



XUNTA
DE GALICIA

GALICIA IS WAITING FOR YOU

Building Galicia's Future

Dossier for potential investors

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01

Galicia is full of advantages

01 | Galicia is full of advantages

2.7

Million people

83.8

Years of life expectancy

2nd

Highest region in life expectancy in the world

1.720

Kilometers of coastline

29.574

Km² total land area

2nd

Spanish region with most economic reidential rental market

1st

and only Free Zone in the north east of the peninsula

7.76%

GDP associated with foreign direct investment (FDI)

5.1

Million tourists visited Galicia in 2019

82%

Employment rate for university graduates

3

Public universities

9

Technological and support centres for technological innovation

5

International ports

3

International airports

430

Km of high speed train





02

Competitiveness

02 | Competitiveness

Galicia is one of the European regions with best growth prospects. The measures implemented by the Xunta de Galicia promote business development and competitiveness.

Competitive region with economic stability and exhaustive controls of public accounts.

The **deficit and debt levels in Galicia are below the average in Spanish regions** thanks to the exhaustive control of its public accounts, which has allowed it to **repeatedly comply with European Union budget stability commitments.**

Competitive region in terms of highly productive qualified personnel.

Galicia has **an active workforce of 1,248,300 people**, of which **60% have secondary and higher education qualifications.** As such it is considered as one of the Spanish regions with the **highest level of academic qualifications and personal development.**



Competitive region with the potential to attract major foreign companies.

Galicia is the **5th highest Autonomous Community in terms of foreign investment.** In fact, the direct foreign investment in Galicia is equivalent to **13% of GDP**, and more than **50,000 jobs in Galicia** are associated with foreign investment.

Competitive region to generate and attract outstanding companies.

Companies with headquarters in Galicia

Internationally recognised Galician companies

STELLANTIS Stolt Sea Farm   Facet
a CLABECOR company



BOSCH

LONZA

INDITEX

 **grupo copo**
making the difference

 **Calvo**

 **JEALSA**

 **FINSA**



02 | Competitiveness



S e c t o r

Automotive

Key figures

18%

Sector turnover
in Galicia

50.000

Total number of
jobs



+130

Number of
companies

3rd

Vehicle
manufacturer in
Spain

35%

Galician exports

Sector profile

Spain is the **2nd biggest vehicle manufacturer in the European Union**.

The Galician automotive industry has **a market share of 15.27%** and revolves around the Vigo Stellantis centre, in which **14.1 million vehicles have been manufactured since its opening in 1958**.

Key players in the sector



The cluster of Automotive Companies of Galicia **represents 100% of the value chain** and is the 1st automotive cluster in Europe that has the **"Gold Label"** accreditation of excellence



The Automotive Technology Center has more than **380 specialised resources, engineers and technical personnel** in the development of multidisciplinary projects of an innovative nature, with an **accumulated investment of €50 million**.



The Galician Association of Metal and Related Technologies is made up of **600 associated companies** that represent **20% of Galicia's GDP**.

Universidade de Vigo

- **Masters in automotive engineering**
- **Masters in Mechatronic**

Outstanding future initiative

"Galicia will have a circuit to test electric cars, unique in all of Europe"

Stellantis is positioned to **capture tests from motor leaders** thanks to the project AUTOMated driving Progressed by Internet Of Things (AUTOPILOT) co-financed by the European Commission through H2020 **for a total of €26.6 million**.

02 | Competitiveness



S e c t o r

Agri-food

Key figures

16%

Sector turnover
in Galicia

103.521

Total number of
jobs



2.471

Number of
companies

35

DO and GI
protected products

12,1%

Galician exports

Sector profile

Galicia is **internationally recognised** in the agri-food sector.

It is recognised as No. 1 in **the canned food industry in Europe** and **No. 1 in the Spanish dairy industry**.

Key players in the sector



The **Agri-food cluster of Galicia** contributes to the strengthening, empowerment, sustainable growth, internationalisation and improvement of competitiveness



ANFACO-CECOPESCA is recognised in product development R&D&IT projects in the fishing and aquaculture sector.



The **Agri-food Technology Center** in Lugo has the objective to improve R&D in the sector.



The **Meat Technology Center** boosts and improves the competitiveness of the sector in Galicia.



The **Marine Technology Center** works to support innovation and the environmental, social and economic sustainability of the marine environment.



Technological
Institute for Marine
Environment Control



Galician Food
Standards Agency



Universidade de Vigo



Outstanding future initiative

“New alliance between Nueva Pescanova and Microsoft to digitalise aquaculture”

In the **Nueva Pescanova Biomarine R&D&IT center**, which the company has located in O Grove, the **application of Artificial Intelligence and Big Data techniques** to control **aquaculture processes** is foreseen.

02 | Competitiveness



S e c t o r

Fashion Textile

Key figures

49%

Sector turnover
in Galicia

12.000

Total number of
jobs



1.253

Number of
companies

1st

Global fashion
distributor

36%

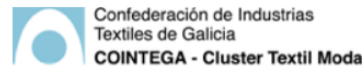
Galician exports

Sector profile

Within the value chain of the textile sector in Galicia there are **auxiliary industries, retail, specialised services or knitwear.**

This industry generates **€14,884 million annually in Galicia.**

Key players in the sector



The Galician Fashion Textile sector is made up of more than 150 associated companies, that **represent 90% of the sector in terms of turnover and employment** in Galicia.



The multinational company Inditex supports Corporate Social Responsibility (CSR) with the Chair of Sustainability, in collaboration with the University of Coruña.



• **Degree in Fashion Industry Management**

Outstanding future initiative

“One of the strategic projects that Galicia will promote with European funds will be a cellulose-based textile fiber production plant.”

The project will produce **250,000 tons of sustainable viscose** per year and will consume 1,5 million cubic meters of certified wood. The factory will involve an **investment of €950 million.**

02 | Competitiveness



S e c t o r

Aeronautical

Key figures

0,58%

Sector turnover
in Galicia

500

Total number of
jobs



70

Number of
companies

€540 M

Estimated total
investment
2021-2025

76%

Turnover from
exports

Sector profile

Spain has the **5th biggest aeronautical industry in Europe** in terms of turnover and number of jobs.

Galicia is an **internationally recognised region**, with a pole for unmanned aircraft, the **Civil UAVS Initiative**, with a total investment of more than **€164 million** (2015-2020) and **59 R&D projects**.

Key players in the sector



The **Galician Aeronautical Consortium** is made up of 30 members, businesses, universities and technology centers of Galicia.



The **Galicia Institute of Technology** is a center of reference in the development of differential technologies for the 4.0 industry, drones of the future, intelligent energy and sustainable cities.



The **Gradient Center** is specialised in knowledge generation and transfer in the area of ICT.



The **Aimen Center** is recognised in for its R&D&IT activities and the delivery of technology services in the field of advanced technology manufacturing.



Galicia Aerospace
Innovation Center



Galicia Aerospace
Innovation Center



Universidade de Vigo •

UNIVERSIDADE DA CORUÑA •

Degree in Aerospace Engineering

Degree in Commercial Aviation

Masters in Engineering of Aerospace Structures and Materials

Outstanding future initiative

“The Civil UAVs Initiative is a strategic initiative , and pioneering in Europe”

The Civil UAVs Initiative has boosted the creation of an innovation ecosystem that is able to generate new ideas and attract and retain highly qualified, specialised human capital in Galicia.

More than 50 agents are involved in the framework of this initiative with the participation of **more than 400 highly qualified people**.

02 | Competitiveness



S e c t o r

Biotechnological

Key Figures

0,18%

Sector turnover
in Galicia

2.078

Total number of
jobs



235

Number of
companies

28%

% Jobs in R&D&IT

3rd

Spending on
pharmaceuticals by
Autonomous
community in Spain

Sector profile

Galicia is one of the **biotech poles with the greatest potential in Spain**, both in the area of research and business opportunities.

In recent years, Galicia has risen in the ranking in **creation of biotech companies out of all the Spanish regions**, moving from 4th position in 2017 to **2nd in 2019**.

Key players in the sector



The **Business Technology Cluster of Life Sciences** works to improve the competitive position of the biotechnology sector in Galicia.



Promoted by the **University of Santiago de Compostela**, they have the following centers:



CiMUS

CiQUS

CiTUS

CEBEGA

Biomedicine

Medical
Chemistry

Bioinformatics
and ICT

Animal clinical
research



Promoted by the **University of Vigo**:



Health Research Institutes



Outstanding future initiative

“Project Mestrelab: software developed in Galicia that fights against COVID-19”

Their solution helps to **process and interpret the data** that comes out of the different instruments and laboratory techniques. In addition to the giants in the pharmaceutical, chemical and biotechnology sectors, Mestrelab's solution is used by **Pfizer, BioNTech, AstraZeneca and Moderna Therapeutics**, among others.

02 | Competitiveness



S e c t o r

Information and Communication Technology (ICT)

Key Figures

3%

Sector turnover
in Galicia

18.984

Total number of
jobs



2.783

Number of
companies

5th

Highest number of
ICT companies in
the Spanish regions

33,2%

Companies that
developed R&D&IT
activities in the last 3
years

Sector profile

The Galician ICT sector plays an **important role as a driving force in the economy**. The business opportunities are relevant as much in **ICT applications in public services** as in the generation of solutions for the **rest of the productive sectors**.

Key players in the sector



The **ICT Galicia Cluster** joins the forces of business, business associations, professional bodies and other actors in the ICT hypersector.



The **Gradiant Center** is specialised in the generation and transfer of ICT knowledge.

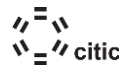


The **Galicia Supercomputing Center** was founded in 1991, and since then has carried out projects in collaboration with the production sector.



The **Institute of Applied Mathematics** offers solutions to businesses, industry and administrations through Mathematical Technology.

Galicia has **three unique ICT research centers**, one for each of the universities, accredited and supported by Xunta de Galicia:



Universidade da
Coruña



Universidade
de Santiago de
Compostela



Universidade
de Vigo

Outstanding future initiative

“The ICT ecosystem in Galicia will drive the City of ICT, a digital pole of national and international importance”

A **more competitive and connected business industry** will be developed, ICT will drive forward the digitalisation of Galicia, **a national and international center of reference in artificial intelligence will be created**.



03

Research and innovation

03 | The Galician system for Innovation

Galicia is a region that is strongly committed to innovation. The Xunta de Galicia promotes the generation, and recognises the value of innovation in the region and makes different tools available to public and private entities to boost the competitiveness of companies.



An innovative region in knowledge generation

The **generation of knowledge** comes mainly from the **extensive research and training experience from the three public universities**, whose scientific production leads various international rankings. In addition, the **network of Singular Research Centers and the Strategic Partnerships** establish a roadmap for R&D at university level. In this way, the ecosystem is complemented with **other public entities** like the CSIC and the Spanish Oceanographic Institute, and the **network of institutes for health research**, among others.

An innovative region in the application of knowledge

The **transfer and application of knowledge to the productive sector** comes mainly from the **extensive network of technological centers located in Galicia**. Additionally, the Xunta de Galicia has implemented **different formulas** like the **Public Procurement of Innovative Solutions (PPI)** to favour knowledge transfer to the market, and the **Future Industries 4.0 Programme**.

An innovative region in the commercialisation of knowledge

La Xunta de Galicia has made available **an accelerator network under an open collaboration model** to the productive sector. In addition, the **digital innovation hubs (DIH)** allow SMEs, for the first time in Galicia, **unique advantages to access cutting edge technology** and other tools that are **necessary for their digital transformation**, a process that allows them to be more innovative and gain market share.

03 | The Galician system for Innovation

An innovative region in knowledge generation

At the core of the knowledge generation process are the **three universities of the Galician University System (SUG): the University of Coruña, the University of Santiago de Compostela and the University of Vigo.**

Strengthening and consolidating infrastructure



Promotion of excellent research talent of reference

Facilitate the **stability of the best research talent in Galicia** and attract other excellent scientific staff **from outside Galicia**

I. Oportunius

- 5** contracts for ERC winners*
- 24** ERC winners funded
- 30** projects financed for the ERC
- 14** finalists in ERC competitions
- 112** ERC candidates evaluated
- 11** training workshops with more than 190 participants

Promote the **cooperation between Galician research bodies and companies** to develop and coordinate research, innovation and development activities together.

II. Joint Research Units

- 46** collaboration projects between businesses and other bodies in energy, automation, maritime, food, health, sustainability, ICT and aerospace
- €39,2 million** in grants (2014-2020)
- €130 million** in capital mobilised (2014-2020)

* European Research Council

03 | The Galician system for Innovation

An innovative region in the application of knowledge

The application of knowledge to products, processes and as a way of organising business is key in boosting Galicia as a region.

Strengthening and consolidating the agents



Promotion of the application of knowledge in Galicia

Stimulate demand for highly qualified professionals in the public and private sectors to carry out R&D&IT projects in Galicia.

I. Principia

542 technicians carrying out activities in R&D&IT

€5 million granted (2014-2020)

II. Senior Talent

40 Doctoral researches or highly qualified professionals

€1,6 million granted (2018-2020)

Promotion of **private investment** through **support for large scale business projects in R&D&IT** of a strategic character for the industrial sector in line with **international tendencies in the Industry 4.0.**

III. Future Industries Programme 4.0 – Smart Manufacturing

24 projects based on innovative technological industries within the initiative Industry 4.0

€66,7 million in grants (2016-2020)

€257,9 million in capital mobilised (2016-2020)

03 | The Galician System for Innovation

An innovative region in the commercialisation of knowledge

Increasingly, in Galicia there is a commitment to **increase the innovative capacity of the production sector**, adopting a **more open attitude towards change and improving market position**.

Dynamics to support business innovation and digital transformation in the productive sector

I. Galician network of incubators and accelerators, and access to financing.

Galicia counts on a **complete ecosystem for incubation, acceleration and consolidation** of business initiatives.

Main areas of specialisation

- Biotechnology and health
- Drug discovery
- Food technologies
- Aerospace
- Automotion
- Biomass
- ICT application

Furthermore, there is a **wide spectrum of venture capital funding and loans** aimed at supporting investment at all stages: **from the development of entrepreneurial spirit to the running business**.

II. Digital Innovation Hubs (DIHs)

The **DIHs in Galicia** support **digital transformation in all sectors** through one stop shops for access to **innovative technologies**



Value Chains

- Agri-Sea Food
- Biotechnology
- Forestry - Wood production
- Healthcare



Value Chains

- Naval
- Automotion
- Agri-food
- ICT

The DIHs bring together the capacities of **more than 4,200 companies** and other entities that **employ 120,000 people** and operate like a one stop shop **providing a meeting point between large companies and SMEs** to search for solutions to the **challenges of digital technologies** :



Blockchain



Artificial Intelligence



Cyber security



Big data



Internet of things



High Performance Computing



04

Talent

Erasmus student welcome ceremony, Santiago de Compostela

04 | Talent

Galician University System

The Galician University system is made up of the universities of Santiago de Compostela, Vigo and A Coruña.

The qualifications on offer have the most economic registration fees in Spain, allowing universal access to the population of Galicia.

Vocational Training

The vocational training system facilitates incorporation into the workplace through the teaching of practical courses to undertake diverse jobs.

The training on offer in Galicia covers 26 areas of knowledge.



2

Regional Campus of
Internacional
Excellence

61.029

University students

3

Universities

28.761

STEM Students

82%

Graduate
employment rate

239

STEM
Qualifications
(degree & masters)

1st

Region in most
economic fees

634

Research groups



44

Middle grade
qualifications

50.814

Vocational
education
students

75

Higher grade
qualifications

70%

Employability ratio of VET graduates



05

Live in Galicia

05 | Live in Galicia

Air transport

Galicia has 3 airports, together with the Porto (Portugal) airport, to facilitate passenger travel to various national and international airports.



3+1

Airports

18,3 M

Passengers in 2019

121

Direct flights all around the world

Most extensive high speed rail infrastructure in Europe

Spain has the best high speed rail network in the continent. The service is considered the fastest in the world.



99%

punctuality
demonstrating
quality and efficiency

2.938

km of high speed train lines
Second in the world behind
China in extension of high
speed train lines.

222

km/h, the train with the highest
average speed in the world

Accommodation facilities in Galicia

Galicia offers a wide range of accommodation options spread all around the region.



1.418

Hotel establishments

59.819

Total number of hotel
beds in Galicia

1.444

5 Star hotel beds

15.070

4 Star hotel beds

05 | Live in Galicia

Health and Social Services

The World Health Organisation (WHO) places the Spanish Health care system in 7th position in the rankings of world health care systems. In 2019, the Xunta de Galicia allocated €3.985 million, 6.14% of regional GDP, equivalent to 34.55% of the annual budget.

Cost of living

Galicia and its different metropolitan areas offer numerous residential choices. One comparison of the average rental cost with the rest of Spain showed how attractive the rental sector is in Galicia.

Main labour market data

Despite the 2020 Health crisis, Galicia managed to create quality jobs and lower the unemployment rate, above the average for the rest of Spain.



Spain

806

Hospitals

Galicia

36

Hospitals

7,43

Health Centers
per 100,000
inhabitants

14,74

Health Centers per
100,000 inhabitants



Spain

€674/month

Average rental cost

Galicia

€418/month

Average rental cost



**Leading the ranking
in the Autonomous
Communities with
low rental costs**



Rate of active population: 51,99 Q4 2019

Unemployment rate: 11,74 Q4 2019

Employment rate: 45,92 Q4 2019



06

Our offer of value

Fontán building. Galician city of culture, Santiago de Compostela

06 | Our offer of value *

R&D&IT Policy

Galicia **is firmly committed to the future** through research, development and innovation in its companies..

The Galician government has invested **more than €400 million between 2014-2020** in R&D.

Labour Market

Galicia is one of the Spanish regions **with the lowest level of staff turnover**. Also, the **average salary for an engineer**, with high level qualifications and valued in the labour market, is **lower than the average in the UE27**.

Teleworking is a reality thanks to the strong broadband infrastructure in the Galician cities.

Productive Networks

Galicia has more than **110 industrial estates**, for commerce and services, in total 47 million m².

In addition, the Galician Institute for Economic Promotion (IGAPE) provides investors with a **full support service to assure an excellent working environment** for the correct Project management and development.



Economic, political and social stability

Galicia **has improved its GDP per capita 16,1% since 2000**, increasing from 77.6% to 90.1% of GDP per national capita in 2019.

Galicia enjoys **political stability in times of crisis**.

System for innovation

Galicia is above the EU average in **population between 30 - 34 years of age with higher level studies** completed.

Likewise, the **collaboration between innovative SMEs has grown exponentially** in recent years according to data from the European Commission.

Culture and geography




Life expectancy in Galicia is **2nd in the world**, behind Japan.

Galicia is one of **the safest regions in Spain**.

* Based on location factors collected in the report **Location factors for R&D centers in developing countries** carried out by FECYT, the Spanish Foundation for Science²⁴ and Technology




06 | Our offer of value

Support for research, development and innovation




 Type of support	 Eligible expenses	 Maximum support
Grant for R&D&IT projects	Expenses for technical R&D personnel Outsourcing, contractual research costs, technical knowledge and patents expenses Other direct costs: materials and supplies	Up to 65% For large companies
Tax relief for R&D&IT	R&D expenses Expenses in innovative technology Personnel costs exclusive to R&D . Allowances: Social security for R&D&IT personnel	Up to 42% 12% Up to 59% 40% of the employers share of common contingencies
Grant for youth employment in R&D&IT	Salary and training costs of employees younger than 35 years old	€10.000 per contract for 1 year + €1.000 training voucher per person
Grant for employing senior R&D&IT personnel	Business salary costs (gross salary and social security) for personnel with more than 5 years profesional experience	Up to 60% for 3 years

06 | Our offer of value

Economic support for the investment

 Type of support	 Eligible expenses	 Maximum support
Grant	Research infrastructure (including tangible and intangible investment)	Up to 50%
Loans for strategic investments	Fixed tangible assets (machines, equipment, buildings). The buildings should not be more than 35% of the total eligible expenses. Intangible fixed assets (software, technology, up to 50% of the eligible expenses)	Investments over €1M with up to 12 years amortization and with the grace period required by the project. 1,5% subsidy for the final interest rate
Access to venture capital	Equity participation Participative loans	Based on a Xesgalicia analysis for each project




Support for job creation

 Type of support	 Eligible expenses	 Maximum support
Grants for youth employment	Permanent * full-time contract	€6.000
	Temporary * 12-month full-time contract	€3.000
	Temporary transformation into permanent full-time or from partial indefinite to full-time indefinite	€2.000 + 25% for women in underrepresented sectors

* Increase of 25% for the formalization of contracts in rural areas, of long-term unemployed, women, returned emigrants and transgender people.

06 | Our offer of value




Support for job creation (cont.)

 Type of support	 Eligible expenses	 Maximum support
Grants for female employment	Permanent * full-time contract	€12.000
	Temporary * 12-month full-time contract	€6.000
	Temporary transformation into permanent full-time or from partial indefinite to full-time indefinite	€2.000 + 25% for women in underrepresented sectors
Grants for the employment of the long term unemployed	Permanent * full-time contract	€10.000
	Temporary * 12-month full-time contract	€5.000
Grants for the employment of disabled and/or people at risk of exclusion	Permanent contract * full time or part time	€ 16.000
	Temporary hiring * from 3 to 12 months full-time or part-time	From € 2.000 to € 8.000 (depending on the months and the day)
	Temporary transformation into permanent full-time or part-time	€ 3.000




* Increase of 25% for the formalization of contracts in rural areas, of long-term unemployed, women, returned emigrants and transgender people.

06 | Our offer of value

Support for job creation (cont.)

 Type of support	 Eligible expenses	 Maximum support
Training voucher for young people, women, long-term unemployed and/or people with disabilities and/or at risk of exclusion	Permanent contract	€ 4.000
	Temporary contract	€ 2.000

Support for environmental sustainability

 Type of support	 Eligible expenses	 Maximum support
Grant	Investments in energy efficiency in the industrial sector	Up to 30% of the eligible investment
Grant	Investments in renewable energies	Up to 50% of the eligible investment



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