

Evaluation Plan of the aid programme

PERTE in Circular Economy

April - 2023



**Plan de Recuperación,
Transformación y Resiliencia**



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1. INTRODUCTION

The Recovery, Transformation and Resilience Plan (hereinafter PRTR), approved by the Council of Ministers on 27 April 2021, is the roadmap that will channel, through a set of actions and programmes, the funds envisaged in the European Recovery Instrument ("Next Generation EU") approved by the European Council on 21 July 2020.

The PRTR is structured around ten structural reform policy levers due to their high leverage capacity on activity and employment for the modernisation of the Spanish economy. The fifth lever, entitled "Modernisation and digitalisation of the industrial fabric and SMEs, recovery of tourism and promotion of an entrepreneurial Spain as a nation", includes Component 12, which develops the new "Spain 2030 Industrial Policy". The objective of Component 12 is to boost the modernisation and productivity of the Spanish industry-services ecosystem, through the digitalisation of the value chain, boosting productivity, competitiveness and improving the energy efficiency of key strategic sectors in the ecological transition and digital transformation. For their part, the "Guidelines for the New Spanish Industrial Policy 2030" insist on the need to contribute to transforming our production model through innovation and sustainability.

In this regard, it should be noted that the Industrial Policy component includes a series of reforms and investments in the field of the circular economy and waste. On the one hand, reform C12.R2 relating to "Waste policy and promotion of the circular economy" includes the approval of the Spanish Circular Economy Strategy: Spain Circular 2030 and is accompanied by a regulatory package in the field of waste, the main element of which is the approval of a new Law on waste and contaminated soils for a circular economy, which transposes the central elements of the European Union's waste regulations and establishes new objectives in this area. In addition, the new law is accompanied by the revision of a series of regulations addressing more specific aspects related to waste management (waste shipments within Spain, landfill, end-of-life tyre management, batteries and accumulators and the environmental management of their waste, waste electrical and electronic equipment, end-of-life vehicles, and packaging and packaging waste).

On the other hand, investment C12. I3 constitutes the "Plan to support the implementation of waste regulations and the promotion of the circular economy", which is one of the fundamental planning instruments of the Ministry for Ecological Transition and the Demographic Challenge (MITECO) for the deployment of the circular economy in Spain, and with it, to contribute 40% of the European Union's climate and 100% of its environmental objectives, as they constitute "prevention, minimisation, separation, reuse and recycling measures", in accordance with the provisions of Annex VI of Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Mechanism. It also includes actions on innovation and digitisation that maintain a 40% contribution to the climate objectives.

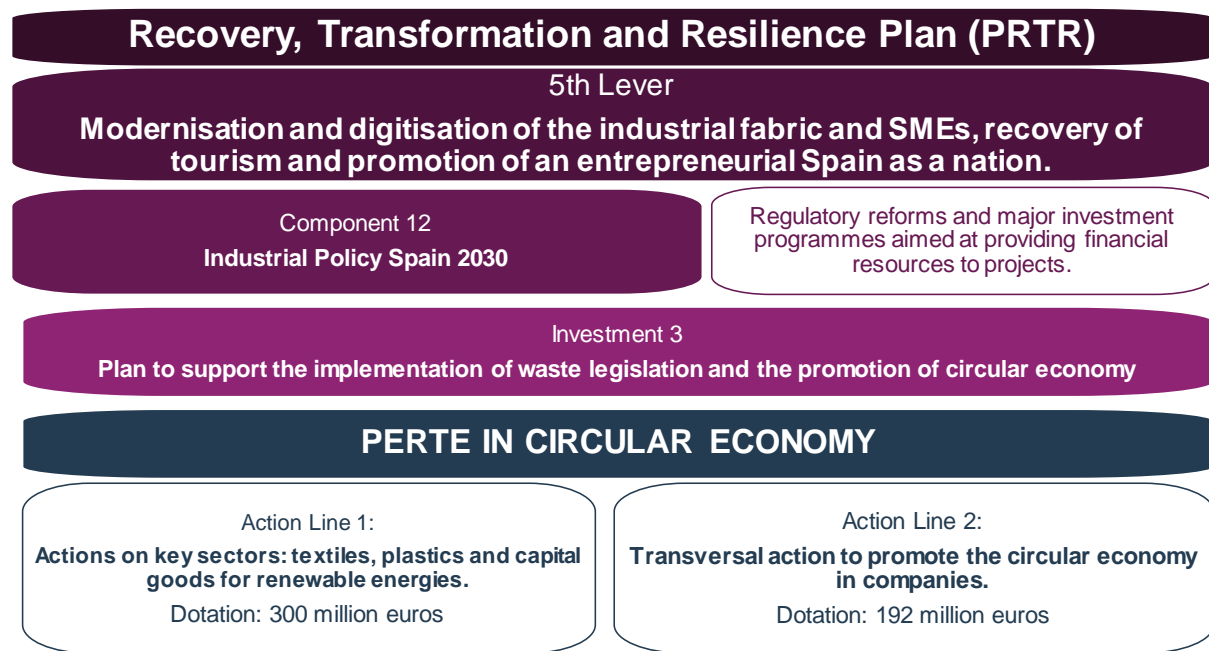
The Spanish Circular Economy Strategy (EEEC), Spain Circular 2030, approved in June 2020, lays the foundations for promoting a new production and consumption model in which the value of products, materials and resources is maintained in the economy for as long as possible, in which waste generation is minimised and those that cannot be avoided are used to the greatest possible extent.

The EEEEC is aligned with the objectives of the two EU circular economy action plans, "Closing the loop: an EU action plan for the circular economy" of 2015 and "A new Circular Economy Action Plan for a cleaner and more competitive Europe" of 2020, as well as with the European Green Pact and the 2030 Agenda for Sustainable Development. It has a long-term vision, Spain Circular 2030, which will be achieved through successive three-year action plans. The First Action Plan, which was approved on 25 May 2021, includes 116 measures that the General State Administration will implement over the three-year period 2021-2023 to consolidate a circular and decarbonised economic model. The measures are articulated around 5 axes and 3 lines of action: production, consumption, waste management, secondary raw materials, reuse and purification of water, awareness and participation, research, innovation and competitiveness, and employment and training.

Within this framework, it is essential for companies to invest in improving the sustainability and circularity of their processes, since improved competitiveness will appear as a result of successfully addressing these aspects. It is therefore a question of contributing to the new scenario characterised by the consolidation of an innovative, sustainable and competitive industrial fabric capable of growing within the framework of a circular economy, which overcomes the previous linear production model.

The object of the evaluation is found within the Strategic Project for the Recovery and Economic Transformation in Circular Economy (PERTE in CE), approved by the Council of Ministers on 8 March 2022, which establishes a total of 18 instruments distributed in **two lines of action**:

- **Action Line 1:** Actions on key sectors: textiles, plastics and capital goods for renewable energies.
- **Action Line 2:** Transversal action to promote the circular economy in companies.



The Plan includes the set of objectives, indicators and proposed methodologies that will enable the subsequent evaluation of the results and impact of both lines of action. Specifically, the Evaluation Plan is formulated from an integral perspective and aims to assess the degree of achievement of the programmes' objectives, to generate knowledge about the entire implementation process in order to improve the definition and management of future actions, and to measure the effects and impact of the programmes.

Evaluations are most effective when they are well planned and prepared, in particular because this facilitates the collection of appropriate data. Such advanced planning can also significantly reduce the resources needed for evaluation or improve its quality.

2. IDENTIFICATION OF THE AID SCHEME

2.1 General data

PERTE in Circular Economy: aid for the promotion of the circular economy.

This strategic project focuses on 18 instruments distributed along **two lines of action:**

- **Action Line 1:** Actions in key sectors: textiles, plastics and capital goods for the renewable energy industry¹.
- **Action Line 2:** Transversal actions to promote the circular economy in companies. This includes aid aimed at projects to promote the circular economy in any sector that requires support to complement its efforts, excluding the sectors in Line 1.

The Evaluation Plan concerns a scheme subject to the evaluation referred to in Article 1(2)(a) of Regulation (EU) No 651/2014.

2.2 Aid schemes

Aid reference: SA.102572 (2023 N)
Member State: Spain
Region: the whole country: Spain
Name of the NUTS 2 region: EN11, EN12, EN13, EN21, EN22, EN23, EN24, EN30, EN41, EN42, EN43, EN51, EN52, EN53, EN61, EN62, EN63, EN64, EN70.
Regional aid status: No distinction is made between region A status and region C status.
Granting authority: Name: Ministry for Ecological Transition and the Demographic Challenge. Postal address: Plaza San Juan de la Cruz 10, 28071 Madrid, Spain. Web address: https://www.miteco.gob.es/es/ PRTR Web address: https://planderecuperacion.gob.es/
Title of the aid measure: The aid scheme consists of: <ul style="list-style-type: none"> • 1 Common regulatory bases • 1 call for L2 • Several calls for L1 (5 planned)
Posted in: Common regulatory bases (for lines L1 and L2) and call L2: Order TED/1211/2022, of 1 December, establishing the regulatory bases and opening the call for grants to promote the circular economy. Published on 7 December 2022.
Subsequent resolutions (publication expected 2023/24):
Textile (draft): Resolution xxx/2023 opening the call for subsidies for the granting of aid for the promotion of the circular economy in the textile, fashion and clothing and footwear sector for the year 2023 within the framework of the Recovery, Transformation and Resilience Plan. The call for applications is currently in the public information phase.
Plastics (draft): Resolution xxx/2023 opening the call for the granting of aid for the promotion of the circular economy in the plastics sector for the year 2023 within the framework of the Recovery, Transformation and Resilience Plan.
Batteries (draft in progress): Resolution xxx/2024 opening the call for subsidies for the granting of aid for the promotion of the circular economy in the renewable energy capital goods sector, section batteries for the year 2024 within the framework of the Recovery, Transformation and Resilience Plan.

¹ The specifications indicated for this action line have been drawn up on the basis of the hypotheses that MITECO and the Biodiversity Foundation are working with, as well as the common aid bases for the EC PERTE.

Solar panels (draft in progress): Resolution xxx/2024 opening the call for subsidies for the granting of aid for the promotion of the circular economy in the renewable energy capital goods sector, section solar panel for the year 2024 within the framework of the Recovery, Transformation and Resilience Plan.

Wind power plants (project in process): Resolution xxx/2024 opening the call for subsidies for the granting of aid for the promotion of the circular economy in the sector of capital goods for renewable energies in the wind power plant sector for the year 2024, within the framework of the Recovery, Transformation and Resilience Plan.

Web link to the full text of the aid measure:

Order TED/1211/2022, of 1 December, establishing the regulatory bases and opening the call for applications for aid to promote the circular economy:

- [Provision 20700 of BOE No. 293 of 2022](#)
- <https://www.pap.hacienda.gob.es/bdnstrans/GE/es/convocatoria/664774>

Type of measure: scheme

Duration:

Aid scheme program: 07/08/2022 to 30/06/2026

Investment program: 01/08/2023 to 31/12/2025

Verification procedure (reporting and monitoring of entities): 01/01/2026 to 31/06/2026.

Economic sectors eligible for aid:

Order TED/1211/2022, of 1 December, establishing the regulatory bases and opening the call for applications for aid to promote the circular economy: All CNAE activities.

Call: Textile, fashion and clothing and footwear sector

C13: Textile industry.

C14: Clothing.

C15: Leather and footwear industry.

C32: Other manufacturing industries (only for the manufacture of protective safety equipment).

C17: Paper industry (related to the production of synthetic and/or artificial fibres).

C20: Chemical industry (related to the production of synthetic and/or artificial fibres).

C28.-Manufacture of machinery and equipment (related to the industry concerned).

E38 Waste collection, treatment and disposal; recovery.

E39 Decontamination and other waste management services.

J61 Information technology (telecommunications).

Call: Plastics sector. In this sector the most relevant CNAE activities are:

C10 Food industry.

C11 Beverage industry.

C20 Chemical industry.

C22 Manufacture of rubber and plastic products.

C28.-Manufacture of machinery and equipment (related to this material concerned).

E38 Waste collection, treatment and disposal; recovery.

E39 Decontamination and other waste management services.

J61 Information technology (telecommunications).

Call: Renewable energy capital goods sector, batteries section. In this sector the most relevant CNAE activities are:

C20 Chemical industry.

C28.-Manufacture of machinery and equipment (related to the good concerned).

D35 Electricity, gas, steam and air conditioning supply.

E38 Waste collection, treatment and disposal; recovery.

E39 Decontamination and other waste management services.

J61 Information technology (telecommunications).

Call: Renewable energy capital goods sector, solar panels sector. In this sector the most relevant CNAE activities are:

C28.-Manufacture of machinery and equipment (related to the good concerned).

D3519 Alternative electrical energy production.

E38 Waste collection, treatment and disposal; recovery.

E39 Decontamination and other waste management services.

Call for proposals: Wind power plant equipment sector of the renewable energy sector. In this sector the most relevant CNAE activities are:

C28.-Manufacture of machinery and equipment (related to the good concerned).

D35 Electricity, gas, steam and air conditioning supply.

E38 Waste collection, treatment and disposal; recovery.

E39 Decontamination and other waste management services.

**All CNAE activity codes are provided at 2-digit level because many enterprises are not registered in all the activities and services in which they operate.*

Type of beneficiary: SMEs, large enterprises and social economy entities.

Budget: Total amount: EUR 492 Mio.

Aid Instrument: Grant

If co-financed by EU funds:

- Fund name: NextGeneration
- Amount of funding (according to EU fund): EUR 492 MILLION
- National currency (full amounts): EUR 492 MILLION

2.3 Preliminary analyses carried out for the development of the PERTE EC

There is no prior evaluation or study corresponding to the aid scheme. Nor is there any previous experience of the aid scheme or similar schemes, so this is a novel type of action. Although this is an *ex novo* aid scheme, reference has been made to other aid schemes in Spain's own Recovery, Transformation and Resilience Plan, as well as previous calls for regional aid that took into account the circular economy or related issues².

However, as indicated in the PERTE document on Circular Economy, on 27 January 2021 the Ministry for Ecological Transition and Demographic Challenge launched a call for expression of interest to promote circular economy in the scope of the entity. The objective was to identify the state of the market around projects in the field of circularity in business activity.

In this public consultation, 1.224 expressions of interest³ were received for a cumulative amount of €37.878,80 million.

Respondents to the call for proposals came from both the private and public sectors.

Below is a summary table of the expressions of interest according to the type of organisation:

² Resolution TES/1252/2019, of 8 May, approving the regulatory bases for subsidies for projects to promote the circular economy.

Resolution of 2 February 2021, of the Regional Ministry of Autonomous Administration, Environment and Climate Change, approving the regulatory bases for the awarding of subsidies to promote the circular economy in entities.

Call Ihobe 2021 of the Circular Eco-innovation Grants Programme.

³ Expressions of interest:

<https://planderecuperacion.gob.es/como-acceder-a-los-fondos/manifestaciones-de-interes>
<https://www.miteco.gob.es/es/prensa/ultimas-noticias/el-miteco-lanza-una-expresión-de-interés-para-fomentar-la-economía-circular-en-el-ámbito-de-la-empresa-como-instrumento-para-la-recuperación/tcm:30-522143>

Type of organisation	No. of expressions	% of expressions	Average budget	Average amount requested	Total amount requested
Large entity	392	32%	95.793.936,57 €	46.075.728,21 €	16.909.792.253,40 €
SMES	347	28%	22.818.741,02 €	12.112.539,09 €	3.851.787.430,70 €
Business grouping	105	9%	178.215.091,33 €	96.532.852,38 €	9.556.752.386,11 €
Public administration	89	7%	18.545.914,21 €	7.591.436,53 €	561.766.303,50 €
Business association	58	5%	106.164.244,76 €	68.758.535,97 €	3.712.960.942,64 €
Consortium with Public Sector Entity (Public Sector Entity, public entity, public university...)	59	5%	37.586.278,45 €	23.183.814,13 €	1.321.477.405,56 €
University / Research Centre	48	4%	21.123.374,31 €	14.346.722,24 €	631.255.778,53 €
Public entity	38	3%	25.295.007,95 €	20.064.144,68 €	762.437.497,68 €
NGO / Non-profit organisation	38	3%	6.080.027,14 €	4.359.336,22 €	135.139.422,74 €
Start-up	39	3%	11.320.108,93 €	6.539.286,70 €	241.953.607,85 €
Cooperative	8	1%	56.136.746,51 €	32.241.480,54 €	193.448.883,23 €
Natural person	2	0%	45.500,00 €	13.650,00 €	27.300,00 €
Grand total	1224	100%	63.157.235,60 €	33.610.292,11 €	37.878.799.211,93 €

Looking at the classification by section of the CNAE group, the main needs are identified in section "C. Manufacturing" with 25% of the requests, followed by section "E. Manufacturing" with 25% of the requests. Manufacturing industry" with 25% of the requests, followed by section "E. Water supply, sewerage, waste management and remediation activities" with 19% of the requests and section "M. Professional, scientific and technical activities" with 19% of the requests. Professional, scientific and technical activities" with 10% of applications.

The types of projects have been divided into large families, with the design and production (20% of the overall number) and waste management (56%) groups having the highest number of applications. While the groups "consumption, use and business", "resource efficiency" or "educational, social and R+D+I policies" are less represented.

3. DESCRIPTION OF THE AID SCHEME TO BE ASSESSED

3.1 Needs and problems the scheme intends to address

The aim of the aid is to grant subsidies, on a competitive basis, for the implementation of projects and actions that substantially contribute to the **sustainability and circularity** of industrial and business processes, in order to improve the competitiveness and innovation of the industrial sector within the framework of a circular economy.

Specifically, to respond to the need, two lines of action are proposed:

Action Line 1: incorporates actions for key sectors:

- **Textile sector:** As a key sector for the Spanish economy, Spanish entities are already working to position themselves as leaders in sustainability. However, investment in infrastructures and new recycling technologies is essential. The change involves tackling challenges such as:
 - The eco-design of new garments that have a lower environmental impact by reducing the use of chemicals and using more sustainable alternatives.
 - Improving waste treatment, promoting reuse and recycling.
 - The incorporation of recycled material into production.
- **Plastics:** Support to this sector for the development of actions ranging from eco-design and the incorporation of new, more sustainable raw materials, to the adoption of strategies to improve preparation for reuse and recycling, avoiding the abandonment of waste through more efficient and intelligent collection and sorting systems. Nowadays, it is also essential to promote the use of recycled raw materials by all manufacturers of plastic products that can achieve food grade quality in sufficient quantities to meet the current demand for food contact packaging. Digitalisation, the use of new technologies, quality processes and the creation of extended producer responsibility systems are also important challenges for this sector.
- **Equipment for renewable energies (batteries; solar panels; wind power plants):** The renewables sector must be prepared to deal with exponential growth in waste generation and waste treatment, as well as to make efficient use of products and materials.

As far as wind and photovoltaic plants are concerned, it will be necessary to address the management of existing facilities that reach the end of their useful life. It is necessary to develop products with innovative designs with a view to extending their useful life and saving material costs, simplifying the manufacturing process and favouring easier recycling; also to create efficient recycling ecosystems, promoting technology that recovers raw materials for new products and improves on-site dismantling processes, so that the transport of waste to treatment plants also generates less impact.

With regard to batteries, it is critical to prevent the generation of battery waste through the reuse or adaptation of batteries for new uses, as well as in the promotion of recycling markets and closing the cycle of valuable materials in order to recover them for use in new products. Due to the volume to be generated, the development of systems to implement the second life of batteries from electric vehicles is of particular interest.

Action Line 2: Cross-cutting action to boost the circular economy in business, supports the implementation of investments comprising tangible and intangible projects and investments that substantially contribute to the transition to a circular economy.

The aid is aimed at projects to promote the circular economy in any sector (with the exception of the key sectors included in L1) that require support to complement the effort made. Its purpose is to promote the sustainability and circularity of production processes to improve the competitiveness and innovation of the industrial sector within the framework of a circular economy.

3.2 The intended categories of beneficiaries

Direct beneficiaries are considered to be those involved in the Circular Economy value chain, namely:

- a) Legal persons governed by private law with their own legal personality, excluding those under (b) below.
- b) Social economy entities as defined in article 5 of Law 5/2011, of 29 March, on Social Economy.
- c) Groups of the above provided that they are owned by at least one SME, start-up or social economy entity that meets the requirements of section b), without the need for these groups to have their own legal personality separate from the entities that make them up. The legal entities making up the group will also be considered beneficiaries, and must comply with the provisions contained in Article 11.3 of Law 38/2003, of 17 November.

Public sector can not be consider as a beneficiary.

3.3 Objectives and expected effects of the aid scheme

The general objective of the aid scheme, according to the information available in Article 1, Purpose and Objective of the Regulatory Bases is:

Promote the sustainability and circularity of industrial and business processes to improve the competitiveness and innovation of the industrial sector within the framework of a circular economy, which overcomes the previous linear production model.

Based on the content set forth in article 8. Eligible Actions of the Regulatory Basis for the granting of aid for the promotion of the circular economy within the framework of the Recovery, Transformation and Resilience Plan, the following specific objectives can be extracted:

- A. Reduce consumption of virgin raw materials.**
- B. Put products on the market that are made under eco-design schemes.**
- C. Improving waste management.**
- D. Digitally transform processes through infrastructures and systems.**

The expected impacts or expected results identified on a preliminary basis, and based on an initial hypothesis, would be as follows:

- Reduced consumption of virgin raw materials.
- Increased consumption of secondary raw materials.
- Increased shelf life of products.
- Increased repairability of products.
- Increased product upgradeability.
- Increase in reusable products.
- Increased recyclability of products.
- Substitution of substances of very high concern or danger.
- Development or shift towards service-based consumption patterns.
- Increasing and optimising the procurement of material for recycling.
- Generation of new raw materials to be used in new products.

- Boosting readiness for re-use.
- Improve traceability of products, substances, materials and waste for control and monitoring.
- Promote resource efficiency and reduce waste generation.
- Encourage the reuse, remanufacturing and recycling of products.
- Preventing waste generation.
- Increase product repair and fight obsolescence.

These effects or results are expected to be observed in both action lines, mainly because they are transversal to the circular economy as a whole.

Sector	Instrument	Specific objective to which it contributes			
		Raw materials (A)	Ecodesign (B)	Waste management (C)	Digital Transformation (D)
Textile	Aid to encourage the production and incorporation of raw materials with low impact, recycled and/or of renewable origin (cotton, hemp, wool, recycled, artificial fibers, etc.) through innovative projects.	x			x
	Aid for the development of collaborative R+D+i initiatives that allow both the sharing of knowledge, as well as the carrying out of pilot projects and their scaling for waste management, the generation and incorporation of new products and fibers or the improvement of processes in terms of reducing the impacts generated, including the development of smart fabrics, technical fabrics and other developments of innovative textile products due to their circular component.	x	x	x	x
	Aid for investment in infrastructure and technology for all links in the value chain, including the waste management stage (high-quality sorting and preparation plants for reuse and recycling), including machinery, equipment and facilities.	x	x	x	x
	Aid aimed at the implementation and improvement of traceability that facilitates circularity: development, implementation and deployment of information systems for the entire chain, including the waste management stage.			x	x
Plastic	Aid aimed at the ecodesign of new packaging or new plastics (new bio materials or recycled material), with the aim of reducing the use of non-renewable resources, increasing the use of recycled plastic and its recyclability.		x		x
	Aid aimed at promoting reusable plastic containers that can carry out multiple circuits or rotations throughout their life cycle, and that allow savings in raw materials and energy, optimizing their use through reverse logistics systems.	x	x		x
	Aid aimed at simple mechanical recycling or up to food grade of different polymers and from different sources.			x	x
	Aid for chemical recycling intended to treat fractions that are not mechanically recyclable.			x	x
wind turbines	Aid for the development of the ecodesign of new generations of wind turbines that have a longer useful life and are more easily recyclable.		x		x
	Aid for the development of on-site dismantling systems for the most voluminous elements of the wind turbines, to reduce the cost and simplify the transfer of this waste to the treatment facilities.			x	x

Sector	Instrument	Specific objective to which it contributes			
		Raw materials (A)	Ecodesign (B)	Waste management (C)	Digital Transformation (D)
	Aid to increase the reuse of wind turbines in other sectors.			X	X
	Aid for the implementation and development of facilities capable of efficiently recycling wind turbines, as well as for the creation of a complete value chain around the recycling of the different elements that make them up.			X	X
photovoltaic solar panels	Aid for the ecodesign of components of the entire photovoltaic value chain to improve durability, repairability, reusability and recyclability.		X		X
	Aid for the implementation of systems for the reuse of photovoltaic panels from plants on the ground at the end of their useful life, for their installation for self-consumption of energy.			X	X
	Aid for the implementation of photovoltaic panel recycling facilities, which will contribute to achieving the recovery and recycling objectives set out in Royal Decree 110/2015, of February 20, as well as the recovery of valuable and strategic materials contained in the panels.			X	X
batteries	Aid for the establishment of cell and battery treatment facilities based on lithium or lithium-ion chemistry in order to recover materials and compounds from these batteries used both in electronic devices and in the electric mobility sector, being able to include innovation initiatives for the development of technological solutions that improve waste treatment processes.			X	X
	Aid for the establishment of facilities or systems that implement the second life of batteries from the electric mobility sector for applications related to energy storage or other applications.		X		X

Expectations of impact are positive in the three axes of sustainability: economic, social and environmental.

The public funding associated with the PERTE is 492M€, however, if an "aid intensity" of 40% on average is taken into account, the PERTE would mobilise around 740M€ of private funding. In total, this would amount to investments of more than €1.2 billion.

At the environmental level, the incorporation of circularity favours sustainable products, services and business models, reducing pressure on virgin natural resources and waste generation, and promoting a single market with high quality secondary raw materials together with a significant contribution to climate adaptation and mitigation.

On the social level, any model based on a circular economy would lead to a net improvement in stable and quality employment, while raising health protection and improving working conditions in global value chains, which would also have a positive gender impact.

3.4 Anual Budget and aid intensity

YEAR	DOTATION
2022	192 M€
2023	300 M€

LINE	CALL FOR PAPERS	DOTATION
L1	Plastics sector	100 M€
	Textile sector	100.M€ €
	Wind turbines	33,33 M€
	Photovoltaic solar panels	33,33 M€
	Batteries	33,33 M€
L2	Circular Economy	192 M€
TOTAL AMOUNT		492 M€

The likelihood of the budget running out for certain groups of beneficiaries

Unknown as it is a new type of action.

Initially, it is assumed that the budget will be distributed among all types of actions and beneficiaries.

On the other hand, Article 21 of the Regulatory Bases states that a list will be drawn up in order of priority with the excluded applicants who have exceeded the minimum score, but who have not reached the status of beneficiary due to lack of available credit. If there is credit remaining after the final decision has been taken, the remaining credit will be distributed among the applicants on this list until the remaining credit has been used up.

The aid intensity thresholds:

In the case of action line 2, the call takes the form of a grant and has a maximum total amount for the total investment of 10 million euros per project and entity, and a minimum amount of 150,000 euros per project and entity, except in the case of feasibility studies and digitisation projects, which has a maximum amount of 5,000,000 euros (Article 32 of the call).

For action line 1, the call for action line 2 is taken as a basis, working with the same hypothesis for the 3 calls, which, once published, will stipulate the aid intensity thresholds for each of the projects and will be applied according to the sectors.

The aid intensity thresholds considered are therefore as follows:

- (a) The maximum percentage of subsidy to be granted for actions that reuse materials, recycle and recover waste generated by entities other than the beneficiary will be as follows:
 - a. 55% of the eligible costs in the case of small and micro-entities.
 - b. 45% of the eligible costs in the case of medium-sized entities.
 - c. 35% of the eligible costs in the case of non-SME entities.
- b) The maximum percentage of subsidy to be granted for other environmental protection actions involving materials or waste generated by the beneficiary entities themselves shall be as follows:
 - a. 60% of the eligible costs in the case of small entities and micro-entities.
 - b. 50% of the eligible costs in the case of medium-sized entities.
 - c. 40% of the eligible costs in the case of non-SME entities.

- c) The maximum percentage of subsidy to be granted for research and development projects, the aid intensity for each beneficiary will not exceed:
- 50 % of the eligible costs, for industrial research.
 - 25 % of the eligible costs for experimental development.
 - 50 % of eligible costs for feasibility studies.
- d) The maximum rate of subsidy to be granted for actions relating to the digital transformation of processes shall be:
- 50 % of the eligible costs in the case of micro-entities and SMEs.
 - 15 % of the eligible costs in the case of large entities (non-SME entities).

Indicative budget available for each group of beneficiaries.

There is not, as such, a budget for each group of beneficiaries. However, as can be seen in art.31 of the L2 call for proposals, the budget allocation will establish tranches depending on the amount of aid. The aim is to make the competitive process fairer for small entities, which are likely to apply for smaller projects. Only in the event that the sum of the investments selected for funding in a given sub-tranche or tranche does not cover the total amount budgeted, the evaluation committee may agree to allocate the remaining amount to the rest of the tranche first or distribute it among the other tranches in the same category according to the applications received and assessments made.

The following allocations are assigned to each of the aid categories:

(a) For the implementation of actions to reduce the consumption of virgin raw materials included in Article 30.1.a), forty-eight million sixty-five thousand euros (48.065.000 euros), to be distributed among the following tranches depending on the amount of aid allocated to the project:

- 1) 4.300.000,00 € for projects with aid greater than or equal to 150.000 € and less than or equal to 400.000 euros. Of the budget foreseen, 430.000 euros will be allocated to research and development projects.
- 2) 14.920.000 € for projects with aid of more than 400.000 euros and less than or equal to 2.500.000 €. 1.492.000 € of the budget foreseen will be allocated to research and development projects.
- 3) 28.845.000 € for projects with aid over 2.500.000 € up to 10.000.000 €. Of the budget foreseen, 2.884.500 € will be allocated to research and development projects.

b) For the implementation of eco-design actions and the placing on the market of products produced under eco-design schemes included in Article 30.1 b), seventy million seven hundred and thirty thousand euros (70,730,000 €), to be distributed among the following tranches according to the amount of aid allocated to the project:

- 1) 4.400.000 € for projects with aid greater than or equal to 150.000 € and less than or equal to 400,000 €. Of the budget foreseen, 440.000 € will be allocated to research and development projects.
- 2) 22.110.000 euros for projects with aid of more than 400.000 euros and less than or equal to 2.500.000 euros. 2.211.000 Euro of the budget foreseen will be allocated to research and development projects.
- 3) 44.220.000 € for projects with aid over 2.500.000 € up to 10.000.000 €. Of the budget foreseen, 4.422.000 € will be allocated to research and development projects.

c) For the implementation of waste management actions included in Article 30.1.c), forty-three million two hundred and five thousand euros (43,205,000 euros), to be distributed among the following tranches according to the amount of aid allocated to the project:

- 1) 5.674.925 € for projects with aid greater than or equal to 150.000 € and less than or equal to 400.000 euros. Of the budget foreseen, 567.400 € will be allocated to research and development projects.
- 2) 12.845.000 € for projects with aid of more than 400,000 euros and less than or equal to 2.500.000 €. 1.284.500 € of the budget foreseen will be allocated to research and development projects.
- 3) 24.685.075 € for projects with aid over 2.500.000 € up to 10.000.000 €. 2.500.001 € of the budget foreseen will be allocated to research and development projects.

d) For the implementation of actions in the digitisation category included in Article 30.1.d), thirty million euros (30.000.000 €), to be distributed among the following tranches according to the amount of aid allocated to the project:

- 1) 2.000.000 € for projects with aid greater than or equal to 150.000 € and less than or equal to 400.000 €.
- 2) 7.000,000 € for projects with aid greater than 400.000 € and less than or equal to 2.500.000 €.
- 3) 21.000.000 € for projects with aid of more than EUR 2.500.000 € up to 5.000.000 €.

3.5 Planned duration

- **Action Line 1:** 2023-2025. The calls for proposals are expected to be published during 2023. All actions should be completed by 31 December 2025.
- **Action Line 2:** 2022-2025. The call for proposals was published on 7 December 2022 and will enter into force on 8 December 2022. All actions must be completed by 31 December 2025 at the latest.

3.6 The aid instruments

Action Line 1:

SECTOR	INSTRUMENT
Textile	Aid to encourage the production and incorporation of low-impact, recycled and/or renewable raw materials (cotton, hemp, wool, recycled, artificial fibres, etc.) through innovative projects.
	Grants for the development of collaborative R+D+I initiatives that allow both the sharing of knowledge and the implementation of pilot projects; and their scaling up for waste management, the generation and incorporation of new products and fibres or the improvement of processes in terms of reducing the impacts generated, including the development of smart and/or technical fabrics and other innovative textile product developments due to their circular component.
	Support for investment in infrastructure and technology for all links in the value chain, including the waste management stage (sorting and preparation plants for reuse and high quality recycling), and machinery, equipment and facilities.
	Aid aimed at the implementation and improvement of traceability to facilitate circularity: development, implementation and deployment of information systems for the whole chain, including the waste management stage.
Plastics	Aid aimed at the eco-design of new packaging or new plastics (new bio-based materials or recycled material), with the objective of reducing the use of non-renewable resources, increasing the use of recycled plastic and its recyclability.
	Aid aimed at promoting reusable plastic packaging that can be used in multiple circuits or rotations throughout its life cycle, and which allows savings in raw materials and energy, optimising its use through reverse logistics systems.
	Aids aimed at simple mechanical recycling or up to food grade recycling of different polymers and from different sources.
	Aid for chemical recycling to treat non-mechanically recyclable fractions.
Wind turbines	Support for the development of the eco-design of new generations of wind turbines that have a longer service life and are more easily recyclable.
	Aid for the development of on-site dismantling systems for the most voluminous elements of wind turbines, in order to reduce the cost and simplify the transport of this waste to treatment facilities.
	Aid for the increased re-use of wind turbines in other sectors.
	Aid for the implementation and development of facilities capable of efficiently recycling wind turbines, as well as for the creation of a complete value chain around the recycling of the different elements that make them up.
Photovoltaic solar panels	Support for the eco-design of components throughout the photovoltaic value chain to improve durability, repairability, reusability and recyclability.
	Aid for the implementation of systems for the reuse of photovoltaic panels from plants on the ground at the end of their useful life, for their installation for self-consumption of energy.
	Aid for the implementation of photovoltaic panel recycling facilities, which will contribute to achieving the recovery and recycling objectives set out in Royal

SECTOR	INSTRUMENT
	Decree 110/2015, of 20 February, as well as the recovery of valuable and strategic materials contained in the panels.
Batteries	Aid for the establishment of facilities for the treatment of batteries and cells based on lithium or lithium-ion chemistry with the aim of recovering materials and compounds from these batteries used in electronic devices and in the electric mobility sector, which may include innovation initiatives for the development of technological solutions to improve waste treatment processes.
	Aid for the establishment of facilities or systems that implement the second life of batteries from the electric mobility sector for applications related to energy storage or other applications.

Action Line 2: has a single instrument called the Program of Aid for the promotion of the circular economy in the field of business.

Actions belonging to the following action categories, which substantially contribute to the transition towards a circular economy, shall be eligible:

a) Reduced consumption of virgin raw materials.
The use of by-products.
The use of materials from waste.
The remanufacturing of products.
Increased material use efficiency (excluding water and energy efficiency).
b) Eco-design and placing on the market of products made under eco-design schemes.
Increase in the useful life of the products / second use of the product. Evidence must be provided to demonstrate the percentage increase in product lifetime achieved by the project.
Increased product repairability or upgradeability. Evidence must be provided indicating: product disassembly time, number of spare parts in relation to the total number of parts in the product and time to sell them.
Shifts towards reusable products and reuse models to replace single-use products.
Improved recyclability. Evidence must be provided to demonstrate the percentage increase in recyclability of the product achieved by the submitted project.
Substitution of hazardous substances and substances of very high concern in materials and products.
Development or shift towards service-based consumption patterns.
c) Improving waste management.
Development of waste treatment systems and infrastructures to increase and optimise the obtaining of material for quality recycling, generating new raw materials to be used in new products (excluding use for fuels).
Investments in systems and infrastructures that boost readiness for re-use.
d) Digital transformation of processes through infrastructures and systems that, based on information systems, platforms, internet of things services, Big Data,

connectivity networks, artificial intelligence, 3D printing and/or blockchain technology.

Traceability of products, substances, materials and waste for control and monitoring with the aim of achieving safe products and increasing the volume of high quality recycling including information on the typology and characteristics of materials, hazardous and extremely hazardous substances, key raw materials and critical metals as defined in Annex III.

New business models based on digitalisation as an instrument to offering services linked to products that favour the efficient use of resources and reduce waste generation.

Services for the return of used products for the purpose of reuse, remanufacturing or recycling.

Services based on the use of 3D printing technology with the aim of, on the one hand, preventing the generation of waste by adjusting the volume of materials needed during the manufacturing process, thus avoiding surpluses or offcuts, and on the other hand, to reproduce spare parts that are no longer marketed, contributing to the increase of repair and the fight against obsolescence.

Research and development and innovation actions falling under the categories: *reduction of consumption of virgin raw materials* or *eco-design and placing on the market of products made under eco-design schemes* or *improvement of waste management*, may be directed towards industrial research projects, experimental development projects or feasibility studies.

Projects related to sectors dealing with textile and fashion products and waste, plastics and renewable energy capital goods, which would fall under Action Line 1, are excluded from the call for proposals under Action Line 2.

Regarding with remanufacturing and ecodesign has to be considered that "aid for environmental protection" and "investment aid for recycling and reuse of waste" are closely related to remanufacturing and ecodesign and are not expressly exempted in GBER, in particular in articles 36 and 47.

This perspective is plenty incorporated in the future Battery Regulation and its recital 12b, where *remanufacturing covers a wide range of technical operations that may occur on batteries or on waste batteries. When occurring on waste batteries, remanufacturing can be assimilated to preparing for reuse or preparing for repurpose.*

The purpose of this aid scheme is aid does not conduct to industrialize economy but to improve sustainability in industrial processes to increase the *level of environmental protection resulting from its activities* and, improve waste treatment *beyond the state of art.*

So that, Spanish Government considers that the following actions could be financed:

Reduction of consumption of virgin raw materials:

Projects related to new designs, adaptation of production processes and equipment to the use of other materials or research into new machinery/processes/technology to enable the use of waste, by-products, end of waste condition and reduction of materials.

Examples: *residual pickle solution from olive sector to recover polyphenols and salts; employ of black and white slag in construction products, use of recycled glass in the manufacture of mineral wool from glass for insulation; Use of recycled polystyrene in the manufacture of insulation; Creation of a construction material from automotive pre-consumed waste. NFU for asphalt mixtures; Design and adaptation of using of slag in asphalts.*

Ecodesign and placing on the market of products made under ecodesign schemes.

Projects focused on the ecodesign of products, using strategies to improve the possibilities of recyclability of products after the end of their useful life; increase the possibilities of reuse of products after disposal; substitution of hazardous substances by harmless ones; adaptation of

production processes to reduce the generation of pre-consumer waste; adaptation of production processes to promote the reparability of products; adaptation of production processes to increase the useful life of products

Examples: *Design to reduce rPET used in food containers and adaptation of packaging system; Design food containers in materials 100% recyclable and adaptation of packaging systems; research of new flexible plastic, thermoconforming plastic to be compostable with organic stream in room temperature; Adaptation of lines of equipment to obtain paper glasses without plastic (recyclable); Elimination of SF6 gas in voltage cells; retrofitting of industrial equipment; preparing for repurpose of CARS components; preparing for repurpose of printer components; Projects replacing plastic materials with biological materials (bamboo bicycles; coffins; construction insulation; automotive materials); Projects for new packaging (reusable; based on biomaterials/biowaste instead of plastics); Projects of new bioproducts (cellulose for hygienic products); Projects to find alternatives to polluting substances (lead salts); Adaptation of facilities to produce recycled cotton yarn; waste batteries from electric vehicles for energy storage; Remanufacturing of complete vehicles (to convert them from internal combustion to electric); Remanufacture of wind turbines out of use as liquid pressurization equipment; transformation of vegetable waste from the agri-food industry into biopolymers; transformation of meat industry waste into bioplastics; obtaining vegetable extracts of chestnut and apple from residues from the cider industry; obtaining glucosinolates from crop residues (broccoli); Use of alternative technologies for weaving that reduce the generation of pre-consumption waste (remnants of cloth); Employ more sustainable dyers which avoid aromatic amines, Substitute substances of concern by enzymes, adaptation of industrial processes to introduce Ecolabel measures.*

Improving waste management:

Development of waste treatment systems and infrastructures that increase and optimize the production of material for quality recycling, generating new raw materials that are used in new products (use for fuels is excluded) and investments in systems and infrastructures that promote preparation for reuse.

System for the collection and recycling of mattress waste and upholstered furniture; management of waste generated during decommissioning activities of nuclear installations; textile waste management; composting projects in schools; Recover black mass, Stationary battery system storage is a "preparing for repurpose" operation which means that by which parts of or a complete waste battery is prepared so that it can be used for a different purpose or application than the one that it was originally designed for.

Digitalization

Digital transformation of processes through infrastructures and systems that, based on information systems, platforms, internet of things services, big data, connectivity networks, artificial intelligence, 3D printing and / or blockchain technology that allows monitoring in order to achieve safe products and increase the volume of high-quality recycling, return services for reuse, 3D printing that avoids waste generation, service models based on servitization.

Develop of an IT platform for preparing for repurpose of WEEs.

Detailed examples for further understanding:

1. Improvement of the ratio of packaged product quantity / container volume:

Objective: To modify a plastic PET container to reduce the weight of material used in the container, maintaining the technical characteristics of the product, especially those related to the volume of product that can be transported and increase the number of products transported on a pallet.

Industries can produce their own packaging or buy it from an auxiliary industry. In both cases it involves a modification of the thermoforming. The solution is to make a corrugated bottle that increases the mechanical resistance to less material used. This change allows the same

blow injection equipment to be used but it is needed to change the mould used. Depending on the type of mould and its customization, the cost can be between € 3,000 to € 500,000.

In general, any modification of the format, type of packaging implies the modification of parts or elements of the line that may affect the jaws (elements for sealing plastics by pressure and temperature), the type of rollers in case of modification of the material with change of friction coefficient, change of the suction cups of the robots, changes in conveyor belts, as well as modifications of the software to run it on automated lines.

2. Improving the recyclability of cardboards:

Objective: Avoiding mineral oils in paper-cardboard packaging and graphic paper.

Mineral oils are complex hydrocarbon substances (composed of hydrogen and carbon molecules) produced by the refining of crude oils. They contain MOSH (Mineral Oil Saturated Hydrocarbons) and MOAH (Mineral Oil Aromatic Hydrocarbons). MOSH are composed of linear, branched and / or cyclic carbon chains, and MOAH of aromatic compounds. These inks could migrate and affect human health and reduce potential uses of recycled material. Some solutions came from changing the printer or for example, in Germany they obliged to use functional barriers for the use of recycled paper in contact to food to avoid migration.

3. Remove SF6 in the composition of medium voltage electrical cells.

This gas is used as an insulating element, composed with a high GWP. To this end, it undertakes the development of new cells with dry air as an insulating element, facing the need to achieve a size of equipment comparable to the current one.

4. Reduction of waste and recovering of material and CRM: car dismantling and incorporation of waste pieces and articles in industrial process.

Car waste dismantling in a sound management for recovering of pieces and components for spare parts to new cars. Residue of the dismantling process will be sent to an external waste manager for shredding and proper treatment. To do it, it is necessary to introduce new technology and process beyond the state of the art.

5. Increase recyclability and improving high hierarchy treatment: Increased sustainability in paper glass manufacture.

Changes in industrial process to adapt equipment to produce paper glass without polyethylene. The function of this polymer is to create a mechanical barrier and heat sealability. This polymer impedes 100% recyclability and compostability. Changes in the kind of polymer address to 100% recyclability and compostability. To do it, it is necessary to make changes in the water-based coating technology which requires new equipment for the preparation of stucco sauce, coating and handling of finished product for the manufacture of functional papers.

6. Reduction of waste, especially plastic and metals and incorporation of waste pieces and articles in industrial process.

Printer dismantling and incorporation of waste pieces in industrial process: printer waste dismantling in a sound management for recovering pieces and components for spare parts to printers. Printing consumables are limited to ink and toner but, it does not include other components as drum of the toner cartridge, transfer belt or developer and PCU. To do it, it is necessary to introduce new technology and process beyond the state of the art.

3.7 The eligible costs

Eligible costs are set out in Article 10 of Order TED/1211/2022 of 1 December.

This aid scheme follows the GBER Regulation taking into account that Articles 25 and 29 include a positive list of eligible costs while Articles 36 and 47 include a negative list of eligible costs.

The scheme includes a positive and a negative list of eligible costs as detailed in Article 10. All costs must be clearly linked to the eligible project.

Eligible costs related to the following expenditure (Article 10.6 for detailed provisions):

- Justification procedure (up to 5% of the total amount or a maximum of 25,000 euros). For example, for the verification of the DNSH principle.
- Audit process (up to 5% of the total amount or a maximum of EUR 10,000)
- Communication actions (up to 5% of the total amount or a maximum of EUR 25,000)
- Labour costs of new contracts (for more information see below)
- Assistance for technical projects and reports
- Construction investments up to EUR 600/sqm (specific provisions exist for investments below Article 25 of the GBER, as only construction amortization is allowed during the project period).
- Consultancy for research, know-how and patents for projects covered by Articles 25 and 29 of the GBER. Consultancy costs are also allowed for projects covered by Article 25 of the GBER.
- Consumables that are directly related to the project are allowed under articles 25, 29 and 36 of the GBER.

Inventoriable material:

- Equipment (including second-hand equipment under specific conditions) and software.
- Leasing of inventoriable material and installations.
- Assets related to Licences, Know-how, off-patent know-how and patents.
- Instrumental for investments pursuant to Articles 25 and 29 of the GBER.
- Costs of instruments and equipment or their depreciation cost in case they are not used during their entire useful life, if they are directly related to the project to the extent and during the period used for the project for investments according to Articles 25 and 29 of the GBER.

Operating costs:

These costs are **not included** (Article 10.15).

Indents (j), (K), (L) and (m) are partly or wholly redundant to introduce any specific aspect of Articles 25, 29, 36 and 47 of the GBER Regulation. Consequently, no operating costs could be subsidised. For example, investments in transport, purchase of raw materials, taxes and any other operating costs.

Below you will find a comprehensive list of **costs not included**, where operating costs are specifically prohibited:

- (a) Those referred to in Article 31(7) and (8) of Law 38/2003 of 17 November 2003, including bank guarantee costs (this incident refers to bank and judicial financial costs).
- (b) Costs related to the acquisition and creation of companies.
- (c) Expenditure on the acquisition of land or other real estate, or on the acquisition and construction of offices.
- (d) **Indirect taxes.**
- (e) **Expenditure on the purchase of secondary raw materials.**
- (f) **Costs attributable to the ordinary activity of the company.**
- (g) **Acquisition costs of light, heavy and commercial vehicles.**
- (h) **Running costs for office maintenance or stationery.**
- (i) **The cost of renting land or real estate.**

- (j) For the actions referred to in Article 8.2 (Article 47 of the GBER) they are not eligible as operational or consumable costs.
- (k) For the actions referred to in Article 8.3 (Article 36 of the GBER), costs which are not directly related to the achievement of a higher level of environmental protection are not eligible.
- (l) For actions referred to in Article 8.4 and 8.5 (Articles 29 and 25 of the GBER), no additional overheads and other **operating expenses, including costs of materials, supplies and similar products not arising directly from the project** may be financed.
- (m) Any expenditure additional to the feasibility studies related to the actions foreseen in Article 8.5 (Article 25 of the GBER).

Staff costs:

These costs are regulated in Article 10.5.

Only personnel costs related to **new recruitments made exclusively for the implementation of the investment** are eligible, as they are not considered as operating costs:

"10.5 The following costs included in the labour category are eligible:

100% of the labour costs of personnel hired exclusively **and specifically to carry out the activity that is the object of the aid**, which must be accounted for in their employment contract. In the case of research and development projects, it will cover up to 100% of the labour costs of researchers, technicians and other auxiliary personnel hired exclusively and specifically for the project. In general, these expenses will be justified by means of the presentation of pay slips, social security and their respective proof of payment, as well as their employment contract, which must indicate the project and the functions for which the worker has been hired.

In addition, the beneficiaries must provide the timetables accredited by the corresponding workers. Within this expenditure item, 100% of the expenses for contracts with economically dependent self-employed workers may also be charged, provided that the work or service contracted is exclusively attributable to the project. This type of expenditure shall be justified by means of a contract, invoice together with the corresponding proof of payment or form 130 for those who are in direct estimation. In any case, the imputations of Social Security contributions for self-employed workers will not be eligible for subsidy, unless there is a legal rule that declares the cost of Social Security for self-employed workers to be exempt from Personal Income Tax and it is the applicant organisation that pays the contributions instead of the worker".

Other expenditure

"Other expenditure (...) which clearly and directly derives from the action, is necessary for its implementation and meets the conditions laid down in Article 10, provided that it is authorised".

This clause has been included in case costs arise which we have not taken into account and which can be financed.

They must comply with the rules set out in the order and may not consist of any of the prohibited expenses.

3.8 Methods used for beneficiary selection

Applications will be subject to an evaluation procedure, the execution of which is entrusted to the Evaluation Commission, which is the collegiate body that will be administratively integrated into the Ministry for Ecological Transition and the Demographic Challenge and will have the composition determined in the corresponding call for applications.

Its functions will be to evaluate the applications, issuing a report specifying the result of the evaluation carried out, in accordance with the provisions of Article 24.4 of Law 38/2003, of 17 November.

The meetings of the Commission may also be attended, with the right to speak but not to vote, by any persons called by its Chairman, as experts in the matters included on the agenda. The Committee may also request such reports as it deems strictly necessary for the evaluation of the projects presented.

This evaluation committee will be assisted by a technical team for the management of the grants awarded, through the collaborating entity.

The evaluation will be carried out exclusively on the information provided by the applicant in the application admission phase. Consideration will be given to the clarity, quality and content of the report submitted, the assessment criteria for which will be set out in the call for applications.

The objective criteria for the award of grants, which may total a maximum of 100 points, shall be distributed as follows:

- Economic, environmental and social criteria referring to the applicant organisation, up to a maximum of 30 points.
- Criteria relating to the technical quality of the project, up to a maximum of 70 points.

The actions submitted will be prioritised according to the descending order of priority obtained after the assessment.

3.9 The scoring rules

Action Line 1:

ASSESSMENT CRITERIA FOR THE TEXTILE SECTOR

VALUATION CRITERIA FOR THE TEXTILE SECTOR (up to 100 points)	
CRITERIA FOR ASSESSMENT OF THE ENTITY/GROUP (up to 30 points)	30
Business criteria (up to 22 points)	22
1. Typology of entities (up to 10 points)	10
a) Business grouping	10
b) SME entities (micro, small and medium-sized entities) ¹	7
c) Social economy entity, including social integration entities.	5
d) Non-SME entity	3
2. Active policies (up to 6 points)	6
a) Provision of active sustainable procurement policies (ISO 20400 or equivalent)	3
b) Provision of active social accountability policies (IQNet SR10 or equivalent)	1
c) Provision of environmental certificates	2
3. Proven experience (up to 6 points)	6
Proven experience of more than 2 years in the field of the project submitted. ²	4
Proven experience of more than 3 years in the field of the project submitted. ²	6
Social criteria (up to 8 points)	8
4. Equality (up to 4 points)	4
a) Availability of badges awarded by the Ministry of Equality or any other of a similar or equivalent nature. If sub-criterion b) is met, this sub-criterion a) will not be considered.	2
b) Presence of women in senior management positions ³	2
5. Other social criteria (up to 4 points)	4
a) Percentage > 10 % of workers of the entity with a recognised disability of more than 33%.	2
b) Percentage >20 % of socially excluded persons ⁴	2
CRITERIA FOR EVALUATING THE PROJECT (up to 70 points)	70

Technical criteria (up to 20 points)	20
6. Evaluation of the report (up to 15 points)	15
a) Coherent, detailed, achievable and necessary actions to achieve the project objectives and appropriate quantifiable and verifiable results (to be broken down according to proposal submission forms).	10
b) Feasible and complete timetable	2
c) Performance and evaluation indicators that are consistent with and show environmental improvement	2
d) Detailed and appropriate budget for the activities described	1
7. Synergy with other action lines (up to 5 points)	5
a) Projects incorporating two lines (the action presented as eligible for subsidy and additionally another one of the actions considered eligible for subsidy in this OM).	3
b) Projects incorporating three lines (the action presented as eligible for subsidy and additionally 2 other actions included in this OM as eligible for subsidy).	4
c) Projects incorporating four lines (the action presented as eligible for subsidy and in addition to 3 other actions included in this OM as eligible for subsidy)	5
Environmental criteria of the project according to its nature (up to 25 points)	25
8.1. Reduction of raw materials and eco-design (up to 25 points)	25
8.1.1. Reduction of raw material consumption in manufacturing processes by incorporation of recycled textile fibres	5
8.1.2. Reduction of raw material consumption in manufacturing processes by incorporation of recycled plastic polymers	4
8.1.3. Introduction of recycled material in processes justifying the amount with certificate (Up to 6 points)	6
a) from 5 to 15	4
b) from 16 % to 35	5
c) More than 35	6
8.1.4. Reduction of hazardous substances and substances of very high concern in processes	5
8.1.5. Reducing the unintentional release of secondary micro-plastics in the use of products	5
8.2. Textile waste management (up to 25 points)	25
8.2.1. Integrated sorting plant for preparation for re-use and recycling	8
8.2.2. Effective processes for selective separation of mixtures in sorting plants	7
8.2.3. Production of polyester fibres and textile products in recycling plants	5
8.2.4. Procurement of recycled cotton fibres in recycling plants	5
Criteria improvements in information and services (up to 10 points)	10
9. Incorporation of systems for the traceability of products, substances and waste in manufacturing or waste management processes.	6
10. Provision of return services for used products for the purpose of reuse, remanufacturing or technology-based recycling.	4
Transformative capacity of the project (up to 15 points)	15
11. Territorial criterion and job creation (up to 5 points)	5
a) If the project requires a new location of the activity in municipalities of less than 5,000 inhabitants, outside towns or industrial areas, provided that it is adequately justified and in line with the purpose of the subsidy.	2
b.1) Generation of new employment ⁶ (>10 workers). If sub-criterion b.1) is fulfilled, sub-criteria b.2) and b.3) are not considered.	3
b.2) Generation of new employment ⁶ (6 to 10 workers). If sub-criterion b.2) is fulfilled, sub-criteria b.1) and b.3) are not considered.	2
b.3) Generation of new employment ⁶ (1 to 5 workers). If sub-criterion b.3) is fulfilled, sub-criteria b.1) and b.2) are not considered.	1

12. Innovation (5 points)	5
New knowledge-based solutions that, through design and technology, promote the marketing of products, services and business models, business and management methods that significantly improve the efficiency of resource use, the reduction of waste generation and the integration of safe and high quality secondary raw materials in the production cycle in accordance with the guidelines of the Spanish Circular Economy Strategy, favouring the achievement of its objectives and where the expected environmental benefit should be significantly higher than the improvement resulting from the general evolution of the current state of the art in comparable activities.	5
The innovative nature of the activity must involve a clear degree of risk, in technological, financial or market terms, higher than the risk generally associated with comparable non-innovative activities.	
Will not be considered innovative those activities that introduce minor improvements; the increase of production or service capacities through manufacturing or logistics systems very similar to those already in use; changes in business practices based on organizational methods already employed by the entities; changes in management strategy, the abandonment of a process; changes resulting solely from factor price variations, adaptation to customers, periodic seasonal or other cyclical changes; the trading of new or significantly improved products; and mergers and acquisitions.	
13. Synergies (up to 5 points)	5
Significant positive impact on other environmental policies.	2
Industrial symbiosis projects in a spatial area (industrial estate, municipality, region...)	3

¹Entities meeting the criteria set out in Annex I of Commission Regulation (EU) No 651/2014 of 17 June 2014.

²The experience will be accredited by means of a responsible declaration by the entity or by means of a certificate of good execution issued by the client, which will indicate the amount, date and place of execution of the action, and whether it was normally carried out successfully.

³ Senior management personnel will be considered to be those who exercise powers defined in art. 1. Two of Royal Decree 1382/1985, of 1 August, which regulates the special employment relationship of senior management personnel.

⁴Certificate of social exclusion in accordance with the second additional provision of Law 43/2006, of 29 December, for the improvement of growth and employment and the specific insertion contract in accordance with current legislation.

⁵COM(2020) 474 final "Resilience of key raw materials: Charting the way to greater security and sustainability.

⁶Employment generation shall mean all employment generated exclusively and specifically for the implementation of the supported activity in accordance with the legislation in force.

Certifications of technical standards shall be in the version in force at the time of application.

ASSESSMENT CRITERIA FOR THE PLASTICS SECTOR

VALUATION CRITERIA FOR THE PLASTICS SECTOR (Up to 100 points)	
CRITERIA FOR ASSESSMENT OF THE ENTITY / GROUP (up to 30 points)	30
Business criteria (up to 22 points)	22
1. Typology of entities (up to 10 points)	10
a) Business grouping	10
b) SME entities (micro, small and medium-sized entities) ¹	7
c) Social economy entity, including social integration entities.	5
d) Non-SME entity	3
2. Active policies (up to 6 points)	6
a) Provision of active sustainable procurement policies (ISO 20400 or equivalent)	3
b) Provision of active social accountability policies (IQNet SR10 or equivalent)	1
c) Provision of environmental certificates	2
3. Proven experience (6 points)	6
Proven experience of more than 2 years in the field of the project submitted. ²	4
Proven experience of more than 3 years in the field of the project submitted. ²	6

Social criteria (up to 8 points)	8
4. Equality (up to 4 points)	4
a) Availability of badges awarded by the Ministry of Equality or any other of a similar or equivalent nature. If sub-criterion b) is fulfilled, this sub-criterion a) will not be considered.	2
b) Presence of women in senior management positions ³	2
5. Other social criteria (up to 4 points)	4
a) Percentage > 10 % of workers of the entity with a recognised disability of more than 33%.	2
b) Percentage >20 % of socially excluded persons ⁴	2
CRITERIA FOR EVALUATING THE PROJECT (up to 70 points)	70
Technical criteria (up to 20 points)	20
6. Evaluation of the report (up to 15 points)	15
a) Coherent, detailed, achievable and necessary actions to achieve the project objectives and appropriate quantifiable and verifiable results (to be broken down according to proposal submission forms).	10
b) Feasible and complete timetable	2
c) Performance and evaluation indicators that are consistent with and show environmental improvement	2
d) Detailed and appropriate budget for the activities described	1
7. Synergy with other action lines (up to 5 points)	5
a) Projects incorporating two lines (the action presented as eligible for subsidy and additionally another one of the actions considered eligible for subsidy in this OM).	3
b) Projects incorporating three lines (the action presented as eligible for subsidy and additionally 2 other actions included in this OM as eligible for subsidy).	4
c) Projects incorporating four lines (the action presented as eligible for subsidy and in addition to 3 other actions included in this OM as eligible for subsidy)	5
Environmental criteria of the project according to its nature (up to 25)	25
8.1. Reduction of raw material consumption in manufacturing processes by incorporation of recycled plastic polymers (up to 25 points)	25
8.1.1 Reduction percentage (up to 15 points)	15
a) up to 20 % above regulatory requirements	5
b) from 20 to 25% above regulatory obligations	7
c) from 26 to 30% above regulatory obligations	10
d) more than 30% or more above regulatory obligations	15
8.1.2. Destination of the product in which recycled plastic is incorporated (up to 10 points)	10
a) For the manufacture of packaging	10
b) For automotive/EE sector products	7
c) For products of the Agriculture/Fisheries sector	5
8.2. Eco-design (up to 25 points)	25
a) Projects aimed at increasing the useful life of the plastic product	20
b) Projects aimed at the production of reusable plastic products	20
c) Projects to improve the recyclability of plastic products	18
d) Projects to replace hazardous substances in plastics	15
e) Projects incorporating two or more of the initiatives mentioned in a) to d) above.	25
8.3. Projects for new or upgrading of existing plastic waste treatment plants (up to 25 points)	25
a) Plants for the treatment of PET/HDPE to food grade quality	20
b) Plants for the treatment of PS / LDPE for chemical recycling	17
c) Plants for PET recycling (non-food quality)	15

d) Cellulose acetate processing plants	10
e) Plants for the treatment of thermoplastic residues	7
f) Plants for the processing of thermosetting plastics	5
g) If you manage two or more previous performances	25
Criteria improvements in information and services (up to 10 points)	10
9. Incorporation of systems for traceability of products, substances and waste in manufacturing or waste management processes.	6
10. Incorporation of systems for traceability for return services of used products for reuse, remanufacturing or technology-based recycling.	4
Transformative capacity of the project (up to 15 points)	15
11. Territorial criterion and job creation (up to 5 points)	5
a) If the project requires a new location of the activity in municipalities of less than 5,000 inhabitants, outside towns or industrial areas, provided that it is adequately justified and in line with the purpose of the subsidy.	2
b.1) Generation of new employment ⁶ (>10 workers). If sub-criterion b.1) is fulfilled, sub-criteria b.2) and b.3) are not considered.	3
b.2) Generation of new employment ⁶ (6 to 10 workers). If sub-criterion b.2) is fulfilled, sub-criteria b.1) and b.3) are not considered.	2
b.3) Generation of new employment ⁶ (1 to 5 workers). If sub-criterion b.3) is fulfilled, sub-criteria b.1) and b.2) are not considered.	1
12. Innovation (5 points)	5
New knowledge-based solutions that, through design and technology, promote the marketing of products, services and business models, business and management methods that significantly improve the efficiency of resource use, the reduction of waste generation and the integration of safe and high quality secondary raw materials in the production cycle in accordance with the guidelines of the Spanish Circular Economy Strategy, favouring the achievement of its objectives and where the expected environmental benefit should be significantly higher than the improvement resulting from the general evolution of the current state of the art in comparable activities.	5
The innovative nature of the activity must involve a clear degree of risk, in technological, financial or market terms, higher than the risk generally associated with comparable non-innovative activities.	
Will not be considered innovative those activities that introduce minor improvements; the increase of production or service capacities through manufacturing or logistics systems very similar to those already in use; changes in business practices based on organisational methods already used by the entities; changes in management strategy, abandonment of a process; changes resulting solely from factor price changes, adaptation to customers, periodic seasonal or other cyclical changes; trading of new or significantly improved products and mergers and acquisitions.	
13. Synergies (up to 5 points)	5
Significant positive impact on other environmental policies.	2
Industrial symbiosis projects in a spatial area (industrial estate, municipality, region...)	3

¹Entities meeting the criteria set out in Annex I of Commission Regulation (EU) No 651/2014 of 17 June 2014.

²The experience will be accredited by means of a responsible declaration by the entity or by means of a certificate of good execution issued by the client, which will indicate the amount, date and place of execution of the action, and whether it was normally carried out successfully.

³ Senior management personnel will be considered to be those who exercise powers defined in art. 1. Two of Royal Decree 1382/1985, of 1 August, which regulates the special employment relationship of senior management personnel.

⁴Certificate of social exclusion in accordance with the second additional provision of Law 43/2006, of 29 December, for the improvement of growth and employment and the specific insertion contract in accordance with current legislation.

⁵COM(2020) 474 final "Resilience of key raw materials: Charting the way to greater security and sustainability.

⁶Employment generation shall mean all employment generated exclusively and specifically for the implementation of the supported activity in accordance with the legislation in force.

Certifications of technical standards shall be in the version in force at the time of application.

ASSESSMENT CRITERIA FOR THE RENEWABLES SECTOR

VALUATION CRITERIA FOR THE RENEWABLE ENERGY SECTOR (Up to 100 points)	
CRITERIA FOR ASSESSMENT OF THE ENTITY / GROUP (up to 30 points)	30

Business criteria (up to 22 points)	22
1. Typology of entities (up to 10 points)	10
a) Business grouping	10
b) SME entity (micro, small and medium-sized entity) ¹	7
c) Social economy entity, including social integration entities.	5
d) Non-SME entity	3
2. Active policies (up to 6 points)	6
a) Provision of active sustainable procurement policies (ISO 20400 or equivalent)	3
b) Provision of active social accountability policies (IQNet SR10 or equivalent)	1
c) Provision of environmental certificates	2
3. Proven experience (up to 6 points)	6
Proven experience of more than 2 years in the field of the project submitted. ²	4
Proven experience of more than 3 years in the field of the project submitted. ²	6
Social criteria (up to 8 points)	8
4. Equality (up to 4 points)	4
a) Availability of badges awarded by the Ministry of Equality or any other of a similar or equivalent nature. If sub-criterion b) is fulfilled, this sub-criterion a) will not be considered.	2
b) Presence of women in senior management positions ³	2
5. Other social criteria (up to 4 points)	4
a) Percentage > 10 % of workers of the entity with a recognised disability of more than 33%.	2
b) Percentage >20 % of socially excluded persons ⁴	2
CRITERIA FOR EVALUATING THE PROJECT (up to 70 points)	70
Technical criteria (up to 20 points)	20
6. Evaluation of the report (up to 15 points)	15
a) Coherent, detailed, achievable and necessary actions to achieve the project objectives and appropriate quantifiable and verifiable results (to be broken down according to proposal submission forms).	10
b) Feasible and complete timetable	2
c) Performance and evaluation indicators that are consistent with and show environmental improvement	2
d) Detailed and appropriate budget for the activities described	1
7. Synergies activities (up to 5 points)	5
a) Projects incorporating two lines (the action presented as eligible for subsidy and additionally another one of the actions considered eligible for subsidy in this OM).	4
b) Projects incorporating three lines (the action presented as eligible for subsidy and additionally 2 other actions included in this OM as eligible for subsidy).	5
Environmental criteria of the project according to its nature (up to 25)	25
8.1. Eco-design (up to 25 points)	25
a) Life extension projects	20
b) Projects aimed at improving recyclability	15
c) Projects incorporating the two initiatives referred to in (a) and (b) above	25
8.2. Projects for re-use (up to 25 points)	25
a) Re-use of complete equipment	25
b) Reuse of more than 20 % of parts and components	15
c) Re-use of at least 20 % of parts and components	10

8.3. Waste management projects for the wind turbine blade sector (up to 25 points)	25
a) Projects aimed at developing on-site decommissioning systems	10
b) Treatment installations allowing the recovery of waste by weight for processing into secondary raw materials that can be introduced into the production processes.	20
c) Projects incorporating the above two actions	25
8.4. Projects aiming at waste management for the photovoltaic panels sector (up to 25 points)	25
a) New or upgrading projects allowing for 85-90% recovery	15
b) New or upgrading projects leading to recovery of 91-95%.	25
8.5. Projects for cells and batteries based on lithium-ion or lithium-ion chemistry (New projects or upgrading of treatment facilities, not including storage or sorting) (Up to 25 points).	25
a) Recycling efficiency between 50-65%.	15
b) Recycling efficiency between 66-70 %.	20
c) Recycling efficiencies above 70%.	25
Criteria improvements in information and services (up to 10 points)	10
9. Incorporation of systems for traceability of products, substances and waste in manufacturing or waste management processes.	6
10. Incorporation of traceability systems that allow for reuse and reuse.	4
Transformative capacity of the project (up to 15 points)	15
11. Territorial criterion and job creation (up to 5 points)	5
a) If the project requires a new location of the activity in municipalities of less than 5,000 inhabitants, outside towns or industrial areas, provided that it is adequately justified and in line with the purpose of the subsidy.	2
b.1) Generation of new employment ⁶ (>10 workers). If sub-criterion b.1) is fulfilled, sub-criteria b.2) and b.3) are not considered.	3
b.2) Generation of new employment ⁶ (6 to 10 workers). If sub-criterion b.2) is fulfilled, sub-criteria b.1) and b.3) are not considered.	2
b.3) Generation of new employment ⁶ (1 to 5 workers). If sub-criterion b.3) is fulfilled, sub-criteria b.1) and b.2) are not considered.	1
12. Innovation (5 points)	5
New knowledge-based solutions that, through design and technology, promote the marketing of products, services and business models, business and management methods that significantly improve the efficiency of resource use, the reduction of waste generation and the integration of safe and high quality secondary raw materials in the production cycle in accordance with the guidelines of the Spanish Circular Economy Strategy, favouring the achievement of its objectives and where the expected environmental benefit should be significantly higher than the improvement resulting from the general evolution of the current state of the art in comparable activities.	5
The innovative nature of the activity must involve a clear degree of risk, in technological, financial or market terms, greater than the risk generally associated with comparable non-innovative activities.	
Will not be considered innovative those activities that introduce minor improvements; the increase of production or service capacities through manufacturing or logistics systems very similar to those already in use; changes in business practices based on organisational methods already used by entities; changes in management strategy, abandonment of a process; changes resulting solely from factor price changes, adaptation to customers, periodic seasonal or other cyclical changes; trading of new or significantly improved products and mergers and acquisitions.	
13. Synergies (up to 5 points)	5
a) Significant positive impact on other environmental policies.	2
b) Industrial symbiosis projects in a spatial area (industrial estate, municipality, region...)	3

¹Entities meeting the criteria set out in Annex I of Commission Regulation (EU) No 651/2014 of 17 June 2014.

²The experience will be accredited by means of a responsible declaration by the entity or by means of a certificate of good execution issued by the client, which will indicate the amount, date and place of execution of the action, and whether it was normally carried out successfully.

³ Senior management personnel will be considered to be those who exercise powers defined in art. 1. Two of Royal Decree 1382/1985, of 1 August, which regulates the special employment relationship of senior management personnel.

⁴Certificate of social exclusion in accordance with the second additional provision of Law 43/2006, of 29 December, for the improvement of growth and employment and the specific insertion contract in accordance with current legislation.

⁵COM(2020) 474 final "Resilience of key raw materials: Charting the way to greater security and sustainability."

⁶Employment generation shall mean all employment generated exclusively and specifically for the implementation of the supported activity in accordance with the legislation in force.

Certifications of technical standards shall be in the version in force at the time of application.

Action Line 2:

CRITERIA FOR ASSESSMENT OF THE ENTITY / GROUP (up to 30 points)	
Economic criteria (up to 12 points)	12
1. Typology of entities (up to 10 points)	10
a) Business grouping	10
b) Social economy entity, including social integration entities.	8
c) SME Entity (micro, small and medium-sized entity) ¹	7
d) Non-SME entity	5
2. Value chains (up to 2 points)	2
a) Provision of active sustainable procurement policies (ISO 20400 or equivalent)	1
b) Provision of active social accountability policies (IQNet SR10 or equivalent)	1
Environmental criteria (up to 12 points)	12
3. Priority sub-sectors (7 points) (name of the economic activity according to CNAE-2009 code)	7
B07 Mining of metal ores	7
B08 Other mining and quarrying	
C10 Food industry	
C11 Manufacture of beverages	
C17 Paper industry	
C20 Chemical industry	
C22 Manufacture of rubber and plastic products (only codes related to rubber are involved)	
C23 Manufacture of other non-metallic mineral products	
C24 Metallurgy; manufacture of iron, steel and ferroalloy products	
C25 Manufacture of fabricated metal products, except machinery and equipment	
C26 Manufacture of computer, electronic and optical products	
C27 Manufacture of electrical equipment	
C28 Manufacture of machinery and equipment n.e.c.	
C29 Manufacture of motor vehicles, trailers and semi-trailers	
C30 Manufacture of other transport equipment	
C31 Manufacture of furniture	
C32 Other manufacturing	
E38 Collection, treatment and disposal of waste; recovery	
F43 Specialised construction activities	
K64 Financial services, except insurance and pension funding	
M71 Architectural and engineering technician technical services; technical testing and analysis	
4. Proven experience (up to 3 points)	3
Proven experience of more than 8 years in the field of the project submitted. ²	3
Proven experience of more than 5 years in the field of the project submitted. ²	2
Proven experience of more than 3 years in the field of the project submitted. ²	1
5. Provision of environmental certificates (up to 2 points)	2
a) Availability of the entity's environmental management certificates (ISO 14001, EMAS or equivalent)	1
b) Zero residue certification, towards zero residue (or equivalent)	1
Consumption criteria (up to 2 points)	2
Provision of voluntary environmental labels/ B2C communication for the main CNAE of the activity: EU Ecolabel or Type I Ecolabel.	1,5
Provision of voluntary environmental labels/ B2C communication for the main CNAE of the activity: labels type II and III.	0,5
Social criteria (up to 4 points)	4
6. Equality (up to 2 points)	2
a) Availability of badges awarded by the Ministry of Equality or any other of a similar or equivalent nature. If sub-criterion b) is met, this sub-criterion a) will not be considered.	1
b) Presence of women in senior management positions ³	2

7. Other social criteria (up to 2 points)	2
a) Percentage >10% of employees of the entity with a recognised disability of more than 33%.	1
b) Percentage >20% of people in social exclusion situation ⁴	1
CRITERIA FOR EVALUATING THE PROJECT (up to 70 points)	70
Technical criteria (up to 40 points)	40
8. Evaluation of the report (up to 12 points)	12
a) Coherent, detailed, achievable and necessary actions to achieve the project objectives and appropriate quantifiable and verifiable results (to be broken down according to proposal submission forms).	4
b) Feasible and complete timetable	3
c) Performance and evaluation indicators that are consistent with and show environmental improvement	3
d) Detailed and appropriate budget for the activities described	2
9. Priority substances, materials, products and wastes (10 points)	10
Key raw materials ⁵ and critical metals for industry (steel, aluminium, copper, nickel, nickel, chromium, zinc, tin, manganese and molybdenum). Food waste Electrical and electronic equipment and its waste Machinery (auxiliary equipment, machine tools, machinery for material processing and manufacturing of different products) Cells and batteries Furniture and bulky waste Mattresses	10
10. Value systems (up to 12 points)	12
(a) Industrial symbiosis projects (in the case of projects submitted by clusters, they must include the entities participating in the symbiosis)	8
(b) Integrated waste treatment/product manufacturing models	4
11. Territorial criterion and job creation (up to 6 points)	6
a) a) If the project requires a new location of the activity in municipalities of less than 5,000 inhabitants, outside towns or industrial areas, provided that it is adequately justified and in line with the purpose of the subsidy.	2
b.1) Generation of new employment ⁶ (>10 workers). If sub-criterion b.1) is fulfilled, sub-criteria b.2) and b.3) are not considered.	4
b.2) Generation of new employment ⁶ (6 to 10 workers). If sub-criterion b.2) is fulfilled, sub-criteria b.1) and b.3) are not considered.	3
b.3) Generation of new employment ⁶ (1 to 5 workers). If sub-criterion b.3) is fulfilled, sub-criteria b.1) and b.2) are not considered.	2
Transformative capacity of the project (up to 30 points)	30
12. Innovation (8 points)	8
New knowledge-based solutions that, through design and technology, promote the marketing of products, services and business models, business and management methods that significantly improve the efficiency of resource use, the reduction of waste generation and the integration of safe and high quality secondary raw materials in the production cycle in accordance with the guidelines of the Spanish Circular Economy Strategy, favouring the achievement of its objectives and where the expected environmental benefit should be significantly higher than the improvement resulting from the general evolution of the current state of the art in comparable activities. The innovative character of the activity must involve a clear degree of risk, in terms of technological, financial or market risk, greater than the risk generally associated with comparable non-innovative activities. Will not be considered innovative those activities that introduce minor improvements; increases in production or service capacities through manufacturing or logistics systems that are very similar to those already in use; changes in business practices based on organisational methods already employed by the entities; changes in management strategy, abandonment of a process; changes resulting solely from changes in factor prices, adaptation to customers, periodic seasonal or other cyclical changes; trading of new or significantly improved products and mergers and acquisitions.	8
13. Relevance of the action (up to 15 points)	15
Prevention: the project's contribution to the prevention principle of the waste hierarchy	5
Preparedness for re-use: the project's contribution to the waste hierarchy's preparedness for re-use principle	4
Recycling: project contribution to the recycling principle of the waste hierarchy	2

Traceability data, processes	2
Replicability of the project	2
14. Synergies (7 points)	7
Significant positive impact on other environmental policies, strategies, plans and programs.	7

¹Entities meeting the criteria set out in Annex I of Commission Regulation (EU) No 651/2014 of 17 June 2014.

²The experience will be accredited by means of a responsible declaration by the entity or by means of a certificate of good execution issued by the client, which will indicate the amount, date and place of execution of the action, and whether it was normally carried out successfully.

³ Senior management personnel will be considered to be those who exercise powers defined in art. 1. Two of Royal Decree 1382/1985, of 1 August, which regulates the special employment relationship of senior management personnel.

⁴Certificate of social exclusion in accordance with the second additional provision of Law 43/2006, of 29 December, for the improvement of growth and employment and the specific insertion contract in accordance with current legislation.

⁵COM(2020) 474 final "Resilience of key raw materials: Charting the way to greater security and sustainability."

⁶Employment generation shall mean all employment generated exclusively and specifically for the implementation of the supported activity in accordance with the legislation in force.

Certifications of technical standards shall be in the version in force at the time of application.

In the case of groupings of beneficiaries, criteria 2, 4, 5, 6 and 7 will be assessed on the basis of the details of the entity providing evidence of technical solvency.

Criterion 3 is assessed on the basis of the CNAE code of the main activity in which the project actions are to be implemented.

Criterion 11 will be assessed for all the entities in the grouping.

The criteria to be taken into account by the licensing authority when assessing applications.

Article 20. Objective criteria for awarding grants stipulates that the assessment shall be based exclusively on the information provided by the applicant at the application admission phase.

The objective criteria for awarding grants, which may total a maximum of 100 points, shall be distributed as follows:

- Economic, environmental and social criteria relating to the applicant organisation, up to a maximum of 30 points.
- Criteria relating to the technical quality of the project, up to a maximum of 70 points.

In the case of applications with equal points, preference will be given to the application submitted first.

The actions presented will be prioritised according to the descending order of priority obtained after the assessment in accordance with the provisions of this article and in accordance with the evaluation criteria that will be specified in each call for applications.

On the other hand, the clarity, quality and content of the report submitted shall be taken into consideration, the assessment criteria for which shall be set out in the call for applications.

Lastly, the following will be exclusion criteria for continuing with the evaluation of applications

- a) Failure to comply with the condition of beneficiary in accordance with Article 3 of the Bases.
- b) Being subject to any of the restrictions set out in Article 4 of the Bases.
- c) That the action for which the subsidy is awarded does not comply with the requirements of article 8 of the Bases.
- d) Investment projects whose purpose is the decontamination of soils.
- e) That the possible aid does not have an incentive effect, as specified in Article 9 of the Bases.
- f) Failure to achieve a minimum score of 15 points out of 30 of the criteria for evaluation of the entity/grouping.
- g) Failure to obtain a minimum score of 35 points out of 70 for the project evaluation criteria.
- h) Failure to submit any of the documents required in the application, after the corresponding correction period.

4. EVALUATION QUESTIONS

As far as possible, the evaluation should provide answers to the questions raised. However, the direct impact of the assistance is the most important to determine as it will provide information on the extent to which the objectives of the program have been achieved.

Explanatory note for the formulation of Direct Impact questions:

Due to the novelty of the Program, the ability to select the appropriate comparison group is a real challenge which depends to a large extent on the number and type of applicants for support (unknown at the time of the development of the plan). For this reason, **two methodological scenarios** have been defined depending **on the source of information for the data collection of the comparison group**. The characteristics and the rationale for the application of each scenario are explained in detail in section "5. Planned methods for evaluation".

Depending on the scenario, the type of direct impact questions we can ask is different, due to the fact that, when dealing with secondary sources of official statistics, precision is lost. For this reason, the questions are presented according to the two possible scenarios identified for the development of the evaluation. The scenarios are:

- **First scenario:** based on the collection of information from primary sources, i.e. from data obtained from beneficiaries (treatment group) and not beneficiaries of the program (comparison group). In both cases the information is collected through questionnaires.
- **Second scenario:** based on obtaining information from primary and secondary sources. In the case of beneficiaries (treatment group), information is obtained from questionnaires. In the case of non-beneficiaries (comparison group), information is obtained from secondary sources.

The questions guiding the Evaluation Plan are set out below:

4.1 Direct impact of the aid on the beneficiaries (EQ.A)

FIRST SCENARIO

EQ. A1. If you had not received the aid, would you have developed the project with the same or higher environmental impact (incentive effect)?

EQ. A2. Has the aid had an effect on the situation of the beneficiaries?

EQ. A2.1. Has the consumption of virgin raw materials been replaced by secondary raw materials?

EQ. A2.2. Have eco-designed products (repairability, recyclability, etc.) been introduced on the market?

EQ. A2.3. Has waste management been improved?

EQ. A2.4. To what extent has the implementation of digital transformation projects been promoted? Has the digital transformation of processes favoured the circular economy in the entities?

EQ. A2.5. To what extent has the implementation of research and development and innovation projects been promoted? Has R+D+I favoured the circular economy in the entities?

EQ. A3. To what extent has the aid had the expected effects?

EQ. A4. Have the beneficiaries of the aid been affected differently (e.g. according to their size, location or sector)?

SECOND SCENARIO

EQ. A5. Has investment in environmental protection in the field of waste and the circular economy increased?

EQ. A6. Has the generation of pre-consumer waste been reduced?

EQ. A7. Has waste management been improved?

EQ. A8. Has the digital transformation of processes favoured the circular economy in organisations?

4.2 Indirect impact of the aid scheme (EQ.B)

EQ. B1. What other effects on the beneficiaries and the economy in general are expected to result from the development of the projects? To what extent has the aid helped to achieve these effects?

EQ. B1.1. Has economic growth increased?

EQ. B1.2. Has specialized employment been created?

EQ. B1.3. Have R+D+I expenditures increased or new researchers been recruited (innovation drive)?

EQ. B1.4. Has an industrial symbiosis been created to foster a circular economy ecosystem?

EQ. B2. Can the aggregate effects of the regime on competition and trade be measured?

4.3 Proportionality and appropriateness of the aid scheme (EQ.C)

EQ. C1. Was the scheme proportionate to the problem it was intended to solve? Could the same effects have been achieved with less or a different form of aid (e.g. loans instead of grants)?

EQ. C2. Was the most effective aid instrument chosen and would other aid instruments or types of intervention have been more appropriate to achieve the objective?

The evaluation questions have been designed based on the review of the methodology and specific documentation related to the object of evaluation. These questions may be revised as the development of the different calls evolves.

5. INDICATORS

Two types of indicators are presented below. Some indicators will respond to the first scenario, referring to primary information extracted from the questionnaires to beneficiaries and non-beneficiaries, and another for the second scenario, based on secondary sources of statistical databases.

As explained in section 5, this is our initial evaluation proposal, which will be validated in the Interim report, in order to make the final decision on the methodology to be used.

5.1 DIRECT IMPACT INDICATORS

a) **FIRST SCENARIO: Matrix of indicators available from primary sources (survey)**

All indicators will be obtained as follows:

- **Source:** The source of data are the surveys to the entities applying for aid. The entities will provide the information for the evaluation through the instruments finally defined by MITECO (questionnaires, direct interviews, etc.).
- **Population:** The population for the collection of information will be all entities, both beneficiaries and non-beneficiaries (see possible scenarios in section 5, depending on the availability of information to form the counterfactual).
- **Frequency:** Data will be collected annually, over three collection periods (see section 6).
- **Level:** Entity level.

The indicators proposed below may be modified depending on the types of projects and sectors (textile, plastics, renewable energies) that are finally defined and selected. An initial characterisation of all beneficiaries will be necessary to assess whether the indicators are in line with the selected projects.

5.1.1 Indicators for the reduction of virgin raw material consumption

Objective A: Reduce consumption of virgin raw materials

Evaluation question	Expected results	Indicator	Explanatory text	Unit of measurement (in relation to the product)	Expected final value
Has the consumption of virgin raw materials been replaced by the consumption of secondary raw materials (direct impact)?	A1. Increased consumption of secondary raw materials	Percentage increase of secondary raw material	Volume of secondary raw material consumed of the product concerned/total volume of raw material of the product concerned	Percentage	Increase
	A2. Increasing material efficiency (excluding water and energy efficiency)	Volume of raw materials consumed	Total volume of raw materials consumed to manufacture the product concerned at t=n / Total volume of raw materials consumed to manufacture the product concerned at t=0	Percentage	Decrease

5.1.2 Indicators of market introduction of products made under eco-design schemes

Objective B: To put on the market products made under eco-design schemes.

Evaluation question	Expected results	Indicator	Explanatory text	Unit of measurement (in relation to the product)	Expected final value
Have products made under the eco-design scheme (repairability, recyclability, etc.) been introduced on the market?	B1. Increasing the shelf life of products	Shelf life of the product concerned	Design considering the lifetime of the impacted product at t=n / Lifetime of the impacted product at t=0	Months	Increase
	B2. Increased ability to repair or upgrade products	Disassembly time depending on product impacted	Design considering hours needed for disassembly according to impacted product at t=n / hours needed for disassembly at t=0.	Hours	Decrease
		Reusable products	Design taking into account volume of reusable products/ Volume of single-use products	Percentage	Increase
	B3. Increased recyclability of products	Product recyclability	Volume of recyclable impacted product relative to total volume of impacted product	Percentage	Increase
	B4. Substitution of substances of very high concern or danger.	Consumption of hazardous substances and substances of very high concern at t=n / Consumption of hazardous substances and substances of very high concern at t=0	Consumption of hazardous substances and substances of very high concern according to production volume at t=n / Consumption of hazardous substances and substances of very high concern at t=0	Percentage	Reduce

5.1.3 Indicators for improvement of waste management

Objective C: Improve waste management

Evaluation question	Expected results	Indicator	Explanatory text	Unit of measurement (in relation to the product)	Expected final value
Has waste management been improved (direct impact)?	C1. Increasing and optimising the procurement of material for recycling.	Waste for recycling	Volume of waste destined for recycling/ Total volume of waste managed	Percentage	Increase
	C2. Promoting readiness for re-use	Preparation for re-use	Total outgoing volume of waste destined for preparation for re-use / Total incoming volume of waste destined for preparation for re-use	Percentage	Increase

5.1.4 Indicators of digital transformation of processes

Objective D: Digitally transform processes through infrastructures and systems.

Evaluation question	Expected results	Indicator	Explanatory text	Unit of measurement (in relation to the product)	Expected final value
To what extent has the implementation of digital transformation projects been boosted? Has the digital transformation of processes favoured the circular economy in organisations? (Direct impact)	D.1. Digital transformation	Digital processes	Digital processes in EC entered at t=n/ Digital processes in EC entered at t=0	Percentage	Increase

5.1.5 Indicators of transformative projects

Evaluation question	Expected results	Indicator	Explanatory text	Unit of measurement (in relation to the product)	Expected final value
To what extent has research and development and innovation projects been promoted? Has R+D+I favoured the circular economy in organisations? (Direct impact)	E1. Industrial research in EC	Industrial research services in EC	Number of new products, processes or services created	Percentage	Increase
	E2. Experimental development in EC	Experimental development services in EC	Number of new, modified or improved product, process or service plans, structures, or designs	Percentage	Increase
	E3. Feasibility studies on CE	Results of the feasibility studies in EC	Likelihood that the project or plan can be realised according to the results of the study	Percentage	Increase

b) SECOND SCENARIO: Matrix of indicators from secondary sources

Objective A and B: Reduce the consumption of virgin raw materials and Eco-design and market products made under eco-design schemes.

Evaluation question	Expected results	Indicator	Source of information
Have investments in environmental protection in the field of waste and the circular economy increased? (Direct impact)	Investments in environmental protection in the field of the circular economy, including the waste sector.	Increased investment in environmental protection.	Survey on the Environment in Industry. National Statistics Institute (INE)
Has the generation of pre-consumer waste been reduced (direct impact)?	Amount of pre-consumer waste generated.	Reduction of pre-consumer waste generation.	

Objective C: Improve waste management

Evaluation question	Expected results	Indicator	Source of information
Has waste management been improved (direct impact)?	Efficiency of the recycling process.	Reduction of rejects from recycling operations.	Annual reports to be submitted by waste managers in accordance with Article 65 of Law 7/2022 of 8 April on waste and contaminated land for a circular economy.
	Efficiency of the preparation for re-use process.	Reduction of rejection of preparation for re-use operations	

Objective D: Digitally transform processes through infrastructures and systems.

Evaluation question	Expected results	Indicator	Source of information
Has the digital transformation of processes favoured the circular economy in organisations (direct impact)?	Digital transformation	Circular economy (digitalisation).	Survey on the Environment in Industry. National Statistics Institute (INE) Survey on Information and Communications and Electronic Commerce in Companies. National Statistics Institute (INE)

5.2 INDIRECT IMPACT INDICATORS

Evaluation question	Expected results	Indicator	Explanatory text	Unit of measurement (in relation to the product)	Expected final value
What other effects are expected on the beneficiaries and on the economy in general from the development of the projects, and to what extent has the assistance contributed to the achievement of these effects?	I.1. Job creation	Total employees	Total number of employees	Number	Increase
	I.2. Training	Percentage of training courses	Number of CE-related training courses in the enterprise at t=n/ Number of CE-related training courses in the enterprise at t=0	Percentage	Increase
	I.3. Awareness raising	Percentage of awareness campaigns	Number of awareness-raising campaigns carried out (dissemination campaigns, awareness-raising activities, etc.) in t=n/ Number of awareness-raising campaigns carried out in t=0	Percentage	Increase

5.3 FINAL PERFORMANCE INDICATORS: EFFECTIVENESS, EFFICIENCY, APPROPRIATENESS AND PROPORTIONALITY

Effectiveness and efficiency

Objective: important contribution to economic growth, job creation and the competitiveness of Spanish industry and the Spanish economy, given its positive spillover effects on the internal market and society.

EXPECTED RESULTS	INDICATOR	DIMENSION OF THE INDICATORS
Wealth creation and its contribution to GDP	Value of the investment made by the entity/ Value of the project in euros	Value of the investment made by the entity
		Value of the project in euros
Job creation: The implementation of resource efficiency and circular economy policies estimates that applying sustainability principles can lead to between 0% and 2% additional employment. Some studies put the figure as high as 7%.	Number of people employed in CE (predictive maintenance, materials managers, environmental managers, materials development experts, etc.)/ Total employees	Number of people employed in CE (predictive maintenance, materials managers, environmental managers, materials development experts, etc.)
		Total number of employees

Proportionality and appropriateness

EXPECTED OUTCOME	INDICATOR	DIMENSION OF THE INDICATORS
Proportionality - project subsidy	Amount of aid in euro/ Total investment made by the entity or grouping in euro	Amount of aid in euro
		Total investment made by the entity or grouping in Euros
Proportionality - aid intensity	Number of entities that have achieved the maximum % of subsidy requested (according to type of entity and project)/ Total number of beneficiary entities	Number of entities that have achieved the maximum % of subsidy requested (by type of entity and project)
		Total number of beneficiary entities
Suitability - linkage to the circular economy	Number of entities linked to the circular economy (previously) / Total number of entities benefiting from the call for proposals	Number of entities linked to the circular economy (previously)
		Total number of beneficiary entities of the call for proposals

For a complete overview of the indicators proposed for the evaluation, the full matrix of indicators can be found in *Annex II Indicator Matrix*.

6. ENVISAGED METHODS TO CONDUCT THE EVALUATION

The proposed methodology includes two complementary approaches to identifying impact:

- **Evaluation of results:** The objective is to assess the degree of fulfilment of the Program's expected results. The Evaluation Plan is designed following a deductive method, from the most general to the most specific objectives. However, as far as indicators are concerned, the process follows the opposite direction in order to facilitate the collection and processing of information (from direct indicators to action category indicators and aggregate indicators).
- **Impact evaluation:** Based on the data collected in the outcome evaluation, the objective is to quantify the impact on beneficiaries compared to a group of non-beneficiaries. In this regard, the proposed method is the difference-in-differences (DD) method with matching. The method compares the treatment group (beneficiaries) against the comparison group (non-beneficiaries) before and after the intervention and throughout the evaluation period.

The proposed direct impact assessment method starts from a first scenario in which, based on the collection of information through questionnaires addressed to beneficiary and non-beneficiary entities, a one-to-one matching of the cases can be carried out according to their pre-support characteristics.

It is estimated that around 500 beneficiaries of the program as a whole (line 1 and line 2), therefore, it is expected to achieve a comparison group formed by another 500 entities as similar as possible to the beneficiaries. Depending on the information resulting from the management of the calls, the need to include entities that have not participated in the process will be assessed in order to reach the maximum number of pairs possible.

Taking into account the difficulties involved in obtaining information from the comparison group from questionnaires addressed to non-beneficiary entities, a second alternative methodological scenario has been proposed.

The second scenario involves obtaining information on the comparison group from secondary sources. Due to the level of disaggregation of the information, in this scenario the matching of the treatment and comparison groups is done on an aggregate basis according to the main variables of interest. Moreover, as seen in section "4. Outcome indicators", the second scenario has a smaller volume of indicators. This has required adaptation in order to approximate the expected results according to the statistical information available.

Therefore, two methodological scenarios have been defined depending on the source of information of the comparison group.

It is important to bear in mind that the implementation dates of the calls for proposals are staggered and therefore it would be possible to work with projects that had already completed implementation by that date. This would allow the methodology proposed in the first scenario to be applied to a set of beneficiaries with completed projects, as a pilot project, in order to test its feasibility.

In the event that the first scenario does not finally prove to be a valid method for measuring impact, the second scenario will be used. Therefore, the questionnaires to be sent to the beneficiary entities will, from the outset, include the indicators of both scenarios.

Our initial proposal is to apply the methodology explained in this Evaluation Plan. However, depending on the results of the first wave, a final decision will be taken. This analysis and final proposal will be reflected in the **Interim report, which is expected to be delivered in April 2024.**

The Interim report will be a report that will gather the characterisation of the applicants and beneficiaries, will analyse the behaviour of the call, will analyse the first data collected, will validate if the methodology originally proposed can be applied or if any changes need to be made. In the case of needing to make any change in the

methodology, the report will have a chapter where the proposal will be formulated. In short, the Interim report is considered a tryout, a pilot of the methodology, in order to make the **final decision on the methodology to be used in the final evaluation.**

Below is a summary table of the main keys to impact assessment under the two scenarios:

SCENARIOS	CHOICE OF GROUPS	SOURCES FOR DATA COLLECTION	METHOD FOR CALCULATING THE COUNTERFACTUAL
FIRST SCENARIO	Treatment group: <ul style="list-style-type: none"> Beneficiary entities. Comparison group: <ul style="list-style-type: none"> Non-beneficiary entities (applicants or not). 	<ul style="list-style-type: none"> Call management documentation. Evaluation questionnaire. 	Differences in differences with matching
SECOND SCENARIO	Treatment group: <ul style="list-style-type: none"> Beneficiary entities. Comparison group: <ul style="list-style-type: none"> Entities or groups of entities participating in official statistics. 	<ul style="list-style-type: none"> Call management documentation Evaluation questionnaire. Official statistics. 	

6.1 The evaluation of results

The main purpose of the evaluation of results is to estimate the degree of compliance with the objectives of the Program, the achievement of which we have called the expected results of the program, based on the initial diagnosis, which is the *raison d'être* of the public intervention.

The evaluation requires the elaboration of an intervention logic developed on the basis of the information provided in the Recovery, Transformation and Resilience Plan (PRTR) (Component 12: Industrial Policy Spain 2030), as well as by the PERTE Program on Circular Economy and the different calls for grants.

6.1.1 The logic of intervention

The following is a first approach to the intervention logic, in order to know as well as possible the problem that gives rise to the intervention, its causes and effects, the alternatives selected to solve it and the instruments to achieve the objective pursued, which will have to be reviewed and adapted once the 3 calls for proposals that will make up action line 1 are published, identifying possible changes or relating it definitively to each sector.

SPECIFIC OBJECTIVES	ACTIONS	EXPECTED RESULTS OF THE PROGRAMME - IMPACT
A. Reduce consumption of virgin raw materials. B. Put products on the market that are made under eco-design schemes.	The beneficiary projects are categorised according to the classification of eligible actions and respond to the structure of specific objectives and results: A. Actions to achieve a reduction in the consumption of virgin raw materials.	A) <ul style="list-style-type: none"> Reduced consumption of virgin raw materials. Increased consumption of secondary raw materials. Increased efficiency of material use (excluding water and energy efficiency) B) <ul style="list-style-type: none"> Increased shelf life of products. Increased reparability of products. Increased product upgradeability. Increase in reusable products.

SPECIFIC OBJECTIVES	ACTIONS	EXPECTED RESULTS OF THE PROGRAMME - IMPACT
<p>C. Improving waste management. D. Digitally transform processes through infrastructures and systems.</p>	<p>B. Actions to place products made under eco-design schemes on the market. C. Actions to improve waste management. D. Actions to digitally transform processes through infrastructures and systems (will impact on the 3 blocks of expected effects).</p>	<ul style="list-style-type: none"> Increased recyclability of products. Substitution of substances of very high concern or danger. Development or shift towards service-based consumption patterns. <p>C)</p> <ul style="list-style-type: none"> Increased and optimised material recovery for recycling (excluding use for fuels). Boosting readiness for re-use (systems and infrastructures). <p>D)</p> <ul style="list-style-type: none"> Incorporate or increase digitalisation linked to the above objectives.
<p>FINAL RESULTS - PROGRAM EFFECTIVENESS:</p> <ol style="list-style-type: none"> Wealth creation and its contribution to GDP. Job creation. 		

Details of the information relating to the logic of the intervention are set out in **point 2. Objectives of the aid scheme.**

6.1.2 Proposed calculation of expected results

As we have seen in previous lines, the Evaluation Plan has been designed following a deductive method, from the most general and abstract objectives to the most specific and concrete ones, from which the evaluation questions and the indicators with which they will be answered have been developed.

However, the process of collecting information and calculating the values of the indicators of the different levels follows the opposite direction in order to facilitate the collection and processing of information. To this end, we will start with the most concrete and accessible data, obtained from direct measurements, and then work on this data to feed the higher levels of indicators progressively.

In order to answer the evaluation questions, it is proposed to use the regression model for each evaluation question, with each question being a linear function of each of the indicators. The generic regression model is analysed as follows:

$$Y = A + BX + U_t$$

Y= dependent or endogenous variable

X= independent or explanatory variable

A, B = fixed and unknown parameters

U_t = error term that captures all other factors that affect Y, but are not included in the model. It can also capture estimation errors of the dependent variable. Unobservable.

For a complete overview of the indicators proposed for the evaluation, the full matrix of indicators can be found in *Annex II Indicator Matrix*.

As indicated above, the proposed matrix of indicators is a first approximation of the projects expected to be supported and will have to be revised once the projects submitted are known and the final calls for Action Line 1 are published.

The calls do not set a target value to be achieved for the indicator based on the expected results. The evaluation will collect information on the indicators at different times and will try to observe whether there is a real evolution in line with the expected result.

6.2 The impact assessment

6.2.1 Determining the method for identifying causal impact

Impact evaluation uses between-group comparison, applying experimental designs. Through this comparison, we will approximate what would have happened in the absence

of the program, i.e. the counterfactual (the factual being that the program has taken place). By knowing the consequences of not implementing the program, we will be able to know what the net effects of its implementation have been.

The choice of evaluation method depends on the policy or program being evaluated and the available data. To the extent that the operational rules of the program are well defined, valid methods of comparison can be found and will facilitate the identification of the most appropriate method to evaluate the program.

The operational rules that allow us to design the evaluation, in our case, are those that determine the type of entity that is eligible for the program and how it is selected. The comparison groups come from the entities that, being eligible, cannot join the program for different reasons (for example, entities that, having applied to be beneficiaries, finally do not turn out to be so, because they do not adequately pass the objective and subjective criteria relating to the assessment of other non-applicant entities).

Determination of the method from the operational rules

When designing prospective impact evaluations, the answer to the operational questions largely determines the most appropriate impact evaluation method for a certain program.

- Available resources: *Does the program have sufficient resources to be implemented at scale and reach all eligible beneficiaries?*
- Eligibility criteria: *Who is eligible to receive program benefits? Is the program allocation based on an eligibility threshold or is it available to all?*
- Timing of implementation: *Are potential beneficiaries enrolled in the program all at the same time or in phases?*

The rules for enrolment of program participants will be the main parameter to consider when selecting the impact assessment method. Therefore, the design of the method should be adapted to the context of the program's operational rules.

On this occasion considering that:

- The program has limited resources.
- Eligibility criteria for beneficiaries are defined.
- This is an immediate implementation.

The proposed impact assessment method to be used for this evaluation is the **Differences-in-Differences (DD)** method **with matching**:

- The DD method allows to identify the change in outcome over time in a group of non-participants to estimate what the change in outcome would have been for a group of participants, in the absence of a program, taking into account all unobservable variables that may influence the program.
- The matching method for each program participant looks for the most similar unit in the group of non-participants. The variables to be used for matching will be those that correspond to the indicators for which information is available for the previous 3 years.
- The comparison group consists of the units that did not participate in the program (for whatever reason) and for which data were collected before and after the program.
- The key assumption to consider is that, if the program did not exist, the outcomes of the participant and non-participant groups would have evolved in parallel over time (assumption of common or parallel trends).
- Finally, it requires baseline and follow-up data on outcomes and other characteristics for both participants and non-participants.

Disadvantages DD: If the two groups would have developed differently in the absence of the program, there is a selection bias. Matching constructs a group identical in observable characteristics before the program.

Advantages DD: It does not require very complex data structures and only aggregate data obtained before and after the intervention are needed to evaluate. In addition, it is able to correct for biases due to unobserved variables, as long as they are constant over time.

6.2.2 Method statement: Differences in Differences

Firstly, it is important to note that we are dealing with a non-random allocation of treatment and therefore beneficiaries are selected on the basis of criteria.

Quasi-experimental methods require further assumptions in order for the comparison group to provide a valid estimate of the counterfactual. In the case of the method proposed in this Plan, the DD method, it relies on the assumption that changes in the outcomes in the comparison group provide a valid estimate of the change in the counterfactual in the treatment group outcomes.

The DD method contrasts differences in outcomes over time between the treatment group and the comparison group.

It combines the difference in the before-after results of the treatment group (the first difference), considering constant factors over time for the treatment group, as the group is compared to itself. However, there would still be external factors that vary over time. One way to look at these time-varying factors is to measure the before-after change in the outcomes of a comparison group, which was not a beneficiary of the program but was exposed to the same environmental conditions (the second difference). By eliminating the first difference of other time-varying factors that affect the outcome of interest by subtracting the second difference, the main cause of bias in simple before-after comparisons will have been eliminated.

For the difference-in-differences method to be valid, the comparison group must represent the change in outcomes that the treatment group would have experienced in the absence of the program. To apply difference-in-differences, it is only necessary to measure the outcomes of the program group (the treatment group) and the non-treatment group (the comparison group) before and after the program.

The logic of the difference-in-differences method and its formulation are as follows:

$$DD = (B - A) - (D - C)$$

Where:

B= indicator value for year 1 (after participation) for the treatment group

A= indicator value for year 0 (before participation) for treatment group

D= indicator value for year 1 (after program) for the comparison group

C= indicator value for year 0 (before the program) for the comparison group

The estimated impact of the program is calculated as follows:

- First, the difference in outcome (Y) between the before and after situations is calculated for the treatment group (B - A).
- Second, the difference in the outcome (Y) between the before and after situations is calculated for the comparison group (D - C).
- Finally, the difference between the difference in the results of the treatment group (B - A) and the difference of the comparison group (D - C) is calculated.

The purpose of DD is to compare the evolution over time (before and after) and how this evolution has occurred; i.e. the trend between beneficiaries and non-beneficiaries. It is understood that if the value of the DD result is equal to 0 or close to ± 0 , it indicates that

the impact of the program is non-existent or very small. The further away from ± 0 , the greater the impact, as the difference in change or trend is greater for the treatment group (beneficiaries) compared to the comparison group.

This method assumes that the observed and unobserved characteristics of the units that make up the groups (treatment and comparison) are constant or invariant over time, or, alternatively, that they evolve equally for the two groups throughout the implementation of the program.

In order to generate a valid estimate of the counterfactual it must be assumed that differences that may appear over time between the treatment and comparison groups, which would bias the estimate, do not exist.

This means assuming that in the absence of the program the differences in outcomes between the treatment and comparison groups would have to evolve in parallel, i.e. without the treatment, outcomes would increase or decrease at the same rate in both groups; in other words, outcomes would reflect the same trends in the absence of treatment.

As this is impossible to know, in order to test the assumption of equality of trends, i.e. to be able to reject the null hypothesis H_0 of equality of trends and that the program has indeed had an impact on the treatment group, the following procedures are proposed:

- **To compare the behaviour of treatment and comparison groups before the program**

This will require annual data from 2020 (inclusive) on key information for the analysis of all applicant entities.

With this information, we compare the trend followed by both groups in the pre-program period. If the results are similar, or if the trend is the same or similar, we can say that the difference after the program is valid and the change in the trend in the treatment group is due to the program.

It is therefore proposed to analyse the trend of the indicators in these three years (2020, 2021 and 2022) to see whether their evolution has been approximately parallel, i.e. whether the rate of change of the indicators of the treatment group has been approximately the same as that of the comparison group.

In case the trends of the entities that make up the comparison group (non-beneficiaries of the program) are not parallel to that of the treatment group (beneficiaries of the program) BEFORE the calls:

The comparison group should be reconsidered. To this end, define the comparison group on the basis of the selection of a random sample representative of the entities in the CNAE covered by the subsidy. To this sample, apply a survey to collect information for the 3 years prior to the call for proposals.

- **Control of observable differences**

As set out in the Commission Staff Working Document "*Common methodology for the evaluation of State aid*", differences between beneficiaries and non-beneficiaries need to be reflected when comparing results between the two groups.

The most common way to account for observable differences is to use linear regression. Linear regression seeks to control for the influence of the observed variables on the results obtained for each of the endogenous variables (competitiveness and sustainability).

Through regression, an analysis of variance should be performed on both groups, treatment and comparison, in order to observe how they evolve and whether they follow similar or parallel trends. To do this, the heteroscedasticity (the error variance is different for each value of x) and homoscedasticity (the error variance is the same for each value of x) of the models should be observed, in order to compare and assess the trends of both groups.

Therefore, multiple linear regression will allow explaining the behaviour of the endogenous variables of the model (competitiveness and sustainability), using the information provided by the values taken by the set of explanatory or exogenous variables (individual or joint, compulsory actions).

Specifically, for each of the groups, straight lines should be estimated for each of the groupings of expected results of the program.

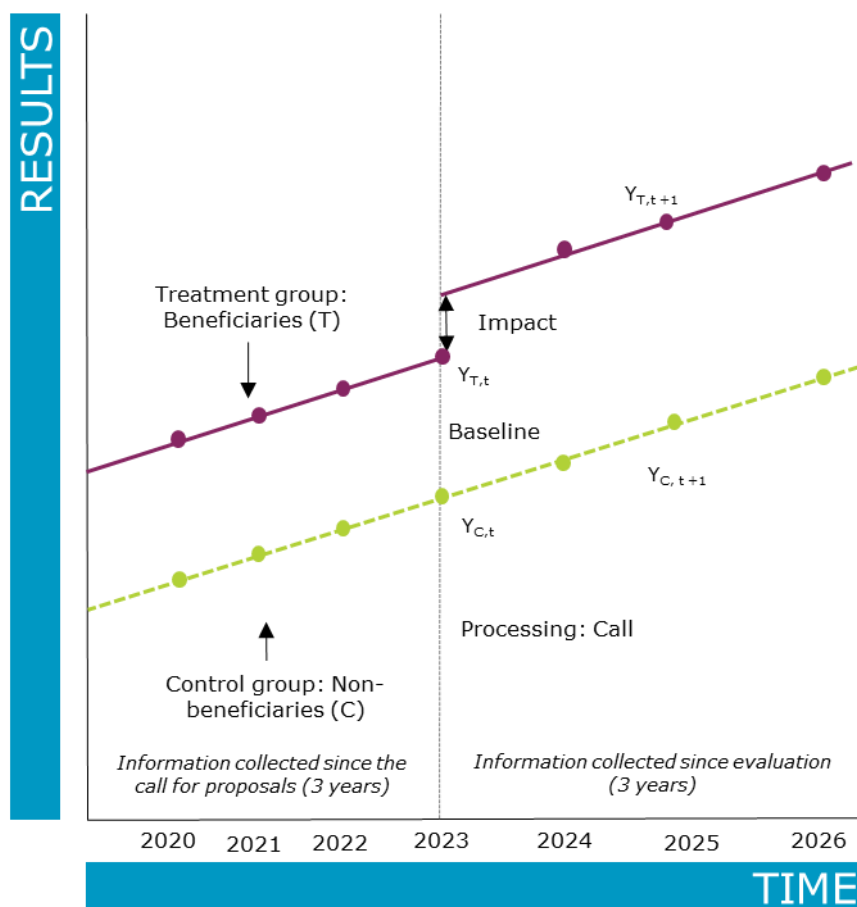
6.2.3 How to apply the impact assessment method. Calculation of the counterfactual

The impact assessment aims to find out the effects of the program on the main impacts considered:

- Reduction of raw material consumption
- Promoting eco-design.
- Improving waste management.

To do this, the difference in the values resulting from the regressions of the two variables of interest between the value of Y at $t=4$ and at $t=0$ is calculated for each of the treatment and control groups. Finally, the difference between these two regressions is obtained. For example, in the first wave of evaluation, we will have, on the one hand, the information relating to the previous years (2020, 2021 and 2022) and, on the other hand, the information from the first year of the entities after the call has taken place.

- The pre-call information will be used to test whether the outcomes in the treatment and comparison group have evolved in a similar way over the previous years.
- The information collected during the following years will allow us to analyse the evolution of the variables of interest in both groups.



Calculations required for the impact assessment

Estimation of the counterfactual:

- $(Y_{T, t=0, \text{ RAW MATERIALS}} - Y_{T, t=4, \text{ RAW MATERIALS}}) - (Y_{C, t=0, \text{ RAW MATERIALS}} - Y_{C, t=4, \text{ RAW MATERIALS}})$
- $(Y_{T, t=0, \text{ ECODESIGN}} - Y_{T, t=4, \text{ ECODESIGN}}) - (Y_{C, t=0, \text{ ECODESIGN}} - Y_{C, t=4, \text{ ECODESIGN}})$
- $(Y_{T, t=0, \text{ WASTE}} - Y_{T, t=4, \text{ WASTE}}) - (Y_{C, t=0, \text{ WASTE}} - Y_{C, t=4, \text{ WASTE}})$

Where;

- Baseline 2023: t_0 (*although the call is expected to happen in 2022, the resolution will not happen until 2023*)
- 2027: t_4 (*4 years after the baseline, it will also make it possible to know the result of the justification process and to be able to assess the effects on the entities after a certain time has passed since the implementation of the actions*).

The increase that occurred between t_0 and t_4 will be the effect produced by the call on each of the groups and its difference will allow us to quantify the impact, i.e. what the program has produced among the beneficiaries.

On the other hand, it will also be of interest for the evaluation to analyse the year-on-year differences for each group. The improvement over time will capture the variables considered as outcomes within the same political and economic context, and thus represent the difference in the trend of the two groups due to the improvement brought about by the call.

Calculations required for variance analysis:

Impact assessment year 4:

Treatment group situation: $(Y_{T, t1} - Y_{T, t2})$; $(Y_{T, t2} - Y_{T, t3})$; $(Y_{T, t3} - Y_{T, t4})$

Comparison group situation: $(Y_{C, t1} - Y_{C, t2})$; $(Y_{C, t2} - Y_{C, t3})$; $(Y_{C, t3} - Y_{C, t4})$

Once the evaluation team has explored the characteristics of the program and the available data sources, the proposed methodology should be reviewed to assess its appropriateness.

Finally, it should be noted that the techniques considered are mainly quantitative, with the aim of constructing the counterfactual. In order to improve the robustness of the impact evaluation, the evaluation project may be complemented by using qualitative techniques (in-depth interviews or focus groups). Their use will improve knowledge about the context of the program, the perspectives of its beneficiaries and other elements that will make it possible to understand the reasons for the impact (or lack thereof).

6.2.1 Treatment group identification and comparison

In order to be able to measure the impact of the program on the selected beneficiary entities, it is necessary to compare them with those that are as similar as possible and are not beneficiaries of the program.

The case we are dealing with is complex as the program is being implemented for the first time, and therefore there is no information on the type of applicants who will eventually participate in each of the calls. This increases the difficulty of selecting the methodology that will allow us to choose the elements of the comparison group, before starting the implementation of the program with the data that we could obtain from it.

For this purpose, we will generate decision rules that exhaustively collect all possible cases that may arise when choosing the comparison group at the time of program implementation.

FIRST SCENARIO: Main source of information: questionnaire addressed to beneficiaries and non-beneficiaries of the program.

Three cases are analysed: that no entity applies, that all applicants are beneficiaries (so there are no "non-beneficiaries") and that there are both beneficiaries and "non-beneficiaries".

a) Choice of a basis of comparison if no entity is presented

First of all, awareness of the existence of the program must be addressed; if the percentage of unawareness exceeds that of the awareness group, the main problem would be determined. In this scenario, an insufficient publicity of the program could be diagnosed.

On the contrary, in case the percentage of knowledge of the program exceeds the percentage of lack of knowledge, we should go deeper into the characteristics of the program, especially the characteristics of the implementation design, orienting our evaluation towards the determination of the difficulty, due to the requirements, of participating in the program.

The sample design for the analysis in case **no entity applies for the calls** should be designed according to the type of beneficiary expected.

Action Line 1:

The sample should be designed according to the type of beneficiary expected for each of the sectors. This should be calculated after the publication of the calls for proposals and according to the criteria for the evaluation of the applications.

Action Line 2:

On the one hand, **natural persons governed by private law with their own legal personality** may be beneficiaries of aid.

Although it is a transversal action line in the industry as a whole, the call sets out a series of CNAE that will obtain a higher score when assessing the applications and therefore it is expected that they will be beneficiaries to a greater extent.

Therefore, taking into account the economic activities that are assessed according to the criteria for the evaluation of applications, the universe of reference entities is set out below:

	Total number of entities 2021 *	Percentage of entities in relation to the total selected
43 Specialised construction activities	184.179	44,5%
71 Architectural and engineering technical services; technical testing and analysis	106.866	25,8%
25 Manufacture of fabricated metal products, except machinery and equipment	32.077	7,8%
10 Food industry	25.108	6,1%
31 Furniture manufacture	11.156	2,7%
32 Other manufacturing	9.898	2,4%
23 Manufacture of other non-metallic mineral products	7.664	1,9%
28 Manufacture of machinery and equipment n.e.c.	5.851	1,4%
11 Manufacture of beverages	5.152	1,2%
22 Manufacture of rubber and plastic products	4.133	1,0%
64 Financial services, except insurance and pension funding	3.644	0,9%
20 Chemical industry	3.641	0,9%
38 Collection, treatment and disposal of waste; waste recovery	2.838	0,7%
26 Manufacture of computer, electronic and optical products	2.299	0,6%
27 Manufacture of electrical equipment	1.882	0,5%
08 Other extractive industries	1.691	0,4%
29 Manufacture of motor vehicles, trailers and semi-trailers	1.636	0,4%

17 Paper industry	1.535	0,4%
24 Metallurgy; manufacture of iron, steel and ferroalloy products	1.374	0,3%
30 Manufacture of other transport equipment	890	0,2%
07 Mining of metal ores	65	0,0%
Total	413.579	100%

* Data extracted from the Central Directory of Entities (DIRCE) of the National Statistics Institute (INE) for the year 2021. Total number of entities regardless of their legal status and employee stratum.

Considering the heterogeneity of the entities in terms of their activity, the fieldwork to be carried out should seek to make the data representative of all the entities. It is therefore proposed that 1,500 surveys be carried out, which would provide results for all the potential beneficiary organisations with a maximum error of 3.32% for a confidence level of 99%. With regard to the type of activity, there should be a minimum representation of the CNAE with the highest percentage of entities (entities from the CNAE with more than 5% of the universe should participate (43, 71, 25 and 10)).

On the other hand, **social economy entities as defined in article 5 of Law 5/2011, of 29 March, on Social Economy**, may also be beneficiaries. These entities may not form part of the public sector.

This type of potential beneficiary is already quantified in the previous universe of entities, so a special segmentation of the sample would not be necessary in principle. In case you wish to further analyse why no applications have been made for this beneficiary profile, the following is an approximation of the universe of beneficiaries according to the data provided by the Ministry of Labour and Social Economy:

	Number of cooperative societies formed	Number of registered worker-owned companies	Total number of cooperatives and societies
43 Specialised construction activities	25	5	30
71 Architectural and engineering technical services; technical testing and analysis	12	1	13
25 Manufacture of fabricated metal products, except machinery and equipment	6	0	6
10 Food industry	5	1	6
32 Other manufacturing	3	0	3
20 Chemical industry	2	0	2
31 Furniture manufacture	2	0	2
28 Manufacture of machinery and equipment n.e.c.	1	1	2
11 Manufacture of beverages	1	0	1
24 Metallurgy; manufacture of iron, steel and ferroalloy products	1	0	1
38 Collection, treatment and disposal of waste; waste recovery	1	0	1
17 Paper industry	0	1	1
23 Manufacture of other non-metallic mineral products	0	1	1
Total	59	10	69

* Data extracted from the statistical data portal of the Ministry of Labour and Social Economy, for the first quarter of the year 2022, taking into account the cooperatives and worker-owned companies registered. The CNAE for which no cooperatives or associations have been found registered, according to the catalogue of social economy entities published by the Ministry of Labour and Social Economy, have not been included.

The multi-sectoral nature of Action Line 2 and the cross-cutting nature of the circular economy makes it particularly necessary to update this information once the applications submitted to the call for proposals are known.

This distribution should be updated according to the data available for each of the sectors at the time of the evaluation. Consideration should also be given to the need to include additional sectors to the study on an interest basis, in the event that no grouping is submitted to the call for proposals.

In the absence of beneficiaries, there would be no point in talking about impact assessment.

b) Choice of a basis for comparison if all applicants who apply would be beneficiaries

Given this situation, as there is no set of entities that have not been beneficiaries, which would be the first option to consider in order to obtain the comparison group; depending on the CNAE of the entities that have been beneficiaries and their most relevant characteristics, a representative sample of the population that meets these characteristics should be determined, in order to then select each of the entities that coincide with the required characteristics.

In the event that **no applicant is a non-beneficiary of the call**, the sample design should be based on the characteristics observed among the entities of the projects that are beneficiaries, in order to be able to delimit the universe of entities that we would be interested in approaching.

Since these characteristics are not known at this stage, the variables that should be considered for the sample design are set out below:

- Legal status (natural persons, public limited companies, cooperative societies, etc.)
- Main activity according to CNAE
- Number of employees
- Location (CCAA)

In addition, when considering the tool for the collection of information related to the results matrix, it is proposed that the following questions be incorporated:

- Intention to develop Circular Economy projects.
- Summary of the main products/wastes that the entity manufactures or manages (the selected entities will be asked to inform us about their situation regarding products or wastes similar to those impacted by the program).
- Experience in years in the main activity identified according to CNAE.
- Knowledge of the program and call for proposals.
- If it did consider participating in the call for applications, but finally ruled out the option and the reasons for this decision.
- Assessment of the characteristics of the program and the call for applications.

Similarly, the impact on business of participation in multiple aid schemes should be monitored. If non-beneficiaries of this call receive aid from other programs, or if beneficiaries of the program do not receive additional aid from other programs, the assessment of the effects of the scheme is likely to be distorted and this is a variable that should be known by the evaluation team.

Once the comparator/s has/d been chosen, the impact assessment methodology would be applied to them.

c) Choice of a basis for comparison if there are beneficiary and non-beneficiary entities

Following the decision rule, in the case that there are entities that have not been beneficiaries of the program, they could be considered as a comparison group. To do this, the first thing to do is to see whether the number of non-beneficiary entities is less than, equal to, or greater than the number of beneficiary entities. In the first case, the first step would be to check whether the characteristics of the non-beneficiary entities coincide with any of the beneficiary entities. If so, the matching entity or entities would be included in the comparison group. As their expected number is smaller than that of the beneficiary

entities, they should be complemented with entities obtained through population-based targeting that match the characteristics of the beneficiary entities in each case.

This applies to the case where the number of non-beneficiary entities is equal to the number of beneficiary entities, except in the case where the characteristics of the non-beneficiary entities fully coincide with those of the beneficiary entities.

Finally, in the scenario in which the number of non-beneficiary entities is greater than the number of beneficiary entities, the methodology to be applied is the same as that proposed here: the characteristics of the beneficiary entities would be studied and the characteristics of the non-beneficiary entities would be analysed. In the case where an equal number of non-beneficiary entities with the characteristics of the beneficiary entities are found, they would form the comparison group, in the situation where the number is lower, we would be in the casuistry set out in the decision rule in the previous paragraph. In the situation where the number is higher, the entities that form the comparison group would be chosen randomly. The method for randomly choosing the components of the comparison group can be any of the standard ones, for example, that of numbering them and using a table of random numbers to choose them.

Therefore, the choice of an appropriate representative comparison sample depends on the participating entities and will be crucial for the validity of the evaluation. The specific characteristics of the entities likely to participate are not known at the time of the development of the Evaluation Plan, and it will therefore be crucial for the evaluation to analyse the characteristics of the entities that will eventually be submitted. The scenarios outlined above serve to guide the future evaluation, but may be modified depending on how the reality of the program unfolds.

In summary, there are various possibilities for carrying out the impact assessment depending on the situations that arise:

Situation 1: No entity is present

In this situation, there would be no need for an impact assessment, and therefore no need to select a counterfactual.

Situation 2: There are no non-beneficiary entities, every entity is beneficiary.

- Treatment group: representative sample of the beneficiaries of the program (participating in one or more clusters).
- Comparison group: representative sample of entities not participating in the program whose activity is carried out under the CNAE of the sectors to which the aid is directed and whose relevant characteristics are as similar as possible to those of the beneficiary entities.

Situation 3: There are beneficiary and non-beneficiary entities

- Treatment group: representative sample of the beneficiaries of the program (participating in one or more clusters).
- Comparison group: representative sample of non-beneficiary entities that have applied to participate but have been excluded.

If the comparison group does not adequately participate in the successive data collection, the "pairs" that do not provide data would be discarded and the impact would be calculated on the basis of the valid data pairs. To mitigate the effect of non-response over the course of the evaluation project among participants, both the Bases Order and the Call Order specify the need to provide information for the evaluation. In addition, the collection of information is supported by an economic incentive to facilitate the recruitment of entities.

SCENARIO TWO: Main sources of information questionnaire to program beneficiaries and official statistics

In case no relevant results are obtained to study the impact in the first scenario, a second scenario would be necessary to assess the impact of the beneficiary entity's investment with respect to other non-beneficiary entities using secondary sources of information.

The second scenario will apply whether the calls are in situation 2 (no non-beneficiary entities) or 3 (non-beneficiary entities), i.e. whenever a comparator group needs to be

formed.

Currently, there is no official statistical information that provides clear and complete information on the circular economy at territorial level. The information available at micro level (companies) is much less, so it is necessary to identify statistical programs and public registers that allow us to extract relevant information with a sufficient degree of granularity.

In terms of environmental impact, the following are identified as possible sources:

- The National Statistical Plan's **Survey on The survey on the environment in industry**.
- **The survey on the use of ICT and e-commerce in enterprises** of the National Statistics Institute.
- The **annual reports** to be submitted by waste managers in accordance with Article 65 of Law 7/2022 of 8 April on waste and contaminated soils for a circular economy.

An analysis of the sources is presented below, identifying the indicators of interest and the different results to which they allow the evaluation to be approximated.

It is important to bear in mind that, as secondary information sources have been used to obtain information, the evaluation matrix has been adapted to their characteristics. Both the dimensions of results and the indicators have been adapted, preserving the specific objectives pursued by the actions of the calls for proposals. The sources:

THE SURVEY ON THE ENVIRONMENT IN INDUSTRY

The statistics on environmental protection activities are part of the National Statistical Plan 2021-2024 and respond to the obligations under Regulation (EC) 295/2008 of the European Parliament and of the Council of 11 March 2008 concerning structural business statistics.

The characteristics of the survey are:

- **Frequency of the survey:** annual
- **Publication of the survey:** annual with validated data as of November.
- **Sample population:** Sections B, C, D of CNAE 2009
- **Sample size:** 7,948 companies.
- **Survey methodology:** [Statistics on Environmental Protection Activities of the National Statistics Institute, Survey on the Environment in Industry](#).
- The survey variables include environmental protection, current expenditure, investment and the amount of waste generated. With regard to investment, the purchase of capital goods or intangible assets is valued at acquisition prices and without VAT, differentiating between independent equipment and installations separated from the production process and intended to reduce the discharge of pollutants and integrated equipment and installations.

Impacts and outcomes covered:

OBJECTIVE	EXPECTED RESULTS/ INDICATOR	SOURCE OF INFORMATION (Variables)	
<p>Reduce consumption of virgin raw materials (A)</p> <p>Eco-design and placing on the market of products made under eco-design schemes (B)</p>	<p>Investments in environmental protection in the field of the circular economy, including the waste sector.</p> <p>Increased investment in environmental protection⁴.</p>	<p>Amounts specified in question: B.4.1 Equipment and installations integrated in the production process (prevention of pollution)</p>	<p><i>Specifically, amounts specified in:</i></p> <p>3. Waste (reuse of materials, reduction of raw materials and materials to reduce waste)"</p> <p>7. Use of non-polluting raw materials and materials. (environmental waste area).</p> <p>8. Application of more expensive and less polluting processes (environmental waste area).</p> <p>9. Other equipment and installations or parts thereof (waste environmental domain)".</p> <p><i>New variables (included for 2023)</i></p> <p>10. Application of processes that incorporate eco-design variables to improve the recyclability of products, their reparability or reusability.</p> <p>11. Application of the waste hierarchy and the implementation of measures to advance in the circular economy and circular economy to digitalisation production processes.</p>

⁴ In addition, the survey collects information on environmental protection expenditure by industry (environmental protection expenditure). Once the beneficiary projects have been reviewed, the inclusion of this type of variable in the model can be evaluated, for example: B.3. Current expenditure on environmental protection (B3.2. current expenditure associated with environmental protection equipment).

OBJECTIVE	EXPECTED RESULTS/ INDICATOR	SOURCE OF INFORMATION (Variables)	
		Amount in B.4.2 Equipment and installations independent of the production process (treatment of pollution)	<i>Specifically, amounts in:</i> 3. Waste (storage, transport, treatment, reduction, compaction...) 5. Noise and vibrations (reduction, measurement...)
	Amount of pre-consumer waste generated: Reduction of pre-consumer waste generation.	Kilograms specified in question: C. Quantity of waste generated according to EWC-Stat code	<i>Specifically, kilograms specified in:</i> C. C.1 Non-hazardous waste, overall total quantity (in kilograms) C.2 Hazardous waste, overall total quantity (in kilograms)
Digitally transforming processes through infrastructure and systems (D)	Digital transformation: Increased investment in digitalisation for the circular economy	Amount in B.4.2 Equipment and installations independent of the production process (treatment of pollution)	<i>Specifically, amounts in:</i> <i>New variable (included for 2023)</i> 6. Circular economy (digitalisation)

Evaluation procedure:

The survey would make it possible to study the trend line of the beneficiary entities (treatment group) compared with the trend line of the rest of the companies in their subsector at two digits according to CNAE 2009 (comparison group). Therefore, it would be possible to assess the behaviour of the entities along the time line considering the information obtained in b.4.1, b.4.2, C.1 and C.2, in relation to the nominal capacity of the current year.

On the other hand, given that the pandemic has conditioned both the volume of production and the volume of waste generated, the year $t = n - 4$ could be taken as the start of the evaluation (2019).

In the survey, it is not possible to have disaggregated information available for a single company, given that the information is subject to statistical secrecy. The treatment group and the comparison group will be analysed in an aggregated form according to the CNAE (2-digit grouping or 4 in the cases in which it is developed).

Limitations of the procedure:

- The information collected has a limited granulometry.
- The information obtained corresponds to $(n - 1)$.
- The additional report will have to be made with estimated data in T32024, as validated information is not available until T42024.

THE SURVEY ON THE "USE OF ICT AND E-BUSINESS IN ENTERPRISES".

The characteristics of the survey are:

- **Frequency of the survey:** annual
- **Sample population:** companies belonging to sections C, D, E, F, G, H, I, J, L, M, N and group 95.1 of CNAE 2009.
- **Reference period of the results:** They refer to the previous year.
- **Sample size:** variable according to year. For companies with 10 or more employees: around 15,000 companies and for companies with less than 10 employees: around 11,000 companies.
- **Survey methodology:** [National Statistics Institute \(INE\) survey on the use of ICT and e-commerce in companies.](#)

Impacts and outcomes covered:

OBJECTIVE	EXPECTED RESULTS/ INDICATOR	SOURCE OF INFORMATION (Variables)	
Digitally transforming processes through infrastructure and systems (D)	Digital transformation: Increasing ICT spending	K. ICT expenditure in "year <i>This module refers to the expenses incurred on ICT products during year "n". The value in euro of the expenditure referred to or, failing that, an estimate thereof, should be entered, not including taxes.</i>	<p><i>Specifically, gestures specified in:</i></p> <p>K.1 Total expenditure on Information and Communication Technology goods (computers and peripheral equipment, electronic components and other goods and ICT components) for "n".</p> <p>K.2 Total expenditure on standard and custom software (licensing and business software services) during "n".</p> <p>K.3 Total expenditure on information technology services and consultation, telecommunications services or other ICT services during "n".</p> <p>K.4 Total expenditure on security (tools, measures, company staff and equipment to control the entity's IT security) during "n".</p>

Evaluation procedure:

The survey would make it possible to study the trend line of the beneficiary entities (treatment group) against the trend line of the rest of the companies in their sub-sector at two digits according to CNAE 2009 (comparison group).

Limitations of the procedure:

- The information extracted from the INE survey refers to general ICT expenditure, without specifying that it is expenditure on technology related to the Circular Economy.

ANNUAL WASTE MANAGEMENT REPORTS

In accordance with Article 65 of Law 7/2022 of 8 April, entities that carry out waste treatment operations must send the competent regional authorities a summary report of the previous year's activity, with a breakdown of the waste code (LER code) and the resulting waste or materials for each operation authorised at the plant.

Impacts and outcomes covered:

On the basis of these reports, the volume of rejects from recycling operations should be studied in relation to the volume of waste entering the operations. This will allow us to know whether the investments made by the beneficiary entity really allow going beyond the state of the art as required by Article 47 of Regulation (EU) 651/2014, declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty.

OBJECTIVE	EXPECTED OUTCOME / INDICATOR	SOURCE OF INFORMATION (Variables)
Improvement of waste management (C)	i.3) Efficiency of the recycling process. r.3) Reduced rejection of recycling operations.	Volume of rejects from recycling operations relative to the volume of waste entering operations
	i.4) Efficiency of the preparation for reuse process. r.4) Reduced rejection of preparation for reuse operations.	

Evaluation procedure:

The annual waste management reports allow the environmental improvement to be assessed with respect to another entity of the same category and not with respect to its CNAE group since the information is not digitalised. However, since the sample population is smaller, the statistical error is smaller, the methodology to be applied can be difference in difference with case-by-case matching as proposed in scenario A.

Associated limitations:

- Law 7/2022 extends the range of data collected in the annual report to include the volume of waste/materials leaving the plant; therefore the assessment is only possible from 2023 onwards with data t= n-1.
- Article 65.3 of Law 7/2022 foresees that these reports are to be submitted to the electronic waste information system, e-SIR. Work is currently being carried out to implement it, so it is possible that e-SIR will not contain these reports in 2025, so it will be necessary to carry out the work manually.
- Pursuant to Article 10.4 of Law 7/2022 of 8 April, the administrations shall guarantee the confidentiality of the information in the report, so that the company's VAT number or other means of identifying the company shall not be made available to the evaluating company.
- In the case of investments in new treatment plants for waste streams whose only treatment has traditionally been landfilling due to a lack of available technology, they probably cannot be evaluated under a matching methodology, as there is no previous reference for such plants. In this case, depending on the type of investment, it will be necessary to study whether there is an option to assess whether there has been an effective reduction in the landfilling of this waste stream. Although the order of magnitude of the real nominal capacity of the plant with respect to the total may not be significant enough to be reflected in the statistical account.

In the case of working with the second scenario, the questionnaire for the collection of information from the treatment group (beneficiaries) should be adapted to the indicators on which the statistical sources allow us to obtain information.

The information collected or identified for both groups should correspond to the same point in time.

7. DATA COLLECTION

In general terms, the following data collection milestones are envisaged:

- At the time of contracting the external evaluation (2023), the information of the call as well as the projects submitted by the applicants and final beneficiaries will be reviewed. This data will be used to carry out the analysis of the evolution of the comparison group with the group of beneficiaries of the Program.
- From the start of the evaluation, it is planned to collect the required data on an annual basis, which will be collected in three phases, an initial phase (2024), a final phase (2025), and an additional phase (2027). All required information will be collected at the same time from all groups of informants.

Accordingly, we will use the following values for the variable t (time of data collection) in the formulas for calculating the indicators for these time milestones:

- The value $t=0$ corresponds to the beginning of the implementation of the Program, year 2023.

Specifically, information is collected since the evaluation in the following three waves:

- For $t=1$, it corresponds to the data corresponding to the end of the first year of implementation of the program planned for the beginning of 2024.
- For $t=2$, it corresponds to the second year of program implementation, during early 2025.
- For $t=3$, it corresponds to the third year of program implementation, during the end of 2026, providing information and data for 2025 and 2026.

Once the information has been collected from the applicant organisations, it is necessary to process the data in order to generate the information required by the Evaluation Plan for the development of the outcome and impact evaluations.

In this sense, the information provided by the entities of their projects corresponds to the first level indicators. We will build on this data to construct other indicators with a higher level of information until we are able to measure the scope of the Program towards the achievement of the final objectives.

7.1 Mechanisms and sources for collection

The main tool considered for the collection of information is the questionnaire (first scenario), as the information foreseen to carry out the evaluation comes from the entities directly.

The organisation in charge of carrying out the evaluation shall be responsible for collecting information concerning beneficiary and non-beneficiary entities during the different years related to the call.

In case direct data of non-beneficiaries are not available, secondary information databases (second scenario) will be used to carry out the evaluation.

In the questionnaire it will be necessary to collect the indicators proposed for the second scenario (section 4.1, subsection a) Direct impact indicators) from the outset. In this way, it will be possible to take advantage of the collection of information from the first moment of the evaluation, allowing the initial methodological review to be carried out properly.

Data availability challenges

The main obstacle identified is the need for non-beneficiaries to participate in the information collection process.

To this end, MITECO could include a budget line to provide an incentive to non-beneficiary entities to encourage their participation in data collection.

In the event that the necessary participation of organisations is not forthcoming, secondary sources of information related to the circular economy will be used.

7.2 Frequency of data collection

The frequency of data collection is annual, but it will be collected in three specific periods (initial, final and additional phase). Specifically, the data collection times will be as follows:

- 2024: First data collection (initial phase), data is collected for two years, corresponding to data from 2020, 2021, 2022 and 2023.
- 2025: Second data collection (final phase) corresponding to 2024 and 2025 data.
- 2026 - 2027: The last collection of information (additional phase) for the data of 2025 and 2026.

In the case of the first scenario, the information collected would be at the individual entity level, while in the case of the second scenario we would have mainly aggregated information based on the CNAE sections of the secondary sources identified.

8. TIMELINE

As stated in the EC document "Common methodology for the evaluation of State aid", the evaluation should be considered as an on-going evaluation, to be carried out while the aid scheme is still in operation. An ex post evaluation, carried out only after the scheme has been implemented, is not recommended.

Taking into account the deadlines foreseen for the development of the actions, a basic outline of the evaluations would be as follows⁵ :

PHASE 1: METHODOLOGICAL PREPARATION	2023
<ul style="list-style-type: none"> • Based on this Evaluation Plan, as the first phase of the project, the company in charge of carrying out the evaluation will have to review the project in order to establish the final methodology to be used according to the results of the call, taking into account the data finally available. This review will be based on a brief pilot test of the methodology proposed in this Plan (scenario one) to see if data from non-beneficiaries will be available. If not, it will work with the secondary sources identified and expanded at that time (scenario two). For the construction of the final monitoring and evaluation model, the following should be taken into account: <ul style="list-style-type: none"> ○ Public documentation related to the development of the action line (plan, rules, calls for proposals, etc.). ○ Registration information on participants in the calls to be provided by the managing body (databases of participants, projects submitted, etc.). ○ Other documentation generated in the framework of the project (summary dossiers published, news related to the implementation of the action line or the development of the projects by the beneficiaries, etc.). ○ Generation of the treatment and comparison groups for the precise identification of beneficiary and non-beneficiary entities, as well as the extraction of the comparison group sample. <p>Based on the analysis carried out, the most appropriate scenario for the final evaluation will be chosen. The final conclusion on the methodology to be followed will be included in the first deliverable of the evaluation project, Interim report.</p> <ul style="list-style-type: none"> • In addition, and as a fundamental element for the correct development of the evaluation, the company in charge of the evaluation must carry out an implementation of the monitoring and evaluation model among the different agents involved in order to make the indicators, the purpose of the evaluation and its phases known. 	
PHASE 2: EVALUATION OF RESULTS AND IMPACT (3 WAVES)	2023 - 2027
<ul style="list-style-type: none"> • Information collection: Annual information will be collected in three different waves corresponding to the activity carried out by the entities. • The following reports will be produced: <ul style="list-style-type: none"> ○ Interim report, date: April 2024 (pilot test) ○ Final evaluation report, date: 31 October 2025 ○ Additional report containing the main analyses, conclusions, recommendations and good practices to be sent to COM. Date: March 2027. 	
PHASE 3: DISSEMINATION OF EVALUATION RESULTS	2027
<ul style="list-style-type: none"> • It is proposed to communicate the results of the evaluation both internally and externally. 	

⁵ In the case action line 1, the proposed timetable should be reviewed once the calls for proposals are published.

A schedule of the main milestones is shown below:

Task	Deadline
Signing the contract with selected evaluator (T0)	Q4 2023
Inception phase, ending with inception report	T0 + 2 months
Data gathering phase finalised (initial phase)	T0 + 3 months
Data analysis phase finalised (initial phase)	T0 + 5 months
Interim report (initial phase)	T0 + 5 months
Data gathering phase finalised (final phase)	T0 + 21 months
Data analysis phase finalised (final phase)	T0 + 22 months
Draft final report	T0 + 22 months
Final report, presentation of findings and policy proposals	T0 + 23 months
Data gathering phase finalised (additional phase)	T0 + 39 months
Data analysis phase finalised (additional phase)	T0 + 40 months
Additional report	T0 + 40 months

	2022				2023				2024				2025				2026				2027			
	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4
Call for proposals (<i>action line 2</i>)				■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■					
Calls for proposals (<i>action line 1</i>)					■	■	■	■	■	■	■	■	■	■	■	■	■	■	■					
Evaluation project																								
Signing the contract																								
Initial phase: methodological preparation																								
Preparation of field work																								
Data collection phase: initial phase (data 2020, 2021, 2022, 2022, 2023)	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	
Data analysis phase (1)																								
Interim report																								
Data collection phase: final phase (data 2024 and 2025)																								
Data analysis phase (2)																								
Draft final report																								
Final report, presentation of conclusions and policy proposals																								
Data collection phase: additional phase (data 2025 - 2026)																								
Data analysis phase (3)																								
Additional report																								
Dissemination of evaluation results																								

Note: this is a time estimate that will need to be reviewed and revised in the light of developments. The end date for the implementation of projects has been stipulated on the basis of the maximum period foreseen for implementation, and there may be projects that end in 2023 depending on the amounts of aid allocated.

9. EVALUATION MANAGEMENT

The evaluation will be external and will be carried out by a consultancy firm or institution chosen by public tender, open and competitive procedure.

The Contract will be tendered by Open Procedure and will be awarded in accordance with Law 9/2017, of 8 November, on Public Sector Contracts, transposing into Spanish law the Directives of the European Parliament and of the Council 2014/23/EU and 2014/24/EU, of 26 February 2014.

In accordance with the above regulations, quantifiable selection criteria will be established for the economic report, which will account for at least 51% of the total score, and a technical report, the evaluation of which may represent up to 49% of the score.

9.1 The human resources required

The team required to carry out the evaluation should be made up of people with experience and expertise in public policy analysis (design, monitoring and evaluation), especially in impact evaluations, with specific experience and knowledge of the evaluation process and all the actors to be taken into account in the evaluation.

They must have experience in projects related to public administrations and especially to policies in the environmental sector, industry, new technologies, digitalisation and business innovation.

In particular, the working team required for the evaluation project should consist of a team of consultants who together ensure the following criteria:

- Experience in the design, formulation and evaluation of public policies.
- Experience in monitoring and follow-up of public policies or programs, as well as in the elaboration of follow-up indicators.
- Experience in the implementation of assessment plans in line with Regulation 651/2014 or in the absence of Regulation 651/2014, the State Aid Guidelines on Climate, Environmental Protection and Energy 2022 or earlier or similar aid schemes.
- Experience in the design of methodologies and tools for the collection of quantitative information, as well as in the collection, management of fieldwork, processing and analysis of information: surveys and databases.
- Experience in the design of methodologies and tools for the collection of qualitative information, as well as in the collection, management of fieldwork, processing and analysis of information: in-depth interviews and documentary sources.
- Experience in the application of econometric models for impact assessment, sampling and data processing with statistical tools.
- Experience in drafting final reports, drawing conclusions, recommendations, good practices and lessons learned.

Specifically, it is proposed to have the following profiles within the working team:

Project Manager (1):

Minimum recommended training and experience:

Bachelor's or Master's degree in Political Science, Economics, Exact Sciences, Sociology or Engineering.

Demonstrable experience of at least 5 years in the management and development of consultancy activities associated with the design, formulation and evaluation of public policies or programs, especially in the environmental sector of industry, new technologies, digitalisation and business innovation.

Team of consultants (3): It will consist of 1 senior consultant and 2 junior consultants.

Senior consultant profile (1):

Minimum recommended training and experience:

Bachelor's or Master's degree in some of the following: Political Science, Economics, Environmental Science, Exact Sciences, Sociology, Engineering, or assimilated **Demonstrable experience of at least 3 years in the development of consultancy activities associated with the evaluation of public policies or programs, especially in the environmental sector, industry, new technologies, digitalisation and business innovation.**

Junior consultant profile (2):

Minimum recommended training and experience:

Bachelor's or Master's degree in some of the following: Political Science, Economics, Environmental Science, Exact Sciences, Sociology, Engineering, or assimilated Demonstrable experience of at least 1 year in the development of consultancy activities associated with the evaluation of public policies or programs, especially in the environmental sector of industry, new technologies and digitalisation and business innovation.

9.2 The financial resources required

The estimated value of the evaluation project will depend on the information needs identified depending on the final configuration of the comparison group and the evolution of the implementation of the calls. A tentative scenario is estimated, considering the 5 years of the project, with a partial dedication of resources and variable fieldwork costs depending on the applicants and beneficiaries of the aid.

Human resources					
During the 3 waves of the project					
Number of years: 3	Working months per year	5	(on average)		
Hours available per year: 1800	BASE total hours		2250	Hours	
Profile	Assigned HR	Dedication (%)	Total hours	Rate (excluding VAT) €	€/day inc.
Project Manager / Director	1	40%	900	70,00 €	63.000,00 €
Senior Consultant	1	100%	2250	60,00 €	135.000,00 €
Junior Consultant	2	100%	4500	35,00 €	157.500,00 €
Total HR (excluding VAT)					355.500,00 €
Subcontracting field work *					
	Unit cost	Number of entities	Total amount		
Online applicant survey	2,0 €	1000	10.000,00 €		
Telephone survey (CATI)	20,0 €	500	50.000,00 €		
*The number of entities that will apply is not known. It is estimated that 500 beneficiaries will benefit from the program. Depending on the scenario finally identified, the methodological approach that will determine the cost of the fieldwork will be decided.					
Incentive					
	Unit cost	Number of entities	Total amount		
Incentive to participate	200,0 €	500	100.000,00 €		
*The number of entities that will apply for the Call is not known. It is estimated that a comparison group composed of the same number of beneficiaries will be carried out. It is estimated that 500 beneficiaries will benefit from the program. Depending on the scenario finally identified, it will be decided to estimate the cost of the final incentives.					

TENDER BUDGET (excluding fieldwork and incentive)	355.500,00 € (VAT excluded)
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9.3 Mechanisms for management and oversight

The awarding authority is responsible for supervising and directing the tasks to achieve the objectives based on the specifications of the evaluation.

To this end, a coordinator will be identified by the awardee entity, who will be responsible for liaising with the Administration and specifically with the person in charge of the contract.

In compliance with the above, the awarding authority will be responsible for the contract on behalf of the Administration and will be responsible for ensuring compliance with the work required and offered in these specifications, supervising its execution, adopting the decisions and issuing the necessary instructions to ensure the correct performance of the agreed service, which must be complied with by the awardee.

The functions of the person responsible for the contract on behalf of the Administration will fall to the awarding authority and will be, in general, those derived from the management, checking, reporting and monitoring of the correct performance of the work, as well as giving conformity to the invoices presented and will act as the sole interlocutor on behalf of the Administration with the coordinator.

10. PUBLICITY OF THE EVALUATION

One way to increase the potential usefulness of evaluation results is to make them more widely known to individuals, groups and institutions that may be interested in their results.

Communication and dissemination of results should take place throughout the evaluation process, at least at specific points in time and with key actors.

The dissemination strategy of the evaluation results must ensure that they reach all persons and groups involved, so that they are received, understood and as far as possible accepted.

The communication strategy shall at least include the publication of the evaluation report and its executive summary in digital format on the relevant website.

Other possible ways of communicating the results of the evaluation are:

- Communication events with stakeholder representatives, networks of experts, business organisations, etc. Usually the team that has carried out the assessment can participate, so that they can present the results.
- Specific communication events per stakeholder group, as it allows to deepen specific interests related to the evaluation and its results.
- Publication on institutional websites, where in addition to the final evaluation report, additional, more communication-oriented explanatory material can be included. For example, videos, infographics or interviews can accompany the publication of the report.
- Working meetings with the team commissioning the evaluation, where any doubts that may arise about the results of the evaluation can be clarified.

The interim and final evaluation reports will be published on the website set up by the collaborating entity in the management of the grants, the Fundación Biodiversidad. This is the place of reference for all those interested in the processing and management of the same.

In addition, the Ministry could also publish those documents on its website.

It will be an evaluation in which stakeholders play a fundamental role in each and every stage, participating especially in the information gathering phase for the appropriate drawing of conclusions and recommendations. It will be important to communicate the objectives and needs of each of the work phases that are being carried out so that the participation of all parties can be effective.

The stakeholders include the evaluation team itself, the beneficiaries, those who could be beneficiaries in practice, those who are not, the institutions financing the action, etc.

One of the first preparatory tasks of the assessment will be to identify the stakeholders and determine their commitment to participate and provide the necessary information.

11. ANNEX

Annex I: Full table of indicators.

Separate document (Excel) is attached