



Energy Policies of IEA Countries Spain 2009 Review

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INTERNATIONAL ENERGY AGENCY

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Background

- IEA conducts regular reviews every 4-5 years
- Previous review of Spain in 2005
- Peer review by representatives from other member countries (France, Switzerland, Turkey, UK), EU Commission, OECD/NEA and IEA
- Peer review visit to Madrid in October 2008
- Review based on the IEA Shared Goals and 3 Es
 - ◆ Energy security
 - ◆ Economic growth
 - ◆ Environmental sustainability

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Policy achievements (1/2)

- **Security of supply**
 - ◆ Oil security improved: higher emergency stocks
 - ◆ Exemplary diversification of gas sources through LNG
 - ◆ Wind and solar power well-integrated into the electricity system
- **Gas and electricity market reform**
 - ◆ MIBEL
 - ◆ Reform of end-user tariffs
 - ◆ Solution to the electricity tariff deficit

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Policy achievements (2/2)

- **Environmental sustainability**
 - ◆ Impressive growth in wind power, also solar
 - ◆ Steady increases in public spending on energy R&D
 - ◆ Stronger incentives and more stringent requirements for energy efficiency

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Major challenges

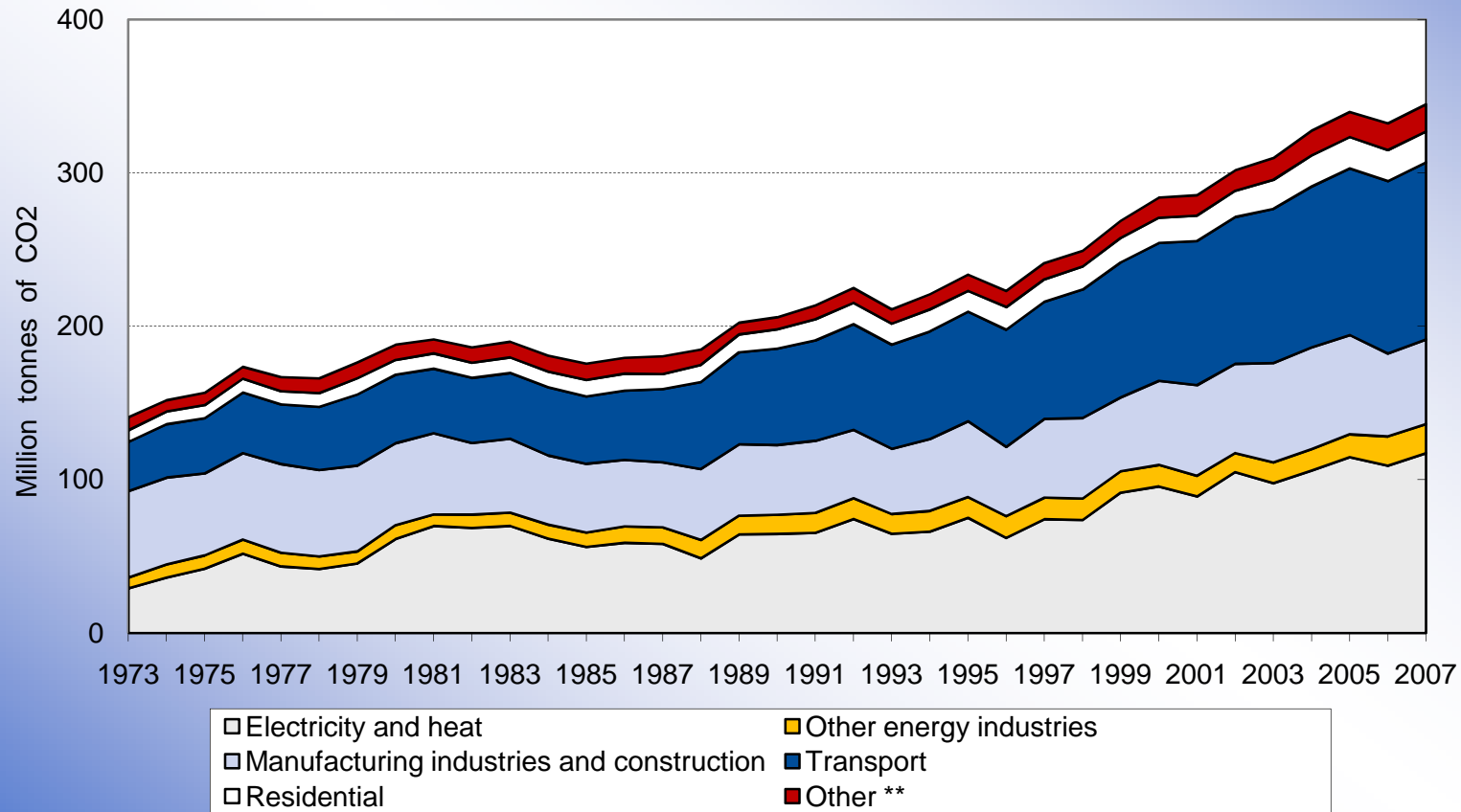
- Meeting the climate change and energy security targets
- Ensuring a low-carbon electricity supply and its efficient use
- Further reducing market distortions

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Future trend for energy-related CO₂ emissions must be down

CO₂ emissions in Spain by sector, 1973 to 2007



* estimated using the IPCC Sectoral Approach.

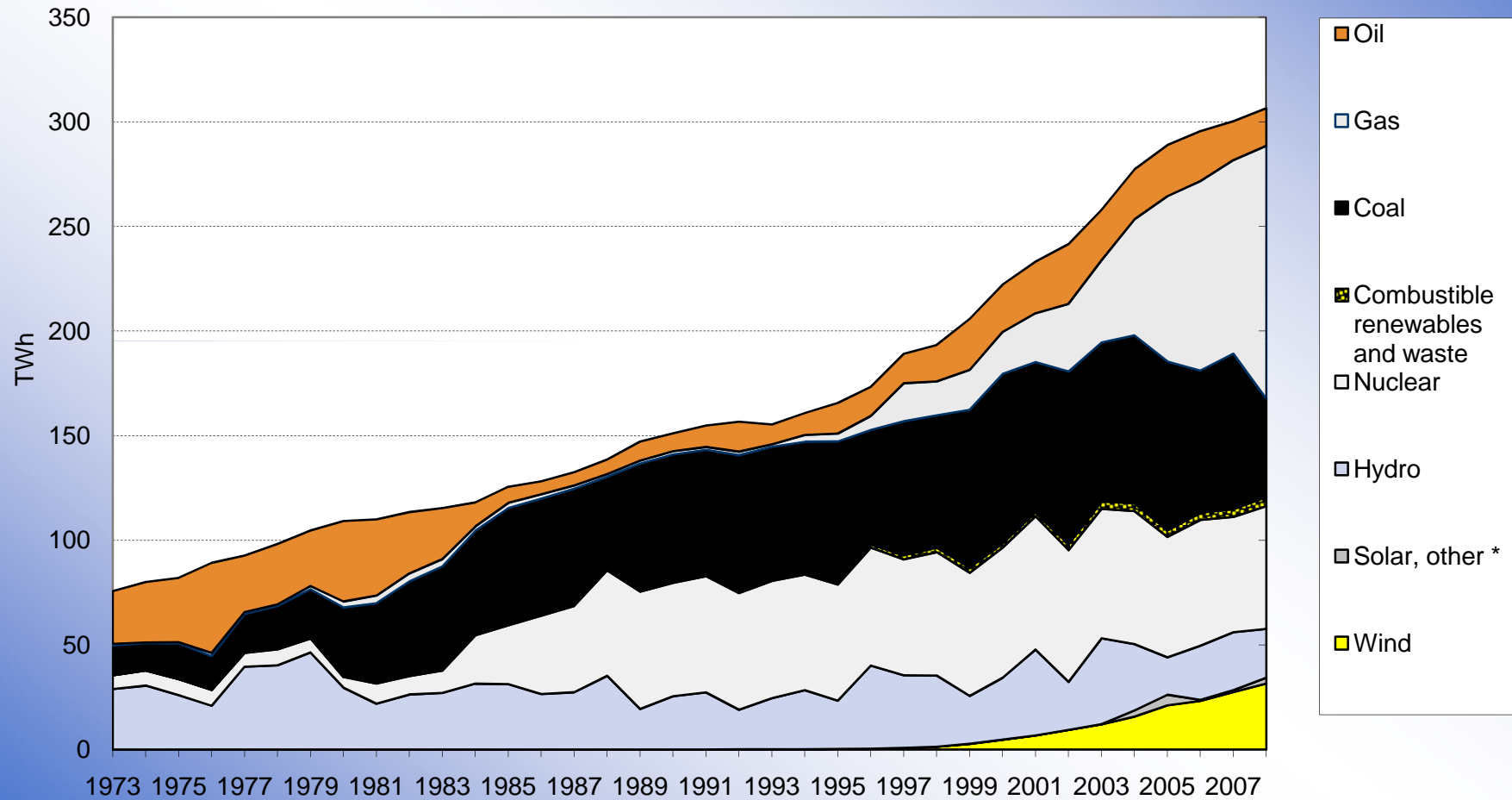
** includes emissions from commercial and public services, agriculture/forestry and fishing.

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Electricity future should be low-carbon

Electricity generation in Spain by source, 1973 to 2008



* includes unidentified electricity generation from combusted fuels for 2004, 2005 and 2006.

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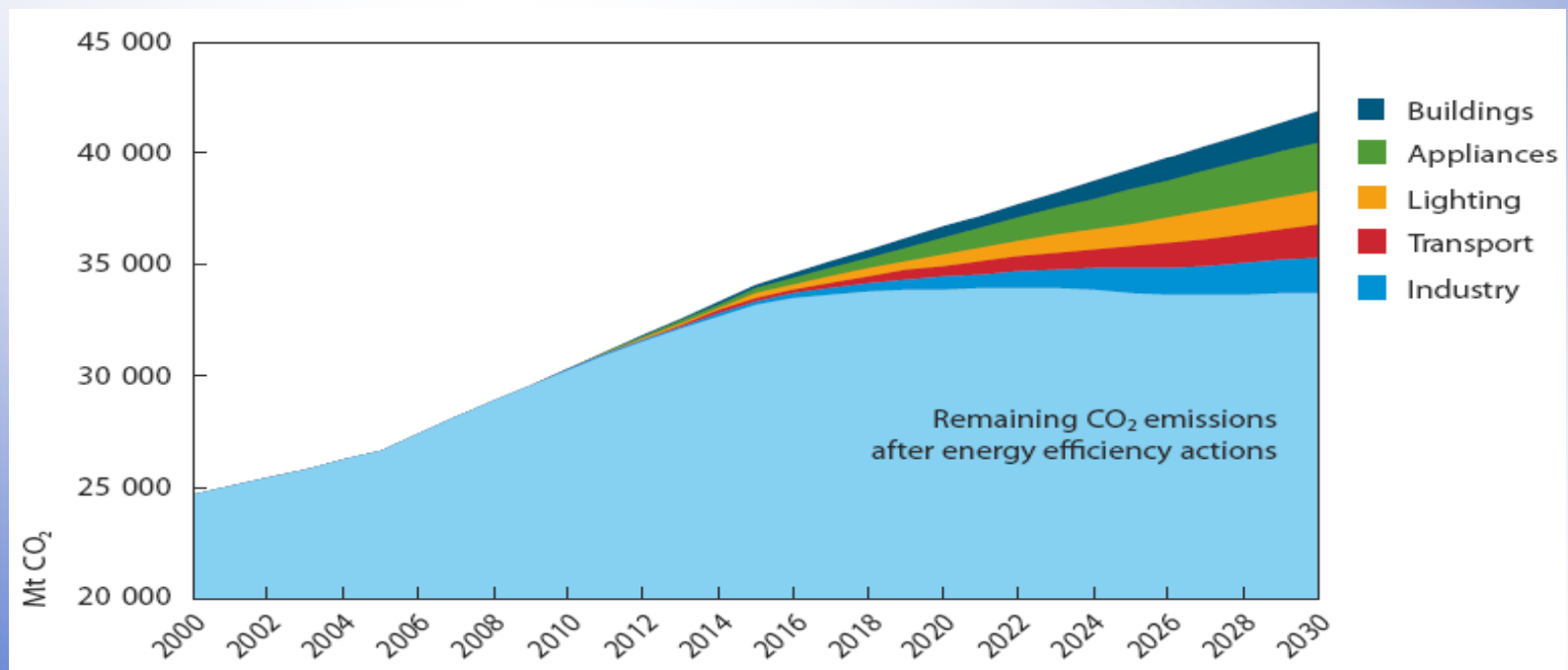
Energy markets should become fully competitive

- **All electricity tariffs for end-users should reflect generating costs**
- **Subsidies on domestic coal production should be further reduced and eventually eliminated**



Need for more energy efficiency

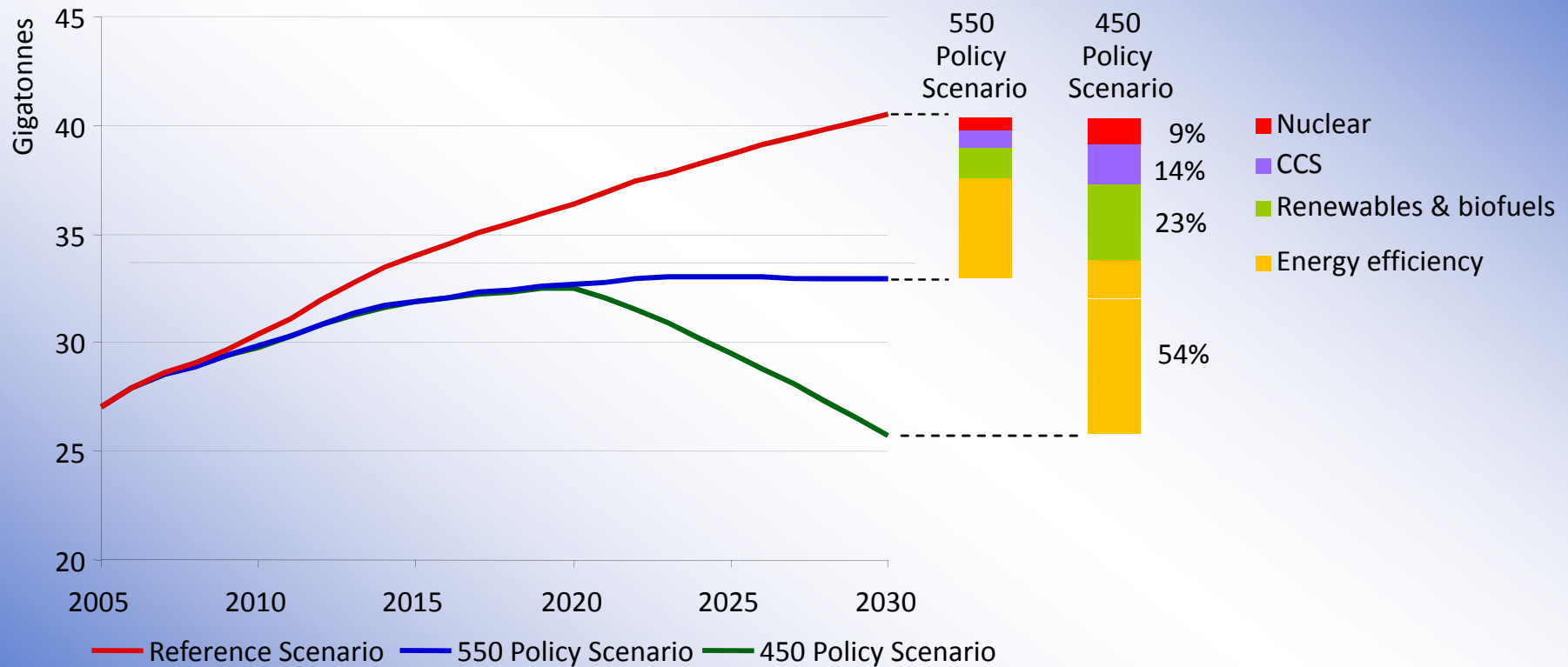
If globally implemented, the IEA's 25 recommendations would avoid 8.2 billion tonnes of CO₂ emissions in 2030



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Outlook for global energy-related CO₂ emissions by 2030



While new technology is needed, more emissions can be reduced by efficiency gains and using existing low-carbon energy sources.

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Thank You!

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