

D4.2 - Policy Adoption Measures for the Decarbonization of the H&C Sector

FACTSHEET #3_[Poland]

1. Identification of the measure

Financial support for EPC-based renovations, through RES integration and energy efficient systems in heating and cooling.

*National program EPC+ (funding up to 49% of investment cost), supporting EPC projects – National Fund of Environment and Water Protection
<https://www.gov.pl/web/funduszmodernizacyjny/renowacja-z-gwarancja-oszczednosci-epc-energy-performance-contract-plus-nabor-ii>*

Strategic Policy Priority (SPP)	SPP #4: Engage all key actors
Sector	Non-residential
Type	financial

2. Identification of KPIs (minimum of 3 KPIs)

KPIs	
KPI #1	Number of buildings renovated
KPI #2	Reduction of greenhouse-gas (GHG) emissions
KPI #3	Reduction in final energy consumption
KPI #4	Reduction in primary energy consumption

3. Definition of the operationalization activities (minimum of 3 activities)

OPERATIONALIZATION ACTIVITIES	
#1	Update the cost guidelines, raising and indexing the PLN 750 / 1 500 per m ² caps, so that projects with heat pumps, PV and storage can be clearly judged as cost-eligible.
#2	Add a “fast-track” path in the NFOŚiGW on-line Application Generator that auto-checks the 30 % energy-reduction requirement and the EK thresholds once an ESCO audit is uploaded.
#3	Expand the network of energy advisers and publish ready-to-use templates (EPC contract, schedule) enabling municipalities and housing co-ops to run EPC tenders quickly.
#4	Set up a roster of recommended ESCOs and a budget contingency, covering any cost overruns or timeline slippage before the 31 Dec 2026 eligibility deadline.

#5 *Mandate remote meter reading and annual IPMVP reports for every project, and publish the results—GJ savings, CO₂ cuts, RES share—on a public EPC Plus dashboard.*

#6 *Maintain an open project catalogue describing technical solutions and achieved indicators, creating a best-practice database for future calls and other renovation programmes.*

4. Applicability/focus of the measure¹:

X	City	
	Region	
	National	

5. Overview of the expected results

RESULTS		
KPI ID	Assumptions	Estimated results
#1	- At least 80 complete applications, of which ≥ 65 will pass evaluation and 50 will finish works by 31 Dec 2026 - Average grant $\leq$ PLN 2.2–2.5 million per building - Efficient EPC procedures and contractor readiness	The program aims to retrofit at least 50 buildings using non-repayable grant support.
#2	- High baseline portfolio emission factor (≥ 0.09 t CO₂ per GJ) - Total final-energy savings $\geq 500,000$ GJ per year - Replacement of fossil fuels with low- or zero-emission technologies	The EPC-based renovations will significantly lower CO ₂ emissions. Achieve a reduction of at least 45,000 Mg CO ₂ per year.
#3	- A project portfolio with sufficiently high baseline energy consumption - Full compliance with the minimum post-renovation efficiency thresholds – every implemented project achieves $EK \leq 85$ kWh/m²·year (multifamily) or ≤ 75 kWh/m²·year (public), and each ESCO audit confirms a ≥ 30 % reduction in final-energy use - Remote metering and continuous reporting of consumption data	Reduction in final energy consumption ($\geq 500\,000$ GJ/year)

¹ Each MS is expected to focus on the application to, at least, 3 cities and 1 region.

#4	• A project portfolio that delivers at least 500,000 GJ per year of final-energy savings • Most facilities replace coal/gas with heat pumps powered by on-site PV, solar collectors, and a high-efficiency district-heating network • High RES self-consumption confirmed through remote metering and regular reports	Reduction in primary energy consumption ($\geq 550\,000$ GJ/year)
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6. Brief description of the discussion oriented towards a SWOT analysis

This program was discussed many times during meetings within the REDI4HEAT project. It was discussed at the capacity building and NSG meeting. Among others the necessary modifications of the program and the need to create more programs for RES in H&C were discussed.

Strengths

- Clear, measurable climate-energy targets – at least 45 000 t CO₂/year and 500 000 GJ/year final-energy reduction give unambiguous success benchmarks.
- Integrated, non-repayable financing mechanism – a grant budget of up to PLN 112.5 million (covering 29–49 % of eligible costs) lowers capital barriers.
- EPC model with performance guarantees – shifts efficiency risk to the ESCO, increasing confidence in real savings and encouraging high-performance solutions (heat pumps, PV, thermal storage).
- Wide range of RES technologies & ban on solid fuels – solar thermal, PV, heat pumps, micro-CHP are eligible, while coal/biomass boilers are excluded.
- Two-stage application with fast track – projects backed by an ESCO audit may skip the initial “fiche,” shortening the path for well-prepared applicants.
- Covers both public buildings and multifamily housing – improves residents’ comfort and helps municipalities meet efficiency obligations.
- Aligned with EU policy & combinable with other funds (FEnIKS, ELENA, LIFE, NRRP), increasing scale and flexibility of financing.

Weaknesses

- Too short a period for submitting applications for subsidies eliminated many potential beneficiaries.
- High own contribution and cost caps ($\approx$ PLN 750/ m² for multifamily, 1 500 PLN/ m² for public) may be insufficient for a full “heat-pump + PV + storage” package, especially for smaller entities.
- Considerable procedural complexity – multiple guidelines on eligibility, technical parameters and EPC templates can deter inexperienced applicants.
- Heavy reliance on accurate ESCO audits – errors or delays slow approval and undermine savings projections.

- No extra incentive for high RES share – a well-insulated gas-boiler project can receive a grant similar to a zero-emission variant.
- Undervalued costs of electrical and grid upgrades, which are critical for heat-pump performance.

Opportunities

- Increasing legal & social pressure for efficiency – EPBD 2024/1275 (zero-emission buildings, 49 % RES by 2030) ensures long-term demand for EPC projects.
- Growth of the polish heat-pump and RES component market – local compressor production and an expected post-2024 sales rebound should reduce costs and lead times.
- Collective & virtual prosumers – new net-metering rules improve the business case for PV-powered heat pumps in multifamily blocks.
- Flexible three-tier modernisation scale – encourages technological and contractual innovation and can set a precedent for future national/EU programmes.
- Long-term economic & societal gains – lower energy bills, new jobs in construction/installation and higher public awareness of efficiency.

Threats

- Regulatory or budget shifts at national/EU level could limit funding or attractiveness.
- Market risks – volatile power prices, rising equipment costs or PV curtailment may jeopardise guaranteed savings.
- Limited capacity of small municipalities & cooperatives – lack of staff and know-how may keep participation low.
- Delays & quality-control issues – multi-stage tenders, EPC negotiations and works can slip, reducing impact; inconsistent execution diminishes savings.
- Grid constraints – inadequate connection capacity in older estates; transformer upgrades are non-eligible costs.

Conclusions

The programme rests on strong functional and financial foundations and clearly supports decarbonisation through RES. To unlock its full potential it should:

1. Raise or index cost-cap ceilings for projects integrating heat pumps, PV and storage.
2. Introduce a bonus (higher grant share or ranking points) linked to a high on-site RES share.
3. Streamline procedures and expand technical assistance, especially for smaller entities (EPC templates, training, help-desk).
4. Recognise thermal/electric storage as a separate eligible-cost category and cooperate actively with distribution-system operators on connection capacity and demand-side management.

These steps would harness the growing momentum for zero-emission retrofits, reduce financial risks and attract a broader range of beneficiaries, strengthening the programme's contribution to EU climate goals and to lower heating-cooling bills in polish buildings.