

## ENERGY EFFICIENCY NEWS FROM THE CZECH REPUBLIC

### First international Energy Service Award to the Czech Republic



On May 13, 2005 the winner of the first year of the European Energy Service Award was announced. The competition is managed by the Berlin Energy Agency under the patronage of the German Federal Environment Minister and with the support of the EU Commissioner for Energy. The winner is SEVEN, The Energy Efficiency Center.

The announcement of the competition is part of the first year of a pan-European campaign promoting energy services: the European Energy Service Initiative. Its goal is to promote the principle of provision of energy services as an economically beneficial form of reducing energy intensity at the level of specific consumers, as well as nationwide. According to the competition's organisers, the value of the energy services market in Germany amounts to

EUR 2 billion a year; none the less, a significant part of the economically usable energy-saving potential in buildings remains idle.

SEVEN has been awarded the prize in the category „Best Energy Services Promoter“ in which the scale of the contribution to overall market support was evaluated, as well as overcoming the barriers to its further development and the actual results achieved.

The competition will also be held in the next two years, hence, it is already possible to view the terms of its next edition. The competition is also open to energy service companies and specific projects.

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More information about the competition:

[www.energy-service-initiative.net](http://www.energy-service-initiative.net)

### Survey of local energy agencies, or 327 organisations can't be wrong

In European Union countries there are at present 381 organisations registered as a local energy agency. In the first years of their existence approximately two-thirds of them were granted financial support from the European Commission, which was therefore interested in how these organisations work, which of them are successful and what is the key to this success.

The subject of the survey was 327 organisations and it was carried out by experts from four EU countries, among them specialists from SEVEN, who focused on new EU member states. What are the key factors for the success of local energy agencies?

- 1.) The capability of establishing and retaining good relations with representatives of local authorities;
- 2.) A growing number of clients as an expression of their ability to adapt to changing conditions and have stable economic results;
- 3.) The key to success is a high-quality and highly qualified labour force (in the technical, organisational and communication area); and
- 4.) Using the possibilities of information and experience exchange with other European energy agencies. The mentioned success factors point to the fact that it is primarily the ability to secure co-financing of an agency's existence beyond lump subsidy

funds whose duration is limited that distinguishes successful agencies from unsuccessful ones, which in the course of time go out of business. The success of a particular agency is then a reflection of finding a suitable domain of operation in the given country and a specific specialist issue, and is largely individual.

The survey ran in the form of personal and telephone interviews and studying of agencies' documents. It has shown that 67% of agencies have existed for longer than four years, which is important from the viewpoint of the European Commission granting support only in the initial three years of an agency's life. One-third of agencies are public organisations and 45% of them have a non-profit nature. The average number of employees of local energy agencies is 9.2, however, if 18% of the largest agencies with more than 10 employees are deducted, the average accounts for merely 3.3 employees. Approximately 20% of agencies are a part of larger organisations with a wider scope of activity.

Furthermore, the survey has revealed that the most frequent and most successful activities of energy agencies are projects pertaining to renewable energy sources, energy savings and energy planning, work at a local level, as well as European projects, support for small and medium enterprise in the area of renewable

and preparation of specific projects aimed at energy cost reduction.

**SEVEN has recently participated in the following projects in the Balkans and Asia:**

Through the Czech-UNDP Trust Fund, the Czech government financed in Bosnia and Herzegovina a project drawn up as a part of a wider UNDP pilot project pertaining to efficient energy use in housing. SEVEN prepared an educational trip to Prague and organised a goal-directed seminar in Sarajevo for selected representatives of state administration, towns, non-governmental organisations and international financial programmes in Bosnia and Herzegovina

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energy sources, dissemination of information and promotion. On the contrary, more problematic activities include promotion of agencies themselves, practical impact on decisions of local authorities, small budgets for promotional activities, consultancy and implementation of projects, and low interest in cooperation on the part of energy utilities.

The study has been drawn up upon the order of the European Commission and it will serve for it as a source of inspiration when making its future decisions about the form of support for local energy agencies.

The study's outputs will be published on [www.managenergy.net](http://www.managenergy.net).

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### Foreign interest in the Czech Republic's experience

Cont. on page 2

Interest in the new EU member states' experience in transforming from a centrally planned to a market economy in energy supply and energy management, the Czech Republic in particular, has been shown by countries which are undergoing a similar development at the present time. It concerns energy policy, harmonisation of legislation, as well as financing

about preparation and funding of specific energy-saving projects, as well as experience with preparation and implementation of energy policy in transforming economies of the new EU members.

In Serbia, SEVEN has drawn up energy concepts for three towns as a demonstration project of the Serbian government's Energy Efficiency Agency. The project has been financed through the European Bank for Reconstruction and Development.

Experience with using EPC in the Czech Republic has been applied by SEVEN in Mongolia during the preparation for implementation and subsequent monitoring and evaluation of three demonstration

## Objectives of European Energy Policy for 2005

The European Commission Directorate-General for Energy and Transport, which is responsible for preparation of EU energy and transport policy, has published a document titled „European Energy Priorities - An Outline of the European Commission's Plans for 2005“. It defines six main priorities from a short-term and medium-term perspective and sums up priorities in the area of energy efficiency.

- Achieving a properly functioning internal market for gas and electricity;
- Promoting renewable energy;
- Strengthening nuclear safety and security;
- Security of Europe's energy supplies; and
- Improving the links between energy policies and environmental and research policies.

Certainly worth mentioning is that energy efficiency is within these priorities stated in first place. The reason is that, according to the European Commission, it is possible to save up to 20% of energy consumed in the EU by means of economically effective utilisation. Therefore, the objective of the EU Commissioner for Energy is by 2010 to save energy totalling the value of 70 million tonnes of oil, or EUR 15 billion a year, respectively.

The document contains a list of measures which the European Commission plans to prepare and implement in practice over the next few months.

The measures scheduled for preparation within the framework of promoting energy efficiency involve:

- \* Extending the labelling Directive to installed equipment, building products and car components;
- \* Extension of the agreement on using the Energy Star logo for computing technology;

- Extension of the legislation on using energy in buildings to apply to already existing small buildings;
- Announcement of calls for the development of a new generation of energy-saving appliances;
- Promotion of long-term contracts in the area of industrial processes;
- Setting objectives in the field of combined heat and power generation;
- Implementation of legislation on efficient vehicles and their purchase by public institutions;
- Promotion of market motivation when increasing effectiveness in production and energy distribution;
- Determination of air quality limits;
- Fiscal and economic motivation measures for energy savings;
- Support in the form of research and development projects of new technologies;
- Improved awareness through awareness campaigns, action on education, and reinforced eco-driving in the driving test curriculum.

### Complete wording of the document:

[http://europa.eu.int/comm/commission\\_barroso/piebalgs/doc/2005\\_european\\_energy\\_priorities\\_en.pdf](http://europa.eu.int/comm/commission_barroso/piebalgs/doc/2005_european_energy_priorities_en.pdf)

### Directorate-General for Energy and Transport:

[http://europa.eu.int/comm/dgs/energy\\_transport/index\\_fr.html](http://europa.eu.int/comm/dgs/energy_transport/index_fr.html)

### EU Commissioner for Energy:

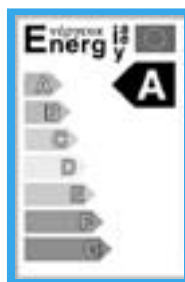
[http://europa.eu.int/comm/commission\\_barroso/piebalgs/index\\_en.htm](http://europa.eu.int/comm/commission_barroso/piebalgs/index_en.htm)

## Voluntary energy labelling scheme for circulation pumps can save energy worth millions of euros

It is beyond doubt that the introduction of energy labels marking power consumption of household electrical appliances has been important not only for consumers and their qualified choice when purchasing, but also for increasing energy efficiency in households. However, many appliances having a significant share in total energy consumption are not yet labelled. They include circulation pumps used within heating systems, or hot water circulation systems, respectively. Hence, some manufacturers of these pumps strive to implement a voluntary scheme of labelling their energy consumption.

Throughout Europe, approximately 120 million circulation pumps have been installed. Their electric power consumption is higher than that of all the washing machines on the continent put together. State-of-the-art pumps consume 80% less energy than the pumps commonly used today and their wider use could result in savings amounting to up to 1% of total electricity consumption in the EU.

The European Association of Pump Manufacturers (Europump) and a group of five European manufacturers with a 80% market share have after four years of preparation concluded an agreement on the introduction of a system of labelling energy consumption of pumps and classifying individual products into energy classes.



However, in comparison with commonly sold pumps, the most energy-efficient equipment is two to four times more expensive. The problem with its promotion in view of energy savings is that it is mostly not purchased by end users but boiler manufacturers and installation companies.

But enhanced awareness on the part of consumers could boost the demand for energy-efficient pumps and their increased production subsequently reduce their sales price too.

A subject for discussion may also be the voluntary nature of the mentioned agreement. That is to say, it need not ensure that products with high power consumption be marked with energy labels too (a denoted low energy class would not be a suitable marketing tool for manufacturers...). Also related to the agreement's voluntary nature is the fact that if a „voluntary“ system is to be introduced in other categories of appliances that have so far not been energy-labelled, it would not have to fully defend consumers' interests and mark truly energy-efficient appliances and state bodies would then not have the possibility to oversee it.

## Foreign interest in the Czech Republic's experience

Continued from page 1

EPC projects. Activities in this country include dissemination of information on EPC among potential customers and creation of appropriate conditions for the development of EPC at the governmental level. The project, financed by the Dutch government, has been carried out by SEVEN together with the Dutch company IVAM.

## Databases of projects and initiatives pertaining to energy saving and renewable energy sources

The International Energy Agency (IEA) has published a comprehensive database of government programmes and initiatives relevant to energy efficiency in IEA member states. Individual programmes can be retrieved according to country, sector or type of measure.

<http://www.iea.org/textbase/effi/index.asp>

A similar database of measures extended to include the entire environmental domain can be found at the address:

<http://www2.oecd.org/ecoinst/queries/index.htm>



Another extensive source of references and specific projects is the database of the website [managenergy.net](http://www.managenergy.net), initiated by the European Commission. Here you can also look up projects by country, technical sector and target group.

<http://www.managenergy.net/submenu/Scs.htm>



A comprehensive list of links to particular energy projects is available on the website of the RUSE project:

[http://www.ruse-europe.org/rubrique.php3?id\\_rubrique=53](http://www.ruse-europe.org/rubrique.php3?id_rubrique=53)



Hence, according to specialists, one of the possibilities could be compulsory introduction of energy labelling for circulation pumps too, as is being planned for automobiles and has already been implemented as regards whole buildings -jk-

### More information:

<http://www.europump.org/>  
<http://www.energyproject.com/>  
<http://europa.eu.int/scadplus/leg/en/vb/l32004.htm>

## Prague Energy Concept approved

On March 1, 2005 the Municipal Energy Policy of Prague was completed. In its Decree No. 0248, Prague City Council took cognisance of the elaborated energy concept and decided that within the next step it would review the prepared concrete draft of its implementation, including a financial plan.

The energy concept, drawn up by SEVEN, follows the major objectives that were part of a public hearing:

- To provide reliable, high-quality and reasonably priced energy supply services by means of enhancing an effective competitive environment and thus contributing to the city's development.
- To secure sufficient safety of energy supplies in the city's territory.

- To reduce negative environmental impacts connected with energy use.

Hence, the core of the energy concept is the focus on efficient energy use, preparation of economically returnable energy-saving projects with the use of energy audits, mobilisation of commercial financing, including EPC, and dissemination of information and lessons learned to other sectors beyond the capital city's own jurisdiction.

However, the concept does not strive for regulation, restraint and imposition of additional obligations upon individual energy suppliers beyond the bounds of law, nor for massive subsidising of environmentally sound but economically disadvantageous projects.

-jz-

## Reduction of buildings' electricity consumption and its purchasing from renewable energy sources

From international conferences to local initiatives, problems related to inefficient use of energy, primarily electric power, are firmly on the agenda. Electricity production has significantly negative environmental impacts, leads to growing dependence on fuel imports and increasing costs for maintenance and construction of power plants. Two main possibilities for their, at least partial, removal, are energy saving and renewable energy sources. In addition, both methods can be combined together.

A combination of efficient use of energy and renewable energy sources has become the basis

from renewable energy sources, as the final report of the GreenEffect project points out.

An average office building allows for reduction of electricity consumption in an economically efficient manner by as much as 10 to 50 per cent. This also represents a possible lowering of electricity bills. If for the remaining consumption electric power is purchased from renewable energy sources, a building's user will not pay bills for its consumption higher than those before saving measures have been taken, however, it will significantly reduce its negative environmental impact.

The endeavour must be preceded by thorough

research into electric power consumption in the given building and proposal of the most beneficial possible saving measures. A draft of a simple programme for calculation of these measures has been drawn up within the GreenEffect project and it is possible to download it from its website.

Furthermore, as the graph shows, it is valid for the explored sample of buildings too that it is above all energy savings that are suitable to start

with in the endeavour to reduce negative environmental impacts. Only then follows the possibility of purchasing „green electricity“ making it possible to abate the quantity of emissions from electric power consumption for which a particular building is „liable“ virtually to zero.

Although purchasing green electricity in most European countries is a relatively peripheral matter, a lot of firms have come to it within their transition to the company management system in view of environmental protection. And, in addition, after implementing saving measures it need not mean increased demands for financial costs in order to purchase green electricity. -jk-

[www.greeneffect.org](http://www.greeneffect.org)

## Visit of Moldavian experts to the Czech Republic facilitates change in local legislation

Last February a working group of high government officials and experts from Moldavia took part in a specialist excursion to the Czech Republic and Poland organised by MUNE - Municipal Network for Energy Efficiency. The visit has proved to be useful since it even led to modification of the Moldavian legislation relevant for housing in relation to the Heating Act.

Ukázalo se, že šlo o návštěvu užitečnou, která dokonce přímo vedla ke změně moldavské legislativy v oblasti bydlení ve vztahu k zákonu o vytápění.

Inspired by their working trip to the Czech Republic, representatives of the Moldavian Ministry of the Environment submitted an amendment to the Housing Act so as to be consistent with the Heating Act. The proposal appertains to transfer of responsibility for heat distribution between thermal energy suppliers and heat consumers in flats (heat suppliers will be responsible for all distribution, except radiators). In addition, future contracts on supplies will have to be concluded between a heat supplier and an association of flat owners, not individual flat owners, as has been the case up to now.

One of the hosts of the excursion participants was SEVEN, which organised a panel discussion with representatives of the Ministry of Industry and Trade of the Czech Republic, the Citizens Association of Owners of Houses, Flats and Other Real Estates, the Czech Energy Agency and other institutions. The aforementioned issue was the major topic of discussion. **More information:**

<http://www.munee.org/go.idecs?i=556>

## OECD supports export of technologies using renewable energy sources

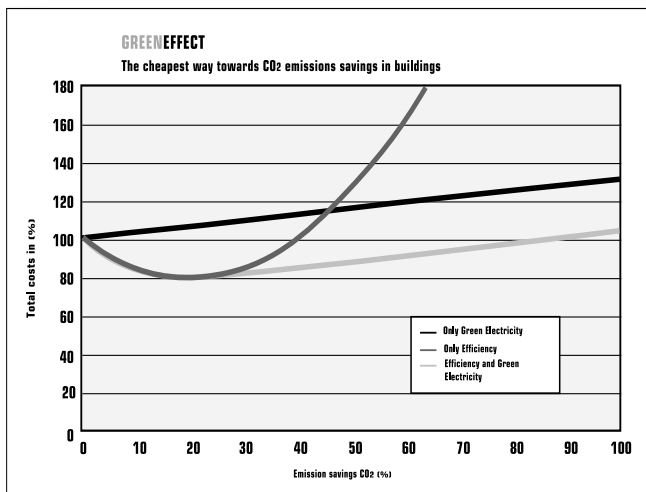
On July 1, 2005 new terms for promoting export of technologies using renewable energy sources from OECD member states, including the Czech Republic, to developing countries will come into effect. The main change concerns prolongation of the validity of individual loans granted in the Czech Republic by Česká exportní banka (Czech Export Bank) to 15 years, similarly as today is the case of nuclear power plants.

The programme supporting export of these technologies will take place over a two-year trial period. Its objective is to enhance promoting the use of renewable energy sources in developing countries. Utilisation of the programme will allow debtors to prolong the period of loan maturity up to 15 years, which is more advantageous than the set period of 12 years determined for conventional fossil-fuel power stations.

New terms of support apply to wind power, geothermal energy, wave and tidal energy, solar thermal and photovoltaic energy and biomass. In November 2005 a decision regarding inclusion of hydro power plants in these terms is expected.

After the elapsing of the two-year trial period, the impact of this support mechanism will be reevaluated and a decision about its future form taken. One of the changes under consideration is to raise the maximum 15% share from a loan for local costs in importing countries.

Those interested in making use of this support can contact the Sales Division of the Czech Export Bank – [www.ceb.cz](http://www.ceb.cz), e-mail: [ceb@ceb.cz](mailto:ceb@ceb.cz). -jk-



of the GreenEffect project managed by the Energy Department of Frankfurt am Main in which SEVEN takes part on behalf of the Czech Republic. Within the project, electric power consumption was evaluated in 69 office buildings in seven European countries with the total area of more than 1 million square metres and electricity consumption exceeding 140 million kilowatt hours.

The project has focused on energy consumption in office buildings, which account for approximately one-quarter of the total electricity consumption in Europe. On average, it is possible in the EU to effectively save at least 25% of this consumption. Adverse environmental impacts connected with electricity consumption in buildings can also be markedly eliminated by purchasing electric power derived entirely

## South Bohemia Regional Energy Agency soon to celebrate second anniversary

On August 1, 2005 two years will have passed since the establishment of the regional Energy Agency of the South Bohemia Region. Throughout its existence, the agency has proved to be beneficial for the region's institutions, local authorities and energy consumers alike. Its activity has already facilitated saving energy and obtaining subsidies for specific projects in the value of several million Czech crowns.

What concrete results can the agency boast of? Its employees have participated in the evaluation of energy audits drawn up for premises owned by the region and in the selection of truly essential and useful measures from the viewpoint of energy saving and decreasing necessary investments. Appropriate implementation of selected measures will lead to saving of taxpayers' money to the tune of several million crowns.

The agency's staff have, for example, also provided consultancy concerning optimal possibilities of energy consumption and payments for it to more than 30 institutions in the region's property, among them schools, social facilities and hospitals. Placing their recommendations into practice will result in saving of finance totalling several million crowns a year from the region's budget/taxpayers' money.

In information and financial terms, a specific benefit for the region is the drawing up and preparation of both domestic and international projects and applications for grants. Elaborated for organisations of the Regional Authority and local self-governments have been a host of projects for which subsidies at the level of more than one million crowns have been approved. Other projects with applications for over a million crowns have been processed over the first five months of 2005.

One of the projects through which information about possible subsidies „flows” into South Bohemia is the RUSE operation organised by the

European Commission within the framework of the Interreg IIIC programme and whose main partner is the pan-European Association of Towns and Municipalities with focus on the Energie Cites energy policy.

Information about possible utilisation of energy savings and renewable energy sources has also been disseminated through seminars for the professional public and the region's representatives dealing with such topics as thermal insulation of residential houses, energy services and EPC, renewable energy sources and the like.

The agency's setting up was initiated by the South Bohemia Region with the aim to provide service activity for the Regional Authority, ensure consultancy, education pertaining to energy efficiency, implement the Energy Policy and State Environmental Policy of the Czech Republic in regional and local conditions in order to increase energy efficiency and the use of renewable and secondary sources with subsequent abatement of greenhouse gas emissions, namely, in all ownership forms - both in the case of natural and legal entities seeking and acquiring finance for projects and their implementation from domestic and foreign sources. On the basis of a selection procedure, the agency's organisation has been assigned to SEVEN, which in the middle of 2006 will hand it over to the jurisdiction of the region. -jk-

For more information about the activity of the Regional Agency of the South Bohemia Region, visit the internet address: [www.keajc.cz](http://www.keajc.cz)

Information about state support to regional energy agencies and contacts to other agencies can be found on the website of the Czech Energy Agency: [http://www.ceacr.cz/?page=kea\\_cz](http://www.ceacr.cz/?page=kea_cz)

## Energy planning in practice

Prior to the passage of Act 406/2000 Coll., and partially also after its coming into effect, some towns strived to regulate energy suppliers in their territories by means of so-called zoning, i.e. declaring town areas in which is was possible or, contrariwise, unacceptable to use particular energy forms. Not to mention the real impacts of such a regulation whereby securing a privileged position of a supplier of one energy form and restricting other energy suppliers in the given territory necessarily brings along pressures on obligatory supply with a selected energy form also in the areas in which further extension of such an infrastructure is no longer economical even for the supplier of the preferred energy form itself.

The zoning principle that curtailed rights beyond the bounds of law has been abolished or replaced by new regulations on the instigation of lawyers of towns or on the basis of negotiations with the respective Regional Offices - see, for example, Decree No. 9/2003 of the Corporate City of Pilsen, modifying and amending the original Decree No. 13/2002; or Decree No. 5/2004 of the City of Jablonec nad Nisou, abolishing, among other things, the original Decree No. 5/2002, determining energy zones. -jz-

### Full wording of the decrees:

City of Pilsen - Decree 9/2003  
<http://info.plzen-city.cz/article.asp?itm=527>

City of Jablonec nad Nisou - Decree 5/2004  
[www.mestojablonec.cz](http://www.mestojablonec.cz) ->  
Main Menu: Municipal Office ->  
Dokuments: Announcements

## Sušice low-energy apartment house - first evaluation of energy consumption for heating surpasses expectations

In the Czech Republic there are two low-energy apartment houses in use - in Sušice and Železný Brod. Their specificity lies in the fact that they were built for standard costs. It means that the projected energy consumption for heating of flats was 40-50% lower than is attained in the case of regular housing development, while construction costs could not exceed the current cost of building. Real energy consumption for heating has been

measured in both houses; for the Sušice house the first results are available.

The apartment house in a suburb of Sušice was approved at the beginning of 2003. In the winter and spring of 2003 nine flats were handed over to their tenants, so the results of measuring energy consumption for heating for the proportional part of 2003 and the year 2004 are now available.

As the graph below shows, the results achieved are even better than those presumed in the construction

project. Real energy consumption for heating totalled 42 kWh/m<sup>2</sup>, whereas the project documents stated 55 kWh/m<sup>2</sup>. Heating costs (excluding heating-up of water) are approximately CZK 5,000 for a heating season.

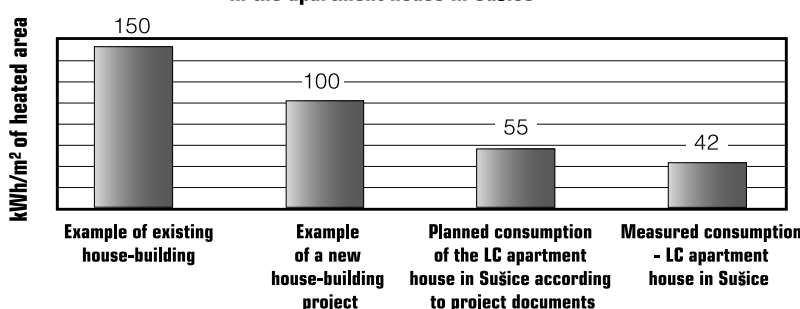
However, in view of correct use of flats, it must be pointed out that it is necessary to instruct their tenants as regards handling air-conditioning units providing controlled ventilation of flats. Controlled ventilation ensures air exchange in flats while preserving thermal comfort, but its insufficient use can result in condensation of air humidity in room corners.

Another low-energy low-cost apartment house has been put into operation in Železný Brod, where at the moment real consumption of energy for heating is also being measured and compared with the planned consumption.

The structural design of the two apartment houses was drawn up within the framework of the „Low-energy Low-cost Apartment Houses in the Conditions of the Czech Republic” project initiated and managed by SEVEN, o.p.s. under the patronage of the Charles University Environment Centre and with financial support from the funds of the United Nations Development Programme (UNDP) in the Czech Republic. -jk-

More information: [pavel.karnik@svn.cz](mailto:pavel.karnik@svn.cz)

Specific energy consumption for heating in the apartment house in Sušice



## CO<sub>2</sub> emission allowances allocated

*What quantity of carbon dioxides will Czech industrial enterprises be allowed to emit into the atmosphere? Approval of the final level of the number of emission allowances and their allocation to particular companies has been a process lasting several months. At present, the proposed allocation of allowances for the energy industry is known. Although the total number of allowances is lower than the industry had presumed, in the following years it will be entitled to more emissions than in 2004.*

The first proposal of the Ministry of the Environment, published for a public hearing on June 3, 2004, faced criticism on the part of the Ministry of Industry and Trade and industrial undertakings. A compromise proposal, agreed in cooperation with the Deputy Prime Minister for the Economy, has been eventually, after negotiations with the European Commission, reduced by 9% to the final 97.6 million allowances annually.

In its counterproposal, the European Commission issued from official projections of CO<sub>2</sub> emissions for 2005 presented by the Czech Republic. Within a year, a plan for the second period, 2008 - 2012, must be prepared. It should be created according to identical rules, nevertheless, the European Commission wants to favour enterprises which will invest in emission abatement.

### Number of CO<sub>2</sub> emission allowances in millions for

### the Czech Republic according to individual proposals:

Pursuant to the proposed allocation of emission allowances as of May 19, 2005 agreed between the Ministry of Industry and Trade and the Ministry of the Environment, in comparison with the proposal dismissed by the European Commission the situation will be worse primarily for refineries, the chemical and paper industries, and also manufacturers of construction materials. According to this

proposal, the number of allowances for the public energy sector has been lowered by 3.9 per cent, in the case of in-plant power stations by 12 per cent. However, between 2005 and 2007 all sectors are allowed to emit more emissions than in 2004. The public energy sector has obtained 5.3 per cent more allowances than were the actual emissions of power plants and heating stations last year. The limit for in-plant power stations is 17 per cent higher.

The definite form of the allocation mechanism is still being discussed, hence, the mentioned values need not be final. The Government of the Czech Republic will receive another two proposals, one of them prepared by the Ministry of Industry and Trade on the basis of recommendations from the tripartite negotiations.

Variants differ in sector figures, with allocations to plants remaining identical, and take the development in 2004 into consideration.

Other changes under preparation include a concept of individual compensations which will no longer be solved on the basis of evaluating firms' applications but an allocation will be individually adjusted for the firms to which the calculation algorithm would allocate less than their emissions were in 2004. Thus, allocations will be redistributed in such a manner that no firm gets less than in 2004.

Furthermore, it will not be possible to distribute the amount of allocated allowances among individual polluters on the basis of their mutual agreement. The creators of the National Allocation Plan will insist on the approved methodology applying to all registered companies which will then, of course, after adopting the scheme, be able to trade in allowances, or possibly waive them in favour of other subjects.

The National Register of Emission Allowances also responsible for communication with the European and global register of allowance trading is available at: [www.povolenky.cz](http://www.povolenky.cz).

Proposal:	2005-2007	Annually
First proposal of the Ministry of the Environment as of 3.6. 2004	274,8	91,6
Increase in the proposed number following industry's criticism	300	100
Proposal of the Ministry of Industry and Trade	351	117
Compromise proposal submitted to the European Commission on 12.10. 2004	322,98	107,66
„Counterproposal“ of the EC	270	90
Final level of allowances for the CR	292,8	97,6

## Renovation of residential buildings in Central Europe - the case of the Czech Republic

*What are the main barriers to accelerating and improving the process of renovation and thermal insulation of prefab high-rise buildings? Are there sufficient possibilities of state support? Which barriers can be removed most quickly? These and other questions related to thermal insulation of prefab houses were addressed by a team of experts under the leadership of SEVEN within the „Sustainable Renovation of High-rise Residential Buildings for Central and East European Countries - the Case of the Czech Republic“ project initiated by the Dutch Ministry for Territorial Planning, Housing and the Environment (VROM). The project aimed at finding a solution on how to constantly accelerate and improve the renovation process in order to bring about, alongside higher quality of dwelling, significant reduction of energy intensity of buildings.*

Analysis of the current status of legislation, ownership forms and technical condition of high-rise buildings in the Czech Republic, and the present forms of public support for their renovation, has revealed a host of serious problems and barriers complicating the process of their redevelopment.

The initial presumption of a critical lack of finance as being the major problem of residential houses' reconstruction has not, however, been confirmed during the course of the work. This is essentially good news, indicating that problems connected with refurbishment of this part of the housing stock are today resolvable. The findings made within the project have shown that it will only be necessary to talk about lack of subsidies in the case of mass extension of renovations within the existing state programmes intended for support of renovations (beyond just high-rise prefab housing).

On the basis of an in-depth analysis, the main barriers currently in place to a larger number of reconstructions have been identified. Subsequently, a total of 14 specific measures that could facilitate overcoming these barriers have been proposed. The measures concern the entire decision-making chain of the renovation procedure, from activating and motivating flat owners, through the project preparation phase, subsequent actual implementation to methods of its financing.

### We bring you a summary of some of the main barriers and a brief proposal for their possible solution.

Barrier	Proposed measure
Necessity of unanimous consent when making decisions about reconstructions in the case of associations of unit owners	Reduction of the quorum required for a qualified majority
Insufficient creditworthiness of small housing associations (SHA) and associations of unit owners (AO) for obtaining credits	Special credit products also accepting security other than actual flats, for example, guarantees of ČMZRB, CEEF, AOs' own finance
	Acceleration of the claim collection procedure in the case of non-payment
	Introduction of an insurance product for the case of repayment default
Low professionalism of management and administration of SHA and AO	Programme for increasing the level of education and quality of companies providing real-estate services
With subsidies, difficulty of fulfilling the requirement for comprehensiveness of repairs	Only motivating for comprehensiveness, not requiring it strictly
Low motivation for reconstructions in the case of tenement housing	Allowing for projection of reconstruction costs into rent
Low motivation for reconstructions in the case of some owners	Tax advantages for investments in renovations
	Renovation marketing - active promotion

In a number of cases, the desired effect of the above-described solutions is conditioned on the taking of another measure proposed. This

indicates that the proposed measures would result in successful tackling of current problems in the case of their combined and/or gradual implementation.

The project's results have confirmed that the centre of gravity of support tools should still be more directed into the area of non-investment forms of support, such as credit subsidies, state support for saving for housing needs, tax advantages and the like. Direct subsidies are only well founded in acute cases (a house's unfitness for human habitation).

One of the specific results the project has contributed to was the abolition of the mandatory 100% quorum during decision-making of residential unit owners about reconstructions of houses whereby up to now the unanimous consent of all owners of flats in a house has been required. However, here complex legislation continues to complicate the situation since all flat owners must still participate in a building permit procedure which includes outer thermal insulation.

The project's final report was presented at the Ministerial Conference that took place in March 2005 in Prague. The objective is to use it as a subsidiary argument for making finance from structural funds accessible after 2006 for support of housing stock renovation in new EU member states from Central and Eastern Europe.

### More information:

Tomáš Voříšek, [tomas.vorisek@svn.cz](mailto:tomas.vorisek@svn.cz)

## Conferences, exhibitions and presentations



### July - September 2005

4.–8. 7.

#### **FUEL CELL FORUM 2005 – The Fuel Luzern, Švýcarsko**

Contact: European Fuel Cell Forum,  
Tel: +41 56 496 7292,  
Fax: +41 56 496 4412.  
Email: forum@efcf.com  
www.efcf.com

19.–20. 7.

#### **RPA Biomass Conference & Renewables East Biofuels Conference Cambridge, Great Britain**

Contact: Renewable Power Association,  
Tel.: +44 020 7747 1841  
Fax: +44 (0)20 7925 2715  
E-mail: lpowell@r-p-a.org.uk;  
www.r-p-a.org.uk

12.–15. 9.

#### **BIOENERGY 2005:**

Bioenergy in Wood Industry

Conference Jyväskylä , Finsko

Contact: <http://www.finbioenergyfi/bioenergy2005>

13.–15. 9.

#### **Resource 05:**

Low Carbon Technology Showcase  
Watford,  
Velká Británie  
Contact: E-mail: resource05@bre.co.uk;  
www.resource05.com

13.–15. 9.

#### **Eastern Biofuels Conference & Expo**

Varšava,  
Polsko  
Contact: Wendy Vincent;  
tel.: +1 605 338 6829, ext. 20  
Email: wendyv@thestrattongroup.com;  
www.easternbiofuels.com

20.–24. 9.

#### **For Arch**

16th international building trade fair  
Prague - PVA Letňany Contact: ABF, a.s.  
www.forarch.cz

22.–25. 9.

#### **IHE-WoodEnergy 2005**

Mnichov,  
Germany  
Contact: ereuerbare  
energien, Kommunikations- und  
Informationsservice GmbH,  
Tel.: +49 (0)7121 3016 0,  
Fax: +49 (0)7121 3016 100,  
E-mail: redaktion@energie-server.de  
www.energy-server.com  
www.renexpo.com

22.–25. 9.

#### **RENEXPO 2005**

Mnichov,  
Germany  
Contact: ereuerbare  
energien, Kommunikations- und  
Informationsservice GmbH,  
Tel.: +49 (0)7121 3016 0,  
Fax: +49 (0)7121 3016 100,  
E-mail: redaktion@energie-server.de  
www.energy-server.com  
www.renexpo.com

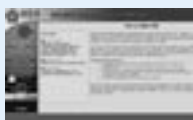
## We invite you to visit the following websites:

WWW

We invite you to visit internet pages of projects whose organisation SEVEN has participated in:

#### **Regional Energy Agency of the South Bohemia Region**

Consultancy on energy savings  
and renewable energy sources  
in the South Bohemia Region  
www.keajc.cz



#### **EU GreenLight**

Companies and organisations  
with a voluntary commitment  
to reducing lighting energy use  
www.eu-greenlight.org



#### **Territorial Energy Concept of the City of Prague**

Current and planned future energy  
consumption in the territory  
of the city of Prague  
www.svn.cz/UEKPraha



#### **Efficient Lighting Initiative**

Promotion of  
energy-efficient lighting  
www.efficientlighting.net



#### **TREAM**

Electric power savings  
in households and energy-efficient  
electrical appliances  
www.eais.info



#### **CEECAP**

Measures for promotion of electrical  
appliance energy labelling  
in Central and Eastern Europe  
www.ceecap.org



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Přetiskování příspěvků povoleno s uvedením pramene. Podávání novinových zásilek povoleno Českou poštou, s. p., odštný závod Přeprava, čj. 1009/96, dne 13. 3. 1996 • ISSN 1213 – 5844

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