### VOLUNTARY NATIONAL REVIEW 2024

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#### ON THE IMPLEMENTATION OF THE 2030 AGENDA

A COUNTRY COMMITTED TO HUMAN RIGHTS AND COLLECTIVE WELL-BEING



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# FORE VORDS

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In 2015, the year of the adoption of the 2030 Agenda by the United Nations General Assembly, we saw that date (the year 2030) as a distant one. Now it is not so far away. In fact, we are further away from the year in which those commitments were adopted than from the year in which they are to be fulfilled.

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I would like to be able to say that we have achieved the goals or are close to achieving them. Certainly, there are many global achievements to rejoice in, but they are not enough. The UN Secretary General has issued a warning message: if current trends continue, the extreme poverty we set out to eradicate will still exist in 2030; hunger will remain, perhaps even worsen; and closing the gender gap will remain a distant horizon.

In any journey it is necessary to take as a benchmark where we are and where we want to go. The international community did so last year at the Sustainable Development Goals summit. Spain is doing so again with this document, in which we are accountable to other countries with the aim of improving our performance and sharing lessons learned.

The Spanish Government, the Autonomous Communities, local entities, civil society, the private sector and academia have worked together to make great progress in recent decades. But we are aware that much remains to be done. For this reason, we have placed the fulfilment of the goals set out in the 2030 Agenda at the heart of a government project committed to this goal.

We are driven by the will to inspire others by example. Thus, we are the first donor to the Joint SDG Fund; we have hosted the secretariat of the Local 2030 Coalition; and we have committed by law to allocate 0.7% of the Gross National Income to Official Development Assistance by 2030. My personal commitment to this cause as president is total. Even more so, as part of the UN Secretary General's Leaders Group on advancing the Sustainable Development Goals.

We have taken concrete steps to improve the daily lives of our citizens, which is, in essence, the purpose of the 2030 Agenda. We have made feminism and the fight against the climate emergency the backbone of our policies. We have adopted measures that improve and dignify our labour market, providing us with more instruments of social protection. We have made decisive progress in the just transition to a green economy. And we have strengthened rights and public policies aimed at closing the gender gap and guaranteeing the rights of LGBTI people.

Our work is far from finished. There is a long way to go in Spain to strengthen social protection, guarantee effective equality between men and women, consolidate investment in public services such as education and health, continue to reduce greenhouse gas emissions and face the demographic challenge. The report that follows these words will serve to open a conversation that will allow us to improve and contribute to the discussions at the High-Level Political Forum and the major events that await us at the 2024 Future Summit and the Fourth International Conference on Financing for Development in 2025, which will take place in Spain.

Some think that this is not the time for cooperation; that the conflicts ravaging the planet force us to look inwards and focus exclusively on defending national interests. The vision I share is diametrically opposed. Conflicts are the symptom and the alarm bell that warns of the need for more cooperation, not less; more dialogue, more multilateralism and more social justice. And the 2030 Agenda is the best roadmap we have to make them a reality. Let us go down that road together.

**Pedro Sánchez Pérez- Castejón** President of the Spanish Government

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The decade ending in 2030 is approaching its halfway point. The picture it has brought us has many reasons for concern. Our era is being beset by multiple crises, which are accumulating and providing feedback before our eyes. A planetary pandemic, a profound reconfiguration of globalisation as we have known it, linked economic recessions, growing geopolitical tension, the unbearable return of war to Europe's doorstep... And on top of all this, a climate and ecological emergency that threatens to tear apart the social contract we inherited from the 20th century.

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I describe this situation starkly because, despite everything, this is not a time for resignation. There is also little room for anxiety or paralysis. It is exactly the other way around: our task from the institutions must be to conquer, with bold measures in the present, a future that, instead of worry, offers certainty and confidence to our populations. In the face of the seriousness of the problems we face, we must show that it is possible to counteract the drift of violence and global disorder; that it is possible to emerge from a time of crisis in a way that is unjust, causing great damage to our society and our planet; but also with solidarity, justice and strength, laying the foundations for shared cohesion and well-being.

That is what the 2030 Agenda is for. In September 2015, 193 countries with a shared concern for the major challenges facing humanity joined forces to establish a common and more just future. The result was the Agenda and its 17 Sustainable Development Goals. We talk about such fundamental issues as living in peace, without fear of war, hunger and disease. To breathe clean air and ensure universal access to education. To promote equality between men and women, to combat inequality between social classes. In short, we are talking about opening the way to a future capable of offering certainty instead of anguish.

These are the commitments expressed in the 2030 Agenda. Its goals offer a bright way out of a dark time. This is precisely why they have become the scapegoat for denialism and global authoritarianism. In the face of these voices, the only way forward is to establish the guarantee that future society will entail a tangible improvement in the living conditions of the majority of the population.

This report reflects the progress made by Spain in this task. These successes are the result of a formidable collective effort in which society as a whole has been involved, and which have made us an international benchmark for those who wish to walk this path hand in hand. Spain has shown, with the management of COVID-19, that it is possible to get out of a crisis, not with cuts and austerity, but with collective responsibility, taking care of the most vulnerable and strengthening social cohesion.

This is shown by the data on our economic recovery. Compared to the lost decade of austerity after the 2008 crisis, in 2020 it took us only two and a half years to recover our pre-pandemic GDP. At the same time, inequality has been reduced: the Gini coefficient has fallen by more than 3 points since 2015. The trend in terms of combating carbon emissions is also encouraging, with a reduction of 11.7% between 2015 and 2022. In April 2024, 59.5% of the national electricity mix came from renewable sources, according to data from Red Eléctrica Española. These are very positive trends that should serve as inspiration and point the way forward.

The Report also identifies the major challenges that our country must face in the coming years to complete this collective endeavour. We continue to live with the unacceptable reality of the risk of poverty, inequality and social exclusion, the consequences of which are particularly acute for children in our country. Spain continues to have a significant deficit of investment in the economic and social protection of children and families by the public authorities. These challenges are compounded by other challenges such as demographic change, persistent gender inequalities and the care crisis, realities that

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summon us to continue to strengthen our universal citizenship rights and to renew, in an expansive sense, the safety net offered by our welfare state.

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The challenge is great: we need to forge a horizon of well-being and certainty, a credible idea of a better life that can credibly challenge the social majorities of our time. It is a question of demonstrating that it is possible to face the problems that lie ahead and at the same time aspire to a dignified, free and fulfilling life. That we do not have to give up our rights, but on the contrary, that we have the right to this better existence. That the current demands and dissatisfactions have a political and collective response. It is about building the certainty that a better life is possible, and that building it is a common responsibility.

#### Pablo Bustinduy Amador

Minister for Social Rights, Consumer Affairs and the 2030 Agenda

### INTRODUCTION

In July 2024, Spain presents its third Voluntary National Review in the framework of the High-Level Political Forum for Sustainable Development. This review is also linked to the mid-term review of the 2030 Sustainable Development Strategy, adopted in June 2021, which will be undertaken in the second half of 2024 and will be completed in 2025.

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The first part of this report describes the quantitative evolution of progress in key monitoring indicators of the 2030 Sustainable Development Strategy and others of relevance, detailing progress and setbacks in these indicators and analysing their evolution since 2015, when the 2030 Agenda was approved by the UN, and since 2021, the year of approval of this Strategy. This section is articulated around the 8 Country Challenges of the Strategy:

- Country Challenge 1: Ending poverty and inequality
- Country Challenge 2: Addressing the climate and environmental emergency
- Country Challenge 3: Closing the gender inequality gap and ending discrimination
- Country Challenge 4: Overcoming the inefficiencies of an over-concentrated and over-dependent economic system
- Country Challenge 5: Ending job insecurity
- Country Challenge 6: Reversing the crisis in public services
- Country Challenge 7: Ending global injustice and threats to human rights, democratic principles and the planet sustainability
- Country Challenge 8: Revitalising our rural areas and facing the demographic challenge

The second part of this report focuses on the analysis of a selection of public policies and strategic regulatory frameworks implemented following the approval of the Sustainable Development Strategy. This set of measures is structured around the main lines of action (commitment to human rights, strengthening the welfare state, just ecological transition, protection of labour rights, and the fight against the gender gap and discrimination) which, in turn, respond to the eight Country Challenges. A series of actions which, however, do not exhaust the efforts made by the government in the last legislature, but which do allow us to identify the main advances made.

At the end of each of these axes, an analysis of the interlinkages between the goals of the strategy is also presented, with the aim of highlighting the interlinkages between the different goals set out in the Sustainable Development Strategy and the actions taken to achieve them. This section also details the mechanisms of participation, transparency and accountability, as fundamental human rights principles for the design, implementation and evaluation of public policies, established in the General State Administration for the achievement of the 2030 Agenda for Sustainable Development.

The third part of the report presents the strategic advances in terms of the 2030 Agenda by autonomous communities and cities, focusing on the main advances and setbacks in terms of regional implementation of the 2030 Agenda, strategic planning, governance and intergovernmental coordination within regional governments, the strengthening of coordination with local entities and civil society, and the budgetary and regulatory alignment of autonomous communities and cities with the 2030 Agenda. It also details the progress made by local entities, including concrete examples of good practice in localising SDGs.

The fourth part of the report describes the progress made on Policy Coherence for Sustainable Development (PCSD). This section includes progress in identifying tools for the progressive development of a comprehensive PCSD system, in line with OECD recommendations in this regard. This includes the

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activation of 2030 Agenda governance bodies, analysis of PCSD both within Spain and the impacts of national policies abroad, training of public employees in this area, SDG indicator 17.14.1, and policy and budget alignment with the 2030 Agenda and the SDGs.

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The report ends with a chapter dedicated to identifying a set of areas that constitute persistent challenges that Spain faces in areas such as the fight against poverty and inequality, tackling the climate and environmental crisis, continuing efforts to eradicate job insecurity, and addressing the care crisis. This chapter is intended as an exercise in reflection that makes it possible to point to the public policies that must be strengthened in the upcoming years to accelerate compliance with the 2030 Agenda for sustainable development.

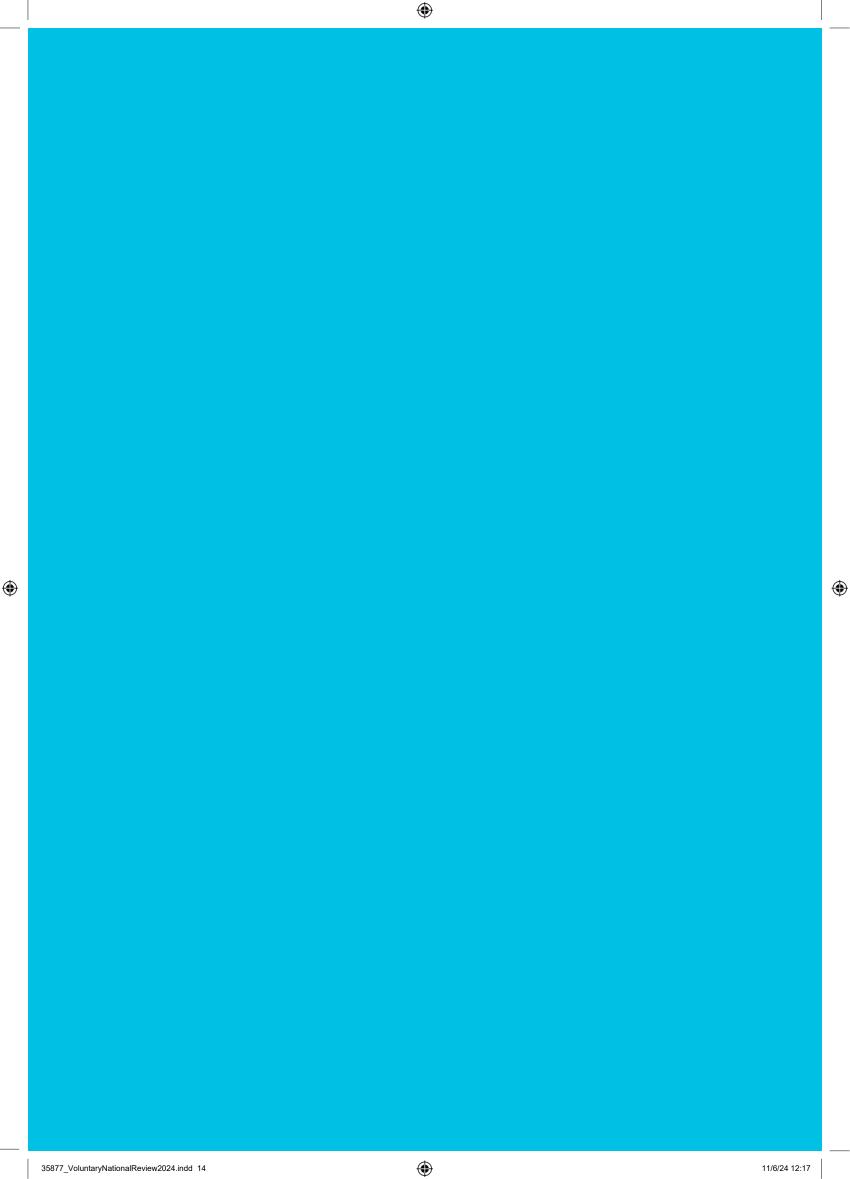
In the form of an appendix are the contributions of:

- Sustainable Development Council: formal body representing civil society regarding the 2030 Agenda. This body has issued an Opinion assessing the progress and weaknesses of the sustainable development strategy and includes an executive summary.
- National Institute of Public Administration (INAP): this annex includes a synthesis of the transversal role
  of the Sustainable Development Goals in the professional development and training of public
  employees in Spain.
- National Statistics Institute:(INE) statistical annex prepared on the basis of the statistical operation Indicators of the 2030 Agenda for Sustainable Development, which provides information on the international indicators of the Sustainable Development Goals for which Spain currently has data, in accordance with the United Nations Global Indicators Framework agreed by the Inter-Agency and Expert Group on Sustainable Development Goal Indicators (IAEG-SDGs).

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## QUANTITATIVE EVOLUTION OF PROGRESS

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This section analyses, from a quantitative point of view, the 8 Country Challenges of the 2030 Sustainable Development Strategy, documenting progress, stagnation and setbacks through the analysis of a set of benchmark indicators, selected because they constitute reference indicators in the 2030 Sustainable Development Strategy, or because of their relevance for the identification of future challenges.

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During the mid-term review of the Sustainable Development Strategy, scheduled for 2024-2025, an indepth study will be conducted on the implementation indicators of the 2030 Agenda in Spain, in order to design a comprehensive framework of well-being indicators aligned with the 2030 Agenda and its future development within the United Nations. The design of this framework will also be supported by parallel processes, such as the UN review of the System of National Accounts, which will be completed in 2025 and integrated into European requirements in this respect in 2029; the search for better indicators of wellbeing beyond GDP in the context of the European Union; and the work being carried out in the context of the Interministerial Statistics Commission and the Interterritorial Statistics Committee to coordinate national and regional measurement efforts, in order to improve the coherence and comparability of all indicators of sustainable development in Spain.

The analysis in this section is framed in two different time horizons. On the one hand, the evolution of indicators since 2015, when the United Nations General Assembly adopted the 2030 Agenda; and on the other, the same evolution since 2021, when the 2030 Sustainable Development Strategy was approved.

However, the global and thus the national situation is in a recovery phase following the current global situation resulting from numerous factors, including the COVID-19 pandemic; the effects of the war in Ukraine on markets and the price hike driven by energy prices; or the situation in Gaza with the Israeli offensive and its impact on world markets for raw materials, energy and other essential supplies.

While the main distorting effect on Spain's social, economic and environmental evolution has been the standstill of almost all activity in 2020 due to the health emergency, the subsequent recovery process has had a not yet clearly stabilised effect on the main monitoring indicators of the 8 Country Challenges. Overall, some indicators are already showing values comparable in their evolution to the pre-pandemic years, but the vast majority of the rest are still suffering from the effects of the global economic slowdown, the exit process and the rebound effect. These effects can be seen in a sawtooth evolution since 2020 for indicators with linear, declining and growing developments, which have not yet stabilised in the last 2-3 years. Moreover, the lack of updated information for 2023, and even for some indicators for 2022, does not allow for analyses free from the bias of the recent context. It will take a few more years to see the stabilisation of these indicators and to define more clearly the evolution of Spain's country challenges.

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### COUNTRY CHALLENGE 1. ENDING POVERTY AND INEQUALITY

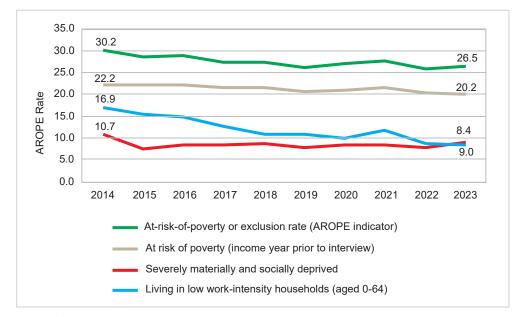
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Within the framework of the 2030 Sustainable Development Strategy, Country Challenge 1 addresses the need to curb and prevent structural poverty and inequality in Spain. To this end, the defined goals promote a social transition that eradicates situations of monetary exclusion, social discrimination and deprivation of rights, through the strengthening of the social protection system that guarantees economic and social rights in order to leave no one behind.

#### **16.1. RISK OF POVERTY OR SOCIAL EXCLUSION**

The risk of poverty or social exclusion (measured through the AROPE indicator) is a structural phenomenon that affects more than 20% of the population in Spain, reaching its historical maximum in 2014, with 29.2%. Focusing on the period under analysis (2015-2023) the number of people has been decreasing

GRAPH 1. PERCENTAGE OF THE POPULATION AT RISK OF POVERTY OR SOCIAL EXCLUSION (AROPE RATE) AND ITS COMPONENTS.



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Source: Living Conditions Survey-INE

and in 2023 it stood at 26.5 % of the population. However, in 2023 it increased compared to 2022 by 0.5 percentage points.

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Looking at the three components that make up the AROPE indicator, the reduction in the percentage of poverty has been particularly noteworthy in the percentage of people living in households with low work intensity (0-64 years). The at-risk-of-poverty rate decreased to 20.2% (compared to 22.1% in 2015). However, due to price increases in several commodities and basic supplies as a result of the global inflationary crisis caused by the war in Ukraine, severe material and social deprivation has risen from 7.4% to 9%.

#### Poverty and social exclusion by gender

Despite the reduction in the number of people at risk of poverty or social exclusion in Spain, its evolution has been unequal between men and women. Between 2015 and 2023, while in men this decrease was 3.4 percentage points, in women it was only by 1 percentage point.



GRAPH 2. AT-RISK-OF-POVERTY OR SOCIAL EXCLUSION RATE (AROPE INDICATOR) BY GENDER

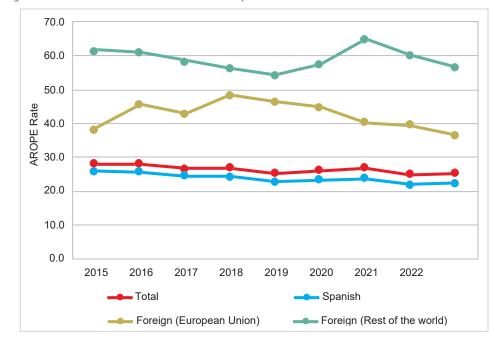
Source: Living Conditions Survey-INE

#### Poverty and risk of social exclusion by national origin

The data show that nationality is a determining factor in the risk of poverty or social exclusion. In 2023, this percentage in Spain affected 25.2% of the population aged 16 and over, while in the same year, the rate for the foreign population born in a non-EU country was 57% in the same age bracket. Even the percentage of the EU population at risk of poverty for that year was 36.5%. In short, the data show the substantial difference in the percentage of the population affected depending on their place of birth.

Although all three population groups analysed have reduced the risk of poverty and social exclusion in the 2015-2023 period, the non-EU-born foreign population has reduced the risk the most, by 4.9 percentage points. Finally, the EU and the Spanish population did so by 2.3 and 3.5 points, respectively.

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GRAPH 3. AROPE RATE. EVOLUTION IN SPAIN AND EU27

Source: Living Conditions Survey-INE

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#### Poverty and risk of social exclusion by household type

The type and composition of the household have associated structural features: the highest affectation rate is found in households with dependent children and those composed of one adult person, with or without dependent children.

In 2023, the risk of poverty and social exclusion for single adult households with one or more dependent children stood at 52.7%. At the other extreme are two adult households without children, with a rate of 20%, and other households without dependent children, with a rate of 18%.

With regard to the evolution of poverty and social exclusion in the period analysed (2015-2023), there is evidence of a reduction in the affected population in all households, with two exceptions: those made up by

	2015	2016	2017	2018	2019	2020	2021	2022	2023
	2015	2010	201/	2010	2019	2020	2021	2022	2025
	28.7	28.8	27.5	27.3	26.2	27.0	27.8	26.0	26.5
One-person households	27.8	27.5	29.0	29.5	27.4	32.6	34.6	32.2	32.4
2 adults without dependent children	23.4	24.0	23.7	23.7	21.5	21.8	21.1	20.8	20.0
Other households without dependent children	25.8	25.1	23.4	22.8	22.8	22.7	21.0	18.4	18.0
1 adult with 1 or more dependent children	47.8	51.8	48.3	51.1	47.6	49.8	54.3	49.2	52.7
2 adults with 1 or more dependent children	28.0	29.1	27.2	26.4	25.3	24.9	27.6	26.8	28.5
Other households with dependent children	40.7	37.9	35.1	34.7	35.6	37.8	37-3	31.1	30.3

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TABLE 1. EVOLUTION OF THE RISK OF POVERTY AND/OR SOCIAL EXCLUSION BY TYPE OF HOUSEHOLD 2015-2023 (PERCENTAGE)

Source: Living Conditions Survey. INE

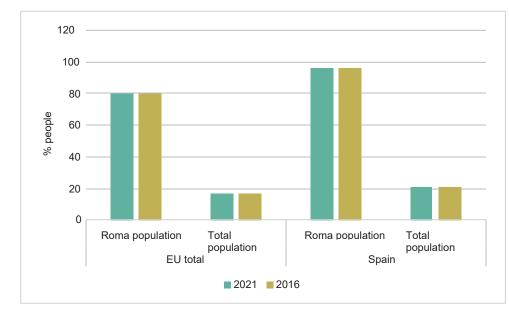
a single person, with a 4.6 percentage point increase in the rate, and single-parent households with one or more dependent children, with a 4.9 percentage point increase. It should be mentioned that the category of other households with three or more adults and with dependent children is the one that has seen the AROPE rate decrease the most, standing at 10.4 percentage points lower in 2023 than in 2015.

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#### Poverty and social exclusion of the Roma population

The Roma population faces a higher risk of poverty and social exclusion than the rest of the population. Thus, in 2021, 98% of the Roma population in Spain<sup>1</sup> was at risk of poverty, with an EU average of 80%. These figures have not evolved in the period for which data are available (2016-2021), reflecting the need for urgent measures to tackle the very marked discrimination to which the Roma population is subjected in comparison with the rest of the population.





Source: Fundamental Rights Agency (FRA) of the European Union, 2022.

#### Poverty and social exclusion of people with disabilities

People with disabilities experience structural barriers that have discriminatory causes and effects and which materialise in a higher risk of poverty and social exclusion than people without disabilities. According to the methodology used by EAPN España, in 2022, 30%, i.e. one in three people with disabilities, would be at risk of poverty and/or social exclusion, while for non-disabled people the figure would be 22.7%.

In terms of evolution, between 2015 and 2020, the risk of poverty and social exclusion increased to reach an all-time high in 2020, with 35.4% of the population with disabilities at risk of poverty. Since then, the rate has decreased to 30% in 2022. Looking at the period 2015-2022, the number of people with disabilities at risk of poverty and social exclusion has decreased by 1.5 percentage points. Despite this slight decrease, the gap highlights the need to continue to adopt measures to tackle the particular causes and effects of poverty and social exclusion to which this group is subjected.

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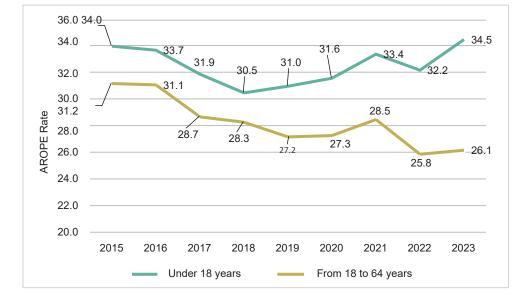
<sup>1</sup> European Union Agency for Fundamental Rights, Roma in 10 European Countries, 2021. Accessible at https://fra.europa.eu/sites/ default/files/fra\_uploads/fra-2023-roma-survey-2021-technical-report\_en.pdf

#### 16.2. CHILD POVERTY

Despite the efforts made, child poverty continues to be a deep and pressing problem in Spain. Between 2015 and 2023, the percentage of people under the age of 18 at risk of poverty or social exclusion is, over the whole period, higher than that of the population aged between 18 and 64. Specifically, in 2023, its incidence in people under 18 years of age was 8.4 percentage points higher than in the adult population.

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In terms of evolution over the same period, the data show a first trajectory of slight decline until 2018, when the percentage stood at 30.5 %, before returning to an upward trend to reach 34.5 % in 2023, which is half a percentage point higher than in 2015. This shows that child poverty continues to be a structural phenomenon in our country, justifying, therefore, the need to develop policies focused on this problem and also capable of tackling the persistence of poverty from one generation to the next, a phenomenon that affects a high percentage of households in Spain. Evidence of this is that 35% of people born into households with a bad or very bad economic situation are poor as adults, and the probability of experiencing poverty as adults is 20 times higher for people born into households with economic difficulties than for those born into households in a good or very good economic situation.<sup>2</sup>



GRAPH 5. RISK OF POVERTY AND/OR SOCIAL EXCLUSION. POPULATION <18 YEARS VS. ADULT POPULATION

Source: Living Conditions Survey. INE.

#### **16.3. INCOME INEQUALITY**

Income inequality is a problem closely linked to the risk of poverty and social exclusion, for the analysis of which the S8o/S2o indicator and the Gini index<sub>3</sub> are relevant. Between 2015-2023, the S8o/S2o ratio, which measures the income earned by the 20% of the population with the highest income relative to the average income earned by the 20% of the population with the lowest income, has shown a declining trajectory, such that inequality between groups at the extremes of the population in terms of income has decreased. In other words, the gap between those with higher incomes and those with lower incomes has narrowed. This trend of decreasing inequality is also corroborated by an analysis of the evolution of the Gini coefficient, which has also been decreasing over the same period.

3 Gini coefficient: cumulative proportion of the population ordered by income equivalent to the cumulative proportion of income earned by them. It

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<sup>2</sup> Sara Ayllón, Pablo Brugarolas, and Samuel Lado, The intergenerational transmission of poverty and inequality of opportunity in Spain, 2022

is a measure of inequality that takes the value o in the case of perfect equity and 100 in the case of perfect inequality

#### TABLE 2. INCOME INEQUALITY INDICATORS

	2015	2016	2017	2018	2019	2020	2021	2022	2023
S80/S20	6.9	6.6	6.6	6.0	5.9	5.8	6.2	5.6	5.5
Gini Index	34.6	34.5	34.1	33.2	33.0	32.1	33.0	32.0	31.5

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Source: National Statistics Institute

Knowing the income inequality of working people according to sex is a key aspect for analysing equality between women and men in such an important aspect as the income associated with work activity. Looking at the evolution of the S8o/S2o indicator between 2015 and 2023, inequality between the extreme groups of the population has decreased for both women and men, a decrease that has been greater for men. The value was equalised, in 2023, for both.

For its part, the Gini coefficient, in the same period, has also shown a downward trend for both men (31.4 compared to 34.9 in 2015) and women (31.7 compared to 34.3 in 2015), with the decrease again being slightly more significant for men.

		2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>60</b> 0/ <b>6</b> 00	Men	7.1	6.7	6.5	6.0	5.9	5.8	6.2	5.6	5.5
S80/S20	Women	6.6	6.5	6.7	6.0	6.0	5.7	6.2	5.7	5.5
	Men	34.9	34.6	33.7	33.0	32.6	32.0	32.8	31.7	31.4
Gini Index	Women	34.3	34.4	34.5	33.4	33.4	32.1	33.2	32.2	31.7
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TABLE 3. INEQUALITY IN INCOME DISTRIBUTION BY SEX

Source: National Statistics Institute

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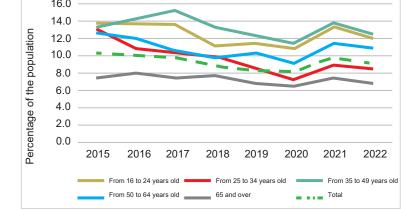
#### 16.4. RIGHT TO HOUSING

The percentage of the population with high expenditure on housing, i.e. when this expenditure represents at least 40% of total household disposable income (without transfers) has decreased by 1.1 percentage points between 2015 and 2022. However, after five consecutive years of decline, in 2020 this percentage increased again.

Furthermore, there is also a gender gap in this area, since in 2022, the percentage of people with high expenditure on housing was o.8 percentage points higher in the case of women. In terms of incidence by age, it is people aged between 16 and 24 and between 35 and 49 who spend the highest percentage of their disposable income on housing costs.



GRAPH 6. POPULATION WITH HIGH EXPENDITURE ON HOUSING BY AGE (% PERCENTAGE)



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Source: Living Conditions Survey. INE

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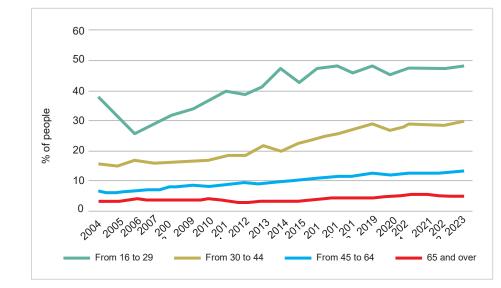
In comparative terms with the European Union, and according to Eurostat data for the year 2023, the percentage of the population overburdened with housing payments fell to 8.2%, which is the lowest figure in the last seventeen years. However, in the case of households living in rented accommodations, despite the favourable evolution observed in the last two years, they continue to face a significant overburden. Thus, in 2023, 30.6% of the population living in market-rate rental housing would spend more than 40% of their income on housing, which is about 10 points above the EU average.

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The price of rent has increased significantly in recent years. According to data from the State Reference System for Housing Rental Prices, between 2015 and 2022, the price of rent has increased by 25.2%, with some territorial areas registering increases of more than 50% in that period. This evolution of housing prices and household effort has led to the declaration, last March, of the first stressed housing market area within the framework of Law 12/2023 of 24 May on the right to housing, an issue that is discussed in more detail in the following chapter of this report.

On the other hand, it should be kept in mind that this increase in rental prices is taking place in a context in which renting has become more common in our country compared to home ownership. According to the latest Eurostat data, which include rented and rent-free housing, renting has risen from 20.3% of the population in 2011 to 24.7% in 2023. This represents an increase of 21.6% and may represent, taking into account the significant growth in the number of households with this tenure, close to one million more rental dwellings in this period. This trend contrasts with the more stable European average, where the percentage of the population living in rented accommodation has increased very slightly from 29.2% in 2011 to 30.9% in 2022.

This growth in renting does not seem to be interpreted as a change in preferences, as it is found to occur, very significantly, among the lower income population, as well as among young people. It seems to show, therefore, the impossibility of accessing home ownership that these population groups experience as a result of their employment situation, their reduced savings capacity and the difficulty of accessing financing to make the purchase possible. According to the latest data from the National Statistics Institute, among households of 16-29 year olds, the percentage of those living in rented housing at market price has increased from 25.5 % in 2006 to 48.7 % in 2023. In the 30-44 age range there has also been a significant increase from 17.1% in 2006 to 29.6% in 2023.



GRAPH 7. MARKET-RATE RENTAL POPULATION BY AGE RANGE.

Source: Living Conditions Survey. INE

It is also important to note that, in contrast to other European countries, Spain has a small stock of social housing, which covers only 2.5% of households. This percentage is reduced to 1.6% if only public rental housing is considered, which barely reaches 290,000 dwellings, according to the latest estimates of the Observatorio de Vivienda y Suelo (Housing and Land Observatory). This is clearly not enough to serve 18.9 million households.

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#### 16.5. PROGRESS AND SETBACKS IN TACKLING POVERTY AND INEQUALITY

Indicator (%)	2015	2021	Last updated year	Change 2015- update <sup>4</sup>	Trend	Change 2021-update	Trend	Progress Report	SDS	Remarks
AROPE RATE. Risk of poverty or social exclusion (Europe 2030 objective)	28.7	27.8	26.5	-2.2	1	-1.3		PR 2022 and 2023	YES	Last update 2023. Units: percentage
AROPE RATE. At risk of poverty (income in the year prior to the interview). (Europe 2030 objective)	22.1	21.7	20.2	-1.9		-1.5		PR 2022 and 2023	YES	Last update 2023. Units: percentage
AROPE RATE. Severely materially and socially deprived	7.4	8.3	9	1.6		0.7		PR 2022 and 2023	YES	Last update 2023. Units: percentage
AROPE RATE. Living in low work-intensity households (o-64 years) (Europe 2030 objective)	15.4	11	8.4	-7		-2.6		PR 2022 and 2023	YES	Last update 2023. Units: percentage
AROPE RATE Risk of poverty or social exclusion (Europe 2030 objective) by gender. Women	28.5	28.9	27.5	-1	Ø	-1.4	Ø	PR 2022 and 2023	YES	Last update 2023. Units: percentage
AROPE RATE Risk of poverty or social exclusion (Europe 2030 objective) by gender. Men	28.9	26.7	25.5	-3.4		-1.2		PR 2022 and 2023	YES	Last update 2023. Units: percentage
At-risk-of-poverty or social exclusion rate (AROPE indicator). Spanish nationality	25.8	23.6	22.3	-3.5	1	-1.3		PR 2022 and 2023	YES	Last update 2023. Units: percentage
At-risk-of-poverty or social exclusion rate (AROPE indicator). EU Foreigner	38.8	40.3	36.5	-2.3	1	-3.8		PR 2022 and 2023	YES	Last update 2023. Units: percentage

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4 For % units, the change between the two periods of analysis is measured as percentage points and not as percentage change, which is used for all other units.

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Indicator (%)	2015	2021	Last updated year	Change 2015-update	Trend	Change 2021- update	Trend	Progress Report	SDS	Remarks
At-risk-of-poverty or social exclusion rate (AROPE indicator). Non-EU foreigners	61.9	65.2	57	-4.9		-8.2		PR 2022 and 2023	YES	Last update 2023. Units: percentage
At-risk-of-poverty and/or social exclusion rate (Europe 2030 objective) One-person households	27.8	34.6	32.4	4.60		-2.2		PR 2022 and 2023	YES	Last update 2022. Units: percentage
At-risk-of-poverty and/or social exclusion rate (Europe 2030 objective). 2 adults without dependent children	23.4	21.1	20	-3.4		-1.1		PR 2022 and 2023	YES	Last update 2022. Units: percentage
At-risk-of-poverty and/or social exclusion rate (Europe 2030 objective). Other households without dependent children	25.8	21	18	-7.8		-3		PR 2022 and 2023	YES	Last update 2022. Units: percentage
At-risk-of-poverty and/or social exclusion rate (Europe 2030 objective). 1 adult with 1 or more dependent children	47.8	54.3	52.7	4.90	$\ominus$	-1.6		PR 2022 and 2023	YES	Last update 2022. Units: percentage
At-risk-of-poverty and/or social exclusion rate (Europe 2030 objective). 2 adults with 1 or more dependent children	28	27.6	28.5	-0.5		0.9		PR 2022 and 2023	YES	Last update 2022. Units: percentage
At-risk-of-poverty and/or social exclusion rate (Europe 2030 objective). Other households with dependent children	40.7	37.3	30.3	-10.4		-7		PR 2022 and 2023	YES	Last update 2022. Units: percentage
At-risk-of-poverty or social exclusion rate (AROPE indicator). Population with disabilities	31.50	33.00	30.00	-1.5		-3.0		NO	YES	Last update 2022. Units: percentage
Energy poverty: Disproportionate expenditure indicator (2M) (% households)	16.6	16.4	16.4	-0.2		0.0	+	PR 2022 and 2023	YES	Last update 2021. Units: % households

Indicator (%)	2015	2021	Last updated year	Change 2015- update	Trend	Change 2021- update	Trend	Progress Report	SDS	Remarks
Energy poverty: Under-spending indicator (M/2) (% households)	12.2	9.3	9.3	-2.9	Ø	0.0	+	PR 2022 and 2023	YES	Last update 2021. Units: % households
Energy poverty: Inadequate temperature (% population)	10.6	14.3	14.3	3.7	$(\mathbf{y})$	0.0	+	PR 2022 and 2023	YES	Last update 2021. Units: % population
Energy poverty: Late payment of invoices (% population)	8.8	9.5	9.5	0.7	$(\mathbf{a})$	0.0	+	PR 2022 and 2023	YES	Last update 2021. Units: % population
Child poverty rate (o- 17 years)	34	33.4	34.5	0.5		1.1		PR 2022 and 2023	YES	Last update 2023. Units: percentage
Gini Index	34.6	33	31.5	-3.1		-1.50		PR 2022 and 2023	YES	Last update 2023. Units: index
Distribution of income S8o/S20	6.9	6.2	5.5	-1.4		-0.7	Ø	PR 2023	YES	Last update 2023. Units: index
Population with high expenditure on housing (%)	10.3	9.9	9.2	-1.1		-0.7		PR 2022	NO	Last update February 2022. Units: percentage
Population overexposed to housing payments. All tenure regimes (eurostat)	10.3	9.9	8.2	-2.1		-1.7		NO	NO	Last update 2023. Units: percentage
Population overexposed to housing payments. Rent at market price (eurostat)	43.3	40.9	30.6	-12.7		-10.3		NO	NO	Last update 2023. Units: percentage
Rental Housing Price Index.	100	112.694	112.694	12.7		0.0	+	NO	NO	Last update February 2021. Units: index

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Indicator (%)	2015	2021	Last updated year	Change 2015- update	Trend	Change 2021- update	Trend	Progress Report	SDS	Remarks
Annual rate of the Rental Housing Price Index by type of building. Single- family house	o.6	1.9	1.9	1.3		0.0	+	PR 2022	NO	Last update February 2021. Units: percentage
Annual rate of the Rental Housing Price Index by type of building. Collective housing	0.2	1.5	1.5	1.3		0.0	+	NO	NO	Last update February 2021. Units: percentage
1	Significant progress (≥1)		Moderat e progress (between o and 1)	+	Stagnation (=0)	$\overline{\mathfrak{A}}$	Slight decline (between -1 and o)		Significa nt decline (≤-1)	

#### Legend:

• 2015. Base year of analysis since the adoption of the SDGs. For some indicators the base year of the indicator is after 2015. For each of these indicators, the base year of reference is added under Remarks.

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• **2021.** Base year of the analysis since the adoption of the 2030 SDS.

• Last updated year. Data available for each indicator for the latest available year. The latest available update is always indicated in Remarks.

• Change 2015-update. Evolution of the indicator since the adoption of the SDGs up to the latest available year.

• Trend. Graphical element of the evolution of the indicator.

• Change 2021-update. Evolution of the indicator since the adoption of the 2030 SDS to the latest year available.

• Progress Reports. The indicator is available in PR 2022/2023.

• 2030 SDS: the indicator is available in the 2030 Sustainable Development Strategy.

• Remarks. Important indications for the indicator. Base year if other than 2015 | Last available update | Units of measurement | Other

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### COUNTRY CHALLENGE 2. ADDRESSING

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#### THE CLIMATE AND ENVIRONMENTAL EMERGENCY

Country Challenge 2, centred on its accelerating policy "A country that respects the limits of the planet", aims to drive a just and inclusive ecological transition that can combine social and economic development with the biophysical limits of the planet, moving towards a sustainable, circular, fair and climate-neutral economy by 2050<sub>5</sub>, in line with the commitments of the Paris Agreement (2015) and the Sustainable Development Goals (SDGs).

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#### 28.1. GREENHOUSE GAS EMISSIONS

Gross emissions<sub>6</sub> in the base year 1990 in Spain were 287.3 million tonnes of  $CO_2eq$ . In 2005, they amounted to 437.7 million tonnes of  $CO_2eq$ . (index 1990=100), reaching the second highest level ever in the series.

The emissions trading system, aimed at reducing  $CO_2$  emissions from the industry<sub>7</sub>, began operating in 2005 as one of the EU's pioneering measures to combat climate change. In Spain, it was reflected in Law 1/2005, of 9 March, which regulates the greenhouse gas emissions trading scheme.

The results of the implementation of the emissions trading system show a reduction of emissions up to the year 2022, reaching  $8_{1,129,324}$  tCO<sub>2</sub>, i.e. 56% less than the emissions covered by emissions trading in 2005, and 16% less than in 2021.

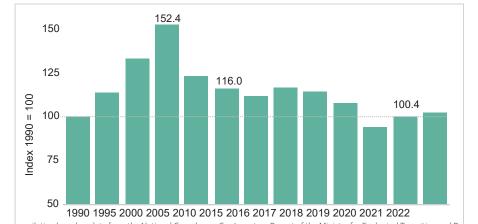
In Spain there has been an increasing decoupling of net greenhouse gas emissions from GDP per capita for years, and we are among the countries with per capita emissions below the European average. In particular, in the last two expansionary phases,

5 There is now a general consensus in the scientific community, as evidenced in the 6th IPCC report, that the increase in the concentration of greenhouse gases, as a result of human activities, is the unequivocal cause of the current warming of the atmosphere, oceans and land and, as a consequence, climate change is occurring at an unprecedented rate. IPCC, 2021: Summary for Policymakers. In: Climate Change 2021: The Physical Science Basis. Contribution of Working Group I to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change

<sup>6</sup> Total national gross emissions (excluding those from the LULUCF sector), both in absolute terms (kilotons of CO<sub>2</sub>eq.) and in terms of time variation, with 1990 as the base year.

<sup>7</sup> Communication to the European Commission pursuant to Regulation (EU) 2018/1999. Communication to the Secretariat of the United Nations Framework Convention on Climate Change.

<sup>8</sup> Includes emissions from power generation, industry and aviation above activity thresholds.



GRAPH 1. EVOLUTION 1990-2022 OF GREENHOUSE GAS (GHG) EMISSIONS IN SPAIN (INDEX 1990=100)

Source: Own compilation based on data from the National Greenhouse Gas Inventory Report of the Ministry for Ecological Transition and Demographic Challenge, 20249

from 2014-2019 and 2021-2022, despite years of rising greenhouse gas emissions, each one percentage point increase in real GDP was accompanied by a smaller average increase in emissions compared to the previous expansionary phase between 1994 and 2007. As a result, Spain is moving towards a less greenhouse gas-intensive growth model.

In 2022, total Spanish emissions reached 294.2 million tonnes of CO<sub>2</sub>eq., 2.4% more than in 1990 and 2% more than in 2021, when the Sustainable Development Strategy was approved.. The medium-term trend, however, is positive, with a reduction in GHG emissions between 2015 and 2022 equivalent to 11.7%10.

The sector with the largest share of overall GHG emissions in 2022 continues to be transport (30.7%), followed by industrial activities (18.4%) and electricity generation (14.5%), among others. In gases,  $CO_2$  accounts for 79.8% of total GHG emissions, followed by methane (14.4%)<sub>11</sub>.

Among these policies, the national integrated energy and climate plan (PNIEC) 2021-2030 addresses the measures needed to contribute to the European GHG emission reduction target. This plan is currently undergoing a review of its objectives. This review responds to different elements such as an increase in climate ambition at EU level, the latest energy context, progress in the implementation of the measures set out in the previous document, or the progress achieved thanks to the Recovery, Transformation and Resilience Plan.

Consequently, an update of the PNIEC 2023-2030 has been drafted, which includes targets consistent with the emission reductions adopted at European level, and which will result in the following outcomes in 2030:

- 32% reduction in greenhouse gas emissions compared to 1990.
- 48% renewables in energy end-use.
- 44% improvement in energy efficiency in terms of final energy.
- 81% of renewable energy in electricity generation.
- A reduction in energy dependence of up to 51%.

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<sup>9</sup> National inventory of atmospheric emissions and removals: Interactive report, https://www.miteco.gob.es/es/calidad-y-evaluacion-ambiental/temas/sistema-espanol-de-inventario-sei-/informe-interactivo-inventario-nacional-emisiones-atmosfera.html.

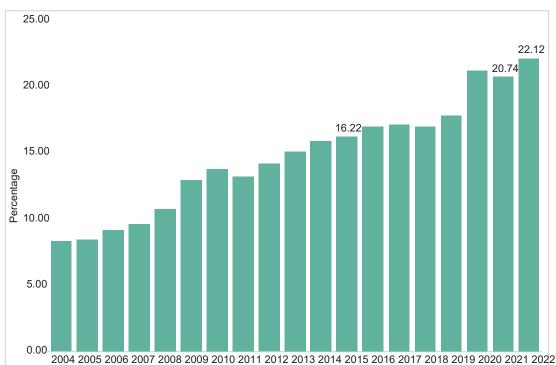
<sup>10</sup> GHG emissions inventory summary report (March 2024), https://www.miteco.gob.es/content/dam/miteco/es/calidad-y-evaluacion-ambiental/temas/sistema-espanol-de-inventario-sei-/Documento-resumen-Inventario-GEI-2024.pdf

<sup>11</sup> https://commission.europa.eu/system/files/2023-06/sPAin%20-%20dRAFt%20UPdAted%20necP%202021-2030.pdf

#### 28.2. ENERGY

In 2022, the share of renewable energy in total final energy consumption was 22.12%, 36.3% more than in 2015 (16.22%) and 6.7% more than in 2021 (20.74%), a year in which the 20% target set for Spain in Directive (EU) 2018/2001 on the promotion of the use of energy from renewable sources was exceeded for the second year in a row.

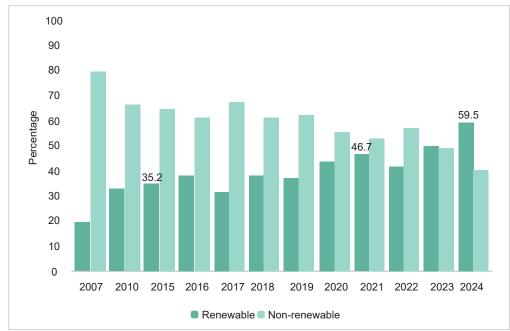
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GRAPH 2. SHARE OF ENERGY FROM RENEWABLE SOURCES 2004-2022

Source: Own elaboration based on EUROSTAT, 2024.





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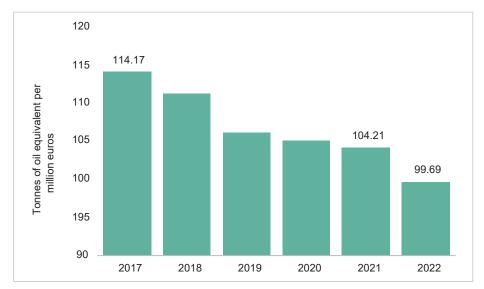
Note: Renewable energy: includes hydro, hydro-wind, wind, solar photovoltaic, solar thermal, other renewables and renewable waste Source: Drafted by the authors based on data from Red Eléctrica Española, 2024.

In the case of electricity generation with renewables, up to April 2024, according to Red Eléctrica Española (REE) data, 59.5% of the national electricity mix has been covered by these technologies. By full year, 50.3% of electricity generation was reached in 2023, an increase of 3.7% compared to 2021 (46.7%) and 15.1% compared to 2015 (35.2%).

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In terms of energy intensity, the trend indicates that in 2022, for every million euros of GDP, 99.69 toe of energy will be consumed, 4.3% less than in 2021 (104.21 toe) and 12.7% less than in 2015 (114.17 toe).

GRAPH 4. ENERGY INTENSITY<sup>12</sup>MEASURED IN TERMS OF PRIMARY ENERGY AND GROSS DOMESTIC PRODUCT (GDP)



Source: Drafted by the authors based on Indicators of the 2030 Agenda for Sustainable Development of the National Statistics Institute, 2024

However, Spain remains highly dependent on energy imports, especially fossil fuels. In 2022, 70.65% of fossil fuels were imported, significantly lower than in 2017 (74.32%) but 0.3% higher than in 2021 because aviation activity has returned to pre-COVID-19 values. In fact, the lowest value in the series was reached in 2020 (68.9%), because of low activity in transport due to the containment measures.

#### 28.3. SUSTAINABLE MOBILITY

In 2022, GHG emissions from transport were 54% higher than in 1990, but 16.6% lower than the peak in 2007. Furthermore, since the beginning of the historical series, the share of transport in total GHG emissions has risen from 20.4% to 30.7%, and since 2008 it has been the sector of activity with the highest GHG emissions. This increase is explained by the greater difficulty of the transport sector to advance in its decarbonisation than others.

In addition, transport also emits gases other than GHG emissions that are harmful. Between 2005 and 2022, transport emissions of different air pollutants have been significantly reduced: 58.8% for sulphur oxides (so<sub>2</sub>), 57.3% for nitrogen oxides (nox), 44.9% for volatile organic compounds other than methane (coVnM), 80.5% for ammonia-co (nH<sub>3</sub>), and 50.5% for PM2.5 particulate matter.

12 Energy intensity is an indicator of the energy efficiency of an economy. It is calculated as the ratio of energy demand or consumption to a country's GDP. Interpreted as "it takes x units of energy to produce 1 unit of wealth"

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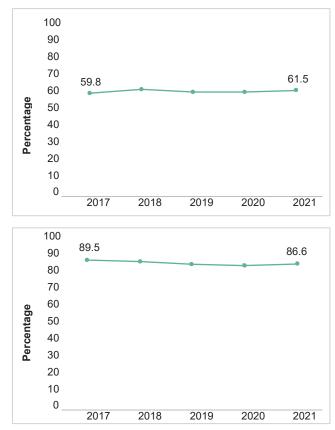
On the other hand, in terms of energy used in transport, the share of biofuels in the transport sector in 2022 was 4.8% in road transport and, together with electricity, 5.3% in land transport, compared to only 1.5% in 1990 (according to the energy balance data - which follows the Eurostat methodology). Using the accounting methodology set out in Directive (EU) 2018/2001 on the promotion of the use of energy from renewable sources, its penetration in transport rises to 9.7% in 2022. In particular, the MOVES III programme with the 1.2 billion euros made available under the PRTR framework to promote electric vehicles and charging infrastructures is worth mentioning.

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#### 28.4. ATMOSPHERIC POLLUTION

PM10 and PM2.5 particles are among the most dangerous air pollutants for human health, as they can be inhaled and enter the respiratory system causing significant damage. In Spain, the levels of these particles have been historically high, with dramatic increases due to African dust intrusions. Therefore, current legislation<sub>13</sub> allows the contribution of PM10 and PM2.5 from natural sources to be discounted in order to comply with the established values. In 2022, according to INE<sub>14</sub> data, the average levels of PM10 and PM2.5 particles have presented values of 23.2 and 11.4  $\mu$ g/m<sub>3</sub>, respectively, substantially worsening the data in relation to 2021, much more evident in the larger particles. Thus, in the case of PM10, the average levels have shown a year-on-year increase of 13.7%, while for the finer PM2.5, this worsening was 9.6%.

GRAPH 5. SURFACE WATER BODIES (RIVERS AND LAKES) WITH GOOD OR HIGHER ECOLOGICAL STATUS OR POTENTIAL AND GOOD CHEMICAL STATUS.



Source: Drafted by the authors based on Indicators of the 2030 Agenda for Sustainable Development of the National Statistics Institute, 2024.

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13 The quality objectives for the protection of health according to pollutant are established in Royal Decree 102/2011, of 28 January, on the improvement of air quality, modified by Royal Decree 34/2023, of 24 January.

14 Indicator 11.6.2. Annual average levels of fine particulate matter (e.g. PM2.5 and PM10) in cities (weighted by population). These are calculated for the total population living in municipalities with more than 50,000 inhabitants.

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In the longer term, the situation is quite the opposite, as since 2015 the presence of fine particulate matter in cities with more than 50,000 inhabitants has improved substantially, especially in finer particles. Thus, while in 2015 fine particulate matter PM10 had values of 23.9 µg/m3 and PM2.5 of 13.4µg/m3, in 2022 these average levels have been reduced by 2.9% and 14.9%, respectively.

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#### 28.5. MARINE AND TERRESTRIAL BIODIVERSITY AND ECOSYSTEMS

Country Challenge 2 also includes the need to address the availability of quality water and the loss of biodiversity by promoting the protection, conservation, restoration and sustainable use of terrestrial, marine and aquatic ecosystems. Crucial to this is meeting SDG targets 6, 14 and 15 related to water, oceans and terrestrial ecosystem conservation.

Regarding water, in 2021 (latest year available), the percentage of surface water bodies (rivers and lakes) with good ecological status (defined as an expression of the quality of the structure and functioning of aquatic ecosystems associated with surface water<sub>15</sub>) and chemical status, reflecting the degree of compliance with environmental quality standards for priority substances and other pollutants, has remained more or less stable over the last few years since 2017.

Thus, the ecological status has remained stable at values close to 60%, while the chemical status is between 89.5% in 2017 and values close to 86% in the last two years. A mere analysis of the figures could lead to a very slight negative trend, but it must be borne in mind that in 2018 a new European Directive was approved that included new chemical status limits for many new substances that were not previously regulated, and that the limits for those that already counted in the chemical status were lowered, so there can be no question of a negative trend.

Groundwater has followed a similar evolution, with no appreciable positive or negative trends in the percentages of water bodies. Groundwater bodies in good condition have been maintained from 2017 to 2021 at between 52 and 54%.

An element of impact on this indicator is the nitrate and phosphate concentrations, which have also remained constant, according to the indicators: proportion of groundwater stations reported with nitrate concentration below  $_{50}$  mg NO<sub>3</sub>/l and proportion of river stations reported with phosphate concentration below  $_{0.20}$  mg P-PO<sub>4</sub>/l)

With regard to the sustainable use of marine resources and the protection and restoration of ecosystems, the coverage of protected areas in relation to marine areas has increased considerably in recent years<sub>16</sub>. Thus, while in 2016 there were around 8,531,199 hectares of protected marine area in Spain, in 2023 this figure reached a total of 225,290 km<sub>2</sub>, which represents an increase of 166.9% compared to 2016 and 70.5% compared to 2021. The increase in marine protected areas in 2023 compared to the previous year is particularly striking, with 70.6% more marine protected areas. according to the European Environment Agency<sub>17</sub>, some coastal and marine areas in Spain have worrying levels of oxygen depletion, in particular some areas around the Balearic Islands and Alicante, which have recorded the worst oxygen concentrations in the Mediterranean Sea during the 2011-2022 period, largely due to a combination of natural causes and anthropogenic pressures, such as excess nutrients and climate change.

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15 For the ecological status a distinction is made between very good, good, moderate, poor or bad status. The chemical status corresponds to the worst classification of each of the substances in Annex IV of RD 817/2015, which establishes the environmental quality standards.

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<sup>16</sup> Sub-indicator "Marine Protected Area"

<sup>17</sup> https://www.eea.europa.eu/en/analysis/indicators/oxygen-concentrations-in-coastal-and?activeAccordion=546a7c35-9188-4d23-94ee-oo 5d97c26fzb

With regard to biodiversity, the National Statistics Institute (INE) has data for the year 2022 on the Red List Index (RLI), a reference indicator for the observation of biodiversity loss and the protection of endangered species, preventing their extinction. The indices<sup>18</sup> for all categories of fauna (invertebrates, amphibians, fish, reptiles, birds and mammals) and flora (non-vascular and vascular) in Spain are stable compared to previous years, except for a slight decrease in invertebrates and fish in the last year (2022) compared to the previous year. In the case of amphibians, although the index has remained stable in the last year, it is somewhat worse than in 2019.

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	Invertebrates	Amphibians	Fish	Reptiles	Birds	Mammals	Global
2022	0.85	0.87	0.93	0.83	0.95	0.93	0.89
2021	0.86	0.87	0.94	0.81	0.95	0.93	0.89
2020	0.86	0.88	0.94	0.81	0.95	0.93	0.89
2019	o.86	0.88	0.94	0.81	0.95	0.93	0.89

#### TABLE 1. RED LIST INDEX IN SPAIN

	Non-vascular flora	Vascular flora
2022	0.74	0.87
2021	0.74	0.87
2020	0.74	0.87
2019	0.74	0.87

Source: Indicators of the 2030 Agenda for Sustainable Development of the National Statistics Institute, 2024.

These figures place Spain in a better position than Europe as a whole, which started from a higher level in 2015 (0.86), but has seen its risk of extinction progressively increase to 0.84 in 2020<sub>19</sub>.

As previously mentioned, there is an increased recurrence of extreme weather events due to climate change, especially rising temperatures and extreme changes in precipitation and droughts. The year 2023<sup>20</sup> was extremely warm, with an average temperature over mainland Spain of 15.2°C, which is 1.3°C above the average<sup>21</sup>. It was the second warmest year since the start of the series in 1961, behind only 2022, which was 0.2°c warmer than 2023. The nine warmest years in the series belong to the 21st century. In addition to rising temperatures, extreme variations in precipitation patterns and droughts are also observed. According to different studies, especially IPCC projections, these will critically affect water availability, with major implications for sectors such as agriculture, livestock, forestry, the residential sector and tourism.

In this regard, the proportion of degraded land in relation to the total land area<sup>22</sup> shows an unfavourable situation compared to 2015, as the percentage of degraded land has doubled:

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<sup>18</sup> This indicator measures in a theoretical and aggregated manner how far from extinction the species present in Spain are (the closer the indicator is to 1, the further away from extinction the species is). It is one of the biodiversity indicators used by the Convention on Biological Diversity (CBD) to monitor progress towards achieving the targets set out in the Strategic Plan for Biodiversity 2011-2020.

<sup>19</sup> https://www.iucnredlist.org/search?query=%C3%ADdice&searchtype=species

<sup>20</sup> Climate report of the year 2023 in Spain. AeMet (https://www.aemet.es/documentos/es/serviciosclimaticos/vigilancia\_clima/resumenes\_climat/annual/res\_anual\_clim\_2023.pdf)

<sup>21</sup> Reference period 1991-2020.

<sup>22</sup> Percentage of total land area that has suffered a reduction or loss of biological or economic productivity and completeness of rainfed cropland, irrigated cropland or grassland, pasture, forest and woodland as a result of a combination of pressures, including land use and management practices.

While in 2015, only 5.2 % of Spanish land had suffered a reduction or loss of biological or economic productivity, in 2019 this percentage has risen to 11.1%, i.e., a +113.5% variation.

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#### 28.6. MATERIAL CONSUMPTION AND CIRCULAR ECONOMY

In 2022, domestic material consumption in Spain reached 419.2 million tonnes according to the National Statistics Institute<sub>23</sub> material flow account, 4.4% less than in the previous year, but still 2.3% higher than in 2015 (409.7 million tonnes).

On the other hand, the cost of materials per unit of Spanish GDP has improved significantly in recent years, since in 2015, 380.2 t of materials were consumed per million euros, while in 2022 this value has fallen to 351.4 t, equivalent to a reduction of 7.6 %. Over the last year, this reduction has been 9.6%.

In terms of waste generation, according to the latest available data for 2021, Spain has suffered a slight setback in the reduction path, with 2.4% more waste production *per capita*, while waste management as a whole remains more sustainable, with improved rates of separate waste collection resulting in a higher rate of preparation for reuse and recycling. Thus, while in 2015 the rate of preparation for re-use and recycling was just under 30%, in 2021 it has reached 42.2%, which is 40.7% more recycling.

Finally, according to the latest data from the Global Footprint Network<sup>24</sup> (2023), in 2022, Spain is estimated to have an ecological footprint of 3.9 global hectares (gha), placing its ecological deficit at -2.2 gha. However, these are positive values in relation to 2021, 1.5% better, and even more so in relation to 2015, 3.9% less.

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23 Environmental accounts. Material flows. Progress data 2022

24 https://data.footprintnetwork.org/#/ Data sources: Cuentas Nacionales de Huella y Biocapacidad edición 2023 (año de datos 2019); PIB, Estadísticas Financieras Internacionales (IFS); Población, Organización de las Naciones Unidas para la Agricultura y la Alimentación.

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# 28.7. PROGRESS AND SETBACKS IN ADDRESSING THE CLIMATE AND ENVIRONMENTAL EMERGENCY

Indicator	2015	2021	Last updated year	Change 2015-update <sup>25</sup>	Trend	Change 2021- update	Trend	Progress Report	2030 SDS	Remarks
Primary energy consumption in Spain, evolution 1990-2022	143.37	135.21	137.39	-4.2%		1.6%		NO	NO	Base year: 1990 Last update 2022. Units: Index 1990=100
1990-2022 evolution of gross greenhouse gas (GHG) emissions in Spain	333,189.55	288,508.46	294,201.39	-38,988.16		5,692.93		PR2022 PR2023	YES	Base year: 1990 Last update 2024 (with values of 2022). Units: Kt deCO <sub>2</sub> -eq.
Greenhouse gas emissions per capita26	7.5	6.23	6.5	-1		0.3		PR 2022 PR 2023	YES	Last update 2022. Units: tCO₂eq /inhab.
Greenhouse gas emissions per GDP	0.32	0.26	0.26	-0.06		0.0	+	NO	YES	Last update 2022. Units: kgCO₂eq / Euros.
Greenhouse gas emissions generated by the IPCC sector "Energy"	250.01	214.18	222.06	-31.96	( )	-7-3		NO	YES	Last update 2021. Units: million tCO₂eq.
Co2eq <sub>2</sub> eq absorptions associated with the land use, land-use change and forestry sector (LULUCF)	-46,358.05	-47,516.34	-47,417.34	-1059.3		99	$\bigcirc$	NO	NO	Last update 2022. Units: ktCO₂eq
Share of renewable energy in total final energy consumption	16.22	20.74	22.12	5.9		1.38		PR 2022 PR 2023	YES	Last update 2022. Units: %

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26 Net greenhouse gas emissions. Total (excluding LULUCF and pro-memory items, including international aviation. Eurostat https://ec.europa.eu/eurostat/databrowser/view/sdg\_13\_10

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<sup>25</sup> For % units, the change between the two periods of analysis is measured as percentage points and not as percentage change, which is used for all other units.

Indicator	2015	2021	Last updated year	Change 2015-update <sup>25</sup>	Trend	Change 2021- update	Trend	Progress Report	2030 SDS	Remarks
Share of energy from renewable sources: Renewable energy sources in electricity.	36.97	46.00	50.9	13.93	٢	4.9		PR 2022 PR 2023	YES	Last update 2023. Units: %
Development of renewable electricity generation	35.2	46.7	50.3	15.1		3.6	٢	PR 2022 PR 2023	YES	Last update 2024. (provisional data 2024- 59.5%) Units: %
Share of energy from renewable sources: Renewable energy sources in transport	1.09	9.2	9.68	8.59		0.48	Ø	PR 2022 and 2023	NO	Last update 2022. Units: %
Energy intensity measured in terms of primary energy and gross domestic product (GDP). Primary energy consumption per unit of GDP*	114.17	104.21	99.69	-12.7%		-4.3%	1	PR 2022 PR 2023	YES	Base year: 2017 Last update 2022. Units: toe/M€ Challenge 2. Cop
Dependence on energy imports	72.48	70.46	70.65	-1.82	1	0.19		PR 2023	YES	Base year: 2017 Last update 2022. Units: the
Low Emission Zones in Spain (in force and in process)	0		22	22	1	nd		NO	NO	Last update 2023 (in process-102) Units: number
Annual average levels of fine particulate matter PM10 in cities (weighted according to population)	23.9	20.4	23.2	-0.7	1	2.8%		PR 2022 PR 2023	YES	%     the       Last update 2023 (in process-102)     Inate and Units: number       Last update 2022     Last update 2022       Units: μg/m3     Last update 2022
Annual average levels of fine particulate matter PM2.5 in cities (weighted according to population)	13.4	10.4	11.4	-2		1		PR 2022 PR 2023	YES	Last update 2022 Units: µg/m₃ <sup>8</sup> 7
Deaths in Spain due to environmental causes (respiratory diseases)	51,848	35,543	43,024	-8,824		7,481		NO	YES	Last update 2022 Units: persons

Indicator	2015	2021	Last updated year	Change 2015-update <sup>25</sup>	Trend	Change 2021- update	Trend	Progress Report	2030 SDS	Remarks
Annual average temperature anomalies in peninsular Spain27, 28	0.94	0.5	1.3	0.36		0.8		NO	YES	Last update 2023 Units: °c
Average rainfall in Spain	500	569	536.6	36.6	1	32.4		NO	YES	Last update 2023 Units: mm
Proportion of water bodies of good quality: surface water (ecological status)	59.8	61.5		1.7	+	nd		PR 2022 PR 2023	YES	Base year: 2017. Last update 2021. Units: %
Proportion of water bodies of good quality: surface water (chemical status)	89.5	86.6		-2.9	+	nd		PR 2022 PR 2023	YES	Base year: 2017. Last update 2021. Units: %
Proportion of water bodies of good quality: groundwater (overall status)	52.1	54.2		2.1	+	nd		PR 2022 PR 2023	YES	Base year: 2017. Last update 2021. Units: %
Water exploitation rate, plus (Wei+)	11.44		8.1	-3.34		nd		PR 2022	YES	Last update 2019. Units: %
Protected land area in Spain	16,429.85	18,546.74	18,620.73	2190.8		73.99		NO	NO	Last update 2023. Units: Thousands of ha
marine protected area in Spain	8,524.42	13,213.29	22,528.987	14,004.567		9,322.607		NO	NO	Last update 2023. Units: Thousands of ha
Conservation status and trends of habitats and species. Habitats category (Favourable [FV])	12.30		8.91	-3.39		nd		NO	YES	Base year 2007- 2012 Last update 2013-2018 Units %

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27 Reference period 1981-2010

28 For the year 2023 reference period 1991-2020 (not comparable)

Indicator	2015	2021	Last updated year	Change 2015-update <sup>25</sup>	Trend	Change 2021- update	Trend	Progress Report	2030 SDS	Remarks
Conservation status and trends of habitats and species. Species Favourable Category (Favourable [FV])	21.63		18.93	-2.7		nd		NO	YES	Base year 2007- 2012 Last update 2013-2018 Units %
Red List Index (total)	0.89	0.89	0.89	0.0	+	0.0	+	PR 2022 PR 2023	YES	Base year: 2019 Last update 2022. Units: Index
Proportion of degraded land compared to total land area	5.2		11.1	5.9		nd		PR 2022 PR 2023	YES	Last update 2019. Units: %
Proportion of sites important for terrestrial and freshwater biodiversity included in protected areas, in wetlands	2.16		2.15	-0.01	+	nd		NO	YES	Last update 2018. Units: %
Domestic material consumption in absolute terms	409,748	438,515	419,227	9,479		-19,288	1	PR 2022 PR 2023	NO	Last update 2022. Units: Thousands t
Materials consumption per GDP	380.2	388.8	351.4	-28.8		-37.3		NO	NO	Last update 2022. Units: t/M€
Ecological footprint per capita	4.08	3.98	3.92	-0.16		-0.06		PR 2022 PR 2023	NO	Base year 1961 Last update 2022. Units: gha
Municipal waste generated per capita29	456	46730		11		nd		NO	NO	Last update 2021. Units: kg/inhab. and year

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29 In this case, the change is expressed in absolute terms.

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30 Provisional. Eurostat (Municipal waste by waste management operations)

Indicator	2015	2021	Last updated year	Change 2015-update <sup>25</sup>	Trend	Change 2021- update	Trend	Progress Report	2030 SDS	Remarks
Proportion of waste prepared for reuse <sub>31</sub>	29.8		42.2	12.4	1	nd		NO	NO	Last update 2021. Units: %
NCCAP I evaluation report (measures implemented)			65.27	65.27		nd	NO		NO	Last update 2019 (implemented + ongoing: 81.03%) Units: %
Extent of adoption and implementation of national disaster risk reduction strategies <sub>32</sub>	0.25		0.57	0.32		nd	NO		NO	Last update 2021. Units: Unit [0.1]
Proportion of local governments adopting and implementing local disaster risk reduction strategies in line with national disaster risk reduction strategies	28		68	40		nd	NO		NO	Last update 2021. Units: %
	Significant progress (≥1)	Ø	Moderat e progress (between o and 1)	+	Stagnati on (=o)	${}^{\bigcirc}$		nt decline tween -1 0)		Significant setback (≤-1)

Legend:

**2015**. Base year of analysis since the adoption of the SDGs. For some indicators the base year of the indicator is after 2015. For each of these indicators, the base year of reference is added under Remarks.

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**2021**. Base year of the review since the adoption of 2030 SDS

Last updated year. Data available for each indicator for the latest available year. The latest available update is always indicated in Remarks.

Change 2015-update. Evolution of the indicator since the adoption of the SDGs up to the latest available year.

**Trend**. graphical element of the evolution of the indicator.

Change 2021-update. Evolution of the indicator since the adoption of the 2030 SDS to the latest year available.

**Progress Reports**. The indicator is available in PR 2022/2023.

2030 SDS: the indicator is available in the 2030 Sustainable Development Strategy

Remarks. Important indications for the indicator. Base year if other than 2015 | Last available update | Units of measurement | Other

observations. nd. Data not available.

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<sup>31</sup> In this case, the change is expressed in absolute terms.

<sup>32</sup> In line with the Sendai Framework for Disaster Risk Reduction 2015-2030



AND ENDING DISCRIMINATION

The 2030 Sustainable Development Strategy establishes for Country Challenge 3 the need to guarantee the rights of girls and women and ensure their equality in all spheres of life, a factor that is particularly aggravated when different types of discrimination (intersectional discrimination<sub>33</sub>) concur in them, which requires multidimensional institutional approaches. The goals set out in the Strategy include promoting actions to curb gender-based violence, addressing the majority of the burden of family care that falls on women, the precariousness of paid work, gender inequality, and the associated increased risk of poverty and social exclusion.

# 32.1. DESCRIPTIVE INDICATORS OF THE GENDER GAP

The following areas where the gender gap between women and men is evident show the need to continue promoting regulatory reforms and actions to address it: the labour market, wages and income, equal access to all branches of education, and the inclusion of women in positions of responsibility in the public and private spheres.

#### Labour market

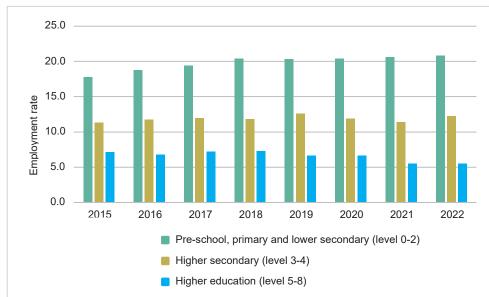
Labour market indices show the persistent employment gap by gender and educational attainment in Spain. In the period under analysis, the employment rate is always higher for men and at all levels of education. It is worth mentioning that this decreases with higher levels of education, resulting in a smaller gap between men and women at higher levels of education.

Despite the persistent gender gap described above, it should be noted that in 2023 there was an annual increase of 783,000 employed persons, 55.8% of whom were women, 437,000, compared to 346,000 men. This demonstrates a positive effect of active employment policies addressing gender equality.

33 Intersectional discrimination is a specific type of discrimination, where different types of discrimination (e.g. gender and ethnicity) are present at the same time; it is not about "adding up" discriminations, but about understanding how the intersection of these discriminations is something specific that needs a particular approach that recognises these different factors. (Guide on intersectional discrimination forFundación del secretariado Gitano, 2017).

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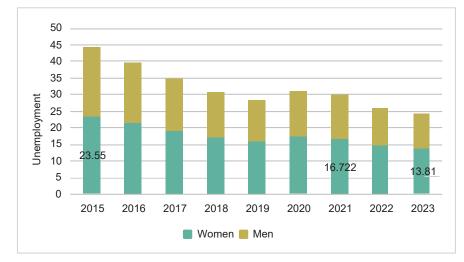


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GRAPH 1. EVOLUTION OF THE EMPLOYMENT RATE BY LEVEL OF EDUCATION.

Source: drafted by the authors based on the European Labour Force Survey (LFS). Eurostat. INE.

As regards the evolution of the unemployment rate, the trend shows a decrease throughout the period analysed for both sexes. However, the rate is always higher for women than for men. Moreover, this gap has increased from 2.77 points in 2015 to 3.23 points in 2023, which shows an increase over the period analysed and has an impact on women's annual earnings.

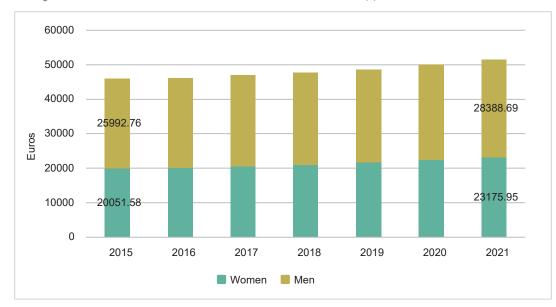


GRAPH 2. EVOLUTION (2015-2023) IN THE UNEMPLOYMENT RATE BY GENDER

Source: Drafted by the authors on the basis of the Labour Force Survey of the National Statistics Institute.

#### Salary and income

If we analyse the salary remuneration by sex between 2015-2021, the annual gain has been increasing throughout the period analysed. The value of the average salary for men is always higher than for women, although this gender gap in 2015 was  $\xi_{5,941.18}$ , and in 2021 it became  $\xi_{5,212.74}$ , which points to a reduction in the salary gap between men and women.



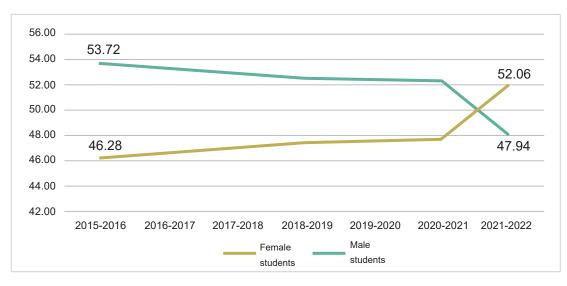
GRAPH 3. EVOLUTION OF THE AVERAGE WAGE DISTRIBUTION BY GENDER (€)

Source: Drafted by the authors based on the Annual Wage Structure Survey of the National Statistics Institute

#### Equal access to all branches of education

Working to reduce the gender gap in education is key to advancing equality in the society of the future. One of the branches of greatest interest in terms of the gender gap is science and technology. Between the academic year 2015-2016 and 2021-2022, the data show that the gap between male and female students has been progressively narrowing from 2015 to 2021, with the percentage of female students being higher (52.06 %) than that of male students (47.94 %) in the academic year 2021-2022.





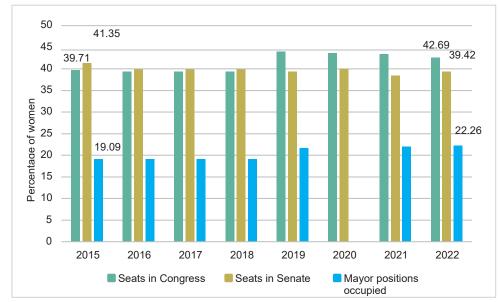
Source: based on data from the Ministry of Education and Vocational Training (2022).

#### Women in positions of responsibility in the public and private sphere

The representation of women in high public office has generally been evolving in a positive way in the period 2015-2022, for example, in the percentages of female deputies in congress and female mayors in Spain. However, this upward trend is not the case when we look at the percentage of female senators.

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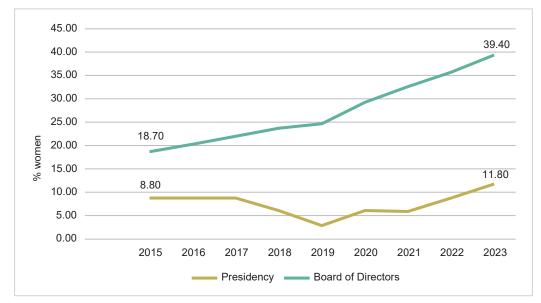
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#### GRAPH 5. EVOLUTION OF THE PERCENTAGE OF WOMEN IN SENIOR POSITIONS

Source: Women and Men in Spain. National Statistics Institute.

If we look at the representation of women in the private sector, the trend has also been positive. For the 2015-2023 series, the total presence of women on chairs and boards of IBEX 35 companies has increased by 3.00 and 20.70 percentage points respectively.

GRAPH 6. %WOMEN IN THE PRESIDENCY AND BOARDS OF DIRECTORS OF IBEX35 COMPANIES.



Source: prepared by the authors on the basis of the survey Women and Men in Spain, National Statistics Institute

# 3.2. EXPLANATORY INDICATORS OF THE GENDER GAP

This section presents indicators that explain the situation of women and their rates of inequality compared to men in the form of inactivity at work and the so-called "female double working day". These data show the lack of joint responsibility and the combination of paid work in the workplace with unpaid work.

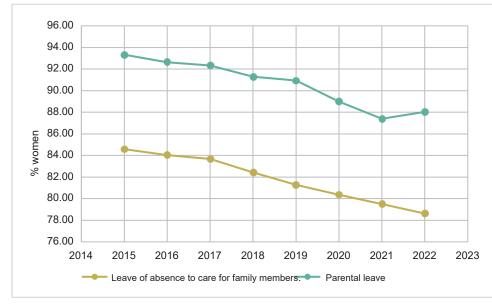
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#### Inactivity due to care

The lower pay associated with women is also linked to the fact that the percentage of women in inactivity is higher than that of men. One of the main reasons for this inactivity is formal unemployment due to caregiving. The percentage of women who were inactive in the labour market in 2022 due to caring for the sick, disabled, elderly or minors was 20.1%, while for men the figure was 4.9%. Looking at the evolution since 2015, the gender gap has increased by 10.5 percentage points.

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The percentage of women taking leave of absence to care for children (88.02%) and family members (78.62%) is higher than that of men. However, this percentage has been decreasing over the period from 2015 to 2021 and progress has been made in terms of equality.



GRAPH 7. EVOLUTION OF THE % OF WOMEN ON CARE LEAVE

Source: compiled by the authors based on Women in figures - reconciliation-leave, leave and reduction of working hours. Instituto de las Mujeres.

#### Feminisation of the double shift

The double shift of women includes the sum of burdens regarding three aspects: employment, family and home. As can be seen, women's unpaid work is their main occupation (26.5%, compared to 14% for men). This unpaid work includes caring for and educating their children or grandchildren, cooking and housework, caring for elderly or disabled relatives, taking a course or training, sports, cultural or leisure activities, political or trade union activities, voluntary or charitable activities. This phenomenon shows the need to address a real co-responsibility between women and men in relation to housework and care.

	Main employment			Other ployment	Unpaid	d work	Travelling		
	Men	Women	Men	Women	Men	Women	Men	Women	
Total	39.7	33.9	0.2	0.3	14.0	26.5	2.8	2.9	
Part time	22.7	21.6	0.5	0.4	13.9	29.6	2.4	2.8	
Full time	42.4	39.3	0.2	0.2	13.9	25.2	2.8	2.9	

Source: drafted by the authors based on the national survey of working conditions. National Institute for Safety and Health in the Workplace. State Observatory of Working Conditions. Ministry of Labour and Social Economy (2015)

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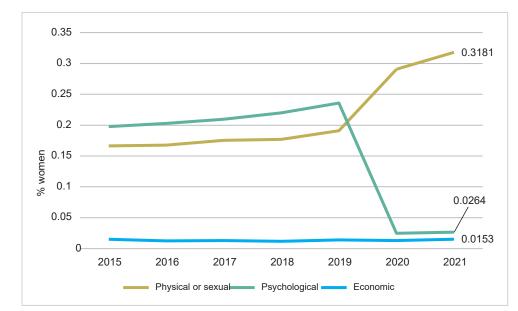
It is important to point out that the data source that would allow us to know in more detail the average daily duration devoted to people's main activity, which includes "home and family" as an activity and is disaggregated by sex, is the National Statistics Institute's Time Use Survey. However, the last edition dates from 2009-2010, with a new edition expected in 2024.34

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## 3.3. GENDER-BASED VIOLENCE

The proportion of women suffering violence continues to be alarming. The rates of the proportion of women and girls aged 16 and over who have experienced violence have increased over the period 2015-2021, with the exception of psychological violence, which has decreased. On the path of the fight against male violence with regard to the number of fatal victims at the hands of partners or ex-partners, it is indicated that since 2015 the data has fluctuated in the range between 49 and 59, with 58 cases having been recorded in 2023.

GRAPH 8. PROPORTION OF WOMEN AND GIRLS AGED 16 AND OVER WHO HAVE EXPERIENCED VIOLENCE BY A CURRENT OR FORMER INTIMATE PARTNER IN THE PREVIOUS 12 MONTHS



Source: Compilation based on Security Statistics. Ministry of the Interior.

# 3.4. HATE CRIMES AND DISCRIMINATION

The numbers of hate crimes<sub>35</sub> and incidents have increased over the 2015-2022 period, with the value in 2022 being 40.74% higher than in 2015<sub>36</sub>. In 2022, recorded hate victimisation was mainly for reasons of racism/xenophobia (43.50% of the total), sexual orientation and gender identity (24.83%) and sex/gender discrimination (10.11%). In the latter case, the percentage of women (68.72%) was higher than that of men (31.28%).

In addition to the evolution of hate victimisation recorded in the period, it should be noted that the Roma population continues to be a particularly vulnerable group affected by multiple

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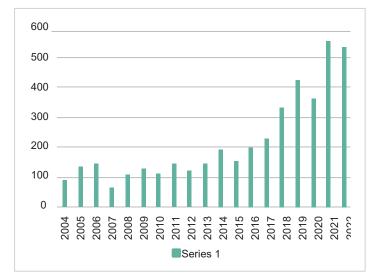
<sup>34</sup> See Statistical Annex, National Statistics Institute, "Indicators of the 2030 Agenda for Sustainable Development," April 2024, pages 14-15.

<sup>35</sup> hate crimes: conduct based on prejudice towards the victim because of their connection, relationship, affiliation, support or membership, real or supposed, of a group based on "race", national or ethnic origin, language, colour, religion, age, disability, sexual orientation or other factors listed in our legislation.

<sup>36</sup> Report on the evolution of hate crimes in Spain 2022. Ministry of the Interior

discriminations. According to data from Fundación secretariado Gitano (FsG), recorded cases of discrimination have increased substantially in the period analysed.

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GRAPH 9. CASES OF DISCRIMINATION REGISTERED BY THE FSG.

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Source: Fundación Secretariado Gitano.

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# 3.5. PROGRESS AND SETBACKS IN TACKLING INEQUALITY AND DISCRIMINATION

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37 For % units, the change between the two periods of analysis is measured as percentage points and not as percentage change, which is used for all other units.

Indicator	2015	2021	Last updated year	Change 2015-update <sup>37</sup>	Trend	Change 2021-update	Trend	Progress Reports	2030 SDS	Remarks
Average pension in Spain. Gender gap (men - women)	435.7	423.59	472.07	36.37		48.48	1	PR 2022 and 2023	YES	Last update 2021. Units: Euros/ month (June)
Risk of poverty and/or social exclusion. Women	28.5	28.9	27.5	-1.00	1	-1.4	1	PR 2022 and 2023	Yes	Last update 2023. Units: %.
Percentage of female students enrolled in science-technology baccalaureate modality	46.28	52.06	52.06	5.78		0.00	+	NO	NO	Last update 2021- 2022. Units: %
Unpaid hours worked. Gender gap (men - women)	12.53	nd	12.53	0.00	+	0.00	-	PR 2022 and 2023	Yes	Last update 2015. Units: hours per week
Parental leave	93-33	87.39	88.02	-5.30	1	0.63		NO	NO	Last update 2022. Units: % mothers
Leave of absence to care for family members	84.58	79.50	78.62	-5.96	1	-0.88	$\oslash$	PR 2022 and 2023	YES	Last update 2022. Units: % women
Hours worked/paid according to type of working day. Main employment woman	33.92	nd	33.92	0.00	+	nd	+	PR 2022 and 2023	NO	Last update 2015. Units: hours/week.
Hours worked/paid by type of workday. Unpaid employment woman	26.52	nd	26.52	0.00	+	nd	+	PR 2022 and 2023	NO	Last update 2015. Units: hours/week.
Fatalities due to gender- based violence	59	49	58	-1.00	1	9.00		PR 2022 and 2023	YES	Last update 2023. Units: no. of women
Proportion of women who experienced physical, psychological or sexual violence in the last 12 months	0.5715	0.582	0.582	0.01		0.00	+	PR 2022 and 2023	YES	Last update 2021. Units: %

Indicator	2015	2021	Last updated year	Change 2015-update <sup>37</sup>	Trend	Change 2021- update	Trend	Progress Reports	2030 SDS	Remarks
Proportion of women and girls aged 16 and over who have experienced physical or sexual violence by a current intimate partner or former intimate partner in the previous 12 months	0.1664	0.3181	0.3181	0.15	€	0.00	+	PR 2022 and 2023	YES	Last update 2021. Units: %
Proportion of women and girls aged 16 and over who have experienced economic violence by a current or former intimate partner in the previous 12 months	0.0151	0.0153	0.0153	0.00	€	0.00	**	PR 2022 and 2023	YES	Last update 2021. Units: %
Proportion of women and girls aged 16 and over who have experienced controlling psychological violence by a current or former intimate partner in the previous 12 months	0.1979	0.0264	0.0264	-0.17		0.00	**	PR 2022 and 2023	YES	Last update 2021. Units: %
Percentage of seats held by women in national parliaments (congress)	39.71	43.43	42.69	2.98	1	-0.74		PR 2022 and 2023	NO	Last update 2022. Units: %
Percentage of mayorships held by women in local government	19.09	22.04	22.26	3.17		0.22		PR 2022 and 2023	NO	Last update 2022. Units: %
Higher bodies and senior positions in the general state administration. 2015-2021 series (% women)	29.4	43.70	43.70	14.30		0.00	++	NO	NO	Last update 2021. Units: % women
Gender Equality Index	67.4	73.7	74.6	7.20		0.90		NO	NO	Last update 2022. Units: % of equality between men and women

Indicator	2015	2021	Last updated year	Change 2015-update <sup>37</sup>	Trend	Change 2021- update	Trend	Progress Reports	2030 SDS	Remarks
Known hate crime incidents	1328	1802	1869	541		67		PR 2022	YES	Last update 2023. Units: no. of known crimes and incidents
Significant progress (≥1)	7) F	loderate progress ween o and 1)	+	Stagnati (=0		Slight declir	ne (between -1	and o)	Significan t decline (≤-1)	
Legend:										
reference is added under Re 2021. Base year of the analy Last updated year. Data av Change 2015-update. Evolu Trend. graphical element of Change 2021-update. Evolu Progress Reports. The indic 2030 SDS: the indicator is a	<ul> <li>2015. Base year of analysis since the adoption of the SDGs. For some indicators the base year of the indicator is after 2015. For each of these indicators, the base year of reference is added under Remarks.</li> <li>2021. Base year of the analysis since the adoption of the 2030 SDS.</li> <li>Last updated year. Data available for each indicator for the latest available year. The latest available update is always indicated in Remarks.</li> <li>Change 2015-update. Evolution of the indicator since the adoption of the 2030 SDS to the latest available year.</li> <li>Trend. graphical element of the evolution of the indicator.</li> <li>Change 2021-update. Evolution of the indicator since the adoption of the 2030 SDS to the latest year available.</li> <li>Progress Reports. The indicator is available in PR 2022/2023.</li> <li>2030 SDS: the indicator is available in the 2030 Sustainable Development Strategy.</li> <li>Remarks. Important indications for the indicator. Base year if not 2015 [Last available update [Units of measurement ] Other remarks.</li> </ul>									

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# COUNTRY CHALLENGE 4. OVERCOMING THE INEFFICIENCIES OF AN OVER-CONCENTRATED AND OVER-DEPENDENT

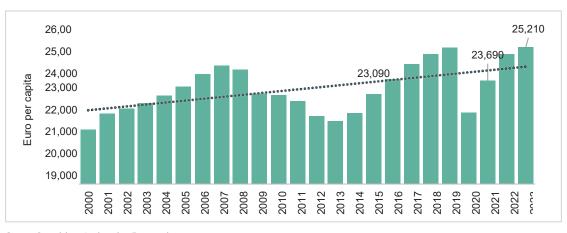
Within the framework of the 2030 Sustainable Development Strategy, Country Challenge 4 addresses the need to overcome the constraints of a highly concentrated and dependent economic system. To this end, the proposed goals promote a green and digital transition of the economy, enabling the country's key economic sectors to advance in terms of sustainability, in its triple dimension: socially, economically and environmentally.

ECONOMIC SYSTEM

# **4.1. PRODUCTION STRUCTURE IN SPAIN**

The evolution of the real GDP per capita in Spain for the 2000-2023 period shows a general growth trend with some significant fluctuations (2010-2016 and 2019-2023). Between 2000 and 2007, an economic expansion can be seen, starting to decline in 2008 and with a sharp fall in 2013, which is a reflection of the impact of the global financial crisis experienced during those years. During the years 2014-2019, the real GDP per capita shows a recovery, reaching its highest point in 2019. The sharp decline in 2020 is attributable to the socio-economic impact of the COVID-19 pandemic.

From 2021 onwards, a steady recovery is observed, culminating in 2023, when the real GDP per capita actually exceeds pre-pandemic levels, being 2% above, mainly thanks to the rapid deployment of the Spanish Government's Recovery, Transformation and Resilience Plan. To this



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GRAPH 1. EVOLUTION 2000-2023 OF REAL GDP PER CAPITA.

Source: Own elaboration based on Eurostat data, 2024.

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It should be added that Spain recovered its pre-pandemic real GDP in the third quarter of 2022, three quarters earlier than estimated, according to the revised National Accounts data published by the National Statistics Institute in September 2023, which confirmed the real GDP growth of 5.8 % in that year. Spain currently stands out as the country with the highest growth and lowest inflation among the main European countries, which demonstrates the effectiveness of the economic policy measures adopted.

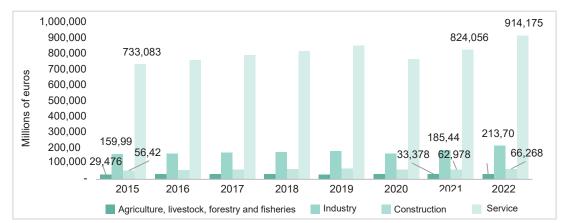
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# 4.2. ECONOMIC STRUCTURE BY ECONOMIC SECTOR: AGRICULTURE, INDUSTRY, CONSTRUCTION AND SERVICES

The analysis of the contribution to Gross Value Added (GVA)<sub>38</sub> by economic sector in Spain for the 2015-2022 period shows that the **services** sector has maintained its predominance in the economy. Although it has experienced slight fluctuations, its contribution to GVA has been consistent, with a slight decrease of 0.3 percentage points from 74.9% in 2015 to 74.6% in 2022. The sector reached its highest point in 2019 with 75.2%, while 2020 and 2021 recorded the lowest values, generating

764,293 million euros at current prices (74.9%) and 824,056 million (74.6%), respectively. According to the advance of results provided by the Quarterly National Accounts of Spain issued for the fourth quarter of 2023 by the National Statistics Institute<sub>39</sub>, on the supply side, all the major sectors of activity presented positive inter-quarterly variations. The gross value added of the industrial branches increased by 2.4%. The manufacturing industry showed a rate of 1.1%. Gross value added in the construction sector grew by 0.6%, the services sector by 0.2% and the primary branches by 5.3%.

The contribution of **agriculture** to GVA has been maintained, ranging from 3.1% in 2016, 2017 and 2020 to 2.6% in 2021 and 2022. However, the share of GVA of the agri-food system (AFS) increased by 0.8 percentage points in 2020 compared to the previous year in the economy as a whole, as a result of the strength of the sector in the COVID years. The importance of the AFS in the economy as a whole is growing in the long term, as its relative weight has increased by 1.6 percentage points from 2009 to 2020; in current terms, its revaluation is 23.8%. The phase with the highest long-term growth in value was the input industry and service companies (+59.8%), followed by agricultural production (36.4%) and distribution (33.0%). These three phases gained in importance within the AFS by 2 percentage points respectively in the period analysed. All this means that, in the agri-food system as a whole, the contribution reaches 9.7% of the GDP, generating more than 2.6 million jobs, which represents 14% of the total number of jobs in the Spanish economy. In addition, it generates more than 70,000 million euros in exports, accounting for more than 18% of Spanish exports,



GRAPH 2. COMPARISON AND EVOLUTION 2015-2022 OF THE CONTRIBUTION TO GVA BY ECONOMIC SECTORS IN SPAIN.

Source: Drafted by the authors based on data from the National Statistics Institute, 2024

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38 Gross Value Added (GVA) is equivalent to Gross Domestic Product (GDP), net of indirect taxes and intermediate consumption. It is the frequently used measure of the sectoral composition of the economy.

39 Explanatory note extracted from the National Statistics Institute on the progress of results: drafted using the most current information up to the second month of the fourth quarter of 2023. To complement these data, preliminary results, projections and secondary sources have been integrated, all in line with best practices recommended by Eurostat and other international statistical authorities.

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being one of the main exporting sectors and balancing the foreign trade balance up to 15,472 million euros.

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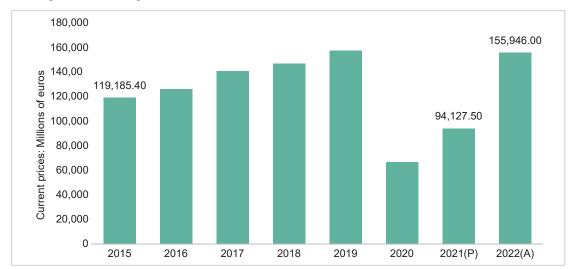
In the territorial dimension, it cannot be overlooked that 15.9% of the Spanish population is registered in rural municipalities in Spain in 2020. These municipalities account for 82% of the total and occupy 84% of the Spanish surface area, where agriculture is the main economic activity.

Within the primary sectors, we cannot forget the fishing sector, which is integrated in the Food Fishing System (FFS), and is in turn made up of a set of economic activities, or stages, that make it possible to make the food produced by the fishing and aquaculture sector, as well as that processed by the fishing industry, available to consumers. The FFS generated a GVA of 8,586 million euros in 2020, representing 0.84% of the total GVA of the Spanish economy or 0.75% in terms of GDP, employing some 171,645 people. as a whole, the FFS contributes 10.45% to GDP and some 2.8 million jobs, which represents more than 15% of employment.

**Industry** in Spain has shown a fairly stable contribution to GVA over time, with a slight upward trend in recent years. Despite minor fluctuations, the sector has increased its contribution from 15.8% in 2019 to 17.4% in 2022. This suggests a recovery and strengthening of the industrial sector, possibly driven by innovation and adaptation to new technologies and market demands.

In this regard, Spain has launched a series of Strategic Projects for Economic Recovery and Transformation, known as PERTE, which represent a firm commitment to innovation and sustainability. Among them, and linked to the industrial sector, we can highlight the PERTE for the Electric and Connected Vehicle, which seeks to position the country as a leader in electromobility, and the PERTE for Circular Economy and Industrial Decarbonisation, which seek to transform economic models towards greener practices, and the PERTE for Renewable Energies, Hydrogen and Storage, with an important influence on the decarbonisation of energy sources. The shipbuilding and aerospace industries also have specific PERTE aimed at modernising and enhancing these sectors. Data on the contribution to GVA of the construction sector in Spain between 2015 and 2022 show an initially stable trend, followed by a peak in 2019 (6.3%) and a gradual decline in the following years to 5.4% in 2022. The increase to 6.3% in 2019 could reflect a temporary boom in construction, possibly due to stimulus policies or an increase in demand for infrastructure.

In terms of **tourism**, the GDP growth rate generated by this sector in Spain has experienced a significant increase during the period analysed. In 2022, tourism activity reached 155,946 million euros, representing 11.6% of the GDP, an increase of 3.9 points more than in 2021.



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GRAPH 3. EVOLUTION 2015-2022 OF THE CONTRIBUTION OF TOURISM TO THE GDP.

Source: Drafted by the authors based on data from the National Statistics Institute, 2024.

For its part, tourist destination spending in 2023 exceeded 108 billion euros, 17.4% more than in 2019, marking the first time that this spending exceeds 100 billion euros in the country. The Spanish government will soon approve the 'sustainable tourism strategy 2030', the objective of which is to build a tourism development model with a vision that encompasses economic, environmental, social and territorial sustainability.

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## 4.3. BUSINESS SECTOR STRUCTURE

There are 3,416,248 economically active enterprises operating in Spain in 2021, -4.6% compared to 2017. 314,033 enterprises were created, with a business birth rate of 9.2%, while 250,182 disappeared, equivalent to a business death rate of 7.3%, resulting in a net rate of 1.9%. 45.4% of the enterprises born in 2016 survived after five years of observation. Of the total, 729,343 enterprises belong to the commercial sector and 194,308 to the industrial sector.

As for the average annual salary by sector, there are differences between sectors of activity, with the average annual salary received in the industry sector (29,104.18 euros in 2021) being higher than in the services and construction sectors (25,448.75 euros and 24,136.94 euros respectively) for the entire period analysed. In view of this situation, the need for productive change and to continue on the path of reindustrialisation in Spain is evident. This process implies a commitment to innovation, digitisation and sustainability, elements that are fundamental to adapting to the new demands of the global market and the challenges of climate change.



GRAPH 4. EVOLUTION 2015-2021 OF THE AVERAGE ANNUAL WAGE BY SECTOR.

Source: Wage Structure Surveys, INE.

# 4.4 TRANSFORMATION OF THE PRODUCTIVE SECTOR: GREEN AND DIGITAL TRANSITION

Spain faces the challenge of transforming its productive sector through a green and digital transition. This change implies increasing investment in science and innovation, in the deployment of infrastructure to ensure connectivity, a commitment to sustainable agriculture, livestock and fisheries, and the adoption of practices that reduce environmental impact, fostering sustainable and resilient development for the future.

#### **Ecological transition**

With regard to the ecological transition of the Spanish production model, according to data published by the National Statistics Institute on the energy intensity used to generate economic activity, and as can be seen in the analysis of the evolution of Country Challenge 2, the value of GHG emissions of resident units per GDP has remained constant since 2021, at 0.26 kgCO<sub>2</sub> eq/euros.

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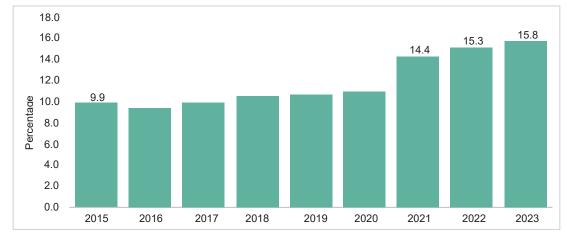
#### Investment in science and innovation

In terms of national research and development expenditure as a proportion of GDP, the trend observed is slightly upward compared to 2015, where the percentage stood at 1.22%, reaching 1.44% in 2022. According to this data, R&D investment as a share of GDP shows a growing commitment to innovation and technological development.

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The share of the population aged 15-64 in education and training shows a steadily increasing trend that seems to accelerate especially after 2020, reaching 15.8% in 2023. In the pre-pandemic period (2015-2019), the values remain more stable (from 9.9% to 10.7%). The significant jump between 2021 and 2023, with an increase to 14.4% and 15.8% respectively, suggests a higher valuation of education and training during the economic recovery and adaptation to new working and technological conditions.

GRAPH 5. PERCENTAGE OF POPULATION AGED 25-64 YEARS STUDYING EDUCATION OR TRAINING IN THE LAST FOUR WEEKS.



Source: INE, 2024.

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#### Investment in infrastructure deployment

From 2018 to 2022, with successive public support programmes, €899 million have been granted, mobilising investments of a combined €1,508 million to cover 4.7 million homes with ultrafast broadband networks.

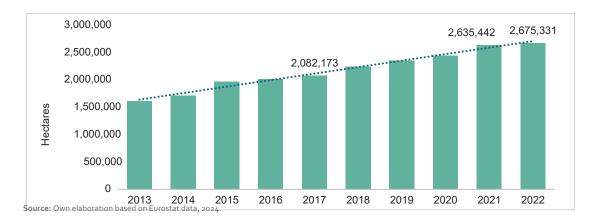
According to the study EI/o1/2022 Quantitative analysis of public aid for the deployment of broadband networks in Spain carried out by CNMC (National Commission of Markets and Competition), in municipalities that have benefited from an aid programme for the deployment of optical fibre, a significant improvement in the use of optical fibre and in the level of competition can be observed, especially in those with less than 10,000 inhabitants.

Most of the investments in mobile networks have been allocated to 5G infrastructure, which has increased its penetration by more than 23 percentage points in 2022 compared to 2021, reaching 82.36% through different technological solutions (new Radio and dss) by 30 June 2022.

#### Sustainable agriculture, livestock and fisheries

According to data published by Eurostat for the 2013-2022 period, the total agricultural area devoted to organic farming in Spain shows an upward trend, from 1,610,129 hectares in 2013 to 2,675,331 hectares in 2022, which represents a significant increase and reflects a growing commitment to sustainable agricultural practices.

For livestock, the trend analysis of ammonia emissions attributable to this sector of activity between 2015 and 2022 reveals a decreasing pattern. Specifically, emissions have decreased slightly from 202.43 kilotonnes (kt) in 2015 to 202.75 kt in 2022. Although this change is modest, it underlines a progression towards emissions mitigation during the period mentioned. However, from 2021 to 2022, a more significant reduction in emissions can be seen, as in 2021 ( )



GRAPH 6. EVOLUTION 2013-2022 OF THE AREA OF ORGANIC CROPS FOR ECOLOGICAL AGRICULTURE.

emissions were 211.65 kt and this decreased to 202.75 kt in 2022. This represents a decrease of 8.9 kt in one year, which is a remarkable change and reflects the implementation of effective measures to reduce emissions in the livestock sector.

The gross value added of the sea fishing sector at market prices (GVA bp) for 2022 is 1,023.32 million euros compared to 957.22 million euros in 2015<sub>40</sub>, clearly showing an increase in the gross value added of the sector. The same is true for the gross value added per person employed in the sector, which has risen from  $\epsilon$ 28,753.98 in 2015 to  $\epsilon$ 33,558.74.

Finally, Spain is moving towards a model of primary production and circular consumption that seeks to optimise the use of resources and reduce waste generation. The fundamental objective is to protect the environment and promote sustainability. In this sense, reducing food waste is key to making better use of resources. In 2022, Spanish households will waste 6.1% less food than in the previous year and 13.5% less than in 2019, before the pandemic<sub>41</sub>. This figure represents an all-time low in household waste since 2017.

Although unprocessed products are still the most discarded, this group has reduced the number of Spanish households throwing them away by more than 3 percentage points: 70.8% in 2022, compared to 74.0% in 2021. However, recipe waste (dishes cooked from pots or plates or from the fridge) has seen a very slight increase in waste, from 29.2% in 2021 to 30.2% in 2022, with a much larger increase, from 39% to 44%, in the level of duplication of those who threw away from both sources.

Among unprocessed products, the reduction affects multiple food categories across the board, especially fruit, which has traditionally been poorly managed. There are categories that need to continue to be focused on, such as vegetables, especially fresh vegetables, where waste has not been reduced to the same extent as the average.

In the case of out-of-home food waste, assuming that out-of-home consumption has risen by 6.1% in 2022 compared to 2021, the impact has been very positive as it has been reduced by more than 4 million kilos or litres, equivalent to a decrease of 11.3% compared to the previous year and a reversal of the trend in growth since 2020. Therefore, in this new consumption and use environment, on average just under 1% of everything consumed outside the home is being wasted.

Among the age groups of consumers, all age groups have reduced waste, except for the 60-75 age group, which is the only one to have increased. Exceptionally, young people aged 15-19 have reduced not only the number of people who waste, but also the volume of waste by more than half compared to 2021.

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<sup>40</sup> Ministry of Fisheries Surveys: Economic Survey of Maritime Fisheries. Ministry of Agriculture, Fisheries and Food. https://www. mapa.gob.es/en/estadistica/temas/estadisticas-pesqueras/pesca-maritima/encuesta-economica-pesca-maritima/default.aspx

<sup>41</sup> Household Waste Report 2022. https://www.mapa.gob.es/es/alimentacion/temas/desperdicio/informedesperdiciohogares2022anualfinal\_tcm30-659643.pdf

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# 4.5. PROGRESS AND SETBACKS IN THE ECONOMIC SYSTEM

Indicator	2015(a)	2021	Last updated year	Change 2015-update <sup>42</sup>	Trend	Change 2021- update	Trend	Progress Reports	2030 SDS	Remarks
Annual growth rate of real GDP per capita	3.94	6.34	1.40	-2.54	$\bigcirc$	-4.94		PR 2022 / PR 2023	NO	Last update 2023 Units: Percentage
Annual productivity growth rate	1.01	4.03	-0.71	-1.73	$\bigcirc$	-4.74		PR 2023	NO	Last update 2023 Units: Percentage
Real GDP per capita	23,090	23,670	25,210	2120	1	1540		PR 2022 / PR 2023	NO	Last update 2023 Units: € per capita
Contribution to GDP of productive sectors. Agriculture, livestock, forestry and fisheries	29,476	33,378	31,483	2007	1	-1895		PR 2022 / PR 2023	YES	Last update 2022 Units: Millions €
Contribution to GDP of productive sectors. Industry	159,990	185,441	213,706	53716	1	28265		PR 2022 / PR 2023	YES	Last update 2022 Units: Millions €
Contribution to GDP of productive sectors. Construction	56,422	62,978	66,268	9846.00	1	3290.00				
Contribution to GDP of productive sectors. Services	733,083	824,056	914,175	181,092	1	90,119		PR 2022 / PR 2023	YES	Last update 2022 Units: Millions €
Contribution to GDP of productive sectors. Agriculture, livestock, forestry and fisheries	3.0	3.0	2.6	-0.40	$\bigcirc$	-0.40	$\bigcirc$	NO	YES	Last update 2022. Units: Percentage of total

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42 For % units, the change between the two periods of analysis is measured as percentage points and not as percentage change, which is used for all other units.

Indicator	2015(a)	2021	Last updated year	Change 2015-update <sup>42</sup>	Trend	Change 2021-update	Trend	Progress Reports	2030 SDS	Remarks
Contribution to GDP of productive sectors. Industry	16.3	16.8	17.4	1.10		0.60		NO	YES	Last update 2022. Units: Percentage of total
Contribution to GDP of productive sectors. Construction	5.8	5.7	5.4	-0.40		-0.30	$(\)$	NO	YES	Last update 2022. Units: Percentage of total
Contribution to GDP of productive sectors. Services	74.9	74.5	74.6	-0.30	$\bigcirc$	0.10	Ø	NO	YES	Last update 2022. Units: Percentage of total
Employed by age group, sex and economic sector. Agriculture (thousands)	717.4	815.8	765.8	48.4		-50.0	4	PR 2022	YES	Last update 2024 Units: Thousands of People
Employed by age group, sex and economic sector/industry (thousands)	2,441.10	2,643.00	2,825.80	384.7		182.8		PR 2022	YES	Last update 2024 Units: Thousands of People
Employed by age group, sex and economic sector. Construction (thousands)	1,060.60	1,286.00	1,417.60	357		131.6		PR 2022	YES	Last update 2024 Units: Thousands of People
Employed by age group, sex and economic sector. Services (thousands)	13,235.70	14,494.90	16,240.80	3005.1		1745.9		PR 2022	YES	Last update 2024 Units: Thousands of People
Full-time equivalent employment (thousands)	16,555.80	18,520.30	19,210.80	2655		690.5		PR 2022	NO	Last update 2022 Units: Thousands of Posts

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	Average annual wage by sector of economic activity. Men (b)	25,992.80	28,388.70	nd
	Tourism-generated GDP growth rate	4.03	40.76	65.67
	Tourism employment	2324.1	1778.9	1955.4
	Contribution of tourism to total employment.	2.32	1.77	1.95
	Contribution of tourism to total employment. Percentage	12.1	8.8	9.3
æ	Total tourism consumption	131,668.9	107,736.2	168,024.3

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Indicator

Average annual wage by

sector of economic

activity<sub>43</sub>. Women (b)

2015(a)

20,051.6

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43 sectors of activity (B\_s sections B-s): industry, construction and services (except activities of households as employers and extraterritorial organisations).

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Indicator	2015(a)	2021	Last updated year	Change 2015-update <sup>42</sup>	Trend	Change 2021-update	Trend	Progress Reports	2030 SDS	Remarks
Seasonality rate in the tourism sector.	0.3	29.8	16.5	16.18		-13.30		NO	YES	Reference year: 2019 Last update: 2023 Units: Rate
Development of cooperative societies (b)	21,111	20,808	18,743	-2368	€	-2065		PR 2022 / PR 2023	YES	Reference year: Challenge 2020 Last update: Challenge 2023 Units: Number of companies
Cooperative societies and labour companies registered with social security and employment (3Q)	1,865	1,860	1,769	-96	J	-91		PR 2022	YES	Last update: 2022 Units: Number of companies
Evolution of worker cooperative societies. Agricultural Sector	3.6	3.6	2.1	-1.5		-1.5		NO	YES	Last update: 2023 Units: Percentage
Evolution of worker cooperative societies. Industry Sector	10.6	7.7	7.2	-3.4		-0.5		NO	YES	Last update: 2023 Units: Percentage
Evolution of worker cooperative societies. Construction Sector	9.5	10.5	12.8	3.3		2.3		NO	YES	Last update: 2023 Units: Percentage
Evolution of worker cooperative societies. Services Sector	76.3	78.2	77.9	1.6		-0.3		NO	YES	Last update: 2023 Units: Percentage
Self-employed staff, March	3,131,629	3,277,500	3,352,950	221,321		75,450		PR 2022	YES	Last update: 2024 Units: Number of self-employed persons

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Indicator	2015(a)	2021	Last updated year	Change 2015-update <sup>42</sup>	Trend	Change 2021- update	Trend	Progres s Reports	2030 SDS	Remarks
Company by employee stratum. SMEs without employee (o) employees). Figures March	55.1	55.7	54.5	-0.6	$\bigcirc$	-1.2		NO	YES	Last update: 2024 (March data) Units: Percentage
Company by employee stratum. SMEs with employees (1-249 employees). Figures March	44.7	44.2	45.3	0.6	Ø	1.1		NO	YES	Last update: 2024 (March data) Units: Percentage
Company by employee stratum. Large (250 or more employees). March figures	0.1	0.2	0.2	0.1	Ø	0.00	+	NO	YES	Last update: 2024 (March data) Units: Percentage
Total turnover of SMEs	82.933	90.190	120.838	37.91		30.65		NO	YES	Last update: 2024 (2nd month data) Units: Rate
Coverage of ultra-fast fixed broadband networks at download speeds ≥ 100 Mbps	61.1	88.31	90.18	47.6		2.1		PR 2022 / PR 2023	YES	Last update: 2022 Units: % Spanish dwellings
4G mobile network coverage	76.3	99.91	99.89	30.9		0	+			Last update: 2022 Units: % Spanish population
5G mobile network coverage	nd	59	82.36	nd		39.6				Last update: 2022 Units: % Spanish population
Energy intensity measured in terms of primary energy and gross domestic product (GDP) (b)	114.17	104.21	99.69	-14.48		-4.52		PR 2022 / PR 2023	NO	Reference year: 2017 Last update 2022 Units: toe/M€

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Indicator	2015(a	2021	Last	Charma	Trend		Trend	Progres	2030 SDS	Remarks
	)		updated year	Change 2015-update <sup>42</sup>		Change 2021- update		s Reports		Last update 2022.
Materials consumption per GDP	380.2	388.8	351.4	-28.8		-37.4		PR 2022 / PR 2023	NO	Units: t/M€
National consumption of materials	409,74 8	438,51 5	419,227	9,479	€	-19,288		PR 2022 / PR 2023	YES	Last update 2022. Units: Thousands t Reference year:
Share of renewables in gross final energy consumption (b)	16.22	20.74	22.12	5.9	٢	1.38		PR 2022	NO	Reference year: 2017 Last update: 2022 Units: Percentage
CO₂ emissions of resident units per GDP	0.26	0.21	0.21	-0.05	٢	0	+	PR 2022	Ν	Last update 2022 Units: Kg CO
Evolution of emissions from agriculture and	16,148.9	15,010.0	14,732.3 6	- 1,416.5		- 277.72		NO	YES	equivalent/ € Last update 2022 Units: ktCO2
livestock. CO <sub>2</sub> emissions of resident units per unit of value added. Manufacturing	0.61	0.59	0.53	-0.08		-0.06	ĵ	PR 2022 / PR 2023	YES	equivalent/ € Last update 2022 Units: ktCO2 Last update 2022 Units: Kg CO2eq/ €
Number of researchers per million inhabitants (d)	2,626.03	3,252.61	3,407.04	-0.08	٢	154.4 3		PR 2022 / PR 2023	Ν	Last update: 2022 Units: researchers (eJc) per million inhabitants Last update 2021
Output per unit of work of small farms	38,563.1 3	38,812.3	nd					PR 2022	N N	Units: € constant 202 Last update 2021 Units: € constant 202
Average income of small farms	19,688.5	2	nd	nd		nd		PR 2022 / PR 2023		
	7	17,412.6		nd		nd				

		Last	Change		Change		Progres		
2015(a)	202			Trend	-	Trend	s	2030 SDS	Remarks
	1	year	5 000000				Reports		Reference year: 200
6.33	10.7 9	10.95	4.62		0.16	٢	PR 2022 / PR 2023	NO	(base year) Last update: 2022 Units: Percentage Last update: 2022
70.00	66.0	66.00	-4		0	Slight	PR 2022 / PR 2023	NO	Units: Percentage
progress (≥1)		Moderat e progress (between	+	Stagnation (=0)	$(\mathfrak{A})$	decline (between - 1 and 0)		decline (≤- 1)	1
	70.00 Significant progress	1           6.33         10.7           9         9           70.00         66.0           Significant         0           progress         0	2015(a)202 1updated year $6.33$ $10.7$ 9 $10.95$ 9 $70.00$ $66.00$ $70.00$ $66.00$ $70.00$ $66.00$ $10.95$ 9 $66.00$ $10.95$ 9 $66.00$ $10.95$ 9 $66.00$ $10.95$ 9 $66.00$ $10.95$ 9 $66.00$	2015(a)202 1updated year2015-update42 $6.33$ 10.7 910.95 $4.62$ 70.00 $66.0$ $-4$ 70.00 $66.0$ $-4$ Significant0 $66.00$ progress (>1) $Moderat$ e progress (between $\bullet$	2015(a)202 1updated year2015-update42Irrend6.3310.7 910.95 $4.62$ ()70.0066.0-4()Significant progress (>1)0Moderat e progress (between-4	2015(a)202 1updated year2015-update42Irend2021-update $6.33$ $10.7$ 9 $10.95$ $4.62$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $70.00$ $-4$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $70.00$ $-66.00$ $-4$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $5ignificantprogress(>1)\bigcirc\bigcirc\bigcirc\bigcirc(\geq)\bigcirc\bigcirc\bigcirc\bigcirc\bigcirc(\geq)\bigcirc\bigcirc\bigcirc\bigcirc\bigcirc(\geq)\bigcirc\bigcirc\bigcirc\bigcirc(\geq)\bigcirc\bigcirc\bigcirc\bigcirc(\geq)\bigcirc\bigcirc\bigcirc\bigcirc$	2015(a)202 1updated year2015-update42Irrend2021-updateIrrend6.3310.7 910.95 $4.62$ $\frown$ $0.16$ $\frown$ 70.0066.0066.00 $-4$ $\bigodot$ $\bigcirc$ $\circ$ Significant progress (21) $\circlearrowright$ Moderat e progress (between $\leftarrow$ $Stagnation(=0)\bigcirc$	2015(a)202 1updated year2015-update42Irrend2021-updateIrrendIrrends Reports $6.33$ 10.7 910.95 $4.62$ $\bigcirc$ $0.16$ $\bigcirc$ $\bigcirc$ $PR 2022 / PR 2023$ $70.00$ $66.00$ $66.00$ $-4$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $PR 2022 / PR 2023$ $70.00$ $66.00$ $66.00$ $-4$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $PR 2022 / PR 2023$ $70.00$ $\bigcirc$ $66.00$ $-4$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $PR 2022 / PR 2023$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $PR 2022 / PR 2023$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $PR 2023 / PR 2023$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $PR 2023 / PR 2023 / P$	2015(a)202 1updated year2015-update*2Irrend2021-updateIrrendIrrend2030 SDS Reports6.3310.7 910.95 $4.62$ $\bigcirc$

**2015.** Base year of analysis since the adoption of the SDGs. For some indicators the base year of the indicator is after 2015. For each of these indicators, the base year of reference is added under Remarks.

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**2021.** Base year of the analysis since the adoption of the 2030 SDS.

Last updated year. Data available for each indicator for the latest available year. The latest available update is always indicated in Remarks.

Change 2015-update. Evolution of the indicator since the adoption of the SDGs up to the latest available year.

**Trend**. graphical element of the evolution of the indicator.

Change 2021-update. Evolution of the indicator since the adoption of the 2030 SDS to the latest year available.

**Progress Reports.** The indicator is available in PR 2022/2023.

2030 SDS: the indicator is available in the 2030 Sustainable Development Strategy.

**Remarks.** Important indications for the indicator. Base year if not 2015 | Last available update | Units of measurement | Other remarks.

nd. Data not available.

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# COUNTRY CHALLENGE 5. ENDING JOB

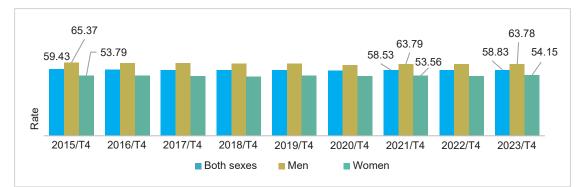
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The 2030 sustainable development strategy reflects a commitment to the continuous improvement of the labour market, seeking equity and stability for all working people. Country Challenge 5 focuses on labour relations to strengthen the quality and stability of employment, seeking to overcome precariousness and foster an equitable and inclusive labour market. This initial diagnosis highlights both improvements in the employment rate and persistent imbalances, laying the groundwork for future inclusive and sustainable policies.

Over the period from 2015 to 2024, the evolution of the number of people affiliated to social security in Spain shows an upward trend, reflecting a sustained increase in employment. The average affiliation figure reached a record high of 21,321,794 in May 2024. Compared with the pre-pandemic level (4Q2019), affiliation has grown by 1.8 million in seasonally adjusted terms.

The evolution of people affiliated to the general scheme shows an upward trend throughout the entire period analysed (March 2015 to March 2024). This trajectory shows a sustained growth in the number of affiliated people, from 12,456,540 in March 2015 to 16,436,721 in March 2024. On the other hand, the period from 2021 to 2024 is notable for a remarkable recovery after the decline observed in 2021, when the number of affiliated persons decreased slightly to 14,451,142, probably due to the residual effects of the COVID-19 pandemic. However, from 2021, a rapid and robust recovery is seen, with an increase to 16,436,721 members in 2024.

#### GRAPH 1. EVOLUTION 2015-2023 OF THE ACTIVITY RATE IN SPAIN.



Source: Drafted by the authors based on data from the Labour Force Survey of the National Statistics Institute, 2024.

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As for the evolution of the national labour force participation rate between 2015 and 2023, the analysis of the data shows a generally decreasing trend in the first years, followed by a slight recovery towards the end of the period. From the fourth quarter of 2015 to the same period in 2020, the labour force participation rate decreased from 59.43% to 58.19%. However, in the period from 2021 to 2023, the activity rate shows a recovery, from 58.53% in 2021 to 58.83% in 2023, an increase due both to the post-pandemic economic recovery and to active employment policies that encourage the incorporation or reincorporation of people into the labour market.

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# 5.1. ANALYSIS OF UNEMPLOYMENT SITUATIONS

#### The unemployment rate in Spain

According to National Statistics Institute's data, the unemployment rate in Spain stood at 11.8 % in the fourth quarter of 2023. This percentage represents a decrease of 1.2 percentage points compared to the same period of the previous year. The change observed between the first quarter of 2023 and the same period of 2024 was a decrease of 1.09 percentage points. The decreasing trend of the unemployment rate in Spain from the fourth quarter of 2015 to the fourth quarter of 2023 indicates a progressive improvement in the labour market, with the exception of the spike in 2020, where the unemployment rate reached 16.26%, largely attributable to the economic crisis caused by the COVID-19 pandemic. The evolution of the unemployment rate in Spain between 2015 and 2021 shows a significant decrease from 20.90% to 13.44%. This period of economic recovery and labour reforms coincides with the observed improvement in employment.

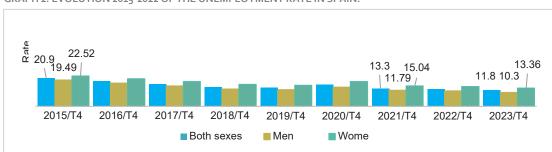
Following the approval of the 2030 Sustainable Development Strategy and Royal Decree-Law 32/2021, which promoted contractual simplification and the reduction of temporary employment, the unemployment rate continued to fall to 11.8 in 2023, suggesting a favourable impact of these policies on the stability of the labour market. It is also important to note that employment protection schemes, such as the Temporary Redundancies (ERTES), played a crucial role in preventing a sharper rise in unemployment, similar to that experienced during the 2008 crisis. The rapid implementation of passive employment policies, including ERTEs and the RED Mechanism<sub>44</sub>, helped to contain unemployment growth, demonstrating the effectiveness of these measures in stabilising the labour market. Although the evolution of the unemployment rate in Spain shows a general downward trend from 2015 to 2023, when analysing the data by sex there is a clear gender gap, where women have consistently had higher unemployment rates than men throughout the period. The gender gap in the unemployment rate has narrowed slightly over the years, but remains significant. For example, in 2015, the percentage difference between the unemployment rates of men and women was 3.03 (men: 19.49%, women: 22.52%), and in 2023 this percentage difference widened to only 3.06 (men: 10.3%, women: 13.36 %).

Although the gender gap in unemployment persists, it is remarkable that female employment has achieved record highs. 9,857 million women are currently in employment, marking the highest number on record to date, with an increase of almost 985,000 women compared to 2019. This remarkable growth in women's employment signals an inclusive and resilient economic recovery.

It is important to note that, although the unemployment rate for both sexes has decreased after the adoption of the 2030 Sustainable Development Strategy and the labour reform of Royal Decree-Law 32/2021, the female unemployment rate is still disproportionately high. This suggests that, although policies may have contributed to an overall improvement in the labour market, there is still work to be done to close the gender gap in employment in Spain.

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<sup>44</sup> The Red Mechanism is a measure of flexibility and stabilisation of employment and is activated by the Council of Ministers for a given sector of the economy or for a given time cycle. The measures that can be authorised are the temporary suspension of the employment contract or the reduction of the working day of workers.



GRAPH 2. EVOLUTION 2015-2022 OF THE UNEMPLOYMENT RATE IN SPAIN.

Source: Drafted by the authors based on data from the Labour Force Survey of the National Statistics Institute, 2024.

The same applies to the employment situation of LGBTI+ people<sub>45</sub>, especially transgender people. Although data on the employment situation and unemployment rate of transgender people<sub>46</sub> are scarce and not very up-to-date, there are some publications that shed light on this reality. Specifically, in 2020, the UGT (General Union of Workers) estimated that, for transgender people, an unemployment rate twice as high as for the rest of the sample was observed. Also, in 2019, transgender people were estimated to have an unemployment rate of 46.5%, at the same time as the national unemployment rate estimated by the National Statistics Institute was 13.78%. The UGT study also highlights that 40% of transgender people claim to have been rejected in job interviews because of prejudice towards their gender identity. For this reason, many transgender people choose to hide their identity.

The results of the analysis of the unemployment rate by Autonomous Community indicate the differences existing throughout the national territory. In the year 2023 (4Q), the highest unemployment rates persist in the Autonomous Communities of Melilla, Andalusia, Extremadura, the Canary Islands and Castile-La Mancha, compared with other regions where the unemployment rate is lower, such as the Basque Country, Navarre, La Rioja and Aragon. The different unemployment rates experienced by the Autonomous Communities are evidence of the differences in the economic structure, the business fabric, the active population and regional employment policies.

In a comparison of unemployed people by the time they are looking for a job in 2023, 33.4% have taken up to 3 months to find a job, compared to 40.4% who may take more than one or two years to enter the labour market. Of the 40.3% of people who take a considerable period of time to enter the labour market, 40.1% are people over 50.

If we analyse the data disaggregated by sex, a similar trend can be seen, with the percentage of unemployed women seeking employment exceeding the percentage of unemployed women in all job search time periods. In particular, 32.7% of men found employment in less than 3 months in the fourth quarter of 2023. However, 58.9% of men over 40 take more than one year to re-enter the labour market in the fourth quarter of 2023, which represents a total of 313,300 in the fourth quarter of 2023.

29.3% of women find a job in less than three months, while 65.6 % of women over 40 take more than a year to find a job in the fourth quarter of 2023, equivalent to 409,300 women.

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<sup>45</sup> Unión General de Trabajadores (UGt), Towards inclusive workplaces. Discrimination against LGBTI+ people in the workplace in Spain, https://www.ugt.es/sites/default/files/Resumen%202023%20ejecutivo%20estudio%20situaci%c3%B3n%20personas%20LGtBi%20 en%20el%20emple0\_compressed.pdf

<sup>46</sup> Ministerio de igualdad, HYPeRLinK "https://www.igualdad.gob.es/wp-content/uploads/informe\_trabajo\_trans2oaccesible.pdf" exploratorio sobre la inserción sociolaboral de las personas trans, https://www.igualdad.gob.es/wp-content/uploads/informe\_trabajo\_trans2oaccesible.pdf

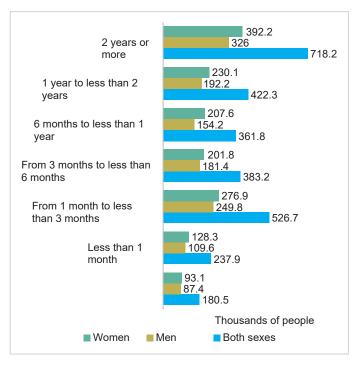
Unemployment rate by autonomous community	2023/T4	2021/T4	2015/T4
o1 Andalusia	17.6	20.18	29.83
o2 Aragon	7.85	9.02	14.6
o3 Asturias, Principality of	11.81	10.01	20.33
04 Balearic Islands	11.38	14.9	17.02
05 Canary Islands	16.19	18.94	26.75
o6 Cantabria	7.48	11.52	17.71
07 Castile and Leon	9.5	10.33	17.58
o8 Castile- La Mancha	12.45	13.31	24.97
og Catalonia	8.97	10.16	17.73
10 Valencian Community	12.65	14.39	21.45
11 Extremadura	16.29	18.94	28.07
12 Galicia	9.15	11.01	17.74
13 Madrid, Community of	9.72	10.12	16.51
14 Murcia, Region of	11.32	12.92	23.51
15 Navarre, Chartered Community of	9.32	9.93	13.53
16 Basque Country	6.33	8.43	12.89
17 Rioja, La	9.52	10.45	13.97
18 Ceuta	28.35	26.86	23.25
19 Melilla	27.42	20.24	32.64

TABLE 1. COMPARISON OF UNEMPLOYMENT RATES BY AUTONOMOUS COMMUNITY, 2023-2021-2015.

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Source: Drafted by the authors based on data from the Labour Force Survey of the National Statistics Institute, 2024.

GRAPH 3. COMPARISON OF UNEMPLOYED PERSONS BY TIME SPENT LOOKING FOR WORK, BROKEN DOWN BY SEX (IN THOUSANDS OF PERSONS), YEAR 2023.



Source: Drafted by the authors based on data from the Labour Force Survey of the National Statistics Institute, 2024.

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# 5.2. ANALYSIS OF SITUATIONS OF INACTIVITY

The evolution of inactive persons between the fourth quarter of 2021 and the fourth quarter of 2023 shows an increase from 16,914,700 to 16,970,500. According to these data, more people are neither working nor actively seeking employment in the fourth quarter of 2023 compared to the fourth quarter of 2021. If we analyse these data according to the main cause of inactivity, the percentages of retired persons, students and persons engaged in housework stand out, with 41.3%, 18.8% and 19.7% respectively in 2023. These percentages for the fourth quarter of 2023 have hardly changed with respect to the data for the fourth quarter of 2022 and 2021. The maximum percentage difference is for retired persons (with 2.5%) compared to 0.2% for students. In the case of persons engaged in housework, the percentage difference has been downwards from 20.7% in the fourth quarter of 2021 to 19.7% in the fourth quarter of 2023.

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Analysing in more detail the percentage of inactive people for the younger population, there is a decreasing trend in the percentage of young people under 24 who are neither studying, nor working, nor receiving training. From a peak of 15.64% in 2015, this figure has decreased to 10.49% in 2022.

GRAPH 4. EVOLUTION 2015-2022 OF THE PERCENTAGE OF YOUNG PEOPLE (15-24 YEARS OLD) NOT IN EDUCATION, EMPLOYMENT OR TRAINING AND THE YOUTH UNEMPLOYMENT RATE IN SPAIN.

48.33	44.44	38.57	34.34	32.53	38.26	34.8	29.76	28.5		
15.64		13.32	12.45	12.13	13.88	10.97	10.49	ND		
2015	2016	2017	2018	2019	2020	2021	2022	2023		
	Proportion of young people (15-24 years old) not in education, employment or training Youth unemployment rate (Q4 data)									

Source: Drafted by the authors based on data from the Labour Force Survey of the National Statistics Institute, 2024.

As regards the indicator for early abandonment of education and training among the 18-24 year old population, in the 2010-2023 period, early school abandonment has dropped by 14.4 percentage points, from 28.2% in 2010 to 13.7% in 2023, a decrease of just over 50%. Broken down by gender, the reduction was 17.5 percentage points for men, from 33.6% to 16.0%, and 11.3 percentage points for women, from 22.6% to 11.3%.

TABLE 2. EVOLUTION 2010-2023 OF THE PERCENTAGE OF EARLY SCHOOL ABANDONMENT AGED 18 TO 24 YEARS OLD.

	2023	2010	Difference	% reduction
Both sexes	13.7	28.2	14.4	51.3
Men	16.0	33.6	17.5	52.2
Women	11.3	22.6	11.3	50.1

Source: MEFP

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# 5.3. ANALYSIS OF OCCUPATION/EMPLOYMENT SITUATIONS

Over the period from 2015 to 2024, the evolution of the number of people affiliated to social security in Spain shows an upward trend, reflecting a sustained increase in employment. Throughout these years, positive annual growth has been recorded, with the sole exception of the interval between March 2020 and March 2021, where a slight contraction was experienced. This phenomenon is mainly attributed to the economic impact of the COVID-19 pandemic.

Analysing the period from 2015 to 2019, there has been a continued increase in the number of members of the general scheme, starting with 12,456,540.31 people and culminating in an increase of 16.7% in 2019. This

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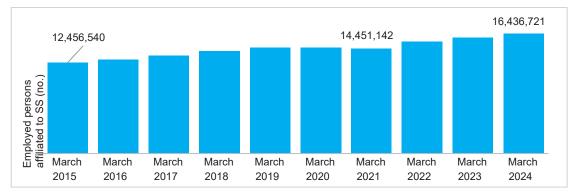
period is characterised by a phase of economic growth, evidenced by a positive trend in labour force participation.

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Extending the observation up to 2021, the upward trend is maintained, despite a sporadic decrease between 2020 and 2021, where the number of affiliates in the general scheme fell from 14,547,610.36 to 14,451,142.13. This decline coincides with the global impact of the pandemic.

However, from 2021 onwards, a significant recovery is evident, reaching a record high in March 2024, representing a growth of 32% compared to March 2015. This remarkable increase underlines a period of economic recovery and a strengthening of the labour market, marking a phase of expansion and optimism in labour force participation.

GRAPH 5. EVOLUTION FROM 2015-2024 OF THE NUMBER OF PEOPLE AFFILIATED TO THE GENERAL SCHEME IN SPAIN<sup>47</sup>.

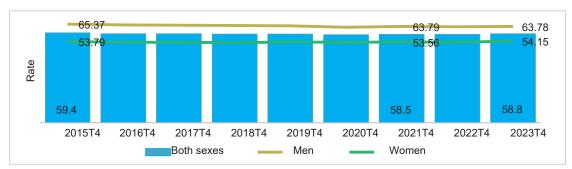


Source: Statistics on Social Security affiliation of workers. Ministry of Inclusion, Social Security and Migration, 2024.

#### The activity and employment rate in Spain

According to data from the National Statistics Institute (INE), the evolution of the activity rate in Spain between 2015 and 2021 shows a steady growth, interrupted only in 2020, probably due to the impact of the COVID-19 pandemic. The recovery in 2021 and the reduction in unemployment until 2023 suggest a strengthened labour market. The 2030 Sustainable Development Strategy and Royal Decree-Law 32/2021 have been key to this progress, promoting employment stability and a positive transformation of the labour market. These reforms have contributed to a significant reduction in job insecurity and improved employment conditions, especially for young people and women.

When analysing the activity rate in Spain disaggregated by sex for the same period, a persistent gender gap is observed. In 2023, the female labour force participation rate was 54.15%, which represents a



GRAPH 6. EVOLUTION 2015-2023 OF THE ACTIVITY RATE IN SPAIN

Source: Drafted by the authors based on data from the Labour Force Survey of the National Statistics Institute, 2024.

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47 In the general scheme, not including the Special Agricultural and Household Employees Systems in force since 1 January 2012. Includes Non-Professional Caregivers.

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difference of 9.64 percentage points compared to the male employment rate of 63.78%. Although the activity rate of women has gradually increased slightly, it is still lower than that of men, reaching a percentage difference of up to 11.7 in the worst of the years analysed (2015), with a rate of 53.55 for women compared to 65.66 for men. This gap may be influenced by factors such as women's greater responsibility for unpaid work in the household and caring for family members, cultural barriers and discrimination in the labour market.

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#### Analysis of temp work

According to data published by the INE's Labour Force Survey on employed persons by type of contract or employment relationship between 2015 and 2024, it reveals a notable transformation in the type of contract (permanent versus temporary). In 2015, the temporary employment rate was 25.7%, reflecting a considerable proportion of temporary contracts in relation to permanent contracts. Over the following years, the rate fluctuated slightly, remaining in a range of 26.5% to 26.3% until 2019. However, from 2021 onwards, a more pronounced decrease is observed, reaching 16.5% in 2023. For the first quarter of 2024, the temporary employment rate has reached a minimum, at 15.7%. These variations reflect the positive impact of the reforms of Royal Decree-Law 32/2021, aimed at reducing temporary employment.

Certainly, the implementation of labour reforms has had a gender-differentiated impact. According to the analysis of the data published by the Registered Labour Movement, in the case of women, the proportion of new temporary contracts registered has decreased steadily, from 89.3% in 2015 to 57.4% in 2023 (as a percentage of total contracts in both permanent and temporary contracts). In contrast, for men, the reduction has been more pronounced, with the proportion of new temporary contracts registered falling from 90.5% to 49.6% in the same period. Royal Decree-Law 32/2021 on urgent measures for labour reform contributes to reducing job insecurity, limiting temporary employment and promoting employment stability, with specific measures against abuse and fraud in temporary hiring and incentives for indefinite hiring. This reform has achieved major advances, including the investment of 11,296 million euros from the European Social Fund plus (ESF+) for active employment policies, including all those that seek to directly improve people's employability, such as training programmes, incentives for entrepreneurship and employment guidance services. Specifically, the ESF+ is financing actions such as improving the quality of vocational training for employment, supporting the integration of young people into the labour market and the fight against youth and long-term unemployment. Moreover, it has contributed and continues to contribute to the diversification of the economy and the promotion of equal opportunities in access to the labour market<sub>48</sub>.

As for the data published by the INE's Labour Force Survey on salaried persons with a temporary contract or relationship with the public sector<sub>49</sub>, the data show an increasing trend in the proportion of temporary contracts in this sector for the 2015 (Q4) and 2023 (Q4) period. This indicates that there has been an increase in the reliance on temporary rather than permanent contracts in the public sector. Analysing the time series, the temp work rate was relatively stable in the first years, fluctuating slightly around 5-6%. However, from 2020 onwards, a more pronounced increase is observed, reaching a peak of 10.6% in 2022 and remaining almost the same in 2023 with 10.4%.

#### Analysis of part-time work

According to the data published by the INE's Labour Force Survey on employed persons by type of working day, the analysis of part-time employment reveals a progressive decrease in

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<sup>48</sup> Link to official source for consultation: https://mpt.gob.es/dam/es/portal/politica-

territorial/local/coop\_econom\_local\_estado\_fondos\_euro- peos/fondos\_europeos/2021-2027\_FSE/estrategia\_fse\_vers2.pdf

<sup>49</sup> Branch of activity O Public administration and defence; compulsory social security

their impact on employment. By the fourth quarter of 2023, part-time workers represent 13.5% of all employed persons, down significantly from 15.7% in 2015 for the same period. However, a significant gender disparity persists in the volume of part-time workers. During the period analysed, employed women have had higher percentages in this type of working day (part-time), with a maximum gap of 17.3% observed in 2018 (24.2% of women employed part-time compared to 6.9% of men employed in the same type of working day).

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As for the evolution of involuntary part-time employment according to the degree of urbanisation, the data published by the National Statistics Institute's Quality of Life Indicators show a decreasing trend in all areas from 2015 to 2022. In 2015, the national total of involuntary part-time employment was 62.4%, with densely populated areas registering a slightly higher figure (62.9%), and sparsely populated areas a similar percentage of 62.5%.

Over the years, a general decrease in these percentages is observed, indicating a reduction in the proportion of unwanted part-time employment. By 2022, the national total decreased to 49.6%, with a more pronounced drop in sparsely populated areas, which registered 46.0%. And in 2017, densely populated areas experienced an increase to 64.3%, which could suggest a specific impact in that year that disproportionately affected urban areas.

#### Analysis of the wage situation

Spain, like many nations, faces the constant challenge of balancing economic productivity with social equity. Quality employment is essential for a life of dignity, and it is not just about having a job, but about the conditions of the job, including fair pay that reflects productivity and contributes to a fulfilling life.

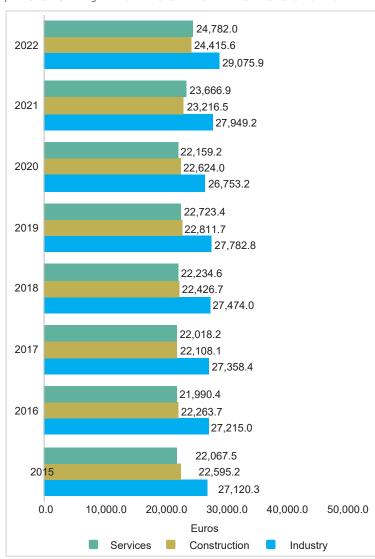
According to data published by ILOSTAT of the International Labour Organization (ILO)<sub>50</sub>, Spain's legal gross monthly minimum wage in 2023, converted to US dollars using purchasing power parities (PPP) and 2017 exchange rates, is 1709.39 PPP, placing it in the sixteenth position in the international ranking.

The INE's Annual Labour Cost Survey reveals that, between 2015 and 2022, wages and salaries in Spain experienced an upward trend, culminating in an average of 25,353.2 euros in 2022. However, a temporary decrease was observed in 2020, with an average of 22,837.6 euros, reflecting the adverse economic effects caused by the COVID-19 pandemic.

The sectoral analysis reveals that, over the 2015-2022 period, industry led in terms of average wage, peaking in 2022 at 29,075.90 euros. In the same year, the service sector ranked second with an average of 24,782 euros, closely followed by construction, which recorded an average wage of 24,415.60 euros.

50 ILOSTAT is the main source of global labour statistics provided by the International Labour Organization (ILO).

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GRAPH 7. EVOLUTION 2015-2022 OF WAGES AND SALARIES BY SECTOR OF ACTIVITY IN SPAIN.

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Source: Drafted by the authors based on data from the Annual Labour Cost Survey of the National Statistics Institute, 2024.

## 5.4. PRECARIOUS PROFILES IN THE SPANISH LABOUR MARKET

Inequality in employment impacts differently according to social class, gender, migration status or disability. In-work poverty is directly related to wage dynamics, as low or inadequate wages can result in poverty when incomes are not sufficient to meet basic needs and ensure a decent standard of living. Wage stagnation in the face of rising living costs creates a gap between income and outgoings, potentially leading to in-work poverty.

Between 2015-2021, a steady increase in average wages was observed for all nationalities. For Spanish citizens, the average salary increased from  $\epsilon_{1,972.50}$  in 2015 to  $\epsilon_{2,176.08}$  in 2021, an increase of 10.3%. In the case of citizens with dual nationality, the increase was more significant, from  $\epsilon_{1,478.21}$  in 2015 to  $\epsilon_{1,702.24}$  in 2021, equivalent to an increase of 15.2%. For foreign citizens in regular status, the average salary increased from  $\epsilon_{1,359.23}$  in 2015 to  $\epsilon_{1,559.30}$  in 2021, an increase of 17.7%.

Between 2021 and 2022, average wages continued their upward trend, albeit at a more moderate pace. Spanish citizens experienced an increase of 1.9%, reaching 2,217.43 euros in 2022. Citizens

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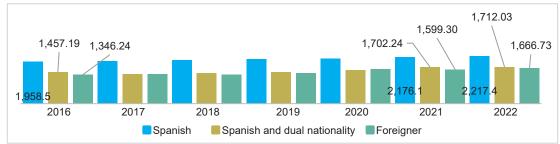
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with dual nationality saw a slight increase of 0.6%, with an average salary of 1,712.03 euros in 2022. On the other hand, foreign citizens had an increase of 4.2%, with an average salary of 1,666.73 euros in 2022.

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Despite the salary increase experienced in the period analysed, the salary differences in Spain between Spanish citizens, citizens with or without dual nationality, and foreign citizens are notable. In 2022, the average salary of a Spanish person was 2,217.43 euros compared to 1,666.73 euros for a foreign person. This reflects a salary gap where a Spanish person earns on average 27.7% more than a foreign person. Over the 2015-2022 period, this disparity has been maintained, although wages in all groups have shown an upward trend.





Source: Drafted by the authors based on data from the Labour Force Survey of the National Statistics Institute, 2024.

## 5.5. PROGRESS AND SETBACKS IN ENDING JOB INSECURITY

Indicator	2015	2021	Last updated year	Change 2015-update⁵¹	Trend	Change 2021-update	Trend	Progress Reports	2030 SDS	Remarks
Part-time employment - annual data	15.5	13.4	12.8	-2.7		-0.6		PR 2022 / PR 2023	YES	Last update 14/03/2024. Unit: % of total employment
Contracts by type. Total permanent contracts (January)	120,239.0	124,191.0	506,622.0	386,383.0		382,431.0		PR 2022	NO	Last update January 2024. Unit: Number
Contracts by type. Total temporary contracts (January)	1,247,556.0	1,178,238.0	678,978.0	-568,578.0		499,260.0		PR 2022 / PR 2023	YES	Last update January 2024. Unit: Number
Contracts by type. Permanent Women (January)	53,779.0	55,145.0	206,137.0	152,358.0	1	150,992.0		NO	NO	Last update January 2024. Unit: Number
Contracts by type. Temporary Women (January)	530,924.0	495,386.0	338,303.0	-192,621.0		-157,083.0		PR 2022 / PR 2023	YES	Last update January 2024. Unit: Number
Total Unemployment, educational level: Less than primary, primary and lower secondary education (levels o-2) - annual data.	31.00	21.30	17.90	-13.1		-3.4	٢	PR 2022 / PR 2023	NO	Last update March 2024. Unit: Percentage of population in the labour force
Total Unemployment, educational level: Upper secondary and post- secondary non-tertiary education (levels 3 and 4) - annual data.	21.60	16.10	13.20	-8.4		-2.9	٢	PR 2022 / PR 2023	NO	Last update March 2024. Unit: Percentage of population in the labour force

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51 For % units, the change between the two periods of analysis is measured as percentage points and not as percentage change, which is used for all other units.

Indicator	2015	2021	Last updated year	Change 2015-update⁵¹	Trend	Change 2021-update	Trend	Progress Reports	2030 SDS	Remarks
Total Unemployment, educational level: Tertiary education (levels 5-8) - annual data.	13.20	9.20	7.40	-5.8	1	-1.8		PR 2022 / PR 2023	NO	Last update March 2024. Unit: Percentage of population in the labour force
Unemployment rate Total	20.9	13.33	11.76	-9.14		-1.57	1	PR 2022 / PR 2023	YES	Last update 4Q 2023. Unit: Rate
Unemployment rate Women	22.52	15.04	13.36	-9.16	1	-1.68		PR 2022 / PR 2023	YES	Last update 40 2023. Unit: Rate
Long-term unemployment rate (greater than or equal to 12 months). Men	10.5	5	4.1	-6.4		-0.9	Ø	PR 2022 / PR 2023	NO	Last update 2022. Unit %
Long-term unemployment rate (greater than or equal to 12 months). Women	12.4	7.4	6.1	-6.3		-1.3		PR 2022 / PR 2023	NO	Last update 2022. Unit %
Employment rate. Total	47.01	50.83	52.05	5.04	1	1.22	1	PR 2022 / PR 2023	YES	Last update 4Q 2023. Unit: Rate
Average hourly wage. All sectors	15.01	16.54	nd	nd	-	nd	-	PR 2022 / PR 2023	YES	Last update 2021. Euros
Average hourly wage. Industry	16.43	17.35	nd	nd	-	nd	-	PR 2022 / PR 2023	YES	Last update 2021. Euros
Average hourly wage. Construction	13.64	14.25	nd	nd	-	nd	-	PR 2022 / PR 2023	YES	Last update 2021. Euros
Average hourly wage. Services	14.81	16.57	nd	nd	-	nd	-	PR 2022 / PR 2023	YES	Last update 2021. Euros
Proportion of women in management positions	31.38	33.32	34.71	3.33	1	1.39		NO	NO	Last update 2022. Unit %
Unemployment rate among young people (under 25)	48.33	34.8	28.5	-19.83		-6.3		PR 2022 / PR 2023	YES	Last update 2023. Rates

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Indicator	2015	2021	Last updated year	Change 2015-update <sup>51</sup>	Trend	Change 2021-update	Trend	Progress Reports	2030 SDS	Remarks
Proportion of young people (15-24 years old) not in education, not employed or receive training	15.64	10.97	10.49	-5.15		-0.48	Ø	PR 2022 / PR 2023	NO	Last update 2022. Unit %
Early drop-out from education and training by 18-24 year olds. Men	24	16.7	16.0	-8		-0.7	Ø	PR 2022	NO	Last update 2023. Unit %
Early drop-out from education and training by 18-24 year olds. Women	15.8	9.7	11.3	-4.5		1.6		PR 2022	NO	Last update 2023. Unit %
Involuntary part-time employment as a percentage of total part- time employment by geographical area and period.	62.6	52.6	49.8	-12.8		-28		PR 2022 / PR 2023	YES	Last update 2022. Unit %
(1) pro	ificant gress ≥1)	9	lerate progress (between o and 1)	+	stagnation (=o)	$(\mathbf{y})$	Slight decl (between and o)			gnificant ne (≤-1)

Legend:

**2015.** Base year of analysis since the adoption of the SDGs. For some indicators the base year of the indicator is after 2015. For each of these indicators, the base year of reference is added under Remarks.

**2021.** Base year of the analysis since the adoption of the 2030 SDS.

Last updated year. Data available for each indicator for the latest available year. The latest available update is always indicated in Remarks.

Change 2015-update. Evolution of the indicator since the adoption of the SDGs up to the latest available year. For % units, the change between the two periods of analysis is measured as percentage points and not as percentage change, which is used for all other units.

Trend. graphical element of the evolution of the indicator.

Change 2021-update. Evolution of the indicator since the adoption of the 2030 SDS to the latest year available. For % units, the change between the two periods of analysis is measured as percentage points and not as percentage change, which is used for all other units.

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Progress Reports. The indicator is available in PR 2022/2023.

**2030 SDS:** the indicator is available in the 2030 Sustainable Development Strategy.

Remarks. Important indications for the indicator. Base year if not 2015 | Last available update | Units of measurement | Other remarks.

nd. Data not available.

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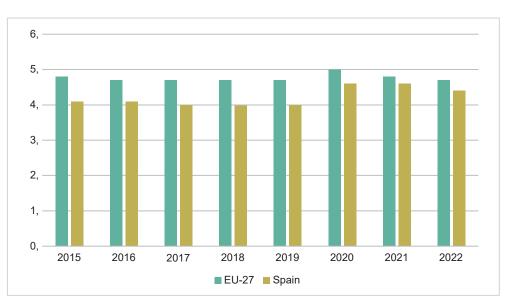
## COUNTRY CHALLENGE 6. REVERSING THE CRISIS OF PUBLIC SERVICES

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The development of people's lives is influenced by institutional, social and economic factors that account for most inequalities. Under this premise, the welfare state and public services must ensure equal opportunities so that all people can fully develop their capacities and life projects. From this perspective, this section analyses the evolution of indicators linked to the performance of the pillars that make up the welfare state, as a fundamental framework for making progress in achieving the 2030 Agenda and guaranteeing the full enjoyment of social rights by citizens.

### 6.1. EDUCATION

Public investment in education has been on an increasing trajectory since 2015, so that in 2022 it represented 4.4% of GDP compared to 4.1 % in 2015. In this trajectory, the increase in 2020 and 2021 stands out, when it rises to 4.6%, largely as a result of the need



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GRAPH 1. EVOLUTION OF THE PERCENTAGE OF GDP ALLOCATED TO EDUCATION. COMPARISON WITH EU.

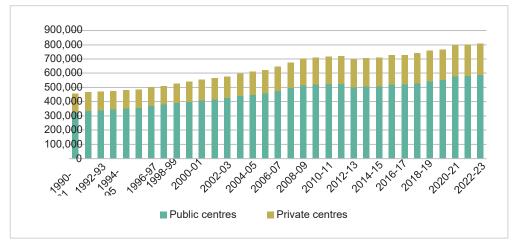
Source: Eurostat.

to address the challenges posed for the education system due the Covid-19 pandemic. This has made it possible to close the gap with the EU-27 average investment, which now stands at 0.3 percentage points, compared to 0.7 in 2015, and also to come closer to the 5% commitment adopted in the UNESCO Paris Declaration.

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The increase in investment is also reflected in the size of the teaching force, a key element in strengthening the quality of education. Thus, during the 2020/2021 academic year, there was a substantial increase in non-university education, with 32,426 more teachers, to which 11,981 additional teachers have been added in the 2022/2023 academic year. More than 87% of these new staff have benefited public schools.

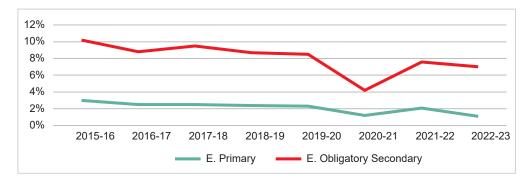
GRAPH 2. NUMBER OF TEACHERS IN THE GENERAL NON-UNIVERSITY SYSTEM AND SPECIAL SYSTEM BY TYPE OF EDUCATIONAL CENTRE IN SPAIN. HISTORICAL SERIES.



Source: G.S. for Statistics and Studies of the Ministry of Education, Vocational Training and Sports.

The repetition rate is a good indicator to measure the impact of increased resources allocated to the education system. The repetition of a school year responds to the students' need to require more effort to consolidate knowledge, recover their educational level and even increase their self-esteem by seeing themselves capable of learning and mastering the knowledge specific to the corresponding educational level. In both primary education (6 to 12 years) and secondary education (12 to 16 years), the trend shows a continuous reduction, with a sharp decrease in the 2020/2021 school year as a result of the exceptional assessment of the 2019/2020 school year associated with the closure of schools during the pandemic. However, in subsequent years, the previous trajectory is resumed, maintaining the downward trend. It should also be noted that the primary assessment for the 2021/2022 school year already applies the LOMLOE criteria (Organic Law modifying the Organic Law on Education), which means that the decision to repeat is taken only at the end of the cycle, which explains why, in the 2022/2023 school year, the repetition rate will be 1.1%, even lower than in the exceptional year of the pandemic (1.2%).

GRAPH 3. REPETITION RATE IN PRIMARY AND OBLIGATORY SECONDARY EDUCATION.



Source: Non-university Education Statistics. General Subdirectorate for Statistics and Studies of the Ministry of Education, Vocational Training and Sports.

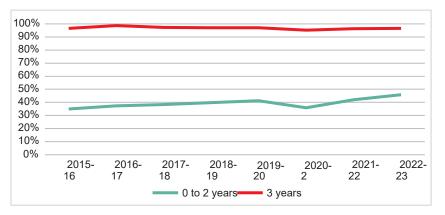
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In order to achieve a fully inclusive education system, capable of meeting all educational needs, in addition to increasing financial and human resources, it is necessary to move towards increasing the number of spaces in the first cycle of early childhood education, as well as to address specific educational support needs (NEAE), including special educational needs (NEE).

In the first of these areas, we can highlight the increase of more than 30% since 2015 in the school enrolment rate of children aged o to 2 years. A positive evolution explained to a large extent by the creation, in recent years, of new public spaces, contributing to raising the school enrolment rate to 45.9% in the 2022/2023 school year. Considering specifically the 2-year-olds, the percentage would rise to 71.2%, which means that almost three out of every four 2-year-olds are in school, and at 3 years of age when schooling can practically be considered to be generalised.

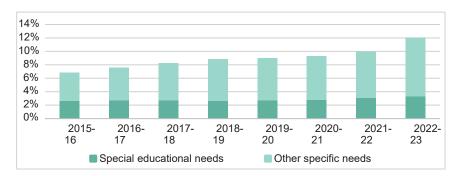




Source: Non-university Education Statistics. General Subdirectorate for Statistics and Studies of the Ministry of Education, Vocational Training and Sports.

In the second area, the percentage of pupils who receive different educational attention to the ordinary one due to special educational needs or other specific needs has increased from 6.8% in the 2015/2016 academic year to 12% in the 2022/2023 academic year. This increase is associated both with special needs, which increase from 2.6% to 3.3%, and with other specific needs, which increase from 4.2% to 8.7%.

GRAPH 5. PERCENTAGE OF PUPILS WITH SPECIFIC EDUCATIONAL SUPPORT NEEDS BY TYPE OF NEED.

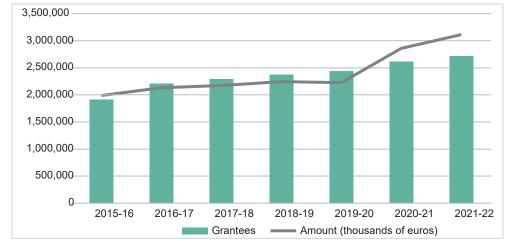


Source: Non-university Education Statistics. General Subdirectorate for Statistics and Studies of the Ministry of Education, Vocational Training and Sports.

Another fundamental aspect of guaranteeing equity in education is the analysis of the financial support that is transferred to families through scholarships and study grants. This aspect has maintained a constant growth trend, which has been particularly significant since the 2019/2020 school year, as a result of the efforts made to reverse the social and economic impact of the health pandemic. Thus, since that year, an additional effort has been made to increase, in the following two years, the overall amount by 39.7% to reach a total of more than 3,100

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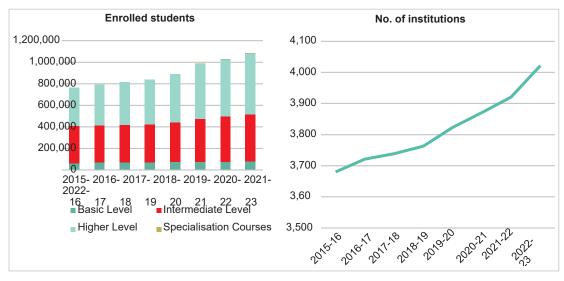
million euros. This in turn has made it possible to increase the number of beneficiaries by 11.2 % to more than 2.7 million people.

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GRAPH 6. NUMBER OF BENEFICIARIES OF SCHOLARSHIPS AND GRANTS AND THEIR AMOUNTS.

Source: Statistics on Scholarships and Study Grants. General Subdirectorate for Statistics and Studies of the Ministry of Education, Vocational Training and Sports.

As a final relevant aspect, it is worth analysing the evolution of Vocational Training, which is increasing its importance in the country's education policy, and which plays a key role in generating employment opportunities in stable and quality employment, as well as in responding to the new demands generated by the transformation of the production model. This commitment is evidenced by the evolution of student enrolment, which has increased by 41.8% since the 2015/2016 academic year. Particularly noteworthy is the growth in the number of students in the Higher Level (59.9%), although the increases in the Basic Level (27.1%) and the Intermediate Level (24.8%) are also notable. This has gone hand in hand with a significant increase in the number of centres offering these courses, exceeding 4,000 centres in the 2022/2023 academic year.



GRAPH 7. THE NUMBER OF STUDENTS ENROLLED AND THE CENTRES PROVIDING VOCATIONAL TRAINING IN THE EDUCATION SYSTEM.

Source: G.S. for Statistics and Studies of the Ministry of Education, Vocational Training and Sports.

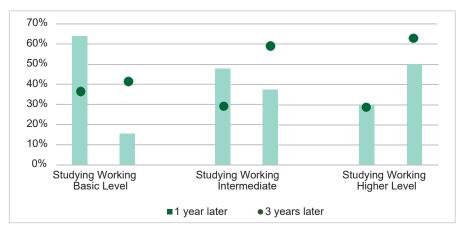
Furthermore, the training acquired by graduates in Vocational Training in its different degrees facilitates their incorporation into the labour market, as well as their continuity in the education system. One year after graduating from the Basic Level, the majority continue studying, 64.1%. At the Intermediate Level, the situation is more balanced, with 47.8% studying and 37.5% working, while at the Higher Level the situation is more balanced, with 47.8% studying and 37.5% working

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The percentage that works, 50.5%, is clearly higher than the percentage that studies, 29.2%. Three years later, the percentage of graduates affiliated to the social security system has increased in all degrees, with 62.7% in the higher and 59.0% in the intermediate levels.

GRAPH 8. VT GRADUATES WHO CONTINUE THEIR STUDIES AND SOCIAL SECURITY AFFILIATION BY YEARS SINCE COMPLETION. GRADUATES ACADEMIC YEAR 2018-2019.

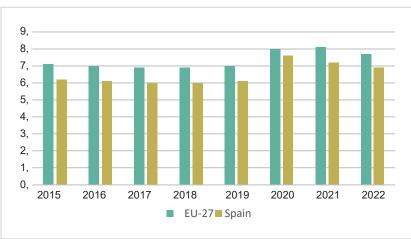


Source: G.S. for Statistics and Studies of the Ministry of Education, Vocational Training and Sports.

### 6.2. HEALTH AND MENTAL HEALTH

The evolution of public investment in the health system shows two trajectories. On the one hand, between 2015 and 2019, investment remains constant at around 6% of the GDP, with insignificant variations. This trend is broken in 2020 with an increase of 1.5 points in the GDP, clearly showing the effort made by the public administrations as a whole to meet the healthcare demand caused by the pandemic. From that year onwards, a slight downward trajectory begins, bringing the budgetary effort to 6.9% in GDP in 2022, which is 0.7 percentage points higher than in 2015. Despite this positive trend, the investment gap in comparative terms with the EU has hardly narrowed, as the EU-27 has also increased its effort in this period, accounting for 7.7% of GDP in 2022.

GRAPH 9. EVOLUTION OF INVESTMENT IN THE HEALTHCARE SYSTEM AS A PERCENTAGE OF GDP. COMPARED TO THE EU.



Source: Eurostat

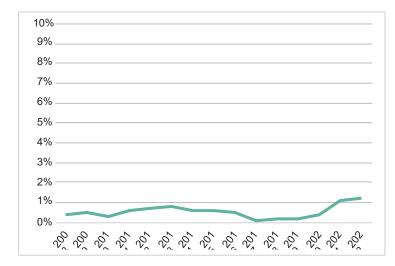
As for the evolution of the unmet need for medical care, which, according to the definition of the indicator, may be caused by factors such as economic cost, waiting lists or

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other reasons (lack of time, fear of treatment, etc.), the evolution shows values very close to 0%, demonstrating the response capacity of the national health system (SNS). Nevertheless, its distance from this reference value (as observed in 2021 and 2022) could be evidence of a certain deterioration in the healthcare system or the existence of barriers to gain access by certain population groups as a result of their administrative situation. A situation that could be reversed through the approval of the Law on Universality in the National Health System, currently in parliamentary processing.

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GRAPH 10. UNMET NEED FOR MEDICAL CARE.

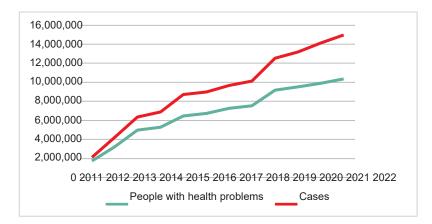
Source: INE

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Moreover, this is taking place in a context in which the number of visits to primary care is growing steadily. Between 2017 and 2022, visits have increased from 403,047,121 to 459,990,971, an increase of 14.13%, according to data from the Database of Primary Care Clinicians (BDCAP), justifying the need to focus greater efforts on this key level of care to guarantee the right to public and universal health.

For its part, mental health is an area of health protection that has become increasingly important in terms of demand and public debate. According to BDCAP data, the number of people who have manifested health problems considered mental health problems<sub>52</sub> has increased from 1,762,474 to 10,378,918 in 2022, an increase of 488%. In the same period, the number of cases has shot up by 605%.

GRAPH 11. PEOPLE WITH HEALTH PROBLEMS AND CASES REGISTERED BY BDCAP. 2011 - 2022 SERIES.



Source: BDCAP.

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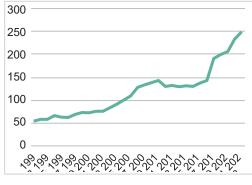
<sup>52</sup> The health problems considered as mental health problems have been the general problems defined in the report "Mental Health in Data: prevalence of health problems and consumption of psychotropic and related drugs from primary care clinical registers" drafted by the National Healthcare System.

The changing social perspective on mental health seems to be having a positive effect in the form of increased demand for professional help. According to data from the Youth, Health and Well-being Barometer<sub>53</sub>, in 2017, 48.9% of respondents reported not having sought professional help for mental health or similar problems, compared to 37.5% in 2023. A difference of 11.4 points does not necessarily indicate a higher prevalence of disorders but a greater awareness of the importance of professional support for their treatment.

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Among other initiatives, the implementation of the 024 line for the Attention to Suicidal Behaviour, or the increase in the number of Internal Psychology Resident (PiR) spaces, which has increased at a constant rate since 1993, responds to this same trend, and particularly in recent years, reaching for the first time in 2023 the figure of 247 spaces available. This positive trend must be substantially reinforced in order to meet the growing demand for this type of care from citizens, so that mental health is one of the services fully guaranteed by the SNS.

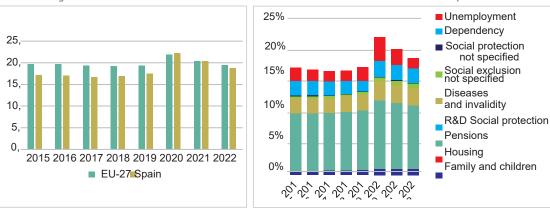
GRAPH 12. NUMBER OF INTERNAL PSYCHOLOGY RESIDENT SPACES.



Source: Centro Documentación Estudios y Oposiciones Cedeo, s.L., based on official calls for applications for Internal Psychology Resident.

## 6.3. PENSIONS AND DEPENDENCY

Investment in social protection shows a similar trajectory to that observed for education and health. Until 2019 it remains constant at around 17% of the GDP, falling below this figure between 2016 and 2018 and recovering again in 2019. It is in 2020, however, that the investment of social protection soars to 22.2% of the GDP, a situation largely explained by the protection against the effects of the pandemic through the social shield. From 2020 onwards, it starts a gradual downward trajectory to reach 18.8% in 2022, which is, however, a percentage that is



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GRAPH 13. EVOLUTION OF THE PERCENTAGE OF GDP SPENT ON SOCIAL PROTECTION. EU-27 COMPARISON

Source: Eurostat.

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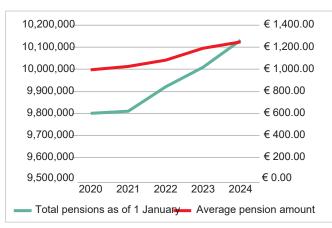
53 Initiative of Fundación de Ayuda contra la drogadicción. The data correspond to a sample of 1200 young people.

1.6 points more than in 2015. The reduction in the gap with the average investment of the EU-27, which in 2015 was 2.5 percentage points, to 0.7 points, is very significant.

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Beyond 2020, the increase in social protection spending responds, among other needs, to our demographic reality. Spain has a population aged 65 or over which, in just eight years, has increased by almost one million people. This fact, coupled with a life expectancy that remains among the highest in the world, has two effects. On the one hand, the increase in the number of pensioners and, therefore, in investment to cover pensions. On the other hand, the steady increase in demand for long-term care.

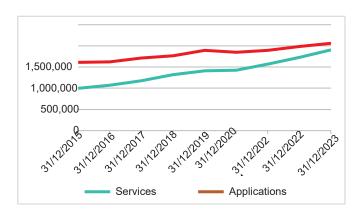
In the first of these areas, it is worth highlighting the impact of the approval of Law 21/2021, which regulates the revaluation of pensions in line with average annual inflation, thus guaranteeing the maintenance of pensioners' purchasing power. In addition, people with longer careers and higher contributions are entering the system, which in turn increases the amount. As a result, the average pension has increased from 996.73 euros in 2020 to 1,248 euros in 2024. Both issues contribute to strengthening the protective capacity of our pension system against the risk of poverty.



GRAPH 14. EVOLUTION OF PENSIONS AS OF 1 JANUARY (2020-2024)

For its part, in the field of Dependency, the evolution observed since 2015 shows very positive data. The number of benefits granted in the System for Autonomy and Care for Dependency (SAAD) reached 1,906,051 in December 2023, an increase of 88.61% since 2015, reaching for the first time 92% of the total number of dependency applications processed by SAAD itself. This positive development is largely explained by the substantial increase in the contribution of the National Government, which has risen from 1.4 billion euros in 2020 to 3.2 billion euros in 2023. In other words, an increase of 150% in just three years.

GRAPH 15. CLAIMS AND BENEFITS REGISTERED IN WADSA AS OF 1 JANUARY (2015-2023)



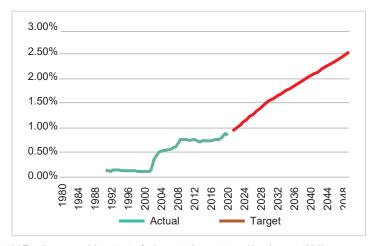
Source: System for Autonomy and Care for Dependency. State Secretariat for Social Rights.

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Source: pension and pensioner statistics. Social Security.

GRAPH 16. PUBLIC SPENDING ON LONG-TERM CARE.



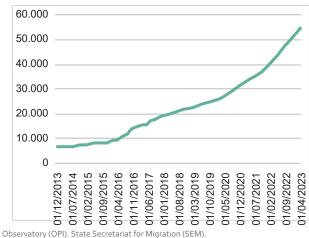
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Source: European Statistical Office (Eurostat) and Organisation for Economic Cooperation and Development (OECD).

## **6.4. INTERNATIONAL PROTECTION**

For its part, a positive trend can be seen in the approach to the migratory phenomenon and the attention given to people in need of international protection. In the last ten years, the number of registered persons with international protection has increased sevenfold, as the following graph shows.

GRAPH 17. NUMBER OF FOREIGNERS REGISTERED IN SPAIN FOR INTERNATIONAL PROTECTION



Source: Permanent Immigration Observatory (OPI). State Secretariat for Migration (SEM)

## 6.5. DIGITAL ADMINISTRATION

The strengthening of public services must go hand in hand with an increased ability of citizens to engage with public administrations. Key to this is the strengthening of digital tools, contributing to greater efficiency and accountability.

The Digital Skills Indicator, produced by Eurostat every two years since 2021, shows not only a Spanish society with strong digital skills (more than 66% of the population in 2023 has more than basic digital skills), but also an increasingly predominant trait among Spaniards (the differences in just 2 years are more than 2 points for the aforementioned group).

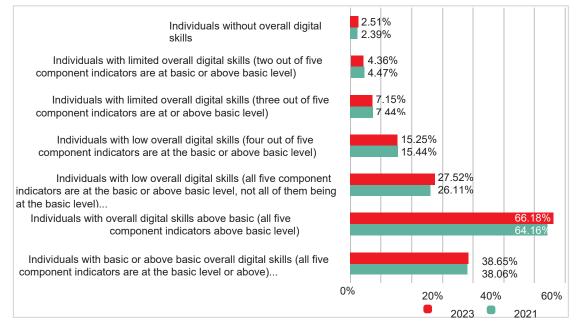
However, the transition towards a more digitalised administration cannot ignore the reality of those who do not have these skills or the technical resources necessary for this type of interaction. This implies that the different administrations should continue to ensure access routes and

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in-person assistance, thus avoiding barriers to access that still persist for certain groups of the population.

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GRAPH 18. LEVEL OF PEOPLE'S DIGITAL SKILLS (FROM 2021)

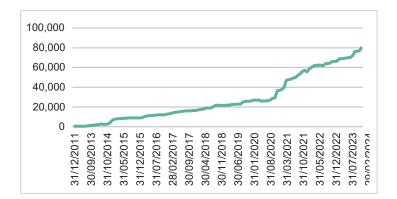


Source: Eurostat.

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Another aspect more closely linked to the digitalisation and transparency of administrations is the availability to citizens of public data generated by the administration itself. Since the creation of the repository datos.gob.es, the number of registered datasets has reached 80,000 records, with a clear tendency to grow from the beginning of 2021.

GRAPH 19. DATASETS PUBLISHED ON THE PORTAL DATOS. GOB.ES SINCE 31 DECEMBER 2011.



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Source: Datos.gob.es

## 6.6. PROGRESS AND SETBACKS IN REVERSING THE CRISIS IN PUBLIC SERVICES

Indicator	2015	2021	Last updated year	Change 2015-update <sup>54</sup>	Trend	Change 2021-update	Trend	Progress report	2030 SDS	Remarks
Public investment in education as % of GDP. Eurostat.	4.1	4.6	4.4	0.3		0.2		PR 2022	YES	Last year available: 2022 (provisional)
School enrolment rate for children o-2 years old	35%	42%	46%	11		4%		PR 2022 and 2023	YES	Last year available: academic year 2022- 2023(provision al data)
Enrolment rate of children under 3 years of age	96.6%	96.4%	96.6%	0	+	0.2		PR 2022 and 2023	YES	Last year available: academic year 2022- 2023(provision al data)
Public investment in health as % of GDP. Eurostat	6.2	7.2	6.9	0.7	1	-0.3		2022 2023	YES	Last year available: 2022 (provisional)
Share of population with high health expenditure per household (> 10%) as a percentage of total household expenditure	7.01%	9.99%	9.45%	2.4		-0.5%				Latest available year 2023
Unmet need for medical care	0.60	1.10	1.20	0.6	$\bigcirc$	0.1		2022	YES	Last year: 2022.
Public investment in social protection as % of GDP. Eurostat.	17.2	20.3	18.8	1.6		-1.5		2022 2023	YES	Last year available: 2022 (provisional)
Municipal coverage of the Basic Benefits Plan for Social Services	73.86%	88.64%	89.34%	15.5%		0.7%		NO	NO	Last year: 2022. No. of municipalities covered.

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54 For % units, the change between the two periods of analysis is measured as percentage points and not as percentage change, which is used for all other units.

Indicator	2015	2021	Last updated year	Change 2015-update <sup>54</sup>	Trend	Change 2021-update	Trend	Progress report	2030 SDS	Remarks
Population coverage of the Basic Benefits Plan for Social Services	94.72%	95.39%	95.27%	0.5%	Ø	-0.1%		NO	NO	Last year: 2022. Total Spanish population covered
Number of benefits granted through the System for Autonomy and Care for Dependency.	1,010,578	1,569,205	1,906,051	88.61%		21.4%		PR 2022 and 2023	NO	Last year available: 31 December of the reference year.
Level of people's digital skills: people with more than basic overall digital skills.	nd	64.16%	66.18%			2.02%		NO	NO	Bi-annual indicator available from 2021.
Significant progress (≥1)	Mod	derate progres (betwee and 1)		Stagnat (=0			ght decline (betwe d o)	en -1		Significant decline (≤-1)

Legend:

**2015**. Base year of analysis since the adoption of the SDGs. For some indicators the base year of the indicator is after 2015. For each of these indicators, the base year of reference is added under Remarks.

**2021**. Base year of the analysis since the adoption of the 2030 SDS.

Last updated year. Data available for each indicator for the latest available year. The latest available update is always indicated in Remarks.

Change 2015-update. Evolution of the indicator since the adoption of the SDGs up to the latest available year. For % units, the change between the two periods of analysis is measured as percentage points and not as percentage change, which is used for all other units.

Trend. graphical element of the evolution of the indicator.

Change 2021-update. Evolution of the indicator since the adoption of the 2030 SDS to the latest year available. For % units, the change between the two periods of analysis is measured as percentage points and not as percentage change, which is used for all other units.

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Progress Reports. The indicator is available in PR 2022/2023.

2030 SDS: the indicator is available in the 2030 Sustainable Development Strategy.

Remarks. Important indications for the indicator. Base year if not 2015 | Last available update | Units of measurement | Other remarks.

nd. Data not available.

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# COUNTRY CHALLENGE 7. ENDING GLOBAL

INJUSTICE AND THREATS T O HUMAN RIGHTS, DEMOCRATIC PRINCIPLES AND PLANET SUSTAINABILITY

The accelerating policy "International leadership for a fair, sustainable, egalitarian, democratic and human rights-based globalisation" is based on the commitment of the ESD2030 to promote a global sustainable development policy, which encompasses foreign policy and, within this, development cooperation policy, which must play an essential role in enabling the 2030 Agenda to advance beyond our borders, while also contributing to the protection of global public goods.

Therefore, the challenge posed in Country Challenge 7 requires a global approach that allows, from a country perspective, for the prioritisation of global public goods, the promotion of human rights, the commitment to an equitable economy and an integrated and inclusive society, the defence of a more sustainable, habitable, resilient and green planet, and, finally, the active contribution to the improvement of global governance mechanisms.

## 7.1. GLOBAL PUBLIC GOODS

#### Socio-economic challenges

According to the UN's own data for SDG 1. The end of poverty, extreme poverty, understood as surviving on less than 2.15 USD per person per day at 2017 purchasing power parity, had seen remarkable declines in recent decades. However, the advent of COVID-19 marked a turning point, reversing these gains, as the number of people living in extreme poverty increased for the first time in a generation by almost 90 million over previous predictions.

on financing for sustainable development, globally, the FSDR 202455 indicates that urgent action is needed to mobilise financing at scale to close the development financing gap, which is now estimated at US\$4.2 trillion per year, up from US\$2.5 trillion before the COVID-19 pandemic. Meanwhile, rising geopolitical tensions, climate disasters and a global cost-of-living crisis have affected billions of people, undermining progress on healthcare, education and other development goals.

According to the report, debt burdens and rising borrowing costs are major contributors to the crisis. In the least developed countries, debt servicing is estimated to be \$40

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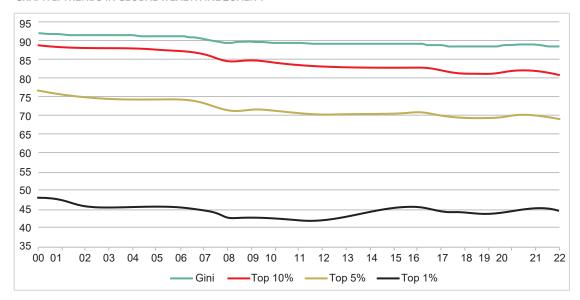
<sup>55</sup> Financing for Sustainable Development 2024 report: Financing for development at a crossroads. https://financing. desa.un.org/iatf/fsdr2024

billion annually between 2023 and 2025, more than 50% more than the \$26 billion in 2022. Stronger and more frequent climate-related disasters account for more than half of the increase in debt in vulnerable countries. The poorest countries now spend 12% of their income on interest payments, four times more than they did a decade ago. Approximately 40% of the world's population lives in countries where governments spend more on interest payments than on education or health.

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#### Wealth Inequality from a Global Perspective<sup>56</sup>

The global distribution of wealth shows marked inequality, with the poorest 50% of the world's population owning less than 1% of total wealth, while the richest 10% account for 81%, and the richest 1% own almost half of all assets. This inequality has been influenced by two main factors: the disparity of wealth within countries and the difference in wealth levels between countries. The current century has seen a reduction in the disparity between countries due to rising wealth in emerging economies such as China and India. However, global inequality has increased in recent years, although it stabilised in 2021 with the postpandemic economic recovery. The share of the richest 1% has shown an upward trend, although a slight decrease was observed in 2022 along with other inequality indicators.



GRAPH 1. TRENDS IN GLOBAL WEALTH INEQUALITY

Source: Global Wealth Report 2023

#### **Sustainability**

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The increase in coal use has been the main factor driving global energy-related carbon dioxide (CO<sub>2</sub>) emissions by more than 2 billion tonnes, marking the largest annual increase in absolute terms in 2021.

This was due to the strong post-pandemic economic recovery, which relied heavily on coal for energy growth. Despite the remarkable growth in renewable energy, coal accounted for more than 40% of the increase in  $CO_2$  emissions, reaching an all-time high. China led this increase, with a significant rise in electricity demand, mainly fuelled by coal. Although the advanced economies showed an economic recovery, their  $CO_2$  emissions rebounded less, signalling a trend towards a structural decline. An accelerated energy transition is essential to ensure a sustainable recovery and to reduce global  $CO_2$ .

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<sup>56</sup> Global Wealth Report 2023. Credit Suisse. https://www.ubs.com/gwr

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MAP 1. EMISSIONS IN TONNES OF CO2 PER CAPITA IN 2022

Source: obtained from datocmadro, based on Muntean, M., Guizzardi, D., Schaaf, E., Crippa, M., Solazzo, E., Olivier, J.G.J., Vignati, E. Fossil CO2 emissions of all world countries

The Emissions Gap Report, an annual publication of UNEP, is a key document that precedes the annual climate change negotiations. Its main objective is to monitor the discrepancies between current global emissions and those needed to limit the temperature increase to 1.5°C. Each instalment of this report analyses this gap in detail and provides recommendations to address it.

The 2023 report<sub>57</sub> notes progress since the signing of the Paris Agreement in 2015. Initially, a 16% increase in greenhouse gas emissions was expected by 2030 under current policies, but is now estimated at 3%. However, a 28% reduction is still needed for the 2°C target and 42% for the 1.5°C target. It urges countries to accelerate the transition to low-emission development and calls for more ambitious action by the highest emitting countries. It also examines how future Nationally Determined Contributions can align emissions with temperature targets, as well as the potential and risks of carbon removal techniques. It will also be crucial to align these contributions with social objectives in order to include this dimension of sustainable development as well.

#### World population growth

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The world's population has grown exponentially, more than tripling since the mid-20th century. In November 2022, it reached 8 billion inhabitants, compared to the

2.5 billion estimated in 1950. This significant increase includes the addition of one billion people since 2010 and two billion since 1998. 15 November 2022 marked a significant milestone in human development, as the world's population reached 8 billion people<sub>58</sub>.

It is expected to increase by almost 2 billion over the next 30 years, reaching 9.7 billion by 2050, with a possible peak of 10.4 billion by the mid-2080s. This growth is mainly due to survival to reproductive age, increasing human longevity, urbanisation and migration, with significant changes in fertility rates and major implications for the future.

The Annual State of World Population Report is an annual publication produced by the United Nations Population Fund (UNFPA). In 2019, global life expectancy reached 72.8 years, an increase of almost 9 years since 1990. This increase is projected to continue until 2050, reaching 77.2 years.

57 United Nations Environment Programme (2023). Emissions Gap Report 2023: Broken Record - temperatures hit new highs, yet world fails to cut emissions (again). https://wedocs.unep.org/20.500.11822/43922.

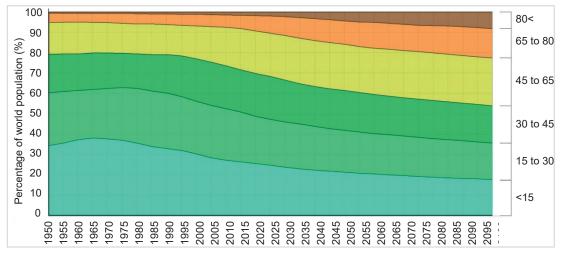
<sup>58</sup> Population | United Nations. https://www.un.org/es/global-issues/population. Access: May 2024.

In several regions of the world, the youth population (aged 15-24) is growing rapidly, especially in sub-Saharan Africa, where the total population is expected to double by 2050. This increase has been followed by a growth in the working-age population (25-64 years) in most countries in Asia, Latin America and the Caribbean. This growth in the working-age population presents economic opportunities, known as the "demographic dividend", but also financial and social challenges related to youth care and population ageing.

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On the other hand, the population of elderly persons (65 years and over) is the fastest growing age group globally, surpassing the population of persons under 5 years of age for the first time in 2018. By 2050, the number of elderly people is expected to outnumber adolescents and young people. This demographic change requires adaptations in education, health and social protection systems.

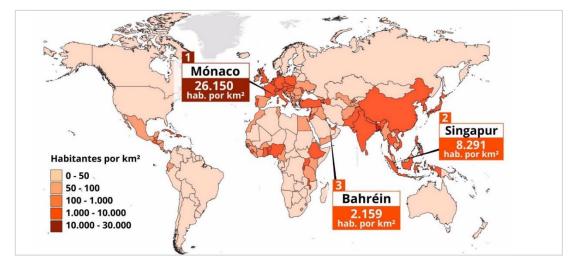
GRAPH 2. EVOLUTION OF THE POPULATION BY AGE GROUP. 1950 TO 2100 PERIOD.



Source: United Nations Organization, 2022.

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Urbanisation is also on the rise, with around 55% of the world's population currently living in urban areas and this percentage is expected to increase to 70% by 2050. Urban growth poses challenges in the provision of housing, infrastructure and basic services, as well as in the inclusion of rural and marginalised urban populations. As stated in the United Nations New Urban Agenda, without up-to-date and legally secure planning instruments, it will be impossible to respond to many of the main urban challenges, including housing.



MAP 2. WORLD POPULATION DENSITY IN 2022

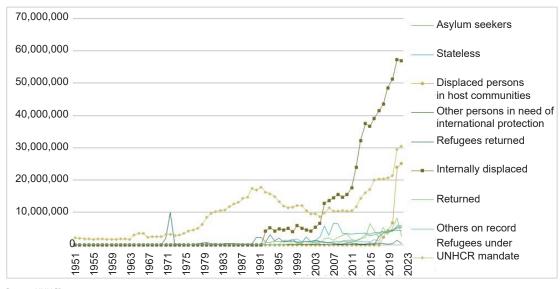
Source: United Nations Organization, 2022.

There are disparities between developed countries, which are home to about 21% of the world's population and have about 80% of the wealth, and developing countries, which account for 79% of the global population but only 20% of the wealth.

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#### Annual displacement and migration flows

During 2023, record numbers were recorded for several aspects of humanitarian displacement, which are monitored by the United Nations Refugee Agency (UNHCR). This includes registrations of refugees under UNHCR's mandate, asylum seekers, displaced persons in host communities and other persons in need of international protection. UNHCR refugee statistics. Historical series.



GRAPH 3. UNHCR REFUGEE STATISTICS. HISTORICAL SERIES.

Source: UNHCR.

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The same trend is pointed out in the World Migration Report 2022, produced by the United Nations' International Organization for Migration, which states that, "overall, the estimated number of international migrants and refugees has increased over the past five decades. The estimated total of 281 million people living in a country other than their home country in 2020 is 128 million more than in 1990". It is important to note that while refugee data are related to migration phenomena, they should not be analysed in conjunction with migration reports, as they are different phenomena with different causes and characteristics.

Refugees are people who are forced to leave their country because they are persecuted for reasons of race, religion, nationality, political opinion, membership of a specific social group, gender or sexual orientation, or even because of climatic emergencies that make life in their region impossible or very difficult. Despite what is commonly believed, the majority of refugees (76%) try to find refuge in neighbouring nations, which often have limited resources to adequately receive them and protect their human rights.

During the year 2022, 118,842 people in Spain submitted asylum applications, making us the third European country with the most applications, after Germany and France, and an increase of 82% compared to the previous year, maintaining the upward trend since 2012 (interrupted only during the year 2020 due to the COVID-19 pandemic). Although there have been improvements, with an approval rate of over 16%, Spain is still significantly below the European average for asylum recognition, which is over 38%. This is particularly relevant in a year that has seen a new record number of asylum applications. Seven of the top applicant nationalities in Spain were from Latin America, with Venezuela leading for the seventh year in a row, Colombia

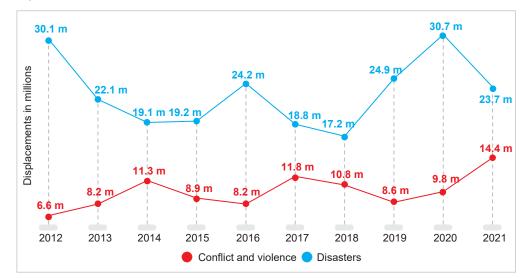
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came second, followed by Peru, Morocco, Honduras, Nicaragua, Mali, Afghanistan, El Salvador and Cuba. In addition, there were changes in the profile of applicants: the proportion of women increased to 46%, reducing the gender gap to 8%, and there was a 15% increase in applications from children, including 1,585 children without family<sub>59</sub>.

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In relation to the forecasts for the population displaced for climatic or environmental reasons in the coming years, the progress reports of the Sustainable Development Strategy 2022 and 2023 already highlighted the record number of people expected to be forcibly displaced by droughts in 2030, up to 700 million people.

On the other hand, the Global Report on Internal Displacement (GRID) of the Internal Displacement Monitoring Centre (IDMC)<sub>60</sub> revealed that, in 2021, conflict, violence and disasters caused the internal displacement of 38 million people in 141 countries and territories, the second highest number in a decade, after the record set in 2020 due to natural disasters. Conflict and violence generated 14.4 million displacements, an increase of almost 50% compared to the previous year.





This is a situation that is difficult to reverse if one looks at the evolution of one of the main indicators used to measure the evolution of anthropogenic impact on the environment and its responsibility for the aforementioned climate crisis:  $CO_2$  emissions.

With the exception of 2009 and 2010 (as a consequence of the global economic crisis) and 2020 (as a consequence of the global COVID-19 pandemic), global carbon dioxide emissions have continued to grow. Although the World Bank's estimates go precisely to 2020, other sources of reference have deemed that, in subsequent years (2021, 2022 and 2023), these emissions have continued to increase, aggravating the climate crisis we are in.

Spain has also seen how the bundle of crises resulting in mass forced displacement has impacted its protection system. The progress of the data on applicants for international protection in 2023 showed 163,220 applications, 36.88% more than in 2022 and almost 5 times the average since 2002. On the other hand, applications admitted by Spain have remained at constant values (around 50,000 admissions) in the last 5 years; with the exception of 2021, which is expected to be influenced by the post-pandemic recovery. This points to the need to strengthen the state's protection system for displaced persons in our country.

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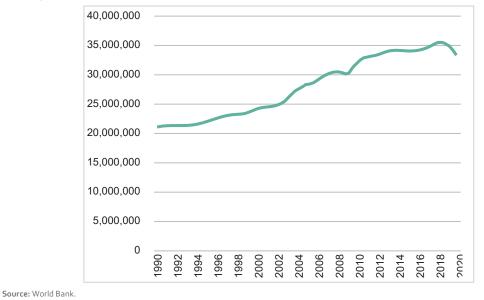
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Source: Internal Displacement Monitoring Centre (IDMC)

<sup>59</sup> ceAR. (2023). 2023 report: Refugees in Spain and Europe.

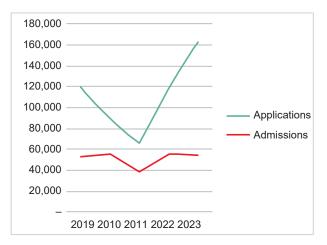
<sup>60</sup> https://www.internal-displacement.org/global-report/grid2021/spanish.html

GRAPH 5. GLOBAL CO2 EMISSIONS (KT).



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GRAPH 6. COMPARISON OF THE NUMBER OF APPLICATIONS FOR AND ADMISSIONS TO INTERNATIONAL PROTECTION



Source: Asylum in figures. annual report of the Asylum and Refugee Office (OAR).

## 7.2. OFFICIAL DEVELOPMENT ASSISTANCE (ODA)

Official Development Assistance (ODA) describes the financial and technical assistance that developed countries provide to countries on the DAC list<sub>61</sub> of ODA recipients and to multi-lateral developing institutions with the objective of promoting their economic, social and human development. It is a fundamental tool for the achievement of the SDG17. ODA can be channelled from governments, international organisations and NGOs. Its main objective is to eradicate poverty, hunger and inequalities, promote sustainable development, improve the quality of life of people in recipient countries, and foster global stability and progress.

ODA provided by DAC member countries reached an all-time high in 2023, amounting to \$223.7 billion, compared to \$211 billion in 2022. This increase

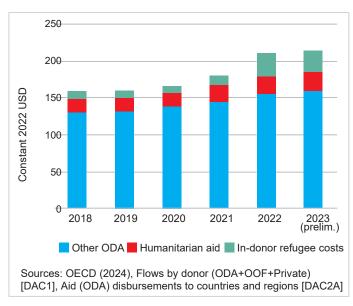
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<sup>61</sup> DAC List of ODA recipients: https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/daclist.htm.

of 1.8% is attributed to increased aid flows to Ukraine and a greater direction of humanitarian action towards developing countries by provider countries, according to preliminary data compiled by the OECD.

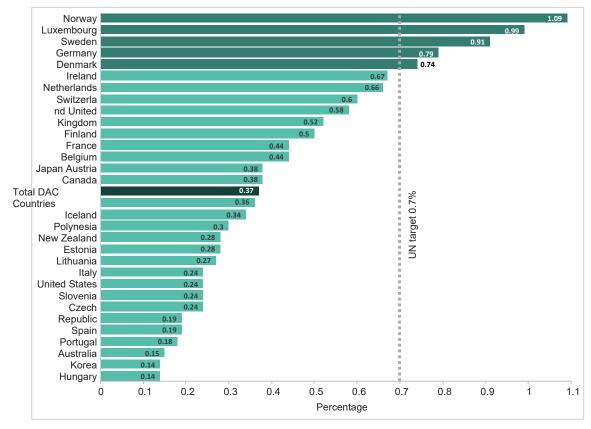
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GRAPH 7. ODA EVOLUTION (2018-2023<sup>62</sup>) AT THE GLOBAL LEVEL.

Source: Organisation for Economic Co-operation and Development, 2024.





Source: Organisation for Economic Co-operation and Development, 2024.

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62 Data for 2023 are preliminary, published by the Organisation for Economic Cooperation and Development.

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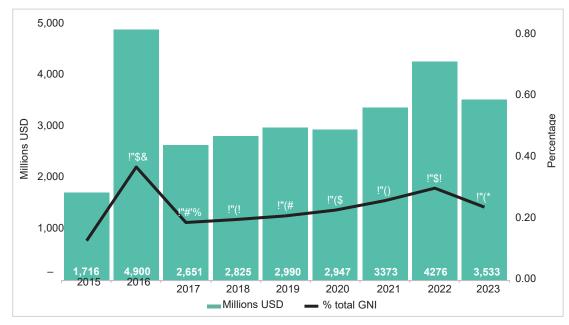
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Spain requires a significant increase in ODA investment and is committed to reaching 0.7% by 2030. Over the last 10 years, the average ODA to GNI ratio has been 0.22%. If this trend continues, the target set in the 2030 Agenda would be reached in 2045. In Spain in 2023, ODA represented 0.24% of Gross National Income (GNI). According to this data provided by the OECD, for the last year for which complete data is available, 2022, Spain was the twelfth country with the highest volume of funding allocated to ODA.

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Nevertheless, it can be said that the effort in this area has undergone a considerable positive transformation. Between 2018 and 2022, Spanish ODA has increased from just over 2,448.94 million dollars to more than 4,071.18 million dollars, which represents an increase of more than 66% in this area.

GRAPH 9. SPAIN'S ODA (2015-2023\*) IN MILLIONS OF DOLLARS (CONSTANT 2022 PRICES) AND SHARE OF GROSS NATIONAL INCOME



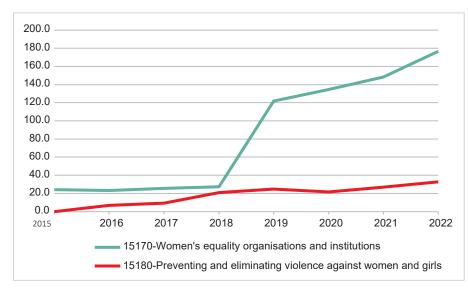
Source: Organisation for Economic Cooperation and Development, from FOCUS2030, 2024.

Since 2015, 2022 is the year with the lowest disbursement relative to committed funding, with an almost total ODA allocation of 95.31%.

Since 2015, there has been a significant increase in ODA for gender equality. Thus, development cooperation organisations and institutions dedicated to equality have increased their funding 7.3 times since 2015, from 24.03 million euros to 176.74 million euros. At the same time, a new CRS (Common Reporting Standard) marker, which did not exist in 2015, has been created for the prevention and elimination of violence against girls and women, with a budget of more than 32.87 million euros in 2022.

Climate change emergencies and environmental protection also indicate a greater commitment on the part of Spain to development cooperation. From 2015 to 2022 (last year with figures), all environmental protection items, except for cultural heritage, have increased. While environmental research has multiplied by just over 250%, environmental policy and administrative management have multiplied by 48 times, from 2.47 million to 118.73 million at that time.

In short, a growing commitment, both in general terms and in terms of specific items related to crosscutting issues such as gender and climate change. ( )



GRAPH 10. AMOUNT OF ODA GE<sup>63</sup> ( $\epsilon$ ) DISBURSED TO SELECTED CRS SECTORS RELATED TO THE GENDER APPROACH.

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Source: Info@OD. Ministry of Foreign Affairs, European Union and International Cooperation.

240,000,000.00 210,000,000.00 180,000,000.00 150,000,000.00 120,000,000.00





90,000,000.00 60,000,000.00 30,000,000.00

0.00

2015

41081-Environmental education/training

41030-Biodiversity

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#### Total official support for sustainable development (TOSSD)

2016

2017

41010-Environmental policy and administrative management 41020-Biosphere protection

Total official support for sustainable development (TOSSD) is an international standard for measuring the full range of resources to promote sustainable development in developing countries. It is

2018

2019

2020

41040-Protection of cultural heritage

41082-Environmental research

2021

2022

63 The term "Grant equivalent", allows comparison of grants, loans and other financial instruments: https://www.oecd. org/dac/financingsustainable-development/modernisation-dac-statistical-system.htm#:~:text=in %20short %2c %20the%20grant %20 equivalent, the %20amount %20of %20money %20extended.

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designed to monitor all official resources flowing to them for their sustainable development, as well as private resources mobilised through official means. It also measures contributions to Global Public Goods.

The international TOSSD Task Force was established in 2017. It is an inclusive group of experts from provisor countries, recipient countries and multilateral organisations. From 2020 onwards, the Spanish Development Cooperation has committed to provide the OECD Development Assistance Committee not only with Official Development Assistance (ODA) data, but also with data related to this new TOSSD accounting metric. Spain has also been a member of the *International Forum on Total Official Support for Sustainable* (IFT TOSSD) since 2024.

## 7.3. PROGRESS AND SETBACKS IN ENDING GLOBAL INJUSTICE AND THREATS TO HUMAN RIGHTS, DEMOCRATIC PRINCIPLES AND PLANET SUSTAINABILITY

Indicator	2015 (specify alternative year of first available data)	2021	Last updated year	Change 2015-update <sup>64</sup>	Trend	Change 2021-update	Trend	Progress report	2030 SDS	2015 (for some indicators the base year is after 2015)
Net official development assistance, total and for less advanced countries as a proportion of the gross national income (GNI) of OECD Development Assistance Committee (DAC) donors	22,131.21 (2016)	28,176.84	29,196.95	7,065.74		1,020.11		PR 2022	YES	Base year: 2016 Last update 2022. Units: millions of euros
Official development assistance (ODA) Grant equivalent <sub>65</sub> (GE) committed	1,570.91	3,209.17	4,305.96	2,735.05		1,096.79				Last update 2022. Units: millions of euros
Official development assistance (ODA) Grant equivalent (GE) disbursed	1,624.96	3,124.07	4,103.83	2,478.87		979.76		NO		Last update 2022. Units: millions of euros
Ratio between Official Development Assistance GE, committed to and disbursed, as a percentage.	103.44	97-35	95.31	-8.13		-2.04	¢	NO		Last update 2022. Units: %.
Country Programmable Aid.	224.9	nd	490.3	265.4				NO	NO	Last update 2021. Units: millions of dollars (usd).

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<sup>65</sup> the term "Grant equivalent", allows for the comparison of grants, loans and other financial instruments: https://www.oecd.org/dac/financing-sustainable-development/modernisation-dac-statistical-system.htm#:~:text=in%20short%2c%20 the%20grant%20equivalent, the%20amount%20of%20money%20extended.

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Indicator	2015 (specify alternative year of first available data)	2021	Last updated year	Change 2015-update <sup>64</sup>	Trend	Change 2021-update	Trend	Progress report	2030 SDS	2015 (for some indicators the base year is after 2015)
Funding from Private Agencies and NGOs	706.35 (2016)	1.96	1.4	-704.95		-0.56		NO	NO	Base year 2016. Last update 2022. Units: millions of dollars (usd).
Total official development assistance (ODA) and ODA to least developed countries as a share of gross national income (GNI) of donors to the Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development (OECD)	0.32 (2016)	0.33	0.37	0.05		0.04		PR 2022 PR 2023	YES	Base year 2016 Last update 2022. Units: %
Total funds for developing countries to promote the development, transfer and diffusion of environmentally sound technologies	334,179.92 (2017)	11,237.40	276,000	-58179.92	€	264762.6		PR 2023	NO	Base year: 2017 Last update 2022. Units: euros.
Value in euros (€) of financial and technical assistance (including through North-South, South-South and triangular cooperation) pledged to developing countries	1.16 (2016)	1.19	0.28	-0.88	J	-0.91	J	PR 2023	NO	Base year: 2016 Last update 2022. Units: millions of euros.
Total flows of development resources, broken down by recipient and donor country and by type of flow (e.g. official development assistance, foreign direct investment and other flows)	4,101.95 (2016)	3,124.07	4,105.07	3.12	3	981		PR 2023	NO	Base year: 2016 Last update 2022. Units: millions of euros.

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Indicator	2015 (specify alternative year of first available data)	2021	Last updated year	Change 2015-update <sup>64</sup>	Trend	Change 2021-update	Trend	Progress report	2030 SDS	2015 (for some indicators the base year is after 2015)
Total official international support (official development assistance plus other official flows) for infrastructure	44·75 (2016)	166.82	187.04	142.29		20.22		PR 2023	NO	Base year: 2016 Last update 2022. Units: millions of euros.
Aid for Trade commitments and disbursements	101.19 (2016)	102.57	380.41	279.22		277.84		NO	NO	Base year: 2016 Last update 2022. Units: millions of euros.
	Significant progress (≥1)	(Detwork)	veen o	<b>+</b>	stagnatio	n (=o)	d (be	Slight ecline etween and o)		Significant decline (≤-1)

#### Legend:

**2015**. Base year of analysis since the adoption of the SDGs. For some indicators the base year of the indicator is after 2015. For each of these indicators, the base year of reference is added under Remarks.

**2021**. Base year of the analysis since the adoption of the 2030 SDS.

Last updated year. Data available for each indicator for the latest available year. The latest available update is always indicated in Remarks.

Change 2015-update. Evolution of the indicator since the adoption of the SDGs up to the latest available year. For % units, the change between the two periods of analysis is measured as percentage points and not as percentage change, which is used for all other units.

Trend. graphical element of the evolution of the indicator.

**Change 2021-update**. Evolution of the indicator since the adoption of the 2030 SDS to the latest year available. For % units, the change between the two periods of analysis is measured as percentage points and not as percentage change, which is used for all other units.

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**Progress Reports**. The indicator is available in PR 2022/2023.

**2030 SDS**: the indicator is available in the 2030 Sustainable Development Strategy.

Remarks. Important indications for the indicator. Base year if not 2015 | Last available update | Units of measurement | Other remarks.

nd. Data not available.

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## COUNTRY CHALLENGE 8. REVITALISING OUR RURAL ENVIRONMENT AND FACING THE DEMOCRAPHIC

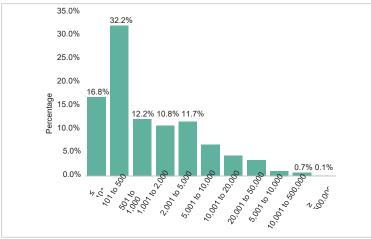
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The situation of the rural areas in our country is a complex issue closely related to the system of territorial decentralisation established in the 1978 constitution. The demographic challenge we face, with depopulated rural areas, large overpopulated cities and an ageing population, generates inequalities in access to services. Country Challenge 866 focuses on addressing this challenge through its accelerating policy of "*Social and Territorial Cohesion*", which seeks to guarantee equal rights and opportunities in rural areas. It is crucial to understand the demographic challenge as a cross-cutting challenge that encompasses depopulation, ageing, territorial dispersion, and the gap in socio-economic opportunities and access to public services between urban and rural areas.

### 8.1. RURAL POPULATION IN SPAIN

CHALLENGE

Of the total of 8,131 municipalities in Spain, 83.8%, or 6,813 municipalities<sub>67</sub> have less than 5,000 inhabitants. These figures have hardly changed in recent years, only -0.1% between 2023 and 2021, and



GRAPH 1. DISTRIBUTION OF THE NUMBER OF MUNICIPALITIES BY SIZE OF MUNICIPALITY IN 2023

Source: National Statistical Institute, 2024 Annual Population Census 2021-2023

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- 66 The transformation of the economic system towards a new green, digital and fair model is fundamental, especially in sectors with a high environmental impact. The demographic challenge addresses this approach by boosting economic and employment opportunities in rural areas and other areas at risk of depopulation to attract and establish a population. In parallel, the initiatives emphasise the need to ensure accessible public services in rural areas or areas threatened by depopulation. These actions, although less explored, are fundamental to addressing problems associated with population distribution and access to essential services.
- 67 According to figures from the INE Population and Housing Census for the year 2023

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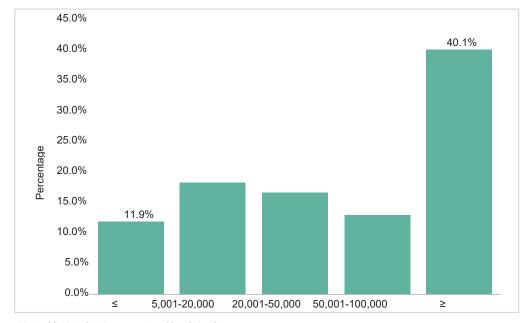
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only 5 municipalities with a population above the threshold of 5,000 inhabitants. In contrast, 1.9% of Spanish municipalities have more than 100,000 inhabitants.

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This small group of large municipalities accounts for 40.1% of the entire Spanish population, while municipalities with less than 5,000 inhabitants account for only 11.9% of the total population of Spain (48,085,361 inhabitants).

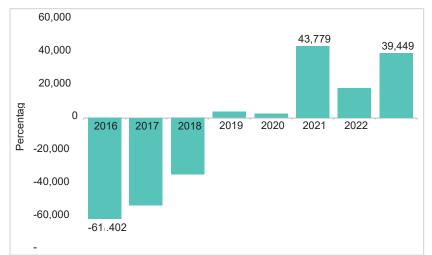




Source: National Statistical Institute, 2024 Annual Population Census 2021-2023

Since 2015, the municipalities with a demographic challenge have been gaining population in a majority. Between 2015 and 2023, the absolute population gain has reached 164.25% (100,851 persons), considering both the decrease in population loss and the increase in positive gain. However, since 2021, when the largest increase in population gain was achieved in municipalities with up to 5,000 inhabitants (43,779 people), there has been a reversal of trend, with a population loss of 9.89%, most marked by the sharp decline in 2022, although it has partly recovered in 2023.





Source: Population time series since 199668 from the National Institute of Statistics, 2024.

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68 official figures from the Annual Review of the Municipal Register as of 1 January each year.

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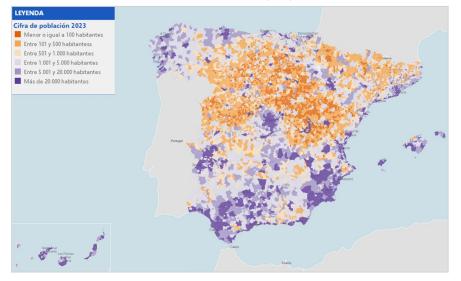
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Experience has shown that the concentration of investment, services and people around large urban centres results in the abandonment of rural areas, leading to a clear socio-territorial imbalance and social inequalities. The crisis of territory has materialised in the difference in opportunities for some people depending on their place of residence.

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Thus, it can be observed that the Spanish population is particularly concentrated in coastal areas and the main national urban agglomerations, with a clear north-south gradient. Large areas of the interior, especially in Castile and León, northern Castile-La Mancha, southern Aragon, most of Extremadura, and northern and south-eastern Andalusia concentrate most of the demographically challenged municipalities.

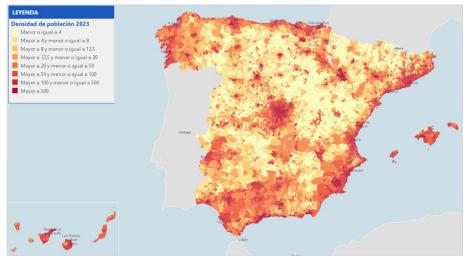
MAP 1. DISTRIBUTION OF THE MUNICIPAL POPULATION IN SPAIN, 2023.



Source: Demographic challenge. GeoPortal of the Ministry of Ecological Transition and Demographic Challenge, 2024.

Almost the entire interior of the peninsula has very low population densities, most of which coincide with the distribution of the demographically challenged municipalities. Thus, large areas of Castile and León and northern Castile-La Mancha, as well as northern Aragon, inland Catalonia and the Valencian Community, have exceptionally low population densities, below 4 inhabitants per square kilometre. In the case of Extremadura and Andalusia, although they continue to concentrate many small municipalities, population densities are somewhat higher, although for the most part they are still below the national average (92 inhabitants per square kilometre).

### MAP 2. MUNICIPAL POPULATION DENSITY IN SPAIN, 2023

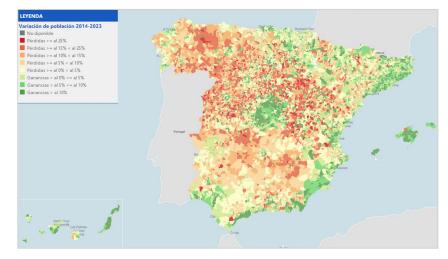


Source: Demographic challenge. MiteRd GeoPortal, 2024.

Despite the fact that some municipalities in the interior of the peninsula, especially in Castile and León and northern Aragon, have gained population, the positive municipal variation continues to be the heritage of the large urban agglomerations and most coastal municipalities. Thus, inland municipalities with smaller populations continue to lose population year by year.

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MAP 3. CHANGE IN MUNICIPAL POPULATION IN SPAIN 2014-2023

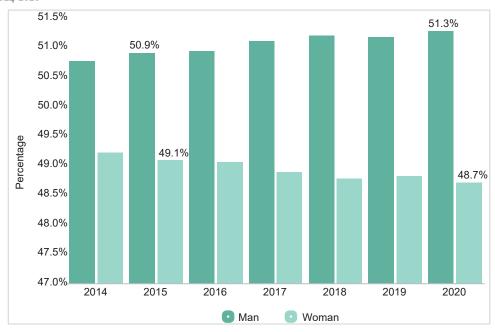


Source: Demographic challenge. MiteRd GeoPortal, 2024

# 8.2. GENDER PERSPECTIVE

In terms of gender, the Spanish population in 2020 is almost equally divided between women and men, with a slight deviation towards the female population; 50.9% and 49.1%, respectively. However, this distribution is very unequal across the country, with a particular concentration of the female

GRAPH 4. VARIATION OF THE RESIDENT POPULATION IN DEMOGRAPHICALLY CHALLENGED MUNICIPALITIES BY SEX 2014-2020



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Source: Continuous Household Survey (ECH)69 of the National Statistics Institute, 2024.

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69 Data referring to 1 January of the year

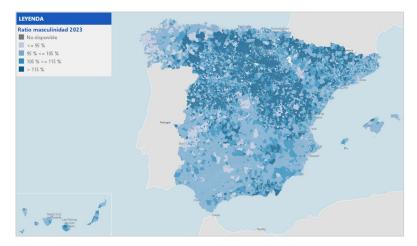
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population in large cities. Thus, in municipalities with more than 100,000 inhabitants, the female population is one percentage point higher than the national average, reaching almost 52%.

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However, in the rural world the situation is reversed, with the male population being in the majority; 51.3% of men to 48.7% of women. Moreover, in recent years this situation has not only remained constant, but has become more acute. Compared to 2015, the variation of the male population in rural areas has increased by 0.1%, while the female population has decreased by 1.3%. The smaller the municipality, the greater the deficit of women in rural areas, and there is a clear convergence between depopulation in rural areas and the rate of men in the municipality.

MAP 4. MALE RATIO IN SPAIN, 2023.



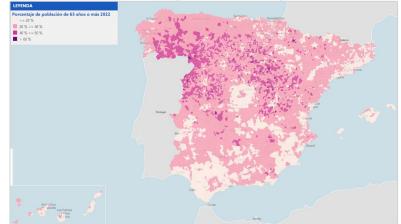
Source: Demographic challenge. Miteco GeoPortal, 2024.

# 8.3. AGEING

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Furthermore, the rural environment is clearly ageing for both sexes, although the feminisation of ageing is also particularly relevant in rural areas, where the female ageing rate exceeds the male rate by almost 5%. In rural areas there is a shortage of young and adult women<sub>70</sub>, as a result of the exodus of women in the so-called support generation<sub>71</sub>, and of those who remain, a very significant percentage are over 65 years of age.

MAP 5. DISTRIBUTION OF THE POPULATION AGED 65 AND OVER IN SPAIN, 2022



Source: Demographic challenge. MiteRd GeoPortal, 2024.

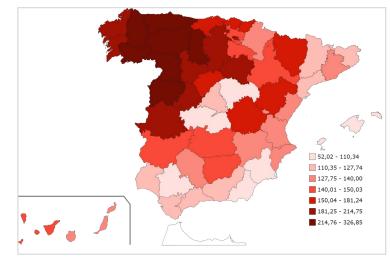
70 Diagnóstico de la Igualdad de Género en el Medio Rural 2021. Ministerio Agricultura, Pesca y Alimentación.

71 Camarero et. al., 2009

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In territorial distribution, an increase in the ageing rate is again observed, which in 2023 is particularly relevant in the centre and northwest of the peninsula, especially in Castile and León, which is joined by Galicia and Asturias with the highest ageing rates in Spain. Provinces such as Salamanca, Zamora, León, Ourense, Lugo and aforementioned Asturias have rates above 230%, while the national average is just over 137.3%.

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MAP 6. PROVINCIAL AGEING INDEX IN SPAIN, 2023.

Source: basic demographic indicators (provinces). INE, 2024.

One of the main factors of ageing is undoubtedly the increase in life expectancy at birth of the population to just over 82 years. According to INE data for 2022, in Spain this indicator, traditionally greater in women than in men with a difference of 5.4 years in favour of the former (85.7 and 80.4 years, respectively), has been shortened in relation to the data for 2021 (5.6 years) and 2015 (5.5 years), being much less than the gender gap existing decades ago; 7.2 years in the nineties of the last century and 7.0 years in the first decade of this century.

# 8.4. POPULATION AT RISK OF POVERTY OR SOCIAL EXCLUSION

According to the AROPE rate<sub>72</sub>, the evolution of the risk of poverty or social exclusion in sparsely populated areas was in sharp decline, reaching in 2023 a reduction of 4.3 percentage points compared to 2015, from 34.2% to 29.9%. Thus, in recent years, the AROPE rate of sparsely populated areas has been brought in line with the rest of the areas and, in 2021, these sparsely populated areas were even at the same level as the total rate for all types of areas.

However, in the year 2023 these municipalities have shown a significant upturn in the rate, increasing by 2.2 percentage points compared to 2021, generating a change in trend in the evolution of recent years. This upturn has been concentrated specifically in the year 2023, as in 2022 the rate did not show any variation compared to 2021.

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<sup>72</sup> The population at risk of poverty or social exclusion is that which is in one of these situations: 1.- at risk

of poverty (60% median income per consumption unit).

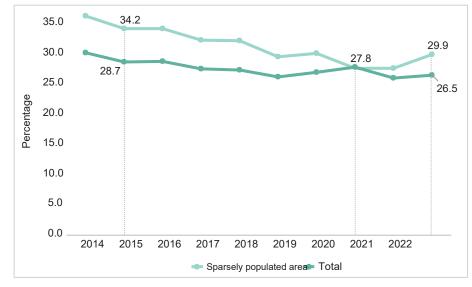
<sup>2.-</sup> in severe material and social deprivation (with deprivation in at least 7 items out of a list of 13).

<sup>3.-</sup> in jobless households or households with low employment intensity (households in which their working-age members worked less than 20% of their total working potential during the reference year).

In the Living Conditions Survey, the income used in the calculation of variables such as income and the at-risk-of-poverty rate always corresponds to the previous year.

GRAPH 5. RISK OF POVERTY OR SOCIAL EXCLUSION (EUROPE 2030 OBJECTIVE) BY DEGREE OF URBANISATION (COMPARISON OF SPARSELY POPULATED AREAS AND TOTAL AREAS).

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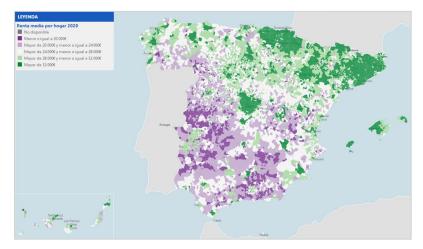


Source: National Statistics Institute's Living Conditions Survey, 2024.

The territorial distribution of the poorest population is almost inverse to that of the municipal population. Thus, average household incomes in Spain are located especially in the municipalities of the southwest of the peninsula and specific areas of the Canary Islands archipelago.

Almost all of Andalusia, southern Castile-La Mancha and especially Extremadura are among the poorest households in Spain, with average incomes that in most cases do not exceed  $\epsilon_{24,000}$ , while the entire north of the peninsula, especially the Basque Country and Catalonia, together with the Community of Madrid and the Balearic Islands, have average incomes well above  $\epsilon_{32,000}$  per household.

MAP 7. DISTRIBUTION OF AVERAGE HOUSEHOLD INCOME IN SPAIN, 2020



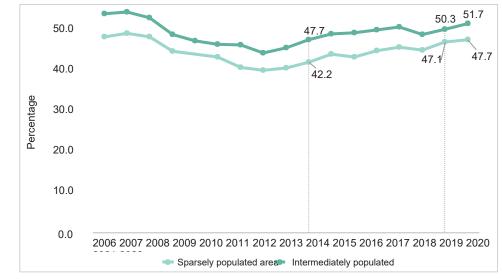
Source: Demographic challenge. MiteRd GeoPortal, 2024.

# 8.5. EMPLOYMENT AND UNEMPLOYMENT IN RURAL AREAS

The evolution of employment and unemployment in Spain shows different trends depending on the degree of urbanisation of the municipalities. The employment rate (a measure of labour intensity defined by the percentage of employed people of working age, aged 16 and over) remains lower in rural areas (5.5 points lower in 2015) than in more urban areas. Although there has been some convergence in recent years, it is still at a safe distance of about 4 points

in 2022 and 3.2 percentage points in 2021, between intermediate and sparsely populated areas.

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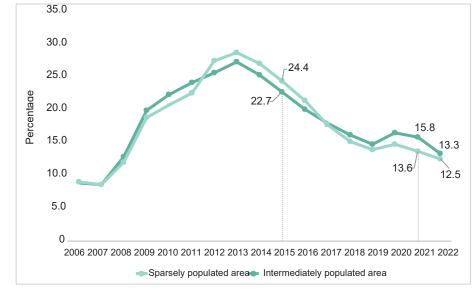
GRAPH 6. EMPLOYMENT RATE BY DEGREE OF URBANISATION AND TIME PERIOD

Source: Quality of Life Indicators from the Labour Force Survey of the National Statistics Institute, 2024.

Thus, in the case of sparsely populated areas, the employment rate in 2022 reached 47.7% of the working age population, 1.3% more than in 2021 (47.1%) and 13% more than in 2015 (42.2%), when the consequences of the global economic crisis of 2008 were still being felt. However, employment rates in rural areas prior to the economic crisis of 2008 have not yet recovered, for example; in 2022 the employment rate is 3.2% lower than in 2007.

The latter is due to the persistent lower labour market insertion of women in rural areas, which is also at risk of being reinforced as a result of a foreseeable increase in the need for care caused by the high degree of ageing and the consequent dependency rates of older people in these territories.

On the other hand, the unemployment rate is more similar between these two types of areas, and even compared to densely populated areas, to such an extent that in 2022 the unemployment rate in rural areas is slightly lower than in more urbanised areas (12.5% compared to 13.3% and 12.8% respectively).



GRAPH 7. UNEMPLOYMENT RATE BY DEGREE OF URBANISATION AND TIME PERIOD

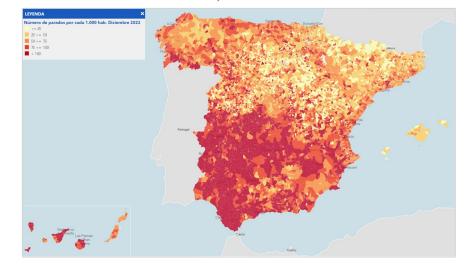
Source: Quality of Life Indicators from the Labour Force Survey of the National Statistics Institute, 2024.

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Compared to 2015, the year in which the economic recovery began to be felt after the peak of unemployment in 2013 (28.7%), in 2022, the unemployment rate has fallen by almost 49% in rural areas, while compared to the previous year (13.6% in 2021), the decrease was 8.1%.

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However, the distribution of unemployment is not homogeneous across the country, although it is relatively convergent with the average income of Spanish households. Thus, large areas of south-western Spain; western Andalusia, Castile-La Mancha and Extremadura, together with a large percentage of municipalities in the two large Canary Islands have the highest unemployment rates in the whole of Spain, which are falling considerably in the direction of the north and east of the peninsula, including the Balearic Islands.



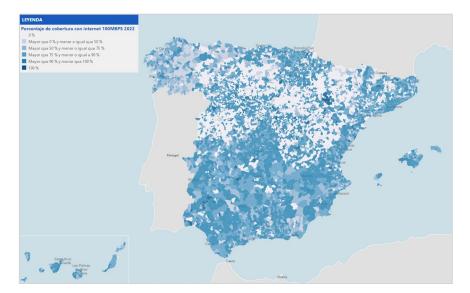
MAP 8. DISTRIBUTION OF UNEMPLOYMENT IN SPAIN, 2022

Source: Demographic challenge. MiteRd GeoPortal, 2024.

# 8.6. ACCESS TO PUBLIC SERVICES

Moreover, acceleration policy 8 includes the necessary strengthening of public services in rural areas, as well as territorial decentralisation. The aim is to ensure the adequate provision of public services in rural areas, especially in the fields of health, education and vocational training, and the modernisation, innovation and digitalisation of the rural environment.

MAP 9. DISTRIBUTION OF 100MBPS INTERNET COVERAGE, 2022



Source: Demographic challenge. MiteRd GeoPortal, 2024.

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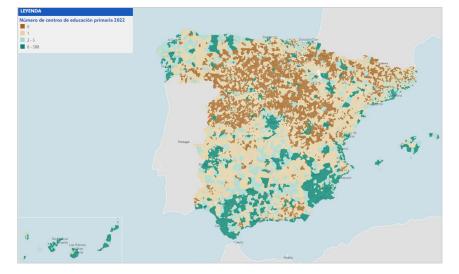
Comparison between total and rural coverage in Spain<sub>73</sub> provided by networks at speeds of at least 100 Mbps for the provision of broadband services from a fixed location demonstrate the narrowing of the digital coverage gap in recent years.

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By June 2022, coverage in rural areas will reach almost 72% of the rural territory, only 18 percentage points behind the national coverage, when in December 2015 they were almost 50 points apart; 65.73% compared to 16.59%, respectively. With respect to June 2021, the difference has been narrowing substantially.

Overall, broadband coverage in rural areas has grown by 334% compared to 2015 and by 6.2% compared to 2021. However, large parts of Castile and León, Castile-La Mancha and Aragon still have very low coverage percentages.

In the case of access to educational services, the territorial imbalance in Spain is once again revealed. Many of the demographically challenged municipalities with the lowest population values do not have educational centres, especially almost all of Castile and León, the north of Castile-La Mancha, and the north of Aragon and Catalonia (Pyrenees area), as well as some municipalities in Extremadura and southeast Andalusia. these situations create a serious territorial imbalance, as the lack of an educational centre in one town forces children to move to other municipalities, more or less nearby, making life difficult for families, which can ultimately lead to the abandonment of the municipality.



MAP 10. NUMBER OF PRIMARY SCHOOLS, 2022

Source: Demographic challenge. MiteRd GeoPortal, 2024.

In the field of health services, access to hospitals in rural areas is more evenly distributed, as access times are not directly related to the presence of municipalities in a demographically challenging situation. On the other hand, factors such as the quality of communication infrastructures play a crucial role in determining the time needed to reach a hospital.

It has been identified that municipalities located near major hospital centres, generally found in mediumsized and large cities, tend to have shorter access times compared to those located in more distant areas. This disparity is especially notable in regions such as the north, east and west of Castile and León, the Aragonese Pyrenees, the north of Castile-La Mancha, the interior of Castellón, Extremadura, and the northern mountains of Huelva and Seville.

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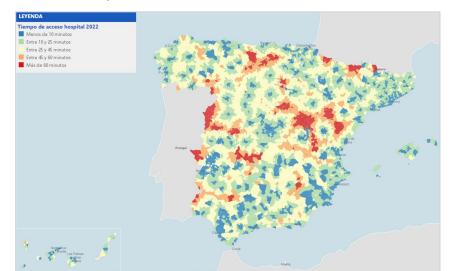
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<sup>73</sup> Report on broadband coverage in Spain in 2022. Ministry of Economic Affairs and Digital Transformation, 30 June 2022.

These territories are generally mountainous geographical areas: The Pyrenees, Celtiberian mountains, Sierra Morena or the Cantabrian mountain range, areas far from provincial or regional capitals and border areas with Portugal. All these geographical situations are directly related to the longer access times to hospitals from rural areas. In summary, although access to health services in rural areas may be more equitable in terms of geographical distribution, the quality of communication infrastructure remains a determining factor in accessibility to hospitals, which can lead to significant disparities between municipalities close to major hospitals and those further away.

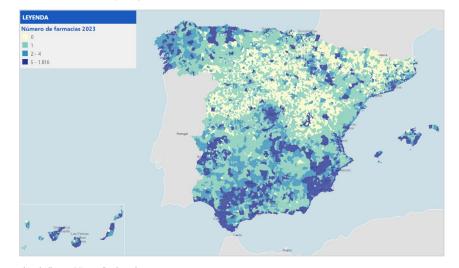
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Source: Demographic challenge. MiteRd GeoPortal, 2024.

However, a more evident relationship between demographic challenge and the presence of chemists can be observed. Thus, the vast majority of municipalities with smaller populations in Castile and León and the north of Castile-La Mancha and Aragon, as well as in the interior of Catalonia (Lleida and Girona) do not have a local chemist service, while most of the centre and south of the peninsula and both archipelagos have at least one chemist.



MAP 12. NÚMERO DE FARMACIAS, 2023

Source: Demographic challenge. Miteco GeoPortal, 2024.

# 8.7. PROGRESS AND SETBACKS IN REVITALISING OUR RURAL AREAS AND FACING THE DEMOGRAPHIC CHALLENGE

Indicator	2015*	2021	Last updated year	2015-update	Trend	2021-update	Trend	Progress Reports	2030 SDS	Remarks
Change in resident population in demographically challenged municipalities by sex 2014-2020 (women)	2,886		2,828	-58		nd		NO	YES	Last update 2020. Units: Persons
Change in resident population in demographically challenged municipalities by sex 2014-2020 (men)	2,973		2,977	4	Ø	nd		NO	YES	Last update 2020. Units: Persons
Share of total public expenditure devoted to essential services (education)	9.35	9.14	9.19	-0.16	$(\mathbf{y})$	0.05	Ø	NO	NO	Last update 2022 (provisional). Units: %
Share of total public expenditure devoted to essential services (health)	14	14.48	14.6	0.6		0.12		NO	NO	Last update 2022. Units: %
Share of total public expenditure devoted to essential services (social protection)	38.97	40.64	39.65	0.7	1	-0.99%		NO	NO	Last update 2022. Units: %
Evolution of the ageing index in Spain	114.69	129.16	137.33	22.6		8.17%		PR2023	YES	Last update 2023. Units: %
Birth rate by mother's nationality	9.02	7.1	6.88	-2	€	-0.22%		PR2022	YES	Last update 2022. Units: Born by 1,000 inhab.

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Indicator	2015*	2021	Last updated year	2015-update	Trend	2021-update	Trend	Progress Reports	2030 SDS	Remarks
Birth rate by (Spanish) mother's nationality	8.21	6.31	6.03	-2.18		-0.28		NO	YES	Last update 2022. Units: Born by 1,000 inhab.
Birth rate by (foreign) mother's nationality	16.7	13.18	13.01	-3.69		-0.17		NO	YES	Last update 2022. Units: Born by 1,000 inhab.
Short-term Fertility Indicator by birth order <sub>74</sub>	1.33	1.18	1.16	-0.17		-0.02		PR2022 PR2023	YES	Last update 2022. Units: Children per woman
Life expectancy in good health at birth	54	62.8		Nd		-62.8		PR 2022 PR 2023	NO	Last update 2021. Units: years
AROPE Rate. Risk of poverty or social exclusion (Europe 2030 objective) by degree of urbanisation (sparsely populated areas)	34.2	27.6	29.9	-4.3		2.3		PR2022 PR2023	YES	Last update 2023. Units: %
Employment rate by degree of urbanisation and period (sparsely populated areas)	42.2	47.1	47.7	5.5		0.6		PR2022 PR2023	YES	Last update 2022. Units: %
Unemployment rate by degree of urbanisation and period (sparsely populated areas)	24.4	13.6	12.5	-11.9		-1.1		PR2022 PR2023	YES	Last update 2022. Units: %

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Indicator	2015*	2021	Last updated year	2015-update	Trend	2021-update	Trend	Progress Reports	2030 SDS	Remarks
Coverage of essential health services. Unmet need for medical care <sub>75</sub>	0.6	1.1	1.2	o.6		0.1		NO	NO	Last update 2022. Units: %
Coverage of essential health services. Population with perceived good or very good health status	72.6	71.2	70.1	-2.5		-1.1		NO	NO	Last update 2022 Units: %
Employment rate by degree of urbanisation and period. Intermediately populated area level	44.7	50.3	51.7	7		1.4		NO	NO	Last update 2022. Units: %
Employment rate by degree of urbanisation and period. Sparsely populated areas	42.2	47.1	47.7	5.5		0.6		NO	NO	Last update 2022. Units: %
Unemployment rate by degree of urbanisation and period. Intermediately populated area level	22.7	15.8	13.3	-9.4		-2.5		NO	NO	Last update 2022. Units: %
Unemployment rate by degree of urbanisation and period. Sparsely populated areas	24.4	13.6	12.5	-11.9		-1.1		NO	NO	Last update 2022. Units: %
DESI 2023 indicators. 5G broadband coverage in households		59	82.3	nd		39.6		NO	NO	Reference year: 2022 Last update 2022. Units: %

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75 Reasons: too expensive, too far to access or waiting list problems

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Indicator	2015*	2021	Last updated year	2015-update	Trend	2021-upd	ate	Trend	Progress Report		SDS	Remarks
Number of fixed broadband subscribers per 100 inhabitants	28.76	35.25		6.49		nc	1		NO	YI	ES	Last update 2021. Units: Number of subscribers per 100 inhabitants
Number of fixed broadband subscribers per 100 inhabitants. Speed >= 10 Mbit/s	26.76	34.92		8.16		nc	1		NO	YI	ES	Last update 2021. Units: Number of subscribers per 100 inhabitants
Significa nt progress		Modera	ate progress	+	Stagnatio	n	Ø	SI sett	ight Jack		Si	gnificant decline

Legend:

**2015\*.** Base year of analysis since the adoption of the SDGs. For some indicators the base year of the indicator is after 2015. For each of these indicators, the base year of reference is added under Remarks.

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**2021.** Base year of the review since the adoption of 2030 SDS

Last updated year. Data available for each indicator for the latest available year. The latest available update is always indicated in Remarks.

**2015-update.** Evolution of the indicator since the adoption of the SDGs up to the latest available year. **Trend.** Graphical

element of the evolution of the indicator. Values between 0-1 are considered moderate positive and negative progress.

**2021-update.** Evolution of the indicator since the adoption of the 2030 SDS to the latest year available.

**Progress Reports.** The indicator is available in PR 2022/2023.

2030 SDS: the indicator is available in the 2030 Sustainable Development Strategy

Remarks. Important indications for the indicator. Base year if not 2015 | Last available update | Units of measurement | Other remarks.

nd. Data not available.

# SPAIN'S COMMITMENTS, PROGRESS AND CHALLENGES

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This section details the commitments, progress and remaining challenges Spain faces. At the halfway point of the 2030 Agenda, Spain has decided to stand up as a strong defender of human rights, of the welfare state to end poverty and inequality, of a just transition that addresses the climate emergency, of the protection of labour rights to end precariousness, and of the fight against the gender gap and discrimination. These axes are considered priorities for an accelerated approach to the 2030 Agenda, following the call of the UN Secretary General at the SDG Summit in September 2023, and are detailed in this section in line with the Country Challenges of the 2030 Sustainable Development Strategy. In addition, at the end of each axis, the most important interlinkages of the Country Challenges contained therein are presented as a summary.

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Interlinkages are dynamic and complex relationships between different aspects of society, the economy and the environment. In the context of the SDGs, these interlinkages are fundamental to understanding how progress in one area can affect others, thereby helping to prioritise policies for their potentially greater impact on others.

The SDGs are understood to be global goals that address a variety of interrelated challenges, and their success requires recognising and managing these interlinkages effectively. This exercise aims to show which of the goals in the 2030 sustainable development strategy could be addressed as a priority due to their high number of interlinkages with others, thereby suggesting a greater impact of public actions designed in alignment with these goals.

This section also summarises the main participation, transparency and accountability mechanisms for the implementation of the 2030 Agenda, human rights principles considered fundamental for the design, implementation and evaluation of public policies for sustainable development.

# SPAIN COMMITTED TO HUMAN RIGHTS

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IN THE IMPLEMENTATION OF THE 2030 AGENDA

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Spain is a country firmly committed to human rights as a necessary approach for the implementation of the 2030 Agenda, both within and beyond our borders. We find ourselves in a global context where threats to the rights of people and the planet are increasing, where conflicts have unbearable human, social and economic consequences, and where the climate emergency is already having terrible effects on the stability of the Earth and our societies. In this scenario, Spain stands as a staunch defender of social, economic and environmental justice, confronting inequalities, discrimination and violence, and climate change, always through a human rights approach. Always understood from this perspective, the 2030 Agenda is our roadmap for a just transition towards a truly sustainable development model that puts people and the planet at the centre.

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The 2030 Agenda is also a mirror of the commitments and obligations that Spain has assumed in the area of international law. The very wording of the Constitution itself states in Article 10.2 that "the norms relating to the fundamental rights and freedoms recognised by the Constitution shall be interpreted in accordance with the Universal Declaration of Human Rights and the international treaties and agreements on the same subjects ratified by Spain". More than 90% of the SDGs are connected to international law instruments, including humanitarian law, human rights, labour standards, and environmental rights and commitments.

For example, SDG 1 (ending poverty) requires respecting, protecting, and fulfilling the rights to food, education, health, housing, water and sanitation, and the continuous improvement of living conditions. It also requires high-quality public services in a strong welfare state, a universal social protection system, and an inclusive and non-discriminatory labour market. Spain is committed to ending the persistence of poverty from one generation to the next and all forms of discrimination, including on the basis of social circumstances, as stated in Article 14 of the Constitution. These obligations and commitments are anchored, among others, in the International Covenant on Civil and Political Rights, Article 2 of which requires provisions to provide the resources required for implementation,76 the International Covenant on Economic, Social and Cultural Rights, article 2 of which requires progressive realisation using the maximum of available resources, and the Convention on the Elimination of All Forms of Discrimination against Women, article 2 of which requires measures to be taken, including budgetary measures, to eliminate discrimination without delay<sub>77</sub>. All these requirements, in turn, are closely linked to other goals, such as SDG 2 (zero hunger), 3 (health and well-being), 4 (education), 5 (gender equality), 6 (water and sanitation), 8 (employment), or 10 (inequality). It is therefore crucial to approach the Agenda not only from a rights perspective, but also to understand it as an inseparable whole, in line with the policy coherence approach to sustainable development.

Spain is also committed to the mandates and competencies of the international human rights mechanisms that monitor compliance, following up on the concluding observations and other reports submitted to the treaty bodies to which it is a party and other human rights mechanism such as the special procedures of the Human Rights Council or the mechanisms of the Council of Europe.

A faithful reflection of these commitments has been the participation in three cycles of the Universal Periodic Review (UPR), as well as the adoption of the second National Human Rights Plan (2023-2027), which provides continuity

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<sup>76</sup> Human Rights Committee, General Comment 2.

<sup>77</sup> Committee on the Elimination of All Forms of Discrimination against Women, General Recommendation 28.

to the Spanish government's international commitments to guarantee the respect, protection and realisation of human rights. Of the 275 recommendations submitted in the last UPR cycle<sub>78</sub>, a total of 252 recommendations were accepted (91% of the total; 13 were partially accepted) and 1079 were noted.

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Similarly, Spain has undertaken to establish a permanent mechanism to implement the opinions and other pronouncements of human rights mechanisms, including treaty bodies and Human Rights Council mechanisms<sup>80</sup>. To this end, an institutional task force will first be set up to identify priorities, organise and adopt working methods, with a view to the approval of a protocol or similar instrument defining the way in which the competent authorities should follow up and respond to these pronouncements.

Spain's candidacy to become a member of the Human Rights Council for the 2025-2027 period and the fourth cycle of the Universal Periodic Review, which Spain will undergo in 2025, also responds to this objective. In addition, in 2023, and continuing with the practice established during the first and second cycle of this exercise, Spain prepares interim reports updating the information sent to these monitoring and control mechanisms, and including the state of implementation of the recommendations arising from the same in previous cycles.<sup>81</sup>

# 2nd National Human Rights Plan

special mention should be made of the Second National Human Rights Plan, approved on 6 June 2023 by the Council of Ministers. This Plan aims to strengthen the institutional frameworks for the promotion and protection of human rights to follow up on the periodic reports submitted to the treaty bodies, the Universal Periodic Review and, where appropriate, other human rights instruments. After the fourth cycle of the Universal Periodic Review, if appropriate, the recommendations received will be incorporated into the Human Rights Plan. The 2030 Agenda, and its implementation in Spain through the 2030 Sustainable Development Strategy, are a fundamental instrument for this Plan.

The 2nd Plan has been built on the basis of a broad participatory process involving 17 ministries, the autonomous communities, the main trade union and business organisations, political parties, the Spanish Federation of Municipalities and Provinces, the main human rights organisations and platforms in Spain, various consultative and participatory councils of civil society, the citizens (through public consultations) and the Spanish Parliament. It has also had an Advisory Commission made up of 9 experts in human rights, as well as the institution of the Ombudsman, as High Commissioner for the guarantee of fundamental rights.

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79 Information on the Universal Periodic Review of Spain: https://www.ohchr.org/es/hr-bodies/upr/es-index

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<sup>78</sup> Report of the Task Force on the Universal Periodic Review of Spain, 44th session of the Human Rights Council, doc. A/ HRC/44/7 of 18 March 2020, https://undocs.org/A/HRC/44/7

<sup>80</sup> The recommendations made to Spain by these mechanisms can be consulted at https://uhri.ohchr.org/es/buscar-recomendacio-nes-dederechos-humanos?countries=5281d914-3945-4d8b-868c-8d4bb2048cf5

<sup>81</sup> Examen Periódico Universal, Información entre sesiones del EPU, https://www.ohchr.org/es/hr-bodies/upr/upr-implementation

CONNECTIONS BETWEEN THE SECOND HUMAN RIGHTS PLAN AND THE 2030 AGENDA

Axes of the 2nd Human Rights Plan	Sustainable Development Goals of the 2030 Agenda and Country Challenges of the Sustainable Development Strategy 2030
Axis 1. International obligations and cooperation. This includes commitments to strengthen and expand fundamental rights around the world: fighting discrimination and promoting equality, defending human rights defenders, gender equality, promoting human rights through trade and business, and building partnerships at multilateral and bilateral levels between different stakeholders.	SDGs 1-7, 9, 10 16 and 17 Country Challenges 1, 2, 3, 4, and 8
Axis 2: Guarantee of human rights. This includes the defence of freedoms, the guarantee of education and the right to health and well-being for all, the right to decent work and sufficient income, social protection and the reduction of inequalities, and the right to the promotion and enjoyment of an adequate environment, among other commitments.	SDGs 1-13, 15 and 16 Country Challenges 1, 2, 3, 4, 5, 6 and 8
Axis 3. Equality of women and men as a guarantee of human rights. With its objectives and measures, it addresses the need to continue working to combat scourges such as inequality, gender-based violence, and the trafficking and sexual exploitation of women and girls, which are also present in the 2030 Agenda.	SDGs 5 Country Challenge 3
Axis 4. Equal treatment and protection of specific groups as a guarantee of rights. This includes commitments aimed at reducing inequalities, guaranteeing equality, as well as special protection for certain population groups such as children and adolescents, the elderly and migrants, among others.	SDGs 1-5, 10 Country Challenges 1, 3, 5 and 6

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In addition, participation is guaranteed throughout the Plan's lifetime, through the implementation of its governance bodies:

- Steering Committee: responsible for ensuring the implementation of the Plan in a coordinated and participatory manner. It is composed of ministries, autonomous communities and the Spanish Federation of Municipalities and Provinces, the main trade union and employers' organisations, as well as the main human rights organisations and platforms in Spain, participation councils and university human rights institutes.
- Interministerial Commission: made up of the ministries of the Spanish Government and responsible for monitoring the Plan and ensuring its communication and dissemination.

Likewise, in its sixth chapter, on governance, monitoring, evaluation and accountability, the Second Plan envisages the implementation of:

- A bi-annual monitoring to reflect the state of implementation and progress of the actions.
- An annual evaluation to monitor actions and verify results.
- A final outcome evaluation to assess the extent to which the implementation of this Plan has contributed to the advancement of human rights development.

The 2nd Plan is now in its first year of implementation, with some of its measures already completed and many others in place. Work is currently under way on the design of the methodology for collecting information and its subsequent analysis, as well as on the development of process, results and impact indicators for the measures included in the Plan.

The main challenge for the successful development of the 2nd Human Rights Plan is to ensure the maximum commitment and involvement in the implementation of the Plan's measures of all agents with competencies to do so, such as autonomous communities and local entities. Likewise, the 2nd Human Rights Plan has a duration of five years, which exceeds the usual time limits of a legislature, which demonstrates the need for all political stakeholders to commit themselves to the defence of human rights.

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# **Democratic memory**

Although Spain does not impose adherence to the Constitution and guarantees ideological freedom in its article 16, the defence of full democracy and the social and democratic rule of law (as the main instruments guaranteeing human rights) have been at the foundation of political action since the restoration of democracy after the end of Franco's dictatorship. In line with SDG 16, which emphasises the inseparable link between historical memory policies and the strengthening of democracy, this has led to the approval of Law 20/2022 of 19 October on Democratic Memory.

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This law has a twofold objective. On the one hand, it aims to promote knowledge of the democratic stages of our history and of all those individual figures and collective movements that progressively built the links of democratic culture that made it possible to reach the agreements of the 1978 Constitution. On the other hand, it seeks to preserve and maintain the memory of the victims of the Civil War and Franco's dictatorship, through the knowledge of the truth, the establishment of justice, the promotion of reparation and the establishment of a duty of memory on the part of the public authorities, in order to avoid the repetition of any form of political violence or totalitarianism.

The Law of Democratic Memory is anchored in human rights and is based on the principles of truth, justice, reparation and guarantee of non-repetition, as well as on the democratic values of concord, coexistence, political pluralism, defence of human rights, culture of peace and equality of men and women. In this way, victims are placed at the centre of the system: it defines who is considered as such, in line with Resolution 60/147, approved by the UN General Assembly on 16 December 2005, and recognises their right to recognition and full reparation by the state.

It also emphasises special recognition of the democratic memory of women, for which the public administrations will adopt the necessary measures for the recognition of their active role in intellectual and political life, in the promotion, advancement and defence of democratic values and fundamental rights, as well as for the dissemination and knowledge of the educational, economic, social and cultural limitations, and discrimination that women specifically endured during the Civil War and the fascist dictatorship. Similarly, it seeks to redress the special forms of repression or violence of any kind suffered by women as a result of their public, political, trade union or intellectual activity, during the civil war and the dictatorship, or as mothers, companions or daughters of victims or murdered persons. As an example of Spain's commitment in this field, since the approval of the Law, 326 Declarations of Recognition and Personal Reparation for Victims have been issued.

In application of the principles of humanitarian law, Article 15 of the Law of Democratic Memory recognises the right of the victims, their families and society in general, to the verification of the facts and the full and public disclosure of the motives and circumstances in which violations of international humanitarian law or serious and gross violations of international human rights law occurred during the Civil War and the dictatorship.

Furthermore, article 29 provides that the State shall guarantee the right to investigate violations of human rights and international humanitarian law that occurred during the Civil War and the dictatorship, as well as the period from the death of the dictator until the entry into force of the Spanish Constitution.

All of this is based on the duty to remember, with the aim of preserving in the collective memory the disasters of the war and of all forms of totalitarianism, for which the public administrations will develop all those measures aimed at preventing the violations of human rights that took place during the coup d'état, the Civil War and the dictatorship from ever happening again. There is an underlying pedagogical purpose of promoting democratic values and coexistence; and different measures related to the educational field, research, dissemination and awareness are promoted.

As an element of special significance, Spain assumes state responsibility for completing the excavation of existing mass graves; a State Census Register of Victims will be created; and the state DNA bank will be put into operation, in compliance with the assumption of the search for people who disappeared during the war and the dictatorship. Finally, the audit and inventory of assets and sanctions will be completed, as well as the re-signification of the Valle de Cuelgamuros as a centre for interpretation and studies on democratic memory, human rights and the culture of peace.

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# AXIS 1. STRENGTHENING THE WELFARE STATE TO END POVERTY AND INEQUALITY

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This strategic axis links country challenges 1 and 6 of the 2030 sustainable development strategy (2030 SDS), which focus on tackling poverty and inequality and strengthening the welfare state, given the interrelationship between both dimensions.

Addressing these challenges in the 2030 SDS was based on the identification of three issues. First, an insufficient legal protection framework for social rights, which underlined the urgency of developing regulatory frameworks and public policies to strengthen and expand their effective enjoyment and exercise. Second, a fragmentation between different social policies and the absence of an integrating system to coordinate them effectively. Finally, a historical deficit in the financing of the welfare state in comparative terms with the main European economies, which is substantially aggravated by the austerity policies applied in response to the global financial crisis of 2008, further limiting its development and particularly affecting the development of fundamental pillars such as social services and care for dependency, with growing response needs given the ageing of the population, or social protection for families.

This axis therefore focuses on a selection of the priorities for action launched as part of the 2030 SDS commitments to reverse this situation. These actions do not exhaust the wide range of public policies deployed since the approval of the 2030 SDS and which, together, have enabled progress to be made towards a strengthened welfare state that has incorporated new services to protect the population from the risk of poverty and social exclusion, and thus move towards a less unequal society.

In the international sphere, it should be noted that Law 1/2023 of 20 February on Cooperation for Sustainable Development and Global Solidarity reaffirms that the central objective of this policy in Spain is to promote sustainable human development through the fight against poverty and inequality, in all its dimensions, leaving no one behind, paying special attention to the most disadvantaged, excluded or vulnerable people, in particular children, adolescents and youth, the elderly, people with disabilities, displaced persons and refugees, and all those who suffer discrimination or violence based on sex, national or ethnic origin, culture, sexual orientation or gender identity, sexual characteristics, disability, or any other reason, with a gender and intersectional perspective and a rights-based approach. In the last three years, Spain has significantly increased the resources dedicated to cooperation for sustainable development and, therefore, to the fight against poverty and inequality in the world, and has also specifically strengthened the budget for some lines of work especially dedicated to the fight against inequality, such as the Indigenous Programme or the Afro-descendant Programme. Likewise, within the framework of the OECD, Spain is a leading contributor to the Community of Practice on Poverty and Inequality and, in the framework of its presidency of the EU Council, it promoted the adoption of guidelines on policy and economics of care in development cooperation.

In addition, Russia's invasion of Ukraine has had significant humanitarian and economic consequences. From a humanitarian point of view, millions of refugees have been displaced and many Ukrainians are unable to return home. Economically, it has exacerbated rising gas, oil and wheat prices, causing inflation to rise and growth to slow in Europe.

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To this end, the Government, in line with the response given by the European Union, promoted a National Plan, which includes both regulatory and non-regulatory measures, and which has been drawn up following a process of dialogue with the most affected sectors, social agents, the Autonomous Communities and political parties, all with the aim of reducing energy prices, supporting the most vulnerable sectors and groups, and stabilising prices.

Thus, Royal Decree-Law 6/2022 of 29 March was approved, adopting urgent measures within the framework of the National Response Plan to the economic and social consequences of the war in Ukraine, whose basic objectives were to contain energy prices for all citizens and companies, to support the most affected sectors and the most vulnerable groups, and to reinforce price stability. The measures adopted included a reduction in electricity taxes, a rebate on fuel prices, and a social shield to provide special support to the most vulnerable groups, as well as significant aid to the productive sectors most affected by the rise in energy prices, such as transport, agriculture and livestock, fishing, and intensive electricity and gas industries. In addition, a significant increase in social benefits (Minimum Vital Income and non-contributory pensions) and other protective measures for the most vulnerable groups were adopted.

For its part, Royal Decree-Law 10/2022 of 13 May established a production cost adjustment mechanism to reduce the price of electricity on the wholesale market, known as the "Iberian mechanism", which has led to a significant reduction in electricity costs in Spain and Portugal, protecting the economy and society from part of the effects of the war in this area.

The continuation of the war and its effects on the general price level led to the approval of a second package, through Royal Decree-Law 11/2022 of 25 June, adopting and extending certain measures to respond to the economic and social consequences of the war in Ukraine, to address situations of social and economic vulnerability, and for the economic and social recovery of the island of La Palma. This regulation not only extended the main temporary measures to reduce energy prices and inflation and protect the most vulnerable groups, included in Royal Decree-Law 6/2022 of 29 March, but also incorporated important additional measures, such as a freeze on the price of butane canisters, a subsidy of up to 30% on public transport multi-journey tickets and provisions aimed at increasing public support for agricultural insurance.

In turn, Royal Decree-Law 14/2022, of 1 August, adopted a set of measures aimed at promoting energy saving and containing inflation, including free medium-distance public transport by rail and an increase in the line of direct aid for urban and road transport.

Likewise, by Royal Decree-Law 17/2022 of 20 September, it was agreed to lower the VAT on natural gas. Royal Decree-Law 18/2022 of 18 October increased this catalogue of measures to reinforce savings and prepare the Spanish economy for the winter. Among these measures, it is worth noting the possibility for residents' associations to benefit from the last resort tariff for natural gas.

These first five packages of measures represented a significant fiscal effort that was met without prejudice to the achievement of deficit and debt reduction targets and, most importantly, had a very positive effect on the evolution of inflation and key economic variables over the course of 2022. Inflation fell by four points from the July peak, while measures to support lower-income households offset some 3.5 percentage points of purchasing power, preventing a deterioration in inequality indicators. The decline since August brought the Spanish inflation rate below the eurozone average, while the continued strong growth of real activity and employment, the external sector and the reduction of the public deficit and debt, demonstrated the solidity of the Spanish economy in this complex external and energy-related environment.

In the last months of 2022, energy prices became moderated, being replaced as drivers of the overall price level by other key goods such as food, raw materials and intermediate goods. This price increase, which was mainly explained by the impact of the war on global supply and production chains and by previous increases in energy prices, was particularly significant in foodstuffs, with staple products such as flour, butter and sugar experiencing increases of close to 40% year-on-year. Moreover, although the price of natural gas and fuels also were moderated, there were still important elements that suggested that the price of natural gas and fuels could increase again during 2023. Against this backdrop, it became necessary to continue to take measures to prevent a rebound in inflation while protecting the most affected and vulnerable groups, without jeopardising the achievement of the fiscal targets for 2023.

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To this end, a sixth package of measures was adopted by Royal Decree-Law 20/2022 of 27 December on measures in response to the economic and social consequences of the war in Ukraine and in support of the reconstruction of the island of La Palma and other situations of vulnerability, mobilising some 10 billion euros in public resources to articulate the economic policy response to the war in Ukraine as of 1 January 2023, focusing on those vulnerable to increases in the price of food and other essential goods and those sectors most affected by rising energy prices.

As a result of the duration of the war and the persistence of upward pressures on food, raw materials and intermediate goods prices, some of the measures put in place were extended and updated by Royal Decree-Law 5/2023 of 28 June.

Finally, although the markets were adapting to the persistent geopolitical uncertainty, and the forecasts for price trends for 2024 were not pessimistic, the prolongation of the war in Ukraine and Russia, the emergence of a new conflict between Israel and Gaza and the possibility of an escalation in geopolitical tensions, as well as to avoid undesired rebound effects on prices, with undesired consequences, especially for the most vulnerable groups, RDL 6/2023 of 27 December was prudent in opting for a gradual withdrawal of the measures adopted until then, avoiding unexpected price developments and especially protecting the most vulnerable groups, but without jeopardising the sustainability of public finances and compliance with the objectives of reducing the deficit and public debt.

Ultimately, the measures taken have been instrumental in mitigating the economic and social effects of the war, combating inflation and supporting economic recovery and the creation of high-quality jobs, especially in the sectors most affected by the Russian invasion: electricity, transport and agriculture.

# 128.1. Strategy for Preventing and Fighting Poverty and Social Exclusion: a comprehensive approach

This strategy has reflected a clear commitment to structural social change, focusing on the protection of the most vulnerable groups and on tackling and preventing the intergenerational transmission of poverty.

The Strategy for Preventing and Fighting Poverty and Social Exclusion in Spain 2019-2023 (ENPLES 2019-2023) constitutes a strategic framework to articulate a set of key policies that have an impact on the reduction of poverty and inequality, and promote social inclusion in Spain. It includes 85 lines of action structured around 13 objectives and four strategic goals.

The first of these, fighting poverty, brings together policies aimed at preventing and protecting the most vulnerable from poverty. That is, children and adolescents who present risk factors of exclusion or who live in families living in poverty. To this end, measures in the area of minimum income guarantees, such as the implementation of the Minimum Living Income, are combined with wage policy measures such as the increase in the Minimum

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Interprofessional Wage to ensure sufficient income from work, or to increase the protective intensity of social benefits, or other types of benefits, such as the guarantee of a healthy meal, at least once a day, through the school canteen, as a measure of equity and a guarantee of the right to health.

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The aim is therefore to reduce the intensity of poverty in general and to tackle child poverty in particular, which remains one of the most serious social problems facing Spain. As a structural phenomenon, it conditions the right of all children to an adequate standard of living for their physical, mental and social development, as enshrined in the Convention on the Rights of the Child ratified by Spain in 1990, and constitutes a determinant of poverty in adulthood. This structural nature is evidenced by an evolution of its incidence that has remained constant since 2015, which demonstrates the need to continue intensifying policies aimed at reversing this situation.

The second of its strategic goals, social investment in people, focuses on education, training and employment policies, understanding education to be a fundamental element to guarantee the full development of people's potential and their social insertion, and employment as one of the key factors in the process of inclusion in society. This strategic goal was therefore specified in commitments such as the renewal of the legal system in the field of education to increase opportunities for all students, improve their educational results and guarantee high-quality education with equity; to promote early schooling (o-3 years), especially among the most disadvantaged groups; and to strengthen active policies aimed at the unemployed and those with the greatest difficulties in accessing the labour market, among others.

Social protection against life cycle risks articulates the measures of the third of its strategic goals, i.e. the set of health policies and benefits, social and dependency services, as well as policies to facilitate access to housing. The aim, therefore, is to reinforce the guarantee of social rights and promote the social inclusion of individuals and families through the guarantee of quality public services and benefits that prevent situations of need. It brings together, among others, a wide range of measures, including: safeguarding the universality of the National Health System and its effective and equitable access for the entire population; reinforcing care for vulnerable individuals and families; strengthening a universal public system of social services, including the system of prevention and care for situations of dependency; and promoting social housing or affordable rental housing, through secure and updated urban planning instruments.

Finally, the fourth of its strategic goals focuses its commitments on developing improvements in the design, planning, implementation, knowledge management, monitoring and evaluation of social inclusion policies to increase their effectiveness and impact. This dimension also includes measures to improve governance and territorial cooperation, enabling better coordination of the efforts of all public and private stakeholders.

The Strategy, the validity of which has been extended until 2024, has been materialised through annual operational plans that have specified the measures for the implementation of its 88 lines of action, with their corresponding budget allocation, adapting them to a context of changing needs as a result, first, of the economic and social crisis caused by the global pandemic of COVID-19 and, subsequently, the energy and inflationary crisis caused by the invasion of Ukraine. The following sections of this axis analyse some of its main measures in greater detail.

The implementation of the successive operational plans has been supported by a collaborative structure, including the Inter-ministerial Commission of the National Action Plans for Social Inclusion, to facilitate inter-ministerial coordination. Cooperation with the Autonomous Communities, which is fundamental given the competencies they hold in the areas prioritised in the Strategy, has been articulated through the delegated commission for social services, which depends on the territorial council for social services and the System for Autonomy and Care for Dependency. This network of collaboration extends to the Spanish Federation of Municipalities and Provinces (FEMP) and the State Council of Social Action NGOs and other significant interlocutors such as the High Commissioner for the fight against child poverty and the State Council of the Roma People. The participation of these bodies strengthens its implementation, ensuring broad coverage and an inclusive approach in the measures adopted.

### Progress achieved

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### Progressive increase in social protection spending

Since its launch in 2019, the Strategy for Preventing and Fighting Poverty and Social Exclusion has demonstrated a substantial commitment to social welfare, evidenced by a steady increase in cumulative social investment, reaching  $\epsilon_{223.4}$  billion. This increase reflects an annual strategic distribution aimed at maximising the impact on the most vulnerable groups in society, with a remarkable annual growth culminating in  $\epsilon_{2.8}$  billion in 2023. This pattern of investment underlines Spain's determination to effectively combat poverty and social exclusion through a robust and scaled-up financial approach.

# Challenges and next steps

- Continue on the path of increasing investment in order to reach levels of social protection comparable to those of our European neighbours.
- Ensure equity in terms of legal, social and economic protection of the various family models and strengthen policies to combat child poverty.
- Adopt and develop the National Strategy to Prevent and Combat Poverty and Social Exclusion for the period 2024-2030, in order to respond effectively to the evolving challenges of poverty and social exclusion.

# 128.2. Transforming the long-term care model

The public social services system includes the set of services and benefits provided by public administrations to guarantee, especially in response to situations of social, relational or functional vulnerability, the social support necessary for the exercise of all rights and for the development of chosen life projects. This fourth pillar of the welfare state is the area that has historically experienced the least development and the greatest underfunding and faces the challenge of adapting to the new needs of the population. These include the care of dependent persons and the promotion of their autonomy, in a context of a constant increase in life expectancy and, as a consequence, the ageing of our demographic pyramid.

# 2021-2023 action plan on dependency

The sustainable development strategy identifies this reality as one of the main challenges facing the Spanish welfare state, given the growing demand for long-term care. In response to this, in 2021 a comprehensive strategy was launched aimed at promoting a structural change in long-term care through the **2021-2023 Action Plan on Dependency**, based on three interrelated objectives: the reduction of the waiting list and the processing times for applications; the improvement of the working and professional conditions of the people working in this sector; and the reinforcement of services and benefits to guarantee adequate care for dependent persons, preferably through quality professional services. All of this has been accompanied by a substantial increase in the financing of the system by the General State Administration, which has meant an additional investment of **1.8** billion euros in just three years.

# This commitment to modernising and strengthening long-term care is crucial to meet new social needs and demands, setting the stage for a more personalised and de-institutionalised approach to care, ensuring personal autonomy.

The aim is to move from an institutionalised model to one that prioritises personalised care and the development of community and home care services. This change is based on the premise that personcentred care not only improves the quality of life of dependent people by promoting their dignity and independence. The plan also places particular emphasis on innovation as a means to achieve these ends, seeking solutions that are tailored to people's individual needs.

By strengthening care for dependent persons and promoting the transformation of the long-term care model, Spain is moving towards a future where care is accessible and respectful of individual needs and preferences. This new paradigm promotes alternatives that allow people to remain in their communities and homes for as long as possible.

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The transition towards a person-centred care model supported by innovation represents a significant step towards achieving a fairer and more sustainable care system, aligned with the 2030 Agenda and the commitment to guarantee a dignified life for its citizens, especially for people in a situation of dependency, with disabilities, people living on the streets or under the guardianship of public administrations.

Progress achieved

# • Reduction of the waiting list

A 35% reduction in waiting lists has been achieved, from 311,495 (data as of 31/12/2020) to 204,755 people (data as of 31/12/2023).

# • Increase in the number of people with an effective PIA and reduction of average processing times

The number of people with an effective Individual Care Programme (PIA) has increased by 28%, and the average processing time has been reduced from 457 to 324 days.

# • Increased investment and support for non-professional carers

State funding for the System for Autonomy and Care for Dependency (SAAD) has increased by 150% in three years, thanks to the increase in the figures associated with each degree of dependency and the recovery of funding through the agreed level. In addition, the National Government covers social security contributions for non-professional carers, mainly benefiting women, who account for 88% of those who sign special agreements. The increased investment also contributes to recognising and valuing the crucial role of carers in the family environment, improving their welfare and labour rights.

# Innovation to improve social policies and promote community care solutions

Several social innovation pilot projects have been launched to experiment and test solutions that contribute to both preventing and reversing the institutionalisation of people in situations of dependency so that they can develop a life of their choice in the community. These initiatives are generating learning, evidence and recommendations for reorienting social policies and moving towards community care approaches that will also benefit people with disabilities, homeless people, and children and adolescents under the care of public administrations. Knowledge that articulates the measures of the National Deinstitutionalisation Strategy for Good Community Living.

### More inclusive and welcoming residential centres

In 2022, the Autonomous Regions and the National Government signed the Agreement on Common Criteria for the Accreditation and Quality of SAAD Centres and Services, a milestone in the transition to a new model of care. Among other aspects, it regulates the maximum size of the new centres, establishes minimum percentages of rooms for individual use and their organisation in small stable cohabitation units to favour socialisation. It commits to a gradual increase in staffing ratios and compliance with people's right to restraint-free care. All with the aim of ensuring a personalised and community-based approach, contributing to more inclusive and welcoming environments.

### Challenges and next steps

- Consolidate the growth path of public investment in long-term care.
- Improve the working and professional conditions of care workers.
- Strengthen the transformation of the care system towards personalised and community-based models of support.
- Reform the Law for the Promotion of Personal Autonomy and Care for Dependent Persons, to adapt it to the new model of care.

# 128.3. ADVANCING INCOME GUARANTEE POLICIES: THE MINIMUM LIVING INCOME

Ensuring a minimum income system with sufficient coverage to allow people to live with dignity, as well as favouring an increase in the net disposable income of households, particularly those with children and adolescents in their care, is one of the central commitments of the Sustainable Development Strategy to reverse situations of severe poverty and social

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exclusion which impede compliance with SDG 1. This commitment is also included in the national strategy for the prevention and fight against poverty and social exclusion 2019-2023.

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# The Minimum Living Income (IMV) represents a significant evolution in Spain's social protection to combat poverty and social exclusion.

The Minimum Living Income is established as a subjective right of citizens, aimed at guaranteeing a minimum income that allows those who lack it to live a dignified life, providing the benefit system with a new layer of social protection in situations of lack of income, in order to provide a stable solution to poverty and social exclusion.

As a social security benefit, it standardises protection at the national level, eliminating the disparities resulting from the diverse range of minimum income systems in Spain. By providing a guaranteed income base, the IMV directly serves the population living in severe poverty or at risk of exclusion, constituting an essential tool to address Country Challenge 1 of the 2030 Sustainable Development Strategy, dedicated to combating poverty and inequality.

# The universalisation of this economic security measure is a crucial step in the consolidation of a fairer and more coherent welfare system, marking important progress towards comprehensive social inclusion and support.

After its initial approval through Royal Decree-Law 20/2020 of 29 May, the design of the IMV was consolidated in Law 19/2021 of 20 December and the various Royal Decrees subsequently approved with the aim of developing its provisions, including aspects such as its compatibility with income from employment or self-employed economic activity. A mechanism that is essential to address in-work poverty situations and improve the opportunities for social and labour market inclusion of those who receive this benefit. Other adjustments have been aimed at extending its coverage and the intensity of protection, as well as simplifying procedures and reducing resolution times.

According to the latest available data, 589,94882 households receive the IMV, i.e. 28.4% more than in April 2023. 66.8% of those entitled to this benefit are women. In terms of the number of beneficiaries, there has also been an increase of 33.5% over the same period, which means more than 1.7 million beneficiaries, 41.2% of whom are children or adolescents. In cumulative terms, since June 2020, 811,914 households have at some point been protected by this benefit, that is to say, more than 2.4 million people, 43.5% of whom are children or adolescents.

The above figures are relevant in terms of extending the coverage of this new social right, although further work is needed to reach those who are potentially entitled to the benefit but have not yet applied for it. This phenomenon, known as non-take-up, is being intensively analysed to identify the factors that cause it, through instruments such as surveys of potential beneficiaries or information campaigns. The reasons identified for not applying for the benefit include insufficient knowledge about the existence of this benefit and its nature; the complexity of its processing, particularly for certain population groups for sociocultural reasons, including the digital divide; or aspects related to its design. This exhaustive analysis is necessary in order to be able to determine improvement proposals that will make it possible to extend the coverage and intensify the protection of this new right and which is being undertaken, among others, by analysing the experiences of the 32 pilot projects set up for the deployment of inclusion itineraries within the framework of the recently created Inclusion Policies Laboratory.

# The Child Support Supplement (CAPI) is a key initiative to reduce child poverty.

Child poverty continues to be one of the main social problems that Spain faces, as evidenced in the Country Challenge 1 diagnosis. In this framework, the improvements to which the IMV

82 Figures are for the month of April 2024.

has been subject include the implementation of the Child Support Supplement (CAPI), which allows families to obtain additional financial support for each child under the age of 18 in the household, directly addressing the needs of children and adolescents in situations of vulnerability.

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Its concession is independent of the IMV, with households being eligible with incomes up to three times higher than the thresholds established for the IMV, which demonstrates the potential of this mechanism to continue expanding and intensifying the protection of households with children and adolescents in their care. To this end, it is necessary, as is the case with the IMV, to establish mechanisms to extend its coverage and facilitate its access to the whole of the eligible population in order to maximise its potential to serve as a tool for combating child poverty.

The design of the CAPI as a complementary measure to the IMV underlines the importance of adopting multi-faceted approaches to combat poverty, especially child poverty, emphasising the need for more targeted policies to tackle child poverty.

Progress achieved	

# Challenges and next steps to universalise the social protection system

- Simplify eligibility requirements and improving access systems to extend the coverage and intensity of protection.
- Implement the Integrated Plan for accessibility to the Minimum Living Income.
- Enable the IMV to contribute to poverty reduction among young people, particularly in the 23-30 age group, by reforming
  access conditions.
- Unify the CAPI with the personal income tax deduction due to maternity to move towards greater social protection for
  parenting to reduce child poverty.

# 128.4. ENSURING THE RIGHT TO INCLUSIVE, EQUITABLE AND QUALITY EDUCATION

The right to inclusive and quality education is another pillar of the welfare state and a goal in itself of the 2030 Agenda, fundamental to progress in achieving the other SDGs and to be able to enjoy a full life in dignity. Evidence also shows the inseparable link between educational attainment and the risk of poverty and social exclusion. Proof of this is that in 2023, the incidence of the AROPE rate is more than twice as high for people with primary education or less (36.7%) than for those with tertiary education (13.3%). A differentiated impact that has remained constant since 2015, and which demonstrates the importance of tackling early dropout from education and training that particularly affects the most vulnerable population groups, while increasing educational and training opportunities for the entire population.

# Organic Law 3/2020, of 29 December, which amends Organic Law 2/2006, of 3 May, on Education (LOMLOE)

The achievement of these objectives was framed by the approval, in 2020, of Organic Law 3/2020, of 29 December, which amends Organic Law 2/2006, of 3 May, on education, known as LOMLOE,

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which addresses the modernisation of the education system in Spain with the aim of adapting it to contemporary challenges and aligning it with the 2030 Agenda. This legislative reform emphasises the importance of children's rights, gender equality through co-education, sustainable development, and the promotion of global citizenship. It also constitutes a key policy framework to reinforce equity and inclusion as fundamental pillars of the education system, ensuring quality education for all without distinction, and lays the foundations for the modernisation of the teaching profession and the implementation of a competency-based curriculum approach, preparing students for the challenges of the future.

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The approval of the LOMLOE is a step forward in achieving an education system that is fairer, more inclusive and adapted to the needs of the 21st century, laying the foundations for a society that is more informed, aware and prepared for global challenges. LOMLOE extends early childhood education and promotes equitable access to digital resources, prioritising support for vulnerable students.

An important aspect of the new education law is its commitment to the expansion of the first cycle of early childhood education (o-3 years), moving towards a sufficient and quality public offer that guarantees the educational nature of this stage. The law places special emphasis on facilitating access to this level of education for children at risk of poverty and social exclusion, seeking to mitigate inequalities from the earliest stages of life. It also ensures universal access for all students to the digital resources necessary to guarantee equality in the exercise of the right to education, recognising the importance of technology in new learning and ensuring that no student is left behind due to limited access to digital tools.

# The new education law actively promotes STEAM vocations, especially among girls, and promotes stable funding for education.

LOMLOE delves into the gender equality approach through co-education and the promotion, at all stages, of effective equality for women. This translates, among other aspects, into the implementation of initiatives to increase the presence of female students in studies in the fields of science, technology, engineering, arts and mathematics (STEAM), as well as in vocational training in male-dominated sectors. In this way, LOMLOE is positioned as a key instrument for promoting equitable and quality education, ensuring sufficient resources and focusing on critical areas of study for the future development of the country and the empowerment of young female students.

Finally, it should be noted that equity in education is another one of its central aspects. To this end, it establishes that the State and the Autonomous Communities will establish a plan to increase public spending on education for the next ten years, and that this plan will include an increase in public investment of at least 5% of GDP, in line with the commitments of the Paris Declaration adopted within UNESCO. This commitment to education funding is vital to reverse the declining trends in public spending on education experienced in the previous decade.

### Progress achieved

### • Implementing a new competency-based and inclusive curriculum model

With LOMLOE, Spain has adopted a new model aimed at the acquisition of key competences and basic know-how (knowledge, skills and attitudes) all of which are necessary for the acquisition of skills.

This reform is being fully implemented in the 2023/2024 school year, and includes, for the first time, a core curriculum for early childhood education (0-5 years).

The focus of this new curriculum is to move towards a fully inclusive education system, making the curriculum more flexible (personalised curricular and organisational adaptations) and adapting the teaching-learning process to the needs of each student, to ensure that all students have the opportunity to achieve the maximum development of their abilities. A structural change that represents a significant commitment to continuous improvement in the quality and equity of education.

# • Key developments in the education system

The measures introduced by LOMLOE, such as Law 4/2019 for the improvement of teaching conditions, have led to important advances in the Spanish education system, such as the reduction of grade repetition and improvements in the gross graduation rates in Secondary Education, Baccalaureate, and Intermediate and Higher Vocational Training.

### Progress achieved

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In addition, the participation of representatives of the educational community in school governing bodies and schooling commissions has been strengthened, improving management and decision-making in educational institutions.

LOMLOE has also introduced study grants as a subjective right and has established preventive measures to avoid segregation of students on socio-economic or other grounds.

# · Increasing resources and teachers for an inclusive education

Between the 2019/2020 academic year, which began before the effects of the pandemic, and the 2022/2023 academic year, the number of non-university teachers increased by 44,407 for all public and private schools, which facilitates better attention to diversity and strengthens the capacity of the education system to offer inclusive education.

At the same time, public spending on education has recovered, reaching 4.9% of the GDP, and the budget for scholarships and grants has increased by 70% compared to 2018. These are essential investments to ensure access and equity in education, contributing to reducing inequalities and promoting education adapted to the needs of all learners.

### Challenges and next steps

- Strengthen efforts to improve student outcomes and reduce early drop-outs from education and training, through sustained education policies that promote equity and inclusion.
- Promote the professional development of teachers with a comprehensive approach from initial training, access to the teaching profession in public education and the establishment of a professional career, among other measures.
- To move towards the universalisation of the first cycle of early childhood education (o to 3 years) in the education system, which contributes to the personal and social development of girls and boys.

The importance that Spain attaches to the right to quality education is also reflected in its external action. This is why Law 1/2023, on Cooperation for Sustainable Development and Global Solidarity, includes, among the objectives of international cooperation policy for sustainable development, the promotion of universal access to education in the countries with which it works, and Spanish cooperation maintains education as a priority area of action in its Partnership Frameworks with countries such as Bolivia, Ecuador, El Salvador, Honduras, Mozambique, Paraguay, Peru, Niger and Costa Rica. Furthermore, in recent years, the promotion of key initiatives such as the Workshop Schools Programme has been reinforced, especially focused on guaranteeing vocational training for young people in vulnerable situations or at risk of social exclusion in member countries.

# 128.5. PROTECTING THE RIGHTS OF CHILDREN AND PERSONS WITH DISABILITIES

The actions linked to the strengthening of the welfare state, described in the previous sections, do not exhaust Spain's efforts to protect and guarantee human rights. In addition to these, there are others linked to the duty of public administrations to protect certain groups from serious violations of their rights and to reverse the discrimination they experience. All of this is consistent with the goals of SDG 10 of the 2030 Agenda. This is the logic behind Organic Law 6/2021, of 4 June, on the comprehensive protection of children and adolescents against violence, the Youth 2030 strategy and the reform of article 49 of the Spanish Constitution.

This approach also applies to the international arena. Proof of this is that the aforementioned Law 1/2023, on Cooperation for Sustainable Development and Global Solidarity, establishes as principles, on the one hand, the protection of children's rights as a cross-cutting element, as well as investment in children and adolescents, with the aim of strengthening their capacities and active participation, with a gender focus, as a necessary way to end the cycle of poverty and inequality, ensuring that all interventions respect the principle of the best interests of the child and the guiding principles of the Convention on the Rights of the Child. It also pays special attention to people who suffer discrimination or violence for reasons of disability, as well as ratifying, as one of its objectives, the promotion of universal accessibility. This translates, among other areas, into Spain's participation in the Global Action on Disability (GLAD) network, the network of the main stakeholders committed to the rights of people with disabilities in the field of international cooperation.

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# Organic Law on the comprehensive protection of children and adolescents against violence

Organic Law 6/2021, of 4 June, on the comprehensive protection of children and adolescents against violence, has represented a very significant advance in Spain's commitment to the protection of children's rights. It establishes a framework of common obligations for all public administrations for a more effective protection of children and adolescents against any type of violence, thus responding to the constitutional mandate and the obligations derived from the United Nations Convention on the Rights of the Child.

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Among its most noteworthy aspects are the promotion of the active participation of society as a whole in the prevention, detection and reporting of any form of violence, or the extension of the statute of limitations for the most serious crimes of abuse in order to avoid impunity for crimes that are often detected late. The commitment to a more child-friendly justice system will be expressed in the implementation of specialised courts and specialised comprehensive care services in line with the experiences already in place in other European countries, as well as the creation of a specialised unit in the security forces. The educational sphere is another one of its focuses of action, creating the figure of the Welfare and Protection Coordinator, with the functions of guaranteeing the functioning of the protocols for action in the event of signs of bullying, cyberbullying, sexual harassment or gender-based violence.

Among its advances is also the approval of the Strategy for the eradication of violence against children and adolescents, as a joint framework for the different administrations, entities and stakeholders to work in coordination, or the promotion of specialised full-time foster care to reduce the number of children in the protection system who live in residential care, an issue which in turn is linked to the deployment of the State Strategy for De-institutionalisation: towards a new model of care in the community.

Its implementation is a crucial step towards meeting the goals set out in the 2030 Agenda, helping to ensure a safe and enabling environment for the full development of the capacities of all children and adolescents.

# Youth Strategy 2030: A New Social Contract

The protection and promotion of the rights of young people are consolidated as pillars for an egalitarian and sustainable socio-economic model.

Our legal system emphasises the importance of ensuring the effective right of young people to design and develop their life projects, ensuring their social and economic inclusion. This mandate has materialised in the 2022 approval of the Youth Strategy 2030 "Bases for a new social contract". This new social contract for youth focuses on facilitating access to public and inclusive education, the generation of decent, stable and well-paid employment opportunities, and access to affordable housing. Special attention is paid to the needs of women, young mothers and groups at risk of discrimination and exclusion, ensuring that all young people are able to participate fully in society.

The approval of this strategy, linked in turn to the EU Youth Strategy 2019-2027, reinforces Spain's commitment to the development of youth policies that are inclusive, fair and sustainable, thus supporting the realisation of young people's rights and aspirations in line with the global sustainable development goals.

# Amendment of Article 49 of the Spanish Constitution

The amendment of article 49 of the Spanish constitution is the first amendment of social content that the Magna Carta has undergone since its approval in 1978. This amendment, with an important symbolic and legal weight, responds to the social demand of people and groups of people with disabilities who, for decades, have demanded the elimination of a term that is hurtful and contrary to the

United Nations International Convention on the Rights of Persons with Disabilities. It has also meant the complete reformulation of the articles to recognise the right of persons with disabilities to exercise the rights provided for in Title I in conditions of freedom and real and effective equality. It therefore establishes the obligation of public authorities to promote policies that guarantee full personal autonomy and social inclusion, in universally accessible environments, and encouraging the participation of their organisations. A final key aspect of the reform is the incorporation of a feminist and intersectional approach that motivates the special protection of the rights of women and girls with disabilities.

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In line with the amendment of Article 49 of the Constitution and with the Government's full commitment to the defence and development of the rights of people with disabilities, the elimination of inequalities and discrimination, and their real integration in all areas of society, we must also note the announced repeal of the recognition of permanent disability as a cause for automatic termination of the employment contract of a worker.

## Progress achieved

### First Youth Action Plan 2022-2024: A Path to Emancipation

The first Youth Action Plan 2022-2024 deploys 200 inter-ministerial measures committed in the Youth Strategy 2030 with an investment of more than 33,330 million euros, focused on actions aimed at promoting youth emancipation.

National Strategy for the Rights of Children and Adolescents 2023-2030

The National Strategy for the Rights of Children and Adolescents 2023-2030 is a fundamental pillar for the protection and promotion of the rights of children and adolescents in Spain.

With an emphasis on implementation and monitoring through specific plans with financial reporting, the strategy seeks to ensure effective and coherent implementation of the measures necessary to fulfil the rights of minors, thereby strengthening public services and ensuring a fairer and more protective society for minors.

- Continue to comprehensively address vulnerability factors affecting children and young people.
- Pass the first state-wide Youth Law to ensure more effective protection of young people's rights.
- Align legislation with the Convention on the Rights of Persons with Disabilities and Article 49 of the Constitution.
- Develop the White Paper on Employment and Disability, implementing the necessary and updated public and private policies for the elimination of remaining barriers and obstacles to the employment of people with disabilities.

# 128.6. GUARANTEEING THE RIGHT TO DECENT HOUSING

Housing is a central pillar of social welfare as a place for the development of private and family life. Its guarantee as a right has a direct or indirect impact on different dimensions of sustainable development that determine people's quality of life and well-being. The impossibility of accessing decent and adequate housing in affordable conditions increases the risk of poverty and social exclusion, harms physical and mental health, conditions educational development and access to the labour market, among other aspects. In short, the right to decent housing is a key factor for social inclusion, emancipation and the exercise of citizenship.

# Law 12/2023 of 24 May on the right to housing

Housing has become one of the main factors explaining the risk of poverty and social exclusion in Spain. Difficulties in accessing housing have increased in recent years and are concentrated among the population and households with lower incomes, particularly affecting young people and the immigrant population. This is a phenomenon that is largely explained by the exponential increase in housing prices, especially in large cities and tourist destinations, making it difficult or even impossible to access housing. Among those who do have access, more and more people are having to make an extra financial effort to meet the related costs, which increases the risk of finding themselves in a situation of poverty and social exclusion.

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This context of rising house prices particularly affects the rental market, which is the main means of access to housing for young people and lower-income households. According to estimates by the Bank of Spain, the annual growth in rents for new rental contracts is expected to be between 7 and 8% between 2015 and 2022, a trend that will continue in 2023. As a result, Spanish homes in rented housing at market prices made a greater effort in terms of gross income in 2022 than households in the main European economies. This situation is comparatively more pronounced in the case of households with lower disposable income, where situations of overexertion are also concentrated. According to the latest Eurostat data, the proportion of households renting at market rents that are overburdened in Spain, although it has evolved favourably over the last two years, has reached 30.6% in 2023, i.e. around 10 percentage points above the EU-27 average.

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These situations of overexertion concentrated in the lower income groups of the population mean that, in 2023, 28% of those in the lowest income decile will have experienced delays in the payment of expenses related to the main home (whether mortgage or rent) compared with only 2.8% of those in the highest income decile.

Faced with this situation, in 2023, the first State Law for the Right to Housing during democratic times was passed, which includes measures to increase the supply of housing at affordable prices, to avoid situations of tension in the rental market, and to support young people and other population groups with more difficulty in enjoying this right enshrined in article 47 of the Spanish Constitution and in fundamental international instruments such as the International Covenant on Economic, Social and Cultural Rights, ratified by Spain in 1977.

A first area of measures is framed within the objective of increasing the supply of public housing, and the establishment of a minimum percentage of 50% for rental housing within the land set aside for subsidised housing can be highlighted, in addition to the increase in the percentage of land set aside for subsidised housing from 30 to 40% in the case of land for development, and from 10 to 20% in the case of unconsolidated urban land. In addition, public housing for at least 30 years. In short, the aim is to progressively consolidate a public housing stock that places Spain at levels comparable to those of other European countries.

Containing the rise in rental prices is another one of its main objectives. To this end, it provides the regional and local administrations with tools such as the declaration of stressed residential market areas for a period of three years, which can be extended annually, enabling the application of different measures contemplated in the regulation to contain and reduce the price of rents. It also establishes incentives for the offer of rents at reduced prices through tax benefits and reductions linked to the carrying out of refurbishment works and improvements in energy efficiency and accessibility, to adherence to incentivised or protected affordable housing programmes and in the case of rents aimed at young people. It also establishes mechanisms to balance the relationship between tenant and landlord, such as the extraordinary annual extension for the tenant after the end of the contract, for a period of up to three years, in stressed areas, or the obligation for the landlord to assume the costs of property management and formalisation of the contract.

A final fundamental aspect of the Law on the Right to Housing is the improvement of the regulation of the eviction procedure in situations of vulnerability, contemplating guarantees in the procedure that ensure effective communication between the judicial body and the social services to enable rapid attention that, in situations of vulnerability, makes it possible to guarantee housing solutions and, until these solutions arrive, to extend the deadlines for the suspension of evictions. In the case of large holders, proof of a conciliation or mediation procedure must be provided. The Law therefore strengthens the protection of socially vulnerable individuals and households against evictions.

In short, the Law on the Right to Housing establishes a fundamental regulation to favour access to affordable housing as a key factor in the fight against poverty and social exclusion, reinforcing its social function and its treatment as a human right. This establishes the necessary regulatory framework to boost public housing stock, improve access to affordable rent through containment measures that reduce the percentage of income that households must spend on this, or by improving the protection of individuals and families against evictions without housing alternatives

in situations of social and economic vulnerability, all of which are goals committed to in the 2030 Sustainable Development Strategy.

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The law also has an impact on Spain's climate objectives by introducing incentives to promote refurbishment, improve energy efficiency and accessibility, goals that are also included in the Strategy for Spain's compliance with the 2030 Agenda.

However, for all this to be possible and for housing policy to be effective, up-to-date and secure urban planning is also necessary. To this end, work is being done on a reform of the relevant regulations aimed at clarifying the special nature of urban planning and establishing procedures to reinforce its legal security. This regulatory amendment would make possible an up-to-date approach, with guarantees of stability and legal security, in an area that is important for the achievement of a socially and environmentally sustainable territory.

Progress achieved

# • State Rental Housing Price Reference System

The creation of the **State Rental Housing Price Reference System** is the tool that is already operational for the regulation of stressed residential market areas declared in accordance with state legislation, providing a framework to contain and potentially reverse market dynamics that limit access to affordable housing.

Increased investment in housing policies

The injection of financial resources into housing, aimed at improving housing and residential environments, as well as increasing social housing, with an extraordinary investment of **8.42 billion euros** applied through the Recovery, Transformation and Resilience Plan for public housing policies and residential rehabilitation.

### Challenges and next steps in securing the right to adequate and affordable housing

- Implement effectively the Law on the Right to Housing by all regional and local administrations, promoting affordable housing supply.
- Reduce the financial burden associated with renting, avoiding the negative impact on access to permanent housing through mechanisms such as the regulation of tourist and seasonal renting.
- Increase the public housing stock for affordable renting and improve the existing stock, with actions at neighbourhood, building and dwelling level, with particular attention to the youth perspective in view of the increase in the average age of emancipation in our country to 30.3 years.
- Improve the legal status of urban planning instruments by providing them with legal certainty and promoting their implementation with guarantees of effectiveness and efficiency.

# 128.7. IMPROVING MENTAL HEALTH CARE

Improving the quality of care is inherent to the principles of the national health system (SNS), as stated in the General Healthcare Law. This law was the reference framework for guaranteeing quality in health services, and has been the subject of regulatory development in the different autonomous communities.

The SNS is one of the pillars of our welfare state that has undergone the greatest development in recent decades. This has made it possible for Spain to have one of the most advanced healthcare systems in the world, although challenges remain. These include mental health care, especially after the COVID-19 pandemic, which substantially increased the prevalence of disorders such as anxiety and depression. Addressing mental health is one of the fundamental challenges of the SNS as a fundamental right and an essential element for personal, community and socio-economic development.

Mental health is closely linked to so-called social determinants, or the circumstances in which people are born, grow up, work, live and age, factors which in turn interact with biological determinants. From a mental health point of view, adequate housing, possession of legal documentation, security, accessibility to health and social services are essential, especially for people with severe mental disorders. Therefore, being in poverty or social exclusion, being discriminated against, or being in unstable or precarious employment is a significantly higher risk of suffering from mental health problems. The intersection of different axes of inequality, including gender inequality, explains, in turn, a greater affectation of problems

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with mental health in women because they are more exposed to work and care overload, have lower paid jobs or suffer from gender-based violence.

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# Mental Health Strategy 2022-2026 and Mental Health Action Plan 2022-2024

Within the framework of the 2003 Cohesion and Quality Act, and in collaboration with the autonomous administrations, the first SNS Mental Health Strategy was developed and published in 2006, the latest update of which is the current Mental Health Strategy 2022-2026.

This new strategy, developed thanks to the work and consensus of the autonomous communities, experts from different disciplines, scientific societies and patients' associations, aims to provide a useful tool for improving the emotional well-being of the population and to provide comprehensive and community-based care for people with mental health problems, thus favouring their recovery and social integration. In turn, it promotes the strengthening of support for families. Its different recommendations are formulated through 10 strategic lines that address, among others, aspects such as the commitment to person-centred care that respects their autonomy and rights, mental health in childhood and adolescence, mechanisms to prevent mental health problems in the population, and the role of research, innovation and knowledge.

Therefore, the current Mental Health Strategy, together with the Mental Health Action Plan 2022-2024, represents an inter-institutional and multi-stakeholder commitment to improve mental health care at all levels and in all areas of the SNS based on parameters of equity, sustainability and a human rights approach. In this way, the principles on which it is based are the person with mental health problems as a subject of rights, favouring their participation and that of their relatives within the framework of the community model, as well as dialogue, active listening and the gender approach.

For its part, the Action Plan, which operationalises the actions of the Strategy for the 2022-2024 period, is articulated around six lines of action covering the reinforcement of human resources devoted to mental health; the optimisation of comprehensive care in all areas of the SNS; raising awareness and combating the stigmatisation of people with mental health problems; prevention, early detection and care for suicidal behaviour; tackling mental health problems in contexts of greater vulnerability; and prevention of addictive behaviours with and without substances. Its overall investment is 100 million euros, 80% of which is managed by the Autonomous Communities.

Ultimately, this holistic approach to mental health underscores the importance of a system of care that is inclusive, community-based and person-centred, setting a framework for progress towards a healthier and more equitable society.

# The creation of the Mental Health Commissioner raises the relevance of this issue on the national agenda.

The establishment in December 2023 of the Mental Health Commissioner marks an important milestone in the prioritisation of mental health in Spain. An institutional step that symbolises the Government's recognition of the critical importance of mental health to the overall well-being of the population. The role of this body will be to coordinate and promote mental health policies, ensuring that they receive the necessary attention and resources at the state level. This, in turn, demonstrates a renewed commitment to improving mental health and the need for more effective management and support in this area, which should result in significant progress towards the goal of fully integrating mental health into the public health system.

This initiative is also an example of good practice in health systems governance, as it provides a platform for developing a comprehensive approach to mental health in all public policies. Given the distribution of competencies, which means that a significant number of health competencies have been transferred to the autonomous communities, the role of the Commissioner should focus on promoting coordination, collaboration, cooperation and benchmarking, also facilitating inter-ministerial collaboration.

Another priority area is to address the current staff crisis in the health system, through training new professionals, retaining talent, as well as through social and preventive interventions to reduce demand at source. A strategy aligned with the WHO *Framework for Action for Health Workforce*.

It will also enhance social interventions to reduce the number of patients seeking care as a result of social problems, reviewing the use of psychotropic medication to improve patient safety and reduce iatrogenic drug use. It will also address the improvement of the quality of care and the strict respect for the rights of people with severe mental disorders, including the elimination of coercive practices within the mental health system, an issue closely linked to low staffing ratios and stigma. All the projects promoted will be carried out with the participation, in their design and implementation, of users of the health system.

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# Mental health and job insecurity

Job insecurity is a social determinant with effects on health, and particularly on men's health, which are profound and long-lasting, if not devastating for many individuals and families. Therefore, in April 2022, a commission of experts was set up with the aim of obtaining a detailed diagnosis of the situation of this issue in Spain, which resulted in the presentation of the report Precariedad Laboral y Salud Mental (Job Insecurity and Mental Health) in March 2023.

The report includes a number of recommendations, including the need to continue to promote actions to combat job insecurity; to improve the protection, health and care conditions of workers; and to measure, analyse and evaluate job insecurity and mental health problems, with specific measures for each area.

This initiative is complemented by the Mental Health Commissioner's long-term project on mental health in the workplace, carried out in collaboration with a group of experts, which will result in the development of a guide on the identification of work-related mental health problems, as well as in the development of an epidemiological surveillance system for mental health at work.

## Progress achieved in Spain

### • Financial commitment to mental health

The Mental Health Action Plan 2022-2024 has been endowed with an initial budget of 100 million euros. This investment aims to improve comprehensive care and address critical challenges such as the prevention of suicidal behaviour and the treatment of mental health problems in vulnerable contexts.

# Establishment of a Mental Health Commissioner

The creation of the Mental Health Commissioner not only provides the necessary structure to effectively address mental health challenges in Spain, but also reflects a deeper understanding of its importance for society, aligning national efforts with global health and well-being goals.

# Challenges and next steps in protecting mental health

- Improve coordination and funding to overcome mental health challenges.
- Adopt a multidisciplinary approach to promote early detection and establish mechanisms to address mental health by tackling vulnerability factors.
- Advance the protection and respect for the rights of people with mental health problems within the mental health care system, minimising coercive, involuntary, and institutionalising practices and moving towards a model of care based on respect for autonomy and recovery in the community.
- Improve access to and quality of data on the population's mental health and mental health networks.
- Implement a system of epidemiological surveillance in mental health that includes a focus on social determinants and the rights of people with mental disorders.
- Promote equitable access to mental health care networks and improve the quality of care, especially for the most severe or crisis cases.
- Enhance coordination with social services and community services to ensure person-centred care and biopsychosocial needs.
- Strengthen the capacities and resilience of the community to integrate and accompany people with mental distress and reduce stigma.
- Influence a focus on social determinants from a preventive vision in mental health, being able to integrate a mental health perspective in all policies that prevent the development of mental disorders.
- Implement the recommendations of the Report of the Commission of Experts on Precarious Work and Mental Health.
- Develop and expand suicide prevention measures.

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# 128.8. REVITALISING OUR RURAL AREAS AND FACING THE DEMOGRAPHIC CHALLENGE STRENGTHENING PUBLIC SERVICES

The promotion of territorial actions to reactivate the areas most affected by the demographic challenge and depopulation has been one of the priorities of the Sustainable Development Strategy in order to move towards greater social and territorial cohesion. Its main instrument has been the Plan of 130 measures to face the demographic challenge, approved in March 2021, the main lines of action of which include the reinforcement of public services and the promotion of decentralisation in rural areas, particularly in the fields of health, education, vocational training, social services and dependency.

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The response to health and dependency care needs, which are particularly substantial in rural areas, with a proportionally older population than in urban areas, has been addressed through the Strategic Framework for Primary and Community Care, the Health Cohesion Fund (FCS), and the digital health strategy. Care for dependency from a more social and community perspective has been another one of the areas prioritised to guarantee the right to ageing and living independently in the social environment, maintaining social networks and contacts to avoid situations of isolation and loneliness. This has involved promoting solutions in the form of community and proximity care systems in rural settings, which are also mechanisms for generating employment opportunities that attract and establish a population.

In the field of education, the territorial cooperation programmes to promote equal educational opportunities in rural areas stand out. In this regard, Organic Law 3/2020, of 29 December, which amends Organic Law 2/2006, of 3 May, on education (LOMLOE) provides that the education authorities must pay special attention to schools in rural areas, taking into account their peculiarities and the need to encourage students from rural areas to remain in the education system beyond basic education. It also provides for measures on schooling conditions, improvement and diversification of the educational offer, the promotion of complementary transport services and school canteens, access to the Internet and the provision of the human and material resources necessary to guarantee quality education in rural areas through the territorial cooperation programmes (PCT).

Finally, the implementation of the "Administration near you" service by the government delegations has involved the transfer of their staff to municipalities with less than 8,000 inhabitants, with the aim of making it easier for the population to obtain tools such as electronic identification and signature, or the "in situ" processing of different administrative procedures such as the Public State Employment Service, the National Social Security Institute, or the General Directorate of Traffic, among others.

### Progress achieved

· Governance to address the demographic challenge

The consolidation of governance in the area of the demographic challenge has made it possible to involve all public administrations and all territorial agents in tackling this shared challenge, through a transversal programme of action that has enabled specific investments to be channelled to small municipalities and rural areas.

• Reducing the urban-rural gap in the risk of poverty and social exclusion

Between 2015 and 2023, the urban-rural gap in terms of the incidence of the risk of poverty and social exclusion has narrowed. In 2015, 34.2% of the population living in sparsely populated areas were at risk of poverty and social exclusion compared to 25.6% of the population living in densely populated areas, and 29.3% of the population living in intermediate populated areas. In 2023, these percentages stood at 24.4% in densely populated areas compared to 29.9% in sparsely populated areas and 28.7% in intermediate populated areas. This means a gap of 8.6 percentage points in 2015, compared to 5.5 percentage points today.

# Challenges and next steps

- Promote a renewed process of strategic updating of the demographic challenge policy, building on the experience and lessons learned from the implementation of the Plan 130 measures for the demographic challenge.
- Consolidate the challenge perspective in all government action by incorporating it in all sectoral areas, as well as in the production of regulations and in the strategic planning of public action as a whole.
- Study mechanisms for incorporating *rural proofing* to integrate, in a broader way, the needs and visions of territorial stakeholders.

# 128.9. TAX PROCEEDINGS

Taxation is an essential instrument of economic policy to redistribute income and wealth and reduce inequalities, as well as to ensure sufficient public revenue to finance and strengthen public policies and the welfare state. In this respect, the general objective of the measures adopted in taxation is to move towards a more modern, fair and progressive tax system.

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This has been achieved by combining measures to achieve a higher contribution to public expenditure from high-net-worth individuals, higher incomes and large companies, and to adapt the tax system to the 21st century economy, with measures in favour of lower income taxpayers and, in general, in favour of the middle and working classes, especially in response to the economic and social impact of the pandemic and the invasion of Ukraine, with various tax measures aimed at alleviating the rise in prices of services and commodities.

In this regard, important advances have been made since 2019, such as the approval of Law 11/2021, on measures to prevent and combat tax fraud. As the report evaluating the effects of this Law points out, important reforms have been introduced, such as the extension of the concept of tax haven, the prohibition of tax amnesties, or the improvement of the regulation of open-end investment companies (SICAVs), which reduced their number by almost half the year after its entry into force (from 2,283 to 1,173).

New taxes on financial transactions and on certain digital services and waste management operations have also been approved. Furthermore, through Law 38/2022 of 27 December, temporary levies have been established on the energy and credit institutions and financial credit establishments sectors in order to help reinforce the so-called "income pact". These sectors, which are fundamental to the economy, now face a benefit based on a percentage of their turnover or net interest and commission margins. The validity of such levies has been extended to 2024, with plans to review them for full integration into the tax system, demonstrating a commitment to responsible and sustainability-oriented fiscal adjustments. The aforementioned regulation also provides for the creation of a temporary solidarity tax on large fortunes, configured as a complementary tax to the State Wealth Tax, to be levied with an additional quota on the wealth of individuals with assets exceeding three million euros.

The international economic situation, marked firstly by the economic and social consequences of the COVID-19 pandemic and subsequently by the wars in Ukraine and the Middle East, is conditioning fiscal policy, which has had to combine measures to protect the middle and working classes with those approved to modernise and improve the progressivity of the tax system. All of this, in compliance with the milestones and reforms of the Recovery, Transformation and Resilience Plan, as well as the European regulations of the Stability and Growth Pact. Spain has been extending a series of tax measures designed to mitigate the economic and social consequences of adverse contexts, such as the war in Ukraine and inflation. These include the application of reduced VAT rates for energy, as well as reductions in other taxes. These fiscal actions have contributed to curbing inflation and have alleviated economic burdens in difficult social situations. These measures have responded to a proactive approach to social protection and sustainability, ensuring that fiscal policies play a crucial role in promoting well-being and social resilience in the face of external challenges.

Finally, in the international dimension, it should be noted that the mobilisation of domestic public resources through fair taxation is a specific chapter of the Addis Ababa Action Agenda on financing for development. Spain, as host country of the 5th International Conference on Financing for Development, will promote global debates on how to maximise the impact of cooperation in science and technology and the transfer of knowledge and exchange of good practices in innovation for sustainable development in Spanish cooperation partner countries. The financing agenda integrates into a single framework, with a sustainable development perspective, fiscal policies, international cooperation to combat illicit flows and tax evasion, the volume and effectiveness of Official Development Assistance, domestic resource mobilisation and private finance, trade and development linkages, debt sustainability, science and technology, and governance reform of the international financial system. The conference will be, on

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the other hand, essential to align the development agendas of the United Nations, the International Financial Institutions and the Development Banks.

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# Axis 1 Interlinkages

As this is the first qualitative chapter presenting the interlinkages exercise, it is necessary to define what it consists of. Interlinkages are dynamic and complex relationships between different aspects of society, the economy and the environment. In the context of the SDGs, these interlinkages are critical to understanding how progress in one area can affect others. SDGs are understood to be global goals that address a variety of interrelated challenges, and their success requires recognising and managing these interlinkages effectively.

Since 2016, a growing body of literature has emerged to identify the interlinkages between the SDGs. However, there is no common understanding or defined terminology on what an interlinkage is<sub>83</sub>. Under the SDGs, interlinkages are mainly identified among goals, targets and indicators, as well as among the environmental, socio-economic and sustainability pillars. In the exercise of this Voluntary National Review, the interlinkages are only defined among goals corresponding to the different strategic axes. A qualitative, thematic and causal analysis exercise has been carried out to identify the five goals with the most interlinkages and to disaggregate them.

Since sustainability is inherently complex and goes beyond traditional policy areas, it cannot simply be assumed that changes in one dimension will not affect other areas. A systemic approach is required to identify and manage potential conflicts and to exploit synergies between the different SDGs.

Policies to achieve the SDGs require simultaneous and coordinated transformations in several areas, which can only be achieved through a policy coherence approach to sustainable development. This implies defining a systemic approach to sectoral policies, with sustainable development as a single and shared goal, so that they are mutually supportive. Therefore, given the interlinkages, a holistic approach to policy-making is required to address the interrelated challenges that global society faces.

The table below provides a detailed overview of the targets associated with the strategic axis of strengthening the welfare state to combat poverty and inequality, highlighting the number of interlinkages each target has. It stands out that the targets with the highest number of interlinkages are those related to the reduction of poverty and social exclusion, such as the target to reduce by less than half the proportion of people at risk of poverty and/or exclusion (AROPE rate), with 18 interlinkages. In addition, there are targets such as the eradication of severe material deprivation suffered by children and adolescents, and the reduction of the relative child poverty rate, both with 17 interlinkages. These results underline the critical importance of addressing these goals in public policy-making to further the achievement of social justice objectives. In addition, these axis 1 goals are closely linked to other country challenges, such as the promotion of gender equality (Country Challenge 3) and equitable access to basic services (Country Challenge 6). The strengthening of the welfare state and the fight against poverty have direct implications for gender equality and the guarantee of fundamental rights for all citizens. It is essential to consider these interrelationships in order to maximise the positive impact of policies aimed at reducing poverty and promoting equality within the framework of the above-mentioned strategic axis.

83 MIOLA, A., BORCHARDT, s., NEHER, F., BUSCAGLIA, D. (2019). Interlinkages and policy coherence for the sustainable development Goals implementation: An operational method to identify trade-offs and co-benefits in a systemic way.

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# Axis 1: Strengthening the welfare state to end poverty and inequality

Eradicate material deprivation and reduce relative child poverty by less than half; increase public spending on social protection to the EU-27 average; increase the coverage of the Minimum Living Income; increase the redistributive capacity of social transfers to the EU-27 average; guarantee the protection of people and cohabitation units in a situation of eviction; guarantee the protection of vulnerable families in situations of energy poverty in the event of non-payment; reduce the incidence of energy poverty by 50%; guarantee the right to food; promote the development of digital skills and the reduction of the digital divide; accessible, affordable, inclusive and high-quality spaces in the first cycle of childhood education; ensure adequate digital connectivity for 100% of the population; promote developmentoriented policies that support productive activities, full and productive employment, and decent work for the entire population; reduce the proportion of young people without employment or training; develop a strategy for youth employment; increase the income of the poorest 40% to above the national average; generalise the Multidimensional Poverty Index (MPI) as an indicator of human development; promote the digitalisation of rural areas.

Extend the coverage of the Minimum Living Income; guarantee the protection of people and cohabitation units in a situation of eviction; guarantee the protection of vulnerable families in a situation of energy poverty in situations of non-payment; promote the public housing stock for social renting; reduce the incidence of energy poverty by 50%; reduce the number of men, women, children, and adolescents at risk of poverty to less than 50%; promote the reduction of inequality of Spanish people living abroad or returnees; accessible, affordable, inclusive and high-quality spaces in the first cycle of childhood education; increase the income of the poorest 40% to above the national average; promote the digitalisation of rural areas; containment measures to ensure that the effort of cohabitation units for the cost of housing and basic services (water, electricity, gas, and telecommunications) does not exceed 30% of their income; minimum portfolio of common social services; guarantee the sufficiency of pensions; guarantee the protection of workers in vulnerable situations due to the impact of the energy and ecological transition; recognise and value unpaid care and domestic work through social protection policies; fiscal, wage and social protection policies to progressively achieve greater equality; guarantee health care, especially primary health care, as well as access to other rights such as education, care, social protection and other services in areas identified as difficult to cover.

1. Reduce the AROPE rate by less than half

2. Eradicate child material deprivation and reduce relative child poverty by less than half

3. Increase public spending on social protection to the EU-27 average

4. Increase redistributive capacity of social transfers to the EU-27 average

5. Ensure the protection of vulnerable families in energy poverty from situations of non-payment

Reduce by less than half the proportion of people at risk of poverty and/or exclusion (AROPE rate); eradicate severe material deprivation in children and adolescents and reduce by less than half the relative child poverty rate; increase public spending on social protection to the EU-27 average; extend the coverage of the Minimum Living Income to protect all people in severe poverty; increase the redistributive capacity of social transfers to the EU-27 average; reduce the incidence of energy poverty by 25% by 2025 and by up to 50%; improve energy efficiency by renovating thermal installations in 300,000 homes per year and the thermal envelope in 1,200,000 homes; achieve an electricity system with at least 74% of generation from renewable energies; reduce primary energy consumption by at least 39.5%; protect vulnerable workers due to the energy and ecological transition through just transition agreements; reduce energy dependence on foreign energy from 74% in 2017 to 61%; increase R&D&I funding for decarbonisation and sustainability by prioritising key areas; achieve a Pact for Science and Innovation that increases public funding for R&D&I to 0.75% of GDP by 2024 and 1.25% by 2030, reinforcing public policies for knowledge transfer and business innovation and enabling the autonomy of public bodies based on scientific and innovative excellence.

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Reduce the AROPE rate by less than half; increase the coverage of the Minimum Living Income; increase the redistributive capacity of social transfers to the EU-27 average; guarantee the protection of people and cohabitation units in a situation of eviction; guarantee the protection of vulnerable families in a situation of energy poverty in the event of non-payment; reduce the incidence of energy poverty by 50%; guarantee the right to food; promote the development of digital skills and the reduction of the digital divide; accessible, affordable, inclusive and high-quality spaces in the first cycle of childhood education; guarantee adequate digital connectivity for 100% of the population; promote development-oriented policies that support productive activities; full and productive employment and decent work for the entire population; reduce the proportion of young people without employment or training; develop a strategy for youth employment; increase the income of the poorest 40% to above the national average; generalise the Multidimensional Poverty Index (MPI) as an indicator of human development; promote the digitalisation of rural areas.

Reduce by less than half the proportion of people at risk of poverty and/or exclusion (AROPE rate); eradicate severe material deprivation in children and adolescents and reduce by less than half the relative child poverty rate; extend the coverage of the Minimum Living Income to protect all people in severe poverty; guarantee the protection of people who are evicted from their homes; guarantee access to rental housing by ensuring that the cost of rent and basic supplies does not exceed 30% of income; increase the supply of affordable housing; guarantee the protection of vulnerable families in energy poverty; reduce the incidence of energy poverty by 25% and up to 50%; promote the reduction of inequality for Spaniards living abroad or returnees who lack resources; modernise and strengthen social services and promote a new model of longterm care; guarantee the sufficiency of pensions; protect workers made vulnerable by the energy and ecological transition; recognise and value unpaid care and domestic work; achieve and sustain income growth for the poorest 40% of the population at a rate above the national average; adopt policies to achieve greater equality; guarantee health care and access to other rights in hard-to-reach areas through optimal proximity ratios for a range of basic services.

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# AXIS 2. ADVANCING IN THE JUST TRANSITION TO ADDRESS THE CLIMATE AND ENVIRONMENTAL EMERGENCY

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Spain is among the countries in Europe with the greatest natural wealth and biodiversity and, at the same time, among the most vulnerable to the effects of climate change.

The impacts and risks derived from climate change affect an important set of sectors of relevance for the Spanish productive system such as agriculture, livestock, forestry and tourism, in turn affecting biodiversity and people's safety.

Biodiversity loss and the degradation of ecosystem services jeopardise economic activities and have negative impacts on human well-being and health. The accelerated loss of biodiversity, which has become a real global crisis that also affects Spain.

At the root of these climate and environmental crises is our unsustainable model of linear production and consumption, of extract-consume-produce-throw away, and the circular economy emerges as an environmental necessity and an opportunity to achieve gains in competitiveness. Indeed, the way we extract and transform resources accounts for up to 60% of climate change impacts, 90% of biodiversity loss in terrestrial ecosystems and water stress, and 40% of pollution affecting human health.

To address these challenges, the 2030 Agenda and the 2030 Sustainable Development Strategy lay the foundations for a just and inclusive ecological transition, as well as urgent measures to combat biodiversity loss and climate change and its effects; they also point to the need for a profound transformation of the production and consumption model towards one with greater potential for innovation, more diversified, efficient, sustainable and circular.

In recent years, Spain has made significant efforts in this regard, equipping itself with relevant regulatory frameworks that make it possible to promote far-reaching transformations to advance in this transformation of the model. This chapter systematises some of these solutions for tackling the climate emergency, the loss of biodiversity and the transformation of the production and consumption model, corresponding to Country Challenges 2 and 4 of the 2030 Sustainable Development Strategy, "Addressing the climate and environmental emergency" and "Overcoming the inefficiencies of an excessively concentrated and dependent system", respectively.

Below are actions focused on reversing the climate and environmental emergency through sectoral and cross-sectoral measures, including improving energy efficiency, implementing renewable energies and reconfiguring urban planning and mobility. It also incorporates measures for adaptation and risk management associated with extreme weather events and other environmental impacts that Spain is already suffering due to the climate crisis.

On the other hand, some priorities for action are presented that seek the transformation of the economic system towards a new green, fair model based on innovation and science, especially in sectors with a high environmental impact such as tourism or the agricultural sector; this dimension corresponds to Country Challenge 4. This approach also extends to Country Challenge 8, "Revitalising our rural areas and addressing the demographic challenge", addressing the demographic challenge by boosting economic and employment opportunities in rural areas and other areas at risk of depopulation to attract and retain population, and to Country Challenge 7, "Ending global injustice and threats to human rights, democratic principles and the sustainability of the planet", which includes an axis dedicated to advocating for a more sustainable, liveable, resilient and green planet.

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This chapter does not aim to be exhaustive, nor to present the set of priorities for action that Spain has deployed to respond to these challenges, but seeks to highlight some advances and measures that are considered key due to their potential, scope and transversality for the fulfilment of the 2030 Agenda at the country level.

# 2.1. CLIMATE FRAMEWORK FOR A JUST TRANSITION

In Spain, the last few years have seen notable progress in improving energy efficiency, reducing greenhouse gases (GHG) and replacing fossil fuels with renewable energies, among others. Despite this progress, some sectors, such as transport and mobility, as well as municipal waste generation still present challenges that require further efforts.

Faced with these challenges, Spain has provided itself with regulatory muscle and various strategies whose objectives and measures have an impact on the comprehensive approach to the climate crisis. In this sense, Law 7/2021 of 20 May on Climate Change and Energy Transition is a fundamental framework for guiding Spain's climate action towards decarbonisation by 2050.

This Law, which stems from the 2019 Strategic Framework for Energy and Climate and the Government's Declaration on the climate and environmental emergency, approved by the Council of Ministers in 2020, establishes an essential framework for adapting Spain to international climate demands, focusing political action on tackling the climate crisis and the energy transition. With its entry into force, an institutional framework is created that promotes an inclusive and cross-cutting response to the climate emergency, setting quantifiable targets for reducing emissions, increasing the use of renewable energy and energy efficiency, and adapting to the effects of climate change. This framework becomes the pillar for new legislation and investment decisions that quide towards a decarbonised and resilient economy.

In addition to this law, the **National Integrated Energy and Climate Plan (PNIEC) 2021-2030**, currently under revision, defines targets for greenhouse gas emission reductions, renewable energy penetration and energy efficiency. Spain has recently raised its decarbonisation targets for 2030, with goals to reduce GHG emissions by 32% compared to 1990; increase to 48% renewables in energy end-use; improve energy efficiency in terms of final energy by 44%; supply the electricity system with 81% renewable energy generation; and reduce energy dependence to 51%.

In addition to the PNIEC, this framework also includes the 2050 Decarbonisation Strategy, the National Climate Change Adaptation Plan (PNACC) and its Work Programmes, and the Just Transition Strategy, among other relevant regulatory developments. These plans and strategies together establish the roadmap and institutional tools to facilitate a transformation of the Spanish economy and society, reflecting the country's commitment to a more prosperous, sustainable, resilient and inclusive future.

With regard to the international dimension, Law 1/2023 establishes as a priority of cooperation policy for sustainable development to contribute to protecting the planet and the environment, preserving and restoring biodiversity, tackling climate change by mitigating its causes and adapting to its effects, promoting climate justice, a just energy transition towards climate

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neutrality, the circular economy and sustainable cities, also establishing for that purpose alliances with environmental organisations and other stakeholders in the member countries, at the international level, in the European and Ibero-American framework, in other regional spheres, and in the United Nations.

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# Progress achieved

- The data available in the 2024 national inventory, which shows the situation in 2022, shows an increase in GHG emissions of 2% compared to 2021, and an increase of 2.4% compared to 1990. However, the emissions in 2022 represent a reduction of 5% compared to 2019.
- In terms of energy intensity, measured in energy intensity, the trend indicates that in 2022, for every million euros of GDP, 99.69 toe of energy will be consumed, 4.3% less than in 2021 (104.21 toe) and 12.7% less than in 2015 (114.17 toe).
- Renewable energies closed 2023 with a contribution to the national generation mix of more than 50%, recording the historical maximum of production. The projections are for a figure of less than 32 million tCO2 equivalent, a decrease of more than 28% compared to 2022. This would mean that emission-free production reaches 72% of all generation.
- By 2022, the share of energy from renewable sources in gross final energy consumption was 22.12%; 29.1% more than in 2015 (17.12%) and 6.6% more than in 2021 (20.74%), a year in which the 20% target set for Spain in Directive (EU) 2018/2001 on the promotion of the use of energy from renewable sources was already exceeded
- The share of electricity in 2022 increased from 46% to 50.90%, mainly due to the significant growth of electricity generation from renewables, with a rise of 9.11%, while gross demand decreased by 1.40%.
- Wind power has increased installed capacity and, consequently, electricity generation in 2022 (+1.2%).
- Photovoltaic solar energy has seen a significant increase of 42.26% in 2022.
- The share of heating and cooling production increased from 17.39% to 20.04%, mainly due to the growth in the contribution of renewables and heat pumps (+5.19%), while demand fell by -8.71%, dragged down by the reduction in industrial activity.
- The share of the renewable fraction in energy consumption in transport grew by 10.10%. Likewise, double-counted biofuels increased from 867.3 ktoe to 1,168.9 ktoe, an increase of 34.78%.

### Challenges in addressing decarbonisation

- Balancing the need to transform and decarbonise key economic sectors towards a new model of climate neutrality, while creating value in the medium and long term to ensure the viability and stability of the economic and social system.
- Balancing energy development with the preservation of the environment and community well-being with respect to
  electricity generation. The main challenge lies in the occupation of the territory and the participation of local
  stakeholders in the projects, challenges that are being addressed in the revision of the National Integrated Energy and
  Climate Plan.
- The need for a modal shift to rail, the strengthening of public and collective transport, the electrification of urban and peri-urban road transport, and the deployment of alternative fuel recharging points.

# 2.2. PROMOTING SUSTAINABLE MOBILITY: KEY TO DECARBONISATION OF THE ECONOMY

One of the most important areas for energy transition and effective decarbonisation is the promotion of more sustainable and connected mobility, which is closely linked to the strategic objectives of the Spanish Urban Agenda, discussed below, to achieve sustainability of urban policies by 2030 and contribute to SDG 11.

Despite the numerous measures put in place, emissions in this sector continue to increase due to their direct relationship with the evolution of the economy, accounting for 30.7% of total GHG emissions in the country according to the National Inventory Report 2024<sup>84</sup>, which shows data for 2022. Spain considers it essential to continue working to ensure that the mobility of people and goods is closely linked to the decarbonisation of means of transport.

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<sup>84</sup> https://www.miteco.gob.es/content/dam/miteco/es/calidad-y-evaluacion-ambiental/temas/sistema-espanol-de-inventario-sei-/esnir-edi- cion-2024.pdf

According to the objectives set out in the Long Term Strategy for a Modern, Competitive and Climate Neutral Spanish Economy in 2050 (ELP 2050), the transport and mobility sector must reduce its emissions by 98 % by 2050. This will be achieved through a shift away from the use of conventional combustion vehicles, and the use of other non-emitting modes such as public transport and cycling.

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Along these lines, within the framework of the decarbonisation strategy for 2050, Law 7/2021 establishes measures to promote zero-emission mobility, such as the implementation of sustainable urban mobility plans before 2023 in municipalities with more than 50,000 inhabitants and in municipalities with more than 20,000 inhabitants when the limit values for pollutants regulated in Royal Decree 102/2011 on improving air quality and in island territories are exceeded. These plans must include, among other mitigation measures, the creation of Low Emission Zones (LEZ) regulated by Royal Decree 1052/2022, of 27 December. On the other hand, on 10 December 2021, the Council of Ministers approved the **Safe, Sustainable and Connected Mobility Strategy**, a fundamental measure for the transition of mobility towards sustainability and the reduction of emissions.

This strategy aims to make mobility a right, an element of social cohesion, and sustainable and inclusive economic growth. It focuses on the decarbonisation of the economy and the incorporation of technological innovations in the transport sector. The strategy recognises the challenges posed by the concentration of population in large cities and commits to significantly reducing greenhouse gas emissions from transport, which currently account for 30.7% of Spain's total emissions. Achieving these objectives is vital to contribute to the global goal of limiting global warming by promoting cleaner and more efficient forms of transport. The strategy seeks to raise safety standards and reduce accident rates; improve energy efficiency, economic and social equity, and the fight against climate change; facilitate the integration of the transport sector with Europe and the world by promoting multimodal connectivity. Together, these pillars guide the transformation towards mobility that is at the same time inclusive, efficient and prepared for the future.

To channel its development, it consists of eight axes (plus an internal one for the transformation of the Ministry of Transport and Sustainable Mobility) with 41 lines of action and 147 measures, its legal tool being the draft Sustainable Mobility Law, which was approved by the Council of Ministers in its session of 13 February 2024 and is currently in parliamentary procedure.

# Progress achieved

- Boosting investment in sustainable mobility. 3,542 million from the Recovery, Transformation and Resilience Plan (PRTR), the strategy has managed to implement 98.4% of the allocated funds, providing essential resources to autonomous communities, local entities and companies. In particular, it is worth mentioning the MOVES III programme with an allocation of 1.2 billion euros under the PRTR to promote electric vehicles and charging infrastructures.
- **Progress in Low Emission Zones (LEZ) and urban mobility.** Within the funding framework provided by the Mobility strategy, 1.5 billion euros (41.7% of the total) have been allocated specifically to local entities and 900 million euros (25%) to autonomous communities. These funds are earmarked for the creation of Low Emission Zones (LEZs) and the promotion of public transport and personal mobility in urban and metropolitan environments. As of April 2024, there are already a total of 23 LEZs in force in Spain, some of them very recently created, to which must be added a further 18 that are currently being processed and a further 13 that are still pending.
- Railway financing and active mobility. Mobilisation of 11.67 billion euros from European funds for rail, public transport use and active mobility. The strong focus on rail aims to provide cleaner and more efficient transport options and improve connectivity and accessibility, strengthening social cohesion and supporting long-term sustainable economic development.
- Participation of renewable energies in mobility. The share of biofuels in the sector in 2022 was 4.8% in road transport and, together with electricity, 5.3% in land transport, compared to only 1.5% in 1990. Using the accounting methodology set out in Directive (EU) 2018/2001 on the promotion of the use of energy from renewable sources, its penetration in transport rises to 9.7% in 2022.

# 2.3. URBAN PLANNING: THE SPANISH URBAN AGENDA

**The Spanish Urban Agenda (AUE),** approved on 22 February 2019, seeks to promote sustainability in the field of urban development, in line with SDG 11. Through its decalogue of strategic

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objectives, which is broken down into 30 specific objectives and 291 lines of action, the AUE offers methodological tools so that urban stakeholders, both public and private, and in urban and/or rural areas, can develop action plans that, through citizen participation and strategic planning, allow sustainability to be addressed from its economic, social and environmental dimensions.

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Recognised by international organisations such as the UN, the IMF and the OECD, the AUE, in its consideration of National Urban Policy, has become a benchmark of good practice with which Spain aims to redefine the concept of urban development, promoting an approach that considers the current needs of urban environments and anticipates future challenges. By connecting the urban with the rural, the AUE promotes a model of cities and towns that integrate all relevant aspects of sustainable development, from planning and mobility to climate change mitigation and adaptation and the quality of architecture, recognised as a general interest by the **Architecture Quality Act**, passed in 2022. This approach seeks to create more inclusive, safe, resilient and sustainable environments, where cultural heritage is protected and environmental impacts are minimised. The AUE acts as a guide to articulate policy, planning and financing actions for development that respects the balance between economic growth, social cohesion and environmental protection.

The AUE translates its strategy into Local Action Plans, which are closely linked to the challenges set out in the 2030 Sustainable Development Strategy. These challenges include eradicating poverty and inequality, addressing climate and environmental emergencies, combating global injustice and threats to human rights, and revitalising rural areas in the face of the demographic challenge.

Progress achieved

scheduled for December 2023, June 2026 and June 2029 to assess the impact of AUE on the achievement of the urban SDG targets.

# Challenges in the field of strategic urban planning and sustainable mobility

- Reconfiguration of urban and metropolitan spaces at regional and local level to favour cleaner and more efficient modes
  of transport in order to move towards mobility that contributes to improving the quality of urban life and environmental
  protection. In this sense, the reduction of urban space allocated to private vehicles, as well as the active promotion of
  sustainable mobility alternatives, such as the development of cycle lanes, are fundamental to this paradigm shift.
- Achieving greater private sector commitment to the decarbonisation of mobility. By aligning corporate strategies with environmental goals, the private sector can make a significant contribution to green economic growth, creating jobs and fostering innovation in the field of sustainable mobility.
- Developing holistic approaches so that mobility strategies promote a balance between economic development and environmental protection and the fight against climate change.
- Greater mainstreaming and integration of the goals and action plans promoted by the Spanish Urban Agenda, as well as greater synergy between the various areas of government action towards a new paradigm in the planning and execution of urban policies aligned with the SDGs.
- Securing urban planning instruments in order to facilitate the integration and effective implementation of priority actions included in the local action plans that require updated and secure planning.

# 2.4. ADAPTATION TO CLIMATE CHANGE

Spain is particularly vulnerable to the effects of climate change. Some of the main climate hazards are slow onset, such as temperature increases or changes in

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precipitation patterns and others that have a sudden onset, due to extreme events, which cause significant damage to people, goods and services.

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Records in recent years show an increase in temperatures and a higher frequency and intensity of extreme weather events, such as heat waves, droughts, floods and environmental conditions conducive to forest fires. This has major impacts on infrastructure, biodiversity and human safety. In addition, rising sea levels put coastal communities and marine ecosystems at risk and also pose a major threat to infrastructure.

Climate change adaptation measures aim to limit impacts and risks, reduce vulnerabilities and increase resilience to climate change of human and natural systems, including biodiversity, forests, coasts, cities, agriculture, industry and others. In order to address these challenges, the **2nd National Plan for Adaptation to Climate Change (PNACC 2021-2030)**, approved in September 2020, is being developed. This document is a basic planning instrument for dealing with the effects of climate change in our country.

The main objective of the Plan is to reduce the exposure and vulnerability of our social, economic and environmental system, while enhancing its resilience, its capacity to recover and re-establish after damage. Adaptation to climate change not only prevents or minimises damage, but also brings economic and social stability, and can create new economic activities and quality employment opportunities, while preventing economic losses.

The PNACC 2021-2030 promotes coordinated and coherent action in the face of climate change risks and threats in the spheres of society, from a cross-cutting (from different fields), multilateral (by different stakeholders) and multi-level (from different territorial scales) perspective. The PNACC has promoted the mainstreaming of adaptation in the General State Administration, developed with the involvement of all ministries and a diverse set of autonomous bodies and public companies. It establishes 81 lines of action distributed in 18 key areas of work such as human health, water resources, biodiversity, and food security, among others, focusing on adaptation and the construction of a resilient response at the national level.

The PNACC 2021-2030 provides a roadmap for action in specific areas and sectors affected by climate change and sets out cross-cutting work streams that apply to all areas. These include consideration of territorial and social vulnerabilities, cross-border effects, gender mainstreaming, and the assessment of costs and benefits of adaptation. Through this guidance, the PNACC seeks to promote adaptation practices that avoid "maladaptation" and remove negative incentives, thus guiding the country towards well-informed adaptation actions based on equity and climate justice.

### Progress achieved

- The National Climate Change Adaptation Plan (2021-2030), which builds on the success and lessons learned from the previous plan (2006-2020), is developed through **five-year Work Programmes**. The first of these, for the 2021-2025 period, includes 257 measures, more than half of which are completed or at an advanced stage of implementation.
- The proportion of local entities adopting disaster risk reduction strategies has increased significantly, from 28% in 2015 to 68% in 2021.
- Most of the Autonomous Communities have a law or a regional strategy in force that incorporates adaptation objectives or measures.
- Social mobilisation and participation in climate change adaptation. The PNACC has fostered strong social mobilisation and participation in climate change adaptation through projects such as LIFE SHARA, completed in 2021, but now continuing through the After LIFE SHARA Plan (establishing new dissemination actions and improving the Adaptecca platform). These initiatives, together with seminars and partnerships with companies, underline the active role of society in climate change adaptation, facilitating a deeper understanding of risks and promoting adaptive actions at local and national level.

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### Adaptation and risk management challenges

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- Conduct a first assessment of risks (related to climate change impacts) with a cross-border perspective in key sectors such as trade, food and tourism.
- Complete by 2025 the national assessment of impacts and risks associated with climate change (mandated by Law 7/2021), currently under way, to enable the identification of adaptation policy priorities; the prioritisation of climate change adaptation and adaptation research needs; and the identification of new adaptation opportunities.
- Promote greater social involvement in the design and implementation of climate change adaptation strategies. Along
  this line, it highlights the importance of strengthening the participatory mechanisms established in the framework of the
  National Plan for Adaptation to Climate Change (PNACC).
- Promote education and awareness-raising on climate change, develop participatory platforms that facilitate interaction between citizens, experts and policy makers, and promote active participation in planning and monitoring of adaptive actions. This will not only improve the quality of interventions, but also increase community resilience to climate change.
- Establish mechanisms to promote the mobilisation of private resources for climate change adaptation, ensuring a
  complementary and synergistic deployment of public and private resources.

# 2.5. TRANSFORMING THE PRODUCTION MODEL: SUSTAINABILITY, DIGITALISATION AND INNOVATION

The 2030 Sustainable Development Strategy identifies overcoming the inefficiencies of the economic system as one of the central ways of transforming our development model, considering it to be excessively concentrated and dependent. In order to do so, two main ways are envisaged. Firstly, ensuring the green and digital transition of the economy, making them work as vectors for transforming the economy to make it more compatible with the goals of the 2030 Agenda. And, secondly, the so-called social transition, which raises the need to progressively increase the weight of the social economy, corporate responsibility and other forms of organisation of the economy. Through these two transitions, the aim is to achieve a production model with greater innovation potential and a more productive economy capable of generating greater added value. Below are some initiatives in key sectors of the Spanish productive system that aim at such a transition.

# **Boosting the Circular Economy**

The Spanish government has promoted different measures to tackle the economic and social transformations necessary to promote a new model of circular production and consumption. It is in this sense that in 2020 the Spanish circular economy strategy, España Circular 2030 (EEEC) was approved to promote a more competitive and efficient economy in which the value of resources is maintained for as long as possible, reducing the impacts of their extraction and transformation, and in which the generation of waste is reduced to a minimum, thus avoiding its environmental impact.

The EEEC is aligned with the two EU Circular Economy Action Plans: Closing the loop: an EU Action Plan for the Circular Economy from 2015 and a new Circular Economy Action Plan for a cleaner and more competitive Europe from 2020, as well as the European Green Pact and the sustainable development goals of the 2030 Agenda.

The Government, through the EEEC, sets a series of milestones to be achieved by 2030 through three-year plans, identifying six priority sectors, together with levers to advance in the circular economy, its main lines of action are identified in production, consumption, waste management, the creation of markets for secondary raw materials, and the reuse of water. Along with others of a transversal nature, such as public awareness and participation, research, innovation and competitiveness, and employment and training. Based on these objectives, the 1st Circular Economy Action Plan 2021-2023 was approved in 2021, bringing together 116 measures. This document will be followed by the 2nd Action Plan.

In parallel, both the government and the EU are deploying a strong regulatory drive to give signals to the market in order to discourage behaviour contrary to the common interest and to encourage beneficial behaviour. An example of this is the approval of Law 7/2022 of 8 April on waste and contaminated

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soils for a circular economy, the approval of which was followed by the regulatory development of this law with regard to different waste streams, as well as the adaptation to EU directives and regulations.

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At the international level, Spain is part of the most ambitious group of countries in the ongoing negotiation of a legally binding international instrument on plastic pollution, including in the marine environment, which is coordinated by UNEP. As a way of accompanying the private sector in this paradigm shift, public-private collaboration instruments have been set up, such as the PERTE for the Circular Economy, approved in 2022, with an allocation of 492 million euros for companies in the sectors with the greatest potential for circularity in our economy.

# Progress achieved

- **Strategic boost to the circular economy:** with the approval of the "Spanish Circular Economy Strategy, España Circular 2030", the 1st Action Plan 2021-2023 and the creation of the Commissioner for the Circular Economy.
- **Regulatory push:** with the approval of Law 7/2022, of 8 April, on waste and contaminated soils for a circular economy, its regulatory development in different waste streams and the push of European directives and regulations.
- Financial support and support to the private sector: with the PERTE for the Circular Economy, 492 million euros for companies, which will mobilise resources of over 1.2 billion. The first call of the cross-cutting line for the economy as a whole has been resolved and will benefit 102 projects for a total amount of ¤165.5 million. SMEs account for 40% of these.

# **Tourism Sustainability Plans in Destinations**

Tourism is one of the key sectors for our country's economy. Despite their economic value, some tourism activities, especially those of a massive nature, can produce environmental impacts, negative effects on people's lives and socio-economic and territorial imbalances. This is why a transformation of the model is urgent, promoting quality over quantity and guaranteeing the protection of the environment and natural resources. It is also necessary to manage urban tourism in a sustainable manner, avoiding saturation and gentrification, and to promote tourism in rural and cultural environments, preserving heritage and generating benefits to revitalise these areas. It is in this sense that Spain has been developing initiatives to advance in these transformations. One of the relevant measures are the Tourism Sustainability Plans at destination, the primary objective of which is to catalyse a profound transformation in the tourism sector, addressing the green transition, digitalisation and increased competitiveness.

These Plans are established as key instruments within the Recovery, Transformation and Resilience Plan, setting an example of cooperation between the General State Administration, the autonomous communities, local entities and the private sector. With a three-dimensional approach that encompasses the environmental, socio-economic and territorial aspects, these Plans aim to improve the coexistence between tourist activity and the natural environment, promoting tourist development that incorporates respect for the environment and its carrying capacity as essential foundations. The intention is not only to conserve natural and cultural resources for future generations, but also to improve the quality of life of local communities and the visitor experience. These Plans aim to implement actions that not only adapt the tourism sector to the imperatives of sustainable development, but also prepare it for future challenges.

Progress achieved

### • Financial boost to sustainable tourism

The mobilisation and financial boost have allowed more than 500 local and similar administrations to receive, on average, 3 million euros each to implement their tourism sustainability plans, covering all 17 autonomous communities and the two autonomous cities of Spain. This financial distribution ensures full geographical coverage, with projects being implemented in all autonomous communities and cities, and underlines the country's progressive approach towards greater sustainability in tourism.

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# Transforming the food supply chain

In this area, a major strategic action is Law 16/2021, of 14 December, which amends Law 12/2013, of 2 August, on measures to improve the functioning of the food supply chain. The aim of this law is to improve the functioning and structure of the food supply chain, with the aim of increasing the efficiency and competitiveness of the agri-food sector in Spain.

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The aim is to reduce imbalances in trade relations between the different stakeholders in the value chain, promoting fair competition that benefits both the sector and consumers. In this respect, a crucial measure has been introduced that prohibits the destruction of value in the food supply chain. This measure establishes that each participant in the food supply chain is obliged to remunerate the upstream operator at a price equal to or higher than the cost of production incurred or borne by the upstream operator. In addition, sales practices at a loss that affect the final consumer are prohibited. This approach seeks to ensure fair and equitable remuneration along the chain, avoiding the devaluation of products and promoting economic sustainability for all stakeholders involved.

The revision of this law has also served to incorporate the provisions of Directive (EU) 2019/633 on unfair business-to-business commercial practices in the agricultural and food supply chain. This integration underlines Spain's commitment to European regulations designed to protect smaller and more vulnerable operators from abusive practices and to promote fairer and more equitable trade relations.

# Progress achieved

### · Impact assessment in the agri-food sector

In order to assess the impact of the measures introduced by Law 16/2021, the Ministry of Agriculture, Fisheries and Food has presented a report on the impact of the measures on the Spanish agri-food sector, specifically on the agricultural and fisheries sector, taking into account the evolution of the price setting system, one year after its full entry into force. This report includes the results of the last annual Monographic report of 2022 on the Law on Measures to improve the functioning of the food supply chain, framed within the Barometer of the climate of confidence in the agri-food sector, as well as data from the latest Reports on the inspection and control activity of AICA, O.A. (Spanish Agri-Food Control and Information Agency) of 2022 and the first half of 2023, and the measures implemented by AICA, O.A., to comply with the Law. A study was also carried out on the evolution of prices, both as perceived by operators in the primary sector and the final prices of agricultural and food products.

### Creation of the Digital Register of Maintenance Contracts

One of the most innovative measures introduced by Law 16/2021 is the creation of the Digital Register of Food Contracts, regulated by Royal Decree 1028/2022. This register facilitates a secure and transparent process for the submission of complaints, guaranteeing the confidentiality of the complainant, and is accessible to both AICA and the regional authorities. This register increases the transparency of trade relations and provides greater legal certainty to primary producers, while protecting operators from possible retaliation, thus promoting a fairer and more equitable business environment in the food sector.

# Science, innovation and technology: drivers of sustainable development

Science, technology and innovation are key elements in the new economic and social model. On the one hand, to address the ecological, digital and social transitions, applying knowledge to the search for solutions to environmental, economic and social challenges. On the other hand, to promote a sound productive environment, increasing competitiveness and generating high-quality jobs that guarantee the sustainability of the social system in the long term.

Spain is moving in this direction, as evidenced by the approval of Law 17/2022 on Science, Technology and Innovation, of 5 September, which amends Law 14/2011, of 1 June, on Science, Technology and Innovation. Law 17/2022 establishes a robust framework for advancing R&D&I in Spain by improving researchers' working conditions, attracting international talent, recognising research staff and promoting knowledge transfer. These measures are essential to ensure sustainable and inclusive development, aligned with the goals of the 2030 Agenda.

This law marks a milestone in Spain's commitment to science by guaranteeing stable and increasing public funding for R&D&I. With the objective of reaching 1.25% of GDP in public funding

for R&D&I by 2030, and adding private investment to reach 3% of GDP, it is in line with the Science and Innovation Pact.

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This financial effort reflects the strategic importance of research, development and innovation for the socio-economic future of Spain, seeking to balance support between public funding and private investment to create a robust and globally competitive R&D&I ecosystem. This measure is essential to boost scientific and technical research and innovation as drivers of sustainable development, competitiveness and social welfare.

Significant improvements are introduced in the Spanish R&D&I system focused on six strategic pillars, one of the most important of which is the improvement of the scientific and technical career. The legislative reform brings with it new employment rights and greater stability for researchers, addressing historical demands of Spain's scientific and innovative community. This initiative seeks to retain existing talent and attract researchers from other parts of the world, boosting Spain's capacity to be a benchmark in the field of R&D&I at the international level.

Gender equality is another fundamental axis of the reform. Measures are established to guarantee gender equality in the Science, Technology and Innovation System, including the implementation of gender equality plans and protocols against sexual harassment and harassment based on gender or sexual orientation.

This law establishes the **Spanish Strategy for Science, Technology and Innovation** as the main instrument for achieving the general objectives in the field of scientific, technical and innovation research, designed to maximise coordination between state and regional planning and to articulate R&D&I policy with the European Horizon.

Spain is also making progress in its cooperation efforts in the area of science and innovation, which is a specific chapter of the Addis Ababa Action Agenda in relation to financing for development, and Spain, as host country of the 5th International Conference on Financing for Development.

# The Social Economy, a driving force for social, economic and environmental innovation

By putting people at the centre, the entities that make up the social economy propose a model of economic development capable of offering high-performing, inclusive and sustainable economic activities that serve the collective interest. The social economy in Spain accounts for 10% of GDP and contributes to 12.5% of employment, or almost 2.2 million jobs.

The social economy contributes to accelerating a just ecological transition, creating social cohesion and high quality jobs including for people at risk or excluded, and strengthening re-industrialisation, territorial cohesion, sustainable finance and the digitalisation of enterprises.

The Spanish social economy strategy 2023-2027, approved by the Agreement of the Council of Ministers on 11 April 2023, lays the foundations for the development of the sector, focusing on key issues for the sector, such as its recognition and visibility, internationalisation, the transition towards a green and digital economy, innovation and knowledge transfer, training and updating of skills and qualifications, the promotion of effective equality between women and men and equal treatment, generational change, the fight against depopulation and the fight against unemployment, innovation and knowledge transfer, training and updating of skills and qualifications, the against depopulation and the fight against unemployment, innovation and knowledge transfer, training and updating of skills and qualifications, promotion of effective equality between women and men and equal treatment, generational change, the fight against depopulation and alignment with the 2030 Agenda and the SDGs.

#### Progress achieved

# • Enhancing scientific and technical careers

Law 17/2022 introduces an innovative type of permanent contract specifically designed for research personnel, without being subject to the limits of the public employment offer or replacement rates. This measure reflects the recognition of the particularities of the R&D&I system and seeks to provide greater stability and employment rights to researchers. It also establishes a post-doctoral itinerary with contracts of up to six years and the creation of the R3 certificate, facilitating the stable incorporation into the system and the consolidation of permanent positions. This legislative advance also guarantees compensation for the termination of pre-doctoral and post-doctoral contracts, improving the working conditions of young researchers in Spain.

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### Progress achieved

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#### Talent attraction and professional mobility

Facilities are introduced for the recruitment of foreign staff and dual affiliation is allowed, both within the country and abroad. The five-year periods for research staff will now recognise all previous research merits, including those obtained in the public sector and in universities outside Spain, extending the recognition of international experience. In addition, the distinguished researcher contract is redefined, seeking to attract high-level scientific personnel to Spain. These measures are essential to reinforce Spain's capacity to be a global R&D&I hub, improving the country's competitiveness and innovation.

# Recognition of research staff

The regulation expands the rights and opportunities for technical research staff in Public Research Bodies (PRBs), such as professional mobility, temporary training stays and collaboration in technology companies. The autonomous communities are also mandated to develop specific categories of health researcher, promoting their professional career on comparable terms to other research staff.

# Promoting knowledge transfer

Law 17/2022 lightens the administrative burden on R&D&I system stakeholders, introducing simplifications in the process of granting and justifying public subsidies, and promoting knowledge transfer through the recognition of the six-year transfer period. In addition, public procurement of innovation is encouraged and public administrations are allowed to invest in commercial companies, following the model of the most advanced countries.

# • Approval of the PERTE for the social and care economy, with planned investments of 1.7 billion euros.

The approval by the Council of Ministers in May 2022 of the PERTE for the social and care economy, with the aim of strengthening and consolidating alliances between research centres, social economy organisations, public administrations, and other economic and social agents, in order to consolidate Spain as one of the global leaders in this area and to move towards production models that focus on people.

# Strategic Framework on SME Policy 2030

In Spain, SMEs account for 99.8% of companies, representing just over 62% of Gross Value Added (GVA) and 66% of total business employment. Specifically, SMEs with employees account for 46% of companies and employ more than eight million workers, which represents 53.30% of total business employment. Their importance means that any policy aimed at improving the positioning of our country in the global economic environment must take SMEs into account as a priority.

The importance of SMEs is clearly reflected in the Agenda for Change, aimed at guiding government action in line with the reforms envisaged in the 2030 Agenda, and which includes such important measures as the Promotion of the Spanish Innovation Ecosystem and support for SMEs, and the integration into public procurement tenders of the fight against the gender gap, the demographic challenge, the promotion of SMEs or start-ups, and innovative public procurement.

In short, the aim is to define the policy framework for action for Spanish public administrations in the field of small and medium-sized enterprises in the long term, comprising a set of recommendations organised into seven levers or areas of action that are considered to be strategic in any policy that focuses on SMEs. All of this, framed within the Government's Agenda for Change and aligned with the SDGs, in coordination with other sectoral and cross-cutting plans and strategies at all levels of government.

# **Recovery, Transformation and Resilience Plan**

Regulation (EU) 2021/241, article 17, requires member states to submit national recovery and resilience plans including investment measures and structural reforms in order to access these funds. The plans should address specific challenges identified in the European Semester reports, devoting at least 37% of resources to climate objectives and 20% to the digital transition.

Spain's Recovery, Transformation and Resilience Plan was approved on 27 April 2021 and received a favourable evaluation from the European Commission on 16 June 2021. This plan, financed with around 70 billion euros in transfers, focuses on four cross-cutting axes: ecological transition,

digital transformation, social and territorial cohesion, and gender equality, deployed in 10 lever policies and 30 components.

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For the implementation of the plan, 220 milestones and 196 objectives to be achieved were established, with a six-monthly timetable concentrating on the 2021-2023 period. The measures promoted include industrial decarbonisation to promote clean technologies and improvements in energy efficiency in the industrial sector, subsidies for the digitalisation of SMEs and large companies, the promotion of artificial intelligence and other digital technologies, investments in accessible and affordable housing, and reforms to improve care for dependent persons.

Along with the initial Recovery Plan, an Addendum was approved to continue the process until 2026, including 10.3 billion euros in transfers and up to 84 billion euros in loans. This addendum introduces the use of loans and the participation of public financial institutions such as the ICO and COFIDES to facilitate financing for companies and SMEs.

In summary, the Spanish Recovery, Transformation and Resilience Plan, together with its addendum, is an ambitious effort to modernise and revitalise the Spanish economy, with an unprecedented investment and push for reform.

# Green fiscal action for a just transition

The success of the ecological transition is linked to sustainable production and consumption habits and patterns. In this sense, the promotion of green taxation is another one of the action priorities of the 2030 Sustainable Development strategy that contribute to the achievement of the SDGs, as a complementary measure to regulatory actions and investment and expenditure policies.

Recognising the importance of aligning fiscal policies with sustainability objectives, the Spanish government has identified green taxation as a key priority within its economic strategy. This decision responds to the need to promote a more sustainable economy and also to the urgency of bringing Spain closer to European standards in terms of environmental taxation, given that it is currently one of the EU countries with the lowest environmental tax revenues.

The European Commission has repeatedly reminded Spain of the growth potential in this area. The inclusion of green taxation in the Recovery, Transformation and Resilience Plan underlines this commitment, projecting the modernisation of the tax system towards inclusive and sustainable growth. This approach seeks to respond to the challenges of low environmental taxation and also has the potential to redistribute the tax burden and encourage more environmentally-friendly behaviour.

Adapting the Spanish tax system to the challenges of the 21st century is a priority within the country's public policy framework. The measures adopted in the fiscal area, focused on moving towards a more modern, fair and progressive tax system, reflect a firm commitment to strengthening the welfare state and providing sufficient resources to the autonomous communities to meet their spending needs.

#### Progress achieved

### • Budgets consistent with the 2030 Agenda

The modernisation of budget practices in Spain aims to improve the alignment, coherence and consistency of public spending with the SDGs of the 2030 Agenda, with a special focus on the ecological transition. The adoption of the European Commission's Green Budgeting methodology is an effort to analyse and increase the percentage of the General State Budget allocated directly to contributing to decarbonisation and compliance with the European Green Pact. In addition, it is envisaged to complement this approach with the identification of budget expenditures considered "harmful" to the environment (brown dimension).

### Tax policies aligned with the ecological transition

Taxes to discourage waste management options that are less favourable from the point of view of the waste hierarchy principle, and to promote the circular economy: Tax on waste landfill, incineration and co-incineration, and the tax on non-reusable plastic packaging. An approach that balances the need for tax revenues with the promotion of environmentally sustainable practices.

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### Progress achieved

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#### Fiscal measures in the face of economic and social challenges

Spain has extended a series of tax measures designed to mitigate the economic and social consequences of adverse contexts, such as the war in Ukraine and inflation. These include the application of reduced VAT rates of 0% for basic goods and energy, for vulnerable households, as well as the application of reduced rates in the special tax on electricity and natural gas. These fiscal actions have contributed to curbing inflation and have alleviated economic burdens in difficult social situations. The continuation of these measures reflects a proactive approach to social protection and sustainability, ensuring that fiscal policies play a crucial role in promoting welfare and social resilience to external challenges.

# Temporary levies for key sectors

Introduction of temporary levies targeted at strategic sectors whose margins have increased due to cyclical situations, such as the electricity, gas and oil sectors and credit institutions. These sectors, crucial to the economy, now face a benefit based on a percentage of their turnover or net interest and commission margins. This approach seeks a greater contribution from these sectors to society as a whole and a more equitable redistribution of the tax burden. The validity of these levies has been extended until 2024, with plans to review them for full integration into the tax system, demonstrating a commitment to responsible and sustainability-oriented fiscal adjustments.

### Challenges in the transformation of the production model: equity, innovation and sustainable development

- Transformation of the tourism model, harmonising economic development and tourism competitiveness with environmental, socio-economic and territorial sustainability.
- Strengthen the position of farmers in the food chain, so that they can be fairly compensated for their work, and invest in
  more sustainable and resilient agricultural practices. To achieve this, two priority actions are identified. On the one hand,
  it is considered necessary to increase the inspection capacity of the Agri-Food Control and Information Agency (AICA), as
  well as to strengthen the Food Chain Observatory for greater equity in the food chain, pointing to the revision of the
  European Directive.
- Increased funding for both public and private R&D&I investments. Spain's science, technology and innovation strategy 2021-2027 sets an ambitious target of doubling the sum of public and private investment in R&D&I, with the intention of reaching the European average for investment in this sector by 2027. Starting from a base of 1.24% of the GDP in 2018, the plan is to increase this figure to 2.12% of the GDP.
- Go deeper into the harmonisation of the production model with the principles of equity and sustainability, strengthening its alignment with the long-term goals of sustainable development and social cohesion.

# Axis 2 Interlinkages

The table below reveals the targets linked to the strategic axis of advancing just transition to address the climate and environmental emergency, along with the number of interlinkages each has. It can be seen that the targets with the highest number of interlinkages are those focused on promoting sustainability and decarbonisation, such as the target to increase R&D&I funding for decarbonisation and sustainability, with 25 interlinkages. In addition, targets such as completing specific measures in all lines of action of the National Climate Change Adaptation Plan 2021-2030, with 23 interlinkages, are highlighted. These results underline the critical importance of addressing these goals in public policy-making to promote a just transition and address the climate and environmental emergency. These Axis 2 goals are intrinsically linked to other Country Challenges, such as the fight against inequality (Country Challenge 1), and the promotion of a green and just economic model (Country Challenge 4). The transition to a more sustainable economy and the mitigation of the effects of climate change not only have an impact on the environment, but also have direct repercussions on social equity and economic development. These findings also highlight the need for integrated policies that simultaneously address climate change mitigation, adaptation to climate change impacts and the promotion of sustainable and resilient development.

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# Axis 2: Advancing in the just eco-social transition to address the climate and environmental emergency

Ensure the protection of vulnerable families living in energy poverty in non-payment, reduce by 25% in the energy poverty in 2025 and by up to 50% by 2030, improve energy efficiency by the renovation of thermal installations in 300,000 dwellings per year, and actions on the thermal envelope of 1,200,000 dwellings, reduce by 23% the GHG emissions compared to 1990, achieve a penetration of renewable energies in the final energy consumption of 42%, achieve an electricity system with 74% renewable generation, improve energy

efficiency by reducing primary energy consumption by 39.5%, reduce energy dependence from 74% to 61%, develop plans for sustainable urban mobility in municipalities with more than 50,000 inhabitants, achieve 28% renewables in mobility-transport, reduce levels of pollution compared to 2005, to complete measures of the National Climate Change Adaptation Plan, integrate green

# infrastructure concepts

in territorial planning, improve the contribution of natural sinks and green infrastructure, reduce by 30% the national consumption

of materials with respect to 2010, reduce the generation of waste by 15% compared to 2010 and increase reuse to 10% of municipal waste, comply with the climate and environmental objectives of the Common Agricultural Policy, ensure that Spain's agriculture and livestock farming

adopt sustainable models, improve water use efficiency by 10%, promote sustainable and responsible consumption patterns, reach a Pact for science and innovation by increasing funding in R&D&I to 1.25% of the GDP, reduce the generation of food waste throughout the food supply chain by 50% per capita in households and retail trade and 20% in the production and supply chains, promote development policies that support the creation of decent employment and the growth of micro-enterprises and SMEs, push for regulatory reforms for an inclusive and high-quality State Care System, ensure health care and other rights in hard-to-reach areas.

Promote the development of digital skills and the reduction of the digital divide, reduce greenhouse gas emissions by 23% by 2030, increase the penetration of renewable energies in final energy consumption, achieve an electricity system with at least 74% of generation from renewable energies, improve energy efficiency and reduce external energy dependence, achieve a 28% presence of renewables in mobility-transport and reduce atmospheric pollution. In addition, complete specific measures in the National Climate Change Adaptation Plan, benefit 20,000 hectares of wetlands with conservation actions, reduce consumption and waste generation, meet climate and environmental objectives of the Common Agricultural Policy, improve efficiency in water use, and promote digital entrepreneurship and the digitisation of SMEs. 1. Increase R&d&I funding for decarbonisation and sustainability

2. Complete specific measures in all lines of action of the National Climate Change Adaptation Plan 2021-2030

3. Transform the industrial fabric, especially SMEs, adapting it to the green and digital transition

4. Comply with the climate and environmental objectives of the new Common Agricultural Policy 2021-2027

5. Move Spain's agriculture and livestock farming towards more sustainable production models

By 2030, it aims to reduce greenhouse gas (GHG) emissions by 23% compared to 1990 levels and to achieve a penetration of renewable energy in final energy consumption of at least 42%. In addition, the aim is to achieve an electricity system with at least 74% of generation from renewable energies, improve energy efficiency by reducing primary energy consumption by 39.5% with respect to the baseline established in EU regulations and reduce the degree of dependence on external energy from 74% in 2017 to 61%. It also aims to reduce air pollution and complete specific measures in the National Climate Change Adaptation Plan. Other goals include benefiting 20,000 hectares of wetlands with conservation and ecological restoration actions, reducing consumption and waste generation, improving water use efficiency, and promoting a shift towards healthier and more sustainable diets.

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Ensure the conservation of ecosystems through sustainable natural and rural development, sustainable forest management and ecological restoration, reduce national material consumption by 30% and waste generation by 15%, ensure the protection of wetlands and the integration of green infrastructure in territorial planning, improve the contribution of natural sinks and deployment of green infrastructure, comply with climate and environmental objectives of the Common Agricultural Policy, promote more sustainable agricultural production patterns and water efficiency, increase R&D&I funding for decarbonisation and sustainability, promote sustainable tourism and reduce planned obsolescence. In addition, improve water resource management, increase organic farming and organic aquaculture production, strengthen the conservation of fisheries resources and promote healthier and more sustainable diets.

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By 2030, it aims to reduce greenhouse gas (GHG) emissions by 23% compared to 1990 levels and to achieve a penetration of renewable energy in final energy consumption of at least 42%. In addition, the aim is to achieve an electricity system with at least 74% of generation from renewable energies, improve energy efficiency by reducing primary energy consumption by 39.5% with respect to the baseline established in EU regulations and reduce the degree of dependence on external energy from 74% in 2017 to 61%. It also aims to reduce air pollution and complete specific measures in the National Climate Change Adaptation Plan. Other goals include benefiting 20,000 hectares of wetlands with conservation and ecological restoration actions, reducing consumption and waste generation, improving water use efficiency, and promoting a shift towards healthier and more sustainable diets.

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# AXIS 3. PROTECTING LABOUR RIGHTS TO END JOB INSECURITY INSECURITY

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This axis is articulated around Country Challenge 5, ending job insecurity, and its response is structured around two fundamental pillars: the promotion of job stability and the improvement of the quality of employment.

Firstly, tackling employment stability as opposed to temporary employment, which has been a distinctive and structural feature of the Spanish labour market in recent decades, with the aim of guaranteeing stable and lasting life projects for the population as a whole.

The second pillar focuses on improving quality in employment, covering all dimensions of decent work, and taking advantage of the transformation towards a more innovative and high value-added production model, with the aim of generating higher quality employment, both in terms of working conditions and wages. In short, employment that generates a fair wage and guarantees adequate working conditions, safety and health in the workplace and social protection for all, as well as better prospects for personal development and social integration, freedom for workers to express their views, organise and participate in the decisions that affect their lives, and equal opportunities and treatment for all, women and men.

This approach must be guided simultaneously by the challenge of overcoming the inefficiencies of an over-concentrated and over-dependent economic system (Country Challenge 4), as well as the issue of addressing the climate emergency (Country Challenge 2), ensuring that transitions in these areas are carried out within parameters of social justice. In this sense, a just transition implies maximising the social and economic opportunities of climate action, while minimising and carefully managing the challenges, through an effective social dialogue between all affected groups and respect for fundamental principles and labour rights.

In addition, the protection of labour rights, job stability and the improvement of job quality must interconnect with efforts to address Country Challenge 1 and 7, underlining the importance of an integrated approach that promotes a just transition to a new economic and production model, justice in the labour and social sphere, and the reduction of inequalities, both in Spain and abroad.

The measures adopted by Spain to address the challenges posed by axis 3 and, consequently, to fight against job insecurity, are numerous and have focused on tackling four main dimensions: instability in employment, in-work poverty, lower incomes, and obstacles in the access of the affected population to social benefits.

Actions have also been taken to protect and extend labour rights: continuous increases in the minimum interprofessional wage, extension of social benefits and leave, actions to promote stable and quality employment, and the promotion of the social economy, among others.

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A detailed description of all these measures is beyond the scope of this report, and therefore actions are included which, due to the scope of their impact and the visibility and cross-cutting nature of the issues they address, are most representative.

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# **3.1. QUALITY AND STABILITY IN EMPLOYMENT**

Royal Decree-Law 32/2021 of 28 December on urgent measures for labour reform has helped to ensure quality and stability in employment. On the one hand, because it has focused on strengthening some of the key institutions of labour law, such as collective bargaining, and, on the other hand, because it has entailed a profound transformation of labour contracting models with the stated objective of putting an end to the high rate of temporary employment in Spain.

This reform is the result of negotiation and agreement with the social partners in the framework of the social dialogue, aimed at reducing temporary employment, guaranteeing job stability, providing continuity to the figure of downsizing plans (ERTE) as a priority mechanism for adapting to crisis situations, as well as modernising the contracting and subcontracting of works and services and strengthening collective bargaining.

On the other hand, as shown in the diagnosis of Country Challenge 5, the evolution of the unemployment rate in Spain between 2015 and 2023 shows a significant decrease, from 20.90% to 11.8%. Following the implementation of the 2030 Sustainable Development Strategy and Royal Decree-Law 32/2021, which promoted the simplification of contracts and the reduction of temporary employment, the unemployment rate continued to decrease until it reached 11.8% in the fourth quarter of 2023. However, when analysing the data by sex, the gender gap is apparent, with women having higher unemployment rates than men throughout the period. For example, in 2015, the percentage difference between the unemployment rates of men and women was 2.91 percentage points (men: 19.49%, women: 22.52%), and in 2023 this gap widened to only 3.06 points (men: 10.3%, women: 13.36%). In the first quarter of 2024 the difference was 2.73 percentage points (11% male and 13.73% female).

Although the gender gap in unemployment persists, it is notable that female employment has achieved record highs. 9,857 million women are currently in employment, marking the highest number on record to date, with an increase of almost 985,000 women compared to 2019. This remarkable growth in women's employment is indicative of an inclusive and resilient economic recovery.

In any case, these issues need to be tackled with determination in order to guarantee labour and social rights and decent employment for all workers, including those abroad. For this reason, Law 1/2023 also establishes as a priority objective of the sustainable development cooperation policy the promotion of decent work for all people, education and human training, the eradication of child labour and forced labour, equality between women and men at work, the protection of the most vulnerable groups at work, freedom of association, social dialogue and labour rights in accordance with the conventions of the International Labour Organisation and other international standards in force.

# **Reducing Temporary Employment**

The first of the areas addressed by Royal Decree-Law 32/2021 is the simplification and reorganisation of contract modalities so that permanent contracts are the general rule, and temporary contracts are truly causal, avoiding the abusive use of this figure and an excessive turnover of workers. Therefore, this new regulation on temporary contracts reinforces indefinite contracts, promoting employment security while establishing the necessary flexibility mechanisms so that companies can adequately meet their real needs for temporary contracts. In addition, the new regulation of permanent contracts has a special impact because, by clarifying their legal regime and establishing a framework of rights and obligations, it ensures that the seasonal needs of companies are covered by means of this type of indefinite contract and not by means of temporary contracts. Contractual simplification is key to job stability and growth.

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# Regulation of Contracting and Subcontracting of Works or Services

In the field of contracting and subcontracting of works or services, the Royal Decree-Law has entailed the amendment of article 42 of the Workers' Statute, with the aim of improving the working conditions and rights of people working in contractor and subcontractor companies. Thus, it is established that the applicable collective bargaining agreement will be the sectoral agreement corresponding to the activity carried out in the contract, so that the remuneration and labour rights of the workers of the contracting companies will be closer to the remuneration and conditions of the workers of the contracting companies. Protecting labour rights in subcontracting is essential for job quality and social justice and to end precarious work.

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# **Strengthening Collective Bargaining**

For its part, the strengthening of collective bargaining also receives priority attention in Royal Decree-Law 32/2021, which, among other measures, gives preference to the sectoral agreement rather than the company agreement in matters of remuneration, without this entailing a reduction in the company's capacity to adapt to production cycles and to respond to the needs of productivity. A fair collective bargaining model is vital for fair industrial relations.

# **Employment Flexibility and Stabilisation**

A final key aspect of the labour reform promoted through this Royal Decree-Law is the regulation of two adjustment mechanisms to provide continuity to the figure of ERTE, facilitating its use as an alternative and priority formula to contractual terminations. This makes it possible for companies to temporarily reduce working hours or temporarily suspend employment contracts, thus protecting the employment of workers and the business fabric.

In addition, it introduces the new RED Employment Flexibility and Stabilisation Mechanism, designed to meet exceptional needs of a cyclical or sectoral nature, consisting of suspensions or reductions in working hours. The aim is to provide companies with the necessary organisational flexibility during a critical situation to enable more effective subsequent regeneration and, in turn, to guarantee the maintenance and stability of employment. Job stability is essential for social welfare and economic growth.

### Progress achieved in Spain

• Reduction of temporary employment below the European average

In just two years of implementation of RDL 32/2021, the private sector temporary employment rate has almost halved to 13.2% (4Q2023), a rate that is already below the general European Union temporary employment rate of 14.5%.

From December 2021 to December 2023, permanent employment has increased by 3 million people while temporary employment has been reduced by 2 million, placing our country at the head of the European Union in the creation of permanent employment.

The major transformation in job quality is widespread and therefore has particularly positive effects on those who suffered most from precariousness. The temporary employment rate for women has fallen by more than 12 points to 15 per cent. Currently, there are more than 7 million women working with a permanent contract, the highest figure in the history of Spain.

The temporary employment rate of people under 30 years of age has plummeted, falling by 20 points since the implementation of the labour reform.

### Positive employment developments

There are currently 21,265,900 people in employment in Spain, the highest figure in the history of Spain. This is almost 1.4 million more jobs than four years ago. Moreover, 60% of the new jobs created in the last four years are held by women.

In relation to youth employment, 1 in 3 of the new jobs created in the last three years is occupied by a person under the age of 30. Almost 3.2 million people under the age of 30 are currently working in our country, the highest figure for youth employment in the last fourteen years.

### Key challenges for quality and stability in employment

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- Develop an economic policy aimed at achieving full employment and bringing the unemployment rate into line with the European average.
- Develop the shock plan against youth unemployment in view of the gap that continues to exist between young people and the rest of the population.
- Reduce unemployment, with particular attention to young people and the long-term unemployed: the persistence of unemployment among these groups points to the importance of focusing on inclusive and effective policies for all sectors of the population.
- Decrease temporariness in public employment: the high temporariness in public employment underlines the need for significant reforms to achieve job stability and fairness at all levels of public administrations.
- Reduce the maximum legal working hours without pay reduction to 37.5 hours per week. Implementation will be phased
  in gradually, reducing to 38.5 hours in 2024 and culminating in 2025. Thereafter, a round table will be set up with the
  social partners to evaluate the results of the reduction and to make further progress in reducing the legal working hours,
  taking into account the characteristics of the different sectors of activity, the evolution of productivity and economic
  circumstances.
- In line with article 129 of the constitution and within the framework of social dialogue, promote more effective participation of workers in decision-making at company level.
- Improve the level of assistance of the unemployment protection system, improving the number of people protected and
  the amount of the subsidy and facilitating compatibility with work and personalised attention to unemployed people.
  These aspects are some of the objectives of the reform of the welfare level approved by Royal Decree-Law 2/2024, of 21
  May, which adopts urgent measures to simplify and improve the welfare level of unemployment protection. This Royal
  Decree-Law completes the transposition of Directive (EU) 2019/1158 of the European Parliament and of the Council of 20
  June 2019 on reconciling family and working life for parents and carers and repealing Council Directive 2010/18/EU. This
  reform will have to be validated in the near future and is expected to be implemented by 1 November 2024.
- Ensure that the digital transition serves decent work by promoting human oversight of automated decision-making systems and trade union and collective participation in the design, regulation and evaluation of algorithms in the workplace, as well as transparent information on how they work.
- Continue to improve protection at work for vulnerable groups, such as domestic workers and LGTBI+ people.

# 3.2. IMPROVING JOB QUALITY THROUGH WAGES

A key dimension to address quality in employment refers to salary compensation. In fact, one of the goals established in the 2030 Sustainable Development Strategy is precisely the eradication of wage poverty, through the increase of wage incomes, including specifically the increase of the Minimum Interprofessional Wage to 60% of the average wage, in compliance with the European Social Charter.

# Progressive rise in the minimum interprofessional wage (SMI)

Spain has implemented key policies aimed at eradicating job insecurity and promoting job quality, with a special emphasis on pay equity. In this respect, improving labour incomes represents an essential link to realising the aspiration of SDG 8 to ensure decent work for all, SDG 1 to end poverty, and SDG 10 to reduce inequality, and thus of Country Challenge 1.

The expansive income policy strategy is best expressed in the decisions adopted by the Government in the successive annual Royal Decrees setting the SMI, the amount of which has been increased by 54% since 2018, from  $\epsilon_{735.9}$  to  $\epsilon_{1,134}$  per month (in fourteen payments) in 2024. This means that in this period the SMI has risen by 398 euros per month and 5,574 euros per year. With these increases, Spain complies with the recommendation of the European Committee of Social Rights of the revised European Social Charter that the minimum wage should be 60% of the average wage.

It should also be recalled that the strengthening of collective bargaining included in Royal Decree Law 32/2021 has also contributed to the improvement of labour incomes. The new regulation gives preference to the sectoral agreement instead of the company agreement on pay.

The increase in the minimum wage is accompanied by a change in Personal Income Taxation to ensure that the full amount of the wage increase is received in the net

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payroll of those who collect it. This measure ensures that the increase in the SMI has a real and positive impact on the purchasing power of workers, benefiting especially those in the most vulnerable situations.

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This sustained strategy of improving the SMI has particularly benefited young people, women, migrants and, in general, those groups of the population who work in sectors with low bargaining power. The significant increase in the minimum wage emphasises the government's efforts to ensure fair remuneration and contribute to a more eqalitarian society.

It should also be noted that Spain led and supported the approval of Directive (EU) 2022/2041 of the European Parliament and of the Council of 19 October 2022 on adequate minimum wages in the European Union. This is the first EU regulation in this area and aims to improve living and working conditions in the European Union by creating a framework for adjusting legal minimum wages, promoting collective bargaining on wage setting and improving the effective access of workers to their minimum wage rights. The adoption of this directive marks an important milestone in guaranteeing fair and sufficient remuneration to ensure a decent standard of living for workers and their families.

Progress achieved in Spain

# • Increase of the Minimum Interprofessional Wage

54% increase in the SMI from 2018, reaching  $\epsilon_{1,134}$  per month (with fourteen payments) in 2024. This increase, which adds  $\epsilon_{398}$  per month and  $\epsilon_{5,574}$  per year, follows the European recommendation that the SMI should represent 60% of the average wage. This measure particularly benefits young people, women and migrants, and sectors with lower bargaining power.

# Impact of the SMI

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Thanks to the rise in the SMI, the gender pay gap has been narrowing at an accelerated rate: since 2018, the difference between what men and women earn in Spain has been reduced from 21% to 15.7% according to wage data from the Labour Force Survey, a decrease of 5.3 percentage points, which is equivalent to a 25% drop in the wage gap in just five years. The SMI is confirmed as an essential tool in the fight for pay equity and social justice.

### Challenges to improving employment through wages

 Commitment to continue to increase the SMI annually in line with 60% of the average take-home wage: a sustained increase in the SMI is crucial to ensure fair pay and purchasing power in society. The workers' statute will be amended to include an obligation to update the SMI to maintain 60% of the average take-home wage.

• Promote the signing of an income pact for price stability and interprofessional agreements by the social partners, respecting their autonomy, which guarantee the recovery of the purchasing power of wages and tend towards convergence with neighbouring countries.

• Continue to increase the share of wages in national income.

# 3.3. IMPROVING JOB QUALITY THROUGH PROFESSIONAL AND PERSONAL DEVELOPMENT OF WORKERS: THE COMMITMENT TO VOCATIONAL TRAINING

At present, many people in our country do not have the personal and professional skills and competences necessary both to develop fully as individuals and to take advantage of the employment opportunities offered by economic and technological change. This is evidenced, for example, by high structural unemployment, high early school drop-out rates, gender gaps, or biases that particularly affect certain groups, such as people with disabilities.

In other cases, people who do have this professional knowledge and skills because they have acquired them through work experience do not, however, have an easy and effective way of recognising and certifying this knowledge. This circumstance, which affects practically half of the country's active population, limits the professional progress of many workers and, on many occasions, their own continuity in employment.

In this respect, achieving the ongoing qualification and re-qualification of the entire population, from young people before they leave compulsory schooling to the end of their professional careers, requires a strong, coordinated and well-targeted policy that gives coherence to a comprehensive vocational training system.

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The commitment to vocational training guarantees more and better jobs, and is a determining factor in policies aimed at young people and workers (intergenerational project). It is directly linked to the improvement of human capital, the only inexhaustible element of economic growth and, consequently, of individual and collective well-being. It has a decisive impact on areas such as business competitiveness, the dynamism of productivity and innovation, the generation of high-quality jobs, people's employability, social cohesion, and personal and professional development.

**Organic Law 3/2022, on the organisation and integration of Vocational Training,** is an integral reform that seeks to consolidate a cohesive and accessible Vocational Training system in Spain.

The law places the individual at the centre of political action and his or her need to qualify and keep up to date throughout his or her life. At the same time, it contributes to strengthening the country's competitiveness and the productive fabric based on knowledge, for a better positioning in the new economy, based on the satisfaction of training needs as they arise, and for the improvement in the qualification of the human capital of companies, the increase in the culture of entrepreneurship, and the reduction of the structural imbalances typical of rural environments and areas in demographic decline. It also incorporates the transformations resulting from digitalisation and the green and blue economy and sustainability in all economic sectors, as key vectors for employment, the economy and society to build the future and generate new socio-economic and, consequently, professional opportunities.

In short, the Vocational Training system can be a priority ally, both in the conversion to the digital economy and in the task of ecological transition and the fight against climate change from the workplace, also taking advantage of the opportunities that are opening up in multiple professional fields related to the mitigation of emissions (energy rehabilitation of buildings, installation and maintenance of renewable energy plants; bio-waste composting), adaptation to climate impacts (low-water-consumption agriculture; agro-ecology; urban horticulture), or the promotion of a culture of sustainability (environmental education; sustainable leisure and tourism; energy saving and efficiency consultancy).

The law facilitates the creation of a single accreditation and certification system that allows for the configuration of personalised training pathways, aligned with individual and professional needs and aspirations. It also promotes dual training, which is key to social insertion, fostering links with the productive system in a framework of public-private collaboration between administrations, centres, companies, business and trade union organisations, entities and the third sector. The law ultimately seeks to make vocational education and training a pillar for human capital and sustainable and inclusive economic growth.

To promote youth employment, programmes have been launched for young people aged between 16 and 29, prioritising the areas of ecological transition and the green economy, the digitalisation of services, social cohesion, the fight against depopulation and local rural development: the TándEM programme, for training in alternation with employment in projects of public and social interest; the "First professional experience in public administrations" plan to benefit unemployed young people whose training stage has been completed and accredited; and the investigo programme, an employment plan for young researchers and technologists in public research bodies together with companies investing in this field.

Also noteworthy are the numerous employment and training programmes promoted by the State Public Employment Service (SEPE) to increase the training and professional skills of unemployed people. Specifically related to the ecological transition and sustainable development, SEEP provides sustainability training for workers and companies and has launched the "Microcredit" training voucher for the acquisition of skills in the areas of efficient energy management in engineering and installation and maintenance of solar photovoltaic installations. It is also worth highlighting its initiatives to support women in rural areas and small towns through personalised itineraries, which include training in the digital and ecological fields, entrepreneurship and the social economy.

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## Progress achieved in Spain

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# Integration of Vocational Training

The law has transformed vocational training in Spain, creating an integrated system that allows students and workers to customise their educational pathways. Flexibility and accumulation of knowledge facilitate continuous learning, adapting to individual and labour market needs. This proactive approach ensures that vocational training is a dynamic and constantly evolving process. Unification promotes adaptive learning, essential for professional development.

Achievements include the creation of new vocational training places, applied technology classrooms, entrepreneurship classrooms, teacher training, bilingual groups, accreditation of competences, networks of centres of excellence, funding of innovation projects, and promotion of *reskilling* and *upskilling*.

- More than 330,000 new vocational training places have been created
- 941 applied technology classrooms have been created in publicly funded vocational training centres.
- More than 4000 entrepreneurship classrooms have been funded.
- VT teachers have been trained in digitisation and sustainability
- Funds have been distributed (551.6 million euros) for the accreditation of professional competences acquired through work experience and non-formal channels.
- Funds have been distributed and direct management calls have been made for *reskilling* and *upskilling* of the active population.
- More than 1300 mentor classrooms and vocational guidance units have been funded.
- Several calls have been made for the funding of innovation and applied research projects in vocational training, coparticipated between VT centres and companies.
- Aligning workforce skills with the needs of the productive sectors: which requires updating labour skills and anticipating and adapting to future market demands.
- Effective integration of education and employment VT systems: creating clear and accessible pathways for those who wish to advance or change their career path is essential for VT.
- Development of on-the-job training, in order to consolidate the right to vocational training in the workplace and to promote lifelong learning for employed and unemployed workers.
- Increasing the enrolment rate in VT: promoting VT as an attractive option is essential for the development of a skilled workforce in the future.
- Quality in dual training: Clear collaboration and cooperation framework between the business and education sectors are vital for VT.

# 3.4. JUST TRANSITION: THE SOCIO-OCCUPATIONAL DIMENSION OF CLIMATE CHANGE

The **Just Transition Strategy** is aimed at foreseeing and managing with criteria of equity and solidarity the consequences on those regions and people directly linked to technologies that will be progressively displaced as a result of the energy transition, particularly in relation to the elimination of coal production and the closure of coal and nuclear power plants. The Just Transition strategy is a solidarity-based accompaniment strategy to ensure that people and territories make the most of the opportunities of this ecological transition without leaving anyone behind.

# Just Transition agreements to strengthen social dialogue and labour rights in the energy transition

In February 2019, Spain approved the Strategic Framework for Energy and Climate through which measures are being implemented to facilitate the change towards a sustainable and competitive economic model that contributes to curbing climate change. This Strategic Framework is structured in three pillars: the draft Climate Change Law, the draft National Integrated Energy and Climate Plan (PNIEC), and the Just Transition Strategy (ETJ).

One of the ETJ's objectives is to facilitate the exploitation of the opportunities for employment and improvement of competitiveness and social cohesion generated by the ecological transition of the economy, minimising the negative impacts on vulnerable areas through Just Transition agreements and providing technical and financial support for their implementation, such as the Urgent Action Plan for coal regions and closing power plants.

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The first step in the implementation of the Just Transition strategy and its Urgent Action Plan for closing coal regions and power plants was the signing of tripartite agreements between the government, trade unions and the companies involved in the process, with the aim of ensuring that closures take account of the workers and provide them with vocational training and new jobs.

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The first of these is the **Framework Agreement for a Just Transition of Coal Mining and the Sustainable Development of the Mining Regions** for the 2019-2027 period. This Agreement was signed by the General State Administration and the main trade unions representing the workers in the sector affected (the Industry Federation of Workers' Commissions, the Federation of Industry, Construction and Agro of the General Union of Workers, the Industry Federation of the Workers' Union and the National Federation of Coal Mining Employers-Coal Union) on 24 October 2018. The main objective of this agreement is the economic reactivation and alternative development of the mining areas to achieve their structural transformation, economic recovery and social welfare.

The second is the **Agreement for a Just Energy Transition for thermal power plants in closure**, signed in April 2020 between the General State Administration, the companies with thermal power plants in closure (Endesa, Iberdrola, Naturgy and EDP) and the trade unions (CCOO Industria, UGT FICA). Its main objective is the maintenance of employment in the territories and their economic and industrial revitalisation. The document sets out the commitments of each of the parties to support the workers and the territories of the areas affected by the closure of 15 thermal power plants, which are located in Aragon, Andalusia, the Balearic Islands, Castile and Leon, Galicia and the Principality of Asturias.

The main lines of action to support the territories affected by closures in the transition processes are as follows:

- Reactivation of areas affected by coal closures: in total, the initiatives presented through the agreements reached and aid granted will create more jobs than those affected by the closures, as they are implemented.
- Support for more than 400 business projects in activities such as the circular economy, the agri-food industry and rural tourism, among others.
- New energy investments in green hydrogen plants, circular economy industrial projects, value chain industry and renewable energies through tripartite agreements reached
- Support for more than 220 municipal projects to improve services to the population and companies in
  areas such as the recovery of mining-industrial heritage for new uses, rural and nature tourism, the
  creation of spaces for digitalisation, connectivity, co-working and entrepreneurship, infrastructures to
  boost business activity and socio-health centres to attend to the population
- Just transition node tenders to allocate grid access capacity released after the closure of closed plants to
  new renewable energy plants, taking into account criteria of socio-economic benefit, local job creation,
  training programmes and environmental improvements for the areas affected by the closures. This is a
  pioneering measure since, instead of awarding grid access permits solely on the basis of technical
  considerations, as is usual, the contribution of the projects to the Just Transition strategy is also
  assessed, in terms of employment (with special attention to women and surplus coal workers), training
  activities, promotion of self-consumption, and with particular attention to associated business or
  industrial projects and local investments, among other aspects.
- Environmental restoration of 3,700 hectares degraded by mining and preparation for new socioeconomic uses co-designed with local communities. They include priority hiring of workers affected by coal mine closures and involve improvements in water quality, waste management and restoration of local ecosystems.
- Support for young artists in the territory and projects for the recovery of mining-industrial heritage and mining identity.
- Professional requalification. All affected workers who applied for retraining have received monitoring, with social assistance in some cases and, for the most part, support for retraining and the search for new jobs.
- R&D related to the development of energy storage and green hydrogen technologies led by Fundación Ciuden.

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These lines of action are developed within the framework of the Just Transition Agreements (JTAs), which are presented as the main tool for implementing the Strategy in the territories affected by the closure of coal mines and thermal and nuclear power plants, facilitating the socio-economic reconversion of these areas, promoting economic development and employment stability. They have the priority objective of maintaining and creating activity and employment in the area by supporting sectors and groups at risk, establishing the population in rural areas and promoting diversification and specialisation in line with the socio-economic context.

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The JTAs constitute a tool for co-governance aimed at guaranteeing the commitment and coordination of public administrations and proposing support instruments in the process of just transition and are focused on the territory. It is an innovative tool to address the closures of nuclear and coal-fired power plants in the framework of the energy transition with dialogue, investment and social measures. So far, 15 agreements have been signed in 197 municipalities in 8 autonomous communities.

The starting point of the JTAs is the elaboration of a socio-economic diagnosis of each area and the launching of public consultation processes where local stakeholders can make contributions to the diagnosis and propose projects and ideas to reactivate their territories. To date, the diagnoses for the 15 conventions have been elaborated, submitted to public participation and external evaluation in which more than 800 stakeholders have participated, and more than 2,000 ideas and proposals have been received. The JTAs provide support and financing mechanisms, driving local projects for an equitable energy transition.

Finally, in addition to what has been said in this section, it is important to highlight another one of the consequences of climate change in the labour sphere, namely the adaptation of labour legislation to the challenges arising from climate change.

Firstly, health and safety at work legislation has been reformed. On the one hand, when work is carried out in the open air and in workplaces which, because of the activity carried out, cannot be enclosed, appropriate measures must be taken for the protection of workers against any risk related to adverse weather phenomena, including extreme temperatures, which may include the prohibition of carrying out certain tasks during the hours of the day when such phenomena occur and when the adequate protection of the worker cannot be guaranteed in any other way. When there are orange or red warnings of adverse weather conditions, and preventive measures do not guarantee the protection of workers, the adaptation of working conditions, including the reduction or modification of the hours of the scheduled working day, is mandatory.

Secondly, the new Sustainable Mobility Law introduces the obligation for large centres of activity and companies with more than 500 workers per centre, or 250 per shift, to have sustainable mobility plans for commuting to and from work. These plans are considered an essential tool for making progress in promoting sustainable mobility on the way to and from work. Companies may opt for different alternatives such as promoting active mobility, electric mobility, shared mobility or collective transport, or opt for flexible start and finish times and teleworking.

### Progress achieved in Spain

### • Social dialogue and participation as a basis for just transition:

Dialogue with trade unions and companies has been essential to advance the process of a just transition in Spain. Specific commitments have been agreed upon to attract new investments, job creation and new training processes for workers affected by the closures both directly and in auxiliary companies. These commitments will create more jobs than those affected by the closures, as the projects are implemented. Likewise, the participation of civil society and the private sector has been key to the progress of the projects supported in the territories covered by the Just Transition Agreements.

# Economic Diversification and Territorial Specialisation

One of the most outstanding achievements of the Just Transition agreements is their capacity to promote economic diversification and specialisation of territories, while respecting their particular socio-economic contexts. By taking advantage of emerging opportunities in sustainable sectors, these agreements have fostered local and regional economic development, aligned with global dynamics towards sustainability.

### Progress achieved in Spain

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# • Integration in Strategic Projects (PERTE)

The integration of Just Transition agreements as an essential component in the Strategic Projects for Economic Recovery and Transformation (PERTEs) package for Renewable Energies, Renewable Hydrogen and Storage reinforces the support framework for a Just Energy Transition. In this way, prioritisation criteria have been established for projects in areas of just transition in the Institute for Energy Diversification and Savings' calls for projects for renewable hydrogen, energy storage, energy communities, biogas, heating and cooling networks, repowering and recycling of farms and other innovative renewables, among others, for a total value of 2.7 billion euros.

# Key Challenges in Just Transition

 Identification and mobilisation of adequate financial resources in the JTAs: The mobilisation of funding underlines the continued commitment to an energy transition that is both environmentally sustainable and socially just.

Favour a just ecological transition at the service of decent work, by promoting green collective bargaining, while
respecting the autonomy of the social partners.

# **Axis 3 Interlinkages**

The table below provides a detailed overview of the targets associated with the strategic axis of protecting labour rights to end precarious work, along with the number of interlinkages each has. It is noteworthy that the targets with the highest number of interlinkages focus on promoting full and productive employment, as well as improving income and equality in the labour market. For example, the goal of achieving full and productive employment and decent work for all women and men has 15 interlinkages. These results highlight the importance of tackling precarious work and promoting equality in the world of work as key elements in achieving a fairer and more equitable society. Development-oriented policies that support productive activities and encourage the formalisation and growth of micro, small and medium-sized enterprises are essential to ensure decent and sustainable jobs for all. The strategic axis is articulated around Country Challenge 5, which seeks to put an end to precarious employment. This approach must interlink with other country challenges, especially the fight against poverty and inequality (Country Challenge 1), to promote an integrated vision that promotes a just transition to a new economic and production model, while ensuring the protection of labour rights.

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# Axis 3: Protecting labour rights to end job insecurity

Poverty reduction and social exclusion. Expansion of vocational training and bilingualism. Increased investment in R&D for sustainability. Industrial transformation towards green and digital. Stimulating digital and green entrepreneurship. Reduction of programmed obsolescence. Digitisation of SMEs and e-commerce. Promoting full and decent employment for all. Global strategy for youth employment. Gender equality in employment. Rural revitalisation through ecological transition. Support for female and youth entrepreneurship in rural areas. Promotion of sustainable tourism in rural areas. Development of innovation centres for rural entrepreneurship.

1. Promote policies to support productive activities, job creation, entrepreneurship, wage equality, etc.

2. Achieve full and decent employment for all

3. Overall strategy for youth employment

4. Raise the incomes of the poorest 40% above the median

5. Increase equality through tax and wage policies

Reduction of child poverty and social exclusion. Guarantee of rights for vulnerable consumers. Improving job stability in the public sector. Strengthening vocational training and bilingualism. Advances in social services and employment. Gender equality in political and economic leadership. Promoting entrepreneurship and enterprise growth. Strategies for youth employment and gender pay equity. Support for women's and youth entrepreneurship in rural areas. Development of rural innovation centres for high-quality employment.

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Reducing poverty and material deprivation among girls and adolescents. Improving job stability and promoting high-quality public employment. Promoting business development and gender equality in employment. Reduction of youth unemployment and protection of labour rights. Taking advantage of the ecological transition to generate employment in rural areas. Boosting female and youth entrepreneurship in various economic sectors. Promotion of sustainable tourism in rural areas. Establishment of innovation centres to generate high-quality employment in rural areas. Increase investment in social protection and expand the Minimum Living Income. Improve the redistribution of social transfers. Protect people at risk of eviction and ensure access to affordable housing. Modernise the tax system to reduce inequalities and strengthen public services. Evaluate public policies and strengthen the State Care System. Address the gender gap in employment and ratify international conventions on labour rights.

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Reduction of poverty and material deprivation among children and adolescents. Increased public spending on social protection. Expansion of Minimum Living Income coverage. Guaranteed access to stable and affordable housing. Boosting of public housing stock for social renting. Promotion of gender equality in employment and entrepreneurship. Promotion of youth entrepreneurship and support for sustainable tourism in rural areas.



This axis analyses the set of public policies to achieve real and effective equality between men and women, and to eradicate all forms of discrimination based on sexual orientation, gender identity and expression, racial and ethnic origin, disability, or age. These discriminations often occur in an intersectional manner, generating multiple discriminations that require a comprehensive analysis to address them and thus promote a more inclusive, equitable and violence-free society.

The gender gap is a multidimensional phenomenon that affects women in multiple areas, such as employment, education, care, culture and participation in the public sphere. Undoubtedly, its most obvious and extreme manifestation is gender-based violence, which continues to be a serious problem in our society as it reinforces and perpetuates existing power imbalances, putting women's physical and psychological integrity at risk simply because they are women.

This axis is framed within the sustainable development strategy's Country Challenge 3, which focuses on closing the gender inequality gap and ending discrimination through its accelerating policy of Free and Equal Lives for All. Moreover, since this axis also aims to analyse policies to combat discrimination, it is also linked to Country Challenge 1, which aims to end poverty and inequality through the accelerating policy of Social Transition. Finally, given the cross-cutting nature of the gender approach, the measures included in this axis are also related to Country Challenge 7 (Ending global injustice and threats to human rights, democratic principles and planet sustainability), which includes actions dedicated to the promotion of a feminist foreign and cooperation policy that promotes diversity, equality and non-discrimination, as well as Country Challenge 8 on rural areas and the demographic challenge.

One of the main challenges identified in Spain is the persistent structural inequality affecting girls and women. Although progress has been made in recent years in this area, the figures still show areas in which effective measures need to continue to be taken, such as the labour market and associated prevention, inactivity due to caregiving or the integration of women in positions of responsibility. In relation to the fight against sexist violence, the number of fatalities at the hands of partners or ex-partners has increased again in 2023.

Given that the achievement of the aims encompassed in this axis covers a very broad spectrum of areas and public policies, in this analysis we have chosen to select those measures that, due to their impact and transversality in their objectives, have been considered the most comprehensive, although it is important to emphasise that the intersectionality present today in existing inequalities obliges us to analyse all of them in an interrelated manner.

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# 4.1. GENDER EQUALITY

# 3rd Strategic Plan for the Effective Equality of Women and Men 2022-2025

The 3rd Strategic Plan for the Effective Equality of Women and Men (hereinafter the PEIEMH) sets out the political agenda for equality for the next four years (2022-2025). This Plan has been drawn up in accordance with the mandate established in article 17 of Organic Law 3/2007, of 22 March, for the effective equality of women and men. The PEIEMH is the Government's main instrument for guiding the institutional and social changes necessary to achieve real and effective equality between women and men. To this end, the Plan identifies the main axes in areas of State competence, as well as the priority objectives for the coming years.

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The PEIEMH articulates its measures around 4 axes, which in turn are broken down into objectives (141) and measures (676). The main lines of action are as follows:

- 1. "Good governance". Move towards a more inclusive and democratic model of governance, ensuring the presence and voice of women and guaranteeing that public policies do not reproduce inequalities between women and men.
- 2. "Economics for life and wealth distribution". Ensure equal access to resources, combating the feminisation of poverty and precariousness, and moving towards an economy for life that prioritises care throughout the life cycle and ecological and social sustainability.
- 3. "Towards guaranteeing women's lives free of gender-based violence". Eradicate all forms of genderbased violence, attacking the structural causes that sustain it and guaranteeing the rights of female victims.
- 4. "A country with effective rights for all women". Ensure that all women can effectively exercise their rights by removing gender inequalities, in interaction with other vectors of discrimination, in all spheres of life.

Because of the comprehensive nature of this Plan, it is aligned with other public policies related to its objectives, as well as with broader strategic frameworks such as the Recovery, Transformation and Resilience Plan (PRTR), placing the reduction of social and gender inequalities at the centre of economic policy.

Its objectives are also framed within the sustainable development strategy, whose goals include the elimination of all forms of violence against all women and girls in the public and private spheres, including trafficking in women and girls, sexual exploitation and other types of exploitation; the continued promotion of the State Pact against Gender-based Violence, following the recommendations of the GREVIO expert group's opinion; the inclusion of sufficient funding mechanisms and budgetary implementation in all public administrations; the promotion of specific measures to combat sexual violence and protection, prevention and reparation, in compliance with the provisions of the Istanbul Convention and the Warsaw Convention; the adoption of regulatory frameworks that offer a comprehensive guarantee of sexual freedom.

This Plan has a foreseen investment of 5,270,266,827 euros and mobilises all ministerial departments for its implementation, reaching an execution rate of more than 50% of the total planned at present.

In addition, as far as the labour field is concerned, this Plan is also linked to different measures put in place for equal pay. In this regard, two Royal Decrees aimed at ensuring full equality between women and men at work were adopted in October 2020.

The Royal Decree on equal pay facilitates the identification of pay discrimination through a set of transparency instruments: a register with information disaggregated by sex, job classification and type of pay; a company audit including job evaluation and a plan to correct inequalities; and a job evaluation system that respects the principle of equal pay for jobs of equal value.

The Royal Decree on equality plans establish the procedure for drawing up equality plans (which companies with 50 or more employees must have), their minimum content (which must include a pay audit) and their validity.

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In order to improve the application of these Royal Decrees, a Job Evaluation Tool and a Remuneration Registration Tool (IR Tool) have been approved with the agreement of the social partners.

In addition to these general measures, it should be recalled that the successive increases of the SMI, already explained earlier in this document, have increased its amount by 54% since 2018, which has particularly benefited women, who are normally in the lowest income brackets.

Given the wide range of actions contained in the PEIEMH, all of its measures contribute decisively, together with the other public policies that complement it, to improving the indicators in our country in terms of gender equality, where progress has been made in certain aspects of employment, such as unemployment, social exclusion and the participation of women in the public sphere, but in which there are still important challenges in the area of care, education and the violence that continues to be perpetrated against women simply because they are women.

# 'Culture x Equality'

Culture x Equality is a self-assessment tool launched in early 2023 that aims to contribute to the promotion of gender equality in cultural institutions. It is a free tool that facilitates reflection and analysis on equality to promote the adoption of measures with a gender perspective in cultural bodies, institutions and spaces.

This instrument contains a questionnaire with a series of questions which, after a simple completion, automatically results in the 'culture x equality' index, with a score between o (significant pending challenges) and 10 (very good health of equality). In addition, it allows for the generation of a self-diagnosis report with the strengths and weaknesses of the cultural institution, enabling those in charge to reflect on their situation and providing future lines of work in the field of gender equality in collaboration with the competent public authorities and the Observatory for Gender Equality in the field of culture.

Although this measure is a recent creation and it is still too early to know its real impacts, the tool has been consulted by more than 2,000 cultural institutions in its first nine months of operation, thus constituting a valuable precedent for the adoption of more inclusive practices in the cultural sector. In addition, since its launch, alliances and partners have been promoted and created to broaden the dissemination of this instrument in the networks of state archives, libraries and museums, as well as in inter-administrative professional bodies in the sector.

# Plan 130 measures to meet the demographic challenge: equal rights and opportunities for women

Plan 130 measures to tackle the demographic challenge, already discussed earlier in this report, includes the gender approach as a fundamental axis that cuts across all the measures contained in it.

Thus, the aim is to pay special attention to the role of women in the territory in order to promote entrepreneurial initiatives in rural areas, which are clearly masculinised, and to increase their professional skills. These measures include the activation of lines of financial support for women's entrepreneurship and pilot projects for the employment of women in the territory.

In addition, the Plan includes actions aimed at reinforcing safety and care for victims of violence against women and guaranteeing assistance and support resources, as well as actions to facilitate conciliation and co-responsibility, through different high-impact plans and programmes,

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These include the State Pact against Gender-based Violence; the "Spain protects you against Genderbased Violence" Plan, with the creation of 24-hour Comprehensive Care Service Centres for victims of sexual violence, at least one per province, and the Co-responsible Plan, which seeks to design comprehensive care systems from a gender, intersectional and human rights perspective that promote coresponsibility between women and men, state, market, families and community.

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The complementarity of the actions included in the Plan, together with other public policies aimed at achieving social and territorial cohesion in our country, has meant that, despite the fact that a notorious gender gap still persists in rural areas, the trend shows, in accordance with the Diagnosis of Gender Equality in the Rural Environment, a narrowing of the gap between men and women in relation to the labour market in rural areas, while there has also been an upturn in the rate of entrepreneurship among women in rural areas.

In short, the data suggest that the situation of rural women has improved compared to a decade ago due to the narrowing of the gender gap with men in many aspects of the labour market. However, it is worth highlighting the persistence of inequalities between rural women and men. Invisibilised care work, the burdens that women bear as a result of these tasks in addition to those of joining the labour market and the horizontal and vertical segregation of the labour market are situations that continue to reflect, albeit with less intensity than a decade ago, the inequality between women and men in rural areas.

# Law 1/2023, of 20 February, on Cooperation for Sustainable Development and Global Solidarity: gender equality as a transversal axis of Spanish Cooperation

Law 1/2023 on Cooperation for Sustainable Development and Global Solidarity has been a key milestone in the reform of the Spanish Cooperation system. This new law drives a new paradigm of sustainable development cooperation, strengthening and adapting it to respond to new global challenges based on a transformative vision. The law is fully aligned with the 2030 Agenda, the Universal Declaration of Human Rights and the effectiveness agenda, along with the climate change goals of the United Nations and the European Union.

The law's objectives and commitments make cooperation and multilateralism transformative foundations for eradicating poverty, reducing inequalities, including the gender gap, and achieving sustainable and inclusive development.

One of the backbones and cross-cutting themes of Spanish cooperation is gender equality and the empowerment of women, girls and adolescents. Thus, Spanish cooperation has carried out a process of progressive integration of the gender approach from 2005 to the present, applying the double strategy of mainstreaming and empowerment of women, adolescents and girls in all its processes and instruments: from planning to management, monitoring and evaluation, and having taken a step further by embracing an explicitly feminist foreign and cooperation policy, with a will to transform the political and socio-economic structures that perpetuate inequalities and the lack of equal access to decision-making spaces. Likewise, this law makes it an unavoidable objective to consolidate sexual and reproductive rights as a fundamental part of human rights, both from the perspective of universal public health and in defence of gender equality, while respect for sexual diversity and the defence of the rights of LGBTI people is another essential priority of Spanish Cooperation.

For this reason, one of the priority objectives of our cooperation policy for sustainable development is to establish alliances with women's organisations and other stakeholders in the partner countries, in the international sphere, in the European and Ibero-American framework, as well as in other regional spheres and at the United Nations. Successive Spanish Development Cooperation Master Plans have enshrined the gender approach as a cross-cutting principle in all actions, as well as a priority sector, which is also incorporated into all Country Partnership Frameworks and Cooperation Agreements with the different partner countries. The AECID also has a programme (Ellas+) specifically dedicated to promoting women's political participation and economic empowerment and the promotion of care systems. In addition, it is worth highlighting the projects that are linked through official development aid

aimed precisely at funding women's and feminist organisations and institutions responsible for gender equality policies, as well as the prevention and elimination of violence against women and girls.

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# Progress achieved

- Budget mobilisation of all state institutions in defining and implementing measures to guarantee gender equality
- Visibilisation and improvement of women's participation in the cultural and creative sector, with more than 2,000 cultural institutions having consulted the "Culture x Equality" tool
- Inclusion of the gender approach in policies for the revitalisation of rural areas and the fight against the demographic challenge
- A trend of progressive improvement in the socio-labour inclusion of women, as well as in their insertion in positions of responsibility in the public and private spheres
- Launch in 2021 of the Spanish Development Cooperation's Ellas+ Programme, especially dedicated to contributing to Target 5.5 of the 2030 Agenda (ensuring women's full and effective participation and equal opportunities for leadership at all decision-making levels in political, economic and public life) and to promoting care policies, having more than tripled its initial budget between 2021 and 2023
- The volume of ODA dedicated to international cooperation actions aimed at the protection and promotion of the rights of LGBTI people has more than sextupled between 2017 and 2022
- The gender pay gap has been narrowing rapidly: since 2018 the difference between what men and women earn in Spain has narrowed from 21% to 15.7% according to wage data from the Labour Force Survey, a decrease of 5.3 percentage points, equivalent to a 25% drop in the pay gap in just five years
- Advance in the comprehensive approach to gender equality as a central axis of all public policy
- Active participation of all stakeholders involved in the design and implementation of gender equality public policies
- Improve gender training and awareness in institutions and in society as a whole
- Articulate management and budgetary instruments to ensure gender mainstreaming in decision-making processes
- Increase the presence of female creators in cultural institutions and recover the female presence in cultural heritage
- Increase women's participation in the rural productive fabric
- Increase budgetary, technical and human resources in ODA, bearing in mind that any increase in resources will be charged to the departments involved and must at all times be in line with budgetary availabilities.
- Pursue increases in the minimum wage and monitor compliance with legal equal pay measures to eliminate the gender pay gap

# 4.2. GENDER VIOLENCE

# VioGén System

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The Integral Monitoring System in Cases of Gender Violence or VioGén System is a pioneering prevention mechanism, created in 2006, which responds directly and effectively to the needs detected in the fight against gender violence. Its objective is to prevent aggression and protect victims.

This mechanism was conceived and developed to facilitate the assessment of the risk of recidivism and to protect victims throughout the national territory. The system facilitates preventive work through a subsystem of automated notifications of any incident or event that could endanger the integrity of the victim. It is also key to coordinating the competent institutions in the field of gender-based violence, structuring relevant information and facilitating its rapid exchange.

In addition, the response provided by the VioGén System facilitates the follow-up of reported cases, makes it possible to accompany victims throughout the process and improves knowledge of their needs, which leads to a comprehensive response. On the other hand, it allows for the continuous updating of knowledge on new profiles of aggressors' dangerousness and victims' vulnerability, as well as the design of strategies to prevent new aggressions and guarantee women's safety.

Given that the fight against gender violence is one of the most important and structural tasks in our country due to the worrying figures evidenced in recent years, the VioGén System has undergone improvements since 2018 to increase the system's response, such as the updating of the personalised safety plan for each victim; the creation of Protocol Zero or the protocol for first contact with victims of gender-based violence; the development of specific procedures for persistent aggressors and resistant cases; and the changes recently introduced to tighten the criteria for inactivating open cases and thus prolong the protection received by female victims of gender-based violence, preventing a situation of premature lack of protection from occurring. In addition, it is important to highlight that in this process of updating and improvement, VioGén has also included the assessment of the risk of violence against minors.

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# Progress achieved

- Introduction of improvements to the VioGén system to increase the responsiveness of the tool.
- Inclusion of violence against minors in the system's risk assessment.
- Adoption of a system of structuring and agile exchange of information between all institutions and levels of competence involved in the fight against gender-based violence.

# Challenges to eradicating gender-based violence

- Improving risk assessment and risk management processes.
- Development of predictive systems applied to gender-based violence.
- Make progress in the agile exchange of information and effective coordination between the institutions and organisations involved in order to guarantee the effectiveness of actions.

# **4.3. COMBATING DISCRIMINATION**

# Law 4/2023, of 28 February, for the real and effective equality of trans people and for the guarantee of the rights of LGBTI people

The Law for the real and effective equality of trans people and for the guarantee of the rights of LGBTI people seeks to develop and guarantee the rights of lesbian, gay, bisexual, trans and intersex people (hereinafter LGBTI) by eradicating situations of discrimination, ensuring that in Spain sexual orientation, sexual identity, gender expression, sexual characteristics and family diversity can be lived in full freedom.

Among its main objectives is the duty to adapt public services to recognise and guarantee the equal treatment of LGBTI people, the recognition and institutional support of diversity in terms of sexual orientation and identity, gender and sexual characteristics expression, and family diversity expression, as well as the dissemination and awareness-raising to promote respect for diversity. It also includes various measures affecting different areas, such as administration; employment; health; education; culture, leisure and sport; advertising, the media and the internet; the family, children and youth; and external action and international protection.

One of its main milestones in relation to transgender people is the regulation of the registry rectification of the mention of a person's sex and the documentary adaptation, recognising the freely expressed will, depathologising the procedure and eliminating the age of majority to request the rectification.

This law also contains general and specific measures of assistance, protection and redress against discrimination on grounds of sexual orientation and identity, gender expression or sexual characteristics, while recognising intersectionality and placing it at the centre of the formulation of such measures.

In the workplace, the Law establishes that companies with 50 or more employees must have a planned set of measures and resources to ensure equal opportunities for LGBTI people and an action protocol for dealing with harassment or violence exercised specifically against LGBTI people. In addition, the new Employment Act passed in 2023 includes

LGBTI people, in particular transgender people, within the groups of priority attention due to their special difficulties in accessing and maintaining employment and for the development of their employability.

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All in all, this law seeks not only a regulatory change, but also a social change towards respect and appreciation of diversity, positioning Spain at the forefront of the fight against discrimination and reaffirming its commitment to a more inclusive and diverse society.

# National Strategy for Equality, Inclusion and Participation of Roma People 2021-2030

The National Strategy for Roma Equality, Inclusion and Participation marks the Government's commitment to social progress and its focus on people at risk of poverty or exclusion, such as the Roma population. This Strategy not only continues the previous actions in education, employment, health and housing for this group included in the 2012-2020 Strategy, but also extends to equality and participation, highlighting its cross-cutting gender approach and recognising the diversity within the Roma community (women, young Roma and migrants).

This strengthens the fight against discrimination and anti-Gypsyism, aligning with European and international frameworks for a more inclusive society, and adapting to European guidelines and strategies for equality and anti-racism, which underlines Spain's commitment to international standards. In all, the aim is to improve the living conditions of the Roma population, which means that their social impact necessarily involves guaranteeing universal public policies that incorporate equitable actions for those historically discriminated groups that start from a disadvantaged situation with respect to the rest of the general population.

The strategy is structured along three main axes:

- "Social inclusion". This includes measures in sectoral areas such as education, employment, housing and essential services, health, poverty and social exclusion, and the digital divide.
- "Equal opportunities and non-discrimination". The main objective of this axis is to work on anti-Gypsyism and non-discrimination, equality between women and men and against violence against women, as well as the promotion and recognition of Roma culture.
- "Participation and empowerment". In this area, the main aim is to promote the participation of the Roma community and the Roma associative movement.

This structuring reflects a holistic and collaborative approach to addressing the needs of the Roma population, integrating efforts at national and international level towards common goals of inclusion and equity.

Moreover, it should be noted that this Strategy emphasises the importance of careful monitoring and evaluation for accountability and measuring its impact on the Roma community. This is made possible through annual reports, mid-term and final evaluations, and the use of precise indicators suggested by the European Union Agency for Fundamental Rights.

These measurement and accountability tools have focused in recent years on those advances and challenges still pending for Roma social inclusion. Thus, as the final evaluation report of the 2012-2020 strategy pointed out, despite the improvements in terms of the adoption of public policies focused on the Roma community, as well as in terms of indicators in basic schooling, wage-earning and the reduction of substandard housing, there are still substantial challenges to achieve more ambitious goals in these areas, including the gender perspective, as well as in terms of empowerment, non-discrimination and collaboration between public authorities and social stakeholders involved.

With regard to the 2021 and 2022 progress report of the 2021-2030 Strategy, in terms of measures carried out by the General State Administration and the Autonomous Communities, the increase in investment in specific measures for the Roma population stands out, especially in the areas of poverty, social exclusion and the digital divide, employment and education. In this two-year period, employment stands out at the national level with 42% of the budget, and at the regional level, education with 35%.

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#### 2nd Action Plan to Combat Hate Crime 2022-2024

The 2nd Action Plan to Combat Hate Crimes is a continuation of the measures and efforts included in the 1st Action Plan approved in 2019, conceived as a strategic instrument to articulate the necessary mechanisms to build a single framework of good policing practices. These hate crimes, conceived as crimes of prejudice committed against a certain person for possessing or presenting certain characteristics, are fundamentally materialised in scourges such as racism, xenophobia, LGBTI-phobia and other forms of intolerance, adopting multiple forms, ranging from the most underhand and subtle to the most serious. All this is therefore an attack on society as a whole and seriously jeopardises normal, peaceful coexistence.

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The objective of this 2nd Action Plan is to articulate in a multidisciplinary manner, and in collaboration with civil society organisations and other institutions in this field, the actions of prevention, investigation and police assistance to victims, avoiding double victimisation and approaching the groups or collectives most likely to suffer hate crimes or discrimination. It also involves raising awareness in civil society and promoting the collaboration of all the institutions involved in order to learn about and prevent these crimes.

This 2nd Action Plan has been drawn up with the participation and contributions of both state and regional police forces, as well as the specialised Public Prosecutor's Office and the third sector, in order to be able to develop those measures that are in line with the social reality.

It is promoted and supervised by the national office for the fight against hate crime (ONDOD) and is structured in eight lines of action (8), fifteen objectives to be achieved (15) and eighty-six proposed measures (86). These lines cover areas such as assistance and support for victims of hate crime; the improvement of coordination and collaboration mechanisms between institutions, law enforcement agencies and third sector organisations; and the promotion of training, awareness raising, and tools and instruments in the fight against hate crime.

The importance of addressing this social problem through action plans such as this one is evidenced by the growing trend in recent years of committing this type of crime, which increased by almost 4% in 2022 compared to the previous year, with racism/xenophobia, sexual orientation and gender identity being the main motives for this type of crime.

#### Strategic Framework for Citizenship and Inclusion against Racism and Xenophobia (2023-2027)

The Strategic Framework involves updating the work carried out with the previous "Citizenship and Integration Strategic Plans" and the "Comprehensive Strategy against racism, racial discrimination, xenophobia and related intolerance", incorporating new elements of particular relevance, such as hate speech on the Internet.

It is conceived as a proposal for comprehensive, voluntary and flexible action to inspire the public policies of all administrations and civil society as a whole, and pursues two main objectives: to advance the integration and inclusion of migrants and to prevent and combat racism, xenophobia and other related forms of intolerance. It is made up of 23 lines of action, distributed around six policy blocks, for each of which a series of tactical objectives are defined.

The aim is to move towards a cohesive, inclusive, diverse and just society, responding to the commitment made at European level to adopt national plans against racism, as well as to other commitments deriving from European and international instruments for the integration of immigrants and the protection of human rights.

#### Progress achieved

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- Recognition and adoption of measures to guarantee equality and the adequacy of public services for LGBTI people
  - Depathologisation of trans people and recognition of their freely expressed will
- Increasing public policies aimed at Roma inclusion and participation and improving indicators on basic schooling, wageearning and reduction of substandard housing
- Strengthening inter-agency cooperation in the eradication of hate crime
- Increased actions in the educational field and actions to disseminate and raise awareness of hate crimes

#### Challenges in ending discrimination

- Improving the effective participation of groups subject to vulnerabilities in the different public policies of the welfare state, guaranteeing their full social, economic, political and cultural integration.
- Adopting a more holistic and intersectional approach in the design of public policies to combat discrimination.
- Increasing resources for awareness-raising, communication, and visibility of hate crimes and hate speech.

#### Axis 4 and transversal interlinkages

The table provides a detailed overview of the targets associated with the strategic axis of closing the gender gap and combating discrimination, together with the number of interlinkages that each possess. It is highlighted that the goals with the highest number of interlinkages focus on the promotion of gender equality and the inclusion of intersectional principles in all public policies. For example, the goal of continuing to push for policy reforms and actions to address the pay and employment gap affecting women has 13 interlinkages. These results highlight the importance of addressing gender inequality and various forms of discrimination affecting women and other marginalised groups. Policies aimed at ensuring the inclusion of the principle of intersectionality in all public policies are essential to address the specific and multiple discriminations that women face due to their sex, ethnicity, sexual orientation, gender identity, among other aspects. The strategic axis focuses on closing the gender inequality gap and ending discrimination, aligning with Country Challenge 3 to ensure free and equal lives for all people. These policies should interconnect with other areas of action to promote a more inclusive and equitable society, addressing discrimination in all its forms.

Finally, the cross-cutting targets highlight key aspects for the equitable and sustainable development of rural areas, with a total of 22 interlinkages to ensure healthcare and other services in remote areas, 16 interlinkages to boost rural digitalisation, and another 16 interlinkages to foster youth entrepreneurship in these areas. These targets are intrinsically linked to the first strategic axis, which seeks to build an equitable and prosperous society, as healthcare and rural development are fundamental for an inclusive society. Moreover, they have a direct connection with the third axis, which focuses on protecting labour rights and combating precariousness, as promoting employment opportunities in rural areas contributes to this objective. Addressing these goals together allows for a holistic approach to promoting sustainable development and equal opportunities in rural areas.

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#### Axis 4: Closing the gender gap and combating discrimination

Ensure the rights of vulnerable consumers with gender-sensitive regulations by 2023. Reduce temporary employment and improve the management of public employment until 2030. Promote women's equal participation at all levels of leadership and foster inclusive economic development policies. Achieve full employment and social equity for all, including young people and people with disabilities, by 2030. Protect labour rights and safety at work for all workers, especially migrant women and the precariously employed. Develop global strategies to employ young people and improve the incomes of the poorest 40% of the population by 2030. Adopt policies for greater equality, taking into account multiple discriminations. Include the principle of intersectionality in all public policies and government actions to address specific discriminations. Implement equal opportunity plans and support women's entrepreneurship in various economic sectors, especially in rural areas.

#### 1. Continue to reform laws and policies to close the gender gap in employment.

2. Ensure the inclusion of the principle of intersectionality in all government policies.

3. Improve the state care system to provide universal services and dignify care work

4. Implement Strategic Equality Plans to combat discrimination and violence

5. Eradicate all forms of discrimination against women and girls, including migrants.

Ensure the rights of vulnerable consumers with gender-sensitive regulations by 2023. Ensure women's full participation at all levels of leadership and eliminate all forms of discrimination against women and girls by 2030. Advance the elimination of all forms of violence against women and girls, including trafficking and sexual exploitation, through comprehensive policy frameworks and protection measures. Continue to address the gender gap in employment and promote equality for all trans and LGBTI people. Ratify the ILO conventions on domestic workers and workplace violence by 2030. Implement Strategic Equal Opportunities Plans to combat discrimination and violence against women. Ensure basic services and access to rights in hard-to-reach areas by 2030. Support female entrepreneurship in various economic sectors and in rural areas to close the gender gap.

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Strengthen the universal public system of social services until 2030, modernising and strengthening services with a focus on long-term care and deinstitutionalisation. Improve the generation of information and its articulation with public employment services in the same period. Increase R&D&I funding for decarbonisation and sustainability until 2030, prioritising key areas such as electrification and the circular economy. Reduce planned obsolescence by 2022 by promoting product repairability. Recognise and value unpaid domestic work through social protection policies. Consolidate the Coresponsible Plan until 2023 to guarantee the right to care. By 2030, ensure health care and other services in hard-to-reach areas for 100% of the population.

Guarantee the rights of vulnerable consumers through gendersensitive regulation by 2023. By 2030, comprehensively protect children and adolescents from violence through the implementation of legal and strategic provisions. Improve the protection of vulnerable migrants, such as victims of trafficking, and their children until 2030. Also, strengthen the reception system for people seeking international protection for their inclusion in Spanish society. Ensure women's full participation at all levels of political, economic and public life. Eliminate all forms of violence against women and girls by 2030, including trafficking and sexual exploitation, with adequate funding and concrete measures. Include the principle of intersectionality in all public policies until 2030 to address specific discriminations faced by women. Implement Strategic Equal Opportunity Plans until 2030 as an integrated instrument to eliminate discrimination and violence against women.

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Ensure women's full participation at all levels of decision-making by 2030 and end all forms of discrimination and violence against women, including trafficking and sexual exploitation. Continue reforms to address the pay and employment gap, removing barriers to women's career development in all sectors by 2030. Ratify ILO Conventions 189 and 190 by 2030. Include the principle of intersectionality in all public policies until 2030 to address specific discrimination against women. Support women's entrepreneurship and their presence in various economic sectors until 2030, promoting shared ownership in agriculture and participation in fisheries to close the gender gap in rural areas.

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#### **Transversal Axes**

Ensure access to high-quality early childhood education by 2030, prioritising disadvantaged areas. Develop legal provisions to improve educational opportunities, especially for disadvantaged groups. Compensate for inequalities originating in education through scholarships and support programmes. Strengthening social services and modernising care, with a focus on deinstitutionalisation. Resize vocational training, creating new places and bilingual programmes. Move towards an inclusive education system, with a curricular model based on key competences. Consolidate universality in the coverage of the National Health System. Increase investment in R&D&I for sustainability. Reduce planned obsolescence by promoting product repairability. Ensure equal access to high-quality training. Eliminate gender disparities in education, ensuring access for all. Ensure literacy and basic skills. Recognise and value unpaid domestic and care work. Promote regulatory reforms to improve the care system. Consolidate policies for childcare. Ratify ILO conventions on domestic workers and workplace violence. Ensure the inclusion of the principle of intersectionality in public policies.

Promote the development of digital skills and bridge the digital divide, with a special focus on disadvantaged groups. Promote the digitisation of administrative processes to facilitate access and speed up procedures. Ensure access to public services through mobile applications and other digital means, with a focus on vulnerable consumers. Reduce temporariness in public employment and improve human resource management to ensure gender equality and talent retention. Expand the supply of vocational training and promote digital entrepreneurship. Strengthen digital and business skills, prioritising green entrepreneurship and business connectivity. Promote full and decent employment, especially for young people and people with disabilities, along with strategies for income growth for vulnerable populations. Harnessing the ecological transition to revitalise rural areas and municipalities, boosting digitalisation and sustainability in agri-food and forestry sectors.

1. Ensure health, education, care and other services in hard-to-reach areas.

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2. Boost digitisation and the ecological transition of the rural sector.

3. Foster youth entrepreneurship and employment opportunities in rural areas

4. Support women's entrepreneurship in various economic sectors, including agriculture and fisheries, to promote equality

5. Promote sustainable and cultural tourism as a driving force for economic and territorial cohesion

Promote a sustainable and equitable tourism model for local destinations. Train companies and individuals in tourism skills related to innovation, quality and sustainability. Promote development policies that support job creation, entrepreneurship and the growth of micro-enterprises and SMEs. Achieve full employment and equal pay for all people, including young people and people with disabilities. Reduce the proportion of unemployed and unskilled young people. Promote comprehensive strategies for youth employment. Achieve inclusive economic growth that benefits the poorest 40 per cent of the population. Take advantage of the ecological transition to create high-quality employment in rural areas. Support female entrepreneurship in different economic sectors to reduce the gender gap in rural areas. Safeguard and promote cultural heritage, both tangible and intangible.

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Halve the proportion of people at risk of poverty and social exclusion, eradicate severe material deprivation and reduce the child poverty rate. Guarantee the right to food for people in vulnerable situations, promote food donations and encourage the development of digital skills, reducing the digital divide. Streamline administrative processes to facilitate access and speed up procedures. Ensure access to public services through mobile applications and improve cooperation between administrations through digitisation for public policies targeting vulnerable consumers. Ensure digital connectivity for 100% of the population and businesses, increase installed IT power and train new specialists in digital areas. Encourage youth entrepreneurship in rural areas through tailored training and education programmes.

Encourage digital entrepreneurship and collaboration between related agents, together with the internationalisation of startups and attracting foreign talent. Increase companies and agreements between companies and public administrations, with a focus on green entrepreneurship and employment opportunities due to the ecological transition. Promote the equal participation of women in all levels of decision-making and A development policies that support the creation of decent employment and the growth of micro and medium-sized enterprises. Achieve full and productive employment for all, reduce the proportion of unemployed youth and increase the incomes of the poorest 40 per cent of the population. Address gender pay and labour gaps, ensure the inclusion of the principle of intersectionality in public policies and promote strategic equality plans. Promote sustainable and cultural tourism for the economic development of rural areas.

# PARTICIPATION, TRANSPARENCY AND ACCOUNTABILITY

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AS GUIDING PRIN CIPLES OF THE IMPLEMENTATION OF THE 2030 AGENDA ۲

The 2030 Agenda is a roadmap that can only be achieved through solid cooperation mechanisms that allow for its achievement in a participatory, transparent and accountable manner. This is not only because Goal 17 establishes the need for multi-stakeholder partnerships to achieve the transformation of our development model, but also because the 2030 Agenda must necessarily be understood from a human rights perspective. This perspective means that the achievement of the SDGs must be done by embodying human rights principles such as participation, transparency and accountability. Partnerships are also key to achieving inclusive development, i.e. one that includes the participation of the different stakeholders involved in such development. In this sense, one of the implementation obligations of States is to support and encourage the implementation efforts of other stakeholders, be they sub-national governments or civil society stakeholders.

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In Spain, the body in charge of promoting these 2030 Agenda alliances is the Ministry of Social Rights, Consumption and the 2030 Agenda. In particular, its Directorate General for the 2030 Agenda ensures the smooth functioning of the governance bodies for the 2030 Agenda: the Government Delegate Commission for the 2030 Agenda, the sectoral conference for the 2030 Agenda and the Sustainable Development Council.

With regard to sectoral issues affecting sustainable development, Spain also has numerous mechanisms for intergovernmental collaboration, sectoral cooperation between the State and the Autonomous Communities, as well as for the participation of civil society and other stakeholders.

For example, Spain has sectoral conferences on Fiscal and Financial Policy, Agriculture and Rural Development, Tourism, Education, Consumer Affairs, the National Health System, Employment and Labour Affairs, Land Transport Infrastructure, the Environment, Children and Adolescents, Social Services, and the System for Autonomy and Care for Dependency. As of February 2024, there were 43 Sectoral Conferences relating to specific sectors of public activity and which channel cooperation between the State and the Autonomous Communities. In addition, Law 1/2023 on Cooperation has created the Sectoral Conference on Cooperation for Development and Global Solidarity as a body for coordination and consultation between the General State Administration and the Autonomous Communities.

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THE GOVERNMENT'S	SECTORAL CONFERENCE FOR	SUSTAINABLE
DELEGATED COMMISSION FOR THE 2030 AGENDA	THE 2030 AGENDA	DEVELOPMENT
MEMBERS:	MEMBERS:	MEMBERS:
Presidency: Second Vice-President of the Government and Minister of Labour and Social Economy.	Presidency: Minister for Social Rights, Consumer Affairs and the 2030 Agenda.	Presidency: Minister for Social Rights, Consumer Affairs and the 2030 Agenda.
Vice-Presidency: Minister of Foreign Affairs, European Union and Cooperation.	Vice-Presidency: <i>Minister for</i> Territorial Policy and Democratic Memory.	Vice-Presidency: Representative of the Third Sector.
19 Ministries, represented through 18 Ministers and 5 Secretaries of State FUNCTIONS:	<b>Spokespeople</b> : Minister of Social Rights, Consumption and the 2030 Agenda, Regional Ministers of Autonomous Communities and	<b>Spokespeople</b> : Representatives of the business, trade union, university, social and expert sectors
Promote, coordinate and	Cities, and representative of the FEMP.	FUNCTIONS:
participate in the design,	FUNCTION:	Advise the Ministry of Social Rights, Consumer Affairs and the
elaboration, implementation and evaluation of plans and strategies.	Development of coordinated	2030 Agenda on the development of plans and strategies. Generate
Submit the Sustainable Development Strategy to the Council of Ministers.	action in matters related to the fulfilment of the 2030 Agenda and the achievement of the SDGs, in accordance with the	documents and analysis. Contribute to the dissemination and communication of the 2030
Agree on policy levers and transformational measures.	principles of institutional loyalty, cooperation and	Agenda, foster dialogue and coordination.
Agree and promote impact analysis mechanisms.	reciprocal respect in the exercise of the competences attributed in the Constitution	PLENARY SESSION OF THE COUNCIL
Proceed to study matters relating to the major challenges and needs of the 2030 Agenda in	and the Statutes of Autonomy. SECTORAL COMMISSION	Presidency: Minister for Social Rights, Consumer Affairs and the 2030 Agenda.
itsimplementation. MINISTRIES TASK FORCE	Presidency: State Secretariat for Social Rights.	Vice-Presidency: <i>Representative</i> of the Third Sector
Task Force in support of the Government Delegate Commission for the 2030 Agenda	Members: Representatives of the Autonomous Communities and Cities and the FEMP.	<b>Spokespeople</b> : Representative of the business, trade union, university, social
	Function: Support and advisory body of the Sector Conference,	and expert sectors. PERMANENT COMMISSION
	which may act in plenary session and through commissions and technical	Presidency: Directorate General for the 2030 Agenda.
	working groups.	Members: 15 members of the interest groups.
		COMMISSIONS AND TASK FORCES
		Sustainable Development
		Strategy TF.
		Gender Equality TF.

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FT on Policy Coherence for Sustainable Development.

#### CONGRESS OF DEPUTIES AND SENATE

Joint Commission for the Coordination and Monitoring of the Spanish Strategy to achieve the Sustainable Development Goals.

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Likewise, there are different governance bodies to channel the participation of different social stakeholders such as civil society, the private sector, academia, local entities, and other stakeholders. Currently, a total of 326 collegiate bodies attached to ministerial departments have been identified to structure civil society participation<sup>85</sup>. Examples include the Citizens' Climate Assembly, the Science, Technology and Innovation Advisory Council, or the National Road Transport Committee, among others. Although still to be developed, in 2021, a Committee of Experts on Climate Change and Energy Transition was established as the body responsible for assessing and making recommendations on energy and climate change policies, which is to produce an annual report for debate in the Congress of Deputies and on which the Government will publish its position. These mechanisms form a robust governance system to enable multilevel dialogue for the implementation of joint actions to enable more effective implementation of the 2030 Sustainable Development Strategy in our country.

There are also hybrid cooperation mechanisms in which representatives of ministries, autonomous communities, local entities, civil society and other stakeholders are present, such as the national climate council, the high council and the inter-ministerial commission for international cooperation and global solidarity, the Open Government Forum, the territorial council for Democratic Memory, and the state council for Animal Protection. Mechanisms for inter-administrative cooperation and with social entities have also been established for specific measures, such as the Minimum Living Income, for which there is a Monitoring Commission with the participation of representatives of the General State Administration, the autonomous communities and local entities (regulated by Royal Decree 64/2022, of 25 January) and a consultative council that includes representative sof the General State Administration, third sector social action entities, and the most representative trade union and business organisations (Royal Decree 635/2022, of 26 July). Other examples of inter-institutional dialogue and public-private collaboration include VioGén, the 2nd Action Plan against hate crimes, or Culture X Equality.

Accountability in Spain is ensured, depending on the type of action, through the mid-term and final evaluation of measures contained in strategies and plans, the monitoring of indicators in progress reports, parliamentary control, specific compliance assurance bodies and, in the case of measures financed by the European Union, by supranational bodies such as the European Commission.

Different plans foresee the mid-term and/or final evaluation of the reported measures. For example, the evaluation of the Mental Health Strategy and its Action Plan, due in 2026 and 2024, respectively, provides a key accountability mechanism as it will be closely monitored to measure progress and adjust strategies as necessary to improve mental health. Chapter 6 of the 2nd Human Rights Plan, which refers to governance, monitoring, evaluation and accountability, provides for a six-monthly monitoring of the implementation and progress of actions, an annual evaluation to control actions and verify results, and a final evaluation of results to determine the extent to which the implementation of this Plan has contributed to progress in the development of human rights. At this time, work is being done on the development of impact and results indicators. In the area of climate and energy, for its part, it is planned to approve the institutional coordination regulations and the procedures for responding to the reporting obligations to the European Union and the United Nations.

Specific bodies, such as the Agri-Food Information and Control Agency (AICA) or the labour and social security inspectorate, ensure compliance with the regulations in force through inspections resulting from complaints and are obliged to publish final sanctions, thus guaranteeing the transparency of their actions.

<sup>85</sup> https://transparencia.gob.es/transparencia/dam/jcr:a3524230-9851-4ef6-8aaa-d179fdb84b7c/ %c3 %93rganos %2ocolegiados.pdf: https:// transparencia.gob.es/transparencia/transparencia\_Home/index/Gobierno-abierto/seguimientoIVPlanGA/seguimiento\_C3/3-3-7-ElaboracionGuia.html

As the highest representation of Spain's commitment to transparency, the 4th Open Government Plan 2020-2024 includes 10 commitments and 11 initiatives. This plan also has accountability and compliance monitoring mechanisms, divided into:

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- External mechanisms. The assessment of the Plan's design and the fulfilment of commitments is the responsibility of the independent Review Mechanism (IRM) of the Open Government Partnership (OGP). As the Plan is still in force, the IRM has only submitted the Evaluation of the design of the 4th Plan, and will submit the Evaluation of the fulfilment of the commitments after its completion in 2024.
- Internal mechanisms. Accountability takes place in each of the five working groups of the Open Government Forum, which are equally composed of public administrations and civil society organisations on a biannual basis. All the information on the meetings of the Task Forces is included in the minutes published on the Transparency Portal. Once the meeting has been held, all the information on compliance with the Plan is updated in detail and statistically in the participatory web space for monitoring the 4th Plan on the Transparency Portal.

In addition, according to OGP instructions for national plans with a duration of more than two years, Spain has to carry out an information report with the direct participation of citizens and the Open Government Forum, which is submitted to OGP. In 2023, Spain published the Evaluation Report for the revision of the 4th Open Government Plan at the end of its second year. At the end of the 4th Plan, a new self-assessment report on compliance with the 4th Plan will also be carried out in a participatory manner.

Underpinning all these actions is Spain's commitment to public policy evaluation, embodied in Law 27/2022, of 20 December, on the institutionalisation of public policy evaluation in the General State Administration, which authorised the creation of a State Agency for the Evaluation of Public Policies. This Agency will be key to the mid-term review of the 2030 Sustainable Development Strategy, scheduled for 2024-2025.

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# STRATEGIC DEVELOPMENTS

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IN THE IMPLEMENTATION OF THE 2030 AGENDA BY THE AUTONOMOUS COMMUNITIES

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The 2030 Agenda requires collaborative engagement between all government entities and civil society to achieve the SDGs. The involvement of the different levels of government is especially relevant in the case of Spain, where a very important part of the competences related to the achievement of the 2030 Agenda reside in the autonomous and local governments. Therefore, governance that allows for adequate institutional and inter-sectoral cooperation and coordination is crucial, with dialogue and participation, as well as the collaboration of civil society, being essential.

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Regional governments have taken an active role, creating governance structures that include coordination and participation mechanisms, as well as systems to evaluate progress in achieving these global goals. These actions, which reflect the political commitment of all public administrations, are also reflected in the integration of the SDGs in pre-budgetary processes and in regulatory alignment.

The following is a systematised presentation of the actions implemented by the different autonomous communities to achieve the 2030 Agenda<sup>86</sup>.

#### Regional implementation of the 2030 Agenda

By 2024, 13 Autonomous Communities (68.42%) have approved plans or strategies that set out the priority actions to be carried out in their territories in order to fulfil the 2030 Agenda.

In this regard, since 2018, many regional governments have promoted actions to transpose the international commitment of the 2030 Agenda to their regional level. Some examples are the Andalusian Strategy for Sustainable Development 2030 presented by **Andalusia** in 2018, or the Strategy for the Economic Transformation of the Andalusia Horizon 2027 (ETEA). In the same year, **Aragon** approved the Aragonese Strategy for Sustainable Development and the **Canary Islands**, the Canary Islands Strategy for Sustainable Development. **Castile and León** also promoted the Guidelines for the Implementation of the 2030 Agenda, which would form the framework for actions to achieve the SDGs.

In 2019, **Catalonia** promoted the National Plan for the implementation of the 2030 Agenda. And, one year later, the Government of the Region of **Murcia** approved the Action Plan and the Region of Murcia Sustainable Strategy 2020-2030. Then, in 2021, **Castile-La Mancha** 's 2030 Agenda Strategy was presented by the government council, and the **Basque Country** approved the Basque 2030 Agenda Priority Programme.

In 2023, several communities ratified their commitments to the 2030 Agenda: the **Autonomous Community of Navarre** approved the Navarre Sustainable 2030 Strategy and **Cantabria** presented the 2030 Agenda Action Plan.

The Asturian 2030 Agenda Council of the **Principality of Asturias** will draw up an Asturian Agenda for Sustainability, Social and Intergenerational Justice for Good Living. In addition to the above, 63.1 % of the autonomous governments and the two autonomous cities, **Ceuta** and **Melilla**, report having strategic initiatives

<sup>86</sup> The form disseminated by the Ministry of Social Law, Consumption and the 2030 Agenda among the Autonomous Communities of Spain in the framework of the preparatory work for the National Voluntary Review of Spain 2024 has not been completed by the following Autonomous Communities: Valencian Community, Community of Madrid, Extremadura and La Rioja.

corresponding to one or multiple country challenges and accelerating policies included in Spain's 2030 Sustainable Development Strategy.

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### Consolidation, evaluation and monitoring of the 2030 Agenda at the regional level

Beyond strategic planning, policy monitoring is essential to measure and evaluate the impact of policies and to make the necessary adjustments in the progress towards the 2030 Agenda. In this sense, the main instrument for monitoring the evolution of the implementation of the regional plans and strategies and their results are the progress reports.

Policy monitoring and progress reporting is based on the use of indicators, which help to assess the impact of implemented policies and progress towards the 2030 Agenda targets.

The autonomous communities play an important role in this area through the inter-territorial statistics commission (CITE), coordinated by the National Statistics Institute (INE). Within this commission, a working group was created in 2018 to exchange experiences and methodologies regarding the development of indicators for the 2030 Agenda. These indicators provide objective information on the progress made on each of the SDGs and identify areas where improvements are needed.

In this regard, the autonomous governments are working to adapt the indicators identified for measuring the implementation of the 2030 Agenda to their territorial particularities. By 2024, at least 63.1% of the Autonomous Communities and the Autonomous City of Ceuta have already undertaken this indicator alignment exercise.

As a result of this work, it should be noted that **Andalusia**, in 2020, developed a set of 95 indicators aligned with those proposed by the 2030 Agenda.

Likewise, the **Canary Islands**, through the Canary Islands 2030 Agenda, has developed its own table of indicators and reference values to be achieved by 2025 and 2030. In addition, the region is making progress on a methodological project for the calculation of synthetic indicators associated with the indicators of the Central Statistical Offices of the Autonomous Communities (OCECAs).

One of the special features of the Canary Islands 2030 Agenda is the translation (contextualisation) of the 169 global goals of the UN 2030 Agenda into the reality of the Canary Islands archipelago. As a result, 316 Canarian targets have been established, with their own monitoring indicators. The process of identifying indicators and statistical sources is far from complete, and a specific team has been set up within the Canarian Statistics Institute (ISTAC) to complete this inventory.

For its part, **Cantabria**, in 2019, adapted the indicators included by the INE in relation to the SDGs of the 2030 Agenda to its goals and territories. In this sense, throughout the year 2023, it has incorporated 14 new goals, reaching 76, including 103 indicators, and analysing 280 sub-indicators.

The **Principality of Asturias** is also in the process of setting up a commission to monitor the achievement of the SDGs in the government of the Principality of Asturias, which will be structured through the transparency units of each ministry.

On the other hand, the official statistics of **Catalonia** have two sets of SDG indicators, calculated according to the methodological criteria of Eurostat and the United Nations. Its calculation and monitoring are two actions included from 2019 in the successive annual statistical action plans, being the responsibility of the Statistical Institute of Catalonia (IDESCAT) and the Advisory Council for the Sustainable Development of Catalonia (CADS). In order to guarantee comparability between Autonomous Communities, many of the indicators presented have a methodology harmonised by the central statistical bodies of the Autonomous Communities (OCECAs).

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In relation to **Galicia**, it should be noted that the summary statistics of the 2030 Agenda indicators in its territory are compiled with data from official information sources, most of which have a methodology harmonised by the INE and the central statistical bodies of the Autonomous Communities, which guarantees comparability.

Finally, the **Balearic Islands** has established a Work Plan whose main objective is to keep Government Action aligned with the 2030 Sustainable Development Strategy and the SDGs.

TABLE 1. SITUATION OF EACH AUT. COM. WITH REGARD TO STRATEGIC PLANNING AND MONITORING AND EVALUATION ACTIONS.

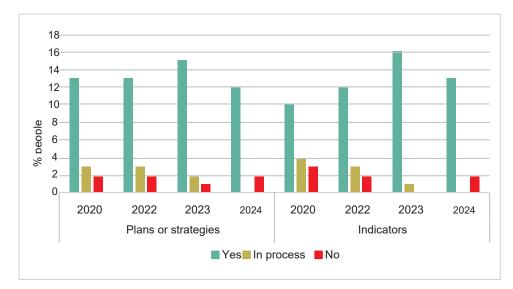
Andalusia		<b>Ø</b>	0
Aragon		0	0
Principality of Asturias	<b>→</b>	$\rightarrow$	$\rightarrow$
C.C. Navarre	<b>I</b>	0	0
Canary Islands	<b>I</b>	0	0
Cantabria		<b>Ø</b>	0
Castile and León		<b>Ø</b>	0
Castile-La Mancha	<b>Ø</b>	<b>Ø</b>	<b>Ø</b>
Catalonia	<b>Ø</b>	<b>Ø</b>	0
Ceuta (DG for Environment)	•	<b>Ø</b>	•
Ceuta (DG for Social Services)	•	•	•
Galicia	<b>Ø</b>	<b>Ø</b>	0
Balearic Islands	<b>Ø</b>	0	0
Melilla	•	•	•
Basque Country		0	0
R. of Murcia	0	0	0

Note: The green symbol indicates that the Plans, Reports and Indicators have been completed, the yellow symbol indicates that they are in progress and the red symbol indicates that they have not yet been completed.

Source: data obtained from the form completed by 12 ACs and the two autonomous cities, Ceuta and Melilla, within the framework of the preparatory work for the Spain 2024 Voluntary National Review.

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GRAPH 1. EVOLUTION OF THE APPROVAL OF PLANS AND STRATEGIES OF THE ACs.

Source: data obtained from the form filled in by 12 ACs and the two autonomous cities, Ceuta and Melilla, as part of the preparatory work for the Spain 2024 Voluntary National Review. The evolution graph is not conclusive, due to the limitations of the sample.

#### Governance and intergovernmental coordination

Addressing the main problems and challenges posed by the 2030 Agenda requires coordination and collaboration between the main stakeholders, such as governments at different territorial levels, non-governmental organisations, the private sector, academia and civil society.

Currently, at least 12 autonomous communities (63.1%) and the Autonomous City of Ceuta have reported having established governance mechanisms between the different areas of the autonomous government for the coordination of the implementation of the 2030 Agenda.

Some of them have opted for the constitution of a commission or council, generally coordinated by the regional government. In this sense, there is the case of **Andalusia** with the creation of the Delegate Commission for the Agenda, made up of government departments. For its part, Aragon created a working commission for the 2030 Agenda the functions of which are to promote, prepare and develop the activity of the Interdepartmental Commission. The Chartered Community of **Navarre** and **Galicia** have also opted to create an Interdepartmental Commission to monitor the 2030 Agenda.

**Cantabria** also has a high-level council on sustainable human development, and the **Basque Country** has a Multi-agent Forum on social transition and the 2040 Agenda. This forum provides a meeting place for the different Basque Government Departments, the three Provincial Councils, EUDEL and the City Councils of the capital cities, as well as entities representing public-private collaboration and organised civil society. For its part, **Catalonia** has had an interdepartmental commission since 2017 which, with the technical and administrative support of the Advisory Council for Sustainable Development, has the mandate to draw up, monitor and update the National Plan for the implementation of the 2030 Agenda.

In turn, the **Region of Murcia** is planning the creation of a delegated commission of the Council of Government, and the **Principality of Asturias** is in the process of setting up a commission to monitor the implementation of the SDGs, which will be structured through the transparency units of each ministry.

Finally, **Castile-La Mancha** has put in place a governance system capable of articulating the drive from the different levels of the Administration to achieve the 2030 Agenda, and promoting a broad and sustained dialogue with the region's social, economic and environmental stakeholders.

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#### Strengthening coordination with local entities

By 2024, 13 autonomous communities (68.4%) and the Autonomous City of Ceuta have institutionalised coordination mechanisms with local entities as an essential level of public administration to advance in the fulfilment of the 2030 Agenda.

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For this purpose, many local entities are represented through their Territorial Federations, which represents a strengthening of coordination. An example of this is the **Government of Aragon**, which, together with the Aragonese Federation of Municipalities, Counties and Provinces (FAMCP), has promoted the Aragonese Network of Local Entities for the 2030 Agenda in parallel. In **Asturias**, this action is promoted through the Asturian Federation of Councils, in the **Balearic Islands** through the Federation of Local Entities of the Balearic Islands (FELIB), and in **Catalonia**, through the Catalonia 2030 Alliance. The latter includes the 4 provincial councils, the Network of Towns and Cities for Sustainability, several regional councils and also individual municipalities (including Barcelona City Council), as well as municipal organisations (including the one representing micro-towns, which are those with less than 500 inhabitants). Also, **Castile-La Mancha** has spaces in close coordination with the federations of regional municipalities.

In the case of **Galicia**, the Galician School of Public Administration (EGAP) provides training to the staff of local entities so that they can incorporate the SDGs.

For its part, **Castile and León** has a conference of mayors and county council presidents, which is a body for political cooperation between the Regional Government of Castile and León and the governments of local entities. One of the task forces of this conference aims to study and analyse the 17 SDGs.

The **Principality of Asturias**, through the Concepción Arenal Chair, attached to the management of the 2030 Agenda, has developed a simplified Guide for the design, implementation and incorporation of the 2030 Agenda for Asturian municipalities, as well as various toolkits for its implementation. In addition, a new round of meetings with local entities has now begun, through a participatory process, to identify the SDGs in relation to the specific problems of each municipality.

Finally, the **Basque Country** established a Multi-agency Forum on Social Transition and the 2030 Agenda mentioned above, which is represented as creating a common place between the different Departments of the Basque Government, the three Provincial Councils, EUDEL and the City Councils of the capital cities, as well as entities representing public-private collaboration and organised civil society.

#### Involvement of civil society, the private sector and academia

By 2024, 12 autonomous governments (63.19%) and the autonomous city of Ceuta have mechanisms for participation and joint work with civil society, the private sector and/or academia.

**Andalusia** stands out, for example, with the process of social dialogue and citizen participation in the recent drafting of the Economic and Social Pact for the Promotion of Andalusia or the 1st Integral Strategic Plan for Volunteering and Citizen Participation in Andalusia, Horizon 2026, which aims to strengthen civil society, citizen participation, volunteering and solidarity in Andalusia.

**Aragon**, the **Basque Country** and **Catalonia** have created alliances to establish platforms as spaces for mutual knowledge and recognition of organisations of very different nature, composition, structure and mandate, united by a commitment to work together to achieve the SDGs. They are also platforms for sharing information and good practices and promoting joint projects. The Catalonia 2030 Alliance was created in February 2020 following a mandate from the Catalan Parliament. It is a coalition of public and private organisations committed to the 2030 Agenda. It is a space for knowledge and mutual recognition of organisations and good practices and to promote joint projects. Streamlined by the Advisory Council for Sustainable

Development, it has 84 members, including the Government, representatives from the local world and from the councils of Women, Children and Adolescents, Youth, the Elderly, the LGBTI+ council, the Third Social Sector and the professional sphere, as well as the main trade unions and employers' organisations. She has participated in the drafting of the chapter on the vision of civil society in the first voluntary report on the monitoring of the 2030 Agenda in Catalonia.

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**Asturias**, for example, has granted two nominative subsidies for SDG training in the business sector, one to the Chamber of Commerce and the other to the Quality Club.

In addition, it should be noted that the **Canary Islands** and **Castile and León** have created the cooperation council as bodies for civil society participation in monitoring the implementation of the Canary Islands 2030 Agenda and the 2030 Agenda in Castile and León, respectively.

**Castile-La Mancha** also stands out for having regulated 2 main participation bodies, with representation of the Administration, organised civil society from the social, economic and environmental spheres, as well as trade unions and academia.

Finally, the **Balearic Islands**, through the Directorate General for Coordination and Transparency, is financing the 2030 Agenda Awards for social transformation and sustainable human development in order to encourage and promote research in the field of sustainable development.

TABLE 2. SITUATION OF EACH AUTONOMOUS COMMUNITY AND CITY WITH REGARD TO GOVERNANCE AND	
COORDINATION FOR THE 2030 AGENDA	

Autonomous Community	Interdepartm ental governance mechanisms	Dialogues and joint work with local entities	Joint work with civil society, private sector and/or academia
Andalusia	$\bigcirc$	$\bigcirc$	$\bigcirc$
Aragon	$\bigcirc$	$\checkmark$	$\bigcirc$
Principality of Asturias	$\rightarrow$	$\checkmark$	$\checkmark$
C.C. Navarre	<b>Ø</b>	$\checkmark$	•
Canary Islands	<b>Ø</b>	<ul> <li>Image: A start of the start of</li></ul>	<ul> <li>Image: A start of the start of</li></ul>
Cantabria	<b>Ø</b>	<ul> <li>Image: A start of the start of</li></ul>	<ul> <li>Image: A start of the start of</li></ul>
Castile and León	<ul> <li>Image: A start of the start of</li></ul>	$\checkmark$	<ul> <li>Image: A start of the start of</li></ul>
Castile-La Mancha	<b>I</b>	<b>Ø</b>	<b>Ø</b>
Catalonia	<b>v</b>	<b>v</b>	<b>I</b>
Ceuta (DG for Environment)	<ul> <li>Image: A start of the start of</li></ul>	•	Ø
Ceuta (DG for Social Services)	•	$\checkmark$	•
Galicia	<b>Ø</b>	<ul> <li>Image: A start of the start of</li></ul>	<ul> <li>Image: A start of the start of</li></ul>
Balearic Islands	<ul> <li>Image: A start of the start of</li></ul>	$\checkmark$	$\checkmark$
Melilla	•	•	•
Basque Country	<b>Ø</b>	<ul> <li>Image: A start of the start of</li></ul>	<ul> <li>Image: A start of the start of</li></ul>
R. of Murcia	<ul> <li>Image: A start of the start of</li></ul>	<b>Ø</b>	$\checkmark$

Note: The green symbol indicates that the Plans, Reports and Indicators have been completed, the yellow symbol indicates that they are in progress and the red symbol indicates that they have not yet been completed.

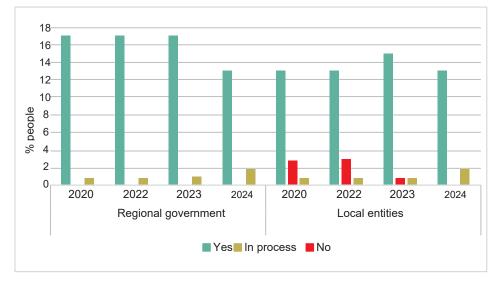
Source: data obtained from the form completed by 12 ACs and the two autonomous cities, Ceuta and Melilla, within the framework of the preparatory work for the Spain 2024 Voluntary National Review.

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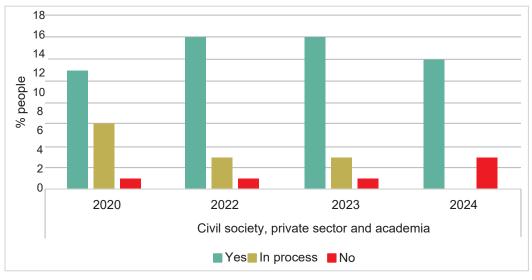
GRAPH 2. EVOLUTION OF THE APPLICATION OF GOVERNANCE MECHANISMS BETWEEN GOVERNMENT DEPARTMENTS AND WITH LOCAL ENTITIES IN THE ACs

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Source: data obtained from the form filled in by 12 ACs and the two autonomous cities, Ceuta and Melilla, as part of the preparatory work for the Spain 2024 Voluntary National Review. The evolution graph is not conclusive, due to the limitations of the sample.

GRAPH 3. EVOLUTION OF THE IMPLEMENTATION OF GOVERNANCE MECHANISMS WITH CIVIL SOCIETY, THE PRIVATE SECTOR AND ACADEMIA IN THE ACs



Source: data obtained from the form filled in by 12 ACs and the two autonomous cities, Ceuta and Melilla, as part of the preparatory work for the Spain 2024 Voluntary National Review. The evolution graph is not conclusive, due to the limitations of the sample.

#### Alignment of regional budgets with the 2030 Agenda

The integration of the SDGs into budget planning reflects a growing commitment to sustainable development, which is crucial for coherent progress towards the goals of the 2030 Agenda.

By 2023, at least 12 Autonomous Communities (63.16%) and the Autonomous City of Ceuta have reported that they have carried out exercises to align their budgets with the 2030 Agenda goals, and one reported being in the process of doing so.

Another notable case is that of **Aragon**, where the Autonomous Community Budget Laws have included an additional provision relating to the "commitment to the 2030 Agenda" with the aim of aligning the budget with its objectives. Another notable case is that of **Castile-La Mancha**, which has been carrying out budget alignment exercises with the SDGs since 2021, or that of the **Balearic Islands**, where ۲

Law 5/2021 of 28 December on the General Budget for 2022 includes budget alignment with the 2030 Agenda.

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Likewise, **Cantabria** with the General Budgets of the Autonomous Community of Cantabria, corresponding to the financial year 2024, incorporate for the first time a complete report on Alignment with the sustainable development objectives. And in 2023, the **Basque Country** produced the Report on the alignment of the 2023 budget with the sustainable development goals of the 2030 Agenda.

In other autonomous communities such as **Catalonia**, the alignment of budgets with the SDGs has been carried out since 2020, while **Extremadura** and **Galicia** have been carrying out these exercises annually since 2021. For its part, **Murcia** has prepared a study on the alignment of the general budgets of the Autonomous Community of the Region of Murcia (CARM) for 2023 and for the financial year 2024.

Finally, it should also be noted that **Asturias** publishes reports to determine the degree of alignment of the General Autonomous Budgets of the Principality of Asturias with the SDGs of the 2030 Agenda, which allows for linking the figures contained therein with the different SDGs and facilitates the possibility of knowing this data until there is strategic planning on the matter in the medium term.

#### Regional regulatory alignment with the SDGs

The autonomous governments have also worked on incorporating regulatory alignment with the SDGs and the 2030 Agenda. As a result of this process, in 2024, 10 autonomous governments and the Autonomous City of Ceuta have launched initiatives aimed at achieving progress on this issue.

In the case of the **Region of Murcia**, its Plan for Regulatory Improvement and Regulatory Quality envisages the promotion of legal standards that contribute to the fulfilment of the SDGs. Likewise, it has promoted the modification of the methodological guide so that the preparation of the Regulatory Impact Analysis Report (RIAR) incorporates the impact on the SDGs. In **Cantabria**, Law 8/2022, of 27 December, on Science, Technology and Innovation, and the regulatory framework that has been aligned with the SDGs.

In **Castile-La Mancha**, with the Castile-La Mancha 2030 Agenda Strategy, an alignment of regional planning and regulatory initiatives with the SDGs was carried out in order to identify the relationship between the different ministries and the SDGs and their goals, which made it possible to establish the starting map and graphically see the leadership in each one of them.

For their part, **Galicia's** different planning instruments take the SDGs into consideration, indicating a strategic approach to ensure that policies and actions are aligned with the 2030 Agenda.

In **Catalonia**, the National Plan for the implementation of the 2030 Agenda in Catalonia establishes government commitments to the SDGs. Each commitment is aligned with policy instruments in place or, where appropriate, under development at the time of the plan's approval. In addition, the last 2 editions of the Policy Plan (2021-2023 and 2024) include a section specifying the alignment of planned policy initiatives with one or more SDGs.

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Autonomous Community	Budget alignment	Regulatory alignment
Andalusia	•	•
Aragon	<ul> <li>Image: A start of the start of</li></ul>	Ø
Principality of Asturias	<b>Ø</b>	-
C.C. Navarre	<ul> <li>Image: A start of the start of</li></ul>	•
Canary Islands	<ul> <li>Image: A start of the start of</li></ul>	Ø
Cantabria	<ul> <li>Image: A start of the start of</li></ul>	Ø
Castile and León	←	Ø
Castile-La Mancha	<ul> <li>Image: A start of the start of</li></ul>	Ø
Catalonia	<ul> <li>Image: A start of the start of</li></ul>	Ø
Ceuta (DG for Environment)	•	Ø
Ceuta (DG for Social Services)	<ul> <li>Image: A start of the start of</li></ul>	•
Galicia	<b>Ø</b>	Ø
Balearic Islands	<b>Ø</b>	Ø
Melilla	•	•
Basque Country	<b>Ø</b>	Ø
R. of Murcia	<b>Ø</b>	0

TABLE 3. SITUATION OF EACH AUT. COM. WITH REGARD TO BUDGET AND REGULATORY ALIGNMENT.

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Note: The green symbol indicates that the Plans, Reports and Indicators have been completed, the yellow symbol indicates that they are in progress and the red symbol indicates that they have not yet been completed.

Source: data obtained from the form completed by 12 ACs and the two autonomous cities, Ceuta and Melilla, within the framework of the preparatory work for the Spain 2024 Voluntary National Review.

LEs that have a Plan or Strategy to implement 2030 SDS at the local level Plans or Strategies of LEs that have impact measurement and evaluation mechanisms in place Plans or Strategies of LEs that have coordination mechanisms for the implementation of 2030 SDS

GRAPH 5. EVOLUTION OF BUDGETARY AND REGULATORY ALIGNMENT OF THE ACs WITH THE OBJECTIVES OF THE 2030A

Source: data obtained from the form completed by 12 ACs and the two autonomous cities, Ceuta and Melilla, within the framework of the preparatory work for the Spain 2024 Voluntary National Review.

#### Challenges

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The challenges faced by the Autonomous Communities and Cities in relation to the implementation of the 2030 Agenda focus on citizen participation and policy coherence for sustainable development, which are crucial elements for achieving the Sustainable Development Goals.

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#### Increasing citizen awareness and participation

Various autonomous regions in Spain are seeking to increase awareness and citizen participation in the 2030 Agenda.

The Canary Islands, Catalonia, the Chartered Community of Navarre, Castile and León, and Asturias have identified the crucial need to strengthen knowledge and citizen participation in the 2030 Agenda. These regions have implemented campaigns and educational programmes to foster greater awareness and active participation of citizens in their sustainable development strategies. Castile-La Mancha, in particular, stresses the importance of the active role of local administrations to achieve a more effective and rooted implementation of the SDGs.

Ultimately, the informed participation of citizens and local entities as public administration, which must be present in inter-administrative coordination, are fundamental to the success of the 2030 Agenda, focusing on education and public engagement strategies to ensure sustainable progress.

#### Strengthening coordination and policy coherence in the implementation of the SDGs

The challenge of improving inter-departmental coordination and policy coherence is key in regions such as **Murcia, the Canary Islands, Catalonia** and **Asturias**. These communities have highlighted the need to establish more robust mechanisms to ensure that sustainable development policies and programmes are complementary and coherent. Catalonia, for example, has implemented interdepartmental commissions to improve policy integration and progress on the SDGs, both at the regional level and in coordination with the state administration and the European Union.

Effective coordination between departments and levels of government is crucial to address the SDGs in an integrated and effective manner, ensuring that all policies contribute towards the same sustainable development goals.

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#### THE IMPLEMENTATION OF THE 2030 AGENDA BY THE LOCAL

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# THE IMPLEMENTATION OF THE AGENDA 2030

BY LOCAL ENTITIES

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The 2030 Agenda, from its principle of universality, establishes responsibilities for all countries and all levels of government in order to contribute to the solution of the great global and local challenges that afflict us.

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In this sense, the role of local governments is remarkable, as they are in an ideal position to transform the 2030 Agenda into a concrete framework for action from and at the local level, integrating its goals and targets in their particular context, and contributing to the participation of citizens in its implementation.

#### Municipalism as a tool for transformation

Due to their proximity to citizens and the powers conferred on them by our legal system, the role of local authorities is key in the implementation of comprehensive initiatives for the localisation of the 2030 Agenda. It is of the utmost importance that the 2030 Agenda is the cornerstone from which local policies and government action by local authorities are articulated, as only by closing the full cycle of public policies will it be possible to guarantee the achievement of the Sustainable Development Goals in Spain.

The Spanish Federation of Municipalities and Provinces, through the **Network of Local Entities for the 2030 Agenda**, made up of more than 600 local entities, is the main driving force behind the implementation of the 2030 Agenda at the local level. The Network has undertaken actions aimed at promoting and extending knowledge, awareness and implementation of the SDGs through institutional strengthening and the involvement of local agents.

This work has positioned the Network of Local Entities for the 2030 Agenda as an international benchmark for commitment and leadership in localising the SDGs at the local level<sup>1</sup>

Through the Network of Local Entities for the 2030 Agenda, local governments share and give solutions to the challenges that arise in the local implementation of the 2030 Agenda, achieving the necessary adaptation of planning processes, so that the coordination and convergence of all those policies that contribute to sustainable development has been strengthened, always under the premise of leaving no one behind and leaving no territory behind.

The Network of Local Entities for the 2030 Agenda makes it possible to identify good practices that make it possible to generate a set of experiences that enrich and complement the work of local governments in the implementation of the 2030 Agenda.

The guide for localising the SDSs<sup>87</sup> produced by the FEMP in collaboration with the Ministry of Social Rights, Consumption and Agenda 2030 has become a basic tool for local authorities in Spain to work under the same common methodology for localising the SDGs in local initiatives.

87 https://www.mdsocialesa2030.gob.es/ca/agenda2030/documentos/guia-localizacion-a2030.pdf

In addition to this tool, there are other recently developed tools such as the Budgetary Alignment Guide and the Indicators Guide for monitoring the 2030 Agenda at local level, as well as training and advisory actions in which the network's member organisations participate.

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In short, it is a commitment to develop a common working framework based on the five pillars of the 2030 Agenda (People, Planet, Peace, Prosperity and Partnerships), and to reinforce the commitment to make local progress in achieving the SDGs.

#### Promoting the 2030 Agenda in Local Entities

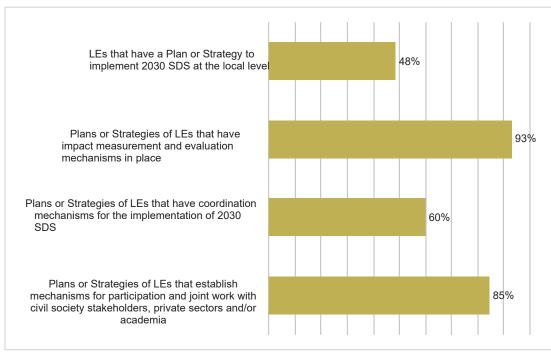
With the aim of supporting and strengthening the action of local entities in relation to the implementation and localisation of the 2030 Agenda, the Ministry of Social Rights, Consumption and the 2030 Agenda has launched two calls for public subsidies in the years 2022 and 2023 for actions to promote the 2030 Agenda in local entities<sub>3</sub>, to which a total of

1254 projects have been presented, of which a total of 85 have been financed with a total amount of 11.4 million euros.

#### Progress and results<sup>88</sup>

48% of local authorities in Spain have a Plan or Strategy to implement the 2030 Sustainable Development strategy at local level. Most of them have been drafted following the methodology established in the SDG Localisation Guide developed by the Spanish Federation of Municipalities and Provinces (FEMP) and address the three dimensions of sustainable development: environmental, social and economic

The vast majority of LEs that have a plan or strategy for the implementation of the 2030 Sustainable Development Strategy have mechanisms in place to measure and evaluate impacts and results. In general, these systems are based on the choice of a series of indicators designed and calculated



GRAPH 1. PROGRESS ON THE IMPLEMENTATION OF THE 2030 AGENDA IN LOCAL ENTITIES

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<sup>88</sup> Data obtained from the form filled in by 84 LEs in the framework of the preparatory work for the Spanish 2024 Voluntary National Review.

in a collaborative effort between the different areas and services of the municipality. In specific cases, these indicators are linked to the execution of municipal budgets automatically through the different electronic systems and accounting applications of the local entities

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It is worth noting that 60% of the plans and strategies developed at local level are supported by technical and political working bodies for the promotion of the local action plan and the monitoring of results. These are working bodies created ad hoc for the localisation of the 2030 Agenda at the local level, such as technical committees, 2030 Agenda offices, informational councils, among others.

It should also be noted that supra-municipal structures such as autonomous communities, regional councils or bodies such as regional federations of municipalities and provinces are key to supporting municipalities in achieving the goals of the 2030 Agenda. Their competences in relevant areas or their capacity to provide resources and develop collaboration and coordination mechanisms are essential to achieve the sustainable development goals at the local level.

In this sense, we can highlight experiences such as the E-mugi platform developed by the Basque Government to facilitate the management and monitoring of local sustainability plans of local entities, or the indicator viewers developed by Provincial Councils such as Barcelona or Albacete. All of these tools contribute to and support local entities in the exercise of promoting local action plans and SDG localisation initiatives.

On the other hand, the LEs, as the administration closest to the citizens, play an essential role in the task of calling on society as a whole to accelerate the necessary efforts to make the 2030 Agenda a reality. Youth, media, economic sectors, trade unions, universities and civil society as a whole must be part of the movement to drive the transformations needed to make the 2030 Agenda a reality.

City social councils, Citizen Participation Forums, as well as other social councils or bodies, are currently constituted as spaces where different social and economic agents from the local sphere come together to work jointly with local authorities in the identification of needs and solutions to address the necessary transformations to achieve more humane and resilient communities. This culture or methodology of participatory work is practically associated with the implementation of any plan or strategy at the local level, with very few cases in which this type of process takes place without involving the entire population of a community (15%).

#### Challenges

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Taking into account the consultation carried out with 84 local entities in the framework of the work for the elaboration of the Spain 2024 Voluntary National Review, the main challenges to be faced by the LEs to meet the goals of the 2030 Agenda Sustainable Development Strategy are the following:89

#### INCREASED KNOWLEDGE AND CO-RESPONSIBILITY OF CIVIL SOCIETY

"engage our children and young people in the need to work together to achieve the SDGs"

#### **DECARBONISATION OF CITIES**

89 Conclusions drawn from the primary information obtained through the form filled in by 84 local entities in the framework of the preparatory work for the Voluntary National Review of Spain 2024. The conclusions are not exhaustive, but the challenges identified are the result of the systematisation of the information provided by the local entities that responded to the questionnaire, applying the qualitative technique of discourse analysis.

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Addressing mobility planning in urban environments, energy consumption in buildings and the renaturalisation of public spaces, which are fundamental pillars in the fight against climate change from the local level.

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#### EQUITABLE DISTRIBUTION OF RESOURCES

Limited technical and financial resources in rural settings for the implementation of Local Action Plans for the 2030 Agenda.

#### LOCAL GOVERNMENTS AND HUMAN RIGHTS

Advance the role of local governments in promoting and protecting Human Rights in line with the 2nd National Human Rights Plan and in collaboration with the Spanish Government, the autonomous communities, social organisations and civil society as a whole.

#### A ROADMAP TO FOLLOW

- 1. Defend the central role of municipalism in the transformation required by the 2030 Agenda to face the great global challenges.
- 2. Promote partnerships for sustainability in all spheres and levels of government, based on respect for the principles of subsidiarity and in collaboration and agreement with other territorial stakeholders.
- Promote effective, transparent, innovative local institutions that co-create public value, capable of
  offering citizens accessible and high-quality public services that are sustainable, accountable and
  aligned with the SDGs.
- 4. Transform and build public policies based on their coherence, comprehensiveness and multidimensionality, establishing a virtuous circle between the economic, environmental and social dimensions.
- Promote hybrid institutional spaces and institutions open to citizen participation, improving decisionmaking and fostering collaboration with civil society in the definition, implementation and evaluation of sustainable public policies.
- 6. Place equity and non-discrimination at the centre of action, encompassing not only economic and social rights, but also civil, political and cultural rights, analysing the causes of inequalities and seeking solutions to them.
- 7. Ensure equality between men and women and combat gender-based violence in all spheres and environments, enabling and empowering women to have equal opportunities.
- 8. Combat misinformation, especially among our young people, by promoting truthful and responsible information from our municipalities, raising awareness of our environment and educating in democratic values and rights, thus creating a critical and empowered society.
- 9. Measure the progress of the results of our public policies and services in terms of sustainability, providing us with the necessary resources for the creation of analysis and evaluation systems that guide us towards the improvement of our policies.
- 10. Work to accelerate the achievement of the SDGs, bearing in mind that we have passed the halfway point in the timeframe since the adoption of the 2030 Agenda.

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### Experiences and practical examples of the tasks carried out by local governments in Spain for the implementation of the 2030 Agenda

TABLE 1. DESIGN OF LOCALISATION PLANS FOR THE IMPLEMENTATION OF THE  $_{2030}$  AGENDA IN THE MUNICIPALITIES

PHASES	CHALLENGES	HOW ARE THE TACKLED?	METHODOLOGY USED BY THE MUNICIPALITIES
Laying the foundations for the implementation of the 2030 Agenda at the local level	Generate knowledge, interest and commitment Build skills Mobilise collaboration and dialogue between public and private stakeholders.	Through the publication of <b>institutional</b> <b>declarations of</b> <b>commitment</b> by the territorial government. Through the development of <b>training plans</b> . Designing and setting up <b>working bodies</b> (focal point). running <b>communication</b> <b>campaigns</b> for the public.	El Cerro de Andévalo. Knowledge and commitment: STEP 1: Adoption of a Public Institutional Declaration by the Plenary Session of the City Council: 1. It assumes that the 2030 Agenda must be a fundamental reference for society, authorities, and the local community present, as key stakeholders for the planning of municipalities, in order to foster community cohesion, education in values and peace, and promote innovation and employment. 2. It fully recognises and identifies with the objectives of this agenda: leaving no one behind, universality, comprehensiveness, interdependence, shared but differentiated responsibility, and respect for human rights. 3. It believes that the Agenda is the reference framework within which policies for grassroots action are raised to the global level. 4. It expresses its support for the Andalusian strategy and the Spanish strategy to achieve the sustainable development goals: the 2030 Agenda is an agenda with a strong local component. 5. It is committed to achieving objectives and goals focused on the eradication of poverty and inequality, improving education, access to water, equity, sustainable urban planning, the promotion of accessible and clean energy, environmental sustainability and the fight against climate change, the management of cultural diversity, and many other tasks that form part of the daily management of local public policies. 6. Thatflies its role as a key player in the process of localising the 2030 Agenda and invites the different stakeholders in the territory to join in through dialogue between all the stakeholders in the territory (other public administrations and governments, companies, the media, academia, citizens, etc.). Obta Council. A strategy by and for all Communication campaign for the implementation of a participatory process: <b>ORE AGENDA 2030 ORE INFORMENTIONER ORE OUT OUT: ORE OUT OUT: ORE OUT OUT: ORE OUT OUT: ORE OUT OUT:</b>

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PHASES	CHALLENGES	HOW ARE THE TACKLED?	Y METHODOLOGY USED BY THE MUNICIPALITIES
			Cariño Town Council. Initial analysis and diagnosis
			A participatory process was used to consult council staff through an initial diagnostic survey on the SurveyMonkey platform, with the aim of probing and gathering their opinion and assessment of the SDGs and the work being carried out within the framework of the regional government's work. Type of questions:
			• Do you know or have you heard of the United Nations Sustainable Development Goals (SDGs) to promote sustainable and equitable development by 2030?
			<ul> <li>Through which media have you been informed about the 2030 Agenda and the SDGs? Priorities of the "Strategic Plan, 2030 Agenda Horizon" designed to promote sustainable and egalitarian development in Spain that you consider relevant.</li> </ul>
			<ul> <li>Within the development policies and strategies promoted by the Council of Cariño, indicate the importance that, from your point of view, each of the 17 SDGs should have.</li> </ul>
			What do you think are the main obstacles to achieving the sustainable development goals at state and regional
			<ul> <li>level?</li> <li>Do you think there may be difficulties, barriers or limitations in the implementation of policies and plans in line with the SDGs at the level?</li> <li>Do you think there are sufficient joint working and coordination mechanisms (formal/informal; technical/political) at the</li> </ul>
	Starting point	Stakeholder	local level for the proper implementation of policies and plans in line with the SDGs? • In what specific aspects do you think that the municipality of Cariño has "strengths or weaknesses" to be able to promote
	analysis: context and capacities	mapping (multi- stakeholder	concrete lines of action and goals described within the SDGs, which could be considered "lever" policies in a regional strategy for the implementation of the 2030 Agenda? *
Diagnosis	Identification of	territorial	Could you indicate actions over which the Cariño Town Council could have more
	the main gaps and challenges	approach).	influence? Example of answers:
		Analysis of local policies and resources.	6 training Formuevan et uso responsable del agua. Implementar políticas y proyectos que procurso hídricos locales. Saneamiento básico: Mejorar la infraestructura de saneamiento y garantizar el acceso a estrucios de saneamiento a decuados para
			Comparison       Promoción de energias renovables: Fomentar la instalación de paneles solares y sistemas de energia celica en edificios públicos y comunitarios para reducir la dependencia de combustibles fósiles.         Eficiencia energética: Implementar programas de eficiencia
			energética en edificios municipales y ofrecer incentivos para que los residentes mejoren la eficiencia en sus hogares. Transporte sostenible: Promover el uso de vehículos eléctricos o hbridos en a flota municipal y desarrollar infraestructuras para la carga de estos vehículos.
			8 Transver stationary 1 Control Cont
			formación y capacitación que mejoren las perspectivas de empleo local y promover la creación de empleo decente. Apoyo al emprendimiento: Brindar recursos y asesoramiento a emprendedores locales para iniciar y expandí negocios.
			9 marses autorectar la investigación y el desarrollo de tecnologías limpias y costenibles.

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Desarrollo de infraestructuras sostenibles: Invertir en la mejora de carreteras, puentes y otras infraestructuras locales para garantizar la conectividad y la seguridad.

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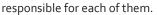
PHASES	CHALLENGES	HOW ARE THE TACKLED?	Y METHODOLOGY USED BY THE MUNICIPALITIES
Definition of Localisation Plans	Prioritisation of global objectives and targets Definition of policies and actions	Determinatio n of local targets for the implementation of the 2030 Agenda. Sectoral consultations and citizen participation for consensus and prioritisation.	Herrera del Duque Town Council. Participatory process: "What does Herrera del Duque want to be when it grows up", The Herrera del Duque Town Council has carried out a strategic and participatory process for the implementation of the 2030 Agenda, with the involvement of the municipality's key agents, both public and private. This participatory process is a planning tool that promotes learning for the municipality's <i>stakeholders</i> and/or key agents, while generating multiple direct benefits for local development projects and enabling municipal decision-makers to make decisions backed by broad consensus. Sectoral roundtables-workshops: Activity 1: SWOT analysis of the municipality of Herrera del Duque in terms of the areas of study and strategic axes, through sectoral roundtables and sectoral workshops in the economic, social, spatial and environmental spheres. Activity 2: definition of the strategic axes, operational axes and Lines of Action.

#### Mojados Town Council. The active role of the Citizens' Forum in the process of prioritising projects

Using the different meetings with residents during the 2030 Agenda citizen participation process, the Citizen Forum was created. After its constitution, the first meetings of the Forum and the carrying out of surveys allowed for the development of project ideas. After the identification of an initial list of projects, the Citizens' Forum was reconvened in order to narrow down the concerns of the residents to implement the projects in the short, medium or long term. It should be noted that projects that have an impact on the environment and social aspects were considered more important, in addition to prioritising long-term projects.

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With the aim of this group coordinating and monitoring the priority projects of the 2030 Agenda, together with the support of the Mojados Town Council and the Local Development Agency as technical secretariat of the priority projects, they were conveyed the importance of being the instrument that articulates the organisation of the projects and designates who is



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PHASES

Development Implementation of Dashboards Monitoring and Voluntary evaluation **Progress Reports** Attraction of public Alignment of local

and

CHALLENGES

private budgets financial resources

HOW ARE THEY

TACKLED?

1.2 By 2030, reduce by at least 25% the proportion of men, women and children of all ages living in poverty in all its dimensions.

1.3 Implement appropriate social protection systems and measures for all, including minimum levels, and by 2030 achieve comprehensive coverage of the poor and vulnerable.

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METHODOLOGY USED BY THE MUNICIPALITIES

The Citizens' Forum distributed a survey that allowed Mojados Town Council to know the different themes and the number of projects that citizens believed could be complementary to the 2030 Agenda and which should be carried out urgently in the municipality. In total, more than 1,023 votes were received, making the sum of the total votes for each project separated

A new online survey was launched in which all projects were grouped together and sorted by the relevant related SDGs. In

1.4 By 2030, ensure that all men and women, particularly the poor and vulnerable, have equal rights to economic resources and access to basic services, property.

STEP 2. Elaboration of indicators to measure the achievement of the established goals:

by SDGs, considering that the municipality has 3,243 inhabitants, a great success.

this way, citizens voted for their priority projects by SDGs, which resulted in 14 priority projects.



Organic and sustainable production: surface area devoted to organic and sustainable production in the municipality. Primary sector activity: Percentage of primary sector activity in relation to total activity in the municipality. Food aid: Percentage of families in the municipality receiving assistance to meet food needs.

Alajeró's vision for the 2030 Agenda: STEP 1. Adoption of targets by SDGs:

FIN **DE LA POBREZA** 

### TOWARDS A COMPREHENSIVE SYSTEM OF POLICY COHERENCE

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FOR SUSTAINABLE DEVELOPMENT

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One of the main objectives included in the 2030 Agenda is to improve policy coherence to achieve sustainable development. This 2030 Agenda recognises at the same time that the SDGs are indivisible, interdependent and seek to link and balance the economic, social and environmental dimensions of sustainability. For this reason, and in order to be able to measure progress on this issue, goal 17.14 transfers to the institutions the need to improve Policy Coherence for Sustainable Development (PCSD), giving rise to a new work approach that has also been made known by organisations such as the European Union, or the OECD through the approval in 2019 of its "Recommendation of the Council on good institutional practices for the promotion of Policy Coherence for Development"<sub>90</sub>.

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Talking about PCSD therefore implies recognising the multidimensional and multilevel nature of the Sustainable Development Goals by analysing the interactions, positive and negative, between their targets, while also highlighting the need to adopt a transformative approach to the way in which we design, implement and evaluate public policies.

As recognised by the OECD, the adoption of a system to ensure PCSD requires the implementation of **three fundamental pillars**: i) Political leadership and commitment; ii) Effective governance mechanisms to address interactions and align sectoral policies; iii) Implementation of tools and mechanisms to anticipate intergenerational and cross-border impacts of public policies.

In this sense, Spain has taken steps in recent years to advance and consolidate these three pillars in order to adopt a true system that guarantees PCSD. Thus, our country's political commitment in this area is materialised in the 2030 Sustainable Development Strategy itself, which includes as one of its main objectives the gradual implementation of a Comprehensive System of Policy Coherence for SustainableDevelopment, thus taking into account this transformative approach in political and institutional activity and aligning it with the recommendations and good practices promoted in this area by international organisations.

This political commitment has also materialised in our country through other strategic and regulatory frameworks that highlight both the internal and external dimensions of this issue. Thus, the **5th Master Plan for Spanish Cooperation 2018-2021 (extended)** recognises that the 2030 Agenda calls for further progress in terms of the SDGs, which leads to a shift from a traditional vision of coherence between external action instruments and global development objectives to a perspective of coherence between all political actions (internal and external) and the construction of global public goods. Furthermore, Law 1/2023 of 1 February on Cooperation for Sustainable Development and Global Solidarity places PCSD as the backbone of Spanish foreign action and cooperation, while Law 27/2022 of 20 December on the institutionalisation of the evaluation of public policies in the General State Administration includes the PCSD approach as one of the aims in the evaluation and impact analysis of public policies in our country.

In addition to this political and strategic commitment, since the approval of the Sustainable Development Strategy, Spain has been working on the design of this comprehensive system of PCSD, which has been materialising through different phases and advances.

<sup>90</sup> https://web-archive.oecd.org/2020-05-14/552805-recommendation-on-policy-coherence-for-sustainable-development-esp.pdf

#### **Tools for moving forward on PCSD**

Firstly, and based on the OECD Recommendations mentioned above, it has been essential to set up governance mechanisms as effective spaces through which to make progress in this area. Thus, **documentary analysis work** has been combined **with consultations with representatives of the governance bodies for the 2030 Agenda** (Government Delegate Commission for the 2030 Agenda, sectoral conference for the 2030 Agenda and the Sustainable Development Council, through its Task Force on Policy Coherence for Sustainable Development), with contributions from other bodies of the General State Administration, representatives of the Joint Commission for the Coordination and Monitoring of the Spanish Strategy to achieve the Sustainable Development Goals, as well as international organisations.

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The inclusion and addressing of PCSD in other governance mechanisms is also evident in spaces such as the **Development Cooperation Council**, which has a specific subgroup on PCSD within its 2030 Agenda Task Force.

This first phase of work led to a **diagnosis of the situation** that made it possible to identify different lines of action and priority axes to advance in this comprehensive system of Policy Coherence for Sustainable Development committed to in the 2030 Sustainable Development Strategy.

Some of the most relevant aspects that this diagnosis concluded are framed within an institutional as well as an instrumental framework.

At the institutional level, the diagnosis pointed to the need to strengthen existing spaces for participation and collaboration in order to bring them more in line with the inclusive vision required by the PCSD.

At the instrumental level, the focus was placed on the need to implement a set of strategic lines of action, such as **training of public employees** on the matter, **regulatory alignment** or **budgetary alignment**.

#### Training of public employees

In this regard, the importance of equipping public employees with the necessary competencies and skills to incorporate the Policy Coherence for Sustainable Development approach in the design of public policies and the necessary adaptation of existing working approaches was underlined, thus enabling public employees to be proactive agents through strategic leadership not only for the implementation of the 2030 Agenda, but also for the formulation, implementation and evaluation of Policy Coherence across all sectors and institutional levels. Thus, in Spain, through the **National Institute of Public Administration**, steps have been taken to provide **training and capacity building for public employees on the 2030 Agenda and an introduction to PCSD** with the aim of demonstrating how this approach forces us to rethink the public policy planning and evaluation instruments currently available to public administrations. Capacity building is thus essential to move from a reactive logic in the management of public affairs to a **proactive and transformative logic** in line with the multidimensional and multilevel nature of the 2030 Agenda.

On the other hand, this diagnosis underlined the need to make progress in the PCSD key in regulatory impact analysis and budget alignment as strategic tools to incorporate not only the economic, social and environmental dimensions of sustainability, but also the **cross-border and intergenerational impacts** in all phases of the public policy cycle.

In a second phase, and on the basis of the content of this first diagnosis, the **lines of work and specific** tasks required for the implementation of the Integrated System of Policy Coherence for Sustainable Development were defined. In particular, three big working areas were

Identified, which are: reinforcement of capacities for accompaniment and analysis; reinforcement of dialogue and multi-stakeholder work; and methodological and instrumental reinforcement.

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In a third phase, therefore, work has begun in our country on some of these specific lines of action, thus taking the first steps at the instrumental level in the establishment of this Comprehensive System of Policy Coherence.

#### SDG indicator 17.14.1

One of the first actions was the measurement and subsequent reporting of **indicator 17.14.1**, the methodology of which has been designed by the United Nations Environment Programme (UNEP) in collaboration with the OECD. The objective of measuring this indicator is to help countries to know the degree of progress and adoption of the PCSD approach at the national level, thus making it possible to obtain a diagnosis of the implementation of PCSD and to prioritise areas in which further work is needed. It is therefore a methodological approach to measuring the set of elements that are necessary to move towards the PCSD approach, namely the allocation of responsibilities; capacity building; and the mobilisation of adequate resources to identify policy divergences and conflicts for the implementation of the 2030 Agenda.

The reporting of data on this indicator began in 2021 with a total of 27 countries, including France, Italy, the United Kingdom, Ecuador and Colombia, with Spain joining the list in 2023.

Indicator 17.14.1 is divided into a total of eight components, each of which is scored up to a maximum of 10 points, with 80 being the maximum total score, subsequently converted into a percentage (UNSD, 2021).

Thus, the eight components of the indicator are as follows: 1) institutionalised political commitment on PCSD, beyond the commitment to the 2030 Agenda; 2) long-term considerations, identifying mechanisms to ensure that the decision-making process and the subsequent development of public policies respond to long-term objectives with future generations in mind; 3) inter-ministerial and inter-sectoral coordination; 4) participatory process, to detect ongoing participatory mechanisms that go beyond the recognition of formal consultation requirements with key stakeholders; 5) assessment of the effects of policies and interactions between them, analysing the impacts between policies, as well as their possible effects at national, regional and local levels, and at both the domestic and transnational levels; 6) consultation and coordination across all levels of government; 7) PCSD monitoring and reporting, which seeks to detect the mechanisms that exist to monitor and evaluate the effects of policies on the different dimensions of sustainable development; 8) financial resources and tools, with the objective of identifying the budget items linked to the promotion of the PCSD approach, as well as analysing that the financial resources are coherent with national policies and their priorities.

The measurement exercise of this indicator that took place in Spain last year was a true inter-institutional collaboration exercise in which the different levels and stakeholders involved in the implementation of sustainable development policies participated with their contributions, mainly through the different governance bodies for the 2030 Agenda.

The final result of this measurement was a total mark of 73 points, which translated into a compliance rate of 91.25%.

Spain, therefore, reflects with this score that in recent years significant progress has been made in the area of PCSD, which has also been reported in the annual progress reports of the Sustainable Development Strategy in what is an exercise in accountability in this area. Despite this progress, the measurement of the indicator has also made it possible to identify several areas for further work, such as mechanisms relating to participation or the evaluation of policies at all stages of the policy cycle.

#### **Regulatory alignment**

In addition to the reporting exercise for indicator 17.14.1, within this more instrumental framework, steps have been taken to design a methodological proposal for the inclusion of **cross-analysis of multiple impacts in the regulatory impact assessment report (RIAR)**. In this sense, regulatory production, as an integral part of the public policy formulation process, incorporates impact assessment as a strategic tool to identify the effectiveness and efficiency of the objectives set with the new regulation being designed. In line with the work being carried out by the OECD and the European Commission on Better Regulation<sup>91</sup>, work is being done on a proposal to adapt the RIAR, through a new Methodological Guide, to the elements contained in the PCSD approach for ex-ante evaluations, namely the linking of sustainability dimensions and the taking into account of intergenerational and cross-border impacts wherever possible. This will make it possible to obtain a comprehensive cross-cutting analysis of all the impacts of regulatory policies and to analyse their interactions, both positive and negative, thereby promoting cooperation between sectoral units and the adoption of a holistic view of all regulatory projects.

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One of the most relevant methodologies currently available for this purpose is that developed by the Stockholm Environment Institute in Sweden<sub>92</sub>. The aim is therefore to generate evidence that will enable better decisions to be made in the implementation and achievement of the 2030 Agenda.

This new methodology would also imply the strengthening of existing monitoring mechanisms to inform the policy-making process and assess its impacts, as it would provide a tool with which to extract quantitative and qualitative information on the effects of policies, as well as to develop analytical capacities to assess the data collected.

Furthermore, its implementation would also be accompanied by an analysis of the existing institutional architecture to guide and orientate the effective implementation of this new approach, as PCSD calls for moving beyond the sectoral logic with which public management has traditionally been structured and towards a more cross-cutting and intersectoral approach.

On the other hand, and insofar as the RIAR is a publicly accessible document, it also constitutes a fundamental accountability mechanism with the public.

In this framework of impact measurement, one of the key issues to take into account are those of an intergenerational nature, related to the future vision of public policies. In this regard, the creation in Spain in 2020 of the **National Office of Foresight and Strategy**, responsible for systematically analysing the empirical evidence available to identify the possible challenges and opportunities that Spain will have to face in the medium and long term, helping the country to prepare for them, is especially noteworthy. With the creation of this office, Spain joins other countries and international organisations in an exercise to extend the time horizon of its political action and develop what has become known as anticipatory governance.

One of this office's lines of action is the initiative known as the "Country Compass "<sub>93</sub>, a monitoring table that includes 50 economic, social and environmental indicators that illustrate how much progress Spain has made in each area in recent decades, and how much more progress it should make to converge with the most advanced countries in the European Union by 2050. These objectives are also part of a strategic planning and foresight exercise embodied in the **Spain 2050 Strategy**, which includes, on the one hand, various scenarios and megatrends for the future and, on the other, a specific roadmap based on a series of challenges that will enable Spain to converge with the most advanced countries in Europe.

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<sup>91</sup> https://commission.europa.eu/law/law-making-process/planning-and-proposing-law/better-regulation/better-regulation-guideli-

<sup>92</sup> https://www.sei.org/tools/sdg-synergies/

<sup>93</sup> https://futuros.gob.es/nuestro-trabajo/brujula-del-pais/desde-los-anos-80

#### **Budget alignment**

In addition to policy alignment and cross-policy analysis of multiple impacts, another key instrument for advancing PCSD is **budget alignment**<sup>94</sup>.

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Thus, it is essential not only to mobilise resources for the effective implementation of measures, but also to carry out an analysis of the link between the channelling of these resources and the achievement of sustainable development goals.

in Spain, the 2030 Agenda Action Plan, approved in 2018, established, under the title of "Budgeting for the SDGs", the mandate to accompany the General State Budgets (PGE) with a "**Report on the alignment of the PGE with the Sustainable Development Goals**" that would allow the relationship between the SDGs and budgetary policies and programmes to be materialised. On the basis of this commitment, the General State Budgets for 2021 were the first to include a report on the alignment of spending policies with the 2030 Agenda, allowing for a multidimensional and cross-cutting analysis of the budgetary effort of each spending policy to achieve the sustainable development goals.

Moreover, the Recovery, Transformation and Resilience Plan approved for Spain in 2021 has given a boost in the same direction by expressly including the alignment of the PGE within the reform package of component 29: Improving the efficiency of public spending. Specifically, Reform 2 "develops the alignment of the General State Budgets with sustainable development objectives, which seeks to bring to the forefront of discussion and investment the sustainable and social objectives promoted by the United Nations in the 2030 Agenda", thus contributing to harmonising the use of public resources and sectoral objectives with the broader objectives of sustainable development and positioning the alignment report as one of the pillars of information and analysis that, integrated into the standardised decision-making process, contributes to improving the composition and quality of public spending.

Since then, this budget alignment exercise at the state level has been progressively expanded not only in terms of its scope of analysis, but also through methodological improvements aimed at consolidating the results and increasing the visibility, dissemination and usefulness of the report's findings, placing Spain at the forefront of countries that carry out exercises of this type.

From a methodological point of view, and with the aim of measuring the budgetary effort that each spending policy makes to achieve the SDGs, avoiding possible distortions caused by the different volume of initial appropriations allocated to each spending policy, the quantitative analysis of this report is based on the so-called budgetary effort index (IEP). This index expresses, in percentage terms, the budgetary resources considered to be aligned with each SDG with respect to the total allocation of each spending programme and, by aggregation, of each spending policy in the PGE. Expressed as an index, the IEP allows for a homogeneous comparison between different programmes and/or policies contributing to the same SDG, on the one hand, and shows the multiplier effect of the budget allocation of each programme and/or policy in its simultaneous contribution to several SDGs, on the other.

Some of the most notable advances and improvements include the fact that since the 2023 PGE, it has been mandatory for more than half of the SDGs to align spending programmes with the targets, a trend that is expected to be extended to all SDGs in the coming years. In addition, qualitative information, previously linked to expenditure policies, has been linked to budget programmes, thus shaping a direct relationship between the percentage contribution of a programme to a given target or SDG and the proposed actions. Finally, with regard to the visibility of the report, a large part of the efforts made in recent years have focused on the implementation of improvements in the publication and dissemination of the results obtained, thus promoting budget transparency and the accessibility and proximity of the budget to the general public.

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94 https://www.sepg.pap.hacienda.gob.es/sitios/sepg/es-ES/Presupuestos/InformesImpacto/IA2023/Paginas/IAPGE2023.aspx

Among the most notable results of the report carried out in the framework of the 2023 PGE, the following stand out: (i) the multiplier effect of budgetary actions that make it possible, with the same resources, to contribute to the achievement of several SDGs; (ii) the contribution of the PGE to the 2030 Agenda is not only based on spending programmes with main objective(s) directly identified with one or more SDGs, but also on actions that can generate favourable conditions for the achievement of an SDG, even if this is not the main objective of the spending programme; (iii) a high degree of alignment of the PGE with the social dimension and strong structuring around the environmental dimension.

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In addition, it should be noted that last year, 2023, a **report on budget alignment with the ecological transition** was carried out, which involves the implementation of the European Commission's *Green Budgeting* methodology, with the aim of analysing what percentage of the PGE is directly destined to contribute to the decarbonisation objectives and compliance with the European Green Pact. Finally, it should be noted that it is planned to complement this approach with the identification of budget expenditures considered "harmful" to the environment (brown dimension).

#### Governance and vision of the future

The set of instruments and tools that have been described, and based on the acknowledged importance of multilevel governance in the advancement of the PCSD, have also been developed by various **autonomous communities and local entities**. Particularly noteworthy is the progress made in the regulatory and budgetary alignment exercises of several self-government and local administrations, and the creation of spaces for the exchange of knowledge and good practices between them. In this regard, it is worth highlighting the work being carried out within the framework of the **Network of Local Entities for the 2030 Agenda**, in which studies and workshops are being conducted on the practical application of the PCSD approach at the local level and in which it is possible to share the experience of local governments that are already applying it.

In addition to all the administrative and political levels that exist in Spain, and aware of the importance of **cooperation at the international level** to continue advancing in the PCSD approach, Spain participates in different forums and spaces in which it is possible to share good practices in this area. Thus, the work that our country has been doing as a participant in the **OECD Network of National Focal Points on PCSD** stands out, which has become a fundamental space for dialogue and cooperation between countries for the exchange of knowledge and good practices in the design and implementation of measures aimed at advancing PCSD. For this reason, the progress that Spain is making in establishing a Comprehensive System of Policy Coherence for Sustainable Development is also a good practice within this international organisation, while proactively participating in the advances that are being implemented in other neighbouring countries.

Indeed, as the OECD recognises, the promotion of relative actions in this area is today more necessary than ever as a result of the complex scenario in which we are moving, since COVID-19, the effects of the wars present throughout the world and the interlinkage of challenges at the global level demonstrate that understanding and applying the logic of multidimensionality and multilevel governance are today essential elements for the construction of shared, coherent, and integrating narratives and solutions.

In short, the implementation of this system of Policy Coherence for Sustainable Development makes it possible to adopt a **holistic analytical view of public policies as a whole** in order to overcome the sectoral and fragmented logic in decision-making processes, thus making it possible to examine the positive and negative synergies between the different policies approved by the institutions, both internally and across borders, and thus constitute a strategic tool for obtaining an integral and coherent paradigm in decision-making bodies. The mid-term review of the Sustainable Development Strategy, scheduled for 2024-2025, will be an opportunity to further explore actions towards its implementation.

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The PCSD also facilitates the consideration of a long-term perspective by focusing on the future repercussions of the policies that are designed, while ensuring a multi-stakeholder and multi-level governance approach, as its implementation requires solid collaboration between all the stakeholders involved in all the phases of the public policy cycle.

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# PRIORITIES FOR A WELFARE SOCIETY

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This section identifies a set of areas that constitute persistent challenges that Spain faces in areas such as the fight against poverty and inequality, tackling the climate and environmental crisis, continuing efforts to eradicate job insecurity, addressing the care crisis, and the role that the tax system can play in responding to all these challenges. This chapter is intended as an exercise in reflection that makes it possible to point to the public policies that must be strengthened in the coming years in order to accelerate compliance with the 2030 Agenda for Sustainable Development.

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#### Social protection to end poverty and inequality

Since 2020, Spain has been undergoing a paradigm shift in its social policies and economic governance. In order to face a scenario of multiple crises (health, economic, energy, climate), the first coalition government deployed a battery of protective measures, including the ERTEs, the articulation of the Social Shield and the energy price caps. In contrast to the Great Recession, Spain showed that it is possible to get out of a crisis by expanding rights and strengthening the welfare state.

This change in the way crises were dealt with ensured a swift and steady recovery. The task in the coming years is to deepen and extend these measures in order to establish a socio-economic paradigm capable of tackling persistent structural inequalities at their roots. In the field of social protection and the fight against inequality, this requires replacing the palliative mentality of the past with a universal vision of social rights, establishing a fuller conception of shared prosperity and well-being.

The task is as complex as it is urgent. Spain is the fifth country in the European Union in terms of income inequality, according to the Gini coefficient in 2022. It is also the country with the second highest population at risk of severe poverty. The link between these two elements (poverty and inequality) is the most pressing challenge to be faced in the coming years. The Great Recession sent both indicators soaring, along with unemployment, part-time work and precariousness. In that context, one million people crossed the poverty line. One in six middle-income households moved into the lowest income group. This contrasts with the 2023 Living Conditions Survey. Today the top 20% of the population earns 5.5 times more than the poorest 20%, when in 2015 that share was close to seven. We also have the lowest Gini coefficient in the historical series: 31.5 in 2023, compared to 34.7 a decade ago.

Poverty cannot be eradicated without tackling inequality. In Spain, income replacement benefits (for unemployment, retirement, survival, illness or disability) have an effect on reducing income inequality above the European average, but the minimum income system still has room for improvement, among other things to correct the very inequalities that our labour market reproduces. In this sense, the parliamentary approval of the Minimum Living Income (IMV) in the middle of the pandemic and without a single dissenting vote was a worthy starting point for building a minimum income policy supported by a broad social and political consensus. The next milestone to consolidate this instrument as an indispensable pillar in the fight against social exclusion is to make it more accessible to citizens, aligning its actual reach with its potential. This will require streamlining the eligibility requirements for the IMV, as well as making the current Child Allowance supplement (CAPI) the basis (alongside the personal income tax deduction for maternity) for a child-rearing allowance, as detailed in the fourth block.

Three priorities for government action emerge in the current social landscape. The first is to combat child poverty. According to the latest Eurostat data, 32.2% of children and adolescents in Spain were living in poverty in 2022, while the EU average is 24.7%. In 2021, EU Member States spent 2.4% of their GDP on families and children; Spain spent only 1.5%. As in any other area, the raw data hides a very uneven gender impact. If in the past the typical face of poverty could be said to be that of an elderly person, today it is that of a mother at the head of a family. Various reports, starting with the 2023 Living Conditions Survey, highlight the risk faced by single-parent families (more than 80% of which are headed by a woman) where the chance of being in poverty is 52.7%. There is still a long way to go in protecting families. In the coming years, the task of expanding and facilitating access to this protection should be taken on, through mechanisms that can be articulated within the framework of the Family Law, currently in parliamentary procedure, and aiming at a child-rearing allowance.

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Another pressing problem is the housing situation. In 2022, 9.2% of Spanish society was suffering from a financial overburden associated with paying for housing and 45% of tenants spent around 40% of their income on rent. According to the most recent report of the Bank of Spain, up to one fifth of this private rental stock is aimed at tourism. To reduce this housing inequality, the banking regulator has studied measures that could be taken in the coming years: expansion of public housing stock, regulation of rents, increased renovations, and mobilisation of vacant housing through tax incentives. The housing crisis in Spain reflects the inequalities that run through our economy and society. Unequal access to wealth, coupled with real estate speculation, are largely responsible for housing becoming a factor not only of inequality, but also of poverty and social exclusion.

Thirdly, there is an urgent need to boost social services. Historically, social services in Spain have faced a funding deficit and a high degree of territorial fragmentation. According to Eurostat, investment in social protection in 2021 was 28.1% of the GDP, compared to the European average of 29.9%. The guiding principle that will articulate all this deployment is universality. In the 1980s, the guarantee of human rights through public services such as education or health care was universally deployed in our country. According to pioneering research on the universality of social protection by the European Commission's Joint Research Centre, Spain has made progress in health, education and pensions, but much remains to be done in social rights and housing. The aim must be to extend the universality of the social protection system in order to reduce economic inequality and eradicate poverty.

### A just transition to address the climate and environmental crisis

We are facing an ecological crisis that is already impacting every society in our world. According to the Stockholm Resilience Centre, six of the nine planetary boundaries that define planetary stability and life support for human welfare have been exceeded, increasing the likelihood of large-scale irreversible changes. These crises are interlinked and feed back into each other. Scientific evidence tells us that they are caused by human activity; that they already impact the economies, livelihoods and subsistence of billions of people; and that those who are vulnerable suffer most from their effects.

There are three dimensions of the problem to which Spain must pay special attention: the climate crisis, pollution and biodiversity loss. The former is a particularly serious threat for our country, although the mitigation and adaptation policies already initiated in the previous legislature represent a great opportunity for the transformation and modernisation of the productive fabric. It is worth highlighting Spain's world leadership in renewable electricity production, with ambitious targets for both generation and storage. It is essential to continue to increase the deployment of renewables in a way that respects biodiversity and the territory, in dialogue with and to the benefit of the territories. Further progress must be made in the democratisation of the electricity system, and the revision

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of the Energy Poverty Strategy is an opportunity to move towards universal access to clean and cheap electricity.

With the decarbonisation of the electricity sector well underway and at a good pace, Spain must urgently and rapidly reduce emissions in other sectors. In transportation and buildings, there is already available and affordable electrification technology. The transformation of industry and the primary sector is more complex, but must certainly be addressed as a priority (in line with the progress already achieved during the previous legislature) as their future depends on it. Thanks to abundant, clean and cheap electricity, Spain has a great opportunity not only to adapt its industrial sector, but also to promote a process of green reindustrialisation that will boost its economy.

The primary sector, especially agriculture, is the sector most affected by the impacts of climate change and biodiversity loss. Along with the need to reduce emissions and produce in a more environmentally friendly way, there is an urgent need to adapt to the reduced availability of water that all scientific models predict for Spain. The rationalisation of water use is one of our country's great challenges, which also affects another one of the fundamental sectors for the Spanish economy: tourism. This economic sector must also face a profound debate to become more environmentally sustainable, socially sustainable and adaptable to the impact of rising temperatures, as anticipated by the Sustainable Tourism Strategy 2030.

In terms of adaptation, Spain must continue to make progress in its coastal, flood prevention and forest fire prevention plans. But the big challenge is to adapt cities and buildings to heat waves, which are becoming more numerous and intense. Rethinking urban planning and investing in the air conditioning of public buildings and facilities (schools, hospitals, residences) must be accompanied by action plans at different levels, with a social vision that protects the most vulnerable. The creation of the health and climate change observatory during this legislature is therefore noteworthy. This milestone highlights the urgency of addressing the impact of climate change on health across the board and the importance of anticipating and developing measures to minimise potential damage. The Observatory will focus on diagnosing and assessing the effects of the climate emergency on health, so that the public administration has the appropriate scientific-technical support. 700 people die every year in our country as a result of climate change, in addition to the many diseases and injuries resulting from it.

Climate change mitigation and adaptation policies will entail a profound transformation of some productive sectors with their consequent impact on employment, but will also generate new opportunities in sectors and activities of the future. It is a priority to accompany the workers and territories affected by these transformations, since only a just transition will mean greater social cohesion, more well-being and less inequality. Spain has been a pioneer in defining public policies for just transition for regions dependent on coal and nuclear power plants. This experience is a valuable starting point for tackling the processes in other sectors and territories. Firstly, it is necessary to reinforce the relevant compensatory mechanisms for those who lose their jobs and to guarantee new training and retraining processes, designed with the participation of the workers themselves. It is important that the employment opportunities that will be generated be accessible, so that the training programmes in new profiles incorporate women, people of foreign origin and other vulnerable groups.

Public policies aimed at halting and reversing this crisis must therefore incorporate the social dimension in two respects. The first is that the impacts of the ecological crisis, especially the climate crisis, do not exacerbate existing inequalities. The second is a fair distribution of the costs and benefits of the transition. In this sense, it is essential to continue supporting and financially accompanying the decarbonisation of households, energy efficiency and self-consumption, paying special attention not to leave anyone behind.

To ensure a just transition, in which the climate crisis is combated by expanding people's rights, both public services and social policies must be added to the just transition equation. According to the International Monetary Fund's research department, one of the most important factors in ensuring that climate change does not exacerbate income inequalities is the ability to implement inclusive policies that strengthen social protection systems. Including them in the plans for

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a just transition of specific sectors or territories will make a big difference in accompanying affected workers and communities.

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The next big challenge for Spain is pollution. There is one priority area for action here: air quality. There are many Spanish cities that systematically exceed the levels of contamination set by the WHO and there is increasing scientific evidence showing the impact of air pollution on different aspects of health (cardio-respiratory diseases, mental health, cancer, etc.). It is a particularly serious problem for vulnerable groups, such as children and the elderly. The new air quality directive is an opportunity to make further progress and to engage all institutional levels on this vital public health issue. Another issue requiring attention is plastic pollution, especially in the marine environment. Spain is one of the most ambitious countries in the negotiations for a legally binding international instrument on plastic pollution, in particular in the marine environment, which should cover the entire life cycle of plastic.

Finally, when it comes to biodiversity protection, the focus must be on conservation, but also on restoration. This means restoring damaged, altered or degraded environments to their original condition. To this end, the National Restoration Plan and compliance with the EU Regulation on Nature Restoration, pending final approval, will be promoted, as well as the implementation of the National Green Infrastructure Strategy. This effort follows in the wake of projects that have already been undertaken to protect our emblematic aquatic environments, such as the Mar Menor lagoon or the Doñana natural park.

Combating this crisis also means adapting our macroeconomic governance. It also requires a monetary policy capable of taking into account issues such as the economic and financial risks posed by the climate crisis, the need to develop a financial incentive structure that facilitates decarbonisation and green industrial transformation, and climate stress tests for the banking sector, such as those already carried out by the European Central Bank.

A just transition also entails reorienting production and consumption to achieve sustainable levels. According to UNEP, global natural resource use has tripled in the last fifty years and could increase by another 60% between 2020 and 2060. The impacts of unsustainable material extraction already jeopardise the 1.5°C temperature rise target of the Paris Agreement and the objectives to avoid biodiversity loss contained in the Kunming-Montreal Global Biodiversity Framework. Resource extraction and processing is behind 90% of biodiversity loss and water stress in terrestrial ecosystems; 60% of greenhouse gases; and 40% of pollution causing impacts on human health. These data demonstrate the need to change our unsustainable linear economic model, based on the extract-produce-consume-throw away sequence, towards a circular economy to adapt our forms of production and consumption to the environmental limits of the planet. We need to decouple economic development and welfare from resource use and waste generation in an absolute, sufficient and sustained way by imposing a circular economy.

Although, according to the International Energy Agency, economic growth in high-income countries is decoupling from  $CO_2$  emissions, this progress is not fast enough to limit global warming to 1.5 or less than 2 degrees, in line with the equitable obligations under the Paris Agreement. This decoupling, moreover, is not occurring in other areas of environmental pressure, such as biodiversity loss, resource use, waste generation or land use change.

In Spain, despite progress, changes in GDP still have significant effects on gross GHG and CO<sub>2</sub> emissions. To respond to climate change and reduce the environmental footprint of our production and consumption, public policies must accelerate an absolute decoupling that is sufficient and sustained over time, in line with the Paris Agreements and the target of SDG 8.4. We must design strategies for reorienting demand in general, and for reducing material demand, towards greater equity, sufficiency, and social welfare, together with the promotion of technological innovation and efficiency in the use of energy and materials.

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In global terms, we must remember that the transition must be just not only within our own society, but also with the rest of the planet's inhabitants. Millions of people, especially women and girls, are seeing their rights violated by the impacts of the climate crisis, loss of biodiversity and ecosystem services, and pollution. Accelerating decarbonisation, conserving and restoring biodiversity, reducing the consumption of energy, materials and waste generation, and designing a global supply chain that is fair in social, labour and environmental terms is one of the pillars of social justice that should be included in transition policies in Spain.

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#### Labour rights to end precariousness

The third priority area to be addressed is the protection of labour rights. Although there has been great progress, there are several challenges ahead, ranging from the pay gap to improving conditions for trainees and increasing support for the unemployed. As a starting point, the structural reform of the labour market since 2020 brought unprecedented progress and activated a number of axes that need to be strengthened, with mechanisms such as ERTEs to prevent job destruction during economic crises. Labour reform must therefore continue to strive to facilitate the transition from precariousness to job stability.

At the same time, a commitment to improving wages is a decisive factor in the face of the picture of inequality and poverty described in the first axis, as opposed to the model of internal devaluation that was at the forefront of the decade of austerity. This wage increase should be carried out, as it has been done so far, by strengthening collective bargaining. Its fruits are evident: between 2018 and 2023, the minimum interprofessional wage has increased by 54%; about 400 euros more per month, approximately 5,500 euros more per year. continuing this path of improving wage conditions is the task ahead of us.

In fact, the wage rise has been accompanied by a significant increase in the active and employed population since 2018. In April 2024, 21 million people were affiliated to the social security system, with the lowest unemployment since 2008, the time before the financial crisis. 2023 ended with the lowest number of employees with temporary contracts out of the total in history, at 16%. Similarly, the rate of people living in households with very low labour intensity has been reduced from 16.9% in 2014 to 8.4% in 2023.

Implementing a wage policy that ensures an equitable distribution of income between employers and employees also emerges as an important task. From this perspective, not only is social justice promoted, but economic cohesion and job stability are also strengthened. Tackling income disparities is a sine qua non for ensuring a more inclusive and prosperous society.

Wage differentials are not only between employers and employees. In Spain, a gender pay gap of 8.7 points persists. Both part-time and temporary work are more prevalent among women, who are generally in lower paid positions and with inferior working conditions. In addition, they are also the biggest representatives of underemployment, i.e. people who are willing to work more hours but cannot afford to do so. This is partly due to the fact that, traditionally, women are more responsible for care work. Promoting work-life balance and co-responsibility, as explained in the next section, is therefore of vital importance. Focusing attention on employment equity and the elimination of gender discrimination in our labour markets must be a policy priority.

Furthermore, it is crucial to address the reform of the workers' statute, our fundamental labour legislation established in 1980, to bring it into line with the demands and realities of the 21st century. The world of work is undergoing transformations in all its productive and non-productive activities. As a result, the protection offered by the different and scattered legal statutes is, in many cases, insufficient. At a time of ecological transition, digitalisation, globalisation and demographic change, it is unavoidable to adapt the regulatory framework of our labour market so that it can be adapted to the new challenges of the globalisation of the labour market

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Ensure the protection of all workers and improve their working conditions. This re-formulation will guarantee a set of common rights for all types of work, from employed or self-employed work to other activities such as partnership work, care work, voluntary work or cooperation.

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However, beyond the quality of work, there is another dimension that cannot go unnoticed: the time devoted to the working day. Our societies demand a more equitable distribution of time, giving more space to care and rest. Therefore, progress must be made in reducing working time to 37.5 hours without salary reduction. This will not only ensure a better reconciliation between work and other uses of time such as care, education, leisure and social participation, but will also be a significant step towards a fairer society: reducing working time increases time for life. Moreover, by improving work-life balance, it will also make our labour market more equitable and with less gender inequality. This is because the unavailability of time for care does not result in it being shared equally, but rather in women taking on these unpaid workloads, increasing the gender inequalities that persist in our society.

These proposals show that we are at a time of profound transformations, moving towards a new paradigm in the labour market. This change implies the need to re-orient the business structure towards democratisation. It is essential that our companies operate transparently and that decisions are made collaboratively, with the active participation of workers.

However, there is still a lot of work to be done. There is still a significant youth unemployment rate of 27.7% in the first quarter of 2024. There are also groups particularly affected by unemployment, such as older women. According to the Labour Force Survey for the fourth quarter of 2023, 59% of women between 50 and 64 years of age spend more than a year looking for a job. Until full employment is achieved, it is therefore necessary to improve the protection of the unemployed. It is essential to extend coverage to those groups that cannot currently access the subsidy, such as people under 45 years of age without family responsibilities, temporary agricultural workers, or cross-border workers from Ceuta and Melilla. Increasing the amounts and eliminating the one-month waiting period for access will also be priority issues. To this end, it is important that administrations at all levels and social partners work together to improve the functioning of active employment policies, which in 2023 only channelled 45.1% of placements for all age groups.

Finally, we should not forget the precariousness that characterises many of the training placements offered in our country. In order to alleviate this situation, the Statute for people who carry out non-labour training placements in companies needs to be finalised. The regulation will serve to eradicate fraudulent practices that cover up precarious work and will also articulate a set of labour rights specific to training placements. This process of formalising and improving the quality of placements is beneficial not only for the people who carry them out but also for companies, as it establishes a means of retaining and incorporating talent, always from a rights-based perspective. It is therefore a measure that will benefit society as a whole.

#### Addressing the care crisis

Care encompasses all life and health maintenance tasks, which are generally relegated to unpaid work and non-monetised spheres of the economy, mainly families. These tasks, from caring for children to caring for the elderly and other people in a situation of dependency, fall mainly on women. However, the massive incorporation of women into the labour market in recent decades has not meant that care work has been shared out, but rather that women continue to take on care work within the family at the same time as they are employed. This has an impact on both their professional careers, as care is at the root

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of the gender pay gap (higher rates of part-time work, shorter working hours, care leave, etc.), as well as on their well-being (the double shift).

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For this reason, Spain must continue to support public care policies that are committed to coresponsibility. In this respect, Spain stands out for having one of the most generous childbirth and childcare leave schemes in the OECD, currently 16 weeks and non-transferable. This feature was designed with the aim of promoting gender equality in the workplace and in childcare. Studies show that as the length of paid paternity leave has increased, men have taken almost all of the available weeks. This evidence challenges us and pushes us to make progress in the payment of childcare leave, as well as the increase of childbirth and childcare leave to 20 weeks.

In the field of employment, one of the measures that can further this issue is the reduction of working hours. As mentioned above, our societies require more free time, not only for leisure and education, but also for care. Caregiving demands a dedication that is often incompatible with labour market schedules, giving rise to the work-life balance challenges we face today. The reduction of working hours directly addresses this issue by reorganising the distribution of time and promoting gender equality, while also involving companies in co-responsibility for care.

Beyond parenting, we cannot forget the care of the elderly and people in a situation of dependency. The demographic evolution of our societies is characterised by a low birth rate and increased longevity, in a context where very large generations (those born in the baby boomer years) are ageing. Currently, the population over 65 years of age represents more than 20% of the total population and, according to INE projections, it will represent 30% of the population in 2047. Responding to the potential care needs of this population is a major challenge for the country.

The European Care Strategy seeks to guarantee high-quality, affordable and accessible care services throughout the European Union and to improve the situation of both caregivers (professional or informal) and care recipients. In this respect, Spain has begun to lay the foundations for a new model of long-term care. This transformation implies articulating a new ecosystem of support that responds to the needs, wishes and preferences of the people being cared for in the immediate environment. This new model must guarantee lives in dignity and with more rights, from a person-centred approach: for those being cared for, but also for those doing the caring.

To this end, it will be a priority to promote the deployment of the new *State Strategy for a new model of care in the community: a process of deinstitutionalisation.* In line with international agreements on human rights, this Strategy will enable progress to be made towards a model of personalised and community support, which implies a cultural change to increase people's expectations of a dignified life.

However, quality of care depends on having adequately trained professionals in sufficient numbers. According to OECD projections, Spain will need 150,000 additional carers by 2033. According to estimates by IMSERSO, although there would be 595,223 workers in the system, up to 1,411,866 people would have a benefit recognised by the System for Autonomy and Care for Dependency. The need for more staff in the sector becomes clearer if we take into account that the majority age group in the sector is 46-55 years old and that the time spent in the sector is limited. Improving working conditions is therefore essential: both to guarantee the rights of carers and to attract new people to enter the profession without the fear of unfavourable circumstances.

Ultimately, the care crisis facing all developed countries underscores the urgency of addressing the deeprooted gender inequalities in the distribution of care responsibilities. To this end, we must promote a care society in which sustainability of life and dependency are central. Resolving this crisis in a credible way requires delving deeper into the feminist and inclusive perspective which addresses entrenched inequalities in the distribution of care and continuing to advance public policies that guarantee the right to care.

#### Fairer taxation to guarantee rights

The role of taxation within the means of implementation of the 2030 Agenda is addressed through SDG17 and its goal 17.1. The tax system is key to obtaining resources to sustain public policies, as well as to generate positive effects on the distribution of income and wealth. Taxation can also underpin the transition towards a social and economic system that is more respectful of environmental limits.

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Proof of its importance for the structural transformations that Spain has been promoting, and for making progress in sustainable development, is that the Recovery, Transformation and Resilience Plan includes, among its commitments, a reform of the tax system, the fulfilment of which has enabled Spain to have a more equitable, progressive and fairer tax system.

However, meeting the objectives of the 2030 Agenda will require continuous reflection on the measures to be taken at all times to ensure that taxation remains fair and adapted to the challenges of today's globalised economy, marked by digitalisation, the green transition and the fight against fraud. Efficient taxation that allows for the financing of public services and high-quality social benefits for all citizens, that reduces inequality and poverty, that helps vulnerable groups and the middle and working classes, that encourages major transformations in the production model, and that advances in progressivity, as established in the Constitution.

This commitment is in turn reflected in the section of the Coalition Agreement on fairer and more responsive taxation, which proposes to continue improving progressivity and narrowing the gap in revenue over GDP compared to the European average during the legislature. According to the latest available data (2022), Spain's revenue collection capacity has improved (38.3%), but is still 3.6 percentage points below the Euro Zone average (41.9%).

These elements will make it possible to continue developing a fair and intelligent fiscal policy, capable of facing the challenges of a globalised economy, as well as to reinforce the tackling of structural phenomena that continue to affect our country, strengthening the financing of public services and encouraging the major transformations of the productive model initiated in the previous legislature.

In this respect, it is a priority of the Government to continue working on the progressivity of personal income tax (IRPF), making progress towards a more equal treatment of the taxation of income from work and capital. In this respect, it is worth highlighting the recent approval by the Council of Ministers of the Draft Law establishing a supplementary tax to guarantee an overall minimum level of taxation for multinational groups and large national groups, to transpose EU Directive 2022/2523, which will enable the taxation of multinational groups of companies and large national groups to reach 15% effective taxation on accounting profit. Likewise, the gradual strengthening and implementation of initiatives such as the taxation of profits in the banking and energy sectors allows for further progress to be made on the path of tax justice in order to sustain the welfare state. Finally, another essential component of the reform is the move towards a new taxation of wealth, with the evaluation of the results of the temporary solidarity tax on large fortunes, within the framework of the regional financing model, to address unfair tax competition between territories.

With regard to the ecological transition, green taxation is a key element in the fair distribution of the costs and benefits of the energy transition and the decarbonisation of the economy. A green taxation that follows the "polluter pays" premise, but avoiding "that those who can pay continue to pollute", and which will continue to be accompanied by compensatory measures and incentives to promote energy efficiency, environmental sustainability and the circular economy.

All these actions are accompanied by a strong commitment to reducing tax fraud and evasion, as well as improving anti-corruption instruments. Compliance with tax obligations must be ensured and it is therefore necessary to continue to thoroughly analyse the underground economy with a view to its gradual elimination.

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In addition, in 2025, Spain will host the 4th International Conference on Financing for Development, which includes in its agenda essential issues such as international cooperation to combat illicit flows and tax evasion.

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