

SPRING 2018 REFORM BAROMETER – SPAIN

European Semester - Overall assessment of 2017 cycle

	To what extent do you agree with these statements:		Detailed comments
1.	The National Reform Programme submitted by your Government (April 2017) is appropriate.	Not enough	The NRP 2017 was conditioned by the political situation of the Government in 2016 and the new parliamentary majorities resulting from the election. The NRP 2017 highlighted the major progress made in recent years. It also pointed out some of the most relevant areas in which further reforms are necessary.
2.	The Commission's country specific recommendations for your country are appropriate.	To a large extent	Country specific recommendations to Spain are in line with CEOE's top priorities.
3.	The Commission assessment of reform implementation the year before is appropriate.	To some extent	CEOE agrees to a large extent with the European Commission assessment on the Spanish progress to address the country specific recommendations.
4.	The Commission assessment of excessive imbalances (in-depth review) is appropriate.	To a large extent	The assessment of excessive imbalances of Spain is appropriate. However, it does not adequately show the results of the reforms carried out and the current trend in areas such as private indebtedness or unemployment. Spain has made very important efforts for many years that allow addressing such imbalances.

Assessment of Country Specific recommendations 2017 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	Ensure compliance with the Council Decision of 8 August 2016, including also measures to strengthen the fiscal and public procurement frameworks. Undertake a comprehensive expenditure review in order to identify possible areas for improving spending efficiency.	Important	Mixed	

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 2	Reinforce the coordination between regional employment services, social services and employers, to better respond to jobseekers' and employers' needs. Take measures to promote hiring on open-ended contracts. Address regional disparities and fragmentation in income guarantee schemes and improve family support, including access to quality childcare. Increase the labour market relevance of tertiary education. Address regional disparities in educational outcomes, in particular by strengthening teacher training and support for individual students.	Important	Unsatisfactory	
CSR 3	Ensure adequate and sustained investment in research and innovation and strengthen its governance across government levels. Ensure a thorough and timely implementation of the law on market unity for existing and forthcoming legislation.	Important	Mixed	

Reform Progress in your Member State in 2017

How would you assess reform progress in 2017, for the following broad areas:

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

Reform priorities for 2018

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Active labour market policies	<ol style="list-style-type: none"> 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. 	yes
Priority 2	Pension and health care reforms	Pension system reform: <ol style="list-style-type: none"> 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 labour activity. 	yes
Priority 3	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 4	Tax reforms	<ol style="list-style-type: none"> 1. To Guarantee a stable legislative framework for corporate taxation. 2. Do not increase corporate taxation as the only means to reduce public deficit but reduce public expenditure by reforming Public Administration avoiding i.e. overlapping. Increasing corporate taxation affects private investment and employment 	no
Priority 5	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.	