

A value- driven Madrid region, a value-driven investment

Madrid region, a value-driven investment

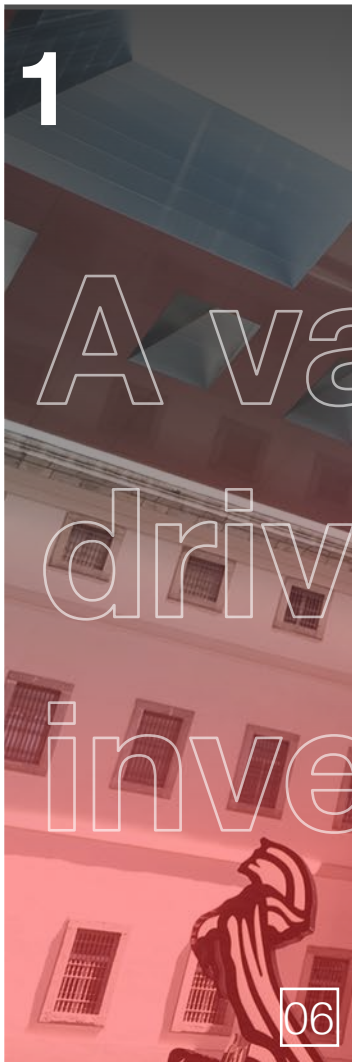
January 2024

This report has been prepared with the information available at the end of December 2023. Although the information and analysis presented in it have been conducted with a high level of diligence, the report is created solely for general informational purposes and should not be considered as accounting, tax, legal, or any other professional advice. Please consult our experts for specific guidance.

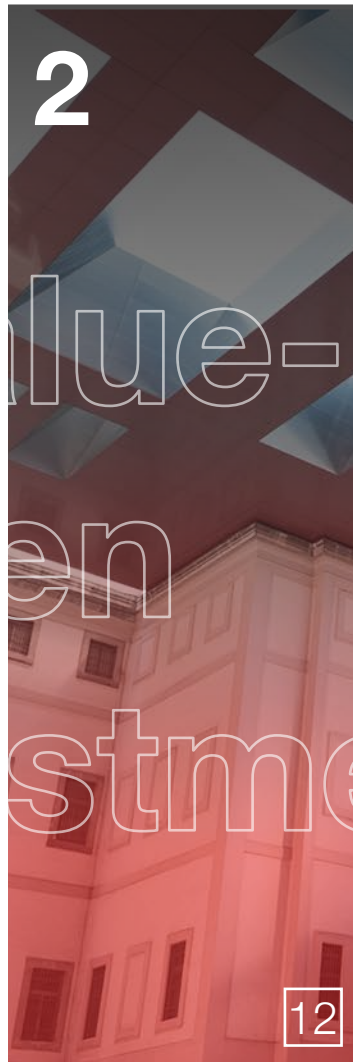
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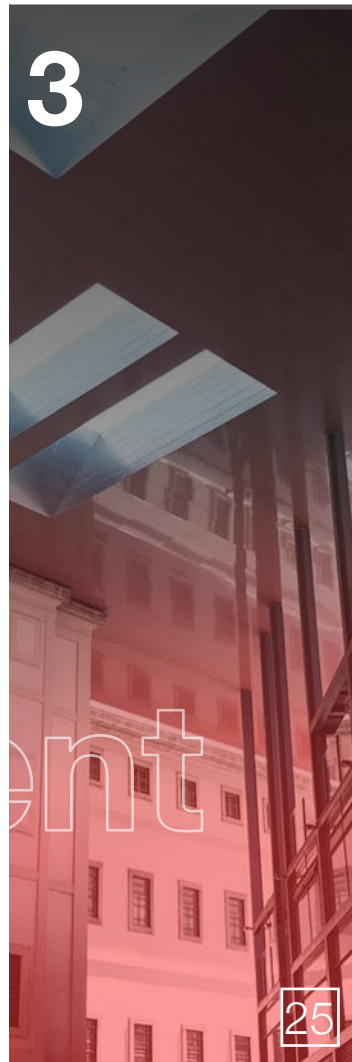




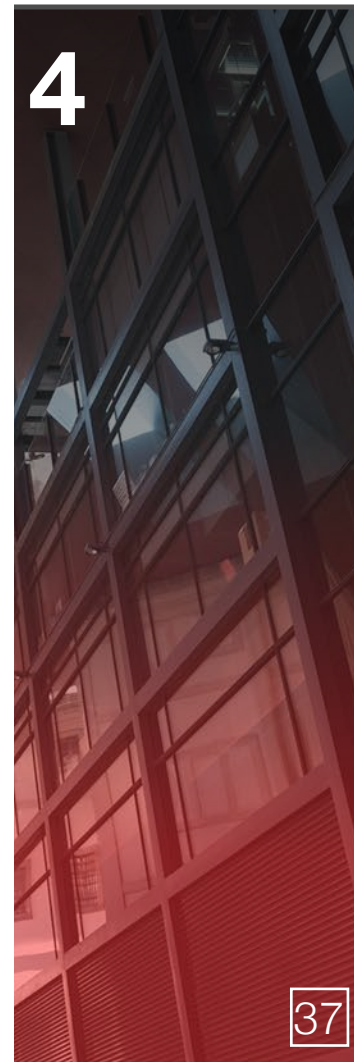
Madrid region: more than just statistics



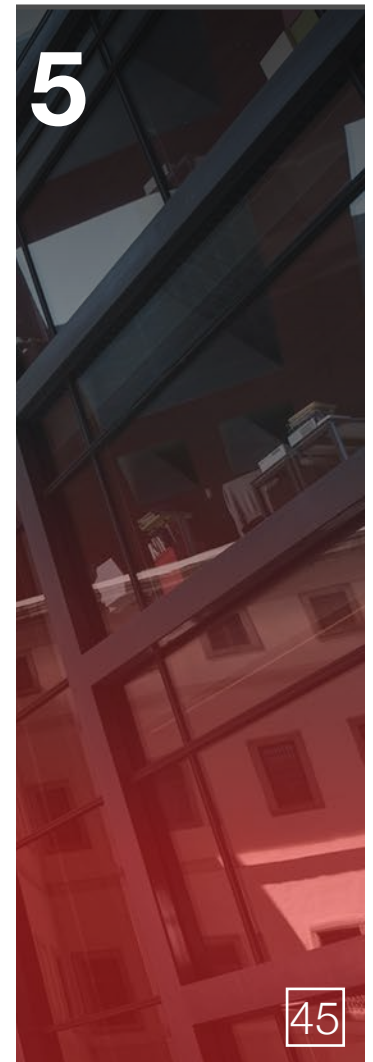
Why invest in the Madrid region?



Investment opportunities



Supporting infrastructure and incentives



Invest in Madrid



Madrid region, a value-driven investment

Rich heritage and a bright future: Madrid today stands as a hub for global opportunities.

In the heart of Spain, the Madrid region emerges as a beacon of opportunities for investors worldwide. An international reference, Madrid is now an open and welcoming region with a robust economy, cutting-edge infrastructure, and a talented and diverse labour market. Its geostrategic position as a gateway between Europe and Latin America also provides an unparalleled strategic platform for business expansion.

The Spanish capital region takes pride in its ability to combine a rich cultural heritage with an ambitious business mindset. This unique balance creates a predictable, dynamic business environment open to innovation and international collaboration, where economic and personal growth go hand in hand. This is supported by a community that values freedom in every aspect of life.

With a thorough understanding of investor needs, the Madrid region has consistently implemented policies for over two decades to promote entrepreneurial freedom. These include a broad range of measures, such as tax incentives and robust legal support, designed to simplify investment processes and ensure security and confidence for investors.

Madrid is an attractive investment hub for companies of all sizes and sectors, from tech start-ups to industrial conglomerates. The region's clear vision is to remain a top destination for foreign investment, offering a fertile ground for diverse businesses.

The Madrid region stands out as more than just an excellent business centre; it is also a secure, stable, and invigorating environment for individuals aspiring to prosper. For investors looking for opportunities in Europe, Madrid is a compelling choice.

Madrid's top ten traits for attracting foreign investment



05

The Madrid region is a major talent hub where creators, entrepreneurs, investors, and top professionals thrive.

The region attracts diverse, multilingual, creative, and hardworking individuals, a result of Madrid's excellent education and the highest concentration of qualified workers in Spain.

08

Fiscal and cost competitiveness in a low-risk European environment.

The interplay of market opportunities, cost-effectiveness, and overall value encourages businesses to explore new horizons.

01

Dynamic market, relentless growth, and a magnet for innovation and creativity.

Madrid warmly embraces global investors, enticed by the vibrancy of its market and a robust R&D&I ecosystem supported by state-of-the-art infrastructure and innovative centres.

03

The Madrid region is a key portal to Latin America and beyond, connecting to global opportunities.

With top-notch physical and digital infrastructure, Madrid stands out in Europe due to its strategic location.

06

An administration that is transparent and accessible to businesses and private initiatives.

The economies of scale derived from a higher national concentration of companies, along with a facilitating government, ensure a profitable investment.

09

Legal stability, institutional resilience, and a reliable administrative framework.

The business-friendly environment features less bureaucracy, lower taxes, increased economic freedom, and strong institutional support.

02

Madrid is open, plural, international, and the world capital of Spanish.

Madrid paves the way to a market of 595 million Spanish-speaking individuals, establishing itself as a key region of influence for businesses targeting Spanish-speaking audience.

04

Madrid is the telecommunications and data hub of Southern Europe.

Madrid's competitiveness and connectivity have propelled it to prominence in the European digital sphere.

07

Madrid is a hub for new businesses, with a thriving and growing ecosystem.

It's increasingly home to local unicorns and major tech companies, making it a preferred destination for entrepreneurs and investors.

10

High quality of life and thriving careers, Madrid's recipe for business success.

Madrid strikes the perfect balance between professional opportunities and an exceptional quality of life. Madrid is not just a place to work; it's a place to live, prosper, and enjoy life to the fullest.

Madrid region: more than just statistics

1

Madrid's statistics tell an incredible story. Madrid is always full of surprises.

Madrid region: more than just statistics

Madrid's statistics tell an incredible story. Madrid is always full of surprises.

I. Geography and climate

Surface area	8,030 square kilometres
Altitude	657 meters above sea level
Climate	Mediterranean climate with an average temperature of 15.3°C
Sunshine	2,710 hours of sunshine per year
Time zone	GMT+1

II. Population

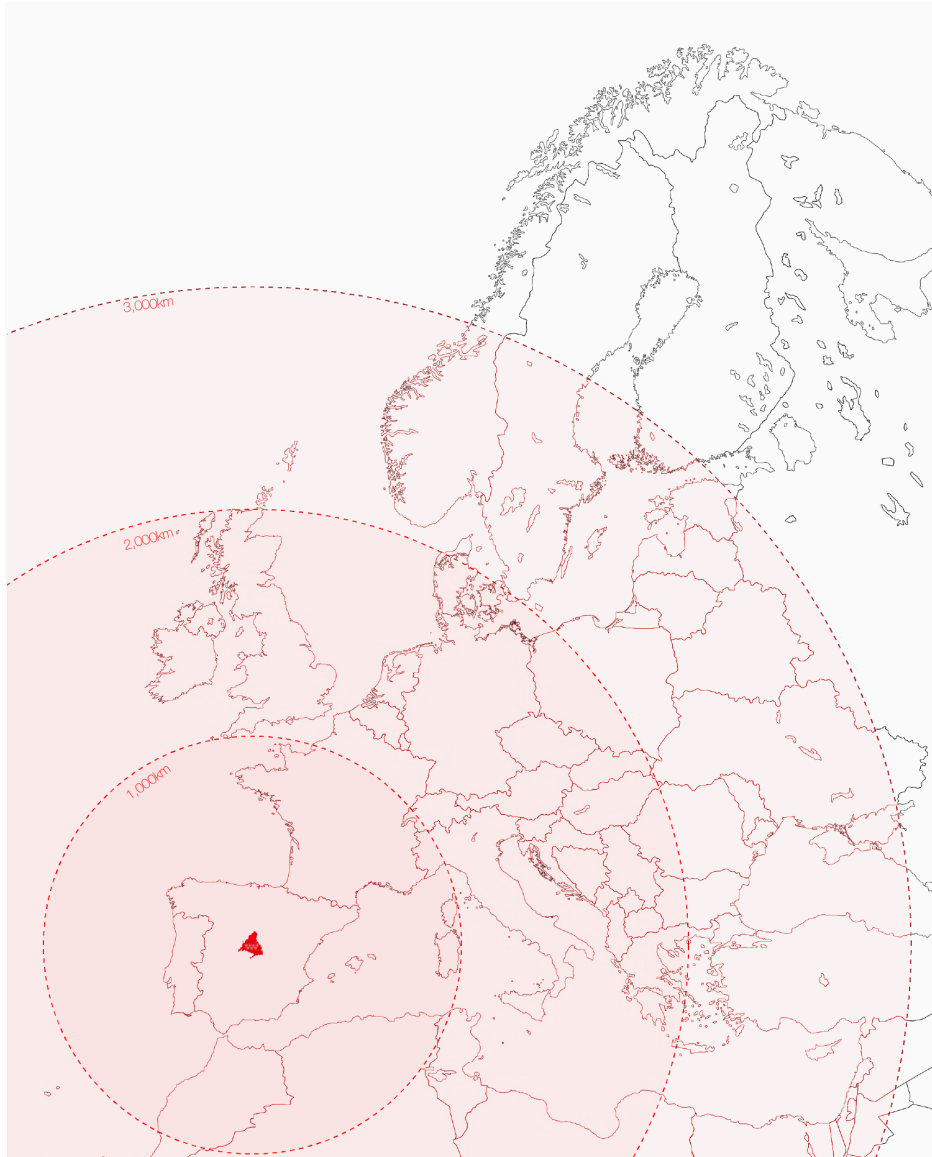
Population	6.86 million (2023) Madrid is the third most populous metropolitan region in Europe
Population density	854 inhabitants per square kilometre
Foreign population	949,969 (14% of the total)
Working-age population	5.8 million
Activity rate	63.3% (Q3-2023)
Life expectancy at birth	84.8 years (Men: 82.1, Women: 87.1) Ranked first in Europe for life expectancy

III. Economy

GDP	€261.71 billion Leading Spanish region, comprising 19.4% of the national total
GDP per capita	€38,435, +8.6% growth in the last year Above the average of the EU-27(32,430€) and the national average (€28,162)
Exports	€59.08 billion in exports +48.2% vs 2021, 22.5% of GDP 15.2% of Spain's total exports
Imports	€110.62 billion in imports +33.4% vs 2021, 47.2% of GDP 24.2% of Spain's total imports
VAT	21% (general rate; reduced rates of 10% and 4%)
Inflation	3.0% (Nov. 2023)
Economic structure	Industry: 9.8% Construction: 5.9% Trade: 24.0% Services: 60.1% (3Q 2023)
Minimum wage	1,080 €/month, or 15,120 €/year (14 payments, 2023)
Average wage cost	€2,702.65 (2Q 2023)
Foreign investment	Flows worth €24.40 billion annually (2018-2022) 71% of the national total Stock of 363.06 billion (68.5% of the total for Spain) 569,948 jobs attributable to FDI
Foreign subsidiaries	14,025 subsidiaries of foreign companies, from more than 100 different countries
Research and Development expenditure	€5.13 billion in internal R&D expenditure 1.96% of GDP, 26.5% of the total for Spain



Madrid region: more than just statistics



IV. Infrastructure

Air connections	International airport with 82 airlines 185 destinations in 67 different countries
Air Traffic	50.6 million passengers in 2022 (+110%) Fifth airport in Europe, third airport in the EU 14.3 million domestic passengers, 36.2 million international passengers 566.4 million kg of goods transported (+8.2% vs. 2021)
Train	37 destinations in Spain served by High-Speed Rail 293 direct train destinations +3,900 km of high-speed rail in operation and 2,700 km in planning and development
Roads	At the centre of a radial system with more than 17,500 km of high-capacity roads
Metro	294 km and 302 stations The Madrid Metro is the fifth-largest network in the world in terms of the number of stations. 1.4 million users per day (442 million per year)

V. Tourism, art and culture

Tourists	17 million visitors, 6 million international visitors. 11.2 million overnight stays by foreigners. €9.62 billion in annual spending 15 commercial zones of tourist interest
Trade fairs and convention centres	IFEMA Best Convention Centre in Europe, according to the World MICE Awards 21,360 companies and 3.7 million visitors in 2022. Hosted 105 trade fairs and congresses, 400 events, and 21 entertainment and music events
Accommodation	1,170 hotels, 119,036 hotel beds (Nov. 2023)
Art and culture	193 museums and art galleries 235 objects of cultural interest 32,770 food and beverage establishments Madrid boasts 36 Michelin stars, awarded to 28 outstanding restaurants throughout the region

VI. Education

Universities	7 public universities, 12 private ones 6 international university centres
University students	323,778 university students
Business Schools	3 business schools in the Top 20 in Europe

Sources: Community of Madrid, INE, AEAT, AEMET, Eurostat, SEPE, AENA, ADIF, Ministry of Universities, IFEMA. All the data used in this report is the most current available at the time of its preparation/review (December 2023)

Madrid region: more than just statistics

Madrid is the top choice for foreign investors. We take pride in our leadership, while the scale is in the hands of the investors.

Over the past five years, the **Madrid region has averaged €24.40 billion in annual gross flows of foreign direct investment (FDI)**, accounting for 71% of the total flows received in Spain.

The **stock of employment** associated with foreign investments in the region reached 569,948 by the end of 2021, making up 18% of the employed population. Madrid has consistently been the leader in this aspect in Spain, contributing to 32% of the country's employment derived from foreign direct investment. This leadership has been maintained since the inception of recorded data.

in 2021, the **investment position or stock** in the region amounted to €363.06 billion, equivalent to 155% of regional GDP. Madrid concentrates 68.5% of the total FDI stock in Spain.

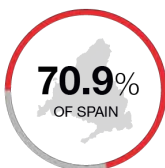
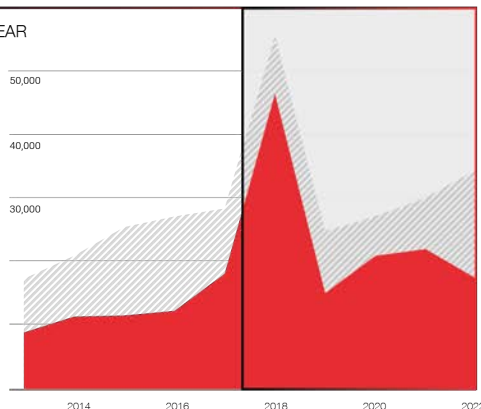
Madrid also leads in **fixed tangible assets**, with €34.39 billion, marking a significant 18% increase compared to 2020.

Source: Investment Registry, December 2023, latest available data

FDI Inflows

24,401

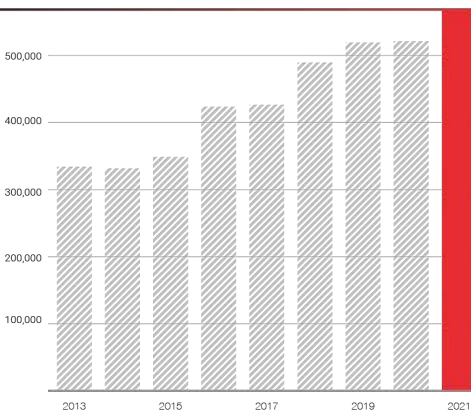
MILLIONS OF € EACH YEAR
(2018-2022)



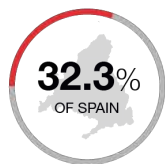
FDI Employment

569,948

WORKERS IN
FDI-RELATED JOBS



18%
of the employed population

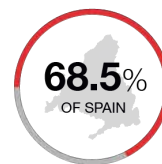
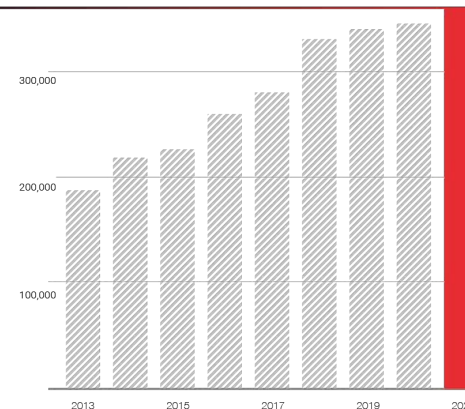


Inward FDI stock

363,063

MILLIONS OF € IN 2021

155%
of the regional GDP



Madrid region: more than just statistics

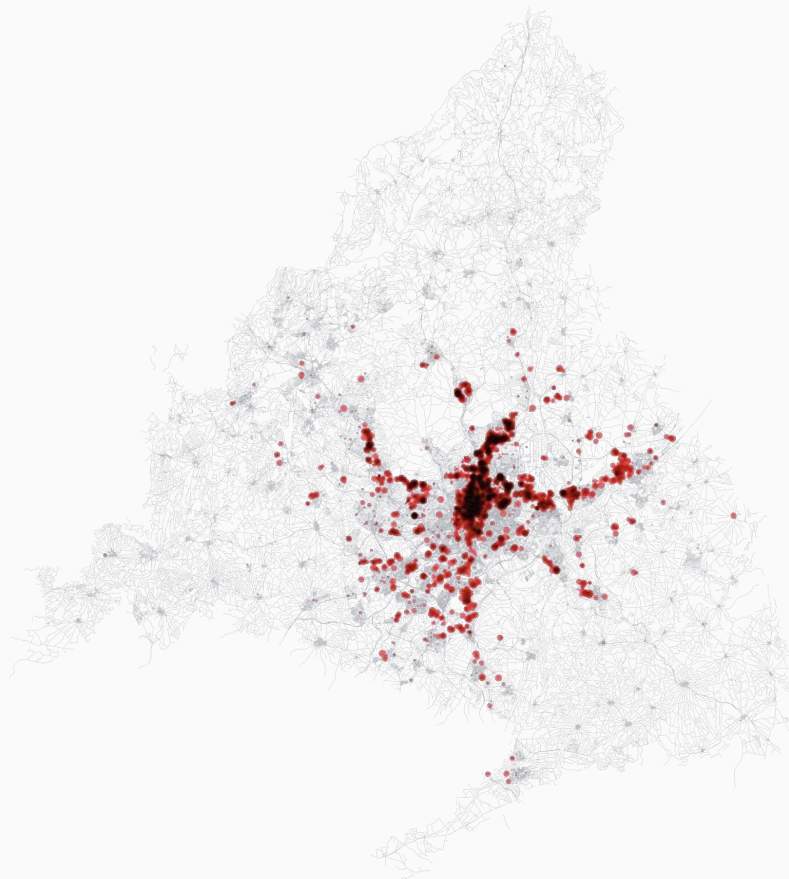
More than 14,000 foreign-owned companies now partake in our success.

These companies have investors from **104 different countries**, with significant contributions from the **United Kingdom** (14.0%), **France** (11.6%), the **United States** (11.3%), **Luxembourg** (9.6%), the **Netherlands** (9.4%), and **Germany** (8.8%).

Together, these businesses **employ over 1.5 million people**.

Last year, they generated a **total revenue exceeding €524.5 billion**.

Map of the location of foreign capital companies in the Community of Madrid



14,000+
Companies

100+
Countries



1.5
Million jobs

524,000+
Millions of € of
turnover



Source: Original content created using SABI data (2023)
Companies with a foreign ultimate owner or with any direct foreign shareholder controlling 10% or more.

Madrid region: more than just statistics

Madrid presents a wealth of opportunities, standing out as a premier destination for cross-border greenfield investment projects in Europe.

In the last few years, there has been a notable increase in the number of announced projects in the Community of Madrid. The count has consistently stayed above 200 projects per year since 2018. In 2023, that figure was exceeded, including projects such as the following:



Celonis, a German tech firm, has selected Madrid to launch a local hub because of its appeal for tech talent. This **center** boasts a workforce of more than 500 professionals from diverse corners of the globe.



Ryanair bets on Madrid: it will allocate 100 million for the largest **training center for pilots and cabin crew** in southern Europe, with plans for future expansion to attract engineers.



The Swiss giant in dental implants and dentistry, Straumann, will establish its **European hub in Madrid**.



The German multinational **GFT** establishes its **AI, cloud and cybersecurity centres** in Spain; it plans to create 500 jobs in Spain and strengthen its centres of excellence.



EY Spain is doubling down on its commitment to artificial intelligence with the establishment of a specialized team in **Responsible Artificial Intelligence (RAI)**. Since 2017, it has had an Artificial Intelligence Centre in Madrid with over 100 specialists.



Danish pharmaceutical company Novo Nordisk, the largest publicly traded European company responsible for the famous obesity drug, will bring its **technology headquarters** to Madrid to operate globally.



The American privacy and security company **OneTrust** will establish its new **international digital hub** serving other countries in Europe, the Middle East, Africa, and Latin America.



Apple, with over 2,000 direct employees in Spain, will launch a new **engineering center** in Madrid.



Worldwide Flight Services (WFS), a member of the SATS Group, will open a **fifth handling terminal** at Adolfo Suárez Madrid-Barajas Airport.



The Bosch Group is inaugurating a **training center** in Madrid for HVAC professionals.



IBM is launching its new **Cloud Region** in Madrid, consisting of three data centres (Madrid city, Alcobendas, and Las Rozas) operating in synchronization.



Siemens is relocating to Madrid and investing 160 million in a **new campus**, a benchmark in the city as an intelligent, digital, and carbon-neutral infrastructure.



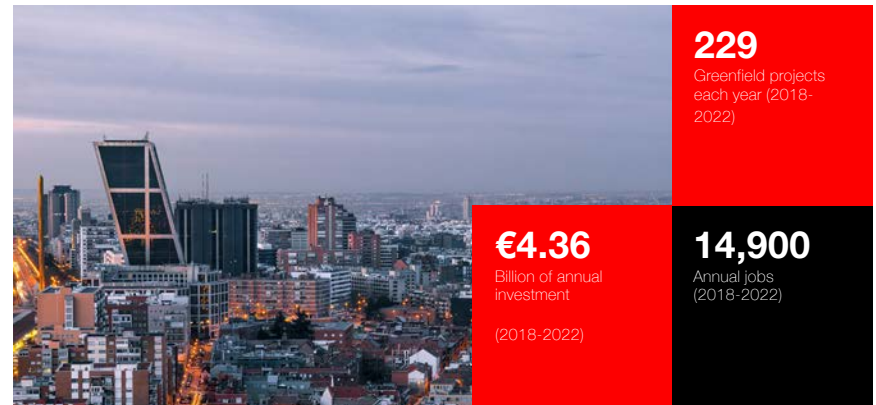
The technology multinational CGI is strengthening its presence in Spain with the opening of a new **European Center of Excellence** in Madrid.



Podimo is opening its first **podcast recording studio** in Southern Europe in Madrid as part of its ambitious project to make the capital the audio hub of the EU.



The French Renault Group is choosing Madrid to establish the **headquarters of its internal combustion engine company**, Horse.



Oracle sets up its first European **sovereign cloud** in Spain and Germany, partnering with Telefónica, to serve public and private entities across all 27 EU countries.



ReeVo, an Italian company specializing in cloud and cybersecurity services, enters Spain by opening a **data center** in Madrid.



United Nations inaugurates the **Office of Counter-Terrorism** in Madrid, focusing on providing technical assistance and capacity development projects globally.



Pleo, a Danish software company specializing in enterprise expense management chooses Madrid as its **hub for Southern Europe**.



Eventbrite, based in Madrid, plans to **double its workforce** in Spain to 200 employees by the end of the year.



IKEA invests 90 million euros in Madrid over two years for **logistics transformation**, creating 450 new jobs.



Western Union to open a **hub for digital banking technology and innovation** in Madrid with around 60 positions in areas such as product, technology, and customer experience.



Moderna inaugurates its first **quality laboratory** outside the United States in Madrid, indicating a significant investment in the region.



Ricoh, a Japanese technology company, installs a **hyper-automation factory** in Alcobendas with 100 employees, planning to double the workforce by 2024.



French multinational company Data4 invests 530 million euros in Madrid to establish its **second campus**. This new facility will cover more than 16,000 square meters and boast a total power capacity of 80MW. As a result, over 400 job opportunities will be created.



L'Oréal chooses Madrid to install its **digital hub** in Europe, with 40 digital specialists focusing on eCommerce platform leadership and excellence in the transformation of marketing strategies.



The luxury car manufacturer Jaguar Land Rover will open three **European autonomous driving centers**, one of them in Madrid, as part of its partnership with the Silicon Valley artificial intelligence company Nvidia.



The multinational company BASF is set to create an **international engineering hub** in Spain, with locations in Tarragona and Madrid. This marks BASF's second international hub in Madrid within the last four years, the first being the inauguration of BASF Digital Solutions in 2019.



Microsoft invests in **Madrid** with three data centres, contributing 5 billion to GDP and creating 13,200 jobs.

Why invest in the **Madrid region?**

2

Rich in historical legacy and poised for a bright future, Madrid currently stands as a focal point for global opportunities.

01

Driving force and economic hub of Latin America and Southern Europe

02

A region that encourages private initiatives and supports businesses

03

A centre for exceptional talent

04

Leader in physical and digital infrastructure

05

Ideal blend of tradition and innovation

06

Competitive costs and availability of energy and natural resources

07

The perfect support for your life plans



Driving force and economic hub of Latin America and Southern Europe

Madrid is the gateway to one of the most attractive domestic markets in Europe.

Economic Powerhouse of Spain

Madrid serves as both the **political and cultural hub of Spain** and is a **crucial centre for economic activities**. Over the past years, it has established itself as the **economic powerhouse of Spain**, ranking as one of the most appealing markets in Europe (holding the 4th position in terms of GDP within the EU). Its size makes it well-suited for the adoption of new technologies and the development of various industrial activities.

Contributing significantly to the national GDP (19.4%), the Community of Madrid is among the **top five regions with the highest GDP in the European Union**.

With a per capita GDP of 38.435 euros, surpassing the EU average, Madrid boasts the highest Regional Competitiveness Index (RCI) among Spanish regions and stands out as one of the foremost regions in Europe.

Madrid, an unstoppable force at the forefront of economic growth

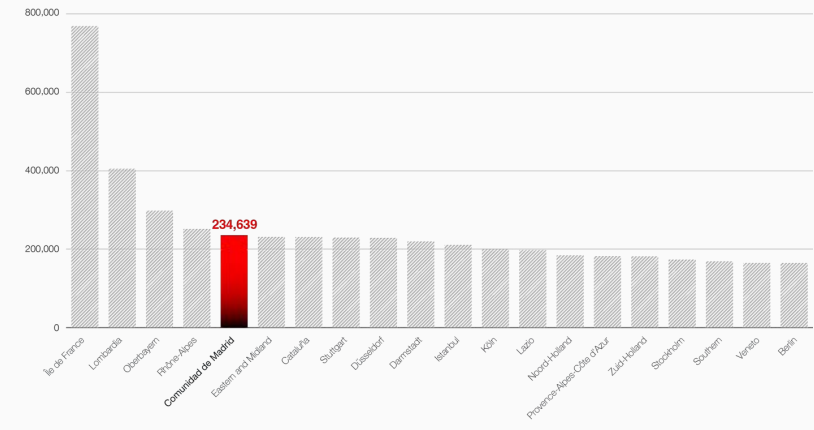
Madrid continues to be a **driving force in Spain's economic growth**, leading the way for the past thirty years. The influx of foreign companies and the benefits of economic clustering have turned the region into the country's primary economic engine. In turn, it has led the growth of the eurozone in the last three years, driven by structural changes, investments, and a dynamic labour market.

This trend continued in 2023, and all forecasts for 2024 point in the same direction: an increase in the GDP in Madrid **above the national average**.



Main European regions (NUTS2) by GDP

Source: Eurostat, Millions of euros at current market prices, 2021



Madrid, a diverse region driven by its open and international nature

Madrid stands out for its economy, which is **open and connected to the global stage**, actively promoting international trade and investment. Being a part of the European Union, Madrid serves as an **excellent gateway to both the European market and emerging economies in Latin America**.

This international orientation is reflected in its diverse and vibrant business community, as well as its ability to attract foreign talent. Madrid has evolved into a global hub for doing business.

Moreover, Madrid is the **centre of the Spanish language**, which is a significant economic force. With an expanding market of 595 million speakers (7.5% of the world's population), Spanish becomes a crucial factor in creating economic opportunities.

Discover Madrid: a global magnet for innovative minds

The Community of Madrid boasts a highly **diversified service-based economy**, supported by a **robust industrial sector**, with a growing emphasis on technology-intensive and knowledge-driven activities.

With a distinct **focus on innovation and technology**, Madrid becomes a thriving ground for the establishment of new enterprises and the growth of existing one.

At the **forefront of foreign investment in Spain**, the Community of Madrid currently welcomes over 14,000 foreign-owned companies representing more than 100 different countries.

19.4%
of Spain's GDP

38,435€
GDP per capita

3%+
Expected growth in 2023

The Community of Madrid offers a top-tier environment for companies in search of affordability, professional excellence, and creative vibrancy



02 A region that encourages private initiatives and supports businesses

An economy that is welcoming to businesses, providing legal certainty, streamlined administrative processes, low tax burdens, and institutional support.

Open to business

The Community of Madrid is dedicated to creating a **business-friendly environment by actively opposing bureaucracy and excessive regulation**. The regional government's commitment to fostering a progressive business atmosphere is evident, providing **legal security and institutional stability** that are essential for confident investments.

The Regional Government is actively working to streamline business operations by **reducing administrative hurdles**. Madrid's **flexible opening hours** have transformed its streets into a global showcase, contributing to the region's distinction as having the highest commercial density in Spain.

Unique incentives to optimize corporate taxation

Madrid is the only region in Spain with no own taxes. Indeed, with the **lowest and most competitive tax burden in Spain**, achieved through two decades of tax reductions, the region stands out. Beginning in 2024, **foreign investors and non-residents will benefit from a new 20% deduction** in the regional Personal Income Tax (IRPF).

For major private investors seeking residence in Madrid, the city serves as a haven. Here, they can enjoy a favourable climate, excellent cultural and culinary offerings, and use the city as a strategic base to explore Europe. Moreover, Madrid's regional government acts as a significant ally, **helping investors maximize their returns**.

Attuned to the needs of businesses and investors

The Madrid administration is known for its **responsiveness to the needs of businesses and investors**. Regular consultations with business leaders and continuous policy improvements demonstrate a commitment to creating an environment conducive to growth and innovation.

Madrid is dedicated to promoting administrative efficiency and combating red tape. The region has an **Investment Accelerator** that streamlines the timelines for significant business projects, making their implementation quicker. Additionally, there is an initiative to **counter excessive regulations**. The Madrid administration simplifies and expedites the investment process through **Invest in Madrid**, its investment promotion agency, and other initiatives like **Regional Scope Projects**.



24/7

Madrid never sleeps

71%

Of the foreign investment flows received in Spain in the last 5 years

Source: Investment Registry

Consistent, profitable, and supportive business environment

Madrid boasts a robust legal framework that **protects investments** and intellectual property rights, ensuring a stable and predictable operating environment.

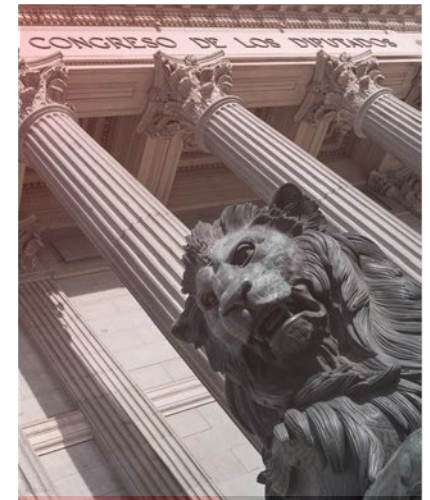
		S&P Global	MOODY'S	FitchRatings	DBRS
Madrid	Long term rating	A	Baa1	BBB+	A
	Outlook	Stable	Stable	Stable	Stable
España	Long term rating	A	Baa1	A-	A
	Outlook	Stable	Stable	Stable	Stable

Headquarters of Institutions

Madrid is the **headquarters of significant international organizations** (WTO, ILO, UNDP, UNSCC, OEI) and embassies from third countries, operating in a **predictable and secure environment**.

It hosts the operational headquarters of major **Spanish banks and financial institutions in Spain** (Bank of Spain, Madrid Stock Exchange, Latibex, National Commission on Markets and Competition, Inter-American Development Bank, Andean Development Corporation, European Investment Bank, IOSCO, etc.), as well as **foreign banks and investment funds** operating in Spain.

Madrid serves as the focal point for legislative decisions in the country. The **majority of Spain's governmental, administrative, and regulatory institutions** have their headquarters in Madrid: Royal House and Head of State, Congress, Senate, Constitutional Court, Supreme Court, Central Government, and all its Ministries.



25%
Corporate Tax

15%
Corporate Tax for new businesses (1st and 2nd year)



0%
Own taxation

A centre for exceptional talent

The Madrid region is continually evolving, incorporating talent from diverse sources, including creators, entrepreneurs, investors, and seasoned professionals.

Melting pot of 6.8 million inhabitants

With a population exceeding 6.8 million, the Community of Madrid is one of Europe's most populous metropolitan areas, continuously attracting national and international talent.

Since the early 2000s, the region has seen a significant increase of 1.5 million inhabitants (a +30% growth), drawn by numerous universities, business schools, research centres, an open and diverse lifestyle, and a thriving business environment that creates opportunities. The region is a leader in job creation, contributing to one in four jobs created in Spain in the last year. The active population has now surpassed 3.6 million individuals.

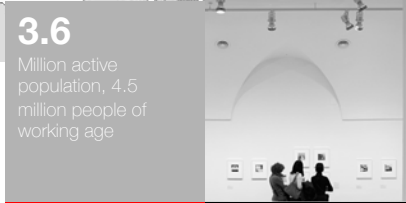
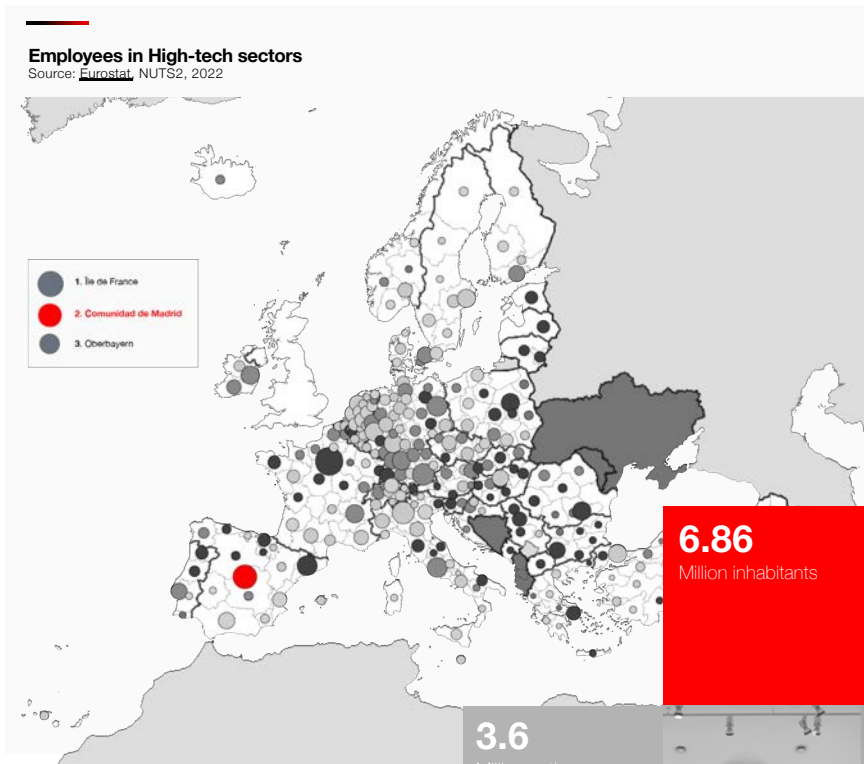
Madrid serves as a hub where investors, entrepreneurs, and professionals from around the world can enhance both their professional and personal lives.

Diverse and cosmopolitan talent

The region's cosmopolitan nature and its role as a hub for opportunities attract talent from various cultural backgrounds, resulting in a diverse and globally adaptable workforce.

With its open and vibrant character, the Community of Madrid is currently home to nearly one and a half million people born outside of Spain, making up 21% of its population.

Madrid hosts representatives from approximately 190 nationalities, contributing to a workforce that is increasingly multilingual. This diversity is highly valued by multinational companies operating in the region. Additionally, with the development of new regulatory frameworks for innovative entrepreneurship in Spain and the European framework agreement for cross-border workers, Madrid provides an appealing environment for entrepreneurs, investors, professionals, and their families.



Strong work ethic, creativity and versatility

Professionals in Madrid are known for their robust work ethic, creativity, and innovative prowess, evident in the increasing number of start-ups and the flourishing technology sector in the region. Their ability to adapt, coupled with versatility and flexibility, makes local talent a crucial asset for companies of all sizes seeking to capitalize on opportunities in a rapidly changing landscape, requiring bold and agile approaches.



Moreover, this talent pool benefits from a collaborative environment fostered by the vibrant events and activities within the creative and business ecosystem of Madrid.



2nd
In Europe for individuals with tertiary education and/or employed in science and technology

2nd
European region with the highest number of professionals in technology and knowledge-intensive sectors



Educational excellence

The Madrid region boasts a **highly competitive educational system**, hosting some of the world's most prestigious universities and business schools. These institutions not only ensure a continuous supply of **highly qualified professionals** in various disciplines but also contribute significantly to **attracting international talent**.

Madrid is home to **7 public universities and 12 private ones**, along with 6 foreign centres authorized by the Community of Madrid. With the **highest concentration of students in Spain** and among the largest in Europe, **over 323,000 students**, including 11.4% international students, enrol in Madrid each year. In the last academic year, nearly **75,000 students graduated** from various universities in Madrid.

Madrid also hosts campuses of **four of the world's most prestigious international business schools**, namely IE, IESE, ESADE, and ESCP, according to leading global rankings.

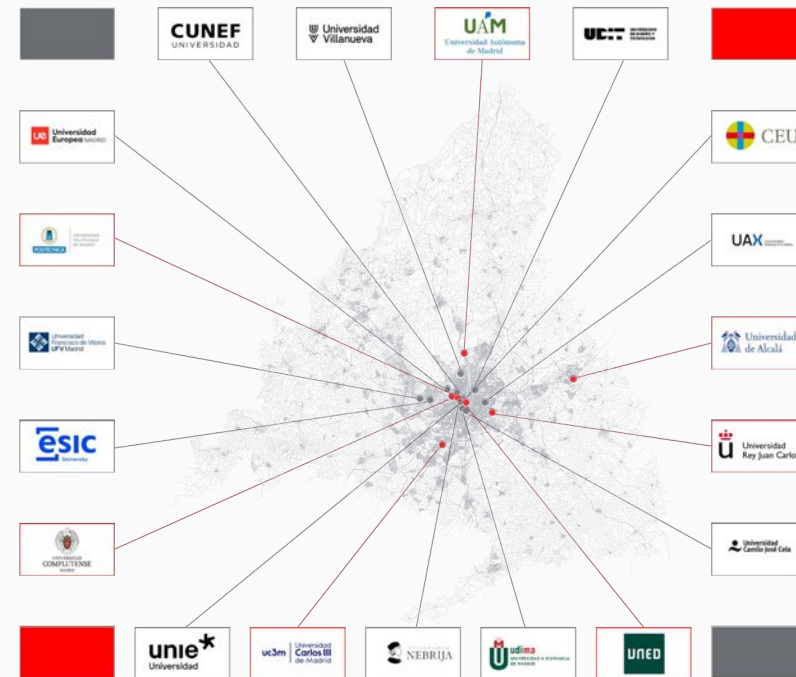
Within the Madrid educational system, **Vocational Training (FP)**, organized into three educational levels, provides an expanding training path that qualifies individuals for professional work.

The Community of Madrid leads **the national talent ranking** developed by the COTEC Foundation and IVIE, showcasing its ability to attract and retain talent compared to other Spanish regions.

19
Universities and headquarters of 6 authorised foreign centres

323,778
University students, 36,787 of them foreigners

Universities in the Madrid region



University students by field of study in Madrid
Source: Ministry of Education and Science, Academic Year 2022-2023

	Undergrad.	Masters	PhD	Total
Social Sciences and Law	114,345	35,156	4,361	153,862
Engineering and Architecture	54,284	10,661	3,601	68,546
Arts and Humanities	20,405	3,493	2,864	26,762
Health Sciences	46,795	6,371	4,159	57,325
Sciences	12,684	1,948	2,651	17,283
TOTAL	248,513	57,629	17,636	323,778
% ESP	18.4%	20.8%	19.1%	18.8%

Professionals with technological skills

In tandem with the **rapid growth of the technology sector in Madrid**, the local workforce has developed robust technological and digital skills. Madrid hosts **25% of the country's leading high and medium technology companies**, a business worth 78 billion euros, concentrating a growing market for technological profiles. Madrid is, in fact, the second European region with the most professionals in technology and knowledge-intensive sectors (288,500).

The wide and diversified range of degrees offered by prestigious universities, the socio-economic environment, job market diversification, its status as a financial centre, the high dynamism of its economy, and its attractive tax environment for large companies make the capital region an ideal place for the arrival of significant talent and investments. In the past year, value-added activities have driven job market growth in Spain, becoming the sector with the highest job creation. In this context, the Community of Madrid has **the highest percentage of highly qualified workers in Spain**, with 46.5% of the total employed population, surpassing the European average (44.2%). The Community of Madrid concentrates 40% of the high-tech jobs created in Spain in the last decade.

Eurostat data also highlights the strong state of the Madrid economy: it ranks among the top regions in terms of competitiveness, with **over 2.4 million people with higher education and/or employed in science and technology**, representing the second-largest reserve of such profiles among European regions.

The regional government **actively supports the development of such talent** through various incentives and programs, ensuring that the local workforce's skills align with the evolving demands of the global market, especially in high-demand sectors.

Leader in physical and digital infrastructure

Madrid stands out on the European stage thanks to its privileged geostrategic location and world-class infrastructure.

Geostrategic location

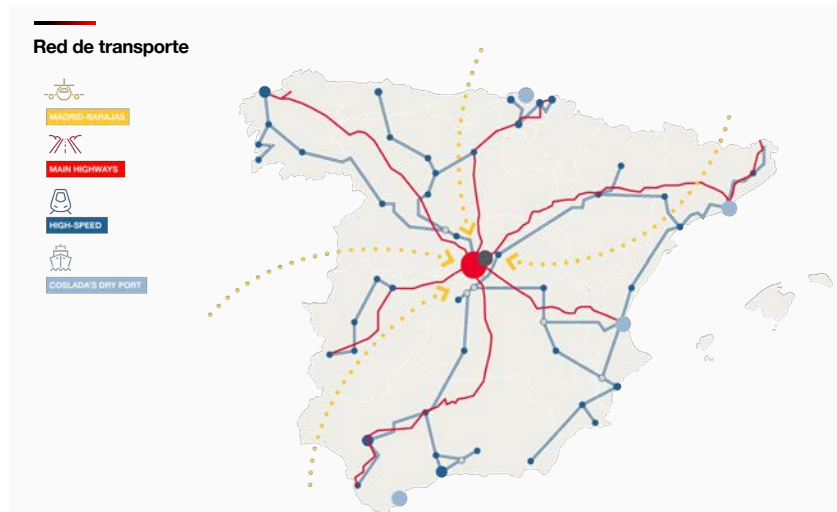
Madrid's **strategic location at the heart of the Iberian Peninsula**, its central position in the extensive Spanish transportation network, and its role as a crucial junction connecting Europe, Africa, and Latin America make it an appealing destination for **companies, research centres, and international organizations** seeking to invest in a location that can generate prosperity and high-value jobs.

The region's **advanced multimodal transportation system**, robust digital networks, and forward-looking spatial planning contribute to its attractiveness, creating an environment where ideas, people, and businesses converge to create new opportunities and expand internationally.

World-class airport

Madrid's infrastructure reflects its **openness and efficiency**. Adolfo Suárez Madrid-Barajas Airport is a **major hub for global air connections**, ranking among the busiest airports in Europe. With 185 direct flights to destinations in 67 different countries, it facilitates smooth trade and travel, particularly between **Europe and Latin America**.

Thanks to the boost from international passengers and having doubled its passengers in 2022 to 51 million on a total of 351,906 flights, nearly 1,000 daily, it has consolidated its position **as the fifth busiest airport in Europe and the fifteenth globally**.



Future investments, exceeding 1.6 billion euros, will expand its capacity to handle up to **80 million passengers** in the coming years.

Key junction in the national transportation network

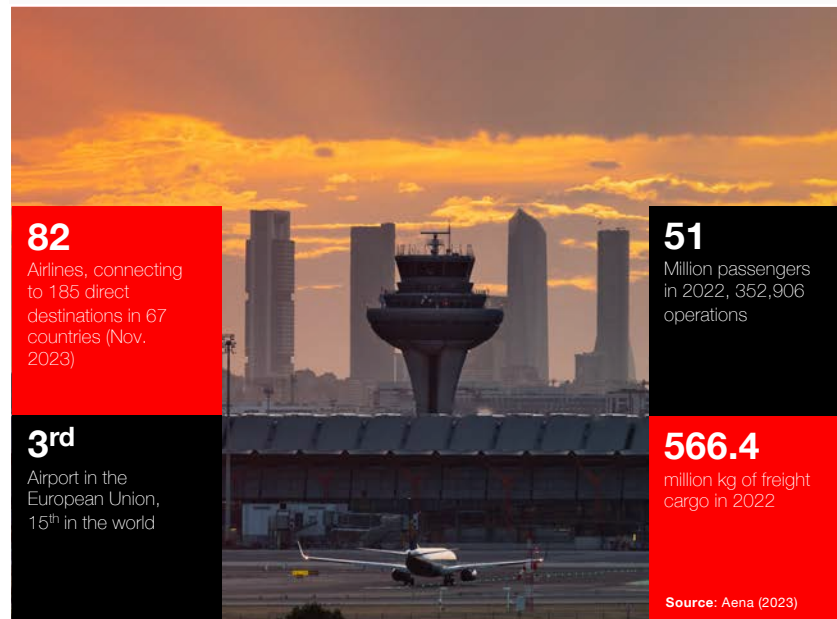
Madrid serves as **the central hub for an extensive and advanced radial land infrastructure system**. This includes a comprehensive High-Speed Rail network, spanning over 3,900 km in operation and 2,700 km in planning and development. The road network features more than **17,500 km of high-capacity routes**.

Furthermore, strategic facilities near the airport allow significant companies to efficiently transport goods, reducing traffic congestion, emissions, and overall costs.

Mercamadrid stands out as the second-largest global market for fresh produce and the largest in Europe, facilitating trade with products from over 50 countries and hosting more than 800 companies. Additionally, the **Coslada Dry Port** provides direct access to major Spanish ports.

Cutting-edge mobility

Madrid is **at the forefront of mobility**, pioneering innovative transportation services. The city boasts one of the most extensive and efficient public transportation networks on the continent. A prime example of intermodal transportation, Madrid's system integrates **one of Europe's most modern and extensive metro systems** with numerous stations, an extensive **network of urban and interurban buses covering 179 municipalities**, and a nearly 400-kilometer suburban train network. This interconnected transportation infrastructure facilitates business connections and workforce mobility in the region.



Leader in physical and digital infrastructure



98.7%

Homes with fibre coverage in the Community of Madrid

99.9%

Homes with 4G coverage

91.6%

Homes with 5G coverage

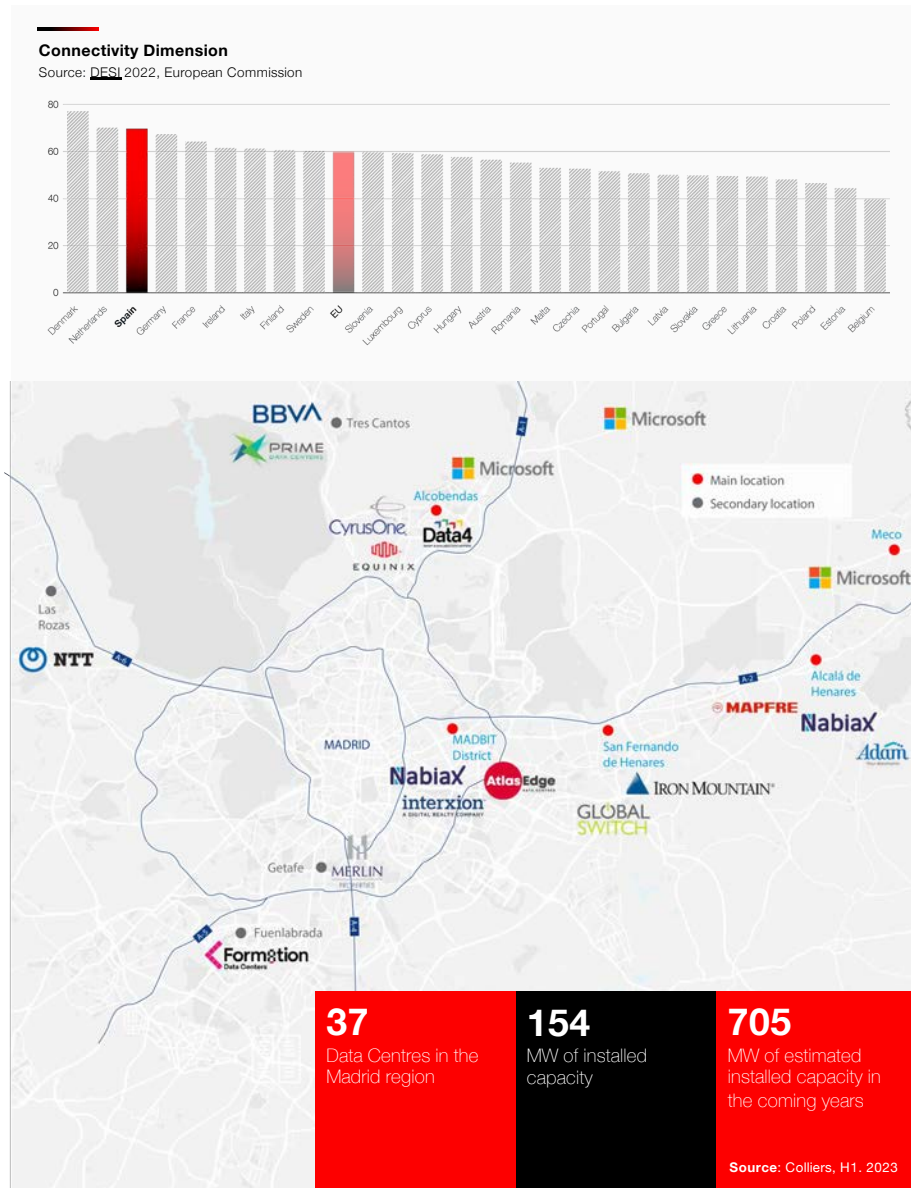
Source: Ministry of Digital Transformation

Hub of telecommunications and data in Southern Europe

In recent years, advancements in physical infrastructure have been complemented by **increased competitiveness in the digital realm**. Significant investments made in the past decade, including the **expansion of the fibre optic network**, enhanced mobile connectivity, concentration of **neutral points for low latency** (Espanix, NetIX, DE-CIX), **substantial investments in data centres**, and the establishment of major multinational cloud regions (AWS, Meta, Microsoft, Google, IBM, or Oracle) in Spain, coupled with the arrival of new transoceanic submarine cables, notably position Madrid as a crucial digital hub connecting continents, attracting attention from investors, entrepreneurs, and professionals.

The profound transformation occurring in network technology and the increasing **demand for new digital services** are leading to a swift decentralization of the physical infrastructure of the Internet. The necessity for alternative routes, independent of already congested regions like the United States or cities within the FLAP-D network in Europe, has provided an extra motivation, **boosting Madrid's significance in the European digital landscape**.

The Community of Madrid is currently a benchmark in the Iberian Peninsula and Europe for its digital connectivity. With an extensive and high-speed fibre optic network, covering 98.7% of households in the region by mid-2022, and nearly universal mobile broadband coverage (99.9% with 4G, 91.6% with 5G), the region positions itself as a leader in digital transformation, enabling continuous business operations in the global market.



Ideal blend of tradition and innovation

The Community of Madrid, renowned for its historical and cultural heritage, is emerging as a hub of innovation, drawing the interest of global investors and technology enthusiasts.

Robust innovation ecosystem

The Community of Madrid has established a robust innovation ecosystem, emerging as a significant **hub of innovation** in Europe. This ecosystem is built on world-renowned academic institutions, **cutting-edge research centres, technology parks,** and a **flourishing culture of start-ups and entrepreneurship.** Universities and research centres in Madrid are not just academic havens but also innovation incubators that foster collaborations beyond traditional boundaries.


The Community of Madrid, holding **31% of Spain's digital economy,** is notable for its widespread adoption of digitization across its economic structure. It specializes in sectors where digitization is pivotal. Many multinational companies have selected the region to establish their centres of excellence for research, development, and innovation.

Cutting-edge infrastructure and innovation centres

Major research institutions located in the Community of Madrid, such as the National Institute of Aerospace Technology (INTA), Carlos III Health Institute (ISCIII), Centre for Energy, Environmental and Technological Research (CIEMAT), National Centre for Oncological Research (CNIO), Carlos III National Centre for Cardiovascular Research (CNIC), and the 41 centres of the Higher Council for Scientific Research (CSIC)

make the region's research ecosystem a **benchmark in the national and European scientific arena.** Additionally, the region is home to the 7 Madrid Institutes for Advanced Studies (IMDEA), 13 Biomedical Research Foundations, and 13 Unique Scientific and Technical Infrastructures (ICTS).

The Community of Madrid also boasts comprehensive **network of technology parks** that offer high-quality land for the establishment of innovative companies. These parks create a favourable environment for generating knowledge and facilitating the transfer of technology. Additionally, the region provides various **business incubators** and support centres to nurture entrepreneurship in its early stages of development.

41 Centres for Research (CSIC)	8 Scientific and Technological Parks
13 Singular Scientific and Technical Infrastructures (ICTS)	6 International Excellence Campus (CEI)
8 Medical Research Institutes	7 Research and Excellence Institutes (IMDEA)
13 Biomedical Research Foundations	



5.13 Billions of € of internal R&D expenditure	26.5% Of the national total
64,470 Individuals dedicated to R&D activities	9% Of jobs in technology and knowledge-intensive sectors



Research and Development (R&D) investment and results

The innovative spirit in the Community of Madrid is fuelled by **significant investments from both the public and private sectors.** Madrid is the Spanish region that allocates the **highest resources to Research and Development (R&D)** activities, resulting in substantial scientific output and patents.

After eight consecutive years of growth, the Community of Madrid **invested 5.13 billion euros in internal Research and Development (R&D)** in 2022. This amount represents **26.5% of the national total** and 1.96% of the regional Gross Domestic Product (GDP). The region is a leader with **64,470 individuals engaged in R&D activities,** including 40,576 researchers. Moreover, Madrid excels in scientific production, generating 42,437 documents, with 64% of them published in high-impact

journals. Additionally, the region registered 269 patents and 428 utility models.

With **9% of employment in technology-intensive and knowledge-based sectors,** the Community of Madrid not only leads at the national level but also ranks among the top 5% of leading regions in Europe.

Madrid's strategic focus on innovation is evident in its **generous funding, favourable tax incentives, and policies promoting research and development.**



**Lines of support
Madrid Region**



05 Ideal blend of tradition and innovation



startup radar madrid

<p>+2,200 Start-ups in the Madrid region</p>	<p>198 Venture Capital investors</p>
<p>+83,000 Employees in start-ups</p>	<p>856 Corporates</p>

Source: DealRoom and Madri+d

Flourishing ecosystem of start-ups and Venture Capital

The **start-up and venture capital ecosystem in the Community of Madrid is thriving** and rapidly expanding, with foreign capital playing a crucial role. As the region reaches a critical mass of **talent, experience, and funding**, it is gaining momentum.

Madrid is already home to a **growing number of local "unicorns"** and nearly twenty scaleups with valuations and trajectories that suggest they will soon achieve unicorn status. Over recent years, the region has attracted **major foreign technology companies** establishing development and business centres, intensifying competition for local talent and attracting highly skilled workers.

Venture capital funding in Madrid's ecosystem has seen notable growth despite the economic impact of the pandemic, including increased investment mobilization, funds raised, the number of investment rounds, and the volume of large rounds. With over **2,200 start-ups and scaleups** in the region, the technological ecosystem is valued at 34.6 billion euros and has attracted over **5.6 billion euros in venture capital since 2019**.

Start-ups in sectors such as Fintech, health, marketing, enterprise software, and transportation dominate in terms of number and valuation in Madrid. Likewise, start-ups in the sectors of human resources, education, marketing, transportation, and Fintech are key contributors to employment.

With the new national and regional regulations to boost entrepreneurship and start-ups, Madrid has become one of the **most attractive destinations for entrepreneurs and investors worldwide**.

Relative position of the Madrid region compared to the main European hubs

Source: Startup Radar Madri+d, Dealroom, 2023



Most active venture capital funds, corporations, and accelerators in the local ecosystem

Source: Startup Radar Madri+d, Dealroom, 2023



Competitive costs and availability of energy and natural resources

Predictable and competitive labour, operational, and living costs in a low-risk environment within the European Union.

Madrid, a smart business decision

Madrid is highly attractive for investors and businesses due to the **favourable balance it strikes between value, cost, and risk**. The city's **diverse economy, consistent growth rates, thriving external sector, advantageous fiscal policies, and competitive costs** collectively make Madrid an appealing destination for companies looking to invest or expand in Europe.

Madrid's **balanced labour costs**, which are comparatively lower than those in other Western European capital regions, are reinforced by the wage restraint observed over the last decades. This makes Madrid **a cost-efficient location for production**, especially in high-value-added sectors.

In contrast to many other large metropolitan areas in Europe, Madrid provides **competitive pricing for both office and industrial spaces**. This makes it an appealing choice for both newly established businesses and those that are already well-established.

The Community of Madrid has over **3 million square meters of industrial land** strategically located based on the region's transportation network and infrastructure. As of the end of 2023, the office availability rate was approximately 10%.

Abundant natural resources at a competitive cost

Water is one of the most precious resources in the Madrid region. The management of water resources is overseen by the public company **Canal de Isabel II**, which operates thirteen reservoirs supplying the entire region. The reservoirs in Madrid are at 69.4% of their capacity, surpassing the historical average of the last 10 years. The accumulated reserves amount to 699 cubic hectometres of water.

In 2022, the **energy demand** in the Community of Madrid reached 22,906 GWh, indicating a consumption level typical of a densely populated region. Despite the high demand, Madrid is notable for its lower per capita energy consumption, showcasing efficient energy usage practices. The region generated 837 GWh of energy in 2022, with more than 41% derived from renewable sources such as solar and geothermal energy.

Public services, including electricity and water, are **reasonably priced** in Madrid, and the well-established infrastructure ensures **reliable and effective services**.

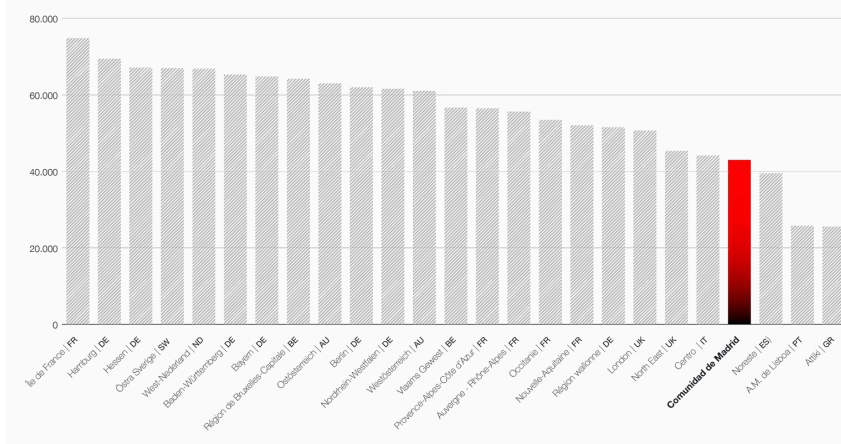
Affordable living costs

The combination of a high quality of life and **reasonable living costs** in Madrid has a positive effect on employee satisfaction and retention.

Year after year, specialized consulting firms analysing the cost of living for residents and expatriate workers, such as the Mori Foundation, Mercer, or Numbeo, confirm that Madrid is one of the **most affordable Western capitals with a high quality of life**.

Labour costs in selected European regions

Source: Eurostat, € per year and full-time employee, NUTS1, 2020



The perfect support for your life plans

The quality of life in Madrid is an exceptional blend of cultural richness, culinary excellence, green spaces, top-tier healthcare and education, efficient transportation, and a warm and diverse community. Madrid is not just a place to live but a place to thrive, to enjoy life in all its splendour.

Healthy balance between personal and professional life

The Community of Madrid, serving as the heart and soul of Spain, goes beyond its role as the political capital. It stands as a **fortress of quality of life**, seamlessly combining the vibrancy of **urban energy with the tranquil beauty of nature**.

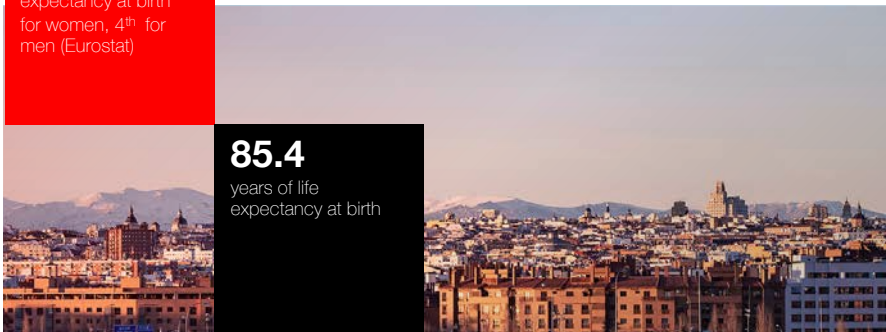
The region, rich in history and infused with contemporary vitality, provides a **quality of life that is both diverse and abundant**. This has positioned it as an increasingly sought-after destination for individuals seeking balance in the fast-paced tempo of the modern world. Noteworthy are the OECD studies that have consistently emphasized the country's leadership in achieving a harmonious **balance between personal and professional life** over the years.

1st

Region in life expectancy at birth for women, 4th for men (Eurostat)

85.4

years of life expectancy at birth



Open, cosmopolitan, and welcoming

Above all, the **warmth and diversity** of its community truly define Madrid. Open and cosmopolitan, home to a melting pot of cultures where around **190 nationalities** come together, its inclusive and welcoming spirit ensures that everyone, regardless of their origin, **can find a home here**.

Surveys of expatriates from various backgrounds have recognized the quality of life in the region in recent years, highlighting aspects related to significant improvements in **overall quality of life, social interaction, physical health, climate, and environment**. In its latest edition, Internations ranks Madrid as the sixth-best city in the world for expatriates, the top European capital, while the Mori Foundation places it as the fourth-best city in the world based on its liveability, and the fifth-best city from the perspective of its residents.



2nd

Most liveable city according to Mori's Global Power City Index (2023)

4th

Best City in the world for its residents (Mori GPCI 2023)

6th

Best City for expatriates (Internations)

4^o

Country in the world with the best work-life balance (OECD)



Healthcare and education

The region also stands out for offering **top-notch healthcare and educational opportunities**. With some of the best hospitals and universities in Spain, Madrid ensures its residents have access to excellent **medical care** and a wide range of **educational offerings**.

Indeed, the Community of Madrid holds the distinction of having the **highest life expectancy at birth for women in Europe (88.2 years)** and the **fourth-highest for men (82.2 years)**.

Broad-spectrum studies on the healthcare sector highlight the efficiency of the healthcare system. The Community of Madrid has positioned ten of its public hospitals among the best in the world in twelve medical fields, according to the latest specialty-based ranking published by Newsweek.

The **universal nature** of the healthcare system facilitates access for displaced workers to a first-rate health service.

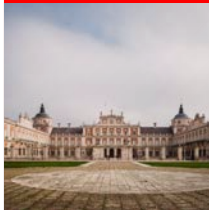
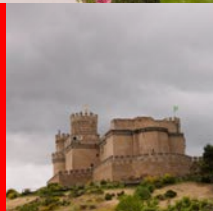
Security

Spain consistently ranks **among the safest countries globally**, with crime rates notably below the European Union average, ensuring a secure environment on the global stage. The capital, Madrid, is also recognized as one of the safest in the world, according to surveys such as Numbeo's Safety Index. This ranking positions Madrid as the **safest capital among major European countries**, providing both visitors and residents the opportunity to enjoy its streets and vibrant social and cultural life at all times without concerns.

The perfect support for your life plans



17
Million visitors in 2022



6
Million foreign visitors, annual expenditure of 9.62 billion

Cultural and natural wealth

Madrid is a **cultural hub**, known for its globally renowned museums like the Prado and the Reina Sofía. It features **UNESCO World Heritage** destinations such as Alcalá de Henares, Aranjuez, the Monastery and Royal Site of El Escorial, and the Lighting of the Cityscape in the capital. The city also boasts historic theatres and a **vibrant artistic scene**. The region hosts a **rich cultural calendar** with numerous festivals, concerts, and exhibitions, showcasing a profound appreciation for the arts.

The Madrid region seamlessly combines its wealth of **historical heritage with a diverse and captivating natural setting**. Residents and visitors highly appreciate the abundance of picturesque medieval towns, natural parks, wineries, and lush vineyards, all conveniently located within a 30-minute drive from the capital.

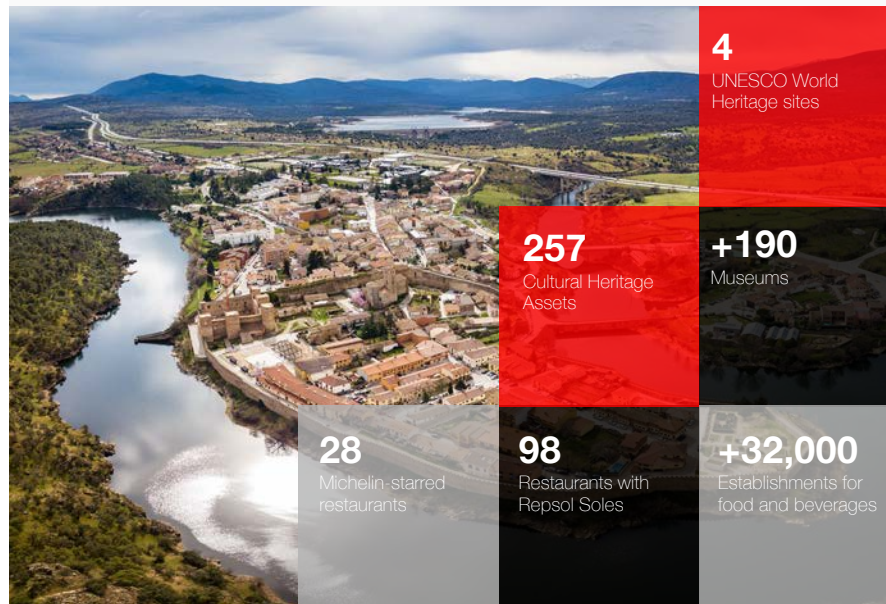
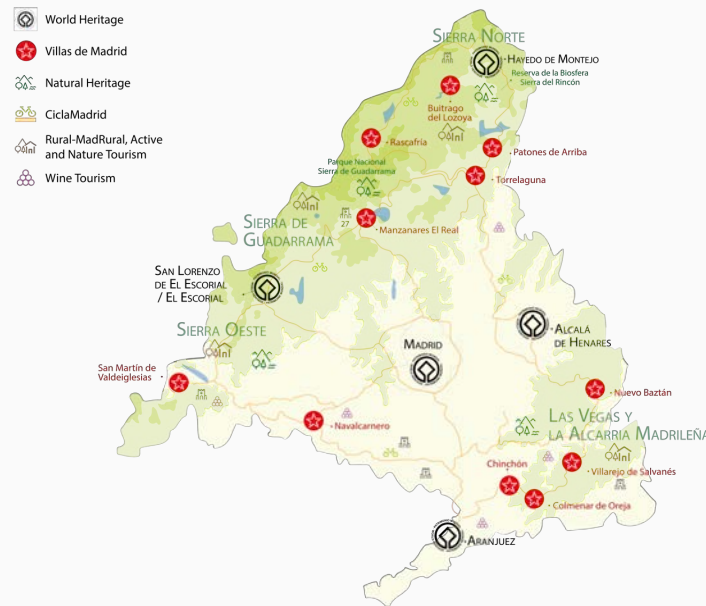
In 2022, the Community received **over 17 million visitors**, including 6 million international travellers. These figures are expected to be surpassed in 2023.

New capital of international cuisine

Madrid has become the **new capital of international gastronomy**, catering to enthusiasts of diverse cuisines. From the rustic charm of traditional tapas bars to the refined elegance of the city's 28 Michelin-starred establishments, Madrid presents a mosaic of culinary delights. The region's markets are not merely places for shopping but rather temples of flavour, where local and international cuisines seamlessly merge, creating a vibrant and diverse culinary experience.

Tourist Map of the Community of Madrid

Source: Community of Madrid, Tourism



Investment Opportunities

3

A wide range of appealing options for foreign investors.

Investment Opportunities

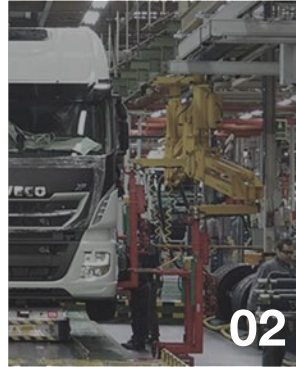
Open to all foreign investment, with a focus on high-value-added industries.

Madrid is committed to high-value-added industries, leveraging competitive advantages that point to sectors with strong potential for high returns on investment:

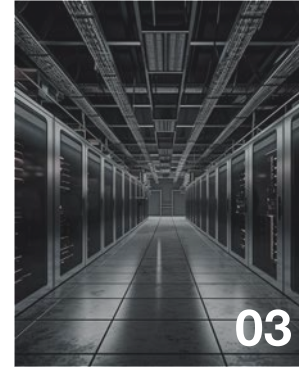
Aerospace and defence



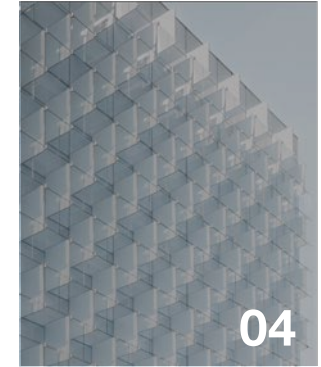
Automotive, Mobility, and Logistics



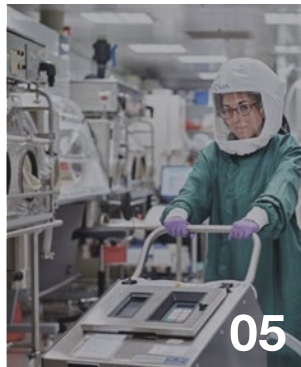
Data Centres



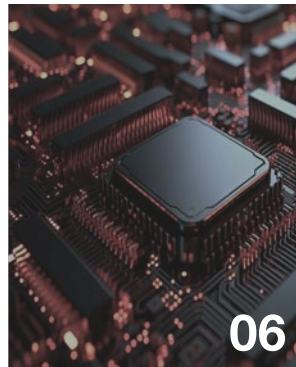
Digitalization and AI



Pharmaceuticals and Biotechnology



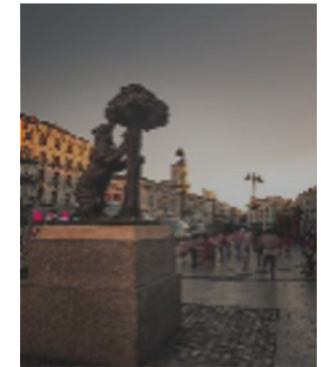
Microelectronics and Semiconductors



Video Games and Audiovisual

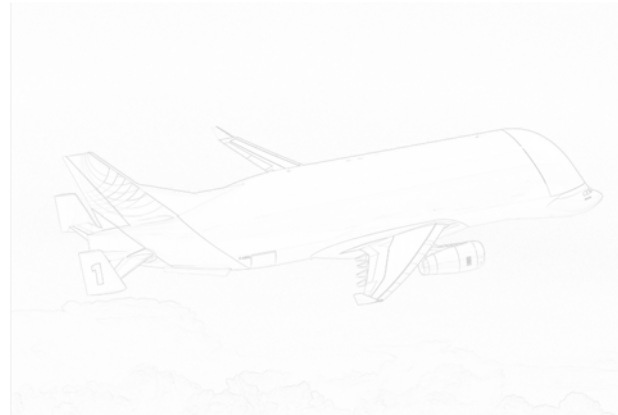


Other priority sectors



Gateway to excellence in aeronautics and aerospace

Madrid is a promising destination for aerospace and aeronautics companies, with a focus on innovation, solid support infrastructure, and global connections. Leveraging its historical legacy in exploration, the region opens up various opportunities for those seeking to advance their operations.



World-class human capital

Madrid boasts a pool of highly qualified, multilingual talent characterized by a work ethic that combines traditional rigor with modern flexibility. This talent is essential for enhancing the aerospace sector's ability to undertake complex projects and foster international collaboration. In the academic sphere, the Community of Madrid is home to specialized centres (UPM, UCIII, URJC) dedicated to driving research and innovation in the industry, utilizing cutting-edge space technology.

Focus on Research and Development

At the forefront of technological progress, Madrid is committed to research and development in the aerospace industry. With top universities and specialized research institutes, the region leads in pioneering advancements in aeronautics, covering propulsion systems, materials science, and hosting key institutions such as ESA-BIC, the National Institute of Aerospace Technology, NASA's Madrid Deep Space Communications Complex, and the Centre for Astrobiology.

Strategic support

The regional government, acknowledging the sector's potential, has been an enthusiastic partner, creating a favourable environment for growth and innovation. Investments in key infrastructure, like Adolfo Suárez Barajas Airport and the growing technology park in Tres Cantos, coupled with substantial funding for leading research projects in the Community (e.g., TEC2SPACE-CM), showcase their vision for the region to be a global aerospace hub.

Major companies and institutions in the aerospace industry in the Community of Madrid



Strength of the local industry

Madrid's mix of institutional knowledge, cutting-edge innovation, and a strategic location makes it a key player in the European aerospace sector. With a cluster of leading companies, from start-ups to giants, the Community is a bustling hub where engineering expertise meets strong commercial capability.

National industry leader

The Madrid region is the clear national leader in aeronautics and aerospace, representing 62% and 95% of their respective turnovers. Madrid hosts about a third of Spain's industry production centres (219 out of 714). Spain ranks second in Europe for aircraft manufacturing, following France, and fourth globally.

Specialization and innovation hubs

In Madrid, major companies in the sector are concentrated in two hubs: the Getafe hub, specializing in earth observation technologies and aircraft component manufacturing, and the Tres Cantos space hub, focusing on satellite communication.



Leader in automotive, mobility and logistics

Madrid offers a unique proposition for automotive and mobility companies: a rich industrial legacy, a commitment to sustainable and smart mobility solutions, highly qualified professionals, competitive costs, a strategic location, and a collaborative innovation ecosystem. For companies in these sectors, Madrid is not just a destination but a partner in driving the future of mobility.

Rich history as an industrial powerhouse

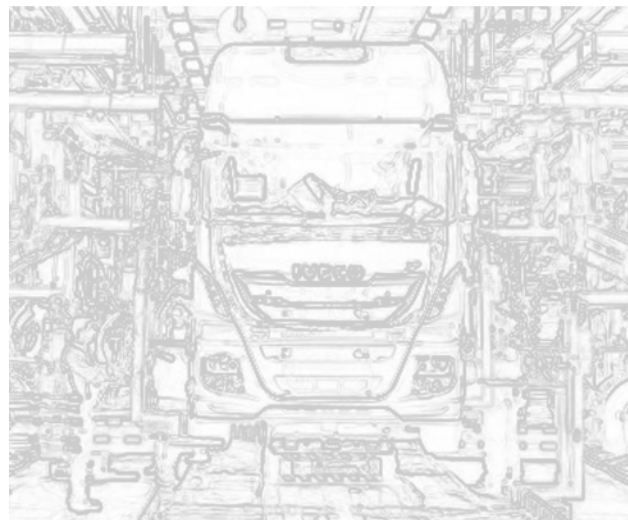
The Madrid region has a long tradition in vehicle production and a clear vision for the future of mobility, with manufacturers on its territory such as IVECO and Stellantis. With state-of-the-art facilities, local manufacturers are well-integrated into a strategic industry that nationally ranks as the second-largest vehicle producer in Europe and the ninth globally. The automotive sector is the region's second-largest industrial sector, following the food industry.

Commitment to sustainable and smart mobility solution

Madrid, with its Strategic Plan for Sustainable Mobility, is dedicated to sustainable and smart mobility solutions. Initiatives such as electrification, mobility sandboxes, the creation of urban mobility ecosystems, and the integration of smart cities in several of its key urban centres demonstrate the region's commitment to innovative and environmentally friendly mobility solutions.

Export logistics platform

Madrid serves as a privileged hub for exporting to international markets, thanks to its strategic location and investments in infrastructure and logistics platforms. More than 80% of vehicles manufactured in Spain are already exported to over 100 countries.



Research and collaboration ecosystem

Spanish production plants are among the most efficient and automated in Europe, with one of the highest investment rates in automation and R&D within industrial sectors. The automotive industry boasts a flexible and comprehensive value chain. The collaborative ecosystem connects traditional automotive companies, technology start-ups, research centres, and institutions through the key coordination of the MCA Madrid Automotive Cluster.

Growing market

As the automotive fleet undergoes renewal, coupled with changing population dynamics, there is significant growth potential in the market. This extends to both the sales of electric vehicles, with 40% of electric and electrified vehicles in Spain registered in the Community of Madrid in 2022, and the installation of charging points.

Top-level logistics hub

The Community of Madrid stands as a premier logistics hub with 23 logistics parks. It manages 55% of the air cargo entering Spain, playing a strategic role, contributing to 7% of the GDP, and providing employment for over 200,000 individuals. Furthermore, the regional government is initiating the Madrid Logistics Agency to enhance administrative capabilities and promote the region as a well-connected logistics hub.

Major automotive manufacturers in Madrid

Major logistics companies in Madrid

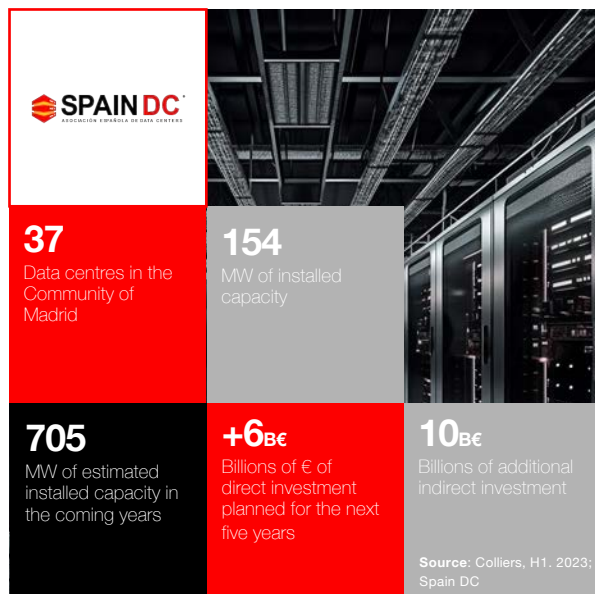
Other members of the MCA



Foundation of the digital economy

The Madrid region is a major hub for digital infrastructure in the Iberian Peninsula, attracting investment from leading tech companies.

With growing data centre capabilities, proximity to large submarine cabling systems, an advanced telecommunications network, and a stable power grid, it's well-equipped for deploying in-demand cloud services that businesses and public entities currently demand. All of this is within a secure legal framework and a favourable tax regime.



Madrid: Technology leader in Southern Europe

The Community of Madrid is strategically positioned to become the hub for Southern Europe's interconnection, attracting cloud service providers and data centres.

A benchmark in Installed capacity

Madrid is becoming a key player in the Southern European data centre market, aiming to be the leader in installed capacity. The region currently houses 37 operational data centres with a total installed capacity of 154 MW. Additionally, there are almost twenty upcoming projects in the pipeline. The ambitious goal is to reach 705 MW of installed capacity in the coming years.

Chosen by leading public cloud providers

Major global technology giants like Microsoft, Google, Amazon (AWS), IBM, Oracle, and more have chosen the Community of Madrid to address the increasing demand and establish their cloud regions in Spain. This choice has resulted in the development of an ecosystem centered around their data centres.

Exceptional connectivity

Madrid, with its cultural and linguistic ties, serves as a natural link between European and American markets, offering an alternative route to the congested networks connecting North America and Northern Europe through traditional FLAP hubs. The Community of Madrid is the destination for 44 international submarine cables and serves as the connection point for most of the 29 existing submarine cable stations in Spain. Additionally, it has a significant concentration of neutral access points that ensure low latency levels.

Growing market with renewed Investor Interest

Over the next five years, Spain is expected to attract direct investments in physical data centre infrastructure estimated at over 6 billion euros, along with another 10 billion euros for computer equipment to deploy and maintain this infrastructure. The increasing adoption of public cloud or the widespread consumption of services requiring low latency is driving local demand.

Secure legal framework and favourable tax regime

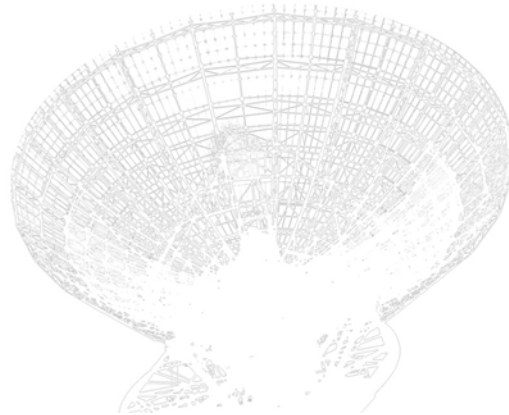
The European legal and regulatory environment regarding data protection and intellectual property is reinforced by the Spanish Digital Agenda, Next Tech Fund, or the Start-up Law.

Main Data Centre and Hyperscaler Companies in the Madrid region



Digital hub of Southern Europe

The Community of Madrid is a great choice for high-value digital activities. The region has a highly skilled and educated workforce, a growing ecosystem, and serves as a bridge to both developed markets like Europe and developing markets in Latin America and North Africa. It offers top-notch infrastructure in a cost-effective environment.



Attractive market

The Community of Madrid provides access to one of Europe's most appealing technology markets—large yet manageable and educated enough to serve as a testing ground for new technologies and services in digital areas linked to traditional industries undergoing disruption. In addition to local demand, Madrid serves as the natural entry point for European technology companies into emerging markets in Latin America and North Africa, and vice versa.

Highly qualified talent available

There's a pool of highly qualified talent in Madrid, ready for knowledge-based economic activities. The city has a diverse and flexible workforce, making it easy to attract and retain foreign professionals.

Robust and growing ecosystem

Madrid's ecosystem showcases a compelling mix of globally expanded local leaders and well-established players, complemented by foreign multinational companies. These entities distinguish themselves in the midst of many smaller local tech firms working to scale up and compete effectively. Madrid offers the necessary scale, community engagement, and support networks crucial for the success of new investors. Additionally, the city provides access to financial resources such as banks, funds, and private capital essential for fostering the growth of emerging businesses.

Advanced Digital Infrastructure

Madrid has a strategic location and one of Europe's most advanced and competitive infrastructures. The telecommunications market is liberalized, hosting multiple companies. Substantial investments in recent years have yielded state-of-the-art next-generation networks with exceptional international connectivity.

Innovation and Technological Excellence

Madrid is a standout hub for innovation and technology. Highly qualified researchers, a strong tradition, and a rich research environment have attracted many multinational companies to set up their R&D centres and Centres of Excellence in the region.

Competitive and Predictable Costs

Madrid provides a business-friendly environment with competitive costs for labour, operations, and living, all within the low-risk setting of the European Union. Companies and professionals in the region can gain notable cost advantages compared to other major cities in Western Europe or North America. Moreover, technology companies investing and operating in Madrid can access various support measures and incentives at the European, national, and regional levels.

Global Tech Companies that have recently established or expanded their operations in the Community of Madrid

accenture

adyen

BOSCH

celonis

CGI

Cognizant

eventbrite

EY

GFT

Hewlett Packard Enterprise

HUAWEI

IBM

Meta

NTT DATA

PEO

podimo

onetrust

REEVO

RICOH

SIEMENS

vodafone



Global innovations for a people-centered future

The pharmaceutical and biotechnological industry in the Community of Madrid stands out for the synergy between renowned research institutions, cutting-edge biotech firms, and pharmaceutical giants. These entities are interconnected in a network that benefits from both collaboration and competition. The industry's strength lies in its solid scientific foundation, highly skilled workforce, integrated healthcare system, and cutting-edge research infrastructures and technologies.

The region's universities and private research organizations serve as hotbeds for scientific discoveries, fostering advancements in therapeutics and innovative healthcare solutions.



Cutting-edge technological ecosystem

The pharmaceutical and biotechnology industry in the Community of Madrid has evolved into a dynamic and globally competitive sector. With a notable concentration of both national and international companies, the majority of leading global players in this field have chosen the Community of Madrid for significant investments. This goes beyond mere product distribution, extending to the establishment of research and development centres, production facilities, and healthcare services.

State-of-the-art research environment

The Community of Madrid is deeply committed to investing in technological parks and biotechnology hubs, providing essential infrastructure for the generation, establishment, and growth of innovative companies. An additional benefit is the seamless integration with universities, research centres, and businesses, fostering a favourable environment for the creation of scientific and technological knowledge. This support is complemented by available funding, low-interest loans, incentives, and tax deductions.

Integrated healthcare system

The extensive network of both public and private hospitals, including those ranked among the world's best, combined with advanced universities and research centres, creates an environment conducive to the development and testing of new drugs. This contributes significantly to Spain's position as the leading European country in clinical trials.

Leading research institutions

Madrid stands at the forefront of cutting-edge research, hosting renowned biomedical institutions such as the National Cancer Research Centre (CNIO), Carlos III Health Institute, CSIC, Severo Ochoa Centre for Molecular Biology, National Centre for Biotechnology, and the upcoming National Centre for Neurotechnology. Complementing these entities are pivotal players like the Biomedicine and Biotechnology Cluster, the Madrid Science Park Foundation, 12 research centres, and 2 scientific and technological parks or bio-incubators.

Talent rising to the challenge

A key strength of the sector lies in its pool of talent: highly skilled professionals comprising the largest contingent of researchers across diverse productive sectors in the country, demonstrating productivity well above the average. Year after year, careers associated with the sector consistently attract students with the highest academic achievements.

Strategic market access

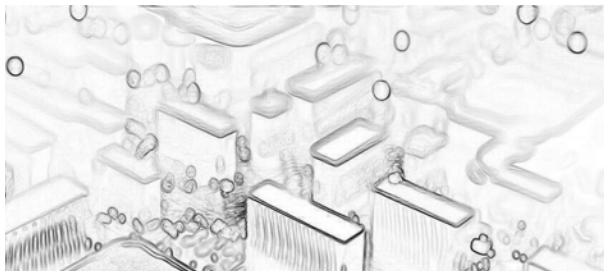
The Community of Madrid is strategically positioned with well-established healthcare and transportation infrastructure, facilitating the efficient distribution of pharmaceutical products both nationally and internationally. This region serves as a vital market for national exports, offering advantages such as reduced taxation and strong legal certainty. As a key logistical hub, Madrid provides an ideal environment for conducting clinical trials and testing pharmaceutical products.

International Companies with research centres, production facilities or headquarters in Madrid



Madrid, driving the semiconductor industry forward

The recent supply chain crisis in Europe marked a turning point for the Community of Madrid, which is actively promoting the establishment of a semiconductor industry hub in its territory. Cutting-edge innovation, a business-friendly environment, skilled workforce, availability of land and energy, and strategic connectivity are all part of the regional value proposition.



The story dates back to 1985 when the Community of

Madrid became home to a pioneering semiconductor factory from AT&T/Lucent in Tres Cantos. At its peak, the facility employed 950 workers. Today, there is potential to adapt these facilities to current needs for new developments in the semiconductor sector.

A Strategic Commitment to the Semiconductor Industry

At present, strategic plans align at European (EU Chip Act), National (PERTE Chip), and regional levels. These plans will mobilize over 12.5 billion euros in Spain alone to expedite sector development, positioning the country as a European hub. This involves building infrastructure, attracting technological leaders and essential start-ups, and integrating local entities into global networks.

Investment Opportunity in Manufacturing and Assembly

The Community of Madrid hosts key players across the semiconductor value chain, including design, technological integration, component manufacturing, R&D centres, educational institutions, and end-demand. This existing activity could be harnessed by companies focusing on currently less developed areas, such as manufacturing, assembly, and testing.

Availability of land and energy

The region offers over 3 million square meters of industrial land strategically located based on the region's transportation network and infrastructure. Notably, two industrial zones stand out: the metropolitan South and the Henares Corridor.

Growing local demand

There is a robust presence in the Region of Madrid of industries with significant semiconductor demands, including Defence (security and integrated systems, simulation, cybersecurity, etc.), Transportation (traffic management systems, vehicle digitization, land transport control centres, railway signalling, etc.), Aerospace (space and satellite communications, Galileo, space QKD, etc.), and others (Telecommunications, Energy, Biomedicine).

Innovation capacity

Supported by cutting-edge infrastructure, national leadership in R&D, a burgeoning entrepreneurial ecosystem, and a top-tier education system, the Region has expertise in key areas of emerging technologies such as Photonics, Quantum Computing, RISC-V, 2D Materials, Neurotech, etc.

Cluster of Technological Innovation and Talent in Semiconductors

The CITT Semiconductors serves as a platform uniting various stakeholders involved in semiconductor-related work, research, and innovation. Its primary objective is to establish an ecosystem of entities, drive key activities, attract resources and funding, and enhance the competitiveness of the region. Presently, it includes nearly fifty companies and groups, six universities, the seven Madrilenian Institutes of Advanced Studies, and the Madri+d Foundation.



Where stories come to life

In the heart of Spain, Madrid emerges as a beacon for the audiovisual industry, providing an attractive blend of creative talent and cutting-edge technology.

This transformation is not accidental but comes from strategic investments and a vibrant cultural backdrop that sparks innovation.

Vibrant creative and audiovisual industry

Madrid is home to a robust audiovisual and video game industry with a rich history of development and production. Serving as a major Spanish-speaking hub for the creative sector, Madrid is a central point for the national industry.

Craft your vision with Madrid's finest

The city hosts a diverse pool of well-trained professionals with strong technical, artistic, and creative skills. These experts bring extensive experience from both national and international productions. Madrid attracts and retains top talent in the audiovisual sector, supported by specialized schools and programs that continually develop qualified professionals.

Versatile filming locations

Madrid's varied geography and architecture offer a broad array of locations for audiovisual productions. From natural landscapes like forests, mountains, and open spaces to urban and avant-garde settings, Madrid provides a versatile backdrop. Additionally, the city is equipped with cutting-edge studios and post-production facilities adaptable to a wide range of audiovisual projects.



Madrid: Your story in radiant light

With over 300 sunny days annually, the region provides natural and consistent light, a dream for filmmakers.

Quality filming at smart costs

Predictable and competitive labour, operating, and living costs in a low-risk environment within the European Union. The Madrid audiovisual industry stands out as a highly competitive option in Europe, providing an optimal balance between quality and profitability.

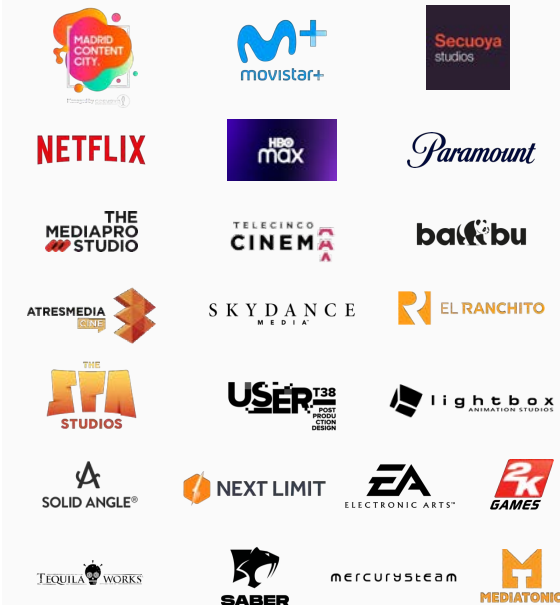
Support for the audiovisual sector in Madrid

The Madrid government strongly supports the audiovisual sector, recognizing its economic and cultural potential. Madrid offers appealing incentives to boost the industry, attracting national and international productions and establishing itself as a key destination for audiovisual projects.

Success stories from Madrid

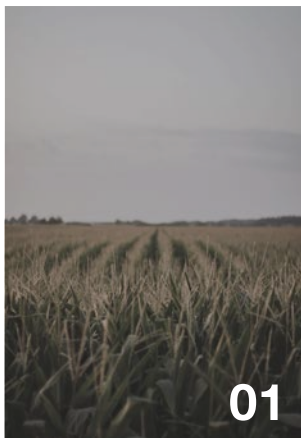
The Community of Madrid has been the setting of numerous success stories in the audiovisual and video game industry, contributing both to the prominence of the Spanish industry and to international productions.

Key players in the creative and audiovisual industry in the Community of Madrid



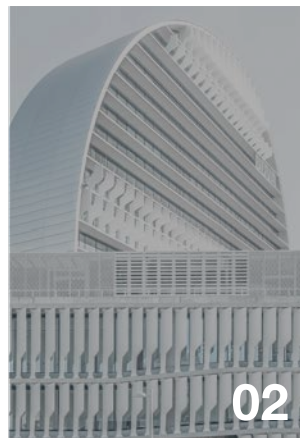
Other investment opportunities

Agrifood



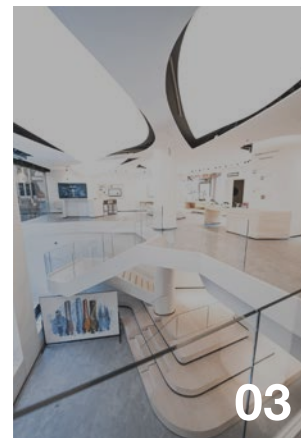
01

Banking, Insurance and Finance



02

Commerce and Retail



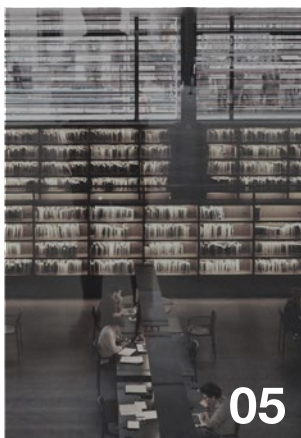
03

Construction and Real Estate



04

Education



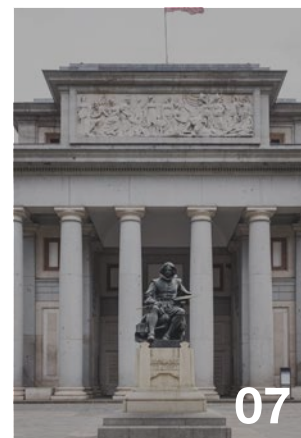
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Energy and the Circular Economy



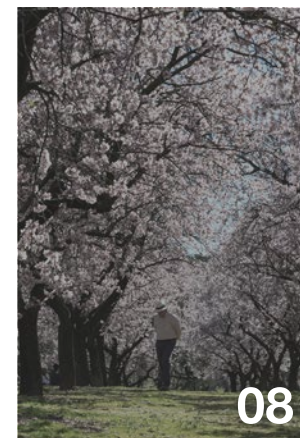
06

Tourism, Leisure, Culture and Sport



07

Silver Economy



08

Portfolio of strategic projects

The Community of Madrid strongly advocates for **partnerships between the public and private sectors** and encourages the participation of foreign investment in driving significant initiatives. These efforts aim to maintain the region as the economic powerhouse of Spain and establish it as a notable reference on the European and global stage.

To achieve this objective, the **portfolio of strategic projects** aims to consolidate comprehensive information on investment opportunities, facilitating their accelerated implementation through the active involvement of the private sector.

The projects reflect the Community of Madrid's commitment to **leadership and innovation**, particularly in digitalization, while prioritizing **high-quality, efficient, and modern public services** that continually adapt to new challenges and needs.

In this context, the coordinated efforts of the entire regional administration are crucial for the present and future of the Community of Madrid.

Some notable projects include:

+€22B€ Billion estimated budget	+200 Proposed investments
Source: Madrid region	

Madrid Nuevo Norte

Madrid Nuevo Norte is the major urban regeneration project in Madrid, set to close the gap created by train tracks, breathing new life into disused land in the heart of the capital. It aims to transform this area into an innovative urban environment focused on people while respecting the city's identity.



Neurotech Centre

The new centre, situated on the Cantoblanco campus of the UAM, will be a pioneering facility in Spain and a leading hub in Europe for the development of technological tools grounded in the principles of the human brain. This discipline is highly specialized, with only five research centres worldwide dedicated to it.



New City of Justice

Situated in the Barajas district of the capital, the project involves a regional government investment of 650 million euros over the next five years. Consisting of 10 buildings that will consolidate the judicial offices and headquarters currently dispersed across Madrid, it aims to set a benchmark for modernization in terms of accessibility, digitalization, and efficiency.



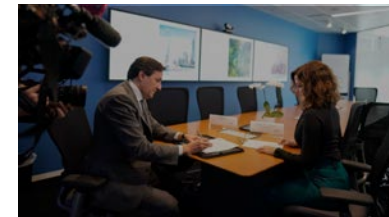
Cybersecurity Agency

The upcoming Cybersecurity Agency of the Community of Madrid, scheduled for launch in 2024, will play a key role in promoting the adoption of solutions for preventing, detecting, and responding to threats in networks. It will also support entrepreneurship within the sector's business ecosystem.



Semiconductors Hub

The Community of Madrid is outlining a designated area to focus on semiconductor research, design, and manufacturing capabilities. This initiative involves adapting and utilizing the pioneering facilities established in Tres Cantos at the end of the last century.



ALS Center Puerta de Hierro

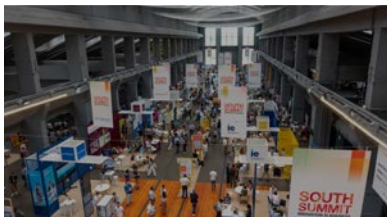
The Community of Madrid is set to establish the world's first public residential centre exclusively designed for patients with Amyotrophic Lateral Sclerosis (ALS). This specialized facility will be situated in the former Puerta de Hierro clinic, serving as a prominent reference space in the field of ALS care.



Portfolio of strategic projects

Madrid Km0

Madrid Km0 Strategy focuses on fostering innovation and start-ups to enhance the cohesion of the research and creative environment, contributing to bolster the Community of Madrid as a hub for investment and entrepreneurship.



Digitalization of Health Services

The Comprehensive Digitalization Plan for the Madrid Health Service aims to strengthen efficient and quality healthcare for citizens across all stages of life. It includes a health itinerary and services catering to the needs of the elderly and individuals with special requirements.



New Interchanges

Investments in 4 new interchanges (remodelling Chamartín, Conde Casal, Legazpi, and Valdebebas) to further promote the use of public transportation, reduce carbon footprint, and uphold the government's commitment to sustainable mobility.



Metro Cuatro Caminos Park

Initiative to create a new green space in the Chamberí district, involving the underground development of garages and spaces for housing, parking, offices, and green recreational areas.



Musical Boulevard

The upcoming Musical Boulevard at the IFEMA convention centre seeks to enhance Madrid's diverse cultural and leisure options. It will introduce new infrastructure and theatres of unprecedented size to host successful, long-duration event.



Remodeling of La Paz Hospital

After years of providing excellent service and undergoing various reforms to adapt to new times and techniques, the La Paz University Hospital is undergoing a comprehensive renovation initiated by the Community of Madrid. The hospital will continue to operate at its current location.



Portfolio of strategic projects



Madrid Metro

The Community of Madrid will undertake the largest fleet renewal in the company's history, with 80 new trains and a bidding budget of 1.094 billion euros. Additionally, new investments will be implemented in lines 3, 5, and 11, transforming the latter into the major diagonal line of Madrid, running from Cuatro Vientos to the new developments in Valdebebas. Furthermore, Metro Madrid will provide coverage to Madrid Nuevo Norte with a new 100% automated line.



Regional Investment Program (PIR)

The objective of this plan is to secure funding for construction, supplies, and services classified as investments in different municipalities across the region, excluding Madrid. The execution of the plan is undertaken with the support and collaboration of the municipalities. The budget earmarked for bidding in 2024, allocated for building and civil works, is set at 110 million euros.



Unique Social History

The objective of this new digital platform is to consolidate and streamline all information and processes related to social services, providing a comprehensive solution for individuals. Citizens will have the capability to review their social interventions record and access the region's social services map. A key highlight of this project is its ambition to achieve integrated and coordinated care across various public systems, including healthcare, education, and justice.



Formula 1 Spanish Grand Prix

The Community of Madrid has successfully negotiated an arrangement with the rights holder of Formula 1 to host the Spanish Grand Prix in the city from 2026 onward. This historic agreement marks the first time the prestigious event will be held in a major European capital. With a global viewership exceeding 1.5 billion people, it is estimated to have an impact of 4.5 billion in 10 years.



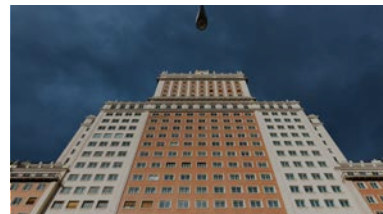
Vive Plan

Through this initiative, the Community of Madrid will embark on the construction of 6,482 affordable rental homes. Presently, 5,000 of these homes are already under construction in 12 municipalities, including Madrid, San Sebastián de los Reyes, Alcorcón, Getafe, Tres Cantos, Alcalá de Henares, Colmenar Viejo, Torrejón de Ardoz, Torreloaón, Móstoles, Boadilla del Monte, and Pinto.



Expansion of hotel accommodations

In a context of growth in the international tourism market in the region, the Community of Madrid aims to boost private investments in hotel assets. The focus is on the niche of medium-sized, mixed-use hotels outside the city of Madrid, catering to the incentive travel and vacation segments.



New cultural and congress infrastructure

The region is a benchmark for cultural, musical, and entertainment events, as well as the organization of conferences and exhibitions. Therefore, the Community of Madrid is open to the construction of new infrastructure, such as a Congress Palace with a capacity exceeding 5,000 seats and an internationally prestigious cultural venue, located outside the city centre.



4

Supporting Infrastructure and Incentives

For over 20 years, Madrid has been lowering taxes and is committed to reducing bureaucracy to make investment easier.

Mechanisms for streamlining administrative procedures

Madrid: Low taxes, sustained over the years, and a commitment to reducing bureaucracy for easy investment.

The **Region of Madrid is the most fiscally competitive region in Spain** according to the Autonomous Fiscal Competitiveness Index (IACF), developed by FundaLib and the Tax Foundation. This index allows for a comparison of the competitiveness and attractiveness for entrepreneurs and residents across different fiscal systems in the country. It analyses taxes such as Income Tax, Wealth Tax, Inheritance Tax, Property Transfer Tax (ITP), and Documented Legal Acts Tax (AJD), as well as regional taxes.

The **Income Tax has a marginal rate of 45%** in the Region of Madrid, the lowest level in all of Spain and close to the European average.

Madrid is also the region offering the highest fiscal competitiveness for workers across various income levels.

Additionally, a **new deduction in the Personal Income Tax (IRPF) for foreign investors** comes into effect in 2024, offering a 20% deduction in the regional portion of the tax.

The **Open Market Law for the free movement of companies and services** in the region allows businesses and economic operators to set up without having to request additional permits or licenses they already have in their places of origin.

The **project accelerator** improves the coordination of the Administration in handling investment projects deemed of special interest. It consolidates all pertinent decision-making entities to simplify their development, managing the process through a unified point of contact.

Investment Accelerator

What is it?

The Accelerator is a collegiate body of an interdepartmental nature, involving the competent Departments for the establishment/expansion of a business project and the Municipalities' Councils where the investment project is planned to take place. Additionally, technical advisors, other Administrations, and, in the case of internationally oriented projects, **Invest in Madrid**, may also participate.

Objective of the Investment Accelerator

The Investment Accelerator aims to improve the coordination of the Administration in handling investment projects deemed of special interest. It brings together all relevant decision-making entities to streamline their development, addressing the process through a single point of contact

Target audience

The Investment Accelerator is aimed at promoters of investment projects who can demonstrate technical maturity, financial viability, and fulfil at least one of the following criteria:

- Generating fifty or more permanent full-time jobs or equivalent.
- Undertaking an investment in fixed assets, excluding real estate, totalling ten million euros or more, except for energy facilities, which should be twenty-four million euros or more.
- Other investment projects that do not meet the above requirements but contribute to improving the Madrid production model or contribute to rebalancing the Madrid economy.

Processing

Through the following [link](#).

Open Line against Hyperregulation

What is it?

The Open Line against Hyperregulation is a direct communication channel where citizens and businesses can share ideas and address regulatory challenges in the Community of Madrid.

Over 200 reforms for regulatory improvement and administrative simplification have been implemented since the project's start.

Regional Scope Projects

What are they?

Regional Scope Projects refer to specific territorial initiatives designed to organize and plan, at a fundamental level and for immediate implementation, investments within the regional domain. These investments are considered to be of exceptional public interest due to their nature.

Objectives

Possible objectives include:

- Regional infrastructure of any kind, including necessary complementary constructions and facilities.
- Works, constructions, or installations, including required complementary urbanization, to support public emergency housing, public services, facilities, and amenities.
- Facilities for the development of economic activities related to research, production, distribution, and commercialization of goods and services.
- Projects involving the establishment of economic activities of interest due to their significance in job creation, the investment involved, or the generation of wealth for the region



+200

Reforms for regulatory improvement and administrative simplification



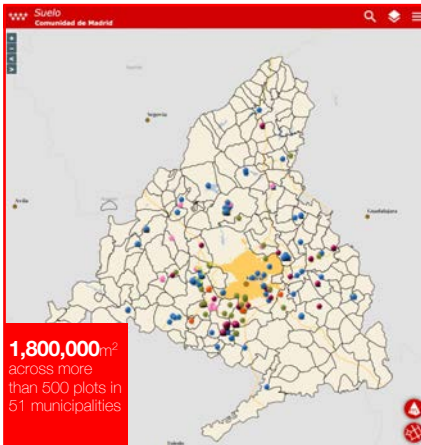
Office space and land

Over 3 million square meters of industrial land and office space for economic activity and innovation.

Portal de Suelo 4.0

The Community of Madrid features a **Suelo 4.0 Portal (Land 4.0)**, allowing users to explore the location and details of plots available for sale or concession. These plots are owned by the regional government and affiliated municipalities. The portal provides all necessary data along with direct links to information about different participating managers. This portal highlights the available opportunities across various areas in the Community of Madrid, encouraging the development of projects that contribute to investment and employment.

The information on the portal details the purpose (residential, tertiary, commercial, or other) and the arrangement (sale, rental, concession, or surface right) of over 500 primarily finalized plots distributed across 51 municipalities in the region. These plots collectively cover more than 1.8 million square meters of land. Notably, plots with a cumulative value exceeding 560 million euros have been sold to date.



Planifica Madrid

Planifica Madrid is another tool that helps manage construction and infrastructure projects in Madrid, as well as the management of urbanized land for various purposes.

Construction management



Management of infrastructure and building construction projects commissioned by the Local Administration, carried out by the Community of Madrid.

Promotion and financing



Management, promotion, and financing of all types of buildings or infrastructure projects commissioned by the Departments of the regional government.

Asset management

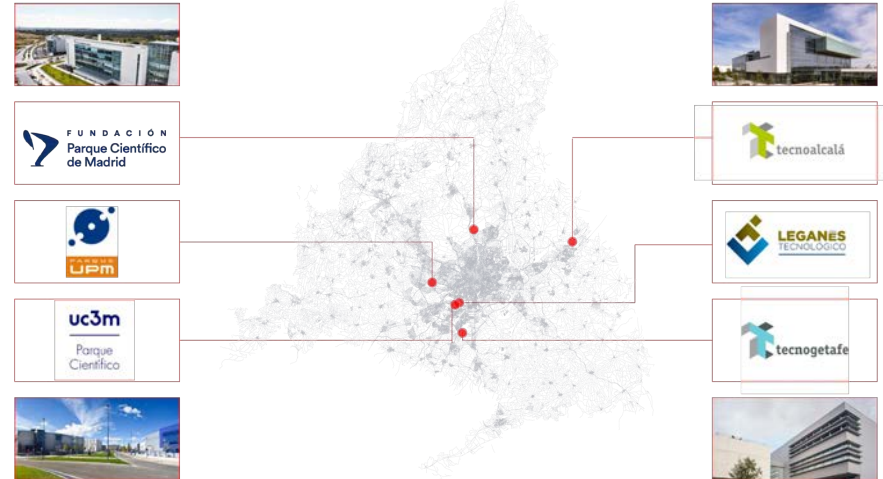


Management of real estate assets, including maintenance, conservation, rehabilitation, acquisition, and disposal, as well as leasing.



Science and Technology parks

In addition, the Community of Madrid has **6 Science and Technology Parks** specialized by sector, integrating universities, research centres, and businesses. It also has a network of incubators for the initial stages of project development. To complement these, there is a network of public coworking spaces in the main cities of the region, alongside **private coworking spaces** listed on the **start-up radar platform** developed by the Community of Madrid.



Patio

Patio seeks to establish itself as a prominent hub for innovation and entrepreneurship, particularly emphasizing sustainability. It welcomes the active involvement of corporations, start-ups, investors, public entities, the academic sector, and the third sector.



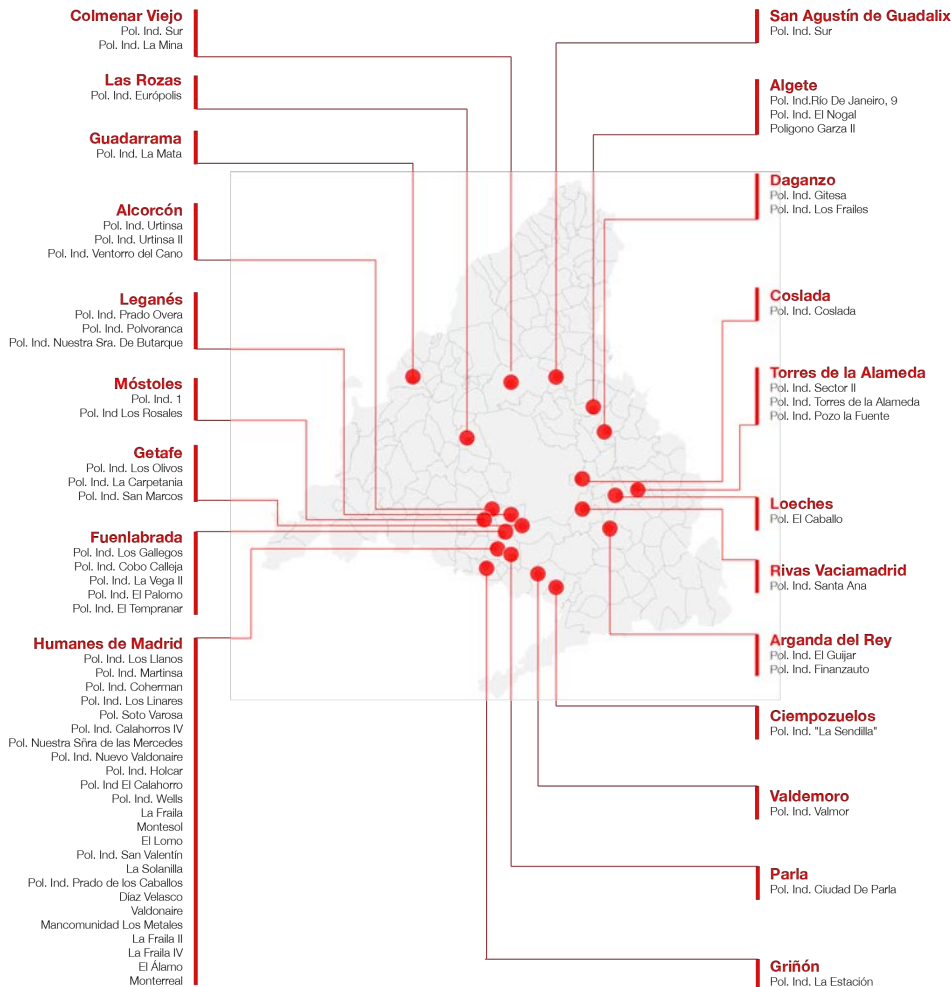
Partners



Office space and land

Industrial Parks

Below is a map featuring some of the key industrial estates in the Community of Madrid:



New Developments

Madrid Nuevo Norte

Madrid Nuevo Norte stands as the most significant urban transformation endeavour in Madrid and a major initiative across Europe. Crafted to elevate the quality of life for its residents, the project envisions forging a more efficient, sustainable, and prosperous Madrid.



Arganda del Rey

The **Arganda del Rey Logistics Park** will be an Intermodal Logistics Platform aimed at strengthening the logistical potential of the Community of Madrid. This initiative positions Madrid as a key hub in international freight transportation exchanges, leveraging the advantages of its unique location.



Carpetania

The **Carpetania Business Park**, located in Getafe, is fully integrated into the economic-cultural fabric of industrial and technological innovation in Madrid, thanks to its connections with universities in the metropolitan area of the capital and with research and development institutes and decision-making centres..



Meco-R2

An industrial, logistical, and tertiary-use business park in the Corredor del Henares, offering high-quality developed land to address the demand for the establishment of industrial, logistical, and commercial activities.



Aid and incentives

Financing and specific aid programs enhance the profitability of investments in Madrid.

Madrid offers an attractive system of **tax incentives and support** to encourage business activity and R&D:

- Tax deductions for R&D activities, technological innovation, and intangible asset transfer.
- Tax credits for profit reinvestment.
- Direct aid for hiring.
- Promotion of training programs.
- Support for decarbonization initiatives.

Here's a curated list of key incentives and support programs for companies in the region, organized based on common purposes for which assistance is provided.

Additionally, the Community of Madrid has a **map of innovation agents** and specific services to support entrepreneurs.


Lines of support
 Comunidad de Madrid

INVESTMENT

Financial support programs designed to drive tangible investments, whether to facilitate the establishment or expansion of a company during pivotal stages of its development, promote the modernization of its facilities or processes, or adapt them for greater energy savings and efficiency.

Expansion Line

Investment project to foster growth

Up to 75% partially reimbursable

Neotec

Implementation of innovative business projects

Up to 70%
Max. 250.000€



Industry 4.0

Projects for industrial research, experimental development, and innovation in organizational processes contributing to digital transformation

Loan up to 80%



FAIIP

Industrial investments to boost development and enhance competitiveness

Loans of up to €60M



Start-ups and SMEs

Investments for the Initial Phase of the Business Project

Loan of up to €300,000

Expansion

Projects for Business Expansion or Competitive Improvement

Loan of up to €1,500,000



ICO Lines

Investment projects, business activities, and/or liquidity needs or expenses

Up to 12.5M€
Loan, leasing, or line of credit



RESEARCH, DEVELOPMENT AND INNOVATION

Support programs aimed at boosting the execution of R&D&I projects, easing the challenge of securing financing due to their inherent higher risk.

R&D Projects

Aimed at improving products, processes, or services

Up to 75% partially reimbursable

Technological Innovation Projects

Aimed at boosting company competitiveness by adopting emerging technologies

Up to 75% partially reimbursable



Innovation Voucher

Hiring of R&D Services

Up to 80% Max. €60,000

Growth of SMEs

Technology-based Innovators

250,000€ per project

Growth of Start-ups

Technology-based Innovators

Max. €80,000



Tax Incentives for R&D&I

Tax Incentives for Research and Development (R&D) and Technological Innovation Activities

30% for R&D expenses
20% for researcher personnel costs
12% for tech innovation expenses



Patent Box

Transfer of the right to use or exploit intangible assets created by the company itself

40% of the amount



Key Enabling Technologies

Development of technological offerings based on enabling digital technologies

Between 25-45%

red.es

Aid and incentives

TALENT

Incentives aimed at promoting the training and hiring of talent.

Investigo Program

Hiring of young individuals (<30) for R&D positions

Up to €33,108,92 pers. per year



Torres Quevedo

Hiring of R&D PhDs

Up to €55,000€ pers. per year



Industrial Doctorates

Hiring Ph.D. students for R&D Projects

Up to €25,300 pers. per year



Training programs

for skill development and retraining of the active workforce

Max. €1,000,000



CARBON NEUTRALITY

Moves Flotas

Electrification of light vehicle fleets

Up to €2,500,000

Energy Efficiency

Measures to reduce carbon dioxide emissions and final energy consumption through improved energy efficiency

30% of the eligible investment
Up to €2M per project



Moves III

Purchase of electric cars and rollout of charging infrastructure

€800,000-€2,500,000

Self-consumption

Facilitate the implementation of renewable energies, both thermal and electric

Up to 35% depending on kWh



Renewable thermal energy

Deployment of thermal renewable energy installations in the industrial, agricultural, and services sectors

Up to 35% depending on kWh



SPECIAL LINES FOR FOREIGN INVESTORS AND FUNDS

Coinvestment Fund (FOCO)

New financial instrument, managed by COFIDES, endowed with 2 billion euros from the European Next Generation EU funds.

Its primary objective is to facilitate the transformation of the Spanish production model by attracting foreign investment to private enterprises in areas such as energy transition, digital transformation, sustainable mobility, biotechnology, or sustainable agriculture.

The Fund has the flexibility to directly invest in companies and acquire equity stakes in investment vehicles that support new investments in Spain across the targeted sectors of FOCO (Fund of Funds). Co-investors are required to contribute, for each transaction, an investment volume that is at least equivalent to that of FOCO.

Up to €150M per sponsor/fund



Rising up in Spain

A personalized acceleration program offering legal guidance, visa assistance, and support in company formation for start-ups aiming to establish and grow their presence from Spain.



Spain-Latam Scale-Up

This initiative aims to attract start-ups and scale-ups from Latin America, encouraging their expansion and establishment in Spain as a gateway to the European market.



INDUSTRIAL COMPANIES

Modernizing and increasing productivity of industrial companies

This new grant program is designed to support the modernization and productivity enhancement of industrial companies in the region. It offers incentives for acquiring productive assets, covering costs related to the purchase of premises and warehouses for proprietary use, land for construction, machinery, productive equipment, as well as hardware and software for business process development.

Up to 60% of eligible expenses.
75% in municipalities with fewer than 2,500 inhabitants.
Expenses incurred in 2023



European Funds

European Funds: Key contributors to Madrid's economic growth.

The Madrid government acknowledges the crucial role that **European Funds** play in fostering economic development and driving transformation in key areas such as digitization, sustainability, and urban mobility. There is a strong focus on ensuring efficiency and the successful implementation of funded projects. In line with this commitment, the government has established a **Technical Office of European Projects** in collaboration with **CEIM**, the Business Confederation of Madrid-CEOE. The primary goal of this office is to enhance information dissemination, provide training, and promote a deeper understanding of European funding opportunities for business projects.

The Community of Madrid has benefited from a total allocation of 1.476 billion euros within the Multiannual Financial Framework (MFF) 2021-2027, of which 892 million will be managed directly at the regional level. Within this amount, 483 million euros are allocated to the **FEDER Program 2021-2027**, which aims to support various initiatives in the region, including the promotion of a more digital and competitive economy, greater energy efficiency and renewable energies, and the improvement of urban mobility and training.

By the end of 2022, the Community had executed more than 90% of the 593 million euros in European funds budgeted for that year.

Moreover, the Community of Madrid's government has crafted a comprehensive **Recovery and Resilience Strategy**, featuring over 200 investments and nearly thirty reform proposals with a cumulative value of 22 billion euros. This strategic initiative places significant emphasis on ecological transition and sustainable mobility, aligning seamlessly with the objectives of the **Strategic Projects for Economic Recovery and Transformation (PERTEs)**.

Within this framework, a substantial portion of 4.41 billion euros is earmarked to establish an efficient energy model and facilitate the transition to a circular economy. Additionally, 7.75 billion euros are dedicated to fostering sustainable mobility.

Invest in Madrid, serving as the sole point of contact for foreign investors, provides the necessary guidance to address investor requirements related to European funds.

Services offered by the OTPE



Advisory services



Information



Programs and calls



Events



Strategic Projects for Economic Recovery and Transformation

The **Recovery, Transformation, and Resilience Plan** represents an extraordinary opportunity for Spain and Madrid. The addendum to the Recovery Plan, which will allocate nearly 27 billion in additional resources to **Strategic Projects for Economic Recovery and Transformation (PERTEs)**, raises the total mobilizable European resources to **160 billion euros** for the period 2021-2026.




Clusters and IMDEA Institutes

The Madrid Region has promoted the creation of clusters to enhance the innovation and technological development capabilities of businesses, increasing productivity and competitiveness. This initiative contributes to the economic revitalization of the region.

Clusters of the Madrid region

The six clusters of the Madrid region serve as strategic instruments for the digitization of the region and to strengthen Madrid's role as a digital hub in Southern Europe.

<p>AI Cluster</p> <ul style="list-style-type: none"> ● Leganés 	<p>Digital Transformation Cluster</p> <ul style="list-style-type: none"> ● Torrejón de Ardoz
<p>Blockchain Cluster</p> <ul style="list-style-type: none"> ● Tres Cantos 	<p>Internet of Things Cluster</p> <ul style="list-style-type: none"> ● Las Rozas
<p>Quantum Computing Cluster</p>	<p>Automotive Cluster</p>
<p>CITET Innovation Cluster for Sustainable Distribution of Goods</p>	<p>Agrifood Cluster</p>
<p>Audiovisual Cluster</p>	



Clusters of Technological Innovation and Talent

The **Clusters of Technological Innovation and Talent (CITT)** seek to foster collaboration between the public and private sectors, identify the needs and strengths of their respective industries, enhance development capabilities in the Madrid region, and promote the transfer of knowledge.

<p>CITT for Semiconductors</p> <ul style="list-style-type: none"> ● Tres Cantos 	<p>CITT for Biomedical Technologies and Biotechnology</p>
<p>CITT for Digital Humanities and Spanish Language Technologies</p>	<p>CITT for Space Technologies</p>

Clusters of the Madrid City Council

The clusters in the Community of Madrid are complemented by those initiated by the City Council in areas like **Big Data**, **Cybersecurity**, **Construction**, **Engineering**, **Circular Economy**, **Fintech**, **e-Health**, and **Video Games** in recent years.



Clusters and IMDEA Institutes

IMDEA INSTITUTES

The IMDEA Institutes (*Instituto Madrileño de Estudios Avanzados* or Madrid Institute for Advanced Studies) encompass **seven centres of research excellence in the Community of Madrid**. Originating more than 15 years ago through the regional government's initiative, these institutes operate as independent foundations. Their primary mission involves conducting and promoting cutting-edge R&D activities in close collaboration with the productive sector.



IMDEA Food

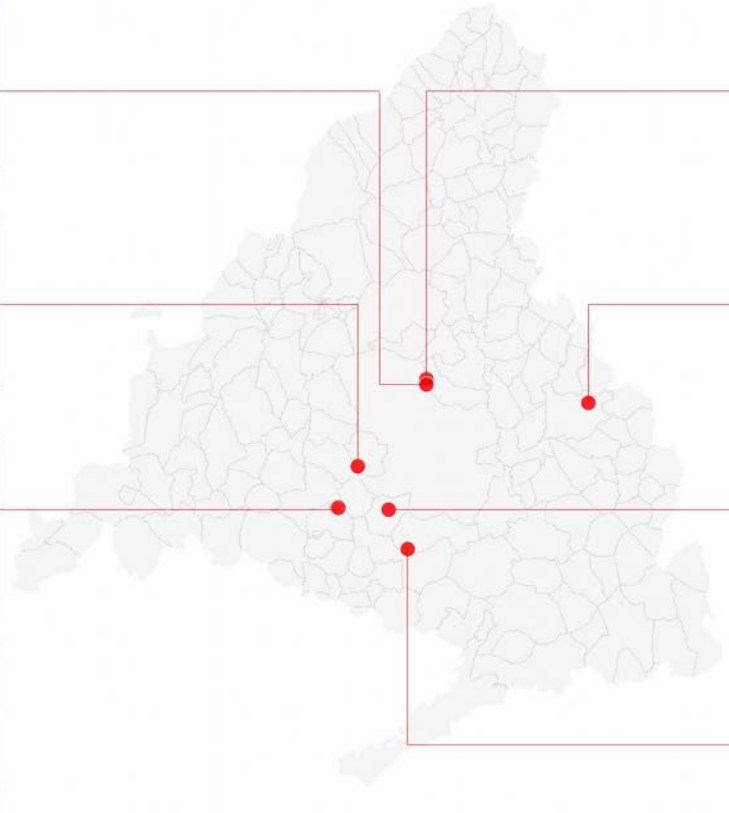
Conducting top-tier research on topics related to food, nutrition, and health, with a focus on identifying nutritional strategies that hold both economic and social significance.

IMDEA Software

The Institute's focus covers every stage of software development, from analysis, design, implementation, validation, and verification, to methodologies, languages, and tools.

IMDEA Energy

Specialized in R&D activities related to renewable energies and clean energy technologies.



IMDEA Nanoscience

A top-tier international research center focused on nanoscience and nanotechnology projects

IMDEA Water

Engages in significant research on water-related aspects, aiming to generate knowledge that contributes to sustainable water solutions for the planet.

IMDEA Networks

Internationally renowned research in the field of communications engineering and computer networks, with an emphasis on technology transfer to industries in our local context.

IMDEA Materials

Its distinctive equipment, both experimental and computational, allows research groups to explore cutting-edge knowledge in the field of Materials Science and Engineering.

Invest in Madrid

5

We guide you through the entire process of creating, establishing, and expanding your company in Madrid, providing a dedicated point of contact and comprehensive support.

Invest in Madrid

We accompany you in the creation, establishment, and expansion of your company in Madrid.

A new approach, a new strategy, with the investor in mind.

Invest in Madrid serves as the dedicated office for assisting foreign investors in the Madrid region.

We act as the **primary point of entry** and unified interface for investment in the Madrid region, offering **comprehensive support**

In our current phase, we are **committed to delivering high-quality services** to entrepreneurs and investors looking to establish or expand their businesses across any of the 179 municipalities in the region.

We guide and assist individual or corporate investors throughout the entire project, ensuring professionalism, confidentiality, and at no cost.

Our support spans the entire investment project, from the initial inquiry about opening a business to its establishment and subsequent expansion.



Investor Services

Single point of contact.

Comprehensive support.

Professional, confidential, and cost-free services for investors.

Before investing

Our **pre-investment services** aim to attract investors to the Region of Madrid by providing information on all relevant variables and showcasing the region's competitive advantages.

We assist in conducting preliminary evaluations before making any investment decisions in the region of Madrid.

Establishment

Invest in Madrid **simplifies the process for investors to set up** in the region, addressing their needs from the start. We offer free and professional consulting services to help companies and investors open their headquarters in Madrid.

We streamline the establishment and operational processes, addressing any challenges that may arise along the way.



Expansion

Invest in Madrid also provides **post-investment support**. We accompany investors in their growth and expansion process in the region, as well as in diversifying their activities or opening new lines of business.

We offer direct communication with investors, personalized attention, and handle coordination with public administrations and private entities that may be of interest.

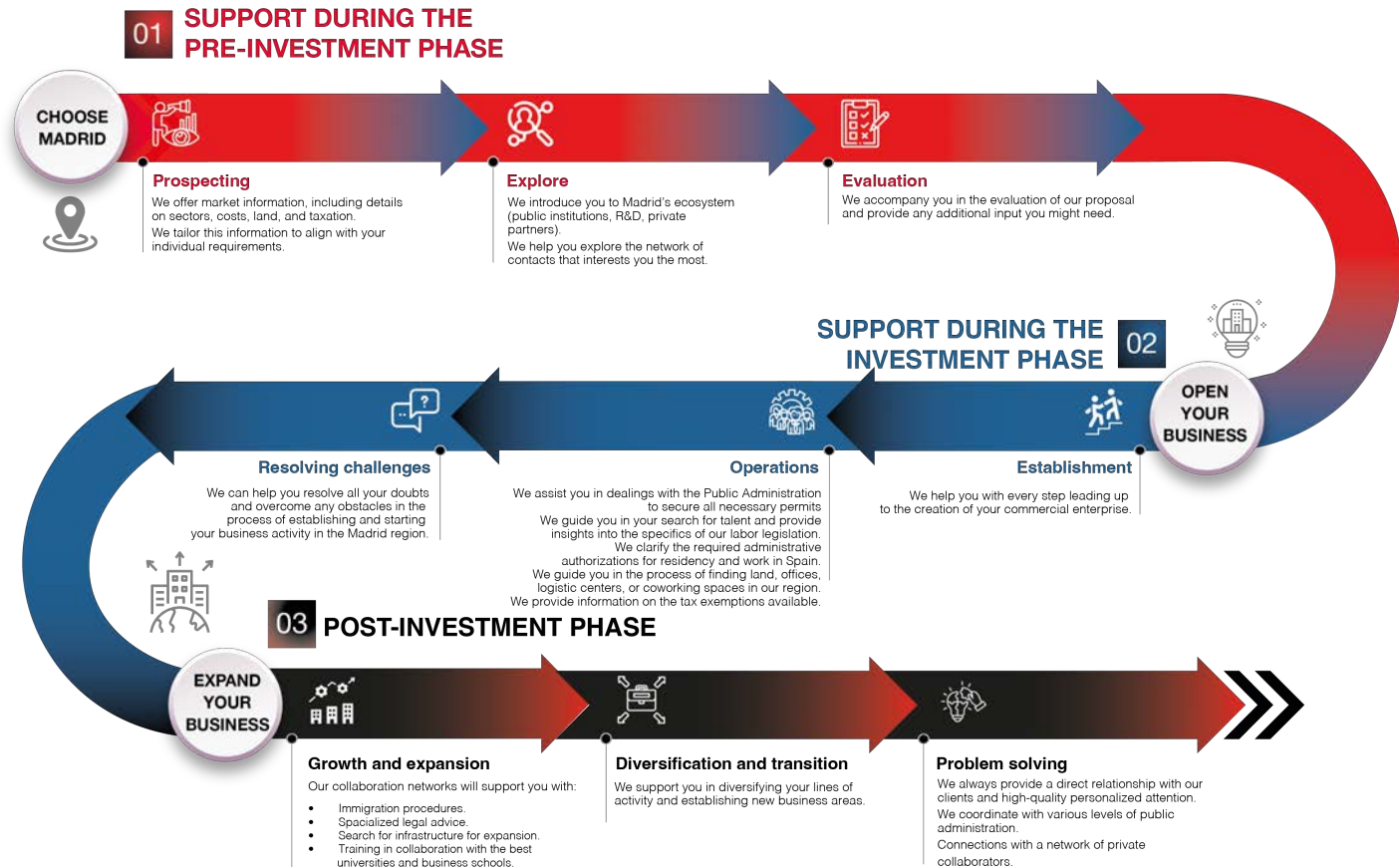


Invest in Madrid

We accompany you in the creation, establishment, and expansion of your company in Madrid.

Professional, Confidential, and Cost-Free Services for the Investor.

We support companies throughout their entire investment process in our region, from the initial inquiry about opening a business, through the establishment phase, to subsequent expansion efforts.



Call us
+34 914 221 620

Write to us
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O'Donnell, 12 - 28009 Madrid

Website
investinmadrid.com

Foreign Investment Network

Invest in Madrid provides a **Foreign Investment Network**, allowing foreign companies to directly connect with service providers. These providers offer assistance in various areas, including accounting, legal matters, hiring, regulatory compliance, and addressing any commercial or legal queries that may arise when establishing a company or subsidiary in the Community of Madrid.

Likewise, **Invest in Madrid** can act as a bridge between the investor and different national and local institutions. These institutions may offer valuable support during the investor's process of setting up or expanding in the region.

If you wish to find a partner or join our network, you can do so through the platform available on our [website](#).



Institutional partners

CEIM



CEIM, the Business Confederation of Madrid-CEOE, represents the collective voice of Madrid's business community. With over 45 years in operation, it is composed of more than 150 business organizations, spanning both sector-specific and regional entities.



Madrid Chamber of Commerce

The Official Chamber of Commerce in Madrid represents and supports the economic interests of the region and provides services to businesses in the Community of Madrid.



Madrid City Council

The Madrid City Council provides different support instruments to promote foreign investment projects within the city.



Municipalities of the Community

Invest in Madrid directly engages with authorities in all municipalities across the Community of Madrid, whether or not they have an investment attraction office.

Foreign Investment Network

Legal Advisory Services

01

Aids and Incentives

02

Consultancy

03

Financial Institutions

04

Management and Accounting Services

05

Marketing and Communication

06

Human Resources

07

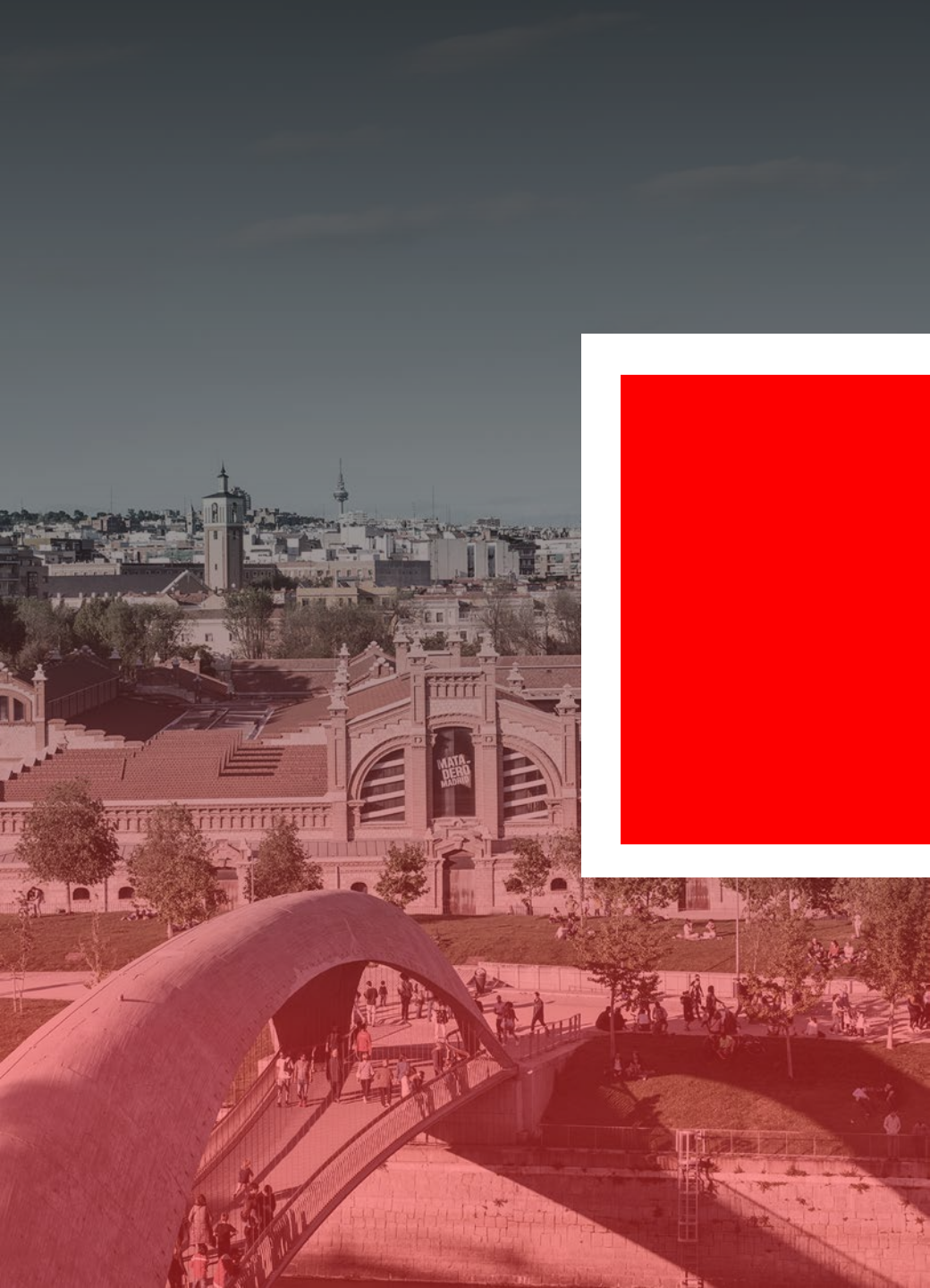
Land, Office Space and Real Estate

08

Universities and Business Schools

09

References



References

Note on Sources

This report is compiled using primary sources from the Community of Madrid and secondary sources from various institutions, organizations, associations, and specialized companies. When analysing data for the latest complete year was not feasible, the most recent available data has been utilized.

Throughout the document, emphasis has been placed on sources from official institutions and organizations that enable comparisons at the global or European level. In cases where necessary, this information has been complemented with reports and studies from companies relevant to the discussed topics.

1. Madrid region: more than just statistics

I. Geography and climate	Community of Madrid Madrid City Council AEMET
II. Population	National Statistics Institute (INE) Eurostat
III. Economy	Community of Madrid National Statistics Institute (INE) SEPE Investment Registry SABI-Informa
IV. Infrastructure	Community of Madrid AENA ADIF Ministry of Transport, Mobility and Urban Agenda Madrid City Council EMTA
V. Tourism, art and culture	Community of Madrid National Statistics Institute (INE) IFEMA World MICE Awards Michelin
VI. Education	Community of Madrid Registry of Universities, Centres, and Degrees (RUCT) Ministry of Science, Innovation, and Universities Financial Times
VII. Foreign Direct Investment	Investment Registry SABI-Informa Orbis Crossborder Investment Sifdi

2. Why invest in the Madrid region?

1. Driving force and economic hub of Latin America and Southern Europe

Market size	Community of Madrid Eurostat National Statistics Institute (INE) Regional Accounts National Statistics Institute (INE) National Accounts
Regional Competitiveness Index	European Commission
Growth forecast	OECD Economic Outlook BRVA Research
Spanish speakers	Cervantes Institute
Foreign investment (flows, stock, employment)	Investment Registry
Foreign affiliates	SABI-Informa

2. A region that encourages private initiatives and supports businesses

Madrid Ratings	Community of Madrid
Spain Ratings	Treasury
Regional Fiscal Competitiveness Index	IACE (Fundalib, Tax Foundation)
European Tax Burden	Eurostat – Main account tax aggregates

3. A centre for exceptional talent

Population	Community of Madrid National Statistics Institute (INE) – Municipal Register Eurostat
Foreign population	Community of Madrid
Active population	National Statistics Institute (INE) – Active Population Survey (EPA)
Employees in high-technology sectors	Eurostat
HRST	Eurostat
Professionals in technological and knowledge-intensive sectors	Eurostat
Highly qualified workers	Eurostat
Universities and university students	Registry of Universities, Centres, and Degrees (RUCT) Ministry of Education, Vocational Training, and Sports Eurostat
Vocational Training students	Community of Madrid
National talent ranking	IIE and the COTEC Foundation
High and medium technology companies	National Statistics Institute (INE)
Regional Competitiveness	European Commission
MBA Rankings	Financial Times

Referencias

4. Leader in physical and digital infrastructure

Air connectivity	Aena
Airport ranking	Eurostat Airports Council International
High Speed Rail	ADIF
Road network	Ministry of Transport and Sustainable Mobility
Mercamadrid	Mercamadrid
Public transport network	European Metropolitan Transport Authorities Madrid City Council
Digital Connectivity Statistics	Ministry for Digital Transformation and of Civil Service European Commission - DESI
Data Centres	Colliers – Data Centers

5. Ideal blend of tradition and innovation

Digital Economy	COTEC – IVE
Multinationals	Sifidi ID Markets Orbis Crossborder Investment
Infrastructures and innovation centres	Community of Madrid Madrid City Council
Research and Development	Community of Madrid National Statistics Institute (INE) Eurostat
Start-ups and venture capital	Startup Radar (Madri+d) Dealroom

6. Competitive costs and availability of energy and natural resources

Labour costs	Eurostat National Statistics Institute (INE) - Annual Wage Structure Survey
Industrial land	Community of Madrid
Availability of office spaces	JLL Office Snapshot
Taxes and fees	Community of Madrid IACE (Fundalib, Tax Foundation)
Reservoirs	Canal de Isabel II Embalses.net
Demand and electricity generation	Red electrica
Cost of living	Mori - Global Power City Index Economist Intelligence Unit Numbeo Mercer

7. The perfect support for your life plans

Life expectancy	Eurostat National Statistics Institute (INE)
Quality of life	OCDE - Better Life Index Mori - Global Power City Index Internations - Expat insider
Best hospitals	Newsweek
Healthcare system	Health Department Ministry of Health Bloomberg
Crime rates	Eurostat Numbeo
Tourists	Community of Madrid National Statistics Institute (INE) Madrid Destino Eoatur
Heritage	Community of Madrid Madrid City Council
Tourism and leisure	Community of Madrid

3. Investment opportunities

1. Aerospace	Community of Madrid Invest in Spain
2. Automotive	Community of Madrid MCA Cluster Invest in Spain
3. Data Centres	Colliers – Data Centers Spain DC JLL
4. Digitalization	ONTSI (red.es) Ministry of Science, Innovation, and Universities Startup Radar (Madri+d) Dealroom Eurostat
5. Pharma	Community of Madrid BioMad CITT en Tecnologías Biomédicas y Biotecnología Invest in Spain
6. Microelectronics	Community of Madrid CITT Semiconductores
7. Audiovisual	Community of Madrid Film Madrid Madrid Film Office Madrid City Council

4. Support and incentives

Aceleradora de inversiones
Línea abierta contra la hiperregulación
Portal del Suelo 4.0
Planifica Madrid
Patio Campus
Madrid Nuevo Norte
Parque Logístico Arganda del Rey
Meeco-B2
Línea de Ayudas CM
CDTI
Senides
ENISA
ICQ
Red.es
IDAE
Enercom
Cofides
ICEX-Invest in Spain
BID Lab
Endeavor
CEIM
OTPE
Cámara de Madrid
Madrid City Council
IMDEA

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