

# Fundamental and social rights in the green transition - energy efficiency and energy poverty

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# 1. EXECUTIVE SUMMARY

The New Green to Savings (NGS) and New Green to Savings Light (NGSL) programmes represent core efforts in the Czech Republic's energy transition strategy, aimed at increased energy efficiency and reducing energy poverty across various socioeconomic groups. Launched to support sustainability goals and alleviate the financial burden of energy costs, especially amid the recent energy crisis, these programmes provide subsidies for residential energy upgrades, such as insulation, solar heating, and other efficiency improvements. The NGSL programme, in particular, offers upfront funding, which removes the barrier of initial costs and enables greater participation among low-income households, addressing both environmental and social needs.

This research, conducted through desk research and interviews, highlights the programmes' main achievements and limitations and the broader implications for energy transition policy in the Czech Republic. The interviewees, including government officials, social workers, and programme implementers, shared perspectives on the programmes' effectiveness and accessibility and their impact on vulnerable groups, revealing consensus on certain strengths and identifying specific areas for improvement. While the interview findings often aligned with the desk research, they offered additional nuance on the practical challenges and local impacts of the initiatives.

The programmes have been effective in achieving significant energy savings and reducing emissions. By tailoring funding to specific groups, such as pensioners and low-income families, the NGSL programme has been particularly successful in reaching households that otherwise might not afford energy-efficient upgrades. However, a key limitation lies in the programmes' focus on homeowners, which inadvertently excludes a large portion of energy-poor households who are renters. This exclusion limits the reach and inclusivity of the programmes, as many low-income households reside in rented accommodations and thus lack access to energy-saving subsidies.

The current lack of a standardised definition of energy poverty in the Czech Republic presents another challenge. Without clear eligibility criteria based on income levels or social vulnerabilities, the programmes may not consistently reach those most in need, leaving some households without adequate support. The interviewees suggested that the forthcoming official definitions of energy poverty and energy vulnerability, expected by late 2024, could enhance the targeting and accessibility of these initiatives. Another concern raised by the interviewees involved quality control. Reports of outdated or poorly installed technologies have surfaced, indicating a need for stricter regulatory standards to ensure that contractors deliver installations that meet modern standards and provide tangible benefits to residents.

The application process has been streamlined for efficiency, yet the fully digital format poses accessibility challenges, particularly for older persons or low-income applicants who may lack digital literacy or internet access. Although advisors are available to assist applicants, this requirement has limited accessibility for some of the most vulnerable groups. The Ombudsperson has raised concerns that the digital-only approach could unintentionally exclude certain populations and has recommended additional support options.

The interviewees also noted gaps in data collection and transparency, particularly regarding the social impacts of these programmes. Currently, the primary focus is on tracking energy and CO<sub>2</sub> savings, with limited emphasis on socioeconomic data, such as income or social status. This lack of comprehensive data hinders the ability to monitor programme effectiveness fully and to address any equality issues that may arise. In addition, the political pressures to roll out programme calls quickly sometimes restrict thorough stakeholder feedback, resulting in calls that may lack refined eligibility criteria or adequately address identified vulnerabilities.

While the programmes are not without challenges, they reflect a positive step towards a just transition by addressing immediate energy needs and increasing public awareness of energy efficiency benefits. However, to better support low-income households, expanding eligibility to include renters—potentially through incentives for landlords—would create a more inclusive model. Diversifying the funding model by introducing low-interest loans or guaranteed loans, alongside subsidies, could enhance long-term sustainability and extend the programmes' reach.

The findings indicate broad support for the programmes' objectives but highlight the need for adjustments to optimise inclusivity, quality, and transparency. As the Czech Republic pursues climate neutrality, adapting these programmes to address identified gaps will be essential to achieving a truly just energy transition that benefits all citizens. This research underscores the importance of integrating both environmental and social goals, providing valuable insights for shaping future energy policies in the Czech Republic.

## 2. Reaching climate targets through energy efficiency

The Czech Republic's Draft **Updated National Energy and Climate Plan (NECP)**,<sup>1</sup> released by the Ministry of Industry and Trade in February 2024, outlines its strategy for transitioning to a more sustainable energy sector. The NECP aims to balance climate goals with economic stability, aiming to achieve substantial greenhouse gas (GHG) emissions reductions. Specifically, the Czech Republic targets a 62–63% reduction in GHG emissions by 2030 from 1990 levels and aims to approach climate neutrality by 2050. This plan aligns with the European Union's overarching goal of climate neutrality by mid-century, although some setbacks have recently occurred.<sup>2</sup>

Key components of this strategy include ramping up renewable energy production, incorporating an interim increase in natural gas usage, reducing coal dependency, and maintaining nuclear power as a critical source for electricity and heat. While coal has traditionally been the backbone of the Czech energy system, its phased reduction marks a shift towards cleaner energy sources. However, transitioning away from coal while maintaining energy security and economic competitiveness presents challenges. Nuclear energy is positioned as a long-term stable energy source, underpinning the Czech Republic's commitment to secure energy supplies during the transitional period.<sup>3</sup>

According to data from the Czech Statistical Office, the energy sector accounts for approximately 40% of national GHG emissions, underscoring the sector's critical role in climate efforts.<sup>4</sup> At the same time, the renewable energy sector currently contributes around 15% of the country's energy mix, with hydropower, wind, and biomass as

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<sup>1</sup> Ministry of Industry and Trade (2024) [Press Release: Update of the State Energy Concept](#), in Czech.

<sup>2</sup> On 17 July 2024, the government postponed the approval of the State Energy Policy and two related climate documents. The State Energy Policy serves as a strategic framework outlining future objectives and priorities in the energy sector. While it is binding for public administration, it also aims to provide a vision for the energy market, detailing measures and support schemes. The updated version emphasises a gradual increase in electricity production and outlines plans for phasing out coal after 2030, with gas as a transitional fuel. In the long term, renewable energy sources and nuclear power are expected to become the main pillars of energy production. The National Energy and Climate Plan complements the State Energy Policy by setting a target to increase the share of renewable energy in final consumption to approximately 30% by 2030, with a notable rise in its use in transportation. The third document, the Climate Protection Policy, articulates a vision, objectives, and a gradual roadmap for achieving climate neutrality in the Czech Republic by 2050. See ČTK (2024), The government postponed the approval of the energy policy ([Vláda odložila schválení energetické koncepce](#)), 17 July 2024. For an overview of the State Energy Policy and other related strategic documents in Czech energy policy see [here](#) (in Czech only).

<sup>3</sup> Ministry of Industry and Trade (2024) [Press Release: Update of the State Energy Concept](#), in Czech.

<sup>4</sup> Data on emissions by the Czech Statistical Office is available in English [here](#).

prominent sources. Expansion of these renewable sources is critical for reducing dependence on fossil fuels, but high initial costs, limited infrastructure, and regulatory barriers could hinder progress.<sup>5</sup>

In terms of fostering a just transition, access to EU funding and alignment with EU climate policies<sup>6</sup> can provide resources for green initiatives, workforce retraining, and regional development projects. However, structural challenges, such as political resistance and entrenched fossil fuel interests, could slow the transition. Support from local governments, civil society, and business communities is essential to overcome these barriers and promote sustainable, inclusive development.

By addressing these complexities, the Czech Republic's updated NECP seeks to navigate the twin goals of economic resilience and environmental sustainability. It is widely acknowledged that the balance between maintaining energy security, reducing emissions, and ensuring a just transition will be crucial in shaping a resilient, low-carbon future for the country.

## 2.1. Energy efficiency

The Czech Republic's energy efficiency targets aim to achieve a sustainable energy transition that aligns with the EU's climate neutrality goals by 2050.<sup>7</sup> Central to this transition is reducing reliance on coal, expanding renewable energy, enhancing nuclear energy, and leveraging natural gas as a bridge fuel. Key measures and priorities focus on energy efficiency improvements across multiple sectors, aligned with Act No. 406/2000 Coll.,<sup>8</sup> which mandates energy audits, building performance standards, energy labelling, and ecodesign regulations for energy-intensive products.

### Key Programmes and Strategies

1. **Phasing Out Coal:** Coal reduction plays a pivotal role, with plans to limit coal usage to non-energy applications after 2033. This shift addresses emissions from

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<sup>5</sup> European Environmental Agency (2023), [Trends and projections in Europe 2023](#).

<sup>6</sup> See the following key EU policies and initiatives on climate change and sustainability: the [EU Green Deal](#), the [EU Adaptation Strategy](#), the [Fit for 55 package](#), and the [EU Mission on Adaptation to Climate Change](#).

<sup>7</sup> See the following key EU policies and initiatives on climate change and sustainability: the [EU Green Deal](#), the [EU Adaptation Strategy](#), the [Fit for 55 package](#), and the [EU Mission on Adaptation to Climate Change](#).

<sup>8</sup> Czech Republic, Act No. 406/2000 Coll., [Energy Management Act](#).

one of the most carbon-intensive energy sources and signals a transition towards cleaner energy production.

2. **Renewable Energy Expansion:** By 2050, the Czech Republic aims for renewables to constitute 36-44% of primary energy consumption. However, the expansion of renewables faces challenges, particularly with lengthy permitting processes for wind power, which can take over seven years, delaying project rollouts. Moreover, existing grid infrastructure lacks the capacity to support large-scale renewable integration, with many applicants facing grid connection issues.
3. **Nuclear Energy Development:** Nuclear energy remains a critical part of the Czech energy landscape, with the goal of increasing its share from 18% to between 32% and 42% by 2050. It is considered a stable source, providing both electricity and heat, bolstering energy security, and reducing carbon emissions.<sup>9</sup>
4. **Natural Gas as a Transitional Fuel:** In the short term, natural gas usage will increase, particularly for electricity and heating. Over time, the strategy includes transitioning to low-carbon gases, such as biomethane and hydrogen, reducing dependence on conventional natural gas.
5. **Building Renovations and Energy Efficiency:** Improving energy efficiency in buildings is prioritised, with incentives to reduce energy use in the ageing housing stock. However, barriers exist, particularly in older buildings with fragmented ownership. Additionally, smaller municipalities often lack the financial resources and technical capacity to undertake extensive energy retrofits, and complex owner-tenant dynamics further complicate renovation incentives.

## Challenges and Gaps

According to the interdisciplinary team of experts Fakta o klimatu (Climate Facts) and Frank Bold,<sup>10</sup> the Czech Republic faces several types of barriers to energy efficiency:

- **Policy Direction and Coordination:** The Czech Republic's national energy policy faces significant barriers to effective implementation. Primarily, these experts emphasise the need for a cohesive and strategic framework that outlines clear,

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<sup>9</sup> The country's most significant, semi-private, semi-state energy company, ČEZ, is currently finalising a contract on the construction of two new nuclear reactors with the Korean company KHNP. See iDNES (2024), ČEZ has started negotiations on the contract for the construction of the reactors, signing expected in March ([ČEZ zahájil jednání o smlouvě na stavbu reaktorů, podpis se očekává v březnu](#)), 24 July 2024.

<sup>10</sup> Fakta o klimatu and Frank Bold (2023), Developing renewable energy in the Czech Republic by 2030 to strengthen security and meet EU climate goals ([Rozvoj obnovitelné energie v Česku do roku 2030 pro posílení bezpečnosti a plnění klimatických cílů EU](#)).

long-term objectives. Without this, the country's current goals for increasing renewable energy and achieving higher energy efficiency risk stagnation, hindered by prolonged permitting processes for renewable energy projects and an infrastructure ill-prepared to support the planned transition.

The challenges include lengthy procedures to obtain permits for wind energy projects, which can take over seven years, and outdated grid capacities that limit connections for new renewable sources. Additionally, the Czech energy sector's centralised structure has led to regulatory barriers that slow the adoption of decentralised energy solutions. The experts argue for streamlined legislation to facilitate faster adoption of renewables, upgraded infrastructure, and policies that clearly define renewable energy targets for 2030 and beyond, in line with EU recommendations and the country's commitment to climate goals

- **Permitting and Infrastructure Limitations:** Lengthy permitting timelines for renewable installations and inadequate grid infrastructure hinder the swift integration of renewables. Modernising these systems is necessary to accommodate future energy demands and ensure grid stability.
- **Issues with housing stock and ownership hindering renovations:** Another barrier to building renovation is the relatively old housing stock and the large diversity of ownership of private buildings for investment purposes. The difficulty of renovation is also influenced by the capacity of local governments, of which there are about six thousand in the Czech Republic and a large part of them are small municipalities with insufficient financial resources. In the case of apartment buildings, the project preparation time can be up to four times the actual implementation time.<sup>11</sup> The relationship between owners and tenants of buildings or apartments also plays a role when the economic benefits of energy efficiency renovation are unclear and ambiguous.
- **Institutional Centralisation:** The Czech energy sector's centralised structure limits flexibility and adaptability in integrating smaller, decentralised energy sources, such as community solar or wind projects.
- **Lack of Social Impact Assessment:** The country has not yet implemented a standard tool for assessing the social implications of energy policies, which is

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<sup>11</sup> Ministry of Industry and Trade (2018), A long-term renovation strategy to support the renovation of the national stock of residential and non-residential buildings, both public and private (Dlouhodobá strategie renovací na podporu renovace vnitrostátního fondu obytných a jiných než obytných budov, veřejných i soukromých).

essential to ensure fair impacts across different social groups, particularly vulnerable and marginalised communities.

### **Promising Practices and Future Directions**

A potential example of good practice in the field of energy efficiency and energy transformation in the future could be the newly established (September 2023) Energy Cooperative of Hnutí Duha – Friends of the Earth Czech Republic,<sup>12</sup> which focuses on the development and use of community energy. The Energy Cooperative is based on the principles of participation, conservation, respect for nature, and ethical investment. It is a project that is intended to be profitable in the long term and to be a sustainable investment for its members. The cooperative's projects are based on cooperation with local communities and municipalities. Currently, the cooperative has two projects at different stages of implementation. It is not yet possible to assess the impact of the activity.

## **2.2. A just transition**

A just transition framework is essential to ensure that the socio-economic impacts of this energy transition are managed equitably. The Czech government recognises the need to mitigate negative effects on affected communities, especially in coal-dependent regions. This requires investments in workforce retraining, social protections, and local economic diversification to create alternative livelihoods and prevent job losses. However, achieving a just transition is complicated by regional disparities in economic resilience and employment opportunities. Coal regions, such as the Ústí nad Labem region, which have historically relied on coal mining, face higher risks of economic disruption and unemployment without targeted support.

The Just Transition Operational Programme (2021–2027)<sup>13</sup> is an initiative specifically designed to support regions most affected by the Czech Republic's shift away from coal, targeting the Karlovy Vary, Moravian-Silesian, and Ústí nad Labem regions—often referred to as the ‘coal regions’. This programme aims to mitigate the economic and environmental impacts of the coal phase-out by focusing on job creation for former coal industry workers and improving the local environment. Administered by the Ministry of the Environment, with the State Environmental Fund of the Czech Republic as the intermediary, the programme has allocated CZK 42.7 billion for this period. The funding

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<sup>12</sup> Energy cooperative of Hnutí Duha – Friends of the Earth Czech Republic, [webpages](#), in Czech.

<sup>13</sup> Further information on the programme is available on the Ministry of Environment's [website in English](#).

is intended to facilitate regional transition through employment support, re-skilling, and sustainable projects to enhance economic resilience in these areas.

Legally, the Czech Republic's efforts are underpinned by the National Energy and Climate Plan (NECP)<sup>14</sup> and the Energy Management Act (Act No. 406/2000 Coll.), which set goals for energy efficiency, renewable energy use, and reduced reliance on coal. These frameworks incorporate EU directives aimed at achieving carbon neutrality while maintaining competitiveness and social stability.<sup>15</sup>

## 2.3. Energy poverty

The Ministry of Labour and Social Affairs (MPSV) of the Czech Republic has recently published new data on **energy poverty**, with findings from the Energy Poverty 2023 analysis<sup>16</sup> conducted by the Platform for Social Housing in collaboration with the Faculty of Social Sciences at the University of Ostrava. This analysis reveals that approximately 1.3 million people in the Czech Republic are now experiencing energy poverty (about 13% of the population). This is a significant rise from the estimated 770,000 individuals affected between 2020 and 2023, largely driven by the recent energy crisis. Within this group, around 440,000 people are classified as being in extreme energy poverty, meaning their energy expenditures constitute a very high percentage of their income, they struggle to heat their homes adequately, or they face ongoing energy-related debts. This issue underscores the urgent need for social support and policy measures to alleviate the burden on vulnerable households. The analysis points to the importance of targeted social housing programmes, such as the MPSV's 'Support for Social Housing' initiative,<sup>17</sup> which aims to provide stable, affordable living conditions for those most affected by energy poverty.

A 2022 analysis conducted by several NGOs reflects the period before the onset of the energy crisis associated with the war in Ukraine. According to this analysis,<sup>18</sup> in spring 2021 around 900,000 people in the Czech Republic—representing 8.7% of the

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<sup>14</sup> Ministry of Industry and Trade, Draft Updated National Energy and Climate Plan of the Czech Republic ([Aktualizace Vnitrostátního plánu České republiky v oblasti energetiky a klimatu](#)).

<sup>15</sup> See the following key EU policies and initiatives on climate change and sustainability: the [EU Green Deal](#), the [EU Adaptation Strategy](#), the [Fit for 55 package](#), and the [EU Mission on Adaptation to Climate Change](#).

<sup>16</sup> Klusáček, J., S. Kalenda (2024), Energy Poverty in the Year 2023 ([Energetická chudoba v roce 2023](#)), Platform for Social Housing and University of Ostrava.

<sup>17</sup> Ministry of Labour and Social Affairs (2024), MoLSA presents data on energy poverty and evaluates one-year project on energy literacy and prevention ([MPSV představilo data o energetické chudobě a vyhodnotilo roční projekt zaměřený na energetickou gramotnost a prevenci](#)), press release, 27 June 2024.

<sup>18</sup> Klusáček, J. et al (2022) Energy poverty and its solutions ([Energetická chudoba a její řešení](#)).

population and approximately 500,000 households—were living in energy poverty. Nearly half of these individuals were in families with children, including around 220,000 children, or roughly 10% of the Czech child population. Among these families, 30% were single-parent households, and another 30% were low-income families eligible for child benefits. The second-largest group affected by energy poverty consisted of pensioners, with over 300,000 individuals, or 16% of the population of older persons, experiencing difficulties. Notably, the majority of pensioner households facing energy poverty were single women. Heating represents about 68% of total household energy consumption, making it the most significant energy use, followed by water heating, which accounts for another 17%. The choice of heating source plays a critical role in addressing energy poverty, as people using district heating receive little relief from household electricity or gas discounts; district heating or domestic boilers cover 85% of their energy needs (for heating and hot water).

There is **no legislative or unified definition of energy or transport poverty** in the Czech Republic. In the field of energy poverty, the concept of vulnerable customer is defined by legislation.

In December 2023, the Parliament of the Czech Republic approved and the President signed an amendment to the Energy Act, No. 458/2000 Coll.,<sup>19</sup> which introduces the institute of the so-called vulnerable customer, who will be more protected compared to other customers. Section 29 defines a vulnerable person, a vulnerable customer, and a designated off-take point, section 29a protection and special rights of a vulnerable customer or vulnerable person, section 29b obligations of a vulnerable customer, section 29c registration and transmission of data on a vulnerable customer or vulnerable person, and section 29d security of electricity supply to a vulnerable customer. According to the law, these are people who use equipment in their homes that requires a continuous supply of electricity, the use of which is necessary to maintain basic life functions. These are primarily people who are bedridden for long periods of time and whose health or life would be endangered by being disconnected from electricity. For example, a vulnerable customer will be entitled to a free notice if they fail to pay properly. He or she is also entitled to a free targeted notice if the electricity supply is restricted or interrupted because of planned work. This definition of a vulnerable

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<sup>19</sup> Czech Republic, Act No. 458/2000 Coll., Act on Business Conditions and the Exercise of State Administration in Energy Sectors and on Amendments to Certain Acts (Energy Act) ([Zákon č. 458/2000 Sb.](#), Zákon o podmínkách podnikání a o výkonu státní správy v energetických odvětvích a o změně některých zákonů, energetický zákon).

customer was criticised in the comments procedure as overly narrow by NGOs, for example, but also by the Public Defender of Rights.<sup>20</sup>

While the Czech Republic has no legislative definition of energy poverty, the Ministry of Industry and Trade has certified the methodology 'Energy Poverty and the Vulnerable Customer',<sup>21</sup> which provides a definition of energy poverty that is also the basis for various analyses, methodologies, and studies of other actors from the non-profit sector, academia, etc.

The methodology states that a household suffers from energy poverty if it meets at least one of the following conditions:

- it spends a large proportion of its income on energy (the proportion of income spent on energy is more than twice the national median)
- it is in 'hidden energy poverty' (absolute energy expenditure is less than half the national median)
- it cannot afford to heat their home adequately
- it owes money on energy bills (the household has been in arrears on energy bills in the past 12 months).

Several analyses have been carried out in the Czech Republic on the topic of energy poverty. The basic starting document is the Ministry of Industry and Trade's certified methodology *Energy Poverty and the Vulnerable Customer*,<sup>22</sup> which provides a definition of energy poverty. This definition is also the basis for various analyses, methodologies, and studies of other actors from the non-profit sector, academia, etc. This document also provides statistical indicators and data on the topic of energy poverty, but the statistics are not updated regularly but rather on an ad hoc basis. Energy poverty can also be tracked within the EU-SILC dataset,<sup>23</sup> where the data include, for example,

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<sup>20</sup> Public Defender of Rights (2023), Vulnerable customers are defined too narrowly in the upcoming amendment to the Energy Act, says Ombudsman ([V připravované novele energetického zákona jsou zranitelní zákazníci definováni příliš úzce, míní ombudsman](#)), 21 December 2022.

<sup>21</sup> Prague University of Economy and Business, Energy Poverty and the Vulnerable Customer (certified methodology by the Ministry of Industry and Trade ([Energetická chudoba a zranitelný zákazník - certifikovaná metodika Ministerstvem průmyslu a obchodu](#)), 2021, in Czech. Certified methodology means that the Ministry of Industry and Trade has approved the methodology and uses it for its activities and that it is a recommendation tool for the Ministry itself but also for other entities.

<sup>22</sup> Prague University of Economy and Business, Energy Poverty and the Vulnerable Customer (certified methodology by the Ministry of Industry and Trade ([Energetická chudoba a zranitelný zákazník - certifikovaná metodika Ministerstvem průmyslu a obchodu](#)), 2021, in Czech. Certified methodology means that the Ministry of Industry and Trade has approved the methodology and uses it for its activities and that it is a recommendation tool for the Ministry itself but also for other entities.

<sup>23</sup> Czech Statistical Office, [EU-SILC methodology](#), in Czech.

responses to a question related to the source of heating and, in the area of material deprivation, a question on whether the household can afford to heat the home.<sup>24</sup>

While there are quite a lot of studies and data available on energy poverty in the Czech Republic, which can be used as a basis for policy making, there is no in-depth research on **transport poverty**. There is also a lack of a uniform definition of transport poverty to assess who is most at risk and how to prevent it.<sup>25</sup>

No comprehensive statistics on transport poverty are available in the Czech Republic. The Ministry of Transport marginally discusses the topic of transport poverty in the study *Women in Transport*,<sup>26</sup> which provides an overview of the transport behaviour, needs, and preferences of women in transport. The aim was to gather evidence on the differences in status and opportunities between men and women in transport and to explain how transport affects their daily lives. Support for inclusive and innovative transport is growing in many European countries.

## 2.4. A fundamental rights impact assessment

There is no clear concept or standardised tool for a sophisticated social or fundamental rights impact assessment of energy efficiency measures. Relevant policy documents such as the Draft Updated National Energy and Climate Plan (NECP)<sup>27</sup> contain very vague and rather marginal social impact assessments. This is also confirmed by the European Commission in its comments. According to the European Commission the Draft Updated NECP lacks a more comprehensive nationwide strategy for ensuring a just transition beyond what is planned in the coal regions. It does not contain specific measures for the most vulnerable target groups, nor does it specify how the individual measures are to be financed.<sup>28</sup>

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<sup>24</sup> Czech Statistical Office (2021), Household incomes and living conditions – 2020 ([Příjmy a životní podmínky domácností – 2020](#)), 11 March 2021.

<sup>25</sup> Fakta o klimatu, Frank Bold, Renewable energy development in the Czech Republic by 2030 to strengthen security and meet EU climate goals (Rozvoj obnovitelné energie v Česku do roku 2030 pro posílení bezpečnosti a a plnění klimatických cílů EU), p. 10, 2023.

<sup>26</sup> Transport Research Centre, Final Report: Women in Transport ([Závěrečná zpráva: Ženy v dopravě](#)), 2019.

<sup>27</sup> Ministry of Industry and Trade, Draft Updated National Energy and Climate Plan of the Czech Republic ([Aktualizace Vnitrostátního plánu České republiky v oblasti energetiky a klimatu](#)).

<sup>28</sup> European Commission, (12/2023), COMMISSION STAFF WORKING DOCUMENT - [Assessment of the Draft Updated National Energy and Climate Plan of Czechia](#).

Every strategic and legislative document at the ministerial level has to be accompanied by a Regulatory Impact Assessment (RIA), which includes a social impact assessment. As a rule, however, this is only a partial and marginal assessment; economic impacts tend to be treated in a more qualitative and sophisticated manner. RIAs are accompanied by methodologies that offer tools for assessing sustainable development, corruption risks, digitally friendly legislation, or impacts on gender equality or family. There is no specific methodology to assess social impacts. The methodology Guide to Considering Sustainable Development in Regulatory Impact Assessment<sup>29</sup> also addresses the area of social impacts through the UN Sustainable Development Goals. The material advises that a social impact analysis should assess whether the chosen solution might push individuals towards jobs that are low-paid, temporary, or lack essential employment rights, thereby increasing economic insecurity. Additionally, it should consider whether this solution could result in a higher number of people living below the poverty line or experiencing social exclusion, either in absolute terms or as a proportion of the population. There is also a need to evaluate whether the solution could lead to greater income inequality, further widening the socioeconomic gap. Finally, the analysis should determine whether the approach could contribute to poorer health outcomes, such as serious health issues arising at an earlier age or a decrease in the population's healthy life expectancy. These factors are essential to understanding the broader social repercussions of the solution and ensuring it does not exacerbate existing inequalities or adversely affect public health.

The existing strategic documents<sup>30</sup> do not contain more detailed analyses of the social impacts of the proposed solutions and measures. The ministries are working with academic bodies to assess especially the economic impact. The economic impact side is the focus of one of the main analytical papers, 'Fit for 55'. This impact assessment<sup>31</sup> was used to prepare the Draft Updated National Energy and Climate Plan of the Czech Republic.<sup>32</sup> The study looks at the impact of rising energy prices on GDP, economic sectors, employment, and households. The study concludes that while investments in green technologies and renewable energy could stimulate GDP growth by up to 2.2% by 2030, sectors dependent on fossil fuels face significant contraction. Employment benefits are concentrated in construction and renewable energy sectors, but job losses in fossil-fuel industries highlight the need for reskilling and transitional support. Low-income households in particular are disproportionately affected by higher energy costs,

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<sup>29</sup> Ministry of the Environment (2023) Guide to sustainability considerations in regulatory impact assessment (RIA) ([Průvodce zohledněním udržitelného rozvoje pro hodnocení dopadů regulace \(RIA\)](#)).

<sup>30</sup> The most important strategic documents in this regard are the [Draft Updated National Energy and Climate Plan](#) and the [State Energy Policy](#) (available in Czech).

<sup>31</sup> Centre for Environmental Issues, Charles University (2022) [Analysis of Fit for 55. Impact assessment for the Czech Republic](#).

<sup>32</sup> Ministry of Industry and Trade, Draft Updated National Energy and Climate Plan of the Czech Republic ([Aktualizace Vnitrostátního plánu České republiky v oblasti energetiky a klimatu](#)).

requiring targeted measures such as revenue recycling and energy efficiency programmes to ensure social equity and enhance economic stability.

### 3. Addressing different aspects of energy efficiency and energy poverty: The selected project New Green to Savings and New Green to Savings Light

The **New Green to Savings**<sup>33</sup> programme in the Czech Republic, a large-scale initiative developed by the Ministry of the Environment and administered by the State Environmental Fund, promotes energy efficiency in residential buildings through subsidies for various energy-saving upgrades. These upgrades range from insulation to installing renewable energy technologies like photovoltaic systems. The programme also encourages climate adaptation measures, such as rainwater collection, wastewater reuse, and green roof installations. The programme is financed by revenue from the sale of emission allowances and aligns with EU goals set out in the European Green Deal.<sup>34</sup> Launched in 2009, it is currently planned to operate until 2030.

The programme includes a specific sub-programme called **Repair Your Grandmother's House**,<sup>35</sup> which provides households with up to CZK 1 million (approx. €40,000) upfront for comprehensive insulation and additional energy-saving measures, including energy source replacement and photovoltaic installation. Eligible families receive a bonus of CZK 50,000 (approx. €2,000) per dependent child, with the option for a low-interest loan to cover extra costs without requiring property as collateral.

A more recent extension, the **New Green to Savings Light** programme,<sup>36</sup> targets smaller-scale improvements for low-income households. Eligible participants include retirement pension recipients, persons with a third-degree disability allowance,<sup>37</sup> and households

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<sup>33</sup> Detailed information on the programme can be found on the programme's [website](#) (in Czech only).

<sup>34</sup> See the European Commission's [website here](#).

<sup>35</sup> Further information on the sub-programme is available [here](#) (in Czech only).

<sup>36</sup> Detailed information on the Light version can be found on the programme's [website](#) (in Czech only).

<sup>37</sup> The rate of decline in working capacity is determined as a percentage, and the degree of invalidity (the term used in the Czech jargon) is determined according to the rate of decline: a decline of at least 35% but not more than 49% is first-degree invalidity, a decline of at least 50% but not more than 69% is second-degree invalidity, and a decline of at least 70% is third-degree invalidity. The classification of disability (i.e. invalidity) is governed by Decree No. 359/2009 Coll., establishing the percentage rates of decline in working capacity and the elements of a disability assessment and regulating the

with housing or child benefits. This version of the programme covers essential renovations like window and door replacements, insulation of specific parts of the building, and solar water heating. Demand for this programme has been high, with over 79,000 applications since its launch in January 2023. To meet this demand, the allocated funding from the Modernisation Fund was increased from CZK 9 billion (approx. €360 million) to CZK 12 billion (approx. €480 million).

In the latest New Green to Savings Light call, which began accepting applications on 25 June 2024, several adjustments were implemented based on previous application experiences:

- The maximum subsidy was increased to CZK 250,000 (€10,200), up by CZK 100,000 from previous rounds.
- Subsidies are now calculated per square metre instead of as a unit subsidy, while maintaining coverage of up to 100% of eligible costs.
- The subsidy for solar water heating was adjusted to CZK 70,000 (€2,850) if a new boiler is installed, or CZK 50,000 (€2,030) for systems with an existing boiler.
- Eligibility requirements were tightened for property audits, limiting subsidy eligibility to applicants who own only one residential property. This restriction concerns basically only retirement pensioners – it does not apply to those receiving housing or child benefits or third-degree disability pensions, who are exempt from this proof requirement.
- Starting in September 2024, the programme can be utilised to subsidise boiler replacements, following the obligation for the general population to replace older boilers classified in the first and second emission groups by the end of August.<sup>38</sup>

These updates aim to increase support for energy efficiency while ensuring targeted aid reaches low-income and vulnerable groups more effectively.

The Ministry of the Environment serves as the official administrator of the New Green to Savings programme. The State Environmental Fund of the Czech Republic (SEF)<sup>39</sup> is assigned to manage core administrative tasks, including the receipt and assessment of applications. In addition, the SEF acts as the payment unit, handling the distribution of funds for approved projects. Key stakeholders include the Ministry of Regional

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assessment of working capacity for the purposes of disability (Decree on disability assessment) ([Vyhláška č. 359/2009 Sb., kterou se stanoví procentní míry poklesu pracovní schopnosti a náležitosti posudku o invaliditě a upravuje posuzování pracovní schopnosti pro účely invalidity \(vyhláška o posuzování invalidity\)](#)).

<sup>38</sup> See the programme's [press release](#) from 27 August 2024 in Czech.

<sup>39</sup> See the Fund's website in English [here](#).

Development, local advisory organisations/local action groups,<sup>40</sup> energy consultation centres (EKIS and M-EKIS),<sup>41</sup> and building savings banks that provide guidance on the application process.

The New Green to Savings programme's design in 2021 is informed by the European Union's strategic direction, especially the European Commission's European Green Deal. This alignment reflects the Czech Republic's commitment within the EU to promote energy savings, support economic recovery, and stimulate investments following the COVID-19 pandemic. Additionally, the programme contributes to the goals of the UN Framework Convention on Climate Change and the Paris Agreement of 2020 by prioritising further reductions in greenhouse gas emissions and other air pollutants, including particulate matter like PM10 and PM2.5.

Both New Green to Savings and **New Green to Savings Light** play a crucial role in enhancing energy efficiency, with the latter **specifically addressing energy poverty by focusing on low-income households**. These programmes also serve as significant tools for the modernisation of residential and commercial buildings in the Czech Republic, in line with the National Energy and Climate Plan (NECP).<sup>42</sup>

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<sup>40</sup> A Local Action Group (LAG) is a collaborative network of citizens, non-profit organisations, private businesses, and public authorities (such as municipalities, associations of municipalities, and other public bodies) that is independent from political influence and works together on rural development, agriculture, and securing funding from EU and national programmes for its region through the LEADER approach. The primary goal of the LAG is to enhance the quality of life and the environment in rural areas. One of its key strategies is the proactive acquisition and distribution of subsidies. The LAG's target area typically has a population ranging from 10,000 to 100,000 people, with towns of no more than 25,000 inhabitants (population for the 2020–2027 programming period is based on data as of 1 January 2019). The LAG's jurisdiction is cohesive, without isolated territories (except in cases of approved territorial changes). A municipality can only be part of one LAG's designated area. More information available [here](#) in Czech.

<sup>41</sup> The EKIS Energy Advisory Service, Mobile EKIS, and EnKo MAS are free services designed to encourage the adoption of energy-saving measures and renewable energy sources. Targeting citizens, public administrations, businesses, and entrepreneurs, the service is supported by the Ministry of Industry and Trade. The energy consultancy ([Energetické poradenství](#)) and associated webpages are available in Czech. Advisors from the MIT network may volunteer to join the New Green to Savings and New Green to Savings Light programmes. These advisors then receive funding through the New Green to Savings Light programme, with resources allocated by the State Environmental Fund.

<sup>42</sup> Ministry of Industry and Trade, Draft Updated National Energy and Climate Plan of the Czech Republic ([Aktualizace Vnitrostátního plánu České republiky v oblasti energetiky a klimatu](#)).

### 3.1. Leaving no one behind – target groups, eligibility, accessibility, equality

The **overarching goals** of the New Green to Savings and New Green to Savings Light programmes are widely acknowledged by the interviewees who participated in FRANET's fieldwork research. The interviewees agreed that the goals of the programmes focus mainly on energy efficiency and environmental impact. One interviewee notes that for applicants environmental impacts do not play a major role in the decision to apply for the programme, as their greatest motivation is to save on energy costs.<sup>43</sup> As another interviewee points out, both programmes are considered vital to advancing the green transformation and to energy efficiency improvements, especially after the onset of the energy crisis:

'In particular, they appreciate and draw attention to the New Green to Savings Light, because it arrived at the time of the energy crisis [after the outbreak of the war in Ukraine, interviewer's note], when there was a need to address issues related to energy intensity and energy poverty, which affected a wider spectrum of society at that time.'

'Ze zvláštního pohledu oceňují Novou zelenou úsporám Light, protože přišla v době energetické krize (po vypuknutí války na Ukrajině, poznámka tazatele), kdy bylo potřeba řešit problémy spojené s energetickou náročností a energetickou chudobou, které zasáhly širší spektrum společnosti v té době.'

Several interviewees highlight the energy crisis as a turning point that necessitated the creation of the Light version. One interviewee commented on this development:

'At the start of the energy crisis, that is, of the war in Ukraine, energy prices skyrocketed, and various topics were being discussed, such as price caps on energy, and so on. Even at this level consideration was being given to how to help low-income households, because everyone felt that there was a vulnerable group. Many people are able to manage, but there is a vulnerable group that cannot, and that's how the New Green to Savings Light programme was created.'

'V době, kdy začala krize s energiemi, tedy s válkou na Ukrajině, vyskočily ceny energií a řešila se různá témata, jako zastropování cen energií a tak dále. I na této

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<sup>43</sup> The representative survey Czech Climate (České Klima) 2024 included 2,299 respondents, and its findings show that while 72% of respondents are aware of climate change, only 45% express strong concern. A majority (63%) support renewable energy expansion, yet only 38% view the EU's 2030 Green Deal targets as realistic, with 58% citing economic burdens as their primary concern about these policies. See J. Krajhanzl et al. (2024) Czech Climate ([České Klima](#)) 2024, Insitut 2050.

úrovni se přemýšlelo, jak pomoci nízkopříjmovým domácnostem, protože každý cítil, že je tu ohrožená skupina. Spousta lidí si s tím poradí, ale je tady ohrožená skupina, která si s tím nemůže poradit, a tak vznikl program Nová zelená úsporám Light.'

This response underscores the programme's focus on alleviating the immediate financial burden of energy costs for vulnerable populations, which an interviewee also recognised:

'The New Green to Savings Light programme is a new programme, before that there was no separate programme targeting low-income people. Before its creation, disadvantaged regions such as the Karlovy Vary, Ústecký, and Moravian-Silesian regions were favoured, but there were no bonuses for the number of children in the household, asset tests, etc. The bonus for the number of children in the household is in the sub-programme Repair Your Grandmother's House, and if there are minor children in the household or children under 26 years of age who are studying a financial bonus can be obtained for each applicant's child.'

„Program Nová zelená úsporám Light je nový program, před tím neexistoval samostatný program, který by se zaměřoval na nízkopříjmové. Před jeho vznikem byly zvýhodňovány znevýhodněné regiony typu Karlovarský, Ústecký a Moravskoslezský kraj, ale nebyly tam bonusy za počet dětí v domácnosti, majetkové testy atp. Bonus za počet v domácnosti je v podprogramu Oprav dům po babičce a pokud jsou v domácnosti nezletilé děti nebo děti do 26 let, které studují, lze za ně získat finanční bonus za každé dítě žadatele.'

Both versions of the programme have thus **evolved in response to changing needs**. One interviewee explains that the original programme focused on insulation and then gradually included measures like photovoltaics and green roofs to adapt to a wider set of environmental and energy efficiency needs. However, the **Light version stands out as a simpler, more accessible solution, particularly for low-income households**. No documentation is required, as there is in New Green to Savings, and applicants receive funding upfront and without co-financing. Another interviewee elaborated on the Light programme's novel approach:

'You are simplifying and making the terms of the programme more accessible. Typically, and these are things that we have long advocated for even in the case of boiler subsidies, so that people wouldn't have to pay for it and would then get a refund. [...] But on the contrary that they get it prepaid, so that the rate of participation in the programme increases, because this then increases the chances that you will do some kind of more demanding renovation.'

‘Zjednodušujete a zpřístupňujete podmínky programu. Typicky to jsou věci, které my jsme dlouhodobě prosazovali i u kotlíkových dotací, aby lidi nemuseli to zaplatit a pak se jim to vrací. (...) Ale naopak, že dostanou to předplacené, aby se zvyšovala míra podílu z programu, protože to pak zvyšuje šanci, že budete dělat nějakou náročnější renovaci.’

This simplification is widely praised for enabling faster and broader participation. One interviewee further highlighted the simplified documentation process:

‘When it came to helping low-income individuals, we wanted it to be fast and simple, so that the money and measures would actually reach people. Therefore, a simplified concept of New Green to Savings was created, where no documentation is needed.’

‘Když šlo o pomoc nízkopříjmovým jednotlivcům, chtěli jsme to mít rychlé a jednoduché, aby se peníze a opatření skutečně dostaly k lidem. Tak vznikl jednoduchý koncept Nové zelené úsporám, kde není potřeba žádná dokumentace.’

While the Light programme was specifically designed for low-income households, the standard programme still favours particular regions, such as the coal regions. An interviewee noted:

‘The programme still favours selected regions, including the so-called coal regions (Karlovy Vary, Ústecký and Moravian-Silesian regions), but it also includes selected municipalities with extended powers.<sup>44</sup> Beneficiary regions have a bonus of +10% of funding for each supported activity.’

‘Program stále zvýhodňuje vybrané regiony, včetně tzv. uhelných regionů (Karlovarský, Ústecký a Moravskoslezský kraj), ale zahrnuje i vybrané obce s rozšířenou působností. Benefiční regiony mají bonus +10 % z podpory za každou podporovanou aktivitu.’

The Light programme adds an additional level of **inclusivity with bonuses** for households with children or students. The programme offers a ‘family bonus’ of 50,000 CZK for each minor child of the applicant. To cover the gap between the subsidy and the remaining

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<sup>44</sup> In the Czech Republic, municipal authorities of municipalities with extended powers (so-called Level III municipalities, abbreviated as ORP) are the intermediate link of the delegated powers of self-government between regional authorities and other municipal authorities (the lowest link is the delegated municipal authorities and the lowest is all other municipal authorities). The municipal authorities of municipalities with extended competence thus have some additional areas of responsibility compared to other municipal authorities, not only for their own, basic administrative district, but usually also for other municipalities in the vicinity. A list of the municipalities benefiting is available at [programme website](#).

eligible expenses, owners can apply for a preferential loan from selected building savings banks, without the need to pledge their property as collateral. Authorities aim to encourage households to implement high-quality insulation while promoting the use of existing inefficient buildings instead of expanding construction into the open countryside.<sup>45</sup>

In general, both programmes are **considered successful** by the interviewees, but the New Green to Savings Light programme is widely perceived as a success, particularly in terms of its ability to quickly address energy poverty. Several interviewees stated that the programme has been very successful in terms of energy efficiency, particularly due to its longevity, a gradually replenished budget, and continuous updates that respond to societal developments. It is also a well-known programme among the public, as an interviewee explained:

‘The programme is important from a symbolic point of view, as it helps the public understand climate issues and policies on an everyday, tangible level.’

‘Program je důležitý z symbolického hlediska, protože pomáhá veřejnosti chápat klimatické problémy a politiku na každodenní, hmatatelné úrovni.’

However, the same interviewee notes that the programme’s success must be viewed relative to other climate-related initiatives; that is, it can be considered a success because other climate-related programmes are much less effective and efficient. What the interviewee is referring to here is the fact that this is a unique programme targeting a large number of households, making its impact noticeable to a wide range of recipients—owners of family homes or apartment buildings. Other programmes are focused on business entities, the public sector, and similar groups, and their effects are less visible to the general public, even when observed within the framework of the green transition.<sup>46</sup>

Moreover, one interviewee suggested that the programme’s effectiveness lies in its flexibility, with the authorities able to adapt it to changing needs. Another interviewee agrees, appreciating that the programme has not only addressed energy efficiency but also responded to the evolving energy crisis, and particularly to the urgent need to support vulnerable low-income groups during the crisis. An additional interviewee also emphasises that the programme’s success lies in its ability to **adapt and be responsive**. They explain that the New Green to Savings and New Green to Savings Light

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<sup>45</sup> Eligibility criteria are described on the programme’s [webpage](#).

<sup>46</sup> Examples of other programmes that promote the green transition are the Ministry of Environment’s [Operational Programme on Environment Protection](#) and the National Development Bank’s [Electromobility Guarantee programme](#).

programmes are perceived as functional programmes even in discussions with foreign partners.

The programmes are not anchored in legislation. They are bound by subsidy conditions defined by the Ministry of the Environment in the framework of individual calls for proposals.<sup>4748</sup> Looking to the future, some interviewees raise concerns about **the long-term sustainability of the programmes' funding model**. An interviewee expresses a view that the current funding levels might not be sufficient to meet the ambitious energy efficiency targets of the Czech Republic in the future. They suggest that new financial instruments, such as guaranteed loans or interest-free loans, should supplement the current subsidy model, suggesting that the amount of funding in the form of subsidies should not be reduced, but it should be maintained and supplemented with other financial instruments such as guaranteed loans or interest-free loans. This view is echoed by another interviewee, who calls for a transition from subsidies to financial instruments that allow for the longer-term use of funds.

The New Green to Savings programme is **targeted** at a range of property owners, including homeowners, associations, cooperatives, and municipalities, with eligibility primarily linked to ownership. It is open to a wider population and requires 50% cofinancing from the beneficiaries. The programme is aimed at and designed for households that have saved funds that can be used for investment and that can plan for the long term. The programme for low-income households, Green to Savings Light, specifically benefits older adults (pensioners), individuals with third-degree disabilities, and households receiving child benefits or housing allowances. However, ownership is required, which excludes tenants from eligibility.<sup>49</sup>

Interviewees generally agree that the Light programme **effectively targets vulnerable homeowners**, although some raised concerns about the limitations of this focus. For example, an interviewee explained that the New Green to Savings Light is aimed at owners of family houses but emphasises partial, remedial improvements like window replacements, rather than complex renovations. This aligns with the goal of making energy-saving measures accessible to low-income owners without requiring comprehensive, high-cost upgrades.

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<sup>47</sup> For the current conditions, see the programme's website in Czech [here](#).

<sup>48</sup> From a legal perspective, Czech Republic's commitment to a just transition is grounded in its [National Energy and Climate Plan](#) (NECP) and the Energy Management Act ([Act No. 406/2000 Coll.](#)), which establish objectives for enhancing energy efficiency, increasing the use of renewable energy, and decreasing dependence on coal.

<sup>49</sup> For further details on one house ownership as a requirement please see the end of this chapter (pages 28-29).

While most interviewees acknowledged that Green to Savings Light targets ‘poor owners’, there was **debate over whether the programme adequately captures vulnerability**. An interviewee argued that the definition of target groups does not align with the broader European Social Pillar’s concept of vulnerability. According to this interviewee, the group of ‘poor owners’ is relatively small in the Czech Republic compared to countries like Poland and Hungary. They pointed to a study based on EU-SILC methodology<sup>50</sup> that recommended income-based eligibility but was not adopted due to administrative complexities and the need for a flexible approach. Another analysis also pointed out that about two-thirds of energy-poor households are renting and only one-third are owner-occupied.<sup>51</sup>

The same interviewee expressed concern that the **programme’s broad criteria might inadvertently benefit wealthier homeowners, resulting in substantial state support for individuals with significant assets while excluding renters**, who may be in greater need. They note that some of the houses that receive support are worth millions of Czech crowns, and therefore it is debatable whether their owners can be considered vulnerable. Some recipients are thus benefiting from high-value home improvements funded by the state, whereas renters and non-owners, potentially in equally or more precarious financial situations, do not receive such support. It is therefore questionable whether public funds for such dwellings are being used in the most effective possible way.

The choice of **eligibility based on receiving certain social benefits rather than income verification** was also discussed. The same interviewee mentioned that eligibility verification based on specific social benefits (e.g., retirement pension, disability pension, housing allowance) was prioritised for reasons of simplicity, and eligibility criteria were present from the beginning of the programme. They suggested that an income-based approach, verified by tax authorities, might better target genuinely low-income households, but noted that this approach had not been feasible in previous iterations of the programme iterations owing to administrative challenges.

Another interviewee explained that **advisors**<sup>52</sup> play a critical role in **supporting vulnerable applicants** throughout every stage of the programme, from initial

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<sup>50</sup> Matoušek, R. and P. Lang (2020) Estimation of the size of the target group (low-income households) for ‘boiler’ subsidies (Odhad velikosti cílové skupiny (nízkopříjmové domácnosti) pro ‘kotlečkové’ dotace), not available online.

<sup>51</sup> Klusáček, J. et al. (2022), Energy poverty and its solutions ([Energetická chudoba a její řešení](#)).

<sup>52</sup> The EKIS Energy Advisory Service, Mobile EKIS and EnKo MAS is a free service for the public to promote the implementation of energy savings and renewable energy sources. It is aimed at citizens, public administration, businesses, and entrepreneurs, and the service is supported by the Ministry of Industry and Trade. Energy consultancy ([Energetické poradenství](#)), webpages, in Czech. Advisors from

information provision to assistance during applications and post-renovation support. These advisory services are provided free of charge and are funded by the National Recovery Plan (NRP)<sup>53</sup> with assured financing for the programme's entire duration. Advisors handle application submissions, verify implementation accuracy, and provide guidance on energy-saving measures. The interviewee detailed how the NRP's Component Three finances consultancy services through Local Action Groups,<sup>54</sup> EKIS, and mEKIS, specifically to assist low-income applicants in completing applications for the New Green to Savings Light programme. Additionally, advisors support applicants in the broader New Green to Savings programme by helping them identify the appropriate programme or by reviewing potential energy-saving modifications.

Mixed feelings have been expressed about the New Green to Savings programmes, and the Ministry of Environment has been criticised for its **lack of a clear analytical basis for energy poverty**. One interviewee questioned the Ministry's ability to target policies effectively without a precise definition, stating:

‘The Ministry is implementing a programme without having truly analysed the issue of energy poverty ... it works because there's demand, but structured thinking about how to measure and reach the target is lacking.’

‘Ministerstvo implementuje program, aniž by mělo analyzovaný program energetické chudoby... Funguje to, protože je to po tom poptávka, ale nemyslím si, že tam dochází k hodně strukturovanému uvažování o tom, na koho to přesně měřit a jak to k němu dostat.’

While acknowledging that high demand from relatively accessible target groups (e.g., middle and upper classes) has driven the programme's success, one interviewee warns that, as demand is saturated, the Ministry will need to define energy poverty more precisely rather than taking ‘the easiest route’ (i.e. there will eventually be a need to

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the MIT network could volunteer to become advisors for the New Green to Savings and New Green to Savings Light programmes. These advisors from the EKIS network then receive funding in the New Green to Savings Light programme from resources distributed by the State Environmental Fund.

<sup>53</sup> Ministry of Industry and Trade, National Recovery Plan ([Národní plán obnovy](#)).

<sup>54</sup> A Local Action Group (LAG) is a community of citizens, non-profit organisations, private businesses, and public administration (municipalities, associations of municipalities and public authorities) that is independent of political decision-making and cooperates in rural development, agriculture and obtaining financial support from the EU and national programmes for its region using the LEADER method. The basic objective of the LAG is to improve the quality of life and the environment in rural areas. One of the tools is also the active acquisition and distribution of subsidies. The LAG's area of application has a population of 10,000 to 100,000 inhabitants and towns with a maximum of 25 000 inhabitants (the population for the 2020-2027 programming period is assessed as of 1 January 2019). The LAG's area of application is integral, with no isolated territorial units (with the exception of already approved territorial changes). A municipality may be within the territorial scope of only one LAG. More information available [here](#) in Czech.

define energy poverty and include this in the programme's eligibility requirements). Despite these criticisms, the interviewee notes positively that the Ministry has repeatedly evaluated and adjusted the programme to help better align it with the groups identified as vulnerable by external studies<sup>55</sup> (e.g., families with children, single parents, senior households). This responsiveness is viewed as a beneficial aspect of the programme's development.

There are ongoing efforts by the Ministry of Industry and Trade to establish a clear definition of energy poverty and vulnerable households. This emerging framework will distinguish between the 'energy poor'—a narrow group in acute need of aid—and the 'energy vulnerable', a broader group requiring different forms of support. One interviewee added:

'We believe [energy poverty] should be a very narrow group that is in acute need of assistance ... We're also working on a definition of vulnerable households that are moving towards energy poverty but need a different kind of assistance than the energy poor.'

'Považujeme, že by to měla být velmi úzká skupina, která akutně potřebuje pomoc... Dále pracujeme na definici zranitelných domácností, které se posouvají k energetické chudobě, ale potřebují jinou pomoc než energeticky chudí.'

The Ministry's approach considers income deciles and energy expenditures and seeks to avoid conflating energy poverty with broader economic definitions of poverty used by the Ministry of Labour and Social Affairs.<sup>56</sup> A balanced definition that all sectors can endorse is being developed by a task force established under the Ministry of Industry and Trade that has an advisory mandate and is comprised of the government, nonprofits, and academic stakeholders. The final definitions of energy poverty and energy vulnerability are anticipated by the end of 2024, with the potential to be incorporated into the Energy Management Act (Act No. 406/2000).

Two interviewees highlighted the **critical exclusion of tenants from the New Green to Savings programmes**, emphasising a structural gap in accessibility for those in rental housing. One of the two interviewees, referencing an analysis conducted with Hnutí Duha - Friends of the Earth Czech Republic and the Platform for Social Housing,<sup>57</sup> noted that the current programme framework overlooks rental housing, which represents a significant demographic in need of energy efficiency support. This issue is not unique to

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<sup>55</sup> Klusáček, J. et al. (2022), Energy Poverty and Its Solutions ([Energetická chudoba a její řešení](#)).

<sup>56</sup> For the most definition of energy poverty by the Ministry of Labor and Social Affairs see [here](#).

<sup>57</sup> Klusáček, J. et al. (2022), Energy Poverty and Its Solutions ([Energetická chudoba a její řešení](#)).

the Czech Republic, according to this interviewee, as comparable systems in other countries also lack adequate support for rental housing.

The other of the two interviewees further underlined this gap, noting that while New Green to Savings Light provides ex-ante funding to assist vulnerable groups, it still fails to reach tenants, thus weakening its focus on the most vulnerable. They stated,

‘People who own a house and have property have the opportunity to do something. On the other hand, people in rental accommodation are out of luck ... New Green to Savings Light is still insufficient.’

‘Lidé, kteří vlastní dům a disponují majetkem, mají možnost něco dělat. Naopak lidé, kteří jsou v nájemních bytech, mají smůlu... Bohužel Nová zelená úsporám Light je ještě nedostatečná.’

Another interviewee discussed the programme’s eligibility framework, which primarily targets low-income groups through the receipt of specific social benefits, citing administrative simplicity as an advantage. However, the interviewee noted that some groups, particularly individuals on second- and first-degree disability pensions, often express interest but are ineligible. Although no other interviewees mentioned these groups, the same interviewee suggested that extending eligibility to these disability pensioners could be beneficial. They added that the majority of applicants are retirement pensioners, estimated at around 90% of clients of energy counsellors, with fewer applications from families receiving child or housing benefits. Some households with economically active pre-retirement individuals or those with a mix of senior and economically active members also seek assistance but frequently fail to meet programme criteria.

These insights reflect a broader need to refine programme criteria and address accessibility gaps, especially for tenants and certain low-income groups who currently fall outside the eligibility thresholds.

Another interviewee raised concerns about the **broad inclusion of seniors as a targeted group within the New Green to Savings Light programme**. They note that while seniors represent a diverse group with varying income levels, the current approach assumes universal financial need among them, despite data indicating that senior incomes are increasing, even as income poverty affects certain subgroups. In fact the Czech Statistical Office reports<sup>58</sup> that in 2022, 10.2% of the Czech population was below the income poverty threshold, with single senior households disproportionately affected (37.8%

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<sup>58</sup> Czech Statistical Office (2023), Data on Seniors - 2023 ([Senioři v ČR v datech – 2023](#)), 5 December 2023.

below the poverty line). For individuals over 65, housing costs accounted for more than 40% of income in 19.2% of single-person households, while only 2–3% of two-person senior households faced similar burdens given their shared income sources.

In fact, data obtained from the State Environment Fund<sup>59</sup> show that in the current call for proposals 79,426 out of the 85,334 (i.e. 93%) applicants for the New Green to Savings Light programme were people over the age of 55, and 76,878 out of the 85,334 (i.e. about 90%) were people with an old-age pension.

Some unexpected findings from the New Green to Savings Light programme were found: despite financial caution among seniors, some were willing to invest in high-cost solutions like heat pumps, which was not anticipated in the programme's market assessment. This observation, one interviewee argued, underscores the need for more nuanced targeting. The interviewee supported the recent introduction of a means test for senior households as a condition for eligibility, starting in the August and September 2024 calls.<sup>60</sup> In explaining this shift, the interviewee emphasised that some wealthier seniors, who own their homes outright without mortgage obligations, could be financially better off than younger families with children who may have low earnings despite dual incomes. They remarked:

‘We questioned whether it was right to label all pensioners as poor because a young family with children, even if both are working, may have low wages due because of their qualifications or because they live in a region with lower wage levels. Such a family can often be worse off than someone whose salary was high salary and, accordingly, so is their pension, while they own their home and thus are not paying a mortgage.’

‘Zpochybňovali jsme, že je správné šmahem označovat všechny starobní důchodce za chudé, protože mladá rodina s dětmi, i když oba pracují, může mít nízké mzdy kvůli své kvalifikaci nebo životu v regionu s nižší mzdovou úrovní. Taková rodina může být často v horší situaci než někdo, kdo měl vysoký plat, a podle toho i důchod, a zároveň bydlí ve vlastním, takže neplatí hypotéku.’

While acknowledging that some senior households genuinely benefit from support, the interviewee advocated for refining the eligibility criteria to ensure that aid reaches those most in need. They endorsed the programme's focus on households receiving housing benefits or families with children as beneficial and unproblematic.

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<sup>59</sup> Data obtained by FRANET upon request from the State Environment Fund.

<sup>60</sup> This requirement specifies that applicants and household members must be retirement pension recipients who do not own additional properties.

## 3.2. Impact

The interviews reveal a consensus on the **positive impacts of energy efficiency** programmes, both for enhancing quality of life and for contributing to environmental goals, while they also highlight limitations in inclusivity and accessibility. One interviewee noted that their experience with clients in severely degraded housing demonstrates the tangible benefits of energy efficiency measures. They recounted cases where clients in homes with basic, almost inhabitable conditions (such as dirt floors and pest issues) have benefitted from window replacements and insulation installations, which markedly improved living conditions. They observed that renovations within the Light version of the programme often result in a direct improvement in comfort and quality of life for people:

‘The vast majority of clients always tell me that it's a real change when they've implemented insulation, so they're happy and satisfied.’

‘Naprostá většina klientů mi vždy říká, že je to skutečná změna, když realizovali zateplení, takže jsou šťastní a spokojení.’

Another interviewee underscored the positive social impact, particularly for retirement pensioners, who would be able to replace windows, install solar water heaters, and save energy, although details on specific benefits like cost savings and health improvements are omitted. They noted that the programme saved substantial energy and reduced CO2 emissions. In programmes such as Repair Your Grandmother's House, they mentioned that dilapidated houses are replaced with new, energy-efficient buildings, acknowledging both social and environmental gains, although specifics on social impacts are lacking.

From a broader perspective, programmes like New Green to Savings (and its variations) inspire shifts in public attitudes towards energy efficiency, encouraging the adoption of sustainable practices. However, in order to foster a true energy transition, these programmes must extend beyond middle-income households to include lower-income groups across the Czech Republic. As one interviewee stated:

‘The energy transformation will not happen if it is driven only by middle-income people. If we don't empower all people of all incomes and from all backgrounds to break free from fossil fuel dependence, we won't get anywhere ... We could certainly use a lot of elements from the New Green to Savings to translate that into something that helps people outside the middle-income class.’

‘Energetická transformace se nebude dít, pokud ji potáhnou jen středně příjmoví lidé. Pokud nedáme možnost všem lidem všech příjmů a ze všech končin zbavit se závislosti na fosilních palivech, nepohneme se... Určitě bychom mohli využít spoustu prvků z Nové zelené úsporám, abychom to přetransformovali v něco, co pomůže i lidem mimo střední příjmovou třídu.’

They advocated for integrating social impact into every aspect of the energy transition to ensure it reaches marginalised populations as well.

In summary, while interviewees recognise the significant quality-of-life improvements and environmental benefits resulting from energy efficiency initiatives, they also highlight the need for these programmes to be more inclusive, with a stronger focus on social equity to achieve a comprehensive energy transformation.

Energy efficiency programmes like New Green to Savings and New Green to Savings Light are designed to reduce emissions and energy costs, but various interviewees reported **unintended negative impacts** resulting from the **programme’s dynamics and some participating companies’ profit-driven approaches**. These issues range from rising construction costs to subpar installations and misuse of funds, which limit the intended benefits for residents.

One unintended consequence that was highlighted is the increase in building material and service costs associated with the financial support programmes. One interviewee noted that the financial support provided by the programmes increases overall costs, implying that the subsidies are indirectly driving up demand and, consequently, the prices of reconstruction services and materials. The Ministry of Environment has attempted to address this by coordinating with expert stakeholders and suggesting responsible funding amounts for each renovation type, but rising costs remain a challenge.

Inconsistent quality and poor execution of renovations are also frequently mentioned, especially in connection with the Light version. An interviewee reported that some firms were carrying out poor quality renovations or were imposing renovations and measures on applicants that they did not need, such as installing boilers that exceeded the property’s needs. In response to this exploitation by certain contractors, the State Environmental Fund has implemented additional control measures to curb poor quality work, attempting to protect programme recipients from inadequate installations and unnecessary expenses. Programme support measures, according to this interviewee, are overly generalised and not always suitable for the specific needs of vulnerable groups. According to another interviewee, the lack of co-financing in the Light version of the programme means that residents often do not consider whether given installations are necessary or the ones they need. This is partly because they are not investing their own

money in the renovations and may lack the necessary knowledge to assess them. As they explained:

‘The company [implementing the renovation] doesn’t care because the state is going to pay for it, and the residents don’t care because they aren’t contributing financially and they aren’t entirely able either [to assess the renovation].’

‘Firmě je to jedno, protože to zaplatí stát, a obyvatelům je to také jedno, protože na to finančně nepřispívají a ani nejsou zcela schopni [rekonstrukci posoudit].’

An interviewee pointed out another issue: the tendency of the New Green to Savings and New Green to Savings Light programmes to favour specific technologies, such as heat pumps or photovoltaics, without always assessing the unique needs of each household. Even if the systems installed are high quality, they may not deliver the expected benefits if they are not aligned with the house’s overall energy requirements. The interviewee described how even if the owners get good quality heat pumps and have an insulated house, this may not bring the effects they expected, and they may be disappointed. This disconnect not only affects homeowners but also means that the programmes may fall short of achieving their intended environmental benefits.

Some companies have also taken advantage of subsidy levels to install photovoltaic systems with minimal upfront costs for households, but this approach raises questions about installation quality. Another interviewee highlighted that under New Green to Savings Light some photovoltaic installations were covered at 100% of the price level without self-financing, which opened the door for companies interested only in quick profits to install poor quality and non-functional technologies.

One interviewee provided additional insight into unethical practices by contractors,<sup>61</sup> particularly in water heating installations. They noted that while the idea of subsidising water heating was promising because it could reduce energy costs for households, profit-focused companies emerged, leading to substandard work. As they explained, companies that were only interested in making a profit began to emerge, prompting the State Environmental Fund to tighten requirements to ensure the installations were truly

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<sup>61</sup> So-called ‘energy scammers’ (energošmejdi in Czech) are energy brokers, energy companies, and construction companies that engage in unfair practices towards customers, offering unrealistically low prices for energy or energy-efficient construction projects that are ultimately not implemented or only with a very small percentage of customers. They often target low-income households or people who have lower energy literacy and overall lower ability to assess the situation. However, they are not exclusively affected, and these practices have reached wider sections of society since the so-called energy crisis. For media accounts, see New ‘energy scam’ on the market, warn big suppliers ([Na trhu se objevil nový ‘energošmejdi’, varují velcí dodavatelé](#)), Seznam.cz, 1 June 2020.

beneficial. This, however, came at the cost of adding more complexity to the programme:

‘The conditions had to be tightened, which led to some of the simplicity of the programme being lost.’

‘Podmínky se musely zpřísnit, což vedlo ke ztrátě určité jednoduchosti.’

Additionally, the same interviewee recounted an example of firms using outdated, inadequate technologies to maximise profits:

‘They installed systems where people had to unplug and move the water heater when the sun stopped shining. These are completely inadequate solutions that are unthinkable today.’

‘Instalovali tam systémy, kde si lidé museli vyndat a přendat bojler ze zásuvky, když přestalo svítit. To jsou zcela neadekvátní věci, které jsou dnes nemyslitelné.’

This reliance on obsolete technology not only reduces the programme’s effectiveness but also inconveniences homeowners, undermining the programme's objective to provide easy-to-use, sustainable energy solutions. These insights underscore the need for stronger regulatory measures and clear quality standards to ensure that energy efficiency programmes genuinely benefit households and the environment, rather than serving as profit opportunities for unethical companies.

The interviews reveal various **unintended negative impacts of energy efficiency renovation programmes on social housing policy**, particularly for marginalised and senior populations. Concerns arise about the long-term value of renovations funded with public money, especially when these improvements may ultimately benefit inheritors rather than the intended residents (who are older persons). For instance, one interviewee criticised public support for senior housing renovations, highlighting that public funds are being used to renovate houses in which the owner will live for a relatively short amount of time, and then the property is often inherited by younger generations who may profit by selling it at a higher value. They suggested it might be more effective to support older residents directly by covering their energy costs for a period of ten years, rather than funding structural improvements that only temporarily benefit them:

‘If [older residents] were guaranteed that the state would pay for their energy for ten years, then maybe it would still work out cheaper than the insulation and measures in the New Green to Savings Light.’

‘Kdyby se [starším obyvatelům] garantovalo, že jim stát bude deset let platit energie, tak by to možná pořád vyšlo levněji než zateplení a opatření v programu Nová zelená úsporám Light.’

The programme’s effects on socially excluded localities also raises questions. The same interviewee noted that renovations in marginalised neighbourhoods may inadvertently entrench social exclusion rather than alleviate it. He described a typical locality as one that is isolated or located near industrial zones, such as areas ‘behind the station’ or near factories, where even a renovated property might remain stigmatised. This may worsen social isolation rather than integrate residents into the wider life of the community:

‘A typical name for such a locality is ‘behind the railway station’, where there is essentially a single residential building or lodging house, and where, from a long-term social integration perspective, carrying out renovations does not make sense, as it is purely an industrial area. (...) So it is not an entirely straightforward question; in some cases, making use of these subsidies may actually exacerbate the problem, because people will have better-quality housing in a completely unsuitable location that will never become de-stigmatized — if you live behind the railway station next to a factory.’

‘Typickým názvem lokality je ,za nádražím’, kde se v podstatě nachází jednotlivý bytový objekt nebo ubytovna a kde ani z dlouhodobého hlediska sociální integrace nemá smysl provádět rekonstrukce, protože se jedná o čistě průmyslovou část. (...) Takže to není zcela jednoduchá otázka; někde může využívání těchto dotací znamenat zhoršování problému, protože lidé budou mít kvalitnější bydlení na zcela nevhodném místě, které nikdy nebude nestigmatizované — pokud bydlíte za nádražím vedle továrny.’

Additionally, tenants, who are a significant part of vulnerable groups, cannot benefit directly from these subsidies, as they lack ownership of the properties being renovated. One interviewee advocated for an approach that would focus on incentivising or pressuring landlords to improve the energy efficiency of their rental properties:

‘Essentially, it is necessary to put pressure on building owners. This pressure will also come from legislation: the new directive on energy performance will compel owners — whether of apartment buildings, family houses, or public buildings — to take action regarding these properties, so there will be external pressure on people as well.’

‘V zásadě je nutné tlačit na vlastníky budov. Tlak na ně vyvine také legislativa: nová směrnice o energetické náročnosti donutí vlastníky – ať už bytových či

rodinných domů, nebo veřejných budov – něco s těmito budovami udělat, takže tlak na lidi bude působit i zvenčí.’

This approach would potentially ensure that rental properties are also upgraded, making improvements accessible to lower-income tenants.

These interview insights suggest that while energy efficiency programmes are well-intentioned, there is a need for policy adjustments to more effectively address the needs of different demographic and economic groups, preventing unintended effects that can reinforce social disparities rather than alleviate them.

### 3.3. Information, communication, and social acceptability

Several interviewees discussed the challenges and barriers associated with the **availability and accessibility of information** related to the New Green to Savings Light programme, particularly with regards to its **full digitalisation**. They highlighted issues surrounding the technology requirements and the language used in public communications, which could exclude certain groups. Two interviewees expressed concerns about the fully digital application process, particularly the challenges it posed for applicants without access to necessary technology, such as computers, smartphones, or internet access. While the one interviewee noted that the situation has stabilised over time with the support of experienced advisors who assist applicants in overcoming these technological gaps, the other interviewee pointed out that this digital requirement could negatively affect older people, a group potentially less familiar with online applications. They also emphasised that while information is disseminated through various channels, such as the Ministry of Environment’s website, social media, and television, the digital-only submission remains a significant barrier for those lacking technological skills or equipment.

Based on another interviewee, the Ombudsperson’s office has raised concerns regarding the Ministry of the Environment’s decision to mandate only electronic submissions for the New Green to Savings and New Green to Savings Light subsidies, despite the lack of any legal obligation to do so. The Ombudsperson notes that both paper and electronic applications are permissible under the Czech Administrative Code.<sup>62</sup> Since 2022, the Ombudsperson has received a total of 23 complaints related to

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<sup>62</sup> [Act No. 500/2004 Coll., Administrative Code.](#)

these programmes, two of which specifically addressed the full digitalisation of the application process (the other complaints were of technical nature). One complaint raised the issue of digitalisation itself, while the other focused on the mandatory use of an electronic identification tool, such as an electronic ID card or bank identity. However, neither complaint provided a legitimate reason for discrimination against applicants. Nevertheless, the Ombudsperson has recently initiated an own-initiative investigation on the topic of digitalisation. This investigation, focusing on access to the programme, is currently in the stage of preliminary conclusions.

Despite these concerns, earlier interviewees have emphasised that counsellors are available to assist applicants with the electronic application process, including providing physical help to those struggling with the digital format. This support system aims to mitigate the challenges posed by the fully digital nature of the application process, particularly for those without the necessary technology or digital skills.

The issue of communication was also raised by another interviewee, who questioned the **effectiveness of the programme's marketing efforts** at reaching and engaging those in real need, such as lower-income property owners or tenants. This view was echoed by another interviewee, who noted that communication campaigns often use technical language, like 'decarbonisation', that is unlikely to resonate with vulnerable groups, especially those in socially excluded areas. This indicates a gap between the programme's message and the specific needs of its target audiences. Similarly, another interviewee emphasised the need for more tailored information campaigns that effectively address myths about energy efficiency and clarify the role of different types of property owners and tenants in the energy transformation process.

On the other hand, an interviewee highlighted the role of advisors and local information networks, such as the EKIS advice points and Local Action Groups, which work to bridge the gap in communication and assist in disseminating programme details at the local level. Despite some complaints about the overload on regional contact lines, they noted that the programmes were widely accepted, evidenced by the increasing number of applications. The focus here was on the importance of maintaining a direct, localised communication approach to ensure accessibility.

The views on information availability and accessibility presented by the interviewees reflect a mix of optimism and concern. On the one hand, there is recognition that the digitalisation of the application process has become more manageable over time with advisor support and the availability of additional resources. On the other hand, there is a shared concern that certain groups, particularly older persons or those in socially excluded regions, remain at a disadvantage as a result of the digital divide and the use of inaccessible or overly technical language in the programme's outreach efforts. Most

interviewees agree that while the programmes are well-known and have a positive public image, their effectiveness could be significantly improved with better-targeted communication strategies and more inclusive information dissemination methods.

A promising example could be the educational television series 'Šetrný a Platil' (Mr. Saver and Mr. Payer), broadcast on Czech Television in September 2024, which simplifies energy-saving solutions for homes in an engaging and accessible way. Organised in collaboration with the State Environmental Fund of the Czech Republic and the New Green for Savings programme, the six-episode series highlights practical measures like insulation, heat pumps, and solar panels. Hosts Mr. Saver (Šetrný) and Mr. Payer (Platil) visit renovated, energy-efficient homes across the country, demonstrating cost savings and environmental benefits. Featuring insights from energy experts and homeowners, the show illustrates the tangible financial and ecological impacts of energy-saving renovations.<sup>63</sup>

### 3.4. Stakeholder engagement and participation

Stakeholder participation in the programmes reveals **varying levels of engagement and effectiveness in communication**, with some interviewees highlighting concerns about the **inclusivity of the processes and the limitations in feedback mechanisms**. Several interviewees discussed the lack of formal channels for feedback, as well as the lack of sustained and harmonised communication, especially for energy consultants. One interviewee emphasised that consultants do not have any direct channel to provide feedback to the State Environmental Fund or the Ministry of Environment. This contrasts with the experience of another interviewee, who praised the participatory process for the New Green to Savings and New Green to Savings Light calls, noting that the State Environmental Fund facilitated discussions of technical areas and issues within working groups, allowing for productive exchanges.

While two interviewees described limited clarity regarding the inclusion of relevant stakeholders, one interviewee noted more structured involvement of technical bodies like the Ministry of Industry and Trade in the working groups. This technical cooperation is seen as functional, emphasising the importance of energy savings and new energy sources, which contrasts with the concerns raised by one of the two interviewees about

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<sup>63</sup> Further information is available on the website of the New Green to Savings website [here](#).

the uncertainty regarding the new platform for the Modernisation Fund saying that it was unclear how exactly this platform would function and who the members will be.

On the issue of **inclusivity**, the interviewees agreed on the importance of non-discrimination across ownership types. An interviewee clarified that no single-family or apartment building owner is excluded from the programme:

‘No owner of a family or apartment building is excluded from receiving a subsidy. There is always some form of support, whether larger or smaller, depending on which category they belong to.’

‘Žádný vlastník rodinného či bytového domu není vyloučen z možnosti čerpat dotaci. Vždy existuje nějaká forma podpory, ať už větší či menší, podle toho, do jaké skupiny spadá.’

This aligns with another interviewee, who also stressed that the Light programme option includes low-income groups, ensuring broader access to the subsidies.

The programmes’ inclusive nature is also apparent from data obtained from the State Environment Fund,<sup>64</sup> according to which in the current call for proposals for the New Green to Savings (since 9 January 2023) a total of 248,099 applications had been submitted by 9 August 2024, of which 241,305 were for family houses (the rest for apartment buildings). The number of approved proposals was 225,733, signifying an approximately 94% success rate. In the case of the Light version of the programme the success rate is similarly high. Since the beginning of the current phase of proposals (14 November 2022), the programme had received 85,334 applications by 9 August 2024. Of these, 79,290 applications were successful, representing an approximately 93% success rate.

In terms of stakeholder collaboration, one interviewee emphasised the value of sectoral associations in ensuring that the conditions set by the programmes are realistic and feasible. However, another interviewee highlighted the challenge of political pressure to push calls forward before all feedback is fully incorporated. They noted that this rush often results in calls being issued with controversial and incomplete conditions, which can complicate collaboration and limit the opportunity to address comments and suggestions. They emphasised that launching calls too quickly—without finalising all the details—can potentially compromise inclusivity if the issues are left unresolved.

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<sup>64</sup> The data are not publicly available and were shared with FRANET upon request.

In summary, while some interviewees view the participatory processes as functional, with structured stakeholder involvement and clear efforts towards inclusivity, others point to the lack of feedback channels for certain stakeholders and concerns about the speed of political decision-making, which can undermine the thoroughness of the process. Despite these challenges, there is a general agreement that the programme seeks to be inclusive, particularly with respect to property ownership and income levels, but the need for compromise and mediation in discussions often leads to complex dynamics.

### 3.5. Governance and accountability, data and monitoring

The New Green to Savings is a long-term programme that has seen changes in its funding sources. Originally the funding source was the National Recovery Plan,<sup>65</sup> where milestones and targets were set for energy savings and CO2 savings, and since last year the programme has been funded by the Modernisation Fund,<sup>66</sup> where time-defined milestones/targets are not defined and the result will be reported for the overall period.

The State Environmental Fund collects specific data through an agenda programme, the data are passed on to the Ministry, which processes it for further use. With respect to the New Green to Savings, the data<sup>67</sup> include details on the type of dwelling (house or apartment building), the region of the applicant, and the number of applicants who received bonuses aggregated by region. The data on the Light version include details on the number of applicants by eligibility criteria (number of persons who receive a third-degree disability pension, child benefits, housing benefits, old-age pension), age (18–29 years, 30–54 years, 55 years and older), and gender (men, women).

The programmes are implemented by the Ministry of the Environment and the State Environmental Fund of the Czech Republic. The implementers are accountable to the Government of the Czech Republic, affected EU programmes, the Modernisation Fund, and the Recovery and Resilience Facility through the National Recovery Plan.

From January 2024, building savings banks are providing subsidy advice on New Green to Savings. At branches of building savings banks, applicants can get all the information

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<sup>65</sup> Ministry of Industry and Trade, National Recovery Plan ([Národní plán obnovy](#)).

<sup>66</sup> State Environmental Fund, [Modernisation Fund in the Czech Republic](#).

<sup>67</sup> The data were shared by the State Environment Fund with FRANET upon request.

and advice on what savings measures are suitable, how to apply for a subsidy, and what kind of loan is available for the subsidy.

The State Environmental Fund, responsible for data collection on the programmes, provides annual reports to stakeholders, including the European Commission and the European Investment Bank. However, interviewees highlighted several **challenges with accountability and data transparency, particularly around social impact and data sharing**. One interviewee expressed concern that, because these programmes are not primarily funded by EU sources, they lack a

‘...a robust and well-developed information structure, like that found in other operational programmes, where indicators can be addressed.’

‘...taková robustní a propracovaná informační struktura, jaká je například u jiných operačních programů, kde je možné řešit indikátory.’

As a result, it is challenging to assess the contributions of these programmes to green transition goals, and they are in certain aspects described as ‘black boxes’ that hinder visibility. Complex evaluations are lacking.

**Data collection** currently focuses on energy intensity reduction, CO<sub>2</sub> savings, and some demographic metrics, like age and gender, particularly for beneficiaries of New Green Savings Light according to one interviewee. However, interviewees noted that vulnerable groups are often overlooked as a result of **limited tracking of income or social status**. Another interviewee underscored the lack of an official definition of energy poverty in the Czech Republic, explaining,

‘Energy poverty is a tough one because there is no definition. That is why we report New Green to Saving Light as a tool that helps to address energy poverty.’

‘Energetická chudoba je oříšek, protože neexistuje definice. Proto vykazujeme Novou zelenou úsporám Light jako nástroj, který přispívá k řešení energetické chudoby.’

This gap limits the programme’s ability to systematically target and support low-income households.

Additionally, political barriers affect data availability. One interviewee noted that requests from the Ministry of Regional Development for programme data were denied because of concerns the data would be ‘misused in a political fight’ (00:07:13, p. 20).

This lack of transparent data sharing further impacts accountability and public understanding of the programmes' social impact.

**Complaints handling** within these environmental programmes is generally managed through the State Environmental Fund's main offices or regional branches. Yet, there are challenges in the transparency and clarity of the process. One interviewee indicated that clients of energy counselling services often inquire about filing complaints, especially following application rejections, though they were not informed about the formal complaint handling or resolution process. The interviewee admitted, however, that they have no information about how the complaint mechanism works or how to file a complaint.

Applicants who have submitted a formal application are assigned a project manager, to whom complaints can be directed, whereas potential applicants can approach regional offices according to another interviewee. However, the process lacks public records or structured statistics on complaints related to specific programmes. A different interviewee mentioned complaints about the digitalisation of the application process and unresolved disputes with private photovoltaic companies that failed to fulfil installation contracts. In these cases, the State Environmental Fund advised applicants to change contractors, but was otherwise unable to intervene directly in third-party arrangements.

No instances of court cases related to these environmental programmes were reported, as an interviewee noted that complaints do not typically escalate to the Ministry of Environment or result in litigation.

Despite the noted gaps, the interviewees highlighted certain **promising practices** within these environmental programmes that could serve as models for broader application. The New Green to Savings Light programme, for instance, tracks demographic information on age and gender and has targeted support for pensioners and individuals with disabilities. The information is afterwards reflected in any update of the programme or policies. This approach could be expanded to include additional social metrics, helping to ensure a wider range of vulnerable groups benefit from these programmes.

An interviewee emphasised the potential of a unified definition of energy poverty to improve programme delivery:

'A single definition will make life easier for colleagues by having one definition to work with. They can also add another condition there to broaden the group of people.'

‘Jednotná definice zjednoduší kolegům život tím, že budeme mít jednu definici, s níž se dá pracovat. Mohou si tam také přidat jinou podmínku, aby rozšířili skupinu lidí.’

Additionally, the programme’s approach of reporting data annually to the Ministry of Industry and Trade aligns with national energy efficiency goals. As this interviewee pointed out, these programmes contribute to fulfilling the Czech Republic’s EU commitments on energy savings. Through regular data submissions, the Ministry can track progress and allocate resources more effectively, which may serve as a template for accountability in other regional or state-funded programmes.

Overall, there are opportunities to build a more inclusive, data-driven approach that addresses both environmental and social goals effectively, strengthening the impact of these initiatives on diverse community groups.

## 4. Conclusions and key recommendations

The New Green to Savings and New Green to Savings Light programmes have shown **significant success in advancing energy efficiency and addressing energy poverty** in the Czech Republic. Both programmes are highly regarded for their dual impact on environmental goals and social equity, especially in response to the recent energy crisis. However, interviewees highlighted several critical areas for improvement that could enhance these programmes' effectiveness and inclusivity.

Interviewees widely acknowledged the New Green to Savings Light programme as a **timely and much-needed intervention**, particularly during periods of higher energy costs. Some even described the programme as 'a lifeline' for low-income households who otherwise would not have the means to invest in energy-efficient renovations according to one interviewee. Meanwhile, another interviewee noted that the Light programme specifically tackles the immediate financial pressures the energy crisis has created for vulnerable households.

Despite its successes, several stakeholders noted limitations in the programme's reach and structure. For instance, one interviewee pointed out that while homeowners benefit greatly, the **programme fails to address the needs of renters**, who make up a significant portion of the energy-poor population. This exclusion limits the programme's effectiveness in achieving broad social equity. Another interviewee also observed that two-thirds of energy-poor households are renting, meaning the **current homeowner-focused model potentially overlooks a substantial portion of the vulnerable population**.

Another recurring theme was the impact of rapid political decisions on programme calls, which sometimes forced initiatives forward without fully incorporating all stakeholder feedback. There was broad consensus that future calls should prioritise comprehensive feedback loops to refine eligibility and targeting criteria, particularly for socially vulnerable groups.

The following recommendations emerged from these discussions:

- **Refine Eligibility Criteria**

Interviewees widely recommended broadening the eligibility criteria to encompass renters, a group currently excluded despite representing a substantial portion of energy-poor households. Several interviewees pointed out that the current focus on homeowners neglects the fact that many low-income households are in rental accommodations, meaning they lack access to much-needed energy efficiency improvements. Expanding eligibility to include renters would address this gap and make the programme more inclusive, effectively extending its benefits to a larger and often more vulnerable population.

One suggested approach for addressing renters' needs without changing the programme's core focus on property ownership is to incentivise or even mandate landlords to make energy-saving renovations in their rental properties. This strategy could enhance inclusivity while preserving the programme's current structure.

Moreover, refining the definition of 'energy-poor households' within the eligibility criteria was seen as essential. Currently, there is no standardised approach to identifying energy-poor households in the Czech Republic, which limits effective targeting of resources. Several interviewees emphasised the value of having clear criteria to distinguish truly vulnerable households from others. The official definitions of energy poverty and vulnerable households, expected in late 2024, could provide a framework for creating more targeted eligibility standards, potentially incorporating specific income thresholds, social status markers, or geographic considerations that capture a fuller range of vulnerability.

- **Increase Inclusivity in the Application Process**

The fully digital application process may present slight accessibility challenges, particularly for applicants who are older persons or for low-income individuals who may lack reliable internet access or digital literacy. Two interviewees noted that this requirement has the unintended effect of excluding some of the most vulnerable applicants who cannot navigate an online-only process. While digital applications streamline processing, interviewees suggested introducing paper-based alternatives along with providing in-person assistance (which is already available) as essential steps to make the process more inclusive.

The Ombudsperson's office also raised concerns that digital-only applications may unintentionally discriminate against applicants without digital skills or resources. To address these barriers, interviewees recommended establishing additional application support centres where individuals could receive direct assistance with completing their forms, particularly in regions with high numbers of older residents or limited internet infrastructure. One interviewee suggested that such services could be provided by local

advisory groups or EKIS advice points, which already play a role in supporting applicants. This expanded approach to applications would ensure that the programme reaches a broader range of eligible households and particularly those who are digitally excluded.

- **Strengthen Quality Standards**

A consistent theme in interview feedback was the need for higher quality control standards among contractors performing energy-efficient installations. Two interviewees noted instances of subpar installations, including the use of outdated or inadequate technologies that fail to deliver the anticipated benefits to residents. These poor-quality installations not only fall short of the programme objectives but also risk undermining public trust in energy efficiency initiatives.

To address these issues, interviewees suggested implementing stricter quality control measures, such as requiring contractors to meet specific standards or undergo certification processes to participate in the programme. Ensuring that contractors provide appropriate, user-friendly solutions, rather than upselling unnecessary or misaligned technologies, would be a key step towards maintaining the programme's integrity and delivering lasting benefits to beneficiaries.

- **Diversify Funding Models:**

The current subsidy-based funding model, while effective in providing immediate financial relief, has limitations in terms of long-term sustainability. Interviewees highlighted that as demand for these programmes grows, reliance on subsidies alone may not be feasible in the future. An interviewee suggested exploring alternative funding methods, such as guaranteed loans or low-interest financing options, to supplement the existing subsidy structure (this is currently only available in the Repair Your Grandmother's House sub-programme). By introducing diversified funding models, the programmes could expand its impact without placing excessive strain on the budget.

Another interviewee pointed out that alternative financial instruments, like interest-free loans, would allow the programme to support a broader range of applicants, including those who may not meet the stringent requirements for full subsidies but still need assistance to improve energy efficiency. Additionally, these models could promote a more sustainable approach by encouraging households to co-invest in their energy-saving improvements, increasing the likelihood of long-term financial viability for the programme. Expanding funding options would help the programme reach more households and ensure continued support for energy-efficiency and poverty alleviation goals, even as the demand for green initiatives increases.

- **Broaden and Diversify Counselling:**

Recommendations for the further development of counselling services emphasise the importance of broadening their focus to better identify and assist at-risk households. Many of these households may not have the necessary awareness or ability to apply for available support independently. To address this gap, counselling services could be combined with social work to ensure that even the most vulnerable groups receive the help they need. This integration could foster a proactive approach, reaching those who might otherwise remain invisible in the system.

Currently, counsellors often lack specialised training to effectively communicate with individuals facing social exclusion or those with specific needs. Enhancing their training to include these skills would greatly improve the accessibility and quality of support provided. Coupling counselling services with the expertise of social workers would add another layer of support, ensuring that vulnerable individuals and households are guided through the process and empowered to access available resources.

## 4.1. Main effects

The interviews reveal broad support for the New Green to Savings and New Green to Savings Light programmes, which are seen as essential for both social welfare and environmental sustainability in the Czech Republic. The interviewees agreed that these programmes significantly alleviate energy poverty and reduce energy costs, while simultaneously enhancing quality of life and contributing to the country's emissions reduction goals.

One major effect, as discussed by an interviewee, is the **immediate improvement in living conditions** for low-income homeowners who would otherwise lack the resources for energy-efficient upgrades. This interviewee observed instances where clients living in homes with minimal, barely liveable conditions experienced significant improvements following basic upgrades, such as installing new windows and adding insulation. These renovations not only reduce heating costs but also contribute to residents' comfort and quality of life.

Beyond the individual benefits, the programmes are perceived as **symbols of progress in the green transition**. One interviewee emphasised that the programme enables the public to grasp climate issues and related policies in a concrete, daily context, promoting social acceptance of energy-efficiency efforts and advancing the broader objectives of

the Green Deal. Another interviewee further argued that the New Green to Savings initiatives play a key role in influencing public perception about the importance of energy transition, as middle-income households are more inclined to back green policies when they experience tangible benefits in their daily lives.

However, the programmes have also had **unintended consequences**. For example, an interviewee observed that the financial assistance provided through these programmes has boosted demand, which has, in turn, indirectly raised the costs of materials and services. This inflation could create barriers for future applicants and limit the programmes' reach. Additionally, some interviewees pointed out that certain programme-supported technologies, like photovoltaic systems, may not always align with the specific needs of applicants. Another interviewee explained that although heat pumps and solar panels are high-quality options, they may not meet expectations if they are not properly matched to the home's overall energy requirements.

The Light version of the programme, in particular, continues to have a notable impact on social housing policy, raising concerns about how effectively these initiatives benefit marginalised communities. One interviewee expressed concern that public funds used for renovations in social housing could inadvertently increase property values, potentially benefiting landlords or future inheritors rather than the current residents in need. For older persons, for example, it may be more effective to provide direct financial support for energy costs than to fund large-scale renovations that primarily benefit future owners. Furthermore, in socially excluded locations, programme-supported renovations can unintentionally reinforce isolation. The same interviewee noted that upgraded housing in stigmatised or industrially isolated areas often fails to integrate residents into the broader community, instead leaving them in areas with poor social or infrastructural connections. In these cases, the improvements may ameliorate living standards within the home but do little to address the broader exclusion experienced by residents in marginalised neighbourhoods.

## 4.2. Challenges and gaps

The most significant challenge identified is the **exclusion of renters**, who make up a considerable portion of energy-poor households. One interviewee highlighted that while property owners can take advantage of these subsidies, individuals in rental housing are completely excluded from energy-efficiency support, which undermines the programme's inclusivity. As this interviewee suggested, expanding eligibility to include renters—or implementing measures that incentivise landlords to make energy-efficient upgrades—could significantly extend the programme's impact.

Additionally, there is **no clear and unified definition of energy poverty** within the Czech Republic, complicating efforts to target the most vulnerable groups. Another interviewee noted that the lack of a standardised definition hampers the systematic identification and support of low-income households, thereby impacting the overall effectiveness of the programme. As the country continues to refine its energy policies, stakeholders see a unified definition as essential for ensuring that support reaches those most in need.

The **programme's fully digital application** process presents another challenge, particularly for applicants who are older persons and low-income groups without reliable internet access. An interviewee emphasised the potential of the digital-only submission requirement excluding certain groups, especially older people who may not be familiar with online applications. The Ombudsperson's office has also flagged the digital process as a barrier, suggesting that it disproportionately affects individuals without digital literacy or resources. It must be noted, however, that energy counsellors are available to physically assist applicants for whom the digital application process poses a challenge.

Lastly, interviewees raised concerns about the **quality of certain installations**. One interviewee mentioned that some contractors used substandard or outdated technology, leading to installations that fail to deliver the expected benefits. They cited instances of water heating systems that necessitate manual adjustments from users—an outdated approach that does not meet current standards. Interviewees recommended enforcing stricter quality standards to ensure that contractors deliver installations that are both efficient and user-friendly.

### 4.3. Lessons learned and good practices

Several lessons and promising practices emerged from the Czech experience with the New Green to Savings programmes. One major success is the introduction of **upfront funding in the New Green to Savings Light** programme, which has proven particularly effective in increasing **accessibility for low-income households**. An interviewee noted that by offering pre-paid funding, the programme allows applicants to move forward without the burden of upfront costs, leading to increased participation among vulnerable groups.

Another good practice is the continuous **adaptation of the programme to meet evolving societal needs**. One interviewee praised this flexibility, noting that the New Green to

Savings Light was launched as a direct response to the energy crisis, showcasing the programme's capacity to address urgent needs swiftly. This adaptability is widely viewed as a model for other energy-efficiency programmes, which often struggle to keep pace with changing conditions.

The **role of advisory support** has also been a key factor in the programme's success. Advisors, funded through the National Recovery Plan, assist applicants through each stage, from providing initial information to post-renovation support. Advisors are essential in bridging information gaps, especially for low-income applicants who may have limited experience with such programmes. This support system ensures that participants have access to reliable information and technical assistance, helping them make the most of available funding. The use of localised information campaigns and advisory centres, such as EKIS advice points, has also proven effective in reaching applicants at the community level. Some interviewees observed that by keeping communication direct and localised, the programme ensures accessibility and helps build a positive public image. These local networks are instrumental in promoting programme awareness and increasing participation, particularly among populations that may not be reached through centralised communication efforts.

## 4.4. Recommendations

The interviewees provided a range of recommendations to improve the implementation of the New Green to Savings programmes, addressing both structural and operational challenges.

- **Expand Eligibility to Renters:** Many interviewees suggested that the programme should be adapted to include renters, given that they make up a substantial portion of energy-poor households. An interviewee advocated for incentives or obligations that would motivate landlords to implement energy-efficient upgrades for the benefit of their tenants. This approach could make the programme more inclusive and ensure that energy-efficiency benefits extend to all vulnerable populations.
- **Refine Targeting Criteria:** Introducing a more nuanced definition of energy poverty could help the programme better identify and support those in genuine need.

- **Improve Access to Applications:** Making paper applications available or offering an increased amount of effective in-person application assistance would enhance accessibility, particularly for applicants who are older persons or low-income individuals without digital resources.
- **Enforce Quality Standards for Contractors:** Several interviewees recommended that the programme implement stricter quality controls to ensure that contractors deliver high quality outputs.
- **Expand Counselling Services:** Enhancing counselling services by integrating social work and specialised training for counsellors would help to better identify and assist at-risk households and individuals with specific needs and would improve accessibility, proactive support, and resource utilisation for vulnerable groups.

# Annexes

## Annex I. Design of the action

Information about the action	
<p><b>Objective</b></p> <p><i>Please include:</i></p> <ul style="list-style-type: none"><li>• Objective</li></ul>	<p><b>The New Green to Savings programme</b> focuses on supporting energy-saving measures in family and apartment buildings – from insulation to renewable energy sources to passive construction. It also covers adaptation measures in response to climate change such as the accumulation and use of rainwater and treated wastewater, the implementation of green roofs, etc.</p> <p>A sub-programme is the module <b>Repair Your Grandmother's House</b>, where households can receive up to CZK 1 million for the comprehensive insulation of a family house or holiday home and additional funds for other supported energy-saving measures such as the replacement of energy sources, the installation of photovoltaics, and more. The advantage is that they receive 100% of the entire subsidy upfront. In addition, families with children will receive a bonus of CZK 50,000 for each dependent child. At the same time, they will be able to use a soft loan from banks and building societies to cover the difference between eligible expenses and the subsidy paid, without having to pledge the property.</p> <p><b>The New Green to Savings Light programme</b> is intended for owners and co-owners of family houses, buildings for family recreation used for permanent housing, flats in apartment buildings or members of cooperative housing. Financial support for the energy-efficient renovation of a house from the New Green to</p>





<ul style="list-style-type: none"> <li>• Stakeholders involved</li> </ul>	<p>New Green to Savings also contributes to the implementation of fundamental international agreements: the UN Framework Convention on Climate Change and its Paris Agreement of 2020. The priority objective of the programme is to further reduce emissions of greenhouse gases and other air pollutants (including the reduction of PM<sub>10</sub> a PM<sub>2,5</sub>).</p> <p>The programme also helps in the environmental and economic spheres. By reducing CO<sub>2</sub> emissions, air quality is improved. Its economic benefits are also significant, as it increases the competitiveness of small and medium-sized enterprises and the number of job opportunities.</p> <p>State Environmental Fund, Ministry of Regional Development</p> <p>Building Saving Banks as advisory points for the New Green to Savings programme</p> <p>Local Action Groups<sup>68</sup></p> <p>Energy Consultation and Information Centres (EKIS) and Mobile Energy Consultation and Information Centres (M-EKIS)<sup>69</sup></p>
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<sup>68</sup> A Local Action Group (LAG) is a community of citizens, non-profit organisations, private businesses, and public administration (municipalities, associations of municipalities and public authorities) that is independent of political decision-making and cooperates in rural development, agriculture, and obtaining financial support from the EU and national programmes for its region using the LEADER method. The basic objective of the LAG is to improve the quality of life and the environment in rural areas. One of the tools is also the active acquisition and distribution of subsidies. The LAG's area of application has a population of 10,000 to 100,000 inhabitants and towns with a maximum of 25,000 inhabitants (the population for the 2020–2027 programming period is assessed as of 1 January 2019). The LAG's area of application is integral, with no isolated territorial units (with the exception of already approved territorial changes). A municipality may be within the territorial scope of only one LAG. More information available [here](#) in Czech.

<sup>69</sup> The EKIS Energy Advisory Service, Mobile EKIS and EnKo MAS is a free service for the public to promote the implementation of energy savings and renewable energy sources. It is aimed at citizens, public administration, businesses, and entrepreneurs, and the service is supported by the Ministry of

<p><b>Timeline</b></p> <p><i>Please include:</i></p> <ul style="list-style-type: none"> <li>• Timeline and duration</li> <li>• Milestones, reviews, amendments planned</li> </ul>	<p>2021 – 2030</p> <p>Both programmes are based on a specific financial allocation. Once the allocated funds are exhausted, the amount may be increased and, if necessary, the programme may be changed on the basis of practical experience. For example, the form of reporting by applicants, etc., may change, and a new sub-programme to New Green to Savings called Repair Your Grandmother's house was created. Other major adjustments in the calls were linked to changes in financial resources.</p> <p>Since the launch of the New Green to Savings Light programme in January 2023, 79,000 households have applied for the allocated CZK 9 billion for the renovation of family houses and the allocation was exhausted on May 23. The allocation from the Modernisation Fund was increased by CZK 3 billion and the reception of applications was reopened in June.</p> <p>Funding was also increased for the New Green to Savings programme. The allocation of funds was increased by CZK 10 billion from the Modernisation Fund. At the same time, for example, support for photovoltaics on family houses has changed, which will now be higher in combination with house insulation.</p>
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Industry and Trade. [Energy consultancy \(Energetické poradenství\)](#), webpages, in Czech. Advisors from the MIT network could volunteer to become advisors for the New Green to Savings and New Green to Savings Light programmes. These advisors from the EKIS network then receive funding in the New Green to Savings Light programme from resources distributed by the State Environmental Fund.



<ul style="list-style-type: none"> <li>• Bodies/units responsible for management, implementation, monitoring</li> </ul>	<p>and especially the receipt and evaluation of applications, and it also acts as the paying unit. The conceptual role and reporting to the EU and the government is carried out by the Ministry of the Environment. The Ministry of the Environment also negotiates the terms and conditions with the European Commission and the European Investment Bank for financing these programmes.</p> <p><b>Ministry of the Environment</b></p> <ul style="list-style-type: none"> <li>➤ <b>Environmental Economics Section (Sekce ekonomiky životního prostředí)</b></li> <li>➤ <b>Department of Financing the Decarbonisation of the Economy (Odbor financování dekarbonizace ekonomiky)</b> <ul style="list-style-type: none"> <li>• <b>Modernisation Fund and Energy Poverty Tools Unit</b> (oddělení Modernizačního fondu a nástrojů k řešení energetické chudoby)</li> <li>• <b>New Green to Savings and National Recovery Plan Financing Unit</b> (oddělení financování Nové zelené úsporám a Národního plánu obnovy)</li> </ul> </li> </ul> <p><b>State Environmental Fund of the Czech Republic<sup>70</sup></b></p> <ul style="list-style-type: none"> <li>➤ <b>Energy, Air and Climate Protection Project Implementation Section (Sekce realizace projektů energetiky, ochrany ovzduší a klimatu)</b></li> <li>➤ <b>Programme Management and Support Department (Odbor řízení a podpory programů)</b> <ul style="list-style-type: none"> <li>• <b>Programme Management Unit I</b> (Oddělení řízení programů I)</li> <li>• <b>Programme Management Unit II</b> (Oddělení řízení programů II)</li> </ul> </li> </ul>
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<sup>70</sup> See the [webpage of the State Environmental Fund of the Czech Republic](#).



<ul style="list-style-type: none"> <li>• Partnerships</li>   <li>• Collaborations</li> </ul>	<p>Environment, which processes it for further use.</p> <p>Government of the Czech Republic and relevant EU programmes (HOUSEnerg Modernisation Fund, Recovery and Resilience Facility through the National Recovery Plan).</p> <p>Implemented by the Ministry of the Environment and the State Environmental Fund of the Czech Republic.</p> <p>Since January 2024, building savings banks have been providing subsidy advice on New Green to Savings. Branches of building savings banks provide the information and advice on what savings measures are suitable, how to apply for a subsidy, and what kind of loan is available for the subsidy.</p>
<p><b>Funds</b></p> <p><i>Please include:</i></p> <ul style="list-style-type: none"> <li>• Budget available for the action</li>   <li>• Funding sources, (including administrative level)</li> </ul>	<p>CZK 74 billion + approximately CZK 32 billion from emission allowances</p> <p>New Green to Savings Light: is funded by the Modernisation Fund's HousENERG programme, which draws on the monetisation of emission allowances in the EU ETS for the period 2021–2030.</p> <p>New Green to Savings: From 2014 to 2021, the programme was funded by a share of the proceeds from the sale of emission allowances from the European Union Allowance (EUA) and European Union Aviation Allowance (EUAA).</p> <p>Funding sources from 2021 onwards:</p>

<ul style="list-style-type: none"> <li>• Information on fundamental rights conditionalities if any</li> </ul>	<ul style="list-style-type: none"> <li>- EU Recovery and Resilience Facility (RRF) through the National Recovery Plan (CZK 19 billion)</li> <li>- Modernisation Fund established by the European Commission (HOUSEnerg programme, CZK 55 billion) – to 2023</li> <li>- Share in the proceeds of the auctions of EUA and EUAA emission allowances under the EU ETS (approx. CZK 4 billion/year)</li> </ul> <p>New Green to Savings Light is aimed at supporting low-income households. There are no other conditions.</p>
<p>Other aspects to be considered</p>	<p>-</p>