

Plan E

Plan Español para el Estímulo de
la Economía y el Empleo



State Fund for Local Investment



GOBIERNO
DE ESPAÑA

MINISTERIO
DE ADMINISTRACIONES
PÚBLICAS

What is the Fund?

It is an extraordinary Fund set up as part of the Spanish Economy and Employment Stimulation Plan (Plan E), involving an unprecedented mobilisation of public money in Spain. It is the most significant government initiative to boost economic activity ever launched in Spain's democratic history.

The aim of this Fund is to encourage local councils to undertake public works and investments that create employment, in order to reactivate the economy in 2009. The Fund total is **€8,000 million**, which doubles the average annual investment spent on public works by all the local councils in Spain put together.

Objectives

- Maintain and create jobs mainly the construction industry, which is shrinking considerably.
- Favour the viability and employment in small and medium-sized companies that engage in construction-related activities.
- Improve the public infrastructures available to all citizens.

The total effect on employment of the State Fund for Local Investment is the creation of around **278,000 jobs** through direct employment, and up to 400,000 jobs including indirect employment.



What does it finance?

This money will be used to finance new public works undertaken by local authorities which are implemented immediately, in other words they **must be carried out over the course of 2009** and be completed within the first quarter of 2010. Each project must not exceed €5 million.

Investment of a productive or socially beneficial nature

- Renovation or improvement of urban public spaces and industrial promotion.
- Facilities and infrastructures for the road network, sewerage, lighting or telecommunications.
- Construction, renovation or improvement of social, healthcare, funeral, educational, cultural or sporting facilities.
- Environmental protection, prevention of pollution and the promotion of energy efficiency.
- Elimination of architectural barriers.
- Conservation of local and historic heritage.
- Construction or improvement of water supply and waste water treatment facilities.
- Improvements in road safety and the promotion of sustainable urban mobility.
- Fire prevention.
- Promotion of tourism.



How is it managed?

The Ministry of Public Administration (MAP) has disbursed the funds to over **8,000 local councils** throughout the country in accordance with strict criteria regarding population, thereby prioritising maximum objectivity and transparency.

The amounts disbursed from the Fund cover the implementation of the works, and therefore all projects are financed entirely by Central Government.

Swift process

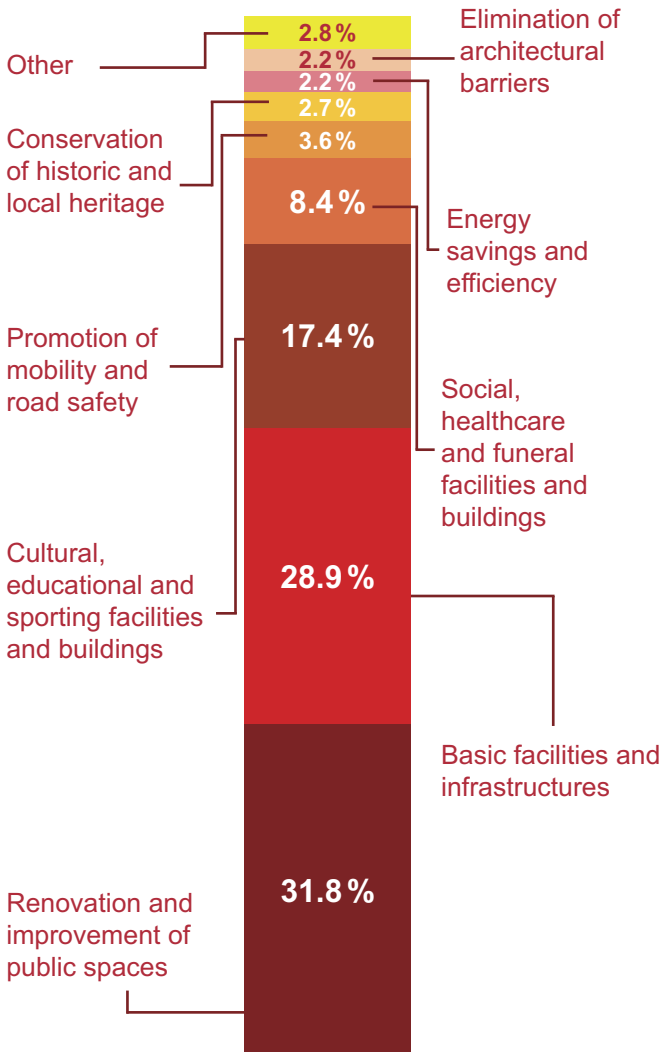
Given the urgency of the measure, in order to guarantee that the funds reach the companies quickly, so that projects can begin as soon as possible, a special swift procedure was designed, whilst still maintaining all the necessary controls in place.

- The entire process was carried out electronically, promoting the use of **e-Government** in Spain.
- The deadline for project presentation was 6 weeks, and projects were approved within 20 days of submission.
- When a project contract is awarded to a company, MAP provides the Council with 70% of the total amount, paying the remaining 30% on project completion.
- Local Councils are obliged to pay the contractor companies within 30 calendar days after issuing the relevant contract documentation.



Projects Authorized:	30,772
Amount:	€7,999 M
Direct jobs:	280,000 approx.
Total jobs:	400,000 approx.
Beneficiary Councils:	8,108
Spanish Population:	46,157,822

Distribution of public works by type



Promoting employment

Supporting companies



Plan Español para el Estímulo de
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Financial and budget measures

Supporting families

<http://www.plane.gob.es>

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