Report 2026

INNOVATION SPAIN

Strategic Guide for Attracting International Technology Investment


INDEX

TITLE

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SPAIN IN FOCUS

EXECUTIVE SUMMARY

As a destination for business investment and major innovation projects

- → Spain is the world's twelfth-largest economy and the **fourth-largest in the European Union,** with 2026 growth forecasts being revised upwards.
- → International media and analysts highlight the **Spanish economy's strong momentum and prospects,** as well as its prominent position in Europe and globally.
- → The country still faces **challenges** such as balancing labour supply and demand, continuing to reduce unemployment, increasing GDP per capita and improving competitiveness.
- → In 2025, Spain received **€30.76 billion** in foreign direct investment, marking four consecutive years of attracted investment exceeding €30 billion.
- → Spain's stock of foreign investment exceeds €600 billion and is equivalent to **more than 40% of Spanish GDP,** generating **more than two million jobs.**
- → Despite pending investment needs, Spain maintains an **enviable infrastructure framework** for business in terms of:
  - ∆ **Communications and transport:** air, road, rail, maritime and logistics services.
  - ∆ **Connectivity and technological infrastructure:** fibre optics, 5G, technology centres, science parks, data centres, supercomputing infrastructure, submarine cables and technology hubs.
- → From the standpoint of human capital, Spain stands out as **one of the countries with the greatest talent** for innovation.
  - ∆ Above average in the number of PhDs and higher-education graduates.
  - ∆ With engineers and scientists recognised worldwide.
  - ∆ A business landscape that is receptive to the challenges of artificial intelligence.
  - ∆ Its integration model enables it to absorb hundreds of thousands of immigrants.
  - ∆ It offers high standards in equality, diversity and inclusion.
- → Spain is a benchmark in, or has major potential across, a number of sectors expected to drive the global economy in the coming decades, including:
  - ∆ **Renewable energy**
  - ∆ **Biotechnology**
  - ∆ **Pharmaceutical industry**
  - ∆ **Telecommunications**
  - ∆ **Aerospace**
  - ∆ **Cybersecurity**
  - ∆ **Video games**
- → Spain also has enviable **natural wealth,** making it a favourable setting for the circular economy, energy efficiency and ecological regeneration.

As a place to grow through innovation

- → Spain invested €23.931 billion in R&D in 2024, equivalent to **1.5% of GDP.**
- → Although it remains below the European average, this investment has grown over the past five years at a faster pace than in the major economies, and the country has set itself the target of **investing 3% of GDP by 2030.**
- → In terms of publications, Spain produces **3% of global science and is the third country with the highest return** from Horizon Europe, the EU's flagship scientific initiative.
- → **12,200 companies** carry out R&D activities in Spain, and **27% are innovative** in products or business processes.
- → The reformed **Law on Science, Technology and Innovation** introduces major improvements in the Spanish R&D&I system.
- → There is a **range of policies available to companies developing innovative projects** in Spain, including financing instruments (R&D&I tax deductions, grants and loans), governance tools and innovative public procurement, while also facilitating international collaboration.
- → Spain has more than **5,000 active start-ups and more than 800 industrial start-ups.**
- → The Spanish industrial start-up ecosystem offers **competitive advantages** in terms of operating costs, access to STEM talent, active collaboration with large companies and growing public support.

As a starting point for international operations and projects

- → Due to its geographical position, Spain stands out as one of **Europe's strategic hubs.**
  - Δ As a gateway to the **European Union.**
  - Δ As a route to **North Africa.**
  - Δ As a natural bridge to **Latin America.**

- → This connection takes shape through:
  - Δ Strategic trade agreements within the framework of the European Union.
  - Δ Participation in the main European innovation and sustainability programmes.
  - Δ Agreements and programmes with Latin American countries in the fields of innovation, R&D and industry.
  - Δ Agreements and projects with North Africa, whether regional or with specific countries.
  - Δ Integration into global science, research and technology networks.

Innovation made in Spain

Innovation is one of the engines that drive societies and one of the best responses to economic, social and environmental challenges. Its effects are **multiplying and extend** across the economy, industry, education and employment.

Multinationals from very different countries and sectors **have chosen Spain** for major projects in R&D, advanced manufacturing, global innovation services and centres of excellence. These projects have delivered valuable two-way benefits:

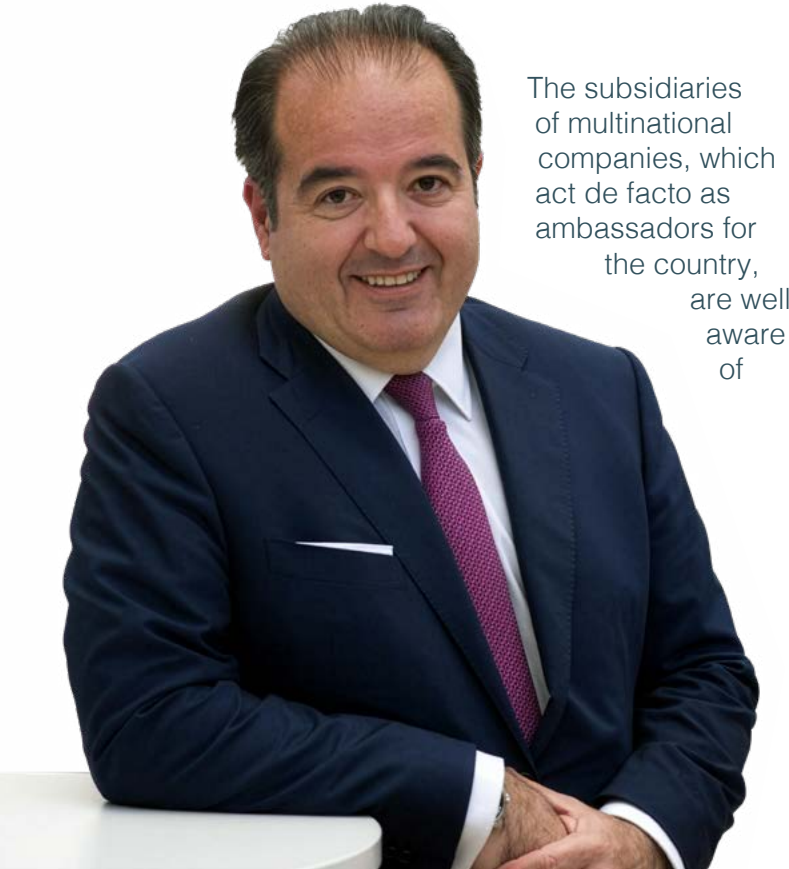
- → They have become a **strategic asset** for those companies, which use the innovation developed in Spain to offer their products and services worldwide.
- → In the **areas where they are deployed,** they generate business ecosystems, industrial heritage, knowledge transfer and quality employment.

Companies established in Spain confirm the **country's exceptional conditions** for innovation, while also **pointing to areas for improvement** that could make it unrivalled in attracting major projects and investment.

Factors that encourage the attraction of investment and innovation:

- → Political and institutional stability.
- → Regulatory stability and legal certainty.
- → Tax policies that encourage investment and innovation.
- → Simple, agile and transparent administrative processes.
- → High levels of public and private investment in innovation.
- → Robust and transparent environmental legislation.

There is no doubt that Spain is an attractive country for investment and innovation. This is evident from the strategic projects being rolled out across the country, the sustained inflows of foreign investment, the jobs created, and the indicators that rank Spain among the destinations that inspire the greatest confidence in investors. This appeal also gives rise to innovation developed in our country that transcends borders and actively contributes to global progress.



The subsidiaries of multinational companies, which act de facto as ambassadors for the country, are well aware of Spain's assets and advantages: from the robustness of its infrastructure and the quality of its human capital to its strategic geographical position, its natural resources and its leadership in emerging sectors with significant growth potential. It is precisely because of this knowledge that it is essential to identify areas for improvement and strengthen the country's capacity to attract even more investment and innovative activity.

The report presented below was created with this purpose in mind: to organise existing certainties and, at the same time, make room for necessary questions. The multinational companies that form part of the I+E Foundation are aware of the dual impact of their investments: on the one hand, their strategic nature for the competitiveness and positioning of their companies; on the other hand, their tangible contribution to the economic and social development of the regions in which they operate, through the generation of wealth, employment, robust business ecosystems and the transfer of knowledge. For those working in these subsidiaries, this second effect is a source of great pride; for the corporations, the first is decisive and requires an environment that offers clear and predictable answers.

The following pages carry the message we wish to convey to institutions, the economic and business community, and decision-makers, both nationally and internationally. Spain is a country with excellent conditions for innovation and research; for hosting industries capable of transforming disruptive ideas into tangible realities; and for successfully leading the energy and ecological transition towards a more sustainable model. But, beyond excellence, there is a conviction that this potential can be further strengthened. Achieving this is a shared responsibility and, at the same time, a collective opportunity.

Sergio Rodríguez,
President of the I+E Foundation

Spain has become an increasingly attractive destination for international R&D. For years, we have been building the conditions needed for science and innovation to become the cornerstone of our growth model, and the results are clear.

In 2024, investment in R&D reached €23.931 billion, representing growth of 7% compared with the previous year, almost twice the European average. Since 2018, investment in R&D has increased by 60%. Today, we are the third country with the highest returns from Horizon Europe, the EU's framework programme for research and innovation, and the second in terms of number of participations, with a presence in one out of every three funded projects. More than 12,000 companies carry out R&D activities in our country. And the number of people working in R&D exceeds 295,000, 31% more than in 2018. These are not trivial figures, but rather proof that we are a country committed to knowledge as a driver of competitiveness.

Today, Spain is moving forward with more innovative companies and with a clear trend: record employment figures, greater job stability and higher wages. And record levels of female employment. Today, Spain attracts talent and strengthens its strategic autonomy in an uncertain international context. And today, Spain also shows that economic progress can and must go hand in hand with social transformation and with the wellbeing of society as a whole.

For this reason, we have become a benchmark for talent and outstanding scientific capabilities, an attractive country for innovation. We have also become a model in the defence of democratic values: a refuge for rights and scientific knowledge.

Spain already meets the conditions to establish itself as a global benchmark, as confirmed by the data in this report. Our commitment now is clear: that the next report we publish should reach even more ambitious figures while preserving intact our determination to transform.

Diana Morant Ripoll,
Minister for Science, Innovation and Universities

10 Spain to Come

01

SPAIN TO COME

ECONOMIC CONTEXT

Nominal GDP: €1,685,783 million (2025)

GDP per capita: €34,190 (2025 estimate)

Fourth largest **economy** in the European Union

Twelfth largest **in the world** in terms of nominal GDP

GDP by sector (2024):

- Services – 75.6%
- Industry – 15.6%
- Construction – 5.7%
- Primary sector – 3%

Currency and exchange rate: euro (1€ = 1.15$)

Inflation / CPI: 2.9% (Dec 2025)

Population: 49,570,725 (Jan 2026)

Population density: 96–98 inhabitants per km^2

Labour force: 22.46 million (January 2026)

Unemployment: 2.5 million

- Unemployment rate: 9.93% (Jan 2026)

Exports: €394,362 million (2025)

Imports: €444,146 million (2025)

Trade deficit: €57.054 billion (2025)

Economic situation

In 2025, Spain recorded a Gross Domestic Product of €1,685,783 million (€2 trillion), with growth of 2.8% compared with 2024.

In January 2026, the IMF raised its forecast for the Spanish economy to 2.3% growth in 2026 and 1.9% in 2027.

According to Eurostat, Spain accounted for 41% of the jobs created in the EU in 2025 and was the EU-27 country that created the most new jobs.

	Forecasts			Difference from previous forecasts	
	In 2025	In 2026	In 2027	In 2026	In 2026
World	**3.3**	**3.3**	**3.2**	**0.2**	**0.0**
Advanced economies	**1.7**	**1.8**	**1.7**	**0.2**	**0.0**
US	2.1	2.4	2.0	0.3	-0.1
Eurozone	1.4	1.3	1.4	0.1	0.0
Germany	0.2	1.1	1.5	0.2	0.2
France	0.8	1.0	1.1	0.1	0.0
Italy	0.5	0.7	0.7	-0.1	0.1
Spain	**2.9**	**2.3**	**1.9**	**0.3**	**0.2**
Japan	1.1	0.7	0.6	0.1	0.0
United Kingdom	1.4	1.3	1.5	0.0	0.0
Canada	1.6	1.6	1.9	0.1	0.0
Other advanced economies	1.8	2.0	2.1	0.0	0.0
Emerging markets	**4.4**	**4.2**	**4.2**	**0.2**	**-0.1**
Emerging markets in Asia	5.4	6.0	6.0	0.3	0.0
China	5.0	4.0	4.0	0.3	-0.2
India	7.3	6.4	6.4	0.2	0.0
Emerging markets in Europe	2.0	2.3	2.4	0.1	0.0
Russia	0.6	0.8	1.0	-0.2	-0.1
Latin America and the Caribbean	2.4	2.2	2.7	-0.1	0.1
Brazil	2.5	1.6	2.3	-0.3	-0.1
Mexico	0.6	1.5	2.1	0.0	0.1
Middle East	3.7	3.9	4.0	0.1	0.2
Saudi Arabia	4.3	4.0	3.6	0.5	0.4
Sub-Saharan Africa	4.4	4.6	4.6	0.2	0.1
Nigeria	4.2	4.4	4.1	0.2	0.1
South Africa	1.3	1.4	1.5	0.2	0.0

Source: IMF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References in the international media

Various international media outlets and analysts have highlighted the positive indicators for the Spanish economy and its prominent position within the global economy:

The Economist.
It named Spain as the best economy among OECD countries in 2024. It highlighted the annual GDP growth driven by a strong labour market and high levels of immigration, which automatically boost economic output.

Financial Times.
It has singled out Spain as Europe's standout economy, "a rare case among European economies" at a time like the present. It points to infrastructure improvements thanks to Next Generation EU funds, cheap renewable energy which has attracted foreign investment, and reforms that have boosted labour stability.

The Wall Street Journal.
It highlights that Spain is "Europe's star economy" and that it was the world's fastest-growing economy last year. A sign of resilience for a eurozone facing a slowdown due to rising US tariffs.

Goldman Sachs.
It explains that "the composition of the services sector in Europe has shifted towards subsectors with higher value added per employee, such as finance, real estate, information and communication technologies, and other knowledge-intensive services. This trend has been particularly noticeable in Spain".

JP Morgan.
It has published the report 'Eurozone: Spain's engine of growth', in which it highlights the sharp rise in population, an economy heavily reliant on the services sector, greater scope for growth and the massive influx of European funds, which is having an impact on activity and investment.

According to the **IMF**, the Spanish economy will maintain its strong pace until 2030 (the horizon of its projection). During this period, the Spanish population will grow by three million to 52 million, which will increase the labour force and correspond to sustained GDP growth, keeping Spain ahead of Australia, Mexico and **South Korea.**

Furthermore, the IMF forecasts that GDP per capita will rise from the current $36,000 to $42,300 by 2030, enabling Spain **to maintain a strong position on the global stage.**

Current challenges

Nevertheless, Spain still faces challenges that it is well placed to address through well-targeted policies and by building on the positive economic outlook.

Balancing labour supply and demand.

According to the Bank of Spain's Business Survey, 45% of companies are unable to find the professionals they need.

Continuing to reduce unemployment rates.

Despite job creation in recent years, Spain's unemployment rate remains at around 10%.

Increasing per capita GDP.

Whilst nominal GDP ranks Spain as the twelfth largest economy in the world, in terms of GDP per capita (PPP) it ranks 33rd globally and 20th in Europe. If the IMF's forecasts for an increase in GDP per capita are realised, Spain could climb the rankings.

Improving competitiveness.

Spain ranks 39th out of 69 countries in the latest IMD international ranking on economic competitiveness. It continues to face challenges in terms of productivity, regulation, institutional cohesion and labour market efficiency.

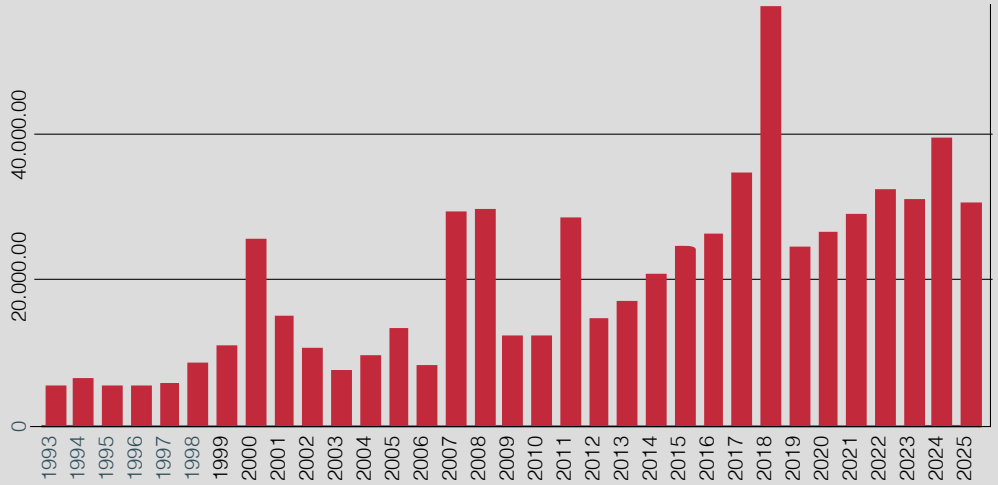
FOREIGN INVESTMENT

- According to the Secretary of State for Trade, the stock of foreign investment in Spain exceeds €600 **billion** and is equivalent to more than 40% of Spanish GDP.
- Over the last decade (2015–2024), Spain has attracted €300 **billion** in foreign investment.
- This has generated **more than two million** jobs.

Foreign investment data in Spain

- In 2025, Spain received €30.764 billion in productive foreign direct investment (Datainvex).
- Despite the decline compared with 2024, largely explained by the geopolitical context, Spain has for the first time recorded four consecutive years above €30 billion in foreign direct investment.

Trends in foreign investment



Source: DataInvex

Spain was the **fifth country in the world** and the **second in Europe** to attract the most foreign direct investment projects in **technology and innovation** between 2019 and 2023 (Multinationals in Spain).

According to the Financial Times' FDI Markets database, **707 greenfield projects** have been established in Spain in 2025, representing an investment volume of around **€30 billion** and the creation of almost **60,000 jobs.**

Multinationals account for **35% of private R&D** carried out in Spain (IESE, 2017).

The country has established itself as **the "economic engine of the Mediterranean" with €300 billion** in investment over the last decade.

Spain has moved up the rankings on the global clean-energy map to become Europe's second destination for foreign investment and the world's fourth most sustainable economy. Its competitive advantage in renewable resources, its strategic geographic position and its political commitment to decarbonisation place it on the cusp of becoming Europe's new green industrial hub.

Country reputation

According to the **FDI Confidence Index**, Spain ranks 11th among the countries that inspire the most confidence in foreign investors. It stands out for its strategic location, its 'world-class' infrastructure, its highly skilled workforce and its leadership in sectors such as renewables and tourism.

According to **UNCTAD** data, Spain consolidated its position in 2024 as the world's thirteenth-largest recipient of foreign capital flows.

The OECD's FDI Restrictiveness Index ranks Spain as the eleventh least restrictive country for foreign investment.

In the first eleven months of 2025, Spain was the fifth-largest recipient of greenfield projects in the world and the largest in the EU, ahead of countries such as China, Japan, Canada, France and Germany (**FDI Markets, Financial Times**).

Furthermore, Spain is home to globally recognised multinationals such as Inditex, Iberdrola, Telefónica and Banco Santander.

Factors favouring the attraction of investment

Spain is committed to attracting international projects that strengthen its position on the global innovation map. Consequently, companies, analysts and observers alike have been emphasising the importance of continuing to focus on maintaining and improving aspects such as:

- Political and institutional stability.
- Regulatory stability and legal certainty.
- Fiscal policies that encourage investment and innovation.
- Simple, streamlined and transparent administrative processes.
- High levels of public and private investment in innovation.
- Robust and transparent environmental legislation.

INFRASTRUCTURE

The IMD World Competitiveness Ranking 2025 places Spain 27th (out of 69 countries) in terms of the quality of its infrastructure.

Challenges:

Since the 1990s and during the early years of the 21st century, the country made major investments — up to 2% of GDP — in modernising its transport infrastructure, which raised it to the top ranks worldwide. Following the financial crisis, this spending was reduced, especially in terms of maintenance.

The Association of Infrastructure Construction and Concession Companies (SEOPAN) estimates that Spain needs €150.833 billion of investment in transport infrastructure with high socio-economic returns, necessary to implement the planned actions and comply with European regulations. Those already planned account for €85.083 billion, with an implementation horizon of 2024–2035. According to the Institute of Economic Studies, an additional €11 billion per year would need to be allocated to improve and modernise infrastructure in Spain.

All in all, Spain maintains an **enviable infrastructure framework** for business, which, in addition to transport by land, sea and air, encompasses connectivity, technological infrastructure and logistics services.

And **its position is strategic:** Spain is located in a privileged position in Southern Europe where the main freight traffic routes converge. It therefore provides access to a **global market of more than 500 million consumers** in Europe.

Furthermore, Spain is home to two of the nine European multimodal corridors considered a priority by the European Union:

Atlantic Corridor:
provides inland and maritime connections between the Iberian Peninsula and France and Germany, contributing 12% of EU GDP.

Mediterranean Corridor:
connects Spain's Mediterranean seaports with a rail corridor linking North Africa to Central Europe through Spain.

Communications and transport

Air

Spain has **48 public airports** connected to around 90 countries and 370 destinations worldwide.

Of these, six were among the **30 busiest** in the EU in 2024.

Madrid and Barcelona airports ranked **fifth and seventh in terms of passenger numbers in Europe** (third and fifth in the EU), with 66 and 55 million passengers respectively.

Roads

Spain is the European country with the **most kilometres of motorways and dual carriageways, with 17,600 km**, followed by Germany with 13,200 km and France with 12,000 km. It ranks third in the world, behind China and the United States.

In 2019, the WEF Competitiveness Report ranked Spain as the **world's leading country for road connectivity.**

In 2022, the International Drivers' Association ranked Spain as the **seventh best country in Europe for driving**, out of 33 countries analysed, taking into account variables such as the number of roads, the level of congestion, fuel prices and safety.

Rail

Spain has the largest high-speed rail network in Europe, with over **4,000 kilometres built**, and the second largest in the world, surpassed only by China.

This network will continue to grow in the coming years, with a further **1,500 kilometres** currently planned or under construction.

In total, the Spanish rail network spans over **15,000 kilometres**, including the high-speed and conventional networks.

Maritime

Spain has **46 ports**, four of which (Valencia, Algeciras, Barcelona and Las Palmas) are among the **ten with the highest container traffic in Europe.**

It is the **European Union country with the best maritime connectivity** and ranks **eighth in the world**, according to UNCTAD's PLSCI index, which measures the degree of integration of ports into global maritime transport networks.

Logistics services

Spain has **more than 270 logistics parks** covering a total area **of over 80 million m².** These logistics facilities are mainly linked to maritime transport (48%) and road transport (41%).

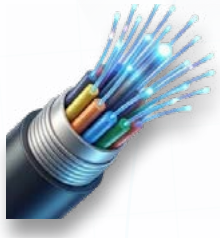
Demand for logistics space **grew by 18% in Spain in 2024**, whilst in Europe it fell by 11%. It is the only European country to have recorded positive growth rates in warehouse leasing over the last five years.

There are **more than 200,000 companies** in the logistics sector, according to data from the CEOE and the Ministry of Transport.

Connectivity and technological infrastructure

According to the European Commission, Spain ranks fifth in Europe for digital public services, with a score of 88.75 points (compared to an EU average of 82.20). In terms of connectivity, it ranks among the European leaders.

Furthermore, according to the 2024 edition of the Global Cybersecurity Index (GCI) by the International Telecommunication Union (ITU), Spain is ranked at Level 1, both globally and within the European Union.



Fibre optics

Spain has the **second-highest fibre-optic coverage in Europe:** reaching 95% of households and 86.3% of rural areas, well above the European average (58.8% in rural areas).

5G

5G mobile coverage reaches **96% of the population** in urban areas, compared to the European average of 89%, and 80% in rural areas.

The deployment of **edge nodes** for 5G, AI and IoT applications, with 301 network edge nodes, places Spain **third in Europe**.

Technology centres

Spain has around **100 technology centres**, 53 of which are grouped within the Fedit network. In 2024, they supported more than 29,000 companies and carried out 1,662 international projects.

Science and technology parks

It also has **52 science and technology parks**, as well as others under development, integrated into APTE, which provide laboratory facilities, spaces for start-ups and business incubators, offer support services to companies and host public-private partnership projects.

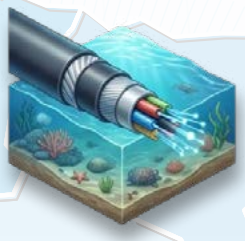
Data centres

Spain is experiencing a boom in data centres, to the point of becoming a benchmark in southern Europe. It is estimated that there are around **70 operational centres, managed by 40 companies**, with an installed capacity of around 355 MW, in addition to announced projects with an estimated capacity of 625 MW.

The Spanish Data Centre Association, Spain DC, forecasts **investment of €66.9 billion** in Spain by 2030. The strong growth of this market in Spain is attributed to its strategic advantages, such as its location, the capacity of the electricity grid, low construction costs and digital connectivity.

Supercomputing

Spain has the Spanish Supercomputing Network (RES), **comprising 14 nodes** and coordinated by the Barcelona Supercomputing Center-National Supercomputing Centre (BSC-CNS). This infrastructure manages high-performance computing resources, data analytics and artificial intelligence with the aim of driving scientific progress and innovation in Spain.



Submarine cables

The new state-of-the-art submarine cable systems in the Iberian Peninsula are strengthening Spain and Portugal's international position within the global telecommunications network.

Technology hubs

Spain has established itself as a strategic **technology hub** in Southern Europe, with Madrid, Barcelona and Málaga acting as key drivers of projects and investment in R&D centres, AI, cybersecurity and data centres. Furthermore, Aragon is emerging as a hub for data centres, and the Valencian Community in entrepreneurship.

According to the Financial Times ranking, Spain is the **third-ranked European country** for technology entrepreneurship hubs, behind only the United Kingdom and Germany.

HUMAN CAPITAL

From a talent perspective, Spain stands out as one of the ideal countries for developing highly innovative projects. It is above average in terms of the number of PhDs and graduates in higher education, and boasts engineers and scientists recognised worldwide.

The country is considered one of the ten most attractive in the world for attracting and retaining digital talent, with a business sector that is responding proactively to the challenges of artificial intelligence.

Senior executives from large multinational companies with operations in Spain attest to the skills of their technical staff in Spain, their professional competence and their willingness to innovate and to take risks.

Spanish talent in numbers:

HIGHER EDUCATION

- **42,3% of the adult population in Spain has completed tertiary education** (university studies and advanced vocational training), compared with 41.9% in the OECD and 38.6% in the EU.
- The proportion of young people aged 15 to 19 enrolled in tertiary education is 20%, almost double that of the OECD and the European Union, both of which stand around 11%.

ENGINEERS

- Spain has **750,000 engineering professionals,** 20% of whom are women. This equates to 15.7 per 1,000 inhabitants.
- By discipline, they are distributed as follows: industrial engineering (43%), computer engineering (21%), telecommunications engineering (9%), agricultural engineering/agronomists (8%), civil engineering (8%) and other engineering disciplines (11%).

RESEARCHERS

- In Spain, there are nearly **3,500 researchers per million inhabitants,** a figure comparable to the EU average.
- In 2024, the total number of people employed full-time in R&D activities was 295,289.
- Spain has the **ATRAE programme,** with an investment of €135 million over the next three years, aimed at attracting scientists from around the world.

DIGITAL SKILLS

- **66%** of the Spanish population has at least basic digital skills, placing the country seventh in the EU and 10.6 points above the average.
- The EU's objective is for **80% of the population to have at least basic digital skills** by 2030, so Spain is well on track to meet it.
- Among the population with tertiary education, **more than 50%** have advanced digital skills.
- 67% of companies already provide specific AI skills training to their employees, a percentage above the global average (59%).

OTHER DIGITAL-RELATED SKILLS

- 90% of the population has advanced **communication and collaboration skills,** placing Spain sixth in the EU.
- 73.8% of the population has at least a basic level of **digital content creation skills,** 5.6 points above the EU average, and 52.3% have an advanced level.
- 66.2% of the population has **advanced problem-solving skills,** five points above the EU average.

EMPLOYMENT SKILLS

- Spain **ranks in line with the EU average in terms of employability skills**, with stronger indicators in areas such as teamwork, collaboration, openness to change and continuous learning, while scoring below average in critical thinking and complex problem-solving.

- 67% of organisations are moving towards skills-based management models exceeding the international average of 56%.

- Spain **is part of the Union of Skills strategy**, launched by the European Union, which aims **to support the development of human capital** to strengthen European competitiveness. Among other areas, the initiative seeks to provide higher levels of basic and advanced skills; offering opportunities for adults to regularly update and acquire new skills and abilities; making it easier for businesses across the EU to recruit workers; and attracting, developing and retaining the best talent in Europe.

UNIVERSITIES AND POSTGRADUATE STUDIES

- There are currently **96 universities** in Spain, 50 of which are public and 46 private.

- It is estimated that there are **more than 100 business schools** in operation, six of which (IESE Business School, IE, Esade, ESIC, EADA and EAE) rank among the **top 20 in Europe** according to various published rankings.

- There are **over 300 research centres,** more than 150 of which are affiliated with the CSIC, and 56 centres of excellence that form part of Spain's elite scientific network.

VOCATIONAL TRAINING

- Spain has **more than 5,000 vocational training centres** in operation, including public, state-subsidised private and non-subsidised private institutions.

- The estimated number of **students enrolled in vocational training** is 1,200,000. Of these, more than 470,000 are in intermediate-level programmes and more than 630,000 in advanced-level courses.

- Over the last six years, the number of vocational training students has grown by 36%, and there are a total of 7,535 active programmes in the National Vocational Training Catalogue. In 2022, the Organic Law was enacted, promoting dual vocational training in collaboration with businesses.

- One in three universities in Spain now offers a **dual degree programme.** Engineering stands out as the leading field in dual education, accounting for 64% of degree programmes.

DIVERSITY AND INCLUSION

- **Foreign workers contributed almost seven percentage points of the 7.5%** growth in the Spanish economy between 2019 and 2024, that is, 80% of total growth.

- The **Spanish integration model** has been studied and analysed worldwide due to its ability to integrate and absorb hundreds of thousands of immigrants. The Institute of International and European Affairs (IIEA) highlights that “Spain’s relatively open labour migration model is intrinsically linked to its historical, linguistic and cultural ties with Latin America”.

- Under Spanish law, companies with more than 50 employees are required to have **an equality plan**, as well as a protocol to ensure non-discrimination.

- Spain is one of the European countries with the highest proportion of people identifying as LGTBIQ+, and the Spanish population ranks joint first in the world, alongside Thailand, in terms of support for **sexual orientation being public** rather than confined to the private sphere.

Challenges for Spain in human capital

Even with this data, which reflects a privileged scenario in terms of human capital and talent, Spain, like other countries, faces challenges related to the energy transition, technological change and demographic evolution:

Over the next three to five years, **Spain will need to bring in between 3,900 and 5,650 new professionals to carry out the energy transition.** Many of the skills that will be required will need to be fully integrated into existing training programmes.

The European Commission has set the objective that, by 2030, **10% of total employment should correspond to ICT specialists.**

Structural changes driven by digitalisation, artificial intelligence (AI), population ageing and deglobalisation are increasing the **need to rethink the education model and its impact on citizens' professional capabilities.** The skills gap affects knowledge in science and technology, particularly mathematics.

Eight out of ten companies have difficulties filling their vacancies. An unfavourable population pyramid, lack of geographic mobility and the need to transform skills due to technological impact are cited among the reasons for this mismatch between supply and demand.

According to the Adecco Foundation, in the **next decade nearly 5 million people are expected to retire,** compared with the entry of approximately 1.8 million young people, in a context where the ageing index stands at 148%. This scenario highlights the need to promote new solutions that strengthen the sustainability of the labour market.

EMERGING SECTORS

Spain is a leader and has great potential in various sectors, particularly those expected to drive the global economy in the coming decades.

Renewable energy

Spain is regarded as one of the ideal countries for successfully carrying out the necessary energy transition, with a rapidly expanding renewable energy sector.

- It has become the country with the highest per capita investment in energy efficiency in the world, according to the 2025 International Energy Efficiency Scorecard report by the American Council for an Energy-Efficient Economy (ACEEE).
- The country allocates around $10.5 billion a year to energy efficiency initiatives.
- By 2025, renewable energy accounted for around 57% of Spain's electricity mix.
- Between January and November 2025, it was the third-largest global recipient of greenfield projects in the renewable energy sector. It is also the second-largest recipient of clean hydrogen projects.
- According to experts, emerging sectors such as energy storage, green hydrogen and grid digitalisation offer high potential for profitability in Spain.

Biotechnology

Spain has established itself as a strategic hub for biotechnology, characterised by sustained growth, a commitment to innovation and its appeal to investors.

- In 2025, the Spanish biotechnology sector generated over €13 billion, equivalent to 1.1% of national GDP.
- Investment in R&D stands at €1.282 billion, with annual growth of 5.2%.
- Contributing to the boom in this sector in Spain are its scientific talent, its competitive access to capital and funding.
- Emerging sectors such as personalised medicine, agricultural biotechnology and climate solutions offer high potential for scalability.
- Furthermore, the country is positioning itself as a European hub thanks to its connectivity, favourable regulation and public-private collaboration.

Pharmaceutical industry

The pharmaceutical industry generates added value of almost 2% of Spain's GDP and is emerging as a strategic hub in Europe.

- In 2024, the Spanish pharmaceutical market grew by 8.4% and reached €47 billion in sales, establishing itself as one of the most dynamic in the country.
- There are 370 pharmaceutical companies operating in the country, which aspires to become a global hub for drug manufacturing.
- Spain is the second-largest country in Europe for clinical trials, with significant investment in R&D in biotechnology and strategic medicines.
- The Profarma Plan 2025–2026, promoted by the Ministry of Industry and Tourism, aims to make Spain a European leader in pharmaceutical production and drug development.

Telecommunications

The telecommunications sector in Spain is a mature, highly competitive and dynamic market, characterised by technological innovation, sustained growth and significant investment in fibre-optic and 5G infrastructure.

- In 2024, the sector achieved a turnover of €34.573 billion, with projections of sustained growth through to 2027.
- Spain leads the way in fibre-optic roll-out in Europe and is moving towards nationwide 5G coverage, which will be widespread by 2026.
- Telecoms are investing in generative AI, process automation and Smart Cities, as well as IoT services, through which they will double their revenue by 2028.

Aerospace

Over the last decade, Spain has been emerging as an aerospace powerhouse. Innovation, exports and significant investment in R&D are driving a sector that relies on its talent, infrastructure and public support.

- In 2024, the Spanish aerospace industry recorded a turnover of €16.153 billion in 2024, with growth of 16.2% and over 260,000 direct and indirect jobs.
- It is the fourth-largest player in Europe, both in terms of sales and employment and in its contribution to ESA projects.
- It enjoys strong institutional support through the Spanish Space Agency and the aerospace PERTE.
- Satellites, defence, advanced air mobility and orbital sustainability are among the key areas.
- Spain has highly developed aerospace and defence clusters (Madrid, Andalusia, the Basque Country), with the presence of major manufacturers, a specialised supply chain and technology centres that facilitate establishment and growth.

Cybersecurity

Cybersecurity has established itself in Spain as a strategic sector, mainly due to its strong growth and innovation.

- The sector generated €6.351 billion in revenue in 2024 and has established itself as the fourth-largest market in Europe.
- It comprises an ecosystem of 3,431 companies and employs 164,761 workers, with the number of jobs expected to reach 282,157 by 2029.
- Generative AI, post-quantum chips and digital sovereignty emerge as key areas.
- Madrid, Catalonia and the Basque Country stand out as hubs of innovation, as does León, home of the National Cybersecurity Institute (INCIBE).

Video games

Spain stands out as one of the creative hubs for video games, combining domestic demand with international reach.

- The sector generated a turnover of €2.408 billion in Spain in 2024, with year-on-year growth of 3%.
- It had 524 active studios in 2023, providing direct employment to more than 7,000 professionals.
- It is the third-largest market in Europe by volume, after Germany and France.
- Mobile gaming, immersive narratives and original IPs stand out as key segments.

SUSTAINABILITY AND NATURAL RESOURCES

Spain boasts significant natural resources that make it an ideal setting for the circular economy, energy efficiency and ecological regeneration: fertile agricultural land, water reserves, Mediterranean forests, strategic minerals (such as rare earths and lithium), and high potential for renewable energy (primarily solar and wind).

01 Spain has **55** UNESCO-recognised **biosphere reserves**, which by 2025 will place it as the world's leading country in terms of sites recognised by this organisation.

02 It is the fifth country in the world and second in Europe in terms of **installed solar capacity**. It is also seventh in the world for solar energy generation.

03 As regards **wind energy**, Spain is the sixth country in the world and the second in Europe in terms of GWh generated.

04 In 2024, Spain was the seventh-largest **producer of photovoltaic electricity** in the world and the fourth-largest contributor of solar power to the energy mix.

05 It ranks among the eight countries in **the world with the greatest potential for green hydrogen production**, thanks to its abundance of renewable energy and the infrastructure for electrolysis, access to ports and markets, and supportive public policies, incentives and international agreements. Furthermore, it stands out among the countries with the lowest production costs, mainly due to the high combination of solar and wind power.

07 It is also **a European leader in industrial decarbonisation and green technologies**, with six projects selected by the European Commission to advance towards net-zero emissions.

06 It is the country with the highest **per capita investment in energy efficiency** in the world, with an average expenditure of $216.38 per inhabitant.

08 Spain has **one of the greatest potentials in Europe for so-called 'rare earths'**. It has strategic deposits in five regions, capable of meeting the entire European demand for these 17 elements, which are essential for technologies such as wind turbines, batteries and electronics. According to the Geological Survey of Spain, it could become the continent's leading producer.

SOCIETY AND WELFARE

Life expectancy in Spain **exceeds 84 years**, the fifth highest among OECD countries.

Spending on public services, including **healthcare, education and social benefits**, accounts for around **45% of GDP**.

Currently, there are **13.7 doctors and nurses per 1,000 inhabitants.**

It has **800,000 teachers, 75%** of whom work in **state schools.**

Women account for **46%** of the workforce.

The country scores **0.95 (out of 1) on the rights and freedoms index**.

Thanks to its climate, natural diversity, historical and cultural heritage, and cuisine, Spain is one of the **world's leading tourist destinations**, attracting over 90 million visitors annually.

In 2025, Spain had almost **17,000 hotels in operation**, more than 3,000 of which were four-star and over 400 five-star.

In recent years, Spain has become one of the countries most renowned for **sport**, with national teams, clubs and world-famous athletes.

Also in the field of sport, Spain has hosted events such as the **1992 Barcelona Olympic Games**; the **1982 FIFA World Cup** and the upcoming 2030 edition; world and European championships in a wide range of disciplines; annual events such as the Vuelta a España cycling race or the Mutua Madrid Open tennis tournament; it also hosted the Ryder Cup in 1997 and will do so again in 2031.

On the political front, it has hosted events such as the **NATO Summit** in 2022 and the Middle East **Peace Conference** in 1991.

02 Spain to Stay

02 SPAIN TO STAY

INNOVATION ECOSYSTEM

In recent years, Spain has been making a sustained effort to position itself among the leading countries on the European and global innovation map. As a result, the country has returned to a path of growth in its indicators. Events such as the Covid-19 pandemic have raised awareness within the public sector, among businesses and across society of the importance of investing in science and innovation. Furthermore, the EU's Next Generation funds have provided a boost, with significant allocations aimed at strengthening the national innovation ecosystem.

Investment in R&D

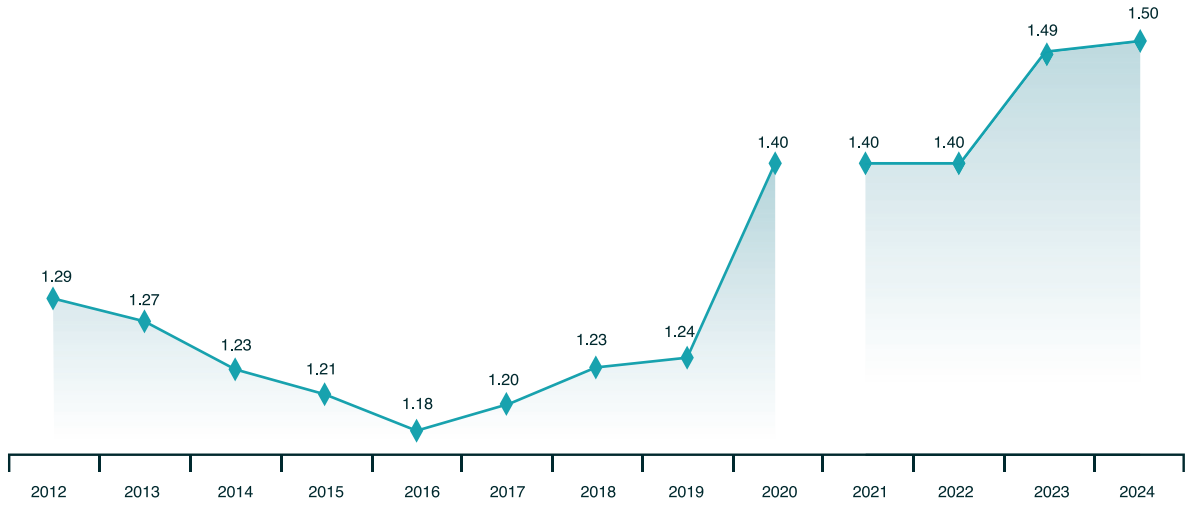
In 2024, Spain's investment in R&D reached 23.931 billion€, representing a 6.9% increase compared to 2023, and accounting for 1.5% of GDP.

Business investment reached **€13.405 billion** and accounted for **55.8%** of the total, equivalent to **0.84%** of GDP.

The public sector (government bodies and universities) recorded investment of **€10.526 billion** in 2024, accounting for **44.2%** of the total and **0.66%** of GDP.

Trend in the percentage of domestic R&D expenditure as a proportion of GDP. National total (*)

Percentage



(*) Break in the series due to a change in the definition of ‘company’ in 2021.

R&D investment by sector:

Services: €7,253 million

Professional, scientific and technical activities: €3,875 million

Information and communications: €2,202 million

Trade: €598 million

Industry: €5,869 million

Motor vehicle manufacturing: €1,391 million

Pharmaceuticals: €1,007 billion

Other transport systems: €909 million

Trend

01 Spain remains below the EU-27 average for R&D investment (2.24% of GDP), but over the last five years it has been growing at a faster rate than most of the continent's economies. In 2024, spending grew at almost twice the European average.

02 **The Pact for Science, launched in 2021 and signed by nearly a hundred public and private organisations, sets the target of increasing investment in R&D to 3% of GDP by 2030.**

Science in Spain

- **In 2023, Spain ranked ninth in the world for the number of scientific publications, with 112,000 papers representing 3% of global scientific output.**
- It is the third country with the highest return on investment in "Horizon Europe", the main European scientific initiative.
- The Spanish National Research Council (CSIC) is Spain's leading scientific institution. The Nature Index ranks it as the ninth most important institution in Europe and as the second in Europe and fourth worldwide among publicly funded institutions.
- Other relevant and internationally recognised scientific bodies in Spain include:
    - → Carlos III Health Institute
    - → Canary Islands Institute of Astrophysics
    - → Centre for Energy, Environmental and Technological Research (CIEMAT)
    - → Catalan Institute for Research and Advanced Studies
    - → Barcelona Institute for Global Health (ISGlobal)
    - → Barcelona Supercomputing Centre – National Supercomputing Centre
- In 2023, the Spanish Space Agency was established, based in Seville, with the mission of coordinating national space activities and policies, as well as Spain's participation in international programmes in this field.

Innovative companies

In 2024, the number of companies carrying out R&D activities in Spain exceeded 12,200, an increase of 925 compared to 2023.

One in four Spanish companies invests between 9% and 10% of its annual revenue in innovation, two percentage points above the global average.

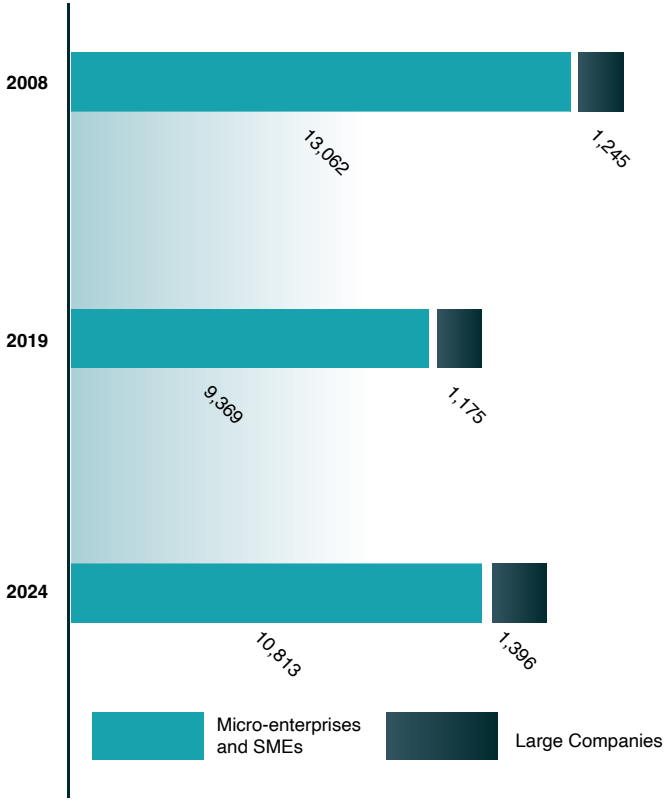
Overall, the business sector now invests 60% more in R&D than in 2008, but does so with 15% fewer companies, indicating a greater concentration among large firms.

However, over the last five years, the number of companies investing in innovation has increased by 16%.

27% of Spanish companies are innovative in terms of products or business processes, according to the classification by the National Statistics Institute (INE).

Companies engaged in R&D by size

Number of companies, 2008, 2019 and 2024



Graph: COTEC Foundation • Source: Statistics on R&D activities 2024. National Institute of Statistics (INE)

COTEC

POLICIES FOR INNOVATION

Regulatory framework

The reform of the **Law on Science, Technology and Innovation**, passed in 2022 with broad consensus in the Spanish Parliament, aims to offer greater guarantees and rights to

the scientific and innovation community. It introduces significant improvements to the Spanish R&D&I system across six key areas:

01 To improve careers in science and technology, with new employment rights and more stable working conditions.

02 Stable and increasing public funding for R&D, with the aim of reaching 1.25% of GDP by 2030 and 3% when combined with private investment.

03 Reduction of administrative burdens for companies undertaking innovative projects.

04 Promotion of knowledge transfer.

05 Better governance.

06 Gender equality in the R&D&I system.

Regulatory environment

Spanish business and commercial legislation is fully integrated into European regulatory frameworks, ensuring predictability in areas such as competition, public procurement and data protection.

The 2023 Royal Decree 571 provides for regulatory modernisation for foreign investment, with more predictable and secure rules.

- Spain ranks 21st out of 165 in the 2025 EFW Index, which assesses countries according to factors such as openness to trade, legal certainty, monetary stability, the tax and regulatory burden, and property rights.
- The report highlights areas where Spain could be even more competitive, such as harmonising regulations across autonomous communities, ensuring greater regulatory consistency and, in general, reducing the volume and complexity of regulations.

Public policies to promote business innovation

The government support schemes available to businesses for the development of innovative projects in Spain cover a range of areas:

01 Funding for innovation

Tax deductions for R&D&I, grants and loans.

02 Strategy and governance

National innovation plans and multi-year strategies.

Coordination between administrations and bodies to improve the effectiveness of the innovation system.

03 Innovative public procurement

The public sector's purchase of innovative solutions or early prototypes developed by companies. There are two types:

- Pre-commercial Public Procurement (PCP): for prototypes and experimental developments, without involving the acquisition of a final product.
- Innovative Technology Public Procurement (ITPP): the acquisition of innovative solutions that have already been developed but are not yet at the commercialisation stage.

04 Promotion of cooperation

- Incentive programmes for joint projects between companies, universities and technology centres.
- Promotion of sectoral initiatives and public-private partnerships to accelerate technology transfer.

05 Regulatory simplification and administrative support

- Proposals to streamline procedures and reduce regulatory barriers.
- Concrete measures to streamline innovation and strengthen legal certainty.

06 Connecting the national innovation ecosystem

Through programmes such as Infoglobal Feder, involving more than 70 countries and 15 major international scientific infrastructures, with calls for proposals aimed at strengthening the international presence of Spanish companies and attracting investment in projects with high scientific and technological impact.

FINANCING INNOVATION

The main funding instruments available to companies for implementing projects in Spain are tax deductions for R&D&I and other incentives, as well as grants and loans.

R&D&I tax deductions

- The aim is to encourage investment in technological and scientific innovation and to boost competitiveness and economic progress, by reducing the tax burden of such investment for companies.
- They apply to companies of any size and in any sector, allowing for a reduction in corporation tax liability for expenditure on R&D and technological innovation.
- They also include reductions in social security contributions for research staff.
- R&D deduction:
  - Deduction of 25% of eligible expenditure.
  - Additional 17% deduction on expenditure for research staff and projects contracted with universities and public centres.

- Deduction for Technological Innovation:
  - 12% deduction on expenses related to improvements in processes, products and services.
- Eligible expenses:
  - Salaries and social security contributions for research staff.
  - Materials, equipment and tools used in projects.
  - External collaborations with public or private organisations.
- Additional benefits:
  - Accelerated depreciation of R&D&I investments.
  - 40% rebate on social security contributions for research staff.
  - Possibility of monetising tax deductions if the company does not have sufficient tax liability (tax cash-back).
  - Compatibility with other incentives such as the Patent Box.

According to data from the consultancy firm FI Group, since 2004, the tax deduction for R&D&I activities has mobilised over €6.995 billion in Spain, with an approval rate of 84% in the last financial year. The consultancy also states that the number of applications and the economic volume mobilised have grown steadily, particularly since the introduction of the tax voucher.

Other incentives

Patent Box. This is a tax incentive that reduces the tax liability on income derived from the exploitation of certain intangible assets, such as patents, industrial designs, formulas or blueprints. It allows for a reduction of up to 60% of the net income arising from the transfer or exploitation of these assets.

Tax cash-back. This is a mechanism that allows companies to recover in cash part of their R&D&I tax credits when they do not have sufficient corporation tax liability to apply them. The company identifies the eligible expenses, and if it cannot apply the deduction due to a lack of tax liability, it may request a direct cash refund. This allows companies to take advantage of the incentives during initial, unprofitable phases and supports the continuity of projects. Its two main benefits are: to receive a cash payout if the company does not have sufficient tax liability; and to claim deductions for an amount greater than the percentages set by the regulations.

Corporation tax relief for SMEs. For micro-SMEs and start-ups, in 2025, the first €50,000 of the tax base will be taxed at 21% and the remainder at 22%.

Incentives for job creation. Deductions for hiring workers with disabilities or for creating permanent jobs.

Accelerated depreciation. The option to depreciate investments in assets linked to R&D&I and digitalisation more quickly.

Regional incentives. Special schemes in territories such as the Canary Islands, Ceuta and Melilla, with reduced rates and additional deductions.

Public funding: grants and loans

Companies established in Spain can access various lines of public funding at national, regional or local level, as well as those promoted by the European Union. Such aid can be of two types:

01 In the form of a grant: non-repayable funding that does not need to be repaid to the awarding body and provides immediate liquidity for the company undertaking the project.

02 Aid in the form of loans, which means that the money granted must be repaid to the government within a set period. These are usually granted on terms more favourable than those the company could find on the market.

Public bodies that fund projects:

Regional governments, through their departments and bodies specifically dedicated to promoting R&D.

(Source: Financial Disclosure Observatory of the Institute of Financial Studies, June 2024)

Newly created instruments

In 2025, the Centre for Technological Development and Innovation (CDTI) offered more than 1,000 companies **public funding for technological innovation** worth €2,375 billion, in the form of subsidised loans, grants, pre-commercial procurement and investments in start-ups. This funding was supplemented by specific schemes from ENISA, ICO, SETT and COFIDES, as well as from the Autonomous Communities.

In 2026, Spain launched the **España Crece** fund, a strategic public-private partnership initiative that will mobilise around €120 billion in investment to promote economic growth and the modernisation of Spain's productive fabric.

In late 2025, the creation of **the Strategic Investment Committee** was announced, with the aim of promoting new investment projects.Co-chaired by the Office of Economic Affairs and G20 of the Office of the Prime Minister and the Ministry of Economy, Trade and Enterprise, its functions include helping to develop a national investment strategy, supporting the analysis and evaluation of investment projects, taking into account their socio-economic impact, and facilitating decision-making to speed up their implementation.

INTERNATIONAL REFERENCES

According to the OECD, Spain is **one of the most favourable countries for carrying out R&D&I activities** thanks to the various tax incentives, rebates and grants available to support such projects. It is possible to cover all phases of an R&D&I project, from the inception of the idea until it reaches the market and is commercially exploited.

The European Investment Fund states that **Spain is a priority country for investment in innovation,** highlighting the fact that it has a dynamic business ecosystem and a suitable environment for scaling up with European support.

Ayming's The Benchmark 2025 report highlights Spain as **one of the world's most generous countries in terms of tax incentives for R&D**. It offers a generosity index of 29.6%, ahead of Germany (25%), the UK (21.5%) and Italy (22%). The same study also points to complex bureaucracy and particularly demanding evaluation criteria as areas for improvement, which are hindering access to innovation for SMEs and start-ups.

According to the Financial Times, Spain is **the fifth-largest recipient of greenfield projects** involving R&D activities and ranks fifth in terms of the volume of greenfield projects in the field of artificial intelligence.

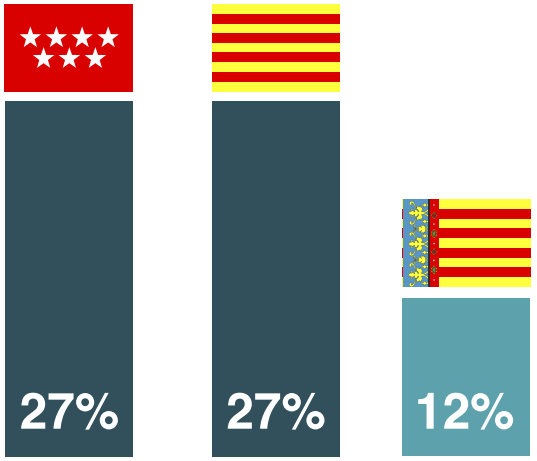
According to the International Energy Agency, Spain is **the member country that invests the most in energy R&D** as a percentage of GDP, at 0.13%.

ENTREPRENEURIAL ECOSYSTEM

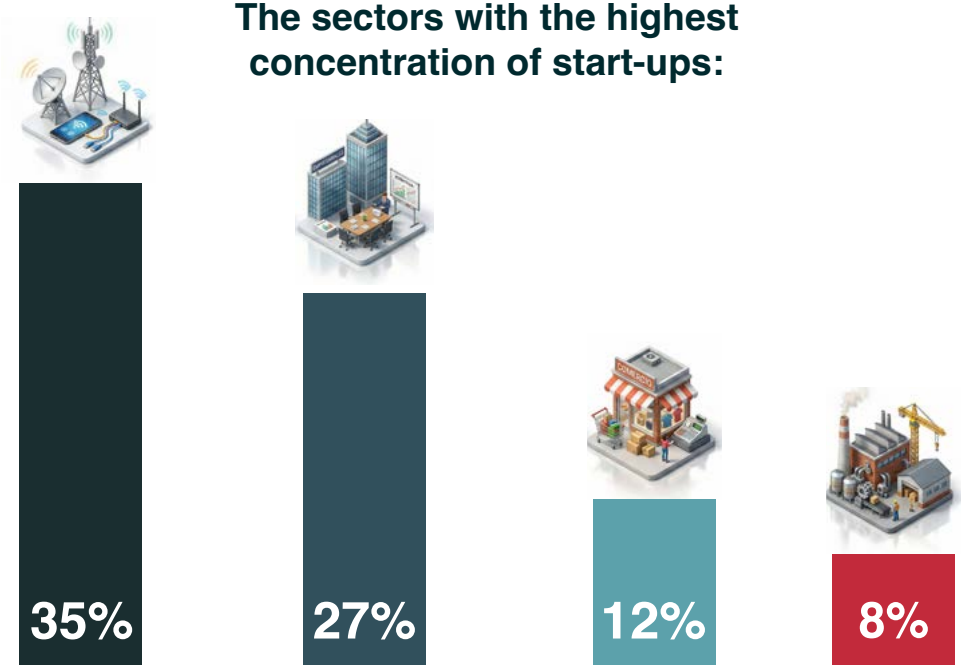
According to a study by Informa D&B (*), Spain has 5,315 active start-ups between 2019 and 2024, with 12% growth in the last year.

(*) This report defines start-ups as newly established companies engaged in innovative activities, with high growth potential and a need for funding.

The regions with the highest concentration of start-ups:



The sectors with the highest concentration of start-ups:



According to the Spain Ecosystem Report 2025, Spanish start-ups raised **€1.9 billion in venture capital** in 2024, making the Spanish market the seventh largest in Europe.

In the **first six months of 2025, figures had already surpassed those of 2024**, with investment in Spanish start-ups amounting to €1.95 billion.

This study indicates that the combined value of Spanish start-ups **exceeded €100 billion in 2023**.

According to the Bankinter Innovation Foundation, in 2025, **total investment in startups** reached **over €3.1 billion**, stabilising compared to 2024, which had seen a 36% increase on 2023.

The Entrepreneurship Map, produced by South Summit, highlights that **two in ten Spanish startups have reached scaleup status**, which gives an idea of the sustainable growth many projects are achieving.

According to this organisation, **the average size of investment rounds increased by 58%** in 2024, mainly due to a 66% rise in mega-rounds. The volume of investment also rose by 35%, and foreign investment in Spain increased by 134%, compared to 14% growth from domestic investors.

Key factors for attracting international investment:

- Critical mass of start-ups and specialised talent.
- Sustained growth in investment and late-stage funding rounds.
- Sectors with strong global traction, such as fintech, deep tech, healthtech, climatetech and foodtech.
- Institutional support and favourable regulation, with the Startups Act passed in December 2022 and programmes such as ENISA.
- Access to European and Latin America markets.

Industrial startups

Industrial startups are **business ventures** born within scientific or academic institutions, as well as those spun off from large companies, which **develop highly sophisticated and technologically complex solutions,** and which face the challenge of making the leap from the research phase to industrialisation and market launch.

Generally, they require **significant funding** to establish themselves as long-term businesses. However, once they overcome this hurdle, they tend to show above-average survival rates, thanks to their strong technological component and collaboration with large companies.

In Spain, there are **806 industrial start-ups**, according to the study 'Diagnosis of Industrial Entrepreneurship in Spain', produced by the Centre for Industrial Strategy and Foresight (CEPI), linked to the School of Industrial Organisation (EOI).

According to the same study, industrial entrepreneurship spans sectors such as traditional manufacturing, mobility and logistics, the healthcare sector, biotechnology, construction and materials, the digital and telecommunications sector, the energy sector, etc.

By origin:

Corporate spin-offs: These account for 21% of those created, with 12% of them having been launched by SMEs, compared to 2% launched by large corporations.

Academic and scientific spin-offs: 7% are spin-offs originating from scientific and technological bodies (universities or technology centres).

Sectors with the greatest traction:

Climate tech and renewable energy

Robotics and industrial automation

Aerospace and advanced mobility

Agrotech

Competitive advantages for investors:

- **Operating costs lower** than those in Germany, France or the Netherlands.
- **Access to STEM talent** from leading universities and research centres.
- **Active collaboration with large companies** acting as early adopters and accelerating technology validation.
- **Growing public support:** Next Generation funds, industrial PERTEs and programmes from the CDTI or ENISA.

The European Commission announced at the 2026 Davos Forum the **launch of Scheme 28** (or EU-INC), whose aim is the creation of a single legal regime for start-ups operating across several European Union countries. This will enable the creation of technology companies in under 48 hours, access to pan-European funding and the establishment of a regulatory framework that supports the scaling up of projects with potential for growth, wealth creation and quality employment.

03 Spain to Start

03 SPAIN TO START

GEOGRAPHICAL AND GEOPOLITICAL CONTEXT

Due to its geographical location, Spain can be considered one of Europe's strategic hubs. Occupying 80% of the Iberian Peninsula, its position between the Atlantic Ocean, the Mediterranean Sea and the Strait of Gibraltar gives it a key role as a natural bridge between Europe, Africa and the Americas. The country is characterised by its climatic, ecological and productive diversity.

Spain's geographical location offers significant business advantages:

It acts as a gateway to the European Union, a bridge to North Africa and a route to Latin America thanks to its historical ties and language.

It has a high-quality port network, with 46 ports, three of which (Valencia, Algeciras and Barcelona) are among the ten ports with the highest container traffic in Europe.

Its air connectivity is excellent, with 48 public airports connected to around 90 countries, six of which are among the 30 busiest in the EU.

Its varied climates and soils support a wide range of agricultural, energy, technology and logistics industries.

The new network of next-generation submarine cables offers Spain the opportunity to become a key hub for data flows between Africa, the Americas, Europe and the Middle East.

From a geopolitical perspective, the Spanish State has internationally recognised official borders and a number of bodies responsible for self-government.

The 1978 Constitution is the supreme law of the Spanish legal system and forms the core of the political system. This Constitution defines Spain as an indissoluble nation, guaranteeing the right to autonomy for the nationalities and regions that comprise it. The political form of the Spanish State is a parliamentary monarchy.

The territorial organisation of Spain consists of 17 autonomous communities and two autonomous cities.

Spain has been a member of the European Union since 1986.

INTERNATIONAL CONNECTIONS

Agreements and projects with the EU

Trade agreements

As a member of the EU, Spain participates in all the trade agreements signed in recent years with strategic countries and regions. Some of the most notable are:


Japan


Canada


South Korea


Singapore


Vietnam


United Kingdom (post-Brexit)


Switzerland


Kenya


India (signed in January 2026)

Generally speaking, these agreements aim to reduce or eliminate tariffs, open up industrial sectors, improve access to markets and public procurement, and, in general, **promote trade relations between companies based in the EU and those in these countries**. Specifically, these agreements cover more than 40% of Spanish trade.

European innovation programmes

Spain participates in various European programmes and initiatives aimed at promoting innovation, R&D and industry. Some of these programmes are:

Horizon Europe (2021–2027)

This is the European Union's framework programme for research and innovation and is positioned as the key instrument for implementing the EU's R&D&I policies. Its overall objective is to achieve, within the established timeframe, a scientific, technological and social impact from EU investment in research and innovation, strengthening its scientific and technological foundations and fostering the competitiveness of all Member States. It is structured around three pillars:

Pillar 1. Excellent science. It funds research projects designed and led by researchers, supports their professional development and invests in improving transnational access to research infrastructures worldwide.

Pillar 2. Global challenges and european industrial competitiveness. It funds research and strengthens technological capabilities in projects addressing major global challenges (health, climate change, renewable energy, mobility, etc.). It supports the creation of partnerships between Member States and industry to work together on research and innovation.

Pillar 3. Innovative Europe. Aims to make Europe a leading force in and the growth of innovative SMEs.

European innovation missions. This is an initiative included in Horizon Europe that proposes a new way of implementing R&D&I, with a social and economic impact in areas of interest to EU countries and their citizens. Currently, the missions cover five main areas:

- Cancer.
- Adaptation to climate change, including social transformation.
- Water and oceans.
- Smart and climate-neutral cities.
- Soil health and food.

Led and coordinated by the CDTI, Spanish participation in the Horizon Europe programme comprises universities, technology centres and companies.

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European Green Deal

The European Green Deal aims to transform the EU into a modern, resource-efficient and competitive economy, ensuring:

- Net-zero greenhouse gas emissions by 2050.
- Decoupling economic growth from resource use.
- No one and no place should be left behind.

The European Climate Law, launched under the Green Deal, includes a target of at least a 55% reduction in emissions by 2030, as a starting point for achieving climate neutrality.

Projects of Common European Interest (IPCEI)

Aimed at promoting large-scale projects in key technological and productive sectors, driving innovation, sustainability and job creation. A minimum of four Member States may decide to support, with public aid, initiatives that combine research, development and industrial deployment in key areas.

European Institute of Innovation and Technology (EIT)

This is an EU body that aims to strengthen countries' innovation capacity by bringing together educational institutions, businesses and research centres to find solutions to pressing global challenges.

Digital Europe Programme

This is a financial instrument designed to drive the digitalisation of the economy and society, bringing digital technology to businesses and citizens.

Connecting Europe Facility (CEF)

This is a funding instrument designed to accelerate investment in the field of trans-European networks. It aims to facilitate cross-border connections between countries through modern, high-performance, multimodal infrastructure in the digital, transport and energy sectors.

Agreements and projects with Latin America

Trade agreements

Within the EU framework, Spain has the following trade agreements with Latin American countries:

Mexico (under review)

Chile (pending ratification)

Andean Community (Colombia, Peru, Ecuador)

Central America (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama)

In January 2026, the EU ratified the **agreement with Mercosur** (Brazil, Argentina, Uruguay, Paraguay), which aims to create one of the world's largest free trade areas, opening up a market of 750 million people.

Furthermore, Spain has agreements with virtually all Latin American countries for the reciprocal promotion and protection of investments, tax treaties to avoid double taxation, as well as bilateral joint committees for dialogue and economic cooperation. It also maintains various bilateral strategic partnerships covering areas such as energy, infrastructure and strategic industrial sectors.

Agreements and programmes on innovation, R&D and industry

Spain has agreements and frameworks for collaboration with Latin American institutions in the fields of innovation, R&D and industry, as well as mechanisms for technical and industrial cooperation.

Bilateral agreements

Spain maintains bilateral programmes to promote innovation with Brazil, Argentina, Chile, Mexico, Colombia, Peru and Uruguay. Generally, these are agreements focused on R&D, technology transfer, support for innovative companies and researcher mobility. Some are promoted by or involve Spanish bodies such as the CSIC, the Ministry of Science, Innovation and Universities or the CDTI.

Multilateral programmes

Spain participates in several multilateral programmes to promote innovation and technological development in Latin America:

Triangular Cooperation Programme (AECID)

The Spanish Agency for International Development Cooperation (AECID) promotes and designs the Triangular Cooperation Programme for Latin America and the Caribbean. Its aim is to foster partnerships in this region to advance the achievement of the SDGs, with innovation as the driving force for development and facilitating the transfer of knowledge.

Spain-Latam Scale-Up

Launched by ICEX-Invest in Spain and IDB Lab, in collaboration with Endeavor Spain, this programme is designed to drive the growth and expansion of Latin American start-ups in the Spanish and European markets.

Cyted

Spain participates in Cyted, the Ibero-American Programme for Science and Technology for Development, created to promote cooperation in science, technology and innovation for the continent's development. Since its creation in 1984, more than 28,000 Ibero-American entrepreneurs, researchers and experts have participated in this programme.

Ibero-American General Secretariat

Madrid is the headquarters of the Ibero-American General Secretariat, an institution created in 2003 to channel and monitor cooperation in a wide range of fields between Ibero-American countries and those of the Iberian Peninsula. Among other initiatives, it promotes academic mobility, research networks and technological innovation projects.

Agreements and projects with North Africa

As a member of the EU, Spain is party to all the trade agreements signed in recent years with strategic countries and regions. Some of the most notable are:

Spain-Africa Strategy 2025-2028

With a particular focus on North African countries, this strategy sets out objectives and lines of action to boost cooperation and economic development. It proposes promoting the presence of Spanish companies in infrastructure, energy and technology; strengthening collaboration in mobility, logistics, digitalisation and climate change; apart from channelling investment and business projects towards the African continent.

Horizon Africa

Promoted by the Ministry of Industry, Trade and Tourism, this strategy was launched in 2020 to support the internationalisation of Spanish companies in Africa and to drive the economic and sustainable development of the African continent. It includes funding for business projects in these countries, prioritising sectors such as energy, infrastructure, digitalisation and industry.

In addition, Spain has bilateral agreements with the following countries:

Morocco. By 2025, 14 cooperation agreements have been established with this country in the fields of agriculture, fisheries, education and economic cooperation, amongst other areas.

Through the CDTI, they also maintain a bilateral programme on energy transition, with calls for proposals for projects in renewable energy, green hydrogen, desalination and clean technologies.

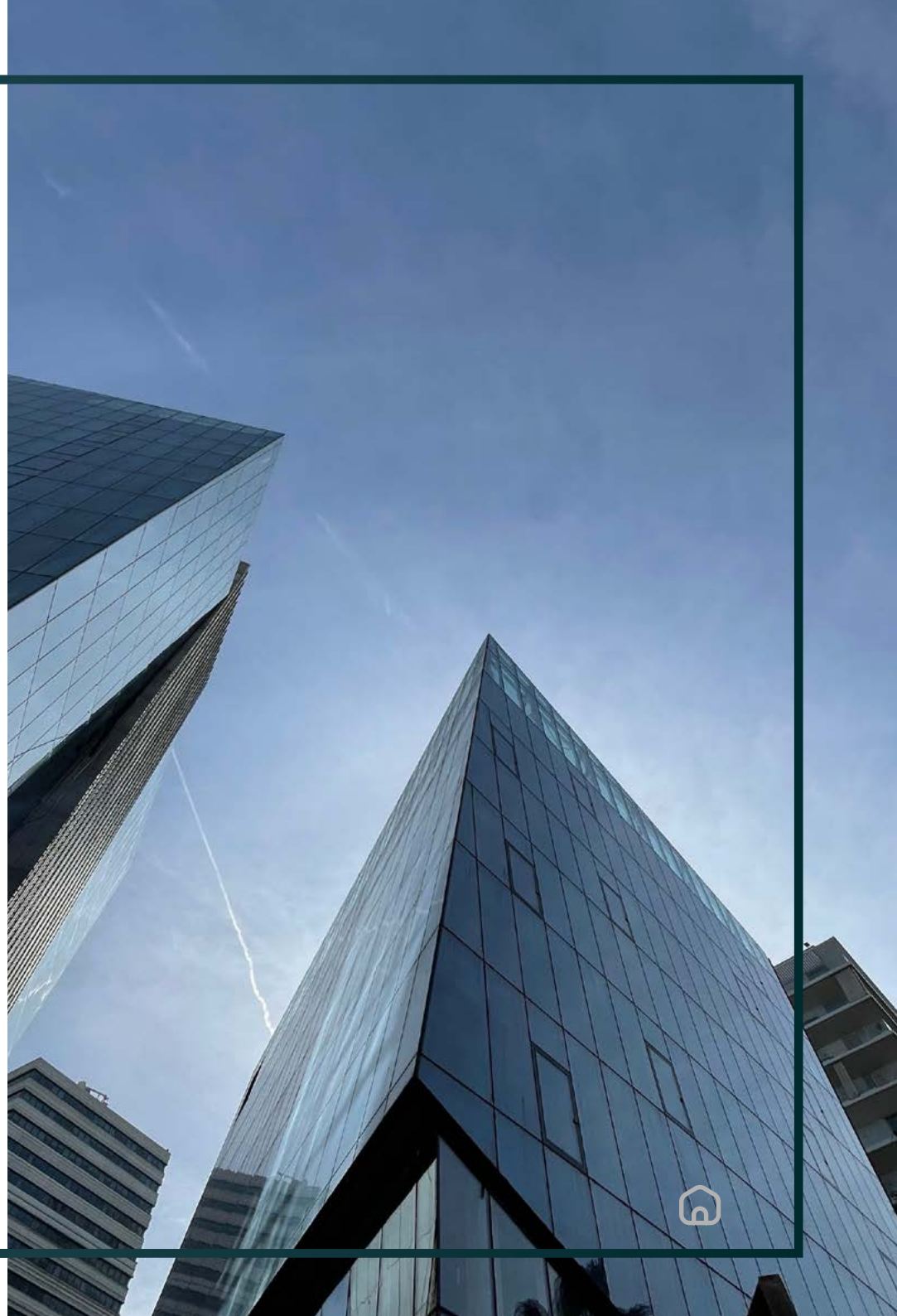
Furthermore, both countries are working together on the construction of a transcontinental solar grid that will connect Morocco with southern Europe.

Algeria. Spain has long-standing agreements relating to natural gas and in the field of investment and industrial cooperation.

Tunisia. Within the framework of the Spain-In Africa, cooperation with this country takes the form of projects in infrastructure, energy and digitalisation.

Mauritania. Agreements with this country cover fisheries, sustainable development and natural resource management.

Egypt. Spain has a technological cooperation agreement with this country, promoted by the CDTI. Through its calls for proposals, it funds business R&D projects between Spanish and Egyptian companies in priority areas such as sustainable agriculture, water, health, renewable energy, the environment, transport and pharmaceuticals, amongst others.



Global science, research and technology networks

Spain actively participates in several of the main global science, research and technology networks, primarily through bodies such as the Ministry of Science, Innovation and Universities, the CSIC, the State Research Agency (AEI) and the CDTI. The following are particularly noteworthy:

Eureka

This is an intergovernmental initiative supporting cooperative R&D&I at European level, whose aim is to boost the competitiveness of European companies by promoting technological projects geared towards the development of products, processes and/or services with clear commercial potential in the international market and based on innovative technologies.

Iberoeka

This is the Latin American counterpart to Eureka, facilitating technology and R&D projects between Spain and Latin America.

European Research Area (ERA)

Its aim is to strengthen the European landscape for research and innovation by fostering cooperation. In 2020, it underwent a major overhaul with the aim of creating a more tangible and impactful common research area for researchers, innovators and citizens in general. Spain participates in the ERA through the CSIC and the AEI, as well as universities and technology centres.

International sectoral technology platforms:

- Energy: Technological Collaboration Programme (IEA), Clean Energy Ministerial.
- Health: Innovative Medicines Initiative (IMI).
- Space: ESA, EUMETSAT.
- Industry 4.0: Alliance for AI, IoT and Edge Continuum Innovation (AIOTI), Big Data Value Association (BDVA).
- Physics and Astronomy: CERN, ESRF, FAIR, XFEL, ILL, ESO, ITER.
- Water, agriculture and the agri-food chain: PRIMA.

Ibero-American Networks

The Ibero-American University Postgraduate Association (AUIP) and RedCLARA, amongst others, promote innovation and collaboration between Spain and Latin America.

CDTI's International Network

The mission of the CDTI's Network of International Delegations is to strengthen the competitiveness and positioning of Spanish companies with proprietary technologies on the international stage. It has international offices, known as CDTI-SOST (Spanish Office for Science and Technology), in 10 countries (Japan, South Korea, China, India, the United States, Morocco, Chile, Brazil, Mexico and Belgium), which provide coverage for a total of 51 countries worldwide.

04 They Chose Spain

HP AI Innovation Hub: from Sant Cugat to the World

Launched in 2025 at the HP campus in Sant Cugat del Vallès (Barcelona), the **HP AI Innovation Hub** is the company's initiative to make artificial intelligence a cross-cutting driver of innovation, from Spain to the world.

The project has been developed progressively, beginning with the creation of a multidisciplinary team and a shared coordination model to drive AI across the company.

Building on this foundation, the AI Hub has launched initiatives targeting key business areas, such as improving print workflows, automating construction processes, and developing new 3D creation capabilities. This evolution now makes it possible to scale solutions across the entire organisation, connecting up to 14 business units. The Hub now brings together **more than 200 professionals and is led from Barcelona** in collaboration with other HP centres in Spain, reinforcing the campus's role as a global hub for innovation in artificial intelligence.

For HP, the strategic value is twofold: it accelerates product development and enables the 'industrialisation' of AI in devices, software and services, with a responsible approach that prioritises **trust, security and efficiency**.

For the region, the Hub expands high-skilled employment and strengthens the knowledge ecosystem through collaboration with universities, technology centres and partners. It builds on an already established foundation: the HP Barcelona centre has over **2,600 employees**, registers **more than 150 patents** a year and maintains a strong connection with young talent, with more than 300 students taking part in training and internship programmes.

Recent highlights on the campus include the opening of the **La Masia Experience Design Centre (2023), the Customer Welcome Centre (2024)** and, now, the launch of the AI Innovation Hub to coincide with the centre's **40th anniversary**, the birthplace of innovations such as **HP Latex, HP Multi Jet Fusion and HP SitePrint.**

Alstom in Santa Perpètua: an international strategic asset

Alstom chose Spain more than three decades ago to establish as the location for a major industrial centre for the manufacture of rolling stock in **Santa Perpètua** (Barcelona), with the capacity to produce all types of trains.

The plant was opened in 1994 and builds on a long tradition in the railway industry: its origins date back to the century-old legacy of La Maquinista Terrestre y Marítima and Macosa, which were integrated into Alstom at the end of the 20th century.

With the aim of becoming a national and international centre of excellence, the opening of this plant marked the start of a new era in the Spanish railway sector. Today, covering an area of over **360,000 m²** and employing more than **1,000 people**, the factory encompasses all stages of train development and manufacture: engineering, industrialisation, welding, assembly, dynamic testing and final validation. In recent years, the centre has also driven an ambitious growth programme, which includes the application of the latest digital and automation technologies to design and build the trains of the future, the development of human capital, and the creation of new production lines with a strong focus on sustainability. Innovation is key to this expansion plan and growth, with pioneering projects in the sector, such as the automation of operations or the incorporation of new manufacturing techniques.

For Alstom, the Santa Perpètua factory represents a strategic international asset, with **an annual average of €187 million in exports.** For Catalonia, it acts as a key force, generating quality employment and fostering a robust industrial base: more than 320 Catalan suppliers work for the Alstom Group, many of whom have expanded internationally thanks to this partnership. The centre's presence is further strengthened by its **cooperation with universities, vocational training centres** and local social organisations.

From Santa Perpètua, flagship railway projects have been developed for both Spain and the rest of the world. Internationally, highlights include —among more than 24 projects— the **metros in Singapore, London and Panama;** the new commuter trains for Chile; the tram networks in Algeria, Morocco, Dubai and Sydney; and Luxembourg's most modern fleet of regional trains. Nationally, the vast majority of Alstom trains operating in Spain have been manufactured in Santa Perpètua: high-speed trains, commuter trains, metros, trams and regional trains.

Spain, a strategic driver of global innovation at Pfizer

Over its 70-year history, Pfizer's presence in Spain has undergone a profound transformation, evolving from a commercial and industrial role into a strategic pillar of its global R&D network. This leadership is reflected in Spain's position as **the country with the second-highest number of the company's clinical trials worldwide**, with 117 active trials, and as a key player in research outside the United States.

At the same time, the company has established a highly specialised production capacity in Spain, centred on the **biotechnology plant in San Sebastián de los Reyes**. This global benchmark, which exports 95% of its production to more than 70 countries, has seen its strategic role strengthened thanks to a recent investment of 100 million euros to modernise it with state-of-the-art technology.

This combination of excellence in research and production is underpinned by investment of **over €60 million in R&D&I**, which is driving a pipeline of 61 molecules in development and has enabled the participation of over 5,165 patients in trials. Innovation is further enhanced by close collaboration with around 795 research centres, a partnership that has increased the number of clinical studies by more than 34% since 2021.

This innovative ecosystem is made possible by local talent: a team of **1,131 professionals in Spain**, of whom over 59% are women, reflecting leadership in the pharmaceutical sector, and more than 110 people are dedicated exclusively to R&D. Spain is thus a strategic partner that helps drive the science transforming the lives of patients worldwide.

Adecco Group: reindustrialisation projects

Spain is moving towards a more robust and sustainable economic model, in which **reindustrialisation and regional revitalisation** play a key role in boosting competitiveness, attracting investment and creating quality jobs. In this context, the Adecco Group, through LHH, promotes projects that transform situations of industrial restructuring into opportunities for economic development.

When an industrial plant ceases or closes its activity, the impact on the local area can be significant. Reindustrialisation plans make it possible to reactivate assets, **new investors to be attracted and new productive activities to be generated**, aligned with sectors offering higher added value, such as advanced industry or the energy transition, whilst also contributing to regional balance.

One example is the case of Valladolid (2024), where the closure of the Bimbo plant led to a reindustrialisation process led by LHH, making it possible to enhance the value of the facilities, attract new industrial projects and facilitate the transition of part of the workforce into new opportunities in the region.

In Basauri (2025), Bridgestone's revitalisation plan addressed production adjustments by attracting investment, diversifying industrial activity and developing training and outplacement programmes, helping to maintain employment and strengthen the local economic fabric.

These projects add value both to companies — by preserving their reputation and facilitating orderly processes — and to the regions, by **maintaining and creating jobs, attracting productive investment and strengthening social cohesion**.

Over the last six years, LHH —with a **market** share of more than **70% in Spain**— has led **21 processes of reindustrialisation**, contributing to the **conversion or creation of more than 2,500 jobs** and the mobilisation of more than **€300 million** in investment across the regions concerned. These results position LHH as a **strategic partner for investors**, capable of identifying opportunities, facilitating the implementation of new industrial projects and supporting complex processes with reliability, efficiency and a long-term vision. Reindustrialisation is thus established as a key driver of sustainability, preserving jobs, revitalising regions and generating a lasting positive impact on staff and the economy.

Ericsson in Spain: a century of innovation

Ericsson has been part of Spain's digital and industrial fabric for over 100 years. Today, it is one of the country's leading technology partners, creating value through talent, driving research and development, and helping Spanish operators deliver world-class networks. Over the decades, Ericsson has been at the forefront of every major mobile technology shift in Spain – from 2G to 5G – helping to lay the foundations for a more connected and innovative society.

Spain is home to two of Ericsson's global research and development centres, located in Madrid and Málaga. Together, they employ nearly **1,000 engineers and researchers**, developing cutting-edge innovations that shape the networks of today and tomorrow.

These teams support 380 operators worldwide, serving up to **3 billion users**; they have contributed to thousands of patents granted globally and are actively helping to shape global standards.

The **R&D centre in Málaga** drives research into artificial intelligence and cognitive software, pioneering new ways to automate, manage and optimise mobile networks.

For its part, the **R&D centre in Madrid** is leading the development of Ericsson's global 5G core network functions and has been at the forefront of innovation for 40 years. This centre is also working on the research, specification and development of future 6G technology. Among its milestones, it launched Spain's first master's degree in 5G technologies in collaboration with Carlos III University of Madrid; it has been a founding member of **Nextonic**, Spain's leading open innovation laboratory, since 2015; furthermore, over the last decade it has participated in and led numerous **R&D programmes and projects at national and international level**, ranging from key 5G consortia to early 6G research, spearheading technological and application-oriented activities.

ArcelorMittal Asturias: integration of research and the industrial ecosystem

At ArcelorMittal's plant in Gijón, Asturias, the company completed a **strategic project** in 2024 to reduce fugitive emissions from the Sinter A cooler, a key milestone in its commitment to more sustainable steel production. In the sintering process, iron ore fines are mixed with other materials, such as quicklime and coke or anthracite fines, which are heated in order to agglomerate them before being sent to the blast furnaces as the main raw material alongside coke.

This initiative is the result of an innovation journey that began in 2021 with an **ambitious R&D programme** aimed at gaining a detailed understanding of the origin and behaviour of emissions generated during the sinter cooling stage, one of the most critical stages in terms of particle dispersion.

Between 2021 and 2022, advanced characterisation studies, analyses of technological alternatives and the design of integrated solutions for the steelmaking process were carried out. This work enabled the identification of the areas with the greatest impact and the formulation of robust recommendations for industrial implementation in Asturias.

From 2022 onwards, the industrial project was implemented, culminating in the installation of **an innovative solution based on the use of artificial intelligence** to monitor and precisely locate emission sources. Thanks to this technology, it was possible to design specific hoods and covers, as well as to install new extraction ducts, refurbish existing ones and reroute the airflows towards a refurbished filtration station, optimising efficiency between the new bag filter and the previous one.

The assessment carried out in 2024 confirmed an exceptional result: a 98.8% reduction in fugitive emissions from the Sinter A cooler, representing a significant step forward for both the Company and the environment, reinforcing **ArcelorMittal's commitment to responsible steel production**. This project exemplifies how research integrates with the industrial ecosystem and multidisciplinary teams to transform complex industrial processes and generate real, measurable environmental benefits.

IBM-Euskadi Quantum Computing Centre

The IBM-Euskadi Quantum Computing Centre was launched in 2023 through a collaboration between IBM and **the Basque Quantum** (BasQ) initiative of the Basque Government. The programme is based on four intrinsically interrelated pillars.

The first is the quantum computing technology infrastructure, featuring **IBM's first quantum computer in Europe**, equipped with a 156-qubit IBM Quantum Heron processor, located in San Sebastián, and with significant advances in the integration of quantum and classical supercomputing.

The second is **scientific and technological progress** in fields such as materials science and high-energy physics. With world-leading milestones, such as the breakthrough recently published in Nature Communications, achieved by Basque Quantum and IBM, which has demonstrated the existence of two-dimensional discrete time crystals using the actual quantum computer of the IBM Quantum System Two, opening up new avenues in the study of quantum matter outside thermal equilibrium. The research is being carried out jointly by scientific institutions in the Basque Country and IBM Research.

The third is the creation and promotion of a talent community that has trained **more than 500 professionals in quantum technologies** through various training programmes.

And, finally, the strategic impact on the region's technological and economic development, through the consolidation of **an open innovation community**, which is already working with more than 20 research and innovation centres and over 30 companies.

Furthermore, the BasQ initiative is looking to the future by building on IBM's roadmap, which has already been defined to deliver fault-tolerant quantum systems by around 2029, enabling a broader cross-cutting impact on industry and social welfare. This development will make it possible to create larger-scale and more complex quantum applications, opening the door to solving problems that are currently beyond the reach of conventional approaches.

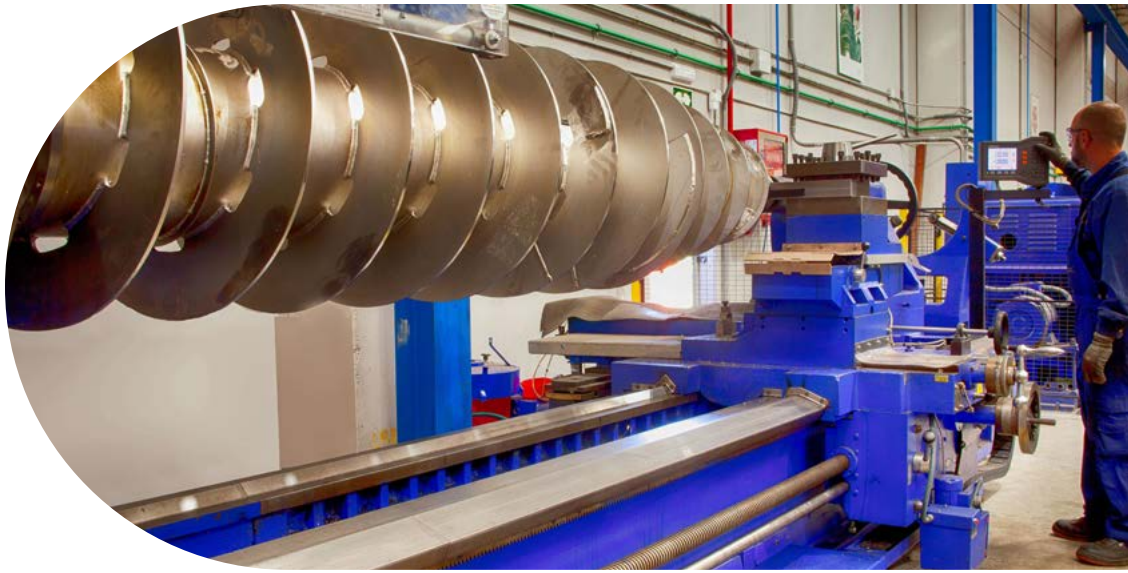
Alfa Laval, global service and projects from Algete (Madrid)

Present in Spain since 1958, Alfa Laval is a Swedish multinational that develops solutions based on heat exchange, separation and fluid handling technologies, contributing to sustainable development in four key areas: **energy efficiency, clean energy, sustainable food and circularity**. The company operates across three main divisions: energy, food and pharmaceuticals, and the marine industry.

Alfa Laval opened its **Service Centre** in Madrid in 1994; since 2017, it has been based in Algete, in modern, sustainable facilities featuring automated processes and equipped with the latest technologies. The centre currently employs 18 staff, most of whom have highly specialised technical profiles.

From this facility in Algete, Alfa Laval serves **more than 300 national and international customers** across southern Europe and North Africa. It also provides technical support for other countries or international projects within the company's global network. It is also part of the DryDock programme, which serves ships flying national and international flags calling at ports across the Iberian Peninsula, being one of the five DryDock hubs that Alfa Laval has worldwide.

The strategic value of this centre for the company lies in strengthening customer proximity and loyalty, reducing industrial downtime and generating **local technical expertise aligned with international standards.** It also reinforces the company's competitiveness in service contracts and its global strategy as a pillar of the group's sustainable growth. It contributes to sustainability in terms of electricity consumption, paperless operations and water reuse, and also fosters an environment of diversity and inclusion as part of Alfa Laval's commitment.



Deloitte ECC: the epicentre of digital resilience in Europe

The Deloitte EMEA Cybersphere Centre (ECC), based in Madrid, has established itself as **one of Europe's leading hubs for cybersecurity innovation**. Opened in 2019, this centre represents Deloitte's global commitment to strengthening the digital security of businesses, institutions and international organisations in an increasingly demanding and complex environment.

The ECC is home to **more than 800 experts from 14 countries**, forming part of an ecosystem of 1,600 cybersecurity professionals in Spain. From this centre, thousands of daily alerts are managed 24 hours a day, 7 days a week, with average detection and response times of less than 30 minutes for critical incidents. As a result, Deloitte is the leading provider in cybersecurity services in the Spanish market and is one of the leading players in Europe.

Alongside its role as an operations centre, the ECC serves **as a laboratory for applied and continuous innovation**, where advanced solutions in cyber intelligence, automation and threat response are developed and tested. Simulations of cyberattacks on critical infrastructure — energy, transport, smart cities, hospitals or medical devices — enable risks to be anticipated and defence strategies, based on artificial intelligence, to be tailored to each specific need. In cyber-range and digital twin environments, highly critical scenarios are recreated by integrating IT and OT environments to simulate sophisticated attacks in real time.

These capabilities enable not only the anticipation of emerging threat vectors, but also the training of artificial intelligence and predictive analytics models that optimise early detection, risk prioritisation and the automatic orchestration of the response.

Furthermore, the centre acts as **a magnet for talent and knowledge**, driving advanced training programmes and collaborations with universities and public bodies. The impact of this model represents a new paradigm of global collaboration that has transcended borders, such as the **global agreement between Deloitte and the International Olympic Committee** on digital security.

05

Why Innovation

05 WHY INNOVATION

Innovation is one of the driving forces behind societies and the best way to respond to economic, social and environmental challenges. It has a multiplier effect that cuts across the economy, industry, education and employment.

According to various studies, every euro invested in R&D&I generates between 1.6 and 3 euros in terms of benefits to the economy, the state and society.

More innovation translates into:

01 **Better public services** in general: from efficient transport to digital administration, a more streamlined justice system, and the management of natural, historical and cultural heritage…

02 **A more modern, effective and resilient healthcare system**. In addition to the advances made through research, it enables improvements in healthcare and in strategies for the prevention and treatment of diseases.

03 **A sustainable welfare state:** social security, pensions, basic income… public finances will be more solvent and efficient to bear the costs associated with their role.

04 **Rebuilding a modern and competitive industry**, making us more resilient to any potential crisis, strengthens the economy and creates skilled, well-paid jobs.

05 **To build a knowledge-based society,** making better use of the talent we already have, enhancing it and with the potential to become a global source.

06 **More and better jobs.** Various studies within the OECD and across European economies suggest that innovative companies create more and better-quality jobs.

07 Improving the management of terrestrial and marine ecosystems, making the path to decarbonisation viable, increasing food quality or reducing, through the circular economy, material waste and the waste of natural resources… **Innovation is now inseparable from sustainability.**

08 **Demographic, social and economic development,** thanks to projects that revitalise regions and territories, generate industrial heritage and a business fabric, which in turn leads to a growing population and more services.

09 **The launch of new** innovative **projects** that generate wealth and employment and, in turn, greater economic returns, in a virtuous circle that benefits our economy, our society and our image abroad.

10 If we look at the published innovation rankings, the countries at the top are wealthy and prosperous. But they do not innovate more simply because they are wealthy. **They are wealthy because they innovate.**

Investment by international companies and the attraction of major global projects are crucial when it comes to stimulating and driving innovation. It is no coincidence that multinationals account for between 35% and 40% of the R&D carried out in Spain.

Their contribution is key to improving indicators and climbing the rankings of the most innovative countries – that is, the most prosperous countries.

06

Why Spain

06 WHY SPAIN

Salvador Illa i Roca

President of the Government of Catalonia

In a world of accelerating change and growing uncertainty, companies need to establish themselves in reliable countries where they can take advantage of every growth opportunity while reducing risks to a minimum. Today, Catalonia embodies that commitment more than ever.

In just a year and a half, the government I lead has worked to guarantee stability, generate prosperity and **attract major investments in technology and innovation.** We are a benchmark.

We demonstrate this by hosting the Mobile World Congress We demonstrate this by reaching agreements with prestigious institutions such as the Fraunhofer Institute. We demonstrate this by backing innovation hubs across Catalonia: the Agri-food Science and Technology Park in Lleida; Campus Hipra and Campus Trueta in Girona; the candidacy for an artificial intelligence gigafactory in Móra la Nova, Tarragona; and the Besòs Campus, the future Hospital Clínic Campus and the Supercomputing Center in Barcelona.

These are not words, but facts. The European Commission has, for the first time, positioned Catalonia as the most innovative region in Spain.

But we want to keep surpassing our goals. To that end, thanks to the *Catalonia Leads* economic plan, **we will allocate €2 billion to knowledge and innovation** over the next six years.

Today, Catalonia is synonymous with **trust, talent and innovation.** We offer excellent conditions for companies to grow, become competitive and sustainable, and project themselves globally with every guarantee. We are the safe choice.

Juan Manuel Moreno Bonilla

President of the Regional Government of Andalusia

From Andalusia, a land of leadership and cutting-edge innovation. On this occasion, I am delighted to take this opportunity, courtesy of the I+E Innovation Spain Foundation, to greet all the readers of this report, which focuses on promoting the attraction to Spain of companies and projects that drive innovation in our country.

And I do so with great enthusiasm: in Andalusia, as everyone knows, we have created a unique environment in which **innovation has become a strategic pillar of development**. The support that the Regional Government of Andalusia provides to the innovation ecosystem helps companies to grow, create jobs, generate wealth and strengthen the region, just as the entrepreneurship we are promoting in the Andalusian Government translates into new businesses and entrepreneurial activity in our region. Ultimately, this serves to build a better Andalusia, here the network of science and technology parks and our technology centres stand out, and where the strength of the region's **innovation clusters and research groups** is clearly evident.

Our region projects a solid, contemporary and recognisable identity that helps to make Andalusia an **entrepreneurial, dynamic and growing destination**, committed to innovation and technological entrepreneurship. And I refer to the official figures: according to biennial data from the National Statistics Institute published in 2024, business investment in innovation in Andalusia grew by 24%, almost double the figure for Spain as a whole. This leads me to state without fear of contradiction that Andalusia is the ideal place to invest — an invitation I extend to all international companies considering this possibility.

In 2024, Andalusia concluded a six-year period of historic record-breaking performance, with foreign investment totalling €5.026 billion, 54% higher than what had previously been the best six-year period. For this reason, I encourage international companies interested in establishing themselves in our region to do so. They would be coming to a region where **more than 3,000 foreign companies already have a presence across all its provinces,** generating a combined turnover of €36.259 billion in 2024 and employing 88,472 people, according to data from Andalucía Trade.

Among its many attractions for all kinds of projects, Andalusia offers **security, stability, certainty, competitiveness and a positive social climate,** in contrast to a turbulent world of fragile alliances and situations that breed uncertainty. There is no better region for innovation, and we are moving forward to become an ever-greater benchmark in southern Europe. That is why, to the acronym R&D&I, I would add the A for Andalusia. No one can predict the future, but given the signs and challenges already taking shape on the immediate and future horizon, Andalusia's innovative ecosystem **offers opportunities that invite everyone to be part of it.**

Borja Sánchez

Regional Minister for Science, Industry and Employment of the Principality of Asturias

In an international context marked by technological acceleration, global competition for talent and the need to strengthen strategic autonomy, Spain has consolidated itself as a destination of choice for investment in innovation. Today, our country not only offers favourable conditions for business development, but also provides an ecosystem in which **science, technology and public-private collaboration** act as genuine drivers of economic growth and productive transformation.

The work prepared by Fundación I+E Innovación España, together with the Centre for Technological Development and Innovation (CDTI) and ICEX Invest in Spain, confirms a sustained trend: Spain has strengthened its position as an innovative power in southern Europe, **increasing its capacity to attract high-value technology projects** and consolidating a competitive, stable environment aligned with the strategic priorities of the European Union.

Our country offers a mature ecosystem, underpinned by institutional stability, access to highly qualified talent and a first-class network of scientific and technological infrastructure. This is reinforced by an **R&D&I support framework** that combines financial instruments, incentives and a growing culture of public-private collaboration capable of reducing uncertainty and accelerating the arrival of solutions to the market.

In this national context, the Principality of Asturias stands out as an example of smart specialisation and adaptability. The region has been able to **transform its strong industrial tradition into a competitive advantage,** positioning itself in strategic fields such as advanced materials, artificial intelligence, energy, sustainable manufacturing and the aerospace and defence industry.

Asturias offers companies a **compact, agile and highly collaborative ecosystem,** where the close relationship between government, knowledge centres and the productive base accelerates the implementation of innovative projects. The existence of testing environments — genuine technological sandboxes — strengthens this value proposition, enabling the development of disruptive solutions under conditions of safety and efficiency.

To companies currently considering developing innovation projects in Spain, and in Asturias in particular, the message is clear: they will find a region ready to support their initiatives with **strategic vision, resources and commitment.**

Inés Bermejo

Managing Director of HP Iberia and Vice-President of the I+E Foundation

Spain has established itself as a strategic country for HP because it combines a number of factors that, taken together, are hard to find in other markets: skilled talent, strong technological capabilities, an international outlook and an increasingly dynamic ecosystem of collaboration between business, academia and entrepreneurship. This convergence has been key to **driving innovation projects with a global outlook from Spain.** A good example is Sant Cugat, which is now HP's largest R&D centre outside the United States and one of the company's most significant global technology hubs, with more than 3,000 professionals from 64 different nationalities. This is complemented by other leading centres such as León and Valencia, where capabilities continue to be strengthened in areas such as advanced printing, software and artificial intelligence applied to global solutions.

The fact is, that Spain is not just an important market for HP. Above all, it is a **country from which technology is created and exported to the world.** Looking to the future, if we want to continue to attract investment in innovation, it is essential to keep strengthening three key levers:

Talent: we need to continue to strengthen the link between the education system and the skills required by the new digital economy, particularly in STEM subjects and artificial intelligence.

Collaboration: the closer the relationship between businesses, universities, start-ups and institutions, the greater our ability to transform knowledge into real, scalable innovation.

Predictability: innovation requires a long-term vision, stability and environments that support growth. Spain has a very solid foundation; the challenge now is to continue strengthening it with a shared vision that is sustained over time, enabling us to convert that potential into more investment, more technological development and greater global impact.

Nicolás de Abajo

General Manager of ArcelorMittal, global head of the Global Research and Development Centres

Spain's selection as a strategic country for ArcelorMittal's R&D projects and organisation is the result of a convergence of several key factors:

First, Spain has **an excellent talent base**, with universities and vocational training centres that prepare scientists and engineers to a very high standard and foster an interest in innovation beyond traditional research. Talent can be found both in traditional areas and in disciplines experiencing exponential growth, such as artificial intelligence, advanced manufacturing, decarbonisation and new materials.

Second, in our case, there is a very significant **industrial and commercial steel base,** together with highly specialised auxiliary companies. The long steelmaking tradition in regions such as Asturias, the Basque Country and Navarre has made it possible to draw on a very broad base of industrial experience and to rapidly develop industrial or market proofs of concept.

Third, the country and its regions offer an **institutional environment that favours investment in research.** ArcelorMittal particularly values the ability to generate stable alliances between governments, industry, large companies, start-ups and knowledge centres. These favourable conditions made it possible to launch several waves of organic R&D&I investment in Spain in 2008, 2014 and 2018.

Thanks to all this, **our R&D centre in Asturias** is one of the most important in Spain, an **internal benchmark within ArcelorMittal,** with more than 300 researchers, more than 30 laboratories that are distinctive worldwide and an annual budget of more than €40 million.

As for what makes it possible to attract investment in innovative projects in Spain, we believe the decision starts with the fit between the available resources (internal and external, teams and people) and the company's technical strategy as translated into projects. This is achieved through a clear long-term technical vision that makes it possible to **anticipate needs and put the necessary resources in place in time.**

Beyond that, the **proximity and support of public administrations,** both regional and national, are key when launching R&D initiatives. Access to regional, national and European funding programmes, together with the presence of emerging innovation hubs, helps to accelerate high-impact technology projects.

All of this would undoubtedly be helped by much more agile public decision-making; enhancing tax incentives for innovation (for example, aligning them with the French model); measures aimed at consolidating structural innovation and not only project-based incentives; and, in general, requiring a link between productive investment and the creation of knowledge hubs in Spain.

Jorge Barrero

Director of the Cotec Foundation

From Cotec's perspective, Spain is now well placed to host major innovative projects: it offers a skilled workforce, a strong scientific and technological base, competitive infrastructure, access to the European market, and a growing capacity for collaboration between businesses, universities, technology centres and public authorities.

It is a country where **innovation can find not only knowledge, but also partners, scale, a diversity of testing environments and a society open to transformation.**

Furthermore, the recent track record is positive. Spain is closing the gap with the rest of Europe in terms of R&D investment, and its companies and researchers are among the most competitive in securing European research funding, an objective indicator of excellence. **Nearly 40% of Next Generation EU funds have been allocated to science and innovation**, enabling the country to build capabilities and consolidate an ecosystem ready to contribute to the major technological challenges of our time, with a particular focus on areas such as AI, biotechnology and quantum computing.

For international companies considering bringing major innovative projects to Spain, our message is this: **Spain is not only a good place to invest, but also a great country to live in**. Here, innovation can become a competitive advantage, but also a driver of industrial, regional and social impact. Spain offers **stability, capabilities, ambition and a favourable environment** for developing long-term projects.

Francisco González Bree

Lecturer at Deusto Business School and Advantere School of Management, and advisor to Innsomnia Business Accelerator

In the knowledge economy, a country's competitive advantage depends not only on how much it invests in research, but also on its ability to **convert knowledge into applied innovation within dynamic and internationally connected business ecosystems.** In this context, Spain is progressively strengthening its position as an attractive environment for the development of innovative business projects within Europe.

Among its key distinguishing features are **advanced digital infrastructure, high levels of connectivity and growing links between universities, research centres and businesses**, supported by public funding and technological cooperation schemes promoted both at national and European level. This combination facilitates companies' participation in R&D projects and the development of technological initiatives in collaboration with international partners.

Although Spain continues to rank below the European average in terms of R&D investment intensity relative to GDP, it possesses significant strengths in areas such as **technology adoption, the digitalisation of infrastructure and the ability to translate scientific knowledge into the development of business solutions.**

These characteristics are particularly evident in sectors where the country already demonstrates established competitive strengths, such as the **energy transition and renewable energy, advanced infrastructure, biotechnology and healthcare, sustainable mobility and digital technologies.**

Looking ahead to 2030, the advancement of transformative technologies such as **artificial intelligence, advanced computing and immersive environments** is redefining innovation across all productive sectors. In this context, the ability to **adopt, integrate and scale emerging technologies within complex industrial ecosystems** will be just as decisive as inventing them.

Spain is increasingly well placed to play this role within the European ecosystem. Its combination of talent, digital infrastructure, access to the single market and growing collaboration between science and business offers companies **a particularly favourable environment for developing applied innovation with a global impact over the next decade.**

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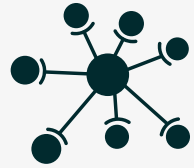

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