

**Report on the implementation of projects (priority programmes) co-financed from the funds accumulated on the account of the Modernization Fund and the material and environmental effects achieved in 2022.**

**POLAND**

**Introduction.**

This report was drawn up in order to fulfill the obligation specified in article 13 Commission Implementing Regulation (EU) 2020/1001 of 9 July 2020 laying down detailed rules for the application of Directive 2003/87/EC of the European Parliament and of the Council as regards the operation of the Modernisation Fund supporting investments to modernise the energy systems and to improve energy efficiency of certain Member States.

**Modernization Fund in Poland – Institutional Setup.**

In order to finance the programme from the Modernization Fund (MF), the Polish state is obliged to present the proposed support area to the European Investment Bank (EIB) and the Investment Committee to obtain confirmation whether the project meets the conditions set out in the EU ETS Directive.

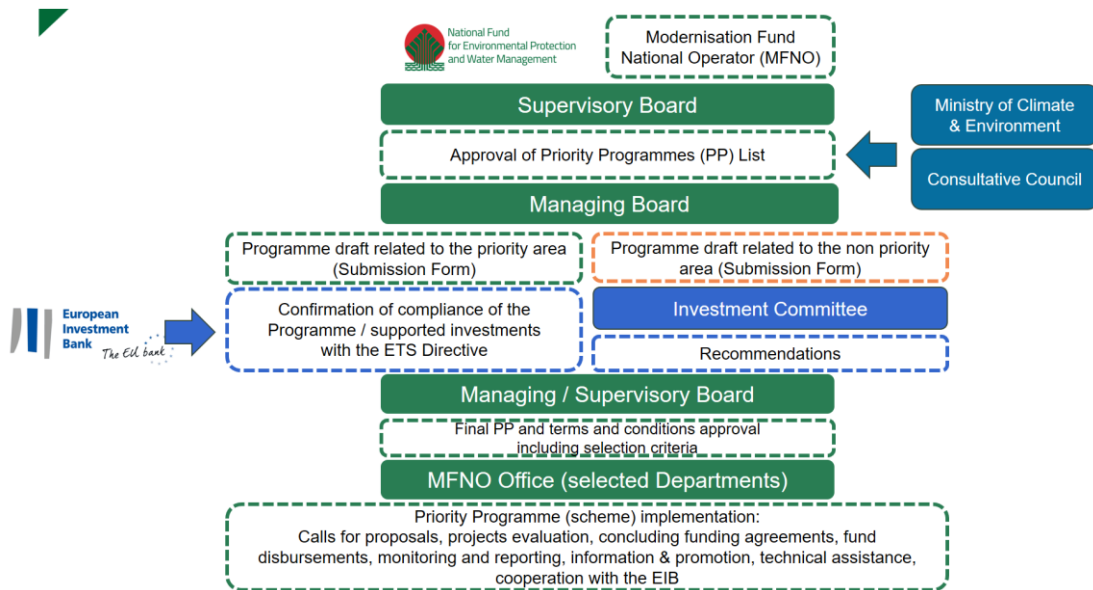
At least 70% of the funds from the Fund shall be allocated to projects included on the list of priority areas, and a maximum of 30% to projects not included in this list (70/30 rule).

If a programme is confirmed as belonging to one of the priority areas, it uses a simpler subsidy path where, if the EIB confirms that the programme belongs to the priority area, the European Commission decides to disburse funds to finance projects under that programme. If the programme is classified as a non-priority area, it is necessary to take into account the recommendations of the Investment Committee when determining the rules of financing.

Financing from FM funds in Poland takes place within selected priority programmes implemented by the National Fund for Environmental Protection and Water Management (NFEP&WM).

NFEP&WM, acting as the National Modernization Fund Operator, is obliged to submit forms for selected support areas in accordance with the adopted template and containing information in accordance with the requirements of the Commission Implementing Regulation (EU) 2020/1001 to the EIB, in order to approve their compliance with the EU ETS Directive.

**Modernization Fund in Poland – implementation scheme.**



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**The National Fund for Environmental Protection and Water Management NFEP&WM - National Operator of the Modernization Fund**

The National Fund for Environmental Protection and Water Management (NFEP&WM) which was established in 1989 as a result of the regime transformation in Poland, in cooperation with voivodeship funds for environmental protection and water management is the main pillar of the Polish system of financing environmental protection. The basis of the National Fund's operation as a State legal person is the Act on Environmental Protection Law (EPL).

NFEP&WM's mission: We support environmental action effectively and efficiently.

NFEP&WM's advantages:

- ability to create a variety of financial instruments that meet the needs of different types of beneficiaries,
- high competence of the NFEP&WM staff and years of experience in supporting projects financed both from foreign and domestic funds,
- active participation in solving environmental problems on legal, financial and organizational grounds,
- long-term planning of revenues and expenses, which ensures funds for beneficiaries for the full balance of projects,
- institutional capacity to implement projects funded by the EU, obtained as a result of the experience gained in the implementation of the financial perspective for 2000-2006 and perspective for 2007-2013, as well as projects funded by the "Norwegian Funds",
- openness to innovative solutions.

NFEP&WM is friendly for the environment and beneficiaries.

The National Fund for Environmental Protection and Water Management is the main source of financing pro-ecological investments in Poland. For over 30 years it has been the most important element of the Polish system of financing for environmental protection and water management. Moreover it has at its disposal the largest financial potential.

**Scope of activities comprising the management of the Modernization Fund by the National Fund for Environmental Protection and Water Management:**

1) within the competence of the Supervisory Board of the National Fund for Environmental Protection and Water Management:

- approval of priority program lists;
- establishing criteria for selecting investments financed with accumulated resources on the FM account;
- establishing the rules for granting and redeeming loans as well as the rules for granting and accounting for subsidies granted from the funds accumulated on the FM Account;
- adopting resolutions on approving co-financing in accordance with the EPL Act.

2) within the competence of the Management Board of the National Fund for Environmental Protection and Water Management:

- preparing lists of priority programs and presenting them to the minister responsible for climate and environment for agreement;
- agreeing priority program proposals with the minister responsible for climate and FM Consulting Council
- approval of the regulations for the call for proposals financed from the funds accumulated on the Modernization Fund Account;

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- submitting priority programs to the EIB and / or the Investment Committee;
- adopting resolutions on granting co-financing;
- submitting applications to the EIB for the payment of funds from the FM for co-financing the implementation of investments.

3) within the competence of the NFEPWM Bureau (Department / Departments responsible for the implementation of FM):

- organizing calls for proposals and evaluation of applications for co-financing;
- undertaking activities leading to the conclusion of contracts for co-financing investments supported by FM funds;
- supervising the implementation and implementation of investments, exercising control over the use of FM funds by the beneficiaries;
- organizing technical assistance for potential beneficiaries;
- preparing a draft report and submitting it to the minister competent for climate matters from the implementation of co-financed investments and the material and environmental effects achieved;
- conducting promotional and informational activities about the National FM implementation system;
- monitoring of:
  - o achieved effects related to the avoidance or reduction of greenhouse gas emissions as part of the National FM implementation system,
  - o disbursement of funds obtained from the FM Account by the beneficiaries and progress in the implementation of investments co-financed from the funds accumulated on the FM Account.

**Schemes (priority programs) supported by Modernisation Fund**

As part of the meetings of the FM Investment Committee, which took place until the end of 2022, the European Investment Bank accepted the following programs from the Polish proposals under the priority areas of support:

1. priority programme "*Renovation with a guarantee of savings*",
2. priority programme "*Smart energy infrastructure*",
3. priority programme "*Development of the power grid for future electric car charging stations*",
4. priority programme "*Cogeneration for Energy and Industry*",
5. priority program "*Cogeneration for District Heating*",
6. priority programme "*Digitization of heating networks*",
7. priority programme "*The use of alternative fuels for energy purposes*",
8. priority programme "*Support for the use of storages and other devices for network stabilization - a scheme for DSOs*",
9. priority programme "*Energy-intensive Industry – RES*",
10. priority programme "*Energy-intensive Industry – improving energy efficiency*",
11. priority programme "*Energy for the Rural Areas*",
12. priority programme "*Cogeneration for counties*",
13. priority programme "*Development of cogeneration based on municipal biogas*".

In addition, Poland received a positive recommendation to implement the following projects in the non-priority area:

1. support for projects related to the development of individual heating and the development of prosumer energy in the area of air, water and ground-source heat pumps in new single-family residential buildings, operationalization in the form of the "*My Heat*" program;

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2. support for investments carried out by entrepreneurs (conducting economic activity in the field of heat generation or combined heat and electricity generation) related to the generation of heat energy from renewable sources in the form of the "*RES - heat sources for district heating*" programme.

The total budget of the approved areas of support is EUR 4,143,64 million. Within this amount, in 2021, the National Fund for Environmental Protection and Water Management received funds in the amount of EUR 346.40 million. However, in 2022, as part of payments made in the third and fourth tranches, funds amounting to EUR 244,22 million and EUR 398.96 million, respectively, were received. So far, the total amount of FM funds paid to the NFOŚiGW amounts to EUR 989,58 million.

All the schemes are in line with **Article 10d, paragraph 1 Directive 2003/87/EC** as they will promote reductions of greenhouse gas emissions in a cost-effective and economically efficient manner, which is the main aim of the Directive. They will lead to modernization of energy systems and improvement of energy efficiency.

The schemes contribute to the implementation of commitments under **the United Nations Framework Convention on Climate Change** as well as the Kyoto Protocol and the Paris Agreement, and with the updated contribution of the EU and its Member States to the UNFCCC, which are international legal instruments obliging countries to reduce greenhouse gas emissions.

The schemes are consistent with **the Poland's Energy Policy until 2040**. The document in question assumes a reduction in primary energy consumption by 23% by 2030 (compared to the 2007 consumption forecasts) and the share of renewable energy sources in the gross final energy consumption in 2030 by at least 23%. Poland's Energy Policy until 2040 is a response to the most important challenges facing the Polish energy sector in the coming decades and sets directions for the sector's development, taking into account the tasks necessary to be implemented in the short term. The document identifies eight strategic points 1) optimal use of own energy resources, (2) development of electricity generation and grid infrastructure, (3) diversification of natural gas and crude oil supplies, and expansion of network infrastructure, (4) development of energy markets, (5) implementation of nuclear energy, (6) development of renewable energy sources, (7) development of heating and cogeneration, (8) improvement of energy efficiency. The schemes implement the tasks included in the indicated above objectives.

Attaining the reduction goals stemming from **the Paris Agreement and EU legislation**, requires taking suitable actions also in non-ETS sectors (subject to ongoing decisions at the EC level to extend the scope of ETS). The reduction target for Poland in terms of greenhouse gas emissions in sectors not covered by the ETS is set at -7% in 2030 compared with 2005. The declared target is to be achieved by, inter alia, implementation of the approved schemes.

The schemes are consistent with the assumptions of **the National Strategy for Responsible Development**, the main goal of which is to create conditions for the growth of income of Polish residents with a simultaneous increase in social, economic, environmental and territorial cohesion. The programs will contribute to the reduction of pollutant emissions (which will translate into a reduction of social and environmental costs), as well as the diversification of energy sources (increasing the share of renewable energy sources).

The schemes are part of the National Reform Program by reducing greenhouse gas emissions, increasing the share of energy from renewable sources and increasing energy efficiency. Modernization, conversion and construction of new energy sources will contribute to lower energy bills and can lower the energy poverty rate, as well as can stimulate the construction sector, which is an opportunity for SME development and local job creation.

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**1. Projects overview (priority programmes)**

1.1. Number of projects (priority programmes) financed from the Modernization Fund: 15

Tab. 1 - List of projects (priority programmes) with the period of implementation in the structure of areas.

<b>No.</b>	<b>Programme (priority area)</b>	<b>Implementation period</b>
1.	Renovation with a guarantee of savings	2021 – 31.12.2026
2.	Smart energy infrastructure	2021– 31.12.2025
3.	Development of the power grid for future electric car charging stations	2021-31.12.2026
4.	Cogeneration for Energy and Industry	2021-2030
5.	Cogeneration for District Heating	2021-2030
6.	Digitization of heating networks	2021-2026
7.	The use of alternative fuels for energy purposes	2020-2030
8.	Support for the use of storages and other devices for network stabilization - a scheme for DSOs	2021-2026
9.	Energy-intensive Industry – RES	2021 – 31.12.2030
10.	Energy-intensive Industry – improving energy efficiency	2021 – 31.12.2030
11.	Energy for the Rural Areas	2022-2030
12.	Cogeneration for counties	2022-2030
13.	Development of cogeneration based on municipal biogas	2022-2030
<b>Lp.</b>	<b>Programme (non-priority area)</b>	<b>Implementation period</b>
1.	My heat	2021-2027
2.	RES - heat sources for district heating	2022-2030

1.2. Number of ongoing, completed and suspended projects (priority programmes): 15

1.2.1. Number of ongoing projects (priority programmes): 15

Tab. 2 - List of ongoing projects (priority programmes) **by area**.

<b>No.</b>	<b>Programme (priority area)</b>
1.	Renovation with a guarantee of savings
2.	Smart energy infrastructure
3.	Development of the power grid for future electric car charging stations
4.	Cogeneration for Energy and Industry
5.	Cogeneration for District Heating
6.	Digitization of heating networks
7.	The use of alternative fuels for energy purposes
8.	Support for the use of storages and other devices for network stabilization - a scheme for DSOs
9.	Energy-intensive Industry – RES
10.	Energy-intensive Industry – improving energy efficiency
11.	Energy for the Rural Areas
12.	Cogeneration for counties
13.	Development of cogeneration based on municipal biogas
<b>No.</b>	<b>Programme (non- priority area)</b>
1.	My heat
2.	RES - heat sources for district heating

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1.2.2. Number of completed projects (priority programmes): **n/a**

1.2.3. Number of suspended projects (priority programmes): **n/a**

Total share of financing earmarked for projects (priority programmes) in priority areas for projects (priority programmes) from non-priority areas, if any, in the beneficiary Member State.

No.	Programme (priority area)	Co-financing from FM in PLN million	Co-financing from FM in EUR million
1.	Renovation with a guarantee of savings	112,5	25,0
2.	Smart energy infrastructure	1000,0	222,0
3.	Development of the power grid for future electric car charging stations	1000,0	222,0
4.	Cogeneration for Energy and Industry	2000,0	444,0
5.	Cogeneration for District Heating	3000,0	666,66
6.	Digitization of heating networks	500,0	111,11
7.	The use of alternative fuels for energy purposes	2 997,0	666,0
8.	Support for the use of storages and other devices for network stabilization - a scheme for DSOs	1000,0	222,22
9.	Energy-intensive Industry – RES	650,0	144,0
10.	Energy-intensive Industry – improving energy efficiency	350,0	77,79
11.	Energy for the Rural Areas	1000,0	209,9
12.	Cogeneration for counties	1000,0	222,22
13.	Development of cogeneration based on municipal biogas	1500,0	333,0
<b>TOTAL</b>		<b>16 109,5</b>	<b>3 565,9</b>
No.	Programme (non-priority area)	Co-financing from FM in PLN million	Co-financing from FM in EUR million
1.	My heat	600,0	133,33
2.	RES - heat sources for district heating	2000,0	444,44
<b>TOTAL</b>		<b>2600,0</b>	<b>577,77</b>

1.3. Total share of funding dedicated to investments in the priority/non-priority area (if any) in the beneficiary Member State.

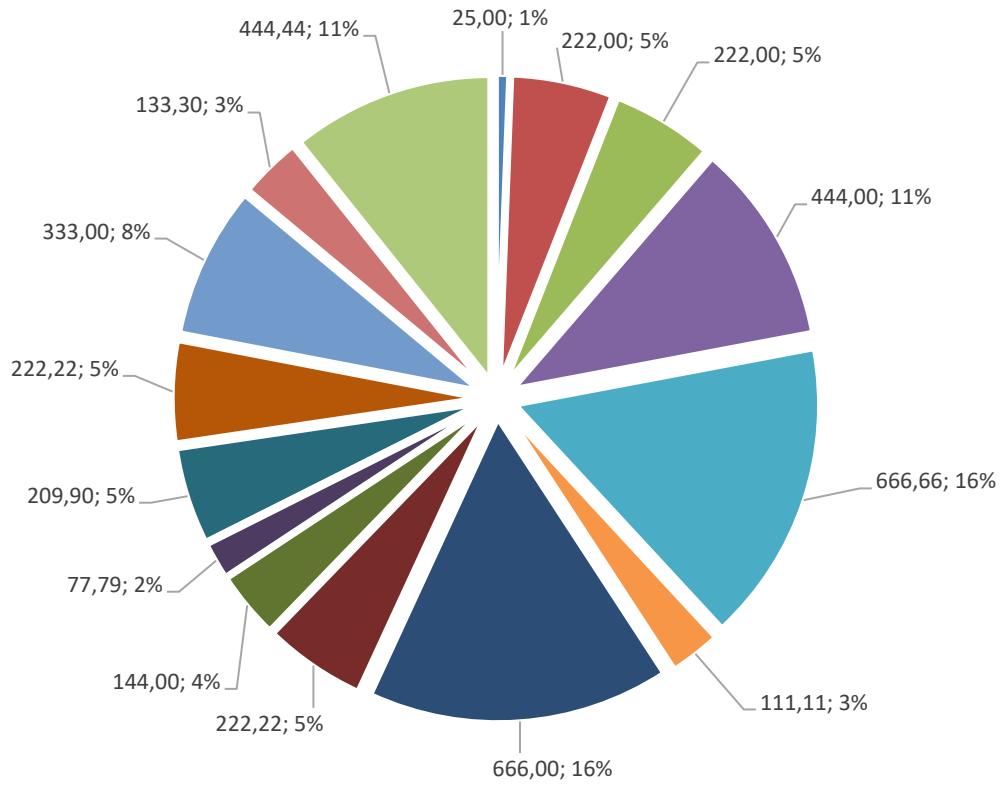
The total budget of the programmes in 2022 in the priority area in **million EUR 3 565,9**.

Total budget of the programmes in 2022 in the non-priority area in **million EUR 577,77**.

Under priority programmes, in the non-priority support area, the maximum intensity of co-financing from the Modernization Fund is 70% of the project costs.

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**I - IV tranche - total budget (mln EUR)**



- Renovation with a guarantee of savings
- Smart energy infrastructure
- Development of the power grid for future electric car charging stations
- Cogeneration for Energy and Industry
- Cogeneration for District Heating
- Digitization of heating networks
- The use of alternative fuels for energy purposes
- Support for the use of storages and other devices for network stabilization - a scheme for DSOs
- Energy-intensive Industry – RES
- Energy-intensive Industry – improving energy efficiency
- Energy for the Rural Areas
- Cogeneration for counties
- Development of cogeneration based on municipal biogas
- My heat
- RES - heat sources for district heating

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**2. Information about each project (schemes - programme priority)**

Tab. 4 - List of project implementation costs (priority programmes) by area.

No.	Programme name	Total investment cost of the scheme without VAT in million EUR	Total volume of the scheme – budget in million EUR	Date of payment of FM funds for NFPWM	Amounts of payments from the Modernisation Fund to the scheme managing authority	Amounts received from the Modernisation Fund by the beneficiary Member State <u>but not yet paid</u> to the scheme managing authority	Recovered amounts (in million EUR)
<b>priority area</b>							
1.	Renovation with a guarantee of savings	100	25	28.07.2021	25	0	0
2.	Smart energy infrastructure	370	222	28.07.2021 12.12.2022	44 178	0	0
3.	Development of the power grid for future electric car charging stations	304	222	28.07.2021	22	0	0
4.	Cogeneration for Energy and Industry	444	444	06.12.2021	44,44	0	0
5.	Cogeneration for District Heating	666,66	666,66	06.12.2021	66,6	0	0
6.	Digitization of heating networks	111,11	111,11	06.12.2021	33,3	0	0
7.	The use of alternative fuels for energy purposes	755	666	06.12.2021 23.05.2022	44,4 177,6 +44,4	0	0
8.	Support for the use of storages and other devices for network stabilization - a scheme for DSOs	400	222,22	06.12.2021	44,44	0	0
9.	Energy-intensive Industry – RES	173	144	23.05.2022	11,11	0	0
10.	Energy-intensive Industry – improving energy efficiency	93,35	77,79	23.05.2022	11,11	0	0
11.	Energy for the Rural Areas	222,22	209,9	12.12.2022	20,99	0	0
12.	Cogeneration for counties	222,22	222,22	12.12.2022	22,2	0	0
13.	Development of cogeneration based on municipal biogas	333	333	12.12.2022	44,44	0	0



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<b>TOTAL</b>		<b>4194,56</b>	<b>3565,9</b>	<b>n/a</b>	<b>834,03</b>	<b>0</b>	<b>0</b>
<b>non-priority area</b>							
1.	My heat	444,4	133,3	06.12.2021 12.12.2022	22,2 111,11	0	0
2.	RES - heat sources for district heating	635	444,44	12.12.2022	22,22	0	0
<b>TOTAL</b>		<b>1079,4</b>	<b>577,74</b>	<b>n/a</b>	<b>155,55</b>	<b>0</b>	<b>0</b>

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Tab. 5 - List of planned results of the Scheme implementation (priority programmes) **by area.**

No.	Scheme - Programme name	Planned energy savings (GJ/year)	Expected cumulative energy savings until the end of the life of the project (GJ)*	Planned reduction of gas emissions greenhouse (MgCO <sub>2</sub> /rok)	Expected cumulative reduction in CO <sub>2</sub> emissions over the lifetime of the project (MgCO <sub>2</sub> )*	Additional installed capacity for the production of energy from renewable sources (MW)	Achieved leverage of funds (total amount invested in relation to the contribution from the Modernisation Fund)	Other
<b>priority area</b>								
1.	Renovation with a guarantee of savings	Reduction of final energy consumption: 500,000 Reduction in primary energy consumption: 550,000	2 750 000	45 000	225 000	n/a	0	Number of buildings covered by thermal modernization: <b>50 pcs.</b>  Expected scenario as indicated in the table.
2.	Smart energy infrastructure	4 371 619	21 858 095	306 823	1 534 115	n/a	0	Number of meters to be installed: <b>3.8 million pcs.</b>
3.	Development of the power grid for future electric car charging stations	49 077	245 385	3 443	17 215	n/a	0	Length of the electricity distribution network : <b>4000 km</b> Number of transformer and distribution stations: <b>800 pcs.</b> Reduction of dust emission with a diameter of less than 10 micrometres (PM10) : <b>0.141 Mg/year</b> Reduction of nitrogen oxide emissions: at least <b>2,762 Mg/year.</b>
4.	Cogeneration for Energy and Industry	Reduction of primary energy consumption: 10,000,000	50 000 000	4 000 000	20 000 000	Additional electricity and heat generation capacity under high-efficiency cogeneration conditions: 1,000	0	Number of installations for generating energy in high-efficiency cogeneration: <b>20.</b>

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5.	Cogeneration for District Heating	Reduction of primary energy consumption: 15,000,000	75 000 000	6 000 000	30 000 000	Additional electricity and heat generation capacity under high-efficiency cogeneration conditions: 1,500	0	Number of installations for generating energy in high-efficiency cogeneration: <b>15 pcs.</b>
6.	Digitization of heating networks	Reduction of primary energy consumption: 300,000	1 500 000	37 000	185 000	n/a	0	Number of modernized heat nodes: <b>5,000 pcs.</b>
7.	The use of alternative fuels for energy purposes	0	0	73 152	365 760	Additional electricity and heat generation capacity under high-efficiency cogeneration conditions: 150	0	The number of installations for generating energy in high-efficiency cogeneration is at least: <b>8 pcs.</b>
8.	Support for the use of storages and other devices for network stabilization - a scheme for DSOs	0	0	0	0	n/a	0	Electricity storage capacity: <b>262 MWh</b> <i>Methodology for calculating the ecological effect indicator in the procedure.</i>
9.	Energy-intensive Industry – RES	0	0	95 000	475 000	85	0	Amount of energy generated from renewable sources - the planned value of the target achievement indicator is: <b>at least 130,000 MWh/year</b> Additional capacity to generate electricity from renewable sources - the planned value of the target achievement indicator is: <b>at least 85 MWe.</b>
10.	Energy-intensive Industry – improving energy efficiency	450 000	2 250 000	80 000	400 000	n/a	0	Number of enterprises receiving support - the planned value of the target achievement indicator is at least: <b>20.</b>
11.	Energy for the Rural Areas	0	0	340 000	1 700 000	110	0	Amount of energy generated from renewable sources - the planned value of the target achievement indicator is at least: <b>570,000 MWh/year</b>

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12.	Cogeneration for counties	2 000 000	10 000 000	600 000	3 000 000	n/a	0	Additional capacity to generate electricity and heat in conditions of high-efficiency cogeneration - <b>200 MW</b> Number of energy generation installations in high-efficiency cogeneration - <b>50 pcs.</b>
13.	Development of cogeneration based on municipal biogas	0	0	53 540	267 700	15	0	Additional capacity to generate electricity and heat in conditions of high-efficiency cogeneration - <b>15 MW</b> Number of energy generation installations in high-efficiency cogeneration - <b>15 pcs.</b> The mass of recycled waste – <b>225,000 Mg/year</b> Reduction of the mass of landfilled waste – <b>200,000 Mg/year</b>
<b>No.</b>	<b>non-priority area</b>							
1.	My heat	143 000	12 805 000	65 000	325 000	Additional power generation capacity with renewable sources: <b>450.</b>	0	Purchase and installation of: <b>57,000 pcs .</b>
2.	RES - heat sources for district heating	Reduction of primary energy consumption: 4 891 640	24 458 200	960 000	4 800 000	700	0	Number of energy generation installations - <b>40 pcs.</b> The amount of heat produced from renewable sources - <b>9,000,000 GJ/year</b>

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**2.6. When the investment aims at implementation of a territorial just transition plan, information about the expected contribution of the investment to that plan.**

The objective of the Just Transition Mechanism is, inter alia, supporting and promoting investments related to the implementation of technologies and infrastructure ensuring affordable clean energy, with the reduction of greenhouse gas emissions, energy efficiency and production of energy from renewable sources. The schemes approved by EBI, EC, and Investment Committee are in line with the above objectives and will contribute to the creation of new jobs, development of companies in the construction industry, improvement of the technical condition of industrial and energy infrastructure as well as reduction of their energy consumption and emission intensity.

Currently, the arrangements for the National Just Transition Plan are still pending, but the above-described fulfilment of the Just Transition Fund's objectives allows for the conclusion that the schemes will be coherent and with the National Just Transition Plan and support projects in this area in complementary way.

**3. Additional information on projects other than the priority programmes.**

Not applicable.

**4. Additional information on projects (priority programmes) in non-priority areas**

4.1 Proof of co-financing from private sources

In accordance with the assumptions of the My heat priority programme, co-financing in the form of a subsidy is expected at the level of up to 30% or up to 45% of eligible costs, not more than PLN 21,000. PLN for one co-financed project. The amount of co-financing will depend on the type of heat pump installed. The remaining part of the investment costs will be covered from the Beneficiary's own funds.

**Description of the schemes supported by the Modernisation Fund**

1. Renovation with a guarantee of savings.

Total investment cost of the scheme – 100 million EUR (without VAT)

Total budget of the scheme – 25 million EUR

Support program to be implemented in the years 2021-2026.

The main objective of the program is to improve air quality and reduce greenhouse gas emissions through optimized investments in improving the energy efficiency of multi-family residential buildings and public utility buildings, which will be implemented on the basis of an energy efficiency improvement contract (EPC).

In particular, the Program will contribute to:

- improvement of the energy performance of buildings,
- increasing the standard of building use without the need for their owners to incur additional costs,
- promoting activities to improve the energy efficiency of buildings implemented in the ESCO formula,
- stimulating the development of the ESCO enterprise market,
- promoting the so-called deep thermo-modernization.

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In scope of the programme, support will be provided for modernization works of multi-family residential buildings and public utility buildings enabling the reduction of energy consumption by at least 30% compared to the existing state, including in particular:

- works improving the insulation of external partitions, including replacement of window and door woodwork,
- installation works to improve the operation of the ventilation system,
- installation works in the field of central heating and hot water, including modernization/replacement/assembly of the heat source,
- installation of the Energy Management System,
- installation works in the field of modernization of lighting,
- purchase and installation of cooperating renewable energy sources.

Cost eligibility period from July 1, 2021 to December 31, 2025.

Forms of co-financing - subsidy.

**Implementation status:** Support area positively assessed by the EIB. The program was agreed with the Ministry of Climate and Environment, the Consultative Council, and adopted by the Management Board of the National Fund for Environmental Protection and Water Management and the Supervisory Board of the National Fund for Environmental Protection and Water Management.

**1. Information about announced/ongoing calls for proposals:** Pilot project: Call for project fiches completed. Call for applications for co-financing in progress (in the period from December 13, 2021 to February 28, 2023 or until the allocation of funds is exhausted).

**2. Information on submitted applications (number, co-financing amount, total cost):** Within the call for proposals, 9 preliminary applications (fiches) were submitted for the total amount of PLN 6.97 million, of which 7 fiches were positively assessed for the total amount of co-financing of PLN 6.76 million. No application for funding has been submitted so far.

**3. Information on concluded agreements (number, co-financing amount, total cost, planned effects):** No co-financing agreement has been concluded so far. Applicants are in the process of working arrangements with contractors with the participation of KAPE S.A. energy advisors.

**4. Information on completed contracts (number, co-financing amount, total cost, planned effects):** no completed contracts.

Currently, it is planned to introduce changes to the priority programme, the aim of which is to increase interest in the programme. The second call for proposals is planned at the turn of Q2-Q3 2023.

2. Smart energy infrastructure (AMI).

Total investment cost of the scheme – 304 million EUR (without VAT)

Total budget of the scheme – 222 million EUR

Support program to be implemented in the years 2021-2025.

The aim of the program is to develop smart energy infrastructure by disseminating the so-called smart meters (AMI). Support under the Modernization Fund will also contribute to the implementation of specific objectives set out in the National Plan for energy and climate.

In particular, the Program will contribute to:

- improvement of demand management on the electricity market through the possibility of managing electricity consumption by controlling the installation,
- reducing the demand for peak power in the long term, including through the introduction of dynamic tariffs,
- promoting energy efficiency and end-user empowerment,
- correctness and flexibility of invoicing without forecasting assumptions,

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- reduction of commercial and technical losses and reduction of the balance difference.

In scope of the programme, support will be allocated to the following types of projects:

- purchase of remote reading meters,
- investments related to adapting the energy infrastructure and telecommunications infrastructure,
- software costs (including measurement systems, remote reading systems),
- costs of IT infrastructure: arrays, servers.

Cost eligibility period from 01/01/2021 to 31/12/2025.

Forms of co-financing - subsidy.

**Implementation status:** Support area positively assessed by the EIB. The program agreed with the Ministry of Climate and Environment, the Consultative Council, and adopted by the Management Board of the National Fund for Environmental Protection and Water Management and the Supervisory Board of the National Fund for Environmental Protection and Water Management.

**1. Information about announced/ongoing calls for proposals:** The first call for proposals on a continuous basis has been completed (from July 15, 2022 to September 16, 2022).

**2. Information on submitted applications (number, co-financing amount, total cost):** Within the call for proposals, 6 applications for co-financing were submitted for a total amount of approximately PLN 376 million. The applications are currently under evaluation.

**3. Information on concluded agreements (number, co-financing amount, total cost, planned effects):** No co-financing agreement has been concluded so far.

**4. Information on completed contracts (number, co-financing amount, total cost, planned effects):** no completed contracts

3. Development of the power grid for future electric car charging stations

Total investment cost of the scheme – 370 million EUR (without VAT)

Total budget of the scheme – 222 million EUR

Support program to be implemented in the years 2021-2026.

The support will be directed to projects concerning the extension or modernization of the power distribution network, resulting in an increase in the capacity of the power infrastructure for the needs of the development of the charging infrastructure for electric vehicles.

The development of the EV fleet towards the implementation of the climate and energy goals for 2030 set out in the program documents (14% share of RES in transport) forces not only the need to expand the charging infrastructure for electric vehicles, but also the need to modernize the National Power Grid.

The program will contribute to:

- implementation of the V2G (Vehicle to Grid) idea, which is perceived as one of the key elements of the functioning of the future power system,
- cost-effectively and functionally integrate the behavior and activities of all connected users,
- ensuring an efficient and economically sustainable energy system with low losses and a high level of quality and security of electricity supply,
- improving the security of supplies, e.g. thanks to interoperability, appropriate connections and safe and reliable operation of the system, striving to minimize grid failures and reduce grid losses,
- the ability to reduce unscheduled flows of power grid loads,
- increasing the reliability of power supply to large reception centres,
- improving the efficiency of electricity use,
- creating a platform for further development of the network (potential directions of development), for striving towards the ability of the network to reconfigure and self-repair,

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- support for the development of electromobility through the development of charging infrastructure,
- optimization of MV and LV network cabling to minimize the negative impact of overhead networks on the environment and ecosystem.

Under the programme, support will be allocated to the following types of projects:

- construction of new/expansion/modernization of transformer and distribution stations (power substations) at all voltage levels;
- expansion/modernization of switchgear bays or improvement of the supervision and control system (including monitoring) of these transformer and distribution stations;
- construction/reconstruction of HV, MV, LV power lines;
- increasing the degree of network automation, development of measurement systems, communication systems and IT systems enabling or improving the conditions for monitoring and visualizing the network operation in order to adapt it to the increased saturation with distributed generation sources and electric vehicle charging stations.

Cost eligibility period from 01/01/2021 to 31/12/2026.

Forms of co-financing - subsidy.

**Implementation status:** Support area positively assessed by the EIB. The program agreed with the Ministry of Climate and Environment, the Consultative Council, and adopted by the Management Board of the National Fund for Environmental Protection and Water Management and the Supervisory Board of the National Fund for Environmental Protection and Water Management.

**1. Information about announced/ongoing calls for proposals:** The first call for proposals has been completed. The second call for proposals is currently underway.

**2. Information on submitted applications (number, co-financing amount, total cost):** Agreed co-financing conditions for 5 applications with a total co-financing amount of PLN 98.6 million. All applications were approved by the Management Board and the Supervisory Board of the National Fund for Environmental Protection and Water Management regarding the granting of funding. (Co-financing agreements in progress).

**3. Information on concluded contracts (number, amount of co-financing, total cost, planned effects):** Two co-financing agreements were concluded:

- on December 28, 2022 with Tauron Dystrybucja for a subsidy of over PLN 15.4 million. The total cost of the task is PLN 25.8 million. The effects planned to be achieved are:

- Number of new/extended/modernized transformer and distribution stations (power stations) - 5
- energy savings - 1020.85 [MWh/year];
- reduction of greenhouse gas emissions in Mg/year CO<sub>2</sub> – 773.8 [Mg/year];
- reduction of nitrogen oxide emissions - 0.62 [Mg/year];
- reduction of dust emissions with a diameter of less than 10 micrometers (PM<sub>10</sub>) - 0.03 [Mg/year];

- on December 28, 2022 with PGE Dystrybucja S.A. for the grant amount of over PLN 27.5 million. The total cost of the task is PLN 47.6 million. The effects planned to be achieved are:

- number of new/extended/modernized transformer and distribution stations (power stations) - 1 item
- energy savings - 173,448 [MWh/year];
- reduction of greenhouse gas emissions in Mg/year CO<sub>2</sub> - 131.47 [Mg/year];
- reduction of nitrogen oxide emissions - 0.1 [Mg/year]
- reduction of dust emissions with a diameter of less than 10 micrometers (PM<sub>10</sub>) - 0.005 [Mg/year]

**4. Information on completed contracts (number, co-financing amount, total cost, planned effects):** no completed contracts.

The second call for proposals is currently underway. Applications for co-financing in the form of subsidies submitted on a continuous basis in the period from December 12, 2022 to April 30, 2023, but not longer than until the allocation funds are exhausted.



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4. Cogeneration for Energy and Industry

Total investment cost of the scheme – 444 million EUR (without VAT)

Total budget of the scheme – 444 million EUR

Support program to be implemented in the years 2021-2030.

The aim of the program is to promote the use of high-efficiency cogeneration for industry.

Types of investments:

- a) investments related to the construction and/or reconstruction of generating units with a total installed capacity of not less than 10 MW, operating in conditions of high-efficiency cogeneration (excluding energy generated in a coal-fired cogeneration unit) and connecting them to the transmission grid, in which energy production used:
  - waste heat,
  - energy from renewable sources,
  - gaseous fuels, gas mixtures, synthetic gas or hydrogen.
- b) the supplementary element of the investment in point 1) may be:
  - a connection to the network belonging to the project beneficiary (energy producer);
  - energy storage - the condition for granting support for the energy storage is its integration with the generation unit, which will be implemented in parallel as part of the project.

The co-financing is eligible for installations from which no more than 30% of the usable heat generated in a cogeneration unit will be fed into the public heating network. Also excluded from the support are installations co-combusting solid fossil fuels with other fuels (e.g. biomass) in multi-fuel combustion installations and dedicated multi-fuel combustion installations.

The beneficiaries of the program will be Entrepreneurs within the meaning of the Act of 6 March 2018, the Entrepreneurs' Law, conducting business activity in the field of energy generation, with an installed thermal and/or electric capacity of energy sources of at least 50 MW.

**Implementation status:** Support area positively assessed by the EIB. The program agreed with the Ministry of Climate and Environment, the Consultative Council, and adopted by the Management Board of the National Fund for Environmental Protection and Water Management and the Supervisory Board of the National Fund for Environmental Protection and Water Management.

**1. Information about announced/ongoing calls for proposals:** The first call for proposals has been announced. Applications for co-financing could be submitted between 01/06/2022 and 16/12/2022 or until the allocation of funds is exhausted.

**2. Information on submitted applications (number, amount of co-financing, total cost):** 4 applications for co-financing were submitted for the total amount of co-financing (grant/loan over PLN 131.6 million, processed, under evaluation)

**3. Information on concluded agreements (number, co-financing amount, total cost, planned effects):** No co-financing agreement was concluded.

**4. Information on completed contracts (number, co-financing amount, total cost, planned effects):** no completed contracts.

Currently, there are plans to change the priority program in order to increase potential beneficiary interest in the programme.

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5. Cogeneration for District Heating.

Total investment cost of the scheme – 666,66 million EUR (without VAT)

Total budget of the scheme – 666,66 million EUR

Support program to be implemented in the years 2021-2030.

The main objective of the program is to promote the use of high-efficiency cogeneration in the heating sector.

- a) The financial support covered investments related to the construction and/or reconstruction of generating units with a total installed capacity of not less than 10 MW, operating in conditions of high-efficiency cogeneration (excluding energy generated in a coal-fired cogeneration unit), along with connecting them to the transmission network, in which energy is used:
  - waste heat,
  - energy from renewable sources,
  - gaseous fuels, gas mixtures, synthetic gas or hydrogen.
- b) An element of the investment may include, among others:
  - a connection to the public heating network belonging to the project beneficiary (energy producer);
  - heat storage - the condition for granting support for a heat storage is its integration with the source. referred to in a).

The following installations are excluded from support:

- co-combustion of solid fossil fuels with other fuels (e.g. biomass) in multi-fuel combustion installations as well as dedicated multi-fuel combustion;
- thermal treatment of waste or other alternative fuels produced from municipal waste.

Installations are eligible for co-financing, from which at least 70% of the usable heat generated in a cogeneration unit in a calendar year will be introduced to the public heating network.

The beneficiaries of the program will be Entrepreneurs within the meaning of the Act of 6 March 2018, the Entrepreneurs' Law, conducting business activity in the field of energy generation, with an installed thermal and/or electrical capacity of energy sources of at least 50 MW, implementing a project as part of a heating system, with the ordered capacity capacity, as at the date of submission of the application, not less than 50 MW.

**Implementation status:** Support area positively assessed by the EIB. The program agreed with the Ministry of Climate and Environment, the Consultative Council, and adopted by the Management Board of the National Fund for Environmental Protection and Water Management and the Supervisory Board of the National Fund for Environmental Protection and Water Management.

**1. Information about announced/ongoing calls for proposals:** The first call for proposals has been announced. Applications for co-financing may be submitted between September 20, 2022 and December 15, 2023 or until the allocation of funds is exhausted.

**2. Information on submitted applications (number, co-financing amount, total cost):** Applicants have not submitted any applications for co-financing so far. Changes to the priority program are currently planned in order to increase interest in the programme.

**3. Information on concluded agreements (number, co-financing amount, total cost, planned effects):** No co-financing agreement was concluded.

**4. Information on completed contracts (number, co-financing amount, total cost, planned effects):** no completed contracts.

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6. Digitization of heating networks.

Total investment cost of the scheme – 111,11 million EUR (without VAT)

Total budget of the scheme – 111,11 million EUR

Support program to be implemented in the years 2021-2030.

Program objective: Supporting investments related to the modernization of energy systems and improvement of the state's energy efficiency.

Types of investments covered by support:

1. Construction and/or reconstruction of automation, telemetry and telemechanics systems involving the implementation of modern IT/OT tools and solutions for, among others, for supervision, control, monitoring and analysis of qualitative and quantitative parameters of the heating system operation and heat/cold transmission, as well as failure location.
2. RES installations generating energy solely for the needs of devices related to the telemetry and telemechanics system, where an energy storage facility may be an element of the RES installation, provided that it is integrated with the RES source.
3. Projects for the use of waste heat from the control room operating for the purposes of managing the heating network. Co-financing is possible provided that the installation will operate in conditions of high-efficiency cogeneration. An element of the project may be a connection to the distribution network.

The program is dedicated to energy companies within the meaning of the Act of 10 April 1997 - Energy Law conducting licensed business activity in the field of heat transmission and distribution.

**Implementation status:** Support area positively assessed by the EIB. The program agreed with the Ministry of Climate and Environment, the Consultative Council, and adopted by the Management Board of the National Fund for Environmental Protection and Water Management.

**1. Information on announced/ongoing calls for proposals:** Until January 20, 2023, consultations on the competition documentation were carried out. Recruitment announcement planned for February 2023.

**2. Information on submitted applications (number, co-financing amount, total cost):** Applicants have not submitted any applications for co-financing so far.

**3. Information on concluded agreements (number, co-financing amount, total cost, planned effects):** No co-financing agreement was concluded.

**4. Information on completed contracts (number, co-financing amount, total cost, planned effects):** no completed contracts.

7. The use of alternative fuels for energy purposes.

Total investment cost of the scheme – 755 million EUR (without VAT)

Total budget of the scheme – 666 million EUR

Support program to be implemented in the years 2021-2030.

The use of alternative fuels is an important element of the implementation of the principle of sustainable development of the country, as it increases the share of renewable energy sources in the fuel and energy balance. Combustion of these fuels makes it possible to achieve the goals set in the ecological policies of countries in the field of reducing emissions of pollutants affecting climate change and increases the ecological security of the country by decentralizing energy production, diversifying energy sources, using local energy resources, as well as reducing environmental damage related to the extraction and combustion of fossil fuels. The use of alternative fuels saves natural resources, allows the member states to comply with EU law on reducing the amount of landfilled waste and achieve the assumed share of energy from renewable sources.

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Selected industrial and municipal waste is a potential source of energy resources that can be used directly or after initial processing. The development of alternative fuel production technologies allows for the production of high-quality fuels that can be co-combusted in existing production and district heating systems.

The projects covered by the support include the construction of new, extension or modernization of existing installations for the thermal treatment of waste or other alternative fuels produced from municipal waste with the generation of energy in high-efficiency cogeneration.

The beneficiaries of the program may be Entrepreneurs within the meaning of the Act of March 6, 2018. Law of entrepreneurs conducting business activity.

Support for the development of investments in the field of energy generation in the conditions of high-efficiency cogeneration from the installation of thermal conversion of alternative fuels was included, among others, in Poland's energy policy until 2040 in the field of development of system heating, which is an element of the second pillar of PEP, i.e. a zero-emission energy system. The preparation of both documents was preceded by analytical and forecasting work, the purpose of which was to determine the future state of the sector for the conditions defined by economic, environmental and resource constraints, taking into account the planned policies.

**Implementation status:** Support area positively assessed by the EIB. The program agreed with the Ministry of Climate and Environment, the Consultative Council, and adopted by the Management Board of the National Fund for Environmental Protection and Water Management and the Supervisory Board of the National Fund for Environmental Protection and Water Management.

**1. Information about announced/ongoing calls for proposals:** Announced call for applications for co-financing (on a continuous basis) from 06/12/2021 to 30/12/2022.

**2. Information on submitted applications (number, co-financing amount, total cost):** Within the completed call for proposals, 78 applications for co-financing of 39 investments were submitted (separate applications for a grant and a loan). The value of the support requested in the form of a subsidy is over PLN 3,035 million, and in the form of a loan, over PLN 7,192 million. A great deal of interest in the program has been observed.

**3. Information on concluded agreements (number, co-financing amount, total cost, planned effects):** By December 27, 2022, 8 co-financing agreements were concluded for a total grant amount of over PLN 244.5 million and a total loan amount of over PLN 301.3 million. The effects planned to be achieved are: number of energy generation installations in high-efficiency cogeneration 4 [pcs.]; additional capacity to generate electricity and heat in conditions of high-efficiency cogeneration - 34 MW; efficiency of waste recovery or disposal installations 95,130 [Mg/year]; expected cumulative energy savings by the end of the investment lifetime – 847,457 [MWh]; expected cumulative savings in carbon dioxide emissions by the end of the investment lifetime – 186,495 [Mg] CO<sub>2</sub>.

**4. Information on completed contracts (number, co-financing amount, total cost, planned effects):** no completed contracts.

8. Support for the use of storages and other devices for network stabilization - a scheme for DSOs.

Total investment cost of the scheme – 400 million EUR (without VAT)

Total budget of the scheme – 222,22 million EUR

Support program to be implemented in the years 2021-2026.

The aim of the program is to support activities aimed at improving the quality parameters of electricity in the distribution and transmission grid, e.g. by limiting the negative impact on the network of the

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dynamic development of renewable energy sources and vehicle charging points. In addition, the implementation of the program will contribute to the optimization of investment plans related to the need to extend the scope of modernization of distribution networks in order to stabilize the parameters of electricity supply, increase the available local connection capacities, and above all improve the reliability of power supply and security of energy supply to consumers, e.g. in low voltage circuits or specific medium-voltage lines with existing or planned renewable energy sources, where such challenges already exist or will occur.

The types of projects covered by support include:

1. Preparation and adaptation of the distribution network to new working conditions (e.g. comprehensive modernization of substations and/or high/medium/low-voltage switchgears, etc.);
2. Construction of a storage system as an integrated element of the distribution network (e.g. battery containers, inverters, transformers, assembly of battery modules, supporting systems) along with tests and acceptance of storage facilities;
3. Building connections with the network and DSO systems;
4. Warehouse configuration and adaptation (BMS, EMS, mapping in monitoring systems, creating remote access to devices and/or data, etc.),

whereas the ranges referred to in point 2 and 3 are obligatory, while the scopes referred to in point 1 and 4 are optional.

The beneficiaries of the program Support for the use of storages and other devices for network stabilization are Distribution System Operators (DSOs).

**Implementation status:** Draft program adopted by the Management Board of the National Fund for Environmental Protection and Water Management, agreed with the Ministry of Climate and Environment and the Consultative Council. Support area approved by the EIB.

**1. Information about announced/ongoing calls for proposals:** So far, no calls for proposals have been announced. Planned call for applications for co-financing - Q1 2023

**2. Information on submitted applications (number, co-financing amount, total cost):** No applications submitted.

**3. Information on concluded contracts (number, co-financing amount, total cost, planned effects):** No concluded contracts.

**4. Information on completed contracts (number, co-financing amount, total cost, planned effects):** No completed contracts.

9. Energy-intensive Industry – RES.

Total investment cost of the scheme – 173 million EUR (without VAT)

Total budget of the scheme – 144 million EUR

Support program to be implemented in the years 2021-2030.

The aim of the program is to reduce the emissivity of energy-intensive sectors of Polish industry by increasing the production of electricity from renewable energy sources.

Types of investments covered by support:

1. Investments related to the construction or reconstruction of electricity generation units from renewable energy sources together with an energy storage or connecting them to the company and/or distribution/transmission grid.
2. The condition for granting support for the energy storage is its integration with the energy source, which will be implemented in parallel as part of the investment.

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3. The condition for granting the co-financing is the use of at least 80% of the generated energy for own purposes.
4. As part of the investment, it is allowed to use only new devices, manufactured not earlier than 48 months before installation.

The beneficiaries of the program will be entrepreneurs within the meaning of the Act of 6 March 2018 Entrepreneurs' Law holding a legal title to the installation covered by the greenhouse gas emission allowance trading scheme within the meaning of the Act of June 12, 2015 on the greenhouse gas emission allowance trading system (Journal of Laws of 2022, item 1092, as amended), resulting from ownership, perpetual usufruct or permanent management, who have not been put into liquidation or against whom no bankruptcy proceedings are pending.

**Implementation status:** Support area positively assessed by the EIB. The program agreed with the Ministry of Climate and Environment, the Consultative Council, and adopted by the Management Board of the National Fund for Environmental Protection and Water Management and the Supervisory Board of the National Fund for Environmental Protection and Water Management.

**1. Information about announced/ongoing calls for proposals:** In November 2022, the first call for proposals was announced. Applications should be submitted from November 25, 2022 to April 30, 2023 or until the allocation of funds is exhausted.

**2. Information on submitted applications (number, co-financing amount, total cost):** No applications submitted.

**3. Information on concluded contracts (number, co-financing amount, total cost, planned effects):** No concluded contracts.

**4. Information on completed contracts (number, co-financing amount, total cost, planned effects):** No completed contracts.

10. Energy-intensive Industry – improving energy efficiency.

Total investment cost of the scheme – 93,35 million EUR (without VAT)

Total budget of the scheme – 77,79 million EUR

Support program to be implemented in the years 2021-2030.

The aim of the program is to improve energy efficiency in the energy-intensive industry covered by the EU Emissions Trading Scheme (EU ETS).

Financial support was provided for investments to improve energy efficiency in accordance with the "Announcement of the Minister of Climate and Environment of December 22, 2021 on a detailed list of investments to improve energy efficiency", excluding thermomodernization and renovation investments within the meaning of the Act of November 21, 2008 on supporting thermal modernization and renovations and excluding point 3 sub-point 5 and 6 of the attachment to the above announcements.

Co-financing under the priority program includes primarily investments consisting in:

- construction of an installation for the recovery of technological heat and its use in the technological process;
- increasing energy efficiency, as a result of which there is a reduction in the consumption of electricity taken from the NPS network, including the construction of IT systems for supervising consumption, production and storage of energy with the function of optimizing management.

Qualification to this scope is possible after meeting all of the following conditions:

1. submitting an application to the program is conditioned by an earlier energy audit;
2. the investment covered by the co-financing must result from the recommendation of the energy audit (verified by the National Fund for Environmental Protection and Water Management at the

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stage of evaluating applications for co-financing, and the final energy savings must not be lower than 10%).

The program is addressed to entrepreneurs within the meaning of the Act of March 6, 2018 Entrepreneurs' Law holding a legal title to an installation covered by the greenhouse gas emission allowance trading scheme within the meaning of Act of June 12, 2015 on the greenhouse gas emission allowance trading system resulting from ownership, perpetual usufruct or permanent management, who have not been put into liquidation or against whom no bankruptcy proceedings are pending.

**Implementation status:** Support area positively assessed by the EIB. The program agreed with the Ministry of Climate and Environment, the Consultative Council, and adopted by the Management Board of the National Fund for Environmental Protection and Water Management and the Supervisory Board of the National Fund for Environmental Protection and Water Management.

**1. Information about announced/ongoing calls for proposals:** In November 2022, the first call for proposals was announced. Applications will be submitted from November 25, 2022 to April 30, 2023 or until the allocation of funds is exhausted.

**2. Information on submitted applications (number, co-financing amount, total cost):** No applications submitted.

**3. Information on concluded contracts (number, co-financing amount, total cost, planned effects):** No concluded contracts.

**4. Information on completed contracts (number, co-financing amount, total cost, planned effects):** No completed contracts.

11. Energy for the Rural Areas.

Total investment cost of the scheme – 258,2 million EUR (without VAT)

Total budget of the scheme – 209,9 million EUR

Support program to be implemented in the years 2022-2030.

The aim of the program is to increase the use of renewable energy sources in rural and rural-urban communes.

Types of investments covered by support:

1. In the case of investments carried out by a farmer, construction of one of the following renewable energy source installations with an electrical capacity of more than 50 kW and not more than 1 MW:

- photovoltaic installations (excluding investments on agricultural land constituting class I-IV agricultural land - within the meaning of the regulations issued on the basis of Article 26 paragraph 1 of the Act of May 17, 1989 - Geodetic and cartographic law (i.e. Journal of Laws 2021 item 190, as amended)),
- wind installations (excluding investments on agricultural land constituting class I-IV agricultural land - within the meaning of the provisions issued on the basis of Article 26(1) of the Act of May 17, 1989 - Geodetic and cartographic law (i.e. Journal of Laws 2021 item 190, as amended)).

2. In the case of investments carried out by a farmer, the construction of one of the following renewable energy source installations with an electric power of more than 10 kW and not more than 1 MW:

- hydro power plants,
- installations for generating energy from agricultural biogas in the conditions of high-efficiency cogeneration with an electric power of more than 10 kW, not more than 1 MW, and a thermal power of more than 30 kW and not more than 3 MW.

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3. In the case of investments carried out by an energy cooperative or its member or an emerging energy cooperative, construction of one of the following renewable energy source installations with an electrical capacity above 10 kW and not more than 10 MW:

- photovoltaic installations (excluding investments on agricultural land constituting class I-IV agricultural land - within the meaning of the regulations issued on the basis of Article 26(1) of the Act of May 17, 1989 - Geodetic and cartographic law),
- wind installations (excluding investments on agricultural land constituting class I-IV agricultural land - within the meaning of the regulations issued on the basis of Article 26(1) of the Act of May 17, 1989 - Geodetic and cartographic law),
- hydro power plants,
- installations for generating energy from biogas or agricultural biogas in the conditions of high-efficiency cogeneration with an electric power of more than 10 kW, not more than 10 MW, and a thermal power of more than 30 kW and not more than 30 MW.

4. Energy storage, provided that it is integrated with the source implemented as part of the investment indicated in 1) or 2) or 3).

Program beneficiaries:

1. an energy cooperative or its member, within the meaning of the Act of February 20, 2015 on renewable energy sources (Journal of Laws of 2022, item 1378, as amended),
2. an emerging energy cooperative - a cooperative within the meaning of the Act of 16 September 1982 - Cooperative Law (Journal of Laws of 2021, item 648, as amended) or a farmers' cooperative within the meaning of the Act of 4 October 2018 on farmers' cooperatives (Journal of Laws, item 2073), the subject of which is the production of electricity or biogas or heat in renewable energy source installations and balancing the demand for electricity or biogas or heat, solely for the energy cooperative's own needs and its members, which intends to apply for inclusion of its data as an energy cooperative in the list referred to in Art. 38f sec. 2 of the Act of February 20, 2015 on renewable energy sources (Journal of Laws of 2022, item 1378, as amended),
3. Farmer, a natural person, an organizational unit without legal personality and a legal person who, as part of agricultural activity led for at least 12 months, conducts:
  - a farm within the meaning of the agricultural tax regulations, located within a homestead development within the meaning of the regulations on the protection of agricultural and forest land, or
  - special department of agricultural production.

In the case of a natural person, when the RES installation will be used to conduct business activity in the field of energy production from renewable energy sources, the beneficiary of the program may be a farmer with a given activity registered.

**Implementation status:** Support area positively assessed by the EIB. The program agreed with the Ministry of Climate and Environment, the Consultative Council, and adopted by the Management Board of the National Fund for Environmental Protection and Water Management and the Supervisory Board of the National Fund for Environmental Protection and Water Management.

**1. Information about announced/ongoing calls for proposals:** The call for proposals started on January 25, 2023 and will last until December 15, 2023 or until the provided pool of funds is exhausted.

**2. Information on submitted applications (number, co-financing amount, total cost):** No applications submitted.

**3. Information on concluded contracts (number, co-financing amount, total cost, planned effects):** No concluded contracts.

**4. Information on completed contracts (number, co-financing amount, total cost, planned effects):** No completed contracts.



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12. Cogeneration for counties.

Total investment cost of the scheme – 222,2 million EUR (without VAT)

Total budget of the scheme – 222,2 million EUR

Support program to be implemented in the years 2022-2030.

The aim of the program is to promote the use of high-efficiency cogeneration in the heating sector. Types of investments covered by support:

1. Investments related to the construction and/or reconstruction of generating units with a total installed capacity of not less than 1 MW, operating in conditions of high-efficiency cogeneration (excluding energy generated in a coal-fired cogeneration unit) and connecting them to the grid in which energy is produced by using :

- waste heat,
- energy from renewable sources,
- gaseous fuels, gas mixtures, synthetic gas or hydrogen.

2. An element of the investment may include, among others:

- connection to the public heating network belonging to the project beneficiary (energy producer);
- connection to the power grid;
- gas connection;
- energy storage
- the condition for granting support for the energy storage is its integration with the source referred to in point 1.

The following installations are excluded from support:

- co-combustion of solid fossil fuels with other fuels (e.g. biomass) in multi-fuel combustion installations as well as dedicated multi-fuel combustion;
- thermal treatment of waste or other alternative fuels produced from municipal waste.

Installations are eligible for co-financing, from which at least 70% of the usable heat generated in a cogeneration unit in a calendar year will be leaded off to the public heating network.

Beneficiaries: entrepreneurs within the meaning of the Act of 6 March 2018 Entrepreneurs' Law (Journal of Laws of 2021, item 162, as amended) conducting business activity in the field of heat generation or heat and electricity generation, implementing the project as part of a district heating system, with the ordered thermal power, as at the date of submission of the application, below 50 MW.

**Implementation status:** Support area positively assessed by the EIB. The program agreed with the Ministry of Climate and Environment, the Consultative Council, and adopted by the Management Board of the National Fund for Environmental Protection and Water Management and the Supervisory Board of the National Fund for Environmental Protection and Water Management.

**1. Information about announced/ongoing calls for proposals:** In December 2022, the first call for proposals was announced. Applications will be submitted from December 15, 2022 to December 20, 2023 or until the allocation of funds is exhausted.

**2. Information on submitted applications (number, co-financing amount, total cost):** No applications submitted.

**3. Information on concluded contracts (number, co-financing amount, total cost, planned effects):** No concluded contracts.

**4. Information on completed contracts (number, co-financing amount, total cost, planned effects):** No completed contracts.

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13. Development of cogeneration based on municipal biogas.

Total investment cost of the scheme – 333 million EUR (without VAT)

Total budget of the scheme – 333 million EUR

Support program to be implemented in the years 2022-2030.

The main objective of the program is to promote energy production in conditions of high-efficiency cogeneration with the use of municipal biogas.

Support granted under the program will be allocated to the construction of new, extension or modernization of existing installations for the fermentation of selectively collected municipal bio-waste and the use of the obtained biogas to generate energy in high-efficiency cogeneration.

Program beneficiaries: Entrepreneurs within the meaning of the Act of 6 March 2018 Entrepreneurs' Law (i.e. Journal of Laws of 2021, item 162, as amended).

**Implementation status:** Support area positively assessed by the EIB. The program agreed with the Ministry of Climate and Environment, the Consultative Council, and adopted by the Management Board of the National Fund for Environmental Protection and Water Management and the Supervisory Board of the National Fund for Environmental Protection and Water Management.

**1. Information about announced/ongoing calls for proposals:** no calls for proposals announced. It is planned to announce the first recruitment in February 2023.

**2. Information on submitted applications (number, co-financing amount, total cost):** No applications submitted.

**3. Information on concluded contracts (number, co-financing amount, total cost, planned effects):** No concluded contracts.

**4. Information on completed contracts (number, co-financing amount, total cost, planned effects):** No completed contracts.

14. My heat

Total investment cost of the scheme – 444,4 million EUR (without VAT)

Total budget of the scheme – 133,3 million EUR

Support program to be implemented in the years 2021-2026.

The aim of the program is to support the development of individual heating and the development of prosumer energy in the area of air, water and ground-source heat pumps in new single-family residential buildings. The implementation of the Program will contribute to increasing the amount of energy from renewable energy sources in new single-family buildings.

It is planned to co-finance investments consisting in the purchase and installation of new heat pumps (air and ground) used for heating or heating and hot water in new single-family residential buildings.

Investment co-financing covers:

- purchase/installation of ground source heat pumps - ground/water heat pumps, water/water heat pumps with accessories, accumulation/buffer tank, domestic hot water tank with accessories;
- purchase/installation of an air-to-air heat pump (in a central system that supports the entire building) with accessories;
- purchase/installation of an air/water heat pump with accessories, accumulation/buffer tank, hot water tank with accessories.

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In a single-family residential building, there must not be a solid fuel source of heat (also during the lifetime of the investment).

The final recipients of the aid will be natural persons. The program is addressed to owners or co-owners (end recipients) of new single-family buildings. The program will be the purchase and installation of heat pumps based on RES. The new single-family residential building will be used for non-business activities, with the proviso that it is permissible to conduct auxiliary business activities in the supported building in accordance with point 207 of the Notice of 2016 on the concept of aid.

**Implementation status:** Support area positively assessed by the FM Investment Committee. The program agreed with the Ministry of Climate and Environment, the Consultative Council, and adopted by the Management Board of the National Fund for Environmental Protection and Water Management and the Supervisory Board of the National Fund for Environmental Protection and Water Management.

**1. Information about announced/ongoing calls for proposals:** The call for proposals in the form of grants in progress is carried out continuously from April 29, 2022 to December 31, 2026 or when the dedicated pool of funds is exhausted.

**2. Information on submitted applications (number, co-financing amount, total cost):** By 31/12/2022, 13,578 applications for co-financing were submitted for the total amount of co-financing PLN 108,915,595.10

**3. Information on concluded contracts (number, amount of co-financing, total cost, planned effects):** Until 31.12.2022. 5,747 contracts were concluded for the amount of PLN 46,602,373.63; energy saving - 84,879 GJ; reduction of CO2 emissions - 7,185 Mg/year.

**4. Information on completed contracts (number, co-financing amount, total cost, planned effects):** 13,578 completed investments in accordance with point 2.

15. RES - heat sources for district heating.

Total investment cost of the scheme – 634,9 million EUR (without VAT)

Total budget of the scheme – 444,4 million EUR

Support program to be implemented in the years 2022-2030.

The aim of the program is to support investments in the production of heat energy from renewable sources.

Types of investments covered by support:

1. Investments related to the construction and/or reconstruction of sources with a total installed capacity of not less than 2 MWt, in which energy from renewable sources is used to produce heat.

2. An element of the investment may be:

- connection to the heating network belonging to the beneficiary (energy producer);

- energy storage - the condition for providing support for the energy storage is its integration with a heat source.

3. Projects using RES in the field of energy production in cogeneration are not eligible for support.

The co-financing is eligible for installations from which at least 70% of the heat generated in a calendar year will be introduced to the public heating network.

Program beneficiaries: entrepreneurs within the meaning of the Act of 6 March 2018 Entrepreneurs' Law (i.e. Journal of Laws of 2021, item 162, as amended) conducting business activity in the field of heat generation or combined heat and power generation electricity.

**Implementation status:** Support area positively assessed by the EIB. Program agreed with the Ministry of Climate and Environment, Consultative Council, adopted by the Management Board of the National

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Fund for Environmental Protection and Water Management and before approval by the Supervisory Board of the National Fund for Environmental Protection and Water Management.

**1. Information about announced/ongoing calls for proposals:** none; 1st recruitment (call for proposals) planned to be announced in the first quarter of 2023.

**2. Information on submitted applications (number, co-financing amount, total cost):** No applications submitted.

**3. Information on concluded contracts (number, co-financing amount, total cost, planned effects):** No concluded contracts.

**4. Information on completed contracts (number, co-financing amount, total cost, planned effects):** No completed contracts.