

Spain today

START

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PRESENTATION

It gives me great pleasure to present this latest edition of *Spain Today 2011*, which we are publishing in a digital format to suit the new design of the recently-updated website (www.lamoncloa.gob.es) and which once again offers an up-to-date overview of Spain today.

The goal of this new edition is to show the reality in Spain by objectively releasing certain data and figures, by documenting the political, economic, cultural and social structure of the country and by presenting the public policies and reforms that the Government of Spain is implementing in order to tackle the economic crisis. These policies will put Spain in the best possible position for achieving renewed economic and social development.

Within these pages, the reader will find data on the economic trends in Spain resulting from the response being given by the country to the economic and financial crisis after almost an entire decade of uninterrupted growth. Spain is meeting the deficit reduction and austerity targets required by the current situation and is also undertaking the necessary reforms of the Spanish production model, financial system and labour market in order to consolidate a modern, innovative and competitive economy.

This book is also intended as a guide for those foreign readers who may be interested in or curious about modern-day Spain, as well as a presentation for those who might know a little less about the country regarding the major characteristics that define Spanish history, Spanish culture, Spanish society and the Spanish democratic institutions.

Spain Today 2011 is a book for everyone interested in discovering more about modern Spain and in following the country's latest social, cultural and political advancements. *Spain Today 2011* is a digital book with the added flexibility and accessibility offered by these times of technological change and austerity. I hope you find it useful.



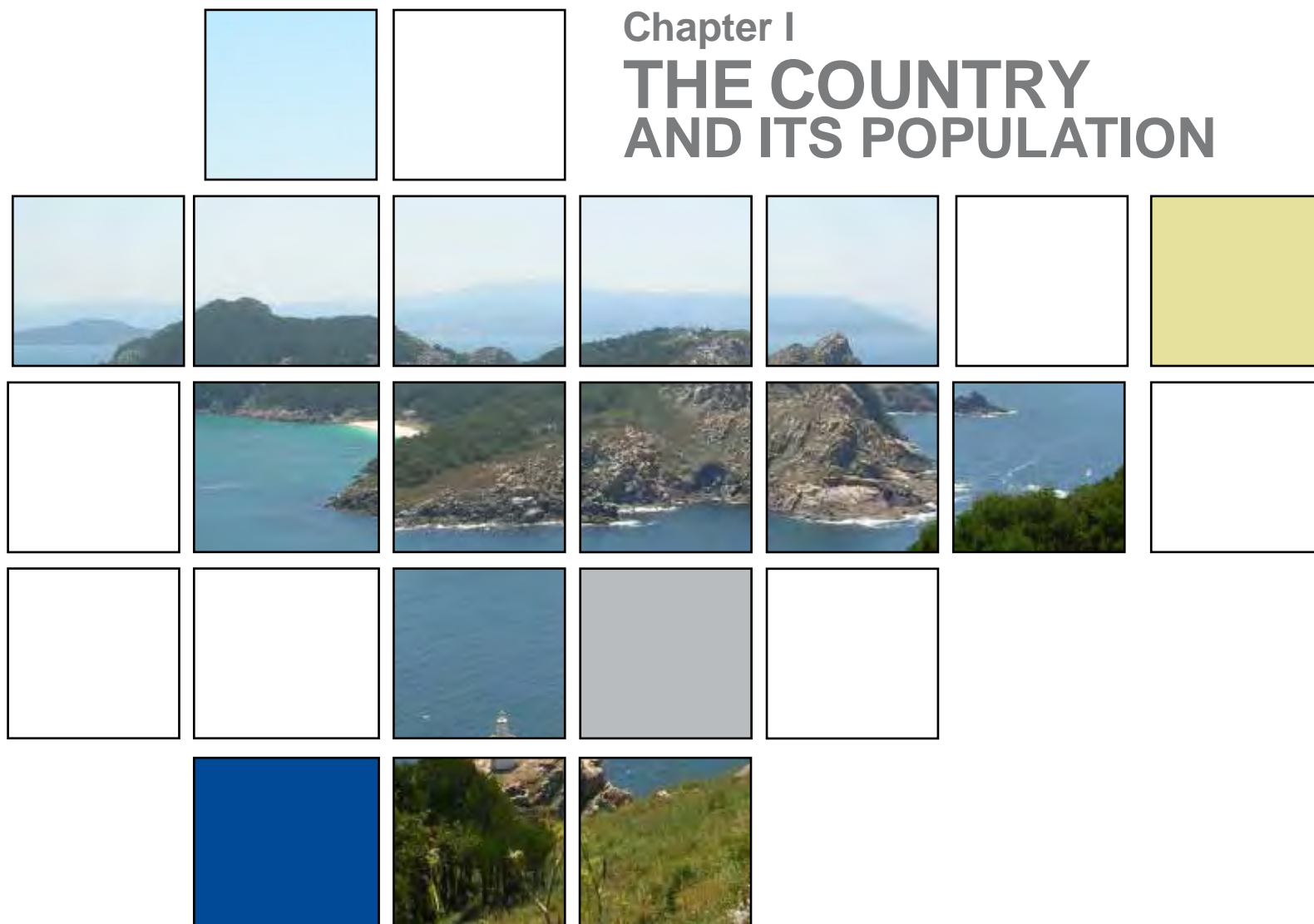
Félix Monteiro
State Secretary for Communication

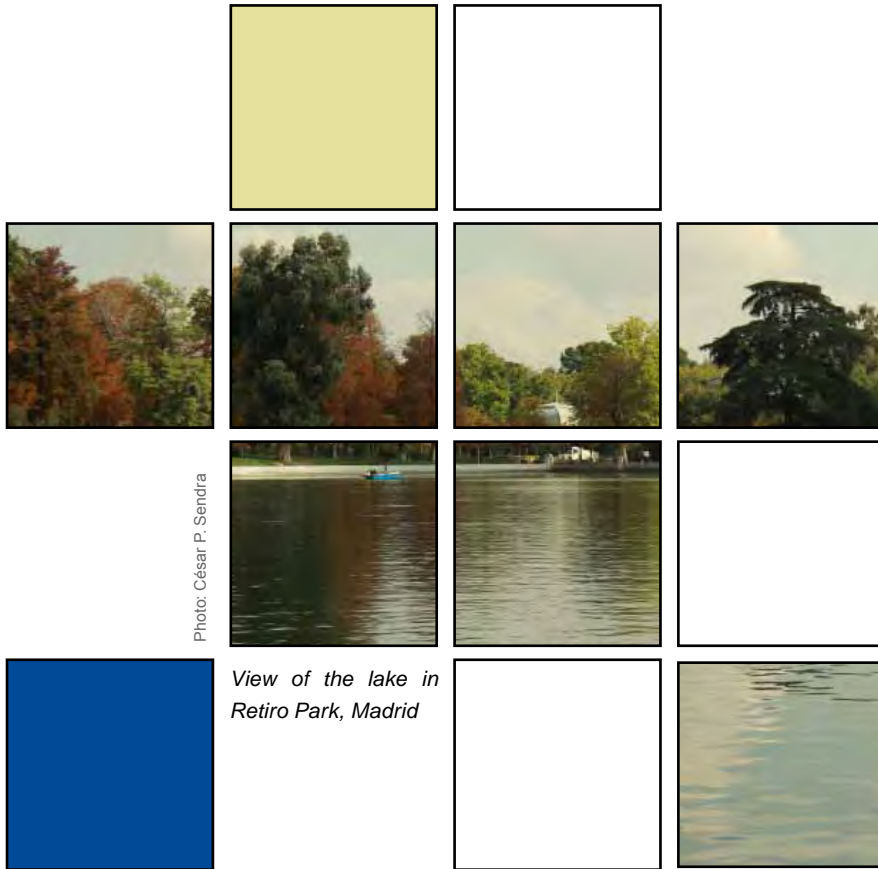
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Spain today
2011

Chapter I
**THE COUNTRY
AND ITS POPULATION**





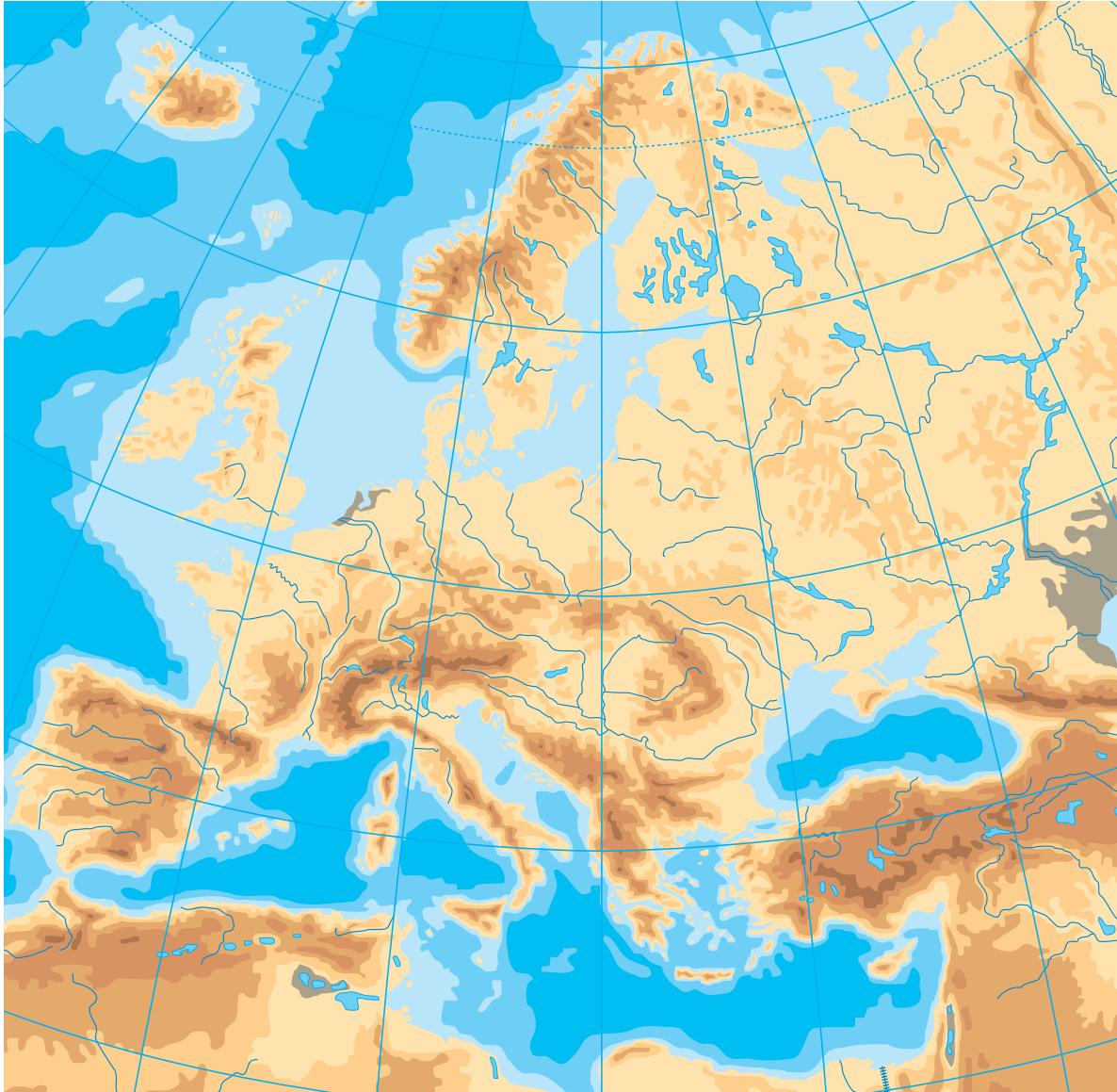
GEOGRAPHY

Most of Spain's national territory is located on the Iberian Peninsula (which it shares with Portugal and Andorra) situated in the southwest corner of Europe. However the Canary Islands, the Balearic Islands, a few smaller islands and the cities of Ceuta and Melilla in North Africa are also territories of Spain.

Covering an area of 506,030 square kilometres, Spain is among the fifty largest countries in the world. The mainland territories cover an area of 493,514 square kilometres; the Balearic Islands cover 4,992 square kilometres; the Canary Islands cover 7,492 square kilometres; and the cities of Ceuta and Melilla cover 32 square kilometres.

The geological history of the Iberian Peninsula has given rise to mountains forming large chains that surround a high inland plateau situated at over 600 metres above average sea level. As a result of this geography, the peninsula is characterised by a rich variety of unique enclaves and natural environments. If there is one characteristic that differentiates the surface of the peninsula from the rest of Europe, it is clearly the diversity.

Due to its geographic location, Spain is influenced by two very different bodies of water: the vast and open Atlantic Ocean; and the Mediterranean Sea, whose only physical connection to the former is a narrow channel called the Straits of Gibraltar, which permits



the exchange of water between the two masses of very different salinity and temperature. The Spanish coastline is 5,755 kilometres long.

TOPOGRAPHY

The surface of Spain is extremely varied and characterised by a relatively high average altitude; over 600 metres above sea level. As such, it is the second-highest country in Europe, surpassed only by Switzerland where the average altitude is 1,300 metres. This is due to the presence at the centre of the peninsula of a vast plateau, known as the *Meseta*, divided into two smaller plateaus by the *Sistema Central* mountain range. A series of other mountain ranges around the plateau and others located on the edges of the peninsula complete the topographical analysis. There are two depressions (the Ebro and Guadalquivir river valleys) located between the *Meseta* and the peripheral ranges. The mountain ranges, which except for the *Sistema Ibérico* [Iberian System] and the *Cordilleras Costero-Catalanas* [Catalonian-Coastal Ranges] generally run from west to east, exert a tremendous influence on the continental climate by creating natural barriers against banks of moist air from the Atlantic Ocean, which would otherwise temper inland temperatures.

Physical map of Europe.

Physical Map of Spain

Photo: National Atlas of Spain. National Geographic Institute of Spain.



RIVERS

The natural fluvial regime of Spain's rivers mainly depends on the pattern of precipitation, where its waters originate and transform into surface water or groundwater runoff. However, this natural fluvial pattern is affected by human action in the form of infrastructures used to regulate and

modify its temporal distribution, as well as other types of actions that remove volumes of water from rivers.

The diversity of climates in Spain, together with other morphological and geological factors, explains the enormous contrasts in its present-day hydrographical composition.

Climatic regionalisation

Photo: National Atlas of Spain. National Geographic Institute of Spain.



CLIMA

Although the climates in Spain are difficult to classify because of their widely varying nature, it is possible to distinguish the following types:

- Atlantic or Oceanic Climate

- Continental Climate
- Mediterranean Climate
- Mediterranean Mountain Climate

There are other smaller but nevertheless significant climate zones, as follows:

Average annual temperatures

Photo: National Atlas of Spain. National Geographic Institute of Spain.



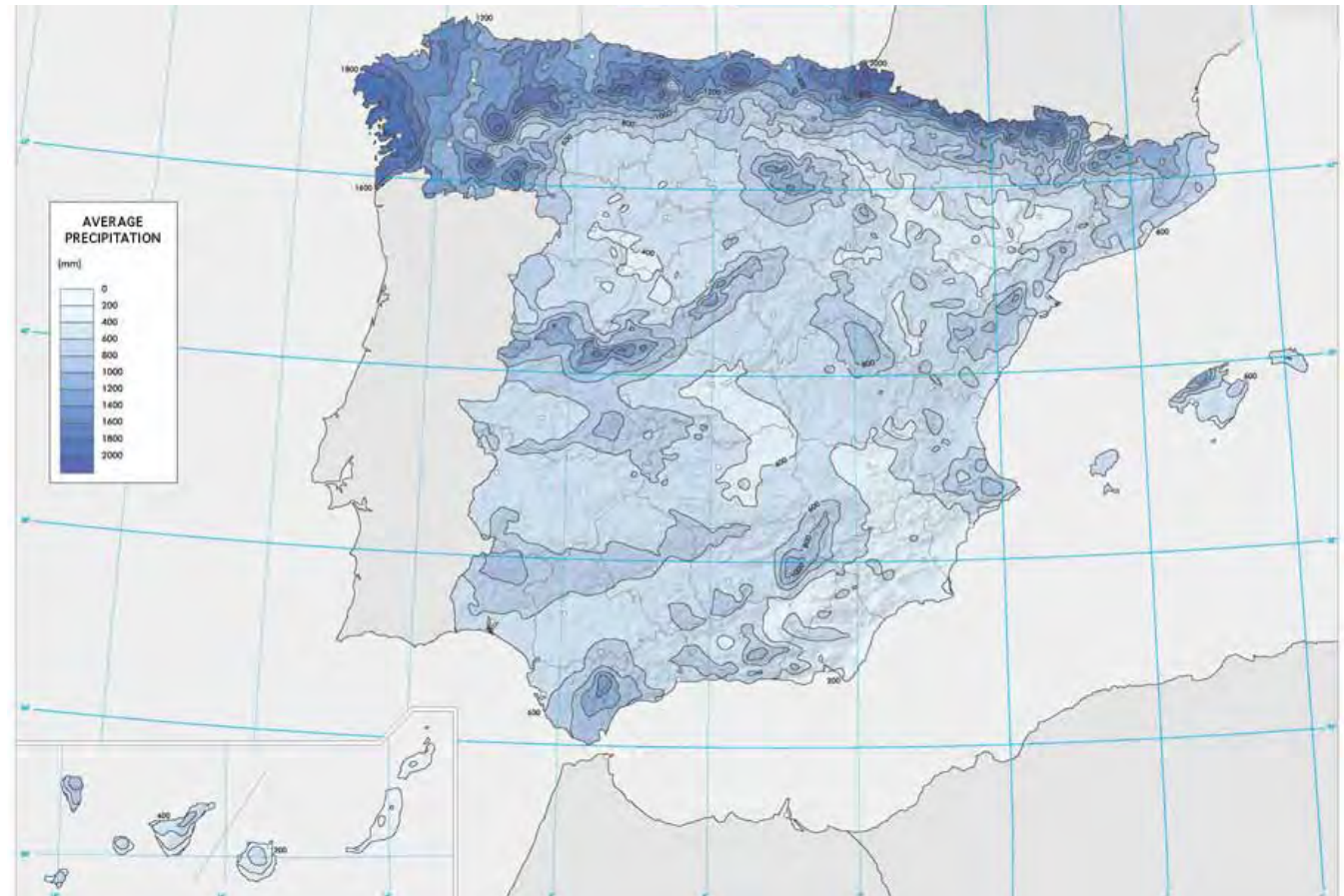
- Cold Steppe Climate
- Hot Steppe Climate
- Subtropical Climates

En cuanto a las temperaturas, las diferencias son notables entre las tierras interiores y las periféricas. With regard to temperature, the most notable

differences are between the inland and the peripheral areas. In the former, where temperatures are influenced by the continental factor, the winters are very cold, with average January temperatures ranging between 0 and 3°C, while the summers are hot, with an average of 24°C in July and August. Meanwhile, in the peripheral areas the winters are mild, with an average of 10°C in January,

Average annual precipitation

Photo: National Atlas of Spain. National Geographic Institute of Spain.



and an average annual temperature, especially on the Mediterranean coast, of between 16 and 18°C.

Precipitation is also marked by sharp contrasts: the north and northwest, which are directly influenced by the Atlantic, have abundant rainfall and no distinguishable dry season. This area is sometimes known as the *España Húmeda*, or Wet Spain, with

annual precipitation exceeding 600 mm and rising occasionally to 2,000 mm. The remainder of the country is predominantly dry, with an annual precipitation of less than 600 mm. The southeast of Spain is semi-arid, with annual precipitation below 300 mm and a semi-desert landscape that at times is reminiscent of the Sahara.

Ecological regions

Photo: National Atlas of Spain, National Geographic Institute of Spain.



VEGETATION

Spain's rich diversity in terms of climate, petrography and topography has given rise to the formation of several clearly defined ecological regions, which in turn have led to the development of a broad spectrum of vegetation types. Another influential factor is

the intensity of human activity, which has gradually transformed our natural surroundings since the Neolithic period, often adding to the already diverse array of habitats.

Under natural conditions, virtually the entire country would be covered by forests; only a few enclaves in



The landscape of a valley in the Ebro region

the highest mountains and certain extremely dry areas in the southeast and in the Canary Islands do not lend themselves to the natural development of this type of vegetation.

Nowadays, however, the vegetation cover in Spain resembles a type of mosaic in which the natural formations of trees, shrubs and herbaceous plants are distributed unevenly throughout the land alongside

crop fields and reforested areas. This varied landscape is clearly reflected in the equally varied flora, which comprises approximately eight thousand species and includes plants from the whole of Europe and North Africa. Hence, the European beech co-exists with the Mediterranean holm oak, Aleppo pine, African palm and even the Australian eucalyptus.

The boundary between the wet and dry regions of Spain also separates two types of peninsular landscape: that of Green Spain, with its prevailing leafy evergreens and vastly varying meadowlands, and the landscape of Mediterranean Spain, characterised by expanses of scrubland and xerophilic plant life – plants capable of withstanding the summer droughts – alongside the ever-diminishing woodlands. In more arid areas (La Mancha, Extremadura and, particularly, the Ebro Valley) holm oaks have been replaced by a sparse cover of dry, thorny bushes.

The Mediterranean coastal areas display a more complex variety of vegetation. Here, the holm oaks and cork oaks are joined, even on the coast itself, by a mass of coniferous trees dominated by the Aleppo pine, which on higher ground are replaced by other types of conifers more adapted to mountain conditions. By contrast, a desert-like landscape extends along the Mediterranean shores of south-eastern Murcia and Andalusia. Here, exotic species such as European fan palms, prickly pears and pitas are frequently found, together with more occasional compact or scattered palm groves.

Aerial view of the Doñana National Park

Photo: Héctor Garrido. Doñana image bank.



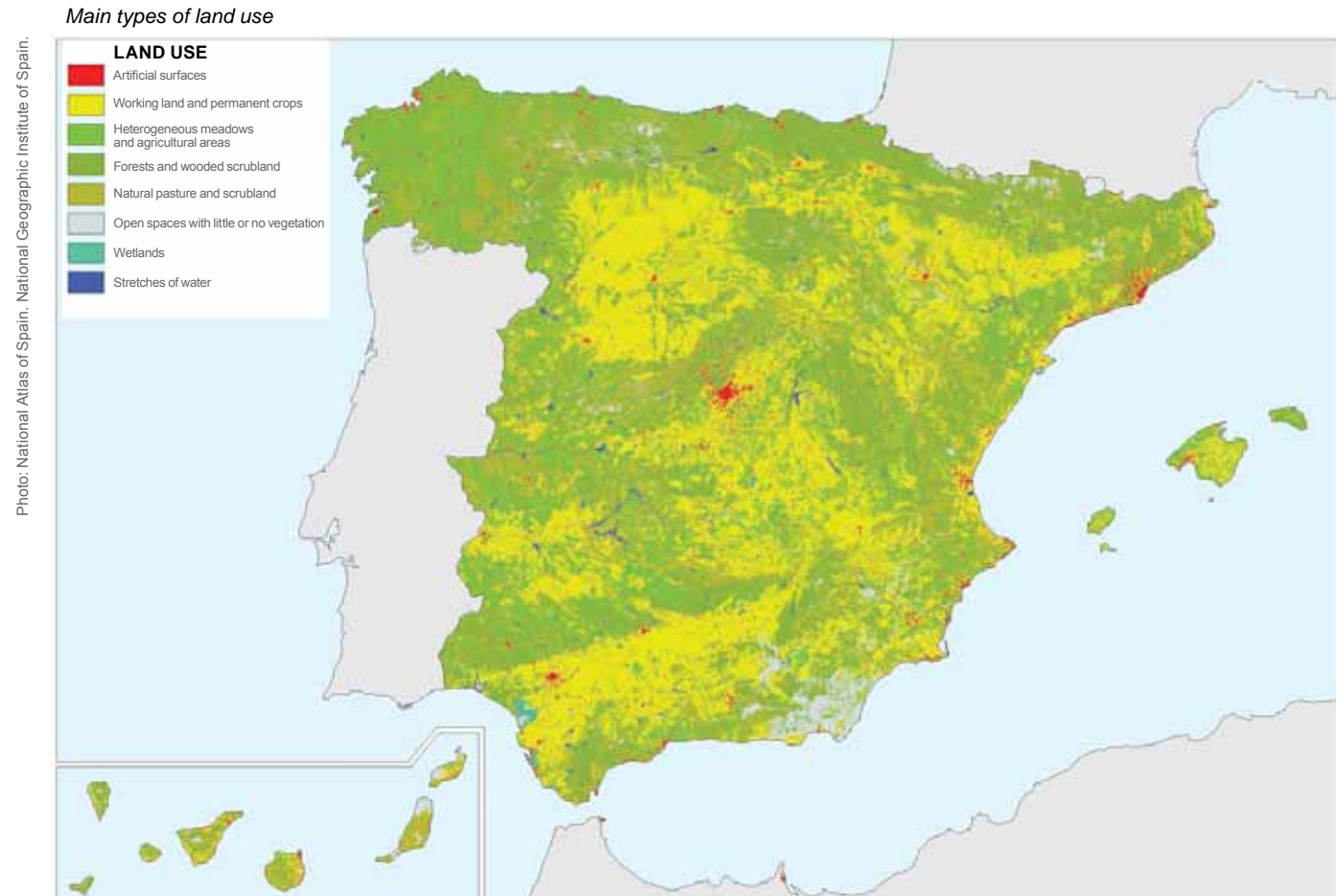
Forests, natural or otherwise, currently occupy 15 million hectares (approximately 30% of the land), the most characteristic being the Atlantic variety, dominated by oaks and other leafy evergreens; gallery forests, present in 20% of the riverbanks in Spain; Mediterranean forests in their evergreen, sclerophyll and mountain varieties; and sub-alpine coniferous

forests, with alternating mountain scrub and wet or semi-wet meadows.

In certain areas with a temperate climate and abundant rainfall, subtropical-lauroid vegetation is still present. So also is the continental steppe vegetation of Eastern Mediterranean and Asian origin, as well as Euro-

NATIONAL PARKS			
National Park	Autonomous Regions	Province	Total surface area (hectares)
Aigüestortes i Estany de Sant Maurici	Catalonia	Lleida	14,119
Cabrera Archipelago	Balearic Islands	Balearic Islands	10,020
Cabañeros	Castile-La Mancha	Ciudad Real, Toledo	40,856
Caldera de Taburiente	Canary Islands	Santa Cruz de Tenerife (La Palma Island)	4,699
Doñana	Andalusia	Huelva, Seville	54,251
Garajonay	Canary Islands	Santa Cruz de Tenerife (Gomera Islands)	3,986
Atlantic Isles of Galicia	Galicia	Pontevedra, A Coruña	8,480
Monfragüe	Extremadura	Cáceres	18,118
Ordesa and Monte Perdido	Aragon	Huesca	15,608
Picos de Europa	Asturias, Castile and Leon, Cantabria	Asturias, Leon, Cantabria	64,660
Sierra Nevada	Andalusia	Granada, Almería	86,208
Tablas de Daimiel	Castile-La Mancha	Ciudad Real	1,928
Teide	Canary Islands	Santa Cruz de Tenerife (Tenerife Island)	18,990
Timanfaya	Canary Islands	Las Palmas (Lanzarote Island)	5,107

Source: National Parks Network,
Ministry of the Environment,
Rural and Marine Affairs, 2010.



Siberian vegetation represented by certain evergreen forests, heathlands, hay fields and a few arctic-alpine plants and similar vestiges, which grow in the dampest and highest Mediterranean mountain ranges.

This richly diverse vegetation is matched by a great variety of coastal ecosystems, including intertidal

areas, beaches, cliffs, sand dunes, salt marshes, salt steppes, etc. Spain also boasts a similarly rich variety of freshwater habitats, with 75,000 kilometres of rivers and at least 1,500 wetlands, representing 0.22% of the national territory. Although usually fairly small, the wetlands are hugely important as centres of biological diversity.

Photo: César P. Sendra.

Stork



However, land use in Spain is currently dominated by agriculture, livestock farming and forestry, occupying over 42 million hectares or 80% of the country. Of this area, just over 30% is used for dry-farmed crops, 30% for forestry and 12% for grazing and plant species requiring little water. Irrigated crops occupy 7% of the land. And yet, even in these areas the flora is not without interest: many plants endemic to Spain grow there and a number of animal species are able to live there. In addition to all of this, there is another wholly altered and irretrievable habitat: 8% of the land is covered by urban areas and infrastructures.

WILDLIFE

There are estimated to be between 50,000 and 60,000 wildlife species in Spain. Of these, 770 are vertebrates (excluding marine fish) and the rest invertebrates. Both types represent over 50% of the total number of species in each group present in the European Union, and, once again, the merits of this biological diversity are multiplied by the endemic factor. This is particularly true of the Canary Islands, where 44% of the wildlife (or 3,066 of the 6,893 animal species present) are endemic.

The Iberian Peninsula, Ceuta and the two archipelagos are also significant in terms of migrations, receiving a vast quantity of animals. Abundant species that cannot strictly be described as Spanish wildlife (mainly birds but also marine fish and mammals) use the country as a stopover between their northern breeding grounds and

Photo: Héctor Garrido. Doñana image bank.



Iberian lynx.

their Mediterranean and Southern Sahara wintering places, or between their reproductive grounds in the Mediterranean and their resting places in the Atlantic.

Endangered species are increasingly and more efficiently protected in numerous nature reserves. This is the case, for example, of the brown bear, which lives

in evergreen and mixed mountain forests, the Iberian lynx, found in Mediterranean forests and meadowland with thick undergrowth, the European mink, the grouse and the Spanish imperial eagle.

The southern part of the peninsula is home to countless African-type wildlife species, while on the

Meseta or central plateau the most predominant species are the partridge, quail, wolf and birds such as the great bustard, sand grouse, imperial sand grouse and various birds of prey. The typically Spanish subspecies include the Spanish deer, the wild cat, the weasel and the Andalusian wild boar. This group also includes the Iberian black pig, although it is not exclusive to Spain, and, through the mutations in its domestication, the fighting bull.

The marine wildlife is rich and varied. The Atlantic offers a greater diversity of fish than the Mediterranean, especially along the coast of Galicia, with large continental platforms, an abundance of plankton and, due to strong tides, the frequent renewal of its waters. In the Bay of Biscay, which is deeper, the fish live further away from the coast. The southern Atlantic coast is characterised by abundant migrant fish, such as the tunas that lay their eggs there en route to the Mediterranean. The endangered Mediterranean monk seal fares well on the rocky coasts least altered by human activity and with abundant islets and caves. However, excessive hunting of large cetaceans has impoverished Spanish wildlife in this respect, and nowadays it is rare to see dolphins, sperm whales and porpoises in the seas that surround the peninsula.

MINERALS

Iberia, Hesperia or Hispania (the different names by which Spain has been known through history) was famous for its natural wealth, and for the abundance and variety of its mineral resources in particular. In fact, such was this fame that it attracted the attention of conquering peoples and became the battlefield on which Carthage and Rome confronted each other. Even as late as the beginning of the 20th century, Spain still boasted several of the world's most important mineral deposits, and the economic development of certain regions, such as the Basque Country and Asturias, was based on their mineral wealth. Although nowadays the situation has changed, Spain still remains one of the richest countries in Europe in terms of its mineral wealth.

Spanish mineral production (even excluding energy production) is characterised by its diversity. There is practically no mineral absent from Spanish soil, although of the approximately one hundred products exploited, the only significant volumes produced are iron, various pyrites, zinc, copper and lead (among metal minerals) and refractory argil, bentonite, quartz, fluorite, glauberite, grain magnetite, rock and sea salt, potassium salts and sepiolite (among non-metallic minerals).

Although highly varied, Spain's metal mineral production is insufficient to meet the country's needs. By contrast, non-metal minerals are produced to a surplus, exceeding domestic demand.

POPULATION

THE RESIDENT POPULATION IN SPAIN

In recent years the resident population has unexpectedly begun to recover. At the beginning of the 1990s, demographers and other experts announced that the population showed a tendency to decline and that the figure of 40 million inhabitants would therefore not be reached in the short term. However, the massive influx of foreigners has overturned these projections and the resident population in Spain has not only broken through the 40 million threshold but has continued to rise steeply during this first decade of the 21st century.

Based on data from 1 January 2010, the registered population in Spain is over 46.9 million; the number of registered foreign nationals is 5.7 million, of which 2.3 million are European Union citizens.

According to the municipal register, the total number of residents in Spain as at 1 January 2010 was 46,951,532 which represents an increase of 205,725 people on the figures for 1 January 2009. Of this total, 41,242,592 corresponded to Spanish nationals and 5,708,940 (or 12.2% of the total number of registered residents) were foreign nationals.

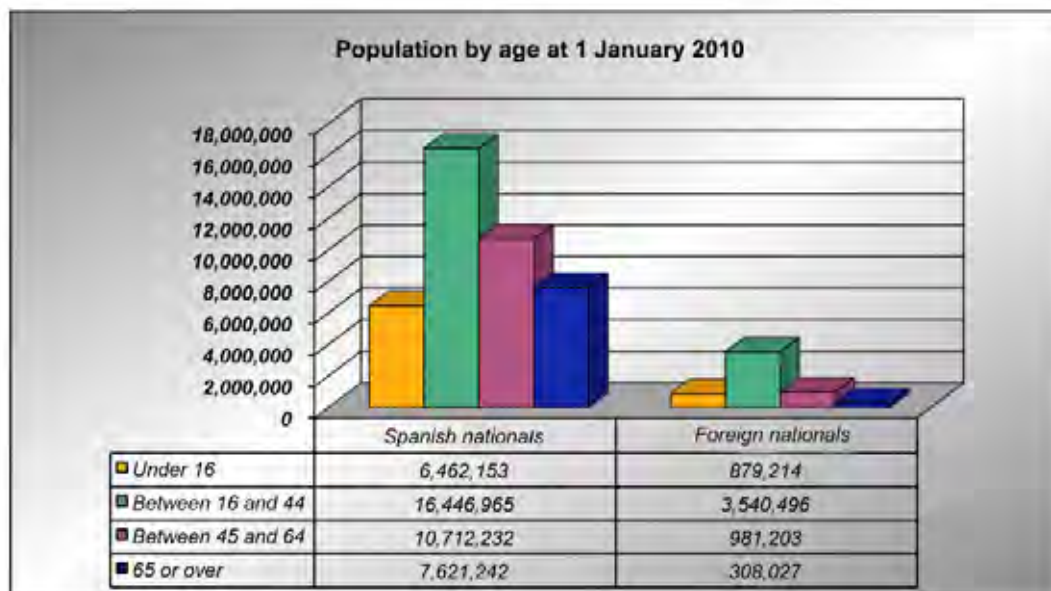
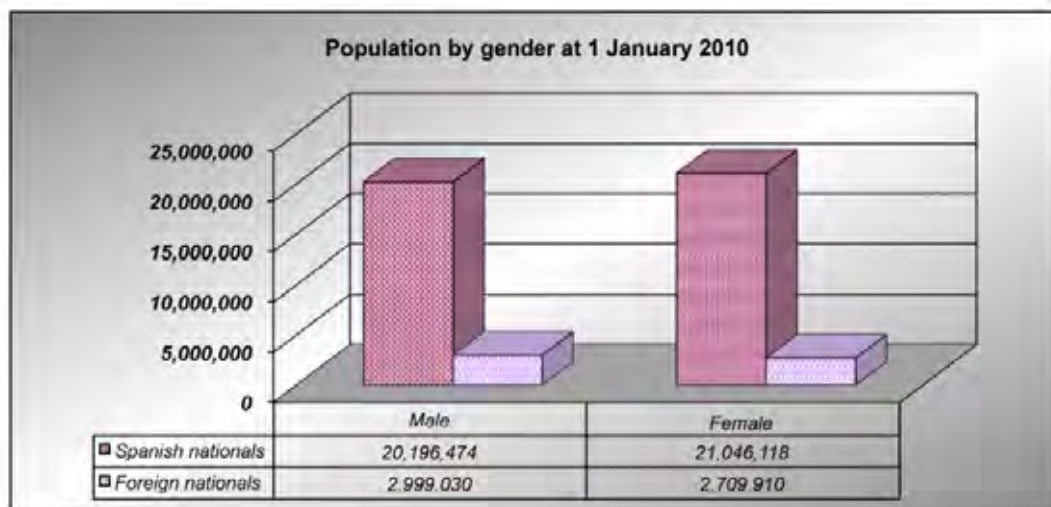
In 2009, the number of registered Spanish nationals experienced a net increase of 145,456 people (0.4%), while the number of foreign nationals grew by 60,269 (1.1%). Of the latter, those belonging to the EU-27 rose by 73,289 to a total of 2,346,505 residents, while the number not belonging to the EU fell by 13,020 people (to stand at 3,362,425).

POPULATION BY GENDER AND AGE

According to provisional data from 1 January 2010, 49.5% of registered residents are male and 50.6% are female. Among Spanish nationals, 49% are male and 51% are female. There are more women among Spanish nationals (51%), whereas there are more men among immigrants (52.5%).

By age, 15.6% of the population is under 16, 42.6% is between 16 and 44, and 41.8% is 45 or over.

By nationality, the data from the 16-44 age group should be highlighted: whereas registered Spanish nationals in this age group account for 39.9% of the total, this percentage rises to 62% in the case of registered foreigners.



THE RESIDENT POPULATION BY AUTONOMOUS REGION

The autonomous regions that experienced the highest population increases between 1 January 2009 and 1 January 2010 were Madrid (up by 58,567 people), Andalusia (50,920) and Catalonia (29,461).

On the other hand, population figures dropped in three autonomous regions: Castile and Leon (-7,806 people), the Principality of Asturias (-1,180 people) and Aragon (-54 people).

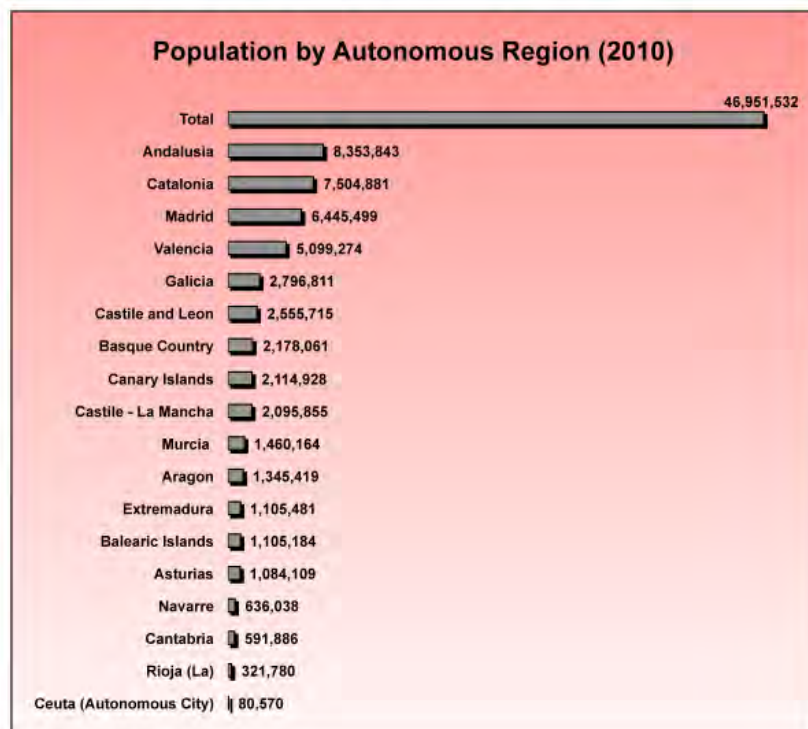
In relative terms, the greatest population increases occurred in Melilla (3.5%) and Ceuta (2.4%), as well as in the Region of Murcia, the Autonomous Region of Madrid, the Autonomous Region of Navarre and the Balearic Islands (all by 0.9%).

The greatest population drop in relative terms took place in Castile and Leon (-0.3%).

DISTRIBUTION OF THE FOREIGN POPULATION BY AUTONOMOUS REGION

The proportion of foreign citizens is 12.2% of the total resident population in Spain, according to data from the municipal registers at 1 January 2010.

The regions with the highest proportion of foreign nationals are the Balearic Islands (21.9%), Valencia (17.3%) and Madrid (16.6%). By contrast, those with the lowest proportion of foreign nationals are Extremadura (3.5%), Galicia (3.9%) and Asturias (4.5%).

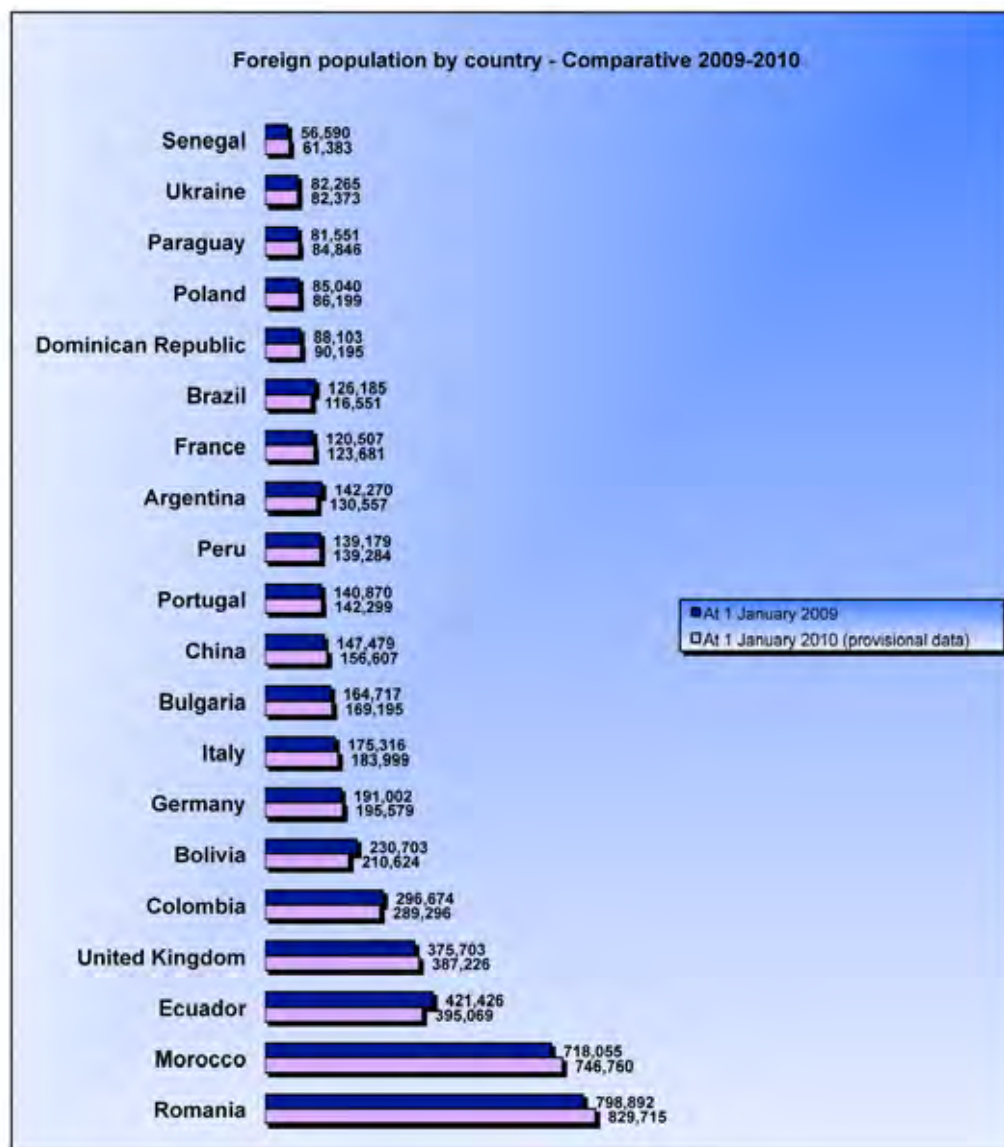


FOREIGN POPULATION BY AUTONOMOUS REGION

Autonomous Region	Foreign population	Percentage in relation to the total
Andalusia	698,375	8.4
Aragon	172,015	12.8
Asturias	49,149	4.5
Balearic Islands	241,704	21.9
Canary Islands	305,661	14.5
Cantabria	39,010	6.6
Castile and Leon	167,597	6.6
Castile-La Mancha	228,290	10.9
Catalonia	1,193,283	15.9
Ceuta (Autonomous City)	3,993	5
Valencia	884,622	17.3
Extremadura	38,747	3.5
Galicia	109,222	3.9
Madrid	1,071,292	16.6
Melilla (Autonomous City)	8,873	11.7
Murcia	240,605	16.5
Navarre	70,931	11.2
Basque Country	139,229	6.4
Rioja (La)	46,342	14.4
Total	5,708,940	12.2

In absolute terms, the regions that experienced the greatest increases of foreign nationals in 2009 were Andalusia (23,195), Madrid (7,489) and the Basque Country (6,364). On the other hand, the number of foreign residents fell in the Region of Valencia (-4,718), La Rioja (-589), Aragon (-123) and Castile and Leon (-44).

In relative terms, the largest foreign population increases occurred in Melilla (16.8%), Ceuta (12.5%) and the Basque Country (4.8%), while the largest decreases took place in La Rioja (-1.3%) and the Region of Valencia (-0.5%).



DISTRIBUTION OF THE FOREIGN POPULATION BY NATIONALITY

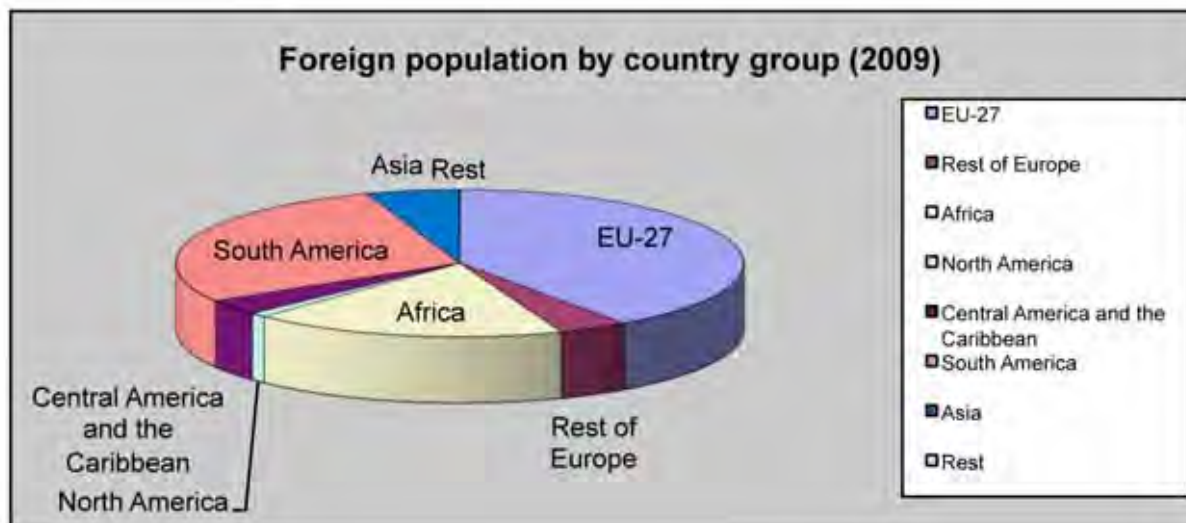
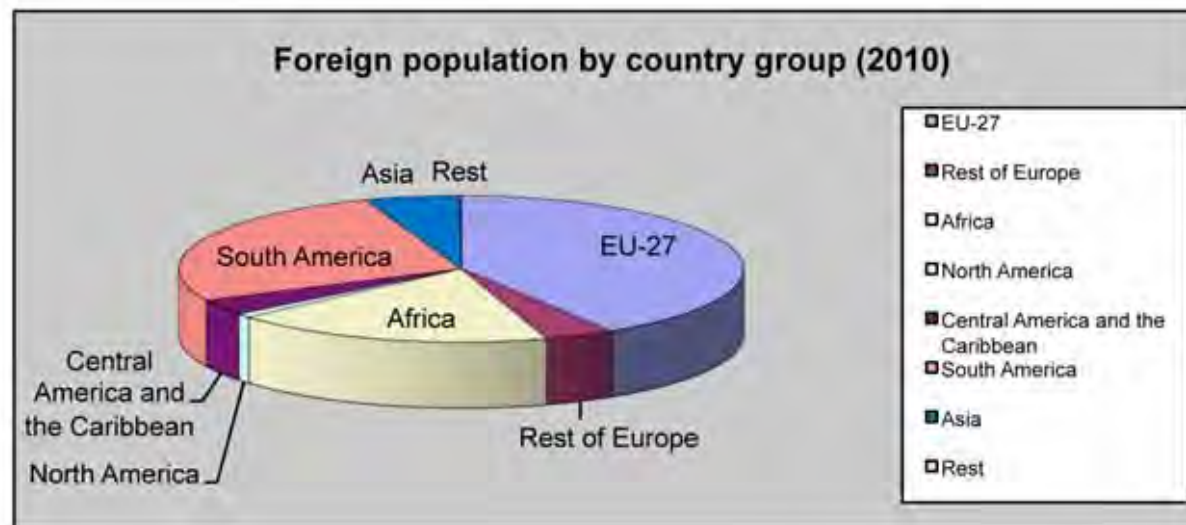
The number of foreign residents in Spain belonging to the EU-27 is 2,346,515. Of these, the largest group is made up of Rumanian citizens (829,715), followed by citizens from the United Kingdom (387,226) and Germany (195,579).

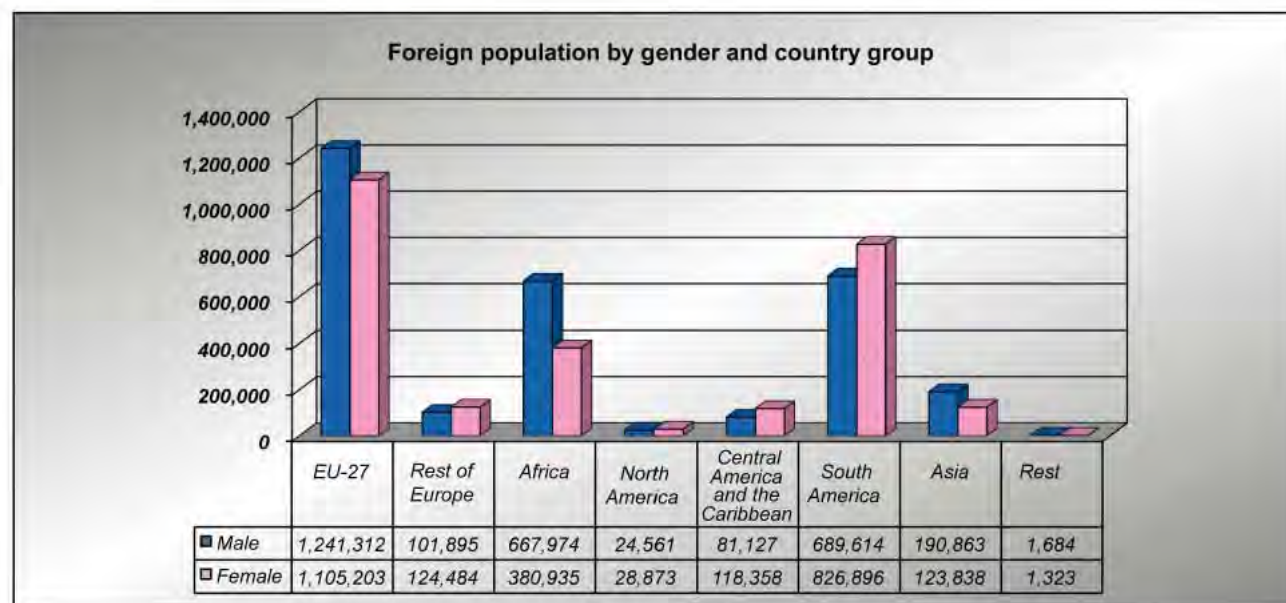
Among non-EU foreign nationals, Moroccan citizens form the largest group (746,715), followed by Ecuadoreans (395,069) and Colombians (289,296).

In 2009, the number of Rumanian citizens experienced the largest increase, rising by 30,823 people. Further significant growth occurred in the numbers of citizens from Morocco (28,705), the United Kingdom (11,523) and China (9,128). The largest decreases in terms of nationality were recorded by Ecuadorean citizens (26,357 fewer), Bolivians (20,079 fewer) and Argentineans (11,713 fewer).

Among the nationalities with the largest number of registered residents, the greatest relative increases correspond to citizens from Senegal (8.5%), China (6.2%) and Italy (5%).

By country groups, citizens from the EU-27 form the largest collective and represent 41.1% of the total foreign population. They are followed by citizens from South America, who account for 26.6% of all foreign nationals.





As regards the distribution of the foreign population by gender, the proportion of women is higher among Latin American nationalities. However, there are more men among most of the African and Asian nationalities.

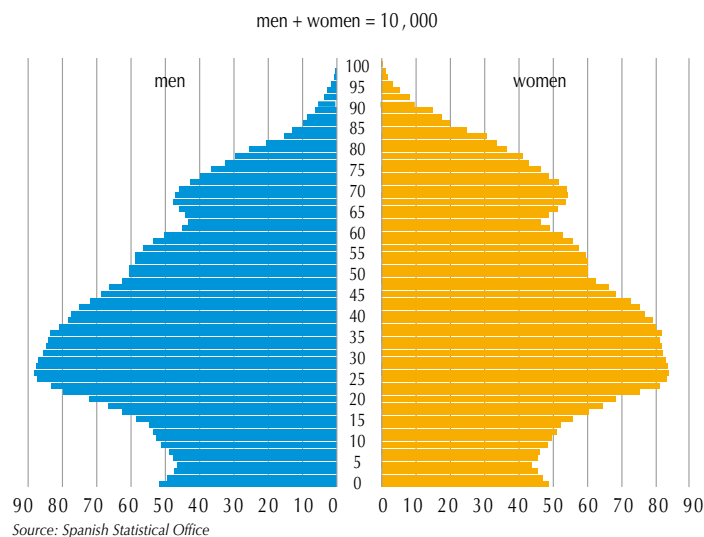
POPULATION PROJECTIONS

A knowledge of the future population, broken down at least by gender and age, is clearly vital for rational decision-making in a number of fields, including education (at the various stages), health (and medical

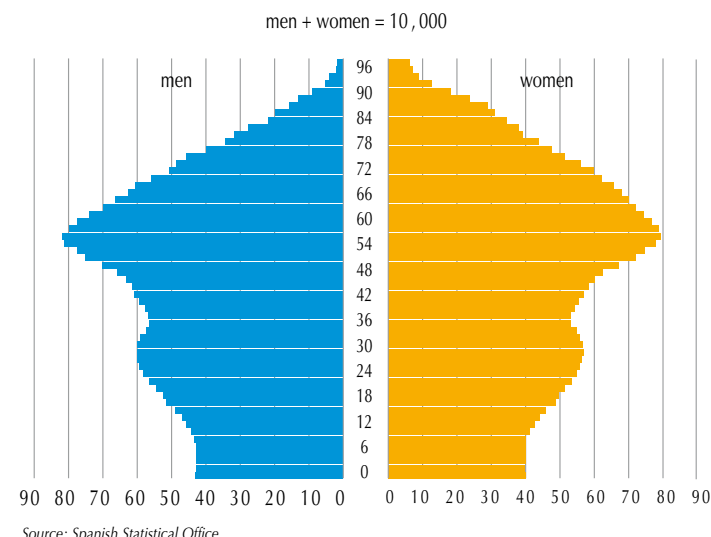
specialties corresponding to the age of individuals), pensions, etc. This knowledge is also necessary for planning the consumption of all kinds of goods and services.

Population censuses, which are conducted every ten years, provide insufficient information about the population in the intervening periods. However, they do provide a starting point for decisions of the abovementioned nature in that they shed light on the population of a country and its regions, in keeping with a series of variables, at a given point in time. The

POPULATION PYRAMID. YEAR 2002



POPULATION PYRAMID. YEAR 2035



breakdowns by gender and age are usually taken as the starting point for calculating the future population with the same breakdown information.

Bearing in mind that the population at a given point in time is the result of an evolution experienced in the past by its various components (mortality rate, fertility rate and migrations (into and out of the country)), a census can be used to predict the future population based on the hypothetical evolution of the same three components.

As a result of the sharp increase in the immigration figures for Spain, the projections calculated on the basis of the Population Census of 1991 quickly became outdated and had to be reviewed.

The population breakdowns by gender and age that resulted from the 2001 Census provided the population base or starting point for new projections.

However, any consideration about the future population of Spain must take into account the fact that the broad variety of factors influencing the evolution of immigration figures implies a significant degree of uncertainty about future arrivals and departures. This means that the projections are actually possible scenarios, i.e. the results obtained illustrate the consequences of the hypotheses on which they are based on the growth and distribution by age of the population.

Hence, as a first scenario, the net influx of immigrants into Spain is predicted to continue its recent trend

ANNEX					
HYPOTHESIS FOR SCENARIO 1					
Years	Life expectancy at birth		Average number of children per woman	Average age at birth of first child	Net numbers of foreigners entering Spain
	Men	Women			
2012	78.70	85.09	1,43	31.08	283,838
2022	80.05	86.22	1.52	31.11	278,659
2032	80.99	87.00	1.53	31.15	273,481
2042	80.99	87.00	1.53	31.15	268,302
2052	80.99	87.00	1.53	31.15	263,124
2059	80.99	87.00	1.53	31.15	259,499

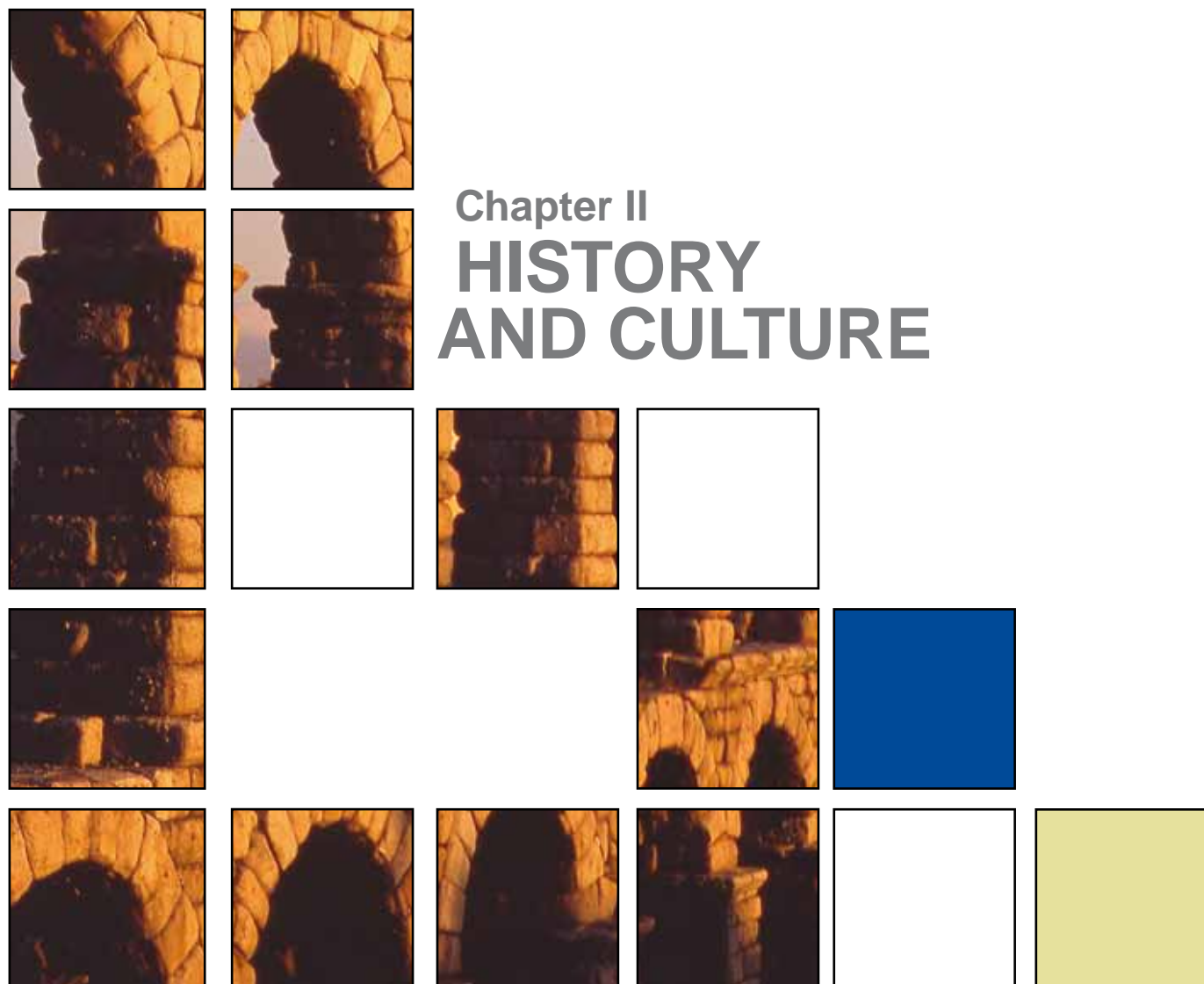
until 2010, after which it is expected to level off. The total number of immigrants entering Spain during the period 2007-2059 is expected to rise to 14.6 million. The global hypotheses are described in the following annex.

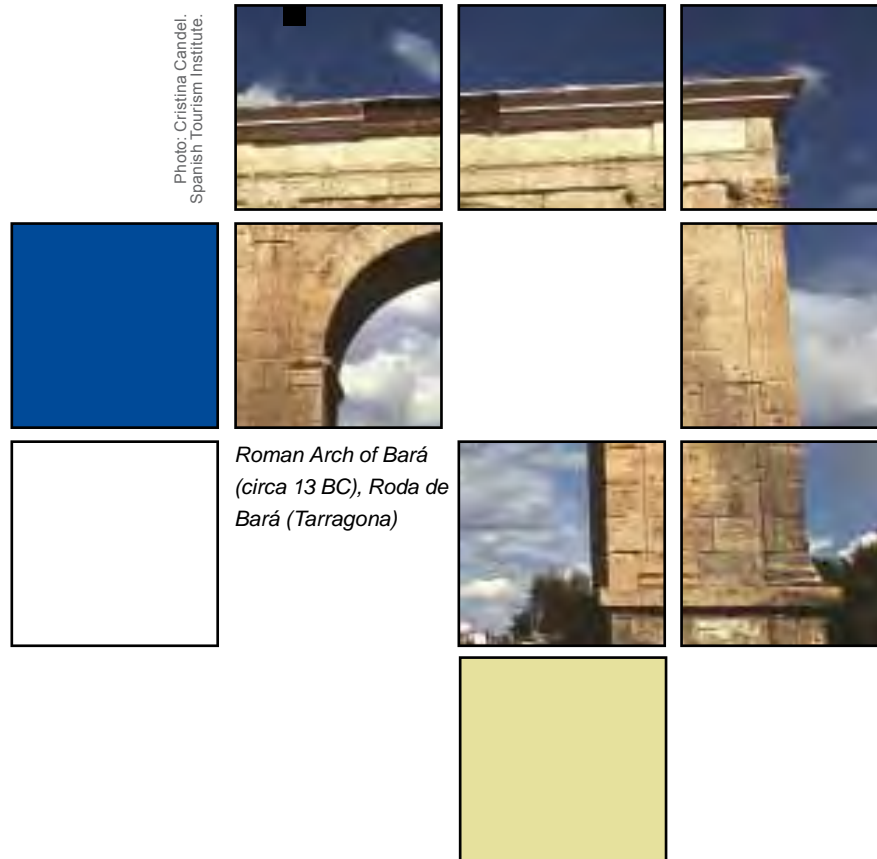
The most outstanding characteristic in the evolution of the population in Spain is its progressive ageing. This process is primarily due to the sharp and sustained decline in the fertility rate, while increased life expectancy is a second influential factor. Although the massive influx of foreign nationals can slow this process down, it cannot stop it.

OFFICIAL WEBSITE:

National Statistics Institute: www.ine.es/en/welcome_en.htm

Spain today
2011





HISTORY

Spain is a country with profound historical roots in Europe. It has experienced periods of conflict and others of great splendour, each of which is clearly visible in its cultural heritage and has undoubtedly contributed to shape the country it is today. Its identity and unique idiosyncrasies have been forged by a variety of phenomena, such as the discovery of the Americas and its neutral position during the two world wars. At the same time, however, there are strong parallels between Spanish history and the history of other European countries; although it never renounced its diversity, Spain emerged as a unified state at a very early stage and played a crucial role in some of the most brilliant episodes in modern European history.

FROM PREHISTORIC TIMES TO THE DISCOVERY OF AMERICA

The Early Settlers

Based on the findings at Atapuerca (Burgos province), estimated to be around 800,000 years old, the presence of hominids on the Iberian Peninsula dates back to the Lower Palaeolithic period. Experts are still debating the origin of these early settlers, who may have entered the peninsula directly from Africa via the Straits of Gibraltar, but more likely arrived by crossing over the Pyrenees. In any case, the remains of utensils and works of art found on the peninsula are certainly



Roman Theatre at Merida (Badajoz) (circa 16 BC)

from this period, corresponding to the same hunter-gatherer cultures that existed in other parts of Europe.

Moreover, the Iberian Peninsula constituted the western boundary of a process of cultural dissemination that began in on the eastern shore of the Mediterranean around the fifth millennium B.C. Known as the Neolithic Revolution, this process consisted of the transition

from a collector economy to a producer economy based on agriculture and stockbreeding. Another period in the history of the peninsula began around 5000 or 4000 B.C. and lasted until the 16th century A.D., which was characterised by the dominant role of the Mediterranean basin and civilisations.

From approximately 1100 B.C. until the middle of the 3rd century B.C., commercial and cultural contact with the Mediterranean civilisations was articulated by the Phoenicians (whose territories extended from the Algarve on the peninsula's South Atlantic coast to Iberia's Mediterranean shores in the east) and the Greeks (whose influence stretched from the estuary of the Ebro River to the Gulf of Roses on the north-eastern coast of Spain). At the end of this period, both civilisations were displaced by the Romans and Carthaginians respectively.

Hence, between the 12th and 4th centuries B.C., substantial differences emerged between the Iberia that extended from the Mediterranean in the northeast to the Atlantic in the south, and the Iberia of the peninsular inland region. The latter territory was inhabited by various tribes, some of them Celts. With a relatively primitive social organisation, these peoples engaged in migratory herding, which consisted of alternating the grazing pastures in the northern uplands that they used in the summer with those of the southern part of the central plateau, or Meseta, used in the winter. Shepherds and sheep, the conquerors of grazing lands, played a key role in the geo-history of the Iberian Peninsula.

By contrast, in the 4th century B.C. the peoples of the coastal region generically known as Iberians had already formed a homogenous group of city-states (Tartessus, the biblical Tarshish or perhaps the legendary submerged Atlantis) influenced by the more developed urban, trading, farming and mining centres of the Eastern Mediterranean. The earliest written records about the peninsula date from this period. Hispania, the name the Romans gave to the peninsula, is allegedly a Semitic word derived from Hispalis (Seville).

The Persistent Traces of the Roman Presence

The Roman presence on the peninsula basically followed the same pattern as the Greek commercial bases, but unlike the Greeks, Rome's introduction to Iberia was the result of a power struggle with Carthage to gain control of the Western Mediterranean during the 2nd century B.C. In any case, it was at this point that the Iberian Peninsula as a geographic unit entered the arena of international politics and, by virtue of its privileged location between the Atlantic and the Mediterranean and its rich agricultural and mineral resources in the south, became a much coveted strategic objective.

The Roman invasion and eventual conquest of the peninsula took place over the long period between 218 and 19 B.C. The Romans were alarmed by the Carthaginian expansion to the northeast; like Napoleon centuries later, they believed that the Ebro

River delineated a natural boundary with Gaul, which was then a Roman province.

This conflict of interests led to the Second Punic War. While Hannibal was making his legendary journey across the Alps, the Roman legions were attacking his Spanish base at Carthago Nova (present-day Cartagena), with its seaport and mines. Hannibal's defeat by Publius Cornelius Scipio (209 B.C.) not only marked the beginning of the end for his army in Italy; it was also the beginning of the Roman conquest of Spain.

The Romans did not just want to replace the Carthaginians, but to extend their dominion to the rest of the peninsula. However, these plans met with considerable resistance, particularly in the interior.

Of the numerous confrontations that took place throughout the Roman conquest of the inland region of Hispania, the most famous was the so-called Celtiberian-Lusitanian War, which lasted for twenty years (154-134 B.C.). The war tactics of the Lusitanian chief Viriathus and the legendary, although unsubstantiated, collective suicide of the people of Numantia under siege by the Romans were much celebrated by Latin historians.

The Roman presence in Hispania lasted seven hundred years, during which time the basic boundaries of the peninsula in relation to other European countries were established. The interior divisions drawn up by the Romans seem curiously prophetic: Lusitania, Tarraconensis and Baetica. But the Romans

bequeathed more than just a territorial structure; they also left institutions such as the family unit, language, religion, law and the concept of the municipality, and their assimilation situated the peninsula firmly in the Greco-Latin and later the Judaeo-Christian world.

The Romans mainly settled along the coasts and rivers, bequeathing the enduring importance of cities such as Tarragona, Cartagena, Lisbon and particularly Mérida. Meanwhile, the vast array of public works such as roads, bridges, aqueducts, temples arches, theatres, amphitheatres and circuses clearly reflects the geographical distribution of Roman settlements on the peninsula. However, at the beginning of the 5th century A.D. the map of Roman colonisation began to change dramatically when a variety of Germanic peoples marched into the peninsula and settled in the interior, in the case of the Visigoths, and in the west, in the case of the Suebi. At the same time, certain phenomena had been gaining momentum since the 3rd century A.D. such as the reduction of the urban population, the construction of fortifications around cities, the extension of latifundismo (the division of the land into large estates), the lack of safety in rural areas and the weakening of the state as an institution. On the other hand, local oligarchies were becoming more powerful as they offered safety in return for loyalty. A major event of this period was the beginning of the Christian conquest of Hispania, although its exact origins are still unknown. St. Paul was probably present in Hispania between 62 and 63 A.D., and Prudentius' narrative of the 3rd century

persecution of Christianity mentions dioceses and martyrs. Following Constantine's Edict of Milan, which granted religious freedom, the first Council of the Spanish Church was held in 314 A.D.

The Visigoth Kingdom: First Attempt at Peninsular Unity

By the 5th century the Visigoths were already a Romanised people who saw themselves as the perpetuators of the extinct imperial power. Around the mid 500s, the pressure exerted by the Suebi in the west (Galicia), the Cantabrian- Pyrenean shepherds in the north, and the Byzantines in the south (Baetica) on three different fronts led them to establish their capital in Toledo at the centre of the peninsula.

Integration between Visigoths and Hispano- Romans was both rapid and successful. It was also greatly facilitated by King Reccared's conversion to the Catholic faith at the 3rd Council of Toledo (589), which enabled the Church to acquire a predominant and fiscal role in politics through the celebration of a series of Councils of Toledo and the adoption of relatively similar social structures, contained in the Liber Iudiciorum promulgated by Recceswinth that basically unified Visigothic and Hispano-Roman law. Both cultures boasted a landed aristocracy and an ecclesiastical aristocracy, and both institutions favoured the autonomy of the nobility at the expense of royal power.



Interior of the Great Mosque, Cordoba

Muslim Spain: Cradle of a Flourishing Culture

It was precisely one of the ostracised noble clans, the Witiza family, which brought about the collapse of the Visigothic state at the beginning of the 8th century by appealing for help to the Arabic and Berber troops on the other side of the Straits of Gibraltar. In fact, the degree of disintegration within the Visigothic state apparatus enabled the Muslims to secure isolated pacts with the semi-independent aristocracy hostile to the Crown.

By the mid-8th century, the Muslims had consolidated their occupation of the land, and in Cordoba the Umayyad prince Abd al-Rahman proclaimed himself emir of a new state, independent of Damascus. During the first third of the 10th century, a member of the Umayyad dynasty in Hispania, Abd al-Rahman III, restored and expanded the state of Al-Andalus and became the first Spanish caliph.

The proclamation of the caliphate had a dual purpose. In the interior, the Umayyads were keen to reinforce the peninsular state. In the outlying territories, their quest was to consolidate the commercial routes in the Mediterranean that would guarantee economic relations with the eastern basin (Byzantium) as well as the supply of gold. Melilla was occupied in 927 and by the middle of the same century the Umayyad Caliphate controlled the triangle between Algeria, Sijilmasa and the Atlantic. The small Christian enclaves in the north of the peninsula became modest fiefdoms of the caliph, whose superiority and arbitration they recognised.

The foundations of Muslim Spain's hegemony rested on considerable economic power derived from substantial trade, a highly developed crafts industry and farming methods that were much more efficient than those employed in the rest of Europe.

The Caliphate of Cordoba was the first urban and commercial economy to flourish in Europe since the fall of the Roman Empire. Moreover, its capital and main city, Cordoba, had a population of approximately 100,000, which made it the largest urban centre in Europe at the time.

Muslim Spain produced a flourishing culture, especially following the accession of the caliph Al-Hakam II (961-976), who is attributed with creating a library of several hundred thousand volumes – an inconceivable feat in Europe at the time. The most characteristic trait of this culture was its swift re-adoption of classical philosophy, most notably by Ibn Masarra, Abentofain, Averroes and the Jewish philosopher Maimonides. But above all, Hispano-Muslim scholars were noted for their contributions to the fields of medicine, mathematics and astronomy.

The fragmentation of the Caliphate of Cordoba occurred at the end of the first decade of the 11th century and was brought about by the intense military aggressions perpetrated by its last leaders, combined with asphyxiating fiscal pressure. The successors of the unitary caliphate were known as taifas or petty kingdoms, and the word has passed into the Spanish language as a synonym of the ruin that generated

the fragmentation and disunity of the peninsula. As a result of this gradual weakening of the state, by the mid-13th century Muslim Spain had been reduced to the Nasrid kingdom of Granada.

From the Early Christian Resistance to the Reconquest of Spain

The first Christian uprising occurred in the first third of the 8th century in Covadonga, located in the mountains of Asturias.

However, this early Christian resistance was more a question of survival than a deliberate offensive campaign or “reconquest.” In the 10th century, Alfonso III advanced from Oviedo to Leon, en route to the Duero River Valley. On the Meseta, this expansion led to the creation of the county and then the kingdom of Castile, which later united with the kingdom of Leon under the reign of Ferdinand III in 1230. Meanwhile, in 1143 the Atlantic flank of the peninsula became the kingdom of Portugal.

During the 12th and 13th centuries, the four main Christian kingdoms of the Iberian Peninsula were formed: Portugal, Castile-Leon, Navarre and Aragon-Catalonia.

From a continental perspective, the Reconquest took place within the context of the growth and offensive expansion that characterised the history of the western segment of Europe between the 10th and 13th centuries against Hungarian, Slavic and

Muslim invaders. The result of these dynamics was the creation of the area we now call Western Europe around 1300 A.D.

By the final third of the 13th century the Muslim presence had been reduced to the Muslim presence had been reduced to the Nasrid kingdom of Granada until 2 January 1492. The end of the Reconquest – or, in Roman- Visigothic terminology, the recovery of Hispania – had a profound impact on Christian Europe, being regarded as compensation for the fall of Constantinople to the Turks.

Given that the Reconquest lasted so long, there were several periods of co-existence and even, at certain times in the 12th century, a type of frontier society. In any case, the Christian monarchs conquered through colonisation, offering land to anyone who promised to occupy, cultivate and defend it. This gave rise to transfers and migrations from the north of the Iberian Peninsula and Europe, a rare phenomenon in other latitudes at the time. Those colonisers gradually formed a peasant society that was comparatively freer than its contemporaries in other parts of Europe, where subjugation to the feudal lords was much greater.

Between the 9th and 11th centuries, these semi-free peasants were grouped into towns governed by elected councils to which the monarchs granted special charters (fueros) based on certain exemptions and privileges. Subsequently, in the 12th century, these burghers sat down with the other two branches of society – the nobility and the clergy – in assemblies



Court of the Lions. The Alhambra (Granada)

known as Cortes, where they discussed and voted on matters pertaining to taxes.

The Catholic Monarchs: Peninsular Unity and the Imperial Enterprise of the Spanish Renaissance

The quest for unity did not end with the last military victory of 1492 and the conquest of Granada, but continued – in its ambition for religious, ethnic and cultural uniformity – with the expulsion that same year of the Jews who refused to convert to Catholicism and then of the Moriscos, or Moorish converts. The difficult situation in which the Jews found themselves was not confined exclusively to Spain. Since the Council of Letran in 1215, they had unfortunately suffered a similar if not harsher fate in the rest of Europe. Until 1492, Christian territory in Spain had been a melting pot of Jewish, Muslim and Christian cultures, most famously giving rise to the so-called *disputas* or debates between scholars of the three cultures united in a movement sponsored by King Alfonso X and known as the Toledo Translation School. The work produced by this school enriched European culture with the science of the Greeks and the achievements of the Arabs.

Expansion of the calibre described above undoubtedly created a frontier economy with the acquisition of vast spaces. Since the 13th century the Hispanic kingdoms were based on rapidly growing societies, the dynamics of which were clearly reflected in the economic and political boom experienced by the kingdom of Aragon

with the conquest of Sardinia, Sicily and Naples in the Mediterranean.

Thanks to a combination of economic interests and a seafaring vocation, Castile was able to occupy a vanguard position in the quest for and consolidation of new commercial routes with the East. In this race, the Castilians found an extremely active competitor in another Iberian state – Portugal. A first attempt at resolving the rivalry between the two kingdoms for the control of the maritime eastern trade routes was the Treaty of Alcaçovas. Signed in 1479, this agreement enabled Castile to maintain the Canary Islands in return for renouncing all eastern voyages around the African coast, which was assigned to Portugal. Such an unfair division can only be explained by the fact that the treaty also addressed an age-old issue of the Iberian states, namely, the unity of the peninsula.

Although the incorporation of Navarre in 1512 improved peninsular unity, the cycle of unification was really completed with the capture of Granada in 1492. That same year, Nebrija published the first grammar of a popular language – Castilian – and a Spanish fleet reached the coasts of America.

The legendary aura surrounding Ferdinand and Isabella, the Catholic Monarchs, has hindered the task of providing an adequate assessment of their context and a sober evaluation of their work.

Internally, they invested all their efforts in reinforcing the state apparatus and the authority of the Crown, seeking support in the existing legal and administrative

institutions and creating new ones, often inspired by those of other European countries. Such was the case, for example, of the Tribunal of the Inquisition. Introduced at a later date in Spain than elsewhere, this court not only served religious purposes but was also an instrument used by monarchs to reinforce the authority of the state.

In 1492 the Spanish monarchy represented one of the earliest modern states in Renaissance Europe. Its outward expansion across the Atlantic (the Americas and Flanders) and the Mediterranean (Italy) was based precisely on this. Indeed, Spain's foreign policy at the time was orchestrated by the creation of a permanent state staffed by civil servants and diplomats, with a unitary but flexible and confederate concept of the monarchy.

Although Castile had lost its African routes to Portugal, its possession of the Canary Islands provided it with an excellent springboard for alternative routes. This is precisely what Christopher Columbus offered the state, which was clearly in need of such an offer, although it had prepared for and become accustomed to enterprises of this nature. By 1492 the united Spain boasted powerful war machinery, a solid economy, an international presence, experience at sea and in exploring new commercial routes, and considerable scientific and technical expertise: mathematicians, geographers, astronomers and shipbuilders, forged in the melting pot of the three cultures.



Catechism of Christian Doctrine in hieroglyphics for teaching to the Mucaguas Indians

FROM THE DISCOVERY OF AMERICA TO THE 20TH CENTURY

The Conquest of America: The New Frontier of the Largest Western Empire

By the mid-16th century, the main viceroyalties had been established and settled: Mexico on the Atlantic flank and Peru in the South American Pacific.

On 6 September 1522, Juan Sebastián Elcano returned to the peninsula as a survivor of the first circumnavigation of the world initiated by Magellan, thereby providing Spain with a route to the East. Thereafter, Havana-Veracruz (the Tierra Firme fleet) in the Atlantic and Acapulco-El Callao-Philippines (the China ship) in the Pacific, together with control of the Western Mediterranean – under eternal threat from the Turks – became the vital arteries of the Spanish Empire's overseas territories. The convoys of Spanish galleons maintained these routes open despite attacks from marauding English and Dutch ships until the decisive Battle of Trafalgar in 1805.

In many respects the conquest of America was similar to the peninsular expansion that preceded it. In both cases, confrontations were a last resort, used only after intense attempts to avoid them. The Spanish sought allies in the tribes they subjugated and in discontented leaders; they agreed to capitulations in exchange for privileges; they distributed the new lands among Spanish colonists; and they reorganised the indigenous settlements.

In Italy the Spanish monarchy adopted the tradition of engaging in confrontations with France and alliances with England. The Battle of Pavia in 1521, which resulted in the capture of King Francis I of France by the Spanish infantry regiments, consolidated Spain's superiority until the mid-17th century.

Eventually, in their quest to further Spain's diplomatic and commercial relations with the Netherlands, Ferdinand and Isabella joined the Spanish Crown to the Duchy of Burgundy. The fabulous legacy embodied in the Flemish Prince Charles, grandson of the Emperor Maximilian and the Catholic Monarchs, was to condition Spanish and European politics until the 18th century. The solution adopted by the Spanish Hapsburgs to manage this enormous legacy was to establish an all-encompassing, flexible monarchy, consisting of a constellation of kingdoms and domains united in a vast confederation around a single Crown. There would have been no unity without the figure of the king, since each kingdom maintained its own institutions, language, laws, and even its own borders.

The Carolingian Empire was therefore a conglomerate of territories randomly united under a common sovereign. The first consequence to arise from this was the complete absence of any attempt to create an institutional organisation common to the whole empire. Similarly, the second consequence was that no attempt was made to secure any type of political or economic cooperation between the various territories, which would have helped consolidate the idea of an



San Lorenzo Monastery in El Escorial. Commissioned by Felipe II to commemorate the victory at the Battle of San Quintín

empire – that is, the participation of all parties in a shared enterprise. The most notable achievement of Spain under the Hapsburgs was its ability to retain control over its vast territories spread around the world. No other state in the 16th and 17th centuries was faced with such an enormous administration problem. Spain had to explore, colonise and govern a new world.

The Spanish Empire and its “Black Legend”

This acceptance of differences by the Spanish Hapsburgs encompassed all domains except for one: religion. They strove to create a universal empire founded on the Madrid-Brussels-Vienna triangle, which did not sit well with the emerging nationalist states and was even less palatable to the individualist mindset of the Reformation. These two ingredients – nationalism and Protestantism – met head on in the Dutch uprising against Philip II, who had succeeded the Emperor Charles in the Duchy of Burgundy and on the throne of the Spanish kingdoms in 1556.

The conquest of America was an attempt to annex the territory and subjugate the population. Just as the Roman Empire had done, language, religion, laws, administration and crossbreeding provided the vehicles for the Hispanicisation of America, all of which guided the continent firmly into the western fold. Several Spaniards, including Bartolomé de las Casas, spoke out against the abuses of the conquerors, which gave rise to the so-called “Black Legend” of Spanish cruelty in the Americas.

The issue became the subject of intense political debate; the so-called “Indian question” consisted of doubts regarding Spain’s right of conquest, which was eventually justified as an evangelising mission. Against such a background it is hardly surprising that it was the Spanish, through Francisco de Vitoria, who first advocated the concept of international law.

Fiscal Crisis, Centralism and the Decline of the Spanish Empire

The state that had gradually been forged, first by the Catholic Monarchs and later by Philip II, was the prototype of the modern absolutist state. The Spanish Empire invented an administrative apparatus that was highly complex for the time, based on a system that put security before all else and attained enormous prestige. The state grew considerably, assuming responsibilities and duties that were too much for the increasingly impoverished agrarian society of the ancien régime to bear. But rather than reducing the size of the state and eradicating duties, the imperialists chose to asphyxiate society. The breakdown of the system became evident in 1640 with the rebellion of Catalonia and the separation of Portugal.

The decline of the Spanish Empire, brought about by fiscal exhaustion, coincided with a gradual disintegration of the confederated system, which was subjected to centralist practices. In addition to these two factors, Spain was also the victim of its own success: The incorporation of the Americas and

the expansion of transoceanic navigation shifted the European geo-economic axis from the Mediterranean to the Atlantic, and more precisely to the basins of the Thames, Rhine, Seine and Scheldt, relegating Spain to a peripheral position.

However, peripheral is not to be confused with marginal, and Spain maintained its status as a great power and a key player in Europe with the Americas and Naples still under its control. Following the Treaty of the Pyrenees in 1659, it had ceded its hegemonic role to the French kingdom of Louis XIV, which made the “Sun King” into the arbiter of European politics and France into the model for what was soon to become the reformed government of 17th century enlightened despotism.

Charles II, the last of the Spanish Hapsburgs, was childless and bequeathed his inheritance to a grandson of his sister Maria Theresa and Louis XIV of France, Philip of Anjou. Crowned King of Spain and the Indies in 1701, Philip V inaugurated the dynasty of the Spanish Bourbons. His reign prolonged the Enlightenment in Spain, a period of foreign policy equilibrium, reform and internal progress.

Spain under the House of Bourbon and the Enlightenment

The rest of Europe viewed the will of Charles II with suspicion. This led to the Spanish War of Succession (1705-1713), with the Treaty of Utrecht signifying victory for Philip V.

However, at Utrecht Philip V and his successors were obliged to renounce their Flemish inheritance. The official renunciation of Flanders constituted the end of the old universalising conception of the Spanish-Austrian monarchy and the beginning of the nationalisation of Spanish politics.

Balance and peace in Europe became the two goals pursued by Spain throughout the 18th century. However, this ambition was thwarted by England's commercial and colonial expansion on the one hand, and by the rivalry between England and France on the other. Spain's desire for neutrality and peace was best embodied by Ferdinand VI (1746-1759).

During the reign of Charles III (1759-1788), the politics articulated by Prime Minister Floridablanca managed to keep Spain out of military conflicts, despite a tentative intervention in the American War of Independence. Charles III's legacy was a country at peace and well on the road to progress, and it took a long time for the French Revolution of 1789 to derail this peaceful, non-interventionist policy.

The germination of a Spanish nationality in foreign policy was accompanied by a parallel phenomenon in the country's domestic politics; indeed, the two developments were closely related. During the War of Succession, the Kingdom of Aragon had backed the Austrian candidate, a choice that presented the victorious Philip V with a perfect excuse for embarking on what was to become a chain of profound reforms in the structure of the state and the Spanish government.

The Decree of Nueva Planta (or new approach, which aimed to reorganise the country) was to internal politics what the Treaty of Utrecht was to foreign policy, as it implied the extension of the Castilian administrative structure to the Kingdom of Aragon and the abolition of Aragon's fueros or special charters, thus bringing the confederate monarchy of the Hapsburgs to an end. This marked the first step on the road to centralisation, which was completed a century and a half later by liberal governments.

The disproportionate and chronic deficit of the 17th century was reduced and a tendency towards budgetary balance recovered, which was only broken at the end of the 18th century. The country's improved financial management was brought about by another two factors: less was spent on foreign ventures and more taxes were collected, not only as a result of a more efficient fiscal system but also because Spanish society was more prosperous.

The Bourbons were exemplary figures of the reformism of Europe during the Enlightenment. They sought progress and efficient organisation for the country according to the theories of their time, which were influenced by mercantilist ideas, interventionist methods and, to a lesser degree, liberal impulses.

A major step forward was made with the removal of all obstacles to trade and industry. The elimination of "dry ports," which economically isolated certain areas from others, and the opening of all the ports in the kingdom provided a major boost to the trade conducted not

Photo: National El Prado Museum, Madrid.



"Gaspar Melchor de Jovellanos".
Francisco de Goya y Lucientes. 1798

only between these national ports but also with foreign ports, so that by the end of the century 75% of the trade with the Americas had been recovered. Similarly, the Catalanian cotton industry began to take off; this growth was so pronounced that, prior to the French invasion of 1808, it represented two-thirds of the British cotton industry. The progressive liberalisation of farm prices and the limitation of the privileges of the Mesta (a powerful association of sheep ranchers in the medieval Kingdom of Castile) contributed to provide a greater quantity of land for cultivation and an increase in agricultural production.

However, in Spain as in the rest of Europe still governed by the social order of the ancient régime, the land problem consisted of vast expanses purloined from the market and placed in the hands of either the Church – which owned 15% of the cultivable area – the municipal councils or the nobility. The confiscation policy initiated – albeit timidly – by the enlightened governments formed part of a general policy aimed at reducing tax and other exemptions, special privileges, judicial and territorial domains, and even the ecclesiastic and noble populations (the former still represented 3% of the total population, while in the latter case the number of gentry fell from 700,000 in 1763 to 400,000 in 1787).

The Bourbons also did away with a large proportion of the motley administrative apparatus inherited from the Hapsburgs and reduced the Councils. They promoted the creation of Secretarías (Ministries) and direct dealings with the king as part of a plan intended to



Francisco de Goya y Lucientes. "The Third of May 1808"

marginalise the upper nobility from, as Louis XIV of France put it, "anything that could give them part of the government". The Bourbons recruited their senior civil servants from among the local and enlightened lower nobility, giving rise to a new social category – an ambitious middle-class nobility eager for advancement at the service of the state.

These civil servants were people of their time, enlightened in their thinking and convinced of their reforming mission, alert to the ideas of the period, often with foreign friends and a command of other languages. For example, Floridablanca was a friend of Benjamin Franklin and kept up a correspondence with Voltaire. In his Informe sobre la Ley Agraria (Report on the Agrarian Law), Jovellanos demonstrated his knowledge of the recent reforms introduced by Adam Smith, and he also wrote frequently to Lord Holland. The paradox lay in the fact that neither of these two figures enjoyed a reputation among their fellow countrymen, although at least they did not suffer the sad fate of Esquilache, whose reforms met with such widespread opposition that he had to go into exile.

The Napoleonic Invasion and the War of Independence

The Treaty of Fontainebleau (1807) permitted the French army of Marshal Junot to cross the Pyrenees and advance towards Portugal, and although the French entered Lisbon they did not leave Spain.

The crisis of the ancien régime that paved the way for the Napoleonic invasion was also a dynastic crisis that severely undermined the enormous prestige and authority of an ancient Crown. When Charles IV abdicated in favour of his son, the monarchy was irreparably damaged.

The political regime that the Bonapartes attempted to unify was laid out in the Statute of Bayonne, signed on 8 July 1808. Although this document is tremendously important from a historical standpoint, it never had any legal or practical significance because it was never enacted. It was, however, the first constitutional text to appear in Spain.

The reforms established in this Statute could not be implemented by Joseph Bonaparte due to the fact that a huge proportion of the Spanish population rejected them, as they saw the new monarchy as illegitimate and the product of an act of treason.

The result was a general uprising on 2 May, which was immortalised in Goya's paintings.

The War of Spain, as the French called it, lasted six years. The Spanish christened it the War of Independence, and it was an all-out war that raged throughout the entire country. A minority of Spaniards, albeit fairly numerous, actually supported the intruder king. The luckier ones became some of contemporary Spain's first political emigrants. The disasters that Goya reflected in his paintings clearly evoke the cruelty of a long struggle in which the guerrilla parties used

the strategy of preventing normal life in the country as way of perpetually harassing the invaders.

Senior Provincial Juntas emerged spontaneously in most of the Spanish provinces, but in the face of military defeats and the lack of financial resources they eventually saw the need for a higher structure to coordinate all their efforts, giving rise to the creation of the Central Junta.

The Central Junta appointed a Regency, founded in the city of Cadiz, which summoned the Cortes (Parliament).

The Constitution of 1812

The inaugural session of the new Cortes was held on 24 September 1810 and was attended by approximately 100 representatives, around half of whom were stand-ins. This gathering ratified the following basic principles: that sovereignty lay with the nation, that Ferdinand VII was the legitimate king of Spain, and that the representatives were entitled to parliamentary immunity.

The Constitution of 1812 proclaimed the figure of the king to be sacrosanct and immune, not subject to liability and with the right to sanction and enact laws. It also established the number of ministers, who were accountable for the king's actions and in the Cortes for compliance with the law of the land.

In relation to the judiciary, the courts were responsible for applying the law, and the revolutionary concept

of procedural law was introduced. Only two special fueros or charters were granted: to the clergy and to the militia. The constitution also proclaimed the equality of all Spaniards in the eyes of the law and the irremovability of judges and civil servants.

Primary schools were contemplated for every town in the land, plus a single education system for the entire kingdom. Freedom of expression and of the press was also established.

A Century of Liberal Revolutions and Moderate Governments

When the Spanish diplomats attended the Congress of Vienna in 1814, they represented a victorious state but a devastated and divided nation. The profound crisis in the mother country had severely damaged the Latin American Empire, from which continental America separated in 1824 following the Battle of Ayacucho. In the words of the Count of Aranda, the Spanish Empire had coped better with the small defeats of the 17th century than with the violent victories of the 19th century.

The patriots of Cadiz had responded to the dynastic crisis and the power vacuum with three main stances on national sovereignty. For some, this lay with the Crown and the traditional institutions (the Cortes); consequently, they initially defended a return to an absolutist regime (1815-1819), then a more moderate one (1824-1834), and eventually adopted the name of Carlists to signify their

support of the king's reactionary brother, Don Carlos. Others defended a nation based on the Cortes and the King. These subsequently became known as moderate or doctrinarian liberals (between 1834 and 1875), and then as conservatives (1876-1923). Finally, a small but highly active group supported the idea of national sovereignty based exclusively on the Spanish people. A more moderate version of the French Jacobins, these went down in history first as exaltados or extreme radicals (1820-1823), then as progressives (1823-1869), and finally as constitutionalists (1870-1880) and fusionist liberals (1881-1923).

The Carlists had a strong following in the countryside – especially in the north (Basque Country and Navarre) and in the hinterlands of Catalonia – and to a certain extent they represented the rebellion of rural society against urban society. They were also supported by the lower clergy and autocratic powers such as Russia.

Politically, Carlism advocated the return of the ancien régime. By contrast, the liberals – who defended the succession of Isabella II, daughter of Ferdinand VII – desired a radical change to create a society made up of individuals who were equal in the eyes of a law that would guarantee human rights. Their victory must be viewed within the context of British support for liberal causes, especially in the Latin world, as opposed to Russian expansionism, and the victory of the liberal monarchy in France in 1830.

The liberals legislated in accordance with individual-egalitarian principles. They abolished privileges and

legal exemptions, did away with judicial domains, and dissociated entailed estates from the Church and local authorities, thereby making millions of hectares available for the market and vastly increasing the quantity of cultivable land and agrarian production. At the beginning of the century, Spain imported wheat and ate rye bread, while by the end of the century it exported cereals and the bread was made from wheat. The liberals also believed in the free market, and through the confiscation of land they attempted to create a much wider, national market to achieve a victory over absolutism. However, they did not pursue an agrarian reform like that advocated by other powers years later, in the 20th century.

The Impossibility of Rotation and the Coup d'état Tradition

The liberals, who believed they had solved a problem of state, were in fact creating one of government by drawing up constitutional and electoral legislation that was markedly biased and designed to ensure the permanence in power of their party. This turned rotation in office into the Spanish political problem par excellence, although in reality it was also a conflict deeply rooted in social issues, for the small parties of the time sought supporters among the employed, unemployed and job seekers, all from the urban middle classes and dependent on power for their survival.

For decades, monopolist practices alternated with mutinies and military coups, and until 1870 in Spain

the military uprising was the basic and daring – but no less effective – instrument used by the parties in opposition to impose the rotation denied to them by governments entrenched in office.

An oversized, ambitious and undisciplined officers corps, eternally exposed to the threat of being discharged, with no job and only half pay, were easy prey for political groups keen to take by force what the exclusivist policy of the party in power denied them.

However, it would be mistaken to view these coups as armed conflicts: they simply provided a method for precipitating political solutions with a minimum of military confrontations. In 1868, what started out as a classic coup staged by the progressives degenerated into a revolution that deposed Isabella II and ushered in a six-year period of strong political mobilisation with the establishment of a provisional government and the enactment of a new constitution (1869) that paved the way for the ephemeral reign of Amadeus of Savoy (1869-1873).

The First Republic: The Carlist Uprising

Following the abdication of Amadeus I, who lacked popular support, on 11 February 1873 the National Assembly (Congress and Senate) proclaimed the First Republic by 258 votes to 32 against. Although extremely short-lived – it only lasted until 29 December 1874 – this republic advocated new theories that shaped the immediate future: federalism, socialism and

cantonalism. Following four successive presidencies – Estanislao Figueras, Francisco Pi y Margall, Nicolás Salmerón and Emilio Castelar – the coup d'état led by General Pavía dissolved the National Assembly (3 January 1874) and on 29 December of the same year, following the uprising led by General Martínez Campos, the monarchy was restored in the person of Alfonso XII, Isabella's eldest son. The Republic met with a major uprising of the Carlists. The general political sentiment had begun to swing from the extreme right to the extreme left, in keeping with events in Europe at the time, such as the Paris Commune in 1871 and the conservative reaction it provoked.

The liberals soon became disillusioned with the revolution and frightened by the Carlist reaction. All of these sentiments provided the ideal conditions for the Restoration of Alfonso XII.

The Restoration: The Loss of the Last Colonies

The beginning of Alfonso XII's reign was marked by two successes: the end of the Third Carlist War and the approval of a new constitution (1876), and a certain stability based on the existence of two political formations that represented the majority of the electorate: the Conservative Party led by Cánovas, supported by the court and latifundista aristocracy, landowners and people of independent means, and Sagasta's Liberal Party, whose members included people from the professional and middle classes, as well as merchants and industrialists. Their rotation in



Assassination attempt against King Alfonso XIII (1913)

power, especially after the death of the king and the regency of his wife Maria Christina (1885-1902), gave rise to a period of stability interrupted only in its last phase by the incidents and confrontations in Morocco and the loss in 1898 of the last two remaining colonies: Cuba and the Philippines.

The Early 20th Century

The dawn of the 20th century in Spain was marked by a series of profound unsolved problems. Some of these problems were structural; the population had almost doubled since the beginning of the previous

century, rising from 11 to 18.5 million in a land of limited resources. There were also agrarian problems: latifundismo, low yields and a high percentage of land left uncultivated. In addition to these problems, capital funds and the existing infrastructure were insufficient to launch heavy industry, and consumer capacity was very low, all of which gave rise to a protectionism that was both costly and for the most part non-competitive.

At the same time, the political problems that had arisen in the previous century became more acute. In addition to the political and intellectual frustration resulting from Spain's loss of influence on the world stage, plus the disappearance of its colonial empire, the country now had to face the regionalist problem, either in the form of federalism or claims for a return to the old regime of fuerismo, the system of special privileges that had characterised the Carlists. Similarly, the cantonalism expressed during the ephemeral First Republic raised its head again. However, the main problem undoubtedly emerged from the social and trade union movements of the working class, which was destined to play a historic and decisive role throughout the 20th century.

Working class associations first emerged in Spain in 1830 and gave rise to moments of great social agitation, even including a general strike (1855). In 1868, Fanelli, a follower of Bakunin, established sections of the International Workers' Association in Spain, rapidly recruiting 100,000 members in Catalonia and Andalusia. After several periods of action and successive repressions, in 1911 the movement evolved

into the CNT (Confederación Nacional del Trabajo – National Confederation of Labour), which retained the support of the Spanish working class until the end of the Civil War. The arrival in Spain of Lafargue, sent by Marx, failed to halt the development of Bakunism, as described by F. Engels in his famous collection of articles.

On 2 May 1879 the PSOE (Partido Socialista Obrero Español – Spanish Socialist Workers' Party) was formed, followed in 1888, after several conferences, by the formation of the socialist union UGT (Unión General de Trabajadores – General Workers' Union). The socialist claims found a wide support base in industrial areas: among miners in Asturias, metal workers in the Basque Country and printers in Madrid.

In Catalonia powerful regional parties emerged, such as the Regionalist League that won the elections in Barcelona in 1901. The Basque Nationalist Party (PNV) was founded in 1895. One more splinter action also took place during this period – the separation of political Spain from intellectual Spain. The confrontation between traditional ideas and progressive ideas also spread to the literary and scientific fields, where the most important intellectual movement, Krausism (based on the ideas of German philosopher Karl Christian Friedrich Krause), had a particularly strong influence on education – the freethinking Institución Libre de Enseñanza run by Giner de los Ríos – and on research – the so-called Junta para la Ampliación de Estudios (Board of Further Study) promoted and run by Cajal,

Castillejo and Bolívar. Spanish intellectuals, creators of extraordinary philosophical, literary, historical and scientific schools of thought – Unamuno, Ortega, Azaña, Altamira, Sánchez Albornoz, Menéndez Pidal, Marañón, Negrín, Moles and many others – took sides and, in some cases, served as political leaders in the dilemma of 1931.

Spain and the First World War: The Authoritarianism of Primo de Rivera

In 1902, Alfonso XIII took the throne and the emergence of new political forms threw the Canovite and liberal-conservative two-party system into crisis. There were also several important expressions of social unrest, such as the Tragic Week of 1909 in Barcelona and popular resistance to the drafting of troops for the war in Morocco.

Spain's neutral position during the First World War was only a parenthesis. Price increases and the contraction of the European market generated enormous instability, leading in 1917 to the summons of the Parliamentary Assembly in Barcelona, which recommended the reform of the constitution, and a general strike in August of the same year.

Following the failure of constitutional reform, the regional problem re-emerged, this time more acutely, and there were outbreaks of social and peasant unrest in both Andalusia and Catalonia. Coinciding with all of this (1921), the PCE (Partido Comunista de España

Photo: Bettmann. Corbis



The Republican Administration under Azaña's presidency, 23 June 1933. Left to right: José Franchy Roca (Industry and Commerce), Marcelino Domingo (Agriculture), Largo Caballero (Labour), Lluís Companys (Naval Affairs), Francisco J. Barnés (Public Instruction), Agustín Viñuales (Internal Revenue), Manuel Azaña (Head of Government), Fernando de los Ríos (Foreign Affairs), Álvaro de Albornoz (Justice), Santiago Casares Quiroga (Interior), Indalecio Prieto (Public Works)

- Communist Party of Spain) was formed when the PSOE failed to join the Comintern, created as a consequence of the victory of the October Revolution in Russia.

But above all, the crisis was rooted in the Moroccan War. When Spanish troops were massacred at Annual (1921), unleashing a wave of criticism against the government and the military administration, General Primo de Rivera staged a coup d'état (13 October 1921) and installed a military government.

Described as "mild despotism", Primo de Rivera's dictatorship attempted to solve several problems by ending the Moroccan War, developing infrastructure

for the country and promoting public works. Although ideologically aligned with the authoritarian regimes in Europe, it adopted a more traditional, monarchic and Catholic philosophy than the one adopted in Mussolini's new state. Its failure was mainly political, despite attempts to create a single party and involve certain sectors of the workers' movement in political life. Neither was it able to re-organise industrial relations on the basis of corporations, nor solve the agrarian and regional problems.

An attempt to reform the constitution through the creation of a consultative National Assembly in 1926 also failed to materialise, and when the financial crash of 1930 occurred, the dictator was forced to resign. He was replaced by General Berenguer.

The Collapse of the Monarchy and the Second Republic

In August 1930, Republican, Socialist and Catalan nationalist politicians signed the Pact of San Sebastian, and on 12 December a military uprising in favour of the republic took place in Jaca. Officers Galán and García Hernández were shot, which led to the resignation of Berenguer, and a group of intellectuals – Ortega y Gasset, Marañón, Pérez de Ayala – declared themselves to be "At the Service of the Republic".

The last monarchic government was formed in February 1931 and immediately called municipal elections for 12 April, resulting in victory for the left

Photo: Verdugo, EFE Agency, Cervantes Institute.



Plaza de la Cibeles and Calle de Alcalá (1940)

and the Republicans in the main cities. On 14 April the Second Republic was proclaimed. Alfonso XIII left Spain and went into voluntary exile.

The Republicans called general elections on 28 June, announced religious freedom and drew up a new constitution, approved on 9 December. Its preamble stated, "Spain is a democratic republic of workers of all classes, organised in freedom and justice. The powers of its bodies rest with the people. The republic is a fully-integrated state, compatible with the autonomy of the municipalities and the regions." The organisation of the state was expressed as democratic,

secular, decentralised, and equipped with a single representational house and a Constitutional Court.

A preoccupation with reform marked the first two years of the republic (1931-1933) under the leadership of Alcalá Zamora and Azaña, who adopted a three-pronged approach: the Basic Law of Agrarian Reform, the solution to the regional problem with statutes of autonomy for Catalonia and the Basque Country, and a particular emphasis on educational and cultural policy. However, two issues created considerable tension: religion and military policy, which the Azaña Law failed to solve and only aggravated even further. Evidence of this was provided by General Sanjurjo's abortive coup on 10 August 1932. The following year began with the repression of the uprising at Casas Viejas and municipal elections that showed a clear swing to the right. This trend was represented by the CEDA (Confederación Española de Derechas Autónomas—Spanish Confederation of Autonomous Right-Wing Parties) (Gil Robles); Renovación Española (Spanish Revival) (Calvo Sotelo) and Comunión Tradicionalista (Traditional Communion). On 29 October, José Antonio Primo de Rivera founded the Falange Española, or Spanish Falangist Movement.

New general elections on 19 November gave a clear victory to the right and the administration led by Lerroux and CEDA was formed. The new government revoked several laws, including the Agrarian Reform, and issued an amnesty for the rebel troops involved in the abortive coup of 1932. Following Lerroux's resignation,

the Cortes were dissolved and the elections of 16 February 1936 were won by the Popular Front, a coalition group uniting Azaña's Republican Left, Esquerra Catalana led by Companys (Catalonian Left), Largo Caballero's Socialist Party, Martínez Barrio's Republican Union and the Communist Party. The initial government led by Azaña announced a general amnesty and reinstated the agrarian reform and the statutes of autonomy for Catalonia and the Basque Country, and later Galicia. In May, Azaña was elected President of the Republic and Casares Quiroga set up a new administration. On 17 July, the military forces at the Melilla garrison staged an uprising, marking the outbreak of the Spanish Civil War.

The Military Uprising and the Outbreak of the Civil War

On 18 July the military coup spread and the following day Francisco Franco took command of the army in Morocco. By the end of 1936, the Nationalist troops had seized most of Andalusia, Extremadura, Toledo, Ávila, Segovia, Valladolid, Burgos, Leon, Galicia, part of Asturias, Vitoria, San Sebastian, Navarre and Aragon, as well as the Canary and Balearic Islands, except for the island of Minorca. Madrid, New Castile, Catalonia, Valencia, Murcia and Almeria, Gijón and Bilbao became Republican bastions.

The Republican government formed a coalition cabinet led by Giralt, succeeded in his post by Largo Caballero, who brought in representatives of the CNT

and moved the cabinet to Valencia. On 29 September the National Defence Committee appointed General Franco head of the government and commander-in-chief of the army. The Republican government reacted to this by creating the Popular Army and reorganising the militias into professional armies. Help from abroad also arrived for both bands – the International Brigades to support the Republicans, and Italian and German troops to provide assistance to the Francoist troops.

The year 1937 was characterised by an intensification of the war in the north. The Republicans reacted by establishing fronts in Guadalajara (March), Brunete (July) and Belchite (August). The year closed with the beginning of the Battle of Teruel. At that time, the Francoist troops concentrated their efforts in Aragon, winning back Teruel and, after their triumphal entry in Castellón in June 1938, dividing the Republican zone in two. The government response was the so-called Battle of the Ebro (July-November 1938), which ended with a Republican defeat and 70,000 lives lost.

Having lost their final stronghold, the Republicans began to seek exile in France and on 10 February 1939 the Francoist troops claimed control of Catalonia. Only Madrid still held out, and when the peace proposals of its Defence Committee (Casado, Besteiro) failed, the Francoist troops occupied the capital on 28 March 1939. A final war dispatch by General Franco on 1 April announced the end of the conflict.

Franco's Dictatorship

The new regime was characterised by three factors: repression of the defeated band, economic hardship, and a modification of the internal balance of power as the result of changes on the international stage brought about by World War II. Despite an initial declaration of its neutrality and then its “non-belligerence”, the new government became isolated from the outside world. Franco met with Hitler and Mussolini, thereafter entrusting foreign policy to the Germanophile Serrano Suñer.

Although diplomacy under Franco played the anti-communist card, it could not avoid condemnation from the United Nations, the withdrawal of ambassadors and the closure of the French border.

In economic terms, international isolation and, to a lesser degree, ideological differences generated an autocratic and corporatist approach, which more or less accompanied the regime throughout its history. In agricultural terms, the country experienced a dramatic regression in relation to previous periods, giving rise to a shortage of basic supplies and the introduction of rationing.

The Cold War and Economic Development

The beginning of the Cold War provided a boost for Franco's regime, although Spain was excluded from the reconstruction of Europe. In 1953, the Holy See

signed a concordat with Spain and the United States signed a treaty of reciprocal aid in military matters.

Meanwhile, in the political arena, the UN accepted the renewal of diplomatic relations in 1950, and in 1955 Spain occupied its seat in the international forum. A year later the Spanish protectorate was abolished in Morocco, which declared independence.

Social unrest had emerged, albeit timidly, in the 1951 labour strike in Barcelona and later with the first student riots in 1956. Extraordinarily high inflation led to the introduction of a Stabilisation Plan (1959) to offset the lack of currency. Although the effect of this was economic stagnation and new outbreaks of social unrest in Asturias, it did pave the way for the First Development Plan (1963), which was merely orientational for the private sector but binding for the public sector. In order to promote regional and local development, the so-called “development poles” – areas zoned for economic activities – were created.

Drawn up according to guidelines issued by the International Monetary Fund and the European Organisation for Economic Cooperation, the Stabilisation Plan boosted the economy and laid the foundations for an autocratic model of development. In accordance with these guidelines, in 1967 the Spanish peseta was devalued and in 1968 the Second Development Plan, similar in scope to the first one, was launched. By this time the population of Spain had reached 33 million, of which 12 million (38.3%) represented the working population, virtually

Photo: Manuel H. de León. EFE Agency



King Juan Carlos I sanctioning the Spanish Constitution of 1978

distributed into three equal parts as follows: agriculture (28%), industry (38%) and services (34%). Thousands of people emigrated from the impoverished rural areas to the industrial cities (Madrid, Bilbao, Barcelona), while thousands of others departed for Europe in search of better opportunities. The funds these workers sent back to their families in Spain constituted a crucial contribution to the country's balance of payments.

Politically, the regime attempted to organise a so-called “organic democracy” with a referendum to approve the Organic Law of the State (1966). Two years later Guinea gained independence, followed in the same year by the declaration of a state of emergency in the northern province of Guipúzcoa.

The Twilight of the Dictatorship

The economic changes that concluded a long process of development also produced social changes. The politicians who had emerged in the Civil War – military groups, Falangists, traditionalists, Catholic-Nationalists – were replaced by technocrats, mainly senior civil servants, who advocated the need for economic progress and forward-looking policies.

This led to a period of goodwill and renewed relations with countries of the East and the signature in 1970 of a preferential trade agreement between Spain and the European Common Market. A year earlier, on 22 July 1969, Parliament had appointed Don Juan Carlos de Borbón as Franco's successor as head of state, with the title of king.

Since the early 1960s, opposition to Franco's regime had become stronger as a result of the profound social changes produced by economic alterations in the country. In addition to the participation of exiled politicians and institutions in international forums, internal opposition movements had also gradually taken shape. Students, teachers and intellectuals

Photo: J.M. Espinosa. EFE Agency



*The first four presidents of the Spanish democratic era.
Left to right: Leopoldo Calvo Sotelo, José María Aznar,
Adolfo Suárez and Felipe González*

represented a democratic left-wing front, while the working class focused their struggles through the trade unions and a civil front. These movements were the origin of the political forces that later played a leading role in Spain's transition to democracy.

In the political sphere, the monarchy – embodied in the person of the Count of Barcelona, Juan de Borbón – proposed the need for a return to democracy. An extremely active PCE (Spanish Communist Party) had launched its policy of national reconciliation and proposed overcoming the regime by peaceful means. The socialists and Christian democrats also called for a return to democracy as the only viable means of integration with Europe.

The Church's isolation was increasingly apparent. Rank-and-file priests, especially in Catalonia, the Basque Country and Madrid, were openly critical of the regime, and were joined in their condemnations by several prelates. Meanwhile, these stances coincided with the radicalisation of nationalist positions and the emergence of ETA's terrorist activity.

A series of political trials were held. In 1969, a group of Basque priests were tried by court-martial, and in 1970 the "Burgos Trial" was held and nine death sentences were passed down, although the condemned men were later pardoned.

At the end of 1969 a new cabinet with a technocrat majority was formed, which was subsequently replaced in 1973 by a cabinet with similar leanings. The latter proved to be short-lived; in December, the cabinet president Carrero Blanco was killed in a terrorist attack by ETA. Arias Navarro was then appointed president and formed what was to be the last cabinet under Franco's regime.

In July 1974 Franco was afflicted with thrombophlebitis. Prince Juan Carlos took over as provisional head of state on 30 October 1975, and on 20 November Franco died. On 22 November, Juan Carlos I was crowned King of Spain. Another chapter in Spain's history closed and the doors of freedom and hope opened for all Spaniards.

DEMOCRACY

The Transition from Dictatorship to Democracy

From the outset, the new monarch adopted a determined but prudent attitude to ensure the rapid democratisation of Spain, turning the institution he embodied into a “monarchy of all Spaniards”. However, this was no easy task. He was obligated to “respect” the legal structure inherited from Franco’s regime, as well as most of the existing political frameworks.

Following the resignation of Arias Navarro, the king entrusted the leadership of the country to a group of young reformists headed by Adolfo Suárez, who was sworn in as president of Spain on 3 July 1976. Under the watchful eye of the king, it was up to him to achieve the transition from dictatorship to democracy. Numerous left-wing politicians and intellectuals – Madariaga, Sánchez Albornoz, Pasionaria, Sénder, Guillén and Llopis – returned from exile and on 15 June 1977, in a context of total freedom and open democracy, the first general elections were held. The Spanish right did not hesitate to accept the democratic rules of play under the leadership of Manuel Fraga, a former minister under Franco and the founder of Alianza Popular (Popular Alliance). The Communist Party of Spain, headed by a former leader of Republican Spain who had been exiled for years (Santiago Carrillo), participated in the drafting of the constitution and also embraced the role of the democratic institutions. However, the electorate – to the surprise of many – voted for more moderate options than these two formations and the day was

won by the UCD (Unión de Centro Democrático), the centrist party founded by Suárez to support the transition. With a relative majority, this party obtained 165 seats, followed by 118 seats for the PSOE (the historic Socialist Party, in which a young generation led by Felipe González had just replaced the old guard of exiles who still clung to the memory of the Civil War). The Catalans and Basques were represented by a variety of parties.

Support from the press for the transition to democracy was crucial. So too was the prudence exercised by all the political and trade union groups, who at the end of October of the same year signed the Moncloa Pacts to consolidate democracy and provide a boost to the economy, which was already threatened by the first signs of recession.

The transition, in which Adolfo Suárez played a central role, transformed Spain into a modern country in all respects: freedoms of all types were guaranteed and a multiparty parliamentary system was established; the social function of political parties and trade unions was recognised; and the state adopted a decentralised form of government, paving the way for the formation of autonomous regions throughout the country. These changes were backed by a widespread consensus, demonstrating the degree to which the Spanish had overcome the wounds of the Civil War and were capable of looking towards the future rather than remaining mired in the past. Without a doubt, this is the most important legacy of the transition initiated in



The Spanish President of the Government, José Luis Rodríguez Zapatero, taking his oath of office before H.M. the King of Spain on 12 April 2008

1977. Spain had already had a number of constitutions, a long history of parliamentary life and even the experience of a former democracy, but this was the first time that changes were introduced of common accord. Dialogue and negotiations formed the basis for establishing the widest possible social consensus. This climate of consensus and the peaceful nature of the transition to democracy attracted the interest

of politicians and analysts in numerous countries, especially the citizens of Latin America and the former Soviet bloc nations of Eastern Europe searching for the best way to achieve their own transitions from dictatorship to freedom.

The reign of Don Juan Carlos, who has been on the throne for more than thirty years now, received widespread popular support from the outset, and this has increased over the years thanks to the king's discretion in the exercise of his constitutional duties.

The transition brought about a genuine national reconciliation, demanding sacrifices in every quarter. Conceived as a legal evolution from the existing institutions, it was incompatible with the demand for punishing those who had supported the dictatorship. On the contrary, its premises were to offer a generous amnesty and to strive for total democracy. The process of consensus that had been undertaken, in which all the political parties had to make sacrifices (for example, the Socialists and Communists abandoned their dream of a republic), permitted the introduction of a provisional package of self-government measures in Catalonia and the Basque Country and the drafting of the constitution, which was approved by a vast majority (87.87%) on 6 December 1978.

Spain after the Constitution of 1978

New general elections held on 1 March 1979 maintained the national balance of power (UCD, 34.3%; PSOE,

Photo: Mوندلوا Palace



Group photo of the new administration, 5 November 2010

30%; PCE, 10.6%). However, the first municipal elections (19 April) gave left-wing coalitions 77% of local councils in the main cities, marking the beginning of the end for the UCD.

The weakening of this party and the change of president coincided with a final authoritarian attempt to overthrow democracy. On 23 February 1981, members of the Civil Guard burst into Congress and held the representatives hostage, while one of the military headquarters ordered its troops to take the

streets. The decisive intervention of the king foiled the attempted coup and the Spanish people took to the streets in defence of democracy. However, the incident served to weaken both the administration and the party it represented even further.

On the stage of international politics, Spain's incorporation into the group of democratic countries was complete. The country applied for membership in the EEC on 28 July 1977 and on 1 January 1986, Spain became a member state. Leopoldo Calvo



*Inauguration of the Spanish Presidency
of the European Union, 23 February 2010*

Sotelo, Suárez's successor as president, proposed and gained approval from Congress for membership in NATO (29 October 1981), which was later ratified in a popular referendum held in 1986.

On 28 October 1982, new general elections were held in which the PSOE obtained an absolute majority (202 seats) and 106 seats were given to a new right-wing alliance of the AP-PDP (Alianza Popular-Partido Demócrata Popular – Popular Alliance-Popular Democratic Party). The elections had two major losers: the UCD, which scraped by with only 7.2% of the votes, and the PCE with 3.8%.

On 3 December, Felipe González constituted his first administration. The PSOE managed to retain its majority in the following two elections, held on 22 June 1985 and 29 October 1989.

By then, the party had become a moderate and reformist party of social democrats, abandoning its traditional Marxist ideology. Backed by successive electoral victories, it governed until 1996 and carried out a sweeping modernisation of the country.

Thanks to this period of remarkable political stability, it was possible to make up for lost time in fields such as education, health and taxation, while the army was made professional, industry was streamlined, public infrastructures were built, social services were extended, etc. Moreover, in 1992 this modern, dynamic Spain, capable of joining the European Union (1986) and exercising its periodic presidencies of the Union (1989, 1995 and 2002) with efficiency and creativity, presented a new image to the world with the organisation of the World Fair in Seville, the European Cultural Capital in Madrid and the Olympic Games in Barcelona. With the former isolation of the dictatorship relegated to the past, Spain returned to the international arena as an agent of peace and harmony, promoting Latin American Summits (since 1991), participating in the United Nations' peace-keeping forces in Africa, the Balkans, Middle East and Central America, hosting conversations between Israel and the Arabic nations (Madrid Conference, 1991), dramatically increasing its aid to developing countries (through the Spanish

Cooperation Agency), exporting the activities of its technicians and business leaders to distant markets (with strong investment in Latin America), reinforcing the presence of the Spanish language and culture around the world (through the Cervantes Institute, created in 1991), etc.

Although in the elections of 6 June 1993 the PSOE still managed to obtain the most votes (159 seats), enabling Felipe González to form a non-coalition government (inaugurated on 8-9 July 1993), the loss of the absolute majority forced the party to turn to other parliamentary groups in order to gain sufficient support in the Congress and Senate to ensure the stability of the government. In the end this was made possible by agreements reached with the CiU (Convergència i Unió – Convergence and Union).

Meanwhile the Partido Popular had been restructured and renamed in 1989 around the new leadership of José María Aznar and an ethos based on liberal ideals and Christian democracy, oriented towards the reformist centre. Its favourable results at the municipal, regional and European elections in 1995 culminated in victory at the general elections in 1996, which with support from the moderate nationalist groups of Catalonia (Convergència i Unió), the Basque Country (PNV) and the Canary Islands (Coalición Canaria – Canary Coalition) placed the presidency in Aznar's hands.

The Partido Popular was again victorious in the general elections of 2000, obtaining a comfortable absolute majority.

The economic policy pursued by this administration focused on controlling inflation and the public deficit as a means of reactivating economic growth. The successes achieved in the economic arena were crowned by Spain's admission to the first group of countries to adopt the single European currency – the euro – in 2002, after the Spanish economy had successfully met all the necessary requirements.

Spain's presidency of the European Union in the first half of 2002 coincided with the introduction of the euro, thereby completing a significant cycle in the recent history of the country; coincidentally, the euro was adopted as the name of the single currency at the Council of Europe held in the second half of 1995, when Spain also happened to be holding the presidency of the Union.

On Thursday, 11 March 2004, Spain was dealt a dramatic blow by a kind of terrorism unlike anything ever experienced before on Spanish soil. A group of radical Islamist extremists killed 192 people and wounded almost 2,100 more in Madrid, in the worst terrorist attack perpetrated in Europe to date. However, three days later normalcy reigned as the people of Spain turned out to cast their votes in the general elections as planned.

14 March 2004, the PSOE won the general elections, making José Luis Rodríguez Zapatero the fifth president to take power in democratic Spain. Since then, the country has kept up and even accelerated the pace of social and economic change. 9 March

2008, the PSOE won again the general elections with a relative majority.

Now, at the beginning of the 21st century, Spain is the eighth world power. The successful adoption of the euro, a spectacular rhythm of social achievements, an unprecedented level of job creation and healthy public accounts have, in just a few short years, turned Spain into a net recipient of immigrants – an essential factor in the growth of the population (nearly 46,9 million at the beginning of 2010) as well as in its economic growth.

The firm commitment displayed by Rodríguez Zapatero's government to investment in research, development and innovation is likely to bring about major changes in the Spanish economic model in the medium and long term. In the international arena,

Spain is now an important donor country and has pledged to duplicate its development aid during this legislature and reach the target of 0.7% of GDP in the next one.

Spain witnessed its first ever gender-balanced government in 2004 and has since laid the groundwork for a more modern society with such governmental initiatives as the legalisation of homosexual marriage, the law against domestic violence, the equality act, the long-term care act, the reform of RTVE and the rules that simplify administrative procedures for the public. This modernisation, which can clearly be seen in all facets of Spanish society, has helped Spain enhance an international presence that was further strengthened by its Presidency of the Council of the European Union during the first half of 2010.

CHRONOLOGY

Prehistory

1,500,000 B.C First human findings on the Iberian Peninsula.

40,000-15,000 B.C. Altamira cave paintings.

Spain before the Romans

1,200-800 B.C. Indo-Europeans, Phoenicians and Greeks invade the Iberian Peninsula.

800-500 B.C: Tartessus.

Roman Hispania

218 B.C.-409 A.C.

The Visigothic Kingdom

472-710

Muslim Spain (710-1492)

756-929 Umayyad Emirate.

929-1009 Caliphate.

1009-1090 Taifa Kingdoms.

1090-1146 Almoravid Invasion.

1146-1224 Almohad Invasion.

1224-1232 Marinid Invasion.

1232-1492 Nasrid Kingdom of Granada.

Christian Spain (710-1492)

803 Kingdom of Navarre.

1137 Kingdom of Aragon and Catalonia.

1230 Kingdom of Castile and Leon.

1479 Unification of the Crowns of Castile and Aragon with the marriage of Ferdinand and Isabella.

1492 Conquest of Granada, Columbus discovery of America and the publication of the first Spanish grammar text.

1512 Incorporation of Navarre.

1535-1545 Viceroyalties of Mexico and Peru.

House of Habsburg (1517-1700)

1516-1556 Charles I.

1526 Treaty of Madrid.

1556 Philip II.

1571 Battle of Lepanto.

1598-1621 Philip III.

1605 Publication of Don Quixote.

1621-1665 Philip IV.

1640 Secession of Portugal.

1665-1700 Charles II.

1659 Treaty of the Pyrenees.

House of Bourbon (1700-1808)

1700-1746 Philip V.

1713 Treaty of Utrecht.

1746-1759 Ferdinand VI.

1759-1788 Charles III.

1760-1790 Enlightenment and Reform.

1788-1808 Charles IV.

1790-1808 The Radical Challenge.

1805 Battle of Trafalgar.

1807 Treaty of Fontainebleau.

Dissolution of the old Regime and the War of Independence (1808-1814)

1808 Abdication of Charles IV and Ferdinand VII in Bayonne. Entry of Joseph Bonaparte I of Spain in Madrid.

1810-1812 The Cortes and Constitution of Cadiz.

Liberal reaction and Revolution (1814-1833)

1814 Arrival of Ferdinand VII in Madrid.

1814-1820 First Absolutist Restoration.

1820-1823 Coup d'état and Liberal Triennium.

1823-1833 Second Absolutist Restoration.

The Two Regencies (1833-1843)

1833-1841 Death of Ferdinand VII and Regency of Maria Christina Carlist War.

1834 Royal Statute.

1837 Liberal Constitution.

1841 -1843 Regency of Espartero.

Reign of Isabella II (1843-1868)

- 1843-1854 Moderate Decade.
- 1845 Constitution.
- 1854-1856 Liberal Biennium.
- 1856 Non nata Constitution.
- 1856-1868 Moderate Predominance.

Revolutionary six-year period (1868-1874)

- 1869 Constitution of 1869.
- 1869-1871 Regency of General Serrano.
- 1871-1873 Democratic monarchy of Amadeus of Savoy.
- 1873-1874 First Republic.
- 1874 Coup staged by Martínez Campos on behalf of Alfonso XII.

The Restoration (1875-1923)

- 1875 Entry of Alfonso XII in Madrid.
- 1876 Constitution.
- 1881 Liberal Government.
- 1885 Death of Alfonso XII. Regency of Maria Christina.
- 1890 Universal Suffrage.
- 1898 Spanish-American War and the Treaty of Paris.
- 1902-1931 Reign of Alfonso XIII.

Dictatorship of Primo de Rivera and the fall of the Monarchy (1923-1931)

- 1931 Municipal elections (14 April) and Proclamation of the Republic.

Second Republic and the Civil War (1931-1939)

- 1931 Republican Constitution.
- 1933 Victoria electoral de la CEDA
- 1936 Popular Front elections (February) and military coup (July).

General Franco's Regime (1939-1975)

- 1959 Stabilisation Plan.
- 1969 Appointment of Prince Juan Carlos as successor.

Democratic Transition. From 1975

- 1975 Death of Franco. Proclamation of King Juan Carlos I.
- 1976 Political Reform Law (November) and Referendum (December).
- 1977 General elections (15 June). Relative majority for the UCD. Third government of the monarchy (4 July). President Adolfo Suárez. Spain requests membership in the EEC (28 July). Constitution (sanctioned by HM the King on 27 December in Parliament).

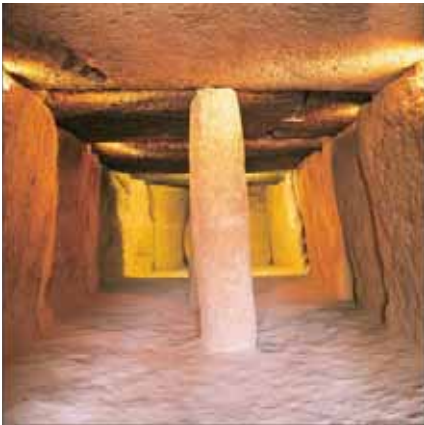
Constitutional Monarchy

- 1979 General elections (1 March). Relative majority for the UCD. HM King Juan Carlos I invites Adolfo Suárez to form his government (29 March). Foundation of the main democratic town councils (19 April). HM the King opens the first constitutional legislature of Parliament (9 May).
- 1980 Opening of the Constitutional Court (12 July).
- 1981 Resignation of Adolfo Suárez as president. HM the King invites Leopoldo Calvo Sotelo to form a new cabinet (10 February). Calvo Sotelo proposes Spain's entry into NATO (18 February). Coup d'état (23 February). Calvo Sotelo is sworn in as president (25 February). The Congress of Representatives approves Spain's entry into NATO (29 October).
- 1982 General elections. Victory with an absolute majority for the PSOE (29 October). New government with Felipe González as president (3 December). Appointment of the Ombudsman in the Congress of Representatives (28 December).
- 1985 Signature of Spain's treaty of adhesion to the EEC (12 June).

- 1986** Spain and Portugal join the EEC (1 January). Prince Felipe swears allegiance to the Constitution in Parliament (30 January). Referendum on Spain's continuation in NATO (12 March). General elections. New absolute majority for the PSOE (22 June). Felipe González is sworn in as president (25 July).
- 1987** Municipal, regional and European elections (10 June).
- 1989** Spanish presidency of the EC (January-June). European Elections (June). General elections. Victory for the PSOE (29 October). Felipe González takes the presidential oath of office before Parliament (5 December).
- 1993** General elections (6 June). Relative majority for the PSOE. Felipe González takes the presidential oath of office before Parliament (9 July).

- 1994** European elections (12 June).
- 1995** Municipal and regional elections (28 May). Spanish presidency of the EC (July-December). The European Council of Madrid approves the name of the future European currency: the euro (15-16 December).
- 1996** General elections (3 March). Relative majority for PP. José María Aznar is sworn in as president before Parliament (3 May).
- 1999** Municipal, regional and European elections (13 June).
- 2000** General elections (12 March). Victory with an absolute majority for the PP. José María Aznar takes the presidential oath of office before Parliament (25 April).
- 2002** Spanish presidency of the EC (January-June).
- 2003** Municipal and regional elections (25 May). European elections (13 June).

- 2004** General elections (14 March). Victory for the PSOE with a relative majority (164 seats out of 350). José Luis Rodríguez Zapatero is sworn in as president before Parliament (17 April).
- 2005** European Constitution Referendum (20 February).
- 2007** Local elections (27 May).
- 2008** General elections (9 March). Victory for the PSOE with a relative majority.
- 2010** Spanish presidency of the EU (January-June).



Two megalithic structures. Above: the dolmen of Axeitos, Ribeira (A Coruña). Below: the Cave of Menga, Antequera (Malaga)

CULTURE

By virtue of its geographical situation, the Iberian Peninsula has served as a bridge not only between the cultures of Northern and Southern Europe but also between Africa and the Mediterranean. Similarly, the vicissitudes of its history have made it a place of meeting for the most diverse cultures. It therefore boasts a rich cultural legacy with palpable living traces of an extraordinarily dynamic past.

THE EARLIEST CULTURAL EXPRESSIONS

The earliest cultural manifestations of any significance are prehistoric. In the Palaeolithic Period, around 15,000 B.C., a Franco-Cantabrian culture stretched from the north of Spain and Europe to Asia. This culture left behind animal figures painted in several caves for magical and religious purposes; the masterpiece from this period can be found in the main chamber of the cave at Altamira, which has been described as the “Sistine Chapel” of cave art.

A later period, the Mesolithic, is represented by the paintings of the Levant school, of African origin, which have been found in primitive shelters ranging from Lleida (Catalonia) to Albacete (Castile La Mancha). These paintings depict humans. During the first millennium B.C., the Balearic Islands witnessed the emergence of a culture of imposing megalithic constructions comprising *navetas* (burial tombs shaped like the hull of an overturned ship), *taulas*

(T-shaped megaliths) and *talayotes* (low towers), the most important of which is the Naveta dels Tudons, near Ciutadella on the island of Minorca. Meanwhile, a megalithic culture was developing in Almeria, characterised by dolmens with covered galleries and circular burial chambers, topped by false domes. The most famous example is the Dolmen of Menga, near Antequera (Malaga province).

Simultaneously, the legendary culture of Tartessus was emerging in the lower Guadalquivir Valley, based on trade with the Phoenician colonies. The Greeks also established colonies along the Mediterranean coast, leaving significant traces of their artistic legacy in areas such as Ampurias (Girona province).

According to all the indications, the large boar sculptures and the bulls at Guisando, near Ávila, are of Celtic origin. The Iberian culture is represented by three sculptures of female figures – the Lady of Elx, the Lady of Cerro de los Santos and the Lady of Baza – that are currently on display at the National Archaeology Museum in Madrid.

THE ROMAN LEGACY

Romanisation induced the cultural unification of the Iberian Peninsula, leaving not only the language and numerous social institutions but also a plethora of artistic remains. Some of these provide a crucial insight into Roman art, such as the aqueducts in

Photo: Spanish Tourism Institute.



*Image of the Dama de Baza. 4th Century AD.
Madrid. National Archaeology Museum*

Segovia and Mérida the Alcántara Bridge and the Arch of Bara in Tarragona.

Two splendid Roman complexes can be found at Italica, near the city of Seville, and Mérida, whose splendid theatre is still used to stage classical drama during the summer. Such is the quantity of Roman remains in this town that it was chosen as the site for the National Museum of Roman Art, inaugurated in 1986.

While Rome built the Hispania of the first five centuries, Hispania returned the favour by providing with some of its best sons, including emperors (Trajan and Hadrian), writers and philosophers. This Roman legacy not only pervades numerous institutions but also the law of the land. Similarly, with the exception of Basque, Vulgar Latin served as the root of all the languages of the Iberian Peninsula: Castilian, Catalan, Galician and Portuguese.

THE MIDDLE AGES

The generalised spread of Christianity coincided in Spain with the beginning of the Germanic invasion. Little has remained of Visigothic art, which gradually distanced itself from Roman art and fed rather on Byzantine and North African influences. Horseshoe arches, geminate windows sharing a central column, square-shaped apses and barrel vaults are the distinguishing characteristics of the early Christian churches. Two examples can be found in Ourense (Santa Comba de Bande) and Zamora (San Pedro de la Nave).



Cloister at the San Juan de la Peña Monastery (Huesca). XI Century

In the 8th century, Pre-Romanesque art began to emerge in Asturias and reached the height of its splendour during the reign of Ramiro I (the churches of Santa María del Naranco and San Miguel de Lillo).

The Muslim invasion and subsequent Christian reconquest generated a confluence of three cultures – Christian, Islamic and Hebrew – whose fusion and interrelation gave rise to one of the most fruitful processes in European culture.

Meanwhile, the perpetuation of the classical legacy was guaranteed by Alfonso X, who created the Translation School of Toledo and Seville. Alfonso the Wise, as he is also known, is also credited with writing *The Seven Divisions of Law* and making major contributions to the world of science *Lapidarium*.

The Arabic tradition also made a lasting impression on the field of poetry, with figures such as Ibn Hazm of Cordoba (*The Ring of the Dove*) and Ibn Quzman, famed as the inventor of the classical metre. One of the most important philosophers was the great Averroes (1126-98, Cordoba), an Aristotelian scholar.

While the field of literature was fertile, the field of architecture was no less. The Great Mosque of Cordoba (begun in 784) and Medina Azahara are outstanding examples of art under the Caliphate. In Seville, the former minaret of the mosque – known as the Giralda – the Golden Tower and the Alcázar palace represent some of the most important monuments of Islamic architecture. The culminating structure from this period is the magnificent Alhambra palace in Granada.

Although the Arabic presence persisted in the south, the north of Spain maintained close contact with the prevailing European culture thanks to the Pilgrim Way of St. James, which ends at the tomb of the apostle in Santiago de Compostela. Along the way, churches were built in which European Romanesque art blended with the Pre-Romanesque style typical of Spain. Examples of this are the cathedral in Jaca (Huesca province), the church of San Martín de Frómista in Palencia, the beautiful frescoes in the royal pantheon at the Basilica of San Isidoro in Leon, and the great cathedral in Santiago de Compostela, whose sculptures adorning the Pórtico de La Gloria portal are regarded as the masterpiece of Spanish Romanesque art.

Romanesque painting can be observed in the frescoes, and the art of drawing developed in illuminated manuscripts (*Beato de Liébana*, *Beato de Girona*).

Sculpture acquired a distinct physical identity in the 11th century, which was mainly manifested in the cloister of Santo Domingo de Silos (Burgos), the royal pantheon and the portals of the Basilica of San Isidoro (Leon), the capitals in the cathedral of Jaca (Huesca), the monastery at Ripoll and the mentioned cathedral of Santiago.

Other noteworthy Romanesque monuments can be found in the region of Castile and Leon (Avila, Zamora, Soria, Salamanca, Segovia, Burgos), while Navarre, Aragon and Catalonia all boast magnificent

Photo: National El Prado Museum. Madrid



*The Death of San Pedro
Mártir. Pedro Berruguete.
1493-1499*

churches with superb paintings. Nowadays, most of these are held at the National Art Museum of Catalonia in Barcelona.

During this period – the 12th century – Castilian began to develop as a literary language with the publication of the first great epic, *The Lay of the Cid*.

Gothic art first emerged in Spain during the 13th century in the old Cistercian style, as evidenced in the monasteries of Las Huelgas in Burgos and Poblet in Tarragona, and achieved its finest expression in the cathedral of Leon. The 14th century was characterised by the emergence of the Catalan Gothic style (cathedrals of Barcelona, Girona and Palma, Majorca) and the 15th century by the Late or Flamboyant Gothic style (cathedrals of Seville, Toledo and Burgos). Civil architecture also began to develop during this period, notable examples of which are the shipyards in Barcelona and the old markets in Valencia and Palma, Majorca.

In the field of literature there were important advances, with popular minstrel verses giving way to more learned poetry. Gonzalo de Berceo is the earliest known Spanish poet, famed for his work *The Miracles of Our Lady*.

Alfonso X has already been cited in connection with his *Siete Partidas*, but he also wrote the *Crónica General*, the first history of Spain, and the *Songs to the Virgin Mary* in Galician. It was also during his reign that the first collections of stories appeared such as *The Eastern Fables of Kalilag and Damnag* as well as the first dramatic script, *Play of the Three Wise Men*.

THE RENAISSANCE

The 14th century was an extraordinarily fruitful period with profound influences from Italian humanism on literary works such as *Book of Good Love*, by the Archpriest of Hita, *Count Lucanor*, by Alfonso X's nephew, Juan Manuel and *Chronicles and Rhymes of Palace Life* by Pedro López de Ayala.

In the following century, literature adopted a more lyrical and courtly form, paving the way for the ideological transition between medieval and Renaissance ideals that took place at the beginning of the Modern Era, which spans the period from the last decade of the 15th century to the end of the 18th century. The main figures of this period were the Marquis of Santillana (1398-1458), who was the first person to use the sonnet in Spain, and Jorge Manrique with his *Coplas por la muerte de mi padre* (*Verses on the Death of My Father*).

In the field of architecture, the combination of Spanish Gothic and Italian Renaissance produced the hybrid Plateresque style, exemplified by the universities of Alcalá de Henares and Salamanca which were both built during this period. Meanwhile, consolidation of Castilian Spanish came with the publication *Arte de la lengua castellana* (*Art of the Castilian Language*), the first grammar text applied to a vulgar language. The first chivalrous novels also emerged at this time, including the famous *Amadis of Gaul*.

A similarly notable evolution took place in the genre of drama. Juan de la Encina (1469-1529) was the first

to write about nonreligious themes, but the genuine breakthrough came with *The Celestina or the Tragic Comedy of Calisto and Melibea* by Fernando de Rojas, the second most important work in Spanish literature after *Don Quixote*.

THE GOLDEN AGE

Chronologically situated mid-way between the Renaissance and the Baroque, the Spanish Golden Age (16th-17th centuries) was a glorious flourishing of the arts and letters in Spain.

During this period the novel achieved its finest Spanish and universal expression with *Don Quixote* by Miguel de Cervantes, and several other distinctly Spanish genres emerged, such as the picaresque novels *Guzmán de Alfarache* by Mateo Alemán and the anonymous *Lazarillo de Tormes*.

Poetry evolved at the same pace. In the 16th century Boscán and Garcilaso de la Vega adapted Italian metres to the Spanish language; the finest expression of this style can be found in the mystical works of Fray Luis de León and St. John of the Cross, and in the prose of St. Theresa of Ávila. Two great figures from this period are Luis de Góngora and Francisco de Quevedo.

Major changes were also afoot in the field of drama. Instead of being staged in ecclesiastical settings, plays were now performed in open-air public places such as the so-called *Corrales de Comedias*, still used today in Almagro (Ciudad Real province). This form of

Photo: National El Prado Museum, Madrid



The Thread Spinners. Diego Rodríguez de Silva y Velázquez. Circa 1657

artistic expression achieved unprecedented splendour in the works of Lope de Vega, Tirso de Molina and Calderón de la Barca.

Humanism also flourished from early on in the Modern Era, thanks to figures such as the philosopher Luis

Vives and monumental collaborative works such as the *Complutensian Polyglot Bible*.

As a final note on the literature of the Spanish Golden Age, the period closed in the 17th century with Baltasar Gracián's *The Faultfinder*.



Francisco de Goya y Lucientes. "Self Portrait".
1815

In the field of painting, the 16th century produced an outstanding artist in the figure of Domenikos Theotokopoulos, "El Greco", who worked mainly in Toledo. His canvases *The Disrobing of Christ*, *Martyrdom of St. Maurice*, *The Resurrection* and *The Burial of Count Orgaz* are all landmarks of Spanish and universal painting.

The realism of the 17th century found its finest exponent in Diego Velázquez (1599-1660), whose main works are as follows: *Las Meninas* (a.k.a. *The Maids of Honour*), *The Surrender of Breda*, *The Forge of Vulcan*, and his famous portraits *Philip IV*, *The Prince Baltasar Carlos* and *the Count-Duke of Olivares*. Most of these works hang in the Prado Museum.

While Velázquez was painting in Madrid, Zurbarán and Murillo were busy in Seville, producing paintings with predominantly religious themes.

The Golden Age is also credited with a specific architectural style named after Juan de Herrera. The finest example of the style is the Royal Monastery of San Lorenzo de El Escorial, commissioned by Philip II.

THE BAROQUE PERIOD

Of Italian origin, from whence comes its name, the Baroque style embodies the spirit of the Counter-Reformation. It is mainly a decorative style based on fanciful, over-elaborate forms.

The Society of Jesus stamped the Baroque style on all religious monuments from previous periods, superimposing it onto designs originally in the Gothic and even Romanesque styles.

The most outstanding examples in Spain are the façade of the Hospicio de San Fernando in Madrid, the Palace of San Telmo in Seville, the Obradoiro portal in Santiago de Compostela, the Jesuit Shrine of Loyola, the façade of the University of Valladolid and the Basilica of Nuestra Señora del Pilar in Saragossa.

THE AGE OF ENLIGHTENMENT

The 18th century, known in Spanish as *El Siglo de las Luces* or the Century of Lights, witnessed the introduction of the spirit of the Enlightenment and with it education, science, public works and a rational concept of politics and life.

The reign of Philip V ushered in the foundation of new cultural institutions such as the Royal Library (subsequently renamed the National Library) and the Academy of the Spanish Language, both in 1714. These were followed twenty years later by the academies of Medicine, History, Pharmacy and Law, as well as the Academy of Fine Arts of San Fernando.

Science received an enormous boost with the creation of the Cabinet of Natural History, the Botanical Gardens, the School of Mineralogy, the Cabinet of Machines in the Retiro, the Royal Laboratory of Chemistry and several Schools of Engineering.

The political and satirical press flourished, along with the publication of cultural and scientific articles. Although in the literary field the quality was substantially inferior to that of two centuries earlier. The main

poets of the period were Cadarso, Nicasio Galle go and Alberto Lista. Finally, in the field of letters, the 18th century was noted for two great figures – Father Feijoo and Jovellanos.

In architecture, the Baroque style gave way to Neoclassicism. The Bourbons brought numerous foreign artists to Spain and Charles III commissioned major public infrastructure works. Ventura Rodríguez and Juan de Villanueva were the most important Spanish architects of this period, renowned for creations such as the Royal Palace, the Prado Museum and the Alcalá Gate, all in Madrid.

By contrast, painting experienced a period of decline. The Spanish and international painters commissioned to decorate the palaces were all of mediocre quality. Finally, however, in the final decade of the century, one of the greatest painters of all time emerged: Francisco de Goya. Regarded as the father of all the “isms”, Goya painted a vast range of works, including light-hearted cartoons for the Royal Tapestry Factory, macabre etchings such as *The Disasters of War*, the bitter *Caprichos*, the *Follies* and the *Tauromachia*, and dramatic paintings such as *The Third of May 1808* and the frescoes of San Antonio de la Florida in Madrid.

ROMANTICISM

Romanticism, the artistic and literary expression of liberal thinking, arrived late in Spain (it had its heyday between 1830 and 1840) and with a distinctly French

flavour. Its main exponent was Mariano José de Larra (1809- 1837), whose influence continued into and well beyond the second half of the century in the poetry of Gustavo Adolfo Bécquer (1836- 1870) and the plays of the first Spanish recipient of the Nobel Prize for Literature: José Echegaray.

Romanticism was succeeded by the *costumbrista* works of Mesonero Romanos, the poetry of Espronceda and the dramatic scripts of the Duke of Rivas and José Zorrilla.

In the second half of the 19th century, the romantic exaltation of national values fuelled a revival of Spain's regional cultures. In Catalonia this led to the restoration of the Jocs Florals (the Floral Games poetry contest) and ushered in the so-called Catalan Renaissance with the works of Rubio i Ors, Verdaguer and Guimerà.

Romanticism also inspired the flourishing of Galician literature, whose two key figures were Rosalía de Castro and Curros Enríquez.

In the final third of the century, a counterpart to the Romantic Movement emerged in the form of the more or less *costumbrista* realism of Fernán Caballero, Alarcón and Pereda. However, the two great figures of this period were Juan Valera and Benito Pérez Galdós. Considered the father of the contemporary Spanish novel, Galdós created a gigantic historical novel world in his *National Episodes*. His work paved the way to Naturalism, which was embodied by three great figures: Leopoldo Alas “Clarín”, Emilia Pardo Bazán and Vicente Blasco Ibáñez.

THE GENERATIONS OF 1898 AND 1927

The late 19th century was a hotbed of political, literary, philosophical, artistic and scientific analysis. The institutions that had been founded at the beginning of the century – the *Ateneos* or athenaeums (cultural centres inspired by classical Athens and devoted to humanist values and freethinking) and artistic and literary academies – came into their own, and Joaquín Costa and Giner de los Ríos launched a movement of national revival. The outstanding figures in the field of historical research were Amador de los Ríos, Menéndez Pidal, Rafael Altamira, Milá and Fontanals, while Marcelino Menéndez Pelayo was the key figure in the context of traditional thinking.

Scientific research began a slow recovery, especially in the field of medicine, with figures such as Jaime Ferrán, Pío del Río Hortega and the future Nobel Prize winner, Santiago Ramón y Cajal.

Despite the political and social unrest in Spain during the first third of the 20th century, literary creation experienced a glorious revival that some analysts have called a Silver Age, spanning the period between 1898 and the outbreak of the Spanish Civil War in 1936.

The first of these dates marks the loss of the last Spanish colonies and, in general, the end of a decline initiated in the 17th century.

A large group of writers reacted to this event by exploring its causes and proposing their own remedies for the regeneration of Spain. Together they formed

the so-called Generation of '98 which, although it included great literary figures, transcended the field of literature to encompass science, medicine, history and the essay genre.

At the same time, Modernism was emerging. A contemporary of pictorial and musical Impressionism, this movement was particularly important in Catalonia, which has always been more open to the winds of change blowing in from Europe. Its main exponent was the genius architect Antonio Gaudí, and it was also linked to the *Renaixença* (Renaissance) of Catalanian culture based on the prosperity of an educated industrial class increasingly open to regionalist ideas. The unique style of Gaudí is replete with plant and animal evocations in groundbreaking works such as the incomplete Church of La Sagrada Família and the fantastic gardens of the Parque Güell. This same *Modernisme*, as the movement was known in Catalonia, eventually produced the extraordinary painter Pablo Picasso.

The late 19th century in Spain was also characterised by the arrival of echoes of the musical nationalism that had spread throughout Europe. Two Spanish composers achieved international recognition in this field: Isaac Albéniz and Enrique Granados.

In painting, Ignacio Zuloaga's works, with their emphatic drawings and typically Spanish characters, expressed a certain affinity with the literary world of the Generation of '98. Meanwhile, the Valencian artist Joaquín Sorolla can be described as a colourful Post-

Photo: Felipe Alcoceba. Spanish Tourism Institute



Detail of the roof of the La Pedrera building (Barcelona). Antoni Gaudí

Right: Detail of the steps leading up to Park Güell, designed by Antoni Gaudí (Barcelona)

Impressionist; beneath the anecdotal surface of his canvases, the unique light of the eastern shores of Spain is the true protagonist of his beach scenes.

The Generation of '98 – preoccupied almost to the point of obsession with what began to be known as “the problem of Spain” – orchestrated a brand-new style that had little in common with the characteristic rhetoric of the 19th century.



Photo: Felipe Alcoceba. Spanish Tourism Institute

Some of the representatives of this trend achieved a genuinely universal stature. Such is the case of Miguel de Unamuno, who cultivated all literary genres and whose work *The Tragic Sense of Life in Men and Peoples* was a precursor of Existentialism. Another great figure was his contemporary Pío Baroja, a renowned novelist who was much admired by Hemingway. Azorín, famed for his masterful skill as a narrator, and Ramón María del Valle-Inclán, who

invented *esperpento* or the theatre of the grotesque, were also crucial figures of this movement.

In the poetry field, the main figures are Antonio Machado, whose works combine symbolism and social reflection, and Juan Ramón Jiménez, another Nobel laureate, whose poems evolved from a kind of sentimentality to a much deeper, abstract and complex lyricism.

A common trait shared by all intellectuals during this period was the attempt to incorporate the latest trends in European culture and thinking. The philosopher Ortega y Gasset founded the magazine *Revista de Occidente*, one of the first intellectual publications in Europe at the time. Ramón Pérez de Ayala's essays and novels expressed the liberal spirit of the British, while Eugenio d'Ors added a whole new slant to the criticism of Baroque art.

Nearly all of these authors contribute regularly to the press, which they use as vehicles of dissemination and cultural pedagogy in an attempt to renew national sensitivity and promote an open attitude towards European modernity.

In the 1920s, the refreshing winds of the aesthetic vanguards blew strongly in Europe and a group of universal figures emerged – Pablo Picasso, Salvador Dalí and Luis Buñuel. Picasso sought his inspiration in Hispanic roots and in the extravagant, Baroque and highly contrasting temperament that seems to characterise Spanish art, developing a Cubist style that has gone down as the first page in the history of 20th-century painting.

Other major influences on contemporary painting were Juan Gris, who succeeded in reducing objects to their chromatic masses and basic geometries, and Joan Miró, the Surrealist master whose profoundly poetic and original works reveal an apparently childlike yet incredibly astute vision. Another figure tied to the Surrealist movement was the painter Salvador Dalí, highly skilled in the art of drawing and with a fondness for using calculated gestures to shock bourgeois tastes. During the 1920s Dalí had lived with Luis Buñuel and Federico García Lorca at the Residencia de Estudiantes in Madrid. This institution, famed for its intellectual atmosphere and for promoting great artistic sensitivity amongst its occupants, has survived to this day under the protection of the Higher Council of Scientific Research.

Except for in the early 17th century, Spain had never known such a simultaneous emergence of poetic talent as that embodied by Jorge Guillén, Pedro Salinas, Federico García Lorca, Rafael Alberti, Nobel laureate Vicente Aleixandre, Luis Cernuda, Dámaso Alonso and Gerardo Diego. Culturally, the Generation of '27 represents a unique moment in time when the vanguard movements, an enthusiasm for modern art, and the European optimism of the interwar period all joyfully combined and acted as the prevailing influences.

Young creators would enthusiastically embrace the world of cinema, the "city lights", the break with bourgeois values and realist art, and the dream of an aesthetic and political revolution.



Left to right: José María Hinojosa, Juan Centeno, Federico García Lorca, Emilio Prados and Luis Eaton-Daniel at the Residencia de Estudiantes, 1924

Years later, they all fell victim to the tremendous divide created by the Spanish Civil War. Federico García Lorca was executed, and Rafael Alberti, Luis Cernuda, Pedro Salinas, Jorge Guillén, Rosa Chacel and María Zambrano were all forced into exile. The poetry of this generation, which had imbued the genre in Spain with the ideal of perfection, of “pure poetry,” became worldlier and more pensive.

The same fertile atmosphere of the Residencia de Estudiantes also produced the Aragonese filmmaker Luis Buñuel, who worked from his exile in Paris to carve out a place for himself in the international arena. Temporally connected to the Surrealist movement, his work possesses a corrosive strength and critical violence that bear certain similarities to the pictures of his fellow countryman, Francisco de Goya.

Another important figure at this time was the Catalan musician Pau Casals, a worldclass cello player and tireless defender of the republican cause and Catalan nationalism. His famous versions of Bach’s suites occupy their own place in the history of contemporary musical performance. Meanwhile, Spanish cultural nationalism was embodied by Manuel de Falla; thanks to his work, flamenco music – the spontaneous expression of popular Andalusian vocal music – first gained recognition as a sophisticated art form.

The new vanguard movements also influenced Spanish sculpture. Lesser known than Picasso and Dalí but equally deserving of their place in the history

of contemporary art are the sculptors Julio González, Pablo Gargallo and Alberto Sánchez.

Spanish drama also flourished in the first third of the 20th century, especially thanks to the work of Jacinto Benavente, yet another Spanish recipient of the Nobel Prize for Literature.

As a counterpart to this high drama, musical and non-musical farce became the most important popular genre. This form of simple, *costumbrista* and sentimental drama focused in particular on the daily life of the Andalusian working classes (embodied in the works of the Álvarez Quintero brothers). The plays written by Arniches feature a similar idea, although he used an original and highly appealing formula – grotesque tragic comedy, combining both comedy and pathos.

But Spanish drama of the 20th century was marked by two great authors: Valle-Inclán and García Lorca. Although both reacted against conventional, bourgeois, naturalist drama, García Lorca explored the poetry of drama and a new style of tragedy, while Valle-Inclán developed a brand new device: *esperpento*, or grotesque drama. In his works, the heroes and princesses are all reflected in concave and convex mirrors, producing a deformation or caricature of reality in keeping with the author’s conviction that Spain at the time was a deformation of Europe.

The works of García Lorca transcend Andalusian folklore to encompass the mythical roots of all human beings: passion, sterility, society that thwarts human fulfilment.

Photo: Reina Sofía National Art Centre Museum



La bouteille d'anis.
Juan Gris. 1914

FROM THE POST-WAR PERIOD TO THE PRESENT DAY

Due to the situation created by the Civil War, numerous intellectuals opted to go into exile. This, in addition to the limitations imposed by the new regime, gave rise to a cultural parenthesis from which Spain was slow to recover. However, from their exile abroad, people such as Francisco Ayala, Ramón J. Sender, Max Aub, Gil Albert and Pau Cassals worked unstintingly to promote Spanish culture.

Meanwhile, in Spain itself a dual movement emerged. Some intellectuals embraced the political ideals of Franco's regime, while others pursued their intellectual or artistic activities as a form of opposition.

Poetry abandoned the aesthetic ideals embodied by Luis Rosales and Leopoldo Panero in favour of either the social realism of figures such as Blas de Otero, Gabriel Celaya, José Hierro and Carlos Bousoño, or the reassertion of nationalist or avant-garde movements, represented by Salvador Espriu, the Novísimos (a group of innovators led by Barral, Castellet) and others.

The work of the Generation of '27 remains as valid as ever, and in 1977 Vicente Alexandre was awarded the Nobel Prize for Literature. Twelve years later, in 1989, the same prize was awarded to Camilo José Cela.

Meanwhile, in the 1940s the creation of the national theatres brought together a series of authors who managed to overcome the restrictions imposed by the

regime and develop a type of drama open to new trends emerging around the world. Antonio Buero Vallejo and Alfonso Sastre were instrumental in breathing new life into Spanish drama.

The novel also recovered slowly and adopted life under Franco as its central theme. This is particularly evident in works such as Camilo José Cela's *The Hive* and Luis Martín Santos's *Time of Silence*. "Other important novelists included Gonzalo Torrente Ballester, Miguel Delibes, Carmen Laforet, Sánchez Ferlosio, Fernández Santos and Juan Goytisolo.

In the 1970s Juan Benet renewed the literary scene, and the following decade witnessed the emergence of writers such as Javier Marías, Muñoz Molina and Pérez Reverte, whose works acquired an unprecedented international importance and readership.

In the visual arts, there was a move towards pictorial abstraction (embodied by Tápies, Saura, Canogar, Millares and Guinovart), which subsequently gave way to the critical realism of Genovés and Pop Art (Equipo Crónica). In recent years, Antonio López has

consolidated the sure merits of his radical realism and Miquel Barceló's creativity has triumphed in the temples of contemporary art. In the field of sculpture, the study of forms and volume is a constant in the work of artists such as Chillida and Oteiza.

Over a period of three decades (1940- 1970), Spanish film attained unprecedented heights of fame. The "imperial films" promoted by CIFESA gradually gave way to the refreshing approach of Bardem and Berlanga and Saura and Buñuel's later work.

At the beginning of the 1990s, the Spanish film industry was rejuvenated by a generation of young directors such as Pedro Almodóvar, Fernando Trueba and most recently Alejandro Amenábar, all of whom are currently in their professional prime and have won international acclaim.

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Spain today
2011

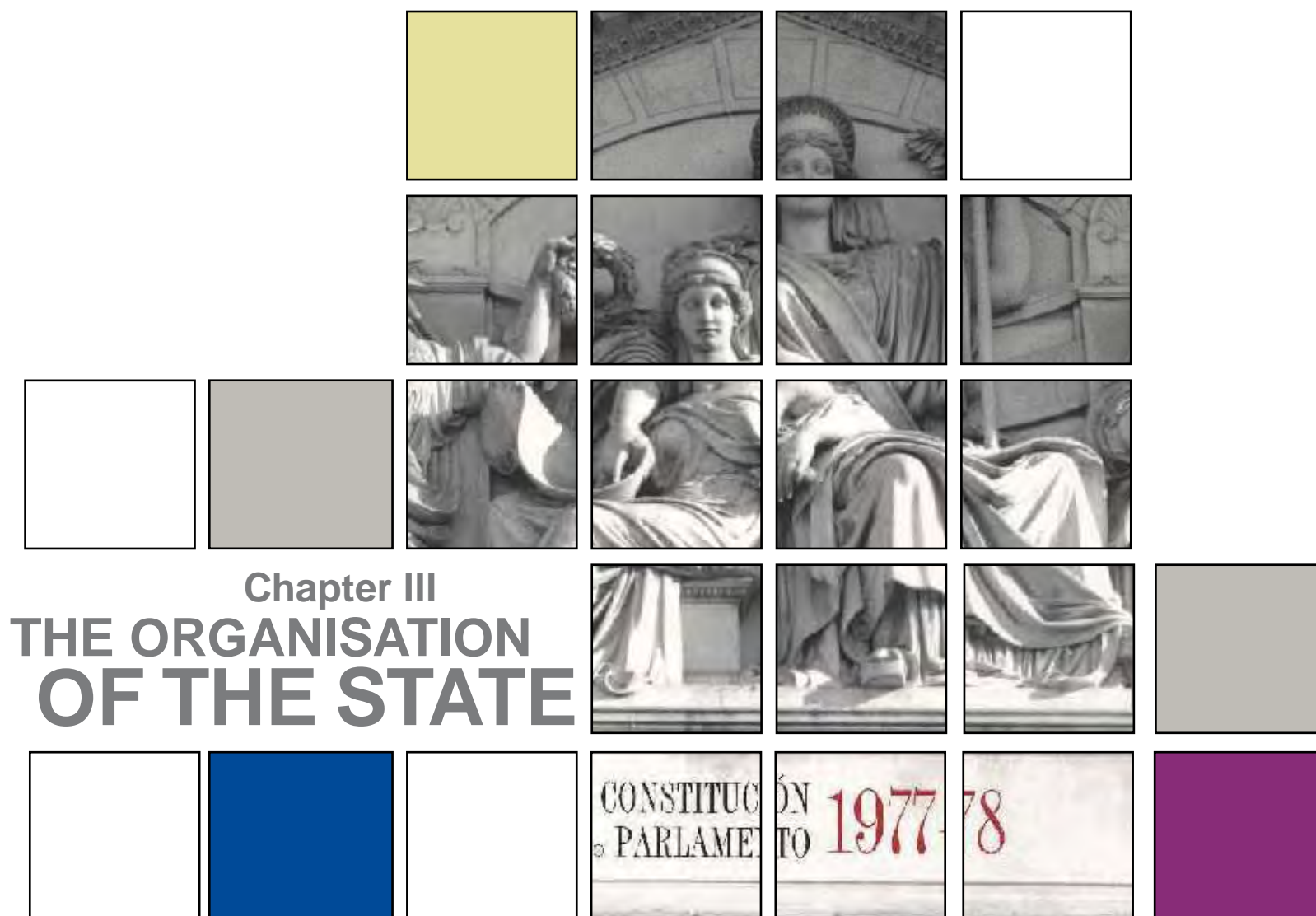




Photo: Lower House of Parliament

Bronze lion on the façade of the Lower House of Parliament.

THE SPANISH CONSTITUTION OF 1978

Described as the constitution of consensus, this document was drafted on the basis of negotiations and agreements between the different political parties with parliamentary representation. The 1978 constitution approved by Spaniards in the referendum held on 6 December entered into effect on 29 December of that same year.

With a preamble, 169 articles divided into 10 sections and several provisional and additional provisions, the present-day constitution is the longest in Spanish history after the Constitution of 1812.

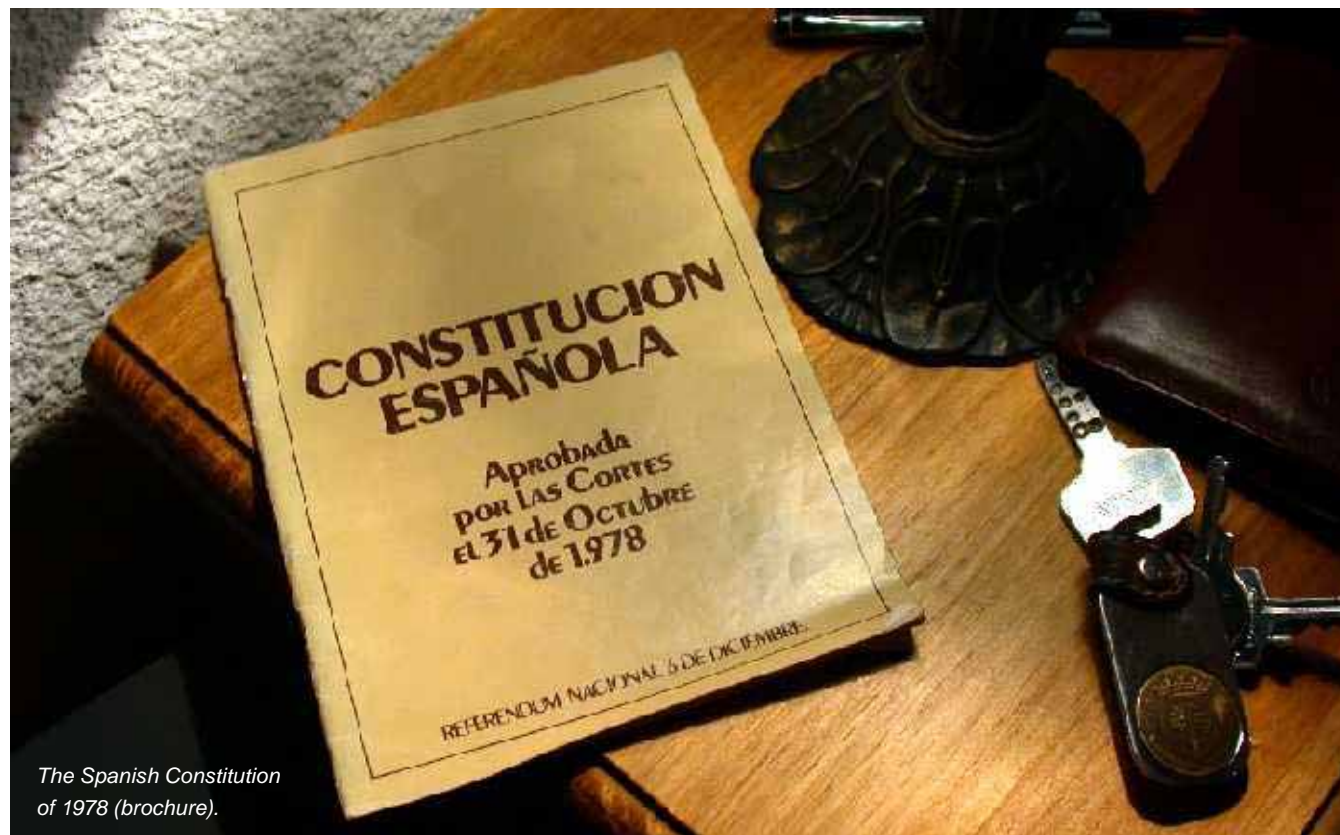
Article 1 declares Spain to be a social and democratic state that advocates freedom, justice, equality and political pluralism as the fundamental values of its legal system. Furthermore, it establishes that national sovereignty rests with the Spanish people, from whom the state derives its powers, and that the political form of the Spanish state is that of a parliamentary monarchy.

The constitution includes an extensive list of the fundamental rights and public liberties of all citizens and establishes a State of Autonomous Regions.

Mention must also be made of the principle of separation of the legislative, executive and judicial branches of government.

The Constitutional Court. This judicial body is the supreme authority on constitutional interpretations.

Photo: Lower House of Parliament



The Spanish Constitution of 1978 (brochure).

It operates independently of other constitutional authorities and is subject only to the Spanish constitution and the regulations established in Constitutional Law 2/1979 of 3 October.

Its twelve members are appointed as follows: four are first proposed by a three-fifths majority of the Congress of Representatives and later confirmed by the King; four are appointed by the same majority in

the Senate; two are named by administration in office; and the remaining two are designated by the General Council of the Judiciary.

The members are appointed for nine years. One-third of the court is renewed every three years, and members cannot be re-elected. Its competences can be divided into three major areas: firstly, it controls the constitutionality of laws; secondly, it settles conflicts



The Lower House of Parliament commemorates the 32nd anniversary of the Constitution

of competences arising between the autonomous regions, and between them and the State; and finally, after exhausting ordinary judicial procedures, it is empowered to safeguard citizens' basic rights by handling appeals brought on grounds of violation of constitutional rights and liberties, which may be lodged after exhausting all ordinary legal avenues for the purpose of reviewing alleged violations of said rights.

Citizens, the Ombudsman and the Public Prosecutor's Office are entitled to file such appeals.

THE INSTITUTIONS

The Crown

The political form of the Spanish state is that of a parliamentary monarchy. The king, in his capacity as the head of state, symbolises the unity and permanence of the state. He arbitrates and moderates in the regular running of institutions and acts as the highest representative of the Spanish state in international relations.

The Legislative Branch

Spanish Parliament (Cortes Generales). The legislative authority of the State is exercised by the Spanish Parliament which represents the Spanish people and controls the administration's actions. It has two houses: the Congress of Representatives and the Senate. This is, therefore, what is known as an "imperfect bicameral" parliamentary system, because the powers of the two houses are not equal; the Congress takes precedence over the Senate in many areas of parliamentary action. Representatives and senators are elected for four years. It is possible for the Spanish Parliament to be dissolved ahead of time at the Spanish president's request.

The Congress of Representatives (Lower House of Parliament) has 350 members. Every draft and

Photo: Upper House of Parliament



*Upper House of Parliament building.
Plaza de la Marina Española*

proposed law, without exception, must be studied first by this house. The Senate has the power to veto or amend the texts written by the Congress, which is then responsible for the final decision after studying it again. Likewise, it is Congress that confirms and confers powers upon the president, which means that this

house can bring about his resignation by either passing a motion of censure or refusing a vote of confidence requested by the president's administration.

The Senate (Upper House of Parliament). Designed by the constitution as the house of territorial representation. In this 9th Legislature, this house has a

total of 264 senators, of which 208 are elected by direct universal suffrage. The remaining 56 were appointed by the legislative assemblies of the Autonomous Regions, which are entitled to select one senator each, plus another for every one million inhabitants in their territories.

The Executive Branch

The Administration. The text of the Spanish constitution barely differs from common contemporary parliamentarianism as regards the administration's functions. The administration is responsible for exercising executive powers, initiating legislative activity and drafting the general national budget and it is also empowered to govern using emergency legislation (which must be ratified by Congress). The administration directs domestic and foreign policy, civil and military administration and national defence.

In Spain, the administration is created in two different stages. In the first phase, the presidential candidate submits his/her administration programme to be considered by Congress. In the second phase, after the president has been approved by Congress and appointed by the King, he presents the King with his proposed list of ministers. This proposal power and the responsibility of overseeing governmental action means that the figure of the president stands out above other figures in the internal organisation of the executive branch, to such an extent that Spain's constitutional regime could technically be described as a prime minister system.

The executive's governing body is the Council of Ministers consisting of the president, the vice-president(s) and the ministers who usually meet once a week. The current administration consists of the president, three vice-presidents, each of whom holds a ministerial office, and a total of 17 ministers. Over half of the ministries are headed by women.

Monitoring Institutions

There are two institutions directly answerable to the Spanish Parliament with specific responsibilities deriving from the constitution for the purpose of controlling and monitoring public government bodies:

The Court of Auditors. According to article 136 of the constitution, this court is the highest authority on matters of national and public accounts auditing and budget management. As mentioned above, it is answerable to the Spanish Parliament, and any disputes that may arise in relation to its competences and attributed powers are settled by the Constitutional Court. It is regulated by Organic Law 2/1982 of 12 May. Its chairman is appointed by the king from among its members, based on the proposal of the plenary assembly, for a three-year term. The plenary assembly consists of 12 councillors and the Chief Prosecutor.

The Ombudsman. The Spanish constitution of 1978 created the office of ombudsman as the "High Commissioner" of the Spanish Parliament charged with safeguarding and protecting basic rights. To this end, the ombudsman is responsible for supervising the activities of all public government bodies.

Photo: Ministry of Justice



The Supreme Court

The ombudsman is elected by a three-fifths majority in each house of the Spanish Parliament, for a five-year term pursuant to Organic Law 3/1981 of 6 April, regarding the office of ombudsman. At the regional level, this office tends to be assigned much more generalised responsibilities.

The government's consultative bodies

The Council of State is the administration's highest consultative body, regulated by Organic Law 3/1980 of 22 April. Its main function is consultative and confined to issuing opinions about the subject of the enquiry.

The Economic and Social Council. This is a high-level body which the government consults on socioeconomic matters, as well as a forum of understanding for social and economic agents, whose primary purpose is to develop and apply the Social and Democratic Rule of Law. It consists of a chairman and sixty members: twenty councillors designated by labour union organisations, another twenty chosen by business organisations, and twenty others from various associations and organisations.

The Judiciary Branch

According to the constitution, justice rests with the people and is administered on the King's behalf by



The Flag and Coat of Arms of Spain

the judges and magistrates of the judiciary branch. Emphasis must be placed, above all, on jurisdictional unity; in Spain, justice is administered by a single corps of judges and magistrates.

The General Council of the Judiciary. This is the body that governs judges and magistrates. This council is led by the chairman of the Supreme Court, and consists of 20 other members who serve

5-year terms and must be proposed by a three-fifths majority of Parliament and appointed by the King. Twelve of these council members must be judges or magistrates.

The Supreme Court. This is the state's highest jurisdictional authority, except on matters of constitutional guarantees which fall to the Constitutional Court. Its chairman, who also chairs the General Council of the Judiciary, is proposed by this body and appointed by the king.

The Public Prosecutor. This individual is proposed by the administration and appointed by the king after consulting with the General Council of the Judiciary. The purpose of the Public Prosecutor's Office is

to take or instigate all necessary judicial actions for safeguarding citizens' rights and public interests protected by law, either ex-officio or at the request of the interested parties. The office is also responsible for preserving the independence of the courts and ensuring that the interests of society are served by the courts. The Public Prosecutor's Office can lodge appeals on grounds of violations of rights and liberties before the Constitutional Court

THE SYMBOLS OF THE STATE

The Flag. The flag of Spain was originally instituted by a Royal Decree issued by King Charles III on 28 May 1785. It is defined by the 1978 constitution in the following manner: "The flag of Spain consists of three bands, red, yellow and red, with the yellow band being twice as wide each of the two red bands". Furthermore, article 1 of Law 39/1981 states that "the flag of Spain symbolises the nation. It is a sign of the sovereignty, independence, unity and integrity of our homeland and represents the noble values enshrined in the Constitution."

The Coat of Arms. The Spanish coat of arms has undergone a series of modifications over the years since its creation in the times of the Catholic Monarchs. It is now officially defined by Law 33/81, Royal Decree 2964/81 of 18 December and Royal Decree 2267/82 of 3 September.

The National Anthem. On 10 October 1997, the characteristics and provisions governing the use of

the national anthem were approved by the Council of Ministers and Royal Decree 1560/97 was published the next day in the Official Gazette of the Spanish State. This decree acknowledged that the national anthem originated with the Grenadier March or the Royal March.

THE TERRITORIAL ORGANISATION OF THE STATE

The Autonomous Regions and Cities with Statutes of Autonomy

The 1978 Constitution acknowledged and guaranteed the right of the nationalities and regions that comprise the Spanish nation to be autonomous, and the solidarity between them all. The development of the provisions of the constitution has led to a complete overhaul of the territorial organisation of the state, involving the creation of seventeen autonomous regions and two autonomous cities (Ceuta and Melilla) and the ensuing redistribution of political and administrative power between the central and regional authorities.

As a result of this process, Spain has become one of the most decentralised countries in Europe. By strengthening cohesion and solidarity, it has promoted the harmonious development of the political, social and cultural diversity that has shaped our history, while bringing institutions closer to citizens, improving democratic qualities and making a significant contribution to the important economic, social and cultural progress that Spain has attained.

Photo: National Atlas of Spain, National Geographic Institute of Spain



Political map of Spain

Each autonomous region has its own statute of autonomy, ratified by organic laws, which constitutes the basic institutional regulations of the autonomous region and governs certain basic considerations such as the structure and management of its parliament and government, the powers and responsibilities of the autonomous region, its administration, identifying symbols and distinguishing features such as language or civil law, and relations with the State and other autonomous regions.

The distribution of powers between the State and the autonomous regions is based on the distinction between the responsibilities resting exclusively with the State or the autonomous regions, powers shared by the State and the autonomous regions, and the concurrent competences in which both the State and the autonomous regions can intervene. The exclusive faculties – of both the State and the autonomous regions – encompass legislative jurisdiction and executive authority, whereas shared competences may entail a different distribution of the legislative and regulatory authority between the State and the autonomous regions, which are usually endowed with executive authority in such instances. Any conflict of authority is settled by the Constitutional Court, as occurs in other politically decentralised states.

The autonomous regions have a parliamentary system of government and their basic institutions are the regional parliament, the president of the autonomous region and the regional administration. The autonomous regions have considerable economic

and financial autonomy, being empowered to approve their own annual budgets and obtain their own resources by levelling taxes, duties, surcharges, special contributions and public prices. The general funding system of autonomous regions, which also includes taxes transferred by the State and a share in state taxation, is set multilaterally by the State and the autonomous regions and, by means of a variety of financial mechanisms, ensures inter-territorial solidarity and a guaranteed minimum level of basic public services provided equally throughout the national territory.

The future of the State of Autonomous Regions.

The experience of developing the State of Autonomous Regions over a period of almost thirty years, with a clearly positive outcome, has made it possible to pinpoint operational areas in need of improvement. It has also become clear that an overhaul of the funding system is needed in order to enhance autonomy and financial self sufficiency, as well as increase the fiscal coresponsibility of autonomous regions, thereby ensuring solidarity and territorial cohesion.

In order to perfect the State of Autonomous Regions in this respect, most autonomous regions have undertaken a revision of their Statutes of Autonomy in the last years. At this time, the revised statutes of Andalusia, Aragón, Castile-León, Catalonia, Valencia and the Balearic Islands have been approved, and the reform proposals for the statutes of Castile-La Mancha and Extremadura are being debated in Parliament.

SOCIO-ECONOMIC DATA OF THE AUTONOMOUS REGIONS - 2010

	DEMOGRAPHY			PRODUCTION (CRE-2000)			BREAKDOWN OF 2009 GDP (%).			
	Surface area (Km2)	Electoral register (01-01-2009) Population	Electoral register (01-01-2009) Population density (Inhab./Km2)	GDP mp (millions). 2009	Regional GDP mp/ national GDP (%) 2009	GDP (PPP) per capita (UE27 average=1 00). 2008	Agriculture	Industry	Construction	Services
Andalusia	87.598	8.302.923	94,8	142.874,21	13,59	79	3,9	9,7	12,5	73,9
Aragon	47.720	1.345.473	28,2	32.473,35	3,09	112	4,0	19,2	10,8	65,9
Asturias	10.604	1.085.289	102,3	22.736,14	2,16	96	1,8	18,5	13,0	66,6
Balearic Islands	4.992	1.095.426	219,4	26.327,37	2,50	111	1,0	6,2	9,4	83,5
Canary Islands	7.447	2.103.992	282,5	41.411,27	3,94	90	1,1	5,9	9,8	83,2
Cantabria	5.321	589.235	110,7	13.479,59	1,28	105	2,7	18,5	12,0	66,8
Castile and Leon	94.225	2.563.521	27,2	55.981,74	5,33	100	5,6	16,6	11,7	66,0
Castile-La Mancha	79.462	2.081.313	26,2	35.040,47	3,33	78	7,8	15,3	13,4	63,5
Catalonia	32.113	7.475.420	232,8	195.402,67	18,59	120	1,3	18,5	9,6	70,6
Valencia	23.255	5.094.675	219,1	101.608,35	9,67	92	2,1	15,7	11,4	70,9
Extremadura	41.635	1.102.410	26,5	17.608,71	1,68	72	7,5	9,1	15,1	68,2
Galicia	29.574	2.796.089	94,5	54.685,98	5,20	88	4,3	16,7	12,6	66,4
Madrid	8.028	6.386.932	795,6	189.059,61	17,99	133	0,1	11,8	9,2	78,8
Murcia	11.313	1.446.520	127,9	27.017,88	2,57	84	4,8	14,4	10,6	70,2
Navarre	10.390	630.578	60,7	18.245,55	1,74	131	2,6	28,0	10,0	59,4
Basque Country	7.235	2.172.175	300,2	65.492,55	6,23	137	1,0	26,5	9,5	63,0
La Rioja	5.045	321.702	63,8	7.825,02	0,74	110	5,8	24,0	10,9	59,3
Ceuta	19	78.674	4.140,7	1.611,09	0,15	96	0,2	6,3	7,4	86,1
Melilla	13	73.460	5.650,8	1.495,89	0,14	93	0,6	3,8	9,0	86,6
España	505.990	46.745.807	92,4	1.051.151,00	100,00	103	2,4	15,1	10,7	71,7

Sources: National Statistics Institute and Eurostat

The socialist administration led by José Luis Rodríguez Zapatero set a precedent by organising the first annual conference of regional presidents, with the goal of furthering a territorial model of governance that has so far proved to be tremendously successful.

Furthermore, the national government and the autonomous regions have agreed to reform the general system of regional funding.

Local Authorities

According to the latest official population statistics, there are 50 provinces and 8,116 municipalities (in 2010), whose numbers of inhabitants are very unevenly distributed. Hence, 4,862 municipalities (59.91% of the total) have populations of fewer than 1,000 inhabitants, while 6,811 (83.93% of the total) are municipalities with fewer than 5,000 inhabitants. Only 144 municipalities (1.77% of the total) have populations of more than 50,000 inhabitants.

From an organisational standpoint, the institutions responsible for running and administering the municipalities are the town councils, while the provinces are overseen by provincial councils. The Balearic and Canary Islands operate under a special local regime of inter-island councils.

The town councils comprise the mayor (who chairs the council), the deputy mayors, the governing board and the plenary assembly, consisting of all the councillors directly elected by the inhabitants of the municipality. Elections are held using open lists in municipalities with between 100 and 250 inhabitants, and closed lists in townships with more than 250 inhabitants, by proportional representation.

The mayor is elected by an absolute majority of the town councillors. If there is no absolute majority, the councillor heading the list that receives the most votes is proclaimed mayor, and in the case of open-list municipalities, the councillor obtaining the most votes from the people in the councillors' elections is proclaimed mayor.

A special Open-Council system is used in municipalities with fewer than 100 inhabitants, as well as in certain towns that choose to adopt it (either because of

historical tradition or by virtue of a municipal decision ratified by the regional authorities). Under this unique system of government and administration, resident voters directly elect their mayor using the simple majority system – an authentic example of direct democracy at work.

Not only Spanish voters have the right to active and passive suffrage in local elections; citizens of the European Union with legal residence in Spain are also entitled to vote in the same conditions as Spaniards. The same right is extended to non-EU citizens residing in Spain whose native countries allow Spaniards to vote in their elections, under the terms of a specific treaty (article 13.2 of the EC and 176 of Organic Law 5/1985 of 19 June on the General Election System). The provincial councils are chosen by town councillors of the province from among their ranks, and their basic task is to help and cooperate with the municipalities, particularly those with the least financial and management capacity, and likewise to ensure the mandatory minimum services that the municipalities are required to provide by law.

The Canary Islands and the Balearic Islands are governed and administered by the inter-island councils.

SPANISH AND THE LANGUAGES OF SPAIN, A VIBRANT CULTURAL HERITAGE

The official state language, Spanish, is also called “Castilian Spanish”. As it spread across in the globe in the 16th and 17th centuries, it became increasingly known as Spanish. Since then the two names have coexisted. It is generally understood that Spanish is the appropriate term for the language on the international scene, while Castilian Spanish is preferred inside Spain, where there are other languages that are also equally Spanish. This is why the constitution says, “Castilian Spanish is the official language of the State.”

Castilian Spanish, like the other Romance languages, took shape during an extended period of time that lasted from the fourth to the tenth century, as a consequence of the fragmentation of Latin. By the 13th century, it was already a language of culture. Epic folk poetry gave rise to the *Cantar de Mio Cid*, an anonymous, twelfth-century poem so masterfully written that it suggests a preceding, older literary tradition. Meanwhile, the monks in the monasteries created the clerical verse form, masterfully exemplified by the work of Gonzalo de Berceo.

In the early 16th century, Castilian Spanish had spread across the Iberian Peninsula and had begun to be an international language. Its prestige spread throughout Europe, particularly to the Italian states and Flanders, but also to France, Great Britain and Germany.

The crucial moment of its spread across the world was undoubtedly the discovery of America in 1492.

Castilian Spanish was exported to the new overseas territories, where it absorbed many words from the native languages. Christopher Columbus himself recorded some of these new words in his diaries: canoa (canoe), hamaca (hammock), tiburón (shark), tabaco (tobacco) and caimán (alligator). Over the course of five centuries, Castilian Spanish took root and spread from Tierra del Fuego to the Rio Grande and beyond, reaching as far as the Philippines in Asia.

The Spanish language has been growing since the 16th century and has not ceased to spread over the years. By the late 19th century, it had some 60 million speakers. Following the end of the first decade of the 21st Century, Spanish is now the second most-spoken language in the world with almost 400 million native speakers, after Chinese and ahead of English and Hindi. Everything would suggest that Spanish has not yet reached its peak and is set to continue growing throughout the 21st Century.

Spanish is currently the official language in some twenty countries around the world and one of the languages most commonly considered as an official and working language for numerous international organisations. The United States, with a little over 46 million Hispanics, is the second nation in the world in terms of Spanish speakers, behind Mexico and ahead of Spain, Colombia and Argentina.

Spanish speakers account for approximately 6% of the world's population – taking into account only



Detail of the façade of the Cervantes Institute, Madrid.

those nations where it is the official language – in comparison with English speakers (8.9%) or French speakers (1.8%). Another significant fact is that Spanish is spoken by 94.6% of the population living in the countries where it is an official language, a far higher percentage than French (34.6%) or English (27.6%).

The Cervantes Institute was created in 1991 to promote Spanish internationally and spread culture in the Spanish language. This non-profit body is governed by its board of trustees, of which His Majesty the King of Spain is the honorary chairman.

The executive chairmanship is occupied by the president of Spain.

Catalan. Catalan is, together with Spanish, the official language of Catalonia (1979) and the Balearic Islands (1983). Outside Catalonia, it is spoken in the Principality of Andorra, along the Aragonese-Catalonian border, in the trans-Pyrenees territories of Roussillon and Cerdania, and in the Italian city of Alghero (Sardinia).

Catalan first appeared in written documents in the latter half of the 12th century. Legal, economic, religious and historical texts in Catalan have survived from this period. The earliest known text penned entirely in Catalan is the translation of a short excerpt of *Liber iudiciorum*, the Visigothic Law Code, dating from the latter half of the 12th century.

The first great, universal literary master in Catalan was Ramón Llull in the 13th century. He was the first writer to use Catalan in literary prose as an everyday vehicle of communication and also as a useful tool for cultural expression.

As a consequence of the War of Spanish Succession (1705-1715), Philip V dissolved all the governing institutions still in existence in Catalonia and applied common laws to all the territories under the Crown of Castile. Catalan underwent several periods of prohibition and repression, and the varying degree of implantation and use of the language in its own territory since the 18th century is the outcome of political rather than strictly socio-cultural reasons.

The 19th century saw the dawn of an economic,

cultural and national revival known as the *Renaixença*. The Catalan language began to blossom once again as a vehicle for literary culture thanks to the Juegos Florales literary awards and leading figures including Jacint Verdaguer, Narcís Oller and Àngel Guimerà.

The *Renaixença* raised awareness about the lack of unity in the use of the language (there was no common model for the written language) and the need to establish set spelling rules. The creation of the Institut d'Estudis Catalans (1907) made regulation possible with the publication of *Normes ortogràfiques* (1913), *Diccionari ortogràfic* (1917) and *Gramàtica catalana de Fabra* (1918).

Valencian. Article 6 of Valencia's statute of autonomy states that the region's two official languages are Valencian and Castilian Spanish, and goes on to say that the Valencian Regional Government will safeguard the normal and official use of the two languages and will take such measures as may be necessary to ensure the knowledge of the same, in addition to affording particular protection and respect to the recuperation of Valencian.

Its literary splendour peaked in the 15th and part of the 16th centuries. Under the Dukes of Calabria, writings in Valencian gradually began to acquire Castilian Spanish forms, although it remained alive in everyday use.

In the late 19th century, the movement known as the *Renaixença* brought about a minor revival in the use of the language in literary publications and competitions that lasted until the opening decades of the 20th century.

In the year 1932, the Castellón spelling rules were signed, which Valencian men of letters abided by without problems for forty years.

In Law 7/1998 of 16 September, the Valencian Parliament ratified the creation of the Valencian Language Academy, whose function is, according to its 3rd article, to determine (and create, when applicable) the linguistic rules of the Valencian language.

Basque. One of the oldest languages in Europe, the origins of the Basque language are the subject of wide range of hypotheses. Because of certain similarities with Georgian, some linguists believe it may be related to Caucasian languages. Today, Basque is spoken in the Spanish Basque country, Navarre and the French Basque territory.

The first known texts written in Basque date from the 16th century, when Bernard Dechepare published *Linguae Vasconum Primitiae* in 1545. Later, in 1571, Joanes Leizarraga translated the New Testament into Basque (*Testamentu Berrria*).

In 1979, the statute of autonomy declared Basque to be the official language of the Basque Autonomous Region, and since then, many regulations have been implemented and many bodies and institutions have been created in order to recuperate the knowledge, use and status of Basque.

Galician. This tongue is spoken almost everywhere in Galicia and in bordering areas of Asturias, Leon and Zamora. Its literature flourished splendidly in the Middle Ages. The *Cantigas de Santa María* by King

Photo: Digital Hispanic Library, National Library



Canticles of Holy Mary.

Alfonso X, also known as Alfonso the Wise, are a fine example of its use and prestige as a language of literature in the closing years of the 13th century.

The 19th century witnessed the *Rexurdimento* (resurgence) of literature and movements in defence of the singular nature of Galicia in many aspects, including its language.

The publication of *Cantares Gallegos* by Rosalía de Castro in 1863 was a literary response to the language of a people who remained faithful to their culture. The year 1905 saw the constitution of the Royal Academy of Galicia, which marked the institutionalisation of the process to recover the language.

The *Irmandades da fala* (Language Fraternities), the *Nós* group and other social movements support and revitalize people's loyalty to the language, which also suffered the onslaught of the Spanish Civil War and its consequences. Those dramatic circumstances were overcome, and from 1960 onwards what Celso Emilio Ferreiro described as the *Longa noite de Pedra* (Long night of stone) started to become a thing of the past.



Queen Regent Maria Cristina von Habsburg swears to uphold the 1876 Constitution, accompanied by the Infanta Mercedes and Infanta Teresa. The Constitution is upheld by the President of the Government Cánovas and the text of the oath by the President of the Lower House of Parliament, the Count of Toreno. Lower House of Parliament Session of 30 December 1885.

THE POLITICAL ARENA: HISTORICAL AND CONSTITUTIONAL FOUNDATIONS

Over the course of the 19th century and until the Civil War broke out in 1936, Spain had had seven constitutions, as well as several similar projects and amendments that were never enacted.

In fact, this trait of the history of the Spanish constitution dates back to its very origins. The text of the first truly Spanish constitution, enacted in the city of Cadiz in 1812, was abolished by King Ferdinand VII upon his return to Spain two years later. As a result, the intention of allowing the principle of national sovereignty to prevail over the political organisation of the Old Regime was nipped in the bud and a period fraught with conspiracies, sectarianism and exiles began.

The major political changes of nineteenth century Spain did not occur because of the constitution itself, but rather due to political positions in favour of or against the very notion of a constitution as the instrument for determining national sovereignty. In other words, these changes resulted from battles between the principle of democracy and the principle of the monarchy. The typically doctrinarian idea of shared sovereignty enjoyed much more widespread support in Spain than democratic ideals. One example shows this clearly: the constitutions based on the idea of national sovereignty or popular sovereignty (i.e. those of 1812, 1837, 1869 and 1931) were in force for

a total of twenty-two years, in comparison with the seventy-two years of duration of all of the constitutions in which sovereignty was shared by the monarch and the parliament (those of 1834, 1845 and 1876).

The Spanish people's advocacy of one constitutional concept or another ended abruptly with the military coup of 18 July 1936 and the Spanish Civil War that broke out between the revolting military and forces loyal to the legally constituted government. Despite the bitterness and injustices arising from the Civil War and Franco's dictatorship, the political change that took place after General Franco's death in 1975 was the paradigm of a peaceful transition to democracy. Its foundations are rooted in the 1970s, when the Spanish economy experienced a boom that undoubtedly fed the increasing demands for an opening-up of the political system while emphasising the outdated nature of the dictatorship. A singular paradox of the Spanish democratic transition lies in the fact that the legal and political regulations of the dictatorship, or Fundamental Laws as they were called, were used to draft a new Fundamental Law that served as a bridge to cross over from the past to a new democratic regime.

This law, known as the Political Reform Law, was drafted by President Adolfo Suárez's administration in September 1976, and was endorsed almost unanimously by the parliament inherited from the

previous regime, thereby condemning its own existence. At the end of the year, a referendum, in which the opposition unsuccessfully promoted abstention, passed the law with an overwhelming majority. Its provisions enabled the first democratic elections to be held in June 1977.

Without the restraint and caution shown by most political and social forces, and without the responsibility shown by Spanish society as a whole and the staunch commitment of H.M. King Juan Carlos I to the democratic change, none of this would have been possible.

The Political Parties

Pursuant to article 6 of the Spanish constitution, the political parties are an expression of political pluralism; they take part in shaping and manifesting the people's will and are a fundamental instrument for participation in politics. The constitution protects their creation and their activity and determines that they must be structured and run in a democratic manner.

Organic Law 6/2002 concerning political parties, governs the parties' legal bylaws. It lists and specifies the constitutional requirements concerning how they are organised, run and operated, subject to the constitution and the law, particularly with regard to the democratic principles and constitutional values that must be respected in their internal organisation and external activities. Its objectives include safeguarding the running of the democratic system and the basic liberties of citizens, thereby preventing any political

party from repeatedly making serious attacks on this democratic regime of liberties, justifying racism and xenophobia or providing political support for the violence or activities of terrorist groups.

Organic Law 8/2007 concerning the funding of political parties lays the foundations for the public financing of parties on the basis of their parliamentary representation.

The moderate, pluralist party system is characterised by the existence of regional and nationalist parties that reflect the autonomous system and the territorial organisation of the State.

Approximately 3,200 parties are officially inscribed in the Political Party Register, although only a few have a minimum of organisational capacity, and even fewer have a significant representation in regional or national parliaments. The political parties that currently constitute the Congress of Representatives are organised in the following parliamentary groups:

Spanish Socialist Workers' Party (Partido Socialista Obrero Español, PSOE)

This party is currently in power. It is the oldest political party in Spain, founded in 1879 by Pablo Iglesias, who also founded the General Workers' Union (Union General de Trabajadores, UGT) some years later. Since the 1970s, it has embraced a Western European socio-democratic ideology, and the party is situated on the centre left of the Spanish political spectrum.

In the general elections of 1977 and 1979, the PSOE became the main opposition party, and in the 1979 local elections it came to power in many of Spain's most important mayors' offices.

In the parliamentary elections of October 1982, with 202 seats, it acquired an absolute majority that was maintained until the 1993 elections, when it received enough votes to remain in the government with a relative majority until the following elections, in 1996, which were won by the People's Party. In the 2000 elections it continued to be the main opposition party and the second party with most votes. The 2004 parliamentary elections enabled the PSOE to return to power with 164 representatives and a relative majority, and the 2008 elections permitted the party to maintain that relative majority.

The socialist parliamentary group includes the seats won by the PSOE and those obtained by the PSC-PSOE (Socialist Party of Catalonia) in the provinces of the Autonomous Region of Catalonia.

People's Party (Partido Popular, PP)

This group was founded in 1977 by Manuel Fraga under the name of the People's Alliance (Alianza Popular, AP); its present-day name was adopted in 1989. The PP occupies a position on the centre-right of the party system.

Its results in the 1977 elections were respectable, but in 1982 it became the second most-voted party and the main opposition force. It obtained more

seats in the 1991 regional elections. In the 1993 parliamentary elections, more seats were won, and it came into power in 1996 with a relative majority that was to become absolute when 183 seats were won in the 2000 general elections. In 2004, with 148 deputies, it became the second most-voted party and the main opposition party. In the 2008 elections, with 154 seats, it consolidated its status as the second most-voted party.

In the 2009 regional elections in Galicia, the PP won an absolute majority with 39 seats, followed by the PSOE (24 seats) and the nationalists (12 seats), ending the hegemony of the socialist-BNG coalition in this region.

Convergence and Union (Convergència i Unió, CIU)

This party began as an electoral coalition in 1977. Since 2002 it has been a federation consisting of two moderate nationalist parties: Democratic Convergence of Catalonia (Convergència Democràtica de Catalunya, CDC) of a liberal slant, and Democratic Union of Catalonia (Unió Democràtica de Catalunya, UDC) of a Christian democratic slant. It governed the Autonomous Region of Catalonia from 1980 to 2003. After the parliamentary elections of 1993 and 1996 it played a key role in helping the administrations of the PSOE and the PP to obtain a parliamentary majority, as the elections had only won them relative majorities.

Republican Left of Catalonia (Esquerra Republicana de Catalunya, ERC)

Founded in 1931, this Catalan political party has a progressive, republican and pro-independence ideology. In the 1993 parliamentary elections, it won its first seat in the Congress of Representatives and hung on to it in the 1996 and 2000 elections. In 2003, this party held the balance of power in the Catalan parliament. It made considerable advances in the last parliamentary elections (2004), winning eight seats, but this number dropped three in 2008, relegating the party to the Mixed Group.

Basque Nationalist Party (Partido Nacionalista Vasco, PNV)

This party was founded in 1895 by Sabino Arana; it is a moderate nationalist, Christian party. The PNV first came to power in the Basque Country in 1980. More recently, it won the 2001 regional elections thanks to a coalition with Eusko Alkartasuna, a move that was repeated in the 2005 elections and enabled them to govern with support from Ezker Batua. In the 2008 election it won six seats. In the regional elections of 2009, it won 30 seats while the PSOE won 25 and the PP 13; as a result, the PNV lost its absolute majority and control of the regional government.

Nationalist Galician Bloc (Bloque Nacionalista Galego, BNG)

In 1931, Galician nationalist organisations led by Castelao y Bóveda founded the Galician Party

(Partido Galleguista). They drew up party statutes and presented them to President Azaña for ratification on 15 July 1936, but they were never approved due to the onset of the Civil War. In 1960, various Galician cultural associations emerged. The Union of the Galician People (Unión do Povo Galego) was created in 1964. When the 1978 Constitution was passed, a statute was drafted and eventually approved in 1981. The BNG, founded in 1982, has governed the region with the PSG until 2009.

United Left - Initiative for Catalonia Ecologists (Izquierda Unida-Iniciativa per Catalunya Verds – IU-ICV)

Currently this parliamentary group has two seats and consists of:

United Left (Izquierda Unida, IU): emerged in 1986 as a party coalition. In 1992 it was entered the Party Register as a political and social movement. It is now a federation of parties to the left of the political spectrum. Of the parties that comprise this federation, the Communist Party of Spain (Partido Comunista de España, PCE) stands out because of its weight and influence, being the party that the federation's main leaders belong to.

Initiative for Catalonia Ecologists (Iniciativa per Catalunya Verds, ICV): is the outcome of the fusion of several socialist and green parties. It was consolidated as a political party in 1987 and adopted its current name in 1998. It has held seats in the Congress of Representatives since 1986.

Canary Coalition (Coalición Canaria, CC): started out as an election coalition and became a federation of parties in 1997. It is a group of small political parties from the Canary Islands that share a moderate nationalist outlook. Since 2005 it has consisted of the Independent Herrera Group (Agrupación Herrera Independiente, AHI), the Independent Canary Groups (Agrupaciones Independientes de Canarias, AIC), Canary Initiative (Iniciativa Canaria, ICAN) and the Majorera Assembly (Asamblea Majorera, AM). It heads the government of the Canary Islands Autonomous Region.

Mixed Group (Grupo Mixto): the current members of the Mixed Group are: the Republican Left of Catalonia (Esquerra Republicana de Catalunya, ERC), with three seats, the Canary Coalition (Coalición Canaria, CC), United Left (Izquierda Unida, IU) and the Nationalist Galician Bloc (Bloque Nacionalista Galego, BNG) with two seats, and the Navarre-Yes coalition (Nafarroa-Bai or Na-Bai) and Union, Progress and Democracy (Unión Progreso y Democracia, UPyD) both with one seat.

RESULTS OF THE 2004 AND 2008 SPANISH PARLIAMENTARY ELECTIONS

LOWER HOUSE OF PARLIAMENT		
Party	Seats 2008	Seats 2004
PSOE-PSC	169	164
PP	154	148
CIU	10	10
PNV	6	7
ERC	3	8
IU-ICV	2	5
BNG	2	2
CC-PNC	2	3
UPyD	1	--
NA-BAI	1	1
EA	--	1
CHA	--	1

UPPER HOUSE OF PARLIAMENT		
Party	Seats 2008	Seats 2004
PP	101	102
PSOE	89	81
PSC-ERC ICV-EUIA	12	12
CIU	4	4
PNV	2	6
CC-PNC	--	3
PIL	--	1



CÓMO VOTAR

Institutional campaign for the 2008 legislative elections

Parliamentary, Regional, Local and European Elections

Spaniards participate in politics via their representatives who are elected by means of free, equal and direct universal suffrage cast by secret ballot in four different types of elections:

Parliamentary Elections

The aim of these elections is to designate the representatives in the Spanish Parliament (Cortes Generales). Each of the two houses in the Spanish

Parliament – the Congress and the Senate – has its own electoral system.

The system in the Congress of Representatives is one of modified proportional representation. The constituencies are delimited by the provincial demarcation lines (plus Ceuta and Melilla) and are pluri-nominal. Candidates are submitted in closed, blocked lists. The number of representatives to be elected in each constituency is determined by allocating a minimum of two to each and distributing the others proportionately on the basis of population. Ceuta and Melilla have one representative each.

The Senate uses a limited majority voting system in pluri-nominal constituencies. Each voter can vote for up to three of the four candidates assigned to each district. The lists are open and not blocked which allows voters to choose candidates from different parties and does not require them to vote for the candidates heading up the respective lists. Voting involves marking the candidates chosen from a single list that features all of the candidates in alphabetical order. This is the procedure used to elect 208 senators, as well as the 56 (in the 9th Legislature) designated by the houses of representatives of the Autonomous Regions (each has one senator plus one for every million inhabitants).

The Senate's electoral system is an exception in the Spanish political panorama, since the other elections (regional, local and European) use systems similar to that of the Congress of Representatives.

Regional Elections

The members of the parliaments of the 17 autonomous regions are elected, as are the members of the assemblies of the autonomous cities of Ceuta and Melilla. Their composition ranges from 22 to 135 seats, according to the population of each autonomous region, except in the Basque Country, which is allocated twenty-five seats for each historical territory regardless of the number of inhabitants, and the cities of Ceuta and Melilla, whose assemblies have 25 members.

Local Elections

These are held at the same time as the regional elections of 13 autonomous regions (the exceptions are Catalonia, the Basque Country, Galicia and Andalusia, which hold their elections on different dates due to the competences they have adopted) and the elections to the assemblies of the cities of Ceuta and Melilla. The outcome is the simultaneous election of councillors in more than 8,000 municipalities, who will then elect the mayors. The constituency in these elections is the electorate of townships.

A special election system is employed in towns with fewer than 100 inhabitants that operate using Open Councils, and likewise in those that, either traditionally or by a municipal decision and with the approval of the regional authorities, have adopted this singular government and administration system in which the inhabitants eligible to vote elect the mayor directly by majority.

European Elections

These elections designate the Spanish representatives in the European Parliament (Spain had 54 in the 2004-2009 legislature, 50 in the 2009-2014 legislature, and when the Lisbon Treaty enters into effect it will have 54). The constituency is the entire territory of the State. The lists, as in the case of the Congress of Representatives, are closed and blocked. Seats are allocated using D'Hondt's modified proportional representation formula.

Photo: Guardia Civil



A Guardia Civil operation

THE DEFENCE OF LIBERTIES

STATE SECURITY FORCES

Public security is the responsibility of the state alone and is upheld by the government. These security responsibilities are regulated by the Organic Law of 1986 concerning State Security Forces, which include:

a) The State Security Forces answerable to the government, which operate throughout Spain. They consist of the National Police Force and the Civil Guard. Their main mission is to safeguard the exercise of rights and liberties and to ensure citizen safety.

The National Police Force is a civil, armed corps answerable to the Spanish Ministry of Home Affairs. It operates in provincial capitals and in the municipal districts and urban areas specified by the administration. The Civil Guard is a security force founded in the mid-19th century. It is an armed military institution answerable to the Spanish Ministry of Home Affairs and Ministry of Defence. It is operative in territories not covered by the national police and its territorial waters.

b) The police forces of the autonomous regions. Some Autonomous Regions, pursuant to the competences recognised enshrined in their statutes, have created police forces to perform the duties of guardianship and protection set forth in the Constitution and the Organic Law of State Security Forces. This group includes Catalonia's Mossos d'Esquadra, the Basque Country's Ertzaintza and Navarre's Policía Foral, among others.

c) The police forces answerable to local authorities. These are civil, armed forces with a hierarchical structure and organisation. Local police forces are competent in everything related to the application and execution of specifically local regulations within the scope of their faculties and jurisdiction.

In recent years, public authorities have made a significant effort to improve coordination between the State Security Forces, Regional Police Forces and Local Police Forces. Together they have over 200,000 agents working to ensure public safety in Spain.

THE FIGHT AGAINST TERRORISM

The right to life and personal safety, as well as the freedom of expression, are fundamental rights guaranteed by the Spanish constitution. As in other countries, these rights are at risk of being curtailed by terrorism, which is now the main threat faced by citizens.

The terrorist activities of ETA began in Spain in the 1970s, before the onset of democracy, with one clear aim: the use of violent means to forcibly gain independence for the Basque Country, including activities such as crime, kidnapping and blackmail.

With the onset of democracy, which opened up channels for the activities of all parties and organisations regardless of their aims and ideas, and following a gene-

Photo: Policía Nacional



A Policía Nacional horseback patrol.

Photo: Guardia Civil.



The Guardia Civil against Terrorism" poster.

ral amnesty in 1977, Spanish society as a whole hoped that ETA would abandon their armed struggle. But this hope was dashed; not only has the terrorist group failed to relinquish its violent ideology, it has actually intensified its criminal activities indiscriminately.

On 8 December 2000, the People's Party and the Spanish Socialist Workers' Party signed the Agreement for Liberty and Against Terrorism which stipulated that "the Government of Spain is responsible for leading the fight against terrorism" and expressed "the determination to eliminate counter-terrorism policies from the sphere of legitimate political or electoral confrontation between our two parties." The agreement also affirmed that "terrorist violence shall not, under any circumstances, be used to obtain any political return or benefit whatsoever." This document was ratified by the main agents and groups of Spanish society.

In the fight against terrorism, Spain receives support and collaboration from other countries where terrorists have been known to hide. Collaboration with France is increasingly close-knit in both political and juridical terms. Spain and France have several Joint Investigation Teams (ECIs) to combat terrorism perpetrated by ETA and radical jihadists. Furthermore, extradition from many European and Latin American countries has become standard practice, as these nations have intensified their cooperation with Spain in the struggle to eradicate terrorism.

OFFICIAL WEBSITES:

Moncloa Palace: www.lamoncloa.gob.es

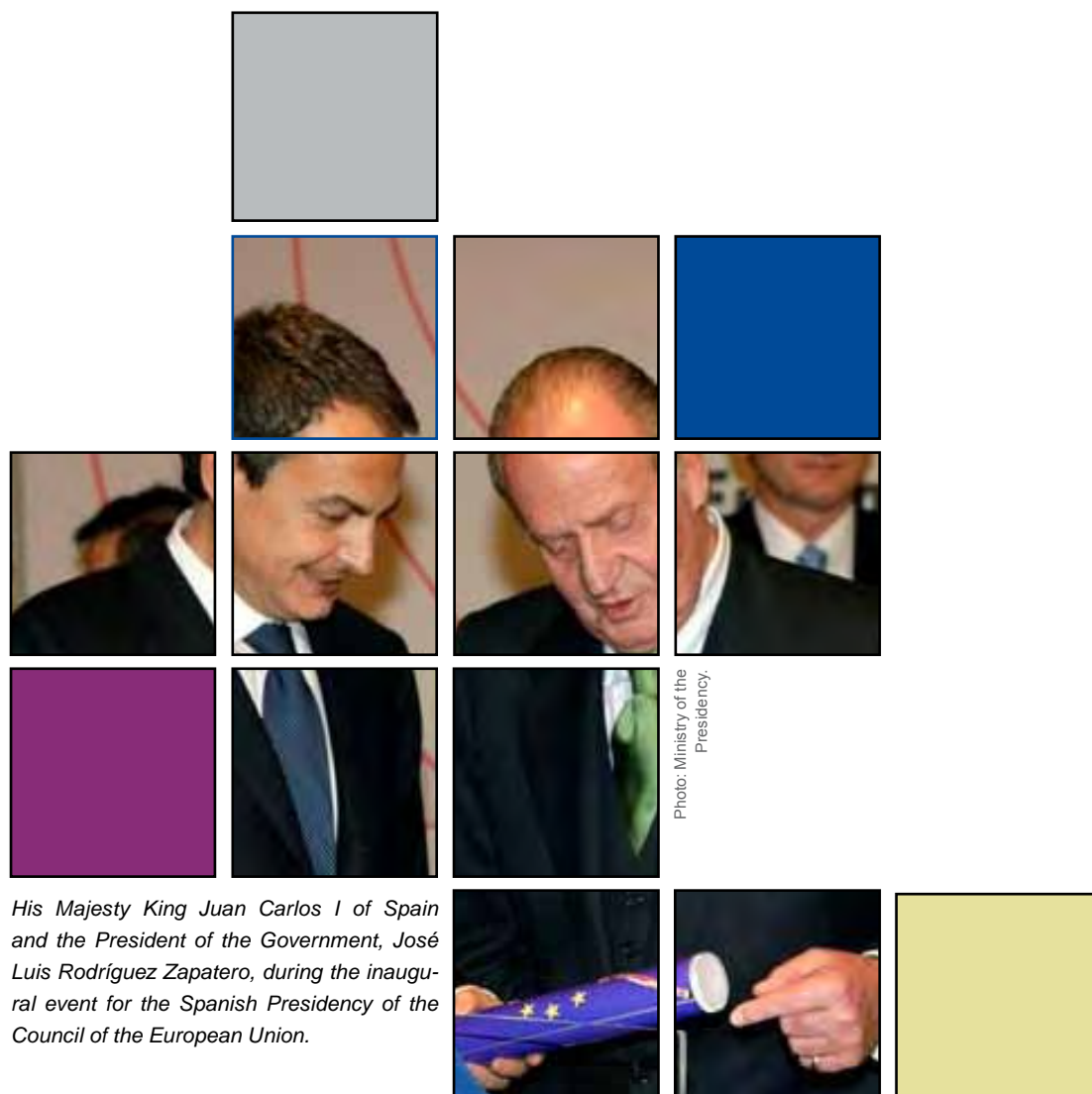
Ministry of Regional Policy and Public Administration: www.mpt.es

Ministry of Home Affairs: www.mir.es

Spain today
2011



Chapter IV
**FOREIGN
POLICY**



His Majesty King Juan Carlos I of Spain and the President of the Government, José Luis Rodríguez Zapatero, during the inaugural event for the Spanish Presidency of the Council of the European Union.

SPAIN AND THE EUROPEAN UNION

The European Union is an organisation open to the world, founded on common values of freedom, democracy, the rule of law and respect for human rights. Its strategic objectives include the consolidation of a stable and united Europe with a unique and independent voice in the international arena. Commensurate with its economic, commercial and diplomatic weight, the EU is gaining increasingly more responsibilities and influence in the world. The EU is the largest commercial power on the planet, has one of the strongest currencies in the market and is the leading provider of humanitarian aid.

The European Community was initially formed in the 1950s (beginning with the European Coal and Steel Community (ECSC) in 1951 and the European Economic Community and EURATOM in 1957). Spain was not initially included due to the nature of its political regime. Following the transition from dictatorship to democracy, Spain began to establish closer relations and seek equivalency with Europe, and this process culminated in Spain becoming a member of the European Community in 1986. Spain had requested admission before, in 1962, and had signed a Preferential Trade Agreement with the Common Market in 1970 that made it possible for the Spanish economy to gradually integrate with the larger European economy.

Photo: Manuel H. de León/ EFE Agency, EFE



Felipe González, 3rd Constitutional President of the Government, signing the Treaty of Adhesion to the European Economic Community in the presence of His Majesty the King of Spain

The Spanish Government presented its request before the Council of Ministers of the European Community on 26 July 1977. This act officially signalled the beginning of the process that would culminate in Spain's admission to the European Economic Community. The government led by Adolfo Suárez gave top priority to European relations and established a direct and insistent dialogue that, on 5 February 1979, resulted in the opening of negotiations for Spain's accession.

The subsequent governments of Leopoldo Calvo-Sotelo and Felipe González led the negotiations with the backing of an ample parliamentary majority. The addition of such a large economy as Spain's, lagging behind Europe in terms of development, necessarily posed questions of mutual adjustment. These were worked out after seven years of re-negotiations thanks to the establishment of transitional deadlines that gave Spain time to gradually implement European policies in the fields of agriculture, the fishing industry, customs union, monopolies and services. This flexibility was designed to mitigate the impact of Spain's entry into the EEC on its economy.

Finally, on 12 June 1985, Spain and Portugal signed the Treaty of Adhesion to the European Community. After the treaty was signed in Lisbon, the President of the Government of Spain (Felipe González), the Minister for Foreign Affairs (Fernando Morán), the State Secretary for Relations with the European Community (Manuel Marín) and the Permanent

Representative Ambassador before the European Community (Gabriel Ferrán) signed the Treaty for Spain's Adhesion to the European Community in the *Salón de Columnas* at the Royal Palace in Madrid. The treaty was later unanimously ratified by the Lower House of Parliament.

A QUARTER OF A CENTURY OF ACTIVE MEMBERSHIP IN THE EUROPEAN UNION

More than twenty-five years have passed since Spain signed the Adhesion Treaty. These years have constituted one of the most important periods in Spain's recent history; a period in which the country has not only managed to consolidate its political regime but has also been able to develop its social and economic fabric thanks to the support for modernisation, growth and cohesion inherent to the country's adhesion to the European project. The Spanish nation has now positioned itself among the group of most highly-developed countries on the planet.

The European Union has been generous to Spain and its society. The current economic and social development is partly owing to the, now fully-consolidated, process of European integration. The following figures clearly indicate what belonging to Europe has meant to Spain over this recent period of shared progress.

From an economic standpoint, Spain has received net funds from the EU equivalent to 0.8% of its GDP

on an annual basis since 1987. The *per capita* income in 1986 stood at only 68% of the European average. Spain has moved closer to the European average at a rate of 1% per year and has now consequently managed to equal this average (99.2% or 23,083 euros in 2007). EU financial aid has created around 300,000 jobs per year in Spain and 90% of the investments that Spain receives from the entire world come from the EU. The EU receives approximately 71% of Spanish exports and 60% of imports to Spain come from EU nations.

Finally, and without going into too much detail, some specific data from a special sector of the economy – infrastructures – is well worth mentioning. Four out of every ten kilometres of the motorways that stretch out across Spain were financed by European funds. Moreover, the expansion of the airports in Madrid and Barcelona, the Seville underground, the *Ciudad de las Artes y Ciencias* in Valencia and the expansion of the Las Palmas Port are just some of the large-scale projects that have been made possible thanks to the assistance from the European Investment Bank.

From a social and cultural perspective, EU social funds have reached millions of people in Spain. With regard to young people, new possibilities have been opened up to them through educational programmes such as Leonardo and Erasmus (the latter celebrating its 23rd anniversary in 2010), from which 300,000 students have benefited to date. In the field of healthcare, Spaniards who travel to other EU countries now carry a European Health Insurance Card that entitles

them to medical and surgical treatment should the need arise. In the cultural arena, the European Commission has helped finance numerous projects such as the restoration of the Courtyard of the Lions at the Alhambra in Granada, the Monastery of Guadalupe and the restoration work on the Liceo Theatre in Barcelona after the fire in 1994.

All of these data reflect how much Europe has given to Spain. However, Spain has also given to Europe. Over this past quarter of a century as a member of the European project, Spain has evolved into one of the most active Member States in proposing new initiatives from within the Union. The EU initiatives in which Spain has played a prominent role and been particularly active are as follows:

- The implementation and consolidation of the idea of a “Citizens’ Europe” and development of the initiative with specific measures (the concept of “European citizenship” or a European passport, among others) through widespread initiatives and civil participation, such as the programme “Hablamos de Europa”;
- The proposal of a social Europe along with the concept of an economic and monetary Europe: defence and application of the European Union’s economic and social cohesion and job creation as a driving force of that cohesion;
- An emphasis on developing a common European policy in matters of Justice and Home Affairs, especially for the purposes of fighting international organised crime, drug trafficking and terrorism,

with the ultimate goal of consolidating Europe as a common space of Freedom, Security and Justice;

- The process of developing and institutionalising EU-Latin American relations, the best example of which are the European Union-Latin America and Caribbean Summits that were held in Rio de Janeiro in 1999, in Madrid in May 2002, in Guadalajara (Mexico) in May 2004, in Vienna in May 2006 and in Lima in May 2008. The most recent of these summits, held in Madrid in May 2010 under the Spanish Presidency of the Council of the European Union, managed to resume talks with MERCOSUR following a six-year stalemate and to reach an Association Agreement with Central America, among other things;

- Ensuring political stability in the Mediterranean basin: intensifying cooperation ties with Mediterranean nations in North Africa; active mediation work in the Middle East peace process; and hosting the Conference on Security and Cooperation in the Mediterranean in Barcelona. In 2008, Spain also became home to the headquarters of the Secretariat of the Union for the Mediterranean, aimed at strengthening trade, cultural and educational relations between Member States of the European Union and the countries located around the Mediterranean Sea.

Since its accession in 1986, Spain has held the rotating Presidency of the European Union on four occasions:

- First six months of 1989. The Delors Report was approved at the Madrid Summit in June, which later

Photo: EFE.



The President of the Government, José Luis Rodríguez Zapatero, the Prime Minister of Belgium, Herman Van Rompuy, and the Prime Minister of Hungary, Gordon Bajnai, presenting the shared logo for their three EU Presidencies. Brussels, 29 October 2009

led to the European Union Treaty or the Maastricht Treaty of 1992;

- Last six months of 1995. The Madrid European Council, held in December, decided that “Euro” would be the name given to the future European currency. The initiative for Euro-Mediterranean cooperation known as the Barcelona Process was launched. The New Transatlantic Agenda was launched in December 1995;

- First six months of 2002. The Euro went into circulation in the countries of the Economic and Monetary Union;
- During the first six months of 2010, Spain held the Presidency of the European Union for the fourth time, although this time representing 27 countries that together comprise the most important united region in the world. Furthermore, for the first time, Spain, Belgium and Hungary formed part of a team of three Presidencies (the so-called “Trio of Presidencies”) that will be leading the Council of the European Union until 30 June 2011.

MAIN ACHIEVEMENTS OBTAINED DURING THE 4TH SPANISH EU PRESIDENCY

- Approval of the new Strategy for growth and job creation in the European Union for the next decade: the Europe 2020 Strategy.
- Agreements for the regulation of financial markets, the increase in transparency of financial entities, the establishment of European supervision over national budgets, the approval of a charge or tax on financial institutions and the protection of the Eurozone against speculative attack by means of creating the European Financial Stabilisation Mechanism capable of mobilising up to 750,000 million euros to support countries in extraordinary difficulties.
- Fight against domestic violence on the European agenda, through approval to create the European

Observatory on Domestic Violence and promotion of the European Protection Order for Victims.

- Promotion of the European Citizenship Initiative, which will enable one million citizens from at least nine Member States to call on the European Commission to propose a rule on a matter within the scope of its competence.
- Approval of the Transplants Directive, which has managed to export the “Spanish model” to the rest of the European Union.
- Approval for the Directive on cross-border healthcare services, which offers greater guarantees to patients.
- The Open Skies Agreement between the European Union and the United States, which will lead to an improvement in air traffic between the two regions and cheaper flying costs.
- Adoption of the Action Plan on the Stockholm Programme, the signing of the Toledo Declaration for the fight against international terrorism and approval of the “SWIFT Agreement” enabling the transmission of banking data on European citizens to the United States within the framework of the fight against terrorism.

- Organisation of the first Summit with an Arab nation, Morocco, at which important agreements were reached for the consolidation of the Advanced Statute.

- Resumption of relations with Latin America. At the EU-LAC Summit, the Multi-Partite Agreement with Colombia and Peru was signed, as was the EU-Central America Association Agreement, and talks were resumed with MERCOSUR following a six-year stalemate.

- Launch of the negotiation process with Iceland and adoption of significant steps for the future candidature of Serbia as a Member State of the European Union.

- The Open Skies Agreement between the European Union and the United States, which will lead to an improvement in air traffic between the two regions and cheaper flying costs.

- Implementation of the new mechanisms and the new institutional figures established in the Lisbon Treaty, including the European External Action Service.

SPAIN AND THE MEDITERRANEAN

The Mediterranean is a priority region for Spanish foreign policy. Spain plays a very active role in this area by promoting peace, stability and the socio-economic progress of Southern Mediterranean nations. The main pillars upon which Spain's foreign policy in this region rests are the Euro-Mediterranean Barcelona Process (now known as the "Union for the Mediterranean"), the Mediterranean Forum and the 5+5 Dialogue. The latter is an initiative aimed at improving bilateral and multilateral cooperation among the nations of the Western Mediterranean region.

The Euro-Mediterranean Barcelona Process is a project shared by EU nations and the countries along the southern and eastern shores of the Mediterranean. It was created in 1995, at Spain's request, and it recently celebrated its tenth anniversary in November 2005 at the Euro-Mediterranean Summit held in Barcelona.

This summit was followed by a period of reflection (2005-2007) that ended in 2008 with the Paris Summit for the Mediterranean, where the dawn of a new era in Euro-Mediterranean relations was signalled by the introduction of a series of projects in strategic areas (such as transport, the promotion of small- and medium-sized businesses and renewable energy sources) and the development of a new institutional framework based around a system of

North-South co-presidencies and the creation of a permanent Secretariat – all within the scope of what became known as the "Barcelona Process: Union for the Mediterranean".

The Conference of Euro-Med Foreign Affairs Ministers held on 3 and 4 November 2008 in Marseilles defined the form of the commitments made by the Heads of State and Government which, among other important decisions, unanimously chose Barcelona as the seat of the permanent Secretariat. At this stage, and in accordance with the mandate of the Heads of State and Government, the ministers deemed that the phase of the process involving the creation of a true union based around projects had been concluded, fully justifying the new name; "Union for the Mediterranean".

This Union comprises the 27 Member States of the European Union and the 16 countries along the southern and eastern shores of the Mediterranean, as well as the non-EU countries along the northern shore. Furthermore and in order to achieve the goal of improving quality of life for the citizens in its member countries, this Union has innovated a Secretariat that will concentrate its efforts on the identification of Euro-Mediterranean projects, the discovery and pursuit of new sources of financing and the monitoring thereof, as well as playing a key role in the new architecture of the institution. These projects will focus on areas of



The Minister for Foreign Affairs and Cooperation, Trinidad Jiménez, with the Secretary-General of the Arab League, Amr Musa

high strategic importance for the Euro-Mediterranean region such as transport, renewable energy, cleaning the Mediterranean of pollution, higher education and research, civil protection and social affairs and the promotion of small- and medium-sized businesses in the Euro-Mediterranean region.

THE MAGHREB

The Western Mediterranean region, also known as the Maghreb, is one of the priorities for Spanish foreign policy by virtue of its geographic proximity,

its historical ties to Spain and the level of human, economic and cultural exchange that currently exist. Spain wishes to contribute towards stability and prosperity in this region through the effective tools of solidarity, cooperation and consensus, all of which is set out in the 2009-2012 Master Plan.

The Maghreb poses global challenges that call for a global approach: there are notable differences in average income between the northern coastal region and the south; an intense south-north demographic and migratory pressure; and phenomena of organised crime and terrorism. The lack of regional cohesion is an obstacle to progress by the nations of the Maghreb and has an enormous economic, social and political price. Consequently, there is a growing awareness of the need to make headway on the integration of this geographic region as a guarantee for stability and development.

Spanish foreign policy in the region is governed by both intense bilateral relations with each nation and the need to address them as a regional whole. Of particular importance are relations with Morocco, given the scope, depth and variety of existing bilateral links, and with Algeria due to the mutual need for cooperation on energy or security issues. Spain also maintains excellent relations with the other countries of this region. Spain has signed Treaties of Friendship, Good Neighbourliness and Cooperation with Morocco, Tunisia, Algeria and Mauritania, as well as a Framework Declaration of bilateral relations with

Photo: José Manuel Vidal / EFE.



The President of the Government, José Luis Rodríguez Zapatero, with the President of the European Commission, José Manuel Durao Barroso, the Moroccan Prime Minister, Abbas El Fassi, and the Permanent President of the European Council, Herman Van Rompuy, at the 1st EU-Morocco Summit held on 7 March 2010 at the Carlos V Palace in Granada.

Libya. Moreover, Spain aspires to become a bridge spanning the Mediterranean divide between Europe and the Maghreb. This regional outlook is supported both bilaterally and multilaterally through regional cooperation forums, most notably the 5+5 Forum for Dialogue in the Western Mediterranean; an informal and flexible forum that brings the five member-states of the Arab Maghreb Union (Algeria, Libya, Morocco, Mauritania and Tunisia) together with the five major Mediterranean nations of the western and southern EU (Spain, France, Italy, Malta and Portugal).

Morocco, Algeria and Tunisia already have well-defined relations with the EU thanks to their respective Association Agreements. Morocco was the first South Mediterranean country to sign an agreement to reach an Advanced Statute that is nothing less than an open and continuous process aimed at the medium-term consolidation of an especially strong status for bilateral relations with the EU. For its part, Tunisia was the first Maghreb country to create a free trade area for industrial products with the EU in 2009 and has equally expressed an interest in an

Advanced Statute. Algeria is developing a priority agenda as part of its Association Agreement. With regard to Libya, Spain supports the regularisation of its relations with the international community and the establishment of a stable relationship with the EU through a future Framework Agreement for which negotiations began in November 2008 and continue to progress

With regard to the political situation in Mauritania, Spain has always condemned the *coup d'état* of 6 August 2008 and has supported the transition process set out in the Dakar Accord. In this respect, Spain actively contributed towards the democratic transition process in Mauritania by supporting the elections held on 18 July 2009 that resulted in victory for President Abdel Aziz.

The issue of the Western Sahara region continues to be closely monitored by Spain. The Government is actively committed to finding a fair, long-lasting and mutually acceptable solution that is based on respect for international law and the principle of self-determination within the guidelines established by the UN. From its position as a member of the Group of Friends of Western Sahara on the Security Council, Spain has helped draft Resolutions 1754 (2007), 1783 (2007), 1813 (2008), 1871 (2009) and 1920 (2010), which have launched a process of direct negotiations with no pre-conditions (the so-called Manhasset Process). Four rounds of talks have already been held under this process. Furthermore, Spain fully supports

the mediation work being undertaken by the Personal Envoy of the UN Secretary-General, Christopher Ross, for a satisfactory solution to the conflict.

Spain's solidarity and humanitarian commitment to the Saharawi people is expressed through the assistance offered by the central, regional and local governments, NGOs and associations, as well as other demonstrations of solidarity such as the practice of taking in Saharawi children over the summer in homes all across Spain. Spain is also the largest contributor of humanitarian aid for the residents of the Tindouf refugee camps.

THE EASTERN MEDITERRANEAN

As a continuation of its work during previous years, Spain has continued to step up its diplomatic activity in the Near East throughout 2010. With regard to the Israeli-Palestinian conflict, Spanish and EU foreign policy is committed to supporting peace negotiations that will lead to a comprehensive, fair and long-lasting solution for both parties based on the coexistence of two sovereign states; the State of Israel and the State of Palestine living together in peace and security. Spain believes that such negotiations must be based on the principles of the Madrid Peace Conference (especially the principle of "land for peace"), the Security Council resolutions, the Arab Peace Initiative and the Road Map for Peace.

2010 was marked by the Spanish Presidency of the European Union. In the search for peace, Spain

continued to make use of its great asset in the region: its excellent relations with both the Israelis and the Palestinians. In 2010, Spain took part in mediation activities on several specific occasions to either facilitate talks between the parties or to calm emerging tensions. One example of this commitment to the region is the fact that the Foreign Affairs Ministers of Syria, Israel, Egypt, Jordan, Lebanon and the Palestinian National Authority all visited Spain in 2010. It is also worth highlighting that a State visit by the President of Lebanon, Michel Sleiman, took place in October 2009. This was the first such visit in more than fifty years. More recently, the Spanish Minister for Defence visited Lebanon in September 2010.

Miguel Ángel Moratinos has made great efforts in the region, including four tours in the last year alone. The last of these tours, in October, enabled him to support first-hand the efforts being made to resume direct talks between the Israelis and the Palestinians.

Also during the Spanish Presidency of the European Union, significant efforts were made in the region on behalf of the EU on a wide range of important topics. Spain helped coordinate the first visit to the region by the High Representative between 15 and 19 March, during which she stressed the EU's commitment to peace in the Middle East. Furthermore, within the framework of an agreement between Norway and Spain, a meeting of the Ad Hoc Liaison Committee

Photo: Moncloa.



Meeting with the Israeli President, Simon Peres, during the visit by the President of the Government, José Luis Rodríguez Zapatero, to the United Nations Headquarters on 20 September 2010.



Photo: Moncloa.

The President of the Government, José Luis Rodríguez Zapatero, with the Palestinian Prime Minister, Salam Fayyad, at Moncloa Palace on 7 September 2010.

(AHLIC) was held in Madrid in April. This meeting gathered the main donors to the PNA and was also attended by the Palestinian Prime Minister, Salam Fayyad, the Representative of the Quartet, Tony Blair, the Norwegian Foreign Affairs Minister, Jonas Gahr Store, and the Spanish Minister for Foreign Affairs and Cooperation, Miguel Ángel Moratinos, as well as twenty other delegations.

When examining Spain's foreign policy in the Middle East, one cannot fail to mention the central role played by Lebanon due to the firm commitment to global stability throughout the Middle East. To that end, Spain supported Resolution 1701 of the UNSC in 2006 as a basis for guaranteeing peace between Israel and Lebanon and to ensure the withdrawal of Israel to south of the Blue Line. In this regard, Spain has demonstrated its commitment to stability in Lebanon within the framework of Resolution 1701 through its contribution to the FINUL Mission with 1,070 military personnel and 12 *Guardia Civil* officers, which makes Spain the fifth-largest contributor to the mission.

Since 2010, Spanish General, Alberto Asarta has been in command of the FINUL Mission, receiving the complete support of the Spanish Government. Spain has given all its support to the efforts in favour of national reconciliation undertaken by Prime Minister Hariri and President Sleiman, as well as to the work of the Lebanese Government to return to normality in its relations with Syria.

Special mention should be made of the significant boost to relations between the EU and the countries in this region during the Spanish Presidency of the European Union. The EU-Egypt Association Council (27 April) and the EU-Lebanon Association Council (15 June) were both held successfully and the scheduled agenda of Sub-Committee meetings with partners in the region was maintained (Palestine, Egypt and Lebanon), as was the political dialogue with other parties on regional issues. Other issues that deserve attention include the boost to EU-GCC relations, an area of growing importance in the EU's external relations, and the support of the general election process in Iraq and training of a new government, as well as the institutional development and reinforcement in terms of justice affairs through the EUJUST LEX Mission led by Spanish *Guardia Civil* Colonel, Francisco Díaz Alcantud. Furthermore, great efforts were made to monitor the situation of instability in Yemen through EU (and Spanish) participation in the "Group of Friends" process.

Relations and mutual understanding between Spain and the Arab nations have received a boost with the creation of the *Casa Árabe* (Arab House) and its International Institute of Arab and Muslim World Studies. The institute has offices in Madrid and Cordoba, and since it opened in January 2007 it has been organising debates and cultural activities with the participation of many prominent representatives from Arab and Islamic culture. The *Casa Sefarad-Israel* (Sepharad-Israel House) has also done much to familiarise Spain with the Jewish people and the State of Israel.

SPAIN AND IBERO-AMERICA

Ibero-America is a substantial part of Spain's identity, which cannot be understood without considering the historical bonds that unite Spain with the peoples and nations of the region. Consequently, Ibero-America must be and is a constant priority in Spanish foreign policy. The Spanish Government has launched initiatives in various areas in order to give Spanish-Latin American relations the privileged status they deserve. Spain has worked to establish open lines of communication with every country in the region, motivated by the conviction that maintaining close, continuous and direct dialogue with national leaders will allow us to strengthen Spanish presence and influence in the region and, as a result, to better defend its interests there. In addition, Spain now has sufficient economic power and the firm political determination to contribute substantially to the development and prosperity of the Latin American people.

This government's policy with regard to Ibero-America is a reflection of the desire to combine the defence of Spanish interests with the needs and ambitions of the region's countries and peoples.

NEW FACTORS

Spanish policy takes into account that, although the substratum of this relationship is the same as ever (a common identity and a shared history), there are now new manifestations that affect it. The first of these is the spectacular increase of Spanish investment in the

region, particularly in the largest and most important countries. Spain is now the second-largest investor in Latin America and plays a decisive role in strategic sectors such as banking, communications, energy and public services in general.

In recent years, Spain has also received a significant influx of Latin American immigrants. Given its recent history as a nation of emigrants, Spain sees this phenomenon as a positive development and values the contribution of Latin American immigrants to its economic welfare.

Spain is also well aware that Latin America is now facing new challenges. Twenty years ago, the challenges consisted of re-establishing democratic, civil and representative regimes and solving the armed conflicts suffered by the region. Spain made a significant contribution to the restoration of democracy in the southernmost region of South America and to the peace processes in Central America. Today, most of the countries in the region have democratically-elected governments.

The primary goal of democratic regimes, at the dawn of the 21st century, must be the eradication of poverty and social exclusion. Ibero-American societies want their democratic political systems to meet their legitimate expectations of economic welfare and development and to make headway in the effort to mitigate inequalities. Social cohesion and equitable development are challenges that demand a response.

Photo: Mondoa.



Group photograph from the EU-LAC Summit held on 18 May 2010 in Madrid.

The Spanish Government wishes to reinforce Spain's involvement in strengthening the institutions of Ibero-American nations.

In addition to strengthening institutions, the intense poverty and inequalities that exist in Ibero-America must also be reduced in order to achieve greater

stability. Many nations have already launched efficient economic reforms to boost their economies, but the challenge of generating an economic change to promote equality has yet to be addressed.

Spain is collaborating in the fight against poverty and on strengthening social cohesion. However, Spain

Photo: The Royal Household of HM the King Borja fotografos.



Hi Majesty the King of Spain and the President of the Republic of Chile, Sebastián Piñera, greet each other during the 20th Ibero-American Summit of Heads of State and Government held in Mar de Plata, Argentina, on 3 and 4 December 2010

has also defended and will continue to defend a more flexible position in international forums regarding Latin America's reasonable demands in matters of finance and access by their products to the markets of developed countries.

Spain's development cooperation policy is one of the fundamental instruments of our current Ibero-American policy. A significant part of Spain's cooperation efforts target this region, primarily in the form of programmes to strengthen institutions and meet basic needs in an attempt to fight poverty and inequality.

The Spanish Government has also emphasised the need for Spanish investors to adopt corporate social responsibility policies based on the conviction that the best way to guarantee their interests is to ensure the stability and development of the countries in which they operate.

The government also intends to introduce bilateral mechanisms to ensure that the interests of Spanish companies have greater legal protection, are better defended and contribute more effectively to the development of the countries in which they operate. In this respect, agreements to promote and protect investments and avoid double taxation have been signed with almost every country in Ibero-America.

The Spanish Government believes that multilateralism and integration are the best responses to the dangers of globalisation. Obviously, this also applies to the present-day reality of Latin America and

our relationship with the region. Spain supports the different sub-regional processes of economic and trade integration: MERCOSUR, the Andean Community, the Central American System and UNASUR. Furthermore, Spain actively promotes free trade agreements between the European Union and these mechanisms for integration. Regardless of these agreements, Spain believes it is essential for the EU to increase its involvement in Latin America, which is why Spain actively participates in the EU-Latin America and Caribbean Summits that began thanks to a joint initiative by the Spanish and French governments. In May 2010, the 6th Summit focused on innovation and technology in favour of sustainable development and social inclusion. Emphasis was placed on the resumption of talks with MERCOSUR following a six-year stalemate and the Association Agreement with Central America

On 3 and 4 December 2010, the 20th Ibero-American Summit was held in Mar del Plata around a central topic of "Education for Social Inclusion", which underlined the value of quality universal education as a fundamental right and adopted a special declaration on the defence of democracy, the rule of law and constitutional order in Ibero-America.

SPAIN AND THE ASIAN-PACIFIC REGION

The evolution of Asia's importance in the global economy and politics over recent decades has earned the continent a position of prominence in the international spotlight. China and India have become important economic players and other nations like Vietnam, Thailand, Malaysia and Indonesia are rapidly moving towards greater economic and social development. Japan and South Korea, with a level of development similar to European countries and strategic industrial importance, have and will continue to play a key role in the global economic and security systems that Spain is committed to supporting.

The recent rapid development of Asia's most populous countries has prompted a major restructuring of the global economic, political and financial balance, which has affected the everyday lives of citizens in other places around the world over the past few years thanks to the globalisation of the economy, communications and knowledge.

For over a decade, Spain has been implementing its strategy for adapting our country and its foreign policy to this new international scenario in which Asia plays a leading role. As a continuation of the actions taken during this period and over the next few years until 2012, the 3rd Asia-Pacific Plan, presented on 3 March 2009, will be implemented. This is an ambitious initiative that includes nearly four hundred different actions in 23 countries through bilateral

and multilateral programmes. It will also expand and intensify Spanish institutional efforts laid out in previous plans, in accordance with the continent's economic and political evolution.

With this plan, the Spanish Government has set itself three major goals: to increase Spain's presence and visibility on the continent; to consolidate the achievements of past years with regard to the defence and advancement of Spanish interests; and to seek out new ways to promote the image and activity of Spain in Asia.

Asia is home to two of the world's ten largest economies and holds over two-thirds of the world's currency reserves. For the time being, however, Spanish trading and investment on this continent is limited. Consequently, the new Asia-Pacific Plan will focus on this area to increase Spain's economic presence in Asia and match the level of involvement of other developed nations. To this end, Spain will strengthen existing structures in priority countries (the State Secretary for Trade has already introduced her four Comprehensive Market Development Plans for China, India, Japan and Korea) and will work on the regional diversification of efforts to promote trade and investments so that they grow and spread to other important economies of South East Asia such as Indonesia, Malaysia, Vietnam, Thailand and the Philippines. Evidence of these efforts are the Spain-

Japan, Spain-China, Spain-India and Spain-Australia Council Foundations, the latter set up on 28 July 2010.

Spain is the foremost exponent of a culture whose popularity is on the rise – the culture of the Spanish language. In Asia, the interest in Spanish language culture is enhanced by the economic and trading potential of our language in the Pacific region, where it is one of the primary tongues. In light of this interest, the 3rd Asia Plan calls for various actions that will strengthen those carried out by Spain in the past. In 2009, the King and Queen of Spain and the Prince and Princess of Asturias officially opened

the new Cervantes Institutes in Sydney and New Delhi, respectively, joining those already active in other important Asian cultural hubs (Beijing 2006, Tokyo 2008). In the Philippines, where Spanish had practically fallen into disuse, the Government has decided to reincorporate the language into its education system, a decision that Spain supports through a programme of technical and educational cooperation designed specifically for this country. Spain must also address the larger and perhaps more important task of projecting an increasingly more accurate and current image of our country in the region's key centres of economic and political decision-making. To this end, events were organised

Photo: Moncloa.



Meeting between the President of the Government and the Prime Minister of Japan, Naoto Kan. Tokyo, Japan, 1 September 2010

Photo: Moncloa.



Meeting between the President of the Government, José Luis Rodríguez Zapatero, and the Chinese Premier, Wen Jiabao, at the Zhongnanhai Complex in Beijing on 31 August 2010.

in China to celebrate the Year of Spain in 2007, which boasted a number of excellent cultural activities and had a great impact on the Asian giant's main forums of opinion. In this regard, it is significant to note the large number of visitors (more than seven million) received by the Spanish Pavilion at the Expo Shanghai 2010.

Some of the most important challenges in terms of international security today can be found in Asia. Spain is actively involved in Afghanistan with the presence of military and security forces as part of a larger plan of international cooperation to rebuild the country, improve security for the civilian population and support its political transition. Spain's contribution includes a Provincial Reconstruction Team in Badghis Province and a Forward Support Base in Herat. This commitment was made by the Spanish Ministry of Foreign Affairs and Cooperation at the London Conference in 2006 and Paris Conference in 2008, and entails a cost of 150 million euros over five years (2006- 2010) that will be used for projects involving professional training, governance, rebuilding infrastructures, healthcare, education, gender issues and the fight against drug trafficking.

The Asia Plan also provides for greater efforts in the promotion of human rights, particularly actions for the promotion of two priority horizontal objectives for Spain: the fight for the abolition of the death penalty and improved conditions for women. Both have already featured in Spanish political action in recent years and affect the political dialogue and cooperation efforts maintained today by Spain with Asian countries.

The Asia Plan particularly focuses on the involvement of civil society in foreign policy. The *Casa Asia* (Asia House) plays an important role in this area of Spanish-Asian relations, and in a short time has become a particularly valuable vehicle for developing initiatives that strengthen ties between Spain and Asia through their civil societies. Since its inception, the *Casa Asia* has been very active in establishing links between civil societies in every area, with a particular focus on cultural and academic spheres. Based in Barcelona, this institution opened an office in Madrid in 2007 that has served to consolidate its activity.

SPAIN AND SUB-SAHARAN AFRICA

In 2006, the Spanish Government launched a series of initiatives designed to make Africa one of the top priorities for its action abroad. The 2009-2012 Master Plan for Spanish Cooperation called for a substantial quantitative and qualitative increase in cooperation with the nations of Sub-Saharan Africa. An emphasis is placed on the countries forming part of the Extensive Partnership, support for the AU and the ECOWAS, with which two High-Level Spain-ECOWAS meetings have been held since 2009, with a third planned for the first half of 2011. Spanish Official Development Aid to the region rose to more than 1,250 million euros in 2009 from 122 million euros in 2003.

In addition, the Spanish Government has approved its own national strategy - the Africa Plan (2006-2008); an ambitious set of measures affecting politics, trade, culture and cooperation over a period of several years. The Africa Plan marked the dawn of a new era in Spain-Africa relations, which must translate into a sustained long-term effort. The enactment of the 2nd Africa Plan (2009-2012) will further define the main lines of action laid out in the first plan and focus more intensely on other aspects such as the regional dimension of Spanish relations with the African continent.

Spain's influence in the area of migratory cooperation, both bilaterally and in the European context, is unquestionable, as evidenced at the 1st Euro-African

Conference on Migration and Development held in Rabat in July 2006. Countries from North, West and Central Africa as well as the EU participated in this conference, which produced a plan with specific proposals for action based on shared responsibility and solidarity. These were recently renewed in November 2008 at the 2nd Euro-African Conference on Migration and Development in Paris. The 3rd Euro-African Summit took place in November 2010 and adopted the 2nd Action Plan that enables the EU to maintain specific relations with Africa.

Strengthening Spanish ties with Sub-Saharan Africa requires fostering a mutual understanding. This is the main reason for the creation of the *Casa África* (Africa House), an initiative promoted by the Government in conjunction with the regional and local authorities of the Canary Islands that was officially opened in Las Palmas in 2006. The *Casa África* aspires to become a benchmark centre that will help improve mutual understanding and appreciation, as well as cooperation and harmony between the peoples and societies of Africa and Europe.

In the political arena, Spain has attained an unprecedented degree of trust and level of communication. The strengthening of Spanish diplomatic and consular presence on the African continent as well as the opening of new sector and liaison offices is proof of this. Important diplomatic



Photo: Moncloa.

The President of the Government, José Luis Rodríguez Zapatero, at a lunch with Heads of African States at Moncloa Palace on 19 July 2010

advances have been made with the opening of six new embassies (Sudan, Cape Verde, Mali, Niger, Guinea-

Conakry and Guinea-Bissau) and two permanent outposts in Gambia and Liberia-Sierra Leone.

SPAIN AND ITS BILATERAL RELATIONS

FRANCE

Spain and France maintain excellent political relations due to their geographic proximity and their common membership of numerous international organisations. Contact between the two governments is both frequent and takes place at various levels.

Political relations are institutionalised through the annual bilateral summits between the President of the Republic of France and the President of the Government of Spain, accompanied by a large, varying group of ministers, which the two nations host alternately.

The 21st Summit, which took place in Madrid on 28 and 29 April 2009 during the official visit by the President of the Republic of France, focused on improving and promoting energy and transport interconnections and on bilateral cooperation in the fields of education and science. The two nations also signed a declaration on domestic security that extends the scope of agreements regarding bilateral anti-terrorism cooperation to include efforts to fight organised crime.

To date, France and Spain have held two High-Level Meetings on Cross-Border Cooperation (Barcelona

Photo: J.J. Guillén / EFE.



Press conference with the French President, Nicolas Sarkozy, and the President of the Government, José Luis Rodríguez Zapatero, following the 21st Spain-France Summit on 28 April 2009 at Moncloa Palace, Madrid.

in 2005 and Zaragoza in June 2008) attended by the French Prime Minister and the presidents of those Spanish autonomous regions that share a border with France.

The two countries have created a Franco-Spanish Defence and Security Council, chaired by the two presidents, on which the foreign affairs and defence ministers also sit. The council has five specific working groups.

In addition, the Franco-Spanish Forum brings together important figures from the civil societies of both countries and usually meets at the same time as the summits are held.

Since Spain became a member of the European Community, economic exchanges have grown at a faster pace than their respective exchanges with the rest of the world. As a result, the two economies are increasingly more intertwined and it is estimated that 200 million euros flow between France and Spain each day.

France is Spain's largest trade partner. Initial data for 2010 confirm France as the leading importer of Spanish goods and services and the second-largest source of imports to Spain, behind Germany. In the first half of 2010, Spain is listed as the fourth-largest importer of French goods and services and the fourth-largest exporter to France, behind Germany, Italy and Belgium. In terms of investments, France is sixth on the list of top recipients of Spanish investment abroad. French investment in Spain has increased

considerably, becoming the second-largest foreign investor in Spain in 2009.

PORTUGAL

Bilateral Spanish-Portuguese relations are currently going through a highly positive period. Portugal cooperates as a strategic partner of Spain in numerous fields. These relations have been institutionalised through annual bilateral summits.

The Evora (2005), Braga (2008) and Zamora (2009) Summits represented a qualitative leap forward in relations, given that technological and scientific cooperation was added to the already extensive bilateral agenda.

The creation of the International Iberian Nanotechnology Laboratory, based in the Portuguese city of Braga and managed by both countries, shows a renewed political determination to move forward together and make the most of existing synergies to develop new areas of bilateral cooperation.

Parallel to the 2008 Braga Summit, the first meeting of the Spanish-Portuguese Security and Defence Council was held. This council is chaired by the Heads of Government and comprises the nations' respective foreign affairs and defence ministers.

The bilateral Zamora Summit on 22 January 2009 consolidated a new framework of relations between Spain and Portugal, characterised by an unprecedented level of trust and openness based on a constant

increase in bilateral cooperation and communication. The presence of over a dozen ministers and high-ranking officials, the plan to hold joint Ministerial Councils and the exchange that involves sending Spanish diplomats to the Portuguese embassy in East Timor and Portuguese diplomats to Spain's embassy in Panama are undeniable proof of this.

This Summit was preceded by the 1st Spanish-Portuguese Parliamentary Forum, which contributed decisively to the preparations for the subsequent encounter – not only because of the new institutional dimension it lends to bilateral relations, but also because the two governments took good note of the conclusions reached by the participants in the Forum.

The importance of cross-border cooperation as an opportunity for economic and social development and the incorporation of the regions adjacent to the extensive border shared by the two nations is reflected by the presence of the presidents of the bordering autonomous regions and the presidents of the Regional Coordination and Development Commissions.

In addition to the system of summits, there is close and constant communication between the two governments at every level, with frequent contact and visits. On matters related to building Europe or the international agenda, they coordinate positions and initiatives because of the numerous interests and affinities (geographic, cultural, historical, economic and political) shared by the two nations.

Given the importance of our economic ties, these play a central role in bilateral relations. The two countries have also launched important bilateral projects such as the Iberian Electricity Market (MIBEL), the construction of cross-border energy infrastructures and high-speed rail connections. According to the data for 2009, Portugal is Spain's third-largest customer, behind France and Germany, and the country's eighth-largest supplier. Spain is the leading customer and leading supplier for Portugal. In terms of investments, Portugal was the ninth-largest recipient of Spanish investment abroad in 2009, with Spain being the second-largest foreign investor in Portugal. Portugal was the eighth-largest investor in Spain in 2009.

Cultural and educational relations are also at a positive juncture, due to a shared interest in further collaboration. The Cervantes Institute has a centre in Lisbon, which has recently been joined by the House of Iberian Languages that focuses on teaching, researching and promoting the languages of the Iberian Peninsula. There is also a significant degree of regional cooperation thanks to the Cross-Border Cooperation Treaty signed at the 2002 Valencia Summit, which is developed and monitored by the Treaty Oversight Committee with annual meetings held in Portugal and Spain alternately.

GERMANY

Spain and Germany have shared the same basic policies for over thirty years, regardless of the political views of their administrations, due to their mutual

Photo: European Council.



The President of the Government, José Luis Rodríguez Zapatero, with the German Chancellor, Angela Merkel, during the European Council held on 15 and 16 December 2010 in Brussels.

perception as reliable allies and a solidarity stemming from multiple motivations that blossomed after the fall of the Berlin Wall. This solidarity has enabled the two countries to organise joint initiatives on a wide variety of issues: firm support of the shared European project, protecting the environment against climate change by promoting renewable energies, the fight against terrorism, the European security and defence policy, the management of migratory flows and the strengthening of R&D+i policies, to name a few. Annual bilateral Summits are institutional mechanism through which these relations are developed.

German-Spanish relations are currently at a decisive moment thanks to the fluid and constant communication to agree upon positions in different forums and to develop common projects. The most recent bilateral Summit took place in Hannover in March 2010 alongside the CEBIT Trade Fair (the largest electronics trade fair in Europe), to which Spain attended as guest country. The President of the Government was accompanied by the Minister for Foreign Affairs and Cooperation, the Minister for Industry, Trade and Tourism and the Minister for Science and Innovation. The next bilateral Summit, which will take place in Madrid in February 2011, constitutes a new opportunity to continue strengthening relations between Spain and Germany.

As members of the Eurozone, Spain and Germany maintain very close trade and financial relations. Initial economic data for 2010 show that Germany

is the second-largest recipient of Spanish goods and services, behind France, and the leading source of Spanish imports. In spite of the important decline in the last two years, Spanish investment in Germany has grown considerably over the last 20 years; increasing seven-fold between 1993 and 2008. German investment in Spain is third only to the Netherlands and Luxembourg, which channel investments from non-EU countries, and stands at a similar level to that of the United States, the United Kingdom and France.

Contact between the civil societies of Germany and Spain is close and consistent. Approximately 160,000 German citizens are permanent residents in Spain, and over 10 million Germans visit Spain every year, constituting one of the largest groups of foreign tourists.

ITALY

Italy and Spain maintain extremely close ties as a result of deep-rooted historical, cultural and commercial reasons that are currently demonstrated, among other things, in the common position generally shared on common defence interests within the European Union, NATO and multilateral forums. Spain considers itself to have a privileged relationship with Italy of an especially strong nature that can only be compared, at a European level, with that which Spain enjoys with France, Portugal and Germany. This special relationship is institutionalised via annual bilateral summits and the bilateral dialogue forum.

Spain and Italy face a series of common challenges: controlling illegal immigration, improving competitiveness and productivity, developing relations with our Mediterranean neighbours and fighting the threat of terrorism, among others. This requires the two countries to use their combined influence at the heart of the European Union to promote and defend their shared interests.

The 16th Spanish-Italian Summit was held in September 2009 on the island of La Maddalena. At this meeting, the two countries reviewed their bilateral cooperation policy, priorities for the Spanish presidency of the EU were presented, and attempts were made to strengthen cooperation on home affairs and justice issues in the Mediterranean.

Another fundamental instrument of bilateral relations is the Spanish-Italian Dialogue Forum, a space of convergence for civil societies at the highest level. Of a markedly academic nature and based on an analysis of the future of certain European policies, this forum has become a platform of increasing importance in which political and economic questions essential to bilateral relations are debated. The 11th such forum was held in Rome on 26 and 27 November 2010, and was attended by the foreign affairs ministers of the two countries.

Another area in which this strategic proximity is reflected is the Alliance of Civilizations, given that Italy is one of the countries enlisted in the Group of Friends of the Spanish-Turkish initiative.

The volume of economic exchange is commensurate with the importance of political dialogue. Italy is Spain's fourth-largest customer (behind France, Germany and Portugal) and Spain's third-largest supplier (behind Germany and France). Furthermore, both Spanish investments in Italy (above all in the energy and gas, construction, urban services, hotel management and financial sectors) and Italian investments in Spain have developed positively in recent years. In the first half of 2010, the figures had already exceeded the levels recorded in 2009. Spain also receives more than 3 million Italian tourists every year.

THE UNITED KINGDOM

It is also the case that the growing bilateral interaction between the United Kingdom and Spain involves not only governments and institutions but also civil society.

In economic terms, Spain and the United Kingdom are two of the most open and dynamic economies in Europe. The United Kingdom is Spain's fifth-largest client and supplier. Together with the United States, the United Kingdom is the top recipient of Spanish foreign investment with important operations taking place in such sectors as banking, transport services and telecommunications. Both countries have large companies established in each others' territories that help to improve mutual perception and ties between their societies.



The President of the Government, José Luis Rodríguez Zapatero, with the British Prime Minister, David Cameron, during the European Council held on 17 June in Brussels.

Hundreds of thousands of British citizens live seasonally or permanently in Spain. Spain is the leading destination for British buyers of property abroad for holiday, retirement or investment purposes. Our country received approximately 13 million British tourists in 2009, making the United Kingdom the most important emitting market for tourism in Spain, numerically-speaking. Spain has also consolidated itself as the leading destination for British tourists in general.

There are also profound and intense cultural relations between the two countries. This is manifested in the way that British culture and the English language has penetrated Spanish society in recent decades and in the growing interest in Spanish culture and the Spanish language in the United Kingdom, one of the European countries where the study of Spanish has most increased in recent years.

Bilateral political relations are characteristic of partners and allies in the EU and NATO, and both countries meet frequently at every level to consult their respective positions on matters of common interest. Although bilateral relations are in all other respects excellent, the controversial issue of Gibraltar and its various aspects remains the only matter of contention in foreign relations. In a process separate from yet parallel to that of Brussels, the Forum of Dialogue on Gibraltar was launched in 2004 to address matters of local cooperation with a view to improving the living conditions of people in the Spanish territories bordering Gibraltar and in Gibraltar itself. Three ministry-level meetings of this forum have been held thus far, in Cordoba (September 2006), London (July 2008) and Gibraltar (July 2009).

POLAND

The only country in the former Eastern Bloc with which Spain has made commitments to hold annual bilateral Summits is Poland. The most recent took place on 9 November 2009 in the Polish seaside

resort of Sopot, where participants addressed such matters as coordinating EU presidencies (Poland will take over this responsibility in the second half of 2011), encouraging political dialogue and financial investment.

According to data from 2009, Poland is Spain's twelfth-largest customer and seventeenth-largest supplier, and the country's largest trade partner in Central Europe. Spanish investments in Poland are significant, in spite of a sharp decline in direct Spanish investment over the last three years, particularly noticeable in the real estate sector.

ANDORRA

Relations with Andorra are influenced by a traditional bond of friendship, the presence of a large Spanish colony in the Principality and the intense tourist trade and business dealings between the two countries.

Spain and Andorra enjoy a close relationship of cooperation. In the political arena, there is an open line of bilateral communication that has gained strength in recent years and is present at every level.

In February 2007, the Minister for Foreign Affairs and Cooperation paid an official visit to Andorra that served to further improve bilateral relations, which have been maintained since with an extensive series of contacts between the President of the Government and the Andorran Head of State, as well as between other ministers from both countries.

Spain supports closer relations between Andorra and the European Union, which are currently going through a process of re-negotiation, and is working to include Andorra in European cross-border cooperation structures. Spain also supported Andorra's entry into the Ibero-American Community of Nations, which took place in 2004.

Spain is currently Andorra's most important trading partner and contributed towards its departure from the list of OECD dark grey countries through the signing of an Agreement for the Exchange of Fiscal Information on 14 January 2010. Andorra is thus no longer considered to be a tax haven.

Finally, Spain is eager to work with Andorra in the area of infrastructures to improve access to the Principality and top priority has been given to these projects in budget allocations.

TURKEY

Relations between Spain and Turkey can also be described as excellent. Political relations were basically defined in the Joint Action Plan for the Development of Relations between Spain and Turkey, signed on 22 July 1998. When the President of the Government visited Turkey in November 2006, the Action Plan was reinforced with the signing of a "Strategy for Reinforcing Bilateral Relations between Spain and Turkey", which sets out new lines of cooperation.

Spain and Turkey have very similar positions on many international issues. One notable example is the Spanish-Turkish initiative of the Alliance of Civilizations, which the UN Secretary-General has adopted.

Spain firmly supports Turkey's candidacy to join the European Union. Turkey is Spain's third-largest trade partner outside the EU after the United States and Mexico. Spain is now an important investor in Turkey, where Spanish assets – which have historically been almost non-existent – have increased exponentially in recent years. At present, there are 74 Spanish companies established in Turkey and participating in various iconic projects, such as the high-speed Ankara-Istanbul railway line.

THE UNITED STATES

The trans-Atlantic relationship is of vital importance to Spain. As friends and allies, Spain shares common values, principles, interests and responsibilities with the United States. The level and number of exchanges and visits is consequently very intense and has intensified over the last two years (His Majesty the King of Spain visited President Obama in Washington in February 2010, as did the President of the Government in 2009). In addition to being an international ally, Spain is an increasingly important economic partner for the United States (having become one of the leading investors in the country) and a leading cultural reference for a significant

sector of North American society, particular the Hispanic community with which efforts are being made to strengthen the many existing ties.

Dialogue with the United States is not only limited to the bilateral agenda but also covers the exchange of perspectives and coordination in numerous international affairs and regions where common interests exist. This dialogue is very intense with regard to Latin America but mention should also be made of the participation in G-20 summits, the commitment from both countries to food security issues, the fact that both countries are among the three main international donors to Haiti and to such areas as the Maghreb, the Middle East, the Balkan States and Sub-Saharan Africa, where there is an ever greater convergence of opinion and where Spanish and US interests are often shared or complement each other. Particular emphasis should be placed on the Spanish presence in Afghanistan (1,500 military personnel) and Lebanon. In 2010, the United States became a member of the Group of Friends of the Alliance of Civilizations, an initiative promoted from within the United Nations by Spain and Turkey to foster inter-cultural and inter-religious understanding and dialogue.

Spain also collaborates with the United States by having taken in a number of prisoners from the Guantanamo Detention Centre.

In the first half of 2010, Spain held the rotating Presidency of the European Union and gave great

Photo: Michael Reynolds / EFE.



Meeting between the President of the United States, Barack Obama, and the President of the Government, José Luis Rodríguez Zapatero, during the Nuclear Summit held in Washington on 12 April 2010.

importance to topics of great sensitivity and interest for the United States, such as those related to the fight against terrorism, whilst continuing, as it did during previous Presidencies, to promote trans-Atlantic relations (the Trans-Atlantic Agenda was approved in Barcelona in 1995).

Bilateral relations in the area of defence are very important, both at a bilateral level and within the framework of NATO. The former are governed by the Bilateral Agreement on Defence Cooperation between the Kingdom of Spain and the United States of America, signed on 1 December 1988 and amended by the Protocol of Amendment of 10 April 2002. These agreements give US forces the right to use certain “support facilities” at two Spanish military bases (Rota and Morón). This agreement will remain in effect until 2011, although it does contain an automatic extension clause for periods of one year. Spanish military facilities are of high strategic value given their characteristics and their proximity to the regions of the Mediterranean, the Middle East and North Africa, West Africa and the Sahel.

Spain and the United States are the two Western nations that have suffered the most brutal terrorist attacks to date, which is why Spain shares a special awareness of this problem with the US and why Spain actively cooperates in such matters at both a bilateral and multilateral level.

Economic relations have been most recently characterised by the sharp increase of Spanish

investments in the United States. In 2004, 2% of Spanish foreign investments were made in the US but in 2007 they represented over 10%. This same year, Spain was the fourth-largest foreign investor in the US, behind Canada, the UK and the Netherlands. In 2010, Spain was the tenth-largest foreign investor and Spain's current stock of direct investment in the US amounts to 43 billion dollars. This strong and growing presence is mainly focused in the sectors of energy (especially renewable energy), banking, transport concessions, the food industry and the iron and steel industry. Spain is very interested in the large investments that the current North American Administration has planned in the field of infrastructures, in which Spain leads the world. In particular, the Spanish high-speed railway system is a global benchmark and Spanish engineering companies excel for their high level of excellence and competitiveness.

Historically, the United States has been and still is one of Spain's most important foreign investors, although the volume of its investment has declined since 2004. In terms of the bilateral trade balance, there has been a gradual increase of Spanish exports to the US that has led to a reduction in the deficit over recent years. However, a trade deficit does still exist for Spain (the rate of coverage in 2009 stood at 68.2%).

There is enormous interest in the Spanish language and culture in the United States: 60% of American university students who study a foreign language

choose Spanish. Spain is also the second most popular destination for Americans studying abroad, after the United Kingdom. The Spanish Government actively promotes the spread of the Spanish language and culture in the US through an extensive visiting professors programme, under which approximately 1,200 Spanish academics teach a variety of subjects at high schools across North America. This goal is also pursued by the three Cervantes Institutes that operate in the United States, specifically in the cities of New York, Chicago and Albuquerque (to which can be added the Virtual Classroom in Seattle).

A new Culture Centre will soon open in Washington (the Casa España or "Spain House"), called upon to become a great platform for the expansion of Spanish culture, politics and business in the United States, and another is planned for San Juan de Puerto Rico. Another of these centres is now well-established in Miami.

Finally, Spain has an extraordinary opportunity to increase its presence in the United States in all areas by developing relations with Hispanic communities in North America. These communities, which represent more than 45 million people, already constitute the largest minority group in the US and are proving to be tremendously dynamic in economic, social and political terms. Their importance can only grow in the years to come.

RUSSIA AND THE CIS COUNTRIES

For Spain, Russia is a partner of extreme importance. Relations between Russia and Spain are fluid and there are areas for cooperation that present great opportunities for both Russian and Spanish companies.

2009 was a year of change. During the State visit by the Russian President to Spain, a Strategic Association Declaration was signed that converted Spain and Russia into strategic partners. This visit also saw the signing of a partnership agreement in the field of energy, an agreement on the transit of military equipment and personnel through territory of the Russian Federation (for Spanish troops in Afghanistan), a Memorandum of Cooperation between the State Public Prosecution service of the two countries, a Memorandum of Collaboration on railway issues, a programme of actions in the field of tourism and various agreements between Spanish and Russian companies in the field of energy.

Furthermore, the first session of the Spain-Russia Forum of Civil Societies also took place during this visit, with participation from the Spain-Russia Council Foundation, and the first meeting of Spanish, Russian and Latin American University Vice-Chancellors.

The celebration of the Year of Spain in Russia and of Russia in Spain in 2011 will be a great opportunity to consolidate this qualitative leap forward in relations between the two countries. Said event was announced during the visit made by the President of

the Government to Yaroslav in September 2009 in order to take part in the economic forum being held in the Russian city and where he met with President Medvedev.

Between 2000 and the outbreak of the economic crisis, Russia experienced a period of great prosperity with average annual growth rates of 7%, a budgetary surplus and an unprecedented expansion in consumption. During this period, Russia has gained importance as a destination for Spanish exports, although the trade balance continues to lean towards a deficit for Spain due to the imports of crude oil (more than 80% of total Spanish imports from Russia).

The crisis having passed in Russia, the execution of large infrastructure projects offers considerable opportunities to Spanish companies, especially in the sectors of energy, transport, infrastructure and banking. Furthermore, Russia is interested in increasing its cooperation with Spain in terms of railway matters and there is already a certain degree of collaboration between authorities and companies from the two countries in this field. Innovation and new technologies are two other areas in which the potential for collaboration is very high.

In addition, relations between the European Union and Russia were a priority for Spain during its EU Presidency in the first half of 2010. The Minister for Foreign Affairs and Cooperation travelled to Moscow in January of this year and Spain made great efforts

Photo: Fernando Calvo / EFE.



Meeting between the President of the Government, José Luis Rodríguez Zapatero, and the Russian President, Dmitri Medvedev, at the Nuclear Summit held in Washington on 13 April 2010.

for a successful outcome from the EU-Russia Summit that took place in Rostov on 31 May 2010, where the Partnership for Modernisation was launched. Spain is committed to reaching a new Association Agreement between the EU and Russia that will begin with Russia joining the WTO.

Spain's approach to international relations is based on the defence of multilateralism, preventive diplomacy and a leading role for the United Nations, which can assist in our dialogue with Russia. Russia is an essential partner within the international community and a great neighbour of the European Union, meaning that collaboration must exist between Russia and both the EU and NATO.

Spain supports Russian involvement in specific projects of the EU's Eastern Partnership through the application of the "Group of Friends" of said Partnership.

Spain believes the conflict between Russia and Georgia in the Caucasus must continue to be channelled through the Geneva Talks. Diplomacy, political acumen and serenity must be used for dialogue, compliance with the Ceasefire Agreements of August and September 2008, in support of regional integrity for Georgia and as tools for achieving understanding and dialogue with Russia. The European Union is the great international agent that can ensure this stability. In this respect, we should point out that Spain has also contributed a contingent of seven members to the EU civilian mission in Georgia. The European Union Monitoring Mission (EUMM) in Georgia is an unarmed civilian mission whose aim is to help stabilise, normalise and re-establish order in this country and to ensure compliance with the agreements reached with Russia regarding Georgia.

In addition, the Spanish chairmanship of the OSCE in 2007 and presidency of the Committee of Ministers of the Council of Europe in 2009 gave Spain a chance to strengthen relations with the Caucasus republics and Moldavia. Spain is considering an increased diplomatic presence in the near future that would lead to the opening of embassies in those nations. Bilateral relations with these countries has been strengthened following the opening in Spain of resident Embassies by Armenia and Moldavia, which join the Embassy opened by Azerbaijan in 2007.

The situation of this group of countries in a major hydrocarbon production and transit region and their increasing cooperation with the EU under the European Neighbourhood Policy are the catalysts of these relations. At the same time, the EU holds a clear interest in contributing towards a solution to the conflicts that exist in some territories in the region (Nagorno-Karabakh, Transnistria, Abkhazia, South Ossetia). During the Spanish Presidency of the European Union, Spain committed itself to consolidating the Eastern Partnership as a framework for strengthening relations between the EU and its six neighbours to the east.

Spain has closely followed democratic developments in Ukraine and this country's desire to establish closer ties with the European Union. The consolidation of these trends and Ukraine's importance as an energy transit country to Europe are two important reasons for Spain to strengthen bilateral relations with this nation.

Central Asia is a region of increasing geostrategic importance. Kazakhstan and Uzbekistan are of particular interest to Spain because of their key role in maintaining the region's stability and the vast energy resources that have only begun to be tapped. Bilateral political contacts have been strengthened in recent years. Minister Miguel Ángel Moratinos travelled to the country in July 2009 and investigated the possibilities of further economic cooperation. Spain supported Kazakhstan's bid for the OSCE chairmanship in 2010, which gave a boost to relations between Spain and the Commonwealth of Independent States (CIS).

SPAIN AND INTERNATIONAL ORGANISATIONS

Spain is a member of all the major international bodies and has permanent representatives to the United Nations and its specialised bodies, the Organisation for Security and Cooperation in Europe, the Organisation of American States (OAS), and the Organisation for Economic Cooperation and Development (OECD), in addition to the European Union and the North Atlantic Treaty Organisation (NATO).

The President of the Government of Spain has repeatedly expressed:

- Spain's confidence in effective, active multilateralism and its steadfast support of the UN's leadership in the struggle to overcome new global challenges (food and energy crises, spiking levels of hunger and poverty, climate change, access to and management of drinking water) with efficiency, creating spaces of consensus and promoting political commitment.
- The priority Spain gives to its commitment to development aid, particularly the Millennium Development Goals, which involves generating new sources of development funding, consolidating voluntary contributions to the Funds, Programmes and Agencies of the United Nations system and providing the benefit of Spanish experience in Latin America and Sub-Saharan Africa;
- The Spanish Government's support for the current process of reforming the United Nations, its Secretariat-General and its principal bodies, and for improving

the coordination of policies and management of the United Nations system, particularly in the areas of development, humanitarian aid, the environment and gender issues;

- The goal of consolidating Spanish initiatives in the UN, such as the Alliance of Civilizations, the founding of a bilateral Spain-UNDP Fund for achieving the Millennium Development Goals, the moratorium on the application of the death penalty and the abolition of the same for minors and the disabled by 2015 as a first step towards the complete abolition of this penalty in the future, the fight against piracy and the Zaragoza Charter on sustainable water use;
- Spain's desire to help strengthen the United Nations' capacities and authority in the area of safeguarding and consolidating peace, maintaining an adequate level of participation in authorised peacekeeping missions under the command of the Security Council, providing military troops and national security forces and providing the UN with access to the infrastructures it needs to improve its logistical capacities. Spain is currently the ninth-largest contributor to PKOs and the 21st State with the most military and police personnel supporting said missions – 1,139 men and women in eight countries (65 police officers, 4 experts and 1,070 military personnel) – and with a particular important contribution to FINUL, MINUSTAH and MINURCAT. To this can be added the fact that the United Nations decided to establish the Southern

Europe Logistics Base for PKOs in Quart de Poblet (Valencia). The handover to the United Nations will take place in mid-March 2011 in order for the official opening of the Centre to take place in April.

THE UNITED NATIONS

Spain has been a member of the United Nations since 14 December 1955 and has risen to a status of respected State within the United Nations system due to its active participation. For example, Spain (the ninth-largest economy in the world with 1.8% of global GDP) currently and following the reform applied to the quota system in December 2009 supports 3.177% of the Ordinary United Nations Budget – the ninth-largest net contributor to the budget.

However, this position is actually better when viewed in absolute terms. Spain was the sixth-largest financial contributor to the United Nations System in the period 2007-2009. This calculation includes both the compulsory contributions to the United Nations (Ordinary Budget, Peacekeeping Operations Budget, Courts Budget and Infrastructures Master Plan Budget) and voluntary contributions to the Funds, Programmes and Organisations of the United Nations, which have been substantially increased by Spain in recent years.

Spain firmly supports the United Nations as an effective guarantor of international peace and security, and collaboration with this organisation is one of the pillars of the present administration's foreign policy. Key elements of this policy include a scrupulous

respect for international law and the purposes and principles outlined in the United Nations Charter.

The United Nations must be prepared to effectively meet the needs and challenges facing the international community, which can only be overcome through solidarity and concerted efforts. Spain is a strong proponent of strengthening its capacities in this area, based on the conviction that development, peace and security and human rights are the pillars of the United Nations system.

Among the priorities for Spain within the United Nations, and besides those mentioned above in terms of maintaining peace and security and the reform of its system, are international development cooperation, the promotion and protection of human rights, food security, climate change, gender equality and the empowerment of women.

OTHER UNITED NATIONS BODIES AND PROGRAMMES

Spain actively participates as a Member State of the International Organisations within the United Nations system, the International Financial Institutions and the Funds and Programmes of the Organisation, having positioned itself among the leading contributors to the same during the last legislature. The specialised bodies, funds and programmes of the United Nations, known collectively as the United Nations System, have become the organisation's instruments of action in a wide range of fields such as health (WHO), sustainable development and the fight against climate

change (UNEP, UNIDO), gender issues (UNIFEM, INSTRAW), education and children (UNESCO, UNICEF), agriculture and food security (FAO, WFP, IFAD), emergency response to humanitarian crises and natural catastrophes (UNHCR, OCHA, WMO) and international development cooperation (UNDP).

Spain has participated and continues to actively engage in the design and implementation of the operational activities of all these agencies, at both their headquarters and in the field, given that the majority of their principles and goals coincide with those outlined in the various Master Plans for Spanish Cooperation. The financial efforts that Spain has made to fund these activities, which have been recognised and applauded by Secretary-General Ban

Ki-moon, have given our country increasing influence and importance within the United Nations System.

Spain is home to several international organisations, most notably the WTO, whose headquarters are located in Madrid. Zaragoza was also chosen as the headquarters of the UN Office to support the International Decade of Action “Water for Life”. In recent years, our country has hosted numerous international events and conferences.

OTHER ORGANISATIONS: THE OSCE AND THE COUNCIL OF EUROPE

The Organisation for Security and Cooperation in Europe (OSCE) is a pan-European security agency

Photo: Mondoa.



Visit by the President of the Government, José Luis Rodríguez Zapatero, to the United Nations Headquarters in New York on 20 September 2010.



Foto: Agencia EFE.

Queen Sofia at the official opening of the 3rd International UNICEF Conference – Solidari@2010 – in Seville on 26 October 2010

whose 56 participating States (the United States, Canada, every European nation and all the former Soviet republics) span a geographical area from Vancouver to Vladivostok. Recognised as a regional agency in accordance with Chapter 8 of the United Nations Charter, the OSCE is active in early warning, conflict prevention, crisis management and post-conflict rehabilitation in the region.

Operating with the conviction that respect for plurality and human rights is the best way to preserve peace and stability, and based on a broad and cooperative approach to security, the OSCE and its institutions structure their activities around three focal points or dimensions: the political-military dimension, the economic-environmental dimension and the human dimension. As a result, the OSCE addresses a wide range of security-related issues, which include arms control, measures intended to build trust and security, human rights, minority rights, democratisation, policing strategies, combating terrorism and economic and environmental activities.

Decisions are made by reaching a consensus among members that is politically but not legally binding. As the seventh-largest contributor to this organisation's budget, Spain actively participates in all three dimensions of the OSCE. In recent years, Spain has played an increasingly prominent role in the central institutions and in field missions and operations (with personnel deployed on missions to Croatia, Bosnia-Herzegovina, Kosovo, Serbia, the former Yugoslav Republic of Macedonia and Georgia, and performing duties of the Mission Chiefs in Croatia

and Azerbaijan). It also plays an important part in another significant area of activity – the observation of election processes, in which Spanish observers regularly participate.

In 2007, Spain chaired the OSCE, strengthening this organisation's profile as a forum for dialogue. At the Council of Ministers held in Madrid on 29 and 30 November, the Declaration on Environment and Security was adopted to further boost the organisation's work in this area, placing it at the forefront of regional international organisations in terms of environmental security. They also adopted a decision on the countries that will chair the OSCE until 2011: Greece in 2009 (after Finland completes its chairmanship in 2008), Kazakhstan in 2010 and Lithuania in 2011. The Spanish chairmanship underlined the importance of the issue of tolerance. The celebration of the High-Level Conference on Intolerance and Discrimination against Muslims (Cordoba, October 2007) was the first initiative related to discrimination against Muslims to be held within the framework of this organisation.

The primary goals of the Council of Europe (Europe's oldest political organisation, founded in 1949) are the defence of human rights, the promotion of parliamentary democracy and the pre-eminence of the rule of law. The Council of Europe, whose headquarters are located in Strasbourg, France, currently includes 47 European member states, and observer status has been granted to five other nations: the Holy See, the United States, Canada, Japan and Mexico. Spain is currently the sixth-

Photo: Ministry of Justice



Group photograph from the 30th Conference of Justice Ministers of the Council of Europe held on 26 November 2010 in Istanbul, Turkey.

largest contributor to the organisation and one of its most active members. The Council of Europe is the guardian of democratic security in Europe, security based on respect for human rights, democracy and the rule of law. In January 2008, Lluís María de Puig was elected President of the Parliamentary Assembly of the Council of Europe. The first Commissioner for

Human Rights of the Council of Europe was also a Spaniard, Álvaro Gil-Robles, who held this post from 1999 to 2006. In addition, Spain chaired the Council of Europe's Committee of Ministers from November 2008 to May 2009. During its chairmanship, Spain was able to introduce measures that improved the efficiency of the European Court of Human Rights.

SPAIN AND THE DEFENCE OF HUMAN RIGHTS

The defence and promotion of human rights around the world is a top priority for Spanish foreign policy in the understanding that an effective application of human rights and the strengthening of their international instruments of protection contribute to international peace and security.

Spain has a **National Plan on Human Rights** that was approved by the Government in December 2008 to coincide with the 60th Anniversary of the Universal Declaration of Human Rights. This is an open plan of 172 measures grouped together according to whether their action involves foreign policy (41 measures) or domestic policy (131 measures). The plan will be in force for the entire duration of the 9th legislature. The Spanish Government has set up a Plan Monitoring Committee that is formed of members of the Government, civil society and the Public Ombudsman, which meets on a six-monthly basis. Chaired by the State Secretary for Constitutional and Parliamentary Affairs, the Committee assesses the implementation of the measures contained in the Plan and, in response to its open nature, approves additional measures.

Since the beginning of the previous legislature, the Spanish Government has adopted the following initiatives as part of its Foreign Policy on Human Rights:

I. Within the multi-lateral and regional framework:

On the ratification of international instruments:

- Ratification of the Optional Protocol to the United Nations Convention against torture and other cruel, inhumane or degrading treatment or punishment;
- Ratification of the UN Convention on the Rights of Persons with Disabilities and its Optional Protocol;
- Ratification of the International Convention for the Protection of All Persons from Enforced Disappearance and the declarations in Articles 31 and 32 thereof whereby the competence of its supervisory body is recognised;
- Ratification of the Optional Protocol to the International Covenant on Economic, Social and Cultural Rights, in September 2010, with Spain being the first European country to ratify this Optional Protocol and the third country in the world alongside Ecuador and Mongolia;
- Acceptance of the Amendment of Article 20.1 of the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW);
- Lifting of the reservation on Article 9 of the Convention on the Prevention and Punishment of the Crime of Genocide, regarding the Competence of the International Court of Justice;

- Ratification of Convention 169 of the ILO, Indigenous and Tribal Peoples Convention, 1989 (15 February 2007);
- Ratification of Protocols 12, 14 and 14 bis of the European Convention on Human Rights.

Drafting and defence of reports on International Treaty Oversight Committees:

Spain is currently up-to-date regarding the presentation of reports on compliance with the 9 most important international agreements on the protection of human rights and their optional protocols. In 2010, Spain presented its reports to the Committee on the Rights of the Child (which was examined in September 2010), to the Committee on the Elimination of All Forms of Racial Discrimination (which will be examined in February/March 2011) and to the Committee on the Rights of Persons with Disabilities (which will be examined in September 2011).

Universal Periodic Review:

The Universal Periodic Review of Spain took place at the Council of Human Rights in Geneva between April and September 2010, in which 55 countries participated and 137 recommendations were formulated for Spain (of which the country accepted 98). Spain made an entirely voluntary commitment to report back to said forum on the measures adopted in order to follow said recommendations.

More power to the Office of the High Commissioner for Human Rights (OHCHR):

In November 2009, the first bilateral consultations took place in Madrid between the Government of Spain and the Office of the United Nations High Commissioner for Human Rights.

It should be pointed out that the consolidation of foreign policy in terms of the defence of human rights also coincides with a period of change within the main international organisations. Within the framework of the United Nations, a new Human Rights Council has been set up to replace the former Commission. The new Council, in the creation of which Spain played an important role, must clear out the United Nations agenda on human rights by basing itself on one of the three pillars of action undertaken by the UN together with the work of maintaining international peace and security and promoting development, as stated in the "In Larger Freedom" report by Kofi Annan. In the same regard, it is planned for the Action Plan of the United Nations High Commissioner for Human Rights to lead to significant reform of the so-called Treaty Committees. As a result of the firm commitment by Spain to the promotion and protection of human rights, Spain was chosen as a member of the Human Rights Council for the period 2010-2013 at the elections held in New York in May 2010.

Within Europe, the main organisation responsible for the protection of human rights is the Council of

Europe, whose Court of Human Rights is currently being reformed in order to increase its capacity to respond to the growing number of cases it is required to examine

II. In terms of specific issues:

Combating discrimination against women and domestic violence:

The adoption of an active policy to combat discrimination against women and domestic violence and the implementation of the EU Guidelines on violence against women and the fight against all forms of discrimination against women has been one area on which Spain's human rights policy has been firmly focused. The following initiatives have been developed in this regard:

- Support for the process of reforming the gender architecture within the United Nations System, which has resulted in the creation of UN Women. Spain was chosen to be one of the 41 States that make up the Executive Board of this new entity that encompasses UNIFEM, INSTRAW, DAW and OSAGI;
- The application of Resolution 1325 (2000) of the United Nations Security Council on women, peace and security, as well as Resolutions 1820, 1888 and 1889. Spain was one of the first countries to draft a Plan of Action to implement this Resolution. The Inter-Ministerial Group set up for the purpose has already produced its 1st Monitoring Report and is currently working on a 2nd Report, for which it is

collaborating with the organisations from civil society that are experts on the matter.

Discrimination on grounds of sexual orientation or gender identity:

During the Spanish Presidency of the European Union, numerous activities were carried out aimed at the defence and enjoyment of all human rights by the LGBT communities. On 17 May, an EU Declaration was adopted in order to commemorate the "International Day against Homophobia". At a national level, not only was a Government Declaration presented to commemorate the International Day against Homophobia but also against Transphobia. In this regard, the Government of Spain firmly supported the organisation of the "First International Congress on Gender Identity and Human Rights" in Barcelona in June 2010.

In June and also during the Spanish Presidency of the European Union, the Toolkit to Promote and Protect the Enjoyment of all Human Rights by the Lesbian, Gay, Bisexual and Transgender (LGBT) Communities was adopted, endorsed by the COPS on 18 June. This Toolkit enables the various EU Delegations, Representations and Embassies held by Member States of the European Union in non-EU countries not only to react to cases in which such human rights are violated but also to increase the profile and raise awareness of such matters in periodic reports on human rights.

Regarding Economic, Social and Cultural Rights:

Together with Germany, Spain has promoted an initiative within the framework of the United Nations and human rights on the recognition of the human right to water and sanitation. It is worth mentioning the adoption of HRC Resolution 15/9 of 30 September 2010 in Geneva, with consensus and co-sponsorship from 54 countries, that reaffirms the recognition of the human right to drinking water and sanitation, and states that this human right is legally based on international law (Art. 11 of the International Covenant on Civil and Political Rights), drawing a line under the discussion on the existence of this right. It also recognises that States have a human rights duty to supply water and/or sanitation and hold responsibility over non-State stakeholders in this field.

Within the scope of the European Union and during the Spanish EU Presidency, a Declaration was adopted for the first time that commemorates the 22nd of March as World Water Day. At a national level, the Government of Spain also commemorated the 22nd of March for the first time, including the right to access to sanitation.

The Death Penalty Initiative:

The abolition of the death penalty is one of the priorities for Spain's foreign policy in terms of human rights, in accordance with the National Human Rights Plan that was approved by the Council of Ministers in December 2008. To this end, diplomatic steps are

being taken at a bilateral level, when the situation of a certain country so requires, and at an international level.

Spain was particularly active during its Presidency of the Council of the European Union in the first half of 2010, promoting EU directives and supporting the establishment of a moratorium on the use of the death penalty in those countries that are still retentionist and in *de facto* abolitionist countries. Furthermore, Spain is coordinating a position for the Member States of the European Union to promote the approval of a third resolution at the United Nations General Assembly at the end of this year on the establishment of a moratorium on the use of the death penalty.

Furthermore, the National Human Rights Plan establishes the creation of an International Commission against the Death Penalty that was set up on 7 October 2010 within the framework of the World Day against the Death Penalty. The International Commission will have a complementary mandate to the actions already being undertaken in the international arena to promote the abolition of the death penalty. Its added value will be its considerable visibility, independence and extensive representation from around the world. The International Commission is chaired by Federico Mayor Zaragoza and comprised of a maximum of fifteen well-known persons of high moral authority and international standing. In addition, the International Commission is backed and advised by the following countries: Argentina, Spain,

Photo: Moncloa.



Meeting between the President of the Government and the Commission against the Death Penalty, Moncloa Palace, 7 October 2010.

the Philippines, France, Italy, Kazakhstan, Mexico, Mongolia, Portugal, the Dominican Republic, South Africa, Switzerland and Turkey. Spain will hold the first Presidency of the Support Group for one year.

The Government of Spain also forms part of the “Group of Friends” for the ratification of the Second Optional Protocol of the International Covenant on Civil and Political Rights, related to the abolition of the death penalty, and supports the campaign launched in 2009 by the World Coalition against the Death Penalty.

Regarding the Rights of Persons with Disability:

The commitment by Spain to the Rights of Persons with Disability is an integral part of its work to promote and protect human rights abroad. This commitment can be viewed from various perspectives. On the one hand, at a multilateral level, it is remarkable to note that in December 2007 Spain was the first country from the ‘Western Europe and Others’ Group of nations and the second in the world to ratify the Convention on the Rights of Persons with Disability and its Optional Protocol. Spain played a very active role in the negotiations for this Covenant. Spain was also the first country to present, in May 2010, its report to the Committee of this Convention. The report received highly positive acclaim from the members of the Committee, who consider it a benchmark to be followed by other States that must comply with the obligation to present a report.

Spain continues to promote the progress achieved during its Presidency of the Council of the European Union in the first half of 2010 regarding the visibility of policies related to the promotion of rights of persons with disability. Specifically-speaking, Spain has promoted the development of a truly European policy on disability within the context of the EU-2020 Strategy, placing an emphasis on employment and accessibility, has recovered the practice of holding an Informal Meeting of Ministers on Disability, in which civil society takes part (organised disability) and has facilitated the Council Resolution on a new European framework on disability, which was unanimously approved.

On the other hand, within the framework of the European Union, Spain is responsible for the adoption of a Code of Conduct among Member States of the European Union and the European Commission after the adhesion by the EU to the United Nations Convention on Persons with Disability. Spain will now promote the approval of a new “toolkit”, a draft version of which was already prepared during the Spanish EU Presidency, on the actions that can be developed by the EU, the Embassies and EU Delegations outside the EU in defence of the rights of persons with disability

Access to Drinking Water and Sanitation:

Together with Germany, Spain has been promoting an initiative since 2006 from within the United Nations

on the Obligations of Human Rights related to Access to Drinking Water and Sanitation. It can now be said that not only has the “human right to water and sanitation” been recognised but that its legal basis under international law has also been confirmed. It has therefore become a legally binding right.

III. Regarding other actions overseen by the Human Rights Office:

Programme of grants and relations with civil society:

Interaction with civil society and the non-governmental organisations that specialise in human rights issues is essential to identifying priorities and specific policies. The Ministry of Foreign Affairs and Cooperation maintains regular and frequent contact with NGOs in order to keep them appraised and hear their opinion so that they may contribute to the formulation of various aspects of human rights-related foreign policy. In this regard, the State Secretary for Foreign Ibero-American Affairs, through the Human Rights Office as the body responsible for management, organises annual applications for financial aid and grants to assist the undertaking of activities and projects by civil society aimed at the spread, promotion and defence of human rights. This action is given a budget of 350,000 euros.

In addition to economic support, the programme of grants is intended to provide institutional support

from the Ministry of Foreign Affairs and Cooperation to each one of the recipient organisations and, generally-speaking, to civil society as a whole. Efforts are also made to maintain constant dialogue with each organisation to enable joint reflection and shared implementation of the project in such a way as for the involvement of the Human Rights Office (and therefore the Ministry of Foreign Affairs and Cooperation) to go beyond the simple provision of money. This is leading to the establishment of institutional links with a good number of NGOs, university departments, foundations, etc.

A total of 189 applications were received from NGOs, foundations, universities and academic institutions, as well as other non-profit institutions, for the financial aid and grants to be issued in 2010. This process has already been completed and was given a total budget of 4,576,103 euros.

Following the proposal from this Human Rights Office, the Evaluation Committee (which is made up of members from various Directorates of the Ministry of Foreign Affairs and Cooperation) decided to subsidise 37 projects with a total sum of 350,000 euros, as stated above. The amount of the individual grants handed out ranges from 6,000 euros to 25,000 euros. Attached is a list of the beneficiaries that includes the name of the recipient project and the sum of the grant awarded.

Training seminars:

Every year, the Human Rights Office organises a Human Rights Training Seminar in collaboration with the School of Diplomacy. The 5th edition of this seminar, held from 22 to 26 November and which was open to all interested parties, wished to review the defence of Spain in the promotion and protection of human rights at an international level, as well as the existing debates surrounding certain areas of human rights in the most important international forums.

Programme of Protection and Temporary Refuge for human rights defenders under threat:

Special mention should be made of the Programme of Protection and Temporary Refuge for human rights defenders under threat that is run by the Human Rights Office of the Ministry of Foreign Affairs and Cooperation. This Programme was launched in 1997 under an initiative by the Spanish division of Amnesty International in order to, at the time, offer immediate escape to Colombian human rights defenders in a situation of grave danger and provide them with temporary refuge in Spanish territory. Although the large majority of the beneficiaries of this Programme since its creation have been Colombians, human rights defenders from other countries in Latin America (Cuba, Guatemala, Mexico, Brazil, the Dominican Republic and Honduras) and beyond (Liberia) have received help from this benchmark Programme.

Election observation:

Of particular interest is the increasing participation by Spain in International Election Observation Missions within the scope of the European Union, the OCDE and, since 2009, the OAS. Spain's presence on these Observation Missions requires both short- and long-term training for Spanish observers before they head out into the field. This training is undertaken through the organisation of courses by the Ministry of Foreign Affairs and Cooperation.

Other areas of action:

As mentioned several times above, action within a European and universal scope is not enough for the implementation of an effective policy to promote and defend human rights. This action is therefore accompanied by specific actions undertaken at a bilateral level. Human rights issues are present in Spain's foreign relations with all other countries, both through the use of general frameworks for action (such as the Africa Plan) and through general principles (such as the horizontal priority to "defend human rights" established by the 2009-2012 Master

Plan for Spanish Cooperation) or certain specific bilateral actions (dialogue, consultations, projects, seminars). In addition to the dialogue on human rights established with Cuba (which is already producing results and whose last round was held in Madrid in February 2010) and with Colombia (whose first round took place in Madrid in February and which was continued with the organisation of a Meeting of Technical Experts from both countries in Cartagena de Indias on 14 and 15 October 2010), bilateral mechanisms are being institutionalised with Argentina and Mexico.

In conclusion, the ultimate objective of the National Human Rights Plan in terms of foreign affairs is to give structure to the action being undertaken in the various international arenas and to tackle the specific actions to be carried out without prejudicing the possibility of expanding that list of actions as new priorities arise in such a way as for Spain to maintain its fully-committed position to the promotion and protection of human rights in every region of the world.

SPANISH COOPERATION: A NEW POLICY FOR DEVELOPMENT AND THE ERADICATION OF POVERTY

International development cooperation is an essential part of the Spanish Government's foreign policy and forms part of the international consensus and respect for Spain's commitments to international organisations. The Ministry of Foreign Affairs and Cooperation has entrusted the State Secretariat of International Cooperation (Spanish acronym: SECI) with directing, drafting, monitoring and evaluating its international development cooperation policy. The Directorate of Development Policy Planning and Evaluation operates under this State Secretariat.

The Spanish Agency for International Development Cooperation (Spanish acronym: AECID), supervised by the Ministry of Foreign Affairs and Cooperation through the State Secretariat for International Cooperation, is responsible for implementing and managing development cooperation projects and programmes. These tasks may be carried out directly, with its own resources, or indirectly, through collaboration with other national and international entities and non-governmental organisations. The agency is also charged with coordinating Food and Emergency Aid.

To fulfil these duties, AECID relies upon an extensive external network comprising 45 Technical Cooperation Offices, 16 Cultural Centres and 6 Training Centres located in those countries where the agency

carries on its most important cooperation projects. Aside from these important resources, Spanish aid workers play an essential role in these tasks and, since May 2006, have been protected by a Statute that regulates their specific rights and obligations, schedule of incompatibilities, training, equivalency of services rendered and social welfare categories pursuant to the provisions of Law 23/1998 of 7 July on International Cooperation for Development.

Besides the central, regional and local public authorities, the Spanish Cooperation System comprises other players whose characteristics enable them to obtain comparative advantages when operating in certain areas. In this regard, particular mention should be made of universities, "ONGDs" (non-governmental organisations for development), trade unions, sports foundations, associations for the defence and promotion of human rights and other players from civil society that undertake essential work.

The International Cooperation for Development Act establishes the basic priorities of the work undertaken by the AECID, which are periodically laid out in detail in the quadrennial Master Plan for Spanish Cooperation and the Annual International Cooperation Plans (Spanish acronym: PACI). In the Millennium Declaration, world leaders committed to

Photo: Moncloa.



Photograph of the Millennium Development Goals Advocacy Group. Moncloa Palace, 12 November 2010.

join forces in order to achieve 8 general goals and 18 specific targets that will pave the way for progress in development and reduce world poverty by the year 2015 or earlier. This series of challenges is known as the Millennium Development Goals.

With the intention of making significant progress in the promotion of human and sustainable development and the eradication of poverty, the new cycle of Spanish Cooperation outlined in the 3rd Master Plan for 2009-2012 began in 2009.

The eradication of poverty and the promotion of human and sustainable development has now become the primary goal of cooperation for development. In this regard and bearing in mind the efforts of

multilateral organisations (the guidelines from the OECD Development Assistance Committee (DAC), those from the European Union and the declarations made at the Ibero-American Summits), the activities of Spanish cooperation and development policy will be aimed at increasing capacities and ensuring the necessary conditions for achieving decent living conditions for the present and future generations in developing countries. Today, improving the efficacy and quality of the aid provided is a pressing need, and this will require adapting our cooperation policy to comply with the stipulations of the Paris Declaration, the Accra Agenda for Action and the European Union Code of Conduct. The fight against poverty, the defence of human rights, gender equality,

environmental sustainability and respect for cultural diversity were the horizontal priorities established in the preceding four-year plan that covered 2005-2008.

The horizontal priorities for the 2009-2012 period established by the latest Master Plan are social inclusion and the fight against poverty, democratic governance and the promotion of human rights, gender in development, environmental sustainability and consideration of cultural issues and respect for diversity.

The Master Plan identifies a total of 12 single-sector priority areas:

1. Democratic governance: promote quality democracy and respect for basic rights by ensuring the real and effective involvement of citizens, the exercise of human rights and the capacity to favour development;
2. Rural development and the fight against hunger: help guarantee the basic human right to sustenance and improve living conditions and food safety among the rural and urban population;
3. Education: help guarantee the right to basic, inclusive, free, quality education by strengthening public school systems and civil organisations in countries and groups with lower education levels;
4. Healthcare: make an effective contribution to securing conditions that will improve the health of human populations, particularly the poorest and most vulnerable, by promoting sustainable human development;
5. Water and sanitation: promote the human right to water, and improve access to drinking water and basic sanitation, guaranteeing the sustainability and responsible management of the complete hydrological cycle;
6. Economic growth to reduce poverty: support and promote inclusive, fair, sustained and environmentally-friendly economic growth, based on the generation of permanent economic, business and associative networks in partner nations, on the principles of decent employment, and on economic policies that fight poverty and favour social cohesion;
7. Environmental sustainability, combating climate change and habitat: contribute to the sustainable management of natural resources and development models that can improve the welfare and quality of life of the population;
8. Science, technology and innovation: promote processes for generating, assimilating and using scientific and technological knowledge to improve living conditions, stimulate economic growth and achieve social parity;
9. Culture and development: encourage the tangible and intangible cultural opportunities and abilities of individuals and communities as essential ingredients for sustainable human development;
10. Gender in development: help guarantee the full exercise of human rights and women's citizenship through empowerment as a mechanism for

overcoming poverty and the inequality and injustice suffered by women in their gender relationships;

11. Migration and development: promote the positive reciprocal effects of migration and development by encouraging co-development, empowerment of migrant groups, and support for drafting and implementing appropriate and consistent public migration policies in countries of origin, transit and destination, protecting the rights of migrants at every stage in the process;

12. Peace building: contribute to the progress of peace, justice, equality and safety in situations of conflict or post-conflict by introducing preventive actions, respect for international laws, the defence of human rights, support for victims and the restoration of the physical, economic and social order, including actions to strengthen institutions, transitional justice and the empowerment of civil society.

With regard to multi-sector priorities, Spanish cooperation efforts will particularly target groups in a situation of special vulnerability that suffer most acutely from social exclusion and marginalisation, such as children and young people, indigenous peoples and individuals of African descent.

Moreover, the Master Plan contains specific sections addressing humanitarian aid, consideration for the specific needs of each crisis situation and peace building, which is considered a fundamental pillar of cooperation work.

Geographic priorities must be assigned to ensure the effectiveness of the aid provided, and these are established in the Master Plan according to Spain's international commitments and the recommendations made to Spain by the Development Assistance Committee of the OECD. The criteria applied to determine these priorities are numerous: indicators regarding development, the presence and institutional capacity of Spanish Cooperation efforts deployed in the partner country and the possible partnership framework in the country (defined by the nation's own potential as a development partner and the relative position of our cooperation abilities in comparison with other donors). These criteria are used to establish three categories of partnership:

-Extensive partnership: with Less Developed Countries or Low Income Countries where there are opportunities to establish a long-term partnership that permits the channelling of important amounts of ODA and the application of a broad spectrum of instruments;

-Special focus partnership: with the same kind of countries, but where the cooperation programme does not allow for an extensive partnership and impact is greater if aid is concentrated on a single key sector, or on more than one but with a specific focus, identified in collaboration with the partner country. At least 85% of the geographically assignable ODA for 2012 will be distributed among extensive and specific-focus partner countries;

-Partnership to consolidate development achievements: with countries that allow the establishment of specific partnership strategies to promote development by strengthening inclusive public policies, promoting trans-southern and triangular cooperation, and providing global public assets.

The reform of the Development Aid Fund concluded in October 2010 with approval of Law 36/2010 of 22 October, whereby the Fund for the Promotion of Development is created. Through this law, the Ministry of Foreign Affairs and Cooperation has equipped itself with a powerful instrument of its own and made a great leap forward in the process of dissociating aid.

THE ALLIANCE OF CIVILIZATIONS

The Alliance of Civilizations is a United Nations initiative that aims to improve understanding and cooperative relations among nations and peoples across cultures and religions, to contribute towards overcoming divisions and to help counter the forces that fuel polarisation and extremism. The Alliance finds its roots in the common framework of principles and values expressed in the Universal Declaration of Human Rights and other international instruments.

MAIN STAGES

The Secretary-General of the United Nations formally launched the Alliance of Civilisation on 14 July 2005, converting the project presented by the President of the Government of Spain to the General Assembly on 21 September 2004 into a United Nations initiative jointly sponsored by Spain and Turkey.

The foundations of the Alliance of Civilizations are contained in the Report from the High-Level Group

of experts presented in November 2006 to the then Secretary-General of the United Nations, Kofi Annan. The Report examines the underlying causes of the divisions that endanger peace and proposes a series of specific measures of a political nature in four areas: young people; education; migration; and the media. The Alliance has had a High Representative since April 2007; a position currently held by Jorge Sampaio. The High Representative has presented two Action Plans to date (2007-2009 and 2009-2011).

Around the Alliance has been created a Group of Friends of the Alliance of Civilizations that currently consists of 106 countries from around the world and 21 international organisations. The Group of Friends meets at a ministerial and high representative level (in the Forum and on occasion of the opening of the United Nations General Assembly), at a Focal Point level in terms of individual countries and international organisations and at the level of a Permanent Representative to the United Nations.



The Minister for Foreign Affairs and Cooperation, Miguel Ángel Moratinos, greeting the President of Brazil, Lula da Silva, in the presence of the United Nations Secretary-General, Ban Ki-moon, at the 3rd Forum of the Alliance of Civilizations in Rio de Janeiro on 28 May 2010.

Three Forums of the Alliance have been held to date – Madrid in January 2008, Istanbul in April 2009 and Rio de Janeiro in May 2010. The 4th Forum has been planned to take place in Qatar (December 2011) and the 5th in Austria (2012). The Forums have strengthened the role played by the Group of Friends, defined the framework for action by the Alliance and acted as a platform for meetings and the presentation of new opportunities for collaboration and projects.

The High Representative presented a proposal to its members for the drafting of “National Strategies for Inter-Cultural Dialogue” and “Partnership Agreements” with international organisations to translate the principles of the Alliance into specific political measures. To date, 26 countries have presented National Plans¹ and 16 Partnership Agreements have been signed². Spain presented its 2nd National Plan in May 2010.

¹ Albania, Algeria, Argentina, Brazil, Bulgaria, Croatia, Denmark, Egypt, Slovenia, Spain, the Russian Federation, Italy, Kazakhstan, Kuwait, Malta, Morocco, Mexico, Montenegro, New Zealand, Portugal, Qatar, the United Kingdom, the Czech Republic, Rumania, Turkey.

² Anna Lindh Foundation, ALECSO - Org. Arab League for Education, Science and Culture, CPLP – Community of Portuguese-Speaking Countries, Council of Europe, European Union, International Francophone Organisation (Francophonie), SEGIB – Secretariat-General of Ibero-America, International Organisation for Migration (IOM), ISESCO - Islamic Org. for Education, Science and Culture, League of Arab States, Islamic Conference Organisation (ICO), Latin Union (UNILAT), UNESCO, United Cities and Local Governments (UCLG), ILO, International Red Cross Committee (IRCC), United Nations High Commissioner for Refugees (UNHCR)

Another of the proposed channels for action is the regional development of the Alliance, which has begun with three Regional Strategies (South-East Europe, the Mediterranean and Latin America). The first two have already been adopted and Latin America is currently under development.

Furthermore, in its 2nd Action Plan (2009-2011), the High Representative stressed the need to develop the Alliance locally and globally. Local development should take place through the development of city diplomacy and bringing society closer to the Alliance. Global development should take place through the development of a global agenda for the good governance of cultural diversity as a central element for a culture of peace and a fourth pillar for sustainable development.

On 10 November 2009, the United Nations General Assembly adopted a Resolution on the Alliance of Civilizations (Res. A64/L14) by general consensus. The resolution was co-sponsored by 94 countries and expresses the formal and political support of the United Nations for the Alliance of Civilizations.

In June 2010, Spain and the United Nations University signed the “headquarters” and “establishment, operation and location” Agreements regarding the International Institute for the Alliance of Civilizations, to be based in Barcelona. The main goal of the Institute is to contribute towards the promotion and development of the initiative and the advice offered to the UN and its Member States.



Headquarters of the United Nations University Institute for the Alliance of Civilizations, Barcelona.

The Alliance of Civilizations has managed to consolidate its existence in only six years as a platform of the United Nations and a benchmark for the international community in terms of inter-cultural dialogue and cooperation.

PROJECTS

The Alliance is developing a number of specific projects of a practical nature, which include the following:

- The Programme of Grants, which enables young professionals from the Middle East, North Africa, Europe and the US to familiarise themselves with their respective cultures and gain inside knowledge of the values, ideals and challenges to be found in the various societies;
- The Rapid Reaction Mechanism in the Media, which connects journalists to a large network of experts who are capable of offering precise and balanced comments on issues that may generate inter-cultural differences (www.globalexpertfinder.org);
- The Centre for Media Education – an online network that provides young people with the necessary tools to navigate the complex world of the media and become critical media consumers (www.aocmedialiteracy.org);
- Projects aimed at educating young people on how to avoid growing up in fear and hatred, such as the Centre (Clearinghouse) for Education on Religions and Beliefs aimed at preparing children for life in a

multicultural environment by teaching them about religions and systems of values that are different to their own (www.aocerb.org);

- The Online Migration and Integration Community, which will be launched shortly, is a website that will contain positive integration experiences from migrants around the world and will highlight the best practices adopted by various people;

- Ideas Market, which is a global showcase of innovative and cutting-edge projects from around the world whose goal is to generate positive changes that can contribute towards building bridges between different cultures;

- Youth Solidarity Fund, which offers support to a wide range of projects being developed and run by young people, giving them the tools to change perceptions and improve relations between different cultural groups at both local and global levels;

- Global Youth Movement for the Alliance of Civilizations, which recognises and promotes the interests, commitment and work of young people and the organisations run by young people in support of the priorities and principles of the United Nations Alliance of Civilizations;

- Restore Trust, Rebuild Bridges – this is a series of projects within the scope of inter-cultural dialogue and cooperation being developed by a large group of partners under a common initiative launched by the Alliance and the Anna Lindh Foundation following the crisis in Gaza;

- Dialogue Café, which uses the latest-generation video-conferencing technology to create a global platform for dialogue and collective interaction, particularly among young people from different parts of the world;

- Plural+, which is a young persons' film festival that offers young people the opportunity to exchange points of view on migration, diversity and open societies.

In addition, the Alliance lends its support to a series of related projects and initiatives:

- Silatech, an initiative from Qatar. This is an innovative social company created to offer a response to the urgent need to create new jobs and opportunities for young people, starting in the Arab world where the challenge is greatest;

- Soliya, a pioneering non-profit organisation that uses new technologies to facilitate dialogue between students in different social environments from all over the planet.

In summary, the Alliance of Civilizations is:

- A unique political initiative forming part of the general United Nations framework, whose purpose is to strengthen trust and improve understanding between countries and communities, thus countering trends towards polarisation and extremism;

- A mobilisation force that obtains results through association with national governments, international organisations, religious groups, civil society, foundations, companies and the media;

- An initiative characterised by action that offers and lends its support to innovative projects on the ground, a global supporter of alliances that connects basic leaders, political leaders and foundations in order to help them realise their ideas;
- A powerful voice that seeks to calm the tensions that divide communities and help highlight the common values and interests shared by all cultures and religions.

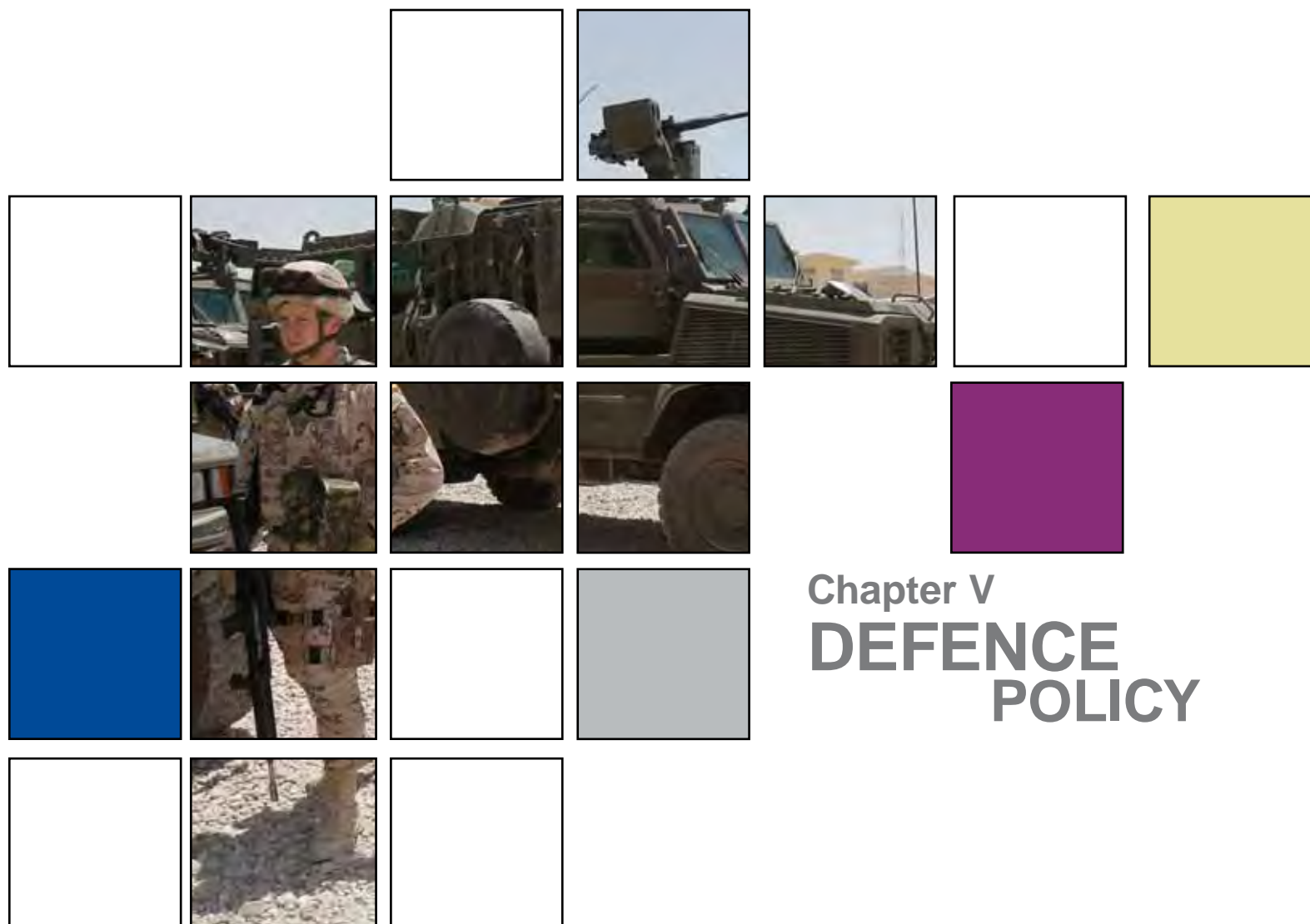
OFFICIAL WEBSITES:

Spanish Ministry of Foreign Affairs and Cooperation:
www.maec.es

Spanish Agency for International Development
Cooperation: www.aecid.es

Spanish National Plan for the Alliance of Civilizations:
www.pnac.es

Spain today
2011



Chapter V
**DEFENCE
POLICY**



Photo: Ministry of
Defence.

THE ARMED FORCES: CLOSER TO SOCIETY

Spain's Defence Policy is firmly committed to the principles and values of our Constitution, as well as to those enshrined in the United Nations Charter of respect for human life and the rights of individuals. Its commitment seeks a strengthening of peaceful relations and efficient cooperation among all peoples of the world, as set out in our Magna Carta. The end goal is to contribute to an increasingly more just, peaceful and safe international system that is capable of facing the security threats posed in today's world.

The Spanish Parliament passed the National Defence Act on 3 November 2005. This Act defines the basic principles of military organisation in accordance with the Constitution. It also determines that the aim of the Defence Policy is "to protect the whole of Spanish society, its Constitution, the higher values established therein, the Welfare State and democratic rule of law, the full exercise of rights and freedom and the guarantee, independence and integrity of its territory. It is also responsible for contributing to the preservation of peace and international security, within the framework of the commitments contracted by the Kingdom of Spain".

The Act stipulates that the Government shall first consult the Lower House of Parliament and obtain its authorisation before ordering foreign operations that are not directly related to the Defence of Spain or of national interest.



The Frigate "Victoria" escorts a WFP vessel within the framework of Operation Atalanta.

Such operations must comply with International Law, and be in response to an express request from the Government of the territory where action is to be taken, or to a resolution of the United Nations, NATO or a European Union agreement. Prior consent from Parliament is not required for a legitimate defensive response to an aggression against Spain or its national interests.

In February 2009, the Royal Ordinances for the Armed Forces were presented to complement the National

Defence Act. This new version of the code of conduct is the result of a sweeping reform to adapt the military code of practice to reflect the new missions assigned to our Armed Forces and to the changes that have taken place in modern society. Among other issues, the ordinances address vital matters such as those related to international human rights and the protection of cultural heritage and the environment. In November 2010 they were declared as being applicable to members of the Guardia Civil.

Among the President of the Government's commitments is the preparation of the National Defence Directive to establish the general lines of defence policy and the directives for its implementation. The implementation and execution of this policy is the responsibility of the Minister for Defence. The current National Defence Directive was approved by the President of the Government on 30 December 2008, and gives continuity to the previous directive from 2004.

Europe is our priority area of interest, since our security is inextricably tied to European security. We are therefore committed to the development of a true common security and defence policy as established by the Lisbon Treaty. This priority is combined with a robust and balanced trans-Atlantic relationship, in which Spain is a firm ally with a clear commitment to NATO.

The Mediterranean basin is also of particular interest to Spain, which firmly supports all multilateral initiatives proposed by the European Union, NATO and the Organisation for Security and Cooperation in

Europe (OSCE) for the Mediterranean region. Spain is also one of the driving forces behind the 5+5 Initiative, which aims to develop multilateral cooperation to reinforce mutual understanding and trust in the Western Mediterranean.

Latin America is another priority area, which is why Spain actively promotes bilateral relations and military cooperation with Latin American States and supports regional initiatives designed to reinforce multilateral cooperation among the countries of that region.

In addition to these areas that have traditionally been a priority Defence policy, the National Defence Directive 1/2008 also incorporates Spain's contribution to stability in other regions, such as Sub-Saharan Africa and the Asia-Pacific region.

The Ministry of Defence subsequently approved the Defence Policy Directive 1/2009 to carry out the principles included in the National Defence Directive 2008. This directive represents the starting process for Defence Planning, as well as for Military Planning.

The Defence Policy Directive 1/2009 promotes a culture of security and defence in society, consolidating the planning process based on capabilities, and intensifies Defence Diplomacy with those countries and regions of strategic interest. Other new introductions in the Directive are the consolidation of the Armed Forces professional model, international missions of a military nature that may be entrusted to the Guardia Civil and included in the national plan, as well as initiatives for the availability and contribution of non-military resources when necessary.

As the National Defence Act was one of the achievements of the previous planning cycle, this cycle expands on the Armed Forces joint action, giving top priority to the protection of our service personnel. Participation in NATO planning, as well as in European Union developments has now been introduced into our planning in this cycle.

ARMED FORCES WITH 131,000 PROFESSIONAL MEMBERS

The Military Career Act, approved by Parliament on 30 October 2007, provides for an updated corps and rank structure, a system for moving through the ranks and promotion to encourage merit and ability, as well as a reform of the military training system. In June 2009, the new corps and ranks came into effect, reducing the ranks for Officers and Non-Commissioned Officers to a total of 23.

The new model for Officer training began in September 2010 with the creation of the Centres for Defence Studies. This has been made possible by signed agreements with the Universities of Zaragoza, Cartagena and Vigo. The new model will enable cadets and students at these Centres to obtain an engineering degree that is recognised at a civilian level, as well as military education and training.

It is also forecast that the new model for the training of Non-Commissioned Officers will commence in 2011, meaning that on completion of their training they will

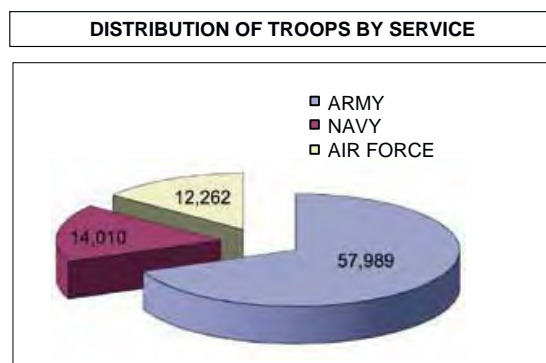
be able to obtain an Official Certificate of Advanced Professional Education [Título Oficial de Técnico Superior] that is recognised at a civilian level.

Staffing levels approved by the Government in June 2009 for the four-year period 2009-2013 define the size of our Armed Forces in accordance with our defence needs and Spain's geographic, social and economic characteristics. Specifically, the goal is to achieve between 80,000 and 90,000 troops for land and naval forces and a maximum of 50,000 Officers and Non-Commissioned Officers.

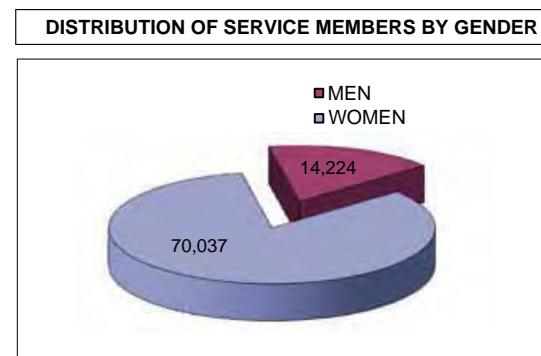
These are modern Armed Forces. All members of the Armed Forces are professionals, since compulsory military service was abolished as of 31 December

2001. Although there was a shortage of recruits for three years, since 2005 the number of applicants as soldiers, airmen and sailors has been growing continuously, thanks to the improvement in working and professional conditions and salaries, among other measures.

The number of women in the Armed Forces has also increased and they accounted for 12.07% of all personnel at the end of 2010. Women were first admitted to the Armed Forces in 1988 and now there are over 14,000 women in the Spanish Armed Forces. In barely two decades, Spain has become the European Union country with the second highest number of women in the Armed Forces, superseded only by France.



Source: Ministry of Defence.



Source: Ministry of Defence.

MORE MODERN AND EFFICIENT ARMED FORCES

Despite the general climate of cost containment, funding for modernisation programmes covers all of the commitments already made for 2010 and maintains all current programmes. This ensures that Spain's armed forces will be equipped with the resources they need on a timely basis, thus guaranteeing an optimum level of the forces' operational capacity and the best possible security for the troops.

The projects for modernising our Armed Forces that are currently underway include naval resources such as the F-100 frigates, the Strategic Projection Vessel and the Combat Supply Ship that were both delivered to the Navy in 2010, as well as maritime action ships and S-80 submarines. Air programmes have also been implemented in cooperation with other European countries such as the Eurofighter combat aircraft, the A-400M transport aircraft and the Tiger and NH-90 helicopters.



Photo: Ministry of Defence.

The Prince awards the Real Despacho to Lieutenant Losa, top of his class.

Photo: Ministry of Defence.



*New RG31 vehicles
deployed in Afghanistan*

There are important ground resources such as the mine-resistant 4x4 armoured vehicles, the Leopard tanks and the Pizarro infantry combat vehicles, and particularly the new RG31 armoured platoon and squad carriers that have a high level of mine and roadside bomb protection. These vehicles have the highest anti-mine protection in the market and represent an

important improvement in security and autonomy. 67 RG-31 and 109 Lince vehicles have already been deployed in Afghanistan, replacing all of the BMR vehicles. The procurement process is also ongoing for a model of an 8x8 latest generation armoured vehicle.



Photo: Ministry of the Presidency

NATO summit in Lisbon, 19 November 2010

COMMITMENT TO INNOVATION

It is planned for the Military Technological Institute in La Marañosa to become fully operational in 2011. This Institute will combine the six centres that previously existed until now: the National Factory of La Marañosa, the Precision Workshop and Artillery Electro-technical Centre, the Carabanchel Experimental Establishment, the Navy Research and Development Centre, the Torregorda Testing Centre and the Central Armaments Chemical Laboratory. The Military Technological Institute of La Marañosa will promote interdisciplinary knowledge and its integration into the national and European industrial and technological framework.

Spain also has an ambitious satellite programme. In 2010, the Spanish and Norwegian Ministries of Defence agreed to the joint development of a new communications satellite, which will become operational by 2014, in addition to the two that are currently operational for secure communications. For its part, the National Programme for Earth Observation is continuing with the construction of two other satellites, which are forecast to be launched in 2012 and 2014, with a dual observation, optical and radar system for civilian and military use.

SPAIN'S PARTICIPATION IN NATO

Spain, a member of NATO since 1982, has actively contributed to the transformation of the Alliance to adapt to the new threats to global security.

The NATO Summit held in Lisbon in November 2010 was a historic milestone from which the Atlantic Alliance has emerged as better prepared for the challenges of the 21st century. This renewed NATO reduces and optimises its structure, without losing the essential base of its collective defence agreement. Lisbon also signified the commencement of a new relationship with Russia and the fostering of cooperation and association as an effective tool to attain global security.

It is forecast that Spain will contribute around 5.5% in 2011 to financing NATO costs, making us the seventh largest financial contributor to the organisation.

THE FUTURE OF EUROPEAN DEFENCE

The Lisbon Treaty, which entered into force on 1 December 2009, introduced a series of important new features with regard to Security and Defence. The new figure of the High Representative for Foreign Affairs and Security Policy, the European External Action Service and the system of 18-month Presidency trios are all worthy of note. Another new feature is the Mutual Assistance Clause, by which Member States must provide aid and assistance, with the means they have available, to another Member State that is the subject of an armed attack on its territory. A Solidarity

Clause also exists for those cases where one of the Member States is a victim of a natural or man-made disaster, or the subject of a terrorist attack. Lastly, the Permanent Structured Cooperation will enable Member States to equip themselves with adequate military capacities and be willing to sign more binding commitments to carry out missions.

The Lisbon Treaty also expands the scope and variety of the "Petersburg Missions", which are operations of a military nature that the European Union carries out in coordination with its Member States outside its borders with the aim of contributing to political stability or to humanitarian aid in third countries and regions of the world. The Treaty also consolidates the European Defence Agency as a body that promotes permanent cooperation between Member States on matters relating to defensive capacity.

During the first six months of 2010, Spain took on the Presidency of the Council of the European Union and was responsible for the implementation of the regulations contained in the Treaty. Within the field of Security and Defence, the Spanish Presidency set objectives to implement the Common Security and Defence Policy (CSDP) provided for in the Lisbon Treaty and to develop its institutions.

In the institutional arena it boosted the strengthening of formal meetings of heads of Defence of the Member States, without distancing them from the Foreign Affairs Council. The first meeting in this format was held on 9 December in Brussels.



Photo: Ministry of Defence.

Informal meeting of EU Defence Ministers in Palma de Mallorca.

As regards capacities, the development of the Permanent Structured Cooperation (PSC) in Defence became immersed in the search for synergies between civilian and military crisis management capacities, and gave a decisive boost to the role of the European Defence Agency (EDA).

It also laid special emphasis on the consolidation of overall focus on the response to crisis situations, with the conviction that the achievement of a more

balanced and synergetic relationship between the European Union and NATO will be to the advantage of both organisations.

Finally, improvements to ongoing European Union operations were given a boost as regards the CSDP, in particular through an extension of tasks in Operation Atalanta and with the launch of the training mission with the Somali security forces – EUTM Somalia. Also, the efforts to tackle the consequences of the earthquake in Haiti in January 2010 were supported from the outset.

THE ARMED FORCES: COOPERATIVE EFFORTS

In Spain, the solidarity and selfless spirit of service of the Armed Forces in the face of natural disasters were fully evidenced by the actions of the Military Emergency Unit (Spanish acronym: UME). The UME, set up in October 2005, has participated in all level-2 fires where regional authorities have requested its assistance. In 2010, the UME deployed troops on 14 occasions to fight forest fires, on more than 5 occasions in response to floods and has collaborated in mitigating the damage caused by 7 meteorological phenomena. The UME was also present during the first days following the tragic earthquake in Haiti, with a contingent of 37 in Port-au-Prince.

SPANISH PARTICIPATION IN INTERNATIONAL MISSIONS

The Spanish Armed Forces maintain several contingents abroad on various international missions under the umbrella of the United Nations.

Spain has participated in 54 international peacekeeping operations since 1989, which more than 110,000 troops from the three Services have made possible with their presence on four continents. The risks inherent in these missions are undeniable. Tragic proof of this is the 159 men and women who have died in the line of duty while carrying out their assigned missions.



UME contingent clearing snow in Aranjuez.

Bosnia-Herzegovina – EUFOR Althea

One significant event in 2010 was the completion of the Bosnia-Herzegovina mission. The European Union launched the EUFOR Operation Althea in Bosnia-Herzegovina on 2 December 2004 with the aim of ensuring compliance with the military aspects of the Dayton Agreement. This mission took over from previous operations under the command of the UN (UNPROFOR) and subsequently NATO (IFOR, SFOR) that began in the nineties.

The meeting of the General Affairs and Foreign Relations Council of the Council of the European Union, held in May 2008, decided on the transformation of the mission into a non-executive mission for the evaluation and training of the Bosnian Armed Forces. Spain sent 22 troops to this mission.

Spain made the final withdrawal of its Units within the framework of EUFOR Althea in October 2010 after more than 18 years in Bosnia-Herzegovina.

Lebanon - UNIFIL

In July 2006, Hezbollah perpetrated a cross-border attack on Israel which triggered the crisis known as the Israel-Lebanon crisis. In August of that same year, the UN Security Council issued Resolution 1701 which increased the strength of the United Nations Interim Force in Lebanon (UNIFIL), set up in 1978, to 15,000 troops and expanded the mission's mandate.

Spain was committed to this cause from the outset and, after obtaining the necessary authorisation from Parliament, a Spanish contingent was sent to Lebanon. 31 countries and 11,881 troops are currently taking part in the mission, of which Spain contributes 1,074. For the first time, the UN appointed a Spanish officer, General Alberto Asarta Cuevas as Head of Mission in January 2010. General Asarta had already been head of the Eastern Multinational Brigade of FINUL. In December 2010, his UNIFIL mandate was extended for a further year.

Atalanta - EUNAVFOR

Spain and France have been the principal driving forces behind the launch of a European Union operation in the waters of the Indian Ocean off Somalia to protect ships in the World Food Programme, commercial shipping and the fishing industry from pirates active in the area. Operation Atalanta was deployed at the beginning of 2009 and Spain has taken an active part since then. At the end of 2010, Spain's contribution amounted to 257 troops split between the Navy and the Orion Air Detachment, deployed in nearby Djibouti. At the present time, the Force's Commander is Spanish Admiral, Juan Rodríguez Garat. Despite the difficulties involved in monitoring a geographical area that is equal to three times the size of the Mediterranean, in 2010 the mission has managed to detain double the number of gangs than in 2009, reducing the number of pirate attacks by one third and the number of hostages by one quarter.

To a great extent, this increased efficiency is due to the control and surveillance of the ports used by pirates, which Operation Atalanta started to implement in October 2010 at Spain's suggestion.

Somalia - EUTM

In the same framework of the fight against piracy, Spain supported the mission for the training of Somali security forces that is taking place in Uganda (European Union Training Mission, EUTM-Somalia) with the aim of equipping the Somali Government with the capacity to combat the pirates from a land base. This mission began in May 2010 and its Commander is Spanish Army Colonel, Ricardo Gonzalez Elul. Approximately 140 troops from fourteen European Union countries are taking part, with Spain as the major contributor with 38 troops.

Afganistán - ISAF

The NATO mission in Afghanistan is an operation under Chapter VII of the United Nations Charter and is protected by several Security Council Resolutions, starting with Resolution 1386 of 20 December 2001, and the last being Resolution 1943 of 13 October 2010. More than 130,000 troops from 48 countries are currently participating.

The objective of the international force is to support the Government of Afghanistan with the security forces of its country, collaborating on reconstruction and on the training of Afghan soldiers and police officers.

Photo: Ministry of Defence.



New "González de Clavijo" Provincial Support Base in Qala-i-Naw.

Spanish participation dates back to 2002 when 450 soldiers were deployed in Kabul. In May 2005, Spain assumed new responsibilities in the west of the country, deploying a provincial reconstruction team (PRT) in Qala-i-Naw and another part of the contingent in the Forward Support Base of Herat. From October 2009 to April 2010, Spain was also responsible for control of the International Airport in Kabul.

Spain also contributed with contingent reinforcements to the presidential election processes of 2004, 2005 and 2009. Reinforcements for the permanent contingent of 511 soldiers were approved in February 2010 to provide three Operational Mentor and Liaison Teams (OMLTs), together with teams for protection, logistics support and a reinforcement contingent for the ISAF General Barracks. Authorisation was also provided to send 40 troops to train and instruct members of the Afghan police force.

Spain is also responsible for a Provincial Reconstruction Team in Badghis Province, and the Spanish Agency of International Cooperation works from the provincial capital of Qala-i-Naw on health, education and basic infrastructure projects. This Reconstruction Team has a new base at Qala-i-Naw, the new “González de Clavijo” Provincial Support Base, that was inaugurated on 13 July 2010. These new facilities considerably improve the living, working and security conditions of the troops deployed there.

In addition, Spain participates in the Forward Support Base at Herat, where its forces support the work of various provincial teams in Western Afghanistan.

Photo: Ministry of Defence.



The Hispaniola Group during its vaccination campaign in Haiti

There are currently 1,477 Spanish soldiers and Guardia Civil officers deployed in Afghanistan in Kabul, Herat, Qala-i-Naw and Mazar-i-Shariff as part of an International Security Assistance Force in Afghanistan.

Haití - HISPANIOLA

Spain reacted rapidly to the earthquake in Haiti by sending two Hercules aircraft with medical and humanitarian supplies and a 37-strong rescue unit from the UME. A few days later, Operation HISPANIOLA was launched by sending the ship “Castilla”, with engineers/sappers from the Army aboard, as well as health personnel.

The operation was approved by Parliament on 10 February and lasted for three months. During this period, Spanish troops deployed in the town of Petit Goâve vaccinated more than 20,000 people; they attended over 8,000 patients and 16 babies were born thanks to our health personnel. They also carried out tasks including the removal of rubble, distribution of food and making the supply of fresh water and electricity possible.

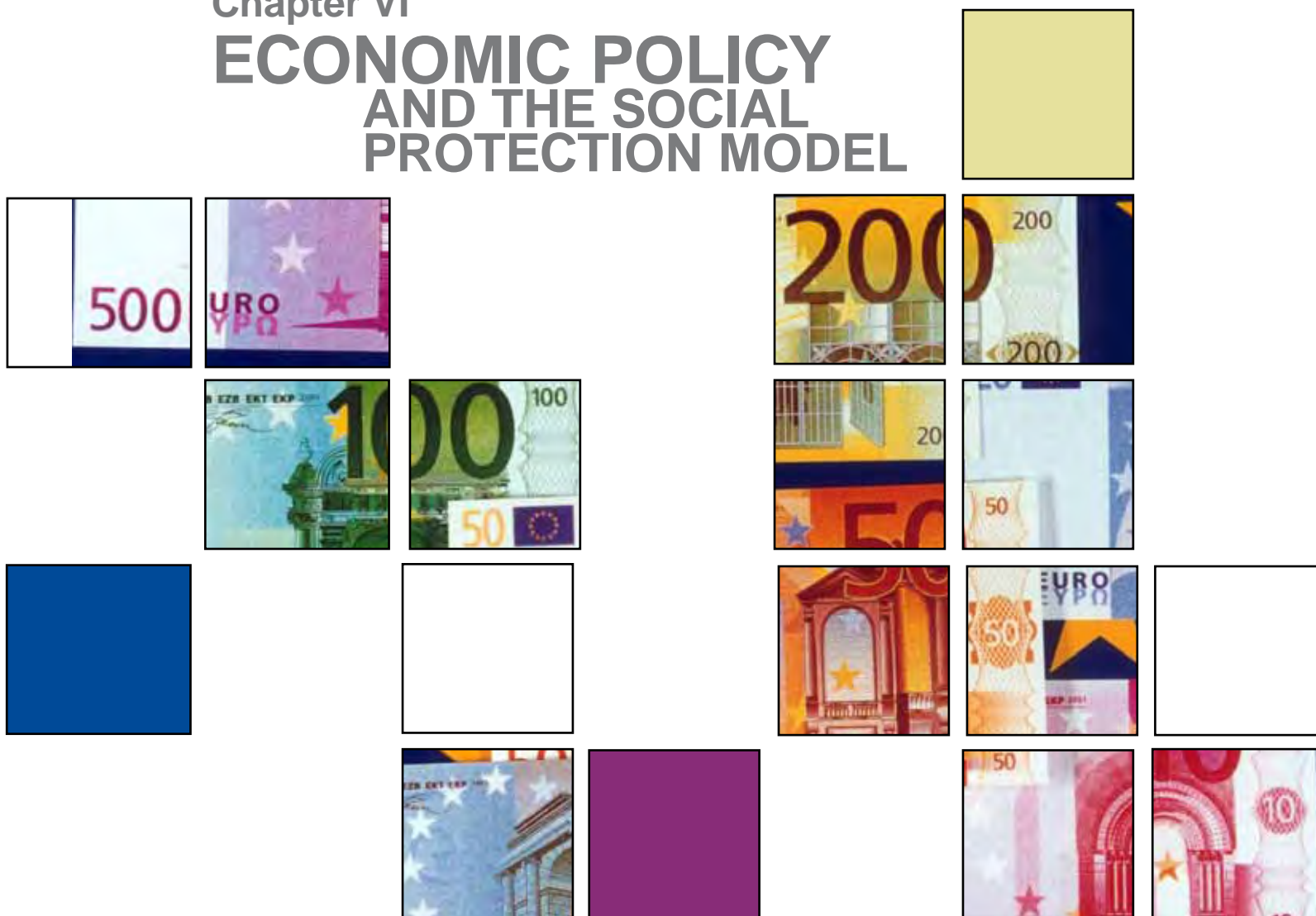
OFFICIAL WEBSITE:

Ministry of Defence: www.mde.es

Spain today
2011

Chapter VI

ECONOMIC POLICY AND THE SOCIAL PROTECTION MODEL



INTRODUCTION TO ECONOMIC POLICY

The years preceding the global economic crisis from which the Spanish economy is slowly emerging were probably the most glorious in the recent history of the country. In fact, Spain recorded 15 consecutive years of growth in the Gross Domestic Product (GDP) and a growth differential in regard to the main Spanish trading partners, the Eurozone, of 1.4% on average per year. Moreover, the population of Spain grew by more than 6 million people – 30% of the population growth for the Eurozone as a whole. All this growth did not drag down convergence of the level of economic wellbeing in Spanish society as per capita income in Spain was higher than the EU27 average in 2002 and 95% of the Eurozone average in 2009, 14% above the level recorded in 1995.

This noteworthy development was accompanied by the generation of certain imbalances due to a certain concentration of resources in the residential construction sector. In fact, investment in housing accounted for approximately 9% of GDP in 1997 and approximately 800,000 new homes were being started per year. This had numerous effects on statistical records regarding the Spanish economy because the production of housing involves a large amount of low-qualified labour (meaning that productivity for the economy as a whole dropped), it requires considerably large volumes of credit (raising the level of debt among the stakeholders) and cannot be sold to the rest of

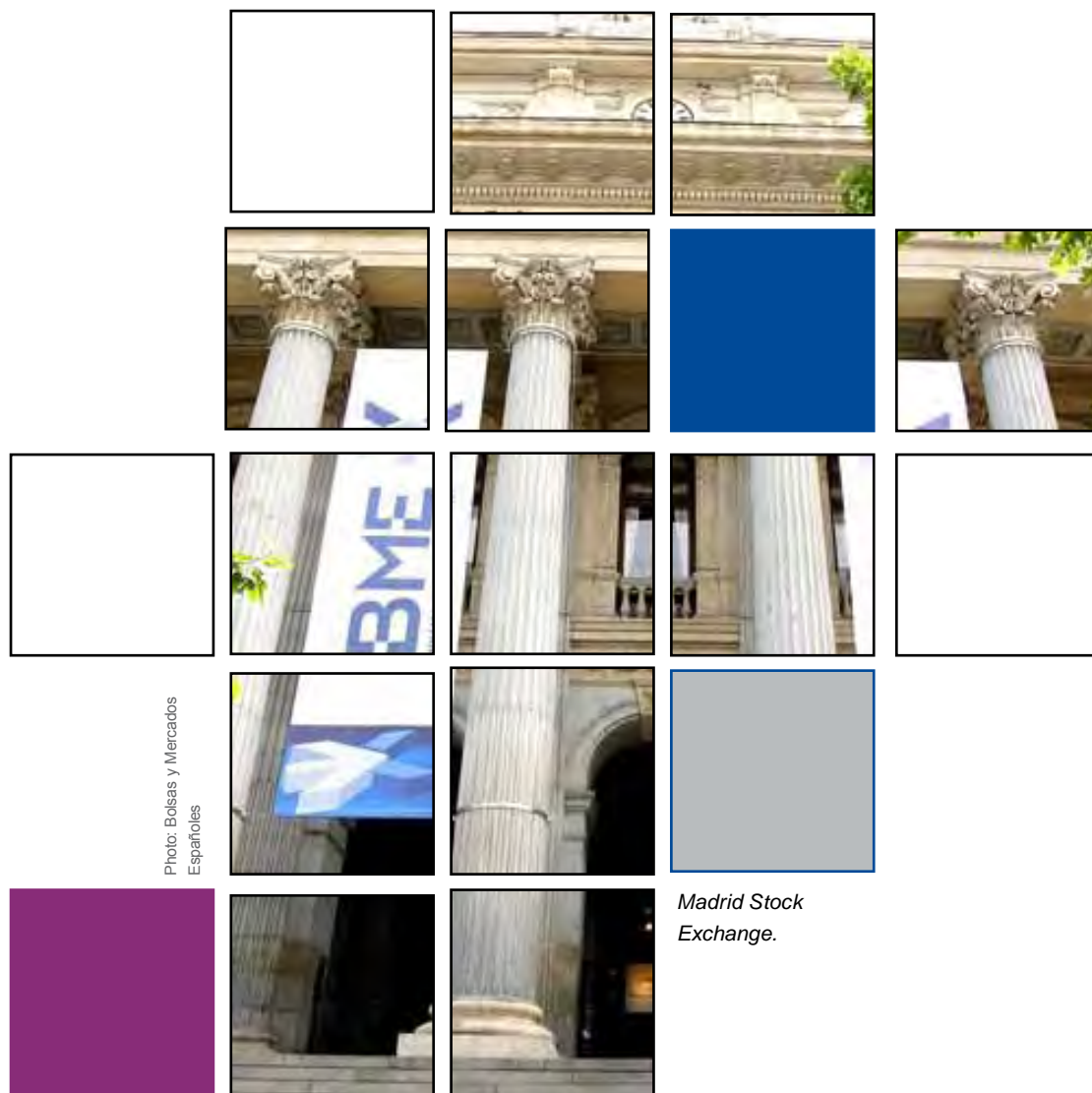
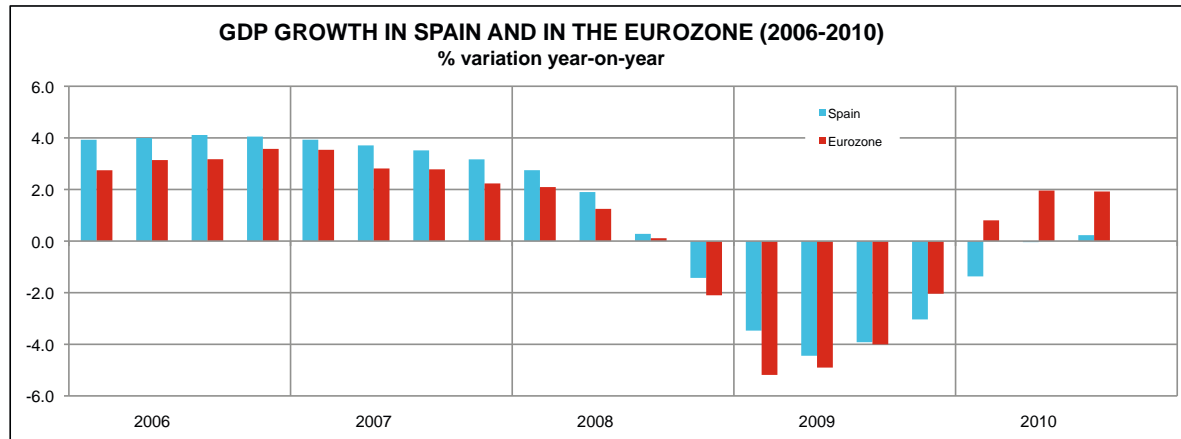


Photo: Bolsas y Mercados
Españoles

Madrid Stock
Exchange.



Source: National Statistics Institute and Eurostat.

the world (causing a significant deficit in the current account balance).

However, it would be too simplistic to think that this entire period of economic growth in Spain was solely based on the residential construction sector. In fact, all other investment exceed 20% of GDP over these years (6% higher than the Eurozone average), which was reflected in a considerable expansion and improvement in all kinds of infrastructures, enabling highly significant capitalisation of the business fabric of the country. These recent years have led to the definitive internationalisation of Spanish business and resulted in the emergence of real multi-national companies that currently lead the world in a variety of sectors that includes finance, telecommunications, energy and infrastructures. The benefits of this policy have been extremely clear during this period of recession as the diversification of markets is enabling

them to offset less favourable results in certain areas with results from other areas whose development is more positive. Furthermore, Spain has considerably increased its share in global markets in terms of the export of non-tourism services. This share now stands at 4%, up from 2% in 1999. It is clear that Spain must find its market niche in these professional services of high added value, which technological advancements have converted into easily interchangeable services around the world.

Over these last few years, the aggregate savings rate in the Spanish economy has not fallen below 20%. This rate is similar to that of other continental European countries and far higher than that of the Anglo-Saxon countries. The performance of the public sector was key to this result and closed three consecutive years with a surplus in the public accounts (2005-2007), which enabled public debt to be reduced to levels of below 40% of the GDP (far below the Eurozone average) and important resources to be set aside in the Reserve Fund of the Social Security (5.5% of the GDP) in order to tackle the impact caused by an aging population on the public accounts with greater guarantees.

As is not the case in some other countries, the crisis in Spain has also affected certain structural issues given the need to reallocate a part of the resources (between 4% and 5% of the GDP), previously allocated to construction, to other more productive types of activity. This means that the policies aimed

GDP PER CAPITA (PPP). UE27=100

	2009
EU (27 countries)	100
Eurozone	109
Belgium	116
Bulgaria ⁽¹⁾	44
Czech Republic	82
Denmark	121
Germany	116
Estonia	64
Ireland	127
Greece	93
Spain	103
France	108
Italy	104
Cyprus	98
Latvia	52
Lithuania	55
Luxembourg	271
Hungary	65
Malta	81
Netherlands	131
Austria	124
Poland	61
Portugal	80
Rumania	46
Slovenia	88
Slovakia	73
Finland	113
Sweden	118
United Kingdom	112
Croatia ⁽¹⁾	64
Macedonia ⁽¹⁾	34
Turkey ⁽¹⁾	47
Iceland	118
Norway	178
Switzerland	144
United States	146
Japan ⁽²⁾	109

(1) Data corresponding to 2008.

(2) Data corresponding to 2007.

Source: Eurostat

at counteracting the crisis require structural reforms to accelerate the adjustments that are already taking place in the economy and that reduce their cost, both social and economic, to the absolute minimum. This is nothing new for the Spanish economy. In fact, structural reforms have been the most common response to crisis situations and experience shows that the Spanish economy has always emerged stronger. This can be seen from the continuing process of convergence taking place in terms of the level of wellbeing in neighbouring countries. The launch of these changes, beyond the initial steps taken under the Stabilisation Plan of 1959, can be traced back to the Moncloa Pacts signed in 1977 by the Government of Adolfo Suárez and the social stakeholders as part of a comprehensive strategy to facilitate the modernisation process in the Spanish economy and help the country emerge from the oil crisis. Subsequently, a response was given to the additional oil price increases seen in the early 1980s and the reorientation of global production by taking the necessary action to join the European Economic Community (EEC) in 1986. This encouraged the Spanish market to open up and stimulated deregulation in search of greater efficiency in the goods, services and factor markets. Furthermore, work began on an important process to reform economic planning, the purpose of which was

to modernise the markets by improving their operation and facilitating their integration into European circuits at first and globally at a later date. The response to the crisis of the 1990s consisted of implementing all the reforms necessary to form part of the European Monetary Union from the moment it was created. This implied significant changes in monetary policy but also in fiscal policy to enable compliance with the requirements for nominal convergence that had been established.

In terms of the European Union, the economic policy of the Member States is coordinated via two instruments: the Stability Programme; and the National Programme of Reforms. The former focuses on aspects more closely related to fiscal policy and the sustainability of public finances, in which public spending associated with the aging population and, therefore, the public pension system play a very important role. The latter is focused on aspects of a more structural nature regarding the functioning of the products and factor markets, including the quantity and quality of physical and human capital. As of 2011 onwards, both these documents will be published at the same time, within the so-called European Semester, as part of a series of initiatives aimed at strengthening the mechanisms for economic supervision at a European level and improving the coordination of economic policies.

THE SPANISH ECONOMY TODAY: RECENT TRENDS AND ECONOMIC STRUCTURE BY SECTOR

From an economic perspective, 2010 for Spain represented a continuation of the correction of the imbalances that had been generated during the years of economic expansion. Investment in real estate property continued to fall at a considerable pace and the stock of unsold properties began to diminish. Support for the Spanish economy from the international financial markets fell to 22% in the first 10 months of the year according to the data shown in the Balance of Payments. In the third quarter of the year, the public deficit dropped by more than 15% in line with previously-made commitments. The deleveraging process among Spanish homes and businesses continued.

This necessary process of adjustment does not come without its costs, which are reflected not only in the fact that the economy did not grow at all during the entire year but also in the continued loss of jobs and increased unemployment rate, which in some quarters exceeded 20% of the active population. Without a doubt, the re-absorption of these jobless people must by the fundamental objective of today's economic policy.

From the point of view of stakeholder expenditure, private domestic consumption increased somewhat after a sharp decline in the previous year (-4.3%). This performance was a reflection of increased confidence among stakeholders, slightly less strict

credit conditions, a timid advance of financial wealth and fewer job losses. On the other hand, it is expected for public consumption to fall over the course of the year as a reflection of the fiscal austerity measures implemented by the Government. Investment also contracted this year but as a result of very different performances per component. While investment in construction fell sharply, investment in capital goods grew in 2010. This would suggest that corporate decisions regarding production capacity are benefitting from the improved conditions in demand, above all foreign demand, that is usually to be found in the most dynamic sectors with the least strict credit conditions. In the case of the construction sector, the steadily slower decline in investment in property was offset by a drop in public investment, which is another fundamental part of the strategy to consolidate the public accounts. The importance of this decline in property investment can clearly be seen when considering that, excluding this sector, GDP would have grown by more than 1% in 2010.

However, the export sector was where the best performance was recorded. The sale of goods abroad began to recover at the end of 2009 and recorded double-digit growth in 2010. The export of services was initially weak but tourism regained ground with a vengeance once the summer months arrived. There

*Rural environment*

is no question that a recovery in the international markets played an important role in this process but the improved competitiveness of the Spanish economy also had its effects, where unitary labour costs fell by more than 1%. Tourism clearly reflects this recovery process in terms of competitiveness, with price reductions of close on 5%. The good performance from exports enabled the recovery of imports to be offset with ease, leading to the contribution from net foreign demand to once again close in positive territory

for the third consecutive year. In fact, only the energy component added to the deficit in the balance of goods whereas all other goods produced a very significant adjustment. As regards the balance of services, the results were more positive; the traditional tourism surplus increased and all other services turned last year's deficit into a surplus this year.

Per economic sector, both industry and market services began to record year-on-year growth as of the second quarter of 2010. Despite that, this growth was still insufficient to generate increased employment on the previous year.

THE AGRI-FOOD SECTOR

Agriculture in Spain is a strategic sector of great social, regional, environmental and economic importance.

It should be realised that over half the land in Spain is directly occupied by agriculture (38% of the country is cropland and 14% meadows and pasture).

The agri-food sector is one of the strongest driving forces of the Spanish economy. Production from farming maintains an upward trend and now stands at a figure in excess of 42,500 million euros.

The Spanish agri-food industry is the leading industrial sector in the country (employing approximately 500,000 people and sales that account for 17% of all industrial revenue).



Fishing fleet.

It should also be added that the exporting agri-food sector generates a consistently positive trade balance. Agriculture will be discussed in further detail in Chapter XI.

THE INTERNATIONAL FISHING TRADE

Spain is one of the world's major fish consumers, with consumption per capita currently standing at 36.5 kg per year – double that of the EU average (15 kg/year).

Domestic production is therefore unable to satisfy market demand and Spain is forced to import a large percentage of the fish it consumes. Spain is one of the top ten countries in terms of fish product sales in international trade.

In 2009, annual fish imports amounted to 1,578,474 tonnes and were valued at 4,264 million euros, with 31% originating from the EU.

Exports amounted to 1,045,909 tonnes and were valued at 2,239 million euros, with 78% of the value and 64% of the volume destined for non-EU countries.

THE INDUSTRIAL SECTOR

Industry enjoyed a significant boost in exports this year. On the other hand, those industrial sectors most closely linked to residential construction (cement and other construction materials, furniture and household goods, etc.) continued to record a significant decline in activity and employment. Added value in 2009 amounted to 121,000 million euros and the total number of jobs stood at 2.4 million.

Since 2000, this sector has experienced ever-growing levels of productivity, a trend that was halted in 2009 and the first nine months of 2010 due to the steep decline in the industrial GVA.

An analysis of the industrial business structure by company size (number of employees) reveals that, in 2008, companies with more than 1,000 employees

Photo: EFE Agency



Goods being unloaded at a sea port.

generated 30.1% of the sector's total turnover. If we include all companies with over 100 employees, this figure jumps to 65.4%.

By sector, the main contributor to industry revenues was the food, beverages and tobacco sector, which accounted for 16.1% of total sector revenue, followed by metallurgy and the manufacture of metal products (13.2%) and transport material (11.6%).

Production (IIP) in high-technology sectors grew by 5.7% between January and September 2010 after falling by -9.8% in 2009.

These, together with the medium-high-technology sectors, account for 31.5% of the manufacturing industry in terms of added value and are noted for their high levels of productivity.

Eolic energy



Photo: European Parliament.



Photovoltaic power plant.

THE MARKET SERVICES SECTOR

As regards the market services sector, those activities most closely linked to other companies and tourism were the ones to have performed best. On the other hand, real estate development and, to a certain extent, financial services continued their adjustment process. This is the sector with the heaviest weighting in the Spanish economy, with added value in 2009 of 540,200 million euros and employing 8.9 million people.

THE NON-MARKET SERVICES SECTOR

Finally, the non-market services sector (closely linked to the activity carried out by the public authorities), recorded very slight decreasing growth in 2010. This sector was also affected by the budgetary adjustment process. In 2009, 3.5 million people were employed in this sector.

THE CONSTRUCTION SECTOR

Activity in the construction sector continued to fall sharply (close to -7%) and job losses were significant (over 10%). As a result, its weighting in the GDP could have stood at close to 8% at the end of 2010, with employment at 9%. This process of adjustment will continue in 2011 because, although investment in property may stop falling towards the end of the year, investment in infrastructures will drop as a result of public investment trends. The added value for this sector in 2009 stood at 105,500 million euros, with employment standing at 1.8 million people.

THE ENERGY SECTOR

The primary energy sector in Spain produced 29,972 KTOE (kilo-tonnes of oil equivalent) in 2009. In terms of energy sources, most primary energy produced in 2009 came from nuclear energy (54.5%), followed at a distance by renewable energy sources (21.1%), coal (15%) and hydraulic energy (9%). Oil and natural gas combined accounted for less than 1%.

THE TRANSPORT SYSTEM IN SPAIN

The impressive growth of the Spanish transport system is one of the factors responsible for the tremendous economic and social leap that Spain has made in recent decades. There is no doubt that Spanish society's progress has gone hand-in-hand with the development of communications, which in turn have served to unite the regions of Spain and improve quality of life.

In terms of transport infrastructures, Spain is now one of the world's most modern nations: it has one of the most important high-capacity railway networks in Europe; it is among the countries with the most kilometres of high-speed railway tracks; and Spanish companies are also global leaders in the infrastructures sector.

After decades of hard work, Spain can now proudly affirm that the historical ambition of putting itself on a par with the world's most developed nations has been fulfilled beyond its expectations. In the future, the transport system still has an important role to play in the process of economic recovery and modernisation, leading Spain towards greater economic, social and environmental sustainability.

THE 2005-2020 STRATEGIC INFRASTRUCTURES AND TRANSPORT PLAN (SPANISH ACRONYM: PEIT)

Within this process of national modernisation, the PEIT is the planning tool responsible for guiding the development of the transport system in Spain. This plan establishes the priorities for achieving an integrated, intermodal transport system that will help the country make the transition to cleaner forms of transportation.

Spain aspires to create a transport system that maximises the efficiency of economic exchanges, thereby increasing the buoyancy of its markets and the competitiveness of its companies. This system must also fuel social and regional cohesion and focus on the needs of citizens – in other words, focus on improving comfort and safety; it should be sensitive to the users' growing demand for quality services.

To achieve these goals, the PEIT forecasts investments of 248,892 million euros; the largest investment in infrastructures and transport in the history of Spain. This represents an average annual investment of more than 15,500 million euros and average investment of around 1.5% of the GDP throughout the effective term of the plan.



Spanish High-Speed Train.

The government is already well on its way to achieving this goal; since the PEIT was approved, the national budgets from 2005 to 2008 have set aside an average of 16,340 million euros for investments in transport infrastructures. In 2009, an investment of 19,264 million euros was made, which represents an effort equal to 1.8% of GDP.

In 2010 and despite the fiscal adjustments needed to guarantee the stability of the public accounts, the investment effort in transport infrastructures has been maintained.

THE EXTRAORDINARY INFRASTRUCTURES PLAN (SPANISH ACRONYM: PEI)

In order to strengthen investment within a context of economic crisis, create jobs and accelerate the drive towards modernisation represented by this kind of infrastructures for the development of Spain, efforts are being made to support extra-budgetary financing.

The Extraordinary Infrastructures Plan (PEI) represents public-private collaboration as an opportunity to strengthen investment in transport infrastructures. The aim of the plan is to develop projects, by mobilising approximately 17,000 million euros that will enable average investment between 2009 and 2012 to be maintained at a similar level to that of the four-year period from 2005 to 2008.

THE RAILWAY NETWORK

The railway is the cornerstone of the strategy being implemented by the Ministry of Public Works to develop the intermodal system of passenger and freight transport, given that it is one of the cleanest and most sustainable transport methods.

The railway network in service at 31 December 2008 consisted of 15,476 kilometres of track. Over the past five years, 38,033 million euros have been invested to improve and promote rail transport in Spain – in other words, 52% of the total amount that the government has invested to improve transport infrastructures throughout the country.

Photo: The Royal Household of HM the King – Borja fotografos



Their Royal Highnesses the Prince and Princess of Asturias, accompanied by the President of the Lower House of Parliament, José Bono, and the Minister for Public Works, José Blanco, at the official opening of the Madrid-Cuenca-Albacete High-Speed Railway Line.

In 2011, annual investment in the railway network will amount to over 7,000 million euros (7,572 million euros to be exact), 59% of total investment planned by the Ministry of Public Works in 2011 and thus embodying the sustainability policy in terms of transport. This investment is aimed at completely transforming the Spanish transport system. The Madrid-Valencia/Albacete service was launched in 2010, thus adding

438 kilometres to the Spanish high-speed railway network and making Spain the country with the most high-speed railway kilometres in Europe.

Thanks to the efforts in High-Speed Rail, of which 2.044 km correspond to the international gauge high-speed lines that criss-cross mainland Spain:

- Madrid - Ciudad Real - Cordoba - Seville/Málaga Line

- Madrid - Guadalajara - Zaragoza (Huesca) Lleida -Tarragona – Barcelona Line
- Madrid - Toledo Line
- Madrid - Segovia - Valladolid Line
- Madrid - Cuenca - Valencia/Albacete Line

The PEIT defines an ambitious High-Capacity Network with 10,000 km of track, offering equal coverage nationwide. This is ten times the length of this type of network that existed in 2005. After the Plan has been executed, 90% of the population will be within less than 50 km of a high-speed railway station and all the provincial capitals will have access to this service, with the High-Capacity Network in service in 2010 spanning a distance of 2,665 km.

The High-Capacity Network comprises high-speed lines, as required by the European Directive permitting mixed passenger and freight traffic on most sections. In this regard, the PEIT represents a clear commitment to mixed passenger and freight traffic because it presents a dual opportunity:

- It extends the benefits of the conversion to UIC gauge to freight and not just passenger transport in Spain.
- It allows substantial investments in high-speed railway systems to be used for freight transport and for other conventional passenger traffic.

In terms of the conventional railway network, the PEIT focuses on achieving interoperability of the Spanish network with the European network through gradual,

rational and orderly conversion to the UIC gauge and implementation of the ERTMS signalling system.

Although safety levels in rail transport are better than those in other means of transport, safety improvements are also a priority objective and special attention has been paid to block safety systems and to eliminating level crossings or increasing the level of their safety. This commitment to the rail network is already starting to bear fruit in terms of modal transfer in inter-city travel. In 2008, one year after the high-speed lines to Barcelona, Malaga and Valladolid were opened, long-distance rail travel had grown by 24% and demand for rail travel now equals that of air travel on the Madrid-Barcelona route.

We must remember that high-speed trains are not just an improvement in terms of reduced travel time, comfort and safety – this mode of transportation is also one of the cleanest, producing six times less CO2 emissions than an automobile.

The Spanish Government is also focusing its attention on rail service in urban and metropolitan areas by promoting the use of suburban commuter trains. Spain already boasts 2,138 km of commuter rail lines and one and a half million passengers use these services each day. The introduction of the Suburban Commuter Train Plans for Madrid, Barcelona and the Region of Valencia will require a joint investment of 12,000 million euros over the coming years, and work is already underway on a Suburban Commuter Train Plan for Seville. The commuter train plans of Madrid

and Barcelona alone will reduce CO₂ emissions by nearly 1,000,000 tonnes every year.

The amount of freight haulage by rail has been in decline for many years due to a lack of infrastructures and suitable management, meaning that it lost market share to other means of transportation; mainly the roads. The growing interest in intermodal transport to reduce costs and the new European policies have boosted the initiatives favouring freight transport by rail. In order to transfer freight traffic to the railway network, a specific plan has been designed: the Strategic Plan to Foster Freight Transportation by Rail in Spain (Spanish acronym: PEITFM).

This plan is aimed at increasing the market share from 4.1% to 10% by 2020. In order to achieve that, various actions have been defined:

- Promote inter-modality
- Promote cooperation between public authorities
- Deregulate the market
- Increase the quality and reliability of the service
- Define an efficient and integrated network

ROADS

In 2005, the structural road system in Spain's mainland territory consisted of almost 25,000 kilometres forming the State Highways Network, of which almost 8,700 km (around 35%) were motorways (6,698 km) and toll roads (1,951 km).

Work continues on creating high-capacity infrastructures managed by the central government. To this end, a High-Capacity Network of toll roads and motorways has been designed that will increase the existing 8,700 km of roads to more than 15,000 km and in turn correct the current radial layout to form a grid system.

By the end of 2008, the State Highways Network consisted of 25,390 km of roads, of which 10,759 km (42.4%) are motorways (7,633 km), toll roads (2,493 km) and dual carriageways (734 km) corresponding to the high-capacity network managed by the central government. In addition, the 3,339 km of roads forming part of the high-capacity network managed by the autonomous regions should also be regarded as part of this structural road network on the mainland.

In the last five years, 2,300 km of new motorways and toll roads have been opened, and another 1,600 are currently under construction and will therefore be ready for use within three years. Consequently, the road network will have increased from 8,000 km in 2004 to approximately 12,000 km in 2012. In 2010, more than 400 km of new high-capacity roads have opened and work continued on almost 2,000 km of motorways. The goal is for 94% of the population to live within 30 km of a high-capacity road and for the high-capacity road network to provide direct access to every provincial capital.

SEAPORTS AND MARITIME TRANSPORT

The actions envisaged regarding maritime transport and seaports are aimed at achieving the following priority objectives:

- Strengthen the role of seaports as hubs for the inter-modal transport system.
- Encourage the transport of freight by sea, in particular by promoting inter-modality with land transport and the development of high-quality international connections: sea highways.
- Safer and more environmentally-friendly sea transport.

In this regard, it is important to highlight that seaport capacity has increased by 75% over a period of 15 years through actions for:

- Increasing berth lengths by one third
- Increasing land surface areas by 56%
- Increasing protected waters by 17%

In 2010, investments in the state-owned port system amounted to 1,587 million euros, which was the largest investment effort in this area ever made by Spain. Another cornerstone objective is to reinforce national and European short-distance sea transport and to develop sea highways with a view to promoting inter-modal alternatives to road freight transport, thus helping to reduce congestion and environmental impact.

In 2009, the project for marine highways on the Atlantic seaboard was defined, and new routes were established between the ports of Vigo and Nantes-Saint Nazaire and between Gijón and Le Havre. The Gijón-Nantes sea highway was opened in 2010 and efforts are being made to open the Vigo-Le Havre sea highway in the near future.

As regards the Mediterranean coast, a protocol was signed with the Italian Government in 2009 to create sea highways between Spain and Italy for ports on the Mediterranean coast.

AIRPORTS AND AIR TRANSPORT

The Public Corporate Entity called *Aeropuertos Españoles y Navegación Aérea* (AENA) [Spanish Airports and Air Navigation] is currently one of the main driving forces behind Spain's integration into a globalised economy and plays a key role in the strategic consolidation of air transport infrastructures in Spain. It is responsible for helping to improve these infrastructures through an intensive programme of investments.

The main objectives are as follows: to improve the effectiveness of the air transport system; to enhance social and regional cohesion; to promote sustainability and foster economic development and competitiveness.

Bearing in mind that Spain is the second largest tourism destination in the world in terms of revenue,

Photo: EFE Agency



Spanish airport.

it is also important to note that four out of every five international tourists entering and exiting Spain do so via its airports.

The network of airports managed by AENA currently comprises 48 airports, two heliports and five Regional Directorates of Air Navigation with regional coverage that could be considered as extensive. There are also 3 airports in Spain developed and operated by private developers: Ciudad Real Central (in operation), and Murcia and Castellón (under construction). Furthermore, the autonomous regions are beginning to develop projects for new airports to be managed by the region in question, such as the Alguaire Airport in Lleida that entered service in 2010. There are 83 smaller airfields (for ultra-light and light aircraft) and 47 private heliports, as well as various flying clubs, flight schools and training centres for the various forms of aeronautical teaching.

Air transport has made significant strides in Spain in recent years. In 2003, the number of passengers using Spanish airports was 154 million; in 2009, just six years later, this number had increased by 33 million to a total of 187 million passengers. This represents a 21.6% increase despite the drop in overall traffic during 2008 and 2009. Passenger traffic in Spain has returned to growth over the course of 2010.

This significant growth has called for large investments and the continuous adaptation of airport and air navigation infrastructures in order to provide the services with the best possible levels of safety and quality. Between

Spanish Airports AENA 2009	Total Passengers
Madrid-Barajas Airport	48,437,147
Barcelona Airport	27,421,682
Palma de Mallorca Airport	21,203,041
Malaga Airport	11,622,429
Gran Canaria Airport	9,155,665
Alicante Airport	9,139,479
Tenerife Sur Airport	7,108,055
Gerona Airport	5,286,970
Valencia Airport	4,748,997
Lanzarote Airport	4,701,669
Ibiza Airport	4,572,819
Tenerife Norte Airport	4,054,147
Seville Airport	4,051,392
Fuerteventura Airport	3,738,492
Bilbao Airport	3,654,957
Menorca Airport	2,433,666
Santiago de Compostela Airport	1,944,068
Reus Airport	1,706,615
Murcia-San Javier Airport	1,630,684
Asturias Airport	1,316,212
Granada-Jaen Airport	1,187,813
Vigo Airport	1,103,285
Jerez de la Frontera Airport	1,079,616
La Coruña Airport	1,068,823
La Palma Airport	1,043,274
Santander-Parayas Airport	958,157
Almeria Airport	791,837
Zaragoza Airport	528,313
Valladolid Airport	365,720
Pamplona Airport	335,612
San Sebastian Airport	315,294
Melilla Airport	293,695
El Hierro Airport	183,891

Source: AENA

DEVELOPMENT OF PASSENGER TRAFFIC IN SPAIN

	Domestic		International		Other Traffic (1)	Total
Year	Total	EU	Non-EU	Total	Total	
2003	62,928,063	80,187,185	8,860,255	89,047,440	1,850,840	153,826,343
2004	68,509,068	83,999,680	11,594,156	95,593,835	2,043,295	166,146,198
2005	76,392,077	89,752,654	13,149,818	102,902,472	1,983,192	181,277,741
2006	81,529,720	94,651,638	15,255,514	109,907,152	2,116,306	193,553,178
2007	89,047,025	103,069,943	16,429,339	119,499,282	1,811,652	210,357,959
2008	82,164,854	—	18,729,198	120,095,139	—	203,793,594

Source: AENA

2004 and 2009, AENA invested a total of 11,293 million euros (an average of 1,882 million euros per year) in the airport network it manages. This investment has been made primarily to satisfy the needs of customers and users in terms of quality and safety, together with the modernisation of the airport infrastructures and services in a manner that favours economic efficiency, respect for the environment and sustainable growth.

These investment initiatives include each and every one of the 48 airports (and the two afore-mentioned heliports) in the network, as well as the air navigation system. Some of the most important are:

- Expanding the Madrid-Barajas airport (completed in February 2006) and the Barcelona-El Prat airport (whose new T-1 Terminal opened in June 2009) to consolidate

their status as major European hubs. The expansion work has doubled the capacity of both airports.

- Promoting the airports at major tourist destinations, such as Alicante, Valencia, the Balearic and Canary Islands and Malaga. The new section of the airport in Malaga was opened in 2010.

- Modernising and outfitting all airports in the network, most notably the new terminal buildings at Albacete, Reus and Salamanca, and the remodelling work on the terminal buildings of the Federico García Lorca Granada-Jaen, Zaragoza, Melilla, Valladolid, Murcia-San Javier and Santander airports.

- Improving security in airline operating capacity, with the commissioning of 27 ILS navigation systems, 13 of which are new.

- Integrating the air navigation systems in the Single European Sky initiative.

The investment budget for 2010, which increased to 1,868 million euros, has enabled continued improvements to the infrastructures of the AENA network airports at a strategic juncture for the airline industry, preparing them to handle the constantly growing volume of air traffic. An indication of the importance of Spanish airports is the fact that six of them (Barajas, El Prat, Palma de Mallorca, Malaga, Gran Canaria and Alicante) are among the top thirty European airports in terms of traffic volume. The first of these, Madrid-Barajas Airport, was ranked fourth in Europe in 2009, and Barcelona-El Prat was ninth.

SPANISH TOURISM POLICY

THE CURRENT SITUATION OF TOURISM IN SPAIN

In 2009, Spain received 52.2 million international tourists, representing a decline of 8.7% on the previous year. The majority of the tourists who visit Spain (92.2% of the total) come from other European countries. The three main emitting markets are the United Kingdom (with 13.3 million visitors with a drop in the number of arrivals of 15.5%); Germany, 8.9 million visitors (-11.3%) and France, 7.9 million visitors (-2.95%). These three countries account for 57.75% of all arriving tourists. As regards non-European tourists, the United States remains the leader with growth of 1.2%.

Total tourist expenditure by international tourists in 2009 amounted to 48,242 million euros, 6.7% less than the previous year. Average spending per person rose by 2.2% (926 euros) while average daily spending grew 0.3% (96 euros).

The number of trips made by residents in Spain during 2009 amounted to 171.7 million, a slight decline of 0.3%.

In 2009, the balance of payments regarding tourism and holidays presented a surplus of 26,000 million euros. This represents a rate of coverage for the trade deficit of 57.7%.

The importance of tourism activity on employment is reflected by the fact that, in 2009, 11.3% of the working

population had a tourism-related job. According to the data provided by the 2009 Active Population Survey, this represented 2.14 million jobs and, in year-on year terms, an increase of 2.3%.

In the first nine months of 2010, the trend being followed by tourism began to show certain changes. These changes were reflected in positive effects on the main indicators. Both the number of arriving tourists and the volume of tourist expenditure increased for five consecutive months. Between January and September, more than 40 million tourists visited Spain (0.8% more than in the same period of 2009) and spent a total of 39,000 million euros (up 2%).

This same trend was seen in tourism revenue within the balance of payments for said period, recording growth of 3.3% on 2009 (to 31,128.3 million euros) and a rate of coverage for the trade deficit of 62.3%.

As regards employment, the rate of unemployment in the tourism sector stood at 13.3% while the rate of unemployment in the overall economy stood at 19.8%, according to the Active Population Survey (EPA) for the third quarter.

The number of people employed in the tourism sector amounts to 2,197 million, 11.8% of the entire working population in the Spanish economy. Contributions to the Social Security System recorded consistent growth from March with the highest year-on-year rate seen in July (+2.2%).

Photo: EFE Agency



Tourists outside the El Prado National Museum.

OBJECTIVES OF THE TOURISM POLICY

The Council of Ministers approved the Horizon 2020 Spanish Tourism Plan in November 2007. This plan, which aims to make the Spanish tourism industry more competitive and sustainable while ensuring the highest possible degree of social wellbeing, is destined to become a milestone in Spanish tourism policy after its approval by all regional authorities and the tourism industry itself, represented by the Spanish Tourism Council and the Sectoral Tourism Conference.

Horizon Tourism 2020, thus based on the principle of shared leadership, establishes a strategic long-term working framework to successfully overcome the challenges faced by the Spanish tourism system. The plan's objectives and strategies place it within the context of the Lisbon Strategy, in what has come to be called a new tourism economy where special emphasis is placed on creating value for the customer and on the model's sustainability in a competitive environment.

A Single-Issue Council of Ministers on Tourism was held in July 2009 and attended by 14 Ministries, at which a series of measures was approved to a value of 1,000 million euros.

Furthermore, during the six-month period Spanish Presidency of the European Union, Spain called the first EU meeting on tourism since the Lisbon Treaty, which includes tourism among its various topics for the very first time. The "Madrid Declaration" was approved by the EU Tourism Ministers at this meeting. This document contains special mention of environmental, cultural and economic sustainability for tourism through coordinated EU action among its Member States and the rest of the international community. The Conference of Tourism Managers and Experts, jointly organised by the State Secretariat of Tourism and the European Commission, had been held previously.

The Euro-Mediterranean Conference of Tourism Ministers, held by the 27 Member States of the EU, the Southern Partners and the Arab League, the



His Majesty King Juan Carlos of Spain during his speech at the opening ceremony of the 30th edition of FITUR.

meeting of EU and Ibero-American Tourism Ministers and the 1st European Gastronomy and Tourism Conference were also forums for debate that led to the First European Union Statement on Tourism, which concluded the Spanish EU Presidency and contemplates the incorporation of tourism in EU financial policies and instruments and the creation of the “European Framework” in terms of tourism.

The Spanish Government’s commitment to the sustainability of Spanish tourism destinations has been complemented by a strong injection of liquidity into the sector aimed at financing projects to bring added value to local destinations and tourism companies through the State Financing Fund for the Modernisation of Tourism Infrastructures (FOMIT) and the ICO credit lines for the renovation of tourism infrastructures.

In just two years, the Renove Turismo and FuturE 2009 and 2010 credit lines have made 1,900 million euros available to the sector. In turn, this has led to induced investment of close to 3,600 million euros in almost 7,000 projects. As regards employment, it is estimated that these efforts have led to the creation of 77,000 jobs over these two years.

The Government of Spain has implemented various measures to help support recovery in the sector. These measures have been designed around three main strategic areas: knowledge, innovation and new technologies; a new marketing strategy; and environmental sustainability.

In terms of knowledge, particular mention should be made of the numerous initiatives implemented to provide more and better knowledge and making it available to companies and destinations so they can make the best decisions regarding their product and market strategies. Furthermore, the Government has made significant investments in terms of sustainability, focusing on the implementation of large-scale projects to bring renewed value to tourism destinations.

Spain has moved away from offering basic and standardised products in the traditional markets to designing specialised products aimed at competing globally to attract new consumers; a demanding, multi-vocational tourist who is highly-involved in the world of new technology and more conscientious about preserving the environment.

THE POLICY FOR PROMOTING TOURISM ABROAD

TURESPAÑA is the independent body of the Spanish Government entrusted with promoting Spain as a tourist destination in international markets. It has a network of 33 Spanish Tourist Offices around the globe, with recently-opened new offices in Asia: Tokyo, Singapore, Beijing, Bombay and Canton. This market is in a key position for the promotion of tourism: investment in the promotion of Spain in China grew by 70% in 2010 on 2009 and now accounts for 11% of the total.

Photo: Spanish Tourism Institute



"I need Spain" campaign

The main lines of action being followed by the Spanish Tourism Institute in recent years include a large amount of public-private collaboration, which has been reflected by the signing of numerous joint marketing agreements with both the autonomous regions and tourism companies.

Between 2009 and the end of 2010, 440 joint marketing agreements were signed with autonomous regions and the private sector, which led to more than 40 million euros being added to the Turespaña budget. In total, 108.9 million euros have

been invested, 68 million of which were provided by Turespaña, 21.5 million by regional and local authorities and 19.4 million by the private sector.

The new marketing strategy was launched in March, implemented by Turespaña under the "I need Spain" slogan. This strategy aims to consolidate the Spanish leadership in the holiday tourism sector, position Spain as a first-class cultural tourism destination and diversify the tourism demand in terms of de-seasonalisation, geographic demand and product demand.

The image of Spain will be shown in more than 40 countries with a target audience of 400 million people around the world. The project is based on the Spanish lifestyle.

Innovative creativity has been produced for the project that, far from the traditional image of sunshine and sand, is capable of conveying the diverse range of experiences on offer from Spain. This new strategy is based on a global communication system that comprises all types of support, both conventional and online, with a very clear focus on the end consumer in which direct marketing actions and positioning on the main social networks play a highly important role.

Thanks to the success of the “I need Spain” campaign, the ‘Spain’ brand is now among the most spontaneously recognised in all the European markets. In such consolidated markets as the United Kingdom, France, Germany and Italy, the results have generated the highest rates of spontaneous advertising recognition in the last two seasons, leading to a high motivation index to visit Spain; the true objective of the campaign. In the main European markets, the desire to visit Spain among those who saw the campaign varies between 67% in the United Kingdom to 93% in Italy. In other markets, such as Russia and Japan, that percentage is over 90% and stands at 98% in China.

To this must be added the special campaign launched following Spain’s victory at the Football World Cup, which led to specific advertisements containing congratulations to the Spanish team in various widely-distributed media around the world. In total, 14 million copies of the written press, 13.8 million online users reached and 105,000 Facebook fans in only one week.

This action forms part of the new sports marketing strategy being implemented to promote Spain with several of the greatest icons from Spanish sport, such as the Spanish Football Team, the Spanish Basketball Team, the Spanish MotoGP riders and the Spanish footballers playing for Liverpool FC, among others.

Another important achievement is the improved quality of the information and promotional appeal of the www.spain.info website with the launch of the new comprehensive system of tourism information on Spain. This new project, known as V2, aims to introduce the tools that will make it possible to radically transform how Spanish tourism is advertised online in two major ways:

- to promote Spain on websites where tourism is discussed; and
- to create separate online products that adapt to the current needs of users.



Computers and the Internet.

THE SITUATION OF THE INFORMATION SOCIETY IN SPAIN

In 2010, despite the economic crisis and its effects on the real economy, trends in the main indicators related to the Information Society in Spain have been positive in general terms.

As regards Internet use by the public, there has been a positive trend in all indicators:

- 5.1% increase in the number of households with Internet access, from 54% in 2009 to 59.1% in 2010;
- The number of households with broadband Internet access rose by 6.1%, from 51.3% in 2009 to 57.4% in 2010 (an increase that can also be seen when looking at the number of broadband lines per 100 inhabitants, which rose by 1.4% from 20% in 2009 to 21.4% in 2010);
- 4.8% increase in the number of regular Internet users, from 53.6% of the population in 2009 to 58.4% in 2010.

En el apartado relativo al uso de Internet por parte de las empresas, la evolución de todos los indicadores también ha sido positiva:

There was also a positive trend in all indicators in terms of Internet use by companies:

- 1% increase in the number of SMEs of 10 or more employees with Internet access, from 96.2% in 2009 to 97.2% in 2010;

- This increase rises to 1.7% when looking at broadband Internet access, from 93.8% in 2009 to 95.6% in 2010;

- The Internet presence of SMEs has also improved, rising by 5.4% from 56.7% of SMEs with 10 or more employees with a website to 62.1% in 2010;

- 3.8% increase in the number of SMEs with 10 or more employees that purchase items via the Internet, from 20.3% in 2009 to 24.1% in 2010.

The Internet presence of the Spanish public authorities and Internet use by the Spanish public and businesses to interact with the authorities has also developed positively over the course of this year. e-Government in Spain has made significant progress and there are now more than 20 million citizens with an electronic DNI card.

In this regard, it is worth highlighting the important progress made in terms of online services from the General State Administration Services, which now offers nearly all its services in an online form (98% of administrative procedures can now be initiated via the Internet).

This greater offer of public services on the Internet has been accompanied by greater use of these services:

- In terms of the public, there has been a 2.3% increase in the number of citizens who use the Internet to obtain



New technologies

information from the public authorities, from 27.5% in 2009 to 29.8% in 2010 (this increase rises to 2.9% among those people who use the Internet to submit completed forms, from 8.5% in 2009 to 11.4% in 2010);

- In terms of businesses, there has been a 2% increase in the use of the Internet to obtain information from the public authorities (from 60% in 2009 to 62% in 2010) and a 3.9% increase in the number of businesses that use the Internet to submit completed forms (from 46.4% to 50.3%).

The basic infrastructures that comprise the core elements of the Information Society, such as the broadband network and third-generation mobile telephony, have continued to develop positively: broadband coverage in Spain now stands at 99% and 3G coverage at the end of 2009 stood at 91.4% of the population according to the latest annual report from the CMT.

PLAN OF TRANSITION TO DTT

In Spain, the process of closing down analogue television broadcasts and the transition to DTT (Digital Terrestrial Television) was concluded on 2 April 2010. The process was carried out within the scheduled timeline and with no major incidents to report, despite the considerable complexity and scope of the work involved.

DTT enables the number of television channels to be increased substantially, whilst also improving their image and sound quality, as well as enabling new interactive services to be launched.

In only five years, Spain has achieved wider digital coverage than its analogue predecessor and has also established the *de facto* universal nature of free-to-air television thanks to the implementation of a domestic satellite solution that is used in those areas lacking terrestrial coverage.

The process was particularly noteworthy due to its pioneering nature and brought forward the shut-down of analogue broadcasts by 2 years in regard to the deadline proposed by the European Commission and placed Spain in a leading position as far as DTT technology is concerned.

Meeting the set targets was possible thanks to considerable planning and coordination efforts. Particular mention should be made of the important collaboration between the Ministry of Industry, Tourism and Trade and all other public authorities involved (both regional and local) and social stakeholders, such as professional and business associations, users and broadcast companies.

The process required public financing of 288 million euros. A total of 12,000 million euros were eventually mobilised, providing work for more than 10,000 companies and over 40,000 jobs. Furthermore,

the international projection of Spanish technology associated with DTT received a significant boost, with the export of equipment and components to more than 30 countries, including the entire European Union.

The Ministry of Industry, Tourism and Trade gave away more than 165,000 decoders to members of the public belonging to groups at risk of exclusion and promoted and financed the development of new software aimed at the visually-impaired.

FOREIGN TRADE BY SECTOR (January – November 2010)								
	EXPORTS			IMPORTS			BALANCE	
	Millions €	% total	%10/09	Millions €	% total	%10/09	Millions €	%10/09
Foods	25.288,5	14,9	12,1	22.438,2	10,4	6,2	2.850,3	97,8
Fruits and vegetables	10.148,5	6,0	10,7	2.882,0	1,3	4,8	7.266,5	13,2
Fish	2.239,4	1,3	9,5	4.374,7	2,0	14,4	-2.135,4	20,1
Drinks	2.340,0	1,4	13,1	1.441,8	0,7	6,0	898,2	26,7
Meat	3.146,0	1,9	9,9	1.653,6	0,8	20,8	1.492,4	-0,1
Other foods	7.414,8	4,4	15,5	12.086,1	5,6	2,2	-4.671,3	-13,5
Energy Products	8.511,5	5,0	30,5	39.506,4	18,2	28,0	-30.994,9	27,3
Oil and derivatives	7.801,7	4,6	32,6	30.746,8	14,2	37,0	-22.945,1	38,6
Gas	171,0	0,1	76,4	7.566,6	3,5	6,9	-7.395,6	5,9
Coal and electricity	538,7	0,3	-0,5	1.192,9	0,6	-11,8	-654,2	-19,3
Raw Materials	4.055,8	2,4	46,4	8.127,9	3,7	57,6	-4.072,2	70,5
Animal and vegetable	1.943,5	1,1	40,5	2.589,6	1,2	36,5	-646,0	25,9
Mineral	2.112,2	1,2	52,4	5.538,4	2,6	69,9	-3.426,1	82,7
Non-chem. Semi-manu. Goods	20.702,2	12,2	26,4	16.195,8	7,5	22,7	4.506,4	41,7
Non-ferrous metals	3.747,0	2,2	49,8	2.960,7	1,4	40,0	786,4	102,8
Iron and steel	7.068,7	4,2	36,2	6.287,9	2,9	34,8	780,8	49,0
Paper	2.937,5	1,7	19,6	3.031,2	1,4	7,2	-93,7	-74,8
Ceramic and similar products	2.293,3	1,4	4,7	524,9	0,2	11,9	1.768,5	2,8
Other semi-manufactured goods	4.655,8	2,7	15,3	3.391,3	1,6	8,7	1.264,5	37,7
Chemical Products	26.181,4	15,4	24,3	33.039,3	15,2	11,2	-6.857,9	-20,6
Organic chemical products	3.152,5	1,9	29,6	6.251,1	2,9	30,2	-3.098,6	30,7
Inorganic chemical products	650,0	0,4	17,1	1.626,6	0,8	26,7	-976,7	34,0
Medicines	8.207,2	4,8	11,4	10.566,1	4,9	-4,5	-2.358,9	-36,3
Plastics	6.730,0	4,0	28,9	6.897,2	3,2	16,8	-167,2	-75,6
Fertilisers	697,8	0,4	104,5	500,0	0,2	28,4	197,8	-510,8
Colouring and tanning agents	1.548,2	0,9	23,5	1.132,2	0,5	15,6	416,0	52,1
Essential and perfumed oils	2.985,2	1,8	25,6	2.456,3	1,1	10,6	528,9	240,1
Other chemical products	2.210,5	1,3	45,2	3.609,8	1,7	18,2	-1.399,3	-8,6

FOREIGN TRADE BY SECTOR (January – November 2010)

	EXPORTS			IMPORTS			BALANCE	
	Millions €	% total	%10/09	Millions €	% total	%10/09	Millions €	%10/09
Capital Goods	34.119,0	20,1	15,9	43.108,2	19,9	9,5	-8.989,1	-9,5
Machinery for industry	8.795,9	5,2	7,8	10.690,8	4,9	8,7	-1.894,9	12,7
<i>Specific machinery</i>	2.973,3	1,8	3,7	3.117,8	1,4	2,3	-144,5	-20,5
<i>Machinery for general use</i>	5.822,6	3,4	10,0	7.573,0	3,5	11,5	-1.750,4	16,8
Office and telecommunications equip.	2.860,7	1,7	19,6	11.540,9	5,3	20,5	-8.680,2	20,7
<i>Auto. data machinery and off. equip.</i>	767,4	0,5	3,9	4.606,0	2,1	18,1	-3.838,5	21,5
<i>Telecommunications equipment</i>	2.093,3	1,2	26,7	6.935,0	3,2	22,1	-4.841,7	20,2
Transport material	8.314,0	4,9	23,6	5.033,4	2,3	14,5	3.280,7	40,7
<i>Railway</i>	601,7	0,4	-6,5	308,0	0,1	-35,1	293,7	73,3
<i>Road</i>	3.904,5	2,3	36,1	1.342,7	0,6	-6,9	2.561,9	79,5
<i>Shipping</i>	1.441,9	0,8	57,3	1.568,4	0,7	112,5	-126,5	-170,7
<i>Aircraft</i>	2.365,9	1,4	3,0	1.814,3	0,8	4,2	551,6	-0,8
Other capital goods	14.148,4	8,3	16,4	15.843,1	7,3	1,9	-1.694,7	-50,1
<i>Engines</i>	1.074,7	0,6	8,4	983,9	0,5	-15,0	90,8	-154,6
<i>Electrical apparatus</i>	7.161,2	4,2	14,1	7.677,0	3,5	3,2	-515,8	-55,6
<i>Precision apparatus</i>	1.144,7	0,7	16,6	2.958,8	1,4	5,9	-1.814,1	0,1
<i>All other capital goods</i>	4.767,8	2,8	21,9	4.223,4	1,9	1,5	544,4	-315,9
Automotive Sector	27.658,0	16,3	8,7	22.611,6	10,4	-5,3	5.046,4	225,6
Automobiles and motorcycles	18.661,6	11,0	4,2	9.154,8	4,2	-25,3	9.506,8	68,3
Automobile components	8.996,4	5,3	19,4	13.456,8	6,2	15,7	-4.460,4	8,8
Long-lasting Consumer Goods	3.266,1	1,9	7,2	7.329,2	3,4	22,2	-4.063,1	37,7
Electrical appliances	735,2	0,4	16,4	1.635,1	0,8	18,2	-900,0	19,7
Consumer electronics	918,0	0,5	10,0	2.743,9	1,3	27,4	-1.826,0	38,5
Furniture	1.219,6	0,7	0,1	2.286,5	1,1	18,8	-1.066,9	51,2
Other long-lasting consumer goods	393,5	0,2	8,6	663,7	0,3	23,4	-270,2	53,9
Manufactured Consumer Goods	14.366,9	8,5	6,7	23.479,0	10,8	13,4	-9.112,1	25,8
Textiles	7.753,8	4,6	4,0	12.742,7	5,9	11,8	-4.988,8	26,5
Confection	5.024,2	3,0	1,7	9.648,8	4,5	11,0	-4.624,6	23,3
Footwear	1.834,7	1,1	9,2	2.060,8	1,0	19,8	-226,1	463,2
Toys	637,3	0,4	2,7	1.728,9	0,8	15,1	-1.091,6	23,9
Other manufactured consumer goods	4.141,2	2,4	11,7	6.946,7	3,2	14,1	-2.805,5	17,9
Other Goods	5.693,4	3,4	45,7	924,6	0,4	34,0	4.768,8	48,2
TOTAL	169.842,8	100,0	17,5	216.760,2	100,0	13,7	-46.917,3	1,7

Source: Studies Department of the Ministry of Industry, Tourism and Trade, with Customs data

FOREIGN TRADE. MAIN FIGURES							
PERIOD	EXPORTS		IMPORTS		BALANCE		COVERAGE
	Millions €	% var. same previous period	Millions €	% var. same previous period	Millions €	% var. same previous period	%
2007	185.023,2	8,6	285.038,3	8,5	-100.015,1	8,4	64,9
2008	189.227,9	2,3	283.387,8	-0,6	-94.159,9	-5,9	66,8
2009	159.889,6	-15,5	206.116,2	-27,3	-46.226,6	-50,9	77,6
Last 12 months*	183.504,3	16,3	234.492,9	11,3	-50.988,6	-3,9	78,3
2008 (Jan-Nov)	176.975,9	3,2	264.785,7	1,0	-87.809,8	-3,2	66,8
2009 (Jan-Nov)	146.524,2	-17,2	188.325,5	-28,9	-41.801,3	-52,4	77,8
2010 (Jan-Nov)*	169.842,8	17,5	216.760,2	13,7	-46.917,3	1,7	78,4
2008 (Nov)	14.670,0	-13,4	19.558,7	-22,4	-4.888,8	-40,7	75,0
2009 (Nov)	14.087,9	-4,0	18.839,4	-3,7	-4.751,5	-2,8	74,8
2010 (Nov)*	17.525,0	24,6	21.404,8	13,1	-3.879,8	-20,1	81,9
2010*							
January	12.091,7	9,0	16.601,4	6,5	-4.509,7	0,3	72,8
February	13.986,4	12,8	17.548,1	-3,9	-3.561,6	-39,3	79,7
March	16.652,4	21,4	20.944,7	20,6	-4.292,3	17,4	79,5
Q1	42.730,5	14,8	55.094,2	7,5	-12.363,7	-11,8	77,6
April	14.623,3	10,8	19.627,6	16,6	-5.004,4	37,6	74,5
May	16.213,4	25,7	20.378,5	26,1	-4.165,0	27,5	79,6
June	16.203,2	16,6	20.914,3	22,1	-4.711,1	45,6	77,5
Q2	47.039,9	17,7	60.920,4	21,6	-13.880,5	36,9	77,2
July	16.378,8	13,2	20.666,4	16,7	-4.287,6	32,7	79,3
August	12.874,0	27,8	17.333,6	18,8	-4.459,6	-1,4	74,3
September	15.902,0	14,6	20.247,7	4,9	-4.345,7	-20,0	78,5
Q3	45.154,8	17,5	58.247,7	12,9	-13.092,9	-0,7	77,5
October	17.392,6	16,6	21.093,0	12,0	-3.700,5	-5,3	82,5
November	17.525,0	24,6	21.404,8	13,1	-3.879,8	-20,1	81,9

* Provisional data

Source: Studies Department of the Ministry of Industry, Tourism and Trade, with Customs data

THE ECONOMIC POLICY MODEL BASED ON MACRO-ECONOMIC STABILITY AND GROWTH IN PRODUCTION

The economic policy being implemented by the Spanish Government since the global crisis has two basic objectives. Firstly, it is aimed at creating an environment in which a situation such as this can never happen again in the future. Secondly, it aims to ensure the adjustment process in the Spanish economy takes place quickly and efficiently, with the lowest possible cost to the economy overall. This can only be done by introducing structural reforms in a wide range of areas.

Starting with the factor markets, the financial sector plays a key role in financing the production processes in an economy such as the Spanish economy where the companies, above all the smallest companies, do not usually turn to the capital markets. Therefore, a profound restructuring and redefinition of the sector was begun in 2010 by creating a fund (the FROB or Fund for Ordered Bank Restructuring) aimed at ensuring this process is undertaken without overly affecting the flow of credit. Furthermore, new regulations were approved for the Savings Banks that will enable them to attract credit from an equal standing as the banks and will improve their governing bodies. The process was concluded at the end of the year with 13 mergers involving 40 of the 45 existing savings banks. Moreover, this strategy was combined with one of greater transparency in a sector where confidence plays a fundamental role. To that end, a

series of stress tests was performed on the financial system. These tests were highly ambitious in terms of their coverage (95% of the sector) and intensity. The entities have also been required to publish their results on a quarterly basis with a high degree of detail.

Secondly, a reform of the labour market was definitively approved in September. The goal for this reform was to lower the excessive segmentation, provide greater flexibility to companies and their workers to adapt to changing labour conditions and their specific situations and to improve the intermediation process in a market whose search costs are very high. In 2011, the Government committed to undertake an in-depth reform of the active employment policies and asked the social stakeholders to present proposals regarding a reform of collective bargaining.

Moving on to the products markets, the transposition of the European Services Directive into Spanish legislation came into force at the start of the year. This will lead to notable improvements in how the sector is regulated, resulting in less market power for the companies that already exist and a more dynamic sector. Furthermore, the Sustainable Economy Act (which was approved by the Lower House of Parliament in December) also introduced highly significant improvements to the governing bodies of Spanish regulatory institutions, while also improving the

business environment by reducing the cost of setting up a company and the administrative burdens imposed by the public sector on private activity. Moreover, it also included important improvements to Professional Training, which is key to the quality of human capital in the Spanish population, together with sizeable fiscal incentives to investment in R&D+i. However, one of the most important steps was undoubtedly the elimination of fiscal incentives to the acquisition of property and greater support for the rented property market through greater legal protection for property owners and the option of converting this activity into a profession. These reforms are essential when trying to ensure that Spain never again concentrates so many resources in the activity of residential construction. A new Professional Services Act is scheduled for approval in 2011. The characteristics of these services give them great potential for future growth in Spain.

Finally, another crucial part of this Government's exit strategy from the crisis involves the process of fiscal consolidation aimed at returning to a position of compliance with the Stability and Growth Pact by 2013. This has required an increase in certain taxes and a significant cut in public spending, to which all levels of the public authorities have contributed. Furthermore, the governance of fiscal policies with the autonomous regions has been strengthened, carrying out closer monitoring and strict compliance with their budgetary targets. In this regard, sector transparency has also been increased by publishing quarterly budget performance data for the first time in December under standardised criteria for all autonomous authorities. Within this context, one key element for strengthening the sustainability of public finances in the long term is the reform of the public pensions system, which the Government has committed to passing to Parliament by the end of January 2010 and which will include a gradual increase to the legal retirement age as the main measure to be applied.

THE TAX SYSTEM

The Spanish economy is currently embarking on a slow recovery after suffering a major recession. Instability and uncertainty in the international markets have restricted finance, and this has been combined with the need for a determined process of fiscal consolidation as the essential requirement for sound and lasting economic recovery. A key to this recovery is compliance with the target of reducing the public deficit to 3 per cent of the GDP by 2013.

The State budget for 2010 began the process of fiscal consolidation. Additional measures were introduced with an austerity strategy implemented through the Immediate Action Plan and Austerity Plan for the General State Administration Services 2011-2013. The regional administrations joined this effort through framework sustainability agreements for public finances.

The instability of the public debt markets increased and reached an unexpected level in the first week of May as a result of the worsening Greek fiscal crisis. To prevent a liquidity crisis, the Member States of the European Union decided to create new financial stability instruments that could be used to make available up to 750,000 million euros, while strengthening the consolidation plans already under way.

In Spain, the Government approved a number of measures: Royal Decree-Law 8/2010, dated 20 May, on extraordinary measures to reduce the public deficit; a new opt-out agreement for 2,425 million euros; and the Expenditure Review Plan for the General State Administration Services 2011-2013. The Fiscal and Financial Policy Council and the National Commission for Local Administration approved modifications to the framework agreements with a commitment of an additional savings of 1,200 million euros.

Among the measures adopted in the Royal Decree-Law were a reduction of 5 per cent of the wage bill in the public sector and the suspension of pension indexation for 2011 as an exceptional measure that did not affect non-contributory and minimum pensions.

The Expenditure Review Plan of the General State Administration Services 2011-2013 involves a spending cut of 23,000 million euros. In addition, it establishes that any extra spending by the State will depend on the reduction of the deficit according to target, and any increase in income above forecasts will be used to reduce the deficit further.

These measures led to a steeper reduction in the public deficit. They maintained the final goal of lowering the combined deficit of all public authorities to not more than 3 per cent of GDP by 2013.

Areas	2010	2011	2012	2013
Central Administration <i>Including the effect of regional authority settlements</i>	-6.7 -5.9	-4.8 -2.3	-3.2	-2.1
Autonomous Regions <i>Including the effect of regional authority settlements</i>	-2.4 -3.1	-1.3 -3.3	-1.3	-1.1
Local Authorities <i>Including the effect of regional authority settlements</i>	-0.4 -0.6	-0.3 -0.8	-0.3	-0.2
Social Security	0.2	0.4	0.4	0.4
TOTAL PUBLIC ADMINISTRATIONS	-9.3	-6.0	-4.4	-3.0

Source: Ministry of Economic Affairs and the Treasury.

The General State Budget for 2011 guarantees compliance with the stability target approved for the State; specifically, to end the year with a deficit not greater than 2.3 per cent of the GDP, in line with the commitments undertaken. It also reflects the clear commitment to adopt additional measures if necessary.

As a result of the forecast deficit, the public debt is expected to continue to increase to 62.8 per cent of the GDP at the end of 2010 and 68.7 per cent in 2011. These levels place Spain well below the average of the Eurozone, where public debt is expected to be at an average 88.5 per cent of the GDP in 2011.

The effort made by the Government and Spanish society as a whole to guarantee the sustainability of the public finances is recognised by all the international bodies and is having its effect on the behaviour of the markets. Once more, it has to be stressed that fiscal consolidation is an essential element for generating confidence in the capacity of our economy and to provide a stable scenario in which companies and households can gradually return to their normal activities.

CHALLENGES FOR THE SPANISH ECONOMY

Economic policy should lead to meeting two complementary goals: reduction of the deficit, which has to be done in the short term; and increased competitiveness, a medium and long-term objective.

In the short term, the only possible way forward is austerity in public finances, understood to be a major reduction in public expenditure that will enable it to balance the current levels of public income.

The still limited economic recovery argues against a substantial reform of the tax system. Thus the General State Budget for 2011 includes only tax modifications that are designed to improve the fairness of the system and help change the model of production, although its impact in terms of revenues will be limited.

*Euroconverter.*

In the medium and long term, improvements to Spanish economic competitiveness will strengthen recovery, and give rise to job creation and the consolidation of a more balanced model of growth. This objective can only be achieved thanks to reforms that transform the productive fabric of the country.

These reforms cannot be further delayed, as they will lay the foundations for the new cycle of economic growth. At the same time, their immediate implementation will also have positive short-term effects on expectations and generate confidence in our economic capacity, which is an essential element for completing the recovery. They also have to be accompanied by price and wage moderation that helps make the necessary improvement in competitiveness.

REFORMS TO RECOVER GROWTH

The first of these is in the labour market. The high level of unemployment confirms the unavoidable need for a reform of the labour market. The aim is not only to stimulate employment and the incipient economic recovery, but also to reduce the difference between workers with temporary and permanent contracts, promote employment stability and help adapt companies to the increasingly demanding conditions of globalisation, thus minimising job destruction.

The government has tackled the problems in the financial sector by creating the Fund for Ordered Bank Restructuring (FROB), reform of the law on governing bodies of savings banks through Royal Decree-Law 11/2010, dated 9 July, and the publication of the results of the stress tests. These measures, unlike the case in other countries, have not led to any cost to the taxpayers.

At the same time, despite the current soundness of the social security system, the challenges of an ageing population have made it necessary to propose measures that assure future pensions while removing doubts on the sustainability of the system and public finances in the medium and long term.

THE GENERAL FRAMEWORK OF THE GENERAL STATE BUDGET FOR 2011

The General State Budget for 2011 includes the spending adjustments designed to ensure a reduction in the public deficit that is unprecedented in Spanish economic history. Spain is thus demonstrating its capacity to meet its commitments and comply with the Stability Programme. However, this austerity does not prevent the Government from continuing to allocate sizeable resources to maintain social cohesion, as well as investing in priority policies to contribute to the modernisation of the Spanish productive fabric.

The structural reforms undertaken by the Government complete the foundations of Spain's economic policy that is designed to consolidate economic recovery, improve our competitiveness and achieve a more balanced and sustainable model of growth.

Both austerity and structural reforms are elements which make a decisive contribution to economic recovery, not only through direct and tangible effects, but particularly because they help restore the confidence of economic agents, households and companies in our economy.

FISCAL CONSOLIDATION

Currently fiscal policy is principally aimed at ensuring the sustainability of public finances. The 2011 budget continues with the process of cutting spending, although some adjustments in the tax structure have also been made. Rather than an impact on revenues, what these changes aim to do is create a more just and fairer tax system, as well as promoting a change in the productive structure of the economy.

The marginal rate of income tax has been increased by one point from 21.5 to 22.5 per cent for taxpayers with a taxable base that is equal to or greater than 120,000 euros, and by two points for a taxable base of 175,000 or more euros, to 23.5 per cent.

A limit has also been introduced of 300,000 euros for multi-year earnings that can benefit from a possible reduction of 40 per cent.

Measures have been adopted to avoid the delay in tax payments by shareholders of SICAVs, both in terms of personal income tax and corporation tax.

Among the measures that aim to promote a new model of production are attempts to streamline the process for accessing a home, to prevent the creation of further property bubbles, and those supporting SMEs.

First, to promote the growth of small companies, those enterprises that no longer qualify may continue to be eligible for the special scheme for the following three years.

In addition, the modification of the tax allowance for purchase of a main residence will only remain in place for taxpayers with a taxable base of below 24, 1701.20 euros. At the same time, this allowance will be brought into line with rentals, and the tax treatment of home rentals will be improved by increasing the current allowance from 50 to 60 per cent.

With the aim of boosting the growth of the Spanish economy and its competitiveness, the Government has adopted a number of measures through Royal Decree-Law 13/2010, dated 3 December. These include tax measures to support business activity,

particularly for SMEs. The threshold for applying the special corporation tax scheme for small enterprises has been extended; the taxable base threshold of these companies for the reduced tax rate has been increased; and the freedom of repayment for all new fixed-asset investments affecting economic activities has been extended by three years to 2015, without making it dependent on maintenance of jobs. To continue with the process of fiscal consolidation and promote prevention policies in the area of health, there has been an increase in the excise duties on manufactured tobacco.

As a result, non-financial revenues, before discounting the participation of the local and regional governments in personal income tax, VAT and special taxes, will be 178,917 million euros in 2011, 5.7 per cent more than the figure expected in 2010. Thus, these revenues will continue to increase in 2011 thanks to the economic recovery and the positive effect on revenues from some of the measures adopted in the 2010 budget in May last year and in the budget for 2011.

Non-financial State income, discounting the tax participation of local and regional governments, will be 106,120 million euros, a fall of 12.8 per cent compared with the revenues expected in 2010. This is the result of the entry into force in 2011 of the new system of financing the autonomous regions under the common regime and cities with a charter of autonomy.

Participation by the regional administrations in the State taxes will be 72,897 million euros, an increase of 52.8 per cent.

From the point of view of expenditure, austerity measures are being adopted as included in the General State Administration Services Expenditure Review Plan 2011-2013.

Thus, taking into account the forecast for State non-financial revenues and the national accounting adjustments, the limit for non-financial expenditure was set at 150,056 million euros. This cap on spending represents a cut of 18.9 per cent compared with the State budget for 2010.

The full entry into force of the system for financing autonomous regions prevents a direct comparison to be made of the spending limits for 2011 with the 2010 budget. To make a uniform comparison the financing of regional administrations has to be deducted. Excluding this amount, non-financial expenditure is 122,022.14 million euros, a reduction of 7.9 per cent compared with the budget for 2010.

The reduction of the spending limit reflects the budget effort made this year. This effort will be greatest in the ministries, with a reduction of 15.6 per cent, allowing for obligatory items such as interest, contributions to the EU, pensions, and the contingency fund.

*Euro coins.*

The remuneration of staff in the public sector will not increase on 2010 figures, following the application of the overall reduction of 5 per cent. This measure, combined with the effect of restrictions in job offers in previous years, has led to a 5.2 per cent reduction in payroll spending. Public-sector job offers for 2011 are down to 10 per cent of the overall figure of job turnover.

These factors, combined with the expected increase in expenditure on pensions, have led to a reduction in payroll spending of 2.1 per cent compared with the 2010 budget.

Spending on current goods and services, excluding those resulting from election processes, has fallen by 6.7 per cent compared with the 2010 budget.

Spending on financial expenses rose by 18.1 per cent on the 2010 budget, as a result of the increased volume of the public debt.

Current and capital transfers fell by 27.7 per cent and 36.3 per cent respectively. This is the result of the consolidation of the opt-out agreements approved in 2010 and the reduction of transfers to autonomous regions as a result of the full application of the new system of funding, as well as the non-renewal of the State Local Employment and Sustainability Fund.

Real investment fell by 38.3 per cent compared with the 2010 budget, as a result of the fall in investment in infrastructures.

KEY ACTIONS

Among the Government's priorities are spending on research, development and innovation (R&D+i), education, and investment on infrastructures. These are key elements for increasing the Spanish economy's potential growth, in combination with the structural reforms mentioned above. At the same time, the Government is maintaining its commitment to social expenditure, with particular attention to unemployment benefit payments.

Spain maintains its goal of contributing to a more balanced long-term growth through scientific and technological policy. This is why within the current context of spending cuts, the State will continue to make an effort in R&D+i investment with a budget allocation of 7,518.49 million euros.

The priority nature of this policy is also reflected in the sustained increase in this allocation over recent budgets. In 2008, the last year for which figures are available, public and private R&D investment was 1.4 per cent of GDP, representing an accumulated growth of 64.3 per cent since 2004.

Direct R&D+i activity by the Ministry of Science and Innovation have fallen by only 1.6 per cent. This means that funds to subsidise projects, grants and contracts at universities and research centres can be maintained at almost the same levels as in 2010, as can credits for companies.

Infrastructure policy will also be determined in 2011 by the goal of reducing the public deficit. Investment will have to be more effective and more efficient. However, a correct evaluation of this policy cannot ignore the major budget efforts that have been made in this area.

The policy includes investment in infrastructures and transport, water policy and protection of coastal areas. In 2011 it had a total allocation from the State public sector of 17,073.93 million euros.

Education policy in 2011 continues to be a significant budget item for central government, at 2,840.58 million euros, despite the fact that competence for this area has been transferred to the autonomous regions. Once more this year, there will be initiatives such as the Plan Educa3, the Escuela 2.0 programme and the Campus de Excelencia Internacional (Campus of International Excellence) programme.

The budget for grants in 2011 was 1,429.85 million euros, 2.6 per cent up on the previous year, mainly aimed at boosting the grant-wage scheme.

As a result of the effects of the economic crisis on the labour market, in 2011 credits for payment of unemployment benefits were 30,140.29 million euros, slightly below the figure for 2010. The State is contributing to funding the State Public Employment Service in 2011 with 15,780.01 million euros.

The 2011 budget continues to give significant attention to active employment policies, which receive an allocation of 7,322.80 million euros. These policies include reductions in social security contributions for recruitment, which has been restructured to define the groups targeted by these incentives more selectively.

Pension policy in 2011 receives 112,215.76 million euros, 3.6 per cent more than in 2010. In 2011 minimum pensions, non-contributory pensions and those under the now defunct SOVI scheme are only rising by 1 per cent.

Support for individuals in a situation of dependency continues to be a priority for the Government. It has therefore allocated 1,498.44 million euros for this purpose, to which the funding from the Basque Country and Navarre should be added.

In the current context of budget austerity, the target of reaching 0.7 per cent of Gross National Product (GNP) in official development aid has been postponed until 2015. In 2011, official aid programmed by Spain will be a total of 4,350.27 million euros.

THE WORKING WORLD

SOCIAL STAKEHOLDERS. SOCIAL HARMONISATION

The social dialogue and harmonisation that have played such an important role since the transition to democracy have gathered a great deal of steam in recent years. Between 2004 and 2008, this process has resulted in over twenty agreements with the most representative business organisations and workers' unions, which have introduced universal benefits of far-reaching significance. The most prominent include those signed for the improvement of growth and employment, the reform of the Social Security system, the development of the Immigration Act, the drafting of the Long-Term Care Act, the revaluation of pensions and the minimum inter-professional wage, the extension of collective bargaining agreements, the out-of-court resolution of conflicts, the improvement of unemployment protection for agricultural workers, ongoing education and the prevention of occupational hazards.

Between 2008 and 2009, the social dialogue process was re-launched, but the changes that had taken place in the job market due to the economic recession have made it difficult to achieve new far-reaching agreements in this area.

In June 2010, the Spanish Government approved the Royal Decree on Urgent Measures to Reform the Labour Market with three objectives: to reduce duality

in the labour market; to strengthen the instruments for internal flexibility in companies; and to offer more opportunities to the unemployed, especially to young people. Subsequently, this reform was debated and approved by Parliament.

Despite the intense process of negotiation with the social stakeholders, it was eventually impossible to reach an agreement on the measures provided by the reform. However, proposals have been received from all parties.

The most representative social stakeholders in Spain are: the Confederation of Employers and Industries of Spain (CEOE) and the Spanish Confederation of Small- and Medium-Sized Enterprises (CEPYME) for businesses; and the Workers' Commissions (CCOO) and the General Union of Workers (UGT) for employees.

AGREEMENT TO IMPROVE GROWTH AND STABLE EMPLOYMENT

Between 2004 and 2007, Spain's economy grew annually by over 3%. In 2008, economic growth was halted by the effects of the international financial and real estate crises. Similarly, job creation rose steeply until 2007 but dropped in 2008 and throughout 2009.

For four years, Spain created more jobs than the European average: three million jobs created between

2004 and 2007. Since 2003, the unemployment rate had fallen by more than 3 points to below 8% in the second quarter of 2007, a level not seen in Spain since the 1970s.

However, the unemployment rate has been rising again since 2008, reaching 19.8% in the third quarter of 2010. Nevertheless, the last two years have witnessed an end to one of the endemic problems in the Spanish labour market: the high proportion of temporary employment.

Until 2006, one in every three jobs (33.8%) was of a temporary nature, with over half of such jobs being occupied by young people. This figure had fallen to 25.6% by the third quarter of 2010; the lowest rate in many years. This significant drop in the precariousness of employment is partly a result of the Agreement for the Improvement of Growth and Stable Employment, which was signed in May 2006 and came into effect the following July. This agreement includes all the stakeholders involved in the negotiations: the Government, the CEOE and CEPYME employers' organisations and the most representative trade unions CCOO and UGT. It is the first important labour market reform agreement since the Inter-confederal Agreement for Stability in Employment of 1997, which was signed by the employers' organisation and trade unions and later submitted to the Government - which did not participate in the drafting process - for presentation to Parliament and to reform the law.

THE TRAINING FOR EMPLOYMENT MODEL

The Professional Training system for employment comprises vocational training for the unemployed and ongoing training for workers. In 2009, 3,726,709 people were benefitting from this system; an increase of 20% on 2008. 293,460 companies implemented ongoing training programmes in 2009, which is an increase of 92,430 on the previous year.

The system mainly seeks to train the unemployed and re-insert them into the labour market, particularly the long-term unemployed, women, young people, the over-45, immigrants and people with disability.

The Minister of Education and the Ministry of Work and Immigration led the Roadmap approved by the Government in 2008 to promote a new Professional Training model. The main measures contained in this document are: an expansion of the network of Comprehensive Professional Training Centres by improving their equipment and infrastructure; and a Plan of deployment for 25 National Benchmark Centres between now and 2011, which will be located in various autonomous regions. These centres of innovation and experimentation will analyse new training trends to establish reference criteria for the rest of these centres and promote networks with business organisations and trade unions, as well as universities.

Furthermore, a system has been implemented to evaluate and accredit professional skills acquired



Workers at a car factor.

through work experience and informal training channels. A Virtual Platform has also been created to undertake training models via distance learning. Also the means of access to and progress between the Initial Professional Qualification Programmes and the Intermediate Level Professional Training are being simplified, thereby facilitating the lifelong learning process.

THE ECONOMIC AND SOCIAL COUNCIL

The Economic and Social Council (Spanish acronym: CES) is an advisory body to the Government on socio-economic and labour matters. It is an independently constituted public law entity endowed with full authority and organisational autonomy to carry out its functions. It operates under the aegis of the Ministry of Work and Immigration.

The CES was created by a law passed in 1991 for the purpose of fulfilling the constitutional commitment to reinforce the participation of economic and social stakeholders in economic and social life, thus reaffirming its role in the development of a social and democratic state governed by the Rule of Law.

In addition to fulfilling this function, the CES also acts as a permanent institutional platform for dialogue and deliberation, insofar as it is the only body where a broad range of socio-professional organisations are represented. It is also a permanent means of communication between economic and social

stakeholders and the Government, thus ensuring more fluid relations and mutual collaboration.

The Economic and Social Council has 61 members, including its President, and is formed by representatives from trade unions and business organisations representing professional associations in the agricultural and fishing industries.

The Council of Consumers and Users, associations of cooperatives and worker-owned companies are also represented, and the Council also includes a group of professional experts.

The trade union and business organisation representatives and the representatives of the different sectors are all appointed by the Government based on the nominations presented by the corresponding organisations. The experts are appointed by central Government, after consultation with the organisations represented on the Council. These are people with suitable credentials and recognised experience in the socio-economic and labour arena.

THE WORKING POPULATION

The working population of Spain stood at 23,121,500 in the third quarter of 2010, placing the activity rate for the population aged between 16 and 64 at 74.5%. Although the trend in recent years has always been one of growth, the current economic recession and the job crisis have caused the number of active workers to remain practically the same.



Business activity by rural women

However, the statistics for men and women are proving to be very different in the recession. While men have shown a gradual drop in their activity rate since the third quarter of 2008, the activity rate of women has continued to rise and stood at 66.7% in the third quarter of 2010.

Meanwhile, the activity rate of foreign residents stands at 77.2% for the population aged 16 or over and only began to drop in the second quarter of 2009.

Since the economic crisis first hit Spain and until the third quarter of 2010, a total of 1,800,000 jobs have been lost and unemployment increased by nearly two million people. The recent performance of the job market marks a departure from the trend of sustained growth enjoyed between 1994 and 2007, when employment in Spain grew by eight million people; half of those people were women, who doubled their activity rate. In that same period, the unemployment rate plummeted from 24.1% to 8.3%; however, in 2008, it rose again to 11.3% and unemployment currently stands at 19.8% (third quarter of 2010).

EMPLOYMENT BY SECTORS

In recent years, the predominance of the service sector has been confirmed. However, the construction sector has also enjoyed spectacular growth, although in 2007 the first symptoms of a slowdown appeared, subsequently being followed by symptoms of recession, which has led to a steep

rise in unemployment in this sector. Over 1.5 million jobs were created between 1994 and 2007 but 745,000 jobs were lost in this sector over the last two years – between the third quarter of 2008 and the third quarter of 2010.

Meanwhile, employment in agriculture has continued its traditional decline, whereas industrial employment, which had risen by around 700,000 jobs between 1994 and 2007, also registered a loss of almost six hundred thousand jobs in the past two years.

The most active sector in terms of job creation has been the services industry in recent years, reflecting the tertiarisation of the Spanish economy, with employment in the sector rising by around 6.5 million people since 1994. As a result of the economic crisis, close to three hundred thousand jobs were lost in 2009, although only forty thousand were lost over the last year.

The construction sector has been a driving force in the Spanish economy in recent years, exploiting the strong demand generated by the massive influx of immigrants since 2000, as well as lower interest rates following the introduction of the Euro. This led to a sharp increase in the demand for housing, which in turn resulted in a significant increase in prices. All of this has been halted by the international financial crisis, which has had a particularly notable impact on housing construction.

SOCIAL SECURITY AND THE SOCIAL WELFARE SYSTEM

The origins of social welfare policy date back to the Commission for Social Reform (1883), which was set up to study and promote the advancement and wellbeing of the working class. The first social security law was the Law on Occupational Accidents, introduced in 1900. The National Welfare System Institute was created in 1908; this institute integrated the Spanish savings banks that managed the various social security insurance schemes.

Subsequent social security mechanisms included, most notably, the Workers Retirement System (1919), Obligatory Maternity-Leave Insurance (1923), Compulsory Unemployment Insurance (1931), Medical Insurance (1942) and Obligatory Old-Age and Disability Insurance (SOVI) (1947). It soon became clear that the coverage provided by these social security systems was insufficient, prompting the introduction of other welfare mechanisms through the Labour Mutual Funds. These were organised by sectors and aimed at complementing existing welfare. Given the multiplicity of Mutual Funds, this welfare system led to discrimination among the working population, produced financial imbalances and made rational and efficient administration very difficult.

The Basic Social Security Law was introduced in 1963. Its main objective was the implementation of a unitary and integrated social welfare model, based on the distribution of funds, public administration and state

participation in funding. In spite of this declaration of principles, many of which were established in the General Social Security Law of 1966 that came into force on 1 January 1967, old contribution systems still existed that failed to take into account the real wages of workers and were not revised on a regular basis, and the principle of unity was not established due to the large number of overlapping organisations.

The 1972 Law on Funding and Improvement of Social Welfare was introduced to correct existing financial problems but it ended up only aggravating them by increasing the number of social protection activities without defining the resources necessary to fund them. It was therefore not until the arrival of democracy in Spain and the introduction of the Spanish Constitution that a series of reforms were introduced in the different areas of the Social Security system.

Indeed, Article 41 of the Constitution requires “public authorities to maintain a public Social Security system for all citizens, guaranteeing care and sufficient social benefits in situations of need, particularly in the case of unemployment, when care and complementary services will be provided free of charge”.

The first major reform came with the publication of the Royal Decree Law 36/1978, of 16 November. In accordance with the Moncloa Pacts, it created a system of institutional participation between social partners to promote the transparency and streamlining of the

Social Security system, as well as the establishment of a new administration system comprising the following bodies:

- National Social Security Institute: this body manages and administers benefits available under the Social Security System;
- The National Health Institute: this institute manages and administers health services (it later changed its name to National Institute for Health Administration);
- National Social Services Institute: this body manages and administers social services (it later changed its name to the Institute for the Elderly and Social Services - IMSERSO);
- The Social Insurance Institute for the Merchant Navy, which manages the benefits available under the Social Security Scheme for seamen;
- The Treasury General of Social Security, the only institution in the system that operates on the basis of financial solidarity.

A series of measures were introduced in the 1980s to improve and perfect welfare services by providing further-reaching benefits to unprotected communities and greater economic stability to the Social Security system.

Noteworthy measures included the gradual alignment of contributions with real wages, pension revaluations based on variations in the Consumer Price Index, the extension of obligatory contribution periods

for claiming benefits and calculating pensions, the simplification of the structure of the Social Security system and the first measures to separate funding functions to finance contributory benefits with social security contributions while non-contributory benefits would be financed by general funds. This process will enable the gradual generalisation of healthcare services. The IT Technology Department of the Social Security was also set up in the eighties to coordinate and control IT and data processing services for the different managing bodies.

The 1990s brought a wide range of different social changes that had a strong impact on the Social Security system, including changes and greater mobility within the labour market and the greater incorporation of women in the workplace, prompting the need to adapt social security protection to meet new needs.

The implementation of the non-contributory benefits, the streamlining of Social Security legislation (through the new Revised Text of 1994), the greater alignment between benefits and previous contributions exemptions, the creation of the Social Security Reserve Fund, the introduction of flexible retirement mechanisms and incentives for extending working life and measures to improve protection for persons on lower pensions are just some of the examples of the changes introduced after 1990 in the area of Social Security.

In recent years, the inter-generational pact that is the public pensions system has received an added boost

of solidarity: during the last legislature, minimum pensions rose by between 26% and 33%.

In 2010, the purchasing power of the eight million pensioners of the Social Security system increased between 2.3% and 4% because their benefits rose that year: all contributory pensions went up by 2.3%, and the 3,000,000 pensioners who receive the contribution to complement minimum benefits saw their income increase by between 2.3% and 5%.

Thus, Spanish pensioners have gained approximately 2,660 million euros. This compensation will be provided by means of a payment that will require the disbursement of 1,230 million euros and will be consolidated into their pensions for next year, which will mean another 1,430 million euros.

At present, the State pays nearly eight and a half million pensions each month, and in November 2010 the average pension was 784.64 euros. The evolution of this average amount is highly significant considering that the average pension in 1990 was 267.23 euros, meaning that pensions have almost tripled in less than two decades.

The minimum pension amount has also grown in recent years. The statistics are impressive: the minimum pension for retirement with a dependent spouse was 195.69 euros in 1986 and 24 years later it now stands at 732, 50 euros; the minimum pension for widowhood for people over 65 was 136.43 euros in 1986 and will stand at 593.70 euros in 2011. The increase affects 8.5 million contributory pensions and 451,480 non-contributory pensions.

UNEMPLOYMENT PROTECTION

The system offers two levels of protection: the contributory level, which provides benefits that depend on the base salary and the period of time over which the beneficiary has contributed to the system; and the assistance level, which provides a subsidy to unemployed individuals who meet certain requirements.

In the third quarter of 2010, there were 18.5 million active workers and 4.5 million unemployed.

In October 2010, the unemployment benefits system provided assistance to 2,893,186 beneficiaries. Of these, 1,365,226 are beneficiaries of contributory benefits, 1,233,895 receive the subsidy, 132,924 receive the active labour reinsertion income and 161,141 receive the agricultural subsidy. In 2010, the Government approved an extension on benefits for people who are still unemployed when their unemployment subsidy runs out. For six months, these people will receive a monthly payment of 421 euros and must participate in personalised job search programmes that include training activities.

SOCIAL PACTS

In April 1995, the Lower House of Representatives unanimously approved the “Report by the committee for the analysis of structural problems in the Social Security System and on the main reforms that must be undertaken”, a document informally known as



Draft budget for the Social Security

the “Toledo Pact”. The report was approved with the consensus of all the political parties and supported by all social stakeholders. This pact introduced important changes and established a road map to guarantee the financial stability and future benefits of the Social Security System.

The Toledo Pact is still in force and the scope of its recommendations means that it can be continually adapted to changes in the economy.

The implementation of its recommendations has considerably improved the situation regarding social protection, from a deficit scenario to a continual surplus, enabling the creation of a Social Security Reserve Fund, which will reach 64,300 million euros by the end of this year.

The Government has also adopted a dynamic approach based on a policy of agreements with social stakeholders to change the economic and welfare model. This process started in July 2004 with the Declaration for Social Dialogue signed between the Government and social stakeholders at Moncloa Palace. This Declaration established the Agreement on Stable Employment and Social Cohesion. Since then, more than fifteen agreements have been signed with social stakeholders, including, most notably, agreements on the development of the Immigration Act, the extension of collective bargaining agreements, extra-judicial dispute resolution, lifelong learning, occupational health and safety, improved protection of unemployed agricultural workers and the promotion of the National System for Long-Term Care. The most important agreements signed recently include the Agreement on Improving Growth and Employment (9 May 2006) and the Agreement on Social Security Measures (13 July 2006).

This last major agreement led to the bill, subsequently enacted into a law, on Social Security Measures; the most important legislative action taken during the legislature in this area given that it affects all of the system's benefits and safeguards the present and



Citizens at a Job Centre

future of State pensions by maintaining a balance between improving benefits, guaranteeing the system's financial health and increasing equality, while adapting to social changes.

In recent years, the Social Security system has also undergone a series of reforms and incentives to ensure the future of pensions: the Law on Social Security Measures mentioned above, the Self-Employed Workers' Statute and the Law on the Integration of Self-Employed Agricultural Workers in the Special Regime for Self-Employed Workers.

These actions are accompanied by other less ambitious initiatives that aim to improve how the system works. These include the framework agreements signed with the Autonomous Regions of Catalonia and Madrid to improve healthcare for workers, the improvements made to the model for monitoring temporary incapacity to work, and the ratification of international legislation regarding benefits and assistance for family members.

SOCIAL SERVICES: OTHER BENEFITS

Since the 1980s, competency in terms of social services has gradually been decentralised and transferred to regional governments and local councils. This has brought social services closer to the Spanish people. Nevertheless, the Spanish Government still holds power over the regulation of basic conditions to guarantee the equality of all

Spaniards in the exercise of their rights and regarding compliance with constitutional duties within the scope of social services. The current Government believes these issues to be of fundamental importance and has therefore designed and implemented a series of legislative measures involving all the public authorities and benefitting all members of the public. The most important measures are described below.

Law 39/2006, of 14 December, on the promotion of personal autonomy and the care of people in a situation of dependency.

The effective and real protection of people with disability and all those people who require care is a top priority for the Spanish Government, as is the need to reduce the consequences of such dependency with the main focus falling on their families. That is the guiding principle of the System for Autonomy and Attention to Long-Term Care Recipients (Spanish acronym: SAAD), which is aimed at guaranteeing the basic conditions and common content for the promotion of personal autonomy and the care provided to people in a situation of dependency. It serves as a channel for collaboration and participation between the various public authorities in the exercise of their respective duties, optimises available public and private resources and helps improve the living conditions of these people.

In Spain, families, particularly women, are the main providers of long-term care. However, this wholly unfair social and economic model is in a state of crisis due

Photo: EFE Agency



Their Royal Highnesses the Prince and Princess of Asturias at the inauguration of the Infanta Leonor Centre for the Care of Significant Physical and Organ Disabilities run by the COCEMFE-FAMA.

to the growing number of women entering the labour market and exercising their rights. Law 39/2006, of 14 December (in force since 1 January 2007), provides coverage to the Social Security System and promotes the regulation and necessary coordination among the different public administrations of the economic-financial bases for their development, the services network, the measures necessary to guarantee the quality of the system, the portfolio of services and benefits and the model of beneficiary participation in financing the cost of these services.

This Law was drafted on the basis of the Agreement adopted by the Government with economic and social stakeholders on 8 July 2004. Civil society played an active role in the drafting of this bill through the main organisations representing disabled people in Spain, namely the following: the State Council for the Elderly, the National Council for the Disabled and the State Council for NGOs providing Social Services.

Furthermore, the social stakeholders also participate in implementing the law and applying the System. An Advisory Committee has been set up as a body to provide advice and consultation, by means of which social participation in the System is made a permanent reality and institutional participation by the trade union and business organisations is enabled.

The public, State, regional and local authorities, the latter represented by the Spanish Federation of Municipalities and Provinces (Spanish acronym: FEMP), cooperate on formulating the System and

developing the law through the Regional Council of the System for Autonomy and Attention to Long-Term Care Recipients.

The core element of the Law is the recognition of a new civil right: the right of all citizens to receive healthcare should they find themselves in a situation of dependency. This is also a subjective and perfect right since it may be claimed judicially and administratively. It is based on the principles established in Articles 49 and 50 of the 1978 Spanish Constitution, whereby public authorities are obliged to provide care to disabled people so that they can enjoy fundamental rights in equal conditions to other citizens and to promote the wellbeing of elderly citizens through a system of social services.

This is being used to construct the fourth pillar of the Spanish social State, alongside education, healthcare and pensions. Each of these pillars represents universal citizens' rights.

In quantitative terms, the holders of the rights established by the Law are those people in a situation of dependency who reside in Spain and have done so for five years, of which two years must be those having passed immediately prior to the date of presenting the application. As regards those people of a foreign nationality, the law will be applied according to the provisions of Constitutional Law 4/2000, of 11 January, on the rights and liberties of foreigners in Spain and the social integration thereof, international treaties and any agreements signed with the country of origin.

Photo: Ministry of Health, Social Policy and Equality.



Social protection model.

The Law establishes a schedule for implementation that immediately recognises the rights of those people recognised to be in a Degree I situation of dependency, or significant dependency (levels 1 and 2), in a Degree II situation, or severe dependency (levels 1 and 2) and Degree I, or moderate dependency (level 2). Degree I (level 1) will be incorporated from 1 January 2013.

At 1 January 2011, there are currently 668,578 people in a situation of dependency and receiving benefits and/or services through the long-term care system.

The Law establishes three degrees of protection:

- A minimum degree of protection, guaranteed for every beneficiary of the System according to the degree and level of their dependency as a basic condition for guaranteeing the right to the promotion of personal autonomy and long-term care. The General State Administration Services will cover all costs incurred at this first level.
- A second degree, agreed between the General State Administration Services and each autonomous region within the framework of inter-administrative cooperation to be developed by means of annually signing Agreements between the General State Administration Services and each autonomous region. This degree of protection, which necessarily provides more protection than the first degree, will be co-financed by the General State Administration Services and each autonomous region, which will have to contribute at least the same amount as the General

State Administration Services to finance the minimum degree of protection and the agreed degree.

- A third degree of additional protection, which may be established by each autonomous region with funding from its own regional budgets.

STRATEGIC PLAN FOR CITIZENSHIP AND INTEGRATION

Spain has been a target country for immigration since the mid-eighties in terms of annual immigration flows, and in terms of immigrants residing in Spain since the early nineties. The increase in migratory flows in the last five years has placed Spain among the highest in the EU ranking in terms of the proportion of foreigners residing in the country.

The foreign population makes very important contributions to Spanish society at different levels but also creates opportunities for both immigrants and their families and for Spanish society as a whole.

1. In the labour market because immigrant employment rates are twenty per cent higher than those of Spanish nationals and they also perform many socially and economically useful jobs.

2. In the country's demographic structure because, although immigration cannot compensate the unbalanced Spanish population pyramid on its own, the structure of the immigrant population by gender and age can and does help to offset these imbalances, increase the birth rate and recover the fertility rate in Spain.

3. In terms of culture because immigration contributes to cultural diversity brimming with opportunities.

4. Immigrants help to improve the living conditions of their direct relatives and the overall population in their countries of origin and contribute to the economic, social and political development of their countries

A new Immigration Policy

Immigration legislation in Spain is formed by a complex network of international, EU, national and regional regulations.

The Plan incorporates the "basic common principles on integration" approved by the Council of Justice and Home Affairs Ministers in Brussels on 19 November 2004.

One of the premises of this Plan is that the responsibility for the process of mutual adaptation of nationals and immigrants must be shared and must therefore involve all public administrations, social stakeholders (trade unions and business organisations, NGOs, immigrants' organisations, etc.) and the receiving society as a whole.

To guarantee shared responsibility from the initial design phase of immigration policies and measures, the development of the Strategic Plan has been based on dialogue with the various authorities. A process of reflection and consultation involving all the relevant partners began in mid-2005. Before its approval by the Council of Ministers on 23 June 2006, the Plan was submitted for consideration to the High Council



Foreign citizens.

on Immigration Policy, the Forum for the Social Integration of Immigrants, the Tripartite Immigration Labour Committee, the Inter-Ministerial Immigration Committee and the Economic and Social Committee.

Co-responsibility

The Strategic Plan establishes a framework for State cooperation. The plan, which has been extended to cover the 2007-2011 period and has a budget of 2,000 million euros, is designed as an instrument to develop policies, pool initiatives and provide coherence to actions in support of immigrant integration undertaken by both public administrations and the civil society.

In this respect, cooperation between the central State administration and the autonomous regions is structured on the basis of annual regional action plans.

The Guiding Principles of the Plan

1. The principle of equality and non-discrimination, which involves giving the immigrant population the same rights and obligations as the local population within the framework of basic constitutional values.
2. The principle of citizenship, which implies the recognition of full civil, social, economic, cultural and political participation of immigrant citizens.
3. The principle of inter-culturality, as a mechanism of interaction between people of different origins and

cultures, as part of the valuation of, and respect for, cultural diversity.

The Objectives of the Plan

1. Acknowledge full civil, social, economic, cultural and political rights of immigrants.
2. Adapt public policies, in particular regarding education, employment, social services, healthcare and housing, to the new needs caused by the presence of immigrants.
3. Guarantee the access of immigrants to public services, in particular education, employment, social services, healthcare and housing, in the same conditions as the Spanish-born population.
4. Create a system to welcome newly arrived immigrants and immigrants in situations of special vulnerability until they can access general public services.
5. Promote knowledge among immigrant men and women of the common values of the European Union, the rights and obligations of residents in Spain, the official languages in different state territories and the social regulations governing coexistence in Spanish society.
6. Combat different types of discrimination, racism and xenophobia in all areas of public and private social life.
7. Introduce the gender perspective in immigration integration policies and in the application of these policies.

8. Promote political and co-development experiences with immigrants' countries of origin.

9. Raise awareness of immigration in Spanish society as a whole to improve intercultural coexistence,

valuing diversity and promoting values of tolerance and respect, and supporting the maintenance and knowledge of immigrants' original cultures.

THE ROLE OF IMMIGRANTS IN THE ECONOMY

THE IMPACT OF IMMIGRATION ON THE SPANISH ECONOMY

Immigration is a phenomenon that has radically altered the face of Spanish society in recent years. Over the space of a short time, Spain has witnessed the employment rate among foreign nationals rise from 454,000 in 2000 to 2,652,200 in the third quarter of 2009, although this upward trend has levelled off in recent months as a result of the economic recession.

Sustained economic growth and a burgeoning job market in constant expansion, combined with the strategic geographic location of the country, are the main reasons why Spain is an attractive destination for immigrants arriving from abroad. Based on the assumption that migratory movement is something that has existed throughout Human history, the Spanish Government will continue to prioritise the regulation of migratory flows in accordance with the requirements of the labour market and the commitment to combat illegal immigration and promote the social integration of immigrants.

The increase in the number of foreign workers registered on the Social Security system as a result of the Regularisation Process carried out by José Luis Rodríguez Zapatero's administration in 2005 (nearly 600,000 foreigners emerged from the informal economy) has continued over the last three years, although the process slowed last year due to the recession. In November 2009, the number of foreign workers registered on the Social Security system stood at nearly 2 million (1,863,344).

Various recently-published studies reveal the positive effects of immigration on Spain's economic growth. In this respect, three particularly relevant reports are those presented by Caixa Catalunya, BBVA and the Economic Office of the President of the Government, as well as another study entitled "Immigration and the Labour Market: 2009 Report", published by the OPI, that clearly demonstrates how immigrants helped correct defects and imbalances in the Spanish job market between 1994 and 2008 when the country experienced continuous economic growth.

It is clear that the migration phenomenon poses significant challenges to advanced societies such as Spain, where the influx of immigrants has taken place over a relatively short period of time. Since 2004, when the new Immigration Regulations were approved, the arrival of immigrants has been conditional upon the labour market's absorption capacity. Thanks to the administration's emphasis on obtaining employment contracts in their countries of origin, Spain received 204,000 foreigners in 2006, 250,000 in 2007 and 180,000 in 2008. In the first nine months of 2009, this number dropped to 15,000.

The agreements that the government reached with employers' associations and trade unions, as well as with political and social organisations, in order to approve the Immigration Regulations at the beginning of the previous legislature were consolidated at the end of the same. In this context, the State Secretariat of Immigration and Emigration of the Ministry of Work and Immigration has obtained the backing of CEOE, CEPYME, UGT and CCOO for its four years of immigration policy. Another important development is the modification of the July 2009 Regulation which, proposed by the Government and negotiated with the social stakeholders, is facilitating the reinsertion of immigrants in the labour market.

The latest reform of the Immigration Law was also undertaken based on social and political dialogue. This moderate, integrating reform, approved by the Spanish Parliament in 2009, introduces the balance required for the orderly and appropriate management of migration. It is also the law that recognises foreigners' basic rights of association, assembly, protest, strike, free legal counsel and education; in short, the reform achieves a healthy balance between control and legality and integration and rights.

During these years, the immigration policy continued to focus on achieving the integration of immigrant workers, paying special attention to the incorporation of recent arrivals into the labour market. A variety of measures, affecting aspects such as education and innovative integration programmes, were approved in this respect over the course of the year. Similarly, in light of the problems posed by the new economic cycle, the Government also approved a measure to provide financial assistance to non-EU foreign nationals wishing to return voluntarily to their countries of origin in order to foster labour mobility.

THE HOUSING POLICY IN SPAIN IN 2010

Recent trends in the Spanish property market have been one of the defining and differentiating factors of the economic recession suffered by the country.

Public intervention in the property market was initially justified by a constitutional mandate. Article 47 of the Spanish Constitution states that all Spaniards have a right to enjoy a dignified and suitable home. A home therefore becomes a primary requirement.

The second reason for such intervention centres around the impact had by the real estate sector on the economy as a whole, in terms of production and in terms of employment.

More than half the job losses during the economic crisis can be directly or indirectly related to the construction sector.

The housing policy is therefore a fundamental instrument for improving access to a home and to positively contributing to economic growth.

Nevertheless, it should be pointed out that the autonomous regions are the authorities responsible for regulating and implementing this policy, while the State participates in its design and financing.

The central instrument around which the Government's housing policy revolves is the State Housing and Renovation Plan, which is approved on a pluri-annual basis and defines the various action programmes and income levels for the beneficiaries with a right to

protection. Once the Plan is approved, the autonomous regions sign agreements with the Ministry of Housing to further specify targets for the housing policy to be funded by the State within their territories.

The current 2009-2012 State Housing and Renovation Plan is aimed at achieving a balance between ownership and rental; between freehold property and subsidised housing; and between new construction and rehabilitation.

The Plan aims to create some stable reference points and a financing commitment from the State for those housing policy instruments intended to improve access to and the use of housing by the parts of society with greatest difficulty.

Furthermore, the plan helps improve the overall economic situation by channelling the stock of available housing and encouraging the conversion of available homes under construction or already completed into subsidised housing.

Within the current context of budgetary restrictions, the housing policy is focusing its attention on two priorities: rental and renovation.

The State Housing and Renovation Plan has made a commitment to property rentals by ensuring that 40% of all subsidised housing activity adopts this form of access to housing.

Photo: EFE Agency



The construction of homes.

There is a need to strengthen the still weak property rental market. At the moment, only 13.5% of families live in rented accommodation, whereas the European average stands at approximately 40%.

To this end, a number of measures to improve the professionalisation and security of the rental market have been adopted so as to provide added incentive to increasing the offer.

Rental activity has not only been encouraged via the State Housing and Renovation Plan but also through reforms in the corresponding legislation to strengthen guarantees for the owner in their contractual relationships.

A rental subsidy for young adults leaving home has been created, thus recognising this subjective right for young people. This subsidy is providing essential support to young people wishing to access home through the rented accommodation market. The more than 250,000 young people who have benefitted from the scheme spend 24% of their income on rent, whereas they would have to spend 43% of their wages to live in rented accommodation without the subsidy.

The fiscal nature of renting a property has also been changed. Fiscal neutrality will be guaranteed from 1 January 2011, thus creating a situation of equality between purchasing and renting a home.

Particular mention should also be made of the work undertaken by the Public Rental Society in professionalising and improving guarantees in the rental market. This organisation also greatly helped absorb part of the stock of unsold available housing by channelling it towards the rental market.

More than 200 property developers have made their properties available to the Public Rental Society and the organisation has also signed a framework agreement with the Spanish Confederation of Savings Banks (CECA) to help deal with the stock of housing held by the savings banks.

For the time being, agreements have been signed with Bancaja, La Caixa, the real estate division of Santander, Caja Mediterráneo and Caja Madrid.

The Government is also maintaining a strong commitment to property renovation. This is a structural commitment.

The target set by the Government is for 35% of activity in the construction sector to be focused on property renovation by 2020.

Property renovation in Spain has enormous potential for growth if properly managed given that the current building stock consists of 25 million properties. Of those, 50% are more than 30 years old and almost 6 million are more than 50 years old.

This activity is labour-intensive, technologically-advanced and encourages the development of other auxiliary industries and services that operates alongside the residential construction sector, thus providing a good stimulus to achieving economic reactivation in the Spanish business fabric. At the same time, it improves the quality of life of the public, the habitability of cities, accessibility to buildings and homes and the energy efficiency thereof.

Furthermore, this investment in property renovation activity is fully coherent with the Government's commitment to a sustainable urban development model.

Half of the protected actions within the State Housing and Renovation Plan are aimed at this activity. In total, 470,000 property renovation actions have been planned.

These actions were also supported by the PlanE with an additional 110 million euros in 2009.

Similarly, the fiscal nature of property renovation activity has been improved, both within the framework of Royal Decree-Law 6/2010, of 9 April, on measures to encourage economic recovery and employment, and within the framework of the Draft Sustainable Economy Bill.

Finally, the State Housing and Renovation Plan includes other measures of an overall nature in the transitory provisions that enable an injection of liquidity into the companies by simplifying the requirements needed to transfer a surplus of unsold properties from the freehold market to the subsidised market, increasing the basis subject to the subsidies and enabling more families and citizens to access subsidised housing.

Furthermore, the role played by Sociedad Estatal de Promoción y Equipamiento de Suelo (SEPES) [the State company for land development] in terms of urban development should be highlighted. This entity undertakes strategic actions involving logistics, industrial and residential properties. SEPES is currently working on 46 projects on and logistics land with an investment in excess of 1,400 million euros. Since 2004, a total of 113,580 homes have been built or planned for development on land owned by the State, of which 77,774 are subsidised homes (66% of the total).

The Government also intends to place an emphasis on sustainable urban development. Under the Draft

Urban Environment Quality and Sustainability Bill, which will be presented in 2011, efforts will be made to encourage the feasibility and efficiency of renovation work on buildings and homes and of integrated urban regeneration by eliminating administrative procedures that make such action overly complicated. Furthermore, planning guidelines will be established that foster sustainable mobility within Spanish cities.

OFFICIAL WEBSITES:

Ministry of Economic Affairs and the Treasury:
www.meh.es

Ministry of Work and Immigration: www.mtin.es

Economic and Social Council: www.ces.es

National Institute for Employment. State Public
Employment Service
www.sepe.es and www.redtrabaja.es

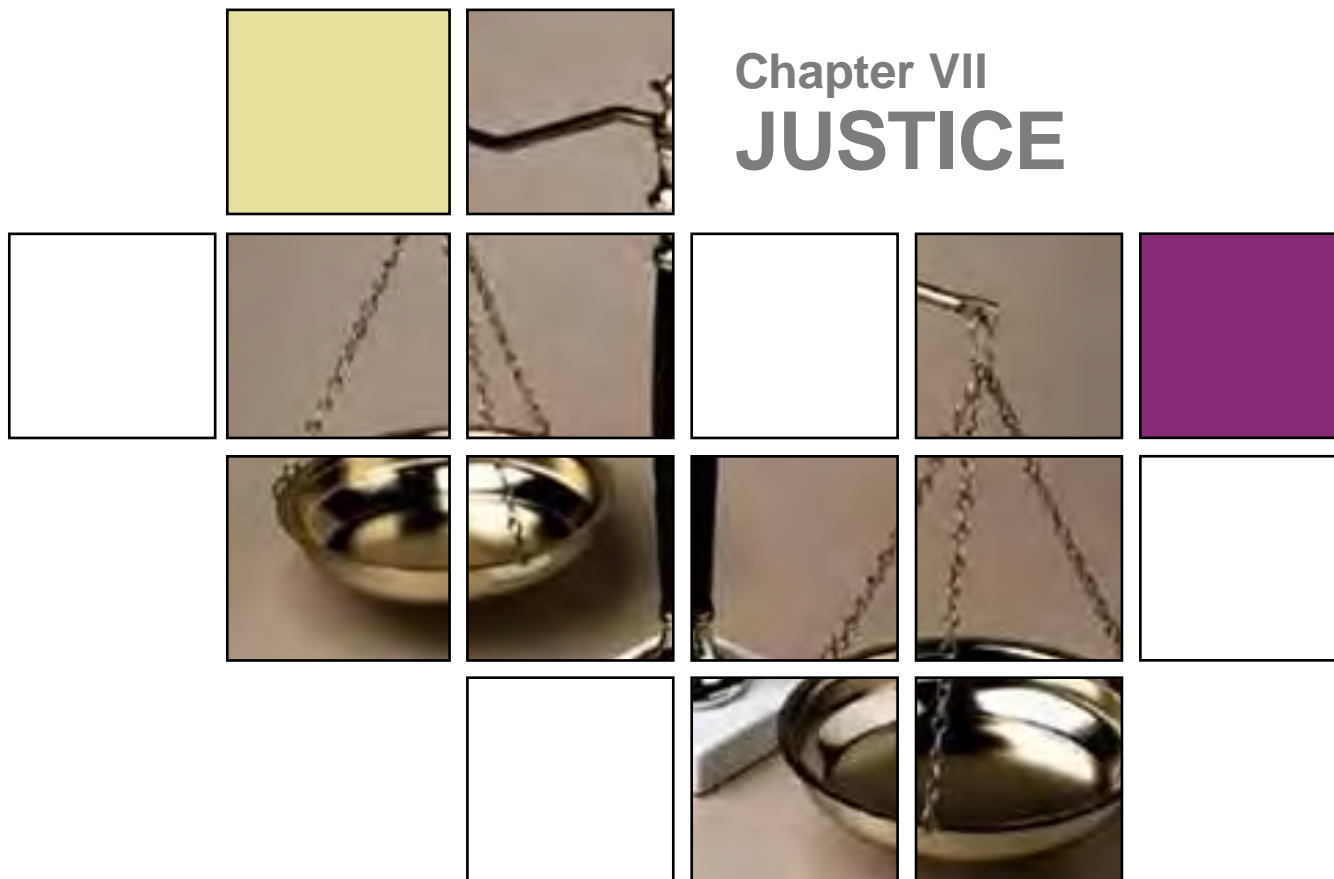
State Secretariat for Immigration and Emigration:
<http://extranjeros.mtin.es>

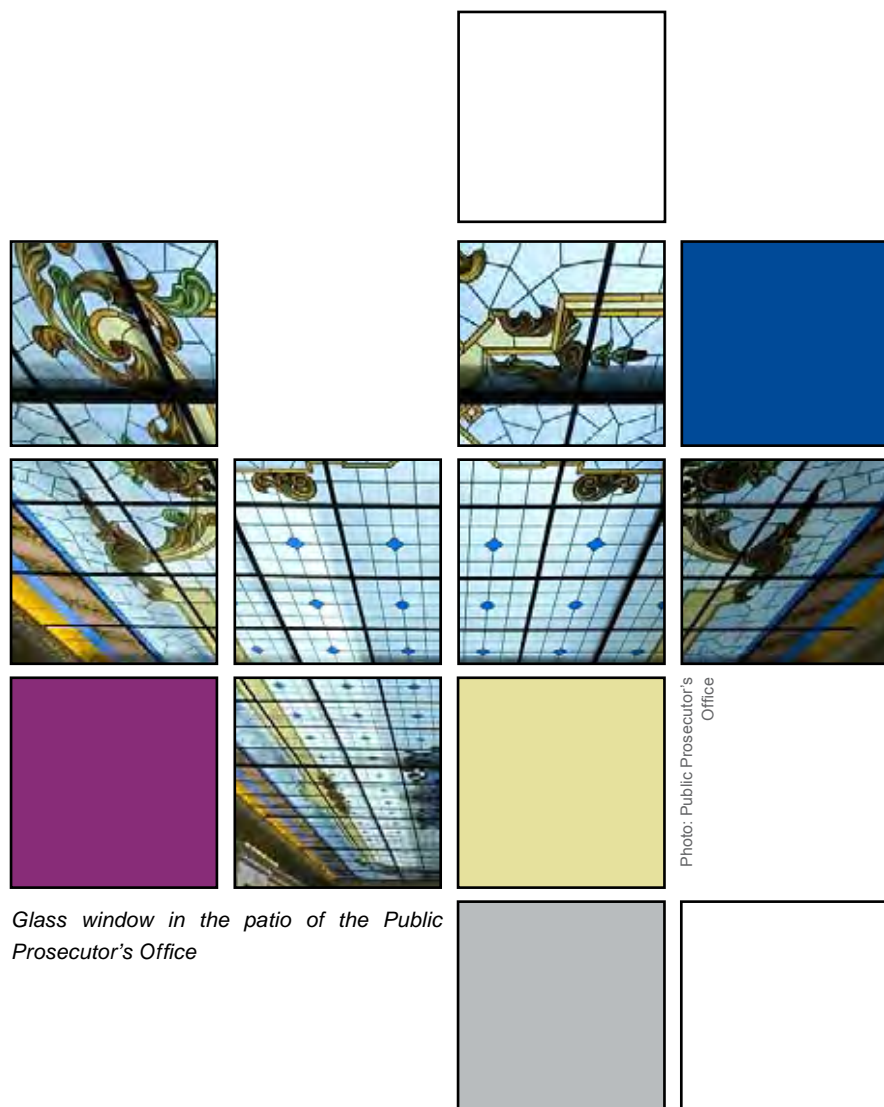
State Secretariat for the Social Security:
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Spain today
2011

Chapter VII

JUSTICE





Glass window in the patio of the Public Prosecutor's Office

THE MINISTRY OF JUSTICE

The Ministry of Justice, a governmental department administering the Executive State Power, is entrusted with preparing, managing and executing governmental policy in the following areas:

- Governmental relations with the administration of justice, the General Council of the Judiciary and the Public Prosecutor's Office.
- Development of the legal system, safeguarding the principles of legal security, harmony and the integration of the legal system, fostering codified legislation (in the form of legal codes) and the training of structured legal bodies.
- Harmonisation of draft laws drawn up by the various ministerial departments and the preparation of reports regarding the same.
- Drafting legislation on criminal, civil, mercantile and procedural matters.
- Providing the courts, tribunals and Public Prosecutor's Office with the appropriate resources to carry out their functions, and exercising its powers regarding the personnel working in the administration of justice.
- Performing the function of legal aid to the State and its various public bodies, as well as to constitutional bodies, should that be necessary.
- Organisation of the official registers.

*The Ministry of Justice at the Royal
Academy of Jurisprudence and Legislation.*



Photo: Ministry of Justice

- Communication between the Government and the Constitutional Court in hearings on constitutional matters.
- International legal cooperation with other States and international organisations.
- Regarding religious matters:
 - Preparing, coordinating and executing governmental policies on religious matters.
 - Relations with the churches, minority confessions and religious communities, as well as with national and international bodies and associations engaged in the promotion, defence and study of rights of religious liberty
- Matters related to exercising the right to religious liberty and worship.
- Regarding governmental bodies of the autonomous regions:

- Relations with governmental bodies of the autonomous regions in matters affecting the administration of justice.
- Communication between governmental bodies of the autonomous regions and the Public Prosecutor's Office
- The preparation and proposal of matters related to the exercising of pardons, as well as titles of the Spanish nobility and grandees.
- Relations with the Bar Association and Association of Court Attorneys.
- Relations with the Data Protection Agency.

ORGANISATION OF THE JUDICIARY

The Spanish Constitution of 1978 states that justice emanates from the people and is administered in the name of the monarch by judges and magistrates comprising the judiciary, who are independent, fixed, accountable and subject only to the law.

The basic regulation covering the organisation of the judiciary is contained in the Constitutional Law on the Judiciary 6/1985, of 1 July, which regulates, inter alia, the extent and limitations of the jurisdiction, regional organisation, the composition and attributes of judicial bodies, the ruling bodies of the judiciary, the training, independence and responsibility of judges, the organisational and operational system of the administration of justice and the Public Prosecutor's Office.

The ruling body of the judges and magistrates is the General Council of the Judiciary, made up of and presided over by the head of the Supreme Court and twenty members appointed by the monarch for a period of five years. From among these, twelve are judges spanning the judicial hierarchy, in the terms established by the aforesaid Constitutional Law, four are appointed by the Lower House of Parliament and the other four are appointed by the Upper House, elected in both cases by a three-fifths majority of members, from among lawyers and jurists, all of recognised standing and with over fifteen years of experience in their respective professions.

The judicial bodies in Spain are the following:

- Supreme Court
- National High Court
- Regional High Courts of Justice
- Provincial Courts
- Courts of First Instance and Instruction specialising in Mercantile Law, Criminal Law, Contentious-Administrative Law and Domestic Violence Courts, Employment Tribunals, Juvenile Courts and Penitentiary Surveillance Courts
- Magistrates Courts

The first instance and instruction courts are bodies made up of only one judge, whereas the Supreme Court, the National Court of Appeal, the Regional High Courts of Justice and the Provincial Courts of Appeal are collegiate bodies.



Façade of the Supreme Court, Madrid

The Supreme Court is the final court of appeal in each area of the law with the exception of matters of constitutional guarantees, whose responsibility lies with the Constitutional Court. It is made up of its president, presidents of the respective divisions and the judges that determine the law in each one of its divisions and sections. There are five divisions spanning the following matters: civil law, criminal law, contentious-administrative law, employment law and military law.

The National High Court is comprised of its president, the presidents of the respective divisions and the judges that determine the law in each one of its divisions and sections (appeals, criminal law, contentious-administrative law and employment law). It hears criminal cases regarding certain offences against the Crown or members of the Government, offences related to organised crime such as terrorism, drug trafficking, counterfeiting and offences committed overseas when, in accordance with Spanish Law or International Treaties, this falls under the authority of the Spanish Courts.

The Regional High Courts of Justice are divided into four divisions (civil, criminal, contentious-administrative and employment). They are comprised of a president, who also presides over the civil and criminal divisions, the divisional presidents and the judges that determine the law in each one of the divisions.

The Provincial Courts are comprised of a president and two or more judges. They deal with both civil and

criminal matters, and there are sections with the same composition.

Each jurisdictional order is distinguished by the type of matter or case in question. The ordinary jurisdiction is divided into four jurisdictional orders:

- Civil: this order deals with litigation not specifically attributed to any other jurisdictional order. For that reason, cases may be classified as ordinary or common.
- Criminal: the criminal order deals with criminal trials and grounds. One characteristic of Spanish law is that a civil action deriving from a criminal offence may be jointly exercised with the criminal action. In this case, the criminal court will rule on the compensation to redress the damages and losses deriving from the offence.
- Contentious-administrative: the contentious-administrative order deals with controlling the legality of the actions of the public administrations and claims for pecuniary liability against these bodies.
- Employment: this order comprises actions brought under the scope of employment law, both in individual claims between workers and business owners, and in matters of collective bargaining, claims in matters relating to social security and against the State when liability is attributed to the latter under employment legislation.

Within each jurisdictional order there are bodies specialised in more specific matters. For example,



HM the King of Spain with members of the Government Assembly of the Supreme Court.

within the civil order, there are courts specialising in mercantile matters, family law, invalidity, wards of court and mortgage law. Within the criminal order, there are courts dealing with domestic violence, penitentiary surveillance courts and juvenile courts.

Military jurisdiction falls outside of the ordinary jurisdiction, and represents an exception to the principle of jurisdictional unity.

PUBLIC PROSECUTOR'S OFFICE

The Public Prosecutor's Office is a body forming part of the judicial authority but with functional autonomy. Its mission is exercised through its own institutions in accordance with the principle of unity of action,

hierarchical dependency, but subject, at all times, to the principles of legality and impartiality.

Its mission is to promote the actions of the justice system in the defence of legality, of citizens' rights and the public interest guaranteed by the law, or at the request of the interested party, as well as to safeguard the independence of the courts and to achieve the satisfaction of the public interest before them. It is specifically entrusted with:

- Ensuring that the jurisdictional function is correctly exercised in accordance with the law and with the periods and terms indicated thereunder, exercising, at any event, the appropriate actions and appeals.
- Appearing in criminal proceedings, fostering the adoption of the appropriate interim measures of the judicial authority and the practice of proceedings aimed at clarifying the facts of a case.
- Appearing in the civil proceedings established by law when the public interest is compromised or when minors, those incapacitated or defenceless under the law are affected insofar as the ordinary mechanisms of assistance and representation are required.
- Exercising, in matters of the criminal liability of minors, those functions entrusted thereto by specific legislation, whereby its actions must be focused on satisfying the higher interest of the minor.

The Director of Public Prosecutions is the head of the Public Prosecutor's Office and governs its actions across the whole of Spain. His role is to give the



Headquarters of the Public Prosecutor's Office.

appropriate orders and instructions to the different offices as well as to govern the internal structure of the institution and, in general, the management and inspection of the Public Prosecutor's Office.

LEGAL PROFESSIONS:

LAWYERS:

The legal profession is a free and independent profession. It does not depend on any public administration and is exercised under a regime of free competition. Lawyers act assisting and defending citizens in all kinds of legal processes, providing legal advice and council and representing their clients unless this is reserved by law to other professions.

In order to join the legal profession it is necessary to have Spanish nationality or the nationality of another Member State of the European Union; to hold a law degree and be a member of the Bar Association. As of 1 November 2011, it will be necessary to pass a professional training aptitude test, in accordance with the provisions of Law 34/2006, of 30 October, regulating access to the professions of lawyer and court attorney.

Lawyers receive professional fees according to the services provided, either by way of fixed remuneration, periodic remuneration or on an hourly basis. The amount of these fees is freely agreed between the client and the lawyer, within the guidelines established by the rules of professional conduct.

COURT ATTORNEYS:

Court attorneys represent the rights and interests of the parties before the courts of justice, by means of a power granted to that effect and receive all communications that affect their clients.

In order to exercise the profession it is necessary to be a member of the Association of Court Attorneys, deposit a bond and swear an oath of office. In addition, as of 1 November 2011, it will be necessary to pass a professional training aptitude test.

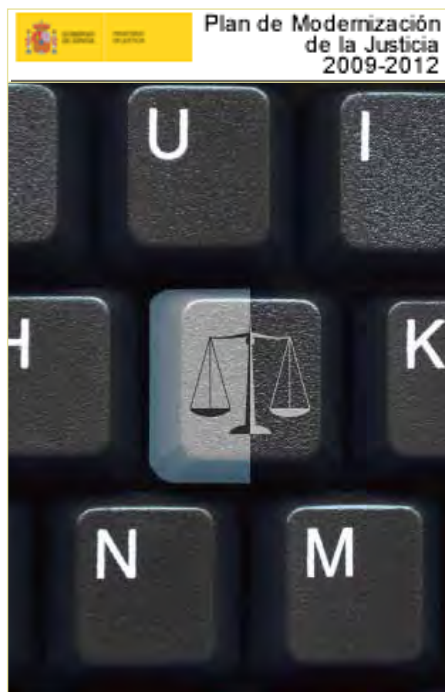
Court attorneys are members of the Association of Court Attorneys, whose Governing Council monitors that the role of its members is performed correctly and effectively.

NOTARIES AND REGISTRARS:

Both notaries and registrars are civil servants who depend directly on the Ministry of Justice and the General Directorate of Registries and Notaries Offices, although they are members of professional associations.

Notaries exercise the function of attesting private legal matters. They participate in the correct preparation of documents and swear as to the method and form in which they are expressed.

Registrars check and verify the legality of documents submitted to the public property and mercantile registries, in which they record rights over real estate and companies respectively, as well as other documents.



In order to become a notary or registrar, it is necessary to hold a law degree and pass a civil service entrance exam. Both professions are directly remunerated by

those who request their services by means of a tariff approved by the State.

MAIN PROJECTS OF THE MINISTRY OF JUSTICE

STRATEGIC PLAN FOR THE MODERNISATION OF THE JUSTICE SYSTEM 2009-2012

The Strategic Plan for the Modernisation of the Justice System is a wide-ranging programme of reforms set in motion by the Ministry of Justice in 2009 for the purpose of transforming the public justice system in Spain within three years. It is structured in three main policies (a modernisation policy, a protection and transparency policy and a cooperation policy), which are divided into six strategic pillars in turn containing 24 plans of action with 147 specific actions.

These actions are supported by the necessary economic provisions. Specifically, in 2010, the justice budget was increased by 13.77% year-on-year. A total of 1,804.82 million euros, representing the largest investment since the democratic transition in the field of justice, with an additional 218 million euros to improve the justice system. The Draft Law of the General State Budgets for 2011 also includes additional specific items to enable the modernisation of the administration of justice in Spain.

NEW JUDICIAL OFFICE (NJO)

At the end of 2009, Law 13/2009 on the Reform of Procedural Legislation was passed, with the support of all the parliamentary groups, to open the New Judicial Office, which came into force on 4 May 2010, together with its complementary Constitutional Law 1/2009. The New Judicial Office represents a complete overhaul of the organisation and operation of the courts and tribunals in Spain, which will be transformed from a structure inherited from the 19th Century to a modern and efficient design. In this way, together with the direct support units for judges and magistrates, common services are created that specialise in the different areas of procedural management and which will simultaneously support various courts. Furthermore, new functions and responsibilities are attributed to court clerks in the running of the New Judicial Office, removing certain non-jurisdictional functions from the judges so as to enable them to focus on the function constitutionally attributed to them to rule and execute rulings.

The implementation of the NJO is taking place progressively. On 10 November 2010, the NJO was opened in the cities of Burgos and Murcia. In the first nine months of 2011, it will become operational in the cities of Ciudad Real, Caceres, Leon, Cuenca, Ceuta, Melilla, Merida and Palma de Mallorca.



New court building in Burgos.



Court building in Almazán (Soria).

NEW TECHNOLOGIES

As regards new technologies, significant progress was made in 2010 in the implementation of the Judicial Plan for Interoperability and Security [*Proyecto EJIS* in Spanish], involving the Ministry of Justice, the General Council of the Judiciary, the Public Prosecutor's Office and the autonomous regions with competency in matters of justice. This will enable interoperability at a national level of the various judicial bodies. A list of services, an inventory of applications and a plan or priority interoperability projects has been drawn up.

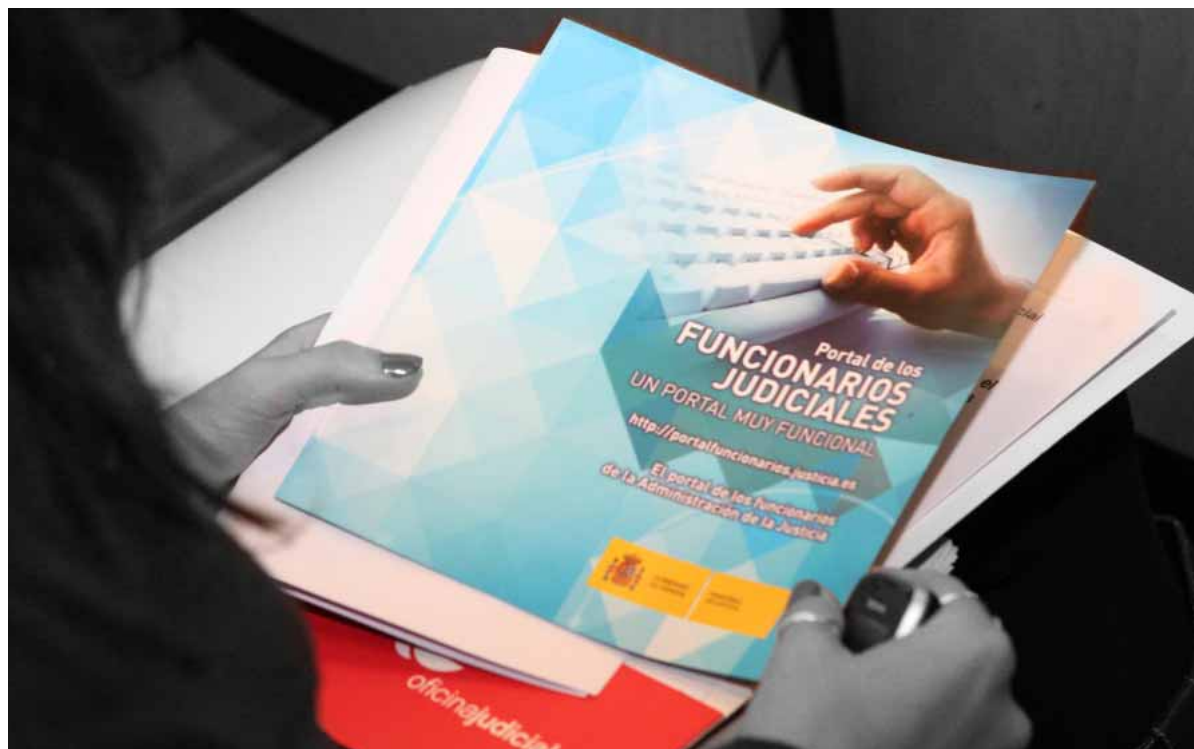
The purpose of the implementation of the Digital File is to remove paperwork from Spanish courts and tribunals and foster the exchange of information between the various judicial bodies. This implementation has already been set in motion in the National High Court, in the Public Prosecutor's Office at the level of the National High Court and the Special Drug Squad Division of the Public Prosecutor's Office and is due to be extended to other judicial bodies and Public Prosecutor's Offices.

Other actions worthy of mention in 2010 are the implementation of the electronic signature in digital systems of audiovisual and video-conference recordings in all courtrooms on Spanish soil that fall under the Ministry of Justice; the full implementation of secure electronic mail and the LEXNET system, which allows the courts, via telematic means, to communicate with legal professionals and exchange documents securely; and the development of MINERVA-NOJ, an IT tool that allows

the coordinated and flexible processing of procedural matters, with automatic indications of the subsequent processes, thus enabling important data to be collated for statistical ends. Finally, it is important to mention the digitalisation and computerisation of the Civil Registry Offices; the creation of the electronic headquarters of the Ministry of Justice and the corporate portals for Public Prosecutors, court clerks and justice civil servants, as well as the development of the Integrated System of Administrative Registers of Support for Judicial Activities [*SIRAJ* in Spanish], the main source of information and alerts for judicial bodies, private individuals and public administrations, which is extremely important to the extent that it allows the telematic request of certificates from the Ministry of Justice.

REGULATORY AND LEGISLATIVE ACTIONS

At the beginning of 2010, the Expert Committee appointed by the Ministry of Justice to analyse deficiencies in the current judicial institutions and demarcations and propose the basis for its reorganisation presented its conclusions and proposals. The report contains, by way of recommendation, the extension of the collegiate organisation of the current courts, the creation of new first instance courts [*tribunales de base and tribunales de primer grado*], the assignment of criminal investigations to the Public Prosecutor's Office, the need to implement procedures to resolve



Internet portal for court officials.

conflicts in out-of-court settlements and maximise the offer of new technologies.

2010 has also seen the promotion and implementation by the Ministry of Justice of various initiatives to improve the quality of the legal framework to guarantee citizens' rights. In the first place, Parliament approved a wide-ranging reform of the Criminal Code in 1995 (in force since 23 December 2010), in which certain new criminal offences are classified, such as the detention of minors for public spectacles, human trafficking and

the illegal trafficking of organs, piracy, indoctrination, financing and training terrorists, bribery of individuals, harassment at work and real estate harassment, bribery, hacking and fraud in sport; as well as regulating, for the first time within the Spanish criminal system, criminal responsibility for legal entities. Furthermore, sentences were stiffened for sexual offences against minors of under 13 years of age; the permanent localisation of offenders, the recruitment of child soldiers and sexual offences in armed conflicts were all adopted. Secondly, on 10 September 2010, the Draft Law regulating the Employment Jurisdiction was presented to the Council of Ministers. This is a new regulation that incorporates new aspects adapted to the New Judicial Office and the use of new technologies, thus improving the judicial protection of workers, speeding up and reducing the costs of legal proceedings and increasing legal security in the labour market. Thirdly, at an international level, the European Protection Order is worthy of mention, a European legislative initiative fostered under the Spanish Rotating Presidency of the European Union and approved by the European Parliament on 14 December 2010. The Order guarantees the effectiveness throughout the European Union of the protection offered to those threatened by or victims of violent crime. In the same way, the signing of the Lanzarote Convention (Convention 201) in 2009 is also noteworthy, which constitutes the first international treaty specifically classifying the sexual abuse of minors as a criminal offence, as well as the ratification in the same year



Photo: Ministry of Justice

Closing ceremony of the Council of EU Justice and Home Affairs Ministers in Toledo, 22 January 2010.

of the Convention against trafficking in human beings and the Convention for the prevention of terrorism, and the ratification in 2010 of the Convention on money laundering, the tracing, embargo and seizure of the proceeds of crime and the financing of terrorism.

Furthermore, in order to foster the use of alternative means to resolve conflicts, and the corresponding speeding up of the response and discharge of work in the Spanish courts and tribunals, the Government submitted to Parliament in July 2010 the Draft Law

on the reform of Law 60/2003, on arbitration and the regulation of institutional arbitration in the General State Administration. The intention of the reform is to promote the use of arbitration and strengthen the position of Spain as an international court of arbitration, particularly in relation to Ibero-American countries. This reform will go hand-in-hand with another important project, which will soon be remitted to Parliament, on mediation in civil and mercantile cases, whereby a fast-track simplified procedure will be established to resolve conflicts.

In the month of July 2010, the Government submitted to Parliament the Draft Law on the Civil Register which provides for a unique electronic register separate from the judicial system in which each citizen has a unique personal file containing his or her civil records. In the new Civil Register, books will be replaced by a unique database for the whole State to which access can be gained from home or anywhere else in order to consult personal data and obtain certificates. At the same time, the Draft Law incorporates basic elements to protect equality, dignity and the privacy of citizens.

In the month of December 2010, the Government will present, *inter alia*, draft laws on the reform of the Bankruptcy Act and New Technologies in the Administration of Justice Act. In the former case, the intention is to reduce the cost and time involved in carrying out operations relating to insolvency proceedings and in the latter case, the intention is to establish a specific legal framework to apply information and communication technologies in the administration of justice.

OFFICIAL WEBSITE:

Ministry of Justice: www.mjusticia.es

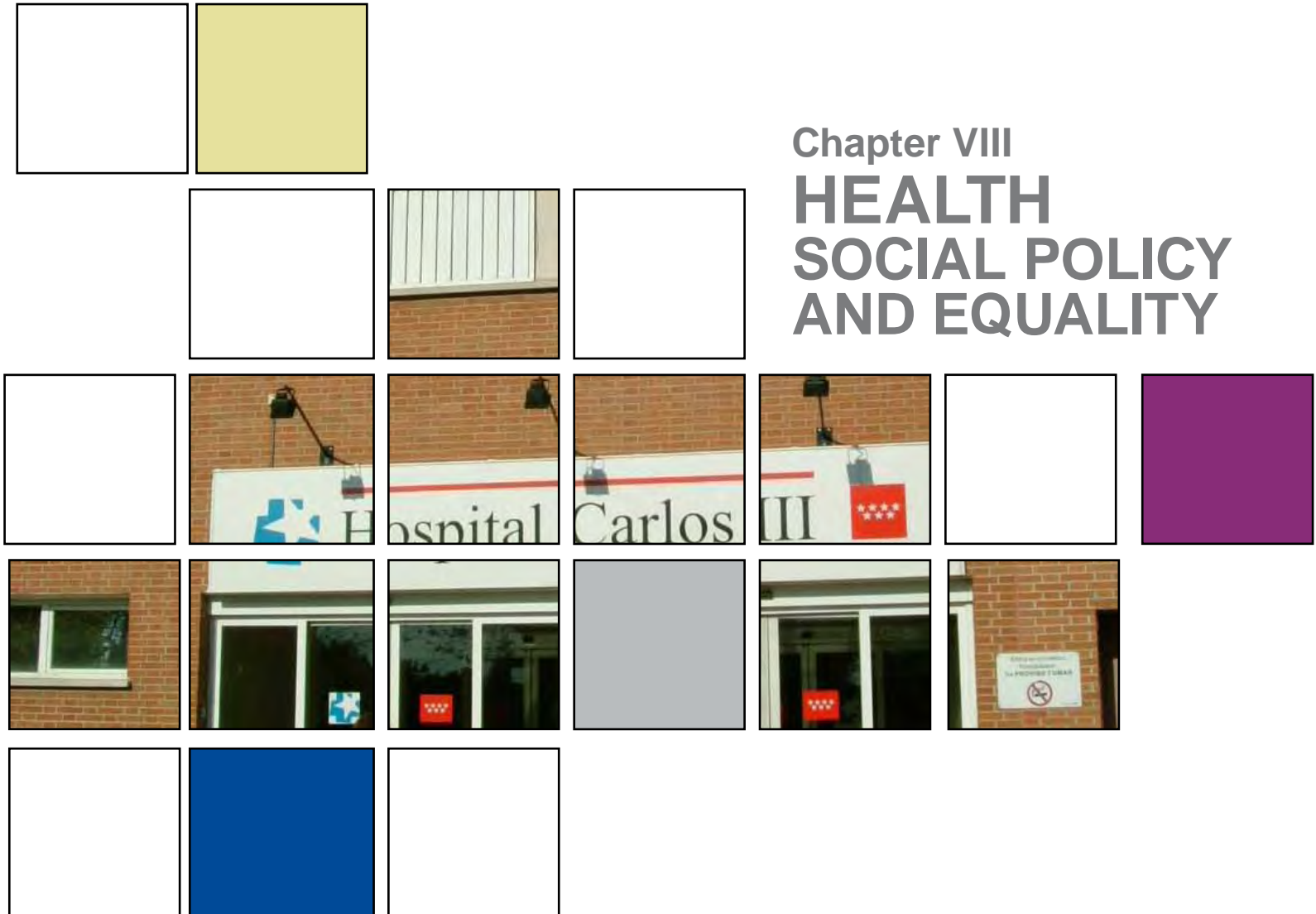
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Chapter VIII

HEALTH

SOCIAL POLICY

AND EQUALITY



INTRODUCTION

The Spanish Constitution specifically recognises the right of all citizens to effective health protection and to equal, efficient and quality healthcare. These rights are established in Articles 41, 43, 49 and 51 of the Constitution and represent a huge step forward socially-speaking as they recognise the right to healthcare as a public, objective, personal and non-contributory right and guarantee both equality in terms of the content of this right for each citizen, with no form of discrimination, and equal access to the material content of the service.

As provided for in the Constitution, the devolution to the autonomous regions of powers in the area of health and hygiene (public health) began in 1979 and continued over the course of subsequent years. Healthcare powers have now been transferred to all the autonomous regions and the two autonomous cities of Ceuta and Melilla. The decentralisation of administrative healthcare, managed by the National Institute of Health (Spanish acronym: INSALUD), began in 1981 with the devolution of powers in this area to the autonomous region of Catalonia, and was later extended to Andalusia, the Basque Country, the Region of Valencia, Galicia, Navarre and the Canary Islands between 1984 and 1994, and then finally to the remaining regions. The process was completed in January 2002. The Central Government continues to administer healthcare services in the autonomous cities of Ceuta and Melilla via the National Institute



The Hospital de la Santa Creu i Sant Pau (Barcelona) has been declared a World Heritage Site by UNESCO.

of Healthcare Management (Spanish acronym: INGESA).

The devolution of healthcare powers to the autonomous regions is a means of bringing the management of healthcare closer to citizens. Practical experience of relations between the State and the autonomous regions in the area of health protection provides important references for the development of cohesion in a State of Autonomous Regions. All parties involved are working to achieve a common identity for the Spanish National Health System based on the constitutional principles of unity, autonomy and solidarity that underpin any State of Autonomous Regions.

Within today's context of full decentralisation in health matters, with the autonomous regions determining

how healthcare services should be organised and offered, the Ministry of Health, Social Policy and Equality has taken on a more supervisory role in the National Health System and is responsible for drawing up overall strategies for equity, quality and efficiency, acting as a basic tool for cooperation to facilitate regional initiatives.

Nevertheless, the Central Government is still exclusively responsible for the following areas of healthcare: healthcare abroad and international health relations and agreements; the basic functions and general coordination of healthcare; legislation governing pharmaceutical products; and the process of obtaining, issuing and approving professional postgraduate qualifications.

THE NATIONAL HEALTH SYSTEM

Spanish Parliament approved the General Health Act on 14 April 1986. As established in Article One of this law, its specific purpose is to regulate all actions that enable the effective application of the constitutional right to healthcare. To this end, the law establishes a National Health System of universal, public coverage funded through the General State Budgets and encompassing the State Healthcare Services and the Autonomous Region Healthcare Services.

The General Health Act constituted an important milestone in the transformation of healthcare in Spain

because it brought all existing public healthcare resources under a single regulation, based on Social Security resources, and integrated health promotion and disease prevention policies and activities, as well as medical and pharmaceutical services.

Once healthcare powers had been transferred to all the autonomous regions, it was necessary to complete the regulatory framework with Law 16/2003, of 28 May, on Cohesion and Quality in the National Health System. This law deals with the coordination and cooperation responsibilities of Public Health Administrations as a

means for guaranteeing citizens' rights to healthcare, ensuring equal access to quality healthcare and citizen participation.

COORDINATION IN THE NATIONAL HEALTH SYSTEM

The Inter-Regional National Health System Council (Spanish acronym: CISNS) is the standing body for coordination, cooperation, communication and information between Health Departments in the autonomous regions and between them and the State Administration Services. It aims to promote cohesion within the National Health System by fully protecting citizens' rights throughout Spain. The CISNS is comprised of the Minister for Health, Social Policy and Equality and the Health Councillors from the autonomous regions and the autonomous cities of Ceuta and Melilla.

The Inter-Regional Council is chaired by the Minister for Health, Social Policy and Equality. The Deputy Chair is held by one of the Regional Health Councillors who is elected by the council members. The CISNS functions in plenum, with an Executive Committee, Technical Committees and Working Groups. The Council's agreements are expressed as official recommendations that are approved, when appropriate, by consensus. The Plenary Session meets at least four times a year and, because its members are all senior health chiefs in their respective regions, it is the highest authority in Spain.

The Executive Committee assists in the preparation of the sessions and comprises the General Health Secretary, who acts as chairperson, a representative from every autonomous region (the deputy councillor or equivalent) and a representative from the Ministry of Health, Social Policy and Equality, who acts as Secretary. Social participation in the National Health System is realised through the Advisory Committee, with representatives from the trade unions, business organisations, consumers and users.

ORGANISATION

As stated in the General Health Act, the various autonomous regions have passed their own laws governing healthcare services; this legislation, while upholding the basic principles of the General Health Act, determine the structural organisation of their respective resources and Regional Health Services. To a greater or lesser extent, the healthcare service of each region integrates all of its public health services and health centres into a single body responsible for managing all public healthcare services in each region. Each healthcare service depends, in turn, on the corresponding Health Department of the regional government in question. Guidelines and regulations on funding, planning and public health within the region's own geographical area are their responsibility.

The National Health System is organised in line with its basic principles. Since it aims to provide universal support based on the principle of solidarity, it has to



Photo: Hospital 12 de Octubre

The Paediatric Intensive Care Unit at the Hospital 12 de Octubre, Madrid.

ensure equal access to services for all citizens. Since it is financed with public money, spending must be based on criteria of efficiency. The System is therefore organised at two care levels, or environments, in which accessibility and technological complexity are inversely related.

The first level – Primary Healthcare – is characterised by extensive accessibility and sufficient technical

resources to resolve the most frequent health problems. The second level – Specialised Healthcare – has more complex and costly diagnostic and/or therapeutic resources which must be concentrated in order to be efficient. Access is initially gained by referral from Primary Healthcare services. Primary Healthcare aims to provide basic services within a 15-minute radius from any place of residence. The main facilities are Primary Healthcare Centres, which are staffed by multidisciplinary teams comprising general practitioners, paediatricians, nurses and administrative staff and, in some cases, social workers, midwives and physiotherapists. Since this kind of care is located within the community, it also offers health awareness campaigns and preventive healthcare. In light of its proximity and involvement in the community, the tasks of healthcare promotion and disease prevention are undertaken at this level.

Maximum accessibility and equity means that Primary Healthcare can also be provided via house calls when necessary. Specialised Healthcare is provided at Specialised Healthcare Centres and Hospitals for both inpatients and outpatients. Once the service has been completed, the patient is referred back to the Primary Healthcare doctor who uses the full medical history as a basis for subsequent treatment and overall care. This means that continued care is given in equitable conditions, irrespective of the place of residence and individual circumstances, and care can be given at the patient's home if necessary.



Photo: Hospital Universitario Ramón y Cajal, Madrid.

Linear accelerator 2006.

Within this organisational framework, each autonomous region establishes its own Healthcare Areas according to demographic and geographic criteria aiming, above all, to guarantee service proximity for users.

Each Healthcare Area covers a population of between 200,000 and 250,000 inhabitants. Nevertheless, the specific characteristics of each area mean that this is only a guideline. The healthcare areas are, in turn, subdivided into Basic Healthcare Zones, which

form the framework for Primary Healthcare Centre operations. The location of these centres is determined by the degree of demographic concentration, the population's epidemic history and local resources. Each zone covers a population ranging from 5,000 to 25,000 inhabitants.

Each Healthcare Area has a general hospital for Specialised Healthcare services. In some Health Departments, there are intermediate division between the Healthcare Area and the Basic Healthcare Zone

SERVICES COVERED BY THE NATIONAL HEALTH SYSTEM

The services offered by the National Health System include preventive care, diagnostics, therapeutics, rehabilitation and health promotion and maintenance. Primary Healthcare covers general and paediatric healthcare services, as well as preventive care, health promotion, health education and rehabilitation programmes. These services are rendered by Primary Healthcare Teams according to their "portfolio of services" organised according to the healthcare needs of the local population (care for women, children, adults and elderly people, oral and dental healthcare, care for terminal patients, mental healthcare, etc.).

Specialised Healthcare covers outpatient and inpatient care, and offers all medical and surgical specialities in acute and chronic relapse cases. Emergency Care and Emergency Medical Services are available around the

clock. Access to Primary, Specialised and Emergency Healthcare is free at the time of use. Pharmaceutical drugs are co-financed by users, who cover part of the price of pharmaceutical products – 40% in the case of active workers. Pensioners and other approved groups are not required to pay for prescription drugs. This distribution of expenditure also depends on the type of medication. In the case of drugs for the treatment of chronic diseases, users pay only 10% of the cost with a ceiling of 2.64 euros.

However, prescription drugs for inpatients or specialised care patients are not co-financed. For historical reasons, civil servants are covered by publicly financed mutual funds (Mutual Fund for State Civil Servants, or MUFACE, the Social Institute for the Armed Forces, or ISFAS, and the General Legal Mutual Company, or MUGEJU, for staff working for the judiciary) under which they contribute to pharmaceutical expenditure in a different way (co-payments of 30% of the cost of medication for active workers and pensioners).

Most drugs authorised in Spain are eligible for pharmaceutical services. Only advertised, cosmetic, dietary and beauty products are excluded. There is a list of non-financed products that includes drugs with low therapeutic usefulness/effectiveness. The Spanish Medicines and Healthcare Products Agency (linked to the Ministry of Health, Social Policy and Equality) is responsible for evaluating medical products for registration and authorisation purposes.

Pharmaceutical services at the primary healthcare level are provided by pharmacies. Pharmacy opening licences, opening times and inspections are the responsibility of the autonomous regions.

The Public Health System provides complementary benefits, such as orthopaedic and prosthetic services, emergency and scheduled healthcare transportation, complex diets and at-home oxygen therapy.

NATIONAL HEALTH SYSTEM RESOURCES AND ACTIVITIES

The National Health System has 2,954 Health Centres. There are also 10,207 medical centres in small towns to which staff from the zone's primary healthcare centre travel in order to provide basic services to the local population. These are mostly in rural areas that tend to have a high proportion of elderly patients.

The National Health System also has 328 public hospitals with 107,653 beds. There are also 21 hospital establishments owned by Mutual Insurance Companies for Accidents in the Workplace and Professional Illnesses, as well as 454 private hospitals in which 40% of patients receive hospital care arranged and financed by the National Health System.

Spain has 132,098 hospital beds for patients with acute pathologies, of which 75% are managed by the National Health System. 39.6% of the 15,259 beds available for psychiatric care and 35.3% of the 13,922

Photo: Ministry of Health, Social Policy and Equality.

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A campaign to foster the use of generic drugs.

beds for geriatric and long-term patients are also managed by the National Health System.

Over half a million trained staff are registered with one of the professional associations related to the provision of healthcare services. The largest group is made up of nursing staff, and this group is also characterised by the highest proportion of females in the profession. There are 34,642 doctors (28,405 family doctors and 6,237 paediatricians) working in public centres offering primary healthcare services, 28,660 nurses and 22,195 non-healthcare staff. The number of primary healthcare doctors per 10,000 inhabitants is 7.5. Hospitals and specialised healthcare centres in the National Health System employ 73,446 doctors (16.1 per 10,000 inhabitants). Of these, 28.15% work in the fields of General Surgery and Surgical Specialities, including those related to Traumatology and Obstetrics-Gynaecology, 20.6% work in Central Services and 31.9% work in Medical Specialities and Intensive Medicine.

There are 17,525 doctors engaged in postgraduate training in hospitals, of which more than 98% work in hospitals that belong to the National Health System.

The Health Centres and Clinics of the National Health System handle close to 260 million medical consultations a year. However, this figure rises to more than 393 million when including all nursing activity. The average annual frequency of primary healthcare medical consultations per inhabitant is 5.6 (5.6 for Family Medicine and 5.3 for Paediatrics) and 2.9 for nursing care.

In terms of Specialised Healthcare, there are over 5.2 million hospital admissions in Spain per year, of which 4 million (78.4% of the total) are financed by the

National Health System. Similarly, specialist doctors receive 79.6 million consultations per year (86.4% financed by the National Health System), 26.2 million

PRIMARY HEALTHCARE CENTRES, HOSPITALS, BEDS AND PHARMACIES			
2010	Total	Rate per 100,000 inhab.	% NHS
Health Centres	2,954	6.4	100
Local Clinics	10,207	22.4	100
Hospitals	803	1.7	43.7
Installed beds	161,279	351.1	68.2
Pharmacies	21,166	46.0	-

Source: Ministry of Health, Social Policy and Equality. Institute for Health Information. Statistical Operation of the Primary Healthcare Information System (Spanish acronym: SIAP). National Catalogue of Hospitals. General Council of Official Associations of Pharmacists. 2009 data.

HOSPITALS AND BEDS BY HEALTHCARE TYPE				
2010		Total	Rate per 100,000 inhab.	% NHS
Acute Cases	Hospitals	588	1.3	48.5
	Beds	132,98	287.6	75.0
Psychiatric Cases	Hospitals	91	0.2	34.1
	Beds	15,259	33.2	39.6
Geriatric & Long-Term Cases	Hospitals	124	0.3	28.2
	Beds	13,922	30.3	35.3
Total	Hospitals	803	1.7	43.7
	Beds	161,279	351.1	68.2

Source: Ministry of Health, Social Policy and Equality. Institute for Health Information. National Catalogue of Hospitals 2010

Photo: Hospital Universitario Fundación Alcorcón.



Nursing care

emergency consultations are handled (77% with public funding) and 4.5 million surgery operations are performed each year.

Spanish hospitals are some of the best in the world with regard to organ and tissue transplants, which are performed at specially accredited centres. Organ donation requires the donor's consent. The technological resources provided by Health Centres and Hospitals are on a par with those offered in the most advanced countries, granting Spanish citizens access to top-quality healthcare.

State-of-the-art technology (Computerised Axial Tomography, Magnetic Resonance Imaging, Gamma Chambers and Particle Accelerators) is installed according to criteria of need and usefulness.

FUNDING AND PUBLIC HEALTH EXPENDITURE

Healthcare in Spain is a non-contributory service funded by taxes that, since 2002, has been included in the general budget for each autonomous region.

According to figures from 2008, public health expenditure in Spain (including the data for long-term care) stood at 70,799 million euros, which constitutes 6.5% of the

ASSOCIATED HEALTHCARE PROFESSIONALS			
2009	Total	% of women	Association members per 1,000 inhab.
Doctors	219,031	45.1	4.8
Odontologists and Stomatologists	26,725	43.3	0.6
Pharmacists	63,593	70.4	1.4
Veterinarians	28,403	41.2	0.6
Nurses	255,445	83.5	5.6

Source: National Statistics Institute (Spanish acronym: INE). Associated healthcare professionals in Spain, 2009

PEOPLE WORKING IN NHS PRIMARY HEALTHCARE SERVICES			
2009	Total	% of women	Rate per 10,000 inhab.
General Practice	28,405	47	6.1
Paediatrics	6,237	64	1.4
Nursing	28,660	77	6.1
Non-healthcare staff	22,195	37	4.8

Source: Ministry of Health, Social Policy and Equality. Institute for Health Information. Statistical Operation of the Primary Healthcare Information System (Spanish acronym: SIAP).

GDP. Meanwhile, private health expenditure amounted to 26,815 million euros, (2.5% of the GDP).

Health expenditure is the largest budget allocation after pensions and, on average, accounts for more than a third of expenditure in the autonomous regions. In terms of the expenditure breakdown, hospitals and specialised services account for the highest proportion (55.2%),

followed by pharmaceutical subsidies (19.1%) and primary healthcare services (15.7%). At just 1.2%, public health services are seemingly accorded relatively little importance, but this is because of the way this activity is defined and classified in the accounting systems – public health, prevention and promotion activities tend to be channelled through the primary healthcare network and not accounted for as a separate item.

PRIMARY HEALTHCARE ACTIVITY AT NHS CENTRES			
		2008	2009
Activity Turing normal hours			
	Total	235,374,442	259,722,735
Medicine	General Practice	206,030,086	224,962,865
	Paediatrics	29,344,356	34,759,870
Nursing		116,761,714	133,464,494
Consultations per Inhabitant recorded in NHS			
	Total	6.1	5.6
Medicine	General Practice	6.2	5.6
	Paediatrics	5.8	5.3
Nursing		3.0	2.9

Source: Ministry of Health, Social Policy and Equality. Institute for Health Information. Statistical Operation of the Primary Healthcare Information System (Spanish acronym: SIAP).

SPECIALISED HEALTHCARE ACTIVITY AND PERCENTAGE FINANCED BY THE NHS		
2008	Total	% financed by NHS
Admisiones (thousands)	5,282.5	78.4
Admissions per 1,000 inhabitants	115.9	
Average Stay (days)	8.1	
Consultations		
Consultations (thousands)	79,614.2	86.4
Consultations per 1,000 inhabitants	1,746.2	
Emergencies		
Emergencies (thousands)	26,249.1	77.0
Emergencies per 1,000 inhabitants	575.7	
Surgical Activity		
Surgical operations	4,567.7	
Surgical operations per 1,000 inhabitants	100.2	
Major Ambulatory Surgery (MAS) (thousands)	1,259.2	77.8
MAS per 1,000 inhabitants	27.4	
Obstetric Activity		
Vaginal births	385,859	
Caesarean births	128,255	
% caesarean	25.0	
Total births	514,114	

Source: Ministry of Health, Social Policy and Equality. Institute for Health Information. Statistics from healthcare centres providing inpatient services, 2008.

TRASPLANTS		
2009	Number	Rate per million inhabitants
Renal transplants	2,328	50.7
(live donor)	(235)	(5.1)
Hepatic transplants	1,099	23.9
(live donor)	(29)	(0.6)
Cardiac transplants	274	6.0
Pulmonary transplants	219	4.8
Pancreas transplants	97	2.1
Intestinal transplants	11	0.2

Source: Ministry of Health, Social Policy and Equality. World Transplant Organisation.

With regard to the economic-budgetary classification and if long-term care costs are excluded, staff salaries (at 43.6%) account for the greatest proportion of expenditure on public health. Government- subsidised activity accounts for 11.1%.

CITIZENS AND THE HEALTHCARE SYSTEM

The Spanish Health System covers practically all Spanish citizens and residents who have acquired the right to healthcare by virtue of bilateral agreements. Law 8/2000, of 22 December, on the Rights and Freedoms of Foreign Nationals living in Spain guarantees the right to healthcare for foreigners registered in the municipal census under the same

conditions as Spaniards, as well as for minors under 18. Pregnant foreign women are entitled to healthcare during pregnancy, childbirth and postpartum. It also establishes the right of foreigners to receive emergency healthcare, irrespective of their legal status. The public health system does not establish time limits, grace periods or any other requirements for access and these services are similar to those offered by most European countries.

The rights and obligations of citizens in relation to public health are established in the General Health Act (Article 10) and are aimed at ensuring their right to equal access to high quality and efficient healthcare and respect for the principles of autonomy and freedom. Law 41/2002, of 14 November, which regulates the

HEALTHCARE EXPENDITURE IN MILLIONS OF EUROS			
	2006	2007	2008
Public healthcare expenditure	58,652	63,854	70,799
Private healthcare expenditure	23,598	25,060	26,815
Total healthcare expenditure	82,250	88,914	97,614

Source: Ministry of Health, Social Policy and Equality. Subdirectorate-General for Economic Analysis and Cohesion Fund drafted according to SHA methodology (System of Health Accounts).

FUNCTIONAL BREAKDOWN OF PUBLIC HEALTHCARE EXPENDITURE		
2008	Total in Euros	% total
Hospital and Specialised Services	36,767,192	55.2
Primary Healthcare Services	10,443,678	15.7
Public Health Services	793,896	1.2
Pharmacy	12,720,630	19.1
Collective Health Services	1,871,857	2.8
Transports, prosthetics & therapeutic app.	1,220,703	1.8
Capital costs	2,803,264	4.2
Total	66,621,219	100.0

Source: Ministry of Health, Social Policy and Equality. Subdirectorate-General for Economic Analysis and Cohesion Fund. Public Healthcare Expenditure Statistics.

patient's autonomy and rights and obligations regarding health documentation and information, requires Health Services to inform citizens of all their rights

and obligations. This obligation covers both the rights and obligations included in basic national legislation and those established in the corresponding regional

regulations. One of the primary and most noteworthy consequences of this basic law is that it is the first to guarantee the right of all citizens to request a second medical opinion. Another new aspect introduced by this law, affecting its implementation at a regional level, is related to the regulation of “living wills” and informed consent.

All Spanish healthcare system activities revolve around citizens and regular surveys are carried out to gauge user satisfaction with the system. Results show that citizens are generally very satisfied with the way the public health system works.

For example, the results from the survey conducted in 2009 reveal that, in general, more than two thirds of the population think that the National Health System works well while only 4.7% are of the opinion that it should be completely overhauled. However, 25.3% of citizens believe that changes are required to improve the system.

The positive results obtained in the health system survey are also reflected in the excellent health indicators of the Spanish population. Spanish people have a life expectancy at birth of 81.1 years, higher than the EU-27 average of 79.1 years.

With 3.4 infant deaths per thousand live births, Spain is among the top ten EU-27 countries with the lowest mortality rate, and is also below the average infant mortality rate for all countries, which currently stands at 4.4 deaths per thousand live births.

The perinatal mortality rate is a more sensitive indicator than the infant mortality rate for assessing the coverage and quality of healthcare services, especially in terms of maternity and infant healthcare services. With a mortality rate of 4.4 perinatal deaths per 1,000 live births, Spain is below the EU-27 average rate of 5.8 perinatal deaths per 1,000 live births.

FUTURE CHALLENGES FOR THE NATIONAL HEALTH SYSTEM

The Spanish National Health System, like health systems in neighbouring developed countries, faces the challenge of having to improve the quality of services offered to citizens without undermining the sustainability of the existing healthcare model. An ageing population, which is having a strong impact on the way treatment is provided and on the consumption of health services, coupled with the appearance of new diagnostic and treatment technologies and greater citizen healthcare demands, account for the significant rise in spending. This has necessitated the introduction of policies for improving healthcare efficiency and effectiveness.

The goal to improve the health of the population by increasing quality while consolidating the National Health System (a key part of the “Welfare State”), is the driving force behind the strategic action lines that characterise the current policy drawn up by both the Ministry for Health, Social Policy and Equality and the autonomous regions. These actions include the following:

SATISFACTION WITH THE HEALTH SYSTEM	
2009	% of opinion
Positive assessment	69.2
Changes necessary	25.3
Total overhaul needed	4.7

Source: Ministry of Health, Social Policy and Equality. Institute for Health Information and the Centre for Social Research (Spanish acronym: CIS). Healthcare Barometer 2009.

- The promotion of disease preventive policies and health protection and promotion policies;
- The promotion of basic and applied health research;
- The improvement of health organisation management systems, by fostering greater integration between different healthcare levels and the spread of clinical management, case management and evidence-based medicine;
- The streamlining of pharmaceutical services;
- The introduction of criteria for evaluating diagnostic and therapeutic technologies and procedures to guarantee patient safety, excellence in clinical practice and the efficient use of resources; and
- The efficient use of information and communication technologies with a view to introducing interoperable medical records and electronic prescriptions throughout the system, based on the identification of users via the electronic Health Card now operational in the Spanish National Health System

LIFE EXPECTANCY AT BIRTH (YEARS) BY GENDER IN THE EU AND SPAIN			
2007	Total	Women	Men
EU-27	79.1	82.1	76.0
Spain	81.1	84.3	77.8

Source: National Statistics Institute and WHO HFA Europe Database (Health For All).

INFANT AND PERINATAL MORTALITY PER 1,000 LIVE BIRTHS IN THE EU AND SPAIN				
	1980	1990	2000	2008
Infant mortality				
EU-27	14.3	9.9	5.9	4.4
Spain	12.4	7.6	3.5	3.4
Perinatal mortality				
EU-27	14.9	9.1	6.8	5.8
Spain	14.4	7.6	5.5	4.4

Source: Ministry of Health, Social Policy and Equality. Institute for Health Information. Key NHS Indicators 2010 and WHO HFA Europe Database (Health For All).

EQUALITY POLICY

The Spanish Government has made equality one of the cornerstones of its overall policy. By placing equality at the very top of the political agenda, this ensures the issue trickles down into absolutely every facet of government action.

Spain has progressed in leaps and bounds towards a fairer, more egalitarian society. Spain has produced a cutting-edge regulatory framework in this field

that has become a benchmark throughout Europe, including such laws as the Effective Equality between Women and Men Act and the Law on Measures for Comprehensive Protection against Domestic Violence. However, to recognise these achievements does nothing but demonstrate the long way yet to go in the fight against the discrimination and inequality that have been so deeply-rooted in society for many centuries.

Photo: Ministry of Health, Social Policy and Equality



Blue Heart Campaign to combat human trafficking

The main lines of action aimed at achieving a freer, more efficient, more egalitarian and more peaceful society consist of combating domestic violence and other forms of violence against women, fostering equality in employment and putting an end to discrimination in the workplace.

Development of the two aforementioned laws was completed this year alongside another two legislative initiatives with a far-reaching impact: approval in 2010 of the Sexual and Reproductive Health and Voluntary Interruption of Pregnancy Act to give women and professionals more guarantees and to improve sex and reproduction education aimed at preventing unwanted pregnancies; and the presentation of a Draft Bill for a law on equal rights aimed at eradicating discrimination from Spanish society on grounds of religion or belief, disability, gender, sexual orientation, racial background or ethnicity.

Furthermore, this year also saw the first results from the Integrated Plan against Human Trafficking for sexual exploitation purposes, which has led to the closing down of mafia gangs and networks that enslave women, as well as to an increased awareness and a higher profile in society of these atrocious crimes.

This comprehensive Plan contains a total of 62 measures: raising social awareness to promote reactions of zero tolerance to criminal acts related to human trafficking; combating the root causes through active cooperation policies with the countries of origin, transit and destination; receiving support from Non-

Governmental Organisations to develop measures from an integrated perspective; guaranteeing support and protection for victims; and increasing efforts in the fight against traffickers and racketeers.

ACTIONS

Domestic violence is the cruellest expression of inequality and that is why the fight against this form of violence committed against women is one of the main priorities for the Spanish Government. The Integrated Law represents a 'before and after' in Spain because it has brought about a higher level of social awareness regarding the problem, women are more protected, more women file reports and manage to escape the spiral of abuse, and more women have social rights and receive help with professional insertion when they need it. In short, it is a powerful instrument that has enabled unprecedented efforts and actions to be taken.

Spain has 106 courts dedicated exclusively to cases of domestic violence, electronic devices to detect the proximity of aggressors, and numerous prevention and awareness campaigns being run (this year aimed at the rejection of abusers by society). The 2010 campaign entitled '*Saca la Tarjeta Roja al Maltratador*' [Red Card to Abuse] generated a social movement with which we have said "no" to such violence. Furthermore, legal steps have been taken to protect both the direct and indirect child victims of the violence committed against their mothers.



Photo: Ministry of Health, Social Policy and Equality

The "*Saca la Tarjeta Roja al Maltratador*" campaign ["Show Domestic Abuse the Red Card"]

Eliminating the wage gap and putting an end to the discrimination of women in the workplace is another priority within the field of equality policies, not only from the social justice perspective but also from the point of view of efficiency and economic profitability because instability, temporary work, precariousness and pay differences all mainly affect women.

In 2010, the Distinction for Equality in the Workplace seal was presented for the first time. This seal of quality is incompatible with discrimination and recognises those companies that excel and stand out from others in the application of equality policies. 36 companies received the seal of quality in this first year of such awards.

Photo: Ministry of Health,
Social Policy and Equality



Group photograph from the 5th Meeting of Women for a Better World, 28 March 2010.

Equality in the workplace is one of the cornerstones of the Spanish Government's political action in terms of its employment strategy and includes initiatives aimed at fostering the creation of companies by women through microcredits or business support programmes, as well as initiatives aimed at the labour insertion of women with special difficulties. Furthermore, this year also saw the implementation of the programme for Accrediting Professional Skills Acquired through work experience, which will enable recognition of work experience or learning acquired through non-formal channels.

Another crucial area of action in the field of labour equality is reconciliation and co-responsibility. The challenge is not simply to give more women the opportunity to work but also to ensure that young women joining the labour market do not have to

renounce motherhood, as well as promoting the sharing of social and family responsibilities between women and men.

In this regard, progress in terms of equality issues was one of the core areas for the Spanish Presidency of the European Union; a political priority that was approached from all perspectives. As regards employment and in order for growth to sprout once more from solid foundations, we must take advantage of the potential, talent and skills available in all parts of society. To that end, a target of 75% employment among women has been included in the 2020 Strategy. Also among the most important directives agreed upon in terms of equality are those aimed at overcoming gender stereotypes in education and occupational guidance.

The Spanish EU Presidency also led the European Union to adopt the Spanish model in its fight against domestic violence, which represents an unprecedented step forward in the challenge to eradicate domestic violence as, for the first time, it establishes the development of a European strategy covering measures to combat violence against women from within the European Union and beyond its borders.

The approved conclusions include the creation of an Observatory on Gender Violence, ratified by all Member States of the European Union in acceptance of the need to have reliable indicators and statistics on violence perpetrated against women, raise awareness on the problem and bring it out of the private domain.

Furthermore, Europe will provide a continent-wide freephone service for support and information to victims and countries have committed to implementing permanent awareness-raising campaigns in line with the model that exists in Spain. A commitment was also made to the need for victims of this form of violence to receive comprehensive social assistance and for a response to be given to the circumstances experienced by children who live with situations of violence.

In short, Spain has made great progress in a short space of time. Equality relies on the involvement of every man and woman, institutions, authorities and the media, and society as a whole must take responsibility for pulling up the unfair and ineffective roots that feed the blight of inequality. A shared task for shared success.

OFFICIAL WEBSITES:

Ministry of Health, Social Policy and Equality:
www.msps.es

Ministry of Health, Social Policy and Equality (Equality policy): www.migualdad.es

Institute for Women: www.inmujer.es

Institute for Young People: www.injuve.es

INTERNATIONAL ORGANISATIONS:

World Health Organisation: www.who.int

Organisation for Economic Cooperation and Development (OECD): www.oecd.org

European Union: www.europa.eu

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Chapter IX EDUCATION

Photo: Institute of
Education Technology.
Ministry of Education



THE SPANISH EDUCATION SYSTEM

This brief description of the current education system is divided into four broad sections: Principles, Structure, Administration and Education Policy.

The first section describes the major principles that underpin and govern the education system within the framework of the Spanish Constitution and as defined by the main laws on education. The second section describes the structure of the system, with brief details on all non-university levels and branches of education. The third section presents an overview of the general administration of the system, the various government levels and their functions and the organisation of the system in keeping with current legislation. The fourth and final section describes the current education policy being implemented by the Spanish Ministry of Education.

GENERAL PRINCIPLES OF THE EDUCATION SYSTEM: THE LEGAL FRAMEWORK

The legal framework governing the Spanish education system consists of the Spanish Constitution of 1978 and the following laws that develop the principles and rights contained therein:

- the 1985 Constitutional Law regulating the Right to Education (Spanish acronym: LODE);

- the 2006 Constitutional Law on Education (Spanish acronym: LOE);
- Law 5/2002, of 19 June, on Qualifications and Professional Training.

The new Constitutional Law on Education approved in May 2006 regulates the structure and organisation of non-university levels of the education system. It reiterates the principles and rights recognised in the Spanish Constitution and the LODE, and advocates universal quality and fairness. Emphasis is placed on the inclusive nature of education, equality of treatment and the non-discrimination of persons under any circumstances. The law also reaffirms the nature of education as a public service, considering education as an essential community service that must be made available to everyone without exception, offering equal opportunities, guaranteed regularity and continuity, and progressively adapted to social changes. The service of public education may be provided by public authorities and by social initiatives.

The main objectives of the system in terms of the various types of education provided are as follows: to improve education and academic results; to achieve success for everyone in compulsory education; to increase the number of pupils enrolled at the pre-primary level, in higher secondary education and on professional training courses; to increase the number of graduates from secondary and professional schools; to educate pupils in democratic citizenship; to promote lifelong learning; to reinforce the fairness of

the education system; and to synchronise our system with those of other Member States of the European Union.

The LOE defines basic education as ten years of regular schooling that begins at age 6 and end at age 16. Basic education is broken down into primary education and compulsory secondary education.

The law also regulates pre-primary education, higher secondary education, arts education, sports education, foreign language education, adult education and distance learning within the framework of lifelong learning.

It also provides for the participative approach and aspects concerning school organisation and management, reinforcing the powers and organisational capacities held by schools. The powers of school councils and teaching staff are similarly regulated by this law.

The LOE also encourages cooperation between families and schools, promoting greater pupil and parent participation and responsibility. The law focuses particularly on teachers, whom it regards as crucial figures in the education system, promotes ongoing training and adapts initial training to the degree and post-graduate degree system of the European Higher Education Area. As of 1 October 2009, university graduates who wish to become secondary school teachers will be required to complete an official master's programme comprising appropriate pedagogical and didactic training. The law also establishes diagnostic

assessments of pupils' skills on completion of the second cycle of primary education and the second cycle of secondary education.

As regards Professional Training (Spanish acronym: FP), the new Law on Qualifications and Professional Training was passed in June 2002. Its basic objective is to adapt employment and business needs to the reality of education in Spain today, in order to provide for the lifelong acquisition of modern professional skills and abilities.

The purpose of this law is to articulate an integrated system of professional training, qualifications and accreditation that uses the various branches of training to effectively respond to social and economic needs. A National System of Qualifications and Professional Training will promote and develop the integration of the various professional training options available with a National List of Professional Qualifications. The National Institute of Qualifications is the permanent body responsible for analysing occupational changes in the labour market and the evolution of professional qualifications in the various economic sectors. This data is essential because it affects the range of professional training courses available and, consequently, the list of qualifications.

GENERAL STRUCTURE OF THE EDUCATION SYSTEM

The Education Act (Spanish acronym: LOE) stipulates the basic structure of the Spanish education system,

organising it into different stages, cycles, academic years and levels of non-university training.

According to the LOE, the various types of education provided are as follows: pre-primary education, primary education, secondary education (which comprises compulsory and higher secondary education – the so-called *bachillerato*), intermediate-level professional training, intermediate-level professional training in plastic arts and design and intermediate-level professional training in sports. The higher education sector comprises university education, higher art education, advanced-level professional training, advanced-level professional training in plastic arts and design and advanced-level professional training in sports. Foreign languages, the arts and sport are all regarded as special branches of education.

The law establishes that the various non-university levels of the education system must be adapted to pupils with special learning needs in order to guarantee these students' rights to enrol in, continue and advance through the system.

With regard to the distribution of powers between the central government and the autonomous regions, the LOE establishes mechanisms for coordination and cooperation between the various education authorities in order to define and reach a consensus on education policies and common criteria and objectives. Based on the need to ensure the same provisions throughout the country and guarantee the validity of the various degrees awarded, the Spanish government dictates

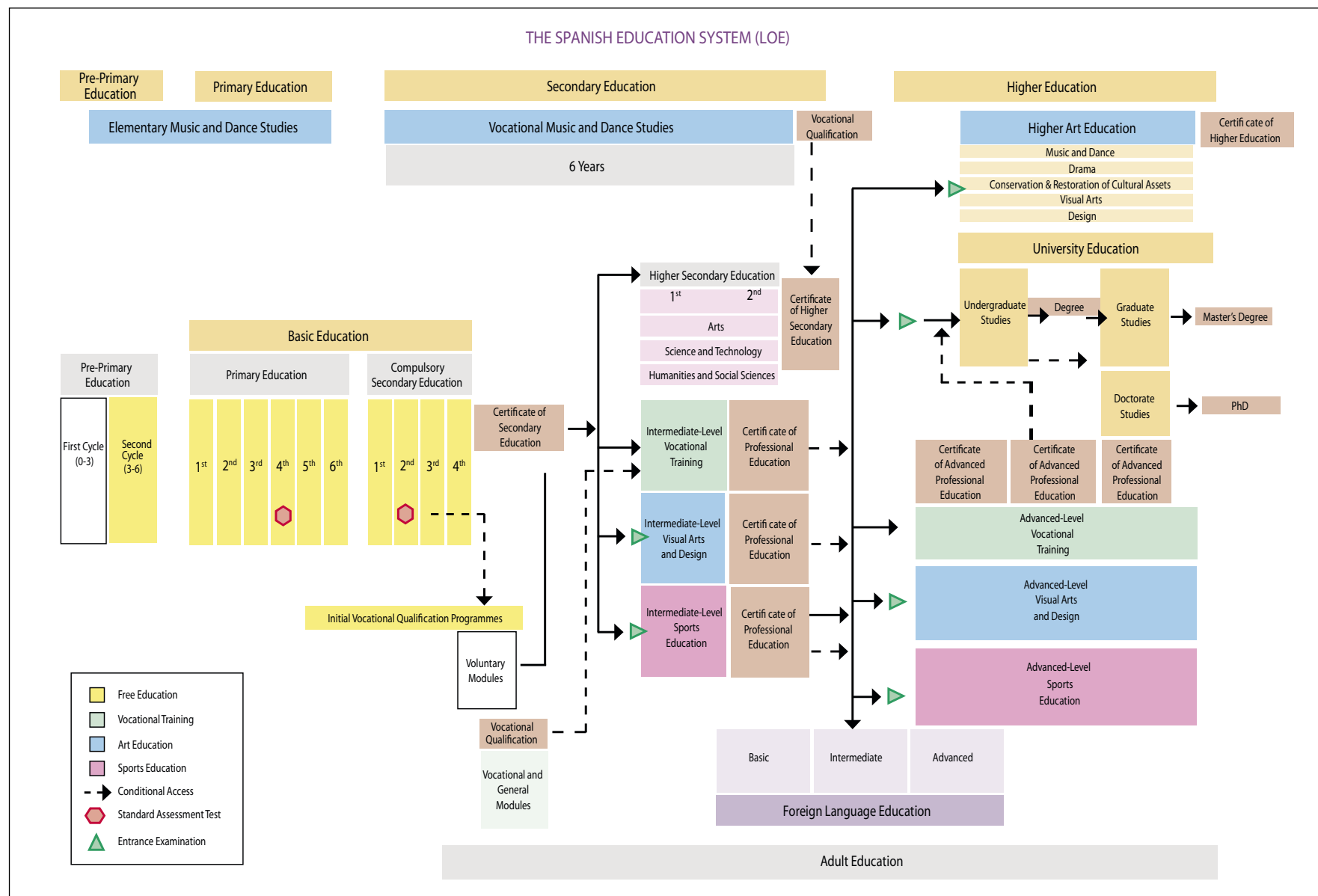


Photo: Ministry of Education.



The Minister for Education taking part in activities at the Rey Juan Carlos I School in Ceuta.

the basic aspects of the curriculum – namely, the objectives, basic skills, syllabus content and assessment criteria – referred to in the LOE as the minimum core curriculum.

The basic content of the minimum core curriculum accounts for 55% of the school timetable in the autonomous regions with a co-official language and

65% in the regions where Castilian Spanish is the sole official language.

Pre-Primary Education

Pre-primary education is the first level in the education system. It is conceived as a single education stage with its own characteristics designed to meet the needs of children from birth to age 6. Although it bears a close

Photo: EFE Agency.



Her Royal Highness Princess Letizia chatting to children from the J. Blume Centre at the sports facilities.

resemblance to primary education, it has a different focus from subsequent stages. Pre-primary education is organised in two three-year cycles of an educational and voluntary nature.

The second cycle is free of charge in order to offer a response to 100% of the existing demand for schooling.

As regards the first cycle, which comprises the 0-3 age group, in collaboration with the autonomous regions, the Ministry of Education has invested considerable effort in recent years in increasing the school attendance rate through the creation of new pre-primary schools under the Plan to Promote 0-3

Pre-Primary Education, the so-called Plan Educa3. The educational content of both cycles is described in a pedagogical proposal drawn up by each school.

Both cycles are expected to promote children's physical, intellectual, emotional and social development, assisting them in the discovery of the physical and social characteristics of the environment in which they live and enabling them to create a positive and balanced image of themselves and acquire personal autonomy. During the second pre-primary cycle, the education authorities are responsible for promoting initial contact with a foreign language, reading and writing, basic numerical skills, information and communication technologies, artistic and musical expression.

Primary Education

Primary education consists of six years of schooling, usually beginning at age 6 and ending at age 12. It comprises three two-year cycles and is structured around a series of subjects designed from a holistic and integrating perspective.

Together with compulsory secondary education, this compulsory and free primary education forms the basic and free education in Spain. Its purpose is to offer all children an education designed to enable them to consolidate their personal development and well-being, acquire the basic cultural skills concerning oral expression and comprehension, reading, writing and arithmetic, and develop social and emotional skills,

work and study habits, artistic sensitivity, creativity and their own personality.

Although structured into different subjects, the content is nevertheless designed from a global perspective. The compulsory subjects at primary level are as follows: natural science, social and cultural environment, the arts, physical education, Spanish language and literature (plus the co-official language and its literature where appropriate), a foreign language, mathematics, and citizenship and human rights education. During the third cycle of this stage, education authorities may also add a second foreign language. Subjects instrumental to the acquisition of other areas of knowledge are given special consideration. In addition to their specific treatment in several of the primary-level subjects, reading comprehension, oral and written expression, audiovisual communication, information and communication technologies, and ethics are practised in all subjects. A time is set aside each day for reading as a means of promoting this habit.

Student evaluation is continual and global, taking into account general progress in the full range of subjects. Pupils progress to the following cycle or stage when they have achieved the relevant basic skills and the appropriate degree of maturity.

In order to ensure the continuity of the education process, on completion of this stage of their education, pupils are provided by the education authorities with a report on their learning abilities, targets met and basic skills acquired.

Compulsory Secondary Education (ESO)

Compulsory secondary education (Spanish acronym: ESO), which begins at age 12 and ends at age 16, consists of four academic years. The structure of this stage of the education system is centred on two principles: a focus on diversity and the right of all students to equal education.

The purpose of compulsory secondary education is to ensure that pupils acquire knowledge of the basic humanistic, artistic, scientific and technological aspects of modern culture in general; to develop and consolidate study and work habits; to prepare them for further study or the labour market; and to train them in the exercise of their rights and duties as citizens.

During this stage, special attention is devoted to the acquisition and development of basic skills, with particular emphasis on correct oral and written expression and the use of mathematics. A time is set aside for reading in every subject as a means of promoting this habit. The subjects taught at secondary level are as follows: natural sciences, physical education, social sciences, geography and history, Spanish language and literature (plus the co-official language and its literature where appropriate), a foreign language, mathematics, visual arts and crafts, music, technology, citizenship and human rights education. The last year in this stage is of an orientational nature and offers students a choice of more specialised subjects. A second foreign language can also be learned over the course of this entire stage.

Students advance from one level to the next when they have met the targets for every subject studied or have only failed to do so in two subjects at the most. In the event of failing three or more subjects, they must repeat the year. Exceptionally, a pupil who has failed three subjects may progress to the next year if the teaching staff are of the opinion that the nature of these subjects is unlikely to affect the pupil's success the following year, if the pupil is expected to pass when re-sitting the subjects in question, and if progression to the next year is likely to benefit his or her academic development. Pupils may only repeat the same year once and may only repeat twice throughout compulsory secondary education.

For pupils who fail to obtain the Certificate of Secondary Education (Título de Graduado en Educación Secundaria), the education authorities may organise Initial Professional Qualification Programmes (Spanish acronym: PCPI – Programas de Cualificación Profesional Inicial), that include three types of modules, to enable all pupils to attain professional skills appropriate to a Level-1 qualification, to enter the labour market as satisfactorily as possible, and to improve their basic skills as a means of attaining the Certificate of Secondary Education.

Higher Secondary Education (Bachillerato)

Higher secondary education is non-compulsory and lasts for two years. The entry requirement for this level is possession of the Certificate of Secondary Education. In theory, students enter higher secondary



education at age 16 and exit at age 18, but they may spend four years at this level if necessary.

The aim of higher secondary education is to provide pupils with the training, intellectual and human maturity, knowledge and skills required to undertake social functions and enter the labour market with an appropriate degree of responsibility and skills. It also prepares pupils to enter university.

Higher secondary education offers the following branches of study: The Arts, Science and Technology, Humanities, and Social Sciences. The Arts branch offers two further specialisations: Plastic arts, image and design; and Performance arts, music and dance.

This stage is organised into core, branch-specific and optional subjects. Pupils may choose their subjects from a list of specific classes within their chosen speciality. Each branch is organised in a manner that enables students to specialise in a specific area and thus facilitate access to higher learning or the job market.

At this level, student evaluation is continuous and is carried out individually based on syllabus targets and assessment criteria established in each autonomous region. Pupils progress from the first year to the second year when they have passed all their subjects or have only failed two at the most. Pupils who do not progress to the second year are held back the first year, repeating the entire programme if they have failed more than four subjects. According to the Agreement from the Sectoral Conference on Education, signed by



Sports facilities at Universidad Rey Juan Carlos in Fuenlabrada (Madrid).

the majority of the autonomous regions, those pupils who have three or four failed subjects, and with their families appropriately informed, may choose one of the following options:

- a) to repeat the entire first year of higher secondary education, rejecting all grades obtained;
- b) to repeat the entire first year of higher secondary education, so as to provide the opportunity to consolidate their training in the subjects already passed and improve their grade. In the event of receiving a lower grade, the grade obtained from the previous year would be upheld; or
- c) to repeat the failed subjects. Depending on the organisational capabilities of the centre, pupils

may voluntarily repeat any other subjects that the Management of the centre considers most appropriate for their training.

Pupils successfully completing any of the higher secondary specialties are awarded the Certificate of Higher Secondary Education (Título de Bachiller), which is valid for both professional and academic purposes. All first-year and second-year subjects must have been passed to qualify for this certificate, which grants students access to the various types of higher education programmes.

Access to university-level studies is also contingent upon passing an entrance examination which, together with the grades obtained in the higher secondary level, provides an objective evaluation of academic maturity and knowledge acquired as well as the ability to cope successfully with university-level studies. All students in possession of the Certificate of Higher Secondary Education are eligible to sit the university entrance examination, regardless of the speciality or study course followed.

Professional Training

Professional Training comprises a series of training measures designed to equip students with specific skills related to different occupations, enabling them to enter the labour market and become active participants in social, cultural and economic life. Professional Training is also characterised by its flexibility, enabling pupils to move freely between this type of education and other branches of the education system.

The purpose of Professional Training is to prepare pupils for employment in a professional field, equip them to cope with the changes that may occur in their employment circumstances throughout their life, and contribute to their personal development and the exercise of democratic citizenship.

Professional Training is broken down into intermediate-level and advanced-level training. It is organised in a series of modules of varying duration and theoretical and practical content in keeping with the various professional fields. The two levels must correspond to the National List of Vocational Qualifications and constitute Intermediate-Level Professional Training and Advanced-Level Professional Training, respectively. After first consulting with authorities of the autonomous regions, central government establishes the range of qualifications corresponding to professional training programmes, as well as the basic curriculum components.

The access requirement for Intermediate-Level Professional Training is possession of the Certificate of Secondary Education, while pupils wishing to undertake Advanced-Level Professional Training must be in possession of the Certificate of Higher Secondary Education. Applicants for Professional Training who do not meet the academic requirements may take a specific entrance examination regulated by the competent education authorities.

Learning is evaluated by professional modules, and successful completion of a training level is dependent

on passing all the stipulated modules. Possession of the Certificate of Advanced Professional Education (Título de Técnico Superior), permits access to university-level studies.

Arts studies

Arts studies are regulated by the LOE, the purpose of which is to guarantee quality training in the arts and provide a framework of qualifications for future musicians, dancers, actors, artists and designers.

Arts studies comprise the following: elementary music and dance, professional music and dance, and both intermediate- and advanced-level training in the visual arts and design. It also encompasses higher studies in music and dance, drama, conservation and restoration of cultural assets, design, and the visual arts (including higher studies in ceramics and glass-making).

Successful completion of professional music and dance studies leads to the corresponding professional qualification. Students completing these programmes are also awarded the Certificate of Higher Secondary Education if they pass the core higher secondary subjects, despite not having followed the music and dance study programme of the arts branch.

Pupils who successfully complete intermediate-level visual arts and design studies are awarded the Certificate of Professional Education in Visual Arts and Design (Título de Técnico de Artes Plásticas y Diseño) in their chosen speciality. This qualification permits access to the arts branch of higher secondary education. Students

who successfully complete advanced-level visual arts and design studies are awarded the Certificate of Advanced Professional Education in Visual Arts and Design (Título de Técnico Superior de Artes Plásticas y Diseño) in their chosen field.

Higher arts studies are defined by Royal Decree 1614/2009, of 26 October, which establishes the organisation of higher arts studies regulated by the LOE, develops the structure and basic aspects of the structure for higher art studies, in accordance with the provisions of Article 58 of the LOE and in accordance with the general lines laid down by the European Higher Education Area.

The new organisation is structured into three cycles: Degree (240 ECTS credits); Master (between 60 and 120 ECTS credits) and Doctorate in the field of the disciplines that are unique to higher arts studies through agreements with the universities.

The LOE also created the Higher Council of Arts Studies as a State advisory body and instrument of participation with regard to this branch of education.

Foreign Language Education

The law also regulates Foreign Language Education, to be provided by the official language schools and in keeping with the various levels recommended by the Council of Europe. The purpose of Foreign Language Education is to equip pupils with the skills necessary for the appropriate use of different languages, outside the ordinary education system. The levels of skills

offered are: basic, intermediate and advanced, which correspond to levels A2, B1 and B2 of the Council of Europe. This type of education aims to promote the learning of foreign languages, especially the official languages of the Member States of the European Union and the co-official languages in Spain, as well as Spanish as a foreign language. In order to be admitted to an official language school, pupils must be at least 16 years old in the year they begin their studies. Pupils over the age of 14 may also be admitted to study a foreign language not provided as part of their compulsory secondary education curriculum.

Sports Education

The purpose of Sports Education is to prepare pupils for a profession in a specific field or area of sport, to facilitate their adaptation to changes in the labour market and sports world, and to encourage active citizenship. It is organised around the various sports branches and specialities recognised by the National Sports Council in accordance with Article 8b of the Sports Act 10/1990 of 15 October. The provision of sports education is organised in association with the autonomous regions after consulting with their various sports education bodies.

Sports curricula are designed in accordance with the National Qualifications and Professional Training System. Sports Education is offered at intermediate and advanced levels.

Sports Education programmes are organised in blocks and modules of varying duration, and consist of

theoretical and practical subjects related to the various professional fields.

Adult Education

Training is regarded by the Spanish education system as an ongoing lifelong process. The value of learning is never lost, as economic and social changes regularly require citizens to broaden their skills. The LOE fosters lifelong learning by offering young people and adults the opportunity to combine study and training with employment and other activities.

The purpose of Adult Education is to offer everyone over the age of 18 (and, in exceptional cases, young people over the age of 16 with an employment contract that prevents them from attending an ordinary educational establishment or who are high-performance athletes) the chance to acquire, update, complete or broaden their knowledge and skills for personal and professional development purposes.

The organisation and methodology of Adult Education is based on self-learning processes and takes into account personal experiences, needs and interests. Training is offered through conventional programmes (requiring the presence of the learner) and distance programmes. The methodology used is flexible and open in order to meet learners' skills, needs and interests.

The range of Adult Education programmes comprises basic education and post-compulsory education that offer learners the possibility of entering higher

secondary education and professional training. Appropriate measures are taken to ensure that adults have access to a specific range of studies of this type, which are adapted to their unique circumstance. Public distance education programmes, including the use of information and communication technologies, are also offered.

People over the age of 25 are automatically eligible to sit the university entrance exam, regardless of whether they have any of the above-mentioned certificates.

GENERAL ADMINISTRATION OF THE EDUCATION SYSTEM. DISTRIBUTION OF POWERS BETWEEN THE VARIOUS EDUCATION AUTHORITIES

Since the approval of the Spanish Constitution in 1978, the education system has undergone a major process of transformation involving the gradual transfer of functions, services and resources from central government to the various autonomous regions. Hence, between 1 January 1981, when Catalonia and the Basque Country were granted the means and resources to exercise their powers in education, and 1 January 2000, when Asturias, Castile-La Mancha, Castile and Leon, Extremadura and Murcia were granted the same powers for all non-university-level education, all the autonomous regions have taken over the full range of educational functions, services and resources, including non-university and university-level studies.

ADMINISTRATIVE STRUCTURE OF THE EDUCATION SYSTEM AND THE POWERS OF EACH ADMINISTRATIVE LEVEL. 2000		
	Powers	Administrative Structures
State Administration	General organisation of the system, minimum requirements for the centres, international cooperation on education issues, promotion and general coordination of research, general planning of education and regulation of academic and professional certificates. Government inspection, development aid policies, ownership and administration of public centres abroad, legal regime for foreign centres in Spain, education statistics for State purposes, etc.	Central services of the Ministry of Education Peripheral services: a) Government Inspectorate in each autonomous region b) Provincial Directorates in Ceuta and Melilla
Regional Administration	Administrative powers over its region, creation and authorisation of centres, administration of personnel, development of the education programme, guidance and services to students, financial aid and grants, etc.	Education Departments or Councils of the corresponding Regional Government.
Local Administration	Provision of land for the construction of public centres, conservation, maintenance and refurbishment of Pre-Primary and Primary Education centres, programme of curricula and extra-curricula activities, monitoring of compliance with school attendance obligations, etc.	Various municipal education services.

Source: Drafted by the Institute for Teacher Training, Research and Educational Innovation (Spanish acronym: IFIIE) according to legislation.

In this decentralised model of administration, educational responsibilities are divided between the central government, the autonomous regions, local councils and the schools themselves.

The central government is exclusively responsible for safeguarding the homogeneity and basic unity of the education system, and guaranteeing the equality of all Spaniards in the exercise of their fundamental education rights as defined in the Spanish Constitution. These powers are mainly of a legal nature, concerning

the regulation of the basic elements or aspects underpinning the system in general, although some of them are of an executive nature.

The autonomous regions are legally responsible for the implementation of State regulations and for governing the non-basic elements or aspects of the system. With the exception of those reserved by the central government, they also have executive powers in the administration of the system in their own territory.

Although the law entrusts certain tasks to local councils, it does not grant them the status of education authorities. It does, however, recognise their capacity to cooperate with the central and regional governments in the implementation of education policy. Hence, the local councils assist the education authorities in the creation, construction and maintenance of State schools and in the provision of complementary activities and services. Municipal participation is also articulated via the regional school councils and the councils of each individual learning centre.

The Ministry of Education is the central government body responsible for the proposal and implementation of the government's general guidelines on education policy. In order to exercise these functions, the Ministry has created a series of central units, which make up the basic structure, and peripheral units which are responsible for the management of tasks at a regional and provincial level. In every autonomous region there is a government body with the executive capacity to undertake the educational powers reserved exclusively for the central government. This body is called the Government Inspectorate (Alta Inspección), and performs the duties of ensuring compliance with legislation and the basic conditions that guarantee equality for all Spaniards in the exercise of their rights and duties with regard to education; the inclusion of the basic aspects in regional curricula; and compliance with the requirements established by the State and the conditions required for obtaining the various certificates. In the autonomous cities of Ceuta and

Melilla, the Ministry acts as the competent education authority. Each autonomous region has created its own education authority model (in some cases a Regional Council and a Regional Department in others) in keeping with the functions it has taken over and the services granted by its statute of autonomy.

Not all municipalities have a designated structure with competency over educational matters, although those municipalities with larger populations usually have an Education Council.

The distribution of powers between the various levels of government requires coordination between the education authorities to guarantee the adequate execution of certain functions, such as policy decisions that affect the system as a whole and general planning, the exchange of information for the compilation of statistics, research in the field of education, the general management of teachers and on-the-job teacher training, and the accreditation of learning centres.

The bodies responsible for facilitating inter-governmental coordination and the exchange of information about the general organisation of the system are the so-called Sector Conference on Education and the General Conference on University Policy, whose members are the Regional Councillors for Education and the central government's Minister for Education. These bodies are of an advisory nature only. In addition, there are several other committees with responsibility for inter-governmental coordination on a variety of issues.

Participation in the Education Community

The Spanish Constitution establishes that the authorities must guarantee the participation of society in the general organisation of the education system. Social participation is regarded as one of the guiding principles of the education system. It is conceived as a factor of democratisation that ensures greater sensitivity to social needs and as a crucial tool for promoting quality education.

At the different levels of educational administration, including the schools themselves, there are various official bodies responsible for ensuring the participation of all sectors of society in the education community. At a national level, this body is the State School Council. At a regional level, this function is undertaken by the Regional, Territorial, Provincial, District and/or Municipal School Councils. Finally, each school has its own School Council and each university its own Social Council.

Meanwhile, there are various State advisory bodies for institutional participation: the General Council of Professional Training, the National Arts Education Council and the University Coordination Council.

The State School Council is the national body responsible for social participation in the general organisation of the system and for advice on bills and regulations proposed or passed by the government. The members of this council represent every sector of society involved in education. It has an advisory status

regarding the general organisation of the system and the basic regulations for the implementation of Article 27 of the Spanish Constitution, as well as on general management issues, the definition of the minimum core curriculum and the regulation of academic qualifications, the guarantee of equal rights and opportunities in education, the establishment of minimum standards for schools and any other issues which, by virtue of their importance, are entrusted to it by the Minister for Education.

The Regional, Territorial or Area, Provincial, District and Municipal/Local School Councils are the highest bodies for consultation, advice and social participation in non-university-level education in their respective geographical jurisdictions.

The General Council of Professional Training is the advisory body for inter-governmental institutional participation that acts as an advisory board to the government and on which the Ministry of Education sits, although it actually operates under the Ministry of Work and Immigration. In addition to the General State Administration Services, a variety of union and business organisations are also represented.

The National Arts Education Council, an advisory and participatory board, advises on this branch of education, particularly at the higher levels. Participants in this council include the Ministry of Education and the Ministry of Culture, educational and local authorities, representatives from teacher and student

bodies, directors of higher arts education centres and individuals of renowned prestige in this field.

The University Coordination Council undertakes the functions of management, coordination, planning,

recommendation and advice in the field of higher education.

Photo: Ministry of Education.



Informal meeting of Education Ministers, 13 April 2010.

EDUCATION POLICY

Among the education policy measures being implemented by the Ministry of Education are those aimed at meeting the European Union's objectives for 2010, while the most important recommendations for action are measures to promote cooperation, equality, and support and reinforcement for pupils with special education needs.

• Educational Objectives for 2010 and the National Reform Programme

Within the framework of the Lisbon Strategy and the creation of the National Reform Programme, a series of short- and medium-term objectives are to be met by the Spanish education system. These objectives are shared and subscribed by all the competent education authorities, and have been established in keeping with those agreed upon by other European Union countries for 2010. The government is fully committed to these objectives.

However, the decentralised structure of the Spanish education system and the distribution of powers that attributes responsibility for the execution of education policies to the autonomous regions means that objectives must be accepted by all the education authorities as well as the individuals providing and receiving education: teachers, families and students. In the same way, society must also make the necessary economic effort to achieve said objectives.

For this reason, the Ministry of Education conducted an analysis of European benchmarks and other relevant data that shed light on the current status of education in Spain. As a result of this analysis, three broad blocks of educational goals and ten points of reference have been set for 2010. The blocks of goals are as follows: to increase school attendance at the pre-primary and post-compulsory levels; to achieve success for all pupils in compulsory education; and to promote lifelong learning, citizenship, equal opportunities and social cohesion.

The autonomous regions have also been asked to review and update their indicators and benchmarks. The General Education Committee commissioned two teams to report on and make recommendations for improving the results obtained by pupils in compulsory secondary education (skills, qualification), improving the continuity of pupils in higher secondary education (by reducing the drop-out rate) and increasing the number of pupils obtaining exit qualifications in both higher secondary education and intermediate-level professional training. As a result of this work, a report has been drafted to monitor the progress made towards achieving both European goals and the proposed benchmarks.

The establishment of Spanish goals for 2010 and their adoption by all the competent education authorities are another indication, perhaps the most unequivocal,

Annual expenditure by educational institutions per student for all services relative to GDP per capita.

	All tertiary education including R&D activities	All tertiary education excluding R&D activities	Primary to tertiary education
Austria	41	29	30
Belgium	39	25	26
Czech Republic	34	28	23
Denmark	45	m	30
Finland	38	23	24
France	39	28	27
Germany	40	25	24
Hungary	36	29	26
Iceland	26	m	25
Ireland	28	20	19
Italy	28	18	26
Netherlands	40	26	25
Norway	32	19	22
Poland	34	28	25
Portugal	46	33	29
Slovak Republic	28	24	18
Spain	40	28	27
Sweden	50	26	28
Switzerland	50	26	31
United Kingdom	44	26	27
OECD average	40	28	25
EU19 average	38	27	24

(m) Data is not available.

Eased, based on full-time equivalents

Education at a Glance 2010. OCDE 6 set.2010

Photo: EFE Agency.



Her Royal Highness Princess Letizia with a girl practising to read Braille.

that only shared commitments and hard work from everyone concerned can lead to better and enduring educational standards that satisfy the demands made of the education system by society in general.

With the recent expiry of the 2010 deadline, the Council of Ministers of the European Union has adopted a series of new strategic objectives for 2020 within the Framework for European Cooperation in Education and Training in order to guarantee the professional, social and personal betterment of European citizens, employability and sustainable economic prosperity whilst also promoting democratic values, social cohesion, active citizenship and inter-cultural dialogue. The framework will strengthen cooperation between countries in a common direction that is focused on the education challenges that are also of a fundamental nature for Spain. The new strategic objectives set for 2020 are as follows:

- to make lifelong learning and educational mobility a reality;
- to improve the quality and effectiveness of education and training;
- to promote equality, social cohesion and active citizenship;
- to guarantee creativity and innovation, including the entrepreneurial spirit, in all levels of education and training.

• School Drop-Out Reduction Plan

Within the framework of this same line of consensus and dialogue with all the education authorities, the Ministry is developing a specific plan to reduce the school drop-out rate that was approved in 2008 at the Sectoral Education Conference. The Plan includes preventive and intervention measures aimed at all the sectors involved: students, young people who have left school prematurely, teachers, families, businesses, trade unions and local authorities. The aim is to halve the percentage of young people between 18 and 24 who are neither studying nor have completed any post-compulsory education, which has remained close to 30% for many years. The budget from the Ministry of Education for 2010 allocated to the Plan of support to the implementation of the LOE with a positive effect on reducing the school drop-out rate amounts to 106,866,630 euros.

The measures currently being developed include the provision of more training options by diversifying the range of programmes offered and devising mechanisms to encourage young people without any qualifications to return to the education system. Career guidance departments at primary and secondary schools are also being strengthened. Programmes are being implemented to train teachers on the development of basic skills, to improve management teams in schools and to foster reading in all stages of education and in all areas and subjects on the curriculum. In terms of families, parenting school programmes will be

encouraged and measures will be introduced to encourage parental attendance with their children at parent-teacher conferences. The Ministry is also promoting a change in the education-work culture that will emphasise the possession of the Certificate of Secondary Education as a basic qualification for young people wishing to join the job market.

• **Road Map for the Promotion of Professional Training**

Another priority for the Government is to promote Professional Training programmes, especially those at an intermediate level where, unlike advanced programmes, the percentage of graduates is still a long way behind the European average. The Ministry of Education, in conjunction with the Ministry of Work and Immigration, is therefore developing a “road map” to promote Professional Training. Most notably, the principal measures include accrediting knowledge acquired through experience to encourage workers without any qualifications to resume their studies; actively promoting the international mobility of Professional Training students; facilitating work-study combinations; creating a National Network of Outstanding Centres for the 26 professional fields; and expanding the Network of Integrated Professional Training Centres. The road map also establishes the specific promotion of distance training, taking advantage of the possibilities afforded by Information and Communication Technologies.

• **Grants Policy**

In recent years, grant and financial aid programmes have been continually improved with the dual aim of increasing the number of beneficiary pupils and the efficiency of financial aid as crucial instruments in the provision of equal opportunities. As such, the annual budgets allocated to grants and other financial aids to study have risen steadily.

• **2010-2011 Action Plan and Regional Cooperation Programmes**

On 25 June 2010, the Ministry of Education presented the Council of Ministers with the 2010-2011 Action Plan in regard to the Education Objectives for the 2010-2020 period. These objectives are as follows:

- Educational success for all students;
- Equality and Excellence: assessment as a factor to improve education quality;
- Flexibility in the education system and in post-compulsory studies. Lifelong learning;
- Professional Training as a key instrument for progressing towards a new economic growth model;
- New ways to teach and learn. The role of Information and Communication Technologies;
- Multi-lingualism: promotion of language learning. Programme to improve the learning of foreign languages;
- Education as an asset of public interest and a right for all of society;

- Modernisation and internationalisation of universities. Training, research, transfer of knowledge and social responsibility;
- The social aspect of education, grants and financial aid to study;
- Cohabitation and education in values: involvement of the family, teachers and society;
- Teachers: professional and social recognition for teachers;
- Inclusive education, diversity and interculturality.

This Action Plan is structured into a series of Programmes relating to each of the twelve objectives listed above. In turn, the Programmes consist of various measures aimed at consolidating and promoting the objectives already being sought by including new measures or by reorientating and transforming their content. Therefore, certain specific Programmes for regional cooperation to be carried out with the autonomous regions are consolidated and complemented (Plan Educa3, Programa Escuela 2.0) while others are expanded and strengthened (PROA, Formación del Profesorado, ARCE).

The Reinforcement, Guidance and Support Plan (the so-called Plan PROA), devised by the Ministry of Education in association with the autonomous regions, was launched in 2005 with a contribution of 4.5 million euros from the State Government; a contribution that has increased to 50 million in recent years. The plan consists of the following programmes:

- *The School Mentoring Programme*, for pupils with difficulties in the final cycle of primary education and the early years of secondary education. These students receive educational support outside of regular school hours from young mentors and/or members of the teaching staff. The aim is to boost learning and academic performance, thereby improving the social integration of pupils.
- *The Reinforcement and Support Programme* for socially and educationally disadvantaged schools. This programme aims to improve the running of schools and the results obtained, working simultaneously with pupils, families and the local social environment. The schools draw up an action plan according to their specific needs, and the education authorities provide funding for implementation of the project.
- *The School Library Improvement Plan*. The Ministry of Education's mission to encourage reading habits among schoolchildren, plus the improved use of and funding for school libraries, have resulted in an explicit reference in the LOE to the status of libraries in schools, increased funding for libraries and the use of these spaces by the community in general. The Ministry of Education is simultaneously undertaking other initiatives to improve school libraries. The School Library Improvement Plan was launched in 2005 in association with the autonomous regions. In 2005, it received a budget of 25 million euros and has received 9 million euros for each of the five years since, with commitments from the autonomous regions to make similar contributions.

The ARCE Programme provides for the creation of groups or networks of schools and State educational institutions in the autonomous regions and the autonomous cities of Ceuta and Melilla for the purposes of undertaking common projects involving all the participating schools and institutions. These team projects aim on the one hand to promote dialogue between schools and institutions, and on the other to encourage the mobility of pupils, teachers and other professionals, thus contributing to the acquisition and improvement of skills in the responsibilities, areas and subjects targeted by the project in question, as well as the capacity to work as part of a team. Educational networks will also be reinforced as a means of improving the quality of education in general.

Another aspect to note is the Educa3 Programme, which aims to offer quality pre-primary education for the 0-3 year old stage while simultaneously addressing the need for families to be able to reconcile their personal life with work. The programme is underpinned by the firm belief that pre-primary education is a basic and crucial factor for compensating inequalities from the outset and that also helps to improve academic success at subsequent stages. It is an integrated programme designed to promote the creation of new school places for the 0-3 age group, and the facilities, education provided and professionals who work with these pupils are all governed by quality criteria. In order to achieve the objectives established in the programme, a total investment of 1.087 billion euros will be made between 2008 and 2012. Fifty per

cent of this amount will be provided by the Ministry of Education and the remaining 50 per cent by the autonomous regions.

The Programmes for Regional Cooperation for 2010-2011 are structured into 5 themed blocks (Improvement of school performance; Modernisation of the education system; Strategic Professional Training Plan; Information and assessment; and Teachers), which in turn comprise a total of 17 Programmes. In addition to those listed above, the following are also worth highlighting:

- *Programme for the Consolidation of Basic Skills as a Core Aspect of the Curriculum*

This Programme has been designed as a tool for cooperation between the Ministry of Education and the autonomous regions, with the intention being to improve the results from the entire school population in the acquisition of basic skills.

Its purpose is to guarantee and improve the learning of basic skills, as well as the assessment and recognition thereof, through the development of the curriculum and improved organisation to enable the characteristics of the student body to be harmonised with the conditions for learning basic skills created in education communities.

- *Programme for the Consolidation of Knowledge*

The Programme for the Consolidation of Knowledge is aimed at those students, in both basic and post-compulsory education, who excel due to a greater

ability, interest and motivation to learn, offering them alternatives that may enable them to fully develop their skills and foster their personal, inter-personal, social and professional development.

Through this Programme, the goal is to encourage critical and creative thought, an interest in research, technology and innovation, a desire to know, discover and explore, a thirst for knowledge, the will to learn actively and the ability to analyse and reflect. In short, the programme aims to stimulate intellectual potential and the attitudes of cooperation and teamwork.

- *Contract-Programmes with Schools to Increase Success at School*

The Contract-Programmes are aimed at improving success at school, not only at an academic level but also at a personal level, in such a way that all pupils are able to develop their potential skills and find themselves sufficiently prepared to tackle later stages of education.

They are designed to be flexible proposals that can be adapted to the needs of each school and its students. Given that each school has its own unique characteristics and the professionals who work there are those who best know the educational reality to be found there, a focus must be placed on the definition of specific objectives and the implementation of specific measures at each school.

Participation by a school in this proposal is associated with the signing of a partnership agreement with

the Education Council of its autonomous region. The education centre undertakes a commitment to increase its pupils' success at school by means of an improvement project and the authorities undertake to provide the necessary resources and support for implementing the project. The contract will define the objectives and the activities to be carried out under the improvement plan, the obligations, the agreed resources and the process for monitoring and assessing the results obtained.

- *Teacher Training*

This Programme is aimed at optimising the training offer available to teachers from all education levels of the areas of education defined in the LOE from centres run with public funding. The education authorities that work on the training of teachers in the various autonomous regions and the Ministry of Education will collaborate on the joint provision of training activities on topics of a strategic nature for the education system aimed at teachers throughout the country.

The programme comprises the following strategic lines of action: Basic Skills, ITC, Multi-lingualism, Inclusion, Pre-Primary 0-3, Improved Success at School, School Management Quality Systems, and Leadership in Education for Management Teams.

The priorities of the Ministry of Education also include promoting the use of Information and Communication Technologies (ICT) in the education system as a tool for improving the teaching and learning processes. To this end, the Council of Ministers approved the Programa

Escuela 2.0 on 4 September 2009; an innovative educational initiative designed to create 21st-century digital classrooms. As part of the Programa Escuela 2.0, pilot experiences involving over 7,000 pupils are being conducted in various autonomous regions and Ceuta and Melilla, and training courses are being provided to teachers all over the country. During the 2010-2011 academic year, 660,000 pupils and 40,000 teachers in more than 14,400 fully digital classrooms throughout Spain will each be provided with an ultraportable laptop to assist their learning. The budget allocated to the programme for the 2010-2011 academic year amounts to 200 million euros, jointly financed by the Government of Spain (50 per cent) and the autonomous regions (50 per cent).

Within the framework of the Programa Escuela 2.0, the Ministry of Education has created the Virtual School www.leer.es, with input from all the autonomous regions and institutions such as the Spanish Royal Academy, the Cervantes Institute and various foundations. The aim of this platform is to increase the importance attached to reading in very format across the entire curriculum, and hence offers resources and details of experiences, as well as reflections and debates on reading, on the nature of the process that enables us to become competent readers, and on the conditions that need to be met to guarantee academic success through reading and to avoid premature school leaving and academic failure.

Furthermore, both the School Drop-Out Reduction Plan and the Road Map for the Promotion of Professional Training make use of the advantages of ICT to offer distance training programmes adapted to the needs of every pupil. In addition and in line with teacher-training programmes adapted to the European Higher Education Area, future teachers will learn about information and communication technologies, how to apply them in the classroom and how to select audiovisual information that contributes to learning processes, citizenship training and cultural wealth. Those who follow the master's programme to become a secondary school teacher, to be made more widely available from 2009-2010, will acquire the skills to integrate their training in audiovisual and multimedia communication in the teaching-learning process.

These initiatives complement those launched in the previous legislature in association with the Ministry of Industry, Tourism and Trade and the State Business Corporation Red.es, with the Internet in the Classroom Plan, which was developed in close collaboration with the autonomous regions. The plan includes instrumental measures related to equipment, connectivity and technical assistance, as well as specific actions designed to create an educational setting centred on the natural, integrated and efficient use of these resources, services and pedagogical applications.



Their Majesties the King and Queen of Spain officially opening the 2010-2011 university academic year with the Minister for Education.

• Enactment of the LOE and Implementation of the New Core Curricula

In the 2007-2008 academic year, the first two years of primary and years 1 and 3 of compulsory secondary education were phased in, as well as new professional qualifications and the elementary levels of music and dance and the basic level of foreign language education.

During the 2008-2009 academic year, the new core curricula for pre-primary education will be phased in, along with years 3 and 4 of primary education, 2 and 4 of compulsory secondary education and year 1 of higher secondary education. The remaining core curricula will be phased in during the 2009-2010 academic year.

In the 2010-2011 academic year, the curricula for higher arts education will gradually be phased in.

ACCESS TO UNIVERSITY

Generally-speaking, the requirements for gaining access to university consist of passing an entrance exam that, together with the grades obtained during higher secondary education, enable an assessment to be made of the academic maturity, knowledge and ability of the students to successfully complete a course of university education.

This entrance exam considers the various branches of higher secondary education and the other paths that can be followed by students, relates to subjects from the second year of higher secondary education and is valid for subsequent access to the various courses of study offered by Spanish universities.

The Royal Decree governing the conditions for access to official degree-level university education and the admissions procedures to Spanish State universities was approved in November 2008 and began to be applied with those students who completed their

second year of higher secondary education in the 2009-2010 academic year.

Under this model, the University Entrance Exam consists of two stages: a general and compulsory stage on common subjects and one branch-related subject; and a specific stage, of a voluntary nature, that enables students to increase their grade. Those students who obtain an average 5 from their higher secondary education grades (which counts for 60%) and the qualification obtained from the general stage of the University Entrance Exam (which counts for 40%) may access university education provided they obtained a minimum of 4 points in the general stage.

The specific stage enables those students who wish to access official Degree-level education at State universities with a limited number of places to improve their admissions grade. In this voluntary stage, the students sit exams in two more branch-related subjects other than the one chosen for the general stage of the same exam period that are related to the field of knowledge associated with the university degree to which the student wishes to be admitted. The purpose of this is to enable re-training over the course of one's life and for the higher secondary education option not to forever condition the future education choices of a

student, as well as to enable students to improve their results by making an additional effort. The validity of the grades obtained from the voluntary exams expires after a period of two years. Students may take these exams as often as they wish, although they may only raise their grades in a maximum of two exams. Therefore, each one of the two voluntary exams may add up to one point to the final grade obtained by the student or two points if the university to which they wish to gain access has indicated the subject in question as one of the priority subjects for certain studies. At the start of each academic year, the universities will indicate those subjects they consider to be priorities for their various education offers.

The Royal Decree also regulates direct access to university by students coming from Advanced-Level Professional Training, Advanced-Level Plastic Arts and Design and Advanced-Level Sports Studies, as well as the university entrance exam for the over-25s, the university entrance exam for the over-40s through the accreditation of labour experience and access by all over-45s without academic qualifications or labour experience, in order to facilitate access to training by the adult population.



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HIGHER UNIVERSITY EDUCATION

The Secretariat General of Universities is the body within the Ministry of Education that, under the executive management of the Minister for Education, is responsible for administering all the Central Government powers related to university issues. In accordance with Royal Decree 1086/2009 of 3 July, which modifies and develops the basic structure of the Ministry of Education, this Secretariat General is subdivided into two Directorates-General:

- The Directorate-General of University Policy, which is responsible for the functions undertaken by the former Directorate-General of Universities and for providing assistance and support to the General Conference on University Policy and the University Coordination Council;
- The Directorate-General of University Training and Guidance, which is responsible for all functions related to the fully-comprehensive provision of student services.

Constitutional Law 4/2007 (Spanish acronym: LOMLOU) of 12 April, which modifies the Constitutional Law on Universities 6/2001 of 21 December, addresses a series of reforms designed to strengthen both the independence and accountability of universities in fulfilling their functions. The changes introduced are specifically aimed at improving the quality of Spanish universities, and also at facilitating their incorporation into the European Higher Education Area (EHEA) and the incorporation of Spanish academic research into

the European Research Area (ERA) project. This principle has been promoted by the European Union through the modernisation of its universities, the aim of which is to turn them into active agents for making Europe the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion.

Among the benefits offered by the EHEA are those related to the ability to adapt university qualifications to the labour market and social requirements. The design of the system and the qualifications follows the basic principle of offering both students and graduates a wide range of different educational opportunities so that, based on what they may have studied at any given time, they may continue, complete or change the direction of their training according to their concerns, vocation, working career or personal and family circumstances. In other words, the reform has been designed to improve employability and the interaction with society of the university system.

The next 10 years will be crucial for building a Spain that can compete in an increasingly complex international arena. Besides knowledge, companies of today are demanding communication skills, motivation, independence, analysis, languages, reliability and problem-solving skills. The new qualifications are designed around these characteristics and the new generation of university graduates will benefit from this training.

ANALYSIS OF THE BOLOGNA PROCESS (1999-2010)

On 19 June 1999, the Bologna Declaration (the beginning of the EHEA) formulated a commitment to *“harmonise higher education studies in Europe and foster collaboration between the different Member States and the different universities for the purpose of establishing a system of standardised qualifications that enable student and teacher mobility aimed at fostering employment and competitiveness”*. The so-called Bologna Process of adapting the EHEA was undertaken through a series of agreements reached at subsequent meetings that were held in various European cities¹. Its implementation is a change in which every group involved must work together in order for the change to take place in all areas and disciplines. The goal is to create a new way of learning in the classrooms within a specific timeline and social context. Without forgetting labour-related aspects, this approach constitutes an important milestone in history both in terms of both its origins and its methodological design concept and its socially-orientated objectives.

Even though the Bologna Process was not an EU initiative, it has always supported the project with decisions and resources. When the Bologna Follow-Up Group (BFUG) was created, the European Commission joined the group as simply another member under the same conditions as the representatives from the

participating countries. Furthermore, the country holding the rotating Presidency of the European Union chairs the Follow-Up Commission. Therefore, the Bologna Process is not an imposition by the EU but rather a global Higher Education project. It is a voluntary process based on agreements in the field of education² between the sovereign countries. Nothing established by the process is obligatory for a country if that country does not decide to transform the agreement into domestic legislation. The process basically governs teaching and learning activities at universities but these are not the direct and priority objectives of the Bologna Process. The main objective is for the improvement of academic research, organisation, management, financing and other important aspects of university life to form part of the university modernisation strategy.

MODERNISATION OF SPANISH STATE UNIVERSITIES WITHIN THE FRAMEWORK OF THE UNIVERSITY STRATEGY 2015



One of the main challenges that 21st century society must tackle over the next decade is the role to be played by our modern universities in the development of a new intelligent, sustainable and integrating socio-

¹ The key texts of the Bologna Process from the Ministerial Conferences: Prague (2001), Berlin (2003), Bergen (2005), London (2007) and Leuven (2009).

² Spain has been participating voluntarily since 1999.

economic growth model that is based on knowledge. In this regard, the new EU strategy for growth and employment has emphasised the so-called 'third mission of universities', including both their knowledge transfer function and their social aspects and responsibility.

The tool being used by Spain in order to respond to these challenges is the EU 2015 strategy to modernise and adapt Spanish universities to the role the country wishes them to play as catalysts for change in the production model. To this end and besides the promotion of classic training and research missions, it will be necessary to enhance their social aspects and responsibility, as well as the transformation of the knowledge they generate into innovation and thus achieve a more sustainable economy and a higher rate of employment and social integration.

This Strategy is closely related to the objectives set by the Ministry of Education through the various steps to be taken by the Secretariat General of Universities for this decade.

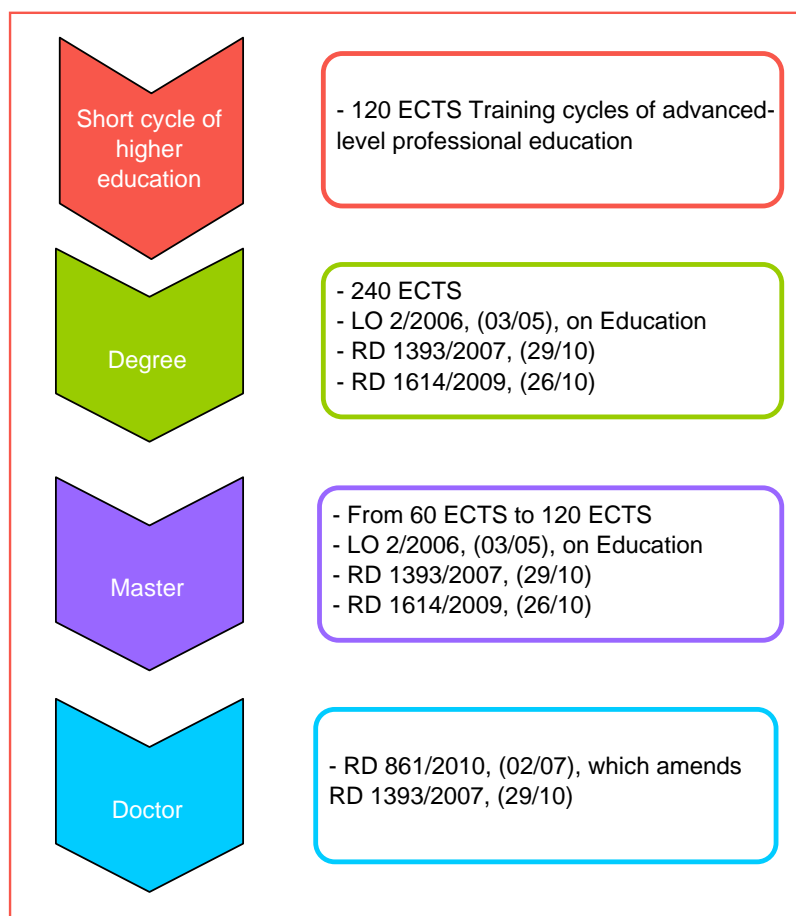
Royal Decree 1892/2008 of 14 November was published on 24 November 2008. This decree regulates the conditions required for admission to official degree level university education and the admissions procedures to Spanish State universities. Generally-speaking, admission to university studies requires a new entrance exam to be passed, which, together with the grades obtained from Higher Secondary Education, enables an assessment of

the academic maturity and knowledge acquired by the student over the course of their time at this stage of the education system, as well as their ability to successfully follow a course of university study. This new university entrance exam will begin to be applied from June 2010 and will consist of two stages: a general stage of a compulsory nature; and a specific stage that will be voluntary and will enable students to sit exams in subjects related to the university studies they wish to follow. The second voluntary stage will enable students to improve their overall exam grade. The new university entrance exam caters for the various branches of the Higher Secondary Education system and the paths through the same that can be followed by students and will tackle the subjects taught during the second year of Higher Secondary Education.

Pursuant to Article 38.5 of Constitutional Law 2/2006 on Education, of 3 May, admission to Spanish universities may be gained by all those students from education systems of the Member States of the European Union or other States with which international agreements applicable to the matter have been signed, on a reciprocal basis, provided that the students meet the academic requirements demanded in their own education systems for admission to the universities thereof.

The conditions governing admission to university by these students is regulated in the above-mentioned Royal Decree 1892/2008. University entrance exams also exist for the over-25s. Furthermore, admission to

university for the over-45s, as well as admission via the accreditation of labour or professional experience for the over-40s, is regulated for the first time in said decree and in compliance with the content of Constitutional Law 4/2007 (Spanish acronym: LOMLOU) of 12 April.



CURRENT ORGANISATION OF UNIVERSITY EDUCATION

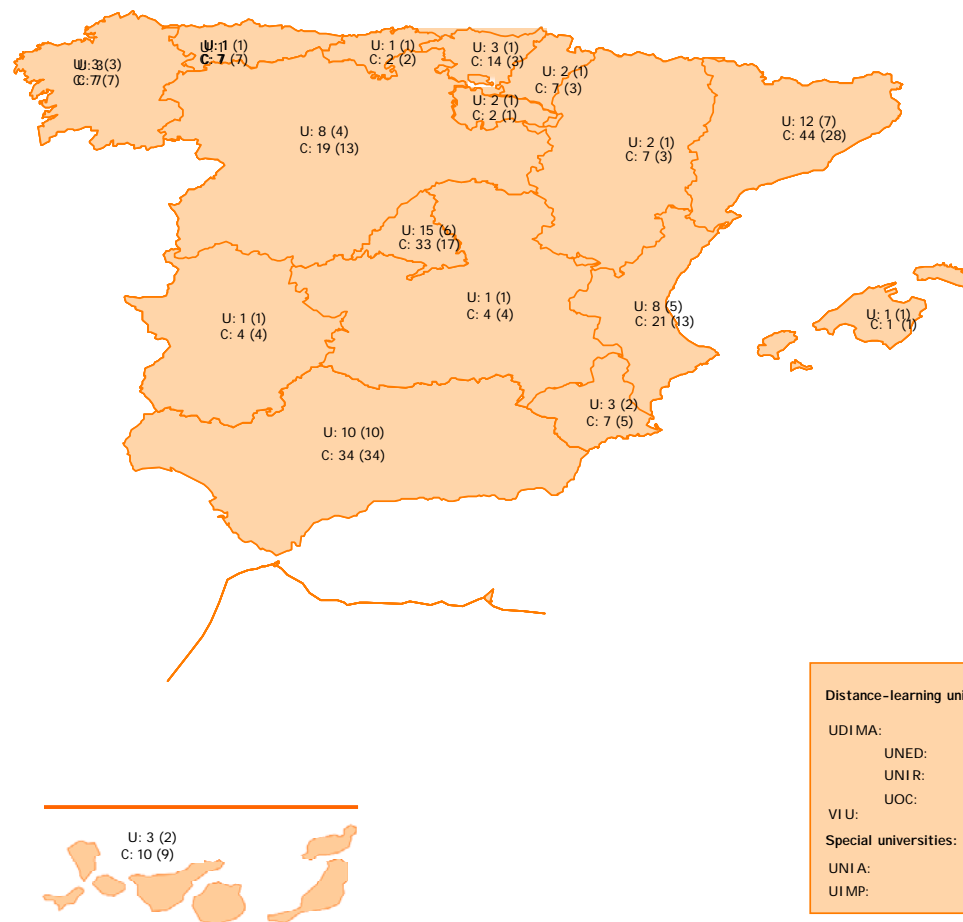
The structure of university education in Spain is defined by Royal Decree 1393/2007, of 29 October and Royal decree 861/2010, of 2 July, which amends Royal Decree 1393/2007. The new model of university education in Spain offers greater independence to universities, which will be able to propose the qualifications they wish to offer and design the syllabuses. The model is a flexible one in that it facilitates the connection between different fields of knowledge and is adapted both to students' options and professional needs.

The structure of the Spanish Framework of Qualifications for Higher Education and their corresponding regulations can be seen in the diagram below.

The 2010-2011 Plan of Action – Education Objectives for the 2010-2020 decade states that the modernisation of Spanish universities includes the development of the EHEA with an initial phase focused on curricula reform, which has been completed in this 2010-2011 academic year, and now begins a process of monitoring and quality assurance for the newly-implemented qualifications, which will become a key issue for credibility in the process and one of the main contributions to the Spanish University System.

The Spanish University System (SUE) is made up of 78 universities (50 public and 28 private). One new university has begun operations in the 2010-

Number of Universities and University Campuses⁽¹⁾⁽²⁾⁽³⁾



Distance-learning universities:

UDIMA:	1
UNED:	2
UNIR:	1
UOC:	1
VIU:	1

Special universities:

UNIA:	4
UIMP:	11

Total universities: 78
Total campuses: 236

(1) The universities operated under the Ministry of Education are not included on the map
(2) The campuses located in different municipalities have been considered
(3) In brackets is the number of State universities and the number of State university campuses

Number of enrolled students and graduates from Official Master's courses by type of university

	Total		State Uni.		Private Uni.	
	Nº Master's	Students	Nº Master's	Students	Nº Master's	Students
Enrolled						
2006-07	829	16.636	668	13.928	161	2.708
2007-08	1.539	34.695	1.256	29.743	283	4.952
2008-09 ⁽¹⁾	1.736	49.799	1.414	42.133	322	7.666
2009-10 ⁽¹⁾	2.036	81.840	1.761	70.981	275	10.859
Graduates						
2006-07	829	5.402	668	4.698	161	704
2007-08	1.539	14.299	1.256	11.237	283	3.062
2008-09 ⁽¹⁾	1.736	17.913	1.414	15.282	322	2.631

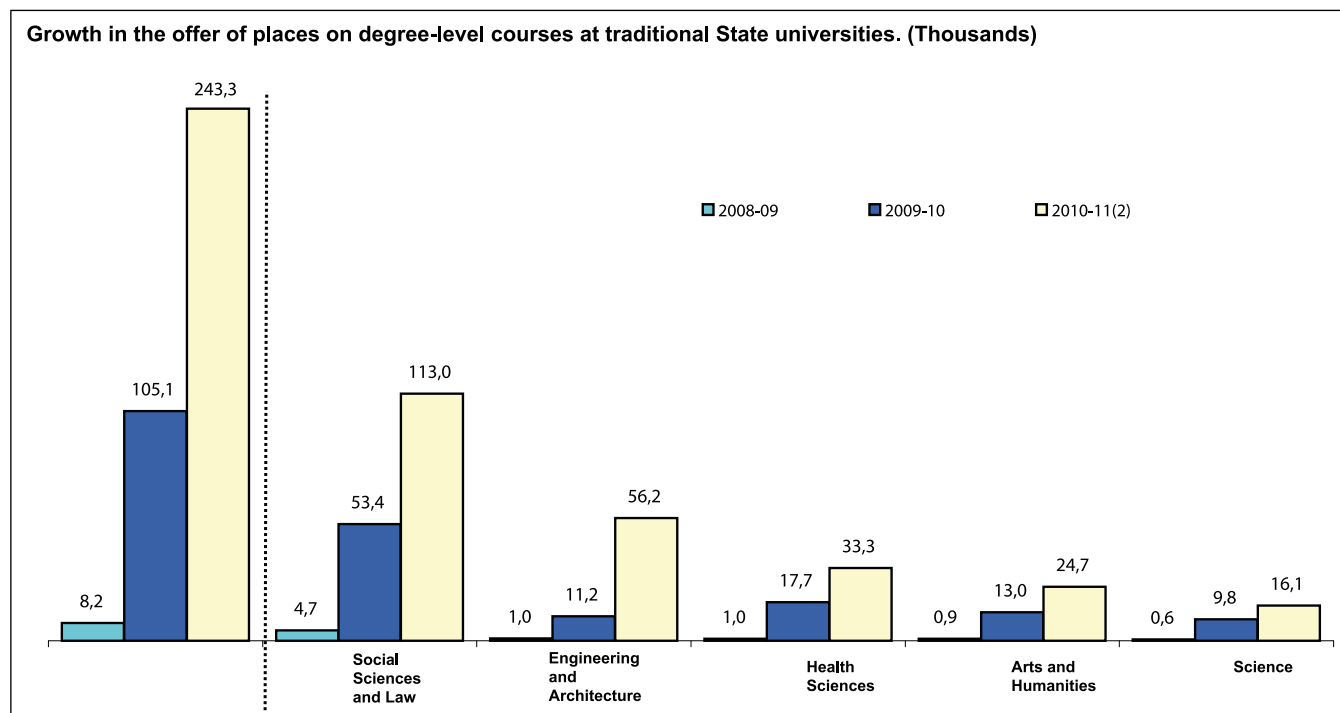
2011 academic year. Of all the universities, five (one public and four private) offer distance learning. The university system includes two special universities that offer specialised graduate programmes (Master's Degrees and Doctorates): the International Menéndez Pelayo University and the International University of Andalusia.

One challenge posed by the new university framework is to boost technological progress, particularly progress generated in new fields such as information technologies, nanotechnology, biotechnology, biomedicine, intelligent machines, renewable energies, etc. Richard Riley, former Secretary of Education in the United States, has pointed out that 7 of the 10 most in-demand degrees in 2010 did not exist in 2007. At the same time, degrees in such fields as Humanities, Social Sciences, Law and Education have to be revised to balance the supply of knowledge needed for social and economic progress.

In the 2010-2011 academic year, university degrees have begun to be fully adapted to EHEA guidelines. This complies with the timeframe established by the inter-governmental agreement of signatory countries to the Bologna Declaration to adopt a common curricula structure for university teaching (Degree, Master's Degree and Doctorate).

The 2010-2011 academic year began with 2,338 Degrees, 2,429 Master's Degrees and 1,624 Doctorates, as verified by the University Council.

In 2009-2010 the total number of university students stood at 1,554,383, 3.3% more than in the previous year. An increase in enrolment is expected of over 10% for the year 2010-2011, or around 385,000 new students, an all-time high for students gaining admission to university. In all, 1,600,000 students are expected to be enrolled in the university system. This figure is higher than the levels at the end of the



1990s. There was a significant increase in 2009-2010 (11.3%), putting the number of new university students at 348,580. Growth in enrolment for the UNED has been particularly notable, at 37.7%, or 20,300 new students. It is clear that the significant levels at which enrolment has been increasing in Spanish universities, and particularly the UNED, is a result of the current economic situation. A significant percentage of the unemployed population has chosen either to start or continue their university education. It is important to highlight the efforts made by the UNED as a State

university this year, as well as the important social function it is carrying out.

Of particular significance has been the growth in the number of students taking Master's Degrees (64.3%). As a result, the number in the 2010-2011 academic year stands at 81,840. It is important to stress this increase, as official Master's Degrees began in 2006/07 (829 Master's Degrees and 16,636 students). In the last four years, the number of Master's Degrees has tripled and the number of students has increased five-fold, although about 15% of students taking Master's

Students enrolled on 1st & 2nd cycle and Degree courses. 2010-11 academic year forecast

	Total	State Uni.	%	Private Uni.	%
Total	1.441.101	1.272.189	88,3%	168.911	11,7%
Branch of education⁽¹⁾					
Social Science an	723.893	630.458	87,1%	93.434	12,9%
Engineering and A	334.574	302.662	90,5%	31.912	9,5%
Arts and Humaniti	132.458	125.079	94,4%	7.378	5,6%
Health Sciences	167.293	133.907	80,0%	33.385	20,0%
Sciences	82.884	80.083	96,6%	2.802	3,4%

Degrees are doctorate students in their course-based period of study.

The number of graduates over the age of 30 has increased in the last decade from 6.9% to 15.4%. The main age group is between 25 and 30 years of age. Three-quarters of Doctorate students are between 25 and 40 years of age (4.1% under 25, 39.5% between 25 and 30, 34% between 31 and 40 and 22.4% over 40).

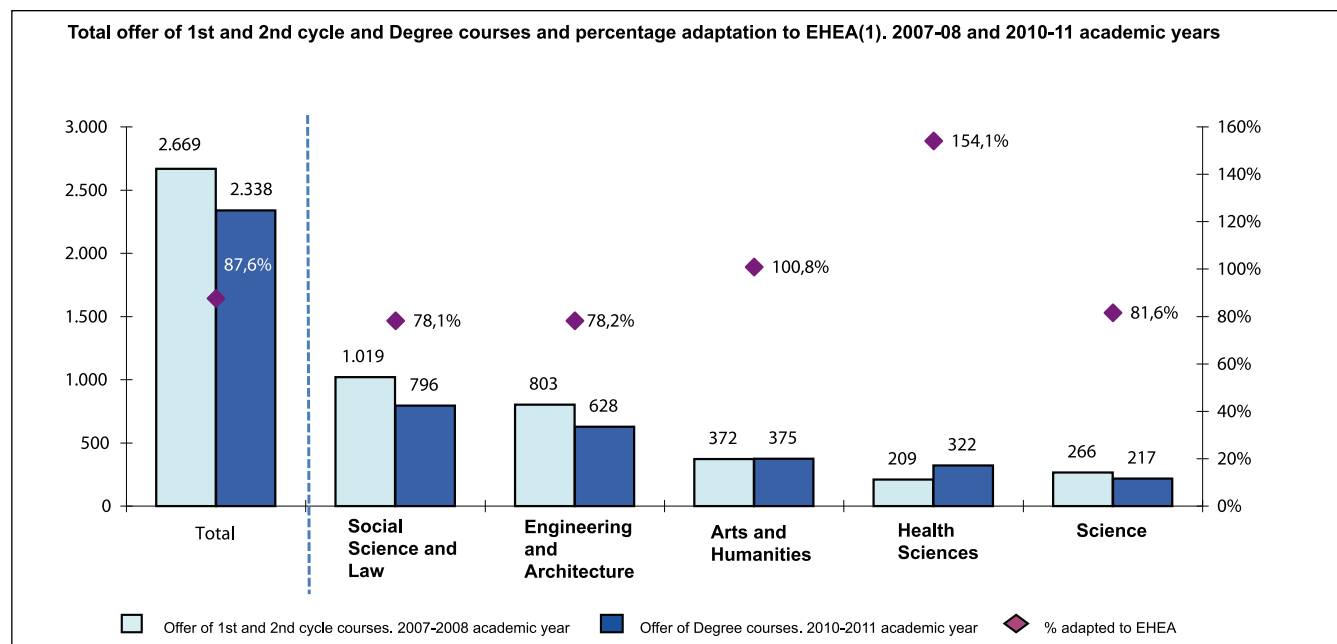
Students aged over 30 account for 33% of students taking Master's Degrees. In addition, there are students who take master's degree courses that are specific to a university. These figures are important because they make clear how continuous education or lifelong learning is a reality that has been taking root in Spain over the last few years; a reality that is essential to meet the demands of the changing labour market.

The population with university education at different age groups is slightly above the average for OECD and EU countries (19), as can be seen in the following table.

Public spending on higher educational institutions in relation to per capita GDP in 2007 in Spain improved its position on the previous year significantly, and is close to the OECD average; 39.9% in Spain and 40% in the OECD.

In 2007, annual spending on higher education institutions per student for all services was 12,548 US dollars, compared with an average of 12,907 dollars in the OECD, as can be seen in the following table and chart. This represents a substantial reduction in what was a historical gap.

Currently we are moving towards a new era in education, in which the success of education systems will no longer be measured by the amount that countries spend on education or the number of individuals who attain a degree, but rather by the educational results obtained and their impact on economic and social progress. If they are to recover quicker from the economic crisis and achieve sustainable long-term growth, countries need education systems that

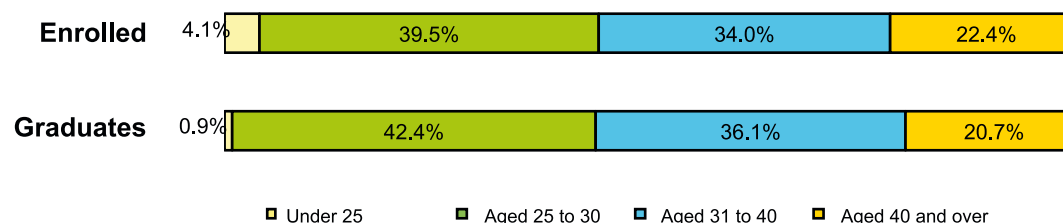


generate labour supply and which can respond swiftly to the changing demands for skills. Educational policy must be based on sound understanding of both skills development and the way in which economies use talent pools and how better skills can be translated into better jobs, increased productivity and, in short, better economic and social results.

According to OECD data, the wage differences between men and women are today patently obvious at all educational levels. In Spain, the annual income of women with a university degree is 18% below the figure

for men with the same level of education. However, in the OECD average the difference is 28.4%. It should be noted that Spain is the OECD country with the smallest wage difference between men and women with higher education. In Spain, as in the rest of the OECD countries, as the level of education increases, the difference in income by gender becomes smaller. Women with an educational level below the second stage of Secondary Education have income that is 27.1% lower than men. This difference falls to 21.7% for women with Secondary Education and 18% for those with a higher level of education.

Distribution of students enrolled on and graduated from Doctorate courses by age group. 2009-10 academic year(1)



The Action Plan 2010-2011 sets out the education objectives for the decade. It indicates that the modernisation of the Spanish university system involves the development of the EHEA, with an initial phase focused on curriculum reform completed in the 2010/2011 academic year. A tracking process is now underway together with a quality guarantee procedure for the degrees created. This is a key element for the credibility of the process and one of the main contributions to the Spanish University System. The tracking will enable a check to be made that the social contract between student, university and society represented by a new degree is successful. It also allows errors resulting from a mistaken design or a changing social environment to be rectified. Now more than ever we have to be aware of the transcendental importance of guiding this process in the right direction, given the challenges represented by globalisation and the knowledge society. It is vital for the economy of our

country to foster a methodological change focused on the processes of learning in university and interaction with the industrial fabric.

It is important to note that the budget for grants in 2011 amounts to €1,429.90m. The policy on grants is a key priority for the government, despite the environment of containing costs. The increase for the 2010/2011 academic year stands at €36m, basically to increase “wage grants”. The following measures have been adopted for this purpose: first, the number of beneficiaries has been increased. In the next academic year, as well as university students taking Degree courses, students on a higher professional training course are eligible to receive them. Second, the threshold of household income that gives an entitlement to receive this kind of grant was increased by 2.6% and the amount of the grant was increased by 25%. Implementing this new model in the best possible conditions requires an analytical tool that

provides in-depth information on the way the system functions. For this purpose, the Secretariat General for Universities has created the University Observatory of Grants, Study Aids and Academic Performance.

Another core line on which work is being done is mobility and international programmes. These are a determining factor for enhancing personal and professional development. They include measures for mobility grants, or aid for stays and language courses abroad. The scheme works together with the Autonomous Body for European Educational Programmes, which is responsible for the domestic management of the Comenius, Erasmus, Grundtvig and Leonardo da Vinci programmes. The key mobility programme organised by the autonomous regions and the universities is Seneca. The number of Spanish university students who have participated in the Erasmus programmes and spent time at European universities has increased steadily over the last 20 years to 31,747. Studies clearly indicate that mobility increases the capacity to find a job or get a better one, as well as enriching personal and collective life. It is essential to extend the viewpoint to beyond the local level, as professionals have to perform in increasingly wide-ranging environments with multicultural realities. Studies clearly indicate that mobility increases the capacity to find a job or get a better one, as well as enriching personal and collective life.

Finally, a total of €14.6m has been allocated under a specific programme aimed at funding enrolment fees

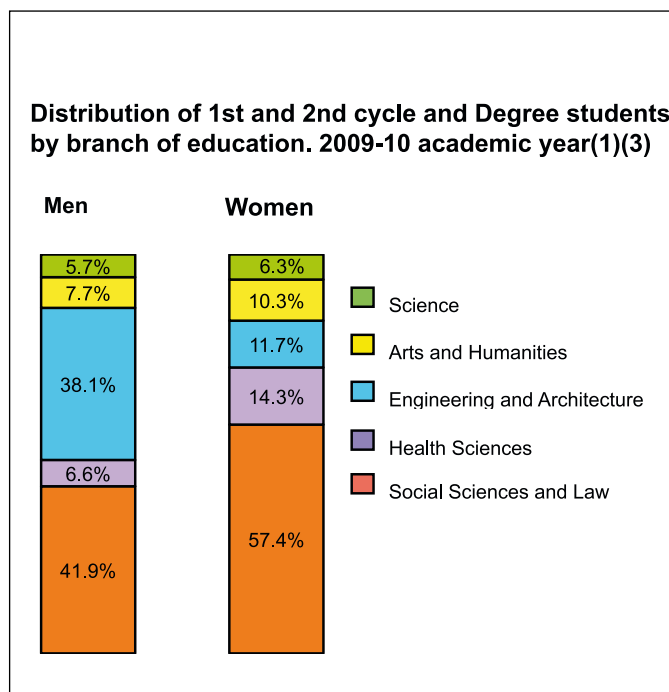
for unemployed graduates taking Master's Degree courses.

University degrees have been fully adapted to the EHEA for the start of the 2010-2011 academic year. This complies with the time limit established by the inter-governmental agreement of signatory countries to the Bologna Declaration to adopt a common curricular structure for university teaching (Degree, Master's Degree and Doctorate). The year begins with 2,338 Degrees, 2,429 Masters and 1,624 Doctorates verified by the University Council. This is an increase on 2009-2010. Within the scope of their autonomy, universities have designed degrees that can be offered in any university, following evaluation under quality criteria, verified by the University Council and authorised by the autonomous regions. The Spanish University System has fully adapted all its university degrees to EHEA guidelines in only three years. As indicated above, since the university Master's Degree courses were introduced in 2006-2007 the number of these has tripled and the number of students taking them has increased five-fold.

The number of foreign university students is also growing. In 2010-2011 there are estimated to be over 80,000. Of these, 30.7% are from the EU-27. The percentage of foreign students taking Master's degrees is 18.4%, and those taking Doctorates is 23.2%. There is also an all-time high in students with Erasmus grants at 29,219, an increase of 15.4% on the figure for the previous year. Spanish universities have

consolidated their position as a focus of attraction of talent that will enrich Europe and Spain and help them face the challenges of the future.

Of all the university students, 50.3% take some form of Social Sciences and Law degree, 23.8% Engineering and Architecture, 10.8% Health Sciences, 9.1% Arts and Humanities and 6% Science. These figures clearly show the trends and preferences of university students in line with our country's social and economic



model. It can be seen that relatively few students take courses in the Science branch. This is obviously an aspect that must be improved by the public authorities in the short and medium term. In 2010, there were 233 university campuses, of which 212 are traditional universities (160 public and 50 private). Distance-learning and special universities (UNIA and UIMP) have 21 campuses between them.

In the 2009-2010 academic year, the branch with most students was Social Sciences and Law, amounting to 50.3% of the total. The chart below reveals that the structure of the branches has changed little over the last decade.

Of the total number of university students, 54.2% are women (54.3% students in the 1st and 2nd cycle and Degree courses, 54.1% on official Master's Degrees and 51% on Doctorate courses).

The proportion of women is an average of 59.7% among university graduates, 60.6% among those taking the 1st and 2nd cycle and Degree courses, 56.3% for those who have taken a Master's Degree and 52.9% among those who completed a Doctorate (either through course credits or with a thesis).

Women are a majority in all the branches, except for the technical courses. In the Health Sciences, 72.1% are women, in Social Sciences and Law 62%, in Arts and Humanities 61.4% and in Science 56.8%. However, in the Engineering and Architecture branch the percentage of women is only 26.8%.

Population with tertiary education (2008)						
	Total tertiary					25-64 in thousands
	25-64 (%)	25-34 (%)	35-44 (%)	45-54 (%)	55-64 (%)	
Australia	36	42	38	33	28	3.913
Austria	18	19	19	18	15	828
Belgium	32	42	35	29	22	1.866
Canada	49	56	54	44	40	8.922
Chile	24	34	24	20	17	1.964
Czech Republic	14	18	14	15	11	880
Denmark	34	43	37	32	26	998
Finland	37	38	44	37	29	1.052
France	27	41	31	20	17	8.814
Germany	25	24	27	26	24	11.315
Greece	23	28	27	22	15	1.425
Hungary	19	24	19	17	16	1.069
Iceland	31	33	36	30	24	51
Ireland	34	45	37	27	19	792
Italy	14	20	15	12	10	4.754
Japan	43	55	48	43	26	28.790
Korea	37	58	43	23	12	10.470
Luxembourg	28	39	28	22	19	73
Mexico	16	20	16	15	10	7.675
Netherlands	32	40	33	31	26	2.871
New Zealand	40	48	40	38	34	839
Norway	36	46	38	32	28	894
Poland	20	32	19	13	12	4.082
Portugal	14	23	15	10	8	847
Slovak Republic	15	18	14	14	11	451
Spain	29	39	33	24	16	7.663
Sweden	32	41	33	28	26	1.541
Switzerland	34	38	36	31	27	1.433
Turkey	12	15	11	10	9	3.754
United Kingdom	33	38	33	30	27	9.844
United States	41	42	43	40	40	65.569
OECD average	28	35	29	25	20	
OECDtotal (in thousands)						195.438
EU19 average	25	32	27	22	18	

Percentage of the population that has attained tertiary education by age group
Source: OECD. See Annex 3 for notes (www.oecd.org/edu/eag2010).

If we analyse the distribution of the branches for men and women separately, we see that 57.4% of women study a degree in Social Sciences and Law, while in the case of men the figure is 41.9%. The second most popular branch for women is Health Sciences, where 14.3% study courses, while among men the most popular is Engineering and Architecture (38.1%). However, only 6.6% of men take Health Sciences degrees.

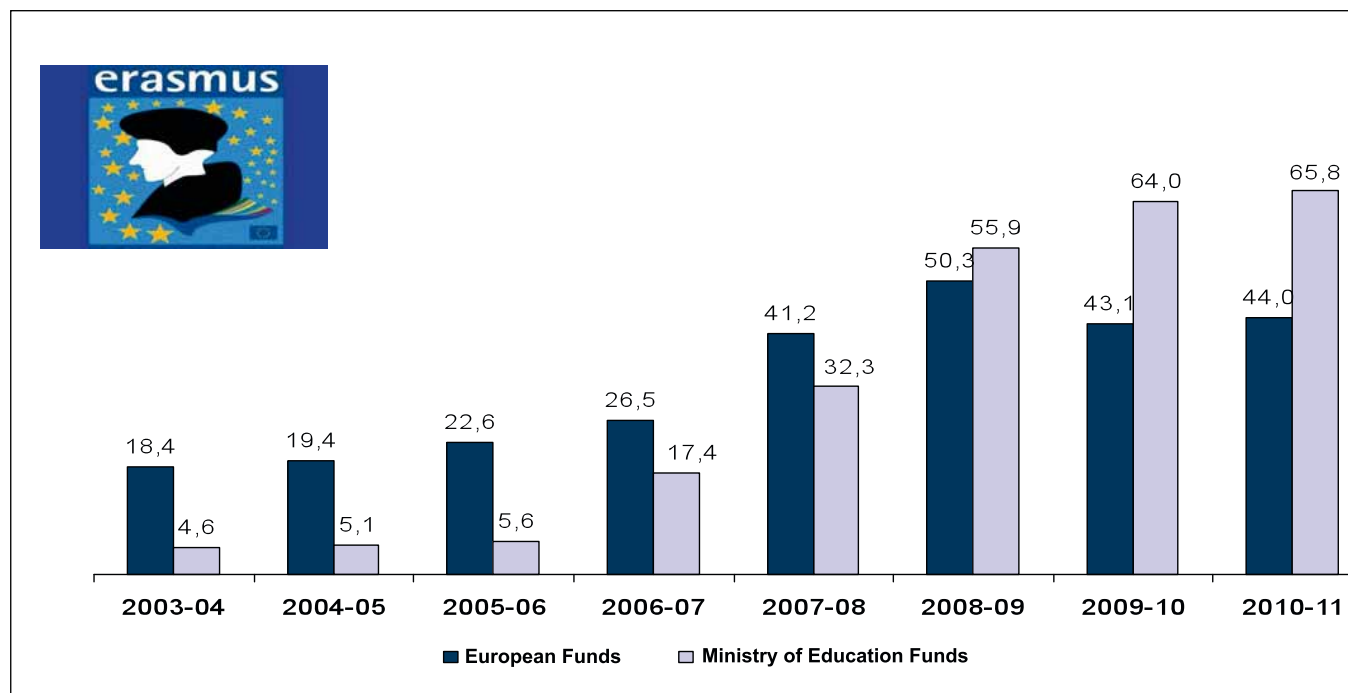
The number of students in Spain who read their doctoral thesis aged between 25 and 30 is 42.4%; between 31 and 40, 36.1%; and over 40, 20.7%.

In the 2009-2010 academic year, the total number of foreign students taking university courses in Spain amounted to 76,205 (65,581 in 2008-2009 and 56,630 in 2007-2008). This represents 4.9% of the total (4.1% in Degrees, 18.4% in Master's Degrees and 23.2% in Doctorates).

The most important temporary international mobility programme in Spain is Erasmus. In the 2009-2010 academic year, the number of Spanish students participating in this programme was 13 times the figure 20 years earlier, rising from 2,168 in 1989-1990 to 29,219 in the current year, in which the increase in the number of Erasmus students on the previous year is 15.4%.

SOCIAL AND ECONOMIC CONTRIBUTION OF THE UNIVERSITY IN THE COMMUNITY

The EU 2015 strategy considers that two aspects in which universities and university systems need

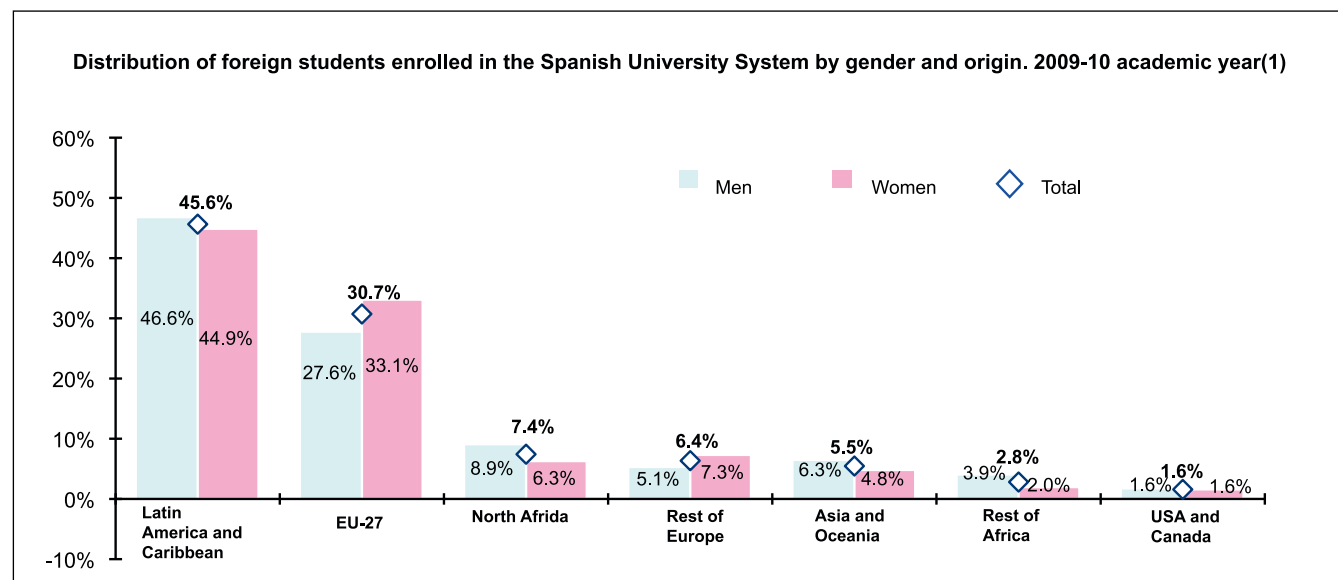


to progress are the development of systems for information, with adequate, standardised indicators and audit reports that respond more easily and precisely than until now to different questions about what the social and economic contribution of universities to their communities is.

The importance of sustainability of the International Campuses of Excellence is included in the Sustainable Economy Bill, with particular importance given to university education. Thus Section 3, in the paragraph “Training, research and transfer of results

from the university system” and Article 63 “University Competitiveness”, included in the EU 2015 strategy, describes the promotion of competitiveness of Spanish universities and its gradual implementation in the international sphere through the improvement of quality of university infrastructures and their links to other stakeholders, whether public or private, operating in the knowledge society.

At these times it is more than ever necessary to account for the situation and analyse how the university system has an influence on the community at both a local and

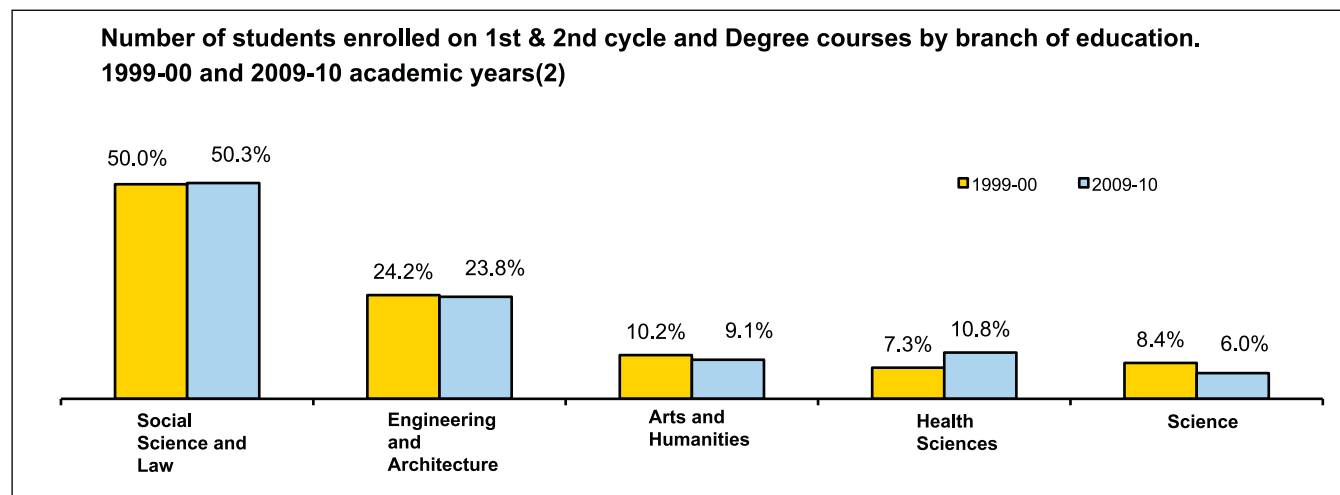


regional level. It is important to know the outcome of the economic and personal efforts made and the returns they have produced. To do so, reasonably precise answers have to be provided on questions such as the following:

- The activity of universities in the field of training, research and technological development and the transfer of knowledge.
- The impact university activity has on economic and labour activity.
- The use manufacturing industry makes of the resources provided by universities.
- The public and private returns obtained from spending on universities.

Along the same lines, on 25 November 2009, the Mixed Committee for Relations with the Court of Auditors, acting in regard to the report on supervision of the public universities, urged the government to develop initiatives that facilitate the task of evaluating their contribution and the use they make of resources.

These socioeconomic reports have been presented in 2010 by some autonomous regions. They explain how the university system plays a fundamental role in regional development through its economic impact. Progress has been made in concepts and areas such as education and investment, fiscal returns from higher education, provision of human capital, and quantitative information on how universities can be a motor for a region's economy. The first results came from the study



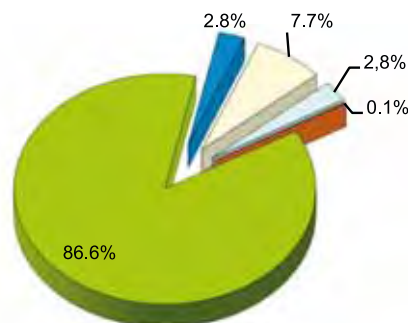
entitled “*El Impacto de la Universidad Rovira i Virgili sobre el Territorio*” (The impact of the Rovira i Virgili University on the Community), published in 2002 and carried out by a research group from the university. The study indicates how in ten years of university activity, and in particular in 2000, the contribution of human capital has had an effect of between 1.83% and 3% of GDP in the province. The economic impact is calculated by applying input-output methodology and a set of accounting records that reflect the relations and interactions within industry. It also calculates the effects on the social dimension, the impact on the industrial fabric and the effect on regions, towns and cities.

In the past four years, a number of universities and university systems have begun to develop initiatives

in this direction, both in the area of increasing the information available and the development of evaluation reports on the socio-economic impact of universities.

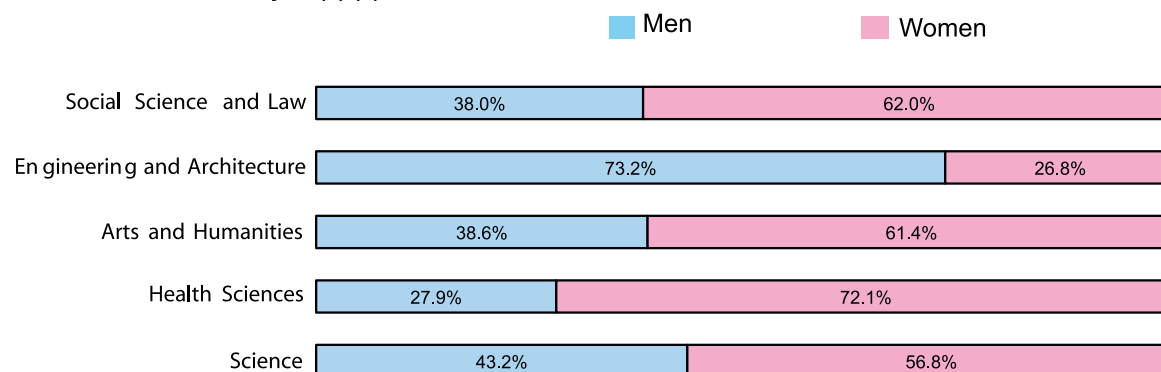
Most of these studies have been carried out by the Valencian Institute for Economic Research (Spanish acronym: IVIE) by applying the methodology developed by professors at the University of Valencia, who have extensive research experience in analysing the sources of economic growth. The most novel feature of these reports is that they combine an evaluation of the short-term impacts of university activity, which operate on the demand side, with long-term effects operating on the supply side and contributing to growth through the generation of human and technological capital, basically by improving the quality of the factors of production and improvements in productivity.

**Form of access to university by
1st and 2nd cycle and Degree students
2009-10 academic year(1)**



- University access exams
- Higher Secondary Education
- Professional Training
- Over 25s
- Coming from abroad

**Number of students on 1st and 2nd cycle and Degree courses by branch of education and gender.
2009-2010 academic year(1) (3)**



Another study worth mentioning is the socioeconomic contribution from the University of the Basque Country, whose results were presented publicly at the Ministry of Science and Innovation at the end of 2008. They reveal that investment in the university system is more than recovered through greater tax revenue associated with the new graduates (the calculation is of a value of €606m in 2006, about 7% of total tax revenue) and an increase in the activity and employment rates of 1.6 percentage points. In addition, the study calculates the contribution to economic growth at an extra 0.4 pp of GDP, (8.8% of total economic growth) and the increase in the per capita income of the Basque Country at €1,811 (6.3% less without university activity). The increase in total associated demand for 2006 was €543m.

An important number of projects relating to the socioeconomic contribution of the following universities have since been presented to the social and economic

officials of a number of autonomous regions: the Public University of Navarra, the Valencian University System and the University of Granada. In 2010, studies were presented by the University of Castile-La Mancha, the University of the Balearic Islands and the University of Cantabria.

An example of these results was presented by the University of Cantabria on 15 November 2010. It explains that although it is a small university (with around 10,000 university students), it has an increasing impact on the main indicators in Cantabria. It manages 42.6% of spending on R&D and 42% of the staff employed on R&D in the region. Its scientific production per full-time professor (2004-2008) stood at 0.57%, above the Spanish average of at 0.35%. It also has activity and employment rates similar to the Spanish average (65.7% and 57.5% respectively), but with a lower unemployment rate of 11.2% (compared

Foreign students enrolled in and graduated from the Spanish University System. 2009-10 academic year⁽¹⁾

	Enrolled				Graduates ⁽²⁾			
	Total	Foreigners			Total	Foreigners		
		Total	% total	EU-27		Total	% total	EU-27
Total students	1,554,483	76,205	4,9%	23,290	230,426	11,912	5,2%	3,182
1st and 2nd cycle students	1,200,763	36,869	3,1%	12,891	191,309	3,090	1,6%	1,279
Degree students	203,352	8,354	4,1%	3,111	737	3	0,4%	-
Official Master's students	81,840	15,088	18,4%	3,656	17,913	4,115	23,0%	872
Doctorate students	68,528	15,894	23,2%	3,632	20,467	4,704	23,0%	1,031

with the figure for Spain of 16.1%). Overall, the activity generated by the University of Cantabria represents an annual injection of spending in Cantabria of €189.7m. All this results in the following: output of €500m, income of €270m and 6,553 jobs generated every year. Income and employment attributable to the university therefore amount to 1.99% of GDP in Cantabria and 2.61% of employment in Cantabria. In the long term, tax revenue is calculated at €192m per year compared with a funding figure of €72.4m in 2008. Therefore society, in this case Cantabria, gets back €2.7 for each euro invested.

The results obtained so far by applying the methodology in six different cases indicate that the contributions of universities, above all in the long term, are very important and positive, both from a private and public perspective; as they are more generally for society as a whole. Thus in all cases studied, private returns obtained by university students from their investment

in higher education are clearly positive, with rates of return that are greater than those of financial assets. In terms of returns for the public sector from its investment in education, net additional tax revenue generated by university students during their professional careers (taking into account that at their income levels they pay more taxes and at their employment level they receive fewer benefits than the average worker) is much higher than the public spending involved.

In addition, the results of studies indicate that because the human capital of university students improves productivity, it boosts economic activity and employment, reduces unemployment and contributes significantly to economic growth.

This line of work is promising in various senses and the Ministry of Education, through the Secretariat General for Universities, plans to advance with it over the coming years for various reasons:

1. Because it is based on a precise, well-founded methodology in the academic literature that studies growth and the economy of education.
2. Because applications of the methodology so far indicate that it is an empirical approach that offers a useful guide for the construction of information systems covering the activity of universities.
3. Because having a good number of universities using the same approach means having various comparable cases available for study; and
4. Because this information provides greater social recognition of the work carried out by the universities and a good justification for continuing to increase their responsible funding by government.

INTERNATIONAL CAMPUS OF EXCELLENCE (CEI) PROGRAMME



The EU 2015 strategy on universities included the introduction of the International Campus of Excellence, which aims to promote the creation of a new concept of university campus as a local and community knowledge environment where universities, research institutions, science parks, companies and other knowledge agents can interact, develop and achieve excellence and international projection. The government has invested more than €590m in the International Campus of Excellence Programme since it was set up in 2008.

This consolidates the new university model promoted by the Ministry of Education.

This programme is key to the university modernisation policy. It aims to enhance the local area or zone where the university exercises its basic activity and is complemented by including other institutions together as a group. It includes objectives set for 2015, a strategic agreement and a system of governance that is appropriate to the diversity of the resulting group. The objective is the design of “intelligent communities”, “didactic campuses” and the redefinition of teaching areas within the EHEA framework. Priority is given to modernisation policies linked to internationalisation in the teaching, research and innovation functions of universities. In particular, the aim is for an international vision and recognition of these knowledge environments. Here the internationalisation of teaching means an increase in the number of foreign students and teachers on Degree, international Master’s Degree and inter-university courses, and in international Doctorates of excellence. The aim is also to disseminate “induced competences” of internationalisation, also supported by Doctorate Schools and attracting international talent and research. Incentives have to be given to increase the number of degrees taught in an international language other than Spanish. In short, the aim is to extend the international nature of services, teaching staff and R&D governance to the life of the campus.

INTERNATIONAL CAMPUS OF EXCELLENCE CALL FOR PROPOSALS 2010

In terms of internationalisation, the invitation for projects in 2010 included cross-border projects and those based on “international bridges”.

The concept of **Cross-Border Campuses** comes from the need to structure European knowledge regions through the provision of initiatives from universities and neighbouring countries. In Spain's case, it means opening up through the border with France (which could have three cross-border environments: the eastern zone, central zone and western zone) and Portugal (consolidating the zone with Galician campuses, the central zone of Castile-Leon and the southern zone, through alliances with Extremadura). In addition, there is the cross-border zone with African countries, which can be organised from Andalusia and by taking advantage of the strategic role of the Canary Islands in their tri-continental aspect (Europe, Atlantic Africa and Latin America). In other cases, the involvement of some campuses with their Mediterranean environment should also be taken into account.

The concept of **Internationalisation Bridges** between campuses implies the existence of a stable strategic relationship between the campuses in two areas that are not physically connected but have common interests. Regardless of other international relations, a Spanish campus can establish mobility of people, knowledge and experiences in a stable way

with another campus that sees in this bridgehead an opportunity for anchoring its position in Europe.

The CEI project has defined the following basic concepts:

- A **dynamic process** of transformation, from the starting point to the position resulting from applying the objectives with a 2015 time horizon. This date is related to the objectives of the EU 2015 strategy.
- **Specialisation** of all the groupings or CEIs resulting from the analysis of the strengths of participating universities and institutions in the teaching and research environment, as well as the strengths and needs of industry and society in the region.
- **Community integration**, through support to the sustainable economy model in its area of influence, promoting regional development and boosting employment.
- **Strategic development** group is the set of institutions that voluntarily promote a grouping project and contribute basic elements to it. They pool the objectives of their institutions, bodies or companies and determine the action plan corresponding to the vision of the CEI project.

All the projects in the 2009 call for proposals were started in 2010. The Ministry of Education is responsible for monitoring the results obtained and analysing their effect, with the aim of improving the quality of our universities and bringing excellence to the best campuses to the benefit of society as a whole.

A consultation process was undertaken for the call for proposals in 2010 involving the universities, autonomous regions and members of the 2009 evaluation committees on improvements which could be included in the new regulations as a way of optimising them. The comments received were analysed by an Advisory Committee appointed for this purpose, as well as representatives from the autonomous regions, universities and the Ministry of Science and Innovation. The text of the new regulations governing the Programme was drafted taking into account the Committee's deliberations.

The main objective of the new call for proposals continues to be the selection of the best projects presented by Spanish universities to convert their campuses into CEIs. These projects are then allocated funds so that they can be put into practice through the participation of the autonomous regions. As was the case in 2009, this selection has been carried out in two phases, through the "Sub-Programme for Excellence", in which the Technical Committee and the International Committee were also involved.

All the public universities and half the private ones took part in the 2010 call for proposals. The initiative was a success, with a total of 48 grouping projects presented. Among the recommendations received for the design of the new call for proposals in 2010 was the unanimous proposal to continue promoting inter-ministerial cooperation in the CEI Programme.

To organise these groupings, the call for proposals has created an **Inter-ministerial Modernisation Sub-programme** with other ministerial departments with which a protocol for action has been concluded. Under the protocol, the ministries will finance the implementation of part of the CEI conversion projects. As was the case last year, the Ministry of Science and Innovation will participate with the Ministry of Education on the CEI programme, with the support of the former Ministries of Housing and Equality (now Secretariats of State).

The 2010 call for proposals also establishes a new **Improvement Sub-programme** with the aim of ensuring that all the projects act on the priority aspects for improvement indicated in the annual call for proposals. Under the Resolution dated 26 July, subsidies were granted in 2010 to finance the implementation of partial aspects of CEI conversion projects. This sub-programme has 3 aspects:

1. **Consolidation**, through which the Ministry of Education grants financial assistance for actions that are considered appropriate for the path towards excellence. The following actions considered appropriate were included in the 2010 call for proposals:

- (i) Development of Professional Training.
- (ii) Creation of international and inter-university Doctorate and Postgraduate Schools.
- (iii) Policies and measures aimed at attracting talent

and fostering it through internal stimulus policies.

(iv) Creation and rehabilitation of university lodgings.

(v) Actions to prepare cross-border campuses.

(vi) Adaptation to the EHEA.

2. Public-private partnership: The Technical Committee has chosen selective aspects of the projects presented for funding through an agreement between the Ministry of Education and other bodies. The new call for proposals aims to attract participation from bodies and institutions whose grouping could be beneficial both for the universities and these organisations themselves, as is the case of the ONCE Foundation. This aspect will put into practice a total of 20 projects that have been selected, 10 of them to guarantee universal access to university facilities, with a budget of about one million euros from ONCE, and a further 10 to promote access to the information society in the university environment, which has a budget of up to €300,000 through a private funding project. This participation by private bodies in the programme is a good example of how university policy can have a positive effect on other parts of our society and how alliances between the different parts may be productive for all.

3. International cross-border collaboration: This will select projects that have a high cross-border campus potential and that require initial funding for their development. Although in 2010 this aspect had still not been implemented, some initial activities were

carried out. Among them were funding of €845,000 for actions to prepare cross-border campuses included in 12 CEI conversion projects that presented some very interesting initiatives in this field. Three agreements with the governments of France, Portugal and Morocco are also due to be signed very soon to encourage the creation of cross-border campuses in partnership with these countries.

It is also worth mentioning the INNOCAMPUS programme implemented by the Ministry of Science and Innovation in 2010. It is included within the CEI Programme in the Inter-Ministerial Modernisation Sub-programme. The aim of the programme is to increase the level of scientific excellence of the CEI and to improve the capacity of the CEI to attract researchers, entrepreneurs, postgraduate students, R&D+i centres, and spin-offs in scientific parks, as well as high added value companies.

This call for proposals has a budget of €150m, which has been distributed among the 26 CEI projects selected, with a total of 38 universities taking part.

During the first phase of the **Excellence Sub-Programme**, the Technical Committee, made up of experts in the field, evaluated 48 proposals presented and pre-selected 14 of them. Together with the 8 who have requested re-authorisation in 2010, they make up a total of 22 proposals that on 19 October were included in the public presentation of the projects selected for the second phase.

In the **Improvement Sub-Programme**, the Technical Committee also selected projects from among those mentioned above for funding, as they are considered appropriate for the path towards excellence, according to the following criteria for evaluation:

- (i) Opportunity and strategic value of these projects for the improvement of the campus.
- (ii) Their importance in achieving groupings and for the specialisation and internationalisation of the campus.
- (iii) Congruence and relevance of these projects with the CEI conversion project.

The first phase of the 2010 call for proposals had a subsidy of €15.5m from the Ministry of Education, of which €2m were for the Excellence Sub-Programme and €13.5m for the Improvement Sub-Programme. A total of 22 projects presented proposals for the second phase of the CEI 2010 programme in order to receive the CEI classification and funding needed to put them into practice.

RESULTS AND COMMENTS FROM THE INTERNATIONAL COMMITTEE

The average level of the projects presented this year for the call for proposals was very high, and represented a clear commitment to grouping and specialisation. Grouping is an aspect that has been valued very positively in the projects.

The projects that were selected to move on to the second phase mainly planned to strengthen their position through grouping and, in general terms, have dealt appropriately with the extremes indicated above. It is important to point out that the best companies in the country in the field of R&D participate in the projects presented in the 2010 call for proposals. This attraction of the best of private initiative is considered very appropriate for improving the projects.

Most of the projects presented in the second phase are considered well prepared in the aspects relating to improvement in teaching and adaptation to the EHEA, the transformation of the campus for the development of an integrated social model and its interaction with the community.

Following the evaluation process, 14 projects out of the 48 presented received the CEI classification. A further 9 from the 2009 invitation were also classified. In all, the classifications following the 2009 and 2010 call for proposals are 13 CEIs and 10 Regional Campuses of Excellence (CEIR).

RECOMMENDATIONS OF THE INTERNATIONAL CEI COMMITTEE 2010

This Committee considers the CEI Programme to be a good initiative that will help advance the international quality of the Spanish university system. It has appreciated the good work done by the Technical Committee in the first phase of the Programme and

Photo: Universidad de Alcalá de Henares.



Library in the Faculty of Law at Universidad de Alcalá de Henares (Madrid).

highlighted the good quality of the 22 projects selected. The Committee has noted the following:

- The effort made by Spanish universities to develop well-prepared, sound and competitive grouping proposals.

- That the result of the 2010 call for proposals comes close to completing the CEI map overall, with exceptional proposals for the future.
- That the projects classified as CEIR must develop their projects for a minimum period of two years before presenting a new proposal to convert them to an international CEI.
- That the evaluation of the projects selected in 2009 must be started as soon as possible, with an annual follow-up of progress made and a final evaluation in 2015. Depending on the results of this evaluation, some of the international CEI classifications awarded may be withdrawn and thus leave room for new proposals.
- That the evaluation process of the progress made by the projects must be implemented gradually for all the projects selected in 2010 and 2011.
- That they consider the general level of the projects good with respect to the community and social transformations through quality urban and architectural projects, with concepts such as: the reclassification of urban areas, experimentation on sustainable and smart buildings and the special architectural quality of campus buildings.

RESULTS OF THE RESOLUTION OF THE CALL FOR PROPOSALS FOR INTERNATIONAL CAMPUSES OF EXCELLENCE 2010

Currently, agreements are pending signature with the 13 autonomous regions where the campuses whose CEI conversion projects have been selected are located, with the aim of funding their implementation. The decision on the proposals for the International Campuses of Excellence 2010 was published on 21 October 2010, with the CEI classification granted to a total of 8 university groupings, while a further 6 have received CEIR classification. The €75m available under the Programme will be distributed among them, together with 7 projects from the 2009 call for proposals that have requested additional funding.

This decision, which is a result of the conclusions of the International Committee, has been issued following consultations with the autonomous regions, which will collaborate on funding projects through an agreement with the Ministry of Education.

With a view to the 2011 call for proposals, it is planned to evaluate the 9 projects that received the CEI or CEIR classification in 2009. This will be made through a public presentation of the results obtained in its spheres of action and by providing a report on the projects. This will decide whether to maintain the classification obtained by the campus, and will also serve as a way of formulating recommendations for improving the projects with the aim of converting the

campuses into international models. This evaluation will be of use in checking the usefulness of the strategies of the CEI Programme and possible room for improvement.

The evaluation carried out in 2011 will be repeated in the future, and include the CEI projects presented in 2010 and following years. In 2015, there will be a final review of the whole Programme and the International Committee will be asked for a final evaluation of the projects and the Programme itself.

This evaluation is expected to establish a balanced number of environments or CEIs that are comparable with other European policies, new economic initiatives to boost and promote other actions, a communication policy that promotes the involvement of civil society and social and economic stakeholders in the regions, and boosts the new groupings that favour internationalisation.

In all, in 2015 we expect the following position will have become consolidated:

- 10 global competitiveness projects.
- 10 projects consolidated and recognised by the European Commission as of European regional interest.
- University campuses that are of a better overall level of quality, more committed to social and economic challenges and to regional development in their local area.

Photo: Universidad de Alcalá de Henares.

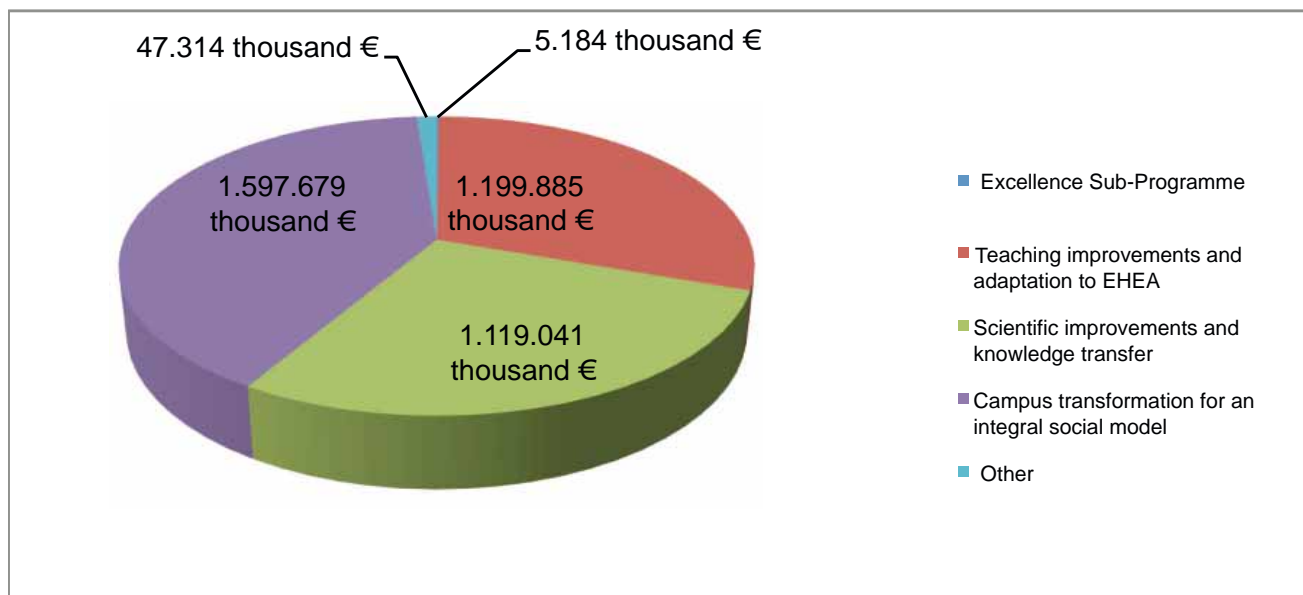


IT Department at the Universidad de Alcalá de Henares (Madrid).

The results obtained from the 2009 and 2010 calls for proposals reveal a great impact on the Spanish university system in terms of its international aspect. At a national level, CEI has enabled the universities to head up groupings of all the socioeconomic stakeholders in their local area: research centres, science and technology parks, companies, government and organisations in civil society, etc. with respect to the concept of campus as a knowledge ecosystem and a pillar of the new model of sustainable economic knowledge-based growth.

A comparison of the Spanish CEI Programme with other national excellence programmes in countries such as Germany, Denmark, France, Japan, Malaysia, Poland and Sweden shows that the Spanish programme not only promotes university excellence in research, as is the case with the rest of the programmes, but also has different objectives that take into account excellence in teaching and relevance in innovation, as well as interaction with the environment and the contribution to regional socioeconomic development. These unique features of the Spanish CEI Programme compared with other national excellence programmes have made it the subject of articles in international magazines covering higher education (*Public Service Review*, OECD CELE, etc.). The German university magazines *Forschung & Lehre* and *Deutsche Universitätszeitung* will be publishing articles dedicated to the Spanish CEI Programme and the EU 2015 strategy, of which the CEIs form a key part.

Budget by type, thousand euros



Source: SGU CEI call for proposals 2010

ECONOMIC ASPECTS OF THE CEI PROGRAMME

Of the €590m invested by the government in the CEI Programme since its start:

- In 2008, €150m were allocated through agreements between the Ministry of Science and Innovation and the autonomous regions.

- In the 2009 call for proposals, the Ministry of Education contributed €153m and the Ministry of Science and Innovation €50m.

- In the 2010 call for proposals, the Ministry of Education contributed a budget of €90.5m, and the Ministry of Science and Innovation €150m. The contribution from the former Ministry of Housing and



The La Fábrica Building in Plaza Guttenberg, Campus de la Comunicació, Poblenou. Universidad Pompeu Fabra (Barcelona).

Ministry of Equality will depend on the applications presented. The ONCE Foundation and the European Foundation for the Information Society and Electronic Administration have participated through the Public-Private aspect.

NOTABLE ASPECTS OF THE PROJECTS IN THE 2010 CALL FOR PROPOSALS

The number projects that group together more than one university has increased. Thus, while in the 2009 call for proposals only 4 projects involved more than one university, in the 2010 call for proposals there were 20 projects presented by groupings of 2 or more universities; in fact, two of them grouped 9 or 10 universities each and 7, between 3 and 6. Some of these groupings were accompanied by a good system of governance, which gave the resulting project a great robustness due to the complementary nature of the activities and synergies obtained.

In these 2010 projects, 6 of them also included groupings or associations with foreign universities. Thirteen of the projects presented have agreements with hospitals as a significant part of their design.

Specialisation is one of the aspects stressed by the call for proposals in determining the organisation of the projects to be presented. It has been an important element and been implemented in the following way: Biomedicine, 11 projects; Biotechnology, 10 projects; Sustainability, 7 projects; Energy, 6 projects;

Humanities, 5 projects; Heritage and Culture, 4 projects; Information and Communications Technology (ICT), 5 projects; Agriculture and Food, 11 projects; Sea and Marine Sciences, 3 projects.

The industries in which these projects are included are: Aerospace, Agriculture, Food, Communications, Energy, Pharmaceuticals, IT, Fisheries, Chemicals, Health, and Tourism.

The projects that have obtained a CEI or CEIR classification are in the following autonomous regions: Andalusia, Aragon, Asturias, the Basque Country, the Canary Islands, Cantabria, Castile-Leon, Catalonia, Galicia, La Rioja, Murcia, Navarre and Valencia.

OFFICIAL WEBSITES:

Ministry of Education: www.educacion.es

OECD indicators on education: www.oecd.org/edu/eag2010

UNESCO: www.unesco.org/new/es/education

**List of the decision and funding proposed, which will be finalised by agreement with the autonomous regions
Campus of International Excellence**

Project	Grouping	Proposed funding
Andalusia TECH	University of Seville (coordinator), University of Malaga	5,300,000€
ENRÍA UPC Campus: <i>Energía para la Excelencia</i> (Energy for Excellence)	Polytechnic University of Catalonia (coordinator), CIEMAT, IREC	3,000,000€
IBERUS CAMPUS: Ebro Valley International Campus of Excellence	University of Zaragoza (coordinator), Public University of Navarre, University of La Rioja, University of Lleida	5,300,000€
UPF Campus – Icària Internacional	Pompeu Fabra University (coordinator), Open University of Catalonia	4,000,000€
CEI Montegancedo 12 Tech	Polytechnic University of Madrid	2,000,000€
EUSKAMPUS. <i>Una Universidad, un País, un Campus</i> (One University, One Country, One Campus)	University of the Basque Country (coordinator), Tecnalia, the Donostia International Physics Centre (DIPC)	4,000,000€
Health University of Barcelona Campus (HUBC)	University of Barcelona (coordinator), CSIC, Clinic Hospital, Bellvitge Hospital	3,000,000€
VLC / Campus Valencia, International Campus of Excellence	University of Valencia (coordinator), Polytechnic University of Valencia, CSIC	5,300,000€

Regional Campus of Excellence (CEIR)

Project	Grouping	Proposed funding
BioTic Campus Granada	University of Granada (coordinator), CSIC, Technological Health Sciences Park	3,000,000€
International Campus of Excellence South Catalonia	Rovira I Virgili University of Tarragona	3,000,000€
"Knowledge in depth" Sea Campus	University of Vigo (coordinator), University of Santiago, University of A Coruña, Spanish Institute of Oceanography (IEO), Higher Council for Scientific Research (CSIC)	5,300,000€
MARE NOSTRUM CAMPUS 37/38	University of Murcia (coordinator), Polytechnic University of Cartagena	5,300,000€
CEI CANARY ISLANDS Tricontinental Atlantic Campus	University of Las Palmas, Gran Canaria (coordinator), University of La Laguna	5,300,000€
Studii Salamantini	University of Salamanca	3,000,000€

**Campuses that have a CEI or CEIR classification
and for which its is proposed to extend the funding obtained in 2009**

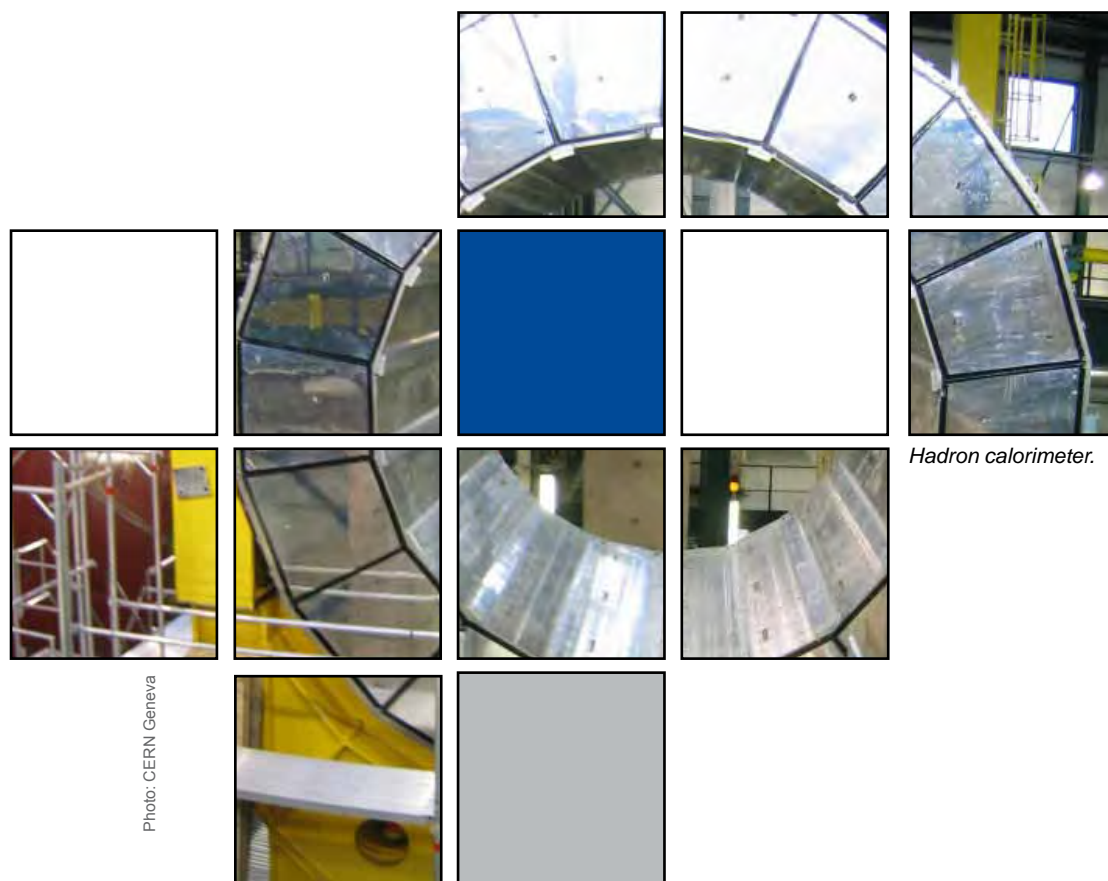
Project	Grouping	Proposed funding
Campus of Agro-Food Excellence (CeIA3)	University of Cordoba (coordinator), University of Almeria, University of Cadiz, University of Huelva, University of Jaen	3,000,000€
Barcelona Knowledge Campus	University of Barcelona (coordinator), Polytechnic University of Catalonia	2,200,000€
Cantabria International Campus	University of Cantabria (coordinator), International Menéndez Pelayo University	2,000,000€
Moncloa Campus: <i>la energía de la diversidad</i> (the energy of diversity)	Complutense University of Madrid (coordinator), Polytechnic University of Madrid	3,000,000€
Carlos III Campus	Carlos III University of Madrid (coordinator)	2,600,000€
UAB CEI: <i>Apuesta por el Conocimiento y la Innovación</i> (Commitment to Knowledge and Innovation)	Autonomous University of Barcelona (UAB) (coordinator)	2,600,000€
International Campus of Excellence UAM-CSIC	Autonomous University of Madrid (coordinator), constituent bodies in the grouping: CSIC	2,800,000€

Spain today
2011



Chapter X

**RESEARCH, SCIENCE,
TECHNOLOGY AND INNOVATION**



Hadron calorimeter.

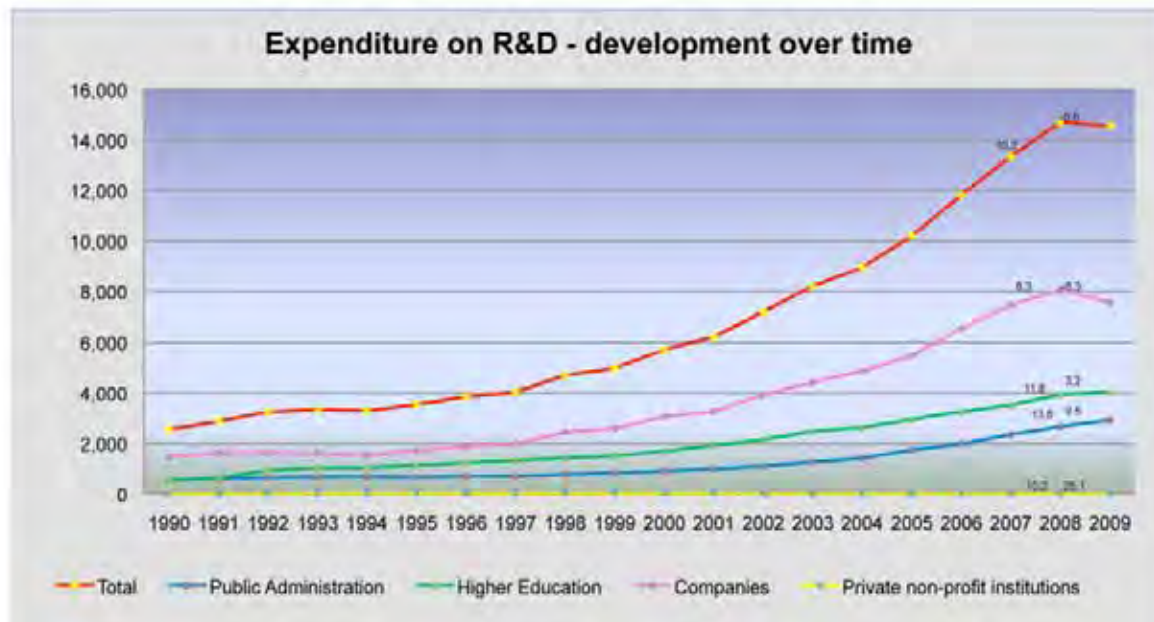
Photo: CERN Geneva

The Ministry of Science and Innovation is the central government department responsible for drafting and implementing the administration's policy with regard to scientific research, technological development and innovation in every field, and for coordinating all State-run public research organisations. More specifically, it is this Ministry's task to draft, run, monitor and evaluate the nationwide programmes and strategic actions conducted as part of the National Scientific Research, Development and Technological Innovation Plan (also known as the National R&D+i Plan).

One of the most important aspects of the work undertaken by this Ministry in the interests of science, technology and business consists of its management of a wide variety of grants and subsidies aimed at individuals, legal entities (both public and private) and companies

RESEARCH, SCIENCE AND TECHNOLOGY

There is a broad consensus on the importance of science and technology in those economies where competitiveness and social welfare largely depend on the generation and application of new knowledge. Since the 1950s, the leading developed countries have also witnessed steady growth in scientific activity and in the number of institutions and individuals dedicated to it. The view of science as a tool for generating



knowledge that can be applied to technological innovation is increasingly more widespread.

The emergence of a solid and clearly defined science and technology policy has occurred later in Spain than in many other European countries. The turning point came in 1986 with the drafting and approval of the so-called Science Act, which made research a permanent issue on the political agenda and gave rise to the creation of a government framework for action. This law recognised the important connection between science and socio-economic development in industrialised countries and recommended a

coordinated focus based on research goals on the one hand and the policies of R&D sectors on the other.

More than twenty years have now passed since the Science Act was enacted, and the figures for research, science and technology in Spain have shown great progress in the field, as well as signs of change. The human and material resources dedicated to research have increased enormously.

Total expenditure on R&D activities has risen from 0.43% of GDP in 1980 to 1.38% in 2009, although this is still a long way behind the figures recorded by the leading European countries.

The number of researchers in Spain (with the equivalent of full-time contracts (FTE)) has grown by 33% since 2004. Furthermore, this number rose from 1.4 to 7.08 per thousand of the working population between 1980 and 2009, in relative terms. A range of specific actions are being undertaken to boost these figures even more, such as the I3 Programme aimed at fostering the stable incorporation of researchers at public research organisations and universities.

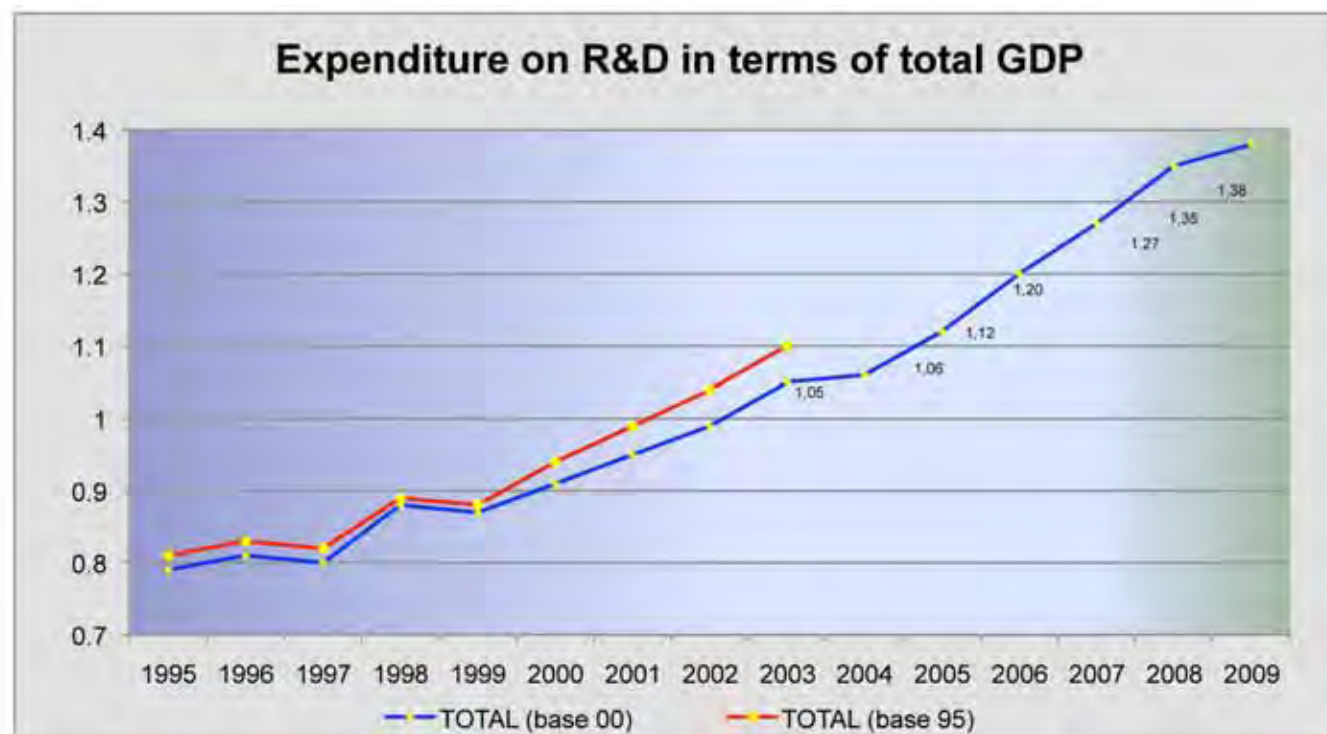
The largest spenders on R&D (14.582 billion euros in 2009) are companies (51.9%) and higher education (27.8%). In terms of investment funding, corporate contributions account for 43.4% of the total (also well below the European average).

As regards results, the Spanish system is another example of the European paradox in that relative

success in the generation of knowledge is not accompanied by the commensurate application and use of scientific progress by the production fabric and society. In terms of the publication of articles in international journals, Spanish scientific production currently ranks as the ninth country in the world. In contrast, the evidently dynamic nature of basic research in Spain is not matched by patent applications and concessions, which are still lower overall than the European average. In 2009, a total of 3,712 national

patent applications were received by the Spanish Office of Patents and Trademarks.

The creation of the Ministry of Science and Innovation in 2008 is a sign of the firm commitment from Spain to the knowledge economy by uniting two areas: research and innovation. This has enabled the laying of foundations for the development of a sustainable economy and a change in the production model.

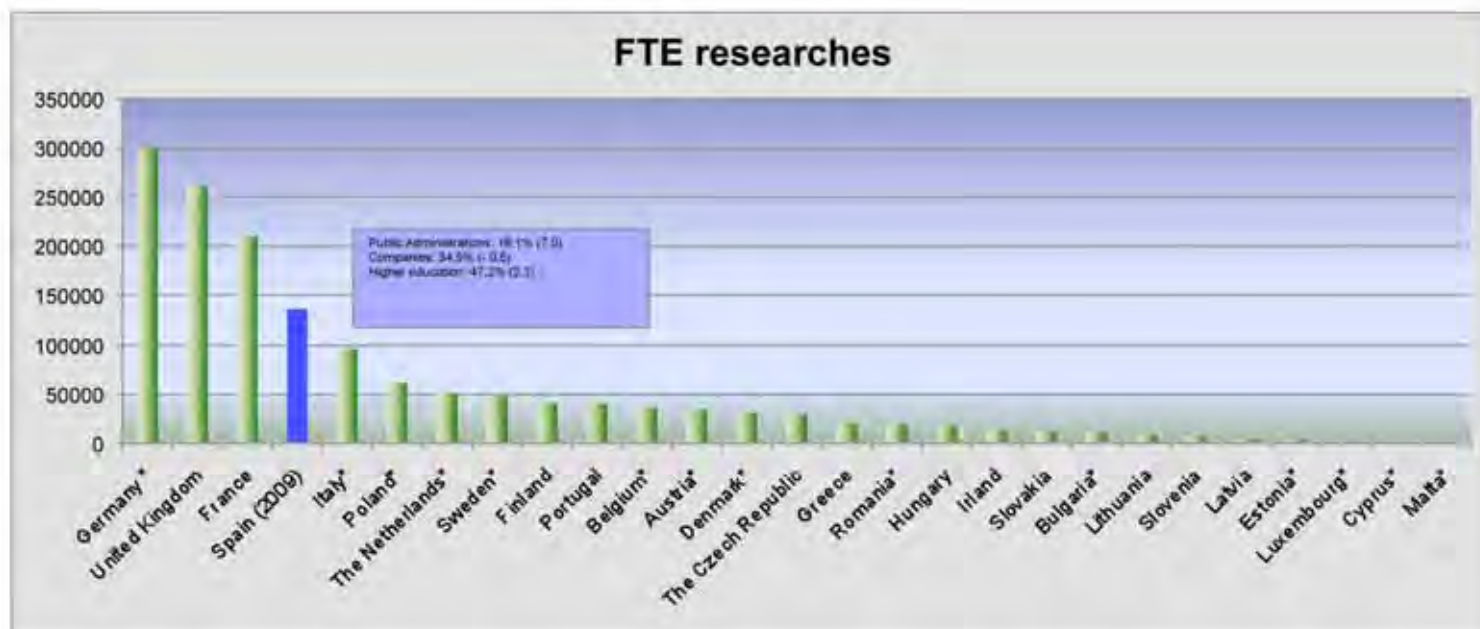


THE TECHNICAL-SCIENTIFIC SYSTEM

The generation and production of new knowledge and technologies are usually described as a system; in other words, a group of inter-connected components that exchange resources and information on priorities and produce a series of results which impact on the production fabric and society in general.

Various institutions comprise the Spanish technical-scientific system: the public authorities, which provide

planning and funding, set the guidelines and priorities for research and define a framework of action for R&D activities, and have bodies specialised in the management and application of scientific policy; the public R&D system, which includes the public institutions engaged in technical-scientific production; and companies – organisations that are both producers of technological innovation and recipients of the knowledge and technological progress generated by the R&D system.



The system also relies on support infrastructures, mainly of a public nature, such as liaison units between the public and private sectors of the R&D system and other services crucial to research activity, such as laboratories and other scientific infrastructures.

With science and technology now firmly on the political agenda, the Government has defined a stable science and technology policy and allocated crucial funding to R&D activities. Hence, 47.1% of total spending on R&D is provided by the public sector. In Spain, public promotion of R&D is particularly complex due to the profound political decentralisation defined in the Spanish Constitution of 1978. Nowadays, the autonomous regions are also active in this field with their own organisations and specific action plans. In fact, they actually provide around half of all public funds for R&D.

Within the Ministry of Science and Innovation, the State Secretariat for Research is the entity responsible for developing the science and technology policy. The structure of the State Secretariat for Research reflects the two priorities of the current legislature in terms of science and technology: a Directorate-General of Research and Coordination of the National R&D+i Plan, which helps define research policies; and a Directorate-General of International Cooperation and Institutional Relations, whose purpose is to spread the knowledge generated by the Spanish scientific and technological system to other countries and help

define research policies in collaboration with the autonomous regions.

For its part, the mission of the Secretariat-General of Innovation is to encourage the development of Spain's technological capacity, promote the creation of technology-based companies, foster innovation in every sector of the Spanish production fabric, guarantee effective public-private collaboration and design efficient knowledge transfer systems.

Within the structure of the Ministry of Science and Innovation, the Spanish Foundation for Science and Technology (Spanish acronym: FECYT) promotes the social spread of scientific culture by identifying opportunities and needs and drafting proposals for action, while the Centre for Industrial and Technological Development (Spanish acronym: CDTI) encourages the innovation and technological advancement of Spanish companies. Specifically-speaking, the CDTI focuses on supporting the business R&D+i of the Ministry of Science and Innovation, thus gaining in management efficiency and increasing its proximity to Spanish business.

Another two bodies also assist the Ministry in the tasks of institutional and geographic coordination: the General Council of Science and Technology, which meets on a regular basis under the Minister for Science and Innovation, and is designed to coordinate and cooperate with the autonomous regions (those members of the regional governments with

competency on R&D issues form part of the council); and the Science and Technology Advisory Board, whose function is to liaise with relevant economic and social stakeholders, such as trade unions, employers' associations and the scientific community itself.

The public R&D network in Spain has a dual nature, its main agents being the universities and the public research organisations (OPIs). The various OPIs that operate under the Ministry of Science and Innovation consist of the National Scientific Research Council (CSIC), which is multidisciplinary and multi-sectoral in nature, and six other organisations that specialise in food and agriculture (the National Institute for Agricultural Research (INIA)), fishing and oceanography (Spanish Institute of Oceanography (IEO)), soil and land (Geological and Mining Institute of Spain (IGME)), energy and the environment (Centre for Environmental, Technological and Energy Research (CIEMAT)), astrophysics (Astrophysics Institute of the Canary Islands (IAC)) and healthcare (Carlos III Institute of Health (ISCIII)).

The CSIC, a government agency whose roots can be traced back to the centres and laboratories created by the Board for the Expansion of Scientific Studies and Research in 1907, is currently Spain's most important public research organisation. It has 130 centres throughout the country, which are either run solely by the CSIC or operate jointly with universities and regional authorities. It employs 13,500 people,

approximately half of whom are researchers. Its activity is multidisciplinary and addresses a wide range of sectors and every field of knowledge. The CSIC conducts basic research such as technological development, shares the knowledge gleaned from its work, helps create technology-based companies and promotes the advancement of scientific culture in society. With 6% of all Spanish researchers on staff, the CSIC is responsible for 20% of the articles in international scientific journals published by Spanish authors and 50% of the articles appearing in the most prestigious publications. It became a government agency in 2007; a new legal status that will help this institute achieve its goal of contributing to the advancement of knowledge and to economic, social and cultural development.

The public universities, the CSIC and other public research organisations work closely together through joint CSIC-University units, university research institutes and other collaborative units with other public and private organisations. All of these are the result of a working methodology that seeks to maximise efforts through collaboration and approach research problems and subjects from a multidisciplinary perspective.

R&D+I INTERMEDIARIES

To support this network, the Spanish scientific system has a variety of organisations, bodies and frameworks of action that serve to make R&D available to the



Almería Solar Platform. Interior of the solar furnace

business sector. Their purpose is to enable the application of new knowledge and technologies to the Spanish production fabric. These organisations and instruments include the following:

- Technological platforms, which involve all those parties determined to foster R&D+i in a specific sector (businesses, technology centres, universities, etc.). These are forums of great strategic importance given

their contribution to employment, competitiveness and knowledge-based growth. By identifying the existing medium- or long-term technological needs, they facilitate the creation of the so-called Strategic Research Agendas, which provide guidance on regional, national and European investments of interest to that specific sector as well as on public and private R&D investments that the sector may require. There are approximately 50 technology platforms currently in existence. In 2009, the Ministry of Science and Innovation allocated a total sum of 3.8 million euros to these entities in grants and subsidies.

- Singular Strategic Projects (Spanish acronym: PSE), created to implement the Strategic Research Agendas. These are projects that facilitate the creation of large consortiums in which numerous public or private representatives of the science and technology community participate, for the purpose of carrying out an action with a specific timeline and scope. Their structure includes everything from a steering committee to scientific and technical committees. In addition to applied research, they may also address technological development and demonstrations.

- Technology Centres, non-profit organisations that conduct R&D+i projects with companies. These are often described as intermediaries between public research and productive output, but they are more than that: they generate knowledge, have important facilities and laboratory equipment and boast their own staff of technological experts and researchers

as well as administration departments and personnel. At present, there are 90 Technology Centres and 4 Technological Innovation Support Centres in Spain, 77 of which were granted financial aid packages by the Ministry of Science and Innovation in 2009 for a value of 64.4 million euros.

- The Singular Scientific and Technical Facilities (Spanish acronym: ICTS) are one-of-a-kind centres that receive public funding and support by virtue of their high investment and maintenance cost and their unique and strategic nature. A national ICTS Network was approved at the 3rd Conference of Presidents (11 January 2007) under which the Government of Spain and the autonomous regions agreed to promote 24 new large scientific infrastructures to join the 30 that already exist. Each facility is co-funded by the autonomous region in which it is located. Examples of existing ICTS centres include the Antarctic Bases, the Solar Platform of Almeria, the ALBA Synchrotron in Barcelona, the Great Canary Islands Telescope and the Iris Network of advanced telematic services for the scientific community. In addition to these ICTS, Spain participates in major international facilities such as the European Organisation for Nuclear Research (CERN) and the ITER experimental reactor.

- Finally, mention should be made of the network of Spanish companies whose importance cannot be underestimated as they are the entities that put knowledge to work and make it profitable. They are the ones who develop innovations based on the resources

provided by other components in the system, whether by improving production processes or putting new goods and services on the market. 34.5% of full-time equivalent researchers work on R&D activities at these companies.

RESEARCH FUNDING AND GRANTS

Since the mid-1980s, Spain has been working to design and implement scientific policies to address the shortcomings of science in our country. Today, after a series of planning initiatives (National R&D+i Plans) and other ad hoc programmes, public involvement in the field of science and technology has materialised in different types of actions:

- Institutional coordination of the design and implementation of policy and support structures for management and evaluation;
- Legislative and regulatory action aimed at creating a favourable general framework for research, both for research activity at universities and public R&D centres and for the private sector via tax relief measures;
- Financial aid for research and innovation;
- Specific actions to improve the system's operational capacity with regard to the coordination and interaction of the system's components (public authorities, public R&D system and companies), the training of human resources, the promotion of basic research and public investment in scientific and technological infrastructure and other R&D support services.



The Great Canary Islands Telescope (GRANTE-CAN)

This boost from the public sector is correlated to the public expenditure figures. The budgetary provisions for this kind of activity at a national level have increased consistently in recent years. Over the course of four years (2005-2009), Spain has invested 50 billion euros in science. The management and implementation of the vast majority of the civilian R&D+i budget mainly lies in the hands of the Ministry of Science and Innovation.

In 2005, a new strategic Government initiative was set in motion – the INGENIO 2010 Programme. In addition to maintaining existing R&D support activities, this programme introduced new resources and new actions aimed at strengthening public-private collaboration in R&D+i. It is also an instrument for promoting Spain's participation in the Seventh European Union R&D Framework Programme, increasing critical mass and fostering excellence in research and the full development of the information society.

The instruments forming part of INGENIO 2010 have been incorporated into the 2008-2011 National R&D+i Plan. The four most significant are: Euroingenio (to increase the return from Spanish participation in the 7th Framework Programme); Avanza (managed by the Ministry of Industry, Tourism and Trade, whose goal is to help Spain reach the European average in terms of Information Society indicators); CENIT; and CONSOLÍDER, two initiatives from the Ministry of Science and Innovation.

Within the scope of the Ministry of Science and Innovation alone, INGENIO 2010 has led to a committed investment of more than 3 billion euros since 2005. This investment has created 95,000 jobs (including direct, indirect and induced employment) and has involved more than 4,000 research groups and 20,000 researchers.



The "Hespérides" vessel in the Gerlache Strait (Antarctic)

THE NATIONAL R&D+I PLAN

The National R&D+i Plan, which is funded by the Spanish Government and European Union structural funds, is one of the pillars of public action and the primary instrument for planning and assigning priorities in technological research and development. It contains the plan for actions to be implemented over a four-year period and defines the strategic objectives and focal points of public action and specific programmes in the different scientific fields that lead to the selection of

priorities. The plan now in effect covers the 2008-2011 period and maintains three general principles, which are the main guidelines that shape Spanish science and technology policy:

- To serve citizens, ensure the welfare of society and promote sustainable development, with the full and equal participation of women;
- To contribute to the improvement of business competitiveness;
- To recognise and promote R&D as an essential tool for generating new knowledge.

In order to follow these guidelines, the National Plan outlines the following strategic objectives:

- To make Spain a global frontrunner of knowledge;
- To promote a highly competitive business fabric;
- To develop a comprehensive policy on science, technology and innovation;
- To move forward in the international context so that the system can make a qualitative leap;
- To create a favourable environment for investing in R&D+i;
- To foster the culture of science and technology in society.

The structure consists of four areas that are directly related to these general objectives: the generation of knowledge and scientific and technological capacities; the promotion of cooperation on R&D activities; sector-

specific technological development and innovation; and strategic actions.

In order to meet these objectives in accordance with the four areas described above, the plan identifies six Instrumental Lines of Action that will be further developed through National Programmes:

- Human resources;
- R&D+i projects;
- Strengthening of institutional;
- Scientific and technological infrastructures;
- Use of knowledge and transfer of technology;
- Coordination and internationalisation of the system.

THE NEW SCIENCE, TECHNOLOGY AND INNOVATION ACT

As stated earlier, science and technology in Spain have made great progress and shown an obvious tendency towards change in recent years. This is why it was necessary to prepare a new Science Act to replace the legislation enacted in 1986. Although currently in the process of approval, the new law responds to 5 principles:

- People. The law recognises that researchers represent the centre of the scientific system. A stable and planned scientific career is designed for them that simplifies the launch of their careers, promotion and mobility during their professional lives.

- Efficiency and effectiveness for public expenditure on R&D. The State Research Agency will be created to this end, which will establish a stable financing framework and will operate with complete independence in order to adopt scientific criteria for the distribution of funds: the criteria of quality and excellence.

- Strengthening of cooperation between public authorities and the European Union. The law will establish new instruments for coordination between the various public authorities from a perspective of respect for their corresponding competences. Specifically-speaking, the law will establish the Spanish Science and Technology Strategy to be developed by the Scientific and Technological Policy Council as the highest body responsible for the coordination of scientific policy in Spain.

- Contributing to change in the production model and a sustainable economy. In this regard, the law incorporates two key measures. One is the creation of the State Innovation Strategy: a new instrument for cooperation between the public authorities and all other stakeholders aimed at creating a favourable framework for innovation and its planning. The second is the New Innovative Company Statute: a technology-based companies during their first six years of existence.

- A cutting-edge and progressionist law. The text incorporates measures aimed at advancing towards a situation of effective gender equality; it supports those

scientists who commit to applying their knowledge to the fight against poverty and social exclusion; it makes commitments to making scientific knowledge available to society by enabling free access to the results from research financed by public funding; and, finally, it fosters the spread of knowledge and innovation.

INTERNATIONALISATION

Science and Technology are high on the list of political priorities and they have also gained tremendous importance in global society. Spanish science has been wholly European for some time: Spain played an important part in the creation of the ERA (European Research Area) during the Ljubljana Process, providing a scientific and legal framework that would allow researchers to work in conditions of improved mobility.

The Ministry of Science and Innovation is involved in the Joint Technological Initiatives (Spanish acronym: ITC) and the Research Infrastructures (Spanish acronym: RI), participating in the construction of pan-European infrastructures such as X-FEL and FAIR.

Spain is involved in all major European programmes and activities in the area of scientific and technological cooperation, such as the EU R&D Framework Programme, the Eureka Programme, the European

Organisation for Nuclear Research (CERN, home of the LHC or Large Hadron Collider), the European Molecular Biology Laboratory (EMBL), the European Space Agency (ESA) and the International Thermonuclear Experimental Reactor (ITER).

The goals are now to internationalise the already-European Spanish science even further, to support the internationalisation of the ERA and to consolidate the Ibero-American and Caribbean Knowledge Area.

The Spanish Presidency of the European Union was a great step forward in this direction. During its six months of European Presidency, Spain fostered improvements to mobility for researchers within the European Union, as well as the consolidation of the European Research Council, which is the financing agency for science of excellence in Europe.

Also during its time as President of the European Union, Spain promoted the links between science and innovation at a European level and made progress on eliminating administrative burdens for researchers and companies. Furthermore, Spain has placed the need for science and innovation to play a more active role in the search for social cohesion and in the fight against poverty and social exclusion at the highest level on the political agenda.

OFFICIAL WEBSITES:

Ministry of Science and Innovation: www.micinn.es

National R&D+i Plan: www.plannacionalidi.es

INGENIO 2010: www.ingenio2010.es

Public Research Bodies:

[http://web.micinn.es/contenido.asp?menu1=6&menu2=0
&dir=05_Investigacion/04-OPI](http://web.micinn.es/contenido.asp?menu1=6&menu2=0&dir=05_Investigacion/04-OPI)

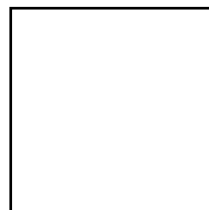
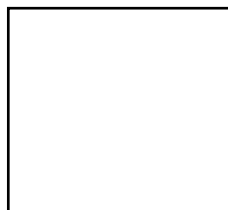
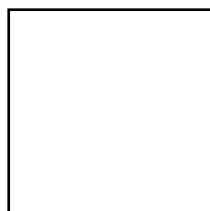
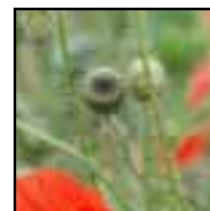
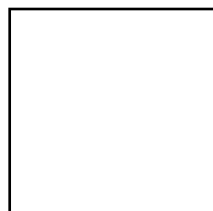
Spanish Foundation for Science and Technology
(FECYT): www.fecyt.es

Centre for Industrial and Technological Development
(CDTI): www.cdti.es

Spanish Observatory on Innovation and Knowledge
(ICONO): <http://icono.fecyt.es>

Spain today
2011

Chapter XI
**THE NATURAL,
RURAL AND
MARINE
ENVIRONMENT**



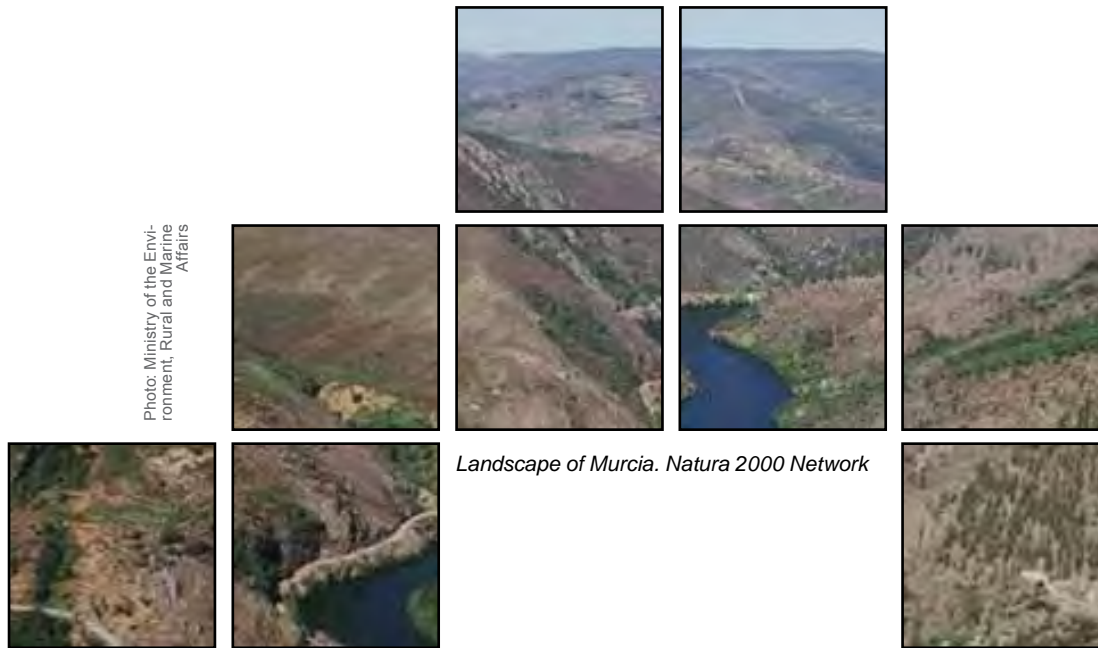


Photo: Ministry of the Environment, Rural and Marine Affairs

Landscape of Murcia. Natura 2000 Network

CLIMATE CHANGE

One of the main focal points for politics in Spain and the European Union as a whole is currently the fight against climate change. This is a global problem and as such requires an integrated solution. To address climate change successfully, the issue needs to be approached from within the framework of the United Nations and must also be compatible with the right of all countries to development.

In December 2009, Spain presented its Fifth National Communication within the United Nations Framework Convention on Climate Change. This information provided by the Spanish State to the Secretariat for the Convention summarises the initiatives undertaken on Climate Change issues during the corresponding period: greenhouse gas inventories, measures adopted to reduce emissions, prospective studies, cooperation with developing nations, research and systematic observation and public awareness activities, among others. This Fifth National Communication reflects the most visible achievements and their results, from among which it is worth highlighting that compliance with the Kyoto Protocol is expected once we have entered the commitment period.

In this regard, the forecasts would suggest that average greenhouse gas emissions during the five-year period from 2008-2012 will not exceed growth of 36.6% over the base year in the Kyoto Protocol, thus clearly putting

Photo: EFE Agency.



Emissions of greenhouse gases.

Spain on the path set by the Government in the National Allocation Plan for 2008-2012.

As a member of the European “Troika”, Spain firmly supported the EU’s efforts to reach an ambitious, binding and global agreement on climate change for the post-2012 period at the Copenhagen Conference.

In December 2008, the EU adopted a comprehensive climate change and energy policy which includes a series of ambitious goals for 2020. The aim of the policy is to steer Europe towards a sustainable future based on a low-carbon economy and more streamlined consumption.

The EU has announced its unilateral commitment to a 20% reduction by 2020 and has pledged to raise this figure to 30% if other developed countries promise to make comparable reductions in their emissions and if developing countries contribute according to their capacities and responsibilities. Meanwhile, the European Council supported the Environment Council’s goal for the European Union to persuade developed countries to reduce their greenhouse gas emissions by between 80% and 95% by 2050. Spain has publicly

announced its commitment to reducing its emissions by 80% by 2050, which basically means gradually switching to a carbon-neutral economy to allow for a reasonable evolution of emissions in developing countries.

The fight against climate change must be considered as a cross-cutting issue aimed at transforming the current economic and energy model into a sustainable model for economic growth in the medium and long term.

The 194 countries that took part in the Cancun Summit (Mexico) at the end of 2010 set a goal for the countries signed up to the current Kyoto Protocol to reduce greenhouse gases by between 25% and 40% by 2020 on 1990 levels.

In order to recover confidence in the capacity to advance and consolidate an economy based on less polluting activities that guarantees employment and quality of life for all citizens, this transition towards a fairer and environmentally sustainable economic model must aim to moderate the social impact of both the measures to reduce greenhouse gases and to adapt to climate change.

ENVIRONMENTAL QUALITY

THE ENVIRONMENTAL IMPACT ASSESSMENT ACT

Law 6/2010 was approved in March 2010 and amends the consolidated text of the Environmental Impact Assessment Act (Official State Gazette of 25 March).

The amendments introduced into the law are aimed at further defining the stages that comprise the activities to be carried out for environmental assessment on the one hand and, on the other, for reducing and adapting the deadline for execution of the procedure by adapting it to the demands of a modern and dynamic society.

Furthermore, the technological advancements that have been introduced (specifically, the System for Access to the Environmental Information Database (Spanish acronym: SABIA)) enable access to information regarding the status of case files undergoing EIA for any interested party by means of a telematic system located on the website of the Ministry of the Environment, Rural and Marine Affairs.

PROTECTING THE ATMOSPHERE

The European Environment Agency (EEA) estimates that emissions of air pollutants will drop throughout Europe over the next two decades thanks to the gradual implementation of legal instruments to monitor emissions, either already in force or in preparation, and to structural changes in the energy system. Most

of the reductions are expected to affect energy-related emissions, especially SO₂, NO_x, CO_v and primary PM_{2.5}, with fewer reductions in agricultural emissions.

Despite the measures introduced in the past, both the assessments conducted across the whole of the EU as part of the CAFE Programme (Clean Air For Europe, 2001) and those carried out in Spain by the autonomous regions in keeping with current legislation clearly show that pollution levels with highly adverse effects still exist, especially pollution caused by particles of less than 10 microns, although there is an obvious trend towards improvement.

The main problems detected in the latest assessments carried out in Spain are as follows:

- In large cities: exceedance of the maximum established nitrogen dioxide values, mainly due to traffic.
- In certain industrial areas: exceedance of maximum sulphur dioxide values in certain industrial areas, due to petrochemicals or thermal power stations fuelled by carbon with a high sulphur content.

Air quality assessments in Spain reflect both the country's special meteorological conditions (higher solar radiation, which favours photochemical pollution and, therefore, the formation of ozone, particle re-suspensions due to the shortage of rain, etc.) and special geographical conditions (episodes of particle intrusion from the Sahara Desert).



Climate change

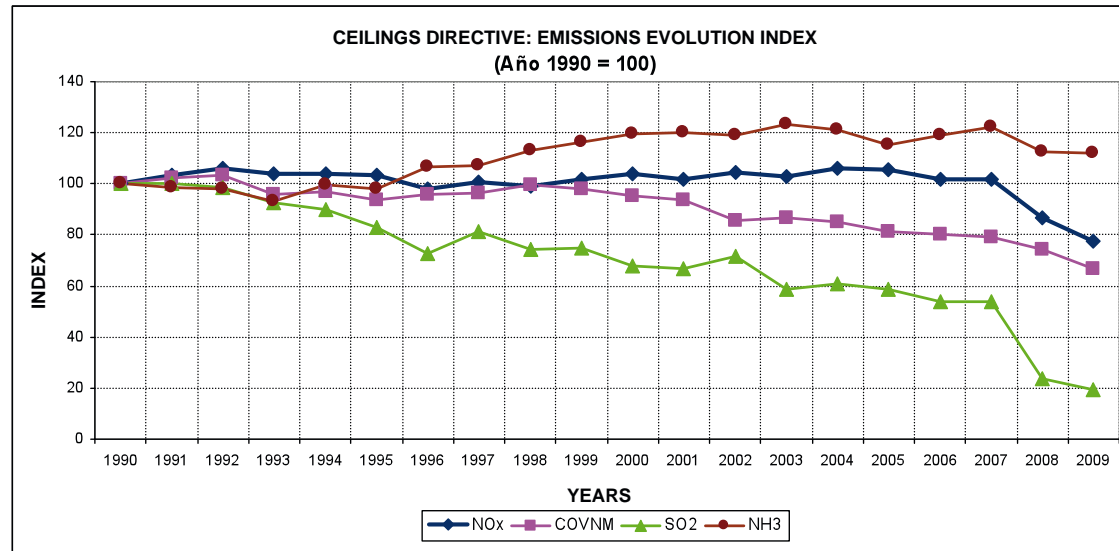
NATIONAL ATMOSPHERIC EMISSIONS INVENTORY

In December 2010, the National Atmospheric Emissions Inventory (1990-2009 emissions series) was submitted to the European Commission in accordance with the timeline set by current legislation and in order to comply with the content of Directive 2001/81/EC on national emissions ceilings for certain atmospheric pollutants.

In January 2011, the National Inventory of Greenhouse Gas Emissions was submitted to the European Commission in accordance with Decisions 280/2004 and 2005/166 on greenhouse gas monitoring. The evolution of greenhouse gas emissions in Spain can be seen on the following graphs:

Directive 2001/81/EC on national emissions ceilings obliges Member States to draw up and publish inventories and emissions forecasts, as well as national programmes to gradually reduce the emission of those pollutants to which they apply. Two National Emissions Reduction Programmes (Spanish acronym: PNRE) have been approved to date, the first in 2003 and the second (II PNRE) at the Council of Ministers on 7 December 2007. In accordance with the Directive, these Programmes include information on the policies and measures adopted or planned, as well as the quantified estimations of the effect of these policies and measures on the emissions of the pollutants by 2010.

The so-called "Action Plan for the Application of the 2nd National Emissions Reduction Plan in accordance



Source: Ministry of the Environment, Rural and Marine Affairs

with the Directive on National Ceilings” is being implemented in order to promote the measures necessary for accelerating compliance with the national emissions ceilings set by the Directive for Spain. After being submitted to a public information stage and to the Advisory Council on Environmental Affairs, the plan was adopted in 2010. The plan proposes a number of additional measures and a series of lines of action containing specific actions in certain sectors with greater difficulty in reducing their emissions.

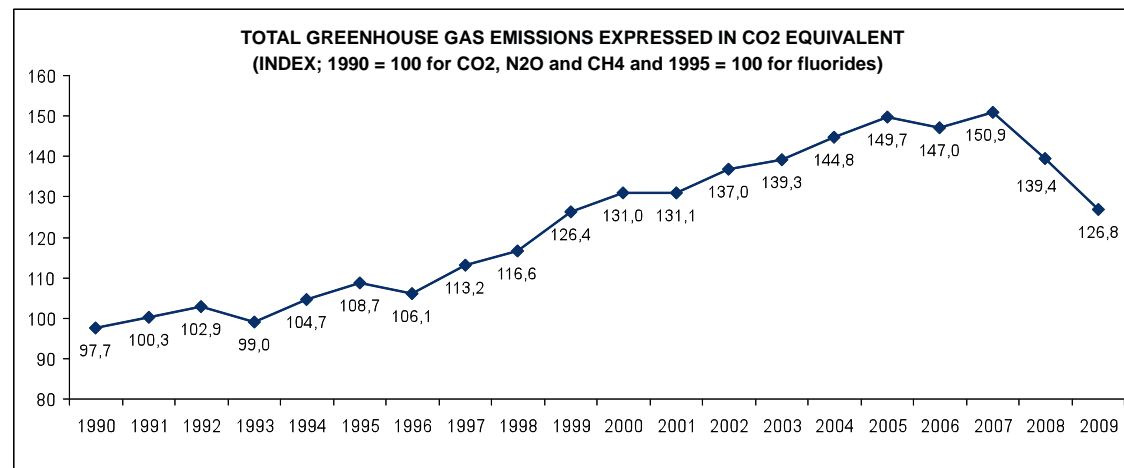
One of the key features of Law 34/2007, of 15 November, on air quality and the protection of the atmosphere is the List of Potential Air Polluting Activities (Spanish acronym: CAPCA), contained in Appendix IV. This list details the activities covered by the scope of the

law and assigns the ones with the greatest pollutant potential to a specific group (A, B or C). These groups entail different degrees of government intervention and compliance with different obligations for the parties involved.

This project has already been made public via an information campaign and, as in the case of the former project, is expected to be put before the Advisory Council on Environmental Affairs very shortly.

SUSTAINABLE MANAGEMENT OF CHEMICAL PRODUCTS

The greatest exponent of the sustainable management of chemical products in the European Union is the REACH Regulation, which was passed on 18 December 2006



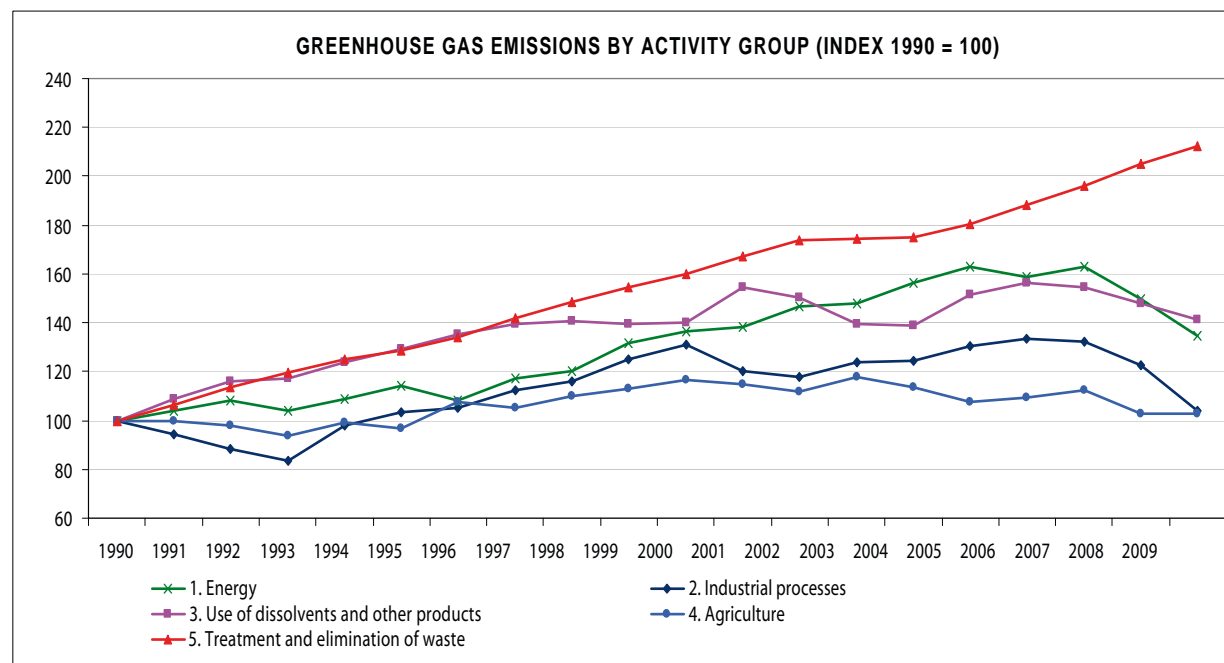
Source: Ministry of the Environment, Rural and Marine Affairs

and came into force on 1 June 2007. Its principal aim is to safeguard human health and the environment from the risks of chemical substances without undermining the competitiveness of the European chemical industry.

One important aspect of the Regulation is that the information generated by manufacturers and importers and evaluated by the European Chemicals Agency (ECHA) in association with the Member States will greatly facilitate the implementation of other regulations related to the prevention and control of pollution from chemical substances.

Law 8/2010 of 31 March was drafted in order to guarantee compliance with this Regulation. This law establishes the penalty regime provided for in the (EC) Regulations regarding the registration, assessment, authorisation and restriction of chemical substances and mixtures (REACH) and the classification, labelling and packaging of substances and mixtures (CLP).

The new legislation reinforces the obligation of the various governmental authorities to collaborate in ensuring compliance with the law. The text also contains a list of infringements and penalties. Other



Source: Ministry of the Environment, Rural and Marine Affairs



Plastic bags

articles provide for a sliding scale of penalties, the role of the autonomous regions in imposing penalties and a description of the various infringements and penalties. Furthermore, the bill establishes the prevalence of criminal liability over administrative liability and contemplates the concurrence of sanctions.

WASTE MANAGEMENT

Waste generation and waste management are serious environmental problems for modern societies, which is why there is a European waste policy.

Waste dumping or incorrect management produces a considerable impact on the environment. It can also lead to water, soil and air pollution, contribute to climate change and affect ecosystems and human health. However, when waste is managed correctly, it can be turned into usable resources, thus helping to save raw materials, preserve natural resources and the climate and contribute towards sustainable development.

Many of the objectives and measures contained in the Integrated National Waste Plan 2008-2015 (Spanish acronym: PNIR) are of a strategic nature and aim to steer the development of specific waste management policies for different flows and to change waste management in Spain.

The main objectives of the PNIR are as follows:

- To promote the correct management of all types of waste, reduce waste generation in general and encourage the most appropriate management practices.
- To establish priorities in the available waste options, from prevention, reuse and recycling to energy exploitation and, finally, elimination.
- Ensure that all the agents involved, from government bodies and economic and social agents to consumers and users, accept their share of responsibility in relation to waste.
- Ensure the existence of sufficient infrastructures to guarantee that waste is managed correctly and, as far as possible, close to the place where it is generated.

Furthermore, the Ministry of the Environment, Rural and Marine Affairs and the autonomous regions have embarked on an initiative that aims to introduce the electronic processing of the control procedures for hazardous waste in every autonomous region and at the central ministry by 2010. In addition, the year 2009 also witnessed the implementation of an initiative to gradually reduce the commercial use of plastic bags.

THE RURAL ENVIRONMENT

The rural environment in Spain covers 90% of the territory. 20% of the population lives in the rural environment (35% when including peri-urban areas). Agriculture and agro-industry continue to be the main economic activities in the Spanish rural environment.

Based on the concept of 'rural' defined in Law 45/2007, of 13 December, for the Sustainable Development of the Rural Environment (Spanish acronym: LDSMR), the Spanish municipalities can be broken down as follows:

AGRICULTURE IN SPAIN

Agriculture in Spain is a strategic sector of great social, territorial, environmental and economic importance.

Half of the surface area in Spain is given over to agricultural or livestock activities (32% corresponds to farmland and 17% to meadows and pasture land). The agri-food sector is one of the most dynamic sectors of the Spanish economy.

	Nº of Municipalities	Population	Surface Area (km2)
Rural areas by density and population	6,370	8,251,871	428,646
Municipal density > 100 and < 30,000 inhabitants	1,143	10,053,466	34,179
Municipality >30,000 and suitable density	18	909,201	14,631
TOTAL POTENTIAL RURAL ENVIRONMENT	7,891	19,214,538	477,457
Municipalities outside of density and size	221	25,988,162	27,289
SPAIN	8,118	45,202,700	504,746



Agri-food products.

Production from agriculture generated in excess of 42.5 billion euros in 2009.

The Spanish agri-food industry is the largest industrial sector in the country (employing around half a million people and with revenue in excess of 78 billion euros, representing 17% of total industrial revenue).

6.5% of all employment in Spain exists in agricultural and agri-industrial activity in Spain.

It should also be highlighted that agri-food exports from Spain always record a positive trade balance with a growing contribution to total foreign trade in Spain, as can be seen from the following table:

In 2009, four agri-food products (virgin olive oil, clementine mandarins, sweet oranges and fresh tomatoes) were among the 20 most-exported products in Spain.

This year, the fruit and vegetable sector was sixth on the list of top ten export sectors, with a total of 10,982.9 million euros.

NATIONAL AGRICULTURE POLICY

Within the framework of the CAP and the national agricultural policy, Spanish agriculture has a specific priority: to consolidate and increase secure, quality, market-orientated and sustainable production, in terms of both its economic and social viability and respect for environmental practices and regulations, and to fulfil the functions assigned by society which are not strictly productive.

EXPORTS	2006	2007	2008	2009	Average for the period
Agri-food	20,678.30	23,318.60	24,689.70	21,948.30	22,658.73
Total Spain	170,438.63	185,023.22	189,227.85	159,889.55	176,144.81
% Agri-food /Total	12.13	12.60	13.05	13.73	12.86

Source: Spanish Institute for Foreign Trade (Spanish acronym: ICEX)

*Wine and grapes*

PRODUCTION

The value of agricultural production in Spain in 2009 amounted to 42,594 million euros, of which 62.8% corresponded to crop production.

Due to the variety of climate and soil conditions, Spain boasts a great diversity of crops and, consequently, of products: Mediterranean, tropical and those associated with a temperate climate.

The value of fruit and vegetable production represents 38% of Spanish agricultural production and almost 60% of crop production.

Other crops of considerable importance are cereals, olives and grapes.

OLIVE OIL AND TABLE OLIVES

Spain is the largest olive oil producer in the European Union, providing 48% of the total and boasting 2.5 million hectares of land given over to olive groves. The value of olive oil production represents 7.5% of total crop production. In the 2008/2009 season, over 600,000 tons of oil were exported, with the main destination for these exports being the European Union (78%).

The trade balance for table olives, like olive oil, is also notably positive. The majority of production is exported, the annual average ranging between 250,000 and 300,000 tonnes.

FRUITS AND VEGETABLES

The value of production in the fruit and vegetable sector amounted to approximately 14,382 million euros in 2009 (37.7% of all agricultural production). The 2009 trade balances for both fruit and vegetables were positive: 6,711 million euros.

The European Union is the main destination for Spanish exports, absorbing over 85% of the volume and over 90% of the value.

Fruit, processed vegetables and citrus fruits reported a trade balance in excess of 1 billion euros.

THE WINE SECTOR

The Spanish wine industry has produced close to 40 million hl of wine and grape juice in recent years. The estimated harvest for the 2010/2011 season stands at 39.2 million hl of wine and grape juice, of which 15 million hl correspond to quality wines of geographic designation of origin, 19.5 million hl of wines without geographic designation of origin and 4.7 million hl of grape juice.

In 2009, wine exports from Spain amounted to a value of 1,884 million euros, with a positive trade balance for the sector of 1,758 million euros. The European market is the main destination for Spanish exports, receiving almost three-quarters of the total volume of exports. The five main destination countries for Spanish wines in 2009 were France, Germany, the United Kingdom, the United States and Switzerland.



Cow

LIVESTOCK FARMING

A longstanding tradition in Spanish agricultural production, this economic activity has been considerably strengthened since Spain joined the European Union.

In 2009, livestock production amounted to 12,967 million euros, which represents 34.5% of final agricultural production.

The most important livestock sector in Spain is pork, which contributes a third of the total value of livestock production. After Germany, Spain is the largest pork producer in Europe with an animal population of nearly 26 million (survey dated December 2008). It is also the most active sector in terms of international trade, with Spanish pork exports having risen to 33% of national production in 2008.

In the last six years, pork exports (both intra-European and extra-European) have risen by 152.5%.

Milk production accounted for 18.5% of livestock production in 2009 and, as a result of the application of production quotas, the cow population has levelled out at around 900,000 heads.

With an animal population of 6 million, the production of beef and veal represented 15.8% of livestock production in 2009.

The next largest sector is that of poultry, accounting for 14% of the total.

The sheep and goat sector, with a population in excess of 22.8 million heads (of which 19.9 million are sheep and 2.9 million are goats) accounts for 8% of final livestock production. The egg production sector represents 8.4%.

The trade balance for the main livestock farming products stands in positive territory in terms of meat products, eggs, honey, processed meats and other products of animal origin and in negative territory in terms of milk and dairy products.

In accordance with the European production model, the livestock farming sector is steering its production towards products in which quality is the most important feature. This is based on high food security standards and respect for the environment and animal welfare, combined with the sustainable use of natural resources.



Torta del Casar de Cáceres

THE FISHING INDUSTRY IN SPAIN

THE FISHING FLEET

The Spanish Government has made great efforts to adapt the Spanish fishing fleet to the fishing grounds in order to ensure the sustainability of fishing resources and bring them into line with the European Union framework. At 31 December 2009, the Spanish fishing fleet comprised a total of 11,116 vessels, of which 96% operate in national fishing grounds (10,625 boats), another 209 vessels operate in EU fishing grounds and 277 operate in the waters of non-European countries, although vessels often alternate between fishing grounds.

Of the total, 50% are in convergence regions (Galicia and Andalusia) and the other 50% are in non-convergence regions (elsewhere).

AQUACULTURE

Parallel to traditional fishing, the aquaculture sector has experienced extraordinary growth in Spain. Thanks to the degree of productive and technological development in recent years, and in terms of the sustainability of resources, this activity has become a complementary source of food to extractive fishing.

In 2009, the production of marine and freshwater aquaculture amounted to a total 268,666 tonnes, of which 198,563 tonnes corresponded to mussels and 70,103 tonnes to other species of fish, molluscs and crustaceans. The breakdown within the fish group was as follows: 23,218.4 tonnes of gilthead seabream, 12,654.7 tonnes of bass and 7,188.1 tonnes of turbot in the marine category and approximately 18,488 tonnes of trout in the freshwater aquaculture category.

PRODUCTION AND EMPLOYMENT IN SPAIN

Total captures by the Spanish fleet amounted to 727,520 tonnes in 2009, of which 329,081 tonnes were extracted from the Northeast Atlantic (ICES); 105,841 tonnes from the Mediterranean; 104,186 tonnes from the Central East Atlantic; 82,693 tonnes from the Southwest Atlantic; and 29,190 tonnes from the Western Indian Ocean. The fleet employs 33,069 seamen on board (data provided by the Social Institute of the Merchant Navy (Spanish acronym: ISM)), mainly in Galicia and Andalusia, which represent 70% of the total. Spain leads the European Union in the value of landed fish, in tonnage of its fleet and in numbers of seamen. However, it ranks third, behind Greece and Italy, in total number of vessels; and second, behind Denmark, in volume of total captures and landings.

Ministry of the Environment, Rural
and Marine Affairs



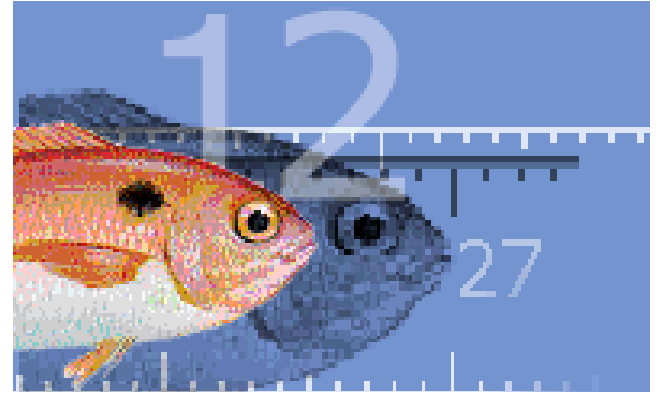
Fishing boats

FISH SALES

The sale volume of catches stands at 531,392 tonnes of fresh fish, 196,059 tonnes of frozen fish and 399,358 tonnes from aquaculture, with a total value of 2,261.6 million euros.

FOREIGN FISHING TRADE

Spain has one of the highest fish consumptions per capita, currently standing at around 36.5 kg per year and doubling the EU figure of 15 kg per year.



Minimum sizes

Consequently, Domestic production cannot satisfy market demand and Spain must therefore import a high percentage of its fish.

In terms of foreign trade, Spain is among the top ten countries for market value of fish products. Imports amounted to 1,578,474 tonnes in 2009, with a value of 4,264 million euros. Of these, 28% (31% in value) came from EU countries.

Meanwhile, exports amounted to 1,045,909 tonnes and a value of 2,239 million euros, with EU countries receiving 64% (78% in value)..

Ministry of the Environment, Rural
and Marine Affairs



Bridge over the river Miera as it flows through Liérganes (Cantabria)

WATER WATER POLICY

The water policy implemented by the Ministry of the Environment, Rural and Marine Affairs is underpinned by the principles governing the protection and recovery of water masses, together with a use of the same in line with the Water Framework Directive. An integrated system of water resource management is currently in place, based on recovery and environmental management, the improved use of water, increased investment (mainly for modernising infrastructure) and planned management for natural disasters such as droughts and floods. New river basin plans are also being prepared that reflect the needs and wishes of Spanish citizens.

The priority projects currently underway affect the availability of resources for water basins with deficits or serious problems such as overexploitation and contamination of aquifers.

In 2008, a major effort was begun in terms of the following:

- River Basin District Plans. Once the initial documents have been drafted and the so-called “Model of Important Topics” documents published, following an important process of public participation, a series of new Hydrological Plans will be defined.
- Modernisation of irrigation systems. The activities under the first deadline period of the National Irrigation Plan and the Action Plan 2006-2007 have been

completed, requiring a public investment in irrigation system modernisation of 2,500 million euros (an investment of 73.49% on scheduled investment).

The National Strategy for the Sustainable Modernisation of Irrigation for 2015 is currently being drafted, with which it is hoped to achieve social and economic sustainability for existing irrigation systems by promoting environmental sustainability, attempting to achieve energy efficiency and fostering the use of renewable energies and alternative water resources. The number of hectares subject to localised irrigation continues to exceed the number subject to gravity irrigation, which means one of the modernisation objectives has yet to be achieved.

• WATER QUALITY

90% of waste water is currently subject to the corresponding treatment processes.

Over 800 million euros have been invested in improving water quality and treatment.

In order to regulate the discharge of waste water into continental waters, an Action Plan on Water Discharges was launched in 2005 with an investment of more than 20 million euros.

Close to 90% of existing discharge points in Spain have been revised, including all discharges of hazardous substances, those from urban centres

LOCATION OF THE MONITORING CONTROL PROGRAMME STATIONS - RIVERS



LOCATION OF THE MONITORING CONTROL PROGRAMME STATIONS - LAKES



of more than 10,000 equivalent inhabitants, cooling water discharges and discharges from fish factories. Currently, work continues on revising discharges of lower volumes until the process to regulate all 24,033 existing discharge points has been completed.

The efficiency of the measures implemented to improve the quality of discharges is monitored via a series of networks that check the condition of inland waters and also via the inspection of discharges with serious problems of overexploitation and the pollution of aquifers.

• DESALINATION

Eleven new desalination plants are currently in operation, producing 325 hm³ per year of water recovered from the sea, which required an investment of 795 million euros. The volume of drinking water obtained from desalination has doubled since 2004. Another 13 desalination plants are currently under construction which, thanks to an investment of 885 million euros, will provide an additional 293.5 hm³ of water. In an attempt to reduce speculation and excessive urban development, the Land Act establishes the binding nature of the compulsory reports to be published by the hydrographic confederations on the availability of water prior to commencing any new urban development project.

With regard to the protection, preservation and improvement of river ecosystems, enormous efforts have been made in the development of the National River Restoration Strategy. With over 1,500 actions and a financial investment in excess of 150 million euros, the strategy has generated a considerable volume of direct employment in the rural environment and the participation of more than 40,000 volunteers. In relation to flood prevention, a National Map of Floodable Areas is currently being drawn up within the framework of the European Directive on the Assessment and Management of Flood Risks. Over 60,000 km of newly mapped floodable areas have been published on the Internet and work continues on new maps to complete the existing cartography for the hydrographic confederations of the rivers Duero, Ebro, Júcar, Segura, Miño-Sil and part of the Cantabrian Hydrographic Confederation, while work in other areas is at the tender stage or in the process of being organised.

The information contained in this system will be made available to central, regional and local government bodies and will be published in keeping with the law that regulates rights of access to information.

THE NATURAL ENVIRONMENT AND BIODIVERSITY

ENDANGERED SPECIES

Thanks to its wide array of habitats, Spain has a great diversity of species. According to one estimate, approximately 80,000 species are present on the mainland and islands, and Spain boasts the richest variety of vascular plants in Europe and the Mediterranean region.

Law 42/2007 on Natural Heritage and Biodiversity establishes a List of Species Requiring Special Protection and the Spanish Register of Endangered Species, which will include the threatened taxa or populations, subdivided into the categories 'in danger of extinction' and 'vulnerable', and the obligation to draw up a recovery plan to guarantee their preservation.

Photo: Ministry of the Environment,
Rural and Marine Affairs



Iberian lynx

The law may also designate critical areas for their possible inclusion in the Spanish Register of Habitats in Danger of Disappearance.

NATURA 2000 NETWORK

The Natura 2000 Network plays a leading role in the protection of biodiversity in the European Union from the impact of human activity.

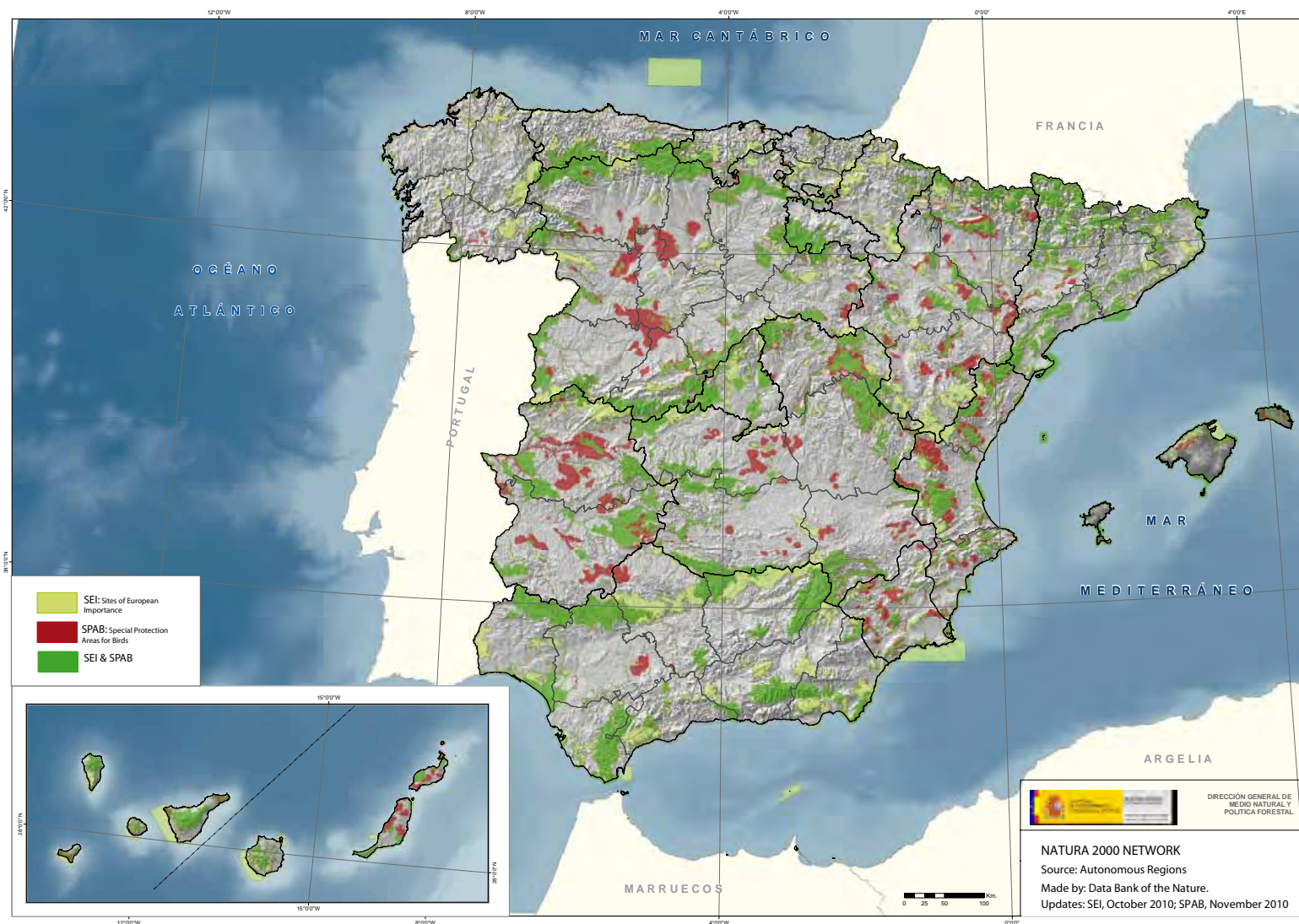
It is an ecological network of areas for the conservation of biodiversity and constitutes the most ambitious initiative undertaken by the European Union to protect the natural heritage of its Member States and halt the loss of biodiversity.



Wolf

Photo: Ministry of the Environment,
Rural and Marine Affairs

Fuente: MARM. Datos actualizados en diciembre 2009



Source: Ministry of the Environment, Rural and Marine Affairs. Data updated in December 2009

Its purpose is to guarantee the long-term survival of the most important natural habitats and wildlife species at risk in Europe. The network comprises Special Areas of Conservation (SAC), established in line with the Habitats Directive (92/43/EEC), and Special Protection Areas (SPA) for birds, created under the auspices of the Birds Directive (79/409/EEC) (updated and consolidated by Directive 2009/147/EC). Spain's contribution to the network comprises 25.8%

of its total surface area, located in four different biogeographical regions (Alpine, Atlantic, Mediterranean and Macaronesian).

FORESTRY POLICY: FIRES

The efforts made to prevent forest fires and the increase in resources aimed at collaborating with the autonomous regions in their fire-fighting activities has

FOREST FIRES. INDICATORS	Decade Average 2000-2010	2010 (01-01 to 31-12)
Total events	18,367	11,475
Nº of small fires <1 ha	11,675	7,687
Nº of fires >= 1 ha	6,692	3,788
Woody vegetation - Area (ha) of affected woodland - Area (ha) of affected scrubland & open mountainside	41,481.10 69,245.13	10,824.39 33,928.19
Herbaceous vegetation - Area (ha) of Fields and Meadows	16,482.83	1,945.36
Area (ha) of affected forest	127,209.06	46,697.94
Nº of large fires (>500 ha)	31	12

Source: Ministry of the Environment, Rural and Marine Affairs. Preliminary information:
Forest fires in Spain 1 January – 31 December 2010 (provisional data).

Photo: Ministry of the Environment, Rural and Marine Affairs



Brif Tineo (Asturias) in Boiro fire (La Coruña), 15 August 2010.

led to a significant decline in the number of fires and area of burnt land on previous years.

The following table compares the number of fires and affected areas between 2009 and the average figures from the previous decade:

RURAL DEVELOPMENT

Spain's rural environment differs considerably from the urban environment in terms of development, a fact that is particularly noticeable in certain rural areas. This trend has highlighted the need to modify

public policies by adopting a territorial and integrated approach to the formulation of programmes aimed at addressing issues in regions, towns and villages that are frequently marginalised.

As a result of this, Law 45/2007 on the sustainable development of the rural environment was enacted on 13 December 2007. The law creates a framework for a specific rural policy – with the status of national policy – fully adapted to the particular economic, social and environmental conditions of Spain's rural environment. The law complements the application of the instruments contained in both European and



National Park Picos de Europa

conventional sectoral policies and aims to guarantee the sustainable development of the rural environment.

Different government bodies and ministerial departments are participating in the initiative in order to ensure the coordination and consistency of the various rural environment policies introduced.

The practical application of Law 45/2007 is being carried out through the Programme for Sustainable Rural Development (Spanish acronym: PDRS), pluri-annual in nature, approved by Royal Decree 752/2010, of 4 June, after receiving a positive assessment from the three coordination and participation bodies set up by law: the Inter-Ministerial Committee for the Rural Environment; the Forum of Rural Development Associations; and the Rural Environment Council.

Under this Programme, an analysis and diagnosis of the current health of the rural environment in Spain is being carried out, a rural development strategy is being defined, the rural areas proposed by the

autonomous regions are further defined, the type of multi-sectoral activities that can be implemented are specified, the content to be included in the Zone Plans as instruments for planning their application in each rural area is defined, the framework of cooperation between public authorities involved in the rural environment is defined for implementation thereof, the budget and financing system is defined and a system of assessment and monitoring is concluded. This series of activities, a total of 102 (53 under regional authority and 49 under State authority) must provide support for development in rural areas and, as a priority, in those rural areas suffering greater relative degrees of underdevelopment, irrespective of their location within Spain, thus guaranteeing improved living conditions for their inhabitants through development and improved production structures and capacities, services, infrastructures and environmental values, which facilitate the development of all potential endogenous to the region. The Programme also incorporates the delimitation and classification of the 219 rural areas made by the autonomous regions to constitute their scope of application, based on the common criteria of delimitation and classification adopted by the Rural Environment Council on 10 March 2010.

Rural development in the CAP, the National Strategic Plan 2007-2013, the national framework and the rural development programmes

Through the EAFRD Funds, the Common Agricultural Policy establishes programmes eligible for joint funding by the EU (contained in Regulation EC 1698/2005, of

Photo: Ministry of the Environment, Rural and Marine Affairs



Products of differentiated quality

the Council, of 20 September). The purpose of these funds is to promote rural development policies in line with the Lisbon (competitiveness and employment) and Gothenburg (sustainable development and the environment) objectives. Other objectives to be fulfilled are to improve the quality of life in the rural environment and to maintain a financial priority in the convergence regions and an integrated approach to equal opportunity. For the implementation of this regulation in Spain, the Ministry of the Environment, Rural and Marine Affairs, in conjunction with the autonomous regions, drew up the National Strategic Rural Development Plan and the National Rural Development Framework 2007-2013, which include the national guidelines for rural development actions and establish specific horizontal measures to be adopted throughout the country and, consequently, to be included in all Regional Rural Development Programmes.

In the period 2007-2013, these rural development measures are being applied in Spain through Rural Development Programmes (RDPs) in the autonomous regions, coordinated by the Ministry of the Environment, Rural and Marine Affairs. The programmes are co-financed by EU funds, the central government (through the Ministry of the Environment, Rural and Marine Affairs) and the regional governments.

The measures are divided into four main areas of action associated with increasing the competitiveness of the agricultural and forestry sector, improving the environment in general and the rural environment and quality of life in rural areas, diversifying the rural economy and the Leader+ initiative.

In 2009, the aforementioned national and regional programmes were amended to incorporate the agreements reached within the framework for the “CAP health check”.

FOOD AND THE AGRI-FOOD INDUSTRY

The Agri-Food Quality Act

The most important issue in the food sector at the moment is the preparation of the draft Agri-Food Quality Bill as part of a global strategy to improve the marketing and quality of agri-foodstuffs, which in turn will help create a basic nationwide structure for this economic sector and guarantee its harmonious development in every autonomous region.

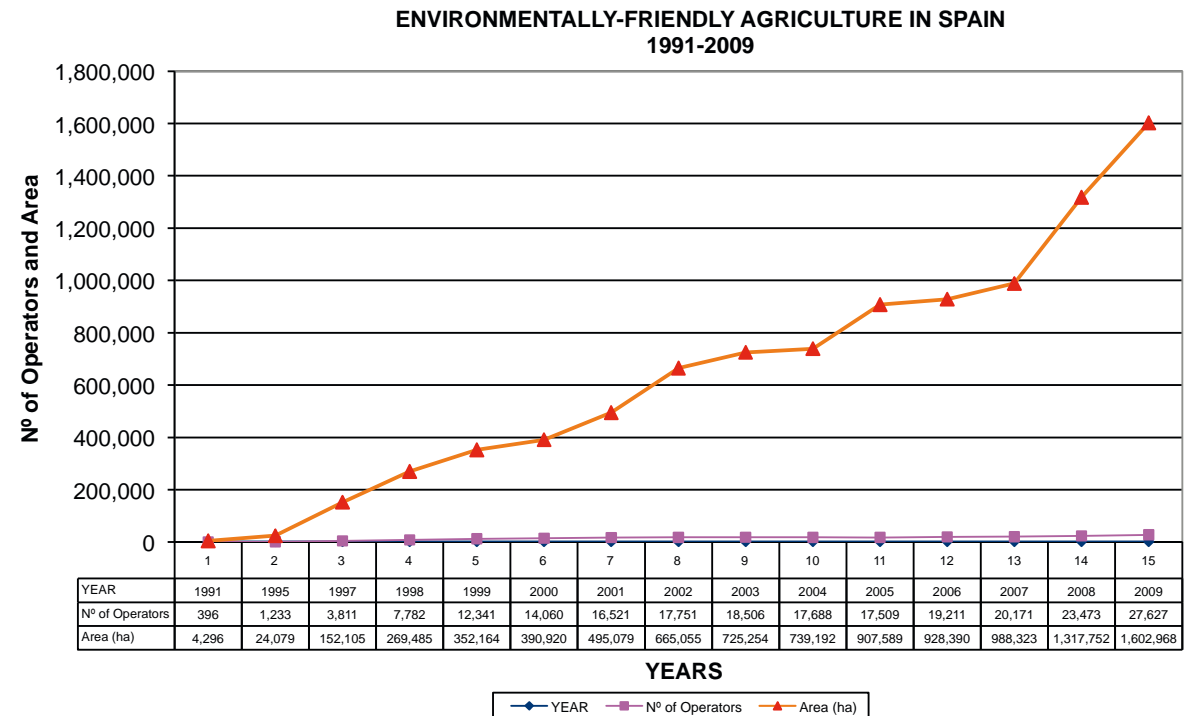
The draft bill also aims to satisfy the sector's demands concerning the marketing of food products, simultaneously maintaining market cohesion and equal operating conditions in the various autonomous regions.

The main objectives include the following:

- The transparency of food markets, with the food price watchdog playing a crucial role.
- The strengthening of the food chain, assigning special importance to the Inter-Professional Agri-Foodstuffs Organisations (Spanish acronym: OIAS) and their capacity to propose extensions of regulations on aspects related to food quality, and including



Workers at a fruit and vegetable facility



extremely useful structuring instruments such as typical contracts and vertical product integration.

- The Spanish system of differentiated quality linked either to geographical origin or tradition, by means of which the prestige of Spanish products is greatly enhanced, represents an efficient instrument for improving the competitiveness of Spanish SMEs. This system includes such concepts as the Protected Designation of Origin (Spanish acronym: DOP),

Protected Geographical Indication (Spanish acronym: IGP) and Traditional Speciality Guaranteed (Spanish acronym: ETG), among others.

- General and specific aspects of the food quality control system, which not only concerns the official control of market quality but also contemplates new trends in control issues, such as self-monitoring and traceability, and control by independent third parties (certification).



Their Royal Highnesses the Prince and Princess of Asturias and the President of the Regional Government of Castile La Mancha at the 3rd edition of the National Trade Fair for Designation of Origin and other products, Ciudad Real, 11 May 2010

- The common penalty system, which establishes the general principles for identifying and measuring the seriousness of administrative offences, the scale thereof and describes the applicable penalties.

All of this is justified by the attempt to guarantee market cohesion and also provides the future Law with an approach that could be considered strategic in terms of the European Union by contributing to increased strength in the entire food chain.

The Mediterranean Diet has been recognised by UNESCO

An inter-governmental UNESCO committee included the Mediterranean diet in the List of Intangible Cultural Heritage of Humanity.

The candidature was presented by Spain, Greece, Italy and Morocco together. Many Spanish food products, such as fruits, vegetables, fish, olive oil, wine, dried fruits and legumes, form part of the Mediterranean diet and this UNESCO recognition therefore reinforces the quality of the Spanish agri-food system.



Islas Columbretes in Castellon

THE MARINE ENVIRONMENT

COASTAL AND MARINE SUSTAINABILITY. MANAGEMENT OF THE PUBLIC DOMAIN

The Spanish coastline is particularly unique, offering a wide variety of climates and marine, geological and sedimentary environments along Spanish shores.

Activities such as fishing, coastal tourism and commercial maritime transport, which are vital to the socio-economic and cultural development of our

country, have long been practised on the coastline. However, as a consequence of these activities, the Spanish coast has undergone considerable transformation, leading to the deterioration of a large part of the coastal area and even to the disappearance of valuable natural spaces.

The management of the public domain, on land and sea, is regulated by the Coast Act. The purpose of this law is to defend the integrity of the coastal environment, including its balance and physical evolution through the protection and conservation of its natural merits and virtues and the rational exploitation of its resources. The law also guarantees the use and enjoyment of coastal areas by the public by making them accessible for everyone, with a few exceptions in the interest of the public good that impose strict limits on time and space for the purpose of taking appropriation restoration measures. The fulfilment of these objectives necessarily implies fighting two phenomena: the physical destruction and the privatisation of our coast.

The management of this vast State-owned natural heritage (Art. 132.2 EC) must also consider the various interests that converge therein (shellfish harvesting, fishing, leisure, tourism, ecology, ports) but which are sometimes conflicting and even mutually exclusive, and which are all championed by those hoping to see their expectations met.

The various governments (central, regional, local and even international) and the different bodies



Dunes on the Canary Islands

and organisations within each of them, also share jurisdiction over the maritime and terrestrial public domain, which means that reconciliation, coordination and harmonisation are absolute priorities in the exercise of their various powers.

To fulfil these objectives, the Ministry of the Environment, Rural and Marine Affairs carries out the actions listed below:

- Demarcation of the maritime and terrestrial public domain. The conception of the coast as an extremely sensitive, fragile and narrow strip of land in our environment calls for the implementation of conservation and protection measures. The demarcation of the public domain is vital because it permits the knowledge and delimitation of the assets contained therein, as well as the application of instruments established in the Coast Act to protect them.

The length of the Spanish coast is approximately 10,099 kilometres, 84% of which is demarcated (at 31 December 2009). Work will continue on the demarcation of the maritime and terrestrial public domain until it has been delimited in its entirety.

- Management of the maritime and terrestrial public domain. This consists of guaranteeing that the use and exploitation of the public domain on land and sea, and the use of the adjacent terrain, comply with the provisions of the Coast Act. To this end, the instruments of land and urban planning management are enacted, the corresponding permits and concessions are studied and processed, etc.

- Estate Acquisition. The Estate Acquisition Programme (in Spanish: *Programa de Adquisición de Fincas*) implemented by the Ministry of the Environment, Rural and Marine Affairs is centred around several projects which acquire land adjacent to the maritime and terrestrial public domain of high ecological value or which is under pressure to be developed, thereby ensuring its conservation and protection and, where necessary, leading to the demolition of existing constructions to restore these spaces to their natural state.

The Estate Acquisition Programme was launched in 2005 and numerous properties were purchased up to 2008, representing a total surface area of 13,985,612 square metres. In 2009, a further 5 estates were purchased at a cost of 24.671 million euros.

INTEGRATED COASTAL ZONE MANAGEMENT

The Ministry of the Environment, Rural and Marine Affairs has been working on a number of preventive measures to control the erosion and degradation of the coastal area; the protection and recovery of coastal ecosystems; the regeneration and restoration of coastal spaces which have been degraded; the correction of actions that are preventing or limiting a rational public use of the coast; actions to improve the environmental quality and public use of the coast; and the installation of infrastructures associated with the environment, such as coastal footpaths, centres for environmental education and nature appreciation centres.



The oceanographic vessel Miguel Oliver

MARINE AND COASTAL WATERS

The Ministry of the Environment, Rural and Marine Affairs is engaged in a wide variety of activities designed to protect the marine environment.

Specifically, it participates in international conventions for the protection of the marine environment by attending technical, scientific and political meetings and carrying out the activities that arise from these conventions. Finally, it is also involved in activities aimed at protecting marine diversity, such as the preparation of conservation strategies.

RESEARCH AND SUPPORT VESSELS FOR THE FISHING INDUSTRY

These are the most accurate and reliable tools for evaluating and analysing the health of fishing grounds and their marine resources. Thanks to the multi-disciplinary campaigns that are carried out, it is possible to apply the information obtained to a wide variety of scientific fields, including physics, chemistry, marine geology, biology and environmental studies.

These floating laboratories are becoming a vital source of information for Spanish fisheries and science policies, and also for decision-making at European and international levels, all thanks to the complete technical information they provide in various fields. Furthermore, with an agenda of between 7 and 9 annual campaigns and an average operational

capacity of 315 days per year, they are a crucial part of our cooperation with other countries on fishing-related matters.

MARINE RESERVES NETWORK: CONSERVATION OF MARINE BIODIVERSITY

Through the General Secretariat of Marine Affairs, the Ministry of the Environment, Rural and Marine Affairs has been committed to the marine reserves of fishing interest (MRFI) for more than 20 years. Initially created to support traditional fishermen, the reserves have proven their efficiency not only in preserving healthy, sustainable, traditional fishing methods, but also in the conservation of marine biodiversity in areas of great aesthetic value. The traditional fishermen themselves backed the creation of these spaces, which are defined

in Law 3/2001 on State maritime fishing and which have been protected by Spanish legislation since 1980.

This is no random coincidence. Healthy environments accommodate a diversity of sustainable socio-economic activities and by protecting these communities of self-employed fishermen, we are also protecting the marine habitats that have enabled the associations to sustain profitable fishing activities - even now in the 21st century - within a framework of self-control and responsible fishing practices.

In addition to the aforementioned advantages, the MRFI afford numerous opportunities: they are ideal areas for marine research, not only for the compulsory monitoring of the efficiency of all marine reserves but also for permitting other institutions to conduct scientific studies on the habitat and communities they accommodate.

MARINE RESERVES IN SPAIN MANAGED BY THE SECRETARIAT-GENERAL OF THE SEA		
MARINE RESERVE	PROVINCE	TYPE OF MANAGEMENT
Isla de Tabarca	Alicante	Joint management with the regional government
Islas Columbretes	Castellón	SGM (Exclusive management)
Cabo de Palos e Islas Hormigas	Murcia	Joint management with the regional government
Cabo de Gata – Níjar	Almería	SGM (Exclusive management)
Isla La Graciosa e Islotes del norte de Lanzarote	Las Palmas	Joint management with the regional government
Punta Restinga – Mar de las Calmas	Santa Cruz de Tenerife	Joint management with the regional government
Isla de Alborán	Almería	SGM (Exclusive management)
Isla de La Palma	Santa Cruz de Tenerife	SGM (Exclusive management)
Cala Ratjada	Balearic Islands	Joint management with the regional government
Masía Blanca	Tarragona	SGM (Exclusive management)

OFFICIAL WEBSITES:

Ministry of the Environment, Rural and Marine Affairs:
www.marm.es/

Portal on food issue: www.alimentacion.es/

Spanish State Meteorology Agency:
www.aemet.es/es/

Spanish Agriculture Guarantee Fund (Spanish acronym: FEGA): www.fega.es

Spanish State Agricultural Insurance Entity:
<http://enesa.mapa.es>.

Olive Oil Agency:
http://aplicaciones.mapa.es/pwAgenciaAO/General.aao?idioma=ESP&avisosMostrados=NO&control_acceso=S

Biodiversity Foundation:
www.fundacion-biodiversidad.es/

Spanish State Agriculture Infrastructures Company (SEIASA): www.mapa.es/seiasa/seiasa.htm

HYDROGRAPHIC CONFEDERATIONS:

Cantabria: www.mapa.es/seiasa/seiasa.htm

Duero: www.chduero.es/

Ebro: www.chebro.es/

Guadalquivir: www.chguadalquivir.es/opencms/portalchg/index.html

Guadiana: www.chguadiana.es/

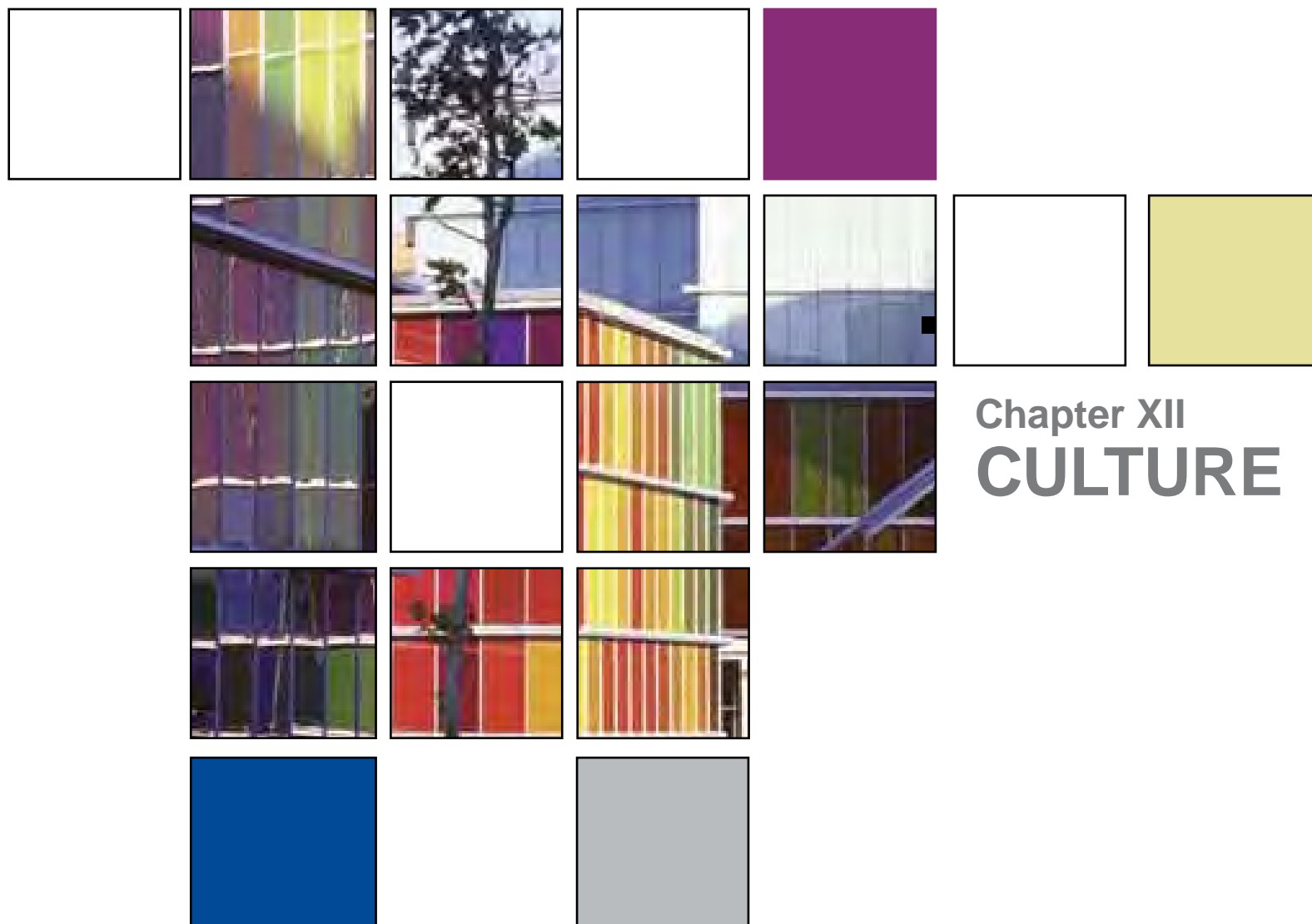
Jucar: www.chj.es/

Miño-Sil: www.chminosil.es/

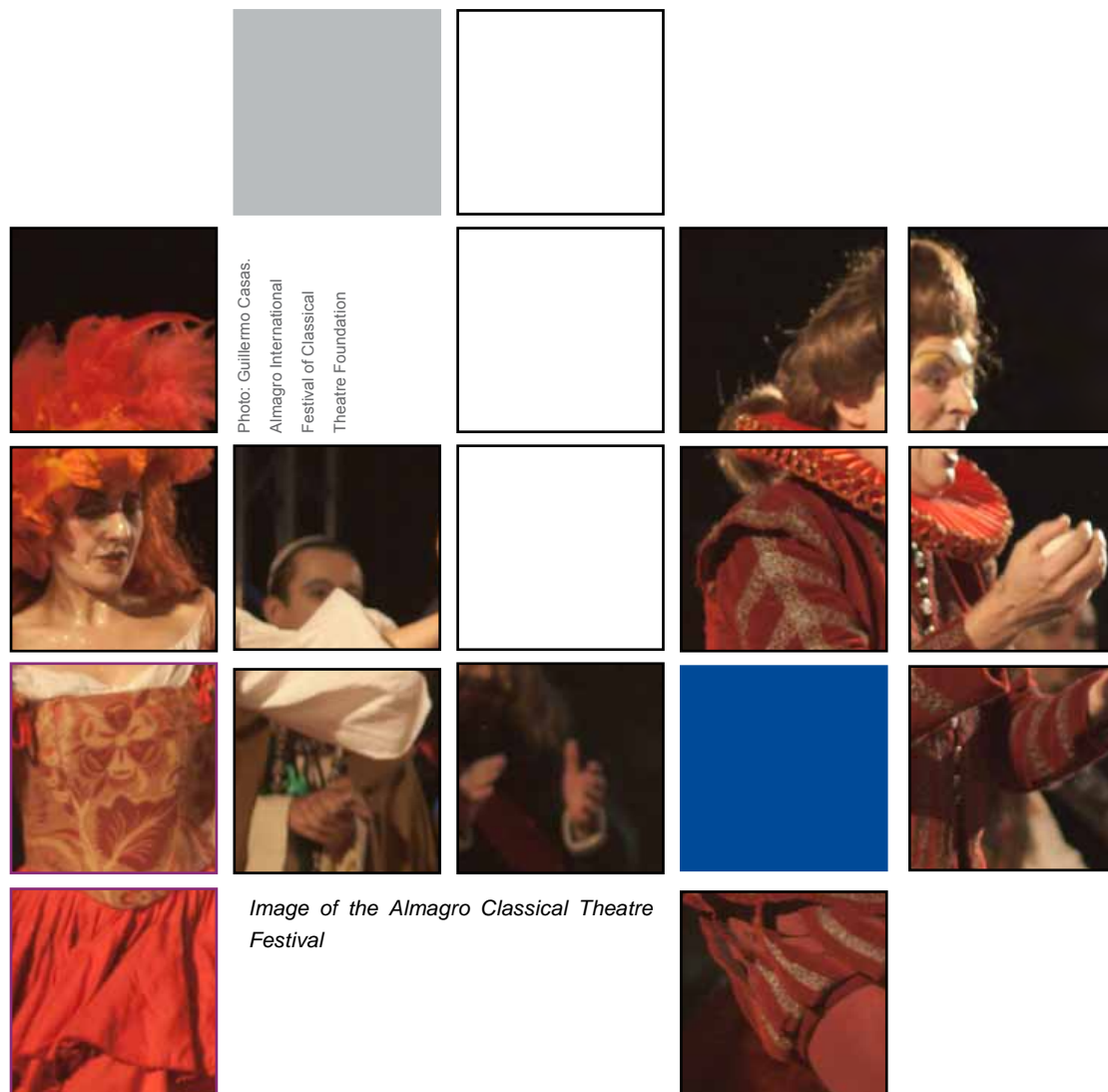
Segura: www.chsegura.es/

Tajo: www.chtajo.es/

Spain today
2011



Chapter XII
CULTURE



SPANISH CULTURE TODAY

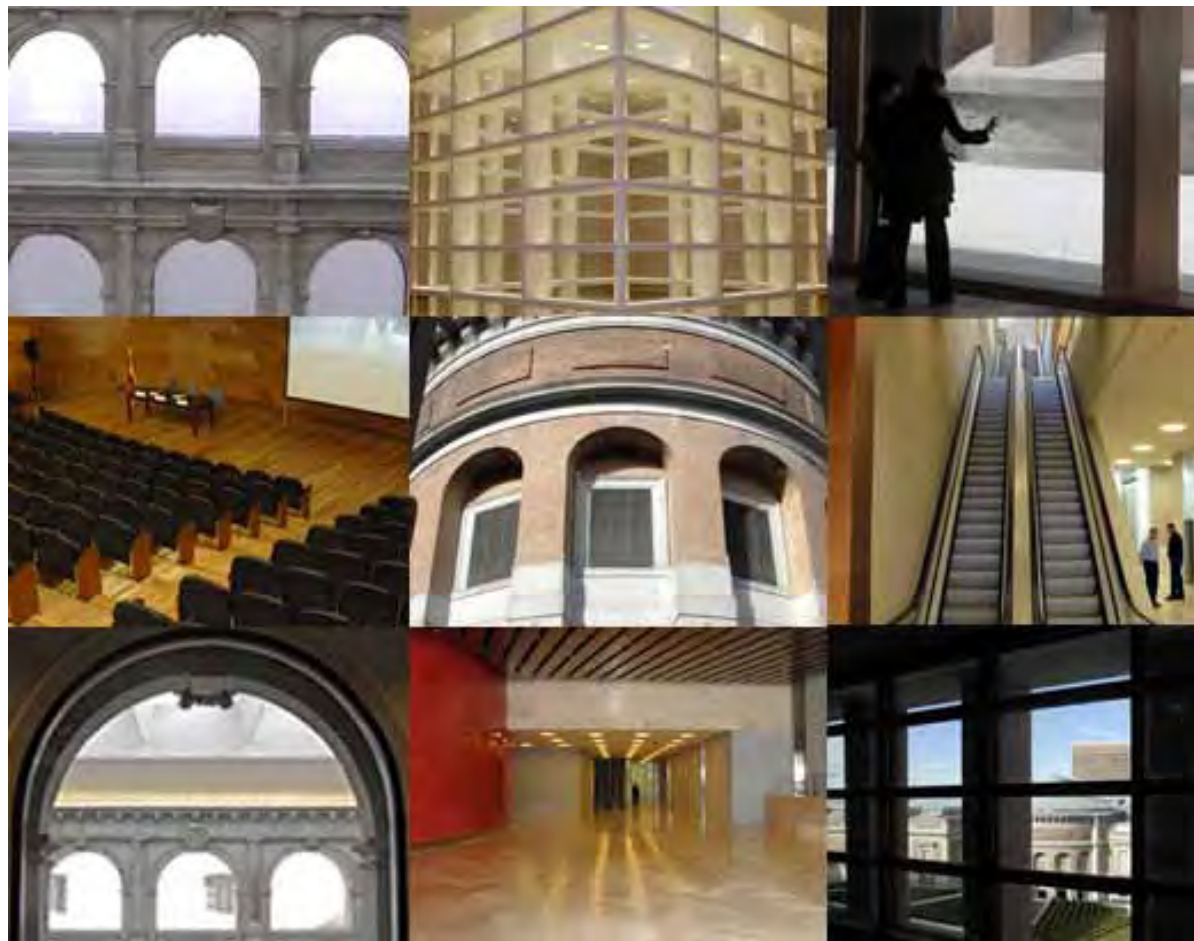
Many things have changed in Spain over the last thirty years. The recovery of rights and liberties has brought a sweeping modernisation of the country in every area, and culture is no exception. Spain's culture has flourished spectacularly in the last three decades on the wave of modernisation and democratisation, and is now much more readily accessible to the entire population.

Both public and private sectors have contributed enormously to this cultural boom. Thanks to the drive of the national government, autonomous regions and local councils, hundreds of monuments have been restored and theatres, auditoriums and museums have been opened; music festivals have multiplied and film production has received strong support. Culture, or rather the cultural sector, has also become an important source of employment.

500 MILLION SPANISH SPEAKERS

In recent years, Spain has become a major player in the global publishing industry, largely thanks to the widespread use of the Spanish language.

Today, the language of Cervantes is spoken by nearly 500 million people around the world and it is estimated that the number will reach 600 million by 2050. In part, this is thanks to the activities that the Cervantes Institute has been pursuing since 1991 together with those of other public institutions, such as the efforts of the Ministry of Culture to promote Spanish literature and humanities



Composition on the National Prado Museum extension

abroad. Moreover, Spanish is the most spoken language in the world after Chinese and English (according to a 2008 survey conducted by Fundación Telefónica).

But this circumstance aside, growing worldwide interest in Spanish is also endorsed by the plethora

of illustrious young writers who have sold millions of copies of their books.

This success has been repeated in the world of film. The Spanish film industry can now boast a growing number of internationally-renowned actors and directors and, despite often having to compete on unequal terms with films produced by large multinational studios, the industry has produced feature films that have received recognition at some of the world's most important film festivals and competitions.

The burgeoning interest of the Spanish public in opera is nothing short of phenomenal. In recent decades, opera houses have multiplied, with the result that excellent musical productions can now be enjoyed in many different locations around the country. Today there is an operatic map dotted with a wide range of projects, from small venues to iconic historical opera houses such as the Teatro Real or the Liceo in Barcelona. This development of infrastructures and the quest for excellence in professional management has coincided with the emergence of a young, highly-talented group of professional singers who have proven to be worthy heirs of the generation that dominated the world's stages throughout the mid-20th century.

In terms of art, Spain has successfully managed to protect its extensive and rich historical heritage. At the same time, it has been able to build new modern art museums, support new creators and improve the facilities of its museums, some of which now enjoy iconic international status – the Prado Museum being a case in point.



Book Fair

SPANISH LITERATURE

Spanish literature is a sum of contributions, a combination of efforts which helps to satisfy one indelible human need: the need to learn.

In order to properly meet this need, Spain boasts an outstanding cast of creators whose works are printed by publishers and distributed to 33,000 different points of sale. According to 2009 Domestic Trade data, 414,727 titles in print are circulating within this network, and each year the network is enriched by the addition of nearly 76,000 new titles (also according to 2009 Domestic Trade data). At an average of 4,328 copies per title, this means that over 329 million books are produced each year (nearly one million per day). This production and distribution network boasts a turnover of more than 442 million euros in the international market and over 3.1 billion euros in the domestic market. Books are published in all of Spain's co-official languages (Spanish, Galician, Basque and Catalan). In terms of book production, 84.2% of books are printed in Spanish and the rest in the other co-official languages, mainly Catalan. The book industry directly and indirectly employs nearly 100,000 professionals, although publishing production is very concentrated, with Madrid and Catalonia accounting for 60.2% of national production.

LIBRARIES

Spanish libraries – the citizens' gateways to culture, information and knowledge – have experienced

unprecedented growth over the past thirty years (1978-2008 data from the National Statistics Institute). In this period, the number of libraries has multiplied by 2.2, to total 6,601 centres; library buildings have been updated and expanded; the amount of available information has multiplied by 6.3, with over 214 million books and other documents; and library staff has grown from 6,278 to nearly 24,308.

This growth in library resources and infrastructures has been reflected in the statistics on library use by citizens. According to available surveys, in the late 1970s only 7.5% of the population visited libraries; in 2008, nearly 30% claimed to have used a library in the past year. Library check-outs have multiplied by 10, and today 74.5 million documents are borrowed each year.

Spanish libraries have been quick to take advantage of information technologies to improve their administrative processes and as a resource and tool for facilitating access to information. At present, 70% of all libraries have computerised cataloguing systems and 60% can be consulted online. There are over 42,000 computer search stations for public use in Spanish libraries, most of which offer free Internet access. In fact, libraries are the primary point of web access for 10% of all Spanish Internet users.

The updating of Spanish libraries has also involved the spread of inter-library cooperation. In the past, most libraries were almost completely isolated from others, but today nearly all of them are on a network

Photo: Madrid, National Library of Spain



First edition of *El Quijote*. 1605

or cooperative system of some kind. Cooperation systems and bodies have been developed that link public, university, school and specialised libraries, as well as their national and regional counterparts, which make it possible to share information, promote shared projects, and improve the library system as a whole, always with the end goal of better serving citizens. One notable achievement in this area was the approval of Law 10/2007, of 22 June, on reading, books and libraries; this law defined the regulations governing the Spanish library system and created a Library Cooperation Council to channel and encourage cooperation among library authorities and professionals.

ARCHIVES

The various archives around Spain are also being subject to an intense process of modernisation, a key aspect of which is the digitalisation of document records for the same to be made available to the entire population via the Internet. Projects to digitalise documentary records (archivist and bibliographic) being implemented by the Ministry of Culture enable improved access and conservation of archive heritage in coordination with other institutions through involvement in wider international projects such as APEnet or Europeana – the European custodian of free access digital content and digital libraries. The star project in Spain in terms of this digitalisation process, PARES, has managed so far to put 4,823,817



Miliciana saying goodbye to her son

descriptive records and 19,781,543 document images online, which in turn enabled the consultation of 100,973,329 documents and the download of 123,328,292 images in 2009. These figures speak for themselves and provide a clear image of how important this platform is becoming.

Also of interest in terms of archivist activity is the work being undertaken under the Historical Memory Act, which establishes the functions to be assumed by the Historical Memory Document Centre in Salamanca. The purpose of this centre is to collect all the original documents or copies thereof referring to the Spanish Civil War of 1936-1939 and the political repression. In order to achieve this objective, the centre is undertaking work to acquire and integrate graphical archives and documents, present international exhibition events and generate public information resources of importance to the Portal for Victims of the Spanish Civil War and the Francoist Repression, on which the future contribution by the Document Centre is estimated at more than 5,000,000 references. Within the context of the cooperation and diffusion policy of the Ministry of Culture regarding archives, mention should also be made of such other important projects as the Portal for Ibero-American Migratory Movements.

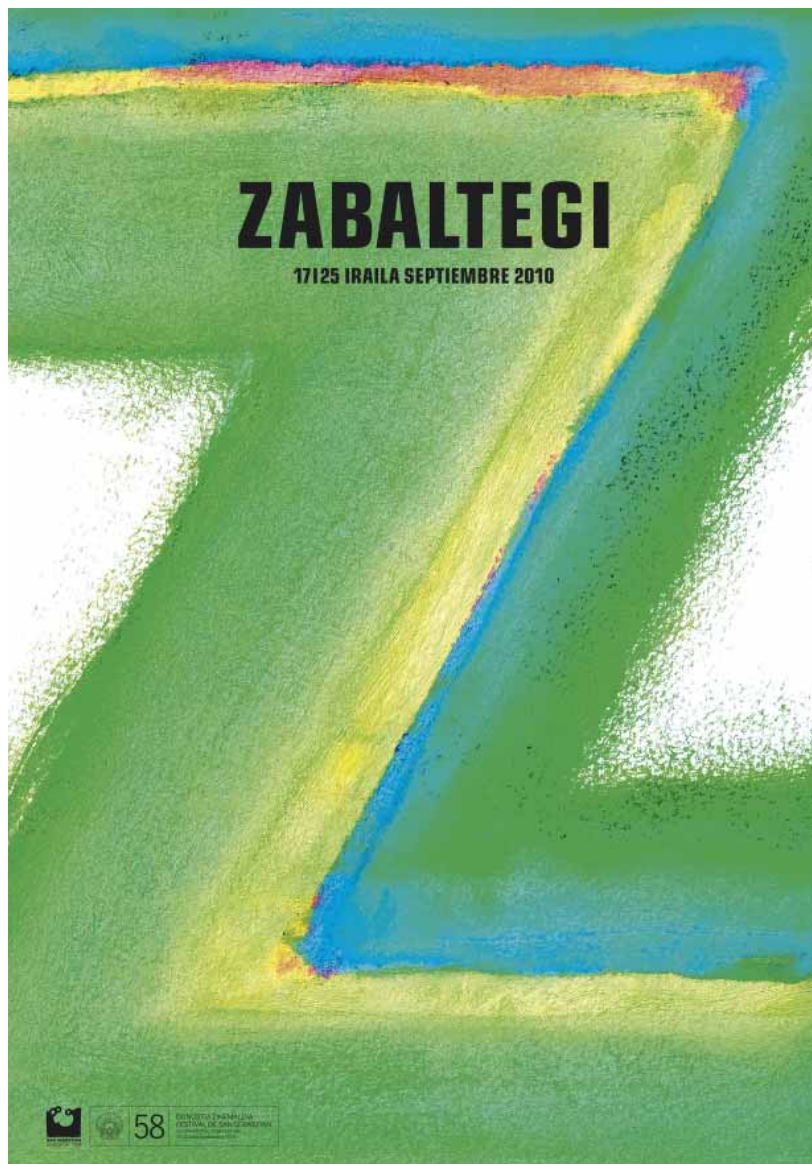
Furthermore, the investment in infrastructures has led to the renovation of existing buildings and the construction of new ones in order for culture and the State archives to be made available to the entire population.

A FILM INDUSTRY BRIMMING WITH VITALITY

Spanish cinema is dominated by very specific styles of film-making which give the industry its own personality, stemming mainly from the vitality evident in its different sectors, in the projects developed by professional film-makers and in the richness of their films. This has resulted in a broad variety of films where genres, styles and trends diversify and intertwine, just like the different generations of artists and experts who create the images that appear on screen. The Spanish film industry is the third largest in Europe after France and Germany in terms of production volume and other factors that define the cinematographic panorama (with a market share of 15.55% in 2009). These figures may not be as impressive as we would all like, but they are positive bearing in mind the status of Spanish film in the EU, boosted by the international prestige bequeathed by directors such as Pedro Almodóvar, Alejandro Amenábar, Carlos Saura, Álex de la Iglesia or Bigas Luna, and renowned and popular actors and actresses like Javier Bardem, Antonio Banderas, Penélope Cruz, Carmen Maura or Victoria Abril.

The Cinematography Protection Fund has significantly increased both the grants to help cover production costs of Spanish films (55 million euros in 2009) and the funding for projects of particular cultural merit or involving new film-makers (15 million euros in 2009) in the last two years to cover other key areas of culture, including the distribution of Spanish and European

Photo: San Sebastián International Film Festival



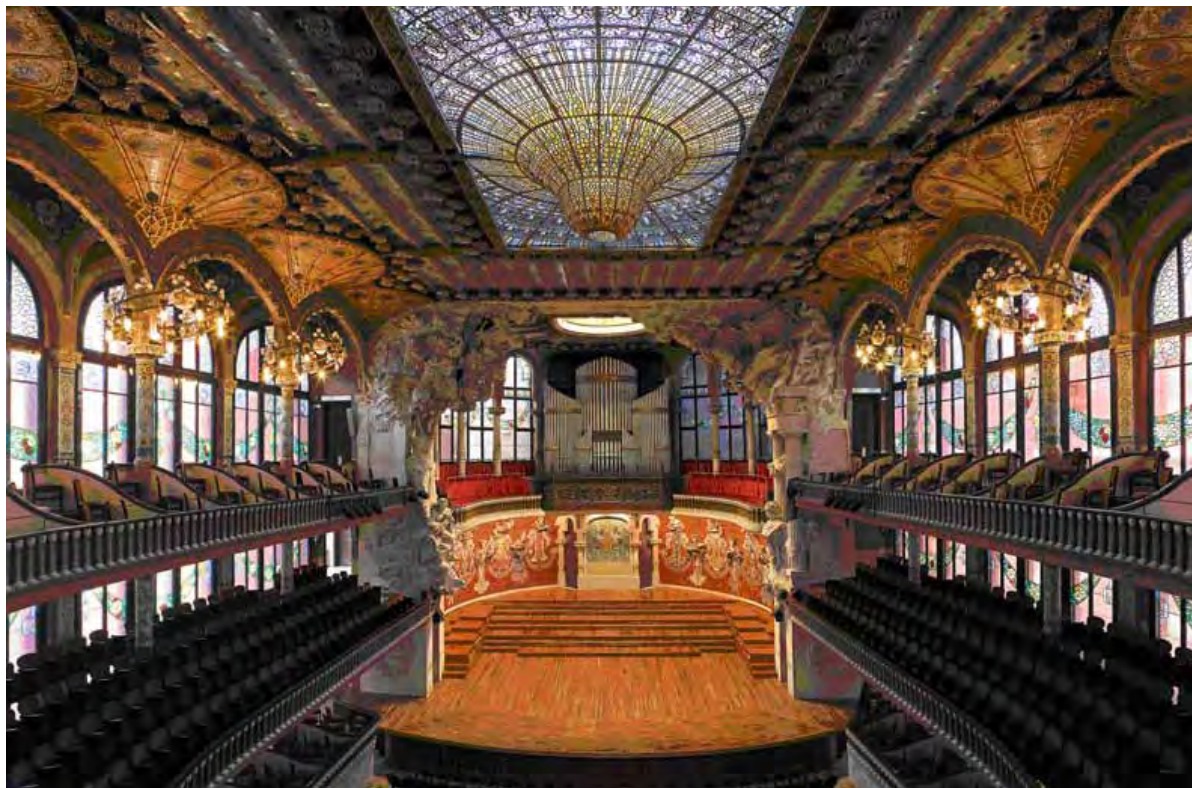
Poster for the San Sebastián
film festival, Zabaltegui. 2010

films, reduced interest rates on loans negotiated by producers with banks, or the conservation of film negatives. These consist of a broad series of measures implemented by the Ministry of Culture through the Institute of Cinematography and Audiovisual Arts (ICAA), and complemented by others such as the creation of the Reciprocal Audiovisual Guarantee Fund of the SGR (Reciprocal Guarantee Society) or the regulation introduced by the government and inspired by the “Television without Frontiers” (TWF) Directive, whereby all television operators are required to allocate 5% of their revenues to the European film industry, 3% of which must go to the Spanish film industry.

The number of co-productions has increased, particularly with other European and Latin American countries. In four years, exported productions have risen more than 50%; documentary feature films are already an accepted film genre; the number of women behind the camera is increasing... It is safe to say that Spanish cinema is more alive than ever.

MUSIC

Over the past quarter of a century, we have witnessed a veritable musical revolution in Spain which, in terms of excellence, has put Spain on a par with other European countries whose music industries, in theory, have had more time to grow and develop. The first major leap came with the construction of a significant number of auditoriums and public theatres across the country,



Palau de la Música Catalana (Catalan Palace of Music). Barcelona. Winner of the Prince of Asturias Prize for the Arts, 2008

within the framework of the 1983 National Auditorium Plan. This was accompanied by the creation of a solid symphonic network, resulting in the present-day existence of nearly 30 standing orchestras in Spain. This modernisation fuelled the creation of great series and festivals, and several generations of highly talented composers and performers have been trained in this milieu and witnessed the gradual acceptance of music, in all its varied forms of expression, as a part of the everyday lives of Spanish citizens.

THEATRE

The great development of public theatres has fostered the production of shows and performances that define Spain throughout Europe. Spain's two great twentieth-century dramatists – Valle-Inclán and García Lorca – have also benefited from the 1980s renaissance and their works have finally been given the recognition they so richly deserve. Classical theatre from the Spanish Golden Age has enjoyed an equally important renaissance. The classics have been returned to their rightful place in the collective heritage of the Spanish nation, thanks to the work of two theatre companies: the Almagro Festival of Classical Theatre and the National Classical Theatre Company.

Once again, we must inevitably refer to a new, plural and diverse Spain, where the Spanish Network of Publicly-Owned Theatres, Auditoriums and Circuits has been created in the various autonomous regions and dramatic productions have emerged that define the development of the use of Spain's different official languages. This has been fuelled by the growing presence of new playwrights who have promoted the use of these languages on the stage and brought them increasing international visibility. This, combined with the support of the private sector, has resulted in the appearance of several hundred new theatre productions every year in our country and a growing number of Spanish playwrights whose works are staged beyond our borders.

Photo: Guillermo Casas. The Almagro International Festival of Classical Theatre Foundation



The Corral de Comedias de Almagro Company (Ciudad Real)

DANCE

In the last thirty years, an illustrious group of new choreographers have burst onto the scene and taken contemporary Spanish dance to new and unprecedented heights. Our classical dancers have also graced the world's stages with their genius, talent and quality. Spanish dance, the legacy of flamenco, has also nurtured a powerful generation of artists whose shows bring audiences to their feet around the world.

VISUAL ARTS: WIDESPREAD DYNAMISM

This positive climate for the creation and promotion of visual arts currently warrants Spain's consideration not just as a creative giant but also as a market force. This is a new element of our socio-cultural reality, accounting for the strong emphasis in cultural policy on the need to educate audiences and strengthen the relationship between art and society. This dynamic

process has driven the growth and consolidation of art collecting, which has branched into new artistic fields and areas of development.

The creation of numerous contemporary art spaces by public authorities during the last two decades has given way to a period of greater maturity, in which permanent collections and temporary exhibitions and activities aimed at different audiences form part of an ongoing project and a coherent, high-quality programme.

Spain currently has more than 200 contemporary art exhibition halls or facilities distributed throughout its various autonomous regions.

THE MNCARS, A BENCHMARK OF CONTEMPORARY ART, CELEBRATES 20 YEARS

On 31 October 2010, the Reina Sofia Museum celebrated twenty years since it first opened its doors as a museum dedicated to becoming a great, internationally-renowned institution. Looking back over the last two decades, it can be seen that the pressing need that arose in Spain in the late 1980s has been adeptly covered following the guarantee of Spain's steps along the path to Democracy: the creation of a great contemporary art museum.

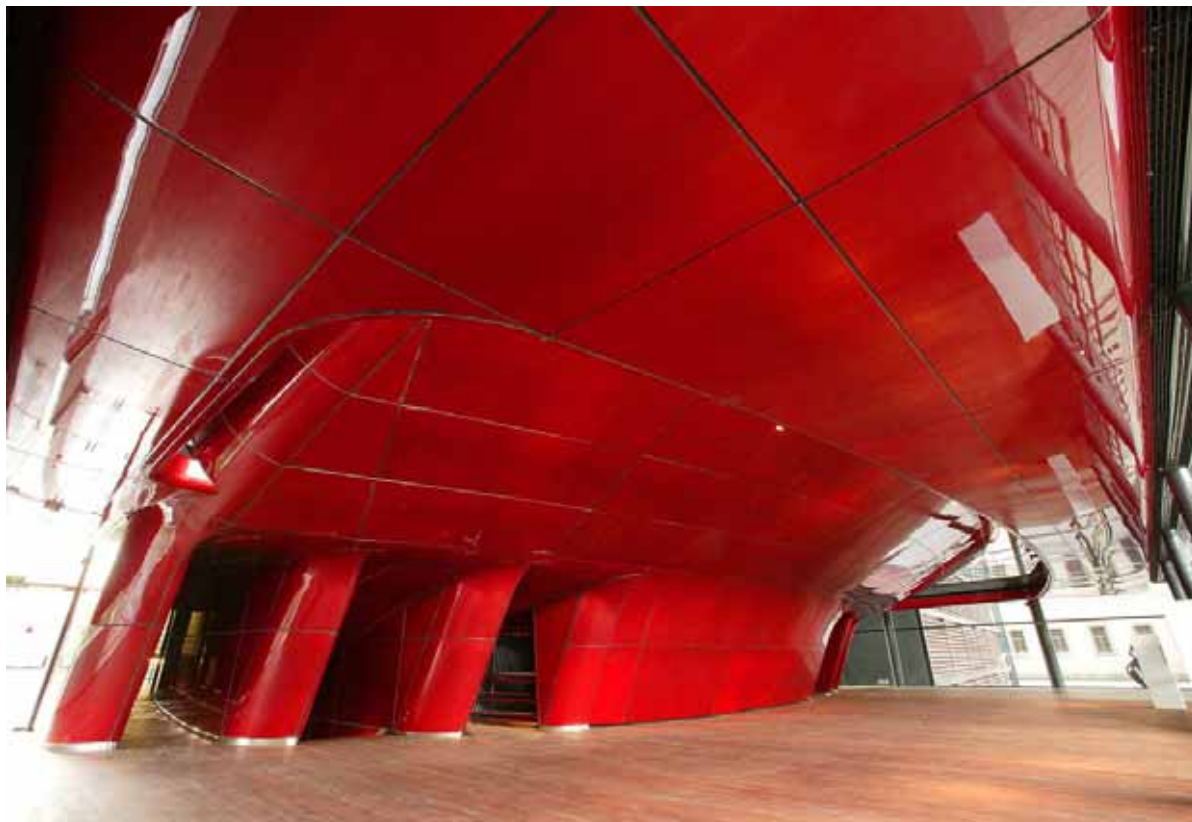
Over the course of this time, the Reina Sofia Museum has consolidated itself as one of the great benchmarks in contemporary art both at a national and international level. At this time and in line with the newest challenges

being faced, the strategy of the Reina Sofia Museum centres around two issues: firstly, to re-think the function and constitution of any museum in today's world; and, secondly, to seek an alternative to the models of the past (those that arose in the 1920s and that present a linear and exclusive concept of history) or the post-modern era (those that arose in the mid-1980s through the absorption of confrontation and the design of a new globalised terrain).

Nowadays, the Museum does not settle for being a place that exhibits a universal, identity and exclusive knowledge but has rather decided to become a space for discussion in the public realm. Far from being conceived as a space for linear contemplation, it brings us close to the multiple interpretations suggested to us by the history of modern art. It does this through a multi-disciplinary approach that unites painting, sculpture, cinema, photography and other types of works in the same exhibition spaces.

Within this framework, the museum has undertaken an exhaustive reorganisation of its collection to reflect a historical discourse and a decentralised, plural and critical approach to the hegemonic positions of 20th-century art. Moreover, the museum boasts an ample programme of temporary exhibitions, ranging from monographic and historical productions to thematic and theoretical shows.

The museum has also created a Department of Public Activities that organises seminars and conferences, such as knowledge and debate forums, and offers specialised



Vestibule of the Reina Sofia National Museum Art Centre

training that is reinforced by the organisation of graduate programmes. In the field of education, the museum has stepped up its pedagogical activities based on a radically new concept of education as a two-way exchange of knowledge and experiences. Finally, the MNCARS is heading up a project called Universal Archive that involves partners in Spain, Europe and Latin America and aims to introduce devices that will provide shared

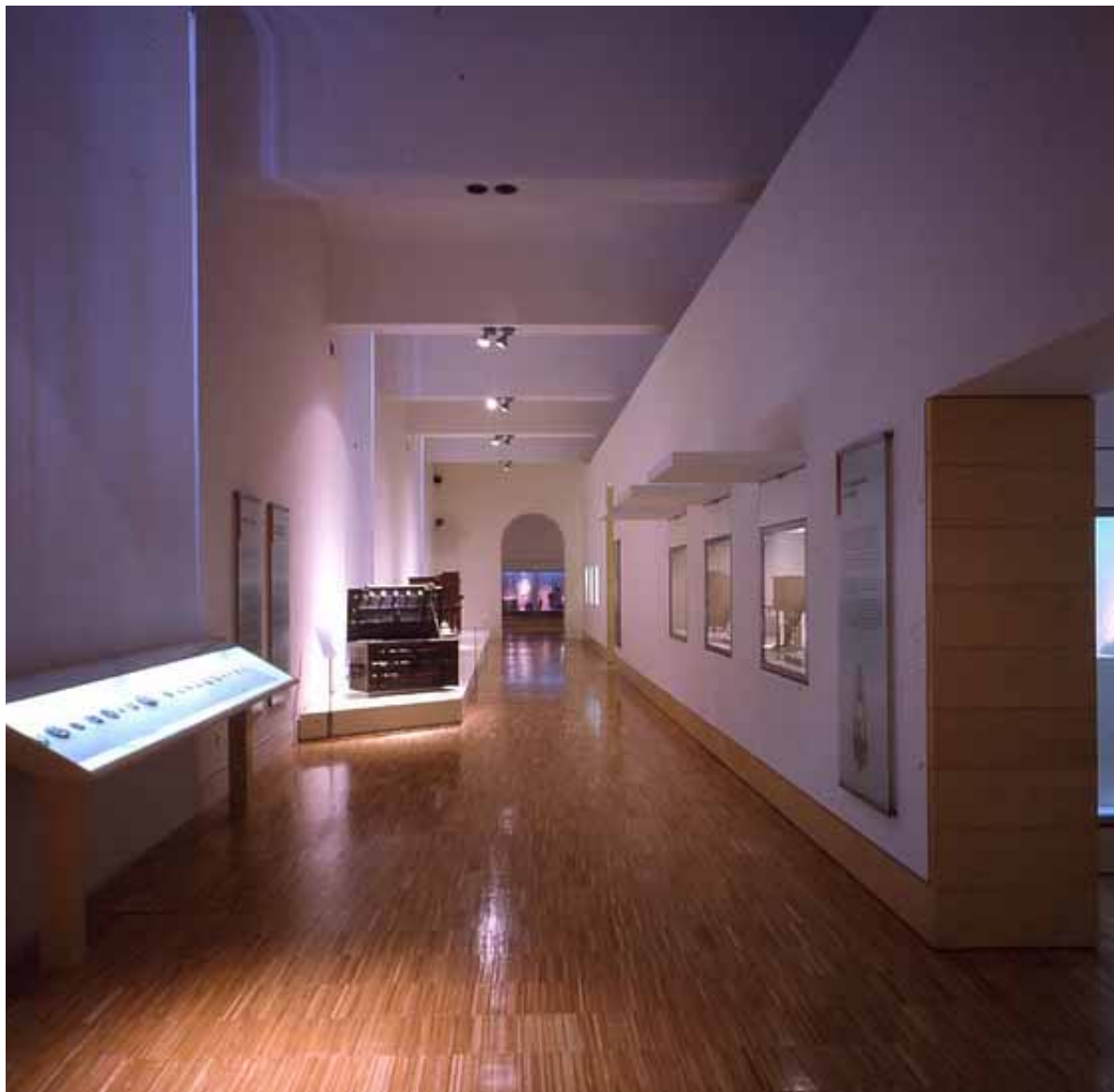
access to documentary resources and materials hitherto only available at each individual institution.

STATE MUSEUMS: RENEWED MUSEUMS FOR A NEW SOCIETY

For their part, the State-run museums are currently being modernised and adapted to cater to new social demands. In this sense, our museums are working towards various goals: the renewal of their concept as 21st century institutions through the drafting of new museum development plans as an essential work instrument; the modernisation of their infrastructures so that they can provide the new services they are committed to offering; and the strengthening of their ties with society through a growing offer of activities and a search for new communication channels with their increasingly diverse audiences. Good evidence of these efforts are the museums to have been renovated most recently, such as the ARQUA in Cartagena, the Colegio de San Gregorio National Museum in Valladolid and the National Museum of Romanticism in Madrid, and those that have embarked on more extensive renovation programmes, such as the National Archaeology Museum.

THE NATIONAL PRADO MUSEUM

One example of this policy is the construction of a new wing at the Prado Museum, the most significant expansion in the nearly two hundred years of its



One of the halls at the National Archaeology Museum

history. The new building, designed by Rafael Moneo, has doubled the museum's surface area and makes it possible to offer different public services and events related to the exhibition and conservation of the museum's collections in a more orderly and spacious manner. This project is part of an ongoing expansion programme that includes making different neighbouring buildings part of the Prado's facilities, such as the Casón del Buen Retiro, the museum's new Study Centre and the Salón de Reinos, with the aim of fulfilling the primary objectives of this national museum: to open the museum to society, develop the museum's different buildings into a museum campus, extend the museum's activities throughout Spain and increase economic resources through an efficient and stable funding model.

HERITAGE: PROTECTING THE PAST FOR FUTURE GENERATIONS

Spain has a rich historical and cultural heritage. The Iberian Peninsula has been home to a host of different cultures: the peoples of the Upper Palaeolithic and Neolithic periods, autochthonous peoples such as the Celts and Iberians, colonial civilizations such as the Greeks, Phoenicians and Carthaginians, occupying peoples like the Romans, Visigoths and Muslims, and peoples from the medieval kingdoms in peninsular Spain have all left an enormous number of archaeological remains, including concentrations of

Photo: Ministry of Culture



Logo of the Digital Network of Spanish Museum Collections (Spanish acronym: CERES)

sites with cave paintings unique in the world, castles, cathedrals, cities and medieval settlements, etc.

The Spanish Government is collaborating with the autonomous regions to devise a series of policies aimed at conserving our architectural and artistic heritage. The National Plans constitute important instruments for the management of this conservation policy of our cultural heritage.

The National Cathedrals Plan has enabled, through a series of Master Plans, a significant proportion of Spanish cathedral buildings to be restored. Along the same lines, the National Castles, Abbeys, Monasteries and Convents Plan, the National Industrial Heritage Plan or the World Heritage Cities Programme are other initiatives designed to ensure the application of an efficient conservation policy, with the appropriate

planning and methodology, to protect our historical heritage as effectively as possible. Five new National Plans will soon be implemented: 20th Century Heritage; Preventive Conservation; Research in Heritage Conservation; Documentation of Heritage; and Safeguarding of Intangible Heritage.

Another line of action for enhancing the value of Spanish heritage as a symbol of identity and source of wealth is the work to promote it internationally through UNESCO declarations, which the Spanish Government is supporting on behalf of all the public administration services. Spain already has 42 World Heritage sites and 9 assets recognised as Intangible Heritage of Humanity following the recent and celebrated incorporation into its list of 5 new assets: the Castells, the Sibil·la, falconry, flamenco and the Mediterranean diet.

Photo: EFE Agency



Castells



Photo: EFE Agency

Mediterranean diet

OFFICIAL WEBSITES:

Ministry of Culture: www.mcu.es

UNESCO: www.unesco.org/new/en/unesco/

Spain today
2011



8-lane athletics track.

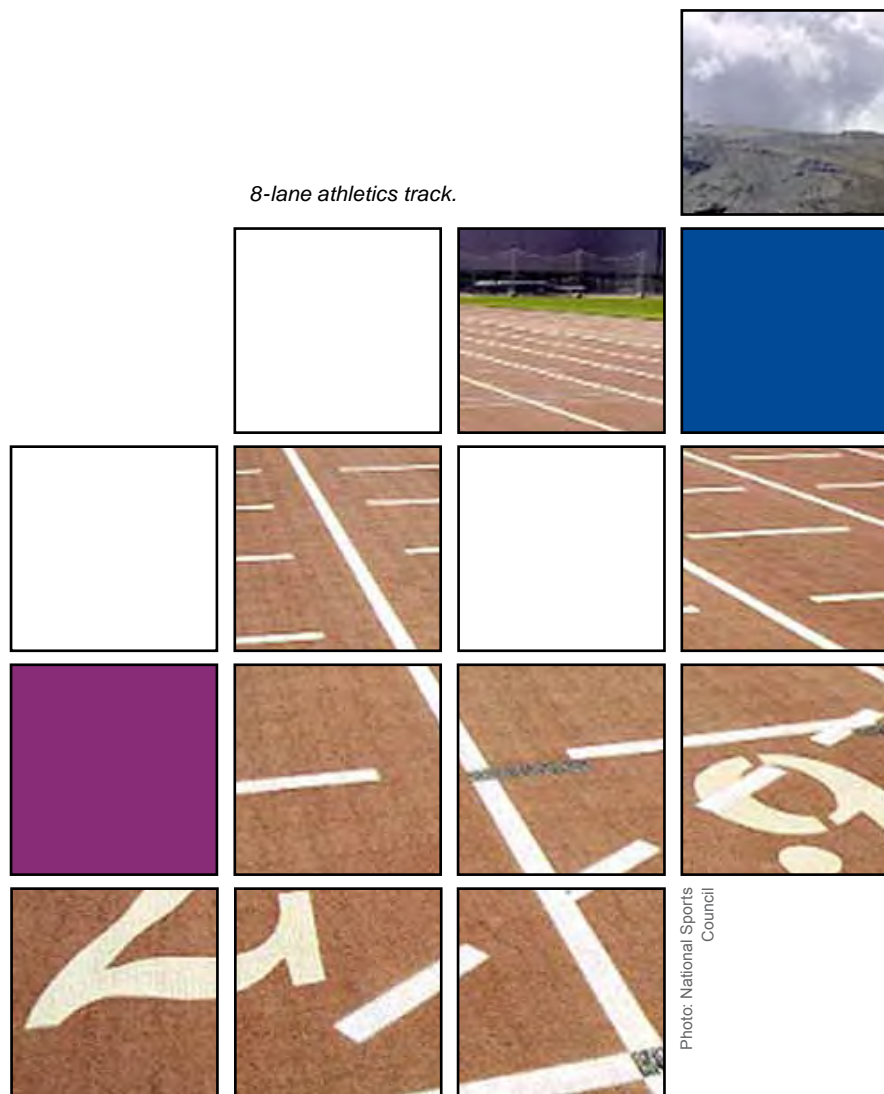


Photo: National Sports Council

SPORT IN SPAIN

The Sport Act of 1990 established the legal framework governing sports activities at a national level, with the State taking responsibility for competitive sports activities at a national and international level. At a regional level, the autonomous regions and local councils play a vital role in the organisation of grass-roots sport within their territories and within the scope of their statutory competency in regard to the development and promotion of sports.

The quality of sports facilities in Spain at the time was far from optimum and Spain's performance in international sports events could be described as irregular at best, combining sporadic successes with mediocre performances in major competitions.

However, when Barcelona won the bid to stage the 1992 Olympic Games, this was the stimulus that public authorities and society in general needed to take a qualitative step forward and consider sports events as the ideal scenario for publicising the culture and education of Spain as a modern nation. It provided an incentive for integrating sports into basic education at primary schools, secondary schools and universities, and for encouraging our country's top sports professionals to achieve success on a regular basis in individual and team events, where values such as solidarity, team spirit and harmony prevail.

The short-term goal of both public authorities and civil society was to achieve the best results possible at the 1992 Olympic Games while the long-term goal was



Exterior images of the High Performance Centre (Spanish acronym: CAR) in the Sierra Nevada mountains, Granada

to lay the foundations for the development of a sport culture and design certain basic guidelines to ensure that all factors converged to achieve the same objective.

The first initiative to emerge from the Sport Act was the ADO Plan (*Asociación de Deportes Olímpicos* or Association of Olympic Sports), which attracted private sponsorship to complement public funding. This plan established a series of grants and incentives to foster great achievements in sport. The contribution of private

funding through large companies was crucial and helped the Spanish team achieve a record number of medals (22 in all) at the Barcelona Olympic Games.

Between 1996 and 1999, new sponsors joined the ADO Plan and a fund was created to provide financial aid to private clubs, as a form of reward for contributing their athletes to high-level national sports teams.

The ADO Plan has since undergone successive changes. Of significant importance was the introduction for the first time into Law 4/2004 of 29 December, of amendments to tax rates and benefits for events of exceptional public interest, the consideration as such of the training programme for Spanish athletes ahead of the Beijing Olympic Games in 2008 and the preparation programme for the 2012 Olympic Games in London. The Government has also classified the 2013 World Handball Championship and the 2014 World Basketball Championship to be held in Spain as events of exceptional public interest.

Agreements were signed on 14 March 2005 with private companies who sponsored the ADO Plan for the 2005-2008 Olympic cycle for a value of 63.1 million euros. In absolute terms, this represented an increase of 22 million euros on the sum provided for the Olympic Games in Athens. In 2007, all sports were finally incorporated into the programme when the ADO Plan added the six sports not included in 2006.

On 27 June 2005, the first ever agreement was signed to create and fund the *Plan Ayuda al Deporte Objetivo Paralímpico* (ADOP) [Paralympic Sport Plan], which

Photo: Spanish Paralympic Committee



*Athlete Santiago Sanz at the
2004 Athens Paralympic Games*

was given an initial budget of 7.3 million euros that was later increased to 12 million euros. The proposal to create this plan was approved by the Government in the belief that sport should be a meeting place open to everyone, with no barriers or exclusions. During the period 2004-2008, the National Sports Council awarded grants worth a total 2.7 million euros to the Spanish Paralympics Committee. The 2009-2012 ADOP Plan has 14 sponsors who have committed to providing 17.03 million euros; more than double the 7.3 million euros received for the first plan introduced in 2005.

The Sport Act 10/1990, of 15 October 1990, establishes that top-level sports are considered an activity of national interest for three reasons: they play an essential role in sport development; they foster participation in basic sports by virtue of the technical and scientific demands of preparation for competition; and top-level professionals represent Spain as a nation at official international competitions and events.

The Spanish Government has signed partnership agreements with the autonomous regions to provide the necessary resources for technical training programmes and scientific and medical support to top-level athletes, as well as their inclusion in the education system and their full social and professional integration.

The *Programa de Atención al Deportista de Alto Nivel* (PROAD) [High-Level Athlete Services Programme], launched in 2009, has proved so successful that the organisers plan to gradually increase the number of



Artistic gymnastics hall at the High Performance Centre of the National Sports Council, Madrid.

original participants with a view to including all athletes at this level in the programme within two or three years. PROAD enables the conciliation of top-level sports competition with the training activity of athletes.

In order to foster participation in basic sports activities, sports authorities promoted the *Plan de Construcción de Instalaciones Escolares* [Plan for the Construction of School Facilities] throughout Spain, under the aegis of the Ministry of Education and Science. Under this plan, thousands of sports facilities were built at primary and secondary schools in many small Spanish towns. The programmes for developing and promoting popular sports in Spain are mainly carried out by the sports departments of local governments, the 17 autonomous regions and the autonomous cities of Ceuta and Melilla.

Public funding for sport is channelled through the National Sports Council (Spanish acronym: CSD), which is the central body directly responsible for sport-related activities carried out by the State Administration Services, the Directorate-General of Sports of each regional governments and the autonomous cities of Ceuta and Melilla, and the provincial and town councils in their respective fields of competency.

One important factor for success in sport is the increase of private contributions to complement public funds for the promotion of sport and future prospects. In 2007, the National Sports Council received the highest budget in its history - 202 million euros from public and private sources. The public budget that year amounted to 184 million euros, which represented a 6.74% increase on

the 154 million euros received in 2006. Total budget allocation hit a new high in 2008 of 217.62 million euros, of which 192.42 million came from the public treasury and 25.2 million came from private sources, representing year-on-year growth of 38.83%.

The National Sports Council received a budget of 181.1 million euros for 2010. It was fundamentally characterised by austerity but also prioritised the consolidation of initiatives already under way. The objectives that had already been set were achieved and allowed for slightly larger contributions to the ADO and ADOP Plans. The ADO Plan maintains the same criteria as the previous Olympic cycle in terms of both the number of grants (427 in 2009) and the application of special plans. This open, egalitarian and multi-sport plan has 15 sponsors who have committed to providing 51.3 million euros. The ADOP Plan has 14 sponsors who will provide 17.03 million euros.

In line with the austerity plans, sports in Spain will receive a budget of 166.7 million euros in 2011. This represents 14.5 million euros less than the previous year overall but the amount to be given to the ADO Plan will by increase 2.9 million euros on the figure for 2010. Furthermore, the National Sports Council is implementing a 10% cut-back on the ordinary grants to the 59 sports federations. Whereas they received 71.1 million euros in 2010, they will receive 63.9 million euros in 2011. In spite of these reductions, the positive performance of the Spanish sport system has led to the various federation obtaining their own resources

Photo: EFE Agency



His Majesty the King of Spain with the President of the Spanish Basketball Federation and the captains of the men's and women's national teams after receiving the Barón de Güell Cup, 3 May 2010.

in recent years with which to support their respective budgets.

Between 2004 and 2007, Spanish athletes won a total of 1,919 medals at World Championships (729) and European Championships (1,181). In 2008, the number of medals in professional categories amounted to 124 at World Championships and 163 at European Championships. In 2009, Spanish athletes won 132 medals at World Championships and 161 at European Championships. Spain won 19 medals at the Olympic

Games in Athens (3 gold, 11 silver and 5 bronze). It would be true to say that Spain's best-ever results (with the exception of Barcelona) were obtained at the Olympic Games in Beijing in 2008 where Spanish athletes won 18 medals (5 gold, 10 silver and 3 bronze). Whereas Spain ranked twentieth in terms of total medals awarded in Athens, the country ranked fourteenth in Beijing from a total of over 200 countries.

Spain can therefore look to the future with a certain optimism and satisfaction at the great progress made in association sports. This progress is evidenced by the numerous world titles currently held by Spain in basketball, handball, indoor football and roller hockey, as well as the European titles won in football and basketball in 2008 and 2009.

When adding the successes in sport achieved in 2010, there is no question that Spain has become an important country in the international sports arena. In Beijing, Spain was among the countries with the greatest presence in team sports. For the first time since 1992, Spain was represented in 25 of the 27 Olympic federations. The only ones in which Spain did not participate were the football and baseball federations, although the teams of these sports did win the European title and the third continental position, respectively. The fact that Spain has produced figures from individual sport of such great international prestige and that the Spanish teams in group sports are among the best in the world, enables a highly-positive image of the country to be projected internationally.

Photo: Moncloa Palace



Visit by the Spanish Football Team to Moncloa Palace on 12 July 2010.

In terms of achievements, 2008 was the best year for Spanish sport and 2009 was a continuation of that success. For the same reasons, 2010 has simply added to the success of the previous two years. It has been a glorious three-year period and the best ever in terms of sporting results. In 2009, Spain won the European Basketball Championship and its fourth Davis Cup in tennis. In motorcycle racing, Spain has won first place in four World Championships and second place in six over the last three years. Spanish cyclists won the Tour again. The Roland Garros, Australian Open, Wimbledon

and the US Open in tennis also went to Spain. For the first time ever, a Spaniard won an NBA championship ring in basketball, which was repeated in 2010. Besides the numerous medals for synchronised swimming at the World Swimming Championship, Spain won two medals in swimming races and a third for the men's water polo team. Medals were also won by Spain at the European Short Course Swimming Championship, at the World Outdoor Track & Field Championships and the European Indoor Athletics Championships.



Rafa Nadal receiving the award for ending the season in the Number One spot (London).

In 2010, the most resounding success was the victory won by the Spanish football team at the FIFA World Cup in South Africa. Moto GP was also dominated by Spaniards, who not only emerged victorious in all three categories but also won second place in the three competitions.

Besides Rafa Nadal's global supremacy in the field of tennis, winning three Grand Slam events, another seven Spaniards also won tournaments. Spain produced world champions in triathlon, trial motorcycling, raid, kayaking, billiards and sailing, as well as European champions in track cycling, athletics, swimming, rugby, roller hockey, boxing, taekwondo, judo, karate and indoor football. Jon Santacana won medals at the Paralympic Games in Vancouver. Carlos Sainz won the Dakar Rally. The performance by Miguel Ángel Jiménez was essential to Europe's victory against the United States in the Ryder Cup. Spain has become the ninth country in the world in terms of results in top sporting events.

Spain's sportswomen have also made outstanding progress, whose professionalism and determination have taken them to a very high level of competition worldwide in team sports (basketball, handball, field hockey, roller hockey, rugby) and individual sports such as synchronised swimming, taekwondo, Olympic shooting, athletics, sailing, karate, judo, triathlon, artistic gymnastics, mountain climbing and weight-lifting.

Our sportswomen gave an outstanding performance in 2009. Spain won the world championship in sailing; the European championship in roller hockey; and the world



In the presence of the three current World Motorcycling Champions, Jorge Lorenzo, Toni Elías and Marc Márquez, the State Secretary for Sport, Jaime Lissavetzky, presenting the Gold Sports Merit Plaque to the Spanish Royal Motorcycling Federation (Spanish acronym: RFEM).

championship in synchronised swimming. Spanish sportswomen also received medals at the European Short Course Swimming Championship in Istanbul. In doubles tennis, they won a Masters' Cup and took the podium at Roland Garros. Edurne Pasabán reached the summit of her twelfth "eight-thousander". Our ladies won world or European medals in judo, taekwondo, sailing and kayaking, while Spain's professional women's handball team made history by finishing fourth at the World Championship.



Jon Santacana and Miguel Galindo receiving the silver medal in the slalom event at the 2010 Vancouver Paralympic Games.

The track record of victories for Spain's sportswomen continued in 2010. The basketball and roller hockey teams won bronze medals at their respective World Championships. The rugby, rugby sevens and taekwondo teams became European champions. As regards individual sports, Blanca Manchón became world sailing champion. Leire Olaberriá (track cycling), Soraya Sánchez (boxing) and Rosana Simón (taekwondo) won the European titles. Edurne Pasabán became the first woman to reach the summit of the

Photo: Moncloa Palace



The President of the Government presenting mountain climber Edurne Pasabán with the Gold Sports Merit Medal on 1 June 2010.

fourteen highest mountains on the planet by, over the course of the year, climbing the only two of the fourteen “eight-thousanders” she had not yet conquered.

Prior to the Constitutional Law of 22 March 2007 on the effective equality of women and men, Spain designed the National Sports Council Action Plan to ensure full equality for women in the field of sports. Although the rate of women’s participation in major competition is notably high, more women are needed in managerial

positions. One of the measures to be adopted in this regard consists of providing more funding to federations that increase their female membership and recruit women to managerial positions.

The Ministry of Equality and the National Sports Council have intensified their efforts to eliminate differences between male and female participation in the various sports arenas. Over sixty per cent of the federations have specific Women and Sports programmes. The



The synchronised swimming team at the 2009 World Swimming Championships in Rome.

goal is to achieve the true equality of men and women in the field of sport. A future with more women involved in all aspects of physical activities and sport are the objectives set. The policies aimed at managing physical activities and sport must guarantee full equality in terms of access, participation and representation of women. This challenge must be overcome with the efforts and ambition of all public authorities.

In recent years, Spain has demonstrated considerable willingness to host major sporting events in an attempt to encourage its citizens to take up sport and improve sports infrastructures. Spain has a magnificent

international reputation as an efficient, serious and thorough organiser of sporting events, having hosted many top international sporting events since Barcelona '92.

Seville's candidacy for the 2008 Olympic Games allowed the city to host important events such as the World Badminton Championships (1998), the World Athletics Championships (1999), the World Kayaking Championships and the World Rowing Championships (2002), as well as the World Equestrian Games which were held in Jerez de la Frontera that same year. Barcelona hosted the World Swimming Championships in 2003.

Madrid's candidacy for the 2012 Olympic Games took the baton from Seville and organised a series of competitions as part of the plan to promote the city's candidacy, including the IAAF World Athletics Championships (2002), the World Karate Championships (2002), the ISAF (International Sailing Federation) Olympic Class World Championships (Cadiz, 2003), the Finals of the World Volleyball League (2003), the World Cycling, Taekwondo and Archery Championships (2005), the World Badminton Championships and the Women's Field Hockey World Cup in 2006. Other noteworthy events included the European Taekwondo Team Championships (2002), the European Swimming Championships (2004) and the European Indoor Athletics Championships (2005).

The Mediterranean Games held in Almeria in 2005 were the best in the history of the event. The city of



Swimming installations at the High Performance Centre (Spanish acronym: CAR) of the National Sports Council, Madrid.

Almeria hosted the Conference of Sports Ministers from the countries taking part in the games, its sports and general infrastructures having previously undergone major modernisation and transformation. The games themselves were a great success for Spain, resulting in 152 medals for the host country. Meanwhile, in 2007, the Track Cycling World Championships were held in Majorca, the America's Cup in Valencia and the European Basketball Championships in Madrid. In 2008, the Volvo Ocean Race set sail from Alicante, the IAAF World Indoor Championships were held in Valencia, the European Roller Hockey Championships in Oviedo and the European Water Polo Championships in Malaga.

In 2010, Spain hosted the European Outdoor Athletics Championships. Also last year, Spain was designated by the corresponding international bodies as the host country for the World Handball Championship (2013) and the World Swimming Championship (2013). Spain has already been designated to host the World Basketball Championship in 2014 and the World Shooting Championship in 2014. There was also a great chance that Spain would be asked to organise the 2018 FIFA World Cup, but this event was eventually awarded to Russia. It is possible that Spain will organise the Mediterranean Games in 2017 and the Ryder Cup in golf in 2018, the host countries for which will be announced in 2011.

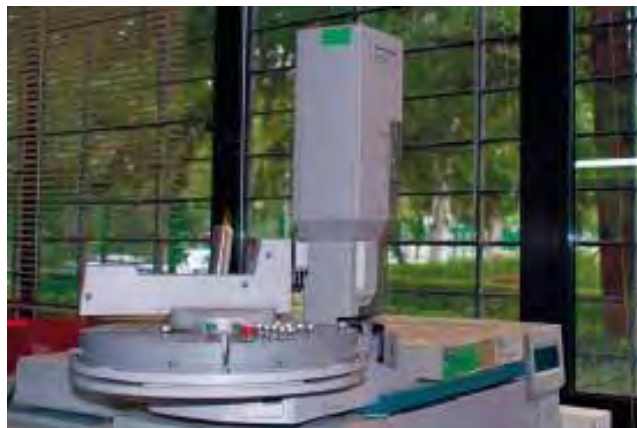
The capacity to organise top-level competitions is an increasingly decisive factor when defining a country's sporting level. The proliferation of major international sports events has boosted Spain's importance as an

organiser of such gatherings in many parts of the country and for numerous sports. We can be proud, therefore, of having enhanced our reputation in the organisation of competitions, and this is clearly a valuable incentive in continuing to attract the most important sporting events to our country.

Spain is also a pioneer in doping control and the fight against the use of prohibited methods and substances in sports. Since 1963, it has participated in all international forums on this subject, actively searching for new methods to eradicate doping in sports. Madrid has one of the world's most prestigious doping control laboratories, which was one of the first in Europe to be accredited by the International Olympic Committee. As part of its "zero tolerance" policy towards doping, in 2006, the Lower House of the Spanish Parliament approved the Constitutional Law on the Protection of Health and the Fight against Doping in Sports, which redefines these illegal practices and the penalties applicable to all athletes. The result of the legislative initiatives adopted in the 2004-2008 legislature was the Law against Violence, Racism, Xenophobia and Intolerance in Sports that was approved in 2007.

Spain has an Anti-Doping Law and four decrees that develop it further, a National Anti-Doping Agency, the Health and Anti-Doping Commission and an increase in available funding to prevent, control and sanction the use of prohibited substances. The autonomous regions are signing agreements with the National Anti-Doping Agency (Spanish acronym: AEA) to ensure a better use of government resources in the fight against

Photo: National Sports Council



Anti-doping control laboratory.

doping. Our laboratories are able to detect the new doping substances that regularly emerge, and we fully comply with international anti-doping laws. In Spain, those who traffic in and distribute these substances are prosecuted, and frequent law enforcement operations have disbanded numerous clandestine centres which posed a threat to public health. In 2010 alone, a total of 14 police operations were carried and resulted in 123 arrests, the “Grial” and “Galgo” cases being particularly noteworthy due to the media attention they received. This demonstrates that the Spanish sport system never lowers its guard in its fight against doping.

Internationally-speaking, the Spanish National Sports Council plays an active role in the meetings, decisions and agreements of the European Union (EU), the Council of Europe, the United Nations, UNESCO and the World Anti-Doping Agency (WADA- AMA). The



informal meetings of EU Sports Ministers and Spanish Regional Director-Generals for Sports, which are held every six months, reveal the need for future European policy to consolidate existing logistical, financial and institutional achievements. Spain actively participates in the work of the WADA-AMA and, in November 2007, it hosted the World Conference against Doping in Sports.

Spain is a leading country in the fight against doping and has made great progress in recent years. A testament to this success is the fact that Jaime Lissavetzky, Chairman of the National Sports Council, is the European representative to the Executive Committee of the AMA and also Chairman of the UNESCO International Convention against Doping in Sport.

After twenty years, the legislation governing professional sport has become outdated. Therefore, Spain requires

a new Professional Sport Act that reflects the reality of today by achieving political and social consensus. In 2009, work on this project was begun at the conference of the Sub-Committee of Professional Sport, which, following careful deliberation, presented its report in 2010 aimed at reforming various aspects of the 1990 Sports Act. By virtue of this report and after study by the political forces represented in Parliament, a Professional Sport Act will be produced.

In 2009, responsibility for the National Sports Council passed from the Ministry of Education to the Presidency of the Government. With this measure, the Government showed its determination to make sport a top priority. In 2010, during the Spanish Presidency of the European Union, the European Sports Conference, the European Sport Forum and a meeting of EU Sports Ministers took place. For the first time, the term “sport” was incorporated into the EU Treaty and an article addressing its specific nature was included. During Spain’s EU Presidency, a proposal was made regarding a concept of sport that embraces the values which characterise us as Europeans: the fight against racism, doping, violence and cheating in competition. As regards the first points, the Spanish sports system has implemented Royal Decrees that further develop the Laws of 2006 and 2007. As regards the final point, in reference to cheating, a reform of the current Criminal Code came into effect on 23 December 2010 whereby sport fraud is included as a criminal offence. For the first time, there is a specific definition of a penalty for fraudulent conduct that may take place in sport.

Sport played an important role in the Spanish Presidency of the European Union. The EU Sports Ministers agreed to create a European body to mediate between the various governments of the EU Member States and the sports federations. For the first time, a joint meeting took place between all strata of the sports movement and the Sports Ministers from all EU Member States. Agreement was reached regarding the need for governments and the sports movement as a whole to maintain structured dialogue aimed at applying the Lisbon Treaty, which recognises the specific nature of sport. The European Union has assumed a leading position in terms of sports policy so that sport is no longer only seen as an economic activity but rather for the social and educational functions of sport to be enhanced. Its presence will also be increased in those organisations that strive to eradicate doping in order to increase the coordination and involvement of European governments in the fight against doping.

The European Symposium on Sport, which concluded the six-month Spanish Presidency of the European Union in terms of issues related to sports, clearly demonstrated the need to correct the imbalances that exist in modern sport, such as gender-related issues, inequality between different parts of the planet and global governance.

In conclusion, sport is currently regarded in Spain as a prime factor of social cohesion and a form of educational and cultural training, and our country enjoys deserved international recognition in this regard. The role of the sports system in society has been turned on its head



8-lane athletics track.

as sport has come to play the same fundamental role as art or culture. Our model is self-sufficient because society places increasing importance on sport. The advances obtained by Spain during this first decade of the century are there for all to see. Spanish sport has become an international showcase and a benchmark for other countries. Numerous Spaniards have earned a place in many elite sports with enormous media impact, such as football, basketball, handball, tennis, cycling, motor racing and motorcycle racing. Public and private investment, infrastructures and equipment, as well as the programmes implemented by the sports federations and the National Sports Council, are all factors that influence performance. Based on the numerous sporting success stories, this sustained support has led to the world of sport in Spain joining the ranks of the top countries around the world.

OFFICIAL WEBSITE:

National Sports Council: www.csd.gob.es

Spain today
2011



Chapter XIV THE MEDIA



Microphone.

Photo: European Parliament

CURRENT SITUATION OF THE MEDIA IN SPAIN

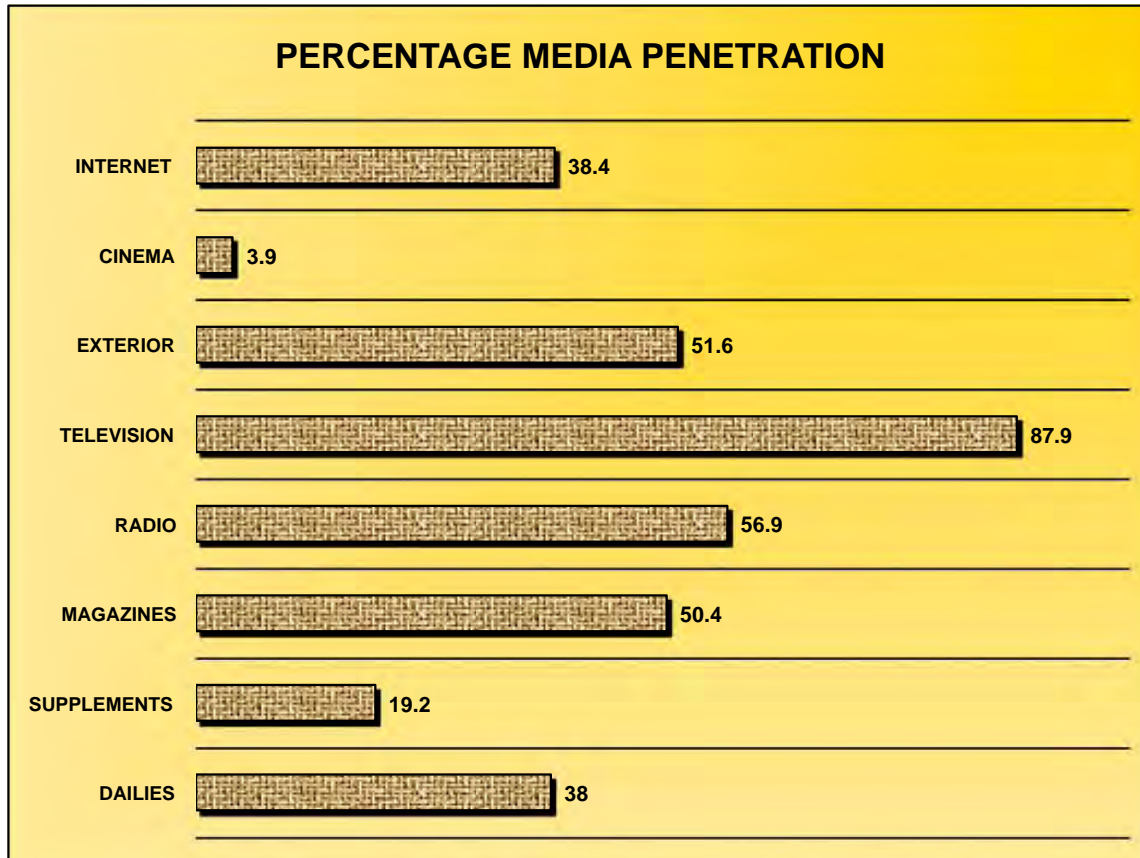
Today's media in Spain are characterised by the fierce competition that exists among the players in each of the various markets that make up the map of the Spanish media industry.

TELEVISION

Beginning with the strongest market in terms of economic output and penetration in society, the figures in terms of television have grown steadily in recent years. According to the annual report published by the Telecommunications Market Commission (Spanish acronym: CMT), the audiovisual sector in 2009 generated total revenue of approximately 4,541 million euros, which is a decline of 17.9% on revenue from the previous year. When including the operating and capital subsidies received by the operators from the various public authorities, the sector generated a total of 5,991.1 million euros. Also according to the same report, free-to-air TV recorded the largest decline in revenue due to the downward trend being experienced by the advertising market.

Over the last five years, Spain has undertaken an overhaul of the regulatory legal framework for the audiovisual sector towards a more deregulated environment in line with the provision of radio and television services within the European framework.

Source: EGM data.



Audiences measured in the following manner:

Daily newspapers: readers/day

Supplements: readers/week

Magazines: readers/publication period

Radio: listeners/day

Television: viewers/day

Exterior: supports seen yesterday

Cinema: viewers/week

Internet: users/yesterday

The number of players in the television sector has grown in this period. Besides the numerous regional and local digital terrestrial television (hereinafter DTT) networks, the number of national networks has increased from four free-to-air operators (TVE 1, La

2, Antena 3 and Telecinco) to six with the arrival of Cuatro in November 2005 and La Sexta, which was granted a concession to broadcast throughout 2006.

2010 was an especially significant year for the sector due to the conclusion of the switch-over to DTT on 3 April following the total shutdown of television broadcasts using analogue technology. This process has therefore met the objectives contained in the National Plan for the Switch-over to Digital Terrestrial Television, which intended to offer the public access to a larger number of programmes and services of a higher quality and to guarantee the required plurality of the offer in Spain.

Furthermore and in accordance with Royal Decree 365/2010, of 26 March, additional multiple digital bandwidths have been assigned to DTT. This has resulted in an increase in the television offer with the start-up of additional DTT networks. These will soon be joined by more new channels until the objectives set by the National Technical Plan for Digital Terrestrial Television have been met.

There are four new multiple DTT channels: one for RTVE and the other three shared equally between Sogecuatro and La Sexta, Telecinco and Net TV, Antena 3 and Veo TV. Radio broadcasters are required to gradually increase the coverage of these multiple channels until they reach at least 90% of the population in February 2011 and 96% of the population in May 2011.

Photo: European Parliament



Television control room.

2010 thus represented a substantial increase in the Spanish television offer from the major national networks, to which we should add the regional and local networks:

- TELEVISIÓN ESPAÑOLA: La 1, La 2, 24 Horas, Clan, Teledporte, TVE-HD.
- ANTENA 3 TV: Antena 3, Neox, Nova, Nitro.
- TELECINCO: Telecinco, La Siete, FDF, Boing, Telecinco HD.
- SOGECUATRO: Cuatro, CNN+, Canal+Dos.
- LA SEXTA: La Sexta, La Sexta2, La Sexta3, GOL TV.
- NET TV: Intereconomía TV, Disney Channel, MTV, La 10.
- VEO: VEO7, AXN, VEO13, MARCA.

Law 7/2009, of 3 July, on urgent measures related to telecommunications issues, is aimed at regulating the stake held by one television operator in another

channel (the only restriction being that it may not have more than 27% of the audience share). This effectively removed the 5% ceiling on simultaneous ownership (of more than one channel) by a single shareholder. Under the protection of this law, various mergers between different networks are now underway, specifically between Antena 3 and La Sexta and between Telecinco and Sogecuatro.

The National Competition Commission (Spanish acronym: CNC) approved the merger between Telecinco and Sogecuatro on 28 October 2010. Although the two companies will maintain separate broadcasts, the business transaction has already had repercussions on the television offer with the closure of the CNN+ news channel on 31 December 2010.

The widespread launch of DTT in Spain coincided with the 50th anniversary of the birth of television in Spain with RTVE; the State television company that has recently undergone a complete overhaul. The restructuring of RTVE was governed by Law 17/2006, of 5 June, on State-Owned Public Radio and Television, and Law 8/2009, of 28 August, on the Funding of the Spanish Radio and Television Corporation, which abolished advertising on State-owned networks.

The reform aims to guarantee the provision of a quality public radio and television service that is modern, competitive, independent of the Government, financially efficient, responsible and transparent in its dealings and at the service of all Spanish citizens.

It is worth highlighting the efforts made by the public authorities and television networks to promote the Self-regulation Code on Television Content and Children, signed on 9 December 2004, as a means of introducing effective mechanisms to control the content of television programmes that could be harmful to children in certain time slots.

2010 was also a significant year for the sector due to the approval of the anxiously-awaited General Audiovisual Communication Act, of 31 March, that intends to bring together all currently valid legislation, update those aspects to have undergone important changes and regulate new situations lacking a legal framework. The overall purpose is to provide legal security to the industry, enable the creation of audiovisual business groups that are capable of competing in the European framework and regulate the launch of new business models such as pay-per-view DTT, High-Definition and TV on the Move. The aim is to guarantee pluralism and protect the rights of the public whilst also establishing clear transparency and competition rules in a context of coexistence between the public and private sectors and deregulation of audiovisual activity.

Furthermore, the law also creates the State Council for Audiovisual Media (Spanish acronym: CEMA) as the sector's regulatory and supervisory body that will perform its functions under the principle of independence from political and economic powers.

Based on viewing figures for each of the operators, television audiences continued to fragment in 2010 as

a result of the presence of more players in the market and an increased availability of audiovisual content and media platforms. According to the General Media Study (Spanish acronym: EGM) dated December 2010, TVE has an audience share of 21.1%, Antena 3 of 14.4%, Telecinco of 17.4%, La Sexta of 6.8%, Cuatro of 6.2%, the news networks of 9.6% and TVE 2 of 2.8%.

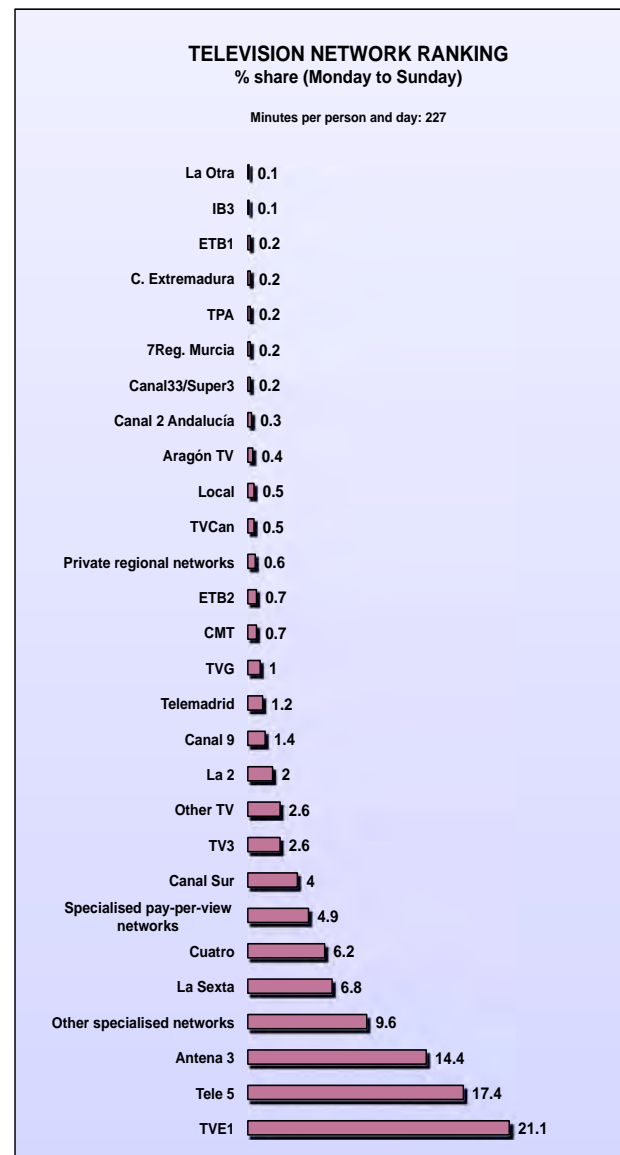
A trend towards greater consumption of television is consolidating itself in Spain (87.9%), despite a gradual increase in the penetration of other platforms such as the Internet (38.4%).

RADIO

The Spanish radio market is divided among three large, private groups: the Prisa group (SER radio), Radio Popular (COPE) and Uniprex (Onda Cero). The Prisa group owns SER, 40 Principales, Sin Radio, Cadena Dial, M80, Radiolé and Máxima FM. Radio Popular manages COPE and Cadena 100. Finally, Uniprex runs Onda Cero, Onda Cero Música and Europa FM.

Another operator in the market is Radio Nacional de España (RNE), a public radio station with nationwide coverage that also runs various local and regional public radio stations. RNE does not air advertisements since its operating costs are covered by the Radio Televisión Española corporation.

According to the 2009 report from the Telecommunications Market Commission and in



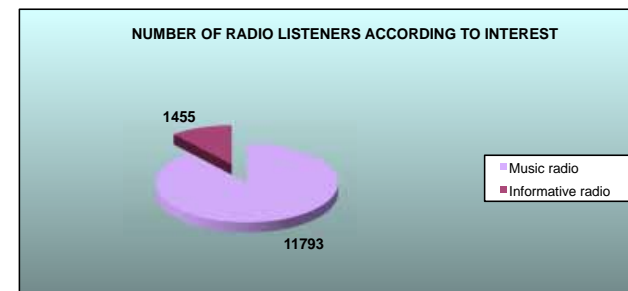
Source: EGM data.



Radio studio.

terms of revenue volume, Cadena SER maintained its leading position as main group in the sector with commercial revenue of some 205.6 million euros and a market share of 52%. Onda Cero and COPE swapped places from the previous year; the former now in second place with net business revenue of 86.4 million euros. The group that owns COPE, which recorded the steepest decline in revenue (14.3%), fell to third place with some 83.6 million euros.

According to the *General Media Framework in Spain* 2010 report, published by the Association for Media and Communication Research (Spanish acronym: AIMC), radio recorded a 2.2% increase in listener



Source: EGM data.

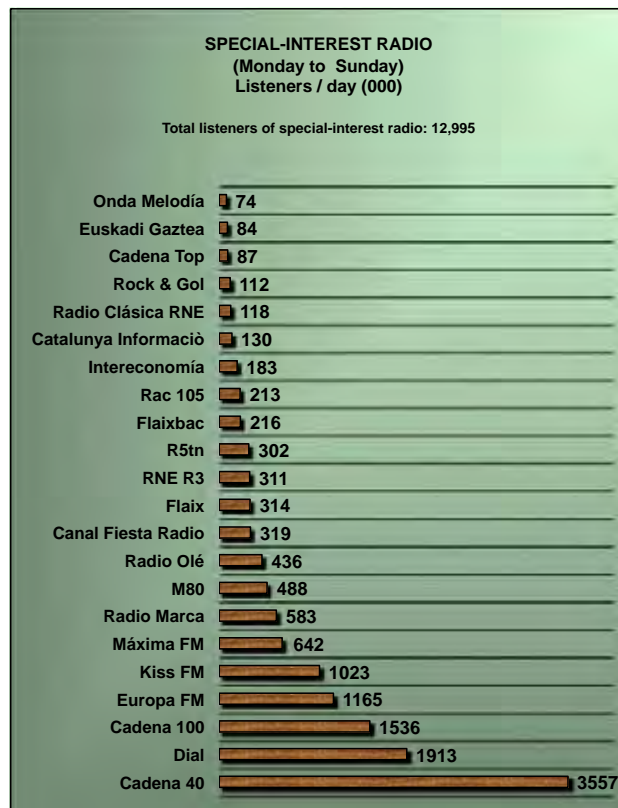
numbers in 2009 and achieved an average penetration of 55.3%. This increase corresponds to increased radio consumption which, according to the third EGM (February 2009 – November 2009), stands at 108 minutes per person per day, of which 50 minutes correspond to general-interest radio and 54 minutes to special-interest radio.

As regards audiences in the radio market, the EGM 2010 claims that general-interest radio accounted for 48% of all listeners in 2010. For their part, 11,793,000 of the 12,995,000 daily listeners of specialist-interest radio corresponded to music radio and the remaining 1,455,000 to informative special-interest radio.

The general-interest radio station with the largest national audience continues to be SER, with 4,415,000 listeners. According to EGM data for 2010, Onda Cero occupies second spot with 2,043,000 listeners, ahead of COPE with 1,384,000.

Special-interest radio is dominated by music stations, with Cadena 40 as the leading broadcaster in this category with a 21.9% market share.

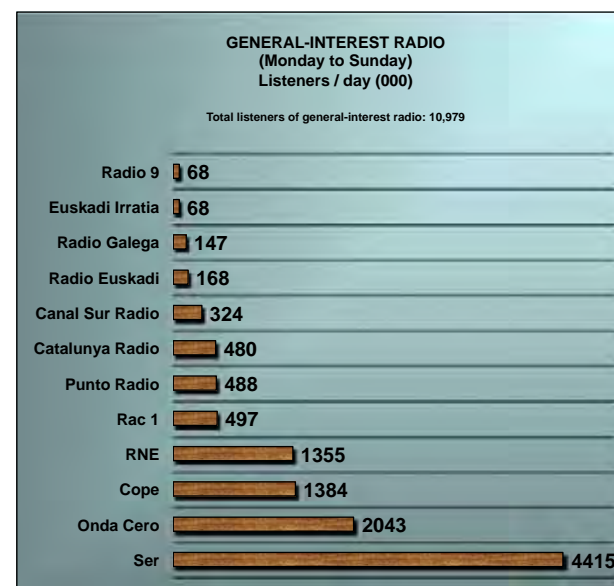
Source: EGM data.



PRESS

The EGM report for 2010 confirms that the sports newspaper *Marca* continues to lead the Spanish daily newspaper market with 2,800,000 readers per day. *El País* with 1,924,000 readers ranks second in the total readership ratings and occupies the top position among general-interest dailies, followed by *El Mundo*

Source: EGM data.

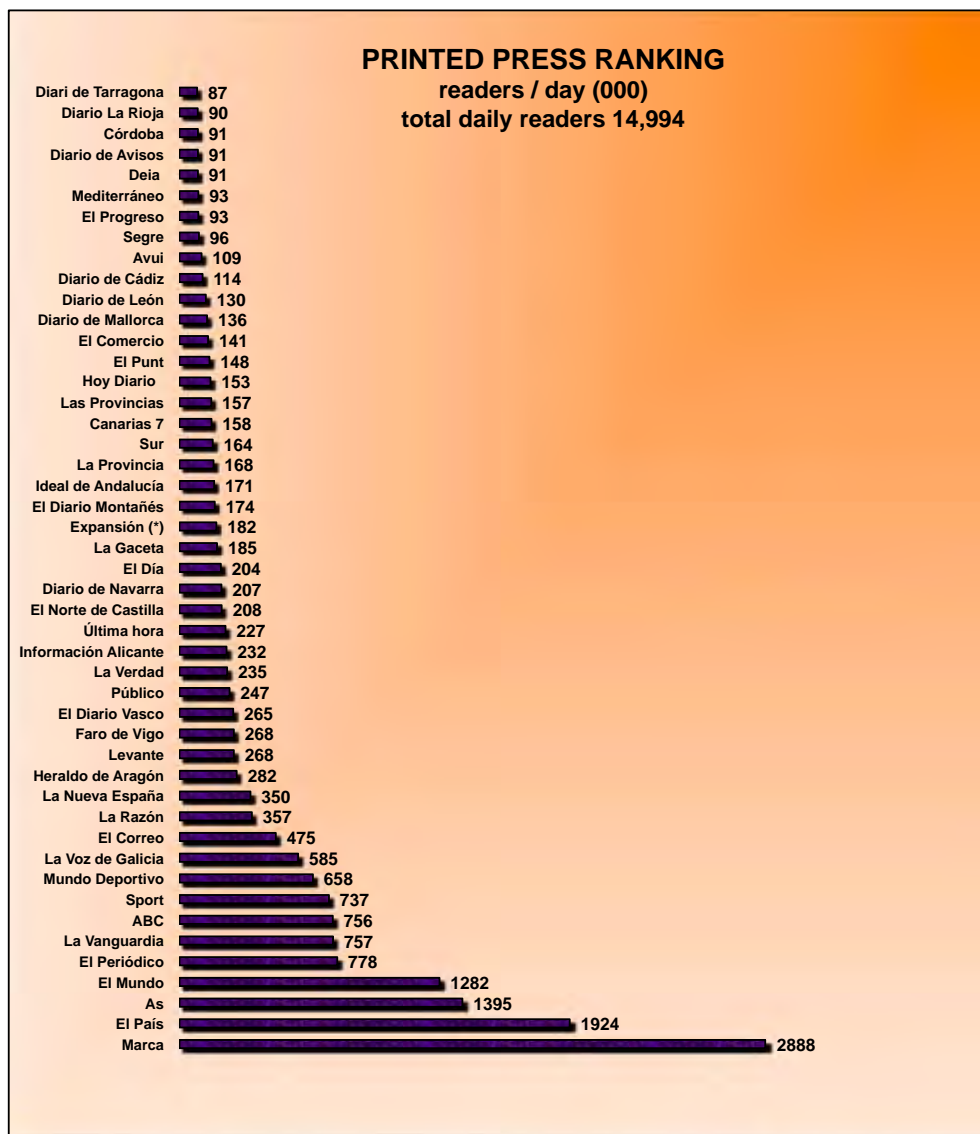


with 1,282,000 readers. Next come *El Periódico* with 778,000 readers; *La Vanguardia*, with 757,000; *ABC* with 756,000; *La Voz de Galicia* with 585,000; and *El Correo* with 475,000. As regards the sports press, *Marca* has held on to its leading position ahead of *As* with 1,395,000 readers, *Sport* with 737,000 and *Mundo Deportivo* with 658,000.

A characteristic of this market is the increasing concentration of the Spanish press industry over the course of the first decade of the 21st century. The main groups are:

- Unidad Editorial, which publishes papers such as *Marca*, *El Mundo* and *Expansión*;

Source: EGM data.



* Published from Monday to Saturday.



Source: EGM data.

- Prisa, publisher of *El País*, now the world's most widely read general-interest daily in the Spanish language;
- Vocento, publisher of *ABC* and *El Correo*, among others;
- Zeta, publisher of *El Periódico de Catalunya*;
- Prensa Ibérica, which publishes various provincial newspapers; and
- Grupo Godó, publisher of *La Vanguardia* and *Mundo Deportivo*.

In 2008, the majority of these newspapers were affected by the crisis but nevertheless managed to increase their circulation figures.

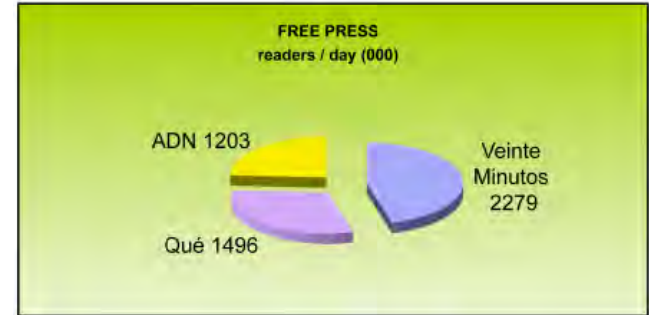
Furthermore, the online editions of Spanish dailies monitored by the Interactive Circulation Audit Office (Spanish acronym: OJD) have continued to register double-digit year-on-year growth.

Photo: European Parliament



Graphic journalists.

Free newspapers have also become a powerful presence in the market. The number of copies “released for distribution” (the only statistic monitored for this type of publication) leaves no doubt as to the quantitative importance of the phenomenon. The free press sector is led by *20 Minutos* with 2,279,000 readers, followed by *Qué* with 1,496,000 and *ADN* with 1,203,000.



Source: EGM data.

INTERNET

Penetration of the Internet has grown exponentially in the last 10 years, growing from 5.6% use in 2000 to 40.1% in the last quarter of 2010.

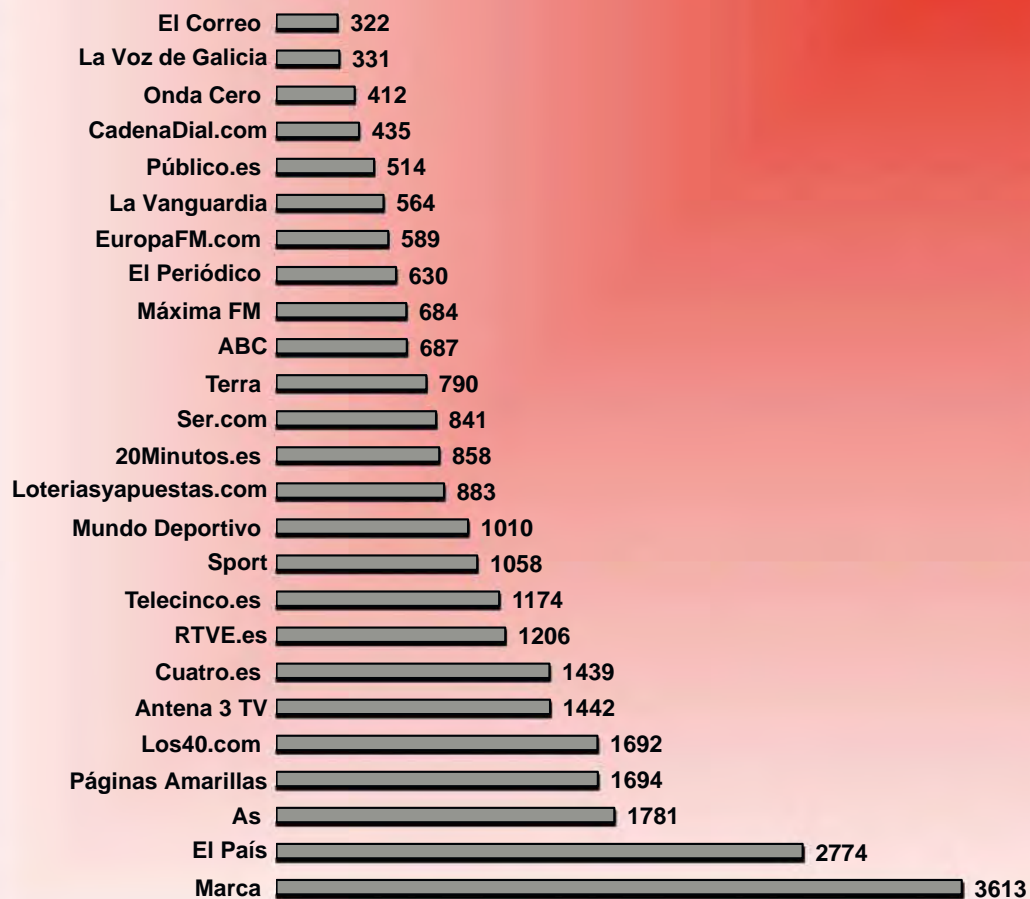
Digital press websites are the most viewed; specifically the *Marca* website with 3,613,000 hits, followed by the *El País* website with 2,774,000 and *As* with 1,781,000. It can therefore be seen that the sports dailies and the *El País* general-interest informative newspaper repeat their leading positions on the Internet.

Following the *Páginas Amarillas* website come those of radio and television networks such as *Los 40.com*, which received 1,692,000 hits, and the *Antena 3* website with 1,442,000.

Source: EGM data.

WEBSITES

Unique website visitors / Last 30 days (000)



* Information referring exclusively to those website monitored by the EGM

OFFICIAL WEBSITES:

Telecommunications (Ministry of Industry, Tourism and Trade): www.mityc.es/telecomunicaciones/es-ES/Paginas/index.aspx

Information Society (Ministry of Industry, Tourism and Trade): www.mityc.es/dgdsi/es-ES/Paginas/index.aspx

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Castile and Leon Museum of Contemporary Art (MUSAC) in Leon. *Image M.A.S. Spanish Tourism Institute.*

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Iker Casillas showing the World Cup trophy to His Majesty the King of Spain, 12 July 2010. *EFE Agency.*

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Television control room. *European Parliament.*

Spain today 2011



Spain today 2011 is an up-to-date look at the primary aspects of our nation; its public institutions and political scenario, its foreign relations, the economy and a panoramic view of Spain's social and cultural life, accompanied by the necessary historical background information for each topic addressed.