

EXECUTIVE SUMMARY

of the Progress Report 2022 of the 2030 Sustainable Development Strategy



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INTRODUCTION

Last 25 September marked seven years since the United Nations General Assembly approved the 2030 Agenda for Sustainable Development and, since then, there have been many areas in which significant progress has been made to address the major goals that this shared roadmap set in 2015, such as the eradication of poverty, the reduction of inequality in all its forms, the transition to a sustainable production model or the curbing of the climate crisis, to name but a few.

However, the complexity of the times we live in, marked by the eruption of the COVID 19 health crisis or, more recently, the invasion of Ukraine by Russia in February 2022, has led us to a rather bleak outlook at the international level, as reflected in various United Nations reports. We have witnessed a significant setback in the fight against poverty and global inequality, which has increased between countries and also within the borders of many states, causing the income gap between the richest and poorest territories to widen for the first time in a generation, and the in-work poverty rate to rise for the first time in two decades. In addition, the pandemic has exposed the weakness of public services in many countries, while evidence shows that faster and deeper action is needed to correct the climate crisis, with energy-related CO₂ generation, for example, rising by 6% in 2021 to the highest level in history.

The manifestation of threats that were much more diffuse years ago, such as the climate crisis, and the appearance of disruptive events that were not part of any possible forecast seven years ago, can generate a social climate that tends towards anxiety, uncertainty and, finally, pessimism. Proof of this is that phenomena such as depression and anxiety have increased, especially among young people and women. This latter group, which represents more than half of the world's population, continues to suffer inequality particularly intensely and still has a long way to go to achieve full equality of rights and freedoms.

In the European context, although marked by the instability generated by the war in Ukraine, which affects key elements for the achievement of the goals of the 2030 Agenda, the indicators reflect notable progress in the achievement of the Sustainable Development Goals, especially in those related to institutional solidity, the reduction of poverty and exclusion, the use of clean energy or innovation and the transformation of infrastructures. Also noteworthy is the decision to incorporate the analysis of the evolution of the SDGs in the specific recommendations for the Member States that are generated annually in the framework of the European Semester, thereby integrating the 2030 Agenda as part of the policy coordination exercise in the EU framework.

In the case of Spain, our country aspires to be a benchmark in the fulfilment of the Sustainable Development Goals and in the implementation of the 2030 Agenda, having completed, since the constitution of the current coalition government, a series of milestones that have allowed deployment to be accelerated

and that demonstrate the commitment to this roadmap and to accountability. In this regard, the approval of the 2030 Sustainable Development Strategy in June 2021 stands out, a document that deepens Spain's commitment to the achievement of the 2030 Agenda, translates the Sustainable Development Goals into eight major challenges for the country and sets out which public policies can enable us to successfully address them, thus guiding the major structural transformations that allow us to achieve the country we want to be in 2030.

The 2022 Progress Report is the first one after the approval of the 2030 Sustainable Development Strategy and the first occasion on which the analysis is carried out within the framework of its commitments. The document gives continuity to the sustained work of evaluation and improvement that has been carried out since 2019, informing the United Nations and the Spanish public of the achievements made in the last period and proposing courses of action to overcome the challenges detected, with new commitments to accelerate the pending transformations and contribute to the achievement of the Sustainable Development Goals. This document, in short, shows that, in a complex global context, our country can and must aspire to playing a leading role in the transformations needed to address the pending challenges, being necessary to continue promoting the accelerating policies for sustainable development and the priorities for action committed to in the 2030 Sustainable Development Strategy, as well as to continue strengthening collaborative governance with the set of public administrations and civil society actors involved in it from a multilevel approach to, ultimately, build fairer, more sustainable and more democratic societies around the world.

As we reach the halfway point of the period opened by the adoption of the 2030 Agenda, we need to be able to commit our country's efforts towards 2030. These efforts should involve the joint work of society as a whole and of all political actors. In recent years, Spain has become a benchmark in terms of compliance and the establishment of policies consistent with the 2030 Agenda. This path that has been opened should continue to be travelled, with the awareness that only the transformation in the present of the current imbalances in terms of sustainability, inequality and injustice will allow for a decent future for the generations that will succeed us.

PROGRESS IN THE IMPLEMENTATION OF THE SUSTAINABLE DEVELOPMENT STRATEGY

The set of advances in the implementation of the 2030 Sustainable Development Strategy is articulated around the eight country challenges and their corresponding accelerating policies for sustainable development, providing a general diagnosis of the situation for each one based on the indicators defined for each area according to the most up-to-date data available. This is followed by the most strategic actions developed by the General State Administration, to which information from the autonomous communities, autonomous cities and local entities, the latter represented through the Spanish Federation of Municipalities and Provinces (FEMP), has been added to provide the necessary territorial perspective.

Country Challenge 1.

END POVERTY AND INEQUALITY.

The diagnosis of the situation for country challenge 1 indicates that the average annual income has maintained a stable or growing trajectory, with a cumulative net increase in income between 2015 and 2021, regardless of the type of activity exercised, which includes retired, inactive and unemployed people. The latter have seen their income increase even more than the other groups. This upturn is driven by active public policies to improve the economic conditions of several social groups, such as the increase in the Minimum Interprofessional Salary (MIS), the revaluation of pensions and others aimed at mitigating the effects of the standstill and reduction of activity in 2020, such as the Temporary Redundancy Plans (ERTEs).

Overall, income growth has been accompanied by a reduction in inequality, with the result that the Gini coefficient (with imputed rent) also reports a decline in inequality in Spain over the period 2015-2020. In 2020, it was below 30 for the first time, although there was an increase of 0.7 points in the year of the pandemic, which nevertheless leaves inequality levels below those recorded in 2015. Moreover, according to Eurostat indicators, social transfers (including pensions) have contributed to a reduction in inequality equivalent to 15.8 Gini points on average. This redistributive effect has contributed, between 2020 and 2021, to cushioning the effect of the pandemic on inequality in Spain. Proof of this is that, while the Gini coefficient before social transfers has increased by 6.8%, the post-transfer indicator has increased by less than half (2.8%).

On the other hand, between 2015 and 2021, the probability of being at risk of poverty or social exclusion fell by 3.1 % in Spain, although this decrease was lower than the one recorded by the EU 27 countries as a whole (9.6 %). From 2020 onwards, with the onset of the health crisis, positive trajectory has been broken with very uneven results by social groups: women, foreigners from outside the EU and single-parent households with dependent children, mostly headed by women, are the main ones to be affected. However, it should be noted that, while in the period 2020-2021 the risk of poverty and social exclusion increased by 0.8%, the percentage of people in households with severe material and social deprivation decreased by two tenths of a percentage point to 8.3%. For its part, the at-risk-of-poverty or social exclusion rate for children is between four and five percentage points higher than the average rate for the population as a whole, with the gap in 2021 (5.6%) being similar to that of 2015. This situation shows the need to reinforce strategies to reduce inequality, such as the continued improvement of the minimum wage to the levels recommended by the EU and the reinforcement of social protection mechanisms in households with children.

The percentage of the population with high expenditure on housing has decreased slowly but surely in 2015-2020, with this trend benefiting both sexes, although the gender gap persists, as well as in all age ranges. However, it is still the younger population, and especially those under 16 and in the 25-34 age bracket, who face the greatest difficulties and therefore the greatest barriers to independent living. The lower income population also stands out from the rest. The first decile is home to more than 50% of the population with high housing costs, compared to 11.2% in the next highest decile. This situation suggests the insufficiency of social rented housing to facilitate access to the right to housing for the population with greater difficulties in exercising their right to housing.

In short, the public policies implemented in recent years and the targeted measures to tackle the social and economic crisis caused by the COVID-19 pandemic have been fundamental in mitigating the impact of the health crisis. Between 2019 and 2020, the weight of public spending over GDP was increased by almost a quarter to tackle the crisis, an effort that placed Spain in third place at European level and almost double those made by the EU-27 as a whole and by the countries with the greatest economic weight in the EU. Despite this, the challenge of reversing the upward trend generated by the pandemic and achieving the poverty risk reduction targets set out in the Sustainable Development Strategy is of great magnitude. It remains essential to continue implementing measures to reduce job insecurity, expand social rights and reduce the

gaps between different groups and population groups, as well as to ensure access to housing and energy. In terms of measures and progress in the priorities for action in this country challenge 1, the accelerating policy that focuses on "Social transition. Redistributing wealth and guaranteeing rights" seeks to strengthen the social protection system, improve its redistributive capacity and ensure that it reaches the population as a whole, particularly those people, social groups and collectives that are in a situation of greater precariousness and vulnerability.

One of these advances consists of the approval and development of the Operational Plan 2021 for the Development of the National Strategy to Prevent and Combat Poverty and Social Exclusion 2019-2023 (ENLPES 2019-2023), establishing the general framework for government action to cover the social needs of citizens and, in particular, vulnerable groups in situations of poverty and exclusion, in line with the principles of the European Pillar of Social Rights. Further steps forward have also been taken with measures such as the improvement of the Minimum Vital Income, the amount of which has been increased by 15% to protect the most vulnerable families from the escalation of prices resulting from the war in Ukraine and thus reduce the risk of poverty. Improvements in its configuration and coverage have culminated in the approval of Law 19/2021, of 20 December, which establishes the minimum vital income.

In relation to child poverty, progress has been articulated through the Family Protection and Child Poverty Programme and the approval of the 2022-2030 State Action Plan for the Implementation of the European Child Guarantee in Spain, the latter structured around three strategic lines of action: the fight against child poverty and the reinforcement of social protection for children and adolescents; the universalisation of social rights through access to and effective enjoyment of essential quality,

accessible and inclusive services; and the promotion of territorial equity, as well as protective, inclusive, egalitarian and participatory environments. Also, in relation to the social protection of families and attention to child poverty, it is worth highlighting the Draft Bill on Families to promote social protection and legal recognition of the diversity of family structures, allowing for the legal recognition of the different models of family coexistence and guaranteeing fairness and equal treatment for all of them, all of which also improves the social, legal and economic protection of families, especially the most vulnerable ones.

The commitment to focused care for particularly vulnerable groups at risk of poverty and social exclusion is also evident in the approval and development of the National Strategy for Equality, Inclusion and Participation of the Roma People (2021-2030), the Spanish Strategy on Disability 2022-2030, conceived as a roadmap for all public administrations to make the human rights of people with disabilities and their



families effective, and the updating of the Comprehensive National Strategy for Homeless People, which is currently under development.

In the field of housing, of particular note is the approval, in February 2022, of the Bill for the Right to Housing, currently undergoing parliamentary procedures, which seeks to protect the social function that housing should fulfil and to give special impetus to affordable rented housing. Likewise, the regulation of the Youth Rental Bonus, the State Plan for access to housing 2022-2025 or the decisions adopted to curb the escalation of electricity prices, such as temporary tax reductions, are also noteworthy.

As regards culture, one notable development is the Culture and Citizenship Programme, and within it, the Culture and Rural Regions Sub-programme, along with the Aid Plan to expand and diversify the cultural life on offer in non-urban areas, included in the Recovery, Transformation and Resilience Plan, and the Library Laboratories Project.

Finally, taxation plays an essential role in this challenge as an instrument for redistributing wealth and reducing inequality. Progress has been made in this area, including the creation of the Financial Transaction Tax and the Tax on Certain Digital Services. Progress is also being made in environmental taxation, and in the area of preventing and combating tax fraud, the approval of Law 11/2021, of 9 July, on measures to prevent and combat tax fraud, stands out. These actions need to be intensified in order to close the tax collection gap in the Spanish tax system with respect to neighbouring European countries and to make decisive progress towards a more equitable, progressive and fair tax system, while at the same time promoting public policies of general interest, guaranteeing quality public services and meeting the objectives of poverty reduction.

The set of advances in this accelerating policy is complemented by the measures implemented by the autonomous communities, autonomous cities and local authorities in their respective territorial spheres. Thus, at the autonomous community level, most of the advances have to do with the promotion of regulations and strategic policies aimed at the social protection of vulnerable groups, such as children, adolescents, the Roma population or people with disabilities, as well as in the field of housing or in the improvement and diversification of culture. At the local level, the municipal authorities have implemented policies that also seek to address the most vulnerable groups in the most relevant areas for social and employment integration, such as housing, employment, education, transport or social protection, all of which are mainly articulated through instruments such as scholarships, grants and subsidies.

Country Challenge 2

ADDRESSING THE CLIMATE AND ENVIRONMENTAL EMERGENCY.

Spain is particularly vulnerable to the effects of climate change, both for its geographical location and its socio-economic characteristics. As pointed out in the *Report on the State of the Climate of Spain 2021* published by the State Meteorological Agency (AEMET, 2022), since the 1980s, each new decade has been warmer than the previous one. Although the La Niña episodes between 2020 and 2022 led to a temporary reduction in the increase of average global temperatures, 2021 was very warm in Spain with an average temperature of 14.3 °C, a value 0.5 °C above the normal annual average. This trend continued in 2022, since, according to AEMET data, it was the warmest summer since 1961, the year in which the current measurement series began.

Although CO₂ emissions recorded an overall decrease of -12.5% in 2020 in a context marked by the conditions imposed by the COVID-19 pandemic, they increased by 5.1% in 2021 when compared to the previous year. However, the level of global emissions in Spain fell by 0.5% in 2021 compared to 1990 and by 34.7% compared to 2005.

There was also an increase in the production of renewable energy, reaching 46.7% of electricity generation in Spain in 2021. Likewise, the latest data on waste generation corresponds to years prior to the COVID-19 pandemic and includes both a trend towards greater waste generation and an improvement in separate collection, which increased by 13.5% in comparison to 2018.

In relation to the actions and progress in the action priorities of country challenge 2, the accelerating policy focused on "A country that respects planetary boundaries" aims to foster a just and inclusive ecological transition that can combine social and economic development with the biophysical limits of the planet, moving towards a sustainable, circular, fair, and climate-neutral economy by 2050.

One of the main measures has been the development of the provisions set out in Law 7/2021 of 20 May 2021 on Cli-



mate Change and Energy Transition, which establishes the regulatory framework to place the fight against climate change and energy transition at the centre of political action. This Law is also supported by different planning tools aimed at articulating the implementation of measures, such as the National Integrated Energy and Climate Plan (PNIEC) 2021-2030 (art. 4), the Long-term Decarbonisation Strategy 2050 (art. 5.2), the National Plan for Adaptation to Climate Change (PNACC), and the Just Transition Strategy (art. 27.1). Through the latter, thirteen Just Transition Agreements have been carried out that set out to maintain and create activity and employment in areas affected by the closure of thermal and nuclear facilities.

From a cross-cutting perspective, notable advances include the application of the principle of no significant harm to the environment (DNSH) in the actions linked to the Recovery, Transformation and Resilience Plan (PRTR), the preparation of a Report on the Alignment of the 2023 General State Budget (PGE) with the ecological transition, or the development of the Action Plan for Environmental Education for Sustainability 2021-2025 (PAEAS).

In the area of electrification and decarbonisation of the electricity system, it should be noted that in June 2021 the Council of Ministers submitted to Parliament the Draft Law to create the National Fund for the Sustainability of the Electricity System (FNSSE), based on avoiding electricity price rises and providing certainty, sustainability and balance to the system in order to mobilise the necessary investments in the coming years. Also of note is the approval of the Electricity Transmission Grid Development Plan 2021- 2026, Royal Decree Law 29/2021, of 21 December, which adopts urgent measures in the energy sphere to promote electric mobility, self-consumption and the deployment of renewable energies, as well as the creation of the Renewable Hydrogen Roadmap and the Biogas Roadmap.

In terms of energy efficiency and sustainable mobility, the Long-term Strategy for Energy Rehabilitation in the Building Sector (ERESEE, 2020) and the Energy Rehabilitation Programme for Buildings (PREE), through which aid is granted to improve energy efficiency, have been deployed. Also noteworthy is the approval in December 2021 of the Safe, Sustainable and Connected Mobility Strategy 2030, which constitutes the roadmap that will guide actions in the field of transport and mobility over the next ten years, as well as the Draft Law on Sustainable Mobility.

With a view to protecting biodiversity, the approval of the Strategic Plan for Natural Heritage and Biodiversity (PEPNB) and the Biodiversity and Science Strategy (EByC) is planned for 2022. In addition, the National Strategy to Combat Desertification (ENLD) has been approved, updating the National Action Programme to Combat Desertification published in 2008, and progress is being made in the preparation of the PERTE for the digitisation of the water cycle.

Finally, with regard to the circular economy, a notable development is the approval of Law 7/2022 of 8 April on waste and contaminated soils for a circular economy, aimed at guaranteeing the protection of the environment and human health through the prevention and reduction of waste generation and the adverse impacts of its generation and management. Following on from the progress made in the regulatory development of waste management, there is the Draft Royal Decree on packaging and packaging waste and the Draft Law on the Prevention of Food Losses and Waste.

With regard to the contribution of the autonomous communities and cities, the advances of country 2 challenge at the territorial level have to do with regulatory and strategic measures aimed at combating climate change and promoting energy transition, actions that are added to others related to the promotion of the circular economy, waste management, environmental assessment or the implementation of a sustainable urban agenda. At the local level, municipalities have focused mainly on promoting sustainable urban planning measures, as well as on energy efficiency and the development of awareness-raising, training and environmental awareness campaigns.

Country Challenge 3

CLOSING THE GENDER INEQUALITY GAP AND ENDING DISCRIMINATION.

Discrimination against women and the resulting gender inequality is reflected in many areas that demonstrate the cross-cutting nature of the phenomenon and the need to address it urgently in order to make the 2030 Agenda a reality. In the labour market, the unemployment rate is consistently higher among women, with the gender gap standing at 13.8% in 2015 and 13.6% in 2020. The percentage of women in part-time employment is decreasing, with a differential of one percentage point between 2015 and 2020, while the percentage of employees with temporary contracts is 11.8 % for men and 12.3 % for women in 2020. Moreover, in all sectors, men's wages are higher than those of women, who are more affected, as we have seen, by precarious employment. As a consequence, this inequality in the labour market has direct consequences in the area of pensions.

One of the main reasons for the gender gap is the greater overburden that women assume in the sphere of care, whether in the personal or professional sphere, which hinders access to and full development of a professional career on equal terms, or which provides them solely with highly precarious jobs. Likewise, single parenthood in Spain is fundamentally a female phenomenon and there is still a strong inequality in terms of the majority presence of men in the STEM (Science-Technology-Engineering-Mathematics) field.

As regards violence against women, there has been an increase in the reporting of crimes against sexual freedom and compensation and, although the number of fatalities due to gender violence has decreased in recent years, they are still unacceptable in a society that aspires to fully guarantee women's rights.

All in all, Spain has obtained a score of 73.7 points in the report corresponding to the year 2021 in the European Gender Equality Index, reaching sixth position. These data place us 5.7 points above the European average, although there are areas where there is a clear need for improvement, especially in those related to the labour, monetary or power spheres.

Therefore, the accelerating policy of country challenge 3 seeks to promote "free and equal lives for all", committing to a series of action priorities aimed at re-



moving the structural barriers that cause this inequality in order to promote gender equality and women's empowerment.

Firstly, the approval of the Strategic Plan for Effective Equality between Women and Men 2022-2025 (PEIEMH), which is the Government's main instrument for guiding the institutional and social changes that need to be implemented in order to make progress in achieving equality between women and men. To this end, it is structured around four main areas of intervention: good governance, an economy for life and fair distribution of wealth, towards guaranteeing lives free of gender-based violence against women, and a country with effective rights for women. One of the commitments attached to the PEIEMH included in this accelerating policy is the alignment of the Gender Impact Report that accompanies the General State Budget with the strategic objectives of this plan.

In the area of ensuring equal pay for women and men, work has continued on the application of the pay transparency instruments regulated by Royal Decree 902/2020, such as the pay register and pay audits. In a similar vein, Royal Decree-Law 3/2021 of 2 February, which regulates the introduction of the economic supplement to contributory pensions to reduce the gender gap.

On the other hand, it is worth highlighting the approval of Law 15/2022, of 12 July, comprehensive for equal treatment and non-discrimination, and the progress made in the drafting of the State Strategy to Combat Gender Violence 2022-2025. In addition, a legislative reform has been promoted to eliminate the obstacles faced by orphans of gender violence in order to alleviate their situation of extreme vulnerability and reinforce their protection, through Organic Law 2/2022, of 21 March, on improving the protection of orphans who are victims of gender violence.

In the specific area of sexual violence, the approval of Organic Law 10/2022, of 6 September, on the comprehensive guarantee of sexual freedom (LOGILS), which represents an enormous step forward in the comprehensive protection of women, in their right to sexual freedom and in the eradication of all sexual violence, stands out. Likewise, procedures have been initiated for the drafting of the Comprehensive Law against Trafficking in Human Beings for all its purposes, while progress has been made in other related actions such as the National Strategic Plan against Trafficking and Exploitation of Human Beings 2021-2023.

In the area of recognizing and valuing care and unpaid domestic work, one outstanding feature is the development of the Co-Responsibility Plan, aimed at guaranteeing the right to care for families with children up to the age of 16. Also noteworthy is the approval, in September, of Royal Decree-Law 16/2022, which brings the working conditions of domestic workers into line with those of other workers, thus applying the provisions of ILO Convention 189. This Royal Decree-Law places Spain at the forefront of gender equality, correcting historical discrimination against domestic workers and making possible, among other aspects, the recognition of their right to social protection in situations of unemployment.

With a view to eradicating discrimination based on sexual orientation, gender identity, gender expression or sexual characteristics, the Draft Law for the Real and Effective Equality of Trans Persons and for the Guarantee of the Rights of LGBTI Persons stands out, which constitutes a historic redress for the LGBTI collective and, specifically, for trans persons, one of the groups whose rights have been most violated and most stigmatized.

Finally, the reform of the Organic Law 2/2010 on Sexual and Reproductive Health and Voluntary Interruption of Pregnancy, focused on recovering the rights of women aged 16 and 17, while extending protection against the reproductive exploitation of women or obstetric violence.

In regional policies, the different regulatory and strategic actions aimed at providing assistance to victims of sexual and gender-based violence stand out, as well as those aimed at promoting equal treatment and non-discrimination, or more specific measures in terms of reducing the wage gap, promoting rural women or conciliation programs. In a very similar vein, local entities have focused their actions on areas such as prevention, care or the development of safety plans for victims in collaboration with supra-municipal entities. Likewise, local gender equality plans have been created and care services for dependent persons have been strengthened.

Country Challenge 4

OVERCOMING THE INEFFICIENCIES OF AN OVER-CONCENTRATED AND OVER-DEPENDENT ECONOMIC SYSTEM.

The recent economic crises have highlighted the vulnerability of the Spanish productive model, characterized by its excessive concentration and dependence on certain productive sectors and a lower weight of the industrial sector compared to other neighbouring countries. The COVID-19 pandemic, which led to restrictions on mobility, highlighted the risks of a model excessively dependent on tourism, which was affected by international restrictions on mobility. This led to a much greater fall in our country's GDP than in other European countries, with GDP per capita falling by 11.29% in 2020, compared to 6.5% in the Eurozone countries.

At present, the war in Ukraine has had economic consequences stemming from energy dependence on the outside world and the design of electricity markets, as well as problems in the supply of certain raw materials and other goods. Despite this, Spain is less vulnerable to sanctions and counter-sanctions imposed by the EU and Russia on gas supplies, and is better able to guarantee access to affordable, reliable, sustainable and modern energy. To reinforce this starting point, the government introduced a novel measure aimed at controlling energy price rises. Royal Decree-Law 10/2022 of 13 May, which temporarily establishes a production cost adjustment mechanism to reduce the price of electricity on the wholesale market, limits the maximum price that gas can reach on the wholesale market, thereby reducing its contribution to the final price of electricity. This temporary measure, first applied on a limited basis to Spain and Portugal, has been proposed as a general measure for the EU as a whole.

The evolution of the contribution of the different productive sectors to GDP since 2015 shows an increase in the weight of agriculture, livestock and fisheries in 2020, which, in 2021, according to the advance data, will contract again. Nevertheless, they contribute almost 3% to national GDP, their highest share in 15 years, and constitute a structuring activity of the territory that was key to ensuring food supplies during the COVID-19 pandemic. On the other hand, the weight of the ICT sector, high value-added service sectors and public health, education and social services are also gaining weight in the Spanish economy.

Since the COVID-19 health crisis and the current energy crisis, Spain has progressively improved the efficient production and consumption of natural resources, decoupling economic growth from environmental degradation and accelerating the transformation of our production model towards a more sustainable one.

Another outstanding figure is employment generation, which, after the pandemic crisis of 2020, shows year-on-year growth of more than 4 % in 2021, with the service sector employing the most people in our country with 15,563,700 employed in the second quarter of 2022. While productivity fell sharply by 7 % in 2020 due to the health crisis, a turnaround can already be seen in 2021 with an annual decline of only 1.414 %. However, we are still far behind the European average in real productivity and still lag behind the EU in R&D expenditure.

The main objective of the accelerating policy "a new green, digital and fair economic and productive model" is to transform our productive model to achieve sustainable growth while respecting the biophysical limits of the planet and committing to the promotion, strengthening and digital transformation of our economic agents that allow for the diversification and efficiency of the productive matrix.

One of the main advances in this respect has been the Long-Term Strategy for a Modern, Competitive and Climate Neutral Spanish Economy in 2050, which aims to reduce primary energy consumption by 40% thanks to energy efficiency policies, changes in habits and the circular economy, resulting in a reduction of more than 30% in final energy consumption. In a complementary manner, the Spanish Circular Economy Strategy, Spain Circular 2030, has been approved, establishing targets for the production system to reduce consumption and waste generation. The ways in which it has taken shape can be seen in the Circular Economy Action Plan (PAEC) 2021-2023, with 116 measures, 87 of which have already been completed or are in the process of being implemented.

In the digital sphere, the fundamental strategic guide for the economy as a whole is the Spain Digital Agenda 2026, complemented by the National Artificial Intelligence Strategy, aimed at integrating artificial intelligence (AI) into the value chains of the productive fabric, and the National Digital Skills Plan to achieve the digital skills of citizens and combat the gender digital divide through training actions.

As regards the social economy, the Spanish Strategy for the Promotion of the Social Economy 2017-2020 or the progressive subjective extension in the implementation of Law 11/2018, of 28 December, in terms of non-financial information and diversity, which will apply from 2021 not only to companies with more than 500 employees, but also to those with more than 250 employees at the end of the financial year and which are considered to be in the public interest, or which, fulfilling the requirement of total employees, have total assets of more than 20 million euros, but also to those with more than 250 employees at year-end and which are considered to be of public interest, or which, fulfilling the requirement of total employees, the total of their assets exceeds 20 million euros, or the net amount of their annual turnover exceeds 40 million euros.

In addition, the Spain as an Entrepreneurial Nation Strategy, presented in February 2021, has also been adopted as a key element for the economic and social transformation of our country and the backbone of the Government's commitment to position Spain as a benchmark country in entrepreneurship and innovation in a ten-year time horizon.



Given the importance of SMEs in the Spanish production model, another set of measures has tended to support this sector in its transition towards a green, digital and inclusive economy. Notable features in this regard include the SME Digitalization Plan 2021-2025, the Technological Fund for aid to SMEs in the retail trade sector or the Strategic Framework for SME Policy 2030 (MEPP 2030) as a national strategy that encompasses the set of national and European policies and instruments that promote the development and competitiveness of Spanish small and medium-sized enterprises.

With specific reference to the productive sectors, in the primary sector, the Strategic Plan for the Common Agricultural Policy (PEPAC) for Spain 2023-2027 and the Draft Law regulating the management system of the Common Agricultural Policy (CAP) and other related matters have been drawn up. Both measures constitute a reform for a fairer, more social and environmental CAP, with a better redistribution of aid to promote family and professional agriculture, and oriented towards the strategic lines set out by the European Union. Similarly, the Sustainable Fisheries and Fisheries Research Bill incorporates sustainability as a cross-cutting issue, from a threefold perspective: conservation of fishing resources, economic activity and employment, and social cohesion in coastal areas. Added to these measures is the regulatory reform introduced by Law 16/2021, of 14 December, amending Law 12/2013, of 2 August, on measures to improve the functioning of the food chain, which seeks to reduce the imbalance in commercial relations between the different operators in the value chain and within the framework of fair competition that benefits not only the sector but also consumers.

In the digital area, the Digitalisation Strategy for the agri-food and forestry sector and the rural environment stands out.

Also, in relation to technology, and within the framework of the secondary sector, the Connected Industry 4.0 strategy has been approved, aimed at articulating measures that allow the Spanish industrial fabric to benefit from the intensive use of information and communications technologies for the incorporation of R&D&I policies or 4.0 technologies and artificial intelligence into production processes.

As regards services, one outstanding feature is the Plan for the Modernisation and Competitiveness of the tourism sector (PMCT), which deploys five strategic areas of action relating to sustainability, product development and the modernisation of the tourism ecosystem, the promotion of digitalisation and tourism intelligence, tourism resilience strategies for non-mainland territories, and the promotion of deseasonalisation. Within its framework, the Tourism Sustainability Plans for Destinations 2021 are being developed, aligned with the Spain 2030 Sustainable Tourism Strategy.

Finally, in relation to the field of science and training, it is worth noting the adoption of the Pact for Science and Innovation, which has already been signed by nearly 90 entities for the progressive increase of public investment in science and innovation, as well as the 1st Strategic Plan for Vocational Training 2019-2022 of the Education System, complemented by the Plan for the Modernisation of Vocational Training and the adoption of Organic Law 3/2022, of 31 March, on the organisation and integration of Vocational Training, which aims at a global transformation of the vocational training system as a gateway to quality employment for young people.

The autonomous communities and cities are also implementing actions that have enabled notable progress to be made within the framework of this accelerator policy 4. Thus, the implementation of plans, pacts and strategies aimed at the modernisation and digitalisation of business projects, especially as regards SMEs, the promotion of the social economy, improvement in the sustainability of the agri-food sector, the promotion of sustainable tourism development, especially in those regions where tourism is the main economic driver, as well as initiatives to promote scientific and technological development in the production sectors, are noteworthy. In the local sphere, plans for the modernisation of municipal markets, the promotion of separate waste collection and the promotion of extensive livestock farming, etc., stand out. Aid has also been deployed for social economy projects and entrepreneurship, as well as initiatives for training entrepreneurs, for example through the Local Development Agents, and for the promotion of digitalisation and e-commerce.

Country Challenge 5

ENDING JOB INSECURITY.

The labour situation that has taken shape in Spain has resulted in a labour market with a marked tendency towards precariousness in the form of temporary, casual and part-time work, with a gradual decrease in work characterised by regulation through collective bargaining, protection and stability.

The Spanish unemployment rate is double the European one, although it is noteworthy that in recent years there has been an appreciable reduction, from 22.2% in 2015 to 12.48% in the second quarter of 2022. Even so, unemployment is marked by large differences in terms of impact by gender, age, educational level and nationality. In this context, the health crisis led to a massive destruction of jobs in the first days of the economic slowdown resulting from the state of emergency, only alleviated by the use of Temporary Redundancy Plans, which made it possible to protect the employment of more than 3.4 million workers.

In absolute terms, the number of long-term unemployed for both men and women in Spain has fallen in recent years, but again, it should be analysed in terms of age, sex and level of education.

Recent years have also shown improvements and a downward trend in the temporary and part-time nature of the labour market. Despite this, temporary employment in Spain is still high compared to European reference levels, and is at least 10 points higher. This is due to the importance of seasonal activities and the often-abusive use of temporary contracts, which is also a clearly feminised phenomenon.

The good data that have been gathered in recent years coexist, therefore, with a labour market that has historically presented two structural deficits: high rates of temporary employment and involuntary partial employment. As a result, a series of profiles of precariousness can easily be recognised in the Spanish labour market: women, especially those in single-parent households, young people and immigrants.

Faced with this reality, the priority of the accelerator policy focused on "quality and stability in employment" is to address the structural imbalances that the Spanish labour market has been dragging along with it for decades, seeking both to generate quality employment and to guarantee job stability. First of all, the approval of Royal Decree Law 32/2021, of 28 December, on urgent measures for labour reform, the guarantee of employment stability and the transformation of the labour market, aimed at reducing temporary employment and guaranteeing stability, providing continuity to the Temporary Redundancy Plans (ERTE) and strengthening collective bargaining. One of the most noteworthy aspects of the regulatory reform has been the reorganisation of the modalities of Spanish hiring, making the permanent contract the default contract and restricting the temporary contract much more. Thus, the entry into force of the labour reform regulated by RD-Law 32/2021 has made it possible for one out of every two employment contracts signed to be permanent, with 1,609,256 more permanent contracts having been signed in the first five months of 2022 and 2,786,206 fewer temporary contracts than in the same period of 2019.

Another key element to put an end to job insecurity is to ensure job quality, understood from the perspective of fair pay. This has been best expressed in the decision, taken within the social dialogue, to raise the Minimum Interprofessional Salary (SMI), the amount of which has been increased by 36% since 2018, from €735.9 to €1,000 in 2022.

On the other hand, another of the advances in this challenge for the country has had to do with incorporating into labour law the new forms of employment that have arisen as a result of the development of the digital economy. In this regard, two outstanding developments are Royal Decree Law 9/2021, of 11 May, which amends the Workers' Statute to guarantee the labour rights of people working in delivery in the field of digital platforms, and Royal Decree Law 28/2020, of 22 September, on remote work.

Another of the axes of progress has been the modernisation of Active Employment Policies. Notable features in this regard include the approval of the Active Support Strategy for Employment 2021-2024, the Youth Guarantee Plus Plan 2021-2027 for decent work for young people or the Employment Bill, which constitutes a framework regulation to guarantee workers a common portfolio of services that include new and more effective tools to improve their employability.

Finally, in the specific field of self-employment and the social economy, there was the approval in June 2022 of the National Strategy for the Promotion of Self-Employment 2021-2027 (ENDITA) and the reactivation of the Council for Promotion of the Social Economy, which has been key in the design of the Strategy for the Recovery and Economic Resilience (PERTE) of the Social and Care



For their part, the autonomous communities and cities have made notable progress in the framework of this accelerating policy through plans and strategies focused mainly on strengthening vocational training, as well as improving the employability of the most vulnerable groups, especially young people through the Youth Guarantee. Initiatives have also been developed to promote the social economy and modernise public employment services.

At the local level, the creation of municipal employment agencies and the development of specific programmes to inform and guide the unemployed in the labour market, as well as the implementation of activities with itineraries and training programmes for different groups, especially for the most vulnerable, and the creation of vocational guidance and integration support programmes.

In relation to measures and advances in the labour sphere, and given the link with social protection, the adoption of Royal Decree Law 6/2022 of 29 March, adopting urgent measures within the framework of the National Plan to respond to the economic and social consequences of the war in Ukraine and Royal Decree Law 11/2022 of 25 June adopting and extending certain measures to respond to the economic and social consequences of the war in Ukraine should also be highlighted, as legislation to address situations of social and economic vulnerability, and for the economic and social recovery of the island of La Palma, whose measures clearly contribute to the accelerating policies described above and, in particular, to the social protection of those families and groups in a particularly precarious employment situation in the face of the current inflationary pressures in the economy.

Country Challenge 6

REVERSING THE CRISIS IN PUBLIC SERVICES.

Investment in social policy is a crucial element in the development of public services in the 21st century as guarantors of citizenship rights for the whole population and factors that give shape to and initiate equality.

Public investment in social protection in Spain as a percentage of expenditure in relation to GDP is below that of the euro area, with the enormous weight of unemployment benefits standing out in particular.

In relation to specific social protection sectors, public expenditure on old-age pensions as a proportion of GDP reached 10.9% in Spain in 2020, while there has been a progressive evolution and increase in the number of people benefiting from benefits under the System for Autonomy and Care for Dependency (SAAD).

As for health, although there had been a decline in spending since the 2008 financial crisis, in 2020 there was a significant increase both in millions of euros and as a percentage of GDP, the latter standing at 7.6%, which is nevertheless below the European average (8.2%). Finally, with regard to education, the trend over the last year has been upwards in terms of public spending as a percentage of GDP, currently standing at 4.91%, although still below the European average of 5%.

Accelerating policy 6 “Strengthened public services for a democratic and resilient welfare state” aims to deepen and consolidate the welfare state through inclusive and quality public services that ensure that no one is left behind.

Thus, in the area of dependency, it should be noted that the emergence of COVID 19 highlighted the disinvestment that had been taking place since the budget cuts began in 2012, revealing the shortcomings of the current residential and dependency care model. Given that one of the priorities of the Sustainable Development Strategy is the improvement of the SAAD, one of the main advances was the development of the 2021 Shock Plan for Dependency 2021, which led to an increase in SAAD funding from the central government of €1.2 billion in 2021 and 2022. Law 22/2021 of 28 December on the General State Budget for 2022 increases the amounts associated with the minimum level of protection, a trend that adds to the 20.16% increase in the General State Budget for 2021.

In addition, various actions are being promoted to transform the long-term care model and to move towards more person-centred care and care for the individual and their needs. Of particular note in this regard is the Agreement on the accreditation and quality of the centres and services of the System for Autonomy and Care for Dependency, reached in June this year with the autonomous communities within the framework of the Territorial Council for Social Services and SAAD. This agreement includes a broad set of actions to promote a de-institutionalising, community-based and proximity-based approach to support, which should be implemented gradually until all its requirements have been met by December 2029.

One of its actions is the commitment to a model of care at home, guaranteeing the necessary support so that people can remain at home for as long as possible and, if not, reside in a residential centre that is as close to home as possible. To this end, the maximum size for newly built centres is regulated, minimum percentages of rooms for individual use are established and the organisation in small stable cohabitation units is agreed, configured for a maximum of 15 people and equipped with common spaces to enable joint activities and socialisation. A notable advance is the commitment to a gradual increase in staff ratios so that, by the end of the agreement, the existence of practically one professional for every two people cared for will have been guaranteed, thus ensuring quality care. A final aspect to be highlighted is the recognition of the right of people to care that is free of physical, mechanical, chemical or pharmacological restraints through a restraint-free care plan in the centres.

Another of the pillars of the welfare state that has demonstrated even more its importance in the context of the global pandemic is the National Health System (NHS). In this regard, one of the main advances is the development of the 2019 Strategic Framework for Primary Care of the National Health System, having approved the Primary and Community Care Action Plan 2022-2023 within the framework of the Recovery, Transformation and Resilience Plan. Likewise, the Bill amending various regulations to consolidate the equity, universality and cohesion of the National Health System, which aims to adapt the NHS to current challenges with the aim of continuing to extend rights, making it impossible to introduce new co-payments, and ensuring the participation of patients, people with disabilities and healthcare professionals, is currently in parliamentary procedure. A third advanced commitment corresponds to the field of mental health through the approval of the Mental Health Strategy of the National Health System 2022-2026, having designed in this respect the Mental Health Action Plan 2022-2024, in which the implementation of the 024 Line, a free, anonymous and confidential suicide helpline, stands out. Finally, the approval of the Strategic Project for Economic Recovery and Transformation (PERTE) for Vanguard Health, conceived as an instrument of public-private collaboration focused on the transformation of the health sector through science and innovation.

The Right to Education is another pillar of the welfare state and an objective in itself of the 2030 Agenda. The commitments acquired in this accelerating policy include the development of Organic Law 3/2020, of 29 December, which modifies Organic Law 2/2006, of 3 May (LOMLOE). In the framework of early childhood education, efforts are geared towards extending the first cycle of early childhood education with a sufficient public offer with equity and quality that guarantees its educational nature, for which a significant budgetary effort has been planned through the funds of the Recovery and Resilience Mechanism. Likewise, in the digital sphere, the LOMLOE includes attention to the development of the digital competence of students at all stages, with the notable feature of the Digital Education programme, which provides for the provision of devices, digital educational resources, the adaptation of teachers' digital skills and actions involving the application of artificial intelligence to personalised education. Finally, within the framework of university education, the draft Organic Law on the university system is a response to the need to adapt and update the current legal system in order to promote a quality, accessible, equitable and internationalised university that produces knowledge at the service of society and contributes to sustainable development.

A final fundamental pillar of the welfare state is the pension system, and the Sustainable Development Strategy is committed to maintaining, improving and adapting the public pension system in line with the recommendations of the Toledo Pact Evaluation and Reform Report. In this line, the approval of Law 21/2021, of 28 December, on guaranteeing the purchasing power of pensions and other measures to reinforce the financial and social sustainability of the public pension system, which has recovered the guarantee of the purchasing power of pensions by updating them in line with inflation, is noteworthy. It also establishes a new intergenerational equity mechanism to replace the previous sustainability factor, ai-



med at reinforcing the sustainability of the pension system, and incorporates measures aimed at voluntarily bringing the effective age closer to the ordinary retirement age.

As a complement to the reinforcement of public services linked to the four pillars of the welfare state, this accelerating policy involves actions relating to the duty of public administrations to protect against the violation of rights and the discrimination experienced by certain groups in particular. Thus, the development of the provisions of Organic Law 8/2021, of 4 June, on the comprehensive protection of children and adolescents against violence (LOPVI), as well as the approval of Royal Decree 220/2022, of 29 March, approving the Regulation on the Protection of Children and Adolescents against Violence (LOPVI), approving the Regulation regulating the reception system for international protection or the adoption of the 2nd Action Plan to combat hate crimes 2022-2024, strengthening a comprehensive legislative and political framework to eradicate them and guarantee the protection of the rights and freedoms of all persons.

Finally, within the framework of improving accessibility to public administrations for all citizens through the promotion of digitalisation processes and the improvement of administrative procedures, the Public Administration Digitalisation Plan 2021-2025 has been developed, launching strategic projects in the areas of health, justice, employment and social security, among others, as well as the National Digital Skills Plan and the 4th Open Government Plan for Spain 2020-2024, which seeks to strengthen transparency and accountability, improve participation and establish public integrity systems.

As regards the autonomous communities and cities, the main measures and advances in this accelerating policy relate to the adoption of plans and strategies in the area of socio-educational care for vulnerable groups, as well as in the improvement of management in residential and home care for dependent persons and in the modernisation and improvement of public health programmes. Likewise, new regulatory projects for social services adapted to the current social reality have been promoted, as well as plans for open government and the digitalisation of public services.

Local authorities have also promoted measures that have led to notable advances in the framework of social protection. These include home help programmes and various home help services, as well as information, guidance and care for the elderly and dependent persons. At the same time, residences are being built for people with functional diversity and accessibility improvements have been carried out. In the field of education, programmes have been developed to promote digital literacy, as well as subsidies on municipal nursery school fees and for the most disadvantaged families and those at risk of social exclusion. Finally, socio-educational prevention and participation projects have been developed to support minors and to prevent and treat cases of possible child and adolescent violence.

Country Challenge 7

END GLOBAL INJUSTICE AND THREATS TO HUMAN RIGHTS, DEMOCRATIC PRINCIPLES AND THE SUSTAINABILITY OF THE PLANET.

As the latest UN reports point out, the 2030 Agenda for Sustainable Development is in serious jeopardy due to the confluence of global crises we have been experiencing in recent years. The HIV/AIDS pandemic, climate change and the increase in conflicts over the last year, especially in Ukraine, have in turn triggered a set of cascading crises in the economy, energy, food and nutrition, health, peace and security, and other areas. All of this, moreover, is taking place against a backdrop of democratic regression, which has also meant a setback the guarantee and protection of human rights and fundamental freedoms.

Thus, in 2020, the first year of the COVID-19 pandemic, the global economy contracted by nearly 3%, and global poverty increased for the first time in a generation. In addition, rising food prices affected 47% of countries, creating a real food security challenge. Moreover, global health systems have been overwhelmed and we remain in an existential climate emergency, with data putting us on track for a global temperature rise of 2.7°C by the end of the century, well above the Paris Agreement estimates.

These multiple crises impact unevenly across the globe. The effect on impoverished countries, characterised by weaker economies and states with less capacity for social protection, has been and will continue to be much greater.



In this context, accelerating policy 7 “International leadership for a fair, sustainable, egalitarian, democratic and human rights-based globalisation” seeks to promote a global development policy based on policy coherence for sustainable development and a human rights approach. In this sense, cooperation policy is articulated as a catalytic instrument for the mobilisation of efforts and resources to address global challenges.

Much of the progress made in this accelerating policy is firstly related to Spain’s participation in multilateral governance, in which Spain’s position in the High-Level Political Forum for Sustainable Development and its position as the second largest contributor in the world to the Joint SDG Fund stand out. In addition, the human rights approach is at the centre of this axis, highlighting, for example, the deployment since August 2021 of an ambitious vaccine donation campaign with more than 55 million doses donated until April 2022, which places Spain as the seventh largest donor worldwide.

In addition to multilateralism, another of the main advances in this challenge for the country has to do with strengthening the Spanish cooperation system. In this regard, the new Law on Cooperation for Sustainable Development and Global Solidarity stands out, which commits, for the first time in a regulation with the status of law, to fulfil the historic objective of dedicating 0.7% of GNI to Official Development Assistance (ODA) by 2030. At the same time, it will promote the reinforcement of the strategic and operational capacities of Spanish cooperation to generate a favourable environment for the effective contribution of the different actors at all levels, reforming the Spanish Agency for International Development Cooperation (AECID) and fully aligning this cooperation policy with the 2030 Agenda. Finally, the new regulation incorporates the reform of FONPRODE in order to improve the impact of financial cooperation and ensure its full coherence with the goals of sustainable development.

Likewise, in the priority relating to the adoption of a regulatory framework on due diligence, it should be noted that the new Draft Law on the Protection of Human Rights, Sustainability and Due Diligence in Business Activities is currently being processed, which seeks to regulate the obligations of Spanish companies, or those with activities in Spain, with regard to respect for domestic and international regulations on human and environmental rights, establishing measures to guarantee, where appropriate, the right of victims to access to justice and due redress.

In more specific sectors of cooperation, progress has been made in strengthening Education for Sustainable Development and Global Citizenship, and Spain’s participation in various European and international initiatives to promote areas such as ecological transition, health and digital transformation.

Finally, this accelerating policy includes as a priority for action the development of the commitments of the Global Compact for Safe, Orderly and Regular Migration in migration governance. In this regard, a sustained dialogue has been maintained both with the United Nations Migration Network in Spain and with civil society in application of the “whole-of-society” approach, while the field of migration and development have been considered a priority for Spanish cooperation.

The main lines of action and, therefore, the progress made by the Autonomous Communities in this accelerating policy are fundamentally related to the reinforcement and promotion of their respective development cooperation policies. In this sense, it is worth highlighting the implementation of cooperation aid to NGOs, universities and other humanitarian action organisations, as well as the adoption of cooperation plans, strategies and protocols and the coordination of emergencies and humanitarian action. Also noteworthy is the implementation of programmes to assist displaced persons and refugees in their respective territories and the organisation and dissemination of actions to raise public awareness of human rights.

Progress has been made by local entities in calls for subsidies to NGOs and the drafting of bases for cooperation aid by municipal authorities. In addition, lines of emergency and post-emergency humanitarian aid have been created for access to services for displaced populations, and programmes have been developed for the reception and care of applicants and beneficiaries of international or temporary protection. Finally, as at the regional level, municipalities have also carried out actions to raise public awareness of the principles and values of education for development.

Country Challenge 8

REVITALISE OUR RURAL AREAS AND FACE THE DEMOGRAPHIC CHALLENGE.

The situation of our rural environment is directly related to the complex system of territorial decentralisation that stems from the 1978 Constitution, which encourages the development of different production and social protection models in our country. This fact implies the existence of significant migratory movements not only between Autonomous Regions but also internally, motivated mainly by dynamism, economic opportunities and access to quality public services.

All this complexity in the territorial sphere means that the differentiation between urban and rural has lost its explanatory capacity. On the one hand, cities have become metropolitan regions or peri-urban areas. At the same time, rural areas have diversified their economic activities, establishing new relationships with urban centres thanks to increasingly efficient terrestrial and virtual communication networks. Furthermore, these changes are taking place on top of the demographic changes in some areas of our country: ageing populations and vegetative stagnation, in addition to a process of progressive depopulation of certain territories compared to others.

This growing economic, social and demographic differentiation between different territories leads us to face some significant phenomena in sustainable development. Firstly, the place of residence conditions the possibility of falling into poverty, vulnerability and/or social exclusion. Thus, many of the areas with low population density suffer a weakening of the productive fabric, as well as a progressive loss of basic social services, such as public transport, education and quality healthcare. Secondly, we are witnessing a process of territorial depopulation in which small rural municipalities (less than 5,000 inhabitants) make up the vast majority of rural municipalities (78 %) and cover 70 % of the national territory, but contain less than 10 % of the population. Thirdly, Spain has a progressively ageing population, as our ageing rate is one of the highest in the world, with one in five people in our country being over 65 years of age, and one in four in rural areas. Finally, there is a clear masculinisation of the rural environment, caused by the permanent emigration of the younger and mainly female population from these areas to urban areas where there are greater opportunities to build and consolidate lasting life projects.

For all these reasons, the accelerating policy 8 “Social and territorial cohesion. A rural environment with equal rights and opportunities” has as a priority to address the demographic challenge, understanding it as a cross-cutting challenge linked to phenomena such as depopulation, ageing, territorial dispersion or the gap in terms of socio-economic opportunities and access to public services between urban and rural areas.

Within this framework, in March 2021, the Government’s Delegate Commission for the Demographic Challenge adopted the Plan of Measures to Address the Demographic Challenge, comprising 130 measures aligned with the previous National Strategy to Address the Demographic Challenge, 90% of which are already in the process of being implemented. Thus, the set of measures that have enabled progress to be made in this accelerating policy is structured around the four main vectors on which this Plan of Measures is based, namely digital connectivity and rural mobility; consolidation of the provision of essential services; diversification of economic activity and job creation; and promotion of urban transformation.

In the green axis of ecological transition, the aid programmes aimed at municipalities with demographic challenges to promote initiatives aligned with the ecological transition, such as the DUS 5000 Programme or the PREE 5000 in the field of clean energy, stand out. With regard to digital impulse and mobility, the Plan for the Connectivity and Digital Infrastructures of Society, the Economy and Territories, which will continue to expand high-speed broadband coverage, as well as the development of the 2nd Action Plan of the Digitalisation Strategy for the Agri-food Sector and the Rural Environment, and the Government’s Safe,

Sustainable and Connected Mobility Strategy, which includes the articulation of the Rural Mobility Board set up last February, should be highlighted.

Development and innovation are another area of notable progress, with the deployment of the Network of Territorial Innovation Centres and the approval of the aid programme for the financing of innovative projects for territorial transformation and the fight against depopulation. Also linked to the development of the rural environment, sustainable tourism has been promoted in terms of its potential for the economic diversification of municipalities through the Tourism Sustainability Plans for Destinations.

Gender equality or the improvement of educational spaces and the integration of young people are also seen as fundamental areas for tackling the demographic challenge, with progress having been made, in the first case, through Spain's Strategic Plan for the CAP 2023-2027 or the updating in 2021 of the Diagnosis of



Gender Equality in the Rural Environment and, in the second case, through the territorial cooperation programmes (PCT) contemplated in the LOMLOE, the Connected Schools programme, Rural Campus or the programme relating to the digitalisation of the education system.

With regard to entrepreneurship and the promotion of business activity, the aid for sustainable rural markets and the financing and call for training actions for the qualification and re-qualification of the active population should be highlighted.

Finally, in the area of strengthening public services and decentralisation, the de-concentration of public infrastructures throughout the territory has been promoted, favouring the boosting effect of public institutions and services in areas with demographic decline. Examples include the Social Security Data Processing Centre in Soria and the Spanish Long-Distance University (UNED) centres in Ponferrada (León) and Alcañiz (Teruel).

In the case of autonomous communities and cities, several advances can be mentioned. Subsidies have been deployed to promote urban and rural regeneration and renovation and boost entrepreneurship and economic activity in rural areas. Similarly, several regions have introduced a system of subsidies and differentiated taxation in territories affected by depopulation, while plans and strategies for rural development and sustainable tourism have been developed. Other notable lines of action that enable progress to be made in this accelerating policy are related to the implementation of plans for equal opportunities between women and men in rural areas and measures to promote and provide incentives for teleworking and improved mobility to revitalise the most depopulated areas.

Finally, local entities are promoting social and economic development initiatives to generate opportunities in rural areas, encouraging employment and the reintegration of women through specific programmes and projects. Likewise, tourism sustainability plans have been promoted and business advisory services and business initiative facilitation services have been promoted. Within these lines of action, special attention has been paid to agriculture and livestock, given the importance of these sectors. On the other hand, financial aid has also been announced to promote the birth rate in the rural world, such as baby cheques and assistance for new births, while programmes have been offered to balance family and working life. Finally, progress has been made in improving infrastructures, especially in the digital sphere, by improving the coverage of access to new technologies and the connectivity of rural districts, as well as through digital kit aid and the creation of co-working and networking spaces for companies, etc.

OTHER TRANSFORMATIVE ACTIONS

Integrated Policy Coherence System for Sustainable Development

The 2030 Agenda cannot be implemented without transforming public policy-making processes, incorporating a multidimensional perspective and transcending the logic of working in silos or watertight compartments. In this sense, SDG 17, target 14, transfers to governments the obligations to incorporate policy coherence for sustainable development (PCSD) as a principle that should guide public policies, highlighting in this regard the Recommendation of the Council on Good Institutional Practices for the Promotion of Policy Coherence for Development approved by the OECD in 2019.

For this reason, the Sustainable Development Strategy includes a commitment to the gradual implementation of a Comprehensive System of Policy Coherence for Sustainable Development, the design of which is based on a diagnosis promoted by the Secretary of State for the 2030 Agenda through documentary analysis with consultations with representatives of the three bodies of governance for the 2030 Agenda: the Government Delegate Commission for the 2030 Agenda, the Sector Conference for the 2030 Agenda and the Sustainable Development Council, through its WG on Policy Coherence for Sustainable Development, as well as with contributions from other bodies of the General State Administration and representatives of the Joint Commission for the Coordination and Monitoring of the Spanish Strategy to achieve the Sustainable Development Goals and international organisations. This diagnosis has shown that it is necessary to reconfigure the existing spaces for participation and coordination, to provide public employees with competences and skills to incorporate the vision of policy coherence for sustainable development and, finally, the need to make progress in the CPDS key in the analysis of regulatory impact and budgetary technique.

Likewise, the adoption of a Comprehensive System of Policy Coherence for Sustainable Development needs to be accompanied by coordination mechanisms between sectors and levels of government to identify and mitigate divergences between sector priorities and policies, which explains why the Secretary of State for the 2030 Agenda is working on the creation of a Division for the Coordination and Monitoring of the Comprehensive System of Policy Coherence for Sustainable Development.

In an analytical sense, it is essential to incorporate methodological tools that make it possible to detect inconsistencies between public policies. In this respect, the importance of the regulatory impact assessment should be highlighted, which should take the form, following the latest work of the European Commission and the OECD, of a new methodological guide for the Regulatory Impact Analysis Report (MAIN) that incorporates environmental, economic and social, intergenerational and transnational aspects in line with the general principles of *better regulation*. In this respect, the creation of a Division for the Monitoring of the Implementation of Environmental Regulation to advise all departments on the environmental effects of the various PRTR management instruments on compliance with the principle of *do no significant harm* (DNSH) and on the labelling of the climate and environmental contribution of investments is noteworthy.

Finally, the strengthening of mechanisms for monitoring, measurement, evaluation and accountability in public policies is also essential for progress in the PCDS, with the Draft Law on the Institutionalisation of Public Policy Evaluation in the General State Administration, which aims to promote a true culture of evaluation, standing out on this point.

Budget alignment

The alignment of public budgets with the SDGs is one of the key elements for orienting public policies towards sustainable development in its triple social, environmental and economic dimension, together with the institutional dimension. As a result of the mandate established in the 2018 Action Plan of the 2030 Agenda to accompany the General State Budgets (PGE) with a report on the alignment of the Sustainable Development Goals, the General State Budgets for 2021 were the first to include it.

Work is underway for 2023 to prepare a new alignment report for the SDGs that weighs up the contribution of spending policies and budget programmes and the achievement of the SDGs based on methodological improvements to increase their specificity, precision and transparency.

Furthermore, from an environmental and gender point of view, it should be noted that the Plan for Recovery, Transformation and Resilience has incorporated as a new feature for the 2023 General State Budgets a report on alignment with the ecological transition in its green dimension, while the Strategic Plan for Effective Equality between Women and Men 2022-2025 introduces as an objective the “improvement of methodologies for integrating the gender perspective in public budgets”.

Finally, the autonomous communities and local entities have also initiated processes of budget alignment with the SDGs. In the latter, the guide for budget alignment with the 2030 Agenda in the budgets of local entities, which is currently being developed by the Spanish Federation of Municipalities and Provinces, stands out.

Sustainable public procurement and contracting

SDG 12, target 7, calls on governments to “promote sustainable public procurement practices in accordance with national policies and priorities”. Given their horizontal nature and the huge volume of resources that they mobilise, public procurement can contribute to the achievement of other public policy objectives such as social and labour, environmental, SME support, innovation and development and competition.

This approach, which is already included in the text of Law 9/2017, of 8 November, on Public Sector Contracts, has been key to the development of the Green Public Procurement Plan 2018-2025, and the 2019 Plan to Promote Socially Responsible Procurement, which is expected to be taken into account in the future National Public Procurement Strategy.

With regard to the advances introduced over the last year, of particular note is the incorporation in Law 7/2021 of measures related to public procurement, such as the inclusion in contracting specifications, when related to the purpose of the contract, of award criteria linked to the fight against climate change and specific technical requirements that establish the necessary reduction of emissions and the carbon footprint.

Also noteworthy is the incorporation of the circular economy in the field of centralised procurement, an objective defined in the Spanish Circular Economy Strategy 2030, which has led to the inclusion of circularity criteria among the qualitative award criteria, as well as in the technical and special conditions for execution in the specific administrative clauses and technical specifications of centralised contracts and framework agreements. Finally, the Directorate General for the Rationalisation and Centralisation of Procurement has been promoting social cohesion, environmental sustainability, the acquisition and provision of quality public goods and services and encouraging the participation of SMEs in the centralised contracts that are launched.

GOVERNANCE AND STRATEGIC PROGRESS IN THE IMPLEMENTATION OF THE 2030 AGENDA BY THE AUTONOMOUS COMMUNITIES

The implementation of the 2030 Agenda is a real governance challenge that implies the articulation of different territorial levels, and the inclusion of participation by different actors in public policies. Therefore, effective and inclusive institutional mechanisms need to be developed to address policy interactions between sectors and to coordinate actions between different levels of government.

In Spain, the autonomous community and municipal administrations play a fundamental role in the implementation of the 2030 Agenda as a large number of competences closely linked to its achievement have been transferred. The political commitment of the autonomous communities to the 2030 Agenda is evident, examples of this being the progress report *Rebuilding the commons. The 2030 Agenda in Spain*, carried out in 2020, with added confirmation coming from this report.

Planning to achieve objectives: strategies and reporting for accountability

The strategic planning of the actions to be developed for the implementation of the 2030 Agenda is one of the mechanisms that have become more prominent in recent years. A good number of autonomous communities have approved plans or strategies that clearly set out the priorities for action and establish specific targets for each of the 17 SDGs, including the Canary Islands, Castile-La Mancha and the Region of Murcia. Other autonomous governments have also laid the foundations to advance in the implementation of the 2030 Agenda, as is the case of the Valencian Community or Catalonia, while in other autonomous communities, additional plans have been deployed to the work already reported in 2020, as reflected in the Basque Country, Castile and Leon, and Galicia.

Likewise, autonomous communities have begun to draw up documents that measure the progress and results of their policies and their alignment with the SDGs of the 2030 Agenda. This is the case of the Canary Islands, the Principality of Asturias, Castile and Leon, Navarre and the Region of Murcia.

Overall, the data reported by the Autonomous Communities indicate that thirteen of them have plans or strategies for the implementation of the 2030 Agenda and its SDGs, a figure that contrasts with the eleven cases reported in the previous progress report. As for the Autonomous Communities that have developed progress reports, eight have done so compared to the six that did so in 2020.

On the other hand, after the approval of the 2030 Agenda, and within the framework of the preparation of the Action Plan for the Implementation of the 2030 Agenda, the Autonomous Communities, through the Interterritorial Statistics Commission (CITE), have collaborated with the National Statistics Institute (INE) on the indicators of the 2030 Agenda, and since 2018, there has been a working group within the CITE to exchange experiences and methodologies regarding the compilation of indicators of the 2030 Agenda. In addition, a significant number of Autonomous Communities have adapted the indicators identified for measuring the implementation of the 2030 Agenda to the territorial reality, both nationally and internationally.

Political coordination and inter-territorial governance mechanisms of the 2030 Agenda

Alliances within the autonomous governments themselves and also at the territorial level with local administrations and joint work with organised civil society, the private sector and academia are central elements of governance for the implementation of the 2030 Agenda. The autonomous communities, as part of their management, have mostly established regulated and unregulated channels and mechanisms to carry out the necessary dialogue and coordination, with up to sixteen cases having been detected.

In addition, in many cases there are also forums for governance of the Agenda and the SDGs, which adds to the fact that the autonomous communities are also notable for localising the SDGs with the collaboration of private entities and representatives of civil society and academia, in addition to other mechanisms for public participation of all citizens.

Budgetary and regulatory alignment

In the framework of the alignment of public budgets with the SDGs, it can be seen that the autonomous communities have undertaken a process of momentum when compared to the previous progress report. As a whole, up to twelve autonomous governments, compared to the six that did so in 2020, have carried out exercises to align their budgets with the 2030 Agenda. We also find communities that have methodological tools for analysing budget alignment with the SDGs, which include information on the contribution of the different budget programmes to each of the goals, or that have begun to link projects and strategies with the SDGs and global goals of the 2030 Agenda as previous steps for the implementation of the results-oriented budget methodology.

As regards regulatory alignment, the previous progress report showed that there were four autonomous communities that reported initiatives aimed at aligning their regulations with the SDGs, while on this occasion we find that the process has already begun in others, reaching eleven autonomous governments. In this regard, cases such as the Canary Islands, Castile-La Mancha and the Region of Murcia stand out, the latter having promoted the modification of the methodological guide so that the drafting of the Regulatory Impact Analysis Report (MAIN) incorporates the impact on the SDGs.

THE CONTRIBUTION OF OTHER ACTORS

The essential contribution of Local Authorities in the localisation of the 2030 Agenda

Local governments are an essential actor as they are the engine of change and transformation in our country and have fundamental competences and responsibilities for the achievement of the 2030 Agenda, especially with regard to the provision of basic public services and the socio-economic promotion of the territories of our country. Thus, as pointed out by the Council of European Municipalities and Regions, around 70% of the Sustainable Development Goals need to be achieved at local level.

Therefore, through the “bottom-up” approach in the territorialisation of the measures for the advancement of the 2030 Agenda, the Sustainable Development Strategy itself gives a prominent place to local entities in the planning and implementation of the SDGs in Spain.

One of the key actors in promoting the participation of local governments in the implementation of the 2030 Agenda is the Spanish Federation of Municipalities and Provinces (FEMP). One of the most outstanding advances has been the progressive expansion of the Network of Local Entities for the 2030 Agenda, constituted in October 2020, and which currently has 478 member entities representing more than 26 million inhabitants.

In this regard, a notable feature is the implementation and consolidation of spaces for institutional collaboration with the FEMP, as shown by the framework collaboration agreement signed between the Secretary of State for the 2030 Agenda and the FEMP in February 2021, and the specific agreement between both parties in November 2021 for the strengthening of the Network of Local Entities for the 2030 Agenda. Another important step forward has been the nominative grant to the FEMP with an allocation of 600,000 euros in the 2022 General State Budget by the Secretary of State for the 2030 Agenda for the strengthening of the Network of Local Entities for the 2030 Agenda and the development of strategies and plans for the promotion of the localisation of the 2030 Agenda.

In addition to the networking and coordination actions carried out by the FEMP, the city councils, provincial councils, town councils and island councils are also making significant efforts to localise and implement the 2030 Agenda in their respective spheres of action. In this regard, another of the major advances has been the call by the Secretary of State for the 2030 Agenda, in August 2022, for competitive grants for actions to promote the 2030 Agenda in local entities.

All in all, it has succeeded in promoting networking and the search for alliances to promote sustainable development policies at the local level and to articulate a true multi-stakeholder and multi-level institutional architecture.

The role of civil society organisations

Achieving the goals set out in the 2030 Agenda undeniably requires strengthening participation and new forms of citizenship. Organised civil society is a lever for change that contributes, as a transforming agent and catalyst for social participation and awareness-raising in the public policy cycle, to the implementation of concrete and innovative solutions. It is, therefore, a key player in reaching consensus for the implementation of the 2030 Sustainable Development Strategy, which proposes the development of actions aimed at supporting and strengthening initiatives and actions by organisations, platforms and social movements in defence of the SDGs.

Within this framework, the State Secretariat for the 2030 Agenda has promoted actions to strengthen the Sustainable Development Council, as a privileged space for collaboration and a channel for the participation of civil society, in which working groups have been set up based on the priorities of its work plan.

On the other hand, the Secretary of State for the 2030 Agenda has launched a line of subsidies aimed at financing projects and activities carried out by platforms, civil society organisations and non-profit associations, entities in the field of the social economy, universities and public research bodies that favour the fulfilment of the Sustainable Development Goals. In the 2021 call for proposals, 58 projects have been funded

that affect one or more of the challenges set out in the 2030 Sustainable Development Strategy, while for 2022 a new call for proposals has been launched with an allocation of 10 million euros that will be resolved during the last quarter of the year.

The role of culture in sustainable development

Although a specific SDG for culture was not established, it is present in a cross-cutting manner in goals related to education, the achievement of sustainable cities, food security, environmental protection, sustainable economic growth or the strengthening of inclusive and peaceful societies. Therefore, the integration of culture in the collective worldview of the 2030 Agenda is a firm commitment to cultural development and its role in achieving fairer and more democratic societies.

In this framework, the cultural sector, through its multiple channels of expression, has a fundamental role in the dissemination of the 2030 Agenda, while at the same time constituting a relevant actor for the achievement of a sustainable cultural practice.

With the aim of increasing the presence of the cultural sector in the narratives on sustainable development based on a multi-level approach, the Secretary of State for the 2030 Agenda signed several agreements between 2021 and 2022 with the Spanish Network for Sustainable Development (REDS). In this regard, one of the first advances and actions was the organisation of the multi-stakeholder workshop “Contributing to the Sustainable Development Strategy from Culture”, in addition to 4th “Public Day on Culture and Sustainable Development”, which included the presentation of the publication “Guide to starting with SDGs in culture”. Finally, the elaboration of the Methodological Guide to present evidence of the impacts of culture on sustainable development in the National Voluntary Review should also be highlighted.

For all these reasons, the implementation of the 2030 Agenda unquestionably involves stressing the importance of the cultural sector and its enormous social value, since through knowledge and creativity, it constitutes an essential tool in the achievement of equitable, supportive and resilient societies.

The business sector in the implementation of Agenda 2030

The 2030 Sustainable Development Strategy, in line with the UN mandate, recognises the key role of business and the private sector in the achievement of the 2030 Agenda and shows a willingness to work to ensure that business takes co-responsibility for the achievement of the SDGs and contributes to the common good.

In the case of Spain, the business sector is gradually taking on board the 2030 Agenda as a guide for integrating sustainable development into its activity, as shown by the results of the consultations carried out since 2018 by the Spanish Global Compact Network. The latest of these shows a progressive awareness of the 2030 Agenda and the recognition that the integration of sustainability and the SDGs brings greater competitive advantages and has a positive impact on the economic results of the company. The consultation also shows that there is greater awareness of the need to train and educate stakeholders on sustainability and SDGs, with a positive increase in measures related to gender equality, through work-life balance plans and equality plans, and those related to the environment, renewable energies and emissions measurement.

Despite this, a push is needed to measure and evaluate the contribution of business to the achievement of the 2030 Agenda, which requires public and quantifiable time-bound targets and effective implementation of sustainability.

The State Secretariat for the 2030 Agenda is working to promote initiatives that enable companies to progressively incorporate the SDGs into their business practices and that respond to the priority actions set out in the Sustainable Development Strategy. Specifically, and as a result of the call for grants made in 2021, projects have been financed such as consultation with the business sector to facilitate the identification of lines of work aimed at increasing the commitment of the business sector to the 2030 Agenda, while projects aimed at strengthening and consolidating entrepreneurship projects in the social economy have also been subsidised.

