation benefit by both groups: the one trusting in local government, and the one distrusting.

The main conclusion of the research is that trust in local government can transform the population from passive energy consumers into active prosumers. Policies for building local

energy communities in Ukraine must take this social factor into account by delegating authority to the municipal level.

Presenting Author Biography

Dr. Nadiya Kostyuchenko is a senior research fellow at the University of St. Gallen (Switzerland) and an associate professor at the Sumy State University (Ukraine). She specializes in Environmental Economics, particularly in energy transition, SDGs and corporate sustainability. She actively contributes to the education for sustainable development (ESD) through formal and non-formal educational arrangements. Over the past 15+ years she has held senior leadership roles in Academia being the Head of Teacher Training, the Head of Department for Internationalization of Educational Process, the Deputy Head for Distant Education. She is actively engaged in international research projects and ESD networking agencies.