

Triple-A Factsheet

Energy Efficiency Market Architecture &
Policy Framework:
The Spanish Case



Creara, May 2022

ENERGY EFFICIENCY MARKET ARCHITECTURE & POLICY FRAMEWORK: THE SPANISH CASE

The Energy Efficiency (EE) sector in Spain has been revolutionised in recent years from a position of irrelevance within the energy sector to one of the central axes of national climate policy.

A high level of EE is essential if we intend to maintain the standard of living associated with our current energy consumption without further contributing to the worsening of the climate crisis.

EE is also an essential ally in reducing external energy dependence in Europe, a problem that has proved pressing at the start of 2022, with Russia's invasion of Ukraine.

PNIEC (Spanish Integrated Energy and Climate Plan)

The most notorious effort, from which many smaller initiatives draw, is the PNIEC (Plan Nacional Integrado de Energía y Clima). Its final version was approved in March 2021, and it will cover the period from 2021 to 2030 in terms of climate action for Spain. The main objectives are:

- A 23% reduction in greenhouse gas (GHG) emissions compared to 1990 scenario.
- Increase to 42% of renewables in the final use of energy.
- Improvement of energy efficiency by 39.5%.
- Increase up to 74% of renewable energy in electricity generation.

Public Financing Instruments

Flowing from the PNIEC, more specific programmes are being launched in order to achieve a higher level of energy efficiency in specific sectors.

In the case of **sustainable mobility**, there are the **MOVES**¹ programmes, these programmes will finance the purchase of electric and plug-in hybrid vehicles such as cars, vans or motorbikes, as well as the purchase and installation of public and private access, charging infrastructures. The MOVES, which together consist of 4 different programmes targeting different sustainable mobility objectives, are financed with up to **850 million euros**.

In the **building energy renovation sector**, which due to its overall volume of energy consumption has a significant impact on the average EE level in Spain, the PREE² programmes have recently been started. These aids are arranged along two lines, one more generic and the other aimed at directing funding to areas considered to be of "demographic challenge", that is highly depopulated areas with no industry or strong economic activities. Altogether, they have **350 million euros in funding**.

¹ MOVES Programme

² PREE Programme

The Ministry for Ecological Transition and the Demographic Challenge (MITECO) has opened two calls for pilot projects for **energy communities**³, with a budget of **40 million euros**, which will promote social innovation and citizen participation in renewables, EE and electric mobility. These are two of the first calls for proposals under the “Strategic Project for the Recovery and Economic Transformation of Renewable Energies, Renewable Hydrogen and Storage” (PERTE ERHA) and are expected to enable the implementation of around **40 renewable energy, electric mobility and demand-side management projects for local communities**.

The current Spanish government's approach is to combine environmentally sustainable energy initiatives with the fight against rural depopulation and other demographic challenges. In this way, several programmes have been developed to promote environmentally sustainable investments in areas considered to be of "demographic challenge".

This is the case of the **DUS 5000**⁴ programme with a fund of **75 million euros**. This aid may cover up to 85% of the necessary investment in projects promoted by town councils and other public bodies in municipalities with less than 5,000 inhabitants. **Subsidies** will be granted for projects aimed to improving EE in **public buildings** and **infrastructures**, promoting green investments -in particular **self-consumption**, or **charging infrastructures for Electric Vehicles (EV)**, among others.

The case of the building sector

The building sector has proven throughout the Triple-A project to be one of the main pillars of the energy efficiency sector, accounting for the majority of the Triple-A projects identified. Today, buildings as a whole are responsible for 40% of the EU's energy consumption and 36% of greenhouse gas emissions, mainly generated during their construction, use, renovation and demolition⁵. These data show the immense potential for energy interventions in buildings.

In Spain, the **Technical Building Code** has been in force since 2006. This document is the regulatory framework that establishes the basic quality requirements to be met by buildings and their installations. In particular, it contains the Basic Document on Energy Saving, which establishes the basic energy efficiency and renewable energy requirements that must be met in new buildings and in interventions on existing buildings. Therefore, it is the reference regulation to be considered when carrying out energy efficiency projects in buildings, such as several of the Triple-A projects identified in Spain.

The Basic Document on Energy Saving is divided into the following parts, each with its corresponding requirements and quality standards:

- Basic requirement HE0: Limitation of energy consumption
- Basic requirement HE1: Conditions for the control of energy demand

³ [Energy Communities initiative](#)

⁴ [DUS5000 Programme](#)

⁵ [European Commission – In focus: Energy Efficiency in buildings](#)

- Basic requirement HE2: Conditions of thermal installations
- Basic requirement HE3: Conditions for lighting installations
- Basic requirement HE4: Minimum contribution of renewable energy to cover hot water demand
- Basic requirement HE5: Minimum electrical energy generation

The modification of the Technical Building Code is currently being processed to adapt it to the provisions of Directive (EU) 2018/844, which amends Directive 2010/31/EU on the energy performance of buildings and Directive 2012/27/EU on EE.

Likewise, the approval of Royal Decree 244/2019, of 5 April, which regulates the administrative, technical, and economic conditions for the self-consumption of electrical energy allows for the extension of the scope of application of the basic requirement HE5 relating to the minimum generation of electrical energy.

In the field of **photovoltaic** self-consumption in buildings, according to the latest document published by the Spanish government, the "Roadmap for Self-consumption in Spain". It is expected to reach between 9,000 and 14,000 MW of installed electricity capacity for self-consumption in Spain.

TRIPLE-A IN BRIEF

Triple-A -Enhancing at an Early Stage the Investment Value Chain of Energy Efficiency Projects - is an EU-funded research project under the Horizon 2020 programme, aiming to assist financial institutions increase their deployment of capital in energy efficiency, making investments more transparent.

VISIT OUR WEBSITE



www.aaa-h2020.eu

CONTACT US



contact@aaa-h2020.eu

FOLLOW US



@H2020_AAA



Triple-A Project



triple_a_horizon2020



Triple-A Horizon 2020

Conclusions

The main conclusions drawn about the national architecture of the energy efficiency market in Spain are detailed below:

- **Energy efficiency** has rapidly become a **top priority** both in climate action and in reducing external energy dependence.
- The objectives of the different administrative levels (EU, national, regional, and municipal) are aligned, and **initiatives are being implemented** at all levels.
- At the **Spanish level**, highly ambitious goals have been set, but they are backed by massive funding lines and strong support from the public sector.

A further comparison between the participating Triple-A countries is provided in the European Synthesis paper, while the **Spanish Synthesis paper**⁶ details the regulation, market architecture and policy framework applicable to the identified cases.



The Triple-A project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement no. 846569.



⁶ <https://aaa-h2020.eu/sites/default/files/reports/D6.3%20Triple-A%20Synthesis%20Paper%20for%20each%20case%20study.pdf>

Triple-A

Enhancing at an Early Stage the Investment Value Chain of Energy Efficiency Projects