Launching the recovery

A Recovery plan for Europe:

The Recovery and Resilience Facility

SPAIN

FICO, 28 June 2021
Overview of the Spanish RRP

- **30 components**
- **211 measures**
  - 102 reforms and
  - 109 investments
- **416 Milestones & Targets**
- **€ 69,5 bn in grants**
### Assessment summary for Spain

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Balanced response</td>
<td>A</td>
</tr>
<tr>
<td>2.</td>
<td>Addresses challenges identified in CSRs</td>
<td>A</td>
</tr>
<tr>
<td>3.</td>
<td>Growth, resilience and social impact</td>
<td>A</td>
</tr>
<tr>
<td>4.</td>
<td>Do no significant harm</td>
<td>A</td>
</tr>
<tr>
<td>5.</td>
<td>Green transition</td>
<td>A</td>
</tr>
<tr>
<td>6.</td>
<td>Digital transition</td>
<td>A</td>
</tr>
<tr>
<td>7.</td>
<td>Lasting impact</td>
<td>A</td>
</tr>
<tr>
<td>8.</td>
<td>Effective monitoring and implementation</td>
<td>A</td>
</tr>
<tr>
<td>9.</td>
<td>Reasonable and plausible cost estimates</td>
<td>B</td>
</tr>
<tr>
<td>10.</td>
<td>Robust control systems</td>
<td>A</td>
</tr>
<tr>
<td>11.</td>
<td>Coherence</td>
<td>A</td>
</tr>
</tbody>
</table>
CSR assessment does not consider that, in addition to several measures that may contribute to implement the Law on Market Unity referred to in the existing CSR, the plan includes legislative reforms enhancing competition in services that would justify a more positive assessment.

Spain is addressing cross-border energy connections, in cooperation with France and Portugal, outside the plan. If we considered them in our assessment, the CSR would be fully implemented (dark green).
Green transition

**39.7%** of plan contributing to **climate** objectives

**Key investments**
- Sustainable mobility (€13.2bn)
- Clean power (€6.1bn)
- Energy efficiency (€7.8bn)
- Measures on biodiversity, circular economy and coastal adaptation

**39.7%**

**Key reforms**
- Law on climate change & energy transition
- Law on waste & contaminated soil
- General register of BATs\(^1\) on farms reporting environmental impacts

**'Do no significant harm' principle**
No measure in the plan does significant harm to environmental objectives

**Cross-border projects**
- TEN-T rail corridors
- Potential IPCEI on hydrogen

---

\(^1\) Best Available Techniques
Digital transition

28.2% of plan contributing to digital objectives

Key investments
- Fixed and 5G connectivity infrastructure (€3.2bn)
- Digital Industry and SMEs (€4.6bn)
- Digital Skills (€3.6bn)
- Digital public administration, justice, health (€4.3bn)

Key reforms
- Artificial Intelligence Strategy
- National Digital Skill Strategy
- 5G Cybersecurity Act

Sectors specific actions
- Tourism
- Culture
- Education
- Social Services

Cross-border projects
- New Generation Cloud
- Advanced processor
Social impact and equality screening

- Strong focus on gender equality
- Simplification of system of non-contributory financial benefits
- Modernisation of education (€1.6 bn), VET (€2.1 bn) & social services (€0.6 bn)
- Action Plan for the Care economy (€1.5 bn)
Resilience

**Labour market**
- Generalisation of open-ended contracts in the private and public sector
- Modernisation of Active Labour Market Policies (€2.4 bn)

**Improving business environment**
- Law on business creation & growth and start-ups
- Reforms insolvency framework
- Transformation of the tourism sector (€3.4 bn)
- Digital toolkit to enable SMEs' digital transition (€3.0 bn)

**More resilient public finances**
- Reforms to the tax system
- New series of spending reviews
- Strengthened public procurement

**Pension reform**
- Measures to improve sustainability of the pension system
- Support pension adequacy
Audit and control – Protection of the EU’s financial interests

Audit and control systems:
- Assessed as sufficient and robust
- Largely based on ESIF arrangements
- Three layers of controls
- Implementation of the plan and A&C segregated
- The Spanish General Comptroller (‘IGAE’) is responsible for the audits

Framework to protect against serious irregularities:
- Fraud
- Corruption
- Conflict of interest
- Double funding

Milestones:
- Integrated system to i) facilitate monitoring of the Plan; ii) record info on final beneficiaries; iii) create reports, payment requests
- Approve Order defining the procedures and format of information sharing
The disbursement profile and associated packages of milestones and targets

Indicative deadlines in CID for completing Milestones and Targets associated with each disbursement: actual payment can take 18 weeks to complete after request.
Thank you