Croatia Case study – NEWLIGHT: upscaling investments in Energy Efficiency



Country	Croatia
Sector	Buildings
Year	2015 – 2018
Narrative description	The cost related to the operation and maintenance of public lighting systems in Croatian cities and municipalities can amount up to 7% of the total local authority budget. This is associated with shortfalls in terms of efficient regulation of the lighting, maintenance costs and a delay in modernisation investments. The phasing out of less efficient high pressurised mercury lamps and high-pressure sodium lamps with high mercury content as part of the EU Ecodesign framework gave impetus to an investment in the lighting infrastructure. Investments are planned in 57 local authorities, which have joined the project in a process successfully facilitated by REGEA, the Croatian Energy Efficiency Agency. The modernisation of public lighting systems are aimed at replacing lights by more energy-efficient technologies such as LED and installation of the power control (dimming), with the potential to achieve energy and cost savings of 60%. With these measures, REGEA expects to modernise around 34 000 lighting points, reduce energy consumption by 19 GWh and CO2 emissions by 5000 tonnes. 0,79 Mio EUR of financing for the preparation phase of NEWLIGHT were provided through the EIB/ELENA. For the works, the investment is estimated at over 20 Mio EUR for the reconstruction of 34.000 lighting points and luminaries. The financing combined favourable loans drawing on the EFSI (Juncker Fund) and measures from the Cohesion funds as a subsidy for the ESCO renumeration. The availability of financing for technical assistance during the preparatory phase of the project was critical for the development and success.

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	Auxiliary operations such as reconstruction of lighting poles and replacement of power cables were also carried out and constitute a co-benefit of the measure. The measure also was intended to develop an EPC/PPP market in Croatia and increase competitiveness of domestic ESCO providers.
Responsible authority	North-West Croatia Regional Energy Agency
Relevant legal basis	Art. 5 EED & implementation of Ecodesign requirements.
Policy Type	Obligation on public authorities in combination with EU funds
Governance Level/ Target audience	Municipality
Objectives	Replacing luminaries by more energy-efficient technologies such as LED and installation of the power control (dimming)
Summary of reasons for success	The combination of different available EU funds for technical assistance, financing and operational support to foster market development as well as the positive impact on the energy bills can be named as reasons for success. It is also important to note that the implementation of the Ecodesign framework helped to get this programme started.
Replication potential	The project is replicable for all municipalities that have access to cohesion funding.
Relevant website	http://publenef-project.eu/wp-content/uploads/2017/01/GP2-TEA-REGEA-Eng.pdf