

ESD implementation in The Czech Republic

In The Czech Republic the responsible ministry for the implementation of the ESD is the Ministry of Industry and Trade. All ESD requirements are covered by three energy laws No.: 406/2000 Coll., 458/2002 Coll., 180/2005 Coll., including any subsequent amendments.

Legal context

The Directive on Energy Efficiency and Energy Services has partly been implemented through the Energy Management Act 406/2000 Coll., including later amendment. The Energy Management Act has been put in force to contribute to economic use of natural resources, protection of the environment, as well as to more efficient use of energy. The Act lays down the rules for Governmental programs for the support of energy savings and the use of renewable energy sources. The Act addresses in detail energy efficiency of both boilers and air-conditions, energy performance of building, ecodesign and the energy audit scheme (Article 9). Carrying out energy audits is mandatory for public buildings above a certain annual energy use as well as for private firms above a certain consumption threshold. Energy audits may be carried out by certified energy auditors only. At the moment there are about 320 of them in the Czech Republic. Besides of the energy auditors more than 800 experts are certified to elaborate "Energy Performance Certificate of a Building".

Remaining parts of the ESD have been implemented by means of Energy Act 458/2002 Coll., including later amendment. The Act has been amended to add energy services and duties coming from the Directive on Energy Efficiency and Energy Services. The third law related to energy (No 180/2005 Coll., including later amendment), supporting generation of electricity from renewables resources, does not directly implemented ESD requirements.

It is also worth to mention law No. 137/2006 Coll., dealing with public procurement. Article 46 states the technical requirement for public tenders. Requirements set in public tenders should be in line with Czech and European technical standards. These technical standards can also include requirements for environmental protection. Therefore, this paragraph includes some of the points mentioned in Annex VI of the ESD Directive (*List of eligible energy efficient public procurement measures*).

Status of the implementation

The Czech Republic has reached full implementation of the ESD requirements except implementation of white certificates and voluntary agreements. The following table identifies the ESD articles covered by the above mentioned laws.

Table	
Article 1	No implementation necessary
Article 2	No implementation necessary
Article 3	For definitions see above mentioned laws, obviously § 2
Article 4	Implementation not necessary, for targets see National Energy Efficiency Action Plan
Article 5	Law No. 406/2000 Coll., §§ 6, 6a, 7, 8, 8a, 9 and law No. 137/2006 Coll., § 46.
Article 6	Law No. 458/2000 Coll., except white certificates and voluntary agreements
Article 7	Law No. 458/2000 Coll.,
Article 8	Law No. 406/2000 Coll., §§ 6, 6a, 9 and Decree 213/2001 Coll.
Article 9	Law No. 406/2000 Coll., § 5
Article 10	Law No. 458/2000 Coll.,
Article 11	Law No. 406/2000 Coll., § 5, and Structural funds managed by Ministry of Industry and Trade and Ministry of Environment
Article 12	Law No. 406/2000 Coll., §§ 9, 10 and Decree 213/2001 Coll.
Article 13	Law No. 458/2000 Coll.,
Article 14 to 20	Implementation not necessary,

Table 1 – Overview of ESD implementation in the Czech Republic

Additional efforts

New legislation has been introduced:

- Decree No 148/2007 Coll., On the Energy Performance of Buildings – provides above all the evaluation method of energy performance of buildings, the requirements for the minimum energy performance and content of energy performance certificate in effect from 1.7.2007. Based on the decree, new buildings or buildings that undergo major renovation have to meet the requirements of category C. The Ministry of Industry and Trade is preparing an amendment to the Decree.
- Decree No 276/2007 Coll., On the Control of Heating Systems - this document specifies the frequency, range and method of control of boilers with power capacity from 20 to 200 kW. It also specifies a detailed efficiency review of boilers above 20 kW that are older than 15 years. This review includes a check-up if the boiler is not over-dimensioned (e.g. because the building it is heating has been insulated recently, and a smaller boiler would be sufficient). The Ministry of Industry and Trade is preparing an amendment to the Decree.

- Decree No 277/2007 Coll., On the Control of Air Conditioning Systems – this document specifies frequency, range and method of control of air conditioning systems and determines the periodic controls of equipment with rated cooling output greater than 12 kW. There is a duty to ensure regular monitoring every 4 years. The Ministry of Industry and Trade is preparing an amendment to the Decree.

Shortly after the implementation of the Energy Management Act (406/2000 Coll.), Decree 213/2001 Coll. has been introduced, stating all details of the energy audit programme. The decree states, among others:

- What should be the contents of the energy audit (e.g. description and assessment of the current state of the building or company, proposals for energy saving measures, economic and environmental assessment of the new measures)
- Energy consumption threshold for compulsory elaboration of energy audits:
 - Private and legal persons applying for state subsidy when it concerns and energy source > 200 kW
 - State organisation units (e.g. their buildings and other facilities) when having an annual energy consumption > 1 500 GJ
 - Private organisations if their total annual energy consumption is > 35 000 GJ.
- Professional requirements for energy auditors to become certified

Apart from the above mentioned legislation, a number of other (support) programmes have been put in place to provide financial support to energy efficiency.

In April 2009 Ministry for Environment introduced the **Green Light for Savings Programme**. The Green Light for Savings Programme focuses on support for heating installations utilising renewable energy sources but also investment in energy savings in reconstructions and new buildings. The programme will support quality insulation of family houses and non-panel multiple-dwelling houses, the replacement of environment unfriendly heating for low-emission biomass-fired boilers and efficient heat pumps, installations of these sources in new low-energy buildings, as well as construction of new houses in the passive energy standard.

The Czech Republic has raised funds for this programme from the sale of emission credits under the Kyoto Protocol on greenhouse gas emissions. The overall anticipated programme allocation is up to 25 billion CZK (Czech Crowns).

The Green Light for Savings support has been set up so that the funds can be used throughout the period from the programme's launch until 31 December 2012. A subsidy may be applied for before or after implementing the measure, but support for measures completed before the programme's launch cannot be granted. The support is granted for equipment installed in residential houses, and has recently been extended to panel buildings.

The interest about subsidies under the above Programme exceeded its financial capacity and the receipt of new application has been temporarily stopped.

The EFEKT Programme – A State programme to promote energy savings and renewable energy use (coordinated and run by the Ministry of Industry and Trade). It is a complementary program for energy programs supported through EU Structural Funds. Grants are provided primarily for information and awareness-raising activities for the public in the field of energy savings. Through the programme, the following activities are supported:

- the set up and management of energy consultancy centres (EKIS), which provide public information about savings and RES,
- Support for conferences and training seminars and
- Publications dealing with energy savings and renewable energy systems.
- State aid can be obtained also for smaller investments in production and energy savings and energy management, and pilot projects.

In the period 2003-2006 383 796 000 CZK was spent. In 2007 the financial incentives amounted to 67 216 000 CZK, and in 2008 to 59 605 000 CZK. In 2009 the financial incentives amounted 29 038 000 CZK.

The Program **ECO-ENERGY** (coordinated and run by Czechinvest under the Operational Programme for Enterprise and Innovation) stimulate business activities in the field of reducing the energy intensity of production and consumption of primary energy sources. The programme provides support for:

- a) The use of renewable and secondary energy sources,
- b) Increasing energy efficiency in production, transmission and consumption of energy.

The programme is designed for SMEs as well as large enterprises (in the case of point B). Financial support may be up to 250 million CZK.

Czech Industrial enterprises are very interested in the above programme.

Future planning

Since 2007 the Czech Republic has started the National Programme of emissions' reduction and The National Programme for abatement of Climate Change Impacts in the Czech Republic. A new Climate Change Policy of the Czech Republic is currently under preparation.

The Ministry of Industry and Trade set up the draft of novelized State Energy Policy. The Policy is now under discussion with other Ministries as well as participation of the public. The Policy aims at a significant increase in energy efficiency and reduction of emissions. A permanent reduction of CO₂ emissions and other pollutants should be reached by the construction of new zero-carbon (nuclear and renewable) sources and by the use of new clean coal and gas technologies. Energy intensity should continuously decrease over the planned period. It is assumed that energy intensity will decrease by about 40 % in 2020 and by approximately 55 % in 2030 (with the year 2005 as baseline).

The Ministry of Industry and Trade is now preparing the Second National Energy Efficiency Plan, together with external consultants, to be ready and sent to the EC in June 2011.

State organisations involved in energy efficiency

Originally, the Czech Energy Agency (CEA) was the agency responsible for energy efficiency and managing the energy efficiency programmes. At the beginning of 2008, the CEA was abolished by the Ministry of Industry and Trade, the main reason being savings in the State budget. Activities of the CEA have been handed over to four other state organisations:

Ministry of Industry and Trade (www.mpo.cz) – managing the EFEKT programme and responsible for the energy auditors programme.

Energy Regulatory Office (www.eru.cz) - administrative authority for energy sector regulation, responsible for heat price control (in district heating systems) and price control of distribution and transmission fees of electricity and gas networks, see the law 458/2000 Coll.

State Energy Inspection (www.cr-sei.cz) – enforcement of provisions under the Energy Act, Energy Management Act as well as accompanying decrees. The SEI also checks if the contents of energy audits are in compliance with decree 213/2001 Coll.

Association of Energy Auditors (www.aeaonline.cz) – Professional body representing energy auditors and taking care of education of energy auditors.

Agency Czechinvest (www.czechinvest.org) – managing the ECO-ENERGY programme.

Other State organisations having an important role in energy efficiency are the following

Ministry for Environment (www.env.cz) – has developed the Green Light for Savings Programme.

State Fund for Environment (www.sfzp.cz) – is managing the Green Light for Savings Programme