



# Selected National Reference Projects

KOMMUNALKREDIT PUBLIC CONSULTING

## Thematic Areas

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## Management of Support Schemes

### Management of the support scheme to improve the economy of skilled workers (“Handwerkerbonus”)

|            |                                  |
|------------|----------------------------------|
| Country    | Austria                          |
| Client     | Federal Ministry of Finance      |
| Duration   | 2014 - 2015                      |
| Contractor | Kommunalkredit Public Consulting |

The Austrian Government set up a support programme to stimulate the Austrian economy and reduce the level of undeclared work. Within the programme homeowners are offered financial compensation for contracting professional craftsmen.

In 2014 the fund had a budget of 10 Mio. EUR and in 2015 the budget doubled to 20 Mio. EUR. The professional services that were supported ranged from renovating bathroom facilities to installing new heating systems as well as adapting homes for the needs of the disabled. Almost 70.000 applications were processed during the two funding periods.

KPC coordinated the four Austrian home loan and savings associations who were in charge of collecting the applications and serviced the entire support process.

### NER300 Windpark Handalm Project Monitoring and Disbursement Controlling

|            |   |
|------------|---|
| Country    | Austria   |
| Client     | Federal Ministry for Agriculture, Forestry, Environment and Water Management<br>Energie Steiermark AG |
| Duration   | 2013 - ongoing  |
| Contractor | Kommunalkredit Public Consulting  |

NER300 is a European Union programme endowed to stimulate investments in innovative energy technologies and carbon sequestration. The aim of NER 300 is to establish a demonstration programme comprising the best possible CCS and RES projects and involving all Member States. NER 300 is funded from the sale of 300 million emission allowances from the New Entrants’ Reserve (NER) set up for the third phase of the EU emissions trading system (EU ETS). The funds from the sales will be distributed to projects selected through two rounds of calls for proposals, covering 200 and 100 million allowances respectively. The New Entrants Reserve is administered by the European Commission DG CLIMA.

KPC monitors the status of project implementation and checks the eligibility according to the EU directive and the legally binding document.

### Management of grant scheme for flood protection measures

|            |  |
|------------|--|
| Country    | Austria  |
| Client     | Federal Ministry for Agriculture, Forestry, Environment and Water Management |
| Duration   | 2013 - ongoing   |
| Contractor | Kommunalkredit Public Consulting   |

Programme Management of the Austrian federal environmental grant scheme for flood protection projects. Kommunalkredit Public Consulting manages the programme on behalf of the Ministry. This includes receiving the grant funding applications, appraising the funding applications including all technical supporting documentation (technical, economic and financial evaluation), concluding the funding agreements and fiduciary management (disbursing the grant funds, monitoring of the compliance with the grant conditions).

| Management of the European Fund for Regional Development (ERDF) |  |
|---|--|
| Country   | Austria  |
| Client  | Federal Ministry for Agriculture, Forestry, Environment and Water Management |
| Duration  | 1995 - ongoing   |
| Contractor  | Kommunalkredit Public Consulting   |

Within this assignment Kommunalkredit Public Consulting supports the Ministry of Environment in the implementation of the European Fund for Regional Development (ERDF), providing financial support to renewable energy projects.

KPC acts as an Intermediate Body. The ERDF supports measures taken by enterprises to improve their environmental protection standards. 219 projects with a total investment-volume of EUR 231million were appraised between 2007- 2013. The co-financing by the ERDF amounted to a total grant volume of 34,6 Mio. EUR. These projects are co-financed by the Austrian state.

KPC's tasks include the provision of administrative services on the basis of general program processing. Above all, they cover the co-ordination with the managing authority and with the monitoring body to ensure the program's compliance with the Council Regulations (EC) 1080/2006 and 1083/2006. Additionally, KPC is responsible for the coordination with the ERP-Fund, Austria's Paying Agency for the Structural Funds.

| Management of the European Agricultural Fund for Rural Development (EAFRD) |  |
|--|--|
| Country  | Austria  |
| Client   | Federal Ministry for Agriculture, Forestry, Environment and Water Management |
| Duration   | 2007 - ongoing   |
| Contractor   | Kommunalkredit Public Consulting   |

Within this assignment Kommunalkredit Public Consulting supports the Ministry of Environment in the implementation of the European Agricultural Fund for Rural Development (EAFRD), specifically for the financial support of renewable energy projects.

KPC acts as an Intermediate Body and within EAFRD renewable energy projects (biomass-fired district heating systems) are supported. Kommunalkredit Public Consulting appraised 219 projects with a total investment-volume of EUR 231million between 2007- 2013. The co-financing by the ERDF amounted to a total grant volume of 34,6 Mio. EUR. These projects are also co-financed by the Austrian state.

General tasks are the provision of administrative services on the basis of general program processing. Above all, they cover the co-ordination with the managing authority and with the monitoring body to ensure the program's compliance with the Council Regulations (EC) 1080/2006 and 1083/2006.

In addition, KPC is responsible for the coordination with the ERP-Fund, Austria's Paying Agency for the Structural Funds.

**Management and Implementation of the Austrian state environmental grant scheme for public water supply and sanitation projects**

|            |  |
|------------|--|
| Country    | Austria  |
| Client     | Federal Ministry for Agriculture, Forestry, Environment and Water Management |
| Duration   | 1993 - ongoing   |
| Contractor | Kommunalkredit Public Consulting   |

Programme Management of the Austrian federal environmental grant scheme for public investment projects in the field of water supply and sanitation based on the Austrian Environmental Support Act. Kommunalkredit manages the entire programme from receiving the grant funding applications, appraising the funding applications including all technical supporting documentation (technical, economic and financial evaluation), concluding the funding agreements and fiduciary management (disbursing the grant funds, monitoring compliance with the conditions of the grants).

The final beneficiaries are municipalities or municipal associations and water/wastewater utilities throughout whole of Austria.

Moreover, the activities include consultancy services for general program creation and development. The management of the state environmental grant scheme has been carried out by Kommunalkredit since 1993 based on a framework contract.

Support funding is provided for projects in the following sub-sectors:

- Waste water treatment plants and sewer systems
- Small scale sanitation and waste water treatment facilities
- Public water supply systems
- Small scale water supply systems
- Industrial wastewater treatment plants
- Research in the field of water supply and sanitation

The contract also involves the management of the Austrian Environmental and Water Management Fund. Before 1993 this fund provided long-term subsidized loans to municipalities. In 1993 the support structure was changed from subsidized loans to capital grants and therefore the fund has not provided any new loans since 1993. The main management activities of the fund involve accounting, reporting and liquidity management.

**Thermal Insulation of Buildings**

|            |   |
|------------|---|
| Country    | Austria   |
| Client     | Federal Ministry of Economics<br>Federal Ministry for Agriculture, Forestry, Environment and Water Management |
| Duration   | 2009 – ongoing  |
| Contractor | Kommunalkredit Public Consulting  |

Established by the Austrian Government in 2009 because of the financial crisis, the Economic Stimulus Package contributes to the energy reduction of buildings (thermal rehabilitation). It supports efforts to reduce greenhouse gas emissions because of the lower energy use for heating and cooling in buildings.

The “Economic Stimulus Package” fund contains 100 Mio. EUR. 50 Mio. EUR of which is for private citizens and the other 50 Mio EUR for companies in the area of thermal reconstruction of buildings especially:

- Ventilation systems with heat exchanger

- Thermal insulation
- Windows and doors
- Efficiency heating systems

The services provided by KPC comprise the technical, economic and environmental appraisal of the submitted projects, preparation of the funding recommendations, as well as the conclusion of financing agreements with the final beneficiaries.

#### Management of the Austrian federal environmental grant scheme for the remediation and rehabilitation of contaminated sites

|            |  |
|------------|--|
| Country    | Austria  |
| Client     | Federal Ministry for Agriculture, Forestry, Environment and Water Management |
| Duration   | 01/2007 – 12/2010  |
| Contractor | Kommunalkredit Public Consulting   |

Kommunalkredit Public Consulting manages federal support funds according to the Environmental Support Act and according to the ‘law on the rehabilitation of contaminated sites’ for the remediation and rehabilitation of contaminated sites. KPC manages the entire programme from receiving the grant applications, appraising the grant applications (technical, economic and financial evaluation), concluding the grant contracts, as well as fiduciary management (disbursing the grant funds, monitoring compliance with the conditions of the grants).

Moreover, the activities include consultancy services for general program creation and development. KPC has managed the Federal Environmental Fund since 1993 based on a framework contract for an unlimited period.

Support funding can be provided for projects in the following sub-sectors:

- Securing contaminated sites
- Rehabilitating contaminated sites
- Research projects in the above-mentioned fields

#### Management of the support schemes of the Austrian federal states and regional programs

|            |                                  |
|------------|----------------------------------|
| Country    | Austria                          |
| Client     | Federal states of Austria        |
| Duration   | 2010 - ongoing                   |
| Contractor | Kommunalkredit Public Consulting |

Since 2010, KPC has taken on several Austrian provinces as clients. This is based upon the “one-stop-shop” principle, which notes that all applications for support from the Provinces of Salzburg and Tyrol are checked for eligibility and processed by KPC. The Provinces of Tyrol, Vorarlberg and Vienna have entrusted the task of managing their funding programmes for photovoltaic installations to KPC.

The regional programmes offered by the Austrian provinces since 2003 play an important role in facilitating access to the investment support schemes available because they provide subsidised advisory services for enterprises and public institutions aimed at promoting investments in environmental protection measures. The regional programmes are financed by the federal government’s environmental support programme and KPC is responsible for the distribution of these funds.

### Management of a grant scheme for industrial waste water treatment facilities

|            |  |
|------------|--|
| Country    | Austria  |
| Client     | Federal Ministry for Agriculture, Forestry, Environment and Water Management |
| Duration   | 1993 – ongoing   |
| Contractor | Kommunalkredit Public Consulting   |

Management of a grant scheme for industrial waste water treatment facilities, appraisal of applications for grants and application for disbursement, management of disbursements, overall management of the grant scheme (information sheets, form sheets, website, etc). Approximately 10-20 applications for grants are processed per year.

The services provided include:

- Review of grant applications (incl. technical documentation, attained wastewater quality improvement) with a focus on compliance with grant scheme guidelines
- Review of application for disbursement of grants (invoices, technical report, actual wastewater quality improvement) with a focus on compliance with grant scheme contract

### Management and Implementation of the state environmental support scheme abroad

|            |  |
|------------|--|
| Country    | Austria  |
| Client     | Federal Ministry for Agriculture, Forestry, Environment and Water Management |
| Duration   | 1993 – 2009  |
| Contractor | Kommunalkredit Public Consulting   |

Program Management of the Austrian federal environmental grant scheme for enterprises according to the Environmental Support Act for investment projects in the fields of: renewable energy, energy efficiency, waste to energy, measures reducing air pollution and treatment of hazardous waste. In Austria's neighboring countries (Slovakia, Czech Republic, Hungary and Slovenia) only projects, which have a positive environmental impact for Austria are eligible to receive support funding.

Kommunalkredit manages the entire programme from receiving the grant applications, appraising the grant applications (technical, economic and financial evaluation), concluding the grant contracts and fiduciary management (disbursing the grant funds). Moreover, the activities include consultancy services for general program creation and development.

Support funding is provided, inter alia, for projects in the following sub-sectors:

- Small scale hydropower plants
- Regional environmental protection program
- Energy efficiency improvements in the housing sector
- Reduction of emissions
- Use of renewable energies
- Research in the field of environmental protection

**Technical assistance to Austrian small hydropower support scheme**

|            |                                  |
|------------|----------------------------------|
| Country    | Austria                          |
| Client     | OeMAG                            |
| Duration   | 2009 - ongoing                   |
| Contractor | Kommunalkredit Public Consulting |

KPC provides technical assistance to OeMAG, the manager of the Austrian federal support scheme for small-scaled hydropower plants. KPC is responsible for the technical, economic and financial evaluation of the applications (around 50 per year). The outputs of KPC’s activities are evaluation reports for each hydropower plant. The evaluation reports serve as the basis for the decision on whether the plants are eligible or not.

The final beneficiaries are private persons as well as municipalities across Austria. Furthermore, the activities include consultancy services for general program creation and development.

**Management of grant scheme for water ecology measures**

|            |   |
|------------|---|
| Country    | Austria   |
| Client     | Federal Ministry of Agriculture, Forestry, Environment and Water Management |
| Duration   | 2009 - ongoing  |
| Contractor | Kommunalkredit Public Consulting  |

The grant scheme covers financial support for public applicants (municipalities, municipal cooperation, regions, etc.) as well as private applicants. The overall goal of the support scheme is to improve the condition of the Austrian surface waters in terms of restructuring, fish migration, and renaturation.

Kommunalkredit Public Consulting manages the program on behalf of the Federal Ministry of Agriculture, Environment and Water Management, including receiving the grant funding applications, appraising the funding applications including all technical supporting documentation (technical, economic and financial evaluation), concluding the funding agreements as well as fiduciary management (disbursing the grant funds, monitoring compliance with the grant conditions).

KPC services the entire support process, acting as an interface between clients, the providers of funds, and applicants for support.

**Management of the federal support scheme for sustainable mobility (klimaaktiv mobil)**

|            |   |
|------------|---|
| Country    | Austria   |
| Client     | Federal Ministry of Agriculture, Forestry, Environment and Water Management |
| Duration   | 2006 - ongoing  |
| Contractor | Kommunalkredit Public Consulting  |

In 2007, the Ministry of Environment launched the klimaaktiv mobil initiative for active climate protection in the transport sector. This initiative comprises advisory services, awareness-raising measures and funding schemes aimed at avoiding and reducing transport-related emissions of climate-changing substances, such as nitric oxide and particulate matter. Funding is made available for projects promoting the use of public transport, cycling and walking or the introduction of mobility services. KPC manages this funding instrument on behalf of the Ministry of Environment.

KPC services the entire support process, acting as an interface between clients, the providers of funds, and applicants for support.



| Management of the support scheme for waste prevention |                                     |
|---|-------------------------------------|
| Country   | Austria                             |
| Client  | Altstoff Recycling Austria AG (ARA) |
| Duration  | 2005 - 2014                         |
| Contractor  | Kommunalkredit Public Consulting    |

Waste Prevention is one of the key goals of the Austrian waste management. Therefore, a percentage of the funds are donated to waste-prevention projects, which range from waste prevention in industrial enterprises (e.g. reduction of residues during manufacturing process), paperless offices, to awareness-rising- projects in schools.

All applications are checked to ensure conformity to the guidelines, costs estimated according to proportionality, a rate of funding calculated and – most importantly – the value of waste prevention is assessed.

## Climate change

### Project Management under the Austrian Climate Finance Strategy

|            |                                  |
|------------|----------------------------------|
| Country    | Global (focus on LDCs)           |
| Client     | Austrian Ministry of Environment |
| Duration   | 2014 – ongoing                   |
| Contractor | Kommunalkredit Public Consulting |

In 2013, Austria adopted an international climate finance strategy and established a new inter-ministerial working group dedicated to climate finance. On behalf of the Austrian Ministry of Environment, KPC manages a portfolio of climate finance projects, partly covered by Austria’s contribution to fast-start climate finance. All the projects are aligned with the strategic criteria contained in the national climate finance strategy including (1) a balance between adaptation, mitigation and REDD+ activities, (2) consistency with ODA reporting, (3) maximising synergies with other policy objectives, (4) efficiency, effectiveness and transparency of the use of funds and (5) compliance with quality-assurance systems

### Management of “Climate Austria” voluntary emission reduction platform

|            |   |
|------------|---|
| Country    | Austria   |
| Client     | Federal Ministry of Agriculture, Environment and Water Management |
| Duration   | 06/2008 - ongoing   |
| Contractor | Kommunalkredit Public Consulting                                  |

Climate Austria, a project run by Kommunalkredit Public Consulting, is devoted to the voluntary offsetting of CO2 emissions. This is achieved by investing voluntary contributions in climate protection projects, primarily in Austria and, upon request, abroad. Climate Austria offers private clients the opportunity to calculate and offset their CO2 emissions. Climate Austria offers businesses specially tailored solutions that show how they can offset unavoidable CO2 emissions resulting from their business activities. Climate Austria sees itself as a link between people or businesses and climate protection projects.

Since the establishment of Climate Austria about 1.5 Million Euros have been collected and thereby used to support voluntary climate change projects.

### Management of the support programs of the Climate and Energy Fund (KLI.EN)

|            |                                  |
|------------|----------------------------------|
| Country    | Austria                          |
| Client     | Austrian Climate and Energy Fund |
| Duration   | 2007 - ongoing                   |
| Contractor | Kommunalkredit Public Consulting |

The annual programmes of the Climate and Energy Fund, which were established by the Austrian government in 2007, contribute to the realisation of a sustainable energy supply by increasing the degree of energy efficiency and promoting the use of renewable sources of energy. Funding from the Climate and Energy Fund is used for broad-based support schemes aimed at private households, e.g. for the installation of photovoltaic systems and wood-fired heating systems, innovative headline projects, model regions as well as the climate impact research programme. KPC awards funding for the aforementioned programmes on behalf of the Climate and Energy Fund.

| Management of the Austrian JI/CDM Programme |   |
|---|---|
| Country                                     | China, South Korea, Thailand, Indonesia, Malaysia, Philippines, Ukraine, Bulgaria, Brazil, India, Hungary, Estonia, Latvia, Egypt, Czech Republic, Russia, Israel, Colombia, Papua New Guinea, New Zealand, Madagascar, Chile |
| Client                                      | Federal Ministry of Agriculture, Forestry, Environment and Water Management   |
| Duration                                    | 2003 - ongoing  |
| Contractor                                  | Kommunalkredit Public Consulting  |

Under the Kyoto Protocol and based on the “EU Burden Sharing” Agreement, Austria committed itself to reduce its emissions of greenhouse gases by 13% during the commitment period 2008 – 2012. The goal was primarily met through the implementation of domestic climate protection measures supported under the Flexible Mechanisms of the Kyoto-Protocol. In this respect the Austrian JI/CDM Programme was started in 2003. KPC is responsible for the Programme Management and the implementation of the Austrian JI/CDM-Programme focused on the purchase from two project-based instruments ‘Joint Implementation’ and ‘Clean Development Mechanism’. In this context KPC acts on behalf of the Austrian Federal Ministry of Agriculture, Forestry, Environment and Water Management.

The main scope of services includes the direct purchase of emission reductions generated by emission-reducing projects, which take place worldwide, including the financing of certain project-related immaterial costs (Baseline Studies, Validation etc.), as well as the investment in carbon funds and facilities.

The main technological focuses are projects in the field of renewable energy sources, combined heat and power plants, fuel-switch-projects, energy efficiency projects as well as waste management measures. KPC manages JI/CDM and GIS projects on a global scale.

Additionally, KPC manages all other programme related topics such as portfolio risk management, programme marketing and strategic outlines.

KPC consults its client (the Austrian Federal Minister of Agriculture, Forestry, Environment and Water Management) on related issues such as Austria’s National Allocation Plan or the Austrian approval procedure for companies utilizing CDM projects under the EU ETS.

With a total purchasing target of 45 Mio. t of CO<sub>2</sub>, KPC manages one of the largest European governmental purchasing programmes in the carbon market.

## Selected consulting projects

### Waste heat analysis of industrial facilities in Austria

|            |  |
|------------|--|
| Country    | Austria  |
| Client     | Federal Ministry for Agriculture, Forestry, Environment and Water Management |
| Duration   | 2012   |
| Contractor | Kommunalkredit Public Consulting   |

In 2012 the Federal Ministry for Agriculture, Forestry, Environment and Water Management contracted Kommunalkredit Public Consulting (KPC) to compile an overview of existing and unused industrial waste heat sources. Additionally, KPC provided technical advice and information regarding the use of the underutilized sources. KPC reviewed the potential for external and internal utilization.

145 companies reported 170 heat outputs. With this potential around 70.000 households could be heated directly and an additional 75.000 households could be heated when connected to nearby heating networks via flow temperatures.

To raise the level of utilization of heat outputs in Austria, KPC proposed the following:

- Check the legal possibilities for increasing waste heat utilisation in Austria
- Create a heat-output-map for Austria for potential users/buyers, public authorities, funding agencies etc.
- Focus on a support scheme to develop the potential of unutilized waste heat outputs

This evaluation is part of the continuous process to optimize the environmental support scheme and advance the existing support schemes to fulfil the goals of the “Energierstrategie Österreich”.

### Technical and financial evaluation of a small-sized hydropower plant in Hallstatt

|            |                                  |
|------------|----------------------------------|
| Country    | Austria                          |
| Client     | Kommunalkredit Austria AG        |
| Duration   | 2012 - 2013                      |
| Contractor | Kommunalkredit Public Consulting |

Hallstadt Wasserkraft GmbH plans to build and run a small hydropower plant along a creek in the municipality of Hallstatt. Before the investment could be allocated to the project by Kommunalkredit Austria AG, KPC conducted a technical and financial evaluation to ensure the project’s feasibility.

KPC created a report about the hydropower plant, including the following points:

- A technical description of the hydropower plant
- Review of the technical concept and classification within the available technology
- Review of the maximum capacity and maximum amount of the produced energy based on the hydrographic background
- Review of the approval and schedule of the project
- Review of the investment costs regarding location, design and capacity of the hydro power plant
- Guidance regarding the technical specifications of the best turbine for the project
- Evaluation of costs for maintenance and repair
- Review the contract and advisory opinion regarding possible operational risks

## Evaluation of investments in Austria's water supply and waste water sector

|            |  |
|------------|--|
| Country    | Austria  |
| Client     | Federal Ministry for Agriculture, Forestry, Environment and Water Management |
| Duration   | 2012   |
| Contractor | Kommunalkredit Public Consulting   |

KPC conducted an evaluation of investments in Austria's water supply and waste water sector for the Federal Ministry for Agriculture, Forestry, Environment and Water Management.

In order to decide upon the necessary budget for the communal water supply and waste water sector, KPC looked at the investment needs to establish facilities for the first time, as well as for remediation, reinvesting and adjusting already existing facilities to state of the art. KPC consulted with all of the Austrian municipalities and associations regarding their planned investments ahead of negotiations on the Fiscal Equalisation Law.

Based on this data, the federal government, together with the counties, municipalities, associations and cooperatives, is working towards a forward-looking and sustainable development of the Austrian water supply and waste water sector. The challenge in the upcoming years and decades is the adequate and efficient usage and maintenance of the facilities to preserve the value for the following generations.

The last evaluation took place in 2012 and was the first internet-based evaluation. The outcome established that there are not only investment needs for construction measures over the next ten years but also to ensure that existing assets are kept up to the highest standards.

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