



Closing ceremony of the APD State Budgets conference

Montoro highlights the level of transparency that Spain will provide at tomorrow's Financial and Fiscal Policy Council meeting

- "Not a single euro will remain in the administration's coffers, nor will this ever happen again"
- The Minister of Finance and Public Administrations, Cristóbal Montoro, said that what is most important with regard to the plans due to be presented by the autonomous regions at tomorrow's Financial and Fiscal Policy Council, is that they are implemented
- He expressed his firm and serious commitment to the euro, without reducing the deficit adjustment, to then allow for growth within a restructured economy

16 May 2012. The Minister of Finance and Public Administrations, Cristóbal Montoro stated yesterday that the Government is to carry out an unparalleled exercise in transparency at tomorrow's Financial and Fiscal Policy Council meeting where the regional accounts are to be clarified, particularly taking into account the application of the mechanism for supplier payments. "Not a single euro of debt will remain in the coffers, nor will this ever happen again, because the Stability Law will not allow it" he stated.

During the closing event of the conference on the General State Budgets for 2012, organised by the Association for Management Progress (APD), Montoro stressed that the first suppliers to receive outstanding payments will be those awaiting payments from local councils, followed by those awaiting payments from the regional governments. Mr Montoro said that,

"Spain has the public debt that it has, and now it will be able to say that there is not a single euro of debt left in the administration's coffers" once these outstanding debts have been paid.

With regard to tomorrow's Financial and Fiscal Policy Council meeting, the finance minister said that they would be examining the economic plans presented by the various regions, through which they commit to meeting the deficit target of 1.5% of GDP set for this year, and that the plans will be made public. However he pointed out that, "What is most important about these plans is not that they are presented tomorrow, but that they are implemented".

In relation to the General State Budgets for 2012 he acknowledged that they are atypical accounts that have had to be drawn up following the general elections, but that they are what is needed to get out of the crisis. Montoro underlined the fact that as a result of these elections, Spain is now the country with the greatest political stability in the European Union, with a solid majority that will ensure decisions can be made in a climate which he described as "critical, but solvable" from which we can emerge.

The Minister once more stressed the point that Spain's problem is its external debt, a debt which needs to be tackled and paid off and that, for this reason, from now on we will be working through a deleveraging process in order to deal with this problem.

The main route to putting an end to this problem and returning to growth will be through the structural reforms that this Government has put in place right from the start, which include the labour reforms and the banking sector reform - a sector in which the problem is none other than

the 'digestion' of the real estate sector.

The finance minister also expressed his firm commitment to Europe. "Everything the Government is doing, it is doing with Europe and its partners, we don't need more pressure from anybody and no movement goes unchecked", although this does not mean that there is interference in Spain's affairs. "Spain is not subject to intervention", asserted Montoro, though it is complying strictly and unwaveringly with the rules of the euro club to which it belongs. Montoro was extremely clear in his affirmation that, "We do not need to reduce the deficit adjustment, or relax it, as we need growth based on a restructured economy". "We cannot envisage a

European construction process that is not based on support for the euro. This is what we are going to do and this is what is best for us", stated the Minister.