

TOURISM IN THE PARISH

Canillo can accommodate up to 26,000 people at maximum capacity

The parish can assume an increase in inhabitants in the next 10 years without putting resources at risk

EL PERIÒDIC
ESCALDES-ENGORDANY

The Municipality of Canillo held an ordinary session at noon yesterday in which the content of the load capacity study, requested by the General Council through the Government to all municipalities, was approved. According to the report, Canillo has sufficient natural resources, energy and services to absorb a 50% increase in tourists and population in the next 10 years.

Currently, Canillo has 6,000 registered inhabitants, and at times of peak tourist occupation, the parish can accommodate up to 26,000 people. The study has analyzed and defined the maximum capacity for supply and distribution of drinking water, distribution of electrical energy, mobility, conduction and purification of wastewater, deposition of earth and stones, school capacity and socio-health services.

The senior consul, Jordi Alcobé, emphasized that the results of the study «reassure us because there is no scenario in which there is a risk of a lack of resources». However, he added: «Fortunately we are not in a complex situation, but that does not mean that from the Municipalities we will not be vigilant, on the contrary, we must not accommodate ourselves».

The report also recommends the separation of rainwater



A digital model of the parish's economic growth proposal.



JORDI ALCOBÉ

CONSUL MAJOR OF CANILLO

«We are not in a complex situation, but it does not mean that we will not be vigilant, on the contrary, we must not settle»

and fecal in some parts of the parish, a project that is already underway and has the necessary investments to be completed before the end of the mandate.

With this approval, the Municipality of Canillo becomes the first municipal corporation to approve the load capacity study, highlighting its preparation to manage a significant increase in tourism in the coming years. ●

The term agreed between the Government and the Municipality expires in October

►► Last July 12th, the head of government, Xavier Espot, together with ministers Raul Ferré and Guillem Casal, met with the consuls of the seven municipalities to agree on the steps to follow in the preparation and approval of the capacity studies of maximum load of the different parishes, as required by Law 32/2022.

The consuls reported that the studies are almost complete and that they will be handed over to the Executive between July and October. On the other hand, the Government will analyze and report on these studies, because the municipalities will have to definitively approve the studies and, if necessary, adapt their parish planning and town planning plans according to the conclusions of these studies.

During the meeting, it was agreed that each parish will maintain autonomy over immediate planning decisions, although they will work together for sustainable growth and coordinate carrying capacity studies. In addition, collaboration will continue on issues such as the Single Tax Agency, the National Transport Authority, waste management and data exchange in housing.

ALLEGED IRREGULARITIES

The Constitutional Court accepts Dolsa's appeal for the municipal elections

The counselor claims that they occurred in the judicial vote

EL PERIÒDIC
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The Constitutional Court (TC) has admitted to processing the protection appeal presented by the councilors of Units per Ordino, Enric Dolsa and Jordina Bringué, regarding the «irregularities» that in their opinion occurred in the judicial vote during the municipal elections, which concluded with the victory of the formation led by Maria del Mar Coma.



Els consellers de l'oposició d'Ordino durant la sessió de Consell de Comú.

The protection appeal has been brought against the sentence of June 13th issued by the administrative room of the Su-

perior Court of Justice, in the framework of the urgent and preferential procedure of article 41.1 of the Constitution, for

an alleged violation of the right to the jurisdiction, «in its aspect to the right to defense, to an impartial court, to due process and the right to suffrage recognized in article 10 of the Constitution».

Also, in the TC's letter it is highlighted that «the previous court rulings are also in direct and absolute contradiction with the right of every person to have their case heard equitably by an independent and impartial court established by the law, which decides, be it controversies about rights or obligations of a civil nature, to have the time and facilities necessary to prepare their defense established in articles 6.1, 6.3 and 17 of the European Convention for the Protection of Human Rights and of the Fundamental Freedoms of November 4th, 1950 and article 3 of Protocol number 1 to the Convention». ●

ANA/M.R.

SUBSIDIES

Andorra Business grants more than 81,000 euros for national companies

EL PERIÒDIC
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The seventh edition of the Andorra Business subsidy program has closed the first call for 2024 awarding 81,263 euros to eighteen companies in the country. The beneficiaries are mainly from the health and welfare,

education, IT and new technologies (IT) sectors. Some of these items will be allocated to international promotion plans, advisory services to obtain voluntary certifications, customer finders, international promotions, among others.

In this sense, the director of Andorra Business, Judit Hidal-

go, recalled that on October 2nd the second and last call for proposals of the year will open, and added that «the objective of the subsidy program Andorra Business is to support the transformation of the Andorran company into a value-added, innovative and competitive company, well positioned to face the challenges and also to take advantage of the opportunities of the international market».

The total amount planned for this year is 180,000 euros, 85% of which will go to companies with a turnover of up to 350,000 euros, and the remaining 15%

to companies with a turnover of between 350,000 euros and 3,000,000 euros.

Some examples of services that can be subsidized through this program are, in the field of innovation, specialized studies on new lines of business, development, and certifications for the commercialization of products both in Europe and internationally.

Regarding business optimization, the search for specialized human resources in the selection process, advisory services to obtain voluntary ISO certifications and others. ●

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Pere Augé Jr.

DIRECTOR OF THE COMPANY AUGÉ REAL ESTATE

«Andorra seems to stamp itself as 'unattractive' for international investment»

IRINA
Rybalchenko

This year, Andorra has approved the law 3/2024 pertaining to taxes on foreign investment in real estate. We talked to Pere Augé Jr., Director of the company Augé Real Estate, about the changes this law has brought about and what consequences it may bring.

—**What is the law 3/2024 about? How does it relate to Decree 76/2024 on the Regulation of the Tax on Foreign Investment in real estate?**

—Law 3/2024 is aimed at solving the current rental housing shortage problem and rising prices caused by the increased demand from foreign investors. This law

introduces a tax (levy) on foreign investment in real estate, on direct or indirect acquisition, for non-residents and residents who have lived in Andorra for less than 3 years.

The levy is 3% of the purchase price if it is a single property, 5% for 2-5 properties, 8% for 6-9 properties and increased up to 10% for 10 properties or real estate promotion.

The law sets-out some exceptions, such as a 90% bonus if the purchased real estate asset is destined to the rental market. Thus, Decree 76/2024 is the document that establishes the rules for the administration, execution, and calculation of the new tax, as well as benefits and bonuses.

—**How will the new law affect the flow of foreign investors into Andorra?**



—As can be seen from the very nature of the law, the intention was undoubtedly to put the brakes on foreign investment. It is also a question of residents who have been in the country for less than three years. In fact, both aspects are debatable. It is clear that, on the one hand, foreign investors are required to make a long-term commitment – more than 3 years of residence – before they are able to enjoy local benefits similar to citizens or residents who have been living in the country for more than three years. But I think this represents a very strong blow to the interests of foreigners who wish to reside in Andorra.

The decision to move alone or with the family to another country – to assume all the costs and the risks that affect quality of life – is not an easy one. Therefore, foreigners may perceive such measures as an unfair punishment. We should not forget that these people came with their money to invest, to consume, and to contribute to the Andorran economy. Should we penalize one of the most advanced categories of people who develop the economy of the country in which we live?

On the other hand, there is a side effect that is perhaps little talked about: the legal uncertainty that foreign investors receive here in Andorra. The Andorran government, by passing a new law, is sending a very worrying signal to the world, especially when the western world is slowly but surely entering a deep crisis.

This was not the appropriate moment to discourage investment and to suggest that capital and entrepreneurs should not come to Andorra. There are other mechanisms to regulate the prices of property bought and rented in Andorra.

Paradoxically, the passing of the new law came at a time



«There is a collateral effect that may not be talked about much, which is the legal uncertainty it conveys to investors»

«They are considered extreme left-wing measures, very inconsistent with the moderate and conciliatory spirit of traditional politics»

when there were numerous buy-to-let transactions and discussions about new developments that could increase supply and help lower the price of housing.

Objectively, these are extreme left-wing measures are incompatible with Andorra's traditional policies.

Again, there have indeed been projects that have had to take on an additional 10% contingency. Surely their authors will now think twice about future projects. Andorra thus seems to stamp itself as 'unattractive' for international investment.

—What do you see as possible solutions to the housing problem in Andorra?

—Housing is a global problem. There are also related problems such as inflation, loss of purchasing power, and the disappearance of the middle class. Housing affordability is affected by these factors, regardless of how the local housing market itself is managed. In the western world, the majority of the population has lived renting their housing. This will not change under any circumstances. On the contrary, it will worsen. Therefore, it is difficult to approach the housing problem if we do not take perspective and have a look at what is actually going on with the society, the economy and the moment in which the world in its globality is currently living.

This does not prevent the fact that there are countries that have had excellent property management for decades and operate with excellent strategic planning that helps regulate the property market. However, such countries with prosperous economies experience inflated housing prices. Usually in an economy, low property prices are a bad sign. Therefore, looking at high pri-

ces in the property sector as a problem would not be the most sensible thing to do.

We have to start working with out-of-the-box solutions and realize that we will never return to the property market that we knew 10 years ago. To increase the supply of housing on the market and help keep prices in check, we need to build housing and try to match supply with demand as much as possible. One way to do this would be to provide tax incentives and benefits to affordable housing developers. Currently, some investment funds have little difficulty building hundreds or thousands of homes if they can make their usual minimum income. I truly believe that in 2-5 years it will be possible to create the housing conditions demanded by the middle class. However, without foreign investment, it will be difficult.

There are many success stories around the world on the concept of housing co-operatives. It is an alternative way to get housing at a more favorable price. The world of 'flexible living' and collective housing continues to grow everywhere. 'Co-living, clubs' for digital nomads, and hostels for students and the elderly are also modern solutions.

The needs of people and economies are changing forever – this brings us to a new way of life. We're not going back to the way the market was. We are living in a time of change that needs to be understood by public and private operators who need to organize themselves in the best way possible to treat the current conditions with caution, strategy, and planning. ●