

Public Affairs

Technical Note

Catalonia 21D: electoral programs

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Elections will be held in Catalonia on 21 December, following the implementation of special measures by the Spanish central government. In light of these elections, the various parties are presenting their election manifestos. In this Technical Note, we summarize the main points of each electoral program.

Junts per Catalunya (JxCat)

Primary aim: “Restore democracy and reinstate Catalan institutions, the president and the government of the Generalitat and the Parliament of Catalonia”, end the implementation of Article 155 and demand the withdrawal of pending cases relating to the sovereignty process.

Territorial proposal: Move forward, in accordance with “the democratic mandate of 27-S and 1-O” in the construction of the Catalan Republic, reaffirming the right to self-determination but prioritizing the path of dialogue with the State. They reiterate their desire to remain in Europe.

Economic development: They are not very specific. They are committed to facilitating stable and flexible dialogue between all economic and social partners, moving towards a green economy with more local production and distribution and making the primary industry a strategic industry by assuming management of European agricultural

funds. They also support working hours reform.

Economic policy: Their goal is to seek complicity with private initiatives through an administration that works to boost such initiatives, that harnesses the society's entrepreneurial force and that reinforces the wealth of small and medium-sized enterprises.

Fiscal policy: Not very specific. They aim to have a more user-friendly tax administration that re-establishes legal security and a selective tax reduction for more vulnerable industries rather than an overall reduction in taxes. Progressive contributions for self-employed professionals based on earnings and incentives for hiring researchers.

Energy: They are committed to promoting eco-innovation in order to change the production model and to fostering investment in renewable energies and in waste management technologies. They support public water management through the Catalan Water Agency (ACA).

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Esquerra Republicana de Catalunya (ERC)

Primary aim: They demand the release of “political prisoners”, the withdrawal of Spanish state police forces from Catalonia and the end to the police and judicial pressure to “restore” a legitimate government and parliament.

Territorial proposal: Their goal is to construct a Catalan Republic to enforce the right to self-determination and implement a constituent process based on deliberative national dialogue encompassing broad participation. Moreover, they call on the Spanish state and on European institutions to negotiate to make it possible for Catalonia to reach full independence.

Economic development: Consolidate Catalonia as an economic engine of southern Europe through a model based on a productive economy. Create a Catalan System for Innovation and a National Innovation Fund so that the government can invest in innovative companies with the greatest growth capacity. They are also in favor of working hours reform.

Economic policy: Rescue finances from speculation and put them at the service of the productive economy, avoiding financial exclusion and creating a regulated market and a competition policy that serve the general interest by preventing domination of the economic powers in industries like energy and telecommunications.

Fiscal policy: Reduce the minimum personal income tax (IRPF) rate from 12 to 11%, increase taxes on the highest real estate income or implement a simplified company tax structure for SMEs with a flat rate of 20% without the possibility of

taking deductions. They also propose reduced contributions for self-employed professionals with income below the minimum wage (SMI).

Energy: An energy strategy that focuses on 100% renewable energies, self-consumption, smart grids and democratization of the energy market with fair prices free of monopolies.

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Ciutadans (C's)

Primary aim: Put an end to the sovereignty process and to “unite Catalans once again” and begin a new period of “co-existence, economic stability and democracy” in Catalonia.

Territorial proposal: They propose a Catalonia within Spain and within the EU that allows Catalonia to once again participate in the Spanish state's co-operation bodies and autonomous communities and lead it to promote constitutional reform, the details of which are not specified.

Economic development: They propose an action plan to promote the return of companies to Catalonia, to simplify bureaucratic procedures and to make it easier for SMEs and self-employed professionals to access public contracts, as well as a salary supplement for young people under the age of 30 or incentives for companies that are committed to job stability and reducing layoffs, by offsetting the cost of Social Security.

Economic policy: Their goal is for Catalonia to lead the reform of the regional financing model to establish a fairer, more equitable model that encourages fiscal co-responsibility among all administrations.

Fiscal policy: They propose an ambitious plan of tax incentives that involves reducing the regional portion of personal income tax (IRPF) of the working middle class to bring it into line with the national average, a reduction in taxes that act as a barrier to attract talent and the reduction of the tax on residential property transfers through a progressive scale. They are also committed to reducing tax barriers for entrepreneurs.

Energy: They are committed to adapting the Catalan law to the provisions of the new Spanish state law on Climate Change and Energy Transition and to promoting measures to support energy production and self-consumption, as well as a shift towards a circular economy.

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Partit dels Socialistes de Catalunya (PSC)

Primary aim: Begin to address problems and deficits in order to move towards a fairer and more inclusive Catalonia through dialogue, negotiation and agreement.

Territorial proposal: They propose a municipally-based, socialist, federalist and pro-European project that expands Catalonia's self-government within a new federal state. They propose a twofold referendum: 1) in Spain as a whole, to vote on a new federal constitution that embraces the pluri-national nature of Spain and 2) in Catalonia, to vote on a new Catalan federal statute that enhances self-government. Moreover, they propose the creation of a federal senate.

Economic development: They propose signing an agreement for stability and confidence with business organizations

and unions in order to stop businesses from leaving and to attract new ones.

Fiscal policy: They propose creating a Catalan tax agency and defend a tax reform that increases the tax burden on the highest incomes and acts as a distributive mechanism through the provision of public services. They aspire to create a tax consortium of Catalonia to share the management, collection, settlement and inspection of all taxes.

Economic policy: Negotiate a new financing model through a federal fiscal pact.

Energy: They propose the approval of measures to facilitate the shift to electric vehicles and the improvement public transport.

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Catalunya En Comú - Podem

Primary aim: To recover the social agenda and gain self-government through a new Catalan constitutional framework that goes beyond the statute and gives rise to a new federal, bilateral relationship between Catalonia and the Spanish state.

Territorial proposal: They propose a referendum agreed between the Generalitat and the central government, the basis and terms of which must be established in the so-called "Clarity Law", which must be approved by absolute majority in the Congress of Deputies.

Economic development: They aspire to implement a cross-cutting plan to promote the return of companies and prevent others from leaving, reversing the measures implemented by the central government to make it easy for companies to leave Catalonia and

guaranteeing a framework of legal security and economic stability. To help self-employed professionals, they propose creating specific lines of financing or incorporating them into the Social Security general contribution scheme.

Fiscal policy: They propose eliminating tax benefits for the most advantaged industries, reinstating the inheritance tax and reforming the wealth tax, or applying a super-reduced VAT on necessity goods. They advocate creating a tax on financial institutions that have vacant homes or that have earned capital gains through mortgage processes or evictions.

Economic policy: Separate commercial banking from investment banking, exercise parliamentary control over the activity of central banks or promote banking licenses so that there are many small banks instead of a few large banks. Create a public bank.

Energy: Gradually regain public ownership of the electricity grid and public management of water. They seek to move toward a 100% renewable model by developing an energy transition plan that entails closing nuclear power plants and contracting public energy supplies from companies in the social economy.

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Partido Popular (PP)

Primary aim: Restore normality, legal security and institutional stability and form a government that respects the Constitution and the Statute.

Territorial proposal: It is defended a strong Catalonia within Spain and Europe. PP wants to assure their votes will not serve for accepting a referendum that proposes a separated Catalonia.

They agree on a new regional financing system.

Economic development: They propose a shock plan for companies to return to Catalonia, establish new businesses and increase their size and internationalization capacity. For SMEs, in particular, they will reinforce the 'Acció' program and accompany its expansion in emerging markets. They also commit to promote a timetable reform.

Economic policy: They will promote non-bank financing mechanisms, establish agreements with entities that grant favorable credit. The Catalan Institute of Finances (ICF) will be strengthened to promote micro-credit programs for business projects of under-35 people.

Fiscal policy: They propose a reduction of the fiscal charges to companies and the elimination of some regional taxes such as the ones on large commercial areas, the non-productive assets of legal persons, the tax on radio-toxic elements or the tax on sugary beverages. They will also simplify the autonomic tranches of income tax on average and low incomes and reduce by half (6%) the Property Transfer Tax.

Energy: They propose a new Energy Plan for Catalonia to "reduce the energy costs of companies and promote greater efficiency".

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Candidatura d'Unitat Popular (CUP)

Primary aim: Materialize and implement the "popular mandate of 1 October".

Territorial proposal: They defend unilateralism, resistance and opposition

to the Spanish state as the only path to independence. They assert that regionalism has run its course.

Economic development: Public recovery of productive and strategic resources to develop a productive and reproductive economy, guaranteeing access to land as a right of peoples to make food sovereignty possible.

Fiscal policy: Redistribution of wealth, implementation of a guaranteed minimum income and promotion of a tax reform so that those with the most pay the most.

Economic policy: Regain control of the financial sphere by creating Catalonia's own financial power: the Catalan Central Bank and the public banking.

Energy: They defend public control over strategic industries like energy and transitioning toward a renewable, sovereign, self-sufficient, non-nuclear energy model.

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