



Flash Report on Catalan Business Environment 2018

Flash Report on Catalan Business Environment 2018.

ACCIÓ
Government of Catalonia



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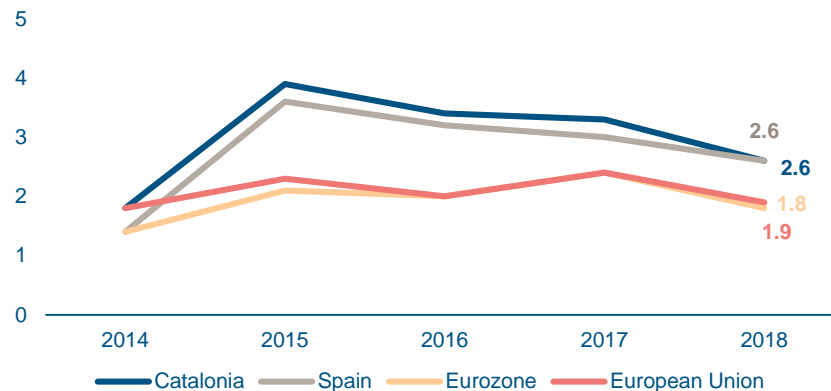
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GDP

Catalonia GDP 2018

Catalonia's GDP grew by 2.6% in 2018

GDP annual growth rate. Seasonally adjusted data. (%)



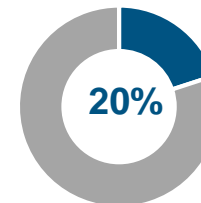
Source: Idescat.

In 2018, Catalonia's gross domestic product grew by **2.6%** compared to 2017, thus matching the rate for Spain (**2.6%**) and surpassing the eurozone (**1.8%**) and the European Union (**1.9%**).

In terms of the production approach, industrial GVA increased by **1.1%**, services GVA by **2.9%** and construction GVA by **4.7%**.

INDUSTRY

- Industry accounts for **20.7%** of Catalonia's gross value added, which is above the figure for Spain (**17.8%**) and the European Commission's target of 20.0% by 2020.
- Industrial production increased by **0.8%** in 2018.
- Industrial turnover rose by **3.7%** in 2018.
- Industrial investment grew by **16.1%** in 2018.



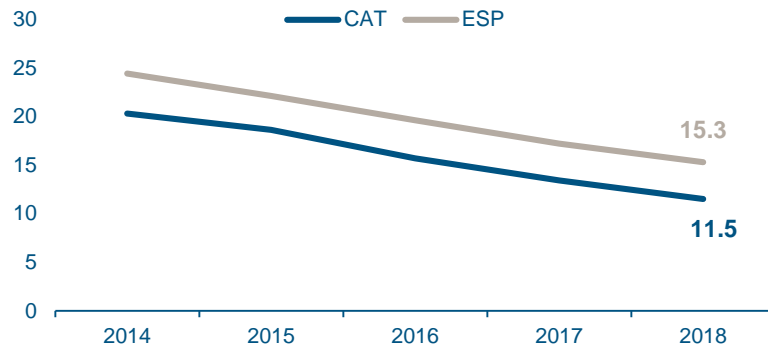
Catalonia accounted for **20%** of Spain's GDP in 2018.

EMPLOYMENT AND UNEMPLOYMENT

Employment and Unemployment

The unemployment rate in Catalonia dropped to **11.5%** in 2018

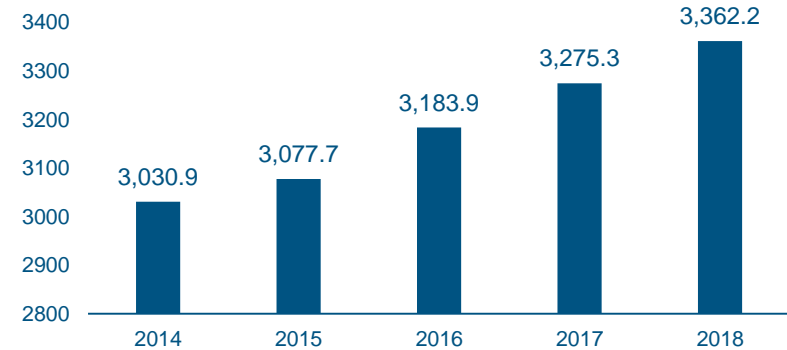
Evolution of the unemployment rate. Catalonia and Spain 2014-2018. (%)



- The unemployment rate in Catalonia dropped for the fifth consecutive year and fell to **11.5%** in 2018, with a total of **436,400** people unemployed, i.e. **14.0% fewer** than in 2017.
- It was lower than the unemployment rate in Spain (**15.3%**).

Employment increased by **2.7%** in 2018

Employed persons in Catalonia. 2014-2018.
(Thousands of persons - annual average)



- The employed population in Catalonia in 2018 was **3,362,200** persons (annual average); **2.7%** more than in 2017.
- The employed population in **industry** in 2018 increased by **6.1%** compared to the previous year (Spain as a whole grew by **2.3%**).
- Employment in **high-tech sectors** increased by **6.6%** in 2018.

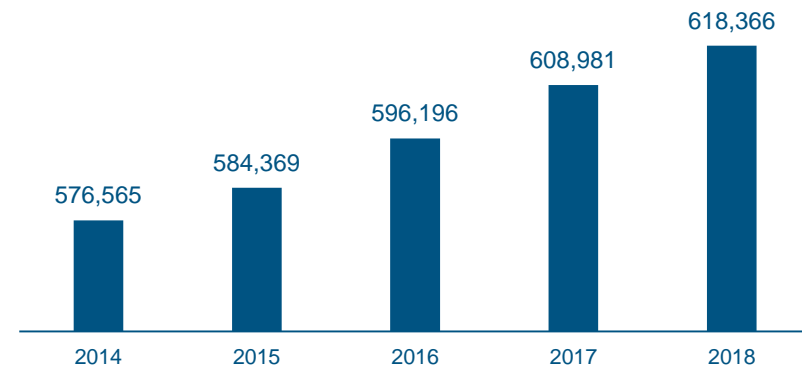
Source: Idescat, based on data from the Active Population Survey of the Spanish Statistics Institute (INE); EIC (DGI-ACCIÓ), based on data from the Observatory of Employment and Production Models.

BUSINESS GROWTH

Business Growth

The number of companies in Catalonia increased in 2018 for the fourth consecutive year

Number of companies with head offices in Catalonia



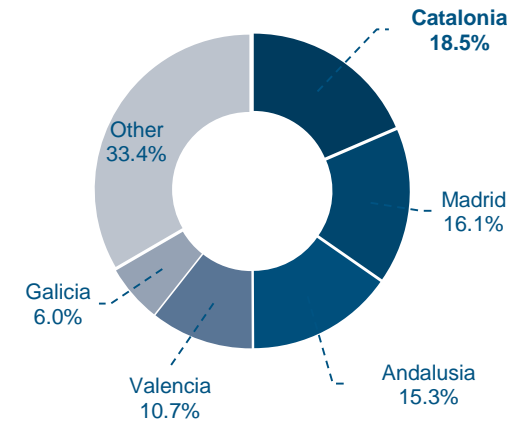
Source: DIRCE (INE).

- According to the Central Business Register (DIRCE), on 1 January 2018, the number of companies with head offices in Catalonia had increased by **9,385**, going from 608,981 to **618,366** (year-on-year growth of **1.5%**).
- It was the fourth consecutive year of growth.
- In Spain as a whole, the rate of growth was similar, at 1.7%.

Catalonia is the leading region in the number of companies

Companies by region 2018

(% of Spanish total)



Source: DIRCE (INE).

- Catalonia is the leading region in Spain in terms of the number of companies and accounts for **18.5%** of the Spanish total. Catalonia, along with the regions of Madrid (16.1%), Andalusia (15.3%) and Valencia (10.7%), account for 60.6% of the companies in Spain.

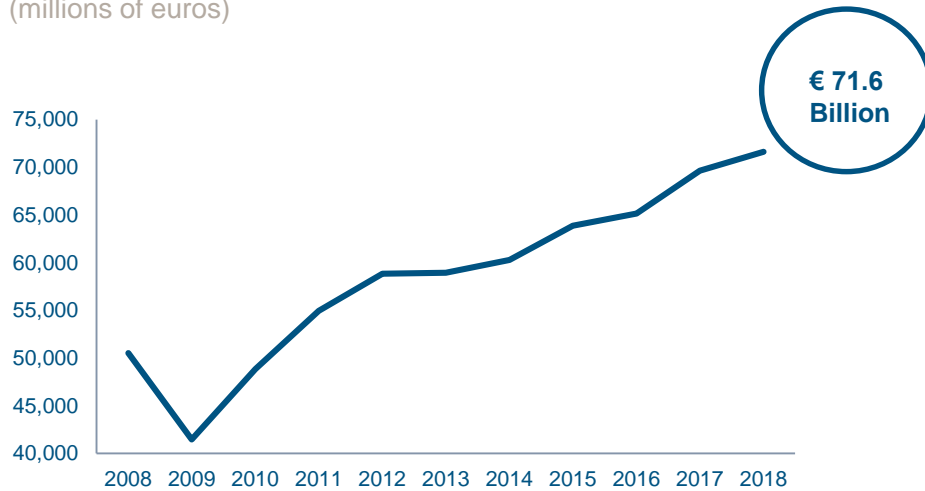
INTERNATIONAL TRADE AND FOREIGN DIRECT INVESTMENT

Exports

Catalan exports broke records for the eighth consecutive year in 2018

Evolution of Catalan exports, 2008-2018

(millions of euros)

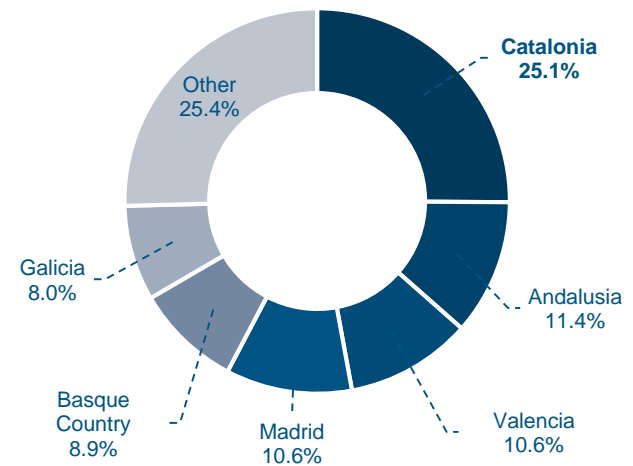


Source: EIC (DGI-ACCIÓ), based on data from ICEX-Estacom (2018 provisional data).

- Catalan exports increased by **1.1%** in 2018, compared to 2017, to **€71,623.8 M**, a record-breaking figure for the eighth year running.
- High-tech exports increased by **1.2%** in 2018, thereby achieving a **record high for the third consecutive year**.

Breakdown of Spanish exports by region 2018.

(as a % of total exports)

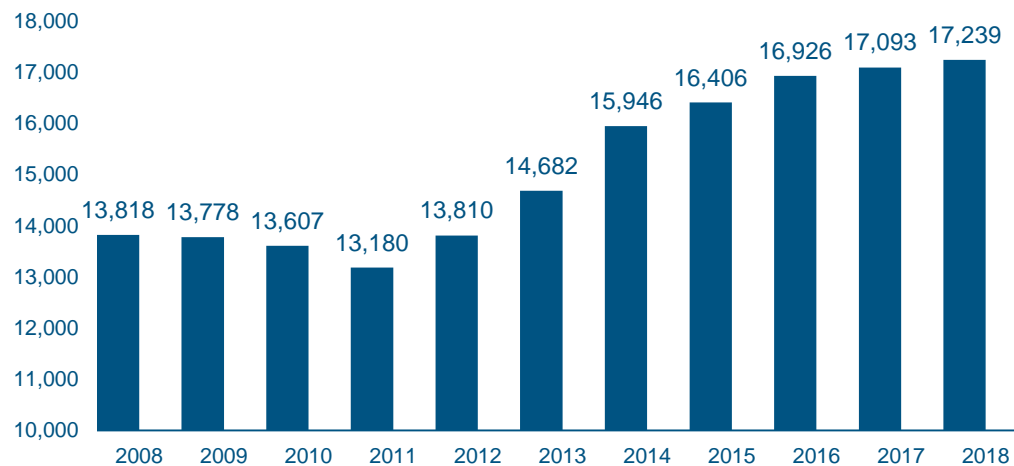


- Catalonia led the way in Spanish exports, accounting for **25.1%** of the total, well above the regions of Andalusia (**11.4%**), Valencia (**10.6%**) and Madrid (**10.6%**).

Regularly Exporting Companies

Regularly exporting companies break record for the sixth consecutive year

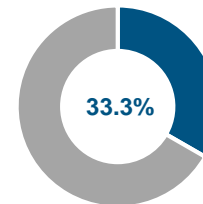
Number of Catalan regularly exporting companies. 2008-2018.



Source: ICEX - Profile of the Exporting Company.

In 2018, the number of regularly exporting companies reached the figure of **17,239** (companies that had exported continuously over the previous four years), which was **0.9%** higher than in 2017, thus establishing a new record for the sixth consecutive year.

The total number of exporting companies in Catalonia in 2018 was **47,918** (**2.7%** higher than in 2017).

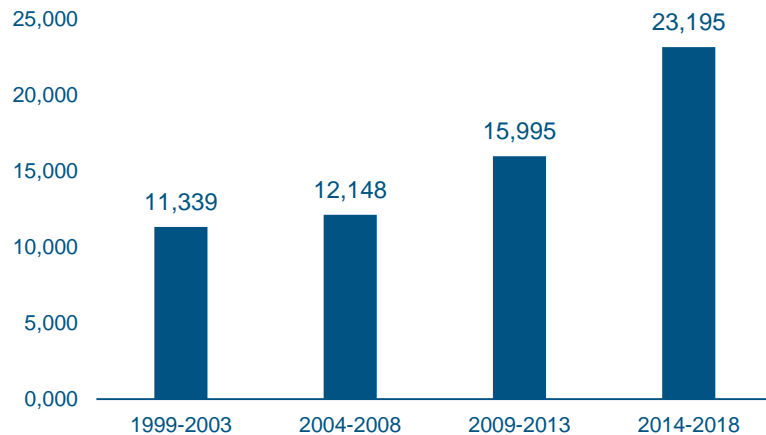


Catalonia is the leading region in Spain in terms of the number of regularly exporting companies, which represent **33.3%** of the total for Spain.

Foreign Direct Investment

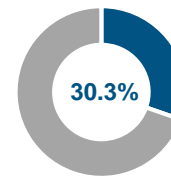
Catalonia has attracted €23 billion in the last five years, i.e. 45% more than in the previous five years

Evolution of foreign direct investment in Catalonia.
Five-year figures. 1999-2018 (millions of euros)



Source: EIC (DGI-ACCIÓ), based on data from Datalnvex-MINCOTUR.

Average gross foreign direct investment in production assets in the 2014-2018 period was **€4,639.0 M**, i.e. **45.0% higher** than the average for the previous five-year period, 2009-2013 (€3,199.0 M).



Catalonia **attracted the most foreign investment in the manufacturing industry** in Spain, with **30.3%** of the Spanish total in 2018.

Note: Since direct investment flows are so volatile, it is advisable to compare data using five-year averages.

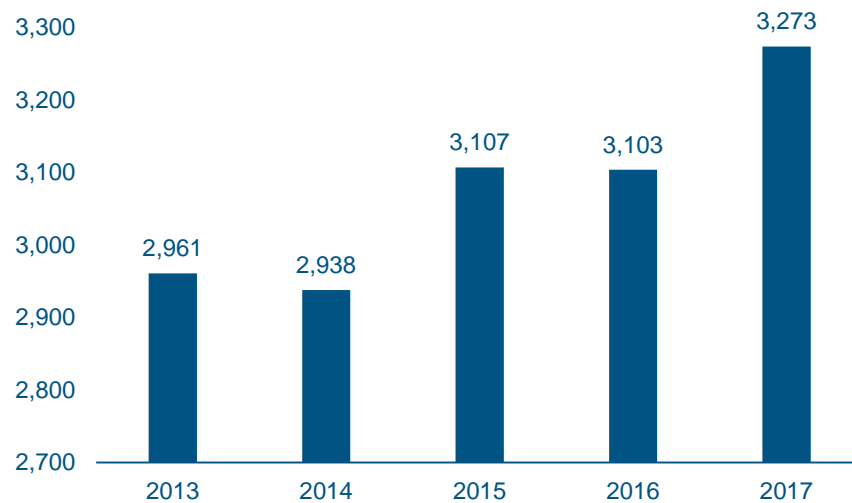
INNOVATION

R&D 2017 (provisional data)

R&D expenditure increased by 5.5% in 2017 compared to 2016

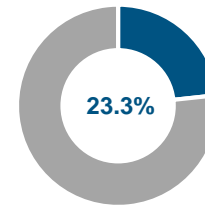
Evolution of R&D expenditure in Catalonia. 2013-2017

(millions of euros)



Source: Survey on R&D activities, INE (provisional data).

R&D expenditure in Catalonia in 2017 increased by **5.5%** compared to 2016, and reached the amount of **€3,273.4 M.** In the rest of Spain, R&D expenditure increased by 6%.



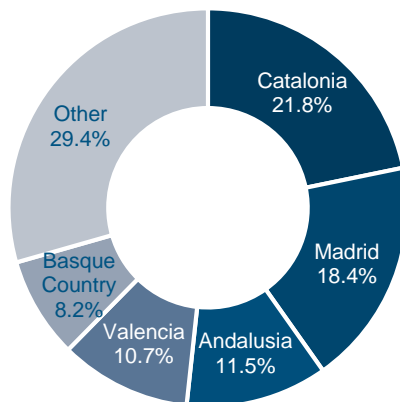
Catalonia accounts for **23.3%** of Spanish R&D expenditure.

R&D expenditure as a percentage of Catalonia's GDP increased to **1.47%** in 2017, from **1.45%** in 2016. This figure was higher than the one for Spain as a whole, which rose from **1.19%** to **1.20%** in 2017.

Number of Innovative Companies

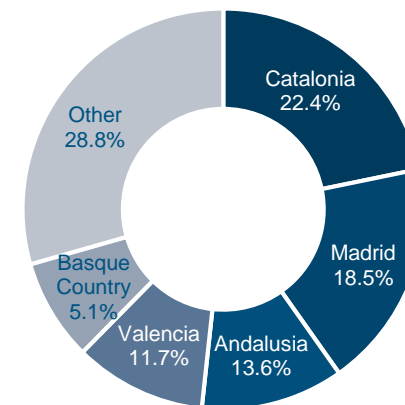
Catalonia is the leader in Spain in terms of the number of companies with technological and non-technological innovations

Companies with technological innovations by region. 2014-2016 (% of total for Spain)



Source: EIC (DGI-ACCIÓ), based on the Survey on Company Innovation, INE.

Companies with non-technological innovations by region. 2014-2016 (% of total for Spain)



Source: EIC (DGI-ACCIÓ), based on the Survey on Company Innovation, INE.

Catalonia has the most innovative companies in Spain, with **9,282** companies, i.e. **22.2%** of the total.

Catalonia is the leader in terms of the number of companies with technological innovations, with **21.8%** of the total for Spain.

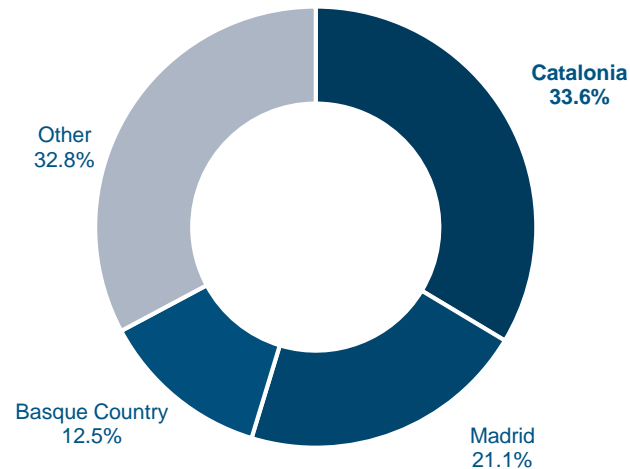
Catalonia is the leader in terms of the number of companies with non-technological innovations, with **22.4%** of the total for Spain.

Note: The total number of companies with technological innovations and non-technological innovations does not equal the total number of innovative companies because some companies develop technological and non-technological innovations at the same time.

European Patent Applications

Catalonia has the most European patent applications in Spain

European patent applications by region. 2018
(% of total for Spain)



Source: European Patent Office (EPO).

- The number of Catalan patent applications submitted to the EPO (European Patent Office) in 2018 was **595**, more than double those submitted to OEPM (Spanish Patent Office) i.e. 235 in 2018.
- Catalonia is the leading region in Spain in terms of the number of European patent applications, with **33.6%** of the total, i.e. more than Madrid (21.1%) and the Basque Country (12.5%).

European Funding: Horizon 2020

Catalonia has received more than €1 billion from the Horizon 2020 Programme (2.7% of the programme total)

Entity type	No.	Grant (€M)	% of total
Companies	464	256.1	25.1%
<i>SMEs</i>	400	204.8	80.0%*
Research associations	44	224.8	22.1%
Universities	12	217.9	21.4%
Public research centres	34	164.6	16.1%
Other associations	59	54.9	5.4%
Innovation and technology centres	2	51.5	5.1%
Public administration	48	49.6	4.9%
Total	663	1,019.5	100.0%
% of Spain		29.1%	
% of total funds granted		2.7%	

Note: Entities arranged by funding amount (€M)
*Percentage of total companies.

Catalonia has received a total of **€1,019.5 M** from the EU's Horizon 2020 Programme, i.e. **2.7%** of total funds granted and nearly twice as much as would correspond to it based on population (1.5% of the EU).

In terms of entity type, companies have been the top beneficiaries of funding, accounting for 25.1% of the total received.

SME INSTRUMENT

217 projects from 201 Catalan companies have received funding since the SME Instrument Programme began (2014-2018).

Catalan companies have received **€84.2 M** from this instrument, which represents **28.1% of the amount received in Spain and 4.7% of the programme total.**

Source: EIC (DGI-ACCIÓ), based on data from CDTI and SME Instrument Data Hub (data updated on 21 February 2019).

ACCIÓ

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