

EPC+ Financial Model in Poland and the Priority Programme Renovation with guaranteed savings

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GREY PAST 2 GREEN FUTURE

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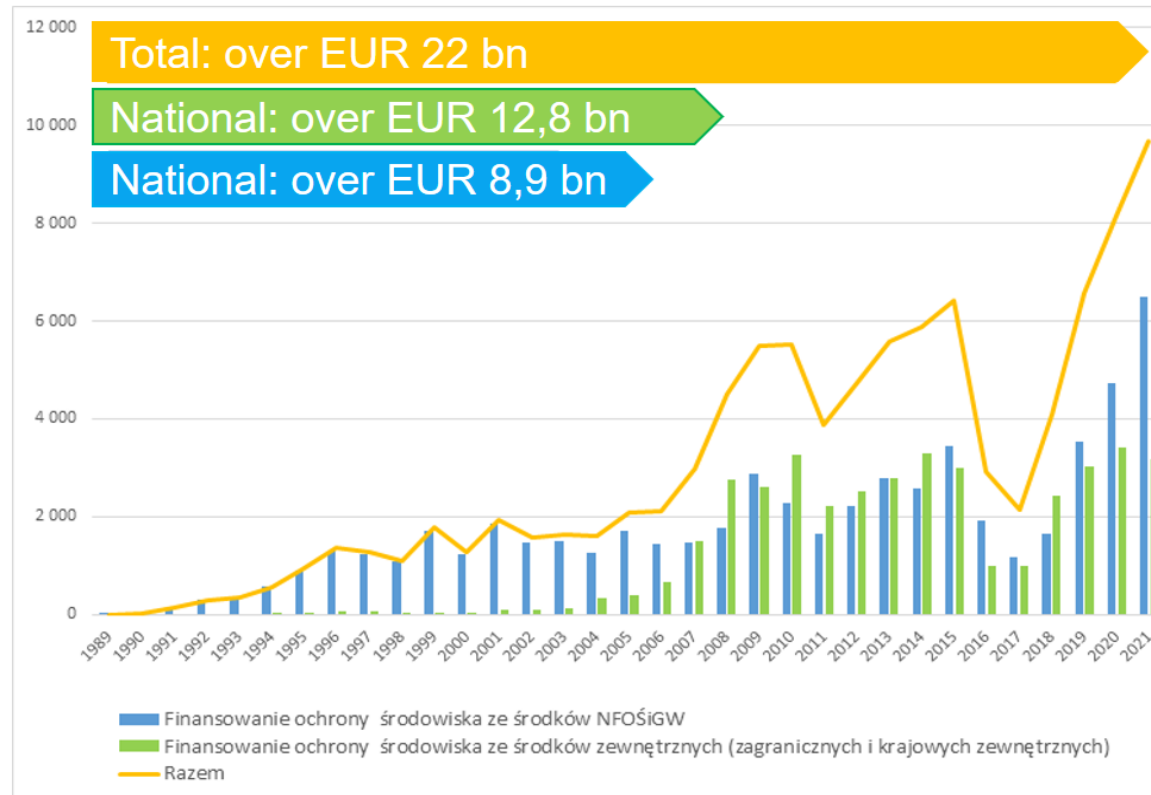
National Fund



- Enterprises
- Local Gov.
- Public administration
- Individuals
- NGOs



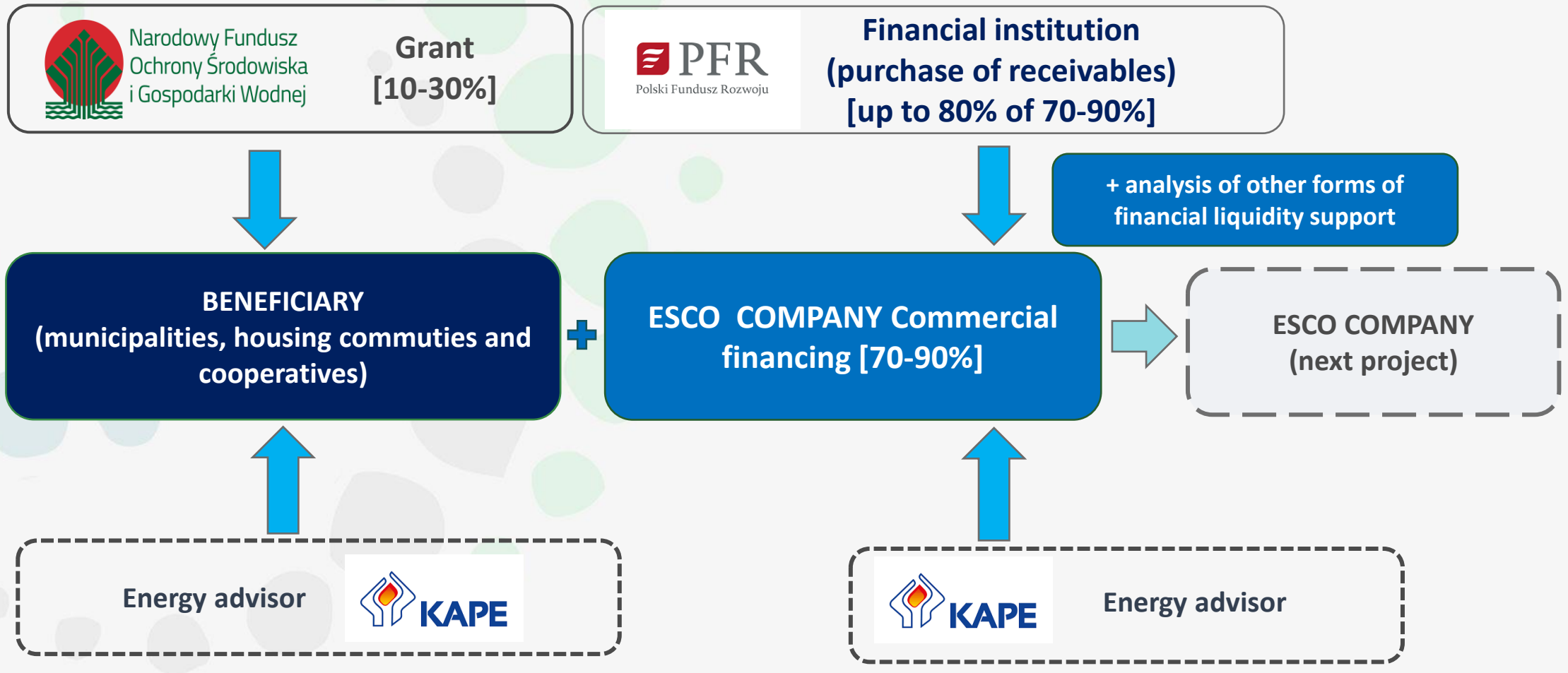
Total financing 1989-2021



**Total cost of supported projects:
over EUR 55 bn**



Holistic system supporting investments in ESCO model



Scope of the Priority Programme

BUDGET

1st stage (PILOT)
PLN 10m/EUR 2.2m



2nd stage
PLN 100m/EUR 22.8m (Modernisation Fund)

IMPLEMENTATION PERIOD

Until 2023
Concluding contracts

Until 2025
Implementation of the investments

One year after completion of the investment -
purchase of receivables from ESCO companies
by the Financial institution

Types of Beneficiaries and Buildings

1. Local government units

2. Housing communities

3. Housing cooperatives



Multi-family
residential
buildings
(1st stage/pilot)

Public utility
buildings
(2nd stage)

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Scope of the Priority Programme

- Investments in improving energy efficiency based on Energy Performance Contract (EPC):

1st stage: multi-family residential buildings with more than 7 apartments

2nd stage: multi-family residential buildings (like in the 1st stage) + public utility buildings which belong to local government units

- Type of supported investments:

Modernization works enabling reduction of final energy consumption in the building by at least 30% compared to the existing state (before modernization), under the condition that the building's demand for final energy will be in accordance with the Technical Guidelines

Amount of support depending on the scope of works

Final Energy Reduction:

Grant level:

minimum

30-45%

10% of the project costs

medium

45-60%

20% of the project costs

high
deep thermal-
modernisation

above 60%

30% of the project costs

Priority Programme: Process flow

„Pre-application” of the project

Simplified audit / effects calculator + support of an energy advisor

Promise of financing

ESCO Selection

ESCO prepares full energy audit: optimal scope and cost of the investment

Application for Funding

Grant agreement

Investment

Investment settlement

EPC

Maintenance agreement

Technical Guidelines

GRANT
(ecological effect confirmed – based on audit calculations)

Forfeiting
(ecological effect confirmed – based on monitoring)



Where are we now?

1st stage/pilot:

- 9 pre-applications submitted and assessed according to the evaluation criteria
- 7 pre-applicants invited to submit grant application under call for proposals
- Call for proposals open until 28.04.2023
- Ongoing matching applicants and ESCOs with Energy advisor's assistance
- 2 applications submitted

2nd stage:

- Technical Guidelines to include public buildings under preparation

• Parallel elaboration of ESCO companies support scheme under the



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Cohesion Policy



Narodowy Fundusz
Ochrony Środowiska
i Gospodarki Wodnej



**Cohesion Policy
2021-2027
REACT EU**

Modernisation Fund



**Energy
Transformation Fund**

**Recovery &
Resilience Facility**



Demarcation

Priorities

Projects pipeline



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Scaling up

ESCO FI
46 m €

Energy efficiency
(incl. CAPP)

2,79 mld €

FENIX
Cohesion
Policy
2021-2027

National
Recovery
Plan

Clean Air Priority
Programme

3 101 mln €

Energy Efficiency
in schools

290 mln €



Lessons learned



- 1) HIGH EXPECTATIONS & general public interest in the EPC/ESCO in Poland
- 2) LEGAL BASIS & IMPLEMENTATION GUIDELINES CLARITY on the country level to provide framework for the ESCO market – until then Energy advisory indispensable
- 3) GREATER POTENTIAL IN PUBLIC BUILDINGS due to parallel grant & tax relief support for residential buildings
- 4) ESCO's FINANCIAL LIQUIDITY in the preparatory and investment stages of EPC/ESCO project a challenge for ESCOs – to be addressed by public & private capital providers

Thank you

for helping the environment with us



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