



# Spain

## EEOS and Energy Efficiency National Fund



**Responsible authority: MITECO (Ministry for the Ecological Transition)**

**Managing authority: IDAE (Institute for Diversification and Saving of Energy)**

### History, current targets and results

The energy efficiency obligation scheme (EEOS) has started in July 2014. The annual obligation is calculated considering the total Article 7 target for Spain, minus the savings achieved from the alternative measures that complemented the EEOS.

Annual targets have been set to 131 ktoe/year for 2014, and 262 ktoe/year for 2015-2019 (new final annual energy savings).

The total contribution to the EENF amounted to 103 M€ in 2014 and then 207 M€ each year over 2015-2019 (i.e. about 1100 M€ in total so far).

The draft NECP mentions that the EEOS and EENF are planned to be extended up to 2030.

### Scope and focus

The EENF implements programmes in all sectors. About 48% of the funding has been dedicated to programmes in industry, 36% for buildings, 10% for street lighting, 2.7% for cities, 1.7% for information, 0.46% for desalination plants and 0.7% for transports (that receive more funding from alternative measures).

The EENF can receive contributions from other sources, from the General State Budgets, from the European structural and investment funds (ERDF) and from the return on the loans granted within the framework of call for projects already implemented since 2015.

Energy poverty is tackled by other policy measures.

### Key actors, roles and options

The Ministry for the Ecological Transition set the general principles and targets of the scheme. The Ministry has also established the Energy Efficiency National Fund (EENF).

The IDAE manages the EENF, under the supervision and control of a Steering Committee (including different ministries) that approves the programmes prepared by IDAE.

The Obligated Parties (OPs) are the suppliers of electricity and natural gas, and wholesale retailers of oil products and LPG. They have to report each year about their energy sales to all their final customers the previous year, and then to pay in the year “n” in proportion to their energy sales in the year “n-2”.

In 2019, 359 OPs had to pay a fee. The 3 largest OPs represent 40% of the fees paid in 2019.

The contribution fee has been set to 0.79 M€/ktoe (68€/MWh), taking into account the estimated average costs to achieve energy savings from the activities of the EENF.

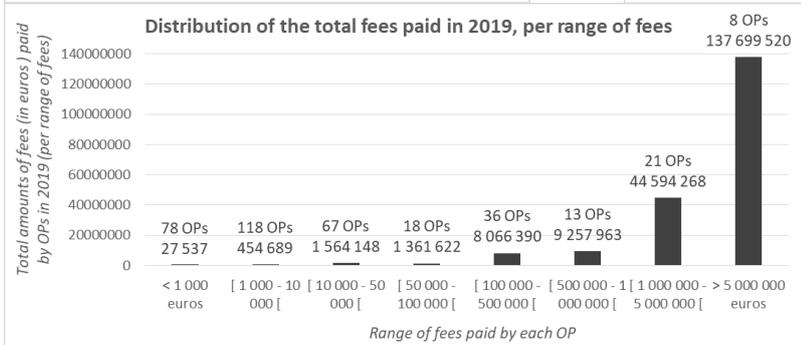
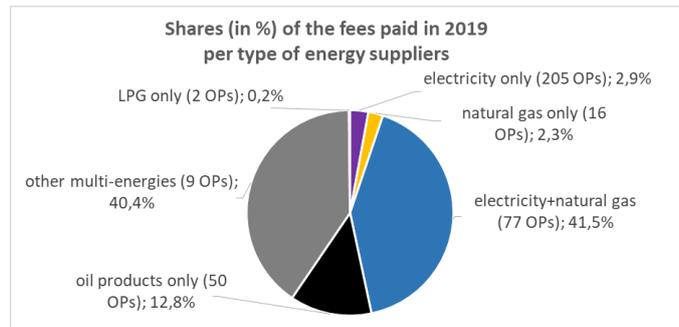
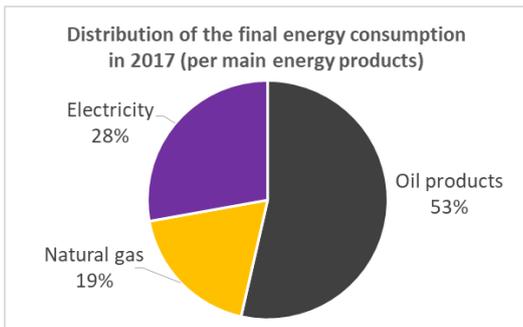
### Monitoring, Reporting and Verification

The implementing text (Ley 18/2014) has defined detailed rules about the types and levels of infringements, sanctions/penalties and related procedures. They cover the possible situations of false declarations, frauds, non-compliance and non-achievements of the targets.

IDAE is in charge of monitoring the EENF programmes, based on the reporting done by each project holder receiving funds from the EENF.

A dedicated Verification Unit has been set within IDAE to verify and control the programmes, through a combination of desk review and on-site inspections. The desk review verifies the documentation of all projects. Then on-site inspections are done on representative samples.

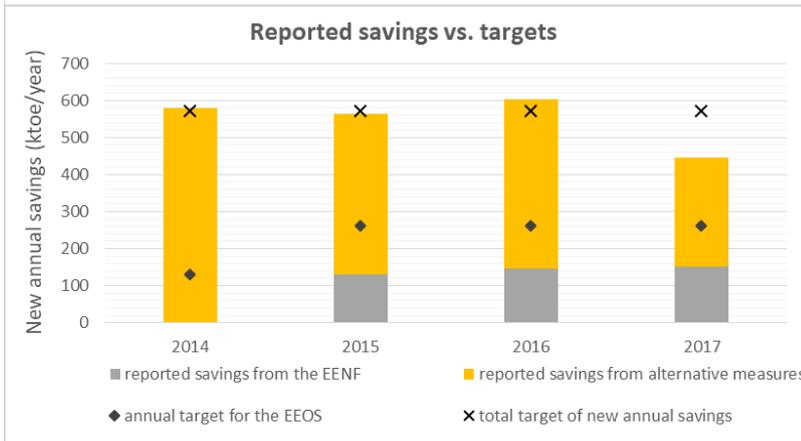




Fees are proportional to the energy sales (in energy unit). The largest OPs are multi-energies.

8 OPs paid an annual fee of more than 5 M€ in 2019, amounting to 137.7 M€ altogether (68% of the fees paid by all OPs in 2019).

Source: [Ministerial Order for 2019](#)

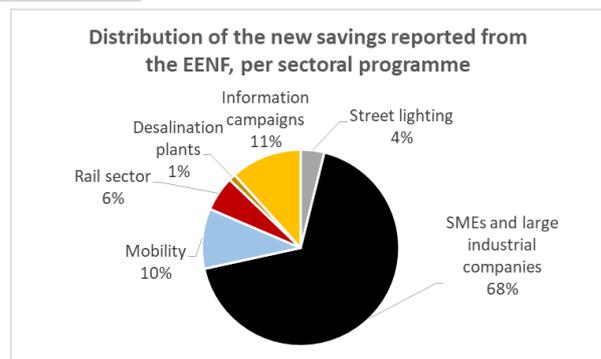
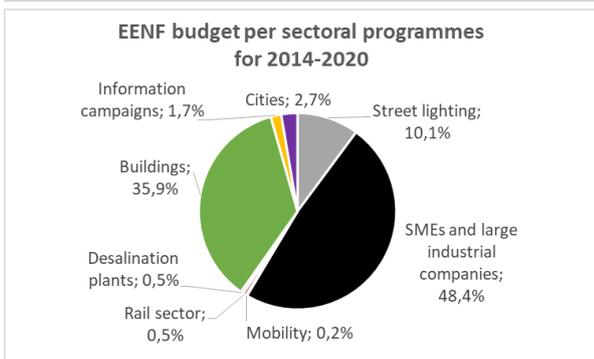


1-year time-lag in practice for the EEOS, as funding is collected in year “n” for actions that can be implemented in year “n+1”.

The EEOS is expected to bring ≈40% of the savings to achieve the cumulative target for art.7.

So far, the reported new savings from the EEOS represented about half of its expected new savings.

Sources: IDAE data



(Source: IDAE data and [annual reports](#))

## Overview of the complementary alternative measures

**Cross-cutting:** Taxation measures for energy sustainability; JESSICA/FIDAE fund for urban projects; CLIMA (Climate Carbon Project Fund for projects in non-ETS sectors); Programmes implemented by the Autonomous Communities (MENAÉ); voluntary agreements (CNAE, AEFGA)

**Buildings:** Incentive schemes for the energy renovation of existing buildings (PAREER and PAREER-CRECE and 3R plans); PIMA Sol (plan promoting improved energy efficiency in hotels)

**Transport and mobility:** MOVELE project for e-mobility; MOVEA Plan to promote mobility using alternative energy vehicles); incentives for replacing old vehicles and promote more efficient vehicles (PIVE, PIMA Aire, PIMA Tierra (for tractors), PIMA Transporte (for buses and trucks); Energy-efficient driving

**Industry:** Programme to promote industrial competitiveness

# Interview with IDAE

## (Institute for Energy Diversification and Saving)



### ***1) What have been the main changes and lessons learnt since 2017?***

An important activity regarding the execution of the EENF (Energy Efficiency National Fund) programmes has occurred, amounting to more than 730 M€ for programmes related to the improvement of energy efficiency in industrial enterprises, municipal street lighting, mobility and in existing buildings; including awareness-raising communication campaigns.

Another important change was made in the management of the programmes as Spain has evolved from a centralised way to a regional management. Cooperation among public administrations (i.e. the central government and autonomous regions) is key in order to implement the policies in an efficient way.

### ***2) And more specifically about monitoring, verification and controls?***

IDAE, who is the manager of the programmes carried out under the EENF, has adapted its internal organisation creating a new department, the Verification Unit. The Verification Unit verifies and controls the programmes at a double level: through a documental revision of every project and through on-site inspections of a representative sample.

### ***3) What are the main interactions with other policies?***

The Fund can receive contributions from other sources such as the General State Budget, the European structural and investment funds (ERDF Funds) and the return on the loans granted within the

framework of calls for projects already implemented since 2015.

The combination of EENF and ERDF Funds allows maximising the use of the resources under the Spain's Multi-regional Operational Programme, amounting to 2104 M€ for a low-carbon economy over 2014-2020. The projects can be executed for the different investment priorities identified up to 2023.

### ***4) Are there challenges or changes foreseen for the coming years? (especially after 2020)***

The Spanish National Energy and Climate Plan supports the continuation of the current system, meaning the combination of the EEOS linked to the EENF and alternative measures to achieve the energy savings objective for the new period 2021-2030.

The EENF provides budgetary stability to the achievement of the national energy savings obligation target. Besides, the management of programmes (evaluation, implementation and verification) is highly useful, enriching the technical knowledge as well as the insight of the final energy consumer sectors.

A revision of environmental tax policy is foreseen for the new period. There is a general consensus that it is an instrument with great potential to facilitate the transition to a low-carbon economy.

### ***5) If you could go back in time, what would you do differently?***

Generally speaking, Spain is satisfied with the implementation and results of the EENF Programmes. Nonetheless, we are working to improve the management to obtain the best results.