

SUMMARY
Performance Audit Report
„Efficiency of the Energy Management System in the Public Sector”

No significant improvement in the energy management system is possible without the commitment of all public sector entities

Expenditures for energy services are growing and are a significant item in the budgets of public sector entities. Law on Efficient Use of Energy envisages the establishment of energy management system, as one of the basic measures for energy saving. Out of all state bodies, the system has been established only at the Administration for Joint Services of the Republic Bodies, and in 62% of local self-government units – reporting entities of the system. In other public sector entities – reporting entities, the system has not been established.

What is energy management system?

Organized energy management system aimed at achieving rational use of energy, with minimum costs.

Why energy management system?

- energy saving and lower energy costs
- encouraging responsible attitude towards energy
- undertaking measures for efficient use of energy

Ministry of Mining and Energy (MME) has largely provided conditions for the functioning of the energy management system in local self-governments, but not in other public sector entities. The system was partially established by the Administration for Joint Affairs of the Republic Bodies and by 62% of local self-governments. Law on Efficient Use of Energy has failed to designate other public sector entities (mandatory social insurance organizations) as reporting entities of this system. MME has established information systems to support the energy management system, however, these are being insufficiently used by the reporting entities. Annual reports on the achievement of energy saving goals are generally not submitted by the reporting entities, which is why MME does not possess data on total energy savings in the public sector. Financing of the project for efficient use of energy from the Budget fund for the improvement of energy efficiency was provided for local self-governments, but not for other public sector entities, due to lack of financial and human resources. MME failed to propose to the Government of RS the adoption of the Fourth Energy Efficiency Action Plan of the Republic of Serbia for the period after 2018, which would specify the energy saving targets and measures for their achievement.

Majority of selected reporting entities have appointed an energy manager, but have failed to adopt the planning documents, which would lay down the policy for efficient use of energy, due to which there is a risk that such a policy was not efficiently established. Energy consumption management was not fully established to include continuous planning, monitoring, analysis, reporting and supervision.

Energy consumption after finalized energy renovation works in the period 2017-2019, was not reduced in all facilities.

MME has not conducted inspection control of the establishment and functioning of the energy management system. It is necessary to intensify the supervision over the management of projects in the area of efficient use of energy and request a report on the achieved energy savings to be submitted by the beneficiaries of these funds.

Recommendations

State audit institution has issued some of the following recommendations:

To the Ministry of Mining and Energy, to:

- continue with activities within its competence toward amending the Law on Efficient Use of Energy;
- propose to the Government the adoption of the Fourth Energy Efficiency Action Plan;
- organize educational and promotional activities to raise awareness of the need for efficient use of energy and the need to establish the system in all public sector entities, with monitoring of effects;
- through inspection control, ensure the realization of the obligations of reporting entities in the establishment and functioning of the energy management system.

To the Administration for Joint Services of the Republic Bodies, to:

- adopt an energy efficiency program and plan;
- submit to the Ministry of Mining and Energy annual reports on the achievement of energy saving targets.

To the City of Novi Sad, to:

- adopt an energy efficiency program and plan;
- enter and monitor the data on energy consumption for public lighting in ISEM.