

*Press release*

Madrid, 13 November 2023

CEOE's Extraordinary Executive Committee, in an urgent meeting conveyed on Monday, addressed the worrying situation that Spain is currently experiencing, following the agreements reached within the framework of the investiture.

In the first place, the Committee has warned, as have judges and other institutions, of the serious damage that these agreements could entail for the separation of powers and legal certainty, foundations of our democracy, and of the institutional fragmentation and weakening we are witnessing. We underline that a country's foundations lie on its institutional setting, based on the Constitution.

Secondly, we understand that the agreements directly affect the principle of equality among Spaniards, which has been a cornerstone of our Constitution since 1978 and the basis of social cohesion and our coexistence.

Thirdly, it is our responsibility to warn that an increasingly difficult business climate is being created, hindering economic growth and job creation. In addition, in view of the agreements, there is also a foreseeable distortion of market unity and a deterioration of our image abroad, which are key to our competitiveness, investment, business development and, ultimately, to the well-being of Spanish society.

On this point, CEOE's Executive Committee has also defended the right of companies to decide where to develop their activity and, in any case, we insist that the best way to attract investments is to guarantee a favourable

*Press release*

climate for business activity, starting by preserving institutional stability and legal certainty.

Fourthly, it has become clear that, while the public debate is focusing in questioning well-established principles in our legal order and economic policies that put the fiscal burden on companies, basic objectives such as the return to economic orthodoxy and budgetary rigour (as requested by the EU), which cannot be postponed if we want to ensure the sustainability of the country, are left aside.

A fifth element of concern for Spanish companies is the lack of respect for the autonomy of social partners within collective bargaining and, in general, the disregard for social dialogue that stems from the agreements reached on labour matters. These agreements represent, de facto, a violation of the framework of labour relations and spaces for consensus.

Finally, CEOE, CEPYME and ATA, on behalf of all Spanish companies – the self-employed, SMEs and large companies –, demand a return to wide political and social consensus and to moderation, embodied in our Constitution.

Spanish companies, given our constitutional role and our responsibility as social partners, will continue to work with independence, institutional loyalty and a sense of State.

CEOE will also defend, as it has done so far, these principles before the European institutions, hand in hand with BusinessEurope (where we hold one of its vice-presidencies), the International Organisation of Employers



*Press release*

(IOE), of which CEOE is a member, and the European small business organisation SMEUnited, of which CEPYME and ATA are members.

Our common objective must be to preserve social peace and coexistence among Spaniards within the constitutional margins and, therefore, we call for these principles to be placed above any political or economic interest.