



# Clean energy for EU islands

STATE-OF-PLAY INVENTORY OF LEGISLATION AND REGULATION  
FOR CLEAN ENERGY ON EUROPEAN ISLANDS

## Factsheet: Spain



Spain has 48 inhabited islands. Eleven of 16 islands are grouped in two major archipelagos: the Balearic Islands with the islands of Ibiza, Formentera, Mallorca and Menorca; and the Canary Islands with the islands of Fuerteventura, La Gomera, Gran Canaria, El Hierro, Lanzarote, La Palma and Tenerife. The Canary Islands together cover 7 493 km<sup>2</sup>, which corresponds to 1.9% of the total area of Spain. Tenerife is the largest island in the Canary Islands archipelago (2 034 km<sup>2</sup>). The 4 Balearic Islands cover a total of 4 992 km<sup>2</sup>. The largest island is Mallorca (3 640 km<sup>2</sup>). The Spanish islands around peninsular Spain tend to be smaller in size (<10 km<sup>2</sup>). Of the total population of Spain, 7% lives on the Balearic and Canary Islands. This corresponds to 3 447 717 people.

From the point of view of electric regulation, Ceuta and Melilla, the two autonomous cities bordering Morocco, are considered as electrical islands as well. Therefore, the Canary Islands, Balearic Islands, Ceuta, and Melilla are defined as non-peninsular territories of Spain.

The Autonomous Community of the Canary Islands has its own Parliament and President. The islands have 14 seats in the Spanish Senate. Autonomous island status and their own tax system are both mentioned in the constitution. Furthermore, there is special legislation set up for the autonomous regions.

### **Clean energy national targets**

The Integrated National Energy and Climate Plan for Spain for the period 2021-2030 aims to increase the share of renewable energy in final energy consumption of electricity to 74% in 2030. In the heating and cooling sector, the target is to increase the share of RES-H&C to 31% by 2030. The Spanish target for 2030 is to reach a 28% share of renewables in the final energy consumption of the transport sector.

### **Supported RES technologies**

Spain supports various kinds of renewable energy technologies: PV and wind for electricity production and biogas, biomass, geothermal and solar thermal energy for heating and cooling. In the transport sector, the country subsidises the purchase of electric vehicles (EV) and the implementation of EV charging infrastructure as well as supports the use of biofuels.

Support schemes:

- Subsidies (grants for wind and PV projects in non-peninsular territories and grants for investment in RE electricity and thermal projects).
- Tenders / Auctions: Economic Regime for Renewable Energies – allocation of a sliding feed-in premium and a Specific Remuneration Regime - Allocation of a sliding feed-in premium.
- Tax regulation mechanisms: allowance on the Real Estate Tax for solar energy systems - 50 percent rebate of the full amount of the tax for properties where a solar energy system for thermal or electrical use has been installed and allowance on the Tax on Constructions, Installations and Works (up to 95%rebate in favour of constructions, installations or works in which systems for the thermal or electrical use of solar energy are incorporated).

- RE in electricity building obligation: minimum generation quota from RE in non-residential buildings. Buildings larger than 3 000 m<sup>2</sup> shall install a RE generation system (between 30 kW and 100 kW).
- IDEA/ ERDF grants (EU level) for non-refundable subsidies to RE in electricity projects.
- Grants for investment in RE electricity and thermal projects: allocation of non-refundable grants for thermal projects using RE and subsidies for energy refurbishment actions in existing buildings, using RE sources, regardless of their use and the legal status of their owners).
- RE for heating/cooling in building obligations: minimum RE contribution to cover heating of water in buildings – minimum quota of 70% from RE to cover total annual demand.
- Subsidies for the purchase of EVs and for the implementation of EV charging stations. The tax rates of the Special Tax on Certain Means of Transport are based on the CO<sub>2</sub> emissions of the vehicle.

### Electricity and heating grids

In the electricity networks, RE installations shall have priority of dispatch under equal economic conditions in the market. There are 354 local distribution system operators (including five legally unbundled). The country has a smart meter penetration rate of 99.6%. The electricity supplier switching rates for household customers in 2018 was 10.4%.

The Canary Islands are not electrically interconnected to the mainland. There is an interconnection between Fuerteventura and Lanzarote, two Canary Islands.

### RES projects authorization process

Tenders/auctions for mainland and recently also for islands. National authorisation process with local environmental approval. Simplified procedure for installations less than 100 kW.

### Supported energy efficiency measures

When it comes to improving energy efficiency, the IDAE plays a key role on the administration and granting of aid. The Public Sector in all levels (National, Autonomous Communities, and Municipalities) are committed to improving the energy efficiency of their public administrations' buildings and in outdoor lighting installations. Among other programmes, the PAREER II programme grants subsidies and soft loans to households and other public and private actors to undertake renovation actions in buildings that improve energy efficiency standards.

### Supporting policies

The Spanish RES policies encourage the development and deployment of renewable energies. Spain offers multiple vocational training opportunities and certification of professional skills and knowledge for professionals interested in working with RE installations through the National System of Qualifications and Vocational Training. Thermal solar collectors and

prefabricated thermal solar panels shall comply with international standards (UNE-EN and ISO).

### **Self-consumption and community energy**

The Spanish legal system recognises the right to self-produce and self-consume renewable energy in multiple forms, which allows for flexibility in the self-consumption design. Renewable Energy Communities are not fully regulated. RDL 23/2020 partially transposed the RED II EU Directive, since it adopted the definition of these communities and entitled them to participate in auctions. Further regulation is required.

### **Island specific policies**

In Spain there are several island specific policies for clean energy development. For example, the Institute for Diversification and Saving of Energy (IDAE), in cooperation with European Regional Development Funds (ERDF), is entitled to allocate financial support (non-repayable grants) to projects intended to generate electricity from wind power or PV, exclusively located in non-peninsular territories. There are specific regulations for the installations located in non-mainland territory, such as islands, to account for the different situation these territories face: lack of interconnection and higher costs (article 10 Law 24/2013). In these cases, the Specific Remuneration Regime can also include an incentive for investment when the installation entails a significant cost reduction in the electricity system.

Specifically regarding permitting, in general regional rules apply. The Ministry at national level is the one granting administrative authorization above 50 MW when the isolated system is connected to the mainland, or in case the project is located in the territorial waters. In the Balearic Islands, generally speaking, small-scale projects within medium and high interest projects have fast-track procedures with little or no involvement of the environmental and the agriculture departments, whereas projects larger than four hectares require positive assessment from both departments. Additionally, projects larger than ten hectares require specific procedures for land use permit. Simplified permitting procedures exist in the Canary Islands for self-consumption systems (particularly below 100 kW).

### **Sources**

- Number of islands: Ministerio de Política Territorial ([Link](#))
- Island population: National Statistics Institute INE ([Link](#))
- National Population: Eurostat 2019 ([Link](#))