# The Spanish economy is entering its slowdown phase, leaving little scope for improvement in the main fiscal and debt indicators

## Macro perspectives for Spain and the finances of its Regional Governments

3Q2025 **EXECUTIVE SUMMARY**

BFF INSIGHTS

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## Executive Summary

### International context

**The international economy faces a highly uncertain environment marked by armed conflicts and trade tensions.** The war in Ukraine and the withdrawal of U.S. support have reshaped European budgetary priorities, with member states committing to higher defense spending. Simultaneously, ongoing conflicts in the Middle East add to instability, influencing global oil prices and market expectations. These geopolitical risks directly affect global growth projections and overall economic stability.

**The United States pursues a markedly protectionist economic policy that undermines global confidence.** The Trump administration has promoted tax cuts and reduced social benefits, pushing the deficit to 6.2% of GDP and setting debt on a path toward 124% of GDP by 2034. The persistence of policy uncertainty further amplifies volatility in international financial markets.

**Global growth projections have been revised downward in major advanced and emerging economies.** The OECD expects global trade to slow to 2.8% in 2025 and 2.2% in 2026, compared with 3.8% in 2024. U.S. growth is projected at just 1.6% in 2025, versus 2.8% the previous year. China is also set to moderate its expansion to 4.7% in 2025. In the euro area, growth is expected to remain at 0.9% in 2025, supported by public investment in defense and infrastructure.

**France faces increasing political instability with significant fiscal consequences.** Prime Minister Bayrou's unexpected decision to call a confidence vote on 8 September has heightened uncertainty, with markets reacting through widening OAT-Bund spreads. The move hastened tensions that were anticipated during October's budget process, as France's divided parliament resisted Bayrou's proposed EUR44 billion fiscal consolidation to reduce deficits.

Following the resignation of PM Bayrou on the back of the no-confidence vote held on September 8th, **President Emmanuel Macron moved swiftly to name Sébastien Lecornu as PM less than 24 hours after Bayrou's defeat.** Hence, the events have played out as expected, with President Macron appointing a new prime minister and avoiding fresh legislative elections for now. Lecornu took office amid mass protests and will inherit the job of pushing through unpopular budget reforms. He faces the huge challenge of navigating a divided parliament to pass the 2026 budget while avoiding a no-confidence motion. His minority government must secure tacit support from factions on the left or on the right, requiring significant revisions to fiscal plans despite widespread rejection of Macron's policy agenda across the political spectrum.Even  in a benign political outcome, France's budget deficit is likely to remain close to 5%, in turn keeping its debt/GDP on a firm upwards trajectory (we estimate an outturn of 5.4%).

**France's debt and deficits remain unsustainable, although systemic risk is limited.** Deficits of 4.8% in 2022 and 5.8% in 2024 are forecast to keep debt rising above 120% of GDP by 2027, necessitating unprecedented cuts in pensions and healthcare to stabilise. With public spending at 57% of GDP—well above Eurozone peers—there is little scope for tax increases, making adjustments politically difficult. Ratings agencies are cautious but may delay downgrades until 2026, with a move to single-A status likely slightly increasing the OAT-Bund spread. Markets mostly view France's issues as an isolated case, accepting instability as long as a left-leaning majority does not materialise. Aside from this risk, investors anticipate ongoing political upheaval until 2027, with spreads stabilising around 75–85 basis points.

## Spain: macro scenario 2025-2026

**The Spanish economy continues to outperform the euro area, though signs of slowdown are emerging.** GDP expanded 0.6% in the first quarter of 2025, above the European average, driven mainly by domestic demand. Investment in capital goods and construction showed signs of recovery, while public consumption and tourism exports lost some momentum. Private consumption remains a key driver, supported by immigration inflows and improved financing conditions.

Household savings reached 12.8% in early 2025, broadly in line with the euro area. At the same time, household debt fell to 43.5% of GDP, the lowest since 2000. Residential investment has picked up with more permits and housing completions, though supply continues to lag new household formation. This structural gap sustains upward pressure on real estate prices, with affordability remaining a key challenge.

On the external front, goods exports declined in line with weaker European demand, while imports accelerated ahead of expected tariffs. Tourism growth slowed to 6% compared with 10% in 2024, though it still contributes above-average growth to GDP. The labor market remains buoyant, with over 528,000 new affiliates in the second quarter, reducing unemployment toward 11%. However, productivity per employee remains stagnant, underscoring structural weaknesses.

**Our forecasts for 2025 point to real GDP growth of 2.3%, alongside inflation of about 2.4%. In 2026, we expect GDP growth to slow to 1.7% due to geopolitical uncertainty and euro appreciation.** Immigration flows and stronger investment in capital partly offset external weakness. Nominal GDP growth is projected at 4.8% in 2025 and 4% in 2026, significantly below the 6% rates of recent years.

**FIGURE 1 Macroeconomic Outlook for 2025-2026**

| | | AIReF may-25 | | AIReF jul-25 | | Revision (jul-25-may-25) | |
|---|---|---|---|---|---|---|---|
| **YoY %** | **2024** | **2025** | **2026** | **2025** | **2026** | **2025** | **2026** |
| Domestic Private Consumption | 2.9 | 2.8 | 2 | 3 | 2 | 0.1 | 0 |
| Domestic Public Consumption | 4.1 | 2.7 | 1.6 | 2.7 | 1.5 | -0.1 | -0.1 |
| Gross Fixed Capital Formation (GFCF) | 3.0 | 3.3 | 1.9 | 4.1 | 2.5 | 0.8 | 0.6 |
| *GFCF Capital Goods & Cultivated Assets* | 2.9 | 4.4 | 1.4 | 6.7 | 2.7 | 2.3 | 1.3 |
| *GFCF Construction and Intellectual Property* | 3.0 | 2.9 | 2.1 | 3 | 2.5 | 0.2 | 0.3 |
| Domestic Demand | 2.8 | 2.8 | 1.8 | 2.8 | 1.9 | 0.1 | 0.1 |
| Goods & Services Exports | 3.1 | 1.9 | 2.2 | 2.3 | 2.1 | 0.4 | -0.1 |
| Goods & Services Imports | 2.4 | 3.4 | 2.8 | 4.2 | 2.9 | 0.8 | 0.2 |
| Net external demand | 0.3 | -0.4 | -0.1 | -0.5 | -0.2 | -0.1 | -0.1 |
| **GDP** | **3.2** | **2.3** | **1.7** | **2.3** | **1.7** | **0** | **0** |
| Nominal GDP | 6.2 | 4.7 | 4 | 4.8 | 4 | 0 | 0 |
| GDP Deflator | 3.0 | 2.3 | 2.2 | 2.4 | 2.3 | 0.1 | 0 |
| CPI | 2.8 | 2.3 | 2 | 2.3 | 2 | 0 | 0 |
| Full-Time Equivalent Employment | 2.4 | 2.3 | 1.7 | 2.3 | 1.6 | 0.1 | 0 |
| Hours Actually Worked | 1.9 | 2.4 | 1.7 | 1.2 | 1.7 | -1.2 | 0 |
| Unit Labour Cost | 4.0 | 3.2 | 2.1 | 3.3 | 2.2 | 0 | 0.1 |
| *Productivity per Full-Time Employee* | 0.7 | 0.1 | 0 | 0 | 0 | -0.1 | 0 |
| *Wages* | 4.7 | 3.3 | 2.1 | 3.1 | 2 | -0.2 | -0.1 |
| Unemployment Rate (% of Active Population) | 11.3 | 10.7 | 10.3 | 10.7 | 10.3 | 0 | 0 |
| Households savings rate (% GDI) | 13.6 | 11.6 | 11.1 | 11.3 | 10.1 | -0.3 | -1 |

*Source: INE, AIReF*

**Spain's growth model is characterized as extensive, relying more on employment creation than productivity gains.** Structural bottlenecks include low investment dynamism, high household savings, and a shortage of affordable housing. Dependence on low value-added sectors constrains productivity, raising sustainability risks over the medium term. Rising labor costs and supply limitations reinforce the risk of structural inflation.

**Although the current environment echoes certain pre-2008 patterns, fundamentals are more solid today.** Private sector indebtedness is lower, wages have adjusted, and no housing oversupply exists. Nonetheless, the outlook will depend on productive investment and the management of defense spending commitments. Core inflation stabilizes near 2%, with services and food prices the main drivers of inflationary pressures.

Looking ahead in the long term, we observe a gradual slowdown in GDP growth from the 2.3% projected in 2025 to 1.5% in 2029.

**FIGURE 2 Macroeconomic Outlook 2024-2029**

| | September'25 | | | | | |
|---|---|---|---|---|---|---|
| **YoY %** | **2024** | **2025** | **2026** | **2027** | **2028** | **2029** |
| Domestic Private Consumption | 2.9 | 3 | 2 | 1.7 | 1.6 | 1.5 |
| Domestic Public Consumption | 4.1 | 2.7 | 1.5 | 1.7 | 1.8 | 1.9 |
| Gross Fixed Capital Formation (GFCF) | 3.0 | 4.1 | 2.5 | 1.8 | 1.4 | 1.3 |
| *GFCF Capital Goods & Cultivated Assets* | 2.9 | 6.7 | 2.7 | 1.8 | 1.3 | 1.3 |
| *GFCF Construction and Intellectual Property* | 3.0 | 3 | 2.5 | 1.8 | 1.4 | 1.3 |
| Domestic Demand | 2.8 | 2.8 | 1.9 | 1.7 | 1.5 | 1.5 |
| Goods & Services Exports | 3.1 | 2.3 | 2.1 | 2.3 | 2.5 | 2.3 |
| Goods & Services Imports | 2.4 | 4.2 | 2.9 | 2.6 | 2.7 | 2.4 |
| Net External Demand* | 0.3 | -0.5 | -0.2 | 0.0 | 0.0 | 0.0 |
| **GDP** | **3.2** | **2.3** | **1.7** | **1.7** | **1.6** | **1.5** |
| Nominal GDP | 6.2 | 4.8 | 4.0 | 3.8 | 3.7 | 3.7 |
| GDP Deflator | 3.0 | 2.4 | 2.3 | 2.1 | 2.1 | 2.1 |
| CPI | 2.8 | 2.3 | 2 | 2.1 | 2.1 | 2 |
| Full-Time Equivalent Employment | 2.4 | 2.3 | 1.6 | 1.7 | 1.6 | 1.5 |
| Hours Actually Worked | 1.9 | 1.2 | 1.7 | 1.7 | 1.7 | 1.5 |
| Unit Labour Cost | 4.0 | 3.3 | 2.2 | 2.1 | 2.1 | 1.9 |
| *Productivity per Full-Time Employee* | 0.7 | 0.0 | 0.0 | 0.0 | -0.1 | 0.1 |
| *Wages* | 4.7 | 3.1 | 2.0 | 2.0 | 2.0 | 2.0 |
| Unemployment Rate (% of Active Population) | 11.3 | 10.7 | 10.3 | 10 | 9.7 | 9.5 |
| Households savings rate (% GDI) | 13.6 | 11.3 | 10.1 | 9.5 | 9.4 | 9.2 |

*Source: INE, AIReF*

## Risks in our 2025-2026 macroeconomic scenario

**The main risks for 2025-2026 stem from global uncertainty and U.S. trade policy.** Political fragmentation and armed conflicts could prolong the slowdown in global trade. Spain's long-term outlook foresees growth moderating to 1.5% by 2029, highlighting a structurally limited trajectory. The euro's appreciation reduces export competitiveness and discourages inbound tourism, posing risks to revenue diversification.

Weak capital investment remains a major constraint on productivity growth, despite a recent rebound in equipment investment. Low-capacity utilization discourages firms from expanding productive capital. The economy continues to rely heavily on labor-intensive growth, with productivity per worker stagnating. This model reinforces vulnerabilities in competitiveness and resilience.
Spain's growth is shifting toward domestic demand, with private consumption and investment taking a larger share while public spending and tourism contribute less. This rebalancing creates tensions: sectors with lower labor intensity absorb fewer workers, and rising labor costs in low-productivity activities threaten competitiveness. Managing this transition is key to sustaining balanced growth.

## Spain: Fiscal scenario

**Fiscal consolidation is advancing, with the deficit projected at 2.7% of GDP in 2025.** The withdrawal of energy-crisis support measures explains much of the improvement, alongside stronger revenue collection. The central government deficit is set to fall to 2.1%, while social security remains at -0.5%. Regions are expected at -0.4% and local administrations at +0.3%. The pace of adjustment is slower than in previous years but consistent with EU commitments.

**Public debt stands at 103.5% of GDP in early 2025, down more than 20 points since the pandemic peak.** The decline has been driven by nominal GDP growth and deficit reduction, though the pace is decelerating. The government projects debt at 101.7% by year-end. Across Europe, highly indebted countries continue to reduce ratios, with Greece and Portugal standing out for significant progress.

According to AIReF's macrofiscal forecasts, **the debt ratio is expected to decrease by 0.4 percentage points in 2025, reaching 101.4% of GDP, a gentler decline than in previous years, when the reduction was 3.3 points in 2024.** This trend is driven by economic growth, although weaker than in earlier years, which slows the pace of debt reduction. Additionally, an increase in indebtedness is anticipated due to the stock-flow adjustment linked to European loans. The public deficit will still contribute to debt growth, but its impact will be more limited. This forecast aligns with the Government's projection in the Annual Progress Report (101.7%).

Compliance with the new EU spending rule will be crucial to maintaining fiscal credibility. Spain must limit primary net expenditure growth to 3.7% in 2025. In 2024, it grew only 3.5% against a 5.1% cap, providing margin for compliance. Improved financing conditions and European stability support demand for Spanish debt, easing debt-servicing costs and sustaining fiscal sustainability.

**We believe that nine Autonomous Communities could end 2025 with a balance or surplus, and two with deficits of one-tenth.** Only the Autonomous Communities of the Region of Murcia and the Valencian Community will end 2025 with a deficit of more than 1% of GDP, while deficits of around half a point are expected in Aragon and Catalonia.

Regarding the level of regional indebtedness, **our central scenario estimates that the Autonomous Communities will reduce their debt level in 2025 by more than one percentage point of GDP, falling below 20% by year-end.** Starting from 21.1% in 2024, the ratio would improve by over one and a half percentage points due to the combined effect of expected GDP growth and the offsetting of excess financing and surpluses from previous years, based on a regulatory scenario where all outstanding compensations are settled within the current year.

**Most regions should see their debt decrease by 2025.** The debt-to-GDP ratio will decline in all regions by 2025, except in the Valencian Community, which is affected by the need to finance the extraordinary expenses of the DANA that occurred in October-November 2024. Five regions are below the reference level of 13% (the Principality of Asturias, the Autonomous Community of Navarre, the Canary Islands, the Community of Madrid, and the Basque Country), while the ratios of Galicia and La Rioja will be very close to this reference.

In this token, three autonomous communities (Catalonia, Castilla-La Mancha, and the Region of Murcia) would manage to reduce their debt ratio below 30% of GDP, with only the Valencian Community remaining above this threshold.

**The extraordinary financing mechanisms together account for nearly 62% of the debt of the Autonomous Communities, although there are significant differences between them.** As of the first quarter of 2025, extraordinary mechanisms made up 61.8% of the debt, decreasing by one percentage point since the end of 2024. In five communities (Cantabria, the Region of Murcia, the Valencian Community, Catalonia, Castilla-La Mancha, and the Region of Murcia), the use of these mechanisms represents more than 75% of their indebtedness, while three (the Community of Madrid, the Autonomous Community of Navarre, and the Basque Country) have no debt from this resource.

## Spanish Autonomous Communities: approval of a new agreement by the CDGAE to facilitate the return of the Autonomous Communities to the markets

**The new CDGAE agreement of July 2025 seeks to facilitate regions' gradual return to financial markets.** Between 2026 and 2028, regions may combine market financing with support from the Regional Financing Fund, strengthening autonomy and fiscal responsibility. To qualify, regions must hold at least one investment-grade rating and either close 2024 with a balanced budget or keep debt below 19.5% of GDP. Otherwise, only up to 10% of their needs may be financed in markets.

Regions must submit a Multi-Annual Debt Plan by November 2025, detailing borrowing strategies, instruments, maturities, and debt forecasts. These plans will be assessed by the Ministry of Finance and updated annually. The framework is more flexible than the 2018 scheme, providing a smoother transition to autonomy. **However, high-debt regions like Valencia, Catalonia, and Murcia are limited to partial market access.**

Financing needs for 2026 are estimated at €33 billion, or €20.5 billion after accounting for debt forgiveness. Between 40% and 50% of this would be covered in markets, compared with just 35% in 2025. This transition enhances regional autonomy while maintaining safeguards. Debt relief further strengthens fiscal positions, though approval depends on parliamentary endorsement and compliance discipline.

**Regarding the implementation date of the partial regional debt forgiveness,** on 19 August, the ERC (Catalan pro-independence leftist group that supports PM Sanchez in the Spanish Parliament) stated that **the Spanish government plans to approve the debt write-off for the regions at the beginning of September.** The organic law, which would receive the approval of the Council of Ministers at the beginning of September, **must also pass through the Congress of Deputies**

(expected by the end of 2025) and receive the support of the parliamentary groups before becoming legally binding.

**The 2024 compliance report revealed that the regional sector met only the debt target, while breaching deficit and expenditure rules.** Without individual targets, region-specific assessment is limited. Murcia failed all benchmarks, while four regions met all, and eight met two out of three. **The uneven results underscore differing fiscal capacities across territories.**

**FIGURE 3 Macroeconomic scenario for the autonomous communities 2024-2029. Change in GDP by volume (%)**

| | National Accounting | | Macro Estimates 2025-2029 | | | | | |
|---|---|---|---|---|---|---|---|---|
| | **2022** | **2023** | **2024** | **2025** | **2026** | **2027** | **2028** | **2029** |
| Andalusia | 4.9 | 2.4 | 3.3 | 2.4 | 1.6 | 1.8 | 1.7 | 1.6 |
| Aragon | 3.3 | 2.6 | 3 | 2.1 | 1.5 | 1.6 | 1.5 | 1.5 |
| Asturias | 4.4 | 2.8 | 2.8 | 2 | 1.5 | 1.3 | 1.2 | 1.2 |
| Balearic Islands | 16.1 | 5.7 | 3.8 | 2.8 | 1.9 | 1.7 | 1.5 | 1.5 |
| Canary Islands | 12.1 | 5.1 | 3.8 | 2.7 | 1.6 | 1.7 | 1.5 | 1.5 |
| Cantabria | 4.7 | 2.6 | 2.6 | 1.9 | 1.5 | 1.4 | 1.3 | 1.3 |
| C-Leon | 3.5 | 3.0 | 3.2 | 1.8 | 1.4 | 1.5 | 1.5 | 1.4 |
| C- La Mancha | 2.6 | 3.3 | 3.1 | 2.2 | 1.6 | 1.7 | 1.6 | 1.5 |
| Catalonia | 6.5 | 2.5 | 3.2 | 2.4 | 1.6 | 1.7 | 1.6 | 1.5 |
| Comunitat Valenciana | 5.5 | 2.3 | 2.9 | 2.4 | 1.9 | 1.7 | 1.6 | 1.6 |
| Extremadura | 1.2 | 2.7 | 2.8 | 1.9 | 1.5 | 1.5 | 1.4 | 1.4 |
| Galicia | 5.0 | 2.3 | 3.0 | 2.0 | 1.7 | 1.5 | 1.5 | 1.4 |
| Comunidad de Madrid | 8.1 | 2.5 | 3.2 | 2.4 | 1.9 | 1.7 | 1.6 | 1.6 |
| Murcia | 4.0 | 2.0 | 3.4 | 2.5 | 1.8 | 1.7 | 1.6 | 1.6 |
| Navarre | 5.2 | 2.1 | 2.9 | 2.0 | 1.7 | 1.7 | 1.5 | 1.5 |
| Basque Country | 6.5 | 2.4 | 2.6 | 2.1 | 1.6 | 1.5 | 1.5 | 1.4 |
| La Rioja | 5.1 | 4.2 | 3.2 | 2.3 | 1.6 | 1.7 | 1.6 | 1.5 |
| **Spain** | **6.2** | **2.7** | **3.2** | **2.3** | **1.7** | **1.7** | **1.6** | **1.5** |
| | **National Accounting** | | | | | | | |

*Source: INE, AIReF*

Meanwhile, record advance payments of €156.9 billion are planned for 2026, 6.5% more than in 2025. Adding the 2024 settlement, total resources will reach €169.6 billion, an all-time high. Regional differences reflect the financing system's design, with some territories exceeding 8% growth in allocations, while others remain below 5%.

Overall, the agreement reflects a balanced effort to reinforce fiscal autonomy under strict discipline. The combination of market financing, debt relief, and record transfers provides regions with unprecedented resources, though the ultimate challenge will be sustained fiscal responsibility and efficient use of funds.

## The Regional Financing system in 2023: final figures

The 2023 regional financing system shows modest nominal growth but a decline in real terms. Homogeneous revenues rose 1.94% from 2022, against 3.4% inflation, implying a reduction in real terms. Lower GDP growth and an 8% drop in state transfers weighed on resources, though strong gains in personal income tax and VAT partially offset the losses.

**Territorial disparities widened in 2023.** Cantabria improved significantly, while Aragón, La Rioja, and the Balearic Islands lost ground. The lowest adjusted per-capita financing continues in Murcia, Valencia, Andalusia, and Castilla-La Mancha, all between 92% and 94% of the average. Madrid retains the highest revenue-raising capacity but is the largest net contributor to redistribution.

**FIGURE 4 Components of the effective financing index at homogeneous competences, per-capita adjusted, 2023**

| | Homogeneous tax resources* | Guarantee Transfer | Sufficiency Fund at adjusted homogeneous competences** | Cooperation Fund | Competitiviness Fund and DA3 | Total, per-capita adjusted effective financing index |
|---|---|---|---|---|---|---|
| Catalonia | 110.6 | -6.1 | -8.3 | 0.0 | 5.8 | 101.9 |
| Galicia | 74.3 | 19.0 | 4.5 | 5.2 | 0.0 | 102.9 |
| Andalusia | 73.7 | 20.5 | -1.9 | 2.3 | 0.0 | 94.6 |
| Asturias | 81.6 | 13.2 | 3.6 | 5.3 | 0.0 | 103.7 |
| Cantabria | 86.7 | 6.2 | 21.9 | 5.5 | 0.0 | 120.3 |
| La Rioja | 84.8 | 11.8 | 15.2 | 1.5 | 0.0 | 113.3 |
| Murcia | 72.3 | 20.1 | -5.5 | 2.0 | 3.1 | 92.0 |
| C Valenciana | 85 | 10.4 | -12.7 | 2.0 | 7.9 | 92.6 |
| Aragon | 86.9 | 7.2 | 4.8 | 1.3 | 0.0 | 100.2 |
| C-Mancha | 68.4 | 23.2 | 1.2 | 2.0 | 0.0 | 94.7 |
| Canarias | 55.1 | 46.3 | -3.9 | 2.1 | 10.1 | 109.7 |
| Extremadura | 62.9 | 28.8 | 15 | 5.7 | 0.0 | 112.3 |
| Baleares | 121.7 | -7.1 | -24.5 | 0.0 | 22.6 | 112.8 |
| Madrid | 134.6 | -25.5 | -11 | 0.0 | 1.1 | 99.2 |
| C-Leon | 80.3 | 14.8 | 6.1 | 5 | 0.0 | 106.2 |
| **Average** | **91.4** | **7.6** | **-4.2** | **1.9** | **3.3** | **100.0** |

*(*) Canary Islands REF included*
*(**) adjusted by the estimated value of the regional language competences*
*Source: Fedea*

The Guarantee Fund remains the backbone of the system, pooling 75% of regional tax revenues and a state contribution to equalize service provision. The Sufficiency Fund and Convergence Funds complement redistribution, with highly asymmetric outcomes. Extremadura and the Canary Islands benefit most, while Madrid, Catalonia, and the Balearic Islands are net losers.

**Redistributive flows totalled €24 billion in 2023, slightly below 2022.** The state contributed €13 billion, while high-income regions provided €10.6 billion. Madrid bore the largest burden, equal to 26% of its revenues. Conversely, transfers exceeded 78% and 99% of revenues in Extremadura and the Canary Islands, respectively. These flows highlight ongoing territorial equity tensions.

**FIGURE 5 Redistributive flows through SFA (2023, EURmn)**

| | Homogeneous tax revenues | Effective financing, homogeneous competences | Difference | Difference as % of tax revenues | Positive balance | Negative balance |
|---|---|---|---|---|---|---|
| Catalonia | 29,001 | 26,735 | -2,266 | -7.81% | | 2,266 |
| Galicia | 7,327 | 10,144 | 2,817 | 38.44% | 2,817 | |
| Andalusia | 20,981 | 26,934 | 5,953 | 28.37% | 5,953 | |
| Asturias | 2,972 | 3,774 | 802 | 27.00% | 802 | |
| Cantabria | 1,753 | 2,432 | 678 | 38.69% | 678 | |
| La Rioja | 952 | 1,272 | 320 | 33.63% | 320 | |
| Murcia | 3,741 | 4,759 | 1,019 | 27.23% | 1,019 | |
| Valencia | 14,571 | 15,89 | 1,319 | 9.05% | 1,319 | |
| Aragon | 4,2 | 4,839 | 640 | 15.23% | 640 | |
| C.-La Mancha | 4,984 | 6,903 | 1,919 | 38.50% | 1,919 | |
| Canarias | 4,19 | 8,345 | 4,155 | 99.18% | 4,155 | |
| Extremadura | 2,36 | 4,213 | 1,853 | 78.53% | 1,853 | |
| Baleares | 4,905 | 4,547 | -358 | -7.30% | | 358 |
| Madrid | 30,301 | 22,326 | -7,975 | -26.32% | | 7,975 |
| C-Leon | 7,041 | 9,32 | 2,279 | 32.38% | 2,279 | |
| **Total regions** | **139,278** | **152,433** | **13,156** | **9.45%** | **23,754** | **10,599** |
| State transfer | | | | | | 13,156 |
| Inter-regional transfer | | | | | | 10,599 |
| **Total** | | | | | | **23,754** |

*Source: Fedea*

The 2023 financing figures confirms, one more, wide disparities in fiscal capacity and financing needs across regions. Differences stem from structural factors and the design of the 2009 system, with volatility from ITE revenues complicating outcomes further. The disparities reveal systemic weaknesses in balancing equity, autonomy, and stability.

**In conclusion, the 2023 financing system perpetuates historical imbalances in resource allocation.** While a minimum level of public services is guaranteed nationwide, significant per-capita financing gaps remain. Reform is urgently needed to ensure transparency, equity, and fiscal co-responsibility, reducing reliance on state transfers and improving regional tax autonomy.

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