SPAIN'S RECOVERY AND RESILIENCE PLAN

#NEXTGENEU | FEBRUARY 2024

KEY FIGURES

- **EUR 79.8 billion** in grants, 6.6% of GDP
- **EUR 83.2 billion** in loans
- **30%** value of payments requested corresponding to 31% of milestones/targets

WHAT ARE THE MAIN CHARACTERISTICS OF THE SPANISH PLAN?

**GREEN**

Measures dedicated to green objectives and a fair transition relate to increasing efficiency of buildings including new social housing, improving water and waste management or deploying electric charging stations and developing urban public transport, reducing energy dependency and boosting renewable energy sources, while ensuring affordability and resilience.

**IMPACTFUL**

12% of Spanish GDP, with investments and reforms in key sectors, such as greening tourism, boosting hydrogen production, or improving labour conditions. EUR 76 billion is assigned to 14 financial instruments to boost green, digital and social investment in the private sector.

**TRANSFORMATIVE**

12 strategic projects for recovery and transformation (PERTEs) targeting key economic sectors: from chips to green energy production, from climate action to digitalisation, from advanced health to R&D activities, and from aerospace to languages.

---

1 Based on GDP in current prices for 2021.
HOW DOES THE SPANISH PLAN HELP CITIZENS?

The Plan helps citizens to boost their quality of life by promoting economic development and improved labour conditions, energy efficient and affordable housing. The Plan contributes to lower greenhouse gas emissions in cities and supporting the just transition.

FLAGSHIP EXAMPLES

Reforms and Investments for reducing household’s energy bill

The Spanish Plan delivers on the green transition by increasing the energy efficiency of houses, with measures including:

- Subsidies and tax breaks for at least 510,000 energy-efficiency renovations in residential dwellings;
- Renovation Offices (‘one-stop shops’) to reduce admin burden linked to home energy-efficiency renovations;
- Construction of 20,000 new energy-efficient dwellings for social/affordable rent;
- A reform to help communities of owners access bank loans for energy-efficiency renovations.

Reducing temporary employment

The Spanish Plan will promote more secure employment with measures, endorsed by social partners, to:

- Support the reduction of temporary employment by streamlining the number of contract types and reinforcing the use of permanent seasonal contracts;
- Prevent more effectively abuses over part-time contracts and intensify efforts to combat labour fraud;
- Review the use of the training/apprenticeship contracts to provide an adequate framework for young people to enter the labour market.
HOW DOES THE SPANISH PLAN HELP BUSINESSES?

The Plan helps improve the business environment, by streamlining the insolvency framework and fostering access to finance for small and medium enterprises. It tackles challenges for businesses’ competitiveness, including skills shortages and adaptation to the twin transition.

FLAGSHIP EXAMPLES

PERTEs (Strategic projects for recovery and transformation)

The Spanish Plan is boosting businesses’ competitiveness by supporting PERTEs. A PERTE is a new instrument for public private collaboration bringing together different actors, including public administrations, businesses and research centres, to boost initiatives in key transformative economic areas. 12 PERTEs have been identified so far, in strategic areas such as health, electric vehicles or semiconductors.

Digitalisation of SMEs, support to start-ups and promotion of skilled workforce

The Spanish Plan includes measures to future-proof businesses, by addressing digitalisation needs and skills shortages, while supporting start-ups:

- So far, more than 310,000 companies and 360,000 digital projects have benefited from digitalisation actions, increasing Spanish SME’s digital readiness;
- New legislation to promoting start-up creation is paired with investments in the ecosystem.
- The educational training reform establishes a single, integrated framework for vocational trainings;
- The attractiveness of higher vocational educational paths is enhanced.
HOW DOES THE SPANISH PLAN STRENGTHEN OUR UNION?

The plan helps level the playing field in taxation, reduce fraud and build a greener Europe.

FLAGSHIP EXAMPLES

Promoting fairness in taxation

Spain adopted a Law against Tax Evasion and Fraud that will:

- Enlarge the set of transactions where e-payments are compulsory and set thresholds for cash payments;
- Update the list of tax havens;
- Implement a ban on “double-use software”;
- Introduce a reference value for the tax base in property taxation.

Strategic autonomy by promoting a greener energy mix

The Spanish Plan will deliver on strategic energy autonomy by:

- Boosting investments in renewable energy and becoming a European hub in renewable hydrogen production;
- Improving permitting requirements for renewable energy production projects and electricity networks;
- Supporting sustainable agriculture production;
- Granting aid to improve water and waste management and circular economy;
- Putting in place green legislation, such as the Law on Climate Change and Energy Transition.