

COVID AND PUBLIC SECTOR

The Spanish cabinet approved on March 31 a new Royal Decree-law on urgent complementary measures in the social and economic fields to face COVID-19 ([link to the regulation in Spanish RDL 11/2020h](#)). Before, some measures regarding public procurement and explanation material were published ([RD463/2020 of March 14, 2020](#)).

Specifically:

Art 48 of the above-mentioned RDL11/2020 states that state public sector entities shall fulfil their 2019 accounting obligations in accordance with the deadlines established by laws and regulations. However, if meeting these deadlines is not possible due to the declaration of the alert status, after the communication to, and with the agreement of, the General State Comptroller, the deadlines may be suspended until the end of the alert status and resumed from then. Similarly, the deadlines provided in the regulations for the remittance of the accounts and the other financial information to the Court of Auditors will be suspended from the declaration of the alert status. Their calculation will resume when the said circumstance disappears, or the deadline will be extended by a period equivalent to the actual duration of the alert status.

The previous provisions are applicable also to the local public sector and affect the deadlines for processing the General Account in the local entity.

They may also be of application to the public sector entities of the governments of the autonomous regions, if they deem it appropriate. In this regard, in Catalonia, the Government of the region has issued a Decree approving the suspension of deadlines to prepare and approve the annual accounts of the entities of the Catalan public sector. We are not aware of similar measures published in other autonomous regions.

The RDL11/2020 also includes specific provisions to reinforce the obligation to provide financial information by local and autonomous governments to the Finance Ministry regarding the actions performed by these authorities to deal with the Coronavirus, i.e effects on budgeted income and costs.

Regarding public procurement, the RD463/2020 declaring the alert status, states that periods and deadlines of public sector entities procedures are suspended until the end of the effectiveness of the RD or of its subsequent extensions. The provisions referred to public procurement are very detailed and contain exceptions and specific provisions applicable to the different kinds of contracts engaged by the public sector entities that have been addressed by the Ministries of Finance and Justice in additional responses to consultations, reports and explanatory notes.