

Renawable source of funding

We support environmental action effectively and efficiently



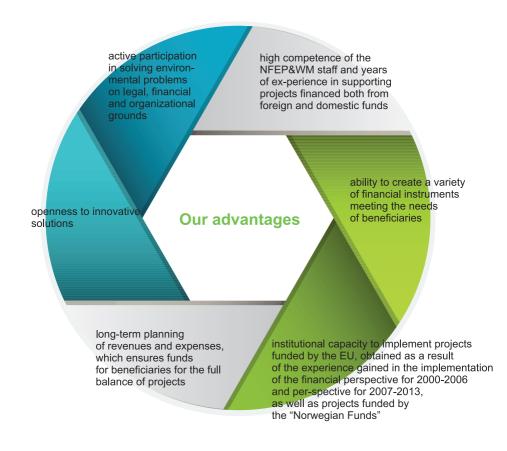




Fund friendly for the environment and beneficiaries

The National Fund for Environmental Protection and Water Management (hereinafter NFEPWM or National Fund) which was founded in 1989 as a result of a political transformation in Poland, is the main link in the chain of Polish system of financing of environmental protection and water management with the largest financial potential. The financing system was extended in 1993 with regional funds for environmental protection and water management. Efficient system of environmental funds, operating on the basis of the Common Action Strategy of the National Fund and Regional Funds for Environmental Protection and Water Management for the period 2013-2016 with a perspective to 2020, is crucial tool for the implementation of environmental protection policy. This is to be achieved by stable revenue, experienced staff and tried and tested forms of cooperation with beneficiaries.

The National Fund runs independent finances pursuant to the Environmental Protection Law. By putting the principle of "polluter pays" into practice, the National Fund collects funds mostly from: fees and fines for exploitation of the environment, mining fees and concession fees, payments resulting from Energy Law and the Act on recycling of end-of-life vehicles, revenue from sales of CO_2 units and other sources. The National Fund ensures the use of foreign funds for environmental protection from, inter alia, the Cohesion Fund, the European Regional Development Fund, the LIFE+ financial instrument, the Norwegian Financial Mechanism and the European Economic Area Financial Mechanism. Owing to the Green Investment Scheme (GIS) and funds obtained by Poland in international sales transactions of CO_2 emission allowances granted under the Kyoto Protocol, the National Fund co-finances investments from the field of climate protection and reduction of CO_2 emissions.



Financing by forms

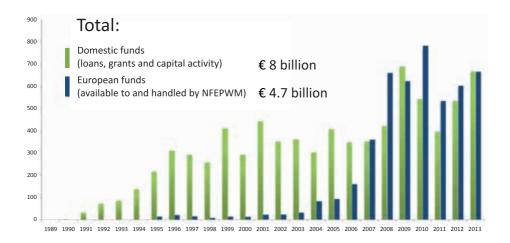
- investment and non-investment grants
- · interest-based loans
- loans granted by banks from NFEPWM
- payments for dismantling of end-of-life vehicles
- · payments for loan interest
- extinction
- · capital investment
- payments for interest or price of bond purchase
- partial repayment of loan capital

Financing by sectors

- · protection of water and water management
- air and climate protection
- · land protection
- nature and landscape protection
- forestry
- state environmental monitoring
- prevention of natural disasters
- mining
- geology
- · environmental education
- expert report and research work
- · energy efficiency
- renewable energy
- · waste management, including recykling

The National Fund offers assistance to beneficiaries in an efficient and timely implementation of projects having inter alia programmes for projects co-financing using domestic funds. The National Fund provides financial support mostly for projects which implement environmental obligations of Poland transpiring from the membership in the European Union. It also supports the Minister of Environment in meeting Polish obligations under inter alia: the Climate Convention, the Convention on Biodiversity, the NATURA 2000 programme.

Financing environmental protection and water management by NFEPWM in 1989-2013 (million euro)



Results of our activity

In the years 1989-2013 the National Fund co-funded environmental projects with the amount of approx. €13 billion coming from domestic as well as foreign funds entrusted and managed by this institution. Most funds were allocated for water and air protection and water management. These activities have contributed to a clear improvement of the environment in Poland.

Judicious management of public funds and keeping a balance between grants and loans, allowed National Fund to invest up to date almost € 8 billion

(with income only € 4.3 billion), which led to accomplishment of environmental projects worth over € 31 billion. Due to that, NFEPWM can be described as "Renewable Source of Funds".

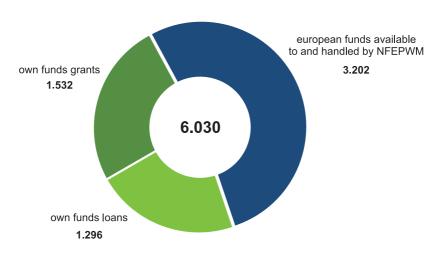


Selected effects of projects concluded in 1989-2013

Number of sewage treatment plants, which were built or reconstructed	•	2742
Stream of sewage treated daily in those plants (above) in those plants (above)	()	8,4 km³
Number of waste treatment plants, which were build or reconstructed	•	96
Amount of waste treated every year (including recycling)	1	over 2 million tons
Annual CO ₂ emission reduction or avoidance	O	12 million tons
Number of public buildings which underwent thermal efficiency improvement	•	2376

In years 2009-2013, the NFEPWM supported environmental protection and water management projects in Poland with over €6 billion from its own funds and those entrusted by the European Union. The year 2013 was exceptional – National Fund expended over €1.3 billion.

Financing of environmental projects by NFEPWM in 2009-2013 (million euro)



The general objective of the NFEPWM Action Strategy "Improvement of the environment and sustainable management of its resources by means of stable, efficient and effective support for projects and initiatives for the environment" will be implemented under four priorities:

Protection and sustainable management of water resources

Rational waste management and protection of soil surface

Protection of the air

Protection of biodiversity and ecosystem services

As a part of the priorities above, horizontal activities are also implemented and these relate to environmental education, expert reports, innovation, low-emission and resource-efficient economy and monitoring of environment and counteracting risks, and supporting environmental management systems.

NFEPWM Action Strategy sets ambitious goals for the National Fund for Environmental Protection and Water Management as a dynamic and creative institution, organisation capable of efficient and flexible operation, which achieves results in response to the needs of entrepreneurs and citizens, relative to constitutive principle of sustainable development.

Financial management by priority programmes

The basis of accepting and considering applications for co-financing in the National Fund are priority programmes which determine the principles of granting support and criteria of selecting projects to be financed. In the majority of programmes, the competition formula of evaluation of complex projects is used. Management of the NFEPWM's finance by priority programmes guarantees a transparent, objective and impartial process of granting co-funding.

Absorbing foreign funds

The National Fund is the largest Polish partner for international financial institutions concerning handling of foreign funds allocated for environmental protection in Poland. The experience managing



in European Union funds resulted in entrusting the National Fund with the role of the Implementing Authority for five priorities, i.e. thematic areas of the Operational Programme Infrastructure and Environment 2007-2013 (OE I&E), which include water and wastewater management, waste management and protection of land, resource management and counteracting environmental risks, adapting Polish business to environmental requirements, highly effective generation and efficient distribution of energy as well as thermal modernisation of public buildings. Under the OP I&E 457 agreements for co-financing were concluded by the end of March 2014 for the amount of over €3,7 billion. The National Fund also provides co-financing for OP I&E projects concerning nature protection and environmental education.

Offer for households

The offer of the National Fund directed to Polish families enjoys great popularity. In the RES (renewable energy sources) sector the programme of co-financing of loans for solar collectors brings very good results. Approx. 57 thousand households joined the programme. In 2011, NFEPWM as the only Polish institution, received a prestigious award - Best Practice Certificate EPSA 2011 for the programme of aid to solar panels. In 2011, the offer for households (through local government units) was extended to include grants and loans for home wastewater treatment plants and connecting buildings to collective sewerage systems. In cooperation with banks, the NFEPWM launched in 2013 a programme of co-financing loans for construction or purchase of energy-efficient houses. In 2014 National Fund launched a new program "Prosument". It is a co-financing instrument with budget over €140 million (2014-2020) for purchase and installation of renewable energy microinstallations which would provide households with energy for their own use.

National Fund - competence centre

In the management and financing system of environmental protection in Poland, the Fund is a "competence centre" in financing and implementing projects for environmental protection meeting the standards of EU directives. Experienced staff uses modern management techniques in ongoing Fund's activities. By taking part in consultations and legislation work and by co-financing research, analyses and expert reports, we initiate important social and economic processes in, inter alia, waste management, energy savings and optimal resource use. Wide consultations conducted by the National Fund e.g. as part of the Forum "Energy - Environment - Effect", "Good Practices in Waste Management" Forum and the Forum "Ecology-Education-Ecoinnovation" give an impetus to initiate a new programme offer, and also provide a platform for the exchange of experiences and information on modern technologies used on the market. In a competition held by the Ministry of Regional Development in 2012, the National Fund was awarded a prize for "Good Practices in Strategic Management of Development in Poland". Both in statutory activities (financing environmental protection and water management) and in supporting activities and work organisation, as a holder of the "Green Office", the National Fund uses the CSR principles with a particular focus on social dialogue and reducing the negative influence on the environment.

The Polish system of financing environmental protection, with good recommendations of many international institutions (OECD, World Bank, European Commission) has become a source of inspiration and example to build similar economic mechanisms in other countries.

We invite you to visit our website: www.nfosigw.gov.pl, as well as our office in Warsaw. Please feel free to contact us.





