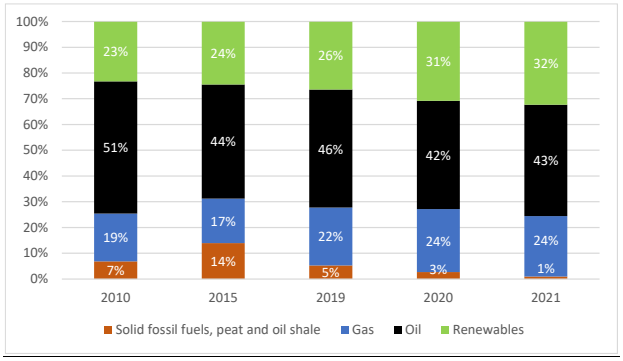
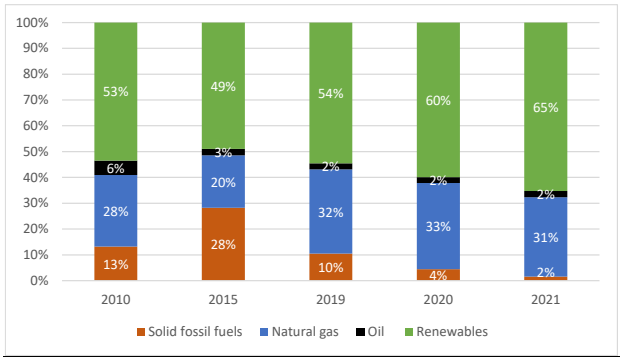
Key energy figures

Graph 1: **Energy mix**



Source: Eurostat

Graph 2: **Electricity mix**



Source: Eurostat

Saving energy

1. *Key energy savings measures*

- Portugal approved a **special plan for energy savings for 2022-2023**, which is complementary to Portuguese measures being adopted to structurally reduce energy demand.

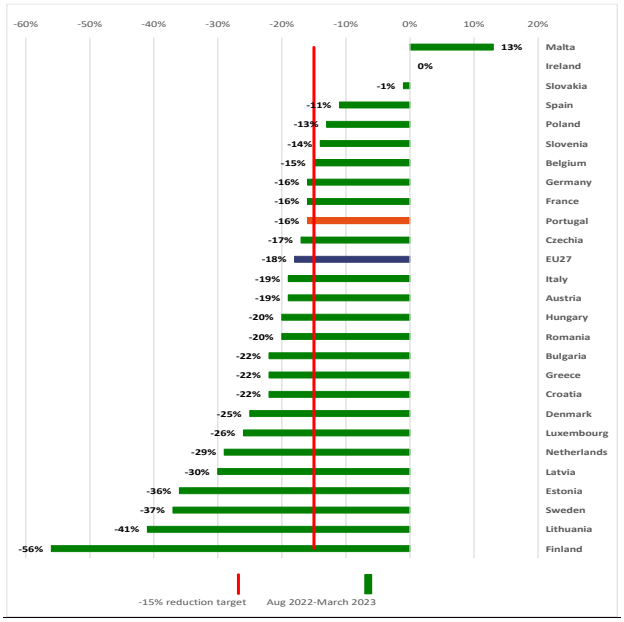
- Some of the most relevant actions include **switching off lights in the evening in public and private buildings**, **communication and awareness campaigns** aimed at public administration, and additional professional training and capacity building to increase expertise of public servants.

- The preliminary report of the programme for more sustainable buildings 2021/2022 indicates that more than 70.000 applications have been accepted (23.8% were efficient windows, 26.1% on heat pumps and 37.2% on photovoltaic systems).

2. *Gas Demand Reduction*

Portugal has reduced its gas consumption by **16%** in the period **August 2022-March 2023**, below the decrease of EU consumption (18%) but surpassing the 15% voluntary gas demand reduction agreed at the EU level ([1]).

Graph 3: **Natural gas demand reduction (August 2022-March 2023)**



(1) Cyprus does not use natural gas
Source: Eurostat, DG ENER calculations

Diversification of energy supplies

1. *Key actions*

Import dependency from Russian natural gas was 14% in 2021 (equalling 1.6 bcm). In **2022**, Portugal received 0.3 bcm of Russian gas through LNG. Between January and March 2023, Portugal has received 0.1 bcm of Russian gas. ([2])

Relying mostly on liquefied natural gas (LNG) supplies and from non-EU sources, Portugal's gas supply security is very resilient.

([1]) Regulation (EU) 2022/1369 of the Council of 5 August 2022.
([2]) European Commission (based on Refinitiv and ENTSO-G).

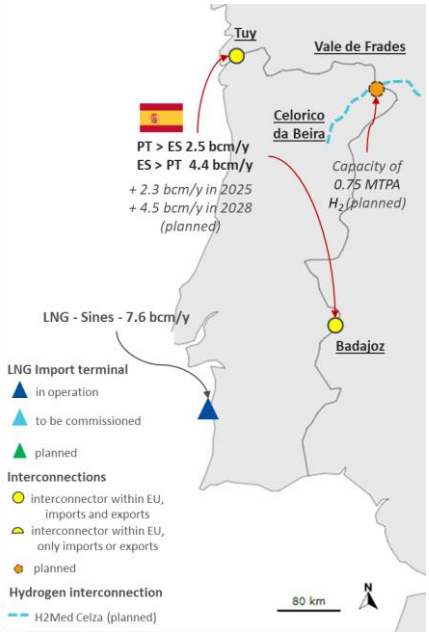
2. *Gas Infrastructure Developments*

Portugal relies mostly on LNG supplies from the USA and Nigeria through the Sines LNG terminal. The deep-water port of Sines has the capacity to receive large LNG ships and an investment of EUR 4.5 million is planned to enable transhipment in the port.

Portugal is supplied by two pipelines: one mostly to import gas from Algeria ([3]) via Morocco and Spain, and another smaller one to connect Portugal to Galicia in Spain.

In October 2022, the Portuguese, Spanish and French heads of state and governments issued a joint statement proposing a **Green Energy Corridor (H2Med), with a focus on a dedicated hydrogen project for inclusion in the next PCI list, but also electricity**. It would connect Portugal and Spain, namely connecting Celourico da Beira and Zamora (CelZa), and a maritime pipeline connecting Barcelona with Marseille (BarMar).

Map 1: **LNG terminals and cross-border interconnections**



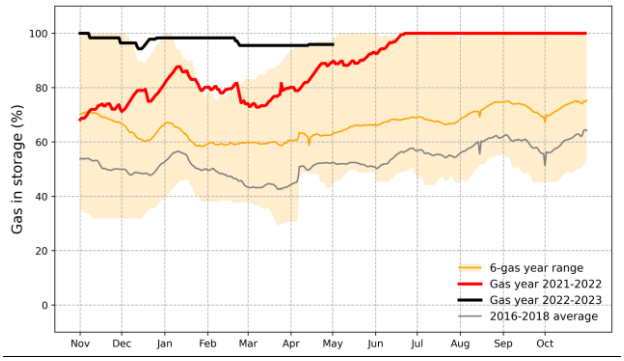
Source: DG ENER

3. *Gas Storage*

Portugal has 3.97 TWh of underground gas storage at the Carriço facility ([4]), with a total capacity of around 0.41 bcm, representing around 7% of its total yearly demand. In September 2022, a 1.2 TWh extension of this gas storage facility was announced ([5]).

Portugal fulfilled its gas storage obligations last winter, reaching 98.32% by 1 November (well above the EU legal obligation of 80%[6]), and ended the heating season with a filling gas storage at 95.90% by 2 May 2023.

Graph 4: **Storage levels in Portugal**



Source: JRC calculation based on AGSI+ Transparency Platform, 2022

Energy Platform

Regional Group of reference: South West Europe

National companies participating to the Industrial Advisory Group: Galp Energia, SGPS, SA (Galp Energia)

On Wednesday, May 10, the European Union launched its first international tender for joint gas purchases. A total of 25 international suppliers and more than 110 companies have decided to participate and intend to purchase 11.6 billion cubic meters of gas. Deliveries are expected to take place between June 2023 and May 2024.

([3]) Currently, Portugal does not receive gas from Algeria.

([4]) The Carriço UGS facility is managed by REM Armazenagem and it is composed by six salt caverns.

([5]) Council of Ministers Decision 82/2022.

([6]) Regulation (EU) 2022/1032 of the European Parliament and of the Council of 29 June 2022 amending Regulations (EU) 2017/1938 and (EC) No 715/2009 with regard to gas storage.

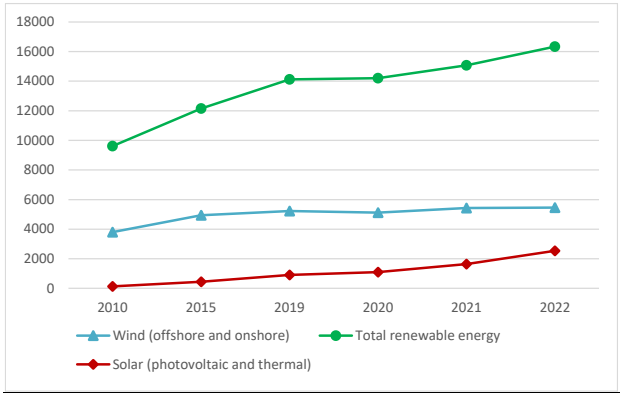
Accelerating clean energy

1. Installed Renewable Capacity

In **2022**, Portugal installed around 1.2 GW of renewable capacity, bringing the total to **16.3 GW**.

In 2022, the annual growth rate of installed renewables power capacity was **8%**, compared to 6% in 2021.

Graph 5: **Installed solar and wind power capacity (in megawatt)**

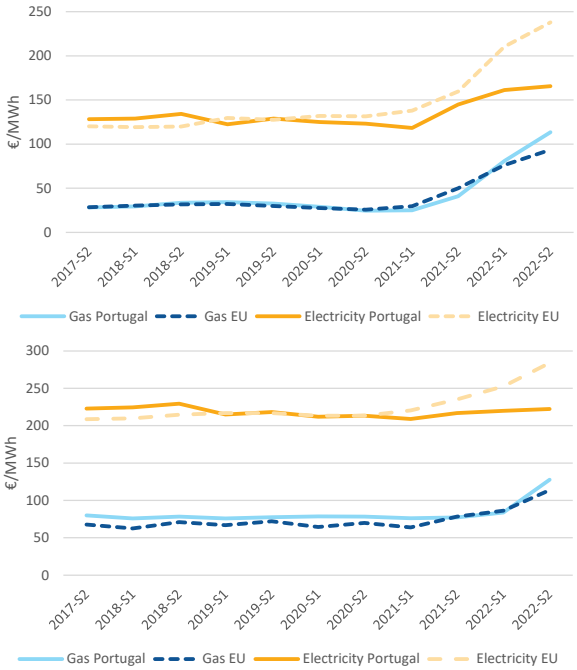


(1) The renewable power capacity data reflects the capacity installed and connected at the end of the calendar year.
(2) In 2022, Portugal installed 0.03 GW of wind power capacity (vs. 0.3 GW in 2021)
(3) In 2022, Croatia installed 0.8 GW of solar power capacity (vs. 0.5 GW in 2021)

Source: IRENA, RE Capacity statistics, 2023

Energy price developments

Graph 6: **Portugal's energy retail prices for industry (top) and households (bottom)**



(1) On electricity, the band consumption is for DC households and ID for industry
(2) On gas, the band consumption is D2 for households and I4 for industry

Source: Eurostat

Recovery and Resilience Plan (RRP)

- **EUR 15.5 billion in grants** (updated, representing approximately 7.25% of 2021 GDP). **EUR 14.1 billion in loans**
- **Adoption date by Council: 13 July 2021**.
- **Number of payment requests submitted:** 2
- **Latest payment request - status:** 2nd payment request disbursed on 8 February 2023
- **The first annual RRF event with stakeholders** took place on 20 June 2022 and the second one is planned for October 2023.
- **Climate target**: 38%