

17 February 2023

Positive preliminary assessment of the satisfactory fulfilment of milestones and targets related to the third payment request submitted by Spain on 11 November 2022, transmitted to the Economic and Financial Committee by the European Commission

Executive summary

In accordance with Article 24(2) of Regulation (EU) 2021/241, on 11 November 2022, Spain submitted a request for payment for the third instalment of non-repayable support. The payment request was accompanied by the required management declaration and summary of audits.

To support its payment request, Spain provided due justification of the satisfactory fulfilment of the 29 milestones and targets of the third instalment of non-repayable support, as set out in Section 2(1)(1.2) of the Council Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Spain.¹

In its payment request, Spain has confirmed that measures related to previously satisfactorily fulfilled milestones and targets have not been reversed. The Commission does not have evidence of the contrary. This includes in relation to milestone 173, *Recovery and Resilience Facility Integrated Information System*, and the commitments on audit and controls that were undertaken in the context of the first payment request to ensure continuous compliance with this milestone and its obligations under the Financing Agreement. Based on the documentation submitted and the controls carried out by the Commission, including a fact-finding mission, Spain has improved the collection of data on beneficial owners of foreign companies that have no power of attorney in Spain, both for already concluded contracts, as well as for future contracts. To this end, Spain has concluded two agreements to facilitate the exchange of information on beneficial owners of foreign companies: one between the General Council of Notary Affairs and the Tax Agency and another one between the latter and the College of Property Registrars. Furthermore, Spain issued a ministerial order empowering the authorities responsible for organising the calls to request beneficial owners' data from foreign companies for which the national authorities do not have information in their databases. The Spanish authorities have also signed a Protocol with the Ministry of Justice so the relevant authorities can access the database BORIS and extract beneficial ownership data from the official registries of other Member States, once the European database is operational. For already concluded contracts, the Spanish authorities have issued guidance to implementing bodies to ensure the collection of beneficial ownership data and have also identified those companies which concluded contracts for measures relating to already submitted payment requests (i.e. payments 1 – 3) for which information on beneficial owners was lacking and they have sent letters to those companies to request such information. In addition, Spain has improved the access to the information on beneficial owners for control purposes. In particular, the Spanish authorities have created and made operational a risk scoring IT tool called 'MINERVA' for the systematic control and prevention of conflict of interest, making use of the beneficial owners' data. Further, the Spanish authorities have instructed the implementing bodies on how to use the IT tool and conduct such controls. On the basis of the evidence submitted, the Commission considers that Spain has ensured

¹ ST 10150 2021 INIT and ST 10150 2021 ADD 1 REV 2, not yet published.

continuous compliance with this milestone and its obligations under the Financing Agreement with respect to these commitments.

Upon receipt of the payment request, the Commission has assessed on a preliminary basis the satisfactory fulfilment of the relevant milestones and targets. Based on the information provided by Spain, the Commission has made a positive preliminary assessment of the satisfactory fulfilment of all 29 milestones and targets.

The milestones and targets positively assessed as part of this payment request demonstrate significant steps in the implementation of Spain's Recovery and Resilience Plan. They notably highlight the continuation of the reform momentum in key policy areas. This includes, among others, the Law on Telecommunications, the reform of the Law on Insolvency, the Law on Science, Technology and Innovation, the Law on the single integrated Vocational Training System, the legislative reform of the reception system for migrants and applicants of international protection in Spain, the Law against Tax Evasion and Fraud, the reform of tax and fluorinated gases, as well as the reform of the Social Security contribution system for the self-employed and the review of the current supplementary pension system. The milestones and targets also confirm progress towards the completion of investment projects related to fishing, agriculture and livestock, energy communities, renewable energy, digitalisation and promotion of major cultural services and support to R&D&I projects in sustainable automotive.

By the transmission of this positive preliminary assessment and in accordance with Article 24(4) of Regulation (EU) 2021/241, the Commission asks for the opinion of the Economic and Financial Committee on the satisfactory fulfilment of the relevant milestones and targets.

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[Non-repayable support]

Milestone number – related measure	
M2 - C1.R1 - Roll-out plan for recharging and boosting electric vehicle infrastructure	
Name of the Milestone: Amendments to the Technical Building Code (TBC), the Low Voltage Electrotechnical Regulation (LVER) and approval of a Royal Decree to regulate public recharging services	
Qualitative Indicator: Provision in the Code, Regulation and Royal Decree indicating their entry into force	Time: Q2 2022
Context: The measure aims to strengthen the operational and regulatory framework facilitating the deployment of recharging infrastructure to boost the use of electric vehicles. This is done by the adoption of five legal acts which aim at removing the barriers currently hampering the diffusion of charging points. Milestone #2 consists of the adoption and entry into force of three legal acts, which will amend the Technical Building Code and the Low Voltage Electrotechnical Regulation to introduce obligations of charging infrastructure in car parks respectively linked or not linked to buildings and Royal Decree 184/2022 regulating public recharging services. Milestone #2 is the second milestone of the reform. It follows the completion of milestone #1 (included in the first payment request), related to the entry into force of Order TMA/178/2020 and Royal Decree-Law 23/2020, aimed at facilitating the deployment of recharging infrastructures.	
Evidence provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: i) Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled; ii) Copy of the publication in the Official Journal of: ▪ Royal Decree 450/2022 of 14 June, amending the Technical Building Code (BOE-A-2022-9848), hereinafter referred to as “Royal Decree 450/2022”; ▪ Royal Decree Law 29/2021 of 21 December, adopting urgent measures in the energy field to promote electric mobility, self-consumption and the deployment of renewable energy (BOE-A-2021-21096), hereinafter referred to as “Royal Decree 29/2021”; ▪ Royal Decree 450/2022 of 14 June, amending the Technical Building Code, wherein the first additional provision amends the Low Voltage Electrotechnical Regulation (BOE-A-2022-9848), hereinafter referred to as “Royal Decree 450/2022”; ▪ Royal Decree 184/2022 of 8 March, regulating the activity of providing energy recharging services for electric vehicles (BOE-A-2022-436), hereinafter referred to as “Royal Decree 184/2022”; iii) Links to the Official Journal website where the legislative acts were published. The authorities also provided: i) Copy of the publication in the Official Journal of Royal Decree 298/2021 of 27 April, amending various regulations on industrial safety (BOE-A-2021-6879).	
Analysis:	

The justification and substantive evidence provided by the Spanish authorities covers all constitutive elements of the milestone. In particular:

Royal Decree 450/2022 entered into force on 16 June 2022, in accordance with the third final provision of the Royal Decree, and amends the Technical Building Code, exceeding the minimum requirements of the Energy Efficiency in Buildings Directive (EU)2018/884. The amendments introduced by Royal Decree 450/2022 increase the minimum amounts of electric vehicle charging infrastructure in both residential and tertiary car parks, notably:

- **Royal Decree 450/2022 provides for the pre-installation of recharging points in 100 % of new parking spaces in residential buildings and 20 % of new parking spaces in commercial and other buildings.** In particular, part 3 “Quantification of the requirement” of the sole Article of Royal Decree 450/2022 amends Section HE 6 of the Technical Building Code “Minimum allocations for recharging infrastructure for electric vehicles” and provides at paragraph (1), that cable driving systems shall be installed “in private residential buildings to enable future supply to charging stations for 100% of parking spaces” and at paragraph (2) for the installation of cable driving systems to enable future supply to recharging stations “for at least 20% of parking spaces in buildings for use other than private residential”.
- **Royal Decree 450/2022 also provides for the installation of one charging point for every 40 new parking spaces in residential buildings and for every 20 parking spaces in new buildings owned by the General State Administration.** In particular, part 3 “Quantification of the requirement” of the sole Article of this Royal Decree amends Section HE 6 of the Technical Building Code “Minimum allocations for recharging infrastructure for electric vehicles”, providing, at paragraph 2, that “one recharging station shall be installed for every 40 parking spaces, or fraction thereof”. It also specifies that in buildings for use other than private residential buildings owned by the General State Administration or the public bodies linked to it or dependent on it “the allocation will be greater than that generally established, with one recharging station for every 20 parking spaces, or part thereof”. Paragraph 1 of part 3 defines the scope of application of this obligation and states that the minimum allocations for recharging infrastructure apply to all new buildings or existing ones where the intervention is significant. Royal Decree 450/2022 outlines some specific cases which are excluded from the aforementioned obligation. In particular i) protected buildings due to their historical or architectonical value, to the extent that compliance with the requirements set forth in the CID would unacceptably alter their character or appearance, ii) non-residential buildings with 10 or less parking spaces, iii) existing buildings for use other than private residential use with a parking area of 20 parking spaces or less, and existing buildings for private residential use, when the cost derived from the intervention is exceeding 7% of the total cost of the intervention and iv) existing buildings for private residential use, when the cost derived from the intervention is exceeding 7% of the total cost of the intervention. Whilst point i) and iv) constitute a minimal substantive deviation from the requirements of the CID, the exclusion of specific categories of buildings or interventions from complying with the obligations of the milestone is justified by the need to preserve heritage and avoid disproportionate costs to private owners. Given the very negligible number of buildings expected to fall under the above-mentioned exceptions with regards to the total stock of buildings, both of residential nature and owned by the General State Administration, the Commission considers that this minimal deviation does not

change the nature of the measure and does not affect the progress towards achieving the reforms that the milestone represents. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

- **Royal Decree Law 29/2021 provides for the installation of one charging point for every 20 new parking spaces in previously existing buildings owned by the General State Administration.** The Council Implementing Decision requires the installation of a recharging point for every 20 parking spaces in all parkings attached to General State Administration buildings. Royal Decree Law 29/2021 establishes that by 1 January 2023 new requirements are introduced, according to recital II of the Royal Decree Law, for existing buildings with a parking area with more than 20 spaces, as well as existing parking spaces not attached to buildings with more than 20 places, that are owned by the General State Administration, “a recharging station shall be installed for every 20 parking spaces or fraction, up to 500 spaces, and one additional charging station for every 100 additional spaces or fraction”. Spain has explained that, beyond the threshold of 500 parking spaces, the requirements for installation of charging points have been reduced due to the expected technical limitations for their installation in existing buildings which may lead to delays in their installation and confirmed that more than 99% of the buildings owned by the General State Administration have less than 500 spaces. These technical limitations are related to auxiliary interventions that the large-scale installation of recharging infrastructure would entail. These include the reform of the buildings’ electrical installation in order to ensure that the supply of electricity is adequate to service a large number of newly installed recharging points. Moreover, in these cases, the evaluation of the Spanish Electrical System Operator may be required, with the result of additional modifications required to the electrical connection and the associated transformer stations. Moreover, Royal Decree Law 29/2021 outlines some specific cases which are excluded from the aforementioned obligation, in particular, protected buildings due to their historical or architectonical value, to the extent that that compliance with the requirements set forth in the CID would unacceptably alter its character or appearance, as determined by the competent heritage protection authority. Whilst these constitute a minimal substantive deviation from the requirements of the CID, the exclusion of car parks with more than 500 spaces, as well as protected buildings due to their historical or architectonical value, from complying with the obligations of the milestone is justified by technical limitations, the importance to avoid bottlenecks to implementation and the need to preserve heritage. Given the very negligible number of parking spaces expected to fall under the above-mentioned exceptions (for instances, only 1% of the parkings attached to buildings owned by the General State Administration have more than 500 spaces), the Commission considers that this minimal deviation does not change the nature of the measure and does not affect the progress towards achieving the reforms that the milestone represents. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.
- **Royal Decree-Law 29/2021 provides for the obligation of previously existing non-residential car-parks with more than 20 parking spaces to adapt to the above requirement (i.e. to install one recharging point for every 40 parking spaces) by 2023.** Article 15 of the Law on climate change and energy transition states that the Technical Building Code must lay down the requirement for minimum charging for electric vehicles in existing buildings for use other than private residential buildings, which have a parking area with more than twenty spaces, either inside or outside designated spaces. Article 4 of Royal Decree-Law 29/2021 of 21 December 2007 amends the Technical Building Code, providing that “one recharging station shall be set up for every 40 parking spaces or fraction, up to 1.000

spaces, and one additional recharging station for every 100 additional parking spaces or fraction” in all buildings for use other than private residential buildings with a parking area with more than 20 spaces, as well as existing parking spaces not attached to buildings with more than 20 places. Spain has explained that, beyond the threshold of 1000 parking spaces, the requirements for installation of charging points have been reduced due to the expected technical limitations for their installation in existing buildings which may lead to delays in their installation, and estimated that approximately more than 99% of the previously existing parking spaces attached to non-residential buildings have less than 1000 spaces. These technical limitations are related to auxiliary interventions that the large-scale installation of recharging infrastructure would entail. These include the reform of the buildings’ electrical installation in order to ensure that the supply of electricity is adequate to service a large number of installed recharging points. Moreover, in these cases, the evaluation of the Spanish Electrical System Operator may be required, with the result of additional modifications required to the electrical connection and the associated transformer stations. Moreover, Royal Decree Law 29/2021 outlines some specific cases which are excluded from the aforementioned obligation, in particular, protected buildings due to their historical or architectonical value, to the extent that that compliance with the requirements set forth in the CID would unacceptably alter its character or appearance would unacceptably alter their character or appearance, as determined by the competent heritage protection authority. Whilst these constitute a minimal substantive deviation from the requirements of the CID, the exclusion of previously existing non-residential car parks with more than 1000 spaces, as well as protected buildings due to their historical or architectonical value, from complying with the obligations of the milestone could be justified by technical limitations, the importance to avoid bottlenecks to implementation and the need to preserve heritage. Given the expected very negligible number of parking spaces falling under the above-mentioned exceptions, the Commission considers that this minimal deviation does not change the nature of the measure and does not affect the progress towards achieving the reforms that the milestone represents. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

Amendments to the Low Voltage Electrotechnical Regulation (LVER) to incorporate obligations for charging infrastructure of car parks which are not linked to a building. The first final provision of Royal Decree 450/2022 amends Royal Decree 1053/2014 approving a new Supplementary Technical Instruction of the Electrotechnical Regulation for Low Voltage (approved by Royal Decree 842/2002 of 2 August 2007) and incorporates obligations for installing charging infrastructure in car parks which are not linked to a building. Namely, the first final provision of Royal Decree 450/2022 establishes, inter alia, that “in newly built car parks or parks subject to major renovation not located in or attached to a building, at least one recharging station must be installed for every 40 parking spaces, or part thereof”.

Royal Decree 184/2022 regulates public recharging services, including the relationship of subjects participating in the provision of the service (charging point operators, electric mobility service providers) and establishing their rights and obligations. Royal Decree 184/2022 entered into force on 20 March 2022, in accordance with its fourth final provision. Article 3(e) of the Royal Decree outlines the definitions and nature of the operator of recharging points as the natural or legal person holding the rights to operate electric vehicle charging stations. The operator of the recharging point generally constitutes the consumer of electricity, in accordance with Article 6 of Law 24/2013 of 26 December 1985 on the Electricity Sector. Article 3(f) indicates the definition of service provider for electric mobility as the undertaking which participates, as a third party, in the

provision of energy recharging services, without the ownership of the infrastructure for recharging points or their operating rights. In particular, the Article specifies that service provider is the subject with which the user of the electric vehicle contracts all the services related to the energy charging of the electric vehicle. Article 6 (1)(2)(3) sub-paragraphs (a) to (d) and (4) sub-paragraphs (a) to (j) in section II of the Royal Decree sets out the list of rights and obligations of the operator of the recharging point. It provides that the operator of the recharging point generally constitutes the consumer of electricity and, as such, has the same rights and obligations laid down in Article 44 of Law 24/2013 of 26 December 2003 establishing the rights and obligations of consumers in relation to supply, as well as the provisions of its implementing legislation. Article 7 (1) sub-paragraphs (a) to (b) and (2) sub-paragraphs (a) to (e) sets out the list of rights and obligations of the company providing services for electric mobility.

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure

M45 - C3.R6 - Revision of the national regulatory framework for the regulation of sustainable fisheries

Name of the Milestone: Entry into force of the Royal Decree on the management of national fishing grounds

Qualitative Indicator: Provision of the Royal Decree on the entry into force

Time: Q2 2022

Context:

Reform 6 of Component 3 has three major objectives: i) encourage integration of economic and social sustainability into fisheries management; ii) provide greater legal certainty for all actors in the fisheries sector; and iii) provide greater transparency, modernisation and digitalisation in fisheries management. In addition, the reform seeks to take into account the objectives and challenges of the EU, including the reform of the Common Fisheries Policy, the Strategy Biodiversity 2030, Marine Strategies, and the Sustainable Development Goals. In order for those objectives to be achieved, the Reform 6 aims at revising the current Fisheries Law to align it to sustainability criteria and research needs in fisheries; updating the management of the different tools, methods and censuses of the national fishing grounds through a Royal Decree; and implementing a law to modernise control, inspection and sanctioning systems in the field of fishing.

Milestone #45 is the only one under this measure. In order to meet the objectives of Reform 6, milestone #45 aims at aligning the management of the different tools, methods and censuses of national fishing grounds, facilitating better business management and taking into account the objective and challenges of the major EU policies and challenges of the EU. All those elements are to be achieved through the entry into force of the Royal Decree on the management of national fishing grounds.

Evidence provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone was satisfactorily fulfilled;
- ii) Copy of the publication in the Official Journal (*Boletín Oficial del Estado*) of Royal Decree 502/2022 of 27 June regulating the exercise of fishing in national fishing grounds; published in the Official Journal on 28 June 2022 (available at the following link: <https://www.boe.es/eli/es/rd/2022/06/27/502>).

Analysis:

The justification and substantiating evidence provided by the Spanish authorities cover all constitutive elements of the milestone. In particular:

In line with the requirements of the Council Implementing Decision, **Royal Decree 502/2022 entered into force on 29 June 2022**, the following day of its publication in the Official Journal (28 June 2022), as foreseen in its eight final provision.

Royal Decree 502/2022 on the management of national fishing grounds **encourages the integration of economic and social sustainability into fisheries management**. **Economic sustainability** is encouraged by Article 5(4) of the Royal Decree 205/2022 that regulates the duration of fishing days in the Mediterranean fishing ground and may extend by a maximum of 3 hours the trawling activity. This measure is part of the multiannual plan limiting the total annual number of fishing days that bottom trawling fleet can fish in the fishing ground. This provision enables fishermen's guilds (*cofradías*) and companies to adapt the activity of their vessels by concentrating the supply of fish in ports and auction halls on fewer days without reducing fishing yields. By reducing the number of fishing days allowed and adjusting the daily hours of activity, the Royal Decree encourages the reduction of the fixed costs and better supply practices.

Furthermore, economic sustainability is encouraged through Article 8 by allowing for temporary changes in fishing method (flexibility is allowed in the event of the insufficient quantity as to maintain its economic profitability). Article 3 of the Royal Decree supports this by establishing the need to hold a valid fishing license for each method and fishing ground in order to be able to carry out the corresponding fishery, and thus helping prevent the distortion of fishing sustainability.

When it comes to the **social sustainability**, Article 5 recognises the need for weekly rest periods for crew members on board vessels, favouring general elements of social sustainability such as family ties. Royal Decree 502/2022 also **facilitates better business management** through clear, concise and transparent conditions for fishing. This is essential to allow shipowners to plan the future prospects of their companies in which their fishing vessels operate. The different aspects regulated regarding the fishing activity (e.g. timetables, tools, methods) and the possibility for flexibility to continue the activity of the same fishing vessel (Articles 8 and 9) create a common and transparent scenario for the essential business planning and thus contribute to the sustainability of the productive fabric of the fishing sector in Spanish coastal communities dependent on fishing.

Additionally, the Royal Decree aligns the new sustainability criteria and research needs in fisheries as follows:

- Article 7: possibility for temporary closures and maximum catch limits to be established for certain species or vessels by the order of the Minister of Agriculture;
- Article 11: possibility for the Ministry of Agriculture to establish net sizes larger than those authorised for trawl vessels;
- Article 13: prohibitions on trawling;
- Article 16: establishment of the minimum technical measures for trawl nets in the Mediterranean and Gulf of Cádiz fishing grounds in accordance with European legislation and scientific recommendations;
- Article 26: limitation on the maximum length of bottom longlines;
- Article 40: obligation for the public administrations to provide for measures encouraging the incorporation of equipment that eliminates or limits the impact of

fishing activity on the ecosystem.

In relation to the **research needs in fisheries**, Article 41 provides that, in addition to the mitigation and improvement of scientific knowledge set out in Order APA/1200/2020 of 16 December 2021, special rules may be adopted by Ministerial Order to reinforce the information obligations or specific measures for the conservation or protection of marine protected species where there is scientific evidence that certain fishing methods are having a significant impact on the incidental capture of protected marine species.

Royal Decree 502/2022 provides greater legal certainty for all actors in the fisheries sector and aligning the management of the different tools, methods and censuses of the national fishing grounds. As stated in the Single Repealing provision, Royal Decree 502/2022 updates the current fisheries legislation on the definition, technical characteristics and conditions of use of the different fishing gears in national fishing grounds, which is essential for all actors in the fisheries sector to know how they can carry out fishing activities with their fishing vessel, by means of a single legislation replacing a set of eight previous rules that have been repealed (specifically 7 Royal Decrees prior to 2007). The Royal Decree, among other things, introduced the following new features, increasing legal certainty for operators on previously unregulated aspects:

- Article 9 concerns changes and exchanges of census (fleet). Under this article, exchanges in census need to be among at least two vessels while changes in census occur within a single vessel. The provisions set out in this article will avoid imbalances between different census and will prevent an increase in the fishing capacity. Sections 2 to 4 of the article establish for the first time, clear and objective criteria, regarding quantifiable vessel parameters such as gross tonnage (GT) or engine power. Additionally, section 5 of the article regulates the requirements of a vessel to be able to participate in an exchange or change of census. In addition, special flexibilities are laid down for the so-called peer censuses, as described in Annex II.
- Article 5 on the regulation of the operating times of vessels in nearby Community waters for vessels in the national fishing ground of the Cantabrian and North-West fishing grounds which have access to them.
- Article 8, which implies a unification of temporary changes of mode for all fishing grounds.
- Chapter II, amends the regulation of bottom trawling, detailing its technical characteristics. The various components of the trawl are specifically defined, thus making it easier to understand and adapt to permitted uses, which will help to improve both the administration and the administration of the inspection work. The Royal Decree clarifies the definition, characteristics and uses of certain devices, used by towed gear on rock and reef.
- Article 34, a new development relating to the conditions for using pole-and-line gear in the Cantabrian and North-west.
- The technical measures provided for in the Royal Decree promote the improvement of the use of fishing techniques, expanding Articles 40 and 41 on the sustainability of the fisheries for the reduction of incidental catches of non-fishing species, contributing to the maintenance of biodiversity.

The definitions under Articles 5, 8, 9, 34, and Chapter II directly **contribute to ensure legal certainty in the alignment of the management of the different tools, methods and censuses** of national fishing grounds by providing clear definitions of the different tools and methods as well as clearly

defining which can be used in each census of national fishing grounds.

Royal Decree 502/2022 provides greater transparency, modernisation and digitalisation in fisheries management and implementing a law to modernise control, inspection and sanctioning systems in the field of fishing. In particular:

- **Transparency in fisheries management:** Articles 8, 9, 11, 14, 26, 34, 35, 37, first additional disposition and third transitory disposition of Royal Decree 502/2022 review and adapt all administrative processes, establishing an obligation for certain entities to engage with administration by electronic means to increase transparency during procedures.
- **Modernisation in fisheries management:** Articles 8, 9, 11 of the Royal Decree include the authorisation of several actions (temporary changes in mode and definitive changes or exchanges of census, the use of different fishing methods such as bottom trawling, and the definitive change of the register for those vessels with temporary changes of mode) through electronic means.
- **Digitalisation in fisheries management:** Electronic means are established by the Articles 8(2), 8(3), 9(9), 9(11), 11(2), 11(3), 12(4), 12(6), 34(3), 34(4) (which correspond to the different authorisations described in the previous point) as the preferred channels for authorising gear/tool and census changes thus contributing to the digitalisation of fishing activity and making communication between the public and the authorities more effective, affordable, and comfortable. Additionally, the digitalisation of procedures contributes to ensure transparency and modernisation of procedures.
- **Inspection, control and sanctioning services:** The digitalisation of processes clarifies and simplifies the obligations for the fisheries sector, which directly contributes to improving the **inspection, control and sanctioning services** responsible for verifying compliance with fishing in national fishing grounds.

The measure takes into account the objectives of the major policies and challenges of the EU, and as such contributes to align the current Fisheries Law to new sustainability criteria and research needs in fisheries. In particular:

- **The reform of the Common Fisheries Policy (CFP):** Article 13 and the second final provision include landing obligations, one of the key elements of the Common Fisheries Policy not included under former Spanish fishing regulation, which is derogated under the single repealing disposition. Additionally, Royal Decree 502/2022 harmonizes the articles containing materials common to all fishing grounds. For example, provisions under Article 9 are aligned to the capacity ceiling set for Spain on the CFP.
- **The EU Biodiversity Strategy for 2030:** Article 41 of Royal Decree 502/2022 contributes to align the fishing sector with the biodiversity strategy by increasing the attention of fishing in case of incidental catches of non-fishing species and through the regulation of the use of the arts on rocky floors and spaces subject to limitations (Articles 10 to 26).
- **Marine Strategies:** In line with the provisions of the Marine Strategies, the Royal Decree organises censuses by fishing grounds and fishing methods and their conditions for the exercise in each of them, through:
 - Articles 10, 11 and 16, which define what is bottom trawl gear and its regulatory types and dimensions
 - Article 12, which established the technical characteristics of bottom trawl vessels
 - Articles 17, 18 and 19 which define purse seine gear (large wall of netting deployed around an entire area) and its regulatory types, dimensions, and technical characteristics of the vessels

- Articles 21-26 which define gillnet (static net) and its regulatory types, dimensions and technical characteristics of vessels for this mode. Sustainable Development Goals: The Royal Decree is aligned with SDG 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development. In particular, the Royal Decree contributes to achieving targets 14(4), 14(b) and 14(c), through the different aspects explained in sections i), ii), iii) and iv) of the above analysis, in particular the alignment of the management of the different tools, methods and censuses, which regulates the activities that can be carried out in each fishing ground.
Commission Preliminary Assessment: Satisfactorily fulfilled

Target number – related measure			
T51 - C3.I4 - Plan to boost the sustainability and competitiveness of agriculture and livestock farming (III): Investments in precision agriculture, energy efficiency and circular economy in the agriculture and livestock sector			
Name of the Target: Investment plan to promote the sustainability and competitiveness of agriculture and livestock			
Quantitative Indicator: Million EUR	Baseline: 0	Target: 307	Time: Q2 2022
Context: Investment 4 shall promote the sustainability and competitiveness of the agriculture and livestock sector via investments in: i) precision agriculture; ii) energy efficiency; iii) the circular economy; and iv) the use of renewable energy. More specifically, Investment 4 relates to a series of actions including: i) implementing new systems to manage agricultural waste, and livestock effluents and their by-products, including structural reforms; ii) modernising greenhouses, both their installations and equipment; iii) promoting the use of bio-gases and renewable energies; and iv) collecting real time data using sensors that make it possible to use precision agriculture and technology on farms, which includes the implementation of satellite navigation systems (GNSS) and geolocation in livestock farming. The measure shall be implemented in the form of individual or collective investments in agricultural holdings or agricultural service companies and at least 5 000 farms shall have completed projects for precision agriculture, energy efficiency, the circular economy and the use of renewable energy by Q2 2026. Target #51 is the first of two targets (targets #51 and #52) covered by this measure. It aims at the completion of the investment plan to promote the sustainability and competitiveness of agriculture and livestock activities in precision agriculture, energy efficiency and circular economy. The targeted budget execution is of EUR 307 million. In line with the further specifications included in the Operational Arrangements, budget execution refers to the amount of budget assigned to the investment plan by the approval of a Royal Decree and executed over the lifetime of the investment plan. Furthermore, the regulatory bases of the plan shall establish the beneficiaries, the requirements to be met, the type of eligible investments, and the eligibility criteria for investments in: precision agriculture, energy efficiency, circular economy and the use of renewable energies. Target #52 completes Investment 4 by Q2 2026.			
Evidence Provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:			

- i) Summary document duly justifying how the target (including the relevant elements of the target, as listed in the description of target and of the corresponding measure in the CID annex) was satisfactorily fulfilled.
- ii) Annex 2.1: Copy of the publication in the Official Journal (*Boletín Oficial del Estado*) of the Royal Decree 948/2021 of 2 November 2021 laying down the regulatory bases for the granting of State aid for the implementation of investment projects as part of the Plan to promote the sustainability and competitiveness of agriculture and livestock farming (III) as part of the Recovery, Transformation and Resilience Plan.
- iii) Annex 2.3: Certificate of the Agreement of the Council of Ministers approving the territorial distribution of the funds. This document justifies the completion of the investment plan and certifies that the entire budget is committed.

The Spanish authorities also provided:

- i) Annex 2.2: Certificate by the Council of Ministries approving the investment plan to promote the sustainability and competitiveness of agriculture and livestock farming (III).
- ii) Annex 2.4: Certificate Sectoral Conference Agriculture and Development Rural.

Analysis:

In line with the requirements of the Council Implementing Decision, Royal Decree 948/2021, adopted on 2 November 2021, sets out the investment plan to promote the sustainability and competitiveness of agriculture and livestock activities in precision agriculture, energy efficiency and circular economy. The Royal Decree was published in the Official Journal of 3 November 2021 and entered into force on 4 November 2021, the day after its publication, as stated in the second final provision. As specified in its Article 1, the Royal Decree aims at establishing the regulatory bases for granting subsidies to support programs for investments that promote the sustainability and competitiveness of agriculture and livestock via investments in i) precision agriculture; ii) energy efficiency; iii) the circular economy; and iv) the use of renewable energy.

Article 37 of the regulatory framework laid down by the Royal Decree establishes a binding commitment by the Ministry of Agriculture Fisheries and Food to distribute the budget among the Autonomous Communities with a **total planned allocation of EUR 307 million foreseen until 2023**. The Agreement of the Council of Ministers approving the territorial distribution of the funds (Annex 2.3) specifies in page 5 the amounts to be distributed each year being EUR 102,758,752.72 in 2021, EUR 101,841,247.28 in 2022 and EUR 102,400,000 in 2023. Under Article 7(3) of the Royal Decree 948/2021 of 2 November 2021, licences, fees, taxes or charges are not eligible costs, therefore the investments under this measure do not include VAT.

Through Royal Decree 948/2021, the investment plan is therefore approved and the amount of the budget allocated and implemented over the duration of the plan is set out. In Articles 2 and 3, the Royal Decree specifies equally that **the objective of these subsidies is to improve the sustainability, competitiveness and resilience of the agri-food sector** from an economic, environmental and social point of view.

In accordance with the provisions of Article 37, which provides for the territorial financing and distribution of aid, the investment plan includes four support programmes:

- i) Investments in **livestock manure management system** (EUR 83 million)
- ii) **Integrated transformation and modernisation of greenhouses** (EUR 120 million)
- iii) Investments in **energy efficiency and renewable energy** (including biomass and biogas) (EUR 25 million)
- iv) **Application of precision agriculture and technologies 4.0** in the agricultural and livestock

sector (EUR 79 million)

In line with the requirements of the Council Implementing Decision, the investments aim at achieving the following objectives:

- **Implementing new systems to manage agricultural waste, and livestock effluents and their by-products, including structural reforms:** Articles 8-12 set the ground for the Programme to support investments in livestock manure management systems. Two financing lines specifically contribute to achieve structural reforms in agricultural waste management:
 - i) Improving the environmental efficiency of external storage facilities for livestock effluents: adaptation and/or covering of external reservoirs/reservoirs of new or existing manure with or without energy use on the farm, ensuring a reduction in ammonia emissions of more than 80 % and/or of greenhouse gases and polluting gases.
 - ii) Improvement of manure management and utilisation: using techniques related to the storage, treatment or valorisation of livestock effluents such as nitrification-denitrification, separation of solid-liquid fractions or composting, or achieving and justifying a storage capacity of at least 6 months of manure produced on the farm that allows them to be used appropriately by constructing new storage systems or adapting existing ones.

This programme contributes towards achieving a **circular economy** and thus promoting the sustainability and competitiveness of the agriculture and livestock sector, as Articles 10 and 14 require that all new constructions and demolition processes must comply with the European objective that at least 70% (by weight) of non-hazardous construction and demolition waste generated on the construction site needs to be prepared for reuse, recycling and recovery of other materials, including landfill operations using waste to substitute other materials. Additionally, Articles 10 and 14 require that operators are obliged to limit the generation of waste in processes related to construction and demolition, in accordance with the EU Construction and Demolition Waste Management Protocol. Finally, both articles (10 and 14) require that building designs and construction techniques need to support circularity, and in particular comply with ISO 20887.

- **Modernising greenhouses, both their installations and equipment:** Articles 13-17 set the ground for the Programme to support the integral transformation and modernisation of greenhouses, for both the new installations and equipment of the existing ones (Article 14). This Programme involves investments in **energy efficiency** and the use of **renewable energy**, contributing to the ecological transition of the sector, and thus, the sustainability and competitiveness of the agriculture and livestock sector.
- **Promoting the use of bio-gases and renewable energies:** Articles 18-21 set the ground for the Programme to support investments in energy efficiency and renewable energy (biogas and agricultural biomass). Additionally, the Programme promotes circular economy through the use of energy from livestock manure to obtain biogas for self-consumption of energy on farms, and through establishing measures relating to the management, collection and conditioning of biomass of agricultural origin, which will make it possible to reduce the final consumption of fossil energy on farms. This programme will involve investments in **renewable energy** and **circular economy** contributing to the sustainability and competitiveness of the agriculture and livestock sector.

- **Collecting real time data using sensors that make it possible to use precision agriculture and technology on farms, which includes the implementation of satellite navigation systems (GNSS) and geolocation in livestock farming:** Article 3 defines “technologies 4.0” as those that involve, among others, mapping and communication. Mapping is defined as technologies that allow geolocating and linking to a moment of the time the information collected and/or stored by the relevant machinery or device. The relevant technologies include also the satellite navigation system (GNSS). Articles 22-25 of the Royal Decree set the ground for the Support programme for the implementation of precision agriculture and technologies 4.0 in the agricultural and livestock sector. Articles 22-25 and Annex III provide for the implementation of projects that include the acquisition of software licenses, machinery and agricultural equipment with the following objectives: improvement of livestock management; reduction in the use of chemical products, in particular phytosanitary products and fertilizers; control of traceability and quality in crops in the planting phase and in tillage; reduction of erosion; control of traceability and quality in harvesting; reduction of the emission of greenhouse gases and the decrease in fuel needed. In addition, the Annex II specifies the relevant precision farm equipment and minimum requirements that they involve, referring also to the geolocalisation devices and receivers of satellite signals. This programme will involve investments in **precision agriculture** contributing to the sustainability and competitiveness of the agriculture and livestock sector.

In line with the Council Implementing Decision, the regulatory bases laid down by Royal Decree 948/2021 establish:

The identification of the beneficiaries and the requirements they must meet. Articles 8, 13, 18 and 22 define the type of beneficiaries that can apply to each funding programme, and set out that the investment is implemented in the form of individual or collective investments in agricultural holdings or agricultural service companies.

In particular, Article 8 of the Royal Decree 948/2021 defines the type of beneficiaries that can apply for the funds to support investments in livestock manure management systems. These are: i) Natural or legal persons of a private or public nature who own livestock holdings, provided that they are categorised as SMEs; ii) in the case of collective investments, groups of natural or legal persons of a private or public nature in accordance with Article 67(2) of Royal Decree-Law 36/2020 of 30 December approving urgent measures for the modernisation of the Public Administration and for the execution of the Recovery, Transformation and Resilience Plan, and any producer organisation or association recognised by the competent authority and comprising at least five owners, provided that they are categorised as SMEs (adjusted to a minimum of three owners in the case of the Canary Islands and the Balearic Islands); iii) Consortia or other forms of public-private partnership, provided that their actions have a common objective and the actions benefit the livestock holdings categorised as SMEs; and iv) manure management centres, provided that they are categorised as SMEs. Additionally, Article 8.2 sets specific requirements, for owners of livestock holdings, to apply for the funds (such as the need for the investment to provide additional improvements beyond the minimum requirements established in the Royal Decree).

Article 18 of the Royal Decree 948/2021 defines the type of beneficiaries that can apply for the funds that support investments in energy efficiency and renewable energy: i) Individuals or legal entities, private or public in nature, who are owners of an agricultural or livestock operation; ii) In the case of collective investments, groups of natural or legal persons of a private or public nature, in accordance with the terms provided in Article 67(2) of the Royal Decree -Law 36/2020, of December 30, that integrate a minimum of five owners of exploitation and any organization or association of

producers recognized by the competent authority whose members are owners of an agricultural or livestock operation; iii) Consortia or other form of public-private partnership, provided that their actions have a common objective and benefit the livestock holdings categorised as SMEs, whose owners allow the consortia to apply for the funding.

Article 13 the Royal Decree 948/2021 defines the type of beneficiaries that can apply for the funds when it comes to the integral transformation and modernisation of greenhouses, also including circularity (namely, among others, individuals or legal entities, producers of vegetables or cut flowers or ornamental plants under greenhouses, who are owners of a farm). The beneficiaries are the same as the ones under the Article 18 except for point iii).

Article 22 of the Royal Decree 948/2021 defines the type of beneficiaries that can apply for the funds when it comes to the precision agriculture and technologies 4.0 in the agricultural and livestock sector (namely, among others, individuals or legal entities, who are owners of livestock and/or agricultural farms as long as their activity is considered as SMEs). The beneficiaries are the same as the ones under the Article 8.

The type of eligible investments. Articles 9 and 10 of the Royal Decree 948/2021 sets the eligible investments under the plan for livestock manure management systems. These are: i) improvement of the environmental efficiency of external storage facilities for livestock effluents (including Pond coverage and other manure storage systems; and Covering manure ponds or bags, with methane recovery and on-farm flaring or boiler combustion); and ii) improving the management and use of manure (including nitrification-denitrification; solid/liquid separation; composting; and construction of new storage systems or adaptation of existing ones).

Article 14 specifies the eligible investments under the plan for the full transformation and modernisation of greenhouses, differentiating between the integral transformation (demolition of a pre-existing greenhouse and its replacement by another greenhouse that meets the minimum characteristics established in annex II and the realization of one or more of the eligible investments listed in Article 16) and the modernisation (implementation of the eligible investments listed in Article 16, in a pre-existing greenhouse, the resulting greenhouse having to meet at least the minimum characteristics established in annex II) of greenhouses. Additionally, Article 16 lists the eligible investments for each type of producer (vegetables, cut flowers and ornamental plants), e.g. installation of a double door system, installation of an automated overhead ventilation system, installation of thermal screens, installation of automatic humidification systems, installation of lightening, etc.

Articles 19 and 20 set the eligible investments under the plan for energy efficiency and renewable energies (biogas and biomass). There are mainly two categories of eligible investments: i) energy efficiency improvements in buildings and installations on agricultural and livestock holdings; and ii) energy use of manure and agricultural biomass through either investment in small capacity biogas plants or measures on the management of agricultural biomass for final energy use.

Article 23 of Royal Decree 948/2021 sets the eligible investments under the plan for the precision agriculture, namely the acquisition of software licenses, machinery and agricultural equipment in line with the requirements established in Annex III of the Royal Decree. The eligible machinery and equipment must meet the following requirements: i) they must be first-acquisition machines and equipment; ii) they must be compatible with the auxiliary machines present on the farm or with those that must work together, whether they are acquired within the object of this aid program or are already available on the farm; iii) their acquisition is aimed at one of the following objectives: reduction in the use of chemical products, in particular phytosanitary products and fertilizers;

control of traceability and quality in crops in the planting phase and in tillage; reduction of erosion; control of traceability and quality in harvesting; reduction of the emission of greenhouse gases and the decrease in fuel needed.

The eligibility criteria for investments in precision agriculture, energy efficiency, circular economy and the use of renewable energies. Article 7 of the Royal Decree 948/2021 specifies the common criteria for eligible costs such as licences and administrative authorisations and prioritisation of eligible investment projects for the funds. Article 12 describes the specific prioritization criteria for projects under the plan for livestock manure management, such as the prioritisation of projects in vulnerable areas due to nitrates pollution. Article 17 describes the specific prioritization criteria for projects under the plan for greenhouse modernisation such as the prioritisation of integral transformation projects. Article 20 describes the eligible investments under the plan for energy efficiency and renewable energy including biogas and agricultural biomass, such as installation of isolation systems, ventilation and climatization and systems to control and monitor the optimal energy use. Article 23 describes the eligible investments under the plan for precision agriculture such as the acquisition of software and machinery in line with the requisites established in Annex III of the Royal Decree. Article 25 describes the specific prioritization criteria for projects under the plan for precision agriculture such as the prioritization of projects promoting a common use of machinery and projects pursuing complete precision agriculture equipment. Further requirements on eligibility criteria of the software, machinery and equipment to be financed under each financial line can be found in Annex I, II and III of the Royal Decree 948/2021.

Commission Preliminary Assessment: Satisfactorily fulfilled

Target number – related measure

T57 - C3.I7 - Plan to boost the sustainability, research, innovation and digitalisation of the fisheries sector (II): Boosting fisheries and aquaculture research and supporting training

Name of the Target: Acquisition of acoustic probes for research in fisheries

Quantitative Indicator: Number	Baseline: 0	Target: 2	Time: Q2 2022
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Context:

Investment 7 of Component 3 is intended to improve the quantity and the quality of the scientific knowledge that informs decision-making in matters of fisheries management. This measure includes the purchase of at least two acoustic probes to equip two existing fishing and oceanographic research vessels to ensure the quality of the data obtained for the scientific assessment of the different stocks of pelagic species. The acquisition of the two acoustic probes shall be implemented based on a public procurement procedure. In addition to that, the measure also includes the promotion of fisheries and aquaculture research to ensure an ecosystem-based approach to decision-making in fisheries management.

Target #57 is the second and final step under investment 7, following target #56. Target #57 includes the publication in the Public Procurement Platform of the contract awarded for the acquisition of two acoustic probes dedicated to fisheries research. The objective of acquiring two probes for two existing fishing research vessels is to ensure the quality of the data obtained, and to consequently favour scientific evaluations of the different stocks of pelagic species, contributing to the sustainability of fisheries and decision-making in matters of fisheries management that is based on the best scientific knowledge. Milestone #56 under Investment 7 covered the promotion of fisheries and aquaculture research and was satisfactorily fulfilled by Spain as part of the second payment request.

Evidence Provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the target (including the relevant elements of the target, as listed in the description of target and of the corresponding measure in the CID annex) was satisfactorily fulfilled.
- ii) Annex 2(5): Publication on the Award on the Public Sector Procurement Platform. The link to the Platform is the following: https://contrataciondelestado.es/wps/poc?uri=deeplink%3Adetalle_licitacion&idEvl=rxqBDHvVjgnnSoTX3z%2F7wA%3D%3D.
- iii) Annex 2(6): Contract award notice and Annex VII the notice to the conclusion of the contract, as published in the Public Sector Procurement Platform. The link to the contract award notice on the Tenders electronic dairy page is <https://ted.europa.eu/udl?uri=TED:NOTICE:366884-2021:TEXT:ES:HTML>, certifying the acquisition of the probes.
- iv) Annex 2(7): Formalization of the contract. Link to the contract: <DOC20210715120258CONTRATO.pdf> (contrataciondelestado.es).
- v) Annex 2(8) summarises the relevant parts of the specifications of the call proving alignment with the description of the target and investment in the CID, including the intended purpose. These extracts can be found in section 3(1) "Minimum characteristics of supply" of the technical specifications of the contract and annex IX contains the complete technical specifications.

The Spanish authorities also provided:

- i) Annex 2(2)(1) and Annex (2)(3): Minutes of the receipt of the contract for the supply of fishing research, navigation and geology equipment for the vessels Emma Bardán and Miguel Oliver of the Secretariat-General for Fisheries, including evidence on the checks carried out on the equipment installed on vessel Emma Bardán and Miguel Oliver.
- ii) Annex 2(2)(1), 2(2)(2), 2(2)(3), 2(2)(4) and 2(2)(5) evidence of operation of the probes in vessel Emma Bardán.
- iii) Annex 2(4)(1), 2(4)(2), 2(4)(3), 2(4)(4): evidence of the operation of the probes in vessel Miguel Oliver.
- iv) Annex 2(9) contain the extracts of the relevant parts of the technical specifications of the supply ensuring alignment with the requirements of target #57.
- v) Annex 2(10) and 2(11) justify that the public procurement procedure tender took place on an exclusive basis (i.e. with one supplier) in line with the requirements of the Council Implementing Decision Annex.

Analysis:

In line with the description of the Council Implementing Decision, the **contract awarded for the acquisition of two acoustic probes dedicated to fisheries research was published in the Public Procurement Platform** on 6 June 2021. A copy of the contract (Annex 5) was provided by the Spanish authorities. The Public Sector Procurement Platform website can be accessed at the following link: https://contrataciondelestado.es/wps/poc?uri=deeplink%3Adetalle_licitacion&idEvl=rxqBDHvVjgnnSoTX3z%2F7wA%3D%3D. The announcement of the formalisation of the contract took place on 17 July 2021 and was published in the Official Journal on 20 July 2021.

As set out in Annexes 10 and 11, the acquisition of both acoustic probes was carried out by means of a public procurement in which the **tender took place on an exclusive basis**. This was linked to the

fact that prior to the installation of the new acoustic probes, the vessel had been equipped with acoustic probes supplied by Kongsberg. Due to the specificity of Kongsberg systems, the base to which the previous probes were connected was also supplied by Kongsberg. As no other compatible supplier was identified and the installation of other probes would have involved the change of the base, the tender procedure took place on an exclusive basis. The tender procedure was published in accordance with Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC Text with EEA relevance. According to Article 170 of Law 9/2017 on Public Sector Contracts, by which the Directives of the European Parliament and of the Council are transposed into the Spanish legal system since only one candidate applied, the procedure was negotiated in accordance with Article 169(5) of the Law 9/2017. The initial offers were subsequently negotiated with the candidate, resulting in an improved offer, and the award of the contract to Kongsberg.

The acquisition of two acoustic probes has as its objective the modernisation of two existing fishing and oceanographic research vessels (Miguel Oliver and Emma Bardán). Annexes 5, 6 and 7 justify that the acoustic probes were purchased. Upgrading the equipment is necessary for fisheries research surveys, to ensure the quality of the data obtained for the scientific evaluation of the different stocks of pelagic species, compared to the results presented by the camera mapping. Annexes 8 and 9 justify that new broadband echo-probe EK80, installed in each vessel, is a high-precision probe that allows working in both modulated frequency (FM) and continuous mode (CW) modes. The technical specifications of the echo-probe are described in the summary document submitted by the Spanish authorities, on the basis of an external report ("USA–Norway EK80 Workshop Report: Evaluation of a wideband echosounder for fisheries and marine ecosystem science from 2019", available at: https://ices-library.figshare.com/articles/report/2016_USA_Norway_EK80_Workshop_Report_Evaluation_of_a_wideband_echosounder_for_fisheries_and_marine_ecosystem_science/19056584). Using the first mode (FM), all targets can be characterised through their own frequency response while on continuous mode results are sent to a common frequency centre. The combination of both modes ensures the **sufficient quality of data**.

The probes are being used for mapping campaigns to determine the abundance and characteristics of the main pelagic fish species. Regarding how the **probes contribute to the scientific evaluation** of the different stocks of pelagic species, the EK80 is an international standard echo-probe used for the acoustic evaluation, widely used by scientific institutions evaluating pelagic fishery resources.

The scientific reports obtained through the probes are expected to contribute to the sustainability of fisheries and to the decision-making process in fishing management. As explained by the Spanish authorities in the summary document, in the case for biomass measurements, broadband technology makes it possible to analyse more precisely the composition of the shoal of fish, including in real time. The use of multifrequency applied on a target makes it possible to analyse the acoustic signature of the object. Using these acoustic curves or signatures, species, their size and behaviour, can be detected in real time. Using the echo-probe, an abundance index can be estimated for the following species: sardine in Iberian waters, anchovy in the Bay of Biscay, anchovy in Iberian Atlantic waters, western horse mackerel, blue whiting. Alongside this, biological information is also provided on the abundance and spatial distribution of many small pelagic species such as mackerel (MAC), green (VMA), southern horse mackerel, table fish (BOC), bog fish (BOG), pearl (MAV), krill, etc. As such, the results obtained are expected to lead to better and more informed decision-making in fisheries management thanks to higher quality scientific data, and thus contribute to a better use of resources and to the sustainability of fisheries.

The outcome of the campaigns will be integrated in the National Basic Data Program, for the

sustainable management of the marine resources. As explained by the Spanish authorities in the summary document, the results of the assessments are presented in the working groups of the Scientific Advisory Committee (SAC) of the Mediterranean Fisheries Commission (GFCM) on issues relating to the conservation and management of living marine resources, including biological, economic, environmental, social and technical considerations. Consequently, the data obtained by the eco-probes contributes to take informed decisions on fishing management.

Commission Preliminary Assessment: Satisfactorily fulfilled

Target number – related measure

T61 - C3.I11 - Plan to boost sustainability, research, innovation and digitalisation in the fisheries sector (VI): Support for the financing of the fisheries sector

Name of the Target: Financing of investment projects in the fishing sector

Quantitative Indicator: Million EUR	Baseline: 0	Target: 5	Time: Q2 2022
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Context:

Investment 11 of the component 3 aims at creating a financial line of funding for projects related to sustainable fishing. Those projects shall include the following actions: i) improving working and safety conditions; ii) digitising of processes and systems; iii) improving the value and traceability of products; iv) searching for new products and presentations, including packaging; and v) boosting innovation, energy improvement and efficiency, and the transition to energy with a lower climate impact. The implementation shall be carried through an agreement between the Ministry of Agriculture, Fisheries and Food (MAPA), and the *Sociedad Anónima Estatal de Caución Agraria* (SAECA) with an aim to support the financing of investment projects in the fishing sector. The agreement shall include a condition that guarantees that the investments made with this financing complies with the 'Do no significant harm' Technical Guidance (2021/C58/01).

Target #61 is the only one under the investment 11. The fulfilment of the target #61 includes the endorsement of the agreement between the MAPA and SAECA to support the financing of investment projects in the fishing sector by granting at least EUR 5 000 000 loan to the SAECA for the creation of a line of financing destined to re-guarantee projects with actions related to sustainable fishing activity. The aim of this is to improve the working conditions and safety of the activity and the digitisation of processes and systems.

Evidence Provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the target (including the relevant elements of the target, as listed in the description of target and of the corresponding measure in the CID annex) was satisfactorily fulfilled.
- ii) Annex 2(1): Copy of the publication in the Official Journal (*Boletín Oficial del Estado*) of the Agreement between the Ministry of Agriculture, Fisheries and Food and SAECA (<https://www.boe.es/boe/dias/2021/07/07/pdfs/BOE-A-2021-11288.pdf>)
- iii) Annex 2(2), copy of the addendum to the Agreement integrating DNSH requirements. <https://www.boe.es/boe/dias/2022/05/20/pdfs/BOE-A-2022-8296.pdf>
- iv) Proof of the credit transfer from the Ministry of Agriculture, Fisheries and Food to SAECA through:
 - Annex 2(3): Document certifying credit retention

- Annex 2(4): Document certifying mandatory recognition of the expenditure
 - Annex 2(5): Basic data of the transaction in the National Budget
 - Annex 2(6): Proposed authorisation and recognition of the expenditure
 - Annex 2(7): Proposal for authorisation of expenditure and payment
 - Annex 2(8): Extract of the bank account transaction
- v) An extract of the official documents containing the selection criteria that ensure compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01):
- Annex 2(9). Report ensuring DNSH compliance
 - Annex 2(10): General and common dispositions of the financial lines, including
 - Annex 3 of the Agreement containing the list of eligible activities in accordance with the DNSH principle.

Analysis:

The justification and substantiating evidence provided by the Spanish authorities covers all constitutive elements of the milestone. In particular:

In line with the requirements of the Council Implementing Decision, **the Agreement between the Ministry of Agriculture, Fisheries and Food and SEACA to support the financing of investment projects in the fishing sector was endorsed on 24 June 2021 and published in the Official Journal (*Boletín Oficial del Estado*) on 2 July 2021.** An addendum to the Agreement to include further DNSH requirements was endorsed on 26 April 2022 and published in the Official Journal on 13 May 2022.

The agreement provides for granting a loan to the *Sociedad Anónima Estatal de Caución Agraria* (SAECA). As stated in clause two of the contract, the financial line between MAPA and SEACA is of EUR 10 million, EUR 5 million of which is financed under the Recovery and Resilience Facility. The Agreement confirms that the loan will be reinvested as follows:

- Clause 2(7) confirms that in the event that funds have been frozen and the investments are not effectively justified, the funds would be released and would again become part of the total loan.
- Clause 2(8) states that since the duration of the loan is 20 years, the funds recovered will always be reused to support new applications. In this regard, if the EUR 5 million in the RRP is not sufficient, the EUR 5 million from the National Fund may be used to reaffirm investments from the RRP.
- All associated revenues that the loan produces to SAECA will not be passed on to SAECA but to the "Loan".
- Clauses 12 and 14 confirm that in the event when the guarantees are executed, due to non-payment by the beneficiary, SAECA will take the appropriate legal measures to recover the amounts of the guarantee executed. SAECA will repay the loan in proportion to the amounts recovered.

The part of the measure financed by the RRF excludes VAT, in line with the accounting documents submitted by Spain. In particular, sub-paragraph 3 of Clause 4 of the Agreement signed between MAPA and SAECA provides that the maximum amount of the loan to be retained by the beneficiary is 50% of the total loan, which is below the total amount granted net of VAT.

In line with the Council Implementing Decision, the financial line is destined to re-guarantee projects related to **sustainable fishing activity and to improve the working conditions and safety of the activity**. The list of potentially financed actions is included in Annex 1 to the Agreement and is as follows:

- i) **Investments in safety of working conditions:** including, among others, lifeguard boats,

- personal flotation devices, especially immersion or survival suits and life jackets and hooks, distress flares, and final launchers.
- ii) **Investments in health:** including, among others, the purchase and installation of first aid kits and the purchase of medicines and emergency treatment devices on board.
 - iii) **Investments in hygiene:** including, among others, sanitary facilities such as washbasins and showers, kitchens and food storage equipment and water treatment plants for the production of drinking water.
 - iv) **Investments in labour conditions:** including, among others, deck handrails, protective cover structures and elements for the modernisation of booths to protect against adverse weather conditions and elements for improving cabin safety and establishing common crew areas.
 - v) **Investments in boosting innovation, energy efficiency and transition to energy with lower climate impacts:** including, among others, investments related to the vessel's hydrodynamics, the propulsion systems (excluding fossil fuels), and actions destined to reduce the electricity and/or the thermic energy consumption. Also, the investments in propulsion systems will lead to the implementation of a new or significantly improved product and will therefore boost innovation.
 - vi) **Added value, product quality, search for new products and presentations and use of unwanted catches:** including, among others, on-board investments increasing the value of fishery products, in particular by allowing fishermen to carry out processing and marketing, and on-board investments improving the quality of fishery product. This measure also **includes the improvement of packaging** as an activity to increase the value added of the product.

Additionally, the financial line is also destined to the **digitalisation of processes and system**, as stated in section B of Annex I of the Agreement. The following investments will contribute to the **optimization of processes and the traceability of products**: i) purchase and installation of software; ii) IT and digital equipment; and iii) training in digital tasks.

In line with the Council Implementing Decision Annex, Clause 5 of the addendum to the Agreement between MAPA and SEIASA guarantees that the investments comply with the "Do no significant harm" Technical Guidance (2021/C58/01). This clause explicitly excludes: i) the purchase of fishing vessels; ii) the modernization or substitution of main and auxiliary engines in fishing vessels; iii) actions that increase the fishing capacity of the vessel or equipment that increase the vessel capacity to localize fishes; and iv) the construction of new fishing vessels or the import of fishing vessels. The addendum also excludes:

- On climate change mitigation: i) investments related to fossil fuels, including downstream use; and ii) activities under the EU Emission Trading System (ETS) achieving projected greenhouse gas emissions that are not substantially lower than the relevant benchmarks.
- On circular economy: i) activities and assets related to waste landfills incinerators and mechanical biological treatment plants (this exclusion does not apply to actions under this measure in plants exclusively dedicated to treating non-recyclable hazardous waste, and to existing plants, where the actions under this measure are for the purpose of increasing energy efficiency, capturing exhaust gases for storage or use or recovering materials from incineration ashes, provided such actions under this measure do not result in an increase of the plants' waste processing capacity or in an extension of the lifetime of the plants; for which evidence is provided at plant level); and (ii) activities and assets where the long-term disposal of waste may cause harm to the environment (such as, nuclear waste).

Clause 5 of the addendum requires the verification of legal compliance with the relevant EU and national environmental legislation of the projects by SAECA for all transactions, including those exempted from sustainability proofing.

Additionally, section 5 of the general and common dispositions of the financial lines operationalises the DNSH compliance as follows:

- Section 5(1) extends the previously mentioned list of excluded activities as follows: i) on climate change mitigation: projects for regulated installations under the ETS in case projects emit GHGs above the benchmark for the sector in 2021 for free allocation; and ii) on investments not compliant with the relevant EU and national environmental legislation.
- Section 5(2) excludes from financing those activities non-compliant with the national and European environmental legislation, including a non-exclusive list of relevant regulations to be taken into account.
- Section 5(3) states the requirements that all projects and actions have to comply with to ensure the DNSH principle, including a self-declaration of DNSH compliance (Annexure 4 of Annex 2(10)).
- Section 5(4) sets the procedure to check DNSH compliance by the Ministry and an external audit. In case of doubt the Ministry may require additional information from the beneficiary to ensure DNSH compliance (Annex 7 to Annex 2(10)).
- Section 5(5) explains that Annex 8 includes a DNSH evaluation for each financing line included in the document.
- Annex 1 to Annex 10 includes the list of eligible actions under each financing line. To ensure no activity and asset related to fossil fuels is financed the following statement is included under actions related to the propulsion system (energy efficiency financing line): *“Such operations shall only be eligible if they do not involve the use of fossil fuel. This shall be done by providing information on the technical requirements of the engine associated with the improvement of the propulsion system. In the case that the associated engine is combustion engine, it shall operate exclusively on an alternative and non-fossil fuel and shall be zero emissions. For validation, specific and reliable information that this engine only operates on non-fossil fuel shall be provided”*.

Additionally, to comply with the requirement to apply the Commission’s technical guidance on sustainability proofing for the InvestEU Fund, the Spanish authorities confirm that the monetary values of all transactions are below the threshold set out in Section 1(3) of the technical guidance on sustainability proofing for the InvestEU Fund (2021/C280/01), taking into account the thresholds set per transaction in Clause 4 sub-paragraph 4 of the Agreement between the Ministry of Agriculture, Fisheries and Food and SAECA (Annex 2(1) sent by the Spanish authorities). Therefore, a simplified approach to sustainability proofing in accordance with Section 3(2)(3) of that guidance is applied. Annex 2 of the general and common dispositions of the financial lines (Annex 2(10) sent by the Spanish authorities) includes the list of excluded activities in line with the Invest EU Regulation (EU 2021/523), in addition to the requirement to comply with the relevant EU and national environmental legislation set out in section 5 of the General and common dispositions of the financial lines.

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure	
M65 - C4.I1 - Digitalisation and Knowledge of natural heritage	
Name of the Milestone: Awarding contracts for special-purpose aircrafts for firefighting, and setting up of the biodiversity knowledge monitoring and management system	
Qualitative Indicator: Awarding contracts	Time: Q2 2022

Context:

The objective of this measure is to digitalise the management, control and monitoring of natural heritage and improve the knowledge of species and habitats. It also aims at improving the efficiency of fire-fighting devices.

There are two milestones related to this investment. Milestone #65 consists of awarding contracts for updating and upgrading special-purpose aircrafts for firefighting, and for setting up the biodiversity knowledge monitoring management system including a digital platform. Milestone #66, which is expected to be finalised by Q2 2026, aims at completing the upgrade of special-purpose aircrafts for firefighting as well as finalise and make operational the biodiversity knowledge monitoring and management system.

Evidence provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone (including the relevant elements) was satisfactorily fulfilled.
- ii) Link (002.3 65H_EV MITERD) and copy (002.4 65H_EV MITERD) of the contract awarded for the Programme to improve knowledge of the state of conservation of marine biodiversity (file number: 21BDES900), published in the Public Procurement Platform. Link: [DOC2022021009474521BDES900-Encargo.pdf \(contrataciondelestado.es\)](#)
- iii) Link (002.7 65H_EV MITERD) and copy (002.8 65H_EV MITERD) of the contract awarded for the development of the Territorial Information System (Phase 1) (file number: 21BDES902), published in the Public Procurement Platform. Link: [DOC2021102912021821BDES902Encargo.pdf \(contrataciondelestado.es\)](#)
- iv) Link (002.12 65H_EV MITERD) and copy (002.13 65H_EV MITERD) of the contract awarded to elaborate a map of the surface formations in pilot areas in Spain (file number: 21PFES903), published in the Public Procurement Platform. Link: [DOC2021111108022521PFES903+Encargo.pdf \(contrataciondelestado.es\)](#)
- v) Link (002.44 65H_EV MITERD) and copy (002.45 65H_EV MITERD) of the contract awarded to design, certify and supply 11 kits for the modernisation of the aircrafts CL-215T series V (file number: P2.C4.I1.P1.S000.A4.E1), published in the Public Procurement Official Platform. Link: [Documento \(contrataciondelestado.es\)](#)
- vi) Link (002.38 65H_EV MITERD) and copy (002.39 65H_EV MITERD) of the contract awarded for the creation of the knowledge platform (file number: FRER P2.C4.I1.P1.S000.A4.E2), published in the Public Procurement Platform. Link: [Documento \(contrataciondelestado.es\)](#)
- vii) Link (002.34 65H_EV MITERD) and copy (002.35 65H_EV MITERD) of the contract awarded for wildlife monitoring (file number: FRER P2.C4.I1.P1.S000.A2.E1), published in the Public Procurement Platform. Link: [Documento \(contrataciondelestado.es\)](#)
- viii) Link (002.17 65H_EV MITERD) and copy (002.18 65H_EV MITERD) of the contract awarded for the digitalisation and dissemination of the main historical series of forest information (file number: 22PFES902), published in the Public Procurement Platform. Link: [DOC20220616091142Formalizacion+Encargo+22PFES902.pdf \(contrataciondelestado.es\)](#)
- ix) Link (002.22 65H_EV MITERD) and copy (002.23 65H_EV MITERD) of the contract awarded to improve the knowledge and status conservation of the Spanish flora (file number: 22BDES903), published in the Public Procurement Platform. Link: [DOC202206160845252BDES903+Encargo.pdf \(contrataciondelestado.es\)](#)
- x) Link (002.26 65H_EV MITERD) and copy (002.27 65H_EV MITERD) of the contract awarded

to improve the knowledge on pollinators (file number: 22BDES904), published in the Public Procurement Platform. Link: [DOC2022060613172022BDES904+Encargo.pdf \(contrataciondelestado.es\)](#)

- xi) Link (002.30 65H_EV MITERD) and copy (002.31 65H_EV MITERD) of the contract awarded to map terrestrial habitats (file number: 22BDES905), published in the Public Procurement Platform. Link: [DOC2022060609561122BDES905Encargo.pdf \(contrataciondelestado.es\)](#)
- xii) Link (002.46 65H_EV MITERD) and copies (002.47 65H_EV MITERD and 002.48 65H_EV MITERD) of the contracts awarded to integrate the results obtained from the different projects into the National Data Bank (file number: FB 19/2022), published in the Public Procurement Platform. Link: [Plataforma de Contratación del Sector Público \(contrataciondelestado.es\)](#)
- xiii) Link (002.49 65H_EV MITERD) and copy (002.50 65H_EV MITERD) of the contract awarded for technical assistance in order to redact the Biodiversity and Science Strategy (file number: FB09/2021), published in the Public Procurement Platform. Link: [Plataforma de Contratación del Sector Público \(contrataciondelestado.es\)](#)
- xiv) Link (002.51 65H_EV MITERD) of the publication in the Official Journal (*Boletín Oficial del Estado*) of Order TED/1016/2021 of 20 September, which approves the regulatory basis for calls for grants to support research programs and projects in the field of biodiversity management. Published in the Official Journal on 28 September 2021. Link: [BOE.es - BOE-A-2021-15755 Orden TED/1016/2021, de 20 de septiembre, por la que se aprueban las bases reguladoras para la concesión de subvenciones de la Fundación Biodiversidad, F.S.P., para apoyo a programas y proyectos de investigación en materia de gestión de la biodiversidad, en el marco del Plan de Recuperación, Transformación y Resiliencia, y se aprueba la convocatoria correspondiente al año 2021.](#)
- xv) Link (002.55 65H_EV MITERD) of the contract awarded to carry out the transfer, processing of documents, safekeeping and digitalisation of the Autonomous National Parks Agency Archive (Phase 1) (file number: 16521075), published in the Public Procurement Platform. Link: [DOC2022051213484016522075 traslado+doc+digital+archivo+oapn.pdf \(contrataciondelestado.es\)](#)
- xvi) 002.43 65H_EV MITERD: report justifying the compliance with the Do No Significant Harm principle of the actions performed under milestone 65 of the Recovery and Resilience Plan.

The authorities also provided:

- i) 002.1 65H_EV MITERD: report with the technical specifications of the order to TRAGSATEC to develop conservation actions, improving knowledge of the marine environment and environmental protection of marine habitats and species and protected spaces (file number: 21BDES900).
- ii) 002.2 65H_EV MITERD: document in the context of the Recovery and Resilience Plan on the order to TRAGSATEC to develop environmental conservation and monitoring actions regarding habitats, marine species and protected marine areas (file number: 21BDES900).
- iii) 002.5 65H_EV MITERD: report with the technical specifications to hire the service in order to create the territorial information system (phase 1) (file number: 21BDES902).
- iv) 002.6 65H_EV MITERD: document in the context of the Recovery and Resilience Plan on the services required to create the territorial information system (file number: 21BDES902).
- v) 002.9 65H_EV MITERD: document signed by TRAGSATEC confirming that they have received the order to create the territorial information system.
- vi) 002.10 65H_EV MITERD: document in the context of the Recovery and Resilience Facility on the order to TRAGSATEC to elaborate a map of surface formations in pilot areas in Spain (file number: 21PFES903).
- vii) 002.11 65H_EV MITERD: report with the technical specifications in order to elaborate de map of surface formation in pilot areas in Spain (file number: 21PFES903).

- viii) 002.14 65H_EV MITERD: document signed by TRAGSATEC confirming that they have received the order to elaborate the map of surface formation in pilot areas in Spain.
- ix) 002.15 65H_EV MITERD: report with the technical specifications of the order to TRAGSATEC for the digitalisation and dissemination of the main historical series of forest information (file number: 22BDES902).
- x) 002.16 65H_EV MITERD: order to TRAGSATEC for the digitalisation and dissemination of the main historical series of forest information within the context of the Recovery and Resilience Plan (file number: 22BDES902).
- xi) 002.19 65H_EV MITERD: document certifying that TRAGSATEC has received the order to perform the necessary activities for the digitalisation and dissemination of the main historical series of forest information.
- xii) 002.20 65H_EV MITERD: report with the technical specification for those actions in the field of improved knowledge of the state of play and conservation of flora (file number: 22BDES903).
- xiii) 002.21 65H_EV MITERD: document on the actions to improved knowledge of the state of play and conservation of flora within the context of the Recovery and Resilience Plan (file number: 22BDES903).
- xiv) 002.24 65H_EV MITERD: report with the technical specification to develop the actions regarding pollinators (file number: 22BDES904).
- xv) 002.25 65H_EV MITERD: document on the actions regarding pollinators within the context of the Recovery and Resilience Plan (file number: 22BDES904).
- xvi) 002.28 65H_EV MITERD: report with the technical specifications to map terrestrial habitats (file number: 22BDES905).
- xvii) 002.29 65H_EV MITERD: document on the actions to map terrestrial habitats within the context of the Recovery and Resilience Plan (file number: 22BDES905).
- xviii) 002.32 65H_EV MITERD: report with the technical specifications to improve the knowledge of the status of biodiversity and sea birds conservation (file number: P2.C4.I1.P1.S000.A2.E1).
- xix) 002.33 65H_EV MITERD: document on the actions to improve the knowledge of the status of biodiversity and sea birds conservation (file number: P2.C4.I1.P1.S000.A2.E1).
- xx) 002.36 65H_EV MITERD: report with the technical specifications for the development of the digital platform to manage natural heritage (file number: P2.C4.I1.P1.S000.A4.E2).
- xxi) 002.37 65H_EV MITERD: document setting out the development of the digital platform to manage natural heritage within the context of the Recovery and Resilience Plan (file number: P2.C4.I1.P1.S000.A4.E2).
- xxii) 002.40 65H_EV MITERD: document explaining the actions taken regarding the design, certificate and supply of 11 kits for the modernisation of the aircrafts CL215T series V (file number: P2.C4.I1.P1.S000.A4.E1) within the context of the Recovery and Resilience Plan.
- xxiii) 002.41 65H_EV MITERD: questionnaire of self-evaluation regarding alignment with the Do No Significant Harm criteria within the context of the Recovery and Resilience Plan.
- xxiv) 002.42 65H_EV MITERD: document on the contract awarded to design, certificate and supply 11 kits for the modernisation of the aircrafts CL-215T series V (file number: P2.C4.I1.P1.S000.A4.E1).
- xxv) 002.52 65H_EV MITERD: resolution of the call to grant subsidies in order to support programmes and projects for research on biodiversity within the context of the Recovery and Resilience Facility.
- xxvi) 002.53 65H_EV MITERD: report with the technical specifications to carry out the transfer, processing of documents, safekeeping and digitalisation of the Autonomous National Parks Agency Archive (Phase 1) (file number: 16521075).
- xxvii) 002.54 65H_EV MITERD: document on the transfer, processing of documents, safekeeping and digitalisation of the Autonomous National Parks Agency Archive (Phase 1)

within the context of the Recovery and Resilience Plan.

xxviii) 003 65h_IGM MITERD: measure's management report.

xxix) 004 65H_IGC MITERD: component's management report.

xxx)005 65H_IGP_P01: project's management report: knowledge management system of natural heritage (C04.I01.P01).

xxxi) 006 65H_IGS_S01: sub-project's management report: knowledge management system of natural heritage (C04.I01.P01.S01).

xxxii) 006 65H_IGS_S02: sub-project's management report: knowledge management system of natural heritage (C04.I01.P01.S02).

Analysis:

In line with the requirements of the CID, the evidence provided shows that the Spanish authorities have awarded contracts for: i) the setting up of the biodiversity knowledge monitoring and management system; and ii) the upgrade of at least 10 special-purpose aircrafts for firefighting.

This milestone includes the **setting up of a program to improve knowledge and digitalisation of biodiversity and natural heritage management, control and monitoring (covering both, marine and terrestrial fields)**. To do so, a series of contracts have been awarded, to implement different programmes to **achieve a substantial improvement in knowledge of species and habitats, as well as in mapping information and natural heritage, including geological**. To do so, the programs will rely on **monitoring networks, the deployment of sensors and the use of fixed and mobile digital information acquisition systems**. In addition, the programme will integrate the information to databases such as the Spanish Inventory of Natural Heritage and Biodiversity and the National Data Bank of the Ministry for the Ecological Transition and the Demographic Challenge. Contracts have been awarded for the following programs:

- Program to improve the knowledge of the conservation status of the Spanish flora, including native and invasive species. This program will identify the current status of native species and will evaluate their situation of danger. It will also evaluate and analyse the current status and the trend of invasive species and will design a pilot system for the acquisition of knowledge using **remote sensors from satellites and early detection systems** of threatened native and invasive alien species.
- Program to improve the knowledge of pollinator populations in Spain, identifying current gaps to reverse declines.
- Program to improve the knowledge and conservation status of terrestrial and marine fauna, including native and invasive species. **The program will obtain information through fixed acquisition systems** such as electric fishing devices, sampling devices for environmental DNA or microchips for marine chelonians, among others. The program will evaluate and analyse the conservation status of terrestrial and marine fauna, focusing on invertebrates, fish, amphibians, reptiles, birds and mammals. This information will be used to elaborate reports, atlas, create databases and update forecasts on the distribution of species considering different climate change scenarios.
- Program to improve marine biodiversity knowledge. This program sets different actions to preserve, monitor and protect protected marine areas and species (turtles, marine mammals and reptiles, orcas, porpoise, etc.). The program puts in place different protocols and **networks for environmental monitoring and protection**, such as a marine environmental protection network. It also includes measures to strengthen stranding networks and analyse collected samples. This programme uses two different **mobile acquisition information systems such as distance sampling and photo-identification**.
- Program to **map surface formation** in pilot areas in Spain to **improve the knowledge of**

natural heritage, including geological, using a scale of 1:50 000.

- Program to develop a homogenous, coherent and harmonised **mapping of terrestrial and sea-land territories**. Its objective is to facilitate the monitoring of conservation status of different habitats **at national and regional level**.
- Call of grants to support programs for research on biodiversity management.
- Program for the **digitalisation and dissemination** of the main historical series of forest information. The objective of this program is to digitalise, harmonise and improve the data regarding historical series of forest information. It also aims at improving the dissemination of this data.
- Programme to revise, analyse, organise and integrate the data obtained in previous projects as well as the information acquired by the Biodiversity Foundation into the National Data Bank of the Ministry for Ecological Transition and Demographic Challenge. This programme has two different lines of actions: i) **integrate the results obtained into a digital format**; and ii) analyse the data obtained through the different projects.
- Programme to hire technical assistance to create a proposal for a Biodiversity and Science Strategy. The objective of this strategy is to set different working lines to support science projects related to biodiversity conservation in the medium and long term.
- Programme to organise and digitalise the historical information in the archived of the Autonomous Body of National Parks.

This milestone also develops **an information management system/platform at national level with additional analytical and dissemination capabilities**. The objective of this digital platform is to have updated and reliable information that enables Spanish administrations and citizens to make decisions based on the best available knowledge. This information management platform will draw on the information provided by the knowledge improvement programs described above. To create the platform the following contracts have been awarded:

- Program to develop a **digital management platform** of knowledge of biodiversity and natural heritage. This platform will include **new dissemination capabilities, improving the technological and functional basis of the current application by expanding its available data and functionalities**.
- Creation of the Territorial Information System (Phase I), which will support the platform. This will allow for continuous monitoring of monthly changes in the territory using new technologies such as big data, artificial intelligence and machine learning. The new data obtained from this platform will be contrasted in situ with the data available in the Spanish Inventory of Natural Heritage and Biodiversity.

As part of this milestone, the Spanish authorities have also awarded contracts for the **upgrade of 10 special-purpose aircrafts for firefighting**. To do so, 11 kits for the **modernisation of the amphibian fleet CL-215T (series V)** have been designed, certificated and awarded. These contracts digitalise the fleet by integrating **technological updates such as better cameras and sensors**. This allows for more effective coordination while dealing with forest fires and it also improves the observation capabilities of the planes.

In line with the Council Implementing Decision Annex, the evidence provided by the Spanish authorities (Annex 10d) ensures that the upgrade of the aircrafts does not increase their lifetime or capacity and only ensures safety and flight conditions during operations where they are used to extinguish forest fires complying with the 'Do no significant harm' Technical Guidance (2021/C58/01). This is ensured during the definition of the contract phases by allowing only for upgrades in the avionics system, as follows:

- **The upgrade does not increase the lifetime of the aircrafts:** The amphibian fleet CL-215T have an expected lifetime of 45 years. The current upgrade will ensure the correct

operation of the fleet during the 45 years of service agreed for these aircrafts when purchased in the late 1980s and early 1990s, before they are expected to be replaced by new aircrafts during the upcoming decade. Therefore, the upgrade itself, which is required to comply with the Single European Sky (SES) regulation and the national regulation, does not increase the expected lifetime of the aircrafts.

- **The upgrade does not increase the capacity of the aircrafts:** The contract awarded involves an avionic design solution, its implementation in the aircraft and its certification. Consequently, this upgrade does not increase the capacity of the aircrafts, as it only improves their operability within their existing capacity.
- **The upgrade shall only ensure safety and flight conditions during operations where they are used to extinguish forest fires:** The information provided in the document on the contract awarded to design, certificate and supply 11 kits for the modernisation of the aircrafts CL-215T series, specifies that the replacement of analogue aircraft navigation and parametrisation devices with digital ones improves the safety and flight conditions during firefighting operations.

In order to verify the compliance with the DNSH Technical Guidance, the company awarded the contract must comply with the commitments set out in the contract “The investment will ensure compliance with the Technical Guidance on the application of the ‘do no significant harm’ principle (OJ C 58, 18.2.2021, p. 1) by modernising only existing aircrafts, which will not increase their service life or capacity”. The company awarded will provide a report certifying compliance with the DNSH Technical Guidance as verification mechanism. This report will be assessed by the contracting authority.

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure	
M110 - C7.R3 - Development of energy communities	
Name of the Milestone: Pilot project for energy communities	
Qualitative Indicator: Publication on webpage	Time: Q2 2022
Context: This measure has the objective of developing energy communities to boost citizens’ participation in the energy transition, through renewable energy communities and citizen energy communities. The measure shall support training, participatory and community building processes, and specific projects. Milestone #110 is the initial step of the measure and consists in the award of the first pilot project for energy communities on the basis of a competitive call for tender, in order to demonstrate the viability of this model. The next and final step of this measure is target #111 which involves completing at least 37 energy-related pilot projects with participation from the local community, with a roadmap of actions carried out and identification of appropriate future steps.	
Evidence provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: i) Summary document duly justifying how the milestone was satisfactorily fulfilled. ii) Ministerial Order TED/1446/2021, establishing the conditions for granting support to	

individual pilot energy community projects. It was published in the Spanish Official Journal of 24 December 2021 (BOE-A-2021-21343). Link: <https://www.boe.es/eli/es/o/2021/12/22/ted1446>.

- a. Resolution of the Director-General of the Institute for Energy Diversification and Saving (IDAE), formalising the first competitive call for applications. It was published on 12 January 2022 on IDAE's website and an extract was published in the Spanish Official Journal of 14 January 2022. Link: https://www.idae.es/sites/default/files/documentos/ayudas_y_financiacion/Comunidades_energeticas/CONVOCATORIA_LINEA_3_PILOTOS_menor_1_M_DG_firmada.pdf.
- iii) Resolution of the Secretary of State for Energy awarding support as a result of the first Call for applications. It was published on 22 June 2022 on IDAE's electronic database. Link: https://sede.idae.gob.es/lang/extras/tramites-servicios/2022/CEI_PILOTOS_01_ResolPresIDAE.pdf.
- iv) Project proposal 'Revitalisation of Manresa's city centre through the energy community La Raval SCCL'.

The authorities also provided:

- i) Resolution of the Board of Directors of the Institute for Energy Diversification and Saving, delegating the powers to formalise calls for aid established under Order TED/1446/2021, which was approved on 29 December 2021. The text was published in the Spanish Official Journal on 10 January 2022 (reference: BOE-A-2022-392). Link: [https://www.boe.es/eli/es/res/2021/12/29/\(1\)](https://www.boe.es/eli/es/res/2021/12/29/(1))
- ii) Minutes of the meeting of the evaluation committee. Establishment of the evaluation committee.
- iii) Minutes of the meeting of the evaluation committee. Evaluation and selection of the applications.
- iv) Minutes of the meeting of the Evaluation committee. Proposal for the final Resolution after expiring the deadline for complaints.

Analysis:

The Ministerial Order TED/1446/2021 of 24 December 2021 establishes the conditions for granting support to pilot energy community projects and provides the basis for the calls for applications.

In line with the description of the measure, Article 1(2) establishes that the purpose of the Ministerial Order is to support participants interested in establishing and developing energy communities which would contribute to the decarbonisation of the economy through green investments and participatory processes.

Article 2(1) defines energy communities as 'a legal person based on open and voluntary participation, effectively controlled by partners or members who are natural persons, SMEs or local entities, developing renewable energy, energy efficiency or sustainable mobility projects owned by that legal person, the primary purpose of which is to provide environmental, economic or social benefits to its partners or members or to the local areas where they operate, rather than financial gains'. Article 8 establishes that the energy communities would be eligible to carry out pilot projects that help deploying initiatives, or removing barriers, in any of the following fields listed in Annex I: renewable energy (electricity and thermal), energy efficiency, sustainable mobility and demand management.

The Spanish authorities also launched a first call for applications on 12 January 2022. This call establishes in Article 1(2) that aid is to be granted on the basis of a competitive call for applications, as required under the Council Implementing Decision. The Twelfth Provision in the call lays down the assessment process to assess the applications received under this competitive procedure. An evaluation committee, as defined in Article 17 of the Ministerial Order TED/1446/2021, is responsible for assessing the applications received using the eight assessment criteria laid down in Annex I to the Call. The applications are ranked according to the score obtained. The Call also includes additional criteria for applications that receive the same score.

As regards the qualitative indicator of the milestone (publication of the award for the first pilot project), the Resolution awarding the support as a result of the first competitive call for applications was published on IDAE's website on 22 June 2022. It includes a list of 45 energy communities to which support has been awarded. The significant majority of the 45 energy communities (43 out of 45) include actions lines on renewable energy. In view of the fact that fulfilling the milestone requires the award to one energy community pilot project, the authorities have selected, from the list of 45 energy communities eligible for support, the energy community project Raval SCCL (reference: PR-PILOTO-01-2022-000081) located in Manresa, for the purposes of meeting the milestone. The project has the following characteristics which illustrate the viability of the model notably by the advantages brought to its members:

- The energy community Raval SCCL, has been set up as a non-profit cooperative integrated by 49 members. 48 are natural persons and one is a Small and Medium Enterprise. The governance of the energy community is structured on the basis of the 'one member, one vote' principle.
- The first phase of the overall project, to be completed by 2023, is the construction of a sustainable building to assist in revitalising Manresa's city centre. The construction of the building does not however fall within the scope of the energy community. As part of the energy community activities, this first phase should result in installing 18 kW of roof solar photovoltaic panels (renewable electricity) and 64 kW of aerothermia (renewable heat). All the energy produced is planned to be consumed by the households in the building. The second phase (2024-2028), which goes beyond the timeline of the Call under the Recovery and Resilience Plan (hereinafter 'RRP Call'), will consist in extending the energy community in the neighbourhood. Among other initiatives, the energy community plans doubling the installed renewable electricity capacity by installing photovoltaic panels in neighbouring buildings.
- The estimated annual costs of the photovoltaic system amount to EUR 564.20. Each member contributes with a one-off payment of EUR 100 and every year, with EUR 100 for each 0.5kW participated by the member. This would result in around EUR 2,000 every year in revenues for the energy community, which also in view of the likely growth in membership and therefore in revenues, would allow carrying out the activities in the second phase of the project beyond the funding of the RRP Call.

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure	
M115 - C7.I1 - Development of innovative renewable energies, integrated into buildings and production processes	
Name of the Milestone: Tender for investment support to innovative or value added renewable capacity	
Qualitative Indicator: Publication in the OJ	Time: Q2 2022

Context:

The objective of this measure is to foster the development of innovative renewable energies, and those to be integrated into buildings and into production processes. It shall support renewable self-consumption and technologies that are not yet fully competitive, including electric and thermal renewables sources in the agricultural sector, renewable sources aimed at cooling/heating requirements of the residential and service sector, thermal energy from renewable sources for industrial processes, bioenergy, and marine renewables. Support shall take the form of investment aid, to be awarded via tenders ensuring a cost-efficient outcome, or direct equity support to renewable projects. The investment would also support reskilling and upskilling in the area of renewable generation.

Milestone #115 is the initial step of the measure and consists in the publication in the Official Journal of the first tender for investment support to innovative or value added renewable capacity. The next milestone under this measure (milestone #116, scheduled by Q3 2023) requires the award of fundings to six development projects in the field of marine renewable energy infrastructure, and the final target of the measure (target #117, scheduled by Q2 2026) requires an output of 3 800 MW of installed production capacity for renewable energy procured through tenders for innovative or value added renewable capacity, including bioenergy and marine energy technologies. None of the milestones and targets include as a direct requirement the support to reskilling and upskilling in the area of renewable generation. However, the initiatives promoting renewable energy sources under this investment will indirectly support that goal.

Evidence provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone was satisfactorily fulfilled.
- ii) Royal Decree 477/2021 establishing the conditions to transfer funds to Regional Governments for establishing six support programmes based on renewable energy technologies. The text was published in the Official Journal on 30 June 2021 (BOE-A-2021-10824). Link: <https://www.boe.es/eli/es/rd/2021/06/29/477>.
- iii) Copies of calls published in the Balearic Official Journal of 11 September 2021.
- iv) Programme 1 (Investment in self-consumption facilities based on renewable energy sources in the Tertiary Sector with or without storage); Programme 2 (Investment in self-consumption facilities based on renewable energy sources in other productive economic sectors, with or without storage) and Programme 3 (Investment in storage in existing self-consumption facilities based on renewable energy sources in the Tertiary Sector in other productive economic sectors): <http://www.caib.es/eboibfront/es/2021/11446/653184/resolucion-del-consejero-de-transicion-energetica->
- v) Programme 4 (Investment in self-consumption facilities based on renewable energy sources in the Residential Sector, the public sector and the tertiary sector with or without storage) and Programme 5 (Investment in storage in existing self-consumption facilities based on renewable energy sources in the Residential Sector, the public sector and the tertiary sector): <http://www.caib.es/eboibfront/es/2021/11446/653181/extracto-de-la-resolucion-del-consejero-de-transic>; and
- vi) Programme 6 (Investment in facilities based on thermal renewable energy sources in the residential sector): <http://www.caib.es/eboibfront/es/2021/11446/653180/resolucion-del-consejero-de-transicion-energetica->

The authorities also provided a link under which the calls that had been organised by Spain's Autonomous Communities have been listed:

- i) For Programmes 1-5: <https://www.idae.es/ayudas-y-financiacion/para-energias-renovables-en-autoconsumo-almacenamiento-y-termicas-sector/estado-de-las-convocatorias-por-comunidad-autonoma-rd-4772021-autoconsumo-y-almacenamiento>.
- ii) For programme 6: <https://www.idae.es/ayudas-y-financiacion/para-energias-renovables-en-autoconsumo-almacenamiento-y-termicas-sector/estado-de-las-convocatorias-por-comunidad-autonoma-rd-4772021-climatizacion-renovable-residencial>.

Analysis:

Royal Decree 477/2021, which entered into force on 1 July 2021, sets the conditions for Autonomous Communities to receive funds to organise calls in their territories aimed at awarding support to recipients. Balears was the Spanish Region that organised the first Call (or tender) to award investment support. The Call was published in the Balearic Official Journal of 11 September 2021, on the basis of the conditions laid down in Royal Decree 477/2021.

Article 13 of Royal Decree 477/2021 sets out the six thematic programmes for awarding investment support:

- i. Programme 1: Investment in self-consumption facilities based on renewable energy sources in the Tertiary Sector with or without storage.
- ii. Programme 2: Investment in self-consumption facilities based on renewable energy sources in other productive economic sectors, with or without storage.
- iii. Programme 3: Investment in storage in existing self-consumption facilities based on renewable energy sources in the Tertiary Sector in other productive economic sectors.
- iv. Programme 4: Investment in self-consumption facilities based on renewable energy sources in the Residential Sector, the public sector and the tertiary sector with or without storage.
- v. Programme 5: Investment in storage in existing self-consumption facilities based on renewable energy sources in the Residential Sector, the public sector and the tertiary sector.
- vi. Programme 6: Investment in facilities based on thermal renewable energy sources in the residential sector.

In line with their descriptions, as further developed in Annex I to Royal Decree 477/2021, programmes 1, 2, 4 and 6 enable investment aid to **renewable energy technologies for self-consumption** in the **agricultural, industrial and tertiary sectors** as well as in the **residential** sector and the **public** sector. Article 3(2) of Royal Decree 477/2021 indicates Regulation (EU) No 651/2014 (State Aid General Block Exemption Regulation) as the applicable legal basis to consider when granting the aid. Such legal basis implies that these investments would not be fully competitive without aid, in line with the requirements of the Council Implementing Decision.

In supporting self-consumption applications, the call supports the so-called value-added capacity, in line with the requirements of the Council Implementing Decision. That is, the investments will result in i) fewer losses between generation and consumption; ii) a better redistribution of the economic benefits of the energy transition; and iii) less pressure on arable land thanks, for instance, to the use of rooftop applications.

The list of eligible renewable energy sources in Annex III to Royal Decree 477/2021, includes for

instance wind, solar and biomass for both electric and thermal applications. Biomass sources must comply with the sustainability criteria in Directive (EU) 2018/2001, pursuant to Section AI(1) in Annex I to Royal Decree 477/2021.

The Council Implementing Decision requires ‘support awarded via tenders ensuring a cost-efficient outcome’, in line with the Spanish Recovery and Resilience Plan which provided for two different approaches on how to structure the tenders: i) competitive Calls (*Convocatorias por concurrencia*), and ii) simple Calls [...] where support is awarded on a first-come-first-served basis (*convocatorias simples [...] en la que la ayuda se asigna por orden de entrada de las solicitudes*).

Pursuant to Article 16(4) of the Royal Decree 477/2021, **investment aid** for the small-scale applications, will be awarded on a first-come-first-served basis until the budget is exhausted. Article 3(2) of Royal Decree 477/2021 indicates Regulation (EU) No 651/2014 (State Aid General Block Exemption Regulation) as applicable legal basis for granting State aid. Spain therefore ensures that the granting of aid is **cost-efficient** by using the principles and conditions laid down in the State Aid General Block Exemption Regulation, which considers support to be proportionate (cost-efficient) when it does not exceed certain aid intensity thresholds. The publication of calls under those conditions meet the requirement that the support shall be awarded via tenders ensuring a cost-efficient outcome, in line with the requirements of the Council Implementing Decision.

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure

M124 - C8.R4 - Regulatory sandboxes or test-beds

Name of the Milestone: Entry into force of measures to promote regulatory sandboxes to foster the research and innovation in the electricity sector.

Qualitative Indicator: Provisions in the Royal Decree on entry into force

Time: Q2 2022

Context:

This measure aims to develop regulatory sandboxes allowing for the introduction of new products or technological solutions to help facilitate research and innovation in the energy sector. The regulatory sandboxes shall enable the industry to test new technologies, systems and services related to flexibility, demand response and energy storage in a safe environment where interested parties can experience innovative solutions without being subject to preventing regulatory requirements. In addition, the sandboxes shall provide for a two-way regulatory dialogue between the Administration and the regulator, which shall accelerate and facilitate the review of existing regulations and adjust them to the entry of new agents to the market. This is expected to facilitate the creation of technological start-ups by giving them an opportunity to test their business models. The reform is directly linked to reform C8.R3 and investment C8.I3.

Milestone #124 is the only milestone of the measure and consists in the publication and entry into force of the Royal Decree that would enable industry to test new technologies, systems and services related to flexibility, demand response and energy storage, in line with the objectives of the measure (Royal Decree 548/2022).

Going beyond the requirement of the milestone, Spain has launched a public consultation on the Proposal for the Ministerial Order (‘the Proposal’), implementing Royal Decree 548/2022. Pursuant to Article 1 of the Proposal, its purpose is to launch the call for applications for companies to enter the sandbox.

Evidence provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone was satisfactorily fulfilled.
- ii) Royal Decree 568/2022 establishing the general framework on regulatory sandboxes for promoting research and innovation in the electricity sector. It was published in the Official Journal on 12 July 2022 (reference: BOE-A-2022-11511). Link: <https://www.boe.es/boe/dias/2022/07/12/pdfs/BOE-A-2022-11511.pdf>

The authorities also provided:

- iii) Proposal for a Ministerial Order establishing the Call for Proposals, under the framework set out in Royal Decree 568/2022. Version submitted to public consultation (14 December 2022 to 17 January 2023). Link: <https://energia.gob.es/es-es/participacion/paginas/DetalleParticipacionPublica.aspx?k=563>

Analysis:

The justification and substantiating evidence provided by the Spanish authorities are in line with the requirements of the Council Implementing Decision.

Entry into force. Royal Decree 568/2022 entered into force on 13 July 2022, pursuant to its Third Final Provision. The measure allows for the introduction of new products or technological solutions to help facilitate research and innovation in the energy sector and enables the industry to test new technologies, systems and services related to flexibility, demand response and energy storage in a safe environment where interested parties can experience innovative solutions without being subject to preventing regulatory requirements.

The Royal Decree 548/2022 is structured in four chapters. Chapter 1 sets out the purpose, the scope and the definitions of the terms used in the Royal Decree. Chapter 2 establishes the conditions for participating in the regulatory sandbox. The Spanish authorities will organise a Call for applications. The selected projects must obtain a favourable assessment and sign a protocol with the Spanish authorities which lays down the project description, conditions it must meet and provide the necessary guarantees. Chapter 3 sets out how the regulatory sandbox works including how authorities will monitor the projects, conditions for the termination of projects and the financial guarantees that projects must set up. Chapter 4 includes several provisions including cooperation with stakeholders, confidentiality and the process for drawing lessons for regulatory-making. In more detail:

- Article 1 of the decree sets out that the objective of the Royal Decree is to develop the framework for a regulatory sandbox that allows **electricity sector participants** to carry out projects where they can **test solutions and business models that contribute to innovation, research and regulatory improvements**.
- Article 4 of the decree provides that the regulatory sandbox is open to any registered market participant in the electricity sector. Furthermore, the Royal Decree **does not restrict any activity within the electricity sector, and therefore includes innovative activities related to flexibility, demand response and energy storage**, in line with the requirements of the Council Implementing Decision.

- Article 3 of the decree states that projects that require at least one regulatory exemption, would be eligible to apply to the sandbox. Therefore, once in the sandbox, participants would be able to **carry out tests without being subject to certain regulatory requirements**.

The measure provides for a two-way regulatory dialogue between the Administration and the regulator, which shall accelerate and facilitate the review of existing regulations and adjust them to the entry of new agents to the market. This is expected to facilitate the creation of technological start-ups by giving them an opportunity to test their business models. Article 22 of Royal Decree 548/2022 requires establishing a coordination group to coordinate the activities required under the Royal Decree. Article 22(h) sets out as one of the tasks for the coordination group to extract any relevant feature related to the functioning of the sandbox or of the activities of the projects. The Administration and the energy regulator are among the members of the coordination group, therefore enabling a **two-way regulatory dialogue between them**. Article 23 requires considering the learnings from the projects when drafting new regulatory initiatives. As it is also stated in the Preamble of the Royal Decree, the learnings from the sandbox can be taken into account in future regulations, and as such, are expected to facilitate the creation of **new technology start-ups**.

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure	
M130 - C9.R1 - Hydrogen roadmap: a commitment to renewable hydrogen	
Name of the Milestone: Entry into force of the regulation establishing Guarantees of origin for renewable gases	
Qualitative Indicator: Provision in the regulation indicating the entry into force of the regulation	Time: Q2 2022
Context: Measure C9.R1 includes two elements. First, it provides a framework to develop renewable hydrogen in Spain (the 'Hydrogen roadmap'), which was covered by milestone #129. Second, it seeks to ensure that hydrogen electrolyzers are supplied with renewable energy and therefore supports the implementation of the 'Hydrogen roadmap'. To that end, the related regulatory actions shall establish: i) a regulatory instrument which includes the appointment and governance of the national bodies issuing guarantees of origin for renewable gases, including renewable hydrogen; and ii) a regulatory mechanism setting out how the renewable origin of hydrogen is verified. Milestone #130 consists in the entry into force of the regulation establishing a national system of guarantees of origin for renewable gases, including renewable hydrogen, ensuring a 100 % of renewable energy. The system to be established by the regulatory instrument shall include the appointment of national issuing bodies, and the adoption of their governance; and a regulatory mechanism setting out how the renewable origin of the hydrogen is verified. The other milestone under this measure (milestone #129) included the approval of the Hydrogen roadmap by the Council of Ministers and was assessed as satisfactorily fulfilled as part of the first payment request made by Spain under the RRF.	
Evidence provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:	

- i) Royal Decree 376/2022 that regulates the sustainability criteria and greenhouse gas emissions saving criteria for biofuels, bioliquids and biomass, as well as the system of guarantees of origin for renewable gases. It was published on 18 May 2022 in the Spanish Official Journal (Reference: BOE-A-2022-8121). Link: <https://www.boe.es/eli/es/rd/2022/05/17/376>
- ii) Ministerial Order TED/1026/2022 adopting the management procedure for the system of guarantees of origin for gases produced from renewable energy sources. It was published on the Spanish Official Journal on 31 October 2022 (reference: BOE-A-2022-17721). Link: https://www.boe.es/diario_boe/txt.php?id=BOE-A-2022-17721
- iii) Summary document duly justifying how the milestone was satisfactorily fulfilled

Analysis:

The justification and substantiating evidence provided by the Spanish authorities are in line with the requirements of the Council Implementing Decision. In particular:

Entry into force of the regulation establishing a national system of guarantees of origin for renewable gases, including renewable hydrogen, ensuring a 100 % of renewable energy. Pursuant to its Tenth Final Provision, Royal Decree 376/2022, which sets out the principles of the system of guarantees of origin for renewable gases, including renewable hydrogen, entered into force on 19 May 2022. The Ministerial Order TED/1026/2022, which provided the necessary implementing details of the system, entered into force, pursuant to its Second Additional Provision, on 1 November 2022. The analysis of the system of guarantees of origin for renewable gases, its governance and how it ensures a 100% of renewable energy is included in the two subsections below.

Setting up of a regulatory instrument which includes the appointment and governance of the national bodies issuing guarantees of origin for renewable gases. The objective of the system of guarantees of origin for renewable gases (including renewable hydrogen) is to reassure final consumers that a certain volume of renewable gas, measured in energy terms (MWh), has been produced from renewable energy sources. The system relies on an electronic platform participated by renewable gas production facilities, holders of the guarantees of origin and consumption points outside the gas system (Section 3 of the Annex to Ministerial Order TED/1026/2022). The rules also specify which information is included in a guarantee of origin, the methodology to establish the guarantees of origin that the hydrogen produced is eligible to receive, transfer, import or export (Section 5 of the Annex to Ministerial Order TED/1026/2022).

The Second Additional Provision in Royal Decree 376/2022 appoints the Gas System Operator as the responsible entity for managing the system of guarantees of origin, and therefore of its governance, until the Ministry for the Ecological Transition and the Demographic Challenge acquires the necessary resources. Furthermore, Section 5(1) item 2 of the Annex to Ministerial Order TED/1026/2022 establishes that the responsible entity for managing the system is also responsible for issuing the guarantees of origin. Therefore, the Gas System Operator is appointed as the single national issuing body of guarantees of origin. The role of this single body for issuing guarantees of origin and for governing the system is set out in section 2(2)(1) of the Annex to Ministerial Order TED/1026/2022.

The regulatory instrument should also set out how the renewable origin of hydrogen is verified and shall ensure that hydrogen electrolyzers are supplied with renewable energy. Pursuant to Section 3(4) of the Annex to Ministerial Order TED/1026/2022, producers must get the authorisation from the system management body (Gas System Operator) to register the production

plant in the Register of Production Plants. The production plant must have been audited by an auditing company authorised by the system management body as a requirement to be listed in the Register of Production Plants. Production plants must also be subject to an audit every year. Production plants must use certified meters to measure the amount of renewable gas as established in Section 6. Section 6(3) also requires producers to have in place a system which stores all the information gathered over at least the last two years. Pursuant to Section 9(4), producers upload in the Platform of Guarantees of Origin the production and consumption of renewable gas in line with the methodology in Section 5(2) and then, the issuing body, issues the corresponding guarantees of origin on a monthly basis, in line with Section 5(3). Pursuant to Section 2(2)(1), the Gas System Operator is responsible for the overall functioning of the system and must issue annual activity reports pursuant to Section 7.

For renewable gases produced out of renewable grid electricity (such as renewable hydrogen), Section 9(1) of the Annex to Ministerial Order TED/1026/2022 requires establishing a two-way communication protocol between the responsible entity for issuing the guarantees of origin for the renewable gas (Gas System Operator) and the responsible entity for issuing the guarantees of origin of the sourced renewable electricity (The Spanish National Markets and Competition Commission). The protocol must ensure that the renewable origin of the electricity taken from the grid must be guaranteed by redeeming the guarantees of origin of the electricity sourced. Spain has also indicated that they will assess the system against developments in the EU regulatory framework. Spain has committed to assess which changes may be necessary to the system of Guarantees of Origin once the Delegated Act is adopted. When the renewable electricity originates from a dedicated renewable electricity plant not connected to the grid, no electricity guarantees of origin are involved in the procedure. Instead, the guarantee of origin of the renewable hydrogen is issued directly in accordance with Section 5(1).

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure	
M190 - C13.R1 - Improving business regulation and climate	
Name of the Milestone: Entry into force of the Law to reform of the Insolvency Law	
Qualitative Indicator: Provision in the law indicating the entry into force of the law	Time: Q2 2022
Context: This measure aims to improve the framework in which economic activity takes place by ensuring a better regulation and business climate that facilitate the creation and growth of businesses, and their restructuring, if necessary. This is done through the adoption of the following measures: i) a new law on business creation and growth with the aim to simplify the procedures for setting up a business; foster an early payment culture; amend certain provisions of the Law on Market Unity to remove unnecessary barriers to economic activity; ii) setting up of a new Sectoral Conference for Regulatory Improvement and Business Climate. iii) reform of the insolvency law; iv) reform of the legislative framework related to the professional practice of lawyers and procuradores. This milestone #190 concerns the reform of the insolvency law for the transposition of Directive (EU) 2019/1023 on preventive restructuring frameworks, discharge of debt and disqualifications, and on measures to increase the efficiency of insolvency procedures, including the establishment of a special procedure for micro-enterprises. This milestone follows milestone #189, fulfilled in the	

context of the second payment request, on the reform of the professional practice of lawyers and *procuradores*. Milestone #191 (expected to be fulfilled in Q4 2022), will be the last milestone related to this reform and concerns the adoption of the new law on business creation and growth.

Evidence provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled, including the reference to the relevant provisions indicating the entry into force of the insolvency law and to the provisions which fulfil the relevant elements of the milestone and including evidence on how the insolvency law is efficiently implemented regarding the establishment of a more efficient second chance procedure for natural persons;
- ii) Law 16/2022 of 5 September, published in the Official Journal (BOE-A-2022-14580, of 6 September 2022), reforming the consolidated text of the Bankruptcy Law (Royal Legislative Decree 1/2020 of 5 May) for the transposition of Directive (EU) 2019/1023 on preventive restructuring frameworks, discharge of debt and disqualifications, and on measures to increase the efficiency of restructuring, insolvency and debt relief procedures.

The authorities also provided:

- i) Comparative table of redactions regarding the reform introduced by Law 16/2022 of 5 September.

Analysis:

Law 16/2022 of 5 September, as for its nineteenth final provision **entered into force** twenty days after its publication of 6 September 2022, with the exclusion of the following two provisions that entered into force on 1 January 2023 (nineteenth final provision of Law 16/2022 of 5 September):

- i) the introduction of a special procedure for micro-enterprises, which reduces its duration and cost, and which is processed entirely by electronic means (section one hundred and fifty-three of the sole Article of Law 16/2022 of 5 September); and
- ii) the provisions related to the appointment of the insolvency administrator for the special procedure for micro-enterprises (second paragraph of Article 689).

Transposition of Directive (EU) 2019/1023 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt. In line with the CID requirements, Law 16/2022 of 5 September transposes Directive (EU) 2019/1023, on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt. The transposition is specifically recalled in the seventeenth final provision and assessed in the analysis contained below. This assessment of compliance with Directive 2019/1023, for the purposes of payments from the Recovery and Resilience Facility, does not prejudice the assessment by the Commission in any other proceedings regarding the conformity of the national law with the aforementioned legislation.

More efficient second chance procedure for natural persons, allowing for debt relief without prior liquidation of the insolvent party's assets. Law 16/2022 of 5 September establishes a more efficient second chance procedure for natural persons allowing for debt relief without prior liquidation of the insolvent party's assets. These provisions are included in section one hundred and thirty of the sole Article of the Law 16/2022 of 5 September (amending Chapter II of Title XI of Book

One, consisting of Articles 486 to 502, of the consolidated text of the Insolvency Law approved by Royal Decree 1/2020 of 5 May). This is in line with the CID requirements as follows:

- The Law 16/2022 of 5 September has configured a framework of preventive restructuring within the scope of Directive (EU) 2019/1023 and in accordance with its purpose, which is to maintain the viability of the company and avoid bankruptcy.
- A system of exemption on merit is established around the concept of debtor in good faith, without the prior satisfaction of certain types of debt. Instead of conditioning the exoneration to the satisfaction of a certain type of debt, as proposed by the previous law, the current law provides that any debtor in good faith (whether entrepreneur or not) can exonerate all their debts, except those that exceptionally and by their special nature are considered non-exonerable (modified Article 486).
- The modified Article 486 also introduces two itineraries, debt relief after compliance with a payment plan (regulated in Articles 495-500) and immediate debt relief after the liquidation of the debtor's assets (regulated in Articles 501-502).
- The requirement of not having rejected a job offer in the four years prior to the declaration of bankruptcy is also eliminated in Article 486.
- The time limit for a new debt relief to be requested is reduced from 10 to 5 years (or 2 years if the previous debt relief had been reached after the completion of a payment plan), as for the modified Article 488.
- The debt relief is extended to all debts except those derived from maintenance, wages, those of public law, criminal sanctions, non-contractual liability, civil liability derived from crime, those that have a real guarantee to the extent of it and those related to the expenses and costs of the procedure. In addition, the judge is allowed to exclude other debts in case of insolvency of the creditor, as established in Article 489.
- Up to EUR 20 000 can be exonerated, in total, for debts with the tax administration and social security, limiting the super-protection status of debts with public authority, as for Article 489.
- The requirement to have previously tried an out-of-court settlement of payments is repealed, a procedure that has proven inefficient in practice, although its approach was reasonable to favour the extrajudicial exit from the crisis and avoid judicial collapse, as for the new Article 488.

Restructuring plans required by the Insolvency Directive (EU) 2019/1023. Law 16/2022 of 5 September, establishes the restructuring plans required by the Insolvency Directive (EU) 2019/1023 as a new pre-insolvency instrument to improve the effectiveness of the currently applicable pre-insolvency instruments in order to prevent insolvency and subsequent bankruptcy. This is in line with the CID requirements set out in the description of the reform as for the following:

- Article 614 defines the concept of restructuring plans as those plans whose purpose is to modify the composition, conditions or structure of the assets and liabilities of the debtor, or of its own funds, including the transfer of assets, productive units or the totality of the going concern, as well as any necessary operational changes, or a combination of these items.
- Article 633 defines the content of the restructuring plans that shall include among other provisions the description of the economic situation of the debtor, a description of the challenges faced by the debtor and a description of the restructuring measures proposed, their duration and their expected impact in reducing the liabilities.

Special procedure for micro enterprises. In line with the CID requirements, Law 16/2022 of 5

September, includes provisions to establish a special bankruptcy procedure for micro-Enterprises which is processed entirely by electronic means. Such a procedure has the following features:

- The special procedure applies to companies that have employed on average less than 10 employees during the year preceding the request to initiate the special procedure and have an annual turnover of less than EUR 700 000 or a liability of less than EUR 350 000 according to the last accounts closed in the financial year preceding the submission of the application. This definition of a micro-enterprise is in line with the one adopted in the Directive (EU) 2013/34 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings.
- In the light of the objective of reducing costs, it is established that communications within the procedure shall be made using official forms. Both the debtor and the creditors will have at their disposal forms accessible online, free of charge. The requests, communications, arguments and, in general, the institutional dialogue between the parties and the institutional framework will take place by electronic submission of forms containing all the relevant information. These provisions are contained inter alia in Articles 687(2), 691(2), 697(b), 702(2) and in the Fourth Additional Provision of the amended Law.
- As regards the reduction of procedural burdens, a minimum level of judicial intervention is established. The court shall rule only in order to take the most relevant decisions in the proceedings or where there is a contentious issue which the parties have decided to refer to the court, as for Article 687 (Third Book), which provides that the entire procedure shall be administered by electronic means.
- Finally, Law 16/2022 of 5 September foresees the creation of a settlement platform for all special procedures where the assets of micro-enterprises in liquidation will be carried over, and may be sold directly to customers accessing it or through periodic electronic auctions (as provided for in paragraphs 3 to 12 of the Second Additional Provision of the Law). The platform may also be used to encourage the transfer of the undertaking or production units. The aim of this platform is to speed up the sale of assets, reduce the cost of liquidation, increase transparency, relieve the judicial system of work and enable special winding-up procedures to be completed within the prescribed time limits.

Efficiency of the provisions of Law 16/2022, of 5 September (in line with the Verification Mechanism). In relation to the second chance procedure, Law 16/2022 of 5 September overcomes two significant issues encountered by the application of the previous Law, Law 25/2015 of 28 July on the second chance procedure. These relate to i) the obligation to pay in any event a minimum threshold of debt, irrespective of the debtor's personal and property circumstances; and ii) the requirement that the debtor's assets must first be liquidated in order to qualify for relief. Both elements, as explained in the above assessment, have been reformed by Law 16/2022 of 5 September. Removing these identified obstacles is considered to improve the efficiency of the system.

Other elements of efficiency include the increased rigour around the requirement of good faith, coupled with a large extension of the concept of exonerable debt (Article 486 Law 16/2022 of 5 September). As also pointed out by the report of the '*Comisión Rojo*', the committee of experts preparing the text of the draft reform law, mentioned in page 7 of the summary document, these novel approaches will encourage not only the collaboration of the debtor, but also a more diligent action on the part of the debtor as the debtor may have an incentive to apply for the insolvency proceedings as soon as it becomes apparent that it is impossible to restructure its pre-insolvency liabilities, but where its assets and operational activities have not yet deteriorated irreversibly. These new provisions increase the chance that the debtor will settle its previous debts and even maintain all or part of its assets, and continue its activity, paying part of its debts in the following years following the restructuring plans.

Further, in the fifth and seventh additional provisions, Law 16/2022 of 5 September establishes two early warning tools, in accordance with the provision of Directive (EU) 2019/1023. The first shall consist of a self-diagnosis tool allowing for a health check of a business performance, which will allow small and medium-sized companies to evaluate their solvency situation. This system is under the responsibility of the Ministry of Industry, Trade and Tourism. The second early warning tool, implemented from the Spanish Association of Real Estate, Commercial and Real Estate Registrars, shall provide precise information on the company's risk position based on the information contained in the annual accounts.

The twelfth final provision of Law 16/2022 of 5 September, also provides that the Government will promote the provision of advisory services to small and medium-sized companies in difficulty at an early stage to avoid their insolvency. This service is confidential and does not impose any type of obligations on companies or assumption of responsibility for their providers.

The two early warning tools are operational from the entry into force of the Law 16/2022 of 5 September without the need for any regulatory development. Likewise, the advisory service to companies does not require subsequent regulatory development.

In this context it is also noted that Law 16/2022 of 5 September abolishes the requirement to have previously attempted an out-of-court settlement of payments, a procedure which has proved inefficient in practice.

In line with the CID requirements, it is considered that the above-described early warning tools and advisory services, combined with the reform of the second chance procedure and the introduction of the restructuring plans as a new pre-insolvency instrument, increase the efficiency of the application of the insolvency law in general. This is particularly the case for micro-Enterprises which also benefit from the dedicated special procedures that contains provisions to minimize the cost and duration of insolvency proceedings and carrying them out using the electronic official forms.

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure	
M229 - C15.R1 - Reform of the telecommunications regulatory framework: General Law, Regulatory Instruments and Implementation Instruments	
Name of the Milestone: Entry into force of the Law on Telecommunications	
Qualitative Indicator: Provision in the law indicating the entry into force of the law	Time: Q2 2022
Context: The objective of this measure is to reform the telecommunications regulatory framework with a view to facilitate the deployment of high capacity networks. To this end the reform envisages to transpose Directive (EU) 2018/1972 of the European Electronic Communications Code, to develop best practices for the deployment of high capacity and 5G fixed and mobile networks, and to develop the necessary actions to implement in the national framework the toolbox resulting from the European Commission Recommendation on Connectivity C(2020)6270. This reform consists of the single milestone #229 on the entry into force of the Law on Telecommunications. The law, beyond the transposition of Directive (EU) 2018/1972 of the European Electronic Communications Code, shall also include: i) the inventory of submarine cables	

and IXP/data centres; ii) a simplified fiscal scheme for local taxes on network deployment; and iii) the implementation of a single point of contact for the application of the licenses and permissions for the deployment of networks.

Evidence provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled, including the reference to the relevant provisions indicating the entry into force.
- ii) Law 11/2022 of 28 June, published in the Official Journal (BOE-A-2022-10757, of 29 June 2022), also referred as 'The General Law on Telecommunications', on the reform of the Spanish telecommunication regulatory framework.
- iii) Organic Law 5/2022 of 28 June, published in the Official Journal (BOE-A-2022-10756, of 29 June 2022), that complements the Law 11/2022 of 28 June for what concerns the provisions on judicial powers of the Administrative Appeals Chamber of the Supreme Court.

The authorities also provided:

- i) A report, prepared by the Ministry of Economic Affairs and Digital Transformation, setting out the incorporation into the Law 11/2022 of 28 June of the provisions of the Connectivity Toolbox which require the status of a law.
- ii) A report, prepared by the Ministry of Economic Affairs and Digital Transformation, setting out the transposition into the Law 11/2022 of 28 June of the articles of Directive (EU) 2018/1972 of the European Electronic Communications Code.
- iii) A report, prepared by the Ministry of Economic Affairs and Digital Transformation, setting out the correspondence between the articles of Law 11/2022 of 28 June and the Directive (EU) 2018/1972 of European Electronic Communications Code.
- iv) Minutes of the meeting of 2 July 2021, between the Ministry of Economic Affairs and Digital Transformation and the Ministry of the Interior, on the implementation of the National Alert System.

Analysis:

In line with the CID requirements, Law 11/2022 of 28 June (also referred to as 'The General Law on Telecommunications') **entered into force** on 30 June 2022 as for its final sixth disposition.

Transposition of Directive 2018/1972 of the European Electronic Communications Code. The General Law on Telecommunications transposes Directive (EU) 2018/1972 establishing the European Electronic Communications Code (hereinafter referred to as 'EECC') as laid down in Section 1(a) of the Fourth Final Provision (page 144/91396). Directive 2018/1972 establishes a harmonised framework for the regulation of electronic communications networks, electronic communications services, associated facilities and associated services, and certain aspects of terminal equipment and it lays down the tasks of national regulatory authorities and other competent authorities, and establishes a set of procedures to ensure the harmonised application of the regulatory framework throughout the Union. The detailed correlation tables between the European Electronic Communications Code and The General Law on Telecommunications (and vice versa) have been provided and show for each article of the Directive 2018/1972 the corresponding relevant article in The General Law on Telecommunications transposing it. This assessment of compliance with Directive (EU) 2018/1972, for the purposes of payments from the Recovery and Resilience Facility, does not prejudice the assessment by the Commission in any other proceedings

regarding the conformity of the national law with the aforementioned legislation.

Best practices for the deployment of high capacity and 5G fixed and mobile networks. In line with the CID requirements, Law 11/2022 of 28 June includes best practices for the deployment of very high capacity and 5G fixed and mobile networks:

- Article 48(2) establishes that the Ministry of Economic Affairs and Digital Transformation shall include in its regular geographical network coverage surveys a forecast on the planned broadband networks deployments, including for very high capacity networks. This forecast shall be based on the results of public consultations whereby network operators shall declare their intention to deploy or upgrade their networks (broadband networks offering download or transfer speeds of at least 100 Mbps or very high capacity networks or to significantly upgrade or extend their networks to a download or transfer speed of at least 100 Mbps).
- Article 48(2) also provides for the possibility to impose penalties on operators that fail to comply, for reasons attributable to the operator, with their declarations of deployment (as for the declarations described in the point above).
- Article 81(3) establishes that telecommunications equipment using radio spectrum with radio parameters not harmonised in the European Union may not be placed on the market until it has been authorised by the Ministry of Economic Affairs and Digital Transformation.

Implement in the national framework the toolbox resulting from the European Commission Recommendation on Connectivity C (2020) 6270. In line with the CID requirements, Law 11/2022 of 28 June implements in the national framework the toolbox resulting from the European Commission Recommendation on Connectivity C(2020)6270 (hereinafter referred to as “Connectivity Toolbox”). The correspondence between the provisions of the Connectivity Toolbox that require the status of law and its reference in Law 11/2022 of 28 June is detailed in the report provided by the Ministry of Economic Affairs and Digital Transformation. The measures of the toolbox have been grouped in the following eight areas in Law 11/2022 of 28 June:

- **Streamlining permit granting procedures for civil works:** This area is addressed, among others, by Article 50(6) and Article 50(7) respectively on the harmonisation of network deployment work declarations and applicable rules. Articles 49(9), 49(10) and 49(11) also contribute to this area by reducing the authorisation requirements for certain network deployments.
- **Enhancing transparency and restoring the capabilities of the single information point (SIP):** this area is mostly addressed by Article 50(8) whereby the Ministry of Economic Affairs and Digital Transformation shall establish a single information point through which operators of public electronic communications networks may access electronically all information relating to the conditions and procedures applicable for the installation and deployment of electronic communications networks and their associated facilities, as well as information for compliance with specific tax obligations at regional and local level, through the links of the competent administrations.
- **Extending the right of access to existing infrastructures controlled by public sector bodies:** This area is covered by Article 52(1), 52(3) and 54(1) specifically related to the provision of access to infrastructure capable of hosting communication networks including transport infrastructure.
- **Enhancing the effectiveness and effectiveness of the dispute resolution mechanism:** This area is covered by Article 52(8), 52(12) and 54(3) related to the management of disputes (relevant courts and timing of procedures) and their resolutions.
- **Reducing the environmental footprint of networks:** This area is covered by Article 44(3)

which provides that prior to the approval of the technical project a compatibility report must be issued by Autonomous Communities and local authorities.

- **Financial incentives of spectrum authorisation procedures with a focus on the 5G pioneer bands:** This area is covered by Article 46(1) on the sharing of network elements and facilities, Article 92(1) on possible obligations to share passive infrastructures, and 97(1) on the transfer of the rights of use of the public radio spectrum.
- **Aspects of radio spectrum management to support high-quality connectivity for industrial use cases with a cross-border dimension:** This area is covered by Article 87(1) by which the Ministry of Economic Affairs and Digital Transformation shall conduct radio spectrum administration in such a way that no other Member State of the European Union is prevented from allowing the use of harmonised radio spectrum on its territory in accordance with Union law and of Article 10(1) on the use of the standards and/or technical specifications declared compulsory by the European Commission.
- **Aspects related to electromagnetic fields and public health:** This area is covered by the Twelfth Additional Provision that establishes the Commission on Radio Frequencies and Health.

Inventory of submarine cables and IXP/data centres. In line with the CID requirements, the Law 11/2022 of 28 June includes requirements related to the inventory of submarine cables and IXP/data centres as for the below provisions:

- Article 6(8) provides that the Ministry of Economic Affairs and Digital Transformation must be informed of the installation or operation of internet exchange points (IXP) located on Spanish territory, in order to be able to know and analyse the overall capacity to manage and transmit all electronic communications traffic originating, transiting or destined in Spain.
- Article 6(9) provides that the Ministry of Economic Affairs and Digital Transformation must be notified of the installation or operation of submarine cables whose connection, access or interconnection to electronic communications networks takes place on Spanish territory.
- The twenty-second additional provision provides the timeline for notification and Communication to the Ministry of Economic Affairs and Digital Transformation on the information on the internet exchange points (IXP) and provides the minimum information requirements that shall be provided in the communication.
- The twenty-third additional provision provides the timeline for notification and Communication to the Ministry of Economic Affairs and Digital Transformation on the information on submarine cables and provides the minimum information requirements that shall be provided in the communication.

In addition, two eForms have been launched for these companies to report their data in order to comply with the legal provision of Law 11/2022 of 28 June. These forms are accessible at Internet Exchange Points (IXP): <https://conectemos.mineco.gob.es/es/punto-contacto-unico/centro-de-datos-puntos-neutros-internetSubmarine cables>; and <https://conectemos.mineco.gob.es/es/punto-contacto-unico/cables-submarinos>. Both webpages are located in the official government website <https://conectemos.mineco.gob.es/>. The summary document provided includes, at pages 13 and 14, two screenshots to prove the effective publication of the portals.

Simplified fiscal scheme for local taxes on network deployment. In line with the CID requirements, the Law 11/2022 of 28 June includes requirements on the simplification of the fiscal scheme for local taxes on network deployment as for the below provisions:

- Article 49(10) provides for the abolition of licences for small-area wireless access points

such that the installation or operation of small-area wireless access points and their associated facilities, as defined by European legislation, shall not require any new or amended concession, authorisation or licence or declaration of responsibility or prior notification to the competent public authorities (only with the exclusion of natural/historical sites and public/national security issues). Small-area wireless access points are used also for network densification for 5G deployment.

- Article 101(5) establishes that the installation of small-area wireless access points is also not subject to taxation by any public authority other than the general operator fee.
- Article 101(3) establishes the principle that fees for reservation of public radio spectrum, numbering and public domain necessary for the installation of electronic communications networks shall be set keeping in consideration the need to ensure the optimal use of these resources, taking into account the value of the property to be used and its scarcity. In addition, it is established the principle that these charges must be non-discriminatory, transparent, objectively justified and proportionate to their aim. This provides operators with a legal guarantee that shall prevent local governments from setting up inappropriate tax regimes. If a local authority establishes a tax regime that contravenes this Article, the operator may challenge that tax regime in court on the basis of this Article. The same legal guarantee is given to the Ministry of Economic Affairs and Digital Transformation, which, under this same article, may challenge the tax regimes of local authorities that contravene it.
- Article 50(5) establishes that measures, by the competent public authority, of refusing or making impossible the installation of the network infrastructure or associated facilities that meets the parameters and technical requirements essential to ensure the functioning of the various electronic communications networks and services, shall be subject to a prior request of authorisation from the Ministry of Economic Affairs and Digital Transformation. In the absence of such a request of authorisation, as well as in the event that the authorisation is not granted, the refusal measure of the competent authority will not be approved. As for this article, if the Ministry of Economic Affairs and Digital Transformation issues a negative report, the local administration could appeal the decision to the relevant court, but could not stop the deployment while the case is resolved in court (unless the judicial authority issues interim measures). This measure reduces the barriers to deployment for network operators, increases legal certainty on network deployment and on the related application for licences and related taxation.
- Article 50(6) establishes that the Ministry of Economic Affairs and Digital Transformation shall promote, with the association of local authorities at national level, the drawing up of a single model of declaration 'responsible declarations' for the plans of network deployments for the purpose of requesting authorisation or licences. As network deployment typically spans across several local authorities the single model of declaration simplifies the application for licences and the related network deployment taxes.
- Article 50(7), empowers the Ministry of Economic Affairs and Digital Transformation to promote the adoption by the competent public authorities of shared local rules or instruments 'municipal ordinance' that include regulation of local taxes on network deployment.
- Article 50(8) establishes that the Ministry of Economic Affairs and Digital Transformation shall establish a single management point through which operators of communications networks can access electronically all information relating to the conditions and procedures applicable for the installation and deployment of electronic communications networks and their associated facilities, as well as information for compliance with specific tax obligations at regional and local level, through appropriate links to the relevant administrations.
- Article 50(8) establishes a single information point for regional and local tax obligations. Autonomous Communities and Local Authorities may, by signing the appropriate

cooperation agreement with the Ministry of Economic Affairs and Digital Transformation, sign up to the single information point. In the area of taxation, the single information point will make it possible to connect to the websites of those authorities, so that information can be made available centrally, in a simplified, more accessible and efficient manner, to network operators.

Implementation of a single point of contact. In line with the CID requirements, Law 11/2022 of 28 June includes provisions for the implementation of a single point of contact for the application of the licenses and permissions granted by different levels of governments for the deployment of networks. In particular, Article 50(8) establishes that:

- the Ministry of Economic Affairs and Digital Transformation shall create and manage a single point of contact (or single information point) through which operators of public electronic communications networks may access by electronic means all information relating to the conditions and procedures applicable for the installation and deployment of communications networks, as well as information for compliance with specific tax obligations at regional and local level.
- autonomous communities and local authorities may, by signing the appropriate cooperation agreement with the Ministry of Economic Affairs and Digital Transformation, sign up to the single information point.
- the Ministry of Economic Affairs and Digital Transformation shall be responsible for forwarding to the autonomous community, provincial councils, or local authorities, which have signed up to single management point, all the models of 'responsible declarations' on the requests for the installation and deployment of electronic communications networks.
- the Ministry of Economic Affairs and Digital Transformation, the autonomous communities and the Spanish Federation of Municipalities and Provinces (FEMP) shall encourage the use of this single management point by all public administrations with a view to reduce costs, and facilitating the dialogue between operators and the administration.

In accordance with the provisions in Article 50(8), the single management point has been implemented and it is accessible online at: <https://conectemos.mineco.gob.es/es/informacion-practica/sedes-electronicas/punto-de-contacto-unico-de-solicitud-de-licencias>. The portal is located in the official government website <https://conectemos.mineco.gob.es/>. The summary document provided includes, at pages 16 and 17, the screenshots to prove the effective publication of the portal and of its functioning.

Regardless of the number of agreements that will be signed, the single information point already provides access to the websites of all bodies of the state administration such as central government, autonomous communities, provinces and all local authorities in Spain. In such a way it provides network operators with a single access point from which to gather information for the application of the licenses and permissions granted by different levels of the administration for the deployment of networks.

Implementation of the Public Warning System (PWS). The Law 11/2022 of 28 June, in its Article 75, also provides for the establishment of a national alert system in Spain. The implementation of this system required a public-private partnerships between the following entities: i) the Directorate-General for Civil Protection of the Ministry of the Interior; ii) the Directorate-General for Telecommunications and Regulation of Audiovisual Communication Services of the Ministry of Economic Affairs and Digital Transformation; iii) mobile telecommunications service operators; iv) the CIS company which has carried out a number of specific implementation work; and v) various Autonomous Community emergency centres.

As indicated in the minutes of the meeting of 2 July 2021, between the Ministry of Economic Affairs and Digital Transformation and the Ministry of the Interior, the National Alert Network's Public Alert System (ES-Alert system) was deployed in Spain on 15 June 2022 also meeting the requirements of the European Electronic Communications Code.

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure

M254 - C17.R1 - Reform of the Science, Technology and Innovation Law

Name of the Milestone: Entry into force of the amendment of Law 14/2011 of 1 June on Science, Technology and Innovation.

Qualitative Indicator: Provision of the Law's on the entry into force

Time: Q2 2022

Context:

The objective of this measure is to update Law 14/2011 on Science, Technology and Innovation with a view of improving the Spanish Science Technology and Innovation regulatory framework to: i) facilitate coordination of science, research and innovation policies and enhance the governance and coordination of the Spanish Science Technology and Innovation system; ii) introduce a new scientific career; and iii) enhance knowledge transfer from research to applied products and services for the society.

This reform is associated with a single milestone #254 on the entry into force of the modification of the Law 14/2011 on Science, Technology and Innovation. The updated law is required to improve the coordination among different levels of government of science, research and innovation policies, enhance the governance and coordination of the Spanish Science Technology and Innovation system, introduce a new scientific career and improve knowledge transfer.

Evidence provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
- ii) Law 17/2022 of 5 September published in the Official Journal (BOE-A-2022-14581, of 6 September 2022), also referred to below as 'The update of the Science, Technology and Innovation law', on the reform of the Spanish science, technology and innovation regulatory framework. Link: <https://www.boe.es/buscar/act.php?id=BOE-A-2022-14581>

The authorities also provided:

- i) Copy of the consolidated Law 14/2011 on Science, Technology and Innovation published in the Official Journal (reference BOE-A-2011-9617 of 2 June 2011), also referred as 'the Science Law'.
- ii) Regulatory impact analysis report of the draft Law to update the Science Law 14/2011 of 17 February 2022.
- iii) Certificate of the Council of Ministers meeting approval of 18 February 2022 of the draft law to update the Science Technology and Innovation law.
- iv) Royal Decree-Law 29/2021, of December 21, which adopts urgent measures in the energy field to promote electric mobility, self-consumption and the deployment of renewable energies published in the Official Journal (reference BOE-A-2021-21096), with the ninth final provision introducing certain aspects of the new scientific career.

- v) Royal Decree-Law 8/2022, of April 5, by which urgent measures are adopted in the field of labour contracting of the Spanish System of Science, Technology and Innovation published in the Official Journal (reference BOE-A-2022-5516).

Analysis:

In line with the CID requirements, Law 17/2022 of 5 September amending Law 14/2011 on Science, Technology and Innovation **entered into force on 6 September 2022** as per its final eighth disposition.

Improve coordination among different levels of government of science, research and innovation policies, and enhancing the governance and coordination of the Spanish Science Technology and Innovation System. In line with the CID requirements, the Law 17/2022 of 5 September includes:

- Article 8(2) and additional provision 30(2) and 30(4) which reinforce the role of the Council for Scientific, Technological and Innovation Policy, the main body for cooperation and general coordination of scientific and technical research of the State and the Autonomous Communities, which is attached to the Ministry of Science and Innovation. By reinforcing the role of the Council the law is enhancing the coordination of the different level of governments in science, research and innovation. In particular, the functions of the Council are updated to enhance the role of the Council as a coordinating body. The Council will elaborate the Spanish Strategy for Science, Technology and Innovation and establish the mechanism for its evaluation, it will analyse the annual science plans of the State and regions, to better coordinate their actions. The Council will approve the criteria to exchange information between the central administration and the regions in the Information System on Science, Technology and Innovation, to enhance coordination between the different levels of government and it will promote joint action between the state and regions to execute joint research programs. The Council will approve the map of singular scientific and technical infrastructures (ICTS): a key instrument to plan the facilities, resources or services of publicly-owned singular infrastructures to develop cutting-edge research of the highest quality, as well as for the transmission, exchange and preservation of knowledge, technology transfer and the promotion of innovation in Spain, open to competitive access by users from the entire research community. The ICTS is a key instrument to coordinate investment in science infrastructure between the state and regional level.
- Article 42(6) establishes the Complementary Research & Development Plans as a new instrument of coordination and collaboration of the state and regions in Research & Development actions that have common objectives based on interests reflected in the state and regional Smart Specialization Strategy. The Plans aim at creating synergies, aligning the execution of funds and establishing common priorities between the state and regions in eight thematic areas of health, marine science, quantic communication, renewable energy, agrifood, astrophysics, advanced materials and biodiversity. The Spanish RRP has financed partly these plans under investment 1 of component 17.
- Articles 10(1) and 10(2) reinforce the Spanish Research Ethics Committee, to be a national collegiate body responsible for ensuring scientific integrity and responsible research. The Committee will be the body of reference in matters of professional ethics, scientific integrity and responsible research. The Committee issues reports and recommendations linked to scientific integrity, responsible research and the ethics of scientific and technical research, establishes the general principles for the elaboration of codes of good practices

for scientific and technical research and promotes training in this area.

- Article 11 bis lays down the obligation of an external independent evaluation of the Spanish Strategy for Science Innovation and Technology and of the State Plan for Scientific and technical Research and Innovation, which will enhance the governance of the system. The evaluation will include criteria of scientific excellence, efficiency and economic impact in the Spanish territory, and it will be carried out with the participation of the private sector and social agents.
- Article 37 reinforces Open Science by encouraging the dissemination of the results of scientific, technological and innovation activity, and making available in open access the results of research, including scientific publications, data, codes and methodologies. Free and open access to the results will be promoted through the development of institutional or thematic open access repositories, owned or shared. This should allow for greater R&D collaboration at different levels of government and enhance the governance of the system by making it more transparent.
- The new third additional provision creates the Spanish Space Agency. The reform of the law also contemplates the creation of the Spanish Space Agency to direct the effort in space matters, efficiently coordinate the different national organizations with responsibilities in the space sector and unify collaboration and international coordination. The Spanish Space Agency will be in charge of drawing up a Spanish Space Strategy.

Introduce a new Scientific Career. The scientific career in Spain currently presents limited opportunities; scientific workers only reach contractual stability very late in their careers. The lack of opportunities pushes a significant part of the research staff to establish their careers abroad to avoid contractual insecurity and precariousness. The Law 17/2022 of 5 September 2022, by amending Articles 20, 21, 22, 23, 25, 26, 27 as well as the new Articles 22bis, 23bis and 32bis of Law 14/2011 on Science, Technology and Innovation, provides for the establishment of a scientific career to attract and retain scientific, technological and innovative talents, allowing the stable hiring of the best candidates and promoting open-ended contracts in the sector. In particular:

- Modified Articles 22, 22(a), 26(4) and 26(5) and 31(3) and the first and sixteenth additional provisions of Law 14/2011, new ninth additional provision, new first and second transitional provisions, provide for the creation of a new post-doctoral career/tenure track that seeks to reduce the age of entry into the system and facilitate a predictable and stable career. Article 22 defines the access to the Spanish System of Science, Technology and Innovation, contract for post-doctoral research staff. The contract is available to candidates with Doctorate degree, the purpose of the contract is research, development, knowledge transfer and innovation tasks, aimed at obtaining by the research staff a high level of improvement and professional specialization, leading to the consolidation of their professional experience. The contract is a full-time fixed-term contract for a duration of at least three years, which may be extended up to a maximum of six years (minimum extension duration is one year). At the end of the contract, a compensation is payable to the employee. After two years, an evaluation of the research activity may be done which – if passed successfully – grants the researcher with a certification of established researcher (hereinafter referred to as R3 certificate). This evaluation will be used for the purposes of promotion and recognition throughout the postdoctoral itinerary. In addition, Article 22 bis establishes that the R3 certificate is recognized in the selection process for new open-ended contract research staff convened by universities, Public Research Organizations (PROs) and other research organizations of the General State Administration, by organizations of

research of other Public Administrations, including the centres of the National Health System, foundations and biomedical research consortia, as well as public consortia and foundations of the public sector (R3 certificate grants exemptions of part of the tests). Article 22(a) also includes the obligation to reserve 25% of the posts in the public employment offers in PROs for the recruitment of doctoral research staff with a R3 certificate (or who have passed an assessment equivalent to that of the Programme to Incentivise Incorporation and Intensification of Research Activity). Similarly, a reserve of 15 % of posts is established in the public employment offers for university lecturers (Article 22(3)). Article 31 provides for the recognition of such certificates for the purposes of accreditation for university lecturers too.

- Article 23(a) and 32(a) and First Additional Provision provide for the creation of a new open-ended contract for scientific and technical activities for all types of research staff within the framework of research and in R&D&I contracts. This indefinite contract is not subject to the limits of the public employment offer or to the replacement rates. The contract may apply to a candidate with the training of a Bachelor, Engineer, Architect, Graduate, Technical Architect, Technical Engineer, Bachelor's, University Master's, Superior Technician or Technician degree, or with research staff with a Doctorate degree. The procedures for the selection through public calls will be done under the principles of equality, merit, capacity, publicity and concurrence. These scientific contracts are not part of the Public Employment Offer.
- Modifications of Articles 17(2), 22, 25(5) and 26(2) are aimed to promote attraction of talents and mobility of research staff, including facilities for the hiring of foreign personnel and the possibility of double assignment in Spain and abroad (enhancing career prospects overall). The modified articles promote geographical, inter-sectoral and interdisciplinary mobility, as well as mobility between the public and private sectors. The selection and evaluation processes of research staff in Public Research Organizations ("*quinquenios*") will recognize the experience gained through such mobility, as a means to reinforce scientific knowledge, experimental development, knowledge transfer, innovation and professional development of research staff. Mobility, exchange and return of research personnel will be possible between different agents of the Spanish System of Science, Technology and Innovation, public and private, in Spain, in the European Union and through reciprocal international cooperation agreements and public-private collaboration agreements. Article 17(2) allows for the secondment, full time or part time, of research staff to other public or private entities, national or international, and allows for dual assignments of research staff in Spain and abroad. In both cases, the labour or statutory relationship with the public entity of origin will be maintained. Likewise, the regulation redefines the distinguished researcher's contract to attract prestigious scientific personnel to Spain. With this reform, the technical staff of PROs acquires new rights, such as the possibility of professional mobility, temporary training stays or collaboration in technology companies.

Enhance knowledge transfer from research to applied products and services for the society. The Law 17/2022 of 5 September 2022 recognizes that knowledge transfer must be reinforced by developing links between the public and private sectors as regards R&D&I, through mutual understanding of needs and objectives. In particular:

- Article 18 on the participation of the research staff of the public sector in commercial companies seeks to promote the collaboration with the private sector. Article 18(1) considers activities of general interest the provision of services by research staff in commercial companies created or owned by the research entity hiring them. Article 18(4) promotes the collaboration of private-public sectors in R&D&I activities by allowing private sector researchers to take part in public R&D&I projects aimed at research, experimental

development, knowledge transfer or innovation.

- Article 35(3) of the updated Science Law regulates staff participation in the distribution of profits obtained from the exploitation of the research activity, allowing for a minimum participation of one third of such benefits for the research and technical staff of Public Research Organizations who have participated as author or co-author of the invention, in the manner established by regulation. Through enabling staff participation in profits of the exploitation of the research activity knowledge transfer is incentivized. Article 36 bis of the updated Science Law regulates the protection of the public position when rights over research activity by Public Research Bodies, public universities and entities dependent on the General State Administration transfer these results to third parties. A clear legal framework of the public rights transferred to third parties by public research organizations will enhance knowledge transfer.
- Thirty-first additional provision of the updated Science Law includes the possibility of establishing regulatory sandboxes in the R&D&I sector. By establishing the possibility of introducing regulatory sandboxes in the R&D&I sector, the law incentivizes innovation, enabling the creation of a safe space in which business can test innovative products, services and business models without immediately incurring all the normal regulatory consequences of engaging in a particular activity. Regulatory relief and testing are important to entice bringing novel products to market. In a context of fast-paced innovation, regulatory agencies can also benefit from the regulatory sandbox to develop the appropriate guidance and regulation for the activities under regulatory sandboxes.
- The eleventh additional provision and the thirty-third additional provision of the updated law aim at reducing the administrative burdens of the R&D&I sector, which should also facilitate the participation of the private sector in publicly supported R&D programs. For instance, the text introduces measures to facilitate both the procedure for granting aid and the justification procedure by the beneficiaries (including the possibility of justifying public aid and subsidies through the simplified supporting account modality). Thirty-third additional provision simplifies the processing of contributions and international contributions.
- Articles 17(2), 22, 25(5) and 26(2) provide for easier professional mobility for R&D staff; they include the possibility of professional mobility between the private and public sector, as well as temporary training stays or collaboration in technology companies. Through promoting staff exchange knowledge transfer is enhanced.
- Articles 25(5), 26(4) and 36 quinquies of the updated science Law include knowledge transfer as a merit in the evaluation procedure and selection processes of research staff.
- 36 sesies of the Law 17/2022 of 5 September 2022 enhanced innovative public procurement.

Commission Preliminary Assessment: Satisfactorily fulfilled

Target number – related measure

T270 - C17.I8 - Sustainable automotive R & D & I (PTAS)

Name of the Target: Support to R&D&I projects in sustainable automotive

Quantitative Indicator: Number

Baseline: 0

Target: 35

Time: Q2 2022

Context:

The objective of this measure is to foster the research development and innovation in the sustainable automotive sector. In particular, the measure seeks to i) support the development of components and platforms exclusively for electric, plug-in hybrid and hydrogen vehicles, ii) foster research and development in autonomous driving and connected mobility by developing new

hardware and software vehicle's architecture; and iii) adapt production environments of components and systems exclusively for electric, plug-in hybrid and hydrogen vehicles.

This investment is associated with target #270. Target #270 concerns the award to at least 35 companies of R&D&I projects in sustainable automotive aimed at increasing the technological capacity of the companies in the fields: i) development of very low emissions and high recyclability energy storage systems; ii) high-efficiency hydrogen mobility systems; iii) autonomous driving and connected mobility; and iv) adaptation of smart manufacturing environments with safe and robust systems for human-machine interaction.

Evidence Provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled.
- ii) The reference and link to the Official Journal on the final decision on the awards: [Base de Datos Nacional de Subvenciones \(hacienda.gob.es\)](https://www.hacienda.gob.es/BDNSTRANS/GE/es/convocatoria/574400)
- iii) A summary document with the list of projects awarded, including the name of the project and beneficiaries, extract of the relevant specifications of the call providing alignment with the description of the target and investment in the Council Implementing Decision, the amount being awarded and a short abstract of the project and justification for the project being considered R&D&I and the characteristics of the consortium.

The authorities also provided:

- i) Copy of the call for applications for grants under the Sustainable Automotive Technological Program ("*Programa Tecnológico de Automoción Sostenible*" Resolution of 8 July 2021) and a link to the website of the *Centro de Desarrollo Tecnológico Industrial* (CDTI) where the call is published ([Centro para el Desarrollo Tecnológico Industrial / Ayudas a la I+D+I / Programa Tecnológico de Automoción Sostenible \(cdti.es\)](https://www.cdti.es/programa-tecnologico-de-automocion-sostenible)).
- ii) Copy of the announcement in the Official Journal of the call on 14 July 2021.
- iii) Copy of the resolution of the final awards of 22 December 2021.
- iv) Copy of the modification of the final award decision of 31 May 2022 and copy of the modification of the final award decision of 28 September 2022.
- v) Link to the National Database on Subsidies and Public Grants (*Sistema Nacional de Subvenciones y Ayudas Públicas*) website where the call had been published: <https://www.pap.hacienda.gob.es/bdnstrans/GE/es/convocatoria/574400>
- vi) Scientific and technical evaluation reports for each project awarded under the call.
- vii) Do No Significant Harm self-assessments for each project awarded under the call.
- viii) Do No Significant Harm assessment report for each project awarded under the call carried out by the *Centro de Desarrollo Tecnológico Industrial* (CDTI).
- ix) Resolution of the call for projects (Annex 2), containing the exclusion list of activities enshrined in the Council Implementing Decision Annex and its corresponding footnotes
- x) Report giving detail of the technical evaluation of the approved projects to confirm DNSH assessment.

Analysis:

In line with the requirements in the Council Implementing Decision, **the Centre for Industrial**

Technology Development (CDTI) signed a Resolution on 8 July 2021 to approve a call for proposals with a EUR 40mn budget under the Sustainable Automotive Technology Program. The call for proposal reflected the requirements in the Council Implementing Decision listed in the target description in relation to the projects. The call can support research, development and innovation (R&D&I) projects in the fields of development of very low emissions and high recyclability energy storage systems, high-efficiency hydrogen mobility systems, autonomous driving and connected mobility or adaptation of smart manufacturing environments with safe and robust systems for human-machine interaction (call Article 2(2) and Annex I). The call provided that the R&D projects could cover one of these three areas:

- i) **Development of energy storage systems with very low emissions and high recyclability, high-efficiency hydrogen mobility systems.** The call (Annex I) specified that the greatest energy efficiency will be sought through the optimization of the different materials, components and subsystems both for the ease of recycling and for the use of recycled materials. The call specified that focus would be placed on safe energy storage systems, both in vehicles and in their supply infrastructures. Five sub-areas were included in the call under this field of research:
 - i) Plug-in hybrid and pure electric propulsion systems with greater efficiency and energy density and improvements to their energy control components and subsystems and their monitoring for predictive maintenance. Development of low-weight and easy-to-recycle materials and components for these systems.
 - ii) Development of modular electrical recharging infrastructure systems with integration into primary energy networks of renewable origin and distribution.
 - iii) Energy storage and management systems. Ecodesign, materials, reuse and battery recycling and repair processes.
 - iv) Hydrogen propulsion systems, with development and optimization of materials, components and subsystems of the fuel cell and its storage system in the vehicle. Development of safe low-weight components that are easy to recycle.
 - v) Technologies for modular hydrogen recharging infrastructure systems with integration into primary energy networks of renewable origin and distribution.
- ii) **Autonomous driving and connected mobility.** The call (Annex I) specified projects should develop new hardware and software architectures for vehicles, supported by high-performance processes for autonomous driving. The projects could research on centralized management of the on-board process, management of signals from heterogeneous sources and system of sensors. Five sub-areas were included in the call under this field of research:
 - i) Advanced mobile networks (5G and other solutions) that allow, due to their design parameters, the existence of critical applications such as autonomous driving.
 - ii) Signalling and communication technologies with vehicles on roads and other infrastructures.
 - iii) Artificial Intelligence algorithm for decision-making in the vehicle.
 - iv) Technologies applied to the physical security of the vehicle, as well as to cybersecurity to prevent intrusions or sabotage.
 - v) Potential integration of vehicles in complex models of Smart cities or in fleet management systems.
- iii) **Adaptation of productive environments with safe and robust systems for human-machine interaction in the smart manufacturing environment aimed at manufacturing components and systems for electric, plug-in hybrid and hydrogen-powered vehicles.** The call (Annex I)

specified support to the development of automated manufacturing processes endowed with high safety and ergonomics for workers. To this end, the call will support the development of technologies aimed at facilitating human-machine interaction in systems operations and in decision-making processes. Support will also be given to the development of technologies for continuous monitoring systems (through 4.0 solutions) that allow increasing the effectiveness, efficiency and quality of the sub-processes and the intelligent global supervision of the manufacture of the electric, plug-in hybrid and hydrogen-powered vehicle. The call specified solutions should aim at achieving energy efficiency and sustainable processes where recyclable or easily recycled materials are included. Five sub-areas were included in the call under this field of research:

- i) Production processes with safe robotic systems (collaborative robots), virtual and augmented reality systems, production monitoring systems for continuous learning and quality control, ergonomic improvement systems and monitoring of the job security.
- ii) Additive manufacturing technologies and their materials, which provide improvements in the manufacture and repair of components and tools.
- iii) Development of materials and their transformation processes to improve the properties of the different components. Surface technologies and new coatings to improve properties. Joining technologies.
- iv) Flexible automated logistics system technologies.
- v) Integration technologies in vehicle components and structures: sensors, electronic circuits, wiring, conductive inks, etc. to optimize its control, monitoring and predictive maintenance.

The call also specified that projects shall be implemented by business consortia of three to eight businesses, and at least one has to be an SME (Article 2(4)(d) and (e)), for a maximum of three years long (Article 2(4)(c) and with a minimum EUR 5mn budget (Article 2(4)(a) and (b)).

CDTI adopted and published the final resolution of projects and beneficiaries awarded on 23 December 2021. On 31 May 2022 and 28 September 2022, CDTI amended the final resolution to rectify errors in the calculation of the aid intensity granted in the award procedure and revised accordingly the awarded amounts. Under the final resolution, CDTI has approved eleven R&D&I projects in sustainable automotive for a total of EUR 39.8 mn. All the projects approved met the selection criteria and hence the requirements of the Council Implementing Decision. CDTI produced a scientific and technical evaluation report, as well as a "Do No Significant Harm" report, for each of the projects. The eleven projects support a total of 68 companies, 39 large enterprises and 29 SMEs. As all these companies have been awarded with R&D&I projects, the target of "award to at least 35 companies" of R&D&I projects in sustainable automotive set out in the Council Implementing Decision has largely been met.

As required by the Council Implementing Decision, **CDTI has verified that projects awarded ensure compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01), unselected and unfunded activities, and the relevant EU and national environmental legislation.** In order to ensure that the investments comply with the DNSH Technical Guidance, Article 2 "Supported activities" of the resolution of the call for projects (Annex 2), contained the exclusion list of activities enshrined in the Council Implementing Decision Annex and its corresponding footnotes: i) activities related to fossil fuels, including downstream use; ii) activities under the EU Emission Trading System (ETS) achieving projected greenhouse gas emissions that are not lower than the relevant benchmarks; iii) activities related to waste landfills, incinerators and mechanical biological treatment plants; and iv) activities where the long-term disposal of waste may cause harm to the environment.

To verify compliance with the DNSH Technical Guidance, the exclusion list and the relevant EU and national environmental legislation, Article 10 of the call for project required that all applications had to submit Annex 4 of the call, meaning a self-assessment declaration of compliance with the DNSH principle for each project. Annex 11 determines that those projects not presenting Annex 4 will not be considered.

The evaluation process of DNSH compliance is explained in Article 13 of the call for projects. This article established that the CDTI will be in charge of evaluating the information received in the application process and may require further information if needed. This article also included a clause mentioning that *"if these reports show non-compliance with DNSH, the project will be rejected"*.

The CDTI wrote a report analysing the DNSH self-assessment declarations for each project. This report has been shared with the Commission at project level. The review of this documentation confirms that actions under this investment are considered compliant with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the application of the exclusion list included in the Council Implementing Decision Annex and ensuring compliance with the relevant EU and national environmental legislation. Concretely the report giving detail of the technical evaluation of the approved projects to confirm DNSH assessment, confirms for each project that *"in view of the actions described, this assessment concludes that this project complies with the DNSH criteria requested in the call and that ineligible activities are not funded. In any case, fossil fuel related activities are not funded under this project, the activities included in this project are targeted and include pure electric vehicles, hybrid electric hydrogen vehicles, hydrogen fuel cell vehicles and the electric part of the plug-in hybrids and are therefore under no circumstances intended solely for combustion engine hybrid vehicles."*

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure	
M274 - C18.R2 - Reform of the public health system	
Name of the Milestone: Approval of the Spanish Public Health Strategy	
Qualitative Indicator: Approval by the Consejo Interterritorial Sanidad	Time: Q2 2022
Context: Milestone #274 is part of reform C18.R2, which aims to establish a general and integrated framework for the provision of public health. Milestone #274 concerns the approval of a Public Health Strategy by the <i>Consejo Interterritorial Sanidad</i>. Following the completion of this milestone, in line with the description of the measure in the Council Implementing Decision, Spain will continue to develop a Public Health Surveillance Network and a new State Centre for Public Health, which shall be set up via Law or a Royal Decree of the Government. This is a further step of this reform that is not linked to the milestones and targets in the Council Implementing Decision.	
Evidence provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:	

- i) Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
- ii) Copy of the minutes of the Interterritorial Council '*Consejo Interterritorial Sanidad*' of 22 June 2022 which approved the Public Health Strategy;
- iii) Copy of the Public Health Strategy '*Estrategia de Salud Publica 2022*' provided as an annex to the copy of the minutes.

The authorities also provided:

- i) Copy of a certificate attesting to the approval of the Public Health Strategy by the *Consejo Interterritorial Sanidad* and its legal status, signed on 27 June 2022
- ii) Copy of the document titled "Implementation, monitoring and evaluation", outlining the indicators used for evaluating the strategy

Analysis:

In line with the requirements of the Council Implementing Decision, **the Spanish Public Health Strategy was approved by the *Consejo Interterritorial Sanidad* on 22 June 2022**, as reflected in section 5 of the minutes of the Health Interterritorial Council meeting held on that date and as confirmed by the certificate signed by the Secretary of the Health Inter-territorial Council on 26 June 2022 and endorsed by the President on 27 June 2022.

The justification and substantiating evidence provided by the Spanish authorities covers all constitutive elements of the milestone. In particular:

The strategy includes the essential lines and priorities to be followed by all health administrations to improve the health of the Spanish population. In particular, it establishes the following four strategic lines (LE) for public health actions throughout Spain which set up the essential priorities to for public health:

- i) LE 1 - Strengthening public health to improve the health of the population.
- ii) LE 2 - Modernise public health surveillance to ensure capacity to respond to health risks and emergencies.
- iii) LE 3 - Improving health and well-being through the promotion of safe and sustainable lifestyles and health-generating environments.
- iv) LE 4 - Promoting health and equity in health throughout life.

The Strategy develops a general and integrated framework for the provision of public health in Spain. In particular, it includes measures and actions under all four Strategic Lines which taken together cover all areas of public health in an integrated fashion, ranging across: surveillance, prevention, promotion, health protection, foreign health and international health, information systems, research and training in public health, incorporating the gender and equity perspective in all public health actions.

The Strategy covers policies for the promotion of public health. LE3 covers a broad spectrum of actions to address health determinants, for example promotion of healthy diets (LE3.A1); promotion of physical activity (LE3.A2), promoting healthy environment (LE3.A7); food security (LE3.A8) promoting health in all life contexts (LE3.A9-LE3.A11)), prevention of public health risks (e.g. reduction of consumption of alcohol, tobacco (LE3.A3), actions to counteract preventive diseases (LE3.A4 and LE3.A5)) and protection of public health (e.g LE2 which modernises the public health surveillance system, and LE3.A12 covering actions to improve safety of patients).

The strategic lines target specific population groups, namely strategic line 4 sets out specific approaches for action according to life stages, with actions focus on active and healthy childhood and adolescents (LE4.A1), active ageing (LE4.A2), or targeting vulnerable groups (LE4.A3).

The Strategy covers informing citizens under strategic line 1 setting out a policy on communication (LE1.A10), which covers developing a public health communication strategy that includes a procedure for dissemination of public health outcomes and establishing partnerships with media actors. It further covers the development of a standardised system for detecting, limiting, and rectifying disinformation on public health matters.

The Strategy addresses the training of professionals and their needs. This is addressed by LE1.A8, which covers establishing the basic skills that public health professionals should possess, the development of continuous training in public health for public health professions, the dissemination of public health training programmes in international organisations and collaboration with universities and vocational training centres to promote public health knowledge and courses. Further specific areas such trainings to increase the capacity to respond to health risks and emergencies are covered under LE 2.A3.

The Strategy ensures that public health and equal access to healthcare are taken into account in all public policies and facilitate cross-sectoral action in this area. This is covered through the establishment of public health governance and cross-policy coordination mechanisms (LE1.A1) and health impact assessment of policies (LE1.A4) and promoting equity in the population's health and well-being (LE4.A3).

The Strategy specifies that it is valid for five years, with interim evaluations every two years in which the degree of implementation shall be analysed, in accordance with the provision of Law 33/11 on Public Health.

The Strategy includes measures and actions in relation to all areas of public health that will be implemented in the policies, plans and programmes of all Spanish health administrations during their period of validity, within the deadlines laid down therein. In the certificate provided it is confirmed that the agreement is binding on all the Autonomous Communities and Cities with Statute of Autonomy comprising the *Consejo Interterritorial Sanidad*, in line with *Artículo 151.2.a) de la Ley 40/2015, de 1 de octubre, de Régimen Jurídico del Sector Público*. In addition, within Strategic Line 1 (LE1) the following relevant actions advance the implementation of this objective:

- i) LE1-A1. Establish effective public health governance and cross-cutting coordination mechanisms for health in all policies.
- ii) LE1-A1.1. Establish an interministerial commission within the scope of the General State Administration to promote health in all policies, which may have working groups in specific areas.
- iii) LE1-A1.2. Promote intersectoral participation in the Public Health Commission of the Territorial Council of the National Health System (*Consejo Interterritorial del Sistema Nacional de Salud- CISNS*) when deemed appropriate.
- iv) LE1-A1.3. Promote the creation of intersectoral bodies or alliances at the regional and local level for the exercise of health in all policies.

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure

M296 - C20.R2 - Law regulating the integrated VET system linked to the National Qualifications

System	
Name of the Milestone: Entry into force of the Law on the single integrated Vocational Training System, with the objectives of modernising the system	
Qualitative Indicator: Publication in the Official Journal	Time: Q2 2022
Context: This reform is to set out an integrated vocational training (VET) system which shall unify the two previously existing vocational training systems, the one in the education system and the one aimed at training for employment. The integrated system shall provide lifelong learning for the population at any age and in any personal or work situation, offering complementary and cumulative courses that leads to new qualifications. It shall also be accompanied by an orientation process throughout life. Milestone #296 consists of the entry into force of an Organic Law on the single integrated Vocational Training System, with the objective of modernising the VET system by i) focusing on upskilling of low skilled to improve their employability; ii) addressing skills mismatches; iii) updating the National Catalogue of Professional Qualifications to the future needs of the economy, including supporting green transition; and iv) improving the attractiveness of higher VET programmes with a view to improve enrolment. Milestone #296 is the only milestone of this reform.	
Evidence provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: i) Summary document duly justifying how the milestone (including all its constitutive elements) was satisfactorily fulfilled. ii) Copy and link to the publication in the Official Journal of Organic Law 3/2022 of 31 March 2022, on the organisation and integration of vocational training (<i>Ley Orgánica 3/2022, de 31 de marzo, de ordenación e integración de la Formación Profesional</i>) (BOE-A-2022-5139, of 1 April 2022). The authorities also provided: i) Copy of the impact assessment of the Organic Law 3/2022 of 31 March 2022. ii) Copy of the preliminary draft of the Organic Law, of 15 June 2021. iii) Copy of the publication of the approval of the draft organic law by the Council of Ministers, of 7 September 2021. iv) Copy of the publication of the draft organic law in the Official Journal of the Congress, of 17 September 2021. v) Copy of the publication of the draft organic law as submitted by Congress in the Official Journal of the Senate, of 28 December 2021. vi) An annex with additional information on the functioning and latest updates of the National Catalogue of Professional Qualifications. vii) The latest version of the National Catalogue of Professional Qualifications (November 2022). viii) An annex with the 2020 employment and growth plan. ix) An annex with different decisions related to the implementation of the Plan of modernisation of vocational training in 2021.	

- x) An annex with different decisions related to the implementation of the Plan of modernisation of vocational training in 2022.

Analysis:

The justification and substantiating evidence provided by the Spanish authorities covers all constitutive elements of the milestone. In particular:

Entry into force. In line with the requirements in the description of the milestone, Organic Law 3/2022 of 31 March, on the organisation and integration of vocational training (*Ley Orgánica 3/2022, de 31 de Marzo, de ordenación e integración de la Formación Profesional*), entered into force on 21 April 2022, twenty days after its publication in the Official Journal. This is set in the ninth final provision (*Disposición final novena*) of the organic law. The transitory period envisaged for some aspects of the law – in particular, Fifth Transitory Provision foresees a *vacatio legis* until 31 December 2028 on the transition from apprenticeship to employment training contracts under the dual intensive vocational training scheme to foster the engagement of the business sector in the implementation of the reform – is outside the scope of this milestone as set out in the Council Implementing Decision. In particular neither the description of the reform nor the text of the milestone in the Council Implementing Decision require that dual intensive vocational trainings are based on employment training contracts.

Unification of the two previously existing Vocational Training systems. In line with the requirements in the description of the milestone, Article 1 of Organic Law 3/2022 sets as object of the law the setting-up and organisation of a single and integrated system of vocational training. This is made possible, as set out in Article 5(1) of the organic law, by integrating into a single system the previous systems of vocational education and training (leg of education) and the accreditation of competences and professional guidance (leg of training for employment). Preamble II foresees that other administrations, in particular the labour one, will complement the system organisation as regards training for employment.

Lifelong learning and orientation process. Furthermore, in line with the requirements in the description of the measure, the new law sets out an integrated system of lifelong learning for the population at any age and in any personal or work situation, offering complementary and cumulative courses that leads to new qualifications. In particular, Article 5(2) defines as function of the system of vocational training the personal and professional development of the person and its upskilling throughout life. Article 5(3) organises the new model of vocational education and training, accreditation of competences and professional guidance in five ascending degrees (A, B, C, D, E) as for the offer of training, and in three levels (1, 2 and 3) of professional competence, all that as per the new National Catalogue of Professional Competence Standards. The development of this outline in Title II (Articles 22 to 54) confirms the rollout of an integrated system of lifelong learning for the entire population that builds upon the offer of complementary and cumulative courses that leads to new qualifications in line with the requirements in the Council Implementing Decision. In addition, Title VII (Articles 94 to 101) defines the content, scope and provision of professional guidance to persons, firms and institutional bodies throughout life, thus warranting an orientation process throughout life as requested in the description of the measure.

Procedural steps. In line with the requirements of the description of the measure, the Ministry of Education and Vocational Training in charge of preparing the draft law built a broad-based consensus with social partners and regional governments around it. The meetings with both groups of actors are extensively reported in the summary note provided by the Member State. Preamble #6 (*Exposición de Motivos VI*) of the organic law refers to the process of public consultation. The

Member State has also reported on the different steps towards the approval of the organic law, following the normal procedure under the Spanish legal system and meeting the indicative deadlines envisaged in the Council Implementing Decision.

Different provisions across the law point to a broad accomplishment of the objectives for the modernisation of the system, as required in the milestone and measure description of the Council Implementation Decision:

- **Objective i) focus on the upskilling of low skilled to improve their employability.** As such, it is acknowledged as guiding principle of the system of vocational training in Article 3(1) (letters *a* and *d*), and as objective in Articles 6(1) and 6(2). Beyond that, the organisation of the system in modules distributed in five ascending degrees, starting by the micro-trainings of Grade A (Articles 29 to 31), facilitates access to training to people of lower education level or vulnerable background, hence contributing to close their skills gap and boosting lifelong learning. Secondary legislation already in place, such as Royal Decree 143/2021, on the accreditation of professional competences acquired through work experience (grades A and B), and Royal Decree 62/2022, on flexibilisation of requirements for the provision of training offer (notably, with regards grades C), facilitates the completion of this objective.
- **Objective ii) addressing skills mismatches.** The new law sets out as guiding principles of the system the permanent update, flexible adaptation and proactive and pre-emptive detection of changes and needs in productive sectors (Article 3(1) sub-paragraph I), as well as the cooperation between the educational administrations at the different territorial levels (Article 3(2)). It also defines as objectives the provision to businesses and productive sectors of the professional profiles needed at any moment (Article 6(3)) and the permanent observation of the evolution of demand and supply of professions, occupations and profiles in the labour market (Article 6(4)). The continuous update of the National Catalogue of Professional Competence Standards ("*Catálogo Nacional de Estándares de Competencias Profesionales*" - CNECP) is the main tool foreseen in the law to address skills mismatches, with dozens of new grades created in the last two years that reflect the ongoing efforts to address skills mismatches.
- **Objective iii) updating the National Catalogue of Professional Qualifications, adapting it to the future needs of the economy, including supporting green and digital transition.** The organic law replaces the former National Catalogue of Professional Qualifications (*Catálogo Nacional de Cualificaciones Profesionales*) by the new National Catalogue of Professional Competence Standards ("*Catálogo Nacional de Estándares de Competencias Profesionales*" - CNECP). According to Article 8 of the organic law, the CNECP has the following functions: identifying, classifying and organising relevant labour skills valid in the whole country; being the mandatory reference for the accreditation of professional competences, either formal or informal; and providing the basis for the design of professional modules and the provision of training. The same article sets that these functions are to be carried out on the grounds of the permanent observation and analysis of the productive system and social demands. This provides a mandate to the authorities to carry out the updates of the catalogue on a continuous basis, and not in a specific moment in time. In this context, the

Spanish Government has approved at least 35 regulations² since January 2021 to create or update qualifications or set up new grades, including in areas that support the green and digital transition, thus adapting the Catalogue to the existing economic needs. Other provisions in Organic Law 3/2022 contribute to the achievement of this objective, such as Article 9(1), which organises the content of the Catalogue in professional competence standards, by levels and professional families, and Article 9(2), which sets that the organisation of the catalogue will favour the transparency of standards in the international context, allowing an easier recognition of competences and grades in other countries, notably within the EU. The third transitory provision of Organic Law 3/2022 further reinforces the alignment of the catalogue with the existing economic needs, including supporting the green and digital transition, by providing for the development of secondary legislation that will operationalise the mandatory introduction of related content in a continuous basis in the curriculum (Article 13). The replacement of the National Catalogue of Professional Qualifications by the new National Catalogue of Professional Competence Standards will be effective once the upcoming regulation on the CNECP enters into force (Third transitory provision of the Organic Law), which is expected by the start of 2023-2024 academic year. The transition from one to another catalogue does not interfere with the completion of this objective, in light of the provisions of the organic law and the continuous regulatory update. Recently approved royal decrees prove that the Catalogue is being continuously updated and in the right direction.

- **Objective iv) improving the attractiveness of higher VET programmes with a view to improve enrolment.** The organic law intends to boost the attractiveness of higher VET programmes by a) making dual all VET courses in grades C and D, i.e., at least 25% of class hours are in-work based training (Article 55); b) facilitating the continuity of training from medium to higher degrees (Article 47); c) making compulsory an individual training plan for each student (Article 58) and the assignment of an individual dual tutor in both the education centre and the company (Article 60); and d) envisaging the clustering of SMEs to share students and tutors (Articles 59(2) and 84(1)). In addition, the continuous creation of new grades adapted to the needs of the economy also fosters the attractiveness of higher VET programmes.

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure	
M304 - C21.R2 - A new curriculum model for key competences, fundamental learning and inclusive academic planning	
Name of the Milestone: Entry into force of the Royal Decrees on minimum teaching requirements for education	
Qualitative Indicator: Provision in the Royal Decrees indicating the entry into force	Time: Q1 2022
Context:	

² Some examples: Royal Decree 174/2021, of 23 March, that creates the title of technician for training on secure and sustainable mobility; Royal Decree 175/2021, of 23 March, that creates the specialisation course on rail signposting and telecommunications; Royal Decree 261/2021, of 13 April, that creates the specialisation course on development of videogames and virtual reality; Royal Decree 262/2021, of 13 April, that creates the specialisation course on implementation of 5G networks; Royal Decree 279/2021, of 20 April, that creates the specialisation course on Artificial Intelligence and Big Data; Royal Decree 281/2021, of 20 April, that creates the specialisation course on maintenance of hybrid and electric vehicles.

The reform aims to design a more flexible and open education model that promotes profound learning by applying collaborative methodologies, contributing to improve educational outcomes. This requires to set-up a new competence-based curricula that incorporate soft skills, education for sustainable development and citizenship, and the development of digital competences at all levels. The evaluation framework shall be coherent with the curricula, be focused on the acquisition of competences and favour the students' progress. The new organic law on education (LOMLOE, milestone #303) has set the basis for the implementation of this measure. The reform is to be carried out in consultation with the education advisory bodies and experts and with autonomous communities.

Milestone #304 refers to the adoption of a Royal Decree on minimum teaching requirements for primary education, compulsory secondary education, and baccalaureate. The Royal Decrees shall include: i) the methodological guidelines for teaching and learning based on a competence-based curriculum; ii) the design of a new model of education that is more flexible and open, and that promotes profound learning; iii) an evaluation framework for the acquisition of competences; and iv) the preparation of teaching material, support, guidance and training for teachers.

Milestone #304 is the first step of this reform. It will be followed by milestone #305, to be completed by Q3 2024, which is related to the completion and publication of the guidance materials for teachers, and the conclusion of trainings for at least 4 000 teachers for the application of the new curricula. Milestone #305 also requires that at least 100 external experts participate in the elaboration of the new curricula and the evaluation frameworks.

Evidence provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone was satisfactorily fulfilled.
- ii) Copy and the link to the publication in the Official Journal of the Royal Decree 157/2022 of 1 March 2022, establishing the organisation and minimum teaching requirements of primary education (BOE-A-2022-3296, of 2 March 2022), hereinafter referred to as "Royal Decree 157/2022".
- iii) Copy and the link to the publication in the Official Journal of the Royal Decree 217/2022 of 29 March 2022, establishing the organisation and minimum teaching requirements of compulsory secondary education (BOE-A-2022-4975, of 30 March 2022), hereinafter referred to as "Royal Decree 217/2022".
- iv) Copy and the link to the publication in the Official Journal Royal Decree 243/2022 of 5 April 2022, establishing the organisation and minimum teaching requirements of Baccalaureate (BOE-A-2022-5521, of 6 April 2022), hereinafter referred to as "Royal Decree 243/2022".

Analysis:

The justification and substantiating evidence provided by the Spanish authorities covers all constitutive elements of the milestone. In particular:

Royal Decree 157/2022 entered into force on 3 March 2022, one day after its publication in the Official Journal, according to its fourth final provision, Royal Decree 217/2022 entered into force on 31 March 2022, one day after its publication in the Official Journal, according to its fourth final

provision, and Royal Decree 243/2022 entered into force on 7 April 2022, one day after its publication in the Official Journal, according to its fifth final provision. As provided for their respective Article 1, these Royal Decrees establish the organisation and minimum teaching requirements of primary education, compulsory secondary education, and baccalaureate.

The preamble of the aforementioned Royal Decrees state that the Organic Law 3/2020 of 30 December 2020 on Education (LOMLOE, corresponding to milestone #303 included in the first payment request) set the basis for the implementation of this measure. In particular, Article 6 of the LOMLOE defines the mandate for the central government – after consultation with regional governments – to elaborate minimum teaching requirements, including the objectives, competences, content and evaluation criteria. According to the regulatory impact assessment accompanying the draft of each Royal Decree, external experts participated in the elaboration of the curriculum of the areas and subjects of the educational stages. The final draft of the Royal Decrees followed the public hearing and the **consultation process with regional governments and academic advisory and other consultative bodies**.

The **methodological guidelines for teaching and learning based on a competence-based curriculum** are set out in Annex III of each of the three Royal Decrees. The acquisition and development of competences will be encouraged by teaching methodologies recognising the student as the agent of his/her own learning. Article 2 of each Royal Decree provides the definition for two types of competences. Key competences, which are described individually in Annex I, are those considered essential to enable students to progress successfully on their training path, and to address the main global and local challenges. They are the adaptation to the Spanish education system of the key competences set out in the Recommendation of the Council of the European Union of 22 May 2018 regarding key competences for lifelong learning. Specific competences, which are described individually in Annex II, are those that students must be able to deploy in activities or in situations where the basic knowledge of each area is needed (e.g. interpreting and disseminating information and data based on scientific works and discussing the content in an accurate way and using different formats to analyse concepts, processes, methods, experiments or results).

The promotion of **profound learning** is defined in each of the aforementioned Royal Decrees for the corresponding educational level by the pedagogical principles (Article 6) and the objectives (Article 7), emphasising the acquisition and application of key competences. In line with the objectives of the reform in the Council Implementing Decision and taking into account the Council Recommendation of 22 May 2018 regarding key competences for lifelong learning, the new curricula incorporate **soft skills**, education for sustainable development and citizenship, and the development of digital competences both through specific content and in a crosscutting perspective. Also, the pedagogical principles and the description of key and specific competences (Annex I and II, respectively) define the application of collaborative methodologies to solve problems during lecture time.

The **design of a new model of education that is more flexible and open** is generally reflected in the pedagogical principles applying to each education level in Article 6 of the corresponding Royal Decree. And more specifically in those articles defining individual differences and situations of special learning needs (Articles 16 to 20 of Royal Decree 157/2022 for primary education, Articles 19 to 25 of Royal Decree 217/2022 for compulsory secondary education and Article 25 of Royal Decree 243/2022 for baccalaureate). In addition, the corresponding article on autonomy allows an educational centre to adjust certain organisational and curricular aspects adapting to the learning needs of students under an open programming model (Article 16 of Royal Decree 157/2022 for primary education, Article 26 of Royal Decree 217/2022 for compulsory secondary education and Article 26 of Royal Decree 243/2022 for baccalaureate).

The Royal Decrees include **an evaluation framework for the acquisition of the competences** at all levels of education. The general principles of the evaluation framework are provided in Article 14 of Royal Decree 157/2022 for primary education, Article 15 of Royal Decree 217/2022 for compulsory secondary education and Article 20 of Royal Decree 243/2022 for baccalaureate. Details on the evaluation framework are provided for each of the key competences in Annex I and for specific competences in Annex II. In line with the objectives of the reform in the Council Implementing Decision, the evaluation framework is coherent with the curricula. It also favours the students' progress as for provisions on tutorial guidance and advice (Article 13 of Royal Decree 157/2022 for primary education, Article 14 of Royal Decree 217/2022 for compulsory secondary education and Article 24 of Royal Decree 243/2022 for Baccalaureate), students' promotion (Article 15 of Royal Decree 157/2022 for primary education, Article 16 of Royal Decree 217/2022 for compulsory secondary education and Article 21 of Royal Decree 243/2022 for baccalaureate) and special learning needs as previously referenced.

The **preparation of teaching material, support, guidance and training for teachers** shall be favoured by educational authorities as per Article 21 of Royal Decree 157/2022 for primary education, Article 26 of Royal Decree 217/2022 for compulsory secondary education and Article 26 of Royal Decree 243/2022 for baccalaureate.

Based on the elements above, and in line with the requirements of the Council Implementing Decision, the new education model is expected to contribute to improve the educational outcomes in primary, compulsory secondary education and baccalaureate.

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure	
M314 - C22.R1 - Strengthening long-term care and promoting a change in the model of support and long-term care	
Name of the Milestone: Approval by the Territorial Council of the evaluation the System for Autonomy and Dependency Care (SAAD).	
Qualitative Indicator: Publication of the evaluation	Time: Q2 2022
Context: The measure aims at reforming the System for Autonomy and Dependency Care (SAAD) through simplified administrative procedures, speeding up the processing of applications and reducing waiting lists as well as reducing differences across the territory. It also focuses on strengthening the quality of professional services, improving working conditions and increasing the coverage of the different types of financial benefits. For the medium term, the reform centres on implementing a national deinstitutionalisation strategy, a model geared towards community care that meets the need and preferences of people in need of support, while ensuring cost efficiency and supporting the families caring for them. Milestone #314 concerns an evaluation of the System for Autonomy and Dependency Care and has the objective to gain an in-depth understanding of the progress of the long-term care reform process initiated in 2020 and its impacts. This is the only milestone related to this measure. Following the completion of this milestone, in line with the description of the measure in the Council Implementing Decision, Spain will introduce reforms that shall simplify administrative procedures, speed up the processing of applications and reduce waiting lists for dependants that are not receiving the services to which they are entitled as well as reducing differences across the territory. They are also focused on strengthening the quality of professional services, improving working conditions and increasing the coverage of the different types of financial benefits. For the medium	

term, the reform centres on implementing a national deinstitutionalisation strategy, a model geared towards community care that meets the need and preferences of people in need of support, while ensuring cost efficiency and supporting the families caring for them. This is a further step of this reform that is not linked to the milestones and targets in the Council Implementing Decision.

Evidence provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone was satisfactorily fulfilled;
- ii) Copy of the minutes of the Interterritorial Council including the presentation of the initial evaluation;
- iii) Copy and link to the publication of the evaluation of the System for Autonomy and Care for Dependency: https://www.mdsocialesa2030.gob.es/derechos-sociales/inclusion/docs/estudio_evaluacion_saad_completo.pdf;
- iv) Explanatory document on progress of the long-term care reform;
- v) Copy of the decision of 28 July 2022 of the State Secretariat for Social Rights publishing the Agreement of the Territorial Council for Social Services and the System for Autonomy and Care for Dependency on common criteria for accreditation and quality of the centres and services of the System for Autonomy and Care for Dependency;
- vi) Copy of the progress report on the National Deinstitutionalisation Strategy.

The authorities also provided:

- i) Link to the contract for Technical Assistance to support the drafting of the National Deinstitutionalisation Strategy: https://contrataciondelestado.es/wps/portal/!ut/p/b0/04_Sj9CPykssy0xPLMnMz0vMAfijU1JTC3ly87KtUIJLEnNyUuNzMpMzSxKTgQr0w_Wj9KMyU1zLcvQjTUxSorT9C90inILMMyxMVQ0KcnOL08ptbfWBDEcA6MiA2Q!!/
- ii) Copy of the Agreement of the Council of Ministers establishing a Commission to analyse the dependency system;
- iii) Copy of the minutes of the Interterritorial Council of 19 October 2017.

The justification and substantiating evidence provided by the Spanish authorities covers all constitutive elements of the milestone. In particular:

Evaluation of the System for Autonomy and Dependency Care (SAAD) taking place in the course of 2021. In line with the Council Implementing Decision the evaluation took place in the course of 2021 and was completed in first half of 2022 as evidenced by the copy of the minutes of the Interterritorial Council meeting that took place on 28 June 2022 and by its subsequent publication on the Ministry's website as proved by the link provided by the Spanish authorities.

Evaluation allowing for an in-depth understanding of the progress of the long-term care reform process initiated in 2020 and its impacts. The evaluation was published on the website of the Ministry of Social Rights and Agenda 2030 on 14 September 2022. The assessment of the System for Autonomy and Care for Dependency has been based on the combination of quantitative and qualitative techniques based on primary and secondary sources. The analysis and recommendations of the report include amongst others: i) the reform and continuous updating of the rules of the System for Autonomy and Care for Dependency, including those affecting territorial differences and

inequalities and those related to the implementation of the National Deinstitutionalisation Strategy (section 3 and 4); ii) the economic sustainability of the system (section 3(4) and 5); iii) challenges in care employment including working conditions (section 6); iv) access and reduction in waiting times (sections 3(2), 9 and 11); v) the economic added value of the system (section 8(2)(4)); and vi) sufficiency, adequacy and quality of services and financial benefits (section 3, 4, 5 and 9). In addition, evidence is provided in separate annexes including descriptions on the progress of the long-term care reform process since 2020 on: i) the measures that are envisaged to speed up processing of applications and reducing waiting times; ii) reduction of differences across the territory; iii) improvement of quality of care, improved working conditions and coverage of financial benefits; and iv) implementation of the national deinstitutionalisation strategy. Therefore, the evaluation provides an in-depth understanding of the progress of the long-term care reform process initiated in 2020 and its impacts.

Presentation and approval of the conclusions of this evaluation to the Interterritorial Council in the first half of 2022. Spain provided a copy of the minutes of the Interterritorial Council meeting that took place on 28 June 2022 showing that the evaluation of the System for Autonomy and Care for Dependency (SAAD) was presented to the Interterritorial Council on 28 June 2022. Such presentation in front of the Territorial Council is equivalent to its approval as evidenced by the Spanish authorities in the summary fiche showing that a presentation without explicit approval by the territorial council is common practice. The Spanish authorities also provided a link to publication of the evaluation on the Ministry's website.

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure	
M317 - C22.R4 - Reforming the reception system for migrants and applicants of international protection	
Name of the Milestone: Entry into force of the legislative reform of the reception system for migrants and applicants of international protection in Spain	
Qualitative Indicator: Provision in the order indicating the entry into force of the order	Time: Q1 2022
Context: The measure reforms the current system for the reception of migrants and applicants for international protection in Spain with the objective to improve its capacity, adapting it to the existing and estimated future needs and contributing to making it more efficient. The focus is notably on reducing long waiting times and low recognition rates for applicants for international protection, and on tailoring reception policies to the needs of vulnerable people and asylum seekers, setting different level of benefits for applicants lacking financial resources and for applicants in need of enhanced protection, aiming to minimise the provision of reception conditions in the form of financial benefits. Milestone #317 concerns the entry into force of the legislative reform of the reception system for migrants and applicants of international protection in Spain, which should be adopted by the Ministry of Inclusion, Social Security and Migration. The objectives of the reform are to develop new reception procedures for all the centres in the reception network and to recognise basic reception conditions for all asylum seekers and enhanced reception conditions for those with a high recognition probability. This is the only milestone related to this measure.	
Evidence provided:	

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone was satisfactorily fulfilled;
- ii) Copy of the publication in the Official Journal of Royal Decree 220/2022 of 29 March 2022, approving the Regulation governing the reception system for international protection (*Real Decreto 220/2022, de 29 de marzo, por el que se aprueba el Reglamento por el que se regula el sistema de acogida en materia de protección internacional*. BOE-A-2022-4978, 30 March 2022), hereinafter referred to as Royal Decree 220/2022;
- iii) Copy and link to the Decision of the State Secretariat for Migration of 9 January adopting the system of indicators for planning the reception path and the provision of enhanced reception conditions: <https://sede.inclusion.gob.es/-/accion-concertada-proteccion-internacional?redirect=%2Faccion-concertada>

The authorities also provided:

- i) Copy of a letter dated 2 February 2022 by the Secretary of State for Migration to the Autonomous Communities asking for their cooperation in drafting the Royal Decree.
- ii) Decision of 17 March 2021 of the Technical Secretariat-General publishing the Agreement with the Generalitat Valenciana, the United Nations High Commissioner for Refugees in Spain and the social entities Servicio Jesuita a Migrants España, Carritas Diocesana Orihuela-Alicante, Carritas Diocesana Segorbe-Castellón and Carritas Diocesana Valencia, to develop a pilot Community Patronage Experience with regard to the reception and integration of persons benefiting from protection international (*Resolución de 17 de marzo de 2021, de la Secretaría General Técnica, por la que se publica el Convenio con la Generalitat Valenciana, el Alto Comisionado de las Naciones Unidas para los Refugiados en España y las entidades sociales Servicio Jesuita a Migrantes España, Cáritas Diocesana Orihuela-Alicante, Cáritas Diocesana Segorbe-Castellón y Cáritas Diocesana Valencia, para desarrollar una Experiencia Piloto de Patrocinio Comunitario en materia de acogida e integración de personas beneficiarias de protección internacional*).
- iii) Decision of 24 November 2021 of the Technical Secretariat-General publishing the Agreement with the Government of Navarre, the United Nations High Commissioner for Refugees in Spain, Tudela City Council and the San Francisco Javier Civil Foundation, to develop a pilot experience of Community sponsorship in the Autonomous Community of Navarre on the reception and integration of beneficiaries of international protection (*Resolución de 24 de noviembre de 2021, de la Secretaría General Técnica, por la que se publica el Convenio con el Gobierno de Navarra, el Alto Comisionado de las Naciones Unidas para los Refugiados en España, el Ayuntamiento de Tudela y la Fundación Civil San Francisco Javier, para desarrollar en la Comunidad Foral de Navarra una experiencia piloto de patrocinio comunitario en materia de acogida e integración de personas beneficiarias de protección internacional*).

Analysis:

The justification and substantiating evidence provided by the Spanish authorities covers all constitutive elements of the milestone. In particular:

In line with the requirements of the Council Implementing Decision, the **Royal Decree 220/2022** of 29 March 2022, approving the regulation governing the reception system for international protection, **entered into force on 31 March 2022**, one day after its publication in the Official Journal, in accordance with its fourth final provision on entry into force.

A Central Ministerial Order shall reform the reception system for migrants and applicants of international protection in Spain adopted by the Ministry of Inclusion, Social Security and Migration. The Council Implementing Decision required that the reform would be adopted as a central ministerial order. However, the Spanish authorities adopted a royal decree, namely Royal Decree 220/2022 approving the regulation governing the reception system for international protection. Whilst this constitutes a minimal formal deviation from the requirement of the Council Implementing decision, both ministerial orders and royal decrees have the same regulatory status in the Spanish legal system, while royal decrees have a higher hierarchical rank. Therefore, the adoption through a royal decree can be considered at least equivalent to an adoption by a ministerial order. As of this, this minimal deviation does not change the nature of the measure and does not affect the progress towards achieving the entry into force of the legislative reform of the reception system for migrants and applicants of international protection in Spain that this milestone represents. On this basis, it is considered that this constitutive element of this milestone is satisfactorily fulfilled.

Develop new reception procedures for all the centres in the reception network. Royal Decree 220/2022 develops the phases of access, permanence, and itinerary of the reception system. It also regulates in detail the rights, benefits and resources and the duration of each phase of the international protection reception system (Title II of the Royal Decree).

Strengthening the system for the reception of migrants and applicants for international protection to improve its capacity, adjust it to existing and future needs and make it more efficient. Royal Decree 220/2022 strengthens the system for the reception of migrants and applicants for international protection to improve its capacity, and reduces long waiting times and low recognition rates for applicants of international protection, by providing initial assessments and referral centres (Article 28), where the first assessment of the profile and needs of the person will be carried out in order to be transferred, as soon as possible, to the available resources most suited to the applicant's profile. The activities carried out in those centres are defined in Articles 15, 16 and 17. The new regulative reform adjusts the reception system to existing and estimated future needs and contributes to making it more efficient as stipulated in Article 6 through ensuring inter alia material reception conditions and developed further throughout the other Articles. The regulatory changes cater for a more robust and better functioning system and will make the management of future migration crises smoother.

Reception policies shall be tailored to the EU integration objectives. Royal Decree 220/2022 tailors the reception system to the EU integration objectives. The reception system aims at the inclusion and acquisition of autonomy of the recipients. Article 6(e) indicates, among the guiding principles of the system, “[p]romoting the process of gradual integration and autonomy of the recipients in the territorial area in which the reception resource is located, by devising an individualised pathway and promoting the participation of recipients in its preparation’. This objective of inclusion and autonomy is also reflected in Articles 18 and 21 of the Royal Decree in relation to the reception and autonomy phases, respectively.

Reception policies shall be tailored to the needs of vulnerable persons and asylum seekers. Chapter III of Title II of the Royal Decree 220/2022 (Articles 11 to 14) tailors the reception conditions to the needs of the applicant. In particular, Article 11(3) states that the particular needs of persons in a vulnerable situation shall be taken into account in determining the material reception conditions to which applicants shall have access. Article 2(c) defines situation of vulnerability as the “[c]onvergence of circumstances that increase the likelihood of a person suffering from contingencies that diminish their most basic well-being. These include, but are not

limited to, minors, the elderly, people with disabilities [...].”

Recognising basic reception conditions for all asylum seekers and enhanced reception conditions for those with a high probability of recognition. The tailoring of the reception system to the needs of the applicants, and particularly those in vulnerable situations, results in the establishment of a level of i) benefits for basic services, generally intended for those targeted by the system who lack financial resources and ii) enhanced benefits for those who require it as a result of their vulnerable situation. In particular, Articles 16, 19 and 22 of the Royal Decree 220/2022 lay down the basic services and activities carried out at each stage of the itinerary, depending on the profile of the person to whom it is addressed. Article 11(4) establishes the right of vulnerable persons to access specific access or resources adapted to their particular circumstances. Articles 17, 20 and 23 refer to the possibility to adjust the periods of residence for vulnerable people in each of the phases of the itinerary for longer than it is normally provided for. Moreover, financial benefits might be provided only as a supplement at the initial assessment, referral and reception stages, and always taking into account the individual needs of each applicant. This will also lead to minimising the provision of reception conditions in the form of financial benefits. The Council Implementing Decision requires to recognise enhanced reception conditions for those applicants with a high probability of recognition. Spain has defined a reception system that recognises enhanced benefits for those applicants who need them as a result of their vulnerable situation. Whilst this constitutes a minimal substantive deviation from the requirement of the Council Implementing Decision, the adopted approach is in line with the reception system being adapted to the reception needs of those most in need of protection, such as vulnerable persons, as stated in the description of the measure. Furthermore, the authorities have explained in the summary fiche that Directive 2013/33/EU of the European Parliament and of the Council of 26 June 2013 laying down standards for the reception of applicants for international protection generally allows the reception conditions to be modulated according to the needs of the applicant, but not on the basis of the likelihood of recognition. As of this, this minimal deviation does not change the nature of the measure and does not affect the progress towards achieving the legislative reform of the reception system for migrants and applicants of international protection that this milestone represents. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

A system of indicators including elements such as nationality, gender, ethnicity, vulnerability, conditions in country of origin, etc. shall be utilised in a weighted formula that shall enable an objective calculation of the probability of being granted protection for the responsible authorities to direct applicants towards the basic or enhanced reception track and applying the corresponding benefits. Article 6(b) of Royal Decree 220/2022 provides for a system of indicators based on the individual circumstances of the recipients, as well as the country of origin, to be developed for the establishment of basic or reinforced reception conditions. Article 7(2) of this Royal Decree provides for these indicators to be established by decision of the Secretariat of State for Migration and to be utilised in a weighted formula that will allow the receiving authority to direct applicants towards a basic or reinforced reception pathway. Spain has already defined, by Decision of the Secretariat of State for Migration of 9 January 2023 the system of indicators – which has been notified through the IT system used for the management of the reception system (SIRIA), in accordance with the eleventh provision of the resolution, and published on the webpage of the Ministry of Inclusion, Social Security and Migration. This system of indicators includes among others, elements such as nationality, gender, age, sexual identify and orientation, disability, family status and signs of torture and other country of origin information. The Secretariat of State for Migration uses a tool developed by the European Asylum Agency (IPSN tool) to objectively calculate the probability of the applicant to be directed towards enhanced reception tracks and respective benefits. This tool, which includes the same set of indicators as that contained in the Decision of the Secretariat of State for Migration, links them automatically to different special needs categories. The indicators, which have been selected on the basis of the applicant social report, are objectively

scored with a value of one and attributed to the relevant special needs categories. These unitary scores resulting from indicators related to the same special need category are arithmetically added through a weighted formula with unitary weights. Taking into account the resulting score of this arithmetic formula in each special needs category, the tool automatically and objectively provides a report with information on the enhanced reception needs that apply to the applicant.

In order to ensure the implementation of the reformed reception system, the Council Implementing Decision requires this system of indicators to be utilised in a weighted formula to enable an objective calculation of the probability of being granted protection. Following the approach explained above, Article 7(2) of Royal Decree 220/2022 and sub-paragraphs 5 and 6 of the Decision of the Secretariat of State for Migration of 9 January 2023, as well as its Annex, provide that the system of indicators to be utilised in a weighted formula will help assess the vulnerability of applicants and facilitate the decision by the relevant authorities on directing applicants to basic or enhanced reception and applying the corresponding benefits. Whilst this constitutes a minimal substantive deviation from the requirement of the Council Implementing Decision, the definition of this system of indicators that assess the vulnerability of applicants contributes to ensuring the implementation of the new reception system adapted to the reception needs of those most in need of protection, such as vulnerable persons, as stated in the description of the measure. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

Organisation of the reception system from a territorial point of view. Royal Decree 220/2022 addresses the organisation of the reception system from a territorial point of view. In particular, Articles 24 to 27 provide for the promotion of a balanced territorial distribution agreed in cooperation with autonomous communities, while ensuring harmonised reception conditions, irrespective of the territory in which the arrangements are located. Moreover, the Second Additional Provision **speeds up the takeover of powers by autonomous communities** by authorising the Government to take the necessary steps to conclude agreements with the autonomous communities, providing for arrangements for the management of reception services and inclusion in the field of international protection. In conjunction, **pilot projects in autonomous communities to speed up the takeover of their powers in line with case law were launched in Valencia on 15 November 2021 and Navarre on 8 March 2021 through the signature of collaboration agreements. The Spanish authorities have confirmed that these pilots have already supported the resettlement of 23 Syrian persons in Valencia and the resettlement of 15 Syrian people in Navarre.** The main purpose of these projects is to facilitate a comprehensive inclusion of refugees in the Autonomous Communities of Navarre and Valencia. Refugees and the host society are key players in this process. These initiatives are also intended to draw lessons and conclusions that can be taken back to a comprehensive project in these autonomous communities, which can also be presented as an initiative to be replicated in other autonomous communities. To the same end, Royal Decree 672/2022 of 1 August 2022 provides for direct awards of subsidies to the Autonomous Communities to promote and encourage better attention to the basic needs of persons benefiting from the temporary protection regime affected by the conflict in Ukraine.

The territorial distribution parameters for applicants agreed in cooperation with the autonomous communities. Article 27 of Royal Decree 220/2022 provides the parameters to distribute asylum seekers to their final accommodation in the different territories, including criteria such as: the territory where the asylum seeker files his or her request; the promotion of a balanced territorial distribution; family situation or the reception needs of the applicant or his or her possible vulnerability. Spain has submitted evidence proving that Autonomous communities were consulted as regards the content of this royal decree and has confirmed that their comments were considered in its final version.

Commission Preliminary Assessment: Satisfactorily fulfilled
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Milestone number – related measure

M350 - C23.I7 - Promoting inclusive growth by linking social inclusion policies to the national minimum income scheme ('IMV')

Name of the Milestone: Improving the take-up rate of the Minimum Vital Income ('IMV') and increasing its effectiveness through inclusion policies
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Qualitative Indicator: Publication of the partnership agreement (' <i>Convenio</i> ') Time: Q1 2022

Context:

This investment aims to improve the effectiveness of integration pathways of the beneficiaries of the national minimum income scheme ('IMV', introduced in May 2020 as for reform C22.R5) through the implementation of at least 18 pilot projects. To this aim, the Ministry of Social Inclusion shall sign partnership agreements with the concerned entities; an action plan shall accompany every partnership agreement. Following their completion, an evaluation shall be conducted. The implementation of this investment follows upon the entry into force of the minimum vital income in Q2-2020 (milestone #318 of the Plan, satisfactorily fulfilled under the first payment request).
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Milestone #350 concerns the signature of the first eight partnership agreements with sub-national public administrations, social partners and third sector social action entities to carry out the pathways to support the socio-economic inclusion of IMV beneficiaries. These partnership agreements have the objectives of i) improving the take-up rate of the IMV, and ii) increasing the effectiveness of the IMV through inclusion policies.
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Milestone #350 is the first step of the implementation of the reform and will be followed by milestone #351, to be completed by Q1 2024, related to the publication of an evaluation to assess the coverage, effectiveness and success of Minimum Income schemes, including specific recommendations to increase the take-up ratio and improve the effectiveness of social inclusion policies, following the completion of at least 18 pilot projects.

Evidence provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:
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| <ul style="list-style-type: none"> i) Summary document duly justifying how the milestone was satisfactorily fulfilled; ii) Copy and link to the publication in the Official Journal of the partnership agreement between the Ministry of Inclusion, Social Security and Migration and the City of Ceuta (<i>Resolución de 21 de enero de 2022, de la Secretaría General de Objetivos y Políticas de Inclusión y Previsión Social, por la que se publica el Convenio con la Ciudad de Ceuta, para la realización de un proyecto para la inclusión social en el marco del Plan de Recuperación, Transformación y Resiliencia</i>) (BOE-A-2022-1527, of 31 January 2022); iii) Copy and link to the publication in the Official Journal of the partnership agreement between the Ministry of Inclusion, Social Security and Migration and the Autonomous Community of Galicia (<i>Resolución de 21 de enero de 2022, de la Secretaría General de Objetivos y Políticas de Inclusión y Previsión Social, por la que se publica el Convenio con la Xunta de Galicia, para la realización de un proyecto para la inclusión social en el marco del Plan de Recuperación, Transformación y Resiliencia</i>) (BOE-A-2022-1528, of 31 January 2022); iv) Copy and link to the publication in the Official Journal of the partnership agreement |
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between the Ministry of Inclusion, Social Security and Migration and the Autonomous Community of the Basque Country (*Resolución de 21 de enero de 2022, de la Secretaría General de Objetivos y Políticas de Inclusión y Previsión Social, por la que se publica el Convenio con la Comunidad Autónoma del País Vasco, para la realización de un proyecto para la inclusión social en el marco del Plan de Recuperación, Transformación y Resiliencia.*) (BOE-A-2022-1529, of 31 January 2022);

- v) Copy and link to the publication in the Official Journal of the partnership agreement between the Ministry of Inclusion, Social Security and Migration and *Fundación Red de Apoyo a la Integración Sociolaboral* (*Resolución de 21 de enero de 2022, de la Secretaría General de Objetivos y Políticas de Inclusión y Previsión Social, por la que se publica el Convenio con la Fundación Red de Apoyo a la Integración Sociolaboral, para la realización de un proyecto para la inclusión social en el marco del Plan de Recuperación, Transformación y Resiliencia.*) (BOE-A-2022-1530, of 31 January 2022);
- vi) Copy and link to the publication in the Official Journal of the partnership agreement between the Ministry of Inclusion, Social Security and Migration and Save the Children Foundation (*Resolución de 21 de enero de 2022, de la Secretaría General de Objetivos y Políticas de Inclusión y Previsión Social, por la que se publica el Convenio con la Fundación Save the Children, para la realización de un proyecto para la inclusión social en el marco del Plan de Recuperación, Transformación y Resiliencia.*) (BOE-A-2022-1531, of 31 January 2022);
- vii) Copy and link to the publication in the Official Journal of the partnership agreement between the Ministry of Inclusion, Social Security and Migration and the Autonomous Community of Aragon (*Resolución de 19 de enero de 2022, de la Secretaría General de Objetivos y Políticas de Inclusión y Previsión Social, por la que se publica el Convenio con la Comunidad Autónoma de Aragón, para la realización de un proyecto para la inclusión social en el marco del Plan de Recuperación, Transformación y Resiliencia.*) (BOE-A-2022-1633, of 1 February 2022);
- viii) Copy and link to the publication in the Official Journal of the partnership agreement between the Ministry of Inclusion, Social Security and Migration and the Barcelona City Council (*Resolución de 21 de enero de 2022, de la Secretaría General de Objetivos y Políticas de Inclusión y Previsión Social, por la que se publica el Convenio con el Ayuntamiento de Barcelona, para la realización de un proyecto para la inclusión social en el marco del Plan de Recuperación, Transformación y Resiliencia.*) (BOE-A-2022-1639, of 1 February 2022);
- ix) Copy and link to the publication in the Official Journal of the partnership agreement between the Ministry of Inclusion, Social Security and Migration and *Confederación Plena Inclusión España* (*Resolución de 21 de enero de 2022, de la Secretaría General de Objetivos y Políticas de Inclusión y Previsión Social, por la que se publica el Convenio con la Confederación Plena Inclusión España, para la realización de un proyecto para la inclusión social en el marco del Plan de Recuperación, Transformación y Resiliencia.*) (BOE-A-2022-1709, of 2 February 2022).

The authorities also provided:

- i) Copy and link to the publication in the Official Journal of Royal Decree 938/2021, regulating the direct award of grants from the Ministry of Inclusion, Social Security and Migration in the field of social inclusion, amounting to EUR 109 787 404, as part of the Recovery, Transformation and Resilience Plan (*Real Decreto 938/2021, de 26 de octubre, por el que se regula la concesión directa de subvenciones del Ministerio de Inclusión, Seguridad Social y Migraciones en el ámbito de la inclusión social, por un importe de 109.787.404 euros, en el marco del Plan de Recuperación, Transformación y Resiliencia.*) (BOE-A-2021-17464, of 27 October 2021), and hereinafter referred to as “Royal Decree 938/2021”;

- ii) Copy of the eight actions plans accompanying the eight partnership agreements;
- iii) A certificate informing on the contacts held with the social partners for the implementation of the integration pathways;
- iv) An annex explaining the information on the unit costs in the action plans.

Analysis:

The justification and substantiating evidence provided by the Spanish authorities covers all constitutive elements of the milestone. In particular:

Signature of eight partnership agreements. In line with the requirements of the description of the milestone, the Ministry of Social Inclusion signed in Q1-2022 eight partnership agreements: five with sub-national public administrations (Cities of Barcelona and Ceuta and Autonomous Communities of Aragon, Galicia and Basque Country), and three with third sector social action entities (Save the Children Foundation, *Fundación Red de Apoyo a la Integración Sociolaboral* and *Confederación Plena Inclusión España*). The signature of the partnership agreements was followed by their publication in the Official Journal. The Council Implementing Decision also required the signature of agreements with social partners. Given the difficulties for social partners to reach out beneficiaries entitled to receive minimum vital income (“IMV”) without the intermediation of third sector social action entities, it was decided that the most efficient manner to involve social partners in the implementation of the partnership agreements was not as signatories of the agreements but through their participation in the Consulting Council of Minimum Income. The latter is a consultation body envisaged in Law 19/2021, of the minimum vital income, and regulated in Royal Decree 635/2022, which advises the Ministry of Social Inclusion on any matter regarding the regulation and implementation of the minimum income scheme. Additionally, employers were also involved by cooperating in the implementation of some of the ongoing projects. Whilst this constitutes a minimal substantive deviation from the requirement of the Council Implementing Decision, the Commission considers that the actual involvement of social partners in the partnership agreements was ensured. As of this, this minimal deviation does not change the nature of the measure and does not affect the progress towards achieving the investment that the milestone represents. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

Objectives of the partnership agreements. Royal Decree 938/2021 sets the legal framework and provides the funding (EUR 109.8 million) for the signature of sixteen partnerships agreements, including the eight concerned in this milestone. In line with the requirements of the description of the milestone, the partnership agreements are the tool to support the socio-economic inclusion of the IMV beneficiaries. This shall be possible by achieving the objectives that, according to Article 1 of Royal Decree 938/2021, shall guide the partnership agreements: i) improving the take-up rate of the IMV, and ii) increasing the effectiveness of the IMV through inclusion policies. To this end, Article 5.1 of Royal Decree 938/2021 sets that the grants shall have the objective of improving the take-up rate and the effectiveness of the IMV thorough inclusion policies. Looking into the individual partnership agreements, each of them recalls these two objectives in its Section Six, while the description of the actions to fund (Clause Three) and the commitments taken by the beneficiary (Clause Six) are consistent to serve both objectives.

Action plans accompanying the partnership agreements. In line with the requirements of the description of the measure, an action plan accompanies each of the partnership agreements. The action plans share a common structure that contains all the items requested in the Council Implementing Decision. Section 3 defines the area of influence and contains the description of IMV beneficiaries taking part in the pilot project. Most appropriate pathways and related inclusion

outcomes to be achieved through the intervention are thoroughly described in Section 6 of action plans. Sections 10, 12, 13 and 14 contain information on non-IMV beneficiaries used as control groups. Section 17 concerns the unit costs of the intervention, but inevitably indicates a placeholder in all the action plans, justified by the need of further progress on the implementation of the integration pathway for their definition; in particular, it is not possible to know the number of participants in a pilot project, and hence the unit cost of the intervention, until the integration pathway reaches an advanced stage of intervention, as thoroughly explained by the authorities in the supporting evidence. Finally, the monitoring plan for the Ministry of Inclusion to assess the achievement of the different milestones defined in the plan can be found in Sections 20 and 21, while the goal of publishing an evaluation once the pilot is finished and lessons learnt is addressed in Section 22.

Commission Preliminary Assessment: Satisfactorily fulfilled

Target number – related measure

T360 - C24.I3 - Digitisation and promotion of major cultural services

Name of the Target: Digitisation and promotion of major cultural services

Quantitative Indicator: EUR (million)	Baseline: 0	Target: 40	Time: Q2 2022
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Context:

This measure has the objective to digitise as well as to promote major cultural establishments such as the National Prado Museum, the National Museum Centro de Arte Reina Sofia, the Spanish National Library as well as other library assets from the state administrations or private entities, archive systems, inventories and records of historical heritage, including audio-visual heritage; and INAEM (*"Instituto Nacional de las Artes Escénicas y de la Música"*).

Target #360 consists in the digitisation and promotion of major cultural services. The target requires the commitment of a cumulative budget of at least EUR 40 000 000 to contribute to a number of actions of digitalisation of the National Prado Museum and the Reina Sofia Museum; increasing of the annual users of the digital collection of the Spanish National Library; digitalisation of Bibliographic heritage; allowing digital access, interoperability, and expansion of the bibliographic and archival systems; and completing an integrated system for the digitalisation and cataloguing of INAEM's resources, assets, structures and infrastructure. This target is the first step of the implementation of the investment and will be followed by the targets #361 and #362 due for Q4 2023.

Evidence Provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the target was satisfactorily fulfilled;
- ii) Annex table I: list of the initiatives indicating for each action: a reference to the official document certifying the budget commitment, issued in accordance with the national legislation); confirmation of the budget committed (without VAT);
- iii) 002.1 H360 EV Annex 2: Document justifying compliance with the Do no significant harm Technical Guidance (2021/C58/01) under each entity. This document is complemented by the following extracts of official documents containing DNSH safeguards for specific activities:
 - 002.8 H360_EV Description of the Digital preservation system for the digital libraries of the sub-directorate general library coordination;
 - 002.9 H360_EV Copy of the order of the Ministry of Culture and Sports to the General Directorate of Books and Promotion of Reading for the digitalization of

materials of the bibliographical heritage and development of Hispana;

- 002.10 H360_EV Confirmation of the approval by the Council of Ministers on the meeting of 13 July 2021 of the allocation key for the found distributions to the Autonomous Communities;
- 002.11 H360_EV Confirmation of the approval by the Council of Ministers on the meeting of 5 April 2022 of the found distributions to the Autonomous Communities;
- 002.12 H360_EV contract agreement of the Ministry of Culture and Sport and services agrarios, s.a., s.m.e., m.p. (tragsatec), a subsidiary of tragsa, for the provision of analysis and diagnosis service of two project;
- 002.13 H360_EV assignment agreement of the Ministry of Culture and Sport and services agrarios, s.a., s.m.e., m.p. (tragsatec), a subsidiary of tragsa, for the provision of analysis and diagnosis service of two projects;
- 002.14 H360_EV Expenditure records;
- 002.12 H360_EV explanatory report on the DNSH principle for the acquisition of 110 23.6" monitors lot 10 for archives and centers
- 002.15 H360_EV Information about the energy efficiency of 14 projectors supplied;
- 002.16 H360_EV Information on the support in the execution of the plan of digitalisation by the National Institute of Performing Arts and Music (Instituto Nacional de las Artes Escénicas y de la Música).

The document was further complemented by the following documents:

- 002.3 H360_EV DNSH self-assessment carried out by the Prado Museum for project 21AA0414;
- 002.4 H30_ EV Document justifying compliance with the relevant national and EU environmental legislation for project 21AA0414;
- 002.5 H360_EV Template DNSH self-declaration contractors;
- 002.6 H360_EV Template DNSH self- declaration beneficiaries;
- DNSH self-declarations for the projects not including the DNSH safeguards in the calls (2021AHX00311, 2021AHX00312, 2021AHX00313, 2021AHX00314, 2021AHX00315, 2021AHX00316, 2021AHX00317, 2021AHX00318, 2021AHX00507, 2021AHX00511, 2021AHX00512, 2021AHX00615, 20210000034C, 20210000072C, 20210000086C, 20210000064C, 21/077, 21/079, 21/095, 21/128, 21/131, 22/039, 2021 00000927, 2021 00000837 and 2021 00000791);
- Report-declaracion-dnsh-c24i3-o360-mcd-63a5723b31412.pdf: Integrative declaration of the Ministry of Culture and Sports confirming compliance of the contracts signed with the DNSH eligibility conditions set out in the Council Implementing Decision.

The Spanish authorities also provided:

- i) 003 H360_IGM Management report on digitisation and promotion of large cultural services;
- ii) A sample of contracts for 66 individual projects selected by the Commission, certifying the nature of the activity and the budget commitment.

Analysis:

In line with the requirements of the Council Implementing Decision, **the cumulative budget committed for the relevant actions, assessed under this target, amounts to EUR 40,625,962.89 as**

of 30 June 2022 (excluding VAT).

As explained in detail below, the actions for which the budget was committed, are aligned with the scope of the investment C24.I3 and target #360 as described in the Council Implementing Decision.

National Prado Museum. The Spanish authorities had undertaken six lines of actions to boost and digitalise the national Prado Museum, for a total budget commitment of EUR 7.96 million. These lines of actions are aimed at modernising and optimising the infrastructure, services and internal management and developing a strategy for universal accessibility and improving visitor experience in its face-to-face and virtual ways. In line with the requirements of the Council Implementing Decision, the projects included under the six lines aim at:

- improving of the accessibility the Prado Museum and its integration in the urban fabric (e.g. this includes the provision and installation of a stairway platform for access to the offices of the Museum of Prado - project reference 21AM0319, as described in Annex table I; and the supply and installation of a stairway platform in the Villanueva building - project reference 21AM0279, as described in Annex table I);
- integrating of the sensors into a single monitored system (e.g. supply of three X-ray inspection equipment to ensure security at more points of entry to the premises - project reference 22CC0057, as described in Annex table I);
- the development of an inclusive experience to make the museum accessible to more visitors (e.g. acquisition of 391 guides - project reference 21AM0274, as described in Annex table I; translation into English of the explanatory texts on the pieces of art consulted on the webpage - project reference 21AS0251, as described in Annex table I);
- the development of an interoperable digital platform between museums (e.g. management, design and development of the Prado semantic-digital platform - project reference 22AAE106, as described in Annex table I; purchase and implementation of digital library management software for the dissemination of the bibliographic collections - project reference 21AS0273, as described in Annex table I);
- the improvement of digital tools for the administration (e.g. support activities aimed at the digital transformation of the Museum, such as identification of information systems needs for development of electronic administration, identification of the specific requirements of the different information systems in order to facilitate the transformation of needs into technical specifications; analysis of possible technical solutions, support in the implementation and start-up of the selected solution, etc. - project reference 21AO0243, as described in Annex table I);
- the creation of multimedia content (e.g. cataloging documents for digital archives, analytical cataloging of prints, sketchbooks, 220 books and updating of 1400 titles - project reference 21AA0405, as described in Annex table I; preparation and digitisation of bibliographic and documentary funds project reference 21AA0322, as described in Annex table I).

National Museum Centro de Arte Reina Sofia. The amount of EUR 5.83 million (excluding VAT) has been committed through 170 expenditure files already completed or under way. The projects developed under target #360 for the National Museum Centro de Arte Reina Sofia (MNCARS) help to boost and digitalise the museum. In line with the requirements of the Council Implementing Decision, the projects aim at:

- Offering fellowships research residences for young artists and thinkers with a focus to develop digitisation actions for the cultural heritage. As confirmed by the Spanish

authorities, 8 fellowships for an overall value of EUR 384,000 have been already offered (project references: 2021AHX00311, 2021AHX00312, 2021AHX00313, 2021AHX00314, 2021AHX00315, 2021AHX00316, 2021AHX00317, 2021AHX00318, as described in Annex table I).

- Digitising of the Museum (e.g. management of web content and digital projects in the department of publishing activities, allowing the contents of the Museum's website to be updated on a daily basis, thus disseminating all the contents of its programming, together with complementary materials that provide broad digital access to the cultural heritage for citizens; project reference 2021AHX00282, as described in Annex table I; purchase of LIMB PROCESSING (software for massive edition processing/quality control of digital images) for the library and documentation center department, project reference 2021AHX00423, as described in Annex table I).

Spanish National Library (SNL). The actions aimed at increasing the number of the annual users of the digital collection of the Spanish National Library have been committed with a total budget of EUR 3.09 million. This objective has been implemented by promoting the use and re-use of its digital data and collections through the implementation of the following actions, in line with the CID Annex and aiming at:

- Increasing the annual users of the digital collection of the Spanish National Library (e.g. purchase and installation of the museum's audiovisual equipment - project reference 21/128, as described in Annex table I; remodeling and adaptation of the museum to promote the use and reuse of SNL data and digital collections (as support for teaching, research, cultural industries and technological development) - project reference 21/077, as described in Annex table I).
- Promoting the use and re-use of its digital data and collections in support of teaching, research, cultural industries and technological developments (e.g. digitalisation of collections of the SNL - project reference 20210000034C, as described in Annex table I; Creation of a podcasts channel to allow the Library services and collections to be disseminated through different channels and audiences, project reference 20210000072C, as described in Annex table I; development of tools for the use of the teaching community of the SNL scholar platform to promote the exploitation and re-use of SNL digital data and collections, in this case teaching, also with the aim of promoting the acquisition of digital skills project reference 20210000064C, as described in Annex table I).

Digitalisation of the other bibliographic heritage collections: The Directorate-General for the Books and Promotion of Reading has carried out several actions, for a total budget commitment of EUR 3.52 million. The actions undertaken are in line with the CID Annex and aim at:

- Digitalisation and granting access to the bibliographic heritage of other library assets from the state administrations or private entities (e.g. digitisation of bibliographical and audiovisual materials preserved in different Spanish institutions of the State Administration, such as the municipal newspaper library of city of Madrid, national Public Libraries of Zaragoza, Guadalajara, Valladolid, Cáceres and Leon, Atlantic Center of Modern Art, to make them available to citizens through digital repositories; project reference 2021C1000694, as described in Annex table I).
- Making the library asset available to citizens via digital repositories (e.g. digital preservation system, project reference 2021C3000702, as described in Annex table I; digitisation of materials of the bibliographical heritage and development of Hispana, the Spanish national metadata collector - project reference 2022C1000518, as described in Annex table I).
- Allowing digital access to the Bibliographic heritage (e.g. creation of database and research

service for the intangible cultural heritage portal, project reference 2022 00000273, as described in Annex table I).

Digital access to the Bibliographic heritage and interoperability of all types of public archival systems and expansion of the data storage capacity of the Spanish historical heritage inventory and archival systems. As set out by the Spanish authorities in their summary document, the Directorate-General for Cultural Heritage and Fine Arts (DGPCBA) committed EUR 17.96 million for the implementation of this part of the target #360. The actions undertaken are in line with the CID Annex and aim at:

- Digitalisation of all types of public archives, inventories and records of historical heritage (e.g. digitisation of the historical heritage records and registry books and creation of digital registry books managed by the General Sub-Directorate of Historical Heritage Records and Documentation (SGRDPH), Assets of Cultural Interest registry, General Inventory of Personal Property, Board of Qualification, Valuation and Export of Assets of the Spanish Historical Heritage (JCVEPHE), project references 2021 00000934 and 2022 00000537, as described in Annex table I);
- Interoperability of all types of public archival systems, inventories and records of historical heritage, including audio-visual heritage (e.g. development of tools for the documentary research, database, inventory; providing data to Geographical Information System (GIS platform) of information on underwater archaeological heritage with a goal of creation of 4 differentiated databases to improve documentary management of various types of heritage and thus promote interoperability between systems and development of an application (software) for the registration, management and consultation of Historical Heritage management tools Spanish, project reference 2021C1000845; development of the inventory information system and registration of cultural assets, to promote interoperability: project reference 2021 00000967, as described in Annex table I; digitalisation of the cinematographic NODO funds and funds of the Spanish Film Library for the Conservation and Restoration Center of the Spanish Film Library and the implementation of a digital preservation system, project reference 2022/000887, as described in Annex table I).
- Expansion of the data storage capacity of the Spanish historical heritage inventory and archival systems (e.g. expansion of the digital storage infrastructure for the General Sub-directorate of Records and Documentation of Historical Heritage, project reference 2022 00000405; purchase of equipment for the expansion of the storage infrastructure, project reference 21/095, as described in Annex table I).

Completion of an integrated system for the digitalisation and cataloguing of INAEM's resources, assets, structures and infrastructure. The amount committed for this part of the project is EUR 3.76 million (excluding VAT). As it is explained in the below, the investments are aligned with the scope of the target #360 as described in the Council Implementing Decision and aim at:

- Completing an integrated system for the digitalisation and cataloguing of INAEM's resources, assets, structures and infrastructure (e.g. **on resources:** updating of the CDAEM (Documentation Center for Performing Arts and Music) Spanish musical bibliography database development and implementation of a comprehensive document management tool and the preservation of documentary archives for the CDAEM, project references 2021MRRIN001, 2021MRRCGP00 MSA210073, 2021MRRCG03 MSA210081, 2021MRRCGP01MSA210079, as described in Annex table I; **on assets:** digitisation and indexation of various collections (e.g. collection of Ricardo López Aranda) by Centre for

Documentation of Performing Arts and Music (CDAEM), project reference 2021MRRIN002; **on structures:** provision of documentation processing services for digitisation by Sociedad Mercantil Estatal de Gestión Inmobiliaria de Patrimonio, M.P., S.A and Entidad Pública Empresarial “Fábrica Nacional de Moneda y Timbre – Real Casa de la Moneda E.P.E. M.P.” (FNMT – RCM) for the implementation of a comprehensive digital system (INAEM DIGITAL) for the digitisation and cataloging of documentation services, archives, and INAEM structures and infrastructures, the reference in Annex I: numbers 2021MRRGP026 and 2022MRROM004, as described in Annex table I; **on infrastructure:** digital management project allowing shared work and the digital preservation of documentation on servers (JONDE), project reference 2021MRRGP025, technical project for the provision of audio and video production equipment for streaming broadcasts, project reference 2022MRRIN001, as described in Annex table I).

- Development of various advanced tools for the planning, management and impact assessment of public support schemes for the performing and musical sectors (e.g. technical design and implementation of the project to modify the web pages of the artistic units of the INAEM, especially OCNE website -project reference 2021MRRGP027, as described in Annex table I).
- Implementation of a digital integrated system (INAEM DIGITAL) for the digitisation and cataloguing of the documentation, archiving services, and the structures and infrastructures of the INAEM (e.g. technical advice on the design to improve the website for a comprehensive digital system (INAEM DIGITAL), contributing to updating, modernising and maintenance of the web pages of the artistic units of the INAEM with the aim to facilitate a more fluid and close relationship with real and potential audiences, as well as a better projection of INAEM activities (visibility and transparency); project reference 2021MRRGP030, as described in Annex table I).

The evidence provided for a sample of 66 actions confirmed that the contracts have been signed by both the relevant administrations and the contractors. As required in the Operational Arrangements, the contracts were signed and issued according to the national legislation, certifying the budget committed. The Annex I shared by Spain indicates the budget amounts without VAT, also for those contracts that referred to amounts with VAT. Finally, the activities indicated in the contracts and in relevant supporting evidence, confirmed the relevance of the activities for the scope of the target, in line with the summary description provided in Annex Table I.

The implementation of the measure complies with the ‘Do no significant harm’ Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation. Annex 2(1) summarises how museums, bodies and units involved in this target comply with the DNSH Technical Guidance and the relevant EU and national environmental legislation. Also, it is stated that each body, unit or museum is responsible to ensure compliance with the DNSH principle and the relevant EU and national environmental legislation. The following are examples of how the DNSH conditions were included in the different calls:

- Project 21AA0414 (Prado National Museum): The administrative contract specifications³ include in Article 20(8) a clause on compliance with the DNSH Technical Guidance and require the beneficiary of the action to sign a self-declaration on compliance with the DNSH Technical Guidance. Additionally, Annex 2(3) includes a DNSH self-assessment carried out

³ [DOC_CD2022-446131.pdf \(contrataciondelestado.es\)](#)

by the Prado Museum for this action and Annex 2(4) justifies compliance with the relevant national and EU environmental legislation.

- Projects 2021AHX00282 and 2021AHX00363(National Museum Centro de Arte Reina Sofia): The administrative contract specifications⁴ include a reference to the DNSH Technical Guidance and require the beneficiary of the action to sign a self-declaration on compliance with the DNSH Technical Guidance.
- Project 22MRRIN002: The document awarding the action includes Clause 15 ensuring compliance with the DNSH Technical Guidance.
- Project 2021C1000694 (Directorate-General for Books and the Promotion of Reading): Clause 9 of the contract specifications⁵ ensures compliance with the DNSH Technical Guidance.
- Project 2021C3000702 (Directorate-General for Books and the Promotion of Reading): Clause 7 of Annex II of the document awarding the action (Annex 2(8)) ensures compliance with the DNSH Technical Guidance and includes a self-declaration to be signed by the beneficiary.
- Project 2022C1000518 (Directorate-General for Books and the Promotion of Reading): Clause 8 of the document assigning the action ensures compliance with the DNSH Technical Guidance (Annex 2(9)).
- Projects 2022 00000254, 2021 00001004 and 2021 00001010 (Directorate- General of Cultural Heritage and Fine Arts): These actions were awarded to the Autonomous Communities. Annexes 2(10) and 2(11) justify compliance with the DNSH Technical Guidance.
- Project 2021000001011 (Directorate- General of Cultural Heritage and Fine Arts): The administrative contract specifications⁶ include a reference to the DNSH Technical Guidance and require the beneficiary of the action to sign a self-declaration on compliance with the DNSH Technical Guidance.
- Project 2022 00000273 (Directorate- General of Cultural Heritage and Fine Arts): The administrative contract specifications⁷ include in Clause 9 a reference to the DNSH Technical Guidance.
- Project 2021 00001013 (Directorate- General of Cultural Heritage and Fine Arts): The technical specifications⁸ include in Clause 5 a reference to the DNSH Technical Guidance and require the beneficiary of the action to sign a self-declaration on compliance with the DNSH Technical Guidance.
- Project 2021C3000837 (Directorate- General of Cultural Heritage and Fine Arts): Annex 2(12) justifies compliance with the DNSH Technical Guidance jointly with a self-declaration by the contractor.
- Project 2021 00001025 (Directorate- General of Cultural Heritage and Fine Arts): The document assigning the action to TRAGSATEC (Annex 2(13)) ensures compliance with the DNSH Technical Guidance.
- Project 2021MRRCIN00/MSA210089 (National Institute of Performing Arts and Music (INAEM)): The administrative contract specifications⁹ include a reference to the DNSH Technical Guidance and the exclusion list. Also, a self-declaration on compliance with the DNSH Technical Guidance is to be signed by the beneficiary. Additionally, Annex 2(14)

⁴ [Plataforma de Contratación del Sector Público \(contrataciondelestado.es\)](https://contrataciondelestado.es) and [Plataforma de Contratación del Sector Público \(contrataciondelestado.es\)](https://contrataciondelestado.es)

⁵ [Plataforma de Contratación del Sector Público \(contrataciondelestado.es\)](https://contrataciondelestado.es)

⁶ [Plataforma de Contratación del Sector Público \(contrataciondelestado.es\)](https://contrataciondelestado.es)

⁷ [Plataforma de Contratación del Sector Público \(contrataciondelestado.es\)](https://contrataciondelestado.es)

⁸ [Plataforma de Contratación del Sector Público \(contrataciondelestado.es\)](https://contrataciondelestado.es)

⁹ [Plataforma de Contratación del Sector Público \(contrataciondelestado.es\)](https://contrataciondelestado.es)

further justifies that this action does no significant harm to the environment and Annex 2(15) ensures compliance with the relevant national and EU environmental legislation.

- Project 2022MRRIN004 (National Institute of Performing Arts and Music (INAEM)): The document assigning the action (Annex 2(16)) includes Clause 15 which ensures compliance with the DNSH Technical Guidance.

The Council Implementing Decision required all call for tenders to contain eligibility criteria to exclude a number of activities in order to ensure compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01). The Spanish authorities have stated that for 25 out of the 244 individual actions, the calls for the procurement of the corresponding services and products did not include references to DNSH conditions. Whilst that constitutes a minimal substantive deviation from the requirement of the Council Implementing Decision Annex, the relevant implementing bodies required the contractors and/or beneficiaries of these actions that did not include references to DNSH conditions to sign a self-declaration (Annex 2(5) and 2(6) are the self-declaration templates). All beneficiaries and contractors under these calls have provided the relevant self-declarations, which have been shared with the Commission by the Spanish authorities.

In addition, the Ministry of Culture and Sports has provided a supplementary declaration confirming compliance of all the 244 individual actions, for which public contracts have been awarded, with the DNSH eligibility conditions contained in the Annex to the Council Implementing Decision. This declaration states that *"the products and services purchased in the context of the public contracts awarded for the development of the 244 individual actions included under Target 360 of the Spanish Recovery (as listed "Annex 1") comply with the principle of "Do No Significant Harm", set out in Regulation (EU) 2021/41, establishing the Recovery and Resilience Facility and are compliant with the exclusion list included in the description of the measure Investment 24.I3– Digitalisation and promotion of major cultural services of the Annex to the Council Implementing Decision of 5 July 2021 on the approval of the assessment of the recovery and resilience plan for Spain."*

This ex-post positive verification of DNSH compliance is justified by the nature of the actions supported under this target (e.g. digitising books, fellowships), as well as the recipients of the actions (e.g. museums, libraries, artists) which entail a risk of DNSH non-compliance that is significantly low. The Commission has verified that the nature of the actions funded pose a risk of DNSH non-compliance that is significantly low based on the detailed description of each action provided in Annex I. This has been checked in further detail and confirmed for the 66 specific actions that were sampled. As of this, this minimal deviation does not change the nature of the measure and does not affect the progress towards achieving the investment that the target represents. On this basis, it is considered that this constitutive element of the target is satisfactorily fulfilled.

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure

M364 - C25.R1 - Reform of the audio-visual regulatory framework

Name of the Milestone: Entry into force of the general law on Audio-visual Communication.
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Qualitative Indicator: Provisions in the Law on entry into force

Time: Q1 2022

Context:

This reform consists of three parts: the adoption of two laws (the General Law on Audio-visual Communication and the Law on Cinema) and the approval of the sector plan "Spain Audio-visual Hub for Europe".
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The milestone #364 consists of the entry into force of the General Law on Audio-visual
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communication. In line with the milestone description, the Law shall regulate the legal framework to provide audio-visual communication services in Spain. As such, its purpose is to adapt and update the legal framework applicable to audio-visual communication services and video sharing platform services in Spain. In addition to that, its goal is also to guarantee level playing field for all different actors present in the market. The Law includes a mechanism to guarantee the rights of users, such as protecting the minors and the public against certain types of content. Furthermore, the Law shall also effectively transpose the Directive 2018/1808 of Audio-visual Media Services to the Spanish legal system. Milestone #364 is the second step of the implementation of the Reform 1 within the Component 25. It follows the completion of milestone #363 on the approval of the Plan "Spain, Audio-visual Hub of Europe" and will be followed by milestone #365 on the entry into force of the Cinema Law, part of the sixth instalment. The Reform has a final expected date for implementation in Q4 2023.

Evidence provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
- ii) Copy of the publication of Law 13/2022 of 7 July 2022 in the Official Journal (*Boletín Oficial del Estado*), no.163, published on 8 July 2022.

The national authorities also provided:

- i) Correlation table for the transposition of the Directive 2018/1808 of Audio-visual Media Services.
- ii) Summary of the results by the Ministry of Economic Affairs and Digitalisation of the public consultation prior to the preparation of the Draft Law General of Audiovisual Communication.
- iii) Component management report on the management of the actions developed under the Reform 1 (in relation to #364).
- iv) Component management report on the management of the actions developed under the milestone #364.
- v) Project management report.
- vi) Copy of the agreement of 29 March 2022 of the Council of Ministers for the draft General Law on Audiovisual Communication be dealt under the urgent procedure.
- vii) Copy of the publication of Royal Decree 988/2015 of 30 October regulating the legal regime governing the obligation to pre-finance certain European audiovisual works in the Official Journal (*Boletín Oficial del Estado*), no.267, 7 November 2015.
- viii) A report by the Spanish National Commission on Markets and Competition concerning the fulfilment of the obligation to pre-finance European production of films and series as well as documentaries and animation series in 2020 (of 17 November 2022).
- ix) Report by the Ministry of Economics on the comparison of obligation to finance audiovisual work between the Law 7/2010 and the Law 13/2022, based on actual revenue data for broadcasters in 2020.

Analysis:

In accordance with the requirements of the Council Implementing Decision, the General Audio-visual Communication Law 13/2022 was adopted by the Parliament on 29 March 2022 and

approved by the Senate (*Cortes Generales*) on 22 June 2022. It was published in the Official Journal (*Boletín Oficial del Estado*, no. 163) on 8 July and, as foreseen by its ninth final provision, **entered into force** on the day following the publication, on 9 July 2022. The Law contains a transitional regime for a number of provisions. The only provisions related to the requirements of the Council Implementing Decision concerned by the transitional regime are Article 88 to 91 of Title 5, which relate to the protection users and minors (further analysis below). These articles entered into force three months after the entry into force of Law 13/2022 in accordance with the ninth final provision of Law 13/2022, the General Audiovisual Communication law, namely on 9 October 2022.

The Law effectively transposes to the national legal system Directive 2018/1808 of the European Parliament and of the Council of 14 November 2018 amending Directive 2010/13/EU on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services, in view of changing market realities. The definitions of “audiovisual media service”, “editorial decision” included in Article 1 of the Directive are transposed into Article 2 of the Law (other definitions are included in Articles 2, 111, 121, 128, 129, 131 of the Law 13/2022). Other provisions transposed include for example: retransmissions on their territory of audiovisual media services from other Member States (Article 3 in the Directive, Articles 43-46 in the Law 13/2022); protection against incitement to violence and hatred and public provocation to commit a terrorist offence (Article 6 in the Directive, article 4 in the Law 13/2022); protection of minors (Article 6a in the Directive, Articles 95-100 in the Law 13/2022); proportion of television advertising spots and teleshopping spots (Article 23 in the Directive, Article 37 in the Law 13/2022); rules applicable to video-sharing platforms (Article 28, 28bis in the Directive, Articles 39, 86-93 in the Law 13/2022). A detailed correlation table of the provisions transposed into the Law 13/2022 has been provided by Spain as Annex II, showing for every article of the Directive 2018/1808 the corresponding relevant article in the General Audiovisual Communication Law 13/2022 transposing it. The eighth final provision of the Law 13/2022 refers to the ‘full transposition’ of the Directive 2018/1808.

The assessment of the transposition of Directive 2018/1808 for the purposes of payments from the Recovery and Resilience Facility does not prejudice the assessment by the Commission in any other proceedings regarding the conformity of the national law with the Directive.

The Law regulates the legal framework to provide audio-visual communication services in Spain and in particular, it adapts and updates the legal framework to provide audio-visual communication services and video sharing platform services in Spain, as specified in Article 1 of Law 13/2022. It does so by extending the existing regulatory framework provided by Law 7/2010 to new providers that were not covered under the previous framework, such as user-generated video sharing services through platforms (Articles 2, 39, 42, 86, 94) or social networks (extending the definitions of audio-visual communication service to cover also social media in the Article 2) where an essential functionality of those services is the exchange of user-generated video. It also introduces new obligations for providers of on-demand TV audiovisual media services. While the Law 7/2010 referred to on-demand services mainly in the context of guarantying the parental control (Article 7) and legislating exclusive transmissions (Article 19), Law 13/2022 legislates more in this field (e.g. Chapter IV – on audiovisual radio communication services on demand, including protection of minors or commercials; Article 104 on the accessibility of the on-demand TV audiovisual content; Article 116 on the share of European content in on-demand services; Article 119 on the obligation on financing of the European audiovisual work, Article 142 legislating the commercial content in the audiovisual TV services on-demand).

Furthermore, in line with the requirements of the Council Implementing Decision, Law 13/2022 of 7 July 2022:

It guarantees a level playing field for all different actors present in the market. This is achieved through the provisions of the Title VI “Obligations of television audiovisual media service providers”, Articles 95 to 142. By these articles Law 13/2022 imposes the same regulatory obligations on all providers competing for the same audience (i.e. free-to-air linear audiovisual media service providers, linear conditional access audiovisual media service providers or providers of on-demand television audiovisual media services) as regards accessibility (Articles 101 to 109), protection of minors (Articles 95 to 100), promotion of European audiovisual works (Articles 110 to 120) or audiovisual commercial communications (Articles 121 to 142).

It guarantees the rights of users (such as the protection of minors and the public against certain types of content). This is achieved by the provisions included in the Title I “General principles of audiovisual communication” (Articles 4 to 15) as well as the Title VI “Obligations of television audiovisual media service providers” (Articles 95 to 142). The Law 13/2022 lays down express obligations to be fulfilled by the providers subject to it in order to protect minors from certain audiovisual content which may be harmful to their physical, mental or moral development. For instance:

- Article 88 refers to the obligations and Article 89 to the measures for the protection of users and minors against certain audiovisual content.
- Article 90 refers to the handling of the personal data of minors.
- Article 95(1) specifies that minors have the right not to have their image and voice used in audiovisual communication services without their consent or that of their legal representative.
- Article 96 refers to codes of conduct for the proper treatment of minors in news programs and programs with current information content to be developed to give adequate treatment to minors in news and current information content programs in which: it is reported that a minor has been involved in a situation of risk or violence or where minors appear in situations of vulnerability.
- Article 98 obliges the providers of television, linear or on-demand audiovisual communication services to ensure that the programs broadcast have a rating by age, visible on the screen by means of a visual indicator and easily understandable by all people.
- Article 99 obliges the providers of the linear, open and conditional access television audiovisual communication service, and of the on-demand television audiovisual communication service, to provide users with sufficient and unequivocal information about the potentially harmful nature for physical, mental or moral development of minors from audiovisual programs and content through the use of a content description system, acoustic warning, visual symbol or any other technical means that describes the nature of the content. For free-to-air linear television services, the prohibition of programmes containing scenes of free violence or pornography, for the broadcasting of other types of programmes that may be harmful to minors, the implementation of parental control mechanisms and the inclusion of co-regulation and the broadcasting between 22:00 and 6:00 of programmes not recommended for children under the age of 18. In the case of on-demand providers, the inclusion of content that may include pornography scenes should be done in separate catalogues, parental control mechanisms should be provided and should be part of the co-regulation code.
- Article 123 protects the users from the audiovisual commercial communications that promote unhealthy behaviours (e.g. smoking cigarettes, consuming tobacco or drinking alcohol).

- Article 124 contains provisions protecting minors from the audiovisual commercial communications.

The Law promotes European audio-visual work by doubling support for independent audio-visual production. The provisions aiming at supporting independent audio-visual productions are contained namely in the Articles 112-119. In order to **promote the production of European audiovisual works**, Law 13/2022 requires providers established in Spain to broadcast linearly in their programming or to include in their catalogue a certain percentage of European audiovisual works (based on the percentage laid down in Directive 2018/1808). Spain has chosen to include the financial obligation for the production of European audiovisual works in Law 13/2022, which is also extended to providers established outside Spain, extending their services to Spain.

When it comes to the **support for independent production**, Article 118 of the Law 13/2022 require the public broadcasters to allocate annually 6% of their computable income to finance European audiovisual works. Out of this amount, at least 70% needs to be used for financing any type of audiovisual work produced by independent producers in Spanish or any official language of autonomous regions (this means, at least 4,2% of annual revenues).

When it comes to private broadcasters, Article 119 of Law 13/2022 requires that for those, whose computable income in accordance with the provisions of Article 117.3 is equal to or greater than 10 million euros, need to allocate annually 5% of their computable income to finance the European audiovisual works. Out of this amount, at least 70% needs to be used for financing any type of audiovisual work produced by independent producers in Spanish or by official language of autonomous regions (this means, at least **3,5% of annual revenues**). According to Article 119.4 of the Law 13/2022 only broadcasters, whose computable income in accordance with the provisions of Article 117(3), is equal to or lower than 10 million euro are exempted from this obligation.

This represents more than doubling of the percentage support for the independent productions, compared to the provisions of the Article 5(3) of Law 7/2010. Law 7/2010 requires private broadcasters to allocate 5% of their annual revenues obtained by the provision of audiovisual services provided in Spain. Out of this number, at least 60% needs to be used for financing theatrical films (this means, at least 3% of annual revenues). Out of this number, at least 60% needs to be used for financing theatrical films in Spanish or any official language of autonomous regions (this means, at least 1,8% of annual revenues). Out of this number, at least 50% needs to be used for financing theatrical films in Spanish or any official language of autonomous regions produced by independent producers. This gives a total number of 0,9% of their annual revenues for support to independent production. For public broadcasters, the corresponding figure for the share of revenues to be allocated to independent production is of 1,35% (following an analogous set of computations). This interpretation of the Article 5(3) of Law 7/2010 is confirmed by the Royal Decree 988/2015 of 30 October regulating the legal regime governing the obligation to pre-finance certain European audiovisual works. The fact that the financial support for the independent users was more than doubled by the new legal framework, is confirmed by a report on the comparison of obligation to finance audiovisual work between the Law 7/2010 and the Law 13/2022 produced by the Spanish Ministry of Economics. This report shows that the overall obligation to support independent users increases by more than 4-fold under law 13/2022, on the basis of 2020 actual revenue data, taking into account the derogation on private broadcasters with less than EUR 10m included in law 13/2022.

The Law improves the integration of persons with disabilities. Article 101 contains provision on the quality requirements for subtitling and audio description. Article 102 obliges the providers of open linear television audiovisual communication service to provide a minimum of 80% of the programs

subtitled, and to provide subtitling of all programs broadcasted during prime time. Article 102 also provides for a minimum of five hours per week of programs in sign language (broadcast during prime time); and a minimum of five hours per week of audio-described programs.

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure

M374 - C26.I3 - Social Plan for Sports

Name of the Milestone: Projects to promote equality in sports

Qualitative Indicator: Publication in Official Journal

Time: Q2 2022

Context:

The investment aims to upgrade the existing sports facilities by improving their digitalisation, energy efficiency and accessibility, in order to improve Spain's attractiveness and readiness to host international sports competitions. It also aims to promote women's participation in professional sport through actions to increase their presence, visibility, training and to enable the professionalisation of women's sport, notably football.

Milestone #374 is the first step of implementation of this investment and requires the award, by the National Council for Sports, of a call for proposals in the Official Journal, which is expected to select at least 15 beneficiary projects to promote equality in sports, notably through training, professionalisation of female sports and visibility of female sports. This milestone will be followed by milestone #375 (expected to be fulfilled by Q4 2023) that concerns the completion of actions under the Social Plan for Sport (notably renovation of at least 40 sport facilities, compliant with 100 % climate tracking, and actions to promote the presence of women in professional sports).

Evidence provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the target (including the relevant elements of the target, as listed in the description of target and of the corresponding measure in the Council Implementing Decision annex) was satisfactorily fulfilled;
- ii) Copy of publication of the call for tender (*orden de bases*) in the national Official Journal (*Boletín Oficial del Estado*) (BOE –A-2022-1702, of 2 February 2022);
- iii) Copy of publication of the call for proposals on the website of the National Advertising System for Subsidies and Public Aid (Annex II) ("the call for proposals");
- iv) Copy of publication of extract of the call for proposals in the national Official Journal (*Boletín Oficial del Estado*) (BOE-B-2022-4626, of 16 February 2022 (Annex III);
- v) Copy of the Call Award Decision published on the website of the National Advertising System for Subsidies and Public Aid and on the website of the National Council for Sports on 30 June 2022, indicating for each of the awards the amount being awarded (Annex V and Annex VI) ("the Call Award Decision");
- vi) Copy of Annex I to the Call Award Decision, indicating for each of the awards the amount being awarded and proof of transfer of funds (excluding VAT) (Annex VII).

The authorities also provided:

- i) Copy of the Draft Call Award Decision published on the website of the National Advertising System for Subsidies and Public Aid and on the website of the National Council for Sports (Annex IV).

Analysis:

The justification and substantiating evidence provided by the Spanish authorities covers all constitutive elements of milestone #374. In particular:

The National Council for Sports awarded a call for proposals published in the Official Journal, as evidenced in the Call Award Decision.

In line with the requirements of the Council Implementing Decision which requires at least 15 projects, **the Call Award Decision also shows that the selected final recipients are 16 female football clubs which will implement a total of 75 projects.** The Call Award Decision was signed and published on 30 June 2022 on the website of the National Advertising System for Subsidies and Public Aid (link: <https://www.pap.hacienda.gob.es/bdnstrans/GE/es/convocatoria/610533>) and on the website of the National Council for Sports (link: https://sede.csd.gob.es/oficinavirtual/Pdf/2797462_2022_Resolucion_definitiva_de_concesion.pdf) on 30 June 2022. For these awards, the parts of the specifications of the call proving alignment with the description of milestone #374 and investment in the Council Implementing Decision are contained in the call for tender.

In line with the requirement of the Council Implementing Decision to invest EUR 11 700 000, **the cumulative budget of the call was EUR 16 000 000**, as established by Article 3 of the call for tender. The published Call Award Decision indicates for each of the awards the amount awarded. Annex I to the Grant Decision indicates the proof of transfer of funds (excluding VAT), equal to EUR 15 460 840.9 for a total of 74 projects to a total of 15 beneficiaries at the time of the payment request.

In line with the requirement of the Council Implementing Decision to promote equality in sports through the professionalisation, training and visibility of female sports, **the selected projects consist of investments in the infrastructure of the stadiums used by the highest category of professional female football teams.** Article 4(1) of the call for tender and Article 4 of the call for proposals stipulate that the final recipients are female football clubs which participate in the highest competition category in female football. The subsidised investments may be on the clubs' own or external facilities. In the latter case, Article 1(4) of the call for tender and Article 1 of the call for proposals require the beneficiary to hold a lease contract or agreement granting the female football team preferential use of the facilities for a period of at least five years.

More specifically, in line with the requirement of the Council Implementing Decision to **promote quality in sports through training, professionalisation of female sports and visibility of female sports:**

- The investments listed under Article 1(3) of the call for tender and Article (1) of the call for proposals contribute to the **professionalisation of female sports**, as they provide the female professional football league with infrastructure required for the professionalisation of women's football. Article 1(3) of the call for tender and Article 1 of the call for proposals set out the following actions as eligible: the installation of new and adaptation of existing grass fields, as well as the replacement of artificial grass with natural grass; extension and improvement of slipways and car parks, adaptation of facilities and changing rooms; ancillary facilities for practical and classroom training, such as gyms, refurbishment and nursing rooms, as well as residences and training rooms; media facilities, improvements in the energy efficiency of the lighting system, construction, extension, adaptation and improvement of fields and stadiums and investments in other infrastructure of a similar nature.

- The projects **increase visibility of female sports**. The investments in infrastructure address the current shortcomings in stadiums used by female football clubs which participate in the highest competition category in female football: pitches without adequate lighting and conditions resulting in lower quality of matches, such as artificial grass, as well as lack of facilities like press rooms and TV units. Investments addressing these shortcomings are expected to increase attractiveness of female football for the media and the general public. The mentioned investments, as stipulated under Article 1(3) of the call for tender and Article 1 the call for proposals, in particular investments in media facilities, but also those in grass fields and lighting of stadiums, are therefore expected to increase the visibility of female football.
- In line with the requirements of milestone #374, **the projects support training**, notably the mentioned investments in grass fields, facilities for practical and classroom training, such as gyms, refurbishment and nursing rooms, as well as residences and training rooms, as stipulated under Article 1(3) of the call for tender and Article 1 of the call for proposals.

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure	
M376 - C27.R1 - Adoption of the Anti-fraud Law	
Name of the Milestone: Entry into force of the Law against Tax Evasion and Fraud	
Qualitative Indicator: Provision of the law indicating its entry into force	Time: Q2 2022
Context: The objective of this reform is to strengthen the measures against tax avoidance and tax evasion. The measure introduces changes amongst others in direct and indirect taxation, certain local government taxes and gambling regulation. Its objectives also include making the tax system fairer and facilitating actions aimed at preventing and fighting fraud by reinforcing tax control. Milestone #376 requires the entry into force of Law 11/2021, the Law against tax evasion and fraud. It contains several targeted amendments to the Spanish tax system. The adopted law i) enlarges the perimeter of transactions where e-payments are authorised (firms & professionals) and sets a legal threshold for cash payments; ii) updates the list of tax havens according to transparency, no taxation and harmful tax regimes criteria; iii) implements changes to the rules for publishing the list of people with tax arrears; iv) implements a ban on 'double-use software'; and v) introduces a reference value for the tax base in property taxation. These are analysed in the following paragraphs. Milestone #376 is the first step of the implementation of this reform and it will be followed by milestone #377, related to an interim assessment of the effects of the Law 11/2021. The reform has a final expected date for implementation by 31 December 2022, or by 31 December 2023, if amendments following the interim assessment were required.	
Evidence provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: i) Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled; ii) Copy of the publication in the Official Journal of the Law 11/2021 of 9 July, on measures to	

prevent and combat tax fraud, transposing Council Directive (EU) 2016/1164 of 12 July 2016, and laying down rules against tax avoidance practices directly affecting the functioning of the internal market, amending various tax rules and regulating gambling, on measure to prevent and combat tax fraud (*Ley 11/2021, de 9 de julio, de medidas de prevención y lucha contra el fraude fiscal, de transposición de la Directiva (UE) 2016/1164, del Consejo, de 12 de julio de 2016*), as published in the Official Journal (BOE-A-2021-11473, of 9 July 2021), hereinafter referred to as “Law 11/2021”;

- iii) Link to the website where the legislative act was published (<https://www.boe.es/eli/es/l/2021/07/09/11/con>).

The authorities also provided:

- i) Order HPF/115/2023 of 9 of February which determines the countries and territories, as well as harmful tax regimes, that are considered as non-cooperative jurisdictions (*Orden HPF/115/2023 de 9 de febrero, por la que se determinan los países y territorios, así como los regímenes fiscales perjudiciales, que tienen la consideración de jurisdicciones no cooperativas*), as published in the Official Journal (BOE-A-2023-3508, of 10 February 2023), hereinafter referred to as “Ministerial Order HFP/115/2023”;
- ii) Link to the website where the legislative act was published <https://www.boe.es/buscar/doc.php?id=BOE-A-2023-3508>.

Analysis:

The justification and substantiating evidence provided by the Spanish authorities covers all constitutive elements of the milestone. In particular:

Adoption and entry into force of the Law against Tax Evasion and Fraud. Law 11/2021 was approved and published in the Official Journal on 10 July 2021. According to its seventh Final Provision, Law 11/2021 entered into force as of 11 July 2021.

The reform enlarges the perimeter of transactions where e-payments are compulsory (firms & professionals) and set legal thresholds for cash payments. Article 18 of Law 11/2021 amends Article 7 of Law 7/2012 of 7 October thereby setting new limits for cash payments where one of the parties to a transaction is a firm or an independent professional. The maximum legal threshold for cash payments was reduced from EUR 2 500 to EUR 1 000 (or equivalent amount on foreign currency). In cases where the payer is a natural person who does not have tax domicile in Spain and does not act as a firm or an independent professional, the limit for cash payments is reduced from EUR 15 000 to EUR 10 000. Payments that are larger than these new legal thresholds must be carried out in means of electronic payments meaning that a larger number of payments fall under the scope of the requirement by law to use electronic payments than before. Thereby, the amended law is considered to enlarge the perimeter where e-payment transactions are compulsory.

The reform updates the list of tax havens (non-cooperative jurisdictions in tax matters) according to transparency, no taxation and harmful tax regimes criteria. Article 16 of Law 11/2021 amends the First Additional Provision of Law 36/2006 of 29 November and provides amended criteria to assess and determine non-cooperative jurisdictions in tax matters using transparency, low or no-taxation and harmful tax regimes as criteria. As regards harmful tax regimes, the First Additional Provision of Law 36/2006, as amended by Law 11/2021, also allows for using the criteria of the EU Code of Conduct on Business Taxation or the OECD Forum on Harmful Tax Regimes. According to Ministerial Order HFP/115/2023, the new criteria are assessed jointly. Spain has updated the list of non-cooperative jurisdictions based on these new criteria with the publication of Ministerial Order HFP/115/2023 that repeals the previous list of “tax havens” (Royal Decree 1080/1991 of 5 July, *Real*

Decreto 1080/1991, de 5 de julio). The previous list originally contained 48 jurisdictions. Since the publication of the original list, bilateral agreements with 15 jurisdictions to increase the exchange of information or to avoid double taxation including a clause to improve the exchange of information have entered into force, after which the Spanish authorities have no longer considered those jurisdictions as non-cooperative. Ministerial Order HFP/115/2023 states that the publication of the list is an incentive to improve tax practices and therefore, some jurisdictions, that might continue to have low or no taxation regimes, could be considered as cooperative if there is an effective exchange of information arrangement between Spain and that country in line with the transparency criterion. Before the update Spain considered 33 countries non-cooperative. Following the assessment based on the revised criteria, Spain has concluded that 18 jurisdictions that were on the list will be also on the revised list. Additionally, Spain has decided to add six new jurisdictions to the list. Fifteen jurisdictions that were on the original list have been removed. According to Ministerial Order HFP/115/2023, Spain currently considers 24 jurisdictions as non-cooperative. According to the Order the list would be updated periodically in the future as international and bilateral cooperation in taxation progress. Ministerial Order HFP/115/2023 was published in the Official Journal on 10 February 2023 and according to the second Final Provision of the Order, it entered into force the day after its publication.

The reform implements changes to the rules for listing people with tax arrears. Article 13 of Law 11/2021 contains amendments to Law 58/2003 of 17 December (General Tax Law). Sub-paragraph nine of Article 13 amends Article 95 bis of Law 58/2003 tightens the provisions concerning taxpayers with unpaid and overdue tax liabilities. The provisions of the Law are amended so that the names of the tax debtors (individually or jointly and severally liable) larger than EUR 600 000 are to be published. The previous threshold was EUR 1 000 000 and the Article, prior to the amendment, did not specifically mention jointly and severally liable debtors. Consequently, the amendments introduced are extending the scope for possible debtors to be listed, as well as reducing the amount of tax debt subject to which the names of the tax debtors shall be published, and thereby encouraging – more than before – taxpayers with tax liabilities to pay their taxes.

The reform implements a ban on “double-use software”. Point four of Article 13 of Law 11/2021 adds a new sub-paragraph (j) in Article 29(2) of Law 58/2003 that stipulates obligations on taxpayers. Sub-paragraph (j) imposes on the producers, marketers and users of computers or electronic systems and programmes that support accounting, invoicing or management processes and thereby help the user to carry out economic activities a responsibility to guarantee the integrity of the records created and stored in such system or programme so that any possible changes of the records will be traceable. Sub-paragraph 21 of Article 13 of Law 11/2021 adds a new Article 201 bis in Law 58/2003 that bans “double-use software” by providing that manufacturing, producing, marketing and holding computer systems that are “double-use software”, as specified in that new article, will be considered as a tax breach. Sub-paragraph (j) of Article 29(2) provides for the possibility of developing (secondary) legislation to further define the technical characteristics of the “double-use software” that is banned. However, the ban on “double-use software” has already entered into force and it is not conditional to the approval of this further legislation, nor is the further legislation necessary to enforce the provisions that have entered into force.

The reform introduces a reference value for the tax base in property taxation. Articles 4(1), 5(1) and 6(1), 6(6) and 14 of Law 11/2021 implement changes to the tax base used in property taxation. Article 4(1) amends Article 9 of Law 29/1987 regulating inheritance and gift tax adding new provisions in Article 9 which determines the applicable tax base. Article 9(3) provides the procedure to define the tax base used in the taxation of immovable property. Article 5(1) of Law 11/2021 amends Law 19/1991 regulating wealth tax. A modification in Article 10 of 19/1991 allows for the use of reference values by the land registry as tax base. Article 6(1) and (6)(6) of Law 11/2021

amend the consolidated text of the Tax on Property Transactions and Documented Legal Acts, approved by Royal Decree Law 1/1993 of 24 September. The amendments by Article 6(1) clarify the implementation of property transaction tax in certain cases related to transactions involving businesses and professionals and the relation of taxation of immovable property and value added tax. The amendment by Article 6(6) of 11/2021 set a minimum for the tax base referring to the Article 10 of Royal Decree Law 1/1993. Article 14 of Law 11/2021 introduces changes to Royal Decree Law 1/2004, approving the consolidated text of the Real Estate Cadastre Law. The changes in the third Final Provision of Royal Decree Law 1/2004 establish a process and method to determine a reference value for each building. These reference values are updated annually through secondary legislation and administrative decisions. It is therefore considered that the amendments by Law 11/2021 and additional secondary legislation taken bring about the required legislative changes needed to establish a reference value for the tax base in property taxation.

The reform strengthens rules against tax avoidance practices that directly affect the functioning of the internal market as well as to amend indirect and direct taxation, certain local government taxes and gambling regulation. Law 11/2021 makes several targeted amendments to the Spanish tax system. These amendments directly affect the functioning of the internal market (Article 7 amending the consolidated text of the Securities Market Law, approved by Royal Legislative Decree 4/2015 of 23 October 2015) and amend indirect (Article 8 amending Law 37/1992 of 28 December 1992 on Value Added Tax) and direct taxation (Article 3 amending Law 35/2006, of 28 November, on Personal Income Tax and partial amendment of the laws on Corporation Income Tax, on the income of non-residents and on assets), certain local government taxes (Article 15 amending the consolidated text of the Local Finance Regulatory Law, approved by Royal Legislative Decree 2/2004 of 5 March 2004) and gambling regulation (Article 17 amending Law 13/2011 of 27 May 2011 regulating gambling).

The reform introduces regulatory changes that establish tax justice parameters. Furthermore, in line with the description of the measure, the amendments such as those in Articles 4, 5, 6, and 14 of Law 11/2021 as regards changes that establish a reference value for property taxation are considered to have an impact on the fairness of the tax system (establishing “tax justice parameters”).

The reform introduces regulatory changes that facilitate actions aimed at preventing and fighting fraud by reinforcing tax control. Furthermore, in line with the description of the measure, the amendments such as those in Article 13 as regards changes related to publishing the names of taxpayers with tax arrears and Article 18 as regards changes related to cash payment thresholds of Law 11/2021 are considered to facilitate action to prevent and combat fraud by strengthening tax control.

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure	
M390 - C28.R4 - Reform of tax measures contributing to the ecological transition	
Name of the Milestone: Analysis of the Vehicle Registration Tax and the Traffic Tax	
Qualitative Indicator: Publication on webpage	Time: Q1 2022
Context:	
Reform C28.R4 contains tax measures that aim to support the green transition.	
Milestone #390 concerns the analysis of taxes related to mobility such as the vehicle registration tax	

and the traffic tax, or payments such as road tolls. The milestone requires the authorities to publish a report on these taxes or payments and consider legislative amendments based on that report.

Milestone #390 is one of the two milestones of the reform C28.R4, that follows the completion of milestone #389, related to the entry into force of the Law regulating taxes on non-reusable plastic packaging and the deposit and incineration of waste to promote circular economy and reduce the use of single-use plastics. It is implemented at the same time as milestone #391, related to the amendment of the tax on fluorinated greenhouse gases. The reform has a final expected date for implementation on 30 June 2022.

Following the completion of this milestone, in line with the description of the measure in the Council Implementing Decision, Spain will revise the subsidies for mineral oils used as fuel. This is a further step of this reform that is not linked to the milestones and targets in the Council Implementing Decision.

Evidence provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
- ii) Link to the publication of the analysis on the webpage of the Ministry of Finance (<https://www.hacienda.gob.es/Documentacion/Publico/GabineteMinistro/Varios/31-03-22-Estudio-sobre-impuesto-a-vehiculos-de-traccion-mecanica.pdf>).

The authorities also provided:

- i) Document "Reform Proposal Milestone 390" ("*Propuesta de Reforma Hito 390*").
- ii) White Paper for tax reform by the Committee of Experts, March 2022

Analysis:

The justification and substantiating evidence provided by the Spanish authorities covers all constitutive elements of the milestone. In particular:

Analysis of the Vehicle Registration Tax, the Traffic Tax or payments such as road tolls. The report published by the Ministry of Finance on 31 March 2022 focuses on a Special Tax on Certain Means of Transport, Title II of Law 38/1992 of 28 December (*Impuesto Especial sobre Determinados Medios de Transporte, IEDMT, Título II de Ley 38/1992, de 28 de diciembre*) and a Tax on Motor Vehicles, Articles 93-100 of Law 39/1988 of 28 December (*Impuesto sobre Vehículos de Tracción Mecánica, IVTM, artículos 93-100 de Ley 39/1988 de 28 de diciembre*). The IEDMT is the Vehicle Registration Tax and concerns new and used cars, aircraft and naval vessels registered in Spain for the first time and to be used in the Spanish territory. The Vehicle Registration Tax is managed and collected by the Spanish autonomous communities. The IVTM is the annual recurring Traffic Tax on motor vehicles (cars, trucks, busses, tractors, trailers, motorbikes). The Traffic Tax is a tax managed and collected by the local authorities. The report gives an overview of the development of the laws regulating the taxes and explains the current state of the legislation in force. In addition, the report summarises proposals to reform these taxes, including proposals published in the White Paper of the Committee of Experts for tax reform in March 2022 that were found to support a more sustainable transport and to reduce greenhouse gas emissions by the Committee. For instance, as

regards the Vehicle Registration Tax, the report includes the Committee's recommendation to move away from a purchase value-based tax to a linear CO₂-based (g/km) tax and to increase tax collection to incentivise the use of less polluting vehicles. As regards the recurring Traffic Tax, the report includes the Committee's suggestion to reform it to penalise more polluting cars. The report also presents an international comparison of vehicle registration and traffic taxes, with the focus on EU countries. The report analyses the environmental and economic context of the taxes as well as presents the recent tax revenue statistics.

Consideration of reforms based on the analysis to promote more sustainable road transport and to reduce GHG emissions. The Ministry of Finance submitted an additional document "Reform Proposal Milestone 390" ("*Propuesta de Reforma Hito 390*"). According to the additional document, the possible measures that could be introduced would follow closely the recommendations of the White Paper of the Committee of Experts included in the analytical report. While the additional document states that the recommendations by the Committee of Experts could be supported looking from a technical point of view, it also notes that any possible tax measures would need to be discussed further in a working group of state, regional and local level administrations, which would need to find a political agreement on the reform. According to the additional document, as regards the Vehicle Registration Tax, the possible reforms could include measures such as moving away from a purchase value-based tax to a linear CO₂-based (g/km) tax, eliminating non-taxation cases and exemptions that are not in accordance with environmental criteria and taxing vessels and aircraft on the basis of CO₂-emissions. As regards the Traffic Tax, the possible measures could include two alternatives for reform – one based on environmental objectives using the Euro standard for vehicles and another that combines environmental and progressivity or tax fairness motives. Overall, the additional document shows that the authorities have considered of the possible reforms based on the analytical report.

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure	
M391 - C28.R4 - Reform of tax measures contributing to the ecological transition	
Name of the Milestone: Entry into force of the reform of tax on Fluorinated Gases	
Qualitative Indicator: Provision of the law indicating its entry into force	Time: Q2 2022
Context: This reform contains tax measures that aim to support green transition. Milestone #391 concerns the entry into force of the law regulating the tax on fluorinated greenhouse gases to discourage their use and reduce tax avoidance. Milestone #391 is one of the two milestones of the reform C28.R4 that follows the completion of milestone #389 of the same reform, related to the entry into force of the law regulating taxes on non-reusable plastic packaging and the deposit and incineration of waste to promote circular economy and reduce the use of single-use plastics. Milestone #391 is implemented at the same time as milestone #390, related to the the analysis of taxes related mobility such as the vehicle registration tax and the traffic tax or payment such as road tolls. The reform has a final expected date for implementation on 30 June 2022. Following the completion of this milestone, in line with the description of the measure in the Council Implementing Decision, Spain will revise the subsidies for mineral oils used as fuel. This is a further step of this reform that is not linked to the milestones and targets in the Council Implementing Decision.	

Evidence provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
- ii) Copy of the publication in the Official Journal of the Law 14/2022 of 8 July amending Law 19/2013, of December 9, on transparency, access to public information and good governance, in order to regulate the statistics of micro, small and medium-sized enterprises (SMEs) in public procurement (*Ley 14/2022, de 8 de julio, de modificación de la Ley 19/2013, de 9 de diciembre, de transparencia, acceso a la información pública y buen gobierno, con el fin de regular las estadísticas de las microempresas, pequeñas y medianas empresas (PYME) en la contratación pública*), as published in the Official Journal (BOE-A-2022-11392, on 9 July 2022), hereinafter referred to as Law 14/2022 and Law 19/2013;
- iii) Link to the website where the legislative act was published (<https://www.boe.es/eli/es/l/2022/07/08/14/con>).

The authorities also provided:

- i) Copy of the publication in the Official Journal of Royal Decree 712/2022 of 30 August which approves the Regulation of the Tax on Fluorinated Greenhouse Gases, as published in the Official Journal (BOE-A-2022-14274, on 31 August 2022), hereinafter referred to as Royal Decree 712/2022;
- ii) Copy of the publication in the Official Journal of the Order HFP/826/2022 30 August which approves model 587 '*Tax on Fluorinated Greenhouse Gases. Self-assessment*' and model A23 '*Tax on Fluorinated Greenhouse Gases. Request for refund*', determining the form and procedure for their presentation, and regulating the registration in the Territorial Registry and the keeping of inventory accounting, as published in the Official Journal (BOE-A-2022-14275, on 31 August 2022), hereinafter referred to as Order HFP/826/2022.
- iii) Monthly Report of Tax Collection by the Tax Agency, November 2022 (*Informe Mensual de Recaudación Tributaria, Agencia Tributaria, Noviembre 2022*).

Analysis:

The justification and substantiating evidence provided by the Spanish authorities covers all constitutive elements of the milestone. In particular:

Entry in to force of the reform of the Tax on Fluorinated Greenhouse gases. The First Final Provision of Law 14/2022 amends Article 5 of Law 16/2013 which regulates the tax on fluorinated greenhouse gases. The amendments entered into force on 29 July 2022 in absence of specific provisions for the entry into force, 20 days after its publication in the Official Journal in accordance with Article 2(1) of the Spanish Civil Code.

Among others, the provisions of Article 5 of Law 16/2013 as amended define the nature, target area, scope of application and key definitions for the tax (sub-paragraphs 1-3, 5). In accordance with these sub-paragraphs, the tax is an indirect tax, payable in the territory of Spain (without prejudice to the regional tax regimes of agreements and economic agreements in force in the territories of the Basque Country and in the Autonomous Community of Navarre respectively) and concerns fluorinated greenhouse gases meaning hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and

sulphur hexafluoride (SF6) as listed in Annex I to Regulation (EU) No 517/2014 of the European Parliament and of the Council of 16 April 2014 on fluorinated greenhouse gases and repealing Regulation (EC) No 842/2006. Also, mixtures containing any of these substances are subject to the tax.

According to sub-paragraph 6, the taxable events are manufacture, import, intra-community acquisition and irregular holding of fluorinated gases. Sub-paragraph 9 contains specifications when chargeable events occur and sub-paragraph 10 stipulates taxpayers in each case referred to in Point six. Subparagraph 11 defines the tax base expressed in kilograms and sub-paragraph 12 sets the tax rate. Applicable deductions and returns are regulated in sub-paragraphs 14 and 15, respectively. In accordance with sub-paragraph 16 on general management rules, taxpayers are obliged to calculate and pay this tax by themselves. In case of imports, the tax is calculated and paid at customs when goods are imported. Sub-paragraph 16(2) is a basis for an order of the Ministry of Finance and Public Service to approve a model for self-assessment and a model for refunds. Sub-paragraph 16(3) is a basis to set up a territorial registry via a regulation. This sub-paragraph also obliges taxpayers who carry out manufacture, importation, intra-Community acquisition, or warehouse activities of the gases to register themselves in the territorial register. Sub-paragraph 17 regulates infringements and sanctions concerning the tax strengthening the consequences of fraud. The amended Article 5 of Law 16/2013 is complemented by Royal Decree 712/2022 that approves a regulation on the Tax on Fluorinated Greenhouse Gases and by an Order HFP/826/2022 approving certain models and procedures necessary for the tax collection. The Royal Decree and Order entered into force on 1 September 2022 in accordance with their third and fifth final provision, respectively.

The reform discourages the use of fluorinated greenhouse gases. Taxing negative externalities such as greenhouse gases creates an incentive not to consume the products subject to the tax. Law 14/2022 amends the scope of the tax on fluorinated gases, in particular, by adding “irregular possession” in the scope of the tax. In addition, as explained further below, this reform reduces tax avoidance. By broadening the scope and compliance with the tax, this reform discourages the use of fluorinated greenhouse gases.

Measure reduces tax avoidance. In the previous tax law, the taxable event was the first sale or delivery of products containing fluorinated gases after their manufacture, import and intra-community acquisition (sub-paragraph 6 of Article 5 of Law 16/2013), while according to the same provision as amended by the First final provision of Law 14/2022, the taxable events are manufacture, import, intra-community acquisition and irregular holding of fluorinated gases. This change moves the responsibility for paying taxes higher in the upstream of the supply chain thereby reducing the number of possible taxpayers. This move of the responsibility higher in the supply chain simplifies tax collection and will make it easier for the authorities to control the implementation of the tax thereby reducing tax avoidance. The amendments to sub-paragraph 17 are considered to bring about stronger control of fraud thereby additionally addressing the objective of a reduction of tax avoidance. Based on the Tax Agency’s Monthly Report on Tax Revenue published on 23 December 2022 and including the first three months after the revision of the law entered into force, revenue from the tax on fluorinated gases was on an increasing trend, which seem to be an indication that tax compliance has been strengthened.

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure

M401 - C29.R1 - Public spending review and evaluation process

Name of the Milestone: Publication of a monitoring report		
Qualitative Indicator: Publication in the Ministry of Finance webpage		Time: Q1 2022
Context: The objective of this reform is to set up a permanent framework that ensures improvements in the quality of public spending, strengthens fiscal stability and the sustainability of general government finances. This reform contains four sub-elements: i) the incorporation into the decision-making process of the recommendations of the spending review 2018-2020 (phase I and phase II); ii) the launching of phase III of the spending review 2021; iii) a new public spending review and evaluation process (for 2022-2026); and iv) the strengthening of the capacity of the evaluator (AIReF). Milestone #401 requires the Ministry of Finance's unit responsible for monitoring the implementation of the recommendations given in the Spending Reviews to publish a monitoring report. The report shall list the recommendations issued by AIReF and summarised the responses given by the budgetary units in line with the principle of "comply or explain". This would require detailing the regulatory changes or other measures taken to address them. Where the spending centres to which the recommendations are addressed do not agree with them, appropriate justification shall be included. Milestone #401 is the fifth milestone or target of the reform, and it follows the completion of milestone #397 and milestone #399, related to the regulatory changes to improve the framework for spending reviews concerning the Ministry of Finance and AIReF as well as milestone #398 that related to the launch of the third phase of spending review 2021 and milestone #400 that related to the Government's decision on the multiannual cycle of spending reviews 2022-2026. It will be followed by milestone #402, related to the publication of the spending review studies of the third phase. The reform has a final expected date for implementation by 30 June 2023. Following the completion of this milestone, in line with the description of the measure in the Council Implementing Decision, Spain aims to publish a report annually in 2022 to 2026. This is a further step of this reform that is not linked to the milestones and targets in the Council Implementing Decision.		
Evidence provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: i) Summary document duly justifying how the milestone was satisfactorily fulfilled. ii) Link to the publication of the monitoring report in the Ministry of Finance webpage (https://www.sepg.pap.hacienda.gob.es/sitios/sepg/es-ES/Presupuestos/IRG/Documents/Informe%20seguimiento%20SPENDING%20REVIEW%20(31-03-22).pdf) The authorities also provided: i) Link to the publication of the Update of the Monitoring Report of the Recommendations Formulated in the Public Expenditure Review Processes (Spending Reviews) 2022 (<i>Actualización del Informe de Seguimiento de las Recomendaciones Formuladas en los Procesos de Revisión del Gasto Público (Spending Reviews) 2022</i>) (https://www.sepg.pap.hacienda.gob.es/sitios/sepg/es-ES/Presupuestos/IRG/Documents/ANEXO%20ACTUALIZACION%20INFORME%20SEGUIMIEN TO%20RECOMENDACIONES%20SPENDING%20REVIEWS%20DIC%2022.pdf).		

Analysis:

The justification and substantiating evidence provided by the Spanish authorities covers all constitutive elements of the milestone. In particular:

Publication of the monitoring report. In line with the milestone requirements, the Ministry of Finance published a report that monitors the implementation of the recommendations given by AIReF in 11 spending reviews published in 2019-2020 (phases I and II). In the preparatory phase of the monitoring report, the Ministry of Finance sent a request to other ministries in whose policy area AIReF gave recommendations in the spending reviews of phase I and II. The request asked ministries to explain whether or not the recommendations have been complied with, in accordance with the “comply or explain” principle. The unit responsible for the monitoring in the Ministry of Finance used the responses of the other ministries to prepare the report. The monitoring report was published on the website of the Ministry of Finance on 31 March 2022. The report was complemented by a publication of an annex on 22 December 2022, which provides additional information for some of the responses and updates the categorisation of the responses. Henceforth, the monitoring report and the annex to it are referred to as “the report”.

The report lists the recommendations issued by AIReF. The report identifies and lists 277 recommendations given to the budgetary units in 11 spending review reports under phase I and II of the 2018-2022 cycle.

The responses follow the “comply or explain” principle. The replies for each recommendations identified are presented using the following scale: “implemented” — “in progress” — “rejected”. According to the report, 100 recommendations are considered as “implemented” and for these recommendations the monitoring report details the regulatory changes or other measures taken to address them. These responses include regulatory changes such as increased budget allocations through the annual budget law or concrete changes in implementation of policies such measures to increase efficiency in implementing postal services. According to the report, 23 recommendations are considered as “rejected” (concerned spending centres do not agree with them) and for these cases the monitoring report presents appropriate justification for the rejection. According to the report, there are 154 recommendations for which the regulatory changes and measures to address them are in course of implementation (not taken yet) or still to be decide upon. These are labelled as “in progress” and the monitoring of their implementation will continue in the context of next monitoring reports until these recommendations can be considered implemented or rejected.

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure
M411 - C30.R3 - Reform of the Social Security contribution system for the self-employed
Name of the Milestone: Reform of the Social Security contribution system for the self-employed
Qualitative Indicator: Provision of the legislation indicating its entry into force
Time: Q2 2022
Context:
The measure aims to equalise the treatment of workers and self-employed, to increase contributions to the pension system and to ensure that the self-employed receive an adequate pension income. It amends the social security contribution regime of self-employed persons. The reform changes the base of contributions to real income from the previous self-chosen contribution

base, in line with the Toledo Pact recommendations. The final contributions will be calculated based on the self-employed professional income provided by the tax authorities. The reform will be implemented gradually through increases in the minimum contribution base to allow for adaptation to the new regime.

The milestone consists of entry into force of legislation reforming the social security contribution system for the self-employed, gradually shifting the contribution system to be based on real income. This milestone is the only milestone of this reform.

Evidence provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone was satisfactorily fulfilled.
- ii) Copy of the publication in the Official Journal of Royal Decree-Law 13/2022 of 26 July 2022 establishing a new contribution system for self-employed and improving protection for cessation of activity (*"Real Decreto-ley 13/2022, de 26 de julio, por el que se establece un nuevo sistema de cotización para los trabajadores por cuenta propia o autónomos y se mejora la protección por cese de actividad"*) as published in the Official Journal (BOE-A-2022-12482) on 27 July 2022, hereinafter referred to as "Royal Decree-Law 13/2022".
- iii) Projections of self-employed contributions by 2032.

The authorities also provided:

- i) Copy of the publication in the Official Journal of Royal Decree 504/2022 of 27 June 2022 amending the General Regulation on the registration of undertakings and affiliation, registration, absence and variation of data on workers in the social security system, approved by Royal Decree 84/1996 of 26 January 2007, and the General Regulation on the Collection and Settlement of Other Social Security Entitlements, approved by Royal Decree 2064/1995 of 22 December 2007, to update their rules on self-employed or self-employed persons (*"Real Decreto 504/2022, de 27 de junio, por el que se modifican el Reglamento General sobre inscripción de empresas y afiliación, altas, bajas y variaciones de datos de trabajadores en la Seguridad Social, aprobado por el Real Decreto 84/1996, de 26 de enero, y el Reglamento General sobre Cotización y Liquidación de otros Derechos de la Seguridad Social, aprobado por el Real Decreto 2064/1995, de 22 de diciembre, para actualizar su regulación respecto a los trabajadores por cuenta propia o autónomos"*) as published in the Official Journal (BOE-A-2022-10677), on 28 June 2022;
- ii) Copy of the publication in the Official Journal of Royal Decree 84/1996, of 26 January 1996, approving the General Regulation on the registration of undertakings and affiliation, registration, reductions and variations in data on workers in the social security system;
- iii) Copy of the publication in the Official Journal of Royal Decree 2064/1995, of 22 December, approving the General Regulation on the Collection and Payment of Other Social Security Entitlement (*"Real Decreto 84/1996, de 26 de enero, por el que se aprueba el Reglamento General sobre inscripción de empresas y afiliación, altas, bajas y variaciones de datos de trabajadores en la Seguridad Social"*) as published in the Official Journal (BOE-A-1996-4447), on 1 March 1996;
- iv) Copy of the publication in the Official Journal of Royal Legislative Decree 8/2015 of 30 October approving the recast General Social Security Law (*"Real Decreto Legislativo 8/2015, de 30 de octubre, por el que se aprueba el texto refundido de la Ley General de la Seguridad Social"*) as published in the Official Journal (BOE-A-2015-11724), on 31 October 2015;
- v) Copy of the publication in the Official Journal of Royal Decree 1415/2004, of 11 June,

approving the General Regulation on Social Security Collection (*“Real Decreto 1415/2004, de 11 de junio, por el que se aprueba el Reglamento General de Recaudación de la Seguridad Social”*) as published in the Official Journal (BOE-A-2004-11836), on 25 June 2004.

Analysis:

The justification and substantiating evidence provided by the Spanish authorities covers all constitutive elements of the milestone. In particular:

Entry into force. In line with the requirements of the Council Implementing Decision, Royal Decree-Law 13/2022 of 26 July 2022 entered into force on 1 January 2023, in accordance with the fourth final provision on entry into force.

Gradually shifting the Social Security contribution system for the self-employed, to be based on real income, in line with the Toledo Pact recommendation. Royal Decree-Law 13/2022 reforms the social security contribution system for the self-employed, gradually shifting the contribution system to be based on real income, in line with the Toledo Pact recommendations. Its first transitional provision sets out contribution tables for the self-employed on the basis of real taxable income for the 2023, 2024 and 2025 financial years, with gradual increases in the minimum contribution base for higher income classes. In the previous system the self-employed could choose their contributions, with 85% opting for the minimum amount. The reform has therefore the largest impact on the effective contribution rates for those with higher incomes and a gradual shift in the minimum contribution base for this group allows for the required adaptation and will gradually increase contributions. The contributions are paid on the basis of the total taxable income in line with recommendation number 4 (*“Integration and convergence of regimes”*) of the Toledo Pact recommendations.

Base the contributions of the self-employed on real income provided by the tax authority. Royal Decree-Law 13/2022 also provides for the final contributions to be calculated based on the self-employed professional income provided by the tax authorities. In particular, according to its first additional provision, subsequent to the transitional period and at the latest from 1 January 2032, the contribution bases are determined on the basis of the annual net income obtained by the self-employed from their economic or professional activity, within the limits of the maximum and minimum contribution bases to be laid down in the relevant General State Budget Law. The same article states that the tax authorities are obliged to provide by means of automated procedures, the information on real income necessary for the adjustment of contribution bases and contributions.

Equalise the treatment of workers and the self-employed and ensure that the self-employed receive an adequate pension income. The gradual shift to taxable income as a contribution base will equalise the treatment of workers and self-employed. The obligation to link social contributions with real income and the end of the possibility to choose unilaterally a lower contribution rate, contribute to ensuring that self-employed receive an adequate pension income.

Increase contributions to the pension system The Spanish authorities provided projections showing that the gradual shift to taxable income as a contribution base will increase overall contributions to the pension system. The Commission services consider these projections plausible.

Commission Preliminary Assessment: Satisfactorily fulfilled

Milestone number – related measure

M414 - C30.R5 - Review of the current supplementary pension system

Name of the Milestone: Review of the current supplementary pension system	
Qualitative Indicator: Provision of the legislation indicating its entry into force	Time: Q2 2022
Context: The measure revises the regulatory framework for the supplementary pension system, with the objective to increase coverage of occupational pension schemes agreed through collective bargaining, preferably on a sectoral level. The new legal framework for occupational pension schemes is aimed to cover workers without occupational pension schemes in their companies and self-employed who currently do not have access to these second-pillar schemes. In Milestone #414 the entry into force of the legislation on the review of the current supplementary pension system includes: i) the creation by the Administration of publicly promoted funds for occupational retirement provision, managed by the private sector and open to all companies and workers; ii) the simplification of the procedures of the pension schemes; iii) regulatory changes to promote the mobility of workers between different companies and sectors; and iv) limiting management costs for collective occupation schemes below 0.30 % of assets under management. This milestone is the second milestone of this reform and it follows the completion of milestone #413 which included provisions in the general state budget for 2021 shifting tax incentives formerly associated with individual pension schemes in favour of the collective ones and through public incentives and regulatory changes to increase the coverage of occupational pension schemes agreed through collective bargaining.	
Evidence provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: i) Summary document duly justifying how the milestone was satisfactorily fulfilled. ii) Copy and link of the publication in the Official Journal of Law 12/2022 of 30 June 2022 regulating the promotion of occupational pension schemes, amending the recast text of the Law on the Regulation of Pension Plans and Funds, approved by Royal Legislative Decree 1/2002 of 29 November ("<i>Ley 12/2022, de 30 de junio, de regulación para el impulso de los planes de pensiones de empleo, por la que se modifica el texto refundido de la Ley de Regulación de los Planes y Fondos de Pensiones, aprobado por Real Decreto Legislativo 1/2002, de 29 de noviembre</i>") as published in the Official Journal (BOE-A-2022-10852), on 1 July 2022, hereinafter referred to as "Law 12/2022" and "Royal Legislative Decree 1/2002". iii) Copy of and link to Royal Decree 885/2022 of 18 October 2022 amending the secondary legislation on pension plans and pension funds, approved by Royal Decree 304/2004 of 20 February 2007 on the promotion of occupational pension plans ("<i>Real Decreto 885/2022, de 18 de octubre, por el que se modifica el Reglamento de planes y fondos de pensiones, aprobado por el Real Decreto 304/2004, de 20 de febrero, para el impulso de los planes de pensiones de empleo</i>") as published in the Official Journal (BOE-A-2022-10852), on 19 October 2022 and hereinafter referred to as "Royal Decree 885/2022" and "Royal Decree 304/2004". The authorities also provided: i) Copy and link to Royal Decree 504/2022 of 27 June 2022 amending the General Regulation on the registration of undertakings and affiliation, registration, absence and variation of data on workers in the social security system, approved by Royal Decree 84/1996 of 26	

January 2007, and the General Regulation on the Collection and Settlement of Other Social Security Entitlements, approved by Royal Decree 2064/1995 of 22 December 2007, to update their rules on self-employed (*“Real Decreto 504/2022, de 27 de junio, por el que se modifican el Reglamento General sobre inscripción de empresas y afiliación, altas, bajas y variaciones de datos de trabajadores en la Seguridad Social, aprobado por el Real Decreto 84/1996, de 26 de enero, y el Reglamento General sobre Cotización y Liquidación de otros Derechos de la Seguridad Social, aprobado por el Real Decreto 2064/1995, de 22 de diciembre, para actualizar su regulación respecto a los trabajadores por cuenta propia o autónomos”*) as published in the Official Journal (BOE-A-2022-10677) on 28 June 2022;

- ii) Royal Legislative Decree 1/2002 of 29 November 2002 approving the recast text of the Law on the Regulation of Pension Plans and Funds (*“Real Decreto Legislativo 1/2002, de 29 de noviembre, por el que se aprueba el texto refundido de la Ley de Regulación de los Planes y Fondos de Pensiones (modificación)”*) as published in the Official Journal (BOE-A-2022-10677) on 28 June 2022;
- iii) Law 35/2006 of 28 November on personal income tax and partial amendment of the laws on corporate taxes, on the income of non-residents and on wealth (*“Ley 35/2006, de 28 de noviembre, del Impuesto sobre la Renta de las Personas Físicas y de modificación parcial de las leyes de los Impuestos sobre Sociedades, sobre la Renta de no Residentes y sobre el Patrimonio”*) as published in the Official Journal (BOE-A-2006-20764) on 1 January 2022;
- iv) Royal Legislative Decree 8/2015 of 30 October 2015 approving the recast General Social Security Law (*“Real Decreto Legislativo 8/2015, de 30 de octubre, por el que se aprueba el texto refundido de la Ley General de la Seguridad Social”*) as published in the Official Journal (BOE-A-2015-11724) on 2 January 2016; 2016;
- v) Royal Decree 304/2004 of 20 February approving the Regulation on pension plans and pension funds (*“Real Decreto 304/2004, de 20 de febrero, por el que se aprueba el Reglamento de planes y fondos de pensiones”*) as published in the Official Journal (BOE-A-2004-3453) on 26 February 2005.

Analysis:

The justification and substantiating evidence provided by the Spanish authorities covers all constitutive elements of the milestone. In particular:

Entry into force. In line with the requirements of the Council Implementing Decision, Law 12/2022 entered into force on 1 July 2022, in accordance with its eighth final provision, while Royal Decree 885/2022 entered into force on 20 October 2022 in accordance with its second final provision. These legal acts revised the existing regulatory framework by amending Royal Legislative Decree 1/2002 and Royal Decree 304/2004.

Creation of publicly promoted funds for occupational retirement provision open to all companies and workers. Law 12/2022 provides for the creation by the Administration of publicly promoted funds for occupational retirement provision, managed by the private sector and open to all companies and workers. In particular, the sole Article of Law 12/2022 amends Royal Legislative Decree 1/2002 by introducing in its first point a new Chapter XI on ‘Open Publicly-Promoted Occupational Pension Funds’. Articles 52, 53 and 57(1) of Section I of this new Chapter XI provide the regulations for the creation of a privately managed publicly promoted occupational pension fund to which defined contribution occupational pension schemes can be attached. The legislation includes no limits for participation, therefore the fund is open to all companies and workers, including those workers without occupational pension schemes in their companies and self-

employed who currently do not have access to these second-pillar schemes.

Regulatory changes to promote the mobility of workers. Law 12/2022 also promotes the mobility of workers between different companies and sectors. Article 57(2) of Section I of this new Chapter XI provides for a common digital platform for all management and depositors. This platform will allow the traceability of the historical economic movements of the contributors and promoters regardless of the transfers of plans that have been registered.

Simplification of procedures. The sole Article of Law 12/2022 also introduces in its second point a new Chapter XII on 'Simplified Occupational Pension plans'. Article 67 of this new chapter defines those simplified plans while its Article 70 states that schemes may be integrated into the new public open occupational retirement funds under simplified regulations.

Limiting management costs. Article 107 of Royal Decree 885/2022 limits the costs of managing collective occupation schemes to less than 0.30 % of the assets under management.

Commission Preliminary Assessment: Satisfactorily fulfilled