

#### The national renovation programmes in Croatia

## - Reducing the heat demand before replacing the heating system -

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- Introduction of energy renovation programmes in Croatia
- EE1<sup>st</sup> in practice
  - Single-family houses
  - Multi-apartment buildings
- Lessons learned

### Croatian energy consumption and building stock



## Programmes for energy renovation of buildings 2014-2020







- In period 2014-2016 co-financing of individual measure in houses allowed regardless of their energy demand (need)
- No conditions for energy savings, no obligatory measures
  - Building envelope (walls, roofs, floors, windows and doors), biomass boilers (including fuel wood pyrolytic), solar thermal, photovoltaic, gas condensing boilers
- Completed approx. 12.800 projects paid grants > 597,7 million HRK (80 million €)
  - > 9.300 projects included measures on building envelope
  - > 500 projects included both envelope and HVAC system measures





#### Single-family houses 2020 - 2021



- Programme amended (caused by reasons other than EE1<sup>st</sup>)
  - Only the worst performing houses eligible for grants -> class D or worse in continental part and C or worse in coastal part of Croatia
- No conditions for energy savings, no obligatory measures, BUT
  - Gas condensing and fuel wood pyrolytic boilers no longer subsidised
    - Driver of the change: decarbonisation and air pollution
  - Measures on HVAC (biomass boilers, solar thermal, heat pumps) eligible only in combination with measures on building envelope
    - Driver of the change: EE1<sup>st</sup>
- > 7.000 applications -> contracted > 3.000 projects
- Majority of contracts are for building envelope measures (walls, roof and windows)
- New public call for co-financing in 2021 just about to be opened
  - For the worst performing buildings, co-financing possible only for
    - Individual measures on building envelope or combination therefor or
    - Combination of at least one building envelope and one RES system measure
    - Not possible to implement only RES measures
  - Better performing buildings (C or better in continental and B or better in coastal)
    - Only RES measures







- New programme for energy renovation of single-family houses prepared -> adoption pending (expected soon)
  - Implementation of individual measures de-stimulated through lower co-financing rate (40%)
  - Individual measure depending on the energy class of the building
    - Not eliminated completely to enable applications of those that have already implemented some measure themselves
    - Worse performing building must implement at least one measure on the building envelope (no energy saving threshold)
    - Better performing building may only implement RES systems
  - Deeper renovation stimulated
    - Reduction of  $Q_{H,nd}$  of at least 50% as a condition for obtaining 60% co-financing
    - Reduction of Q<sub>H,nd</sub> of at least 50% <u>and</u> reduction of E<sub>prim</sub> of at least 50% as a condition for obtaining 80% co-financing
    - Achieving nZEB standard after renovation as a condition for obtaining 85% co-financing



# Multi-apartment buildings 2014-2016 and 2017-2020



- In period 2014-2016 co-financing provided from national sources with 40-60-80% co-financing rate depending where building is located
  - Result: **430** renovated buildings
  - EE1<sup>st</sup> applied from the start!
    - Minimal required reduction of  $\mathsf{Q}_{\mathrm{H,nd}}$  of at least 30% as a condition for obtaining co-financing
- In period 2017-2020 co-financing provided from ESIF sources with 60% co-financing rate
  - Minimal required reduction of  $\mathsf{Q}_{\mathrm{H,nd}}$  of at least 50% as a condition for obtaining co-financing
  - Result: **542** renovated buildings



Photo source: Environmental Protection and Energy Efficiency Fund



- New programme for energy renovation of single-family buildings prepared -> adoption pending (expected soon)
  - Minimal required reduction of  $Q_{H,nd}$  of **at least 50%** remains the condition for participation in programme and obtaining 60% co-financing
  - Deeper renovation stimulated
    - Reduction of Q<sub>H,nd</sub> of at least 50% <u>and</u> reduction of E<sub>prim</sub> of at least 50% as a condition for obtaining 80% co-financing
    - Achieving nZEB standard after renovation as a condition for obtaining 85% cofinancing
- The same conditions are applied in programme for non-residential (public) buildings

#### **Lessons learned**



#### • EE1<sup>st</sup> in practice

- Main principle firstly reduce the needs and then improve efficiency of systems
- A bit harder to implement in stages (single-family houses) than from the start (multiapartment buildings)
  - Easier to strengthen existing (known) requirements than to add new
- Communication of new requirements to all parties involved is necessary
- Integrated approach (full-scale EE+RES at the same time) would be optimal solution for decarbonization of building sector
  - New challenges in integrated approach to building renovation ahead of us e-mobility and green infrastructure integration

## Thank you for your attention!



At your disposal for questions and discussion...



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