



Knowing you.

# DOING BUSINESS IN CATALONIA



# Top 10 Reasons to Invest in Catalonia



Catalonia is the headquarters of more than 5,000 foreign companies, with 90% of them based in the Barcelona area.

More than 50% of Japanese, Italian, North American, French, Austrian and Swiss companies operating in Spain and based in Catalonia.



# 1. LOCATION

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- 7,6 million inhabitants
- surface area of 32,108 square kilometers,
- Diverse territory, with extensive mountains, valleys, and a coastline that stretches for 214 km...
- Barcelona is:
  - **Perfectly** positioned.
  - **Gateway** to Southern Europe,
  - **Capital** of the Mediterranean area,
  - **Bridge** to Africa and a springboard to Latin America.



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## 2. ACCESS AND CONNECTIVITY

## 2. Access & Connectivity

**Catalonia**, is one of the best-connected regions in Europe's. It has:

- High-speed train station, connecting Barcelona to the south (Madrid, Sevilla, etc.) and to the north to Girona, which also means faster connection with the French train system.
- International airport: with more the 50M passengers, 100 airlines, 200 international destinations to 57 countries.
- Fast highway and motorway network connecting internal and European markets
- Important Mediterranean Ports:
  - **Barcelona**: Mediterranean's n° 1 cruise liner destination and the 4<sup>th</sup> in the world.
  - **Tarragona**: is the largest port in Southern Europe for **chemical products**.



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### 3. DIVERSITY AND GROWTH

### 3. Diversity & Growth

**Catalonia & Barcelona** have a long industrial tradition and a dense business fabric.

**Industry activity**  **21% of the Catalan GDP**

Main industrial sectors:

- ✓ Foods ( Gallina Blanca)
- ✓ Chemical ( Dow Chemical, Akzonobel...)
- ✓ Pharma (Lab. Ferrer, Lab Almirall)
- ✓ Motor vehicles (SEAT)



Half of the Catalan economy is directly or indirectly related with the industrial sector:

- ✓ *Innovative,*
- ✓ *Dynamic*
- ✓ *Diversified*



### 3. Diversity & Growth

**Trade** and **Tourism** are also important activities:

- Tourism: 12% of Catalan GDP, it has become one of the most notable activities,
  - ✓ more than 19M visitors (2018),
  - ✓ One of the 1<sup>st</sup> top European Destinations.







## 4. FOREIGN INVESTMENT

## 4. Foreign Investment

**Catalonia** is the headquarters of more than 5,000 foreign companies.

- ✓ Financial Times publication fDi Magazine has recognized Catalonia as the most attractive region in Southern Europe in terms of foreign investment for 2018 and 2019. (This ranking is one of the most prestigious and is used by multinationals to study future business investments).

Position	Region
1	<b>Catalonia</b>
2	Madrid
3	Lombardy
4	Istanbul
5	Lisbon



## 4. Foreign Investment

From:

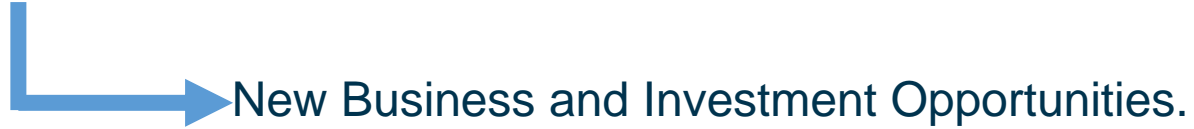




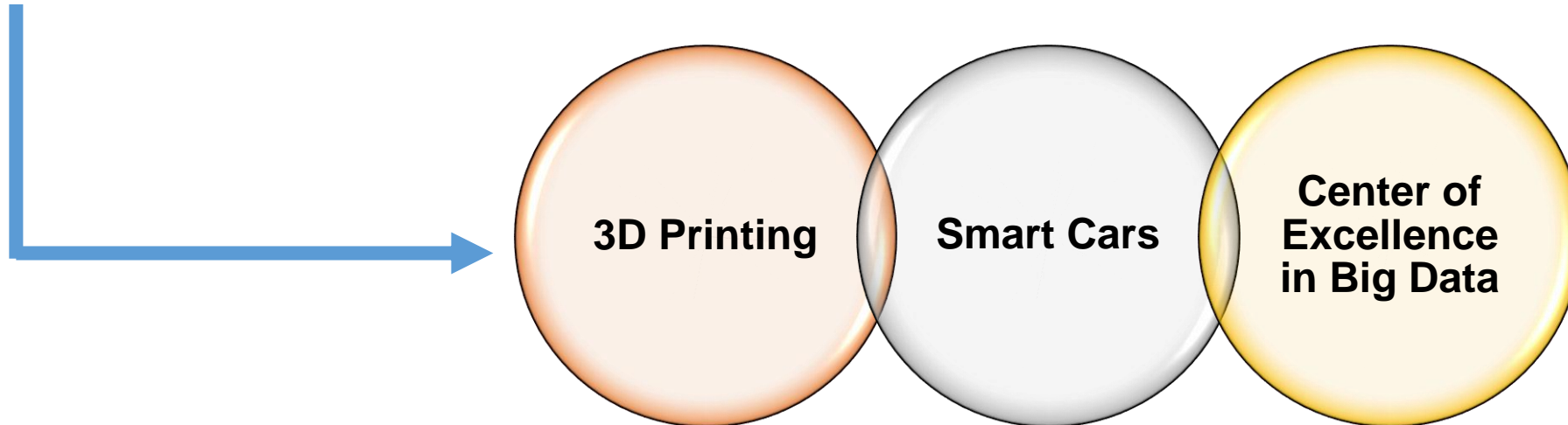
## 5. STRATEGIC DRIVERS

## 5. Strategic Drivers

- **New Technologies** and **Sustainability** are sector developing quickly



- **Smart industry:** significant part of Catalan economic vitality





## 5. Strategic Drivers

### Dynamism

- ⑩ 18.5% of new business created in Spain are based in Barcelona



### Wide Service Base: Diversification

- ⑩ Easy to find suppliers
- ⑩ Facilitate markets for products
- ⑩ Big offering of Services  
Companies:
  - Legal,
  - IT,
  - HR..etc.



## 6. TALENT APPEAL

## 6. Talent Appeal

### Quality of life

Barcelona tops polls as the European city with the best quality of life for employees and families

Mediterranean climate

Spectacular Cuisine

Natural wonders in Europe

### Education

- ✓ Efficient **school system**
- ✓ Good international educational offer: 35 schools
- ✓ 12 Universities
- ✓ Home of some of the world's most prestigious business schools: **IESE** and **ESADE**.

### Health

- ✓ Recognized advanced **healthcare systems** (*public!*)
- ✓ Barcelona is a byword for innovation in medical care and technology.





## 7. CREATIVITY

## 7. Creativity

Catalonia is a land of ideas in different fields:

Business

Culture

Sport

Cuisine

Science



Ferran Adrià



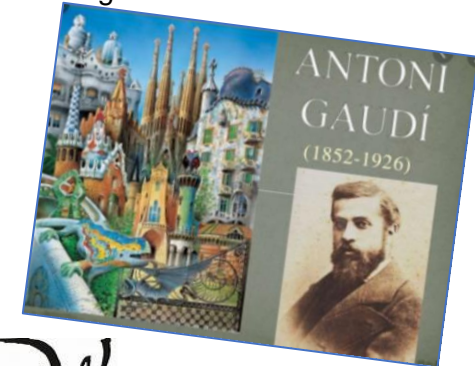
Pau Gasol



Joan Massagué



Salvador Dalí



Catalans are good putting **ideas** into practice and making them successful.



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## 7. Creativity

### Best place for your Start-Up

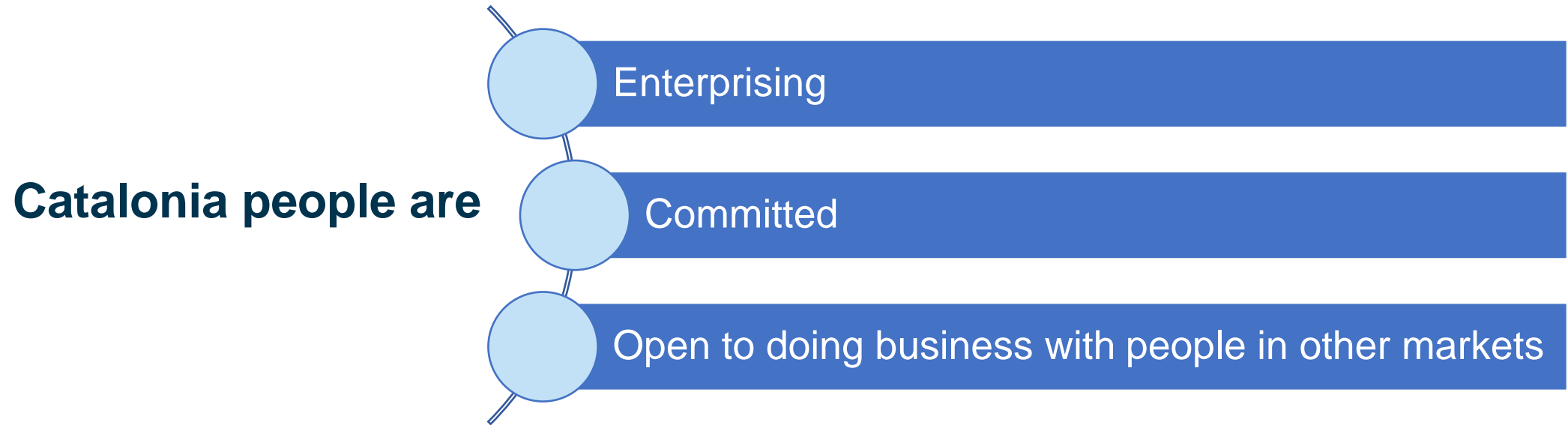
- ✓ Catalonia is the 5th Start-Up region in Europe
- ✓ 1.500 Start-Ups in Bcn
- ✓ Start-Ups economy in Catalonia employs around 14000
- ✓ Technological base, supported by:
  - networks of incubators,
  - accelerators and investment vehicles
  - trade fairs: [Mobile World Congress](#), [4YFN](#), [Smart City Expo](#), [IOT](#) and [Barcelona Games World](#).
- ✓ Big on Design:
  - 50 design schools training 6,000 professionals/year.





## 8. A GLOBAL BUSINESS ATTITUDE

## 8. A Global Business Attitude



Catalonia **encourages** the setting up of:  
*Large/ Medium / Small / Start-Ups*

## 8. A Global Business Attitude

### Options for setting up a business:

- ⑩ Share Capital Company: S.A. / S.L. (representative with NIE!)
- ⑩ Branch
- ⑩ Representative Office
- ⑩ Self-Employed
- ⑩ Joint Ventures, association with local companies
- ⑩ Distribution agreement





## 9. FINANCIAL & TAX INCENTIVES

## 9. Financial & Tax Incentives

### ➤ FINANCIAL INCENTIVES:

Grants and preferential loans for business projects involving following activities:

- R&D and innovation,
- Training,
- Energy efficiency,
- Investment in fixed assets and job creation
- International expansion.

### ➤ TAX INCENTIVES

#### ✓ Corporate benefits under the Spanish tax system

Corporate benefits under the Spanish tax system include **R&D activities** (between **25%** and **59%**) and **technological innovations** (**12%**).

## 9. Financial & Tax Incentives

- ❖ Maximum Limit of Tax Quota : 50%
- ❖ Maximum amount : 3 M Eur
- ❖ Possibility to get a refund from Tax Authorities of these deductions if the tax payer does not have quota or enough to absorb all of them:
  - Cash Back of 80% of the deduction
  - Can be requested after 1 year
  - The Co. is obliged to maintain staff working in R+D and TI during additional period
  - It's compulsory to present a certification of the R+D and TI activities reviewed by a public agent





## 9. Financial & Tax Incentives

### ▪ Tax Regime for Spanish Holding Companies

- Exemption for Dividends and Capital Gains realized on the disposal of shares (participation of at least 5% and minimum 10% of Corporate Tax applicable to the subsidiary)
- Absence of withholding tax on distribution of non-Spanish source dividends
- Full deductibility of interest payments (fulfilling certain requirements)
- Exemption of Overseas branch income (provided similar tax paid abroad and minimum 10% tax rate);

Additionally Spain has a large number of double taxation treaties, especially with Latin American countries, which makes it an ideal jurisdiction for investments in Latin America.

## 9. Financial & Tax Incentives

### ➤ EXPATRIATES

PIT is not levied on employment income obtained by persons who are tax resident in Spain for work effectively carried out outside Spain, up to the limit of EUR 60,100, if the following requirements are met:

- For tax purposes, the employee is resident in Spain.
- The work is effectively carried out outside Spain.
- The work is carried out for a company or PE that is not resident.
- An identical or similar tax to Spanish PIT is levied in the country where the employee carries out the work.



## 9. Financial & Tax Incentives

### ➤ **BECKHAM LAW – SPECIAL REGIME**

- Flat tax rate: 24% (For the excess of EUR 600,000 the tax rate is 45%). (instead of the progressive tax rate on their worldwide income)
- Duration: 6 years

### **Who can apply for this special regime?**

- Foreign workers who have just moved to Spain.
- Wealthy expats who hold management positions.
- High level employees or Directors that come to work for a Spanish company



## 9. Financial & Tax Incentives

### ➤ **GENERAL INCENTIVES:** The government has focused policies to support private sector initiatives

- Services to attract and boost productive investments from international companies into Catalonia
- Information for international firms with investment projects on business financing, analysis and prospection in external markets...
- Services to help Catalan companies grow and set up abroad and carry on commercial, productive and technological activities.
- Business matchmaking and search for partners, suppliers, premises, distribution channels, contacts for M&A operations, international tenders...
- Aftercare business services
- Visas and residence permits can be obtained via fast-track processes (10 and 20 working days)



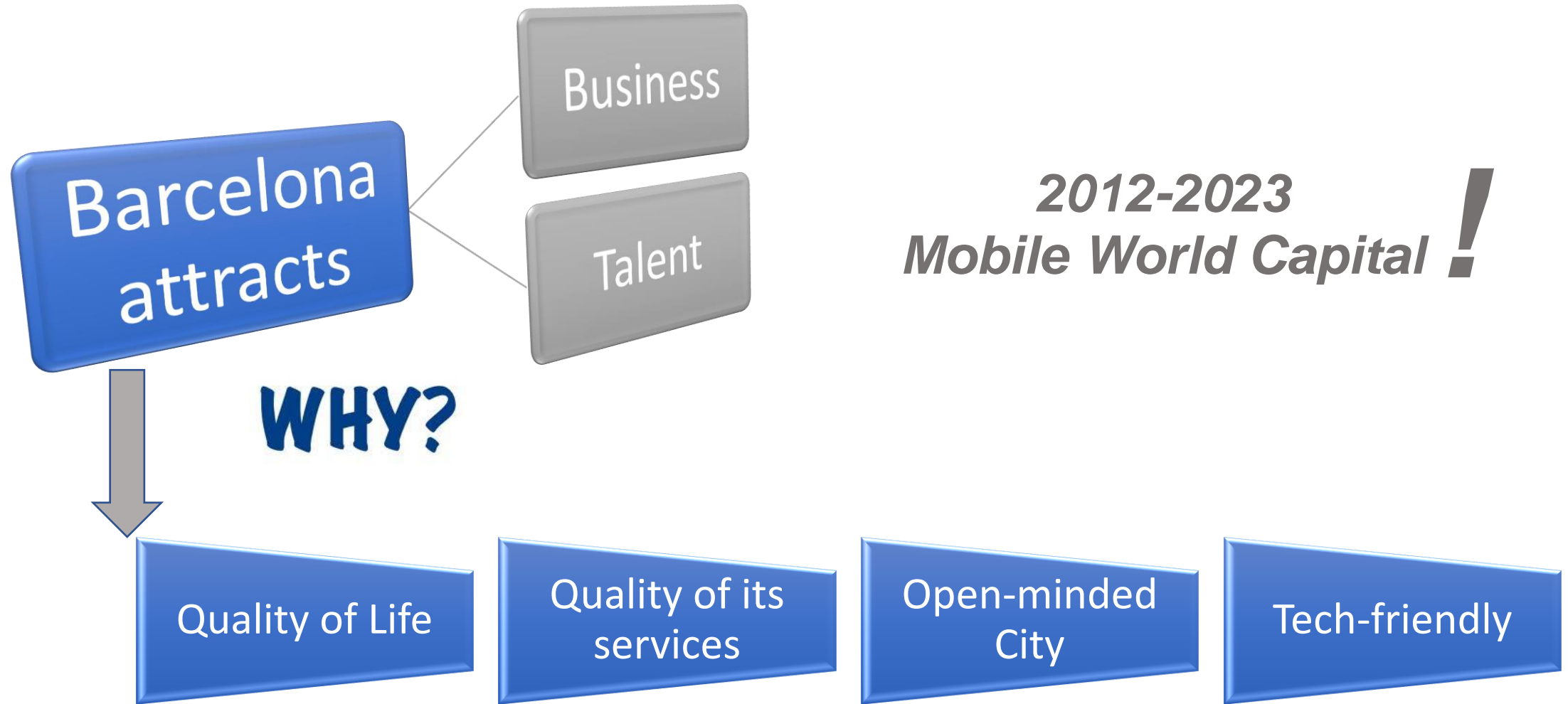


## 10. A GLOBAL CITY BRAND





## 10. A Global City Brand



**2012-2023**  
***Mobile World Capital !***



# CONTACT US



[Mercè Martí](#)



[Elena Ramírez](#)



[Josep Mª Martí](#)



[barcelona@kreston.es](mailto:barcelona@kreston.es)

Tel: 93 362 31 23 · Fax: 93 414 66 02

Av. Diagonal 520 bjs. 6ª · 08006 Barcelona

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