### el Periòdic News

#### **GENERAL COUNCIL**

ANNA MENCOS VIÑALS

ANDORRA LA VELLA

The Political Orientation Debate of the Government began last Wednesday with the intervention of the Head of Government, Xavier Espot, during which he took stock of the last 12 months since his investiture as head of the Executive, and the main measures, decisions and policies of the Government from now on.

### Housing and sustainable growth

Once again, Espot started his speech with the problem of housing. Espot highlighted that «housing has always been a latent issue», and that in recent years the increase in the price of flats in the main European cities is having a severe impact on the lives of its residents, to the point of becoming one of the most relevant social problems. In the case of the Principality, Espot highlighted that as of 2017, and as a result of the strong economic growth experienced post-pandemic, the population has increased to more than 85,000 people, and this population increase has led to the current difficult situation in terms of housing.

The great increase in the number of tourists in recent years has increased the offer of tourist accommodation to the detriment of the real estate rental stock; the increase since 2012 in foreign investment focused on the real estate sector, which favors new construction intended for sale to people with high purchasing power; and urban or tax easements, or the exorbitant cost of construction, which have turned the new building intended for affordable rent into a very unprofitable investment.

Espot pointed out that it is intended to start on the policies they propose to guarantee ac-



Intervention by the Head of Government, Xavier Espot.

# The shock plan for housing and the A with the EU are the focus of Espot's

The session of the Political Orientation Debate resume yesterday with the interventions

cess to decent and affordable housing for citizens, making it compatible with their desire to guarantee the country's sustainable growth. He pointed out that policies will be embodied in the Draft Law for sustainable growth and the right to housing that they are preparing for the parliamentary procedure to begin in the coming weeks. It is a regulation that attacks the housing problem from several fronts, with the aim of having 1,500 additional flats at an affordable price in a period of three years, moderate urban and touristic growth so that it is

more sustainable and avoid the pressure demographic impact on the availability of rental housing.

Apart from the indefinite ban on the granting of new licenses for houses and apartments for tourist use, the licenses granted will only be renewed if strict and demanding quality criteria are met; and furthermore, licenses will be suspended indefinitely if a HUT has not registered in the Tourist Accommodation Occupancy Register (ROAT) for a year. To moderate the increase in the number of tourists and bring more added value, the Govern-

ment will strengthen controls on the application of the tourist tax, which will increase in one year, once agreed with the sector.

With regard to foreign investment in the real estate sector, the Omnibus Law, to discourage purely speculative sales, will provide for the application of a higher tax on real estate capital gains, especially those obtained up to the second year, which becomes 20%, decreasing progressively until the tenth year from the acquisition of the property. The increase continues to favor residents from the fifth year on-

CONSELL GENERAL

«I hope we can discuss as much as necessary those most important questions for the progress of the country»

«I will not hide from them my firm conviction that we are on the right path, that we are doing what is right»

# Agreement initial speech

of the parliamentary groups

wards and maintains ongoing exemptions such as reinvestment in a first home

**Association agreement** 

During his intervention, Espot also mentioned the latest information meetings on the Association Agreement with the European Union carried out over the course of this last month, pointing out that as they had promised, once closed and after the text of the Agreement was published, they intensified the information campaign to all economic and social sectors, and the public meetings open to the public. Likewise, he pointed out that in the last few weeks they will also have the conclusions of the impact study of the Association Agreement with the EU, entrusted to Andorra Research and Innovation, and that will allow to have a complete x-ray of the implications that would have the entry into force of the Agreement.

### Detour from Sant Julià de Lòria and La Massana-Ordino

During this first year of the legislature, the Ministry of Land and Urbanism has prioritized - together with the Municipality of La Massana - the signing of agreements with the owners of the land affected by the detour of La Massana and Ordino in order to start the works without delay . Another of the essential works to decongest the road network is the completion of the Sant Julià de Lòria road. For this reason, the fall protection work for the rocky blocks and the drilling of the Rocafort tun-

nel will begin this autumn. Both infrastructures will be finished before the end of the legislature. The Government, beyond offering citizens free public transport, which has doubled users in a year, is working to validate improvements on the mobility.

As detailed by the head of the Executive, measures arising from the citizen participatory process will be taken into account, such as the creation of a national transport authority, the draft of a new segregated urban public transport system for passengers and, at the end of 2026, the segregated transport infrastructure sector plan. Regarding the strategic infrastructures for the country, the Head of Government highlighted the construction of the National Heliport and the need to explore the feasibility of opening new commercial routes at Andorra-La Seu Urgell airport. In addition, he announced that this month the works will begin on the H2 avalanche gallery in l'Hospitalet-près-l'Andorre, essential to guarantee the safety and flow of traffic on this road that connects Andorra and France, and to avoid the numerous traffic cuts in winter due to avalanches.

#### **Wages**

Espot also highlighted that this year all wages above the minimum and up to the average have

increased by 4.6%. And from the beginning of the last legislature until this year, the minimum wage has grown by 31%. He also stated that the Government continues to maintain its commitment to the European Social Charter and to the progressive increase of the minimum wage until it reaches 60% of the average. Despite being one of the countries with one of the highest employment rates in Europe or having increased the number of contributors in 2023, Espot stated that the reform of the pension system cannot be delayed any longer, because despite the current situation, the aging of the population will make the proportion of pensioners in relation to active workers increasingly abysmal.

### Summit on peace in Ukraine

The head of government will travel to Switzerland to participate in the Summit on peace in Ukraine, which will be held on the weekend of June 15th and 16th and is expected to be attended by high political representatives from all over the world. The purpose of the event, organized by the Alpine country at the request of the Zelensky government, is to become a forum for dialogue between the states present in order to inspire a future peace process between Ukraine and the Russian Federation, which is comprehensive, durable and fair.

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