

NEWS FROM SPAIN (May -Oct, 2020)

- (DRAFT) Law on Climate Change and Energy Transition

On May 19th, at the proposal of the Ministry for the Ecological Transition and the Demographic Challenge (MITECO), the Council of Ministers has submitted to the Parliament the first draft of the Law on Climate Change and Energy Transition. With this, the parliamentary procedure of the first legislative project begins, in order that Spain reaches the neutrality of emissions no later than 2050, in coherence with the scientific criteria, the demands of the citizens and the European 2050 long term strategy.

The text articulates the country's response to the climate change challenge, guides action by integrating objectives and tools, and minimizes negative impacts for the economy, society and ecosystems.

It is a widely participated text, which responds, on the one hand, to the general demands of society in response to the climate emergency, and on the other, to the suggestions and allegations that have been received in its preparation process.

Its main instrument for action is the Spanish National Energy and Climate Plans (NECP), The first of which, NECP 2021-2030 (which is in its final processing phase), contains the objectives and contributions of each economic sector regarding the reduction of GHG emissions, renewable energy and energy efficiency. It also contains the policies and measures that will enable these objectives to be achieved, as well as any other objective, policy or measure established in the current EU regulations on the structure and content of the Plans.

The text sets the following objectives, which can only be revised upwards:

Beyond #GreenRecovery, #Spain is pledging super structural change:

- It determines, for the first time, that Spain must achieve climate neutrality no later than 2050.

ELECTRICITY SYSTEM: 100% RENEWABLE BY 2050

- Before 2050, Spain's electricity system must be 100% renewable.
- In 2030, the emissions of the Spanish economy as a whole must be reduced by at least 20% compared to 1990. This is a goal consistent with the increase in ambition set by the European Commission: a reduction of CO2 emissions between 50% to 55% by 2030 compared to the 1990 levels.
- At the end of the next decade, at least 35% of final energy consumption must be of renewable origin. In the case of the electrical system, the renewable presence in 2030 should be at least 70%.
- Energy efficiency measures will have to reduce primary energy consumption by at least 35%.

Spain's climate law:

- Bans new research permits and exploration concessions for all hydrocarbons with immediate effect. Existing mines and wells would be required to submit a plan to repurpose the site, for example to generate geothermal energy, five years before the end of their licence.
- Provides for a percentage of the general budget to contribute to the energy transition goals. The percentage will be mirrored on the climate contributions in the next EU budget and revised upwards

before 2025. The European Commission has proposed for 25% of expenditure to contribute to climate objectives.

- Ensures all new vehicles are zero carbon by 2040, promotes electric charging points infrastructure and introduces low-emissions zones in cities of more than 50,000 inhabitants.
- Establishes annual biofuel and other alternative fuel targets for air transport.
- Introduces measures for state-owned ports to be carbon neutral by 2050.
- Requires financial institutions to publish specific decarbonisation objectives of their loan and investment portfolios from 2023, in line with the Paris Agreement.
- Integrates climate risks in coastal planning and management, transport infrastructure and land use development.
- Sets out a biodiversity strategy to protect and restore Spain's wildlife and ecosystems.
- Requires the approval of a transition strategy for communities dependent on fossil fuel industries for their livelihood every five years. Specific transition agreements to promote alternative economic activities should be developed in affected areas.
- Introduces climate change to the school curriculum and promotes professional training in new low-carbon skills and technologies.
- BAN NEW COAL, OIL & GAS EXTRACTION PROJECTS
- END DIRECT #FOSSILFUEL SUBSIDIES
- ALL NEW VEHICLES EMISSION-FREE BY 2040

- **IDAE provides support to the Ministry of Transport, Mobility and Urban Agenda (MITMA) for the updating the Long-term Strategy for Energy Renovation in the Building Sector.**

As stated in EU Directive 2018/844 on Energy Performance of Buildings, the main aim of the Strategy is to support the renovation of the Spanish building stock, of residential and non-residential buildings, both public and private, to allow its transformation into a high energy efficiency and decarbonized real estate park by 2050, facilitating the economically profitable transformation of the existing buildings into nearly zero energy consuming buildings.

- **The Ministry for the Ecological Transition and Demographic challenge will allocate EUR 20 million to boost Photovoltaic energy installations in the Canary Islands.**

On the 21st of May, The Secretary of State for Energy, Ms. Sara Aagesen, presented the proposal for the call of the "SolCan" program for 2020, which will allocate EURO 20 million to boost solar photovoltaic installations in the archipelago of the Canary Islands.

With the "SolCan" Program it is expected that 150 MW of renewable power will come into operation in the Canary Islands. The Call will be co-financed by the European Regional Development Fund (ERDF), aimed at strengthening economic and social cohesion in the European Union, correcting the imbalances that exist between its regions.

This will be the third call addressed to the electrical systems of non-peninsular territories, after the program for wind energy technology, also in the Canary Islands (EolCan) and the program for solar photovoltaic technology in the Balearic Islands (SolBaL), which in total involve the mobilization of EUR 115 million in public support, approximately EUR 620 million of investment and the start-up of approximately 650 MW of renewable.

- **The Council of Ministers had approved EUR 307 million for the Program to Improve the Energy Efficiency in SMEs and in Large Companies of the Industrial Sector**

In April 12, The Council of Ministers, at the proposal of the Ministry for Ecological Transition, has approved Royal Decree 263/2019, which regulates the third call of the Grants Program for energy efficiency actions in SMEs and large companies in the industrial sector. The Program has a budget of EURO 307 million and aimed at incentivizing the performance of actions in the industrial sector that reduce carbon dioxide emissions and final energy consumption, by improving energy efficiency, thereby helping to achieve the objectives of reduction of final energy consumption set by Directive 2012/27 / EU.

The program is coordinated by the Institute for the Diversification and Saving of Energy (IDAE) and will be managed by the Regional Governments and Cities, which must implement the calls in their respective territories. The call will be co-financed by the European Regional Development Funds (ERDF).

With this third call of the Program, in total EUR 590 million have been allocated by IDAE for the promotion of energy efficiency in SMEs and large industrial companies.

- **National Climate Change Adaptation Plan**

The National Climate Change Adaptation Plan is a reference framework for the co-ordination of the Public Administrations in the activities of impact assessment, vulnerability studies and adaptation to climate change in Spain. The Plan considers a series of ecological systems and socio-economic sectors for impact assessment, vulnerability studies and adaptation to climate change: biodiversity, hydro resources, forests, agricultural sector, coastal areas, continental hunting and fishing, mountain areas, fishing and marine ecosystems, transport, human health, industry and energy, tourism, financial services, urban planning and construction. The Plan aims to facilitate and to provide continuous assistance to all the interested administrations and organizations - public and private, at all levels, to evaluate the impacts of climate change in Spain in the sector/system of their interest, and to provide all the information available on the subject, and the available elements, tools and assessment methods, for purposes of promoting the process of participation between the ones involved that can lead to the definition of the best adaptation options to climate change. The plan has been updated and the most recent work focuses on the period 2021-2030.

https://www.miteco.gob.es/es/cambio-climatico/publicaciones/publicaciones/folleto%20pnacc_ing_tcm30-70395.pdf

- **Hydrogen Roadmap: a commitment to renewable hydrogen**

The Spanish Government has approved the "Hydrogen Roadmap: a commitment to renewable hydrogen". With this planning, the Government is promoting the deployment of this sustainable energy vector, which will be key to Spain achieving climate neutrality by 2050 at the latest. The development of renewable hydrogen will promote the creation of innovative industrial value chains in the country, technological knowledge and the generation of sustainable employment, contributing to the reactivation towards a high added value green economy.

[Download the executive summary](#)

The program would require an investment of 8.9 billion euros (\$10.5 billion) within the next decade.

"Spain has the capacity to become a relevant player in the renewable hydrogen sector by taking advantage of our high potential of generating renewable power at very competitive prices." Sara Aagesen, the secretary of state of energy said. The government has not yet established how much of the 8.9 billion euros needed will be publicly-funded, Aagesen said. It wants 25% of hydrogen used for industrial purposes to be

made using renewable power by 2030, a green hydrogen-powered fleet of 150 buses, 5,000 light and heavy vehicles, two commercial train lines and the installation of at least 100 hydrogen refueling stations and hydrogen-powered handling machinery in the country's top five ports and airports.

Spain's plan includes 60 measures that will help establish a hydrogen supply chain. The roadmap targets manufacturing plants with a capacity to make 300 to 600 megawatts of hydrogen from renewables by 2024 and 4 gigawatts by 2030. That would represent 10% of the EU's target, which is for 40 gigawatts by 2030. Spain plans to start measuring hydrogen production by energy source and to review targets at least every three years.

Key to scaling up green hydrogen are electrolyzers, machines powered by electricity that separate the hydrogen atoms in water from the oxygen. At the moment, electrolyzers in Spain have a capacity to make about 2.7 megawatts of hydrogen. The plan includes a target to build large-scale units that can each make as much as 100 megawatts.

Spain has 61.2 gigawatts of renewable power capacity —including wind, solar, biomass and hydro— and targets additional 60 gigawatts by 2030.

- **Recovery plan for Spain**

Spain recovery plan will invest €72bn of European funds to create 800,000 jobs



RECOVERY, TRANSFORMATION AND RESILIENCE PLAN
#PlanEspañaPuede

The Recovery, Transformation and Resilience Plan of the Government of Spain will revolve around 4 axes:

- Ecological transition
- Digital transformation
- Gender equality
- Social and territorial cohesion

ESPAÑA PUEDE.

Government has presented on October 7th the Recovery, Transformation and Resilience Plan.

A roadmap for the modernization and growth of the Spanish economy and the creation of employment after the impact of the #COVID19 pandemic.