



1 EMOBICITY – Peer review

REPORT

In line with the Project proposal, one **Peer review** should be organized by each project partner. The main goal of the Peer review is to gather useful information from all project partners and their stakeholders, so as to use recommendations for the proper development of the Action Plans.

This **Report** presents the basic goals of the designed Action Plan, which is the subject of the Peer review itself, together with key comments and conclusions from the peers who participated in the review process, as well as accompanying annexes that complete the Report itself.

EIHP organized the Peer review meeting at the end of the 6th project semester:

Title: Peer review meeting

Date: **22.7.2022.** Time: **12:00 – 13:30**

Place: MS Teams platform (virtual)

Organizer: Energy institute Hrvoje Požar, Savska cesta 163, 10000 Zagreb, Croatia

This Report has the following document structure:

- 1. Cover info page,
- 2. Draft Action plan
- 3. Minutes of Peer review meeting,
- Annex 1 Peer review meeting participation list
- Annex 2 Peer review meeting screenshots
- Annex 3 Power point presentation





2 Draft Action plan













Action plan

Energy Institute Hrvoje Požar, Savska cesta 163, Zagreb http://www.eihp.hr







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Part I — General information

Project: EMOBICITY

Partner organisation: Energy Institute Hrvoje Požar

Other partner organisations involved: Centre for Renewable Energy Sources and Savings (CRES, Greece), Portuguese Energy Agency (Adene, Portugal), Northwest Regional Development Agency (NWRDA, Romania), Regional Directorate North Hesse GmbH (RMNH, Germany).

Country: Republic of Croatia

NUTS2 region: HR05

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EMOBICITY

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Part II — Policy context

The action plan plans to influence:		Investment for Growth and Jobs programme
		European Territorial Cooperation Programme
	×	Other regional development policy instruments

Title of the policy instrument addressed by the Action Plan:

The Environmental Protection and Energy Efficiency Fund

The Environmental Protection and Energy Efficiency Fund (EPEEF) was established under the provisions of Article 60, paragraph 5, of the Environmental Protection Act (OG 82/94 and 128/99) and Article 11 of the Energy Act (OG 68/01). The Act on the Environmental Protection and Energy Efficiency Fund was published in the Official Gazette No. 107/03), and it is applied in Croatia as of 1 January 2004.

In accordance with the provisions of the Environmental Protection Act, the Fund is established for the purpose of securing additional resources for the financing of projects, programmes and similar activities in the field of conservation, sustainable use, protection and improvement of the environment.

Under the provisions of the Energy Act, the Fund is established for participating with its resources in the financing of the national energy programmes, with a view to achieving energy efficiency and use of renewable energy sources.

Under the provisions of the Act on the Environmental Protection and Energy Efficiency Fund, the Fund is established for the purpose of financing of the preparation, implementation and development of programmes and projects and similar activities in the field of conservation, sustainable use, protection and improvement of the environment, and in the field of energy efficiency and use of renewable energy sources.

The Fund is established as an extra-budgetary fund in the capacity of a legal person with public authority set out in said Act. Public authority means adoption of administrative acts on payment of the fees and special fee, keeping the register of person liable to pay the fees, specifying the requirements to be fulfilled by beneficiaries of the Fund's financial resources and conditions for granting the funding.

Apart from the provisions of the Act on the Environmental Protection and Energy Efficiency Fund, the Fund is subject to the provision of the Budget Act, the General Tax Act and the General Administrative Procedure Act.

The Founder's rights and duties are exercised by the Croatian Government on behalf of the Republic of Croatian

The Fund manages and disposes of the funding for the tasks and purpose set out in the Act on the Environmental Protection and Energy Efficiency Fund. The Fund is liable for its obligations with all its assets.

The Republic of Croatia has joint and several and unlimited liability for the obligations of the Fund.





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Croatia joined the clean mobility trend, for which the credit also goes to the programmes of cofinancing implemented by the Environmental Protection and Energy Efficiency Fund in the past years. In the period 2014 – 2020, through the programmes worth around HRK 300 million, the Fund promoted different ways to improve energy efficiency in transport, from planning the transport systems at local levels, to energy efficient and environmentally friendly vehicles.

In the context of subsidies for recharging infrastructure for alternatively powered vehicles, the EPEEF provides for an incentive measure to co-finance alternative fuels infrastructure. Therefore, EPEEF launched co-financing programmes for charging stations for local and regional self-government units, state administration bodies, other budgetary and extra-budgetary beneficiaries, companies, and natural persons.

The results of implemented programmes point to a negligible interest rate by entities operating or using public buildings. Consequently, it is necessary to intervene in the measure prescribed by the EPEEF, by further specifying the terms and conditions of future schemes for managers/users of public buildings in order to work towards balanced market development.

This action plan clearly indicates the current bottlenecks in terms of the development of the market for infrastructure for electric vehicles. A revision of the EPEEF policy instrument is also proposed accordingly, by providing for measures to be implemented to encourage co-financing scheme of the deployment of recharging infrastructure for electric vehicles in public buildings.





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Part III — Details of the actions envisaged

This action plan includes activities in terms of improving the existing framework for the development of e-mobility in Croatia, by adjustment of public calls for EV charging infrastructure co-financing in order to make them more attractive to public sector buildings.

ACTIVITY 1

Co-financing the deployment of charging infrastructure for electric vehicles

Background of activity

Existing policy scheme and shortcomings

In 2019, in addition to co-financing the purchase of electric vehicles, the EPEEF introduced a novelty and issued a public call for direct co-financing of the construction of charging stations for electric vehicles. Public and private legal entities were entitled to apply for co-financing. The limit on the amount of the subsidy is set at 40 % of eligible investment costs, i.e. a maximum of HRK 200,000 (cca 26,650 EUR) per beneficiary, whereby the total amount of available funds under this call was HRK 5.8 million. For co-financing, charging stations of a minimum total power of 50 kW DC or 22 kW AC were eligible, and the technical concept was not regulated by the call, but was open to a variety of solutions regarding voltage systems, power, charging speed and the location of charging stations and traffic routes. In practice, this means that no locations or regions where the placement is prioritised are defined

Although formally public entities (such municipalities, other public buildings etc) were able to apply for the call and receive co-financing, in practice there was interest only from the private sector, as there were restrictions that did not make such a call suitable for the public sector. Some of the key shortcomings of the existing call are the following.

- Only high-power chargers (minimum of 22KW) were eligible for co-financing. The management
 of such charging stations represents a significant operating cost, since in Croatia a part of the
 energy cost is related to network costs that depend on the maximum used power. Such costs
 are generally discouraging for the public sector to install EV chargers. Also, for the installation
 of a higher power charging station in many cases it is necessary to lease additional electricity
 connection capacity, which also represents a significant cost in the initial investment.
- The list of costs eligible for co-financing covers only a small part of the total costs that arise
 when setting up a charging station. Therefore, the total amount of funds to be paid by investors
 is relatively large from a public sector perspective. In particular, the cost of leasing additional
 connection capacity as well as the cost of project development by an authorized designer are
 currently not eligible costs for co-financing.
- According to the current system, there is no clearly prescribed obligation that the EV charging station set up with co-financing must be set up as a publicly available charging station.
- The current incentive scheme does not take into account the need for proportional development of EV charging infrastructure in all parts of the country, i.e., the development of infrastructure in low integration fields.





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Linkage, ideas and inspiration from the EMOBICITY project

The Interreg Europe project activities of the EMOBICITY project inspired the creation of additional mechanisms to encourage the development of EV charging infrastructure dedicated primarily for the public sector. In particular, the project partner from Romania (North-West Regional Development Agency) recognised as an example of good practice the development of EV charging infrastructure in cities and municipalities that was included in the Interreg Europe PLP platform ("Policy Learning Platform") entitled "Good practice: Infrastructure stations for recharging motor vehicles available in municipalities". The example showed how the deployment of charging infrastructure for electric vehicles can be encouraged in circumstances where there is not sufficiently strong private enterprise initiative, so the public sector needs to be involved in the installation of charging stations. Namely, the administrative-territorial units - county residences and the municipality of Bucharest were eligible to participate in this financing Program. In doing so, such an activity shall be carried out considering a balanced geographical distribution of the infrastructure. This was done in a way that the maximum amounts that can be granted for each applicant was established according to the number of inhabitants. Also, the example shows how such activities can be financed by an environmental fund that raises funds primarily from those polluting entities.

Overall, the above-described good practice from the EMOBICITY project clearly shows how an incentive scheme to develop the EV charging infrastructure can be set up that is tailored to the target group such as the public sector and that considers local circumstances and the degree of e-mobility development. Therefore, this good practice can be considered as a key inspiration for the action stressed in this action plan.

In addition to the above-mentioned key good practice recognised as part of the EMOBICTY project, there are also a number of examples of good practices included in the Interreg Europe PLP platform that show in different ways how a system of encouraging the development of charging infrastructure for electric vehicles can be established. These include the diameter of the development of public charging infrastructure EV in the region of Flanders (Project: e-MOPOLI, presented at the 2nd workshop of EMOBICITY project, *Good practice: Deployment of public charging infrastructure in Flanders Region*) describing the definition of the mandatory installation of a large number of EV charging stations to certain public entities. Furthermore, the development of a strategic plan for the development of EV infrastructure in Catalonia is also highlighted as an example of good practice (Project: EV Energy, *Good practice: PIRVEC (Strategic Plan for deployment of charging infrastructure for electric vehicles in Catalonia*), which highlights the problem of centralisation of EV infrastructure around the metropolitan area of Barcelona, while in other parts of the region there is a major lack of infrastructure.

In addition to recognizing good practices, it is worth mentioning the broad analyses made within the EMOBICITY project on the development of e-mobility in **low integration fields**. This was the topic of the entire workshop (4th EMOBICITY Project Workshop) as well as the topic of the Publishable report made as part of the project (*Publishable Report on the Promotion of E-mobility in Low Integration Fields of selected countries*. Challenges and possible solutions.). On this basis, the activity stressed in this Action plan takes into account the importance of this benchmark and aims to take it into account when designing the a new incentive scheme.

The key determinants of good practice that will be used and transferred to the activities of this action plan are the following:

- Co-financing the installation of EV charging stations for the public sector (municipalities, other public buldings)
- Co-financing the installation of publicly available EV charging stations
- . Uniform territorial distribution of EV charging stations
- Source of funding from the fund which is raising resources from those producing harmful and polluting emissions





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In order to bring together all these determinants, a co-financing for the installation of EV charging stations in public buildings has to be established. In fact, public sector buildings are evenly distributed across the territory of Croatia and correlate with the population of a given area. Also, public buildings are most often located in well-connected locations and in the vicinity of other facilities in the service sector, which is suitable for charging electric vehicles. Moreover, public buildings often have a number of parking spaces that can be easily converted to recharging points for electric vehicles.

General goal and targeted improvements

A general goal of the Action stressed out in this Action plan is to introduce improved incentive scheme for the deployment of charging infrastructure for electric vehicles that will be adapted to the needs of **public sector (municipalities, other public buildings)** taking into account all the specificities of such buildings such as target users, usage patterns, financial opportunities, operational potentials, etc.

Targeted improvements are the elimination of shortcomings identified in the existing incentive system, which make this system to some extent inadequate for the public sector.

Recognized shortcomings and opportunities for improvement are both recognized thanks to the activities of the EMOBICITY project, as all relevant stakeholders in the process of adopting and implementing incentive schemes were involved in the project (active participation in workshops, LSG meetings, other bilateral discussions on EMOBICITY related activities).

Action

The EPEEF policy instrument will be improved by the implementation of the action envisaged by this plan which consists of the following phases:

- Phase 1: Technical analyses and design of a co-financing scheme to encourage the construction
 of EV charging infrastructure in accordance with this Action Plan.
- Phase 2: Publication of the <u>Public Call for co-financing of EV charging stations adapted to needs</u> and financial capacity of public buildings.
- Phase 3: Evaluation of received applications for co-financing and implementation of the grant allocation procedure (signing of co-financing agreements).
- · Phase 4: Monitor the implementation and effects of co-financing.

The EPEEF is responsible for the implementation of all phases of this Action. EIHP as the EMOBICITY project partner will provide full support to EPEEF in all technical aspects of the action implementation.

The newly adapted Public Call will consist of the usual elements for calls of this kind, some of which will be specifically tailored to the target group, namely public sector buildings. The key adjustments are listed in the following table.









Public call element	Tailored for public sector buildings
Subject of public call	The subject of the call is co-financing of the installation of EV charging infrastructure that will be publicly available.
Fund resources	According to the "Ordinance on the conditions and manner of allocating funds from the Fund for Environmental Protection and Energy Efficiency, as well as criteria and criteria for evaluating requests for allocating funds from the Fund"
Eligible investment costs	- allowed minimum power of the charging station will be revised - costs of project documentation will be considered to be an eligible cost
Mandatory documentation	In addition to the usual documentation: - proof of availability of the parking space where the charger will be installed.
Submitting applications to Call	The usual procedure for this type of Call
Application processing	The usual procedure for this type of Call

Players involved

The Environmental Protection and Energy Efficiency Fund is an implementing body that will issue a public call to co-finance the installation of charging infrastructure for electric vehicles adapted for the needs of public sector buildings.

Bodies of the EPEEF which will oversee the implementation of the action are Management Board and the Director of the EPEEF. The Management Board manages the EPEEF in accordance with the provisions of the Act on the Environmental Protection and Energy Efficiency Fund, the Statute of the Fund and other general documents of the Fund, as well as other acts and regulations. The scope, authorisations and responsibilities, and the method of work of the Management Board are set out in the Statute of the Fund. The Management Board has a chairman and six members who are appointed and relieved of duty by the Government of the Republic of Croatia.

The Government of the Republic of Croatia appoints to the Management Board two representatives of the ministry responsible for environmental protection, one representative of the ministry responsible for energy, one representative of the ministry responsible for finance, one representative of the Croatian Chamber of Economy, and one representative of experts in the field of environmental protection. All members will be referred to the actions and all will approve the implementation of the action plan.

¹ within the meaning of the Act on the establishment of alternative fuels infrastructure (Official Gazette no. 120/16). The Act in question provides that a recharging point, where the supply of electricity is provided and which provides non-discriminatory access to users, is publicly accessible. Non-discriminatory access may include different possibilities for authentication, use and payment. Similarly, the Act provides that all publicly accessible recharging points for electric vehicle users also provide for the possibility of charging on an ad hoc basis without entering into a contract with the electricity supplier or operator concerned.





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Timeframe

In accordance with this Action Plan the Environmental Protection and Energy Efficiency Fund will endeavour to comply with the following deadlines:

July 2022.

- Providing support to action proposed under the Action Plan
- Action plan signed by the EPEEF

By the end of 2022.

- Development of detailed technical groundwork on which the measure and the future public call will be published
- Implementation of action from the Action Plan by the EPEEF (i.e. Publication of the Public Call for co-financing of EV charging stations)

During 2023.

•Monitoring the results of implemented actions

The action plan foresees the continuous annual implementation of the action until 2027, after which a detailed report on the results of the action will be prepared and decide whether to continue the same activities.

Costs

The funds needed to implement the incentive have been estimated for a typical design of one slow charging station with two connection points.

Specifications of the typical design:

- a power lease,
- development of the conceptual and main project,
- expert supervision,
- charging station hardware,
- total project costs of HRK 150,000 (cca 20,000 EUR)
- assumed co-financing of the EPEEF in the amount of 40 % (HRK 60,000 (cca 8,000 EUR).

Regarding the public buildings, there will be possibility to lower the investment costs because it can be assumed that only in a small number of public buildings there will be a need to lease the additional power of electricity. Indeed, the application of other energy efficiency measures in a building, such as the replacement of lighting fixtures with new LED technology, frees up existing connection capacity that can be used to install charging stations for electric vehicles.





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Funding sou	rces			
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3 Minutes of meeting

The peer review meeting began with a virtual gathering of participants on the MS Teams platform (Annex 1 and 2). After the welcoming words of the host, **Tomislav Čop (EIHP)** held a presentation (Annex 3) in which he highlighted all the essential elements of the proposed Action Plan. The background is explained, the main goal to be achieved and the concrete actions that are intended to be taken are described. In addition, the good practices that served as inspiration for the creation of actions tailored for the specific situation and environment in Croatia were also highlighted.

The presentation was followed by a very focused discussion and comments regarding the corresponding of the Action plan to the Interreg program and concrete goals of the EMOBICITY project.

Nikos Ntaras (CRES, Greece) took the first opportunity to make his comment. He pointed out that the Action Plan in its core corresponds to the goals of the project and that it is very clearly structured. He emphasized the need to take care of keeping records of all communication between EIHP and the competent organization for the Policy instrument that is addresses by the Action plan.

Furthermore, Nikos confirmed with his colleagues from EIHP the connection of the key stakeholder with the project and the impact of EMOBICITY activities on the acceleration of activities foreseen in the Action Plan. In this regard, colleagues from EIHP pointed out that the representatives of the Fund responsible for the Action Plan participated in Local stakeholder meetings and were on a day-to-day basis involved and familiar with the achievements of the project.

In addition, Nikos emphasized the need for monitoring the overcoming of barriers identified in the Action Plan. In this regard, it is important to know how activities in the context of the Action Plan will have a positive impact, and this should be quantified using certain indicators.

Finally, Nikos pointed out that he sees a good connection and inspiration of the planned action from the existing Good Practices from the project countries. In this regard, he pointed out that if additional details are needed by some municipalities in Greece, feel free to contact him before or during the implementation phase.

Miguel Quinto (AZORES) he thanked for the good presentation and interesting initiative and shared his experience from the Azores regarding the costs of installing a charger. Namely, he pointed out that the installation of chargers in buildings often leads to a situation where the costs of construction work exceed the costs of the equipment itself. Therefore, he suggested that as part of the action envisaged by the Action Plan, the costs for the installation of chargers should be taken into account as eligible costs for the subsidy.

EIHP representatives (**Bruno Židov and Tomislav Čop**) pointed out that they are aware of this problem and that it exists in Croatia as well. They emphasized that through the action they will definitely try to add attention to this matter and adjust the future initiative accordingly.

Cristina David (NWRDA, Romania) emphasized the very good structure of the document and highlighted the good connection and inspiration in accordance with the Good Practices that have





already been implemented in Romania. Once again, the usefulness of such projects was pointed out, because it is obvious that the knowledge transfer system is being accelerated.

Bruno Židov (EIHP, Croatia) thanked all participants for their participation and constructive comments. He commented that efforts will be made to respect their recommendations and hinted at the upcoming key focus areas to which the action plan will be directed. In addition, he presented preliminary expectations for the planned action and mentioned which indicators should be used to monitor performance in the next phase.

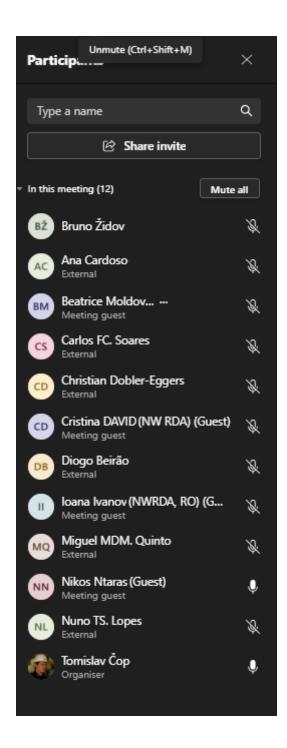
Other participants agreed that the Action Plan is well structured and that they have no additional comments.

The general conclusion is that there is no need for major changes or corrections of the proposed Action plan. As designed, it is ready to be shifted further into the implementation phase.





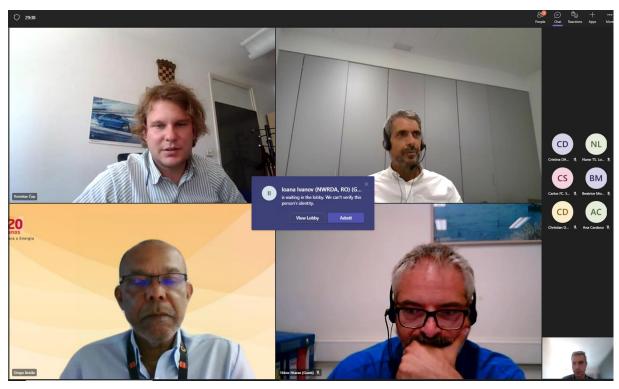
Annex 1 – Peer review meeting participation list

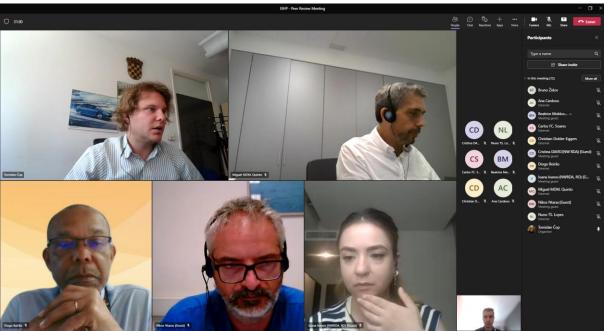






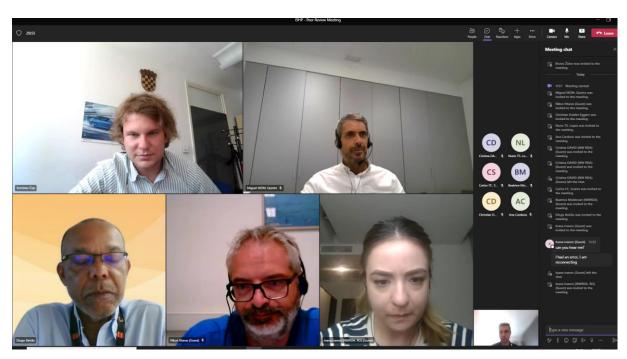
Annex 2 – Peer review meeting screenshots

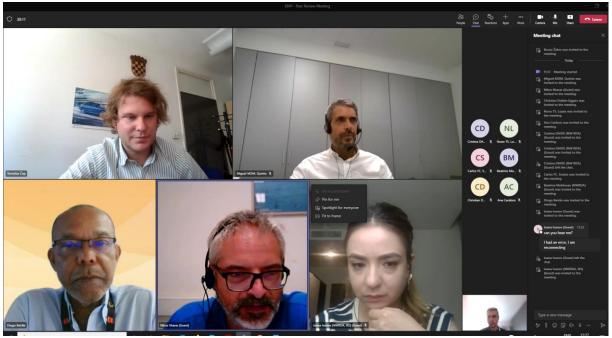










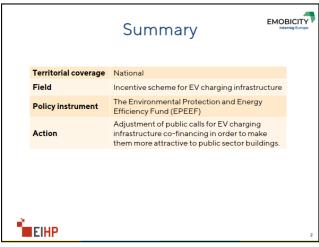






Annex 3 - Power point presentation









The Environmental Protection and Energy Efficiency Fund (EPEEF)



Established in 2004

- Environmental Protection Act
 - Securing additional resources for the financing of projects, programmes and similar activities in the field of conservation, sustainable use, protection and improvement of the environment
- Energy Act
 - participating with its resources in the financing of the national energy programmes, with a view to achieving energy efficiency and use of renewable energy sources
- > Extra-budgetary fund in the capacity of a legal person with public authority



3

EPEEF - relevant activity



In the period 2014 – 2020, through the programmes worth around HRK 300 million (40 million EUR), the Fund promoted different ways to improve energy efficiency in transport, from planning the transport systems at local levels, to energy efficient and environmentally friendly vehicles.

- Co-financing of EV
- 2019: Co-financing of EV charging infrastructure







EPEEF – Co-financing of EV charging infrastructure



SHORTCOMINGS

- Only high-power chargers (minimum of 22KW) were eligible
- The list of costs eligible for co-financing covers only a small part of the total costs that arise when setting up a charging station
- No clearly prescribed obligation that the EV charging station set up with co-financing must be set up as a publicly available charging station
- The current incentive scheme does not take into account the need for proportional development of EV charging infrastructure in all parts of the country, i.e., the development of infrastructure in low integration fields.



5

Action plan



This action plan includes activities in terms of improving the existing framework for the development of e-mobility in Croatia, by adjustment of public calls for EV charging infrastructure co-financing in order to make them more attractive to public sector buildings.







Inspiration



Good practice

- "Infrastructure stations for recharging motor vehicles available in municipalities" (Romania, North-West Regional Development Agency)
 - The example showed how the deployment of charging infrastructure for electric vehicles can be encouraged in circumstances where there is not sufficiently strong private enterprise initiative, so the public sector needs to be involved in the installation of charging stations
- +4th EMOBICITY Project Workshop; Publishable Report on the Promotion of E-mobility in Low Integration Fields of selected countries. Challenges and possible solutions



7

Key determinants of good practice



The key determinants of good practice that will be used and transferred to the activities of this action plan are the following:

- Co-financing the installation of EV charging stations for the public sector (municipalities, other public buldings)
- $\bullet \quad \hbox{Co-financing the installation of } \textbf{publicly available} \ \hbox{EV charging stations}$
- Uniform territorial distribution of EV charging stations
- Source of funding from the fund which is raising resources from those producing harmful and polluting emissions







General goal and targeted improvements



To introduce improved incentive scheme for the deployment of charging infrastructure for electric vehicles that will be adapted to the needs of **public sector** (municipalities, other public buildings) taking into account all the specificities of such buildings such as target users, usage patterns, financial opportunities, operational potentials, etc.

Targeted improvements are the **elimination of shortcomings** identified in the existing incentive system, which make this system to some extent inadequate for the public sector.



9

Action



- Phase 1: Technical analyses and design of a co-financing scheme to encourage the construction of EV charging infrastructure in accordance with this Action Plan.
- Phase 2: Publication of the Public Call for co-financing of EV charging stations adapted to needs and financial capacity of public buildings.
- Phase 3: Evaluation of received applications for co-financing and implementation of the grant allocation procedure (signing of co-financing agreements).
- Phase 4: Monitor the implementation and effects of co-financing.







