THE USE OF SURVEY DATA IN THE AUDIT ECOLOGY PREMIUM

WGEA-meeting

October 8, 2014
1. Audit Ecology Premium
2. Why a survey?
3. Conducting the survey
4. Results
5. Lessons learned
1. Audit Ecology premium

• The ecology premium = a financial grant for certain ecological investments made by enterprises in Flanders

• Objective = encourage enterprises to green or to make their production process more sustainable

• Policy measure within the framework of the European climate and energy policy and within the EU Energy 2020 strategy (20-20-20-20 targets)

• Scope of the audit: audit of the framework (policy objectives, budgetary and legal framework), the policy implementation and evaluation
2. Why a survey?

- Policy implementation (research question 2)
- Stimulating effect; additionality
  - without the grant the green investment would not have been done in the same manner
- European General block exemption Regulation
- Legal conditions in Flemish regulation
- Suspicion of non-additionality
- Step towards ‘real’ performance audit
3. Conducting the survey

- Definition of the population and sampling
  - 2405 enterprises: sample of 350
  - Response rate?
  - 2007-2010; 2010-2012
  - Solar panels
  - Administrative load (red tape) for enterprises

→ NO SAMPLE, 1 CALL (229)
3. Conducting the survey

- In practice
  - Test phase
  - E-mail with follow up by phone
  - Intro by administration
  - Labour time
3. Conducting the survey

• Questions
  • Stimulating effect (2 closed questions)
    • Favourably ranked
    • Unfavourably ranked (control group)
    • Possible answers
      • Yes
      • Yes, but ...
      • No
  • Other questions: 4 open and 1 closed
4. Results

- Response rate: 42%

<table>
<thead>
<tr>
<th></th>
<th>Summoned</th>
<th>Answered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Favourably ranked</td>
<td>64</td>
<td>29 (45%)</td>
</tr>
<tr>
<td>Unfavourably ranked</td>
<td>165</td>
<td>67 (41%)</td>
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</tbody>
</table>
Enterprises that obtained a favourable decision where asked if they would have done the same investment without subsidy.

- 32% would have done so

Enterprises that obtained a negative decision where asked if they had actually done the investment without subsidy.

- 57% actually did

<table>
<thead>
<tr>
<th>Answers</th>
<th>Small enterprise</th>
<th>Medium enterprise</th>
<th>Large enterprise</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>The same investment</td>
<td>1 (2%)</td>
<td>9 (50%)</td>
<td>2 (50%)</td>
<td>12 (17%)</td>
</tr>
<tr>
<td>The same investment, but later</td>
<td>2 (4%)</td>
<td>9 (50%)</td>
<td>0</td>
<td>11 (15%)</td>
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<tr>
<td>An investment with an (environmental) less performant technology</td>
<td>1 (2%)</td>
<td>0</td>
<td>1 (25%)</td>
<td>2 (3%)</td>
</tr>
<tr>
<td>An investment on a smaller scale</td>
<td>9 (18%)</td>
<td>0</td>
<td>0</td>
<td>9 (12,5%)</td>
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<tr>
<td>No comparable investment</td>
<td>31 (62%)</td>
<td>0</td>
<td>0</td>
<td>31 (43%)</td>
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<tr>
<td>No decision yet regarding an investment</td>
<td>6 (12%)</td>
<td>0</td>
<td>1 (25%)</td>
<td>7 (10%)</td>
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</tbody>
</table>

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<th>Medium enterprise</th>
<th>Large enterprise</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>The same investment</td>
<td>45 (58%)</td>
<td>15 (94%)</td>
<td>5 (19%)</td>
<td>65 (55%)</td>
</tr>
<tr>
<td>The same investment, but later</td>
<td>0</td>
<td>1 (6%)</td>
<td>1 (4%)</td>
<td>2 (2%)</td>
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<tr>
<td>An investment with an (environmental) less performant technology</td>
<td>1 (1%)</td>
<td>0</td>
<td>3 (12%)</td>
<td>4 (3%)</td>
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<tr>
<td>An investment on a smaller scale</td>
<td>0</td>
<td>0</td>
<td>4 (15%)</td>
<td>4 (3%)</td>
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<tr>
<td>No comparable investment</td>
<td>31 (40%)</td>
<td>0</td>
<td>13 (50%)</td>
<td>44 (37%)</td>
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<tr>
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<td>0</td>
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</table>
5. Conclusions – lessons learned

- Useful results: stimulating effect is not guaranteed
- Performance auditing
- Visibility
- Questions
- Follow up – response rate
- Scientific results – governmental auditing