

Pursuant to Article 82 item 2 of the Constitution of Montenegro and Amendment IV paragraph 1 to the Constitution of Montenegro, the 25th Parliament of Montenegro at the fourth seating of the second ordinary (autumn) session in 2014 on 16 December 2014 passed the

LAW ON EFFICIENT USE OF ENERGY

(Published in the Official Gazette of Montenegro no. 57/14, 3/15)

I. BASIC PROVISIONS

Subject

Article 1

This Law shall regulate the manner of efficient use of energy, energy efficiency improvement measures and other matters of importance for energy efficiency in final consumption.

This Law shall not apply to energy efficiency of facilities for generation, transmission and distribution of energy.

Energy efficiency

Article 2

For the purpose of this Law, efficient use of energy shall be considered to be the increasing of the level of energy efficiency in final consumption.

Energy efficiency referred to in paragraph 1 of this Article shall be the ratio between energy consumption and realized output in performance, service, goods or energy.

Energy efficiency measures

Article 3

For the purpose of this Law, energy efficiency measures shall be:

- actions and activities by which energy efficiency improvement is achieved, and which can be measured, verified or assessed;
- generation of electricity, heat energy respectively, by using renewable sources of energy, provided that the generated electricity, heat energy respectively, is used for own needs;
- education or informative activities aimed at awareness raising of legal entities and natural persons with regard to the importance, effects and opportunities for energy efficiency improvement.

Meaning of terms

Article 4

Individual terms used in this Law shall have the following meaning:

- 1) "energy" means electricity, heat and energy-generating products placed on the market, natural gas (including liquefied natural gas), liquefied petroleum gas, heating and cooling fuels, coal, transportation fuel (excluding fuels for aviation and maritime vessels) and biomass;

- 2) "energy efficiency improvement" means the increase in efficient use of energy in final consumption as a result of technological changes, changes in management or in behaviour of energy consumers;
- 3) "energy savings" means a reduction in energy consumption determined by measuring or estimating consumption before and after implementation of energy efficiency improvement measures, whilst ensuring normalisation to external conditions that affect energy consumption;
- 4) "final energy consumption" means the energy delivered to end consumers in industry, transport, households, services and agriculture, which is used for energy purposes;
- 5) "energy entity" means a company, legal entity or entrepreneur engaged in generation, transmission, distribution or supply of energy;
- 6) "distributor of energy-generating products" means an energy entity who is distributing (trading and transport) energy-generating products to consumers and facilities for distribution of energy-generating products;
- 7) "distribution system operator" means an energy entity who is distributing electricity, gas respectively, and who is responsible for a reliable functioning, management, maintenance and development of the distribution system in a particular area;
- 8) "energy supplier" means an energy entity who is selling electricity, gas (liquefied natural gas and liquefied petroleum gas) or heat to end consumers;
- 9) "end consumer" means a natural person or a legal entity who buys energy for own consumption;
- 10) "building" means a structure consisting of a construction structure, installations, installed equipment and space in which energy is used in accordance with the purpose of the building;
- 11) "air conditioning system" means a system which ensures control of humidity, temperature and quality of air for the purpose of creating preferred conditions of comfort in a building;
- 12) "heating boiler" means a device in which fluid is heated by the heat released in the process of combustion of energy-generating products or by transformation of electricity into heat;
- 13) "dealer of energy-related products " means a retailer or other legal entity or natural person who is selling, leasing or exhibiting such products for the purpose of selling thereof to end users;
- 14) "supplier of energy-related products" means an authorized representative of a producer registered in Montenegro, importer or other legal entity or natural person placing such products on the market;
- 15) "ecodesign" means a set of requirements that must be met by a product using energy with regard to environmental protection in the period that covers the process of production, use and putting out of use thereof.

II. PLANING ENERGY EFFICIENCY Plans

Article 5

Energy efficiency policy shall be created and implemented in accordance with:

- the Energy Development Strategy (hereinafter referred to as: the Strategy), which shall be adopted in accordance with the Law regulating the field of energy;
- the Energy Efficiency Action Plan (hereinafter referred to as: the Action Plan);
- the Annual Operational Plan for Energy Efficiency Improvement and
- programmes and plans for energy efficiency improvement.

Indicative target

Article 6

Planned savings in final energy consumption at the level of Montenegro shall be expressed in absolute amount in GWh or in an equivalent unit, and in percentages with respect to average final energy consumption, and shall be set as an indicative energy savings target.

The national indicative energy savings target shall be set by the Government of Montenegro (hereinafter referred to as: the Government).

The indicative target referred to in paragraph 1 of this Article shall be calculated on the basis of the methodology which is to be defined by the State administration body responsible for energy efficiency affairs (hereinafter referred to as: the Ministry).

Energy Efficiency Action Plan

Article 7

For the purpose of achieving goals and directions of energy efficiency development as defined by the Strategy, the Government shall adopt Action Plan for the period of three years.

The Action Plan shall define in particular:

- indicative energy savings target for the period of three years in accordance with the indicative target referred to in Article [6](#) of this Law;
- energy efficiency measures for achieving the indicative target and the manner of implementation thereof;
- timeframe for implementation of measures for achieving the indicative target;
- assessment of achievement of the indicative target in the period prior to the Action Plan and
- estimation of funds needed for implementation of planned measures, sources and manner of ensuring thereof.

Implementation of the Action Plan shall be monitored by the Ministry, who shall report on the implementation thereof to the Government, not later than 30 June of current year for the previous year.

The level of implementation of the indicative target shall be performed on the basis of the methodology for determination of achieved savings, which is to be defined by the Ministry.

The funds for implementation of the Action Plan referred to in paragraph 2 indent 5 of this Article shall be provided from the budget of Montenegro and from other sources in accordance with the law.

Energy efficiency improvement in state administrative buildings

Article 8

Administrative buildings owned by the State and used by State bodies must meet minimum energy efficiency requirements in accordance with Article 26 paragraph 6 of this Law.

The Ministry shall prepare, in cooperation with the administration body responsible for property related affairs, a proposal of the plan for reconstruction of administrative buildings referred to in paragraph 1 of this Article.

The reconstruction plan referred to in paragraph 2 of this Article shall be adopted by the Government for the period of three years.

The buildings and timeframe for implementation of measures referred to in paragraph 1 of this Article shall be defined by the regulation of the Government.

Annual Operational Plan for Energy Efficiency Improvement

Article 9

Annual Operational Plan for Energy Efficiency Improvement shall be adopted by the Government.

The Annual Operational Plan for energy efficiency improvement, in accordance with the Strategy and Action Plan, shall define in particular:

- energy efficiency measures for facilities owned by the State and managed by competent State administration bodies and the facilities used by public services founded by the State;
- energy efficiency measures for reconstruction of official buildings in accordance with the Plan referred to in Article 8 paragraph 3 of this Law;
- timeframe and manner of implementation of measures; and
- the funds needed for implementation of measures, sources and manner of ensuring thereof.

State administration bodies managing the state owned facilities shall prepare annual Energy Efficiency Improvement Plans for the facilities that they manage and for the facilities used by public services which are founded by the State, and submit them to the Ministry not later than 1 March of current year.

The public services referred to in par. 2 and 3 of this Article shall be considered to be: public institutions, University of Montenegro, companies and legal entities performing affairs of public interest, State funds and other bodies and organisations, for which reimbursement of energy costs is provided from the budget of Montenegro.

The Ministry shall verify the compatibility of submitted plans referred to in paragraph 3 of this Article with the Action Plan and prepare Annual Operational Plan for Energy Efficiency Improvement which is submitted to the Government for adoption, not later than 1 April of current year.

The funds for implementation of the Annual Operational Plan referred to in paragraph 5 of this Article shall be provided from the budget of Montenegro and from other sources in accordance with the law.

Report on implementation of Annual Operational Plan for Energy Efficiency Improvement

Article 10

The State administration body referred to in Article 9 paragraph 3 of this Law shall submit to the Ministry a report on implementation of activities for which it was responsible under the Annual

Operational Plan for Energy Efficiency Improvement, not later than 1 March of current year for the previous year.

On the basis of submitted reports on implementation of the Plan referred to in paragraph 1 of this Article, the Ministry shall prepare a report on implementation of the Annual Operational Plan for Energy Efficiency Improvement to be submitted to the Government for adoption, not later than 1 April of current year for the previous year.

Energy Efficiency Improvement Programme for Local Self-government Units

Article 11

The Energy Efficiency Improvement Programme for Local Self-government Units, in accordance with the Strategy and the Action Plan, shall be adopted by the competent body of local self-government unit for the period of three years.

The Programme referred to in paragraph 1 of this Article shall contain:

- 1) proposed energy efficiency measures in the territory of a local self-government unit, which shall include:
 - a plan for retrofitting and maintenance of buildings which are used by local self-government bodies and public services founded by the local self-government for official purposes, aimed at energy efficiency improvement;
 - plans for improvement of the system of public utilities services (public lighting, water supply, waste management, etc.) and transport for the purpose of energy efficiency improvement;
 - specific energy efficiency measures in the buildings protected as cultural resources, etc.;
 - other energy efficiency measures to be implemented in the territory of the local self-government;
- 2) timeframe and the manner of implementation of energy efficiency measures and
- 3) the funds needed for implementation of the Programme, sources and manner of ensuring thereof.

Compatibility of the Energy Efficiency Improvement Programme with the Action Plan

Article 12

A local self-government unit shall submit a proposal of the Energy Efficiency Improvement Programme to the Ministry for giving opinion on the compatibility thereof with the Action Plan.

The opinion of the Ministry shall also be taken into consideration when adopting the Energy Efficiency Improvement Programme.

Financing of energy efficiency measures of a local self-government unit

Article 13

Financing of energy efficiency measures of a local self-government unit may be provided from the budget of Montenegro for measures under the Energy Efficiency Improvement Programme of a Local Self-government Unit, which is compatible with the Action Plan.

A local self-government unit may finance individual energy efficiency measures from own sources although they are not defined by the Energy Efficiency Improvement Programme, provided they are not contrary to the Action Plan.

Energy Efficiency Improvement Plan of Local Self-government Unit

Article 14

For the purpose of implementation of the Energy Efficiency Improvement Programme referred to in Article [11](#) of this Law, a local self-government unit shall adopt Annual Energy Efficiency Improvement Plan, which shall define in particular:

- energy efficiency measures which are planned to be implemented;
- timeframe and manner of implementation of measures; and
- the funds needed for implementation of measures and the manner for ensuring thereof.

The Energy Efficiency Improvement Plan referred to in paragraph 1 of this Article shall be adopted by the local self-government unit not later than 31 March of current year.

Report on implementation of Energy Efficiency Improvement Plan of the local self-government unit

Article 15

Local self-government unit shall submit the report on implementation of the Energy Efficiency Improvement Plan to the Ministry not later than 1 March of current year for the previous year.

The Energy Efficiency Improvement Plan of the local self-government unit shall be submitted together with the Report on implementation of the Plan referred to in paragraph 1 of this Article.

Energy Efficiency Improvement Plan of a Big consumer

Article 16

A company whose activities are predominantly implemented in production sector, trade and service sectors, and whose total annual consumption of primary energy exceeds 10.000 MWh (hereinafter referred to as the: Big consumer) shall prepare Annual Energy Efficiency Improvement Plan of the Big consumer, in accordance with the Action Plan.

The Big consumer shall submit the Energy Efficiency Improvement Plan referred to in paragraph 1 of this Article to the Ministry not later than 31 March of current year.

The large consumer shall submit the Report on implementation of the Energy Efficiency Improvement Plan referred to in paragraph 1 of this Article to the Ministry not later than 31 March of current year for the previous year.

Energy consumer whose annual energy consumption reaches the level, or a Big consumer whose energy consumption drops below the level referred to in paragraph 1 of this Article, shall report the change in consumption to the Ministry within 30 days from expiry of the year in which such change occurred.

The Ministry shall keep a register of Big consumers on the basis of the reporting referred to in paragraph 4 of this Article.

The energy consumer shall define the overall annual consumption of primary energy referred to in paragraph 1 of this Article in accordance with the methodology to be developed under the regulation which is adopted by the Ministry.

For the energy consumer who reached the level of energy consumption referred to in paragraph 1 of this Article the Ministry shall make a decision on entry thereof in the register of Big consumers, and instruct the Big consumer to prepare the Energy Efficiency Improvement Plan referred to in paragraph 1 of this Article and to undertake measures referred to in Article [22](#) of this Law.

Contents of the Energy Efficiency Improvement Plan of the large consumer and of the Report referred to in Par. 1 and 3 of this Article shall be defined by the regulation to be adopted by the Ministry.

Detailed content of programmes, plans and reports

Article 17

Detailed contents of the Annual Operational Plan referred to in Article [9](#) of this Law, of the Energy Efficiency Improvement Programme referred to in Article 11 of this Law, of the Energy Efficiency Improvement Plan referred to in Article 14 of this Law and of the reports referred to in Art. 10 and 15 of this Law shall be defined by the regulation to be adopted by the Ministry.

Energy Efficiency Improvement Programme of energy supplier and distributor of energy-generating products

Article 18

Energy supplier, a distributor of energy-generating products respectively, shall prepare Energy Efficiency Improvement Programme related to end consumers and implement measures under the Programme.

The Programme referred to in paragraph 1 of this Article shall be adopted for the period of three years and contain in particular:

- measures for energy efficiency improvement of end consumers;
- timeframe and manner of implementation of measures;
- the funds needed for implementation of measures and manner of ensuring thereof;
- planned energy savings resulting from the implementation of energy efficiency measures and
- methodology for measuring savings achieved by the implementation of measures.

Energy supplier, a distributor of energy-generating products respectively, shall submit the proposal of the Energy Efficiency Improvement Programme to the Ministry for approval.

III. ENERGY EFFICIENCY MEASURES

Obligations of public sector

Article 19

State administration bodies, local self-government units and public services founded by the State, by the local self-government respectively, are responsible for energy management in facilities or part of facilities they use and for which reimbursement of costs of energy is paid from the budget of Montenegro, i.e. from the budget of the local self-government unit, and for management of energy efficiency information system.

Energy management referred to in paragraph 1 of this Article shall include monitoring and analysis of energy consumption, performing of energy audits and implementation of energy efficiency measures.

The entities referred to in paragraph 1 of this Article shall inform employees about energy efficiency measures and the manner of implementation thereof.

More detailed energy efficiency measures referred to in paragraph 2 of this Article and guidelines for the implementation thereof shall be defined by the regulation to be adopted by the Ministry.

Public procurement of goods and services

Article 20

A party who is ordering goods and services shall, within a public procurement procedure, evaluate energy efficiency of goods and services and when deciding on the selection of a bidders whose bids are evaluated equally in accordance with the Law regulating public procurements, give priority to procurement of the goods, services respectively, which provide a higher level of energy efficiency.

Purchase or lease of buildings

Article 21

When purchasing or leasing administrative buildings, i.e. parts of buildings for official purposes and when deciding on the selection of bidders whose bids were evaluated equally, the entities referred to in Article [19](#) paragraph 1 of this Law shall give priority to the buildings, parts of the buildings respectively, with a higher level of energy efficiency.

The assessment of the energy efficiency level referred to in Article [20](#) paragraph 1 of this Law and paragraph 1 of this Article shall be performed in accordance with the methodology for determining the level of energy efficiency to be defined by the regulation which is to be adopted by the Ministry.

Obligations of Big consumer

Article 22

Big consumer shall:

- designate one or more persons who shall be responsible for energy management and inform the Ministry thereof;
- implement measures for efficient use of energy, as defined by the Energy Efficiency Improvement Plan referred to in Article [16](#) of this Law;
- keep records of energy consumption, overall and per facilities.

Submission of data on annual energy consumption

Article 23

Entities referred to in Article [19](#) paragraph 1 of this Law from their energy efficiency information system and Big consumers shall submit the data on annual energy consumption and on energy efficiency measures implemented in the facilities or parts of facilities for which they reimburse the costs of delivered energy to the central energy efficiency information system managed by the Ministry, not later than 1 March of current year for the previous year.

The content of the data to be entered into energy efficiency information systems referred to in Article [19](#) paragraph 1 of this Law, types and manner of entry of data provided to the central information system referred to in paragraph 1 of this Article, and the content of the central information system shall be defined by the regulation to be adopted by the Ministry.

Measuring of energy consumption

Article 24

Energy supplier shall provide the end consumer with devices for measuring energy consumption which shall determine data on actual energy consumption and the actual time of use.

Billing of real energy consumption shall be performed in accordance with the energy supply contract.

The energy supplier referred to in paragraph 1 of this Article shall present in the bill for consumed energy to end consumer the information about:

- the price and real energy consumption;
- energy consumption compared to energy consumed in the same period of the previous year;
- energy consumption compared to average consumption of energy of the same consumer group and
- a place where information can be obtained with regard to measures, equipment and devices to achieve a higher level of energy efficiency.

Submission of data by energy suppliers and distributors of energy-generating products

Article 25

Energy supplier and distributor of energy-generating products shall submit to the Ministry the information on consumption of energy, energy-generating products respectively, not later than 15 February of current year for the previous year.

Entities referred to in paragraph 1 of this Article shall provide the Ministry on monthly basis with the information on consumption of energy, energy-generating products respectively, in the facilities owned by the State.

The information referred to in par. 1 and 2 of this Article shall include overview of consumption of energy and energy-generating products and costs for delivered energy and energy-generating products by structure, categories of consumers and place of consumption.

Energy efficiency of buildings

Article 26

Designing, construction and reconstruction, adaptation respectively, of buildings shall be performed so as to ensure fulfilment of minimum energy efficiency requirements of buildings, in accordance with the type and purpose of buildings.

The minimum energy efficiency requirements referred to in paragraph 1 of this Article shall be defined for characteristics of building envelope and technical systems of building, taking into account optimum ratio of costs of fulfilment thereof and reduction in energy consumption achieved thereby.

Specific energy consumption in new buildings and buildings under reconstruction must not exceed the value of permitted specific energy consumption.

The specific energy consumption referred to in paragraph 3 of this Article shall represent a ratio between energy performance of the building and the corresponding floor area of the building.

The energy performance of the building referred to in paragraph 4 of this Article shall represent calculated or measured amount of energy which is needed to meet energy needs for heating, cooling, ventilation, hot water and lighting in a standard use of the building.

The minimum energy efficiency requirements referred to in paragraph 1 of this Article, permitted values of annual specific energy consumption by types and purposes of buildings, methodology for calculating energy performance of buildings and types of buildings which are not subject to the minimum requirements referred to in paragraph 1 of this Article, according to the purpose thereof, shall be defined by the Ministry, with an approval of the State administration body responsible for construction affairs.

Performing an energy audit

Article 27

Upon request of the ordering party, energy audit shall determine the level of the energy consumption of a facility, and define energy efficiency measures and the cost effectiveness of implementation thereof.

Energy audit of a facility shall include collecting of information about characteristics of the facility affecting energy consumption and determining the final energy consumption.

A report on performed energy audit shall be prepared on the basis of conducted energy audit referred to in paragraph 1 of this Article, and shall include in particular:

- data on energy consumption of the facility;
- information on the level of compatibility of characteristics of the facility with prescribed requirements which affect energy consumption;
- assessment of energy efficiency with indicators on the basis of which the assessment is performed;
- a proposal of measures for reducing energy consumption and energy efficiency improvement with estimated energy savings and manner of determination thereof;

- estimation of funds needed to implement energy efficiency improvement measures and estimation of cost effectiveness of such measures and
- recommendations for energy management aimed at improvement of energy efficiency.

For the purpose of performing of energy audit, the party that ordered the energy audit shall provide available data, technical documents and other conditions for unhindered process of performing of the energy audit.

Subject of the energy audit may be a building with associated technical systems which use energy (hereinafter referred to as: energy audit of building) or a heating system and air conditioning system (hereinafter referred to as: regular energy audit of heating systems and air conditioning systems).

The report referred to in paragraph 3 of this Article may be signed only by the person referred to in Article [30](#) paragraph 1 indent 2 and paragraph 2 of this Law, for the audits he/she is authorized to do so.

Energy audit of a building shall be carried out as defined by the methodology for performing energy audits.

The content of the report and the methodology referred to in par. 3 and 7 of this Article and the requirements for performing energy audit of buildings, depending on the complexity of technical systems in a building, shall be defined by the regulation to be adopted by the Ministry.

Regular energy audit of systems

Article 28

The owner of a heating system with boilers of total rated heating capacity of 20 kW and above shall ensure performance of regular energy audits of the heating system.

The owner of air conditioning system of rated cooling capacity of 12 kW and above shall ensure performance of regular energy audits of the air conditioning system.

The manner and periods for performing regular energy audits of heating systems and air conditioning systems, and the contents of the report on performed energy audit, shall be defined by the regulation to be adopted by the Ministry.

Financing and incentives

Article 29

Funds for financing projects and implementing energy efficiency measures shall be provided from, as follows: the budget of Montenegro, budget of local self-government unit, donations, loans and from other sources, in accordance with the law.

The funds referred to in paragraph 1 of this Article may be provided from sources of financing on the grounds of provision of energy services referred to in Article [49](#) of this Law.

Legal entities and natural persons and entrepreneurs who apply technologies, produce and place on the market products which contribute to energy efficiency improvement shall be granted tax, customs and

other benefits, or shall be relieved of obligation to make payments in accordance with the law or by the decision of the local self-government unit.

In order to promote and encourage implementation of energy efficiency measures, the Ministry shall publish on its website the data, information and recommendations relating to energy efficiency improvement measures, and potential sources of financing as well.

IV. ENERGY AUDIT ACTIVITY

Conditions for obtaining authorization for performing energy audit

Article 30

An authorization to perform energy audit of buildings may be granted to a business entity, entrepreneur or a legal entity which:

- is registered in the Central Register of Business Entities (hereinafter referred to as the "CRPS") for performing, predominantly, one of the following activities: designing, construction, supervision of construction, review of design documents and expert activities in the field of energy;
- has a permanent employee who has completed high education in the field of power engineering, mechanical engineering, civil engineering or architecture, with minimum five years of professional experience in designing, construction, supervising of construction, reviewing of design documents, testing of energy facilities or installations and who has a certificate of passed professional exam for performing energy audits of buildings (hereinafter referred to as the "qualified person for performing energy audits of buildings").

Authorization for performing energy audits of heating systems and air conditioning systems may be granted to a business entity, entrepreneur or a legal entity which, in addition to the requirements referred to in paragraph 1 indent 1 of this Article, has a permanent employee who completed high education in mechanical engineering, with minimum five years of professional work experience in designing, managing and supervising of installation of HVAC facilities or installations, testing of energy facilities or installations, and who has a certificate of passed professional exam for performing energy audits of heating systems and air conditioning systems (hereinafter referred to as the "qualified person for performing energy audits of heating systems and air conditioning systems").

The authorized person for performing energy audits of buildings referred to in paragraph 1 of this Article may perform regular energy audits of heating systems and air conditioning systems, if it has a permanent employee who is a mechanical engineer and who has a certificate of passed professional exam for performing energy audits of buildings.

In order to obtain the authorization for performing energy audit of a building, or energy audit of the heating systems and air conditioning systems, a business entity, entrepreneur or a legal entity shall submit a request for obtaining the authorization, with documents proving that the requirements referred to in par. 1, 2 and 3 of this Article have been met.

The content of the request referred to in paragraph 4 of this Article and the documents which are to be submitted with the request shall be defined by the regulation to be adopted by the Ministry.

The fulfilment of the requirements referred to in par. 1, 2 and 3 of this Article shall be verified and the authorization for performing energy audit shall be issued by the Ministry.

Authorization for performing energy audits

Article 31

Energy audit of buildings and heating systems and air conditioning systems may be performed by a business entity, entrepreneur or a legal entity which is authorized to perform energy audits (hereinafter referred to as the "authorized person").

Training programme and professional exam

Article 32

The professional exam referred to in Article [30](#) paragraph 1 indent 2 and paragraph 2 of this Law shall be taken in a manner and according to the training programme for performing energy audits of buildings, i.e. energy audits of heating systems and air conditioning systems, which shall be defined by the regulation to be adopted by the Ministry.

A certificate of passed professional exam shall be issued by the authorized organisation.

Costs of organizing of training and passing of the professional exam shall be paid by the trainee.

Implementation of training programme and professional exam

Article 33

Implementation of the training programme and professional exam may be carried out by the organisation which meets the stipulated conditions with regard to staff, equipment and space.

The conditions referred to in paragraph 1 of this Article, the content of the request and the documents to be submitted with the application shall be defined by the regulation to be adopted by the Ministry.

The fulfilment of the requirements referred to in paragraph 1 of this Article shall be defined and authorization to deliver the training programme and professional exam shall be issued by the Ministry.

The authorization referred to in paragraph 3 of this Article shall be issued for a period of five years.

The Ministry shall revoke the authorization referred to in paragraph 3 of this Article if the authorization was issued on the basis of false and inaccurate data, if the authorized organisation ceases to meet the prescribed requirements, i.e. if the training is not delivered according to the programme referred to in Article [32](#) paragraph 1.

Register of authorized entities

Article 34

Registers of entities authorized to perform energy audits and organisations authorized to deliver training programmes and passing of professional exam shall be managed by the Ministry.

The content and manner of managing the registers referred to in paragraph 1 of this Article shall be defined by the regulation to be adopted by the Ministry.

Foreign entity

Article 35

Energy audits may be performed by a foreign entity which is registered thereof in the country where it is based, and which qualified person for performing energy audits of buildings and/or qualified person for performing energy audits of heating systems and air conditioning systems meets the requirements stipulated in this Law in accordance with a separate Law regulating recognition of professional qualifications, foreign certificates respectively.

Revoking the authorization

Article 36

The authorization for performing energy audit shall be revoked by the Ministry if:

- it is found that the authorization had been issued on the basis of inaccurate and false data;
- the authorized entity performs energy audits contrary to this Law;
- the person qualified to perform energy audits of buildings or the person qualified to perform energy audits of heating systems and air conditioning systems is sentenced unconditional imprisonment of minimum six months;
- the authorized person ceases to meet the requirements on the basis of which it has obtained the authorization.

Obligations of the authorized person

Article 37

Authorized person shall perform energy audit in accordance with this Law, technical regulations and rules of profession.

Authorized person shall keep records and keep reports on performed energy audits for minimum ten years after the completion of the energy audit.

Authorized person shall prepare and submit an annual report on performed energy audits to the Ministry, no later than 1 March of current year for the previous year.

Upon request of the Ministry, the authorized person shall provide a copy of the report on performed energy audit within eight days following the day of submission of the request.

Prohibition to perform energy audit

Article 38

Authorized person may not perform energy audit if the ordering party is a legal entity:

- in which the authorized person has a share, or if the ordering party has a share in the property of the authorized person;
- on behalf of whom the authorized person participated in developing of the design, reviewing of the design, construction and supervision of construction of the facility for which energy audit is performed;
- in which the authorized person is a member of management bodies, representative or an employee; and
- in which a spouse, a relative in the direct line, and in the collateral line to the second-degree of consanguinity, a relative by marriage to the first degree, adopter or adoptee of the authorized person, is employed, holds a share in, is a member of a management body or is an representative thereof.

Authorized person may not perform energy audit if the ordering party is a natural person:

- on behalf of whom the authorized person participated in developing of the design, reviewing of the design, construction and supervision of construction of the building which is subject of energy audit; and
- a spouse, a relative in the direct line, and in the collateral line to the second-degree of consanguinity, a relative by marriage to the first degree, an adopter or adoptee of the authorized person.

V. CERTIFICATION OF BUILDINGS

Energy performance certificate of a building

Article 39

Authorized person shall issue an energy performance certificate of a building on the basis of the report on performed energy audit.

The certificate referred to in paragraph 1 of this Article shall include in particular:

- reference values of specific energy consumption by purpose and type of building;
- value of specific energy consumption of the building; and
- recommended energy efficiency improvement measures.

The certificate referred to in paragraph 1 of this Article shall be issued for a period of ten years.

The authorized person who performed energy audit of the building shall provide the Ministry with a copy of issued certificate within eight days following the day when the certificate was issued.

The register of issued certificates shall be managed by the Ministry.

Methodology of certification of buildings, reference values of specific energy consumption by purpose and type of building, content of the energy performance certificate of the building, types of buildings not to be certified and the content and manner of managing the register of energy performance certificates of the building shall be defined by the regulation to be adopted by the Ministry.

Obligation to certify energy performance of buildings

Article 40

The energy performance certificate of a building shall be obtained by:

- the investors of buildings under construction, reconstruction respectively;
- owners of buildings, i.e. owners of parts of buildings when selling or leasing thereof;
- state administration bodies, local self-government units and public services founded by the State, i.e. local self-government for the buildings owned by the State and managed by them;
- owners of buildings which are frequently visited by the public such as: hotels, theatres, cinema, sport and exhibition halls, shopping centres, etc.

Obligations of investor

Article 41

Together with an application for issuing exploitation permit, the investor shall submit a energy performance certificate of the building.

Obligations of the owner of building

Article 42

When selling or leasing a building or a part thereof, the owner shall hand over the energy performance certificate of the building or the part thereof to the buyer, present to the lessee respectively.

Display of energy performance certificate of a building

Article 43

Entities referred to in Article [40](#) indents 3 and 4 of this Law shall place a board in a visible place of the building with the basic information from the energy performance certificate of the building, within 30 days following the day of issuing of the certificate.

The layout and the content of the board referred to in paragraph 1 of this Article shall be stipulated by the regulation to be adopted by the Ministry.

VI. LABELLING OF ENERGY EFFICIENCY OF PRODUCTS

Energy-related products affecting energy consumption

Article 44

The energy-related products shall be labeled with an energy efficiency label.

The energy efficiency label shall contain in particular:

- information about the quantity of energy that the product uses in prescribed conditions of operation;
- a visual display of energy efficiency class of the product, from the lowest to the highest value of energy efficiency for a particular type of product; and
- other information on important properties of the product and consumption of resources needed for operation of the product.

The energy efficiency labelling of products referred to in paragraph 1 of this Article shall be placed on a visible place on the product displayed at the place of sale.

The types of energy-related products which require energy efficiency labelling, and the timeframe of mandatory introduction of the energy efficiency labels for different types of products shall be stipulated by the regulation to be adopted by the Ministry.

The regulation referred to in paragraph 4 of this Article shall determine in particular:

- 1) the shape, layout and contents of the energy efficiency label;
- 2) the shape and content of fiche containing the information about the product;
- 3) the information that should be included in technical documentation for the purpose of verification of accuracy of information contained on the label and fiche containing the information about the product;
- 4) the methodology for defining energy efficiency class of the product;
- 5) measuring standards and measuring methods that are used for defining the data and information contained on the label and in product fiche;
- 6) a specific place where the label is to be placed on the displayed product and the manner in which the labels and/or information shall be provided to buyers when they are buying or leasing products through means of distance communication (internet, catalogues, TV marketing) or in another similar manner of distance selling;
- 7) specific contents of the label during advertising; and
- 8) the level of deviation from the information presented on the label and in product fiche.

Obligations of manufacturer

Article 45

Prior to placing the products referred to in Article [44](#) paragraph 4 of this Law on the market, the manufacturer shall produce fiche, energy efficiency label and technical documentation, which provide an insight into accuracy of the data and information contained in the product fiche and on energy efficiency label.

Manufacturer shall be liable for accuracy of energy efficiency label and product fiche.

Obligations of a supplier

Article 46

The supplier of products referred to in Article [44](#) paragraph 4 of this Law shall:

- provide product fiche and energy efficiency label in accordance with this Law;
- provide fiche and energy efficiency label with the product or upon request of the dealer, without delay and without charge;
- provide technical documentation for the product;
- make product fiche available in a brochure or other printed material which accompanies the product; and
- make sure that the manufacturer's technical manuals and promotional materials about the products, which describe specific technical parameters of the products, printed or presented in visual media, offer buyers necessary information about energy consumption and energy efficiency class of the products, in the language in official use in Montenegro.

Obligations of a dealer

Article 47

A dealer of products referred to in Article 44 paragraph 4 of this Law shall:

- when displaying a product, make sure that energy efficiency label is placed in a way and in a place as specified under this Law, without using other labels, symbols and descriptions which may mislead a buyer;
- make product fiche available to the buyer, together with instructions or other documents accompanying the product.

In case of selling or leasing the product referred to in Article 44 paragraph 4 of this Law by means of distant communication or in another similar manner of distance selling, a dealer shall provide the buyer, before he buys the product, with information stated on energy efficiency label and in product fiche.

When advertising a particular model of the product referred to in Article 44 paragraph 4 of this Law, a dealer, a supplier respectively, shall state energy efficiency class of the product as well, when presenting the data and information about energy consumption or the prices thereof.

Any technical promotional material about the products referred to in Article 44 paragraph 4 of this Law describing specific technical parameters of the products, such as manufacturer's technical manuals and brochures, printed or electronic, should include data and information about energy consumption and energy efficiency class of the product in the language in official use in Montenegro.

Ecodesign of energy-related products

Article 48

Energy-related products may be placed on the market only if:

- they meet specified technical requirements of ecodesign of products;
- their compliance is verified within a prescribed procedure;
- they are labelled in accordance with the regulation regulating the requirements for such group of products.

The requirements referred to in paragraph 1 of this Article shall be defined by the regulation to be adopted by the Ministry.

VII. ENERGY SERVICES **Provision of energy service**

Article 49

Energy efficiency measures referred to in Article 3 indent 1 of this Law may also be implemented by providing energy services during energy audit, designing, construction, supervision of construction, reconstruction, maintenance of facility, and management and monitoring of energy consumption.

Energy service referred to in paragraph 1 of this Article shall ensure increase in energy efficiency, i.e. energy savings, achieving material benefit and environmental protection with implementation of energy efficient technology and/or procedures, in a measurable and verifiable manner.

Energy services referred to in paragraph 1 of this Article may be provided by a business entity, legal entity or entrepreneur, who shall assume a certain level of financial risk for provided services in terms of collectability, which is based on achieved energy savings (Energy Service Company, hereinafter referred to as the "ESCO").

Mutual rights and obligations of ESCO and users of energy services shall be regulated by the Energy Performance Contract under which implementation of energy efficiency measures is paid according to the contractual level of energy efficiency improvement.

Energy Performance Contract

Article 50

Energy Performance Contract shall be made in writing and it shall include particularly provisions on:

- 1) the party ordering energy services;
- 2) provider of energy services (ESCO);
- 3) third party if it contributes to financing of energy services;
- 4) contractual facility or facilities;
- 5) performance criteria;
- 6) reference period in relation to which energy savings are calculated;
- 7) energy consumption in the reference period;
- 8) energy efficiency improvement measures, contractual energy savings and procedures for verifying energy savings;
- 9) method of financing of energy efficiency improvement measures;
- 10) method of setting and payment of the fee for provision of energy service;
- 11) method of setting compensation to the party ordering energy service in case contractual energy savings are not achieved;
- 12) the period for which the contract is concluded.

The funds for execution of energy services shall be provided by the provider of energy services, fully or partially, from own sources or from third parties.

The amount of expenses of the provider of energy services, i.e. the value of investment for implemented energy efficiency improvement measures, shall be defined and paid to the provider of energy services according to contractual level of energy efficiency improvement and contractual regime of energy use.

The expenses of providers of energy services and the value of investment in the implementation of energy efficiency measures referred to in paragraph 3 of this Article shall be paid, remunerated to the provider respectively, out of the savings in energy costs achieved in the reference period referred to in paragraph 1 item 6 of this Article.

The provider of energy services, the third party respectively, shall assume, fully or partially, financial, technical and commercial risk of provision of energy service.

The rights and duties of contractual parties referred to in paragraph 1 of this Article shall be defined and exercised in accordance with the Law regulating obligations, unless otherwise specified by this Law.

VIII. MONITORING

Monitoring of Law implementation

Article 51

Supervision of implementation of this Law and regulations adopted on the basis of this Law shall be performed by the Ministry.

Inspection supervision

Article 52

Inspection supervision of implementation of provisions of this Law and regulations adopted on the basis of this Law shall be performed by the administration body competent for inspection supervision.

In addition to administrative measures established by the Law regulating inspection supervision, the competent inspector shall make a decision to instruct a supplier or a dealer of energy-related products to remove identified irregularities and set a period within which such irregularities must be removed, if he/she during the inspection supervision finds that:

- 1) the energy-related product is not labeled with an energy efficiency label as defined by this Law (Art. [44](#));
- 2) the energy-related product is not supported by the evidence of meeting the requirements with regard to ecodesign of the product, as defined by this Law (Art. [48](#)).

In addition to administrative measures established by the Law regulating inspection supervision, the competent inspector shall, in the procedure of inspection supervision, control fulfilment of obligations under this Law , as follows:

- 1) actions of persons authorized to perform energy audits (Art. 37 and 38);
- 2) results of energy audit and energy certification of the building, if accuracy of data is doubted (Art. 37 and 39);
- 3) implementation of the training programme for performing energy audits and professional exam (Art. [33](#));
- 4) compliance with minimum energy efficiency requirements during construction of new buildings and reconstruction, adaptation respectively, of existing buildings (Art. [26](#));
- 5) timely and compatible planning and implementation of energy efficiency measures by obliged parties (Art. 8, 9, 11, 14, 16, 18, 19 and 22);
- 6) reporting of obliged parties on implementation of energy efficiency measures (Art. 7, 10, 15 and 16);
- 7) provision of data about energy consumption by obliged parties (Art. 23 and 25).

IX. PENALTY PROVISIONS

Article 53

A fine ranging between 3.000 EUR and 20.000 EUR shall be imposed on a legal entity for an offence if they:

- 1) fail to plan and implement energy efficiency measures (Art. 16 par. 1 and 22 indent 2);
- 2) fail to develop Energy Efficiency Improvement Programme for end consumers and fail to implement measures as envisaged by the Programme (Art. [18](#) par. 1);

- 3) fail to provide end consumers with appropriate devices for measuring energy consumption referred to in Art. 24 par. 1 of this Law;
- 4) fail to state in the bill to the end consumer the appropriate information as stipulated in Art. 24 par. 3 of this Law;
- 5) fail to submit to the Ministry the information on energy consumption within the defined period (Art. 25 par. 1 and 2);
- 6) fail to provide the authorized person with the information and conditions for unhindered performance of energy audit (Art. 27 par. 4);
- 7) fail to ensure performance of regular energy audits of heating system or air conditioning system (Art. 28 par. 1 and 2);
- 8) fail to keep records on performed energy audits or fail to keep documents on performed audits within the specified period (Art. 37 par. 2);
- 9) fail to provide the Ministry with the report on performed energy audits within the specified period (Art. 37 par. 3);
- 10) perform energy audit contrary to Art. 38 of this Law;
- 11) fail to submit a copy of issued certificate to the Ministry within the specified period (Art. 39 par. 4);
- 12) fail to provide the energy performance certificate of the building (Art. 40);
- 13) fail to ensure displaying of the energy performance certificate of the building (Art. 43);
- 14) fail to provide fiche, energy efficiency label and technical documentation for the energy-related product (Art. 45);
- 15) place on the market the energy-related products contrary to Art. 46;
- 16) sell, lease or display in order to sell the energy-related products contrary to Art. 47.

A fine ranging between 150 EUR and 1.300 EUR shall be imposed on the responsible person in the legal entity for the offence referred to in paragraph 1 of this Article.

A fine ranging between 150 EUR and 1.300 EUR shall be imposed on a natural person for the offence referred to in paragraph 1 items 6), 7) and 12) of this Article.

A fine ranging between 300 EUR and 3.000 EUR shall be imposed on an entrepreneur for the offence referred to in paragraph 1 items 6), 7), 8), 9), 10), 11), 12), 13), 14), 15) and 16) of this Article.

Article 54

A fine ranging between 150 EUR and 1.300 EUR shall be imposed on the responsible person in the state authority, administration body, local self-government body and local administration if he/she:

- 1) fails to plan energy efficiency measures (Art. 9 par. 3, Art. 11 par. 1 and Art.14 par. 1);
- 2) fails to report to the Ministry about implementation of planned activities (Art. 10 and 15);
- 3) fails to manage energy in facilities or parts of facilities they use (Art. 19 par. 1);
- 4) fails to provide the Ministry with the data on annual energy consumption or fails to do so within the defined period (Art. 23 par. 1);
- 5) fails to provide the authorized person with the data and conditions for unhindered performing of energy audit (Art. 27 par. 4);
- 6) fails to ensure performing regular energy audits of heating system or air conditioning system (Art. 28 par. 1 and 2);
- 7) fails to provide the energy performance certificate of the building (Art. 40);
- 8) fails to ensure displaying of the energy performance certificate of the building (Art. 43).

X. TRANSITIONAL AND FINAL PROVISIONS

Secondary legislation

Article 55

Regulations for the implementation of this Law shall be adopted within one year following entry into force of this Law.

The secondary legislation adopted under the Law on Energy Efficiency (Official Gazette of Montenegro 29/10) shall be implemented until the beginning of implementation of regulations referred to in paragraph 1 of this Article.

Energy efficiency improvement programmes and plans

Article 56

Energy Efficiency Action Plan for 2016-2018 shall be adopted until 30 June 2016.

The programmes referred to in Art. 11 and 18 of this Law shall be adopted within one year following entry into force of this Law.

Big consumers shall prepare energy efficiency improvement plan within one year following the day of the beginning of implementation of the secondary legislation referred to in Article [16](#) paragraph 8 of this Law.

Establishing energy efficiency information systems

Article 57

The Ministry shall establish a central energy efficiency information system referred to in Article [23](#) of this Law within two years following entry into force of this Law.

Entities referred to in Article [19](#) of this Law shall establish energy efficiency information systems within 18 months following entry into force of this Law.

Postponed implementation

Article 58

Provisions of Art. 28, 40 indents 1 and 2, 41 and 42 of this Law shall be implemented from 1 January 2016.

Deadlines for certification of buildings

Article 59

Owners of buildings referred to in Article [40](#) indents 3 and 4 of this Law, which are constructed until the day of entry into force of this Law, which total useful floor area exceeds 500 m², shall obtain the energy performance certificate until 1 January 2018, and owners of the buildings referred to in Article 40 indents 3 and 4 of this Law, which are constructed until the day of entry into force of this Law, which total useful floor area exceeds 250 m², until 1 January 2021.

Termination

Article 60

The Law on Energy Efficiency (Official Gazette of Montenegro 29/10) and provision of Article 145 of the Law on Amendments to the Law stipulating fines for offences (Official Gazette of Montenegro 40/11) shall cease to have effect as of the day of entry into force of this Law.

Entry into force

Article 61

This Law shall enter into force on the eighth day following that of its publication in the Official Gazette of Montenegro.