



VICE-PRESIDENCY AND MINISTRY FOR ECONOMY AND DIGITALIZATION  
MINISTRY OF FINANCE AND PUBLIC ADMINISTRATION

Ms. Monika Hohlmeier  
Chair of the Committee on Budgetary Control  
European Parliament

Madrid, February 13<sup>th</sup> 2023

Dear Madame Chair of the Budget Control Committee,

*Dear Monika,*

We write to you regarding the upcoming mission of the Committee on Budgetary Control that will take place in Madrid on February 20<sup>th</sup> to 22<sup>nd</sup>. As indicated in our physical meeting last December, the Spanish Government is fully committed to sound financial management, full transparency and strong cooperation with EU institutions, regional governments and the private sector.

Dialogue and co-governance have been the guiding principles since day one, in order to ensure a swift and efficient budgetary management that supports strong growth and job creation through transformative investment projects throughout the whole country. More than 130 dedicated high level meetings (*Conferencias Sectoriales*) have taken place, gathering the competent Ministers of the central government, *Consejeros* of all Regional Governments of the 19 *Comunidades y Ciudades Autónomas* and the Federation of local governments (*Federación Española de Municipios y Provincias*). Likewise, more than 30 public calls for interest have been published and more than 30 dedicated meetings have also taken place at top ministerial level with private stakeholders and social partners (*Consejos Consultivos y Mesas de Diálogo Social*) to ensure efficient deployment on the ground. Furthermore, there have been many written exchanges and specific technical meetings to integrate the views and proposals of the different levels of government, public and private stakeholders. This intense consultation process has provided very valuable inputs for the design and implementation of the Recovery and Resilience Plan.

Furthermore, 8 quarterly Parliamentary hearings have taken place in Congress and Senate where detailed updated information on implementation has been shared with members of the two chambers and regional representatives too. All requests for information from EU institutions have been met and there is close cooperation ongoing with the Commission to ensure good financial management and positive impact on the ground.



As you are well aware, contrary to other EU funds, the Recovery and Resilience Mechanism is performance-based, and therefore requires the fulfilment of milestones and targets linked to investments and reforms. Spain has been the frontrunner in the deployment of the *Next Generation EU* plan, showing the strong commitment of our country to this unprecedented European project. The outstanding growth rates registered in 2021 and 2022, with 5,5% year on year GDP growth, strong job creation and resilient investment, are greatly due to the efficient implementation of the Recovery Plan, which is clearly the main driver of the green and digital transformation ongoing in the Spanish economy.

So far, Spain has received 31 billion euro from the EU budget, corresponding to the fulfilment of 92 milestones and targets linked to reforms and investments, duly audited and approved by the European Commission. Furthermore, the European Court of Auditors has audited already the first payment, with a clean assessment that reflects the strong commitment to rigor and control at national and EU level.

Spain is deploying the agenda of reforms and investments of the Recovery Plan according to the principles of efficiency, transparency and accountability. To that end, public tenders and calls for grants are published in a dedicated web site (<https://planderecuperacion.gob.es/>) and outcomes of public procurement and grant procedures are published in national and regional databases. Two progress reports have been published on December 2021 and April 2022 and a third one will be approved this week and published on the aforementioned website.

Furthermore, the deployment of *Next Generation EU* funds is subject to the highest standards of audit and control, with new state-of-the-art IT systems based on existing and highly performant national annual budgetary management systems, and three lines of defense with internal and external audits from the highly respected General State Comptroller (*Intervención General de la Administración del Estado*) and the National and European Courts of Auditors.

In line with the highly decentralized political structure, Spanish regions play a key role in the design and implementation of the Recovery Plan. Around 20.6 billion euros have been transferred to the *Comunidades y Ciudades Autónomas*, based on allocation criteria agreed in *Conferencias Sectoriales*, in their areas of competence, such as education and health. Local governments are also investing around 5 billion euros of *Next Generation EU* funds allocated through different public calls for projects, for instance to deploy low-emission areas in city centers and renovate public buildings, amongst other objectives. Your upcoming meeting with responsible representatives of regional governments is very much welcomed. There has been very intense work at central level during 2021 and 2022 to kickstart and put an efficient architecture for the implementation of the Plan on track through budgetary execution, transfers to

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implementing authorities and bodies, structural reforms and launching of strategic projects. Thanks to this unprecedented effort, the focus is very much on the side of regional governments now, in order to ensure sound financial management of EU funds and real impact on the ground.

Beyond meetings with public and private representatives, we welcome the delegation's visit to the Spain Neurotech project. It will be a good opportunity to see first-hand the impact of Next Generation EU Funds on the ground.

Looking forward to meet you in Madrid, you can count on the full support and cooperation of the government of Spain to achieve our shared priority: ensuring the best possible management of EU funds to the benefit of European companies and citizens.

Kind regards,

Nadia Calviño  
Vice-President and Minister for  
Economy and Digitalization

María Jesús Montero  
Minister of Finance and  
Public Administration