INFORMATIVE NOTE

The La Toja Forum 2021 advocates for coordinated action by EU countries rather than national measures, which are fragmenting the European internal market and slowing the transition

Ignacio Galán: "It is essential to preserve legal stability, so as not to undermine the European model and to maintain investor confidence"

- **The chairman of Iberdrola says that EU member states must fulfil their commitments and respect European tools: "the *Fit for 55* is a European law that will only function if there is a European response. We must not undermine it, when others would like to imitate it"**

During his speech at the La Toja Forum 2021, Ignacio Galán, the chairman of Iberdrola, talked of the need to address the energy price situation and the challenges of decarbonising the economy as a European initiative, "with solutions adapted to the framework of the European Union and with accurate analysis.

Galán stressed that the European Union has been at the forefront of climate action for decades and that the *Fit for 55* programme, which estimates a reduction in emissions of 55% by 2030, is an ambitious, magnificent opportunity, which will mobilise investments of around 3.6 billion euros. He also remarked that "this European law must be obeyed and will only work if there is a Europe-wide response." "We must not undermine it, when others would like to imitate it", he commented. "What we cannot allow to happen is that each country keeps travelling toward the first storm in their own merry way".

He also explained that since these are European challenges, the response must also be European. "All member states must launch coordinated measures to fulfil the European Union's objectives as opposed to national measures that fragment the European internal market and delay the transition", he elucidated. In this regard, he explained the superiority of the European Union principle that "he who pollutes pays", compared to national measures that have created mechanisms that mean that "he who does not pollute also pays, and more to boot".

The European Union must remain vigilant

Given the situation affecting Europe as a whole, the chairman of Iberdrola alluded to the measures adopted in some countries which are contrary to climate neutrality. "The European Union must remain vigilant: and member states must fulfil their commitments and respect European tools or the model will be put in doubt and investments will be made elsewhere". He also insisted that: "It is essential to conserve legal stability and the rules of the game so as not to undermine the European model and lose investor confidence".

With regard to soaring energy prices, Galán advocates for mechanisms such as CO_2 and its importance at this time to the States "to foster green energies and protect the vulnerable". He also stressed other solutions, such as the need to purge the electricity tariff and abolish generation taxes and link electricity prices to futures indexes.

INFORMATIVE NOTE

A model "more valid than ever"

Galán mentioned "Iberdrola's firm commitment to the green recovery", and the company's model, based on environmental sustainability as a formula for creating value for all. A model "more valid than ever", which has triggered the Group to invest more than €120bn in the last two decades in renewables, electricity grids and storage and to launch the Spanish group's most ambitious investment plan, which will allocate €75bn by 2025 and €150bn by 2030 to triple its renewable capacity to around 100,000 MW by the end of the decade and double the value of its regulated assets - smart grids.

He also made references to the company's alliances with 500 companies to drive additional investment through Next Generation in the offshore wind, pumping, electric mobility and green energy segments. And the development of the value chain to which "we have issued orders to our suppliers worth €19bn to prevent job losses. What's more, with many of them we exert a great drag along effect with our activity in international markets".