

(English version)

**Question for written answer E-000252/25
to the Commission
Nora Junco García (ECR), Diego Solier (ECR)
(21 January 2025)**

Subject: The sustainability of Spanish public spending

The sustainability of the public benefit system in Spain faces a serious challenge. According to recent data, the number of people who depend on public salaries, pensions and subsidies already exceeds those working in the private sector: 18 million versus 17.7 million. This situation, combined with a rapidly ageing population and pension expenditure that reached EUR 12.8 million in August, calls into question the future viability of the system.

The problem is not only demographic, but structural. The Spanish Government has promoted policies of uncontrolled public spending, increasing citizens' dependence on the state and weakening the business and productive fabric. Without a robust private sector to generate employment and wealth, the system will collapse.

Reforms are needed to promote efficiency, reduce wasteful spending and foster an enabling environment for the private sector.

In view of the above:

1. What measures does the Commission plan to implement to encourage the sustainability of the pension system in Member States with critical demographics such as Spain?
2. What strategies does the Commission suggest to strengthen the private sector and reduce citizens' dependence on state subsidies?

Submitted: 21.1.2025

**Answer given by Mr Dombrovskis on behalf of the European Commission
(15 July 2025)**

The Commission assesses fiscal sustainability in a comprehensive way, considering a country's overall public finances at different time horizons.

For this, the Commission accounts for the expected change in age-related spending, including for pension and healthcare systems. Long-term projections are prepared and discussed with all Member States within the Ageing Working Group and published in a triennial 'Ageing Report'.

If pensions contribute to an identified sustainability risk, the Commission will signal this through several channels, including through the European Semester of economic and fiscal policy coordination.

With the introduction of the Recovery and Resilience Facility an extra incentive was provided for Member States to implement reforms. Spain committed to a pension reform in its recovery plan.

The Commission preliminary assessment of the fourth payment request ⁽¹⁾ considered the fiscal sustainability requirements of the pension reform as satisfactorily fulfilled ⁽²⁾, noting that 'the closure clause legislated as part of Milestone 409 ensures that corrective measures enter into force as soon as necessary so that the long-term fiscal sustainability of the pension reforms [...] is preserved even under less favourable developments than assumed'.

Since 2024, under the revamped fiscal rules, Member States commit to a 4-year plan during which public finances are put on a sustainable footing.

This adjustment period can be extended from four to seven years — as is the case for Spain — if Member States commit to set of reforms and investments, notably to improve the long-term budgetary and economic outlook.

⁽¹⁾ https://commission.europa.eu/document/download/e8b93743-5a80-4c10-9caa-4dabedc95728_en?filename=C_2024_4171_1_EN_annexe_acte_autonome_nlw_part1_v2_1.pdf.

⁽²⁾ These requirements are set out in the Council Implementing Decision: <https://data.consilium.europa.eu/doc/document/ST-10150-2021-ADD-1-REV-2/en/pdf>.