

English Summary: Coal in Spain - a bleak future

Coal is the most polluting of all fossil fuels and the single greatest threat to the climate. Producing only 23% of Spain's electricity, it is responsible for 64% of CO₂ emissions from the electricity sector.¹ Despite its disastrous effect on the climate, the coal industry is still being subsidised heavily in many countries, including Spain.

Currently, the Spanish coal industry receives direct subsidies of at least €1,710 million a year.² By comparison, the renewable energy industry receives only 6.64% of this amount. If the other costs that coal incurs are taken into account, such as local health and environmental costs, or costs for research and development, the total subsidies rise to €2500 million a year³. This figure does not include costs caused by climate change.

The coal industry in Spain has been subsidised over the years because it has been viewed as a strategic national resource that contributes to Spain's energy security, is abundant and stable in price. However, this view is no longer valid.

Spain is not self-sufficient when it comes to using domestic coal to fire its 22 coal plants. 60% of the coal consumed in Spain is imported. Domestic coal only produces 7% of its electricity.⁴ Two-thirds of the wind power capacity already installed in Spain could produce the same amount of energy provided by the country's domestic coal industry.

Price stability can also not be guaranteed today. In recent years, from 2000 to 2007, prices for imported coal used to produce electricity (mainly from South Africa, Russia and Indonesia) have risen by 110%.⁵ Prices for coking coal increased by 160%.

Coal reserves in Spain are nearly depleted. The remaining reserves of the type of coal most commonly used (hard coal and anthracite) are only expected to last for another 24 years.⁶ These reserves will not reduce Spanish energy dependency in the longer run.

Recent developments in the renewable energy sector, with its labour-intensive character, mean that it could play a very positive role in job creation. The construction of 615 MW of wind capacity, or 97 MW of photovoltaic solar energy, would be sufficient to replace the 8,000 jobs that the mining industry currently provides. Subsidies per employee are more than 20 times higher in the coal industry than in the renewable energy sector. Subsidies of €214,000 per employee per year are spent in the coal sector compared to approximately €10,000 per employee per year in the renewable industry sector).⁷

Spain does not need to waste money on subsidising the coal industry. The capacity of renewable energy in Spain is enormous and could generate enough energy to cover both its electricity demand and its total energy demand.⁸

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- 1 UNESA and data from the Environmental Ministry of Spain, 1990-2006
 - 2 Pueyo, A., Petrick, K., Valero, N (Ecofys S. L.) and Monton, R. (Greenpeace España), 2008, *El carbon en España, un futuro negro, Spain*
 - 3 Pueyo, A., Petrick, K., Valero, N (Ecofys S. L.) and Monton, R. (Greenpeace España), 2008, *El carbon en España, un futuro negro, Spain*
 - 4 Fuente: MITYC, 2007
 - 5 IEA, Energy Prices & Taxes-Fourth Quarter, 2007
 - 6 World Energy Council, 2007 Survey of Energy Resources
 - 7 Calculations based on information from the Summary of the National Renewable Energy Plan in Spain
 - 8 Greenpeace Spain, Renovables 100%, available at: <http://www.greenpeace.org/espana/r-evoluci-n-renovable/informaci-n/informes/informes-renovables-100>