

# Report on national roundtable in Croatia

## Background

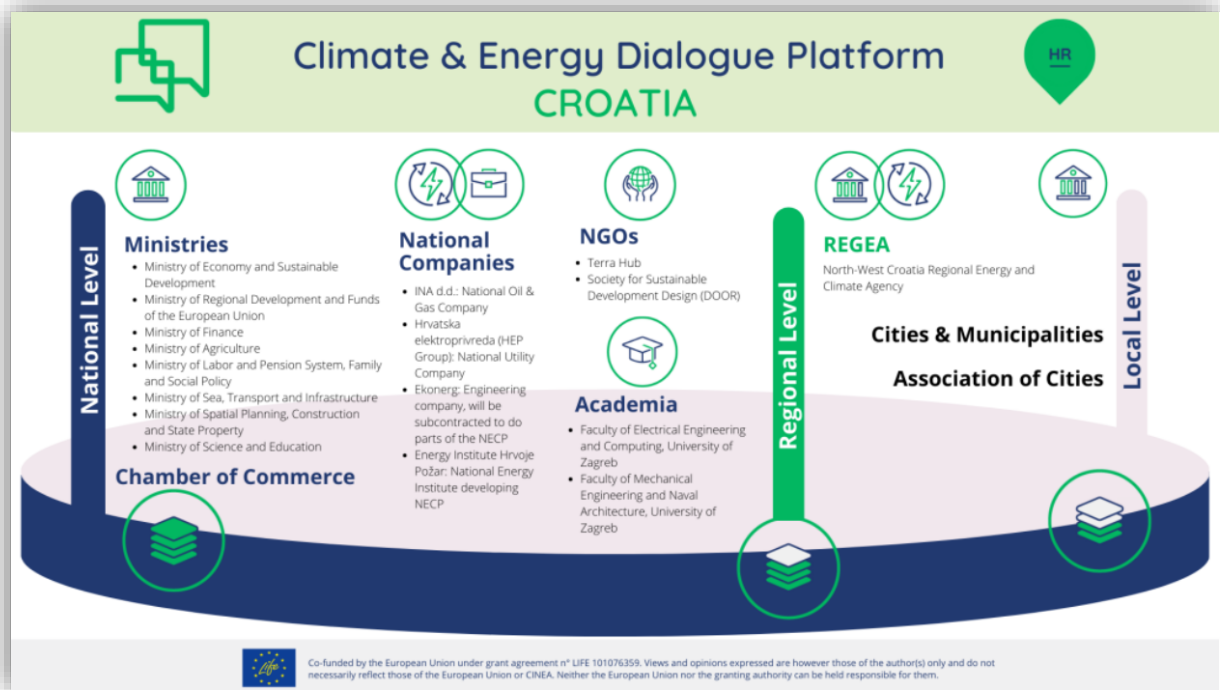
On April 23, 2024, in Zagreb, Croatia, REAN – Regional Energy Agency North participated in the workshop titled “*The Role and Responsibilities of Local and Regional Government Units – Climate and Energy.*” This workshop was organized under the LIFE project "NECPlatform - National Energy and Climate Platforms to meet the EU's 2030 objectives," funded by the European Commission, with REGEA as a partner. The event was hosted by the Ministry of Economy and Sustainable Development, the Ministry of Finance, the Ministry of Regional Development and EU Funds, and the North-West Croatia Regional Energy Agency – REGEA.

The project aims to involve local authorities in the process of updating the National Energy and Climate Plan (NECP), to be completed by June 2024, ensuring it aligns with the needs and capacities of all key stakeholders, as well as with regional and local policies and strategies.

The NECPlatform project supports six EU Member States (Bulgaria, **Croatia**, France, Italy, Portugal, and Romania) in establishing and managing Climate and Energy Dialogues (CEDs), which are multi-stakeholder and multi-level exchange platforms. These dialogues assist national governments in developing and monitoring national energy and climate policies, including the updating of NECPs. This initiative helps Member States comply with Article 11 of the Regulation on the Governance of the Energy Union and Climate Action, which requires the establishment of "climate and energy dialogues" for co-creating coherent climate and energy strategies with various stakeholders from different sectors and administrative levels.

The purpose of the workshop was to educate local and regional government units and their partners about their current and forthcoming responsibilities and opportunities concerning sustainable development, climate change mitigation, and adaptation. Additionally, it highlighted potential funding sources and mechanisms for related projects. The workshop offered valuable insights into current legislation, funding mechanisms, and practical opportunities and challenges from real-world scenarios.

In this context, REGEA – North-West Croatia Regional Energy Agency, as the NECPlatform coordinator in Croatia, invited REAN to participate in a workshop designed to guide national and regional/local administrative levels in achieving common climate and energy objectives.



## Methodology

The multi-level dialogue is conducted by the Ministry in cooperation with the North-West Croatia Regional Energy Agency (REGEA) within the LIFE project - NECPlatform, aimed at supporting Croatia in establishing and managing permanent dialogue platforms on climate and energy at various levels. It calls for better integration of local and regional authorities, civil society, businesses, and other stakeholders in the development and monitoring of national and climate policies, including the NECPs. By the end of the preparation of the final updated version of the NECP (June 2024), a minimum of 6 workshops are planned.

1. The first multi-level dialogue workshop was held on March 21, 2023.
2. The second multi-level dialogue workshop took place on May 18, 2023.
3. The third multi-level dialogue workshop was held on July 13, 2023.

NECP contains 105 measures under the responsibility of various bodies of state administration, and for the more efficient implementation of measures, sectoral workshops are organized to discuss specific measures within the five dimensions of the Energy Union Strategy.

4. The Energy Efficiency sectoral workshop was held on March 27, 2023.
5. 2. The Renewable Energy Sources and Transport sectoral workshop was held on March 27, 2023. Presentations from the workshop can be found at the following links:
6. The Energy Security and Energy Market sectoral workshop was held on March 30, 2023.
7. The Agriculture, LULUCF, and Waste sectoral workshop was held on March 30, 2023.
8. The Innovation, Research, and Competitiveness sectoral workshop took place on May 5, 2023.
9. The Fiscal Impact Assessment workshop was held on October 6, 2023.

10. The Innovation, Research, and Competitiveness sectoral workshop was held on October 10, 2023.
11. The Banking and Private Investment sectoral workshop was held on October 12, 2023.
12. The Agriculture and Forestry sectoral workshop was held on October 17, 2023.
13. The Transport sectoral workshop was held on October 20, 2023.

### Primary Needs

The participation of local authorities in the development process of the NECP ensures the flow of valuable information, particularly for the implementation phases. Continuous communication between different levels of government during established dialogues can enhance the specificity of measures tailored to local needs. Additionally, local authorities require additional support in capacity building, both in terms of personnel and finances, to strengthen the implementation of energy and climate measures.

### Opportunities

The current context of the energy crisis has placed more focus on implementing measures at the local level, presenting an opportunity to strengthen multi-level dialogues on climate and energy. Their establishment ensures the involvement of various stakeholders and facilitates comprehensive dialogue on measures outlined in energy and climate policy.

## NECPs in Croatia

The Integrated National Energy and Climate Plan for the Republic of Croatia for the period from 2021 to 2030 is based on existing national strategies and plans and provides an overview of the current energy system and the situation in energy and climate policy. It also gives an overview of national targets for each of the five key dimensions of the Energy Union, as well as the corresponding policies and measures to achieve these targets. Special attention is given to the 2030 targets, including reducing greenhouse gas emissions, promoting renewable energy production, energy efficiency, and interconnection in the power system.

The following table contains the most important targets set by the Croatian NECP for 2030:

| Indicator   | Target         |
|---|----------------|
| Reduction of greenhouse gas emissions for the ETS sector, compared to 2005          | at least 43 %* |
| Reduction of greenhouse gas emissions for sectors outside the ETS, compared to 2005 | at least 7 %   |
| Share of renewable energy in gross final energy consumption                         | 36.4 %         |
| Share of renewable energy in final energy consumption in transport                  | 13.2 %         |
| Primary energy consumption (total energy consumption excluding non-energy use)      | 344.38 PJ      |
| Final energy consumption  | 286.91 PJ      |

\*The stated target for the Republic of Croatia is indicative and binding at the level of the EU ETS system.

The role of cities is recognized in the proposed measures of the Croatian NECP through measures related to:

1. Spatial Planning Preconditions for the Use of Renewable Energy Sources (RES) – The goal of this measure is to analyse the current situation, define guidelines and criteria for specific spatial planning elements for planning RES at the national, regional, and local levels.
2. Promotion of Integrated and Intelligent Transport at Local and Regional Levels – The importance of local levels is emphasized in the continuous creation and implementation of Sustainable Urban Mobility Plans in cities.
3. Improving the Sustainability of Urban Environments – The aim of this measure is to encourage cities to consider sustainability principles in renovation projects and the development of new urban areas.

The NECP also mentions the Covenant of Mayors for Climate and Energy as an organizational measure where cities are defined as executive bodies for reducing energy consumption and greenhouse gas emissions. It is also noted that local and regional authorities participated in the development of the Integrated National Energy and Climate Plan for the Republic of Croatia and in the drafting of all key strategic documents. The key bodies for implementing the activities defined in the NECP are mainly the competent ministries and other relevant entities depending on the specificity of the measure.

## The national roundtable workshop in Croatia

### Agenda

|               |  |   |
|---------------|--|---|
| 9:30 – 10:00  | Registration and Coffee  |   |
| 10.00 – 10:10 | Introduction   | REGEA                                     |
| 10:10 – 10:25 | Climate Proofing of Infrastructure Projects  | MRRFEU                                    |
| 10:25 – 10:40 | Sustainable Financing  | MFIN                                      |
| 10:40 – 10:55 | Responsibilities of Local and Regional Government Units  | MINGOR                                    |
| 10:55 – 11:10 | Technical Assistance for Project Development   | JLRS                                      |
| 11:10 – 12:25 | Panel Discussion<br>Planning, Implementation, and Financing of Climate Change Mitigation and Adaptation Projects | MFIN<br>MINGOR<br>MRRFEU<br>JLRS<br>REGEA |

|               |  |       |
|---------------|--|-------|
|               | <ul style="list-style-type: none"> <li>• Current and Future Perspective</li> <li>• Opportunities and Obligations</li> <li>• Experiences and Practical Needs</li> </ul> |       |
| 12:25 – 12:30 | Conclusion   | REGEA |
| 12:30 – 14:00 | Lunch and Continued Discussion   |       |

## The meeting

The meeting saw the participation of ministries, numerous local authorities, local and regional energy agencies, and various stakeholders engaged in developing energy and climate strategies.

During the initial presentation, a representative from the Ministry of Regional Development and EU Funds discussed the *Climate Proofing of Infrastructure Projects*.

Subsequently, the Ministry of Finance introduced the *Green Budget* initiative, outlining plans to align budget regulations with environmental objectives through revised program classifications, inter-ministerial collaboration, and the implementation of a national-level green budget.

Additionally, the Ministry of Economy and Sustainable Development presented the *Platform for Sustainable Financing and Multilevel Climate-Energy Dialogue*, emphasizing the obligations of Croatian local governments to achieve climate and energy targets set out in the NECP for 2021-2030.

Furthermore, the City of Krizevci shared insights into *Technical Assistance for Project Development*, highlighting key project implementation barriers, their experiences, challenges encountered, and some notable achievements.

Following these presentations, a panel discussion allowed participants to engage in discussions and pose questions on sustainable development, infrastructure, and potential proposals or recommendations for improving the NECP.

## Outcomes

The meeting focused on enhancing collaboration across various stakeholders and administrative levels to effectively address climate change and advance the EU's climate and energy goals through coordinated strategies. Inputs from regional and local administrations, along with other key stakeholders, were gathered to inform the update of the National Energy and Climate Plan (NECP). Key outcomes and recommendations from these discussions include:

1. Extend the public consultation period to allow for adequate feedback and comments.
2. Implement more ambitious measures in the transportation sector.
3. Reinstate taxes on SO<sub>x</sub>, NO<sub>x</sub>, and CO<sub>2</sub> emissions for industries to make coal less competitive.
4. Ban Euro 4 and older vehicles promptly.
5. Establish low-emission zones.
6. Prioritize a rapid transition to renewable energy sources, promoting their decentralization.
7. Decrease the use of fossil fuels in the energy mix over a defined period, with the goal of phasing them out entirely.
8. Implement ambitious socio-economic policies to significantly reduce greenhouse gas emissions.
9. Address Croatia's susceptibility to climate change impacts in the Mediterranean Basin by implementing proactive environmental mitigation measures.

## List of attendance

There was a total of 65 attendees on the workshop “*The Role and Responsibilities of Local and Regional Government Units – Climate and Energy*”.

Representatives that attended the workshop were from following entities:

Ministry of Economy and Sustainable Development, Ministry of Finance, Ministry of Regional Development and EU Funds, Zadar County Development Agency, Bjelovar-Bilogora County, Dalmatian Energy Agency, DOOR - Society for Sustainable Development Design, GDi Ltd., Čakovec City, Dubrovnik City, Karlovac City, Novska City, Osijek City, Pazin City, Petrinja City, Pregrada City, Rijeka City, Samobor City, Slunj City, Split City, Sveta Nedelja City, Sveti Ivan Zelina City, Zabok City, Zagreb City, Ideoplan Ltd., Insula Bit, LIRA - Lika-Senj County Development Agency, Climate Ambassador for the European Climate Pact, Krapina-Zagorje County, Brdovec Municipality, Kršan Municipality, PETRA - Petrinja Development Agency, Entrepreneurship Center of Krapina-Zagorje County, Vukovar-Srijem County Development Agency, Ivanić-Grad Development Agency - IGRA, Novska Development Agency - NORA, VTA Development Agency, Vukovar-Srijem County Development Agency, Zagreb County Development Agency, PGŽ Regional Development Agency, Association of Cities in Croatia, Zagreb County, Spatial Planning Institute of Zagreb and Lika-Senj County.

# Pictures



