

## **Government approves an addendum to the recovery plan to mobilise all the European funds allocated to Spain**

*Moncloa Palace, Madrid, Tuesday 6 June 2023*

### **The addendum strengthens ongoing strategic projects and earmarks additional investments to boost energy, agri-food, industrial and digital autonomy.**

The First Vice-President of the Government of Spain and Minister for the Economy and Digital Transformation, Nadia Calviño, has explained that the Council of Ministers has agreed to send to the European Commission an addendum to the Recovery, Transformation and Resilience Plan, which will allow "the totality of the transfers and loans allocated to Spain to be mobilised".

The addendum contemplates €10.3 billion in additional transfers from the NextGenerationEU funds and the REpowerEU programme, which will be used to reinforce the 12 strategic projects already under way, and up to €84 billion in loans.

Nadia Calviño has reiterated that the €84 billion of loans will provide Spain with a safety net to be able to maintain "the strong public and private investment pace" in the future. The loans will be channelled through financial instruments, among which the vice-president mentioned the Autonomous Community Resilience Fund, endowed with €20 billion to finance sustainable investment projects in the autonomous communities, and which will be managed in partnership with the European Investment Bank.

The Official Credit Institute will also channel credits through two lines totalling €22.5 billion for business projects, especially green investments, and which will include a specific allocation of €1 billion for the tourism sector.

The vice-president highlighted the creation of a fund to promote social housing and affordable rental housing, endowed with €4 billion, with the aim of reconstituting the public housing stock. Support for the business fabric is complemented by the Next-Tech Fund, which has been increased by €4 billion. In addition, €1.5 billion will be earmarked to boost audiovisual productions in Spain.

For their part, the PERTE for industrial decarbonisation and the PERTE Chip will receive €2.72 billion and almost €12 billion, respectively, aimed at developing the design and manufacture of semiconductors, according to the vice-president. As a new development, Calviño announced that a cyber-resistance and security instrument will be created, with €2.2 billion to strengthen security, defence, aeronautics and space capabilities in an environment of greater geopolitical complexity and growing cyber-threats and cyber-attacks. A €2.25 billion fund will also be set up to encourage green investment by households and businesses.

### **Reform programme**

The addendum is completed with a programme of reforms aligned with the specific EU recommendations for Spain, which give continuity to those implemented since 2020 to increase productivity, ensure sustained and sustainable growth and social and territorial cohesion, and strengthen the strategic autonomy of Spain and the EU.

Nadia Calviño stressed that the successful implementation of the recovery plan, which is a national project, cannot be understood without the involvement of all political, economic and social agents and all public administrations. The text approved today by the Council of Ministers therefore includes a detailed analysis of their contributions and proposals. The addendum also extends the scope of some successful programmes, such as the Digital Kit, and redirects resources to the most in-demand programmes, such as the creation of vocational training places, the deployment of solar roofs and housing rehabilitation.

The objective, stressed the first vice-president, is to "make 100% use of European funds within the framework and the maximum deadlines set by EU rules".

Calviño added that the deployment of the recovery plan is having a positive impact on the economy, and the addendum approved today will reinforce this impact and complete the structural transformation that is taking place. "We estimate that the implementation of the plan as a whole will increase Spain's Gross Domestic Product by up to three percentage points on average until 2031", and this boost will also translate into an increase in

productivity, growth of the economy to 1.6%, a reduction in structural unemployment and an improvement in fiscal sustainability.

[https://planderecuperacion.gob.es/sites/default/files/2023-06/06062023\\_adenda\\_plan\\_de\\_recuperacion.pdf](https://planderecuperacion.gob.es/sites/default/files/2023-06/06062023_adenda_plan_de_recuperacion.pdf) (Spanish)

*Non official translation*