



Country profile –Poland

Country: Poland												
Support schemes	Electricity and heat production			Consumption				Transport		Supply and others		
	RES	Fossil	Nuclear	RES	Fossil	Electricity	Heat	Biofuels	Fossil	RES	Fossil	El./heat
1. Direct subsidies												
Direct on-budget subsidies	3			4								
Feed-in tariffs												
Feed-in premiums												
Adjustment Aids		12, 10										
Inherited liabilities		11										
Induced transfers		7										
Others												
2. Fiscal measures												
Energy Tax Allowance												
Energy Tax Exemptions				2								
Other Tax Deductions		6										
Earmarked refunds of taxes					13							
3. Transfer of risk to government												
Adjustment Aids												
Inherited liabilities												
Others												
4. Other financial measures												
Adjustment Aids		9										
Other Tax Deductions												
Others												
5. Non-fiscal measures												
Quota obligations	1			1				5				
Priority Grid Access	1											
Others					8							

No.	Datasource	Description
1	RES-LEGAL	Grid operators are obliged to connect renewable energy plants to their grids without discriminating against certain (groups of) plant operators. Furthermore, grid operators must give electricity from renewable sources priority of transmission. Grid operators are also obliged to develop their grids in line with the general provisions of energy law. However, plant operators are not entitled to the development of the grid.
2	RES-LEGAL	Tax regulation mechanism - In Poland, a tax is levied on the sale of electricity to end-users and their consumption (art. 9 Tax Act). Electricity from renewable sources is exempt from consumption tax (art. 30 par. 1 Tax Act).
3	RES-LEGAL	Subsidy (National Fund for Environmental Protection and Water Management - Solar) - The National Fund for Environmental Protection and Water Management grants subsidies to cover parts of a loan taken out to purchase and install solar collectors (7.1 Priority Programme RES Solar). The collectors must be installed by an expert who has been certified according to the requirements specified in Appendix II of the Priority Programme RES Solar.
4	RES-LEGAL	Subsidy (Thermo-modernisation grants) - The thermo-modernisation grant scheme supports building renovations which increase energy efficiency or the use of renewable energy sources for heating purposes. Lenders may receive grants to pay off part of the loan taken out to

implement such measures.

5	RES-LEGAL	<p>Eligible measures shall reduce a building's annual energy demand, annual energy losses or annual costs of heat production or replace existing heat generation plants with renewable or high-efficiency CHP plants (art. 3 par. 4 Act on Thermo-Modernisation).</p> <p>Biofuel quota (National Indicative Target) - The Act on Biocomponets and Liquid Biofuels obliges producers, importers and suppliers of fuels to meet a defined quota of biofuels. The act introduces the national indicative targets (NCW), i.e. annual minimum percentages of biofuels and other renewable fuels in the total amount of liquid fuels. The NCW levels are determined every three years for a period of 6 years by the Council of Ministers.</p>
6	OECDTADFFSS	<p>Special tax rules. For general income tax purposes, depreciation expenses are calculated according to rules which are unique to the oil and gas industry: expenses incurred in acquiring pipelines and production facilities may be completely written off in straight line over six years. If oil and gas companies terminate their activities in Norway with losses, the government reimburses the tax value of those losses. Since 2005, oil and gas companies reporting a loss for tax purposes can also obtain a reimbursement of the tax value (for regular corporate tax and resource tax) of their direct and indirect exploration expenses (excluding financial expenses). In practice, this means a government reimbursement of up to 78% of all the direct and indirect exploration expenses. No estimates available.</p>
7	OECDTADFFSS	<p>Stranded Costs Compensations. This item comprises subsidies provided to power plants to compensate them for the termination of long-term Power Purchase Agreements (PPAs). Payments are financed from a parafiscal levy imposed on all consumers to make up a fund which is then disbursed among the power plants. State payments cover the costs and risks normally borne by the power plants under normal market conditions. Since Polish power plants rely mainly on coal (more than 90% of Polish electricity is produced out of coal), this scheme is an implicit subsidy to the coal sector.</p>
8	OECDTADFFSS	<p>Coal Allowances in Coal-Mining Sector. Traditional in-kind benefits for miners include free provision of coal which used to serve heating and water-warming purposes. With time, however, most miners have obtained access to distributed heating systems and the benefit in-kind lost its rationale. The in-kind coal support is now being phased out with the introduction of cash equivalents.</p>
9	OECDTADFFSS	<p>Aid for Employment Restructuring. The item comprises various social schemes over the last two decades but its aim has always been to bring about a reduction in unemployment in the mining sector without a significant loss of the dismissed workers' welfare.</p>
10	OECDTADFFSS	<p>Aid for Coal-Mine Decommissioning. The coal-mine decommissioning programme started in 1991. It became an official government policy in 1993 as part of the plan to make the coal-mining sector profitable. The state is committed to continue the programme until at least 2015. The state has been covering the costs of dismantling the equipment, protecting the land above from subsistence, and ensuring that neighbouring coal mines are secured from water, gas and fire hazards.</p>
11	OECDTADFFSS	<p>Rehabilitation of Regions Damaged by Coal Mining. This item forms part of the broader restructuring programme. It provides funding for the</p>

		rehabilitation of regions damaged by both past coal-mining activity and the reactivation of abandoned mining sites. Funding provided for the rehabilitation of regions damaged by the reactivation of abandoned mining sites is a producer subsidy.
12	OECDTADFFSS	Early-Retirement Benefits for Laid-Off Miners.
13	OECDTADFFSS	Rebates on Diesel Fuel Tax in Farming. Rebates are financed out of the state budget and their value cannot exceed 86 litres per hectare of utilised agricultural area. The Minister of Agriculture and Rural Development determines the exemption rate on a yearly basis. Polish farmers can obtain rebates by submitting the relevant invoices to the local authority twice a year.