

Auditing Energy Savings in Public Administration in Slovakia 2015



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Energy in the EU - Results achieved

- . Greenhouse gas emissions fell 18% (1990 – 2011)
- . Energy efficiency savings: 15,5 % (2013)
- . Share of Renewables: 15.0 % (2013)
- . European renewable energy businesses have a combined annual turnover of €129 billion, employing over 1 million people

to be improved in EU

- EU: the larger energy importer in the world
- Competitiveness of energy prices (higher than in the US)
- Internal energy market not yet completed
- 12 Member States still insufficiently connected
- Transparency of gas markets
- Overdependence on single supplier

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The way towards The Energy Union

Where we want to go in EU:

A secure, sustainable, competitive, affordable energy for every European

What this means:

Energy security, solidarity and trust

A fully integrated internal energy market

Energy efficiency first

Transition to a long-lasting low-carbon society

An Energy Union for Research, Innovation and Competiveness

How we want to reach it:



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Energy efficiency
Rethink energy efficiency
as an energy source in its own right

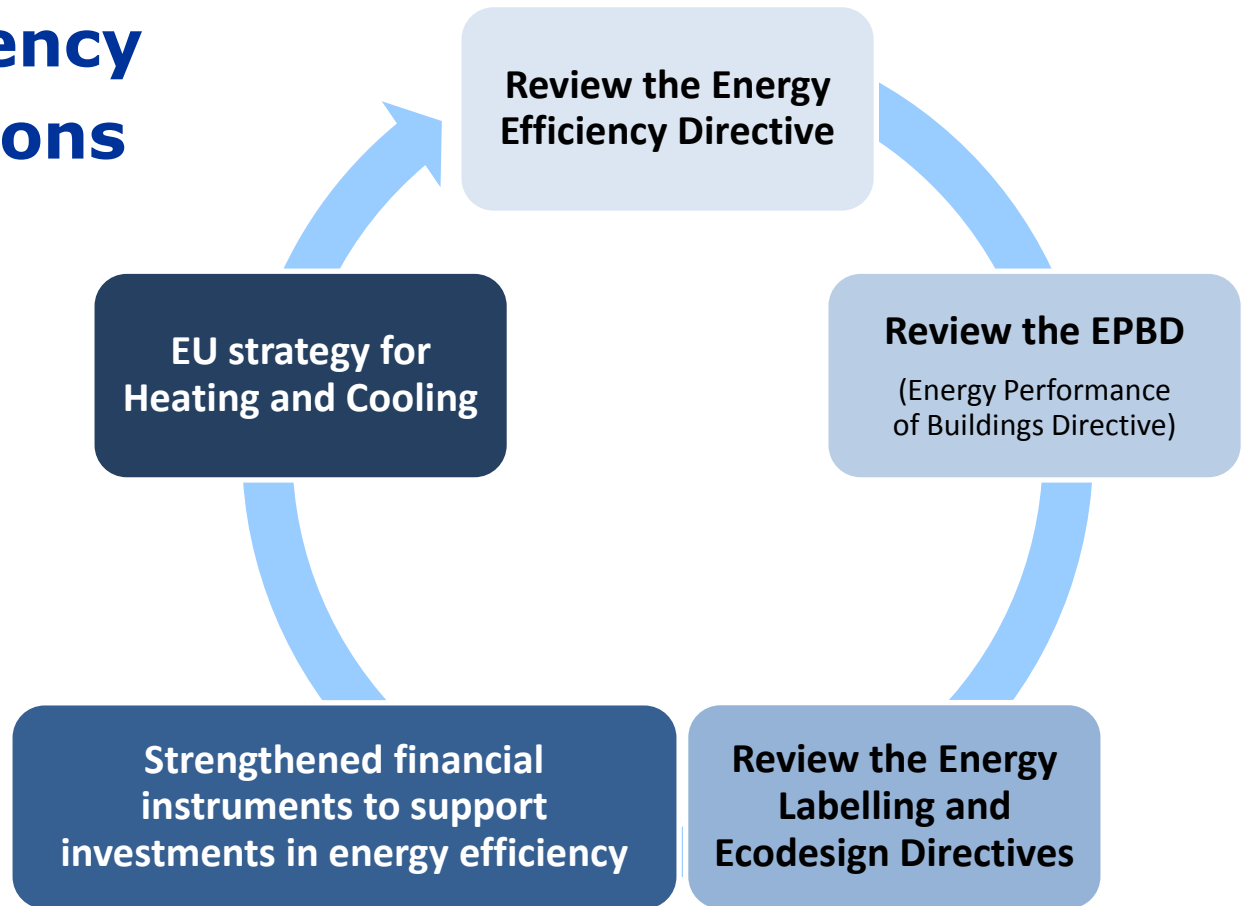


This means

increasing energy efficiency, **in particular in the building sector**, and promoting an energy-efficient and decarbonized transport sector as well as efficient products.

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Energy efficiency Concrete actions



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The INTOSAI WGEA Plan 2014 – 2016

contains four goals.

GOAL 1 - ***Up-date existing and develop new guidance materials available to SAIs, conduct research studies on emerging topics in environmental auditing***

Research project 2.1b to ***Prepare a project on energy savings*** (lead SAI of Czech Republic) is being implemented as planned. ***And this is the SAI of Slovakia experience.***



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INTOSAI and the question of efficiency

The INTOSAI and individual SAIs certainly have this topic on their minds as the rest of the world.

Europe 2020 and energy efficiency

Energy efficiency is also at the heart of *Europe 2020 Strategy for smart, sustainable and inclusive growth* and the transition to a resource efficient economy.

Security of energy supply

Energy efficiency is arguably one of the most cost effective ways to enhance security of energy supply.

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The energy efficiency The biggest energy resource

The energy efficiency can be seen, as it is in European case, as biggest energy resource.

13% improvement in energy efficiency in EU 27 (1996 till 2007) was equivalent to 160 Mtoe (million tons of oil equivalent)

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Buildings and energy savings

The greatest energy saving potential lies in buildings and their energy consumption management

Leadership of public sector

the steps to success

EUROSAI SAI 's achievements

what are the individual countries and their SAIs ' achievements in this field?

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Audit of energy savings in Slovakia

In 2015, the SAI of Slovakia performed a combined compliance and performance audit as a part of the INTOSAI WGEA project on energy savings.

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The institution responsible managing the public sector energy effectiveness and energy savings is Ministry of Economy.

Auditees

The audit was performed in Ministry of Economy, Ministry of Environment, Ministry of Agriculture and Rural Development, Slovak Innovation and Energy Agency, Environmental Fund and Agricultural Paying Agency.

The audited timeframe was 2012 – 2014.

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The results of audit

The Ministry of Economy assesses the fulfilment of the national targets every year.

It also established a permanent intra-ministerial commission to prepare action plans for energy effectiveness in Slovakia.

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Detected risks at the Ministry of Economy

shortcomings related to the Slovakia 's tasks were defined as:

Financial risks

derived from the system of financing the activities.

Capacity risks

lack of employees in energy savings field.

Risks related to assessment of measures in energy effectiveness and relevant goals fulfilment.

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Financial risks

derived from the system of financing the activities.

- The resources were deemed insufficient, fragmented and not coordinated
- Problematic access to finance energy savings plans and products for municipalities – due to a special legislation
- Insufficient sources to finance compulsory renewals of the State Administration buildings that would fulfil the energy savings goals
- Insufficient use of EU Structural funds. The reasons were shortcomings in public procurements, low and ineffective use of allocated finance by the recipient and high administrative complexity

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Capacity risks

lack of employees in energy savings field.

- At the time at the Ministry of Economy, there were only 4 people for the whole energy savings agenda that would perform analysis, legislation, finance, evaluation, monitoring, administration etc.
- All central bodies of the State Administration were experiencing the same problems as described in 2.1.
- Various necessary assessments taking too much time due to low level of employees number assigned to the tasks.
- The individual State Administration departments are not prepared to accommodate increasing requirements from the energy savings plans stemming from the commitments to the EU.

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Risks related to assessment of measures in energy effectiveness *and relevant goals fulfilment.*

- The energy savings indicators were not always obligatory
- The accountings for energy savings methods were complicated.
- The Ministry of Economy is not going to be a leader for any operational programme in the period 2014 – 2020.
- Great differences were detected if concerning similar or equal projects. Significant disparities were found among various project costs that were identical or almost identical.
- Some European Commission assessment methods and guidance were missing for computing certain calculations.

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Overall, the audit findings also stated, that:

Slovakia breached its duty to provide annual renewal of 3 % of total heated and cooled floor in buildings owned and managed by Government and its bodies;

To achieve the energy savings policy goals, the Government should systematically use the proceeds from emission trading schemes and revenues as well as excise duties collected from electricity, coal and natural gases sales;

Sources for funding compulsory reconstruction of the State Administration buildings in period 2014 – 2020 are not sufficient.

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To eliminate the detected shortcomings, the auditees approved 27 measures and SAI Slovakia will monitor their fulfilment.

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What next

Audit of energy savings in buildings
as a part of EUROSAI WGEA project 2017

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Thank you for your attention