

Spain

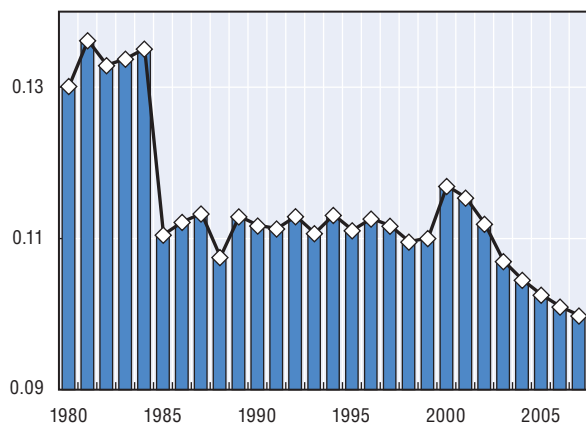
Population and territory	<ul style="list-style-type: none"> ● 44.8 million inhabitants, 505 987 km².
Administrative structure	<ul style="list-style-type: none"> ● Unitary country. ● Three-tiered sub-national system: <ul style="list-style-type: none"> ❖ TL2: 19 autonomous communities (<i>comunidades autónomas</i>). ❖ TL3: 50 <i>Provincias</i> + two autonomous cities of Ceuta and Melilla, among which 10 predominantly urban regions (45% of total population, +0.1 pp over the past 25 years), 25 intermediate regions (42%, +1.6 pp) and 17 predominantly rural regions (13%, -1.7 pp). ❖ 8 111 municipalities (<i>municipios</i>).
Share of sub-national government in total spending/revenues	<ul style="list-style-type: none"> ● Spending: 49.2% (2009). ● Revenues: 35% (2009).
Concentration and inequalities	<ul style="list-style-type: none"> ● Spain's economy is more concentrated than on average in OECD countries, with 10% of Spanish regions producing 44% of the national GDP as opposed to 38% in the OECD. Almost 60% of national GDP is produced in four TL2 regions: Cataluña (18.9%), Madrid (16.8%), Andalucía (13.5%) and Comunidad Valenciana (9.5%). ● Inequality in GDP per capita among Spain's TL2 regions declined from 1980 to 2007. After a strong reduction during the 1984-85 period, inequality remained constant from 1985 to 1999, and since 2000 it has been gradually declining. ● The decline in inequality has been driven by the catching up of Extremadura, Comunidad Autónoma de Ceuta and of Melilla, which recorded the third highest (2.8%), highest (3%) and tenth highest (2.2%) GDP per capita growth rates in Spain respectively during the past decade. Despite this catching up, Extremadura's GDP per capita remains 31% below national standards. ● The weak performance of Baleares and Rioja, both regions with higher GDP per capita levels than the national average and lower GDP per capita growth rates (1.2% and 1.5% respectively) during the past decade, has also reduced inequality. ● Although Madrid's annual average growth rate (2.1%) in GDP per capita during the past decade resembles the national average (2.2%) due to its large GDP size it contributed 20% of Spain's overall GDP growth over the past decade, followed by Cataluña (18.4%), Andalucía (15.1%) and Comunidad Valencia (10.4%).
Key challenges	<ul style="list-style-type: none"> ● Regional disparities and the gap with the EU average.
Objectives of regional policy	<ul style="list-style-type: none"> ● Fair and adequate level of economic equilibrium across regions (Constitution). ● Increase in the regions' competitiveness. ● Sustainable development.
Legal/institutional framework for regional policy ¹	<ul style="list-style-type: none"> ● Economic development policy at regional level.
Urban policy framework	–
Rural policy framework ²	<ul style="list-style-type: none"> ● Law on Sustainable Development of Rural Areas (2007). ● Sustainable Rural Development Programme. ● Commission for Rural Development. ● Council for Rural Development.
Major regional policy tools	<ul style="list-style-type: none"> ● Inter-Territorial Compensation Fund (FCI). ● Regional Investment Grant (RIG). ● National Reform Plan. ● Plan for Boosting Enterprise (2006).
Policy co-ordination at central level	–
Multi-level governance between national and sub-national levels	<ul style="list-style-type: none"> ● Collaboration agreements (<i>convenios</i>). ● Sectoral co-operation conferences. ● Conference of Regional Presidents.
Policy co-ordination at regional level (cross-sectoral)	–
Policy co-ordination at regional level (geographic)	<ul style="list-style-type: none"> ● Communities of municipalities.
Evaluation and monitoring	–
Future orientations of regional policy	<ul style="list-style-type: none"> ● Decentralisation to increase autonomy of regions and municipalities.

1. In all EU member countries, the National Strategic Reference Framework (NSRF) required by Cohesion Policy is also part of the legal/institutional framework.

2. In all EU member countries, the National Strategic Plan (NSP) (and the regional Rural Development Plans [RDPs] in federalised and strongly regionalised countries) is a basic rural policy document required by EU Rural Development Programmes. Each member country has the choice of either submitting a single NSP for its entire territory or of breaking down its territory into regions and submitting a set of regional RDPs.

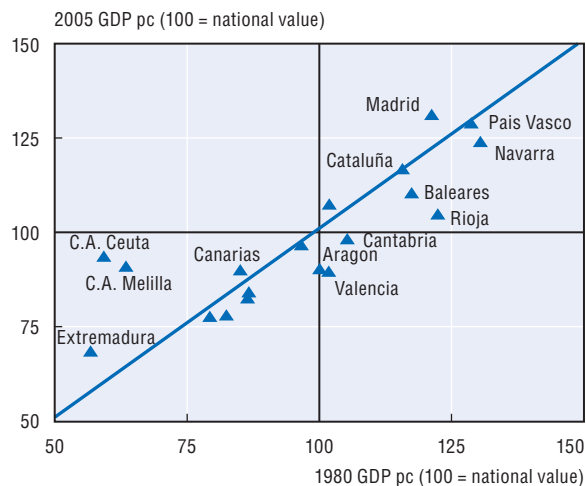
Gini index of inequality of GDP per capita across TL2 regions, 1980-2007

Spain (TL2)

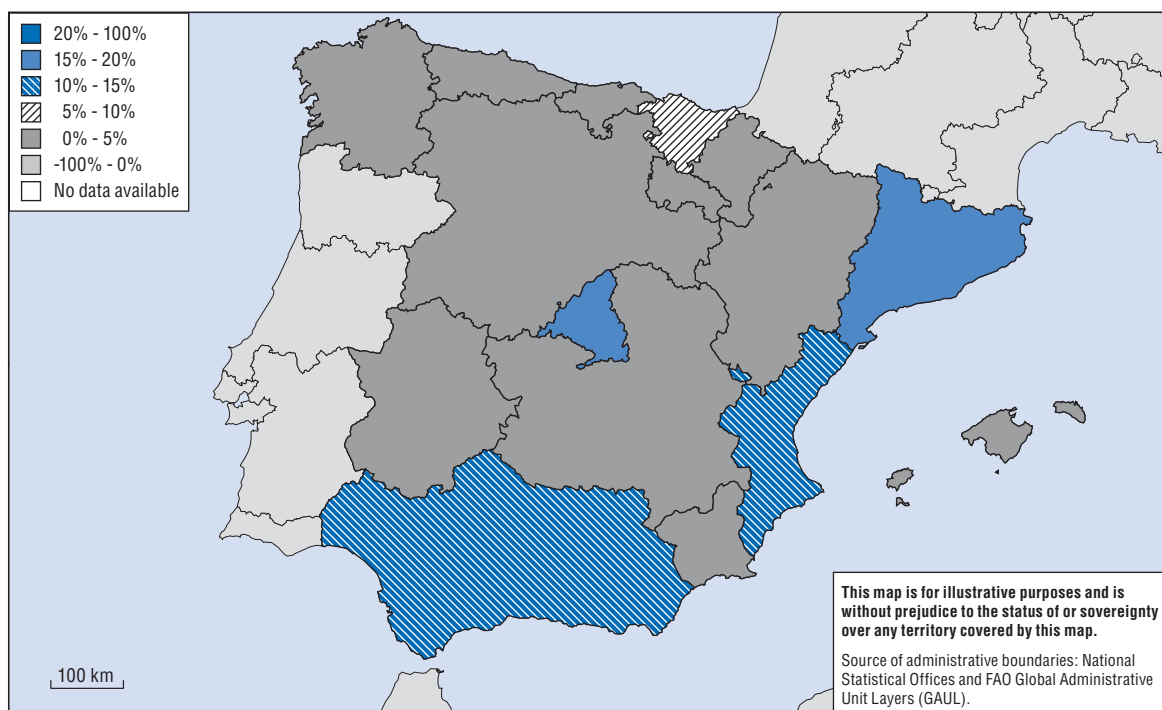


Regional performance in GDP per capita over time, 1980 and 2007

Spain (TL2)



Regional contribution (%) to national GDP growth, 1995-2007



Source: Calculations based on Cambridge Econometrics and OECD Regional Database (2009).

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