

CREATION OF 14 CONSUMERS PURCHASING GROUPS

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1. Introduction

This document brings a general overview of Consumer Purchasing Groups (CPG) implementation in FIESTA partner cities, which were supposed to lead towards the formal setup of 14 local CPG agreements based on a common transnational CPG model undergoing a localization process through 14 local negotiating tables including representatives of relevant stakeholders.

With the support from technical partners, all local authorities (LAs) have developed their CPG strategies. This turned out to be necessary in order to adapt the transnational CPG model and enable the implementation process in each country involved.

It's worth noting down that for the majority of partners this was the first encounter with the concept of Consumer Purchasing Groups, with the exception of Italy where CPGs (called *Gruppi di Acquisto Solidale* or GAS), made up of individuals or families who choose to purchase products that are ethically viable, have started to boom in 2009-2010. Some sources (<http://www.economiasolidale.net/>) report the establishment of a first group in 1994 in the town of Fidenza, a municipality in the province of Parma, but in the same year a group in Sicily was also formed. GAS diffusion was limited and largely concentrated in a few regions of Northern Italy until 2005. Around 2010 the phenomenon has expanded significantly affecting all Italian regions.

With that respect, the Italian experiences were largely utilized in other FIESTA partner countries, and a representative of one Italian CPG was invited to FIESTA 3rd project meeting held in October in Rijeka (Croatia) to present the CPG concept and best practices.

Nevertheless, due to different local contexts, it was impossible to create a joint transnational CPG model that would be implemented in the same manner in all LAs. Thus, localization process had to be put in place, adjusting the concept to particular local conditions and resources, but in any case keeping "the core" of CPG: coming together of a group of consumers and the use of the old rule of thumb - there's power in numbers, to leverage the group size in exchange for discounts. The objective of this activity is to increase household investments in energy efficiency and thus tackle the energy consumption reduction in households, primarily in social housing and family households.

The following parts of this document summarize the CPG implementation process in all Municipalities included in the FIESTA project.

2. Italy

2.1 Trieste

After discussing various options and analysing different best practice examples, and with the support from AREA Science Park, the Municipality of Trieste decided to contact local CPGs operating in the municipality and the surrounding towns, and offering them technical support from the FIESTA auditor so that they can broaden the type of purchases to include the energy

related products as well. The Municipality of Trieste didn't offer financial contribution, only technical support to CPGs. A reserve option was considered in case it turns out that the first strategy is impossible to carry through: the synergetic cooperation with the European project CLEAR - Consumers Learn Engage Adopt Renewable Energy Technologies.

As a preliminary activity, the FIESTA auditor searched for existing local CPGs and types of products they purchase regularly: at the provincial level about ten CPGs were found, mostly informal groups of private citizens but all in contact with each other and often coordinated by an association. However, the CPGs identified deal with food products and/or hygiene related products exclusively. FIESTA EHD contacted local CPGs: *CPG Altatrieste*, *CPG Le 5R*, *CPG Borgo S. Sergio*, *CPG Duino*, *Hortigas*, *CPG Mostrada*, *CPG Decrescita felice Muggia*, *CPG Arci*, *CPG Acli* and *CPG Cittavecchia* and invited them to attend a meeting held on June 6th, 2016. A few representatives of three CPGs made an appearance. They were introduced to the FIESTA project and the FIESTA EHD activities. CPGs were offered technical support of the FIESTA EHD in order to widen the types of the purchases, and to include energy related products as well. The representatives of CPGs have acknowledged their interest, but they wanted to consult their CPGs and the wider inter CPG net before giving an opinion. Unfortunately, no one contacted the FIESTA EHD concerning this proposal afterwards, and no CPGs answered the email later send by FIESTA EHD to confirm the interest in the cooperation. Certain representatives of the CPGs who were contacted by phone expressed their doubts about their capability to manage a CPG at a municipal level for purchasing energy related products they previously haven't dealt with.

On September 23rd, 2016 the Workshop for installers and retailers of heating and cooling systems took place. Local CPGs and citizens were invited to attend this meeting as well. Ultimately, the meeting was attended by representatives of the Municipality, AREA Science Park, trade associations (*Confartigianato*, *CNA* and *URES*), some CPGs (*Decrescita felice Muggia* and *Altratrieste*), and conservation groups (*Legambiente*). After the meeting, a decision was made to promote the creation of a group for the purchase of heat pump air conditioners, a product of great interest for several families.

The contacts with trade associations went on with the organization of a new meeting on January 18th, 2017. This meeting was attended by representatives of *Confartigianato*, *CNA* and *Ures*. The associations expressed their will to involve their own members, singling out not only the installers/retailers interested in participating in this initiative, but also a range of medium-high level products with defined energy performances in order to apply a discount on the price list in favour of CPG members.

Finally, an additional meeting was organized as a Local negotiating table, provided by the project to present the proposal and the products: local CPGs have been invited directly while citizens have been invited through the communication channels of the Municipality. The meeting was held on January 31st, 2017 and it confirmed the impossibility of finding a local subject interested and able

to manage the CPG (no CPGs attended the meeting) while the trade associations affirmed their interest for further cooperation. A decision was made to collect the pre-accession requests of the families potentially interested in purchasing air conditioners, defining in the meantime, with the aid of installers/retailers trade associations, a list of products with an applicable discount proportional to the number of purchases. Information concerning this initiative was given to all families recognized as clients of the FIESTA help desk and the initiative was announced via communication channels of the Municipality as well. Among the families which have shown interest in participating in the CPG for the purchase of heat pump air conditioners, 12 pre-accession requests has been collected.

In February 2017 the Municipality adopted an act which highlighted that the *Altroconsumo* association, Italian partner of the CLEAR project, is assigned to set up two CPGs (pellet heating and heat pump water heaters) and, for this reason, the drawing up of an agreement has been authorized. Therefore, on February 3rd 2017 the Cooperation agreement between the Municipality of Trieste and the consumer association *Altroconsumo* (capitalization of the results of the European projects FIESTA and *CLEAR-casarinnovabile.it*) was signed, with the aim to pursue the common goal of favouring the creation of a consumer CPG for the purchase of energy related products. For this reason two CPGs active within the *CLEAR-casarinnovabile.it* project have been promoted: the Group for pellet and pellet stove purchasing received 12 requests, while the Group for heat pump water heaters received 23 requests.

A classic CPG model was adopted, with one small deviation from the description of Annex I concerning the activity management. As a public body, the Municipality can directly manage both estimates and purchases only through complex procedures stated by the law. The cooperation with the trade associations (or with the local CPGs, if interested in an active participation) and with the consumer association *Altroconsumo* enabled overcoming these difficulties and facilitated activity implementation.

After the CPGs were promoted, however, there have been few requests for the CPG for air conditioners. Therefore, the funding of this activity proved impossible. The trade associations decided to discontinue their cooperation.

The 35 requests for the CPGs activated by *Altroconsumo-casarinnovabile.it* led to 35 inspections made by the installers in the houses of the interested families in the territory of the Municipality of Trieste; as noticed from Mr. Matteo Atzori of *Altroconsumo* in his email of July 25th, 2017 there has been neither purchase of pellet or pellet stoves, nor of heat pump water heaters: the price suggested did not appear to be convenient enough.

When it comes to possible actions in the future - after the project officially ends - on the basis of the meeting with the above-mentioned trade associations, there is an intention to carry out the projects planned in these occasions, with the hope to be able to count on a greater participation

of purchasing groups in the communal and provincial territory, despite the awareness of the current moment of widespread economic difficulty in the population.

2.2 Ravenna

The first effort Ravenna Municipality made to organize a CPG proved to be unsuccessful. An attempt was made to meet the representatives of *ALAC – associazione liberi amministratori di condominio* – Association of Free Building Managers, and to create a CPG for heating costs allocators. However, by the time the contact was made ALAC wasn't favourable to the initiative because they have already requested quotas to conform to the norm.

Afterwards, two strategies were considered by Ravenna Municipality concerning the CPG implementation process:

Strategy 1. An effort was made to get in touch with a local CPG, called GRAS (GAS Ravenna) in order to start cooperation in accordance with the FIESTA project. However, they weren't interested to participate.

Strategy 2. Approaching the CLEAR Project and *Altroconsumo*, Italian partner of the project

The *CLEAR-CasaRinnovabile.it* project foresees a comparative quality and safety testing phase of the selling appliances, the creation of national CP networks and the dissemination of the results in Regional events (already more than 10,000 members in campaigns - 2,000 systems installed). After establishing contact with *Altroconsumo*, it was agreed that they will support Ravenna Municipality in the CPG creation without any added costs, and will assist Ravenna Municipality during the dissemination events to inform citizens about the CPG possibilities. *Altroconsumo* will manage the entire process and documentation: participants list, contract, technical specification and the offers.

All of these activities are already covered by internal *Altroconsumo* costs (together with the other European partners) and with a partial contribution of the European Community within the Intelligent Energy Europe Programme (IEE). The web platform *CasaRinnovabile.it* was already functional, all the services and activities were planned, completely free of charge, including the possibility to use all tests and participate in trade groups. A Partnership Agreement between Ravenna Municipality and *Altroconsumo* was signed on September 13th, 2016.

The first CPG related call concerning the PV and ST systems expired on October 31st, 2016. It involved 50 participants. The results are demonstrated in the following table:

Ravenna	Participants	Inspections	Installed	kW
Municipality	30	7	3	13
Province	20	5	0	0

Total investment value was around 25.000,00 EUR.

Finally, Ravenna Municipality is dedicated to maintain the communication with representatives of *Altroconsumo*, and will provide its online platforms (Municipality web page and Facebook page) in order to promote and advance the last call organised by Casarinnovabile.it CPG in the future.

2.3 Forlì

The initial strategy defined by the Energy Help Desk (EHD) foresaw three steps in order to engage the citizens and establish an agreement for the implementation of the FIESTA Consumers' Purchasing Group (CPG):

1. Contacting the existing local associations of consumers which were already running an ethical consumers' purchasing group to present them the project FIESTA;
2. Inviting the interested associations to collaborate in setting up the CPG offering them a place where a team could meet and the EHD technical support;
3. Signing the agreement which states the terms of the collaboration between the association and the EHD and the steps to implement the CPG.

The phase of contacting the existing associations was much more time consuming than expected, due to the difficulties of reaching the representatives through the institutional email addresses (e.g. info@[...]), to collect the availability of the representatives to meet and to choose a date that could fit with the previous appointment of everybody.

There are three main associations running ethical consumers' purchasing groups. Two of them sent their representatives to attend the first Local Negotiating Table (LNT), held on the 27th of June 2016. One of these two organizations was not interested in collaborating with the CPG; the other, called *InGASati* is structured in four minor associations and all of them declared they were open for collaboration.

After a long process of communication through newsletters and gatherings, it was possible to obtain the approval of the assembly and to get the agreement signed by the four associations composing *InGASati*. The steps foreseen in the agreement were:

1. Collecting expressions of interest from the members;
2. Defining the object of the CPG and identification of the possible suppliers;
3. Requesting quotes;
4. Evaluation of the quotes.

A series of LNTs was held with the team, which finally enabled to define the object of the CPG, i.e. buying LED lamps for the houses of the participating families. By using the information made

available by the EU Project “Premium Energy” a sort of guideline was elaborated explaining which parameters should be taken into account while choosing a LED lamp. Several companies were contacted by the members of *InGASati* and three of them were requested provide a quote for a CPG for their product: *3emmelight*, *Hydroelectric*, *LED-Revolution/Bioledex*. During the LNTs, the team evaluated different proposals and selected the most suitable one, combining quality, costs and buying conditions (e.g. minimum number of articles to buy per each item). The role of the EHD was merely organizational and technical, company selection was up to the *Association InGASati*; the representative illustrated to the assembly the quotas and the observations of the team and was appointed to select the *LED-Revolution/Bioledex* as the CPG’s supplier.

The order was opened on the February 5th, 2017 and announced through the websites of the association *InGASati*, the EHD and the FIESTA Project. The link was published on the main webpage of the Municipality and the project was advertised using flyers and through a radio campaign.

It was possible to download the catalogue of available items with their discounted price and a guide to choose the right lamps for particular houses on the *InGASati*'s website (<https://www.ingasati.net/ordine-lampade-a-led-e-accessori-cpg-fiesta/>); any member of the association could order as usual, the external were invited to sign up by filling an online form.

Every participant sent his order on a excel sheet to the Association *InGASati* and paid in advance with a bank transfer to the association. The association collected the orders and the money and after the day of closure of the order (initially was on March 12th, then postponed to March 17th, 2017) contacted the *LED-Revolution/Bioledex* company and finalized the order.

On April 13th, the courier delivered the packages containing all the items to the EHD, one of the packages was damaged and three lamps were substituted by the supplier afterwards. In the following days it was possible to meet the team and divide the articles into separate orders and to proceed with their delivery to families involved.

When it comes to the results achieved, a total 303 products (led lamps and accessories) were purchased by 19 families. Total investment value was 1.548,39 EUR.

The association *InGASati* already expressed their interest to replicate the FIESTA-CPG's activities after the project officially ends. Therefore, a possibility to provide them support through EHD's technical, promotional and organizational effort will be considered.

3. Spain

3.1 Zaragoza

Zaragoza City Council led the CPG promotion task within FIESTA project. According to FIESTA approach, the following four steps were envisaged:

1. First round of formal bilateral contacts (telephone and e-mail) with consumers, installers and retailers associations in Zaragoza
2. Presentation of FIESTA project and the Consumers' Purchasing Group concept
3. Engage consumers associations with FIESTA objectives to launch the negotiation phase
4. Launching negotiating tables (LNTs) involving representatives from consumer and purchase associations
5. Determine Equipment and/or services addressed by a potential CPG
6. Creation of a CPG to promote purchasing efficient heating and cooling devices

These activities were initiated by March 1st 2016, and they continued throughout 2016.

After completing a first round of formal bilateral contacts, mainly by telephone and e-mail, a first informative meeting was organized on March 4th 2016. The objective of the meeting was to present the FIESTA project as an initial step for the creation of a CPG in Zaragoza. Representatives from the City Council (Environmental Agency and Consumer municipal Office) and CIRCE (Project participant) organized the meeting. A broad group of consumer associations was summoned. Most of the associations which were invited participate actively in the Environmental Sectorial Counsel and working groups linked to Agenda 21, led by Environment Agency of Zaragoza City Council.

Consumers Associations convened: *Asociación de Consumidores Torre Ramona; Asociación de Usuarios, bancos, cajas de ahorro y seguros (AICAR-ADICAE); Asociación de consumidores y usuarios Informacu Aragon; Asociacion provincial de amas de casa, consumidores y usuarios Cesaraugusta; Unión de Consumidores de Aragón (UCA); Asociación de Consumidores San Jorge*

Following this meeting, two consumer associations (*Unión de consumidores de Aragón – UCA; Asociación de Consumidores Torre Ramona*) engaged with project objectives and this was formalized through an Agreement between each association and the City Council. The aim of the agreement is to design the most effective, fair, efficient CPG strategy that could benefit a wide range of consumers.

In April 2016 the negotiation phase was launched. Two Local Negotiating Table meetings (LNT) were organized: on April 6th, 2016 and on June 14th, 2016.

1. First LNT (06/04/2016). The meeting aimed at collecting opinions, comments and suggestions to launch a CGP in Zaragoza. Some difficulties for implementation were detected. The LNT decided to deal lighting, home appliances and air conditioning separately. The following institutions were represented:

- FIESTA representatives: Zaragoza City Council, *CIRCE*, *Zaragoza Vivienda*
- Consumers: Unión de Consumidores Torre Ramona; *Unión de Consumidores de Aragón – UCA*
- Installers and Retailers representatives: *CEPYME*; *Federación de Empresarios de Comercio y Servicios de Zaragoza y Provincia - ECOS*; *Asociación de Clima de Zaragoza y Aragón*; *Asociación Empresarial de Instalaciones Eléctricas de Zaragoza – AEIEZ*

2. Second LNT (14/06/2016). The meeting aimed at drafting the scope and targeted consumers for the CPG, as well as the supporting tools required. Price was an element of discussion between attendees. Zaragoza City Council was in charge of developing a draft protocol following bilateral conversations with the attendees. The following institutions were represented:

- FIESTA representatives: Zaragoza City Council (2), *Zaragoza Vivienda* (Zaragoza Housing)
- Consumers: Unión de Consumidores Torre Ramona; *Unión de Consumidores de Aragón – UCA*
- Installers and Retailers representatives: *CEPYME*; *Asociación de Clima de Zaragoza y Aragón*; *Asociación Empresarial de Instalaciones Eléctricas de Zaragoza – AEIEZ*

In the second half of 2016 additional bilateral conversations were led by Zaragoza City Council (telephone, e-mail) with the following results:

- Consumer association suggested informing its members regarding the creation of the CPG in lighting, heating and cooling. At first, priority would be given to lighting. Interested members would receive a FIESTA accreditation to take advantage of purchasing benefits. According to the associations, prize was the most relevant variable to join a CPG.
- *Zaragoza Vivienda*, member of FIESTA consortium, proposed to target its 13.000 renting houses to participate in the CPG. They estimated that up to 100 families could be interested in joining a CPG.

- Installer and business associations demanded an estimation of the number of families or consumers participating in the CPG. Lack of this data was perceived as a major shortcoming, and they were reluctant to ensure prize discounts to certain products without this data.
- Following the experience of project partners from Logroño the promotion of CGP for Programmable digital thermostat was dismissed due to unmatched requirements with housing air conditioning and heating systems. High prices disfavoured joining this initiative as well.
- Dissemination of other CGP initiatives such as CLEAR project activities was ensured through municipal website: <http://www.zaragoza.es/ciudad/medioambiente/fiesta.htm>
- During the Christmas Booth of FIESTA project (2016), interested stakeholders in CPG facilitated its contact details for the future creation of a CPG.

Finally, at the end of 2016 the conversations came to an end without completing the creation of a CPG.

A classic CPG group is created around one or two products and relevant prize discounts. This approach was not followed in Zaragoza:

- a) To ensure a more inclusive process, a broad range of business associations participated in the LNT (Climate, electrical equipment, small and medium enterprises association). Not a single product was tackled and the initial approach focused on all lighting, heating and cooling devices.
- b) Prizes and discounts imposed a major barrier between consumers and business associations. Thus, the CPG focused on other benefits for the consumers (service, quality, assessment for products choice). However, these benefits were not as attractive for consumers as expected.

Zaragoza LNT targeted a broad scope of products including lighting, cooling and heating. The broad scope of installers, manufacturers and shops providing these products hamper the definition of scope and services of the CGP. An early determination of products to be included within the CGP, following real data on most cost-efficient products would be desirable.

Product Discounts were a relevant barrier to launch the CPG in Zaragoza after the negotiations phase. Product assessment and quality of service were important elements for CPG, but product discounts are the most attractive factor according to the consumers associations to reach a critical mass for CPG; on the other hand, local business associations were not willing to fix discounts without clarifying the number of purchases. A limiting factor was the broad scope of products and targeted consumers. In future, perhaps it should be considered to tackle certain districts of Zaragoza through neighbourhood associations to estimate consumer interest/purchases. Also, the economic crisis and decrease number of commercial activity in the city has left a weak local trade. Probably this situation will improve in the coming years.

Zaragoza City Council decided not to call upon big retailers and focused on small business associations as part of its municipal policy to enhance local trade and this policy was maintained during the whole negotiation phase. This involves a great and diverse number of local stores and it makes more difficult to reach agreements in a limited period. Bringing Cooperatives of local shops on board could have unlocked the negotiation phase, together with sectorial associations.

LNT requires medium to long term process with a leadership from the consumers' side. The process initiated by FIESTA project will be continued by disseminating the information about successful initiatives in other cities through Consumer associations involved in the project in Zaragoza.

3.2 Pamplona

The CPG implementation in City of Pamplona was based on cooperation with European project CLEAR. The FIESTA team in Pamplona established contact with representatives of CLEAR project in April 2016, with the assistance of the Spanish technical partner CIRCE. A potential positive impact of creating synergies and joint efforts regarding the establishment of Consumer Purchasing model between different EU projects that share common aims was recognised by the partners involved. It was decided that the FIESTA team in Pamplona will promote the national CPG that was set up within the framework of the CLEAR project, on a local level.

Previous attempts to organize a local CPG as envisioned by the FIESTA project proved to be unsuccessful due to the lack of interest demonstrated by the representatives of the private sector (local entrepreneurs). This issue became especially apparent during the workshop organized for retailers on March 3rd, 2016. Representatives of the following institutions participated in this meeting: *Servicio Energía Verde of Pamplona*, *Servicio Energía Verde of Pamplona*, Consumer association *IRACHE*, *SALTOKI*, *HUMICLIMA* (installation and maintenance of air conditioning), *SERTECQ*. The entrepreneurs who attended the meeting work in installation and maintenance of air conditioning products, sale and distribution of savings systems and heating energy equipment. However, this session demonstrated that it was impossible to reach an agreement since the representatives of the private sector were only interested in selling their products and weren't flexible enough to meet the demands of the project. Another session was envisioned in order to recommence the negotiations, but the entrepreneurs showed no interest to participate. Another circumstance that was taken into account when considering the reasons to handle the CPG implementation in a way which wasn't predicted by the Application form was the fact that EHD wasn't administratively, technically, or politically competent to work on market issues. Therefore, the FIESTA team in Pamplona decided that it would be unproductive to create a local purchasing group, and they resolved to start the previously described cooperation with the CLEAR project which turned out to be quite successful.

The focus of this particular collaboration was on air conditioning products which were obtained through a purchase group. Ultimately, since 25 citizens signed up and 12 of them bought air

conditioning products, it is possible to estimate that the total value of purchased products was around 12.000,00 EUR (12*1.000,00 EUR).

Feedback from the citizens showed that they are interested in other products as well. Taking into account the particular climate conditions in the City of Pamplona, a number of potential consumers demonstrated their interest in products like solar panels, biomass boilers, pellets... Following the official end of the project, the City of Pamplona might provide the citizens with information regarding such products (technical assessments, subsidies, and so on).

3.3 Logroño

The City of Logroño attempted to organize a meeting with the Federation of Employers of La Rioja (FER) as a first step of CPG implementation, because it was believed that this organization has valuable experience with organizing CPGs. However, the reply of the Federation was negative – they merely asked to be informed if a CPG is to be created in the future. FIESTA project documentation was sent to the representative of the FER.

On November 11th, 2015 a meeting was organized with the Association of Installers of La Rioja (AIER). The intention was to explore the willingness of the Association to participate in the project and in creating the CPG. Once again, the City of Logroño received a negative reply. The representatives of the Association were interested to attend the meeting since they wanted to discuss certain matters with the Councillor for Environment and Energy Efficiency, who attended the session as well, regarding various future actions concerning energy efficiency to be implemented in the city. However, the Association did participate in certain local negotiating tables after that meeting.

A further attempt was made to create a CPG focused on thermostatic valves and energy deliverers due to the requirement to install them in buildings with central heating. This idea was discussed with the Association of Property Managers Administrators in late 2015 and early 2016, in order to try and create this CPG. However, the Board of the Association discarded this idea.

On March 7th, 2016 a meeting was held with neighbourhood associations in order to disseminate the project and to explore their interest to participate in creating CPGs. The notion was met with disfavour since it is difficult to convince several people to buy the same household appliance.

On June 24th, 2016 a workshop for retailers and installers took place in order to promote the purchase of energy efficient products, and to examine whether the attendees would be interested to participate in creating a CPG. This meeting was attended by representatives of two consumer associations, one distribution company of electrical equipment and the Labor Foundation of Construction. The participants expressed their concerns regarding the CPG creation since they as well thought it will be difficult to convince several people to buy the same household appliance.

On July 8th, 2016 there was a meeting with distributors of electrical equipment (4 companies) in which they were informed that the FIESTA Project is going to launch CPGs focused on obtaining lightbulbs and acquisition of household appliances.

After this meeting three CPGs were created, which was announced on Logroño's web page. The information was sent via email to all participants included in implementation of FIESTA activities. The CPGs were created around following products:

- Dichroic LED lights of 7 W (socket of GU10) replacing dichroic halogen lights of 50 W (socket GU10).
- LED bulbs of 10 W (socket G24) replacing lox consumption bulbs of 26 W (socket G24).
- Induction cooking system of 60 cm wide and 3 fires.

However, the City of Logroño established an additional approach as well. During the meeting held on July 8th, 2016 the representatives of the FIESTA project explained to the distributors of electrical equipment the intention to include the retailers in Logroño: they were asked to cooperate by offering a discount to people who participate in FIESTA project, in order to promote purchasing of energy efficient products.

Ultimately, this strategy proved more successful than CPGs in Logroño, since no one registered to participate in these CPGs. On the other hand, the City of Logroño convinced 11 stores to cooperate with the FIESTA project (lighting companies, household appliance companies, insulation companies, energy bill management companies, energy certificate companies, a reflective panel company and an electric bicycle company). The total value of products purchased as a result of this approach was 11.969,50 EUR. The City of Logroño will consider maintaining the FIESTA project and the cooperation that was established with retailers.

4. Croatia

4.1 Zadar

The Municipality of Zadar organized a FIESTA Local Negotiating Table (LNT) as a preparatory activity in forming of the Consumer Purchasing Group (CPG). The LNT was held on October 1st, 2016, during the Energy Efficiency and Renewable Energy Sources Fair that was organized in the framework of the 5th Energy Efficiency Week of the City of Zadar. FIESTA energy advisor in Zadar moderated the LNT, while the following companies (10) participated and acknowledged their interest in joining the CPG: *Ytong probeton, Polo-Commerce, Lokve, Babić, Baumit Croatia, Murexin, Tegula, Henkel Croatia, EVN Croatia Plin, Tehnokom*. They were introduced to the FIESTA project and with various benefits of joining the CPG. Also, they were invited to participate in the

FIESTA workshop for installers and retailers. Approximately 100 people visited Energy Efficiency and Renewable Energy Sources Fair.

On March 6th, 2017, the Municipality of Zadar published a Public Call for installers and retailers of cooling systems and other household appliances, renewable energy sources systems and insulation materials to apply and participate in creating the CPG in Zadar. The Public Call was published on Municipality's website, but installers and retailers were also informed by an official letter sent to Croatia Chamber of Economy and Chamber of Trades and Crafts of Zadar County and through media. The Call was opened until May 5th, 2017.

On March 14th, 2017 the Workshop for installers and retailers of heating and cooling systems and other household appliances, renewable energy systems and insulation materials was held in order to acquaint the companies with the advantages of participation in a local Consumer Purchasing Group Zadar. The Workshop was attended by 12 participants, and six of them were representatives of companies interested in CPG Zadar. Representatives of the following companies attended the Workshop: *Henkel Croatia d.o.o.*, *T.O.NIT Gorenje studio Zadar*, *Babić d.o.o.*, *Ytong porobeton d.o.o.*, *Tehnokom d.o.o.*, *Energy and Gas Engineering d.o.o.* and a representative of the expert newsletter *Gradimo Zadar*. They were introduced to the FIESTA project, promotion possibilities and other benefits that can be achieved by engaging.

By the time the Public Call ended, five companies applied to participate in CPG Zadar and the CPG was formed by signing an Expression of Interest. Following companies formed the CPG in Zadar:

1. *AMRITA d.o.o.* (15 % FIESTA discount on the complete ELIAS infrared heating program, including thermostats by September 30th, 2017),
2. *Arija Nova d.o.o.* (20 % FIESTA discount on following A+++/A+++ air conditioners: TOSHIBA RAS – 10G2KVP/AVP-E, TOSHIBA RAS – 13G2KVP/AVP-E, MITSUBISHI ELECTRIC MSZ/MUZ-FH25VE, MITSUBISHI ELECTRIC MSZ/MUZ-FH35VE, MITSUBISHI ELECTRIC MSZ/MUZ-LN25VGB/V/R, MITSUBISHI ELECTRIC MSZ/MUZ-LN35VGB/V/R),
3. *Polo-commerce d.o.o.* (3 % FIESTA discount on Skytech thin layer reflective insulation and 5 % discount on its installation)
4. *T.O. NIT Gorenje studio Zadar* (25 % FIESTA discount on following A+++ household appliances: refrigerator Gorenje NRK 6193 TX, dishwasher Gorenje GS 65160 X, washing machine Gorenje W 8543, washing machine Gorenje W 6723/IS),
5. *Babić d.o.o.* (25 % FIESTA discount on solar equipment and heat pumps)

Every installer/retailer who participated in FIESTA CPG in Zadar received FIESTA labels they have pointed out in a visible place. Citizens had to download a FIESTA coupon, which enables buyers to

complete a discounted purchase. It was possible to download these coupons on the Municipality's web pages, Facebook account, and to obtain them at the FIESTA Energy Help Desk in Zadar. Installers/retailers involved in CPG Zadar were supposed to deliver a monthly report to the City of Zadar regarding the purchase programme and the number of FIESTA coupons received.

Since there were no CPG groups or similar models of collective purchasing in Croatia before the FIESTA project was implemented, it wasn't easy to convince installers/retailers to get involved in the creation of a CPG group. Therefore, the Municipality of Zadar decided to attract them by putting provision in the Public Call, and special notice was given to advertising the related activities in media. Since there is a lack of awareness regarding energy efficiency in Croatia, it was challenging to convince people to purchase energy efficient systems, appliances, materials or services, considering the higher prices of these commodities as well. Therefore, it wasn't possible to involve citizens to participate in CPG Zadar as envisioned in the application form.

The Municipality of Zadar, as a Local Authority, is obligated to publish a public call for any involvement of companies or citizens. Thus, if no citizens applied for involvement in the CPG, it would be impossible for the Municipality to implement the project activity. Alternatively, the public call would have to be repeated. Additionally, by involving citizens in CPG Zadar, the number of citizens who could purchase discounted products would be limited to exclusively those who applied to the Public Call. Consequently, the Municipality decided to involve only installers/retailers in the CPG Zadar – they agreed to offer discounts on energy efficient products that every citizen can purchase and don't have to wait collective purchasing activities or engage in the CPG. Media support was important not only when it comes to publishing the public call – it helped to raise awareness of the citizens and encourage them to purchase energy efficient products.

In terms of results achieved by CPG implementation in Zadar, so far no concrete purchases or investments have been done as a result of the CPG Zadar. In spite of best efforts made by the Municipality and companies involved, it seems that the discounts offered weren't convincing enough to attract customers. It should be noted that the products in question retain a high price even when the discount is provided. In addition to being expensive, products such as ELIAS infrared heating system have recently appeared on the market and costumers are still suspicious about buying them.

The Municipality is interested to continue the activity of CPG Zadar, in case the installers/retailers demonstrate devotion for further cooperation. Certain companies have already expressed their interest to prolong the cooperation and to increase the number of discounted products.

4.2 Rijeka

The Municipality of Rijeka was in charge of the entire process of creating a Consumer Purchasing Group (CPG). A classical CPG model couldn't be created in Croatia, but Municipality wanted to offer discounted products to families involved with the project regarding the equipment which uses renewable energy sources or EE equipment by involving companies which can provide such products in accordance with FIESTA Project. These investments should help families in lowering their energy consumption, CO2 emissions and energy related costs.

First step in this initiative was to inform the market about the intention of creating a CPG in Rijeka. That was accomplished by publishing a public call for all interested retailers. This public call was published on City of Rijeka's webpage. Eventually, the Municipality was contacted by three companies interested in participating in FIESTA CPG: *MARITERM Ltd.*, *PVC ART* and *Elektro servis BILLY*. Other companies were contacted by telephone calls as well, and company *PEVEC* expressed interest and wanted to find out more about the project and CPG. Next step in establishing a CPG was to organize local negotiating tables (LNT). Previously mentioned companies were considered as participants.

LNTs were held with following companies: *PVC ART* (LNT held on June 7th, 2017. This company provides PVC window frames with energy saving windowpanes); *MARITERM Ltd.* (LNT held on June 9th, 2017. This company provides equipment for heating and cooling e.g. pellet stoves, solar panels...); *Elektro servis BILLY* (LNT held on July 12th, 2017. This company provides high efficiency split air conditioning - for heating and cooling); *PEVEC Ltd.* (LNT held on July 11th, 2017. This company provides household appliances). These LNTs resulted with a creation of CPG for families involved in FIESTA project in Rijeka. However, *PEVEC Ltd.* decided not to participate in CPG because they provide discounts through their regular marketing activities. They could not offer any additional meaningful discounts. Therefore, CPG was organised with following companies: *PVC ART*, *MARITERM* and *BILLY*.

These three companies signed a statement of interest in August 2017 and provided their Offer along with a Statement. It should be mentioned that *PVC ART* couldn't provide their Offer because it varies from case to case and depends on number and size of windows and/or doors. Instead, they provided the percentage amount of the discount which will be visible on each offer they make for a particular FIESTA family.

All 160 families which were previously included in FIESTA audits in Rijeka were informed by means of e-mail, SMS, telephone calls and Internet publication on the webpage of the City of Rijeka about the creation of CPG.

However, in Croatia it proved impossible to implement a classical CPG model (envisioned by the project and often carried through in Italy). The organisations that usually provide such CPGs do not exist here. Therefore, it would be impossible for the Municipality to implement CPG in that

classical way. A different approach was necessary, hence in coordination with other Croatian partners it was decided that the best solution was to organise and implement a CPG by ensuring discounts for families involved in FIESTA project. This also proved to be a challenge because certain companies (especially big companies, relevant on a national level) can provide bigger discounts by their regular market discounts and action prices, since that way they attract people from entire Croatia which increases the number of potential customers. This was the reason *PEVEC ltd.* cancelled their participation in the project.

In terms of results achieved by CPG implementation in Rijeka, sound feedback is still missing. It is estimated that at least some purchase has been done (e.g. at least one air condition unit) with at least 500,00 EUR of purchase value. It's hard to predict the outcome of CPG in Rijeka and its achievements, since there are no insights into what equipment families want to purchase.

Even though it is not part of the CPG, it should be mentioned that some families in Rijeka did invest money in energy efficient equipment after the FIESTA energy audit. For example, it is possible to conclude that at least: 3 new air condition units, 3 new washing machines, 2 new windows, 1 new combined refrigerator have been purchased and installed in some of 30 families that were tracked during the monitoring phase of the project. Also, 2 families invested in insulation of the facade. While these are not CPG related results, they must be recognized as an outcome of the FIESTA project nevertheless.

4.3 Pula

On July 5th, 2017 the Municipality of Pula organized a Local Negotiating Table, and all interested retailers and installers were invited. At the LNT meeting, the attendees were introduced to the FIESTA project, and with assignments which are expected to be carried out by retailers and installers interested in joining the CPG. The LNT workshop was attended by retailers and installers engaged in selling electric appliances (air conditioners, refrigerators, washing machines...), led lighting, heating and cooling systems, and electric bicycles. However, other participants showed up as well: representatives of certain construction companies engaged in façade reconstruction, distributors of materials for façade reconstruction, and an energy certifier. A Statement of interest was handed to representatives of companies interested to participate in the CPG, in agreement with the project's application form. Ultimately, five companies from Pula decided to sign the Statement and they provided a bid as an integral part of the Statement of Interest: *MARITERM d.o.o.* (20% discount on air condition split system, 15% discount on pellet furnace, 25% discount on solar collectors with integrated reservoir, 30% discount on solar packages), *BAZGIN d.o.o.* (20% discount on pellet furnace montage, 10 % discount on pellet furnace montage, 20% discount on led lighting, 3% discount on photovoltaic module Luxor 50Wp/12V-150Wp/12V, 5% discount on photovoltaic module SolarWorld 300Wp/24V), *ATIMA d.o.o.* (10 % discount on peel and installation materials), *KOLOS d.o.o.* (25% discount on led lighting - replacement of convective bulbs with led lighting bodies), *STUDIO BAŠIĆ d.o.o.* (12% discount on energy certification and energy survey of

constructions).

The Municipality prepared FIESTA coupons and labels and an official announcement was made on the Municipality's website in order to inform the public that a local CPG was formed within the FIESTA project which enables citizens to buy energy-efficient heating and cooling systems and services to stimulate energy efficiency measures at favourable prices. The citizens were informed that they will be able to complete a discounted purchase if they provide a FIESTA coupon. The coupons were available for download on the Municipality's web pages, and they could have been obtained at the FIESTA energy info desk in Pula. In order to advertise the campaign, a radio ad was recorded and broadcasted. Furthermore, notices regarding the campaign were made available at the FIESTA info desk. Retailers and installers who participated had to provide a visible spot for the FIESTA project label to make sure the costumers are aware of their involvement in the project. Also, they agreed to provide the Municipality with monthly updates, reporting the progress of purchase programme and the number of coupons received. This way it was ensured that the Municipality is able to track the results.

The CPG provided citizens with an opportunity to purchase energy efficient appliances and services with discounted prices. The Municipality was successful in raising awareness among citizens about the importance of rational use of energy and reducing the environmental pollution. A positive synergy with retailers and installers who participated in CPG was established. The estimated total investment value of products purchased will be around 42.000,00 EUR.

The Municipality intends to continue the activities the energy help desk is involved with. The implementation of CPG will be continued after the project ends as well, since it has proven to be an example of good practice: the citizens have recognized the benefits of energy efficiency, and the installers and retailers have demonstrated devotion to this project too. Therefore, the Municipality will continue to support the efforts of the CPG in order to provide such discounts in the future.

5. Bulgaria

5.1 Vratsa

In September and October 2016, the FIESTA project team of Municipality of Vratsa conducted a research of the companies offering energy efficient equipment and services on the territory of the municipality.

Municipality of Vratsa organised an event (installers & retailers workshop) which took place on November 18th, 2016. The purpose of this meeting was to introduce the local companies who were interested in taking part in the CPG initiative with the FIESTA Project and especially with the CPG model, as well as to discuss how the process of implementation should be conducted and

what discounted offers each of the companies could afford to give in regard to energy efficiency equipment and RES heating/cooling systems. Municipality of Vratsa prepared invitations and invited 10 companies – retailers and installers of cooling and heating systems. Finally, representatives of 3 companies and municipal staff showed up. A representative of Municipality of Vratsa and the FIESTA team presented the project and the concept of FIESTA CPG. The participants were offered a previously made template and an agreement on cooperation was discussed. The intention was to have clear conditions for the next workshop when these companies will offer discount to the project target group – families with children. A discount voucher template was discussed as well.

Municipality of Vratsa organised a second workshop - FIESTA CPG Round table on November 30th, 2016. The purpose of this meeting was to finalize the formation of the CPG following the FIESTA approach and to sign an agreement for cooperation. Municipality of Vratsa prepared invitations and invited 3 companies – retailers and installers of cooling and heating systems which took part in the first meeting. Representatives of the following institutions were invited as well: *Chamber of trade and commerce, Natural park Vrachanski Balkan (eco organization), Municipality of Vratsa (Eco Directorate)*, and some families. A representative of municipality of Vratsa FIESTA team presented the project and the concept of FIESTA CPG. A discussion followed in order to clarify how to help the target group of the project – families with children – to buy energy saving cooling and heating systems. Representatives of these 3 companies offered discount for cooling and heating systems and defined terms for this discount. The participants agreed that it will be more effective if Municipality of Vratsa could sign an agreement with more companies with the biggest discount in order to provide the target group with a wider choice. One of companies could not propose such a discount and decided to end the cooperation. Therefore, it was decided:

- To sign 2 agreements for CPG formation;
- To print 200 discount vouchers and distribute them among families involved with project activities;
- The discount is 8 % from the prize of inverter air conditioner;
- To provide free consultation before buying an air conditioner;
- The duration of discount program is 9 months (01.12.2016-31.08.2017);
- Companies should provide a report regarding the number of families involved and the size of discount.

These meetings demonstrated that CPG is a concept that isn't understood particularly well in Vratsa. The stakeholders cannot evaluate the benefits it could have for different participants. In addition, the local administration and NGOs do not have in depth knowledge and reliable

mechanism in compliance with the local specifics for establishing CPGs - to some extent this is expected, since it has never been done in the local context before.

The municipality of Vratsa adopted the CPG methodology from another EU project – CLEAR project. However, the concept was slightly simplified as some stages are shortened – since, for example, according to local legislation there is no legal requirement for a sluggish and time-consuming public procurement.

The establishment of CPG within the FIESTA project has laid the basis for interaction between business and customers with the support of local administration. This mechanism will be further evaluated and developed, based on the results achieved and feedback received. So far, nine purchases were made through the established CPGs, and the total investment value was around 5.215,00 EUR. The FIESTA project team of the Municipality of Vratsa decided to initiate negotiations with the same companies, as well as with the other interested companies, in order to extend the CPG campaign for another year beyond the FIESTA project.

5.2 Pazardzhik

The preparations for CPG implementation in Pazardzhik began several months before its actual establishment in August 2016. The project team contacted the potential participants of the CPG round table discussion which was to be organized, and investigated what sort of products would be of interest for the families involved in the audits conducted during the project. Since it turned out that a great variety of appliances was needed, the intention was to approach the companies which would attend the round table from that perspective – to enable discount to as many goods as possible. The purpose of this meeting was to introduce the local companies who were interested in taking part in the CPG initiative with the FIESTA Project and especially with the CPG model, as well as to discuss how the process of implementation should be conducted and what discounted offers each of the companies could afford to provide concerning the energy efficiency equipment and RES systems. The meeting took place on July 5th, 2016. It was attended by several companies representing the retailers and installers sector: *Zora Ltd.*, *Technopolis Ltd.*, *Technomarket Ltd.*, *Belite Brezi Ltd.*, as well as a number of representatives of Social Housings, Consumer Associations, Property Managers, and other NGOs and stakeholders interested in the FIESTA project. Gathering all of the interested parties on this meeting was done with the idea to provide a better field for mediating the needs of the consumers with what the companies could provide as their offer.

Ultimately, one local retailer and installer was selected - *ZORA Ltd.* - who introduced terms which best fitted the requirements of the consumers and the foreseen way of implementing the CPG in our Municipality. The offer included a fixed 7% discount on all EE and RES equipment with included installation conditions and warranty and beyond warranty maintenance. The CPG campaign lasted in Pazardzhik for a period of one year (from August 2016 until August 2017) and involved as much as 147 buyers of discounted equipment for the total of about 74.000,00 EUR.

Currently, the municipality is negotiating with the same company, as well as with the other interested companies, the possibility to extend the CPG campaign for another year beyond the FIESTA project.

The municipality of Pazardzhik adopted the CPG methodology from another EU project – CLEAR project. However, the concept was slightly simplified as some stages are shortened – since, for example, according to local legislation there is no legal requirement for a sluggish and time-consuming public procurement. Best offers were collected and estimated in terms of the required equipment and heating/cooling systems (highest discounts, installation conditions and warranty and beyond warranty maintenance). The best offer was selected in order to meet the energy related needs of local households, which were examined several months in advance.

As much as 162 families benefited from discounts provided through these activities. All sort of related appliances were bought - from LED light bulbs to new air conditioners and fridges. The total investment value was around 8.500,00 EUR. These results represent a very positive outcome since such initiative has never been implemented in Bulgaria before. The CPG model adopted, although simplified, managed to bring together citizens and retailers for a common cause that eventually benefited both parties. The experience gained through this project will prove valuable, since this led municipality of Pazardzhik to believe that similar initiatives could be even more successful in future, as the CPG model could be extended to serve a greater number of people that can be united in a common cause. The FIESTA project team of the Municipality of Pazardzhik decided to initiate negotiations with the same company, as well as with the other interested companies, in order to extend the CPG campaign for another year beyond the FIESTA project.

5.3 Burgas

The FIESTA project team in the municipality of Burgas conducted a research during the implementation of audit activities. They explored the needs of each family to find out what type of equipment they would like to acquire in order to replace an older product with an energy efficient one. Most people expressed interest to replace home appliances (ovens, washing machines, fridges) and air conditioners, while some stated that they would like to have solar installations in their homes. Furthermore, the team examined the companies offering energy efficient appliances and design and construction of solar systems on the territory of Burgas Municipality. These companies were contacted and were introduced to the FIESTA project and with the intention to create a CPG, which would provide families involved in the project with a discount on a purchase or service. In return, the company offering a discount will be promoted by a highly recognized institution in the face of Burgas Municipality to more than 150 families.

A date for face-to-face meeting - installers & retailers workshop - was arranged and the workshop was implemented on November 15th, 2016. Representatives of several companies (*Терман Инженеринг*, *TECHNOPOLIS*, *TECNOSUN Ltd.*, *MMC Burgas* and *Sofclima BG Ltd.*) working in the area of design and implementation of solar installation, selling cooling and heating equipment,

photovoltaic and thermal equipment attended the meeting. During the meeting the project FIESTA was presented to the attendees, along with its objectives and the number of families involved. Various possibilities to provide people involved in the project with discount offers for equipment and services were discussed. Since CPGs represent a new concept in Bulgaria and Burgas, the companies promised to think over the proposal. At the beginning of December 2016 a representative of *TECNOSUN Ltd.* contacted the FIESTA project team, and made an offer to provide a 10% discount on design and implementation of photovoltaic systems to the families participating in the project. On December 12th, 2016, an agreement between Burgas Municipality and *TECNOSUN Ltd.* was signed. All families were informed that they could use the 10% discount on design and implementation of photovoltaic systems.

The second installers & retailers workshop took place on April 4th, 2017. Representatives of four companies selling cooling and heating equipment, photovoltaic and thermal equipment participated (*TechMart, ZORA Ltd., Амапо Климa, СиДуЕл Бургас*). The aim of the meeting was to introduce the participants with the project and the CPG concept. None of the companies returned with an offer for discount.

These meeting demonstrated that the concept of CPG is new and insufficiently understood in Burgas. The stakeholders cannot evaluate the benefits it could have for different participants. In addition, the local administration and NGOs do not have in depth knowledge and reliable mechanism in compliance with the local specifics for establishing CPGs - to some extent this is expected, since it has never been done in the local context before.

The municipality of Burgas adopted the CPG methodology from another EU project – CLEAR project. However, the concept was somewhat simplified since, for example, according to local legislation there is no legal requirement for a public procurement. The companies were directly contacted to receive the offers. The only offer received was from *TECHNOSUN Ltd.*

All families who participated in the project were regularly informed regarding the implementation of project activities and the opportunity to make use of the 10% discount on design and implementation of photovoltaic systems.

The establishment of CPG within the FIESTA project has laid the basis for interaction between business and customers with the support of local administration, and project activities made the CPG concept more recognisable in Burgas. Still there is a lot of work that has to be done in order to establish a fully working mechanism on the local level and to clarify the benefits of CPGs to the stakeholders. The fact that this initiative was a pioneer endeavour in Burgas, contributed to the mistrust mostly demonstrated by the representatives of the private sector. This mechanism will be further evaluated and developed, based on the feedback received and the results that were achieved. So far, three families have approached the company *TECNOSUN Ltd.* in order to arrange

the construction of solar system for heating water in their homes. The price of each system is about 1.800,00 EUR – in other words, the total investment value was around 5.400,00 EUR.

The Municipality of Burgas remains committed to energy efficiency and climate change adaptation - these issues are among its main priorities. The Municipality will continue to regularly notify all families about the opportunities to save energy and use discounts if they become part of the CPG, and contact NGOs to promote the CPG in Burgas among citizens. The Municipality intends to approach additional companies and offer them to join the CPG. The established energy office will continue its work after the end of the project, and remains a useful communication channel for promoting the FIESTA objectives and assuring its sustainability.

6. Cyprus

6.1 Larnaca

Both Cypriot cities had difficulties in dealing with the task of creating purchasing groups (CPGs). The basic idea upon which a purchasing group is formed is not integrated in the mentality of Cypriot consumers or retailers. In fact, prices are usually considered indicative in Cyprus retail shops, as a discount will be made anyway at the till. Following an extended discussion on the subject, both Larnaca and Limassol proposed a methodology that would effectively reach the general goal which was to promote the purchase of energy efficient household appliances by offering a special discount on these items.

The methodology that was proposed and approved consists of the following steps:

1. Each city would prepare a list of retailers / installers of household electric appliances.
2. They would also prepare a list of electrical appliances along with specifications of each appliance with a special focus on heating and cooling (core of FIESTA).
3. A letter would be prepared and sent to the local retailers along with the list of electric devices and appliances, inviting them to participate in the FIESTA campaign, by offering a discount (negotiable) to the starting price of the appliances.
4. The discount would be made only after presenting a customized and numbered coupon which consumers can obtain at their local FIESTA Energy Help Desk.
5. The retailers who would accept the invitation would sign a letter of commitment and would be asked to display a customized FIESTA sticker on their window. Also at the end of each month (this timeframe can change) the retailers would provide the municipalities with feedback regarding the number of coupons they collected, therefore the number of consumers to whom they have offered the discount.

6. The municipalities would publicize the program and consequently the retailers who accepted this invitation in one or more of the following ways:

- Newspaper/ magazine articles
- Banners
- Social Media/ blogs
- Official Websites
- Radio spots/ interviews

7. A press conference could be held to present this novel scheme.

Therefore, the CPG scheme in Larnaca was modified and FIESTA Discount Program was initiated instead. The following steps were performed, according to the methodology described above. By the end of April 2016, a list was prepared to include all retailers / installers who are active in Larnaca Municipality and neighbouring Municipalities.

In early May 2016, a letter was sent inviting them to join the FIESTA Discount Program. The letter included samples of the sticker and the coupons and a copy of the Letter of Commitment to the scheme.

Several phone calls followed in order to personally contact and explain the scope of the program. Various problems in applying the scheme were identified and resolved before the final meeting and the Retailer and Installer Workshop. By the end of May, the customized stickers and the coupons were finalized and printed.

On May 31st 2016, representatives of 8 local companies attended the final meeting and Retailer and Installer Workshop that was held at Larnaca Municipality. Except for the FIESTA Discount Program, the attendees were informed about the scope of FIESTA, the free energy audits and other services of FIESTA EHD. Informative material was distributed to the participants. The Discount Program was fully explained to the attendees who engaged in a lively discussion regarding the application of the Program. The workshop was very fruitful and it was with great satisfaction that we verified the good will of participants to make sure that the program will be crowned with success. By the end of the meeting the attendees agreed:

- To provide the list of energy efficient appliances and the respective discount they are willing to offer (10-20%). It is noted that the specifications of the proposed appliances were given to them by the local EHD. The appliances included air conditioning units (9000 BTU/h and 12000 BTU/h), fridges and washing machines, LED lamps.
- To sign a Letter of Commitment to the Program.

- To display the customized FIESTA sticker on their window.
- To provide feedback regularly (the report would be customized by the EHD).
- To display when possible the FIESTA Project by distributing informational material, projecting the FIESTA Animations on TVs in their shops, etc.

The 8 companies participating in the scheme are *GEORGE THEODOROU, Fournaris, G. Saittis Airconditions Ltd, PASCHALIS KONTOPYRGOS LTD, Patsalos & Xiourouppas Ltd, Radio Raymond Ltd, SCANDIA LARNACAS and Thetaco Traders.*

By mid-June 2016, the list of Retailers/ Installers, the products and the respective discount was finalized. It was then uploaded on the official FIESTA website, published on social media (Facebook and blog) and advertised in the newspapers. The media responded well, with several articles in the newspapers and online portals. A banner was prepared in order to advertise the Discount Program and the companies that honoured us by joining us in this effort.

The FIESTA Program and the Discount Program were presented during the Water Fair in June (on June 18th and 19th 2016). Two radio campaigns have been dedicated solely to the promotion of the FIESTA Discount Program (90 radio ads were broadcasted from June 5th until June 19th 2017 on 99FM and 86 radio ads were broadcasted from June 19th until July 2nd 2017 on STAR FM).

The FIESTA Discount Program was launched on July 1st and it will last until the 31st October 2017. The coupons are distributed by the local EHD either at the office or at various events, after request. So far, 62 discount coupons have been distributed and the purchases that have been made are presented in the following table:

Product	Q/t y	Price before discount (€)	Discount (%)	Final price (€)	TOTAL (€)
Ironing press	1	339,25	15	295	339,25
MIDEA air conditioning units 9000btu/h	4	358,80	20	299	1435,2
MIDEA air conditioning units 12000btu/h	4	382,80	20	319	1531,2
BOSCH fridge	2	350,90	10	319	701,8
MIDEA Washing machine	4	258,50	10	235	1034
Total € spent so far					5041,45

Therefore, despite the persistent efforts that were made in order to promote the FIESTA Discount Program, the demand was disproportionately small. However, some purchases have been made, and the local market was introduced to the scheme. Furthermore, the companies that have participated in the program have agreed to extend the program by the end of this year. Hopefully,

this discount program will mark the beginning for the implementation of similar programs in the future and a new era for smart and energy efficient purchases.

6.2 Limassol

The Municipality of Limassol followed the same methodology as Larnaca, since they faced the same obstacles in dealing with the task of creating the CPG. Therefore, the following steps were performed in order to initiate the FIESTA Discount Program in Limassol:

- a. In February 2016, the Municipality of Limassol prepared a list of retailers of electric devices and appliances in the city (approximately 30 shops),
- b. A list of electric devices and appliances relevant for the project (special notice was given to heating and cooling solutions) was defined in February 2016 as well,
- c. A letter was prepared and send to local retailers along with the list of electric devices and appliances, inviting them to participate in the FIESTA campaign, by offering an extra 10 - 20% (this is indicative) to the final agreed price between them and the consumers. The extra discount was made only after displaying a customized and numbered coupon that consumers could obtain at their local FIESTA Energy Help Desk,
- d. Limassol Municipality publicized the campaign and consequently the retailers who accepted this invitation through FIESTA website,
- e. The retailers who accepted the invitation signed a letter of commitment (in October, 2016) and were asked to display a customized FIESTA sticker on their window. Also at the end of each month the retailers provided the municipality with feedback regarding the number of coupons they collected, therefore the number of consumers to whom they have offered the extra discount. An agreement was signed with six local traders: *Andreas Charalambous (Electrosyskeues) Ltd, Andreas G. Maratheutis Ltd, Andreas Ioannou Ltd, Antonis Elia Sotiriou Trading Ltd, Makis Kakkouras, Scandia.*

The FIESTA Discount Program was launched on October 10th, 2016 and it will last till October 31st, 2017. However, this activity didn't meet the success we expected. So far, a small number of coupons were collected (11 coupons), and the total investment value was around 5.000,00 EUR. Certain customers bought more than one device.

In light of these results, the Municipality of Limassol has no plans to continue this activity after the project ends. However, the Municipality will continue to provide this list as well as the coupons through the FIESTA Energy Help Desk that will continue to exist after the project ends and offer services to Limassol citizens.

7. Conclusion

This document briefly summarized FIESTA CPGs implementation in all participating cities. The CPG related activities implemented in the cities involved in the project comply with the intention stated in the project's Application Form: *In general terms, retailers and installers commit to providing sets of products and services within certain price ranges (lower than standard market prices), LAs - especially the FIESTA EHDs -, consumers' associations and other stakeholders will promote the opportunity.* However, on most occasions it was necessary to modify this implementation to face various challenges. For example, in most cases it proved impossible to include the consumers' associations.

Italian project partners had different experiences regarding this matter. In Trieste, local CPGs did exist but weren't interested in participation. Since the trade organizations wanted to engage in this kind of initiative, the Municipality arranged cooperation with *Altroconsumo* - the Italian partner involved in the implementation of the CLEAR project, and a CPG was formed with their help. A similar pattern was followed in Ravenna. On the other hand, partners from Forlì managed to include a local consumers' association *InGASati* in the implementation of this activity, and to organize a joint effort with the private sector.

Spanish project partners faced similar challenges too. Partners from Zaragoza initially managed to engage two local consumer associations (*Unión de consumidores de Aragón – UCA; Asociación de Consumidores Torre Ramona*) which was formalized through an Agreement between each association and the City Council. Ultimately, however, local negotiating tables demonstrated that it is impossible to complete a creation of a CPG. It turned out that retailers/installers and consumers' associations weren't able to find a common ground. In Pamplona, initial attempts to organize a local CPG as envisioned by the FIESTA project proved to be unsuccessful due to lack of interest demonstrated by representatives of the private sector (local entrepreneurs). Therefore, the FIESTA team in Pamplona decided that it would be unproductive to create a local purchasing group, and they resolved to start cooperation with the CLEAR project, by signing a contract with organization OCU, the Spanish partner involved in the implementation of the CLEAR project. Finally, partners from Logroño had difficulties in attracting both representatives of the consumers' associations and local entrepreneurs. Hence, they met this challenge by initiating two different approaches. After meeting the representatives of four companies involved in distributing electrical equipment three CPG's were created. However, this approach turned out to be unsuccessful, since no one registered to participate in CPGs. The other approach was based on convincing retailers in Logroño to offer a discount to people who participate in FIESTA project, in order to promote purchasing of energy efficient products. Ultimately, this strategy proved to be more successful than CPGs.

On account of the fact that CPGs weren't previously implemented in this country and similar consumers' associations are unknown, Croatian project partners have agreed to adopt and implement a common CPG strategy. A public call should be published by each Municipality in

order to invite retailers and installers to take part in FIESTA CPGs by offering discounts on heating & cooling appliances, other home appliances, insulation materials, and equipment etc. Another public call for citizens should be published and promoted through radio campaigns to attract a higher number of citizens. Following the public call closure, retailers and installers will be invited to a meeting. Some form of Cooperation Agreement will be signed, listing the FIESTA purchasing discount terms (list and technical specifications of A+++ products on offer, minimum heat transfer coefficient (U) when it comes to home insulation, etc.). After the CPG gets adequately advertised and information is spread, citizens interested to take part in this activity will be invited to the Municipality and will be given coupons/letters that would enable them to acquire discount directly in the shop. This pattern was followed by partners from Zadar, Rijeka, and Pula.

The CPG concept was a novelty in Bulgaria as well. These consumers' associations weren't previously carried out within the country. Therefore, three Bulgarian cities adopted a similar CPG implementation strategy: first they studied the needs of consumers by surveying the project beneficiaries during audits and asked them about their needs regarding energy efficient equipment and heating/cooling systems. This way, an extensive list of energy equipment was obtained, which was further discussed with local retailers/installers and local commercial chains capable of providing such equipment. Offers from retailers/installers interested in participating were collected and assessed in order to exclude those offers which didn't meet the CPG's rules and conditions. National public procurement legislation was taken into account while selecting the best offer. An agreement was signed afterwards between the municipality and the retailer/installer, pointing out the main discount terms, and technical specifications of the product/products. Citizens were given coupons/letters that enabled them to acquire the discounted products directly from retailers/installers. The selected retailer/installer was asked to provide information on the number of sold items. The methodology adopted by Bulgarian partners was inspired by the EU CLEAR project.

Finally, the partners from Cyprus had to face the fact that in their national context the very idea of forming a consumers' association such as CPG might represent a challenge since it's not integrated in the mentality of Cypriot consumers or retailers: the prices in Cypriot stores are usually considered indicative, and a discount is generally always given at the cash register. Therefore, both municipalities included adopted the CPG scheme and initiated a *FIESTA Discount Program* by following the following methodology: each city prepared a list of retailers of electric devices and appliances as well as a list of electric devices and appliances preferably relevant to the scope of the project. Local retailers were contacted by a letter of invitation to participate in the FIESTA campaign, by offering an extra 10% (indicative value) to the final agreed price between them and the consumers. The extra discount was provided only after a customized and numbered FIESTA coupon was displayed. Consumers were able to obtain these coupons at their local FIESTA Energy Help Desk.

As demonstrated, methods of implementation varied from one country to another and one can hardly argue that a common transnational CPG model was successfully carried through. Hopefully, the summary given here is sufficient to demonstrate that significant adaptation were necessary. However, LA's did their best to involve all relevant parties to achieve goals stated in the AF (for families to get more affordable high efficiency heating and cooling devices; for retailers and installers to find more business opportunities which support efficient solutions; for other stakeholders - like consumers' and environmental associations - to provide their support in the best interest of citizens). As a lesson learned, we might suggest the approach taken by our Spanish colleagues is perhaps the most suitable one since it enabled local authorities to bypass the challenge of starting a CPG from scratch. Those municipalities who decided to cooperate with the project CLEAR did seem to find an elegant solution to overcome previously faced obstacles. We can assume that organizing associations such as CPGs might not be the best model for LA's to follow, and recommend LA's interested in implementing such activities to form a partnership with an organization experienced in conducting such enterprises.

In conclusion, since signing 14 local Consumer Purchasing Groups agreements is recognised as a major output by the Application Form it is necessary to point out that our partners from Zaragoza were unable to form a CPG. Therefore, no agreement was signed. Other partners delivered all documentation relevant for the implementation of the CPG activities described earlier in this report. Ultimately, these activities resulted in signing the following agreements:

Name of the partner / organizer	Signatories of the Agreement
Italy	
Municipality of Trieste	<i>Altroconsumo</i>
Municipality of Ravenna	<i>Altroconsumo</i>
Municipality of Forlì	Two agreements were signed with following Consumers' associations: <i>InGASati – GASrage; InGASati – Ca' Ossi</i>
Spain	
Zaragoza City Council	Two agreements were signed with following Consumers' associations: <i>Asociación de consumidores Torreramona; Unión de Consumidores de Aragon</i> - the CPG wasn't created in the end, however
Municipality of Pamplona	<i>OCU</i> (Spanish representative of the CLEAR project)
Logroño City Council	Cooperation agreements was signed with following companies: <i>Aislamientos BOX; Aislamientos Térmicos Urbión; Roller Bike; Ecoduvi; Eduardo Martínez Urigüen; Eficen Research, S.L.; Electricidad Guerra; DMiguel; Energíactiva; LedEuropa; Pantallas Rioja.</i> Since <i>DMiguel, Eficen Research, S.L., and Electricidad Guerra</i> signed two contracts, a total of 14 agreements were made.
Croatia	
Municipality of Pula-Pola	CPGs were created by signing an Expression of Interest with following companies: <i>STUDIO BAŠIĆ d.o.o; BAZGIN d.o.o; ATIMA d.o.o; KOLOS d.o.o; MARITERM d.o.o.</i>

Municipality of Rijeka	CPGs were created by signing an Expression of Interest with the following companies: <i>PVC ART, MARITERM</i> and <i>BILLY</i>
Municipality of Zadar	CPGs were created by signing an Expression of Interest with following companies: <i>AMRITA d.o.o; Arija Nova d.o.o; Polo-commerce d.o.o; T.O. NIT Gorenje studio Zadar; Babić d.o.o.</i>

Bulgaria

Municipality of Burgas	A CPG agreement was signed with <i>TECNOSUN Ltd</i>
Pazardzhik Municipality	A CPG agreement was signed with <i>Zora M.M.S. Ltd</i>
Municipality of Vratsa	Two CPG agreements were signed with following companies: <i>Tehnopolis Bulgaria JSCo; Zora M.M.S. Ltd</i>

Cyprus

Limassol Municipality	FIESTA Discount Program agreements were signed with following companies: <i>Andreas Charalambous (Electrosyskeues) Ltd; Andreas G. Maratheutis Ltd; Andreas Ioannou Ltd; Antonis Elia Sotiriou Trading Ltd; Makis Kakkouras; Scandia Larnaca</i>
Larnaca Municipality	FIESTA Discount Program agreements were signed with following companies: <i>George Theodorou; Fournaris; G. Saittis Airconditions Ltd; PASCHALIS KONTOPYRGOS LTD; Patsalos & Xiourouppas Ltd; Radio Raymond Ltd; SCANDIA LARNACA; Thetaco Traders</i>

When it comes to the impact of CPG related activities on household investments in energy efficiency, these figures differ significantly from one municipality to another. Each partner involved was asked to provide an exact investment value or an estimation in those cases where precise figures weren't available. This data is presented below as a final part of this report:

COUNTRY	LA	INVESTMENT VALUE/ESTIMATION
ITALY	Trieste	0,00 €
	Ravenna	25.000,00 €
	Forlì	1.548,39 €
SPAIN	Zaragoza	0,00 €
	Pamplona	12.000,00 €
	Logroño	11.969,50 €
CROATIA	Pula	42.000,00 €
	Rijeka	500,00 €
	Zadar	0,00 €
BULGARIA	Burgas	5.400,00 €
	Pazardzhik	8.500,00 €
	Vratsa	5.215,00 €
CYPRUS	Limassol	5.000,00 €
	Larnaca	5.041,00 €
TOTAL INVESTMENT VALUE/ ESTIMATION:		122.173,89 €