



Government control session in Congress

Montoro announces that the Council of Ministers will authorise borrowing by regional governments to pay suppliers

- Suppliers with outstanding invoices with regional governments will begin to be paid in the last week of June
- The final figures total 3,794,532 invoices due to be paid to 29,107 suppliers worth a total of 17,701,227,945.08 euros
- Seven out of ten unpaid invoices by the regions related to small and medium sized companies
- The region of Valencia, Castilla-La Mancha, Andalusia and Catalonia are the regions with the highest outstanding payments

13 June 2012. The Minister of Finance and Public Administrations, Cristóbal Montoro, today announced that the Council of Ministers meeting next Friday will authorise borrowing by the 14 regional

governments that have benefited from the extraordinary mechanism for supplier payments for underwriting the loans with the Fund for Financing Supplier Payments.

Following this authorisation, all the autonomous regions, except Galicia, the Basque Country and Navarre, which decided not to take part in the operation, will sign the loan agreement with the collaborating agencies next week.

These two prior steps will enable the Fund to start making payments directly to the regions' suppliers in the last week of June to the current accounts provided by the suppliers.

According to the minister, some 3,794,532 outstanding invoices will be paid totalling 17,701,227,945.08 euros to 29,107 suppliers, of which 7,598 are individuals, 20,954 are SMEs and 555 are large companies. This is the definitive data submitted by the regional governments and endorsed by suppliers.

For Montoro, the supplier payment plan is, "one of the most important economic operations of this parliamentary term". He also stressed that the "main beneficiaries" are the SMEs, which he considered the "backbone of Spanish industry": seven out of ten unpaid invoices by the regions relate to small and medium sized companies

The region of Valencia, Castilla-La Mancha, Andalusia and Catalonia are the regions with the highest outstanding amount. In terms of the number of suppliers that will benefit, the regions of Castilla-La Mancha, Valencia and Catalonia occupy the top positions.

Community	Total Amount (€)	Suppliers	Invoices
Andalusia	2.699.650.656,50	2.430	744.592
Aragón	411.625.117,07	926	167.678
Princ. Asturias	243.475.974,53	824	81.880
Balearic Island	842.508.644,56	3.859	245.339
Canary Islands	231.310.220,99	768	51.498
Cantabria	326.616.014,43	1.480	91.424
Castilla-León	1.052.738.698,39	2.137	287.482
Castilla-La Mancha	2.918.315.921,16	9.190	593.906

Catalonia	2.020.226.251,50	5.693	263.113
Extremadura	227.917.124,94	534	1.701
C. Madrid	1.263.449.937,22	2.121	414.462
Murcia	1.037.732.198,63	3.362	260.152
La Rioja	70.864.485,50	470	19.590
C. Valencia	4.354.796.699,66	6.358	571.715
TOTAL	17.701.227.945,08	*29,107	3.794.532

**There are suppliers with outstanding invoices in several autonomous regions, in other words, some suppliers are owed for invoices in several regions. Therefore, the final number of suppliers in Spain does not match the total in the table.*

The payment of outstanding invoices that are owed by local authorities and regional governments to suppliers, "will have a very favourable impact on the structure of SMEs and will mean a significant economic boost to restore confidence and credibility and to lead the way to overcoming the crisis we have suffered", concluded Montoro.

