



**ASSESSMENT OF INDIVIDUAL COUNTRY RECOMMENDATIONS BY EACH MEMBER FEDERATION**

*Q1: For each country specific recommendation Member Federations were asked to answer whether it is 1: extremely important; 2: Important; 3: Helpful (but not a priority); 4: Irrelevant; 5: Contrary to federation's advice;*

*Q2: For each recommendation, Member Federations were asked to answer whether government's efforts to implement it were: 1: Excellent, 2: Satisfactory; 3: Mixed; 4: Unsatisfactory; 5: no progress observed.*

*N.B.: Federations in countries under financial assistance commented on recommendations made by the Troika in Economic Adjustment Programmes; Non EU countries commented on recommendations made by the OECD*

**SPRING 2015 REFORM BAROMETER – SPAIN**

**European Semester - Overall assessment of 2015 cycle**

	<b>To what extent do you agree with these statements:</b>		<b>Detailed comments</b>
1.	The National Reform Programme submitted by your Government (April 2015) is appropriate	To some extent	The NRP is in line with CEOE proposals, although: 1. It would be necessary to boost the implementation of the pending reforms; 2. The end of the parliamentary term has slowed the reform process.
2.	The Commission's country specific recommendations for your country are appropriate.	To a large extent	Although the number of recommendations for Spanish economy has decreased markedly, specific recommendations are appropriate and in line with the CEOE proposals. They underline the need of continuing with the fiscal consolidation path and promoting an efficient functioning of the labour market.
3.	The Commission assessment of reform implementation the year before is appropriate.	To some extent	CEOE agrees with the European Commission assessment on the need to accelerate structural reforms, above all, the labour market, to improve the access to finance for SMEs and to remove the obstacles preventing businesses from growing. However, the achievements of the Spanish economy resulting from the implementation of structural reforms are not sufficiently outlined.
4.	The Commission assessment of excessive imbalances (in-depth review) is appropriate.	To a large extent	Despite the current account surplus, the low inflation and the return to recovery cycle, the Commission's analysis focus on the high levels of private and public sector indebtedness, the negative net international investment position and the very high unemployment. Spanish economy should deepen in labour market reform and reduce the public expenditure. Consequently, public debt could begin to reduce and improve the net international investment position.



**Assessment of Country Specific recommendations 2015 in detail**

		Q1 : the recommendation is :	Q2 : implementation on effort is	Detailed comments
CSR 1	Ensure a durable correction of the excessive deficit by 2016 by taking the necessary structural measures in 2015 and 2016 and using windfall gains to accelerate the deficit and debt reduction. Strengthen transparency and accountability of regional public finances. Improve the cost-effectiveness of the healthcare sector, and rationalise hospital pharmaceutical spending.	Extremely important	Mixed	Spain has maintained its fiscal consolidations efforts. However, taking into account the Spanish economic growth, CEOE deems that the public deficit in 2015 has not been enough reduced.
CSR 2	Complete the reform of the saving banks' sector, including by means of legislative measures, and complete the restructuring and privatisation of state owned savings banks.	Important	Satisfactory	The reform of the Savings Banks' legal framework is now complete. Privatisation of State-owned banks is also under way, but depends on the situation of the capital markets, as the Government priority at this stage is to recover as much public aid as possible.
CSR 3	Promote the alignment of wages and productivity, in consultation with the social partners and in accordance with national practices, taking into account differences in skills and local labour market conditions as well as divergences in economic performance across regions, sectors and companies. Take steps to increase the quality and effectiveness of job search assistance and counselling, including as part of tackling youth unemployment. Streamline minimum income and family support schemes and foster regional mobility.	Extremely important	Mixed	

		Q1 : the recommendation is :	Q2 : implementation on effort is	Detailed comments
CSR 4	Remove the barriers preventing businesses from growing, including size-contingent regulations; adopt the planned reform on professional services; accelerate the implementation of the law on market unity.	Important	Mixed	Spain has made progress in the process of adapting the national and regional laws to guarantee the unity of market at national level. However, it is needed a greater political willingness of all levels of Administration to work in coordination.

### Reform Progress in your Member State in 2015

How would you assess reform progress in 2015, for the following broad areas:

Taxation and Public Finances	Mixed
Business environment (regulation/access to markets)	Mixed
Labour market	Mixed
Innovation and skills	Unsatisfactory
Access to finance and Financial stability	Satisfactory



**Reform priorities for 2015**

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Pension and health care reforms	Pension system reform: 1. Pension formula should be taking into account throughout working life. 2. Gradual removal of early retirement 3. To evaluate tax-based financing sources of some social benefits not strictly linked to the labor activity.	no
Priority 2	Public sector efficiency	National agreement to improve the public sector efficiency. Better assessment and disclosure of information concerning public expenditure. Better management and monitoring of regional expenditure.	yes
Priority 3	Business Environment - Regulatory barriers to entrepreneurship	To continue the reduction of administrative burden at all levels of Administration and; to make additional efforts in the implementation of the Law on market unity.	yes
Priority 4	Active labour market policies	1. To strengthen the effectiveness of employment policies in order to meet the needs of companies. 2. To reform the public employment services and promoting the public-private partnership in the management of labour market policies. 3. To link passive and active labour market policies.	no
Priority 5	Labour supply measures for specific groups (older workers, women...)	Workers aged over 45 years: 1. It is necessary to make a complete assessment of the active policies applied to this group. 2. It would be appropriate to implement a specific strategy that improves employability. Young workers: 1. New contract linked to training. 2. To reduce entry barriers (for example: not apply the minimum wage of the collective agreement)	no