



CONTRACT

FOR A PROJECT DEVELOPMENT SERVICES

between

EUROPEAN INVESTMENT BANK

and

THE CAPITAL CITY OF THE SLOVAK REPUBLIC BRATISLAVA

CONTRACT NUMBER ELENA-2014-046

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Definitions used in ELENA contracts between the Bank and Final Beneficiaries

Covenant of Mayors Initiative	means the initiative launched by the European Commission on 29 January 2008, under which the signatory cities have formally committed themselves to going beyond the objectives of the "20-20-20" Initiative in terms of reducing their CO ₂ emissions through energy demand and renewable energy actions
Elena Facility	European Local Energy Assistance Facility, set up by the European Commission and the European Investment Bank (EIB) under the Sustainable Energy Financing Initiative
Eligible Costs	means the costs of external experts contracted by the EIB or the Final Beneficiary, or additional staff hired by the Final Beneficiary (e.g. to set up project implementation units), to provide Project Development Services to help prepare, implement and finance the Investment Programme
Final Beneficiary	means any authority or any Public Body that benefits from Project Development Services under the Elena Facility
IEE II	means the Intelligent Energy Europe – II Programme (2007-2013) established under the CIP Decision (Decision No 1639/2006/EC of 24 October 2006 of the European Parliament and of the Council establishing a Competitive and Innovation Framework Programme (2007 to 2013))
Investment Programme	means an investment project or a group of projects, in the field of greenhouse gas emission reduction, energy efficiency and renewable energy sources
Leverage Factor	means the ratio between the total investment costs of the Investment Programme supported and the total cost of the project development service coming from the Elena Facility
Participating Countries	means countries participating in the IEE II
Project Development Services	means technical assistance requested by the Final Beneficiary to help prepare, implement and finance eligible Investment Programme and implement the operational objectives of the IEE II
Public Body	means a body created by a public authority or a legal entity governed by private law with a public service mission, financed more than 50% by public sources, whose internal procedures and accounts are subject to control by a public authority and for whose liabilities a public authority will accept responsibility in the event that the Public Body ceases its activities
"20-20-20" Initiative	means the European Union initiative which aims at reducing greenhouse gas emissions by at least 20%, increasing the share of renewables in energy consumption to at least 20% and improving energy efficiency by at least 20%, all by 2020

CONTRACT FOR PROJECT DEVELOPMENT SERVICES

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relating to the implementation of Project Development Services in the Project Energy Efficiency Programme for Buildings and Facilities of Bratislava in the framework of the Elena Facility (the “**Contract**”) (This financing benefits from a grant under the CIP – Intelligence Energy Europe Programme)

The **European Investment Bank (EIB)** (hereinafter referred to as “the Bank”), established at 98-100, boulevard Konrad Adenauer, L-2950 Luxembourg, Grand Duchy of Luxembourg, represented for the purposes of signature of this agreement by Mr Augustin Auria, Director, and Mr Stephen Sturmer, Head of Division,

on one part,

and

The **Capital_City of the Slovak Republic_Bratislava_**(identifikation number 00603481), Primaciálne nám. 1, 814 99 Bratislava, Slovakia, represented for the purposes of signature of this agreement by JUDr. Ivo Nesrovnal, Mayor,

on the other part

HAVE AGREED

The **Special Terms** and the **General Terms** below, and the following **Annexes**:

Annex I	Description of the Project Development Services and the planned Investment Programme
Annex II	Estimated budget of the Project Development Services
Annex III	Eligibility rules for the Project Development Services and the planned Investment Programme
Annex IV	Technical implementation reports and financial statements
Annex V	Fiche for requesting ex-ante Bank comments on the terms of reference of large sub-contracts
Annex VI	Reference to ELENA - IEE funding and legal disclaimer
Annex VII	ELENA Project Fact Sheet
Annex VIII	EIB Guide to Procurement

In the event of discrepancies, inconsistencies and/or conflict between the terms of this Contract, the documents shall prevail in the following order:

- the Special Terms
- the General Terms
- Annex I
- Other Annexes

I — SPECIAL TERMS

ARTICLE I.1 — PURPOSE

I.1.1. The Bank has decided to award Project Development Services, entitled Energy Efficiency Programme for Buildings and Facilities of Bratislava under the terms and conditions set out in the Special Terms, the General Terms and the Annexes to the Contract

I.1.2. The Final Beneficiary accepts the Contract and undertakes to do everything in its power to carry out the work programme defined for the project as described in Annex I, acting under its own responsibility.

ARTICLE I.2 — DURATION

The Contract shall enter into force on the day following its signature by the parties and its publication on the final Beneficiary's website. The Contract shall remain in full force and effect for three years, unless terminated earlier in accordance with Article II.8

ARTICLE I.3 — ROLE OF THE FINAL BENEFICIARY

The Final Beneficiary shall 'inter alia':

- (a) ensure that the Project Development Services are implemented in accordance with the Contract;
- (b) be responsible for supplying all documents and information to the Bank which may be required under the Contract, in particular in relation to the payment requests;
- (c) inform the Bank of transfers of budget, as provided in Article I.4.3;
- (d) establish the payment requests, detailing the estimated budget of Project Development Services as foreseen in Annex II, and the actual costs incurred.

ARTICLE I.4 — FINANCING THE PROJECT DEVELOPMENT SERVICES

I.4.1. The total Eligible Costs are estimated at EUR 1 507 200 [one million five hundred seven thousand two hundred euro], as shown in the estimated budget of Project Development Services in Annex II.

I.4.2. The Bank shall contribute a maximum 90 % of the total Eligible Costs indicated in Article I.4.1., with a maximum of EUR 1 356 480 [one million three hundred fifty-six thousand four hundred eighty euro].

I.4.3. Changes between the 2 categories of estimated total Eligible Costs in Annex II (Direct staff costs and external experts) shall need prior written approval by the Bank and should be limited to a maximum of 10% of the total Eligible Costs indicated in Article I.4.1

I.4.4. The amount of the Investment Programme as defined under I.4.5 to be prepared under the Project Development Services supported by this agreement must represent

at least 20 times the amount of the total contribution by the Bank as defined under I.4.2 (Leverage Factor).

I.4.5 The amount of the Investment Programme corresponds to the sum of:

- a) the investment occurred during the contract period which has been directly supported by the Project Development Services under this agreement; and
- b) the estimated value of the contract for further investment which has been supported by the Project Development Services under this agreement, as published in the relevant notice relating to the procurement procedure for this investment in accordance with applicable procurement rules.

To qualify for the inclusion under point I.4.5.b), the related budget must have been fully secured prior to publication and hence the award cannot be made conditional on the availability of budgetary resources. Evidence to that effect must be provided. An eventual cancellation of the tender procedure in accordance with applicable rules for reasons other than the non-availability of budgetary resources shall not affect the inclusion of the estimated value of the contract in the determination of the amount of the Investment Programme as per I.4.5. b).

ARTICLE I.5 — PAYMENT ARRANGEMENTS

The Project Development Services shall be paid in accordance with the following provisions:

I.5.1. First pre-financing

Within 45 (forty-five) calendar days from the entry into force of the Contract, a pre-financing payment of EUR 542 592 [five hundred forty-two thousand five hundred ninety-two euro] representing 40% of the amount specified in Article I.4.2, shall be made to the Final Beneficiary.

I.5.2. Second pre-financing

The Final Beneficiary may request a second pre-financing payment request of 30% of the amount specified in Article I.4.2, which shall be accompanied by the interim report as per I.6 below.

Payment shall be made to the Final Beneficiary upon approval by the Bank of the interim report. The Bank shall have 30 (thirty) days to approve or reject the report and to pay the second pre-financing, or to request additional supporting documents or information. The Final Beneficiary shall have 15 (fifteen) calendar days in which to submit additional information or a new report. The payment of the amount of the second pre-financing may be suspended by the Bank in accordance with the procedure in Article II.11.2.

The payment in full of the new pre-financing payment shall be subject to the consumption of at least 70 % of the total amount of any earlier pre-financing. Where the consumption of the previous pre-financing is less than 70 %, the amount of the new pre-financing payment shall be reduced by the unused amounts of the previous pre-financing payment. The statement of the beneficiary's outlay shall be produced in support of any request for a new payment.

I.5.3. Payment of the balance

Upon completion of the Project Development Services, the Final Beneficiary may send a payment request of the balance, accompanied by the final implementation report as per I.6 below.

The balance of the contractual amount shall be paid to the Final Beneficiary upon approval by the Bank of the final implementation report and after the Bank has checked that the amount of the Investment Programme prepared under the Elena project development has represented at least 20 times the amount of the Contract as defined under Article I.4.2. If the Leverage Factor, as defined in Article I.4.4., is not respected, the Bank will have the right of recovery of part or all of the grant in accordance with the procedure in Article II.13 of the amounts paid pursuant to Articles I.5.1 and I.5.2.

The Bank shall have 60 (sixty) days to approve or reject the final implementation report and to pay the balance, or to request additional supporting documents or information. The Final Beneficiary shall have 20 (twenty) calendar days in which to submit additional information or a new report.

The payment of the balance may be suspended by the Bank in accordance with the procedure in Article II.11.2.

ARTICLE I.6 — SUBMISSION OF REPORTS AND OTHER DOCUMENTS

I.6.1. The Final Beneficiary shall submit, in accordance with Annex IV of the Contract, and in the format provided by the Bank, the following documents:

- a) inception report – detailed work programme after three months
- b) bi-annual progress reports;
- c) interim report (including financial statements);
- d) final implementation report (including financial statements).

All these documents shall be submitted in English or French, in 1 (one) original and 1 (one) electronic format. Any other deliverable shall be submitted in accordance with Annex I.

I.6.2. The interim report, covering the period from month 1 to month 18 shall be submitted within 30 (thirty) calendar days of the end of the reporting period in question.

I.6.3. The final implementation report shall be submitted within 30 (thirty) calendar days following the closing date of the Project Development Services specified in Article I.2. covering the whole duration of the Project Development Services.

I.6.4. Where the Final Beneficiary fails to present any of the required reports and fails to furnish an acceptable written explanation of the reasons why it is unable to comply with this obligation, the Bank may terminate this Contract, refuse to pay any outstanding amount and recover any amounts unduly paid.

I.6.5. The Bank shall review all reports specified in I.6.1 above but shall only give formal approval to the interim and final implementation reports.

ARTICLE I.7 — BANK ACCOUNT

Payments shall be made to the Final Beneficiary's bank account or sub-account denominated in Euro, as indicated below:

Name of the bank:	Československá obchodná banka, a.s.
Address of the branch:	Michalská 18, 835 63 Bratislava
Precise denomination Of the account holder	Hlavné mesto Slovenskej republiky Bratislava
Full account number (including bank codes):	SK75 7500 0000 0000 25933683
IBAN account code:	CEKOSKBX

This account or sub-account must make it possible to identify funds paid by the bank

The Final Beneficiary shall inform the Bank in writing without undue delay of any any foreseen change of the bank account thus notified, which would come into force upon return letter of acceptance by the Bank of the new bank account details.

ARTICLE I.8 — GENERAL ADMINISTRATIVE PROVISIONS

Any communication in connection with this Contract shall be in writing, in English or in French, indicating the number of the Contract and the title of the Project Development Services, and shall be sent to the following addresses:

For the Bank:

European Investment Bank (EIB)
General Secretariat Directorate – Advisory Services- JASPERS Department
Mr Augustin Auria, Head of JASPERS Department
98-100 Boulevard Konrad Adenauer
L – 2950 Luxembourg

Ordinary mail shall be considered to have been received by the Bank on the date on which it is formally registered by the unit responsible at the Bank referred to above.

For the Final Beneficiary:

The Capital City of the Slovak republik Bratislava,
Mr Miroslav Muška, Ing., Energy Manager,
Primaciálne nám. 1
814 99 Bratislava
Slovakia

ARTICLE I.9 — LAW APPLICABLE AND COMPETENT COURT

The Project Development Services are governed by the terms of this Contract and by EU law.

Any dispute between the Parties as to the interpretation, application, or performance of this Contract, including its existence, validity or termination, not settled amicably shall be submitted to the jurisdiction of the Court of Justice of the European Union.

II — GENERAL TERMS

PART A — LEGAL AND ADMINISTRATIVE PROVISIONS

ARTICLE II.1 — LIABILITY

II.1.1 The Final Beneficiary shall be responsible for complying with any legal obligations incumbent on it.

II.1.2 The Bank shall not, in any circumstances or on any grounds, be held liable in the event of a claim under the Contract relating to any damage caused during the Project Development Services execution. Consequently, the Bank will not entertain any request for indemnity or reimbursement accompanying any such claim.

II.1.3 Except in cases of *force majeure*, the Final Beneficiary shall make good any damage sustained by the Bank as a result of the execution or faulty execution of the Project Development Services.

II.1.4 The Final Beneficiary shall bear sole liability vis-à-vis third parties, including for damage of any kind sustained by them while the Project Development Services are being carried out.

ARTICLE II.2 — CONFLICT OF INTERESTS

The Final Beneficiary undertakes to take all the necessary measures to prevent any risk of conflicts of interests which could affect the impartial and objective performance of the project. Such conflict of interests could arise in particular as a result of economic interest, political or national affinity, family or emotional reasons, or any other shared interest.

Any situation constituting or likely to lead to a conflict of interests during the performance of the project must be brought to the attention of the Bank, in writing, without delay. The Final Beneficiary shall undertake to take whatever steps are necessary to rectify this situation at once. The Bank reserves the right to check that the measures taken are appropriate and may demand that the Final Beneficiary take additional measures, if necessary, within a certain time.

ARTICLE II.3 — OWNERSHIP/USE OF THE RESULTS

II.3.1 Unless otherwise stipulated in the Contract, ownership of the results of the Project Development Services, including industrial and intellectual property rights, and of the reports and other documents relating to it shall be vested in the Final Beneficiary.

II.3.2 Without prejudice to Article II.3.1 and II.4, the Final Beneficiary grants the Bank the right to make free use of the results of the Project Development Services as it deems fit.

ARTICLE II.4 — CONFIDENTIALITY

The Bank and the Final Beneficiary undertake to preserve the confidentiality of any document, information or other material directly related to the subject of the contract that is duly classed as confidential, if disclosure could cause prejudice to the other

party. The parties shall remain bound by this obligation beyond the closing date of the Project Development Services.

This undertaking shall not affect, however, any communication of information which is required by a rule of law or by an order of a court having jurisdiction in the matter, which may include communication of information to the European Commission, to the European Anti-Fraud Office (OLAF) and/or to the Court of Auditors.

This undertaking shall not affect the responsibility of the Final Beneficiary to publish the Contract on its website, which is required for the Contract to enter into force.

ARTICLE II.5 — PUBLICITY

II.5.1 Unless the Bank requests otherwise, any communication, report or publication by the Final Beneficiary about the Project Development Services, including at a conference, training programme, seminar or symposia shall indicate that the project has received funding from the Elena facility under the CIP-Intelligent Energy Europe Programme. The Final Beneficiary shall ensure in general that suitable publicity is given in order to inform the public of the role of the European Commission in the Elena facility.

Any communication or publication by the Final Beneficiary in any form and medium shall indicate that sole responsibility lies with the author and that the Bank is not responsible for any use that may be made of the information contained therein.

Annex VI refers to the detailed information about the use of the Intelligent Energy Programme logo and the disclaimer that have to be mentioned in all publications, leaflets and other communication media related to an ELENA project.

II.5.2 The Final Beneficiary authorises the Bank and/or the European Commission to publish the following information in any form and medium, including via the Internet:

- the Final Beneficiary' names and addresses,
- the subject and purpose of the grant,
- the amount granted and the proportion of the support total costs covered by the funding.

Annex VII related to the ELENA Project Fact Sheet will be published on the EIB website.

Upon a reasoned and duly substantiated request by the Final Beneficiary, the Bank may agree to forgo such publicity if disclosure of the information indicated above would risk compromising the Final Beneficiary security or prejudicing their commercial interests.

ARTICLE II.6 — FORCE MAJEURE

II.6.1 *Force majeure* shall mean any unforeseeable exceptional situation or event beyond the parties control which prevents them from fulfilling any of their obligations under the Contract, that was not attributable to error or negligence on their part, and proves insurmountable in spite of all due diligence. Defects in equipment or material or delays in making them available (unless due to *force majeure*), labour disputes, strikes or financial difficulties cannot be invoked as *force majeure* by the defaulting party.

II.6.2 A party faced with *force majeure* shall inform the other party without delay by registered letter with advice of delivery or equivalent, stating the nature, probable duration and foreseeable effects.

II.6.3 The party faced with *force majeure* shall not be held in breach of his obligations under the agreement if he's prevented from fulfilling them by *force majeure*. The parties shall make every effort to minimise any damage due to *force majeure*.

ARTICLE II.7 — AWARD OF CONTRACTS

II.7.1 If the Final Beneficiary has to conclude sub-contracts in order to carry out the project and these sub-contracts constitute Eligible Costs within the budget of the Project Development Services, they shall be awarded according to EIB Guide to Procurement, set out in Annex VIII.

II.7.2 The tasks subcontracted must be set out in Annex I and the corresponding estimated costs must be set out in detail in the budget in Annex II.

II.7.3 The Final Beneficiary shall retain sole responsibility for carrying out the project and for compliance with the provisions of the Contract. The Final Beneficiary must undertake to make the necessary arrangements to ensure that the contractor waives all rights in respect of the Bank under the Contract.

II.7.4 The Final Beneficiary must undertake to ensure that the conditions applicable to them under Articles II.1, II.2, II.3, II.4, II.5 and II.14 of the Contract are also applicable to the subcontractor.

II.7.5 For sub-contracts with a total amount higher than 200 000 Euro the Final Beneficiary will be requested to present a request for comments on the terms of reference related to the subcontract to the Bank prior to the launch for tender. The Final Beneficiary shall submit this request in accordance with the Annex V of the Contract. The Bank will provide an answer to the request within 15 (fifteen) working days.

II.7.6 Contracts eligible for support under this agreement can only be awarded after entry in force of this agreement.

ARTICLE II.8 — TERMINATION OF THE CONTRACT

II.8.1 Termination of the Contract by the Final Beneficiary

In duly justified cases, the Final Beneficiary may withdraw the Final Beneficiary's request for support and terminate the Contract at any time by giving 60 (sixty) days written notice stating the reasons. Where the stated reasons are acceptable to the Bank, no compensation or indemnity shall be due by the Final Beneficiary. Where no reasons are given or the Bank does not consider the reasons to be acceptable, the Contract shall be deemed to have been terminated improperly and the second subparagraph of Article II.8.4 shall apply.

II.8.2 Termination by the Bank

The Bank may decide to terminate the Contract without any compensation or indemnity being due on its part, in the following circumstances:

(a) in the event of a change to the Final Beneficiary's legal, financial, technical, organisational or ownership situation that is liable to affect the project substantially or to call into question the decision to award the contract;

(b) if the Final Beneficiary fails to comply with any of its material obligations under the Contract;

(c) in the event of *force majeure*, notified in accordance with Article II.6;

(d) if the Final Beneficiary is declared bankrupt, is being wound up or is the subject of any other similar proceedings;

(e) if the Final Beneficiary is guilty of misrepresentation or submits information or reports inconsistent with reality to obtain the funds provided for in the Contract;

(f) if the Final Beneficiary has intentionally or by negligence committed a substantial irregularity in performing the project or in the event of fraud, corruption or any other illegal activity on the part of a Final Beneficiary to the detriment of the Bank's financial interests. A substantial irregularity shall consist of any breach to any contractual obligation or any applicable legal or regulatory provision resulting from an act or an omission on the part of a Final Beneficiary which causes or might cause a reputational damage or financial loss to the Bank;

(g) if the amount of the investment programme to be prepared under Elena Project Development Services represents less than 20 times the amount of this contract as defined in Article 1.4.2 (Leverage Factor).

II.8.3 Termination procedure

In the cases referred to in points (a), (b) and (d) of Article II.8.2, the Final Beneficiary shall have 30 days from the date of the notification of the Bank's decision to terminate the contract to submit his observations and take any measures necessary to ensure continued fulfilment of his obligations under the contract.

If notice is not given in the cases referred to in points (c), (e), (f) and (g) of paragraph 2, termination shall take effect from the day following the date on which notification of the Bank's decision to terminate the contract is received.

II.8.4 Effects of termination

In the event of termination of the Contract, payments by the Bank shall be limited to the Eligible Costs actually incurred by the Final Beneficiary up to the date when termination takes effect. Costs relating to current commitments that are not due to be executed until after termination shall not be taken into account. The Final Beneficiary shall have 60 (sixty) days from the date when termination of the Contract takes effect to produce final payment request.

By way of exception, in the event of improper termination of the contract by the Final Beneficiary, or termination by the Bank on the grounds set out in points (e), (f) or (g) of Article II.8.2, the Bank may require the partial or total repayment of sums already paid under the Contract plus in any case an indemnity fee equal to 5% of the allocated maximum grant amount as specified in Article I.4.2.

ARTICLE II.9 — MODIFICATIONS TO THE CONTRACT

II.9.1 Amendments to this Contract shall be made in writing and shall become effective on the day following the execution by both Parties and the publication of the amendments on the Final Beneficiary's website

II.9.2 The Parties may agree to modify Annex I of this Contract at any time upon written request by one of the Parties, while respecting the eligibility rules stipulated in Annex III.

II.9.3 In addition, changes affecting the budget can only be made once when submitting the Interim Report. The transfer of cost from one category (direct staff costs or external experts / sub-contracts) to another should not exceed 10% of the total budget.

PART B — FINANCIAL PROVISIONS

ARTICLE II.10 — ELIGIBLE COSTS

II.10.1 Eligible Costs are costs of external experts contracted by the Final Beneficiary or costs related to additional staff hired by the Beneficiary (direct staff costs) which meet the following criteria:

- they are incurred during the duration of the Project Development Services and the commissioning was signed after the entry into force of the Contract;
- they are necessary for the implementation of the Project Development Services;
- they comply with the requirements of applicable tax and social legislation;
- they are reasonable, justified and comply with the requirements of sound financial management in particular regarding economy and efficiency.

The Final Beneficiary's internal accounting and auditing procedures must permit direct reconciliation of the costs and revenue declared in respect of the Project Development Services with the corresponding accounting statements and supporting documents.

Direct staff costs comprise actual salaries plus social security charges and other statutory costs included in the remuneration, provided that this does not exceed the average rates corresponding to the Final Beneficiary's usual policy on remuneration.

II.10.2 The following costs shall not be considered eligible:

- travel costs;
- costs of equipment;
- exchange losses;
- VAT, unless the Final Beneficiary can show that he is unable to recover it;
- costs declared by the Final Beneficiary and covered by another project or work programme receiving a Community grant;
- excessive or reckless expenditure.

ARTICLE II.11 — GENERAL PROVISIONS ON PAYMENTS

II.11.1 Payments shall be made by the Bank in Euros. If the currency for the cost occurred is not Euro, the conversion into Euro shall be determined using the relevant foreign exchange reference rates published by the European Central Bank (which are based on the daily concertation procedure between central banks within and outside the European System of Central Banks) applicable on the first working day of the month following the period covered by the financial statement concerned.

Payments by the Bank shall be deemed to be effected on the date when they are debited to the Bank's account.

II.11.2 The Bank may suspend the period for payment at any time by notifying the Final Beneficiary that his request for payment cannot be met, either because it does not comply with the provisions of the Contract, or because the appropriate supporting documents have not been produced or because there is a suspicion that some of the expenses in the financial statements are not eligible and additional checks are being conducted.

The Bank may also suspend its payments at any time if a Final Beneficiary is found or presumed to have infringed the provisions of the Contract, in particular in the wake of the audits and checks provided for in Article II.14.

The Bank shall inform the Final Beneficiary of any such suspension by registered letter with advice of delivery or equivalent, setting out the reasons for suspension.

Suspension shall take effect on the date when notice is sent by the Bank. The remaining payment period shall start to run again from the date when a properly constituted request for payment is registered, when the supporting documents requested are received, or at the end of the suspension period as notified by the Bank.

II.11.3 The Final Beneficiary shall have 2 (two) months from the date of notification by the Bank of the final amount of the grant determining the amount of the payment of the balance or the recovery order pursuant to Article II.13, or failing that from the date on which the payment of the balance was received, to request information in writing on the determination of the final contractual amount, giving reasons for any disagreement. After this time such requests will no longer be considered. The Bank undertakes to reply in writing within 2 (two) months following the date on which the request for information is received, giving reasons for its reply. This procedure is without prejudice to the Final Beneficiary's right to appeal against the Bank's decision pursuant to Article 1.9. Under the terms of Community legislation in this matter, such appeals must be lodged within 2 (two) months following the notification of the decision to the applicant or, failing that, following the date on which the applicant learned of the decision.

ARTICLE II.12 — DETERMINING THE FINAL CONTRACTUAL AMOUNT

II.12.1 The total amount paid by the Bank may not in any circumstances exceed the maximum amount laid down in Article I.4.2, even if the total actual costs eligible exceed the estimated total Eligible Costs specified in Article I.4.1.

II.12.2 If the actual eligible costs when the project development service ends are lower than the estimated total eligible costs pursuant to Article I.4.1, the Bank's contribution shall be limited to the amount obtained by applying the grant percentage specified in Article I.4.2 to the actual eligible costs approved by the Bank.

II.12.3 The Final Beneficiary hereby agrees that the final support shall be limited to the amount necessary to balance the project receipts and expenditures and that it may not in any circumstances produce a profit for them.

II.12.4 Without prejudice to the right to terminate the agreement under Article II.8, if the project is not implemented or is implemented poorly, partially or late, the Bank may reduce the support initially provided for in line with the actual implementation of the project on the terms laid down in the Contract.

II.12.5 On the basis of the amount of the final payment determined in this way and of the aggregate amount of the payments already made under the terms of the Contract, the Bank shall set the amount of the payment of the balance as being the amount still owing to the Final Beneficiary. Where the aggregate amount of the payments already made exceeds the amount of the final grant, the Bank shall issue a recovery order for the surplus.

ARTICLE II.13 — RECOVERY

II.13.1 Where an amount paid by the Bank to the Final Beneficiary is to be recovered under the terms of the Contract, the Final Beneficiary undertakes to repay the Bank the sum in question, on whatever terms and by whatever date it may specify. If the payment has not been made by the due date, the Bank reserves the right to recover directly the amount due from the Final Beneficiary.

II.13.2 If the obligation to repay the amount due is not honoured by the date set by the Bank, the amount due shall bear interest. Interest on late payment shall cover the period between the date set for payment, exclusive, and the date when the Bank receives full payment of the amount owed, inclusive. Any partial payment shall first be entered against charges and interest on late payment and then against the principal.

II.13.3 If payment has not been made by the due date, sums owed to the Bank may be recovered by offsetting them against any sums owed to the concerned Final Beneficiary after informing him accordingly by registered letter with advice of delivery or equivalent. In exceptional circumstances, justified by the necessity to safeguard the financial interests of the Communities, the Bank may recover by offsetting before the due date of the payment. The Final Beneficiary's prior consent shall not be required.

II.13.4 Bank charges occasioned by the recovery of the sums owed to the Bank shall be borne solely by the concerned Final Beneficiary.

ARTICLE II.14 — MONITORING, CONTROLS AND AUDITS

II.14.1 The Final Beneficiary undertakes to provide any detailed information requested by the Bank to check that the Project Development Services and the provisions of the Contract are being properly implemented.

II.14.2 The Final Beneficiary shall keep at the Bank's or at the European Commission's disposal all original documents, especially accounting and tax records, or, in exceptional and duly justified cases, certified copies of original documents relating to the Contract, stored on any appropriate medium that ensures their integrity in accordance with the applicable national legislation, for a period of 7 (seven) years from the date of payment of the balance specified in Article I.5.3.

II.14.3 The Final Beneficiary agrees that the European Commission and/or the Bank may carry out audits and controls of the use made of the financial support, either directly by its own staff or by any other outside body authorised to do so on its behalf. Such audits and controls may be carried out throughout the period of implementation of the agreement until the balance is paid and for a period of 7 (seven) years from the date of payment of the balance. Where appropriate, the audit findings may lead to recovery decisions by the Bank and/or the European Commission.

II.14.4 The Final Beneficiary undertakes to allow the Bank's staff and outside personnel authorised by the Bank and/or the European Commission the appropriate right of access to sites and premises where the Project Development Services are carried out and to all the information, including information in electronic format, needed in order to conduct such audits.

II. 14.5 The European Court of Auditors and the OLAF shall have the same rights as the Bank and the European Commission, notably right of access, as regards controls and audits.

SIGNATURES

The Contract is executed in five counterparts in the English language, each of which represents an authentic original of this document.

European Investment Bank

**The Capital City of the Slovak republic
Bratislava**

Date:

Date:

.....
Agustin Auria, v.r.
Director

.....
JUDr. Ivo Nesrovnal, v.r.
Mayor

.....
Stephen Sturmer
Head of Division

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Annex I : Description of the Project Development Services and the planned Investment Programme

1. Location
<p>Location of the Project Development Services</p> <p>The Capital City of Slovak Republic Bratislava.</p>
<p>Main purposes of the Project Development Services</p> <p>The project aims at improving the energy efficiency of public buildings and public lighting systems located in Bratislava using Energy Performance Contracting approach. The programme proposed has a substantial scale for a city of that size as well as a high level of ambition in terms of energy performance objectives set. It is a first project of that kind in Slovakia. The ELENA assistance contributes substantially to the implementation of the investment programme by bringing in missing resources and expertise. The ELENA support is designed with the aim of strengthening the city capacities in the area of utilisation of ESCO services and EPC.</p> <p>ELENA will co-finance both establishing of a Programme Implementation Unit and provision of external services required for programme implementation.</p> <p>The Programme Implementation Unit will be composed of an Investment Programme Implementation Manager, 2 Technical Experts, a Financial Expert and an Assistant. The Programme Implementation Unit will be responsible for overall coordination of all actions planned under the investment programme.</p> <p>External expert support will be used for project preparation (energy audits, technical studies), counselling on project financing and legal support (development of contractual framework, public procurement process).</p>
<p>Description of the Final Beneficiary</p> <p>Bratislava is the capital of Slovakia and, with a population of about 460,000, the country's largest city. The city covers a total area of 367.6 km² in south-western Slovakia, occupying both banks of the Danube River and the left bank of the Morava River. Bordering Austria and Hungary, it is the only national capital that borders two independent countries.</p> <p>Bratislava is the political, cultural, and economic centre of Slovakia. It is the seat of the Slovak president, the parliament, and the Slovak Executive. It is home to several universities, museums, theatres, galleries and other important cultural and educational institutions. Many of Slovakia's large businesses and financial institutions also have headquarters there.</p> <p>The Capital City of Slovak Republic Bratislava is independent territorial self-governing and administrative entity of the Slovak Republic. The city forms part of the Bratislava Region, one of eight into which Slovakia is divided.</p> <p>It is governed by elected local governmental bodies. The Mayor is the highest representative of the city executive; the city's highest legislative authority is the 40-member City Council. Bratislava is divided into 17 boroughs. The boroughs are independent legal entities that manage their own assets and budgets.</p>
<p>Role of the Final Beneficiary in the Investment Programme to be prepared</p> <p>The investment programme will be divided into two components – 1) Modernization of Buildings owned and operated by the city and 2) Modernization of Public Lighting System. As all objects that will be a subject of the investment programme are owned by the city (with the exception of approximately 13% of lighting points where the luminaries owned by the City are placed on poles belonging to the electricity distribution company), the city will be solely responsible for implementation of the investment programme.</p> <p>The buildings that are to be the subject of the investment programme are completely in the ownership of the city. Some of the buildings are not managed directly by the city but by institutions established by the city. The City hall office will, within the practical implementation, cooperate with the managers of respective buildings that will be responsible for providing necessary data and information on the buildings, as well as provide assistance in implementation of specific projects. The City hall office will establish, within its structure, a unit that will be responsible for the implementation of the investment programme as well as for future monitoring and verification of the results.</p>

2. Description of the Project Development Services

Aims and objectives of the Project Development Services

The Capital City of Slovak Republic Bratislava lacks necessary experiences and practical knowledge on conceptual and complex modernization of its buildings focused (beside other targets) on substantial decrease of their energy consumption. Additionally the city has almost no experiences with utilization of ESCO services in projects of this kind as well as with implementation of investment programme of the range as intended within this application.

The capacities of the Department of Strategy and Projects, to be in charge of the project implementation, are not sufficient for successful implementation of the investment programme. The technical assistance from ELENA will strengthen the resources and capacity of the department with direct staff and external experts. Direct staff will be used to establish new unit responsible for preparation and implementation of the investment programme within existing structure of the City hall office. Both direct staff and external experts will contribute to realisation of activities under the work programme presented below:

- Development of Study on availability of renewable energy sources in the Bratislava territory and possibilities of their use in the city buildings and Study on possibilities to use Combined Heat and Power production in the city buildings.
 These studies will serve as a background information sources for planning of the utilization of the respective technologies within modernization of the city buildings.
 This phase will be executed by the executing contractor in cooperation with the programme implementation unit established within the City hall structure.
- Energy Audits – the aim of this phase lies within providing objective information on the current state of the buildings (and the Public Lighting System) as well as on possible solutions and expected results to the City and to the ESCOs (tenderers). The energy audits will be included in the tenders only as a source of information. It will be not binding to implement the measures proposed within the audits as definition of the final set of the measures that will ensure reaching the guaranteed results will be a responsibility of ESCO. The most important result of the energy audits will be provided in the form of minimal energy savings after modernization. Providing the guarantee of at least this level of savings by ESCO will be required within the tenders. The city will – based on information's provided within the energy audits – define a set of measures for each building that will be obligatory for each ESCO participating in the tenders.
 Services within this phase will be provided externally by executing contractor selected by the city.
- Development of the programme financial structure – within this phase a general financial structure of the investment programme will be developed and detailed.
 This phase will be executed by the executing contractor in cooperation with the programme implementation unit established within the City hall structure.
- Development of general procurement concept – this phase will focus on development of general contract structure (especially for the EPC projects) as well as on preparation of model procurement documentation which will be consequently adjusted for respective investment projects. This phase will be executed by the executing contractor in cooperation with the Programme Implementation Unit established within the City hall structure.
- Construction of pools of projects (only for buildings) – within this phase suitable buildings will be merged in pools that will be tendered as separate projects consequently.
 This phase will be ensured by newly hired staff within the programme implementation unit in cooperation with the executing contractor.
- Preparation of technical design documentation – within this phase technical design documentation will be prepared for buildings that will be not suitable for the EPC concept (this activity will be not included into the ELENA technical assistance and will be financed from resources of the city).
- Study of the management system for the public lighting – technical concept and structure of the intelligent management system for the public lighting system with respect to the use of this system for providing information's necessary for improved and effective traffic control will be developed within this phase. This

phase will be ensured by the executing contractor.

- Design of Project Financing – this phase will be targeted on identifying optimal financial structure for each respective project (pool of buildings).
This phase will be executed by the executing contractor in cooperation with the programme implementation unit established within the City hall structure.
- Development of Tender Documentation – the aim of this phase of the programme development is to adjust the general concept of procurement to particularities of respective projects.
Realization of this phase for each project will be ensured by the Department of Public Procurement of the City hall with substantial support from the executing contractor and in cooperation with the programme implementation unit and Legislative and Juridical Department of the City hall.

Indicative activities included in the Project Development Services (personal costs, external services, etc.) and main justification. Estimated total budget for the assistance including a detailed budget breakdown according to activities

Direct Staff

The Programme Implementation Unit will be responsible for overall coordination of all actions within the programme implementation. The activities executed by the PIU will inter alia consist of:

- coordination of cooperation of city departments, buildings managers, external experts, financing institutions and selected contractors;
- providing inputs for preparation of financial and contractual structure and its approval;
- definition and ensuring of the priorities of the city within specific projects;
- providing comments on Energy audits prepared by the Executing contractor as well as other documents prepared by external experts;
- preparation of tender documentation for specific projects (in close cooperation with the Executing contractor);
- participation within evaluating committees for specific projects;
- monitoring of execution of respective public procurements (executed by the Department of Public Procurement of the City hall with substantial support from the Executing contractor);
- coordination and monitoring of realization of projects;
- monitoring of energy consumption and operation of buildings after realization of projects;
- evaluating of energy and CO₂ savings.

The PIU will be established as a separate section within the Department of Strategy and Projects and will consist of five employees with following roles and profiles:

- Investment Programme Implementation Manager – responsible for general management of the programme implementation. The activities of the Programme Implementation Manager will cover inter alia following tasks:
 - Coordination of the unit staff,
 - Coordination of cooperation with the Executing contractor as well as other external (international) experts,
 - Review of Tender documentations prepared,
 - Providing coordination with other departments,
 - Communication and representing of the unit in public,
 - Negotiations with Investment Programme Stakeholders.

This position requires a senior expert level in area of project management with practical experiences with preparation of energy/construction investment projects.

- Technical expert for energy efficiency and renewable energy – responsible for relevant technical matters of projects preparation. The activities of the Technical expert for energy efficiency and renewable energy will cover inter alia following tasks:
 - Review and providing comments on Energy Audits (area of technological equipment of buildings),
 - Analysis of results of Energy Audits – construction of pools of buildings
 - Preparation of tender documentation,
 - Monitoring of implementation of projects,
 - Communication with Managers of buildings,
 - Communication with other departments.

An Expert level in the respective area and practical experiences with investment projects preparation are required.

- Technical expert for buildings – responsible for relevant technical matters of projects preparation. The activities of the Technical expert for buildings will cover inter alia following tasks:
 - Review and providing comments on Energy Audits (area of buildings constructions),
 - Analysis of results of Energy Audits – construction of pools of buildings
 - Preparation of tender documentation,
 - Monitoring of implementation of projects,
 - Communication with Managers of buildings,
 - Communication with other departments.

An Expert level in the respective area and practical experiences with investment projects preparation are required.

- Financial expert – responsible for coordination of the financing of the investment programme with requirements and possibilities of the City. The activities of the Financial expert will cover inter alia following tasks:
 - Analysis of results of Energy Audits – definition of basic financial parameters of the investment programme
 - Checking of tender documentation against requirements of the City,
 - Communication with external financial expert.
 - Monitoring of the Investment Programme implementation,
 - Reporting for the city authorities and EIB,
 - Communication with other departments.

An Expert level in preparation of investment projects and experiences with energy projects are required.

- Assistant.

The workloads, salaries and overall direct costs assigned to the described positions are estimated as follows:

Categories of staff to work on the project (e.g. senior expert, expert, junior expert; project assistant etc.)	Monthly salary (EUR) (A)	Number of work months on project (B)	Direct Staff costs (EUR) (AxB)
1 - IP Implementation manager - Senior expert	2 200	36	79 200
2 - Technical expert	1 600	2 x 36	115 200
3 - Financial expert	1 600	36	57 600
4 - Assistant	1 000	36	36 000
Total direct staff costs		180	288 000

External Experts

The external experts will play crucial role within the programme implementation. The city intends to engage (through public procurement) an Executing contractor with strong expertise in technical, legal, and financial advisory within preparation and implementation of investments of similar type and extent (especially with focus on EPC projects including their procurement). This contractor is expected to work together with the programme implementation unit on daily basis during whole implementation of the programme. The Executing contractor will be responsible for providing following services:

- Technical advisory consisting of
 - Execution of Energy audits (buildings and public lighting system),
 - Preparation of technical studies:
 - Study on availability of Renewable Energy Sources in the Bratislava territory and possibilities of their use in the city buildings;
 - Study on possibilities to use Combined Heat and Power production in the city buildings;
 - Study of the management system for the public lighting – technical concept and structure of the intelligent management system;
 - Assistance in construction of pools of buildings for respective projects,
 - Assistance in development of tender documentations,

- Assistance in monitoring of implementation of projects and verification of real energy savings.
- Legal advisory consisting of
 - Development of general contract structure,
 - Assistance in Development of general procurement concept,
 - Assistance in Development of the programme financial structure,
 - Assistance in adjustment of general contract to specific projects.
- Public procurement advisory consisting of:
 - Development of general procurement concept,
 - Assistance in Development of general contract structure,
 - Assistance in development of tender documentations for specific projects,
 - Assistance to the Department of Public Procurement of the City hall in execution of tenders.
- Financial advisory consisting of
 - Conceptually support the Capital City of Slovak Republic Bratislava
 - Perform an initial feasibility assessment,
 - Assist in tender preparation,
 - Support during the procurement process,
 - Managing the technical work-streams coordination.

The assistance of experienced financial experts is considered as one of the most important part of the technical assistance within development of the investment programme. Its ultimate goal is to provide the Capital City of Slovak Republic Bratislava representatives with integrated and independent financial advisory services focused on achieving successful realisation of their contemplated investment program that will attain value for money, will be financially affordable for the City and have minimum/accepted impact on the accounts and budget of the City.

In addition, since a realisation of such investment program is unprecedented, complex and a quite ambitious goal and also given its size is likely to attract not only local but also international market interest, the credibility and transparency will be an essential component for the success in the process. Therefore, it is advised to hire an experienced external financial expert with a reputable and strong brand name.

External financial expert is expected to provide financial advisory services related to the following key topic areas (those are further described in more details below). Please note that the information below is the currently envisaged scope of work of external financial adviser which will be further detailed, tailored and fine-tuned once more information about the program will be available and the process will progress:

- Conceptually support the Capital City of Slovak Republic Bratislava representatives in designing financial terms for their contemplated investment program, project preparation, tendering and with an active communication with the market with a special focus on securing sufficient market attractiveness and bankability of the concept.
- Perform an initial feasibility assessment integrating together technical/financial/legal and other work-streams including also financing structures and bankability in order to provide a comprehensive and cohesive study with a focus on the Capital City of Slovak Republic Bratislava main concern areas being among others achieving value for money, financial affordability and optimal balance sheet treatment to be ready for public authority approval process.

The workloads assigned to the specific categories of external expert are estimated as follows:

Category	Phase/Activity	Workload [person days]	Daily rate [EUR/day]	Amount [EUR]
Energy Auditors	Energy Audits of buildings	1 300	260	338 000
	Energy Audit of PL system	390	260	101 400
Financial Experts (international)	Development of the programme financial structure	151	660	100 000
Legal and Procurement Experts	Development of general contract structure and general project legal advisory	220	660	145 200
	Development of general procurement concept	160	660	105 600
	Development of Tender Dossiers, advisory in procurement execution	450	660	297 000
Technical Experts	Preparation of Studies on RES and CHP – Buildings	290	240	69 600
	Study of the intelligent management system for the public lighting system	260	240	62 400

121 energy audits for buildings are buildings are expected to be carried, with an average cost of 2 793 EUR for a single building, so altogether 338 000 EUR. The cost of energy audit for lighting system is expected at 101 400 EUR. The selection of Executing contractor will be made in accordance to the national and EU procurement rules by the Department of Public procurement of the City hall. Coordination of activities of the PIU, other city institutions and external experts will be coordinated by the Programme Implementation Unit.

Indicative implementation timetable for the Project Development services, indicating the link between the Project development Services and the Investment Programme

Phase	Start date	End date
Project start	M01	
Management, Establishment of IP Implementation Unit	before start	M02
Management, Selection of external Energy auditors and Procurement experts	before start	M01
Buildings, Energy audits	M01	M09
Buildings, Construction of pools of projects	M03	M21
Buildings, Design of Financing	M04	M21
Buildings, Development of Tender documentation	M06	M21
Buildings, Public procurements + negotiations on contracts	M07	M36
Buildings, Monitoring of implementation, verification of results	M09	M36
Lighting, Energy Audit	M17	M23
Lighting, Preparation of Study for intelligent control system	M21	M24
Lighting, Design of Financing	M24	M26
Lighting, Development of Tender documentation	M26	M28
Lighting, Public procurement + negotiations on contract	M29	M36

Milestones:

MS_01 – Launch of the 1st tender for buildings (month 11)

MS_02 - ESCO contract for buildings form the 1st tender signed (month11)

MS_03 – Investment implementation – buildings from the 1st tender completed (month 18)

MS_04 – Launch of the last tender for buildings (month 30)
 MS_05 – Launch of the Public lighting tender (month 29)
 MS_06 – Investment implementation (Public Lighting) – contract signed (month 36)

Description of the existing or planned structure/organisation for managing the preparation and implementation of the investment programme

Preparation of the investment programme within the stage of ELENA application is under the responsibility of the Department of Strategy and Projects operating within the structure of the City Hall office.

From the overall point of view, the technical assistance will be carried out by:

- Programme Implementation Unit (established within the city hall office structure) consisting of additional internal staff that will be employed.
- Executing contractor – the city will procure external contractor (with capacities of energy auditors, lawyers, procurement experts and financial experts) that is expected to work together with the Programme Implementation Unit on daily basis within whole implementation of the programme. The executing contractor will be responsible for providing energy audits, providing assistance to the Programme Implementation Unit in development of pools of projects and tender documentation and executing public procurements of EPC projects for the city.
- Other internal staff from Legislative and Juridical Department, Department of Public Procurement and Department of Roads Management within the City hall office structure (not financed by ELENA).

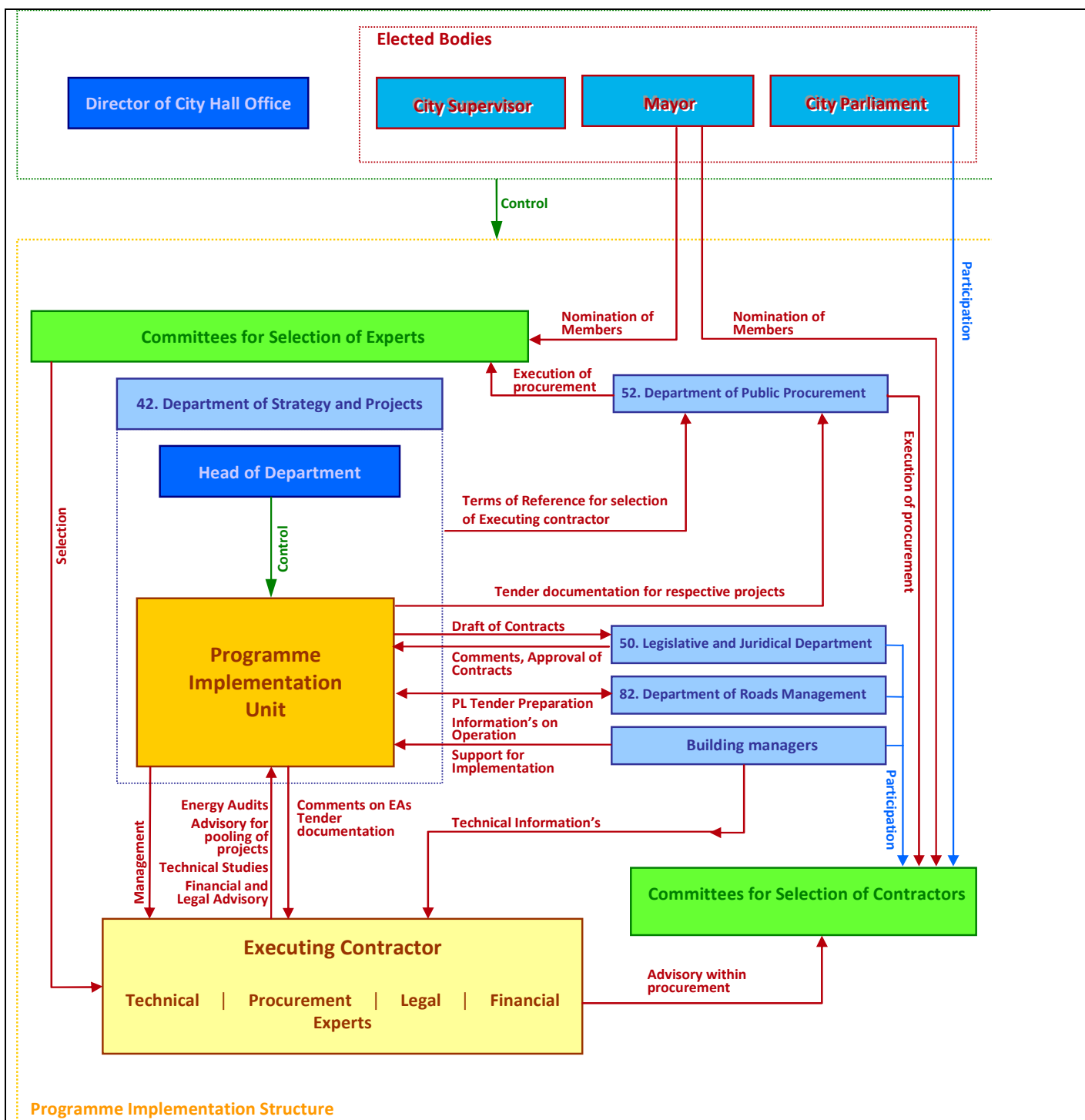
The PIU will, within execution of its activities, closely cooperate, within preparation of strategy and specific projects, with following departments of the city hall office:

- Chief Architect – will participate in preparation of the concept of buildings modernization,
- Chief Transport Engineer – will participate in preparation of the public lighting project strategy,
- Legislative and Juridical Department – will provide comments on contracts and final approval of contracts,
- Department of Public Procurement – will ensure technically the process of public procurement for external experts and will provide comments on tender documentation for EPC projects,
- Department of Roads Management – will provide technical inputs for the public lighting project preparation.

The PIU will cooperate also with buildings managers. These are as follows:

- Within the structure of the city:
 - Department of the Primatial Palace Management
 - Crisis Centre
 - Boarding facility FORTUNA
 - Boarding facility KOPČANY
- Other organizations established by the city:
 - Social facilities (Retirement homes),
 - Educational facilities (Art Schools, Centres of Leisure Time),
 - Cultural facilities (Museums, Libraries),
 - Sport facilities,
 - Others (Zoological garden, Cemeteries).

The building managers will provide information's on operation of buildings, participate in the evaluating committees for evaluation of bids under tenders, and provide support and coordination within realization of modernizations. The activities, results and quality of works of the PIU will be directly supervised by the Head of the Department of Strategy and Projects. Furthermore, the general controlling system of the City hall office will be applied.



Applicants commitment to facilitate dissemination of experiences and results

The Capital City of Slovak Republic Bratislava will disseminate the experiences gained within the implementation of the investment programme as well as its results towards citizens and other local stakeholders through already established communication channels. Beside this, the city will share its experiences within national networks where it is a member (Slovak Union of Towns and Cities, Slovak Association of Towns and Municipalities). In case of interest of other cities to implement similar investment programme, the city will provide them with further information and assistance.

3. Presentation of Investment Programme

Location of the planned Investment Programme

The Capital City of Slovak Republic Bratislava. .

Description of the planned Investment Programme

The planned Investment Programme will consist of two components – 1) Modernization of Buildings owned and operated by the city and 2) Modernization of Public Lighting System.

Buildings

The Capital City of Slovak Republic Bratislava owns and by itself or through its organizations operates 121 buildings in total. The overall area of these buildings is more than 215,000 m². These buildings are intended to be renovated under this investment programme. Their structure according to the sector of building use is as follows:

Sector of Buildings	Floor Area [m2]	Structure [%]
Administration	60 547	28.06%
Education	37 061	17.18%
Health Care	1 442	0.67%
Residential Buildings	80 454	37.29%
Sport and Leisure Facilities	30 395	14.09%
Other	5 857	2.71%
Total	215 757	100.00%

Total Final energy consumption of these buildings is more than 51.4 GWh per year (data for 2012). The final energy consumption related to operation of these buildings (covering heating, hot water preparation, HVAC and lighting) was 42.0 GWh in 2012. This volume represents Primary energy consumption of 64.6 GWh (calculated through coefficient defined in Regulation No. 364/2012 coll. on Energy Performance of buildings. Detailed structure of the energy consumption is presented in following table:

		Final Energy Consumption [MWh]	Primary Energy Consumption [MWh]
Overall Electricity Consumption	a	15 011	
Electricity Consumption for Appliances	b	9 568	
Electricity Consumption for Lighting and HVAC (a-b)	c	5 444	15 046
Natural Gas Consumption	d	22 866	31 097
Heat Consumption	e	13 565	18 448
Baseline for calculation of savings (c+d+e)	f	41 874	64 591

Most of the buildings owned and operated by the city are in obsolete technical state that causes high energy consumption for operation of the buildings and also unfavourable conditions for their use. The average final energy consumption of the building stock is 194 kWh/(m²a). In primary energy the average consumption represents more than 299 kWh(m²/a). The City plans to modernize its building stock with the aim of creating a user environment corresponding to current standards while achieving a high level of energy efficiency of operation. The target of the proposed investment programme within the building sector may be described in more details as follows:

- the City intends to refurbish all buildings that are owned and managed directly by the City. This represents an aim to refurbish buildings with total floor area of 215 757 square meters.
- An approach of a complex refurbishment will be applied to all buildings with exception of approximately 12% of historical buildings (as a share on the floor area). The target of the complex refurbishment of the building stock is to reach primary energy need (and consumption) at least on the upper boundary of class A1 of the Slovak scale for energy performance certification of buildings. The average primary energy need (and consumption) for the buildings after complex refurbishment should be 95 kWh/m²/a (calculated as a weighted average of primary energy needs for different sectors, share of sectors on overall floor area used as the weights).
- For the 12% of historical buildings the complex refurbishment approach will be not suitable due to protection of historical values. For these buildings only selected (and approved) measures will be applied (exchange of windows, renovation of heating systems, utilisation of renewable energy sources). It is envisaged, that these

measures will bring average energy savings of 20% on primary energy consumption. This means that the expected average primary energy need (and consumption) for these buildings after refurbishment should be 239 kWh/(m²a).

- The overall average of primary energy need of all buildings after implementation of the investment programme should be 98 kWh/(m²a), which corresponds to approximately 81.6 kWh/(m²a) in terms of final energy.

The limits for specific sectors as well as the summary of targets are presented in following table:

Sector of Buildings		Primary Energy Need [kWh/m ² /a]	Share on Floor Area [%]
Administration	Complex Refurbishment	120	15.95%
Education		68	17.18%
Health Care		192	0.67%
Residential Buildings		63	37.29%
Sport and Leisure Facilities		76	14.09%
Other		104	2,71%
Average for Complex Refurbishment		95	87.89%
Historical Buildings		239	12.11%
Overall Average		98	100.00%

The complete refurbishment planned for most buildings will focus on following areas:

- reducing of energy demands for heating (mostly by thermal insulation of building envelope, including window replacement and regulation of heating systems);
- reducing of energy demand for hot water preparation (e.g. hydraulic balancing and thermal insulation of the hot water distribution systems);
- reducing electricity consumption (for lighting, elevators, ventilation and air-conditioning);
- improving user comfort in buildings (e.g. measures for improving ventilation of buildings, thermal comfort and light conditions);
- renovation or replacement of heating systems aimed at increasing the efficiency of energy supply (especially in buildings with their own boiler room) including the use of renewable energy sources (solar collectors, heat pumps, photovoltaic panels) and high efficient combined production of heat and power (from natural gas).

It is expected that the renovation measures will have a lifetime of 15 years. In the case of technologies and 25 years in case of construction measures.

Public Lighting System

The system of public lighting (consisting of wires, switch-boards, poles and luminaries) in Bratislava is owned by the city (with the exception of approximately 13% of lighting points where the luminaries owned by the City are placed on poles belonging to the electricity distribution company). It has undergone a major reconstruction in 1997 - 1998. Range and parameters of the system (almost completely owned by the city) are characterized by indicators in the table below:

Table: Characteristics of the condition of whole public lighting system in 2005 and 2012

Number of light spots	43 223 / 47 314*
Number of lamps	45 688
Number of distributors of PL	759 / 799*
Length of lit streets (km)	1 600
Installed power (kW)	5 045
Electricity consumption (kWh)	20 180 000
Annual cost of energy (EUR)	3 010 542 / 3 074 100*
Annual cost of normal maintenance (EUR)	1 468 117 / 1 636 600*

Source : Data provided by the Capital City of Slovak republic Bratislava within questionnaire survey organized by Energy Centre Bratislava in 2006 among all Slovak municipalities
* data from Draft final accounts of the Capital City of the Slovak Republic Bratislava in 2012

In terms of the source structure, the system is dominated by sodium vapour lamps (95%) with power of 70W (47%) and 100W (46%). The average lighting output of this type of luminaries is (60 lm/W). Light intensity management is not applied in the system.

In the proposed modernization of public lighting system the replacement of majority of existing luminaries (approximately 44 000, including the approximately 13% of lighting points where the luminaries are placed on poles belonging to the electricity distribution company) with modern LED luminaries (with average lighting output of at least 100 lm/W) is considered as the main measure. Besides it also reconstruction of wiring on trouble segments and replacements of poles when necessary will be implemented (exact extent of these measures will be identified within the energy audit of the system). Other part of the investment within this area will consist of implementation of an intelligent control system for light intensity. This should allow the adaptation of light intensity to current traffic density in order to reduce electricity consumption. At the same time this system will provide online information about traffic density for the purposes of dynamic traffic management in the city and providing real-time traffic information. It is expected that the modernized LED lighting system will have a lifetime of at least 20 years.

Description of the approach to implement the Investment Programme

Basic principles of the proposed approach

Utilization of ESCO services is considered as the dominant approach for implementation of the investment programme. Particularities of the respective areas are described below.

Buildings

With the aim to maximize effects of the investment programme (especially in the area of energy savings), the most appropriate way to implement the investment program seems to be the use of energy services. Energy services can be used on the side of energy consumption (Energy Performance Contracting – EPC, where the supplier guarantees the achieving of savings), and also on the energy supply side (Energy Delivery Contracting – EDC, where the supplier guarantees the energy supply on a set price level). Another advantage of this approach, which benefits the City, is the possibility of shifting the primary responsibility for financing of investments to the supplier (energy service company – ESCO). Thus the investments are repaid from the energy consumption costs savings over a set period of time (EPC), or within the agreed price of energy (EDC).

Application of energy services is considered in most buildings owned and managed by the City. The basic approach will be based on the EPC but its combination with the EDC (either within a single project or as a combination of two projects) will be considered.

In the case of a building, where the “modernization debt” is too high and the energy cost savings will not be sufficient to repay the investment in economically sustainable-term, the financing through ESCOs will be combined with funding from resources of the City. Financing the restoration solely from the resources of the City is considered only in rare cases. For such situations a traditional approach to project implementation will be used.

Public Lighting System

Given the nature of the measures proposed in the project of reconstruction of public lighting system (i.e. almost all measures bring energy savings), the proposed implementation of investment is via an EPC project (with guaranteed savings) including provision of investment costs funding by a selected contractor. Following the validity of the current contract on public lighting system reconstruction, operation and maintenance (until November 2016), the selection and signing of contract with new contractor is planned in the later stage of the project (second half of 2016).

Details of the ESCO approach utilization

The details of the ESCO approach implementation in Bratislava for specific projects will be fully adjusted after the results of Energy Audits and thus the current state and potential of savings of the city buildings will be available. The results and recommendations from the Energy Audits will be integrated also with requirements and plans of the city regarding respective buildings. The integrated information will be consequently published within tender documentations – some of them as requirements and some as source of information’s (energy audits).

Following the actual knowledge on the city building stock, it is envisaged that projects of two types will be implemented:

1. Energy Performance Contracting projects.

Within this type of projects the city will define at least following requirements (based on results and recommendations from Energy Audits):

- Minimum level of energy savings,
- Minimum scope of works that will have to be implemented (online monitoring system will be included for each project),
- Ratio of co-financing of the investment costs that will be provided by the city (in case of projects where the city will require implementation of measures that will be not possible to repay from energy savings).

Additionally, the contractors (ESCOs) will be obligated to provide also:

- Guarantee of the energy savings proposed in tender,
- Technical design of measures,
- Financing of investment costs (considering possible co-financing by the city),
- Providing training to the future operators of new equipment,
- Providing supervision of building operation after realization of the investment,
- Direct operation of installed equipment (optional for project comprising also delivery of energy).

2. Projects with combination of Energy Performance and Energy Delivery Contracting.

Within this type of projects the city will define at least following requirements (based on results and recommendations from Energy Audits):

- Minimum level of energy savings,
- Minimum level of energy production and maximum price of the energy produced for the city,
- Minimum scope of works that will have to be implemented (online monitoring system will be included for each project),
- Ratio of co-financing of the investment costs that will be provided by the city (in case of projects where the city will require implementation of measures that will be not possible to repay from energy savings).

Additionally, the contractors (ESCOs) will be obligated to provide also:

- Guarantee of the energy savings proposed in tender,
- Guarantee of energy delivery and price of the energy,
- Technical design of measures,
- Financing of investment costs (considering possible co-financing by the city),
- Operation of new energy sources,
- Providing training to the future operators of new equipment,
- Providing supervision of building operation after realization of the investment.

Details of the traditional approach utilization

The traditional approach of project implementation (including its financing from resources ensured by the city) will be used only in rare cases. This applies especially to historical buildings where energy savings are not expected in volume adequate for repayment of the investment costs, as these are higher because of strict regulations for technical changes of historical buildings.

The traditional approach usually consists of two stages:

1. Preparation of project documentation and
2. Project realization.

The added value of the splitting of the project into these two stages lies with the possibility of the city to ensure fulfilling of city requirements together with respecting its financial possibilities. Within the proposed investment programme, this approach will be used in line with following procedure:

- Review of Energy Audit and city requirements and plans – resulting into decision on project realization using traditional approach,
- Execution of public procurement of contractor for preparation of project documentation,
- Communication of the city requirements to the contractor and review of the project documentation under development – resulting into delivery of documentation fulfilling plans and expectations of the city,
- Evaluation of the real investment costs expected and arranging of financing,
- Public procurement of contractor for realization of the project (following the project documentation prepared)
- Realization of project.

Implementation of the investment programme

It is expected that while the modernization of the public lighting system will be organized as one project, the modernization of the buildings will be divided into several projects (packages). The construction of the packages will be based on grouping of individual buildings following expected repayment period of their measures (identified within the energy audits) with the aim to maintain appropriate repayment period of the package as whole. This means that buildings with shorter repayment period of investment (from savings) will be merged in one package with buildings with longer repayment period.

Implementation of each project will start after completing of the preparatory stage which will result into complete tender documentation. Afterwards the implementation will consist of following phases:

- Tendering process

Tendering processes will be directly executed by the Department for public procurement of the City hall, although strong cooperation and assistance from the Executing contractor will be required. It is expected that a procedure allowing negotiation with the tenderers will be used (Competitive dialogue or Negotiated procedure with a notice). This phase will result into signing of contract with the selected tenderer.

Responsibility of the Executing contractor will be to organize the tendering procedure, evaluate the bids received and propose to the City hall to sign a contract with the selected contractor (in the cases of buildings used directly by the City Hall and buildings used by institution without legal personality). The managers of the buildings will be within this phase responsible for participation in the evaluation of the bids received and signing contracts with the selected contractors (in case of institutions with legal personality).

The committees for evaluation of bids under respective tenders will be established (following existing procedures) by the mayor of Bratislava in cooperation with the Programme Implementation Unit and the Executing contractor.

- Implementation of Measures / Construction

This phase will be under responsibility of the contractor (ESCO) awarded with the contract. Quality and completion of all agreed works and measures will be continuously monitored and controlled by a building surveyor contracted by the City hall office.

Following the preliminary analysis of the city buildings, it is expected that the duration of the projects (period of guaranteed savings/results) will vary around 15 years. The exact duration will depend also on the form of availability of the structural funds.

- Commissioning

Commissioning of the installed equipment will follow completion of construction works. The commissioning test should usually vary from two to four weeks, depending on the technology installed. The commissioning tests for projects (packages of buildings) will be executed following completion of works on specific buildings or technological entities. Execution of the commissioning tests will be responsibility of contractors. Results of the commissioning tests will be approved by the city (respective building surveyor and building manager responsible for future operation).

- Monitoring and Verification

This phase is directly linked to the day-to-day operation of the buildings and public lighting system. Measurement of the energy consumption for all projects will be provided online by central control system which operation will be under responsibility of ESCOs. Data collected within the online system will serve as base for monitoring of savings. This will be a shared responsibility of ESCOs and specialized unit within the structure of the City hall office (the ESCO will provide a report on savings achieved – at least on annual basis and the city will consequently verify its accordance to the real results).

Expected results in terms of increase in energy efficiency, decrease in energy consumption, renewable energy production and reduction of greenhouse gas emissions
[estimation requested in absolute annual figures (e.g. MWh or t CO₂eq) before and after implementation of Investment Programme]

Buildings

The expected result of the buildings modernization lies with decreasing the energy consumption for heating (natural gas and heat from DH) by at least 35% and decrease of electricity consumption by 17%. This represents absolute saving of 24 267 MWh of energy and 5 599 t CO₂ annually.

Additionally, further emissions savings will be ensured through utilization of renewable energy sources (RES) and high efficient combined production of heat and power. It is expected that these measures will provide additional 473 MWh of electricity from RES and 4 544 MWh of heat from RES annually.

This means that the measures in the sector of buildings will provide overall emissions savings of 6 717 t CO₂/a. The comparison of the buildings consumption/emission parameters is provided in the following tables:

Energy	Before (2012)		After	
	Final Energy Consumption	Emissions	Final Energy Consumption (Need)	Emissions
	[MWh/a]	[t CO ₂ /a]	[MWh/a]	[t CO ₂ /a]
Electricity Consumption for Lighting and HVAC	5 444	1 372	3 350	844
Natural Gas Consumption	22 866	4 619	10 249	2 070
Heat Consumption	13 565	3 581	4 008	1 058
Total	41 874	9 572	17 607	3 972

Energy	Savings			
	Final Energy		Emissions	
	[MWh/a]	[%]	[t CO ₂ /a]	[%]
Electricity Consumption for Lighting and HVAC	2 094	38.46%	528	38.46%
Natural Gas Consumption	12 616	55.18%	2 549	55.18%
Heat Consumption	9 557	70.46%	2 523	70.46%
Total	24 267	57.95%	5 599	58.50%

Energy	After	
	Generation	Emissions Avoided
	[MWh/a]	[t CO ₂ /a]
Electricity from RES	473	119
Heat from RES	4 544	999
Total	5 017	1 118

Public Lighting System

The current electricity consumption of the public lighting system is 20 180 MWh/a which is responsible for emissions of 5 085 t CO₂/a. The expected savings are estimated at level of 50% (40% from exchange of luminaries and additional 10% from intelligent control system). That represents energy savings of 10 090 MWh/a and emissions savings of 2 543 t CO₂/a

Energy	Before (2012)		After	
	Final Energy Consumption	Emissions	Final Energy Consumption (Need)	Emissions
	[MWh/a]	[t CO ₂ /a]	[MWh/a]	[t CO ₂ /a]
Electricity Consumption for Public Lighting	20 180	5 085	10 090	2 543

Energy	Savings			
	Final Energy		Emissions	
	[MWh/a]	[%]	[t CO ₂ /a]	[%]
Electricity Consumption for Public Lighting	10 090	50%	2 543	50%

Total

Energy	Savings [MWh/a]	Generation [MWh/a]	Emissions avoided [t CO ₂ /a]
Buildings	24 267		5 599
Lighting	10 090		2 543
RES		5 017	1 118
Total	34 357	5 017	9 260

The investment programme as whole will provide energy savings of 34 357 MWh/a and emissions savings of 9 260 t CO₂/a.

Expected other relevant results
[e.g. in terms of employment, capacity building etc.]

The part of the investment programme focused on the city buildings will highlight the role of the city as the local leader in the area of environmental responsibility and energy efficiency. The projects implemented should serve as a best practice example for other buildings owners within the city area.

Beside this strategic impact, the modernization of the buildings will bring improvement of comfort and internal environment (thermal comfort, improved ventilation and lighting) inside the buildings. This should have positive impact on the influence of buildings utilization on the health of their users.

Additionally, the implementation of the programme will help to maintain significant number of job places within the construction industry – approximately 1,900 temporary jobs over the implementation (expressed in full time equivalent).

As regards the part of the investment programme focused on the public lighting – it is expected that including of intelligent control system into the modernization of the public lighting system will provide a base for implementation of dynamic traffic management in the city. This will bring additional benefits in terms of decreasing the number and intensity of traffic congestions and to this related decrease of emissions from transport.

Expected overall investment cost
[indicating the share of investment dedicated to energy efficiency and RES in buildings, urban transport, local infrastructure...]

The expected structure of investment costs is as follows:

Modernization of buildings total investment	35.0 mEUR
Insulation of buildings	16.2 mEUR
Reconstruction and modernization of heating systems and hot water preparation systems	6.2 mEUR
Measures to improve user comfort in buildings, including the reduction of electricity consumption	6.5 mEUR
Installation of RES and CHP	6.1 mEUR
Modernization of Public Lighting System total investment	31.1 mEUR
Replacement of luminaries	19.8 mEUR
Installation of control system including modernization of switchboards)	8.0 mEUR
Removal of faults (poles and wires)	3.3 mEUR
Overall investment cost	66.1 mEUR

The overall amount for the Building component of the investment programme provides in relation to the total floor area of the buildings average specific unit costs of 135 EUR per m².

The overall amount for the Lighting component of the investment programme provides in relation to the total number of lighting points reconstructed average specific unit costs of 707 EUR per lighting point.

Preliminary financing plan for the Investment Programme

Buildings

Utilization of energy services (including ensuring appropriate financing of investments by selected contractors) is considered in most buildings owned and managed by the City.

In the case of buildings, where the "modernization debt" is too high and the energy cost savings will not be sufficient to repay the investment in economically sustainable-term, the concept of energy services will be combined with funding from EU Structural funds and resources of the City (including loans taken by the City). Financing of modernizations solely from the resources of the City is considered only in rare cases.

The total amount of investment for the modernization of buildings is expected at 35.0 mEUR. It is envisaged that 20% of this investment will be covered by grants from EU Structural funds. The remaining part (28.0 mEUR) will be financed from commercial resources.

The City expects that the refurbishment of buildings will bring substantial savings in costs for energy consumption. The total amount of the savings is estimated at value of 2.7 mEUR per year. The structure of this amount is presented in following table:

Energy Carrier	Savings [EUR/a]
Electricity	441 195
Natural Gas	1 236 195
Heat	1 025 772
Total	2 703 162

As it results from the figures presented above, the simple payback period for the building component of the investment programme is a bit above 10 years (calculated for the commercial part of the financial resources). This

value will result in projects with slightly longer duration comparing to the common length of Energy Performance contracts in Slovakia (usually up to 12 years). This results from including complex refurbishment of the city buildings into the contracts which is not usual. This innovative approach (developed within EU financed project CombinES – www.combines-ce.eu) will enable combination of financial resources normally used by ESCOs with other long-term resources (especially the EU Structural funds). As a result the expected duration of the contracts should vary around 15 years (with expected maximum of 20 years in case of pessimistic scenario – simple payback period around 13-14 years). This will enable the ESCOs to provide services with profit while the city will benefit from certain share on the energy savings as well as from improved technical state of the buildings.

Public Lighting System

The amount that should be invested into the modernization of public lighting system was defined on the base of the system range and on current prices of related technologies. The cost of complete exchange of lamps for new LED luminaries (including removal of faults on poles and wires) and of intelligent management system installation should be approximately 31.1 mEUR (including VAT).

Implementation of the modernization of public lighting will achieve cost savings on electricity (approximately 50%) and maintenance (approximately 40%) of current costs. These savings represent overall value of approximately 2.2 mEUR per year. The proposed way of implementation of the investment is via an EPC project (with guaranteed savings of electricity and maintenance costs) including provision of investment costs funding by a selected contractor that will be also responsible for maintenance of the public lighting system (similarly to the current contract). The expected duration of the contract is 18 years while the simple pay-back period is 14.2 years. This approach respects the actual experiences of the City as the current contract for public lighting system reconstruction, operation and maintenance was also signed for 18 years. It is envisaged that the projects realized through the EPC concept will be procured and consequently delivered as services without increasing the indebtedness of the city.

Structure of financing

Following structure of financing is expected for the investment programme:

Source of financing	Amount (in mEUR)	Share on component
<u>Building component</u>		
City own resources	3.50	10%
ESCOs	17.50	50%
Bank Loans to the City	7.00	20%
Subsidies (SF)	7.00	20%
<u>Public Lighting component</u>		
ESCO	31.10	100%

The intention is to start with implementation of projects where all or major part of investment costs will be financed from resources provided by ESCOs. These resources will be complemented by city resources (or bank loans ensured by the city). Realization of this type of project is planned for period of 2016 – 2017.

For projects with longer payback period where the ESCO financing will play less significant role, the city intends to use subsidies from the EU Structural Funds (programming period 2014 – 2020) that will be (following actual wording of the relevant documents on national level) available for the topic of Energy Efficiency of buildings in the Bratislava Region. Following available information, the first calls within the respective operational programme (OP Protection of Environment and OP Bratislava Region) will be published at beginning of 2015. The city will prepare necessary documents for applications within these calls until end of 2014 – within the preparatory phase of the investment programme.

Preliminary implementation timetable for the Investment Programme
[start and end-date]

The programme implementation will indicatively start in January 2016. All the works are expected to be contracted before month 36 (indicatively December 2018).

Phase	Start date	End date
Buildings, Energy audits	M01	M09
General, Development of the programme financial structure	M02	M04
General, Development of general procurement concept	M02	M04
Buildings, Construction of pools of projects	M03	M21
Buildings, Design of Financing	M04	M21
Buildings, Development of Tender documentation	M06	M21
Buildings, Public procurement + negotiations on contracts	M07	M36
Buildings, Realization of projects	M11	M36
Buildings, Delivery of works	M11	M36
Buildings, Monitoring of results	M14	ongoing
Lighting, Energy Audit	M17	M23
Lighting, Preparation of Study for intelligent control system	M21	M24
Lighting, Design of Financing	M24	M26
Lighting, Development of Tender documentation	M26	M28
Lighting, Public procurement + negotiations on contract	M29	M36
Lighting, Signing of contract	M36	M36
Lighting, Realization of project	M37	M52
Lighting, Monitoring of results	M40	Ongoing

4. Overview table: Milestones presentation for measuring leverage factor

Reporting time (end of year)	Estimated budget Project Development Service			Milestones for Investment Programme implementation (indicate here the part of the total Investment Programme which is planned to be launched at the indicated reporting time)						Leverage factor according to phasing + milestones
	Staff costs [in EUR]	External experts / subcontracts [in EUR]	Sub-total [in EUR]	Short description of area, technologies concerned ¹	Identification of investor ²	Estimated total costs [EUR]	Estimated annual final energy saved for EE projects ³ [in GWh]	Estimated annual final energy production by RES ⁶ [in GWh]	Estimated annual reduction of CO ₂ [in t]	
Year 1	96 000	734 640	830 640	Modernization of buildings / Building structures, EE in building technologies, RES in buildings	Capital City of SR Bratislava (directly or through its subordinate organizations)	6.0 mEUR	4.16 (0.36 electricity, 2,16 natural gas 1.64 heat)	0.86 (0.08 electricity, 0.78 heat)	1 150	Leverage factor at end of the year (based on published tenders): 8.03 Milestones within the year: MS_0,1 MS_02
Year 2	96 000	203 380	299 380	Modernization of buildings / Building structures, EE in building technologies, RES in buildings	Capital City of SR Bratislava (directly or through its subordinate organizations)	24.0 mEUR	16.62 (1.43 electricity, 8.64 natural gas 6.55 heat)	3.44 (0.32 electricity, 3.11 heat)	4 601	Leverage factor at end of the year (based on published tenders): 29.50 Milestones within the year: MS_03
Year 3	96 000	281 180	377 180	Modernization of buildings / Building structures, EE in building technologies, RES in buildings Modernization of Public lighting system	Capital City of SR Bratislava (directly or through its subordinate organizations)	36.1 mEUR	13.58 (10.39 electricity, 1.82 natural gas 1.37 heat)	0.72 (0.07 electricity, 0.65 heat)	3 509	Leverage factor at end of the year (based on published tenders): 48.73 Milestones within the year: MS_04, MS_05, MS_06, MS_07

¹ Specifying which main area concerned (i.e. EE, RES, transport or urban infrastructure) and which technology(ies)/measure(s) implemented

² Indicate the final investor, the one who will order the work to be carried out

³ Indicate the main type of energy saved or produced (thermal or electrical)

TOTAL⁴	288 000	1 219 200	1 507 200	Modernization of buildings / Building structures, EE in building technologies, RES in buildings Modernization of Public lighting system	Capital City of SR Bratislava (directly or through its subordinate organizations)	66.1 mEUR	34.36 (12.18 electricity, 12.62 natural gas 9.56 heat)	5.02 (0.47 electricity, 4.55 heat)	9 260	Leverage factor (based on Signed contracts): 48.73
Interim report (cumulated at month 18)	144 000	836 330	980 330	Modernization of buildings / Building structures, EE in building technologies, RES in buildings	Capital City of SR Bratislava (directly or through its subordinate organizations)	21.0 mEUR	12.47 (1.08 electricity, 6.48 natural gas 4.91 heat)	2.58 (0.24 electricity, 2.33 heat)	3 451	Leverage factor at end of the year (based on published tenders): 23.8

⁴ Total of estimated budget should be the same as in budget table or in Investment Programme presentation

Annex II : Estimated budget of project development service

Direct staff costs			
Categories of staff to work on the project (e.g. senior expert, expert, junior expert; project assistant etc.)	Monthly salary (EUR) (A)	Number of work months on project (B)	Direct Staff costs (EUR) (AxB)
1 - IP Implementation manager - Senior expert	2 200	36	79 200
2 - Technical expert	1 600	2 x 36	115 200
3 - Financial expert	1 600	36	57 600
4 - Assistant	1 000	36	36 000
Total direct staff costs	0		288 000
External experts / subcontracts			
Type of activities / support	Description of tasks to be carried out		Total [EUR]
Energy Audits	Analysis of the current technical state of all buildings including evaluation of their energy consumption and proposal of energy efficiency measures. The Energy Audits have to consider applicability of the EPC concept for each building.		439 400
Technical advisory	Studies on possibilities of RES and CHP utilization in the city buildings will be prepared. Study of intelligent management system for the public lighting system will be prepared.		132 000
Counseling within design of financing	The external experts will provide assistance in defining optimal financial structure of the investment programme as whole.		100 000
Legal counseling	Development of the concept of contractual framework for implementation of the investment programme. Preparation of contracts for respective projects. Assistance within preparation and realization of public procurements.		547 800
Subtotal external experts / subcontracts			1 219 200
ESTIMATED TOTAL ELIGIBLE COST			
Direct staff costs			288 000
External experts / subcontracts			1 219 200
TOTAL eligible costs [in EUR]			1 507 200
FUNDING			
Requested funding from ELENA facility [in EUR]; maximum 90%	in%	90.0%	1 356 480
Own funding [in EUR]	in%	10.0%	150 720
Other sources [EUR]	in%	0.0%	
TOTAL funding [in EUR]			1 507 200
Within the ELENA facility eligible costs are defined as follows:			
<ul style="list-style-type: none"> • costs of external experts contracted by the EIB or the Beneficiary according to the national procurement rules • additional staff hired by the Beneficiary (e.g. to set up project implementation units) to manage and provide Project Development Services. The cost of additional staff assigned to the action should comprise actual salaries plus social security charges and other statutory costs included in the remuneration, provided that this does not exceed the average rates corresponding to the beneficiary's usual policy on remuneration. 			
No other costs are eligible.			
Changes between cost categories:			
The total budget initially accepted at the start of the project cannot be increased. Overspending must be taken over by the beneficiary. Changes within each cost category or in relation to the different subcontracting services are possible without any approval. Changes between these two categories need prior approval by the EIB and should be limited to a maximum of 10% of the total beneficiary's budget.			

Annex III : Eligibility rules for the Project Development Services and the planned Investment Programme

The following eligibility criteria will be applied to the Project Development Services, the identified planned Investment Programme and needs to be respected by the Final Beneficiary.

1. Eligibility of area's covered

Project Development Services can be provided for the development of Investment Programmes within the following areas:

- public and private buildings, including social housing, and street and traffic lighting, to support increased energy efficiency (refurbishment of buildings aimed at significantly decreasing energy consumption (both heat and electricity) – such as thermal insulation, efficient air conditioning and ventilation, efficient lighting); integration of renewable energy sources (RES) into the built environment – such as solar photovoltaic (PV), solar thermal collectors and biomass; investments into renovating, extending or new district heating/cooling networks including networks based on combined heat and power (CHP); decentralised CHP systems (building or neighbourhood level);
- urban transport to support increased energy efficiency and integration of renewable energy sources, such as high energy efficiency buses, including hybrid buses, electrical or low-carbon propulsion systems; investments to facilitate the introduction of electric cars, investments to introduce new more energy efficient concepts to improve freight logistics in urban areas;
- local infrastructure including smart grids, information and communication technology infrastructure for energy-efficiency, energy efficient urban equipment, inter-modal transport facilities and refuelling infrastructure for alternative fuel vehicles.

2. Excluded sector

According to the request of the European Commission the following sector is excluded from the Project Development Services:

- Industrial facilities, as well as reductions of greenhouse gas emissions due to industry delocalisation

Annex IV : Technical implementation reports and financial statements

1. Dispatch of information: designation of the person responsible

The information below has to be sent to the Bank under the responsibility of:

Company	<i>The Capital City of Slovak Republic</i>
Contact person	<i>Mr. Miroslav Muška</i>
Title	<i>Ing.</i>
Function / Department	<i>Energy Manager</i>
Address	<i>Primaciálne nám. 1, 814 99 Bratislava, Slovakia</i>
Phone	<i>+421 2 59 356 455</i>
Email	<i>muska@bratislava.sk</i>

The above-mentioned contact person(s) is (are) the responsible contact(s) for the time being. The Beneficiary shall inform the EIB immediately in case of any change.

2. Regular reporting on the project's implementation

The Beneficiary shall inform the Bank of any significant changes in the cost, timing or definition of the work programme activities.

Report / information	Deadline	Frequency of reporting
Inception report – detailed work programme <i>(Refer to template A.1 below)</i>	<i>Due after three months, to be delivered one month later (3+1)</i>	<i>Once</i>
Bi-annual progress reports <i>(Refer to template A.2 below)</i>	<i>Covering the last six months from project start, to be delivered one month later (6+1; 12+1; 18+1 can be merged with interim report; 24+1 and 30+1)</i>	<i>Bi-annually</i>
Interim report <i>(Refer for template to A.3 below, should reflect the actual cost and results of project advancement)</i>	<i>According negotiation with beneficiary (normally due in month 18+1) covering the whole project duration since start</i>	<i>Normally at project half time</i>

3. Final report on implementation of project development service

The Beneficiary shall deliver to the Bank the following information on project completion and possible initial operations at the latest by the deadline indicated below.

Document / information	Date of delivery to the Bank
<i>Information to be provided by chronologically, according to the form presented in Appendices A.4. This information should reflect the actual costs and results of the projects.</i>	<i>Normally month 36+1 Covering the whole project duration</i>

Language of reports	English or French
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Appendices:

- A.1 Inception report – Detailed work programme
- A.2 Bi-annual progress report
- A.3 Interim report including financial statement
- A.4 Final implementation report including financial statement

A.1. INCEPTION REPORT – DETAILED WORK PROGRAMME

Name of project:

Number of project:

Reporting period: project start + 3 months

1. Detailed work programme

[in particular changes in relation to initial programme and their justification; tasks, schedule and pre-established milestones]

2. Identified issues, if any for implementing the work programme

Date of report:

A.2. BI-ANNUAL PROGRESS REPORT

Name of project:

Number of project:

Reporting period: month x until month x+5

1. Work progress

[Progress and achieved results against initial objectives of the work programme, including, when available, copies of consultants' reports, studies or other subcontracted activities such as ToRs and published calls for external services]

2. Identified problems and risks for implementation

[Including the comments of the beneficiary, and corrective actions taken or to be taken]

3. Contracts of technical assistance (external experts / subcontracts) committed/completed during the reporting period

Use attached table A.2.1.

4. Changes in the planned activities under the Project Development Services or in the Investment Programme and other useful information

5. Financial statement

[for the covered six month period]

Use attached table A.2.2.

Date of report:

A.2.1. Contracts of technical assistance (external experts / subcontracts) committed/completed during the reporting period

Nb of subcontract	Name of external consultant / subcontractor	Short description of mission	Expected total costs of subcontracts [EUR]	Duration of subcontracts (start and end date)		Procurement procedure applied	Tender publication references (e.g. OJEU announcement)	Comments

A.2.2. Updated list of started / planned implementation of the Investment Programme

Investment project (IP) identification	Name of IP ⁵	Short description of area/ technology concerned ⁶	Identification of investor ⁷	Estimated total costs [EUR]	Implementation plan (start and end date of works)	Estimated annual final energy saved for EE projects ⁸ [in GWh]	Estimated annual final energy production by RES [in GWh]	Estimated annual reduction of CO2 eq [in t]	Comments

⁵ IP = Investment project

⁶ Specifying which main area concerned (i.e. EE, RES, transport or urban infrastructure) and which technology(ies)/measure(s) implemented

⁷ Indicate the final investor, the one who will order the work to be carried out

⁸ Indicate the main type of energy saved or produced (thermal or electrical)

A.2.3. Financial Statement n°

European Investment Bank ELENA - European Local Energy Assistance Financial Statement					
Name of project:					
Number of project:					
Reporting period from: aa/bb/cc to xx/yy/zz					
Currency used: (three letter abbreviation)					
STAFF COSTS (Justification for labour costs may be requested by the Bank)					
Line N°	Name	Category name (e.g. senior expert, engineer, etc.)	Number of man- hours	Hourly rate	Staff costs amount
			A	B	AxB
1					
2					
3					
4					
5					
		Total	0.00		0.00
<p>The cost of staff assigned to the action, comprising actual salaries plus social security charges and other statutory costs included in the remuneration, provided that this does not exceed the average rates corresponding to the beneficiary's usual policy on remuneration.</p>					
EXTERNAL EXPERTS / SUBCONTRACTING					
Line N°	Name of Subcontractor	Description of the work undertaken			Amount
1					
2					
3					
4					
5					
				Total	0.00
TOTAL ELIGIBLE COSTS FOR THE PERIOD					
	Direct staff costs				0.00
	External Experts / Subcontracting				0.00
				Total	0.00

A.3. INTERIM REPORT

Name of project:

Number of project:

Reporting period: start month till month x (according to common understanding with beneficiary, in general month 18)

1. Work progress

[Progress and achieved results against initial objectives of the work programme]

2. Lessons learnt

3. Identified problems and risks for implementation

[Including the comments of the beneficiary, and corrective actions taken or to be taken]

4. Contracts of technical assistance (external experts / subcontracts) committed/completed during the reporting period

Use attached table A.3.1.

5. Updated list of started / planned implementation of the Investment Programme

Use attached table A.3.2.

6. Calculation of the leverage factor achieved

7. Other useful comments or information's

8. Request for changes in work programme and/or budget allocation

[according to needs indicate the request for changes already presented or to be presented in parallel to the interim report]

9. Supporting documents to provide

[when available, copies of consultants' reports, studies or other subcontracted activities such as ToRs and published calls for external services; (including published calls for tenders for external services); political decisions (by council or board) for launching the tenders or framework contracts and the investment programme]

10. Financial statement

[for the covered period, since project start]

Use attached table A.3.3.

11. Outlook

[Main achievements and milestones planned for the next six months]

Date of report:

A.3.1. Contracts of technical assistance (external experts / subcontracts) committed/completed during the reporting period

Nb of subcontract	Name of external consultant / subcontract or	Short description of mission	Expected total costs of subcontracts	Duration of subcontracts (start and end date)		Procurement procedure applied	Tender publication references (e.g. OJEU announcement)	Comments
			[EUR]					

A.3.2. Updated list of started / planned implementation of the Investment Programme

Investment project (IP) identification	Name of IP ⁹	Short description of area/ technology concerned ¹⁰	Identification of investor ¹¹	Estimated total costs	Implementation plan (start and end date of works)	Estimated annual final energy saved for EE projects ¹²	Estimated annual final energy production by RES	Estimated annual reduction of CO2 eq	Comments
				[EUR]		[in GWh]	[in GWh]	[in t]	

⁹ IP = Investment project

¹⁰ Specifying which main area concerned (i.e. EE, RES, transport or urban infrastructure) and which technology(ies)/measure(s) implemented

¹¹ Indicate the final investor, the one who will order the work to be carried out

¹² Indicate the main type of energy saved or produced (thermal or electrical)

A.3.3. Financial Statement n°

European Investment Bank ELENA - European Local Energy Assistance Financial Statement					
Name of project:					
Number of project:					
Reporting period from: aa/bb/cc to xx/yy/zz					
Currency used: (three letter abbreviation)					
STAFF COSTS (Justification for labour costs may be requested by the Bank)					
Line N°	Name	Category name (e.g. senior expert, engineer, etc.)	Number of man- hours	Hourly rate	Staff costs amount
			A	B	AxB
1					
2					
3					
4					
5					
		Total	0.00		0.00
The cost of staff assigned to the action, comprising actual salaries plus social security charges and other statutory costs included in the remuneration, provided that this does not exceed the average rates corresponding to the beneficiary's usual policy on remuneration.					
EXTERNAL EXPERTS / SUBCONTRACTING					
Line N°	Name of Subcontractor	Description of the work undertaken	Invoice N° ¹³	Date of invoice (dd/mm/yy)	Amount
1					
2					
3					
4					
				Total	0.00
TOTAL ELIGIBLE COSTS FOR THE PERIOD					
Direct staff costs					0.00
External Experts / Subcontracting					0.00
				Total	0.00
FUNDING					
Requested funding from ELENA (max. 90%)			in %	0.0%	
Own funding			in %	0.0%	
Other sources			in %	0.0%	
				Total	0.00

¹³ As proof for the engaged costs for external experts / subcontracts an electronic copy of the invoices paid is requested to be supplied together with the Interim Report

Statement by the beneficiary

We certify that:

- the above costs correspond to the resources employed for the work under the agreement and that those resources were necessary for the work,
- the costs were incurred and fall within the definition of eligible costs,
- where necessary, authorisations have been obtained from the EIB, and
- all the documents supporting the allowable costs reported above, including the time records are available for the purposes of audit by the EIB, EC and its authorised representatives or the Court of Auditors and reflect the costs actually incurred.

Date:

Signature:

A.4. FINAL REPORT

Name of project:

Number of project:

1. Work progress

[Achieved results against initial objectives of the work programme, sectors covered,]

2. Final list of technical assistance contracts

Use attached table A.3.1.

3. Final list of the implemented investment programme

[Detailed list of measures and projects and partners implementing the investment programme]

Use attached table A.3.2.

4. Calculation of the leverage factor achieved and compliance with set objective

5. Financial statement

[for the whole project duration]

Use attached table A.3.3.

6. Other useful comments or information's

7. Supporting documents to provide

[when available, copies of consultants' reports, studies or other subcontracted activities such as ToRs and published calls for external services; (including published calls for tenders for external services); political decisions (by council or board) for launching the tenders or framework contracts and the investment programme]

8. Conclusions

[lessons learnt and to pass over to other local authorities, next steps planned in the implementation of the investment programme]

Date of report:

Annex V : Fiche for requesting ex-ante comments on the terms of reference of large sub-contracts

Introduction:

In the case the Final Beneficiary would need to launch a service contract / subcontract concerning external services for a total amount higher than 200 000 Euro, the terms of reference for the sub-contract have to be available for prior comments by the EIB. The present fiche needs to be properly filled in and sent to the EIB / ELENA facility with the supporting documents (see below). The Bank will provide an answer to the request within fifteen working days.

Name of Final Beneficiary:

Name of project:

Number of project:

1. Reasons for undertaking the external expertise / subcontracts
2. Short description of work to be performed
3. Estimated value of the service contract / subcontract
4. Planned time table of the external services
5. Supporting document requested
 - terms of reference

Date of expedition of request:

Annex VI : Reference to ELENA - IEE funding & legal disclaimer

Instructions for displaying the IEE programme banner

The visual identity

The European Commission introduced a single visual identity in order to have a recognisable image and a more coherent voice when communicating and to reduce costs. In this context, EU programmes should phase out their existing logos and no new logos will be created for upcoming programmes.

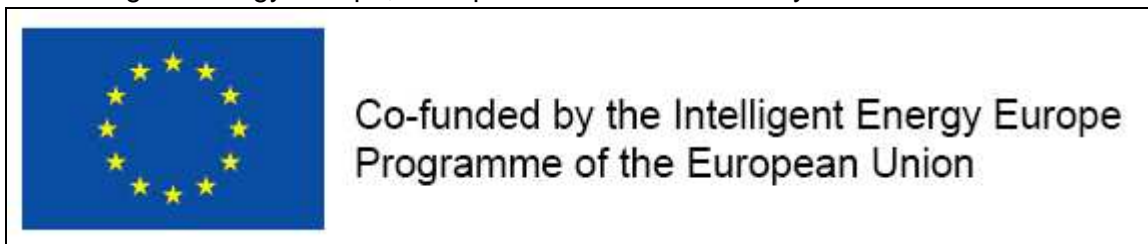
The names of programmes, such as Intelligent Energy Europe (IEE), shall be used as verbal brands, i.e. references to them will be made without a regulated visual mark or logo.

Beneficiaries of EU funding shall use the European emblem in their communication to acknowledge the support received under EU programmes, mentioning “Co-funded by the Intelligent Energy Europe Programme of the European Union” in their communication.

The EU emblem

The name of the EU programme can appear with the EU emblem. However, no graphical mark (i.e. logo) shall be created using the EU emblem and name of the programme. The minimum height of the EU emblem shall be 1 cm.

For Intelligent Energy Europe, two options are available. They can be downloaded below:



The banner can be downloaded in different formats and sizes from:

http://ec.europa.eu/energy/intelligent/implementation/communication_en.htm.

If used on websites, please link the banner image to the webpage of the ELENA facility (www.eib.org/elena).

For more information on the IEE visual identity, all versions of the IEE logo and the rules governing their correct use, please consult the IEE graphic charter on:

http://ec.europa.eu/energy/intelligent/implementation/communication_en.htm.

Please find below some practical examples of how to proceed:

- Project websites: please display the IEE banner in the header or footer of all sub-sites, including any national sub-websites, and the disclaimer in the footer of your homepage.
- Reports/brochures: please use your project logo (if available), the IEE banner and the disclaimer.
- Published papers: we recommended that you add a short text acknowledging the IEE Programme co-funding at the end of the paper.

- Slides: please use your institution or company logo and the IEE banner on slides, e.g. on the first slide, presented at conferences, workshops, etc.

Please do not hesitate to contact the ELENA team in case of any questions related to ELENA project-related publications.

Instructions for displaying the correct legal disclaimer

In addition to the IEE programme banner you will also need to display the following legal disclaimer on any written information produced for your project or event:

The sole responsibility for the content of this [webpage, publication etc.] lies with the authors. It does not necessarily reflect the opinion of the European Union. Neither the European Investment Bank nor the European Commission are responsible for any use that may be made of the information contained therein.

Le contenu de cette [page web, publication, etc.] n'engage que la responsabilité de son auteur et ne représente pas nécessairement l'opinion de l'Union européenne. Ni la Banque européenne d'Investissement ni la Commission européenne ne sont responsables de l'usage qui pourrait être fait des informations qui y figurent.

Die alleinige Verantwortung für den Inhalt dieser [Webseite, Publikation usw.] liegt bei den AutorInnen. Sie gibt nicht unbedingt die Meinung der Europäischen Union wieder. Weder die Europäische Investitionsbank noch die Europäische Kommission übernehmen Verantwortung für jegliche Verwendung der darin enthaltenen Informationen.

El contenido de esta [página web etc.] sólo compromete a su autor y no refleja necesariamente la opinión de la Unión Europea. Ni el Banco Europeo de Inversiones ni la Comisión Europea son responsables de la utilización que se podrá dar a la información que figura en la misma.

(...)

This disclaimer can be written in small font size and it can be put in places, which are less prominent than those used for the main logo, e.g. at the bottom of websites or in the editorial information of publications. But it is important that it is actually being displayed somewhere.

The ELENA Team is available for any further assistance which you may require.
elena@eib.org

Annex VII : ELENA Project Factsheet

Location	<i>The Capital City of Slovak Republic Bratislava</i>
Beneficiary	<i>The Capital City of Slovak Republic Bratislava</i>
CoM signatory	Yes
Sector	<i>Energy efficiency and renewable energy investments in public buildings and street lighting</i>
Total PDS cost	<i>EUR 1,507,200</i>
Elena contribution	<i>EUR 1,356,480</i>
Project development services (PDS) financed by ELENA	<p><i>ELENA will co-finance both establishing of a Programme Implementation Unit and provision of external services required for programme implementation.</i></p> <p><i>The Programme Implementation Unit will be composed of an Investment Programme Implementation Manager, 2 Technical Experts, a Financial Expert and an Assistant. The Programme Implementation Unit will be responsible for overall coordination of all actions planned under the investment programme.</i></p> <p><i>External expert support will be used for project preparation (energy audits, technical studies), counselling on project financing and legal support (development of contractual framework, public procurement process).</i></p>
Description of ELENA operation	<i>The project aims at improving the energy efficiency of public buildings and public lighting systems located in Bratislava using Energy Performance Contracting approach. The programme proposed has a substantial scale for a city of that size as well as a high level of ambition in terms of energy performance objectives set. It is a first project of that kind in Slovakia. The ELENA assistance contributes substantially to the implementation of the investment programme by bringing in missing resources and expertise. The ELENA support is designed with the aim of strengthening the city capacities in the area of utilisation of ESCO services and EPC.</i>
Timeframe	<i>January_2016 - December_2018</i>
Basis for investment identification	<ul style="list-style-type: none"> <i>• A complex data collection on the city buildings has been executed in the summer of 2013. The data collection and assessment were focused on actual technical state and energy consumption in 2012. Based on the results the framework for the investment programme has been prepared.</i> <i>• Data on the public lighting system were collected within a questionnaire survey organized by the Energy Centre Bratislava in cooperation with Slovak Technical University (Faculty of Electrical Engineering) in 2006.</i> <i>• The plan on utilization of the ESCO concept is based on several studies prepared mostly by Energy Centre Bratislava. Additionally a collection of EPC best practice examples from Czech Republic, Austria and Germany have been used within development of the investment programme concept.</i>
Investment programme description	<i>The investment programme aims at improving the energy efficiency of public buildings and public lighting systems located in Bratislava. The buildings and systems are owned by the city. The programme will be managed and implemented by the city through an ELENA supported Programme Implementation Unit. The project will use an Energy</i>

	<i>Performance Contracting approach for implementation of investments, where the city will enter into an agreement with contractors (ESCO companies). The ESCO companies will carry out the renovation works, provide the bulk of project financing, maintain the facilities and guarantee the contractually agreed level of savings over the duration of the contract.</i>
Investment to be mobilized	<i>EUR 66,100,000</i>
Expected results	<ul style="list-style-type: none"> • <i>Energy savings of 34,357 MWh/a</i> • <i>Renewable energy generation of 5,017 MWh/a</i> • <i>GHG emission reduction of 9,260 tCO₂eq/a.</i>
Leverage factor (Minimum 20)	<i>49</i>
Market replication potential	<i>The market replication potential of the project is considerable. It is a first ELENA project in Slovakia and a first project of such scale. The project is using a relatively new concept of Energy Performance Contracting for implementation. It is expected that lessons learned from carrying the project in Bratislava will allow other Slovakian local authorities to follow similar path. City of Slovakia is planning to use the ELENA support to build internal capacity for dealing with EPC projects to be able to carry out similar operations in future and also to advise other local authorities in similar endeavours.</i>
Project status	<i>signed</i>
Contact person at Beneficiary	<i>Miroslav Muska, muska@bratislava.sk</i>

Annex VIII : EIB Guide to Procurement

Príloha VIII samostatne uverejnená