

Intervention strategies on how energy efficiency finance is promoted in Poland under the RoundBaltic project

LEARNING EVENT ON ENGAGING THE FINANCIAL SECTOR IN ENERGY EFFICIENCY INVESTMENTS

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Long-term renovation strategy

Changes in the area of used energy carriers:

- complete resignation from the use of coal for heating purposes:
 - phasing out the use of coal in all residential buildings by 2040, and in cities - by 2030, while maintaining the possibility of using smokeless fuel by 2040,
 - as soon as possible withdrawal of the possibility of using heating based on direct coal combustion in buildings being subject to thermal modernization and replacement of heat sources,

Long-term renovation strategy

- phasing out the use of other fossil fuels, in particular natural gas, in residential and non-residential buildings by 2050:
 - abandoning the use of sources based on fossil fuels (including natural gas) as basic energy carriers in the renovation of residential and non-residential buildings by 2030,
- maintaining the possibility of using hybrid solutions and sources adapted to the use of zero-emission alternatives, phasing out the use of fossil fuels by replacing heat sources or using zero-emission alternatives (e.g. biomethane, synthetic fuels, hydrogen) in other buildings with a parallel deep renovation by 2050



ROUND BALTIC

Long-term renovation strategy

The renovation scenario assumes a combination of two processes:

1. Mass replacement of heat sources combined with shallow thermal modernization by 2030. These investments should take into account the prospect of further renovation (staged thermal modernization) to a zero-emission standard by 2050 (energy audits)
2. Gradual increase in the scale of deep thermal modernization to the level of approx. 3% annually in the next several years.



Financing energy efficiency - public sources and institutions

1. **State Development Bank** (Bank Gospodarstwa Krajowego - BGK) as a managing authority of:

- since 1998 of Thermomodernisation and Renovation Fund (FTiR) of buildings, heat sources and district heating networks (thermo-modernisation bonus from the national budget granted together with loans from cooperating banks)

Results: over 40 000 multifamily buildings renovated with 33% energy savings in average,

Strategy: planned to redirect towards deep renovation – over 60%, supported by grants with level depending on the depth of renovation, PV support extended to relatively new buildings, gradual transfer to FTiR of some funds from European Funds, including the National Recovery and Resilience Plan, intended for increasing the energy efficiency of multi-family buildings.

Financing energy efficiency - public sources and institutions

- Financial instruments implemented jointly with Marshal's Offices with use of EU ROP dedicated funds and banks focused on improving energy efficiency in buildings, SMEs and on the production and distribution of energy from renewable energy sources

Results: in 8 from 16 regions 2 banks and few financial intermediary institutions actively joined the initiative of BGK

Financing energy efficiency - public sources and institutions

2. Programs of the **National Fund for Environmental Protection and Water Management (NFOS)**

- thermo-modernisation of public and non-for-profit buildings (subsidies) – financed by domestic, EU and EAA grants
- improving energy efficiency in large enterprises (subsidies and preferential loans)
- thermo-modernisation of multi-family residential buildings (subsidies, preferential loans),
- "Clean air program" dedicated to reducing emissions in single-family houses (subsidies)
- **ESCO EPC+ project being implemented 2021 for HOAs, housing co-operatives and public buildings owned by local governments**

Financing energy efficiency - public sources and institutions

3. Marshal's Offices in 16 regions, which operate EU funds allocated in Regional Operational Programs, made available according to regional priorities for the following activities:

- thermo-modernisation of public utility buildings owned by local governments units and non-profit institutions (subsidies and financial instruments from Jessica initiative)
- improving energy efficiency in SMEs (subsidies and financial instruments from Jeremi initiative)
- thermo-modernisation of multi-family residential buildings (financial instruments with the participation of banks in 7 regions)

Financing energy efficiency - public sources and institutions

4. Public support for investors in the process of preparing energy efficiency projects is offered in the following forms:

- Energy Advisory Program of the NFOS operating at the level of each voivodship (79 advisors, over 1500 trained „local public energy manager”)
- The EU ELENA program used to finance the improvement of energy efficiency in residential buildings throughout the country in conjunction with the thermo-modernisation bonus of State Development Bank (BGK) and additionally by 1 bank and in 7 selected voivodships by 2 banks as an addition to regional loans for thermo-modernisation
- The EU ELENA program at the disposal of 1 bank used to finance the improvement of energy efficiency and RES in SMEs buildings

Financing energy efficiency – non-public sources and institutions

Banks serving investors from their own resources and under financial instruments with the use of domestic and EU public funds:

1. Alior Bank S.A.
2. Bank Ochrony Środowiska S.A.
3. Bank Pocztowy S.A.
4. Bank Polskiej Spółdzielczości S.A. (GROUP)
5. BNP Paribas Bank Polska S.A.
6. Getin Noble Bank S.A.
7. Krakowski Bank Spółdzielczy
8. Powszechna Kasa Oszczędności Bank Polski S.A.
9. SGB-Bank S.A. wraz ze zrzeszonymi i współpracującymi Bankami Spółdzielczymi
10. Warmińsko-Mazurski Bank Spółdzielczy

Financing energy efficiency – non-public sources and institutions

- Financial intermediaries in the form of societies and funds acting country-wide or being established by regional authorities (see country diagnosis)
- ESCO companies
- Business Support Institutions operating throughout the country, providing advisory services and sometimes substitute investment for SMEs, local government units and other non-public entities

Financing energy efficiency – non-public sources and institutions

Non-public (commercial) support for investors in **the process of preparing energy efficiency projects** is provided by uncertified energy auditors and organized consulting companies:

- in the Association of Energy Auditors (approx. 1500 people)
- in national and regional energy agencies (approx. 15)
- in regional associations of energy auditors
- or in many operating consulting companies

RoundBaltic practical approach

1. Collection involved and so far not-involved parties
2. Presentation of recommendations being elaborated by the Round Tables – **top topic ONE-STOP-SHOPS**
3. Maintaining permanent working contact with banks and public financing institutions in course of preparation of next Round Tables
4. Review of status of implementation of recommended actions
5. Correction activities

Thank you for your attention!

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