

FINANCES

The Government detects cases of fraud of public money in soft loans

About twenty companies are in bankruptcy after receiving the resources

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The Ministry of Finance has detected an undetermined number of cases of misuse of public money through the fraudulent use of soft loans granted by the Executive to companies, employees and the self-employed since the beginning of the pandemic. This is a small percentage of usufructuaries of public resources that the Government recorded during the periodic inspections of the state of the credits. However, «we will not hesitate to bring them to justice and we will be relentless against the abuse of an extraordinary mechanism that we put in place to support the business fabric, not for them to do business», said Minister Spokesman and of Finance, Eric Jover.

During the presentation of the balance of the allocation of soft loans, the Secretary of State for Inter-

The executive says it will close the program when it stops receiving lawsuits

national Financial Affairs, Marc Ballestà, explained that a total of 23 companies were in bankruptcy or in the process of defaulting, which represents a non-performing loan of 0.78% of the total loans granted and represents a volume of 1.2 million euros. «In the legal proceedings of these companies and self-employed workers, the Executive will be present as a creditor», added Ballestà.

In any case, the government has granted 1,555 soft loans to companies and businesses, which translates into a volume of 154 million euros. Of the total number, 806 transactions have been materialized through benefits to facilitate the payment of the companies. In fact, «a large part of the volume of resources have been established with a return period of seven years and, during the first two, the General Administration will bear the costs of interest», according to Jover, in order of «making the return of capital less cumbersome». In this sense, the head of Finance said that the operations are 100% endorsed by the Government, as the main objective is to avoid «at all costs» that endanger the viability of companies and workers.

According to the balance sheet data, the volume of money actually returned by the companies, as of Ju-



► The Secretary of State for International Financial Affairs, Marc Ballestà, during the presentation of the state of soft loans.

the figures

1.555 are the total credits granted by the Government.

806 corporate financing loans.

154 million is the amount of capital allocated by the Executive.

46 million euros is the volume of loans repaid.

49% of applicants in the first phase are salaried.

0,78% defaulting percentage.

ne 30th, is 46 million euros, which means 30% of the total, while the volume of loans borrowed that are in the process of return amounts to 96 million. However, the process of allocating soft loans is divided into two phases. In the first, which encompasses the most poignant moment of the pandemic, most of the requests were made (1,509), of which 87% (1,343) were estimated by Finance Inspectors to meet all the requirements, unlike the remaining 13% (166), which were denied for lack of any indicator. During this period, the total amount granted was 131 million with an average of 98,000 euros per application. «It should be noted that almost half of the applicants (49.77%) were salaried or self-employed», Jover added. In this sense, the Government indicated that per capita impact was 8,597 euros per employee.

As for the second phase of allocation, it is in a period of expansion due to the «obstacles that have led to the productive fabric of the conflict in Ukraine and inflation, along with

rising oil prices and raw materials», the minister said. Thus, the Executive does not plan to extend this phase «more than necessary», as 281 applications have been resolved, of which 212 were in favor of the plaintiff



ERIC JOVER
MINISTER OF FINANCE

«We guarantee operations 100% and, with this, we want to avoid endangering the viability of companies»

MARC BALLESTÀ
SECR. STATE FINANCIAL AFFAIRS

«In the legal proceedings of these companies, the Executive will be present as the figure of the creditor»

fs (75%) and 69 were rejected (25 %) with an amount granted of 22 million euros in which the total amount of the extension of the program consists of 100 million euros of available capital. In turn, Ballestà stressed that of the total of the second phase, only five applications have been made, «which represents a residual figure compared to the overall data of the program». That is why the government has agreed to preserve soft loans to maintain an additional system of protection for companies, although «if we consider that it makes no sense to continue due to the low influx of demands, we will close it», said Jover. On the other hand, the head of Finance noted that «despite the increase in prices», inflation has favored an increase in revenues from public coffers in relation to indirect taxes, which stand at 46 million euros from the IGI. In addition, the Government recalled that the consequent increase in the green tax will be used «for sustainable projects and to comply with the Renova Plan, among others». ≡

A PRE-ELECTION SCENARIO

Concòrdia is presented with the aim of becoming a political party

The economic and housing crisis and the territory are the focus of the discourse

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Although it is still «early» to think about electoral programs and head of the government candidates, Concòrdia presented itself yesterday in society with the firm will to run in the next elections and, if possible, alone. In front of one of the halls of the Congress Center of the full capital, and under a business card that includes «a group of young people with political concerns and a desire to change the current country model», the citizen movement gave to know the main lines of a project that was born on the roof of the house of one of its members, and from which «we had a perspective

of what Andorra is and the Andorra we want». And the appearance of the formation is not accidental: «We are at a key moment with rampant inflation, the problem of hot housing and a major social divide», summed up one of the promoters, Martí Alay, while Pol Bartolomé considered it essential to make a «democratic leap and face the challenges we face as a society».

In fact, Concòrdia is made up of a dozen people, but only five spoke yesterday, all of them eschewing the policies pursued in recent decades, focused on «uncontrolled tourism and unproductive foreign investment», based, for the most part, in the real estate market. They also deny the suitability of the association agreement with the European Union and opt for other ways of relating to the outside world by being «Europositive». «The key question is to whom we give priority and how do we distribute the burdens of the coming crisis», said Albert Gomà, calling for a «chip change» that «ke-



A moment from the presentation of Concòrdia, yesterday at the Andorra la Vella Congress Center.

eps this country as preserved and attractive as possible,»without making the mistakes of the past». In this sense, the councilor of Desperta Laurèdia Cerni Cairat gave a «very clear» example: «In Sant Julià we ha-

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CERNI ESCALÉ
CONCÒRDIA
«Rethinking Andorra from modernized institutions is perhaps an effective way of looking to the future»

ve seen how Naturland has not only degraded the natural environment, but has also had economic consequences for the parish [...] The development of the territory worries us a lot, because the resources are finite, and we have to understand the urbanism like a public health tool”.
All in all, the former Secretary General of the Escaldes-Engordany Municipality, Cerni Escalé, summed it up in a «rethinking» of the Principality «from the identity, sense of community and territory, with rigorous measures to improve the quality of citizens life”. He added: «We lack meeting points, we have lost our traditions and perhaps rethinking Andorra from modernized and demo-

cratized institutions is an effective way to look to the future, without fear of changing things, but without forgetting where we come from». The vocation, then, is political and, although during the presentation we could see familiar faces of different colors of current politics - such as the consuls of Escaldes, Rosa Gili and Joaquim Dolsa -, the will is to give way to young people, new and formed. «Let politics not be a matter of party families, let our surnames not tell us who we can be», said Escalé.
Concordia meets every Thursday in an establishment on Ciutat de Valls Street, 15, from 6.30 pm and is open to any citizen who wishes to take part. ≡

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