

Rational Use of Energy in buildings Management of aid financed out of the Energy Fund

The Court examined how the energy premiums allocated in 2006 and 2007 to promote rational use of energy in the Walloon Region were used. It also analyzed what consistency existed with other measures, including tax measures, designed to achieve the same goal and also assessed the impact of these incentives.

Energy premiums fall under the management as the case may be either of the Walloon Administration (DGO4) or the Gas and Electricity Network Managers (GRD). Over 77 million euros were allocated during the period 2004-2008, mainly for heating and insulation purposes.

Premium management ensured by the Walloon Authority

As a result of the deadline enacted for file investigation the eligibility criteria were found not to have been checked in 90 % of the files introduced in 2006 and, to a much lesser extent, in the files of 2007 although a subsequent file verification is not likely to happen.

The Court recommended among other things to facilitate the review of the eligibility criteria and to keep a valid trail of evidence of these verifications, to also improve the quality of the encryption in the data basis as well as to better ensure the materiality of the investments and provide the information needed to the applicants.

Premium management ensured by the GRD

The Court found shortcomings in the follow-up of claim lodgings introduced by the GRD to obtain the reimbursement of the premiums they had paid out . It suggested settling the issues relating to files and redefining the responsibilities as to the legality and regularity checks of the premiums allocated by these management authorities. Besides, the anomalies it noted in the files point to an increased need for coordination and clarification from the management or changes in the regulatory provisions.

Consistency of regulations aimed at propping up energy saving/generating investments

To rule out all confusion, the Court promotes an administrative simplification and the harmonisation of the regulatory technical criteria governing the allocation of aid for energy savings. It established that the provision of various regional types of aid for the same type of investment creates the risk of an excess subsidization and the provision of aid or additional benefits by other parties is another source of difficulties.

Impact of financial incentives aimed at implementing energy savings

The information needed to assess the real impact of these financial incentives in terms of energy savings are as things stand now fragmented or are even inexistent.

In addition, the way premium applications are dealt with in the files examined by the Court is purely administrative.

Finally, the windfall gain is not easy to circumscribe.

Sustainable development minister's reply

In his reply dated 21 December 2009, the minister emphasized that account would be taken of the Court's recommendations in the forthcoming energy premiums scheme, which is due to enter into force on 1 May 2010.