

BIGlittle

BASQUE COUNTRY

A Place
to invest

EUSKADI

BASQUE COUNTRY

€30,459

GDP per capita
119 (EU-28=100)

23.5%

Industrial GDP
(EU-28=19.3%)

130

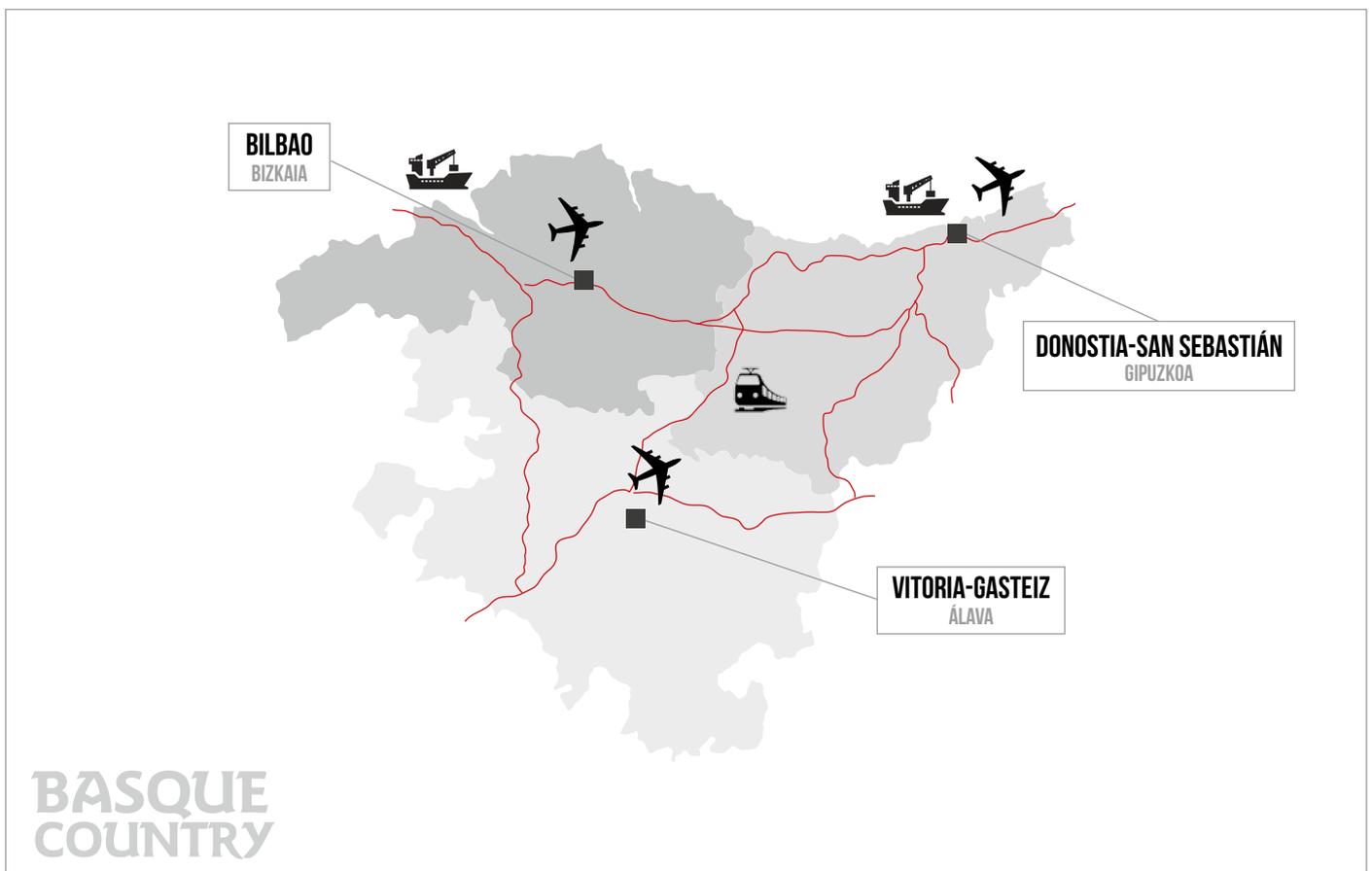
Productivity per employee
(EU-28 = 100)

31.9%

Exports to GDP ratio

2.03%

R&D of GDP

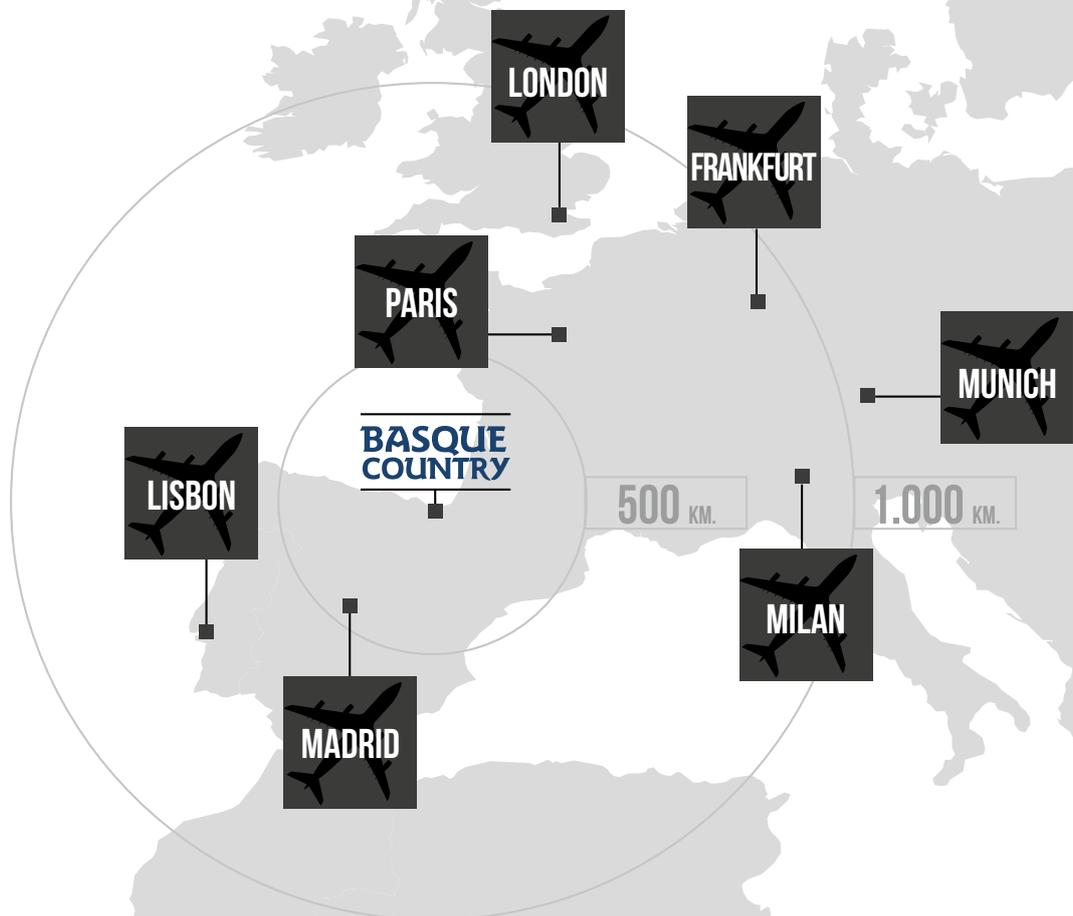


Surface Area
7,234 km²

Population
2,173,210 inh.
8.6% Foreign population

Wooded forest surface
54%

Population density
300 inh/km²



1

A big
little country

2

Competitiveness
Pole



3

R&D
Innovation

CONTENTS

4

Talent

5

A well-connected
region

6

Business friendly
Administration

7

A Place
to live

1

A big little country

BIGlittle Basque Country expresses the strength and energy of this region with a natural inclination to take on the most complex challenges.



San Juan de Gaztelugatxe - Bermeo



Gipuzkoa Science and Technology Park



The Assembly House of Gernika

The Basque Country, Best Medium-Sized European Region in Connectivity (Financial Times 2016), represents one of the largest industrial concentrations in Spain and its quality levels place it at the forefront of Europe.

Based on its experience and tradition, the Basque Country is immersed in the race towards competitiveness in a global and highly industrialised economy, in which it currently boasts 1,660 internationalised companies and over 5,000 companies with the highest quality standards.

Thanks to a committed industrial fabric and strong institutional commitment to a serious industrial policy, the Basque Country has managed to become a world reference in various industries:

- **Advanced Machinery:** one of the biggest European producers of machine tools.
- **Automotive:** more than 45% of the production volume of the automotive industry in Spain is carried out in the Basque Country.
- **Aeronautical:** half of all large commercial aircraft have an engine made in the Basque Country (ITP/Rolls-Royce).
- **Energy:** the leader company in wind energy Gamesa/Siemens is based in the Basque Country.
- **Maritime:** one of the few places in the world with such a large concentration of shipbuilding industries.
- **Railway Industry:** the railway systems of many cities worldwide bear the stamp of a basque company, CAF.
- **Eco-Industries:** a reference area in Europe in the field of Eco-industries and the Circular Economy.

This has all been possible thanks to the Basque Country's fiscal autonomy, its own tax system granting regulatory and administrative powers.

BIGlittle Basque Country expresses the strength and energy of this region with a natural inclination to take on the most complex challenges.



Sierra de Elgea Wind Farm (Alava)

2

Competitiveness Pole

- Automotive
- Energy
- Advanced Machinery
- Aeronautics
- Maritime
- Railways
- Electronics & ICT 4.0
- Eco-Industries
- Biosciences

Smart specialisation in energy, advanced manufacturing and the biosciences have become the Basque Country's main bid for the forthcoming decades

BIGlittle
BASQUE COUNTRY

2

Competitiveness Pole

The Basque Country has a solid industrial base, a sector that represents 23.5% of GDP, making it a magnet area for competitive companies where there is firm backing for Industry 4.0.

Thanks to the industrial policy developed by the institutions, Basque industry has become consolidated in its commitment to efficiency, quality, modernisation and internationalisation. Proof of this lies in the clusters and their high levels of competitiveness, based on private cooperation management models.

The Basque Country is currently focusing its efforts on **Smart Specialisation**, identifying those fields on which to concentrate human and financial R&D&I resources; namely

Advanced Manufacturing 4.0, Energy and Biosciences for Health - three strategic areas.

Faced with the fourth industrial revolution, Basque industrial companies are already working on the extension of excellence beyond metallurgical manufacturing, with the mastery of new materials, the design and development of their own products, the incorporation of high added value services and EICTs and the integration of value chains, i.e., **Industry 4.0**.



Seat of the business development basque agency, SPRI

AUTOMOTIVE

AIC Automotive Intelligence Center - Amorebieta-Etxano

More than 45% of the production volume of Spain's car industry takes place in the Basque Country.

Basque component manufacturers are present in 29 countries with 250 production plants.

AIC – AUTOMOTIVE INTELLIGENCE CENTER

AIC is a specialised global competence centre which aims to stimulate sectoral knowledge, increase basic and applied research related to the sector, foster automotive training at all professional levels, encourage the endogenous creation of new business projects with high added value in the sector and attract innovative projects. AIC has five main lines of work: competitive intelligence, research, industrial development, new business and training.

The centre is managed by the automotive cluster, **ACICAE**: this was one of the first clusters to be set up in Europe. This business association is devoted to improving the competitiveness of the automotive industry and structures its activity around different areas: Strategy, Internationalisation, Communication, R&D&I, Quality Management and Training.

The Basque Country's automotive sector is innovative, competitive and comprehensive. Its high level of efficiency and effectiveness means that its management levels are comparable to the most advanced countries in the world.

The whole value chain is well represented with two manufacturers (OEMs), namely **Mercedes-Benz (Daimler)** and **Irizar** (bus and coach manufacturer) and a large number of components companies that work with the leading international manufacturers.

The Mercedes Benz factory in Vitoria-Gasteiz, with a staff of 4,505 workers, has an excellent network of local suppliers and is

extremely competitive. It produces luxury people carriers and vans (Vito and 'Class V'), with an annual production of more than 120,000 vehicles, 90% of which are exported.

The most important Basque companies in the sector are:

GESTAMP: Gestamp is a world leader in the design, development and manufacture of metal components for the major car makers. In 2015 their turnover was €7,000M and they employ 33,000 workers worldwide. They are present in 20 countries, and they have 95 industrial plants and 12 R&D centres.

CIE AUTOMOTIVE: Global provider of components and subassemblies for the automotive market. They offer integration of a full range of different technologies in key global automotive markets €2,631.5M in turnover and 14,335 employees at the end of 2015.

The automotive sector in the Basque Country has significant multinationals operating in the territory, among which are **Mercedes Benz, Michelin, Bridgestone, ZF, GKN, SACHS** and **Dana**.



ENERGY

The buoy of BIMEP - Armitza

Energy efficiency, diversification of energy sources and the promotion of renewable energies are the basis of the energy policy in the Basque Country.

ACE, ENERGY CLUSTER ASSOCIATION

It is made up of the Basque Country's leading companies in the value chain of the energy sector (energy operators, equipment and component manufacturers and services companies), agents in the Basque scientific-technological field and public administration bodies with responsibilities in the energy sector.

The energy sector in the Basque Country is strategic and highly dynamic throughout the value chain and in the manufacture of equipment or services for the installation and maintenance of energy infrastructures. The Basque Country is internationally positioned as a knowledge hub and a centre of world-class industry.

EVE, the Basque Energy Agency, is the Basque Government agency responsible for developing projects and initiatives in line with the policies defined by the government for an energy policy based on energy efficiency, the diversification of our energy sources and the promotion of renewable energies. It proposes strategies and is actively involved in their development.

Basque companies in the energy sector are backed by a robust scientific-technological infrastructure, led by the **CIC Energigune** Cooperative Research Centre, which is an example of the commitment to knowledge generation and innovation in this sector. The centre has the backing of public institutions and administrations as well as companies directly related to the energy sector. It aims to drive and coordinate the Basque Country's technology strategy in the energy sector and has innovative facilities, state-of-the-art equipment, an experienced management team and a scientific committee made up of leading scientists.

Furthermore, the Basque Country has promoted an Advanced Manufacturing Centre for the wind sector (**WINDBOX**) with investment of €13m to enhance the technological positioning and international competitiveness of suppliers of sub-systems and products for the wind sector. It is backed by the Basque companies Adwen, Antec, Erreka, Gamesa, Hine, Glual, LauLagun and Wec, with the pull-power of the Energy Cluster, the logistical support of IK4-Tekniker and funding from the Basque Government Department of Economic Development and Competitiveness and from SPRI.



The following leading international Basque drivers can be highlighted:

Iberdrola in the production, distribution and sale of energy at an international level as the leading energy group in Spain, world leader in renewable energy and one of the largest electrical companies worldwide.*

Petronor - Repsol with a refinery linked by an oil pipeline to the port moorings of one of the main deep-sea ports in Europe. The new URF plant has involved recent investment of over a billion euros. The project includes a co-generation unit capable of producing 100 megawatts an hour.

Gamesa, global technology leader in the worldwide wind power industry, backed by twenty years' experience and the installation of over 34,600 MW in 56 countries. Its integral response in this market also

includes the management of operation and maintenance (O&M) services, at over 19,500 MW.*

Sener Energía: Company providing technology solutions and EPC projects recognized worldwide for the execution of technologically complex turn-key projects in Europe, America, Africa and the Middle East. It builds plants in the fields of solar energy, combined cycle, cogeneration, biomass, waste to energy processes etc. and develops processes in LNG, downstream and petrochemical plants.

Velatia industrial and technology group operates in the area of power grids, electronics and communication networks as well as the security and aerospace sectors where safety, efficiency and reliability are highly valued. It has 15 manufacturing plants and 3,000 employees.

Ingeteam is a company specialising in the design of power and control electronics, electrical machinery, electrical engineering and power plants, seeking to optimise consumption and maximise efficiency in power generation. It has plants in 15 countries and more than 3,000 professionals working for it.

Arteche has 65 years of experience in the electricity sector. It is an international company, with teams operating in over 150 countries and companies in Europe, America, Asia and Oceania, and provides service through over 80 technical-commercial offices.

The Basque energy sector also has a strong presence of major international companies with manufacturing plants and R&D centres in the Basque Country, such as **Alstom, Siemens, General Electric, ABB and Schneider.**

* The Basque companies Gamesa and Iberdrola, through their subsidiaries Gamesa Wind and Iberdrola Renewables respectively, have signed in 2016 an agreement for the supply of 208 megawatts in the United States.

CONSOLIDATED STRATEGIC SECTORS

- **Electrical networks**
 - Bidelek project: Implementation of smart grids
 - Ingrid project: High power and high voltage labs
- **Wind power**
 - Wind Box Advanced Manufacturing Center
- **Solar power**

NEW INITIATIVES

- Energy Efficiency in Industry
- Oil & Gas

EMERGING SECTORS

- **Wave power**
 - BIMEP: offshore prototype test platform for wave energy converters
 - Mutriku Wave Energy Plant: Power Generation from wave movement
- **Electric Vehicles**
 - Project IBIL: Charging points (Repsol + EVE)
- **Energy Storage**
 - Cooperative Research Centre CIC Energigune



ADVANCED MACHINERY

DANOBAT GROUP

The Basque Country is ranked third largest producer in the European Union and its network of qualified suppliers is concentrated in a radius of less than 300 km.

The largest hybrid machine that combines Additive and Machining Manufacturing was created in the Basque Country.

AFM ADVANCED MANUFACTURING TECHNOLOGIES

The Spanish association of manufacturers of machine tools, accessories, parts and tooling, AFM, represents 90% of machine-tool and advanced manufacturing technology companies in Spain. From its headquarters in San Sebastian and its office in China (Tianjin), it works to promote internationalisation and the technological innovation of its member companies, through its INVEMA (Foundation for Machine Tool Research) technology unit.

ADDIMAT, the Spanish Association for Additive and 3D Manufacturing Technology located in the Basque Country, brings together all stakeholders with interests in the development and promotion of additive and 3D manufacturing, and aims to promote business cooperation, creating networking opportunities between different market players. ADDIMAT already has 55 member companies.

Two characteristics define the Machine-Tool sector in the Basque Country; its level of internationalisation and its innovative nature. One of the cornerstones of development in this sector is its firm commitment to innovation and technological development, which

has led to the existence of specialised technology centres, for example **INVEMA** – Foundation for Machine Tool Research, and specialised training centres, such as **IMH – Machine Tool Training and Innovation Institute**.

The companies working in this sector produce all types of components for aeronautical, automotive companies, etc., producing over 2,000 machine models and a wide range of highly competitive products. These products are exhibited at the



DANOBAT GROUP

BIEMH - Machine-Tool Biennial, one of the sector's most important fairs in Europe; its 29th edition received more than 40,000 visitors and generated an economic impact of more than €30M.

The largest hybrid machine that combines Additive and Machining Manufacturing was created in the Basque Country.

ADD + PROCESS, developed by IBARMIA in collaboration with the University of the Basque Country and Tecnalia technology corporation, is a new concept in Multiprocessing Machining Centres and it is set to revolutionise the industry.

Basque companies in the sector are in contact with producers in the most competitive sectors, such as the mineral extraction, automotive, aviation and space sectors. Their parts and solutions perforate the subsoil up to 15 Km., transport millions of passengers all over the world and generate energy in the most demanding conditions. They offer advanced manufacturing solutions, engineering and smart manufacturing processes.

The most representative Basque companies in the sector are **DANOBAT GROUP, IBARMIA, IZAR Cutting Tools, FAGOR ARRASATE, GOIZPER, LAZPIUR, LANTEK, ONA** and **ZAYER**.

DANOBATGROUP (DANOBAT and SORALUCE) is one of the largest producers in the sector, a benchmark in the international arena, offering highly innovative technological solutions. It has production plants in countries including Germany, England and the United States that enable it to provide an efficient production model.

It also has a workforce of 1,300 people, of whom 30% are dedicated to R&D activities, and has its own Research and Development Centre, aimed at specialised innovation and the creation of high tech machine-tool products.

DANOBAT GROUP is a cooperative, competitive, profitable and innovative group, and forms part of the Mondragon Corporation.



AERONAUTICS

ITP

The Aeronautics Advanced Manufacturing Centre represents an international milestone with estimated investment of €9M and technologically advanced machinery.

HEGAN – AERONAUTICS CLUSTER

Its aim is to promote the sector, ensuring its competitiveness through cooperation and innovation among companies and other agents. The HEGAN cluster is made up of Aernnova, ITP, Sener and over 40 SMEs, which have obtained record figures in terms of turnover, exports and employment.

The aeronautics industry is one of the strategic sectors in the Basque Country due to product development with high added value and the generation of qualified employment. Thanks to its extensive experience in the sector, the concentration of suppliers along with ambitious technology plans and R&D projects, its level of internationalisation and foreign relations, the Basque Country is set to become a pole of excellence in aeronautics.

ITP, Industria de Turbo Propulsores. The ITP Group, a Sener and Rolls-Royce joint venture, includes activities such as design, research and development, manufacturing and casting, assembly and testing of aeronautical engines and gas turbines. They provide services for a wide range of engines, accessories, components and parts. It is also the official maintenance centre for most engine manufacturers in the world today. It has 18 production centres in Europe, America and Asia, staff of more than

3,000 people and growth plans with an investment of €650M.

Aernnova - Leader in the design and manufacture of aeronautical structures such as wings, stabilizers and fuselages. It has been recognised by AIRBUS as an "Accredited Member", the highest level of recognition for Airbus suppliers, awarded to only three of its suppliers in the world.

AERONAUTICS ADVANCED MANUFACTURING CENTRE

The **Aeronautics Advanced Manufacturing Centre** represents an international milestone, with estimated investment of 9 million euros and technologically advanced machinery. It is located on the Bizkaia Science and Technology Park and will be governed with market criteria, austerity and sustainability, whose pillars will be projects with an

industrial focus and with teams made up from industry and the researcher mass from the UPV/EHU.

The Aeronautics Advanced Manufacturing Centre seeks to optimise the potential of Basque industry to offer industrial products and services with high added value, enabling the validation of

advanced technological developments in the sector's auxiliary industry, thereby ensuring its transfer to the market. It is a space representing the whole of the Basque Country, where the benefits of activities with a cost that can only be borne collectively between companies in the aeronautical and advanced machinery sector will be shared.



Balenciaga Shipyard

The Basque Maritime Forum has promoted, together with the Energy Cluster, the Wave Energy Basque Country initiative, in which companies from both sectors will work on joint projects.

FMV – BASQUE MARITIME FORUM

The cluster association of the Basque maritime sector is responsible for fostering and increasing the competitiveness of companies in the sector. It has become the main reference for the sector in the Basque Country and one of the most widely-recognised associations internationally.

The Basque Country is a territory of customs and traditions closely linked to the sea. It is not surprising, therefore, that the maritime sector has an important weight in the Basque economy, where it makes up 1.74% of GDP. The Basque shipbuilding industry, with great recognition in the international market, specialises in high-tech and added-value ships: the best tuna seiners in the world, technologically advanced vessels for the Oil & Gas market, etc. with which they compete in emerging niche markets internationally, for example:

Marine energy
(offshore
wind mainly)

Super yachts

Oil & Gas - Subsea

State Action Ships

**Medium-sized
cruise ships**

The Basque Country also has an auxiliary industry which manufactures marine equipment and subcontracts high-tech services. This makes it one of the few places in the world with such a large concentration of shipbuilding industries together.

Companies in the Basque Maritime Forum, together with the Energy Cluster, work on joint offshore wind, marine energy and Oil & Gas projects. They have created the brand “**Wave Energy Basque Country**”, in which companies and scientific-technological agents are collaborating in

R&D projects related to wave energy, in order to achieve technical and economic viability, which will make it possible to implement wave energy in the marketplace in the near future..

ADIMDE - The Basque Maritime Industries Association, which aims to promote the maritime activity and culture of the Basque Country. It consists of more than 160 partners, including Merchant and Fishing Ship owners, Shipyards and Auxiliary Industry, subcontractors and equipment manufacturers.

The most representative companies of this sector, a reference in the international market, are **Sener Naval**, which designs more efficient and environmentally friendly ships, develops naval engineering projects and consultancy; and **Vicinay Cadenas**, world leader in the manufacture of mooring systems for maritime applications, and the manufacture of chains for oil platforms.

The following shipyards can be highlighted: **La Naval, Balenciaga, Murueta** and **Zamakona** are all technologically positioned and competitive at an international level.



RAILWAYS

CAF, Construction & Auxiliary of Railways

The Suburban Railway System of Mexico, driverless metros in Helsinki and Santiago de Chile, and trams in Canberra (Australia) and Medellin (Colombia) bear the stamp of CAF.

The Basque rail industry is identified as one of the most pioneering, with solutions and services adapted to the specific requirements of each operator and project. In this heavily internationalised sector, the ongoing commitment to innovation and technological development in recent years has been key. This industry has strengthened its role as supplier of technology, equipment, engineering and construction works for railway transport networks worldwide, highlighting the recent award of both high speed and local networks, metros and trams to cutting edge companies with plants in the Basque Country, which has contributed to the international consolidation of the Basque sector. These contracts brought about an acceleration of industrial activity in 2013 and for the forthcoming years for the leading railway sub-sectors, such as engineering, construction, signalling, electrification, tracks, equipment and rolling stock.

The headquarters of the **Spanish Railway Association, MAFEX**, is located in the Basque Country, which is proof in itself of the specific weight of this sector.

The rail industry in the Basque Country bears the undisputed stamp of one company, **CAF-Construcción y Auxiliar de Ferrocarriles**, a benchmark and one of the leaders of the international rail industry. The company offers comprehensive global rail solutions which, in addition to the supply of trains, include viability studies, civil works, electrification, signalling, maintenance and system operation. CAF has production facilities in Europe and America and is present in 18 countries worldwide. It has participated in the construction of the suburban railway system in Mexico, driverless metros in Helsinki and Santiago de Chile, and trams in Canberra (Australia) and Medellin (Colombia), among others. The company is progressing to world leadership in the manufacture and supply of railway rolling stock with technology of maximum reliability.

Green seal technologies. With the aim of providing more efficient and environmentally-friendly means of transport, CAF is involved in the implementation of the Product Sustainability Function,

incorporating ecodesign methodologies into engineering processes to optimise and monitor the environmental impact of products throughout their entire life cycle.

The transport of the future that respects the past. CAF, through CAF Power & Automation, has developed the Rapid Charge Accumulator (ACR), an innovative solution for catenary-free trams. This energy storage system on board the train accumulates energy from braking and allows the movement of catenary-free trams between stops, and saves energy by the recovery of all energy during braking.

The railway industry in the Basque Country has prestigious international companies such as **Talgo, Vossloh Cogifer (Amurrio Railway), Bombardier** and **JEZ**.

ELECTRONICS & ICT

DATIK

AD@2020: encouraging digitization is a successful disruptive tactic for Basque society in 2020, with the synergistic, proactive, coordinated support of all players involved.

Gaia, Association of Industries of Electronic and Information Technologies of the Basque Country, brings together over 245 companies of the sector. It aims to become a reference in sector-based innovation through the Cluster Plus model and the development of EICTs (Electronics, Information and Telecommunication Technologies), along with public-private cooperation in alliance with competitors and companies from diverse sectors, a key element to foster competitiveness and internationalisation.

The electronics and information and communication technologies sector boasts pioneering companies that support the transformation of companies with a view to increasing and fostering competitiveness through the application of technology, innovation and knowledge. It is a sector that invoices around € billion in the Basque Country. Comprehensive electronic, IT and telecommunication solutions projects focusing on the optimised management of the business processes of industrial, commercial and services organisations.

Ibermática, ICT services company with over 40 years' experience in the sector. It currently has turnover of around €230 million, with a workforce of over 3,000 professionals and 11 offices in Latin America and the United States. Through the Ibermática Innovation Institute, i3B, the company develops diverse research lines that offer the market innovative solutions based on the use of ICTs.

Euskaltel, is the telecommunications operator in the Basque Country, offering broadband Internet services, digital television, landline and mobile phones. It has formed a strategic alliance, for management of its new generation network –NGN- and 4G technology, with multinational telecommunications company ZTE, which has installed its headquarters for southern Europe in the Bizkaia Science and Technology Park.

BASQUE DIGITAL AGENDA - AD@2020

The Basque Digital Agenda 2020 is designed for a society with an already high level of digital positioning, which can and must move to a higher level. This agenda is structured around four axes:

- Enterprise in a globalized market,
- Competent and active society,
- Local government in a digital environment
- Intelligent and cohesive territory

Through these axes, various priority actions have been established:

- To build the Basque industry of the future defined in the Basque Industry Strategy 4.0
- To promote people's essential digital skills as well as their improvement, validation and enhancement
- To move towards a unified, efficient and updated model of technological management in the Basque public sector
- To provide the Basque Country with new generation broadband infrastructures throughout the country so that this cohesion and development is based on high connectivity



ECO-INDUSTRIES

The Basque Country is a world-class area in Europe in the field of Eco-industries and the Circular Economy.

ACLIMA-BASQUE ENVIRONMENT CLUSTER

Is a pioneer cluster founded in 1955 and is leader in the Basque environmental sector. It represents companies, public entities, agents in the Basque Science and Technology Network and university training centres who, in collaboration with other public and private players, are facilitating the transition of all Basque industrial sectors to a Circular Economy Model.

The Basque Country is making a commitment to a new economic model based on the Circular Economy, facilitating the production of goods and services while reducing consumption and waste of raw materials, water and energy sources. A new economy based on the principle of “closing the life cycle” of products, services, waste, materials, water and energy.

It also presents a series of far-reaching competitive advantages, to position itself as a European reference region in the circular economy and it facilitates the attraction of investment, talent, technology, and development of new strategic projects.

Basque Ecodesign Center is a centre constituted in collaboration between private sector companies and the Basque Government, to boost product eco-innovation in the supply chain of the Basque industrial sector, through collaboration between companies, the University of the Basque Country (UPV-EHU) and leading international knowledge centres.

Main Basque companies:

INDUMETAL RECYCLING: Industry specialist with extensive experience in the management of WEEE (Waste Electrical and Electronic Equipment) and complex scrap metals, including logistics services, on-site dismantling of industrial facilities and recycling in its treatment plants.

IDOM: Multinational offering services in Engineering, Architecture and Consulting, with 32 offices in 14 countries (Europe, Asia, America and Africa). It provides services in Industrial Engineering and Energy, Civil Engineering, Environment, Systems and Telecommunications, Advanced Analysis, Consulting and Architecture.

FCC – AMBITO: A subsidiary of FCC-Citizen Services, dedicated exclusively to the management of industrial waste of all kinds, both hazardous and non-hazardous, as well as all kinds of projects for recovery and remediation of contaminated soil and other environmental liabilities.

EKO REC: Company specialized in the recycling of PET; starting from post-consumer bottles, it produces 100% recycled and 100% recyclable materials for the automotive, food and packaging industries, ensuring improvement of the environment and reduction of CO2 emissions. Its R&D department is involved in research into new applications for materials that are not yet recyclable.

ACCIONA AGUA: Leading company in the Water Cycle. Design, construction, operation, maintenance and management of infrastructure services for water treatment and distribution. International presence in over 20 countries worldwide with reference projects in the field of water treatment and desalination by reverse osmosis.

BIOSCIENCES

CIC bioGUNE

The biosciences sector has emerged as a successful move, able to add value and generate wealth for the Basque Country.

BASQUE BIOCLUSTER - BASQUE ASSOCIATION OF BIOSCIENCE COMPANIES

Its aim is to coordinate, represent, manage, promote and defend the common interests of the companies in this sector and contribute to their internationalisation. The main areas of activity (59%) are biotechnology applied to health, both human and animal, as well as the food industry, cosmetics, management, transverse services, etc. Within its areas of action, the most important is diagnostics.

The Basque bio-region, known as **BioBasque**, is characterised by cooperation between the academic world, the health system and industry, backed by an extensive network of infrastructures and public authorities that foster business activity.

Within the bio-region the business sector, benefits from strengthening different knowledge areas and technology convergence. Therefore, the biological know-how is complemented with a long tradition in engineering, manufacturing, microtechnology, electronics, robotics and automotive, and with the new nanotechnology possibilities.

It is an important sector that brings wealth and added value to the Basque Country thanks to its heavy investment in R&D&I, the offer of highly qualified employment and the international focus. This industry is made up of companies, research centres,

universities and leading hospitals in the Basque Country.

Basque pharmaceutical companies with biotechnological developments include **FAES FARMA**, a company with an international vocation that researches, manufactures and commercializes pharmaceutical products and raw materials, which are exported to more than 60 countries; **BIAL**, multinational pharmaceutical company which has its allergy excellence centre in the Basque Country and; **PRAXIS** Pharmaceutical, a Basque pharmaceutical company devoted to Health Sciences.

On the other hand, the following biotechnology companies can be highlighted: **Progenika Biofarma**, pioneer and expert in molecular biology, with the multinational Grifols Group, and the **Noray Biosciences Group** (Noray BG), focusing on biosciences.

The biotechnology sector is backed by an extensive R&D infrastructure.

CIC bioGUNE is a benchmark centre in Cellular, Molecular and Structural biology, the only facility of its kind in the State and a European leader. Furthermore, bioGUNE also carries out its activity in the field of biotechnology applied to health, such as functional genomics, proteomics and metabolomics, among others.

At **CIC biomaGUNE**, pioneer Research Centre in Bionanomaterials, the Molecular Imaging Unit, biofunctional nanomaterials and Biosurfaces can be highlighted.



Bizkaia Science and Technology Park



3

R&D

Innovation

- Basque Science, Technology and Innovation Network
- Technology Parks
- Business incubators

The Basque Country is the autonomous community that assigns the highest percentage of its GDP to **R&D, 2.03%**

BIGlittle
BASQUE COUNTRY

3

R&D Innovation

The Basque Country has the scientific, technological and business capabilities to focus its efforts and take up global leadership positions in Advanced Manufacturing, Energy and Bioscience/Health.

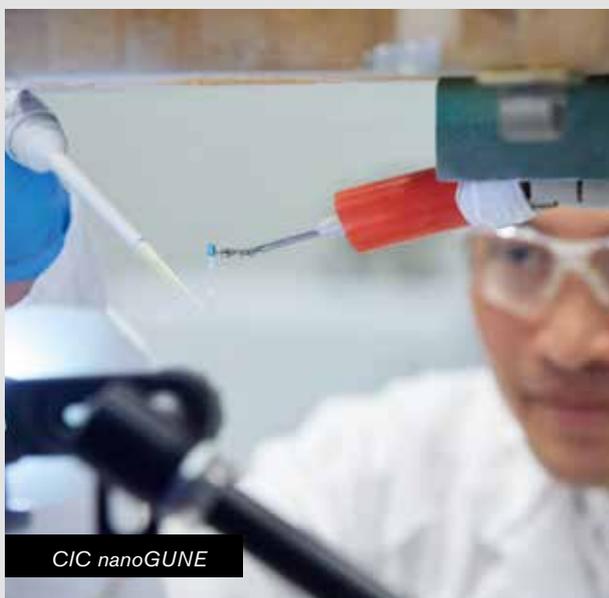
Commitment to innovation is the hallmark of the Basque Country, commitment that brought in recognition and resources at European level. The Basque Country is the autonomous community that assigns the highest percentage of its GDP to R&D, 2.03%.

The Basque Country is currently involved in the **Science, Technology and Innovation Plan 2020** to improve welfare, sustainable economic growth and employment in Basque society through the development of a research and innovation policy based on smart specialisation and

improvement of the Science, Technology and Innovation system, aligned with the European Horizon 2020 programme.

The Basque Country has the scientific and technological potential required, such as those linked to a world-renowned business community, to focus its efforts and take up global leadership positions in some of the priorities identified as strategic: **Advanced Manufacturing, Energy and Bioscience/Health.**

BASQUE SCIENCE, TECHNOLOGY AND INNOVATION NETWORK



The Basque Science, Technology and Innovation Network is a group of Science and Technology agents working together, developing specialised, world-class, market-oriented research that contributes to the creation of wealth and welfare in the Basque Country.

The network consists of 120 accredited Agents: Singular Agents, Centres for Basic Research and Excellence (BERC), the Research Structures of the Universities, Cooperative Research Centres (CIC), Multifocused Technology Centres, Sectorial Technology Centres, Agents for the Spread of Science, Technology and Innovation, Supply/Demand Intermediation Agents, Corporate R&D Units, Health R&D Organizations and Health Research Institutes.

It has a complete map of technological infrastructure at the service of companies; universities, hospitals, world-class research centres, cooperative research centres and technology centres.

TECHNOLOGY PLATFORMS

BIGlittle
BASQUE COUNTRY

BTEK, Technology Interpretation Centre

IK4 Research Alliance and the Tecnalia Corporation, worldwide reference technology centres, employing over 2,800 people.

The Basque County has two important Research and Development platforms, providing jobs for 2,800 people worldwide. Their objective is to contribute to economic and social development and increase the competitiveness of companies, through the generation and transfer of scientific and technological knowledge.

TECNALIA - The Tecnalia Corporation is made up of Tecnalia Research & Innovation and the Azti and Neiker technology centres. Tecnalia Research & Innovation is one of the leading private R&D&I groups in

Europe, with over 1,400 employees from 30 nationalities, 21 offices worldwide and 4,000 international clients.

IK4 Research Alliance - It is a private and independent alliance of technology centres, a benchmark in the European technological context. It employs over 1,300 professionals. It is made up of nine reference organisations in the Basque innovation system: Azterlan, Ceit, Cidetec, Gaiker, Ideko, Ikerlan, Lortek, Tekniker and Vicomtech.

SCIENTIFIC PLATFORMS

Basic and Excellence Research Centres (BERC)

FBB Bizkaia Biophysics Foundation

BCAM Basque Center for Applied Mathematics

BCMaterials Basque Centre for Material Applications and Nanostructures

DIPC Donostia International Physics Center

BCBL Basque Center for Cognition, Brain and Language

MPC Material Physics Center

ACHUCARRO Basque Center for Neurosciences

BC3 Basque Center for Climate Change

Polymat Basque Center for Macromolecular Design and Engineering

Cooperative Research Centres (CIC)

CIC bioGUNE Biosciences

CIC biomaGUNE Biomaterials

CIC nanoGUNE Nanosciences

CIC energiGUNE Energy



BIC Bizkaia



BIC Gipuzkoa



BIC Araba

The Business and Innovation Centres in Alava, in Bizkaia and in Gipuzkoa, located in the Technology Parks, promote the creation and incubation of innovative and technology-based enterprises. They provide locations adapted to the needs of new projects, management and technological guidance, possibility of access to seed capital, preferential funding in conjunction with diverse players and access to institutional support programmes. Since they were launched, these Centres have supported the creation of 2,000 businesses, which have generated 10,500 jobs, and have tutored more than 4,000 entrepreneurs.

SCIENCE AND TECHNOLOGY PARKS

Alava Technology Park

The Basque Technology Parks are a key instrument in the Industrial Development and Innovation policies of the Autonomous Community. The Technology Parks in Álava, Bizkaia and Gipuzkoa, three projects with a total of 6 campuses, are home to research centres, technology centres, innovation promoters and a good selection of the most advanced and cutting edge organisations in the Basque Country.

In addition, they represent a reference point for researchers in the most prominent industrial sectors; a place where almost 5,000 people

are engaged in R&D&I. They provide an excellent location in quality, sustainable environments. Activities associated with the Basque Technology Parks account for 5.5% of GDP, 5.4% of employment and 5.8% of corporate tax revenue.

The Technology Parks of Alava, Bizkaia and Gipuzkoa contain nearly 430 companies, providing about 16,000 jobs and a turnover in excess of €4 billion.



4 Talent

· Universities

· Vocational Training

48.9% of young people have
higher education studies

BIGlittle
BASQUE COUNTRY

4

Talent

Investing in training is investing in the future. Training and excellence of people is a key strategic factor for the competitiveness of the Basque Country.

Training is the key that opens the doors to a competitive future. Consequently, the Basque Country directs its efforts toward implementing a clear, close educational model, providing value and quality assurance. Its commitment to developing talent in people, concentrated in a nursery for highly qualified professionals, who are prepared to take the reins of the future, both locally and internationally, has been reinforced.

48.9% of people aged between 30 and 34 have higher education, which is higher than the average of the European Union (37.9%) and Spain (42.3%).

With a public university, which serves eight out of every ten students, three private universities, nearly a hundred occupational training centres, five international schools, more than one dozen official language schools, the first Gastronomy University in the world, **the Basque Culinary Center**, and **Digipen, Institute of Technology Europe Bilbao**, the Basque Country is the autonomous community with most educational technology in its classrooms.





4 UNIVERSITIES



UPV/EHU, Campus Leioa

UNIVERSITY OF THE BASQUE COUNTRY (UPV/EHU)

This is the public University of the Basque Country. With an emblem designed by Eduardo Chillida, into which he incorporated a famous line by Iparragirre -Eman ta zabal zazu- which refers to the universal vocation of Basque culture, the UPV/EHU today is a thriving reality. Comprising more than 50,000 people, it is responsible for 65% of the research carried out in the Basque Country and has already generated a quarter of a million graduates in the most diverse areas of knowledge.

- Public university
- Three campuses in Alava, Bizkaia and Gipuzkoa
- 20 faculties and schools
- 68 degrees, 2 double degrees, 108 master's degrees, 43 own degrees and 65 doctorate programmes
- Responsible for 65% of research in the Basque Country
- 44,214 undergraduate and graduate students
- 5,019 teachers and researchers
- International Excellence Campus: Euskampus

MONDRAGON UNIVERSITY

- Private university belonging to Corporación MONDRAGON
- 3 faculties and a polytechnic school
- 25 undergraduate degrees related to the field of Engineering, Business, Education, Humanities and Gastronomic Sciences (Basque Culinary Center)
- 4,000 students
- 385 professors

DEUSTO UNIVERSITY

- Founded in 1886 by the Jesuits
- Private university
- Two campuses in Bilbao and San Sebastian
- 6 faculties
- 34 degrees in Law, Business, Humanities, Engineering, Languages and Communication, Psychology and Education, International Relations, Theology, Social Work and Tourism

UNIVERSITY OF NAVARRA - TECNUN

- Founded in 1961
- Private university
- Campus in San Sebastian
- 9 EHEA-adapted degrees
- 44,214 students
- 5,316 professors

VOCATIONAL TRAINING



IMH, Machine Tool Institute

Vocational Training in the Basque Country is the first EU test bed for the introduction of applied innovation learning.

In the Basque Country, where economic activity revolves around industry, Vocational Training is an essential pillar in the preparation and qualification of people who are going to enter the job market. 65% of jobs in Basque companies require a vocational training certificate, 70% in the case of the industrial sector. We have an Innovation **Centre for Vocational Training, Tknika**, the innovation tool for the Vocational Training system; through networking and direct involvement of teaching staff, this centre develops innovative projects in the field of technology, training and management.

Vocational Training offers around **150 training cycles** adapted to the different professional requirements, aimed at

ensuring that people have the necessary professional skills to enter qualified jobs. The **Vocational Training Strategic Agenda** is the Basque Government's future commitment, an agenda that seeks to extend the dual model so that training culminates in an internship plan integrated in the company. Vocational Training is considered to be basic investment to ensure qualified labour in industrial companies, vocational training aimed at the company and a reference for the SMEs.

There is a Basque framework for professional qualifications and specialisations to be able to respond quickly to the needs of companies in matters of the preparation and expertise of people who are going to work in them.

Vocational Training in the Basque Country is committed to **innovation in learning**, methodologies and even the type of classrooms and centres, and to VT that supports small and medium-sized enterprises as well.





5

A well-connected
region

The best European region in
Connectivity

(Financial Times – Ranking 2016-2017)

BIGlittle
BASQUE COUNTRY

5

A well-connected region

The Financial Times ranks the Basque Country as the best medium-sized European region in Connectivity and one of the best in its foreign investment strategy (2016-2017 ranking).

The CAPV –The Basque Autonomous Community- is strategically located in the centre of the European Atlantic Axis. This position, as a point of passage between peninsular markets and the rest of Europe, puts this community at the heart of an area of influence which covers:

- A 2,000 km corridor connecting more than 10 EU regions.
- 80 million people: 25% of the population of the euro zone
- More than 2 billion euros in GDP: 30-40% of GDP of the euro zone,
- A corridor between ports: more than 60 ports with total traffic of over 650 million tonnes per year.

Its location, along with its network of first-class logistics and transport infrastructures, perfectly coordinated

and interconnected with each other and with the major European networks, make the Basque Country an **irreplaceable Multimodal Logistics Platform for the transport of goods and people in south-western Europe**. The Basque Country is the gateway to Europe as a logistics hub on the European Atlantic Arc and to the rest of the world, especially Latin America, where there is a strong presence of Basque companies and institutions.

The fDi report by the British publishing group Financial Times has ranked the Basque Country as the best medium-sized region in all Europe in connectivity (logistics) and as sixth with the best foreign investment strategy. In addition, it is the fifth best region in Southern Europe in all indicators for attracting investment as a whole.

MAREA: the largest capacity subsea cable, linking US and Europe, through the Basque Country. A town close to Bilbao, Sopela, will be the connection point for the highest capacity submarine cable to cross the Atlantic, between Virginia and the Basque Country, backed by Microsoft and Facebook. The cable is 6,600 kilometres long, with eight pairs of fibres and a speed of 160 Tbps.160 Tbps.



Vitoria-Gasteiz airport



The **Mobility and Logistics Cluster** has three main areas of activity around which its partners are grouped: Mobility: Promoting the movement of people; Logistics: Improving the flow of goods throughout the supply chain; and ITS: Optimising the infrastructures necessary for the transit of people and flow of goods by the development and application of intelligent systems.

The Port of Bilbao is one of the most important logistics centres on the Atlantic route for access to the European market. It provides regular maritime services with connections to 800 ports around the world. Standing on a land surface area of 350 hectares (865 acres), it boasts logistics operators specialising in different multimodal transport chains and sectors as diverse as petrochemicals, raw materials, steel products, foodstuffs, etc.

The Port of Pasaia is a natural harbour, formed by a bay that provides total shelter for vessels. This means that loading and unloading work can be performed safely throughout the year, regardless of the condition of the sea.

Along with ports, other essential infrastructures include **Bilbao International Airport**, the largest airport in northern Spain, connected with major European cities (with more than 4 million passengers per year), **Vitoria airport** (one of the most important freight airports in Spain and DHL hub for southern Europe) and **San Sebastián airport** (located in Hondarribia).

In addition, the Basque Country has a **new high-speed rail network** and the most modern and extensive roads, making up the multimodal integrated infrastructure network of the Basque Country.

Within the wide range of logistics in the Basque Country, **VIAL - Vitoria Álava Logistics Solution** stands out. With a surface area of more than 9 million square metres, it is the most important logistics space in south-western Europe, and aims to be the key link in the logistics chain.



6

Business friendly
Administration

The Basque Country has its own tax system, giving it regulatory and management capability

BIGlitter
BASQUE COUNTRY

6

Business friendly Administration

The Basque Country has its own tax system, giving it regulatory and management capability.

Euskadi, the Basque Country, enjoys a high level of self-government in issues as important as healthcare, education, safety, housing and taxation, autonomy derived from the Gernika Statute, one of the fundamental pillars of self-government. Another fundamental pillar of Basque self-government is the 'Economic Agreement', the financial foundation of the Autonomous Community, which gives the Basque institutions autonomy to collect and manage

citizens' taxes depending on its own budgets and on agreements signed with the Spanish central administration. All these circumstances have enabled the creation of local organisations, such as EITB - Basque Radio and Television; the Ertzaintza, the autonomous police force, with more than 7,000 agents, and full authority over road and hydraulic infrastructure, economic and industrial promotion, territorial planning and training.



INSTITUTIONS SUPPORTING BUSINESS DEVELOPMENT

Basque Parliament

Business development and promoting the creation of new enterprises and ventures are two of the most important commitments of the Basque institutions. These commitments have given rise to instruments that the Basque public administrations make available to people to create, develop and consolidate businesses.

SPECIFIC PUBLIC FUNDS FOR EACH STAGE OF THE COMPANY LIFE CYCLE

- Refundable advances
- Low interest loans
- Tax incentives
- Occupational training
- Subsidies for R&D projects
- Installation in Technology Parks

PRIVATE FUNDS PROACTIVE TO INVESTING IN BUSINESSES

- Reciprocal guarantee companies
- Financial institutions
- Social entities
- Specific funds
- Business Angels network
- Seed funds

TAX INCENTIVES AND DEDUCTIONS*

General taxation: 28% - 24% for SMEs



*More advantageous than in the rest of the State





7

A place
to live

The highest life
quality level

BIGlittle
BASQUE COUNTRY

7

A place to live

Tradition and innovation, prehistory and modernism, mountains and sea, green and blue. The Basque Country has its unique outlook on the world from its small territory full of colours, aromas and flavours, inviting you to come and discover unique experiences.

Socially, as well as economically, industrially and culturally, the Basque Country is unique. Balanced social and economic development, the pursuit of excellence, transformation processes in cities, business internationalisation and firm commitment to innovation, placing it among the best in the world, make the Basque Country one of the most attractive places to live and to invest. Euskadi is the region with the highest quality of life in Spain, according to an OECD report, which measures variables, such as healthcare, education, employment, income, safety, environment, citizen participation, access to

services and housing. It has an extensive healthcare system that covers the requirements of citizens through the Basque Health Service-Osakidetza, a public service dependent on the Basque Government, as well as private centres. In the Basque Education System, schooling is compulsory from age 6 and free from 3 to 16 years old. Euskadi has the lowest dropout rate (7.7%) for young people between 18 and 24 years old. As regards safety, it is one of the safest regions in Europe, with a rate of 39 crimes per 1,000 population, compared to 45 in Spain and the EU 28 average of 56.



Donostia-San Sebastián, European Capital of Culture 2016



CULTURE

The Basque language, Euskera, the oldest in Europe and the main feature of its particular, distinctive culture, remains alive

Culture reaches all corners of the Basque Country through various first rate festivals, such as the San Sebastian International Film Festival, the Jazz Festivals in Vitoria-Gasteiz, Getxo and San Sebastian and the Bilbao Opera Season.

Tradition and innovation merge in an amalgam of shapes and colours. Getting to know the Basque Country provides an insight into the Basque people. It is a way of life, a character and an understanding that combines history and modernity, audacity and nobleness, fun and hard work.



CUISINE

Marques de Riscal Winery

Arzak, Berasategi, Subijana, Atxa, Aduriz and a long list of top chefs have made the Basque Country the region with the highest concentration of Michelin Stars in the world, 29

BCC, Basque Culinary Center, is the first Gastronomy University in the world, a research and innovation centre into food and cuisine, firmly committed to ensuring the continuity of cuisine as a centre for innovation in the future, in addition to generating high-level knowledge and training for qualified professionals.

Rioja Alavesa, a unique region

Reds and ochres colour this land, its wines and its villages. Traditional wineries and others designed by famous architects can be visited. Twelve thousand hectares of vineyards offer wines from a denomination of origin recognised as one of the best in the world.

Climate

Average annual temperature: 14°C
Hours of sunshine per year: 2,000

3,000,000

visitors per year
Tourism 5.9% of GDP



NATURE

“

The WWF Naturómetro 2016 report gives the Basque Country the best overall rating for its management plans for protected areas in the Natura network.

”

Mundaka

Basque mountains and valleys, with quintessential villages scattered throughout, reflect the thousand-year-old history and traditions still kept alive, an incomparable backdrop highlighted by every shade of green and life going on all around.

The Basque Coast with its 250 km of beaches, estuaries, salt marshes, cliffs and fishing villages, reflecting nature which is abrupt yet generous, with a living and intensely blue sea; a coast where

flysch is the highlight, an incredible formation with millions of years of geological history.

The Basque Country has obtained the best overall assessment by the WWF in 2016 for its development of management plans for protected areas in the Natura network. With 59 spaces included in this Network, the percentage of protected areas covers up to 23% of the Basque Country.



SPORTS AND TRADITIONS

Jai Alai

On many occasions, the Basque people have made their leisure time an extension of their work. For this reason, all types of rural sports in the Basque Country are related with a trade or with the traditional tasks of the farmhouses. Furthermore, traditional sports,

such as pelota (Jai-Alai), rowing and cycling occupy a privileged place in the annual sporting calendar, alongside more international sports, such as football, basketball, golf and surfing.

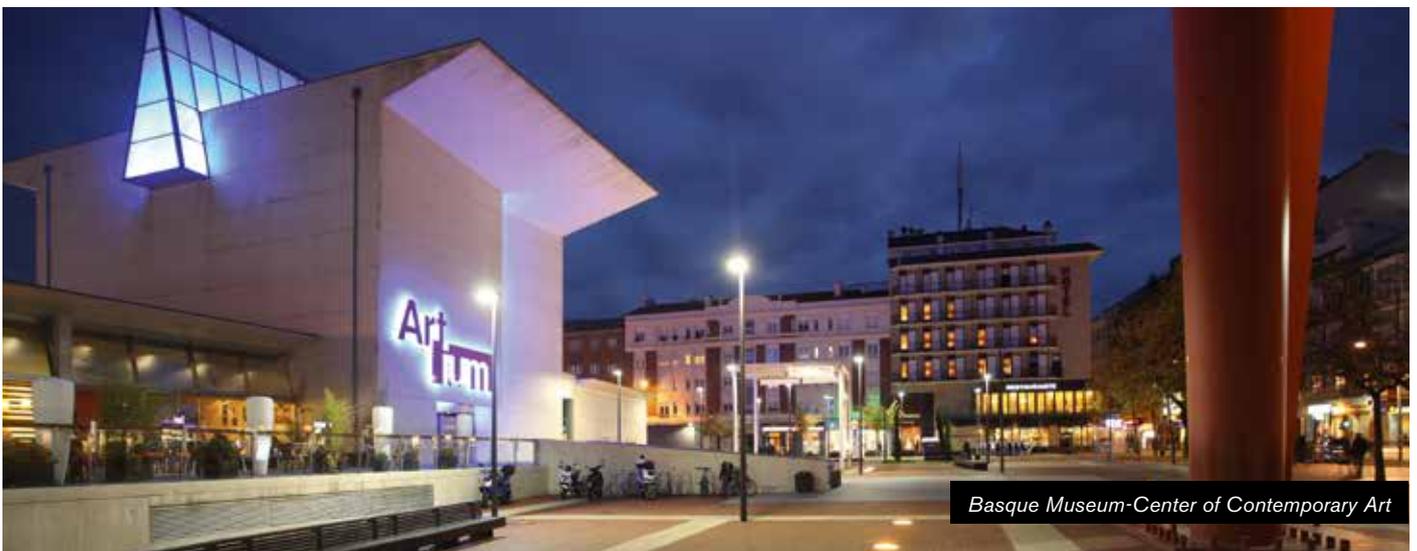
ART



Cristobal Balenciaga Museum

From the most ancient artistic expressions to the most avant-garde museums, the Basque Country has priceless treasures, giving it a unique personality. It boasts themed museums related to the region's economic development, such as the Railway Museum

and the Mining Museum; others of international prestige, such as San Telmo and Fine Arts, as well as museums that have put Bilbao on the world map of museums, namely the Guggenheim, Balenciaga and Artium.



Basque Museum-Center of Contemporary Art

The **Guggenheim Museum Bilbao** is one of the most ambitious cultural projects of the 20th century. Its doors opened in 1997 and it became the forerunner for the transformation of the whole city. It is the symbol of the new Bilbao. Its permanent collection essentially consists of works by the most prominent artists of the past four decades and is supplemented by works on loan from the Solomon R. Guggenheim Foundation and special programmes sponsored by the Foundation.

Cristóbal Balenciaga Museum is devoted to the famous designer from Getaria, considered to be a genius of international haute couture. The museum consists of two buildings: the 19th century Aldamar Palace, which is home to the temporary exhibitions and the documentation centre; and the new annex. The Cristóbal Balenciaga Museum collection consists of around 1,600 items and is not only the largest collection of Balenciaga creations in the world but also the most representative.

Artium is a museum and centre for cultural activities, devoted to the collection, production, dissemination, research and diffusion of contemporary art, educating in contemporary culture and fostering the development of experiences through present-day creation. Through the experience of present-day art and culture, Artium develops the critical awareness of society and projects an image of a contemporary Alava and Vitoria-Gasteiz committed to art and culture.

SPRI, BASQUE BUSINESS DEVELOPMENT AGENCY: YOUR GATEWAY TO INVESTING IN THE BASQUE COUNTRY

WWW.SPRI.EUS · T. +34 944 037 000 · INVESTBASQUE@SPRI.EUS

EUSKO JAURLARITZA



GOBIERNO VASCO

EKONOMIAREN GARAPEN
ETA LEHIAKORTASUN SAILA

DEPARTAMENTO DE DESARROLLO
ECONÓMICO Y COMPETITIVIDAD



Images provided by:

M.Arazola EJ-GV / Parques Tecnológicos de Euskadi / Basquetour / CIC bioGUNE /
CIC energiGUNE / CIC nanoGUNE / AIC / Astilleros Balenciaga / CAF / ITP

Guggenheim Bilbao Museum

