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FMA VISIT TO SPAIN



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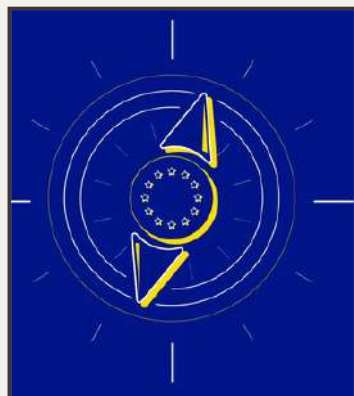
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The Spanish Presidency¹

As of July 2023, Spain has overtaken the Presidency of the Council. The Spanish Presidency has outlined 4 main priorities:

1. **Reindustrialize** the EU and ensure **Open Strategic Autonomy**
2. Advance the **Green transition**
3. Promote greater **social and economic justice**
4. Strengthen **European unity**

Spain wants to promote open strategic autonomy and **insure EU independence from third countries.**

The Presidency will also work on **continuing the Green transition by reforming the electricity market** and aim to accelerate the deployment of renewable energies.

Spain wants the EU economy to become both more competitive and fair. Hence, they advocate for the **establishment of minimum and common standards on corporate taxation** in all Member States and will **fight tax evasion** by large multinationals.

Lastly, they will advocate for a **greater deepening of the internal market**, the **completion of the banking union**, better **coordination of the migration and asylum processes** as well as **strengthening the common European identity and values.**

¹ <https://spanish-presidency.consilium.europa.eu/en/programme/priorities/>

Priorities in More Detail¹



Reindustrialize the EU and ensure Open Strategic Autonomy

- **Consolidate the conditions for EU reindustrialization** as a prerequisite for citizens' prosperity.
- Place the **European Union at the forefront of the technological revolution**, fostering a **regulatory framework** that combines incentives for technological development and innovation and the **defence of the EU users rights protection model**.
- **Strengthen open strategic autonomy, reducing vulnerabilities** in essential supplies such as food, energy and health, while consolidating alliances with our reliable partners.
- Advance in **partnership agreements with priority regions**, in particular with Latin America and the Caribbean.
- **Promote competitiveness and sustainable and inclusive economic growth**, strengthening and deepening the single market on the 30th anniversary of its creation.
- Advance towards **responsible digitalization**, bridging the digital divide and guaranteeing digital privacy for all Europeans.



Advance the Green transition

- **Complete a socially just green transition**, promoting the mitigation of the effects of climate change and taking into account social exclusion and energy poverty.
- **Combat the effects of climate change** at the global and European levels.
- Conclude an **electricity market reform** that guarantees affordable prices for our citizens.
- **Boost the decarbonization of the EU's economy**, completing the adoption of Fit for 55 package.
- Foster a **green economy**, one which ensures quality jobs and the competitiveness of European companies.

¹<https://spanish-presidency.consilium.europa.eu/media/e4ujaagg/the-spanish-presidency-programme.pdf>



Promote greater social and economic justice

- Promote a **social economy** in which wealth creation reaches all Europeans.
- Guarantee the **rights of workers in the new economic sectors**, ensuring the right to decent work.
- Strengthen the **European welfare state**.
- Guarantee **European tax justice**, preventing tax avoidance and promoting minimum EU-wide taxation standards.
- **Reform economic governance**, with more just, realistic and predictable fiscal rules, which allow Member States to finance public policies and services while preserving fiscal stability.
- **Promote equal treatment and inclusivity**, paying particular attention to gender equality and to children and persons with disabilities.
- Advocate the **preservation and extension of rights linked to European citizenship**.
- Advance towards the **economic, social and territorial cohesion of regions** with natural and geographical imbalances, guaranteeing quality of life and the rural lifestyle.
- **Enhance methods for EU citizen participation**.
- **Complete the European Health Union**, creating a European Health Data Space and strengthening EU action on caregiving and mental health.



Strengthen European Unity

- **Maintain the unity of the Member States and international partners in support for Ukraine**. Defend a just peace under the principles of sovereignty and territorial integrity.
- **Consolidate a European strategic space on the basis of the development of common interests** between the EU and its partners.
- Advance in the **accession process of candidate countries**.
- Support the **revision of decision-making procedures in the European Union**, especially by expanding the use of qualified majority voting, to make them more efficient.

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- **Promote a Common Foreign and Security Policy** (CFSP) and the **development of security in strategic European spaces**, in complementarity and collaboration with NATO.
 - **Strengthen relations with the EU's strategic partners**, paying particular attention to Latin America and the Caribbean, the United States, the Southern Neighborhood, Africa (especially the Sahel), the Western Balkans and other countries within the European neighborhood.
 - **Complete the Pact on Migration and Asylum**, achieving humane, orderly, compassionate, responsible and effective management of migration flows, collaborating with our partners by **developing an external dimension of migration equipped with sufficient resources** and protecting the EU's borders and those who seek a better future in the EU.
 - **Improve the EU's resilience and its crisis management** capacity.
 - **Strengthen the area of freedom, security and justice** (AFSJ) and the **defence of democratic values and of the rule of law**

For more information on the Spanish Presidency, please visit <https://spanish-presidency.consilium.europa.eu/en/programme/the-spanish-presidency-programme/>

The website is **available in all official EU languages**

The Trio Programme¹

During the **second half of 2023, Spain holds the Presidency** of the Council of the European Union. **Belgium and Hungary will hold the presidency in 2024.** These three consecutive presidencies constitute the **current "trio"**. Spain, Belgium and Hungary have adopted a **joint programme outlining the common priorities of the trio.**

This system was **established by the Lisbon Treaty** in 2009 and began to **operate in 2010 with the same trio of presidency that is starting now**, consisting of Spain, Belgium and Hungary.

Working with continuity

The **trio sets the objectives and the agenda to be addressed by the council for the shared 18-month period.** On the basis of this agenda, **each of the three countries draws up its own agenda in greater detail** and prepares its draft agendas for council meetings.

The **trios is therefore a figure that allows for continuity of work** over a period of eighteen months and prevents projects from being suspended every six months.

The eighteen-month cycle inaugurated by Spain runs from 1 July 2023 to 31 December 2024.

Programme

The trio of Presidencies - Spain, Belgium and Hungary - will work together to **find common solutions** to the challenges and tasks ahead. The **Russian war of aggression** against Ukraine combined with **increasing global uncertainty** require the European Union to **enhance its resilience and strategic autonomy.**

This means:

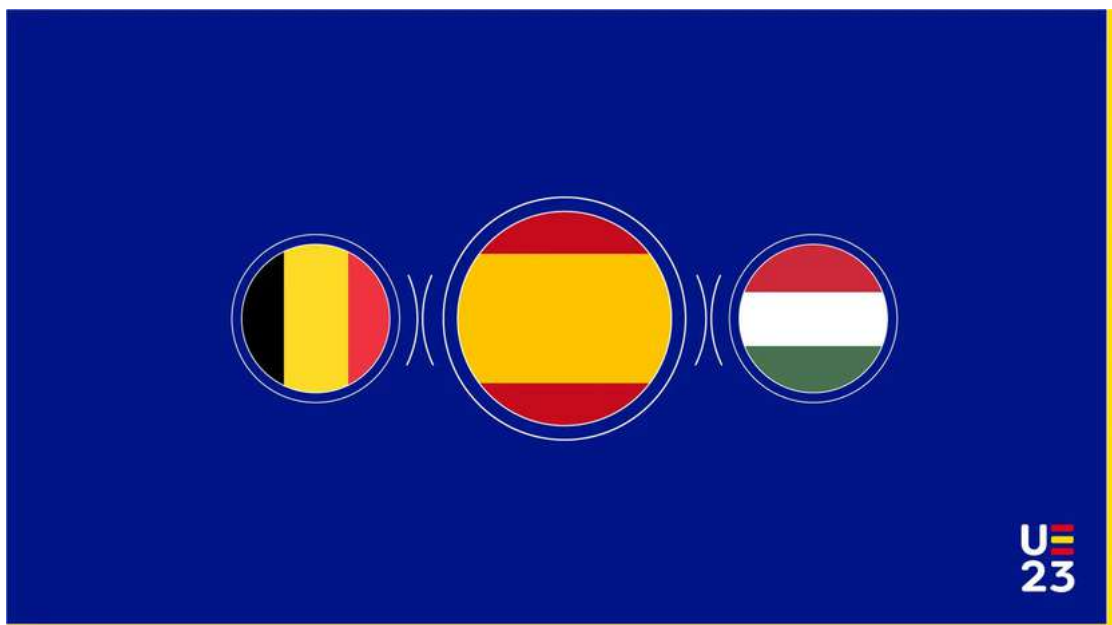
- **Reinforcing the EU's global competitiveness** by strengthening our industrial base in line with the accelerated twin green and digital transitions and making use of innovation;
- **Ensuring the twin transitions are fair, just and inclusive** by enhancing the social dimension of Europe, including by addressing the demographic challenge the EU is facing;

-
- **Strengthening international partnerships, multilateral cooperation, and security in all its dimensions**, as well as building up an ambitious and balanced trade policy, whilst at the same time **defending EU interests more assertively**, based on our values, and strengthening the EU's capability to act in the field of security and defence.

The trio commits to steering the work of the Council at the end of the current institutional cycle to ensure a smooth transition to the next one. The **trio will also contribute to reflections on how to integrate new members** in a manner that strengthens key European policies.

Building on the experience gained through the Conference on the Future of Europe, the **trio is maintaining efforts to enhance dialogue with citizens**, together with the other EU institutions within their competences.

If you want to know more **details about the Trio Program**
The program is also available in other EU languages



¹<https://spanish-presidency.consilium.europa.eu/en/programme/trio-programme/>

Spanish Presidency debriefs EP committees on Priorities¹



Committee on Culture and Education

On 7 September, **acting Minister for Education and Vocational Training Pilar Alegría** said the presidency will focus on educational responses to support Ukraine, ambitious implementation of the European Education area, promoting STEM professions among women and the contribution of education to European values.

Joan Subirats, acting Minister for Universities, told MEPs that the priorities are the “European Universities” initiative, sexist violence and sexual harassment in higher education, as well as improving access to education for vulnerable groups. **Miquel Iceta, acting Minister of Culture and Sport**, mentioned the sustainable management of cultural heritage, improving living conditions for artists and cultural workers, the videogames sector and finding an agreement on the European Media Freedom Act by December 2023.

MEPs stressed the importance of mutual recognition of qualifications also in vocational training, such as the skills acquired in volunteering, while others insisted on reversing the Commission’s proposed cuts to the 2024 Erasmus+, Creative Europe and European Solidarity Corps programmes. They called for EU minority languages to be included in EU education and culture programmes.

¹<https://www.europarl.europa.eu/news/en/press-room/20230904IPR04608/spanish-presidency-debriefs-ep-committees-on-priorities>



Committee on Employment and Social Affairs

On 18 September, **Secretary of State for European Affairs, Pascual Navarro**, outlined as priorities reindustrialisation, greater social and economic justice and adapting to the green transition. On the 30th anniversary of the Single Market, Mr Navarro stressed the need to make the market stronger, more robust and competitive - with EU citizens at its core.

The **Secretary General for Consumer Affairs and Gambling, Rafael Escudero Alday**, said that the Spanish Presidency will focus on strengthening the rights of the most vulnerable consumers and promoting the rights of consumers in the green and digital transitions. The Presidency plans to conclude negotiations the Single Market Emergency Instrument (SMEI), Ecodesign, Empowering consumers for the green transition, the prohibition of products made with forced labour, construction products and the regulation of short-term rentals, Navarro and Escudero explained.

MEPs asked about the progress on other important files ahead of the 2024 EU elections, namely on the transparency of political advertising, the Artificial Intelligence Act, right to repair and the reform of the energy market. The implementation of the Digital Services Act, the Toy Safety regulation and Green claims were also discussed.



Security and Defence

On 18 September, **Defence Minister Margarita Robles** said the Presidency will work on strengthening the EU's capacity to protect its citizens and its values, following up on the Strategic Compass. While stressing the need of complementarity with NATO, she called for more balance in the division of burden in the alliance. The minister stressed that Europe has to stand united in support of Ukraine and that the situation in Sahel needs to be addressed with a unified response.

MEPs inquired about the implementation of the Strategic Compass and how to support the EU's rapid reaction capacity. They also expressed concern about the situation in Africa, particularly Sahel region, suggesting a rethink of the EU's strategy towards its African partners. They also asked if there are ways "to pressure" reluctant member states to provide supplies to Ukraine.



Internal Market and Consumer Protection

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Agriculture and Rural Development

The coordination of EU and member states' actions in relation to the war in Ukraine will be a priority, according to **Minister of Agriculture, Fisheries and Food Luis Planas** on 19 September. Ukraine should be supported by strengthening the EU Solidarity Lanes and helping with their export, he said. In relation to trade of agricultural products with third countries, the Presidency will defend the so-called "mirror clauses" to ensure fair treatment for EU farmers.

In their reactions, MEPs called for more financial resources to tackle the consequences of the Russian war in Ukraine. A number of MEPs called for clear criteria on how the CAP crisis reserve should be allocated, while others called for more actions in implementing the Farm to Fork Strategy. MEPs also asked whether the Presidency supports controlling the EU wolf population using legislation.



Transport and Tourism

On 19 September, **Raquel Sánchez, acting Minister for Transport, Mobility and Urban Agenda**, stressed that the Presidency will focus on paving the way for green and digital mobility, advancing work on the Trans-European Transport Network (TEN-T) and the Single European Sky (SES), as well as on the Maritime safety and Road safety packages. **Héctor Gómez, acting Minister for Industry, Trade and Tourism**, promised MEPs to pay special attention to ensuring the digitalisation, sustainability and accessibility of tourism and to advance work on new EU rules on exchange of data on short-term rentals.

MEPs welcomed the focus on TEN-T and SES and asked for all files in the new Road and Maritime safety packages to be treated equally. Some MEPs asked about measures to address the labour shortage in the tourism sector, while others recalled Parliament's demand to set up an EU tourism agency.



International Trade

On 19 September, **Minister of Industry, Trade and Tourism Héctor Gómez** said they will prioritise enhancing Europe's access to key raw materials, increasing the diversification of supply chains, and supporting trade openness. The Presidency also aims to sign the free trade agreement with Chile, finalise the one with Mexico and to conclude talks on the additional instrument (aimed at maintaining environmental and labour standards) to pave the way for a deal with Mercosur countries.

MEPs quizzed the minister on how to move forward with the trade agreements with the Mercosur countries, Mexico and Chile. Some MEPs urged the Presidency to push harder for the Mercosur agreement, and to make sure the Parliament's position not to link readmission to trade issues is respected during the negotiations on the new generalised scheme of preferences (GSP).



Women's rights and gender equality

On 19 September, **Minister for Equality Irene Montero** said that the Presidency is working to reach an agreement on the directive to combat violence against women and is ready to start negotiations on the anti-trafficking directive and on standards for equality bodies. On equal treatment, the Presidency will continue to explore how to overcome the deadlock in Council. The Presidency will also focus on LGBTIQ rights, on a care strategy and on sexual and reproductive health and rights.

In a heated debate, MEPs asked what the Presidency's strategy was on the directive to combat violence against women, particularly on including rape in the rules. Some questioned how the Presidency would handle this file, given the government's handling of Spain's national law on sexual consent. In addition, they quizzed the Minister on LGBTIQ rights, on including the right to abortion in the EU treaties, and women and safety in sports.



Regional Development

On 20 September, **María Jesús Montero, Minister of Finance**, told MEPs that the Presidency will focus on the cohesion policy 2.0, which aims to take regional difference better into account, including those of the EU's outermost regions. The policy will introduce a greater degree of flexibility and improved management, as well as serving as a tool for resilience and more effective crisis management. She also mentioned cohesion policy role in climate change and reindustrialisation.

MEPs welcomed the ambitious programme and quizzed the minister on plans to improve the use of regional funds in the current and future programming period, on the planned initiatives in the Mediterranean, and in the automotive industry regions. They also called for more cooperation with Ukraine, especially for the country's future reconstruction.



Civil liberties, Justice and Home Affairs

Acting Minister of Inclusion, Social Security and Migration, José Luis Escrivá, said, on 20 September, that the EU's migration policy must balance its humanitarian obligations and the protection of its borders. He noted that opening legal and safe migration pathways to the EU would help in this and in the fight against human traffickers. Minister Escrivá also said the Presidency will conclude negotiations on the single permit directive, on prolonging temporary protection to Ukrainian refugees, and make progress on discussions on the long-term residency rights directive.

MEPs questioned the Presidency about Spanish involvement in a US initiative to establish migrants' processing centres in Central America and Colombia and about the EU migration deal with Tunisia. Others called on the Presidency to push its legal migration agenda in the Council, while some asked it to prioritise the combat against people traffickers.



Economic and Monetary Affairs

ECOFIN President, First Vice-President of the Government and Minister for the Economy and Digital Transformation Nadia Calviño said, on 20 September, that the Presidency will prioritise work on the capital markets union and the banking union to mobilise public and private investment in support of the EU's digital and green transitions. Another priority will be the anti-money laundering package and tackling tax fraud and tax evasion. The Presidency wants to finalise work on the economic governance package by October 2023.

MEPs asked about the revision of bank crisis management and deposit insurance, on which there is disagreement in the Council, and on the review of the economic governance rules, especially on the need that the new rules allow room for continuing investments. MEPs quizzed Minister Calviño about the revision of fiscal rules and how to ensure that the recovery funds benefit EU citizens and companies.



Industry Research and Energy

On 20 September, **Nadia Calviño, First Vice-President of the Spanish government and Minister of Economy, Digital Transformation and Telecommunications**, stated that Europe is compelled to redefine its role, and that digitisation is a lever for this transformation. She advocated for an agreement as soon as possible on cyber-resilience legislation, the e-ID directive and the entire "cyber-package", and to initiate negotiations on the Gigabit Infrastructure Act.

Minister of Science and Innovation Diana Morant-Ripoll urged for increased cooperation with third countries under the Horizon Europe programme, and to advance negotiations within the Council on the Partnership for Research and Innovation in the Mediterranean Area (PRIMA). She also announced that the Presidency will analyse the impact of the Recovery fund on research policies. On space policy, she highlighted the importance of programmes like Copernicus and argued for their security to be bolstered.

The **Minister of Industry, Trade, and Tourism, Héctor Gómez**, stated that the issue of the European industry's transition will be crucial in the coming semester, with the need to establish a decarbonised economy in the context of increased international competition. He pointed out that Europe's small and medium-sized Businesses (SMEs) will have to be saved and announced that the Presidency will work to establish a common position on the Net Zero Industry Act.



Fisheries

Contributing to food security while meeting sustainability criteria is the first of three priorities announced, on 20 September, by **Minister of Agriculture, Fisheries and Food Luis Planas**. The other two are the challenge of decarbonisation and agreeing on the multiannual TACs (Total Available Catches) for those species where scientific data are needed to do so, while also improving the overall decision-making process on this issue.

MEPs highlighted the need to start the debate on the reform of the Common Fisheries Policy and the renewal of the fishing fleet for the outermost regions. They also questioned the Presidency's line of action on the fisheries agreement with Morocco. Negotiations with the UK, Norway and Senegal were also mentioned. Almost all MEPs also stressed the lack of commitment from the current Commission and called for a full time commissioner for the fisheries sector.

Spain - Some Key Historical Dates

Spain's location at the **crossroads of the Atlantic and the Mediterranean, Europe and Africa**, has made it a key political and cultural bridge across five continents.

Through **exploration and conquest**, Spain became a **world power in the 16th Century**, and **maintained a vast overseas empire until the 19th Century**.

Its **modern history was marked by the bitter civil war of 1936-39**, and the **ensuing decades-long dictatorship of Francisco Franco**. Since General **Franco's death in 1975**, Spain has made the **transition to democracy, and built a modern economy**.

Key Dates¹



1492 - The Christian kingdoms of Castile and Aragon conquer the emirate of Granada, ending nearly 800 years of Muslim rule in the peninsula and founding modern Spain as a united state.

1492 - Christopher Columbus arrives in the Americas, heralding the conquest of much of South and Central America.

¹<https://www.bbc.com/news/world-europe-17941641>

16th-17th Centuries - Spanish Empire at its height, with Spain the predominant European power. The rise of Protestant states in northern Europe coupled with struggles with the Ottoman Empire in the Mediterranean see the country's gradual decline.

18th Century - The War of the Spanish Succession: Spain loses its European possessions outside the Iberian peninsula. The Bourbon dynasty, originally from France, centralizes the Spanish state, shutting down many regional autonomous assemblies and modernizing government and the military.

1807-1814 - Napoleon's France occupies Spain, which had been a French satellite since 1795. Fierce nationalist resistance and British intervention in the Peninsular War gradually forces French troops out.

19th Century - Napoleonic legacy of political division and economic dislocation leaves Spain weak and unstable, with frequent changes of government and a low-level insurgency by Carlist supporters of a rival branch of the royal family. All Latin American colonies win their independence, with Cuba, Puerto Rico and the Philippines in Asia lost during a disastrous war with the United States in 1898.

1920s - The trade boom achieved by neutrality in World War One is squandered through fighting Moroccan rebels in the Rif War 1921-26 and the financial mismanagement of the Primo de Rivera dictatorship at home.

1931 - The return of democratic government leads to an electoral backlash against the monarchy and its allies, and a republic is declared. Radical policies of land reform, labor rights, educational expansion and anti-Church legislation deepen the political divide.

¹https://european-union.europa.eu/principles-countries-history/country-profiles/spain_en

1936 - After two years of right-wing government, a Popular Front coalition of left-wing and liberal parties narrowly wins parliamentary elections and seeks to reintroduce the radical policies of 1931.

1936-39 - Spanish Civil War: A coup by right-wing military leaders captures only part of the country, leading to three years of bitter civil war. More than 350,000 Spaniards die in the fighting. Italy and Nazi Germany intervene on the side of the Nationalists. The USSR aids the Republicans.

1939-45 - Spain remains neutral throughout World War Two, although the government is sympathetic to the Axis powers.

1946-50 - Francoist Spain is ostracized by UN and many countries sever diplomatic relations.



1975 - Franco dies. Succeeded as head of state by King Juan Carlos. Spain makes transition from dictatorship to democracy and withdraws from the Spanish Sahara, ending its colonial empire.

1977 - First free elections in four decades.

1978 - New constitution confirms Spain as a parliamentary monarchy.

1981 - Right-wing coup attempt fails after King Juan Carlos makes a televised address demanding the plotters surrender.

1986 - Spain joins European Economic Community, later to become the European Union.

2002 - Spain adopts the euro.

2014 - King Juan Carlos, abdicates in favor of his son, Felipe VI.

2017 - Madrid imposes direct rule in Catalonia after a referendum backs independence from Spain.

2018 - Basque separatist former armed group Eta announces it is ceasing all political activities.

Political Situation

Political System¹

Spain is a **parliamentary democracy** and **constitutional monarchy** with a **head of government - the prime minister** - and a **head of state - the monarch**.

A **council of ministers** is the **executive branch** and is **presided over by the prime minister**.

Spain is a **unitary state**, composed of **17 autonomous communities** and **2 autonomous cities with varying degrees of autonomy**.



¹https://european-union.europa.eu/principles-countries-history/country-profiles/spain_en

The Political Situation

The Constitutional Composition¹

The **Constitution of 1978** governs the functioning of the institutions of the Kingdom of Spain.



King Felipe succeeded to the throne on the abdication of his father Juan Carlos in June 2014 and **is the Spanish head of state**.

Born in 1968, **Prince Felipe was educated for his future royal role** and undertook official engagements on behalf of the king from 1995.

Despite **retaining considerable constitutional power as chief executive and commander-in-chief**, King Felipe has **pledged to continue his father's legacy of supporting the primacy of parliament**.



Socialist leader Pedro Sánchez took over as **prime minister in June 2018**, after his conservative predecessor Mariano Rajoy lost a parliamentary vote of confidence. This was triggered by a long-running corruption trial involving members of Mr Rajoy's Popular Party. **Sánchez is the head of government. Snap elections in April and November 2019 boosted the Socialists, but they fell short of a majority**, while Vox became first far-right party to win seats since the death of Francisco Franco in 1975.

In **January 2020, Mr Sánchez formed a minority coalition government with the left-wing Podemos party** after winning a narrow parliamentary vote of confidence.

¹ <https://portal.cor.europa.eu/divisionpowers/Pages/Spain-intro.aspx>

The **Parliament** (Cortes Generales) is **bicameral and comprises**

- The **Congress of Deputies** (Congreso de los Diputados). The Congress is **elected by universal suffrage and is composed by 300 to 400 members** (Art. 68).
- The **Senate** (Senado). The Senate is the **Chamber of territorial representation** (Art. 69) and is **formed by 266 members, 208 of whom are directly elected by the people. The remaining 58 senators are appointed by the regional assemblies**: each Autonomous Community appoints from its own rank one Senator and an additional Senator for every million inhabitants in their respective territories (Art. 69.5), according to a proportional system mirroring the composition of the regional assembly.



The Spanish Senate¹

General Features



With regard to functions, it should be noted that Senators play an important role in the activities of the House. Hence, they can **present amendments** and **veto proposals** for any governmental and non-governmental bills. The same is true of the **General State Budget Bill**, excluding the observance of constitutional limitations regarding amendments that entail increasing credit or decreasing revenues. They can also **formulate draft bills** together with another 24 Senators and

also through their Parliamentary Group, notwithstanding their participation by voting to pass or reject all these initiatives. In the area of **supervision and control**, Senators may present questions to be answered in writing or orally. Ten Senators or a Parliamentary Group may present a motion for the Senate to present its findings regarding a non-legislative text.

The **possibilities of intervening in debates are extensive**, since the principle is applied whereby any Senator may speak once they have asked for and been given the floor (section 84.1 of the Senate Standing Orders) and may only be interrupted to be called to order or to answer a question posed by the Speaker (section 84.3 of the Senate Standing Orders).

Senate agreements are adopted by means of voting, wherein the Senators cast their personal and non-transferrable vote. To adopt agreements, the **House must be in session and the majority of its members must be in attendance** (section 79 of the Constitution and section 92 of the Senate Standing Orders). The rules governing the procedure for resolving votes that end in a tie are reflected in section 100 of the Senate Standing Orders.

¹ <https://www.senado.es/web/composicionorganizacion/senadores/composicionsenado/estatutosenador/index.html>

The Spanish Senate

A Brief History¹

Beginnings of Constitutionalism (1808-1823)

The Napoleonic invasion of 1808 had two highly important consequences: on the one hand, the start of the War of Independence, and on the other hand, the end of the Ancien Regime and the start of liberal constitutionalism.



The crisis provoked by this invasion led to the convening of Parliament by means of restricted suffrage, abandoning the society of estates of previous centuries. Parliament met in Cadiz as of 1810 and undertook significant reforms, including the **passing of the Constitution of 1812**, after long periods of deliberation.

The **new Constitution responded to liberal principles**: national sovereignty, division of powers and the Cortes as the representative Parliament. Parliament was unicameral (one house), elected by the population by means of indirect suffrage, and took on the legislative function together with the King. The King retained executive power, but lost his previous status as the source of all power.

The **Constitution had a very short life span**. Once the King had returned from his forced exile in 1814, he immediately abolished it.

It was **re-established in the period known as the constitutional triennium** (1820-1823). In this last year, invasion by a foreign army determined a new return to absolutism, which lasted until the death of Ferdinand VII in 1833.

¹<https://www.senado.es/web/conocersenado/senadohistoria/periodosconstitucionales/index.html>



Renewal of Constitutionalism (1834-1868)

Following the death of Ferdinand VII, and against a background of open opposition, the Regent María Cristina was obliged to make certain concessions to those demanding a return to the constitutionalism of 1812 and passed the **Royal Statute of 1834, a kind of granted constitution**. This statute **established Parliament as the representative Body**, but in terms of its composition it was extremely conservative.

For the first time it was **divided into two houses**: the Estamento de Próceres or Upper House, and the Estamento de Procuradores or Lower House. These two Houses of Parliament had **very limited legislative and budgetary functions**. In spite of its limitations, this Statute **allowed in practice for parliamentary life to develop**, including the mechanism of ministerial responsibility, which obliged ministers appointed by the Crown to be accountable to Parliament for their actions. It **remained in place for just two years**.

Under the reign of Isabella II, the new Parliament, convened with the aim of re-establishing the **Constitution of 1812**, and given the practical difficulty of this goal, **approved a new text, the Constitution of 1837, a shorter more pared-down version**, which widely reflected the ideals of the progressive party, including the recognition of national sovereignty and the inclusion of a tentative declaration of rights. Parliament was made up of two houses, the **Senate and the Congress of Deputies**, names that have been maintained practically since then.

1923-1977. Absence of a Senate

In accordance with the Constitution of 1876, **power alternated between the two major political parties**, conservatives and liberals, which endowed the system with stability. However, the major political and social problems at the end of the century, together with the manipulations and adulterations of suffrage, gradually deprived the system of its legitimacy. From the early 20th Century onwards, a **process of crisis began to gather speed**, with major protests in 1909 in the form of the tragic week, and a general strike in 1917. In 1923, another coup d'état ended this period and marked the **establishment of Dictatorship under General Primo de Rivera, which lasted until 1930**.

Local elections held in April of 1931 acted as a kind of plebiscite against the monarchy and the current political system. Once the Republic had been declared, elections for a constituent Parliament were called. This Parliament passed a **new Constitution**, which was very different to the previous ones. It was based on the following principles: firstly, the **Republican form and democratic nature of the State**, expressed with the affirmation of the popular origin of all power; secondly, **laicism, with a strict separation between Church and State**; thirdly, an **integral State, with political decentralisation**, to enable the constitution of self-governing communities; and finally, **recognition of fundamental socioeconomic rights**. In organic terms, a **unicameral Parliament was established**, along with a President of the Republic and a Government led by a President, subject to the confidence of Parliament. Three democratic elections were held, albeit it within a climate of major polarisation.

The **Second Republic fell victim to a coup d'état in 1936**, which soon became a **civil war lasting almost three years**.

Once the civil war was over, **General Franco led a personal dictatorship throughout the country**, which lasted until his death in 1975. Institutionalised through Fundamental Laws, the entire organic structure revolved around the person of Franco, who enjoyed maximum authority and was declared accountable only to God and History.

Institutions (Parliament, Council of the Kingdom, etc.) had a very **limited influence**. Freedoms, especially political ones, were not recognised, or when they were they remained subordinate to the principles of the regime. Specifically, **political parties were prohibited**. There was also **not a true Parliament**, as the organic 'Cortes' responded to an authoritarian corporate model and were dominated by different sectors of Francoism.

When General Franco died in 1975, there was **broad social demand in Spain to implement a new political system, on the basis of a Western style democracy**, which recognised rights and freedoms, integrated into Europe and politically decentralised. This impelled the transition to democracy.

This **transition was carried out peacefully and legally**, respecting Francoist legality. However, whilst respecting forms, it broke away from past content. The previous system was not reformed; rather a **new system was established with opposing values**. Consequently, the **process was slow and complicated**, having simultaneously to deal with an economic crisis and the fight against terrorism.

Work began in July of 1977, with the formation of a multi-party reporting body in the Congress, responsible for drafting the bill. It was debated and approved first in Congress, then transferred to the Senate, where it was redrafted considerably. Finally, a mixed Committee of Congress Members and Senators presented a unified text, which was raised with both Houses for its ultimate approval, which was granted with almost no votes against. Finally, on 6th December 1978 it was put to a referendum, and the **new Constitution of 1978 was passed with a very large majority**.



Congreso de los Diputados¹

General Features

Pursuant to the **1978 Constitution**, the Cortes Generales are made up of the Congress of Deputies and of the Senate and represent the Spanish people, a representation with which the MPs are likewise vested, **since each one of them represents the Nation**, and for this reason they are not bound by compulsory mandate. The functions of the Cortes Generales are to **adopt the laws and the State General Budget, as well as holding the Government to account**.

However, bicameralism does not mean that the Congress and the Senate are entirely equal. The **Congress of Deputies** has a number of roles and powers that denote its **predominance** as regards political oversight, such as the **investiture of the President of the Government or his/her removal from office**; likewise, **legislative initiatives** and the **Budget** are initiated in the lower Chamber, whilst the Senate is the Chamber for territorial representation.

The provisions in force (Organic Act on the General Electoral Regime of June 19, 1985) assign **350 members to the Congress**. All of them are **elected by provincial constituencies and universal suffrage**, free, equal, direct and secret. The system is **proportional**, thus, each party obtains a number of seats in proportion to its votes.

The **Legislative Term** is the period for which the Congress of Deputies and the Senate is elected. It **lasts four years**, although it can be cut short if the President of the Government decides to dissolve the Parliament.

¹ <https://www.congreso.es/en/cem/func>

Functioning and Organisation



The Congress of Deputies is **governed by the Constitution and the Standing Orders** that the Chamber adopts with full autonomy. It **meets within the periods of sessions** laid down by the Constitution, namely two per natural year, the first from February to June and the second from September to December.

Outside these periods there is the **Permanent Deputation**, which **safeguards the powers of the Chamber**. However, usually extraordinary sittings of the Plenary, Committees and the rest of the bodies of the Chamber are convened outside the aforementioned ordinary periods of sessions.

Apart from the Plenary, which is made up of all the members of the Congress, the **Chamber has several bodies** which form two major categories: steering or governance bodies, on the one hand, and working bodies, on the other. The first, which **arrange, drive and steer the Chamber are the Presidency, the Bureau and the Board of Party Spokespersons**. The working bodies are those **directly involved in parliamentary activities**, whether it be preparing the debates and decisions of the Plenary, or settling the matters themselves: Committees, Subcommittees, Reporting Subcommittees, Permanent Deputation and the General Secretariat or Parliamentary Administration.

The **Speaker is vested with the representation of the Chamber** and is **elected by the Chamber itself** at the onset of the Legislative Term.

In July, a new parliament has been elected.

Political Situation

Internal Politics¹

With **28% of the vote and 130 deputies** (for an absolute majority of 176 seats), the **PSOE won the early parliamentary elections of November 10, 2019** (the fourth since 2015), ahead of the Popular Party (20.8%), the far-right Vox party (15.09%), Podemos (12.8%) and Ciudadanos (6.8%).

On **November 12, 2019, the PSOE and Podemos managed to seal a government agreement**. With the **support of several regionalist parties**, including the Basque Nationalist Party, and the abstention of Catalonia's Republican Left deputies, **Pedro Sánchez won the investiture vote by a simple majority** on January 7, and was able to **form a new government on January 13, 2020**. This is the **first coalition executive in modern Spanish history**.

Pedro Sánchez carried out a **major cabinet reshuffle on July 10, 2021**, with seven new ministers. This government, which is **younger** (average age 50) and **more feminine** (63% of portfolios, including the 3 vice-presidents), aims to **implement the European recovery plan**.

Municipal and regional elections (for 12 of the 17 autonomous communities) on **May 28, 2023**. Prime Minister Pedro **Sánchez's Socialist Workers' Party (PSOE) suffered heavy losses** in Spain's local elections, as the conservative Popular Party (PP) took control of a string of key city halls and regions.

¹<https://www.diplomatie.gouv.fr/fr/dossiers-pays/espagne/presentation-de-l-espagne/>

After a **surprise defeat in the regional elections of Sánchez's coalition in May 2023**, snap elections have been called for **23 July 2023**.

Incumbent **Pedro Sánchez is poised to remain the Spanish prime minister** as a result of the **inconclusive national election** in which the **center-right Popular Party won the most votes** but was left **with no clear path to form a government**.

As expected, **none of Spain's major parties secured a governing majority**. With 99 percent of the votes tallied, the Popular Party had 136 seats, the Socialists 122, the far-right Vox 33, and the left-wing Sumar 31.

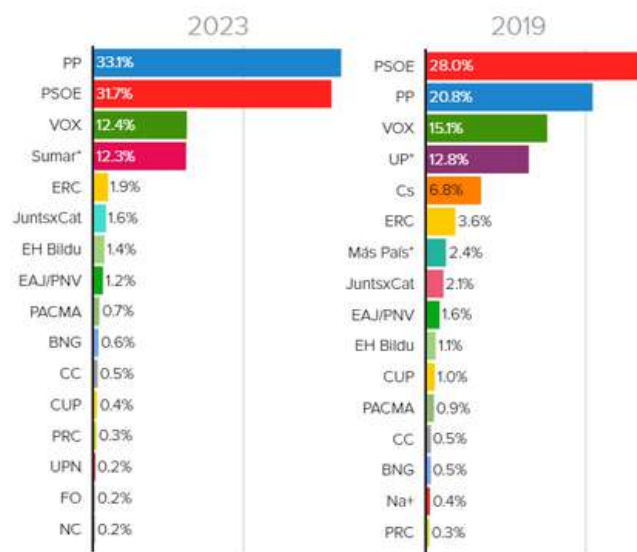
Prior to the vote, **conservative leader Alberto Núñez Feijóo indicated that he would be willing to form a coalition government with Vox**, but both parties **fell short of the 176 seats needed to control the Spanish parliament**.

¹<https://www.politico.eu/article/spain-election-outcome-explained-pedro-sanchez-alberto-nunez-feijoo-socialist-popular-party-vox/>
<https://www.politico.eu/article/spanish-elections-sanchez-holds-off-right-surge/>

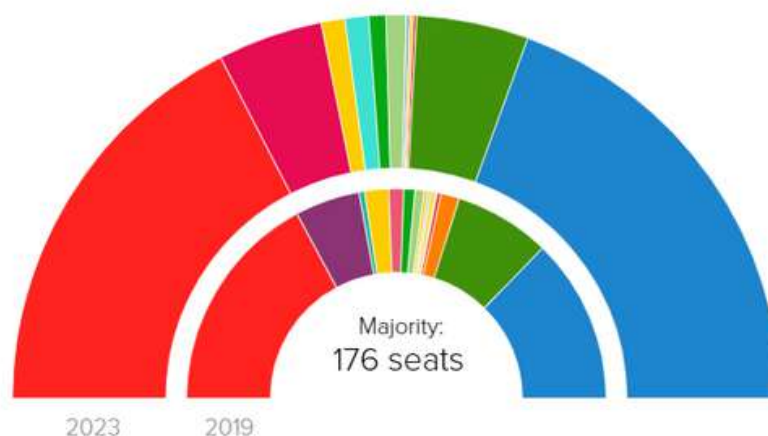
2023 General Elections Result¹

On July 23, 2023, voters elected all **350 seats of the Spanish Congress**. The **conservative Popular Party made big gains and secured the most votes**. The Socialists held their 2019 results, but its coalition allies didn't fare as well. Pro-Catalan independence parties were hurt by many of their voters deciding to abstain but they hold the key to the next government.

POPULAR PARTY SECURES THE MOST VOTES



*Parties below 0.1% not displayed. Sumar includes Podemos and Más País in 2023.
SOURCE: POLITICO research



SOURCE: POLITICO research

POLITICO

¹ <https://www.politico.eu/europe-poll-of-polls/spain/>

27th September 2023, Spain's **Popular Party leader Alberto Núñez Feijóo failed to obtain enough support in the Spanish parliament** to be appointed the country's prime minister.

He would have **needed to secure the support of at least 176 of the parliament's** 350 lawmakers — an absolute majority — to be confirmed as prime minister in Wednesday's vote. **But only 172 MPs voted in favor of his candidacy, with 178 voting against.**

Although the **Popular Party won the most votes in July's national election, it fell short of a majority**, and its proximity to the far-right Vox party has made it impossible for Feijóo to secure additional support from other groups in parliament.

Spain's **constitution requires the parliament to vote on Feijóo's bid to form a government for a second time in 48 hours**. The Popular Party leader only needs to secure a simple majority of the ballots — more yeas than nays — **but a majority of lawmakers have once again rejected his candidacy.**

Caretaker prime minister and Socialist Party leader Pedro Sánchez is well positioned to remain in office, but in order to do so he will **need to convince lawmakers from the Catalan separatist group Junts to back his bid to form a government.**

The **rejection of Feijóo's candidacy automatically starts a countdown clock for a new election in Spain**. If lawmakers do not give Feijóo or another candidate their backing to form a government within two months' time, the parliament will be dissolved and a new vote will be held on January 14, 2024.

¹<https://www.politico.eu/article/spain-popular-party-alberto-nunez-feijoo-loses-first-vote-become-prime-minister-parliament/>



On **3rd October**, Spanish **King Felipe VI** ordered caretaker **Prime Minister Pedro Sánchez** to attempt to form a **government**. Sánchez' most difficult task will be earning the crucial backing of the Catalan separatist Junts group and the Republican Left of Catalonia (ERC), both of

which are demanding a blanket amnesty for everyone implicated in the failed 2017 Catalan independence referendum and Madrid's explicit consent to hold a new vote on self-determination.

While Sánchez has indicated that he is willing to give in to the amnesty demands, his Socialist party firmly rejects the possibility of authorizing a new independence vote.

The Socialist leader will **need to work quickly to forge agreements** because Feijóo's rejection by Spanish lawmakers last week set off a two-month countdown, at the end of which parliament must be dissolved if no other candidate to be prime minister secures sufficient support.

If Sánchez fails to obtain the backing of a majority of lawmakers by November 27, Spain will have to hold **new elections on January 14, 2024**.

[1https://www.politico.eu/article/spain-election-king-felipe-vi-ask-prime-minister-pedro-sanchez-form-government/](https://www.politico.eu/article/spain-election-king-felipe-vi-ask-prime-minister-pedro-sanchez-form-government/)

ODIHR NEEDS ASSESSMENT MISSION REPORT 13-16 JUNE 2023¹

Executive Summary¹

On 29 May 2023, prompted by the results of the recent local and regional elections, the Prime Minister announced the dissolution of the parliament and called for early parliamentary elections to take place on 23 July. Many ODIHR NAM interlocutors expressed concerns that the elections amidst the summer recess might affect the liveliness of the campaign, election administration and voter turnout. The voters will elect 350 members of the Congress of Deputies under a closed-list regional proportional system and 206 members of the Senate from open lists.

The legal framework governing the conduct of the elections has remained largely unchanged after the previous elections, except for the new rules providing for a substantial increase in postal votes. As a result, many previous ODIHR recommendations remain unaddressed, including those related to the equality of the vote, transparency of the meetings of election administration and campaign finance, candidate eligibility restrictions, and media coverage of the campaign. In addition, there are no provisions for citizen or international election observation in the law. All ODIHR NAM interlocutors consider the legal framework as conducive to holding democratic elections.

The elections are administered by a network of government, administrative and judicial institutions, including the Central Election Commission (CEC) and the Ministry of Interior. While the electoral preparations are proceeding in a timely manner, authorities noted logistical challenges primarily caused by the call for early elections and resulting deadlines, increased demand for postal voting, as well as difficulties in identifying a sufficient number of polling staff given the holiday season. All ODIHR NAM interlocutors expressed a high level of trust in the integrity, impartiality and efficiency of the election administration.

¹<https://www.osce.org/files/f/documents/0/2/547184.pdf>

All voters, both in the country and abroad, can vote by mail. October 2022 amendments to the election law abolished the in-person pre-registration requirement for postal voting from abroad enfranchising more than two million voters. Combined with the holiday season and absence of voters from their place of regular residence, all ODIHR NAM interlocutors expect a significant increase in postal votes both in the country and abroad, putting an additional organizational strain on the bodies administering the elections.

Voter registration is passive and all citizens above 18 years of age are eligible to vote, including those with mental and psychosocial disabilities. Some 37.5 million voters are registered for these elections, including some 2.3 million abroad. Voter lists were available for public scrutiny with the possibility to rectify omissions. In general, no ODIHR NAM interlocutors expressed concerns regarding the inclusiveness and accuracy of the voter lists.

Political parties, their coalitions and groups of voters may nominate lists of candidates for the Congress of Deputies and the Senate. Most ODIHR NAM interlocutors confirmed an inclusive and reasonable candidate registration process. Each list has to comply with gender quotas to ensure balance among their candidates. Women are well represented in political life, and political parties informed the ODIHR NAM about different internal mechanisms to promote women candidates.

The official campaign period will last between 7 and 22 July. No ODIHR NAM interlocutors expressed any concerns with respect to their ability to campaign freely. Outreach methods will be adjusted to the holiday season with particular emphasis on promotion in the media and online. Parties plan to focus their campaigns on economic and social issues, the stability of the government, climate change and immigration. Many ODIHR NAM interlocutors raised concerns about the spread of disinformation, in particular by certain political parties, and some raised concerns about frequent online verbal attacks on women candidates and persistent gender stereotypes in media.

Campaigns may be financed from public and private funds. The law sets limits for campaign donations and expenditures and provides disclosure requirements. Only political groups gaining parliamentary seats benefit from partial reimbursement of campaign expenses by the state. During elections, the CEC and provincial election commissions monitor compliance of the campaigns with the financial rules, and the Court of Auditors is in charge of auditing campaign finance reports. Overall, ODIHR NAM interlocutors did not raise any specific concerns with the transparency of the campaign finance, referring to effective control mechanisms and the reliance of most contestants on public funding of their campaigns.

The media environment is pluralistic. ODIHR NAM interlocutors noted an overall free nature of the media despite the significant concentration of media ownership and criminal sanctions envisaged for defamation and insult. The law obliges public and private broadcasters to respect the principles of pluralism, equity, proportionality and neutrality in their coverage of the elections. Public broadcasters provide contestants with free airtime for campaigning and organize debates. Despite prior ODIHR recommendations, there is no independent national media oversight authority. Most ODIHR NAM political party interlocutors expressed overall satisfaction with their access to media.

The legal framework provides short deadlines for initiating and handling electoral disputes and specifies different avenues for seeking legal redress, including with regards to candidate and voter registration, media and campaign-related issues as well as election results. Only contestants can challenge the election results. Many ODIHR NAM interlocutors noted general confidence in the effectiveness of remedies provided by the election administration and courts in election disputes.



All ODIHR NAM interlocutors expressed a high level of confidence in the impartiality of the various bodies administering elections and their ability to organize elections transparently. All interlocutors recognized the well-established democratic tradition in Spain; nevertheless, they welcomed an external assessment and a potential ODIHR observation activity as a way to further enhance the electoral process. No specific concerns were expressed regarding the respect for fundamental freedoms, voter and candidate registration, the financing of the campaign and election dispute resolution. Some ODIHR NAM interlocutors identified specific areas that would benefit from an external review, such as the practical implementation of the amended legal framework, the conduct of electoral operations, including the expected increase in postal voting, as well as the conduct of the campaign, including on social networks.

On this basis, the ODIHR NAM recommends the deployment of an Election Expert Team (EET) for the 2023 early parliamentary elections. Given the number of concurrent election-related activities taking place across the OSCE region, the deployment of an EET will be contingent upon the availability of resources. ODIHR also encourages the authorities to consider recommendations and issues of concern from its previous reports that remain unaddressed.

Conclusion and Recommendations

All ODIHR NAM interlocutors expressed a high level of confidence in the impartiality of the various bodies administering elections and their ability to organize elections transparently. All interlocutors recognized the well-established democratic tradition in Spain, nevertheless they welcomed an external assessment and a potential ODIHR observation activity as a way to further enhance the electoral process. No specific concerns were expressed regarding the respect for fundamental freedoms, voter and candidate registration, the financing of the campaign and election dispute resolution. Some ODIHR NAM interlocutors identified specific areas that would benefit from an external review, such as the practical implementation of amended legal framework, the conduct of electoral operations, including expected increase in postal voting, as well as the conduct of the campaign, including on social networks.

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The Economic Situation



Trade and Economy¹

The most **important sectors of Spain's economy in 2020, public administration, defence, education, human health and social work activities** (20.5%), wholesale and retail trade, transport, accommodation and food services (19.7%) and industry (16.1%).

Intra-EU trade accounts for 61% of Spain's exports (France 16%, Germany 11% and Italy 8%), while outside the EU 8% go to the United Kingdom and 5% to the United States.

In terms of **imports, 57% come from EU countries** (Germany 14%, France 11% and Italy 7%), while outside the EU 9% come from China and 4% from the United States.

After falling sharply in the context of the Covid 19 health crisis – 11.3%), **Spain's GDP increased by 5.5% in 2021 and by 5% in 2022**. In 2022, the drop in unemployment (rate of 12.6% in Q3 2022) is **accompanied by high inflation** (+7.3% year-on-year in October 2022). The **government's growth forecast for 2023 stands at 2.1%**.

After a **first package of measures of €16 billion in 2022 to limit the impact of the rise in prices following the war in Ukraine**, the Spanish government announced at the end of December a new plan of an **additional €10 billion to extend them for 6 months and suspend temporarily VAT on basic food products** (bread, flour, milk, etc.) as well as **financing a 30% discount on the cost of urban and interurban public transport**.

¹ <https://www.diplomatie.gouv.fr/fr/dossiers-pays/espagne/presentation-de-l-espagne/>
https://european-union.europa.eu/principles-countries-history/country-profiles/spain_en

The Economic Situation in Numbers¹

Indicators	2023	2024
GDP	1,492.43\$	
GDP growth (% yoy)	2	1,9
Inflation (% , yoy)	3,6	2,9
Unemployment (%)	11,6	
Gross public debt (% of GDP)	112.8 %	
Current account balance (% of GDP)	2m4	

¹ <https://issuu.com/oecd.publishing/docs/spain-oecd-economic-outlook-june-2023?fr=sMTdINTUwNTY2MTA>

2023 Commission Country Report¹

Economic and Employment Snapshot

Spain weathered well the effects of the Russian war of aggression against Ukraine.

- Real GDP grew by 5.5% last year
 - mainly driven by external demand, including a significant rebound in international tourism, and by the dynamism of private consumption
- The latter was supported by a resilient labour market and fiscal support measures.
- However, the loss of purchasing power, the tightening of financial conditions, and economic uncertainty all took a heavy toll on private expenditure during the second half of the year,
 - with vulnerable and low-income households being particularly affected

The labour market remained remarkably resilient

- Employment grew last year by 3.1% to above pre-pandemic levels,
 - reaching close to 70% of working age population but still below the EU average.
- Following the 2021 labor market reform, the number of temporary employees has fallen steadily in the private sector amid continued job creation
- The **unemployment rate declined further to 12.9%**, which is the lowest rate since 2008.
- However, it **remains almost double the EU average**, with structural pockets of vulnerability, including very high long-term and youth unemployment and still a high share of fixed-term contracts in the public sector

¹https://economy-finance.ec.europa.eu/system/files/2023-05/SWD_2023_609_1_EN_autre_document_travail_service_part1_v4.pdf

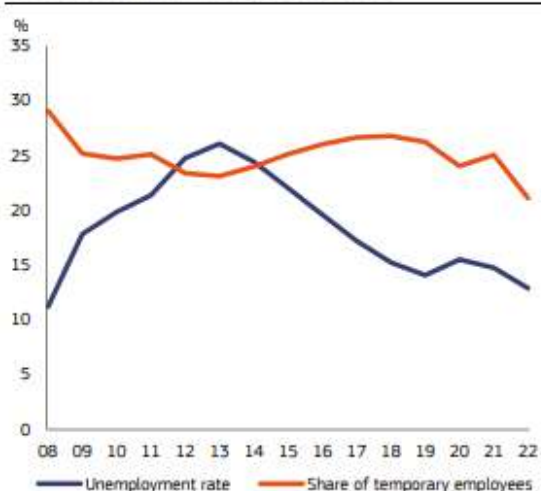
Moderate nominal wage growth coupled with high inflation led to a decline in real wages

- Nominal wage growth per head remained moderate in 2022 (2.9%), well below inflation, resulting in a substantial decline in real terms (-5%)

The energy shock was mainly channelled through import prices

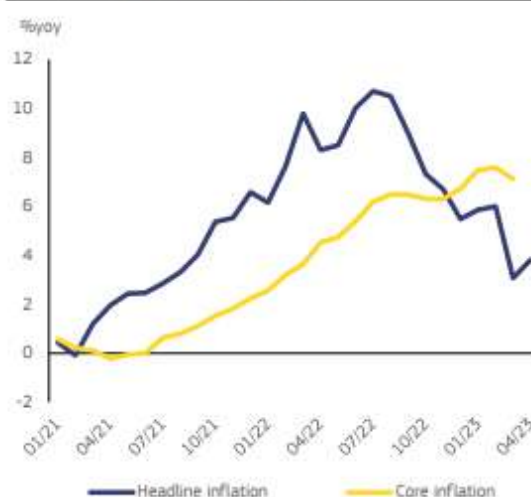
- Despite low direct exposure to supply disruptions, Spain has a **large external dependence on international markets**
- The **surge in energy prices contributed to push up HICP inflation**, which peaked in the summer and averaged 8.3% in 2022 (see Graph 1.2).
- Generally, **inflation eased down in the second half of last year** on the back of lower energy inflation and limited second-round effects from wages. However, the **pass-through to goods and services accelerated**, particularly to food products and hospitality, leading to higher prices for consumers.

Graph 1.1: Unemployment rate (% of labour force) and share of temporary employees (% of total employees) (2008-2022)



Source: INE, own calculations.

Graph 1.2: HICP headline and core inflation (% y-o-y rate) (2021-2023)



(1) Core inflation: excluding energy and unprocessed food
Source: Eurostat, own calculations.

Competitiveness showed resilience to the energy shock

- Terms of **trade deteriorated significantly in 2022**,
 - but labour productivity gains and moderate wage increases helped to **maintain cost competitiveness**,
 - while unit profits recovered strongly.
- **Export performance was very positive**, supported by the **recovery of international tourism**, contributing to Spain regaining global market shares

The fiscal deficit continued to decline despite significant measures to reduce the impact of energy prices

- The **cost of government measures to mitigate the impact of the energy shock in 2022 is estimated at 1.6% of GDP**,
 - of which **only 0.5% of GDP accounted for targeted measures to vulnerable firms and households** (see Box 1).
- The **double-digit increase in tax revenues** has offset the impact of these measures and **helped to reduce the fiscal deficit from 6.9% of GDP in 2021 to 4.8% in 2022**.
- The **debt ratio also decreased** from 118.3% of GDP in 2021 to 113.2% in 2022 supported by strong nominal GDP growth



Spain adopted various support measures to mitigate the impact of energy price inflation on households and businesses. For 2023, the Commission 2023 spring forecast projects its gross budgetary costs to amount to 0.6 % of GDP ⁽³⁾. Most measures do not preserve the price signal and are untargeted. Most measures will be in place until 31 December 2023.

In 2022, the government successively extended reduction of VAT on electricity (from 21% to 10%, and then to 5% since September), the reduction of the special tax on electricity (from 5.5% to 0.5%) and the suspension of the tax on the value of electricity production; these have been in place since 2021. The reduction of VAT was extended to gas as from October 2022. The energy social voucher has become more generous, including higher discounts in electricity bills and higher subsidies for heating. In 2023, this measure was enhanced by a lump sum subsidy of EUR 200 for low-income households. The generalised vehicle fuel rebate of 20 cents per litre, which was in place between April and December 2022, has been substituted in 2023 by a more targeted support to road and maritime transport and to agriculture and fishing sectors. Other measures include price discounts for using public transport and allowing collective heating systems to benefit from regulated gas tariffs.

The cost of these measures will be partly offset by measures related to the temporary solidarity contribution by energy producers, credit institutions and wealthier taxpayers, which will be in place until the end of 2024.

Spain also introduced the 'Iberian mechanism'. The measure covers part of the fuel costs of gas and coal-fired power plants with the aim of reducing wholesale and retail electricity prices. It is financed by the 'congestion income' obtained by the Spanish transmission system operator as a result of cross-border electricity trade between France and Spain, and by a charge imposed by Spain and Portugal on certain buyers in the Iberian wholesale electricity market.

Spain applies a national measure in application of Council Regulation (EU) 2022/1854: a 1.2% tax rate on 2022 and 2023 net turnover applies to petroleum, gas and electricity firms when their turnover exceeds EUR 1 bn ⁽⁴⁾.

Spain also took measures to increase energy savings. Royal Decree-Law 14/2022 laid down provisions to promote energy savings and efficiency by ruling out heating or cooling buildings and premises: i) above 19 degrees (for heating), below 27 degrees (for cooling); ii) irrespective of the energy source; and iii) with an obligation to have doors that close automatically (to prevent energy waste). In addition, Royal Decree-Law 18/2022 and the 'Plan Más Seguridad Energética' (+SE), approved in October 2022, include 73 energy security measures, also with regard to savings and efficiency.

The economy is projected to expand by 1.9% in 2023.

- Downside risks to the outlook are the **impact of prolonged tightening of financial conditions** and the **materialization of further disruption on the energy markets**.
- **GDP is expected to gradually pick up over this year**, sustained by stronger private consumption and further normalization of tourism.
- The **implementation of the recovery and resilience plan** (see Annex 3) and **cohesion policy programmes** (see Annex 4) are also set to boost investment growth.
- **Moderate job creation** will support further **reductions in the unemployment rate to 12.7% in 2023**

Annual headline inflation is set to gradually ease and reach 4% in 2023

- **Lower inflation is expected** on the back of the expected further moderation of energy prices.
- In turn, **core inflation is projected to stay at high levels** over the forecast horizon

Nominal wage growth per head is expected to accelerate in 2023 up to 3.9%, marginally below inflation.

- The government **increased the minimum wage by 8%** for 2023,
 - up to gross EUR 1 080 per month (14 instalments per year).
- In the **public sector**, the **budget set a 2.5% wage increase for 2023**; this **could be increased by 1 percentage point depending on inflation and nominal GDP developments**.
- Going forward, the multi-year wage agreement reached within the social dialogue process will contribute to limiting second-round effects and mitigating the inflation-driven loss in purchasing power, while ensuring competitiveness is protected

Macroeconomic vulnerabilities related to high private, government and external debt are receding but remain present



- Favoured by high **nominal GDP growth, strong export performance, and labour market resilience, private, public and external debt ratios declined in 2022.**
 - Yet, they **remain at still elevated levels** (see Annex 22).
 - The **reduction of public and private indebtedness is expected to slow**
- down this year given the worse economic outlook and the tightening of financial conditions (see Annex 18).
 - Further **reductions in external debt will also remain conditional on energy market developments**, including potential new disruptions of energy supplies

Progress on the recovery and resilience plan in 2022

Spain's recovery and resilience plan (RRP) aims to address the key challenges related to the green transition, the digital transition and to economic and social resilience

- It consists of **102 reforms and 112 investments** that are supported by **EUR 69.5 bn in grants**, representing **6.5% of GDP** (see Annex 3 for more details).
- RRP measures implemented so far include
 - labour market reforms,
 - a first set of pension reforms,
 - modernisation of the Tax Administration Agency and tax fraud prevention,
 - approval of the Public Health Strategy,
 - and a review of the
 - Insolvency Law,
 - the Science, Technology and Innovation Law,
 - the law on Telecommunications,
 - the law on integrated Vocational Training System
 - and the general law on Audio-visual Communication.

-
- Based on data published by the Spanish authorities, the investments supported by the RRP are well under way, and **78% of the more than EUR 50 bn budgeted in 2021 and 2022 had been committed by the end of 2022.**
 - EUR 19.6 bn was transferred to regions to implement investments under the RRP. Box 1 contains a summary of key deliverables in 2023 and 2024.

The implementation of Spain's recovery and resilience plan has so far been well underway, however it is facing some challenges going forward.

- Spain submitted 3 payment requests, corresponding to 121 milestones and targets in the plan and resulting in an overall disbursement of EUR 28 bn.
- While Spain has been among the Member States most advanced in the implementation of the plan, **it is now expecting to revise it to more than double its size.**
- This should be **accompanied by sufficient administrative capacity as to ensure the effective and efficient absorption of the recovery and resilience** and other EU and national available funds.
- In particular, **Spain has expressed its intention to request EUR 84 bn in loans** and will benefit from a higher RRP grant allocation.
- The **revised plan will also include a REPowerEU chapter**, to be funded at least partially by the additional REPowerEU grants.

[Supporting the green transition](#)

Reforms have been approved to pave the way for higher shares of renewable energy sources

- Spain launched calls for applications to support both renewable energy facilities integrated in buildings and production processes, and also renewable energy communities.
- The framework for regulatory sandboxes provides for a test environment that will allow electricity market participants to get regulatory exemptions to test innovative solutions in the energy sector.

-
- Spain also adopted a **system of guarantees of origin to verify the origin of gases claiming to be renewable**, including hydrogen.
 - The REPowerEU initiative provides a **unique opportunity to scale up and support energy-related measures** to further enhance Spain's decarbonization objectives.

Spain adopted a new framework for a methodical development of mobility

- A strategy was approved to **increase the security and sustainability of the mobility network**.
- This will be through **better protection of people and goods, and prioritizing daily mobility**, economic and social equity, energy efficiency and the fight against climate change.
- Furthermore, the strategy includes measures to enhance the connectivity of the transport system, including multimodal connectivity, by means of digitalising the network and technological progress.
- Spain has also taken important steps on electromobility, notably by strengthening the operational and regulatory framework.
- This will facilitate the deployment of recharging infrastructure to boost the use of electric vehicles, including the obligation for installation of charging points in car parks attached to residential and non-residential buildings.

Transport remains heavily reliant on oil fuels.

- The sector accounts for a **large share of greenhouse gas emissions and contributes to air pollution**, which is still above the EU average (see Annex 8).
- Insufficient infrastructure and access to public transport remains a concern in rural areas. **Electro-mobility deployment is underdeveloped** both from the supply and demand side.
- Measures included in the RRP have the potential to transform urban/metropolitan transport and strengthen the Trans-European Transport Network, helping to introduce new technologies in the sector.

Cortes de Castilla la Mancha¹

The Cortes of Castilla-La Mancha is the **legislative body of the Spanish autonomous community of Castilla-La Mancha**, whose headquarters are located in the former Convent of San Gil, located in the street Bajada del Calvario in the city of Toledo.



The Cortes of Castilla-La Mancha are **one of three bodies that make up the Junta de Comunidades de Castilla-La Mancha**, together with the Governing Council and the Presidency of the Junta de Comunidades. They are currently made up of 33 deputies representing the five provinces that make up the Community, 42.5% of the deputies are women.

the Cortes of Castilla-La Mancha are **composed of 33 deputies**. These are **elected by the five Castilian-La Mancha electoral districts** which, in turn, **corresponds to the five provinces of the autonomous community**. Each elects a different number of deputies. Each province has an initial minimum of 3 Deputies. The remaining 18 Deputies are distributed among the provinces in proportion to their population.

The Cortes of Castilla-La Mancha constitute the **legislative power** of the Junta de Comunidades de Castilla-La Mancha, where the popular will resides through the **deputies elected by universal, equal, free, direct and secret suffrage**. According to the Statute of Autonomy, its members are elected for a **term of four years**, which must both be proportional and ensure the representation of the various areas of the territory of the Region. In its recently amended article 10, it states that they will be formed by between 25 and 35 deputies and that these will be elected in provincial constituencies in the terms established by an electoral law approved by the Autonomous Courts.

The same article 10 also states that the **elections will be called by the President of the Junta de Comunidades**, in the terms provided by the Law that regulates the General Electoral Regime, so that they are **held on the fourth Sunday of May every four years**, unlike the autonomous communities of the Basque Country, Catalonia, Valencian Community, Aragon, Galicia and Andalusia whose president has the power to call elections at any time.

President of the Cortes de Castilla la Mancha



Pablo Bellido Acevedo (born 23 April 1976 in La Línea de la Concepción, Cádiz) currently holds the position of **president of the Cortes of Castilla-La Mancha**, in the X Legislature of the parliament of this autonomous community. He was elected in plenary session on June 19, 2019 with a total of 23 votes of the 33 cast in the chamber, the 19 of the Parliamentary Group of the PSOE and the four of the Parliamentary Group of Citizens.

He **was mayor of Azuqueca de Henares** (Guadalajara) between 2007 and 2015. Since March 2012 he is also secretary general of the PSOE in the province of Guadalajara and from 2016 to 2019 he was a deputy in the Congress of Deputies for the province of Guadalajara.

1 <https://www.cortesclm.es/index.php/composicion>

Useful Information

Important Addresses

Hotel Information



Hotel Rafael Pirámides

P.º de las Acacias, 40,
28005 Madrid, Spain
Tel: +34 915 17 18 28

Museum, 18th October



Prado Museum

C. Ruiz de Alacron, 23,
29014 Madrid

Restaurant, 18th October



Restaurant Murillo Café

C. Ruiz de Alacron, 27,
Madrid

Museum, 19th October



Museo Nacional Centro de Arte Reina Sofía

C. de Sta. Isabel, 52, 28012
Madrid,

Useful Information

Important Addresses

Restaurant, 19th October



La Lonja del Mar
Plaza de Oriente, 6, 28013
Madrid

Senate



Bailén, 3. 28071 Madrid

Congress of Deputies



1, Plaza de las Cortes,
28014 - MADRID

Town Hall Madrid



C. de Montalbán, 1, 28014
Madrid, Spain

Useful Information

Meeting points

Guided tour of Madrid

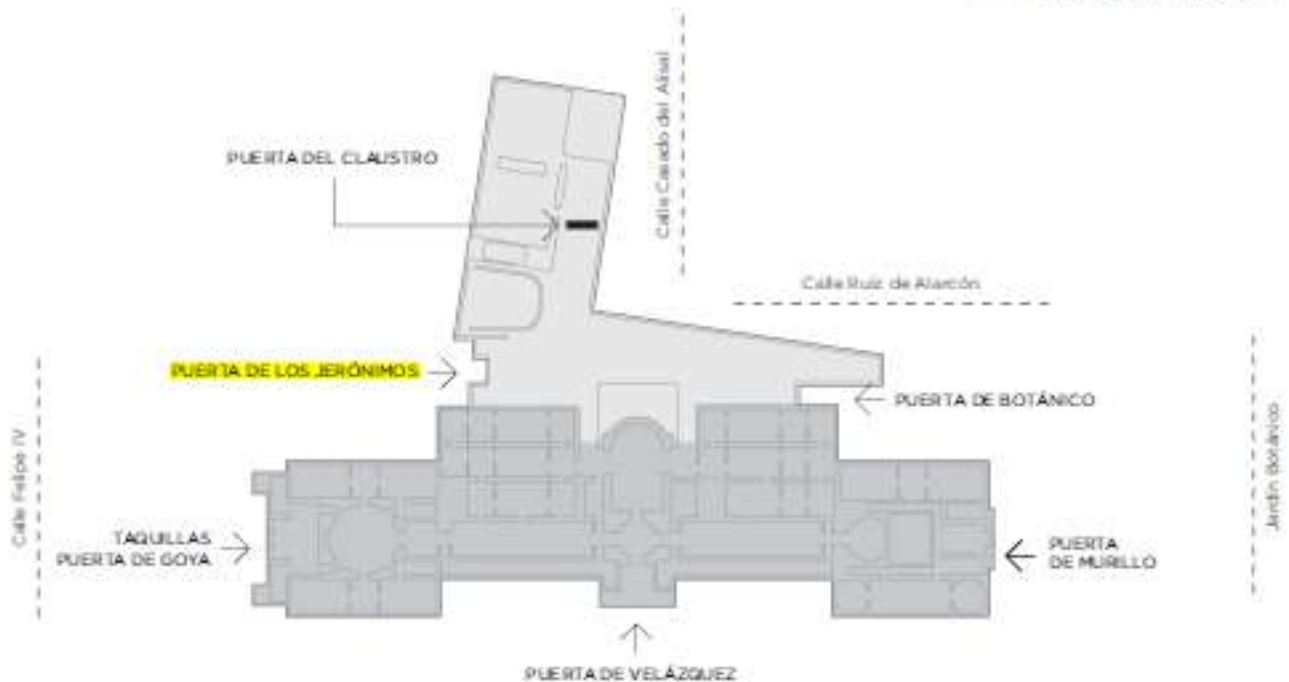
Leaving from the Hotel at 17:00

Prado Museum

Jeronimos Gate

MUSEO NACIONAL
DEL PRADO

EDIFICIO JERÓNIMOS
EDIFICIO VILLANUEVA



Useful Information

Transport

Taxis: The official Madrid taxi is white with a red diagonal stripe across the front door. If they are free, it will display a green light on the roof.



Airport to Hotel:

Taxi - fixed price of 30 euros

Train (44 mins): Adolfo Suárez Madrid-Barajas Airport take

- **C1** (Direction Estación de tren Pirámides, Price = 2,6 €)
- Ride for 9 stops and exit at station Estación de tren Pirámides
- Walk until you arrive at the hotel

Useful Information

Important Phone Numbers

Elisabetta Fonck +32 473 64 67 46

Pilar Ramos Carbonero +32 476 37 86 56