Let’s invest together in the environment
The fund being friendly for the environment and beneficiaries

The National Fund for Environmental Protection and Water Management (NFEP&WM) is the main source of financing pro-ecological investments in Poland. For 26 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.

The system of financing the environmental protection in Poland

The National Fund has a wide financial offer adapted to expectations of a large group of beneficiaries: local authorities, business, public entities, social organisations/NGOs and individuals. In the public finance sector in Poland the National Fund is also the most important partner for international financial institutions in handling foreign funds allotted for environmental protection.

Together with the voivodeship funds for environmental protection and water management, NFEP&WM forms the system of ecological funds. It implements the environmental protection policy in Poland on the basis of Joint Strategy of action of the National Fund and voivodeship funds for environmental protection and water management for 2013-2016 with the perspective until 2020. Stable income, experienced personnel and well-developed forms of cooperation with beneficiaries are used for this purpose.

Main forms
- Subsidies
- Loans
- Credits given by banks from the NFEP&WM funds
- Surcharges to disassembly of vehicles withdrawn from use
- Surcharges to the interest rate of credits
- Partial redemption of loans
- Capital investment projects
- Surcharges to the interest rate or to the buyout price of bonds
- Partial repayment of capital of the credits

Main areas
- Water protection and water management
- Adaptation to the climate changes and protection of the atmosphere
- Efficient energy use
- Renewable energy sources
- Protection of the earth surface
- Waste management, including recycling
- Protection of nature and landscape
- State Environmental Monitoring
- Natural disaster prevention
- Geology and mining
- Ecological education
- Expert opinions as well as scientific and research works
Forms and areas of financing
The National Fund carries out independent financial economy, acting pursuant to the Act of The Environmental Law and according to the EU principle: ‘the polluter pays’. It generates its incomes mainly from charges and fines for using the environment, maintenance and concession charges, energy sector charges, charges resulting from the Act on recycling of vehicles withdrawn from use, and sales of greenhouse gases emission units.

The National Fund ensures absorption of foreign funds allotted for the environmental protection, for example, from the Cohesion Fund, the European Regional Development Fund, the LIFE+ Programme, the Norwegian Financial Mechanism and the European Economic Area Financial Mechanism.

Proceeds acquired by Poland in international sales transactions of carbon dioxide emission allowance pursuant to the Kyoto Protocol supply the Green Investment Scheme which supports investment projects concerning climate protection and greenhouse gas emission reductions.

The National Fund offers its beneficiaries support inefficient and timely implementation of projects. Above all, it provides financial support to projects fulfilling environmental obligations imposed on Poland resulting from the European Union membership. It also supports activities undertaken by the Minister for the Environment in fulfilling Polish obligations under, for example, the Climate Convention, the Convention on Biological Diversity, or the NATURA 2000 programme.

Financing the environmental protection and water management by NFEP&WM (1989-2014)

Effects of our activities
In the period of 1989-2014, the National Fund concluded contracts for co-financing of projects, spending approx. PLN 36.6 billion from its own funds. In the same period of time the National Fund financed ecological projects with approx. PLN 23.4 billion from the European funds being at its disposal.
## The National Fund strategy for 2013-2016

‘The National Fund for Environmental Protection and Water Management – the leader of the financing system for environmental protection and water management in Poland oriented on EFFECT – it is a record of the concept provided in the Strategy of NFEP&WM activity for 2013-2016 with the perspective until 2020 which has been implemented now. This means that NFEP&WM has an aspiration to be an institution which is:

- **E**cological (respecting and promoting the principles of sustainable development),
- **F**inancing (effectively financially supporting activities related to the environment and water management),
- **F/E** flexible/elastic (adapting to the needs of the recipients),
- **C**ompetent (ably and diligently fulfilling responsibilities of the public institution),
- **T**ransparent (carrying out its tasks in an ethical, open and transparently clear manner).

The general goal of the Strategy of NFEP&WM activity ‘Improvement of the natural environment and sustainable management through stable, effective and efficient support of ecological projects and initiatives’ is implemented under four priorities:

- Protection and sustainable management of water resources
- Rational waste management and protection of the earth surface
- Atmosphere protection
- Protection of the biodiversity and ecosystems’ functions

The above-mentioned priorities involve horizontal implementation of activities related to ecological education, expert reports, innovation, low-carbon and resource-efficient economies, environment monitoring and disaster prevention, and also support to environmental management systems.

The strategy of NFEP&WM activity determines ambitious objectives for the National Fund as a dynamic and creative institution, as an organisation able to function efficiently and flexibly, and achieving results in response to the needs of self-governments, entrepreneurs and citizens resulting from the constitutional principle of sustainable development.

### Selected environmental effects from the contracts concluded between 1989-2014

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>The number of sewage-treatment plants built or modernised</td>
<td>4042</td>
</tr>
<tr>
<td>The quantity of waste water treated (average daily)</td>
<td>8.4 km³</td>
</tr>
<tr>
<td>The number of waste materials processing installations built or modernised</td>
<td>104</td>
</tr>
<tr>
<td>Predicted mass of the waste materials subject to annual recovery, including recycling</td>
<td>more than 2.3 million tons/year</td>
</tr>
<tr>
<td>Reduction or avoidance of emission of CO₂</td>
<td>more than 12.4 million tons/year</td>
</tr>
<tr>
<td>The number of buildings which were thermally upgraded</td>
<td>2749</td>
</tr>
</tbody>
</table>

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Finance management through priority programmes
The basis for accepting and examining applications for co-financing by the National Fund are priority programmes. The programmes specify principles for granted support and project selection criteria. In most programmes continuous calls for applications are organized. The above mentioned system guarantees that the financing process is transparent, objective and impartial, based on the selection criteria established earlier.

Absorption of foreign funds
The National Fund is the largest partner of international financial institutions in Poland in handling foreign funds allotted for environmental protection. The experience in managing the European Union funds entailed entrusting the National Fund with the role of the Implementing Authority for five priorities, of the Infrastructure and Environment Operational Programme 2007-2013 (OPI&E) and for two priorities in OPI&E 2014-2020 including: low emission economy and the environmental protection, including adaptation to the climate changes.

Efficient energy use and climate protection
One of the most important areas the National Fund has been dealing with in recent years, (including 2015-2020 perspective), is efficient energy use and climate protection. For example, the KAWKA programme (the jackdaw) has been implemented in cooperation with the voivodeship funds for environmental protection and water management. Its effects are investment projects in several dozen cities of Poland most affected by low emission negative effects. The National Fund functions as the National Coordinator of the Covenant of Mayors in Poland – an important initiative of the European Commission which involves local authorities and citizens in activities increasing efficient energy use and promoting renewable energy sources. The National Fund, in cooperation with the Ministry of Development and Infrastructure and with the Ministry of Economy, is an executor of the ‘Polish national advisory support system for private, public and residential sectors in the field of the efficient energy use and RES’. In the field of efficient energy use, the National Fund has also launched the E-KUMULATOR programme, addressed to entrepreneurs. The programme’s budget is PLN 1 billion, which is the highest budget in the history of the National Fund. Another programme (under consultations) is the RYŚ programme (the Lynx) aiming at thermal upgrading of individual households.

Offer for households
The National Fund’s offer addressed to Polish families is in demand. The PROSUMENT programme supports development of civil power engineering from renewable energy sources.
In 2014-2020, the National Fund has allocated PLN 800 million of financial support for construction of small installations, producing energy from renewable sources for own consumption. The National Fund (with the budget of PLN 300 million) also offers individuals surcharges to credits contracted for construction of energy-saving houses.

In recent years, more than 67,000 households received financial support under the programme of surcharges to credits for solar collectors. Owing to excellent effects of
this programme implementation the National Fund received a prestigious distinction – Best Practice Certificate EPSA 2011, and in 2015 was nominated for the European Commission Sustainable Energy Award.

The National Fund has also recently developed the programme involving small local communities in activities for the environmental protection.

National Fund: centre of competences
Within the system of management and financing the environmental protection in Poland, the National Fund can be seen as a specific ‘centre of competences’ compliant with standards specified in EU directives. Experienced personnel operates upon modern management technologies. By means of consultations, educational campaigns, surveys, analyses and expert opinions, the National Fund initiates important social and economic processes in the areas of waste management, energy management and resource efficiency.

Extensive consultations conducted by the National Fund stimulate initiation of a new programming offer. Discussion open forums such as Energy – Effect – Environment, Good practice in waste management, and Ecology – Education – Eco-innovation are platforms for exchanging experiences and information on the innovative technologies applied on the market. The National Fund certified ‘Green Office’, applies corporate social responsibility (CSR) principles with a particular focus on social dialogue and mitigation of adverse environmental impact, in its statutory and accompanying activities.

The Polish system of environmental protection financing recognised and recommended by many international institutions (OECD, World Bank, European Commission) has become the model and inspiration for establishment of similar economic mechanisms in other countries.

Visit our website: www.nfosigw.gov.pl/en/ and also our offices in Warsaw. We are at your disposal.