

# National EED Implementation Report (NIR) 2021

# **EED implementation in the Czech Republic**

#### Introduction

The competencies are divided mainly between three ministries: The Ministry of Industry and Trade which is the main coordinator of activities for the fulfilment of the obligations and the responsible entity for the implementation of the Energy Efficiency Directive, the Ministry of Environment and the Ministry of Regional Development.

## 1. Legal context

The EED was transposed into the Czech law. The main national laws, within which the EED was transposed, are Act n. 406/2000 Coll., on Energy Management and Act n. 458/2000 Coll., on business conditions and public administration in the energy sectors. The main materials outlining the Energy Efficiency obligations can be found for the obligation period 2014-2020 within The <u>National Action Plan</u> and for the obligation period 2021-2030 within the <u>National Energy and Climate Plan</u>.

### 2. Status of the implementation

#### 2.1. Legislative provisions

This table contains information on how the EED has been implemented by article, including any relevant web links.

| EED Article | Implementation status                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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| Article 5   | The Czech Republic has opted for an alternative approach, i.e. it will take<br>other cost-effective measures to achieve savings in the buildings owned and<br>occupied by the central government. This approach was chosen due to the fact<br>that buildings owned and used by central government are mainly buildings<br>officially protected as part of a designated environment or because of their<br>special architectural or historical merit. The Ministry of Industry and Trade in<br>cooperation with other stakeholders prepared the Building Renovation Plan<br>pursuant to Article 5 of the EED which was approved by the Czech government.<br>The plan includes a specification of buildings being included into the inventory<br>and not meeting the minimum energy performance requirements. A report that<br>summarises the progress in building renovation is being annually submitted to<br>the Czech government. In the view of an alternative approach, annual energy<br>consumption monitoring has been introduced [Act n. 406/2000 Coll., on energy<br>management] in order to assess the impact of non-investment measures such<br>as implementation of energy management systems.<br><u>Renovation of central government buildings</u> |



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| EED Article  | Implementation status                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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| Article 6    | Since November 2010, 'Rules for the application of environmental requirements<br>in central and local government procurement procedure and purchasing' have<br>applied in the Czech Republic. These rules were adopted by the Government<br>to promote green procurement in the public sector. The rules only define basic<br>parameters, i.e. they state the bodies for which they are binding, and how and<br>when evaluations of their implementation are to be evaluated. Selected product<br>groups are regulated by more detailed methodologies. These methodologies<br>establish environmental requirements for products and services procured, and<br>also include detailed instructions on how to incorporate these requirements into<br>public procurement.<br>Act No 406/2000 on energy management defines new special technical<br>conditions that central institutions must observe in the public procurement<br>procedure. |
| Article 7    | The alternative approach is used in order to fulfil the energy savings obligation.<br>Therefore, the state takes full responsibility over achieving said obligation.<br>Details for the obligation period 2014-2020 are included in the National Action<br>Plan on Energy Efficiency available <u>here</u> . For the period 2021-2030 are the<br>details included within the National Energy and Climate Plan available <u>here</u> . For<br>the new obligation period, the Czech Republic retains the use of an alternative<br>approach, however it introduces the voluntary agreements for private subjects.<br>These agreements allow for private subjects to participate without the necessity<br>for implementing Energy Efficiency Obligation Scheme.                                                                                                                                                                              |
| Article 8    | Energy Management Act 406/2000 Coll. fully transposes the requirements<br>of Article 8 of the EED. Decree 140/2021 Coll. lays down the details for<br>energy auditing and Decree 141/2021 Coll. lays down the details for energy<br>assessments. Under the Energy Management Act the obligation for the energy<br>audit is stated under specific conditions, such as the number of employees, the<br>yearly revenue or the total annual balance sheet. The Czech Republic further<br>obliges companies which are not classified under the previous conditions but<br>exceed the threshold of 5000 MWh of annual energy consumption (it must be<br>exceeded in two consecutive years).                                                                                                                                                                                                                                                    |
| Article 9-11 | Metering and billing systems in the Czech Republic are well established and<br>provide sufficient information to final customers on actual consumption over<br>a given period. Metering and billing requirements under Articles 9, 10 and 11<br>has been implemented by Act. n. 458/2000 Coll., on business conditions and<br>public administration in the energy sectors, Act n. 406/2000 Coll., on Energy<br>Management and Decree n. 359/2020 Coll., on electricity metering. Obligation<br>to install meters for district heating and cooling is set in Act n. 406/2000 Coll.,<br>on Energy Management and specified in Decree n. 194/2007 Coll., on rules for<br>district heating and hot water supply and metering. Decree n. 269/2015 Coll., on<br>heat and hot water billing specifies the way how to derive the bill in case owners<br>do not set their own way of deriving the bill.                                           |



| EED Article          | Implementation status                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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| Article 12<br>and 17 | Article 12 requires Member States to promote and facilitate an efficient use of<br>energy. The Czech Republic uses for these purposes the EFEKT programme<br>(State Programme on the Promotion of Energy Savings) and does so since<br>1999. Projects focused on increasing the public awareness are supported. The<br>program EFEKT is defined by act 406/2000 Coll., on energy management.                                                                                                                                                             |
|                      | The aim of the EFEKT Programme is to achieve energy savings by raising<br>awareness among customers, by increasing the quality of energy services,<br>and by supporting the public sector in the economic management of energy. It<br>focuses on raising awareness and disseminating information (with a stress on<br>energy-saving measures). The examples of supported activities:                                                                                                                                                                     |
|                      | <ul> <li>energy consulting provided by energy consultation and information centres<br/>(EKIS);</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                      | <ul> <li>courses and seminars about the energy sector;</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|                      | • publications, guides and informative materials about the energy sector.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                      | Information about the supported projects are available <u>here</u> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Article 16           | Act No 406/2000 on energy management, transposes the article's requirements.<br>Energy specialist qualification scheme is available in the Czech Republic.                                                                                                                                                                                                                                                                                                                                                                                               |
|                      | Energy specialists are natural or legal person holding an authorisation granted by the Ministry of Industry and Trade to:                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                      | a) perform an energy audit and an energy assessment;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|                      | b) produce an energy performance certificate;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|                      | c) inspect boilers and thermal energy distribution systems in operation;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|                      | d) inspect air-conditioning systems.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|                      | To obtain an energy specialist certification it is necessary to fulfil obligations<br>under Act No 406/2000 on energy management, such as passing exams. The<br>Examination Committee consists of representatives of ministries, universities<br>and professional organisations. For the person who already holds the energy<br>specialist certification, it is obligatory to complete a training course and to pass<br>a test to prove their expertise. The register of energy specialists is publicly<br>accessible on the Ministry's <u>website</u> . |
| Article 18           | Transposed by the Act 406/2000 Coll., on energy management. List of energy services providers is publicly available on the Ministry's <u>website</u> . Energy services and energy performance contracting in the Czech Republic are promoted on the aforementioned <u>website</u> as well, for example by publication of EPC template contracts.                                                                                                                                                                                                         |



| EED Article | Implementation status                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
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| Articles 19 | In the area of split incentives, the Czech Republic applies subsidy programmes<br>to support the renovation of apartment buildings, including those with rented<br>apartments. With regard to the voting rules in the SVJ (building owners'<br>association), not everyone has to agree with the renovation of the building,<br>i.e. owners of rented flats have practically no blocking right and an apartment<br>building can be insulated on the basis of a decision of the SVJ, reaping benefits<br>for tenants as well. |
| Article 14  | Requirements under this Article have been implemented by Act. n. 458/2000<br>Coll., on business conditions and public administration in the energy sectors,<br>Act n. 406/2000 Coll., on Energy Management and Act No. 165/2012 Coll., on<br>Promoted Energy Sources. Development, construction and linking the existing<br>networks of district heating are supported.<br>The comprehensive assessment is made public on the Ministry's <u>website</u> .                                                                   |
| Article 15  | Requirements under this Article has been implemented by Act. n. 458/2000<br>Coll., on business conditions and public administration in the energy sectors.                                                                                                                                                                                                                                                                                                                                                                  |

#### 2.2. Non-legislative provisions

Further information can be found on the <u>IAE website</u>, and the Czech Republic undertook an energy policy review in 2020.

#### 2.3. Implementing bodies

The Ministry of Industry and Trade is the main coordinator of activities for the fulfilment of the obligations under the Directive 2012/27/EU. Furthermore, the ministry administers measures helping the private sector to increase its energy efficiency (e.g. through the Operational Programme Enterprise and Innovation for Competitiveness). The Ministry of Environment administers several measures falling under the Directive 2012/27/EU fulfilment with the focus on efficient renovations within public (citizens) and state sector (e.g. through the Operational Programme Environment). The Ministry of Regional Development also administers measures falling under the Directive 2012/27/EU focusing for example on transport (e.g. through the Integrated Regional Operational Programme).

#### 3. Implementation of revised EED articles

Changes shall be dependent on the upcoming revision of the EED. In the near future, the State Energy Policy shall be updated as well as the National Energy and Climate Plan.

#### 4. Relevant information

All relevant information can be found on the <u>website</u> of the Ministry of Industry and Trade of the Czech Republic.