

Replicable Practices

Green Energy Cooperative, Križevci - Croatia

Project description

In 2018, Green Energy Cooperative (ZEZ) launched the first crowd-investing initiative in Croatia, supported by Križevci local authorities. A solar PV system was installed on the rooftop of Križevci's Development Center and Technology Park's administrative building.

ZEZ was a mentor in PROSPECT, and in 2022, the city of Križevci joins PROSPECT+ with their project "Sunny Roofs".

The Measures

Green Energy Cooperative provides solar equipment for lease to the city of Križevci, the owner of the building, for 10 years. All investors sign a loan agreement with the Cooperative for 10 years as well, for which an annual interest on accrued funds is projected.

The modelled system (50 kW), installed on the rooftop of the business centre, will primarily cover the needs of the users of the centre in terms of electricity. The city pays the actual electricity consumption, and from the monthly savings it would return investment to citizen-investors. The energy surplus will be sold to the network.

After 10 years (required for the investment to pay off) the system is transferred into the city's ownership and continues to make savings.



The Model

Green Energy Cooperative is the initiator and implementing partner for this initiative. The project was developed together with partners from the city of Križevci, Regional Energy Agency North, Greenpeace Croatia, Solvis and ACT Group.

"The Sunny Roofs Project started an important conversation on citizen owned energy and involvement of citizens in energy transition. It also inspired the establishment of local (citizen) energy cooperative KLIK which is now, in partnership with Križevci Municipality, leading the energy transition of the city."

- Ivana Šatrak, expert associate at KLIK energy cooperative and Energy-climate office in Križevci

The City of Križevci provides administrative and financial support in the preparation phase and grants an energy saving annual fee for 10 years to the investors. The cooperative used the crowd investment, micro-loan model to involve the citizens in the sustainable development of their city. Through this system, citizens lend money to the cooperative who is paying them back with 4.5% fixed interest. The interest rate is set to be somewhat higher than the annual average inflation rate over the last 13 years and the annual interest rates given by commercial banks, so it should be interesting and attractive for lenders.

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Key figures for the city library

- 3% interest
- 10 years contract duration
- 31,5 t annual CO2 savings
- €23.165 investment
- €296 monthly rent



Key figures for the Development Center and Technological Park in Križevci

- 4,5% interest
- 10 years contract duration
- 38,8 t annual CO2 savings
- €30.000 investment
- €405 monthly rent



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Technical and financial details

The total project worth is around €65,000. Thanks to the crowd-investing initiative, ZEZ collected about €31,000, enough to fully fund a 30 kW PV plant.

Minimum investment chip: 1,000 kuna (€130).

Maximum: 10,000 kuna (€1,300).

Average investment: 4,000 kuna (€500).

Financing scheme:

Crowdfunding - CrowdInvesting

Source of Funds:

Crowdfunding - CrowdInvesting

Phase:

Completed

Key success factors / replication potential

- The City of Križevci **encourages its citizens to invest in local RE production**, in accordance to the objectives set in their Sustainable Energy Action Plan.
- For crowd-investing projects, **intend to attract citizens – small investors**, it is advisable to offer an **interest rate higher than the one provided by commercial banks**, in order to make it more attractive.
- Crowdfunding for renewable energy has become quite common in the last few years. **Many platforms are available to manage such projects and communicate with the participants**. Furthermore, nowadays it is easier to obtain a good return on investment because of the decreasing costs of renewables.

More info and contact

<https://energy-cities.eu/best-practice/crowd-investing-for-solar-roofs-in-krizevci/>

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PROSPECT+ fosters capacity building in regional and local authorities in order to finance and implement effective and efficient sustainable energy plans, including their proper monitoring and verification.

<https://www.h2020prospect.eu/>



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