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ESPAÑA

Audit report on measures to improve the competitiveness of tourist destinations under the plan to boost the tourism sector – financial years 2020 to 2021

Performance

Published: 29.6.2023

FULL REPORT (ES)

What we assessed and why

Spain's plan to boost the tourism sector (PIST) was approved to deal with the effects of the COVID-19 pandemic and included various pillars. We audited one of the pillars called "Improving tourism destination competitiveness", composed by five specific measures for which a total of €859 million was to be allocated and managed mainly by the Spanish Secretary of State for tourism (SETUR).

Measure	Amount (million euros)	**Period**
The Spanish tourism competitiveness fund (FOCIT) was established in 2005, with no legal personality, to grant aid in the form of loans	515	2020
Financing projects for the digitalisation, innovation and internationalisation of the sector (PDg+i+Inter) consists of a line of loans with a subsidized interest rate to guarantee liquidity for tourism companies	216	2020-2021
The Spanish programme of tourism sustainability plans in destinations (PSTD) is a program financed by three levels of public administration (national, regional and local), and its purpose is to help local entities to link PSTD with growing demand for tourism	53	2020-2022
The Spanish Programme for fair, professionally responsible hotels (HJLR) was to design a set of indicators for the future implementation of a certification process for these establishments	Undetermined	Indefinite
The Smart Tourist Destinations (DTI) Network is a project promoted by SETUR and managed by the Spanish state company for the management of tourism, innovation and technologies (SEGITTUR)	75	2020-2023

What we found

For the FOCIT measure, the main reason of its late launch was because there was no regulation until the end of 2021. Moreover, the regulation did not ensure the success of the measure, as it was based on a flexible mixed model which combines loans with grants under Spain's strategic projects for economic recovery and transformation (PERTE) and only 4 out of a total of 19 regional administrations have adopted this model. Moreover, it is unlikely that there will be significant demand for loans from within these four administrations, due, amongst other things, to the increase in interest rates, which makes loans less attractive. In addition, beneficiaries prefer to receive aid in the form of interest-free grants.

For the PDg+i+Inter measure, due to a lack of foresight and tight deadlines, there was no call for 2020.

The PSTD program was carried out and budget appropriations were implemented. Certain shortcomings existed relating to awarding procedures, such as the variation in documentation content and quality from the autonomous communities' assessments, and the absence of an IT platform for sharing documentation between the three administrative levels.

For the implementation and monitoring stages of each of the approved PSTDs, SETUR drew up a guide regulating how the monitoring committees function. Other necessary commitments for proper implementation and monitoring were, however, not implemented. In the first year, the implementation of the PSTDs were subject to significant delays, mainly due to the time taken to appoint PSTD managers.

For the HJLR, the PIST neither establishes the financial envelope nor the implementation timeframe, meaning that for the purposes of implementation, this measure is completely undefined under the plan to promote the tourism sector.

Regarding the DTI Network, SETUR has not established any specific monitoring mechanism for its implementation.

What we concluded

In general, most of the measures under the PIST's audited pillar had already been identified prior its inclusion into the plan, and they generally have not been implemented in the correct manner or according to the timeframe. For various reasons, it is not possible to assess two measures which represent 9 % of the total allocation (the HJLR and the DTI Network). Of the remaining three: the PSTDs were launched (6 %); the FOCIT (60 %) was postponed to 2023 with little success; and the PDg+i+Inter (25 %) was not developed in the only year provided for by its regulatory framework. It can therefore be concluded that the third pillar of the plan has not been effective in developing the planned measures in terms of quantity, quality or timing.