ENERGY POVERTY IN CROATIA

dr.sc. Slavica Robić, assistant managing director, REGEA

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About REGEA

- North-West Croatia Regional Energy Agency
- One of the most successful energy agencies in the EU
- 4 founders (City of Zagreb, Zagreb County, Krapina-Zagorje County and Karlovac County)
  - Executive agency for the preparation and implementation of energy, climate and infrastructure projects
- Since 2008 – more than 150m EUR in projects
  - Energy renovation of public buildings, reconstruction of lighting systems, installation of renewable energy systems and much more
  - [www.regea.org](http://www.regea.org)
About REGEA

- More than 40 highly skilled workers
  - More than 60 EU projects + significant reach of both public and private clients
- **ELENA FUND**:
  - First in HR successfully applied
  - First in EU successfully applied twice
- National coordinator of EIT Climate-KIC programme
- Official partner of New European Bauhaus initiative
Energy poverty measures in Croatia

• No official data on EP
• No national programme
• Some measures up to date:
  • National retrofitting scheme with 100% financing
    • Limited scope, issues with utilisation
  • Until April 2022, 200 HRK deduction (ca 25 EUR) of electricity bills
  • As of April 2022:
    • 400HRK of electricity, gas, heat (all energy)
    • Widened vulnerability criteria, however, still a social category
Energy poverty measures in Croatia

• As of 04/22 also:
  • Inclusion of SMEs (up to 10GWh gas consumer category) into energy poverty
  • Gas prices subventions for households and micro, small and medium enterprises
    • Households automatically, SMEs via public call
  • One-time support for pensioners with monthly income up to 4000HRK (ca. 525 EUR)
    • Payment of 400 to 1200 HRK
Energy poverty measures in Croatia

Support for fuelwood (once per year)

Housing and emergency expenses support by local authorities

NECP for sees development of a National programme

Energy Poverty Reduction Program, which includes the use of renewable energy sources in assisted areas and areas of special state protection for the period until 2025.
Energy poverty measures in Croatia

• Energy Poverty Reduction Program, which includes the use of renewable energy sources in assisted areas and areas of special state protection for the period until 2025
  • The Recovery and Resilience Facility (within Croatia's recovery and resilience plan) and co-financed by funds accumulated via solidarity tariff (0,03HRK/kWh for consumers from the household category)
  • 387 residential buildings included
Energy poverty overview in Croatia

- Likely increase in energy poverty as result of
  - COVID-19 pandemic (working from home, increase in unemployment, increase in overall prices)
  - Energy prices increase
    - Further affected by war in Ukraine
    - Further increases to come as of 2026 as result of new EU ETS directive
      - Building sector and road transport to be included
      - Applied to suppliers = spill over to end customers
Planned steps

• City of Zagreb first to have Programme for EP mitigation
  • REGEA developing

• Plan to conduct assessment of EU ETS impacts on EP and also to develop National mitigation programme?
  • Potential to turn threat into an opportunity
    • Additional large-scale funding available
Adjusting the policy response

• Low levels of energy efficiency of dwelling and heating systems: deteriorated buildings

• High prevalence of damp and continuous exposure to cold
  • Draught through widows and doors
  • Decreased living space in winter

• Overall inadequate energy services

• **Immediate action is needed** to enable more people to become active members of society and, by removing adverse health culprits, directly decrease national health care costs.

• **Investing in the alleviation of energy poverty means improving the economy and decreasing energy import dependency**
Recommendations and Conclusions

Low-cost energy efficiency and energy saving measures

- not a solution, but a first step

Replacement of household appliances ("old for new")

Subsidies for energy efficiency: high co-funding + support system for "filling out the paperwork"

- Different levels of building retrofitting + heating/cooling
Recommendations and Conclusions

Photovoltaics and other RES
- Energy communities
- Legislative improvements needed
- Empowering

No-interest loans (mainly for deep renovation)

Refurbishment of all state-owned social housing

“Energy literacy” campaigns for vulnerable groups

Cross-sector collaboration are necessary for success!
Contact:
Dr. Slavica Robić, Assistant Managing Director
e: srobic@regea.org

REGEA
www.regea.org
e: srobic@regea.org
T +385 1 3098 315
F +385 1 3098 316
E: info@regea.org
Andrije Žaje 10, 10 000 Zagreb, Croatia