

BARCELONA DATA SHEET 2005



1 | BARCELONA, METROPOLIS OF THE MEDITERRANEAN

Barcelona, one of Europe's great metropolises, is the centre of an extensive metropolitan region of over 217 municipalities and home to 4,600,000 people. It is the economic, cultural and administrative capital of Catalonia and is located in the north-east of Spain on the shores of the Mediterranean.

It heads an emerging area of business (with 17 million inhabitants) in southern Europe that includes the Balearic islands, Valencia, Aragon and south-west France.

Area and population, 2005



	Population	Area (km ²)	Density (h/km ²)
Barcelona	1,578,546	101	15,671
Metropolitan region	4,673,648	3,236	1,427
% Barcelona/M.region	33.8		
Catalonia	6,813,319	31,895	210
% Barcelona/Catalonia	23.2		
Spain	43,197,684	505,988	84
% Barcelona/Spain	3.7		

Source: Barcelona City Council, INE

1.1. Demographic indicators, 2004

Life expectancy	79.8 years
Birth rate (per thousand)	8.0
Death rate (per thousand)	10.3
Fertility rate (per thousand)	34.5

Source: Barcelona City Council

The city of Barcelona is growing demographically richer and more diverse. The number of nationalities in Barcelona rose from 126 in 1996 to 160 in 2004. With a considerably younger age structure and a higher birth rate than the local population; in the last five years newcomers have significantly helped to rejuvenate Barcelona's age structure and have increased the population of some age groups, particularly 25 to 40 year-olds. The result is a more balanced demographic distribution by age group and an increase in the working population.

Foreign residents account for 14.6% of Barcelona's population, a very similar percentage to other European cities such as Madrid, Copenhagen and Hamburg. This figure exceeds the percentage for Catalonia as a whole (11.4%) and for Spain (8.4%).

Growth of the foreign population, 2004

	January 2005	% Total
Total foreign citizens in Barcelona	230,942	14.6
By continents and geographical areas		
Europe	52,835	22.9
European Union (25 countries)	37,017	
Central and eastern Europe	14,627	
Rest of Europe	1,191	
Asia	36,810	15.9
Middle East	1,812	
Central Asia	26,204	
South-east Asia	7,190	
Japan	1,604	
Africa	20,818	9
North Africa and the Maghreb	16,827	
Sub-Saharan Africa	3,448	
Central and southern Africa	543	
America	120,197	52
North America	3,268	
Central America	17,447	
South America	99,482	
Oceania	282	0.1

Over the last ten years, immigration in the city of Barcelona has brought with it a significant rise in the **number of languages spoken**, creating a language map that is difficult to equal in other urban areas of the world. According to recent studies, there are currently **223 languages** from **190 countries**. This diversity is giving rise to an increasingly open-minded and tolerant metropolis.

1.2. GDP and income

The Catalan economy continues to expand: it still has the highest GDP of all the autonomous communities in Spain (in absolute terms) and growth forecasts are positive, as shown in a recent study by the Banco Bilbao Vizcaya. According to this study, 2005 will see continued economic acceleration, based on family consumption and investment in housing.

GDP at market prices and the annual inflation rate

(Index base 2000)

GDP 2004	Spain 2004	Catalonia 2004	Cat/Esp.
At market prices	€ 837,557 million	€157,124 million	18.70%
Annual inflation rate in real terms (%)	3.1	3.1	-

Source: INE, Institute of Statistics of Catalonia (DESCAT)

Using the same basis to calculate GDP for Catalonia, the GDP for the province of **Barcelona** or gross added value (GAV) amounts to an approximate figure of **105,151 million euros**. This reflects the significance of the Barcelona economic area in Catalonia and Spain as a whole.

GDP per capita, 2002

EU25	Spain	Catalonia
€ 20,478	€ 19,642	€ 24,152

Source: Eurostat

Family income

Available family income per capita (€)	2003	2004
Barcelona (prov.)	14,844	15,079
Catalonia	14,832	15,060
Spain	12,921	13,760

Source: Fundación de las Cajas de Ahorro (FUNCAS)

The available income of Barcelona families (the income each family group has after receipt of state benefits and subsidies and direct taxes and social contributions have been deducted) is higher than the average for Spain and similar to that of Catalonia as a whole. This factor is associated with the importance of consumption in the growth of the Catalan economy in recent years.

2 | A DIVERSIFIED ECONOMIC STRUCTURE

Traditionally, trade and manufacturing have been the core areas of the city's development and wealth. Now, the business structure is predominated by the service sector and the maintenance of a large industrial base throughout the metropolitan region.

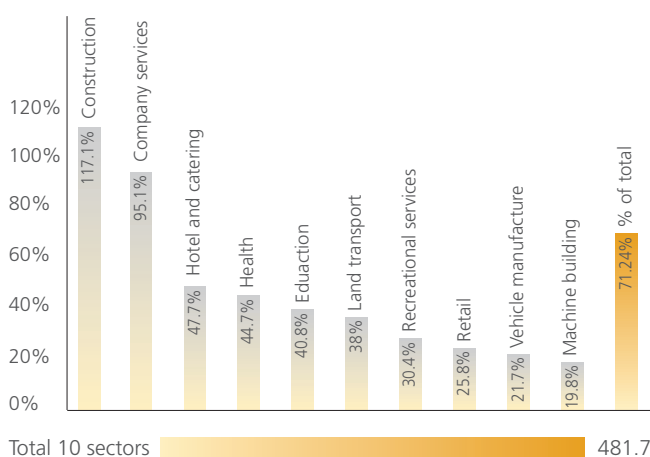
Production structure (on % salaried work), 2004

	Barcelona	Catalonia	Spain
Services	81.7	64.1	67.0
Industry	12.6	24.0	18.8
Construction	5.6	11.5	13.5

Source: Idescat, INE

While much of the industrial sector has moved to the metropolitan conurbation, the industry which has stayed in the central area has acquired high added value. Industry in the centre includes new industrial-type economic activities in areas such as environmental services, cultural industries, communications, air transport and others with a high growth potential. In the 2000 to 2004 period, the percentage of jobs in high- and medium- technology industries in Barcelona and the metropolitan area rose to 11.2% and 35.8% respectively. Furthermore, in the service sector (particularly those services linked to tourism) high added value employment has risen by over 33%.

Branches of activity in which employment has increased most from 1995 to 2004



Source: Working Population Survey (EPA), INE

As a whole, the metropolitan region of Barcelona has a polycentric, economically diverse business structure that helps it in its role as a nursery for new ideas, companies and products.

Attracted by the positive synergies generated by this creativity- and entrepreneurship-enhancing environment, approximately one quarter of the 50,000 Spanish companies with the highest turnovers are based in the Barcelona economic area.

Companies and economic dynamism

- The number of business activities in the city of Barcelona has grown by 8% in the last five years (1999-2004). There are now almost 208,000 registered professionals and business activities.
- Catalonia is still the Spanish autonomous community with the greatest number of companies.

On a regional basis, the companies registered in Barcelona and its area of influence (province) account for 77% of the total number of companies in Catalonia and 14.2% of the Spanish total. Catalan companies, in turn, account for 18.5% of the total number of companies registered in Spain, or 19%, if only trading companies are taken into account.

	Total companies	Business density (per 100 inhab.)	Entrepreneurship index*
Barcelona	417,425	11	n.a.
Catalonia	543,719	4	8
Spain	2,942,583	3.4	6.77
European Union	19,368,000**	1.9**	n.a.

Source: INE, Eurostat, Global Entrepreneurship Monitor

* % adults of between 18 and 64 years old involved in starting up new companies

** 2002 data

Proof of the business drive of the city and of Catalonia can be seen in the above table. The entrepreneurship index corresponds to the percentage of adults involved in the start-up phase of a new company or those who have been managing a business that was set up in the last three and a half years. Catalonia is thus in second place (after Ireland) in the EU15 as a whole and has the highest index in Spain.

Active companies by sectors, 2004

	Total Spain	Catalonia	Barcelona
Industry	248,289	54,054	33,394
Construction	391,487	74,377	37,568
Trade	825,503	141,734	171,144
Other services	1,477,304	273,554	175,319
Total companies	2,942,583	543,719	417,425
Relative importance (% of total)	100	19	14.2

As for trading companies, Catalonia is home to 18.86% of the new companies that were founded in Spain in 2004. This means that nearly 25,000 trading companies (an increase of 5.6% on 2003) were set up. For yet another year, Catalonia is the autonomous community with the largest business park. Data from the register of companies show that this dynamism is particularly focused on the creation of limited companies.

Active companies according to size, 2004

	Total company	SME (from 1 to 250 workers.)	% SME	% Large company
Barcelona	417,425	416,450	99.77	0.23
Catalonia	543,719	542,617	99.79	0.21
Spain	2,942,583	2,937,377	99.8	0.20
European Union*	19,368,000	19,309,896	99.77	0.23

Source: INE 2004

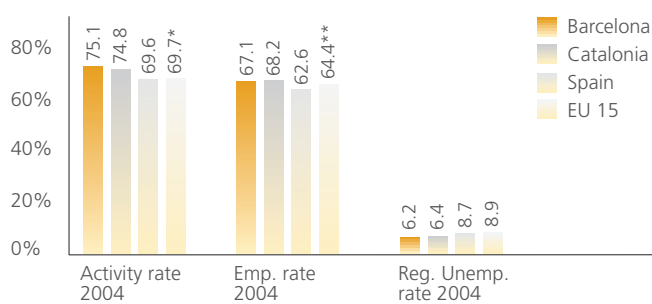
*Data from 2002, Observatory of European SMEs, DG Enterprise and Industry, European Commission

Catalonia has an extensive business fabric with a very European structure. There are over half a million SMEs that account for 75% of jobs. These contribute 65.6% of the revenue generated.

Employment that transforms the city's economy

2004 was very positive for employment in Barcelona. Activity and employment rates grew (favoured by demographic growth and good economic and business prospects) and the hiring of labour became more dynamic, with a rise in the number of employed people affiliated to the social security. Specifically, the last two years has seen the creation of 25,000 new jobs in Barcelona, 39% of which correspond to jobs in high added value sectors.

The Working Population Survey and the INE have recently been including the officially-registered immigrant population in the statistics while activity rates and the number of women employed have also risen. Meanwhile outsourcing of the production fabric of the city and the surrounding metropolitan area has been growing. These two very significant factors are driving the trend for expansion.



*2002, **2003

Source: Inem, Eurostat

Average yearly variation rates in the number of social security affiliates range from slightly over 1.5% in the city of Barcelona to 2.3% in the metropolitan region and 2.5% in Catalonia as a whole.

Social security-affiliated workers, 2004

Barcelona	Metropolitan region	Catalonia
1,018,870	2,167,720	3,082,495

Source: Ministry of Employment and Industry of the Government of Catalonia

Sector-specific development of the number of active affiliates provides an overview of the process of change in the production structure that the metropolitan and, particularly, the city centre economy have been experiencing. The number of employees in the tertiary sector has grown at a rate of over 4%. They now account for over one and a half million affiliates. In the city of Barcelona particularly, the growth in the tertiary sector is clearly of an entrepreneurial nature. This is shown by the fact that in the last three years the most intense growth in affiliates has occurred in the self-employed, especially in the sub-sector of new technologies, which is increasingly outsourced.

3 | BARCELONA: AN ACCESIBLE, WELL-CONNECTED CITY

Barcelona's geographical and strategic location at the centre of the Euro-Mediterranean region, and its complete, modern and comprehensive (sea, air, rail and road) transport infrastructure network contribute a great deal to the city's position as a first-rate logistics centre.

Barcelona Airport

For the eleventh year running Barcelona has reached a new record high in terms of passenger numbers: **25 million passengers** used Barcelona Airport in 2004 and overall, the number of passengers who used the airport in 2004 is 2.3 times greater than the number of passengers ten years ago.

Barcelona Airport is among **Europe's top 10** in terms of number of passengers. It also experienced Europe's **second fastest growth rate** for passenger numbers in 2004.

The spectacular growth rate of non-European international passengers in recent years has particularly boosted direct intercontinental flights with cities such as Shanghai, New York, Philadelphia, Atlanta, Buenos Aires, Natal and La Havana, and new destinations are also expected to be added.

With the extension to currently operating facilities and services, Barcelona Airport intends to reach **40 million passengers per year**.

Number of passengers (thousands)	24,558
International passengers	12,511
National passengers	11,854

% growth of passengers 2003-2004	7.9
% growth of international passengers	26.1
% growth of non-European international passengers	47.6

Source: Barcelona Airport, AENA 2004

Port of Barcelona

The Port of Barcelona closed 2004, one of the best years in recent history, with double the growth rate of 2003.

Overseas traffic exchanges with ports of origin or destination have increased intensely. Trade flows with the Far East, Japan and the ports of South and Southeast Asia (that are experiencing strong economic growth) have now reached the same levels as more traditional flows to and from the Mediterranean ports of the European Union.

The Port of Barcelona clearly specialises in general cargo and particularly in containers and experienced a growth of 20% in 2004.

In 2004, the Port of Barcelona was the Spanish port that grew most in the cargo segment, followed by Algeciras. Growth was due to the strategic role that the port plays regarding imports of energy products and intermediate products for the chemical industry. This is reflected in the rise in traffic to and from ports in the Persian Gulf region and the eastern Mediterranean.

Goods traffic in the Port of Barcelona	
Goods traffic (millions of tonnes)	40.19
% growth 2003-04	13.1
Container traffic (million TEU)	1.9
% growth 2003-04	16

Cruiser traffic	
Passenger traffic	1,021,405
Cruiser passengers from Barcelona	559,208
Cruiser passengers in transit	462,197
Rise in cruiser passengers 03-04	2%

Source: Barcelona Port Authority (APB) 2004

	Total traffic (millions of tonnes)	Container traffic (millions of TEU)
Forecast 2005	44.9	2.2
Forecast 2008	55.4	2.8
Forecast 2011	72.0	4.1

In terms of logistics, the railway system currently distributes 5% of the goods from the port. According to Barcelona Port Authority forecasts, this figure should increase to 30% in the next ten to fifteen years because of the new planned infrastructures.

High-speed train

Barcelona now has high-speed railway services that connect the city with other cities on the shores of the Mediterranean. A second high-speed corridor to increase Barcelona's connections with the rest of Europe is now under construction.

The construction of the Madrid-Barcelona-France high-speed line (which is planned for 2008) will multiply the capacity and efficiency of Catalonia's railway connections, which currently transport 65% of goods from other regions of Spain and from Portugal to Europe, particularly because of the connection with the port and Barcelona Airport.

The high-speed train will connect Barcelona to Paris in four hours and Barcelona to Madrid in 2 hours and 30 minutes.

4 | BARCELONA, A NETWORKED CITY

Barcelona is an international node in the Mediterranean area that offers a range of telecommunications systems provided by prestige companies and has a fibre optic service throughout the city area.

This highly reliable, quality communications and data transmission service provides the ideal support for the generation of a broad network of intelligent services (particularly necessary for business people and professionals) and includes over 150 Wi-Fi hotspots.

Equipment and use of information and communication technologies (ICT) in Catalan companies	(% companies)
Internet connection	95.7%
e-mail	94.8%
Intranet	40.5%
Website	57.5%
Own domain	50.3% **
Purchase on the Internet	30.1%
Sales on the Internet	7.7%
Internet purchasing and sales	33.2%

Source: DURSI, IDESCAT / **data from 2002

ICT equipment in Barcelona households

(data from December 2004, Barcelona City Council)

- The number of computers in the city's households continues to rise. 2004 saw an increase of 4.1%.
- 68% of families in Barcelona have a computer. Of these households:
 - 31.5% have 2 or more computers and 20% have a laptop computer
- 54% of Barcelona households have an Internet connection. Of these households:
 - 50% have an ADSL connection
 - 68% have a flat rate modem connection
 - 67% of users use e-mail
 - 68% of users use the Internet on a daily basis
- With consideration for purchasing intentions, it is forecast that in December 2005 family households in Barcelona without a computer will account for 23.4% of the total.

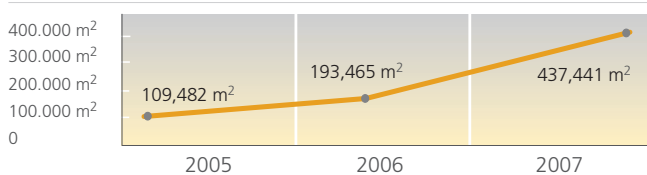
5 | A COMPETITIVE RANGE OF REAL ESTATE FOR BUSINESSES

The areas assigned to business activity in Barcelona (over 12 million square metres of industrial zones and over 4,457,118 square metres of office space) help the development and growth of business activity and provide excellent value for money. This is particularly true for offices.

Offices, 2004	
Office space	4,491,000 m ²
Area taken up	375,000 m ²
Available area	336,000 m ²
Vacancy rate	7.83%
Average lease price	23 (€/m ² /month)
Average sale price	2,426 (€/m ² /month)

Source: Cushman & Wakefield Healey & Baker

Future offices space



Source: Jones Lang LaSalle

2004 saw record new occupancy rates in the office market (375,000 m² in 546 operations), which shows the strength of office occupancy operations, which were by no means sporadic.

The difference in price between the city centre and other urban areas has continued to encourage the conversion of some office space (which is obsolete) for alternative uses such as hotels or housing in order to maximise its value. In recent years, 35 buildings with a total area of 244,636 m² have been converted.

Land and industrial premises

Barcelona is one of the largest real estate centres in the south-western Mediterranean with an area of over 12 million square metres. Despite limited new industrial land to increase available real estate, the metropolitan region is providing new opportunities in the A2 motorway area.

There are two clearly differentiated kinds of demand. The first is **the logistics and distribution sector**, which requires areas with a height of over 10 metres, loading and unloading bays, availability on a lease basis, proximity to large distribution nuclei and areas of 5,000 m² and above. The second is the **industrial sector**, which is predominated by SMEs. This requires small areas of some 1,000 m², sites with continuous facades and, more often than not, ownership of the sites. Estimates at the end of 2004 place the amount of industrial land available in the metropolitan area at 7.5% of the total available area.

The general trend seems to be for gradual conversion of the industrial land closest to the centre of Barcelona into mixed-use land for offices, warehouses and housing.

Average price of leased industrial premises (€/m ² /month)	7.15
Average price of industrial premises for sale (€/m ²)	1,175
Average price of the total industrial land sold (€/m ²)	707.5

Source: Forcadell, King Sturge

Commercial premises

Commerce has always played a very important role in Barcelona's history, not only because of the money it generates, but also because it benefits urban areas in which several uses coexist (areas of housing, shopping, facilities and leisure, etc.), all of which is yet another factor that adds to the city's quality of life.

Commerce is one of the activities that best reflects the open mentality of Barcelona's people and the city's prosperous development and has been inherited from Barcelona's business history as a Mediterranean city of trade.

Turnover in the commercial sector rose to 32,664 million euros, a 6.2% rise on the previous year. Commerce accounts for 15% of the city's GDP and employs over 163,000 people.

Barcelona has 17 outdoor commercial axes throughout the city. These are areas of the city with a high concentration of shops. They are generally shopping areas with a different range of products from that available in the city centre. The centre, on the other hand, has been losing its traditional trade to large brands and sells products that cannot be found in the city's districts.

The consolidation of the axes in the districts has been accompanied in the city centre by a rise in customers from nearby towns and tourists. For example, 41% of the 54 million visitors who went to Barnacentre in 2004 were from outside Barcelona.

Barcelona city	
Number of establishments	53,668
Wholesalers	14,280 (26.6%)
Retailers	39,388 (73.4%)
Average rental price	19.3 €/m ² /month
Average sale price	1,978.6 €/m ²

Source: In-house study based on Global Property Alliance, KingSturge and Barcelona City Council

International comparison of real estate prices for business

Comparison of real estate prices in the main urban areas of cities world-wide (2004)

	Offices €/m ² /year	Shopping areas €/m ² /year	Industries €/m ² /year
Amsterdam	345	1,600	65
Athens	320	3,700	85
Barcelona	260	600	80
Beijing	175	1,349	125
Berlin	288	2,280	72
Birmingham	418	4,732	91
Brussels	280	1,300	68
Buenos Aires	90	190	35
Chicago	270	1,321	104
Dublin	516	6,000	120
Hong Kong	461	3,664	45
London	908	7,882	190
Madrid	280	720	85
Manchester	396	5,047	84
Miami	265	209	74
New York	435	2,573	106
Paris	670	8,000	61
San Francisco	240	739	104
Shanghai	315	1,125	45
Taipei	172	1,059	136
Tokyo	720	575	138
Washington DC	370	530	116

Source: Global Alliance Property

Residential real estate

In 2004, the new housing market picked up again and Barcelona saw available housing rise by 10.1%. The construction of housing has been concentrated in peripheral districts with the greatest available land, which has generally come from other uses.

In the short term, a slight drop-off in new building and restoration is expected after two years of exceptional activity during which 39% of the housing built has been state-subsidised.

Average lease price (€/m ² /month)	9.67
Sale price for new housing (€/m ²)	4,292
Sale price for used housing (€/m ²)	3,813

Source: Municipal Housing Authority

In 2004, the sale price for new housing increased by 20.6%. Rental prices on the other hand grew more moderately by 7.6%.

6 | AN ECONOMY OPEN TO THE WHOLE WORLD

Inward investment in Catalonia

In 2004, inward investment in Catalonia increased by 68.5% to a figure of over 4,000 million euros. Catalonia as a whole received almost 23% of Spain's total inward investment.

2004	Catalonia	Spain	Variation 03/04	%Cat. /Sp.
Total Investment	€ 4,037 million	€ 17,857 million	68.5%	22.60

• By country

Investor countries are mainly from the OECD area (82.23%) and therefore 66.3% of investment in Catalonia came from the European Union. The main investors were the Netherlands (26.31%), the United States (13.91%), France (10.39%) and Germany (6.49%).

• By sector

The production sectors of Catalonia that most attracted inward investment were trade (16.65%), real estate and services (16.21%), food, drink and tobacco (14.94%), textiles and garment-making (13.41%), the chemical and pharmaceutical (7.44%) and other manufacturing industries (6.49%).

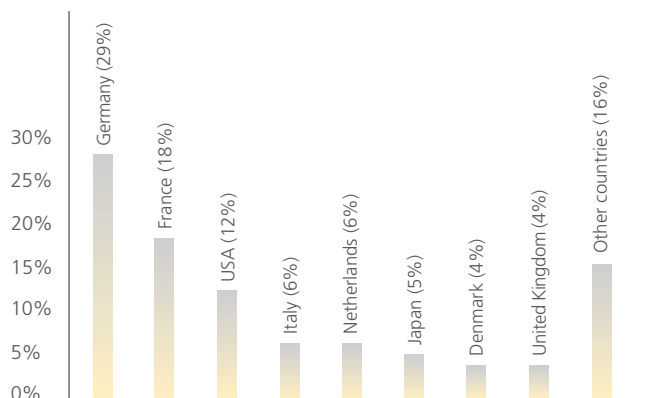
Foreign companies in Barcelona

Companies established in Barcelona	1,340
Companies established in the metropolitan region	2,698
Companies established in Catalonia	2,915

Source: Inward investment in the Barcelona area, CIDEM, Barcelona City Council

• By country

84% of companies are from OECD countries. Details of percentages are given below:



Source: Inward investment in the Barcelona area, CIDEM, Barcelona City Council

70% of all Japanese companies in Spain and over 50% of German, French and US companies are concentrated in the Barcelona economic area.

- By sector

The chemical and pharmaceutical industries and the motor industry account for over 50% of foreign industrial companies in the Barcelona economic area. The service sector accounts for 42%, while construction represents the remaining 3%.

Foreign companies mainly perform (84%) commercial marketing and logistical distribution.

- Satisfaction levels of foreign companies established in Barcelona are very high. According to a study by Barcelona City Council, the Ministry of Industry and Employment of the Government of Catalonia and consultants Deloitte, 97% of these companies are very satisfied that they have established themselves in Barcelona and 93% are planning to extend their presence.
- The features of Barcelona that foreign companies consider most important for achieving their business objectives are favourable tax regulations, improvements in existing infrastructures, human resources with a highly technical capacity and backing for innovation.

Catalan overseas investment

In 2004, Catalan investment overseas amounted to 8,500 million euros. This represents an increase of 51.59% on 2003. Net Catalan overseas investment increased to 7,464 million euros, a rise of 38.5% on the previous year.

2004	From Catalonia	From Spain	%Cat./Sp.
Total investment	8,505	35,406	18.2%

In millions of euros.

Source: Register of Overseas Investment. Ministry of Industry, Tourism and Trade

The Government of Catalonia forecasts that Catalan overseas investment will amount to 25,000 million euros in the three-year period from 2005 to 2008.

- By country

In 2004, Catalan overseas investment was destined mostly to OECD countries (93.12%) while the European Union accounted for 86.23%. The greatest investment was in France (50.68%), followed by the Netherlands (12.20%), Italy (10.95%) and the United States (6.79%).

- By sector

Two-thirds of Catalan overseas investment were destined to non-financial services: real estate and services to companies account for almost 50% of the total. Trade represents 12.11%, other manufacturing industries, 17.73%, and the production and distribution of gas and water, 7.19%. Lastly, the food, drink and tobacco sector accounts for 7.45%.

Catalan exports

In 2004, Catalan exports overseas grew by nearly 5%, a faster growth rate than the previous year. In total, they amounted to approximately 39,000 million euros, which accounts for 28% of total sales from Spain and makes Catalonia the largest exporter of the Spanish autonomous communities.

Exports (million euros)	Global volume*	Change on 2003-04
Catalonia	38,942.3	4.5%
Barcelona province	31,079.0	3.3%

*Provisional data / Source: Department of Customs and Special Taxes of the Tax Office and Secretary of State for Trade

The objective for the 2005 to 2008 period is a 35% increase on current exports.

- By country

The French market accounted for 40% of the growth in Catalan exports. This was followed by Italy (13%), Turkey (11%) and Portugal (9%). These four countries therefore represented three-quarters of exports in 2004.

- By sector

The motor industry saw a growth of 19.5%. This sector still drives the export of products from Catalonia.

- By company

Catalonia is the autonomous community with the highest number of companies that sell overseas. A total of 11,284 companies export regularly or systematically while 9,000 companies do so sporadically.

Exporter companies account for 2.3% of all Catalan companies. This percentage is higher than that for the whole of Spain, which is 1.5%.

2004	Catalonia	Spain	%Cat./Sp.
No. of exporting companies	20,000	55,320	36.2%
No. of companies that export regularly	11,284	31,288	36%
No. of companies that export occasionally	9,000	n.a.	----

Source: Tax Office (AEAT) and Council of Official Chambers of Commerce (CSC)

In the 2005 to 2008 period, the number of companies that regularly export is expected to grow by almost 4,000 from 11,284 to 15,000. There will therefore be a total of **24,000 exporting companies**.

Catalan Multinational Industrial Companies (CMIs)

In order to continue improving the international competitiveness of the Catalan economy, Catalonia (and particularly Barcelona) is promoting the internationalisation of its companies and prompting a new generation of Catalan international companies.

There are currently over 200 registered Catalan multinational industrial companies (hereafter referred to as CMIs) with production facilities overseas. These have around 475 establishments.

Most CMI's are SMEs, 72% of which have a turnover of under 60 million euros.

Barcelona is the headquarters for 90% of the Catalan multinational industrial companies created in recent years as a result of an intense opening up of overseas markets.

• By country

Many of these companies have already started an international expansion process based on direct investment in countries around the world. This process has been fast and intense and has grown in recent years. The companies are also a great asset for the economy of the city and of Catalonia as they will grow with the expansion of markets and will therefore place Barcelona in an extremely good position on the world business map.

Location of CMI's	
European Union	26%
Latin America	25%
NAFTA	13%
Asia - Oceania	12%
Rest of Europe	10%
Africa	11%
Other	3%

• By sector

Four sectors account for over 60% of Catalan Multinational Industrial companies: companies in the food and drink sector have the greatest number of production centres outside Spain and represent over 28% of Catalan multinationals' total turnover. Thereafter come the chemical industry, the metal product sector and other manufacturing industries.

Barcelona, a recognised international position

Barcelona is very well placed in different international rating tables. These assess the urban reality, the capacity to attract inward investment, the city's entrepreneurial nature and its quality of life very favourably.

Top ten Barcelona

The European city that best promotes itself internationally to attract foreign investment (2004)

Cushman & Wakefield Healey & Baker

The best city in Europe for quality of life (2004)

FDI, Foreign Direct Investment (Financial Times group)

Cushman & Wakefield Healey & Baker

Barcelona, Europe's second most attractive region for foreign investment

Paris Chamber of Commerce

Best city in Europe to invest in (2004)

FDI, Foreign Direct Investment (Financial Times group)

The European city that has most improved in recent years (2004)

Cushman & Wakefield Healey & Baker

The European city of the future (2004)

FDI, Foreign Direct Investment (Financial Times group)

Best European city for transport (2004)

FDI, Foreign Direct Investment (Financial Times group)

One of the cities with the best growth prospects in Europe for the 2002-2006 period

ERECO European Economic Research Consortium

One of the cities with the most competitive cost of living (2004)

UBS

One of Europe's best cities for international promotion strategy

FDI, Foreign Direct Investment (Financial Times group)

7 ATTRACTING TALENT AND PROVIDING FIRST-RATE INTERNATIONAL TRAINING

Barcelona's great educational tradition means the city is well equipped to provide ongoing educational improvement. The network of education centres today offers a very complete range of studies that easily responds to different educational situations and needs.

Universities

The city has 7 universities and internationally prestigious business schools (IESE, ESADE, EADA, IESKA). It also has 11 university-associated technology transfer centres that on several occasions have won awards for innovative initiatives from the European Commission's Enterprise and Information Society General Directorates.

Barcelona is therefore a well-established, first-rate university destination in terms of the number of its universities, qualifications and students.

University data for the 2003-2004 academic year

Official and university-specific first- and second-cycle qualifications	393 degrees
University students	204,000
Overseas students	11,211

Source: Barcelona University Centre (BCU), 2004

Barcelona's university appeal

Every year, the city's university centres welcome a large number of students from the rest of Spain and overseas.

Barcelona and the rest of the Catalan university system form the European region with the sixth highest number of participants on international exchanges. Only great conurbations and universities such as Île-de-France and London have more.

Barcelona is the city in Europe with the fifth highest level of university students in its working population. This factor plays a significant role in the territory's competitiveness and gives the city a certain edge over other European cities and regions.

Position in Europe	City	% of working pop. with university education
1	Bristol	31.90%
2	Barcelona ¹	25.80%
3	Manchester	24.40%
4	Leeds	23.90%
5	Sheffield	22.10%
6	Stockholm	22.00%
7	Helsinki	20.00%
8	Madrid	19.70%
9	Munich	18.50%
10	Birmingham	16.70%

¹ data corresponding to the county population
Source: City audit, 2004. ISCED levels 5,6,7

In Spain as a whole, Barcelona is characterised by high specialisation in higher education and postgraduate studies. This places the city in a very favourable situation with regard to available human capital.

Geographical origin of students matriculated at Barcelona's universities

(2003-2004 academic year)

Total number of overseas students	11,211
% of overseas students from total students at Barcelona's universities	5.5%
Total number of overseas students on 3 rd cycle, masters and Postgraduate studies	3,200
Total number of students from elsewhere in Spain	4,251
% students from elsewhere in Spain	2.1%
Total number of overseas students	15,462
% of overseas students over total university students	7.6%

* Non-official estimated data

People from many different countries choose Barcelona as a university destination. Erasmus students, for example, come mainly from Italy, France, Germany, Holland, the United Kingdom, Portugal and Belgium. There are also students from countries such as Argentina, Mexico, Colombia, Brazil and Morocco. In the 2003-2004, students who found accommodation using the Barcelona University Centre services came from 34 different countries.

Foreign schools

The city has different foreign schools at which foreign curricula can be followed. A non-comprehensive list includes the Swiss School, the Japanese School of Barcelona, the Liceé Français, the Saint Albert Magne German School, the American School of Barcelona, the Benjamin Franklin International School, the Liceo Italiano, Scuola Elementale Statale Italiana and over a dozen English schools.

8 | A MODERN, WELCOMING CITY TO LIVE IN AND TO VISIT

Barcelona is a dynamic, modern and diverse city in which a profound enterprising, commercial and competitive spirit has coexisted for centuries with an art of living and enjoying the expressiveness of a culture and high urban quality.

Barcelona is set in extremely favourable natural surroundings and has a combination of identity and cosmopolitanism that makes it different from other cities in the world.

A pleasant climate

Average annual	Average yearly max.	Average yearly min.
17.3°	30.0°	5.2°

Source: Statistics, Barcelona City Council.

A city where outdoor activities are easy

Because of the mildness of the city's climate and long daylight hours (which last up to 15 hours a day in summer and no less than 7 in winter) daily life in Barcelona is associated with good weather and outdoor cultural, leisure, sporting and social activities.

A healthy environment

The city has a large number of green areas, parks, gardens and natural peripheral spaces for sport and a large number of leisure activities that are organised throughout the year.

City green areas	Area m ²
Woodland	17,950,000
Urban green areas	10,066,800
Green area / 100 inhabitants	1,920.8 m ²

Source: Statistics, Barcelona City Council.

Alongside the city's parks, Barcelona's beaches are the most used leisure areas in the metropolitan region. This is shown by the growing influx of people; approximately 8.5 million each year. 7 kilometres of beaches can be enjoyed throughout the year for sporting and outdoor leisure activities and provide optimum safety, hygiene, facilities and accesses.

A very active cultural life

Traditional items such as fire, giants, "cap-grossos" (large-headed carnival figures), fantastic animals and human castles characterise Barcelona and make it a great city that has assimilated the legacy of its architectural and monumental heritage into daily life. Barcelona is the only city in the world with five World Heritage buildings and is a great exponent of modernist architecture and the work of Gaudí. Since the end of the twentieth century it has asserted itself as an open progressive city with new urban architecture and has achieved great international renown.

Following its tradition of innovation in the organisation of cultural events, Barcelona hosted the 2004 Universal Forum of Cultures, which was attended by 6,400,000 participants at scheduled activities and received 3,200,000 visitors at festivals, shows, exhibitions, debates and concerts, etc.

Art, cinema and theatre

Every year some 7 million people visit Barcelona's fifty or so museums, particularly the Picasso Museum (which has a large number of Picasso's works plus temporary exhibitions) and the Miró Foundation.

The library network has been used by 4,100,000 people and has over 250 general and specialised public and private facilities.

Barcelona is a centre of interest for cinema. The city not only has an audience of over 7 million that consumes cinema, but also has the added value of being an ideal city for filming and to be filmed. The dynamism in this sector has led to the Platform of Film Festivals in Barcelona, which includes six international film events.

With an annual theatre audience of over 2 and a half million people, Barcelona has been open to new innovative trends. The city is currently home to much of Spain's innovative theatre.

Sport

Each year Barcelona hosts a large number of top international competitions. The temperate climate, the gentle temperatures and long sunlight hours mean that sports such as golf, sailing, cycling, horse-riding, tennis and football can be played or practised outdoors throughout the year. This has prompted a gradual increase in visits from top overseas sportspeople and good events on the international calendar.

Quality of life

In recent years Barcelona has consolidated its international brand on account of both the city's urban quality of life and also the progressive internationalisation it has been experiencing. This is such that the 2004 European survey published by Cushman & Wakefield Healey & Baker (C&W H&B) places Barcelona as the European city with the best quality of life, for the sixth year running.

Quality of life ¹		Cost of living ²		Best salaries ³	
Rating	2004	Rating	2004	Rating	2004
Barcelona	1	London	2	Zurich	1
Stockholm	2	Moscow	3	Basle	2
Paris	3	Geneva	6	Geneva	3
Munich	4	Copenhagen	8	Oslo	4
Madrid	5	Zurich	9	Luxembourg	6
Zurich	6	St. Petersburg	10	Copenhagen	7
Geneva	7	Milan	13	Dublin	8
Amsterdam	8	Dublin	14	New York	10
London	9	Oslo	15	London	12
Lisbon	10	Barcelona	56	Barcelona	27

¹Source: Cushman & Wakefield

²Source: Mercer Consulting

³Source: Union of Swiss Banks (UBS)

In addition, in Mercer Consulting's study of the world's most expensive cities Barcelona comes 56th while, according to a study by the Union of Swiss Banks (UBS), the people of Barcelona have the 27th highest income level based on salaries.

Globally, these data show that workers and professionals in Barcelona not only enjoy a good standard of living, but also have a very acceptable purchasing power in international terms.

In short, Barcelona is in a good place for the location of business and business appeal and is also becoming well-established as a magnificent European tourist destination, which provides visitors and residents with modern and integrating urban design and a high standard of living.

Europe's benchmark urban tourist destination

Visitor assessment of the city's different aspects in tourism surveys has continued to be very favourable. As usual, architecture, culture and entertainment are most highly valued while 2004 saw significant progress in matters of everyday urban dynamics such as the friendliness of the people, the efficiency of public transport and public safety standards.

Another crucial item for visitors is the value for money offered by hotels, restaurants and, particularly, shops. This aspect has helped to consolidate the international image of the city's shopping sector. This is shown by the high percentage of non-hotel related expenditure, which accounts for 56% of total expenditure by overseas tourists to the city.

Number of tourists to the city: 4,549,587

(annual increase of 18.2%)

From Europe	83%
From North America	10%
From Asia	3%
From Japan	2%
From South America	2%

Overnights stays at Barcelona's hotels: 10,148,238

(annual increase of 11.5%)

From elsewhere in Spain	28%
From Europe	52%
From elsewhere	20%

Source: Survey on Tourism in Barcelona. Turisme de Barcelona

Hotel occupancy rate (% over rooms)	76.4%
Number of hotels in the city of Barcelona	268
Hotel accommodation available (rooms)	23,739
(annual increase of 14%)	
Hotel accommodation available (guests)	45,286
(increase of 12.5%)	

Source: Gremi d'Hotels de Barcelona

In 2003, Barcelona was Europe's top non-state capital tourist city, both for the number of international and overall overnight stays, and was Europe's seventh tourist city, taking all cities into consideration.

In the last six years, tourism from the rest of Europe has increased gradually and uninterruptedly by 13%. In 2004, overnight stays by European tourists accounted for over 52% of the total overnight stays recorded in Barcelona.

Credit card expenditure by international tourists increased 11% in 2004 while credit card transactions amounted to 664 million euros, 17% of total revenue.

Trade fairs and congresses

Data from 2004 show how business tourism is becoming increasingly international. The number of both international meetings (69% of the total) and overseas conference delegates (77.5% of the total) continues to rise and includes a noteworthy presence of participants from the United Kingdom, the United States, Germany and France.

Lastly, the pre-eminence of the medical-health and chemical-pharmaceutical sectors respectively as the main organisers of congresses and conventions was confirmed.

The direct economic impact of congresses in the city amounts to 752,700,000 euros, according to recent data from Barcelona Convention Bureau.

Number of congresses and conventions in Barcelona	1,146
Number of attending delegates	360,335
Annual increase in total attendees	26%
Congresses (associations) of an international nature	22%
Conventions (companies) of an international nature	46%

Source: Turisme de Barcelona

Fira de Barcelona is the city's sole trade fair institution and stages 13 large international exhibitions, meaning they are among Europe's top 5 organisers. A study by consultants KPMG shows that Fira de Barcelona contributes some 2,000 million euros to the city's economy each year.

Fira de Barcelona, a benchmark for trade fairs in Europe

Name	Sector	Rating
Hostelco	hotel and catering	No. 1
Expoquimia	chemical	No. 1
Saló Internacional de la Piscina	recreation and sport	No. 1
Construmat	construction	No. 1
EIBTM	tourism	No. 1
Alimentària	food and drink	No. 2
Sonimagfoto	new audio-visual technologies	No. 2
Saló Nàutic Internacional	recreation and sport	No. 3
Saló Internacional de l'Automòbil	vehicle	No. 3
Graphispag	graphic arts and publishing	No. 3
Caravanning	tourism	No. 3
Hispack	commercial distribution	No. 4
Expoaviga	primary sector	No. 5

Source: Fira de Barcelona

New trade fairs in 2004 and future fairs

Four new fairs were held at Fira de Barcelona in 2004. These include the EIBTM exhibition, the world's leading fair on congresses, incentives and business trips, which had been held in Geneva since 1988. Furthermore, the 3GSM exhibition, Europe's main mobile telephony fair, is also to be staged at La Fira de Barcelona facilities on Montjuïc from 2006 onwards.

9 | A CITY FULL OF NEW PROJECTS

Barcelona's approach to the future involves the use of new sustainable growth parameters in a global strategy that goes beyond the planning and execution of projects. In transforming the city, the traits that define it need to be maintained. These characteristics include urban quality, investment in infrastructures (and the impact it has on both the economic growth they generate and improvement in the quality of life of Barcelona's people), a love for public spaces, for civic-mindedness and for pluralism, in accordance with a model of economic development and employment that ensures its future.

22@BCN: is a project with an economic potential of 12,020 million euros and involves a 162,300,000-euro public investment in infrastructures. It is based on the establishment of prestigious companies and institutions in emerging business activities in research, culture and knowledge in a district with infrastructures and urban development suited to the requirements of companies in the new information and communication technologies (ICT) sector. The 22@ district is in the heart of the city centre and has a new business area of 3.2 million square metres that will accommodate over 130,000 new jobs. Of the total area, 2.66 million square metres are to be assigned to new production activities while approximately 400,000 square metres are for new housing.

Over 200,000 square metres have been allocated to increase land for green areas and public facilities. Meanwhile, the creation of 4,000 state-sponsored residences will guarantee the urban and environmental quality of the new district.

El Besòs Inter-university Campus: This inter-university campus is for third-cycle education and research linked to the district's new production and business activity. It forms synergies with the 22@ city of knowledge in an adjoining zone and helps make this area of the city one of Barcelona's new centres of attraction for the new century because of the rejuvenation and modernisation of the existing urban fabric.

Barcelona Biomedical Research Park: This 50,000 square-metre scientific research project will position Barcelona within the European bioregion. It is headed by the Municipal Institute of Medical Research, the Centre for Genomic Regulation and the Department of Experimental Sciences and Health of the Pompeu Fabra University. It also has the support of other centres and initiatives such as the Centre for Regenerative Medicine. The park will bring together a total of 80 research groups and some 1,000 professionals, scientists and highly-qualified technicians.

Extension of the Airport: The extension will allow for an increase in passenger capacity of up to 40 million passengers a year and up to 90 take off/landing operations per hour.

Work includes the adaptation and extension of the current terminal area, the airfield, the new southern passenger terminal, the extension of the cargo zone, road and railway access and areas of complementary airport activities and services.

Extension of the Port: Current restructuring is intended to respond to growing demand to make the port a world centre for logistics. The Port de Barcelona is being extended to make it Europe's southern gateway from the Mediterranean. The maritime area, which will be extended from 374 to 786 hectares, is being doubled in size while the land area is being enlarged 2.3 times and will be extended from 558 to 1,265 hectares.

Both road and railway infrastructures are being restructured to accommodate the arrival of the high-speed train and to improve railway connections with the container terminal and the airport. Overall work on the railway will mean an increase in rail cargo from 5% of the total to 30%.

Pla Sagrera–Sant Andreu: An extensive area of Barcelona is being restructured. The project involves first, the structuring of railway movement from the city's northern gateway and the construction of the new La Sagrera high-speed train station. Secondly, it includes the urban redevelopment of five districts surrounding the new railway complex, placing the railway underground and the creation of a large park of some 4 kilometres in length. This park will connect the districts of Sant Andreu–La Sagrera with Sant Martí and end the current separation of the districts caused by the railway.

The area of operations covers a total of 163 hectares, 98 of which have been assigned to residential and office use, 53.5 to green areas and 12.1 to public facilities. Between 8,000 and 8,500 new residences will be built.

The new Marina district: A former industrial district adjacent to the port is to be transformed into a new city residential area in a five- to ten-year period. The district will cover an area of 540,000 square metres. Of this area, 470,000 square metres will be built on. Housing will provide the impetus for the new district in a well-connected urban structure that provides services in a compact, sustainable urban fabric. Nevertheless, 397,000 square metres of the land will be allocated to business and commerce and integrated with the urban fabric, which will largely be geared to knowledge-intensive activities.

The New Besòs district: a new mixed residence-business area in an urban and formerly industrial area, adjacent to the river Besòs. The project will take an estimated time of 10 to 15 years to complete. The district will cover an area of 72 hectares, contain 10,000 new residences (25 to 35% will be state-sponsored) and is a follow-on from the extensive urban reorganisation that other nearby urban areas have experienced in recent years.

10 | ECONOMIC INSTITUTIONS IN BARCELONA AREA

- Barcelona Airport – AENA: www.aena.es
- Barcelona City Council – Economic Promotion Department: www.bcn.es/barcelonanegocis
- Barcelona Port Authority: www.apb.es
- Barcelona Activa: www.barcelonactiva.es
- Barcelona Official Chamber of Commerce, Industry and Navigation: www.cambrabcn.es
- Casa Àsia: www.casaasia.org
- Centre for Innovation and Business Development (CIDEM): www.cidem.com
- Comissió Obrera Nacional de Catalunya: www.ccoo.es
- Consortium for the Commercial Promotion of Catalonia (COPCA): www.copca.com
- Barcelona Zona Franca Consortium (CZFB): www.elconsorci.net
- Fira Internacional de Barcelona: www.firabcn.es
- Foment del Treball Nacional: www.foment.com
- Mercabarna: www.mercabarna.es
- Industrial Pact of the Metropolitan Region of Barcelona: www.pacteind.org
- Patronat Català Pro Europa: www.infoeuropa.org
- Pimec: www.pimec.es
- Strategic Metropolitan Plan of Barcelona: www.bcn2000.es
- Societat 22@: www.bcn.es/22@bcn
- Turisme de Barcelona: www.barcelonaturisme.com
- Unió General de Treballadors (UGT): www.ugt.es
- Logistics Activities Zone (ZAL): www.zal.es