

# benefit

Interview  
The KPC management  
on the business year 2022  
page 8

»Reparaturbonus«  
Start of a success story  
page 20

Climate risk strategy  
for Crédit Agricole du Maroc  
page 50

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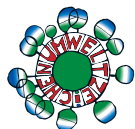
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benefit

Kommunalkredit Public Consulting

Performance report 2022





#### **Acknowledgments**

On behalf of KPC, we would like to thank our partners, clients, the supervisory board and the advisory board for their cooperation, support, and continued faith in us.

We would also like to thank our employees for their commitment, loyalty, flexibility, and openness to something new.



## performance report

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### Lead to Success

- 08 The business year 2022
  - 12 Climate change is a global problem
  - 16 Project development in the field of renewable energies
  - 20 Reparaturbonus« – Start of a success story
- 

### Business area Funding Management

- 23 Business area Funding Management
  - 24 Our contribution ... to the national climate and energy strategy
  - 30 »Klimafitte Kulturbetriebe«
  - 31 »Transformation der Wirtschaft«
  - 33 »Raus aus Öl und Gas«  
A record year 2022
  - 34 Our contribution ... to residential water management
  - 38 Our contribution ... to ecological measures at rivers
  - 42 Our contribution ... to the remediation of contaminated sites
- 

### Business area Consulting

- 47 Business area Consulting
  - 48 Innovative finance mechanisms
  - 49 IKI-SPAR6C Program
  - 50 Climate risk strategy for Crédit Agricole du Maroc
  - 52 EBRD – Green City Action Plan: District Brčko
  - 54 Climate Austria
- 

- 76 Epilogue

## facts+figures

---

### Lead to Success

- 59 Business development 2022
  - 61 Best of ... events
- 

### Business area Funding Management

- 65 Processing numbers 2022
  - 66 Ecological effects  
Environmental funding for businesses and municipalities  
Environmental funding for private households
  - 67 Water management
  - 67 Contaminated sites
- 

- 68 SDGs – KPC's contribution to sustainable development
- 

### Business area Consulting

- 69 Where are our projects located?
  - 70 Climate Austria
- 

### Kommunalkredit Public Consulting GmbH

- 71 KPC team
- 72 Proprietors and bodies

## This issue's highlights

p. 12

### What are the effects of the international climate negotiations on national measures?

DI MBA Wolfgang Diernhofer was a member of the negotiation team at the 27th Climate Change Conference in Sharm El-Sheik (COP27). In an interview with Benefit he deals with the question stated above and explains KPC's role in regard to the climate negotiations.

p. 20

»Fix it before you bin it« – the motto of the funding campaign Reparaturbonus 2022 is just like a fresh breeze in the funding landscape. Due to uncomplicated processing for both private individuals and repair services, the attractive offer created a downright run on the new funding campaign.

p. 31

### Transformation der Wirtschaft

The conversion of industrial processes in order to reduce greenhouse gas emissions at Austrian production sites poses a great challenge. The program »Transformation der Wirtschaft« of the Climate and Energy Fund supports companies in the transformation of production processes towards climate neutrality.

p. 39

### New funding offers in regard to ecological measures at rivers

In autumn 2022, the connection funding via the biodiversity fund for ecological measures at rivers succeeded in further increasing the funding amount and, by doing so, considerably incenting the implementation of these measures.

## EDITORIAL

From the  
BENEFIT editorial staff

Dear reader,

Also the sixth edition of BENEFIT offers a multitude of interesting topics in regard to what happened in one year at KPC. In the 2022 edition, we would like to present you an interesting interview with the management concerning the business year 2022 – affected by funding budgets that have risen strongly as well as the creation of many new funding programs. A balancing act that KPC has coped with optimally.

We are going to inform you about the successful launch of the new funding campaign »Reparaturbonus« in April, which has exceeded all expectations with 350,000 repair bonds redeemed in 2022, we will further let you in on the developments concerning land recycling in Austria, and we are also going to present you an interesting report on our funding campaign »Raus aus Öl und Gas« which was listed a record year for 2022.

If you want to know more about the results of the 27<sup>th</sup> Climate Change Conference in Sharm El-Sheik (COP27), an informative interview with our expert DI MBA Wolfgang Diernhofer will provide you with answers to all your questions and demonstrate how international climate negotiations relate to national measures.

We hope you will enjoy reading our stories!

## The world, as we know it, has changed.

The still on-going pandemic, the Russian war against Ukraine, a state of political hostility between Asian countries, exploding energy prices, high inflation, and increasing interest rates – all these factors influence our daily lives and actions. We are currently experiencing a turning point in history. These challenging times call for the investment of common efforts into a more sustainable and better future. Infrastructure forms the basis on which our diverse society is built on. We all need sustainable and efficient energy supply, working short and long distance traffic connections, fast communication channels, and modern social infrastructure – starting with preschools, schools, leisure facilities, up to pharmacies, hospitals, and care homes.

National climate and energy plans, the European Green Deal and the US-American Inflation Reduction Act aim at leading the world towards a more sustainable future. By specializing in infrastructure and energy, the Kommunalkredit Group makes essential contributions regarding this context. As an internationally acting institution, the bank has assisted in a multitude of essential projects in the expired business year 2022: for instance water treatment facilities in Italy, wind parks in Scandinavia and Germany, photovoltaic plants in Iberian Peninsula, Romania, and Hungary, broadband initiatives in Germany, the Netherlands, Slovenia, and Croatia, and in the facilities and services regarding social care for the Italian population. In addition to that, we have done financing in our Austrian domestic market, in particular that of preschools, schools, and fire departments, water supply and removal as well as broadband expansion in Austrian cities and municipalities – with a special focus on ESG and SDG criteria.

With its business areas funding management and consulting, our subsidiary Kommunalkredit Public Consulting (KPC) adds to the sustainable direction of the company group. KPC's broad and specific know-how in regard to environment – climate – energy makes it a designated partner in the field of sustainable finance. With a growth rate of 322%, KPC has overseen almost 415,000 projects with fundings to the amount of EUR 1.3 billion in 2022 (2021: almost 100,000 projects and EUR 773 million respectively). A lot of funding programs have been developed, implemented, and overseen in the name of KPC's clients in order to actively support the climate protection efforts of the Austrian government and the economic recovery on regional and local levels. As a company providing consulting for notable national and international development organizations and financial institutions, as a verification agent of green loans, as a counselor of the Austrian board member in the Green Climate Fund, or as the member of the Austrian negotiation team at the COP negotiations, KPC is a sought-after and valued partner. These synergies of KPC's technical know-how with the financial background of Kommunalkredit make for the uniqueness of the company group. Together, we realize numerous promising projects acting as milestones on the way to a more sustainable future.

We have big plans. We will continue to grow, be economically successful, realize innovative and exciting projects and at the same time cope with our sociopolitical responsibilities. New and flexible ways of thinking are necessary to promote energy revolution. We are and always will be serving as boosters, companions, innovators, and incubators regarding sustainability. Together, we want to create a positive future.

Kind regards,  
Bernd Fislage  
Chairman of the supervisory board



The business year  
2022





## INTERVIEW



In an interview with the management, KPC Executive Director Mag.<sup>a</sup> Gerlinde Mayerhofer-Fras together with KPC Executive Directors DI Christopher Giay and Dipl. Kfm. Frank Hasselwanger review the business year 2022 – a year affected by funding budgets that have risen strongly as well as the creation of many new funding programs.

### How did KPC's business develop in the previous year? How have things progressed concerning funding management in particular?

G. Mayerhofer-Fras: In terms of climate protection efforts of the Austrian government as well as economic recovery on regional and local levels, means of funding have been considerably increased for all climate relevant funding instruments in 2022. Never before has the amount of means of funding been so high. Linked to this, the demand for funding also increased: a plus of 322% of granted applications could be noted. Overall, a total of 414,355 projects have been funded with an investment volume of EUR 6,015.3 million.

C. Giay: On top of that, a lot of new funding programs were launched in 2022. The year saw the implementation of funding offers regarding the transformation of the economy towards climate neutrality, the modification of cultural facilities in the course of the program »Klimafitte Kulturbetriebe« as well as the thermal renovation and the exchange of boilers in buildings for at-risk people.

G. Mayerhofer-Fras: Also the demand for approved fundings in the course of the renovation offensive has considerably gotten higher due to the energy crisis and attractive funding offers. Through the increase of funding flat charges and the implementation of new addition opportunities (gas bonus, solar bonus) regarding the transition to renewable energies, »Raus aus Öl und Gas« became even more attractive. Overall, 47,207 private households and 434 businesses have received fundings in the

amount of EUR 345.2 million in the course of the renovation offensive, yielding a reduction of emissions by about 339,000 metric tons carbon dioxide. As already mentioned, since the beginning of 2022, there is also a complementary funding campaign for low-income households which cannot afford the transition to a climate friendly heating system. The campaign »Sauber Heizen für Alle« is carried out in close cooperation with the federal states and enables an up to 100% funding of the transition.

### Digital transformation and efficiency are topics that go along with KPC's processing activities. How have things progressed in 2022?

C. Giay: Since 2019, all funding applications are processed online. Funding applicants may submit their applications via the KPC online system 24/7 and completely paperless, they can navigate around their own login area and directly access their project data. This transparent procedure facilitates communication on both sides – the result is a quick and non-bureaucratic processing of funding applications. In 2022, we put the focus on the topics of user friendliness and data security and have also expanded them.

G. Mayerhofer-Fras: We are continuously working on the improvement of our services – simplification and efficiency are keywords here. In addition to that, we have relaunched all our websites in 2022 in order to be up to date in regard to technology and usability.



Gerlinde Mayerhofer-Fras has been Executive Director of Kommunalkredit Public Consulting since 2021. She studied law, and, besides the funding area climate and energy, she is also responsible for central services and sustainability agenda.



Frank Hasselwander has been Executive Director of Kommunalkredit Public Consulting since 2021. He is a graduate in business management and commercial director, as well as an expert in renewable energies and the project development of these technologies.

### Let's take a look at consulting: how have things progressed in 2022?

F. Hasselwander: After being negatively affected by COVID-19 in the previous years, international consulting has undergone a positive change again. Even though the energy crisis and the Russian war against Ukraine have a direct and indirect impact on the budgets of multilateral development banks, the pipeline for on-going projects in 2022 could be extended.

The still tangible effects concerning tendering and awarding processing with clients as well as the restrictions regarding project works in Ukraine are being compensated by an adapted project management in the on-going Ukrainian projects. The success rate was once again raised by the target-orientated participation in calls for tender. Consulting approaches in the field of ESG and sustainable finance have been pushed in 2022 as well even though the EU for instance surprisingly delayed the implementation of sustainable reporting. Nevertheless, an increased demand for consulting services in the field of ESG and on the basis of regulatory developments regarding green assessments and finance in the EU is to be expected. Consequently, KPC continues to offer both consulting in the fields of climate protection and green finance and also expertise in the field of ESG (Environment, Social, Governance) to companies and entrepreneurs.

### 2021 saw the addition of the business area »project development«. How have things progressed here?

F. Hasselwander: Looking at the extension of business areas, KPC has created »Project development in the field of renewable energies« in 2021. Whereas in that year the building of a team of experts as well as the creation of structures and strategic partnerships were put to the foreground, the focus in 2022 was put on the implementation of projects in Austria, South and Eastern Europe and the further expansion of the team.

2023 will see a change though: after we have been strongly cooperating with Kommunalkredit Austria AG in previous years, it was decided to transfer the business area "Project development in the field of renewable energies" there. By doing that, synergies between the expertise on financing and structuring, risk management, and technical know-how are used optimally and combined in one area.

#### Climate Austria is a product of KPC. How has this Austrian climate protection initiative developed in 2022?

G. Mayerhofer-Fras: Climate protection has gradually become more important to the general public in 2022. Companies are increasingly judged by the measures they take to actively support climate protection. More and more companies decide on a holistic strategy in regard to sustainability and chose Climate Austria as a compensation partner for those CO<sub>2</sub> emissions that can't be avoided. Since the launch, about 386 national and international climate protection projects were supported with contributions in the amount of nearly EUR 2.7 million.

#### How has the collaboration with Kommunalkredit Austria AG developed in 2022?

G. Mayerhofer-Fras: KPC continues to acutely and successfully collaborate with Kommunalkredit Austria AG. With their technical competence, KPC's experts support the bank employees in the development and assessment of international infrastructure projects. KPC also contributes its expertise with the development of sustainable asset and finance products.

#### What has turned out to be particularly successful in 2022?

G. Mayerhofer-Fras: In April 2022, we successfully launched our funding campaign »Reparaturbonus« which we are processing for the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology. The »Reparaturbonus« is a means of funding meant for the repair of electric and



DI Christopher Giay has been Executive Director of Kommunalkredit Public Consulting since 2005. He studied agricultural engineering and water management. He is the managing director as well as an expert in the development and implementation of funding programs.

electronical devices which are commonly used in private households. For this, about EUR 130 million are at disposal until 2026. The easy application as well as high public interest mirror the amount of applied-for and redeemed repair bonds: a total of 350,000 repair bonds have been redeemed in 2022. The demand surpassed everyone's expectations and made the funding campaign a remarkably successful one in the first year already.

#### Finally, an outlook: what is due in 2023?

C. Giay: As pointed out already, we will be allowed to manage a considerable higher amount of means of funding regarding national environmental funding, the renovation offensive as well as the Climate and Energy Fund in 2023. Apart from the processing of a high number of quantities, also the placement of the means of funding will prove to be a challenge. In addition to that, new funding programs will be launched and implemented, for instance the transformation of the industry and the energy efficiency fund. Already successful campaigns like the e-mobility offensive and »Raus aus Öl und Gas« are to be continued in 2023 with considerably higher funding budgets. With consulting, we continue to pursue a definite growth strategy – including new topics like »ESG – Environment, Social, Governance« and new clients. And last but not least, KPC will celebrate its 20 year anniversary in 2023. ●





»Climate change is a global problem – climate protection measures are needed on a national and international level.«

**What are the effects of the international climate negotiations on national measures?**

DI MBA Wolfgang Diernhofer was a member of the negotiation team at the 27<sup>th</sup> Climate Change Conference in Sharm El-Sheik (COP27). In an interview with Benefit he deals with the question stated above and explains KPC's role in regard to the climate negotiations.

### How do you assess the international climate negotiations and what results could be achieved at the COP27 in Egypt?

W. Diernhofer: It is quite common to put the efficiency of the climate protection process and the international climate negotiations into question. You have to know though that the process in the course of the United Nations Framework Convention on Climate Change is based on the fact that all negotiation parties are equally important and all decisions have to be unanimous. The countries are aware that climate change is posing a real threat to them; particularly many developing countries and insular states are very much concerned. The United Nations Framework Convention on Climate Change acts as the frame in which negotiations take place concerning how climate change can be fought. The Paris Agreement from 2015 has formed the architecture so that all countries can contribute to climate protection according to their capability. But after all, unanimity is the key factor, that is why it is often hard to achieve compromises that all countries are willing to agree to.

Concerning the 27th Climate Change Conference (COP27) which took place in Sharm El-Sheik, Egypt at the end of November 2022: almost 34,000 were registered for the Climate Change Conference. The negotiations which lasted for two weeks saw a struggle to achieve results in the closing communiqué of the COP on both an expert level and – particularly in week 2 – on a political level. The focus of countries belonging to the global South was on the topics of adaptation and financing of losses and damages. This was supported by the Egyptian COP presidency which actually is supposed to remain neutral. The pressure to agree to the establishment of a fund for the compensation of losses and damages was high. The EU and other donor countries finally did so during the last nocturnal rounds of negotiation. Countries affected most by the climate crisis will be the beneficiaries of this. In a "transient committee" the fund's modalities shall be developed more closely and finalized at the COP28 in Dubai in December 2023.

### Why is KPC part of the climate negotiations and what is its role?

W. Diernhofer: KPC has been active regarding climate protection for a long time and can look back on a longtime and successful collaboration with the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology. This goes back to the commitment period in the course of the Kyoto Protocol, where KPC managed the acquisition program for the Republic of Austria and helped achieve the emission goals in regard to Kyoto and successfully complete them in 2015. Contrary to a lot of other players in regard to international climate protection, KPC has gained practical knowledge concerning the processing and realization of climate protection projects and the implementation of ESG relevant processes. By doing so, we are able to watch the effects of the agreements reached in the course of the UN progress and the EU climate agenda in practice. On the one hand, we understand the climate change policy



Wolfgang Diernhofer is the responsible head of the consulting department within KPC. Besides consulting projects for multinational institutions and development banks, he also accounts for topics in the field of international climate finance. In addition to that, he is a member of the Austrian negotiating team at the COP.

context because we are involved in the process, and on the other hand, we are also aware of the direct impacts of climate change policy decisions when we are supporting climate protection projects. Hence it was only consistent that KPC actively supports the Austrian negotiation team at the COP and introduces hands-on experience and expertise from climate protection projects and the carbon dioxide market into the negotiation process.

More specifically, KPC especially supports the BMK in the negotiations regarding international climate financing. There KPC acts as a negotiator who not only covers topics of climate financing within the Austrian delegation but also conducts the negotiations concerning the so-called adaptation fund for the whole EU.

#### How can results of the COP be translated into »tangible«, concrete measures?

W. Diernhofer: Climate change is a global problem and climate protection not a restricted local topic. It's not enough to only act on a national level and at the same time not apply climate protection measures in other regions, particularly in developing countries. Especially developing countries often do not have adequate means to apply measures to reduce greenhouse gas or means for adaptation measures. Just like industrial nations, developing countries try to generate economic wealth and achieve solid economic growth. For this, what is needed is energy security, development measures and more. All of this is relevant for climate protection. The development policy component is huge and that is why climate financing is so important.

Knowing that climate protection measures on a national level as well as on an international level are necessary, the BMK has raised the means of funding for climate relevant environmental fundings. At the same time, also the means for international climate financing which enables Austria to fund bilateral climate projects in developing countries were raised considerably. KPC supports the BMK by acting as the funding agency in regard to national environmental funding (UFI) as well as the processing agency of international climate financing. That way, projects meant to reduce greenhouse gas or act as adaptation measures to the negative effects of climate change are supported on-site in developing countries. The climate protection projects have a direct impact in the respective regions and help the local population achieve sustainable effects and improve their living conditions. This generates a win-win situation where climate protection can be achieved very target-oriented and effectively on-site by a comparatively little allocation of means – with a very high positive impact on climate protection as well the living conditions of the affected population. ●







Project development  
in the field of renewable energies



An interview with Dipl. Kfm. Frank Hasselwander on the topic of »project development in the field of renewable energies«, the business area of Kommunalkredit Public Consulting (KPC) launched in the previous year.

**A year ago you introduced KPC's new business area »project development in the field of renewable energies« to us. What has happened since then?**

F. Hasselwander: Without a doubt, the year 2022 has been a difficult one in a geopolitical and also climate change policy sense, with a direct impact on our business idea. Global conflicts, in particular the war in Ukraine, have brutally shown us Europe's dependence on the import of fossil burning for the production of energy. At the same time, climate change unabatedly goes on. Due to the mentioned conflicts and also other global crises, for instance caused by the Corona pandemic, there is a lack of money, but also the acting players lack priority, capacity, and focus in order to fight climate change. In this respect, our idea to develop projects in the field of renewable energies ourselves, is even more up-to-date and of even greater importance than last year already.

**How has your business idea progressed?**

F. Hasselwander: The realization of every project basically starts with the selection of the projects and the respective project partners. At the end of 2021, the collaboration between Kommunalkredit Austria and eww Anlagentechnik GmbH was launched: via our joint venture PeakSun PV 1 GmbH we offer companies and other owners of large roof areas the possibility to set up a modern photovoltaic plant on their roofs and use the electricity produced at favorable conditions without their own investment and without technical risk. KPC acts as the technical consultant of PeakSun and is significantly involved in the processing and the assessment of each roof. On top of that, we have assessed several collaborations with small project developers and together analyzed various project portfolios in the previous year.

Here, what is important is the quality of the projects and their likelihood of realization.

Last year we have finalized such a first collaborative agreement over a project portfolio with a total nominal capacity of over 1 GWp in regard to photovoltaics. The realization will take place in the following months and years. We are currently assessing further collaborations, also in the field of photovoltaics, but also Wind Onshore. According to the motto »So test therefore, who join forever« though, we will have to wait for further finalizations.

**Which possibilities are there to collaborate with your team?**

F. Hasselwander: We are always in the search of new projects and want to get to know new and small project developers. Our strength lies in the support of small and local project developers to develop a bigger project pipeline more efficiently, to realize it, and, together with Kommunalkredit Austria AG, as far as possible finance it. The local project developer basically takes care of the local project requirements. What we do is provide support with our experience and our network and partners in the fields of general contractors and hardware suppliers. An important advantage also is that we work closely with Kommunalkredit Austria AG and take care of the financing of the project pipeline.

**What are the advantages for smaller project developers?**

F. Hasselwander: Sometimes the project developer lacks the experience they need to realize bigger projects. They may have realized smaller projects so far but with bigger ones, the project requirements such as authorization procedures, structuring as well as financing of the project or the sale to an investor are far more complex and time-consuming. That is where we come into play and offer support. Our team is able to take on duties or at least monitor them, and by doing so we create time and space for the project developers in order for them to focus on the project.



Frank Hasselwander has been Executive Director of Kommunalkredit Public Consulting since 2021. He is a graduate in business management and commercial director, as well as an expert in renewable energies and the project development of these technologies.



### Is there a way to contribute a share to the projects?

F. Hasselwander: KPC's goal is to acquire and develop projects like this together with project developers and then yield them to investors. The latter are offered the possibility to exclusively purchase the project rights which allow for the immediate realization – the construction – of the project. Another approach could be that we construct the project ready-to-use and the investor makes an investment into a finished project. Also here, we have different possibilities: the investor can either manage and run the project themselves or contribute a share to the project in the course of a passive investment and partake in the economic success.

### What is your goal for 2023?

F. Hasselwander: The corporate goal definitely is the realization of projects resulting from the collaboration drawn up in the previous year. But the even more important, greater goal is to push and positively see the long due energy revolution through with our projects. 2023 will see a change though: after we have been strongly collaborating with Kommunalkredit Austria AG in previous years, it was decided to not continue the business area »Project development in the field of renewable energies« at KPC but transfer it there. By doing that, synergies between the expertise on financing and structuring, risk management, and technical know-how are used optimally and combined in one area. For us, this poses the validation of our undertakings and pushes our progress. But this doesn't change our starting position: the fields of wind and solar but also water, biomass, and geothermal energy have got huge potential to sustainably cover the energy demand of both households and the industry and at the same time fight the crises mentioned above. In view of our children's future, this has to be our goal!

### Last but not least: in the previous issue you told us about the installation of a photovoltaic plant on the headquarters' roof at Türkenstraße in Vienna. What can you say about this?

F. Hasselwander: We are delighted to make our idea become reality: after intense planning concerning the statics of the roof, the alignment of the plant, as well as the highest possible and economically worthwhile amount of modules on the roof, all groundwork has been finished to the full extent. We'll start with the installation of a 100kWp photovoltaic plant this year, which will hopefully cover about 20% of our total energy demand per year for our building services and in particular our bank's hardware and servers as of summer 2023. This way, we make our own little direct contribution to the energy revolution..●

## INFOBOX PEAKSUN

PeakSun is a joint venture between eww Anlagentechnik GmbH (100% subsidiary of eww ag) and Kommunalkredit Austria AG founded at the end of 2021. It enables companies and other owners of large roof areas the possibility to set up a modern photovoltaic plant on their roofs and use the electricity produced at favorable conditions without their own investment and without technical risk. The planning, installation, financing, and operating of the plant is taken care of by PeakSun. The customers only pay the lease scheduled for 15 years. This way, every company is able to make another simple and favorable contribution to the energy revolution – without a lot of additional expenses. After termination, the company can take over the plant and produces electricity all but free of cost; they only have to bear the costs for operating and maintaining of the plant.

In 2022 already, the first photovoltaic plants have been planned and installed for Austrian customers. One of the first PeakSun customers is Bilfinger Industrial Services GmbH with two systems on top of plant facilities with a total capacity of 660kWp. Bilfinger Industrial Services GmbH is the biggest industry service provider in Austria with the headquarters in Linz and other sites. The company's focus is on process technologies, energy storage and distribution, and hydro. "In the course of the selection process, PeakSun offered the cost/performance ratio with its model", Reinhard Schwiegk (Commercial Division Manager at Bilfinger Industrial Services GmbH) says. The plant is supposed to produce 690MWh solar energy per year which equals the annual reduction of about 151 metric tons of CO<sub>2</sub> – with an expected operating life of more than 20 to 25 years.

Bilfinger Linz







»Reparaturbonus« –  
Start of a success story





»Fix it before you bin it« – the motto of the funding campaign Reparaturbonus 2022 is just like a fresh breeze in the funding landscape. Due to uncomplicated processing for both private individuals and repair services, the attractive offer created a downright run on the new funding campaign.

The Reparaturbonus, a funding campaign of the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology intended for the repair of electric and electronic devices marks an important step away from a throwaway society towards a more sustainable handling of valuable resources. On top of that, the campaign boosts the regional economy and generates additional jobs.

### **EUR 130 million for the preservation of repairable devices**

In total, EUR 130 million derived from means of the Austrian Recovery and Resilience Fund are at disposal for this funding campaign in order to increase the number of repairs of electric and electronic devices in Austria.

### **Attractive and uncomplicated**

A funding of up to EUR 200 is available for the repair of electric and electronic devices; EUR 30 are awarded for the obtaining of a quote from participating partner services. In addition to that, the repair bon can easily be applied for online. Within three weeks, it can be redeemed at one of the participating partner services when paying the invoice – the private individual only pays the remaining amount. After redemption or the end of three weeks respectively a new repair bon can be applied for immediately. There is no restriction concerning the number of possible applications per person, but only one repair bon can be redeemed at the same time.

### **More than 3,000 partner services in Austria**

About 3,200 companies are listed as partner services in Austria. They do not have to bear additional costs. What they can expect though is a considerable increase in customers and sales.

### **Run on repair bon**

The easy application as well as high public interest mirror the amount of applied-for and redeemed repair bons: about 350,000 repair bons have been redeemed in 2022. The high demand made the funding campaign a remarkably successful one in the first year already.

### **To be continued in 2023**

Also in 2023, repair bons can be applied for and redeemed – by doing so, more devices will be saved from getting dumped while valuable resources are saved as well. This makes the Reparaturbonus a valuable instrument of the Austrian Recovery and Resilience Plan. At the same time, an important contribution to climate protection is made, the national economy receives a boost, and additional jobs are generated. ●

For further details on the current funding campaign »Reparaturbonus«, please see [www.reparaturbonus.at](http://www.reparaturbonus.at).



BUSINESS AREA

# FUNDING MANAGEMENT

Funding management is our main business area. For our clients, we implement tailored funding programs in the field of climate and environment protection. Serving as an interface between our clients who provide financial means and the applicants of funds, we see the whole funding process through. The funding process is carried out on a digital, networking and coordinated basis and guarantees a quick and non-bureaucratic handling of the instruments. Clear funding criteria make for objectivity and planning reliability and add to customer satisfaction.

The range of services includes:

- Granting of funding application in form and content
- Determination of funding degree
- Support concerning the decision process, compiling of funding recommendations
- Assistance of decision boards
- Issuing of contracts and letters of rejection
- Processing of final settlements and payment management
- Monitoring and reporting

For further information concerning funding management, please go to:

[www.umweltfoerderung.at](http://www.umweltfoerderung.at)

## CONTRIBUTION 1

National climate and energy strategy  
National environmental funding substantially helped towards the realization of the Austrian climate and energy strategy in 2022.

## CONTRIBUTION 2

»Raus aus Öl und Gas« – record year 2022

Means of funding in the amount of EUR 760 million have been available for replacing a fossil heating system and the insulation of buildings in the years 2021 and 2022. By doing so, the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK) made another major step towards climate neutrality in the year 2040.

## CONTRIBUTION 3

Residential water management

In order to be better prepared for heavy rain events, the municipality of Engelhartstetten in Lower Austria is planning the construction of infiltration facilities for the local infiltration of rainfall. This measure is carried out in the course of an extension project of the local canalization.

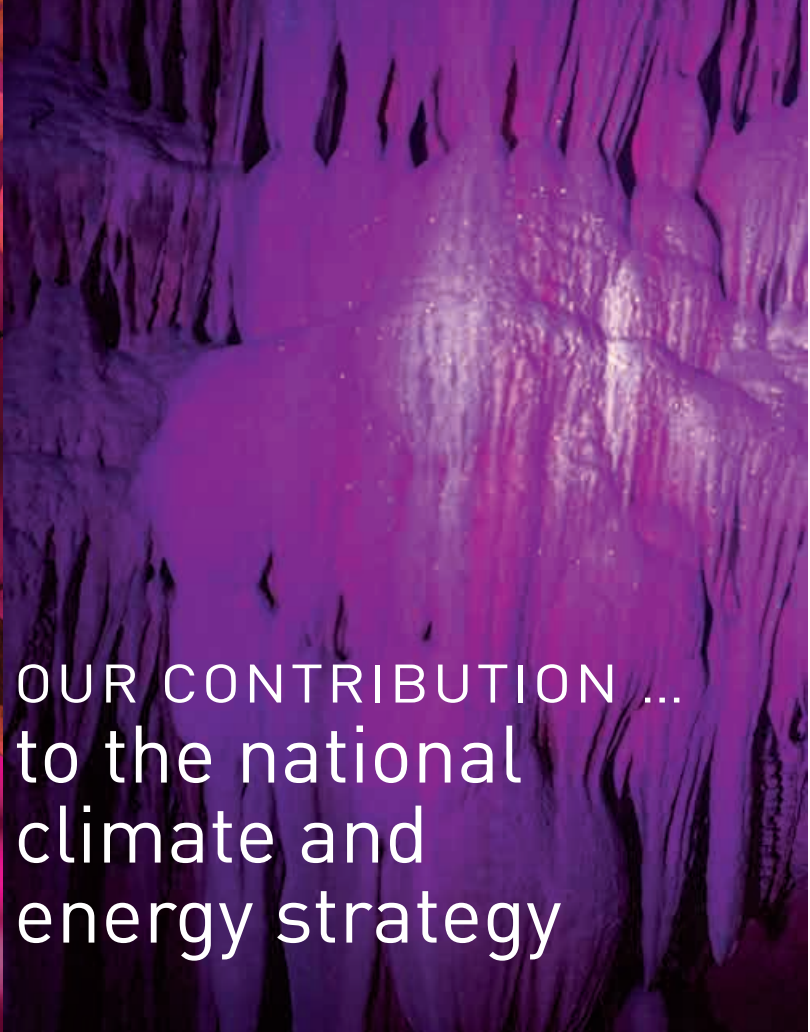
## CONTRIBUTION 4

Remediation of contaminated sites

»Land recycling« – together with the experts of Kommunalkredit Public Consulting (KPC), the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK) has set up a new funding framework as a contribution to the reduction of land consumption in 2021. The report will tell about first experiences made and introduce project examples.

Facts and figures regarding funding management can be found in **Facts & Figures 2022** further back in this report. (page 65)





OUR CONTRIBUTION ...  
to the national  
climate and  
energy strategy



The main goal of the national climate and energy strategy is the decarbonization of both the economy and the energy systems. The energy revolution is not only connected to technological change but is also a social project. The revolution shall be made possible through a combination of awareness raising measures, the increase of energy efficiency, the efficient use of renewable energies, and the specific support of innovative environmental technologies.

The goal: until 2030, greenhouse gas emissions are to be reduced by 36% in comparison to 2005. Electricity in Austria shall be fully produced by renewable energies. The fundings in regard to environment are important tools for the achievement of these ambitious goals of the Austrian federal government.

National environmental funding (UFI) is the long-standing established instrument by the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK) and processed by KPC for the funding of environment and climate protection measures in Austria. Over the last years already, this instrument has put a particular focus on climate protection: with the funding of renewable energies, a broad funding palette concerning energy efficiency, the use of industrial waste heat, and more. Besides that, also resource efficiency belongs to the funding offer. In the future, an even stronger focus on the national climate and energy strategy (NEKP) will take place. The second big instrument for which KPC oversees funding actions in the field of climate and energy is the Climate and Energy Fund which also has a broad funding palette designed for different target groups. A lot of the projects which are processed daily by employees of KPC are making a significant contribution to the implementation of the NEKP.

### Electric mobility

Being a main focus of the Austrian federal government, electric mobility acts as a key measure for the decarbonization of traffic. With about 46% of the total emissions (outside of emissions trading), traffic currently is the sector in Austria that produces the most emissions. Therefore, electric mobility with power produced by renewable energies carries the hope to reduce greenhouse gas emissions in the field of traffic. In order to achieve the overall goal until 2030, a reduction of emissions by about 7.9 million metric tons of CO<sub>2</sub> equivalent is intended.

National environmental funding (UFI) together with the Climate and Energy Fund (KLIEN) and with their main focus on e-mobility also play an important role as pioneers in this field. The basis consists of the »e-mobility offensive« which was initiated by the Austrian federal government in collaboration with vehicle and two-wheeler importers and the specialist sports trade. The main focus is on the installation of efficient charging infrastructure and the funding of conventional electric and plug-in hybrid powered vehicles.

Overall, almost 13,200 companies have registered for funding in 2022. More than 8,700 applications for electric and plug-in hybrid powered vehicles have been submitted for funding. The numbers from the private sector are also positive: more than 28,800 private individuals have registered for funding in 2022; in the same year, more than 16,400 vehicles – also electric powered two-wheelers and electric cargo bikes – have been submitted for funding. The processing of the funding regarding e-mobility of private individuals alone saves about 22,200 metric tons of CO<sub>2</sub> per year. In the operational field, a total of 39,400 metric tons CO<sub>2</sub> could be saved in 2022.

### Thermal renovation

About 16% of Austrian greenhouse gas emissions in sectors outside of emissions trading are caused by heating and hot water production in buildings. Thermal renovation and the transition to renewable energies contribute to the reduction of greenhouse gas emissions in sectors outside of emissions trading and the Austrian demand for energy. Until 2030, at least 3 million metric tons of CO<sub>2</sub> equivalent shall be saved in the building sector. With this, these measures considerably contribute to the goal of Austria being climate neutral in 2040 at the latest.

The demand for approved fundings in the course of the renovation offensive has gotten considerably higher due to the energy crisis. Through the increase of funding flat charges and the implementation of new addition opportunities (gas bonus, solar bonus) regarding the transition to renewable energies, »Raus aus Öl und Gas« became even more attractive. Private individuals and companies were supported with a funding rate in the replacement of a fossil heating system with a local or district heating connection respectively or – if not possible – with a climate friendly heat pump or a wood central heating system.

In the course of the renovation offensive 2022, 47,207 private households and 434 companies have been awarded means of funding with an amount of EUR 345.2 million. They were able to yield an annual reduction of about 339,000 metric tons of CO<sub>2</sub>.

In addition to that, since the beginning of 2022, there is a complementary funding campaign for low-income households which cannot afford the transition to a climate friendly heating system. The campaign »Sauber Heizen für Alle« is carried out in close cooperation with the federal states and enables an up to 100% funding of the heating replacement.

### Renewable heat

As with the renovation offensive, the demand for heating and water is also an important topic – but from another point of view. Fossil heating systems (fuel oil, natural gas) still play a major role concerning heating in Austria. Even though the amount of renewable energies has risen, many oil and gas heating systems are still operating nationwide, the latter also in new buildings. The projects funded by national environmental funding annually increase the use of renewable energies by many gigawatt hours. Concerning this field, district heating connections, the extension of district heating networks and their production centers, heat pumps, biomass individual plants and micro grids, geothermal use, and thermal solar systems are funded. With an environmentally relevant investment volume of about EUR 380.2 million, the respective funded projects in 2022 (2021: about EUR 210,1 million) are able to save about 327,000 metric tons of CO<sub>2</sub> per year (2021: about 229,000 metric tons).

The projects funded in the course of national environmental funding (UFI) boost the use of renewable energies in Austria, reduce greenhouse gas emissions, increase the degree of national self-supply with energy, and push local value added. ●



## PROJECT EXAMPLE

### ELECTRIC MOBILITY

# 18 bewegt

»Verein für nachhaltige Mobilität« –  
making Vienna mobile in a sustainable way

The association »18 bewegt« advocates for sustainable mobility in the 18<sup>th</sup> district of Vienna. It is one of several participation groups of »Lokale Agenda 21 Wien«, a program aimed at the participation of citizens in sustainable urban development, which agitates for »public space for everyone«, »neighborhood building«, and »sensible use of resources« among other things. »18 bewegt« was founded in 2021 in order to realize the project »Leih-Lastenrad«. The motivation according to the association's website 18 bewegt – Verein für nachhaltige Mobilität in Währing – is as follows:

»Mobility means more than getting from A to B as fast as possible. Mobility comprises many aspects of life and is also a cultural topic – how we use public space, how we treat each other, and what kind of lifestyle we live. Dealing with mobility is also bound to topics like sustainability and preservation of resources.

Cities are changing and consequently so do people's mobility behavior and their demands on transport infrastructure. In the district of Währing, numerous single measures in regard to transport planning are being discussed and realized. From our point of view, there is a lack though of a superior concept which comprises concerted plannings which are further communicated in a transparent and comprehensible way.



In collaboration with other citizens and hand in hand with specialists, we want to make a contribution to networked, coordinated mobility planning in the district. We focus on four main topics:

- more respect for each other
- fair space management
- reduction of exhaust fumes and noise
- flexible and manifold range«

With the realization of the project »GrätzlradLeih-Lastenrad«, the association was able to create a completely low-threshold access. The so-called »Grätzlrad« can be booked for the duration of a day or a weekend via an online booking planner. Keys, battery, and equipment (if necessary) can be picked up at a local bookshop for a small deposit on the booked day; the return is quite as easy.

»Grätzlrad Währing« was the winner in the category »mobility« of Klimapreis Währing 2022.

The total investment volume of EUR 5,160 net of tax was financed through donations and funded by the Climate and Energy Fund with EUR 850.

The expected impact on environment is the saving of up to 1.42 metric tons of CO<sub>2</sub> per year. Overall, the Climate and Energy Fund has supported about 3,100 electric mobility projects designed for electric bikes and (electric) cargo bikes with about EUR 3.1 million in 2022.

PROJECT EXAMPLE  
RENEWABLE HEAT  
Wien Energie GmbH

Waste heat of computer center  
heats hospital in Floridsdorf



Interxion Österreich GmbH runs Austria's biggest computer center at their headquarters in Floridsdorf, Vienna. This concentrated IT technology not only needs a complex infrastructure but also the right temperature. In order to not overheat, the servers need to be cooled permanently. Up until today, the waste heat produced by cooling was not used. Wien Energie GmbH now intends to use that waste heat in order to supply the neighboring Floridsdorf hospital with this project.

**Ring main as »heat exchanger«**

The existing cooling circuits of the computer center provide waste heat with an average temperature of 26 °C. By means of two heat exchangers which are meant to be mounted inside the control room, Interxion separates the cooling circuits from Wien Energie's waste heat use system. The power rating of the heat extraction is about 2.4 MW. Via a to be implemented ring main, Interxion's control room will be connected to the power station of the neighboring hospital.

**50% of the heating demand will be provided by waste heat in the future**

At Floridsdorf hospital, three heat pumps with a thermal power rating of a total of about 3 MW intend to get the waste heat to a temperature level of a maximum of 82 °C. The heat will be fed into the existing heat distribution system for the partial supply of the hospital. The previously used connection to Wien Energie's district heating network for the supply of the hospital will remain.

Besides the heat supply of the hospital, the cold water produced by the operation of the heat pumps is intended to supply the cooling system of the computer center and by doing so reduce its cooling demand. The return flow of the heat pump has an average temperature of 16 °C. This measure is able to save more than 2,300 metric tons of CO<sub>2</sub> per year in the future.

Wien Energie GmbH invests about EUR 3.5 million into the realization of this future-oriented major project. EUR 905,000 of this sum are provided by means of national environmental funding. Kommunalkredit Public Consulting is responsible for the processing of the funding by order of the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK).



## PROJECT EXAMPLE THERMAL RENOVATION Das Althan Quartier

New quarter becomes fit for climate  
due to thermal renovation

The 2.4 hectare area on top of Franz-Josefs-Bahnhof will become a completely new – and unique – district: the Althan Quartier. It will be the home of offices, co-working spaces, gastronomy, local suppliers, shops and service providers, premium apartments, as well as a hotel and a parking garage. This sustainable mix on 130,000 m<sup>2</sup> gross floor area enables a contemporary and urban way of living with only short distances. This saves time and energy – and creates an above-average level of quality of life. In the course of this project, two parts of a building are intended for comprehensive thermal renovation. The building was originally built in 1870, underwent reconstruction several times, and constructed in today's form in 1976.

On the one hand, the conversion of the existing office building into a building with mixed use is planned. The ground floor up to the second upper floor will house shops which enclose the railroad tunnel. To some extent, there are long-time tenants of those commercial premises, who intend a continuous use. The passenger railroad station remains and will be provided with a modern, contemporary look. The planned opening intends a connection with the neighboring streets and the surrounding urban area. Beginning at the third, the floors on upwards within the superstructure are designated for office use. The first part of the building (AQ1) applied for funding has a heated building volume of 240,185 m<sup>3</sup> and will be slightly enlarged in the course of renovation.

The second part of the building (AQ2.1) applied for funding is intended for a two-story hotel complex with subjacent conference and storage premises and has a heated building volume of 33,135 m<sup>3</sup>. The part will be slightly minimized in the course of renovation. The renovation of the buildings primarily includes the application of facade panels to the exterior walls, the insulation of the green roof via EPS, the insulation of the lowest ceiling and a bound pugging, as well as the replacement of the windows. For the prevention of thermal bridges, the soffits and flanks of the building get insulated as well. In order to reduce the cooling demand, an exterior sunblind will be applied. The overall energy efficiency factor of the building will be improved by the comprehensive renovation and the heating demand will be reduced to more than a third.

These measures will be able to annually save more than 1,740 metric tons of CO<sub>2</sub>. The funding relevant costs amount to EUR 24.7 million which will be invested into the realization of this future-oriented large-scale project by 6B47 Althan Quartier Gamma GmbH & Co KG. EUR 5.7 million will be provided by fundings stemming from national environmental funding (UFI). Kommunalkredit Public Consulting is responsible for the processing of the funding by order of the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK).



# »Klimafitte Kulturbetriebe«

With the program »Klimafitte Kulturbetriebe« the Federal Ministry for Arts, Culture, the Civil Service and Sport (BMKÖS), in collaboration with the Climate and Energy Fund, has put together a package for the climate-neutral future of cultural facilities.

A total of EUR 15 million are available derived from means of the European Recovery and Resilience Facility – NextGenerationEU for two tender offers.

The program intends to force the ecologization of cultural facilities. The goal is to reduce their CO<sub>2</sub> emissions and establish them as pioneers when it comes to the implementation of climate protection measures.

The funding matter comprises the five following essential fields: conversion to an environmental and climate friendly heating, cooling, and ventilation system; funding of the use of renewable energies, which comprises the installation of photovoltaic plants and energy storages; replacement of conventional lighting with energy efficient interior and exterior lighting systems (LED); thermal renovation including insulation measures for exterior walls and the replacement of windows; and measures for the saving of natural resources and CO<sub>2</sub> emissions, e.g. the efficient utilization of energy by using heat recovery or climate intelligent measurement and control engineering. Since Oct 10<sup>th</sup>, 2022, it is possible to apply for funding.

Extensive energy consulting before the application process and the creation of an implementation concept is a requirement for funding in regard to the program »Klimafitte Kulturbetriebe«. The funding amount is up to 75% but it has to be noted that the maximum amount of funding per funding applicant and tender offer must not exceed EUR 250,000. ●



Finanziert von der  
Europäischen Union  
NextGenerationEU

## »Transformation der Wirtschaft«

The conversion of industrial processes in order to reduce greenhouse gas emissions at Austrian production sites poses a great challenge.

The program »Transformation der Wirtschaft« of the Climate and Energy Fund supports companies in the transformation of production processes towards climate neutrality. A total of EUR 100 million are available derived from means of the European Recovery and Resilience Facility – NextGenerationEU for two tender offers.

Companies of the producing economy are the intended target group. This also comprises companies that are taking part in EU emission trading. The first tender offer took place in 2022. It put the focus on the reduction of process-related greenhouse gas emissions with the help of renewable energies. The awarding of the means of funding is carried out in the course of a competitive call for tenders. It was possible to hand in projects with investment costs ranging between EUR 2.5 and 10 million. Ranking criteria is the factor »applied-for funding (in Euro) per saved metric ton of greenhouse gas emissions« – that is »Euro per metric ton of CO<sub>2</sub>«.

Besides the compliance with formal criteria, also a significant reduction of greenhouse gas emissions is necessary in order to get the funding tender. Projects in the field of EU emission trading need to reach the EU-ETS product benchmark after the implementation of the applied-for measure. This means the applied-for facility needs to rank among the best 10% of facilities for the respective product in regard to greenhouse gas emissions within the EU-ETS system. All other projects are required to save at least 30% of greenhouse gas emissions compared to their starting position.

The start of the second tender offer is planned for spring 2023. The funding matter not only comprises the conversion to renewable energies but also measures in the field of energy efficiency. ●

PROJECT EXAMPLE  
»TRANSFORMATION  
DER WIRTSCHAFT«  
Zero-emission heat

Swarovski uses  
zero-emission heat



D. Swarovski KG is the worldwide leading manufacturer of jewels. Besides the main production site in Wattens (T), there is a worldwide distribution network. Swarovski mainly operates in two business areas: loose crystal components are sold worldwide to manufacturers of costume jewelry, fabrics, as well as automobile manufacturers in regard to interior and exterior. The second essential string is the selling of finished products in the form of crystalline decoration and jewelry articles.

Due to the corporate sustainability strategy which targets the reduction of CO<sub>2</sub> emissions at the headquarters in Wattens until 2030, two steam boilers with multi fuel burners (powered by natural gas and heating oil) shall be replaced with two new electric boilers. In the course of pre-inspections and due to efficiency and sustainability reasons it was decided to converse to a system which is capable of producing zero-emission heat. Because of the use of electricity produced by renewable energy sources, the CO<sub>2</sub> emissions can be lowered to zero.

With the implementation of the measure, the yearly incurring greenhouse gas emissions are being reduced by 100% which equals a saving of about 2,100 metric tons of CO<sub>2</sub> equivalent.



# »Raus aus Öl und Gas«

## A record year 2022

The funding campaign "Raus aus Öl und Gas" which has already been much sought-after in previous years was continued according to plan in 2022 in the course of the renovation offensive 2021/2022. Planned as a two year campaign, it meant to support private individuals and companies in the replacement of a fossil heating system with a modern and climate friendly one.

Means of funding in the amount of EUR 760 million have been available for thermal renovation and the replacement of the heating system for the years 2021 and 2022. That way, the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK) marks an important step towards climate neutrality in 2040.

As in the previous year, funding applicants were able to enjoy a simple and user-friendly online application process for their already realized boiler replacement project in 2022. The established funding requirements have been evaluated continuously so that in autumn 2022, an additional improvement created an even higher demand.

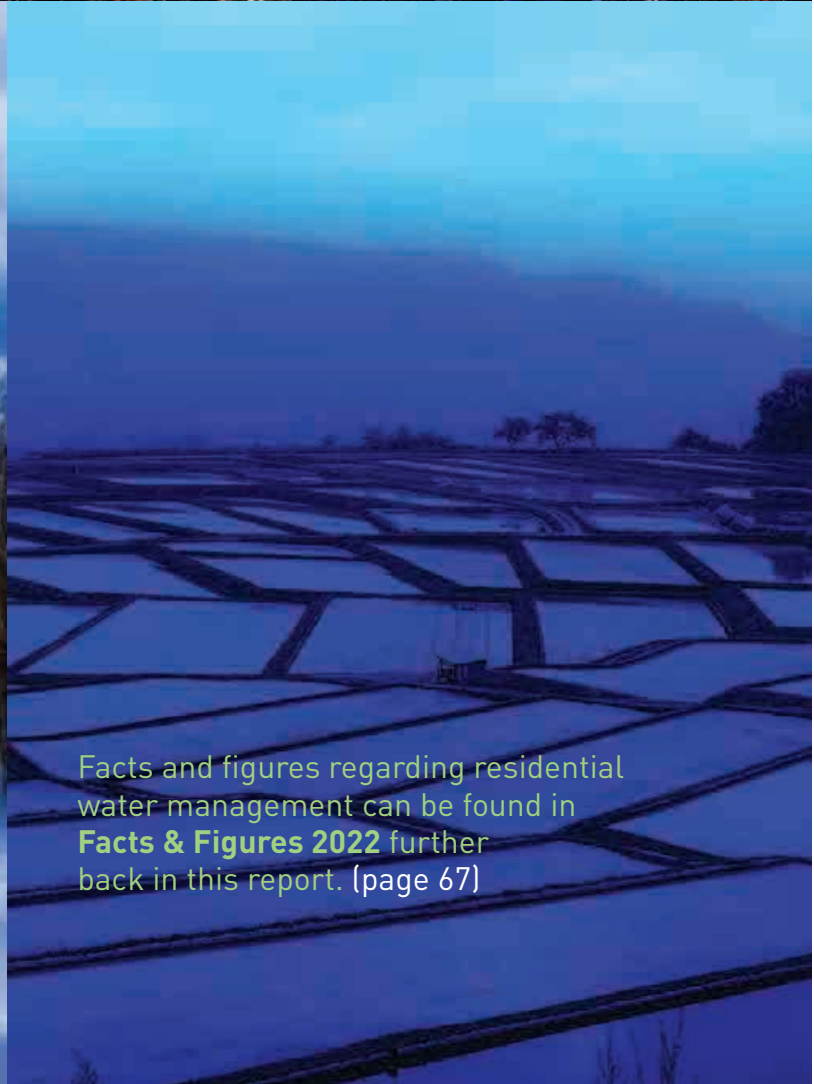
Once again, »Raus aus Öl und Gas« has proved its worth as a reliable, continuous, and at the same time flexible funding instrument with potentials for specific focuses when an emergency plan was set up by the EU at the end of July in regard to the curb of the member states' gas use. In order to quickly set potent priorities at short notice, it was important to rely on already established and effective funding instruments. »Raus aus Öl und Gas« proved to be very reliable in this case. In the middle of September already, improved funding requirements were introduced: the target groups in the field of »multi-story residential buildings« have been extended to landlords and tenants, the centralization flat rate in multi-story residential buildings has been raised from EUR 2,300 to EUR 3,000, and a new bonus called »Raus aus dem Gas« has been awarded. The latter was EUR 2,000 in the field of »single/two/terraced family houses« and up to EUR 4,000 in the field of »multi-story residential buildings«.

The innovations once again boosted the popularity of this funding instrument, which had been high already. In addition to that, single and two family houses were able to apply for a funding flat rate of up to EUR 7,500 or 50% of the eligible environmental relevant investment costs respectively. In the field of multi-story residential buildings, high-performing heating systems were even funded with up to EUR 15,000. The attractive funding flat charges and the success of the funding campaign have a considerable impact on the number of applications: despite all the challenges for private households and the heating industry caused by the on-going pandemic and the war in Ukraine, about 45,500 applications have been submitted in 2022. About 21,000 outstanding additional registrations are listed which may submit a funding application within the next 6 months.

The record year 2022 in figures: about half of the households (47%) opted for a climate friendly biomass heating system. A third (35%) replaced their heating system with a highly efficient heat pump. District heating was used in about 18% of the cases. Oil boilers represented half of the replaced heating systems (51%), followed by gas (39%). Multi-fuel stoves/coal/coke were replaced in 8% of households. 2% had their old electric heating system removed. The annual saving of CO<sub>2</sub> that can be yielded by this amounts to about 315,000 metric tons – this means an increase of about 40% compared to the previous year (in 2021, a saving of about 130,000 could be yielded).

As scheduled, the two-year campaign was successfully concluded on December 31st, 2022 and will be seamlessly continued in 2023 and 2024. As of January 3rd, 2023, it is possible to submit an application for services performed from January 1st, 2023. This continuous perspective offers advantages to all participants in the funding campaign in regard to planning ability and serves as a positive signal towards the market in order to provide capacities for more heating system replacements in the long run. For further information concerning the current funding campaign »Raus aus Öl und Gas«, please see [www.kesseltausch.at](http://www.kesseltausch.at).

# OUR CONTRIBUTION ... to residential water management



Facts and figures regarding residential water management can be found in **Facts & Figures 2022** further back in this report. (page 67)



## NEW FUNDING GUIDELINES FOR THE DRINKING WATER AND SEWAGE MANAGEMENT

In order to boost the sustainable development of infrastructure within municipal residential water management, new funding possibilities for measures in regard to the adaption to climate change were determined. In addition to the previous ones which remain unaffected, now also measures in regard to local rainfall management and the reduction of greenhouse gas emissions are included. The funding rate of these new funding matters will correspond to the ones of previous funding matters.

### Funding of energy efficiency measures as well as renewable energy production

Drinking water and sewage management can make a considerable contribution to energy saving and climate-friendly energy production – also in regard to the targeted climate neutrality of Austria. At present, about 56% of the annual power consumption and 73% of the annual thermal energy consumption respectively within residential water management is self-produced. This amount can be increased by the use of renewable energy sources. The new funding guideline intends to fund the use of solar, wind, geothermal energy, hydropower, biomass, biogas, and sewage heat in the amount of the auxiliary service power of residential water management facilities on the basis of an energy concept.

The Federal Ministry for Agriculture, Forestry, Regions and Water Management has issued a guide that addresses the development of an energy concept in regard to municipal sewage purification plants, which shows the potential savings of the whole plant. The single parts of a sewage purification plant are summarized in five main groups according to specific energy consumption (intake pumping station and

automated prepurification, automated and biological sewage purification, sludge treatment, infrastructure, thermal energy). Energy saving has to come before sustainable energy production. That is why measures in regard to energy efficiency, in particular the energetic optimization of sewage purification plants, are also part of the new funding guidelines. A considerable proof of the significant reduction of environmental impact is adduced when at least one main group has reached an energy saving of 10%.

It is forbidden to use energy consumption data exceeding the defined normal range as stated in the federal ministry's guide for the auxiliary service power of the plant. For the calculation of the auxiliary service power, it is possible though to include the power demand for non eligible technical plant parts, for instance sewage sludge drying, heating of operational or administrative buildings. Provided that all facilities within residential water management are operated by the same operator, this fact allows for the collective development of an energy concept for the sewage purification plant, sewage discharge, and water supply when it comes to the calculation of the amount of auxiliary service power in regard to the production of renewable energy.

The savings and the support of correspondent systems help make residential water management a significant contribution to the reduction of greenhouse gas emissions.



### Funding of measures in regard to local rainfall management

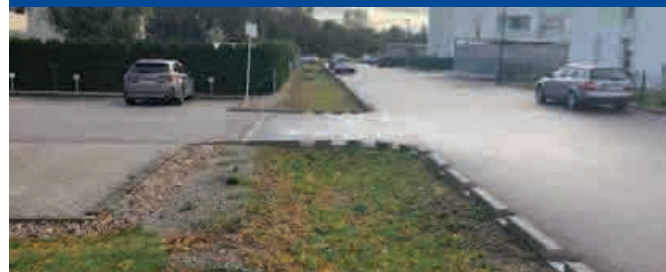
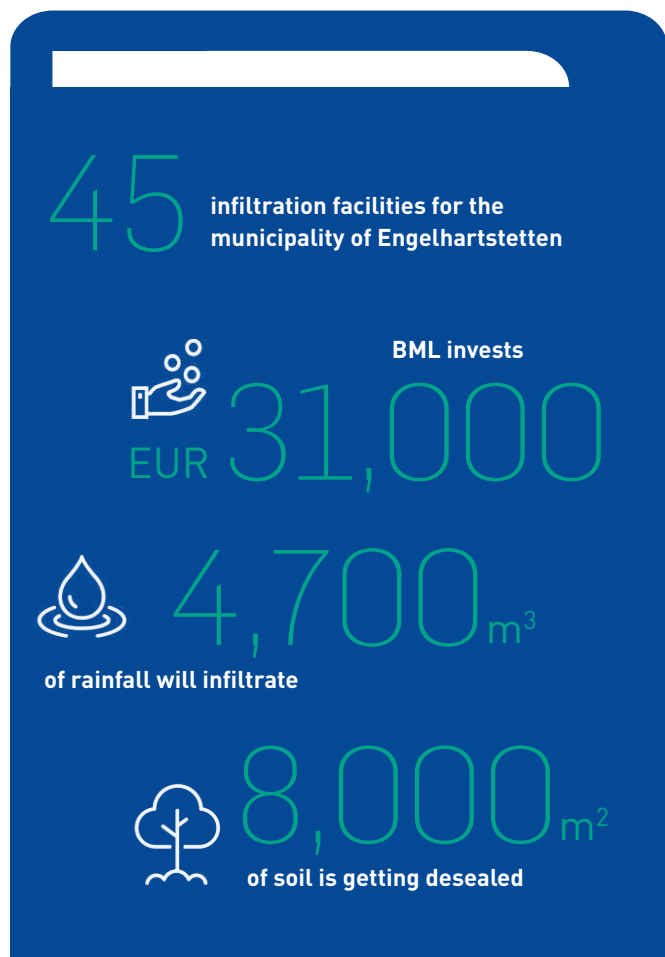
An increased number of heavy rain events caused by the advancing climate change and a simultaneous increase of land consumption lead to a continuous overload of the rainfall canalization. The funding of local rainfall management shall serve as an additional incentive so that incurring rainfall infiltrates on the spot and by doing so, the natural water cycle is restored. For example, local rainfall soakway, retention, and evaporation facilities in residential areas like land and depression infiltration, retention depressions, tree infiltration ditches (sponge city concept) or ditch infiltration as well as the development of rainfall management plans acting as measures eligible for funding can produce relief. At the same time, desealing measures as well as greening work against the creation of heat spots and improve the urban climate. In order to facilitate the implementation of measures in regard to local rainfall management, these measures are categorized under installation. In addition to that, proof of the levy of a minimum charge and the submittal of cost and activity accounting are omitted. Measures in regard to rainwater management which have already been eligible before and will continue to do so in the future, for instance the discharge of rainfall via rainwater channels, storm sewage channels, additional relief channels, stowage channels, rainwater basins, or central rainwater infiltration facilities including supply channels, do not count as measures in regard to local rainfall management.

Desealing measures are only eligible within the field where rainfall will indeed infiltrate in the future due to the funded measures. The creation of the surface is only eligible in a technically convenient amount.

### Provision in case of a blackout

Measures in regard to provision building in case of a blackout within residential water management (for instance mobile or stationary emergency power generators, storage plants) top off the package of new funding matters. ●

For further information and details concerning the fundings, please see [www.umweltfoerderungen.at/wasser](http://www.umweltfoerderungen.at/wasser).





PROJECT EXAMPLE  
RESIDENTIAL WATER  
MANAGEMENT

## Local rainfall management

in the municipality of Engelhartstetten

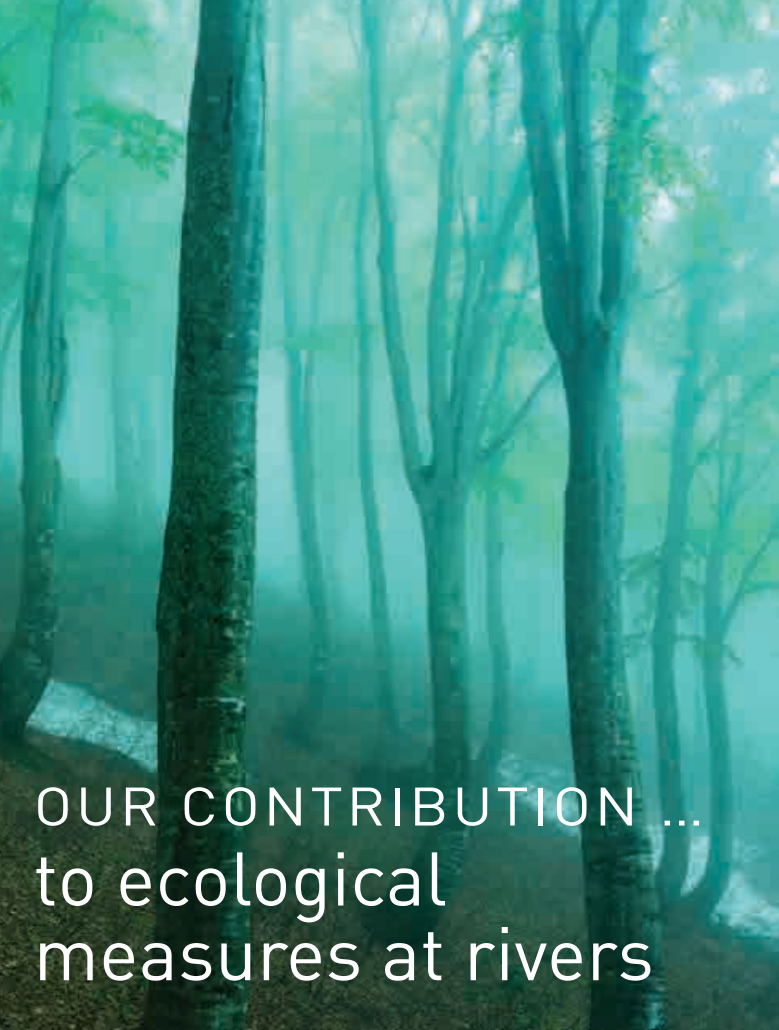
In order to be better prepared for heavy rain events, the municipality of Engelhartstetten in Lower Austria is planning the construction of infiltration facilities for the local infiltration of rainfall in Waldgasse as well as Getreidegasse. This measure is carried out in the course of an extension project of the local canalization.

Public sealed areas will be used as catchment areas for the infiltration facilities because the rainfall of neighbouring properties will infiltrate on private properties. Overall, about 8,000 m<sup>2</sup> of sealed area are brought to local infiltration, which equates to a yearly amount of rainfall of about 4,700 m<sup>3</sup>. A total of 45 infiltration facilities of different construction style will be installed: depression infiltration facilities with infiltration ditches as well as areal infiltration facilities with grass depression or grass paving blocks.

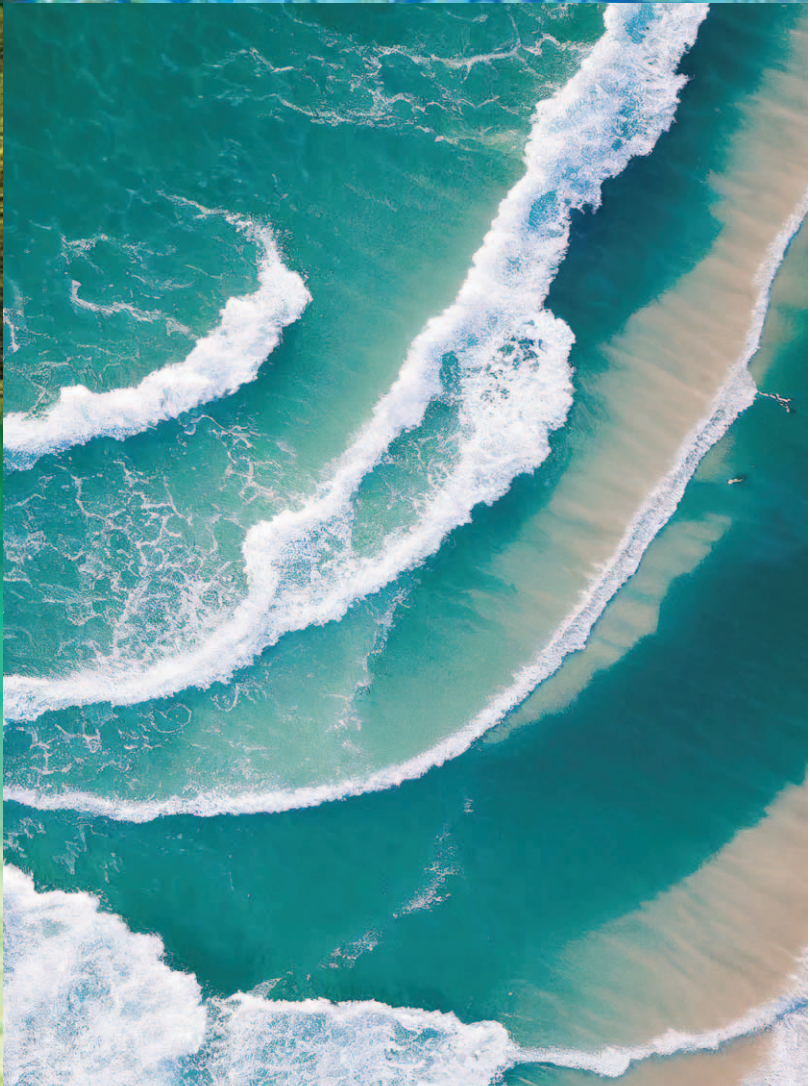
With depression infiltration facilities with infiltration ditches, the runoff of rainfall to the infiltration depressions happens on a surface level via the crossfall of the roads. The lateral limitation of the infiltration depressions to the roadway is carried out with discontinued upstanding curbs. This enables the unhindered runoff of rainwater to the infiltration depression. Due to the low permeability of the soil, the replacement of said soil down to soil layers that are capable of infiltration is necessary in some cases. This replacement takes place in form of infiltration ditches consisting of coarse crushed stone which is encased by a filter medium. It protects the crushed stone from sludge accumulation and therefore contributes to a flawless operation.

Quite similar infiltration depressions with infiltration ditches have already been implemented in Engelhartstetten in previous construction stages, for instance in Bachgasse where the constructed facilities have been operated by the municipality to its utmost satisfaction for several years now. The construction costs for these facilities in regard to local rainfall management amount to about EUR 184,000. The constructional implementation will be carried out in the following years. Due to the new funding guidelines issued by the Federal Ministry for Agriculture, Forestry, Regions and Water Management (BML), these investments can be funded with federal means of about EUR 31,000 – a beautiful example for the quick effectiveness of new funding guidelines!





OUR CONTRIBUTION ...  
to ecological  
measures at rivers





## NEW FUNDING OFFERS IN REGARD TO ECOLOGICAL MEASURES AT RIVERS

In autumn 2022, the connection funding via the biodiversity fund for ecological measures at rivers succeeded in further increasing the funding amount and, by doing so, considerably incenting the implementation of these measures.

Ecological measures at rivers which are allowed a federal funding in the amount of 60% as well as funding from the respective federal states in the amount of 30% on the basis of the UFG funding guidelines for municipal funding applicants on the part of the Federal Ministry for Agriculture, Forestry, Regions and Water Management (BML) can be granted additional funding in the amount of up to 8% until December 31<sup>st</sup>, 2024 as well as 5% between January 1<sup>st</sup>, 2025 and December 31<sup>st</sup>, 2026 on the part of the biodiversity fund. This way, the contribution of municipalities or organizations to the investment costs is reduced to only 2% until 2024 or 5% until the end of 2026 respectively.

The funding processing is carried out in a simplified and digital form. Projects can be submitted via the online platform [www.meine-foerderung.at](http://www.meine-foerderung.at), which has been developed by KPC in order to ensure efficient and paperless processing. There are no further documents needed for the biodiversity fund's connection funding. The application process goes hand in hand with the UFG application. The further funding processing is carried out in close collaboration between KPC and the administrative offices of the federal governments.

KPC manages the disbursement of the biodiversity fund's additional funding, which happens after the final settlement in the UFG application. In regard to an outlook to 2023, the Federal Ministry for Agriculture, Forestry, Regions and

Water Management (BML) have integrated ecological measures at rivers as an intervention on its own into the GAP strategy plan for the period 2023–2027. This way, additional means for the improved permeability and the renaturation of Austrian water bodies respectively are available. Also in this case, the funding amounts could be made more attractive for funding applicants due to the additional means provided by the EU. In the future, investments into the improvement of the ecological state of small and medium sized water bodies (up to a catchment area size of 500 km<sup>2</sup>) will be funded in the course of the GAP strategy plan. Only projects aiming at the improvement of permeability in regard to existing small hydropower plants or small hydropower plants with the use of an existing cross construction are eligible for funding provided that the maximum capacity of 500 kW is not exceeded. The funding amount for power plant operators is 40%. According to the funding guidelines, the grant can be increased by 10 percentage points for middle-sized companies and by 20 percentage points for small-sized companies. The investment grant is limited to EUR 100,000 per project.

Also here, the application happens via the UFG application for ecological measures at rivers. The allocation is carried out by KPC according to a nationwide uniform evaluation grid and incorporates the optimized funding offer of the funding applicant. ●



DI Dr. Johannes Laber,  
Head of Department Water  
& Contaminated Sites; KPC

Facts and figures regarding ecological measures at rivers can be found in **Facts & Figures 2022** further back in this report. (page 67)

## PROJECT EXAMPLE

# Ecological measures at rivers

Fish ladder and conversion of crossbar in Krimmler Ache at hydropower plant Wald



The old fish ladder

The restoration of the permeability of water bodies in the sense of restoration of upstream-directed fish ladders is a focal point regarding water protection.

The hydropower plant Wald was built between 1986 and 1988 as a diversion plant. The water inlet at Krimmler Ache has a weir system with flaps serving as water plugs. The release of residual water (regulated release of discharge route) happened via the existing fish ladder on the one hand and via the regulated release facility at the sand trap construction. The second Austrian National Water Management Plan (NGPII) did not identify the existing fish ladder as corresponding to the state of the art, which resulted in the adaption of the ladder according to the guidelines regarding the construction of fish ladders. Several stone bars in the downstream discharge route were also not identified as passable and therefore had to be reconstructed in a permeable way. For the protection of facilities close to the river like bridges, works water paths, and storage-type plants, a total of 62 block stone bars were used in the discharge route. The high hydraulic strain with flood overflows lead to local bed degradation at the respective lower end of existing protection measures and therefore to barriers in regard to permeability.

With the present measures, it was possible to make the discharge route and the dam construction passable for organisms. Also, the regulated release of the residual flow was adapted according to the state of the art. The implementation of the measure was carried out separately in the two sub-projects fish ladder and ramps. Regarding nature conservation (national park, hike path), the construction of the fish ladder tried to not interfere with nature too much. For this, the existing regulated release construction made of concrete was converted into a vertical slot fish passage. Downstream of the regulated release construction, a semi-natural pool and weir fish ladder was constructed in a visually appealing way.




The new fish ladder



The new pool and weir fish ladder

The functions regulated release of residual flow and fish ladder were largely separated so that they would not interfere with each other. For this, the existing regulated release construction was split by a steel divider wall. The orographically right part serves the controlled regulated release of the fish ladder. The orographically left part serves the dynamic regulated release of residual flow. The amount of residual flow surpassing the minimum regulated release is added to the regulated release construction via a controlled slide and from there added via a pipe to the lowest pool of the pool and weir fish ladder. By doing so, a hydraulic strain of the fish ladder is prevented. This also causes luring current at the passage entrance.





OUR CONTRIBUTION ...  
to Austria's remediation  
of contaminated sites

Facts and figures regarding remediation of contaminated sites can be found in **Facts & Figures 2022** further back in this report. (page 67)

## LAND RECYCLING

### A funding framework as a contribution to the reduction of land consumption

The gradual demand for land for operational plants, residential building, traffic, leisure and tourism causes a rapid loss of »natural« – and therefore biologically productive – land.

The gradual demand for land for operational plants, residential building, traffic, leisure and tourism causes a rapid loss of »natural« – and therefore biologically productive – land. The effects of land consumption are severe: loss of the biological functions of soil like the filtering and storage function in the water balance as the basis of the drinking water supply, loss of agricultural production area for the supply of high quality food, loss of biological diversity, increased flood risk due to sealing, loss of dust collection as well as heat effects due to the loss of evaporation. Land consumption thereby is currently among the biggest environmental challenges.

In 2021, the three year average value of the demand for land in Austria was 41 km<sup>2</sup>; this equals the area of the city of Eisenstadt. The daily land consumption therefore is 11.3 hectare. The federal government therefore aims to reduce land consumption to 2.5 hectare per day until 2030. This goal requires an extensive spectrum of measures on a legislative, economic, and operational level especially in the course of area planning.

»Land recycling« is one of the numerous possible instruments to reduce land consumption: what happens is that previously used areas and built ones respectively, which are currently not used – known as »industrial wasteland« or »vacancy« – are returned to use. That way, the new consumption of natural area is prevented or reduced.



Industrial wasteland in the business zone

Together with the experts of Kommunalkredit Public Consulting (KPC), the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK) has set up a new funding framework called »land recycling« which was launched at the end of April 2022. The funding goal is the support of projects for the development and use of areas and objects or object parts in town centers that are currently no longer used or not used according to the site potential in order to reduce further land consumption at the outskirts of towns – of »greenfield«.

Development concepts for re-use as well as inspections of the underground – for instance in regard to potential contamination – and the existing building fabric are being funded. These inspections shall make for a solid technical basis of a realistic conception of the future use. In addition to that, plannings in regard to potential obstacles which could arise due to the position in the town center are being funded as well. Municipalities in particular but also private individuals and businesses which intend the re-use of fallow areas or vacancies in town centers are the target group of this funding framework. The new funding framework is endowed with a funding budget of EUR 8 million until 2025. The budget is fully financed by EU means in the course of the »Recovery and Resilience Facility«.

After the activation of the new funding framework at the end of April 2022, numerous interesting projects were submitted which were granted funding on part of the federal ministry. The funding applications were submitted by municipalities as well as private individuals and businesses and concern development concepts for industrial wasteland and vacancies. This broad spectrum of the applications emphasizes the demand for funding. ●



## PROJECT EXAMPLE remediation of contaminated sites

Forstamt  
Großsäge  
Dreher

Forstamt – Großsäge Dreher (Gaflenz)



The site is located in the settlement area of the cadastral subdivision Neudorf of the municipality of Gaflenz, directly adjacent to the settlement area of Weyer, and contains a lumber mill which was taken out of service about 50 years ago as well as former operational plant buildings and plant areas. Some of those buildings and areas are used as storage areas; the rest represents fallow land. The total area is about 25,000 m<sup>2</sup>. The goal of the development concept is a site analysis, a feasibility study derived from it including the development of options for use, an urbanistic model and concepts for energy efficiency. Since a contamination of the underground cannot be ruled out due to long-term operational activity, an inspection of the underground for possible contamination is required.

## PROJECT EXAMPLE remediation of contaminated sites

Rothaus  
Ober-  
Grafendorf

Rothaus – reuse (Ober-Grafendorf)



The property »Rothaus« is located on the main square of the municipality of Ober-Grafendorf. It was previously used as a nurses' residence. Built in the beginning of the 20<sup>th</sup> century, the historical facade acts as an eye-catcher in the center of the main square. The building owned by the municipality has been vacant for many years and shows a need for renovation. The plot area is 306 m<sup>2</sup> whereas the built-up area is 227 m<sup>2</sup>.

For many years now, the property »Rothaus« has been involved in a readjustment process in regard to a possible future long-term reuse. Due to the location in the center of the newly designed main square, a reasonable use of the vacant building is of high public interest. With the help of existing traffic concepts, town center development concepts, and local development plans, the goal of the project is to determine and assess the potentials of options for use and spatial possibilities for development of the property. This way, "Rothaus" shall be used to the community's benefit in accordance with its character, location, and the long-term stimulation of the center in the future. Hence, public participation is allowed plenty of space in the course of the development concept.

In addition to that, inspections of the fabric in regard to static use and the determination of the technical need for renovation are intended.









PROJECT EXAMPLE 1

**IKI-SPAR6C Program – Supporting Preparedness for Article 6 Cooperation**

Since spring 2022, KPC manages the cooperation of the program for the German International Climate Initiative (IKI) with Thailand and supports the Thai government in the implementation of the measures.

PROJECT EXAMPLE 2

**Climate risk strategy for Crédit Agricole du Maroc**

KPC was assigned with the implementation of the project in the course of an international call for tender in August 2022. It is supported by the EIB and develops an integrated framework of activities for the successful transfer of knowledge to green finance, climate change risks, climate change opportunities, and duty of disclosure. On top of that, the project supports the development of the necessary instruments for the benefit of Crédit Agricole du Maroc (CAM) in Morocco.



PROJECT EXAMPLE 3

**EBRD – Green Cities Action Plan (GCAP) – program for green investments in cities – district Brčko**

The European Bank for Reconstruction and Development (EBRD) has launched its Green Cities Programme with the goal to support cities with their green, climate neutral, and resilient transition. In the course of the program, KPC has been supporting the Bosnian-Herzegovinian district Brčko in working out a green cities action plan since August 2022.



# CONSULTING

As a company providing consulting, we are successfully working for notable national and international organizations and financial institutions. Besides a technical and economic consulting service, the conduct of (market) studies, the implementation of evaluation projects, and the development of sustainable loan facility, our business activities also comprise capacity development with the profiteers of funding as well as policy advice with local administrative authorities.

Our expertise in regard to content particularly lies in the fields of energy and energy efficiency, water management, as well as climate protection, and green and sustainable financing solutions. On top of that, we particularly focus on services within the field of ESG (Environment, Social, Governance) and on topics in regard to sustainable reporting under the CSRD and EU taxonomy as well as green financial instruments. KPC got accredited as a verification agent of green loans according to the standard of the Climate Bond Initiative (CBI).

Concerning international consulting, our clients are approved institutions like the World Bank, the European Commission, the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), the Organisation for Economic Co-operation and Development (OECD) or the German Kreditanstalt für Wiederaufbau (KfW). We support them in consulting services especially in the South East European EU candidate countries, in Eastern Europe, in the Caucasus region, as well as in the Mediterranean neighboring countries.

On top of that, Kommunalkredit Public Consulting (KPC) offers its expertise in the field of international climate policy and climate finance to the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK): once again, KPC sent a member to be part of the Austrian negotiation team in the COP negotiations on an EU level as well as in the international negotiations in Sharm El-Sheik (COP27).

In addition to that, KPC acts as counselor of the Austrian board member in the Green Climate Fund which, as an international financial instrument, provides means for projects intending the reduction of greenhouse gas emissions and the adaptation to climate change in developing countries.

We supervise climate protection projects in the field of bilateral climate finance, which are directly funded by the BMK in order to support climate protection measures in developing countries and emerging economies.

After being negatively affected in the previous years by Corona, the business area international consulting has undergone a positive change. Even though the energy crisis and the Russian war against Ukraine have both direct and indirect impact on the budgets of multi-lateral development banks, the pipeline of ongoing projects could be extended in 2022.

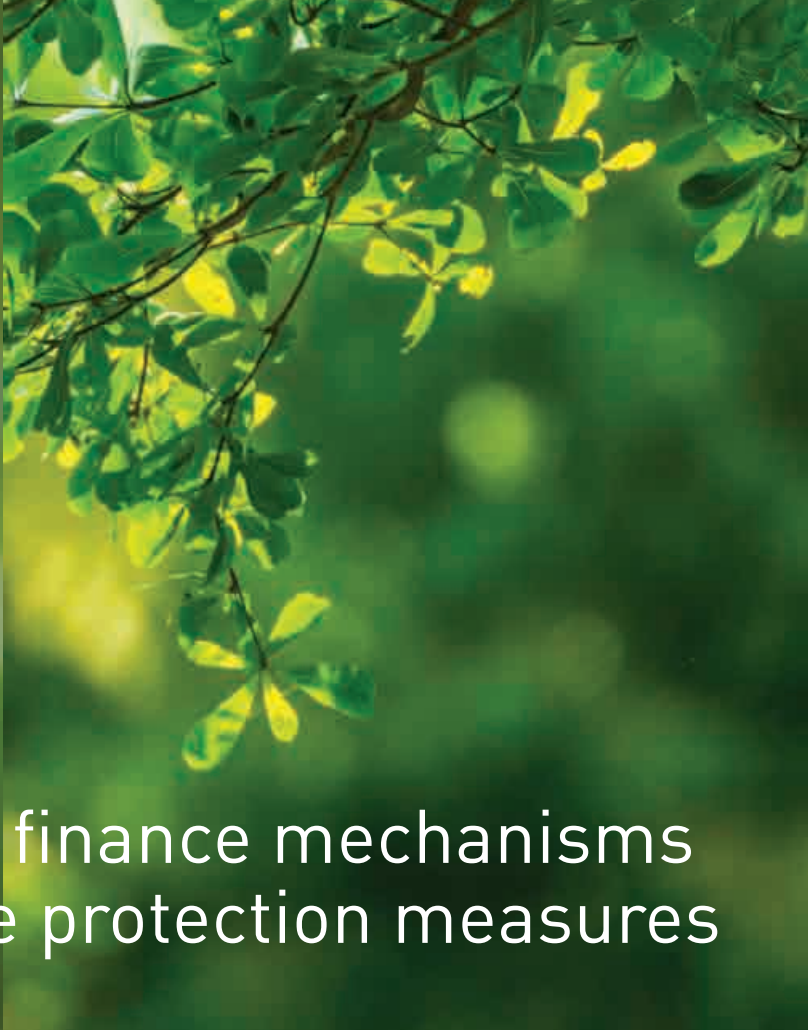
The noticeable effects in the field of calls for tender and granting procedures as well as the restrictions in regard to project works in Ukraine were compensated with an adapted project management of the ongoing Ukrainian projects. It was possible to increase the success rate due to the target-oriented participation in calls for tender. Consulting in the field of ESG and sustainable finance have also been boosted in 2022 even though the EU for instance surprisingly delayed the implementation of sustainable reporting. Nevertheless, an increased demand for consulting services in the field of ESG and on the basis of regulatory developments regarding green assessments and finance in the EU is to be expected. Consequently, KPC continues to offer both consulting in the fields of climate protection and green finance and also expertise in the field of ESG (Environment, Social, Governance) to companies and entrepreneurs. This positive trend shall be continued in 2023.

Our references concerning national consulting comprise the conduct of (market) studies, the implementation of evaluation projects, and the strategic planning in the field of environment.

Facts and figures regarding consulting can be found in **Facts & Figures 2022** further back in this report. (page 69)

For further details concerning consulting and our list of references, please go to [www.kpc-consulting.at](http://www.kpc-consulting.at)





Innovative finance mechanisms  
for climate protection measures



## IKI-SPAR6C PROGRAM

### Supporting Preparedness for Article 6 Cooperation

Since spring 2022, KPC manages the cooperation of the program and supports the Thai government in the implementation of the measures.

Together with some consortial partners and under the leadership of the Global Green Growth Institute (GGGI), KPC manages the cooperation of the program »Supporting Preparedness for Article 6 Cooperation – SPAR6C« for the German International Climate Initiative (IKI) with Thailand.

The greater goal of the program is to use cooperative approaches according to Article 6 of the Paris Agreement in order to integrate the private sector in the NDC implementation and heighten ambitions. This will allow for cost-effective, flexible carbon markets with high integrity and a positive impact on sustainability. The so-called Article 6 enables the cooperation of states with the compliance with the climate protection agreement in terms of the transfer of emission reductions (for instance via renewable energy projects or the like), thus the trading of CO<sub>2</sub>. In ideal circumstances, this also allows the heightening of climate protection ambitions of the host countries because they need to comply with their own target-settings in the course of the framework convention on climate change and must not compromise them by the sale of emission reductions.

The program is aimed at the preparation of countries for the use of the mechanism under Article 6 of the Paris Agreement by the use of the following measures:

- 1 Participation in a periodic international exchange in order to discuss relevant experiences;
- 2 Use of strategic documents provided by the consortium, which deal with the implementation of the mechanism;
- 3 Arrangement of necessary processes with the inclusion of authorities of the host country, as well as preparation of pilot projects.

KPC performs the task of supporting the Thai government in the implementation of the measures mentioned above.

The transformative design of A6 pilot projects for real ITMO transactions is enabled through research-based capacity development in four partnering countries (besides Thailand, also Pakistan, Zambia, and Columbia) so that an ambitious community of practice is catalyzed on a regional and global level. The program consists of six work packages. Two of them are administered centrally, whereas the remaining four are administered on a federal state level. The first intend to develop best practice instruments and approaches to the implementation of cooperative mechanisms, supported by an international panel that unites countries and experts whose common goal is to heighten ambitions through markets. The implementation on site will focus on three fields of work in each of the four countries:

- long-term planning
- institutional transaction willingness
- pilot design and transactions

Even though all four countries have expressed interest in cooperative approaches, they are showing different challenges in regard to their existing institutional capacities, the development status of their climate protection strategy, and the knowledge base concerning progress with the attainment of their NDC and the respective options of use of Article 6. Overall, all countries lack extensive know-how in regard to how Article 6 can be put into practice so that they can receive CO<sub>2</sub> financing for certain reduction projects in prioritized sectors, with the goal to attain their NDC and at the same time heighten ambitions in the course of the Paris Agreement. ●



Christoph Prandtstetten is the Deputy Head of Department International Consulting. Besides the agendas regarding the head of department, he is the project manager for various international projects in the fields of water, environment, and climate change.

## CLIMATE RISK STRATEGY FOR CRÉDIT AGRICOLE DU MAROC

**KPC was assigned with the implementation of the project in the course of an international call for tender in August 2022.**

According to IWF, it becomes more and more important to countries to adapt their economy to the challenges that climate change poses, for instance by increasing the amount of green investments. On top of that, it is crucial to ensure that measures in regard to the adaption to climate change are integrated into national economic strategies because investments in resilient infrastructure and improved flood protection are able to avoid economic loss.

The Moroccan government has already developed several grand proactive sectoral strategies in the course of the »Climate Change Policy in Morocco« (CCPM). These strategies integrate the environmental dimension, including climate change, in order to support key fields of the national economy (energy, traffic, agriculture, tourism, the building industry, fishery, water, waste, forestry, etc.). This commitment is a strong signal for a change towards a new climate policy in accordance with the socio-economic development of the country. Stimulations in the country already show that the expansion of water infrastructure could improve the resilience against droughts and reduce GDP losses by nearly 60%.

In order to reach those goals, international partners and the Moroccan government need to mobilize important local stakeholders, including essential stakeholders of the private sector like Moroccan banks which should grant short, mid, and long-term loans to Moroccan companies.

Local banks therefore are playing a leading role in regard to the supervision of the risk management of Moroccan companies, including the climate change risk management, which has been supported by the central bank of Morocco (Bank Al Maghrib-Bam).

This project is supported by the EIB, one of the most important partners of Morocco when it comes to strategic investments made by the country. The project develops an integrated framework of activities for the successful transfer of knowledge to green finance, climate change risks, climate change opportunities, and duty of disclosure. It also supports the development of the necessary instruments for the benefit of Crédit Agricole du Maroc (CAM) in Morocco, which are compatible with existing guidelines, procedures, and instruments of the European Investment Bank (EIB) as well as with international best practices and Moroccan law.

Since its founding, the focus of Crédit Agricole du Maroc (CAM) is on agriculture and the socio-economic development in rural areas. The goal is to facilitate agricultural activities in accordance with public authorities and to stabilize the rural population through a sustainable improvement of their living standard. CAM was able to continue its development and proved to be innovative in order to offer Moroccan agriculture sustainable financing solutions from an economic, social, and ecological point of view.

KPC was assigned with the implementation of the project in the course of an international call for tender in August 2022. The project started on September 1<sup>st</sup>, 2022 and will last for 18 months. Together with partners, it is KPC's task to support CAM in

- 1 the gaining of a better understanding of green finance in order to identify climate-based opportunities;
- 2 the assessment of physical and transition risks in their portfolio;
- 3 the integration of climate change risks in their lending activity through the development of assessment, measure, and supervision instruments;
- 4 the adaption of the reporting and disclosure system to leading standards like TCFD;
- 5 the creation of awareness for climate change, climate financing, and climate risk. ●





Biljana Spasojevic has been Senior Project Consultant at KPC since 2009 in the department Energy, Environment & Climate Change as well as in the department Traffic & Programs. She supervises international consulting projects, the international climate finance program of the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK) as well as national funding programs. She has extensive experience in the management of funding programs as well as in the technical and financial assessment of funded projects in the field of climate and energy.





## EBRD – GREEN CITY ACTION PLAN: DISTRICT BRČKO

KPC has been supporting the Bosnian-Herzegovinian district Brčko in working out a green cities action plan since August 2022.

About half of the world's population currently lives in urban areas. Cities generate about 80% of the global gross national product. But, in equal measure, they are also responsible for considerable environmental impacts because they cause about 75% of the worldwide greenhouse gas emissions as well as 70% of the global energy consumption.

Against this background, the EBRD has launched its Green Cities Programme with the goal to support cities with their green, climate neutral, and resilient transition. This shall be achieved by the support of cities in the identification and prioritization of their primary environment problems so that they can further tackle them via targeted investments and political measures.

Green City Action Plans (GCAP) are the core of the EBRD Green Cities Programme and help cities to articulate their challenges in regard to sustainable development and to develop political and economic feasibility plannings for investments and measures in order to lead cities towards a greener future.

The program aims at the following:

- preservation of the existing environmental resources deserving protection (air quality, water, biodiversity) and their sustainable use;
- reduction of and adaption to the effects of climate change;
- improvement of the socio-economic conditions for townspeople through sustainable environmental policy.

KPC has been supporting the Bosnian-Herzegovinian district Brčko in working out a green cities action plan since August 2022. In accordance with the methodology of the Green Cities Action Plan program, the following goals are meant to be reached in the course of the assignment:

- a support of the district, the stakeholders and citizens in the development of direct responsibility for the GCAP; facilitation of broad participation of the civil society in the development of the GCAP and awareness raising;
- b support of the district in the identification and prioritization of environment problems the district is confronted with;
- c compilation of a list of investments in infrastructure, which tackle these challenges and can be implemented and administered by the district, the local and national government, public utilities, special purpose entities, and other stakeholders;
- d development of a list of guidelines, rules, and other legal and administrative measures which deal with the prioritized environmental challenges and support the implementation of infrastructure investment projects. ●

So far, EBRD has realized Green Cities Action Plans in more than 50 cities:

**[www.ebrdgreencities.com](http://www.ebrdgreencities.com)**



# Climate Austria

The Austrian provider for the voluntary compensation of CO<sub>2</sub> emissions

Climate protection gradually becomes more important to the general public. Companies are increasingly judged by the measures they take to actively support climate protection. The calculation of the so-called carbon footprint is an essential component of corporate climate protection. The energy consumption for production processes, flights, mobility, electricity, and heating energy are fundamental sources of CO<sub>2</sub> emissions.

Climate Austria is a product of Kommunalkredit Public Consulting (KPC). KPC is responsible for the management of Climate Austria and resorts to long-term experience in climate protection projects in Austria and abroad. Climate Austria calculates and evaluates climate relevant corporate activities and offers the possibility to actively contribute to climate protection for those CO<sub>2</sub> emissions which cannot be avoided by saving and efficiency measures.

The initiative Climate Austria was launched in 2008 as a collaboration of the former Federal Ministry of Agriculture, Forestry, Environment and Water Management (now BMK), Austrian Airlines, Vienna International Airport AG, and Kommunalkredit Public Consulting (KPC) in order to support climate protection in Austria.

Since the launch, about 386 national and international climate protection projects were supported with contributions in the amount of nearly EUR 2.7 million. More and more companies decide on a holistic strategy in regard to sustainability and choose Climate Austria as a compensation partner for those CO<sub>2</sub> emissions that can't be avoided.



Facts and figures regarding Climate Austria can be found in **Facts & Figures 2022** further back in this report. (page 70)



## AUSTRIAN AIRLINES – A PIONEERING PARTNER OF CLIMATE AUSTRIA

As a worldwide mode of transport, aviation contributes about 3% to the global CO<sub>2</sub> emissions. Austrian Airlines is aware of that responsibility and continuously implements measures in order to reduce CO<sub>2</sub> emissions as much as possible and compensate those which can't be avoided.

In 2008, Austrian Airlines has launched the initiative »Climate Austria« together with KPC, the federal ministry and Vienna International Airport. The goal is to offer passengers of Austrian Airlines the possibility to compensate CO<sub>2</sub> emissions of their individual flight, which cannot be avoided. The passengers' voluntary contributions are used for projects in Austria and abroad, which lead to a considerable reduction of CO<sub>2</sub> emissions and can only be realized through the voluntary contribution of a respective amount. For the compensation of the individual flight-based CO<sub>2</sub> emissions, KPC secures a uniform average price per metric ton CO<sub>2</sub> via the portfolio approach that considers all used compensation projects in Austria and abroad. This price is calculated on the basis of the abatement costs of all supported climate protection projects. The CO<sub>2</sub> calculator multiplies the price with the individual flight-based CO<sub>2</sub> emissions, which results in the amount suggested by Climate Austria for the compensation of CO<sub>2</sub> emissions.

Within the roughly first 10 years, almost 150,000 passengers of Austrian Airlines opted for the compensation of their individual flight-based CO<sub>2</sub> emissions and thus compensated more than 55,000 metric tons of CO<sub>2</sub> that way.

In 2021, Austrian Airlines and Lufthansa Group launched the platform »Compensaid«. It allows passengers to reduce their individual CO<sub>2</sub> emissions of future or even past flights by booking an arbitrary amount of sustainable aviation fuels (SAF) or compensate their flight-based CO<sub>2</sub> emissions by investing in climate protection projects by Climate Austria.

The compensation of individual flight-based CO<sub>2</sub> emissions was simplified for passengers of Austrian Airlines and Lufthansa Group in 2022. Via a directly integrated opportunity to compensate CO<sub>2</sub> in the Austrian Airlines website, passengers can now either decide on CO<sub>2</sub> reduction by means of SAF, CO<sub>2</sub> compensation by means of the support of Climate Austria's portfolio, or a combination of both with just one click in the course of the online booking process. Since the launch of this simplified compensation opportunity, about 7% of all passengers of Austrian Airlines booking online decide on a more sustainable flight.

In order to further simplify the offer, Austrian Airlines and Lufthansa Group have introduced a new pricing model in February 2023, which enables sustainable traveling in Europe. The »green fares« can be booked as »Economy« or also as »Business Green« and offer an already included CO<sub>2</sub> compensation by means of a reduction via SAF and compensation via the support of climate protection projects by Climate Austria. Besides the website and the app, the pricing option can also be booked in selected travel agencies and makes sustainable flying easily accessible. ●

»Austrian Airlines has committed to a scientifically validated way of CO<sub>2</sub> reduction, with the goal to reduce flight-based CO<sub>2</sub> emissions by 30% until 2030. In order to compensate remaining CO<sub>2</sub> emissions, together with our passengers we rely on the high quality projects of Climate Austria. We have launched Climate Austria with our collaboration partners in 2008 in order to enable more sustainable air travel and at the same time trust in national and international projects corresponding to the highest standards.«

**Annette Mann,**  
CEO Austrian Airlines







KOMMUNAL  
KREDIT  
PUBLIC CONSULTING

# Finanz fakten 2022



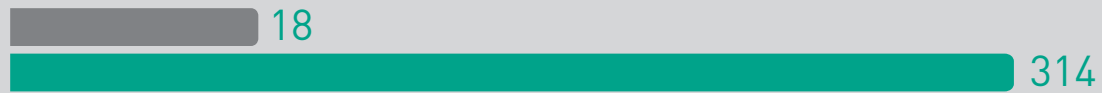


# Business development 2022

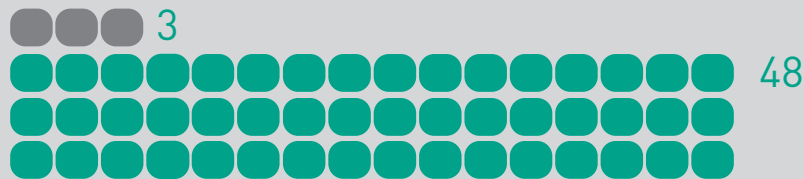
## Clients



Routes for approval, meetings, circular resolutions



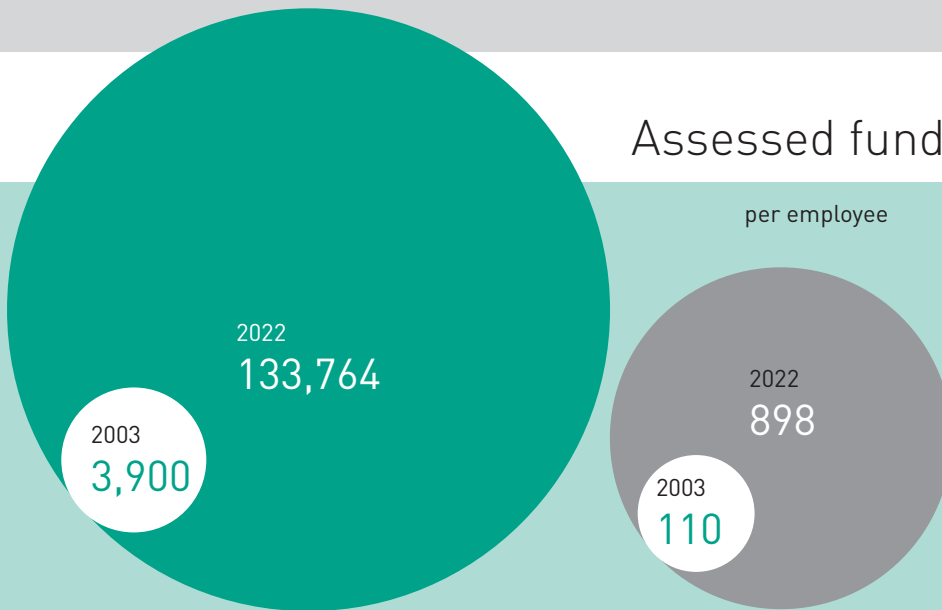
Ongoing consulting projects



2003  
2022

## Assessed funding projects

per employee



## Turnover in million Euro







## Best of ...

online

## events

- +  
March 30<sup>th</sup> **Webinar »Brachflächendialog«**  
Funding opportunities in regard to land recycling
- +  
April 6<sup>th</sup> **Online funding meeting**  
of Economic Chamber Carinthia  
(»Fördertag Kärnten 2022«)
- +  
May 18<sup>th</sup> **»Urbaner Klimaschutz  
Lehrgang«**
- +  
June 14<sup>th</sup> **Webinar »Umwelt- und  
Energieförderungen«** of Economic  
Chamber Vorarlberg
- +  
June 29<sup>th</sup> **13th Expert day Environmental  
Funding 2022**
- +  
October 12<sup>th</sup> **Roundtable** on »Advancing  
Sustainable Digital Finance in Estonia«
- +  
November 21<sup>st</sup> **Expert day Hauskunft**, Vienna  
(federal funding renovation check)
- +  
November 23<sup>rd</sup> Webinar presentation  
**»European Investment Fund (EIF)«**  
together with BMK
- +  
November 29<sup>th</sup> **Roundtable Ukraine** »Advancing  
Sustainable Digital Finance in the EU and Ukraine«
- +  
+  
+







## Best of ...

## live events

April 25<sup>th</sup> Vienna **Seminar »Wege zum Kunststoffkreislauf«** Fundings in regard to recycling economy

May 3<sup>rd</sup> Wels **Waste management meeting** – Phönix waste management award ceremony 2022

May 12<sup>th</sup> + September 23<sup>rd</sup> Vienna **ÖIV Immobilienakademie** »Nachhaltige Gebäudesanierung und Heizungstausch«

May 18<sup>th</sup> **Presentation** »Abwasser und Kläranlagen als zukünftige erneuerbare Energiequellen«

May 25<sup>th</sup> **ÖWAV** »Tiefe Geothermie Nutzung von Thermalwasservorkommen«

June 7<sup>th</sup> **CORES Advisory Board Meeting** at the Climate and Energy Fund

June 13<sup>th</sup> **»Solare Fernwärme in der Stadt«** of Austria Solar and KLIEN regarding projects of the program »Solare Großanlagen«

June 14<sup>th</sup> + 15<sup>th</sup> Neusiedl **2nd KEM Training Course** Meeting 2022

June 19<sup>th</sup> to 22<sup>nd</sup> Linz **Congress of the light engineering association**

June 22<sup>nd</sup> 17<sup>th</sup> **SEEGEN Operators Day**

July 5<sup>th</sup> Wilhelmsburg **RE:USE Expert talk** – Funding opportunities in regard to land recycling

July 13<sup>th</sup> **Round table Austria** »Advancing Sustainable Digital Finance in the EU«

September 8<sup>th</sup> Vienna **Research symposium of the national parks** on the topic of biodiversity fund

September 13<sup>th</sup> Vienna **»Brachflächen-gipfel«** funding opportunities in regard to land recycling

September 16<sup>th</sup> Vienna **coordination meeting** of the klimaaktiv and klimaaktiv mobil programs

October 13<sup>th</sup> Eferding **Biomass Operators Day**

October 13<sup>th</sup> Graz **Civil engineer forum** – funding opportunities in regard to ecological measures at rivers

November 17<sup>th</sup> St. Pölten **Austrian biodiversity forum**

November 23<sup>rd</sup> Webinar **European Investment Fund** (EIF) together with VÖWG, VKÖ, BMK

November 24<sup>th</sup> **International specialised fair** for event technology »MEET 2022«

November 23<sup>rd</sup> **Presentation** »Fördermöglichkeiten in der Nahwärme«

November 24<sup>th</sup> Linz **biomass information event** by the revision organisation Upper Austria





# Processing numbers 2022

\* Due to the depiction in million Euro, rounding differences may occur.

NUMBER OF PROJECTS/AMOUNTS IN MILLION EURO*	ASSESSMENTS	INVESTMENTS*	FUNDING*	FINAL ACCOUNTS	PAYMENTS*
<b>Environmental Funding</b>	<b>336,633</b>	<b>3,651.9</b>	<b>937.5</b>	<b>334,558</b>	<b>826.5</b>
Water management	1,505	505.0	90.6	1,314	276.9
Ecological measures at rivers	43	12.3	8.0	32	5.7
Flood protection	579	175.6	79.1	705	96.4
National environmental funding	6,325	780.8	159.0	5,838	73.4
Climate friendly local and district heating	8	12.2	3.0	0	0.0
Renovation offensive	47,216	1,522.0	355.8	45,729	321.3
Recycling economy	106	158.0	56.4	0	0.0
Reparaturbonus	280,591	59.0	28.1	280,492	28.1
Land recycling	7	0.5	0.4	0	0.0
Decontamination	13	141.2	127.3	12	22.4
Biodiversity fund	10	2.5	1.1	0	0.0
Forest fund	65	158.5	11.2	0	0.0
klimaaktiv mobil	0	0.0	0.0	13	0.1
International climate finance	5	2.9	2.9	3	2.2
EU co-financing UFG	160	121.5	14.6	420	0.0
<b>Climate and Energy Fund</b>	<b>75,849</b>	<b>2,265.4</b>	<b>331.6</b>	<b>70,987</b>	<b>179.6</b>
Photovoltaics + solar thermal systems	32,985	571.5	100.0	30,997	84.0
Mobility management	41,310	1,559.7	178.4	37,758	90.5
Work programs	597	72.6	43.6	280	5.2
EU co-financing	957	61.6	9.7	1,952	0.0
<b>Other fundings</b>	<b>1,873</b>	<b>98.0</b>	<b>4.1</b>	<b>559</b>	<b>2.2</b>
Green energy – Hydroelectric power	2	2.6	0.8	12	0.0
Salzburg	12	1.1	0.2	142	1.9
Tyrol	1,645	85.0	2.5	55	0.0
Vorarlberg	115	7.6	0.3	106	0.2
Wien	99	1.7	0.4	244	0.0
<b>Sum</b>	<b>414,355</b>	<b>6,015.3</b>	<b>1,273.2</b>	<b>406,104</b>	<b>1,008.3</b>

## Economical effects

6 billion Euro  
investment volume

△

75,400 jobs

## EU regional funding

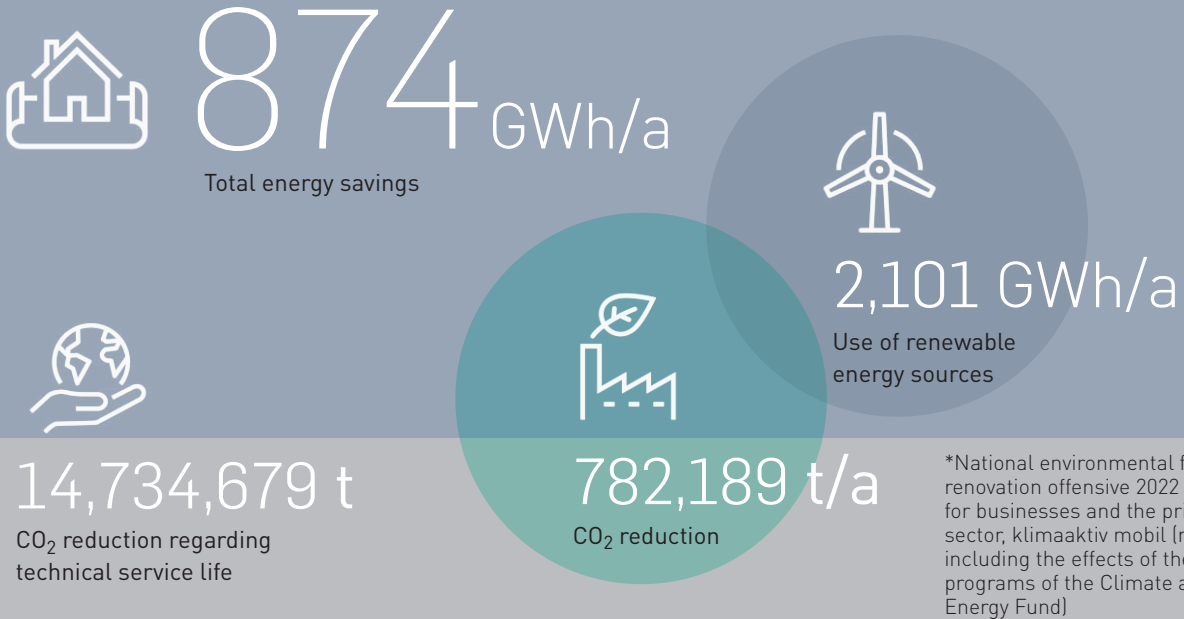
period 2014 to 2022

overall 212.1 million Euro EU funding

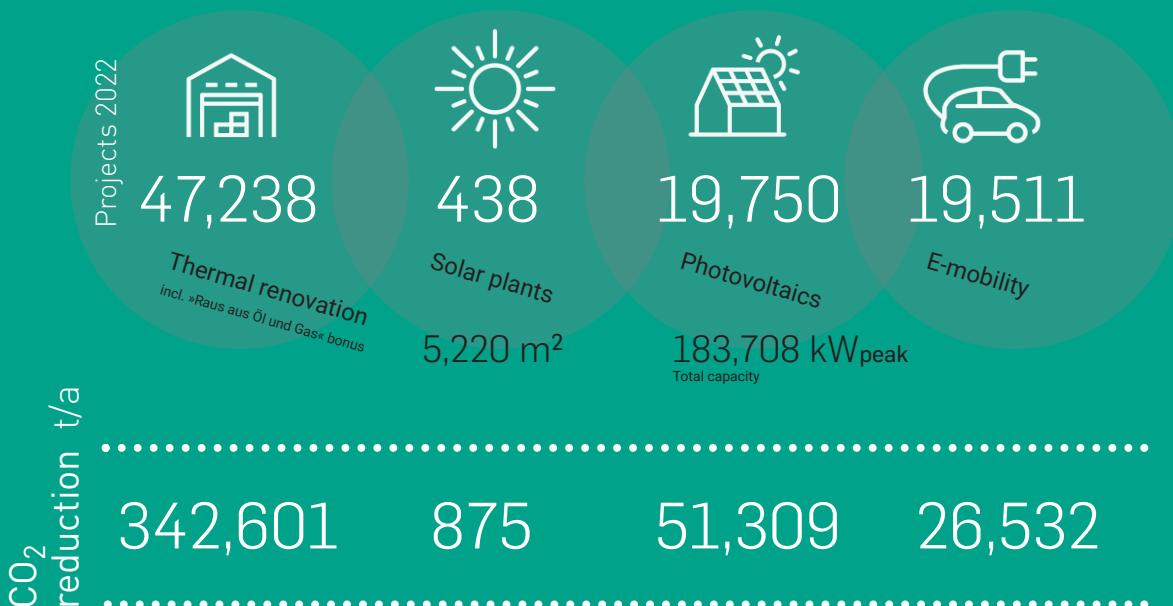
European Regional Development Fund (ERDF) and European Agricultural Fund for Rural Development (EAFRD)

## Ecological effects

Environmental funding for businesses and municipalities\*



## Environmental funding for private households





## Water management

### Residential water management

3,630 properties

^ approx. 19.800 inhabitants and their households could be connected to the public sewage system



approx. 16,100 inhabitants are being newly supplied

302 km

water pipes have been funded

## Ecological measures at rivers

21 transverse structures have been made passable.

54 meters difference in altitude have thereby been overcome.

In total, 8 kilometers of river have been improved hydromorphologically and restored to their original state.

## Contaminated sites

### Decontamination of about

700,000 m<sup>2</sup>  
4.5 million m<sup>3</sup>

of contaminated areas or contaminated underground or landfill bodies through

80,000 m<sup>2</sup> sealing wall

40,000 m<sup>2</sup> surface sealing

Clearing and handling of 130,000 m<sup>3</sup> of highly contaminated underground or landfill bodies

Extraction and purification of 1.8 million m<sup>3</sup>/a of contaminated ground or seepage water

Extraction and handling of 1.6 million m<sup>3</sup>/a of contaminated soil air and contaminated landfill gas

650 additional green jobs were provided and secured respectively.



## KPC's contribution to sustainable development

### SDGs

With its activities, Kommunalkredit Public Consulting GmbH contributes to the following Sustainable Development Goals (SDGs):



\* Foundation  
Carbon Market



## Where are our projects located?

More information concerning ongoing and recently completed projects can be found here:  
[www.kpc-consulting.at/projektreferenzen-kunden/](http://www.kpc-consulting.at/projektreferenzen-kunden/)



# Climate Austria

## Compensations

Period from January 1<sup>st</sup>, 2022 to December 31<sup>st</sup>, 2022



## Allocation based on contribution

Austrian  
Projects  
69%

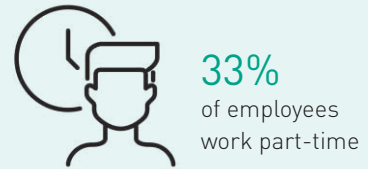
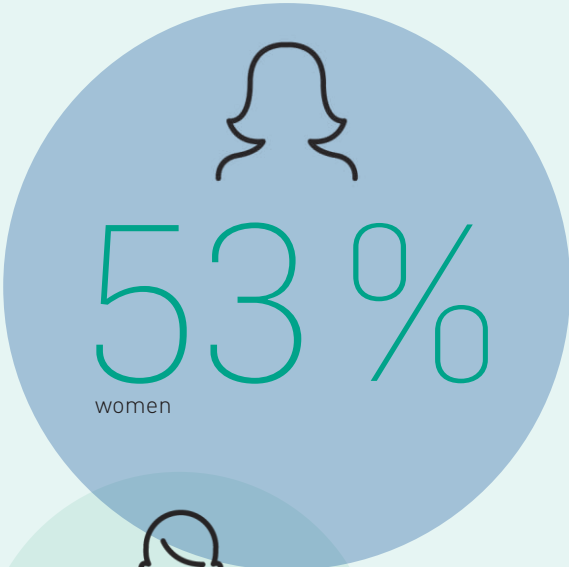


International  
Projects  
31%



# KPC Team

2  
training days  
per year are used  
by employees



70%  
of employees have  
a university degree



14  
persons were on leave  
during the year:

3  
were on  
educational leave

11  
on parental leave



7  
mums

4  
dads

9.3  
years  
average company affiliation

# Proprietors and bodies

## Supervisory board

**Karl-Bernd Fislage**

Chairman of the supervisory board

**Claudia Wieser**

Vice chairman of the supervisory board

**Mag. Alfred Ganglbauer**

Member of the supervisory board  
up to July 31<sup>st</sup>, 2022

**Mag. Johannes Schinko**

Member of the supervisory board  
from August 1<sup>st</sup>, 2022

**DI Mag. Alexander Somer**

Nominated by the works council

**Christian Kempf**

Nominated by the works council  
up to November 4<sup>th</sup>, 2022

**Dominic Marsam, BSc**

Nominated by the works council  
from November 4<sup>th</sup>, 2022

## Advisory board

**Head of section DI DDr. Reinhard Mang**

Chairman of the advisory board, Federal Ministry  
of Agriculture, Forestry, Regions and Water  
Management (BML)

**Head of section DI Günter Liebel**

Federal Ministry of Agriculture, Forestry,  
Regions and Water Management (BML)

**Head of section DI<sup>in</sup> Maria Patek, MBA**

Federal Ministry of Agriculture, Forestry,  
Regions and Water Management (BML)

**Head of section Mag. Dr. Jürgen Schneider**

Federal Ministry for Climate Action, Environment,  
Energy, Mobility, Innovation and Technology (BMK)

**Head of section DI Christian Holzer**

Vice chairman of the advisory board  
Federal Ministry for Climate Action, Environment,  
Energy, Mobility, Innovation and Technology (BMK)

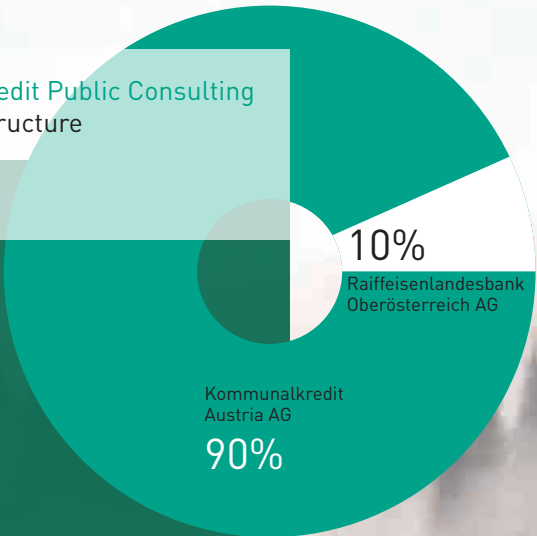
**Mag. Alois Steinbichler**

former chairman of the supervisory board  
Kommunalkredit Austria AG

**Mag.<sup>a</sup> Isabella Plimon**

Federal Ministry for Climate Action, Environment,  
Energy, Mobility, Innovation and Technology (BMK)

Kommunalkredit Public Consulting  
Ownership structure







## EPILOGUE

KPC is an expert and competent partner for climate and environmental protection projects in the fields of renewable energy, energy efficiency, mobility management, residential water management, water management, and remediation of contaminated sites, as well as an established counseling service provider for national and international organizations.

### DEPARTMENT

#### Central Services

»From the ›office‹ to a modern administrative department: since 2009, we as a central service department with experts in the fields of law, controlling, IT, communication, and corporate administration have been capably and professionally performing all transsectoral tasks of our internal and external customers – and sometimes even more...«

Mag.<sup>a</sup> Gerlinde Mayerhofer-Fras



### DEPARTMENT

#### Energy, Environment & Climate Change

»KPC's expertise is known today across Austria's borders. What started with only a few consulting projects for selected institutions, has now evolved into one of KPC's most important lines of business. Based on our know-how and strengthened in our position as a subsidiary of a successful bank for infrastructure, we have amplified our consulting service in the field of technical assistance for green projects in 2022. We have extended our offer in the field of green finance and further extended our know-how in regard to the topics of ESG and non financial reporting, as well as CO<sub>2</sub> compensation solutions. By doing so, we now offer our customers a much sought-after range of services on the pulse of the times, with which KPC can prove its know-how on a daily basis.«

DI Wolfgang Diernhofer, MBA,

DI Christoph Prandtstetten



### DEPARTMENT

#### Water & Contaminated sites

»2022 marked a year of a broad expansion of the department in regard to content: funding frameworks concerning biodiversity, the recycling industry, and land recycling were added to the already existing ones concerning residential water management, ecological measures at rivers, flood protection, and remediation of contaminated sites. The integration of these multifaceted funding areas is a challenge but at the same time what motivates us. Working in a team of experts coming from different technical disciplines is really very pleasing!«

DI Dr. Johannes Laber



### DEPARTMENT

#### Living & Energy

»2022 was characterized by the two funding campaigns ›Raus aus Öl und Gas‹ and ›Reparaturbonus‹. Triggered by the tense geopolitical situation among other things, the demand in the field of replacement of boilers experienced another massive increase compared to previous years. In 2022 alone, more than 40,000 fossil heating systems were changed over to modern and climate friendly ones, which hit a new record in the course of the funding campaign ›Raus aus Öl und Gas‹. There was quite a proper run on the funding campaign ›Reparaturbonus‹ which funds the repair of electric and electronic devices usually used in private households. A whole new dimension in regard to application numbers was reached with a total of 280,000 refund applications. Meeting all these challenges successfully was only possible because of the tireless commitment of all employees. The department Living & Energy proudly looks back on the results achieved, and we are happy to positively contribute to climate protection with our work.«

DI<sup>in</sup> Doris Pühringer, Mag. Dr. Andreas Vidic



### DEPARTMENT

#### Climate & Environment

»Never before have investments in the protection of the climate and the environment been more relevant than today in view of the climate crisis. 2022 literally marked a record year for us. By serving as an interface between the funding donors who provide the financial means and the applicants, we were able to manage more funding campaigns than ever in 2022. Fundings in the fields of district heating, energy saving, and mobility in particular were of high public interest, which was reflected in the considerable increase of the number of inquiries and applications. Since 2003, our customers and partners can rely on our service, knowledge and experience.«

DI<sup>in</sup> Dr.<sup>in</sup> Katharina Hopfner-Sixt, DI Dr. Klaus Frühmann

