

KPC
PERFORMANCE
REPORT

24

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BUSINESS COMMUNICATIONS

AND PROJECT SUPPORT

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Dechant Grafische Arbeiten

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The business year 2024

In an interview with the management, KPC Executive Director Mag.^a Gerlinde Mayerhofer-Fras and DI Dr. Johannes Laber review the business year 2024 – a year affected by funding budgets that haven't risen strongly as well as the creation of many new funding programs.

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Transformation der Industrie

The transformation towards a climate-neutral economy is to be supported by the new funding program »Transformation der Industrie«. The aim is to fund projects that achieve the greatest possible reduction in greenhouse gases and strengthen Austria as an industrial and business location.

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Flood protection – flood 2024

In Austria, an area stretching from Flachgau in Salzburg to northern Burgenland and Upper Styria was affected, as were neighboring countries, particularly the Czech Republic and southern Poland. Enormous, and in some cases unprecedented, amounts of rain, combined with storms and snowfall in the high mountains, and regionally extreme flood flows had to be dealt with.

p. 69

KPC pushes the energy transition in Bulgaria

The project financed by the World Bank Group aims to fund the introduction of geothermal heat pumps (GHP) in the industrial sector in Bulgaria. The goal is to increase energy efficiency, reduce greenhouse gas emissions and strengthen the country's energy independence.

EDITORIAL

Dear reader,

The year 2025 brings with it a number of changes, including a new look for the KPC performance report. »BENEFIT« will simply become »KPC Performance Report 2024«, which is also reflected in the design – a bit more reduced, a little less magazine-like, more reports.

But what remains in any case: our performance report offers a multitude of interesting topics in regard to what happened in one year at KPC.

In the 2024 edition, we would like to present you an interesting interview with the management concerning the business year 2024 – affected by funding budgets that haven't 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 second call for tenders for the funding campaign »Transformation der Industrie«, which aims to fund projects that achieve the greatest possible reduction of greenhouse gases and strengthen Austria as an industrial and business location. The widespread flooding in Austria in September 2024 showed how important flood protection is. In addition, flood protection funding via applications for immediate measures will ensure the restoration of flood structures.

Innovations have been made in regard to the successful funding campaign »Reparaturbonus«: since September 2024, in addition to the repair also the service and maintenance of electric and electronic devices will be funded, as well as the repair, service, and maintenance of bicycles.

We hope you will enjoy reading our stories!

STATEMENT OF THE SUPERVISORY BOARD

Dear Sir or Madam,

We look back on a challenging year 2024. Europe experienced a period of economic stagnation. High interest rates, weak investments and subdued demand weighed on the economy. The year was marked by geopolitical crises, raw material shortages, and supply chain disruptions. In addition, the political course was reset in over 70 countries, including Austria.

But also climate change became noticeable very clearly: last year was the hottest since records began. According to the Copernicus Climate Change Service, the global average temperature reached a new high with 1.6°C above the pre-industrial level. In Europe, the temperature on average was 1.47°C above the average of the year 1991 to 2020. Austria even experienced its warmest year on record, accompanied by devastating floods.

Amid these challenging conditions, the business strategy of the Kommunalkredit Group once again proved its worth. With the highest volume of new business to date amounting to EUR 2.3 billion (+26%), the bank was successful in the following sectors: energy & environment (35% of transactions), social infrastructure (21%), communication & digitalization (19%), natural resources (9%) and transport (6%). With its focus on sustainable technologies, renewable energy projects, supply companies, telecommunications, digitalization, health and care services, and sustainable transportation across Europe, the specialist bank for infrastructure and energy finance is making a positive contribution to the »green transition«.

Strengthened by the entry of Swedish Altor Fund in July 2024, the expansion of the management to three people with clearly defined responsibilities, and targeted investments in innovation and the evolution of structures and talents, the bank is looking to the future with confidence.

Our subsidiary Kommunalkredit Public Consulting (KPC) complements the sustainable orientation of the group with its business areas funding management and consulting. KPC is an expert and competent partner for climate and environment protection projects in the areas of renewable energies, energy efficiency, climate-friendly mobility, residential and protective water management, circular economy, biodiversity and the remediation of contaminated sites. With EUR 2.9 billion means of funding primarily on behalf of the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK), the Federal Ministry of Agriculture, Forestry, Regions and Water Management (BML), the Climate and Energy Fund and the Federal Ministry for Arts, Culture, the Civil Service and Sport (BMKÖS), the amount of funding distributed for sustainable initiatives in Austria increased by 65%. In total, our colleagues at KPC processed 768,352 projects, which corresponds to an increase of 21%.

As a provider of consulting services to well-known national and international development organizations and financial institutions, as a verifier of green bonds, as an advisor of the Austrian representative in the Green Climate Fund or as a member of the Austrian negotiating team at COP29 in Baku, KPC is a sought-after and valued partner far beyond the country's borders. The synergies resulting from the combination of KPC's technical know-how and Kommunalkredit's financial background make the company group unique.

I would like to express my sincere thanks to all our clients, partners and commission members for their trust in KPC. And I would like to address a heartfelt thank you to my colleagues at KPC. Because now more than ever, we want to and have to continue to make the future – with all its challenges – a little greener in order to change Austria and the whole of Europe in an even more sustainable way.



Kind regards
Nima Motazed
Chairman of the supervisory board

An aerial photograph of a winter forest. The ground is covered in a thick layer of snow, and the trees are heavily laden with snow. A winding road or path cuts through the forest, with visible tire tracks. The scene is bathed in a warm, golden light, likely from the setting or rising sun, which creates a soft glow and long shadows. The overall mood is serene and peaceful.

The business year 2024



In an interview with the management, KPC Executive Director Mag.^a Gerlinde Mayerhofer-Fras and DI Dr. Johannes Laber review the business year 2024 – a year affected by funding budgets that have risen strongly as well as the creation of many new funding programs.

2024 saw changes in the KPC management: Johannes Laber has succeeded Christopher Gaiy who has left the management board.

G. Mayerhofer-Fras: After twenty years of dedicated and highly successful work as KPC Executive Director, Christopher Gaiy has decided to step down from his position in order to put his focus on private interests in the future. We are therefore all the more pleased that he will continue to be available to KPC in an advisory capacity. Johannes Laber took over as KPC Executive Director on October 1, 2014. He has many years of experience in the funding sector and in consulting and will, among other things, pay special attention to the further development of KPC in the area of automation-supported funding processing.

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 remained on a high level for all climate relevant funding instruments in 2024. Never before has the amount of means of funding been so high. Linked to this, the demand for funding has also increased. Overall, a total of 768,352 climate and environment projects with an investment volume of about EUR 9.1 billion have been assessed in 2024. This corresponds to an increase in projects of around 21% compared to the same period in 2023.

J. Laber: In addition, a large number of new funding programs were launched in 2024. These included, for example, funding programs in regard to the transformation of the industry towards CO₂ neutrality and the focus on the modification of various facilities such as »Klimafitte Kulturbetriebe«, »Energieeffiziente Sportstätten« and »Energieeffiziente Rettungsorganisationen«. Furthermore, the funding programs »Innovative klimaneutrale Prozesswärme und -kälte in Betrieben« and the »Leuchttürme der Wärmewende« of the heat transition were implemented. In addition to that, the new funding area »Kreislaufwirtschaft« was launched to support the economy in the transition towards a circular economy, starting from recycling and reuse to circular design.

What is there to tell about the renovation offensive in 2024?

G. Mayerhofer-Fras: The aim of the renewable heat program was to replace as many fossil fuel heating systems as quickly as possible. The key points of the new funding program were reflected in the renovation offensive in the form of a significant increase of the assumption of costs for replacing heating systems of up to 75% by federal and state funding and a tripling of the federal funding for thermal building renovation. The number of applications has almost doubled for »Raus aus Öl und Gas« in 2024 and even more than tripled for the renovation bonus. On December 20, the available funds for this successful funding campaign with a record budget of EUR 3.79 billion were already exhausted ahead of schedule due to enormous interest.



Mag.^a Gerlinde Mayerhofer-Fras has been Executive Director of Kommunkredit 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.

Digital transformation and efficiency are topics that go along with KPC's processing activities. How have things progressed in 2024?

J. Laber: 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. In 2024, we put the focus on the topics of user friendliness and data security and have also expanded them. Furthermore, the »KPC-Förderungsbot« project has been launched in order to act even more user-friendly and efficiently. We are also in the process of testing AI-based tools in regard to invoice verification in a pilot project.

Let's take a look at consulting: how have things progressed in 2024?

J. Laber: In 2024, KPC was awarded 12 attractive new contracts and extensions of existing mandates with a total contract value of EUR 4.4 million. In the area of climate policy consulting for the BMK, KPC directly supported the Austrian negotiating team in the climate negotiations on EU level as well as in the international UN climate negotiations (including COP29 in Baku). KPC also acts as a counselor for the Austrian representative in the Green Climate Fund (GCF), an international climate financing instrument that provides funds for projects to reduce greenhouse gas emissions and adapt to climate change in developing countries. KPC also supported the Austrian representative in the newly created UN Fund for Responding to Loss and Damage (FRLD) caused by climate change. This fund was created at last year's COP in Dubai (COP28) and will be operationalized in 2024.

Climate Austria is a product of KPC. How has this Austrian climate protection initiative developed in 2024?

G. Mayerhofer-Fras: Voluntary climate protection was also an important topic for the general public in 2024. Many companies are actively seeking opportunities to implement voluntary climate protection measures. With this cooperation model, more than 460 national and international climate protection projects have been funded with a total of around EUR 3.9 million so far. In 2024 alone, almost 34,000 metric tons of CO₂ were avoided through national and international climate protection projects.

How has the collaboration with Kommunkredit Austria AG developed in 2024?

G. Mayerhofer-Fras: KPC continues to acutely and successfully collaborate with Kommunkredit Austria AG. With their technical competence, KPC's experts support the bank employees in the development and assessment of international infrastructure projects.



DI Dr. Johannes Laber has been Executive Director of Kommunal-kredit Public Consulting since 2024. He studied environmental engineering and water management and is an expert in the development and implementation of funding programs.

What has turned out to be particularly successful in 2024?

G. Mayerhofer-Fras: 2024 saw the second call for tenders for the funding program »Transformation der Industrie«. This funding program intends to support the transformation towards a climate-neutral economy. The aim is to promote projects that achieve the greatest possible reduction in greenhouse gases and strengthen Austria as an industrial and business location. A total of five projects with a projected CO₂ saving of around 120,000 metric tons per year were funded in this second call for tenders.

Out of the available budget of EUR 85 million, EUR 70 million was allocated to industrial plants and EUR 15 million to pilot and demonstration plants. In 2025, means of funding amounting to EUR 450 million have been reserved for the program.

J. Laber: The catastrophic floods in September 2024, particularly in Lower Austria, called for rapid emergency aid. Appropriate measures for repairing broken dams and clearing silted areas could be funded immediately and quickly in the course of flood protection.

Finally, an outlook: what is due in 2025?

J. Laber: In terms of funding management, processing large numbers of applications that have already been registered, particularly in the area of the renovation offensive, and expected possible adjustments and a reduction in the funding budgets respectively will be the challenges in 2025. Close coordination with KPC's clients will enable swift and appropriate steps to be taken. The record application figures of 2023/24 are unlikely to be repeated (due to partial cuts of the funding budgets reported in the media). A new focus in the area of »Transformation der Industrie« will be set with the first call for funding measures in regard to operating costs of transformative projects and will require changes in the processing of funding.

G. Mayerhofer-Fras: KPC will implement a new funding program for the Federal Ministry of Social Affairs, Health, Care and Consumer Protection for the first time, following a successful call for tender.

Clear values. Concrete goals.

KPC aims at making a sustainable contribution to the development of the environment, the economy and society by managing funding programs and providing targeted consulting services.

KPC focuses on the areas of development, implementation and management of funding programs. In this context, we are primarily active in the field of climate and environment protection as well as in the international carbon market. Our clients benefit directly from our long-standing know-how and our focus on what is essential in the planning and implementation.

Our vision is
an environment worth living
in for generations to come.

Our mission

We support our clients in the development and implementation of tailored funding programs. This means that we support communities, companies and private individuals in implementing their projects and also actively contribute to the development and dissemination of environmental and technology standards. In the consulting sector, we work successfully for well-known national and international development organizations and financial institutions.

Our expertise

KPC is known and appreciated on a national and international level as a highly specialized partner for climate and environment protection projects, specifically in the areas of renewable energy, energy efficiency, biodiversity, circular economy, climate-friendly mobility, water management and remediation of contaminated sites.

Our values

We value open communication and respectful interaction with our customers. Equally important to us are trust-based cooperation, reliability, quality and competence. In addition, performance is a determining factor.

Our goal

A valuable long-term solution.
On the one hand, KPC sees itself as a long-term partner for projects in the fields of renewable energy, energy efficiency, biodiversity, circular economy, climate-friendly mobility, water management and remediation of contaminated sites. On the other hand, we see ourselves as a stakeholder that contributes to the sustainable protection of our environment.

FIVE PILLARS OF SUCCESS

Quality.

Always
the best
solution.

Service.

More
than just
business.

Competence.

Simply
works more
sustainable.

Efficiency.

Our
advantage
in the
competition.

Flexibility.

Because
change
needs to be
creative.

Communication.

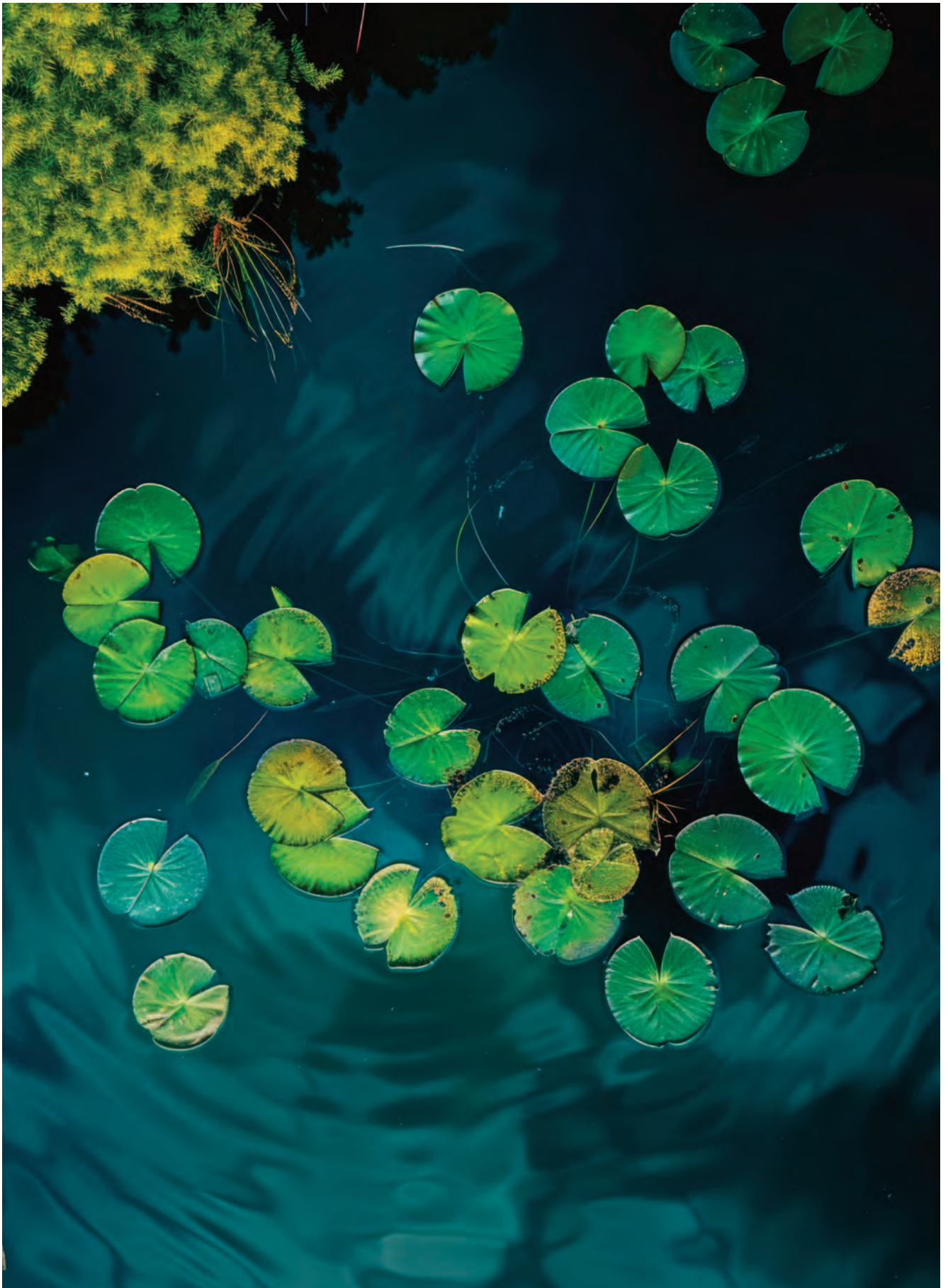
We communicate actively, open, and fair.

KOMMUNAL
KREDIT
PUBLIC CONSULTING





facts + figures 2024



Processing numbers of the funding programs 2024

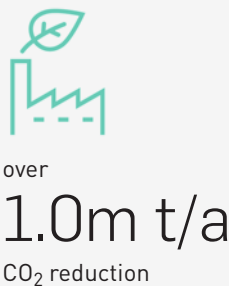
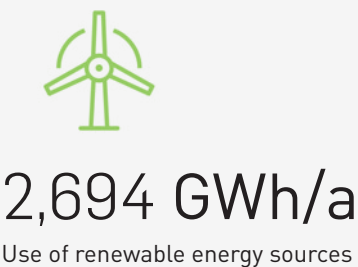
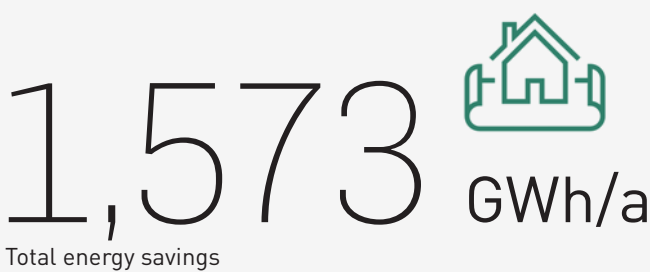
	NUMBER OF PROJECTS	INVESTMENTS	FUNDING
Federal environmental funding	671,106	6,565,183,914	2,302,919,393
Residential water management	1,935	864,370,429	148,756,049
Ecological measures at rivers	91	100,048,590	62,862,479
Flood protection	820	206,794,920	93,994,950
National environmental funding	3,551	679,130,103	161,339,725
Energy efficiency	1,857	594,938,618	102,906,093
Transformation of the industry	5	104,826,888	61,358,000
Climate friendly local and district heating	28	72,790,839	18,034,277
Renovation offensive	349	89,785,989	14,665,558
Thermal renovation private individuals	21,093	1,467,660,019	454,541,894
Boiler replacement private individuals	58,299	1,863,442,620	997,172,176
Remediation of contaminated sites	25	19,951,222	15,203,777
Land recycling	39	2,896,560	2,060,485
Circular economy	819	145,039,643	63,646,852
Repair bonus	582,042	131,638,059	59,943,995
Biodiversity Fund	106	98,210,749	31,777,483
Forest Fund	41	115,663,630	6,660,564
International climate finance	6	7,995,036	7,995,036
Climate and Energy Fund	93,464	2,432,511,916	549,202,774
Photovoltaic plants and storage	42,032	1,052,628,470	212,950,259
Climate-fit cultural institutions	74	21,932,482	8,478,227
Mobility programs	40,721	1,053,243,337	186,533,484
Other programs	10,637	304,707,627	141,240,804
State funding	3,782	100,138,278	15,569,173
Corporate environmental funding Tirol	156	22,990,172	1,137,359
Corp. environmental funding Vorarlberg	106	11,884,164	434,619
Photovoltaics Vienna	3,520	65,263,942	13,997,195
Sum	768,352	9,097,834,107	2,867,691,340

Economical effects

EUR 9.1 billion
investment volume
≙
45,000 jobs

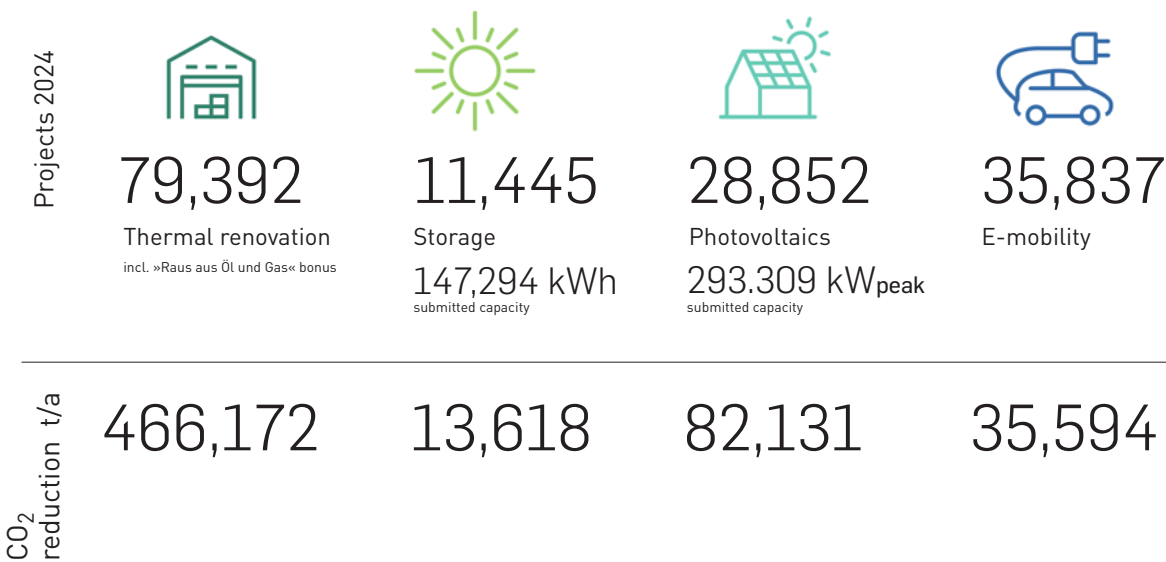
Ecological effects

Environmental funding for businesses and municipalities*



*National environmental funding, energy efficiency, climate-friendly district heating systems, transformation of the industry, renovation offensive 2024 for businesses and private individuals, Forest Fund (not including the effects of the Climate and Energy Fund programs)

Environmental funding for private individuals



Water management

Residential water management

5,680
objects

^ approx. 39,630 inhabitants
could be connected to the
public sewage system



approx. 45,760
inhabitants are being
newly supplied

418km
water pipes were funded

Ecological measures at rivers

105 transverse
structures were
made passable.

160 meters
difference in altitude
were thereby overcome.

In total, **92** kilometers
of river were improved
hydromorphologically
and restored to their
original state.

Contaminated sites

Decontamination of approx.

2.6 million m²
38 million m³

of contaminated areas or
contaminated underground

84

additional green jobs
were provided and secured
respectively

Extraction and purification of **3.5** million
m³/a contaminated ground and seepage
water respectively

Exhaustion and treatment of
40 million m³/a contaminated soil
air and contaminated landfill gas

Clearing and treatment of **3,000**m³ highly
contaminated underground and landfill
bodies respectively

Land recycling

Reuse of **670,000**m²
developed land

39 development concepts
23 examinations

International Consulting

Our services

- Climate Change Advice
- Energy Efficiency and Renewable Energy
- Environment, Water/Wastewater and Waste
- Design and Implementation of Financing Facilities and Support Schemes for Green Finance

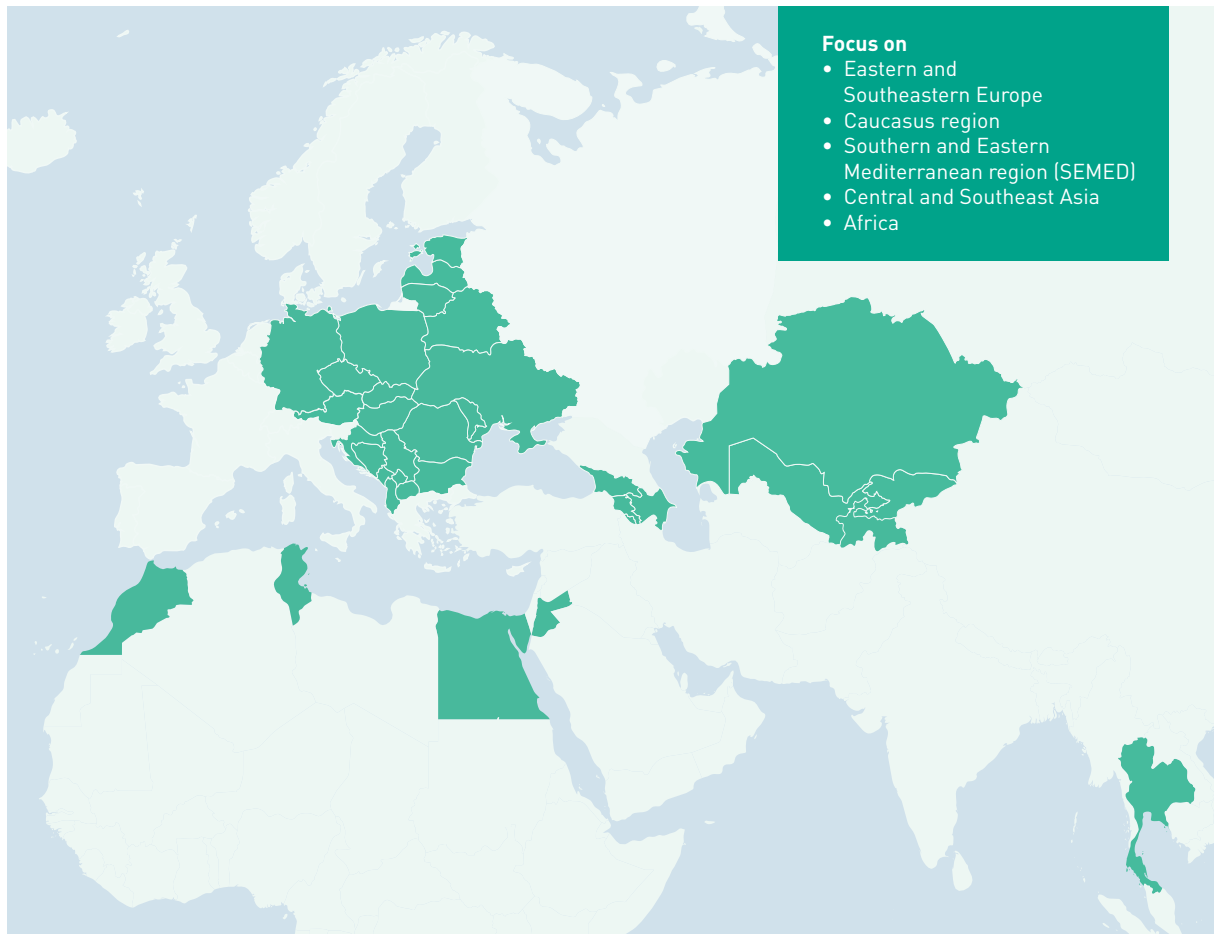
36

ongoing projects

4.8 million Euro


sales

Where are our consulting projects located?

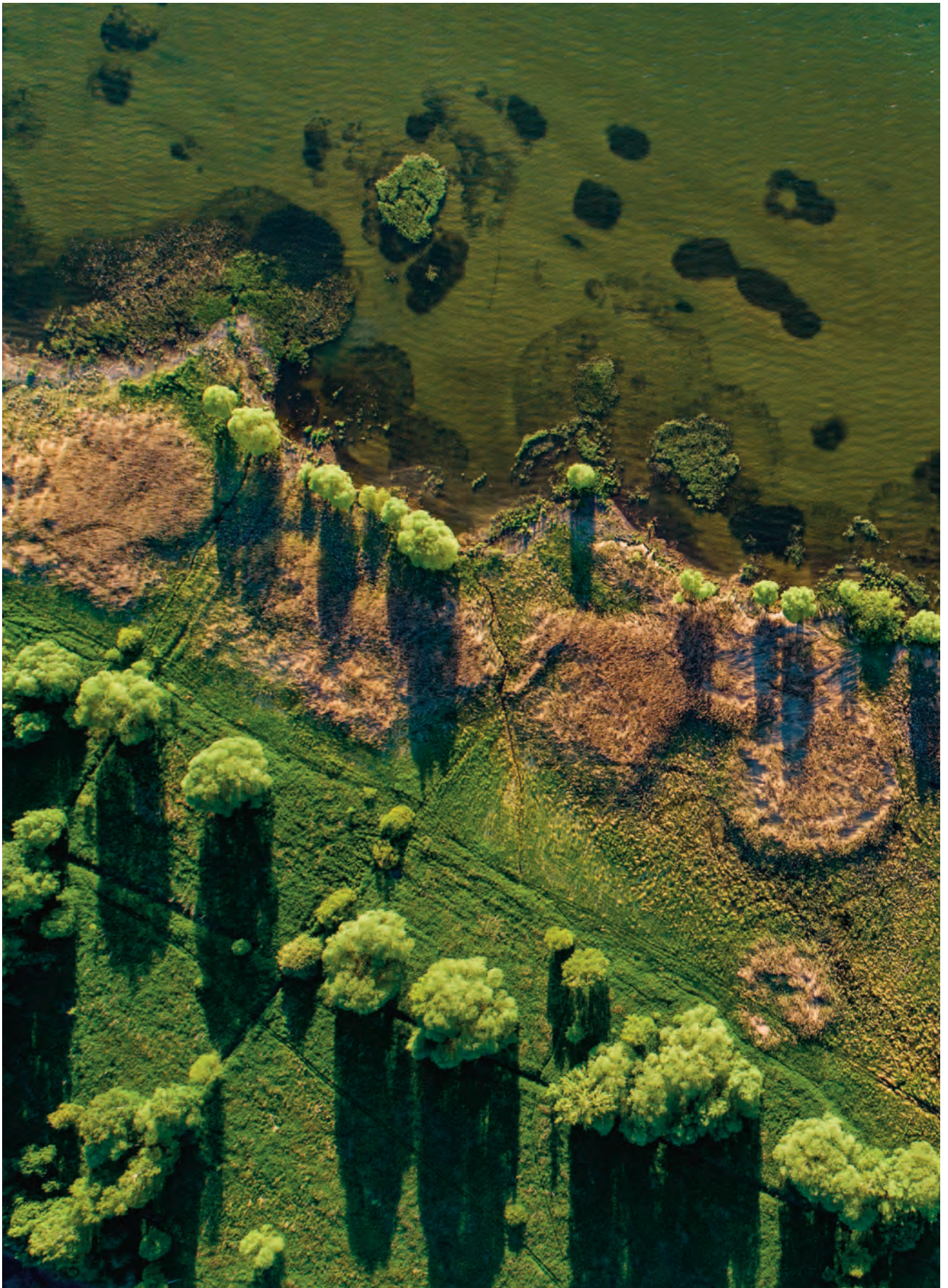


More information concerning ongoing and recently completed projects can be found here:
www.kpc-consulting.at/projektreferenzen-kunden/

Our clients

 Bundesministerium
Klimaschutz, Umwelt,
Energie, Mobilität,
Innovation und Technologie





BEST OF

Studies, online and live events 2024

live

- + March 15th »**Leveraging Interlinkages between the Air Quality and Climate Agendas**« A Deep-Dive and Knowledge Exchange in the Context of the World Bank Climate Support Facility's »Western Balkans Plus« Program – Establishing Policy and Investment Synergies for Scaling-up Air Quality and Decarbonization Programs, Panelist WDI – location: Weltbank Office Vienna
- + March 21st Presentation »**Bundesförderung Flächenrecycling**« FFG, Mission Action Group Soil, Vienna
- + June 18th **QB Feedback Day** and QM symposium
- + October 8th **7th Vienna Energy Security Dialogue** »Energy security in the long run: managing energy systems with wise foresight« held by the OSCE and the World Energy Council (WEC) Austria, Moderator WDI – location: Vienna
- + October 8th Presentation »**Neues Förderinstrument Brachflächenrecycling**« ÖWAV, Symposium Management of contaminated sites and land recycling – an overview of the new ALSAG, Vienna
- + October 15th **11th OECD Forum on Green Finance and Investment** – SESSION: GREEN PUBLIC FINANCE AND THE NET-ZERO TRANSITION, Speaker WDI, location: OECD Conference Centre CC15 Paris
- + October 22nd Presentation »**Bundesförderung Flächenrecycling – Zwei Jahre Erfahrung**« Brownfield dialogue, Brownfield summit 2024, Salzburg
- + November 6th Presentation »**Neuerungen in der Förderung – Brachflächen**« Umweltbundesamt and BMK, Contaminated sites forum 2024, Vienna
- + November 12th Moderation and chairing of the **Panel discussion ÖWAV**, Conference on Renaturation in Water Management, Vienna
- + November 13th Interdisciplinary forum »**Koordinierungsstelle zur Bekämpfung von Energiearmut**« Climate and Energy Fund, Vienna
- + November 14th Chairing of the lecture series »**Geförderte Altlastenforschung**« Montanuniversität Leoben, Conference Recy & Depotech 2024, Leoben

online

-
- January 15th Information event »**Transformation der Wirtschaft**«
-
- January 22nd **EU-InfoDay** on the Innovation Fund (online/live)
-
- March 20th Webinar »**Biomasse Nahwärme – Tipps und Tricks zur Endabrechnung**«
-
- July 17th Webinar »**Transformation der Industrie**«
-
- October 16th Information event on the call for tender »**Innovative Klimaneutrale Prozesswärme- und Kälte in Betrieben**« (online)
-
- October 17th **Expert Day** Environmental funding 2024
-
- December 12th Webinar »**Repair Bonus – Austrian funding programme for the repair of electrical and electronic devices and bicycles**« I BMK (location), carried out by BMK and KPC
-

studies


- »**Strategische Flexibilität zur Zielerreichung Österreichs im ESR**« (EU 2030 climate goal) on behalf of the BMF

Climate Austria

Climate Austria is a provider of voluntary climate protection contributions. Private customers, companies and public institutions can use Climate Austria to calculate their greenhouse gas emissions, define measures to reduce CO₂ and offset remaining emissions by contributing to climate protection projects.

Compensations

Period from January 1st, 2024 to December 31st, 2024

Companies 
24,797
compensated metric tons of CO₂

Flights

17,526

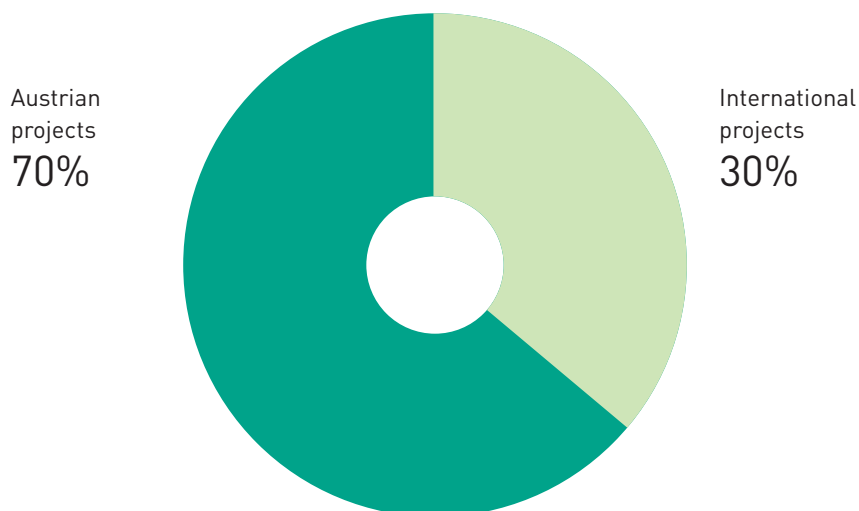
Number of flights offset in 2024



20,176

number of metric tons of CO₂ offset by flights 2024

Allocation based on contribution



KPC Team



52%
women

2
training days
per year are used by employees



32%
of employees
work part-time

42%

of executives are female



42 years
average age



9.4 years
average company
affiliation



16
persons were on leave
in 2024:

5
were
on educational leave

11
on parental leave

9
moms

2
dads



74%
of employees have
a university degree

Funding management

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 fundings, 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

Facts and figures regarding funding management can be found in **Facts & Figures 2024** in the front section of this report. (from page 15)

CONTRIBUTION 1

National Climate and Energy Strategy

National environmental funding substantially helped towards the realization of the Austrian Climate and Energy Strategy in 2024. **p. 27**

CONTRIBUTION 2

Transformation der Industrie

The transformation towards a climate-neutral economy will be supported by the new funding program »Transformation der Industrie«. The aim is to promote projects that achieve the greatest possible reduction in greenhouse gases and strengthen Austria as an industrial and business location. **p. 33**

CONTRIBUTION 3

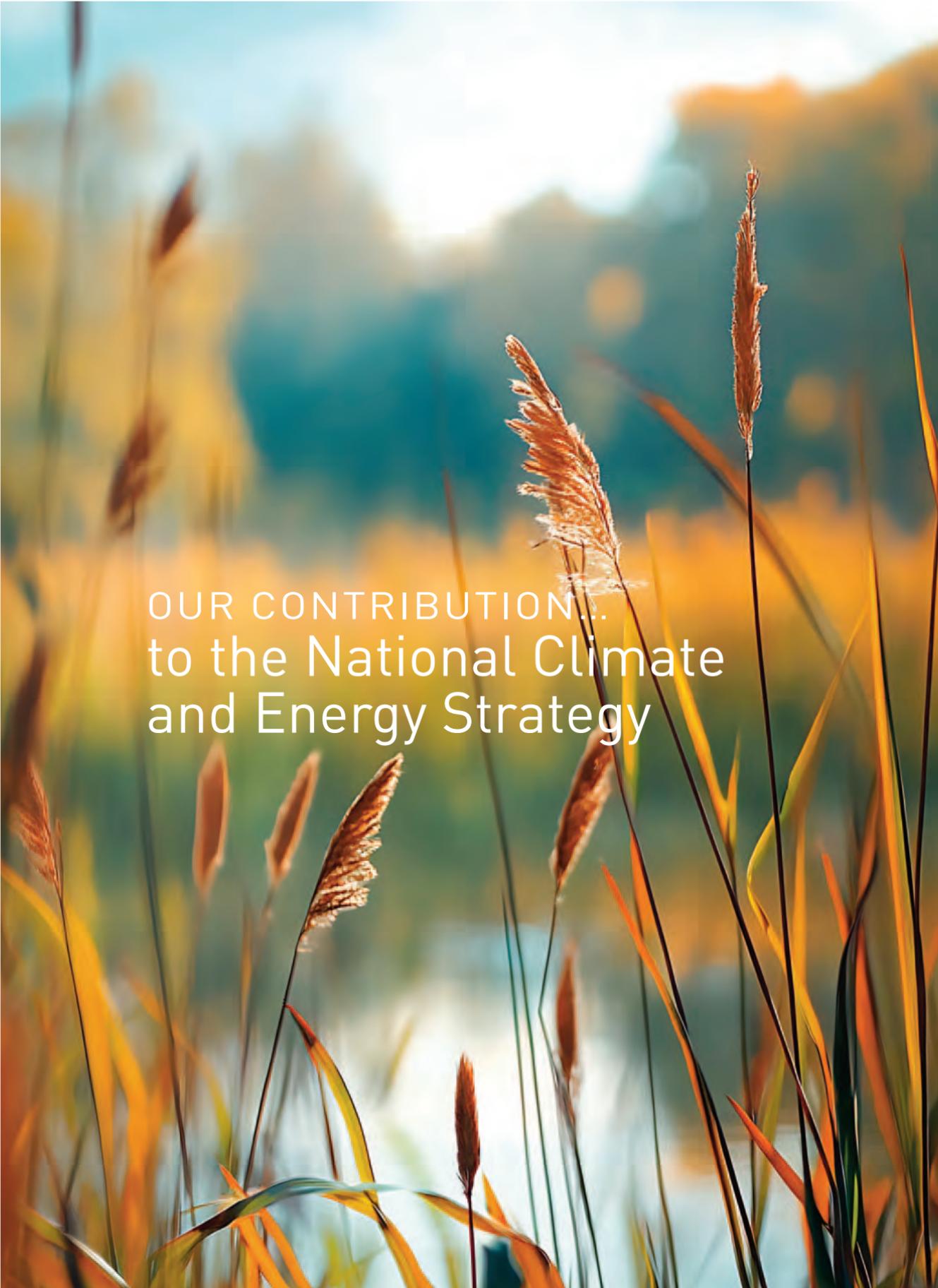
Flood protection – flood 2024

In Austria, an area stretching from Flachgau in Salzburg to northern Burgenland and Upper Styria, was affected, as were neighboring countries, particularly the Czech Republic and southern Poland. Enormous, and in some cases unprecedented, amounts of rain, combined with storms and snowfall in the high mountains, and regionally extreme flood flows, had to be dealt with. **p. 45**

CONTRIBUTION 4

Reparaturbonus

The »Reparaturbonus«, a federal funding campaign of the BMK for the repair of electric and electronical devices as well as bicycles, is an important step away from a throwaway society towards a more sustainable use of valuable resources. It also strengthens the regional economy and creates additional jobs. **p. 56**



OUR CONTRIBUTION...
to the National Climate
and Energy Strategy

The main goal of the National Climate and Energy Strategy (NEKP) 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 46% 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.

Renovation offensive

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 CO₂ equivalent shall be saved in the building sector. With this, these measures considerably contribute to the goal of Austria being climate neutral in 2040 the latest. Demand for the approved fundings in the course of the renovation offensive has increased significantly in 2024 due to the energy crisis.

At the end of December, the available means of funding were exhausted and the renovation offensive was brought to a highly successful conclusion. A total of 129,000 applications were submitted, with a funding volume of EUR 2.31 billion. Furthermore, about 95,100 registrations with a funding volume of EUR 1.47 billion are still open, where projects will potentially not be implemented until 2025. 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 projects funded by national environmental funding (UFI) 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 635.0 million, the respective funded projects in 2024 (2023: about EUR 586.0 million) are able to save about 323,800 metric tons of CO₂ per year (2023: about 373,000 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.

In addition to the UFI, the calls for tenders »Innovative klimaneutrale Prozesswärme und -kälte in Betrieben« and »Leuchttürme der Wärmewende« of the Climate and Energy Fund were launched in 2024 in order to find innovative solutions in the field of renewable energies.

Energy efficiency

In addition to the transition from fossil fuels to renewable energy sources, saving energy is another important pillar of environmental funding through the energy efficiency program. Measures to increase energy efficiency are becoming more and more important. An additional EUR 190 million will be available for energy efficiency projects until 2030 as part of the energy efficiency program.

Among other things, funding in the area of energy saving is provided for lighting optimization, energy-efficient refrigeration systems and energy efficiency measures in industrial processes and facilities. Furthermore, new funding programs were launched in 2024, for example »Klimafitte Kulturbetriebe: Schwerpunkt Energieeffizienz«, »Energieeffiziente Sportstätten« and »Energieeffiziente Rettungsorganisationen«.

The wide range of funding reduces energy consumption and CO₂ emissions. In 2024, projects with an environmentally relevant investment volume of around EUR 594.9 million (2023: around EUR 402.7 million) were eligible for funding. The funded projects will achieve energy savings of around 548 GWh (2023: around 450 GWh) per year.

PROJECT EXAMPLE

RENOVATION OFFENSIVE

Funding campaign »Raus aus Öl und Gas«

Thanks to the funding campaign »Raus aus Öl und Gas«, the Huber-Schiefer family is mastering the transition to a climate-friendly and efficient heating technology. The family from Irdning-Donnersbachtal (Styria) was able to switch from an oil heating system to a district heating connection cost-efficiently thanks to national means of funding.

Austria on the way to climate neutrality in 2040

Austria has embarked on an ambitious journey with the goal of becoming climate neutral by 2040. In order to achieve this, the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK) has launched two important funding campaigns: »Raus aus Öl und Gas« and »Sanierungsbonus«. These programs offer generous fundings for environmentally and climate-friendly, low-CO₂ heating and thermal building renovations particularly to private households.

The heating sector as a key to climate protection

The heating sector is a central lever in regard to climate protection. The aim of the renewable heat program is to replace as many fossil fuel heating systems as possible with sustainable alternatives as quickly as possible. That is why the BMK has massively increased the amount of funding for »Raus aus Öl und Gas« since the beginning of the year. Since January 1, 2024, means of funding of up to 75% of the investment costs have been available for single- and two-family homes, consistent with the respective heating technology.

A success story: the Huber-Schiefer family switches to district heating

An example of a successful transition is the Huber-Schiefer family from Irdning-Donnersbachtal in Styria. They replaced the old oil heating system

in their single-family home with a district heating connection to the Donnersbach biomass heating plant. The family was looking for a space-saving and sustainable solution for the heating of their house and found it in district heating.

The heat can now directly enter the house without a space-consuming heating system taking up valuable living space or requiring maintenance. In addition, the family saves heating costs by the connection to the district heating network.

»The BMK funding encouraged me and was the deciding factor to renew my heating system earlier than originally planned. Everything was processed and paid for quickly and easily. In addition, we were finally able to free ourselves from the ever-increasing oil costs and can now look to the future with a clear conscience thanks to a cost-stable, modern and sustainable solution,« says Gerald Huber-Schiefer.

On top of that, the family is helping to reduce CO₂ emissions: with the new heating system, the Huber-Schiefer family is saving over 11.6 metric tons of CO₂ a year. In the course of the funding campaign »Raus aus Öl und Gas«, the heating system replacement was funded with 75% of the environmentally relevant investment costs: out of a total investment of EUR 19,000, the family received around EUR 14,250 back.

Conclusion

Replacing a heating system is worthwhile in many aspects: it not only reduces heating and maintenance costs and increases living comfort, but also has a positive impact on climate protection. In addition, the available fundings reduce investment costs enormously.

For further information on the funding conditions and the currently available budget please see: <https://www.umweltfoerderung.at/privatpersonen/raus-aus-oel-und-gas>



Finanziert von der
Europäischen Union
NextGenerationEU



PROJECT EXAMPLE ENERGY EFFICIENCY Ulrich Etiketten

Printing press optimization
reduces annual CO₂ emissions
by 76%

The Austrian family business Ulrich Etiketten GmbH has established itself as the market leader in the high-tech niche of self-adhesive labels. With a strong presence in Austria and a ranking among the top 10 European suppliers, Ulrich Etiketten supplies both large corporations and regional companies. The company employs around 210 people and is growing continuously. A significant step in the company's history is the operation of the new and modern production facility by relocating to Höbersdorf in the Weinviertel region (Lower Austria). This milestone marks a new chapter in the company's history and sets a strong example for the greening and sustainability of the label and packaging industry.

In many areas of production, the focus is on energy efficiency and circular economy. Photovoltaic plants that have already been installed and with a capacity of around 700 kWp contribute to an environmentally friendly energy supply, with the result that 30% of the electricity can already be supplied from own production.

Another step towards the reduction of energy consumption and future-oriented ecological production is the conversion of the UV drying units in several printing presses. Until now, conventional UV lamps have been used, but now Ulrich Etiketten is relying on innovative UV LED drying systems. This technology is only rarely used yet to harden printing inks – less than 1% of all printing presses use it. Ulrich Etiketten is working with ink manufacturers to develop this technology.

In a first step, two machines were converted: The direct energy saving in regard to the machines is around 170,000 kWh per year. In addition, the UV-LED lamps reduce waste heat, produce less heat, do not require any ozone-containing exhaust air disposal and extend the service life of the machines. This results in a further energy saving of about 50,000 kWh per year. In total, these measures can save around 61.54 metric tons of CO₂ per year – this corresponds to 76% of the previous emissions.

The total project investment amounts to around EUR 191,000. The conversion is supported by federal funding derived from the »National environmental funding« program in the amount of around EUR 46,200. Kommunalkredit Public Consulting is responsible for processing the funding on behalf of the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK).



PROJECT EXAMPLE RENEWABLE HEAT Vöcklamarkt

Vöcklamarkter Holzindustrie GmbH supplies the Zipf brewery with biogenic waste heat

Vöcklamarkter Holzindustrie GmbH (VM-Holz) is a 100% subsidiary of Riegler & Zechmeister Ges.m.b.H. and thus part of the RZ group. It operates a sawmill, a biomass heating plant as well as a pellet plant in Vöcklamarkt, Upper Austria.

The company offers sustainable, regional wood processing and provides high-quality raw materials for national and international target markets. Firmly rooted in the region but with an international outlook, VM-HOLZ stands for honest, sustainable quality work and innovative technology. Here, tradition meets innovation and regional value creation meets international appreciation. With its own biomass heating plant, the entire site in Vöcklamarkt including the sawmill and the pellet plant is energy self-sufficient. The maximum electrical generation capacity of the biomass heating plant in Vöcklamarkt is around 13 MWeL, with the entire waste heat from the turbine being used all year round for the process heat requirements of the sawmill's timber drying chambers and for the pellet plant's chip dryer.

Sustainable management is of particular concern to the company: all sites of the RZ group are therefore SURE-certified and only natural biomass from sustainably managed forest areas is used to generate energy. This means that the waste heat from the turbines generated by the biomass heating plant is verifiably 100% CO₂-neutral and the electrical energy applied to the public grid is marketed directly by RZ as 100% green electricity.

The construction of the waste heat transport pipeline from Vöcklamarkt to the Zipf brewery is a step further towards climate protection as it will also enable the supply of the Zipf brewery with biogenic and CO₂-neutral waste heat. The waste heat transport pipeline has an overall efficiency of 80.26%. The required thermal energy of around 14,000 MWh/a is provided as turbine waste heat from the biomass combined heat and power plant.

Compared to the existing facilities of the Zipf brewery, natural gas savings of around 14,900 GWh/a can be achieved. This corresponds to an avoidance of more than 3,400 metric tons of CO₂ emissions per year. VM-HOLZ is investing around EUR 5.6 million in the realization of this future-oriented project. Out of this, around EUR 840,000 is provided by »National environmental funding«. Kommunalkredit Public Consulting is responsible for the funding process on behalf of the Federal Ministry for Climate Protection, Environment, Energy, Mobility, Innovation and Technology (BMK).

PRACTICAL EXAMPLE

TRANSFORMATION DER INDUSTRIE

greentec steel

The voestalpine way to
green steel production

voestalpine AG, with their headquarter in Linz, is a leading global steel and technology company with a combined expertise in materials and processing in its business segments which are organized in four divisions. As a sustainable international company and important ecological pioneer, voestalpine is committed to the global climate goals and working intensively on decarbonization technologies. In the long term, voestalpine is aiming for net-zero CO₂ emissions in steel production by 2050.

The »greentec steel« program is an ambitious roadmap for reducing CO₂ emissions. It also makes a significant contribution to achieving the climate targets. As a key measure, the company plans to commission an electric arc furnace powered by green electricity at the sites in Linz and Donawitz as of 2027. The construction of the electric arc furnaces started in 2024, enabling voestalpine to take a step towards lower-emission steel production at an early stage. Further expansion could take place from 2030 onwards in order to further decarbonize production by gradually replacing conventional blast furnaces and to produce green steel in the long term by 2050.

However, the switch to low CO₂ steel presents not only a challenge but is also an opportunity to expand voestalpine's technological leadership. voestalpine aims to enable its customers to have sustainable supply chains by producing high-quality steel products in processes with low CO₂ emissions. With a focus on quality and innovation, voestalpine is setting new standards in low-emission steel production and thus makes a significant contribution to the green transformation of the industry.

Around EUR 1.5 billion will be invested in the construction of the electric arc furnaces. This measure will reduce CO₂ emissions by up to 30% by 2029 compared to 2019, which corresponds to around 5% of Austria's annual CO₂ emissions. Thus, this project is the country's largest climate protection program to date. The project is receiving EUR 60 million of means of funding as part of the »Transformation der Industrie« funding program.



Transformation der Industrie

The transformation towards a climate-neutral economy is to be supported by the new funding program »Transformation der Industrie«. The aim is to fund projects that achieve the greatest possible reduction in greenhouse gases and strengthen Austria as an industrial and business location. A total of EUR 2.975 billion of means of funding is available until 2030.

In 2024, EUR 175 million was available, and in 2025, EUR 450 million of means of funding is reserved for the »Transformation der Industrie« program.

This program is not an environmental funding program in the traditional sense. The means of funding are awarded through a competitive tendering process. When submitting an application, the participating companies state how much funding is needed in order to implement the proposed project. The ranking of projects for the allocation of funds is based on the information provided on the funding Euros per greenhouse gas reduction achieved by the funding applicant and after the evaluation of the project quality by an expert jury. The jury's result is then submitted to the Environmental Funding Commission for resolution.

This ensures that the means of funding are used in the best possible way and that both technical and qualitative criteria are evaluated. The program is open to all production companies with a business location in Austria and that operate in a sector listed in Annex I of the Environmental Support Act. This also includes plants that are subject to EU emissions trading. Funding can cover up to 80% of the eligible investment costs, with a maximum of EUR 30 million per measure applied for. Companies may submit multiple measures.

The second call for tenders took place in 2024. The available budget of EUR 85 million was divided into two parts: EUR 70 million was allocated to industrial plants and EUR 15 million to pilot and demonstration plants.

In total, five projects with a predicted CO₂ saving of around 120,000 metric tons per year were funded in this second call for tenders. Further calls for tenders are planned in the coming years up to 2030. Both investment costs and operating costs are to be funded as a »Transformationszuschuss«. The funding program »Transformation der Industrie« is intended to make a significant contribution to the reduction of greenhouse gases in order to meet the goals of the National Climate and Energy Strategy by 2030.

Furthermore, a funding program for the FTI initiative for the transformation of the industry has also been in place since 2024. The aim is to use flagship projects to demonstrate that climate-neutral industrial production with innovations »Made in Austria« is technically and economically viable. The solutions found should serve as models for broad implementation. This program is being implemented in collaboration with the FFG.

5
granted
projects

Amounts in million Euro

104.8
Investment

Amounts in million Euro

61.4
Fundings

Versorgungssicherheit im ländlichen Raum – Energieautarke Bauernhöfe

The funding program »Versorgungssicherheit im ländlichen Raum – Energieautarke Bauernhöfe« aims to support businesses in the agriculture and forestry sector in meeting current challenges.

The aim is to increase the degree of self-sufficiency of agricultural and forestry businesses and to accelerate the conversion to renewable energies. The increase in security of supply and the conversion to renewable energy sources intend to make agricultural and forestry businesses in Austria crisis-proof.

The program addresses all agricultural and forestry businesses in Austria. It represents an additional comprehensive funding offer alongside the existing funding instruments for farmers. The funding program is modular: funding is available for individual measures but also for integrated overall solutions that combine several measures in the areas of renewable energy production, optimization of energy use through energy efficiency measures and load management, and optimization and conversion of agricultural machinery, and which can be submitted for funding as an overall project for the first time.

The basis for a funding application with combined measures is an overall energy concept. However, it is also possible to implement individual measures such as photovoltaic plants, retrofitting of electricity storage or conversion to LEDs. The integration of an emergency power generator is also included in the funding offer.

From 2022 to 2025, a total of EUR 100 million is available for the funding program »Versorgungssicherheit im ländlichen Raum – Energieautarke Bauernhöfe« from the Climate and Energy Fund. Funding is limited to a maximum of EUR 250,000 per farm.

In 2024, a total of 3,886 projects were funded. This triggered investments of EUR 113.1 million and means of funding of EUR 32.7 million were approved. In total, almost 23,000 metric tons of CO₂ can be avoided annually as a result of the funded projects.

Raus aus Öl und Gas 2024

The funding campaign »Raus aus Öl und Gas« which has already been much sought-after in previous years was continued in 2024 according to plan in the course of the renovation offensive. The funding program was designed to make it easier for private individuals and businesses to switch from fossil-fuel-based space heating to a modern and climate-friendly heating system.

A total of EUR 3.7 billion was available for the entire renovation offensive in the two priority areas building renovation and heating replacement. With this, the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK) took a significant step further towards climate neutrality in 2040. By the end of December, the available means of funding had been exhausted and the renovation offensive had ended with great success. A total of 129,000 applications with a funding volume of EUR 2.31 billion were submitted. In addition, around 95,100 registrations with a funding volume of EUR 1.47 billion are still open, where projects will potentially not be implemented until 2025.

In 2024, the appeal of »Raus aus Öl und Gas« was further increased by raising the funding flat rates and introducing new funding options (e.g. a bonus for low-temperature heat distribution systems or a solar bonus) for the conversion to renewable energy sources. Private individuals and businesses were supported with a funding flat rate when replacing a fossil fuel heating system with a local or district heating connection or – if this was not possible – with a climate-friendly heat pump or a wood central heating system.

As in previous years, funding applicants in 2024 were once again able to rely on a simple and user-friendly online submission process for their realized boiler replacement project.

54,795

granted
projects

Amounts in million Euro

1,750.6

Investment

Amounts in million Euro

936.8

Fundings

The funding campaign »Raus aus Öl und Gas« is a direct implementation measure to achieve the goals of the NEKP, the National Climate and Energy Strategy. It has once again proven to be a reliable, continuous and at the same time flexible funding instrument with the ability to set targeted priorities when an emergency plan to reduce gas consumption in all member states was launched on EU level in 2022. In order to be able to set effective priorities quickly and on short notice, it was of great importance to be able to fall back on existing and broadly effective funding instruments such as the funding campaign »Raus aus Öl und Gas«.

The campaign was particularly well received in the single- and two-family home sector.

The year 2024 in numbers

Looking at the applications granted in 2024 as part of the renovation offensive (including »Sauber Heizen für Alle«), around 73.1% were for heating system replacements. Just over half of the households (51%) converted their heating to a highly efficient heat pump. Around 39% switched to climate-friendly biomass heating. District heating was used by around 10% of all funding applicants. Almost half of the heating systems replaced were gas-fired (46%), followed by oil boilers (40.3%). Multi-fuel burners/coal/coke stoves were replaced in 11.3% of households and 2.4% had their old electric heating removed. The resulting annual CO₂ savings amount to around 401,800 metric tons.



Sauber Heizen für Alle 2024

In addition to the federal funding program »Raus aus Öl und Gas« and the renovation offensive, the BMK also supported low-income households in replacing fossil-fuel-fired space heating with sustainable, climate-friendly heating systems in 2024. The funding campaign »Sauber Heizen für Alle« is financed by the federal government and implemented together with the federal states.

3,504
granted
projects

Amounts in million Euro

112.7
Investment

Amounts in million Euro

60.3
Fundings

The funding in the course of »Sauber Heizen für Alle« includes the basic funding provided by the federal government, which all households are entitled to for the replacement of the boiler, the basic funding provided by the respective federal state, and additional funding for low-income households in order to cover up to 100% of the eligible costs in the overall package. Funding is available for the replacement of fossil fuel heating systems (oil, gas, coal/coke/multi-fuel stoves and electric night storage or direct storage heaters). Private building owners of a single/two-family home or terraced house with their main residence at the project site can apply for additional social funding.

The funding program »Sauber Heizen für Alle« has been very well received and is seen as an important instrument for low-income households when it comes to replacing heating systems. It thus represents an important pillar for a socially just transformation towards a climate-friendly society.



Tausch erneuerbarer Heizungssysteme

In order to create an incentive for the general population to replace outdated, inefficient heating systems with more climate-friendly ones, the BMK launched the funding campaign »Tausch erneuerbarer Heizungssysteme«. For this purpose, the Austrian federal government is providing a total of EUR 60 million for the years 2024/2025.

The aim is to achieve significant increases in energy efficiency in the private residential sector of single/two-family homes and terraced houses by replacing outdated and no longer energy-efficient renewable heating systems with modern and climate-friendly ones.

The exchange of an at least 15 year old renewable heating system (heat pump, wood heating) for a district heating connection, a heat pump or wood heating is being funded, provided that it results in an increase in end energy efficiency. There is no funding for the renewal of a district heating connection or the conversion from a heat pump to a wood heating system or a district heating connection.

A solar bonus is awarded when a thermal solar system is installed at the same time.

The funding program started on July 1, 2024 and was well received by the population. In 2024, 1,018 funding applications were granted and a total of EUR 4.91 million was paid out. The projects triggered investments of EUR 23.1 million.

474
granted
projects

Amounts in million Euro

10.7
Investment

Amounts in million Euro

2.2
Fundings



OUR CONTRIBUTION... to water management

Facts and figures regarding residential
water management can be found in
Facts & Figures 2024
in the front section of this report. (page 17)

Residential water management

One of the main concerns of Austrian water policy is to keep Austria's water resources clean and to use them sustainably. For this, funding is provided for municipal water supply and municipal wastewater disposal in Austria through the Environmental Funding Act.

On the one hand, the aim of municipal residential water management is to ensure a high-quality drinking water supply through which the population and commercial businesses are supplied 24/7. On the other hand, public wastewater disposal must be ensured with regard to groundwater protection, water pollution control and, ultimately, health care. Since 1959, the Federal Ministry of Agriculture, Forestry, Regions and Water Management (BML) has been funding the construction, renovation and adaptation to the state of the art of these facilities.

Supplying the population with high-quality drinking water and the disposing of wastewater are important municipal tasks. In order to secure and expand this important infrastructure, EUR 100 million is being provided for residential water management through the Fiscal Equalization Act. Furthermore, additional means of funding from a special tranche of around EUR 50 million per year from the Environmental and Water Management Fund are available for permits for the years 2024 to 2026.

Water is essential for human and nature, it is our most precious resource. Investments in the regional water infrastructure are not only investments in the quality of life of the people but also serve the protection of the environment and nature.

New funding guidelines 2024

A reinvestment plan must be submitted in order to receive funding for reinvestment measures. Knowledge of the location and condition of the systems in the form of a pipeline information system is an important basis for supporting the sustainable and functional value retention of the existing infrastructure. Since 2016, a schedule for the recording of the network not yet registered in the digital line information system, including statements on the hydraulic condition, must be submitted for reinvestment measures in the pipeline information system whereby the entire network must be recorded by December 31, 2025 at the latest.

In order to be able to fund reinvestments in pipeline networks in the future, it was therefore necessary to amend the funding guidelines since pipeline information systems are de facto never complete. For reinvestments, a pipeline information system for all pipelines older than five years must now be in place as of 2026 in accordance with the new funding guidelines as a prerequisite for funding.

1,935
granted
projects

Amounts in million Euro

864.4
Investment

Amounts in million Euro

148.8
Fundings



Ecological measures at rivers

Based on the Environmental Support Act, a total of EUR 340 million from the equity of the Environmental and Water Management Fund has been available since 2009 for measures to improve the ecological condition of watercourses. The aim is to reduce the hydromorphological strains on surface waters. KPC supports measures to improve structures and ensure the permeability at transverse constructions or hydro power plants.

For centuries, water bodies have been heavily influenced by the settlement of areas close to rivers, industrial activity, the use of hydropower and intensive agricultural activity: cross constructions, water abstraction, damming and regulation can have significant effects on aquatic organisms and thus on the ecological status of water bodies. Overall, around 54% of Austria's water bodies with a catchment area of > 10km² are at potential or definite risk of failing to meet the targets set by the European Water Framework Directive due to hydro-morphological strains.

Goals and intended effects of the funding

The two funding programs (for municipal funding applicants and for competition participants) as well as the financing of ecological measures at rivers the federal government is obliged to implement support the implementation of measures of the National Water Management Plan (NGP). The funding and financing focuses on two main areas: 1) ensuring the permeability of watercourses for fish but also for other aquatic organisms and bedload; 2) morphological measures at the watercourses, for example renaturation and river widening.

The combination of both aspects is all the more important because the restoration of permeability and an increase in the residual water volume are not enough to significantly improve the overall ecological state of water bodies. In fact, the combination with morphological measures that improve the structure of the water bodies is crucial to creating attractive habitats for aquatic organisms.

But it is exactly these renaturation measures such as widening watercourses, linking cut-off meanders and activating natural retention areas (floodplain forests, wet meadows) that are particularly cost-intensive and cannot easily be implemented by regulatory means. This is why a funding instrument which creates incentives for voluntary initiatives is needed.

In 2024, a record year for these ecologically important projects was achieved with the approval of federal funding of EUR 62.9 million.

91
granted
projects

Amounts in million Euro

100
Investment

Amounts in million Euro

62.9
Fundings



Flood protection

The purpose of flood protection is to protect people and their living, settlement and economic areas, as well as to preserve and protect watercourses and flood catchment areas. Priority is given to prevention over post-disaster clean-up, and to maintaining the protective effect of the natural environment over the implementation of technical protective measures.

Flood 2024

The widespread flood events that hit large parts of Austria and several other countries in Central Europe in August 2002 and June 2013 are still fresh in many people's minds. From September 12 to 20, 2024, there was another massive flood event as a result of a so-called Vb weather situation.

In Austria, an area stretching from Flachgau in Salzburg to northern Burgenland and Upper Styria was affected, as were neighboring countries, particularly the Czech Republic and southern Poland. Enormous, in some cases unprecedented, amounts of rain combined with storms and snowfall in the high mountains, as well as extreme regional flood runoff had to be dealt with. The areas worst affected were Lower Austria and Vienna. In an area between the Mostviertel region and Wienerwald, record rainfall amounts of 300 to over 400mm in five days were recorded. Amounts of more than 5.5 times the long-term average monthly total for a September fell there in five days. The high mountains saw very large amounts of snow.

In river areas below 1,000 to 1,200 meters above sea level, the intensive and prolonged precipitation caused rapid soil saturation so that a large proportion of the precipitation quickly became runoff. This led to a significant increase in water levels and the overflow of rivers, especially in the focus areas in Lower Austria and Vienna. Many agricultural areas were also flooded because the heavy rainfall and soil saturation meant that rainwater could no longer seep into the ground.

As a result, dam breaks led to additional flooding. In Lower Austria, 30 to 100-year events were observed in large parts of the federal state. Many rivers experienced extreme flood peaks with probabilities of occurrence of well over 100 years; the highest values measured to date were exceeded. These extreme values also occurred in Vienna on the Liesing and particularly on the Wienfluss.

The event analysis begins

A look at the recent and more distant past clearly shows that weather conditions similar to those that led to the current flood have repeatedly caused exceptional amounts of precipitation and flood events in Central Europe. While the damage is extensive and the effects of such an extreme event are tragic, a precise analysis of what happened is all the more important. It helps to increase the understanding of natural processes and to draw conclusions for appropriate measures. In the coming months, the causes and the course of the flood event will be subjected to a detailed evaluation and the measured data will be checked and validated. In addition, funding for flood protection will ensure the restoration of flood protection systems through applications for emergency measures.

820
granted
projects

Amounts in million Euro

206.8
Investment

Amounts in million Euro

94.0
Fundings

PROJECT EXAMPLE Water Management

Extension project Danube branches
of Grimsing and Schallemmersdorf



Estuary October 2024 © WA3 Nes

The revitalization of the important branches

The municipality of Emmersdorf an der Donau started a project to extend the Danube branches at Schallemmersdorf and Grimsing in 2024. The estimated costs for the extension project amount to approximately EUR 1.94 million.

The project is financed through capital resources of the municipality of Emmersdorf an der Donau, fundings from the federal government (National environmental funding (BML) and Biodiversity Fund (BMK)), the federal state of Lower Austria (Lower Austrian Landscape Fund) as well as contributions from project partners viadonau, Österreichische Bundesforste, NÖ Landesfischereiverband, Fischereirevierverband I und der Fischereiausübungsberechtigten Österreichische Fischereigesellschaft, est. 1880.

In the course of the regulation of the Danube in the 19th century and the construction of the Danube hydro power plant at Melk (commissioned in 1982), former branches were cut off from the Danube. Habitats such as extensive gravel banks and islands (so-called »Haufen«) and flat banks which are typical for rivers were lost as a result of the regulation. While this did eliminate treacherous shallows for Danube shipping, it unfortunately also eliminated the habitat for specialized biotic communities. With this straightening and, subsequently, the underwater deepening of the Melk hydro power plant, the floodplain forests were increasingly cut off from the Danube. 40 years later, the former locations of the dynamic »soft« floodplain forests which were frequently flooded during smaller Danube flood events are now on such a high level that they are only flooded at longer intervals.

In the period from 2003 to 2008, a first step towards the renaturation of the Danube in the upper Wachau was taken on the left bank of the Danube near Grimsing as part of the LIFE project »Wachau«. The former Grimsing Danube branch which was cut off from the main river in the course of the Danube regulation was reconnected to the Danube so that water flows through it year-round. A nature reserve was established on the newly created Grimsing island and the branch. This first step was immediately followed by the next one in 2009: as part of the implementation of the LIFE project »Lebensraum Mostviertel-Wachau«, numerous watercourse restoration projects were realized along the Danube in the Wachau region until 2014. Right upstream of the Grimsing branch, the rest of the Schallemmersdorf Danube branch was dredged and reconnected to the Danube. Thus, the approximately 2.5km long branch system in the municipal area of Emmersdorf was complete in its present form.



Schallemmersdorf branch before start of construction © WA3 Nesweda

The two branches were restored in a quite narrow way and with steep embankments. In the case of a flood event, these narrow channels were expected to expand and develop dynamically, gradually forming flat gravel banks. Since this »dynamic« has not yet been able to change the quite elongated shape and flatten the banks, the approximately 1.4-kilometer-long section downstream from the Grimsing bridge is to be widened by an additional 15 to 20 meters. The resulting flat, gravelly banks are the most important juvenile fish habitats for fish species that love currents, such as barbel or nase. Areas that are particularly protected from the waves of Danube shipping, such as the banks along the branches, are essential for the recovery of the fish population in this section of the Danube.

At the lower end of the branch system, there is a remnant of the former oxbow Ochsengraben, also known as »Ochsenschwanz«. This is to be dredged and the new approximately 1.2ha still water area is to be connected to the Danube downstream, which means only on one side (not flown through). The project started in January 2024 with the preparatory felling so that the groundwork for this renaturation project could begin at



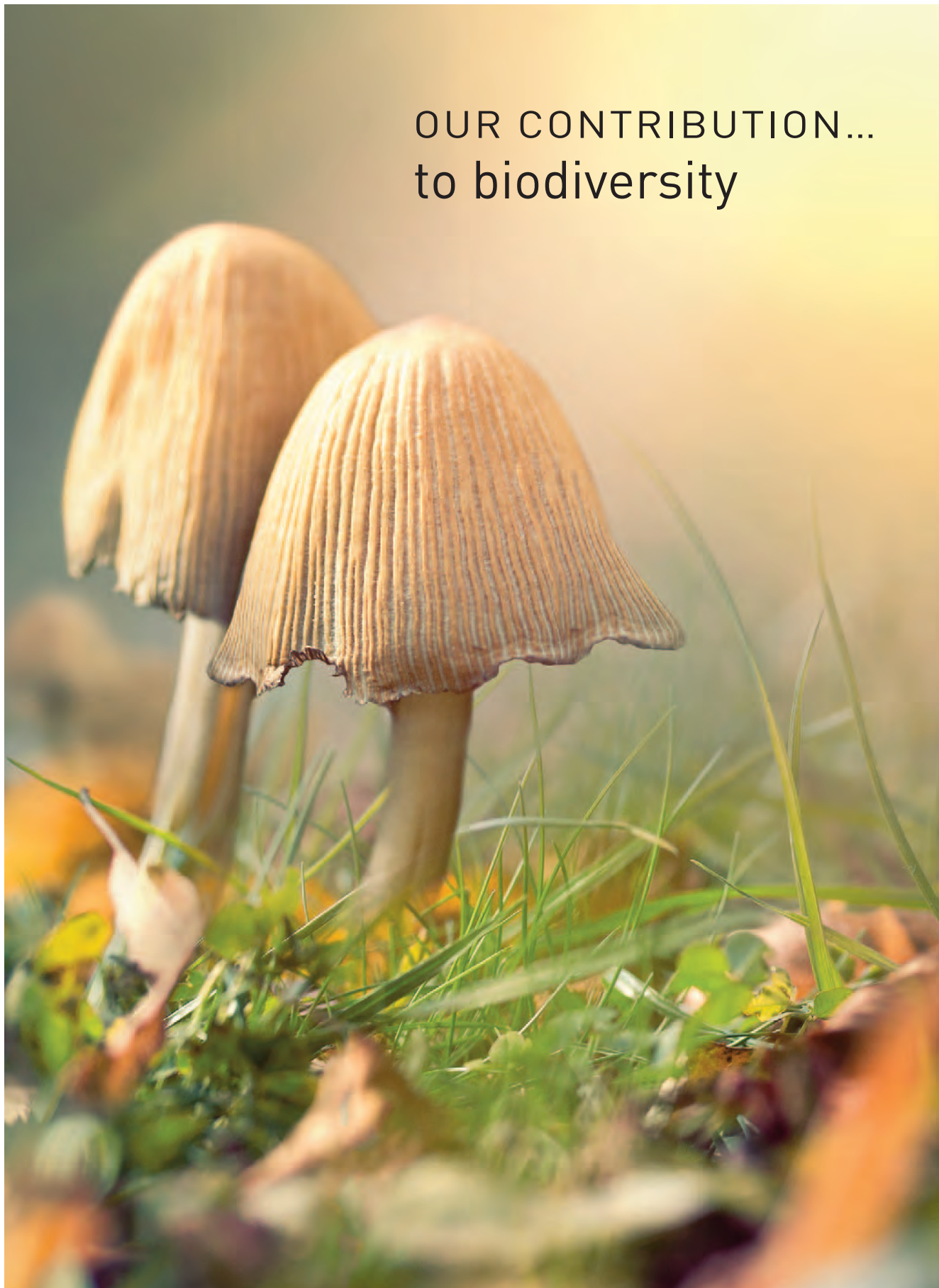
Project area at the beginning of September 2024 © WA3 Nesweda

the beginning of August 2024. The construction work is planned to be completed by the end of 2026. Even at this early stage of construction, the size of the future widening areas along the branches (approx. 2.5ha) and that of the oxbow structure (approx. 1.2ha) can be clearly seen.

This expansion project will restore essential water-typical structures such as flat banks, gravel bars, areas for pioneer vegetation (willows, poplars), steep banks, stagnant water bodies and flood meadows. They expand the existing branch system by adding essential elements of the original river landscape and should provide a habitat for a variety of aquatic and terrestrial species.

Monitoring data derived from comparable projects such as »Wiederanbindung des Donaualtarmes Aggsbach« or the extension of the Danube branch as part of the LIFE project »Auenwildnis Wachau« show that such measures can be particularly effective. As a consequence, the expectations of all project participants are correspondingly high.

OUR CONTRIBUTION... to biodiversity



The Biodiversity Fund

The Biodiversity Fund aims to maintain, improve and restore biological diversity in Austria by supporting measures to implement the national Biodiversity Strategy.

The destruction, fragmentation, loss of natural habitats, overuse, pollution and displacement of native species by invasive species have led to a massive loss of biodiversity. The diversity of plants and animals as well as a large proportion of their habitats are endangered or have already been lost. With the Biodiversity Fund, the Austrian federal government has created a funding program to support the implementation of the Austrian Biodiversity Strategy and achieve the Austrian biodiversity goals. The new funding program comprises EUR 80 million, with EUR 50 million coming from the European Recovery and Resilience Facility (RRF) and EUR 30 million from national means of funding. The RRF will run until 2026. The Biodiversity Fund aims to maintain, improve and restore biodiversity in Austria by supporting measures to implement the national Biodiversity Strategy in addition to measures in the course of the common agricultural policy of the European Union or the Forest Fund.

In particular, it aims to contribute to the following objectives:

- The status of 30% of endangered species, biotope types and habitat types has improved.
- 30% of the country's surface area is protected under nature conservation legislation.
- The proportion of strictly protected areas within these 30% has increased significantly.
- A nationwide biodiversity monitoring program has been set up and is being implemented.
- Measures to connect protected areas through habitat corridors have been implemented.

106
granted
projects

Amounts in million Euro

98.2
Investment

Amounts in million Euro

31.8
Fundings

Funding priorities in 2024 were the restoration of endangered ecosystems, the protection of endangered species and the establishment of newly created, protected and strictly protected areas.

Two funding calls for tender in 2024 on the topics of »Umsetzungsprojekte zur Wiederherstellung prioritärer geschädigter Ökosysteme insbesondere mit dem Schwerpunkt Moore, Feuchtgebiete und Projekte zum Schutz gefährdeter Arten und Lebensräume mit dem Schwerpunkt Lebensraumvernetzung« and »Einrichtung und das Management von neu geschaffenen, geschützten und streng geschützten Flächen« make a valuable contribution to implementing the Austrian Biodiversity Strategy 2030 and achieving the global sustainability goals. Funding is aimed at local authorities (federal, state and municipal) as well as legal entities of biosphere reserves, nature reserves and national parks in Austria, NGOs, companies and also private individuals who want to make a significant contribution to the protection of biodiversity.

In 2024, a total of 106 projects were funded with a funding volume of around EUR 31.8 million from the Biodiversity Fund. The resulting investment volume amounted to EUR 98.2 million. In the reporting year, 42 projects in the area of biodiversity restoration and species protection and projects for the establishment of protected areas were awarded means of funding in the amount of EUR 26.1 million. For example, the support provided by the Biodiversity Fund enabled the purchase of moorland and the expansion of a national park.

In addition, 64 projects in the field of ecological measures at rivers received co-funding from the Biodiversity Fund. An incentive of 8% is being created for municipalities to implement measures in order to improve biodiversity in water bodies. In 2024, means of funding of around EUR 5.7 million were granted in this area, triggering an investment volume of EUR 72.1 million.

KPC has set up a special website for the submission of projects to the Biodiversity Fund at **www.biodiversitätsfonds.at**.

PROJECT EXAMPLE Biodiversity Fund

Landscapes full of life



The Association of Nature Parks in Austria has been the umbrella organization of the 47 Austrian nature parks – regions characterized by their special natural and cultural landscapes and diverse flora and fauna – since 1995. With the project »Landschaften voller Leben«, the association together with almost a quarter of the parks implements projects for the protection of biodiversity and the promotion of habitat connectivity. A total of eleven nature parks from six federal states are involved. In the course of 15 projects, measures are to be implemented in 62 areas with a total of 71.4ha. Seven of these projects are specifically aimed at protecting endangered species and their habitats while another eight focus on restoring damaged ecosystems.

The following eleven nature parks are implementing measures as part of the project »Landschaften voller Leben«:

Attersee-Traunsee (Upper Austria), Hochmoor Schrems (Lower Austria), Leiser Berge (Lower Austria), Nagelfluhkette (Vorarlberg), Ötztal (Tyrol), Raab (Burgenland), Rosalia-Kogelberg (Burgenland), Weinidylle (Burgenland), Weißbach (Salzburg), Wüste Mannersdorf (Lower Austria) and Ybbstal (Lower Austria).

A wide range of species benefit from the protective measures, including beetles (e.g. stag beetles, hermit beetles and various longhorn beetles), butterflies (e.g. mountain and cloudy apollo, Spanish flag), birds (e.g. scops owls, hoopoes and collared flycatchers) and stone crayfish. Various types of measures are used: pruning of pollard willows and planting of large-leaved linden trees to protect deadwood dwellers and cavity breeders (nature park Leiser Berge), improvement/restoration of the biotope network (nature parks Nagelfluhkette and Weißbach), revitalization, new planting and networking of meadows with fruit trees (nature parks Rosalia-Kogelberg and Wüste Mannersdorf) and the construction of river crab barriers to protect the stone crayfish (nature parks Attersee-Traunsee and Ybbstal).

Three moorland areas, 23 wetlands and three special sites are benefitting from measures to restore damaged ecosystems. The following measures are believed to achieve the renaturation goals: raising and stabilizing the moor water level using sheet pile walls (nature park Hochmoor Schrems), maintenance measures and neophyte control (nature parks Ötztal, Raab, Rosalia-Kogelberg and Weinidylle) and nature conservation grazing of dry grassland (nature park Leiser Berge).

The sustainable success of the project shall be strengthened by a targeted exchange of experiences between the nature parks, which shall serve to build up know-how together. This process is supported by the involvement of an expert advisory board. As far as possible, the regional population is involved in the measures (e.g. farmers, municipal employees). This strengthens the acceptance of biodiversity protection in the regions and promotes success beyond the end of the project. The submitted measures for funding cover a period of 1.5 years and amount to eligible costs of approximately EUR 1.3 million. KPC is responsible for processing the funding on behalf of the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK). The project is financed by the Recovery and Resilience Facility (RRF) and national funds.

An aerial photograph of a river winding through a landscape. The river is a deep teal color, contrasting with the golden-brown, autumnal trees and fields on either bank. The fields show distinct patterns of plowing or planting. The text "OUR CONTRIBUTION... to a circular economy" is overlaid in white, sans-serif font on the left side of the image.

OUR CONTRIBUTION...
to a circular economy

Circular economy

The funding campaign »Kreislaufwirtschaft« intends to contribute to the implementation of the Austrian Circular Economy Strategy on the way to a sustainable and circular society. The transformation towards a circular economy means closing resource flows in manufacturing, distribution and consumption processes, thereby massively reducing the consumption of raw materials and other materials, as well as the amount of waste and environmental pollution.

In the first year, measures were funded in several important areas of the circular economy: circular design and sustainable production, as well as the sorting, reuse and recycling of selected waste streams. In 2024, funding in the amount of EUR 41 million was available.

Austria on the way to a sustainable and circular society

The dramatic consequences of the energy and climate crisis are confronting our society with extraordinary challenges. The circular economy model can make a significant contribution: it protects the climate and conserves valuable materials by promoting a more conscious use of our natural resources. This is a prerequisite for a sustainable economic development and for achieving the climate protection goals. For this reason, the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK) has established the new funding program »Kreislaufwirtschaft« with the aim to implement a functioning circular economy in Austria.

More circular economy for Austria – funding of measures in important areas of the value-added chain

The funding program »Kreislaufwirtschaft« includes four funding areas. The funding area »Zirkuläres Design« is located at the beginning of the value-added chain and includes the areas of product design and manufacturing. Funding is provided for investments in regard to the development and implementation of sustainable design and the design of production processes, products and product use in terms of a circular economy. The second funding area »Textilien und Bettmatratzen« includes investments in regard to sustainable design, sustainable production, reuse and recycling of textiles including bed mattresses.

819

granted
projects

Amounts in million Euro

145.0

Investment

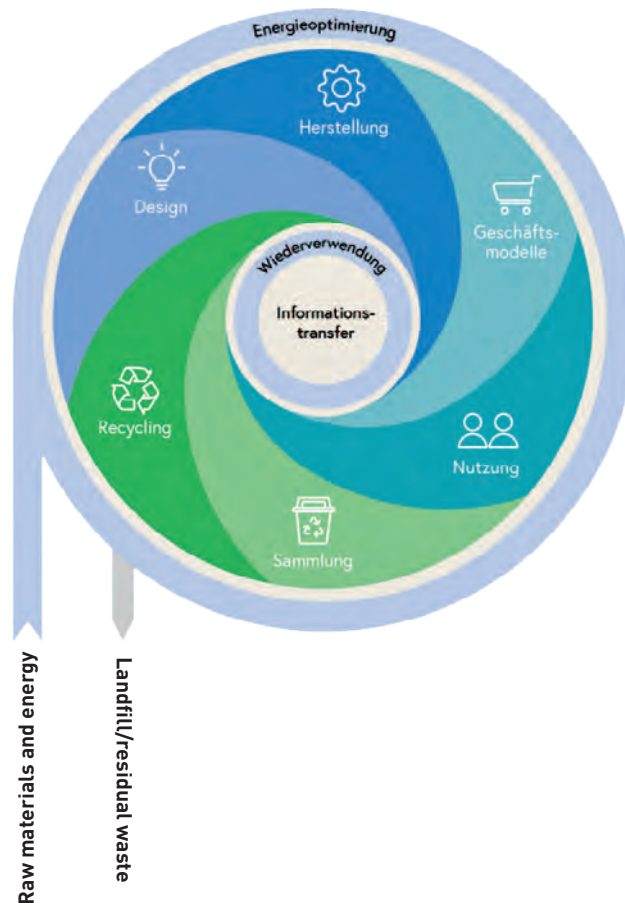
Amounts in million Euro

63.6

Fundings

The value creation cycle.

© BMK, FTI Focus



Investments in »Anlagen zur stofflichen Verwertung bzw. Recycling« of gypsum waste, mineral wool waste, wood ash, carbon fibers, glass fiber reinforced plastics are included in the third funding area of the new funding program.

The fourth funding area of the new funding program addresses »Sozialökonomische Betriebe« that want to implement measures in the field of reuse and repair of textiles, electric and electronic equipment or furniture. Also the funding campaign »Reparaturbonus« and the funding of reverse vending machines, reuse systems and sorting plants for plastics also make an important contribution to realizing a functioning circular economy in Austria. The funding campaign »Reparaturbonus« intends to make an important step away from a throwaway society towards a more sustainable use of valuable resources. The aim is to reduce the amount of waste, support the local repair industry and initiate a more sustainable consumer culture.

The repair bonus can be used for electric and electronic devices, and since September 2024, it can also be used for bicycles. More than 1 million bons have already been redeemed since its introduction in 2022.

As of January 1, 2025, a mandatory deposit has been in force in Austria. Anyone who buys a disposable bottle or can pays a small amount as a deposit. This money is returned when the container is returned. The purchase of reverse vending machines for the return of these containers has been funded since 2022.



PROJECT EXAMPLE Circular Economy

TriPlast – Europe's most modern
sorting plant for lightweight packaging

In 2024, TriPlast, a high-performance plastic sorting plant, went into operation in Ennschafen in Upper Austria. With a sorting capacity of 100,000 tons per year and a sorting depth of over 80%, the plant covers a significant portion of the sorting capacity required in Austria for light packaging and thus makes a significant contribution to achieving the EU recycling goals which aim to increase the recycling rate for plastic packaging from currently 25% to 50% as of 2025.

More than 20 different types of material are recognized by high-tech machines and separated in an unmixed way for subsequent recycling. 38 near-infrared devices and artificial intelligence ensure that the sorting process is automated and carried out with maximum efficiency.

From a logistics perspective, the location has been sustainably planned as it enables low-emission and climate-friendly transport by rail through the simultaneous unloading of up to five block trains. This project amounting to EUR 65 million also creates 60 green jobs and offers

long-term prospects for the circular economy in order to significantly increase Austria's recycling capacity while reducing dependence on primary raw materials. With a hall height of 25 meters, the plant is one of the tallest in Europe, thus ensuring lower land consumption and an optimized material flow.

This trendsetting project was funded by the BMK with means of funding in the amount of EUR 10 million derived from the Recovery and Resilience Facility (RRF). KPC is responsible for the processing.

»Reparaturbonus« – The success story continues

The »Reparaturbonus«, a federal funding campaign by the Federal Ministry for Climate Action for the repair of electric and electronical devices, is an important step away from a throw-away society towards a more sustainable use of valuable resources. On top of that, it strengthens the regional economy and creates additional jobs.

»Fix it before you bin it« – with this motto, the repair bonus has been just like a fresh breeze in the funding landscape since 2022. Also in 2024, the attractive offer which can be easily processed by both private individuals and partner services led to high demand for the funding campaign.

EUR 254 million budget and expansion to include bicycles

A total of EUR 254 million is available for the funding campaign in order to increase the number of repairs of electric and electronical devices and bicycles in Austria. Of this amount, EUR 130 million derived from »NextGenerationEU« as part of the Austrian Recovery and Resilience Plan are provided for the repair of electric and electronical devices. In 2024, the budget was increased by EUR 124 million from national federal means of funding of which EUR 50 million are intended for bicycles. As of September 2024, funding will not only be available for the repair but also for the service and maintenance of electric and electronical devices, as well as for the repair, service and maintenance of bicycles.

Attractive and simple

A funding in the amount of EUR 200 is available for the repair, service and maintenance of electric and electronic devices and bicycles, and up to EUR 30 is available for obtaining a cost estimate. In addition to that, the repair bon can be easily applied for online and redeemed within three weeks at a participating partner service when paying the invoice. After the bon has been redeemed or after the three-week period has expired, a new bon can be applied for immediately. There is no limit to the number of possible applications per person, but only one bon can be redeemed at a time.

5,500 partner services throughout Austria

Around 5,500 companies are listed as partner services throughout Austria. There are no additional costs for them as a result of participating, but a significant increase in customers and turnover can be expected.

Run on repair bonus

The simple application process as well as strong public interest are reflected in the high number of repair bons applied for: a total of 582,042 repairs in combination with the repair bonus were granted in the amount of EUR 59.9 million in 2024. Due to the still high demand, the remarkable success of 2024 has continued.

Continuation also in 2025

Also in 2025, repair bons can be applied for and redeemed – thus saving further devices from the landfill and saving valuable resources. At the same time, a significant contribution is made to the protection of the environment, the local economy is strengthened and additional jobs are created.

Details in regard to the current funding campaign »Reparaturbonus« can be found at www.reparaturbonus.at.

582,042
granted
projects

Amounts in million Euro

131.6
Investment

Amounts in million Euro

59.9
Fundings



OUR CONTRIBUTION...
to land recycling

Land recycling

Land recycling is one of many instruments in order to reduce land consumption: what happens is that previously used or developed areas that are not currently in use – typically commercial or industrial wastelands – are returned to use. This is intended to prevent or reduce the new consumption of natural land area.

Development concepts for determining a future use are eligible for funding, along with related inspections of the underground – for example in regard to possible contamination – and of the existing building fabric.

The main target groups for funding are municipalities but also private individuals or companies that aim to reuse brownfield sites in urban areas.

In 2024, the Federal Minister for Climate Action granted 39 projects for funding.

Funding applications were submitted from all federal states and from municipalities, companies and private individuals. This broad spectrum underlines both the usefulness and the need for this funding.

Facts and figures regarding land recycling can be found in **Facts & Figures 2024** in the front section of this report. (page 17)

39
granted
projects

Amounts in million Euro

2.9
Investment

Amounts in million Euro

2.1
Fundings



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

Facts and figures regarding the remediation of contaminated sites can be found in **Facts & Figures 2024** in the front section of this report. (page 17)

Remediation of contaminated sites

Contaminated underground from former operating sites and landfills often pose a significant risk to human health or the environment. The groundwater as the basis of our drinking water supply is particularly affected. The remediation of contaminated sites is therefore urgently needed. Through the Contaminated Sites Remediation Act, the necessary means of funding for this purpose are provided by the contaminated sites contribution. Derived from these means of funding, KPC funds the remediation of contaminated sites.

25
granted
projects

Amounts in million Euro

20.0
Investment

Amounts in million Euro

15.2
Fundings

ALSAG amendment 2024 – a milestone of Austria's remediation of contaminated sites

On April 17, 2024, the new comprehensive amendment to the Contaminated Sites Remediation Act (ALSAG) was announced in the Federal Law Gazette (BGBl. I No. 30/2024). The provisions of this amendment will come into force on January 1, 2025. This amendment can be considered a milestone in the legislation of the remediation of contaminated sites in Austria.

Until now, the proceedings had to be handled in accordance with the substantive provisions of the Water Rights Act, the Waste Management Act or the Trade, Commerce and Industry Regulation Act. The new substantive provisions for the remediation of contaminated sites particularly stipulate that site- and use-specific factors should be taken into account when assessing the risk posed by a contaminated site and when defining the goals for remediation measures in line with the repair principle.

In the future, the criteria for designating a contaminated site will be »significant contamination« or »significant risk«. Corresponding specific criteria and values are to be defined in a separate regulation. This regulation will also define binding target values and control values for the contaminated site measures of remediation and monitoring.

The definitions of the terms used for measures in regard to contaminated sites include a significant innovation: in addition to remediation, monitoring is now also considered a possible measure for contaminated sites of priority class 3. Remediation is now defined as a generic term for decontamination (previously remediation) and securing (as before).

Aerobization plant in intensive operation (BIG)



Further important innovations can be found in procedural law, with a more comprehensive definition of the party or parties obliged to remediate and the removal of subsidiary property owner liability – i.e. the liability of a property buyer after the creation or designation of the contaminated site. This intends to provide a greater incentive for the development of contaminated properties. In addition, the federal government's right to intervene in the remediation of contaminated sites is strengthened. In order to push the digitalization of the designation of contaminated sites, the location-based representation of contaminated sites in the form of property numbers will be replaced by a plan view of the contaminated site in a GIS-based online map in the future.

Another important goal of the amendment is to create a stronger link between the remediation of contaminated sites and land recycling by creating the necessary framework conditions in order to promote the reintegration of contaminated sites and those contaminated deposits and abandoned sites that do not quite qualify as a contaminated site into the economic cycle. Specifically, the use of funds for the contaminated sites contribution, which was previously limited to the remediation of designated contaminated sites, will be extended to include investigations and measures for these abandoned sites and contaminated deposits. This will enable a new funding program called »Brachflächen« which will start in 2025.



Aeration, exhaust and filter plant (BIG)



Raw subgrade
(BIG)

PROJECT EXAMPLE

Remediation of contaminated sites

ST26 »Deponie Schotthof Brucknerstraße«

The contaminated deposit is a former gravel pit of approximately 1.7ha in the center of Graz in the district of Jakomini. In the years 1968–1970, a landfill was operated on the site in line with the standards of the time, that is without facilities for the treatment of landfill gas and leachate. Excavated material, construction waste and, above all, household waste were dumped. During the operation and closure of the landfill, no evidence of environmentally relevant violations of the conditions of the notice could be noted. Subsequently, about two-thirds of the contaminated site was used as a sports ground by the neighboring sports school and was therefore covered with grass. In many cases, degradation processes at former household waste landfills can endanger groundwater.

However, extensive investigations of groundwater, surface emissions, ambient air and solids showed that the intensive production of landfill gas was the main factor for the classification of the landfill site Schotthof Brucknerstraße as a contaminated site and in 2012 it was designated as priority class 2. Not only was the protected asset air at risk, but methane produced during the anaerobic decomposition of organic matter could also be detected in neighboring basements due to gas migration.

A study of the variants identified »aerobic in situ stabilization with water infiltration« as the best remediation technology. The introduction of air and water ensures the conditions for aerobic degradation while the resulting gases are extracted and treated. In order to implement this particular variant, aeration and exhaust stakes were installed in a 12*12m grid in 2018. A higher power of the exhaust stakes created a permanent vacuum that prevents the migration of landfill gas.

Container systems with activated carbon filters and biofilters were set up to treat the extracted exhaust air. Dripper lines were also installed for water infiltration in order to regulate the soil moisture. The water for this is obtained from wells located downstream of the contaminated site and which can therefore be used as barrier wells if necessary so that the spread of pollutants in the groundwater is prevented. Should contaminated leachate be pumped, it is discharged into the public sewage system.

The site was divided into two sections. After the first section had been intensively aerated for eight weeks, the plants were moved to the second section in order to carry out an eight-week intensive phase there as well. The subsequent extensive phase was carried out at lower pressures and in a larger grid so that the sports ground could be used again. Unfortunately, the hope that the landfill gas potential would have dried up by October 2023 after five years of extensive operation has been dashed. The project has been finally settled and a new funding case for the operation of the plants for another five years has been submitted. The measures should be completed during this period. Plans are already being made for the future use of the previously fallow northwestern part of the contaminated site. The property owner, Bundesimmobilien GmbH (BIG), intends to build an extension for the Graz University of Technology on this site. Funding in the amount of EUR 5.3 million has been granted for the estimated total remediation costs of EUR 6.6 million.

Consulting

CONSULTING

As a company specialized in consulting, we are successfully working for notable national and international organizations and financial institutions. As part of our activities, we particularly focus on providing consulting services in the areas of energy, climate protection and sustainable finance. In these areas, we primarily offer technical and economic consulting services and carry out studies, know-how transfer and policy advice, as well as project evaluations and the development of sustainable credit lines.

Our expertise includes regulatory, (climate) policy, technical and economic specialization, which we particularly apply to projects and programs in the energy and energy efficiency sector, in water management, as well as in climate protection and green and sustainable financing solutions.

Our clients include institutions such as the World Bank, the European Commission, the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), the Organization for Economic Cooperation and Development (OECD) and the German Kreditanstalt für Wiederaufbau (KfW). We support these clients with our consulting services, particularly in the South East European 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 financing to the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK): in the area of climate policy consulting for the BMK, KPC directly supports the Austrian negotiating team in the climate negotiations on EU level as well as in the international UN climate negotiations (including COP29 in Baku in 2024). KPC also acts as a counselor for the Austrian representative in the Green Climate Fund (GCF), an international climate financing instrument that provides funds for projects to reduce greenhouse gas emissions and adapt to climate change in developing countries.

In the area of bilateral climate finance we manage climate protection projects that are directly funded by the BMK to support climate protection measures in developing and emerging countries. In the course of this funding program, a program call for climate protection projects was created and published in 2024, which led to the allocation of EUR 7.2 million in funding for projects in developing countries. In addition to this call, another four projects were processed and funded with a funding volume of EUR 2.6 million.

The environment for international consulting has slowly begun to improve again following the COVID-19-related slowdown of recent years and the effects of Russia's war against Ukraine on the general economic situation. The noticeable effects and restrictions in regard to project work in Ukraine were overcome by an adapted project management in the ongoing Ukrainian projects. Although the prevailing crises continue to have direct and indirect effects on the budgets of multilateral development banks, the pipeline of projects under management could be expanded in 2024. The success rate resulting from targeted participation in calls for tenders was further consolidated.

Consequently, KPC continues to provide international consulting services in the areas of climate protection, sustainability and green finance and offers its expertise to multinational, regional and bilateral institutions in order to continue the positive development in 2025.

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

Facts and figures regarding consulting can be found in **Facts & Figures 2024** in the front section of this report.

[page 18]

For further details concerning consulting and our list of references please see:
www.kpc-consulting.at



The expertise mentioned above KPC for instance provides in the following counseling mandates:

PROJECT EXAMPLE 1

KPC leads the TEAD project: training of energy auditors for a sustainable future in Ukraine

The project »Training for Energy Auditors and Technical Designers« (TEAD) is being implemented as part of a cooperation between the European Union and Ukraine. The aim is to improve the quality of energy audits and technical design services in order to promote energy-efficient solutions in the construction and industrial sectors.

PROJECT EXAMPLE 2

KPC pushes the energy transition: funding program for geothermal heat pumps in Bulgaria

The project financed by the World Bank Group aims to fund the introduction of geothermal heat pumps (GHP) in the industrial sector in Bulgaria. The goal is to increase energy efficiency, reduce greenhouse gas emissions and strengthen the country's energy independence.

PROJECT EXAMPLE 3

KPC supports the six Western Balkan countries in implementing EU legislation in the field of energy efficiency

In 2006 already, the Western Balkan countries committed themselves to adopting various European Union legal regulations in the course of the »Energy Community Treaty«. KPC has now been commissioned by the European Bank for Reconstruction and Development (EBRD) to support the Western Balkan countries in further implementing the guidelines as part of the »Western Balkans Regional Energy Efficiency Programme REEP«.

KPC leads the TEAD project: training of energy auditors for a sustainable future in Ukraine

The project »Training for Energy Auditors and Technical Designers« (TEAD) is being implemented as part of a cooperation between the European Union and Ukraine. The aim is to improve the quality of energy audits and technical design services in order to promote energy-efficient solutions in the construction and industrial sectors.

The initiative focuses on the systematic training of skilled workers in the fields of energy audits and technical planning, thereby making a sustainable contribution to increasing energy efficiency and reducing greenhouse gas emissions.

The project goals of KPC include the training and certification by developing and providing advanced training programs for energy auditors and technical designers in collaboration with Ukrainian universities and vocational schools. In addition, a transparent system for the qualification, certification and follow-up of the advanced training of specialists is being established. Market development is improved through analyses and recommendations in regard to closing qualification and market gaps. Also, the participation of women in the field of energy audits and technical planning is increased through targeted training and funding measures.

The project activities include the development of curricula and training materials, the implementation of »train the trainer« programs in order to educate qualified trainers, the organization of pilot and rollout training in the fields of energy audits and technical design, as well as the establishment of regional networks to support energy auditors and technical planners.

A key aspect of the TEAD project is to attract women to the profession of energy auditor and to promote their employment in the energy sector. The project has set an ambitious target of 50% female representation in the training programs.

Significant progress has been made since the start of the project. For example, extensive analyses of legal and institutional frameworks have been completed and recommendations for improving legislation and standardization procedures have been submitted. In addition, several training modules have already been developed and successfully implemented.

The ongoing security risks and power outages in Ukraine have made it difficult to carry out some activities. In order to address these challenges, the project is increasingly relying on hybrid training formats and supporting participants with additional coaching measures. For the next project phase, TEAD plans to complete the pilot phase of the training and start the rollout phase in January 2025, the integration of coaching measures to increase the success rate of participants, and the expanding of training content to address the increasing demand for energy efficiency projects in Ukraine. The TEAD project is a decisive step towards improving energy efficiency in Ukraine. By systematically training specialists and creating a robust market for energy audits, it is making a sustainable contribution to the country's economic and ecological development. With respect to the coming months, the project will continue to develop innovative solutions to achieve its goals despite the existing challenges.



2

KPC pushes the energy transition: funding program for geothermal heat pumps in Bulgaria

The project financed by the World Bank Group aims to fund the introduction of geothermal heat pumps (GHP) in the industrial sector in Bulgaria. The goal is to increase energy efficiency, reduce greenhouse gas emissions and strengthen the country's energy independence.

In the course of the project, KPC develops a tailor-made funding program that takes into account both technical and legal requirements and is closely coordinated with the Bulgarian authorities.

KPC's key goals include the development of a tailored financial support program for the introduction of GHPs in the industrial sector, capacity building through training of relevant institutions and stakeholders in Bulgaria, technical and economic assessment of the potential impact of GHP technologies on specific industrial sectors, and support for Bulgaria in achieving its climate targets and integrating renewable energies.

The approach includes data analysis, gathering and evaluating information on the Bulgarian heat pump market, developing a funding program based on the collected data and the requirements of the General Block Exemption Regulation, conducting workshops and stakeholder engagement, including a kick-off meeting, an interim meeting and a final workshop to present results and clarify open questions, and finalizing and implementing a detailed funding program that forms the basis for future investments.

Expected results are an increase in energy efficiency through the broader use of GHPs in the industrial sector, a reduction of greenhouse gas emissions and air pollution through the switch to environmentally friendly technologies, and long-term planning security through a clear funding program that offers companies and authorities orientation and planning security.

Key persons and expertise in this project are Christof Horvath (KPC), an expert in renewable energies with extensive experience in the development of funding programs, and Julian Rossmann (KPC), a specialist in technical and economic feasibility studies in the field of GHP technologies. This project lays the foundation for a sustainable transformation of the Bulgarian industrial sector and supports the country in achieving its energy and climate targets through innovative technologies and efficient funding strategies.

KPC supports the six Western Balkan countries in implementing EU legislation in the field of energy efficiency

In 2006 already, the Western Balkan countries committed themselves to adopting various European Union legal regulations in the course of the »Energy Community Treaty«. In the field of energy efficiency, these are essentially the Energy Efficiency Directive, the Buildings Directive and the so-called Ecodesign Directive.

KPC has been commissioned by the European Bank for Reconstruction and Development (EBRD) to support the Western Balkan countries in further implementing the guidelines as part of the »Western Balkans Regional Energy Efficiency Programme REEP«. One of the first projects is the support of Albania in developing a strategy for decarbonizing its building stock by 2050.

The specific energy consumption in the Western Balkan countries (Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, Kosovo, Serbia) is significantly higher than in the European Union countries. The building sector, with a share of over 40% of total energy consumption, is at the center of many efforts to reduce energy consumption. Coal is the dominant energy source for power generation, accounting for over 70% of the total, with the exception of Albania where around 97% of electricity is generated from hydropower. Heating energy in the building sector in the region is mainly provided by single furnaces (using wood and coal) and electricity.

In order to reduce the negative climate and environmental impacts resulting from the use of fossil fuels, the European Union, Austria and a number of international organizations (EBRD, KfW, etc.) are supporting local governments in the transformation towards a low-carbon energy system. This support is linked to specific and binding savings goals for each country. Furthermore, the countries of the Western Balkans have committed themselves to climate neutrality by 2050 as part of the »Green Agenda for the Western Balkans«.

In the course of the »Western Balkans Regional Energy Efficiency Programme REEP«, KPC supports local governments in further implementing European energy efficiency legislation.





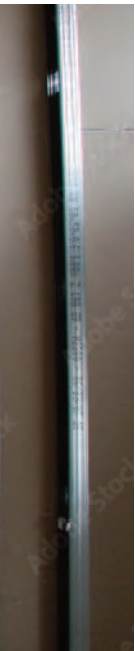
»Long-term Building Renovation Plan« for Albania

As one of the first projects, KPC supports the Albanian Ministry for Infrastructure and Energy in developing a »Long-term Building Renovation Plan« in line with the current European Buildings Directive. This plan serves as a strategy for the decarbonization of the entire building sector in Albania by 2050. It contains a specific roadmap for achieving the savings goals for 2030, 2040 and 2050.

Important cornerstones here are the creation of an up-to-date and comprehensive database such as the number and area of buildings, renovation methods, energy consumption data, etc. for residential, public and commercial buildings. In a further step, specific savings goals for 2030, 2040 and 2050 will be developed. Based on the agreed savings goals, packages of measures for specific renovation measures, an implementation schedule and the required investment volume will be created to ensure that the saving goals are met.

In this project, both the availability of data on the building stock and the coordination of the packages of measures to be developed pose particular challenges in terms of the energy poverty of large population groups. The completion of the »Building Renovation Plan« is scheduled for summer 2025.

In addition to providing financial support for specific energy-saving measures, KPC is also playing a key role in this project in implementing and improving the legal framework for energy efficiency in the region, thus making an important contribution to climate protection and to the reduction of dependence on fossil fuels in this region which is important for Austria.





The Austrian provider for the voluntary compensation of CO₂ emissions

On the way to a carbon-free economy, companies have an important role to play. The focus here is on measures to avoid and reduce corporate greenhouse gas emissions. This is the only way to achieve national and global climate protection targets. In addition, companies should take responsibility for remaining emissions and support climate protection projects beyond their own value chain (beyond value chain mitigation). There are various options available to them. Transparent communication of these measures is equally important. Climate Austria supports you as a reliable partner.

Climate Austria offers companies and private individuals the opportunity to make a voluntary contribution to climate protection. After clearly committing to avoiding emissions and taking measures to reduce their own CO₂ footprint, companies and private individuals can make voluntary contributions to support high-quality national and/or international climate protection projects.

Climate Austria's main focus is on the quality of climate protection projects. As a responsible mediator, Climate Austria only offers projects that have a sustainable impact and protect the environment in the long term. Strict selection criteria and thorough internal review procedures ensure that only projects of the highest quality are included in the portfolio and passed on to customers.

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. The initiative 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 KPC in order to support climate protection in Austria and enable companies and private individuals to support climate protection measures. So far, more than 460 national and international climate protection projects have been supported, with a total of around EUR 3.9 million. In 2024 alone, around 34,000 metric tons of CO₂ could be avoided through national and international climate protection projects.

Facts and figures regarding Climate Austria can be found in **Facts & Figures 2024** in the front section of this report. (page 22)





Wirtschaftsuniversität Wien

Vienna University of Economics and Business (WU) is one of Europe's leading business universities, employing around 2,600 people and educating around 22,000 students. Thus it has a major economic and social impact and contributes to regional value creation. Vienna University of Economics and Business is aware of the role model function that arises from this and, as a responsible university, takes responsibility for its actions with regard to all dimensions of social impact.

Sustainability and climate protection are part of the self-image of a responsible university. Active environmental management, supported by committed WU members who carry the topic of sustainability into the organization, has enabled an extensive optimization of operations.

So far, WU has worked with Climate Austria to compensate all CO₂ emissions generated by the university's campus operations and air travel by supporting national and international climate protection projects. Vienna University of Economics and Business has set itself the ambitious goal of becoming a climate-neutral organization. The university's greenhouse gas emissions have been reduced to a minimum, and, as far as budgetary constraints allow, the remaining unavoidable emissions will be compensated fully in the future.

Proprietors and bodies

Supervisory board

Nima Motazed

Chairman of the supervisory board
from 26.09.2024 /
Member from September 10th, 2024

Bernd Fislage

Chairman up to September 9th, 2024

Dr. Sebastian Firlinger

Vice Chairman

Mag. Johannes Schinko

Member

DI Mag. Alexander Somer

Nominated by the works council

Dominic Marsam, BSc

Nominated by the works council
up to February 9th, 2024

Mag. Christian Kempf

Nominated by the works council
from February 14th, 2024

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 Christian Holzer

Vice Chairman
Federal Ministry for Climate Action, Environment,
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Head of section Monika Mörth, MAS

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

Head of section Mag. Dr. Jürgen Schneider

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

Mag. Alois Steinbichler

Member
former Chairman of the supervisory board
Kommunalkredit Austria AG

Mag.^a Isabella Plimon

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

Kommunalkredit Public Consulting
Ownership structure

