



BILL

The Government raises tobacco taxes by 6% to prevent illicit trafficking

The increase means that almost four million euros more can be collected per year

Jover points out that there is still room to maintain competitiveness with neighboring countries

EL PERIÒDIC
ANDORRA LA VELLA
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The vast majority of products associated with tobacco will have a price increase of 6%, as assured by the Minister of Finance and Spokesman, Eric Jover, with the aim of maintaining «transparency» in international commercial relations and reviewing the tax rates to tobacco progressively. In this sense, we are in a situation where there is a very substantial difference in amounts with France and Spain, since, on the one hand, the Gallic country has increased them significantly and, on the other hand, the Spanish neighbors has stabilized for some time. As a result, the greater the mismatch between the prices in Andorra and those abroad, especially in the French part, «the more the illicit trafficking of this product is being encouraged», the holder of Finance pointed out. For this reason, the purpose of the increase is not to raise money, but rather symbolic. However, Jover assessed that the return to normality, with the movement of people, has meant that there is an even greater sense of smuggling, which is experienced especially on the Franco-Andorran border.

«I have to be honest, at the beginning we were a little bit in anticipation of the forecasts of an increase on the Spanish side», acknowledged Jover. In other words, the Government expected the rise in the neighboring country to occur last year, as news was even published with initial draft budgets that included the change in tobacco taxes. According to the minister, «what we would have done is align ourselves temporarily, wait for the increase and we will do it right after». This, however, has not been the case, and although Spain has not yet taken action, «we anticipate and do it unilaterally», he pointed out.

Regarding sales, with this modi-



► Tobacco products in a commercial establishment.

The budget collection figure for 2023 is 108 million euros

fication it is estimated that around four million euros more will be collected annually, but according to Jover, in the total income at the end of the year «there will be no big changes», since taxation increases, but also there is a global trend of decreasing consumption. At the same time, it should be remembered that the figure for the collection of the budget for 2023 is 108 million euros, an amount that demonstrates

the recovery from the pandemic, «mostly due to tourists», indicated Jover. In short, the Government's wish is not for there to be a decrease in the margin and a constant price, but rather that the fact of increasing the rate has an implication with the amount sold to the public of tobacco products. «In fact, the price sets minimum prices for us, but that doesn't mean that operators can't go above», remarked the head



Eric Jover

FINANCE MINISTER AND SPOKESMAN

«I have to be honest, at the beginning we were a little bit in anticipation of the forecasts of the increase on the Spanish side»

of Finance. Nevertheless, he observed that «we think there is still room to maintain competitiveness with Spain, and obviously, we will still be far from the prices seen in France».

The rule has already entered parliamentary procedure and is expected to be debated and voted on at the ordinary session of the General Council tomorrow.

ASSESSMENT OF TRADERS // For his part, the president of the Union of Andorran Tobacco Traders (UCAT), Raul Calvo, assured EL PERIÒDIC last week that he is in favor of an increase in prices. Specifically, he defended that «it can improve our economic results while maintaining competitiveness with the Spanish market». In addition, he asserted that «we still have some way to go to reduce the differential». Finally, Calvo explained that some establishments already sell the products above the minimum selling price, and considered that the price increase «may mean an improvement in our results, taking advantage of this margin that we have». ≡

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POLITICS

The opposition rejects the budgets for the «lack» of action in housing

He also points out that they will not be used to cope with the coming winter or to improve the purchasing power of the population

EL PERIÒDIC
ESCALDES-ENGORDANY
@PeriodicAND

The representatives of the parliamentary opposition, with the exception of Terceravia who did not speak, reject the Budget Bill for 2023 that the Government presented yesterday due to its «lack» of action in the field of housing, the Principality's main problem and concern at present. Thus, the president of the Social Democratic Party (PS), Pere López, declared that «only with a project like that of Borda Nova, which has been running for more than three years, it is not possible to deal with the structural problems of the «housing».

Continuing in the same vein, López affirmed that visible actions are needed by the Executive in order to reduce the impact of inflation on citizens. «If the excise taxes on fuel for basic facilities such as transport or heating are not lowered, people will have a hard time», stressed López, at the same time stressing that the priority of the budget should be «families». He also touched on the rise in the price of electricity and the context of energy saving in the country, emphasizing «the lack of response and cooperativeness on the part of the Government for a scenario of uncertainty».

On the other hand, the social democrats believe that projects like the multifunctional one, with an investment of more than 30 million euros, «does not make any sense, considering that fewer resources have been devoted to the creation of housing». Thus, López indicated that this initiative is behind «a lot of urban planning work with the collaboration of



► Archive image of the Government's administrative building.

private individuals», which is why he questioned the political and economic viability at a time when, in his opinion, it would be necessary to reorganize the priorities of public action.

At the same time, the PS emphasized the forecast of 4.5% inflation reflected by the Government in the budget. In this sense, he warned that «we do not know the basis for which the Executive thinks that we will end the year with this CPI figure, but I am convinced that if measures are not taken to combat inflation, we will have to request credits additional». Thus, López's words are opposed to the vision of the Minister of Finance, Eric Jover, who stated during the presentation of the accounts that an increase in the final figure of the inflation calculation could be solved without the

need to request extra credits.

For her part, non-affiliated councilor Carine Montaner criticized the bill, pointing out that it «should focus on combating the impoverishment of the population and supporting the country's companies» without «wasting» public money in projects «that will not give citizens quality of life». He affirmed all this including the fact of the «economic context of energy crisis which we are about to face».

In addition, Montaner proposed a general reduction in the salaries of political representatives and also the reduction of positions of trust and the number of elected officials in the municipalities «to save resources and to make the work easier for users and officials». Likewise, he emphasized the situation of the Andorran Health

Service (SAAS) stating that it enjoys a very high number of coordinators and intermediate positions, «compared to the number of nurses»; therefore, «an optimization of Health resources is necessary».

EXTRA-PARLIAMENTARY VIEW // On behalf of the new Concordia political formation, one of its promoters, Cerni Escalé, denounced, first of all, a lack of transparency regarding the visibility of the accounts on the General Council's website. «We have not been able to view the text of the bill on the internet, perhaps it is due to the revision process that must be followed by the Syndicate, but more public transparency would be needed», indicated Escalé. Going into detail about the most significant points of the accounts, the training

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PERE LÓPEZ
PRESIDENT OF PS

«If nothing is done to combat the impact of inflation, more extraordinary credits will have to be requested»

CARINE MONTANER
NON-AFFILIATED ADVISOR

«The focus should be on combating the impoverishment of the population and on favoring the country's companies»

CERNI ESCALÉ
PROMOTER OF CONCORDIA

«[We question] what are the Government's priorities if it becomes a scenario of economic recession.»

criticizes the «optimism» that the figures reveal in the face of a «volatile economic scenario».

In this way, Concordia questions «what are the Government's priorities if it becomes a scenario of recession». Similarly, Escalé called it «irresponsible» to increase debt at a time of economic growth and also stressed the need to «reorder priorities», since «more than 30 million euros are invested in the multifunctional and less than 15 in the purchase of public housing». ≡

ECONOMY

Grifols dismisses its president due to the need to reduce the debt

Dolsa asks if the arrival of a company that has devalued by 55% is appropriate

EL PERIÒDIC
ESCALDES-ENGORDANY

After more than two decades at the head of Grifols, Víctor Grifols will be replaced by the American Steven F. Mayer. It is the first time that the Catalan pharmaceutical company has a non-Catalan president, but it is justified by the imperative need to reduce the company's debt: «We are looking forward to presenting our management teams and workers and joining forces to promote the value of the «company working on the basis of our strategic plan», explained the co-CEOs, Víctor and Raimon Grifols, who will now be lower Mayer.

The figure of the American will therefore be purely financial and comes when Grifols is going through one of its worst moments in history due to the high levels of debt, which in the presentation of results for the month of June was confirmed to be close to 9,000 millions, and that in the last year it has fallen by more than 55% on the stock market. Likewise, it should be remembered that only a couple of weeks ago the works began in Ordino to improve access to the land where the company must install a P3 laboratory. In this sense, it must also be borne in mind that the main promoter of Grifols' arrival in the Principality, former minister Joan Martínez Benazet, has not yet responded to the request of the councilor of X'Ordino, Enric Dolsa, who months ago he

proposed a face-to-face on public television to dismantle the supposed benefits of the installation. «I continue to wait for an answer to explain the reasons for this senseless project that threatens the public health of the country», Dolsa pointed out at the end of last month, adding that «the will of Martínez Benazet is to explain the advantages of the facilities, which do not exist; and I will devote myself to explaining the reality». «Is it appropriate for Andorra to have a devalued Grifols with a 55% loss on the stock market and a large debt?» asked Dolsa, who pointed out that in the contract between the Government and the pharmaceutical company there is an investment of 25 million euros in debt: «Given the situation, will the Government be the one to guarantee this



► Image of Prat de la Farga, where the Grifols laboratory must be installed.

company? Why should I do it if Grifols Andorra is expected to always have losses?», he insisted.

In addition, the new councilor in the municipality of Ordino, Jean-Michel Armengol, stated in his oath of office on Monday that he will assess points of understanding with X'Ordino to prevent the launch of

the laboratory in the parish from being a reality.

That's how things are, Mayer, who has dedicated his career to improving the competitiveness of companies, aims to find the best formula to obtain capital that eases current debt levels without selling part of the assets. ≡