

## **Spain : capital is opening to boost Lpc**

**Shaked by the world financial crisis in a country where nearly 20 % of the working population is today unemployed, spanish local public companies (Lpc) are now more and more opened to other collectivities and even to the private sector. The target is to reinforce their economic weight by widening the share holders.**

« After a growth during the years 1998-2006, the development of local public companies have slow down since 3 to 5 years », explains Carlos Rodriguez-Ferrer, technical general secretary of Elige, a spanish network of association of local public companies, created in 2006. « World crisis had a negative impact in the last two years and some have even disappeared».

In a country where the capital of the Lpc is traditionnaly detained by a single collectivity, some are taking now the opportunity to open their shares to other public or private partners. « It's the case in sectors like water or funeral where there is more and more local public companies with mixed capital », says Carlos Rodriguez-Ferrer. Ahead of this trend, « wholesale markets » which started to open with private and public shares since their launch in every spanish cities. Mercabarna, for example, is a public limited company founded in Barcelona in 1967, shared today by the Barcelona City Council (51 %), the state company Mercasa (37 %) and the Barcelonès District Council (12 %). The company administers the Food Unit that is made up by the city of Barcelona's wholesale markets as well as by a large number of companies involved in the production, sale, distribution, import and export of fresh and frozen produce and products. In total, there is no less that 800 companies within the structure which supplies fresh produce for some... 10 million consumers !

« There is about one thousand local public enterprises in Spain, created mainly in the form of limited company, but also of limited liability », adds the technical general secretary of Elige. « They work in a wide range of activities where generally private companies don't offer services » : water treatment, public transports, street cleaning, waste, wholesale markets, culture, leasure and sports, industrial and business parks, housing, funeral or tourism.

« The price of services in this sectors is decided by local authorities, explains Carlos Rodriguez-Ferrer. It's the case, for example, in the real estate market where public companies built houses at special prices, affordable for people who cannot afford a house in the private sector ».

**Patrick Cros – Naja**