

# Arrasate-Mondragon City Council presentation



29th October 2019



# 1- ¿Who and where are we?

We are the local authority of Arrasate-Mondragon's municipality.

We are a medium-small city (population of 22.058 citizens) with two names:

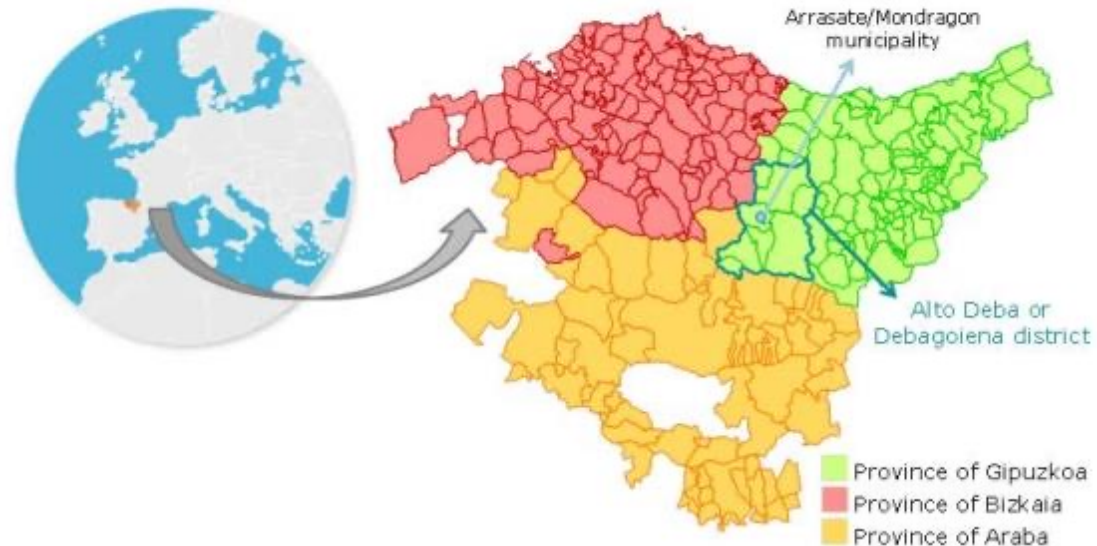
- ✓ Arrasate in Basque
- ✓ Mondragon in Spanish

..... BUT WE ARE THE SAME!!!!



The Basque Country in Europe

The Basque Country in detail



We are one of the 88 municipalities in the province of Gipuzkoa.

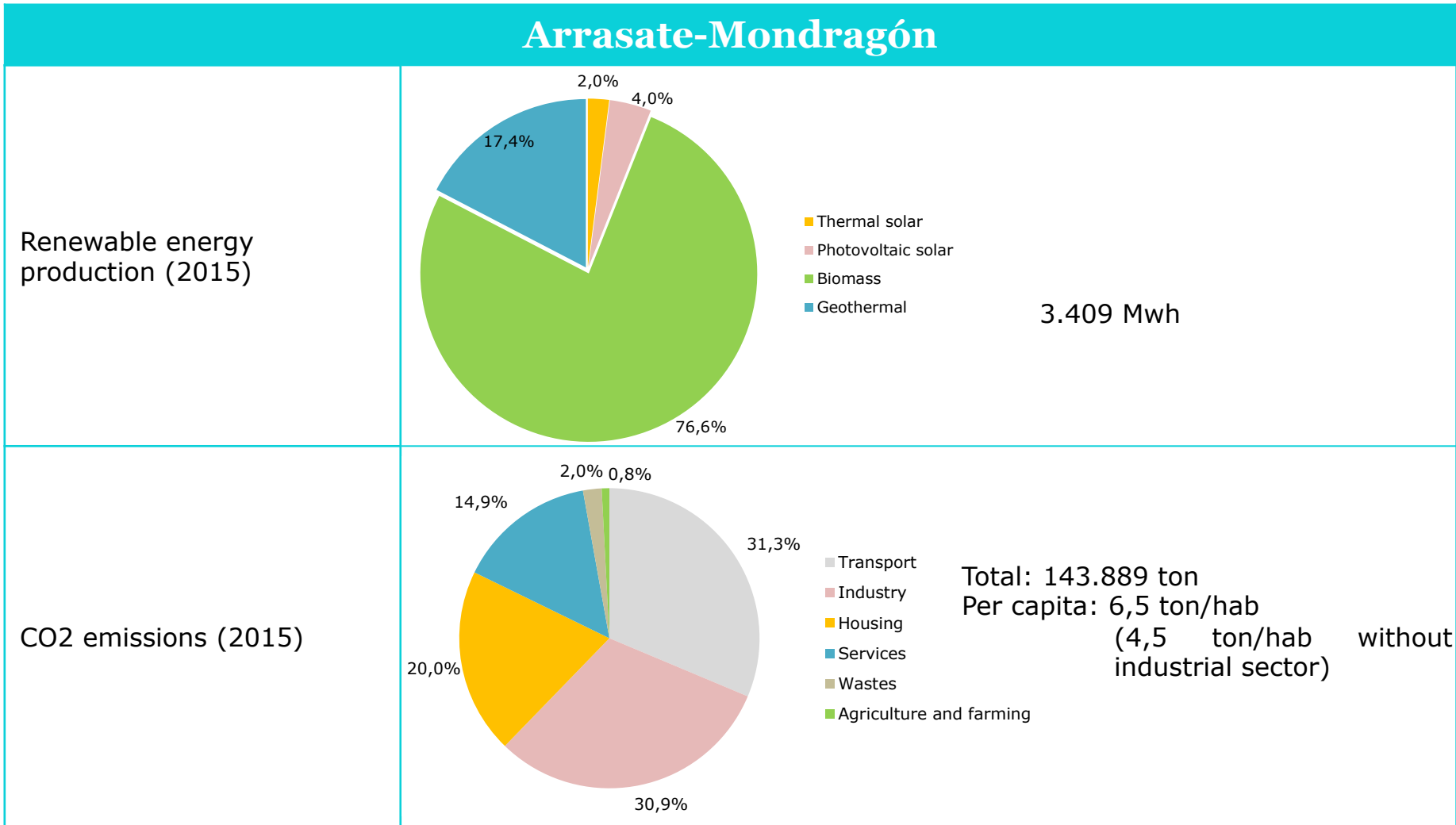
Gipuzkoa is one of the three provinces of Basque Country region in the North of Spain.

## 2- Main facts of Arrasate-Mondragon

### Arrasate-Mondragón

Population (2019)	22.058 inhabitants	
GDP per capita (2016)	39.329 €	It is 20% higher than the average of the basque economy
Added value sector distribution (2016)	<p>A pie chart illustrating the distribution of added value sectors in Arrasate-Mondragon in 2016. The largest segment is Services at 64.9%, followed by Industry and energy at 32.8%, Construction at 2.1%, and Agriculture and farming at 0.2%.</p> <ul style="list-style-type: none"> <li>Agriculture and farming: 0,2%</li> <li>Industry and energy: 32,8%</li> <li>Construction: 2,1%</li> <li>Services: 64,9%</li> </ul>	The industry in Arrasate has a higher weigh in GDP than in Gipuzkoa (27,8%) or Basque Country economy (24,4%)
Unemployment rate (2018)	9,9 %	Basque Country: 11,8% Gipuzkoa: 9,8%
Average personal income (2016)	22.184	It is 8,5% higher than the average of Basque Country.
Employment (jobs) (2018)	12.733	
Active population (2018)	10.240	

# 2- Main facts of Arrasate-Mondragon



# 3- Mondragon - Valley of Cooperatives

Mondragon is well known thanks to cooperatives. It is a **social innovation ecosystem** present in our city.

Mondragon is one of the world's **largest industrial co-operative group in Spain and in Europe.**

Currently, this organization integrates 98 cooperatives from different sectors (industry, finance, retail, and knowledge), 143 subsidiaries companies, 7 Foundations, and nearly 81.000 jobs in 2017.



- ❖ **Unique innovation and entrepreneurial ecosystem.**
- ❖ **Strong Community feeling**
- ❖ **One person, one vote**
- ❖ **High participation of the population**



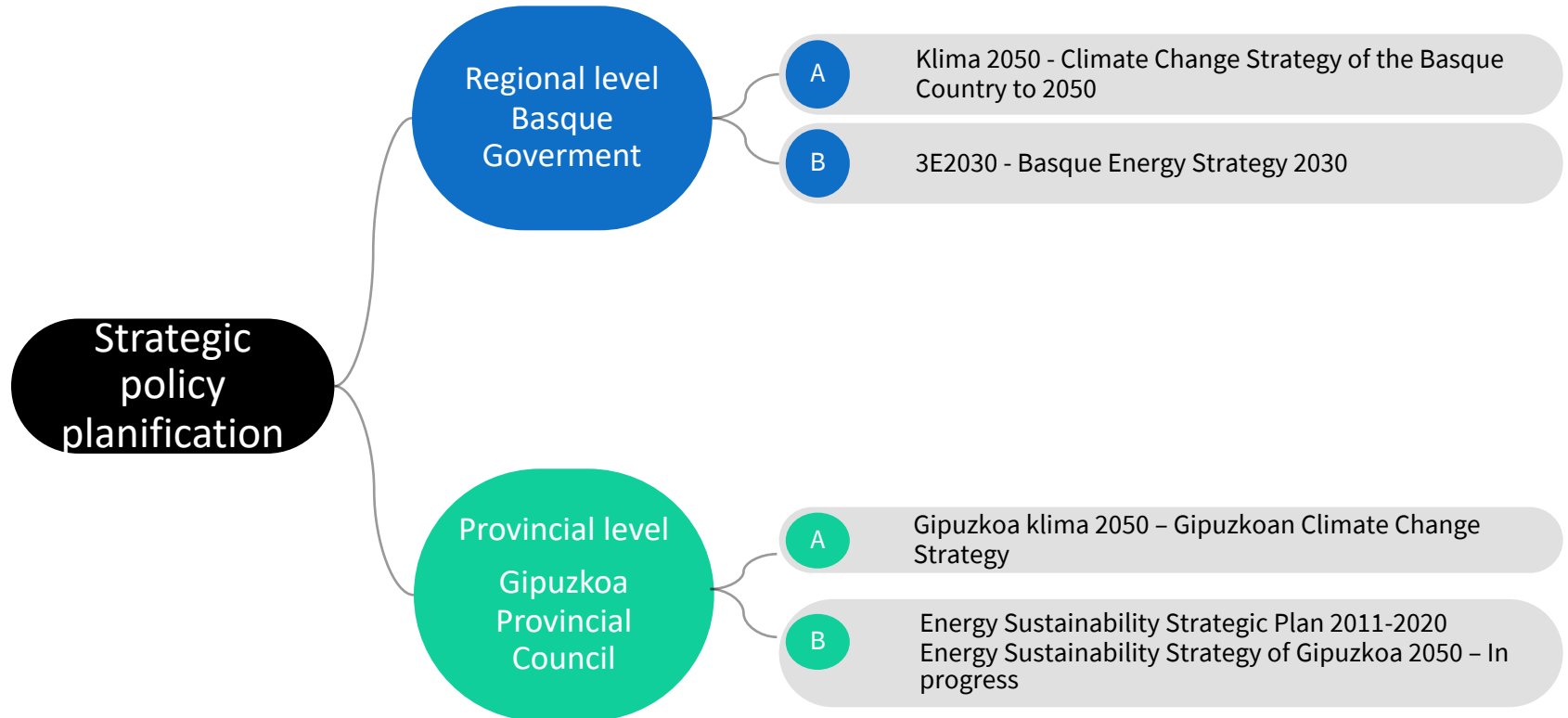
# 3- Mondragon - Valley of Cooperatives



- **The largest Education Cooperative in Spain**
- **Mondragon University**
- **Laboral Kutxa cooperative bank**
- **Lagun Aro cooperative for retirement**
- **Consumer cooperatives**



# 4- Regional & provincial energy transition policy



# 4- Regional & provincial energy transition policy

Regional level  
Basque  
Government

A

Klima 2050 - Climate Change Strategy of the Basque Country to 2050

B

3E2030 - Basque Energy Strategy 2030

## Objectives of the Climate Change Strategy of Basque Country 2050



Climate Change  
Strategy of the Basque  
Country to 2050



- To reduce GHG emissions by at least 40% by 2030 and by at least 50% with respect to 2005.
- To achieve 40% of renewable energy consumption out of the final consumption by 2050.
- To ensure the resilience of the Basque Territory to climate change.

### The strategy defines 9 Goals

- G1 Commitment to **a low energy model**.
- G2 Moving towards zero-emissions transport.
- G3 Increasing the efficiency and resilience of the territory.
- G4 Making the natural environment more resilient.
- G5 Making the primary sector more resilient and cutting its emissions.
- G6 Reducing the amount of municipal solid waste generates and zero untreated waste dumping.
- G7 Anticipating risks.

### Structure of the strategy





# 4- Regional & provincial energy transition policy

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Climate Change  
Strategy of the Basque  
Country to 2050


**G8** Driving innovation, improvement and knowledge transfer.

**G9** Exemplary and responsible Basque Public Administration: a benchmark in the climate change.

5 of the 24 Lines of intervention are linked to the energy model

 Commitment to **a low energy model.**

- 1- Improving energy efficiency and managing energy demand
- 2- Encouraging renewable energies.
- 3- Fostering energy efficiency criteria and renewable energies in the urban environment towards "zero-emissions" building

 Moving toward **zero-emissions** transport (3)

- 4- Fostering intermodality in means of transport with lower GHG emissions.
- 5- Replacing the use of oil derivatives.

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3E2030 - Basque Energy Strategy 2030

The **7 objectives** of the Basque Energy Strategy 3E 2030 defined in 2015:



Primary energy savings of 1.250.00 toe per year between 2016-2030 equivalent to a 17% savings in 2030. This entails maintaining the same level of energy demand as in 2015, and improving energy intensity by 33% over the period.



126% increase in use of renewable energy, to 966.000 toe in 2030, giving **renewables a 21% share in final consumption.**



Promotion of an example-setting commitment by Basque public authorities to reduce energy consumption in their facilities by 25% in 10 years, creating renewable energy installations in 25% of their buildings and incorporating alternative vehicles in public service fleets



Reduction in oil consumption of 790.000 toe by 2030



**Increase** in participation of **CHP and renewables in power generation from 20% in 2015 to 40% in 2030.**



Promotion of competitiveness of the network of Basque science-technology companies.



Contribution to climate change limitation through a 3 Mt reduction in CO2 emissions.



# 4- Regional & provincial energy transition policy

Regional level  
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To achieve these objectives the 3E22020 defines: 25 initiatives and 69 actions



# 4- Regional & provincial energy transition policy



- A Gipuzkoa klima 2050 – Gipuzkoan Climate Change Strategy
- B Energy Sustainability Strategic Plan 2011-2020  
Energy Sustainability Strategy of Gipuzkoa 2050 – In progress

This strategy is completely aligned with the Basque Country’s one Klima 2050, and it was approved in May 2018.

Gipuzkoa Klima’s strategy 4 objectives are:

**GIPUZKOA KLIMA 2050**  
**ESTRATEGIA**  
**GUIPUZCOANA DE**  
**LUCHA CONTRA EL**  
**CAMBIO CLIMÁTICO**  
**2050**



Reduce Greenhouse Gas Emissions (GHG) at least 40% by 2030 from 2005, and 80% by 2050 from 2005.



Reach the 80% of renewable energy in the final energy consumption mix in 2050



Ensure territorial resilience from climate change impacts.



Promote and enable climate justice and gender equality.



The strategy defines the same 9 goals than the Basque Country Klima 2050 strategy. And it fixes 36 strategic lines and 98 actions.

# 4- Regional & provincial energy transition policy

Provincial level  
Gipuzkoa Provincial Council

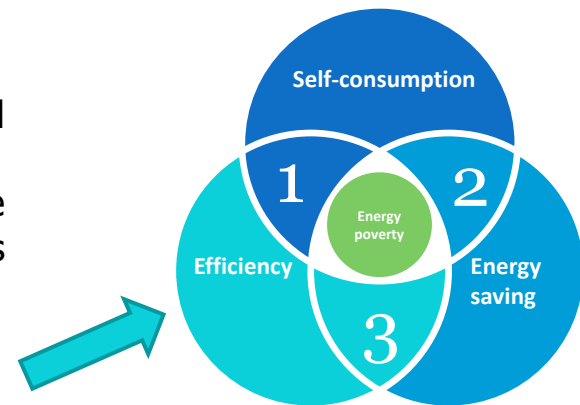
A Gipuzkoa klima 2050 – Gipuzkoan Climate Change Strategy

B Energy Sustainability Strategic Plan 2011-2020  
Energy Sustainability Strategy of Gipuzkoa 2050 – In progress

Currently, Gipuzkoa Provincial Council is working in the definition of a new energy sustainability Strategic Plan, once the previous one has reached its period of validity. The strategy has to guide energy policy in Gipuzkoa according to the objectives of emission reduction fixed by the Gipuzkoa Klima 2050 Strategy.

It is expected that the new strategy will be ready by the end of 2019. However, some **key points are already identified for undertaking the energy transition in Gipuzkoa:**

- 1- Support the increase of renewable energies.
- 2- Actions to improve efficiency and rationalization in energy consumption.
- 3- Instruments development to allow more equitable access to energy for consumers (self-consumption distributed generation).
- 4- Fight against energy poverty in Gipuzkoa





# 5- Mondragon City Council - policy

INDUSTRY // TRANSPORT // HOUSING

## A. Powerful Urban Change

- Recovery of industrial heritage for the community according to energy efficiency parameters.
- Decrease CO2 reducing use of cars - policy pro bike

## A. Use of renewable energy in all public buildings and involve consumers. Facilitate household and business to invest in low carbon, renewable energy measure reducing CO2 producing activities and shifting to activities with low CO2 footprint.

## B. Local tax regulation to facilitate industry and household to invest in low carbon.

Social innovation  
Active citizens  
participation



# 5- POWERFUL URBAN CHANGE

Recovery of industrial heritage for the community:

Ensuring incorporation of renewable energy and efficiency systems as well as sustainable construction criteria.

Currently, there are two projects in progress:

**1- Kulturola** – An old factory, which is going to become a cultural centre, where has been installed solar thermal panels, solar photovoltaic installation. The electricity produced will be destined to the building consumption and its surplus will be sold to the grid. Presence sensors for building's lighting and heating to reduce energy consumption.



**2- Juan Arzamendi Music House – Refurbishment of a 1939 building to place the music school and the city’s music hall.**





# 5- POWERFUL URBAN CHANGE

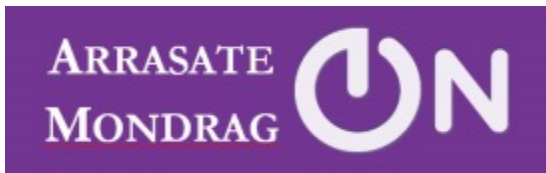
Decrease CO2// reducing use of cars - Policy PRO bike

- ❑ Bidegorri, Ekobulevar
- ❑ Car Parking regulation
- ❑ Pedestrianize



## Renew public lighting installation:

- ✓ Replacement of 794 street luminaires to led technology with A energy certification.
- ✓ 80% saving of annual electricity consumption and annual economic saving,
- ✓ Investment cost: 417.877,69 € that is recovered in 6 years and a half.



This plan defines **9 initiatives**, one of them is called “**Intelligent Energy Efficiency**”.

### OBJECTIVE OF THE INITIATIVE “INTELLIGENT ENERGY EFFICIENCY”

Sustainable development	<ul style="list-style-type: none"><li>• Foster economic and social development through sustainability criteria.</li><li>• CO2 emissions reduction.</li></ul>
Improve citizens quality of life	<ul style="list-style-type: none"><li>• Improve the environmental quality of public buildings.</li><li>• Reductions of GHG.</li></ul>
Improve City Council economic performance	<ul style="list-style-type: none"><li>• Energy consumption reduction in municipal buildings which generates economic profit to the city council.</li></ul>



# LOCAL TAX REGULATION

The City Council has established concessions in the municipality tax system to boost the reduction of GHG's emissions on:

TAX	Reduction of tax liability
Tax on the value of the property	50% to the properties with solar energy systems installed during 10 years after the year of the installation when: <ul style="list-style-type: none"> <li>• The owner has to be a natural person.</li> <li>• The building has to be built before 2005.</li> <li>• The tax liability reduction can not be higher than 50% of the investment cost.</li> </ul>
Tax on motorised vehicles.	A) Hybrid engine (electricity and gasoline, electricity and diesel oil, electricity and gas): 75% during the first 5 years after the date of registration B) Electric vehicles: 95%
Local tax on building, installations and other Work	A) 50% in building refurbishment works or installation works of solar energy systems. B) 95% in building facade refurbishment that improves accessibility, habitability and energy efficiency conditions of the entire building. C) 75% in building facade refurbishment that improves habitability and energy efficiency conditions of the entire building. D) 50% in building facade refurbishment that improves habitability and energy efficiency conditions of a part of the building.

# 6- What is the policy instrument we want to improve with our participation in Shrec?

- A. Use of renewable energy in all public buildings and involve consumers. Facilitate household and business to invest in low carbon, renewable energy measure reducing CO2 producing aactivities and shifting to activities with low CO2 footprint.
- B. Local tax regulation to facilitate industry and household to invest in low carbon

Social innovation  
Citizens participation  
Stakeholders

PILOT  
Experience in  
Household



## 7- ¿What do we expect from our participation in the Shrec?

- ✓ Incorporate good practices and learn from others.
- ✓ Improve local governance through the stakeholders' group participation in the development of the project. Thus, we will obtain their perceptions and needs about the definition of new political tools for fostering renewable energies investment, and development of new technologies.
- ✓ Development of 2 projects to reduce CO2 city's emissions – ( 1 pilot in a household community)
- ✓ Identify and support social innovation solutions based on the cooperation and cooperatives where Mondragon's citizens could take part in the development of renewable energies projects.
- ✓ Become Arrasate-Mondragon a benchmark in the Basque Country for the development of local innovative policies to support renewable energy and the reduction of GHG.