

Polish Sustainable Recovery Monitor

– January 2022 issue

1.1 Economic Recovery – the big picture



COVID-19 pandemic – current state:

[The overall number of cases in Poland is estimated at 57659, a record number since the beginning of the pandemic, as of the 27th of January 2022, while the number of deaths exceeded 104 097. By the 27th of January 2022, 56.62% of the Polish population has been fully vaccinated.](#) In January number of cases raised significantly indicating the start of the 5th wave. As of the 27th of January, million people are quarantined.



Poland submitted a proposal to reform the EU ETS system:

[According to the statement from the Polish Minister of Climate and Environment, Anna Moskwa, there is too much speculation in the trading system.](#) The main point of the Polish proposal is to exclude financial institutions from being able to partake in the auctions and increase the transparency of the process.



Anti-inflation shield approved:

[The Polish Sejm unanimously adopted measures combating the effects of inflation.](#) The act mainly focuses on lowering the VAT level for food, electricity, fuel, and gas. The measures are estimated to cost the budget PLN 11.6 billion (ca. EUR 2.53 billion). The reduction of VAT rates is to end by the 31st of July 2022 (for background information see [December's](#) edition of the Monitor).

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Sectoral insights



Mining



Turów lignite mine dispute continues:

In May 2021, Poland was ordered by the European Court of Justice (ECJ) to suspend operations of the Turów's coal mine as it contributes to cross-border degradation of the environment – according to the case presented by the Czech's government. However, Turów Coal Mine continues to operate even after the EUR 0.5m/day fine set by ECJ in September. [Finally, on the 18th of January, negotiations with the Czech side have been resumed](#) trying to settle the case. It is expected that at the beginning of February 2022 both governments will release an official statement regarding the results of the negotiations.

Moreover, as the Polish government did not pay the fine, [the European Commission informed that will deduct funds for Poland from the EU budget](#) (for background information see [September's](#), [October's](#), and [December's](#) editions of the Monitor).

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Energy



Updates on nuclear energy in Poland:

[The environmental report for the nuclear power plant is finished.](#) However, Polish Nuclear Power Plants (PEJ – Polskie Elektrownie Jądrowe) is withholding its submission due to a planned change in the law that will make the standards more up to date.

[Ministry of Climate and Environment has approved on the 13th of January 2022 the "Support programme for domestic industry to cooperate with nuclear energy"](#) aiming at strengthening the qualification of Polish

companies in the sector of nuclear energy in regard to plans on the construction of the first nuclear power plant in Poland. The document is a follow-up of the Programme of Polish Nuclear Energy (PPEJ – Program Polskiej Energetyki Jądrowej).



Investment for “green” combined heat and power plant:

Energy Enterprise in Łuków (a city in Lubelskie voivodeship) [will invest PLN 70 million \(ca. EUR 15.3 million\) in biomass-fueled combined heat and power plant.](#) The construction is estimated to take 2 years and will be financed from the programme "Powiat heating" offered by the National Fund for Environmental Protection and Water Management (NFOŚiGW - Narodowy Fundusz Ochrony Środowiska I Gospodarki Wodnej).



Establishment of 3 energy clusters in Poland:

Energy clusters will be established in [Staszów](#) (Świętokrzyskie voivodeship), [Krosno](#) (Podkarpackie voivodeship) and in [Mońki](#) (Podlaskie voivodeship). Main goals include the development of local renewable sources, implementation of new technologies and modernisation of existing infrastructure, hence improving energy efficiency and safety.



Draft act as a response to high gas prices:

[Draft act on compensation for high gas prices is estimated to cost](#) PLN 10 billion (ca. EUR 2.18 billion) with an additional expense of PLN 20 billion (ca. EUR 4.37 billion) for the loans given by the government. The act aims to minimise the social effects of higher gas prices by financially supporting households and selected public institutions. The funds will come from the ETS allowances auctions and the COVID-19 Counteraction Fund.



Subsidy for PGE Distribution:

PGE Distribution (a Polish state-owned company specialising in electricity distribution) [received a subsidy from the Ministry of Climate and Environment](#) for the amount of PLN 71 million (ca. EUR 15.5 million). Financial support is intended for the expansion of the infrastructure allowing for the connection of additional generating capacity from RES to the grid. Overall costs of all the investments will amount to PLN 126 million (ca. EUR 27.5 million).



Loans for the construction of 6 solar farms:

EDP Renewables – a global energy company - [received a loan from the European Investment Bank](#) at the sum of EUR 66 million (ca. PLN 302 million). The funds will help in the construction of 6 wind farms in Poland with a total power of 149.4 MW.

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Transport



Extensive subsidies for Polish cities regarding zero- and low-emission public transport:

At the beginning of 2022, the National Fund for Environmental Protection and Water Management (NFOŚiGW - Narodowy Fundusz Ochrony Środowiska i Gospodarki Wodnej) gave subsidies for the purchase of electric buses and infrastructure to the cities such as [Cracow](#), [Radom](#), [Zakopane](#), [Wejherowo](#) or [Grudziądz](#) amounting

to the total of 49 buses. The subsidy depends on the number of purchased buses and the size of the city. [In the current and the second edition of the “Green Public Transport” programme, around 101 applications had been filed, most of them coming from smaller cities.](#) The total cost is estimated at PLN 1.31 billion (ca. EUR 286 million).



Update on NFOŚiGW programme for EV charging stations:

[In only two weeks after launching the programme "Support for electric vehicle charging infrastructure and hydrogen refuelling infrastructure", the total budget of PLN 315 million \(ca. EUR 68.8 million\) has been fully distributed.](#) The subsidies are supposed to finance projects to build public and ultra-fast charging stations (for background information on the programme see [December's](#) edition of the Monitor).



New electric charging stations on motorways:

General Directorate for National Roads and Motorways (GDDKiA - Generalna Dyrekcja Dróg Krajowych i Autostrad) is planning to [launch additional 44 EV charging stations by the end of 2022](#). Currently, there are only 11 stations available. The investment is expected to facilitate further development of electromobility.



PKN Orlen leading in EV charging stations:

PKN Orlen (a Polish state-owned oil refiner and petrol retailer) [by the end of 2021 became the biggest operator of electric vehicle charging stations in Poland](#) with 391 stations in total. Currently, the company is waiting for the approval of the Office of Technical Inspection (Urząd Dozoru Technicznego) to launch additional 35 stations.



The Łódź Agglomeration Railway will be powered by RES:

The Łódź Agglomeration Railway (ŁKA - Łódzka Kolej Aglomeracyjna) [signed an agreement with PKP Energetyka](#) (energy provider for railways), according to which, since 2022, 30% of the electricity used by the ŁKA will come from renewable energy sources. This number will increase annually and it is planned that will reach 100% in 2028.

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Buildings



Anti-smog resolution adopted in two Polish voivodeships:

[On the 1st of January 2022, an anti-smog resolution came into force in Silesian and Podkarpackie voivodeships.](#)

As a consequence, the usage of coal-fired heat sources older than 10 years became illegal. Households that do not comply with the new law, will need to pay up to PLN 5000 (ca. EUR 1100) fine.



Summary of Clean Air programme:

As of the 13th of January 2022, [there have been 380 thousand applications filed in total under the “Clean Air” programme](#) and PLN 6.5 billion (ca. EUR 1.42 billion) has been already given to the applicants.

On the 25th of January 2022, [the 3rd part of the programme for poorer households was launched](#) allowing to obtain a subsidy of up to 90% of qualified costs for a maximum amount of up to PLN 69.000 (ca. EUR 15000) in contrast to 60% as it was in the 2nd edition. Additionally, since January 2022 subsidies for coal-fired heat sources are not available (for background information see [September’s](#) edition of the Monitor).



Ranking of local communities and buildings’ emissivity launched:

At the beginning of 2022, the General Office of Building Supervision (GUNB – Główny Urząd Nadzoru Budowlanego) launched ranking of local communities in [the Central Register of Emissivity of Buildings \(CEEB – Centralna Ewidencja Emisyjności Budynków\)](#). As a result, all administrators and owners of buildings are obliged to give information on a few topics related to energy usage. As of the 19th of January 2022, only 1/5 of expected declarations have been made. The highest level of CEEB filling was achieved by the Zawidów community in the Dolnośląskie Voivodeship, where approximately 77% of the required declarations were submitted.

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Industry



PKN Orlen's plans for hydrogen hubs:

[PKN Orlen \(a Polish state oil refiner and petrol retailer\) announced its plans to build 9 hydrogen hubs](#) – 5 in Poland, 3 in the Czech Republic and 1 in Slovakia – within the Hydrogen Eagle project. Each of the hubs will produce green hydrogen coming from renewable sources and the processing of municipal waste.



Summary of the volume of shipments in three Polish seaports:

In 2021, three major seaports – Gdańsk, Gdynia and Szczecin-Świnoujście achieved a shipment volume of [113 million tonnes which corresponds to a growth of 9% a year to year and an increase by 116% in the last decade.](#) Currently, two big projects aiming at further expansion of the seaports are undergoing, each costing roughly PLN 2 billion (ca. EUR 440 million). The first investment is related to the modernisation of the waterway in Szczecin-Świnoujście, and the second focuses on connecting Vistula Lagoon with Gdansk Bay.

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WiseEuropa's updates



[Reverse Gear. Social and economic effects of imports of used vehicles to Poland](#) [EN] – policy brief on imports of used vehicles and its socio-economic consequences



[Forgotten Foundation. Buildings and energy efficiency in the new architecture of carbon pricing in the EU](#) [EN] – policy brief on the implications of the EU carbon pricing framework for energy efficiency policy.



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