

Green Investment Schemes (GIS) Pomerania Region, Poland



Hospital in Kwidzyn (photo by BAPE)

Poland



Green Investment Schemes (GIS)

Under the Kyoto Protocol to the UN Convention on Climate Change (UNFCCC) a number of countries have made commitments to reduce or stabilize their emissions of greenhouse gasses (GHG) with respect to their 1988-1990 emission levels. Since for a number of OECD countries emissions reductions to meet their commitments under the Kyoto Protocol by domestic actions only would be extremely expensive, they need to acquire between 2008 and 2012 around 2.5 billion tons of emission reductions from third countries. This demand can be satisfied by purchasing from other countries (i) emission reduction units generated by projects that reduce GHG emissions or enhance sequestration; and (ii) surplus allowances under the Kyoto Protocol (Assigned Amount Units, AAUs). International emission trading involves primarily transactions between sovereign governments while the European Union Emission Trading Scheme involves firm-to-firm transactions.

Central and Eastern Europe countries are uniquely placed to take advantage of international emissions trading opportunities. This is the only region having surplus allowances during the first commitment period of the Kyoto Protocol. As a result of the restructuring of the economies in the early 1990s, most transition economies are predicted to have emission levels below the cap defined by reference to base year emissions from 1988-1990. From over 10 billion tons of surplus allowances estimated to be available up to 2012, over three quarters are in Russia and Ukraine.

Success / Barriers

Success:

Attractive financing terms - 30% grant, 60% loan, 10% own resources

Barriers:

Relatively long period of processing applications and complicated application procedure

Green Investment Scheme in Poland

Due to restructuring of the economy in 1990s, focused inter alia on reduction of the impact of the national economy to the environment and decoupling of the GDP growth from the emissions levels, Poland has GHG emissions well below target established under the Kyoto Protocol. The surplus amounts to 500 million of AAUs in the period 2008-2012, and is assumed to be the third largest, after Russian and Ukrainian.

GIS in practice

Having The Polish Act on management of GHG emissions and emissions of other substances adopted on July 17, 2009 defines:

- proceeds from the transactions can be spent on hard greening, as well as on soft greening.
- transparent rules for acquiring of the applications for projects, that can be co-financed from the GIS proceeds,
- robust but flexible regulations for monitoring, reporting and verification of the effects provided by the projects,
- other operational rules of National Green Investment Scheme.

According to the Act, the operating entity for the National GIS is the National Fund for Environmental Protection and Water Management (NFEP&WM).

4 categories of projects are supported:

1. energy management programme (reduction of energy consumption of at least 30% and emission reduction)
2. biogas programme
3. biomass programme
4. power programme

Actions undertaken

So far (2012) there have been five calls for proposals announced concerning improvement of energy efficiency in public buildings. Energy audits and feasibility studies were prepared for all applying projects. Each project included calculation of ecological effects to be achieved as a result of the investment and the cost of reducing emissions of 1 ton of CO₂. This cost was the key factor in the ranking of qualified projects during the first three calls. In the following calls this indicator was replaced by the price of reduction in energy demand.

Results and Impacts

The results of all published calls for proposals are not fully known yet. According to the initial assessment, over 170 projects received support from the energy efficiency improvement in public building programme. Grants amount to approx. 97 million EUR and loans to 130 million EUR.

Calls for proposals met with great interest. All beneficiaries are obliged to monitor the effects of the projects through analyzing CO₂ emission reduction after implementation of the project.

Find out more about this and other Sustainable Energy Actions, online at: www.regions2020.eu/gp

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Further Information

Websites :

www.nfosigw.gov.pl/system-zielonych-inwestycji---gis
www.bape.com.pl/Projects