



# Spain: your partner in Europe



March 2021

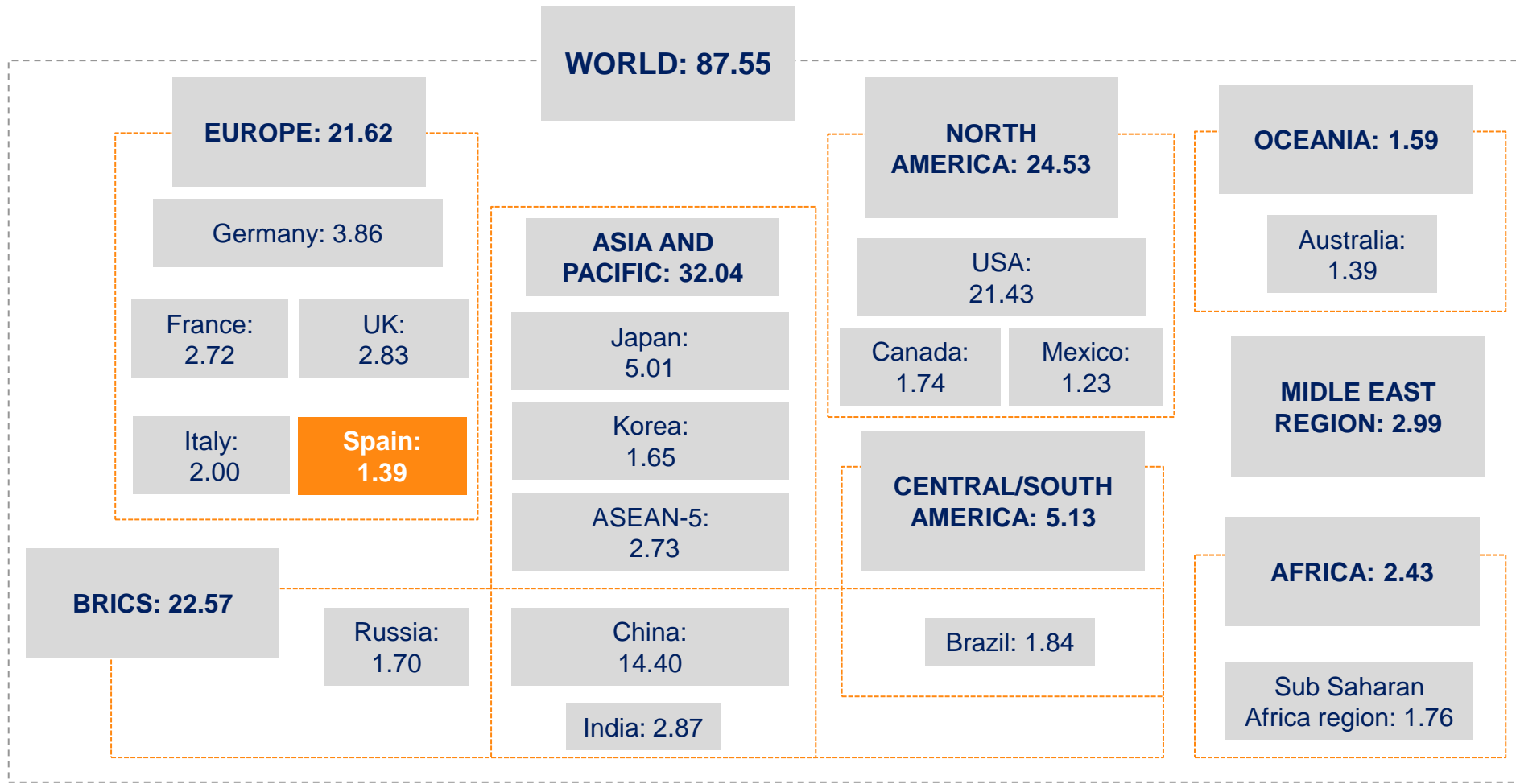
- 1. Spain: a highly internationalized economy**
- 2. Global Market Access**
- 3. Business Climate**
  - Setting up a business
  - Infrastructure and Technology
  - Incentives and taxes
  - Human capital:
    - Productivity
    - Skilled Labour Force
    - Competitive Costs
  - Immigration
  - Quality of life: Expat setting up
- 4. Business Opportunities**
- 5. ICEX / Invest in Spain**



# 1. Spain: a highly internationalized economy

**Spain is the world's 13th-largest economy and the 4th-largest economy in the EU: GDP worth near 1.4 trillion USD**

**GDP comparison of major economic regions, USD trillions**



• Source: International Monetary Fund, 2020. Data Referred to 2019.

## Spain in the World Economy

GDP		GDP per capita		Population		Trade in Goods \$Billion				Trade in Services \$Billion				Tourism				FDI Stock \$Billion				
														Income \$		Tourist N°						
RK	Country	\$Billion	RK	unit \$	RK	Millions	RK	Exports	RK	Imports	RK	Exports	RK	Imports	RK	Billions	RK	Millions	RK	Inward	RK	Outward
1	United States	21,433.2	7	65,253.5	3	328.5	2	1,645.6	1	2,568.4	5	283.2	2	500.7	1	214.1	3	79.3	1	9,465.8	1	7,721.7
2	China	14,401.7	69	10,286.6	1	1,400.1	1	2,499.0	2	2,077.1	1	875.8	1	588.4	11	35.8	4	65.7	4	1,769.5	3	2,099.4
3	Japan	5,079.9	25	40,255.9	11	126.2	5	705.5	4	720.7	9	205.1	8	203.6	7	46.1	11	32.2	30	222.5	5	1,818.1
4	Germany	3,861.6	18	46,472.6	19	83.1	3	1,489.2	3	1,234.2	3	340.7	3	364.6	9	41.6	9	39.6	10	953.3	7	1,719.4
5	India	2,868.9	146	2,097.8	2	1,367.6	18	324.2	10	483.9	8	214.4	10	179.2	12	30.0	23	17.9	22	426.9	31	178.7
6	UK	2,830.8	22	42,378.6	21	66.8	10	468.8	5	691.8	2	416.3	5	283.8	5	50.4	10	39.4	2	2,075.3	4	1,949.4
7	France	2,715.8	23	41,896.6	22	64.8	6	569.7	6	651.2	4	287.6	6	262.8	3	63.8	1*	n.a.	11	868.7	9	1,532.8
8	Italy	2,001.5	28	33,159.1	23	60.4	9	532.7	11	473.5	12	122.0	12	124.2	6	49.6	5	64.5	20	445.7	17	558.4
9	Brazil	1,839.1	77	8,751.4	5	210.1	27	222.6	28	184.1	37	34.0	25	69.1	47	6.0	**	6.4	15	640.7	26	223.9
10	Canada	1,736.4	19	46,271.7	38	37.5	12	446.9	13	463.7	18	100.3	14	115.2	15	27.0	18	22.1	9	1,037.1	8	1,652.5
11	Russia	1,702.5	65	11,601.4	9	146.7	14	418.8	21	254.1	27	62.7	16	98.8	34	11.0	16	24.4	19	463.9	21	386.6
12	Korea	1,646.7	30	31,846.2	27	51.7	7	542.2	9	503.3	16	102.4	11	126.4	19	21.6	24	17.5	26	238.6	19	440.1
13	<b>Spain</b>	<b>1,394.3</b>	<b>32</b>	<b>29,993.1</b>	<b>30</b>	<b>46.5</b>	<b>16</b>	<b>333.6</b>	<b>15</b>	<b>371.9</b>	<b>11</b>	<b>158.1</b>	<b>17</b>	<b>86.4</b>	<b>2</b>	<b>79.7</b>	<b>2</b>	<b>83.7</b>	<b>13</b>	<b>751.5</b>	<b>15</b>	<b>606.5</b>
14	Australia	1,387.1	11	54,348.2	53	25.5	21	271.6	24	221.6	25	70.0	23	71.5	8	45.7	40	9.5	14	714.2	16	579.3
15	Mexico	1,258.2	71	9,862.4	10	127.6	11	461.1	12	467.3	40	30.3	34	36.4	16	24.6	7	45.0	16	628.5	25	230.4
16	Indonesia	1,120.1	118	4,196.7	4	266.9	32	167.5	30	170.7	38	31.6	32	39.4	26	16.9	28	15.5	29	232.6	39	78.8
17	Netherlands	907.2	12	52,646.2	67	17.2	4	709.2	7	636.0	6	264.1	7	246.4	24	18.5	20	20.1	5	1,749.8	2	2,565.3
18	Saudi Arabia	793.0	42	23,266.5	41	34.1	22	268.6	32	141.9	45	24.2	20	75.0	27	16.4	32	13.6	28	236.2	36	123.0
19	Turkey	760.9	75	9,150.9	18	83.2	29	180.9	25	210.3	26	64.9	39	28.0	13	29.8	6	51.2	38	164.9	44	47.8
20	Switzerland	704.8	2	82,483.9	96	8.5	19	313.9	18	277.0	13	121.6	15	104.0	25	17.1	36	11.8	7	1,350.7	10	1,526.2
21	Taiwan	610.7	38	25,873.4	55	23.6	17	330.6	17	287.2	29	51.8	28	57.0	29	14.4	35	11.9	48	100.6	22	362.5
22	Poland	592.4	58	15,600.7	37	38.0	24	264.0	19	262.0	24	72.0	30	43.9	30	13.9	19	21.2	27	236.5	52	24.8
23	Iran	583.7	88	7,009.8	17	83.3	51	55.1	59	41.8	..	n.a.	..	n.a.	..	n.a.	..	n.a.	60	57.4	76	4.0
24	Thailand	543.6	82	7,807.0	20	69.6	25	246.2	23	236.6	19	82.0	27	58.8	4	60.5	8	39.8	25	254.4	33	137.4
25	Sweden	530.9	13	51,404.4	85	10.3	33	160.5	31	158.7	20	76.6	22	73.9	28	15.2	45*	n.a.	23	339.5	20	396.5
26	Belgium	529.7	20	46,236.7	79	11.5	13	444.6	14	426.2	14	120.9	13	120.4	37	8.9	42	9.3	17	566.1	14	656.4
27	Nigeria	448.1	143	2,229.9	7	201.0	48	61.7	51	51.0	83	4.9	33	39.1	**	1.4	..	n.a.	49	98.6	64	8.9
28	Austria	446.3	14	50,380.3	94	8.9	30	179.0	27	185.0	21	75.1	26	63.7	17	22.9	12	31.9	33	205.6	23	234.6
29	Argentina	444.5	70	9,890.3	31	44.9	46	65.1	54	49.1	54	14.2	48	19.4	**	5.2	46	7.4	55	69.2	47	43.5
30	UAE	421.1	26	39,179.9	81	10.7	20	280.1	20	261.9	23	73.5	21	74.1	18	21.8	27	16.7	41	154.1	32	155.4

Source: Latest international publications available. IMF, WEO Database (October 2020 edition) 2019; WTO 2020, 2019 Data; UNWTO World Tourism Barometer, 2019 Data (\*) France, Sweden: rk position provided although data not available, (\*\*) Brazil, Argentina, Nigeria: rk below 50, ranking data available only up to 50°; UNCTAD (WIR 2020) 2019 Data. Trade in Goods: Exports: (8) Hong Kong, (15) Singapore; Imports: (8) Hong Kong, (16) Singapore. Trade in Services: Exports: (7) Ireland, (10) Singapore, (15) Luxembourg, (17) Hong Kong; Imports: (4) Ireland, (9) Singapore, (18) Luxembourg, (19) Hong Kong. Tourism Income: (10) Macao, (14) Hong Kong, (20) Portugal, (21) Greece. Tourist N°: (13) Greece, (14) Malaysia, (15) Portugal, (17) Hong Kong. FDI Inward: (3) Hong Kong, (6) Singapore, (8) Ireland (12) British Virgin Islands. FDI Outward: (6) Hong Kong, (11) Singapore, (12) Ireland, (13) British Virgin Islands.

Spain is the 11th-largest exporter of commercial services worldwide and the 16th-ranked exporter of merchandise trade.

### Commercial Services Exports USD Millions

2019		
1	United States of America	853,270.0
2	United Kingdom	411,794.0
3	Germany	335,249.2
4	China	281,651.0
5	France	287,083.8
6	Netherlands	262,139.4
7	Ireland	238,566.4
8	India	213,730.9
9	Singapore	204,508.5
10	Japan	200,540.5
11	<b>Spain</b>	<b>157,479.4</b>
	World	6,065,640

Source: World Trade Organization (WTO), 2021. Last data available 2019

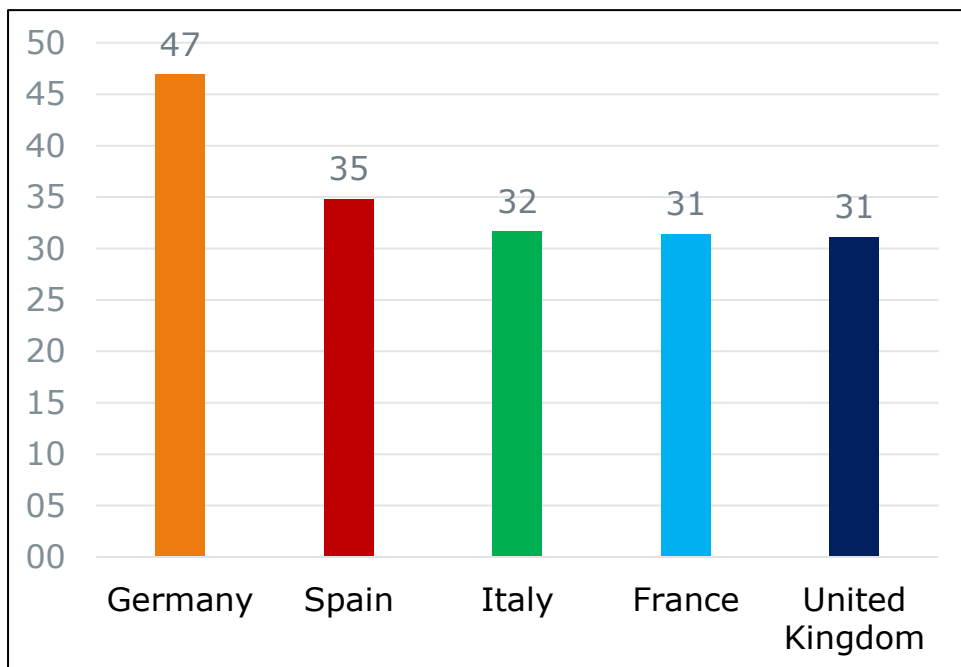
### Merchandise Trade Exports USD Millions

2019		
1	China	2,499,457
2	United States of America	1,643,160.9
3	Germany	1,489,151.6
4	Netherlands	709,415.1
5	Japan	705,564.2
6	France	571,465.1
7	Korea, Republic of	542,232.6
8	Hong Kong, China	534,887.3
9	Italy	532,663.2
		:
16	<b>Spain</b>	<b>333,622.3</b>
	World	18,933,000

Source: World Trade Organization (WTO), 2021. Last data available 2019

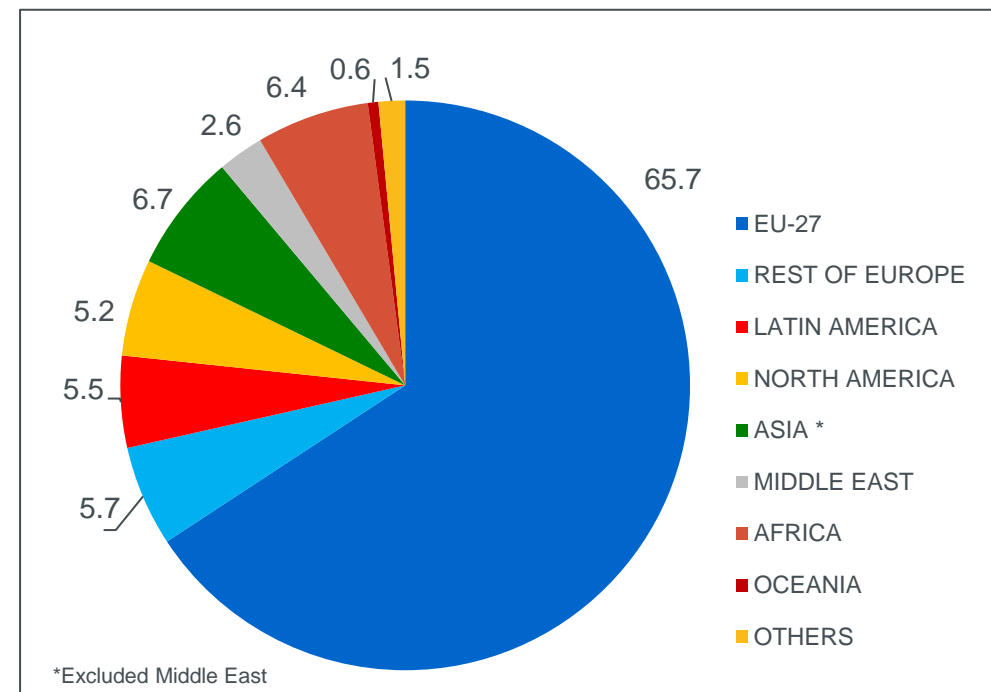
## Export diversification from Spain

2019: Exports of Goods & Services % GDP



Source: Eurostat

2019: Exports from Spain by Destination (%)

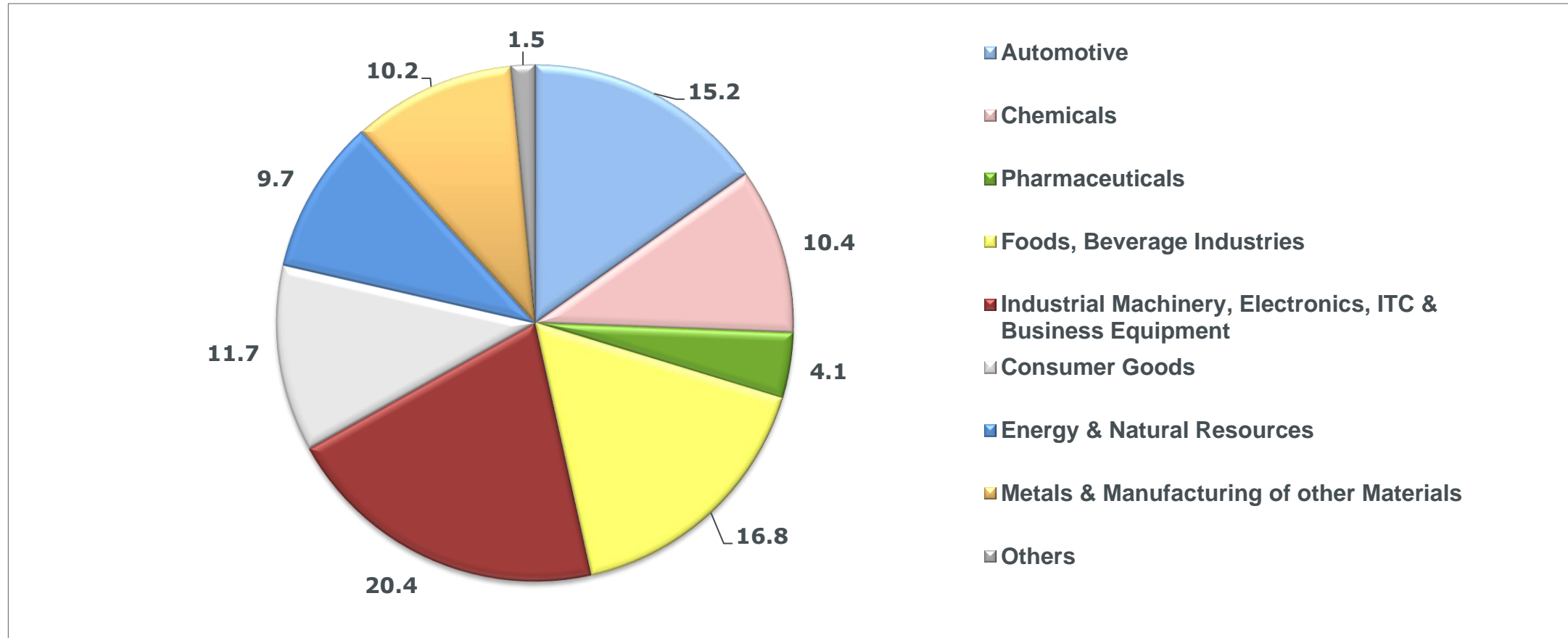


Source: Secretariat of State for Trade

**Multinationals in Spain account for 41,9% of total exports from Spain to third Markets**  
**Total exports from Spain amounted 290 Billion € in 2019**

## Increasing exports with High Value Added and Technological content

2019: Exports of Goods. Sector breakdown in %



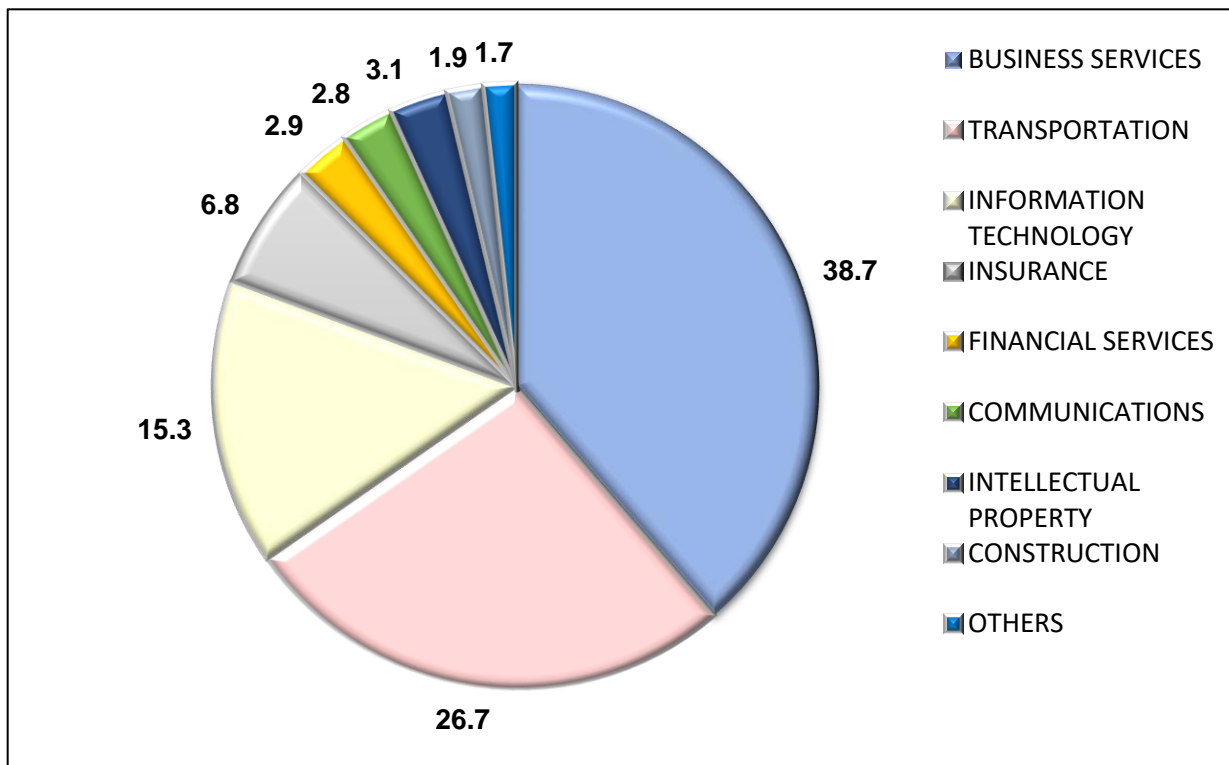
Source: Secretariat of State for Trade

**Foreign companies in Spain account for more than 40% of the total industrial turnover yearly and 24% of the industrial employment**

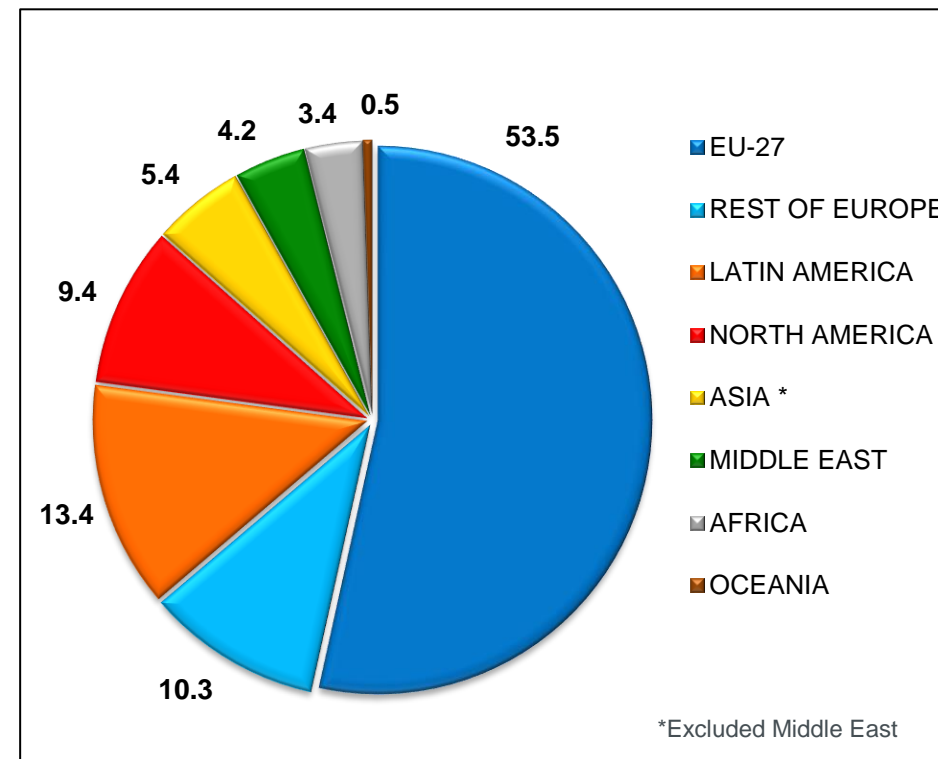


- International Export Services from Spain -excluding Tourism- to third markets reached more than 67 Billion € in 2018. More than 120 Billion € including Tourism.
- According to WTO Spain ranks 11th Worldwide.

International Export Services by Sector (%)



International Export Services by Destination (%)



Source: INE, BdE, WTO and ICEX- Secretariat of State for Trade 2019. Data 2018

**Tourism: Spain received 82 million international tourists in 2018.**

Spain is the 2<sup>nd</sup> country worldwide in number of international tourist arrivals and 2<sup>nd</sup> in revenues after USA (1<sup>st</sup> in Europe)

- Spain is the 2<sup>nd</sup> country worldwide in revenues and the 1<sup>st</sup> in Europe.
- Spain ranks 2<sup>nd</sup> in tourist arrivals worldwide and 2<sup>nd</sup> in Europe.

## INTERNATIONAL TOURISM GENERATED REVENUE (Billion \$) \*

Country	2019
1. USA	214.1
<b>2. Spain</b>	<b>79.7</b>
3. France	63.8
4. Thailand	60.5
5. United Kingdom	52.7
6. Italy	49.6
7. Japan	46.0
8. Australia	45.7
8. Germany	41.6
9. China	35.8

## INTERNATIONAL TOURIST ARRIVALS (Million) \*

Country	2019
1. France	89.4
<b>2. Spain</b>	<b>83.5</b>
3. USA	79.3
4. China	65.7
5. Italy	64.5
6. Turkey	51.2
7. Mexico	45.0
8. Thailand	39.8
9. Germany	39.6
10. United Kingdom	39.4

Source: UNWTO Tourism Highlights, 2020.

\* 2019 Data as collected by UNWTO November 2020.

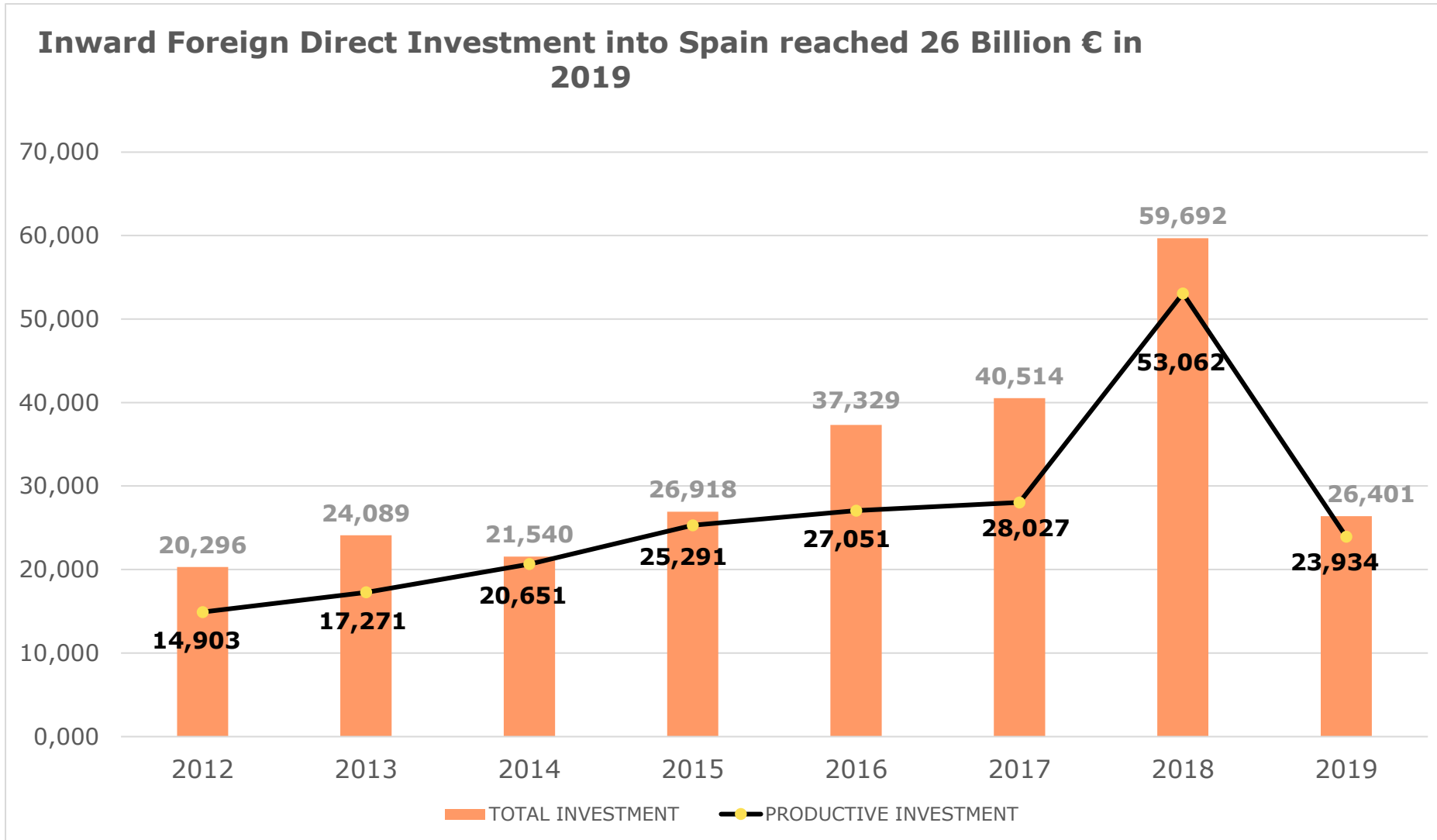
**Spain received 83.5 million tourists in 2019**



**Spanish companies are among leading companies in the world:**

- **Air Navigation Management systems-ATM** developed by Indra has 4,000 facilities in more than 160 countries and is the global leader in air traffic centers in Europe
- Telefonica is **one of the largest telecommunications companies in the world** (attending more than 440 million customers around the world).
- Santander is the **2<sup>nd</sup> bank in the Eurozone** and one of the first in the world (stock market capitalization) and BBVA now operates in 40 countries.
- Inditex sells recognized **brands in clothing** in 202 markets through its online platform or through its more than 7,000 stores in 96 markets.
- Iberdrola is today a global energy leader, **the first wind power producer** and one of the largest electricity companies by market capitalization in the world. The group supplies energy to nearly 100 million people in dozens of countries,.
- Since 2013 the ACS Group leads the Engineering News Record (ENR) ranking of **international contractors**.
- The Spanish **infrastructure sector** is a world leader in foreign markets. 6 out of 10 Worldwide Concessionaires of transportation infrastructures are Spanish Companies.

Foreign Direct Investment Flows increase in Spain. 2012-2019. Million €



Spain. FDI inward. Top 10 Years Ever

	Year	Inward FDI
1	2018	53,062,875.30
2	2007	30,214,637.63
3	2008	30,211,771.31
4	2011	29,109,798.40
5	2017	28,026,948.71
6	2016	27,051,388.59
7	2000	26,080,470.59
8	2015	25,291,084.49
9	2019	23,933,639.15
10	2014	20,650,772.67

Source: Foreign Direct Investments Registry. Ministry of Industry, Commerce and Tourism 2020. Million €.

**Total Investment includes: Productive Investments** -new greenfield & brownfield & Reinvestment - **and Investment in Holding Companies (ETVEs)**

Spain is the world's 4<sup>th</sup> greenfield projects destination and of innovative and high-end greenfield activities\*, according to FDI Markets Financial Times

Top 10 Greenfield Destinations in the World 2020					
	Country	Projects	Capex USD M.	Jobs created	Companies
1	USA	1,631	66,339.1	136,124	1,328
2	UK	1,008	35,984.7	54,153	843
3	Germany	821	24,185.7	42,538	692
4	Spain	540	13,186.1	63,444	411
5	Poland	464	24,272.3	111,863	291
6	France	441	13,936.3	25,787	370
7	China	413	31,986.7	92,764	358
8	India	402	24,081.1	119,346	316
9	UAE	356	9,386.0	17,953	343
10	Australia	321	18,587.3	26,926	284
	Rest	6,206	296,795.7	813,708	--
	<b>Total</b>	<b>12,603</b>	<b>558,741.0</b>	<b>1,504,606</b>	<b>8,159</b>

Source: FDI Markets, 2021. USD Million.

Top 10 Innovative & High-End Greenfield Activities(*) Destinations in the World 2020					
	Country	Projects	Capex USD M.	Jobs created	Companies
1	USA	265	5,931.3	23,962	257
2	UK	170	3,087.5	9,869	164
3	Germany	103	9,257.7	10,008	84
4	Spain	77	1,802.9	5,382	73
5	Canada	73	6,675.9	8,429	70
6	India	68	6,297.8	17,539	63
7	Ireland	65	2,679.9	5,614	55
8	Singapore	57	2,137.8	3,628	55
9	France	53	1,446.9	3,244	51
10	UAE	47	1,506.4	2,929	45
	Rest	792	41,999.5	70,753	--
	<b>Total</b>	<b>1,770</b>	<b>82,823.6</b>	<b>161,357</b>	<b>1,397</b>

Source: FDI Markets, 2021. USD Million.

(\*) Headquarters, Ict&Internet infrastructure and Research&Development activities.

Top 10 Greenfield Destinations in Europe 2016 – 2020 FDI Markets					
	Country	Projects	Capex USD Million	Jobs Created	Companies
1	UK	6,949	173,603.7	357,241	4,898
2	Germany	5,764	102,593.4	237,088	4,532
3	France	3,725	82,557.4	181,381	2,644
4	Spain	3,395	94,917.3	343,920	1,925
5	Poland	2,152	97,213.5	510,129	1,220
6	Netherlands	1,540	43,746.9	88,231	1,342
7	Russia	1,384	80,059.1	302,555	928
8	Ireland	1,188	49,799.9	102,973	892
9	Belgium	1,055	29,334.2	55,219	843
10	Romania	1,022	26,339.4	348,071	558
	Rest	10,004	287,543.7	1,052,675	--
	<b>Total</b>	<b>38,178</b>	<b>1,067,708.5</b>	<b>3,579,483</b>	<b>19,964</b>

Source: FDI Markets, 2021. USD Million.



### Foreign Direct Investment in Spain by Countries Foreign Investments Registry. Million Euro

RK	Country	Total Investment (Million €)	Total %	Nº Companies (*)	Employment
1	USA	87,642.6	17.3%	2,145	204,341
2	United Kingdom	64,216.3	12.7%	2,416	142,475
3	France	54,744.3	10.8%	1,582	329,172
4	Germany	43,084.9	8.5%	1,582	207,877
5	Italy	40,490.9	8.0%	528	45,844
6	Mexico	29,135.1	5.8%	504	33,193
7	China	18,854.0	3.7%	168	23,252
8	Netherlands	14,830.9	2.9%	941	107,015
9	Switzerland	12,850.5	2.5%	645	84,652
10	Japan	10,347.1	2.0%	352	35,238
11	Luxembourg	10,247.2	2.0%	1,534	28,932
12	Canada	7,167.2	1.4%	256	7,964
13	Australia	6,305.3	1.2%	75	7,396
14	Argentina	6,299.0	1.2%	71	296
15	UAE	5,925.4	1.2%	85	9,836
16	Venezuela	5,797.1	1.1%	134	6,439
17	Brazil	5,791.7	1.1%	70	1,549
18	Colombia	5,462.9	1.1%	42	13
19	Sweden	4,676.6	0.9%	133	47,886
20	Singapore	4,417.5	0.9%	71	3,224
21	Belgium	3,714.8	0.7%	213	12,905
22	Uruguay	3,701.1	0.7%	107	476
23	Portugal	3,228.2	0.6%	291	14,327
24	Ireland	2,661.7	0.5%	247	7,792
25	Thailand	2,547.3	0.5%	18	3,311
	Others	52,457.5	10.4%	1,860	196,665
	<b>TOTAL</b>	<b>506,597.2</b>	<b>100.0%</b>	<b>16,070</b>	<b>1,562,069</b>

### Stock and Recent Trends in Spain by Country 2016 – 2020

#### Foreign Investments Registry. Million Euro.

Country	Investment flows						Investment Stock (*)	
	2016 - 2020	2016	2017	2018	2019	2020		
1	USA	33,949.4	5,228.5	5,814.3	14,159.1	4,415.0	4,332.5	87,642.6
2	United Kingdom	23,293.3	2,542.5	8,160.3	4,210.5	5,306.2	3,073.7	62,898.5
3	Germany	15,875.5	7,700.4	3,289.7	2,308.4	1,021.5	1,555.4	43,084.9
4	France	13,401.4	1,809.6	2,697.7	2,216.4	4,130.0	2,547.8	54,744.3
5	Netherlands	12,385.6	6,145.8	3,065.8	1,761.1	762.3	650.6	14,830.9
6	Luxembourg	7,740.4	2,920.6	2,695.2	1,270.3	497.4	357.0	10,247.2
7	China + HK	7,255.7	1,236.1	3,103.0	1,740.9	188.4	987.4	13,403.8
8	Switzerland	6,796.1	406.8	1,525.4	223.1	746.9	3,894.0	12,850.5
9	Japan	5,569.4	509.1	161.7	3,975.1	195.5	728.1	10,347.1
10	Mexico	5,486.0	1,571.2	790.0	1,126.4	1,513.5	485.0	29,135.1
11	Italy	4,217.8	142.0	232.4	2,505.4	968.5	369.5	40,490.9
12	Costa Rica	4,048.8	49.1	7.0	16.8	136.3	3,839.6	528.2
13	Canada	3,930.6	833.1	934.6	1,263.4	624.0	275.5	7,167.2
14	Qatar	3,897.1	677.5	18.0	1,971.6	11.7	1,218.4	2,308.6
15	Australia	2,709.5	9.3	388.6	2,258.9	11.1	41.7	7,623.2
16	Uruguay	2,539.0	359.5	1,647.0	294.5	130.9	107.1	3,701.1
17	Argentina	2,505.2	17.5	1,280.6	113.2	793.3	300.5	6,299.0
18	Sweden	2,071.5	112.1	87.2	98.5	339.5	1,434.2	4,676.6
19	Thailand	1,692.8	0.0	0.4	1,442.3	250.0	0.1	2,547.3
20	Portugal	1,629.5	428.9	508.1	311.2	199.6	181.6	10,647.7
21	Belgium	1,605.5	192.4	590.4	157.5	123.4	541.8	3,714.8
22	Ireland	1,356.4	506.4	176.4	396.1	245.6	31.8	2,661.7
23	Singapore	1,219.8	80.5	621.6	170.8	291.4	55.4	4,417.5
24	UAE	878.6	19.5	450.9	83.1	257.6	67.5	5,925.4
25	South Africa	806.7	11.7	138.1	373.9	258.3	24.6	552.9
	Other	28,132.6	3,831.8	2,380.9	17,087.6	3,062.3	1,770.0	64,150.1
<b>TOTAL</b>		<b>194,994.6</b>	<b>37,341.8</b>	<b>40,765.2</b>	<b>61,536.1</b>	<b>26,480.4</b>	<b>28,871.0</b>	<b>506,597.2</b>
<b>Total Productive Investment</b>		<b>158,078.1</b>	<b>27,063.5</b>	<b>28,277.9</b>	<b>54,906.2</b>	<b>24,006.9</b>	<b>23,823.6</b>	<b>465,093.6</b>

Source: Foreign Investments Registry. Ministry of Industry, Trade and Tourism, 2021. Million €. (\*) Stock 2018 data.





### Greenfield Projects in Spain by Country 2016 – 2020 FDI Markets

RK	Country	Capex USD Mill.	Projects	Jobs	Companies	RK	Country	Capex USD Mill.	Projects	Jobs	Companies
1	USA	25,959.0	553	53,508	360	14	Canada	992.0	22	1,985	20
2	France	14,545.7	577	55,289	278	15	Denmark	973.1	59	4,125	33
3	Germany	10,789.3	477	45,125	212	16	Israel	927.6	21	1,108	15
4	UK	9,756.9	390	52,477	234	17	Singapore	921.7	18	7,830	10
5	Switzerland	4,211.8	167	16,373	84	18	UAE	900.4	16	1,116	12
6	Italy	4,015.9	206	10,754	113	19	Sweden	689.5	50	3,871	33
7	Netherlands	3,751.7	165	20,894	73	20	Greece	573.8	9	1,633	6
8	Luxembourg	2,546.0	47	23,377	20	21	Ireland	423.8	26	2,667	14
9	Japan	2,447.7	109	9,845	66	22	Cyprus	382.0	5	441	4
10	China	2,400.8	102	5,981	55	23	Australia	342.4	17	1,659	14
11	Belgium	1,395.3	48	5,738	35	24	Russia	330.2	11	766	6
12	Norway	1,111.0	24	1,633	12	25	Iran	263.9	2	66	2
13	Portugal	1,047.9	53	4,154	29		Rest	3,217.9	221	11,505	
<b>TOTAL</b>								94,917.3	3,395	343,920	1,925

Source: FDI Markets, 2021. USD Million.

## Foreign Direct Investment in Spain by Sector. Stock and Recent Trends 2016 – 2020

### Foreign Investments Registry. Million Euro.

Sectors		Total Stock *	Investment Flows				
			2016	2017	2018	2019	2020
1	Real Estate, Building and Infrastructures	77,131.1	6,509.1	7,636.9	12,395.1	4,030.2	3,352.7
2	Energy	59,463.1	9,832.3	2,648.3	3,961.2	1,010.9	1,392.2
3	Retail and Wholesale	53,666.3	1,493.8	2,809.2	4,446.9	1,978.9	5,226.0
4	Financial Services	50,035.1	6,748.2	3,669.4	3,418.1	6,464.3	6,059.3
5	Metals and Manufacturing of other Materials	49,407.8	2,410.3	2,218.0	343.2	730.4	558.1
6	Food and Beverages	30,525.7	1,184.5	1,340.9	1,784.7	877.0	1,977.6
7	Pharmaceuticals, Medical, Healthcare & Biotechnology	27,421.4	285.3	1,410.2	2,848.2	450.6	370.1
8	ITC: Communications, Software & IT Services	24,069.0	777.0	2,180.0	3,395.6	2,120.7	4,755.0
9	Chemicals and Petrochemicals	23,399.9	456.6	565.0	3,752.6	1,468.5	511.8
10	Automotive OEM & Automotive Components	19,357.1	1,499.8	489.4	2,455.2	381.6	342.6
11	Transport and Logistics	16,657.2	1,784.8	3,054.8	14,975.3	493.0	1,670.3
12	Mining and Natural Resources	16,436.3	107.4	9,375.8	221.4	167.1	19.9
13	Business Services	15,563.2	702.3	1,257.6	1,232.4	2,204.8	1,276.7
14	Tourism	12,920.3	1,160.8	630.3	2,326.3	666.2	253.2
15	Leisure and Entertainment	8,051.8	827.7	127.7	2,066.5	623.3	295.0
16	Environmental industries	8,029.0	742.4	617.0	122.6	671.8	39.6
17	Industrial Machinery and Equipment	7,482.5	286.1	477.9	1,415.2	201.4	193.6
18	Paper, Wood and Others	5,873.1	289.1	17.3	63.9	1,717.4	496.6
19	Consumer Goods	1,070.1	24.9	238.8	307.8	215.4	72.8
20	Other	37.4	219.5	0.7	4.1	7.1	8.0
<b>Total Investment</b>		<b>506,597.2</b>	<b>37,341.8</b>	<b>40,765.2</b>	<b>61,536.1</b>	<b>26,480.4</b>	<b>28,871.0</b>
<b>Total Productive Investment</b>		<b>465,093.6</b>	<b>27,063.5</b>	<b>28,277.9</b>	<b>54,906.2</b>	<b>24,006.9</b>	<b>23,823.6</b>

Source: Foreign Investments Registry. Ministry of Industry, Trade and Tourism 2021. Million Euro. (\*) Stock 2018 data.

## Greenfield Projects in Spain by Sectors 2003 – 2020. FDI Markets

	Sector	Capex USD Million	Projects	Jobs	Companies
1	Consumer Products, Food & Beverages, Textiles	42,504.2	2,518	237,036	841
2	Automotive OEM & Automotive Components	38,150.4	314	64,427	140
3	Energy, Environment & Renewable Energy	30,726.0	278	12,844	155
4	Real Estate, Building & Construction Materials	27,113.4	461	219,425	185
5	Transportation, Logistics & Warehousing	26,854.3	498	50,235	233
6	ITC: Communications, Software & IT Services	21,075.4	1,317	70,806	954
7	Business & Financial Services	17,465.9	1,091	58,660	758
8	Leisure & Entertainment	16,772.7	40	11,912	37
9	Chemicals, Plastics & Rubber	11,879.0	368	18,755	243
10	Hotels & Tourism	8,394.1	146	19,856	93
11	Consumer Electronics, Business Mach.&Equip., Components	6,493.6	386	27,360	243
12	Pharmaceuticals, Medical, Healthcare & Biotechnology	5,945.2	275	20,116	191
13	Metals	4,556.5	123	8,007	91
14	Industrial Machinery, Equipment, Engines & Turbines	2,270.6	293	15,361	220
15	Aerospace, Space & Defence	1,511.4	48	4,595	36
16	Non-Automotive Transport OEM	1,407.5	73	4,613	53
	Other	3,364.8	99	6,501	60
	<b>TOTAL</b>	<b>266,485.2</b>	<b>8,328</b>	<b>850,509</b>	<b>4,351</b>

Source: FDI Markets, 2021. USD Million.

## Greenfield Projects in Spain by Sectors: 2016 - 2020. FDI Markets

Sector		Capex USD Million				
		2016	2017	2018	2019	2020
1	Real Estate, Building & Construction Materials	541.5	816.6	3,917.5	3,563.0	<b>3,089.2</b>
2	Consumer Products, Food & Beverages, Textiles	2,855.8	3,798.6	3,740.2	3,037.0	<b>2,283.0</b>
3	Energy, Environment & Renewable Energy	407.3	398.5	2,801.7	2,707.6	<b>1,705.3</b>
4	ITC: Communications, Software & IT Services	797.3	1,004.1	1,623.4	2,148.9	<b>1,403.9</b>
5	Business & Financial Services	1,568.9	783.6	1,330.9	1,135.8	<b>1,207.5</b>
6	Transportation, Logistics & Warehousing	769.9	748.7	2,812.8	2,613.4	<b>915.4</b>
7	Automotive OEM & Automotive Components	1,657.6	2,262.5	867.8	1,716.8	<b>693.2</b>
8	Hotels & Tourism	400.4	2,454.6	1,208.5	1,138.1	<b>356.2</b>
9	Chemicals, Plastics & Rubber	528.0	1,032.8	638.3	520.6	<b>310.9</b>
10	Pharmaceuticals, Medical, Healthcare & Biotechnology	175.2	513.2	299.3	569.9	<b>292.5</b>
11	Consumer Electronics, Business Mach.&Equip., Components	290.5	142.5	213.0	258.1	<b>259.5</b>
12	Non-Automotive Transport OEM	115.4	24.3	515.7	122.5	<b>233.3</b>
13	Metals	133.3	222.7	522.7	112.4	<b>138.5</b>
14	Industrial Machinery, Equipment, Engines & Turbines	83.4	90.4	199.1	190.0	<b>76.0</b>
15	Leisure & Entertainment	0	565.9	13,707.8	961.7	<b>69.1</b>
16	Aerospace, Space & Defence	67.4	51.2	237.8	127.9	<b>16.8</b>
	Other	116.5	154.3	454.7	143.3	<b>135.9</b>
<b>TOTAL</b>		<b>10,508.4</b>	<b>15,064.7</b>	<b>35,091.2</b>	<b>21,067.0</b>	<b>13,186.1</b>

Source: FDI Markets, 2021. USD Million.

2019 Inward FDI Stock			
	Economy	Mill USD	Share
1	United States	9,465,835	26%
2	China+Hong Kong	3,637,422	10%
3	United Kingdom	2,075,271	6%
4	Netherlands	1,749,779	5%
5	Singapore	1,697,556	5%
6	Switzerland	1,350,682	4%
7	Ireland	1,120,301	3%
8	Canada	1,037,092	3%
9	Germany	953,306	3%
10	France	868,691	2%
11	<b>Spain</b>	<b>751,510</b>	<b>2%</b>
12	Australia	714,249	2%
13	Brazil	640,731	2%
14	Mexico	628,460	2%
15	Belgium	566,116	2%
16	Russian Federation	463,860	1%
17	Italy	445,741	1%
18	Cyprus	445,091	1%
World		<b>36,470,162</b>	

Source: UNCTAD, WIR 2020.

2019 Outward FDI Stock			
	Economy	Mill USD	Share
1	United States	7,721,713	22%
2	China+Hong Kong	3,893,427	11%
3	Netherlands	2,565,287	7%
4	United Kingdom	1,949,442	6%
5	Japan	1,818,139	5%
6	Germany	1,719,389	5%
7	Canada	1,652,480	5%
8	France	1,532,826	4%
9	Switzerland	1,526,228	4%
10	Singapore	1,106,192	3%
11	Ireland	1,085,167	3%
12	Belgium	656,429	2%
13	<b>Spain</b>	<b>606,549</b>	<b>2%</b>
14	Australia	579,257	2%
15	Italy	558,400	2%
16	Cyprus	442,796	1%
17	Korea	440,147	1%
18	Sweden	396,541	1%
World		<b>34,571,124</b>	

Source: UNCTAD, WIR 2020.

Over 16,000 foreign companies in Spain across all economic sectors. 70 of the FORBES Top 100 companies have branches and 90 out of 100 top R&D Companies has a subsidiary according to Thomson Reuters

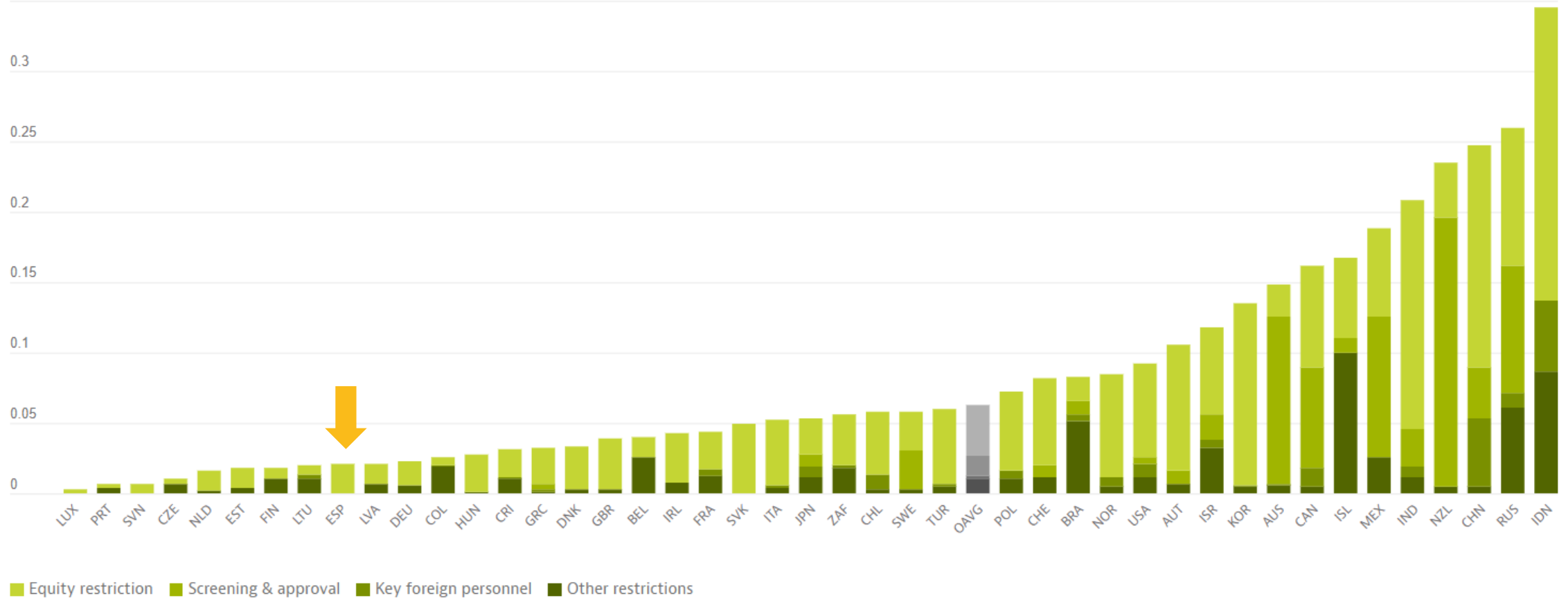


Spain is the 10th-most open country to Foreign Investment according to **OECD's FDI Restrictiveness Index**

Total FDI Index

2019

0.35 Index: 1 = maximum restriction



MORE OPEN

CLOSER



## 2. Global Market Access



**Domestic market of over 46 million consumers:** Spain has a GDP per capita (PPP) above the EU-27 average.

Spain grants free access to the world's largest market, **the European Union: more than 500 million consumers**



### Advantages of operating in the EU:

- Intra-European duty-free market.
- Free movement of goods and services, capital and persons.
- Single currency: EURO.

### Capacity for consumption of goods (selected countries)

Country	GDP per capita	
	RK	USD
USA	7	65,253
Australia	11	54,348
Germany	18	46,472
Canada	19	46,271
UK	22	42,378
France	23	41,896
Japan	27	40,255
Italy	28	33,159
Korea, Republic of	30	31,846
<b>Spain</b>	<b>32</b>	<b>29,993</b>
Russia	65	11,601
China	69	10,286
Mexico	71	9,862
Brazil	77	8,751
India	145	2,097

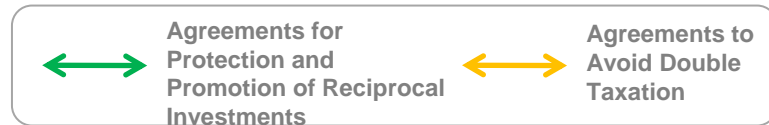
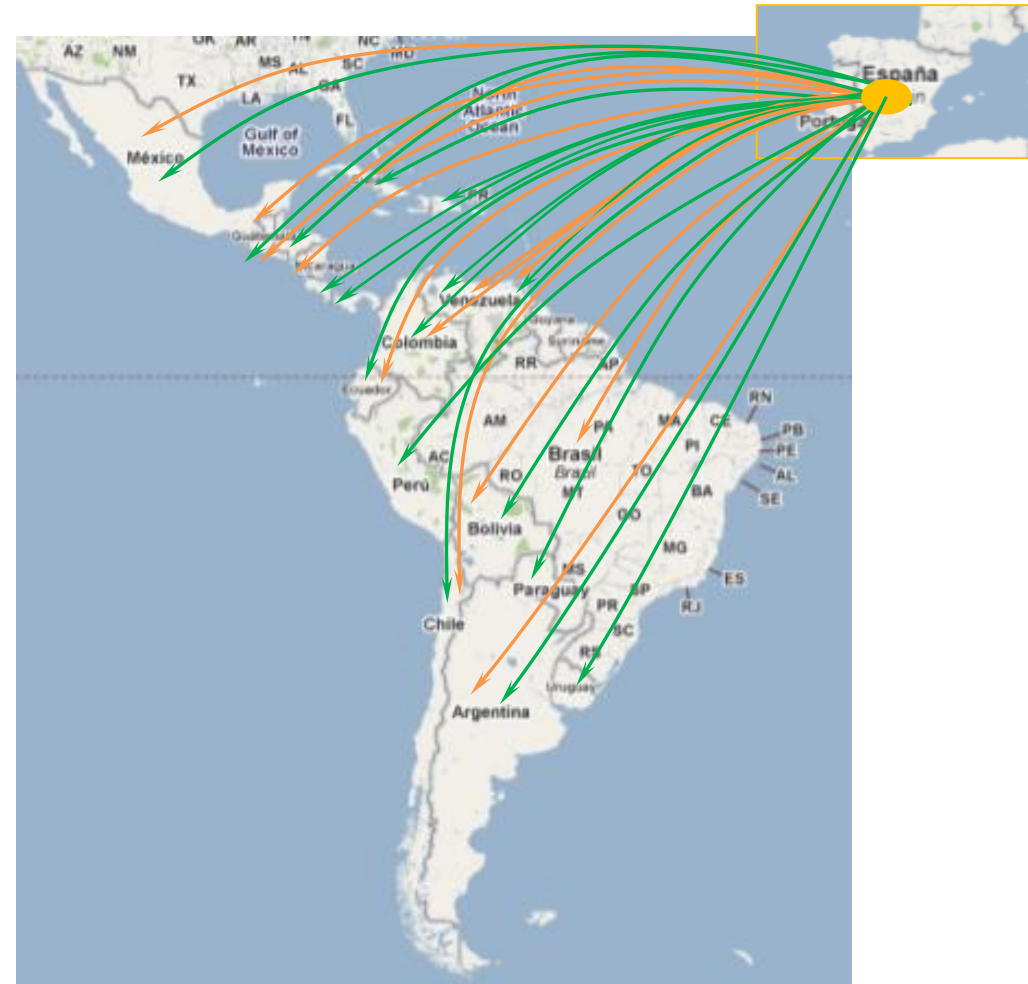
Source: IMF, 2021 data referred to 2019.

The best European platform for doing business with Latin America:

**17 Agreements to Avoid Double Taxation in Central and South America:** Argentina, Barbados, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, El Salvador, Ecuador, Jamaica, Mexico, Panama, Trinidad & Tobago, Uruguay and Venezuela.

**19 Agreements for Reciprocal Protection and Promotion of Investments** Argentina, Colombia, Costa Rica, Cuba, Chile, Ecuador, El Salvador, Guatemala, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, Trinidad & Tobago, Uruguay and Venezuela.

Excellent **communications and infrastructure:** Madrid concentrates around 35% of total air traffic between Europe & Latin America.



## Why is Spain a perfect hub for doing business in Latin America?



1. **Common historical, cultural and linguistic roots. Institutional network relationships.**
2. **Strong economic and business ties:** Spanish companies have invested in strategic sectors in Latin America (banking, utilities, communications and transport, building industry, airport management, etc.)
3. **Good communications:** Spain is a major connecting hub for airlines traveling between America, Europe and Middle East.
4. Multinational companies are increasingly choosing Spain for their **Latin American headquarters.**
5. Spain has become the **European HQ for Latin American** multinational companies.
6. In the USA there are more than 40 million people **working in Spanish.**

## Spain: Hub between Europe & America



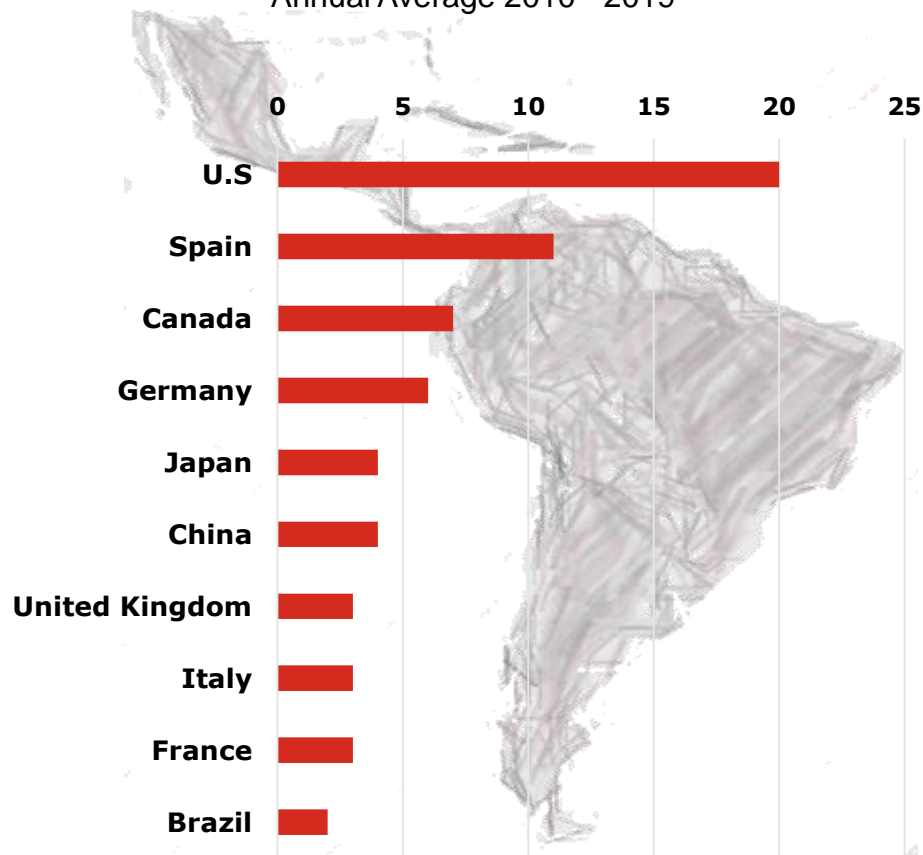
- **Latin American** multinational companies are choosing Spain for their **European HQ** .
- **LATIBEX** Index in Madrid Stock Exchange

1. **Common Business and Institutional network relationships** with **historical, cultural and linguistic** roots.
2. **Strong economic and business ties:** Spanish companies have invested in strategic sectors in Latin America (banking, utilities, communications and transport, building industry, airport management, etc.)
3. **Logistics and Good Communications:** Spain is a major connecting hub for airlines traveling between America, Europe and the Middle East.
4. **There are an estimated 470 million Spanish speakers** with native competence which qualifies Spanish language as second language by number of native speakers. Speakers in the Americas total some 418 million. **In the USA** there are more than 50 million people working in Spanish.
5. **Most Latin American legal systems are based on Spanish civil law.** Spanish Legal firms have strong local presence in Latin America.

Spanish companies are very active as investors in the US, the EU and are the 2nd largest investors in Latin America

**Origin of FDI by country in LATAM economies**

Investment Projects Announcements by country in LATAM economies  
Annual Average 2010 - 2019



Source: Economic Commission for Latin America and the Caribbean. Foreign Direct Investment in Latin America and the Caribbean 2020. Billions of US Dollars.

Spain Investment abroad: Outward FDI. Stock by country destination Million €			
Rk	Country	FDI Stock 2019	%Total
1	U.S.A	86,078.85	19.6%
2	United Kingdom	78,661.26	17.9%
3	Mexico	50,981.07	11.6%
4	Brazil	48,177.98	11.0%
5	Chile	21,239.23	4.8%
6	Germany	18,450.76	4.2%
7	Portugal	16,916.80	3.9%
8	France	16,293.72	3.7%
9	Luxembourg	15,641.50	3.6%
10	Switzerland	13,353.40	3.0%
11	Argentina	13,201.64	3.0%
12	Ireland	10,665	2.4%
13	Canada	8,921.50	2.0%
14	Italy	8,264.33	1.9%
15	Colombia	6,592.38	1.5%
16	Poland	6,437.14	1.5%
17	Peru	5,623.3	1.3%
18	Turkey	5,429.3	1.2%
19	Netherlands	3,980.21	0.9%
20	Belgium	3,928.90	0.9%
	<b>Total</b>	<b>438,838.30</b>	<b>100%</b>

Source: Foreign Direct Investments Registry. Ministry of Industry, Commerce and Tourism 2021. Million €



## Spanish Companies are among Leading Companies in the World



- ❖ 3 out of every 5 flights worldwide are controlled using Spanish **Air Navigation Management systems-ATM**.
- ❖ Telefonica is **one of the largest telecommunications companies in the world** (in terms of market capitalization and number of customers).
- ❖ Santander is the **2<sup>nd</sup> bank in the Eurozone** and one of the first in the world (stock market capitalization) and BBVA now operates in 40 countries.
- ❖ Mapfre is **the largest multinational insurer in Latin America** and among the top 10 European insurance companies by premium volume
- ❖ Iberdrola is the **4<sup>th</sup>-largest utility company in the world** (in terms of market capitalization) and the 2<sup>nd</sup> largest wind power operator in USA.
- ❖ The Spanish **infrastructure sector** is a world leader in foreign markets. ACS Group is the leading international contractor in the world, according to the ranking published in 2018 by the specialized publication Engineering News Record (ENR).
  - The Al Shoula Group, a Spanish-Saudi consortium, is to run **the high-speed train between La Mecca – Medina**.
  - **The Panama Canal expansion project has been** developed by a Spanish-led consortium.
  - **6 out of 10 Worldwide Concessionaires of transportation infrastructures** are Spanish Companies.

## Many Spanish companies have a strategic position in key sectors in Latin America

(ICT, energy, finance, infrastructures, etc.)



Some multinational companies have already been established in Spain to **manage their operations in Latin America**, directly or through joint ventures with Spanish companies.











In addition, **Spain has become the European Headquarters of Latin-American multinational companies** doing business in Europe and MENA countries.







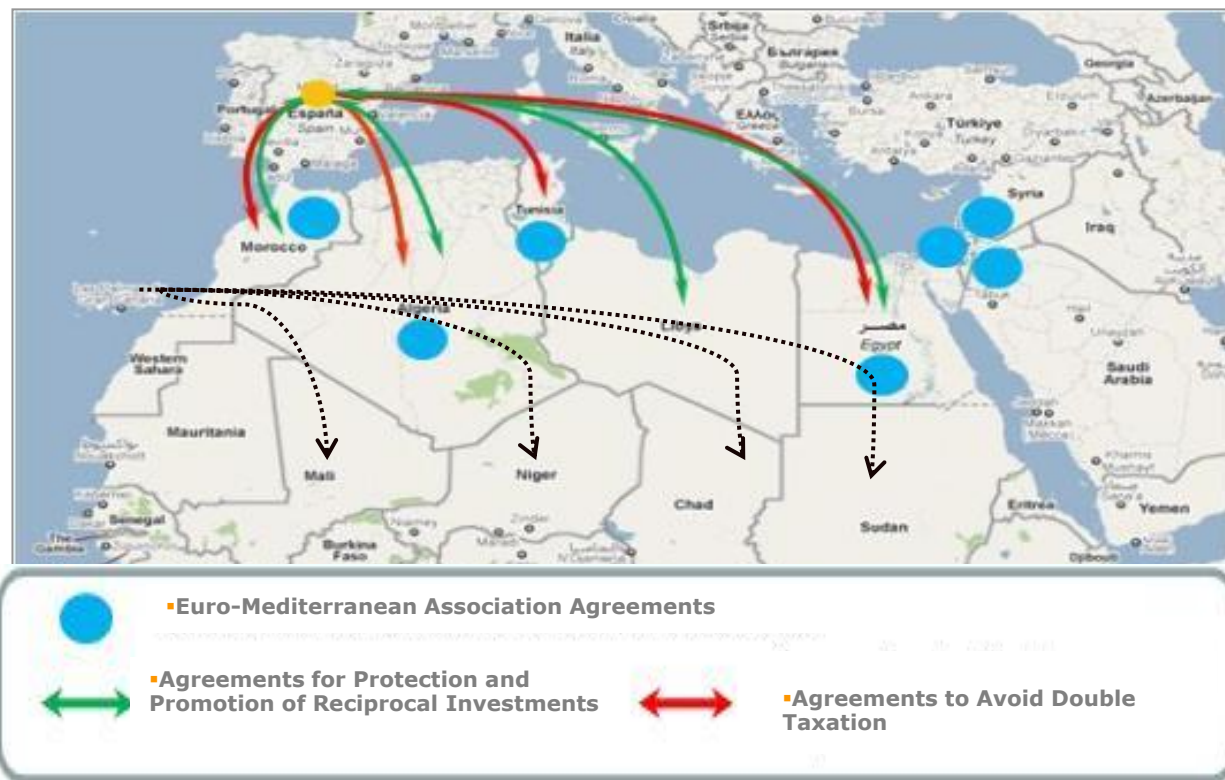
**LATIBEX: the single international market for Latin American securities regulated by the Spanish Stock Market.**

- Bradespar (Brazil)
- Banco Bradesco (Brazil)
- Braskem (Brazil)
- Copel (Brazil)
- Eletrobras (Brazil)
- Gerdau (Brazil)
- Petrobras (Brazil)
- Usiminas (Brazil)
- Vale (Brazil)
- Cemig (Brazil)
- Alfa (Mexico)
- América Móvil ((Mexico)
- Banorte (Mexico)
- Corp.Geo (Mexico)
- Grupo Elektra (Mexico)
- Share Holding (Mexico)
- Grupo Azteca (Mexico)
- Banco Santander Rio (Argentina)
- BBVA Banco Francés (Argentina)
- Volcán Compañía Minera (Peru)



Spain is also a suitable platform within the European market for doing business with **North-African, Mediterranean, and Middle East countries**

- 21 Bilateral Agreements to Avoid Double Taxation
- 18 Bilateral Agreements for Reciprocal Protection And Promotion of Investments



**Euro-Mediterranean Association Agreements** with Egypt, Israel, Jordan, Lebanon, Morocco, Tunisia and Algeria for the gradual liberalization of trade in the Mediterranean area.

The Canary Islands are a strategic hub for doing business in Africa.

## Key Role of the Spanish Canary Islands Special Zone (ZEC) as a commercial and logistic hub with Africa

- Geoestrategic location: On the **Southernmost border of the European Union (EU)**
- Strong historical and commercial ties with Africa and America
- Tax benefits for ZEC entities
- Authorized by the European Commission in January 2000



- ✓ Europe's most beneficial tax regime (4% corporate tax rate).
- ✓ Excellent communications and services infrastructure.
- ✓ Interesting tri-continental logistic platform to Africa, Latin America and Europe



[www.zec.org](http://www.zec.org)

### Cities and regions among the most relevant Europe's investment destinations for the future. Selected top ranking destinations according to fDi Markets

#### Madrid

- 1st Southern European Cities of the Future 2020/2021
- 2nd Major European Cities of the Future 2020/2021 – Human Capital and Lifestyle
- 6th Major European Cities of the Future 2020/2021 - Connectivity
- 8th Major European Cities of the Future 2020/2021
- 11th European Cities of the Future 2020/2021: Overall

#### Seville

- 9th Large European Cities of the Future 2020/2021 - Connectivity

#### Barcelona

- 2nd Southern European Cities of the Future 2020/2021
- 3rd Major European Cities of the Future 2020/2021 – Connectivity
- 7th Major European Cities of the Future 2020/2021 – FDI Strategy
- 10th Major European Cities of the Future 2020/2021 – Economic potential
- 19th European Cities of the Future 2020/2021: Overall

#### Valencia

- 6th Large European Cities of the Future 2020/2021 - Connectivity
- 8th Southern European Cities of the Future 2020/2021

#### Basque Country

- 1st Mid-sized European Regions of the Future 2020/2021 – FDI Strategy
- 8th Southern European Regions of the Future 2020/2021

#### Balearic Islands

- 9th Southern European Regions of the Future 2020/2021

#### Canary Islands

- 7th Mid-sized European Regions of the Future 2020/2021 – FDI Strategy

#### Region of Murcia

- 7th Small European Regions of the Future 2020/2021 – FDI Strategy

### 3. Business climate

- **Setting Up a Business**
- **Infrastructure and Technology**
- **Incentives and taxes**
- **Human capital: Productivity, Skilled Labour Force and Competitive Costs**
- **Immigration**
- **Quality of life: Expat setting up**

## 3. Business climate

- **Setting Up a Business**

- ❑ **National Treatment:** In Spain, foreign investors are accorded exactly the same treatment as Spanish investors, with no discrimination as regards the type or size of the investment. Foreign investments in Spain do not require, as a general principle, any prior authorization, nor do they require any kind of administrative verification.
- ❑ **Setting up a business in Spain is simple.** There are a wide range of possibilities to match the needs of the different types of investor who wish to invest in or from Spain. An international investor is free to choose between the numerous alternatives that offer the Spanish Law.

#### MAIN WAYS OF DOING BUSINESS IN SPAIN

<b>Society</b>	The most common forms used are the corporation (S.A.) and, principally, the limited liability company (S.L.)
<b>Branch</b>	It doesn't have own legal personality. Their activity and legal liability will be directly related to the parent company
<b>Joint venture</b>	An Economic Interest Grouping (E.I.G.) and a European E.I.G. (E.E.I.G.). A Temporary Business Association ("Unión Temporal de Empresas" or U.T.E.). Under a type of silent partnership arrangement peculiar to Spanish law ("cuenta en participación") Joint ventures through Spanish corporations or limited liability companies.
<b>Limited Liability Entrepreneur</b>	Pursuit of the activity directly by the individual where certain requirements are met.
<b>Directly:</b> Without setting up a business or entering into an association with existing business or establishing a physical center of operations in Spain	Signing a distribution agreement. Operating through an agent. Operating through commission agents. Franchising.
<b>Acquisition of assets</b>	Acquisition of real estate located in Spain or acquisition of businesses
<b>Venture capital</b>	Investment in venture capital entities

- ❑ **Transfer registered offices of foreign companies to Spain:** Unlike other some national laws, the Spanish legislation broadly admits the possibility for foreign companies to transfer its registered offices to Spain without affecting the legal personality of the company.
  
- ❑ **Welcome programme for investment firms and other financial institutions:** Spain is ready to welcome financial companies and institutions wishing to relocate their business to Spain. To this end, the Spanish Securities Regulator (CNMV) is developing a special program to facilitate and guide foreign financial companies and institutions through the authorization process.
  
- ❑ **Quick company setup:** Significant reduction of the red tape to start a business. Express procedure for telematic formation of limited liability companies in 24 hours.

Telematic Formation of a SL: Average Time	Less than 1 day	Between 1 and 5 days	Between 5 and 10 days	More tan 10 days
Limited Liability Companies with Standard Bylaws	22.45%	36.16%	17.75%	23.64%
Limited Liability Companies without Standard Bylaws	24.14%	25.86%	20.69%	29.31%
Individual Entrepreneurs	84.93%	11.24%	2.02%	1.81%

Source: Ministry of Industry, Trade and Tourism

## 3. Business climate

- **Infrastructure and Technology**



### International flights: main selected destinations

In 2019 the two main Spanish airports (Adolfo Suárez Madrid Barajas and Barcelona El Prat) ranked 4<sup>th</sup> and 5<sup>th</sup> positions in Top 15 airports in EU-27 in terms of passengers carried, according to Eurostat.

International flights in Spanish airports were operated by almost 600 airlines (AENA, 2019).

### International airports



Country	Thousands of passengers on board
United Kingdom	277,548,891
Spain	227,560,955
Germany	227,413,603
France	169,404,686
Italy	161,344,129
Turkey	159,156,950
Poland	93,834,412
Netherlands	81,270,353
Switzerland	57,267,916
Greece	56,085,668
Portugal	54,692,738
Norway	40,848,699

Source: Eurostat 2021. Data from 2019.

### Air passenger transport between the main airports of Spain and their main partner airports

Annual Comercial Passenger Airflights		Destination
Adolfo Suárez Madrid Barajas Airport	Barcelona El Prat Airport	Europe
19,884	22,073	London
15,339	15,329	Paris
8,094	6,662	Brussels
7,536	6,084	Frankfurt
6,419	5,835	Munich
6,285	4,088	Zurich
<b>USA</b>		
3,83	1,624	New York
2,829	726	Miami
722	..	Chicago
<b>Asia</b>		
798	..	Shanghai
558	..	Hong Kong
496	366	Beijing
<b>LATAM</b>		
3,329	..	Mexico City
2,402	729	Sao Paulo
1,819	..	Santiago de Chile

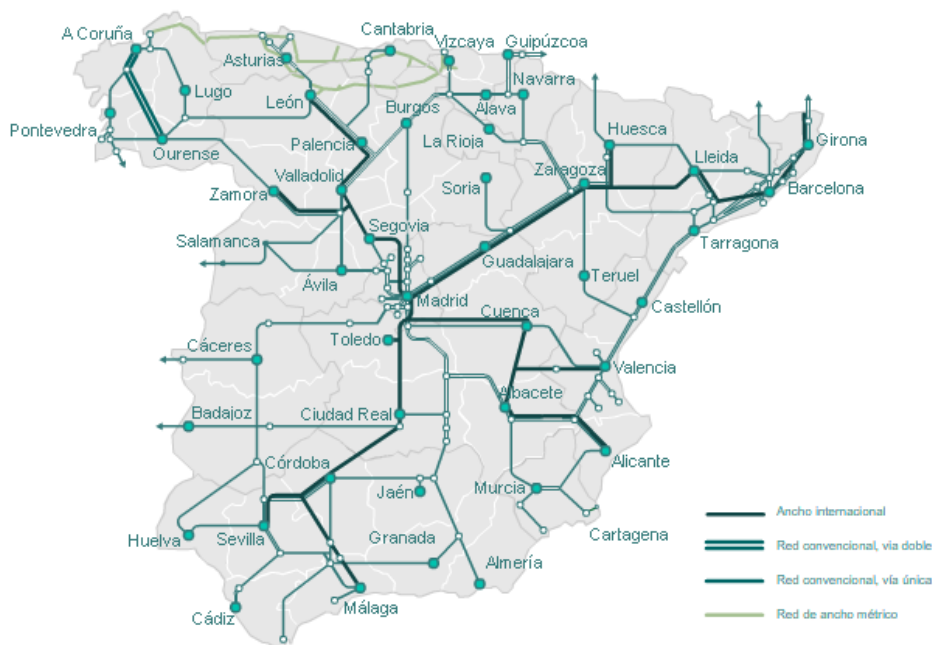
Source: Eurostat, 2021. Data from 2019.

## Railway Network

Spain is the 3<sup>rd</sup> largest worldwide (1<sup>st</sup> in Europe) in High-Speed Network and the European leader with more than 2,500km in service, travelling at an average commercial speed of 222 km/h, higher than that of Japan (218 km/h) and France (216 km/h). And a total railway network over 15,500 km.

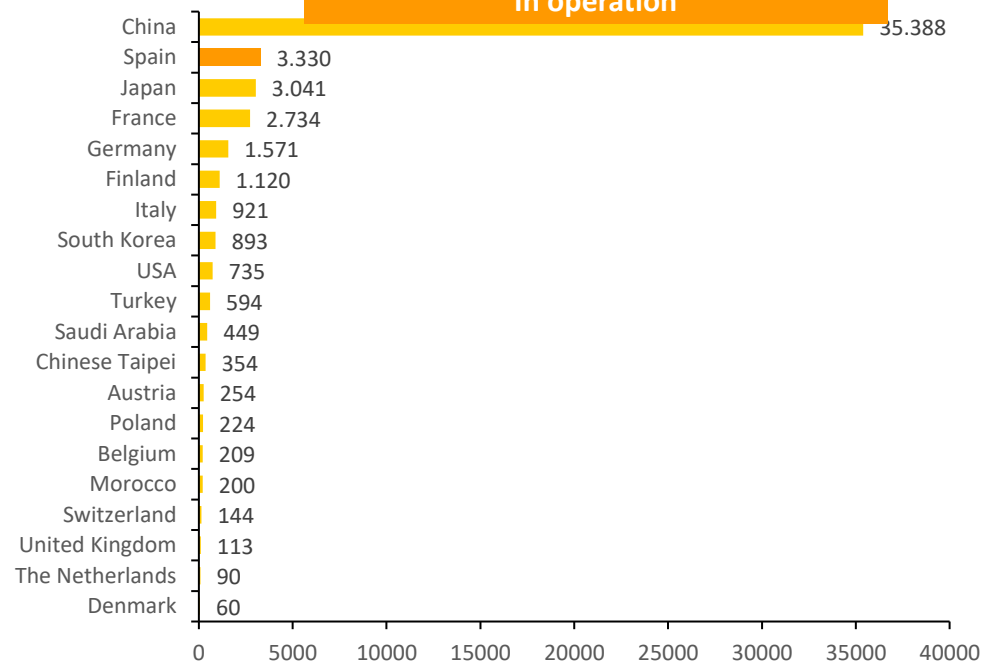
According to The Global Competitiveness Report (World Economic Forum), Spain has one of the best indexes of rail road infrastructure Quality in the world, and one of the best subway systems in major cities.

### Railway Network



Source: ADIF

### High-Speed Lines in the World (kilometers) In operation



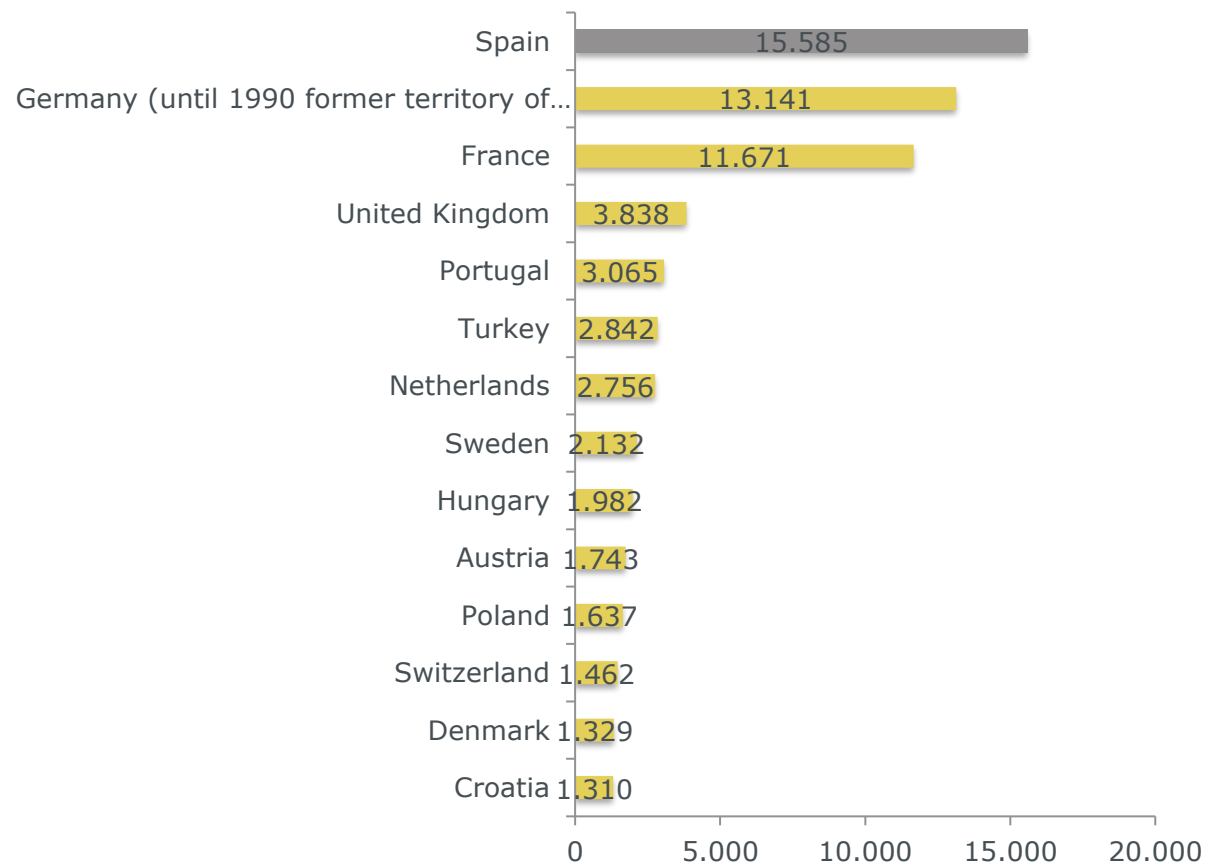
Source: International Union of Railways. Updated 2020

## Road Network

Spain is ranking second in the world after Canada in kilometers per capita of motorways.



## Total length of motorways (KM)



### Main Port Facilities

Excellent maritime connections, with **46 state-owned ports** on both the Atlantic and the Mediterranean coasts, with 3 ports among the Top-10 container ports in Europe (Valencia, Algeciras, and Barcelona). According to The Global Competitiveness Report (World Economic Forum), Spain has one of the best indexes of Quality of port infrastructures in the world.



Source: European Sea Ports Organization. ESPO & Puerto del Estado

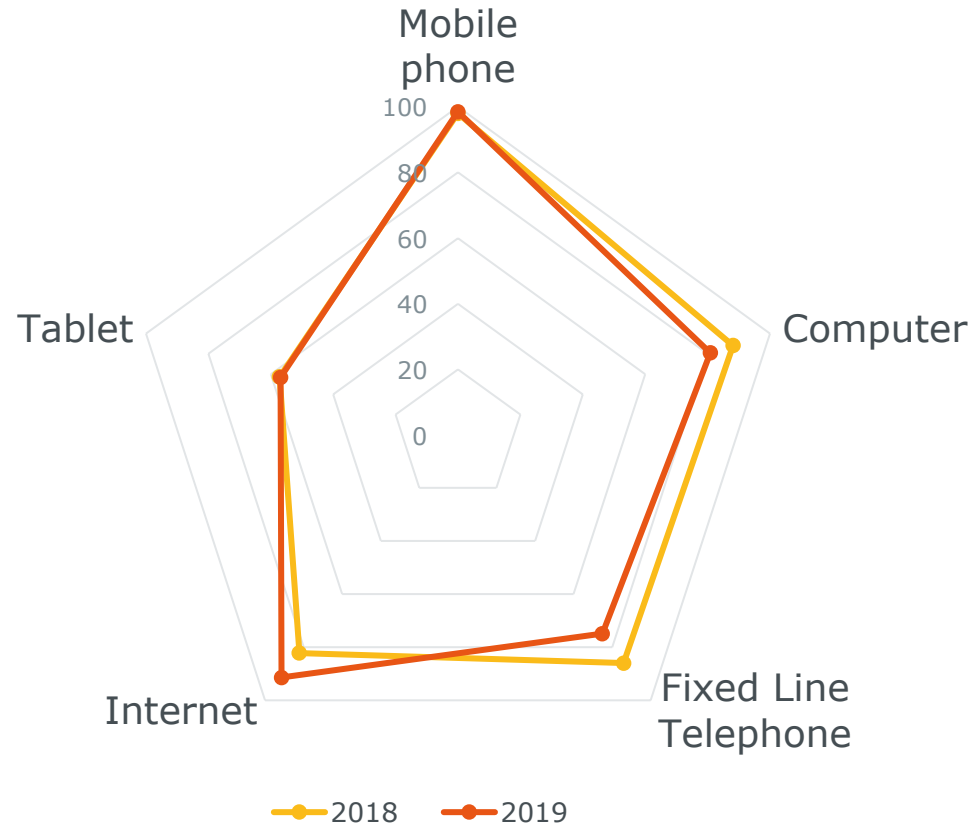
Container Traffic - European Ports 2019		
Rank	City	(Th. TEUs)
1	Rotterdam	13,492
2	Antwerpen	11,676
3	Hamburg	9,282
4	Piraeus	5,646
5	Valencia	5,421
6	Algeciras	5,125
7	Bremerhaver	4,850
8	Felixstowe	3,838
9	Barcelona	3,313
10	Gioia Tauro	2,981
11	Le Havre	2,762
12	Genoa	2,176
13	Southampton	1,880
14	Gdansk	1,800
15	London	1,731

Source: Annual Report. European Sea Ports Organization 2019 - 2020



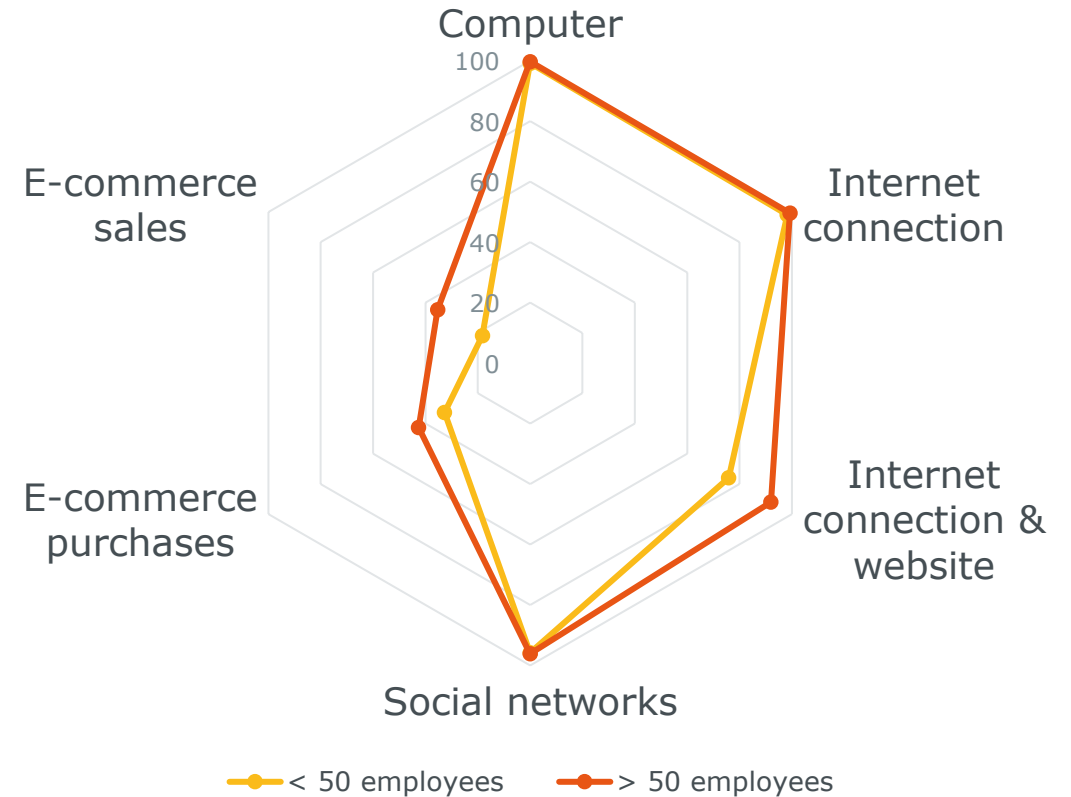
Technology Household & Business Penetration

ICT Household equipment in Spain, (%)



Source: ONTSI, 2021. La Sociedad en Red. Transformación Digital en España. Annual Report 2019 and Annual Report 2018. Data from INE.

ICT Infrastructures in Spanish Businesses by size of the companies, (%)



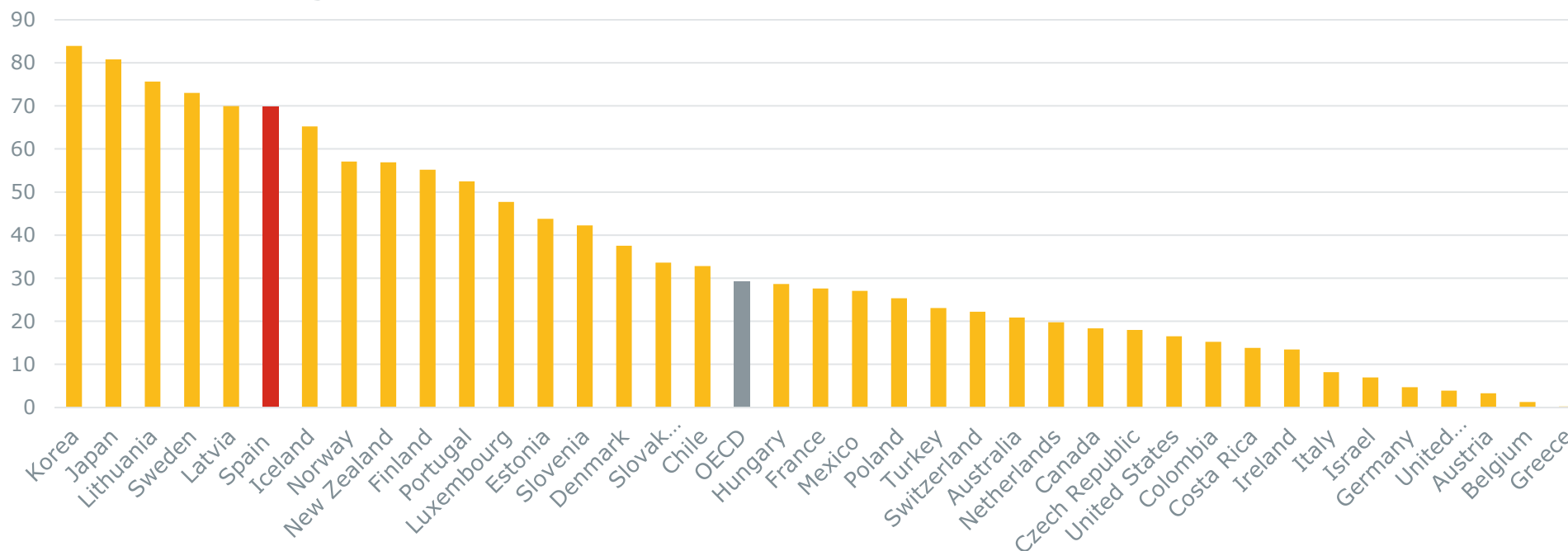
Source: ONTSI, 2021. La Sociedad en Red. Transformación Digital en España. Annual Report 2019 and Annual Report 2018. Data from INE.



- ❖ Spain ranks **10th** of 27 EU Member States in the Digital Economy and Society Index (DESI) in 2020 and its overall connectivity score takes the **5th** position.
- ❖ Fixed broadband connections reached 15.6 million and a penetration of 33.3 connections/100 inhabitants (CNMC Annual Report 2019).

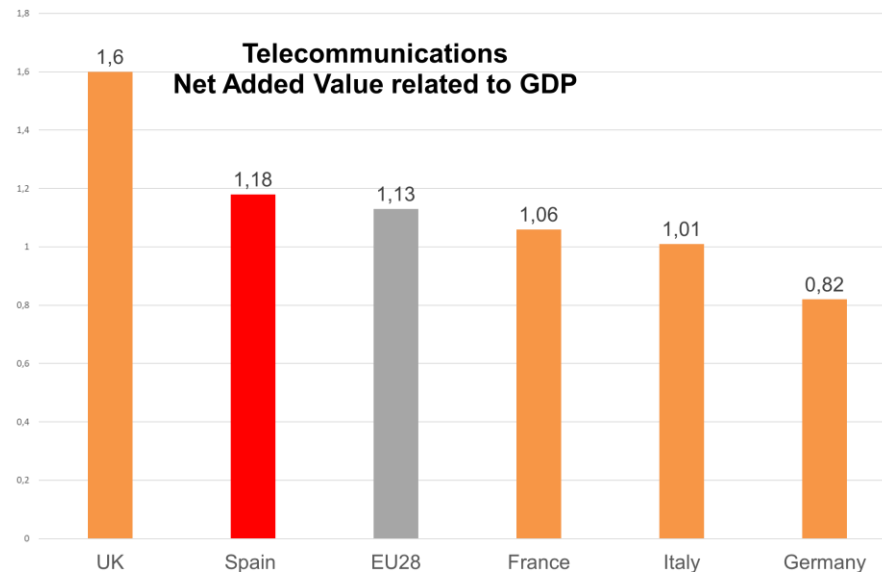
- ❖ **Spain** is the 3rd country in the OECD with greater growth in implantation of optical fiber.
- ❖ FTTH (Fiber To The Home) is growing the fastest, reaching a coverage of 80% in 2019.
- ❖ Three out of four households in Spain have optical fiber coverage.

**Percentage of fiber connection in total fixed broadband in selected countries**



Source: OECD Broadband Statistics, 2021. Data from June 2020.

- ❖ **160,000 mobile telecom stations.**
- ❖ **The undersea cable network** connects Spain to Europe, Africa and the American continent.
- ❖ **The Mare Nostrum Supercomputer** is the 5<sup>th</sup> fastest in Europe.
- ❖ **Red IRIS**, is a high-capacity optics network aimed at the international academic community.









## CEEIs: Spanish Business and Innovation Centre Network

Referent agents in the regional innovation ecosystem integrated in the **European Business and Innovation Centre Network**

Find your nearest certified **BIC**



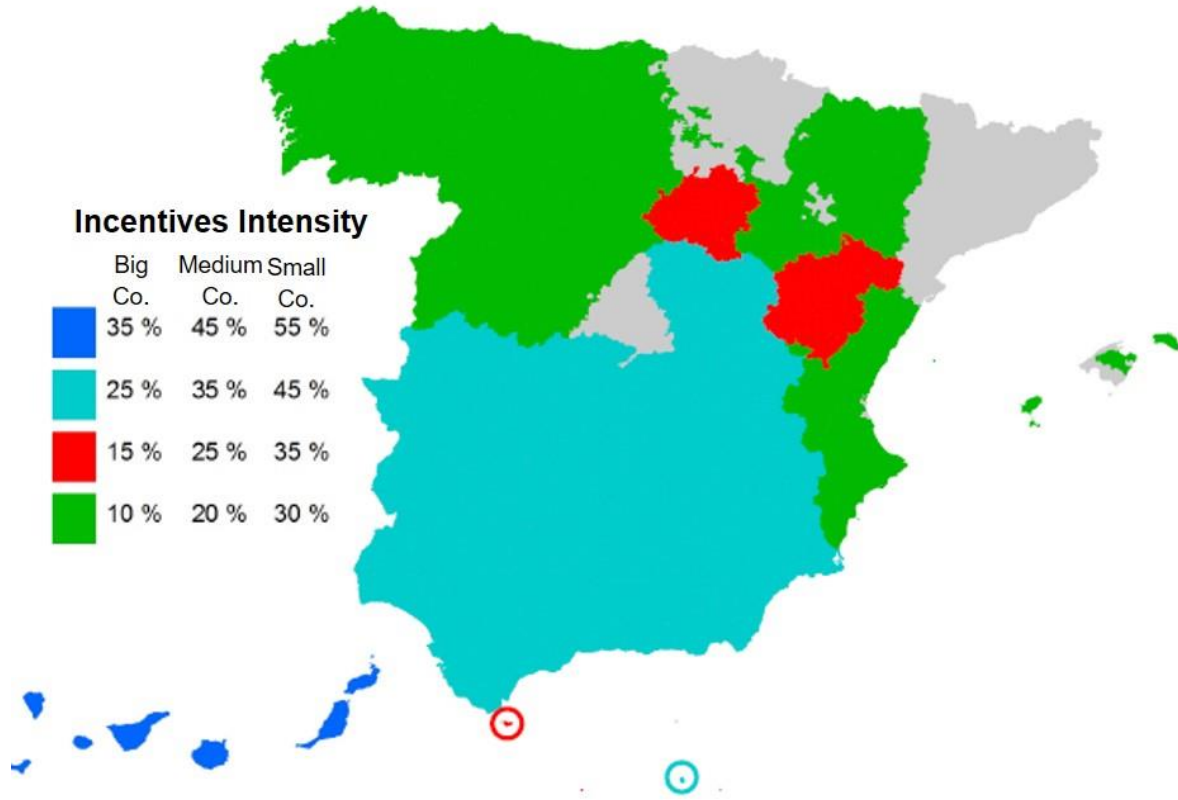
## 3. Business climate

- Incentives and taxes

Main incentives for productive investment

European Union Incentives Scheme for Large Companies in Spain (2018-2020)

Grants from Ministry of Finance and Public Administration



Additional Increase in Incentives from 10 to 20% for SMEs

There are other regional and local incentives available in all Autonomous Communities

Spain has got many Institutions that promote incentives in different calls along the year

#### R&D:



- The Centre for Industrial Technological Development (**CDTI**) has got a wide range of grants and loans at competitive low interest rate for technological projects.
- The **State Secretariat for Innovation** in the **Ministry of Economy and Business** also offers support with grants and loans for technological projects developed by companies and public bodies
- **INVEST IN SPAIN/iCEX** has developed a program for supporting foreign companies up to €200,000 for investments with a high degree of R&D in competitive tenders
- The National Innovation Company (**ENISA**) finances SMEs up to €1.5 million with participative loans at a very competitive interest rate and where no-guarantee is required.
- The Public organization **RED.ES** promotes the IT activities of technological companies and start-ups financing investments in infrastructures, equipments and so on.

## Institutions that promote incentives

### Investments:

- The Official Credit Institute (**ICO**) supports the creation/investment carried out by companies and entrepreneurs with loans/ leasing at a low rate
- The **Ministry of Industry, Trade and Tourism** and the **Ministry of Economy and Business** support investments in equipment and infrastructures with grants and loans for large and SMEs companies
- The Institute for Energy Diversification and Saving (**IDAE**) participates directly in projects with loans at a low interest rate



### Human Resources:

- The **Ministry of Industry, Trade and Tourism** and the **Ministry of Economy and Business** support investments in human resources, training and hiring personnel with grants and loans



## Incentives for hiring people

#### Reduction in the employer's social security contribution

	Company Size	Annual Amount	Term
<b>Research staff</b>	All	40% for common contingences	Throughout the term of the contract
<b>Trainee and apprenticeship contract</b>	Less than 250 employees	100%	Throughout the term of the contract
Employee < 24 years			
Unemployed persons registered as job seekers at the Unemployment Office	More than 250 employees	75%	

#### Tax Credit or Reduction in the employer's social security contribution

	Company Size	Annual Amount	Term
<b>Conversion of contracts into Permanent Contracts from a</b>			
Less than 50 employees		Tax Credit of 700€/yearly for women. 500€/yearly for men	3 years
Work experience contract			
Handover contract			
Replacement due to retirement contract			
Trainee and apprenticeship contract	All	Reduction of 1,800€/yearly for women. 1,500€/yearly for men	3 years

Source: ICEX-Invest in Spain and Ministry of Labour, Migrations and Social Security

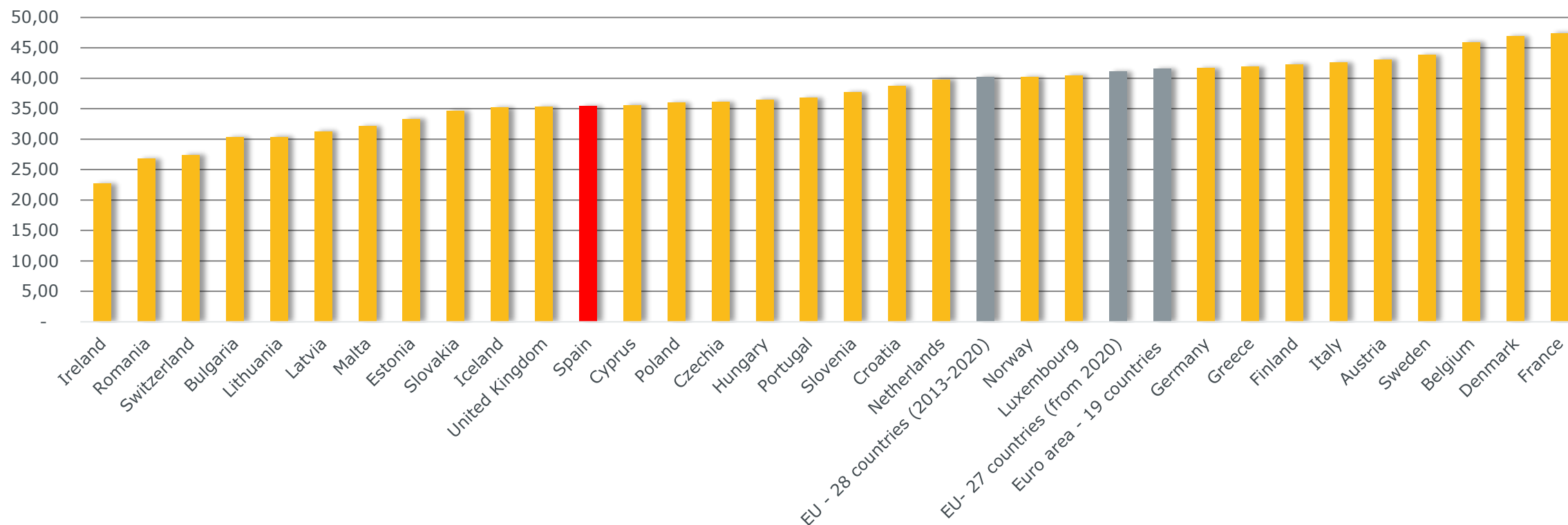
### Taxes: Moderate Tax Burden

The International analysis shows that **Spain is a country with relatively moderate ratio between Tax Revenues (Including Social Security Contributions ) and GDP (35.4% GDP).**

**Corporate Income Tax Rate: 25%**

Lower effective rate based on taxes allowances on incentives reductions fro investments, employment and R\*D activities.

**Countries UE. Tax Revenues (Including Social Security Contributions) as % of GDP  
2019**



Source: Eurostat 2021. Last data available 2019





#### Favourable Taxes for Foreign workers and Capital Investors

1. Spain does not charge withholding tax on interest and dividends paid to EU recipients.
2. **Participation Exemption System:** dividends or profit participations from business activities carried out abroad through subsidiaries or branches and the gains obtained from the transfer of these securities are tax exempt in Spain if the Spanish company holds a participation of at least 5% in the non resident company.
3. **Favorable tax incentive for foreign workers:** fixed rate during the first 6 years in their PIT of 24% (up to 600,000 € maximum) and 45% for income above 600,000€. Dividends, Interests and Capital Gains generated abroad will not be taxed in their PIT. These kind of income are only taxed for savings in Spain at a rate between 19 and 23%.
4. **Tax-neutral regime for corporate reorganizations:** There is a special Corporate Tax regime for mergers, spin-offs, contributions in kind and exchanges of shares, among others. This special regime aims at achieving tax neutrality on corporate restructuring operations.

Corporate Income Tax Rate %	
Portugal	31.50
France	31.00
Belgium	29.58
Luxembourg	26.01
Netherlands	25.00
Spain	25.00
Italy	24.00
Sweden	21.40
Poland	19.00
United Kingdom	19.00
Ireland	12.50

VAT (Standard Rate) %	
Sweden	25.00
Ireland	23.00
Portugal	23.00
Poland	23.00
Italy	22.00
Belgium	21.00
Netherlands	21.00
Spain	21.00
France	20.00
United Kingdom	20.00
Luxembourg	17.00

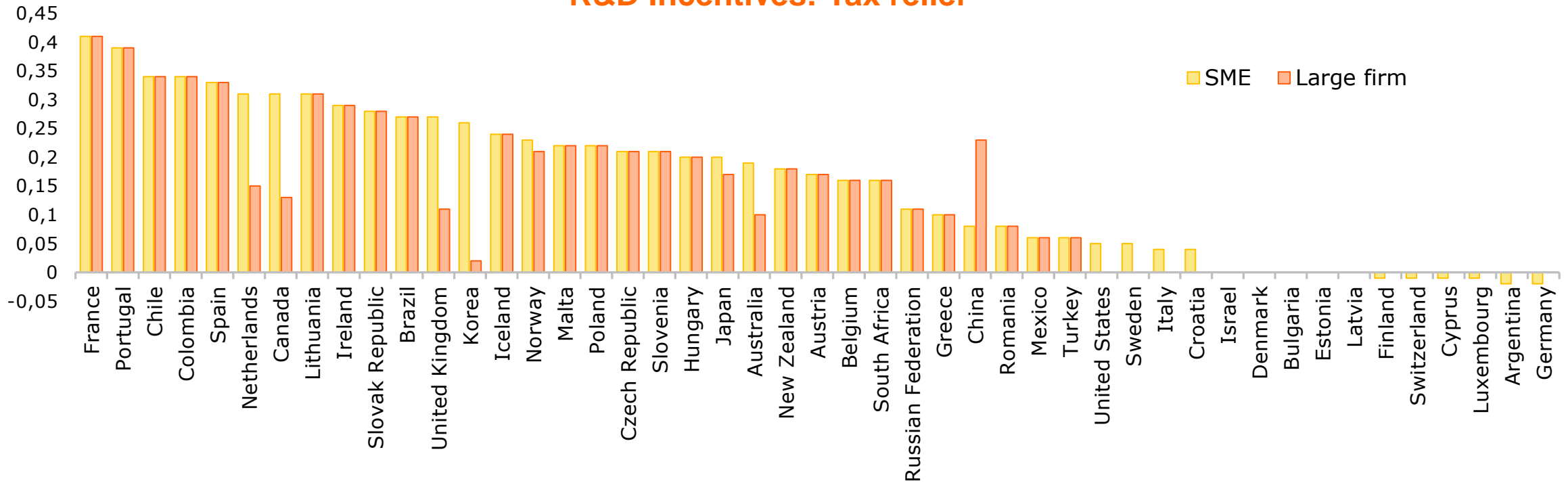
Most favorable fiscal incentives for R&D among OECD countries

**Favorable fiscal system for foreign investors and R+D activities**

**Patent Box:** Tax benefits for R&D activities.

**R & D Incentives:** Financing, soft Loans & Grants for R&D projects

**R&D Incentives: Tax relief**



Note: The generosity of R&D tax incentives Indicator. ax subsidies are calculated as 1 minus the B index. For example, in Spain, 1 unit of R&D expenditure by large firms results in 0.33 unit of tax relief. Source: "Science, Technology and Industry, Outlook". OCDE 2019.

## Tax Incentives for Internationalization

- 1. Participation Exemption system:** dividends or profit participations from business activities carried on abroad through subsidiaries or branches and the gains obtained from the transfer of these securities are tax exempt in Spain if the Spanish company holds a participation of at least 5% in the non resident company.
- 2. Favourable tax regime for non-resident employees assigned to Spain (inbound expatriates):** fixed rate of 24% (up to maximum of 600,000 €).
- 3. Goodwill depreciation.** Goodwill can be amortized with the maximum annual limit of one-twentieth their amount.
- 4. Neutral tax regime for restructuring operations:** In order to facilitate corporate reorganizations the Spanish tax system provides for a well-established special regime based on the principles of non-intervention by the tax authorities and tax neutrality,
- 5. Spain has Double Taxation Agreements with 95 countries.** Spain has a significant Network of Double Taxation Agreements, particularly with countries in Latin America. Under these treaties, residents in foreign countries are taxed at a reduced rate, or are exempt from Spanish taxes on certain items of income they receive from sources within Spain.
- 6. Special Tax Regime applicable to Holding companies:** Foreign Securities Holding Companies (in Spanish, ETVE)

**Spain has tax treaties with 94 countries/territories.** Under these treaties, residents in foreign countries are taxed at a reduced rate or are exempt from Spanish taxes on certain items of income they receive from sources within Spain. These reduced rates and exemptions vary among countries and specific items of income.

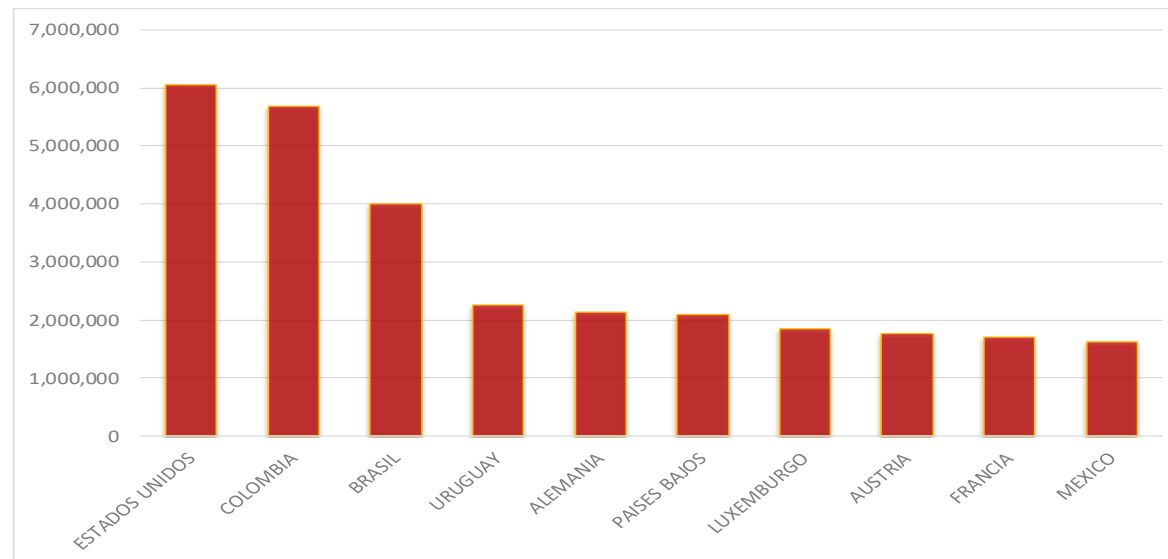
**Agreements to avoid Double Taxation**

AMERICA	EUROPE		ASIA	AFRICA
NORTH	EU MEMBERS	NON-EU MEMBERS		
USA Canada Mexico	Germany France Italy	United Kingdom Russia Turkey	China Japan South Korea	South Africa Nigeria Egypt
CENTRAL	Netherlands	Switzerland	Hong Kong. China	Algeria
Cuba Dominical Republic Costa Rica Panama Trinidad and Tobago El Salvador Jamaica Barbados	Sweden Poland Belgium Austria Finland Greece Portugal Ireland	Norway Ukraine Belorussia Georgia Serbia Bosnia-Herzegovina Iceland Albania Armenia Macedonia Moldova Andorra	Australia New Zealand Indonesia Thailand Malaysia Singapore Philippines Vietnam East Timor	Morocco Tunisia Senegal
SOUTH	Czech Republic Romania Hungary Slovakia Luxembourg Croatia Bulgaria Slovenia Latvia Lithuania Estonia Cyprus Malta		India Pakistan Saudi Arabia United Arab Emirates Kuwait Qatar Iran Oman Israel Kazakhstan Uzbekistan Turkmenistan Tayikistan Kyrgystan	

## Foreign Securities Holding Companies: ETVEs

1. Foreign Securities Holding Companies (in Spanish, ETVE) is a Special Tax Regime applicable to Holding companies.
  - a) No taxation on paid-in dividends.
  - b) No taxation on paid-in capital gains.
  - c) No taxation on paid-out dividends/gains.
  - d) Stable and reliable regime.
  - e) Wide tax treaty network (93 treaties to avoid double taxation).
  
2. The attractiveness of ETVEs goes beyond the pure Tax Holding Regime. The ETVE regime is an opportunity for international investors to channel their outbound investments (in Europe, LATAM and other countries) through Spanish HoldCos.

**Main Investors in Spanish ETVEs (billion euros)**



## Taxes

FISCAL BURDEN IN EUROPE															
Total receipts from taxes and social contributions (including imputed social contributions) after deduction of amounts assessed but unlikely to be collected		Value added type taxes (VAT)		Taxes on individual or household income including holding gains		Taxes on the income or profits of corporations including holding gains		Excise duties and consumption taxes		Taxes on land, buildings and other structures		Taxes on capital transfers		Net social contributors	
COUNTRY	GDP	COUNTRY	GDP	COUNTRY	GDP	COUNTRY	GDP	COUNTRY	GDP	COUNTRY	GDP	COUNTRY	GDP	COUNTRY	GDP
France	48,40%	Croatia	13,50%	Denmark	24,40%	Norway	6,80%	Croatia	4,60%	France	2,60%	Belgium	0,70%	France	18,00%
Belgium	47,20%	Cyprus	9,90%	Sweden	15,10%	Luxembourg	5,80%	Bulgaria	4,50%	Iceland	2,10%	France	0,60%	Germany	17,10%
Denmark	45,30%	Denmark	9,70%	Iceland	15,00%	Malta	5,60%	Greece	3,70%	Greece	1,90%	Bulgaria	0,30%	Slovenia	15,80%
Sweden	44,40%	Hungary	9,70%	Finland	12,20%	Cyprus	5,50%	Poland	3,70%	United Kingdom	1,40%	Finland	0,30%	Belgium	15,70%
Austria	42,80%	Sweden	9,20%	Belgium	11,80%	Belgium	4,30%	Latvia	3,60%	Denmark	1,30%	EU-27	0,20%	Czechia	15,60%
Finland	42,40%	Bulgaria	9,10%	Italy	11,60%	Czechia	3,50%	Slovenia	3,60%	Belgium	1,20%	Denmark	0,20%	Austria	15,20%
Italy	42,00%	Finland	9,10%	Norway	10,00%	Netherlands	3,50%	Finland	3,60%	Italy	1,20%	Germany	0,20%	Slovakia	15,00%
Germany	41,50%	Estonia	9,00%	Germany	9,70%	Portugal	3,30%	Slovakia	3,30%	EU-27	1,10%	Ireland	0,20%	Netherlands	14,40%
Greece	41,50%	Portugal	8,80%	EU-27	9,60%	Slovakia	3,30%	Lithuania	3,20%	Spain	1,10%	Spain	0,20%	EU-27	14,30%
EU-27	41,30%	Iceland	8,70%	France	9,60%	Ireland	3,20%	Cyprus	3,00%	Netherlands	0,90%	Luxembourg	0,20%	Greece	14,20%
Luxembourg	40,70%	Latvia	8,40%	Austria	9,60%	Switzerland	3,20%	United Kingdom	3,00%	Poland	0,80%	Malta	0,20%	Poland	14,10%
Norway	40,20%	Norway	8,40%	Luxembourg	9,30%	Sweden	3,10%	Hungary	2,90%	Portugal	0,80%	Netherlands	0,20%	Italy	13,30%
Netherlands	39,20%	Greece	8,30%	United Kingdom	9,10%	Denmark	2,90%	Romania	2,90%	Croatia	0,70%	United Kingdom	0,20%	Lithuania	13,00%
Croatia	38,60%	Slovenia	8,20%	Switzerland	8,70%	Germany	2,90%	Denmark	2,70%	Sweden	0,70%	Iceland	0,20%	Spain	12,40%
Slovenia	37,90%	Poland	8,10%	Netherlands	8,00%	Austria	2,80%	France	2,60%	Ireland	0,60%	Switzerland	0,20%	Hungary	12,30%
Hungary	37,60%	Lithuania	7,80%	Spain	7,80%	EU-27	2,70%	Italy	2,60%	Latvia	0,60%	Greece	0,10%	Luxembourg	12,20%
Portugal	37,20%	Czechia	7,70%	Malta	7,30%	France	2,70%	Belgium	2,40%	Hungary	0,50%	Croatia	0,00%	Croatia	12,00%
Iceland	36,90%	Austria	7,60%	Ireland	7,10%	United Kingdom	2,70%	Malta	2,40%	Slovenia	0,50%	Italy	0,00%	Finland	11,90%
Czechia	36,20%	Malta	7,50%	Portugal	6,50%	Spain	2,50%	Portugal	2,30%	Germany	0,40%	Cyprus	0,00%	Estonia	11,70%
Poland	36,10%	EU-27	7,20%	Greece	6,20%	Finland	2,50%	Spain	2,20%	Slovakia	0,40%	Latvia	0,00%	Portugal	11,70%
Spain	35,40%	France	7,20%	Latvia	6,00%	Iceland	2,40%	Sweden	2,20%	Norway	0,40%	Lithuania	0,00%	Romania	11,50%
United Kingdom	35,10%	Germany	7,00%	Estonia	5,40%	Croatia	2,30%	EU-27	2,10%	Bulgaria	0,30%	Hungary	0,00%	Norway	10,20%
Slovakia	34,30%	Slovakia	7,00%	Poland	5,30%	Bulgaria	2,20%	Austria	2,10%	Romania	0,30%	Austria	0,00%	Latvia	9,50%
Cyprus	33,80%	United Kingdom	7,00%	Slovenia	5,30%	Greece	2,20%	Norway	1,90%	Czechia	0,20%	Poland	0,00%	Bulgaria	8,70%
Estonia	33,00%	Belgium	6,90%	Hungary	5,20%	Poland	2,10%	Czechia	1,80%	Estonia	0,20%	Portugal	0,00%	Cyprus	8,70%
Malta	32,70%	Netherlands	6,80%	Czechia	4,30%	Romania	2,10%	Iceland	1,60%	Cyprus	0,20%	Romania	0,00%	United Kingdom	7,80%
Latvia	31,40%	Spain	6,60%	Lithuania	4,10%	Estonia	2,00%	Germany	1,20%	Lithuania	0,20%	Slovenia	0,00%	Switzerland	6,70%
Lithuania	30,50%	Romania	6,40%	Slovakia	3,60%	Italy	1,90%	Netherlands	1,10%	Austria	0,20%	Norway	0,00%	Malta	6,20%
Bulgaria	29,90%	Italy	6,20%	Croatia	3,50%	Slovenia	1,90%	Switzerland	0,60%	Luxembourg	0,10%	Czechia	No Data	Ireland	4,20%
Switzerland	28,10%	Luxembourg	6,20%	Bulgaria	3,30%	Lithuania	1,50%	Ireland	0,30%	Switzerland	0,10%	Estonia	No Data	Iceland	3,50%
Romania	27,10%	Ireland	4,40%	Cyprus	3,20%	Hungary	1,20%	Luxembourg	0,10%	Malta	No Data	Slovakia	No Data	Sweden	3,40%
Ireland	23,00%	Switzerland	3,30%	Romania	2,40%	Latvia	1,10%	Estonia	No Data	Finland	No Data	Sweden	No Data	Denmark	0,80%

Source: Eurostat February 2020. Last data available 2018.

### 3. Business climate

- **Human capital: Productivity, Skilled Labour Force and Competitive Costs.**

## Labour Market Reform: Efficiency in labour market reform

- Fostering Labour flexibility and productivity at company level.
- **Firm-level salary bargaining prevails** over national, regional or sector collective agreements.
- Collective dismissals **without administrative authorization** are allowed for firms posting falling profits for three or more consecutive quarters and elimination of procedural wages.
- Convergence and **reduction of dismissal costs** in line with EU(28) average.
- Simplification and clarification of the regime for individual and collective dismissals due to **economic circumstances relate to sales, revenues trends**.
- Creation of a new permanent contract directed at SMEs



#### Labour Market Reform: Flexibility & Efficiency in the labour market

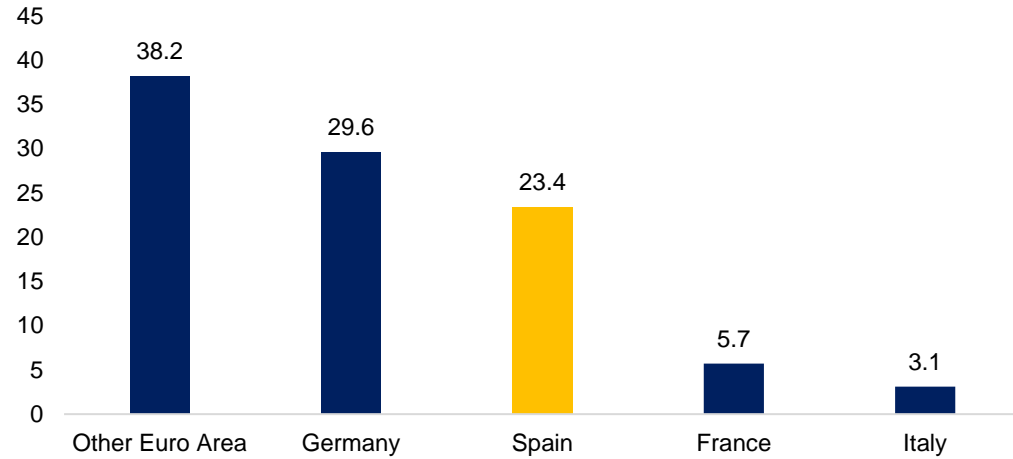
- Fostering Labour flexibility and productivity at company level.
- **Firm-level salary bargaining prevails** over national, regional or sector collective agreements.
- Collective dismissals **without administrative authorization** are allowed for firms posting falling profits for three or more consecutive quarters and elimination of procedural wages.
- Convergence and **reduction of dismissal costs** in line with EU(27) average.
  - Fair dismissal: **severance pay of 20 days per year, up to 12 months**
  - Unfair dismissal: severance pay of 33 days per year, up to 24 months.

**Special Regime for High Level Professionals:** amount agreed in the contract.

- Fair dismissal: **severance pay of 7 days per year, up to 6 months.**
- Unfair dismissal: severance pay of 20 days per year, up to 12 months.

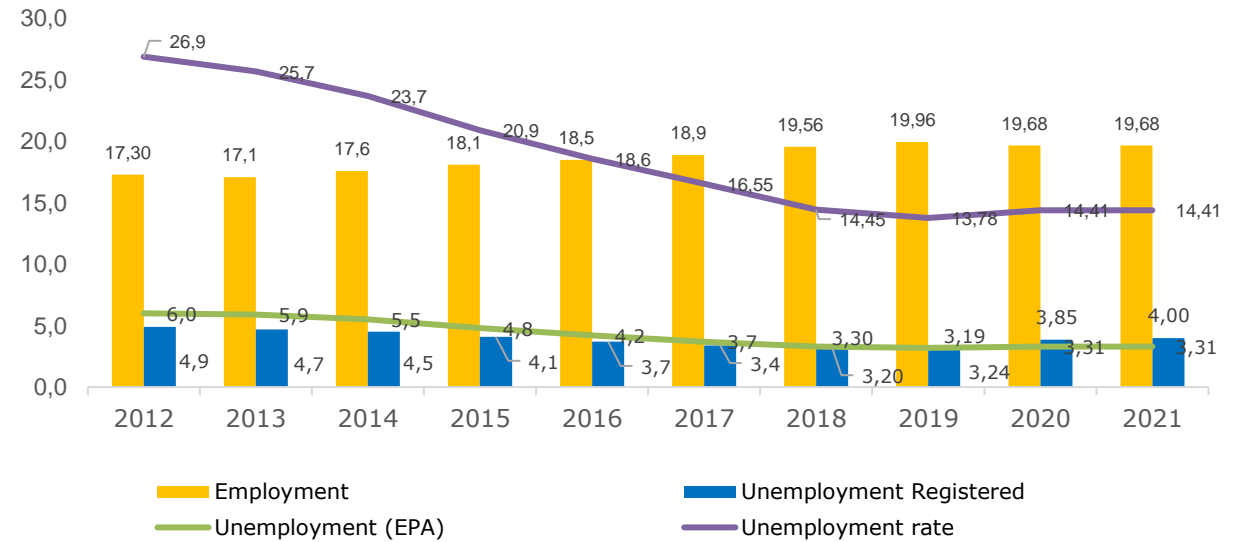
## Employment trends in Spain

Share in the Increase in Employment in the Euro Area (%)



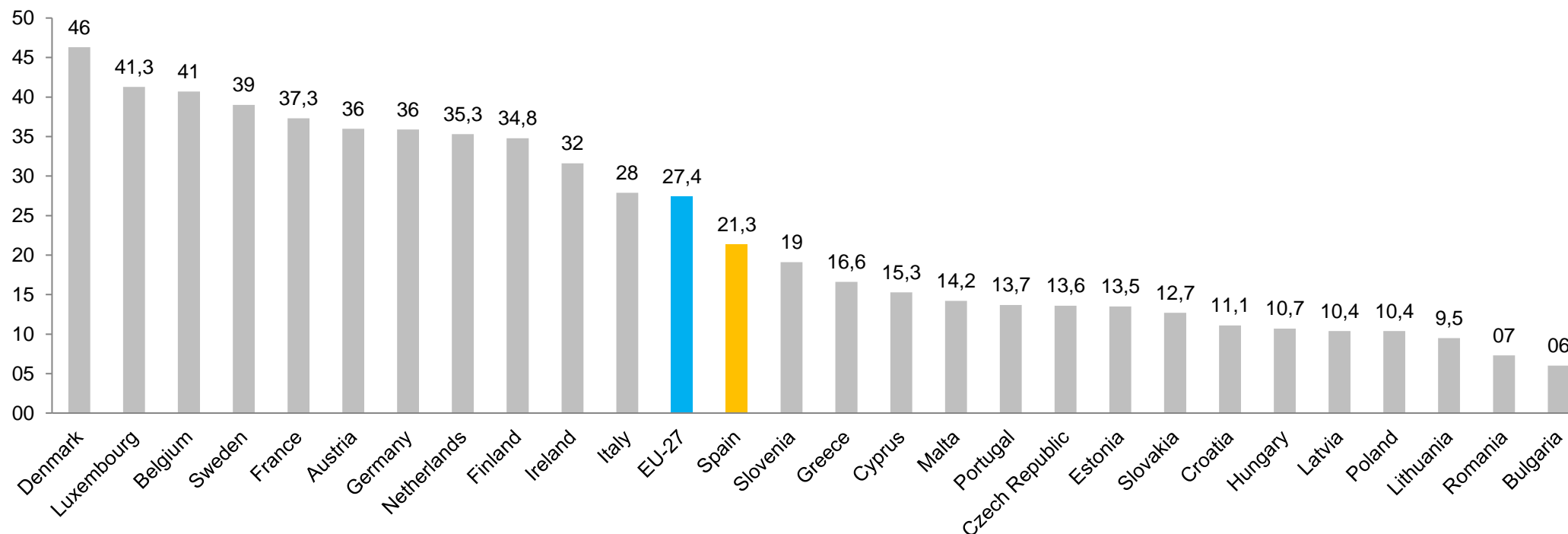
Source: Eurostat. February 2021. Note: Last Five years

Employment trends in Spain. Million jobs



Sources: Ministry of Employment, Migrations and Social Security and National Statistics Institute, INE. Figures related to QIII and February 2021.

## Labour cost per hour worked, 2019 €/hour

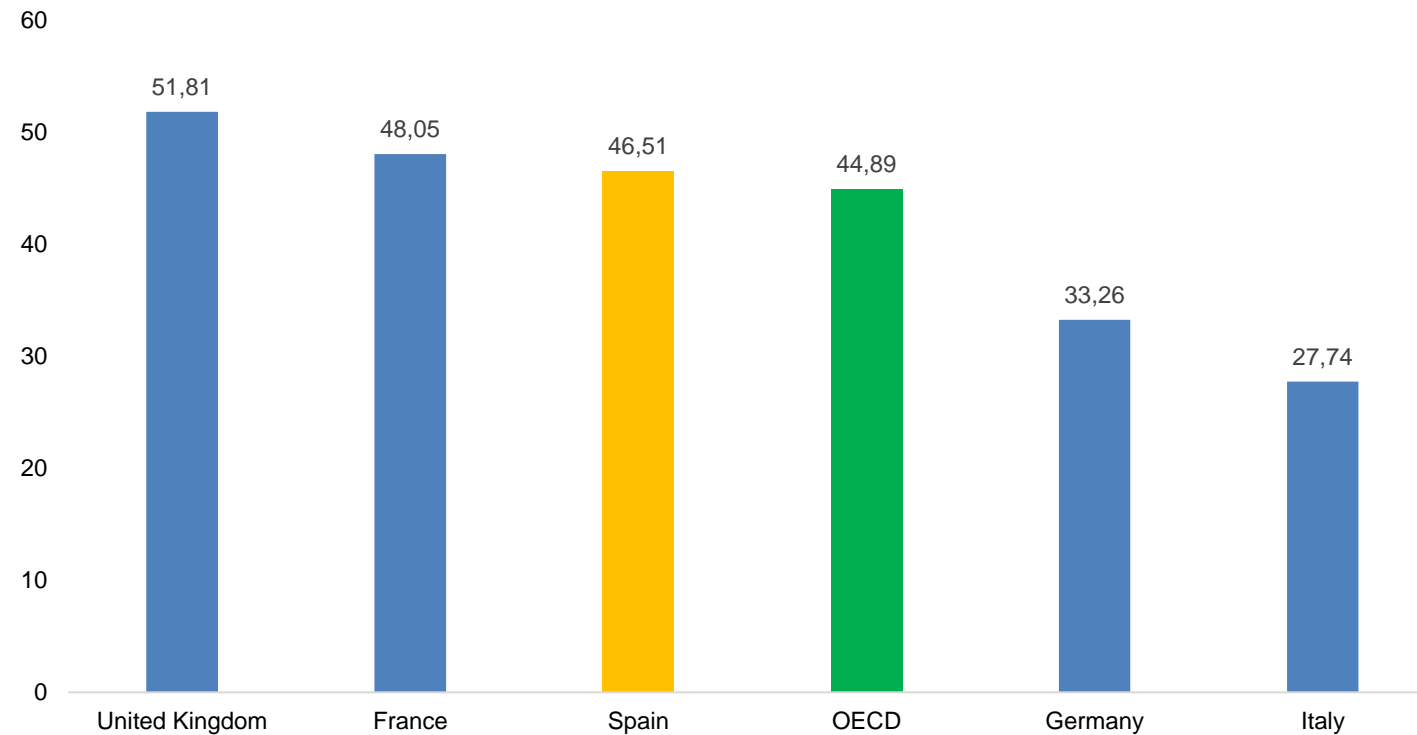


Source: Destatis 2021 (Federal Statistical Office Germany)

### Human Capital: Highly skilled labor force

Spain occupies a great position in Europe in number of persons with tertiary education, in comparison with the biggest European economies.

Population with tertiary education, 25-34 years old. % in same age group



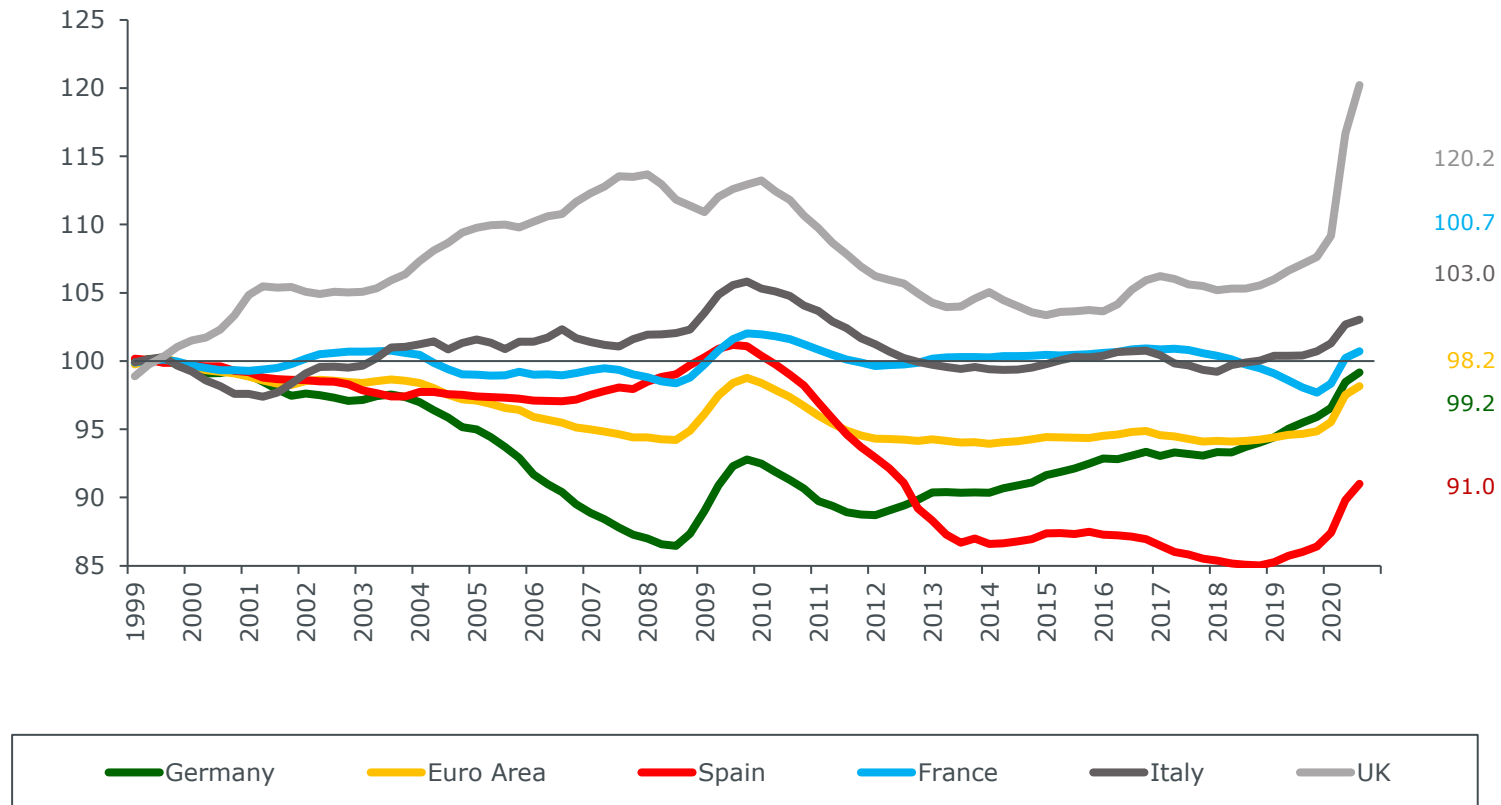
Source: OECD. January 2021. Note: Data 2019

**Labour costs in Spain are much more competitive** than in other main European economies. According to Eurostat [and German statistics] Spain labor cost are between 20 and 40 per cent lower, more competitive, than those existing in France, Netherlands, Germany and Ireland.

## Labour Costs

Variation for labour cost growth more competitive than main European economies

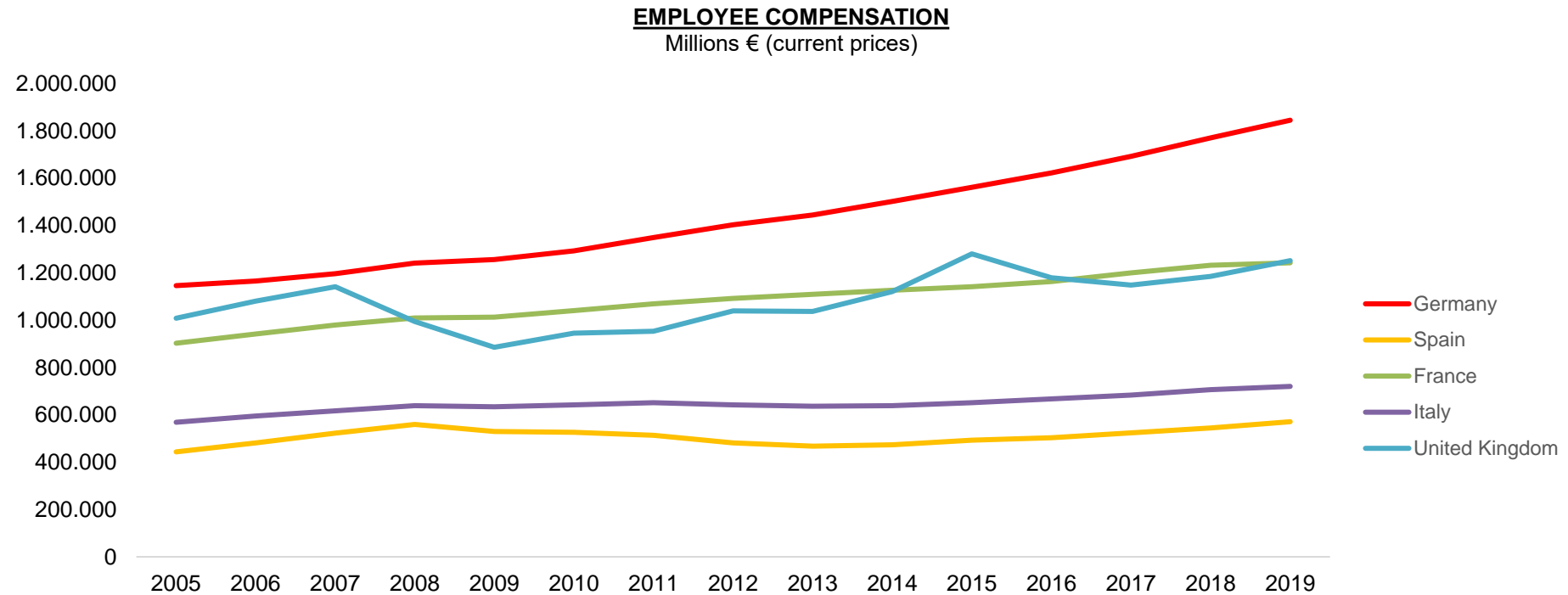
Unit Labour Cost (Index 1999=100)



Source: Presentation Kingdom of Spain: February 2021 -Treasury of the Kingdom of Spain

## Compensation of employees

Spain has the lower employee compensation in comparison with main European economies

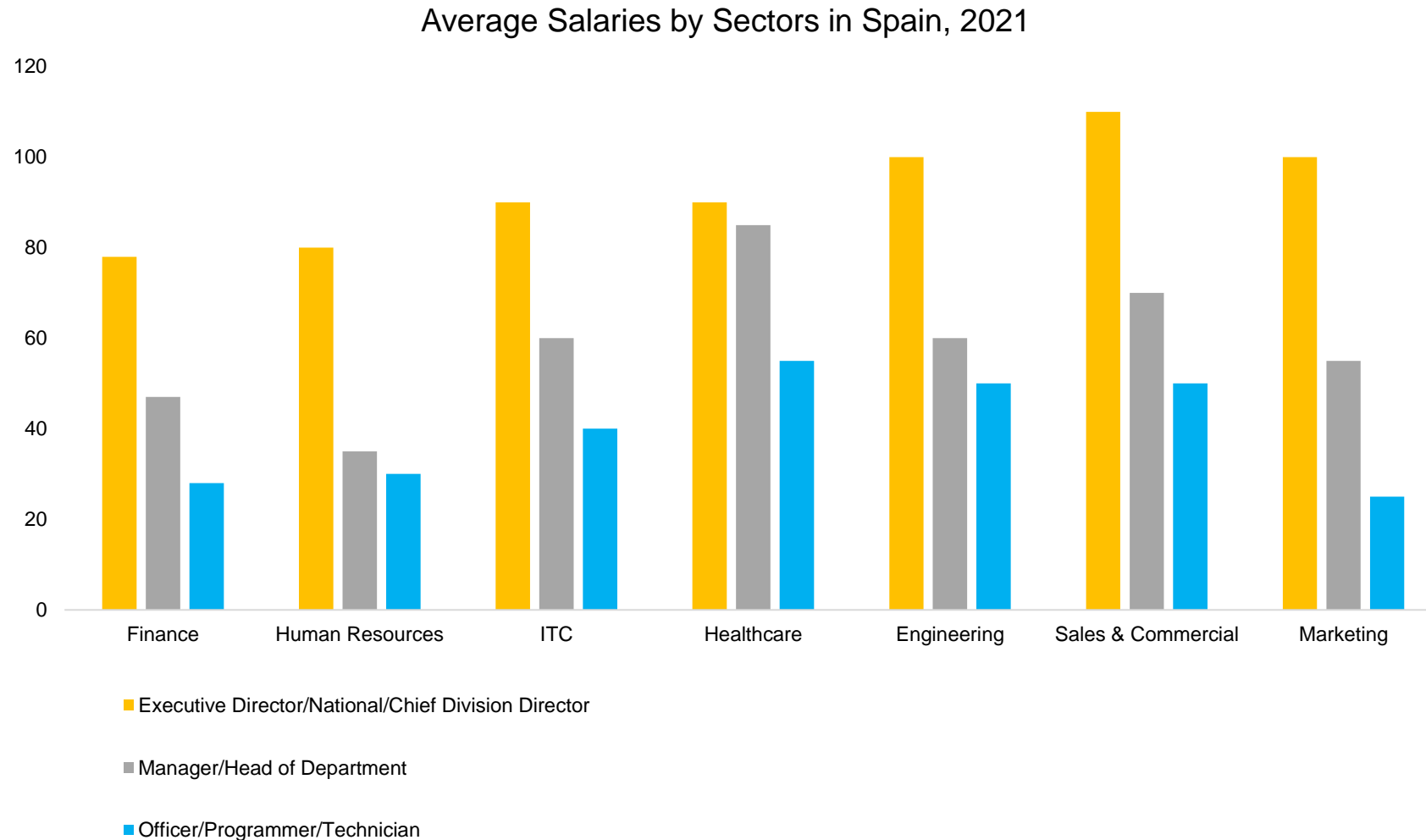


Source: Eurostat. January 2021. Data: Millions € (at current prices).

Note: Compensation of employees is defined as the total remuneration, in cash or in kind, payable by an employer to an employee in return for work done by the latter. In particular, it a

## Wages in Spain

Average salaries by sectors in Spain

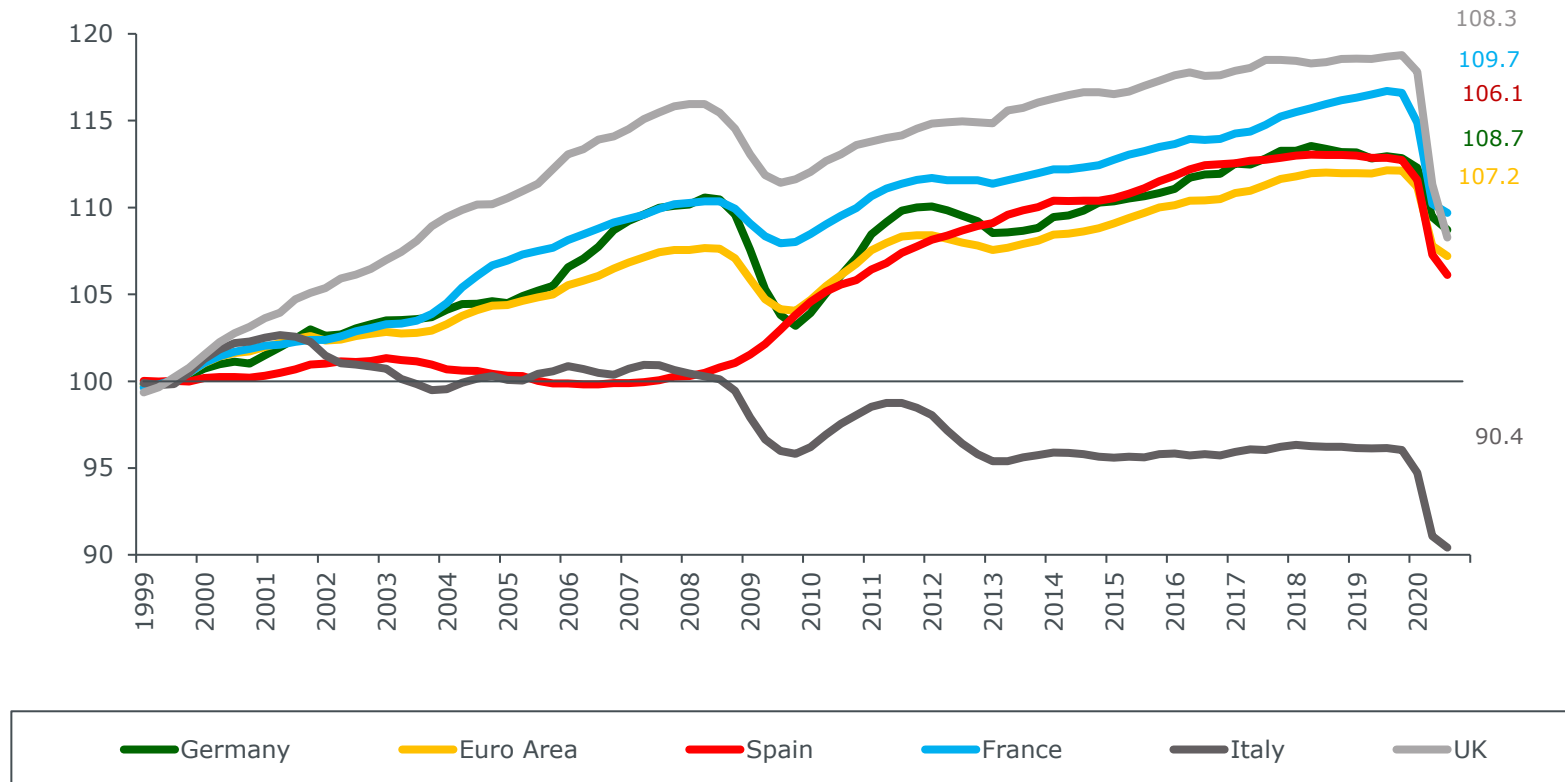


Source: Michael Page, 2021. Note: Gross Salary. For companies with 10-70 Million € Turnover

## Productivity

At European level, Spain has a labour productivity per person employed similar to the rest of the major countries.

**Real Productivity** (Index 1999=100)



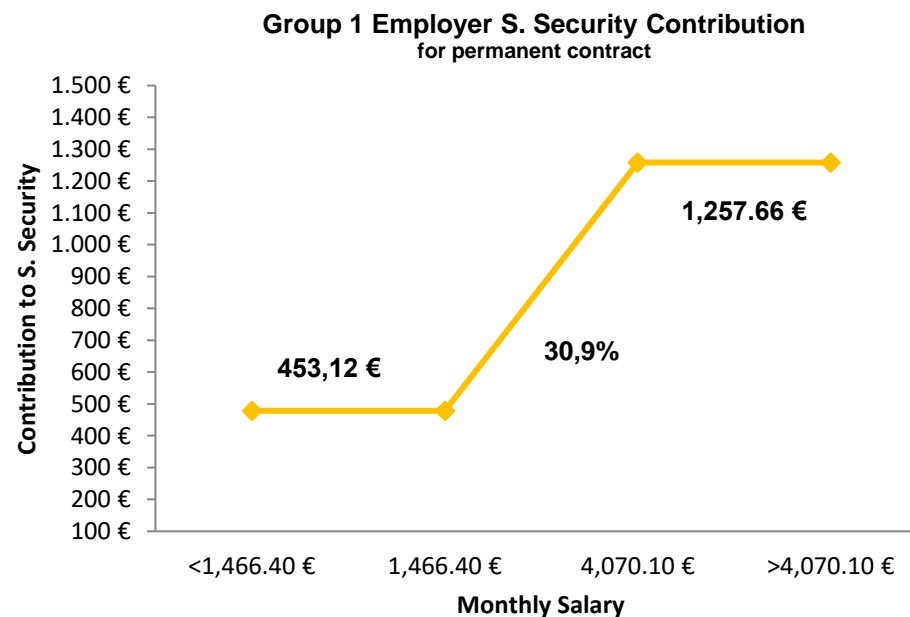
Source: Presentation Kingdom of Spain: February 2021 -Treasury of the Kingdom of Spain



## Social Security Costs

Employer contribution rate: 30,9% in case of permanent contract.

Incentives for certain hiring and training contracts applied to reduce employer Social Security Contributions.



If the monthly salary is higher than the maximum contribution base, the Social Security rate applies to this maximum contribution base, where the effective rate is **lower**.

## Example of Employer's Social Security Contribution

If a company hires a worker with a salary of 20,000€, the total employer contribution to Social Security is 6,180€ per year.

### Total Employers' Contribution to Social Security

	Group 1	
	Annual (€)	Monthly (€)
<b>Salary</b>	20,000.00	1,666.67
<b>General Contingencies</b>	4,720.00	393.33
<b>Unemployment</b>	1,100.00	91.67
<b>Accidents</b>	200.00	16.67
<b>Salary Guarantee Fund</b>	40.00	3.33
<b>Professional Training</b>	120.00	10.00
<b>Total Employer's Contribution to S.S.</b>	<b>6,180.00</b>	<b>515.00</b>
<b>Total Cost</b>	26,180.00	2,181.67
<b>% S. Security Contribution</b>	<b>30.90</b>	

Source: Ministry of Employment, Migrations and Social Security

In Spain there are 82 Universities, including public and private ones. There are more than 500 degree programs and more than 400 Master programs held in English in Spanish universities. Spain is the first country in Europe receiving foreign students under ERASMUS + program, with 40,000 students.

Students who finished their studies. 2018-2019 Academic year  
Number of Bachelor's & Masters students

	Total	Education	Arts & Humanities	Social Sciences	Business Administration & Legal Science	Science Studies	ICT	Engineering	Agro & Veterinary Studies	Health Sciences	Other Services Studies
<b>Total Spain</b>	<b>303,758</b>	<b>61,813</b>	<b>25,878</b>	<b>30,477</b>	<b>62,228</b>	<b>18,097</b>	<b>7,107</b>	<b>35,388</b>	<b>3,599</b>	<b>44,749</b>	<b>14,422</b>
Andalucía	45,723	10,419	4,867	4,079	8,050	3,358	897	4,678	623	6,785	1,967
Aragón	6,533	1,333	414	344	1,140	450	125	1,034	184	1,314	195
Asturias (Principado de)	3,652	636	312	244	669	363	109	631	25	542	121
Balears (Illes)	2,213	674	119	158	389	197	37	101	25	350	163
Canarias	6,883	1,383	548	462	1,147	363	134	732	122	1,334	658
Cantabria	2,915	371	430	177	341	107	57	531	1	675	225
Castilla - La Mancha	4,356	1,187	273	127	936	167	155	477	85	843	106
Castilla y León	18,830	4,039	1,390	1,763	4,820	849	495	1,648	386	2,698	742
Cataluña	51,818	7,402	4,735	6,388	10,772	3,943	1,663	6,251	322	7,836	2,506
C. Valenciana	35,044	8,702	2,959	3,138	5,371	1,843	702	4,447	512	6,012	1,358
Extremadura	3,920	1,263	188	217	588	255	72	395	170	637	135
Galicia	10,939	2,062	1,029	933	1,927	847	294	1,359	220	1,772	496
Madrid (Region)	64,939	10,774	4,850	6,944	15,854	3,560	1,457	8,767	619	8,203	3,911
Murcia (Region)	10,254	2,644	894	682	1,613	498	175	773	188	2,139	648
Navarra	4,597	523	176	392	1,556	143	49	809	87	841	21
País Vasco	11,448	1,973	977	1,031	2,392	668	272	2,334	0	1,384	417
Rioja (La)	10,489	5,067	508	917	2,130	214	275	264	30	609	475
Other Universities	9,205	1,361	1,209	2,481	2,533	272	139	157	0	775	278

Source: Spanish Ministry of Science, Innovation and Universities

## Spain Business Schools

European Business School, 2020

Ranking	School name	Country
1	HEC Paris	France
2	London Business School	UK
3	Insead	France / Singapore / UAE
<b>4</b>	<b>Iese Business School</b>	<b>Spain / US</b>
5	SDA Bocconi	Italy
6	Essec Business School	France
7	University of St Gallen	Switzerland
8	ESCP Business School	France/UK/Germany/Spain/Italy/Poland
9	ESMT Berlin	Germany
10	University of Oxford: Saïd	UK
...	...	...
<b>12</b>	<b>Esade Business School</b>	<b>Spain</b>
<b>12</b>	<b>IE Business School</b>	<b>Spain</b>
...	...	...
<b>29</b>	<b>Eada Business School</b>	<b>Spain</b>
...	...	...
<b>67</b>	<b>Universidad Carlos III de Madrid</b>	<b>Spain</b>

Source: Financial Times 2021



Universidad de Navarra



Global MBA ranking 2021

Rank	School name	Country
1	Insead	France / Singapore
2	London Business School	UK
3	University of Chicago: Booth	US
<b>4</b>	<b>Iese Business School</b>	<b>Spain</b>
5	Yale School of Management	US
6	Northwestern University: Kellogg	US
7	Ceibs	China
8	HEC Paris	France
9	Duke University: Fuqua	US
10	Dartmouth College: Tuck	US
...	...	...
<b>20</b>	<b>Esade Business School</b>	<b>Spain</b>
...	...	...
<b>39</b>	<b>IE Business School</b>	<b>Spain</b>
...	...	...
<b>78</b>	<b>Eada Business School</b>	<b>Spain</b>

Source: Financial Times

## Human Capital: Talent Pool

According to the SCImago Journal & Country Rank, Spain ranks 11 in scientific publications during the period 1996-2019

In 2019, there were published 100,364 documents, almost 4% more than 2018. Spain highlights in Arts & Humanities (4<sup>th</sup> of 231 countries), Nursing (6<sup>th</sup>) Social Sciences (7<sup>th</sup>), Health Professions and Agricultural and Biological Sciences (8<sup>th</sup>).

As a fact to take into account, Spain ranks in the top 10 in 11 out of 27 different categories.

**SCIMAGO JOURNAL Rank 1996-2019.**  
Top 10

Rank	Country
1	United States
2	China
3	United Kingdom
4	Germany
5	Japan
6	France
7	Italy
8	Canada
9	India
10	Australia
<b>11</b>	<b>Spain</b>

Source: Scimago Journal

**SCIMAGO JOURNAL Rank 2019**  
Spanish Ranking and Value

	Documents	Citable documents	Citations	Self-citations	Citations per document	H index
Rank	12	12	10	11	79	11
Value	100,364	93,133	87,368	24,670	0.87	904

**SCIMAGO JOURNAL Rank 2019**  
Best performances

Area	Rank
<b>Overall</b>	<b>12</b>
Arts and Humanities	4
Nursing	6
Social Sciences	7
Agricultural and Biological Sciences	8
Health Professions	8
Multidisciplinary	9
Psychology	9
Chemistry	10
Environmental Science	10
Mathematics	10
Veterinary	10

Source: Scimago Journal

## 3. Business climate

- **Immigration**

**International mobility - New legal framework**

It is based on an agile and specialized system for visa and authorization concessions.

VISA AND AUTHORIZATION CONCESSIONS FOR	
<b>Investors</b>	→
Entrepreneurs	
Highly qualified professionals	
Scientists and researchers	
Intra-corporate transferred employees	

Real Estate	500.000 €
Spanish Companies	<b>1 mill. €</b>
Bank Deposit	<b>1 mill. €</b>
Public Debt	<b>2 mill. €</b>

GENERAL REQUIREMENTS
Not being in an illegal <b>situation in Spain</b>
Being <b>18 years</b> old or older
Not having <b>criminal records</b>
Public or private <b>health insurance</b> in Spain
Enough <b>economic resources</b> .

THE PROCEDURES
<b>10</b> days for visas and <b>20</b> days for authorizations
A <b>single authorization</b> for living and working in Spain
Valid for the <b>whole of Spain</b>
The <b>family</b> will be able to apply at the same time
Benefits of the <b>Schengen visa: freedom of movement</b> within the member states

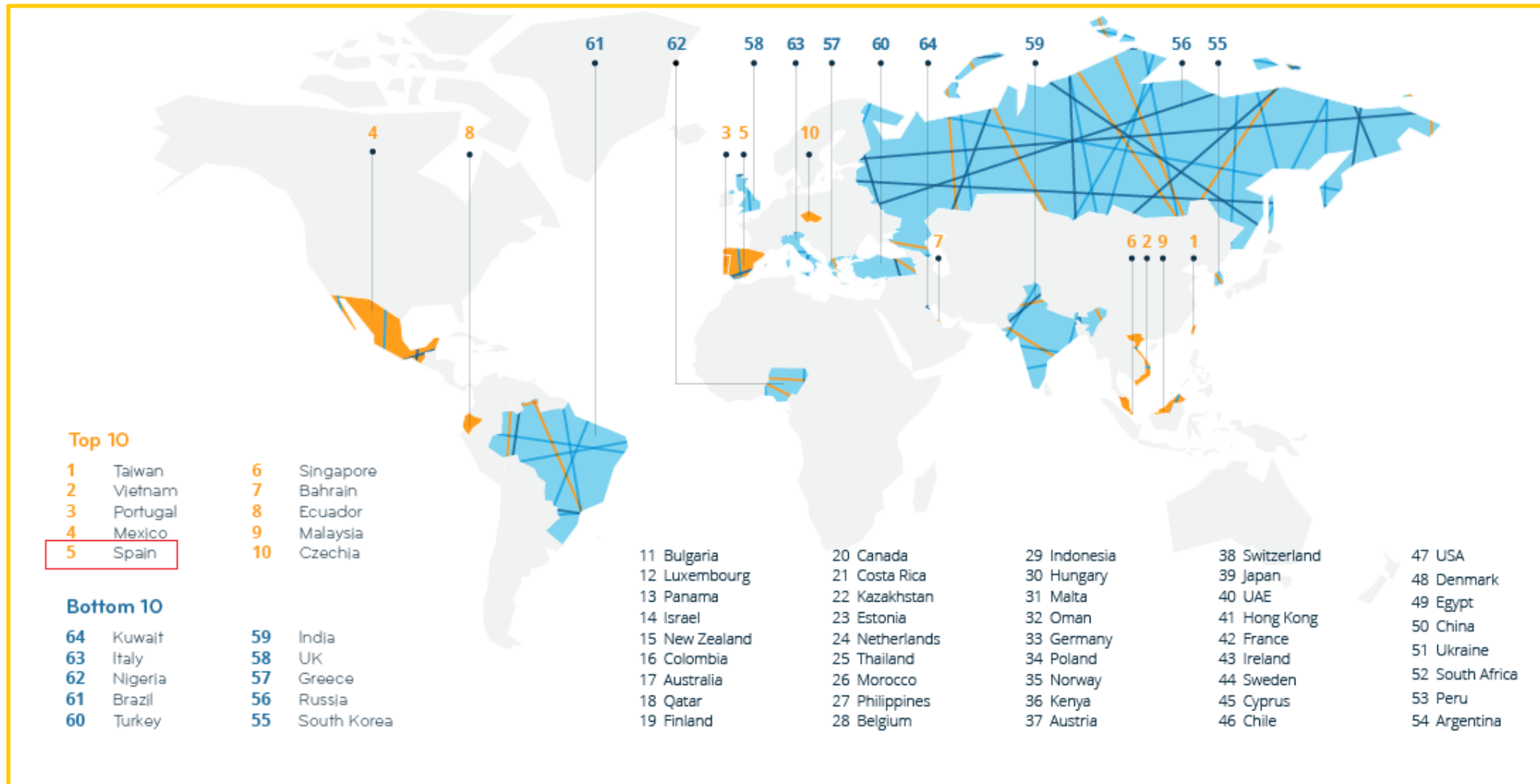
**Freedom to live in Spain:** Granted residence and work permits authorization

### 3. Business climate

- Quality of life: Expat setting up



## The Top Expat Destinations, 2019



Source: The InterNations Survey Expat Insider 2019

The Spanish cities have a moderate cost of living compared to their matching peers worldwide.

### Cost of Living 2020, Top-10 Worldwide

Rank	City	Country
1	Hong Kong	Hong Kong (Sar)
2	Ashgabat	Turkmenistan
3	Tokyo	Japan
4	Zurich	Switzerland
5	Singapore	Singapore
6	New York City	United States
7	Shanghai	China
8	Bern	Switzerland
9	Geneva	Switzerland
10	Beijing	China
...	...	...
<b>87</b>	<b>Madrid</b>	<b>Spain</b>
<b>102</b>	<b>Barcelona</b>	<b>Spain</b>

Source: Mercer's 2020 Cost of Living Survey

### Cost of Living 2020, European Cities

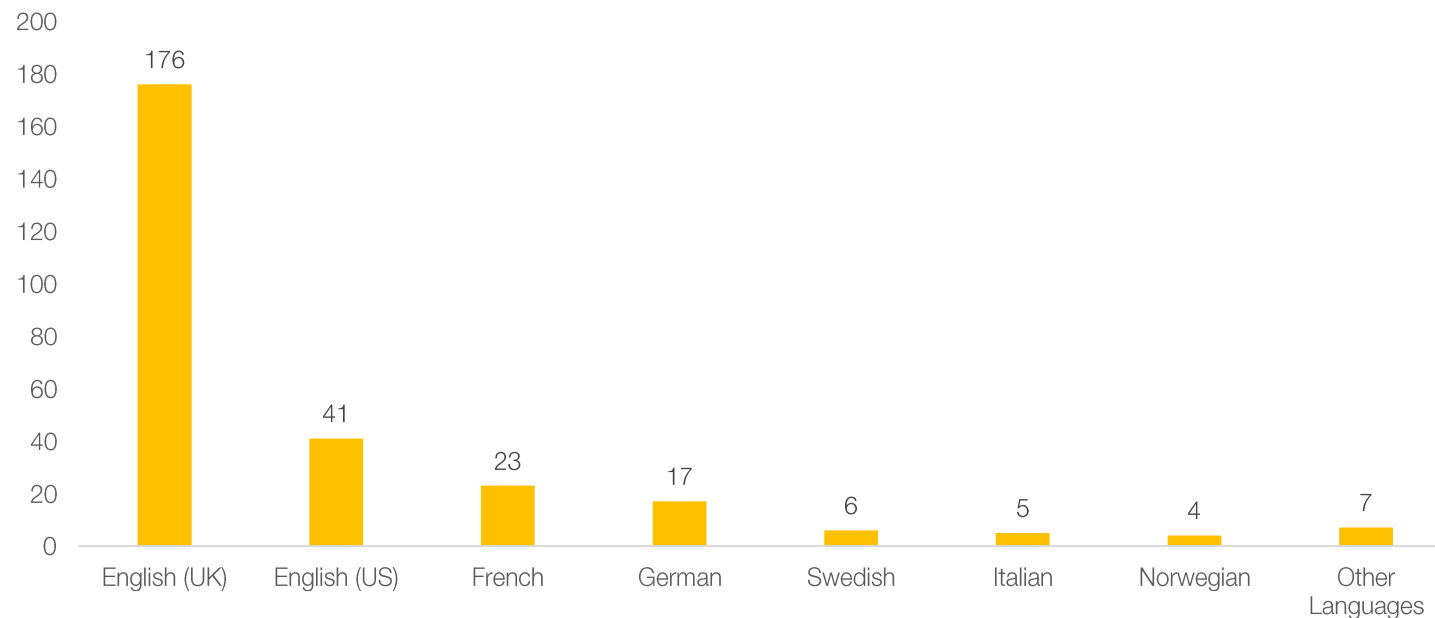
Rank	City	Country	Rank	City	Country
1	Zurich	Switzerland	26	Birmingham	United Kingdom
2	Bern	Switzerland	27	Stuttgart	Germany
3	Geneva	Switzerland	28	Stockholm	Sweden
4	London	United Kingdom	29	Aberdeen	United Kingdom
5	Copenhagen	Denmark	30	Athens	Greece
6	Dublin	Ireland	31	Bratislava	Slovakia
7	Milan	Italy	32	Glasgow	United Kingdom
8	Paris	France	33	Tallinn	Estonia
9	Vienna	Austria	34	Ljubljana	Slovenia
10	Amsterdam	Netherlands	35	Belfast	United Kingdom
11	Rome	Italy	36	Zagreb	Croatia
12	Munich	Germany	37	Nuremberg	Germany
13	Helsinki	Finland	38	Vilnius	Lithuania
14	Oslo	Norway	39	Leipzig	Germany
15	Frankfurt	Germany	40	Tirana	Albania
16	Brussels	Belgium	41	Limassol	Cyprus
17	Berlin	Germany	42	Warsaw	Poland
18	Luxembourg	Luxembourg	43	Budapest	Hungary
<b>19</b>	<b>Madrid</b>	<b>Spain</b>	44	Baku	Azerbaijan
20	Prague	Czech Republic	45	Bucharest	Romania
<b>21</b>	<b>Barcelona</b>	<b>Spain</b>	46	Sofia	Bulgaria
22	Lisbon	Portugal	47	Belgrade	Serbia
23	Hamburg	Germany	48	Almaty	Kazakhstan
24	Riga	Latvia	49	Minsk	Belarus
25	Lyon	France	50	Skopje	North Macedonia

Source: Mercer's 2020 Cost of Living Survey

## Foreign Schools

There are currently **279 International Schools** in Spain, including 217 English spoken Schools, 23 French Schools and 17 German Schools, among others.

Curriculum in International Schools in Spain, 2021



Source: Ministry of Education, Culture and Sports. January 2021 Note: Other Languages include: Japanese, Finnish, Dutch, Arabic and Portuguese.

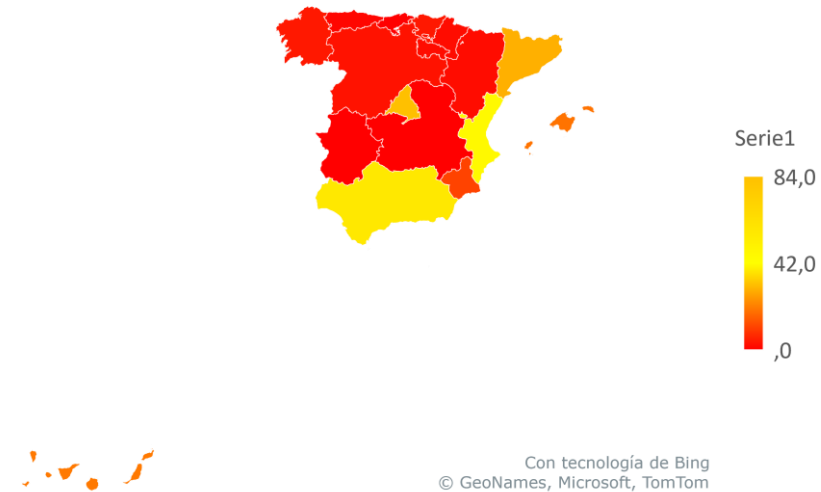
## International Schools in Spain

### In Spain there are 279 International Schools

1. Almost 77% have their curriculums in English (UK and US).
2. The following language is French with almost 9%.
3. Madrid Region accounts for 30% of International Schools in Spain with a total of 84 where 10 have different curriculums.

	Total Spain
<b>Total Spain</b>	<b>279</b>
Andalucía	57
Aragón	2
Asturias (Principado de)	1
Balears I.	19
Canarias I.	20
Cantabria	0
Castilla - La Mancha	0
Castilla y León	3
Cataluña	29
C. Valenciana	41
Extremadura	0
Galicia	4
Madrid Region	84
Murcia Region	11
Navarra	2
País Vasco	4
Rioja (La)	2

International Schools in Spain by area, 2021



- ❖ In Spain, Education is a fundamental right enshrined in the Constitution and all people can access to the Educational System without being Spanish citizens. The Education System is universal and free between 3 and 16 years- Primary and Secondary education. English language is a compulsory subject in all of them.
- ❖ There are public and private Schools with special arrangements and including itinerary and subjects in English - bilingual teaching -.
- ❖ The Spanish Education System is open to foreigner and expatriate executives' children .

#### Details for the quality of life in Spain

- **Spain is the 1st country worldwide in terms of quality of life for ex-pats (Expatriate Explorer 2020, HSBC)**
- With large communities of many different nationalities, Spain is known for its **highly cosmopolitan character**. On average, 12.2% of the Spanish residents are foreign-born, a figure that rises to 16-17% in regions like Madrid or Catalonia
- One of the largest number of **International Schools** in Europe
- Outstanding & modern **health system** with very high standards
- Favourable fiscal regime for *expatriates*
- **Law enforcement:** Assurance & stability in business and social life
- Excellent climate, first-class gastronomy, wide range of cultural and leisure activities

## Moving to, living and working in Spain

### Expatriate Explorer, 2020. Spain

Indicator	Rank	Score
<b>Global Position</b>	<b>5</b>	
<b>Living</b>	<b>1</b>	<b>40.7</b>
Quality of life	1	0.92
Physical & mental wellbeing	1	0.65
Cultural, open and welcoming communities	1	0.58
Ease of settling in	4	0.3
Making friends	4	0.57
Learning	8	0.41
<b>Aspiring</b>	<b>27</b>	<b>12.42</b>
Work / life balance	2	0.7
Economic stability	8	0.51
<b>Mindset</b>	<b>3</b>	<b>16.39</b>
Cultural values	4	0.49
Personal development	4	0.5
Personal achievements	7	0.38

Source: HSBC. Expatriate Explorer, 2020. 39 countries analyzed.

## 4. Business opportunities

- Automotive
- ICT (Information and Communication Technologies)
- Biotechnology, Pharmacy and Life Sciences
- Aerospace
- Logistics and Transport
- Energy, Environment and Water Treatment
- Chemical Industry
- Nanotechnology
- Agro-food
- Real Estate
- Tourism and leisure
- Natural resources
- Textile & Retail



## Investing in Automotive





### Why Spain for Automotive? Competitive Advantages.

- SPAIN is a key Player in the European Car Industry.
- 2<sup>nd</sup> largest manufacturer in the EU and 9<sup>th</sup> worldwide.
- Productive and flexible manufacturing plants.
- High Investment committed by Main Car manufacturers.
- Complete and innovative industrial supply chain and Auto Parts Industry.
- Availability of highly qualified human resources.
- High public and private investment in Professional Training.
- Leadership in European Industrial Innovation-Mobility Sector.
- Privileged Export Platform towards EU, Latin America, North Africa. Logistics Infrastructures for Auto Industry.
- Open Country for Foreign Investment.
- Public Support for Business Development.



## Motor Industry: Strategic sector for the Spanish Economy

- 2.82 million vehicles (2.27 Mill 2020)
- €103bn Turnover\* OEM + Autoparts
- 10% PIB OEM + Autoparts
- 2 Million jobs
- € 4bn/year Investment
- 10% of industrial R&D&I
- 82% vehicles exported
- 17% Spanish Exports
- €14.1b trade surplus OEM`s (2019)
- High productivity/employee

\* OEM'S autoparts ncluding distribution, financing, and relates activities OEM`S + AUTO-PARTS



- 2<sup>nd</sup>** car manufacturer in Europe
- 9<sup>th</sup>** worldwide
- 9** brands with **17** plants
- 1,000** Auto Parts companies
- 10** automotive clusters
- 34** Technology Centers



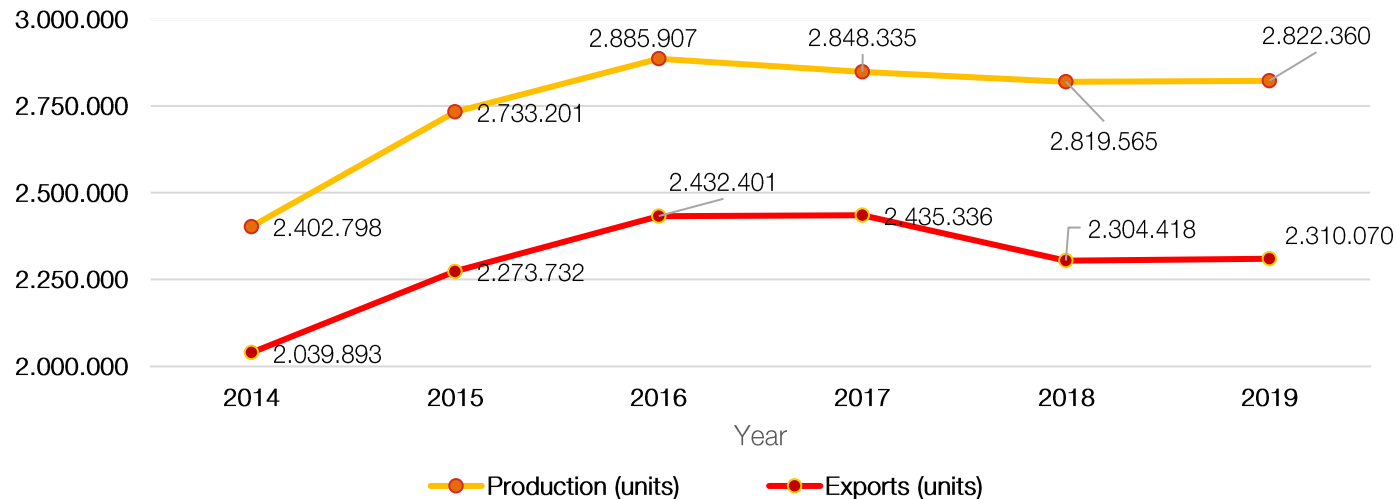
## Spain's Vehicle production

- 2.82 Million vehicles
- €69.5bn turnover
- 3% of global production
- 12% European market share
- 5.5 Million vehicles transported

### 2014-2019

- 419,562 additional units/year
- 270,177 additional units/year
- 17.5% growth in production.
- 13.2% growth in exports .

Spanish Production and Exports of vehicles (units)



### 2019 Units by type

- 2,209,497 Passenger cars
- 574,431 Industrial and commercials.
- 38,522 pick ups

### Investors Confidence

- Industrial Plans approved by OEM's for Spanish plants
- €4bn average annual investment (OEM'S Auto- Parts).
- €3bn record investment by OEM's in 2018.
- 10% of total industrial investment in R&D&I.
- 1,500 new industrial robots /year. 55% of Spain's park of robots.
- 15 new models awarded to Spanish Plants in 2018-19 .



Mercedes-Be:



- **1,000** companies with a turnover of **€37.2 bn**
- **57%** of Spanish Auto Parts exported to 150 countries **€21,415** Million
- **230,100** people directly employed, total employment **372,800**
- **5,400** new jobs in automotive provider's industry in 2018
- **€2.2bn** Industrial Investment.
- **€1.5bn** Investment in R&D&i **4.2%** of turnover.



- Spain committed to EU Strategy for Transport and Mobility:  
**SMART , SAFE, SUSTAINABLE TRANSPORT**
- **2/3** of the EU mobility Projects with Spanish Participation
- **Spanish Automotive and Mobility Technology Platform Move to Future**
  - ✓ Reinforcing the R&D structure of the sector
  - ✓ 203 Companies, Universities and Technology Research Centers working in priority R&D&I lines:
    - Alternative fuels and propulsión Systems
    - Safe and autonomous driving
    - Materials and weighlighting
    - Fabrics of the Future
    - R&D, standardization, talent



**LINES AND PROJECTS**

**Strategic R&D&I**  
**agenda**

## INDUSTRIAL INNOVATION AND SMART MOBILITY

### Spanish Technological Strengths among others:



**Powertrain R&D&i** , specially concerning natural gas engines.

- **Battery technology** : lithium-ion and metal/air batteries production assembling and recycling.
- **Electronics and Grid Integration**
- **Advanced Materials**: multifunctional materials, nano-composites, graphene.
- **Charging Infrastructures**
- **Safety, Automated driving**: Spain Lab-country for open drive testing. Favourable regulation and agile permits.
- **Excellence in Engineering, testing and homologation** of vehicles and parts.
- **Spain's ICT industry** with 34.000 companies employing 496.000 technicians leaders in tematics related with new mobility :  
Intelligent transport systems, electronics and sensorics, connectivity, data analytics, cybersecurity, traffic management



## **Green Mobility Spain's Industrial capabilities**

- **8 Full electric and Hybrid Made in Spain vehicles by:**  
GROUPE PSA, NISSAN, RENAULT, IRIZAR, DAIMLER, FORD, HISPANO SUIZA
- **New BEV – PHEV models awarded for 2019-2020:**  
OPEL CORSA-E; PEUGEOT 2008 EV; RENAULT MEGANE; RENAULT CAPTUR (PHEV)-CUPRA FORMENTOR (PHEV by SEAT)-FORD KUGA (PHEV-HEV)
- **9 models with GAS propelled versions : Groupe PSA-OPEL; SEAT ; IVECO**
- **Strategic investment in new components and R&D as example:**
  - ✓ **RENAULT – BATTERY MANUFACTURING FOR HYBRID (Valladolid)**
  - ✓ **GESTAMP – BATTERY BOX**
  - ✓ **FICOSA -PANASONIC NEW LABORATORY E-MOBILITY IN Villadecavalls**
  - ✓ **CTAG TECHNOLOGY CENTER OF GALICIA – BATTERY R&D UNIT**
  - ✓ **ANTOLIN INTEGRATOR SMART COMPONENTS INTERIORS**
  - ✓ **CLUSTER CAAR €25 Million Investment in new components for EV**
  - ✓ **FORD New Plant for Battery assembly for the new KUGA (PHEV AND HEV versions)**



## 2020 Success stories: Investment Projects

### SEAT (VW group) Investment of €5bn by 2025

**July 2020:** SEAT is going to invest €5 billion from 2020 to 2025. The investment will go towards new R&D projects for vehicle development at SEAT's Technical Centre, specially to electrify the range, and to equipment and facilities at the Martorell, Barcelona and Components plants. With this investment, SEAT is preparing to develop new models and take on the production of new projects to ensure employment and boost the company's future.

SEAT President Carsten Isensee underscored that “this investment plan is our way of dealing with the future with determination and optimism, so that we will have a stronger, more innovative and more sustainable company. Our willingness is that Martorell will manufacture electric vehicles from 2025 onward, when the electric vehicle market will have grown.”

The President of SEAT also noted that “our goal is to drive the transformation of the automotive sector in Spain. To ensure the future of the car industry in Spain we need the collaboration of the central, regional and local Administrations



### 2019-2018 Success stories: Investment Projects

**SEAT (VW group) 2018-2019** Investment of €57Million in its plant of Barcelona free trade zone, in two new stamping lines and a new press that will allow a 15% increase in the production of parts. Last year the plant manufactured 52 million parts for VW group.



**2019 NISSAN brings forward its planned investment to transform its Avila plant** Nissan has decided to speed up the transformation of its Avila plant into a center specializing in the manufacture and distribution of spare parts for its partnership with Renault and Mitsubishi. The figures speak for themselves: one year after the presentation of its industrial plan at the end of May, the company had already invested 11 million euros. According to the press release issued at that time, it plans to invest another 20 million euros until the end of 2019. With a total budget of **40 million euros**, the cumulative investments to the end of the year would represent 31 million euros, almost 80% of the total



**FORD 2019** has announced its project to create battery assembly facilities for electric vehicles in its manufacturing plant in Almussafes (Valencia), which will enable the company to optimize its investments and its manufacturing efficiency. Production is scheduled to begin in September 2020. These batteries will in principle be installed in the new Ford Kuga Plug-In Hybrid and Kuga Hybrid manufactured in this plant. The new Kuga is the first Ford vehicle to incorporate the mild hybrid, complete hybrid and plug-in hybrid technology. The US company has undertaken to offer its European customers an electrified option in every model in the Ford range.



## Success stories 2018-2016: Investment Projects

**November 2017 FORD** [www.ford.com](http://www.ford.com) - United States - Ford (United States) is investing \$879.67 m in Spain in the Automotive OEM sector in a Manufacturing project. US-based automotive manufacturer Ford is to invest **€750m** to expand its plant in Almussafes, Spain by 2020. The company will produce the new **Kuga** model.



**July 2018 Volkswagen Navarra (Volkswagen)** -Volkswagen Navarra, a manufacturer of automobiles and subsidiary of Seat, itself an ultimate subsidiary of Germany-based automotive giant Volkswagen, will invest **€1,000m** until 2019 to facilitate the construction of its new model T-cross-off-road at its manufacturing facility in Landaben, Navarra, Spain. As a result of the new investment, the facility will increase its annual production of 244,000 units to 344,000 units and it will enable the company to increase the staff at the facility by 10%.



**2017 PSA Groupe** – has announced a new plan called **SmartMAD2021**, which will be endowed with and investment of **€144million** for its production center in the Villaverde plant in Madrid.

The investment is part of the French group`s commitment to upgradint its plants by introducing **4.0 Technologies**, and the manufacturing of electric vehicles.



**2018-2016 Success stories: Investment Projects****Renault explains its 2017-2020 industrial plan**

Renault's third industrial plan in Spain includes an investment of 750 million euros in its four plants –which export 85% of their production– and the creation of 2,000 permanent jobs. The plan comes after the competitiveness and employment agreement for the 2017-2020 period was signed between the management of Renault España and union representatives in April.

Although the award of the plan was already public, the company executives chose the recent visit by King Felipe VI to the plant in Villamuriel de Cerrato (Palencia) to outline the planned investment in detail. The king was accompanied by Thierry Bolloré, chief competitive officer at Renault; José Vicente de los Mozos, chairman of the board of directors of Renault

The industrial plan approved by Renault involves the award of a new vehicle to the bodywork and assembly factory in Valladolid, and an engine from the Renault-Nissan partnership to the engine plant, also in Valladolid. This engine will be assembled in a variety of vehicles by Renault, Dacia, Samsung, Nissan and Daimler. Renault España's R+D+i center will be set up in the same city.

The factory in Seville will receive a gearbox –the TX30– from the Renault-Nissan partnership, which will require an adaptation of the whole industrial system. The fourth plant in Palencia will continue producing



### Auto-Parts Success stories: Investment Projects

**May 2017** Bridgestone Hispania, the Spanish subsidiary of the Japanese multinational corporation, plans to invest **219 million euros** in the three tyre factories it has in Spain: in the Basque Country, Burgos and Cantabria.. Bridgestone Hispania, whose headquarters and decision-making centre is in Basauri (Bizkaia), employs some 3,000 people in Spain.



**November 2016** - Bilstein Group (Germany) is investing in Spain in the Automotive Components sector in a Logistics, Distribution & Transportation project. Germany-based Bilstein Group, an aftermarket automotive parts supplier, is to expand its logistic centre in Zaragoza Spain due to growth. Bilstein Group will increase its number of employees and triple its capacity.

**bilstein**group®



**March 2016** - Michelin (France) is investing in Spain in the Rubber sector in a Logistics, Distribution & Transportation project, creating 50 jobs. France-based tyre manufacturer Michelin has expanded its logistics centre in Araia, Spain. The facility increased from 50,000 sq m to 80,000 sq m to serve European and American markets. The company hired 50 new people, adding to its 150 workers. Michelin has invested a total of **€38m** in the facility in previous years.



## Auto-Parts Capital and business Alliances



**2017** March 21st - Panasonic to take control of Spanish auto parts maker **Ficosa**

Japan's Panasonic Corp on Tuesday said it has agreed to become majority owner of Spanish auto parts maker Ficosa International SA as it bolsters its push into the automotive field. Panasonic will buy an additional 20 percent of Ficosa - which has strengths in electronic automotive mirrors and other advanced safety systems to raise its stake to 69 percent. The move comes as Panasonic shifts focus to corporate clients to escape price competition in lower-margin consumer electronics

Source : Corporative announcement

**Panasonic**



**2016** –Sept 8th Mitsui & Co., Ltd. "Mitsui", Head Office: Tokyo, President and CEO: Tatsuo Yasunaga) has agreed to purchase shares of Gestamp Automoción S.A. ("GA"), a Spanish global leader in designing and manufacturing of automotive stamping components. Mitsui's investment will be **416 million** Euros (approx. ¥47 billion), through which Mitsui will indirectly own 12.525% of GA via Gestamp 2020, SL.

**2018 Ficosa International Panasonic (Matsushita) - Japan October** Auto component manufacturer Ficosa International, a subsidiary of Japan-based Panasonic, has announced plans to strengthen its e-mobility hub team with 100 new engineers in Viladecavalls, Barcelona, Spain. The company will also expand its facilities by 750 sq m and add an additional laboratory in 2019. The expansion forms a part of the company's plan to invest €700m in its research and development operations globally in the period 2018-2024



## Investing in ICT (Information & Communication Technologies)





### Spanish leader companies in advanced technologies



- Telecom



- Transport and Defence solutions



- Cybersecurity



amper

- Industry and Engineering solutions



- Civil engineering solutions



- Landing software



Spain is home to internationally renowned ICT events



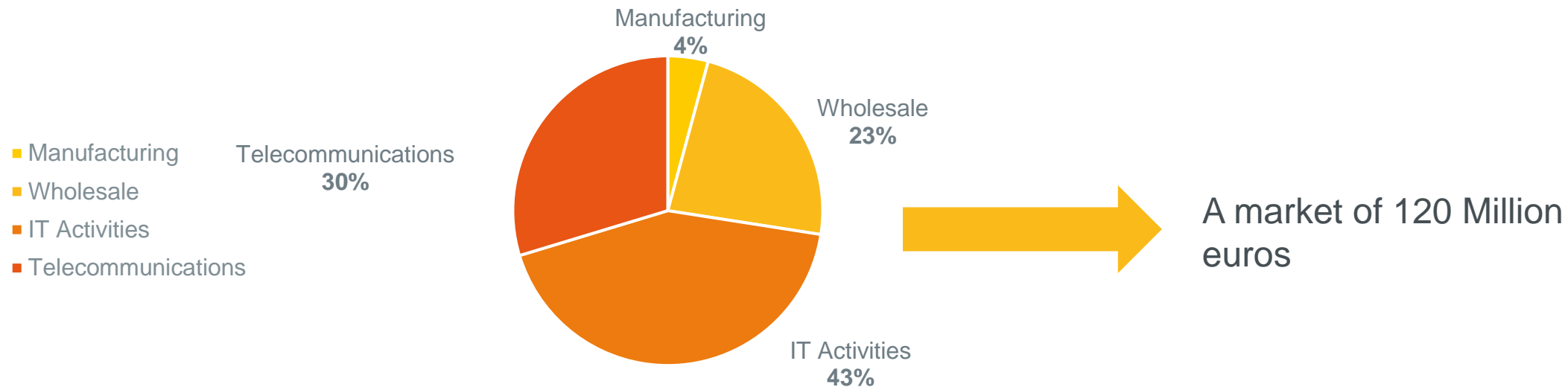


Spain is a leader in **advanced technologies**:

- **Spanish landing software** is renowned and used worldwide
- **Major events/Complex, distributed international delivery**
- **Hi-Tech and Defence Industry**
- **Telecommunications, Utilities, Energy, Banking...**

- ❖ Spain is one of the most important **ICT markets by volume** in Europe: **€120.566 Million**.
- ❖ More than **35,000 ICT companies** operate in Spain, an industry employing more than **550,000 workers**.
- ❖ The **gross added value** at market prices represented the **3.88% of GDP** in 2019.
- ❖ The flow of **foreign investment** in the ICT sector in Spain was **€2,168 Million** in 2017.
- ❖ **Exports of ICT products** grew again for the sixth consecutive year to stand at **€17.563 Million** in 2019.

### SPAIN ICT Turnover 2020



International companies have opted for Spain as a location to set up their Innovation Centres



Amazon opened a research centre in AI in Barcelona in 2018 at 22@ Barcelona



Google will set up a center of excellence for Cybersecurity in Málaga



Ericsson has opened one of its 24 R&D European centers in Madrid.



Huawei sets up its first 6G joint research unit in Valencia

Leading ICT multinationals are already successfully located in Spain, taking advantage of Spain's benefits:

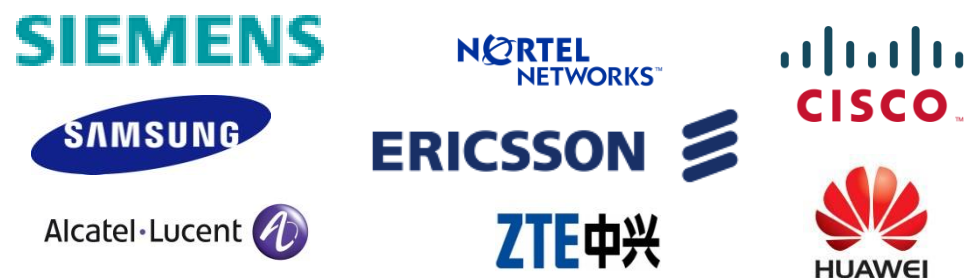
Software Vendors



Hardware Vendors



Telecom equipment vendors



Service Providers



ICT Services and Consulting Companies



### Success stories



- HP has a strong commitment with Spain since 1971, with presence in cities such as Madrid, Sant Cugat (Barcelona), Leon, Sevilla or Bilbao.
- HP's facilities in **Sant Cugat** (Barcelona), hosts one of the corporation's most emblematic R&D Business Centers outside the US. Sant Cugat employs over 1,700 highly qualified professionals of 61 different nationalities, with around 500 engineers working on R&D and innovation. Recently, HP's facilities in Sant Cugat have also become the worldwide headquarters of HP's 3D printing business
- HP's commitment with Spain and the R&D is also shown in other centers as **Leon Competence Center**, established in 2005 and focused on the creation of advance software solutions for the printing and the computing organizations.



- IBM was set up in Spain in 1926. Today the company coordinates the activities in Portugal, Greece and Israel. The Spanish subsidiaries have 7,200 employees.
- The IBM environment includes very relevant projects developed in Spain:
  - Centre of excellence** in Barcelona to develop solutions for financial entities and the health sector; **INSA**, an IBM branch, has set up two centres (Caceres and Salamanca) for software developments to be applied worldwide; **MareNostrum**, supercomputer installed in the Barcelona Supercomputing Centre in collaboration with the University of Catalonia;
  - Technology Expert Council** (TEC), which integrates IBM's best talents in Spain to enhance the leadership of the company and develop its technical knowledge.

### Success stories



- Huawei launched its operations in Spain in 2001. Since then, the company has been developing its lines of business and establishing itself as a key organization in the Spanish ICT sector.
- The company also has various joint innovation centers in Spain with Telefónica and Vodafone. Huawei Spain is focused on providing customers with cutting-edge ICT solutions and services. Their product portfolio includes wireless, fixed-line network and network core solutions, data network technology, apps, software and terminals.
- Huawei have created a workforce of 1,000 employees, of which 85% are local. They have a head office in Madrid, along with five further offices in Barcelona, Valencia, Seville, A Coruña and Bilbao.



- The German company has been operating in Spain since 1895. The company currently has a workforce of over 3,400 in Spain, with three factories (in Cornellá, Getafe and Rubí) whose products are exported to all corners of the world, its HQ in Tres Cantos, and sales offices in the major cities.
- Siemens is currently making a decisive contribution to the modernization of the high-speed rail network by installing cutting-edge safety and signaling systems. They have also helped make sustainable mobility a reality in cities like Madrid, with the first electric car charging station that uses the braking power of trains, and Barcelona, where modern signaling systems have increased the efficiency of the metro lines.
- Also, there has been a production and R&D center in Getafe since 1957 for portable radiology equipment and imaging systems that form part of other diagnostic equipment.





## Investing in Life Sciences



### Why Spain for Life Sciences?

- **Solid Basic Science:** Good scientific output. Spain is 12<sup>th</sup> world scientific power and 5<sup>th</sup> by scientific production in the EU15.
- **Integrated Healthcare System:** Spain has an extensive network of 800 hospitals, both public and private, backed by leading-edge research centres. The system is ideal for translational medicine and discovering new drugs and advanced therapies.
- **Consolidation of biotechnology sector and an established pharmaceutical industry:** Biotechnology companies are growing faster here than in other countries and pharmaceutical industry is leader in R+D spending in Spain
- **Excellent infrastructure for innovation:** exponential growth of science and technology parks, research centres and institutes of technology. Spain's infrastructure also incorporates the latest technology for life sciences projects.
- **Highly qualified workforce:** There is a surplus of talent for competitive and innovative projects. In some areas of Spain the percentage of workers with post-graduate studies is higher than the European average.



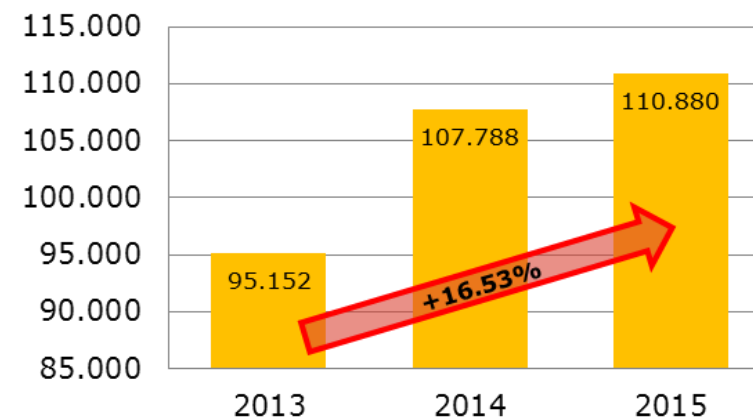
## Biotechnology Sector Overview

- **Consolidation of Spanish biotech sector**
  - Biotechnology sector accounted for 4% of Spain's GDP.
  - Companies have increased in 8% their R+D expenses with a total amount of 578M€

**111,000M €  
Global  
Biotech Sector  
Turnover**



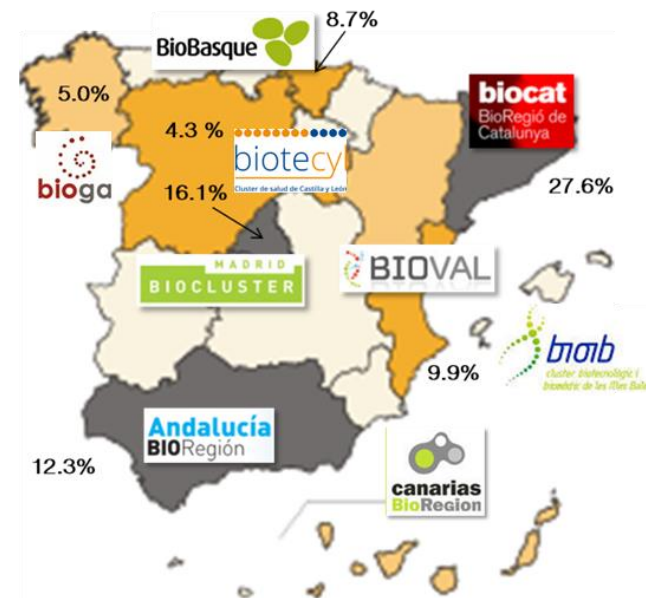
### Turnover (M€)



- **Growing number of biocompanies and dynamic creation of highly qualified jobs**
  - Near to **3,000** companies involved in biotech activities and **713** strictly biotech
  - **More than 177,000 employees** and more than **10,000** R+D activities dedicated
- **Breakdown of biocompanies by activity**
  - Of all **strictly biotech** companies **59% focus on healthcare** and 33% on agro-food.
  - **83% of industrial companies** related to biotechnology focus on **agro-food** and 9% on healthcare

### Distribution of biotechnology companies and biotech users by region

- At present there are **several bio-regions** coinciding with the major centers of technical innovation
- Most biotech companies are located in **Catalonia (27.6%)**, **Madrid (16.1%)** and **Andalusia (12.3%)**. Together they accounted for more than **55%** of the national total.



## Pharmaceutical Sector Overview

- There are about **425 pharma companies** in Spain, including some with no production and/or marketing activity. Near to **60% are foreign** companies.
- Leading pharmaceutical/biotech multinationals are already located in Spain many of which have successfully chosen our country for the **establishment of Research Excellence Centres, Production or Distribution Centers.**



Spain's pharmaceutical industry enjoys a **good standing in the UE:**

- 5<sup>th</sup> in terms of sales
- 5<sup>th</sup> in terms of job creation
- 6<sup>th</sup> in terms of pharmaceutical production

### Pharmaceutical Sector: R&D spending and workforce

#### The pharmaceutical industry is leader in R&D spending in Spain

- Pharmaceutical companies set aside more than **900 M € for R&D**
- The sector accounts for **20% of all private R&D** spending in Spain

#### Job creation in R&D

- The pharma industry has almost **4,800 employees** working **full-time on R&D**
- This is **12% of all R&D** employment in Spanish industry
- **200,000 total employment rate**, direct and indirectly

#### A big market

- Total sales came to **15.6 billion € (+4.5%)**
- In 2016 pharmaceutical **exports come to 11 billion €**
- Pharma sector is **leading the exports high technology products rate** with more than 26.5% of the total.



### Hospital Sector: introduction to the healthcare system

#### Spanish Healthcare System (SHS): public and universal

- This includes **3,000 health centers** and 10,116 local consulting rooms
- **800 hospitals (40% public and 60% private)** with 170,000 beds (70% public and 30% private)

#### Private healthcare represents a sizeable proportion of the Spanish economy

- Private healthcare expenditure accounts for **30.2% of total healthcare expenditure**
- **2.7% of Spain's GDP**
- **More than 450 private hospitals**, 3,000 medical centers

#### Substantial private sector investment in healthcare

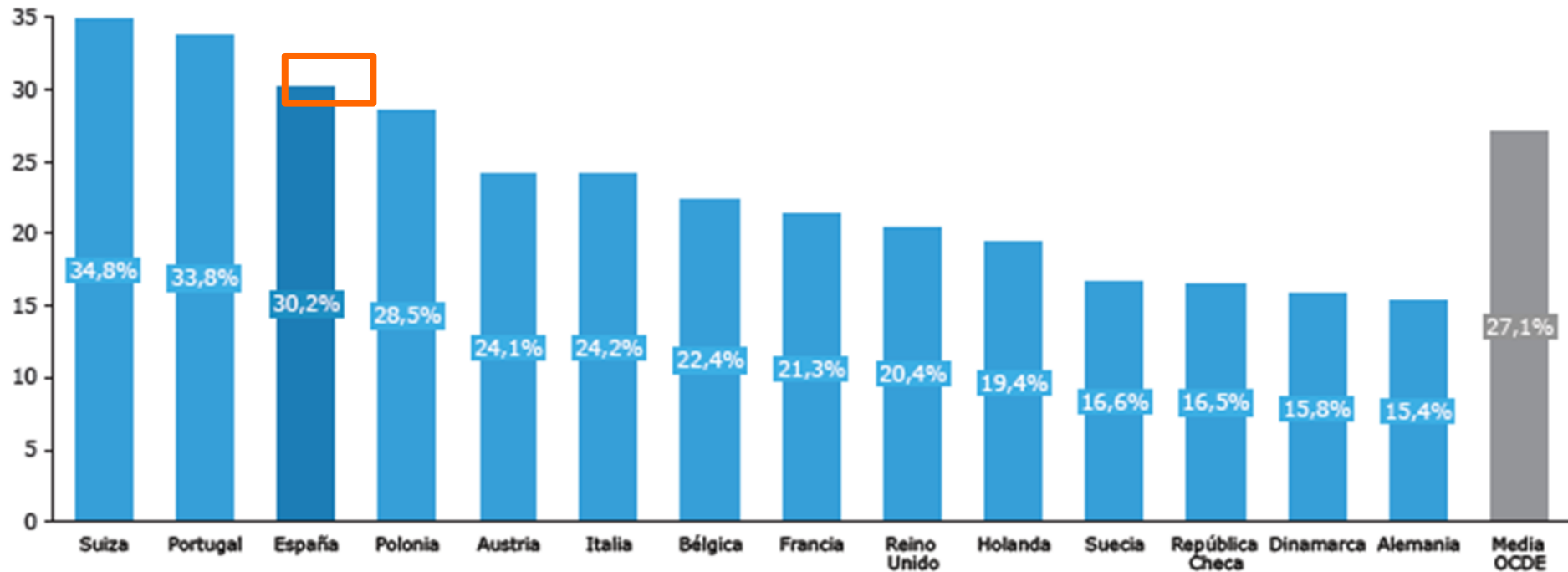
- **Collaboration between the public and private sectors.** 42% of private hospitals have some type of outsourcing agreement with the government
- Strong investment in **high-tech equipment**
- **Government concessions:** 8 hospitals operating under concession model
- Top ten **insurance companies** represents approximately 83% of the market



## Private sector: a key role in Spanish Healthcare

- Private healthcare expenditure accounts for 30.2% of total healthcare expenditure, more than 28,500 Millions €.
- 2.7% of Spain's GDP.

### Private healthcare expenditure in relation to total healthcare expenditure in selected OECD countries:



Source: IDIS Report "Private Healthcare , adding value. Situation analysis 2017"



### Healthcare Technology Overview

#### The healthcare technology market

- This sector invoiced about **7,000M €**
- It comprises more than **1,050 companies**

#### Job creation

- The healthcare technology sector employs more than 23,000 people

#### Exports are growing

- The value of **exports exceeded 2,300M €**
- This figure represents **0.93% of total exports** in Spain

#### Important trade partners

- The target market is still the **rest of the EU**, which takes **74% of exports**
- Asia and East Europe are playing an increasingly important role as big importers of Spanish technology and products



## Success stories: Proof of concept for the global market



**Merck** has concentrated its global growth-hormone production in Spain and has recently announced a 14M € investment to increase by 50% the production capacity of its facility in Madrid.

**ALK-Abelló** has recently concentrated its global production of single-use adrenaline auto-injector Jext®. It has invested more than 25M € in their production facilities in Madrid and created more than 70 jobs.



**Lilly** has in Madrid its research centre for medicinal chemistry, one of the biggest in the world. In 2015 it was announced that this plant will take over production from Lilly's central in USA, increasing its productivity in 30%.

**Bayer** has concentrated its global aspirin production in Asturias, has invested more than 20M € and exports to eight production centers worldwide.



**Celgene** opened its first research centre outside the United States in Seville. The Celgene Institute of Translational Research Europe (CITRE) plans to focus on advanced therapies and regenerative medicine investing 60M €.

**Genzyme** has setting up a sales office in Madrid and has a warehouse for domestic distribution.



genzyme  
A SANOFI COMPANY

## Success stories: Proof of concept for the global market



**GSK** has in Madrid its research centre for tropical diseases, Molecular Discovery Research and Drug Discovery activities. In 2014, GSK announced that they plan to invest 20M € in the next 4 years in their production center in Castilla y Leon.

**TEVA** manufactures in Spain all the *omeprazol* that exports to Europe. From 2008 to 2014 it has invested 33M € in its factory in Zaragoza.



**Baxter** opens in 2015 in Murcia a technology advanced dialysis center. The investment is a result of an outsourcing agreement with the regional government for carrying out more than 38,000 treatments per year.

**Pfizer** has invested 12M € in its European Biometric Centre, which has support functions for the rest of Europe and USA.



**Novartis** announced in 2013 a 60M € investment to expand its facilities in Cataluña for the manufacturing of the entire production line of inhalers. The expansion will create 70 jobs.



## Investing in Aerospace



## Aerospace Industry in Spain

- The **Spanish Aerospace Industry** is **5th in Europe** (and 8th in the world) in terms of turnover (€13.04 billion in year 2019) and employment (57,618 employees).
- The Spanish space sub-sector is **4th** at European level, employs 4,230 people and had a turnover of ca. €863 million in year 2018.
- Half of the commercial aircraft in the world uses Spanish technology.

### R&D:

- The **investment** in R&D activities reached ca. **€1,170 M in year 2019** (9% of the industry turnover and 11% in case of the space subsector).

### Government support:

- The Spanish authorities consider the Aerospace Industry one of the **Strategic** Industrial Sectors.
- Creation of several **public R&D centres** focused on the aerospace industry.

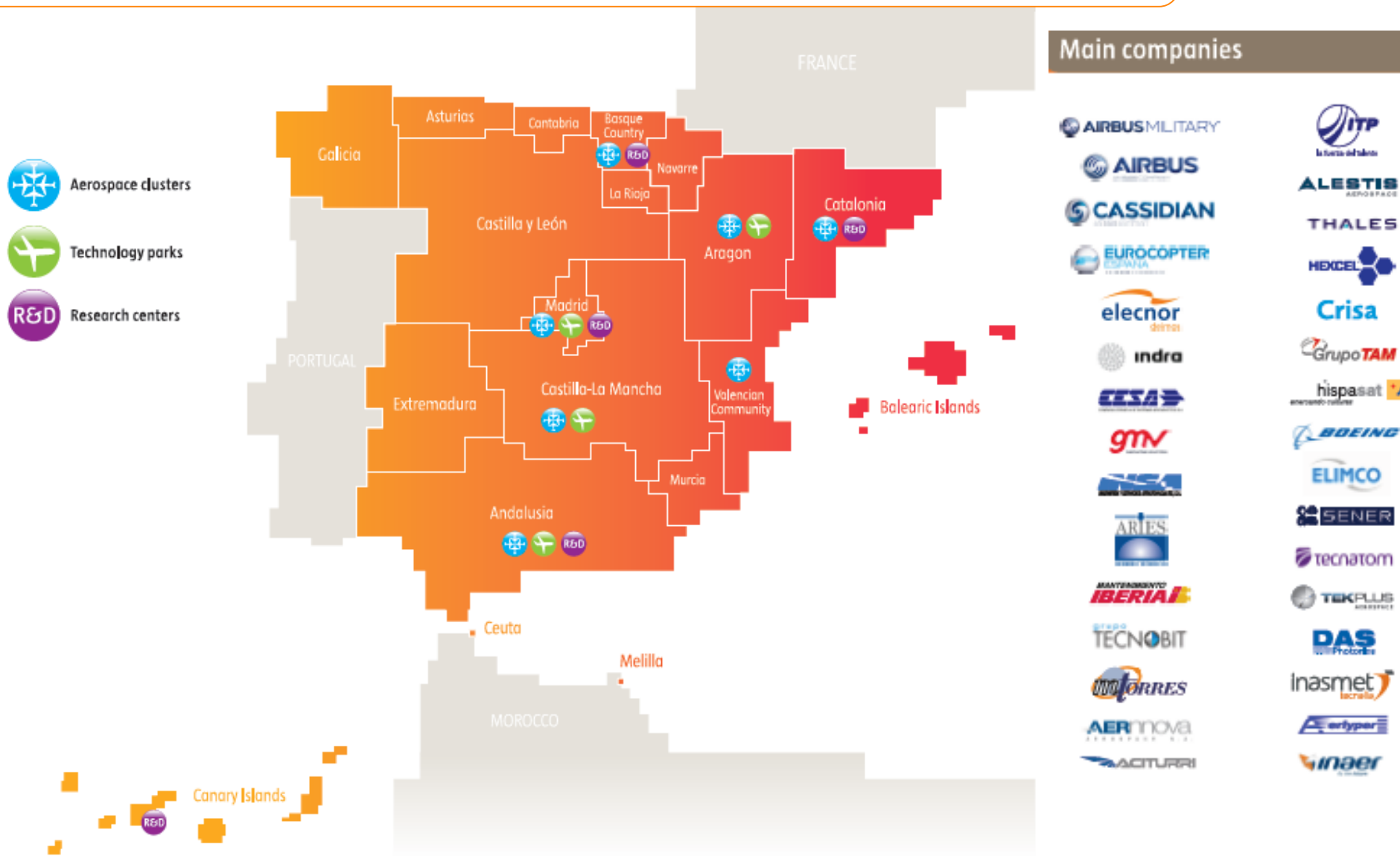


- The Spanish **Aeronautics** industry is a **world leader** in several **fields**: composite aero structures, low pressure turbine engines, Air Traffic Management systems, Military Transport Aircraft, etc.
- The Spanish **Space** industry takes part in **important contracts** of high added value, in qualification of flight equipment and ground segment, and development of satellite systems. Moreover, Spain has satellite services operators. The Spanish Space sub-sector is 4<sup>th</sup> at European level, employs more than 4,200 people and had a turnover of ca. €863 million in year 2019.
- Half of the commercial aircraft in the world uses Spanish technology.

- **R&D: invests 9% of turnover in R&D** (€ ca. 1,170 M in year 2019 and 11% in the case of the space sector)
- Highly qualified **human resources**: 40% of the aeronautics employees are University graduates or engineers and 47% are highly qualified technical professionals.
- **Government support**: The Spanish authorities consider the aerospace sector to be strategic so it offers several grants and incentives lines.
- Creation of several **public R&D centres** focused on the aerospace industry.



Spain has significant **Aeronautics Clusters**: they provide new entering companies with infrastructures, research centres, technology parks offering interesting synergies.



### Success stories



BOEING has developed important R&D Centres in Spain:

- First Boeing R&D centre outside the USA
- Main areas: safety, ATM and environmental technologies
- April 2008: first flight of an aeroplane powered by hydrogen fuel cells – Ocaña (Madrid)

#### According to Boeing:

*“The reason for choosing Spain was the country’s **outstanding role** in the **EU** and as a reference point with the **Latin American** countries.*

*It also shows the **relevant position** the Spanish Aerospace industry has acquired in the last few years and the country’s capabilities in **environmental** and **ATM** technologies”*

Source: [www.boeing.es](http://www.boeing.es)



### Success stories

**EADS** **AIRBUS**  
AN EADS COMPANY

The Consortium EADS-AIRBUS has a very significant presence in Spain

### Civil aircraft

**A380** – Double-deck, wide-body, four-engine jet airliner. It is the world's largest passenger airliner.

It began commercial service in October 2007 with **Singapore Airlines**.

Spain has a participation share of 8%.



### **A350XWB**

Last Airbus civil aircraft model: from 250 to 350-seater. Over 70% airframe is made from advanced materials: composite structures, titanium and advanced aluminium alloys.

The two first test flights have already been developed.

Spain has a **11%** share of the program.

**HMC (Harbin Hafei Airbus Composite Manufacturing Centre** is a joint venture between Airbus (20%) and its Chinese partners (mainly Harbin Aircraft Industry Group, 50%).

HMC manufactures elevators that are being delivered to Spanish company **Aernnova** (the first ship set was delivered last September 2013).

**Aernnova** will later on deliver those elevators to the Airbus plant in **Getafe (Madrid, Spain)**.

## Success stories

# EADS



**The Consortium EADS-AIRBUS has a very significant presence in Spain**

### Military aircraft



**A400M** – Military transport aircraft

Spain has a 15% of participation share, including:

- Final Assembly Line
- Simulation and training Centre
- Services Logistics Hub

All of them located in **Seville (Spain)**

The first A400M aircraft have already been delivered to customer (France) in September 2013.

**A330 MRTT** – Multi Role Tanker Transport

Refuelling aircraft, entirely developed by Spanish industry, including a refuelling pole with electric controls.

**Eurofighter Typhoon**– Multi Role Fighter

14% share of participation by the Spanish industry. Major components developed in Spain:

- Right wing
- Leading edge slats.

**Eurocopter**– Military helicopter

Plant located in Albacete (Spain):

- Final Assembly Line
- Delivery Centre

For models: NH-90, TIGER and EC-35





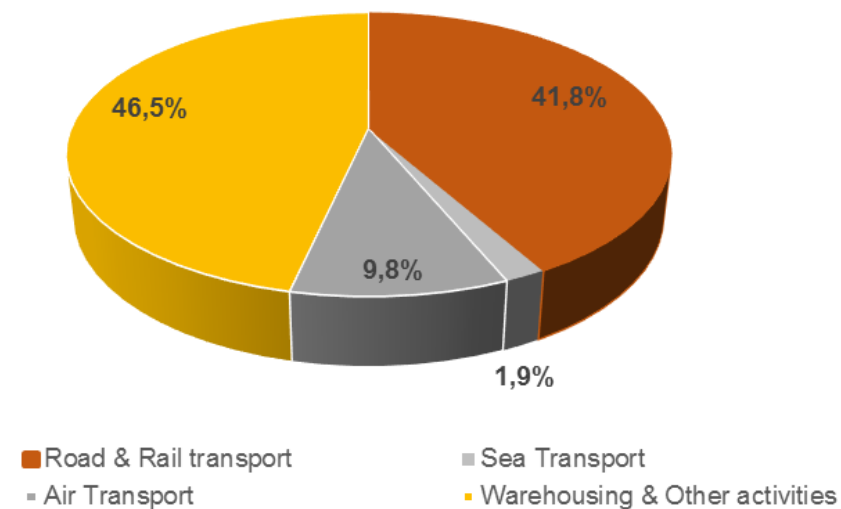
## Investing in Logistics and Transport



### Logistics and Transport Industries in Spain

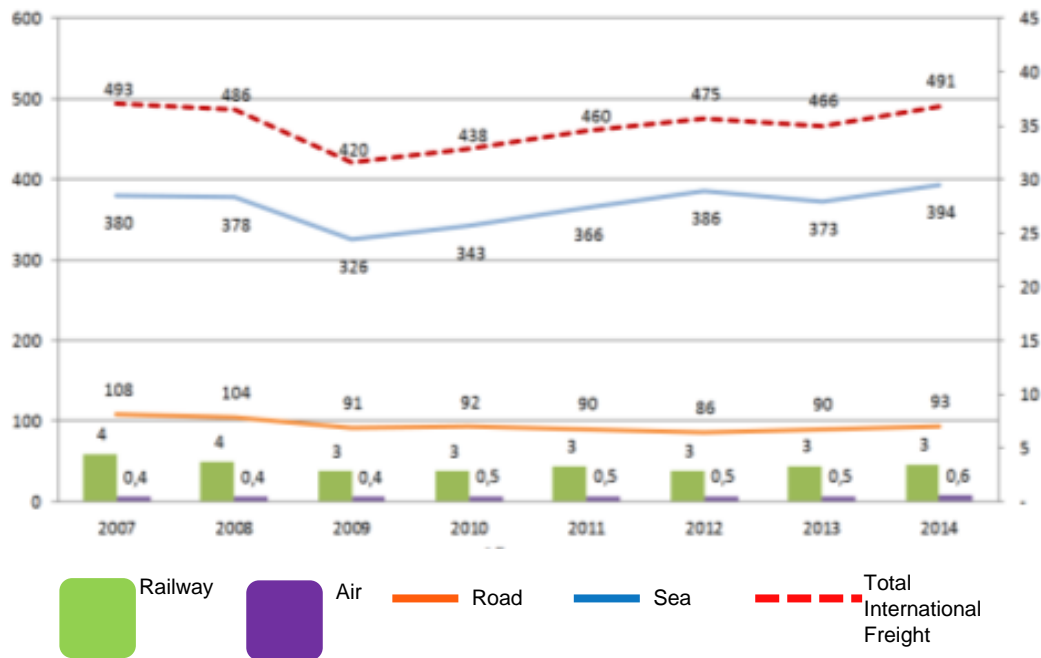
- **Spanish Logistics Sector ranks among the top-25 in the world according to the latest Logistics Performance Index of the World Bank (14<sup>th</sup> among the EU countries)**
- **1.93% of Spain's GDP**
- **Turnover € 110.0 Billion**
  - Logistics
  - Road, Railway, Sea and Air Freight
- **Employment > 922,000 workers (+7.1%)**
  - 4.5 % of active workers in Spain
  - 90.8% occupancy rate
- **Companies > 197,000**
  - Structure: High market concentration
  - 90% SME's
  - 10 big companies manage 27% of the business

**Turnover 2016**



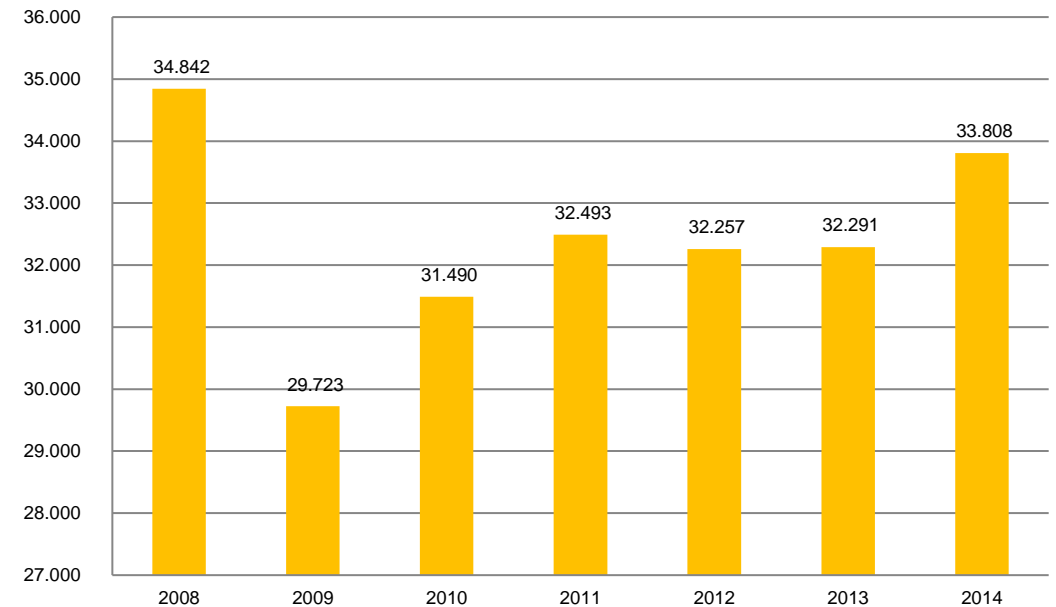
- International freight business in Spain is recovering pre-crisis levels  
€ 33.8 billion turnover

Spain International Freight Traffic (Mill Tn)



Source: Annual Report, 2015 – Spain's Transport and Logistics Observatory.

Spain Freight Transport (€ Mill)



Source: Transport XXI Magazine Review.

### ■ 29 Container Terminals in 21 Ports

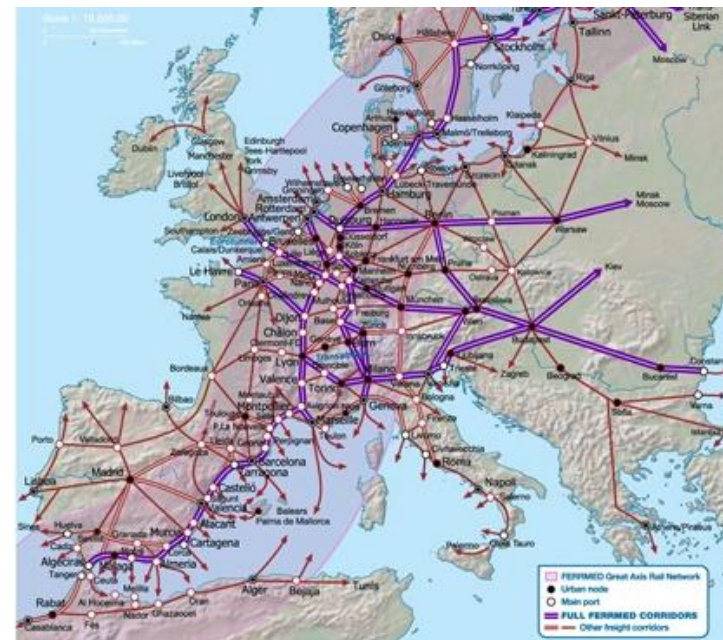
- Capacity: 22,1 Million TEUs/year
- Occupied surface: 7,73 Million sq m
- Average productivity: 545 TEUs/m



- In 2017 a total 34.0 Million passengers (cruises & lines)
- 9.2 Million Cruise Passengers an increase of 6.7%
  - Barcelona is 1<sup>st</sup> in Europe and 4<sup>th</sup> worldwide



- The Infrastructure, Transport and Housing Plan (PITVI) (2012 - 2024) states a stable and sustained investor scenario of up to 0.94% of GDP during the period.
- The Trans-European Transport Network development encloses the Spanish Corridors in the Atlantic and the Mediterranean Sea to foster the Logistics.
- The Mediterranean Corridor plan connects the Mediterranean Spanish Seaports to a rail corridor which links North Africa to Central Europe through Spain.
- Intermodal investments: Spanish Ports increase their commitment for 2015 to over 423 million euros mainly focus on completing basic infrastructure projects and improving road and railway connections.



## Success stories



- DHL Spain is the key input platform across the DHL network to Latin American markets. Invest in Spain.
- TNT International Operations Centre Madrid - Barajas (Spain) became hub for South America in 2002. Today, shipments to and from fifteen South American countries are handled from the Barajas Hub and to its whole network.
- Total Terminal International Algeciras (TTIA) part of the South Korean Hanjin Shipping group builds its first container terminal semi-automatic of the Mediterranean and Southern Europe.



### Success stories

- **Hutchison Port Holdings**, a subsidiary of Hong Kong conglomerate Hutchison Whampoa, operates the new semi-automatic container terminal of the Prat quay at the Port of Barcelona, which represents an initial investment of 300 million Euros and aims to be the largest terminal in Southern Europe.
- Mexico's **Pemex** will install its European operations base at the port of A Coruña which implies a direct investment of \$70 million.
- The Danish **APM Terminals** Algeciras will devote €42 million investment to meet their new triple-E ships in the port of Bahía de Algeciras.
- **Toyota Motor Europe** (TME) sets up a new logistics centre in Illescas for the delivery of the brand's spare parts and accessories in Spain.
- The German **Vossloh Rail Vehicles** operates one of its engineering centres, a reflection of its commitment to innovation, in Valencia, Spain.
- One of the main actors of E-commerce in Europe, **Vente Privée**, opens its third logistics platform in Spain after Germany and Italy.



## Investing in Energy, Environment and Water



### Renewable Energies: General Overview

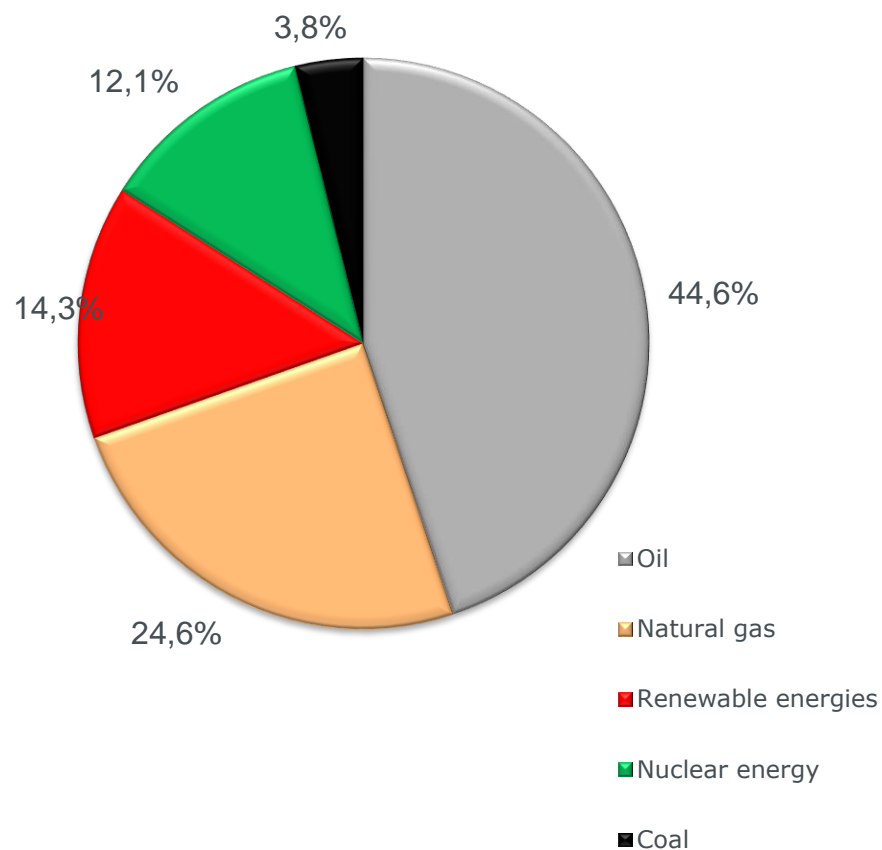
- The Renewable Energy Sector as a whole contributed **12,540 Million EUR to Gross Domestic Product (1.01% of total)**.
- The Renewable sector invested **375 Million EUR in R&D&I**.
- It contributed positively **to an 1,186 Million EUR improvement in the Spanish trade balance**.
- It avoided imports estimated to **8,702 Million EUR**  
(Fossil fuel imports avoided: 22 Million tep)
- **It saved 1,282 Million EUR in emission rights**  
(Avoided CO<sub>2</sub> emissions to the atmosphere: 51.6 Mton\*)
- The renewable sector **employed +95,000 people**.

*Source: Renewable Energy Association ( APPA). Data refer to 2019  
Study of the Macroeconomic Impact of Renewable Energies in Spain*

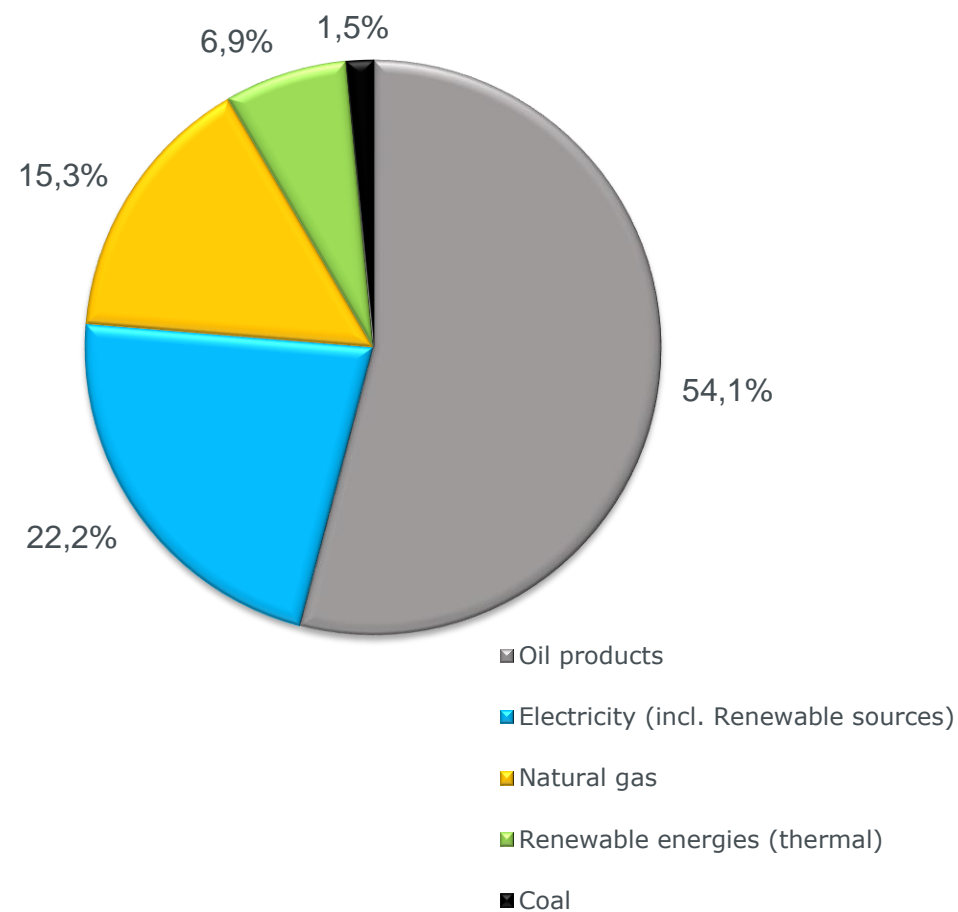


## Energy Breakdown by Source in Spain

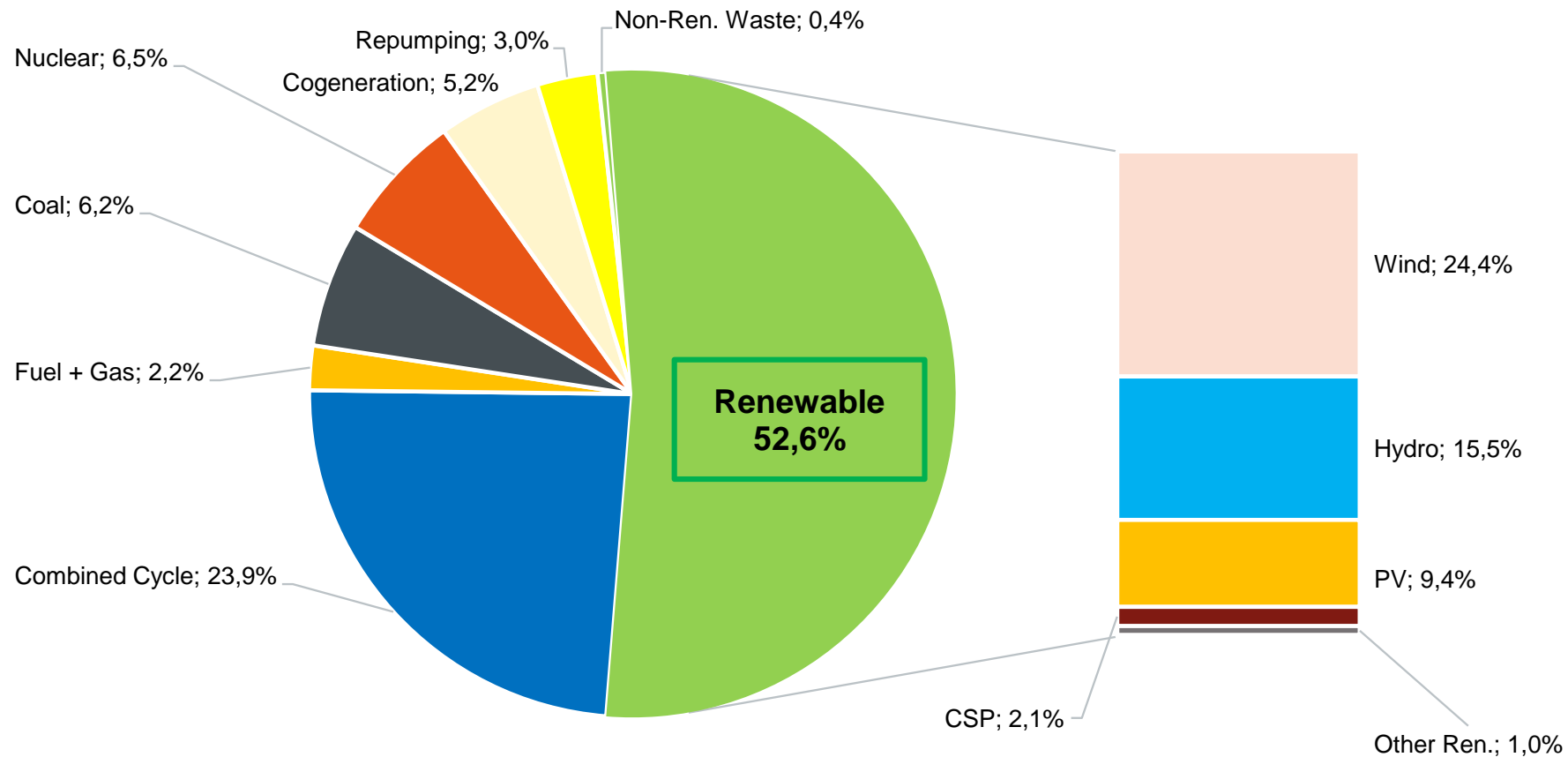
▪ Primary Energy 2019

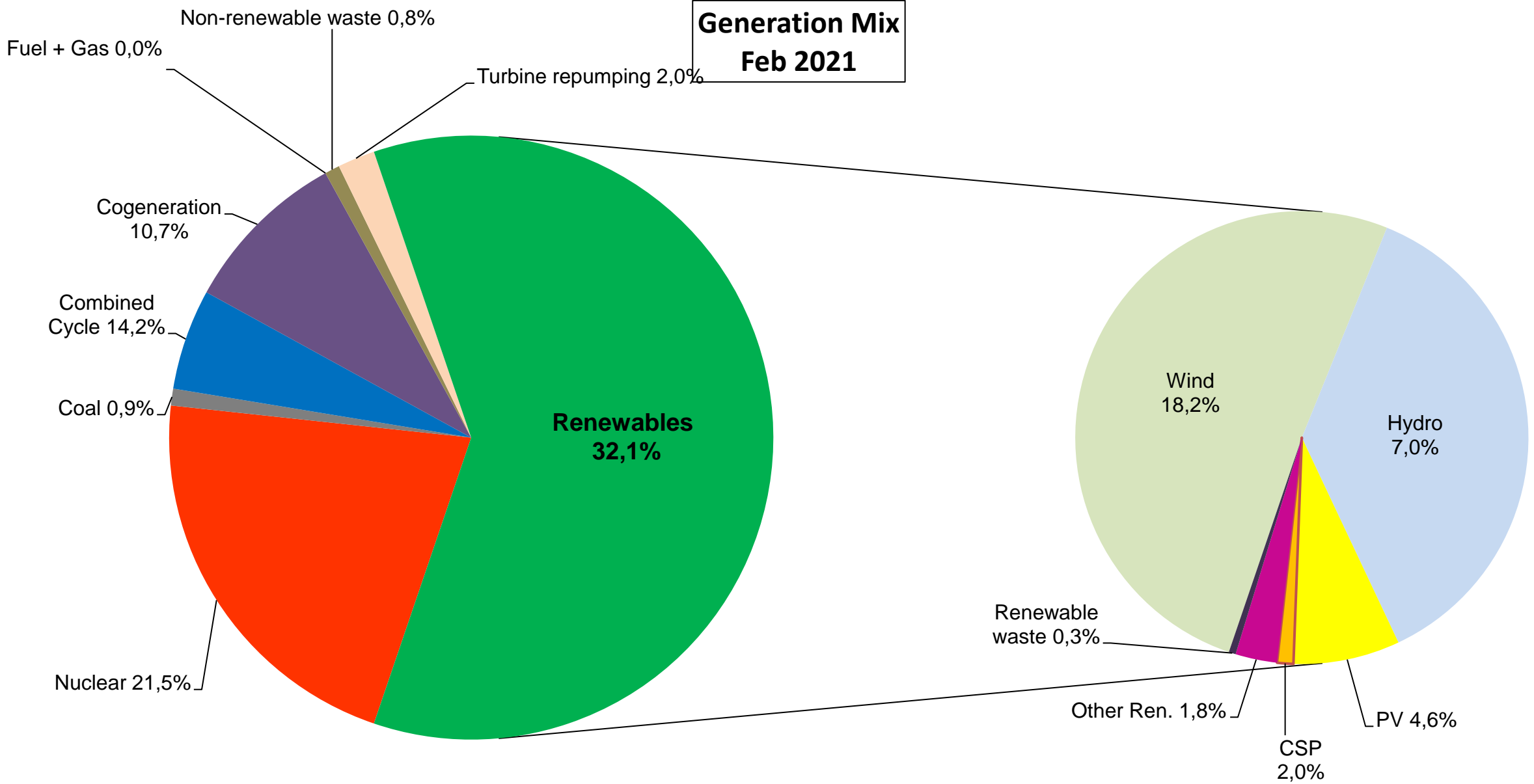


▪ Final Energy 2019



## National System Installed Electrical Capacity – Oct. 2020 (110 GW)





Source: REE

### Environmental Industry in Spain (2018)

- The Spanish environmental sector accounts **2.2% GDP**
- Econ. Value: **40,355 million €**
- **316,0** direct jobs
  - 36.5% work in Waste treatment and management.
  - 23,5%% work in Water treatment.

Areas that require urgent attention and **offer opportunities to foreign investors** include  
Renewable Energies, Waste Management, Air Quality and Water Treatment:

- Waste generation: 485 kg/inhabitant in 2018
- Emissions: 6,31 tonnes of CO<sub>2</sub> equivalent/inhabitant in 2019
- Domestic Water consumption: 128 litres/inhabitant/day in 2020

## Environmental Industry in Spain: key players

### Public entities

#### EUROPEAN ENVIRONMENTAL AGENCY

[www.eea.europa.es](http://www.eea.europa.es)

- Provides sound & independent information
- 32 member countries

#### SPANISH MINISTRY FOR ECOLOGICAL TRANSITION

<https://www.miteco.gob.es>

- Makes proposals and develops the implementation of government policy

#### 17 REGIONAL AUTHORITIES

- Definition and implementation of environmental policy.
- Regional environmental authorities often called "Consejerías"

#### MUNICIPAL AUTHORITIES

- Subsidies, Fines refuse collection, street cleaning etc.
- Local environmental authorities, often called 'Concejalías'

### Private companies

GROUP	ENVIRONMENT	WATER
<b>ABENGOA</b>	<b>BEFESA</b>	<b>ABENGOA</b>
		
		
		
<b>ferrovial</b>		<b>cadagua</b>
		
		
		
<b>Naturgy</b>		



### Water Sector in Spain

- Maximum reservoir capacity (2021) 55,899 hm<sup>3</sup>
- Reserves (March 2021) 35,888 hm<sup>3</sup> (59,0%)
- Domestic consumption (2020) 128 liters/inhabitant/day
- Average price 2020 (domestic) 1.90 €/m<sup>3</sup>

#### Uses

<b>Urban Supply</b>	<b>4,485 hm<sup>3</sup></b>
<b>Irrigation</b>	<b>15,832 hm<sup>3</sup></b>

#### Water Origin

<u>Urban Supply</u>	
<b>Surface</b> (Dams, rivers...)	<b>67%</b>
<b>Underwater sources</b>	<b>29%</b>
<b>Others</b> (Desalination, depuration)	<b>4%</b>

<u>Irrigation</u>	
<b>Surface</b> (Dams, rivers...)	<b>76.9%</b>
<b>Underwater sources</b>	<b>21.5%</b>
<b>Others</b> (Desalination, depuration)	<b>1.6%</b>

#### Treatment

<b>Total:</b>	<b>13 mill. m<sup>3</sup>/day</b>
<b>Reused:</b>	<b>1,5 mill. m<sup>3</sup>/day (11.5%)</b>

### Water Sector in Spain

- 24,000 companies involved in the water sector
- 212,300 jobs
- Water sector annual turnover: approx. 32,000 million euros

#### Strengths

Sectorial targets match general interest.  
Great quality and innovation in Spanish water industry.  
Sector generates employment and wealth.  
Large number of products, solutions, high technological level.  
International experience and reputation.  
Strong sectorial network.

#### Business Opportunities

Growing demand of water supply & water treatment.  
Rising social concern about water use and efficiency.  
Demand if integral solutions (EPC + O&M).  
Growing investments & financing in developing and emerging countries.  
International projection of Spanish water companies.  
Excellent public-private cooperation in I+D+i .

### Desalination

- Spain is the **1<sup>st</sup> producer** of desalinated seawater in Europe and America
- Spanish companies are leaders in **Reverse Osmosis Technologies**.
- Interesting **cluster**:
  - More than 700 desalination plants in Spain according to the Ministry of Agriculture, Food and Environment.
  - International Expertise in construction of desalination plants (Befesa, Cadagua, Acciona...)
- R&D. Research centers actively involved in desalination:



### Main Water Institutions & Associations



[www.aeas.es](http://www.aeas.es)

Professional association for the promotion and development of scientific, technical, administrative and legal services for urban water supply and sanitation matters.

It currently has 330 partners and operating entities integrated in the association, serving more than 35 million people in more than 1.700 Spanish municipalities.



[www.aedyr.com](http://www.aedyr.com)

Associates people, companies and groups related to water desalination and reuse in Spain.

AEDyR represents large & small engineering companies, component manufacturers, universities and research centers, public administrations and anyone privately interested in the sector. It currently has 214 partners.



[www.asoaga.es](http://www.asoaga.es)

Association created to promote and defend the common interests of business related services integrated water cycle.

At present, its associates and partners operate urban water about 75% of the Spanish population, with an annual turnover of 3,800 million euros and employ over 17,000 people.

### Main Water Institutions & Associations



It represents and promotes the interests and competitiveness of companies operating in the sector of the treatment and control of water: use, treatment, purification, reuse, desalination, analysis, measurement, management, irrigation and quality control of the water.

At present there are more than 120 companies companies directly adhered to the Association.

[www.aquaespana.org](http://www.aquaespana.org)

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Association of companies committed to sustainability and efficient management of water resources, with innovation as the basis, covering all technological fields of urban, industrial and agricultural water: drinking water, desalination, purification, reuse and recovery of rivers.

[www.asagua.es](http://www.asagua.es)

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Nonprofit association created to promote participation in projects of public interest related to water reuse.

[www.asersagua.es](http://www.asersagua.es)

### Main Water Institutions & Associations



[www.plataformaagua.org](http://www.plataformaagua.org)

R + D + i network in water sector whose main objectives are:

- Generate added value for its partners, the sector and the society.
- Encourage participation and collaboration in R+D+i between institutions and national and international authorities,
- Develop and implement a Strategic Research Agenda (SRA).
- Identify and promote R & D + I projects.
- Promote technology transfer.



[www.seopan.es](http://www.seopan.es)

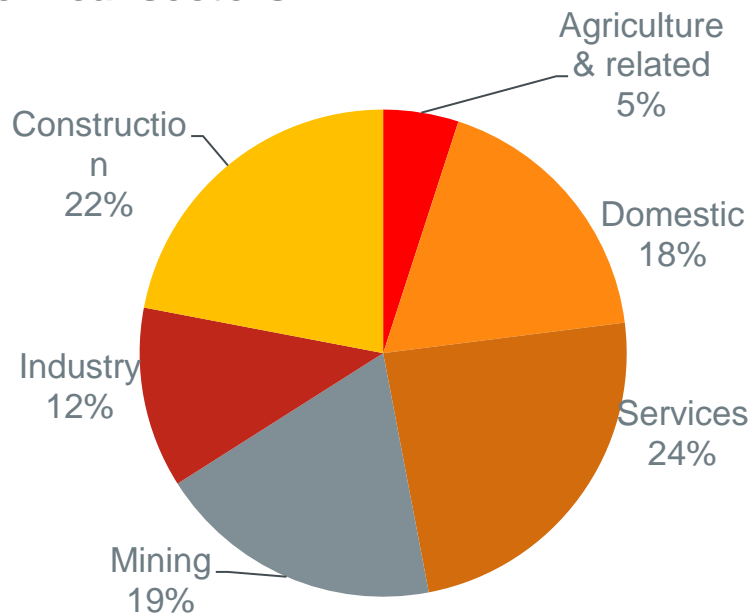
Association of construction companies and infrastructure licensees. It promotes investment in infrastructure and the of projects of public-private collaboration.

It consists of 72 companies and 12 business groups dedicated to the construction and management of public infrastructure through concessions. Nine of them are listed on the Madrid Stock Exchange. Together, the associates represent a turnover of 80,000 million euros, providing employment to more than 433,000 people.

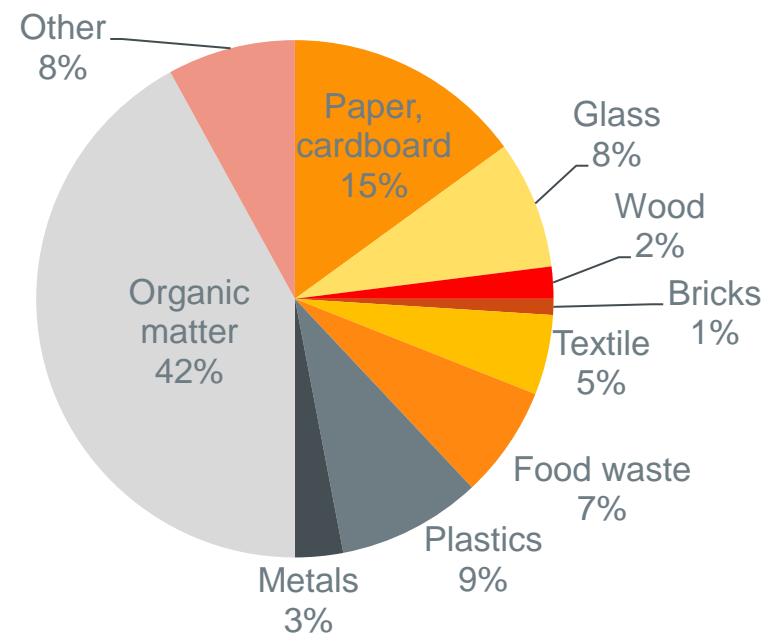
### Waste Management sector in Spain

- The Spanish Government has recently issued the Residues Framework Plan (PEMAR) for the period 2016-2022.
- By 2020 the fraction of recycled/reutilized residues must increase from 30% to 50%.
- Waste treatment expenditure low, 35 euro/Tn (European average 100 euro/Tn)

#### Waste Generation: Economical sectors



#### Composition of Urban Waste

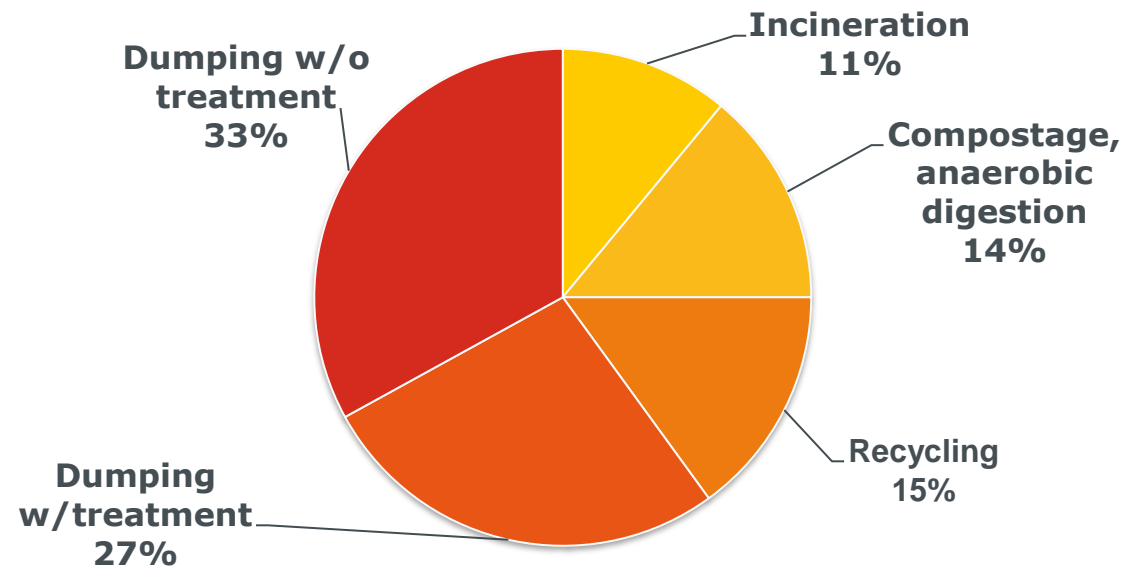


### Waste Management sector in Spain

Room for improvement, great business opportunities

As much as 60% of waste is still dumped, 45% of which is not treated.

### Destination of Urban Wastes



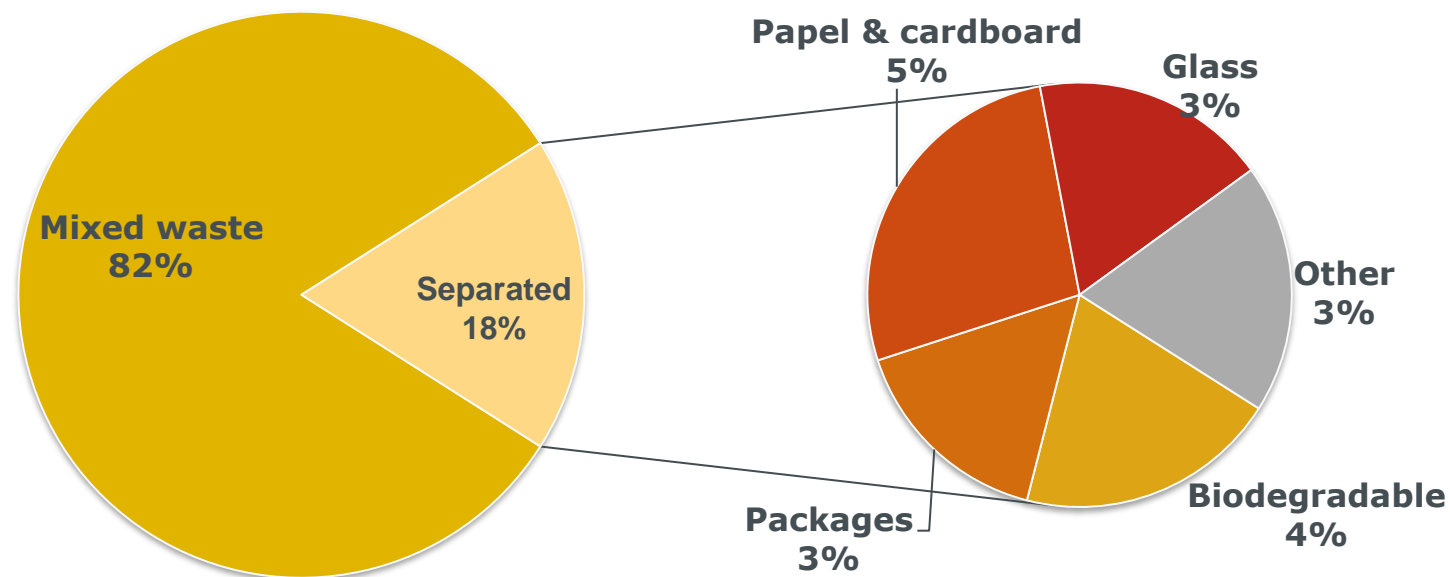


## Waste Management sector in Spain

Room for improvement, great business opportunities

PEMAR: Separation in origin must improve from current 18%.

## Waste Collection





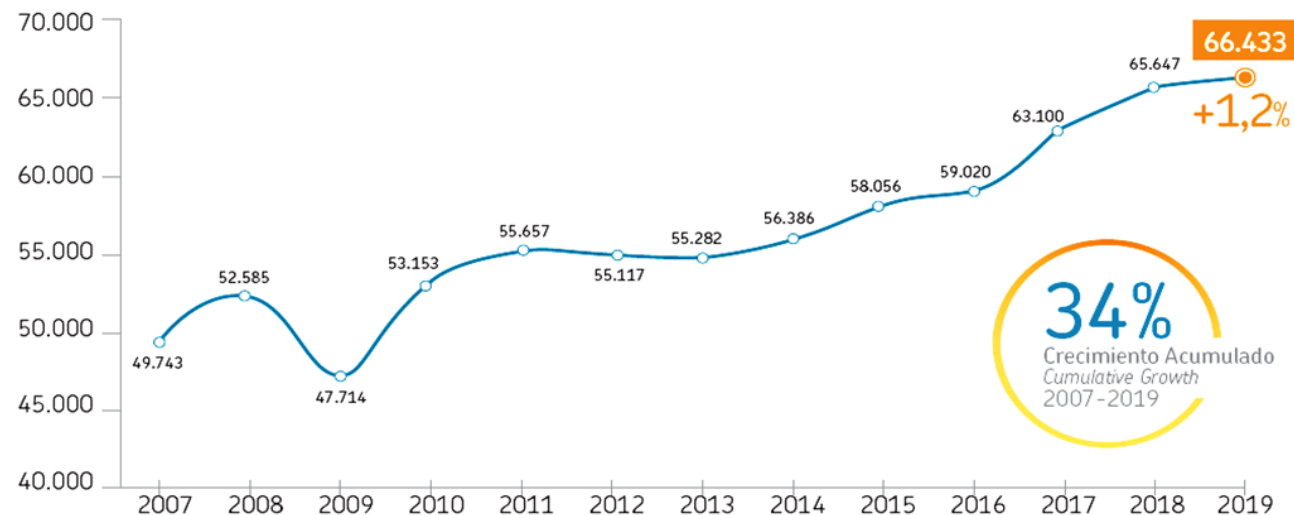
## Investing in Chemical Industry



### Strategic Sector for the Spanish Economy and ICEX-Invest in Spain activity

- **3,072 companies**
- **\* 697,700 Jobs**
- **€38.4 bn Exports**
- **€66.4 bn turnover**
- **13.4% Industrial GDP**
- **26% of industrial R&D**

Evolution of Turnover Chemical Sector 2007|2020



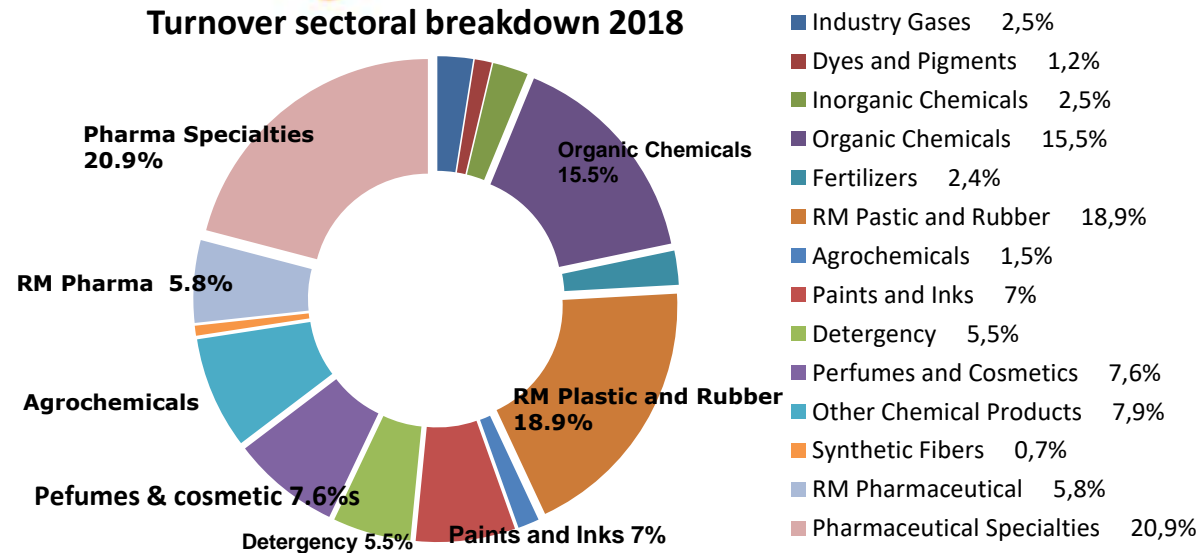
Chemical sites

Pharma 

Chemical Sectors



Turnover sectoral breakdown 2018



- **4th destination in EU for new Chemical projects \***
- **\$15.4 bn CAPEX - 27,234 jobs**

Destination Country	Capex	Projects	Avg capex	Jobs created	Avg jobs	Companies
Russia	25.175,3	524	48,0	85.441	163	368
Germany	22.801,5	1.037	22,0	34.958	33	792
Belgium	17.565,2	343	51,2	16.746	48	235
United Kingdom	15.778,2	784	20,1	37.134	47	544
France	15.770,1	659	23,9	28.146	42	466
<b>Spain</b>	<b>15.420,4</b>	<b>518</b>	<b>29,8</b>	<b>27.234</b>	<b>52</b>	<b>326</b>
Turkey	14.701,4	294	50,0	29.915	101	244
Ireland	12.629,7	206	61,3	17.414	84	111
Hungary	12.580,9	240	52,4	30.206	125	173
Poland	9.402,8	430	21,9	40.599	94	321
Netherlands	9.078,2	266	34,1	14.526	54	202
Italy	6.430,5	199	32,3	11.648	58	148
Romania	5.428,7	193	28,1	28.384	147	126
Czech Republic	5.094,0	187	27,2	22.202	118	154
Total for 44 countries	224.412,6	7.224	31,1	521.401	72	3.534

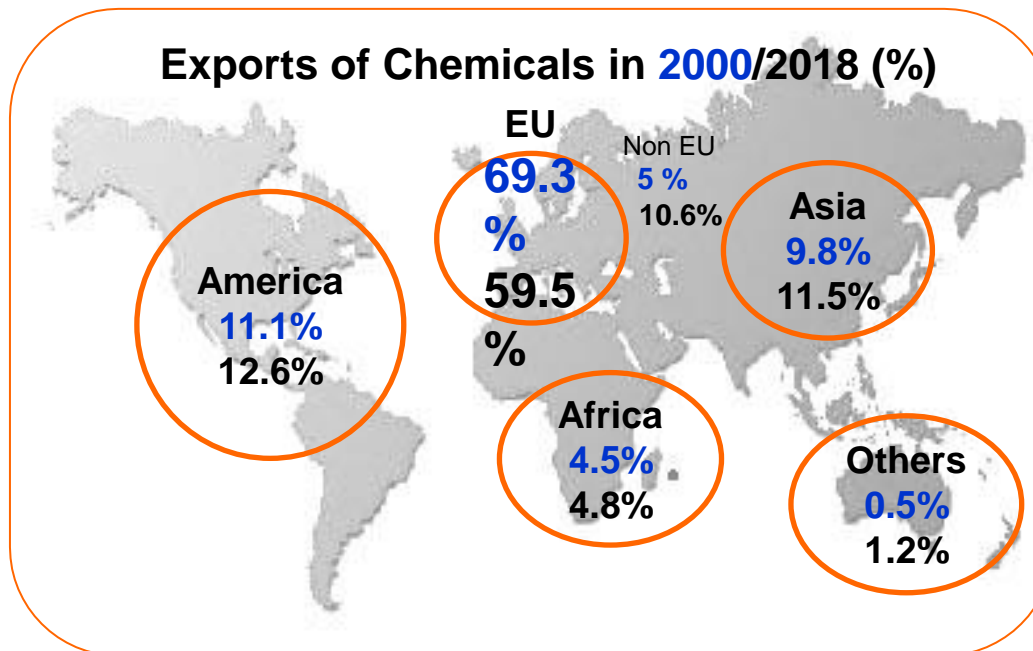
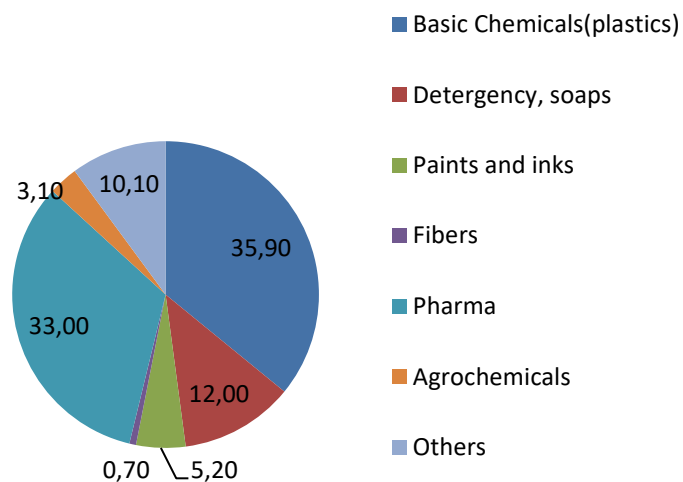
- By CAPEX
- Source fdi markets: Data in Mill \$ for companies (Chemicals, Pharmaceuticals, Rubber and Plastics sectors) investing in Emerging Europe and Western Europe in four sectors between January 2003 and Dec2020

- **3rd destination in EU for greenfield R&D projects.**
- **2nd destination EU for Logistics&Distribution projects.**

Destination countries	Research & Development	Manufacturing	Logistics, Distribution & Transportation	Headquarters	Total 15 activities
United Kingdom	146	326	48	52	784
Germany	95	477	45	37	1.037
France	78	393	30	18	659
<b>Spain</b>	<b>71</b>	<b>298</b>	<b>38</b>	<b>23</b>	<b>518</b>
Belgium	45	201	23	9	343
Ireland	33	108	7	12	206
Italy	28	106	4	4	199
Russia	27	356	21	4	524
Netherlands	27	129	22	28	266
Switzerland	25	46	3	32	152
Poland	19	277	24	2	430

- Source: fdi Markets. Data in Mill \$ for companies (Chemicals, Pharmachemicals, Rubber and Plastics sectors) investing in Emerging Europe and Western Europe in four sectors between January 2003 and Dec 2020

- **57.9% of Spain's Chemical exported to 200 countries.**
- **€38.4 bn Export Value 2018 .**
- **2<sup>nd</sup> largest exporter of the Spanish Economy**





Most Attractive Sector for Investors

€36.6bn stock of multinational investment\*

2nd Largest stock among manufacturing sectors

Over 500 subsidiaries of chemical multinationals with more than 100 years of presence

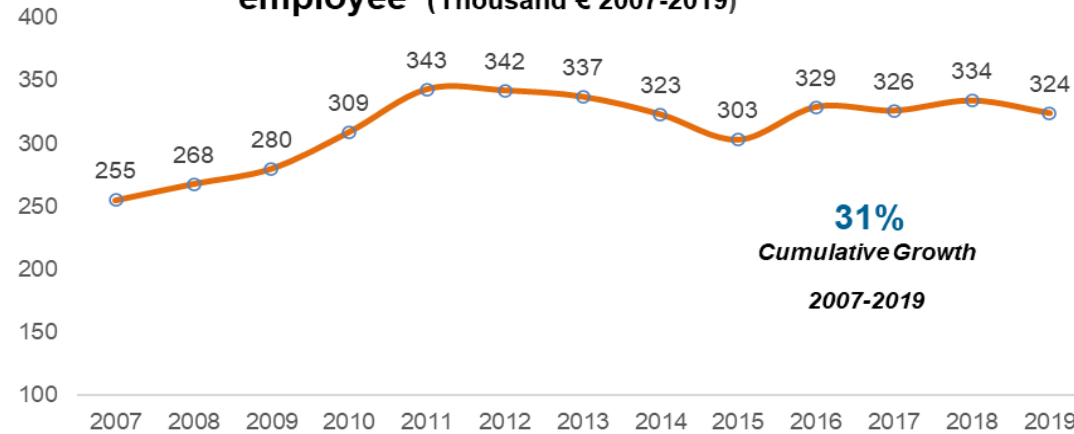


Source: Foreign Investments Registry (Ministry of Economy and Business) 2017. Million Euro (\*) Stock 2015 data.



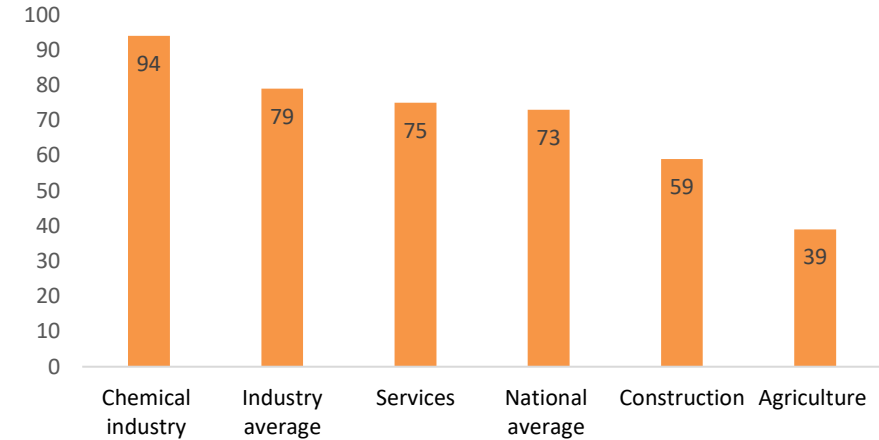
**Human Resources: Qualified , competitive, stable Jobs**

**Chemical Sector Turnover per employee (Thousand € 2007-2019)**

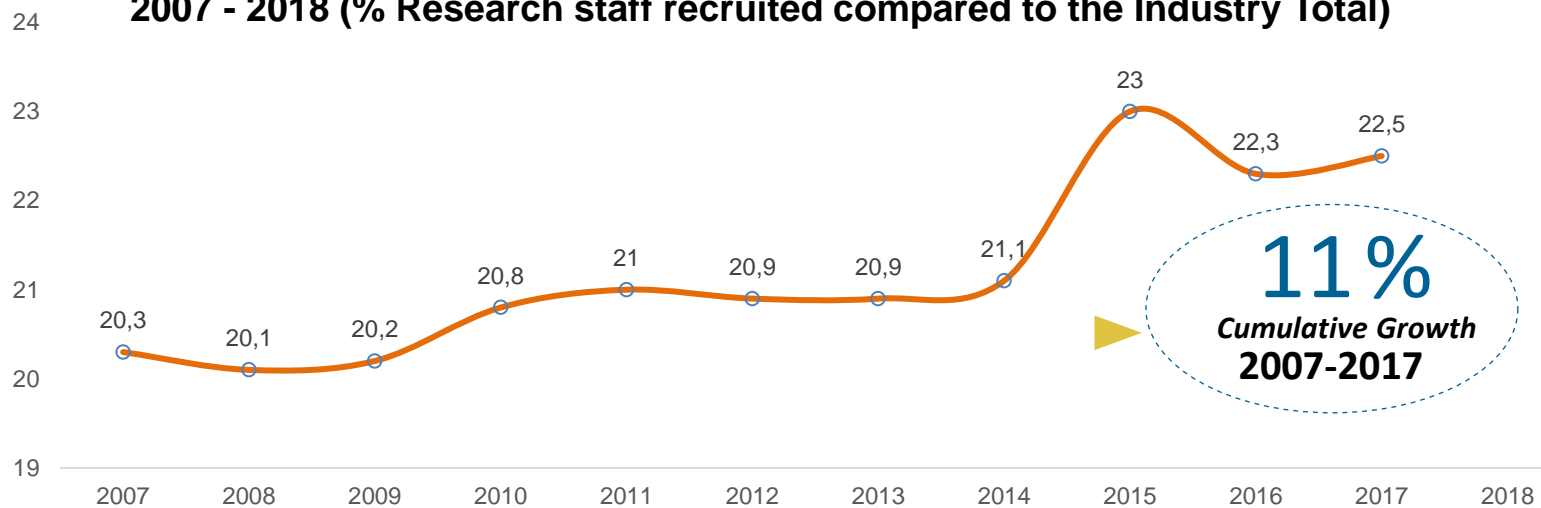


**Stability by Economic Sector**

% of payroll with permanent contracts 2017



**2007 - 2018 (% Research staff recruited compared to the Industry Total)**



Source Active Population Survey +FEIQUÉ



## CLUSTERS

- Support and advice for New Projects.
- Available Chemical Industrial sites, services and logistics.
- Broad – based knowledge structure :
  - ✓ Research and engineering resources: Universities, Research and Technology Centers.
  - ✓ 35 specialized universities training Chemicals and Chemical engineers
  - ✓ Joint vocational education programs: Industry- Educational System.



**Collaboration to promote new investment in the Chemical Industry**





## 2020 September MESSER GmbH New industrial gases plant in Spain €35 Million Investment- 20 direct jobs

The largest family-run industrial gases specialist worldwide, Messer, announced the construction of a new production plant for gases at its Spanish location in Vila-seca. It will be located in the south of the Tarragona Chemical Complex and will have a capacity of 2,400 tons of oxygen, nitrogen and argon per day. The air separation plant will also be certified for the production of medical gases. In total, the family company will invest more **than 35 million euros** in the construction of the new production plant.

The new production plant will be connected to the Messer pipeline network to meet the growing oxygen and nitrogen demand of the chemical industry in Tarragona. In addition, manufacturing companies in the region will be supplied with gases - liquefied in tankers and gaseous in cylinders. During the planning and construction phase, around 200 people will be working on this project; after completion, Messer will employ more than 20 people in the new plant.



### June 2018 Covestro makes major investments in Tarragona

using novel technology to produce chlorine  
The multinational company Covestro has finalised its investment plan for a new chlorine production plant in Tarragona (Spain) that will use oxygen-depolarized cathode (ODC) technology. Covestro is investing around **EUR 200 million at Tarragona** to increase the site's competitiveness. The new industrial-scale plant will be the first of its kind to be based solely on this state-of-the-art technology.



**2017 INOVYN** is investing in a project to develop the import capacity of ethylene dichloride (EDC) at Martorell, Spain.

EDC is the essential raw material for polyvinyl chloride (PVC) and vinyl chloride monomer (VCM) and the investment will enable EDC supply by ocean-going vessels, with storage in Barcelona harbour and rail transport to the Martorell Site.

The investment at Martorell allows INOVYN to maintain PVC and VCM production at current capacity beyond the end of production from its mercury cellroom.



April 2018 –CEPSA, a subsidiary of International Petroleum Investment (IPIC) Abu Dhabi UAE, is investing in the city of San Roque, Spain a total of €100Million in a manufacturing Project. The company is to expand its Puente Mayorga Plant in San Roque, to increase its production capacity from 200,000 to 300,000 tonnes per year by May 2020. The increase in production from his plant will be primarily aimed at high growth of African markets.

**These are also some success stories of acquisitions of Spanish companies adding technological or market value, venture partnerships and financial investments:**

- **Indian company AUROBINDO has bought the Spanish company GENERIS on a €135 million deal (*Subject to approval by Spanish Competition Authorities*) Jan. 2017**
- **Chinese Group KINGENTA, one of the world's leaders in fertilizers, has closed a venture partnership with Spanish company NAVASA to expand its operations' scope by setting Spanish market as a platform to operate in third countries, namely Mediterranean and African markets.**  
**Jul. 2016**
- **The Indian company Hetero acquires the generics division of the pharmaceutical company Ferrer**  
Amarox Limited, the European subsidiary of Hetero – one of India's leading generics companies– has acquired Tarbis Farma, the generic medication division of the Catalan pharmaceutical company Ferrer.  
**Feb 2019**

Spain is posted to remain one of the fastest growing chemical hubs in the European Union and to consolidate as a **key partner for international companies in Europe**



## Investing in Nanotechnology



### Nanotechnology Initiatives and Companies in Spain

- **374 research groups and companies** and a **research task force of around 3,000** researchers and technicians, conform the Spanish Nanotechnology Network NANOSPAIN
- **100 innovative companies** providing a general overview of the sector in Spain catalogue: Catalogue of Nanoscience & Nanotechnology Companies in Spain
- **Spanish N&N Thematic Networks: RENAC** (Construction), **SUSCHEM** (Sustainable Chemistry); **NANOMED** (Spanish Nanomedicine Platform); **GENESIS** (STP Nanotechnology and Smart Systems Integration); **MATERPLAT** (STP Advanced Materials and Nanomaterials); and **FOTONICA 21** ( STP Photonics).
- **Phantoms Foundation** ([www.phantomsnet.net](http://www.phantomsnet.net)) network coordinator and Graphene Cluster Secretariat.
- Spanish emerging companies among European leaders in **graphene production** and exports  
  
.i.e **Graphenea** ([www.graphenea.com](http://www.graphenea.com)) 15% of global graphene production



## Research Groups in Nanospain Network ( Regional Distribution) **334 groups**





## Nanotechnology Initiatives/ Infrastructures

Andalucia



Aragon



Asturias



Barcelona



Madrid



Pais Vasco



Portugal



Toledo

Instituto de Materiales Moleculares, Nanociencia y Nanotecnología

Valencia



Centro de Tecnología Nanofotónica de Valencia

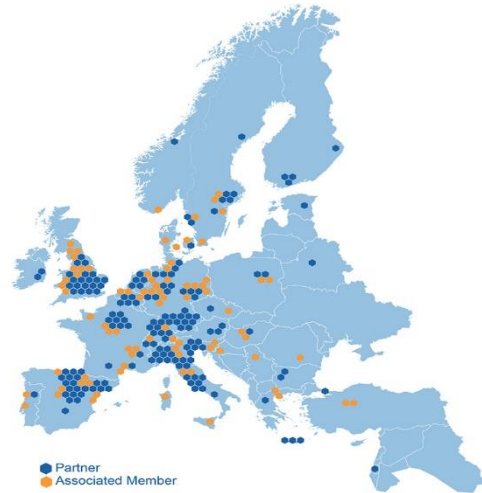


INSTITUTO DE CIENCIA MOLECULAR

## Emerging N&N in Spain



## Spanish Researchers and Industry focus on Graphene

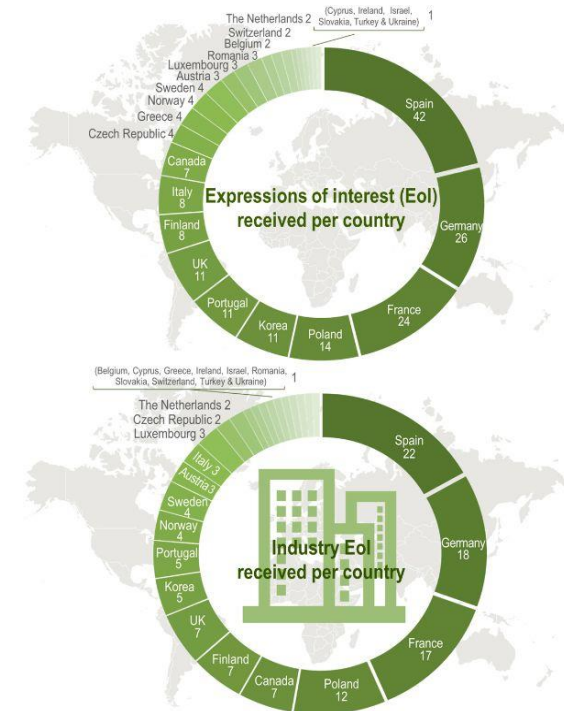


### Graphene Flagship – €1bn budget

- 150 academic and industrial research groups
- 23 European countries
- 28 Spanish participants 18%.

### Spain's initiative Graphene & 2D Eureka Cluster

- Launched during the Spanish presidency of Eureka (2016-2017)
- Spain Leading country with 42 participants





## Investing in Agro-food



Agro-food sector in 2017 contributed in **102, 313 million euros** to Spanish GDP, 3% of total. It employed more than **0,5 million** people.

The industry is comprised of 29.018 companies.

- 4<sup>th</sup> largest producer in the EU and 8<sup>th</sup> worldwide. 6<sup>th</sup> largest exporter in the EU and 10<sup>th</sup> exporter worldwide.
- 1<sup>st</sup> producer and exporter of **olive oil** worldwide. 3<sup>rd</sup> largest worldwide exporter of **fruit and vegetables** and 1<sup>st</sup> in the EU. 4<sup>th</sup> largest producer of **pork meat** worldwide and 2<sup>th</sup> in the EU.

### Basic data on the food industry

Sector	Net sales (million €)	People employed
Meat industry	21,487	85,706
Fish processing	4,423	18,940
Fruit and vegetable processing	8,192	39,056
Manufacture of fats and oils	10,184	14,716
Dairy industry	8,202	31,874
Milling products	2,885	7,896
Animal feed products	9,073	15,673
Bread, cakes and biscuits	6,936	96,075
Sugar, chocolate and cocoa	11,265	25,000
Beverages	13,771	28,486

Source: Mercasa 20147 FIAB 2017 (2016 Data)

The agrifood sector's foreign trade in 2017 had a **positive balance**: Food exports value rose to **€ 30,650 million** and imports value amounted to **€ 22,360 million**. Main market for Spanish exports for agrifood products has always been **Europe** but **Asia** is an expanding market for Spanish exports. Spain sold abroad its **olive oil**, its **citrus**, **vegetables** and **wines** but also processed meats and fish products and many other agro-food products.

## Olive oil

Spain is the **world's leading producer** and exporter of **olive oil** and table olives, with the largest acreage devoted to olive groves and the greatest number of olive trees.

World olive oil production (Thousands Tons)		
	2015/16	2016/17
World	3,160	2,714
EU	2,322	1,923
Spain	1,402	1,280

Source: MAPAMA



## Spanish Wine and Grape Must

<b>Production</b>	42.5 million hectolitres (2016)
<b>Exports</b>	22.8 million hectolitres* (total value: € 2,678 million)

Source: MAPAMA

\*Estimate

- Spain ranks **3<sup>th</sup>** in the world in wine production and has the largest surface area of wine grape vineyards in the world.
- In 2016, **Spain** was the **1<sup>st</sup>** country in terms of global wine exports, **3<sup>th</sup>** in value. Main clients: Germany, UK, United States and France. China is an emerging market.

## Wine

## Meat industry

- In 2016 Spanish meat production amounted to nearly 6.4 million tons.
- Exports in 2016 were valued at € 5,258 million

Subsector	Production (th Tn)
Bovine	637,7
Ovine	116,5
Goat	9,8
Porcine	4,059
Poultry	1,524
Rabbit	59,7
Others	13,7
<b>Total</b>	<b>6,407</b>

Source: MERCASA 2017



- The Spanish catches reached the 437,610 tons with an estimated value of 1,154 million Euros.
- The aquaculture production reached 293,580 tones with a value of € 464.2 million.

Fuente: MERCASA 2017

## Fish processing

## Fruit & Vegetables

- Spain is the **biggest producer of fruits and vegetables in the EU** with a total production of € 18,381 millions in 2016.
- Exports in 2016 were valued at € 12,486 millions.
- The main crops are the tomato and potato.



Source: MERCASA 2017



- The value generated by this sector in 2016 amounted to € 8,643 million.
- Spain ranks number 1 in the European production of sheep milk, number 2 in goat milk and 7<sup>th</sup> in cow's milk.
- Exports in 2016 were valued at €2,261 million

Source: MERCASA 2017

## Dairy products



## Success stories

- The Asian giant **Shanghai Kaichuang** landed in Spain. The fishing Group purchased 100% of **Conservas Albo**, one of the most important family business in the sector, especially in the business of White Tuna.

Chinese company has paid € 61 million for Albo.



- **Bright Food Group** acquired 100 % of Miquel Alimentació, one of the Spanish largest food and beverage distributors.

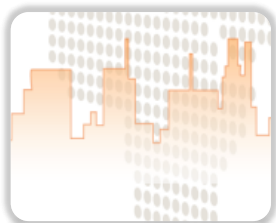
Investment amount: 110 million €.



MIQUEL ALIMENTACIÓ



光明食品(集团)有限公司  
BRIGHT FOOD (GROUP) CO., LTD.



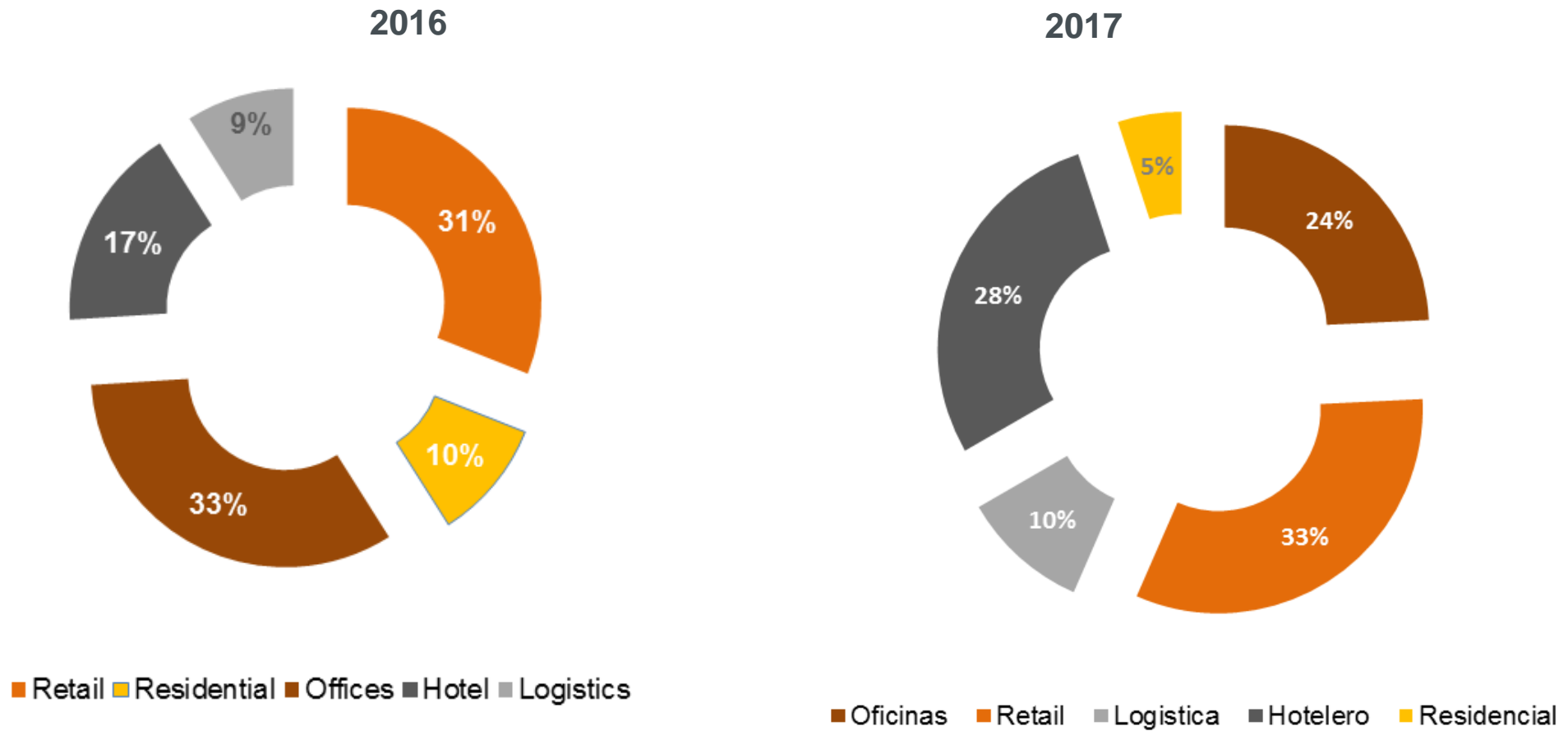
## Investing in Real Estate



## REAL ESTATE: Non Residential

Spain Real Estate Investment reached € 10,700 Millions in 2017, second-highest investment volume behind 2015 in recent years.

### INVESTMENT VOLUMEN BY SECTOR

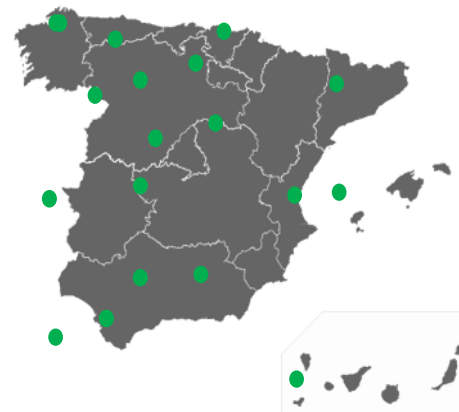


## Main Big Cities



Qatari Diar Fund invested 200 million Euros in the acquisition of the **Hotel W in Barcelona**

## Other major Cities



**Kennedy Wilson** acquires a Spanish portfolio of 16 supermarkets in different locations by €85.5M.

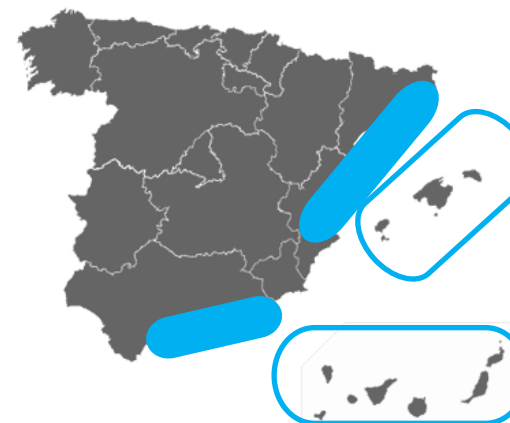


**Sovereign Fund IPIC** acquires by 450 Million Euros the **Foster Tower**, 1 of the 4 ones located in Madrid city. **Recently it has been sold by 500 million to a Spanish Fund.**



**La Quinta resort** (1.000 homes) and 5\*GL Hotel with three 9-hole golf courses, only a few km from renowned **Puerto Banus**.

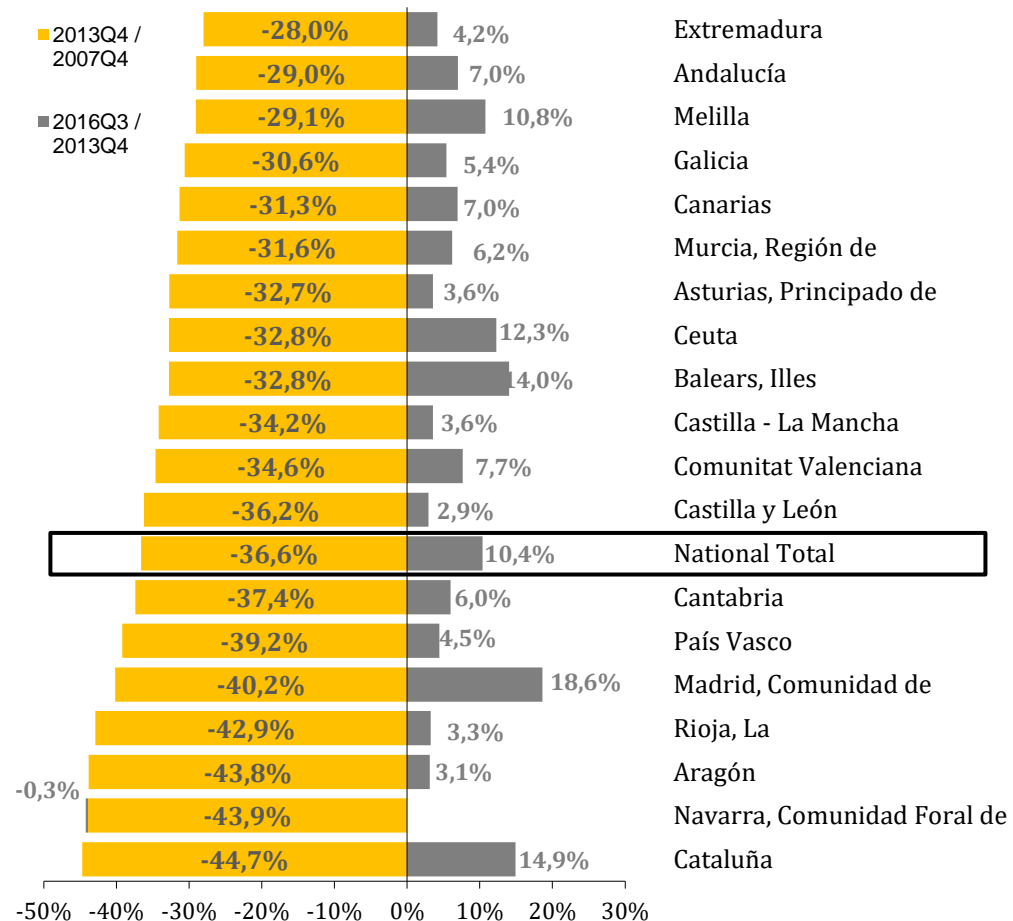
## Coastal Areas Highly populated



**Starwood Capital Group** acquired a collection of 7 hotels across key resort locations in Spain from the Spanish hotel operator **Melia**.

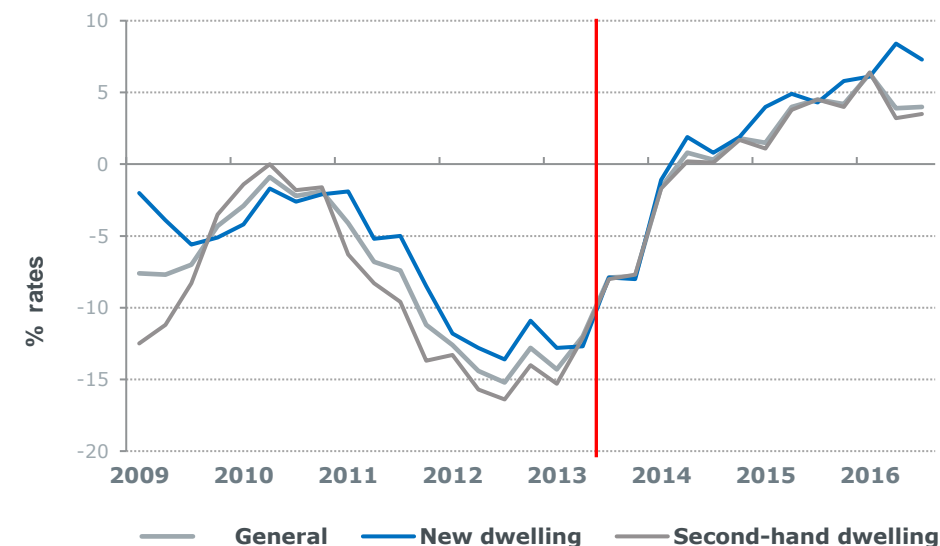
## Residential

Nominal Housing Price Adjustment Since Peak in Each Region (%)



Source: National Statistics Institute (INE).

House Price Index  
(Year-on-year growth rates)



Source: National Statistics Institute (INE).

**Residential prices have fallen on average by approx. 36.6% since the peak in 2007.**

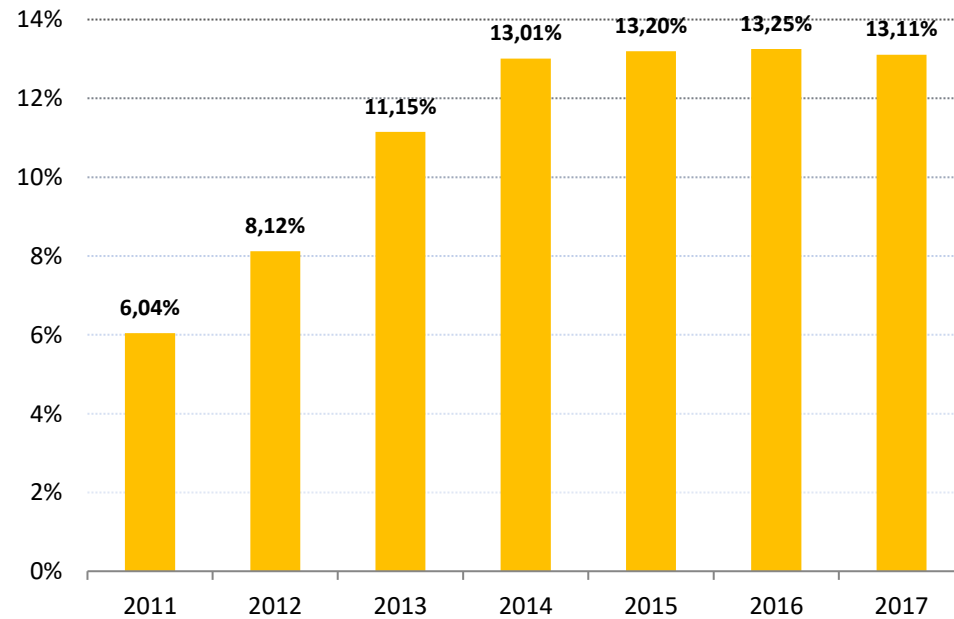
**Prices bottomed out around mid 2014, and have shown a moderate upward trend.**

## Residential

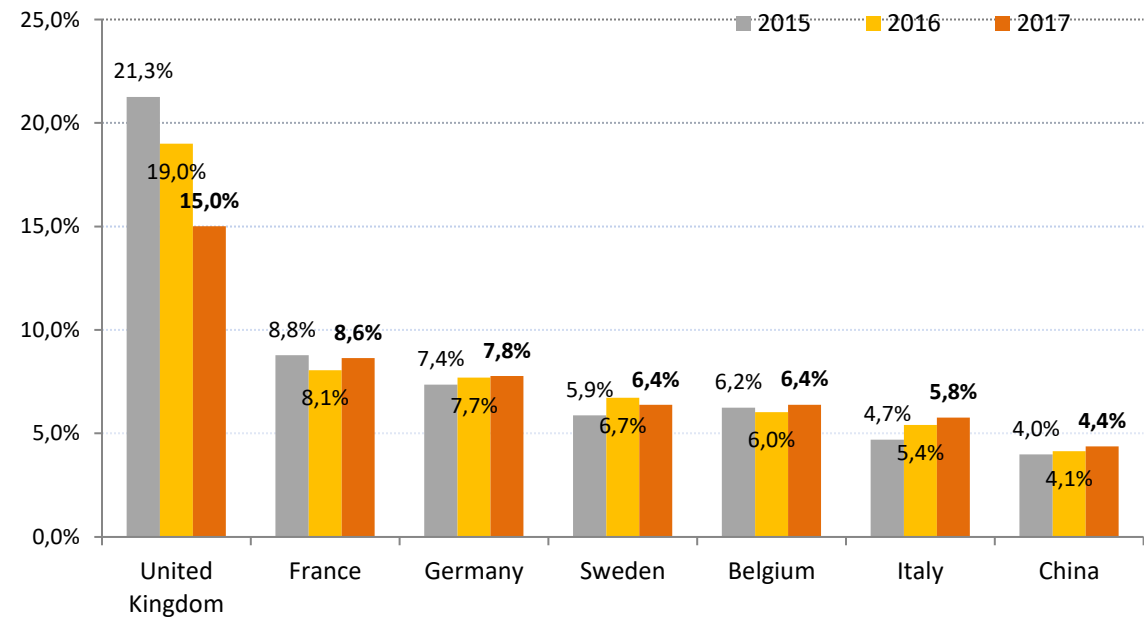
### STILL DEMAND FOR HOLIDAY HOMES?

- After dropping 35% in 2009, the acquisition by residents and non residents rose on a year on year basis.

FOREIGNERS' DWELLING ACQUISITIONS



DWELLING ACQUISITIONS BY NATIONALITY



Source: Association of Property and Mercantile Registrars of Spain, 2016.



## Investing in Tourism



## Spain, a Major Player in Tourism

- Spain has been ranked first in the Tourism sector since the year 2015, by the World Economic Forum
- Tourism accounts for **11.8% of GDP** in Spain and generates 2,6 million jobs
- In 2018, Spain attracted more than **82 millions of tourists**. Spain ranks 2nd in tourist arrivals worldwide (behind France)
- Total expenditure by foreign tourists in Spain reached to **€ 90,000 millions** in 2018.
- The origin of the International tourists in Spain is mainly United Kingdom, Germany and France.

Travel & Tourism Competitiveness Index top 10	
Country	2019
<b>Spain</b>	<b>1</b>
France	2
Germany	3
Japan	4
United States	5
U.K.	6
Australia	7
Italy	8
Canada	9
Switzerland	10



Source: The Travel & Tourism Competitiveness Report 2019, World Economic Forum (WEF)

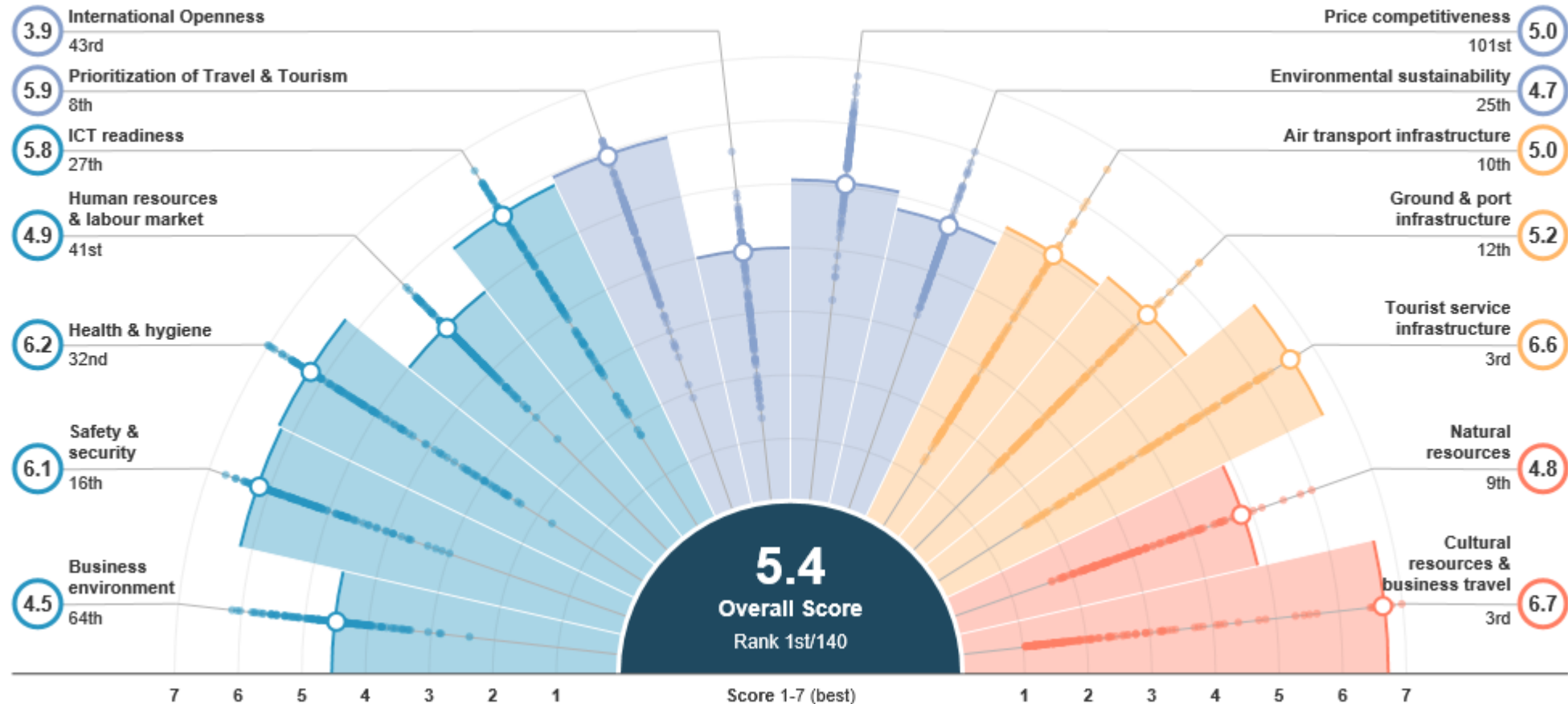
Spain success in the Tourism industry can be attributed to its unique offer of both cultural and natural resources combined with sound tourism service infrastructure, air transport connectivity and strong public policy support.



## Spain tops the 2019 Travel + Tourism Competitiveness Index

### Spain Performance Overview

Key  Score Compare with  No comparator



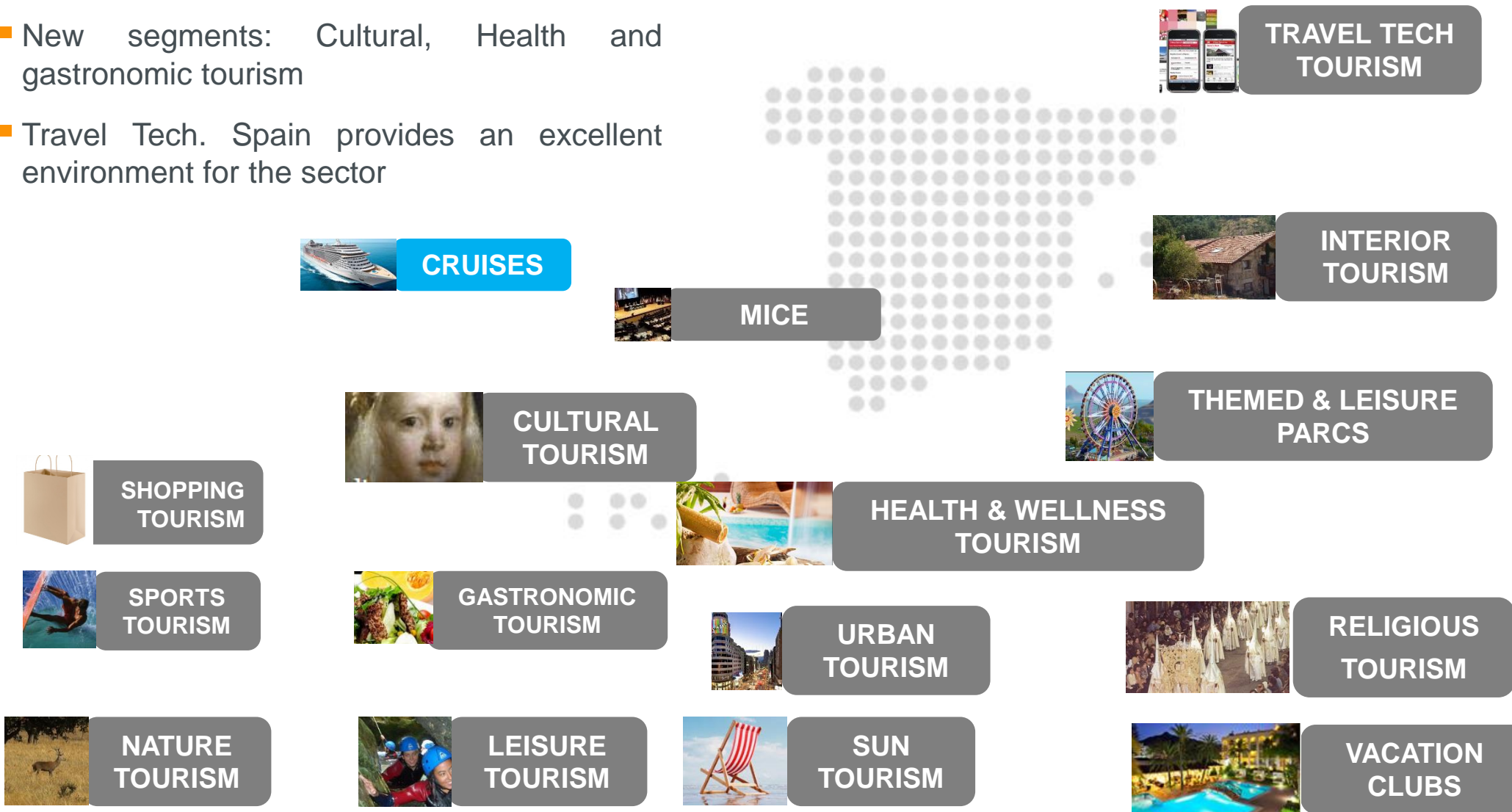
### Spain is an open and friendly society to foreign investors and tourists



- 3<sup>rd</sup> country in the world in terms of **UNESCO World Heritage Sites** (48 sites). Historical cities, Monuments and leading Museums.
- 2<sup>nd</sup> country in Europe in **Natural Areas** and Natural spaces declared UNESCO Biosphere Reserves (42).
- More than 300 days of sunshine a year and more than 2,000 km of **Green Tracks**, various **Skiing facilities** and rural activities. Spain stands out for its large number of beaches with the **Blue Flag eco-label** compared to other countries such as Greece or Turkey.
- First class **Gastronomy** recognized all around the world.
- Outstanding and modern **Health System with very high standards. Open to expatriates.**
- Spain is one of the **safest countries in the world.**
- **Infrastructure.** High road, railway and air connectivity.

## Business opportunities

- New segments: Cultural, Health and gastronomic tourism
- Travel Tech. Spain provides an excellent environment for the sector





## Investing in Natural Resources



- Spain has one of Europe's **most diversified mining sectors**, which produces mostly industrial minerals and stone.
- Spain encompasses almost 90% of the Iberian Peninsula which is considered to be **the most mineralized zone in the European Union as it includes the volcanic massive sulphide ( VMS) deposits of the Iberian Pyrite Belt ( IPB )**.
- **Leading EU producer of natural sodium sulphate, slate and celestite (strontium minerals); of the latter, Spain is the** second largest producer in the world and the only one in Europe. **Spain is the world's fifth-largest producer of sand and gravel (industrial), also fifth- largest produces of magnesite ( 3<sup>rd</sup> in Europe), sixth largest producer of gypsum ( 3<sup>rd</sup> largest exporter), and also world's sixth-largest producer of fluorspar.**

*Source: Geological and Mining Institute of Spain ( IGME), 2012*

- Mining and Mineral processing industry contributed **0.8 % of Spain's GDP (Banco de España 2012)**.
- Direct Employment: **35,000 people** in Spain. Skilled work and well – developed infrastructure.
- **Government support:** Transparent legislative framework and positive fiscal environment for the extraction of natural resources.
- **Long mining tradition and past success** in exploration and mine development.



<b>SPAIN: STRUCTURE OF THE MINERAL INDUSTRY 2012 1/3</b>			
<b>Commodity</b>	<b>Major operating companies and major equity owners</b>	<b>Location of main facilities</b>	<b>Annual capacity (Th. tons unless otherwise specified)</b>
<b>ALUMINA</b>	Aluminio/Alúmina Española S,A, (AESA) (Alcoa Inc., 100%)	Alumina plant at San Ciprian, Lugo	1,450
<b>ALUMINUM</b>	Alcoa Inespal S,A, (AISA) (Alcoa Inc., 100%)	Electrolytic plant at San Ciprian, Lugo	250
		Electrolytic plant at Aviles	93
		Electrolytic plant at La Coruña	87
<b>CEMENT</b>	Cementos Portland Valderribas	7 plants in Spain	15,000
	Lafarge SA (Lafarge España )	3 cement factories (Montcada i Reixac, Sagunto and Villaluenga de la Sagra), 1 cement grinding station (La Parrilla) and eight distribution points cement also has about 40 concrete manufacturing plants, between plants fixed and mobile; 2 central exclusive production of mortars and 6 aggregate holdings spread across the Autonomous Communities of Asturias, Catalonia, Madrid, Valencia and Castile-La Mancha.	46,000
<b>COAL:</b>			
<b>ANTHRACITE</b>	Antracitas Gaiztarro SA	Mines near Oviedo	2,000
	Antracitas del Bierzo SA	Mines near Leon	1,000
<b>BITUMINOUS</b>	Hulleras del Norte SA (HUNOSA)	Various mines , Asturias	3,300
	Hulleras Vasco Leonesa SA	Santa Lucia Mine, Leon	2,000
	Minas de Figaredo SA	Mines near Oviedo	1,000
	ENCASUR	Emma Mines , Ciudad Real	60

**SPAIN: STRUCTURE OF THE MINERAL INDUSTRY 2012 2/3**

Commodity	Major operating companies and major equity owners	Location of main facilities	Annual capacity (Th. tons unless otherwise specified)
<b>COPPER: METAL, CONTENT</b>			
	Iberian Minerals Corp	Minas de Aguas Teñidas at Huelva ( MATSA)	2,200
	Atlantic Copper S,A, (Freeport McMoRan Copper & Gold Inc,, 100%)	Refinery at Huelva	270
	Idem	Electrolytic refinery at Huelva	105
	Industrias Reunidas de Cobre	Smelter at Asua-Bilbao	30
	Elmet SL	Smelter and electrolytic refinery at Berango, Vizcaya	60
	First Quantum Minerals Ltd, 100% - Inmet Mining Corp,	Cobre Las Cruces - Open pit mines in Seville Andalusia	210
	Idem	Cathode electrowinning at Las Cruces in Seville	72
	Lundin Mining Corp,, 100%	Aguablanca Mine, Extremadura	7
<b>DUNITE</b>	Pasek España S,A,	Mines and plant at Landoy, A Coruña	1,500
<b>FLUORSPAR</b>	Minerales y Productos Derivados SA (MINERSA)	Plant at Torre, Asturias	150
		Underground mines at Emilio, Jaimina, and Moscona, Asturias	420
<b>GOLD</b>	Orvana Minerals Corp, ( Kinbauri Gold Corp.)	El Valle- Boinas Carles mines, Asturias	3,750 (kg)
<b>MAGNESITE</b>	Magnesitas Navarras SA	Mine at Eugui, plant at Zubiri	600
	Magnesitas de Rubián SA	Underground and Mine at Lugo,	70

<b>SPAIN: STRUCTURE OF THE MINERAL INDUSTRY 2012 3/3</b>			
<b>Commodity</b>	<b>Major operating companies and major equity owners</b>	<b>Location of main facilities</b>	<b>Annual capacity (Th. tons unless otherwise specified)</b>
<b>NICKEL, METAL, CONTENT</b>	Lundin Mining Corp,, 100%	Aguablanca Mine at Badajoz near Seville	8
<b>POTASH, ORE</b>	Iberpotash S,A, (ICL Fertilizers Europe) - ICL Israel	Mines and plants at Suria near Barcelona	1,100
<b>SEPIOLITE</b>	Grupo Tolsa S,A,	Mine at Madrid and Toledo and plant at Madrid	1,000
	Sepiolsa ( MINERSA )	Mine and plant at near Madrid	200
	MYTA (SA de Minería y Tecnología de Arcillas, del grupo SAMCA	Mine and plant in Zaragoza and Segovia	100
<b>SODIUM SULFATE</b>	Crimidesa SA	Mine and plant at Cerezo de Rio, Burgos	600
	Minera de Santa Marta SA ( SANCA )	Burgos ( underground) and Toledo (open pit)	400
	Sociedad Anónima Sulquiza ( MINERSA)	Madrid	100
<b>STEEL</b>	Aceralia Corporación Siderúrgica (Arbed SA 35%)	Plants at Aviles, Gijon, Sagunto, and Sestao	8,000
	Compañía Española de Laminacion S,L, (Celsa), 100%	Plant at Barcelona	2,600
	Corporación Gerdau Sidenor S,A, (Sidenor) (Gerdau Group, 50%, and Santander Group, 50%)	Plant at Basauri	2,500
<b>STRONTIUM</b>	Solvay Minerales SA	Mines and plant at Escuzar, Granada	85
<b>TUNGSTEN</b>	Almonty Industries	Los Santos, Salamanca	125
<b>ZINC, METAL, CONTENT</b>	Asturiana de Zinc SA (Azsa) (Xstrata plc, 100%)	Electrolytic zinc plant at Asturias	500

Source: Geological and Mining Institute of Spain ( IGME)



## Success stories



### **Canada's First Quantum Minerals Ltd interested in Cobre Las Cruces copper mines.**

This mine is the largest open pit operation and process plant located in Southern Spain. The plant **is designed to produce** approximately 72,000 tones of copper cathode per year, shipped as final product.



In September 2009, Orvana Minerals Corp of Canada ( OMC ) acquired "El Valle –Boinas/Carles"

( EVBC) cooper and gold mine in northern Spain, through its acquisition of Kinbauri Gold Corp. The EVBC was previously mined from 1997 to 2006 by Rio Narcea Gold Mines. They produced nearly 1,000,000 ounces of gold and over 20,000 tones of copper prior to the closure of the mine. Production guidance for EVBC for 2013 is, 63,000 ounces of gold, 6,000,000 pounds of copper and 200,000 ounces of silver.



ICL (Israel Chemicals Ltd) announced the first stage of an efficiency plan for Iberpotash, which includes increasing

potash granulating capacity to meet increased demand for granulated potash, as well as construction of a plant at Suria to produce 1.5 Mt of vacuum salt for the food and chemical industries. Execution of this plan was expected to be completed in early 2014 at a cost of about 160 million euros. The second project, which had not yet been approved, would expand Suria's potash production capacity to produce 1.1 Mt of potash, of which 630,000 t would be granulated potash and 50,000 t would be technical potash.



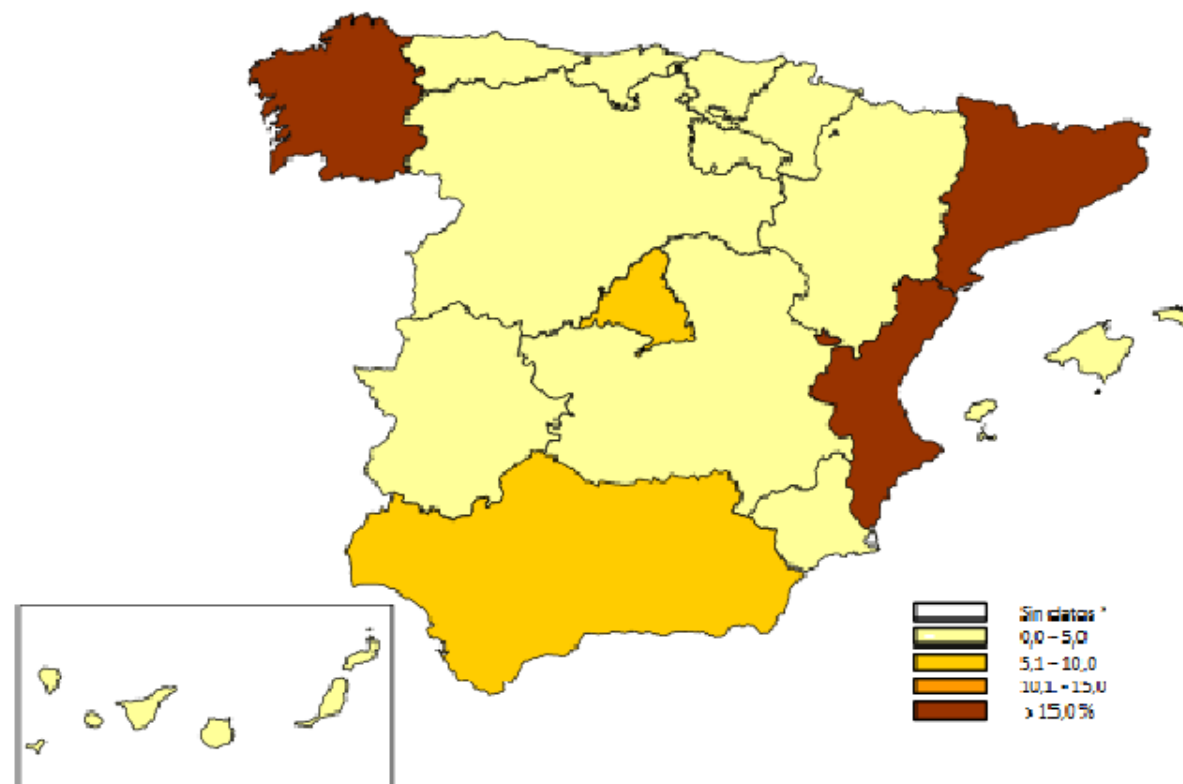
## Investing in Textile & Clothing



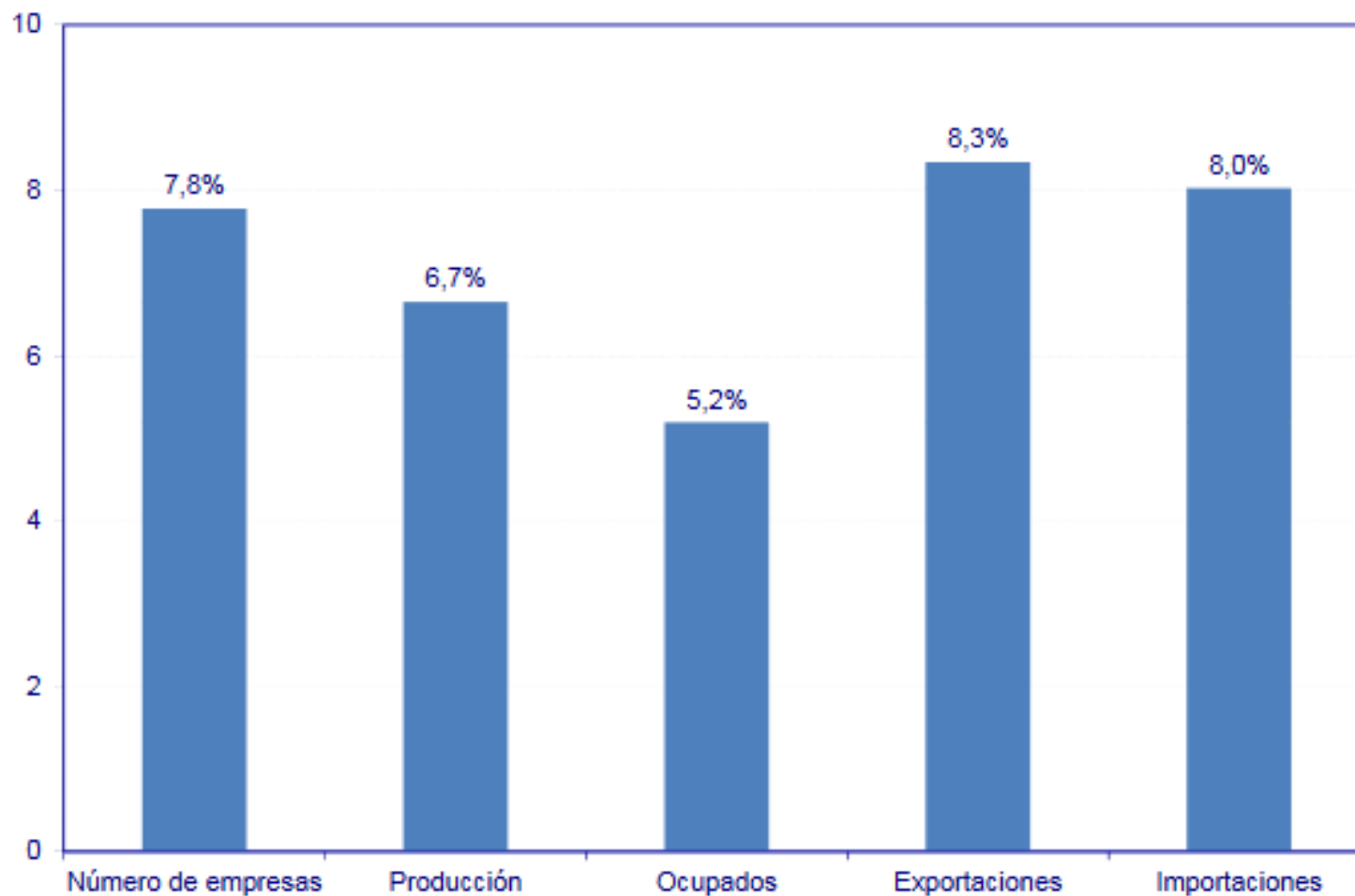
### Textile and Clothing sector in figures in Spain

- Spain is one of the **top-3 producers** in T&C industry in the EU. Spain, Italy and France account for about three quarters of EU production of textile and clothing.
- There are more than **8,500 companies**, which are a major employment generator and provide jobs for 130,000 people in 2015, with an estimated turnover of € 10.1bn.

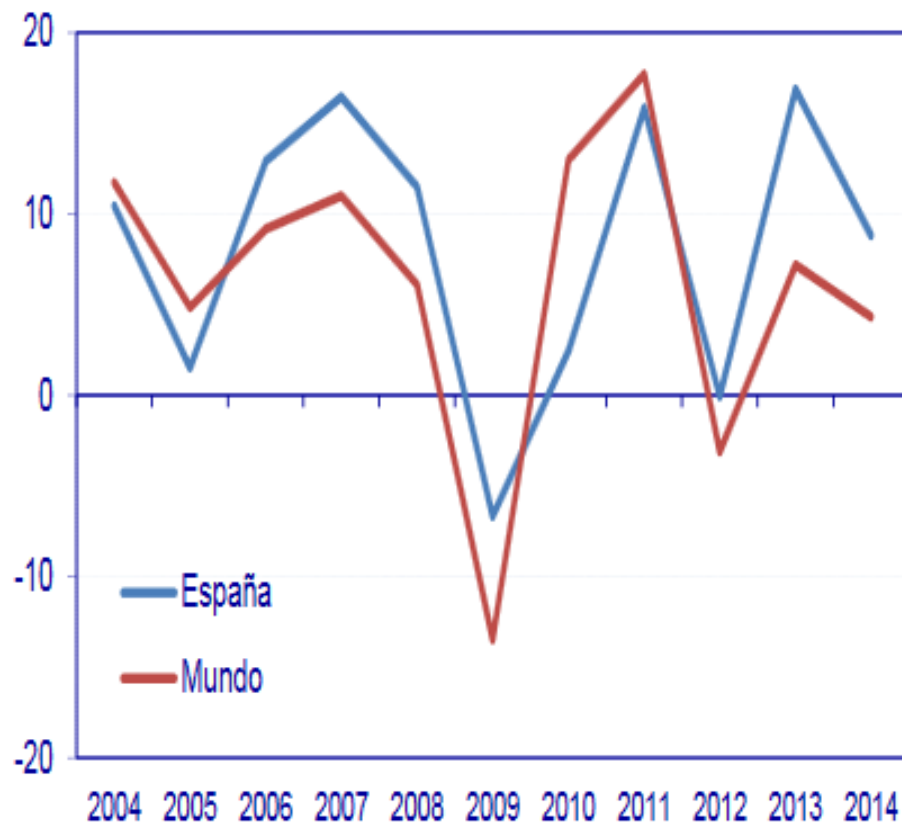
### Main producer regions of textile and clothing in Spain



### Textile and Clothing: Spain's weight in the European Union



### Exports of Textile and Clothing (% annual variation)



- The share of Spain in the world exports of Textile and Clothing: 2.2%.
- 54% of the production of textiles, clothing, leather and footwear, is exported.

Source: CHELEM database

### Ranking de los 10 principales países destino de las exportaciones de España en el sector textil

*MILES DE EUROS*

País	2014
Francia	2.747.999,67
Italia	1.835.379,78
Portugal	1.611.707,80
Alemania	1.192.089,96
Reino Unido	954.942,13
Marruecos	891.848,79
Bélgica	487.686,29
Polonia	442.714,61
China	437.056,81
Turquía	417.844,26
<b>Subtotal</b>	<b>11.019.370,10</b>
<b>TOTAL</b>	<b>17.210.195,02</b>

### Ranking de los 10 principales países de origen de las importaciones de España en el sector textil

*MILES DE EUROS*

País	2014
China	5.219.406,12
Italia	1.814.826,21
Turquía	1.646.713,32
Bangladesh	1.493.414,02
Portugal	1.435.099,62
Marruecos	1.425.010,52
India	996.657,86
Francia	934.681,21
Vietnam	889.475,98
Alemania	577.375,97
<b>Subtotal</b>	<b>16.432.660,91</b>
<b>TOTAL</b>	<b>20.722.562,09</b>

### Spanish companies in T&C sector

The main Spanish companies and brands national in the sector are:

Massimo Dutti

ZARA



NECK & NECK

CARAMELO®



CUSTO®  
BARCELONA

PRONOVIAS

CORTEFIEL



hoss  
INTROPIA

FELIPE VARELA

ADOLFO DOMINGUEZ

MANGO

## Foreign companies in T&amp;C sector

Foreign companies and brands with presence in Spain are:

PRADA



LOUIS VUITTON

ChristianDior

Salvatore Ferragamo



PRIMARK®

VICTORIA'S  
SECRET

Ermenegildo Zegna



GIORGIO ARMANI



LONDON





### Success stories

- **Hennes & Mauritz** was set up in Spain in 2000. H & M, open the first store in Barcelona, Glories 6th of April, followed by two additional store openings in Zaragoza in the shopping centers of Grancasa, April 7, and Augusta, April 13. The fourth opening was in May month in Barcelona la Maquinista. In fall 2000 was open H&M in the center of Madrid and in Spring 2001 in Valencia.
- **H & M** expands its commitment to the 'e-commerce' the presence Store 'online' in Spain in autumn 2014.



*«Estamos entusiasmados con la llegada de H&M 'online' a España este otoño, algo que nuestros clientes estaban esperando ansiosos, ya que es el complemento perfecto para nuestras 150 tiendas de España y la oportunidad de ofrecer a nuestros clientes la mejor experiencia de compra las 24 horas del día», ha asegurado Doris Klein, directora general de H&M para España y Portugal.*

Source: ABC.es

## 5. Invest in Spain

- **Your strategic ally**
- **Objectives & activities**
- **Services of special interest: Immigration Department**

### Who is...

**Invest in Spain** is an executive Directorate of **ICEX Spain Trade and Investment**, a public company chaired by the Secretary of State for Trade of the **Ministry of Industry Trade and Tourism**.

Its **mission is to attract foreign direct investment (FDI)** to Spain. It has an exterior network of **more than 100** Economic and Commercial Offices of Spanish Embassies facilitating access to potential international investors.

### Objectives & activities

- Promote, attract and consolidate **foreign direct investment in Spain**, with particular emphasis on new investment projects in the industrial, technological and services sectors.
- Facilitate **cooperation between international investors and Spanish companies** in order to increase and develop their activity in Spain.
- **Position Spain as a global platform for international business and investment** and as a global, competitive economy. Open to investment and with a wide and diversified business structure and network, human and technological resources which are very competitive for investment and access to EU, North African, Mediterranean, Middle Eastern and Latin American markets.
- **Improve the business climate** and increase Spain's attractiveness for foreign investment through proposals to improve the regulatory framework and make it easier for companies to invest and do business in Spain.

### 1. Information and Advice

- **Personalized services.** Customized reports on client needs:
- **Specialized consulting** in legal and technical terms through associated companies.
- Advice on all stages of the investment process:
  - Information on **incentives and subsidies** for investment projects, on an European, national, regional and local level.
  - Establishment of companies, **industry regulations**, labour and tax regulations, industrial and intellectual property, administrative processes, advice on the most appropriate way of obtaining work and residence permits.
  - Information **on business opportunities** and privatization processes in Spain.

### 2. Support and Management of FDI projects

- **Personalized support** for foreign companies in Spain:
  - Identification of **strategic and technological partners** for each project.
  - Organization and coordination of **agendas, meetings** and investor visits to the best positioned institutions and partners in Spain.
  - Looking for the **best location** in Spain for each project, working in coordination with regional and local agencies to achieve the best service and ideal location for our clients.
- **Network of investment attraction agencies:** a meeting point for all official institutions which either on a state, regional or local level are dedicated to promoting and attracting investment

### 3. Financing and investor relations

- **Investor Network**, a service which aims to put the Spanish and international capital markets in touch with selected investment opportunities. (These projects must take place in Spain and have a high growth potential)
- Looking for **financial partners** and **managing joint ventures between foreign investors and Spanish companies**.
- Support in finding **incentives and financing**, both public and private, for the establishment, development and expansion of companies in Spain.
- liS manages the **Technological Fund**, a European program created to promote R+D+i in Spain. Non-repayable aid for foreign companies.
- Information for foreign investors on privatization processes in Spain.

### 4. Business and development climate

- liS promotes improved relations between companies and **foreign chambers** of commerce and Governments, in order to improve comprehension of their interests and needs.
- **Proposals** for legislative and administrative reform which improve the business environment.
- Business climate **evaluation studies** by means of individual interviews and opinion groups comprised of foreign companies established in Spain.
- *For further information you can follow our Newsletter, guides and publications on topics of interest to investors.*

### Services of special interest: Immigration Department

Provides advice on the most appropriate way (quickest and least bureaucratic) to obtain the permits for highly qualified employees, technical staff, scientists, families, ...

- Advice on how to **open a branch**, create or acquire a company ...
- Assessment for transactions that involve **immigration issues** for foreigners without residence in Spain
- Act as the **institutional contact** for companies vis-à-vis all Spanish bodies with powers, such as the Spanish Embassy and Consulates, Ministry of Employment, Home Office and Regional Immigration Offices

### Services of special interest: Investment Program in R&D Activities

- Since 2007 ICEX-Invest in Spain has managed European Regional Development Funds (ERDF) with the objective of attracting **research and development activities** from foreign-owned capital companies to Spain
- For the period 2014-2020 ICEX-Invest in Spain will manage €14 million budget for projects allocated in Extremadura, Andalucía, Castilla la Mancha, Canarias, Murcia, C. Valenciana or Galicia
- Investment in facilities, equipment, human resources and technology could be supported up to **€200,000 per company** in competitive tenders.
- Since 2007 Invest in Spain has supported 127 projects in high value-added sectors such as Biotechnology, IT, Renewable energies and Environment



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### General Information on companies included in this Report

- The Information on Spanish and foreign companies included in this Report has been obtained from public sources, among others, including their web sites, media news, Stock Exchange information and others. ICEX-Invest in Spain does not assume any responsibility on it.
- The inclusion of this companies in this Report is for information purposes only, and does not preclude the position of this Companies in relation to potential investors either its intention or strategy.

### Investment & Business Opportunities in selected Spanish Companies

- The information provided in this section on the by ICEX-Invest in Spain is a summary based on different sources: the company, website, databases, etc. This is not a bidding information and ICEX-Invest in Spain does not assume any responsibility for the information provided.
- The potential investor should carry out its own due diligence completing and updating the information directly with each company.
- ICEX-Invest in Spain acts as facilitator, promoting the dissemination of information about business and investment opportunities in Spain among potential investors. ICEX-Invest in Spain also facilitates the direct contact between potential investors and Spanish companies or asset managers. ICEX-Invest in Spain does not take part in the negotiations between the parties, without precluding the possibility of advising them if requested.



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