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**Public Procurement of
Energy Saving Technologies
in Europe
(PROST)**

**Report on the Country Study for Slovakia:
Task 2a – Current Public Sector Purchasing, Building,
and Replacement Practices
Task 4b – PICO Feasibility Study**

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1 Executive Summary

1.1 Energy Efficiency in Current Public Sector Purchasing, Building, and Replacement Practices

Energy efficiency does not play at present important role in public procurement practices in Slovakia, unless the cost of energy is a prevailing factor in the new investment. Otherwise, the choice is usually determined by the purchase price of the equipment.

Where the equipment or a facility is already in place and the related costs of energy are significant, energy efficiency (or rather energy savings translated into money) becomes an issue. The existing mechanism of supporting investments in efficient street lighting or heat savings have led to noticeable progress in reducing energy bills in many cities in Slovakia. Still the existing energy saving potential is very large and the existing subsidy resources are far too short to solve the problem countrywide.

The access to bank loans is limited by the fact that the size of typical energy efficiency investment is usually too small for banks to offer attractive, or acceptable terms.

The procurement process itself is rather complicated, time-consuming and requests sufficient knowledge on national legislation. Currently, environmental criteria and energy efficiency issues in public procurement are not explicitly addressed in national legislation, and there is a clear need for guidelines on how environmental considerations and energy efficiency issues can be practically applied in public procurement in the frame of valid legislation and international agreements.

Several solutions can be contemplated:

(a) Third Party or ESCo-type financing. This is slowly making its way in Slovakia. However, the municipalities are still reluctant to enter such agreements because (i) they substantially increase the investment costs, (ii) the understanding of TPF or ESCo mechanisms is still not common, (iii) the ESCo type contracts require specialised legal experience and knowledge the municipalities could rely on, which is not readily available in Slovakia yet.

(b) “Bundling” or “packaging” of small projects of a similar type to decrease the unit transaction costs and make them more attractive to commercial banks.

(c) establishing energy efficiency revolving funds (PICO).

As far as inclusion of energy efficiency as an important parameter into the public procurement set of rules is concerned, availability of information and good practice examples are very important. Slovak participation in the initiatives that are being developed in the European Union can be greatly helpful in this respect. The issue has to be publicised to draw the attention of the decision-makers who, otherwise, are overwhelmed by a multitude of problems they are confronted with every day.

1.2 Public Internal Performance Contracting (PICO)

Public internal performance contracting (PICO) is, as far as known, not implemented in Slovakia and the experiences are very limited. It is important that the funds available especially in smaller municipalities are very limited for PICO. Many municipalities also lack the personnel, sufficient knowledge and skills to undertake a PICO. Public internal performance contracting may be possible in larger public entities.

2 General Information on the Political, Legal, and Economic Framework for Energy-Efficient Public Purchasing

2.1 General Information on Public Administration System

In Slovakia exists three-tier administrative division of the country, the entities of which are: municipalities (obec), counties (okres) and regions (kraj).

For the year 2001, there were in Slovakia: 2883 municipalities, 79 district offices and 8 regions.

At present in Slovakia exist 3 administration levels: 2 state governmental levels - region (kraj) and county (okres) and 1 local level - municipalities. But, nowadays, the process of creation of regional self-governmental structures (called velke uzemne celky - VUC) is starting to be created. The number of VUC is 8 - they are the same as regions (kraj). The aim is to pass some competencies directly to the regional responsibility. From 1st January 2002 the sections of regional development in the regional offices (krajsky urad) were cancelled and the sections of regional development were created under the VUC. Next year, the district offices (okresy) will be cancelled.

2.2 National Targets for Energy Efficiency and/or Climate Protection in the Public Sector

#In the following, we have copied the respective questions from the specs_to_natlteams (marked S1 etc.) or from the interview guide (marked I1 etc.) to the subchapters where they are supposed to be answered. The questions should be kept in the report#

Question(s) to be answered in this section:

S1. Are there national targets for energy efficiency or CO₂ reduction in public institutions (maybe derived from other environmental targets)? Do such targets exist on other levels of government (regional, local)?

S14 Trends, expected evolution?

The Slovak Republic has indicated its intention to reduce greenhouse gases (GHG) both as a party to the Framework Convention on Climate Change and as a signatory of the Kyoto Protocol.

In the National Programme for Regional Development one of the targets is increase of energy efficiency and development of municipal energetic.

In the Energy Policy of the Slovak Republic, there are mentioned following targets:

- Transformation of energy sector
- Establishment of Slovak Independent Regulation Office – regulation of energy prices, conditions for marketing, issuing permission for fuel conversion, etc.

- Increase in the use of renewable energy sources and energy efficiency – the aim is the RES share 4 % on the total energy consumption until 2005
- Modification of the tax norms – prolongation of tax holidays for operators of non-traditional energy sources or equipment

Targets in the field of heat supply:

- Transparent and consistent regulation of heat prices
- Creation of “health” market conditions by elimination of deformations at the individual types of fuels
- Decrease in consumption of primary energy sources
- Decrease in ecology waste residuals from the production of heat
- Passing the competencies at the issuing of permissions from the state to self-government
- Wider using of renewable energy sources and establishing the high effective sources or equipment

Trends:

- Liberalisation of market in Slovakia with electricity and natural gas (because the prices for the electricity and gas is still donated by Slovak state),
- Keeping or decrease the progress of energy consumption
- Harmonisation of Slovak energy statistics with the statistics of European Union and International Energy Agency – preparation of Slovak energetics to the internal market of European Union

2.3 Policy Programmes on Energy Efficiency in Public Institutions

Question(s) to be answered in this section:

S2. Is there a national programme on energy efficiency in public institutions in your country? If yes, is it voluntary or compulsory? Is there such a programme on other levels of government (e.g. run by a regional govt., or a co-operation of local governments)?

S3. Is it on product procurement, or building energy management, or both?

S4. What does it contain?

Info?

Training?

Benchmarking

Product databases, best practice databases, etc

LCC analyses and evaluation?

Specifications, guidelines, target values

Laws, regulations, rules

Financial incentives (purchasing; investments; and institution building)

Credit, revolving funds, etc

Support for performance contracting (rule making, promotion, training)
Other

S5. Who co-ordinates the programme?

S6. If a specific programme, what are the resources (staff, funding/year) available for the programme and the co-ordinator? How is it organised: on the central government level only, or with regional branches?

S14 Trends, expected evolution?

There are few effective legislative, economic and fiscal instruments in the Slovak republic to influence energy consumption and to reduce the energy intensity of the national economy. The funds allocated in the state budget for the support of national energy use are only symbolical, especially compared with EU countries.

The main objectives and actions towards approximation of EU legislation into Slovak legislation are defined in the National programme for implementation of *acquis communautaire*, where short and medium terms priorities for the energy sector are defined. For energy conservation priorities are following: to prepare a programme for the support of energy efficiency and the wider utilisation of RES, including research a development; to adopt the law on rational energy use.

In 1999, the new **Energy Policy for the Slovak Republic** was prepared. Together with the new Slovak energy law, it creates a solid legal background for the present performance of the Slovak energy sector.

In 1992, a state programme of energy consumption reduction was started in an effort to decrease energy consumption in the household sector. Applicants can apply for loans with a lower interest rate for any improvements in the thermal insulation of buildings or the use of renewable energy sources. 10 937 flats have been insulated for the period 1992-1997, which brought about 196.866 TJ of energy savings. Another 158 projects on improving the energy efficiency mostly of central heating sources and their pipe networks have been implemented, which brought about 1331 TJ of heat energy savings and about MWh for the period 1993-1998.

The Energy Concept for Slovakia until 2005 states that renewable energy sources currently make up approx. 23 PJ, i.e. 3% of total primary energy sources consumption. Most of which is from hydro energy utilisation. This document estimates a feasibly available yearly potential of renewable energy sources in 2010 of approx. 55.4 PJ.

Considerable efforts have been made in Slovakia to reach the levels of building energy efficiency in developed countries.

In recent years, new technical standards on building thermal qualities adjusted to requirements in the EU have been adopted, actually, the housing energy consumption for new buildings is completely comparable with developed countries in requirements for thermal quality. At the moment, another revision of the Slovak Technical Standards for

thermal qualities and energy consumption of buildings is being prepared according to the process of implementation and approximation to EU technical standards.

In 1996, the **State Support Housing Fund** was founded. The Fund offers loans with lower interest rates, direct financial support, reduction of taxes and supports activities aimed at: (i) supporting construction of new dwellings by private persons and business companies; (ii) insulation of housing buildings; (iii) reconstruction and renovation according the new strict standards on building thermal qualities.

Programme of Reduction of Energy Intensity and Wider Use of Alternative Energy Sources and Support of the Related Research and Development, 1996

The Programme consist of three parts:

- (i) Part - regulating requirements for subsidy applications
- (ii) Part B - regulating financial support for applications supporting thermal insulation of building and renovation according the new technology standard requirements
- (iii) Part C - regulating subsidies for renewable energy sources applications

State Supported Research Programmes

(i) Upgrading of Buildings with the target on the Housing Stock, implemented by VVUPS NOVA (Building Research Institute NOVA) in Bratislava, 1997-2000. Programme offered by Slovak Ministry of Buildings and Public Works,

(ii) Energy Efficiency in School Buildings, implemented by VVUPS NOVA in Bratislava 1999-2000

(iii) Energy Efficiency in Hospitals, realised by VVUPS NOVA in Bratislava 1998-2000. Programme offered by Slovak Ministry of Buildings and Public Works.

In the field of energy efficiency measures and RES, the following programmes have been launched in Slovakia:

- **Programme for the Support of Energy Efficiency and the Use of Alternative Energy Sources** launched by Ministry of Economy on 1 December 1999;
- **Programme for the support of domestic housing** launched by the Ministries of Economy, Transport, Telecommunication and Public Works and the Ministry of Finance. Provided support includes building insulation and buildings energy efficiency.
- **Programme supporting renewable energy sources utilisation** launched by the Ministry of Agriculture. Here, state support takes the form of a provision of an interest subsidy up to 70% or provision of a bank credit guarantee of up to 75%.

Slovakia adopted some innovative financing mechanisms. Around 1993, some of the first projects were financed through EPC (Energy Performance Contracting). Although they reported successful preliminary results, they began to be endangered by the first cut down of the state subsidies to the building management associations by 30% in the second half of 1997. Currently, their successful performance is still in danger because of the widespread postponed of the payment of the state subsidies and general vague situation in the future trends of price making policy.

At the regional level, energy is a component of the **Regional Operational Programme for the Zilina and Trencin Regions**. Aim of the programme is to create better condition for investments in the energy efficiency equipment. Subject of the support is stimulation of the projects aimed at decreasing of energy consumption and increase of use alternative energy sources by providing donation and recoverable financial assistance.

2.4 Co-operative Purchasing by Public Institutions

Question(s) to be answered in this section:

S7. Is there a co-operative purchasing or a common buying-agency - among agencies at one level of government? across levels of government? (e.g., national agency provides buying services to local governments)?

S14 Trends, expected evolution?

Co-operative purchasing and a common buying-agency, as far as we know, don't exist in Slovakia. However, in few cases schools administrated by particular counties use co-operative product purchasing to reduce overall cost of purchasing.

2.5 Energy Management in Public Institutions

Question(s) to be answered in this section:

S8. Typically, which type of national/ regional/ municipal/ other institutions in your country have an energy management unit?

S14 Trends, expected evolution?

Energy management units do not exist in most of public institutions in Slovakia. In few Slovak cities exist only advisory body at city councils, but without decision tools.

Some of the activities, such as energy monitoring, energy conservation measures, are undertaken by investment or organisational departments of the municipality (city, county) offices.

Due to free competition and open market, energy plays more and more important role in Slovak institutions, so energy management units will be surely established in the nearest future.

2.6 Key Statistical Data

2.6.1 Energy Data

Question(s) to be answered in this section:

S9. Key statistical data

Energy data:

- How much energy of which type goes to public sector? How much (%) of natl. total?
- Energy costs as share of the jurisdiction's total budget (specific jurisdiction examples or typical)

S16. Do bottom-up studies of energy by end-use in public institutions exist?

S14 Trends, expected evolution?

In 1998, the total end-consumption of energy in Slovakia was 550 PJ, of which was aimed to the public sector 90 PJ (16 %).

Concerning the energy sector, one of the main factors of economic evaluation is energy intensity, defined as the share of total primary energy consumption per gross domestic product unit. This value has been reduced since the establishment of Slovak Republic. But with the average of EU countries, it is still 2.3 times higher in purchase power parity. The reason are mainly low productivity in comparison to EU countries, as well as the high share of industry in GDP output and the high share of industrial sectors with high energy requirements.

Primary energy consumption per capita in Slovakia is at the level of approximately 85% of the average of EU countries.

Overview of the macroeconomic development in Slovakia

Indicator	1993	1994	1995	1996	1997	1998	1999
Real GDP (10 ⁹ SKK)		483.4	516.8	550.8	586.8	612.7	624.3
Real GDP growth (%) ¹	-3.7	4.9	6.9	6.6	6.5	4.4	1.9
Primary energy sources (PJ)		718	742	754	739	693	
Final energy consumption (PJ)		537	542	552	547	535	
Energy intensity (PES/GDP) (PJ/10 ⁹ SKK)		1.49	1.43	1.37	1.26	1.14	

¹ in comparison to the previous year, according to data in constant prices

Source: Energy Sector of Slovakia, Energy Centre Bratislava, 2001

Bottom-up studies of energy by end-use don't exist in public institutions.

2.6.2 Product Data

Question(s) to be answered in this section:

Product data

- annual appliance sales (to all, to public sector)
- annual energy use - for each year's purchase
- suggested efficiency norm for purchasing
- energy savings (for public sector only) if all were purchased at that norm (per 1 year of sales - Note: need to look at potential after several years of sales and turnover, especially for products with longer lifetimes and slower rates of turnover.)

- "public sector" includes: national, regional and municipal governments, universities, schools, public housing

S14 Trends, expected evolution?

Nowadays, the prices for energy are still very low in the Slovak Republic. It is expected, that until 5 years (up to the access of Slovakia to European Union) the prices for electricity and heat should be at minimum doubled. This means, that energy efficiency starts to be very important not only for public institutions, but also for entrepreneurs or wide public.

One of the main trends in Slovakia is increasing of consumption of natural gas. The Slovak government supports establishing of gas piping for some municipalities. However, the prices for natural gas started increase so people are coming back to the traditional (and cheaper) heating sources such as coal, coke or wood.

It is very difficult to estimate product data in public institution in Slovakia. The analysis of the statistical survey results has revealed that the procuring entities have concluded contracts of the total value amounting to SKK 53.5 billion.

2.6.3 General Data

Question(s) to be answered in this section:

The population in Slovakia is 5. 393 382 (1999) million persons. The number of employees was 2 101 700 in total. The public sector has 554 848.8 thousand employees (26.4%), private sector - 1.547 million employees.

Basic statistics of # units in different categories are in the following:

- **935 801** students in schools
- **92 823** students in universities
- **161 000** employees (schools, universities)
- **35 916** beds in hospitals
- **7 630 (total: 9 400 beds in prisons)**
- GDP **667 749 mil. SKK in total** (2000), agriculture: 5%, industry: 28,3%, construction: 3%, market services (hotels, transport, telecommunication, etc.): 41,7%, **public sector: 13%**.

2.7 Laws and Regulations Governing Product Purchasing and Investments by Public Institutions

2.7.1 General Laws and Regulations

Question(s) to be answered in this section:

- S10. Which laws and regulations govern product purchasing and investments in general (including building codes, minimum efficiency standards, technical guidelines etc. that apply to all purchasers/investors)?
- buying products
 - replacing components (if different from above)
 - for buying energy
 - for making investments in buildings
 - for O & M in buildings (buying services or through internal staff)

S14 Trends, expected evolution?

In the 1998, following base energy legislation was approved in Slovakia: the Law 70/1998 on energetics and the Law 130/1998 on the use of nuclear energy. It is necessary to pass very soon a new legislation aimed to the regulation of monopolies in energy sector and to the use of rational use of energy.

The Slovak legislation follows the principle based in the International documents such as Agreement of Energy Charter, Protocol of energy chart about energy efficiency and related environmental aspects, Global Agreement of UN About Climate Change and other.

Act No. 263/1999 on Public Procurement and on Modification and Amendment of Certain Acts

According to the Act a procuring entity shall mean:

1. An organisation financed or co-financed by the State budget and by a State goal-specific fund;
2. A municipality, an organisation financed or co-financed by a municipal budget;
3. A health insurance agency;
4. A legal entity established by law as a public institution.

A procuring entity shall also mean a legal entity subject to the controlling authority of the State or a municipality therein which:

Deals in energy sectors by generating, purchasing and distributing electricity, gas and heat and by transmitting electricity and gas;

Deals in water management by producing and operating the public distribution of drinking water;

Deals in geological and mining activities by locating the crude oil deposits and extracting crude oil, natural gas, coal and other solid fuels;

Deals in civil aviation by establishing and operating public airports and ground aviation facilities;)

Deals in inland navigation by maintaining the waterway and by establishing and maintaining public ports and waterway facilities;)

Administers the highways, roads and the local road communication network;)

Deals in road transport by operating the scheduled public bus transport;)

Operates the rail transport routes;)

Deals in operating the transport on the railways;)

Procures and administers the telecommunication equipment of the unified telecommunications network;

Deals in telecommunications by providing public telecommunication services;)

Performs activities resulting from the State postal proviso.)

METHODS OF PUBLIC PROCUREMENT

The methods of public procurement are the following:

1. Open tender,
2. Restricted tender,
3. Negotiated procedure with a prior notification,
4. Negotiated procedure without a prior notification.

Financial Thresholds

The financial threshold for the expected value of supplies shall be as follows:

- a. EURO 130,000 for the procuring entities listed in Article 3, Paragraph 1, sub a), and for the Defence Ministry in the case of supplies listed in Annex 1;
- b. EURO 200,000 for the procuring entities listed in Article 3, Paragraph 1, sub b) through d), and for the Defence Ministry in the case of supplies not listed in Annex 1;
- c. EURO 400,000 for the procuring entities listed in Article 3, Paragraph 2, sub a) through i),
- d. EURO 600,000 for the other procuring entities listed in Article 3, Paragraph 2.

Open Tendering Procedure

Open tender is a public procurement method where an unlimited number of tenderers are invited to submit their tenders for concluding the contract for the procurement of supplies, works or services.

Restricted Tendering Procedure

Restricted tender is a public procurement method to which an unlimited number of candidates is invited; the procuring entity may restrict the number of tenderers, but not to less than five and not to more than 20.

Negotiated Procedure with a Prior Notification

Negotiated procedure with a prior notification is a method of public procurement, which may be employed by the procuring entity where at least one of the following conditions is complied with:

- In the preceding open tender or restricted tender, all tenders were rejected or not successful, and the initial contract conditions have not substantially changed;
- It is impossible to determine exactly enough the requirements for the procured performance or services, above all for the financial services;
- The procured works will only be performed for the sake of research and development, not for generating profit;
- The procured works or services, or the risks related therewith, exceptionally do not enable the determining of the requirements for setting the price.

Negotiated Procedure Without a Prior Notification

Negotiated procedure without a prior notification is a method of public procurement, which may be employed by the procuring entity in the case where at least one of the following conditions is complied with:

- The supplies, works or services being procured are available from a single source only,
- The tenderiser has copyright or similar rights related to the contract,
- The supplies, works or services are being procured due to an extraordinary event which has not been caused by the procuring entity, and with regard to limited time an open tender, a restricted tender, or a negotiated procedure with a prior notification cannot be carried out,
- The procurement of works and services of the same or similar type is repeated with the initial contracting partner, and
 1. The information on concluding further contracts by negotiated procedure without a prior notification has already been included in the published notice of public procurement for the delivery of the initial subject of procurement,
 2. The initial contract was concluded on the basis of an open tender or restricted tender, and a contract for repeated fulfilment is concluded within three years from concluding the initial contract,
- The subject of procurement is constituted by additional works or services not included into the initial contract, their necessity ensued only later from unforeseeable circumstances, the new contract is concluded with the initial contracting partner, and the expected price of works or services does not exceed 50 per cent of their price according to the initial contract, where the additional works or services:

1. Are technically or economically inseparable from the original fulfilment; or
 2. Are technically or economically separable from the original fulfilment, but are inevitable for the further stages of fulfilment according to the initial contract,
- The procurer of the supplies is a legal entity established by law for the purposes of market regulation and for safeguarding the material reserves through trading activities at a commodity exchange,
 - The subject of procurement is constituted by the supplies, works or services for which no tender at all was submitted in the preceding open tender or restricted tender, or no tenderiser or candidate at all complied with the conditions of participating in the tender or with the competition conditions, and the conditions for concluding the contract have not substantially changed,
 - Concerned is the performance of a tenderiser who was determined by the jury as winning,
 - The contracted supplies shall be used exclusively for research and development, and not for generating profit.

The Act states that, the procuring entity shall be obliged to perform the public procurement activities through natural persons who have acquired professional qualifications for public procurement pursuant to the Act and have been entered in the list of qualified professionals; the list is maintained by the Office.

Professional qualifications shall mean a sum of professional knowledge and practical experience necessary for ensuring the procuring entity's carrying out its assignments in public procurement.

Establishment of the Office for Public Procurement

The Office for Public Procurement as a central state administration authority for the area of public procurement and concession procurement was established with the seat in Bratislava.

The Office shall do the following:

- Work out public procurement and concession procurement concepts,
- Carry out state administration in the area of public procurement and concession procurement,
- Carry out supervision over the concession procurement,
- At least once a year submit to the Government of the Slovak Republic (hereinafter referred to only as "Government"), and upon request also to the committee of the National Council of the Slovak Republic, a report on the results of its activities,
- Announce the conversion calculations of the financial thresholds for the above-the-threshold methods of public procurement into the Slovak currency,
- Collect and publish in the Journal information on the intended methods of public procurement for the particular year,

- Issue the Journal,
- Maintain the list of entrepreneurs,
- Prepare programmes of professional training and retraining,
- Issue licences of professional qualifications and maintain the list of professionally qualified persons,
- Provide methodology guidance to the participants in the process of public procurement,
- Impose fines,
- Perform any other activities pursuant to the Act.

The Office shall perform supervision over the public procurement and make decisions on the objections of the participants in public procurement which are filed against the activities of the procuring entity.

The analysis of the statistical survey results concerning the applied methods of public procurement in 2000, made by the Office of Public Procurement, has revealed that the procuring entities have concluded contracts of the total value amounting to SKK 53.5 billion. The statistical evaluation of the applied methods has shown that the negotiated procedure without a prior notification has prevailed among all other methods employed in the process of the public procurement. The procuring entities have employed this procedure mostly if:

- they were under time pressure caused by later allocation of the financial resources from the state budget;
- they have discovered the necessity to provide the procurement of the object which could not have been included in the plan;
- the previous method of public procurement has been suspended (about 13% of all the advertised methods of public procurement);
- they conclude contracts with the suppliers who had been their contractual partners in the previous years. This is the case of procuring entities operating first of all in utilities sectors who are concluding contracts either with the foreign partners on the basis of the previous experience or with the domestic producers of the supplies inevitable for their activities;
- they conclude contracts with the exclusive importers of the goods.

As for the application of the further public procurement methods, the open tenders have accounted 45.8% of all the methods, which is 1.4% less in comparison with the application of the negotiated procedure without a prior notification. Concerning the application of the remaining methods, they have been used very rarely.

The statistical survey has revealed the lack of the knowledge of the Act on the part of the procuring entities and insufficient attention given to the filling in the statements. The main problems identified during the data processing have been as follows: the incorrect

definition of the procured object, development of the improper time scheduling of the public procurement procedure, uncompleted statistical statements, the incorrect identification data of the procuring entities, the missing contractual price in the case of the framework contract conclusion, filling in the data for contracts which are not governed by the Act.

The results of the statistical survey have pointed out the following shortcomings occurring also in the previous year and still remaining:

- negotiated procedure without a prior notification, which is the only non-competitive method, prevails among all other methods employed in the process of the public procurement;
- decentralised public procurement system provided by the procuring entities has an influence on the quality of the public procurement;
- large number of the tenders suspended (around 13 %);
- large number of contracts not governed by the Act (more than 80 %). It is supposed that the number of those contracts could be eliminated if the amendment of the Act concerning so called "subliminal procurement", at present under preparation, will be adopted.

It is expected that the obligation (stipulated by Article 57 of the Act which entered into effect on January 2002) to perform the procurement through the natural persons who have acquired professional qualifications for public procurement pursuant to the Act, will contribute to removing the existing problems concerning the application of the Act and filling in the statistical statements.

2.7.2 Special Energy Efficiency Regulations for Public Buildings

Question(s) to be answered in this section:

S11. Do national guidelines and/or national target values for public buildings that exceed national building codes or minimum efficiency standards both in strictness of values and in scope (e.g., maximum kWh/m²a not only for heating, but also for ventilation, air conditioning, lighting, and in refurbishment of buildings) exist? Different for new construction vs. refurbished buildings?

S14 Trends, expected evolution?

In recent years, new technical standards on building thermal qualities adjusted to requirements in the EU have been adopted, actually, the housing energy consumption for new buildings is completely comparable with developed countries in requirements for thermal quality. At the moment, another revision of the Slovak Technical Standards for thermal qualities and energy consumption of buildings is being prepared according to the process of implementation and approximation to EU technical standards.

2.7.3 Special Energy Efficiency Regulations for Public Purchasing

Question(s) to be answered in this section:

S12. Are there (national, regional, local) requirements or guidelines for energy efficient purchasing and investments/ building management? Maybe as part of "green" purchasing? Please state if these are voluntary or compulsory activities.

S13. Do any other national specifications or criteria exist for products, installed equipment or systems?

S14 Trends, expected evolution?

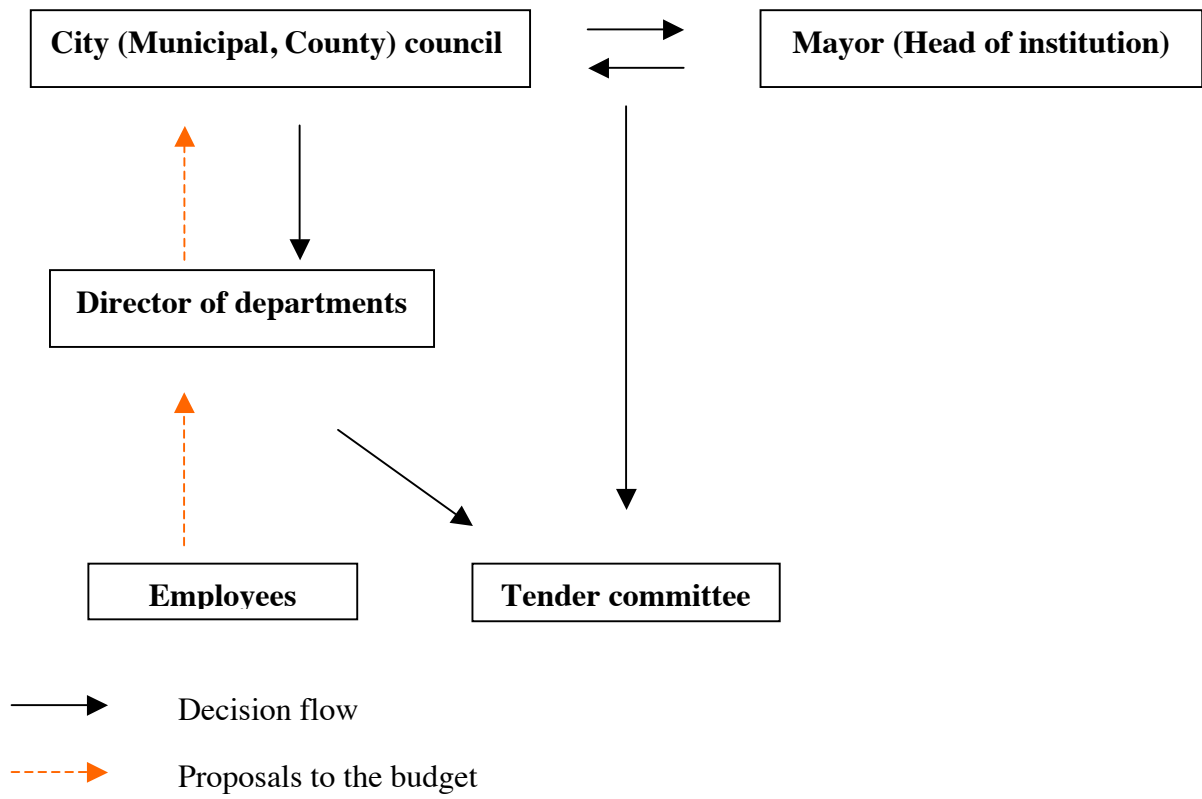
Such guidelines do not exist at present. During the forthcoming 2-3 years, due to EU accession process, the EC guidelines and requirements shall be adopted.

2.8 Organisation of and Decisions on Product Purchasing and Buildings Investments in Public Institutions

Question(s) to be answered in this section:

Based on your research and interviews, please draw simplified organisation and decision flow charts that are typical for your country (if needed, different for different levels of government) - which actors influence energy use, energy-related budgeting and purchase decisions, construction and renovation? How is the flow of decisions between these actors? (Please note that these are case studies and the organograms serve to illustrate processes and relations.)

S14. Trends, expected evolution?



3 Success Stories and Good Examples of Energy Efficiency in Public Institutions

Question(s) to be answered in this section:

S15. Do you have good examples, stories etc. from your country?

Although the need to save energy is realised by the local administrations in Slovakia, it is seldom, if ever, reflected in their formal policy documents. The major area where improvement of energy efficiency may bring significant effects is space heating. The undertakings have been mainly driven by the perspective of financial savings. The environmental factors play some role too, as energy savings often lead to improvement of local air quality by decreasing pollution from the low emission sources, such as individual or small district heat units using coal (usually of low quality). Despite significant progress that has been achieved in the recent years in many Slovak cities, there still exists a tremendous potential of heat energy savings, especially in the residential sector and public buildings, notably in schools.

3.1 Energy Savings in Schools

In 2000 project entitled “**Energy Savings in schools**“ was realised in northwest Slovakia. The aim of the project was to promote energy efficiency and motivate pupils to adopt energy measures in their schools. 70 schools participated in the project, teachers and pupils prepared proposals for energy savings measures and 11 projects were chosen for realisation. The project results were following:

- Increase in general awareness about energy savings among pupils
- Decrease of energy consumption
- Lower energy cost
- Improvement of environment

3.2 Project: “Energy Efficiency and Use of Biomass in the Municipality Klokocov”

Location: NW Slovakia, Zilina Region, Cadca District, Klokocov municipality

Duration of the project: July-October 2000

Objective: The project covers dismantling old coke/coal boiler-room in the Primary School in Klokocov, its reconstruction and montage of new biomass boiler with output 725 kW and its connection to the Municipal Office, 2 blocks of flats and other school buildings.

Within the Project following energy efficiency measures were implemented: insulation of the building, attic reconstruction, reconstruction of the inside heating system, windows and doors replacement. The energy consumption was reduced by 30-40%.

Results of the project:

- Established and running new modern biomass boiler-room with lower CO₂, SO_x, NO_x emissions and particulars, lower operational costs
- Propagation of Klokocov municipality through excursions to the new biomass boiler-room, and by each promotion of the biomass project
- Decrease in the heat price from the average 305 SK to the real 275 SK
- Compliance with the emission limits

There has been done an emission measurement in accordance with the regulation no.474/2000 according to the relevant law NR SR no. 309/1994 Code referring to the air pollution. The technology installed in the boiler room in Klokocov has been classified as the medium source of pollution according to the State regulation no. 473/2000 Code referring to the air pollution.

According to the mentioned law the following emission limits are allowable in Slovakia:

	Solid polluting material	SO ₂	NO _x as NO ₂	CO	Solid organic carbon
	mg.m _{n11} ⁻³	kg.h ⁻¹	mg.m _{n11} ⁻³	kg.h ⁻¹	mg.m _{n11} ⁻³
Emission limits	250	10	650	5	100
Measured results	177	0	160	0	0

The measured values from the Klokocov were significantly below the limits.

4 Detailed Results from the Interviews

This chapter serves to summarise the answers from the interviews plus any other sources for each question of the interview guide. It also tries to answer the following specific questions:

- % of total floorspace (or # of buildings) with energy audits? how often updated?
Examples.
- government-owned buildings vs. leased space
- Are there norms (or guidelines) about thermostat settings for heating and cooling?
- Outsourcing of maintenance/services for lighting and HVAC systems?

4.1 Interview Partners and Institutions

Public Administration (PA) Sector (indicative list, please use what is appropriate, or add if different from these sectors):

Local Councils
 Regional Councils
 Federal State Ministries/Departments
 Central Government Ministries/Departments
 Social Security
 Health Care
 Waste Collection/Treatment
 Education
 Universities and Research Institutes

List of interviews undertaken:

<i>PA Sector</i>	<i>Institution Interviewed</i>
Local Council	Municipal Office in Luky, Municipal Office in Lednica, City Office in Bytca, City Office in Rajec,
Regional Council	County Office in Puchov, County Office in Bytca, Regional Office in Zilina (Krajski Urad)
Education	University of Zilina, Primary School in Lednica, Kindergarten in Luky
Healthcare	Hospital in Bytca

4.2 Administration Structure

(This first section should give a general overview of the situation in the organisation)

4.2.1 General Information on Purchasing and Energy

Question(s) to be answered in the interviews:

I4 Who has the *budget/decision* responsibility for

- buying appliances/products < Note: differentiate according to different products if necessary – see Appendix, part A >
- buying energy
- making investments in buildings <see Appendix, part B>
- O & M in buildings (buying services or through internal staff)
- replacing components (e.g., lamps, single worn-out fixtures, pumps, fans, windows—if different from O&M)

#Please type/paste your results into the table. The same table is shown for each question below. The PA sectors should be chosen from the indicative list in chapter 4.1 or your additions there. If it is not useful or possible to distinguish between sectors, write "all". It is of course also possible to bundle some sectors if the results are identical or similar for them, but different for others.

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Regional, County Council	All: Heads of the offices and the directors of the Management Units for Interior Operation in the Offices
Local council	All: Mayors of municipalities or Municipal Committee (depending on the number of costs).
Health care	Director of the Hospitals in the frame of received budget from state (the hospitals are still owned by state)
Education	Budget for buying appliances/products, O & M in buildings, replacing components: directors of schools in the frame of received budget. Budget for buying energy and investment: County council (since 1 st July, 2002 municipal council). Decision Chain: 1. County council 2. County office, department of schools 3. Directors of schools Universities: 1. Quaestor 2. Departments for operation and maintenance, Department for Investments 3. Energy department

I5 Are any cost-effectiveness criteria applied for investments and product purchases? If so, which (e.g. LCC-criteria, simple payback, NPV)? Which other criteria are applied?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
All	On each level the main criterion is least first cost. Only in few cases are used such criteria as LCC or simple payback.

I6 Can you give us some figures about the volume of energy-related purchasing?

- for appliances/products (numbers of units per year and/or EURO/year) < Note: differentiate according to different appliances/products from Appendix, part A if necessary. E. >
- for investments in buildings (floor space in m2/year new built/refurbished and/or EURO/year)
- for O & M in buildings (buying services or through internal staff in EURO/year)
- for replacing components (e.g., lamps, single worn-out fixtures, pumps, fans, windows—if different from O&M) (numbers of units per year and/or EURO/year)

#please give useful info/examples additional to chapter 2.6#

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Self-government, Healthcare sector	It is difficult to make such estimations. The analysis of the statistical survey results has revealed that the procuring entities have concluded contracts of the total value amounting to SKK 53.5 billion.

I7 How much energy does your organisation use (by energy source)? Which are the energy costs (by energy source)? How much is this in % compared to your total budget?

#please give useful info/examples additional to chapter 2.6#

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional council	142 000 - 2% electricity 19 000, heat 68 000 – 2% electricity 51 859, heat 52 717 – 0.1% electricity 39 238, heat 90 388 – 0.13% electricity 34 650, heat 27 050- ?% electricity 78 075 - electricity 30 418 (1 017 400 kWh), heat 193 990 (456 15 GJ), gas 100 552 (140 780 m ³) -7.1%
Education	University: 38 million SKK. In schools energy bills are paid by county offices

4.2.2 Accounting and Financing

Question(s) to be answered in the interviews:

I8 Are departments within your organisation charged for the energy they use?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Regional councils	Yes
Education	Yes (Universities), No (Kindergarten, Primary schools)
Local council	Yes

I9 Are saved costs (or negative balances) transferable to the next budget year? Yes/No..... Please comment.

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Regional councils	No
Education	Yes (Universities, Kindergarten, Primary schools)
Health care	Yes (mainly in the case of debts from Insurance institutions)
Local council	Yes (but it is re-distributed by the Municipal Council)

I10 What happens with the energy costs that are saved through energy efficiency?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Education	These costs are paid back to the central budget and used by different ways for different buildings in different location.
Municipalities, Healthcare	The money is obviously redistributed in the next budget year by the needed way.

I11 Are budgets of departments split and fixed between investments and running costs by the central administration level, or are individual departments allowed to determine the split between investments and running costs from a global budget frame?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Regional councils	Yes, council can split budget between investments and running costs
Education, healthcare	Yes, the budgets of departments are split and fixed between investments and running costs
Local Council	Yes, but there is possible to make some small changes

I12 Are investments fixed within one year's budget, or can they be depreciated over a number of years (or over their lifetime) (i.e. can future savings help to finance an investment)?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	Investments have not to be fixed within one year's budget in accordance with the Slovak legislative about the budget regulations in state buildings
Education, Healthcare	Investments have not to be fixed within one year's budget in accordance with the Slovak legislative about the budget regulations in state buildings.

I13 Are internal or external credits available for major investments in energy efficiency? Is there a limit for investments even if they are profitable? Is there an annual budget available for investments in energy efficiency? Is this budget large enough?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Regional councils	Yes, external credits are available for investments. There is no annual budget available for investment in energy efficiency.
Education, Healthcare	Only external credits are available for investments. There is no limit for investments.
Local council	Yes, external credits are available for investments. There is no limit for investments.

4.2.3 Legal Framework and Motivation for Energy-Efficient Purchasing

Question(s) to be answered in the interviews:

I14 Do you perceive that the legal framework restricts you from doing energy-efficient procurement/investments? If yes, which legal requirements restrict you, and how exactly?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Regional councils	Yes, the Law 303/1995 about the budget regulations
Education	Yes, everything has to go through the district offices (kindergarten, Primary schools) Yes (University)
Local Council	Yes, the act on public procurement No (Lednica)
Healthcare	no

I15 Do you perceive that the legal framework restricts you from doing “green procurement”, i.e. other things that are not specifically energy-related? If yes, which legal requirements restrict you, and how exactly?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Regional councils	Yes, the Law 303/1995 mentioned above, the law about the property of the Slovak Republic
Education, healthcare	No
Local council	No (Lednica, Rajec) Yes (Luky) – The Law about the waste residuals

I16 Are there any incentives for you and your department/organisation to do energy-efficient investments or to buy efficient products? If yes, which (e.g., financial, “green motivation”, other benefits etc)? <technical rules/guidelines will be asked later>

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Regional councils	Financial, green, ecological motivation no - 10%. Costs saved through energy efficiency have to be returned to the budget of the county, so heads of departments have no motivation to implement energy efficiency measures. Sometimes, if they have savings, they are reproached that they didn't use all funds.
Local Council	Yes, financial motivation, ecological motivation
Education, healthcare	Yes, financial motivation, energy savings

I17 Specifically about "non-energy benefits", i.e. benefits other than saved energy/energy costs, such as improved heating comfort, lighting or air quality: do you think they accompany energy efficiency or conflict? (or both - it depends?) What do you need to know about non-energy benefits to make a decision on energy efficiency?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	All interviewed persons said, that non-energy benefits (improved heating comfort, lighting or air quality) accompany energy efficiency. They were aware that in the case of lack of money energy efficiency is the only way for improving energy comfort and lower energy bills.

4.3 Energy Management in Public Buildings

4.3.1 Responsibilities, Targets, Barriers

Question(s) to be answered in the interviews:

I18 Who has the responsibility for managing the *purchasing/investment* for

- buying energy
- making investments in buildings/buying building products and installed equipment as parts of investments (see list in Appendix, part B)
- O & M of building shell and installed equipment in buildings (buying services or through internal staff)
- replacing components (e.g., lamps, single worn-out fixtures, pumps, fans, windows—if different from O&M)

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Regional council	Head of the County office O&M: Organisational department, Service for inside operation
Local council	Mayor or Municipal Council (depending on the value of investment)
Education	Schools: directors Universities: quaestor

I19 Which is the relation between these people/units? And which is the relation between these people/units and those responsible for the budgets (cf. question #4)? How is the flow of decisions? An administration organogramme or flow chart would be helpful

#please state: what is typical? useful info additional to chapter 2.7#

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Regional councils	The individual departments propose energy efficiency measures and the Head of the office has to approve or not the proposals.
Local council	Mayors decisions obviously depend on the Municipal Council
Educational	Schools: currently, they are liable to the County offices, From July 2002 nd they will be liable to municipalities

I20 Is energy efficiency a target for you/your organisation in new build/building management and refurbishment? If yes, is it a target of its own, or part of "green procurement"?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>

All	Energy efficiency is a target for organisation in all new build/building management and refurbishment. Main aspect of energy efficiency is the financial one. Additionally, energy efficiency is a target understands in the context of protection of the environment.
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I21 What do you think are the barriers concerning energy-efficient building management and investments: For you, for your department and for your organisation as a whole? E.g.,

- legal barriers,
- financial barriers,
- estimates of (decreasing) energy prices/costs,
- uncertainty about future energy prices/costs,
- perceived extra costs of energy efficiency,
- lack of knowledge,
- split incentives/responsibilities between construction of buildings&systems/O&M of buildings&systems/energy purchasing,
- conflicts of interest between units/persons,
- other?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
All	The main perceived barrier concerning energy-efficient building management and investments is the financial one, both for departments and organisations as a whole. In the district offices, they have mentioned some legal barriers. Additionally, in few cases the perceived extra costs of energy efficiency were emphasised. Surprising is absence of “lack of knowledge” in the answers. It was stated only in few questionnaires.

4.3.2 Elements of Energy and Investment Management

Question(s) to be answered in the interviews:

I22 Does your institution have an energy management unit or similar function (or do you have access to one)? If yes, is the role of the unit defined by your own institution or by national, regional or district legislation/regulation? Is it an active role or purely formal?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Regional councils	In interviewed institution there is organisational department, building operation unit. In the unit, there are 1-2 persons having responsibility for energy management.
Local council	No, the mayor manages the energy

Education	Schools: they do not have such unit Universities: yes, they have energy department with the people responsible for energy management
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I23 If yes, which services does the energy management unit realise for other units? E.g.,

- energy monitoring,
- benchmarking,
- training and information,
- creation of purchasing or operation guidelines,
- communication and marketing,
- energy audits,
- management of EE measures & investments,
- other

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
County councils	Management of EE measures & investments
Local councils	Energy audits are outsourced to external providers
Education	Universities: they provides all mentioned activities Schools: No such services.

I24 Do you know of other, similar institutions who have an energy management unit (or who have access to one)?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, county councils	Most answers state “no”. Interviewed person from smaller municipalities (such as Lednica) said that the energy management units are in the bigger cities.
Education	No examples were given

I25 Are you aware of any national or regional programme or institution that provides support or financing for energy-efficient building management in the public sector? If so, are you entitled to such support?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local or county councils	Generally, the involved organisations do not know any programmes. Some of them, especially in county office, they know the “Programme for Support to the Energy Efficiency and Use of Alternative Energy Sources” running under the Ministry of Economy.
Education	Universities: they know the VUVT institution – Research Institute for Science and Technique

	Schools: they know small initiatives carried out within some European projects such as project: “Energy Savings in the Schools” mentioned in the Chapter 3.
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I26 Do you use the services of a co-operative purchasing or a common buying-agency for buying building/installed equipment? If yes, please describe.

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	Councils do not use an co-operative purchasing either a common buying agency
Education	Educational institutions do not use an co-operative purchasing either a common buying agency

I27 How is maintenance scheduled in your buildings: regularly/preventive, or on failure? Is equipment usually replaced or repaired? What determines this decision:
 -- scheduled replacement,
 -- failure,
 -- availability of residual funds,
 -- other?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	Equipment is replaced or repaired in the case of failure, sometimes it is scheduled replacement. It is determined by availability of residual, additional funds.

I28 Does a register/database of your buildings exist?
 If yes, what does it contain?
 -- Floor space,
 -- specific energy use,
 -- age,
 -- type of usage,
 -- ownership,
 -- other:
 May we have a copy?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	Register/database of buildings exist in this sector. It includes floor space, age, type of usage, ownership and specific energy use in schools.
Healthcare	Register/database of buildings exist in this sector. It includes floor space, age, and type of usage, ownership.
Education	Universities: Register/database of buildings exist in

	<p>this sector. It includes floor space, age, type of usage, ownership and specific energy use Schools: Register/database of buildings exist in this sector. It includes floor space, age, type of usage and ownership</p>
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I29 How much of your building stock is owned by your organisation and how much is rented or leased? Does that correspond with the area for which your organisation makes its own investment decisions?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	Building stock is owned by the municipalities (counties, state) and it corresponds with the area for which organisation make its own investment decisions.
Healthcare	Building stock is owned by the state
Education	100% of building stock of schools is owned by the counties, and it corresponds with the area for which organisation makes its own investment decisions

I30 Does there exist an energy monitoring system with regular and frequent monitoring of the consumption data? If yes, what is being monitored? Accuracy, detail etc.? Can you give us some results?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	Energy monitoring system based on invoices (monthly, each six months)
Healthcare	no
Education	University: yes, Schools: according to energy bills

I31 In which way is the energy consumption monitored (manually/automatically)?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	According to energy bills, manually.

I32 Is there a benchmarking (e.g., kWh/m²/yr) regarding consumption? Within your institution and/or any external benchmark? Can you give us some results?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education,	There is no benchmarking regarding energy

Healthcare	consumption
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I33 Are EE optimisation measures in the daily operation based on the results from energy monitoring, e.g. the adjustment of the settings of equipment controls? (please give details)

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education	If energy monitoring exist, yes
Healthcare	in some cases energy use is monitored (mostly after modernisation of the heating system)

I34 Does your organisation provides
 -- training on energy efficiency for building operators?
 – information campaigns for building occupants/users to use buildings in a more energy-efficient way? (please give details)

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
All	There are no training or information campaigns about energy efficiency organised by public institutions for employers

I35 Are energy audits made in a systematic way? For which percent of floor area so far? Are there regular updates?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, healthcare	Due to lack of money audits are not made in systematic way. Usually audits are made only if organisation wants to receive grants or credits from environmental funds. The percentage of audits oscillates around 20% of floor area
Education	University: 80% of buildings have an audit. Audits are not made in systematic way.

I36 Are the energy efficiency measures which are proposed in the energy audits systematically implemented?

-- non-/minor investment energy efficiency activities?
 – investive energy efficiency measures?

If no, why not?

(Minor investments are loosely defined as those that can be paid from the annual budget and do not need to be approved through a complicated process. Investive measures are larger retrofits/ refurbishment/ new build projects that must be approved beforehand through an official/central process)

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	If audits are made, then proposed measures are implemented, but usually only non-/minor

	investment energy efficiency activities. Investments measures are usually implemented if grants or credits are received from environmental funds
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I37 Which non-/minor investment energy efficiency activities are/were performed or planned in your institution?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Education, Healthcare, Local, regional councils	Switching off unnecessary lighting, buying energy efficient products

I38 Which investive energy efficiency measures are/were realised or are planned in your institution?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
All	fuel conversion from coal to biomass, gas or oil, installation of the compact fluorescent lamps (CFL), thermomodernisation of heat installation, renovation of carpentry, building insulation, installation of thermostats

I39 Can the energy management unit (or similar function) influence the general building management? If yes, how?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	yes, this unit can influence building renovation and modernisation of lighting and heating system
Education, Healthcare	Directors of institutions can influence county council regarding the budget and possible investments

I40 Can the energy management unit (or similar function) influence the choice of fuel and electricity? If yes, how?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	The fuel supplier is chosen in tenders. The electricity supplier cannot be chosen.

I41 Is the energy management unit (or similar function) involved in construction (buildings and installation engineering)? If yes, how?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
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Local, regional councils,	no
Education, Healthcare	Yes, they are involved in works on the project of investments.

I42 Do guidelines and/or target values/internal standards (e.g., maximum kWh/m²a for heating, HVAC, lighting) exist that exceed national building codes or minimum efficiency standards? Different for new construction vs. refurbished buildings? (please give details)

#please state: how many of your interview partners were aware of them/use them? and other useful info additional to chapter 2.6#

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	There is no such guidelines

I43 Do any other specifications or criteria exist for installed equipment or systems (e.g., about energy efficiency when purchasing the equipment, or about thermostat settings for heating and cooling)? (please give details)

#please state: how many of your interview partners were aware of them/use them? and other useful info additional to chapter 2.6#

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	Most of the answers state no, only one person named the Law 70/1998 on energy
Healthcare	There is no such specifications or criteria
Education	Instruction regarding the maximum use of energy

I44 Have energy performance contracting/contract energy management been used in order to implement and finance energy-saving technologies in your institution, or is it planned? (please give details: no. of buildings, type of EE measures, investment total, etc.)

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, education, Healthcare	NO

4.3.3 Final Questions on Buildings

Question(s) to be answered in the interviews:

I52 Do you know of any other activity for energy efficiency in buildings within your institution? (please describe and give contact)

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Healthcare	no

Education	no
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I53 What (of the activities mentioned so far or other) would you need in order to improve building energy management and investment routines? What of this do you think is feasible to implement in the short term, in the medium term and in the long term?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils Healthcare Education	Implement energy monitoring in institution (medium term),

I54 Are there any specific barriers or problems in this respect that you feel must be removed before you can more actively improve building energy management and investment routines?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Healthcare	Again, the financial barrier was emphasised and lack of energy specialists
Education	Again, the financial barrier was emphasised. Also necessity of education of councillors and directors in energy management was state.

I55 Who are/could be the “natural allies” for energy-efficient procurement on the supplier side?
(?)

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils,	manufacturers, planners
Education, Healthcare	manufacturers, distributors, planners, installers

4.4 Public Purchasing of Energy Efficient Appliances and Products

I56 Who is/are responsible for buying appliances / products (except building products)? (See list in Appendix, part A)

#please state: what is typical? useful info additional to chapter 2.7#

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
regional councils	Responsible for buying appliances/products are directors of departments in the frame of received budget
Local	Responsible for buying appliances / products are directors of departments in the frame of received budget (up to 20 000SKK) Above this amount - local council
Healthcare	Local, regional councils, state

Education	Responsible for buying appliances/products are directors of schools in the frame of received budget from the county council
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I57 What is the relation between these people/units and those responsible for the budgets (cf. question #4)? How is the flow of decisions? An administration organogramme or flow chart would be helpful

#please state: what is typical? useful info additional to chapter 2.7#

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, ,	Directors responsible for buying appliances / products make the proposal to the budget, which is approved by the city (county) council. 1. Local/regional councils 2. Head of Institution 3. Financial and organisational departments
Education	Directors responsible for buying appliances / products make the proposal to the budget, which is approved by the city (county) council.

I58 Is energy efficiency a target for you/your organisation in procurement of appliances/products? If yes, is it a target of its own, or part of "green procurement"?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	Energy efficiency a target for institution in procurement of appliances/products, understand as part of green procurement

I59 What do you perceive as the barriers for purchasing energy-efficient appliances / products for your organisation/department? E.g.,

- legal barriers,
- financial barriers,
- estimates of (decreasing) energy prices/costs,
- uncertainty about future energy prices/costs,
- "energy is not important",
- perceived extra costs of energy efficiency,
- lack of knowledge,
- unclear responsibilities,
- conflicts of interest between units/persons,
- other?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Healthcare	The main perceived barrier concerning purchasing energy-efficient appliances / products is the financial one, both for departments and

	organisations as a whole. Lack of funds was state in all questionnaires. Additionally, in few cases legal barriers, perceived extra costs of energy efficiency and “lack of knowledge” were emphasised.
Local, regional councils, Education	The main perceived barrier concerning purchasing energy-efficient appliances / products is the financial one, both for departments and organisations as a whole. Lack of funds was state in all questionnaires. Additionally, in few cases the perceived extra costs of energy efficiency were emphasised.

I60 Do you use the services of a co-operative purchasing or a common buying-agency for buying appliances and products? If yes, please describe.

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Healthcare, Local, regional councils	These institutions don't use co-operative purchasing
Education	Schools in some cities (counties) use co-operative purchasing

I61 Is there a training programme for staff

- a) to ensure energy efficiency in the case of decentralised purchasing
- b) to ensure that the appliances/products are used in an efficient way?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
All	There are no training or information campaigns about energy efficiency organised by public institutions for employers.

I62 In case of central purchasing: can you influence the central purchasing function of your organisation?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local councils	yes, through proposals to the budget
Education, Healthcare	no

I63 Do purchasing guidelines and/or specifications exist for efficient appliances/products (e.g. that encourage or oblige you to buy according to labelling systems, lists or internal efficiency standards)? If they exist, do they also apply for leased appliances/products?

#please state: how many of your interview partners were aware of them/use them? and other useful info additional to chapter 2.6#

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	Yes, such specification exist but it is not common (only one interviewed person). It doesn't apply for leased appliances/products
Education, Healthcare	There is no such guidelines

I64 Do you know of any other guidelines or programmes for purchasing energy efficient appliances/ products within your institution?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	no

I65 What would you need in order to buy more energy efficient appliances/products? E.g.,

- product information
- decision tools
- case studies
- "authorisation" (to reduce risk-taking), etc.
- training and information outreach to individual purchasers and end-users
- other

What of this do you think is feasible to implement in the short term, in the medium term and in the long term?

How important is EE when you buy new products, compared to function, other "green values", disposability, good working environment etc?

Would EE be more important if the energy savings were translated to environmental gains, CO2-reduction etc. ?

Would a guide that only included EE help you, or would you need other aspects (function etc) to be included in the same purchasing guide?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	Product information, case studies "authorisation" (to reduce risk-taking), training and information outreach to individual purchasers and end-users are needed in order to buy more energy efficient appliances/products. EE importance can compared to importance of function, other "green values", disposability and good working environment. EE would be more important if the energy savings were translated to environmental gains, CO2-reduction and guidelines regarding EE should include other aspects, such as function etc.

I66 Are there any specific barriers or problems in this respect that you feel must be removed before you can more actively purchase more efficient appliances/products?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	Legal barrier was emphasised. High cost of energy savings technologies and products should be avoided. Additionally, information barrier was emphasised.

I67 Who are/could be the “natural allies” for energy-efficient procurement on the supplier side?
 (?)

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	manufacturers, distributors

4.5 General Questions

I68 Is communication and marketing of energy efficiency and successes implemented, e.g., by the energy management unit (or similar function)? Are there reports on successes that you could give to us?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	No such activities

I69 Any other information; do you know of good practices in other, similar institutions?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
	No information

5 Public Internal Performance Contracting (PICO)

5.1 Overall Conclusions on the Usefulness and Feasibility of PICO

Question(s) to be answered in this section:

S17. Would the (national) financial authorities supervising the budgets of local/regional administrations allow PICO to be used?

S18. In total: would it be possible / useful / necessary at all to use PICO? If not, why? If yes, which forms would be possible/preferable: (1) basic model, (2) profit centre, (3) fake privatisation, (4) hybrid PICO/external energy performance contracting? #(see ECEEE paper for description of these forms)# (5) other forms adapted to your country (describe)

Local and regional authorities can make their own decisions concerning establishment of PICO. It would be possible and useful to use PICO for smaller investments that can be handled by the administration itself and are too small to be profitable for an external ESCO. All so far developed models can be possible.

Public internal performance contracting (PICO) is, as far as known, here not implemented in Slovakia and the experiences are hence very limited. It is important to observe that the funds available especially in smaller municipalities are very limited for PICO. Many municipalities also lack the personnel and skills to undertake a PICO. PICO may be possible in larger public entities.

The following actions would be needed to widely introduce PICO into public administrations in Slovakia:

- generation of information material in order to provide target groups with specific information on the instrument PICO
- introduction of PICO within the national state institutions in order to create pilot projects with high PR appeal
- assembly of all municipalities and districts in order to launch a PICO initiative (kick-off meeting), where newcomers should get access to relevant information and already existing experience of advanced municipalities;
- elaboration of a PICO seminar, which can be disseminated by (regional) energy agencies;
- use of new media for information exchange; this includes the creation of an internet platform and the establishment of networks through linked user groups
- elimination of legal, administrative and financial barriers:
 - clarification of formal and legal aspects of PICO, e.g. with regard to public debt management;
 - generation of a common understanding of PICO among municipalities and supervising authorities, i.e. increasing the likelihood for a formal acceptance of PICO projects;

- use of policy programmes to ensure the initial funding of PICO schemes;
- support of municipal energy management systems as the nucleus of PICO activities.
- integration of PICO into the energy related curricula of the relevant institutions for professional training and further qualification;
- improving the availability and quality of energy data in municipalities and public institutions in order to gain better insights into the size and nature of energy costs;
- provision of information on options for municipal climate protection actions and energy efficiency measures

S20. Would someone in your country (e.g., the national government, local/regional governments, the financial supervisors of local/regional governments) be interested to participate in a European pilot project to disseminate and adapt the PICO method that was developed in Germany (including similar experiences from other places, if we find such) to other EU countries? I.e., that institution would test PICO itself and/or co-fund the country's participation in the pilot project.

Local and regional authorities are interested in participation in pilot project to disseminate and adapt the PICO method. They expected that it would allow to improve their energy management and to generate the funds for further investment. Ecological benefits are also anticipated.

5.2 Detailed Results from the Interviews

Question(s) to be answered in the interviews:

I45 Have internal instruments similar to energy performance contracting (e.g., public internal performance contracting, PICO/“intracting”) been used in order to implement and finance energy-saving technologies in your institution, or have they been planned? (please give details: no. of buildings, type of EE measures, investment total, etc.)

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	no
Education, Healthcare	no

I46 Does the technical and economic expertise for developing medium-sized investment/refurbishment projects exist inside your administration? If yes, where? Could it be created? If yes, where?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Healthcare	No.
Education	University: yes. Schools: No.
Local, regional councils	No, but it could be created

I47 Would it be possible (legally) to create a revolving funds, or a profit centre for PICO inside your administration?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
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Local,	Yes, revolving funds can be created inside administration, it depends on decision of City (municipal, county council)
regional councils, Healthcare	No,
Education	No or I don't know (50%)

I48 How could initial funds for PICO activities be provided (e.g., own seed funds; accumulating energy cost savings from previous EE projects; fresh money from loans; financial assistance programmes for municipalities)?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, healthcare Education	Accumulating energy cost savings from previous EE projects; financial assistance programmes for municipalities

I49 Could the responsibility for building energy management and energy efficiency be “outsourced” to a company owned by your administration (“fake privatisation”)?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	yes
Education, Healthcare	no

I50 Do the laws/rules/regulations of public budgets and debt financing allow
a) an agreement between one part A of the administration (PICO manager) and another part B (customer department) that A manages an EE investment project on behalf of B?
b) the investment of A on behalf of B?
c) the payback of the investment to A from B’s saved energy costs?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local councils,	Yes.
Regional	I don't know
Education, Healthcare	No, do not know

I51 Would you be interested to learn more about the PICO instrument, or to participate in a national or European pilot project?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local councils, Education, Healthcare	Yes. Main reason is that institutions expect financial and ecological benefits from participation in such programme.

6 References

- [1] Statistical Yearbooks
- [2] Fiscal Policies for Improving Energy Efficiency, Taxation, Grants and Subsidies, Energy Charter Secretariat, 2001
- [3] Act No. 263/1999 on Public Procurement and on Modification and Amendment of Certain Acts
- [4] Energy Sector of Slovakia, Energy Centre Bratislava, 2001