



Payments made this week

Two out of every three supplier invoices paid by the Spanish Government belong to SMEs

- The largest invoice pending payment was for €13,248,874.29 , while the smallest was for €0.21
- Nine out of every ten invoices pending payment by local authorities were for under €10,000
- Pilar Alcocer, managing director of an urban furniture and equipment company that was owed €3.2 million by a number of different councils: "We hope to hire or re-employ people that we have had to let go".
- "This will give me hours of sleep, which is what I've been lacking up to today", concluded Enrique Artal, owner of a company that had to close and make five people redundant, which he is considering reopening having received payment two years on.

3 June 2012. Small and medium-sized enterprises, the backbone of Spain's productive fabric, are the main beneficiaries of the supplier payment mechanism, through which the Spanish Government has paid 1,715,121 invoices pending payment by 3,774 local authorities, owed to a total of 106,283 suppliers, for a value of €9,263,151,895.

SMEs account for almost two thirds of the invoices (65.70%) and number of suppliers (64.72%). They are also receiving half the total amount earmarked for the Payment Plan

In second place in terms of number of invoices are large companies, which account for 19% of the total, although only 0.57% of the total number of suppliers, that are receiving half the total amount.

Lastly, the self-employed account for 35% of the number of suppliers and only 15% of the number of invoices, whose percentage of the total is marginal at just over 3%.

The vast majority (1,608,725) of the invoices paid by the Government as part of the mechanism to pay suppliers who have invoices pending payment by local authorities, 93.67%, are for under €10,000. A total of 93,348 invoices have been paid for a sum of between €10,000 and €100,000, accounting for 5.44% of the total.

A total of 13,111 invoices have been paid for a sum of between €100,000 and €500,000, accounting for 0.76% of the total. Lastly, 2,242 invoices have been paid for sums of over €500,000. This bracket accounted for only 0.13% of all the supplier invoice pending payment by local authorities.

Of the 3,774 local authorities that have joined the extraordinary supplier payment mechanism launched by the Spanish Government, the council with the highest amount of debt with suppliers was Madrid, at €1,003,760,632.45, while the council with the least debt was the municipality of O Barco de Valdeoras (Ourense): 10.44 cents. The average local authority debt with suppliers was €1,757,343.94.

A total of 86% of the local authorities will be paying their suppliers using the loans implemented through the payment mechanism. Only 14% will do so by withholding part of their share of State revenue.

The highest invoice pending payment was from the Council of Telde (Las Palmas de Gran Canaria), for a total of €13,248,874.29. While the smallest invoice was from the Provincial Council of Ourense, for a value of €0.21. The average value of invoices pending payment by local authorities was €5,422.58.

Supplier testimonies

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Via its web page, the Ministry of Finance and Public Administrations offers testimonies with the reaction from some of the 106,283 suppliers that, since last Wednesday, have started to receive payment for invoices pending payment by local authorities.

In the first testimony, Pilar Alcocer, Managing Director of Conalsa, an urban furniture and maintenance company from Leganés in Madrid, which was awaiting payment of outstanding invoices from various local councils to the value of €3.2 million. On Thursday 31 May the company received payment for all the invoices through the Supplier Payment Plan.

"Thanks to this great effort, both from the Government and all the people of Spain, we can carry on; we hope to be able to hire or, God willing, reemploy the people we had to let go, and logically, to continue developing things that over the past years we have had to put on hold due to a lack of funds," explains Alcocer.

Then Enrique Artel, owner of a Graphic Art company, Henry Grafit SL, located in San Fernando de Henares in Madrid, who had to close down the company, with five employees, due to the more than €100,000 euros it was owed by different local councils. After receiving the payment this week, he is thinking of reopening the business.

"The situation has changed. Above all, I have to bring lots of joy to the people around me because I have been paid after two years. The Governments that are in place at the moment have made a real effort", explains Artel. "This will give me hours of sleep, which is what I've been lacking until today", he concludes.

The audiovisual testimonies can be downloaded from:

- http://streaming.seap.minhap.gob.es/TOTALES_PROVEEDORES.mp4 (HD)
- http://streaming.seap.minhap.gob.es/TOTALES_PROVEEDORES2.mp4 (SD)