



News in the Energy Sector

1. Extension of exceptional measures applicable to procedures to produce energy from renewable sources

Decree-Law no. 22/2024 was published on 19 March, extending the exceptional measures to procedures to produce energy from renewable sources, approved by Decree-Law no. 30-A/2022, of 18 April, and determining that it will remain applicable until the end of the year.

By virtue of the extension granted by Decree-Law 22/2024, it is ensured that the measures contained in Decree-Law 30-A/2022, of 18 April, will continue to be implemented until 31 December 2024, including the following:

(i) The prior issue of an Operation License is waived as is the issue of an Operation Certificate for the start-up of renewable energy power plants, storage facilities and self-consumption production units (UPAC);

(ii) Electro-producing centers for self-consumption using a primary solar source are exempt from EIA when they are installed in built structures or buildings, except classified buildings or those in the process of being classified and their respective protection zones; or installed in artificial areas, existing or future, except on artificial water body surfaces;

(iii) Existing wind power centers will be able to inject all their production into the grid.

2. Creation of a system of incentives for "Investments in Strategic Sectors", within the scope of the Contractual Investment Scheme and of the Temporary Crisis and Transition Framework

Following the Temporary Crisis and Transition Framework created by the European Commission, which provides for investment in strategic sectors with a view to enabling the transition to a zero-emissions economy, Resolution 49/2024, published on 26 March, was approved to create an incentive to attract more investment.

Note that with the approval of Council of Ministers Resolution 34/2023, of 19 April, the Contractual Investment Scheme has already been allocated an annual sum of 150 million euros over 5 years, for a total of 750 million euros.

Under the Temporary Crisis and Transition Framework and the Contractual Investment Scheme, as well as the recent relaxation of State Aid rules, it is decided to create a new incentive system for "Investments in Strategic Sectors" under the Contractual Investment Scheme (RCI).

The incentive system will have an estimated budget of 1000 million euros, allocating funds according to the type of project and the results of the evaluation and performance indicators of the promoters that the Portuguese Investment and Foreign Trade Agency (AICEP) will carry out, with financial execution running until 2030.

3. Approval of the Biomethane Action Plan 2024-2040

Council of Ministers Resolution no. 41/2024, of 15 March, approved the Biomethane Action Plan 2024-2040 ("BAP 2024-2040"), whose strategy will aim to promote the biomethane market in Portugal as a sustainable way to reduce GHG emissions, decarbonise the national economy, reduce imports of natural gas used in the industrial and domestic sectors, taking full advantage of the endogenous resources existing in various sectors.

In the first phase (2024-2026), BAP will promote the creation of a biomethane market in Portugal, prioritising the conversion of existing biogas production to biomethane and investment in new units in regions of interest.

In the second phase (2026-2040), the aim will be to strengthen and consolidate the biomethane market in Portugal by increasing the scale of biomethane production, strengthening the potential of the livestock sector, strategically evaluating innovative technologies and creating new value chains, as well as increasing research funding.

4. European Parliament approved a Revision of the Energy Performance of Buildings Directive

On 12 March 2024, a recast of the Energy Performance of Buildings Directive was approved by the European Parliament, which still has to be approved by the Council of Energy Ministers of the European Union. This recast establishes, among other targets, that new buildings occupied or owned by public authorities should have zero GHG emissions by 2028.

The rules can also be applied to residential buildings, for which member states will have to take measures to ensure a reduction in average primary energy consumption of at least 16 per cent by 2030 and 20 per cent by 2033, but there will be no renovation obligation for individual owners.

According to the proposed text, the construction of zero-emission buildings becomes mandatory from 2030 and sets ambitious targets for reducing energy consumption.

5. Structure for Licensing Renewable Energy Projects (EMER 2030)

The rapid change in the legal and regulatory framework relating to the "National Energy and Climate Plan 2030" is a challenge for the operationalization and streamlining of the licensing of renewable energy projects, not only from a procedural perspective, but also in terms of training the human resources and digital media involved.

With the publication of Council of Ministers Resolution no. 50/2024, of 26 March, Portugal included in the Recovery and Resilience Plan (PRR) a reform aimed at simplifying the legal and regulatory framework applicable to renewable energy projects in order to assist the Public Administration in operationalising applications for these projects.

The Mission Structure for the Licensing of Renewable Energy Projects 2030 (EMER 2030) has therefore been created, with the special mission of ensuring the fulfilment of the objectives of the National Energy and Climate Plan 2030 (PNEC 2030), which will have the following main objectives:

a) Operationalise the legal and regulatory framework applicable to electrical, environmental and municipal licensing, including through the drafting of a procedures manual to support and simplify the licensing procedure for self-consumption and renewable energy communities;

b) Develop, implement and manage a One-Stop Shop for the Licensing and Monitoring of Renewable Energy Projects;

c) Accompany the energy licensing services, empowering them with the necessary multidisciplinary resources.

If you have any doubts or questions on this matter, please do not hesitate to contact the Environment, Energy and Natural Resources Law team at pbb - Sociedade de Advogados, SP, RL.

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