



## LOCAL Policies for GREEN Energy – LOCAL4GREEN

**Priority Axis 2: Fostering low-carbon strategies and energy efficiency in specific MED territories:  
cities, islands and remote areas**

**Specific Objective 2.2: To increase the share of renewable local energy sources in energy mix  
strategies and plans in specific MED territories**

# NATIONAL HANDBOOK CROATIA

**Project Partner in charge: PP2  
North-west Croatia Regional Energy Agency  
Project partners involved: -**

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## EXECUTIVE SUMMARY

The Project LOCAL Policies for GREEN Energy (hereinafter: LOCAL4GREEN) supports local authorities to define and implement local fiscal policies, innovative and intended to promote renewable energy sources in all sectors: public buildings and facilities, private and commercial sector, public lighting, private transport, public transport etc. mainly in the framework of the Sustainable Energy Action Plans (hereinafter SEAPs), submitted under the 2020 Covenant and Sustainable Energy and Climate Action Plans (hereinafter: SECAPs) to be submitted under the 2030 Covenant adopted by the signatories of the Covenant of Mayors.

North-West Croatia Regional Energy Agency (hereinafter: REGEA) has tested green local fiscal policies intended to promote renewable energy sources in five pilot municipalities/cities: Brdovec, Jastrebarsko, Klanjec, Pregrada and Dugo Selo.

REGEA has prepared following deliverables for all local pilot authorities:

- Deliverable 3.2.1 Platform for accountability about pilot policies impact – Tool - feeding the data about the impact of the green local fiscal policies tested in the project;
- Deliverable 3.3.1 Green Local taxation system description for testing – Preliminary studies;
- Deliverable 3.4.1 Permanent technical support service for green local fiscal policy pilots implementation – Service;
- Deliverable 3.5.1 Evaluation reports of green local fiscal policies tested in the project.

Based on the evaluation of the pilot local policies best practices has been selected and systematized in this document to allow dissemination and application in other cities/municipalities in Republic of Croatia.

This document is prepared as part of activity A 4.1 Elaboration of tools to transfer local fiscal policies to promote renewable energy sources of work package 4 and named Deliverable number 4.1.2 National Handbooks on green local fiscal policy models (hereinafter: National handbook).

National handbook it gives an overview on Croatian Tax System and identifies the best designed local fiscal policies to promote renewable energy based on a review of national experience.

The lessons learnt from national best practice are that the legal framework in Republic of Croatia does not allow much variety of local fiscal measures. Only realistic policies to promote renewable energy sources at the local level in Republic of Croatia it is adaptation a decision on a reduction of the Public utility fee by Municipal/city Council for new buildings using renewable energy sources. Detail description of this instrument for promoting renewable energy sources it is given in this document.

## 1 INTRODUCTION

Croatia is a country at the crossroads of Central and Southeast Europe, on the Adriatic Sea. It borders Slovenia (northwest), Hungary (northeast), Serbia (east), Bosnia and Herzegovina and Montenegro (southeast) sharing a maritime border with Italy. Zagreb is the capital and the largest city of Croatia.

Croatia has an area of 56,594 km<sup>2</sup> and a population of 4.28 million (according to the estimates of the Croatian bureau of statistic – 2011).

Main info:

**Population (2011):** 4.28 million

**Area:** 56,594 km<sup>2</sup>

**Capital:** Zagreb

**Currency:** Croatian kuna (HRK)

**Languages:** Croatian language

**Government:** Unitary parliamentary constitutional republic

**Head of state:** Kolinda Grabar Kitarović

**Head of government:** Andrej Plenković

**Speaker of Parliament:** Gordan Jandroković

**Form of government:** Republic

**Structure:** Unitary parliamentary constitutional republic

**Independence:** 1991–present

**Croatia is part of the European Union since 2013.**

**Number of the counties of Croatia:** 20 counties and the capital city of Zagreb, which has the authority and legal status of both a county and a city

**Cities:** 128<sup>1</sup>

**Municipalities:** 428<sup>2</sup>

<sup>1</sup> [https://bs.wikipedia.org/wiki/Spisak\\_gradova\\_u\\_Hrvatskoj#cite\\_note-autogenerated1-1](https://bs.wikipedia.org/wiki/Spisak_gradova_u_Hrvatskoj#cite_note-autogenerated1-1)

<sup>2</sup> [https://hr.wikipedia.org/wiki/Popis\\_op%C4%87ina\\_u\\_Hrvatskoj](https://hr.wikipedia.org/wiki/Popis_op%C4%87ina_u_Hrvatskoj)

## 2 BACKGROUND

### 2.1 Covenant of Mayors & LOCAL Policies for GREEN Energy

The Project LOCAL4GREEN supports local authorities to define and implement local fiscal policies, innovative and intended to promote renewable energy sources in all sectors mainly in the framework of the SEAPs, submitted under the 2020 Covenant and SECAPs to be submitted under the 2030 Covenant adopted by the signatories of the Covenant of Mayors.

The roles of the city/municipal administration defined by the Covenant of Mayors, are as follows<sup>3</sup>:

- Implementation of projects of energy efficiency/renewable energy sources in public, private and commercial buildings;
- Implementation of projects aimed at the increase of energy efficiency in the public transport sector (bus, train, tram);
- Implementation of projects of energy efficiency in public lighting sector;
- Planning of development of the cities/municipalities on the principle of energy environmental sustainability;
- Implementation of activities and promoting campaigns on the modes of increase of energy efficiency and CO<sub>2</sub> emissions reduction in order to raise the awareness of citizens and entrepreneurs on the topics of energy transition/energy savings;
- Support to the programmes and initiatives with the aim of increasing the use of renewable energy sources and
- Promotion campaigns about local production of energy from renewable sources.

The Covenant of Mayors initiative also defines the concrete obligations of signatories as follows<sup>4</sup>:

- Development of the Baseline Emissions Inventory (BEI - hereinafter Emissions inventory) as a basis for the development of SEAP;
- Development and implementation of the SEAP;
- Control and monitoring of the implementation of the SEAPs (energy savings, CO<sub>2</sub> emissions reduction, Monitoring Emissions inventory (MEI));
- Submission of the SEAP progress report to the European Commission every two years;
- Harmonization of the structure of the public authorities administration with the goal of providing necessary expert potential for SEAP implementation;
- Continuously informing of media (web page, television, radio, newspaper) on the results of SEAP implementation;
- Informing of citizens and entrepreneurs on the availability and benefits of using energy effectively;
- Organizing Days of Energy or Days of Covenant of Cities events in cooperation with the Covenant of Mayors office, European Commission and stakeholders;

<sup>3</sup> <https://www.covenantofmayors.eu/en/>

<sup>4</sup> <https://www.covenantofmayors.eu/en/>



- Participation to Conferences of EU Mayors on Energy Sustainability in Europe;
- Exchange of experiences with other signatories of Covenant of Mayors.

By the beginning of March 2019, the Covenant was signed by 7,755 cities/municipality (number of inhabitants – 252,629,868) and the interest of other cities for joining is very high.<sup>5</sup> Covenant of Mayors Initiative spread beyond European borders and expanded to the entire world.<sup>6</sup> Beside more than 4,500 European cities the Covenant was also signed by the Mayors of municipalities of Argentina, New Zealand, Palestinian Territories etc.<sup>7</sup>

The project LOCAL4GREEN is funded by the European Regional Development Fund in the framework of the Interreg MED 2014-2020 programme. The project is led by the Valencia Federation of Municipalities and Provinces. The project LOCAL4GREEN is being implemented in the rural zones and islands of the MED region, where local fiscal policies play a crucial role in order to raise the share of renewable energy sources.

The project has been implementing a pilot experience in local authorities of 9 countries/regions of the Mediterranean area:

- Spain;
- Portugal;
- Italia;
- Cyprus;
- Malta;
- Greece;
- Slovenia;
- Albania and
- Croatia.

The pilot includes the participative design, implementation, monitoring and evaluation of local fiscal policies to promote renewable energy sources. The pilot is included in the Work Package 3 “Testing” of the project, led by the MUSOL foundation.

The local pilot authorities included in the Work package 3 in the republic of Croatia are:

- Municipality of Brdovec;
- City of Klanjec;
- City of Pregrada;
- City of Dugo Selo and
- City of Jastrebarsko.

REGEA has prepared following deliverables for all local pilots authorities:

<sup>5</sup> <https://www.covenantofmayors.eu/en/>

<sup>6</sup> <https://www.covenantofmayors.eu/en/>

<sup>7</sup> <https://www.covenantofmayors.eu/en/>

- Deliverable 3.2.1 Platform for accountability about pilot policies impact – Tool - feeding the data about the impact of the green local fiscal policies tested in the project;
- Deliverable 3.3.1 Green Local taxation system description for testing – Preliminary studies
- Deliverable 3.4.1 Permanent technical support service for green local fiscal policy pilots implementation - Service
- Deliverable 3.5.1 Evaluation reports of green local fiscal policies implementation

According to the application form, REGEA is in charge of preparing deliverable number 4.1.2 National handbooks on green local fiscal policy model.

## **2.2 About this document**

This document is part of activity A 4.1 Elaboration of tools to transfer local fiscal policies to promote renewable energy sources of work package 4 and named Deliverable number 4.1.2 National Handbooks on green local fiscal policy models.

It gives an overview on Croatian Tax System and tested local fiscal policies to promote renewable energy sources in Republic of Croatia.

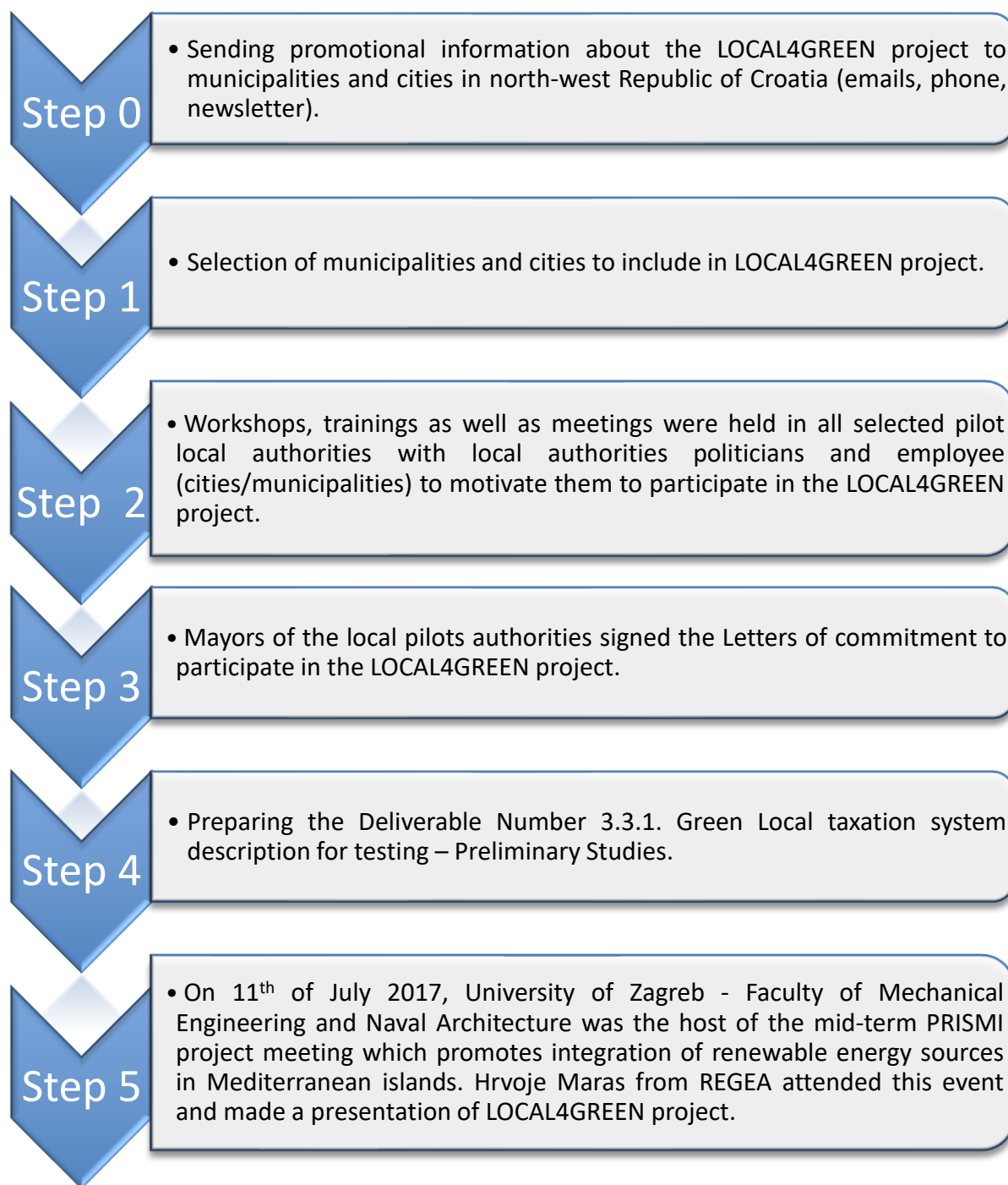
It provides information on tested local fiscal policies to promote renewable energy sources in five local authorities and summarizes the key actions of each tested policies for further processing them in the LOCAL4GREEN project (Municipal regulation, procedures, administrative capacity etc).

These key findings of best practice it will be used for project dissemination and application in other local authorities in Republic of Croatia.

### 3 METHODOLOGY DESCRIPTION

According to Participatory method-based preparation of local fiscal policies to promote renewable energy sources at a municipal level there are nineteen steps in process of implementation of local fiscal policies to promote renewable energy, **Table 1**.

**Table 1** Methodology description



### Step 6

- REGEA presented and promoted LOCAL4GREEN project during the SIMPLA project workshop for rural communities, which was held on 13 September 2017 in Bračak Energy Centre. SIMPLA project supports local authorities in harmonising their SEAPs and SUMP and looks to explore innovative funding opportunities which also include local fiscal instruments. REGEA team presented examples of various fiscal instruments from the developed Handbook for green local fiscal policy formulation that could be used for supporting renewable energy sources in both private and public sector, such as taxes, fees, tariffs and charges. The event also served as an opportunity to disseminate and transfer main outputs of the LOCAL4GREEN project to other Croatian rural regions. Target group was local authorities.

### Step 7

- Presenting the results of Deliverable Number 3.3.1. Green Local taxation system description for testing – 5 Preliminary Studies.

### Step 8

- Workshops and trainings were held in all local pilots authorities to generating political will to implement local fiscal policies to intervene in renewable energy sectors at a municipal level.

### Step 9

- MADE in MED – Crafting the future Mediterranean event was held on 18<sup>th</sup> and 19<sup>th</sup> April 2018, in Rome, Italy. The event was organized by Interreg MED Programme and it was attended by Ms. Mihaela Mehadžić (REGEA) and Mr. Marko Vešligaj, Mayor of the City of Pregrada and Mr. Branimir Gregurić, professional associate (Municipality of Brdovec).

### Step 10

- Preparing progress report on implementation of the SEAPs for the cities/municipalities according to Covenant of Mayors methodology due to the influence of the LOCAL4GREEN project. New fiscal measures have been added in the progress report on implementation of the SEAPs for the local pilots authorities as the result of LOCAL4GREEN project (Decision on a reduction of the Public utility fee by the Municipal Council for new and existing buildings using renewable energy sources).

### Step 11

- Signing the Declaration of the mayors confirming that the local fiscal measure/policies to intervene in renewable energy sectors included in the progress report on implementation of the SEAPs were a result of the project.

## Step 12

- Organization of First National seminar in Split, Podstrana, Republic of Croatia on 22<sup>nd</sup> November 2018 with a goal to present and disseminated pilots results and policy models. Target groups: local authorities. Interest in the topic of fiscal policies was very high – almost 400 participants from all relevant target groups: ministers, mayors, energy agencies, private companies, media, banks and citizens. The National seminar consisted of two parts: Presentation of LOCAL4GREN project: 1. Part: Francesco Filippi, from MUSOL Foundation, Spain presented results of pilot actions and local fiscal policies designed to promote renewable energy sources for 68 pilot municipalities in 9 countries: Croatia, Slovenia, Albania, Greece, Cyprus, Malta, Italy, Spain and Portugal. 2. Part: Panel discussion about LOCAL4GREEN project - activities, deliverables, results of designed local fiscal policies to promote renewable energy sources for 5 Pilot cities/municipalities in Croatia (Jastrebarsko, Klanjec, Pregrada, Dugo Selo and Brdovec) Mayor of one pilot city participated in the panel (City of Jastrebarsko).

## Step 13

- Preparing Deliverable 4.2.1: National seminar report

## Step 14

- Evaluating the local fiscal policy - Deliverable title: Evaluation reports of green local fiscal policies implementation Deliverable Number 3 5.1

## Step 15

- International and National Seminar was held on 2<sup>nd</sup> April 2019 in Valencia, Spain. The meeting was organized by Valencian Federation of Municipalities and Provinces and it was attended by Mihaela Mehadžić (REGEA) and Zvonimir Novosel (Mayor of Jastrebarsko).

## Step 16

- REGEA has provide permanent technical support service for green local fiscal policy pilots implementation (permanent advisory and technical assistance service).

### Step 17

- In cooperation with regional development agency of the Split-Dalmatia County – RERA S.D. and Interreg Europe Clipper project REGEA organized on 9 and 10 May 2019 a seminar dedicated to innovative funding mechanisms for RES projects of SMEs. Various fiscal models were presented, including experiences from RES pilot actions in North-West Croatian cities and municipalities.

### Step 18

- The National seminar in Republic of Croatia was the second seminar on the themes of present tested models of green local fiscal policies implementation in selected pilots in Republic of Croatia. Interest in the subject was extremely high. The final audience – 27 participants. Conference InvestCro held on 12 June 2019 in Zagreb organized by Poslovni dnevnik and attended by Mayors, media, energy agencies, private companies and citizens. The National seminar was organized within the Conference. National seminar was organised by REGEA and attended by REGEA staff. The objective of this National seminar was to gather the relevant participants from local/regional governments and energy/development agencies and selected experts from the field of RES and media together.

### Step 19

- REGEA prepared Deliverable 4.1.2 National handbook on green local fiscal policy models with full detailed description of tested best practices.

#### **4 DESCRIPTION OF THE NATIONAL REGULATIONS REGARDING THE LOCAL FISCAL POLICIES AND THE CAPACITY OF THE LOCAL AUTHORITIES TO PUT IN PLACES FISCAL POLICIES TO PROMOTE RENEWABLE ENERGY SOURCES**

Following possibility of local fiscal policies to promote renewable energy sources are tested in work package 3:

1. Croatian Tax System

- Government taxes;
- County taxes;
- City or municipal taxes;
- Joint taxes;
- Taxes on winnings from games on chance and
- Fee for organising award games.

2. Tariffs/fees

- Public utility management;
- Public utility charge;
- Revenues from administrative fees, fees under special regulations and compensations;
- Fee for Retaining Illegally Built Buildings in Space and
- Monument Annuity.

3. Concession

- Concession for the exploitation of mineral raw materials;
- Concession for public water;
- Concession for local public transport (bus, taxi, ect);
- Concession in the energy sector and
- Concession for utility activities.

Description of Croatian Tax System it is given in text below.

#### 4.1 Croatian Tax System

Description of Croatian Tax System it is given in the table below, **Table 2**

**Table 2** Croatian Tax System<sup>8</sup>

<b>1. GOVERNMENT TAXES</b>	<b>1.1 VALUE ADDED TAX</b>
	<b>1.2 CORPORATE INCOME TAX</b>
	<b>1.3 SPECIAL TAXES AND EXCISE DUTIES</b> <ul style="list-style-type: none"> <li>• Special taxes on motor vehicles</li> <li>• The special tax on coffee and non-alcoholic beverages</li> <li>• The tax on liability and comprehensive road vehicle insurance premiums</li> <li>• Excise duties</li> </ul>
<b>2. COUNTY TAXES</b>	<b>2.1 INHERITANCE AND GIFTS TAX</b>
	<b>2.2 THE TAX ON ROAD MOTOR VEHICLES</b>
	<b>2.3 THE TAX ON VESSELS</b>
	<b>2.4 THE TAX ON COIN OPERATED MACHINES FOR GAMES FOR AMUSEMENT</b>
<b>3. CITY OR MUNICIPAL TAXES</b>	<b>3.1 SURTAX ON INCOME TAX</b>
	<b>3.2 THE CONSUMPTION TAX</b>
	<b>3.3 TAX ON HOLIDAY HOUSES</b>
	<b>3.4 TAX ON THE USE OF PUBLIC LAND</b>
	<b>3.5 REAL EGOVERNMENT TRANSFER TAX</b>
<b>4. JOINT TAXES</b>	<b>4.1 INCOME TAX</b>
<b>5. TAXES ON WINNINGS FROM GAMES OF CHANCE AND FEE FOR ORGANISING GAMES OF CHANCE</b>	<b>5.1 LOTTERY GAMES</b> <ul style="list-style-type: none"> <li>• Monthly fee for organising lottery games</li> <li>• Tax winnings from lottery games</li> </ul>
	<b>5.2 CASINO GAMES</b> <ul style="list-style-type: none"> <li>• Fees for the organising betting games</li> </ul>
	<b>5.3 BETTING GAMES</b> <ul style="list-style-type: none"> <li>• Tax on winnings from betting games</li> </ul>
	<b>5.4 FEES FOR ORGANISING SLOT MACHINE GAMES</b>
	<b>5.5 FEE FOR ORGANISING OCCASIONAL ONE-TIME GAMES OF CHANCE</b>
<b>6. FEE FOR ORGANISING AWARD GAMES</b>	<b>6.1 FEE FOR ORGANISING AWARD GAMES</b>

Source: [Republic of Croatia, Ministry of Finance](https://www.porezna-uprava.hr/en/EN_porezni_sustav/Pages/THE-CROATIAN-TAX-SYSTEM.aspx)

<sup>8</sup> [https://www.porezna-uprava.hr/en/EN\\_porezni\\_sustav/Pages/THE-CROATIAN-TAX-SYSTEM.aspx](https://www.porezna-uprava.hr/en/EN_porezni_sustav/Pages/THE-CROATIAN-TAX-SYSTEM.aspx)

Republic of Croatia, Ministry of Finance, Tax Administration



Legend<sup>9</sup>:

1. National taxes belong entirely to the national budget
2. County taxes belong to county budget
3. City or municipal taxes belong to city or municipal budget
4. Joint taxes belong partially to the national budget and partially belong to county, city or municipal budgets
5. Taxes on winnings from games of chance and fee for organising games of chance belong entirely to the Government budget.

#### 4.1.1 Government taxes<sup>10</sup>

##### 4.1.1.1 Corporate income tax or profit tax <sup>11</sup>

Tax regulations:

- Profit tax law<sup>12</sup>
- Ordinance on the profit tax<sup>13</sup>

Taxable persons:<sup>14</sup>

1. Company/legal/natural person resident in the Republic of Croatia who is permanently and independently engaged in an economic activity with the goal of deriving a profit/income/other assessable value;
2. Resident permanent establishment of a non-resident entrepreneur;
3. Private person who derives income pursuant to the income tax regulations if this private person declares that he/she intends to pay corporate income tax instead of income tax;
4. An entrepreneur who derives income from small enterprises if total revenue in the preceding tax period exceeded of € 400,000.00 or if he/she fulfills two of the following conditions: Total income in the preceding tax period exceeded € 53,000.00 or the value of his/her fixed assets exceeds € 260,000.00 or he/she employed more than 15 employees on average during the preceding tax year/period.
5. Every entrepreneur who is not classified among the entrepreneurs listed in Items 1 – 4 and is not liable to pay income tax according to the provisions of the Income Tax Act<sup>15</sup>.

<sup>9</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>10</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>11</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>12</sup> Official Gazette 177/04, 90/05, 57/06, 146/08, 80/10, 22/12, 148/13, 143/14, 50/16, 115/16, 1/2017, 2/2018, 106/2018, 1/2019)

<sup>13</sup> Official Gazette 95/05, 133/07, 156/08, 146/09, 123/10, 61/12, 146/12, 160/13, 12/14, 157/14, 137/15, 1/2017, 2/2018, 106/2018, 1/2019)

<sup>14</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>15</sup> Official Gazette No. 177/04, 73/08, 80/10, 114/11, 22/12, Decision CCRC 120/12, 144/12, 125/13, 148/13, 143/14)

#### 4.1.1.2 Value added tax<sup>16</sup>

Tax regulations:

- The Value Added Tax Law<sup>17</sup>
- Value Added Tax Ordinance<sup>18</sup>
- Council Implementing Regulation (EU) No 282/2011 of 15 March 2011 laying down implementing measures for Directive 2006/112/EC on the common system of value added tax
- Framework Agreement between the European Commission and the Government of the Republic of Croatia concerning the participation of the Republic of Croatia in the European Community's aid programmes<sup>19</sup>
- Framework Agreement between the government of the Republic of Croatia and the commission of the European Communities on the rules for co-operation concerning EC financial assistance to the Republic of Croatia in the framework of the implementation of the assistance under the instrument for pre-accession assistance<sup>20</sup>
- Judgments of the European Court of Justice ([http://curia.europa.eu/jcms/jcms/j\\_6/](http://curia.europa.eu/jcms/jcms/j_6/))
- Ordinance on the procedure for exemption from value added tax and excise duty for diplomatic-consular missions, institutions and bodies of the European Union and international organizations<sup>21</sup>
- Ordinance on exemption from value added tax and excise duty for goods imported in the personal luggage of persons travelling from third countries and for goods imported as a small consignment of non-commercial character<sup>22</sup>

Taxable persons:<sup>23</sup>

1. Person who independently carries out any economic activity, whatever the purpose and result of the activity is required to register in the Value Added Tax Register, if the value of shipments of goods and services provided in the previous year was higher than € 30,000.00;
2. Person on the territory of Republic of Croatia that does not have headquarters, business unit, domicile or habitual residence and performs supply of goods/services for which there is no right to deduct Value Added Tax in Croatia except when they perform supply of goods or services for which VAT is paid by the recipient of goods or services;
3. Person who occasionally delivers new transport vehicles if a seller ships or transports those vehicles to the customer to the territory of the other EU members or the customer transports

<sup>16</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>17</sup> Official Gazette No. 73/13, 148/13, 143/14, 115/16; Decision CCRC 99/13, 153/13, 143/2014, 115/2016, 106/2018

<sup>18</sup> Official Gazette No. 79/13, 85/13 - correction, 160/13, 35/14, 157/14, 130/15, 1/17

<sup>19</sup> Official Gazette No. 8/02, 11/02

<sup>20</sup> Official Gazette 10/07

<sup>21</sup> Official Gazette No. 79/13

<sup>22</sup> Official Gazette No. 79/13

<sup>23</sup> Republic of Croatia, Ministry of Finance, Tax Administration

them themselves or any other person on their behalf ships or transports them to the territory of another EU members;

4. Government bodies, authorities and local/regional authorities when performing activities or transactions within their remit or powers and carrying out these activities leads to a significant distortion of the principle of market competition and
5. Government bodies, authorities and units of local/regional authorities if they perform certain activities and the activities of exploitation of tangible and intangible assets, unless these activities are performed in a negligible extent.

#### 4.1.2 County taxes<sup>24</sup>

##### 4.1.2.1 Inheritance and gift tax<sup>25</sup>

Tax regulations:

- The Law Concerning the Financing of Units of Local Government and Regional Self-Government<sup>26</sup>
- Croatian Constitutional Court Decision<sup>27</sup>

Taxable persons - Legal entity or natural person that inherits or receives the gift of or acquires on some other basis in the Republic of Croatia without any compensation some assets on which tax on inheritances and gifts is paid<sup>28</sup>.

Incurrence of tax liability on inheritances and gifts<sup>29</sup>:

1. At the time of effectiveness of the ruling of inheritance;
2. At the time of effectiveness of the decisions of the Government authority or the Court;
3. At the time of conclusion of the bestowment and
4. At the time of receipt of the gift, if the contract has not been concluded.

Taxable base - The amount of cash and the market value of financial and other assets on the day the tax liability is determined, after the deduction of debts and costs that relate to the assets on which the tax is being paid<sup>30</sup>.

<sup>24</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>25</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>26</sup> Official Gazette No. 117/93, 33/00, 73/00, 59/01, 107/01, 117/01 - correction, 150/02, 147/03, 132/06, 73/08, 25/12, 147/14, 100/15, 115/16, 1/2017, 101/2017

<sup>27</sup> Official Gazette No. 26/07

<sup>28</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>29</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>30</sup> Republic of Croatia, Ministry of Finance, Tax Administration

#### 4.1.2.2 The tax on road motor vehicles<sup>31</sup>

Tax regulations:

- The Law Concerning the Financing of Units of Local Government and Regional Self-Government<sup>32</sup>
- Croatian Constitutional Court Decision<sup>33</sup>.

Taxable persons it is a private person or legal entity that is the owner of a registered passenger car or motorcycle.

Amount of tax is displayed in tables below, **Table 3** and **Table 4**.

**Table 3** Amount of tax for Passenger car<sup>34</sup>

Power of the engine		To be paid in €		
Over Kw	Up to kW	Up to 2 years old	From 2 to 5 years old	From 5 to 10 years
	55	40	33	25
55	100	50	45	33
70	130	80	66	55
100		120	95	80
130		200	160	130

**Table 4** Amount of tax for Motorcycle<sup>35</sup>

Power of the engine		To be paid in €			
Over Kw	Up to kW	Up to 2 years old	From 2 to 5 years old	From 5 to 10 years	Over 10 years old
	20	13	10	6	-
20	50	25	20	13	6
50	80	65	55	40	26
80		160	130	105	80

<sup>31</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>32</sup> Official Gazette No. 117/93, 33/00, 73/00, 59/01, 107/01, 117/01 - correction, 150/02, 147/03, 132/06, 73/08, 25/12, 147/14, 100/15, 115/16, 1/2017, 101/2017

<sup>33</sup> Official Gazette No 26/07

<sup>34</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>35</sup> Republic of Croatia, Ministry of Finance, Tax Administration

#### 4.1.2.3 The tax on vessels<sup>36</sup>

Tax regulations:

- The Law Concerning the Financing of Units of Local Government and Regional Self-Government<sup>37</sup>
- Croatian Constitutional Court Decision<sup>38</sup>

Taxable persons it is the legal entity and private person that is the owner of the vessel. Subject of taxation it is a vessel in terms of length expressed in meters, how old the vessel is, with or without a cabin, and the power of the engine expressed in kW<sup>39</sup>.

Amount of tax is displayed in tables below, **Table 5**, **Table 6** and

<sup>36</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>37</sup> Official Gazette No. 117/93, 33/00, 73/00, 59/01, 107/01, 117/01 - correction, 150/02, 147/03, 132/06, 73/08, 25/12, 147/14, 100/15, 115/16, 1/2017, 101/2017

<sup>38</sup> Official Gazette No 26/07

<sup>39</sup> Republic of Croatia, Ministry of Finance, Tax Administration

**Table 7.**

**Table 5** Vessel without a cabin<sup>40</sup>

Length of the vessel (in meters)		Engine power (kW), paid in €		
Over	Up to	Up to 30 kW	Over 30 and up to 100 kW	Over 100 kW
5 m	7 m	-	26	55
7 m	10 m	13	40	66
10 m		26	60	80

**Table 6** Vessel with a cabin, motor powered<sup>41</sup>

Length of the vessel (in meters)		Engine power (kW), paid in €			
Over	Up to	Up to 30 kW	Over 30 and up to 100 kW	Over 100 and up to 500 kW	Over 500 kW
5 m	7 m	-	26	40	-
7 m	10 m	26	55	66	333
10 m	12 m	40	66	133	460
12 m		55	133	400	666

<sup>40</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>41</sup> Republic of Croatia, Ministry of Finance, Tax Administration

**Table 7** Vessel with cabin and powered by sails<sup>42</sup>

Length of the vessel (in meters)		Engine power (kW), paid in €			
Over	Up to	Up to 10 kW	Over 10 and up to 25 kW	Over 25 and up to 50 kW	Over 50 kW
5 m	7 m	-	40	53	66
7 m	10 m	26	80	133	266
10 m	12 m	40	106	266	400
12 m		55	200	400	533

#### 4.1.2.4 The tax on coin operated machines for games for amusement<sup>43</sup>

Taxable persons it is the legal entity and private person who puts coin operated machines intended for use for the purposes of amusement in entertainment clubs, catering facilities, public facilities and etcetera<sup>44</sup>.

Subject of taxation - The coin operated machines for amusement that are put into use in arcades, catering facilities, public facilities and etcetera<sup>45</sup>.

#### 4.1.3 City or Municipal taxes and joint taxes<sup>46</sup>

##### 4.1.3.1 Surtax on income tax<sup>47</sup>

Tax regulations:

- The Law Concerning the Financing of Units of Local Government and Regional Self-Government<sup>48</sup>, Croatian Constitutional Court Decision<sup>49</sup>.
- A decision of the city or commune concerning city or commune taxes.

Taxable persons - Income tax taxpayers who have a domicile or habitual residence in the territory of the municipality/city that stipulated the obligation of payment of municipal taxes.<sup>50</sup> Taxable base it is the amount of income tax.<sup>51</sup> Rates of municipal taxes by selected cities/municipalities, **Table 8**.<sup>52</sup>

<sup>42</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>43</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>44</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>45</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>46</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>47</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>48</sup> Official Gazette No. 117/93, 33/00, 73/00, 59/01, 107/01, 117/01 - correction, 150/02, 147/03, 132/06, 73/08, 25/12, 147/14, 100/15, 115/16, 1/2017, 101/2017

<sup>49</sup> Official Gazette No 26/07

<sup>50</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>51</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>52</sup> Republic of Croatia, Ministry of Finance, Tax Administration

**Table 8** Rates of municipal taxes by cities/municipalities<sup>53</sup>

<b>Brdovec</b>	<b>10%</b>
<b>Jastrebarsko</b>	<b>9%</b>
<b>Klanjec</b>	<b>12%</b>
<b>Dugo Selo</b>	<b>9%</b>
<b>Pregrada</b>	<b>10%</b>

#### 4.1.3.2 Consumption tax<sup>54</sup>

Tax regulations:

- The Law Concerning the Financing of Units of Local Government and Regional Self-Government<sup>55</sup> and Croatian Constitutional Court Decision<sup>56</sup>.
- A decision of the city or commune concerning city or commune taxes.

Taxable persons it is legal/natural persons who provide catering services<sup>57</sup>. The taxable period spans from the first to the last day of the month.<sup>58</sup> Taxable base it is selling price of drinks that are sold in restaurants. <sup>59</sup>Tax rates it is up to 3% according to the decision of the city/municipality.<sup>60</sup>

#### 4.1.3.3 Tax on holiday houses<sup>61</sup>

Tax regulations:

- The Law Concerning the Financing of Units of Local Government and Regional Self-Government<sup>62</sup> and Croatian Constitutional Court Decision.
- A decision of the city or commune concerning city or commune taxes.

Taxable persons it is legal and natural person who is the owner of a holiday house.<sup>63</sup> Subject of taxation it is m<sup>2</sup> of usable area of a holiday house.<sup>64</sup> Amount of tax it is from 5 HRK to 15 HRK per m<sup>2</sup> of usable area.<sup>65</sup> A city/municipality prescribes the amount of tax on a holiday house depending on the location,

<sup>53</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>54</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>55</sup> Official Gazette of RC 'Narodne novine' No. 117/93, 33/00, 73/00, 59/01, 107/01, 117/01 - correction, 150/02, 147/03, 132/06, 73/08, 25/12,147/14,100/15,115/16, 1/2017, 101/2017

<sup>56</sup> Official Gazette No. 117/93, 33/00, 73/00, 59/01, 107/01, 117/01 - correction, 150/02, 147/03, 132/06, 73/08, 25/12,147/14,100/15, 115/16, 1/2017, 101/2017

<sup>57</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>58</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>59</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>60</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>61</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>62</sup> Official Gazette No. 117/93, 33/00, 73/00, 59/01, 107/01, 117/01 - correction, 150/02, 147/03, 132/06, 73/08, 25/12,147/14,100/15,115/16, 1/2017, 101/2017

<sup>63</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>64</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>65</sup> Republic of Croatia, Ministry of Finance, Tax Administration



the age, government of infrastructure and other circumstances that are essential for the use of a holiday house ect<sup>66</sup>.

#### 4.1.3.4 Tax on the use of the public land<sup>67</sup>

Tax regulations:

- Tax on the use of the public land <sup>68</sup>

Taxable persons it is legal and physical person using the public land/space. Subject of taxation it is public areas used by legal/natural persons. The tax amount is prescribed by the municipality/city.<sup>69</sup>

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<sup>66</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>67</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>68</sup> Official Gazette 115/16, 106/18

<sup>69</sup> Republic of Croatia, Ministry of Finance, Tax Administration

#### 4.1.3.5 Real transfer tax<sup>70</sup>

Tax regulations:

- The Real Estate Transfer Tax Law<sup>71</sup>, Croatian Constitutional Court Decision<sup>72</sup>.
- Ordinance of the Form and Content of the Notification Real Estate Transfer Tax<sup>73</sup>.

Taxable persons is the acquirer of real Government in Croatia when on such acquisition, value added tax is not paid.<sup>74</sup> The supplier of the property who is registered as a value added tax payer calculates and pays value added tax when they deliver<sup>75</sup>:

- Building plots and
- Buildings or parts thereof if they are occupied or used for less than 2 years.

Tax rates: 3% (January 1, 2019).

#### 4.1.3.6 Income tax

Tax regulations:

- Income Tax Act<sup>76</sup>
- Regulations on Renting of Flats, Rooms and Beds to Travelers and Tourists and Organizing Campsites which will be Presumptively Taxed, on the Amount of the Presumptive Tax and on the Method of Payment of the Presumptive Tax<sup>77</sup>
- Regulations on Presumptively Taxation of Independent Activities<sup>78</sup>
- Regulations Concerning Income Tax<sup>79</sup>.

Taxable persons are<sup>80</sup>:

- Natural person who acquires an income;
- An heir in respect of all tax liabilities arising from an income acquired by the testator until his/her death. An heir is also a taxable person in respect of the income coming from inherited sources of income.

<sup>70</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>71</sup> Official Gazette No 69/97, 153/02, 22/11, 143/14, 115/2016, 106/2018, 1/2019

<sup>72</sup> Official Gazette No. 26/00

<sup>73</sup> Official Gazette No. 137/11

<sup>74</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>75</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>76</sup> Official Gazette No. 177/04, 73/08, 80/10, 114/11, 22/12, Decision CCRC 120/12, 144/12, 125/13, 148/13, 143/14

<sup>77</sup> Official Gazette No. 48/05, 148/09

<sup>78</sup> Official Gazette No. 143/06, 61/12, 160/13

<sup>79</sup> Official Gazette No. 95/05, 96/06, 68/07, 146/08, 2/09, 9/09 - correction, 146/09, 123/10, 137/11, 61/12, 79/13, 160/13, 157/14

<sup>80</sup> Republic of Croatia, Ministry of Finance, Tax Administration

#### Sources of income:

1. Income from employment;
2. Income from independent personal activities;
3. Income from property and property rights,
4. Income from capital;
5. Income from insurance and
6. Other income.

#### Tax base of a resident<sup>81</sup>:

**The total amount of income that the taxpayer obtains inland and abroad - personal allowances**

Income from independent personal activities acquired by a resident in Croatia and abroad shall be reduced by<sup>82</sup>:

1. The amount of salaries of the newly employees;
2. The amount of government grants for education and training and apprenticeship for crafts and trades occupations pursuant to special regulations;
3. The amount of expenses for Research and Development and
4. The loss carried in the Republic of Croatia and abroad.

#### Tax base of a non-resident<sup>83</sup>:

**The total amount of income that the taxpayer obtains in Republic of Croatia - personal allowance.**

Income from independent personal activities acquired by a non-resident in Croatia shall be reduced by<sup>84</sup>:

1. The amount of salaries of the newly employed persons;
2. The amount of grants for education and training and apprenticeship for crafts and trades occupations pursuant to special regulations;
3. The amount of expenses for Research and development and
4. The loss carried in the Republic of Croatia.

In case that several private persons jointly acquire an income, each private person separately is a taxable person in respect of his/her share in the jointly acquired income. Tax base in pilots local authorities it is given in the table below, **Table 9**.

<sup>81</sup> A resident shall be a private person who has domicile or habitual residence in the Republic of Croatia. A resident shall also be a natural person who has neither domicile nor habitual residence in the Republic of Croatia but is employed in the civil service of the Republic of Croatia and receives a salary on that basis.

<sup>82</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>83</sup> A non-resident shall be a natural person who has neither domicile nor habitual residence in the Republic of Croatia but acquires an income in the Republic of Croatia which in subject to taxation pursuant to Income Tax Act.

<sup>84</sup> Republic of Croatia, Ministry of Finance, Tax Administration

**Table 9** Rates of municipal tax bases by cities/municipalities<sup>85</sup>

MONTHLY TAX BASE	ANNUAL TAX BASE	TAX RATES
Up to € 260	Up to € 3,520	12%
Over € 260 up to € 1,760	Over € 3,520	25%
Over € 1,760	Over € 2,300	40%

## 4.2 Tariffs/fees

Local authorities in Republic of Croatia usually manage following tariffs/fees:

### 1. Public utility management<sup>86</sup>

In terms of the Utility Management Act public utility activities comprise: public transport, maintenance of cleanliness in public areas, maintenance of public areas, unclassified roads, outdoor retail market places as well as maintenance of cemeteries and crematoriums, carrying out chimney sweeping works and public lighting.

### 2. Public utility charge<sup>87</sup>

Public utility charges are pecuniary public duties paid for the construction and use of facilities and equipment of public utility infrastructure: public areas, unclassified roads, cemeteries and crematoriums and public lighting. Public utility charges are revenues of local self-government units and are paid by the owner of the building plot on which the construction work is built or by the investor respectively.

### 3. Revenues from administrative fees, fees under special regulations and compensations:

- Location permit
- Building permit and
- Use permit.

### 4. Fee for Retaining Illegally Built Buildings in Space

Paid by applicant.

### 5. Monument Annuity<sup>88</sup>

Monument annuity are paid monthly from 1 HRK to 4 HRK per square meter of office space located in cultural property or in the area of cultural and historical whole.

<sup>85</sup> [https://www.porezna-uprava.hr/en/EN\\_porezni\\_sustav/Pages/THE-CROATIAN-TAX-SYSTEM.aspx](https://www.porezna-uprava.hr/en/EN_porezni_sustav/Pages/THE-CROATIAN-TAX-SYSTEM.aspx)

<sup>86</sup> <https://mgipu.gov.hr/default.aspx>

<sup>87</sup> <https://mgipu.gov.hr/default.aspx>

<sup>88</sup> <https://mgipu.gov.hr/default.aspx>

### 4.3 Concession

Tax regulations:

Law on concessions<sup>89</sup>

A concession may be awarded in various fields and for various activities, some of them are given in the text below:

1. Concession for the exploitation of mineral raw materials;
2. Concession for public water;
3. Concession for local public transport;
4. Concession in the energy sector and
5. Concession for utility activities.

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<sup>89</sup> Official Gazette No. 143/2012, 69/2017.

## 5 PILOTS IN REPUBLIC OF CROATIA INCLUDED IN WORK PACKAGE 3 TESTING

### 5.1 Short description of pilots local authorities included in work package 3 Testing

Following local authorities in Republic of Croatia was included in work package 3:

- Brdovec
- Jastrebarsko
- Klanjec
- Dugo Selo and
- Pregrada.

Figure 1 shows pilot local authorities selected in Republic of Croatia

**Figure 1** Pilot local authorities selected

Name of the Local Authority	Region/country	Does a Political engagement exist?	Is the LA a CoM signatory?	Is the LA coastal or internal?	Which are the 3 main energy consumer sectors of the LA?	Nº of population
Brdovec	Republic of Croatia	Yes	Yes	internal	Residential buildings, Private and commercial transport and Tertiary (non municipal) buildings	11.143
Dugo Selo	Republic of Croatia	Yes	Yes	internal	Residential buildings, Private and commercial transport and Tertiary (non municipal) buildings	17.466
Jastrebarsko	Republic of Croatia	Yes	Yes	internal	Residential buildings, Tertiary (non municipal) buildings and private and commercial transport	15.866
Klanjec	Republic of Croatia	Yes	Yes	internal	Residential buildings, Private and commercial transport and Tertiary (non municipal) buildings	3.234
Pregrada	Republic of Croatia	Yes	Yes	internal	Residential buildings, Tertiary (non municipal) buildings and private and commercial transport	7.165
						51.640

All pilot local authorities are part of Covenant of Mayors initiative. Rural population covered by green local fiscal policies for renewable energy sources promotion: 51,640 inhabitants. General information about selected pilots local authorities are given in the text below.

#### 5.1.1 Municipality of Brdovec

Brdovec is a town and a municipality in the Zagreb County. The majority of settlements and commercial entities are found in the central part of the municipality, along the main transport corridor Zagreb–Ljubljana.<sup>90</sup> The northern part is made up of gentle hills covered in forests, vineyards and many holidays

<sup>90</sup> <http://www.tzzz.hr/en/destinations/podrucja/municipality-of-brdovec/>









houses.<sup>91</sup> The main economic activities of this town are construction, entrepreneurship, forestry, tourism and agriculture<sup>92</sup>.

General information about Municipality of Brdovec it is given below:

- Country: Croatia
- Rural area
- Continental Croatia
- Zagreb County
- Settlements: 13
  - Government Mayor: Alen Prelec
  - Area Total: 37.6 km<sup>2</sup> (14.5 sq mi)
  - Population (2011)
- Total: 11,143
- Density 300/km<sup>2</sup> (770/sq mi)
- Date of adhesion:
  - Covenant of Mayors initiative: 15 November 2011
  - Project LOCAL4GREEN: 13 July 2017.

### 5.1.2 City of Jastrebarsko

Jastrebarsko it is located in the Prigorje region of Central Croatia. On the west Jastrebarsko is bordered by the Žumberak Mountain, a mountain range spreading through southeast Slovenia and southwest Prigorje, specifically Žumberak town and Town of Samobor.<sup>93</sup> It has almost 16.000 inhabitants spread out through 60 surrounding settlements with homey atmosphere, rich history and tradition<sup>94</sup>. All those roads merge together in a little town, between people popularly called Jaska, which was home town for some significant Croatians people<sup>95</sup>. The main economic activities of this town are construction, entrepreneurship and agriculture<sup>96</sup>. General information about Jastrebarsko it is given below:

-  Country: Croatia
-  Rural area
-  Continental Croatia
-  Zagreb County
-  Settlements: 60
-  Government Mayor: Zvonimir Novosel
-  Area Total: 226.50 km<sup>2</sup> (87.45 sq mi)
-  Population (2011) Total 15,866

<sup>91</sup> <http://www.tzzz.hr/en/destinations/podrucja/municipality-of-brdovec/>



<sup>92</sup> <http://www.tzzz.hr/en/destinations/podrucja/municipality-of-brdovec/>

<sup>93</sup> <https://en.wikipedia.org/wiki/Jastrebarsko>

<sup>94</sup> <https://en.wikipedia.org/wiki/Jastrebarsko>

<sup>95</sup> <https://en.wikipedia.org/wiki/Jastrebarsko>

<sup>96</sup> <https://en.wikipedia.org/wiki/Jastrebarsko>







-  Density: 70/km<sup>2</sup> (180/sq mi)
-  Date of adhesion:
  - Covenant of Mayors initiative: 9 March 2010
  - Project LOCAL4GREEN: 3 July 2017

Jastrebarsko has temperate continental climate or temperate warm and rainy climate with median temperature during the coldest month above - 3°C, and below 18°C<sup>97</sup>. Areas with this type of climate are rich in forests, and especially favorable for agriculture and winegrowing<sup>98</sup>.

Jastrebarsko Business zone in numbers:

- In the past few years, in projects, plans and investments (roads, infrastructure) is invested more than 5 million €
- In process is construction of the collector sewage system and purifiers of wasted waters of the City of Jastrebarsko. Those investments are worth approximately 25 million € and they are financed from EU funds
- In the Business zone operates 25 companies with more than 1000 employees
- It is opened a new 4 stars HOTEL and also some smaller investments worth more than 15 million €
- This year, almost finished is construction of the logistic center of one of the Austrian company





Distance from Jastrebarsko to mayor cities:

-  Zagreb: 36 km
-  Rijeka: 132 km
-  Ljubljana: 133 km
-  Graz: 193 km
-  Budapest: 372 km
-  Split: 344 km

### 5.1.3 City of Klanjec

Klanjec is a small town in northwestern Croatia, in the region of Hrvatsko Zagorje on the border with Slovenia.<sup>99</sup> The main economic activities of this town are forestry and agriculture.

General information about Klanjec it is given below:

-  Country: Croatia
-  Rural area
-  Continental Croatia
-  Krapina-Zagorje County

<sup>97</sup> <https://en.wikipedia.org/wiki/Jastrebarsko>

<sup>98</sup> <https://en.wikipedia.org/wiki/Jastrebarsko>

<sup>99</sup> <https://en.wikipedia.org/wiki/Klanjec>



- ✚ Settlements: 19
- ✚ Government
  - Mayor: Zlatko Brlek
- ✚ Area Total: 26 km<sup>2</sup> (10 sq mi)
- ✚ Population (2011) Total 3,234
- ✚ Date of adhesion:
  - Covenant of Mayors initiative: 24 September 2009
  - Project LOCAL4GREEN: 26 June 2017

#### 5.1.4 City of Dugo Selo

Dugo Selo is a 20 km drive from Zagreb city centre<sup>100</sup>. The town covers an area of 51 km<sup>2</sup> and it consists of numerous settlements<sup>101</sup>. The summit of the hill Martin Breg is situated in the northern part of the town. Most neighbourhoods of Dugo Selo are located on the Martin Breg slopes<sup>102</sup>. Dugo Selo is usually considered an exurb of Zagreb<sup>103</sup>. The main economic activities of this town are construction and entrepreneurship<sup>104</sup>.

General information about Dugo Selo it is given below:

- ✚ Country: Croatia
- ✚ Rural area
- ✚ Continental Croatia
- ✚ Zagreb County
- ✚ Settlements: 11
- ✚ Government Mayor: Nenad Panian
- ✚ Area Total: 53.79 km<sup>2</sup> (20.77 sq mi)
- ✚ Population (2011) Total 17,466
- ✚ Density: 320/km<sup>2</sup> (840/sq mi)
- ✚ Date of adhesion:
  - Covenant of Mayors initiative: 3 November 2011
  - LOCAL4GREEN: 30 June 2017.

<sup>100</sup> [https://en.wikipedia.org/wiki/Dugo\\_Selo](https://en.wikipedia.org/wiki/Dugo_Selo)

<sup>101</sup> [https://en.wikipedia.org/wiki/Dugo\\_Selo](https://en.wikipedia.org/wiki/Dugo_Selo)

<sup>102</sup> [https://en.wikipedia.org/wiki/Dugo\\_Selo](https://en.wikipedia.org/wiki/Dugo_Selo)

<sup>103</sup> [https://en.wikipedia.org/wiki/Dugo\\_Selo](https://en.wikipedia.org/wiki/Dugo_Selo)

<sup>104</sup> [https://en.wikipedia.org/wiki/Dugo\\_Selo](https://en.wikipedia.org/wiki/Dugo_Selo)

#### 5.1.5 City of Pregrada

Pregrada is a town and municipality in Krapina-Zagorje County in Croatia<sup>105</sup>. General information about Pregrada it is given below:

- Country: Croatia
- Rural area
- Continental Croatia
- Krapina-Zagorje County
- Settlements:26
- Government Mayor: Marko Vešligaj
- Area Total: 67.26 km<sup>2</sup> (25.97 sq mi)
- Population (2011) Total 7,165
- Date of adhesion: Covenant of Mayors initiative: 1 February 2010
- Project LOCAL4GREEN: 12 July 2017.

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<sup>105</sup> <https://en.wikipedia.org/wiki/Pregrada>

**Figure 2** shows the location of pilots local authorities in Republic of Croatia

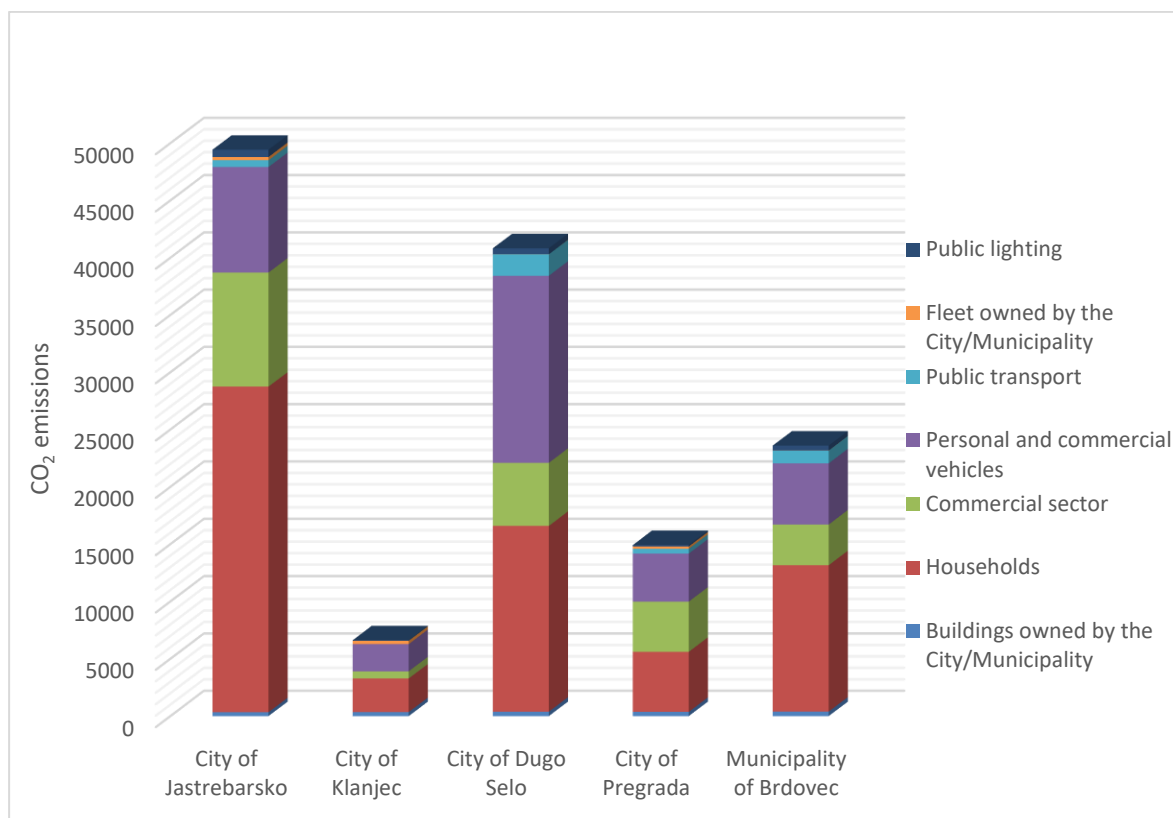


**Figure 2** Location of pilots local authorities in Republic of Croatia

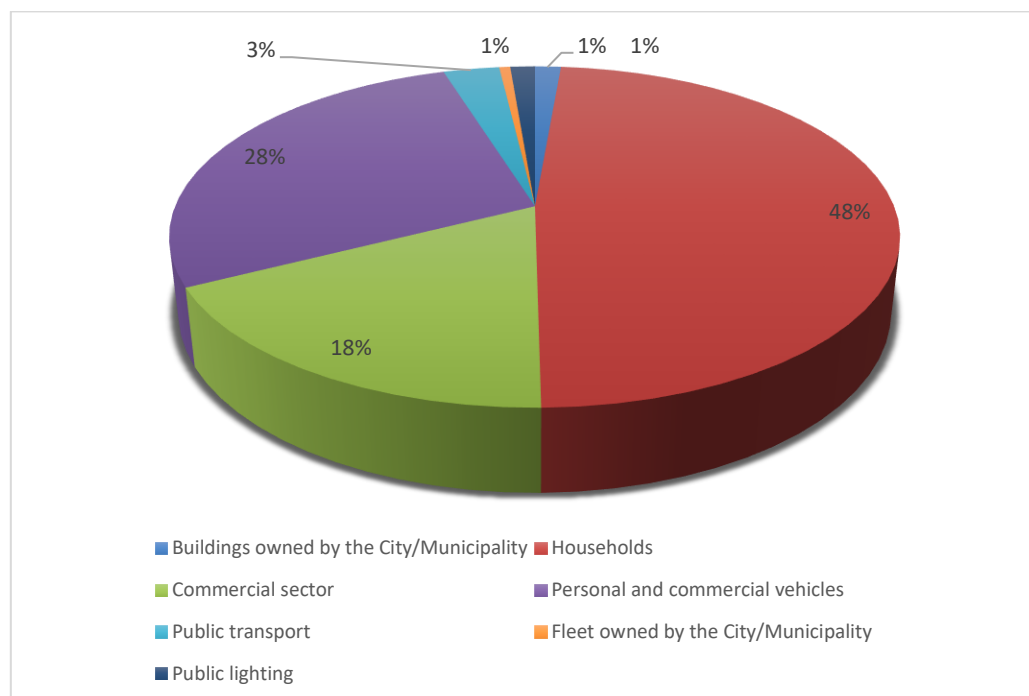
Pilot local authorities in collaboration with REGEA have prepared SEAP as a part of the Covenant of Mayors European Union initiative. Detailed results and descriptions of CO<sub>2</sub> emissions and energy consumption for each local pilots authorities are given in SEAPs. All SEAPs are available on an official Covenant of Mayors web site: <https://www.covenantofmayors.eu/>

In this National handbook on green local fiscal policy models it is given short overview of energy consumption and CO<sub>2</sub> emission in all pilots.

**Figure 3** and **Figure 4** shows the total CO<sub>2</sub> emission per sector and local pilots authorities and **Figure 5** and **Figure 6** shows the total energy consumption per sector and per local pilots authorities.



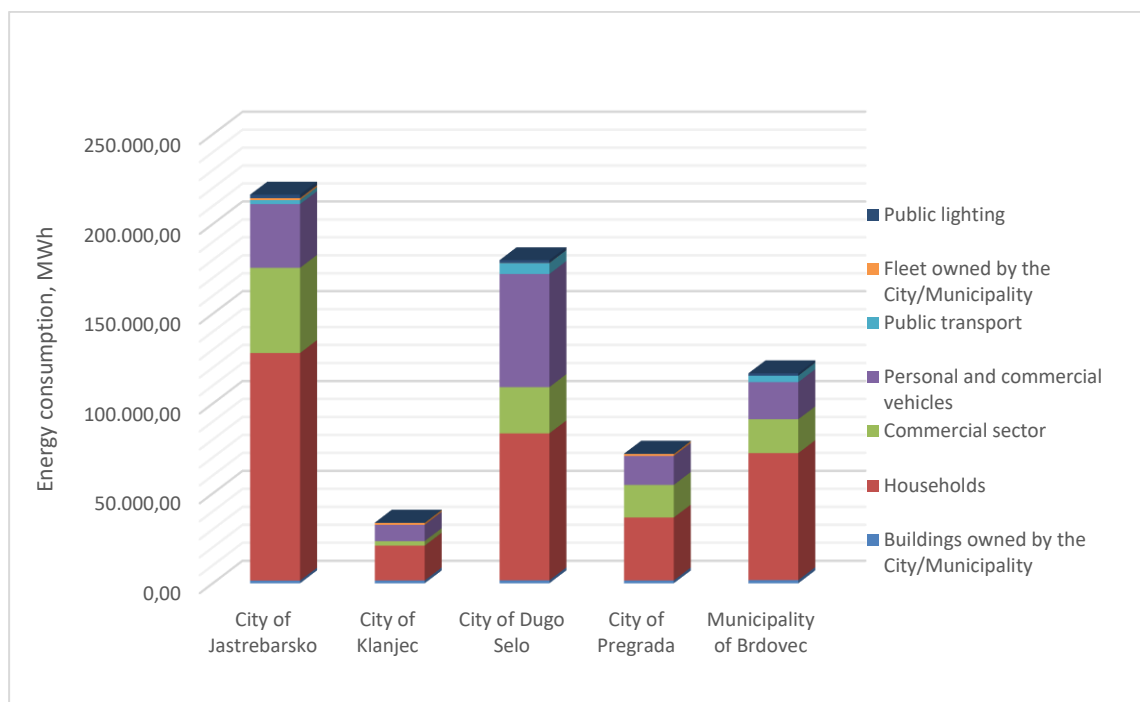
**Figure 3** CO<sub>2</sub> Emission per sector and local pilots authorities<sup>106</sup>



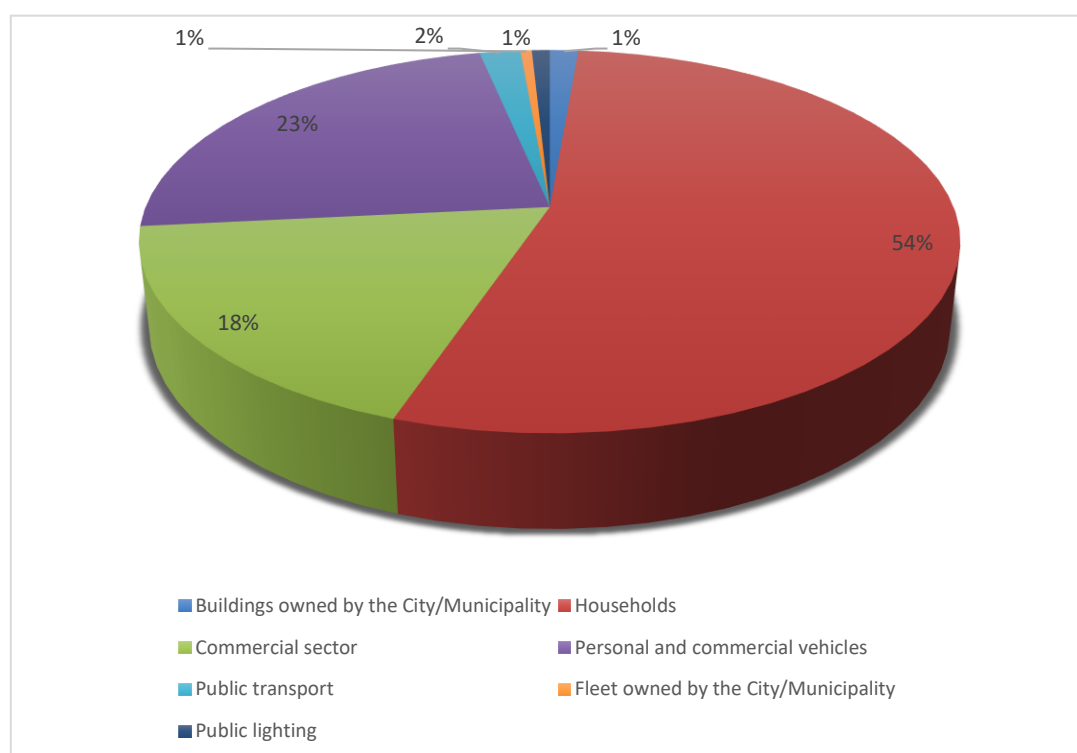
**Figure 4** Share of CO<sub>2</sub> Emission per sectors<sup>107</sup>

<sup>106</sup> Sustainable energy action plans (SEAPs)

<sup>107</sup> Sustainable energy action plans (SEAPs)



**Figure 5** Total energy consumption per sector and local pilots authorities<sup>108</sup>



**Figure 6** Share of energy consumption per sectors<sup>109</sup>

<sup>108</sup> Sustainable energy action plans (SEAPs)

<sup>109</sup> Sustainable energy action plans (SEAPs)

As we can see from previous figures particularly the households, personal and commercial vehicles and commercial sector (tertiary building) are the ones that consume most energy and produce most CO<sub>2</sub> emissions (Tonnes of CO<sub>2</sub>). According to results of CO<sub>2</sub> emissions designed fiscal policies are focused on households and commercial sector.

## 5.2 Participation confirmation letters

Attached letters of confirmation are given bellow.



**Predmet: PISMO POTPORE ZA PROJEKT LOCAL Policies for GREEN Energy LOCAL4GREEN**

Ovim pismom izražavamo namjeru suradnje i potporu provedbi projekta LOCAL4GREEN i njegovih glavnih aktivnosti – izrada, provedba i evaluacija lokalnih fiskalnih politika za promicanje održivog korištenja energije.

U provedbi aktivnosti projekta LOCAL4GREEN koristit ćemo tehničku i stručnu pomoć koju će pružiti Regionalna energetska agencija Sjeverozapadne Hrvatske – REGEA, pri čemu ovim pismom ne preuzimamo nikakve financijske obveze.

U sklopu suradnje na projektu LOCAL4GREEN namjeravamo promovirati projekt putem službenih web stranica, komunikacijskih glasila te društvenih mreža (sve prijedloge vijesti vezane uz projekt će pripremiti i dostaviti REGEA), pružiti potrebne informacije za izradu studije o lokalnoj fiskalnoj politici koja promiče obnovljive izvore energije (opterećenje na izradi studije snosi isključivo REGEA), sudjelovati na radionicama koje će organizirati REGEA te ćemo razmotriti uvođenje predloženih mjera lokalne fiskalne politike za poticanje obnovljivih izvora energije kao i pružiti potrebne informacije za izradu analize uspješnosti implementacije lokalne fiskalne politike i njezinih učinaka na lokalnoj razini.

Osoba za kontakt s projektom LOCAL4GREEN je:  
Ime i prezime: Marijo Vinko, dipl.ing.arh.  
Radno mjesto/pozicija: Pročelnik  
E-mail: marijo.vinko@dugoselo.hr  
Telefon: 099 6114683

Projekt LOCAL4GREEN je financiran u sklopu Programa transnacionalne suradnje INTERREG MEDITERRANEAN 2014–2020.


  
 Gradonačelnik  
 Nenad Panian, dr.med.dent.

**Figure 7 Participation confirmation letters city of Dugo Selo**



REPUBLIKA HRVATSKA  
ZAGREBAČKA ŽUPANIJA



GRAD JASTREBARSKO  
GRADONAČELNIK  
KLASA: 310-02/17-01/10  
URBROJ: 238/12-02-17-2  
Jastrebarsko, 03. srpanj 2017.

### PISMO POTPORE ZA PROJEKT LOCAL Policies for GREEN Energy LOCAL4GREEN

Ovim pismom izražavamo namjeru suradnje i potporu provedbi projekta LOCAL4GREEN i njegovih glavnih aktivnosti – izrada, provedba i evaluacija lokalnih fiskalnih politika za promicanje održivog korištenja energije.

U provedbi aktivnosti projekta LOCAL4GREEN koristit ćemo tehničku i stručnu pomoć koju će pružiti Regionalna energetska agencija Sjeverozapadne Hrvatske – REGEA, pri čemu ovim pismom ne preuzimamo nikakve financijske obveze.

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Osoba za kontakt s projektom LOCAL4GREEN je:

Ime i prezime: Danijela Bučar Trivičević, dipl. oec.

Radno mjesto/pozicija: Voditeljica pododsjeka za strateško planiranje

E-mail: [danijela.bucar-trivicevic@jastrebarsko.hr](mailto:danijela.bucar-trivicevic@jastrebarsko.hr)

Telefon: 01 6278 358; M: 098 253 848

Projekt LOCAL4GREEN je financiran u sklopu Programa transnacionalne suradnje INTERREG MEDITERRANEAN 2014–2020.



Figure 8 Participation confirmation letters city of Jastrebarsko





**REPUBLIKA HRVATSKA**  
**KRAPINSKO-ZAGORSKA ŽUPANIJA**  
**GRAD KLANJEC**  
**GRADONAČELNIK**

**KLASA:302-01/17-01/01**  
**URBROJ: 2135/01-02/17-2**  
**Klanjec, 23. lipnja 2017.**

**PISMO POTPORE ZA PROJEKT LOCAL Policies for GREEN Energy**  
**LOCAL4GREEN**

Ovim pismom izražavamo namjeru suradnje i potporu provedbi projekta LOCAL4GREEN i njegovih glavnih aktivnosti – izrada, provedba i evaluacija lokalnih fiskalnih politika za promicanje održivog korištenja energije.

U provedbi aktivnosti projekta LOCAL4GREEN koristit ćemo tehničku i stručnu pomoć koju će pružiti Regionalna energetska agencija Sjeverozapadne Hrvatske – REGEA, pri čemu ovim pismom ne preuzimamo nikakve financijske obveze.

U sklopu suradnje na projektu LOCAL4GREEN namjeravamo promovirati projekt putem službenih web stranica, komunikacijskih glasila te društvenih mreža (sve prijedloge vijesti vezane uz projekt će pripremiti i dostaviti REGEA), pružiti potrebne informacije za izradu studije o lokalnoj fiskalnoj politici koja promiče obnovljive izvore energije (opterećenje na izradi studije snosi isključivo REGEA), sudjelovati na radionicama koje će organizirati REGEA te ćemo razmotriti uvođenje predloženih mjera lokalne fiskalne politike za poticanje obnovljivih izvora energije kao i pružiti potrebne informacije za izradu analize uspješnosti implementacije lokalne fiskalne politike i njezinih učinaka na lokalnoj razini.

Osoba za kontakt s projektom LOCAL4GREEN je:

Ime i prezime: Zlatko Brlek  
 Radno mjesto/pozicija: Gradonačelnik  
 E-mail: gradonacelnik@klanjec.hr  
 Telefon: 049/550-615

Projekt LOCAL4GREEN je financiran u sklopu Programa transnacionalne suradnje INTERREG  
 MEDITERRANEAN 2014 – 2020.



GRAD KLANJEC/49290 Klanjec, Trg mira 11; Telefon: 049 550-615. gradonacelnik:550-250. Fax: 550-324; e-mail: grad-klanjec@kr.t-com.hr

**Figure 9** Participation confirmation letters city of Klanjec





REPUBLIKA HRVATSKA  
KRAPINSKO-ZAGORSKA ŽUPANIJA  
GRAD PREGRADA  
GRADONAČELNIK

Klasa: 302-01/17-01/08  
Urbroj: 2214/01-04-17-1  
U Pregradi, 12. srpnja 2017.

**PISMO POTPORE ZA PROJEKT LOCAL Policies for GREEN Energy  
LOCAL4GREEN**

Ovim pismom izražavamo namjeru suradnje i potporu provedbi projekta LOCAL4GREEN i njegovih glavnih aktivnosti – izrada, provedba i evaluacija lokalnih fiskalnih politika za promicanje održivog korištenja energije.

U provedbi aktivnosti projekta LOCAL4GREEN koristit ćemo tehničku i stručnu pomoć koju će pružiti Regionalna energetska agencija Sjeverozapadne Hrvatske – REGEA, pri čemu ovim pismom ne preuzimamo nikakve financijske obveze.

U sklopu suradnje na projektu LOCAL4GREEN namjeravamo promovirati projekt putem službenih web stranica, komunikacijskih glasila te društvenih mreža (sve prijedloge vijesti vezane uz projekt će pripremiti i dostaviti REGEA), pružiti potrebne informacije za izradu studije o lokalnoj fiskalnoj politici koja promiče obnovljive izvore energije (opterećenje na izradi studije snosi isključivo REGEA), sudjelovati na radionicama koje će organizirati REGEA te ćemo razmotriti uvođenje predloženih mjera lokalne fiskalne politike za poticanje obnovljivih izvora energije kao i pružiti potrebne informacije za izradu analize uspješnosti implementacije lokalne fiskalne politike i njezinih učinaka na lokalnoj razini.

Osoba za kontakt s projektom LOCAL4GREEN je:

Ime i prezime: Krunoslav Golub

Radno mjesto/pozicija: Pročelnik UO za financije i gospodarstvo

E-mail: krunoslav.golub@pregrada.hr

Telefon: 049/376052; 091/5240886

Projekt LOCAL4GREEN je financiran u sklopu *Programa transnacionalne suradnje INTERREG MEDITERRANEAN 2014–2020*.



**Figure 10** Participation confirmation letters city of Pregrada



REPUBLIKA HRVATSKA  
ZAGREBAČKA ŽUPANIJA



OPĆINA BRDOVEC  
Brdovec, Trg dr. Franje Tuđmana 1,  
tel: 33 10 350, fax: 33 10 322  
e-mail: [opcina-brdovec@zg.t-com.hr](mailto:opcina-brdovec@zg.t-com.hr)

Upravni odjel za opće, pravne, komunalne i  
društvene poslove

Klasa: 300-01/17-10/01  
Urbroj: 238/03-03/07-17-2  
Brdovec, 13.7.2017.

**PISMO POTPORE ZA PROJEKT LOCAL Policies for GREEN Energy  
LOCAL4GREEN**

Ovim pismom izražavamo namjeru suradnje i potporu provedbi projekta LOCAL4GREEN i njegovih glavnih aktivnosti – izrada, provedba i evaluacija lokalnih fiskalnih politika za promicanje održivog korištenja energije.

U provedbi aktivnosti projekta LOCAL4GREEN koristit ćemo tehničku i stručnu pomoć koju će pružiti Regionalna energetska agencija Sjeverozapadne Hrvatske – REGEA, pri čemu ovim pismom ne preuzimamo nikakve financijske obveze.

U sklopu suradnje na projektu LOCAL4GREEN namjeravamo promovirati projekt putem službenih web stranica, komunikacijskih glasila te društvenih mreža (sve prijedloge vijesti vezane uz projekt će pripremiti i dostaviti REGEA), pružiti potrebne informacije za izradu studije o lokalnoj fiskalnoj politici koja promiče obnovljive izvore energije (opterećenje na izradi studije snosi isključivo REGEA), sudjelovati na radionicama koje će organizirati REGEA te ćemo razmotriti uvođenje predloženih mjera lokalne fiskalne politike za poticanje obnovljivih izvora energije kao i pružiti potrebne informacije za izradu analize uspješnosti implementacije lokalne fiskalne politike i njezinih učinaka na lokalnoj razini.

Osoba za kontakt s projektom LOCAL4GREEN je:

Ime i prezime: Branimir Gregurić  
Radno mjesto/pozicija: viši stručni suradnik za EU fondove  
E-mail: [branimir@brdovec.hr](mailto:branimir@brdovec.hr)  
Telefon: 01 3315 889 ; 098 9274 840

Projekt LOCAL4GREEN je financiran u sklopu Programa transnacionalne suradnje INTERREG MEDITERRANEAN 2014-2020.

S poštovanjem,



NACELNIK OPĆINE BRDOVEC

Alen Prolec

**Figure 11** Participation confirmation letters municipality of Brdovec

### 5.3 Short description of the Household and commercial subsector

Tables below shows households and commercial sectors in nutshells, **Table 10**, **Table 11**, **Table 12**,

**Table 13 and Table 14.**

**Table 10** Pilot local authorities Brdovec<sup>110</sup>

	Households	Commercial sector
Total area of buildings (m <sup>2</sup> )	287,870	94,127.70
Number	3,709	173
Electrical consumption (MWh/Year)	6,425.77	2,353.19
Thermal energy consumption (MWh/Year)	64,257	16,942.99
Specific thermal energy consumption (kWh/m <sup>2</sup> )	223,22	180
Specific electrical energy consumption (kWh/m <sup>2</sup> )	22,32	25

**Table 11** Pilot local authorities Klanjec<sup>111</sup>

	Households	Commercial sector
Total area of buildings in the residential sector (m <sup>2</sup> )	3,263	8,007
Number	1,078	72
Electrical consumption (MWh/Year)	2,091.32	1,031.47
Thermal energy consumption (MWh/Year)	17,287	1,445
Specific thermal energy consumption (kWh/m <sup>2</sup> )	219,98	180,45
Specific electrical energy consumption (kWh/m <sup>2</sup> )	26,61	128,82

**Table 12** Pilot local authorities Jastrebarsko<sup>112</sup>

	Households	Commercial sector
Total area of buildings (m <sup>2</sup> )	575,661	206,266
Number	5,097	
Electrical consumption (MWh/Year)	23,026.45	10,313.33
Thermal energy consumption (MWh/Year)	103,619.01	37.128,00
Specific thermal energy consumption (kWh/m <sup>2</sup> )	180	180
Specific electrical energy consumption (kWh/m <sup>2</sup> )	40	50

<sup>110</sup> Sustainable energy action plans (SEAPs)

<sup>111</sup> Sustainable energy action plans (SEAPs)

<sup>112</sup> Sustainable energy action plans (SEAPs)

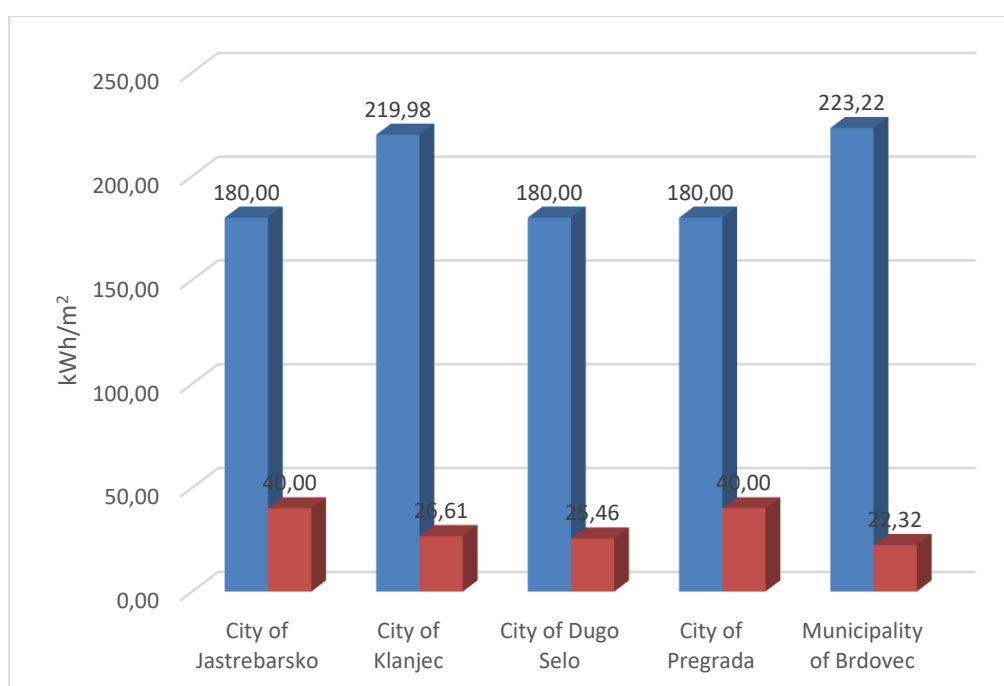
**Table 13** Pilot local authorities Dugo Selo <sup>113</sup>

	Households	Commercial sector
Total area of buildings (m <sup>2</sup> )	397,916	111,924
Number	4,569	378
Electrical consumption (MWh/Year)	10,129.42	5,596.19
Thermal energy consumption (MWh/Year)	71,624.89	20,146.29
Specific thermal energy consumption (kWh/m <sup>2</sup> )	180	180
Specific electric energy consumption (kWh/m <sup>2</sup> )	25,46	50

**Table 14** Pilot local authorities Pregrada <sup>114</sup>

	Households	Commercial sector
Total area of buildings (m <sup>2</sup> )	159,055.66	78,844.77
Number	127	
Electrical consumption (MWh/Year)	6362,23	3,942.24
Thermal energy consumption (MWh/Year)	28,630.06	14,192.06
Specific thermal energy consumption (kWh/m <sup>2</sup> )	180	180
Specific electrical energy consumption (kWh/m <sup>2</sup> )	40	50

The comparisons of specific consumption of electrical and thermal energy are presented in figures **Figure 12** and **Figure 13**.

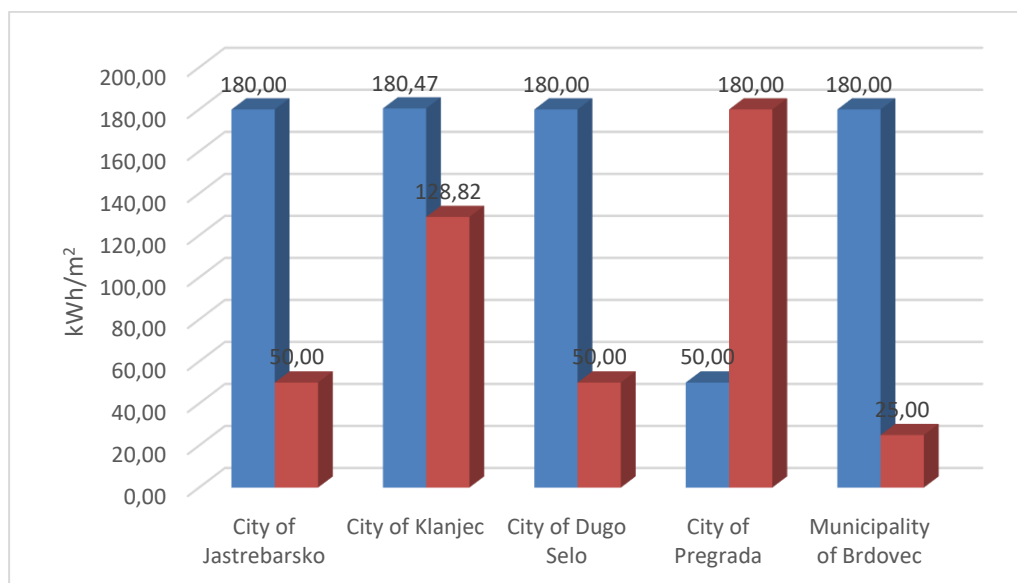


**Figure 12** Specific thermal and electrical energy consumption in households sector <sup>115</sup>

<sup>113</sup> Sustainable energy action plans (SEAPs)

<sup>114</sup> Sustainable energy action plans (SEAPs)

<sup>115</sup> Sustainable energy action plans (SEAPs)



**Figure 13** Specific thermal and electrical energy consumption in commercial sector

#### 5.4 Scope of work with local pilot municipalities and cities

REGEA has prepared next activities/deliverables for all pilots under the LOCAL4GREEN project:

1. MADE in MED – Crafting the future Mediterranean event was held on 18<sup>th</sup> and 19<sup>th</sup> April 2018, in Rome, Italy. The event was organized by Interreg MED Programme and it was attended by Ms. Mihaela Mehadžić (REGA) and Mr. Marko Vešligaj, Mayor of the City of Pregrada and Mr. Branimir Gregurić, professional associate (Municipality of Brdovec). Figures from MADE in MED event are presented in figure below, **Figure 14**.
2. Deliverable title: Platform for accountability about pilot policies impact, deliverable number 3.2.1, type of deliverable: Tool – data entry to the platform
3. Deliverable title: Green Local taxation system description for testing, deliverable number 3.3.1 type of deliverable - Preliminary study.
4. Deliverable title: Permanent technical support service for green local fiscal policy pilots implementation, type of deliverable - service
5. Deliverable title: Evaluation reports of green local fiscal policies implementation, deliverable number 3.5.1, type of deliverable – Report
6. International and national seminar was held on 2 April 2019 in Valencia, Spain, **Figure 19** and **Figure 20**.
7. Deliverable title: National seminars report, deliverable number: 4.2.1, type of deliverable - Tailored event.

The National seminar in Republic of Croatia was the first in a row of two seminars on the themes of present tested models of green local fiscal policies implementation in selected pilots in Republic of Croatia. Interest in the subject was extremely high. The final audience – just under 400 participants. Conference of Mayors held on 21 – 23 November 2018 in Split, Podstrana, Republic of Croatia organised by LIDER Media and attended by more than 100



Mayors, media, energy agencies, private companies, banks and citizens. The National seminar was organised within the Conference of Mayors. National seminar was organised by REGEA and attended by Julije Domac, Hrvoje Maras, Mihaela Mehadžić, Ivana Belić (North-West Croatia Regional Energy Agency) and Francesco Filippi (MUSOL Foundation, Spain). The objective of this National seminar was to gather the relevant participants from local/regional governments (decision makers) and energy/development agencies and selected experts from the field of renewable energy sources and media together.

The National seminar itself it was divided into two parts:

1. First part: Presentation of LOCAL4GREEN project: Francesco Filippi, from MUSOL Foundation, Spain, partner responsible of Work package 3 presented the results of the pilot and the designed local fiscal policies to promote renewable energy sources for 68 pilot municipalities in 9 countries: Croatia, Slovenia, Albania, Greece, Cyprus, Malta, Italy, Spain and Portugal.
2. Second part: Panel discussion about LOCAL4GREEN project (activities, deliverables, results of designed local fiscal policies to promote renewable energy sources for 5 Pilot municipalities in the Republic of Croatia (Jastrebarsko, Klanjec, Pregrada, Dugo Selo and Brdovec and prepared evaluation reports of green local fiscal policies implementation). Panelists: Mr. Julije Domac, REGEA and member of European Covenant of Mayors for Climate and Energy Board, Mr. Zvonimir Novosel, Mayor of the City of Jastrebarsko (one of the pilot), Mr. Dražen Barišić, Mayor of the City of Velika Gorica and Mr. Kuvek, representative of Croatian Bank for Reconstruction and Development (HBOR).

The objectives of this National seminar were as follows:

- To promote the LOCAL4GREEN Project;
- To raise awareness about global environmental challenges;
- To provide information about the achievements of the green local policies pilots in terms of raise of renewable energy, local sources (estimated number of private or public actors that take advantage or adhere to green local fiscal taxation systems, green KW produced, CO<sub>2</sub> savings, etc.);
- To build the capacities of the participants towards education for sustainable development;
- To present pilots results in Republic of Croatia (Brdovec, Dugo Selo, Klanjec, Pregrada and Jastrebarsko) and
- To present designed local fiscal policies to promote renewable energy sources in 68 Pilot municipalities in 9 countries: Croatia, Slovenia, Albania, Greece, Cyprus, Malta, Italy, Spain and Portugal (100 fiscal policies designed to promote de renewable energy sources by 10 partners).

Second National seminar on the themes of present tested models of green local fiscal policies implementation in selected pilots in Republic of Croatia were held in Zagreb. Interest in the subject was extremely high. The final audience – 27 participants. Conference InvestCro held on 12 June 2019 in Zagreb organized by Poslovni dnevnik and attended by Mayors, media, energy agencies, private companies and citizens. The National seminar was organized within the Conference. National seminar was organised by REGEA and attended by REGEA staff. The objective of this National seminar was to gather the relevant participants from local/regional governments and energy/development agencies and selected experts from the field of RES and media together.

Figures from National seminars are presented in figures below, **Figure 15**, **Figure 16**, **Figure 17** and **Figure 18**.



**Figure 14** MADE in MED Crafting the future Mediterranean event



**Figure 15** Presentation of LOCAL4GREN project: Francesco Filippi, from MUSOL Foundation





**Figure 16** Panel discussion about LOCAL4GREEN project



**Figure 17** Second National seminar in Zagreb



**Figure 18** Second National seminar in Zagreb



**Figure 19** International and National Seminar held on 2<sup>nd</sup> April 2019 in Valencia





**Figure 20** International and National Seminar held on 2<sup>nd</sup> April 2019 in Valencia





## 5.5 Results of the pilot experiences developed in work package 3

As one of the activities of LOCAL4GREEN project REGEA has prepared Deliverable 3.3.1 Green Local taxation system description for testing – Preliminary studies for five selected pilots in Republic of Croatia:

1. Deliverable 3.3.1 Green Local taxation system description for testing in Municipality of Brdovec - Preliminary studies;
2. Deliverable 3.3.1 Green Local taxation system description for testing in city of Pregrada - Preliminary studies;
3. Deliverable 3.3.1 Green Local taxation system description for testing in city of Dugo Selo - Preliminary studies;
4. Deliverable 3.3.1 Green Local taxation system description for testing in city of Jastrebarsko - Preliminary studies;
5. Deliverable 3.3.1 Green Local taxation system description for testing in city of Klanjec - Preliminary studies.

Preliminary studies were prepared according to Participatory method-based preparation of local fiscal policies to promote renewable energy sources at a municipal level. According to this methodology analysis were conducted through six steps:

-  Step 1 Analysis of the potential of renewable energy in the municipality
-  Step 2 Legal analysis of the potential of local fiscal policies to intervene in renewable energy sectors at a municipal level

-  Step 3 Financial-administrative analysis of the potential and economic sustainability of local fiscal policies to intervene in renewable energy sectors at a municipal level
-  Step 4 Analysis of gender and social inclusion perspective regarding local fiscal policies to intervene in renewable energy sectors at a municipal level
-  Step 5 Analysis of alternatives to local fiscal policies to intervene in renewable energy sectors at a municipal level
-  Step 6 Systemisation of the analyses in a viability study on the local fiscal policies aimed at promoting renewable energy sources.

Short description of each conducted steps it is given below.

### 5.5.1 STEP 1 Analysis of the potential of energy obtained from renewable energy sources in the local pilots authorities

Macro-sector	Subsector	Energy consumption (MWh)	CO2 emissions (Tonnes of CO2)	Cost of adapting to renewable sources (0-high, 1-medium or 2-low)	Technical difficulty of adapting to renewable sources (0-high, 1-medium or 2-low)
Buildings	Households - Residential sector	7	7	0	0
Buildings	Commercial sector	5	5	0	0
Buildings	Buildings owned by the Municipality	3	2	1	1
Transport	Personal and commercial vehicles	6	6	0	0
Transport	Public transport	4	4	1	1
Transport	Fleet owned by the Municipality	1	1	1	1
Public lighting	Public lighting	2	3	1	1

As you can see in the table above particularly the households, personal and commercial vehicles and commercial sector (tertiary building) are the ones that consume most energy and produce most CO<sub>2</sub> emissions (Tonnes of CO<sub>2</sub>).



### 5.5.2 STEP 2 Legal analysis of the potential of local fiscal policies to intervene in renewable energy sector at a municipal level

	Subsector	Fiscal measures that can be applied	Capacity of the municipality to intervene through taxation (3 high, 2 medium, 1 low, 0 none)
Buildings	Households - Residential sector	Income tax and surtax	0
		Public utility charge	3
		Communal contribution fee	3
		Tax on holiday houses	2
		Subvention	3
Buildings	Commercial sector	Public utility charge	3
		Communal contribution fee	3
		Consumption tax (hospitality services)	2
		Tax on the use of public land	3
		Subvention	3
Transport	Personal and commercial vehicles	The tax on road motor vehicles	0

### 5.5.3 STEP 3 Financial administrative analysis of the potential and economic sustainability of local fiscal policies to intervene renewable energy sector at a municipal level

Macro-sector	Subsector	Fiscal measures that can be applied	Reduction in municipal revenue (0-high, 1-medium, 3-none)	Compensatory revenue measure required (S-0/N-1)	An increase in municipal revenue caused (3-high, 2-medium, 1-low, 0-none)	An increase in municipal expenditure (0-high, 1-medium, 2-low, 3-none)
Buildings	Households - Residential sector	Income tax and surtax	0	S-0	1	3
		Public utility charge	1	S-0	0	3
		Communal contribution fee	1	S-0	0	3
		Tax on holiday houses	3	S-0	0	3
		Subvention	3	S-0	0	1
Buildings	Commercial sector	Public utility charge	1	S-0	0	3
		Communal contribution fee	1	S-0	0	3
		Consumption tax (hospitality services)	3	N-1	0	3
		Tax on the use of public land	2	N-1	0	3
		Subvention	3	S-0	0	1
Transport	Personal and commercial vehicles	The tax on road motor vehicles	2	N-1	0	3

#### 5.5.4 STEP 4 Analyses of gender and social inclusion perspective regarding local fiscal policies to intervene in renewable energy sector at a municipal level

Macro-sector	Subsector	Fiscal measures that can be applied	Reduction in municipal revenue (0-high, 1-medium, 3-none)	Compensatory revenue measure required (S-0/N-1)	An increase in municipal revenue caused (3-high, 2-medium, 1-low, 0-none)	An increase in municipal expenditure (0-high, 1-medium, 2-low, 3-none)	Does it have a negative impact, which CANNOT be neutralised with corrective measure, on gender equality and/or social inclusion? (If it does on both-2, if it does on one-1, if not-0)	Does it have a positive impact on gender equality and/or social inclusion? (on two-2, on one-1, on neither-0)
Buildings	Households - Residential sector	Income tax and surtax	0	S-0	1	3	0	0
		Public utility charge	1	S-0	0	3	0	0
		Communal contribution fee	1	S-0	0	3	0	0
		Tax on holiday houses	3	S-0	0	3	0	0
		Subvention	3	S-0	0	1	0	0
Buildings	Commercial sector	Public utility charge	1	S-0	0	3	0	0
		Communal contribution fee	1	S-0	0	3	0	0
		Consumption tax (hospitality services)	3	N-1	0	3	0	0
		Tax on the use of public land	2	N-1	0	3	0	0
		Subvention	3	S-0	0	1	0	0
Transport	Personal and commercial vehicles	The tax on road motor vehicles	2	N-1	0	3	0	0

### 5.5.5 STEP 5 Valuation of additional criteria

Macro-sector	Subsector	Fiscal measures that can be applied	Impact in terms of reducing greenhouse gas emissions (3 - high, 2 - medium, 1 - none)	Innovate nature of the fiscal policy (0 - low, 1 - medium, 2 - high)	Capacity of the governance team to approve the fiscal measures (0 - none, 1 - low, 2 - medium, 3 - high)	Capacity of the governance team to approve the fiscal measures (0 - none, 1 - low, 2 - medium, 3 - high)
Buildings	Households - Residential sector	Income tax and surtax	1	0	0	0
		Public utility charge	2	1	2	2
		Communal contribution fee	2	1	3	2
		Tax on holiday houses	1	1	1	2
		Subvention	2	1	2	3
Buildings	Commercial sector	Public utility charge	2	1	2	2
		Communal contribution fee	2	1	3	2
		Consumption tax (hospitality services)	1	1	2	2
		Tax on the use of public land	1	1	2	2
		Subvention	2	1	2	3
Transport	Personal and commercial vehicles	The tax on road motor vehicles	1	1	0	0



#### 5.5.6 STEP 6 Systemation of the analyses in a viability study on the local fiscal policies aimed at promoting renewable energy sources

Subsector	Fiscal measures that can be applied	Weighted total
Households - residential sector	Income tax and surtax	0,65
Personal and commercial vehicles	The tax on road motor vehicles	0,90
Households - residential sector	Tax on holiday houses	1,50
Households - residential sector	Public utility charge	1,55
Commercial sector	Public utility charge	1,55
Households - residential sector	Subvention	1,60
Commercial sector	Subvention	1,60
Commercial sector	Tax on the use of public land	1,60
Commercial sector	Consumption tax (hospitality services)	1,65
<b>Households - residential sector</b>	<b>Public utility fee</b>	<b>1,70</b>
<b>Commercial sector</b>	<b>Public utility fee</b>	<b>1,70</b>

Priority options

The results of conducted analyses has shown that the legal framework in Republic of Croatia does not allow much variety of local fiscal measures. There are only two realistic policies to promote renewable energy sources at the local level in Republic of Croatia:

- Adopting a decision on a reduction of the Public utility fee by the Municipal/city Council for new buildings using renewable energy sources (Nearly Zero Energy Buildings (nZEB), households/residential sector) and
- Adopting a decision on a reduction of the Public utility fee by the Municipal/city Council for new buildings using renewable energy sources (Nearly Zero Energy Buildings (nZEB), commercial sector)

Below in chapter 6 and 7 it is given explanation and description about:

- Nearly Zero-Energy Buildings (nZEB) in Croatia and
- Designed local fiscal policies to promote renewable energy sources in local pilots authorities in Croatia

## 6 NEARLY ZERO-ENERGY BUILDINGS (nZEB) IN REPUBLIC OF CROATIA

### 6.1 Definition of buildings of nearly zero energy

The standard of constructing a nearly zero-energy building in Republic of Croatia is defined by the Technical regulation on energy economy and heat retention in the buildings.<sup>116</sup> The Croatian legislative framework and plans describing the nZEB standard are given below:

- Technical regulation on energy economy and heat retention in buildings (Official Gazette 128/2015, 70/2018, 73/2018, 86/2018)<sup>117</sup>
- Plan for Increasing the Number of Nearly Zero-Energy Buildings<sup>118</sup>

Properties of nearly zero-energy buildings are established according to stock characteristics provided for the definition of reference buildings, accompanied by optimization of geometric characteristics to achieve as low a level of energy as possible to meet building energy requirements.<sup>119</sup> The definition of nearly zero-energy buildings in Republic of Croatia applies to new buildings according to the following uses:<sup>120</sup>

- One-family building;
- Multi-residential building;
- Office building;
- Educational building;
- Trade building (retail and wholesale);
- Hotel and restaurant building;
- Hospital building
- Sports hall building.

<sup>116</sup> Long-Term Strategy for Mobilising Investment in Renovation of the National Building Stock of the Republic of Croatia, available: [https://mgipu.gov.hr/UserDocImages/dokumenti/Engleska/LTS\\_Croatia\\_2017-EN.pdf](https://mgipu.gov.hr/UserDocImages/dokumenti/Engleska/LTS_Croatia_2017-EN.pdf)

<sup>117</sup> Technical Regulation on Energy Economy and Heat Retention in Buildings. Zagreb OG 128/2015 (2428), available at: [https://narodne-novine.nn.hr/clanci/sluzbeni/2015\\_11\\_128\\_2428.html](https://narodne-novine.nn.hr/clanci/sluzbeni/2015_11_128_2428.html)

<sup>118</sup> National Plan for Increasing the Number of Nearly Zero-Energy Buildings 2020, December 2014, Ministry of Construction and Physical Planning, available at: [https://mgipu.gov.hr/UserDocImages/dokumenti/EnergetskaUcinkovitost/Propisi/PLAN\\_PBZ\\_0\\_energije\\_do\\_2020-EN.pdf](https://mgipu.gov.hr/UserDocImages/dokumenti/EnergetskaUcinkovitost/Propisi/PLAN_PBZ_0_energije_do_2020-EN.pdf)

<sup>119</sup> Long-Term Strategy for Mobilising Investment in Renovation of the National Building Stock of the Republic of Croatia, available: [https://mgipu.gov.hr/UserDocImages/dokumenti/Engleska/LTS\\_Croatia\\_2017-EN.pdf](https://mgipu.gov.hr/UserDocImages/dokumenti/Engleska/LTS_Croatia_2017-EN.pdf)

<sup>120</sup> Long-Term Strategy for Mobilising Investment in Renovation of the National Building Stock of the Republic of Croatia, available: [https://mgipu.gov.hr/UserDocImages/dokumenti/Engleska/LTS\\_Croatia\\_2017-EN.pdf](https://mgipu.gov.hr/UserDocImages/dokumenti/Engleska/LTS_Croatia_2017-EN.pdf)

Definition of the nearly zero-energy building is defined by the consumption of primary energy for heating, cooling, ventilation, DHW generation and lighting, and a minimum renewable energy sources share of 30% in the primary energy required to meet the building energy requirements.<sup>121</sup>

For each type of building according to their purpose the Technical regulation defines the limitations in the amount of annual heat energy requirements per unit of the heating floor area of the building  $Q'_{H,nd}$  [KWh/(m<sup>2</sup>·a)], annual delivered energy  $E_{del}$  and annual primary energy  $E_{prim}$ , which includes energy for heating and cooling, ventilation, DHW generation and in non-residential/commercial buildings, lighting.<sup>122</sup>

#### 6.1.1 Nearly zero energy standard in Croatia

In the Republic of Croatia, official nZEB standard was introduced in 2014 as part of Technical regulation on rational use of energy and thermal protection in buildings. Even before the 2014, there has been many educational and promotional activities- from European projects where Croatia had a representative (i.e. IEE project SUSTAINCO, 2011) to local and regional events (nZEB Regional Conference in Dubrovnik, 2014).

The following national initiatives are described below:

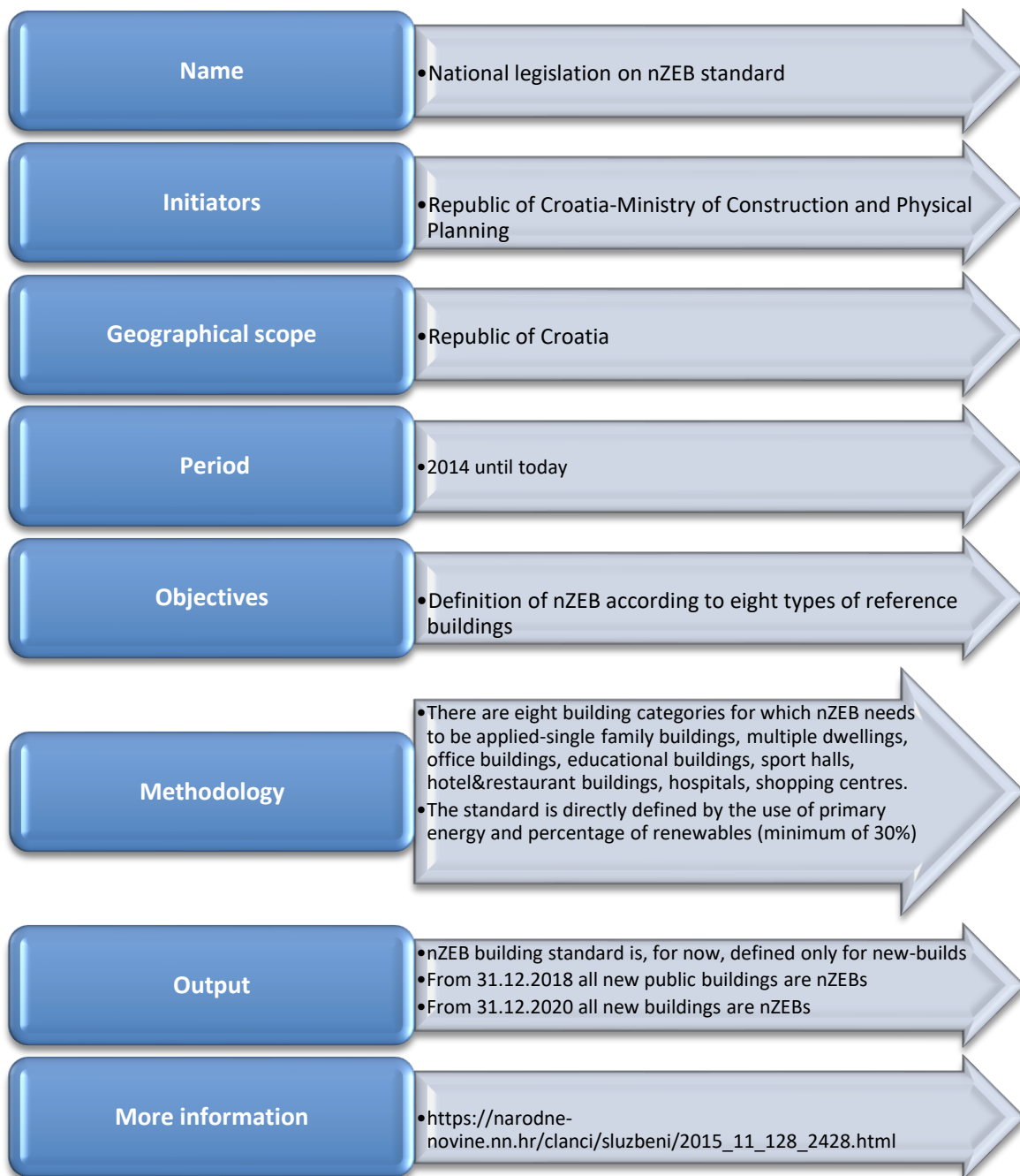
- National legislation on nZEB standard;
- National plan for increasing the number of nZEB buildings;
- Implementation of EE&RES measures in public buildings;
- nZEB workshop for professionals.

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<sup>121</sup> Long-Term Strategy for Mobilising Investment in Renovation of the National Building Stock of the Republic of Croatia, available: [https://mgipu.gov.hr/UserDocImages/dokumenti/Engleska/LTS\\_CRoatia\\_2017-EN.pdf](https://mgipu.gov.hr/UserDocImages/dokumenti/Engleska/LTS_CRoatia_2017-EN.pdf)

<sup>122</sup> Long-Term Strategy for Mobilising Investment in Renovation of the National Building Stock of the Republic of Croatia, available: [https://mgipu.gov.hr/UserDocImages/dokumenti/Engleska/LTS\\_CRoatia\\_2017-EN.pdf](https://mgipu.gov.hr/UserDocImages/dokumenti/Engleska/LTS_CRoatia_2017-EN.pdf)

**Figure 21** National initiative – National legislation on nZEB standard<sup>123</sup>

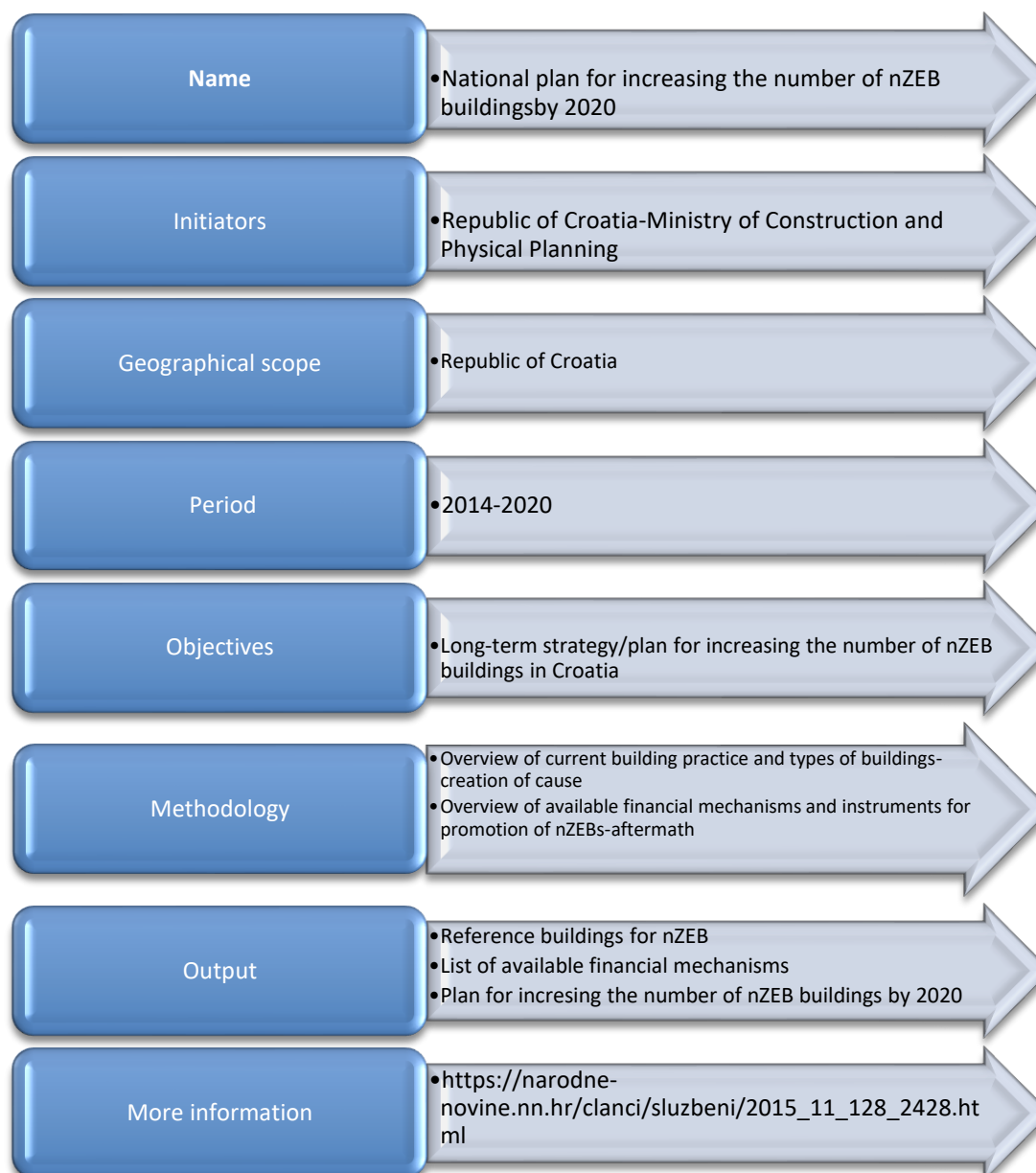


Croatia is one of the 11 member Governments of the European Union that has fulfilled its obligation to define a nZEB building standard. The Energy Efficiency Directive 2010/31/EU defines requirements that each member Government must meet in terms of energy performance of buildings. One part of

<sup>123</sup> Report on nZEB initiatives from the Central Europe region

the Directive refers to approximately zero energy buildings that are defined by the Directive as buildings with very high energy efficiency. This, approximately zero, or very low amount of energy should be covered to a considerable extent by energy from renewable sources, including renewable energy produced in or near the building. All of these requirements were met in Croatia's Technical regulation on rational use of energy and thermal protection in buildings in 2014th and the deadlines were defined.

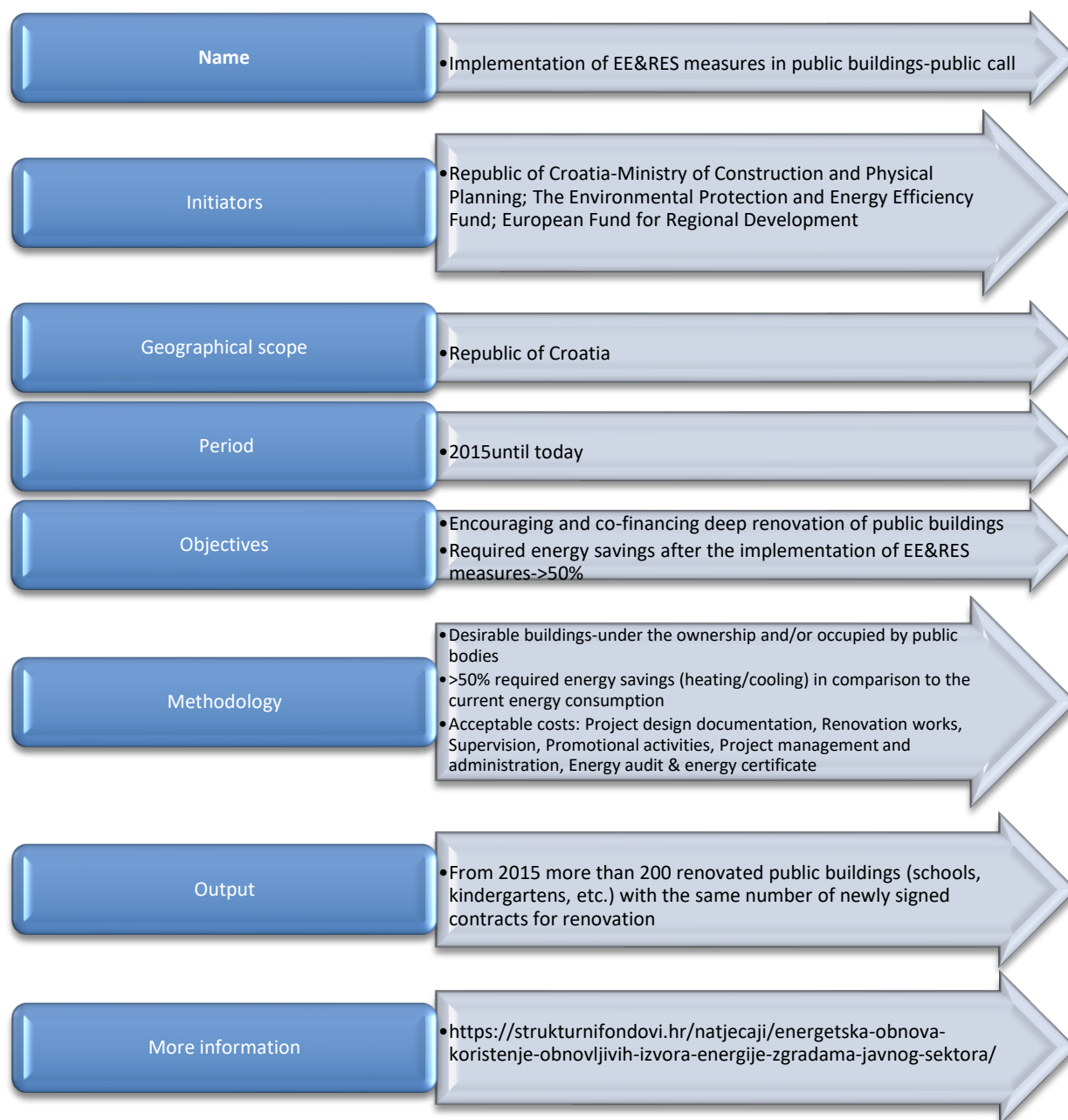
**Figure 22** National initiative – National plan for increasing the number of nZEB buildings<sup>124</sup>



<sup>124</sup> Report on nZEB initiatives from the Central Europe region

Croatia's standards for the design and construction of residential and non-residential buildings to nZEB level and belonging deadlines were defined in Technical regulation on rational use of energy and thermal protection in buildings (Official Gazette 130/14, 128/2015, 70/2018, 73/2018, 86/2018).

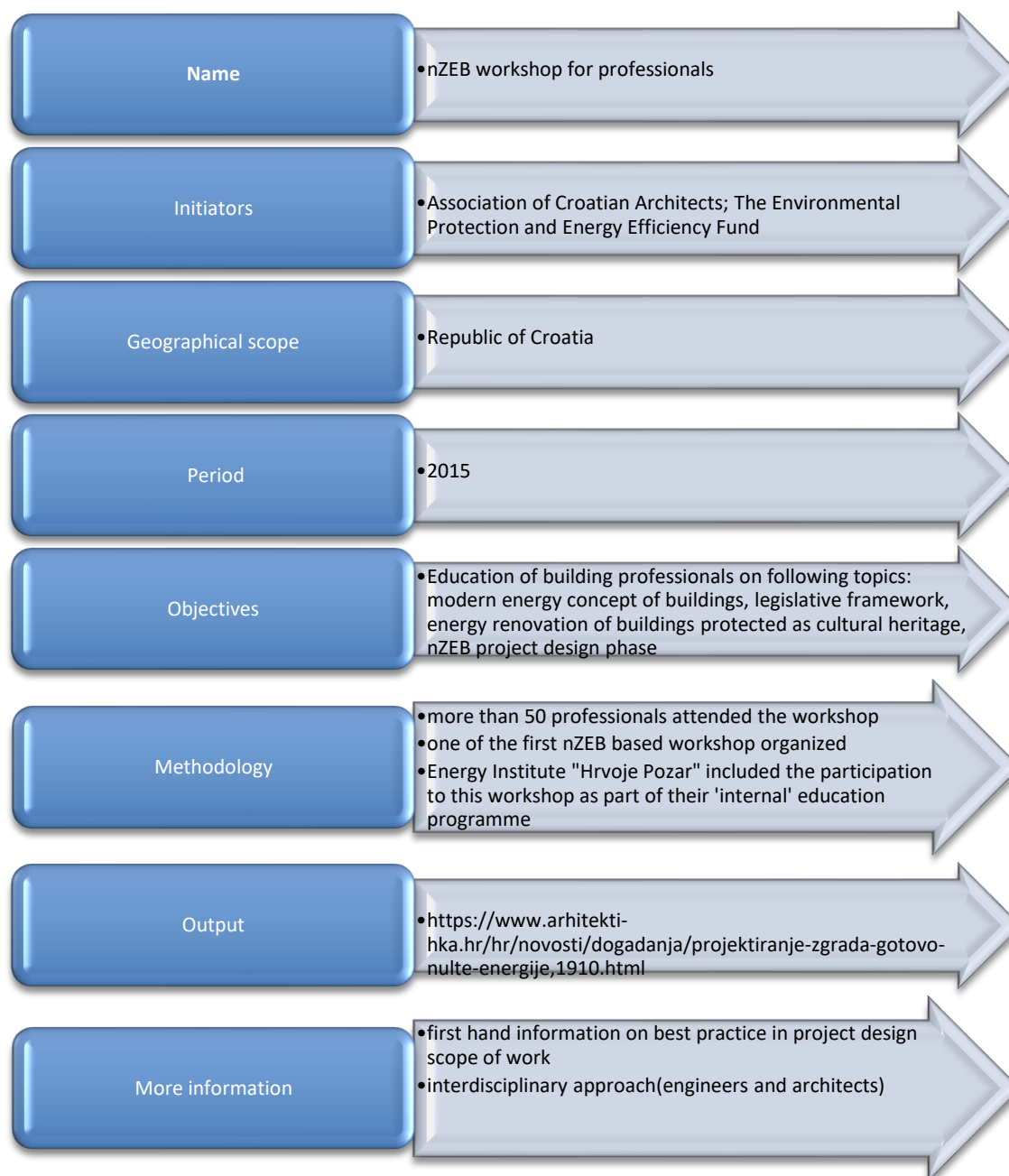
**Figure 23** National initiative – Implementation of EE&RES<sup>125</sup>



<sup>125</sup> Report on nZEB initiatives from the Central Europe region

The purpose of the call is to support the implementation of energy efficiency and renewable energy measures in public sector buildings which will result in a reduction of annual energy consumption (kWh/year) by at least 50% compared to the current annual heating/cooling energy consumption.

**Figure 24** National initiatives – nZEB workshops for professionals<sup>126</sup>



<sup>126</sup> Report on nZEB initiatives from the Central Europe region

This education, with its professional program, directly contributed to the education of architects and other participants in the construction and to the understanding of the new legislative frameworks. The basic content of education was the consideration of modern solutions to the energy concept of buildings both in the reconstruction of existing ones and in the construction of new buildings. Education has covered the legislative framework, new materials, design of nZEB, modern energy concepts in buildings, energy reconstruction of buildings and the possibility of using EU and HR funds for projects to increase energy efficiency and use of renewable energy sources.









## 7 LOCAL FISCAL POLICIES TO PROMOTE RENEWABLE ENERGY SOURCES

### 7.1 Designed local fiscal policies to promote renewable energy sources in local pilots authorities in Croatia

The results of conducted analyzes has shown that the legal framework in Republic of Croatia does not allow much variety of local fiscal measures. Only realistic policies to promote renewable energy sources at the local level by five selected municipalities in Croatia are shown in table below, **Table 15**

**Table 15** Policies to promote renewable energy sources at the local level

Designed local fiscal policies to promote renewable energy sources	<p><b>Adopting a decision on reduction of the Public utility fee by the Municipal/city Council for new buildings using renewable energy sources</b></p> <p>According to the Technical Regulation on the Rational Use of Energy and Thermal Protection of Buildings (Official Gazette No. 128/15, 70/18, 73/18 and 86/18), hereinafter: the Technical Regulation, Nearly Zero-Energy Buildings (NZEBS). The nearly zero-energy building is defined by the consumption of primary energy for heating, cooling, ventilation, DHW generation and lighting, and a minimum RES share of 30% in the primary energy required to meet the building energy requirements.</p> <p>For each type of building according to their purpose, the Technical regulation defines the limitations in the amount of annual heat energy requirements per unit of the useful floor area of the building <math>Q'_{H,nd}</math> [KWh/(m<sup>2</sup>a)], annual delivered energy <math>E_{del}</math> and annual primary energy <math>E_{prim}</math>, which includes energy for heating, cooling, ventilation, DHW generation and, in non-residential buildings, lighting.</p> <p>Requirements regarding Nearly Zero-Energy Buildings (NZEBS):</p> <ul style="list-style-type: none"> <li>• Minimum RES share of 30% in the primary energy required to meet the building energy requirements</li> <li>• Primary energy lower or equal to the Technical Regulation (</li> <li>•</li> <li>•</li> <li>• <b>Table 16)</b></li> </ul>
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	<ul style="list-style-type: none"> <li>satisfies other requirements according to Technical Regulation for new buildings.</li> </ul> <p>Proposed decision on a reduction of the Public utility fee by Municipal council for new buildings which are using renewable energy sources as follows:</p> <ul style="list-style-type: none"> <li>Renewable energy sources share of 30% in the primary energy required to meet the building energy requirements – proposed adopting a decision on a 50% reduction of the Public utility fee</li> <li>Renewable energy sources share between 30-50% in the primary energy required to meet the building energy requirements – proposed adopting a decision on a 75% reduction of the Public utility fee</li> <li>Renewable energy sources share more than 50% in the primary energy required to meet the building energy requirements – proposed adopting a decision on a 100 % reduction of the Public utility fee</li> </ul>
Covered sectors	Households/residential sector
Implementing body	Municipal/city council
Status of designed local fiscal policies to promote renewable energy sources	Included in SEAPs
Implementation beginning/end (years)	2019.-2050
Funding for measure implementation	City/Municipal budgets
General information about the public utility fee <sup>127</sup>	<p>The public utility fee is a revenue of the local self-government unit budget, and funds from the public utility fee are earmarked for financing the following activities:</p> <ul style="list-style-type: none"> <li> Precipitation drainage;</li> <li> Cleaning of public areas;</li> <li> Maintenance of public areas;</li> <li> Maintenance of unclassified roads;</li> <li> Maintenance of cemeteries and crematoriums and</li> <li> Public lighting.</li> </ul>

<sup>127</sup> Ministry of Construction and Physical Planning, <https://mgipu.gov.hr/en>

	<p>Funds from the public utility fee are earmarked for financing facilities and equipment of public utility infrastructure, and by decision of the representative body of the local-government unit they may be used for the construction and maintenance of primary school, high school, social facilities, health institution for financing the construction and maintenance of construction works relating to sports and culture and for improving the energy efficiency of buildings owned by local government units.</p> <p>Representative bodies of local-government units pass a decision on the public utility fee with an obligatory determination of the following: settlements in which utility fees are collected, territories of the zones in the municipality, zone coefficients, purpose coefficients for business premises and for building land serving for the performance of business activities, periods of utility fee payment, real property of importance to the local government unit that are fully or partially exempted from payment of the public utility fee, general terms and reasons for granting, in specific cases, exemption from payment of the public utility fee as well as sources of financing for these amounts in case of full or partial exemption from payment of the public utility fee.</p> <p>Representative bodies of local self-government units pass also a decision on the value of the calculation unit – point. The public utility fee is paid by owners or users of: residential premises, business premises, garage areas, building land used for the performance of business activities, and unbuilt building land.</p> <p>The public utility fee is calculated per m<sup>2</sup> of surface area, and the utility fee amount is determined by multiplying: the value of the calculation unit - point expressed in kuna per m<sup>2</sup>, the zone coefficient and the purpose coefficient.</p>
Is the policy appropriate to promote RES?	Yes. Policy it is focused on new buildings in the residential subsector using renewable energy sources.
Has the policy negatively affected other policies?	Results of the analyses have shown that proposed local fiscal policies do not have a negative impact on other policies. (Deliverable 3.3.1 Green Local taxation system description for testing).
Is the policy consistent with the legal and economical framework?	Yes. Results of the analyses have shown that proposed local fiscal policies is consistent with legal and economical framework. (Deliverable 3.3.1 Green Local taxation system description for testing).

Strategies for Capacity Development in Local Government	<ul style="list-style-type: none"> <li>Faster decentralization reform of fiscal process is needed. Decentralization is in process of transferring decisions and actions from Government to local level;</li> <li>Staff development at local government and community level must be intensified;</li> <li>Training in planning and management of local development must be hastened as this will form the basis upon which the local government human capacity will be strengthened.</li> <li>Conducting of a staff audit;</li> <li>Opening of Energy Efficiency Info Centers (EE info centers) for all citizens;</li> <li>Realization of thematic promotional informative campaigns for raising awareness of citizens about energy efficiency in buildings;</li> <li>Educational campaigns on designing, construction and usage of sustainable buildings for pre-determined groups of citizens.</li> </ul>
Visibility	North-West Croatia Regional Energy Agency has provide updated data and facts of the pilot policies for the online platform in order to show project impact, motivating local authorities and as accountability and raising awareness action for actors affected by the pilot policies.
Estimate of expected energy savings (MWh)	Municipality of Brdovec: 5,654 City of Klanjec: 1,550 City of Jastrebarsko: 10,131 City of Dugo Selo: 6,540 City of Pregrada: 2,799
Estimate CO <sub>2</sub> emission reduction (t CO <sub>2</sub> )	Municipality of Brdovec: 1,159 City of Klanjec: 318 City of Jastrebarsko: 2,077 City of Dugo Selo: 1,341 City of Pregrada: 574
Monitoring body	<ul style="list-style-type: none"> <li>REGEA</li> <li>Utility Services Department of the Municipality of Brdovec</li> <li>Utility Services Department of the city of Klanjec</li> <li>Utility Services Department of the city of Jastrebarsko</li> <li>Utility Services Department of the city of Dugo Selo</li> <li>Utility Services Department of the city of Pregrada</li> </ul>
Related indicators for monitoring	<ul style="list-style-type: none"> <li>Number of family houses constructed in accordance with nZEB standards</li> <li>Building area (m<sup>2</sup>) constructed in accordance with N ZEB standards</li> <li>Investment costs (€)</li> </ul>

**Table 16** Allowed values (Heating energy and primary energy) for new Nearly Zero-Energy Buildings for coastal and continental Croatia<sup>128</sup>

ZAHTEVI ZA NOVE ZGRADE I G0EZ	$Q'_{t,ed}$ [kWh/(m <sup>2</sup> ·a)]						$E_{prim}$ [kWh/(m <sup>2</sup> ·a)]				$E_{del}$ [kWh/(m <sup>2</sup> ·a)]	
	NOVA ZGRADA I G0EZ						NOVA		G0EZ		NOVA	
	kontinent, $\theta_{ext} \leq 3$ °C			primorje, $\theta_{ext} > 3$ °C			kont $\theta_{ext} \leq 3$ °C		prim $\theta_{ext} > 3$ °C		kont $\theta_{ext} \leq 3$ °C	
	$f_h \leq 0,20$	$0,20 < f_h < 1,05$	$f_h \geq 1,05$	$f_h \leq 0,20$	$0,20 < f_h < 1,05$	$f_h \geq 1,05$	$\leq 3$ °C	$> 3$ °C	$\leq 3$ °C	$> 3$ °C	$\leq 3$ °C	$> 3$ °C
Višestambena	40,50	$32,39 + 40,58 \cdot f_h$	75,00	24,84	$19,86 + 24,89 \cdot f_h$	45,99	120	90	80	50	80	60
Obiteljska kuća	40,50	$32,39 + 40,58 \cdot f_h$	75,00	24,84	$17,16 + 38,42 \cdot f_h$	57,50	115	70	45	35	80	50
Uredska	16,94	$8,82 + 40,58 \cdot f_h$	51,43	16,19	$11,21 + 24,89 \cdot f_h$	37,34	70	70	35	25	40	40
Obrazovna	11,98	$3,86 + 40,58 \cdot f_h$	46,48	9,95	$4,97 + 24,91 \cdot f_h$	31,13	65	60	55	55	60	60
Bolnica	18,72	$10,61 + 40,58 \cdot f_h$	53,21	46,44	$41,46 + 24,89 \cdot f_h$	67,60	300	300	250	250	220	220
Hotel i restoran	35,48	$27,37 + 40,58 \cdot f_h$	69,98	11,50	$6,52 + 24,89 \cdot f_h$	32,65	130	80	90	70	90	50
Sportska dvorana	96,39	$88,28 + 40,58 \cdot f_h$	130,89	37,64	$32,66 + 24,91 \cdot f_h$	58,82	400	170	210	150	290	110
Trgovina	48,91	$40,79 + 40,58 \cdot f_h$	83,40	13,90	$8,92 + 24,91 \cdot f_h$	35,08	450	280	170	150	290	170
Ostale nestambene	40,50	$32,39 + 40,58 \cdot f_h$	75,00	24,84	$19,86 + 24,89 \cdot f_h$	45,99	150	100	/	/	80	60

Kod zgrade ili zone zgrade visine kata veće od 4,2 m **može** se izraditi proračunski iskaz  $A_k$  kao računske vrijednosti za provjeru zadovoljavanja uvjeta iz tablica 8. i 9. iz ovog priloga propisa, na način da se zgrada ili dio zgrade visine kata veće od 4,2 m podijeli na horizontalne odsječke visine po 4,2 m i za broj odsječaka visine 4,2 se multiplicira stvarni  $A_k$  tog dijela zgrade.

Residential buildings		Non-residential buildings		Other nZEB requirements	
Technical regulation on rational use of energy and thermal protection in buildings Official Gazette 128/15,	(kWh/m <sup>2</sup> *a) – primary energy demand <sup>129</sup>				Requirements for heating energy demand, energy efficiency factor and maximum CO <sub>2</sub> emissions apply as well. Minimum 30% of primary energy consumption must be generated from renewables. Ranges of primary energy in this table are depending on climate zone where the building is located (continental or coastal area) and intended use of the building (eight categories- multiple dwellings, single-family homes, office
	New	Existing	New	Existing	
	35-80	n/a	25-250	n/a	

<sup>128</sup> [https://narodne-novine.nn.hr/clanci/sluzbeni/2018\\_09\\_86\\_1705.html](https://narodne-novine.nn.hr/clanci/sluzbeni/2018_09_86_1705.html)

<sup>129</sup> Source: <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32010L0031&from=EN>

70/2018, 73/2018, 86/2018					building, educational building, hospitals, hotels and restaurants, sports hall, commerce buildings).
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## 7.2 Process of designing local fiscal policies to promote renewable energy sources

The process of implementing and monitoring of local fiscal policy to promote renewable energy sources can be divided into four main steps:

- ✚ Preparatory activities for the Process (political will, coordination, professional resources, participation etc.);
- ✚ Include local fiscal policy to promote renewable energy sources in the Sustainable Energy Action Plans (SEAPs);
- ✚ Monitoring and controlling the implementation of identified measures according to the methodology
- ✚ Drafting a report on status of local fiscal policy to promote renewable energy sources every two years.

There are a large number of activities within these four steps that should be implemented in order to successfully carry out the Process.

### 7.2.1 Preparatory activities for the Process

The main activity in the preparatory phase of the process is to achieve the political will necessary for its initiation and realisation. The support of the Mayor is essential for the successful realisation of the Process. The signing of the Letters of support to LOCAL4GREEN project demonstrates that the city/municipal administration understands the importance of sustainable energy development for the City/municipality, but this is only the first step in the right direction. Other steps must follow, the most important of which is the allocation of the required human and financial resources. Decision-makers in the city administration must be involved in the Process from the very beginning, namely from the signing of the Covenant. They are the ones that can and should give support to all stages of the Process, because successful implementation is only possible with their full support.

The City/Municipal administration has the following tasks in the implementation of the local fiscal policies to promote renewable energy sources:

- ✚ Successfully integrate the measures from the SEAPs in the development strategy for the City/Municipality;
- ✚ Allocate the professional staff required for implementation of identified measures relating to renewable energy sources;
- ✚ Allocate financing means for measures implementation;
- ✚ Secure monitoring and reporting on realisation of the implementation local fiscal policies to promote renewable energy sources;
- ✚ Continuously inform citizens and entrepreneurs on implementation;
- ✚ Secure participation of all stakeholders and interested citizens in the whole process, from Action Plan development through implementation;



- ✚ Active involvement in the network of signatories to the Covenant of Mayors, for the purposes of a continuous exchange of good practices and joint cooperation in building sustainable urban areas in Europe.

The successful completion of the process comprising the development, implementation and monitoring of the local fiscal policies to promote renewable energy sources will benefit the Cities and its citizens, but also strengthen the political power of the city administration, which, through the successful implementation of the whole process, will:

- ✚ Demonstrate its dedication to a sustainable energy development of the city/municipality and to the principles of environmental protection, energy efficiency and renewable energy sources;
- ✚ Lay down the foundations for a sustainable energy development of the city/municipality;
- ✚ Improve the citizens' quality of life (improve air quality, reduce CO<sub>2</sub> emission etc.).

From the successful implementation of local fiscal policies to promote renewable energy sources will directly or indirectly benefit all citizens and entrepreneurs.

### **7.3 Include local fiscal policy to promote renewable energy sources in the Sustainable Energy Action Plans (SEAPs)**

Implementation of designed local fiscal policies to promote renewable energy sources will result in the CO<sub>2</sub> emissions reduction target of more than 2,814 t CO<sub>2</sub> % by 2050.

First implementation step is to establish a Working Group for local fiscal policies to promote renewable energy sources implementation and to appoint a chairperson. Main task of the working group is to coordinate the implementation process. First requirement for successful coordination is to draft and implement an effective communications strategy on two levels. On the first level, a continuous flow of information must be secured between the various city offices, services and departments, i.e. between all entities involved in the implementation of energy efficiency projects and the persons responsible for project implementation. On the second level, information on all activities during the implementation must be communicated to citizens and stakeholders. Good communication and the appropriate professional experience and skills of the working group members are essential for successful implementation of local fiscal policies to promote renewable energy sources.

#### **7.3.1 Control and monitoring**

The implementation control and monitoring phase should run on several levels concurrently:

- ✚ Monitor the implementation schedule
- ✚ Monitor and control set energy savings targets;
- ✚ Monitor and control achieved CO<sub>2</sub> emissions reductions.

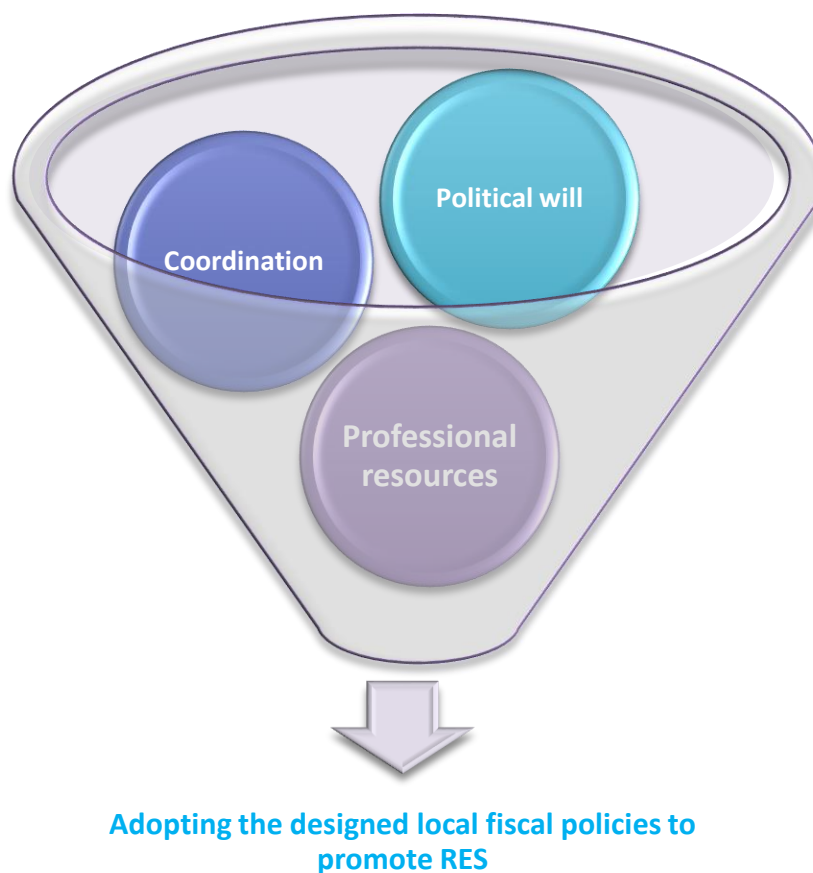


### 7.3.2 Drafting a report on status of local fiscal policy to promote renewable energy sources every two years

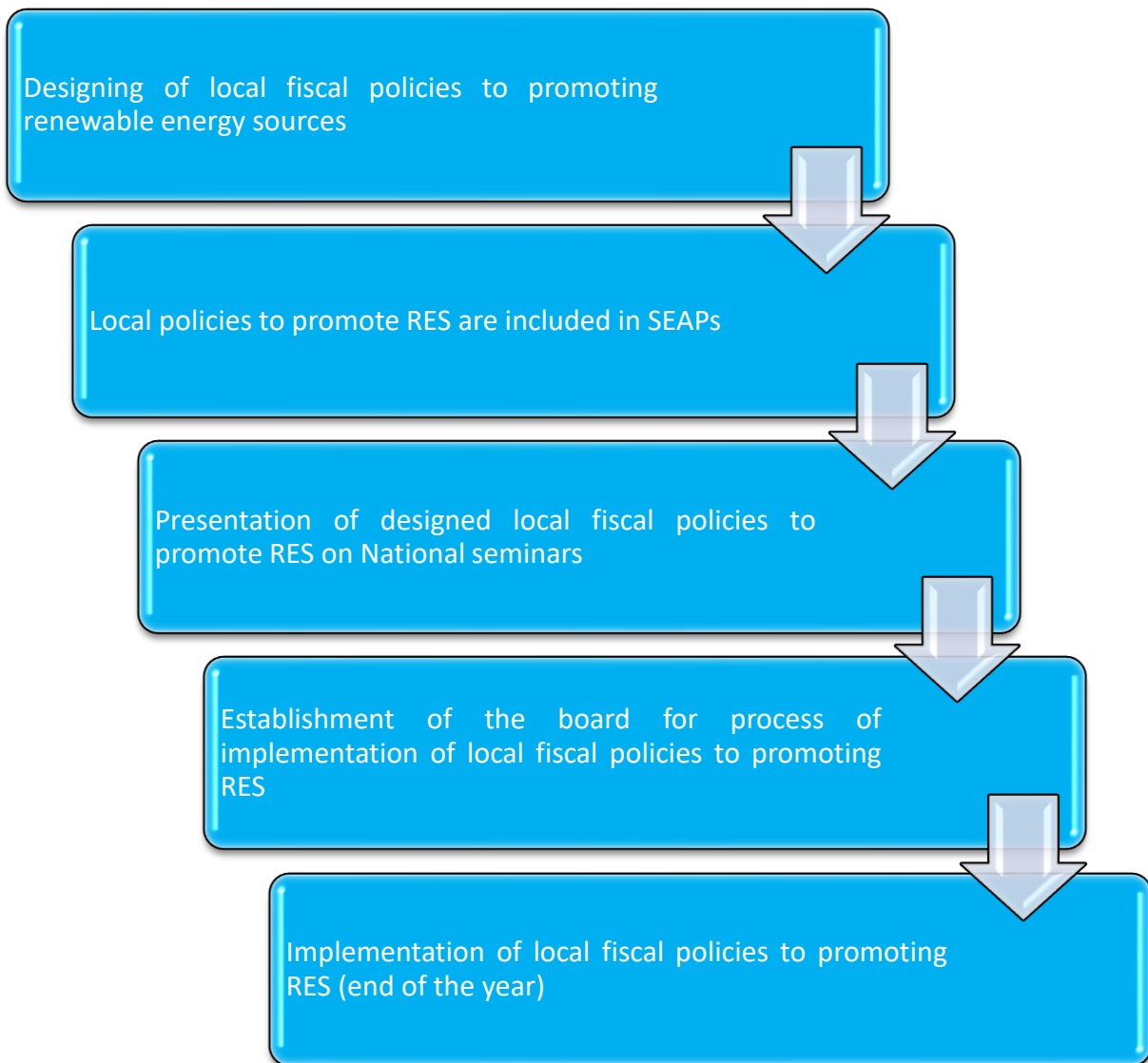
REGA prepared templates for entry main parameters (responsible person, energy consumption and CO<sub>2</sub> emissions according to the EC sectors classification, set targets etc.).

The process of designing local fiscal policies to promote renewable energy can be divided into the main steps, **Figure 25**.

**Figure 26** shows status of the process of designing local fiscal policies to promote renewable energy sources.



**Figure 25** Main steps of process of designing local fiscal policies to promote renewable energy



**Figure 26** Status of the process of designing local fiscal policies to promote renewable energy

#### 7.4 Designed local fiscal policies to promote renewable energy sources – SWOT analysis

SWOT analysis involves the collection and portrayal of information about internal and external factors which have, or may have, an impact on designed local fiscal policies to promote renewable energy in local pilots authorities in Croatia. **Figure 27** shows SWOT analysis step by step.



**Figure 27** SWOT Analysis - Step by Step

Results of SWOT analysis are given in the table below, **Table 17**.

**Table 17** SWOT analysis

<b>Strengths:</b> <ul style="list-style-type: none"> <li>✚ Increasing the number of nearly zero energy buildings;</li> <li>✚ Maximal contribution to the security and diversity of city's power supply;</li> <li>✚ Increase of the share of power obtained from renewable sources;</li> <li>✚ Enabling the transformation of urban areas into ecologically sustainable areas</li> </ul>	<b>Weaknesses</b> <ul style="list-style-type: none"> <li>✚ Investment gap not filled</li> <li>✚ Local authorities internal calendars;</li> <li>✚ Technical (legal) inertia;</li> <li>✚ Local authorities have little room to modify their fiscal policies;</li> <li>✚ Limited financial resources available (households/residential sector)</li> <li>✚ lack of knowledge about nZEB standards (households/residential sector)</li> </ul>
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<ul style="list-style-type: none"> <li>✚ To increase the share of renewable local energy sources in energy mix strategies and plans in specific MED territories;</li> <li>✚ Reduction of carbon dioxide emissions (CO<sub>2</sub>) in the atmosphere;</li> <li>✚ Political willingness</li> <li>✚ Reducing energy consumption;</li> <li>✚ Energy savings;</li> <li>✚ Integration with other public authorities by using online platform of the project</li> <li>✚ prevention of energy poverty - reduction of energy costs on the user/consumer side (households, population).</li> </ul>	
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>✚ Continuous employees education about nZEB trends in order to strengthen competence</li> <li>✚ Awareness-raising and training initiatives to inform citizens of the benefits of construction buildings according to ZEB standards;</li> <li>✚ Further improving exchange of information between public authorities in order to reduce CO<sub>2</sub> emission and energy consumption.</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>✚ Lack of technical and administrative capacity;</li> <li>✚ Lack of necessary knowledge and motivation</li> <li>✚ Insufficient number of employees;</li> <li>✚ Lack of interest from the local authorities to adopt fiscal policies (potential loss of budget income);</li> <li>✚ Doubtful reaction from citizens regarding construction of houses according to Nearly zero-energy buildings (nZEB) or passive standard;</li> <li>✚ Number of newly built houses/buildings cannot be estimated precisely;</li> <li>✚ Long period of return on investment</li> <li>✚ Lack of information;</li> <li>✚ Lack of promotion via local media</li> <li>✚ Investment cost of construction buildings according to ZEB standards</li> </ul>

## 7.5 Letters of confirmation

Attached letters of confirmation are given bellow.

### LETTER OF CONFIRMATION

Purpose of this letter is to confirm that North-west Croatia Regional Energy Agency (REGEA) has prepared progress report on implementation of the Sustainable Energy Action Plan for the City of Dugo Selo due to the influence of the LOCAL4GREEN project. New fiscal measures have been added in the progress report on implementation of the Sustainable Energy Action Plan for the City of Dugo Selo as the result of LOCAL4GREEN project (for example decision on a reduction of the Public utility fee by the City Council for new and existing buildings using RES ect).

Kind regards,

Mayor

  
Nenad Panjan, dr.med.dent.

Dugo Selo, 24 August 2018

**Figure 28** Letter of confirmation, city of Dugo Selo

## LETTER OF CONFIRMATION

Purpose of this letter is to confirm that North-west Croatia Regional Energy Agency (REGEA) has prepared progress report on implementation of the Sustainable Energy Action Plan for the City of Jastrebarsko due to the influence of the LOCAL4GREEN project. New fiscal measures have been added in the progress report on implementation of the Sustainable Energy Action Plan for the City of Jastrebarsko as the result of LOCAL4GREEN project (for example decision on a reduction of the Public utility fee by the City Council for new and existing buildings using RES ect).

Kind regards,


 Mayor  
 Zvonimir Novosel dipl. ing.

Jastrebarsko, 24 August 2018

**Figure 29** Letter of confirmation, city of Jastrebarsko



REPUBLIKA HRVATSKA  
KRAPINSKO-ZAGORSKA ŽUPANIJA  
GRAD KLANJEC  
GRADONAČELNIK

## LETTER OF CONFIRMATION

Purpose of this letter is to confirm that North-west Croatia Regional Energy Agency (REGEA) has prepared progress report on implementation of the Sustainable Energy Action Plan for the City of Klanjec due to the influence of the LOCAL4GREEN project. New fiscal measures have been added in the progress report on implementation of the Sustainable Energy Action Plan for the City of Klanjec as the result of LOCAL4GREEN project (for example decision on a reduction of the Public utility fee by the City Council for new and existing buildings using RES ect).

Kind regards,

Klanjec, 24 August 2018



**Figure 30** Letter of confirmation, city of Klanjec





REPUBLIC OF CROATIA  
KRAPINA-ZAGORJE COUNTY  
CITY OF PREGRADA  
MAYOR

Klasa: 302-01/17-01/08  
Urbroj: 2214/01-04-18-2  
Pregrada, 27. August 2018

## LETTER OF CONFIRMATION

Purpose of this letter is to confirm that North-west Croatia Regional Energy Agency (REGEA) has prepared progress report on implementation of the Sustainable Energy Action Plan for the City of Pregrada due to the influence of the LOCAL4GREEN project. New fiscal measures have been added in the progress report on implementation of the Sustainable Energy Action Plan for the City of Pregrada as the result of LOCAL4GREEN project (for example decision on a reduction of the Public utility fee by the City Council for new and existing buildings using RES ect).

Kind regards,

Mayor  
Marko Vešligaj, univ.spec.pol.






**Figure 31** Letter of confirmation, city of Pregrada



**Figure 32** Letter of confirmation, municipality of Brdovec

## 8 ESTIMATE OF EXPECTED ENERGY SAVINGS AND CO<sub>2</sub> EMISSION REDUCTION

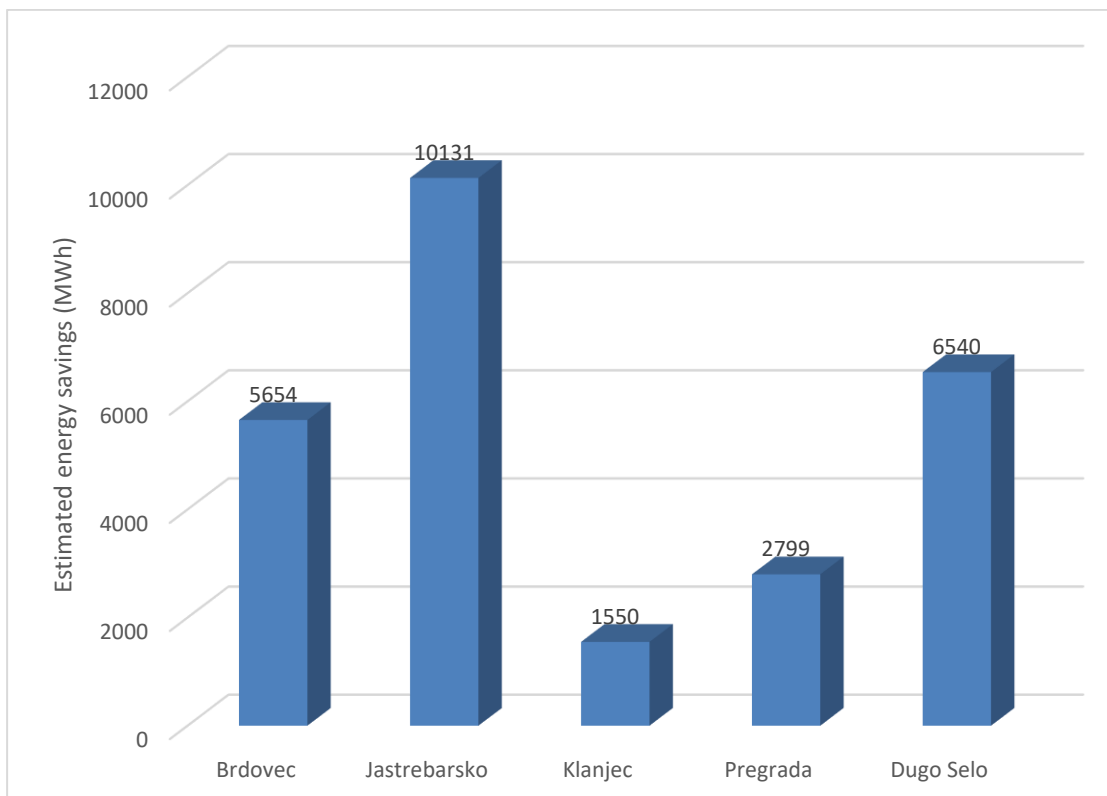
Methodological assumptions:

- Comparison between an average existing house (150 m<sup>2</sup>) in Croatia and construction of a new one according to three different building standards was made:
  -  Technical regulation
  -  Nearly-zero energy building
  -  Passive/active house standard
- Time frame – 20 years
- Percentage of newly built houses in pilot regions – 3-4%
- Percentage of newly built houses according to nZEB – 30%
- The energy savings consist of the difference between constructing a new house according to minimal technical regulations and the nZEB/passive house standard
- This fiscal policy supports going beyond minimal energy performance requirements (more renewable energy systems)
- nZEB standard will eventually become a regular technical standard so the fiscal policy will have to target passive/active house standard.

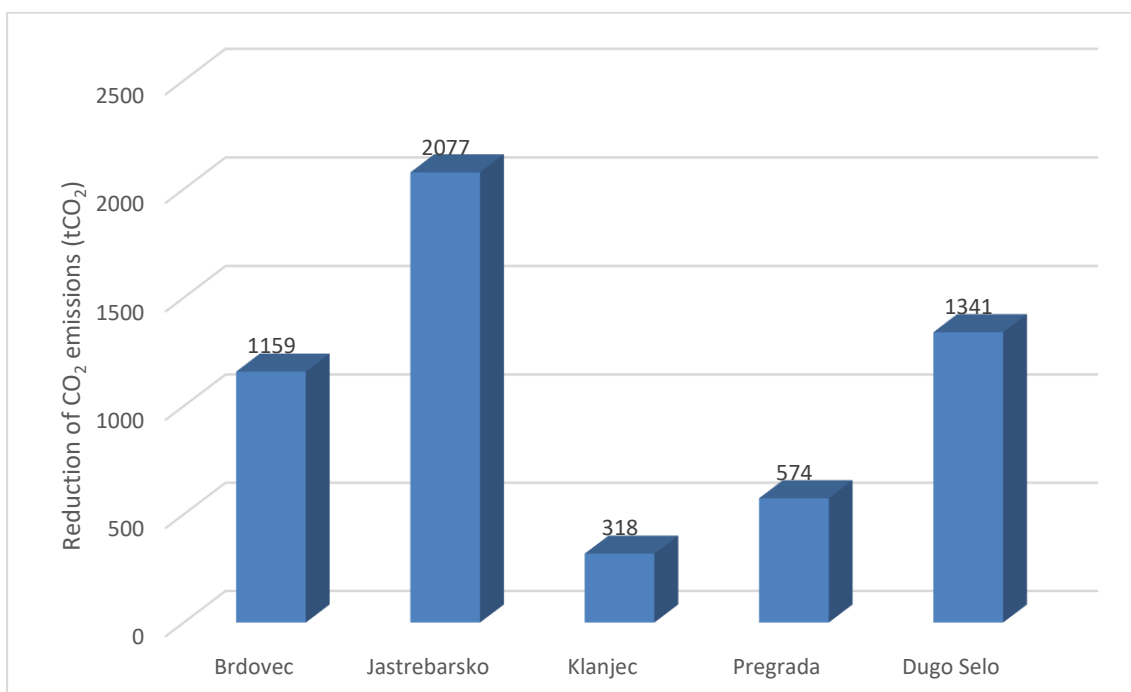
**Table 18** Show expected energy savings. **Figure 33** show estimated energy savings (MWh) and **Figure 34** show estimate reduction of CO<sub>2</sub>.

**Table 18** Expected energy savings

Pilot Municipality /city	Residential buildings area (m <sup>2</sup> )	Estimated number of family houses (constructed in accordance with nZEB)	Estimated buildings area constructed in accordance with nZEB (m <sup>2</sup> )	Percentage of new nZEB houses	Estimated energy savings (MWh)	Reduction of CO <sub>2</sub> emissions (t CO <sub>2</sub> )
Brdovec	287,870	78	11,702	4.06%	5,654	1,159
Jastrebarsko	575,661	140	20,967	3,64%	10,131	2,077
Klanjec	78,585	21	3,209	4,08%	1,550	318
Pregrada	159,056	39	5,793	3,64%	2,799	574
Dugo Selo	397,916	90	13,535	3,40%	6,540	1,341



**Figure 33** Estimated energy savings (MWh)



**Figure 34** Estimate reduction of CO<sub>2</sub> emissions (t CO<sub>2</sub>)

**Table 19** CO<sub>2</sub> Emission factors<sup>130</sup>

Energy type	[kgCO <sub>2</sub> /kWh]
Fuel oil	0.273
Motor gasoline	0.250
Diesel	0.267
Natural gas	0.202
Electrical energy	0.330
Biomass	0

<sup>130</sup> Pravilnik o sustavu za praćenje, mjerenje i verifikaciju ušteda energije Official gazette 71/15, [https://narodne-novine.nn.hr/clanci/sluzbeni/2015\\_06\\_71\\_1368.html](https://narodne-novine.nn.hr/clanci/sluzbeni/2015_06_71_1368.html)

## **9 PROPOSAL OF POLITICAL IMPACT IN NATIONAL AND/OR REGIONAL GOVERNMENTS TO IMPROVE THE CAPACITY OF LOCAL AUTHORITIES TO IMPLEMENT GREEN FISCAL MEASURES, PARTICULARLY FEES, TAXES AND OTHER FISCAL REVENUE, IN ORDER TO FOSTER RENEWABLE ENERGY SOURCES**

### **9.1 Recommendation on the local green tax**

Following possibility of local fiscal policies to promote renewable energy sources are tested in work package 3:

1. Croatian Tax System
2. Tariffs/fees
3. Concession.

All above mentioned possibilities of local fiscal policies to promote renewable energy sources has been analyzed within the prepared Deliverable 3.3.1 Green Local taxation system description for testing - Preliminary studies and Deliverable 3.5.1 Evaluation reports of green local fiscal policies implementation. Results of prepared deliverables were shown that the legal framework in Croatia does not allow much variety of local fiscal measures. The only realistic instruments for promoting renewable energy sources is the communal infrastructure and the public utility fee. Implementation of other fiscal measures is not possible due to the legislative framework in Republic of Croatia.

This chapter proposes particular fiscal measures, which are deemed to have incentivising potential regarding the use of renewable energy, that cannot currently be adopted by local authorities as regulations allowing them to do so are required.

Specific proposed measures are refer to the real transfer tax, tax on holiday houses.

#### **1. Real transfer tax**

In Republic of Croatia local authorities manage real transfer tax. Taxable persons is the acquirer of real Government in Croatia when on such acquisition, value added tax is not paid.<sup>131</sup> The supplier of the property who is registered as a value added tax payer calculates and pays value added tax when they deliver<sup>132</sup>:

- Building plots and
- Buildings or parts there of if they are occupied or used for less than 2 years.

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<sup>131</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>132</sup> Republic of Croatia, Ministry of Finance, Tax Administration

Tax rates: 3% (January 1, 2019).

Surcharges should be established in real transfer tax that aim to finance the measures/activities relating to climate change mitigation and adaptation to its effects as set out in the Sustainable Energy and Climate Action Plans under the Covenant of Mayors framework.

Alternatively, tax relief or tax reductions should be established for real transfer tax that use energy from renewable sources for the consumption needs of their occupants or for the activities undertaken in them. In this respect, the energy produced on properties should be likened to the formalisation of agreements with supplier companies that prove that the corresponding electric energy comes from renewable energy sources.

Tax relief or reductions are easily extendible to the promotion of energy efficiency. Tax on immovable property is common in most European municipalities. In many of those municipalities, the undertaking of an evaluation and the issuance of energy efficiency certificates have been established for certain transactions. In addition to taxes on immovable property, considering a tariff reduction or increase according to the energy efficiency rating is proposed.

Proposed exemptions:

- Any homeowner may be eligible for real transfer tax exemptions if they have renovated their home
- Any homeowner may be eligible for real transfer tax exemptions if they purchased a newly constructed home that was built to nearly zero energy standards.

## 2. Tax on holiday houses

Taxable persons it is legal and natural person who is the owner of a holiday house.<sup>133</sup> Subject of taxation it is m<sup>2</sup> of usable area of a holiday house.<sup>134</sup> Amount of tax it is from 5 HRK to 15 HRK per m<sup>2</sup> of usable area.<sup>135</sup> A city/municipality prescribes the amount of tax on a holiday house depending on the location, the age, government of infrastructure and other circumstances that are essential for the use of a holiday house ect<sup>136</sup>. Proposed exemptions from tax on holiday houses it is for holiday houses constructed according to nearly zero energy standards. As in the previous case, despite said fees or other similar types of taxation being handled by local authorities, on many occasions, local authorities cannot incorporate increases or reductions for using fossil fuels or renewable energy sources. Competent authorities should undertake the reforms required to empower local authorities to fix surcharges on these fees for taxpayers that use non-renewable sources of energy.

<sup>133</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>134</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>135</sup> Republic of Croatia, Ministry of Finance, Tax Administration

<sup>136</sup> Republic of Croatia, Ministry of Finance, Tax Administration



## 10 PROJECT RESULTS

LOCAL4GREEN support local authorities for defining and implementing innovative local fiscal policies, intended to promote renewable energy sources both in the public and private sector and households, mainly in the framework of the Sustainable Energy Action Plans adopted by the signatory local authorities to the Covenant of Mayors.

The project covered specific MED territories: rural areas and islands. In these kind of territories where local authorities have economical and technical constraints, renewable energy sources promotion plans should prioritize collaboration and active roles for public and private sectors. Green fiscal policies have a key role in increasing renewable energy sources, being proper tools to engage both public and private actors in their promotion.

The project has a duration of 36 months, from 1st November 2016 till 31th October 2019.

Co-financing - The project has a total eligible budget of 2,013,423.15 €. The co-financing rate is 85%, so the contribution of Interreg MED Programme to the project is 1,711,409.70 €. The co-financing comes from the European Regional Development Fund, except in the case of Albania, that comes from funds of the Instrument for Pre-Accession Assistance.

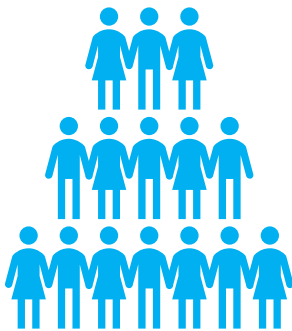
Summary of Results from the LOCAL4GREEN project conducted so far in the Republic of Croatia:



**Number of Pilot local authorities in Republic of Croatia included into the project LOCAL4GREEN: 5**



**5 Municipality/cities with implemented local fiscal policies to promote renewable energy sources.**



**Rural population covered by green local fiscal policies for renewable energy sources promotion: 51,640 inhabitants.**



**Target groups involvement: 423. Conference of Mayors held on 21 – 23 November 2018 in Split, Podstrana, Republic of Croatia organised by LIDER Media and attended by more then 100 Mayors, media, energy agencies, private companies, banks and citizens. The National seminar was organised within the Conference of Mayors.**

**Conference InvestCro held on 12 June 2019 in Zagreb organized by Poslovni dnevnik and attended by Mayors, media, energy agencies, private companies and citizens. Second National seminar was organized within the Conference.**



**Estimate of expected energy savings: 26,674 MWh**



**Estimate of expected CO<sub>2</sub> emission reduction: 5,469 t CO<sub>2</sub>**

## 11 CONCLUSION AND RECOMMENDATIONS

North-West Croatia Regional Energy Agency through the project LOCAL4GREEN has tested green local fiscal policies intended to promote renewable energy sources in five pilots: Brdovec, Jastrebarsko, Klanjec, Pregrada and Dugo Selo. REGEA has prepared following deliverables for all local pilot authorities:

- Deliverable 3.2.1 Platform for accountability about pilot policies impact – Tool - feeding the data about the impact of the green local fiscal policies tested in the project;
- Deliverable 3.3.1 Green Local taxation system description for testing – Preliminary studies;
- Deliverable 3.4.1 Permanent technical support service for green local fiscal policy pilots implementation – Service;
- Deliverable 3.5.1 Evaluation reports of green local fiscal policies tested in the project.

Based on the evaluation of the pilot local policies best practices has been selected and systematized in this document to allow dissemination and application in other cities/municipalities in Republic of Croatia.

This document is prepared as part of activity A 4.1 Elaboration of tools to transfer local fiscal policies to promote renewable energy sources of work package 4 and named Deliverable number 4.1.2 National Handbooks on green local fiscal policy models. It provides information on tested local fiscal policies to promote renewable energy sources in five local authorities and summarizes the key actions of each tested policies for further processing them in the LOCAL4GREEN project (Municipal regulation, procedures, administrative capacity etc). These key findings of best practice it will be used for project dissemination and application in other local authorities.

Recommendations for pilots local authorities include the following:

- ✚ Establishing publicly accessible databases with examples of good practice about designed local fiscal policies to promote renewable energy in all pilot municipalities in 9 countries;
- ✚ Launching of a publicity and awareness-raising campaign on the approved local fiscal policy promoting renewable energy
- ✚ Informing citizens and entrepreneurs about status of designed local fiscal policies to promoting renewable energy sources;
- ✚ Initiating and continuously implementing educational programmes for all target groups;
- ✚ Establishing good communication channels for the exchange of knowledge and experience between different levels of administration (national, regional, county, local);
- ✚ Continuously carrying out promotional-educational activities for different target groups with emphasis on the positive effects of designed local fiscal policies to promote renewable energy sources;
- ✚ Continuously informing stakeholders and the public about the implementation of local fiscal policies to promote renewable energy sources.

## 12 SOURCES OF DATA

Tax Administration - Republic of Croatia - Ministry of Finance

Ministry of finance Republic of Croatia

Ministry of Environment and Energy

Ministry of Construction and Physical Planning

Environmental Protection and Energy Efficiency Fund

The Croatian Tax System

Income Tax Act, (Official Gazette of RC 'Narodne novine' No. 177/04, 73/08, 80/10, 114/11, 22/12, Decision CCRC 120/12, 144/12, 125/13, 148/13, 143/14).

Regulations on Renting of Flats, Rooms and Beds to Travelers and Tourists and Organizing Campsites which will be Presumptively Taxed, on the Amount of the Presumptive Tax and on the Method of Payment of the Presumptive Tax (Official Gazette of RC 'Narodne novine' No. 48/05, 148/09).

Regulations on Presumptively Taxation of Independent Activities (Official Gazette of RC 'Narodne novine' No. 143/06, 61/12, 160/13).

Regulations Concerning Income Tax, (Official Gazette of RC 'Narodne novine' No. 95/05, 96/06, 68/07, 146/08, 2/09, 9/09 - correction, 146/09, 123/10, 137/11, 61/12, 79/13, 160/13, 157/14).

Plan for increasing the number of buildings of nearly zero energy by the year 2020, Energy Institute Hrvoje Požar

Long-Term Strategy for Mobilising Investment in Renovation of the National Building Stock of the Republic of Croatia, Ministry of construction and physical planning

Program for energy refurbishment of public sector buildings 2016 -2020

Zakon o financiranju jedinica lokalne i područne (regionalne) samouprave („Narodne novine“ broj 117/93, 33/00, 73/00, 59/01, 107/01, 117/01, 150/02, 147/03, 132/06),

Odluka Ustavnog suda Republike Hrvatske broj U-I-1559/2001 i U-I-2355/2002 („Narodne novine“ br. 26/07),

Opći porezni zakon („Narodne novine“ broj 127/00, 86/01, 150/02 ),

Zakon o porezu na dohodak („Narodne novine“ broj 177/04),

Gradski ili općinski porezi [www.porezna-uprava.hr](http://www.porezna-uprava.hr) 71

Pravilnik o porezu na dohodak („Narodne novine“ broj 95/05, 96/06, 68/07),

Pravilnik o djelatnostima iznajmljivanja stanova, soba i postelja putnicima i turistima te organiziranja kampova koje će se paušalno oporezivati, o visini paušalnog poreza i načinu plaćanja paušalnog poreza („Narodne novine“ broj 48/05),

Pravilnik o paušalnom oporezivanju samostalnih djelatnosti („Narodne novine“ broj 143/06),

Odluka grada/općine o gradskim/općinskim porezima

<https://www.tzgj.hr/en/jastrebarsko.html>

<https://en.wikipedia.org/wiki/Jastrebarsko>

<http://www.tzzz.hr/en/destinations/podrucja/municipality-of-brdovec/>

<https://en.wikipedia.org/wiki/Klanjec>

<https://narodne-novine.nn.hr/clanci/sluzbeni/dodatni/436502.pdf>

Sustainable energy action plan of the municipality of Brdovec (SEAP)

Sustainable energy action plan for the city of Klanjec

Sustainable energy action plan for the city of Dugo Selo

Sustainable energy action plan for the city of Jastrebarsko

Sustainable energy action plan for the city of Pregrada

Pravilnik o sustavu za praćenje, mjerenje i verifikaciju ušteda energije Official Gazette 71/15,  
[https://narodne-novine.nn.hr/clanci/sluzbeni/2015\\_06\\_71\\_1368.html](https://narodne-novine.nn.hr/clanci/sluzbeni/2015_06_71_1368.html)

Report on nZEB initiatives from the Central Europe region

[https://mgipu.gov.hr/UserDocsImages/dokumenti/Engleska/LTS\\_CRoatia\\_2017-EN.pdf](https://mgipu.gov.hr/UserDocsImages/dokumenti/Engleska/LTS_CRoatia_2017-EN.pdf)

Income Tax Act, (Official Gazette No. 177/04, 73/08, 80/10, 114/11, 22/12, Decision CCRC 120/12, 144/12, 125/13, 148/13, 143/14).

Regulations on Renting of Flats, Rooms and Beds to Travelers and Tourists and Organizing Campsites which will be Presumptively Taxed, on the Amount of the Presumptive Tax and on the Method of Payment of the Presumptive Tax (Official Gazette No. 48/05, 148/09).

Regulations on Presumptively Taxation of Independent Activities (Official Gazette No. 143/06, 61/12, 160/13).

Regulations Concerning Income Tax, (Official Gazette No. 95/05, 96/06, 68/07, 146/08, 2/09, 9/09 - correction, 146/09, 123/10, 137/11, 61/12, 79/13, 160/13, 157/14).

Profit tax law (Official Gazette 177/04, 90/05, 57/06, 146/08, 80/10, 22/12, 148/13, 143/14, 50/16, 115/16)

Ordinance on the profit tax (Official Gazette 95/05, 133/07, 156/08, 146/09, 123/10, 61/12, 146/12, 160/13, 12/14, 157/14, 137/15, 1/17)

[https://www.porezna-uprava.hr/hr\\_propisi/layouts/in2.vuk.sp.propisi.intranet/propisi.aspx?id=pro1621](https://www.porezna-uprava.hr/hr_propisi/layouts/in2.vuk.sp.propisi.intranet/propisi.aspx?id=pro1621)

<https://www.covenantofmayors.eu/>