



SPAIN

State of Play – Winter 2017



MACROECONOMIC SITUATION

- Continued growth above the euro area average in 2016, with a more balanced composition than before the crisis

Imbalances

- High public debt; private debt declined strongly but is still high, especially for households
- Large external liabilities are being reduced slowly
- Unemployment is falling, but remains high, especially youth and long-term unemployment. The high amount of temporary jobs can have negative social consequences and hold back productivity growth
- Low productivity increasingly poses a risk to external competitiveness



PROGRESS ON COUNTRY-SPECIFIC RECOMMENDATIONS

Some progress

- in implementing the fiscal framework law at all levels
- in improving labour market integration and improving capacity of regional employment services, but limited progress in addressing gaps and disparities in minimum income schemes and improving family support schemes
- in implementing the law on market unity at regional level, limited progress in implementing the retail law at regional level, no progress on reform of professional services

Limited progress

- in improving governance of public procurement
- in enhancing university-business cooperation and private investment in research and innovation; in performance-based funding of public research bodies and universities
- in relating tertiary education more to needs of labour market



FISCAL SITUATION

- Excessive deficit, deadline for correction in 2018
- Public debt above the 60% of GDP reference value
- Draft Budgetary Plan 2017 assessed to be broadly compliant with the rules of the Stability and Growth Pact



POLICY HIGHLIGHTS

- Public venture capital fund-of-funds "FOND-ICO Global" supports supply of private venture capital since 2013, leading to €4.1 billion in investment commitments in Spanish companies
- Spain's eGovernment strategy aims at digitising all communication within public administration by 2018

More info at

<https://ec.europa.eu/info/strategy/european-semester/european-semester-timeline/analysis-phase>