Recommendations for a successful support programme,

Justyna Glusman

„What makes a programme for buildings renowation successful?”

14.06.2022

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BUILDINGS AND SUPPORT FOR RETROFIT IN POLAND

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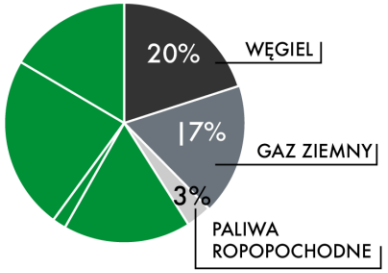
70%

Buildings (4,6 ml) in Poland are non effective

16%

Buildings (1 ml) has the worst energetic standard



40%

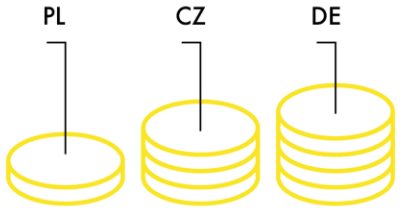
Energy of Polish buildings comes from solid fuels

2,4 mln

Buildings – to modernise according to the LTRS, including 0,5 ml deep retrofits

3%

Annual rate of renovations according to Fit for 55



3 x less than Czechia, 4 x less than Germany – in relation to average salary for the single family-owner in Poland for retrofit

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GOOD PRACTICES IN OTHER COUNTRIES

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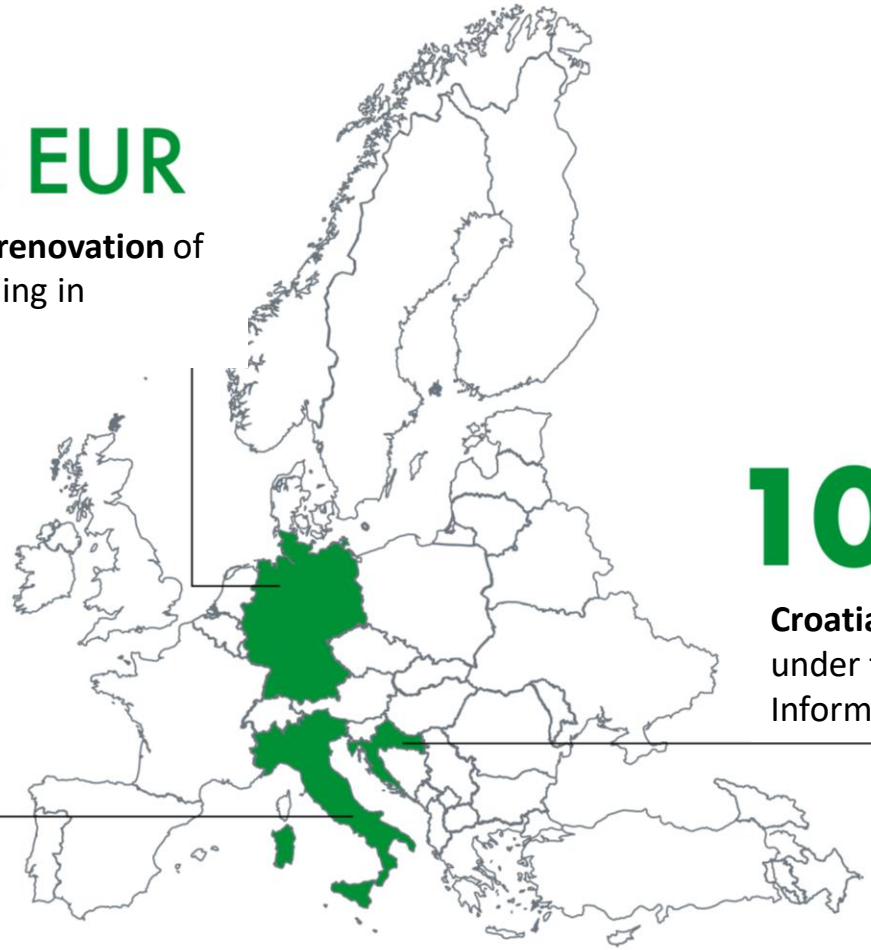
75tys EUR

Subsidy for deep renovation of single family building in **Germany**



110%

Costs of retrofit – **Italian** tax exemptions - **Ecobonus**

100%

Croatian public buildings is to come under the Central System of Energy Information Management by 2030

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Gaps in the support system
- there is a scale, no deep retrofit supported

	Clean Air Programme	„STOP SMOG” Programme	Retrofit tax relief
Scale achieved	+	-	+
Depth and complexity of actions	-	-	-
Reaching the worst buildings	?	-	-
Promotion and education	?	-	+/-

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General recommendations – single family buildings

- Adaptation of the „Clean Air Programme” rules to support deep and comprehensive retrofits
- Link the support under the retrofit tax relief to the energy effects of the investment
- Integrate the STOP SMOG with Clean Air programme by defining the role of local governments and including energy companies in the programme
- Introduction of an energy class system
- Implementation of a comprehensive information and service system for beneficiaries

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Adaptation of the Clean Air Programme rules to support deep and comprehensive renovations

- **First step – adaptation of the programme parameters:**

Minimum 2 x increase of the maximum subsidy available under the programme and a revision of the unit cost limits (per sq m) of insulating the envelope to take account of the higher costs of deep modernisation

Good practice – Czech Republic.

- **inflation adjusted indexation** of all unit cost limits,
- introduction of requirements for **automatic temperature control** equipment,
- **withdrawal of support for gas** sources that are not combined with investments in efficiency improvements at least a doubling of the maximum amount of subsidies available under the programme and a revision of the unit cost limits (per sq m) of insulating the envelope to take account of the higher costs of deep modernisation
- **differentiation of subsidies** for thermal insulation depending on the depth of modernisation (higher support for NZEB)
  - 30% and 45% for basic funding,
  - 60% and 75% for increased funding,
  - setting a requirement for a zero-emission standard for the highest subsidy (90%)

  Good practice – Germany
- **abolition of the income limit** for the support of retrofitting to NZEB + replacement of the energy source with a zero-emission one.

Good practice - Germany

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Adaptation of the Clean Air Programme rules to support deep and comprehensive modernisations (2)

- **Second step - structural changes to the functioning of the programme** :
  - annual **indexation of unit cost limits** and of the total amount of the subsidy,
  - complete **withdrawal of support for fossil fuels**,
  - introduction of consistency with the EU's sustainable financing taxonomy,
  - eligibility of multiple staggered applications for phased retrofitting, on condition that an energy passport is prepared for the building,integrating the programme with STOP SMOG,
  - linking the intensity of support to the energy efficiency class system,

    Good practice – Italy
  - implementation of the **One-Stop-Shop** projects.
- Consideration of an **umbrella programme in the longer term** - in light of the consolidation strategies of other countries.

  Good practice – BEG in Germany (umbrella programme)

When?:

- ❑ 1-year: basic changes to the parameters of the programme,
- ❑ 3-year: structural changes to the functioning of the scheme.
- ❑ 5-year: umbrella scheme for residential and non-residential buildings.

Sources of funding: current sources of funding for the Clean Air Programme, additional sources: Social Climate Fund, national revenue pool from EU ETS emissions trading.

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Linking support under the retrofit tax relief to the energy effects of the investment

- **Single allowance of 35% of the tax due.**

  Good practice – tax solutions in Germany and in Italy

  - Increase of the maximum eligible costs covered by the support **from PLN 53,000 to PLN 140,000**.
  - Introduction of **requirements concerning the energy performance** of investments:
  - **compulsory energy consultation** before starting the investment (consultation costs covered by the rebate)

  Good practice – Germany

  - Support solely for the **heat sources compliant with the sustainable financing taxonomy**,
  - **improvement of at least 2 energy classes** or achievement of highest energy class required.

  Good practice - Germany

When?:

- 1-year: to modify the parameters of the tax credit,
- 3-year: analysis of the possibilities and potentially the introduction of a link between the tax credit and the energy class system.

Sources of funding: maintaining the current source of funding (state budget).

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Integration of STOP SMOG with Clean Air by redefining the role of local governments and including energy companies in the programme

- **Full integration of the programme with Clean Air Programme** by enabling third parties (municipalities, energy companies) to supplement the highest co-financing (90% in "Clean Air") with a subsidy to their own contribution,
- Enabling energy companies to join the programme.

  Good practice: UK

- **Resignation from the co-operation agreements** at the municipality level - covering the whole of Poland.
- Complement the programme with **voluntary cooperation agreements** at the provincial level, taking into account a variety of stakeholders (including municipalities, counties, energy companies), focusing on the coordination of activities aimed at reaching beneficiaries and including them in the Clean Air Programme.
  Good practice: France

When?:

- ❑ 1-year: modification of the Clean Air Programme rules and amendments to the law on energy efficiency,
- ❑ 3-year: conclusion of cooperation agreements at regional level.

Funding sources: analogous to the entire Clean Air Programme.

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Introduction of an energy class system

- Prepare and agree with stakeholders a **draft system of energy classes** based on the proposals of the European Commission from the "**Fit for 55" package**, taking into account the experience of other European countries in the implementation of similar systems.
- Implementation of the final version of the energy class system compliant with the final version of the amended EPBD and comments from national stakeholders.

When?:

- ❑ 1 year: start work on a national energy class system,
- ❑ 3-year: implementation of an energy class system.

Funding sources: own funds of public administration units.

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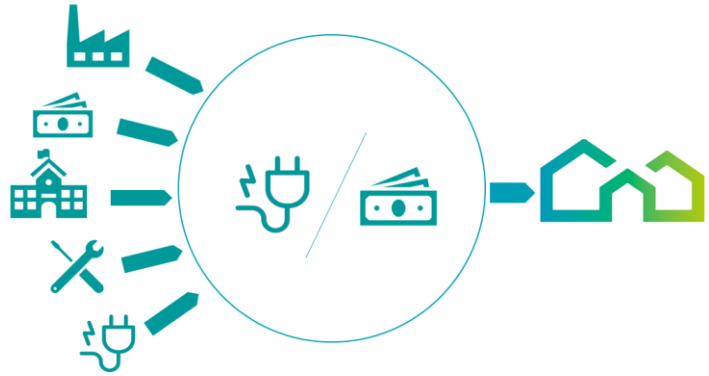
Implementation of a single service providers system for home renovations – One-Stop-Shops

- Evaluation of the projects implemented so far and review of the European examplesv
  Good practive – Czech Republic, France
  - Selection of pilot sites for the launch of the first points.
  - Implementation of a nationwide network of advisory points.
- Launching a pilot of the solution in a selected voivodship of One-Stop-Shops.
  Good practice; Ireland



When?:

- ❑ 1-year: launch conceptual work on the network and One-Stop-Shop support, select pilot locations,
- ❑ 3-year: implementation of the advisor network and One-Stop-Shop support nationwide.

Sources of funding for the initiative: the Clean Air Funding Pool.

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Source: Renovation-hub.eu

General recommendations – public buildings

- Introduction of enhanced support for public retrofits reaching zero-carbon standards in support programmes financed by EU funds, RRF and the Modernisation Fund
- Launch of the new national instrument to finance deep and comprehensive retrofitting of public buildings in the mid-2020s
- Creation of a national database on energy efficiency of buildings by expanding the existing database of heat sources in buildings (CEEB)
- Implementation of the dedicated webside containing good practices in the field of historic building retrofitting, linked to the extended database of heat sources.

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THANK YOU!

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