



Madrid, 8th November 2016

Dear Vice-President,
Dear Commissioner,

Thank you for your letter dated 25th October on Spain's Draft Budgetary Plan (DBP).

Now that a new government has taken office in Spain, I can reassure you that we fully share the terms of your letter. In particular, I would like to reiterate the Spanish government's commitment with the fiscal targets of 4.6% for 2016 and 3.1% for 2017.

In 2016 Spain has taken a number of deficit reducing measures even though the government remained in a caretaker position without full budgetary powers. The measures implemented will ensure that Spain complies with the target of 4.6% this year.

The Spanish government will submit an updated draft budgetary plan to the Commission and to the Eurogroup over the next coming weeks. This updated budget will ensure compliance with the targets set out in the Council decision under Article 126(9) TFEU of 8 August 2016. In particular it will include a nominal fiscal target of 3.1% and a structural effort of 0.5% of GDP.

Yours sincerely,