

Annual Report **2021**





Annual report corresponding to the financial year 2021,
presented by the Board of Directors to the Annual General Meeting on March 8, 2022.

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**“The Círculo wishes
to contribute
to improving
Spanish society,
furthering the
common good”**



OUR MISSION

The Círculo de Empresarios is a think tank that brings together more than two hundred business people and senior executives from both national and multinational companies operating in Spain.

Its main aims consist of fostering the free market and private enterprise, achieving greater acknowledgement of the social value of business people as creators of employment, wealth and general well-being, and promoting an entrepreneurial spirit.

Under the motto “ideas for growth”, the Círculo promotes the expansion of our economy and our businesses, improvements to the quality of our institutions and responsible and ethical conduct in the business world. The Círculo wishes to contribute with its thoughts on and proposals for improving Spanish society, at all times furthering the common good.

Registered as a non-profit organization, the Círculo is funded exclusively by the fees of its members who, on March 9, 2020, amounted to 201. The revenue budget for 2022 amounts to 1.7 million Euro from fees. The fees run in various tranches between 2,040 and 16,044 Euro per annum, primarily according to the number of employees of the businesses with whom the members are connected.

The Presidency and other positions on the Board of Directors are not remunerated. Solely the staff are remunerated, comprising fourteen individuals under the General Secretary.

The accounts of the Círculo are audited by **Grant Thornton** and are available on the following website: www.circulodeempresarios.org.

“A business that makes nothing but money is a poor business”

Henry Ford



“Our economy fared the worst during the pandemic and is currently showing the lowest growth among nearby countries”



LETTER FROM THE PRESIDENT



Manuel Pérez-Sala

I would like to thank you all for the support and trust placed in me one year ago to lead the Círculo de Empresarios for a three-year term. On taking over from **John de Zulueta** on March 9, in my acceptance speech I summarised in broad terms what would guide my period in office: the defence of institutions; proposals for necessary structural reforms to ensure our future in terms of growth, well-being and employment in Spain and, finally, to offer up to society an exciting project for young people.

Spain is going through a particularly troubling period, with a Government continually raising challenges to the main institutions in the country. It is crucial to remember that the Crown, the Judiciary, the Armed Forces and Law Enforcement, along with independent regulatory and supervisory bodies, represent the guarantors of our freedoms and democracy.

The economic situation has deteriorated severely as a consequence of the Government's inadequate management of the pandemic. Our economy fared the worst during the pandemic and is currently showing the lowest growth among nearby countries. Our unemployment figures remain the worst in Europe and the necessary structural reforms have either yet to appear or are focused in the wrong direction.

Added to this is a rate of inflation that is out of control, becoming one of the most serious threats to our country. We are severely indebted, lack a realistic fiscal consolidation plan, are facing increasing interest rates and the prospect of the European Central Bank bringing its public debt acquisition policy to a close.

Even a major opportunity for Spain's modernisation, the Next Generation EU funds, could wind up being a disappointment due to a lack of transparency in terms of their assignment and the inability of the Government to manage these. There is a growing fear that it will not be possible to apply the Euro-

pean funds in the appropriate manner, either in terms of the amount or time frame.

The structural reforms upon which the European Union had conditioned the distribution of funds are proving to be particularly disappointing. What we have seen so far with respect to pension and employment reforms will increase labour costs and the fiscal burden on businesses and citizens and will be inadequate in terms of meeting two of the major challenges that we face: the sustainability of the Welfare State and creation of stable, high quality employment.

What is missing is a medium and long-term strategic outlook that contributes towards the viability of our society and the economy. A serious problem is the inability of politicians to recover the spirit of consensus that enabled our democracy, by coming together rather than turning against each other.

Within this context and at all times aiming for the common good, the Círculo has continued to speak out openly and constructively, providing ideas centred upon building a freer, fairer society that enables citizens to develop their lifelong projects, generating wealth for all within a context of equality of opportunity. We will see examples of this throughout this annual report.

I wish to thank **H.M. King Felipe VI** for his support and endorsement of the Círculo. His Majesty received the new Board of Directors at the Zarzuela Palace in July and participated in the VI Reino de España Business Career Award, which he presented to the Almeria businessman **Francisco Martínez-Cosentino**. I also wish to thank the presidencies of the Congress and Senate for their support to the **Executives Parliament Programme (PEP)**.

Finally, of course, a thank you to the members, the Board of Directors, the Advisory Board and our team of professionals, who together make the selfless, open-handed project of the Círculo de Empresarios possible.



“We have laid out our stall regarding the most urgent structural reforms that remain pending, such as those relating to pensions and employment”

GENERAL SECRETARY'S REPORT



Alfredo Bonet

The activities of the Círculo's working groups during 2021 were especially intense and enjoyed a high degree of participation on the part of members. Although we were able to go back to face-to-face meetings, the possibility of attending online led to a slight increase in member participation. Thanks to this and to the commitment of its members, the Círculo was able to carry out its primary function as a think tank: generating ideas and proposals.

The matters on which the Círculo has given its opinion, conveyed to Spanish society, have been redirected according to the priorities set out by the new Chairman and the Board of Directors. On the one hand, we have set out our stall regarding the most urgent structural reforms that remain pending, relating to the pensions system and employment. As in previous times we have analysed the General State Budget for 2022 and expressed our doubts and recommendations regarding the management of European funds - a historic opportunity to transform our economy that we must make full use of.

The thoughts and proposals contained within the documents that form part of our endeavours in the defence of institutions, namely ***Spain on the threshold of a decisive decade*** and ***A new bearing for Spain*** were particularly significant. In these we speak out against the institutional crisis that we are experiencing and appeal to an urgent search for consensus in order to put aside partisan interests in the construction of a shared future project.

We also reacted to the Royal Decree on "Measures to mitigate the impact of rising prices in retail gas and electricity

markets" with a note in which we stated that energy costs will increase still further and this will have a serious impact on legal certainty.

Other matters in which our members have actively contributed in defining our public position include current challenges with respect to Corporate Governance, highlighted in a series of debates, along with concerns around the deterioration of institutional quality, as mirrored in the Círculo's Business Survey.

The Círculo currently has twenty working groups and, as indicated in this Annual Report, a number of these have submitted documents throughout the year. Three new groups have been launched or reactivated during the past year: Real Estate, Pensions and Reform of Public Administrations and the Futures of Youth working groups. These are under the chairmanship of the members indicated in the corresponding pages. Alongside those of Fiscal Policy, Training and ESG, these groups are already preparing analyses and proposals that we will publish over the coming months.

I also wish to point out the successful second edition of the **Forum on the Global Economy**. This was held in collaboration with the **Fundación Rafael del Pino** and at long last offered both in person and online.

The chairman of the Círculo and his main spokespersons were present throughout the year on various forums and media platforms, conveying and broadcasting our ideas and proposals aimed at the common good and Spanish society as a whole.

BOARD OF DIRECTORS



Photograph taken during the audience with H.M. King Felipe VI given to the Board of Directors of the Círculo de Empresarios | © Casa de H.M. el Rey.

AUDIENCE WITH H.M. THE KING AT THE ZARZUELA PALACE

On July 20, His Majesty King Felipe VI gave an audience to the Board of Directors of the Círculo de Empresarios on the occasion of its recent reappointment. The majority of the members of the Board participated in the meeting, including five of the six honorary chairpersons of the Círculo, three of the deputy chairs, treasurer, legal counsel and the Chairman, **Manuel Pérez-Sala**.





Chairman:

(19) Mr. Manuel Pérez-Sala Gozalo

Honorary Chairpersons:

(28) Mr. Manuel Azpilicueta Ferrer
 (8) Mr. Claudio Boada Pallerés
 (12) Mr. Carlos Espinosa de los Monteros
 (23) Ms. Mónica de Oriol e Icaza
 (3) Mr. Javier Vega de Seoane Azpilicueta
 (*) Mr. John de Zulueta Greenebaum

Deputy Chairpersons:

(21) Ms. Ana Argelich Hesse
 (17) Mr. José María López de Letona y Olarra
 (14) Mr. Juan María Nin Génova
 (*) Mr. Alberto Terol Esteban

Treasurer:

(10) Mr. Hilario Albarracín Santa Cruz

Legal Counsel:

(25) Mr. Santiago Martínez Lage

General Secretary:

(5) Mr. Alfredo Bonet Baiget

Board Members:

(18) Mr. Carlos Abad Rico
 (26) Mr. Miguel Carmelo García
 (31) Ms. Mercedes Chalbaud Beraza
 (22) Mr. Juan Fernández-Aceytuno
 (29) Ms. Emma Fernández Alonso
 (24) Mr. Gil Gidron
 (6) Mr. Miguel Iraburu Elizondo
 (16) Mr. Dilip Khullar
 (9) Mr. Francisco Javier Latasa Vassallo
 (4) Ms. Mónica Martínez Walter
 (2) Mr. Ingemar Naeve
 (30) Mr. Pedro J. Nieto Rodríguez
 (*) Ms. Loreto Ordóñez Solís
 (27) Mr. Pedro Pérez-Llorca
 (1) Ms. Teresa Rasero Guerrero
 (13) Ms. María Río Presa
 (15) Mr. Alfredo Rodríguez Verdugo
 (11) Mr. Rafael Roldán Rituerto
 (7) Mr. Francisco Román Riechmann
 (20) Ms. María Vila Rodríguez

(*) Not present in the photograph

“The Advisory Board receives contributions from prestigious experts based in various countries, particularly Europe-wide”





Ignacio de la Torre
Partner and Chief Economist at
Arcano Partners (Spain)

CONSEJO ASESOR



Bart Van Ark
Director of the UK Productivity
Institute (United Kingdom)



Emilio Lamo de Espinosa
Professor of Sociology at the
Universidad Complutense, Madrid
(Spain)



Guntram B. Wolff
Director of Bruegel (Belgium)



Nathalie Tocci
Director of the Istituto Affari
Internazionali (Italy)

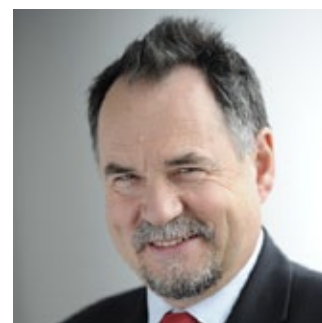


Martina Larkin
Advisor to the European Institute for
Innovation and Technology
(UK)



Miriam González Durántez
Durántez Partner at Cohen & Gresser
LLP, Washington and London

On April 14, and in accordance with the proposal of the Chairman of the Círculo, Manuel Pérez-Sala, the Board of Directors appointed Ignacio de la Torre as chairman of the Advisory Board, replacing Eduardo Serra.



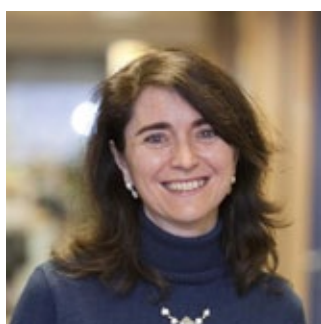
Eric Chaney
Asesor económico del Institut
Montaigne (Francia)

WORKING AND DISCUSSION GROUPS



Juan María Nin

Economy and European
Union



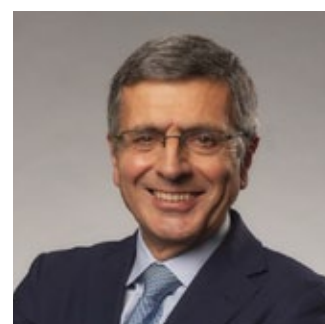
Teresa Rasero

Energy and Environment



Carmen Mateo

Institutional Relations



Francisco Román

ESG



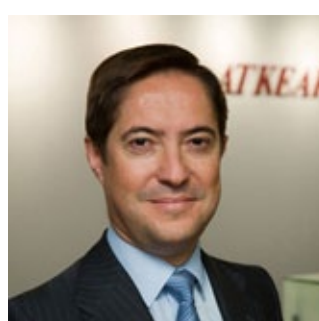
Alberto Terol

Corporate Governance



Ignacio Moreno

Corporate Governance



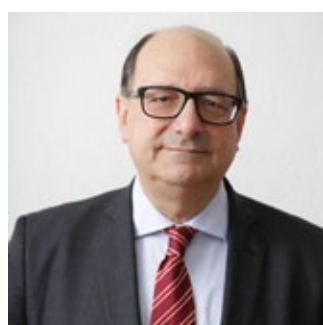
Eugenio Prieto

Education, Training and
Youth Employment



Rocío Hervella

Education, Training and
Youth Employment



Pedro J. Nieto

Healthcare



Isabel Dutilh

Legal Certainty



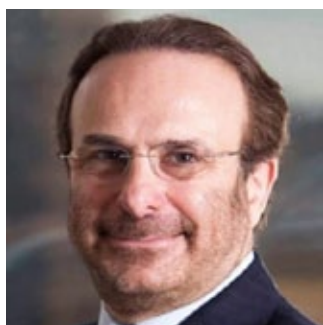
Alfonso Serrano-Suñer

Digital Transformation



Miguel Iraburu

Baometer

**Gil Gidron**

Science and Innovation

**Vicente López-Ibor**

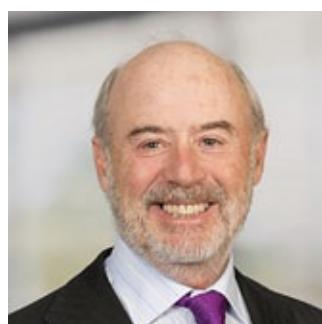
Science and Innovation

**Íñigo Sagardoy**

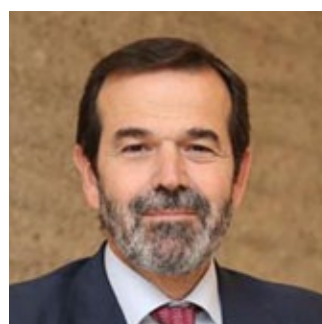
Employment and Diversity

**Salvador Torres**

Employment and Diversity

**Ricardo Martínez**Pensions and Public
Sector Reform**Santiago Aguirre**

Real estate

**Juan Fernández-Aceytuno**

Real estate

**Jesús Prieto**

Medium-Sized Enterprises

**Emma Fernández**

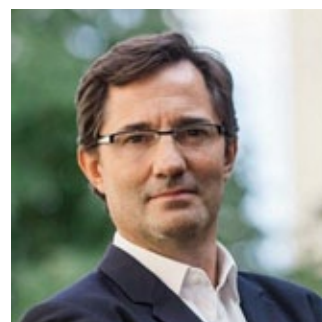
Futures of Youth

**Ingemar Naeve**

Spain 2030

**Federico Linares**

Taxation

**Horacio Hurtado**

Leadership and Talent

**José Mª López de Letona**

Communications

**Manuel Azpilicueta**

Reino de España Award

**Matías Rodríguez Inciarte**

Programmes

“These funds represent a significant demonstration of solidarity and a major step forward in the process of building Europe”



EUROPEAN FUNDS, A MAJOR OPPORTUNITY FOR SPAIN

On March 18, we published a document on the importance of **European Recovery Funds** in overcoming the crisis brought about by Covid-19 and highlighted the **significant opportunity** that these represent in terms of tackling the **structural reforms** that are crucial for Spain; an opportunity which, if wasted due to a failure in terms of rollout, **would be unforgivable**.

The document, *European funds, an opportunity that must be seized*, was presented by the then Chairman of the Círculo, **John de Zulueta**, and the Chairman of the Economy and European Union Working Group, **Juan María Nin**.

Although **these funds** represent a significant **demonstration of solidarity** and a major step forward in the **process of building Europe**, they are, in turn, **a major challenge** with respect to the effective deployment of such a considerable amount of resources. There is also **strict conditionality** between the defrayal of the funds and progress in the rollout of the most urgent **structural reforms** (Pensions, Employment, Market Unity, Regional Funding and the sustainability of pu-

blic debt) aimed at achieving an economic model that is more competitive, robust, resilient, **technological**, **sustainable** and capable of generating **increased growth, employment, equality and well-being**.



John de Zulueta and Juan María Nin.



Javier Gomá, Manuel Pérez-Sala, Fernando Jáuregui, Marta García Aller, Ingemar Naeve, Ignacio Torreblanca and Miriam González (top right).

BROAD CONSENSUS ON IMPROVING THE FUTURE FOR YOUNG PEOPLE

Encouraging the leading political forces to urgently **seek consensus on building a shared future project, whilst putting aside partisan interests** in favour of the common good, on June 2 we presented the document *Spain, on the cusp of a decisive decade*.

Our goal by way of this document is to contribute to the recovery of a culture based around pacts and build a **better country for coming generations** faced with **high unemployment** affecting particularly young people and an unsustainable level of **public sector debt** that threatens their future.

Both **Manuel Pérez-Sala**, Chairman of the Círculo, and **Ingemar Naeve**, Chairman of the Spain 2030 Working Group, participated in the presentation. It took place in the function room of the Madrid Press Association and was followed by a debate moderated by the journalist **Fernando Jáuregui**. This included the lawyer **Miriam González Durántez**, journalist



Marta García Aller, political analyst **José Ignacio Torreblanca** and the philosopher **Javier Gomá**.

RESTORING SOCIAL HARMONY, DIALOGUE AND TOLERANCE

On October 21 and in the auditorium of the law firm Pérez-Llorca Abogados, we published the document *A new bearing for Spain. Coming together rather than turning against each other*. Within this document we point out the urgency of a return to dialogue in politics, in order to get back to what is commonplace in everyday life: **coexistence, dialogue and tolerance** coinciding with the vast majority of citizens in the political **centre ground**.

As a consequence of having shifted from a two-party to a five-party system, **the ridiculous ideological confrontation between right and left** means that pacts may only be struck with parties on the fringe. As a result, **we have radicalised administrations governing over citizens who are quite the opposite**.

The presentation was made by the Chairman of the Círculo and the Chairwoman of the Institutional Relations Working Group, **Carmen Mateo**. This was followed by a debate moderated by the journalist **Victoria Prego**, in which the lawyer



Elisa de la Nuez, journalist **Jorge Bustos** and the professor and analyst **Víctor Lapuente** participated.



Jorge Bustos, Victoria Prego, Manuel Pérez-Sala, Elisa de la Nuez, Carmen Mateo and Víctor Lapuente.



Miguel Iraburu, Manuel Pérez-Sala and Íñigo de Barrón.

CONCERN OVER THE DETERIORATION OF INSTITUTIONAL QUALITY

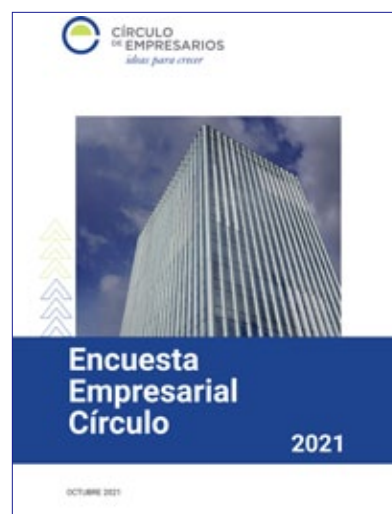
On October 5 we published the **2021 Business Survey**, the results of which demonstrated the concern of the business people surveyed regarding the deterioration of institutional quality. This represents a threat to competitiveness and, as a result, calls out for **the participation of the private sector in the selection of projects and management of European funds.**

More than two hundred businesses of varying size and from differing sectors participated in the survey, which was Miguel Iraburu also presented the Círculo's Business Survey in Pamplona on November 16, at an event organised by the

Institución Futuro, presented by the Chairman of the Círculo and the Chairman of the working group responsible for this project, **Miguel Iraburu**. It was conducted in collaboration with the Association of Economic Journalists (Asociación de Periodistas de Información Económica - APIE), represented by its Chairman, **Íñigo de Barrón**. Alongside the Círculo de Empresarios, the **Majorca Cercle d'Economia**, the **Institución Futuro (Navarre)**, the **Círculo Empresarial of Leon**, the **Andalusia Economic Observatory**, the **Galician Círculo de Empresarios** and the **Gran Canaria Círculo de Empresarios** collaborated in the production of the survey.



Miguel Iraburu also presented the Círculo's Business Survey in **Pamplona** on November 16, at an event organised by the **Institución Futuro**.



NEW CHALLENGES IN CORPORATE GOVERNANCE

On July 21 we published the document ***Current Challenges in Corporate Governance***, in which we brought together the conclusions of a series of discussion panels organised in order to analyse the challenges currently faced in terms of Corporate Governance, **these having been accentuated largely by the health and economic crisis.**

These panels were moderated by the deputy chair of the Círculo, **Juan María Nin**, along with **Alberto Terol**, **Ignacio Moreno** co-chairing the Corporate Governance Working.

Important advisers from a number of businesses sat on the panels: **Laura González-Molero**, Chairwoman of the APD; **Lourdes Centeno**, Managing Partner for Corporate Law,

Corporate Governance and Capital Markets at EY Abogados; **Isabel Dutilh**, Founding Partner of Argali Abogados; **Tomás Pascual**, Chairman of Calidad Pascual; **Cristina Ruiz**, Chief Executive and Managing Director of Indra; **Francisco Román**, Chairman and Advisor at MARCH R.S.; **Ramón Pueyo**, Partner in charge of Sustainability and Good Governance and of Family Businesses at KPMG; **Emma Fernández**, Advisor at Axway, Metrovacesa and ASTI Mobile Robotics; **Ana García Faus**, Advisor to, among other companies, Gestamp, Merlin Properties and Euskaltel; and **Pedro Goenaga**, Senior Advisor at Russell Reynolds and Chairman of APIA Fishers.



THE HAZARDS OF NEW REGULATIONS ON ELECTRICITY PRICING

The Círculo de Empresarios **highlighted its concerns regarding the negative impact** that the application of Royal Decree-Act 17/2021, dated September 14, on ***Urgent measures to mitigate the impact of rising gas prices on retail gas and electricity markets*** would have for citizens and businesses.



**“Tax increases could
hobble and delay the
economic recovery”**



GENERAL STATE BUDGET 2022: DIVORCED FROM REALITY AND LACKING FORESIGHT

Within the context of the procedural clearance of the General State Budget Act for 2022, as in previous years we presented our analysis and opinion regarding the public accounts. The presentation on November 4 included **Manuel Pérez-Sala** and the Deputy Chairman and Chairman of the Economy and European Union working group of the Círculo, **Juan María Nin**.

The document, entitled ***PGE 2022: Divorced from reality and lacking foresight***, highlighted the fact that the public accounts submitted by the Executive are **short-term, focused on electioneering and further consolidate the structural deficit**, whilst conforming to a **macroeconomic framework that is outdated and unrealistic** with respect to revenue and spending forecasts.

It likewise underlines the fact that, in contrast to neighbouring countries, the increased taxes levied on workers and businesses could **hobble and delay the recovery of economic activity, entrepreneurship and investment** at a time

in which it is essential to lay the foundations for increased potential GDP over the medium and long term.



Manuel Pérez-Sala and Juan María Nin.



Manuel Pérez-Sala and Salvador Torres.

A LABOUR REFORM AIMED AT GENERATING STABLE EMPLOYMENT

On November 11, we presented our proposal for labour market reform, aimed at creating **an efficient labour market generating stable employment** and defends the creation of an employment ecosystem that prioritises the unemployed. Both the Chairman of the Círculo and the Co-chair of the Employment and Diversity working group, **Salvador Torres**, participated in the presentation.

The document describes our labour market as “inefficient” and characterised by **“high rates of temporary employment and unemployment, with a lack of flexibility and inadequate skills training”**. In short, a labour market that protects solely those with permanent contracts, rather than people on temporary contracts or the unemployed.

We commit to the simplification of contract types together with a reduction in compensation for dismissal, the aim being to bring an end to seasonal employment and reduce unemployment.



DELAYING THE RETIREMENT AGE BY MEANS OF AN INCENTIVE SYSTEM


On November 22 we presented our proposal for reforms to the pensions system, entitled *An urgent reform to our pensions system*. This highlighted the pressing need to transform the system with long-term foresight in order to ensure its **sustainability, balance, efficiency and respect for inter-generational solidarity**.

Among other measures, we defend the need to postpone **the target age of retirement to 70**, essential in order to maintain the current level of the state pension; we advocate for **the creation of an individual, notional accounts system** as already successfully deployed in nearby countries, to ensure the sustainability of the system and provide greater transparency. We are in favour of encouraging **complementary funding for retirement out of private savings**, or the establishment of the “**Austrian backpack**” model, increasing the amount of savings for retirement.

Manuel Pérez-Sala and the Chairman of the Pensions and Public Sector Reform working group, **Ricardo Martínez Rico**, participated in the presentation.



Manuel Pérez-Sala and Ricardo Martínez Rico.

A low-angle, upward-looking photograph of several modern skyscrapers. The buildings are constructed with glass and steel, and their surfaces reflect the sky and clouds. The perspective creates a sense of height and scale. The sky is filled with soft, white clouds against a blue background. In the bottom left corner, there is a semi-transparent dark grey area containing white text.

**Every year the Círculo participates
in a significant number of events in
conjunction with other entities**

PARTICIPATION IN THE NEW ECONOMY FORUM

On April 8, the Chairman participated as the leading **speaker at the New Economy Forum**, evaluating the economic situation and highlighting, among other things, the importance of committing to structural reforms in order to access **European funds**, the need to update the **pensions system** and the role of **young people**

in the country's future. **Carmen Mateo**, Chairwoman of the Círculo's Institutional Relations working group; **Isabel Dutilh**, Chairwoman of the Legal Certainty group and **Alberto Terol**, Deputy Chairman of the Círculo and Co-chair of the Corporate Governance group also participated in the event.



SPEECH AT THE ICAM JUSTICE FORUM

On June 29, **Manuel Pérez-Sala** participated as the **main speaker at the ICAM (Madrid Bar Association) Justice Forum**, where he explained his main goals at the head of the Círculo: the defence of institutions and the rule of law, proposing structural reforms that are necessary for so-

ciety and guaranteeing a better future for young people. **Isabel Dutilh**, Chairwoman of the Legal Certainty working group of the Círculo and **José María Alonso**, Dean of the Madrid Bar Association and institutional partner of the Círculo also participated.



*Manuel Pérez-Sala, Isabel Dutilh
and José María Alonso.*

VII CASTILLA Y LEÓN FAMILY-OWNED BUSINESS CONGRESS

Manuel Pérez-Sala participated in the **VII Regional Congress of Family-Owned Businesses of Castilla y León (EFCL)**, presided over by our member **Rocío Hervella**, offering a talk in which he tackled the major challenges and structural reforms required by the Spanish economy. In addition to labour reforms, the re-

form of the pensions system, tax system and education, the latter aimed at strengthening dual vocational training and redesigning the university system and public administrations, Pérez-Sala insisted on the need for **solid institutional infrastructure** for the **proper functioning of the economy**.



Manuel Pérez-Sala during his speech.

OPEN LECTURE AT THE UNIVERSIDAD EUROPEA

On November 18, the Chairman participated in an Open Lecture at the Universidad Europea, presided over by the member of the Board of Directors of the Círculo, **Miguel Carmelo**. In this, he reflected on and conversed with

students regarding the **Next Generation EU funds and the employment future for young people**, highlighting the main reason why there is a high rate of youth unemployment, namely a lack of skills and the training dropout rate.



Manuel Pérez-Sala with the UE students.



Twelve new businesses joined the programme.

VIII CRE100DO ANNUAL EVENT

On November 16, the **CRE100DO** Foundation, of which the Círculo de Empresarios is a founding patron, held its **VIII Annual Event** in the **Círculo de Bellas Artes**, where the main conclusions of the survey ***"The importance of Spanish Medium-Sized Enterprises for the country's economy"*** were presented, along with the twelve new companies that joined the Foundation's ecosystem.

The event was concluded by **Nadia Calviño**, the first Deputy Prime Minister of the Spanish government and Minister of Economic Affairs and Digital Transformation, and was the setting in which our Chairman stated that "the most impor-

tant thing is the qualitative aspects of the middle market, its dynamism, capacity for growth, potential in terms of innovation and the fact that these are internationalised businesses. It is the most dynamic segment of Spain's business fabric".

The goal of CRE100DO is to contribute actively to the development of the economic fabric of the country by means of larger, more innovative, more international and competitive businesses. It has become a benchmark among Spanish middle market businesses that represent more than 1.5% of the country's GDP, with aggregate turnover of EUR 16.5 billion and 85,000 direct employees.



Pedro Guerrero, Chairman of Bankinter; Carlos Mira, Chairman of the CRE100DO Foundation, Nadia Calviño, First Deputy Prime Minister of the Government of Spain; María Peña, CEO of the ICEX; Manuel Pérez-Sala, Chairman of the Círculo de Empresarios; and Rafael Vaquero, Managing Director of the CRE100DO Foundation.

II GLOBAL ECONOMY FORUM



María del Pino.



Manuel Pérez-Sala.

On October 14, the **Círculo de Empresarios** and the **Rafael del Pino Foundation** held the **II Global Economy Forum**, aimed at debating the world economic situation and outlook.

This II edition of the Forum was opened by the chairs of the respective entities, **Manuel Pérez-Sala** and **María del Pino**, and enjoyed the participation of well-known national and international panellists on two discussion panels focused on the activation of the economic and social recovery and insights into structural challenges. In contrast to the situation in 2020, it was possible to hold this second edition in a mixed format (face-to-face and virtual).

The first block of the Forum led to a conversation around the economic consequences of the pandemic; the impact on global trade and its recovery; how to ensure cohesion in terms of recovery and the current geopolitical challenges.

It benefited from the participation of **Ignacio de la Torre**, Partner and Chief Economist at Arcano Partners and Chairman of the Advisory Board of the Círculo; **Silvia Iranzo**, Independent Director of Indra and the ICO, former Secretary of State for Trade; **Emma Navarro**, Former Deputy Chair of the BEI and independent director; and **Emilio Lamo de Espinosa**, member of the Royal Academy of Moral and Political Sciences. The event was moderated by **Alfredo Bonet**, Secretary-General of the Círculo de Empresarios.



Alfredo Bonet, Ignacio de la Torre, Silvia Iranzo, Emma Navarro and Emilio Lamo de Espinosa.



Vicente Montes, Bart van Ark and Martina Larkin.



Bart van Ark, Martina Larkin, Belén Romana and Eric Chaney.

During the second session of the event, the items for debate centred around the manner in which to improve productivity by means of digital inclusion in order to reduce inequalities; innovation and technology as keys to economic and social development; sustainability as both a challenge and opportunity; and the transition towards a European Union without harmful emissions and with sustainable growth.

This block included the participation of **Bart van Ark**, Director of the UK Productivity Institute; **Martina Larkin**, Advisor to the European Institute for Innovation and Technology and Advisor to the European Parliament; **Belén Romana**, Independent Director of Banco Santander, BME, SIX and Aviva; and **Eric Chaney**, Economic Advisor at the Institut Montaigne. This part of the event was moderated by **Vicente Montes**, Managing Director of the Rafael del Pino Foundation.

EDUCATIONAL COOPERATION PROGRAMME

Throughout 2021 the Círculo de Empresarios has continued to promote the Educational Cooperation Programme (Coopera) with the Faculty of Economic and Business Sciences of the **Autonomous University**

of Madrid. The activities of this initiative have progressed successfully over more than thirty years. November 30 saw the graduation of the 2019-2020 and 2020-2021 alumni.



The students, having collected their diplomas.

FORUMS OF THE CÍRCULO

Following the trend set in 2020, the Forums of the Círculo needed to adapt to the complexities of the situation brought out by the pandemic, holding sessions both virtually and face-to-face. A number of highly significant individuals have joined us throughout 2021.

We were able to benefit from the presence of **Antonio Garrigues Walker**, Chairman of the Garrigues Foundation and one of the most reputable Spanish legal experts in the world. In the forum, he presented his latest book “Surviving to tell the tale”.



The former Prime Minister of Portugal and then member of the Advisory Board of the Círculo, **Pedro Passos Coelho** dealt with the political and economic challenges of the recovery process in the European Union.

Organised by the Science and Innovation working group, **Teresa Riesgo**, the General Secretary for innovation, spoke about the role of science and innovation as one of the ten key policy tools around which the Recovery, Transformation and Resilience plan is structured.



The General Secretary for Economic Affairs and the G20 of the Prime Minister's office, **Manuel de la Rocha**, spoke with our associates regarding the challenges and opportunities offered by the *Next Generation EU* funds.



The Chairwoman of the Independent Fiscal Accountability Authority (Autoridad Independiente de Responsabilidad Fiscal - AIReF), **Cristina Herrero**, analysed the situation of the Spanish economy as it passed through an unprecedented crisis brought about by the Covid-19 pandemic and the marked differences from the previous financial crisis of 2008.

The First Deputy Prime Minister of the Government and Minister for Economic Affairs and Digital Transformation, **Nadia Calviño**, visited the Círculo's offices in order to deal with various matters, such as the gradual withdrawal of extraordinary support measures deployed as a consequence of the health crisis, the increase in the minimum wage and the measures announced by the Government with respect to the electricity sector.



The chairwoman of the Competition and Markets Authority (Comisión Nacional de los Mercados y la Competencia - CNMC), **Cani Fernández**, spoke of the impact that Next Generation EU funds could have and the risks that this state assistance could entail in terms of competition and market liberalisation.

MEETING WITH PABLO CASADO

On June 18, the leader of the opposition and Chairman of the Partido Popular, **Pablo Casado**, attended a meeting with our Chairman at the offices of the Círculo de Empresarios, in which they discussed the political and economic situation of the country whilst agreeing that support for the Constitution and the rule of law remain essential pillars for the recovery of employment and preservation of the welfare state.



WORKING BREAKFASTS WITH THE DIARIO DE NAVARRA



Within a new series of the cycle of working breakfasts with the **Diario de Navarra** and in collaboration with the **Institución Futuro**, on October 19 in Pamplona, **Manuel Pérez-Sala** played a leading role in the conference ***The Spain that we are leaving to our children***. Bringing together around a hundred representatives from the business, political and social spheres in Navarre, Pérez-Sala covered, among other items, topics such as **youth unemployment**, dual **vocational training**, the reform of the **pensions system** and the **Next Generation EU** funds.

MEETING WITH THE CÍRCULO EMPRESARIAL LEONÉS

On November 24, the Chairman of the Círculo held a meeting with the Círculo Empresarial Leonés (CEL), presided over by **Julio César Álvarez**. In this they shared the proposals of the Círculo towards facing the challenges and **structural reforms necessary in Spain** in order to achieve a long-lasting recovery through the proper use of European funds and our commitment as a country to the European Union.



LUNCH WITH THE CONEXUS FOUNDATION



On November 2, our Chairman, accompanied by the Chairman of the Conexus Foundation, **Manuel Broseta** and some of the patrons thereof, analysed the current situation and outlook for the Spanish economy.



Rafael del Pino and Manuel Pérez-Sala, during their speeches.

ANNUAL MEMBERS' DINNER

Following a 2020 in which, as a result of the Covid-19 pandemic, it was impossible to hold the traditional annual members' dinner, this once again took place on November 11 in the rooms of the Madrid Casino and included the presence of the Chairman of Ferrovial, **Rafael del Pino**,

as guest speaker. Tribute was also paid to **John de Zulueta**, newly appointed as honorary president following his period at the head of the Círculo over the previous three years. Around 200 people attended the event and were thanked by **Manuel Pérez-Sala**.



Rafael del Pino recalled the figure of his father, a founding partner of the Círculo.



King Felipe VI, Juan Manuel Moreno Bonilla, Yolanda Díaz, Ramón Fernández Pacheco and Francisco Martínez-Cosentino, during the presentation of the Award.

FRANCISCO MARTÍNEZ-COSENTINO RECEIVES THE VI REINO DE ESPAÑA BUSINESS CAREER AWARD

On October 29, His Majesty King Felipe VI presented the **VI Reino de España Business Career Award** to **Francisco Martínez-Cosentino**, chairman of the **Cosentino Group**. This Award is organised by the **Círculo de Empresarios**, the **Cercle d'Economia** and the **Basque Círculo de Empresarios**.

The award presentation took place in the **Maestro Padilla Municipal Auditorium in Almería**. Presided over by Don Felipe, the ceremony also included **Juan Manuel Moreno Bonilla**, President of the Junta de Andalucía, and **Yolanda Díaz**, Second Deputy Prime Minister of the Government and Minister of Labour and Social Economy, among other figures. The chairman of the three organisations convening the Award were likewise present; **Manuel Pérez-Sala**, Chairman of the Círculo de Empresarios; **Javier Faus**, Chairman of the Cercle d'Economia and **José Galíndez**, Chairman of the Basque Círculo de Empresarios.

José Galíndez spoke on behalf of the institutions, highlighting the award winner for "his endeavours, labour and vision in

transforming a local, family initiative into a global business benchmark committed to its social purpose and respect for the common good". Galíndez additionally reminded us that "society needs business leaders and it is essential that entrepreneurship penetrate the imaginations of young people, considering it as appealing in terms of their life projects and feeling themselves to be a key part of improving society".



H.M. King Felipe VI and Francisco Martínez-Cosentino.



Manuel Pérez-Sala, José Galíndez, H.M. King Felipe VI, Francisco Martínez-Cosentino and Javier Faus.

According to the verdict of the jury, the award was given to **Martínez-Cosentino** “in recognition of **his contribution to the economic and social development of Spain** throughout many decades of endeavour, creating employment, internationalising activities and contributing to the improvement of society and well-being of the country, setting a benchmark for future generations”.

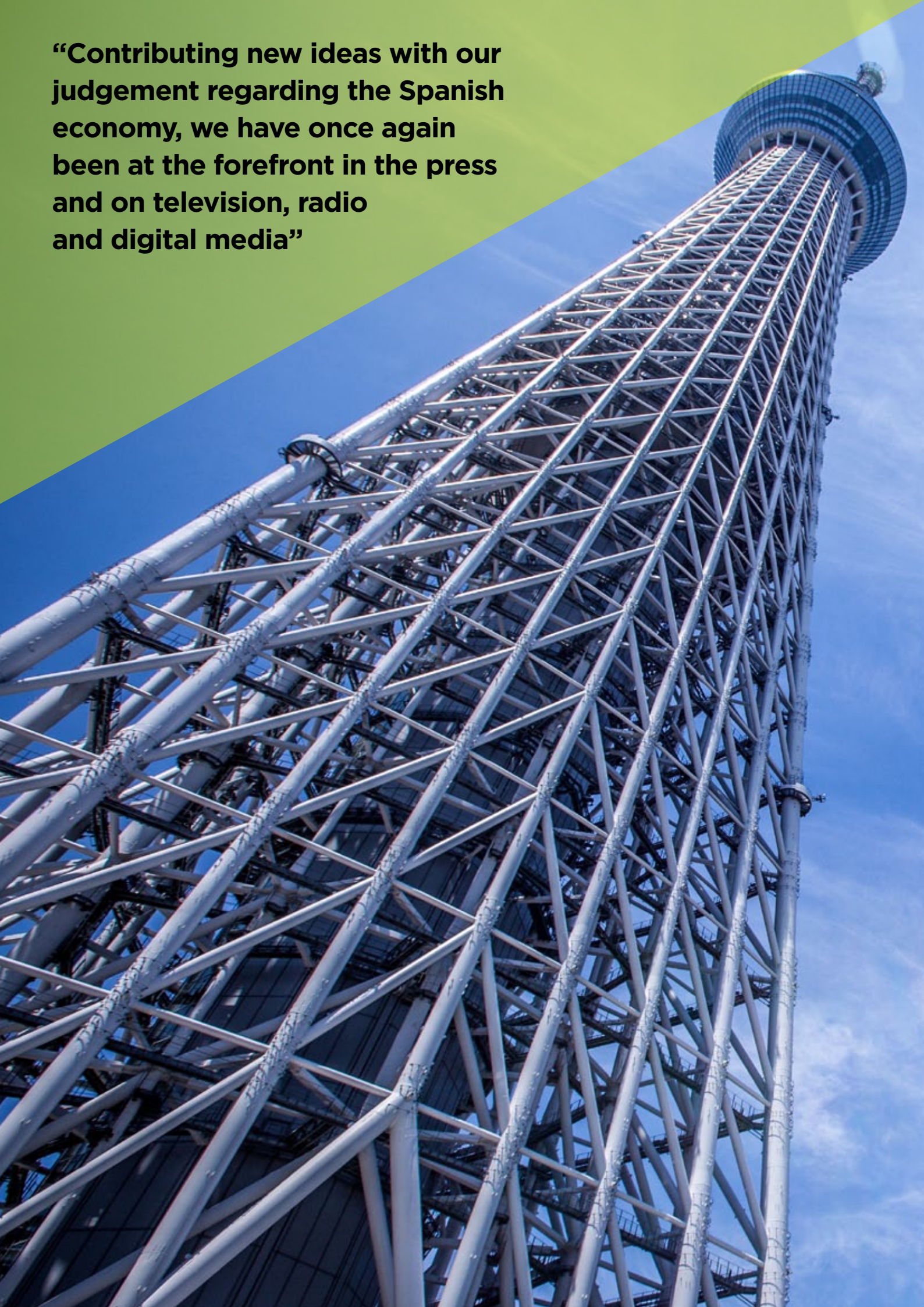
The award jury comprised distinguished representatives of Spanish civil society. Under the presidency of **Carme Riera**, member of the Spanish Royal Academy and Professor at the Autonomous University of Barcelona, jury members in-

cluded **Sara de la Rica** (Director of ISEAK), **Victoria Camps** (Honorary Professor of Moral and Political Philosophy at the Autonomous University of Barcelona), **Santiago Muñoz Machado** (Director of the Spanish Royal Academy), **Victoria Prego** (Assistant to the Director of El Independiente.com), **María Blasco** (Director of the National Oncology Research Institute), **Núria Cabutí** (CEO of Penguin Random House), **Juan Manuel Bonet** (Spanish art and literature critic, poet and museum expert), **José Luis García Delgado** (Doctor in Law and Professor of Applied Economics), and **Mercè Franquesa** (General Secretary of the Cercle d'Economia), acting as secretary.



H.M. King Felipe VI during his participation at the event.

“Contributing new ideas with our judgement regarding the Spanish economy, we have once again been at the forefront in the press and on television, radio and digital media”



THE CÍRCULO IN THE MEDIA

The proposals for transforming our economic model and taking advantage of the historic opportunity represented by the Next Generation EU funds, have led us to remain ever present in the media. By contributing new ideas with our judgement regarding the Spanish economy and other aspects that are important for civil society, such as the defence of institutions, the Círculo's spokespersons have remained ever present throughout 2021 in the form of articles and interviews in the **press and on television, radio, digital media and social networks.**



Expansión

El gran desafío que hay que ganar



Juan María Nin

Los Fondos Europeos de Recuperación y Resiliencia forman parte de un dispositivo fenomenal desplegado por la UE para afrontar el reto que la pandemia plantea a la economía española.

Por eso, tenemos que acertar, además de en los grandes objetivos de medio ambiente y digitalización, en la selección de los sectores destinatarios de las inversiones. Con este proceso de decisión se planteará una interesante dialéctica entre impacto a corto y largo, entre servicios e industria, entre territorios y tamaño de empresas. Pero de esto se trata, un conflicto de intereses, a veces contradictorios, que exigirá gran destreza técnica para lograr los mejores resultados. La salida al conflicto por la vía de la política clientelar debe ser cortada con mecanismos adecuados de gobernanza y evaluación. Es importante que los destinatarios de estas inversiones sean los que realmente las necesitan.



LA RAZÓN

La amenaza de la inflación



Alfredo Bonet

Secretario general del Círculo de Empresarios

contenida en los años posteriores a la última gran recesión por factores tanto de carácter cíclico como estructural, como la liberalización del comercio mundial, la digitalización o los cambios demográficos. El efecto inicial de la pandemia fue una reducción de la inflación a

la pandemia ha alterado algunas de las tendencias estructurales como la aceleración de la digitalización o la intensificación de la lucha contra el cambio climático. También dependerá del impacto que tenga sobre las expectativas de inflación de los agentes económicos a medio y largo plazo que, de elevarse, podrían repercutir en las negociaciones salariales y provocar unos efectos de segunda ronda que desencadenarían una espiral inflacionista. De momento parece no ser así, y todo indica que los agentes económicos confían en que la tasa de inflación futura se estabilizará



Expansión

El reto de crear empleo estable y de calidad

Se necesitan reformas del sistema de formación profesional y del sistema de financiación de la investigación y desarrollo para crear empleo estable y de calidad.

El Gobierno está creando un nuevo modelo de empleo estable y de calidad, pero para ello necesita reformas del sistema de formación profesional y del sistema de financiación de la investigación y desarrollo.

El reto de crear empleo estable y de calidad es uno de los grandes desafíos que enfrenta el país. Para ello, el Gobierno necesita implementar reformas del sistema de formación profesional y del sistema de financiación de la investigación y desarrollo.



Expansión

El Gobierno no cuenta con los empresarios

El Gobierno no cuenta con los empresarios para implementar reformas del sistema de formación profesional y del sistema de financiación de la investigación y desarrollo.

El reto de crear empleo estable y de calidad es uno de los grandes desafíos que enfrenta el país. Para ello, el Gobierno necesita implementar reformas del sistema de formación profesional y del sistema de financiación de la investigación y desarrollo.



Expansión

Un nuevo rumbo para España

El Gobierno está creando un nuevo modelo de empleo estable y de calidad, pero para ello necesita reformas del sistema de formación profesional y del sistema de financiación de la investigación y desarrollo.

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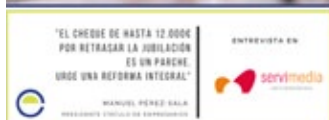




Infación es un riesgo determinado por su propia naturaleza. Por supuesto, sería preciso gestionar adecuadamente un determinado nivel de riesgo y hacer frente a su evolución hasta que las pensiones cubren las necesidades de los futuros pensionistas.

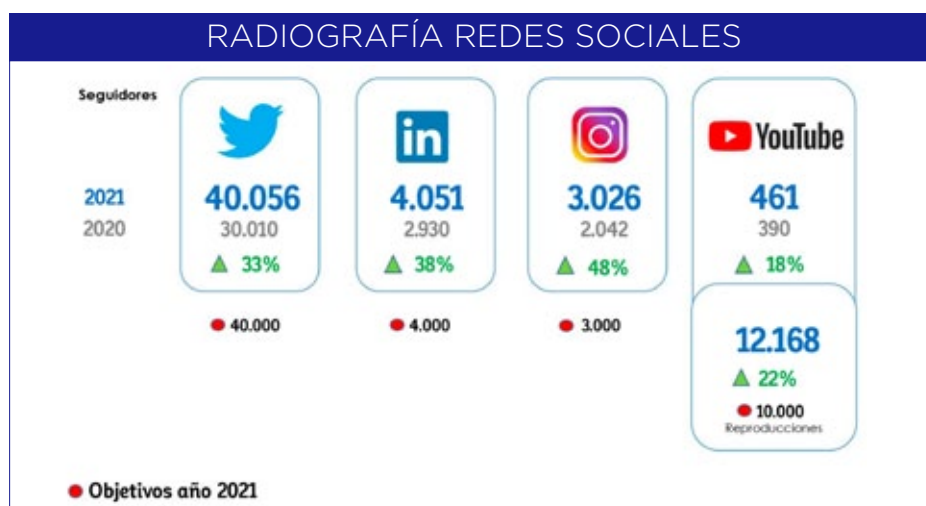
Adicionalmente, habría que tener en cuenta el riesgo de que, a largo plazo, las pensiones no sean viables. En este sentido, la financiación es un elemento clave para la sostenibilidad del sistema de pensiones y, por tanto, para la sostenibilidad del propio Estado.

Otro elemento que contribuye a aumentar el riesgo del sistema es la población envejecida, que es el resultado de un modelo de "envejecimiento activo" que el Círculo de Empresarios promueve como estrategia para la reforma laboral. Ello requiere



SOCIAL NETWORKS

Our social networks once again merit special mention, representing a tool for direct communication with which we continue to raise our presence.



Data current as of January 10, 2022



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CÍRCULO
DE EMPRESARIOS

ideas para crecer
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