

Assessment of Poland's operational programmes

Background

oland has the largest number of operational programmes in central and eastern Europe. Altogether, 26 programmes are being prepared, of which eight are national and 16 regional, complemented by a just transition programme and European Territorial Cooperation programmes. Each of them should be in line with all horizontal principles, including the 'do no significant harm' principle, and altogether their climate contribution should make up no less than 30 to 37 per cent (depending on the funding source) of all Poland's Cohesion Policy funds. This assessment focuses on four programmes: three national (OPs FEnIKS, FERS and FENG), which cover energy, climate, environment, infrastructure, transport, economy and social development, and one regional (OP FEW 2021+), which covers Wielkopolska (Greater Poland) — a region in transition. They are, therefore, the most relevant in the scope of this publication.

National operational programmes

National Operational Programme **European Funds for Infrastructure, Climate and Environment** (Fundusze Europejskie na Infrastrukturę, Klimat i Środowisko (OP FEnIKS)) is the most important in terms of green transformation. It is the European Union's largest operational programme, with a budget exceeding EUR 25 billion and a thematic concentration on climate and the environment, together with infrastructure. It is also a wasted opportunity for meaningful climate action. Billions of euros are earmarked for road construction and the gasification of the energy and heating sectors, at a scale that will lead Poland to fossil fuel lock-in. At the same time, allocations for renewable energy sources are insufficient and biodiversity issues are not properly addressed. With the fossil fuel price crisis and Russian invasion of Ukraine in early 2022, these plans – not yet approved by the Commission – are already outdated. Not only will they not improve the climate situation, but they are also likely to lead to even higher energy prices and weaker energy security.

National Operational Programme **European Funds for Social Development** (Fundusze Europejskie dla Rozwoju Społecznego (OP FERS)) is a programme with a EUR 4 billion budget, in which climate is almost entirely absent. It does not respond

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to the need for comprehensive climate education, energy poverty alleviation or support for social innovations such as energy communities.

National Operational Programme **European Funds for a Modern Economy** (Fundusze Europejskie na Nowoczesną Gospodarkę (OP FENG)), worth EUR 7.97 billion, includes investments in 'greening' enterprises such as renewables and energy efficiency (amounting to 10 per cent of programme's budget). However, it contains weak 'green' indicators and ignores the necessity for climate education in the business sector.

Regional operational programme in the coal region of Wielkopolska

Regional Operational Programme <u>European Funds for Wielkopolska 2021-2027</u> (Fundusze Europejskie dla Wielkopolski na lata 2021-2027 (OP FEW 2021+)), worth EUR 1.67 billion (and an additional EUR 387 million from the Just Transition Fund) is for the coal region of Wielkopolska. Despite several shortcomings regarding climate action and biodiversity protection, the preparation of OP FEW 2021+ is a model case of early civil society inclusion and open dialogue on its content.

Access to information and available versions of programmes

During the programming period, we took part in working groups, participated in consultations and public hearings, and assessed the content of the drafts. We identified a number of general problems concerning both the programming process itself and the content of the programmes. Civil society and independent experts were not included at every stage of the process – usually, if they were invited to cooperate at all, it was during the later stages of programming – which is legally required by the European Code of Conduct on Partnership. We were presented with already developed drafts, which limited the possibility for us to make a significant, structural change in these documents. We were not presented with updated drafts after consultations and before their adoption by the government. This resulted in a situation in which we were not able to evaluate the Partnership Agreement or operational programmes in the period before they were submitted to the European Commission.

The versions analysed were the newest available as of 21 March 2022, namely:

- OP FEnIKS: version of 4 January 2022 adopted by the government; report from consultation with juxtaposition of inputs published on 28 January 2022. Submitted to the Commission on 5 January 2022.
- OP FERS: version of 2 June 2021 presented for public consultation; juxtaposition of inputs from the consultation (but no updated draft). Not yet submitted to the Commission.
- OP FENG: version of 6 December 2021 adopted by the government, report and juxtaposition of inputs from the consultation published in May 2021. Submitted to the Commission on 26 January 2022.
- OP FEW 2021+: version 3.0 of 14 March 2022 adopted by the regional administration; report with juxtaposition of inputs from the consultation published on 3 December 2021. Submitted to the Commission on 14 March 2022.



Table: Poland's operational programmes relevant in the scope of climate and the environment

Name of the operational programme	Abbreviation	Thematic concentration	Preliminary assessment of the green contribution	Budget allocation	Budget allocation in % of cohesion funds
OP European Funds for Infrastructure, Climate and Environment	FEnIKS	Climate, environment, infrastructure and culture	51.15%	EUR 25 billion	33%
OP European Funds for Social Development	FERS	Health protection and education; professional and social situation of people with disabilities; availability of public services; social innovation; development of social and civil dialogue	Does not include codes of the types of intervention that would allow for the calculation of the climate contribution	EUR 4 billion	5%
OP European Funds for a Modern Economy	FENG	Research and innovation; industrial and entrepreneurship transformation; green technologies	Contains codes of the types of interventions that allow for the calculation of the climate contribution in a simple way; this requires a lot of work and effectively limits access to those who have the skills and interest to calculate it themselves	EUR 7.97 billion	10%
OP European Funds for Wielkopolska	FEW 2021+	Environment, society, just transition of the Wielkopolska region	Contains codes of the types of interventions that allow for the calculation of the climate contribution in a simple way; this requires a lot of work and effectively limits access to those who have skills and interest to calculate it themselves	EUR 2.06 billion (Just Transition Fund allocation included)	3%



Horizontal issues

Our assessment is that the Polish operational programmes have a limited level of ambition to tackle the climate crisis and challenges of energy transformation. The plans do not provide for meaningful, positive change for the environment and climate; they instead focus on fast and easy spending. This is partially the result of the absence of up-to-date national strategies that are aligned with the EU's new reduction goals: neither the National Energy and Climate Plan (NECP) nor the Polish Energy Policy until 2040 (PEP40), envisage a 55 per cent greenhouse gas emissions reduction by 2030.

Climate contribution

Only some of the operational programmes contain a clear indication of their climate contribution. In OP FEnIKS, the indicated climate contribution is 51.15 per cent of the total programme's funding (of which 60.5 per cent will come from the Cohesion Fund and 42.2 per cent from the European Regional Development Fund). OPs FENG and FEW 2021+ only include codes for different types of interventions (as listed in Annex I to the Common Provisions Regulation for 2021-2027) that allow us to calculate the climate contribution in a relatively simple way. However, this requires significant work and effectively limits access to this information to those who have the skills and interest to calculate it by themselves. The latest draft of OP FERS does not even include these codes for different types of intervention.

In most cases, the climate contribution is not clearly indicated and needs to be calculated manually, but in addition, the effects and impacts of the programmes are difficult to predict due to a lack of good and measurable indicators. The indicators provided in the programmes are too general or not appropriate for measuring what they claim to measure. They will not allow those reviewing the programmes to examine whether the allocation will be efficiently spent and what the real impact of a certain intervention is. This will also prevent thorough evaluation ex-post that could help avoid wrong, ineffective solutions in the future.

Furthermore, OP FENIKS, despite making a very general reference to the EU's updated reduction goals, mostly refers to outdated national strategic documents: the PEP40 and NECP. These documents should not be considered benchmarks until their revision and alignment with the European Green Deal has taken place. A clear reference directly to the European Green Deal and other European policies should be made instead.

Application of the 'do no significant harm' principle

The operational programme authors claim that the draft programmes are in line with horizontal principles such as the 'do no significant harm' principle, which means that even though only a part of the interventions contributes to climate action, no activity as part of the programme should harm the six environmental objectives related to climate mitigation and adaptation, biodiversity, water and clean air protection, and circular economy. However, in all analysed operational programmes, the 'do no significant harm' assessment is either missing or too general.

In OP FEnIKS, the 'do no significant harm' principle has not been addressed at all. It is not even a part of the strategic environmental assessment (SEA) prepared for this programme (although it was included in SEAs of other programmes, which proves the lack of consistency between operational programmes). OP FEnIKS's SEA authors admit:

Taking into account the issuance by the European Commission of Technical guidance on the application of 'do no significant harm' under the Recovery and Resilience Facility Regulation (2021/C 58/01), **it seems that the activities covered by the Programme should be examined** also according to the procedure defined in the Guidelines. (emphasis added)

OP FENIKS does not currently include this; however according to the Ministry of Development Funds and Regional Policy, as stated at the public hearing on 16 February 2022, a detailed 'do no significant harm' assessment has been commissioned by the Ministry on the request of the Commission, and a report was expected by the end of February (as of 21 April 2022 it has not been made public). Following this assessment, adjustments should be made to the programme.

OP FERS does not include a 'do no significant harm' assessment either, although this programme's focus is on social policies and not on infrastructural investments that could bear environmental or climate risks. However, it falls short on promoting the integration of pro-environmental objectives.

As for OP FENG, the 'do no significant harm' assessment is widely covered in the SEA but insufficiently in the programme itself. It only includes a mere declaration that all projects will be subject to the 'do no significant harm' assessment in the chapter 'Challenges related to the European Green Deal' (page 3) and in the description of a number of interventions related to, among others, energy efficiency (page 66). The programme itself does not raise concerns regarding its 'do no significant harm' compliance; however, the Ministry of Funds and Regional Policy, responsible for its drafting, admits that the Commission requested they provide a more elaborated assessment (broken down along thematic lines).

OP FEW 2021+ contains a general declaration that the 'do no significant harm' principle will apply to all interventions under this programme (page 11). Declarations regarding compliance are repeated numerous times in the parts of the programme that describe specific areas of intervention (e.g. page 75). Yet, no detailed 'do no significant harm' assessment has been published. The principle is also entirely absent in the SEA.

Compliance with the 'energy efficiency first' principle (EE1st)

The 'energy efficiency first' (EE1st) principle is explicitly mentioned only in OP FEW 2021+ (page 16). Both OP FENIKS and OP FENG indicate the importance of increasing energy efficiency. In OP FENIKS, it is referred to as 'one of the key steps towards a low-emission economy' (page 27), whereas OP FENG lists the increase of energy efficiency as first among interventions regarding the 'greening' of enterprises. Nevertheless, energy efficiency

¹ The environmental report on the draft FEnIKS programme 2021-2027, page 26



is shown as just another separate type of intervention, not as a horizontal approach, which is in clear violation of the EE1st principle.

Partnership principle compliance (programming phase)

The partnership principle as described in the European Code of Conduct on Partnership was not fully implemented in Poland during the programming. Significant differences were observed between programmes. Preparatory works on OP FEW 2021+ can be considered closest to a good practice model, with the inclusion of partners from the early stages of programming through working groups and public consultations. These partners were given sufficient access to drafts and time for analysing them. The programming of OP FENG can also be considered generally in line with the partnership principle – drafts of the programme are now available on an official website in four versions (representing the formal stages of preparation). On the opposite side of the scale is OP FENIKS – partners were indeed formally involved in the early stage of programming as part of the working group, but no updated draft or feedback was provided after the public consultation, which ended on 18 July 2021, until after the formal adoption by the government and submission to the Commission (4 and 5 January 2022, respectively).

Another challenge ahead is the implementation phase and the need to secure a balanced representation of the civil society in the monitoring committees of Cohesion Policy programmes. Also, the share of seats in the committees for environmental and climate organisations should reflect the importance of the climate action. These issues are not regulated in the programmes themselves, but in a separate implementation law (one act for both Cohesion Policy programmes and the recovery plan), and therefore are not covered in this briefing. However, the implementation law adopted by the parliament in April 2022 does not guarantee in practice a balanced representation of partners and is not in line with the partnership principle.

Synergies with the recovery plan

Synergies between the Cohesion Policy operational programmes and Poland's recovery plan (financed by the Recovery and Resilience Facility (RRF)) are outlined in the Partnership Agreement, adopted on 30 November 2021 by the government and submitted to the European Commission two weeks later.

• In the area of **energy efficiency**, both the operational programmes and the recovery plan will support investments in heating systems with an aim to reach the 'energy efficient heating/cooling system' standard. However, Cohesion Policy programmes' support will be wider and will allow investments in systems that have already reached this standard. Cohesion Policy programmes will continue support for energy efficiency investments in both single and multi-family houses after the allocation from the recovery plan is consumed. The exchange of heating sources and improving energy efficiency in school buildings is a focus area in the recovery plan (which will also include investments in energy efficiency in local activity centres). These investments will be complemented by funds from the Cohesion Policy (due to the large scale of investments needed).



- The recovery plan will support **hydrogen technologies** at a large scale. Investments in hydrogen are planned in the operational programmes, but no specific allocations were earmarked. The operational programme does not specify what energy source the hydrogen will use, only stating that 'green solutions [are] preferred'. Although the recovery plan's support will focus on investments in hydrogen technologies and enabling conditions for their further advancement, operational programmes will rather support research (OP FENG, OP FEW 2021+) and the development of energy infrastructure, such as the transmission and storage of decarbonised gases, including hydrogen.
- Recovery plan support for **renewables** will be focused on offshore wind technologies, and in the
 operational programmes all other types of renewable energy sources will be supported on an equal
 basis. Energy communities will be supported by both instruments, but mainly from the recovery plan,
 which will also equip them with pre-investment support.
- In the area of **environmental** protection, water-sewage investments are earmarked in both the recovery plan and operational programmes, but the Cohesion Policy will support investments in agglomerations of more than 2,000 inhabitants and the RRF mainly in rural areas.
- Last, but not least, **mobility** in cities will be mainly supported from the operational programmes, but the recovery plan also earmarks allocations for zero- and low-emission public transport demarcation will be applied at the project level.

The aforementioned synergies show how the recovery plan and the Cohesion Policy programmes under the Partnership Agreement should complement one another. We, however, also observed a number of environmentally dangerous patterns present in both of these instruments.

First of all, the 'do no significant harm' assessments for both the recovery plan and operational programmes are far too general. In both cases, the Commission requested a more detailed report.

Furthermore, the negative impact of river regulation reforms and investments planned in the recovery plan can be strengthened with projects financed through the operational programmes. This 'dis-synergy' between the recovery plan and some operational programmes can be seen in the case of the support to the development of inland navigation. This support has been removed from the recovery plan, partially due to pressure from civil society, but still exists in OP FENIKS (connected to the anti-drought and anti-flood measures).

Also, provisions concerning water protection remain untransparent in the recovery plan. According to Save the Rivers Coalition, they may enable damming rivers and returning to regulating and fencing small rivers on a mass scale. This directly contradicts a key objective of the EU Biodiversity Strategy for 2030, which states that at least 25,000 kilometres of river must be restored to free-flowing rivers by 2030 through the removal of obsolete barriers and the restoration of floodplains and wetlands.

These investments are part of the climate adaptation package, totalling EUR 8.6 billion. In the latest version of the draft recovery plan, the authors did not specify how much will be dedicated for the construction, reconstruction and expansion of water management facilities, but earlier drafts allocated EUR 670 million.



Furthermore, the Polish recovery plan already announced unspecified amendments to the Water Law, Construction Law and Mining and Geological Law, which could create a 'fast track' for harmful investments in the construction of artificial reservoirs and other facilities that do not comply with the EU's environmental standards. Some anti-draught and retention solutions in the recovery plan could lead to the destruction of Polish rivers, just like the inland navigation plans in OP FENIKS.

Last but not least, a lack of synergy also exists when it comes to financing for biodiversity protection and restoration. Out of its EUR 25 billion, only EUR 300 millions from OP FEnIKS has been allocated to biodiversity protection. This allocation was doubled from EUR 150 million as a result of public consultation, but compared to the billions of euros in allocations for hard infrastructure projects, it is inadequate. This low allocation represents 0.4 per cent of Poland's cohesion funds, which is far below the objective of 7.5 per cent of the EU's Multiannual Financial Framework for biodiversity by 2024. In the recovery plan, funding for biodiversity is virtually non-existent.

Content: do the operational programmes align with the objectives of the European Green Deal?

Energy efficiency

Energy efficiency interventions are present in three out of four analysed programmes: FEnIKS, FENG and FEW 2021+.

In OP FEnIKS, the energy efficiency issue is not fully addressed, and links to European strategies regarding energy efficiency (i.e. the Renovation Wave) are mostly declarative. It does not set deep modernisation as a priority, as 'minimal threshold of energy saving is [yet] to be adopted' (page 27). This threshold will allow support only for those projects that provide for deep modernisation. The energy efficiency measures described in the programme lack a strategic approach and clear indication of the goals to be achieved.

In the context of the war in Ukraine and the announced cut in the import of Russian fossil fuels to the EU, the Polish operational programmes and recovery plan must be immediately adjusted in order to redirect funds from investments in fossil gas and road construction to projects increasing energy efficiency and scaling up the deployment of renewables.

Heating

Modernisation and decarbonisation of heating systems can be supported from OP FENIKS and OP FEW 2021+. In OP FENIKS, cogeneration can be supported in two schemes, one with required emissions reductions and the other without this condition. The latter scheme has an allocation that is ten times larger than the former (EUR 1.07 billion versus EUR 100 million). This proportion should be opposite, and investments in the gasification of heating systems should be replaced with their electrification and renewable sources.



In OP FEW 2021+, EUR 61 million is earmarked for 'supporting [energy efficiency] and [greenhouse gas] emissions reduction[s]', including the connection of public and residential buildings to district heating and the creation of heat storages for waste heat. This is EUR 20 million less than in the previous version of this programme, yet all indicators (the number of apartments with an increase energy efficiency, estimated reduction in emissions) remained unchanged.

Renewables

In OP FEnIKS, only EUR 599 million is earmarked for investments in renewables, compared to EUR 4.5 billion for road construction.² This programme, which focuses on climate action, should have these allocations reversed.

Furthermore, education and information about renewable energy sources are prescribed as only optional measures, whereas renewables and especially citizen's energy and energy communities are relatively new phenomena in Poland and large-scale education is needed to support renewable energy source development. Furthermore, a significant allocation is earmarked for energy generation from non-sustainable renewables, i.e. biomass (EUR 90 million, compared to only EUR 17 million for low-emission biomass).

In the case of renewable energy and energy efficiency investments in enterprises, OP FENG provides both support for the business sector in the transition towards the zero-emission economy and support for 'greening' enterprises by guarantees, loans and instruments for Important Projects of Common European Interest (IPCEI). Support for research and development on new technologies in these fields will be provided through an 'innovative public procurement' approach.

OP FEW 2021+ earmarks EUR 65 million for renewable energy source development (along with energy production from de-carbonised gases) – this is an increase of EUR 20 million compared to the previous draft. If spent entirely on renewables, this allocation would allow for the creation of an additional 50 to 60 megawatts of energy, which is not much considering Poland's needs. Apart from investments in renewable energy source infrastructure, energy storage etc., consulting services for renewables will be provided. Unfortunately, support for energy generation from forest biomass is possible, which according to the European policies should not be considered sustainable anymore.

OP FEW 2021+ also allows for investments in energy produced from hydropower, but only in already existing reservoirs with hydroelectric infrastructure and only if proven that they will increase biodiversity protection.

Gas and fossil fuels

According to EU policy, investments in fossil gas should be limited to situations when the use of a 'bridge' fuel is inevitable in the process of transformation from coal to renewable sources. Rapidly rising gas prices and the expected ban on Russian fossil gas imports prove that new gas investments are economically unjustified. Yet the scale and type of fossil gas investments in Poland suggest otherwise. Plans for the gasification of the energy

² Including EUR 3.85 billion for TEN-T projects, the allocation for road construction was reduced by around EUR 2 billion in comparison with earlier drafts. On the other hand, according to Wojciech Szymalski (Institute for Sustainable Development Foundation), it is still 47 per cent higher than the 2014 to 2020 budget in the two main infrastructure operational programmes combined: OP FENIKS and OP European Funds Eastern Poland.

and heating systems (estimated increase of energy generation from gas from 14 TWh in 2019 to 54 TWh in 2030, according to EMBER³) were reflected in the draft recovery plan, as well as with a EUR 770 million allocation in OP FEnIKS. Furthermore, as part of an effort to 'make the gas system more intelligent', another EUR 1 billion may be allocated to fossil gas investments. Compared to a modest EUR 599 million allocation earmarked for renewables, the EUR 1.77 billion in gas investments planned in OP FEnIKS prove not to be a 'bridge fuel' measure but rather a straight pathway towards gas lock-in and the creation of stranded assets in the near future (after 2035). These large investments in fossil gas will be further complemented by another EUR 1 billion from the Modernisation Fund (two already approved programmes). If this gas-to-renewables ratio remains in the final version of this programme approved by the Commission, it will not only harm Poland's green transformation but also increase its dependence on imported energy sources, meaning higher costs and less energy security.

Limited support to gas investments in enterprises is allowed in OP FEW 2021+. Enterprises may receive such support when they are transitioning to renewables and when the installation of renewable energy sources or connection to district heating is technically or economically not feasible (page 74).

The other analysed programmes do not include any fossil gas investments. None of them, including OP FENIKS and OP FEW 2021+, allow any investment in hard coal or lignite.

Hydrogen

Support for the development of hydrogen technologies (without an indication of the type of technology) is planned in OP FENG, as part of IPCEI. No specific allocation exclusively for hydrogen is proposed. The importance of hydrogen increased in the newest version of OP FENIKS: its use will be promoted in energy generation, heating, transport and as energy storage. It is supposed be used to decarbonise industry and new installations for hydrogen production will be set up. Considering the insufficient development of renewables in Poland, the use of renewables-based hydrogen should be focused on decarbonising industry. OP FENIKS also includes no specific allocation for hydrogen, nor a clear obligation to use only hydrogen produced from renewable sources. Supporting hydrogen based on fossil fuels would lead to the increased demand for gas. Support for hydrogen is also possible in OP FEW 2021+, with the indication that 'green solutions will be preferred', which was added following our input in the working group.

Energy communities

OP FENIKS does not mention energy communities at all. They were included in the earlier version of the programme, which was subject to public consultation, in the part related to indicators (indicator RCO 97: 31 new energy communities by 2029, 12 by 2024). This was later removed from the version of the programme adopted by the government and submitted to the Commission. The Ministry of Development Funds and Regional Policy claims that this indicator had to be removed on the Commission's request and that energy communities will certainly be supported. They will be included in more detailed documents prepared in the

³ Małgorzata Kasprzak, <u>Stepping on the gas: How Poland risks locking itself into gas dependency</u>, *EMBER*, September 2021

implementation phase and cannot be indicated directly in programme because they have not yet been recognised by Polish law (in fact, some forms have).⁴ This is a violation of the Renewable Energy Directive (RED II) (not yet implemented in Poland, although the deadline for transposition was in June 2021), which requires support for all types of prosumers, including collective (also virtual) prosumers and energy communities. Collective prosumers and energy communities should be in special focus, as these forms of prosumerism are in the early stage of development in Poland and need additional promotion and support.

Energy communities are linked with increasing the region's energy security and listed as potential beneficiaries of FEW2021+. However, the programme gives no separate allocation for them (and no specific indicator). They can be supported under umbrella investment schemes.

Support for energy communities is missing in OP FERS, even though this programme covers social innovations. Energy communities are a social innovation, and therefore should be supported from this instrument as well.

Biodiversity and nature

Severely underfunded nature conservation and biodiversity restoration are the weakest aspects of the European funds' spending plans in Poland. The OP FEnIKS allocation for biodiversity was doubled after the public consultation, from EUR 150 million to EUR 300 million, which barely reaches 1.2 per cent of the total programme allocation. It is still not enough, especially when compared to the aforementioned spending on road construction or fossil gas investments.

Resolving Poland's violations of EU legislation in the area of biodiversity and nature, identified by the European Commission, should be a priority in order to safeguard the sufficient application of the 'do no significant harm' principle and the provision of the national environmental protection regulations. This should apply to the implementation of all EU-funded investments.

In this context, we have particular reservations about Poland's Forest Act, whose current provisions effectively exempt forest management from some of the EU's obligations concerning the protection of species and habitats and prevent social oversight over forest management.

Investments in waterways or the construction of reservoirs on watercourses pose a significant threat to biodiversity. In previous decades, thousands of kilometres of Polish rivers and streams were destroyed in this way and through EU funds. Therefore, more strict provisions for the spending of the funds are needed, along with their alignment with the Water Framework Directive; the regulations mentioned above have failed to guarantee the adequate protection of waters and biodiversity or compliance with the European legal rules, and it is expected that without any reform this will be the case for new Cohesion Policy funding.

When it comes to biodiversity and nature, FEW 2021+ looks better in comparison to the other operational programmes. It seems to be much more in line with the Commission's directives, the 'do no significant harm' principle, and the EU Biodiversity Strategy for 2030. The programme's newest version mentions biodiversity in

⁴ The ministry also argued that energy communities are included in the Polish recovery plan - even though according to ministerial officials, they are not recognised in national legislation.

several places. Unfortunately, some plans in this area do not respond to real needs. In the current situation, when the allocation for biodiversity is very small, funds should be directed to the actual protection of naturally valuable areas, restoring the proper conservation status of species and habitats, instead of creating eco-parks, botanical gardens, and even gene banks. (Gene banks are collections of useful plant seeds valuable for breeding, research and the economy. They are necessary facilities but should not be financed from biodiversity money.) Such investments will not contribute to achieving the objectives of the EU Biodiversity Strategy for 2030. Also, the authors of the plan should consider prioritising biodiversity separately, to avoid competition for funding with environment and energy measures. OP FEW 2021+ also connects restoring and preserving biodiversity with eco-tourism and tourism infrastructure. It is a far-fetched idea. Furthermore, the whole climate adaptation part is surprisingly good in comparison with Poland's other operational programmes, even in the section on hydropower infrastructure construction. The provisions concerning hydropower are focused on modernising existing facilities, not building new ones. Only support intended for new water intakes raises doubt. After the public hearings, the authors promised to remove that part, but it is still in the plan.

Harmful investments

Apart from insufficient support for energy transformation or biodiversity restoration, Polish operational programmes contain interventions that clearly violate the 'do no significant harm' principle and that are harmful to climate and the environment.

Apart from the extensive investments in gas, one of the most visible examples is the **waste incineration proposal**, which was removed from the recovery plan following civil society concerns but re-appeared in OP FEnIKS. Even the Ministry of Development Funds and Regional Policy (the Managing Authority for OP FEnIKS) admitted at the public hearing (16 February 2022) that investments in waste incineration were included in the programme as a response to 'high demand' in Poland. Ministerial officials were aware that they may be removed due to demand from the Commission, following the 'do no significant harm' report. Apart from the waste incineration investments, a very low increase in selective waste collection (by 0.63 per cent) and in recycling (by 0.62 per cent) was planned in FEnIKS, which raises concerns regarding Poland's ability to reach circular economy goals.

Another concern is that almost one-fifth of the entire OP FEnIKS (EUR 4.5 billion) is allocated for road construction, with the majority (EUR 3.85 billion) earmarked specifically for highways. This will not contribute to reaching EU reduction goals and – compared to the much smaller allocation for clean transport investments – raises objections regarding the programme's compliance with 'do no significant harm'. The allocation was reduced by roughly EUR 2 billion in comparison with the version of OP FEnIKS presented for public consultation, which the ministry explained by raising the need to secure a required level of climate spending, as well as criticism from the Commission and consultation participants. Altogether, 52 per cent of OP FEnIKS was allocated to transport, and 18 per cent specifically for road construction.

Inland navigation is the undoubted winner of the distribution of European funds for transport for the financing period from 2021 to 2027. Despite severe threats to the biodiversity of river valleys and the minimal importance of this type of domestic freight transport (a 0.7 per cent share, which, according to forecasts, should not change

until 2030), the increase in funds allocated to this means of transport comparing to the previous EU budget is tenfold. Inland waterway transport disappeared from the recovery plan but reappeared in OP FEnIKS. The hydrotechnical infrastructure related to this type of transport interrupts the continuity of rivers as ecological corridors and negatively affects the condition of aquatic and water-dependent ecosystems. Therefore, supporting its development violates the 'do no significant harm' principle and is contrary to the environmental objectives of the Water Framework Directive and the EU Biodiversity Strategy for 2030.

It is likely that European funds will be spent on bad and expensive programmes such as the Oder River regulation programme or construction of Kąty-Myscowa reservoir on the Wisłoka River. The construction of waterways would be several times more expensive and less efficient than expanding the railway network in Poland.

Missing projects and priorities

Although there are a significant number of bad projects, there are also a number of investments that were expected, yet not included in the programmes.

Support for energy efficiency, renewable energy including energy communities, comprehensive climate education, and investments in biodiversity protection and restoration are vital missing or underfunded projects. These are some examples and proposals:

- Energy efficiency measures electrification of heating (instead of gasification), building renovations on a massive scale
- Expansion of renewable energy energy communities instead of fossil gas, modernisation of grids and developing energy storages
- Biodiversity protection the Natura 2000 network should be completed and the reason for protecting
 individual areas should be correctly defined. Establishing and implementing Natura 2000 conservation
 tasks is a missing priority. Also, it is a key objective of the EU Biodiversity Strategy for 2030 to achieve
 full protection of 30 per cent of areas currently designated as 'protected'. In theory, almost 40 per cent
 of Poland's territory is covered by some form of protection. Still, in practice, this protection is either
 insufficient or not implemented adequately.
- Protect green infrastructure to ensure compliance of OP FENIKS with the 'do no significant harm' principle, it is also necessary to strengthen the protection of green infrastructure primarily trees. During the implementation of projects, trees are often damaged. Therefore, tree protection standards should become a necessary element in the implementation of each investment and at its every stage from designing, through implementation, to monitoring and evaluation. A national tree planting programme should be adopted, covering the restoration of stands along the roads and the care of trees that are already growing.



 More river restoration projects are needed, like the one in Chobienia and Lubiąż, where the Oder River regained its space to flow safely during floods, without flooding the surrounding villages and towns.
 The National Programme for the Restoration of Rivers would undoubtedly help. Poland has such a programme, but its implementation is constantly postponed.

Conclusion

The billions of euros earmarked for climate-related projects in Poland's operational programmes are a chance to streamline green transition, accelerate pro-environmental investments and mitigate the social costs of the transformation. They can and should help the country tackle the fossil fuel crisis and help quit imports from Russia. However, Polish plans suggest that this chance may be wasted due to lack of ambition, and the decision to promote the interests of large, state-owned energy companies and large-scale infrastructure investments rather than a scattered, grassroot transformation from coal to renewables. With inadequate and outdated national strategies in the area of climate and environment and prioritisation of the speed of spending over its quality, it is likely that Poland will not be able to catch up with the rest of the EU in terms of the pace of transition and secure its green energy security at the same time.

Recommendations

During the programming period of cohesion policy funds for 2021 to 2027, civil society representatives submitted a significant number of inputs to the public consultation (over 1,500 inputs to the draft Partnership Agreement alone from Polish Green Network and Fridays for Future Poland). In parallel, experts issued public statements with recommendations regarding the desired shape of future programmes. Some of them were accepted, but many were disregarded. They are the basis of the following recommendations:

- 1. Horizontal recommendations (regarding more than one operational programme) ensuring sustainable social development by:
 - a. Redirecting funding from fossil gas and road construction to energy efficiency and renewables in all cohesion policy funds.
 - b. Supporting comprehensive climate education at all levels national, regional and local covering various social groups, children, youth, adults, local communities, teachers, professional organisations, public administration, and in particular local governments.
 - c. Providing a broad training offer in the field of climate and environmental protection for staff at all levels in companies and public administration, enabling the provision of appropriate intellectual, expert and human resources for a dynamically developing 'green' economy.
 - d. Support investments that meet both environmental and social standards.
 - e. Ensure civil society participation in decision-making processes regarding green transformation (e.g. implementation of the partnership principle in the programming of EU funds, promoting citizen's panels, strengthening consultation processes, etc.).



- f. Supporting research and development that focuses on the interests of the population, as well as the implementation of green social innovations. Development of energy communities should be mainstreamed, as this form of collective prosumerism makes clean, green energy more available and affordable for people and gives citizens a feeling of ownership in the transformation process.
- 2. Recommendations regarding the implementation of the partnership principle in the monitoring of operational programmes:
 - a. Ensuring a balanced composition of monitoring committees, open and transparent selection of representatives of partners, and independent selection/election of civil society representatives.
 - b. Ensuring representation of environmental and climate civil society organisations in the monitoring committees, reflecting the importance of climate action and the share of funds earmarked for climate and environment.
- 3. Recommendations regarding climate action and compliance with the 'do no significant harm' principle (especially relevant for OP FEnIKS):
 - a. Re-shape the programme to ensure that climate action becomes the core of the document, instead of large-scale infrastructural investments. EU reduction goals should be clearly indicated and become a basis for operational programme priorities and structure.
 - b. Re-shape the programme to ensure that the focus is on the climate and environmental impact of investments, not on the pace of spending this concerns both the types of investments (the need for more ambitious projects) and evaluation indicators for specific investments.
 - c. Remove support for fossil gas investments.
 - d. Increase allocations for interventions contributing to achieving European Green Deal priorities: support for energy efficiency and renewables (including the development of energy communities), as well as circular economy (waste segregation and development of recycling installations).
 - e. Remove harmful projects that violate the 'do no significant harm' principle: support for hydropower, waste incineration.
 - f. Align operational programmes with European Green Deal principles and EU strategies, including the Renovation Wave, EU Mobility Strategy until 2050, the Water Framework Directive and the EU Strategy for Biodiversity until 2030, and build indicators on benchmarks from these strategies. This means, among other things, reducing investments in road infrastructure, and removing inland navigation and replacing these interventions with increased support for clean,



low-emission and zero-emission transport development (i.e. railways). Public transport should be a priority.

g. Embrace biodiversity protection, by introducing tree protection standards as a required element of every infrastructure project (at every stage, from design through implementation to monitoring and evaluation) and allow financing of biodiversity restoration not only in urban but also in rural areas.



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