

On 18 September 2012, the National Council of the Slovak Republic adopted an amendment (the “**Amendment**”) which amends and supplements:

- Act No. 555/2005 Coll. on Energy Performance of Buildings and on Amendment and Supplements to Certain Acts, as amended (the “**Act**”).

The new regulation brings about several important changes. Squire Sanders has prepared a brief summary of the obligations laid down in the Act as a result of changes introduced in the Amendment.

Here are some of the most important changes:

- The Amendment will extend the type of buildings to which the procedures and measures laid down in the Act do not apply, i.e. buildings used to a limited extent during the entire year, with the estimated energy consumption not exceeding 25 percent of the estimated total consumption for the year.
- The Amendment defines “major renovation” of a building as such structural alterations which “interfere with the building envelope with respect to more than 25 percent of area”. Based on the current regulation, major renovation of a building shall involve structural alterations which interfere with the building shell and which affect the energy performance of buildings.
- Major renovation of a building – which interferes with the building envelope and changes the energy performance – will require new measures so as to meet minimum requirements for energy performance as if for a new building with the same functionality and location.
- Minimum requirements for energy performance of a building must be fulfilled while keeping the costs at the optimum level that reflects, for example, investment costs for the construction, costs of subsequent maintenance of a building, etc. The purpose of this provision is to avoid situations in which an effort to reduce the energy performance of a building would, as a result, lead to higher total costs during the economy life cycle of a building.
- Energy certification, which is today mandatory in the sale and lease of a building as a whole, will be mandatory also in the sale and lease of a separate part of a building. However, energy certification in the lease of apartments and separate parts of buildings will be mandatory only from 1 January 2016.

- The owner of a building will be obliged to obtain an energy certificate no later than:
 - The day of commencement of the occupancy permit proceedings – for new buildings and the existing buildings after major renovation.
 - Within two months from the expiry of the energy certificate due to structural alterations to a building which affect its energy performance.
 - The day an agreement is concluded on sale or lease of a building or a separate part of a building. To increase legal certainty and to simplify potential evidencing of the fulfillment of this condition, we recommend that the relevant energy certificate be attached to the purchase agreement or lease agreement as an annex.
- In buildings frequently visited by the public which have a floor area larger than 500 square meters, the owner must display an energy label in a clearly visible place within five business days from the day it receives the label.
- The owner of the building is obliged in the sale of the building to hand over the valid energy certificate to the new owner; in the case of a building under construction, the owner is required to hand over to the purchaser the design energy rating. Given that the amendment is not worded very clearly, we recommend that the tenant is handed over a certified copy of the energy certificate.
 - The integrated energy performance indicator must be included in an advertisement for sale or lease of a building.
 - To accelerate the increase of the energy performance of buildings, it is possible to apply for subsidies from the Ministry of Transport, Construction and Regional Development of the Slovak Republic.
 - In the event of breach of the above-mentioned obligations a fine ranging from €500 to 3,000 can be imposed on a “natural person - entrepreneur” or a “legal entity”, and a fine of up to €2,000 can be imposed on a “natural person”.

The Amendment to the Act came into force on 1 January 2013. Also Act No. 50/1976 Coll., on Zoning and Construction Rules (the Construction Act), as amended, will be affected by the Amendment and these changes will come into force from 1 July 2013.

Please pay attention to whether your building requires energy certification. Should you be interested in receiving more detailed information regarding these latest changes, please contact us for a tailored analysis to suit your needs.

The contents of this update are not intended to serve as legal advice related to individual situations or as legal opinions concerning such situations nor should they be considered a substitute for taking legal advice.

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