

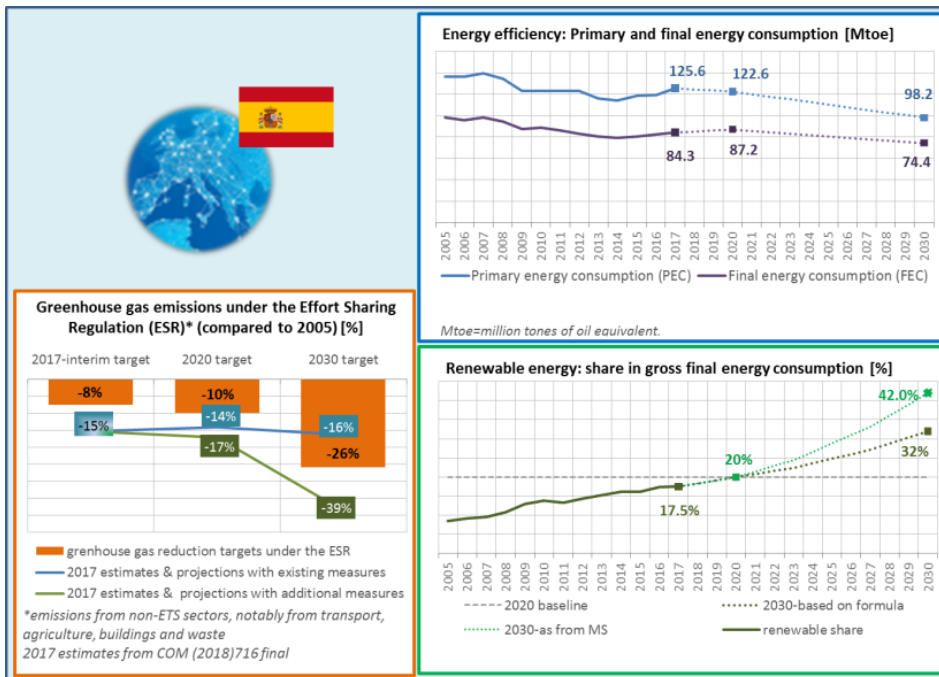


SPAIN

Summary of the Commission assessment of the draft National Energy and Climate Plan 2021-2030

The EU has committed itself to a clean energy transition, which will contribute to fulfilling the goals of the Paris Agreement on climate change and provide clean energy to all. To deliver on this commitment, the EU has set binding climate and energy targets for 2030: reducing greenhouse gas emissions by at least 40%, increasing energy efficiency by at least 32.5%, increasing the share of renewable energy to at least 32% of EU energy use and guaranteeing at least 15% electricity inter-connection levels between neighbouring Member States. To ensure that the EU targets are met, EU legislation requires that each Member State drafts a 10-year National Energy and Climate Plan (NECP), setting out how to reach its national targets, including the binding national target for reducing greenhouse gas emissions that are not covered by the EU Emissions Trading System (ETS). The European Commission has analysed each draft NECP. The summary of this assessment for Spain is outlined below. The final NECPs for the period 2021-2030 are due to be submitted by Member States by the end of 2019.

SPAIN - National targets and contributions foreseen in the draft National Energy and Climate Plan



Sources: Spain's draft National Energy & Climate Plan, Eurostat (PEC2020-2030, FEC2020-2030 indicators and renewable SHARES), COM (2018) 716 final (2017 GHG estimates)

- The Spanish draft integrated National Energy and Climate Plan (NECP) lays the foundation for a carbon neutral economy by 2050. While covering all dimensions, the draft NECP is particularly comprehensive on targets and contributions as well as policies and measures on decarbonisation (including renewable energy) and the energy efficiency dimensions. A carbon neutral economy needs to be underpinned by equally ambitious policies on the security of supply, internal market dimensions and research, innovation and competitiveness dimensions.
- Spain's 2030 target for **greenhouse gas (GHG) emissions** not covered by the EU Emissions Trading System (non-ETS), is -26% compared to 2005, as set in the Effort Sharing Regulation (ESR)¹. Spain **plans to overachieve** this target by 12 percentage points, while complying with the Land Use, Land Use Change and Forestry (LULUCF) no-debit commitment (i.e. emissions do not exceed removals)².
- The draft plan sets out a **comprehensive set of measures** underpinned by mechanisms and allocated responsibilities in all **non-ETS sectors** to achieve this ambitious objective. There is a particular focus on measures in the transport sector to reduce emissions by one third. A quantification of individual measures, as done for the energy efficiency contribution, could further increase the robustness of the final plan. The final plan would also benefit from further indicating how the LULUCF commitment will be achieved.
- The planned national ambition level of 42% of **energy from renewable sources** in gross final energy consumption in 2030 is significantly above the share of 32% in 2030 that results from the formula contained in Annex II of the Governance Regulation and constitutes an above average increase from the 2020 target level. However, the Spanish draft Law on Climate Change and Energy Transition sets a lower target of 35%. The trajectory to Spain's ambition level in 2030 includes a reference point for 2025, but not for 2022 and 2027³. The proposed renewable energy share in the transport sector is above EU average at 22%. The final plan would benefit from elaborating further on the policies and measures allowing the achievement of the contribution and on other relevant sectorial measures.
- The draft plan describes comprehensive measures to promote **renewable electricity, heating and cooling and transport**. More detailed quantitative information on some of the measures would help to ensure a robust final plan reaches the ambitious renewable energy contribution in a timely way.
- Regarding **energy efficiency**, the 2030 primary energy consumption target represents a 39.6% reduction compared to the baseline projections. The targets were set at a sufficient level of ambition, which takes into account the need to increase collective efforts to achieve the Union's 2030 energy consumption targets. The final plan would benefit from more details on policies and measures.
- On **energy security**, the objective to reduce energy dependency to 59% by 2030 is very ambitious. Spain had an import dependency of 74% in 2017 and foresees phasing out of coal for energy and some of its nuclear energy capacity by 2030. Relevant measures warrant being further detailed in the final

¹ Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013.

² Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU.

³ Pursuant to Article 4(a)(2) of Regulation 2018/1999.

plan. The savings relating to importing less energy after 2025 are a major contributor to the estimated positive impact of the measures in the draft NECP on jobs and growth.

- With respect to the improved functioning of the **internal energy market**, the draft plan includes e.g. policies to improve gas market integration and consumer protection. It would benefit from detailed information on these elements, including for instance, on analytical data with respect to barriers for new market participants and the uptake of the different sources of flexibility. On energy poverty, although there are references to specific policies and measures, the draft plan does not clarify whether a dedicated assessment has been carried out as required by the Governance Regulation. Furthermore, there is no reference to national objectives and a concrete timetable to develop the specific measures announced. This would benefit from greater details in the final plan.
- An increase of the **interconnection level** will be pivotal to improve the integration of Spain and the Iberian Peninsula into the Energy Union, as well as to accompany and steer the development of renewable energy sources in the region. Spain aims for an **interconnection level** of 15% in 2030. The current level (6%) is still well below although the ongoing Project of Common Interest (PCI) in the Bay of Biscay will almost double the interconnection capacity between Spain and France. The interconnection level of the Iberian Peninsula taken as a whole is even lower. Specific measures focus still on essential interconnections with Portugal and France, notably PCI.
- On **research, innovation and competitiveness**, information is provided on the total objective as a share of GDP and on ongoing research areas. The final plan would benefit from policies and measures until 2030 and with 2050 horizon as well as more specific objectives and funding targets.
- Regarding **investments needs**, the draft plan quantifies a total of EUR 236 billion, in the period 2021-2030, annually around 2% of GDP, of which 20% would come from public sources. The figure covers key sectors and dimensions, notably renewables, energy efficiency, grids and non-energy sectors. The draft plan thus takes advantage of the role NECPs can play in providing clarity to investors and attracting additional investments in the clean energy transition, and would benefit from extending it to all dimensions. These investments are the main driver of the projected positive impacts on jobs and growth for 2021-2030.
- The draft NECP takes stock of the interactions with **air quality and air emissions policy**, from both a policy and methodological point of view. The projections of GHG and air pollutants emissions have been developed in a consistent way and the link with the National Air Pollution Control Program is established. The presentation of the air pollutants emissions and health effects of the proposed climate and energy measures provides value added to the plan.
- The draft plan makes reference to the **Just Transition Strategy** (*Estrategia de Transición Justa*). The latter will focus on those regions and people affected by the implementation of the draft plan, providing a framework of action to optimise opportunities under the ecological transition to create more and better jobs. The final plan should complete the assessment of employment and education, skills and social impacts, including just transition aspects, also in relation with coal and carbon-intensive regions.
- A list of all **energy subsidies** and actions undertaken and planned to phase them out, in particular for fossil fuels, needs to be included in the final plan.

- There is potential to intensify the good **regional cooperation** already taking place with France and Portugal in the energy security and internal market areas, as well as increased cooperation in the areas of renewable energy and energy efficiency.
- An example of **good practice** is the clear description of planned measures to achieve the national objectives and, in particular, the quantification of individual energy efficiency measures. Another example is the Just Transition Strategy provided as part of the Strategic Energy and Climate Framework.

Related links:

- [National Energy & Climate Plans](#) – for links to the Commission recommendations and Staff Working Document for Spain and all other Member States, to the Commission Communication assessing all draft NECPs, and to the draft NECPs themselves.
- More information about the [Clean energy for all Europeans package](#)
- More information about the [2030 climate & energy framework](#)