

POLICY BRIEF #1

Introduction

Catalonia has significant potential to become a leading hub for Bioeconomy innovation and deployment in Europe. The region has an opportunity to transition towards a more sustainable, resource-efficient, and low-carbon future through bio and circular economies.

The BioBoost project aims to catalyse additional investment of 30M€ into bioeconomy projects in Catalonia by 2026. However, these projects face various administrative and regulatory barriers that need to be resolved.

This policy brief provides an initial overview of the legal bottlenecks and offers potential solutions and recommendations within the current legal context of Catalonia. By understanding these barriers and leveraging opportunities within the existing legal framework, the aim is to address the challenges and enable bioeconomy projects to contribute to the development of a bio and circular economy in Catalonia and Europe.

Administrative and regulatory barriers to bioeconomy development in Catalonia

The transition to a bio and circular economy in Catalonia is a reality and a government's commitment to protect the planet and develop a more sustainable economy and resource efficient society, in accordance with the EU fixed goals. Despite this, there are still legal barriers that create a multifaceted challenge to bioeconomy business development.

In this section, it will be addressed some of the most pressing of these challenges identified so far, based on the implementation of the BioBoost project in Catalonia, as well as some recommendations to overcome them.

Recommendation: Adapting the permitting procedures for the bioeconomy sectors to the new

1. COMPLEX AND LENGTHY ADMINISTRATIVE PROCEDURES, LACK OF COORDINATION BETWEEN ADMINISTRATIONS

Complex and lengthy administrative procedures, lack of coordination, and delays in permit-granting pose challenges for bio and circular economy businesses, particularly in the renewable energy sector. To address this, the Council of the European Union adopted a regulation to accelerate renewable energy deployment and simplify permit-granting processes. However, other sectors like waste management projects also face similar barriers and require specific regulations. These administrative hurdles can lead to increased project costs and potential issues with subsidy requirements and deadlines.



reality of promoting a circular economy, with a focus on accelerating and simplifying the process, would be highly recommended.

2. LACK OF CLARITY IN THE REGULATORY FRAMEWORK

The regulatory frameworks for bioeconomy projects often hinder progress due to outdated laws not designed for a circular economy involving different types of stakeholders. Vague legislation and incongruent guidelines lead to different interpretations. The complexity and fragmentation of laws and regulations across different regions create significant barriers for bio and circular economy businesses. Compliance becomes difficult, lengthy, and costly, blocking their expansion and full potential.

Recommendation: Updating the legal frameworks of regulatory sectors to align with the objectives of transitioning to a bio and circular economy, and ensuring the legislation is in line with the goals set by the EU.

3. URBANISTIC BARRIER

The choice of land for bio and circular economy businesses can be a major barrier. Urban planning issues, such as land classification and qualification, land use compatibility, and the need for special plans, create lengthy procedures. Development of a special plan requires approval from two administrations, leading to a suspension of licensing procedures. Environmental authorizations also face delays due to urban planning compatibility and multiple departmental reports, adding further barriers.

Recommendation: Adapting the legal frameworks of municipalities to the transition to a bio and circular economy and providing guidelines to ensure the seamless integration of bioeconomy projects within local and regional legislation to foster the development and growth of such activities effectively.

4. ACCESS AND CONNECTION PERMITS ON THE RENEWABLE ENERGY SECTOR

Article 8 of Royal Decree-Law 6/2022 reserves 10% of capacity tenders for renewable energy projects,

but currently only 5% is allocated. This limited allocation presents a barrier to developing more projects that promote a circular economy.

Recommendation: Ensuring regulatory compliance.

5. SLOW GRANTING SUBSIDIARIES PROCEDURE TO RENEWABLE ENERGY COMMUNITIES AND CITIZEN ENERGY COMMUNITIES

The Royal Decree 477/2021, of June 29, which approves the direct concession to the autonomous communities and the cities of Ceuta and Melilla for the execution of various incentive programs linked to the self-consumption and storage, with renewable energy sources, as well as the implementation of renewable thermal systems in the residential sector, within the framework of the Recovery, Transformation and Resilience Plan¹, regulates the granting of subsidies to renewable energy communities and citizen energy communities. However, the processing of these grants is slow, many of the applications have not been resolved and some projects have not received the promised subsidy yet.

Recommendation: Accelerate the procedures of the grants to renewable energy communities and citizen energy communities.

6. MAXIMUM DISTANCE OF 2,000 METERS

The Royal Decree-Law 20/2022, of 27 December on measures to respond to the economic and social consequences of the war in Ukraine and to support the reconstruction of the island of La Palma and other situations of vulnerability², establishes a maximum distance of 2,000 meters between the photovoltaic installation located on the rooftop, artificial structures or industrial land, and the consumer, to consider the photovoltaic installation a self-consumption.

Recommendation: Increase this distance.

7. FLEXIBILIZATION OF THE DRAFT ROYAL DECREE THAT DEVELOPS THE FIGURES OF THE RENEWABLE ENERGY COMMUNITIES

The Royal Decree Draft for renewable energy communities and energy citizen communities sets a minimum of 5 members for these legal entities. While

¹ [Royal Decree 477/2021](#)

² [Royal Decree-Law 20/2022](#)



it includes definitions from Directive (EU) 2018/2001, it fails to adapt them to the national framework and causes confusion with terms. It also imposes a limit of 5,000 meters for shared self-consumption in municipalities with over 50,000 inhabitants, starting from the area of the first completed project of the energy community.

Recommendation: Flexibilization of the final version of the Royal Decree would allow for greater adaptability and accommodate different perspectives. This approach promotes a more dynamic and responsive regulatory framework that can better address the evolving needs and challenges of the relevant sectors.

8. ADAPTATION OF THE MUNICIPAL REGULATIONS TO THE RENEWABLE ENERGY SECTOR

Despite the legal requirement that the installation of photovoltaic panels and recharge points for electric vehicles no longer needs a license or construction permit, many municipalities continue to subject these installations to unnecessary procedures. This goes against laws such as Law 17/2009 and the Royal Decree Law 29/2021, which exempt these installations from such permits.

Recommendation: Reviewing the local regulations is essential for municipalities to streamline and simplify the installation procedures of photovoltaic panels and other self-consumption methods. By doing so, they can remove unnecessary barriers and promote the widespread adoption of renewable energy, contributing to a more sustainable and environmentally friendly energy landscape.

9. CREATION OF A SINGLE APPLICATION FORM FOR THE GRID CONNECTION PROCESS

The lack of homogenization of the process of connection to the electricity distribution grid and of capacity reports, hinder the procedures to access and obtain connection permits. Furthermore, the difficulty in obtaining access to the grid due to a lack of capacity, preclude to supply the grid with renewable electricity and replace fossil energy sources.

Recommendation: Creation of a single application form and a capacity report model.

10. CONFLICT WITH DISTRIBUTORS

Some distribution companies are involved in irregularities when processing applications for access and connection to electric power networks. They fail to meet the 20-day deadline for issuing admission to process, which affects the time priority criterion for access requests. Additionally, they do not justify the lack of capacity based on security, regularity, or quality of supply criteria as required by regulations.

Recommendation: Require distributors the strict fulfilment of these regulations and a more efficient procedures.

11. AVAILABILITY DATA AND ACCESS

The bio and circular economy projects sometimes cannot access to a database information or statistics about their typology of project. This information could be useful to the development of its business model.

Recommendation: Creation of a database of information about the typology of project or provide more facilities to access this information

Legal opportunities for the development of bioeconomy-based projects in Catalonia

Europe and its member states, including Spain and Catalonia, recognize the importance of transitioning to a bio and circular economy. Nevertheless, the existing legal framework presents numerous

obstacles to the development of bioeconomy projects. To fully realize the potential of these initiatives and promote their growth, two potential solutions and recommendations are offered within



Catalonia's current legal context. These proposals aim to tackle the administrative and regulatory challenges that hinder progress in the bioeconomy sector:

1. STRATEGIC BUSINESS PROJECTS

The Law on the facilitation of economic activity defines strategic business projects and offers favourable conditions for their development. By including bioeconomy projects as strategic projects, with flexible requirements, it can encourage investment and job creation while promoting renewable energies and environmental sustainability.

2. USE OF REGULATORY SANDBOXES

Regulatory sandboxes provide a structured environment for testing innovative projects under regulatory supervision. Expanding the use of regulatory sandboxes to the bioeconomy sector can help overcome administrative complexities and incongruent regulations, enabling experimentation and fostering research and innovation.

These measures align with the EU's approach to experimentation and innovation in legislation. By implementing these recommendations, Catalonia can unlock the potential of the bioeconomy, overcome legal barriers, and contribute to the development of a thriving bio and circular economy.

Learn more about Bioboost project:

www.bioboost.cat

info@bioboost.cat



**Funded by
the European Union**

"Funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union. Neither the European Union nor the granting authority can be held responsible for them."