

No cure, no pay - a new tool for promotion of energy management and cleaner production

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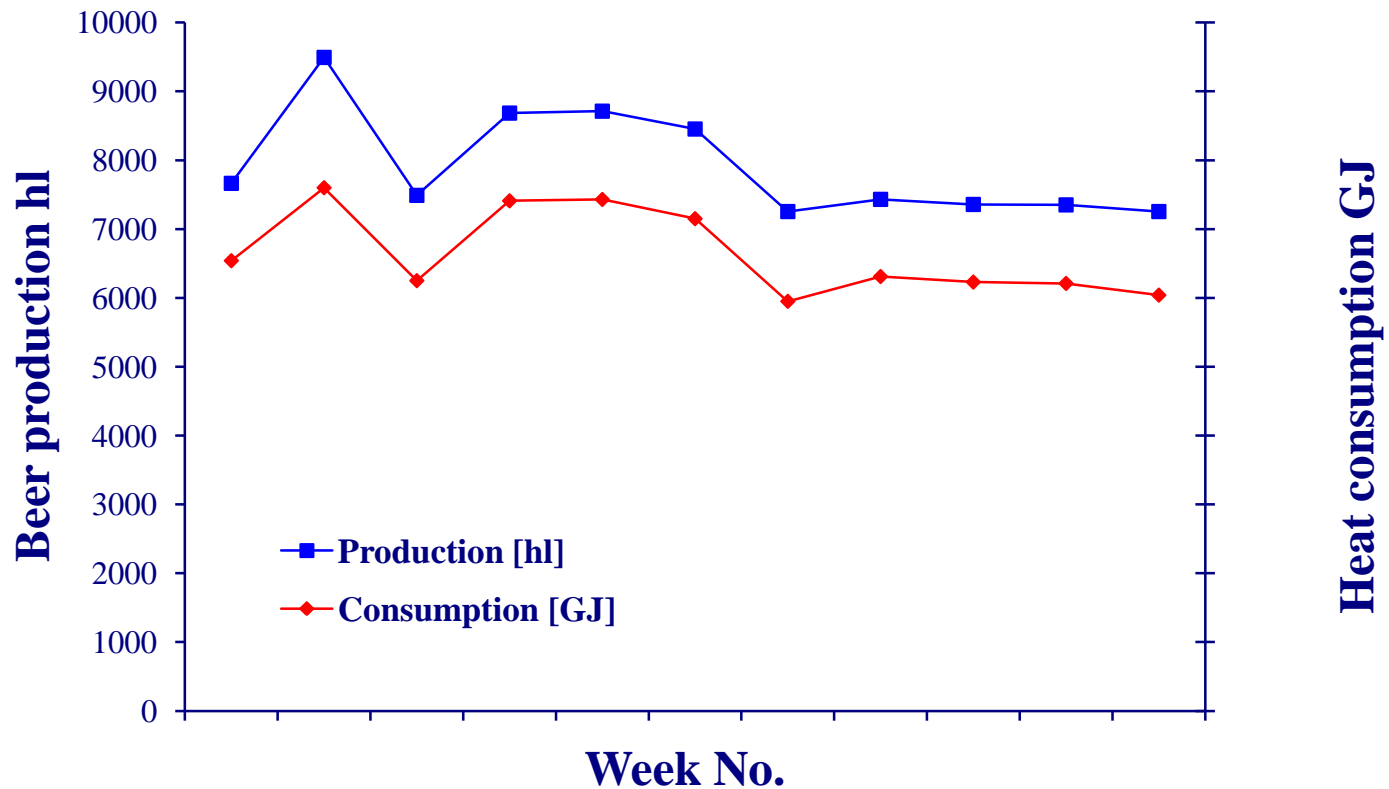
- Problems with Resource Efficiency in SMEs
- Monitoring and Targeting (M&T)
- New tool **M&T/ESCO** developed by linking
 - information system on real efficiency with
 - no-cure no-pay arrangements
- Case study
- Conclusions

Different approaches to Resource Efficiency (RE)

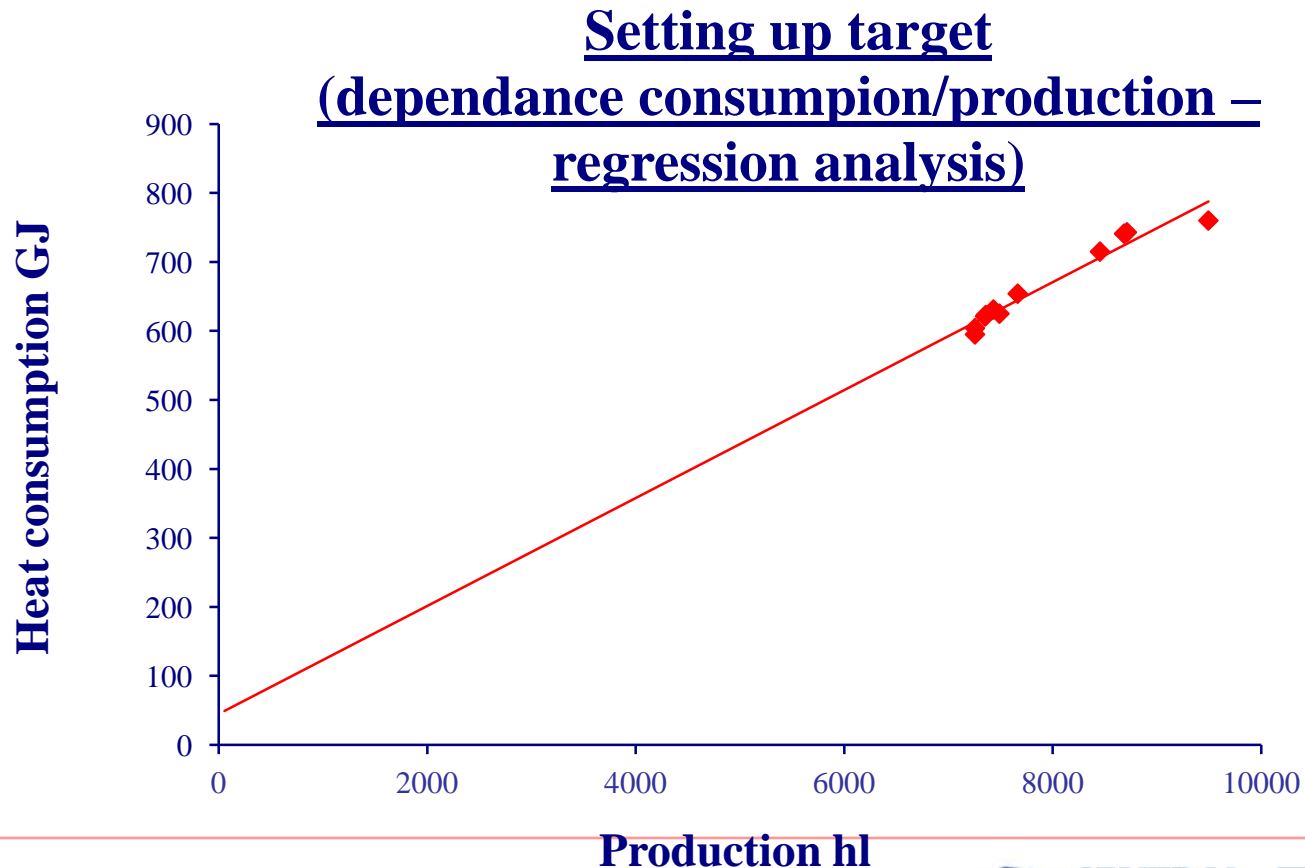
- **AUDITING approaches** (CP assessment, energy audit)
 - Static
 - Problem to verify real benefits of implemented measures
- **ACCOUNTING approaches** (environmental management accounting(EMA), Monitoring and Targeting (M&T))
 - Dynamic
 - **M&T enables verification of actual savings**

Monitoring within M & T - example

Use of heat in beer production

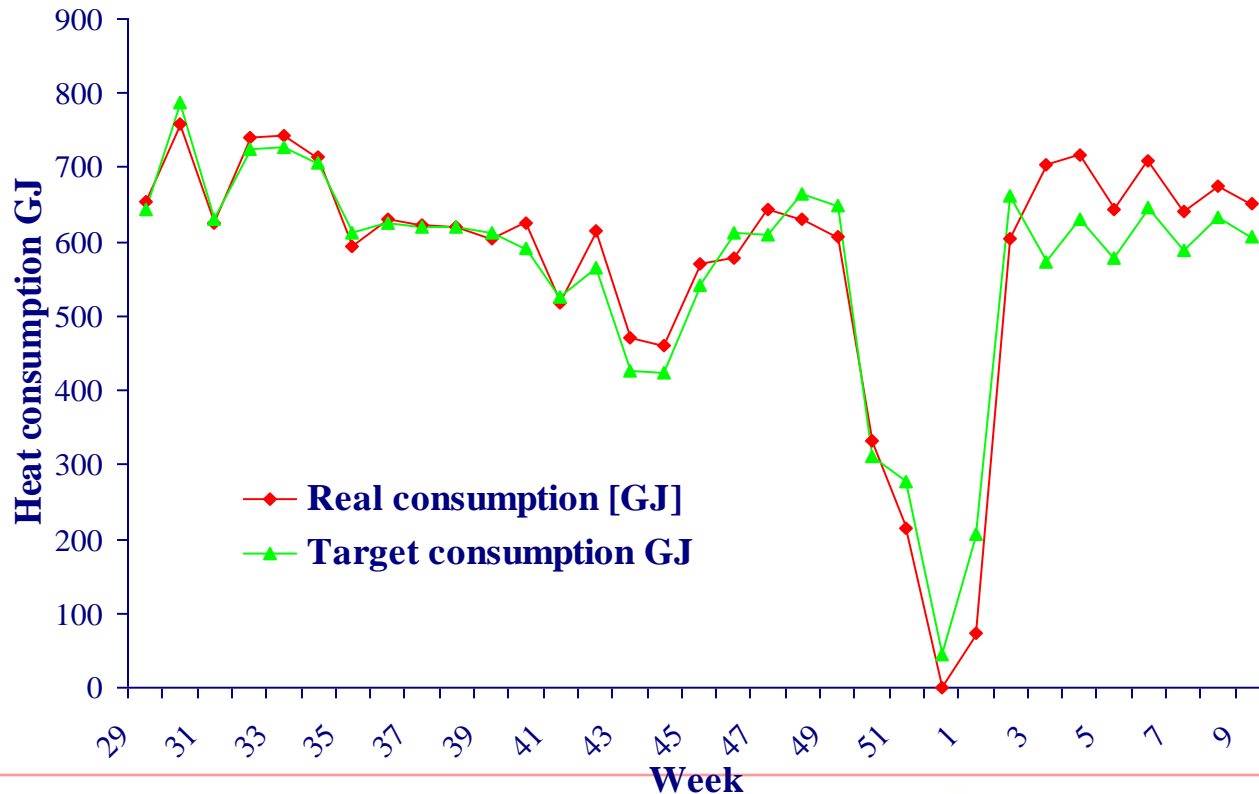


Targeting within M & T - example



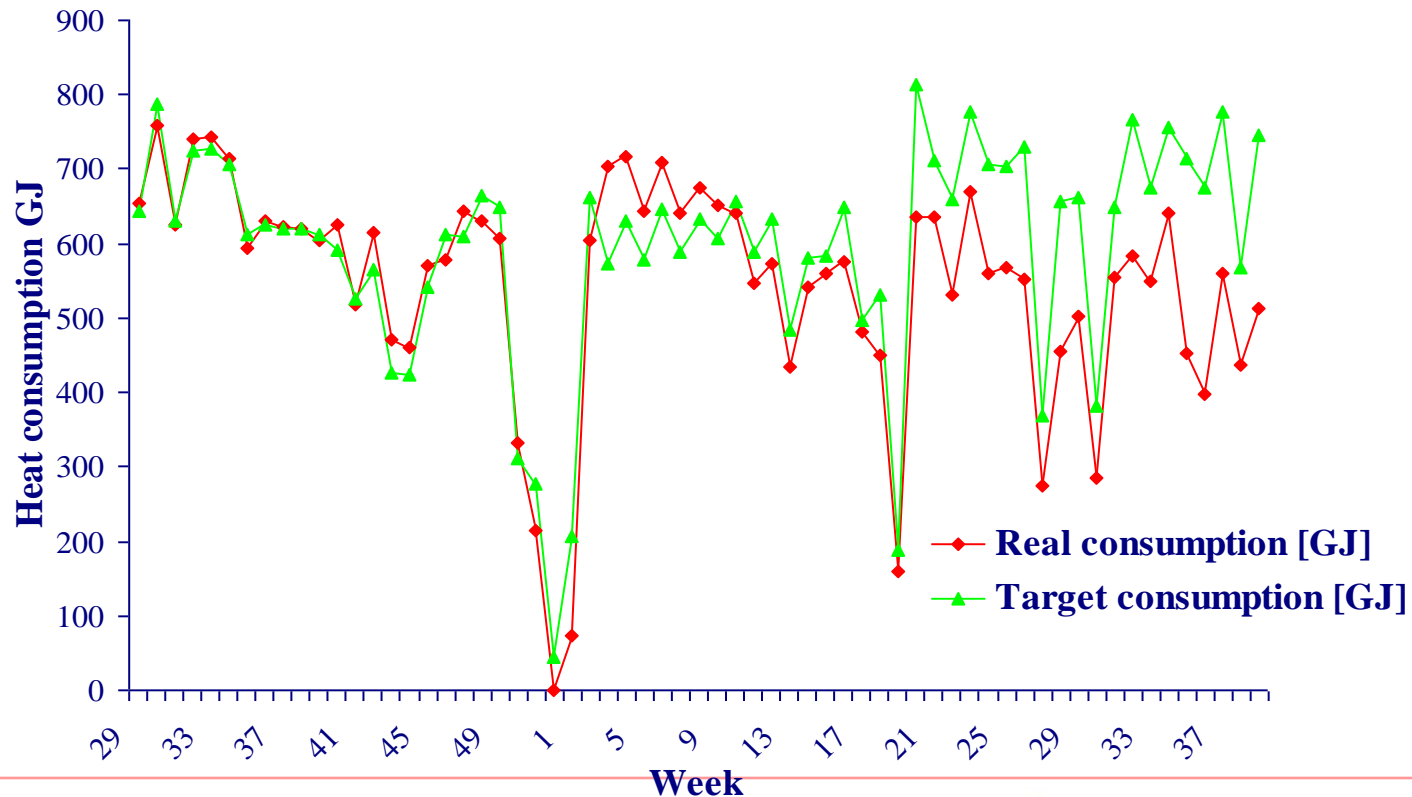
Implementation of M & T - example

Problem identification



Implementation of M & T - example

Implementation of RE measures

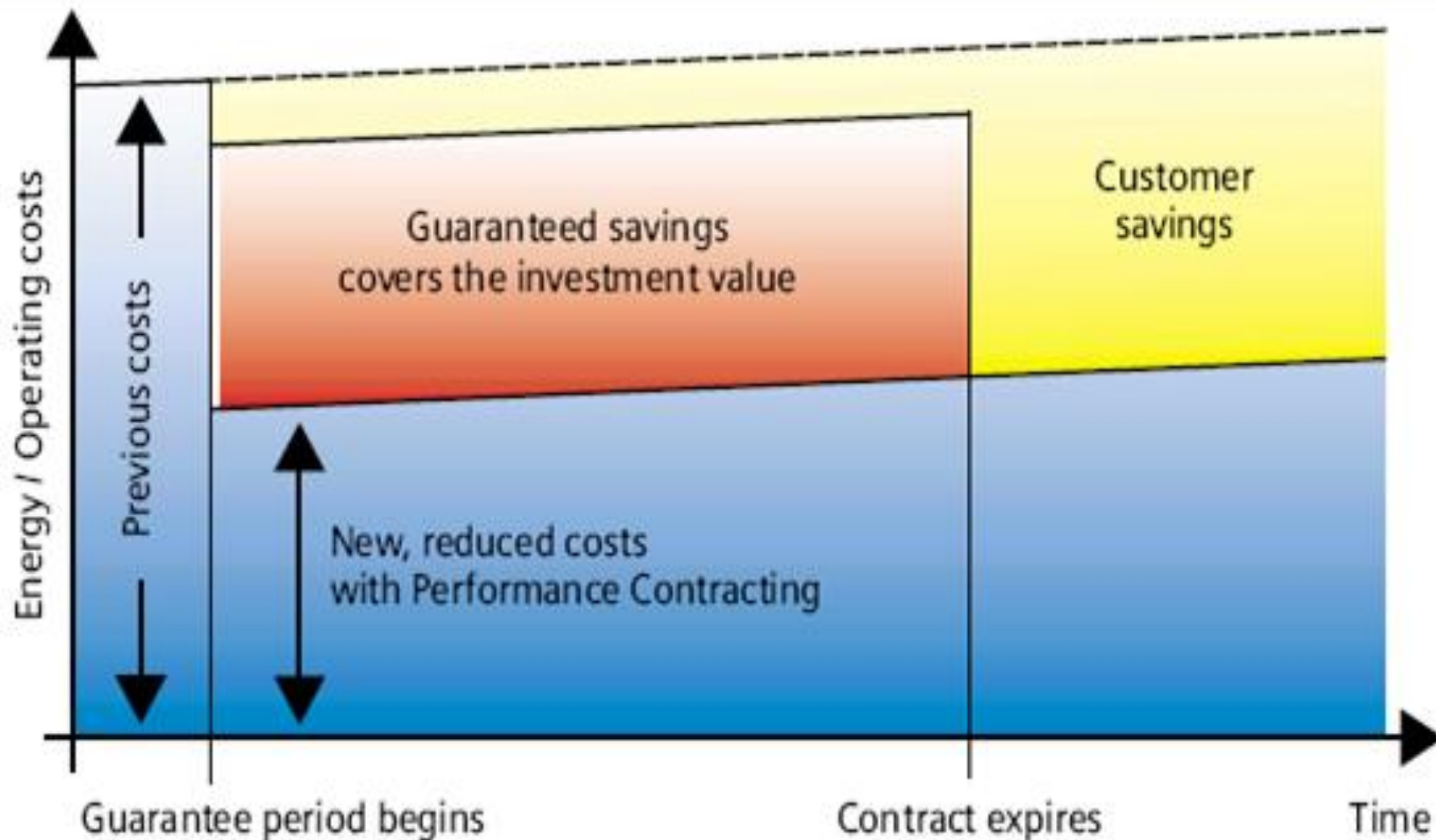


M&T/ESCO – new tool for introduction of Resource Efficiency (RE) with no technical or financial risks for an enterprise (no cure, no pay) was developed within the

EMPRESS* *project of United Nations Environment Programme (UNEP) was financed by Global Environment Facility (GEF) and implemented with technical assistance of ENVIROS in the Czech and Slovak Republics (2008)*

* **E**nergy **M**anagement **P**erformance **R**elated **E**nergy **S**avings **S**cheme

Linking M&T with Energy Performance Contracting (EPC) utilised by ESCOs



EMPRESS: selected activities and outputs

Strong initial review



Signing M&T/ESCO contract



RE management system



RE measures

Scoping Audit
– potential for
improvement

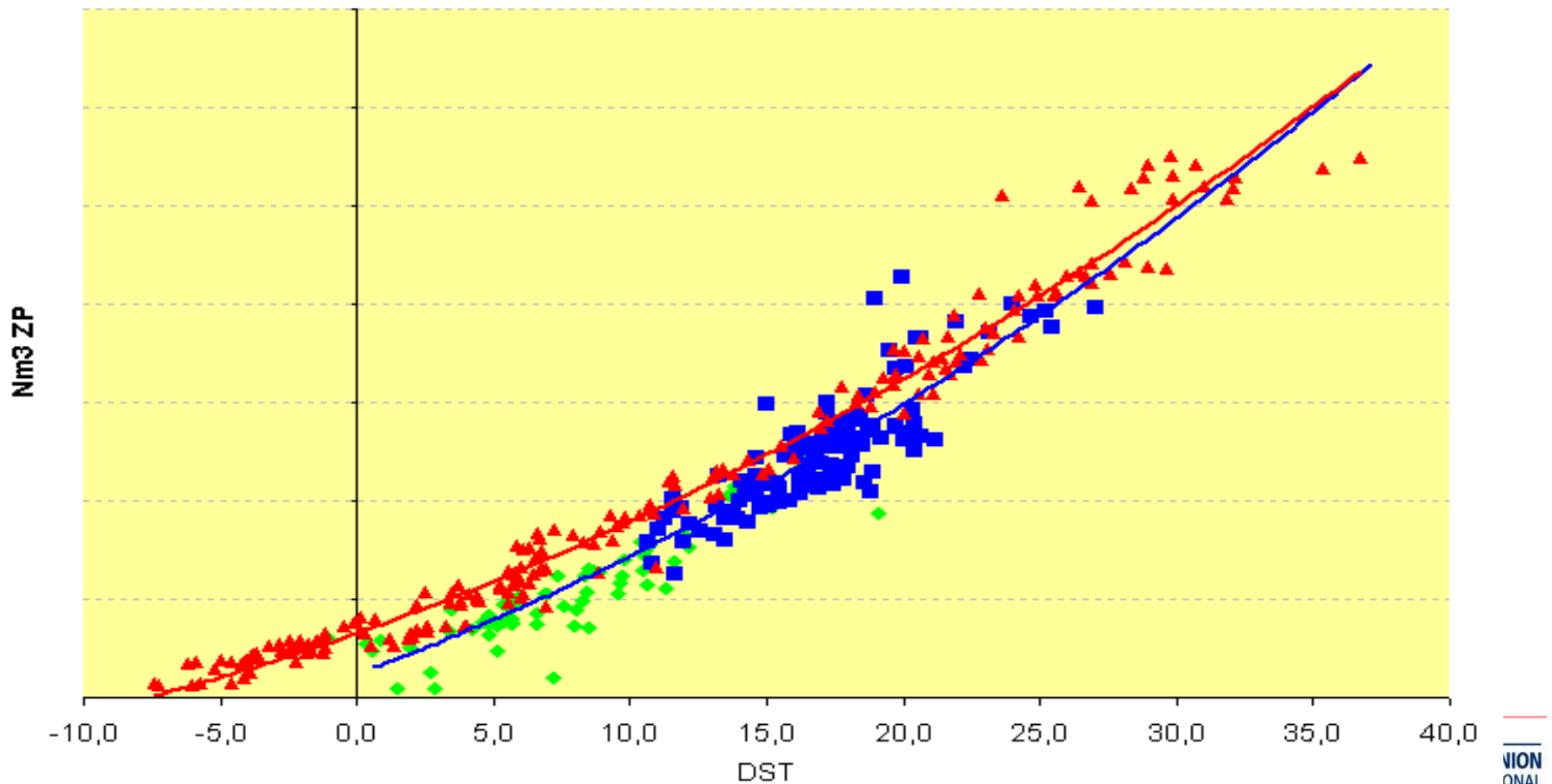
No cure no pay
arrangement

Information
system and
baseline

Improvements
verified against
the baseline

- The initial review revealed sufficient potential for RE savings for entering into the M&T/ESCO contract in 88% of the sites reviewed
- ESCOs invested their own funds in implementation of M&T in 10 pilot sites
- Guaranteed savings were achieved in all pilot sites leading to CO₂ emission reductions of 83,000 tons of CO₂
- Due to the business risks (substantial reduction of production) one site did not fulfilled its contractual duties and did not pay ESCO the investment back

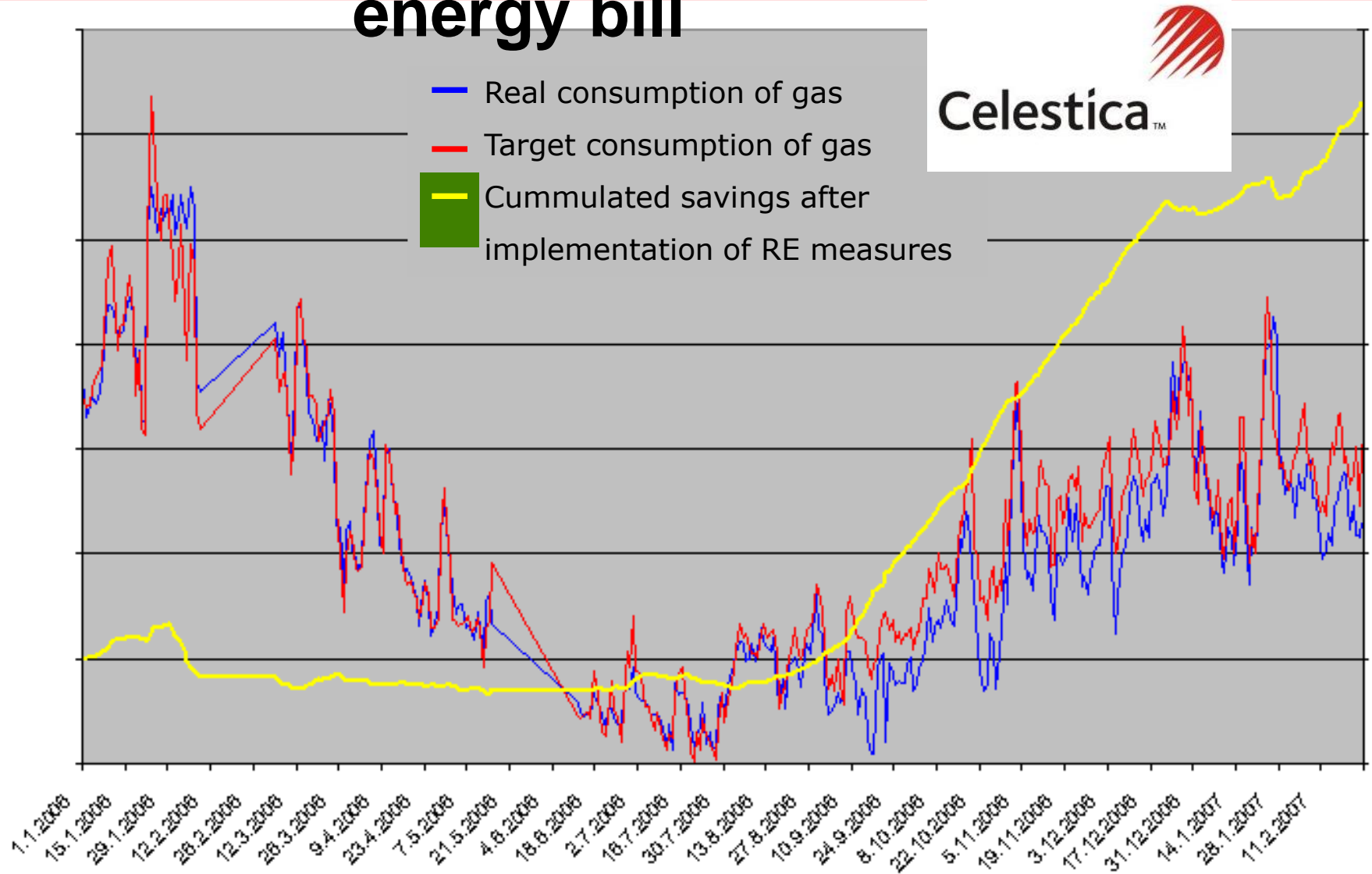
1) POTENTIAL FOR SAVINGS



Case Study M&T/ESCO

PRESOURCE

2) 12% reduction of energy bill

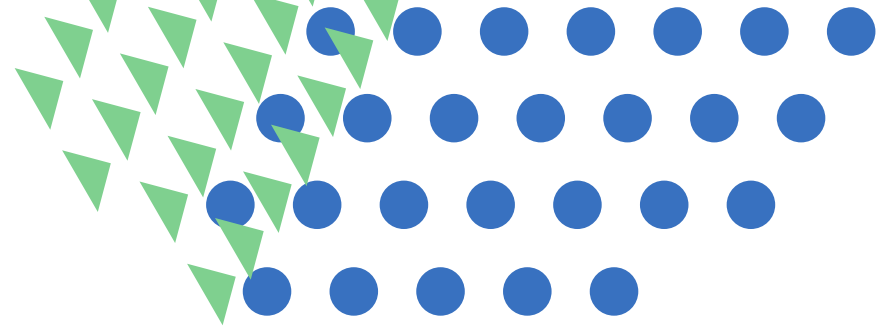


- **M&T/ESCO has a potential to bring a break through in promotion of Resource Efficiency (RE)**
- **M&T/ESCO is a risky business for providers of technical assistance and funding**

RE potential is large

CORE BARRIERS for its exploration are:

- **conviction that the company is already performing well**
- **lack of company resources and internal pressure of many competing priorities** (this shows a negative impact of the extensive downsizing experienced by the Czech enterprises within the last decade)
- **resistance of enterprise staff** to introduce a system, which would make their performance transparent and/or bring additional workload
- **hesitance to provide needed detailed information on processes** (confidentiality of data is a major issue for some enterprises and can create barrier for smooth preparation and development of the initial Scoping Audits)



Thank you for your attention!

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