

Recommendations for Attracting and Facilitating Investments in Spain

Following the round-table discussions which took place on 3 March 2015 in Madrid, Spain, the participants developed a series of recommendations for attracting and facilitating investments in Spain.

Whereas

- A fair, transparent, clear and predictable regulatory framework for investment is a critical determinant of investment decisions and their contribution to development;
- Governments can enhance the quality of the regulatory framework for investment by: consulting with interested stakeholders: simplifying and codifying legislation, including sector-specific legislation; drafting in clear language; developing registers of existing and proposed regulations; upholding collective agreements; expanding the use of electronic dissemination of regulatory material;
- Secure and well-defined land rights encourage new investments and the upkeep of existing investments as well as sustainable land management;
- The land administration should actively contribute to land use planning in order to ensure sustainable investment and balanced territorial development and help reconcile the different objective of land use;

it is recommended that Spanish authorities tackle the following general business-related policies and regulations related to the raw materials industry that can attract/secure the investment and its impact on the economy:

- **Access to raw materials resources**
 - A transparent and clear framework in terms of exploration and access to deposits is a minimum requirement for the sake of all concerned parties and external stakeholders.
 - In order to overcome capacity issues and shorten time lines for permitting the administration should consider enabling a third parties (e.g. academia) participating from the very beginning in the permitting process.
- **Land and property rights**

Gaps and challenges in land-use planning practices should be identified as well as good practice examples. National, regional and local land-use planning should apply the following minimum standards:

 - Providing suitable INSPIRE Directive compliant maps of needed quality on potential deposits, easy access to these maps and regular updates is highly desirable.
 - There is a need to improve practices on land use-planning. Although it's already digitalised, the managing process still has to improve. Digitalisation is a vital part in streamlining the authority and stakeholder's awareness processes.
 - In land-use planning, the existence of mineral deposits should be taken into account in the development of urban, highly populated or industrial areas, avoiding potential conflicts, on the basis of national / regional mineral strategies.
 - A widely informed and balanced assessment of the different options to determine the extractive sites. These options should also include otherwise protected areas in case the respective special legislation does allow this. There should be no automatic exclusion of raw-material extraction activities in and around potentially sensitive areas (e.g., Natura 2000). Instead, extractive activities shall ensure that these

activities do not adversely affect the values of such sites. Full application of the European Commission Guidance on Non-energy mineral extraction and Natura 2000 is necessary. Capacity building and co-operation of authorities in charge of minerals extraction and land-use planning is needed (to consult widely and to identify, classify and safeguard mineral deposits).

- Competent authorities should consider streamlining permitting procedures, the application of the **one-stop-shop model**, and the use of **e-government solutions**, such as on-line standard forms.
- Since there is no timeline or time restriction embedded in the EIA Directive or any other rules applicable to permitting, the exact timeframe is highly variable between different Member States.
- Transportation of raw materials needs to be possible. This means the safeguarding of existing or the provision of suitable road, rail or waterway infrastructure for transporting the raw materials from the extraction to processing locations and markets.

- **Social Dimension and labour market**

- Strong anticipation mechanisms in view of technological and skill developments are needed. Modernisation and adaptation of education and training systems in view of technological developments and new work processes. This includes as well life-long learning, vocational training and dual learning schemes, which combine theoretical and practical teaching;
- A strong and coherent industrial policy agenda that supports the safeguarding and creation of employment in the extractive sectors; facilitating labour mobility; and capacity building within competent authorities; Government programmes to raise citizen awareness of the need for growth in mining. Social dialogue, negotiation and participation are the fundamental values and tools which underpin and reconcile the promotion of social cohesion, quality employment and job creation and increased innovation and competitiveness in European economies. A strong social dialogue with employers and trade unions representatives to discuss and anticipate socio-economic challenges.

- **Regional trade agreements and integration**

- Explicit political support for mining as a particular growth strategy, e.g., through regional policies.

- **Promoting investment in Skills & Innovation**

- Innovation stimulus in the mining sector e.g., funding of research on mining techniques; There is not enough collaboration between the public and private sectors and the innovation gap is widening in Europe.
- Support access to finance and investments in Research & Innovation as well as training, re-skilling and up-skilling.

- **Supporting industrial competitiveness**

- National government should ensure a supportive and predictable policy environment to facilitate the EU's reindustrialisation. This can only be achieved if industrial competitiveness is considered across all policy areas and tangible

measures are implemented to achieve the goal of increasing industry's share of GDP to 20% by 2020.

- **Energy price**

- Deployment of all conventional and unconventional energy sources, enabling competitive prices for energy intensive industries such as mining.
- Energy prices have a big influence on overall mining costs. Most mining sectors are fully integrated into global value chains where additional costs cannot be passed on to their customers. Therefore, in any jurisdiction, mining requires competitively priced energy in order to benefit host communities over the long-term. Decoupling of economic growth from greenhouse gas emissions can and does occur where significant mining industries are present or even growing. High energy prices alone do not yield CO2 reductions in mining sectors and yet they affect competitiveness. Long-term investment in more efficient mining technologies and processes is desirable, not the relocation of mining to non-EU countries.

- **Competition**

- Ensure that legal frameworks are sufficiently robust to protect European industries against unfair competition;
- A legal framework that protects our EU customers from unfair global competition or leakage of production due to unilaterally self-imposed costs and rewards stand-out productivity performance.

- **Regulation and Policy Initiatives**

- Development of a **Minerals Policy (strategy)**, together with an appropriate **action plan**, with update when necessary, and dissemination. **Strategies should be coherent** between regional and local strategies where the competences have been delegated.
- Where appropriate the national – or regional/local – policy and/or legislations need to include the **concept of mineral deposit of public importance** and define the infrastructures necessary to carry out the projects.
- Addressing the appropriate length of time and conditions of **confidentiality** of geological, exploration and resource **data** may accelerate the investments into raw materials extraction.

- **Financial**

- Applying **specific financial incentives and fiscal instruments** to encourage investment in exploration and access to raw materials, such as tax rebates for research activities including prospecting and exploration.