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Related documents: CC 258, CC 266

DECISION OF THE ENERGY CHARTER CONFERENCE

Subject: Recommendations on the In-Depth Energy Efficiency Review of the Czech Republic

[The Energy Charter Conference at its 13th Meeting held on 10 December 2003] *welcomed* the report on the In-Depth Energy Efficiency Review of the Czech Republic, contained in document CC 258, *and endorsed* the recommendations to the Czech government contained therein [Annex].

Keywords: In-depth Review of Energy Efficiency Policies and Programmes, PEEREA, Recommendations, Czech Republic

Recommendations on the In-Depth Energy Efficiency Review of the Czech Republic

as adopted by The Energy Charter Conference
at its 13th Meeting held on 10 December 2003

General

- While energy policy includes energy efficiency as a priority, the focus is mainly on energy supply; energy efficiency should receive a higher priority within the new State Energy Concept being developed, in order to ensure a more balanced, flexible and sustainable energy policy.
- In the process of market liberalisation, the Government should develop and implement instruments for improving end-use energy efficiency.
- Formal adoption of the *acquis communautaire* related to energy efficiency should be followed up by strengthening capacity and securing adequate resources for effective implementation.
- Energy efficiency policies should be better integrated into the strategies of all economic sectors, like industry, agriculture and transport.

Energy Efficiency Legislation, Policies and Programmes

- The energy legislation (Energy Act 458/2000 Coll.) should incorporate elements on energy efficiency in order to signal to all market actors its importance; the Energy Regulator Office should integrate energy efficiency aspects into market regulation.
- The Energy Management Act 406 should include provisions relevant to the organisation responsible for energy efficiency implementation and inter-programme co-ordination.
- Overall and sector energy efficiency targets, based on comprehensive end-use analysis, should be incorporated into the National Programme for the Energy Effective Management and the Utilisation of Renewable and Secondary Sources of Energy.
- Government objectives and priorities should be supported by appropriate budgets for energy efficiency programmes and institutions.

Institutional Framework

- The capacity on energy efficiency policy analysis within the Ministry of Industry and Trade should be strengthened to reflect the growing importance of energy efficiency and the international obligations assumed by the Czech Republic in this respect, including in the context of the accession to the European Union.
- The mandate and capacity of the Czech Energy Agency should be strengthened in order to ensure better implementation of energy efficiency policies.
- Co-ordination amongst Ministries in terms of promoting energy efficiency should be better developed, possibly through a better institutional framework.
- The Government should promote the development and sustainability of local capacity to provide consumer information, training and related services in the field of energy efficiency.

Specific Programmes

- Industrial energy efficiency programmes should be developed to address the high share of industrial energy consumption in total final consumption in order to improve its international competitiveness and to make a significant contribution to the national climate change strategy.
- The Government should consider developing legislation requiring energy supply companies to undertake demand-side management activities with their retail customers and to allow such activities to be considered as eligible costs.
- The Government should prepare and provide the necessary resources for the implementation of the EU Directive on the Energy Performance of Buildings; preparatory work may require intensive work at the EU level for the harmonisation of efforts.
- In order to ensure greater energy efficiency in existing buildings, the Government should secure good co-ordination and exploit the synergies between the activities of the State Housing Development Fund and the other programmes of the Ministry of Regional Development.
- The Government should develop a programme for the energy use in public facilities as a means of raising awareness and promoting the benefits of greater energy efficiency.
- Energy labelling of new passenger cars should be developed and implemented according to European Union legislation.
- The implementation of the existing strategy of energy efficiency in transport should be supported by adequate resources.
- Raising public awareness on energy efficiency should be enhanced by education programmes at various levels.

Cogeneration, District Heating and Renewables

- The Government should continue monitoring the evolution of the heat market with a view to secure fair and transparent conditions for the operation of the district heating systems and for the promotion of cogeneration.
- The policies on renewable energy sources should be better co-ordinated with energy efficiency to ensure a more balanced and cost-effective solution.

Energy Prices, Fiscal Policy and Energy Efficiency Funding

- Energy prices should better reflect environmental costs and other sustainable development objectives.
- The State Environment Fund should allow a greater range of energy efficiency projects to be funded.
- The proposed ecological tax reform should take into account the benefits that energy efficiency improvements bring to the environment.
- The Government should remove the barriers (mainly legal, fiscal and regulatory/administrative) for the effective operation of third-party financing schemes.

Environmental Policy

- The strategy to meet the Czech Republic's obligations under the Kyoto Protocol and beyond as well as the broader climate change strategy should more adequately define and promote the role of energy efficiency as one of the most cost-effective means.