



REPORT 2014

Today, large cities and their metropolitan areas are driving economic growth worldwide. With the main macroeconomic indicators for Catalonia, Spain and Europe showing an upward trend, Barcelona wants to become a driver of this recovery and represent a movement towards a new economic and social model.

Barcelona has unique potential and key strengths that help position the city competitively at an international level. We top the ranking of the best cities in southern Europe in terms of economic development promotion and future potential, and we are fourth amongst Europe's most important cities behind London, Helsinki and Dublin.

The main economic indicators show the city generates confidence and provides the right environment for economic activity and business. Barcelona and its metropolitan area ended 2013 with positive indicators that confirm a certain change in trends.

Tourism, industrial business activity and increases in foreign investment and exports were responsible for a part of that change. Industrial and business confidence is also rising in the Metropolitan Area. Last year in Barcelona, 7,067 new businesses were created, 5% more than the previous year.

Unfortunately, this still hasn't translated into a clear recovery in the labour market. Unemployment remains our main problem. Despite this emerging economic improvement, we continue to have more than 102,000 registered unemployed people in Barcelona. So, our first priority is to create jobs, because without economic progress there can be no social progress.

In addition to programmes to help get the unemployed into work and incentives for companies and organizations to create jobs, we are promoting a new model of economic growth based on technology, urban innovation and advanced services in collaboration with the city's economic and social stakeholders. We are also doing this through platforms like the Barcelona Growth Working Group (Taula Barcelona Creixement) and specific initiatives such as Barcelona Growth Center.

Barcelona has a diversified economy, with highly competitive industrial sectors, services, retail and wholesale trade and commerce, tourism, new technologies and logistics. In addition, we are developing new strategic industries of the future, like mobile technology, smart cities, electric vehicles, green energy, biomedicine, agri-business and boating and yachting.

We are consolidating our position as the Mobile World Capital, which makes us a hub for digital companies. In 2014 Barcelona was chosen European Capital of Innovation, in recognition of how we make new technologies work for people. The capital of Catalonia also wants to be a model

for tomorrow's smart city. So we are building a successful urban model for the XXI century, where the functioning of the city and its services are very important. Nowadays, new technologies are already being used to improve the way the city functions in a variety of areas like security, transportation, cleaning, lighting, parking, the management of waste, water, social services and health care.

Barcelona and its Metropolitan Area is becoming a major pole of economic activity in the logistics sector, with access to markets in Southern Europe, the Mediterranean, Asia and Latin America. And, with first rate infrastructure like the Port, Airport, High Speed Train, the future Mediterranean Corridor rail link, the Zona Franca, a free trade zone, Fira de Barcelona, the city's trade fair, and wholesale and foodstuffs polygon Mercabarna.

Barcelona is one of the main trade fair and congress cities in the world, and the third top European destination after London and Paris for celebrating corporate events in 2014.

We have the chance of promoting our city as a place of culture, knowledge, creativity, innovation and wellbeing. There is a commitment to quality education, with a network of prestigious public and private universities; we have globally recognized top-flight business schools and we have created a powerful ecosystem of collaboration between universities and companies.

One of Barcelona's assets in its quest to achieve its objectives is its extraordinary international projection and its powerful city brand, which is one of the results that this report highlights. We will continue to promote ourselves abroad. Our brand is associated with excellence, with doing things right, with wellbeing and quality of life.

All this is the result of hard work and a spirit of cooperation and good understanding between the public and private sector, which we want to maintain. Presenting this twelfth annual report of the Barcelona Observatory, I would like to send my congratulations to the technical team at the Chamber of Commerce and the City Council for their work on this publication, and I would also like to thank all institutions and organizations for their involvement and support. This is a good example of the sort of collaboration that will help us to create a basis for the Barcelona of tomorrow.

**Xavier Trias**

Mayor of Barcelona

The Barcelona Observatory is presenting a special report on the business climate in the Metropolitan Area of Barcelona (AMB) for the fourth year running, produced by Barcelona Chamber of Commerce's Economic and Infrastructure Studies Department.

The special report shows an analysis of the results of the quarterly Survey on Business Climate carried out by Barcelona Chamber of Commerce and the Statistics Institute of Catalonia. This survey shows Catalan business leaders' evaluation of how well their businesses are performing, sales prices, employment and investment in 2013, and forecasts for 2014. This unique and exclusive information provides a picture of the real business situation which is especially relevant for this city, given the current economic climate.

The main findings of this special report are optimistic. We know from macroeconomic data that 2013 was a year of recovery for the European Union, Spain and Catalonia. But, so too for Barcelona's metropolitan area.

The results of the Survey on Business Climate show a gradual improvement in business performance across the AMB after the second quarter, in line with a recovery in GDP in Spain and Catalonia. The hospitality and industrial sectors recorded the best business performances in the AMB -especially the first of these- thanks to strong foreign tourism and exports.

Meanwhile, falls in the prices of goods, employment and investment were more moderate in 2013 compared to 2012. Industry and hospitality stood out in terms of their performance on these variables, with the industrial sector recording an increase in employment in the last quarter of 2013, and the hospitality sector created jobs in the second and third quarters, which are, of course, the high seasons. Hospitality also obtained positive results in terms of investment in 2013. Worth noting was that the hospitality sector in the metropolitan area recorded the best results across all variables analyzed in the Survey on Business Climate in 2013, compared to the rest of Catalonia. Most significant results are in business performance and investment, and, to a lesser extent, employment.

Amongst the factors cited by companies in the AMB as limiting their business performance in 2013, weak demand was the most important, but to a lesser extent than the previous year due to strong external demand and a relative improvement in domestic demand. By contrast, increased competition, which was the second-most mentioned factor, hardly changed, and, in the case of the hospitality sector, it was more significant in terms of limiting performance than weak demand. The third factor mentioned by companies as being a limiting factor to their businesses' performance was finance issues, which improved slightly but remains high in terms of the historical perspective.

Looking ahead to 2014, according to available data from the Survey on Business Climate at the time of preparing this report, improvements to business performance consolidated in the first quarter and this should gain momentum in the second quarter, especially in the industrial sector, hospitality and other services (not counting retail and commerce).

As I noted earlier, these results, along with the compendium of indicators presented in the 2014 Barcelona Observatory, are optimistic. I want to end by thanking the technical team for their hard work and continuous improvements to the Barcelona Observatory project, and all those entities that have collaborated again providing information and enriching the contents of this report.

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- Introduction

The economy gained strength throughout 2013, and now the global economy is growing at 3%. This trend was driven primarily by improvements in the performance of advanced economies, although there are clearly differences between geographical areas. While the economies of the U.S. and Japan have maintained GDP growth at close to 2%, the euro region began its recovery at a modest pace, and the main emerging economies are seeing more moderate growth amid increasing financial tensions.

The Catalan and Spanish economies emerged from recession in 2013 and started a recovery process set against a context of improvements in domestic demand, the financial situation and confidence indicators. However, like the rest of southern Europe, the persistence of high levels of debt and unemployment, and an intense process of fiscal adjustment mean recovery will be a long process with a certain degree of fragility; this situation, when combined with the growing importance and dynamism of emerging countries in this current phase of globalization, creates significant competitive challenges for urban areas in this geographical area.

Given this context, the key to Barcelona's competitiveness is the internationalization of its economy and the strength of its brand. In 2013 indicators related to foreign trade again showed improvements –a new record for inbound tourism to the city, and in terms of foreign investment in Catalonia and exports from the Barcelona area with figures that were amongst the highest ever recorded. Barcelona has maintained a strong position internationally in various areas relevant to economic and business activity. The city ranked seventh in the list of European cities with the best prospects for 2014/2015, according to fDi Magazine, part of the prestigious Financial Times Group. This represented a jump of fifteen positions compared to the previous year's ranking. One synthetic indicator measuring overall city competitiveness called the Global Power City Index, created by the prestigious Mori Foundation, placed Barcelona 19th in the world and 10th in Europe in an overall ranking of 40 large cities in the world. Other reputable sources include KPMG's Global Cities Investment Monitor, which places Barcelona 10th in the list of top metropolitan cities attracting foreign investment projects in 2013. Meanwhile, the International Congress and Convention Association (ICCA) ranks Barcelona the world's top city in terms of delegate numbers attending meetings and third in terms of number of international conferences organized between 2008 and 2012. In 2014, Barcelona gained recognition as a centre of know-how when it was awarded first prize in the European Capital of Innovation and iCapital awards for its innovative ecosystem focused on improving the quality of life of citizens.

Barcelona City Council's Strategic Framework 2012-2015 sets out a vision and objectives that are a roadmap for the city to achieve in the next four years, with two main priorities: reviving the economy and developing quality

of life and wellbeing. Regarding the economy, the following objectives have been defined by the city:

- Make Metropolitan Barcelona into Southern Europe's logistics capital.
- Promote emerging sectors with high added value and strengthen those economic sectors that are already consolidated to make Barcelona a benchmark in quality.
- Generate the right conditions for attracting capital for investments to the city.
- Strengthen the international aspect of Barcelona's economy.
- Support SMEs and the self-employed, and promote entrepreneurship.
- Make Barcelona an easy place to do business (business friendly).
- Make Barcelona a city of culture, knowledge, creativity and science, creating a favourable environment to attract and retain talent.

It has been two years since the launch of the so-called Barcelona Growth initiative, a strategic policy setting out the relationship between the City Council and private stakeholders based on mutual commitment and improving relations in order to produce an environment of trust and prosperity for private and business activities. The majority of the measures set out in this 30 point policy have already been set in place and now the city wants to prioritize those actions that can make Barcelona an ideal environment at the world level for economic and business development.

These measures are being developed from the so-called Barcelona Growth Center, located in the unique Media-TIC building in the 22@Barcelona innovation district. The aim is to bring together and align a set of resources and activities aimed at supporting local and international companies. Barcelona Growth Center will host activities that can help position Barcelona as the best environment for economic growth, amongst which we find the following:

- Business Support Office, whose mission is to be a specific contact point for all business activity in the city in order to create a favourable environment for the setting up and the development of companies. The idea is to make Barcelona an easy place to do business (business friendly). The Office will provide a wide range of regulatory compliance services, becoming a single contact point for information and for preparing and processing documents to comply with those City Council procedures and certificates required for a company to trade, and also offering business support and advice on creating, consolidating and growing businesses.
- Data Resource Center (DRC) and Showroom, this is a space for showcasing the economic potential of Barcelona, a place where local businesses can present themselves to potential investors, customers and suppliers, and also for foreign companies that want to know the potential of the city's



economy and /or for those thinking of setting up business here. The centre will offer a wide range of resources and information about the local economy for businesses and new projects. It will also be an innovative showcase for networking and holding meetings for local, nation and international business.

- The headquarters of the Mobile World Capital Foundation (FMWC) and other key stakeholders related to the mobility sector. The Foundation aims to leverage Barcelona's position as mobile capital to drive different sectors of the economy, extending new mobile technologies throughout the region's business activities. It also wants to ensure that Barcelona is able to consolidate its industrial legacy after 2018, when the city's tenure as capital of mobile technologies ends. To do this the Foundation has set up five programmes: Europe, Entrepreneurship, Innovation, Transformation of the local ecosystem, Business Competence Centres and Barcelona Mobile Forum.

- m-startup-barcelona, a support and growth programme specifically to develop companies involved in mobile technology. With support from the Mobile World Capital Foundation, the programme offers companies the opportunity to use Barcelona Growth Center, get expert advice, get access to large companies, and also to find highly-qualified talent from universities.

Also, the city is actively promoting public-private collaboration to develop business sectors considered strategic for Barcelona's economy. These include areas like ICTs, logistics and foodstuffs, powerful sectors like retail and commerce and tourism, and new high-tech sectors like biomedicine and electric vehicles in the field of transport and sustainable energy.

With the Barcelona Growth project, the city wants to create an environment of business confidence that fosters economic growth, business creation and employment, which will be the best guarantees for the application of quality social policies. To do this Barcelona is leveraging its strong municipal financial position, which is the result of the Council's rigorous financial and budgetary management. This means the Council can guarantee liquidity and budgetary stability objectives, like the payment of suppliers within 30 days. All this has brought the city recognition from the main international credit ratings like Fitch and Standard & Poor's, who have maintained the city's positive ratings and highlighted the Council's efficient debt management and its positive indicators.

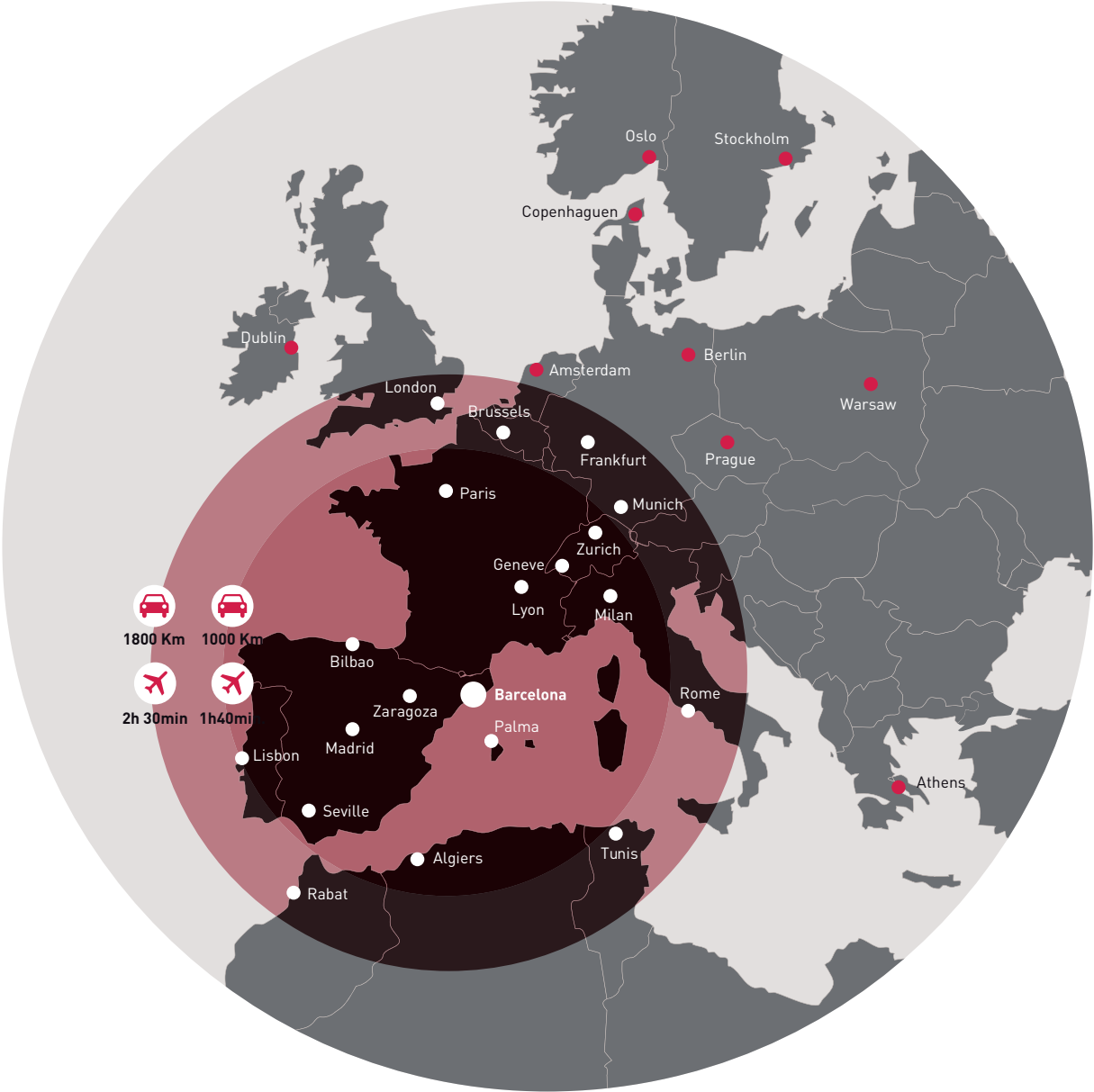
With the economy moving towards recovery, Barcelona continues to face important competitive challenges due to factors related to the fragility of the current situation and the impact of global trends on urban areas in southern Europe. Barcelona has a number of competitive strengths like its

diversified economy, a dynamic export base, its strong tourism magnetism, municipal financial solvency and strong brand positioning as a benchmark for quality. The city is planning its future with a renewed strategic roadmap and new forms of public-private collaboration to position Barcelona as an international reference for economic growth and business, and also to move its economy towards one based on know-how, creativity, innovation and sustainability.



- Facts and figures

BARCELONA FACTS AND FIGURES 2013



GEOGRAPHICAL ENVIRONMENT	
Surface area (km²)	101.4
Population	1,611,822
Foreign population (% of total)	17.4
Density (habitants/ km²)	15,904
Climate (Can Bruixa Observatory) 2012	
Average monthly temperature	18.0°C
Yearly rainfall (mm)	480
Hours of sun	2,915.4

ECONOMIC ENVIRONMENT	
MACRO ECONOMIC DATA	
GDP (var/yr %) - Catalonia	-0.5
Social Security membership	970,825
Unemployment rate 16-64 years old (%)	17.2
Employment rate 16-64 years old (%)	65.4
Activity rate 16-64 years old (%)	79.0
CPI (average var. %)- Barcelona Prov.	0.3
Exports (million €)- Barcelona Prov.	45,280.2
Imports (million €)- Barcelona Prov.	52,408.6
Outbound foreign investment (million €) -Catalonia	1,845.3
Inbound foreign investment (million €) -Catalonia	3,944.3
Companies - Barcelona Prov.	438,385
Foreign companies in Catalonia**	5,602

RETAIL AND TOURISM	
Retail premises -Barcelona Prov.	69,173
Major open air shopping areas	22
Municipal markets (number and surface area (m²))	43;209,500
Hotels	
Number	365
Beds	67,567
Tourists	7,571,767

INFRASTRUCTURE	
Airport	
Runways - Number and length (m)	3/3,352;2,660;2,528
Passengers	35,210,735
International passengers (%)	71.1
Port	
Land surface area (ha)*	1,081.0
Docks and moorings (km)*	22.0
Total transit (thousands of tonnes)	41,391.2

Trade fair and congress activity	
Trade fairs	57
Visits to Fira de Barcelona	1,490,061
Hall surface area taken up by fairs (m²)	421,976
International meetings	2,039

TRAINING AND CITY OF KNOWLEDGE	
Universities in Catalonia	12
University students in Catalonia (course 2011/2012)*	241,835
Foreign schools (Barcelona Prov.)	36
Innovative companies in Catalonia*	4,159

QUALITY OF LIFE	
Beaches (number and metres)	9;4,873
Bike lanes (km and biking members)*	186.7;113,787
Public libraries (number and users)	39.6;343,803
Museums, collections and exhibition spaces (number and users)	57;25,317,392
Public sports facilities (number and users)	1,833;171,111
Theatre, concert and cinema spectators	9,388,059

**Note:** Data from 2013, except \*2012  
**Source:** AENA, Barcelona City Council, Barcelona Trade Fair, Autonomous Regional Government of Catalonia, Idescat, INE, National Institute of Meteorology, Spanish Ports Authority, Secretary of State for Trade, Barcelona Tourism Board, Barcelona Institute of Culture, Spain's Ministry of Education.



- The Observatory





We hereby present the Barcelona Observatory 2014 Report, which is an initiative promoted by Barcelona City Council and Barcelona Chamber of Commerce in collaboration with many organizations in the city that year after year work with these two organizations, providing information and making key contributions on their sectors.

This twelfth edition of the annual Barcelona Observatory report continues to provide information that can be used for decision making by business stakeholders interested in doing business or setting up their business in Barcelona, for attracting talent to the city or for supporting their presentations and candidatures for events or opening up office headquarters in this city. As such, every year the report presents Barcelona's position compared to other major cities in the world according to a set of economic and social benchmark indicators.

The 2014 Report presents the following characteristics in a clear and direct way, as summarized below:

- A selection of significant indicators that offer the reader an efficient synthesis of those issues most relevant to understand Barcelona's positioning, its characteristics and the challenges it faces. Specifically, the current report presents 29 indicators, of which four are new: firstly, European cities and regions with the best prospects for the future, which forms part of the chapter called City for business, secondly, world city brands, thirdly, attractive metropolitan areas in the world for working, finally, best cities in the world in terms of urban mobility and sustainability, part of the chapter on Quality of Life.
- The inclusion of visuals for each indicator, with graphs or maps, helps to understand the results and analysis of trends.
- A summary table bringing together indicators to see Barcelona's position.
- Inclusion of a special report carried out by Barcelona Chamber of Commerce with analysis of the business climate in the Area Metropolitan in 2013 and prospects for 2014, including specific analysis of the main economic sectors. Based on the opinions of business people, readers get to understand Barcelona and Catalonia's current situation and possible future scenarios.

The publication includes the following sections:

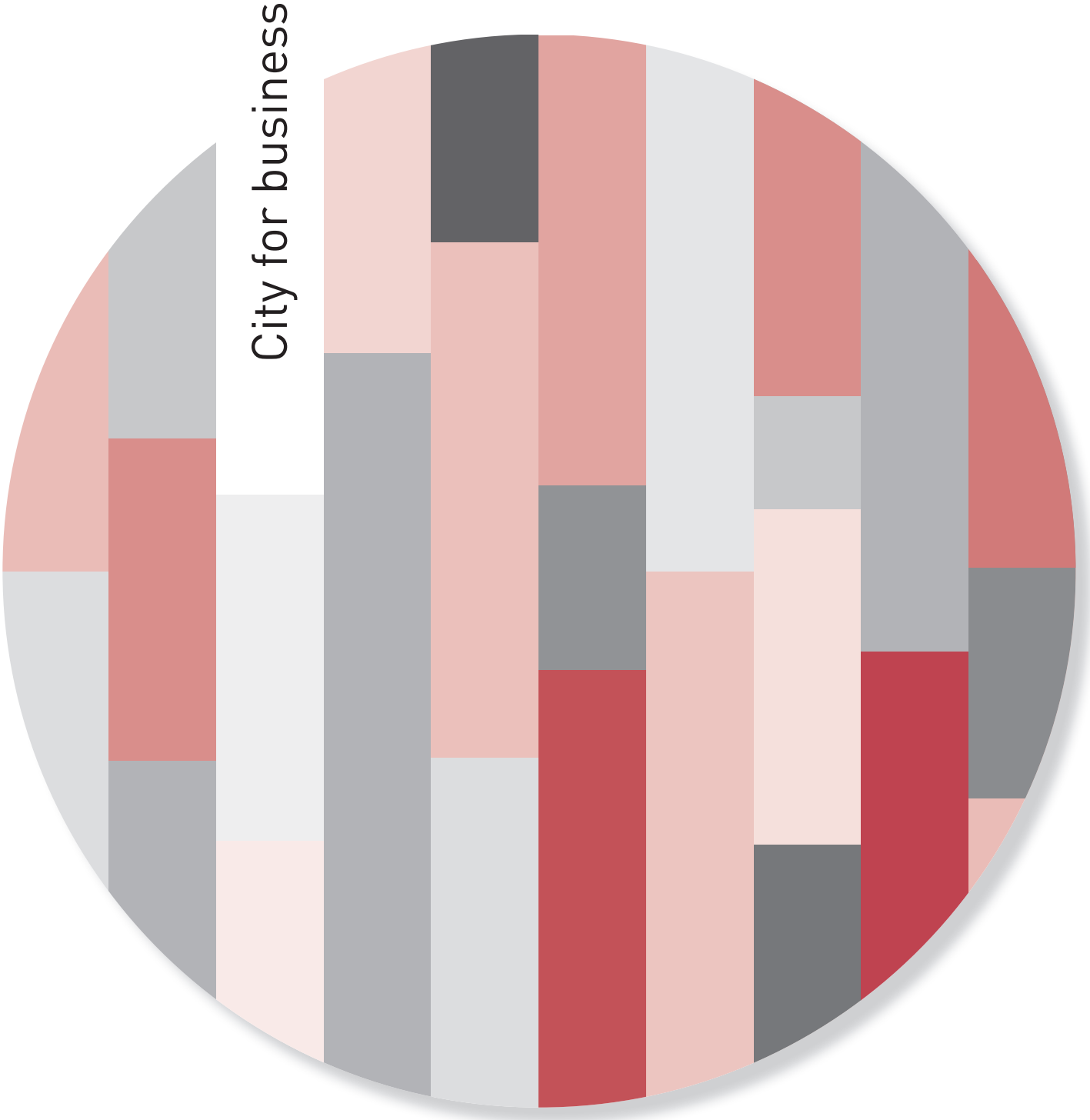
- A general introduction on the city's current situation and priority economic policy measures.
- A section with the results featuring 29 indicators presented in six separate areas: business, knowledge economy, tourism, sustainability and quality of life, prices and costs, and labour market and training/education.
- A special article prepared by Barcelona Chamber of Commerce which analyzes the business climate in 2013 and the economic outlook for the metropolitan area of Barcelona in 2014.
- A summary section where you can see Barcelona's position with respect to the main benchmark cities in a visual and summarised way.

Barcelona Observatory is characterized by the following features:

- It is built around a set of indicators defined mainly at the city level, but which can be extended to other territorial boundaries.
- The data is obtained from a sample that in some cases is as big as sixty cities worldwide. It should be noted that for seven of the indicators the sample was chosen because it reflected the main urban areas.
- Where possible indicators include a graph to show trends so that progress can be assessed in each specific area.
- Information sources are reputable and recognized international organizations and institutions.
- Data and information has been updated to the extent to which it was available.



- Results



City for business

## Introduction

2013 marked the beginning of an economic recovery in Catalonia, Spain and the whole of the European Union, ending a second economic recession that had begun in 2012. Specifically, Catalonia's inter-quarterly GDP growth recovered after the second quarter and picked up momentum as the year progressed, reaching a higher recovery rate than the rest of Spain. Meanwhile, data from the labour market also showed improvements, particularly in terms of employment in Catalonia, which recovered its inter-annual growth rate in the fourth quarter of 2013. This has continued through to the beginning of 2014, according to data from LFS (Labour Force Survey). Employment stabilized in Barcelona at the end of the year, after five years of job losses, and a more moderate labour market adjustment compared to its surrounding area.

Although the new economic environment reflects an improvement in domestic demand, indicators linked to wider trade links abroad are still performing particularly favourably. Worth highlighting was the dynamic nature of foreign direct investment in Catalonia in 2013, which reached the second highest amount in recorded history to stand at over 3,500 million euros, representing inter-annual growth of 31.5%. Also, Barcelona and its hinterland's export stability were noteworthy, after achieving record levels in 2012. Results of a survey on business prospects for 2014 by Eurochambres again show improvements to business activity trends in Catalonia, and the importance of exports.

Catalan business executives forecast that the fall in turnover will come to a halt after the drops seen in 2013. Moreover, export prospects are clearly positive and, once again, Catalonia is placed in the upper part of the European ranking, above the average for the EU and countries like Belgium or Germany.

Given this backdrop of general improvement, Barcelona occupies seventh place in the ranking of European cities with the best future prospects for 2014/2015, according to the magazine fDi Magazine, part of the prestigious Financial Times Group. This ranking shows Barcelona jumping fifteen places in this category compared to the previous year. In terms of its position amongst cities in the south of Europe, Barcelona came first in the fDi overall ranking and top in terms of its promotion to attract foreign investment, both recognized with awards by the magazine.

Other indicators in this report confirm the attractiveness of doing business in Barcelona. Firstly, in 2013 the Catalan metropolis ranked in the top 10 of the world's major cities in terms of the amount of foreign investment projects received, after having maintained this position during the last five years (2009-2013). Also, Barcelona was among the top 20 cities in the world in terms of global competitiveness in 2013, according

to the prestigious Mori Global Power City Index, and it was also in the top 10 European cities with most international retail in 2012, according to an index compiled by Jones Lang LaSalle. It was also the top city in the world in number of delegates and the third in terms of number of international conferences organized in the period 2008-2012, according to the International Congress and Convention Association (ICCA).

Regarding entrepreneurship, in 2013 the rate of entrepreneurial activity (TEA) in the province of Barcelona stood at 6.7%, above Germany (5%), France (4.6%) and Finland (5.3%), having experienced a slight increase on the previous year. Both the Chamber of Commerce and the City Council are working on this aspect to promote entrepreneurship and help create business in the city.

Two years after launching the so-called Barcelona Growth Working Group, a space for debate, building relations and mutual commitment between Barcelona City Council and private stakeholders to produce an environment of confidence that fosters the prosperity of personal and business activities, many of the 30 policy measures agreed are already well underway. The idea is to prioritize those measures that promote Barcelona worldwide to make it an ideal environment for economic and business development. These measures are being given a boost by the Barcelona Growth Center, located in the city's unique Media-TIC building in the 22@ Barcelona innovation district. The objective is to bring resources and policies together and align them to help local and international companies. Barcelona Growth Center will host activities that can help position Barcelona as the best place for economic growth. Amongst these we find the so-called Business Support Office, the Data Resource Center and the so-called Showroom (DRC & Showroom) and stakeholders linked to the Mobile World Capital, the so-called mstartup-barcelona and the Barcelona Innovation Gateway, as well as organizations and institutions linked to the knowledge economy and innovation, like BDigital, Cibernàrium CTecno, UOC; and facilities for companies such as the so-called Auditori empresarial, and related business institutions like the 22@Network.

# Global competitiveness of cities in the world in 2013

## Barcelona, among top 20 cities for overall global competitiveness

The 2013 *Mori Global Power City Index* report, which compares 40 cities across the world, places Barcelona 19<sup>th</sup> and 10<sup>th</sup> in the world and Europe, respectively, in terms of global competitiveness. In a ranking led by large metropolises London, New York, Paris and Tokyo, Barcelona had an overall score similar to those of Madrid, Toronto and Copenhagen, and higher than those of Brussels, Osaka, and Vancouver.

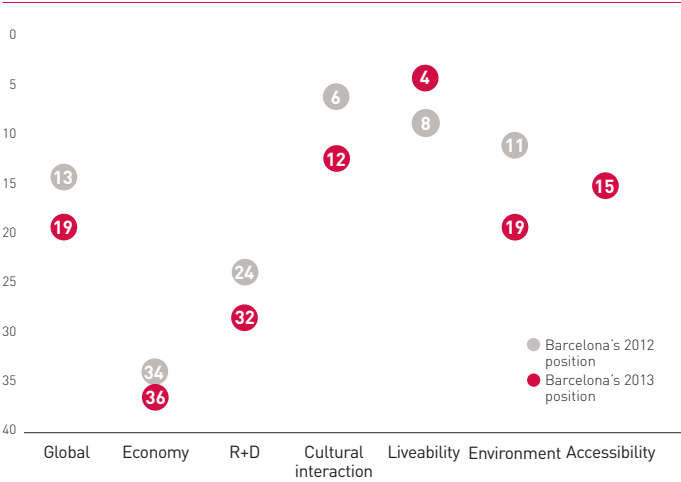
Since 2008, Japanese Mori Memorial Foundation, working hand-in-hand with renowned universities and think-tanks, has produced a synthetic index called the *Global Power City Index* based on 70 indicators grouped into six categories, according to areas of urban competitiveness. In 2013's edition Barcelona was among the top ten cities in the world in the 'liveability' category and twelfth in the category called 'cultural interaction', and it reached mid-range positions in the category 'accessibility' (15<sup>th</sup>) and in the category named 'environment' (19<sup>th</sup>), but got less favourable results in the category 'R&D' (32<sup>nd</sup>) and 'economy' (34<sup>th</sup>).

Global competitiveness of cities in 2013

City	Position
London	1
New York	2
Paris	3
Tokyo	4
Singapore	5
Seoul	6
Amsterdam	7
Berlin	8
Vienna	9
Frankfurt	10
Hong Kong	11
Shanghai	12
Sydney	13
Beijing	14
Zurich	15
Stockholm	16
Madrid	17
Toronto	18
Barcelona	19
Copenhagen	20
Brussels	21
Los Angeles	22
Osaka	23
Vancouver	24
Geneva	25

Source: *Mori Global Power City Index*. Institute for Urban Strategies. The Mori Memorial Foundation.

Categories of urban competitiveness (positioning of Barcelona)



Source: *Mori Global Power City Index*. Institute of Urban Strategies. The Mori Memorial Foundation.

# European cities and regions of the future 2014/2015

## Barcelona 7th top European city with the best prospects for the future

The Financial Times Group´s fDi Magazine *Cities and Regions of the Future 2014/2015* report ranked Barcelona seventh-best city in Europe in terms of its future prospects. The city jumped fifteen positions on the previous year´s ranking and is ahead of Berlin, Amsterdam, Edinburgh and Paris. And for the first time Barcelona features in the TOP 10 Major European Cities-Overall category, only behind London, Helsinki and Dublin.

Its strong position in this ranking is backed up by its overall top position and its top spot in terms of foreign investment promotion by cities in Southern Europe, recognized with an award by fDi Magazine. In addition, the ranking of cities by category saw Barcelona in 4<sup>th</sup> place in terms of foreign investment promotion and 5<sup>th</sup> place for infrastructure, 5 positions up on the 2012/2013 ranking, and it´s now ahead of Brussels, Madrid and Vienna.

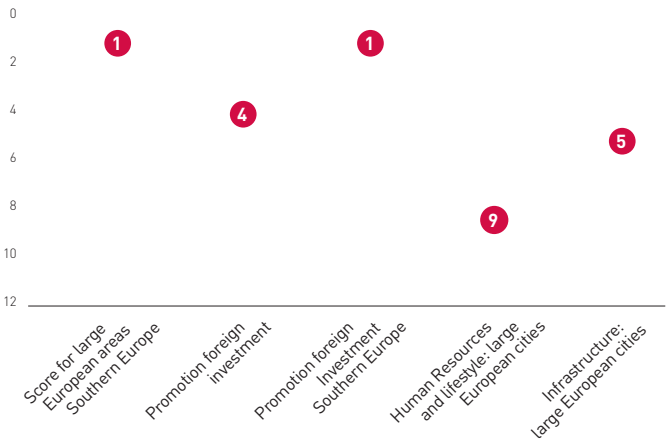
Moreover, according to the report, Catalonia is the third most attractive region in southern Europe, behind Lombardy and Tuscany, and it is the ninth best region in terms of business friendliness in the overall ranking of regions.

### Global Ranking\*

2012/2013	City	2014/2015
1	London	1
	Helsinki	2
	Eindhoven	3
7	Cambridge	4
8	Dublin	5
6	Munich	6
22	Barcelona	7
9	Berlin	8
15	Amsterdam	9
5	Reading	10
11	Edinburgh	11
3	Vienna	12
14	Glasgow	13
	Rotterdam	14
	Lyon	15
2	Paris	16
	Grenoble	17
	Utrecht	18
	Birmingham	19
	Ghent	20
24	Liverpool	21
	Lisbon	22
	Derby	23
	Cork	24
	Galway	25

\*To create this ranking fDi collects data from 468 cities and regions in five categories: economic potential, human capital and lifestyle, cost efficiency, infrastructure and business friendliness.  
Source: fDi Magazine. *European Cities and Regions of the Future 2014/2015*

### Barcelona's position



Source: fDi Magazine. fDi Magazine. *European Cities and Regions of the future 2014/2015* ● 2014/2015

# Entrepreneurial activity in countries across the world in 2013

## Barcelona's rate improves more than the main European players

According to data from the Global Entrepreneurship Monitor (GEM), in 2013 the rate of entrepreneurial activity (TEA) of the resident population in the province of Barcelona stood at 6.7%, an increase of 0.2% on the previous year, which is the second time the rate on this indicator has increased since 2007. Though this is a moderate change, this TEA performance compares favourably with that of the main countries in Western Europe. In general, (with the exception of the Nordic countries) there have been decreases in the rate of entrepreneurial activity, in some cases significant variations like in the UK (-2.1%), the Netherlands (-1.5%) and France (-0.6%). However, Barcelona's TEA remains below the average of the European Union, where the rate of entrepreneurial activity has increased almost 0.4% to stand at 8%, thanks in large part to countries in Eastern Europe.

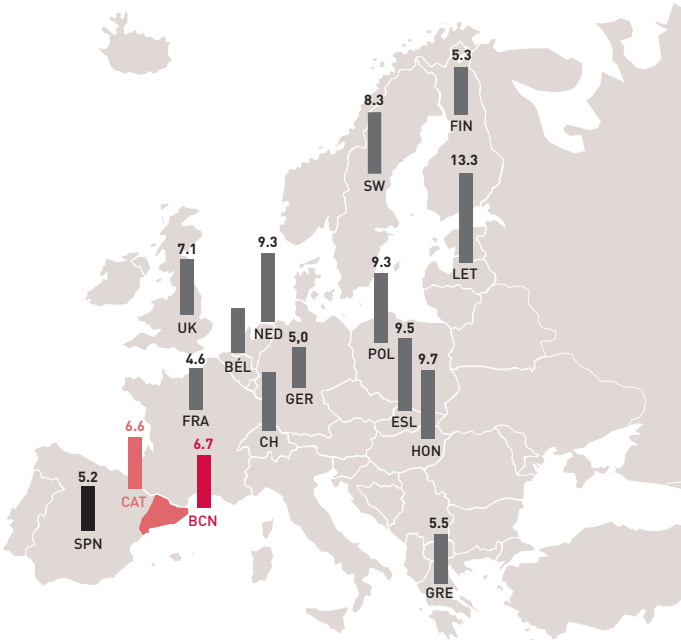
In 2013 Barcelona and Catalonia's TEA remained above countries like Finland (5.3%), Germany (5.0%), Belgium (4.9%), France (4.6%) and Italy (3.4%). Catalonia has the third highest rate of entrepreneurial activity (6.6%) of all Spain's Autonomous Regions, and it is well above the Spanish average (5.2%).

The main reason for becoming an entrepreneur in the Barcelona area is to take advantage of a business opportunity, although the percentage doing so out of necessity (30.2%) is higher than the European average. Regarding other indicators on entrepreneurship, the rate of established entrepreneurs stands at 8.9%, and the rate of new entrepreneurs remains at 2.2% and the rate of emerging entrepreneurs is 4.5%, while the rate of business wind-ups is 1. 7%.

Year 2012		Entrepreneurship Activity 2013 [% of population 18-64 years old]
17,1	Brasil	17.3
18,9	Argentina	15.9
12,8	China	14.0
14,3	Latvia	13.3
12,9	United States	12.7
9,2	Hungary	9.7
10,3	Slovakia	9.5
9,5	Poland	9.3
10,8	Netherlands	9.3
6,4	Sweden	8.2
5,9	Switzerland	8.2
7,6	EU average	8.0
9,2	UK	7.1
6,5	Barcelona	6.7
7,9	Catalonia	6.6
4,3	Russia	5.8
6,5	Greece	5.5
6,0	Finland	5.3
5,7	Spain	5.2
5,3	Germany	5.0
5,2	Belgium	4.9
5,2	France	4.6
4,0	Japan	3.7

**Note:** Entrepreneurial activity includes new companies (less than 3 months of activity) and start-ups (3 to 42 months of activity). The data base comes from 63 countries, although the table shows a selection of a sample for benchmark countries.  
**Source:** Global Entrepreneurship Monitor (GEM), 2013 *Global Report* and Catalonia Executive Report 2013

## Entrepreneurship Activity in Europe [% of population 18-64 years old]



Source: Global Entrepreneurship Monitor (GEM), 2013 *Global Report* and Catalonia Executive Report 2013

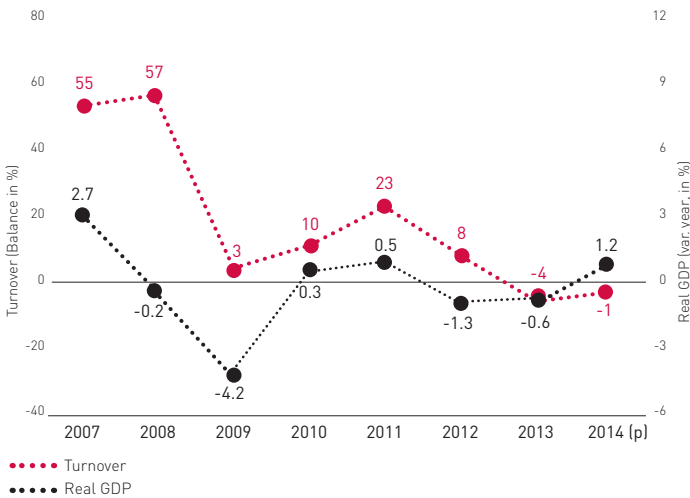


# Business prospects for the European Union in 2013

## Business turnover forecasts for 2014 improve

Forecasts for business turnover in Catalonia for 2014 have improved compared to the previous year, according to a survey by Eurochambres. Specifically, the percentage of employers predicting an increase in turnover is almost equal to those forecasting a fall, with 22% and 23%, respectively. This suggests that the fall in turnover is coming to a halt, which would therefore confirm a recovery phase for the Catalan economy. Despite this improvement, however, Catalonia continues to be in the lower half of the European ranking, just ahead of Italy and Cyprus. In parallel, investment prospects in Catalonia are not favourable: 29% of business executives say they expect this indicator to fall compared to 11% who expect increases. In contrast, export prospects for Catalonia are clearly positive: 45% of Catalan business people expect this to increase, a much higher percentage than the 11% who believe exports will fall in 2014. As such, Catalonia is again positioned in the top part of the European ranking, above the EU average and countries like Belgium and Germany.

Business prospects in Catalonia



(p) FUNCAS forecasts (May 2014)  
Source: Chamber of Commerce from Eurochambres, IDESCAT and FUNCAS panel forecasts

Country	Turnover (Balance in %)	Country	Exports (Balance in %)	Country	Investments (Balance in %)
Lithuania	72	Portugal	90	Lithuania	50
Finland	67	Finland	72	Latvia	43
Serbia	64	Serbia	63	Portugal	42
Portugal	55	Lithuania	62	Turkey	32
Estonia	53	Latvia	60	Finland	31
Poland	48	Estonia	44	Serbia	31
Turkey	48	Spain	44	Poland	27
Belgium	40	Turkey	44	Malta	27
Bulgaria	39	Bulgaria	40	Romania	23
Romania	37	Poland	39	Slovakia	20
Slovakia	35	Malta	38	Bulgaria	17
Croatia	32	Greece	37	Belgium	16
Malta	32	Catalonia (BARCELONA)	34	Estonia	16
Latvia	28	Italy	32	Croatia	9
Spain	20	EU*	31	Hungary	9
Luxembourg	19	Slovenia	31	Germany	8
Netherlands	18	Belgium	30	EU *	7
EU *	16	Romania	30	Italy	4
Slovenia	15	Slovakia	25	Luxembourg	1
Hungary	13	Luxembourg	24	Greece	0
Greece	10	Germany	23	Spain	-1
Czech Republic	8	Austria	22	Hungary	-2
Austria	5	Netherlands	17	Czech Republic	-2
Catalonia (BARCELONA)	-1	Croatia	9	Netherlands	-3
Italy	-13	Czech Republic	3	Austria	-14
Cyprus	-43	Cyprus	1	Slovenia	-14
		Hungary	-9	Catalonia (BARCELONA)	-18
				Cyprus	-33

**Note:** The amounts are calculated as the difference between the percentage of answers indicating 'increase' and percentage indicating 'decrease'.  
This year there is no regional level information because regional participation has been very heterogeneous at the country level.  
\*Sample average  
**Source:** Eurochambres, *The Business Climate in Europe's Regions* in 2014

## Main cities in the world receiving foreign investment projects in 2013

### Barcelona jumped two spots to 10th position in the world ranking

According to KPMG's *Global Cities Investment Monitor 2013*, Barcelona stands 10th in the ranking of the main urban areas in the world receiving most greenfield FDI projects, meaning those not using local partners or those in new locations, and as such the city jumps two positions in the ranking compared to 2012, and now stands ahead of San Francisco and Mumbai. According to KPMG, between 2012 and 2013 the number of international greenfield investment projects in Barcelona grew for the third consecutive year (3.9%), reaching a total of 106. Likewise, in the 2009-2013 period, the Catalan capital was placed in tenth position in the ranking of global cities with a total of 518 projects, a ranking led by London, Shanghai and Hong Kong.

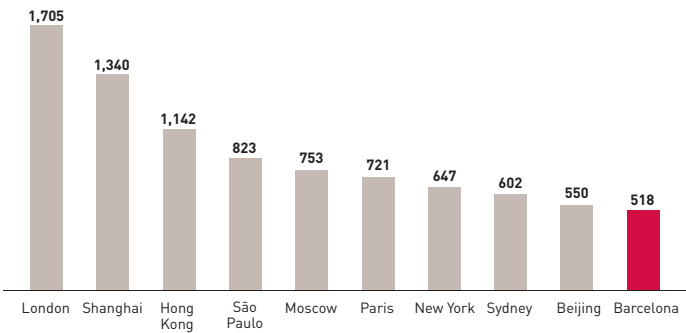
Worth noting was that Barcelona had 30% of all foreign investment projects in Spain in 2013, followed by Madrid (with 18%). This percentage is lower than that of London in the UK (38%), but it is well above Frankfurt, Warsaw and Düsseldorf (with 10%, 14% and 16%, respectively).

Moreover, the *European Attractiveness Survey 2013* by Ernst & Young shows Catalonia is in third place among European regions with most foreign investment projects, behind London and the Ile de France and ahead of Madrid, Düsseldorf, Stuttgart and Dublin. Catalonia was in the same position in 2011 and it has held lofty positions in the rankings since 2005.

2012	2013	City	Projects 2013
1	1	London	305
3	2	Shanghai	215
2	3	Hong Kong	189
5	4	New York	162
4	5	Sao Paulo	151
8	6	Sydney	124
10	7	Paris	119
7	8	Moscow	116
6	9	Beijing	115
12	10	Barcelona	106
9	11	San Francisco	93
13	12	Düsseldorf	87
15	13	Dublin	82
-	14	Tokyo	79
-	15	Amsterdam	70

Source: *Global Cities Investment Monitor 2014*, KPMG

### Number of foreign investment projects 2009-2013



Source: *Global Cities Investment Monitor 2014*, KPMG.

# Attractiveness of European cities for international retail in 2012

## Barcelona, among the top 10 most attractive European cities for international retail

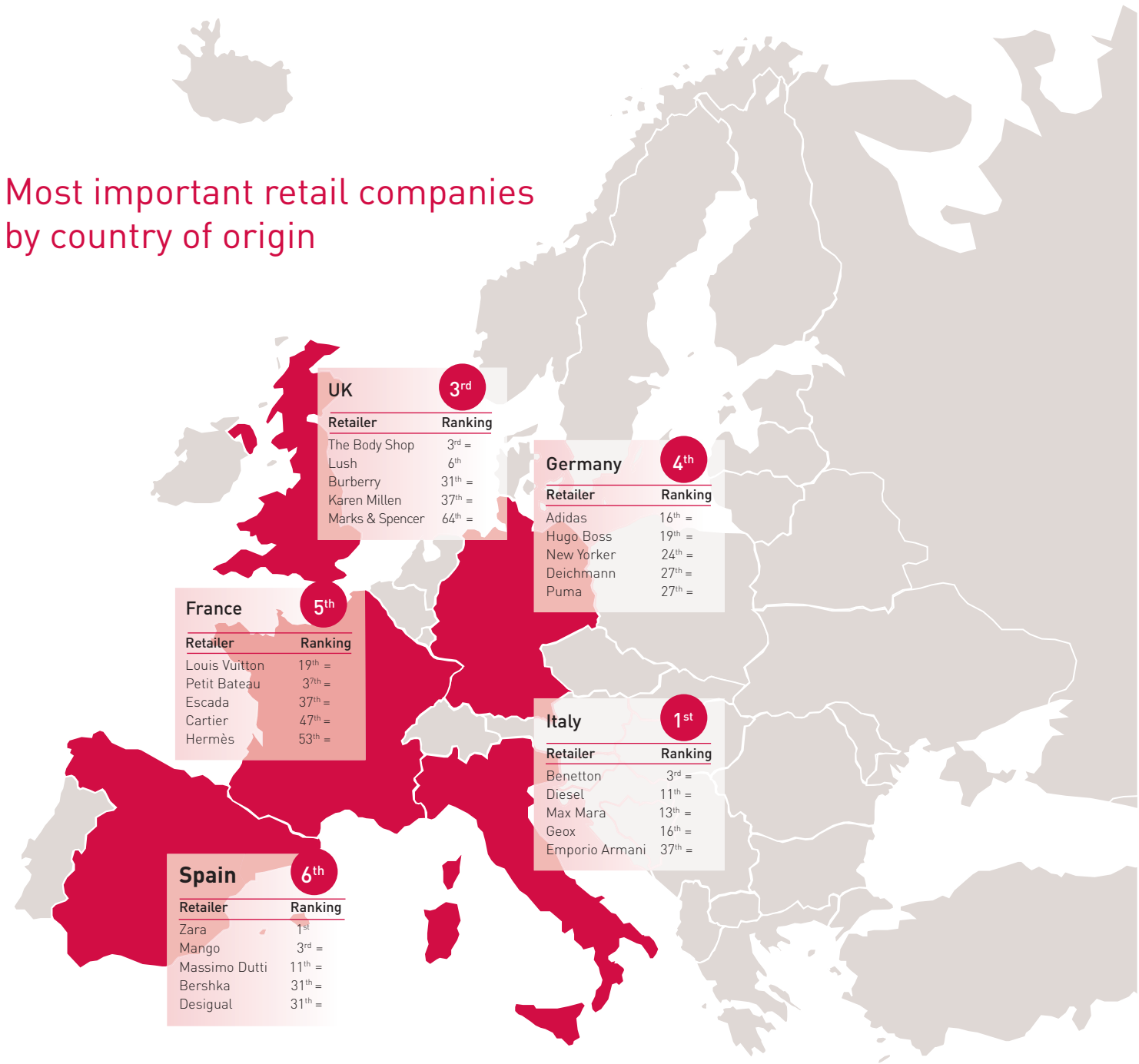
Barcelona was 10<sup>th</sup> in the ranking of European cities with most international retail in 2012, according to an index compiled by Jones Lang LaSalle from an analysis of 250 leading world retailers' activities in Europe. London is the city with most international retail, followed by Paris, Moscow, Milan and Madrid, while Barcelona is located above Istanbul, Berlin, Hamburg, Vienna and Amsterdam. In 2011 Barcelona was also placed among the top ten most attractive cities for international retail in the same ranking. Spanish retailer Zara is located in all the cities included in the study, while Mango is in third place, along with The Body Shop and Benetton.

In terms of luxury retail, Barcelona jumped a position to stand in 9<sup>th</sup> place in Europe in 2012, above cities like St. Petersburg, Kiev, Hamburg and Prague, in a ranking led by London, Paris and Moscow.

Ranking 2012	City	Global Index
1	London	235
2	Paris	217
3	Moscow	196
4	Milan	174
5	Madrid	168
6	Rome	151
7	Munich	146
8	St. Petersburg	142
9	Prague	140
10	Barcelona	138
11	Istanbul	
12	Berlin	
13	Hamburg	
14	Vienna	
14	Amsterdam	
16	Frankfurt	
16	Athens	
18	Antwerp	
19	Warsaw	
19	Lisbon	
19	Düsseldorf	
22	Brussels	
23	Zurich	
23	Kiev	
25	Stockholm	
26	Dublin	
26	Cologne	
28	Valencia	
29	Budapest	
30	Bucharest	
31	Zagreb	
32	Lyon	
32	Copenhagen	

\*No data exists for countries below 10th position.  
Source: Jones Lang LaSalle, *Cross Border Retailer Index*, Destination Europe 2013.

# Most important retail companies by country of origin



**Note:** The position of the company is based on its presence in cities analysed in the report  
**Source:** Jones Lang LaSalle, *Cross Border Retailer Index*, Destination Europe 2013

# Main cities in the world hosting international meetings in 2013

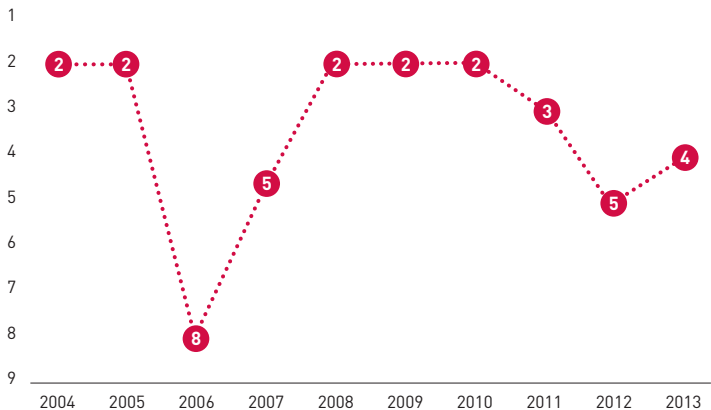
## Barcelona climbs one spot to stand fourth in the world

In 2013, Barcelona hosted 179 international conferences, which pushed the city up one place in the ranking of cities hosting most international events to stand at fourth in the world, behind Paris, Madrid and Vienna, but ahead of Berlin, Singapore, London and Istanbul, according to the annual report of the International Congress and Convention Association (ICCA). The number of international conferences held in Barcelona grew 16.2%, which follows on from an upward trend that started a few years ago (in 2012 – 154 meetings; 2011 – 150; 2010 – 148; in 2009 - 144). This means Barcelona has been in the top five for seven consecutive years.

Moreover, according to a report called *A Modern History of International Association Meetings 1963-2013* by the International Congress and Convention Association (ICCA), Barcelona is the world's top city in terms of number of international delegates and third top in terms of international conferences organized in the period 2008-2012, with a total of 519,159 delegates and 822 conferences.

In 2014 and 2015 Barcelona is hosting a new benchmark conference, the European Supply Chain & Logistics Summit (SCL), organized by the Anglo-Canadian World Trade Group (WTG), which was held in Berlin last year. The Catalan capital won the bid to host this event beating cities like London, Rome and Rotterdam.

Barcelona's Position



Source: International Congress and Convention Association (ICCA)

International Meetings 2012	Cities	Variation 2013/2012 (%)	International Meetings 2013
181	Paris	12.7	204
164	Madrid	13.4	186
195	Vienna	-6.7	182
154	Barcelona	16.2	179
172	Berlin	3.5	178
150	Singapore	16.7	175
150	London	10.7	166
128	Istanbul	14.1	146
106	Lisbon	17.9	125
100	Seoul	25.0	125
112	Prague	8.0	121
122	Amsterdam	-1.6	120
97	Dublin	17.5	114
99	Buenos Aires	14.1	113
107	Brussels	3.7	111
137	Copenhagen	-20.4	109
98	Budapest	8.2	106
109	Beijing	-3.7	105
98	Rome	1.0	99
105	Bangkok	-11.4	93
110	Stockholm	-15.5	93
86	Sydney, NSW	8.1	93
96	Hong Kong	-7.3	89
100	Helsinki	-15.0	85
78	Munich	5.1	82
83	Rio de Janeiro	-4.8	79
69	Tokyo	14.5	79
80	Taipei	-2.5	78
64	Shanghai	12.5	72
67	Montreal, QC	6.0	71
77	Sao Paulo	-9.1	70
60	Toronto, ON	15.0	69
69	Kuala Lumpur	-1.4	68
46	Warsaw	41.3	65
74	Oslo	-16.2	62
36	Panama City	66.7	60
61	Santiago de Chile	-4.9	58
49	Vancouver, BC	16.3	57
46	Boston, MA	21.7	56
47	Bali	17.0	55
67	Edinburgh	-17.9	55
43	Lima	25.6	54
48	Washington, DC	10.4	53
38	Belgrade	36.8	52
54	Melbourne, VIC	-3.7	52
42	Oporto	21.4	51
52	Athens	-5.8	49
43	Montevideo	14.0	49
36	Vilnius	33.3	48
50	Bogota	-6.0	47
20	Florence	130.0	46
38	Cape Town	18.4	45
33	Jeju	36.4	45
70	Zurich	-37.1	44
61	Kyoto	-29.5	43
39	Milan	10.3	43

Source: ICCA 2013 (May 2014)





Knowledge society



## Introduction

Barcelona City Council's Strategic Framework 2012-2015 sets out the objective of making Barcelona a city of culture, knowledge, creativity and science by creating the right sort of environment to attract and retain talent. As such it represents a commitment to transform the city's business model. It has been able to generate sufficient critical mass in terms of human resources and attain a remarkable level in terms of international research which, given the current economic climate, is essential for bringing about a recovery in business activity.

Importantly, the city has made a commitment to creating a highly innovative ecosystem by leveraging three major projects that will bring together stakeholders and allow citizens to make the most of technology services: Smart Cities, Mobility and O-Government. This integrated approach to serving the public has helped Barcelona to win first prize in the European Capital of Innovation and Capital awards. The city occupies fourth position in Europe's Smart City ranking for 2013, according to magazine *Co.Exist*.

In terms of the knowledge economy, Catalonia has managed to attain a critical mass in its labour markets in sectors with high added value: Catalonia is the eighth European region with the largest number of employees in knowledge-intensive high-technology sectors, fifth in terms of employees in science and technology, and eleventh in terms of employment in high and medium-high intensity manufacturing technology in 2012. In the same year, over half of all its employees (53%) in Barcelona worked in knowledge-intensive activities, while creative industries accounted for more than 100,000 jobs and these activities have managed to perform better than other sectors.

By following a strategy of promoting research, Barcelona has managed to make progress in this area and in 2013 it was fifth and eleventh in Europe and the world, respectively, for scientific output, the latter being one position higher in the global ranking than the previous year, according to an annual report issued by University Polytechnic of Catalonia (UPC). Of the 300 Advanced Grants awarded by the European Research Council in 2013 to researchers, six of these groups work in Catalonia, representing 46% of all the grants awarded in Spain. In addition, three public universities in and around Barcelona also stand out for their research: Pompeu Fabra University is rated number 164, the Autonomous University of Barcelona and the University of Barcelona are both among the top 250 universities in the world, according to *The Times Higher Education Ranking 2013 - 2014*.

In terms of innovation results, 2011 saw a significant increase in technology patents (+35.8%) and a slight stabilization in the number of total PCT patent (-0.8%) applications in the Barcelona area. However, with regard to business innovation in 2012, Catalonia was the Autonomous Community that had most companies with innovative activities in Spain, with 4,159 firms, representing over a fifth (23%) of the total, and generating expenditure on business innovation of 3,312 € million, representing 24.7% of all spending in Spain, which happens to be the highest contribution in the last seven years. By contrast, spending on R&D relative to GDP in Catalonia, which had shown a clear upward trend in the period 2001-2009, started falling from 2010 to reach 1.51% in 2012, a higher ratio than the average value for Spain (1.30%), but lower than the EU average (2.1%).

Regarding technology entrepreneurship, Barcelona forms part of a group of 10 European cities that stand out because of their number of start-ups, according to the magazine *Wired*, along with London, Moscow, Berlin and Stockholm in the top spots in the classification. Currently, Barcelona is trying to use its position as world mobile capital to encourage all the city's firms to incorporate this technology throughout their businesses. It has developed a special programme called m-startup-barcelona to support new business creation and business growth in companies related to mobile technologies via the Mobile World Capital Foundation.

According to a comparative analysis on innovation regions in Europe carried out by Eurostat, called Regional Innovation Scoreboard 2013, Catalonia ranks among what is called 'innovation moderator' regions. According to this report, Catalonia's results were above the European average on the indicator 'population with tertiary education', and slightly higher in 'employment in technology manufacturing and services', 'public sector spending on R&D' and 'sales of new products for the mass market or businesses'.

For the period 2014-2020, the European Commission requires member states and regions to develop strategies for research and innovation (RIS3) to foster economic and knowledge specialization that fit the innovation potential of regional assets and capabilities, criteria that guide the allocation of community funds. The Autonomous Regional Government of Catalonia has defined a frame from which different R&D+I actions and programmes will be developed and how it will support the creation and development of innovative projects in a document called *Research and innovation strategy for Catalonia's smart specialization (RIS3CAT)*. Barcelona has aligned its strategy via RIS3BCN, which defines the city's leading sectors and emerging clusters, technology services and innovation systems, as well as policy and other working group areas in each of the clusters.

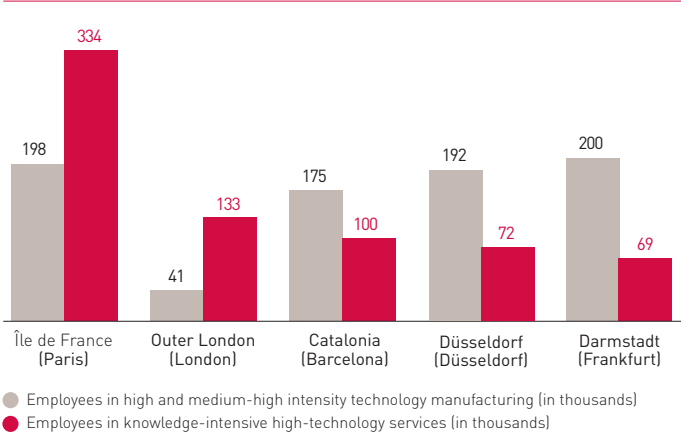
# Population employed in technology manufacturing and services in European regions in 2012

## Catalonia, eighth and eleventh European region with most workers in technology services and technology manufacturing

According to Eurostat, in 2012 Catalonia was the eighth top European region with most employment in knowledge-intensive high-technology services, a position that was one place higher than the previous year. With a total of 100,000 workers in these activities it had fewer workers in this sector than the regions of Ile de France, Lombardy, and Upper Bavaria, but more than Rhône-Alps, Darmstadt and Stuttgart. Employment in technology services in Catalonia rose by 13.6% compared to 2011, which was the second highest increase of all the top 12 regions, and, as well, it also improved in terms of its weight compared with the total population employed, standing at 3.5%, beating 2008's result on this indicator by 1.3%. It's worth noting that employees in Barcelona who work in knowledge-intensive high-technology services represented 5.2% of the total in 2013, after having experienced an annual growth of 1.8%.

Likewise, Catalonia is the eleventh top European region in terms of having most people employed in high and medium-high technology manufacturing with a total of 175,000 workers in these sectors. In a year in which this employment area grew in the main benchmark regions, Catalonia dropped six positions with a fall of two percent on this indicator, and it was overtaken by the regions of Darmstadt, Düsseldorf, Piedmont, Karlsruhe and Emilia Romagna compared to the previous year, a category headed by Stuttgart, Lombardy and Upper Bavaria. Moreover, Catalonia's employment weighting in high and medium-high technology manufacturing reached 6.1%, which places it in the upper-mid range of a group of 285 European regions,

Population employed in knowledge-intensive high-technology services and employees in high and medium-high technology manufacturing, 2012



Source: Eurostat

Employees in high and mid-to-high intensive technology manufacturing (in thousands)	Employees in high and mid-to-high intensive technology manufacturing (as a percentage of the total population)	Region (CITY)	Employees in knowledge-intensive high-technology services (as a percentage of the total population)	Employees in knowledge-intensive high-technology services (in thousands)
198	3.80	Ile de France (Paris)	6.40	334
91	3.30	Madrid (Madrid)	7.00	191
398	9.30	Lombardy (Milan)	3.10	133
41	1.8	Outer London (London)	5.8	133
256	11.50	Upper Bavaria (Munich)	5.80	129
56	2.50	Lazio (Rome)	4.90	111
79	3.20	Mazowsze (Warsaw)	4.40	107
175	6.10	Catalonia (BARCELONA)	3.50	100
200	4.50	Istanbul (Istanbul)	2.10	96
16	1.00	Inner London (London)	5.70	89
47	4.00	Berkshire County Buckingham County of Oxford (OXFORD)	7.50	88
26	2.40	Stockholm (Stockholm)	7.60	84
77	4.70	Berlin (Berlin)	5.00	83
43	3.20	Surrey, East Sussex and West Sussex (BRIGHTON)	5.70	76
157	5.80	Rhône-Alps (LYON)	2.80	75
187	14.20	Karlsruhe (KARLSRUHE)	5.50	72
192	7.70	Düsseldorf (Düsseldorf)	2.90	72
165	8.60	Cologne (Koln)	3.70	70
200	10.10	Darmstadt (Frankfurt am Main)	3.50	69
66	4.80	South and East (Dublin)	5.00	69
64	5.20	Midi-Pyrénées (Toulouse)	5.40	66
67	5.30	Central Hungary (BUDAPEST)	5.10	66
26	2.40	Bucharest - Ilfov (Bucharest)	6.20	65
36	4.40	Helsinki - Uusimaa (Helsinki)	7.70	62
20	1.40	North Holland (Amsterdam)	4.30	60
38	2.20	Southern Netherlands (The Hague)	3.20	57
42	4.80	Capital Region (Copenhagen)	6.50	56
69	3.60	Provence-Alps-Côte d'Azur (Marseille)	2.60	51
442	20.10	Stuttgart (Stuttgart)	2.20	49
63	6.90	Hamburg (Hamburg)	5.30	48
192	10.40	Piedmont (Turin)	2.60	48
29	2.10	Attica (Athens)	3.30	47
34	2.90	Lisbon (Lisbon)	4.10	47
44	3.80	East Anglia (East Anglia)	4.10	47
39	4.60	Bedford County and Hertford County (LUTON)	5.30	46
50	4.40	County of Gloucester, Wiltshire and North Somerset	4.00	46
24	2.50	Southwest (BG) (SOFIA)	4.60	45
184	9.40	Emilia Romagna (Bologna)	2.30	45
20	3.10	Prague (Praga)	6.80	44
6	0.90	Oslo og Akershus (OSLO)	6.80	44
75	5.60	Schleswig-Holstein (KIEL)	3.20	43
79	5.30	Loire (NANTES)	2.90	43

Source: Eurostat

# People employed in science and technology (2012), and spending on research and development in European regions in 2011

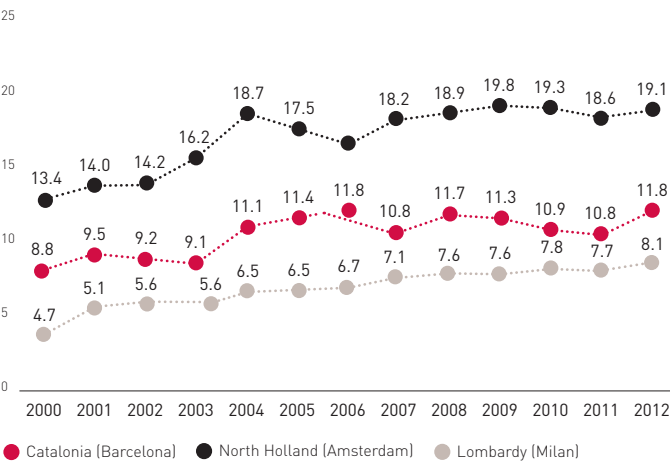
## Catalonia, fifth top European region in terms of employment in science and technology

Catalonia, with 640,000 graduates working in science and technology in 2012, stands in fifth position in the ranking of European regions in this category, one position up on the previous year, having overtaken the region of Lyon, but behind Île de France, London, the Community of Madrid and Warsaw. It is, however, ahead of regions like Lombardy, Upper Bavaria, Berlin or Amsterdam.

After a rapid expansion of these activities during the period 1998 -2008 and a fall between 2009-2011, employment in the area of science and technology in Catalonia increased strongly by 8.1% in 2012, meaning that the overall cumulative drop since 2008 has been far less pronounced (-1.8%). Thus, Catalonia is still one of the European regions with most critical mass in this area and a relative weighting of workers engaged in science and technology in relation to total employment that stands at around 12%, up by 3% on 2000.

In 2011 research and development (R&D) activities accounted for 1.6% of GDP in Catalonia, a value higher than regions like London or Lombardy, but still far off leading regions like Copenhagen, Stuttgart and Stockholm. This indicator showed a clear upward trend in the period 2001-2009 in Catalonia, but thereafter it decreased slightly and reached 1.51% of GDP in 2012, a higher value than the Spanish average (1.3%), but lower than in the EU (2.1%), and the strategy target for 2020 (3%). That same year Catalonia generated about a quarter of Spain's domestic expenditure of firms' R&D (23.6%) and accounts for 23% of all innovative companies in Spain.

People employed in science and technology (as a percentage of the total population\*)



\*Population between 15 and 74 years  
Source: Eurostat

Total domestic expenditure on R&D (% GDP) in 2011	Domestic expenditure on business R&D (% GDP) in 2011	Region (CITY)	Employees in science and technology (in thousands) 2012	Employees in science and technology (% Population) 2012
3.02	2.02	Ile de France (Paris)	1.458	16.8
1.00	0.33	Madrid (Madrid)	1.346	22.6
2.00	1.10	Inner London (London)	686	18.3
1.37	0.35	Mazowsze (Warsaw)	680	16.8
1.60	0.89	Catalonia (BARCELONA)	640	11.8
2.87	1.92	Rhône-Alpes (LYON)	620	13.8
1.32	0.91	Lombardy (Milan)	612	8.1
4.50	3.43	Upper Bavaria (Munich)	609	18.6
3.53	1.38	Berlin (Berlin)	572	20.5
6.55	6.06	Stuttgart (Stuttgart)	559	16.9
1.84	1.43	Düsseldorf (Düsseldorf)	519	12.5
1.16	0.42	Andalusia (Seville)	514	8.2
3.46	2.79	Darmstadt (Frankfurt)	491	16.1
3.12	1.41	Cologne (Koln)	461	14.5
2.03	1.10	Provence-Alpes-Côte d'Azur (Marseille)	441	12.2
2.12	1.01	South Holland (Rotterdam)	424	16.1
0.77	0.36	Attica (Athens)	398	13.0
2.09	1.11	North Holland (Amsterdam)	389	19.1
0.52	0.20	Silesia (KATTOWICE)	386	10.5
1.64	1.11	South-East Ireland (Dublin)	380	15.4
5.05	3.41	Midi-Pyrénées (Toulouse)	379	18.3
1.67	0.52	Lazio (Rome)	374	8.6
0.84	0.42	Nord - Pas de Calais (Lille)	364	12.7
3.77	2.72	Stockholm (Stockholm)	358	22.6
1.62	1.08	Central Hungary (BUDAPEST)	356	15.4
1.85	1.42	Surrey, East Sussex and West Sussex (BRIGHTON)	350	17.6
0.91	0.24	Lithuania (VILNIUS)	344	15.0
1.05	0.42	Valencia (VALENCIA)	342	8.9
3.57	2.05	Berkshire County Buckingham County of Oxford (OXFORD)	323	19.4
1.48	0.89	Arnsberg (Arnsberg)	317	11.0
1.17	0.79	Loire (NANTES)	317	12.5
5.08	3.58	Capital Region (Copenhagen)	314	24.0
1.96	1.25	Brittany (Rennes)	309	13.5
2.81	1.86	County of Gloucester, Wiltshire and North Somerset	304	17.5
1.08	0.35	Bucharest - Ilfov (Bucharest)	302	16.8
4.36	2.67	Karlsruhe (KARLSRUHE)	301	15.2
2.01	1.58	North Brabant (Hertogenbosch)	296	15.8
2.20	1.02	Thuringia (Erfurt)	289	17.2
1.06	0.27	Malopolska (Krakow)	281	11.7
1.44	0.94	Emilia-Romagna (Bologna)	281	8.4
0.96	0.41	Greater Manchester	274	13.8
1.53	0.97	Aquitaine (Bordeaux)	261	11.2
2.09	1.08	Lisbon (Lisbon)	260	12.1
2.15	1.64	Basque Country (Bilbao)	248	15.4
4.02	3.05	West Sweden	247	17.4
1.42	0.69	Schleswig-Holstein (KIEL)	240	11.4
2.78	1.81	Freiburg (Freiburg)	238	15.1
2.22	1.26	Hamburg (Hamburg)	231	16.1
1.03	0.69	Veneto (Venice)	229	6.1
2.84	2.01	Southern Finland (Helsinki)	132	15.2

\*Population aged 15 to 74 years  
**Note:** Employees who have graduate-level scientific training and are employed as professionals or technicians  
Domestic expenditure includes capital, current and labour expenditure -both researchers and administrative staff-related research activities in proportion of GDP.  
**Source:** Eurostat

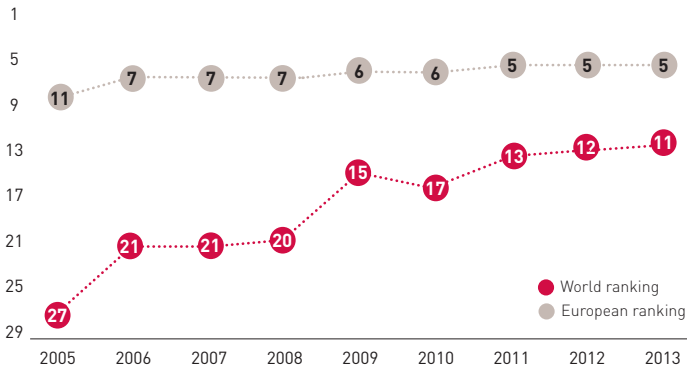
# Top cities in the world for scientific production in 2013

## Barcelona is eleventh among world's top cities

With 14,249 scientific publications and papers, Barcelona is the fifth top city in Europe and eleventh in the world in this category, according to the *Knowledge Cities Ranking 2013* issued by the UPC's Centre of Land Policy and Evaluations. Barcelona improved its position in the world ranking, whilst remaining stable in the European ranking for the third consecutive year, despite recording a reduction in the number of publications compared to 2012. Thanks to this result, Barcelona overtakes Los Angeles and Baltimore compared to 2012, and in terms of scientific publications it stands clearly above Berlin, Munich, Milan or San Francisco.

According to the Network of Science and Technology Parks of Catalonia -in agreement with the *Web of Science Core Collection* source-, the main science and technology areas publishing most international publications and papers in the Barcelona area are clinical medicine, biological sciences, chemistry, basic medicine and physics. Meanwhile, of 300 Advanced Grants awarded by the European Research Council in 2013, 6 research groups work in Catalonia, representing 46% of all grants awarded in Spain, a figure which shows once again the quality of the research done in Catalonia. At the European level, Catalonia is in the 12<sup>th</sup> position in terms of scholarships, behind Italy.

Positioning of Barcelona in world and European rankings



Source: The elaboration of CPVS from UPC data from SCI (Science Citation Index)

World ranking 2012	City	World ranking 2013	European ranking 2013	Publications 2013*
1	Beijing	1		53,717
2	London	2	1	33,233
3	Tokyo	3		27,936
4	Seoul	4		26,806
8	Shanghai	5		26,732
5	Boston	6		25,406
7	Paris	7	2	25,264
6	New York	8		25,155
9	Madrid	9	3	16,087
13	Moscow	10	4	14,452
12	Barcelona	11	5	14,249
17	Toronto	12		13,972
16	Cambridge, Ma	13		13,971
11	Baltimore	14		13,837
15	Sao Paulo	15		13,721
10	Los Angeles	16		13,668
18	Chicago	17		13,372
14	Philadelphia	18		13,318
20	Rome	19	6	13,082
19	Houston	20		12,956
21	Berlin	21	7	12,048
24	Melbourne	22		11,789
23	Singapore	23		11,679
22	Milan	24	8	11,397
28	Kowloon	25		11,368
26	Montreal	26		10,845
25	Munich	27	9	10,613
27	Cambridge	28	10	10,610
29	Amsterdam	29	11	10,359
32	Oxford	30	12	10,138
30	Osaka	31		10,062
34	Zurich	32	13	9,597
31	San Francisco	33		9,231
33	Pittsburgh	34		9,110
35	Stockholm	35	14	9,072
36	Stanford	36		8,827
37	Copenhagen	37	15	8,377
38	Lyon	38	16	6,678
39	Prague	39	17	6,645
42	Manchester	40	18	6,425
41	Warsaw	41	19	6,386
40	Athens	42	20	5,991
45	Dublin	43	21	5,722
43	Edinburgh	44	22	5,716
44	Hamburg	45	23	5,679
47	Buenos Aires	46		5,609
48	Mexico City	47		5,588
46	Brussels	48	24	5,571
52	Naples	49	25	5,473
49	New Delhi	50		5,471
51	Geneva	51	26	5,377
50	Rio de Janeiro	52		5,361
54	Valencia	53	27	5,338
53	Toulouse	54	28	5,291
58	Montpellier	55	29	4,881
55	Marseille	56	30	4,864
59	Lisbon	57	31	4,805
57	Turin	58	32	4,786
56	Glasgow	59	33	4,765
60	Yokohama	60		4,581

\*Provisional data  
 Source: Polytechnic University of Catalonia [UPC] Centre of Land Policy and Valuations

# Patent applications in the main regions in the OECD in 2011

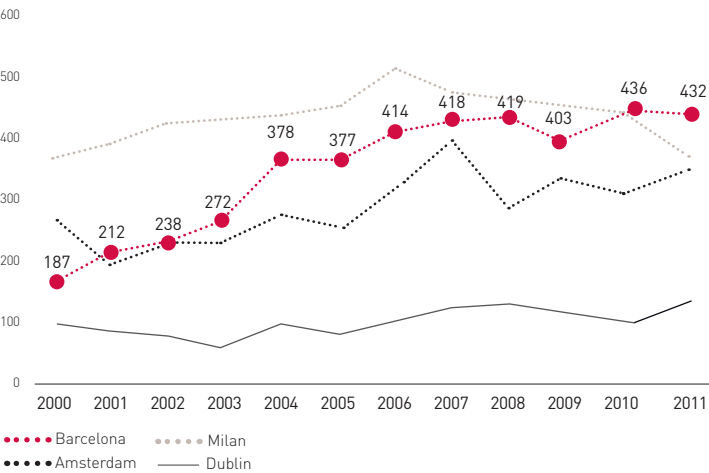
## Barcelona recorded a significant increase in technology patents

Barcelona and its hinterland registered a total of 432 international applications for PCT patents in 2011, according to the residence of its inventor. This figure is slightly down on 2010 (436), in a context marked by a widespread fall in the number of patent applications. However, Barcelona continues to be ahead of Lyon, Madrid, Milan, Amsterdam, Montreal, Toronto and Copenhagen, and if we consider the number of PCT patents per million inhabitants in its urban area, the indicator shows an increase from 77 in 2010 to 80.4 in 2011.

Barcelona recorded a significant increase in the number of applications for technology patents, which stood at 111 in 2011, which was 29 more than in 2010 (+35.8%), and as such above other benchmark regions like Düsseldorf and Marseille compared to 2010, and still ahead of Milan, Lyon and Copenhagen.

Data from the Spanish Patent and Trademark Office (OEPM) for 2013 show a general downward trend: the number of national patent applications in Catalonia declined to 556 (-4.6%), a milder decrease than those seen in the Barcelona provincial area (which achieved a total of 454 patents) and the whole of Spain, both down around -7%.

PCT patents\* (number of applications)



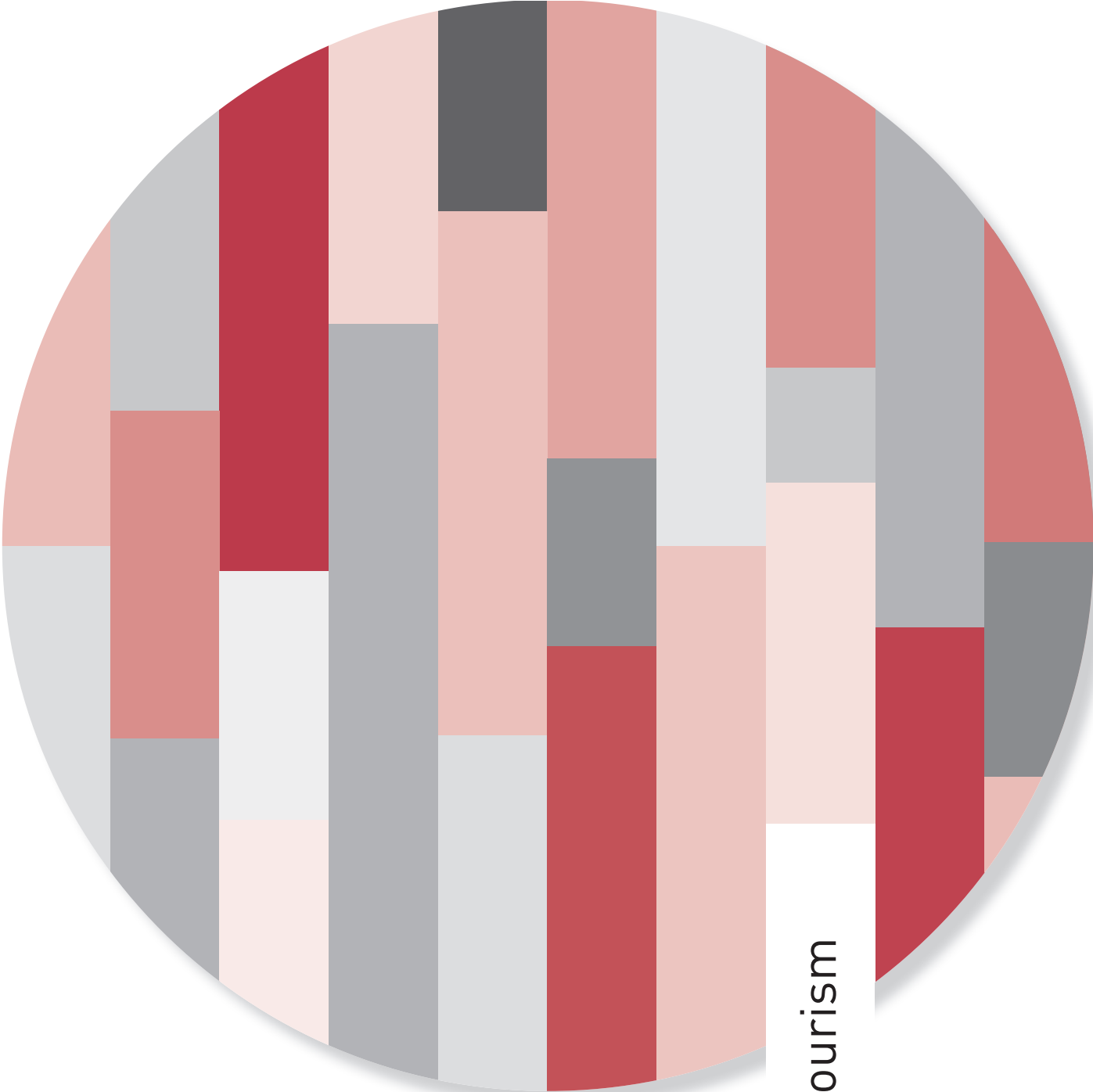
\*Cooperation Treaty on Patents  
Source: OECD

PCT technology patent applications	PCT technology patent applications per million inhabitants	Province (City)	Total PCT patent applications per million inhabitants	Total PCT patent applications
4,832	366.2	Tokyo (Tokyo)	790.5	10,431
3,451	347.9	Silicon Valley (San Jose)	559.5	5,550
1,751	174.7	Seoul (Seoul)	322.9	3,237
1,174	50.3	New York (New York)	135.4	3,159
1,031	123.5	Boston (Boston)	357.6	2,985
868	98.0	Osaka (OSAKA)	306.3	1,714
744	37.1	Los Angeles (Los Angeles)	109.1	2,188
391	55.5	Houston (HOUSTON)	253.1	1,783
475	45.5	Chicago (CHICAGO)	161.6	1,688
956	199.3	Seattle (SEATTLE)	297.9	1,429
344	128.4	Stuttgart (Stuttgart)	531.9	1,425
504	187.7	Munich (Munich)	458.0	1,230
430	209.5	Stockholm (Stockholm)	478.1	982
301	196.4	Uusimaa (Helsinki)	467.4	716
237	30.0	London (London)	79.8	629
64	21.8	Düsseldorf (Düsseldorf)	207.4	610
194	55.9	Berlin (Berlin)	160.2	554
179	79.2	Paris (PARIS)	242.8	548
111	20.7	Barcelona (Barcelona)	80.4	432
54	31.0	Rhône (LYON)	232.9	405
161	25.3	Madrid (Madrid)	61.6	393
65	20.5	Milan (Milan)	118.2	373
79	29.3	Amsterdam (Amsterdam)	127.6	343
117	59.5	Montreal (Montreal)	145.0	286
138	50.0	Toronto (TORONTO)	92.0	253
50	11.9	Rome (Roma)	45.8	192
75	37.8	Bouches du Rhône (Marseille)	91.1	180
56	32.5	Vienna (Vienna)	103.8	178
29	42.4	Copenhagen (Copenhagen)	256.5	178
15	1.1	Istanbul (Istanbul)	13.0	173
67	53.0	Dublin (Dublin)	102.8	130
44	16.8	Manchester (Manchester)	48.8	129
31	17.7	Budapest (BUDAPEST)	66.4	115
39	65.1	Oslo (OSLO)	186.0	111
23	9.2	Valencia (Valencia)	43.7	110
25	22.2	Brussels (Brussels)	94.5	107
29	27.5	Hérault (Montpellier)	87.6	92
36	73.6	Edinburgh (EDINBURGH)	132.2	65
15	3.6	Attica (Athens)	11.9	49
16	7.9	Lisbon (Lisbon)	22.3	46
12	6.8	Warsaw (Warsaw)	22.4	38
7	5.7	Vizcaya (Bilbao)	32.6	37
5	4.2	Prague (Prague)	29.8	37
8	7.6	Birmingham (Birmingham)	34.1	36

**Note:** Geographic criterion in terms of patent location is taken as the residence of the inventor.  
The database contains 1,742 individual provinces, but the table shows only a selected sample of benchmark provinces.  
**Source:** OECD







Tourism

## Introduction

In 2013 tourism continued to drive activity in Barcelona, as has happened since 2009, and was one of the key sectors for Barcelona's economic recovery, with new records set in key indicators. According to Turisme de Barcelona, the city received more than 7.5 million tourists at its hotels in 2013, 1.8% more than in 2012, and it has also broken the record for overnight stays which now approaches 16.5 million billed nights, representing an annual increase of 3.5%. It's worth noting that the increase in tourist numbers mostly came from international tourism, which accounts for about 80% of all visitors and which displays a wide range of nationalities. This fact favours future growth: firstly, mature markets continue to grow like the French or British markets; secondly, expanding markets like Russia, China and Nordic countries continue to grow.

Barcelona does have a strong position in the world's tourism market: in 2012 it ranked 23rd most favourite international tourism destination from 100 cities and 6th most preferred in Europe, according to a report titled *Top Cities Destination Ranking 2012* by Euromonitor International, above cities like Moscow, Beijing, Los Angeles, Budapest and Vienna. Meanwhile, according to *European Cities Marketing Benchmarking Report 2013*, Barcelona was the fifth-top European city in terms of international tourist overnight stays in 2012. Other relevant rankings like the *MasterCard Index of Global Destination Cities 2013* ranks Barcelona tenth-top city in the world and third in Europe, behind only London and Paris, in terms of nights spent and spending by international tourists; Trip Advisor ranks the city fifteenth in terms of its tourism appeal in 2014.

Both the Port of Barcelona and the Airport are an important gateway for city tourism: the number of cruise passengers was 2.41 million in 2012, a figure that kept the port at the head of Europe's listing for the 12th consecutive year and positioned it fourth-top port in the world. Results for 2013 with 2.6 million passengers and an annual growth rate close to 8% showed the situation is still improving. As well, passenger traffic at Barcelona Airport grew to reach a new record of 35.2 million travellers in 2013, according to the ACI *Airport Traffic Report*, which means the Airport remains in Europe's top ten in terms of passenger traffic.

Institutions and business organizations (Barcelona City Council, the Government of Catalonia, Barcelona Chamber of Commerce and Aena Aeropuertos) are promoting and developing international connections from Barcelona-El Prat Airport through the so-called Barcelona Air Route Development Committee (CDRA). This good work earned CDRA the GEBTA 2013 Initiative Award, a prize given by Spain's GEBTA business travel

agency group for the last twenty years, to recognize the work and careers of personalities and institutions involved in this sector. Importantly, ACI named Barcelona Airport best airport in Europe in 2014 in the category of large airports with over 25 million passengers.

The International Catalanian Tourism Show (SITC), the largest general public travel show in Spain held last April 2013 in Barcelona, showcased specialized services offered by domestic and international destinations. At the same time, professionals and experts in tourism promotion and energy, transport and engineering companies came together to exchange experiences about how to promote sustainable destinations in a new edition of *Smart Destinations Forum*. Importantly, Barcelona became the first-ever certified *Biosphere Class Destination*. Finally, in order to meet the 2012-2015 Strategic Framework objectives of promoting new tourism attractions across all the city's districts to distribute tourism throughout the city, Barcelona City Council approved the so-called 10 District Tourism Plans last December 2013. By promoting each district's tourism offer the city can improve individual neighbourhood positioning and enrich the city's overall tourism.

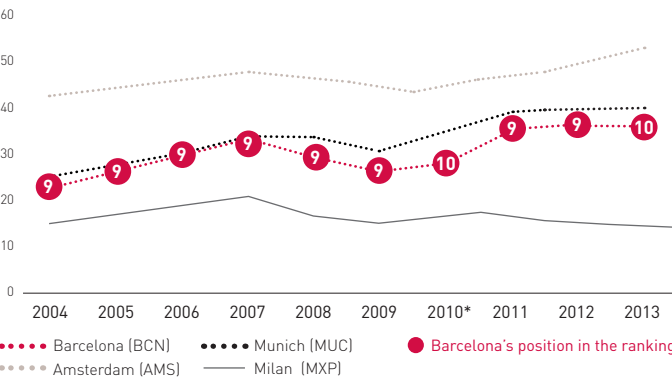
# Main European airports in terms of passenger numbers in 2013

## Barcelona stays in the top 10 major airports ranking in Europe

In 2013 Barcelona Airport reached a new record in passenger traffic, rising to 35.2 million, an increase of 0.2% on the previous year, according to data from ACI Europe's *Airport Traffic Report*. This increase, however, was the lowest in the last four years, meaning the airport lost a position in favour of London-Gatwick. This meant Barcelona came 10th in the European ranking, above airports like Domodedovo (Moscow), Orly (Paris) or Zurich.

Airport passenger traffic trends were varied across Europe, with Barcelona achieving a positive performance despite falls recorded at other airports like Madrid (-12.1%), Athens (-3.2%), Milan-Malpensa (-3.1 %) and Rome-Fiumicino (-2.2%). 2013 was marked by strong growth in international traffic, particularly from the Middle East (+34.4% on last year), thanks to new air routes to Qatar and the UAE, and also due to passenger growth from Africa (up +25.4% due to an increment in flight frequencies and the number of destinations) and finally due to passengers from outside the European Union (+12.9%).

Passengers (millions)



\*In 2010 Barcelona Airport dropped one position due to the entry of Istanbul in the ICA Statistics. If it had not been for that, it would have remained ninth.  
 Source: Airport Council International, *ACI Europe Airport Traffic Reports*

City (Airport)	Variation 2013/2012 (%)	Passengers 2013
London Heathrow (LHR)	3.3%	72,334,583
Paris Roissy (CDG)	0.7%	62,052,917
Frankfurt (FRA)	0.9%	58,036,948
Amsterdam (AMS)	3.0%	52,569,250
Istanbul (IST)	14.1%	51,320,875
Madrid (MAD)	-12.1%	39,729,027
Munich (MUC)	0.8%	38,672,644
Rome-Fiumicino (FCO)	-2.2%	36,166,345
London Gatwick (LGW)	3.6%	35,462,233
<b>Barcelona (BCN)</b>	<b>0.2%</b>	<b>35,210,735</b>
Moscow Domodedovo (DME)	9.2%	30,765,078
Moscow (SVO)	11.7%	29,256,226
Paris Orly (ORY)	3.8%	28,274,154
Antalya (AYT)	8.0%	27,003,712
Zurich (ZHR)	0.3%	24,865,138
Copenhagen (CPH)	3.1%	24,067,030
Oslo (OSL)	4.0%	22,956,544
Palma de Mallorca (PMI)	0.4%	22,768,082
Vienna (VIE)	-0.7%	21,999,926
Dusseldorf (DUS)	1.9%	21,228,226
Manchester (MAN)	5.1%	20,687,423
Stockholm-Arlanda (ARN)	5.1%	20,673,810
Dublin (DUB)	5.6%	20,166,783
Berlin (TXL)	7.9%	19,591,838
Brussels (BRU)	0.9%	19,133,222
Sahiba Istanbul (SAW)	28.7%	18,641,842
Milan-Malpensa (MXP)	-3.1%	17,955,075
London Stansted (STN)	2.2%	17,857,523
Lisbon (LIS)	4.6%	16,010,440
Helsinki (HEL)	2.8%	15,279,043
Geneva (GVA)	3.9%	14,436,151
Hamburg (HAM)	-1.4%	13,502,553
Malaga (AGP)	2.7%	12,922,403
St.. Petersburg (LED)	15.2%	12,854,366
Athens (ATH)	-3.2%	12,460,440
Nice (NCE)	3.3%	11,554,251
Moscow VKO)	15.2%	11,175,583
Prague (PRG)	1.5%	10,974,196
Ankara (ESB)	18.3%	10,928,223
Warsaw (WAW)	11.2%	10,655,633
Izmir (ADB)	9.1%	10,208,627
Edinburgh (EDI)	6.3%	9,776,951
Gran Canaria (LPA)	-1.2%	9,770,253
London Luton (LTN)	0.8%	9,698,802
Alicante (ALC)	8.8%	9,638,860
Stuttgart (STR)	-1.5%	9,577,551
Birmingham (BHX)	2.2%	9,118,579
Cologne / Bonn (CGN)	-2.2%	9,077,346
Milan Linate (LIN)	-2.1%	9,034,373
Milan Bergamo (BGY)	0.8%	8,964,376
Tenerife Sur (TFS)	2.0%	8,701,983
Lyon (LYS)	1.3%	8,562,298
Budapest (BUD)	0.2%	8,520,880

Source: Airports Council International. Airport Traffic Report, 2013.  
 Barcelona Committee for the Development of Air Routes (CDRA)

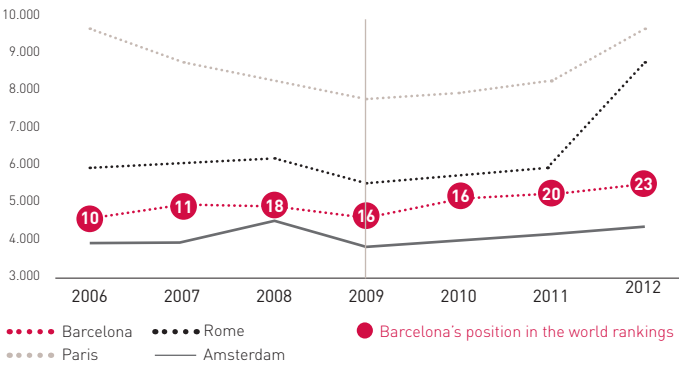
# International tourists in world's top cities in 2012

## Barcelona was the 23<sup>rd</sup> top international tourism destination

The number of international tourists who chose Barcelona as a tourist destination in 2012 was almost 5.5 million, 0.5% more than in 2011, according to the 2012 *Top Destination Cities* report by Euromonitor International. This made Barcelona the 23<sup>rd</sup> most preferred city in the world as a destination for international tourism and 6<sup>th</sup> most-preferred in Europe. Despite being strong positions, they are slightly down on those achieved by Barcelona the previous year (20<sup>th</sup>, and 5<sup>th</sup>, respectively) after being overtaken by Phuket, Taipei and Prague.

It should be mentioned, however, that Barcelona remains above cities like Moscow, Beijing, Los Angeles, Budapest and Vienna in terms of international tourist numbers, and in the European ranking it's positioned only behind London, Antalya, Paris, Istanbul, Rome and Prague. According to *European Cities Marketing Benchmarking Report 2013*, Barcelona was the fifth top European city with most overnight stays by international tourists in 2012, behind London, Paris, Berlin and Rome and ahead of Madrid, Prague, Vienna and Munich.

### Barcelona's position in the world rankings



**Note:** From 2008 there was a break in the series because the number of cities analyzed was reduced from 150 to 100.  
**Source:** Euromonitor International. *Top Cities Destination Ranking*.

City	International tourists 2012 (thousands)	Variation 2012/2011 (%)
Hong Kong	23,770.2	6.5
Singapore	21,345.7	7.7
Bangkok	15,822.6	14.6
London	15,461.0	2.3
Macau	13,360.8	3.4
Kuala Lumpur	13,339.5	6.7
Shenzhen	12,100.4	9.6
New York	11,618.0	8.9
Antalya	10,296.6	-1.6
Paris	9,780.8	3.3
Istanbul	8,820.1	16.5
Rome	8,670.7	13.9
Dubai	8,023.0	0.5
Guangzhou	7,879.6	1.2
Phuket	7,217.0	14.7
Mecca	6,852.9	6.9
Pattaya	6,564.3	8.4
Taipei	6,561.2	24.8
Prague	6,547.7	5.1
Shanghai	6,539.7	-2.2
Las Vegas	6,298.0	5.9
Miami	5,987.0	4.5
Barcelona	5,459.1	0.5
Moscow	5,036.2	13.6
Beijing	5,035.4	-3.2
Los Angeles	5,017.0	1.2
Budapest	4,821.6	12.0
Vienna	4,328.7	8.0
Amsterdam	4,289.2	2.1
Sofia	4,126.3	-0.4
Madrid	4,111.3	-6.0
Orlando	4,067.0	7.4
Ho Chi Minh City	3,923.1	6.5
Lima	3,792.5	29.1
Berlin	3,789.2	5.2
Tokyo	3,754.2	47.1
Warsaw	3,660.3	14.3
Chennai	3,535.2	11.4
Cairo	3,500.0	7.7
Nairobi	3,438.4	8.5
Hangzhou	3,381.7	10.4
Milan	3,323.7	-0.3
San Francisco	3,210.0	3.7
Buenos Aires	3,166.5	3.3
Venice	3,164.9	0.9
Mexico City	3,127.3	9.8
Dublin	3,098.6	-2.1
Seoul	2,999.9	5.0
Mugla	2,981.4	-2.9
Mumbai	2,977.0	26.7

**Note:** Arrivals include both foreign visitors arriving in the city as first point of entry, and visitors who come to the city through a different entry point.  
Visitor means a person who is in the city at least 24 hours and less than 12 months and who stays in a private or group accommodation.  
Excluding day trippers or one day stays and domestic tourists.  
**Source:** Euromonitor International. *Top Cities Destination Ranking*.

## Cruises at world major ports in 2012

### The Port of Barcelona retains its leadership in Europe and the fourth place worldwide

The number of cruise passengers passing through the Port of Barcelona was 2.41 million in 2012, a decrease of 8.8% compared to 2011, but this result still meant Barcelona retained its leading position in Europe for the 12th consecutive year. Also, the Port maintained its fourth position in the world rankings, behind the main three ports in the State of Florida (Miami, Port Canaveral and Port Everglades), but ahead of Venice, Southampton and Galveston.

It is worth noting that in 2013 the number of cruise passengers at the Port of Barcelona rose to 2.6 million, which almost equals its previous 2011 record (2.65 million). Growth recovered strongly at almost 8% annually, and Barcelona ranks as Spain's top port in terms of number of cruise passengers. This positive trend is to get another boost thanks to the announcement by Royal Caribbean that one of its largest cruise boats, *Oasis of the Seas*, will dock in Barcelona in 2014, along with *Allure of the Seas* in 2015. Carnival plans to open a new terminal (its seventh) in the Port of Barcelona in 2016.

In 2014 the Port of Barcelona was recognised by the prestigious *Cruise Insight* publication (*The global cruise market*) during the Cruise Shipping Miami 2014 event. This year they won 'Best Cruise Port of Departure' and 'Most Efficient Terminal Operations' categories. It also won 'Best Port in Spain' at the seventh edition of the Cruise Excellence awards.

City Port	Passengers 2011 (thousands)	Variation 2012/2011 (%)	Passengers 2012 (thousands)
Miami	4,100	-8.0	3,774
Port Canaveral	3,130	20.2	3,761
Port Everglades	3,664	0.7	3,690
<b>Barcelona</b>	<b>2,642</b>	<b>-8.8</b>	<b>2,409</b>
Venice	1,786	-0.6	1,775
Southampton	1,455	5.1	1,529
Galveston	924	30.7	1,208
New York	1,243	-5.7	1,172
New Orleans	737	32.4	976
Tampa	876	11.2	974
Seattle	886	5.4	934
Long Beach	816	12.0	914
Singapore	942	-3.1	913
Saints	993	-14.4	850
Copenhagen	820	2.4	840
Savona	948	-14.6	810
Genova	799	-0.3	797
Vancouver	663	0.6	667
Baltimore	504	-4.4	482
Cape Liberty (NJ)	440	8.2	476
<b>TOTAL</b>	<b>28,368</b>	<b>1.9</b>	<b>28,906</b>

Source: Cruise Insight. Fall 2013

Cruise passengers (millions)



Source: Cruise Insight. Fall 2013





Sustainability and quality of life



## Introduction

Among Barcelona City Council's main strategies for the period 2012-2015 we find the objective of making Barcelona a healthy city that fully integrates environmental concerns, urban planning, infrastructure and ICTs in order to move towards a self-sufficient energy model, with productive human-speed neighbourhoods within a hyper-connected, zero-emissions city. In short, many slow and peaceful cities within a smart city that is there to serve people.

Barcelona's commitment to being a smart city means it fully integrates ecology, urbanism and technologies to improve sustainability and quality of life. The development of local programmes like Smart City Campus and Barcelona Urban Lab is related to several activities connected to energy efficiency and sustainability.

Barcelona has gained international recognition as the fourth top smart city in Europe thanks to initiatives already deployed in the city, along with promotional activities and international collaboration, like the *Smart City Expo Mobile World Congress*, *City Protocol*, and hosting the World Bank's Forum of Smart Cities, according to the magazine Fast Co.Exist.

Closely linked to urban development and sustainability, Barcelona's Urban Mobility Plan 2013-2018 will help create superblocks or urban units that are based on specific sustainable mobility objectives in order to create quiet places, revitalize public space, generate urban greenery and encourage biodiversity, optimizing the use of resources and moving forward with smart management and citizen participation, among other issues. In the next four years five superblocks will be created, although the project's aim is to spread to the rest of the city to create human speed neighbourhoods. This objective is also shared by the Urban Mobility Plan, and the so-called Citizen Commitment to Sustainability 2012-2022 and the Greenery and Biodiversity Plan, which is included in the Council's 2012-2105 strategy.

Barcelona's international positioning in the area of mobility is noteworthy because of its use of sustainable transport, which represents 81% of inner-city trips, and its short commuting times thanks to a compact urban structure. However, when analyzing the metropolitan area's emissions, energy consumption and system efficiency, as does one study on the future of urban mobility by the International Union of Public Transport, the results are less noteworthy: it comes 20<sup>th</sup> out of 84 agglomerations across the world, and 16<sup>th</sup> in Europe. It should be noted, however, that Barcelona won 7<sup>th</sup> place worldwide in terms of its support for electric mobility, an award given by the International Energy Agency.

As for other international comparatives, according to the *Guardian Cities Global Brand Barometer* compiled by consultants Saffron, Barcelona has the sixth strongest city brand compared to 57 major cities around the world, having had a strong reputation for being an attractive city for quality of life for many years. The report *State of World's Cities 2012-2013*, prepared by the UN Habitat agency, places Barcelona in fifth position for its quality of life compared to 69 cities in the world, while the *Scorecard on Prosperity 2014* by the Toronto Board of Trade places metropolitan Barcelona in fifth place in a ranking of 24 of the most attractive cities for work in Europe, Canada and the United States.

With reference to companies' commitment to the environment, in December 2013 the province of Barcelona had 203 certification registrations and the city accounted for 78 of these, representing an increase of 18.7% and 32.2% respectively, compared to September 2012. Certifications recorded in the province and the city of Barcelona represented 70.2% and 27% of all those registered in Catalonia. Finally, according to *ISO Survey 2012*, Spanish companies have received a total of 19,470 ISO 14001 accreditations, which makes Spain the fourth-top country in the world, behind China, Japan and Italy, and in terms of certification growth it was the second-fastest growing country in 2012 (+19.2%) after China.

Finally, it's worth noting Barcelona's nomination as European Capital of Volunteering 2014, awarded as part of the European Year of Citizens 2013 by the European Volunteer Centre, who organized this event for the first time. In Barcelona there is wide support for this type of collaboration with more than 6,000 non-profit organizations based on volunteer work, and a long tradition of collaboration between Barcelona City Council and civil society. There is also a wide variety of spaces for reflection and debate aimed at getting different stakeholders involved in the preparation, evaluation and improvement of public policy.

# Smart and sustainable cities in 2013

## Barcelona is Europe's 4<sup>th</sup> top Smart City

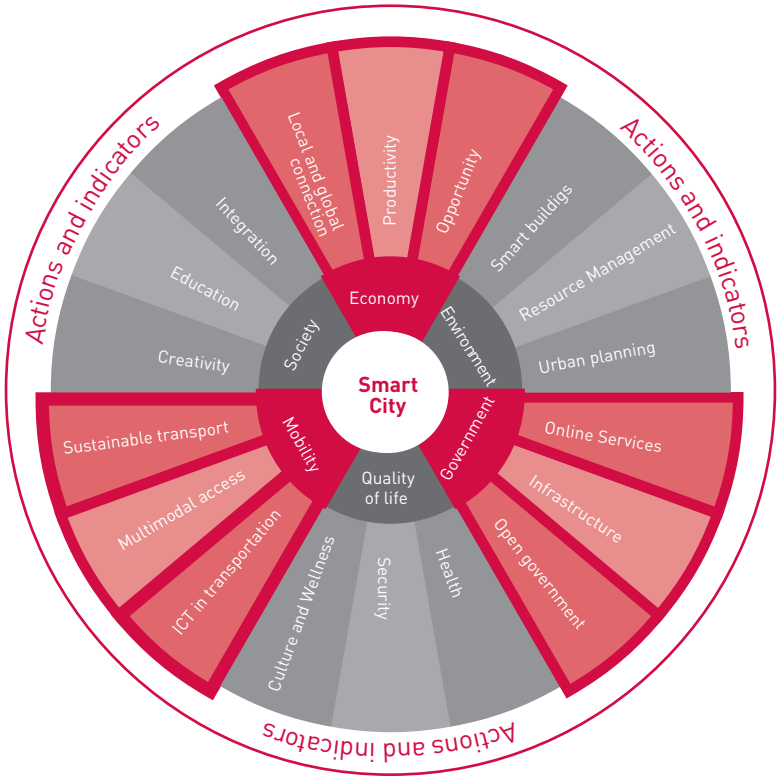
According to the magazine *Fast Company*, Barcelona is the fourth top smart city in Europe, behind Copenhagen, Amsterdam and Vienna, but still up four positions on the 2012 ranking and now ahead of Stockholm, Paris, Hamburg and London.

Barcelona is today an international reference point in terms of both its leadership in promoting international smart cities and for the city's numerous technology development initiatives aimed at smart city management. Internationally, the Catalan capital organizes the annual international congress on smart cities and it is also the promoter of the so-called City Protocol, a global standard for measuring progress on creating more sustainable and smart cities.

Among the initiatives undertaken by Barcelona in its role as a testing ground for smart technologies developed by prestigious technology companies like Cisco Systems, GDF Suez, Schneider Electric, HP, Microsoft, Telefónica and Abertis Telecom, we can highlight pilot tests for intelligent traffic lights, traffic control, optical fibre, sensors in selective waste collection bins and noise sensors, the smart metres for water and gas for homes or LEDs street lighting. Other energy efficiency measures worth highlighting include support for electric vehicle take-up, a policy that places Barcelona seventh in the world in terms of electric mobility, according to the International Energy Agency (*EV City Casebook 2012*). Finally, the number of projects being developed as part of the world Mobile Capital 2013-18 and the Open Data strategy complement the city's commitment to technology to enhance citizen services.

2012		Top 10 smart cities in Europe	2013
1		Copenhagen	1
2		Amsterdam	2
3		Vienna	3
8		Barcelona	4
4		Paris	5
5		Stockholm	6
6		London	7
7		Hamburg	8
9		Berlin	8
10		Helsinki	10

Source: *Fast Company*, The Smartest Cities in Europe.



## Global city brands in the world in 2014

### Barcelona 6<sup>th</sup> top city in terms of brand

According to the *Guardian Cities Barometer* compiled by consultants Saffron, Barcelona is the sixth best city in the world in terms of its global brand power ahead of Rio de Janeiro, San Francisco, Istanbul, Milan and Berlin, in a ranking which evaluates 57 major cities around the world and which is led by Los Angeles, New York, London, Paris and Seoul.

According Saffron, a city brand is represented by its average perception and the associations of ideas that people have about it, in other words, the image it transmits abroad. The study takes into account two fundamental aspects for determining the city brand: its physical assets, which include climate, tourist sites and attractions, infrastructure, the level of security and economic prosperity, and its media presence, including social network posts and mentions in the media. Barcelona achieved nine out of ten for its media coverage, only beaten by Los Angeles, New York, London and Paris, who all got 10 points, and 6.8 in terms of its assets.

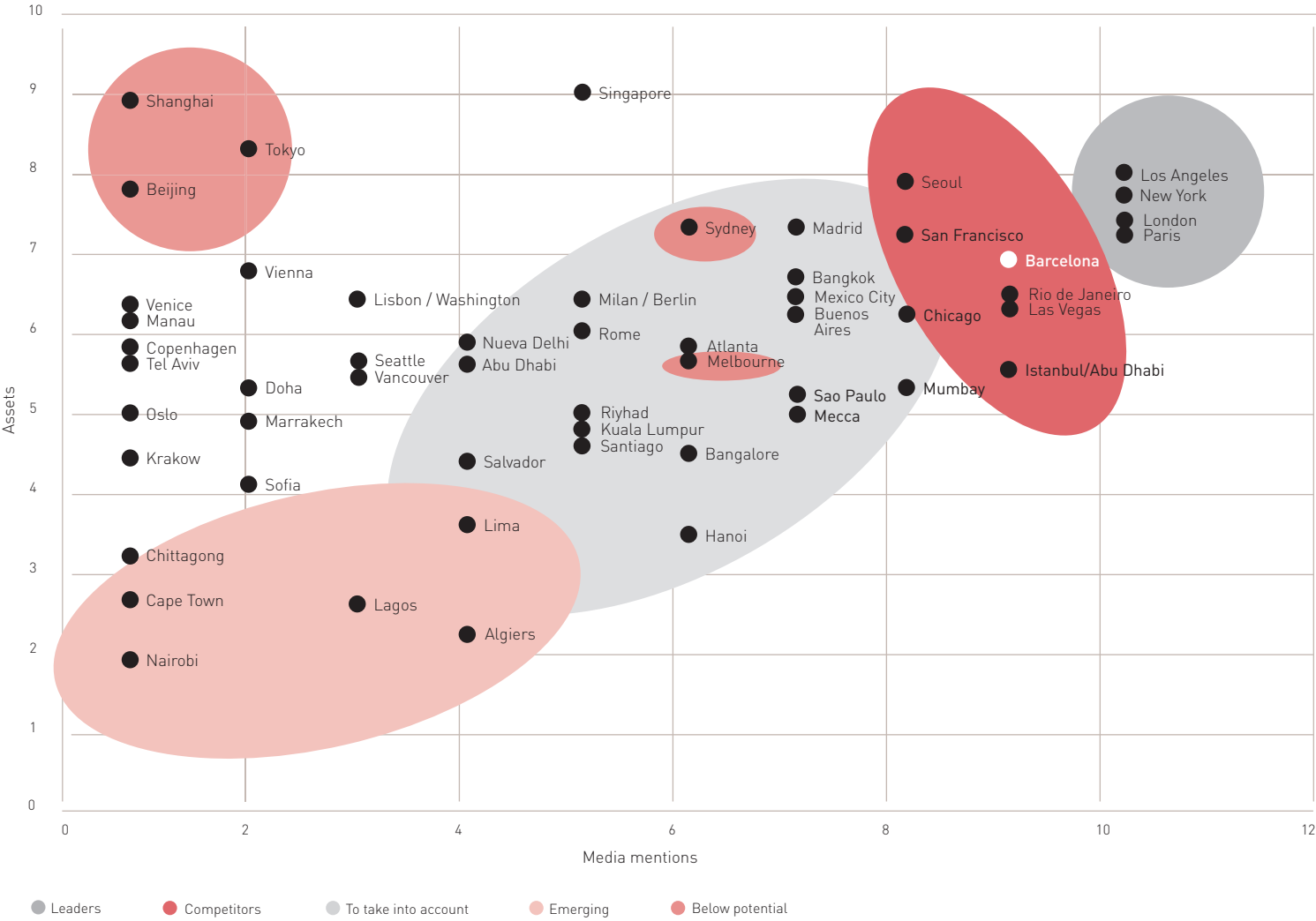
The results of this study placed Barcelona in a group of cities including Seoul, San Francisco, Rio de Janeiro, Las Vegas, Istanbul and Dubai, which are located just below the top 4. This shows Barcelona is taking full advantage of its strengths, promoting information sharing via social networks, appearing in the media and managing the organization international events very well.

Position	City	Qualification
1	Los Angeles	18
2	New York	17.7
2	London	17.3
4	Paris	17.2
5	Seoul	15.9
6	Barcelona	15.8
7	Rio de Janeiro	15.3
8	San Francisco	15.2
9	Las Vegas	15.2
10	Dubai	14.6
11	Istanbul	14.6
12	Madrid	14.4
13	Chicago	14.3
14	Singapore	14
15	Bangkok	13.6
16	Sydney	13.4
17	Mexico City	13.4
18	Buenos Aires	13
19	Mumbai	13.3
20	Sao Paulo	12.2
21	Mecca	12
22	Atlanta	11.8
23	Melbourne	11.7
24	Milan	11.4
25	Berlin	11.4

**Note:** Overall Score between 1 and 20. Resulting from the sum of points obtained over a maximum of 10 categories for assets and media coverage.

**Source:** *Guardian Cities Global Brand Barometer*, 2014. Saffron Brand Consultants

City classification



Source: Guardian Cities Global Brand Barometer, 2014. Saffron Brand Consultants

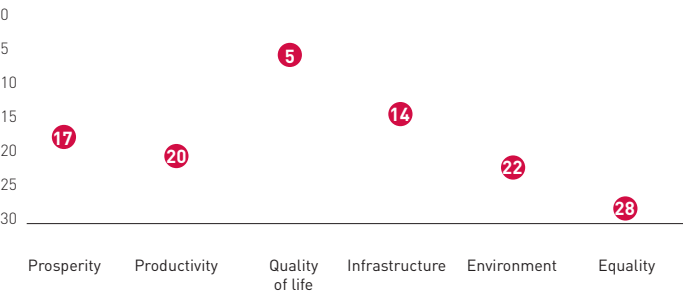
# Quality of life and urban prosperity in 2012

## Barcelona, amongst top cities in the world in terms of quality of life

Barcelona is fifth in quality of life in a ranking of 69 cities across the world, according to the report *State of the World's Cities 2012-2013*, prepared by UN-Habitat, just behind Tokyo, Stockholm, Paris and Oslo and above cities like Seoul, London, Vienna or Amsterdam. According to the UN agency, the priority elements needed to achieve better quality of life in cities, regardless of their level of development, are economic security, efficient public services, quality public space, health care and adequate housing, which are the criteria used as the basis of the overall assessment.

Quality of life is one component that the UN-Habitat report takes into account to develop its index of overall city prosperity, which also includes productivity, infrastructure, environment and equity. The UN agency's analysis shows Barcelona is in 17th place in the overall prosperity ranking, having been placed 14<sup>th</sup> in terms of infrastructure, and coming 20<sup>th</sup>, 22<sup>nd</sup> and 28<sup>th</sup> in the categories productivity, environment and equity, respectively.

### Prosperity and urban categories (positioning of Barcelona)



Source: *State of World's Cities 2012-2013*. UN-Habitat

Position	City	Index*
1	Tokyo	0.931
2	Stockholm	0.925
2	Paris	0.925
4	Oslo	0.914
5	Barcelona	0.912
6	Toronto	0.907
7	Helsinki	0.905
8	Seoul	0.903
9	London	0.898
10	Milan	0.895
11	Auckland	0.889
12	Athens	0.885
13	Vienna	0.882
14	Melbourne	0.875
15	Amsterdam	0.872
16	Copenhagen	0.871
17	Dublin	0.867
17	Lisbon	0.867
17	Budapest	0.867
20	New York	0.866
21	Brussels	0.864
21	Warsaw	0.864
23	Zurich	0.858
24	Yerevan	0.850
24	Chisinau	0.850
26	Shanghai	0.836
26	Beijing	0.836
28	Almaty	0.822
29	Moscow	0.813
30	Sao Paulo	0.803

\*Index has values between 0 - 1

Source: *State of World's Cities 2012-2013*. UN-Habitat

# Attractive metropolitan areas for working in across the globe in 2014

## Barcelona, among the top five most attractive places to work for the sixth consecutive year

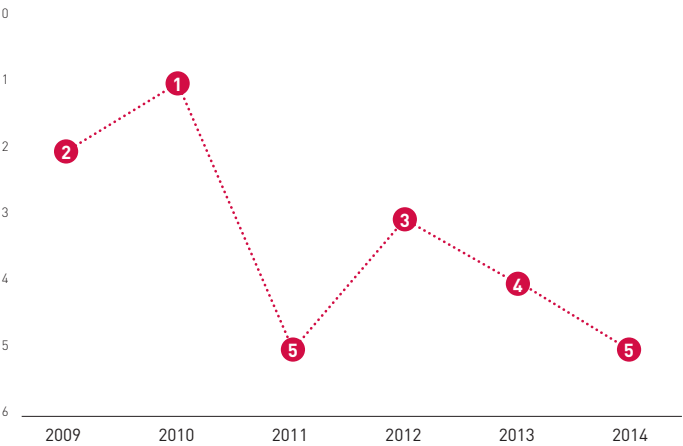
According to the *Scorecard on Prosperity 2014* developed by Toronto Board of Trade, Barcelona is fifth in a ranking of the most attractive places to work compared to 24 of the top urban agglomerations in Europe, North America, and Asia. It is ahead of Vancouver, Montreal and Madrid in a classification led by Paris, London and Toronto. The Barcelona area is positioned among the top five in this ranking for the sixth consecutive year since the ranking was first published in 2009.

According to the report, Barcelona's attractiveness comes mainly from its good weather, the proportion of the population between of 24 to 34, the low level of crime, its transport efficiency, sustainability and its moderate rate of income inequalities. However, in the global ranking that evaluates the economic situation, Barcelona ranked 24<sup>th</sup> because of the recession.

Qualification 2013	Position	City		Qualification 2014*
0.68	1	Paris	A	0.66
0.66	2	London	A	0.64
0.60	3	Toronto	A	0.63
0.58	4	Calgary	A	0.61
0.62	5	Barcelona	B	0.59
0.53	6	Vancouver	B	0.57
0.63	7	Madrid	B	0.55
0.52	8	Montreal	B	0.54
0.53	9	Stockholm	C	0.54
0.58	10	Sydney	C	0.54
0.55	11	Oslo	C	0.53
0.50	12	Halifax	C	0.52
0.47	13	Hong Kong	C	0.49
0.47	14	Berlin	C	0.48
0.49	15	Seattle	D	0.48
0.49	16	Tokyo	D	0.48
0.49	17	New York	D	0.48
0.47	18	Dallas	D	0.45
0.44	19	Chicago	D	0.44
0.44	20	Milan	D	0.44
0.44	21	Boston	D	0.43
0.44	22	San Francisco	D	0.43
0.43	23	Los Angeles	D	0.42
0.45	24	Shanghai	D	0.42

\*The classification is made based on an index that takes the value between 0 and 1 and it is the average of the standardized scores on 15 indicators which assess the attractiveness of the metropolitan area for labour.  
Source: Toronto Board of TradeScorecard on Prosperity 2014

### Barcelona's position in terms of being an attractive place to work



Source: Toronto Board of Trade's Scorecard on Prosperity. Various years

## Best cities in the world in terms of urban mobility in 2013

### Barcelona and its hinterland is ranked 20<sup>th</sup> amongst the world’s metropolis

The report *Future of Urban Mobility 2.0* by the International Union of Transport Public (UITP) places metropolitan Barcelona in 20<sup>th</sup> position in the world and 15<sup>th</sup> in Europe in a ranking of 84 of the world’s urban agglomerations and 26 from Europe. Hong Kong, Stockholm, Amsterdam, Copenhagen and Vienna lead the classification. The Catalan capital obtained a score equal to or very close to those of Shanghai, Seoul, Tokyo and Frankfurt, and scored higher than Prague, Istanbul and Beijing. Compared to 2011, Barcelona lost six positions mainly due to the incorporation of conurbations from central and northern Europe, which have efficient transport systems.

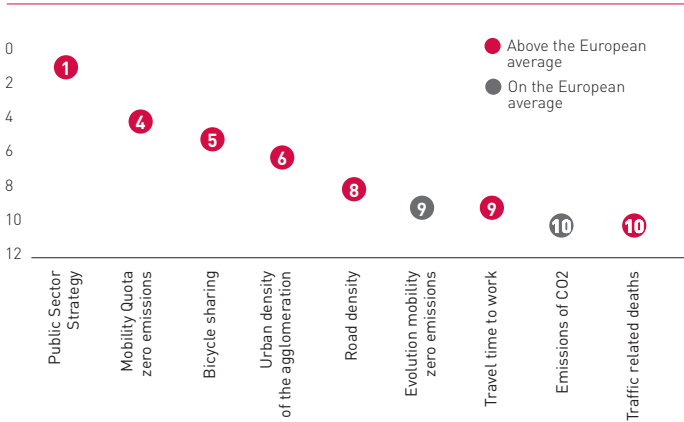
The indicators show that metropolitan Barcelona stands out in a positive way because of its policies and strategies aimed at the public sector, its share of zero emission transportation across different types of mobility, a successful bike sharing scheme, the density of road space, improvements in mortality related to traffic accidents, and commuting times to work. On the other hand, it needs to improve in terms of reducing pollution, the high price of public transportation, leveraging carpooling and the share of public transport in the overall distribution of mobility, amongst others.

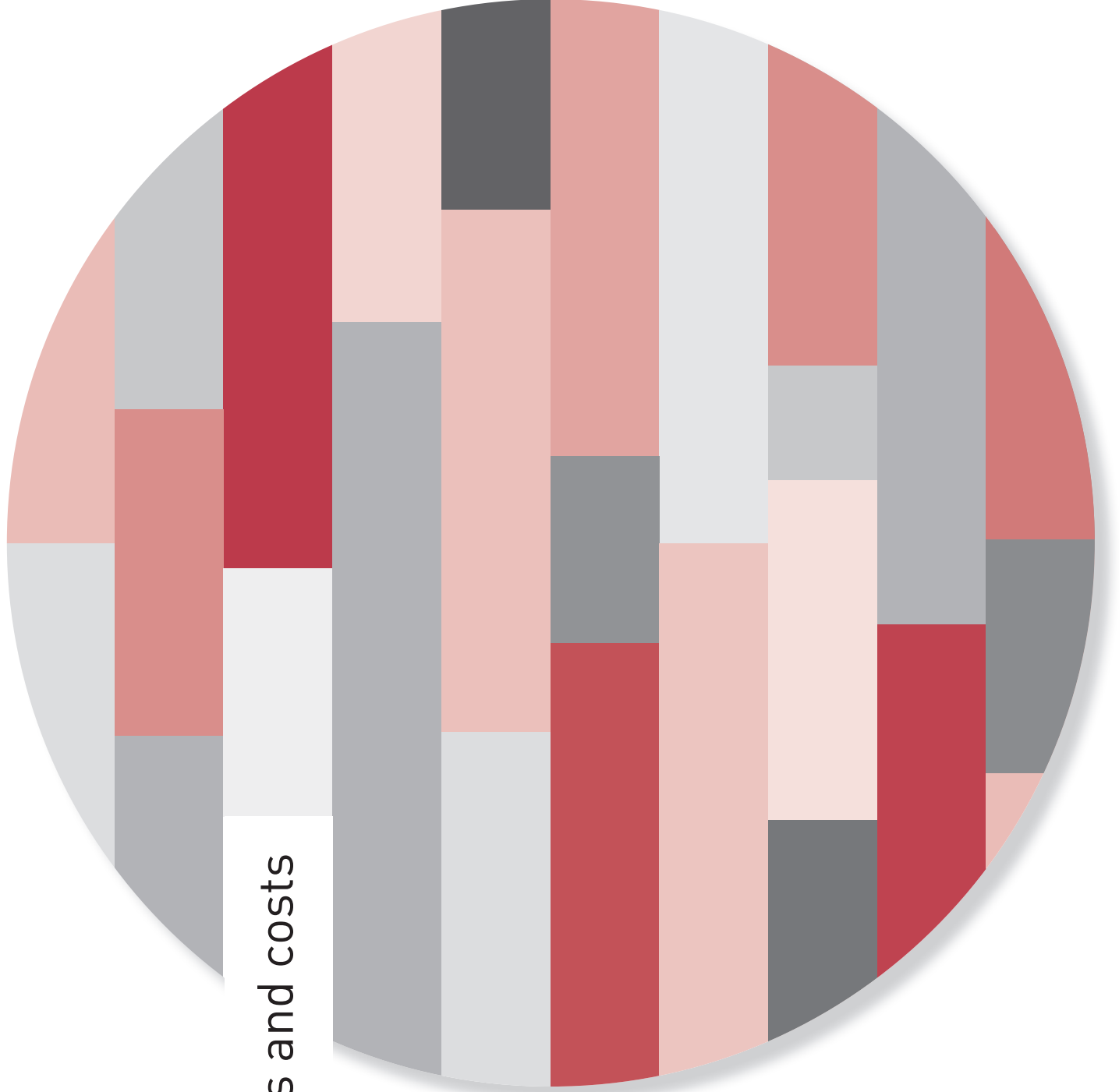
According to the *Scorecard on Prosperity 2014* by the Toronto Board of Trade, Barcelona is the sixth top urban area with lowest average commuting times among the 24 cities analyzed in Europe, Canada and the United States, with an average of 56 minutes travel time. In addition, it is 8<sup>th</sup> in terms of use of sustainable means to get to work. These favourable results are related to the city’s compact urban model and public policies to boost sustainable mobility, which have been promoted by the City Council in recent years.

Ranking 2013	City	Index*
1	Hong Kong	58.2
2	Stockholm	57.4
3	Amsterdam	57.2
4	Copenhagen	56.4
5	Vienna	56
6	Singapore	55.6
7	Paris	55.4
8	Zurich	54.7
9	London	53.2
10	Helsinki	53.2
11	Munich	53
12	Stuttgart	51.9
13	Berlin	51.7
14	Wuhan	5.1
15	Madrid	50.3
16	Hanover	50.1
17	Brussels	49.7
18	Seoul	49.3
19	Tokyo	49.2
20	Barcelona	49.1
20	Shanghai	49.1
22	Frankfurt	48.8
23	Prague	47.8
23	Warsaw	47.8
25	Nantes	47.7
25	Shenzhen	47.7
27	Istanbul	47.2
27	Beijing	47.2
27	Canton	47.2
30	Santiago de Chile	47.1

\*The index takes values between 0 and 100  
Source: Report "Future of Urban Mobility 2.0", UITP and Arthur D. Little.

### Barcelona's positioning in European mobility indicator ranking\*





Prices and costs



## Introduction

The economic recovery sped up as we moved through 2013, while the inflation rate began the year at high levels, above 3% and, therefore, higher than price stability objectives set by the ECB in the medium term (2%). As the months went by this rate lost pace to stand at 0.2% in Catalonia in December and 0.3% in the province of Barcelona. This means there could be a risk of deflation. This decreasing inflation trend which puts average inflation in 2013 at +1.9% in the province of Barcelona is explained firstly by the fact that last year it had been pushed upwards by factors like an increase in VAT, the prices of medicines and university fees; and secondly, by the falls in oil prices and regulated prices, like electricity, and generally because of weak domestic demand that has pushed consumer prices down.

Barcelona remains competitive in terms of industrial land prices, office rental prices and retail leases which is good for attracting business to Barcelona because new firms set up here, and those already here tend to stay. Office rental rates dropped, while industrial land prices stabilized in 2013, which means the city is located in the lower and middle bands respectively when taking into account prices in benchmark cities in Europe, the Middle East and Africa. Experts predict a recovery in contracting in Barcelona in 2014. With regard to retail, rental prices are holding or increasing in the city's main shopping streets, reflecting strong demand and Barcelona's growing appeal in the luxury segment. Meanwhile, VAT rates and corporation tax rates remained stable in 2013, after 2012's increases. However, these rates mean Spain is in the top band compared to average rates in the European Union. According to the study *Paying Taxes 2014* by PwC and the World Bank, there has been an increase in the tax burden of Spanish companies due to the elimination of tax benefits on fixed asset depreciation and a restriction on tax carryforward compensation on losses.

A study by Mercer Human Resource Consulting shows how Barcelona has maintained a competitive cost of living compared to other cities around the world, and although it climbed one position in the ranking in 2013, it is below cities like Madrid, Frankfurt and Munich and its position before the recession. Regarding wage levels, Barcelona is in the mid range in terms of gross salaries in Europe and in the world, above cities like Rome, Seoul, Dubai, Lisbon and Tel Aviv.



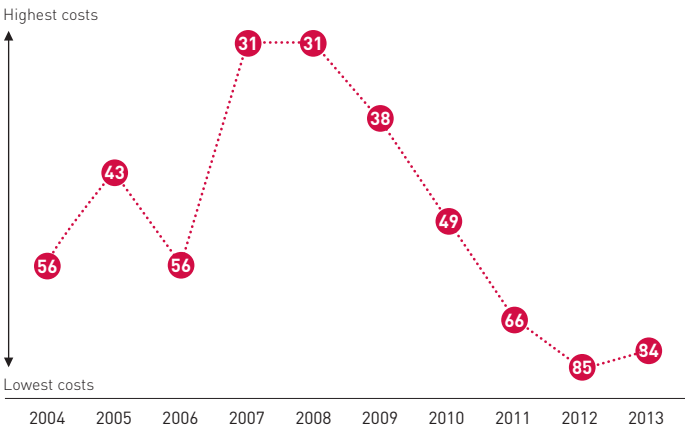
# Cost of living in the world's cities in 2013

## The cost of living in Barcelona remains competitive

An annual survey by Mercer Human Resource Consulting shows Barcelona was 84<sup>th</sup> in terms of costs of living in world cities in 2013, while in 2012 it stood in 85<sup>th</sup> position and at the beginning of the crisis it was in 31<sup>st</sup> spot. So Barcelona scaled one place in the ranking after four consecutive years in decline. However, it is still in a better competitive position than before the recession and it is below Madrid, Frankfurt and Munich. This index is created using the prices below of 200 basic products and services from 214 cities worldwide.

Barcelona's changes in terms of cost of living can probably be explained by record low inflation (0.3% in the province of Barcelona in December 2013), which was almost offset by the euro's increased value against the dollar, an important factor in any comparison with the cost of living of New York. This dual opposite effect means Barcelona only rose one position in the ranking between 2012 and 2013, after falling sharply in previous years. Barcelona's cost of living keeps it in a competitive position amongst the main cities in Europe and the world.

### Barcelona's position



Source: Mercer Human Resource Consulting, *Worldwide Cost of Living Survey, City Rankings 2013*

Ranking 2012	City	Ranking 2013
2	Luanda	1
4	Moscow	2
1	Tokyo	3
8	N'Djamena	4
6	Singapore	5
9	Hong Kong	6
5	Geneva	7
6	Zurich	8
14	Bern	9
11	Sydney	9
18	Oslo	11
3	Osaka	12
22	Seoul	13
16	Shanghai	14
17	Beijing	15
15	Melbourne	16
21	Copenhagen	17
19	Perth	18
12	Sao Paulo	19
29	Caracas	20
20	Libreville	21
50	Victoria	22
28	St. Petersburg	23
33	New York	24
25	London	25
10	Nagoya	26
23	Canberra	27
24	Brisbane	28
13	Rio de Janeiro	29
30	Shenzhen	29
34	Niamey	31
31	Tel Aviv	32
36	Kinshasa	33
27	Adelaide	34
31	Guangzhou	35
39	Lagos	36
37	Paris	37
41	Abidjan	38
39	Bamako	39
43	Brazzaville	40
38	Milan	41
44	Djibouti	42
46	Stockholm	42
42	Rome	44
47	Noumea	45
53	Conakry	46
53	Douala	46
48	Vienna	48
64	Abuja	49
58	Banghi	50
85	Barcelona	84

Source: Mercer Human Resource Consulting, *Worldwide Cost of Living Survey, City Rankings 2013*

# Corporate tax and VAT in countries around the world in 2013

## The rate of VAT and corporation tax remain stable

The corporate tax rate in Spain remained at 30% in 2013 and as such it continues to be in the higher tax band compared to reference countries and above the European Union average, although this also rose from 22.5% in 2012 to 22.75% in 2013, according to the Corporate Tax Rate Survey by KPMG. In 2013 the corporate tax rate remained stable in most countries surveyed. It rose in India, Luxembourg, Greece, Slovakia and Cyprus, but declined in South Africa, Sweden, Switzerland and Slovenia.

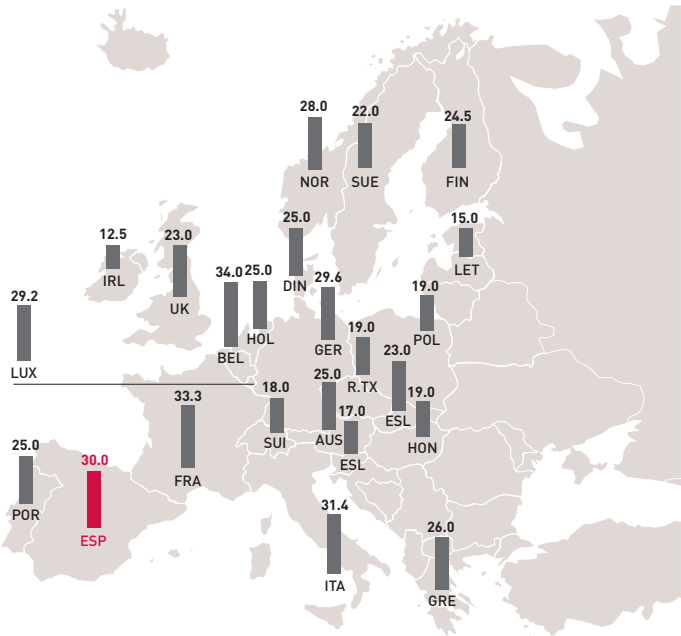
Also, the VAT rate remained stable at 21% in Spain in 2013, after rising the previous year. It remains on the high side, although there have been similar increases in many countries, such as Finland, Italy, Slovenia, the Czech Republic, France, Cyprus, Israel and India. These increases ranged between 0.04 in France and 2 percentage in Cyprus and Slovenia.

According to a study by PwC and the World Bank called *Paying Taxes 2014*, Spanish companies pay a total tax rate of 58.6%. The study attributes the increase in Spanish firms' tax burden to the suppression of tax allowances for depreciation on tangible fixed assets and restriction of compensation carryforwards. 36.2% of money companies pay in tax is attributed to corporation tax, 62.8% to national health and similar employment related taxes and 1% for the rest of taxes.

Country	VAT Tax Base (%)	Company Tax Base (%)
United States	---	40.0
Japan	5.0	38.0
Argentina	21.0	35.0
Belgium	21.0	34.0
India	13.0	34.0
France	20.0	33.3
Italy	22.0	31.4
Australia	10.0	30.0
<b>Spain</b>	<b>21.0</b>	<b>30.0</b>
Tunisia	18.0	30.0
Germany	19.0	29.6
Luxembourg	15.0	29.2
South Africa	14.0	28.0
Norway	25.0	28.0
Canada	5.0	26.0
Greece	23.0	26.0
Austria	20.0	25.0
Denmark	25.0	25.0
Israel	18.0	25.0
Netherlands	21.0	25.0
Portugal	23.0	25.0
China	17.0	25.0
Finland	24.0	24.5
South Korea	10.0	24.2
UK	20.0	23.0
Slovakia	20.0	23.0
Sweden	25.0	22.0
Hungary	27.0	19.0
Poland	23.0	19.0
Czech Republic	21.0	19.0
Switzerland	8.0	18.0
Slovenia	22.0	17.0
Hong Kong	---	16.5
Latvia	21.0	15.0
Ireland	23.0	12.5
Cyprus	19.0	12.5

Note: The original database contained 130 countries, although the table shows a sample of benchmark countries.  
 Source: KPMG, KPMG's Corporate and Indirect Tax Rate Survey 2013

Corporate tax in 2013 (%)



Source KPMG, KPMG's Corporate and Indirect Tax Rate Survey 2013

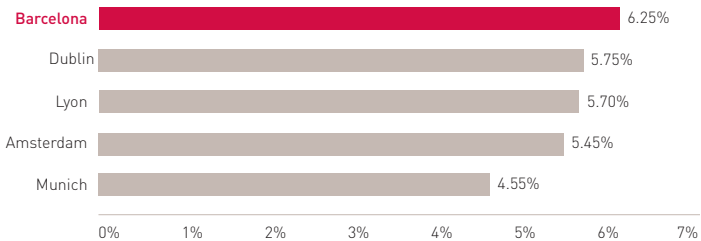
# Office rental rates for cities in Europe, the Middle East and Africa in 2013

## Prices in Barcelona fall for the fourth consecutive year

In 2013 Barcelona’s office rental rates dropped for the fourth consecutive year to stand at € 213 per square meter per year, a smaller fall (of -1.39% per year) than that recorded in 2012 (around -3%), according to the EMEA Rents and Yields Report, prepared by Richard Ellis. These price trends mean Barcelona ranked 45th from a selection of 55 cities in Europe, the Middle East and Africa, in other words, it is in the lower price range, yet above The Hague, Utrecht, Johannesburg, Bratislava and Zagreb, but with much lower prices than those of the large European capitals. The metropolis with highest office rental prices was London, both the West End and the City, which are placed first and fifth in the ranking, respectively, and Moscow, Paris and Geneva, which are in the second, third, and fourth positions in the group of cities analyzed.

In terms of office rental trends, Barcelona shows lower rates of decline among the 11 cities where rentals dropped in 2013; however, prices have risen in 17 cities, and in 27 others in the sample they stabilized. The highest increases in 2013 were recorded in Dublin and London’s West End, while the largest falls in rentals were in Milan, Geneva and Prague. Forecasts by real estate consultants like Cushman & Wakefield expect the number of office deals to rise in Barcelona in 2014, with the likes of operations like the recent installation of the American technological solutions company ADP in Poblenu, which has leased 6,800 m2.

### Performance of offices in European cities (IV quarter 2013)



**Note:** The yield refers to the return on investment in the offices sector in each city.  
**Source:** CB Richard Ellis, *EMEA Rents and Yields Q4 2013* (EMEA: Europe, Middle East and Africa)

Ranking	City	Office rental (€/m²)	Annual growth (%)
1	London-West End	1,330.50	8.11
2	Moscow	897.06	0.00
3	Paris	800.00	-3.61
4	Geneva	790.99	-5.00
5	London city	765.04	4.55
6	Zurich	707.73	0.00
7	Dubai	646.56	0.00
8	St. Petersburg	598.04	0.00
9	Oslo	516.98	5.41
10	Stockholm	502.25	0.00
11	Milan	480.00	-5.88
12	Frankfurt	456.00	0.00
13	Istanbul	403.68	4.65
14	Rome	400.00	-2.44
15	Manchester	399.15	0.00
16	Helsinki	396.00	3.53
17	Munich	390.00	3.17
18	Abu Dhabi	386.15	0.00
19	Edinburgh	379.19	5.56
20	Birmingham	379.19	0.00
21	Dublin	377.00	27.36
22	Bristol	365.89	0.00
23	Glasgow	359.24	0.00
24	Amsterdam	340.00	0.00
25	Düsseldorf	330.00	5.77
26	Warsaw	312.00	-3.70
27	Gothenburg	308.20	8.00
28	Vienna	303.00	2.02
29	Lyon	300.00	5.26
30	Kyiv	296.03	0.00
31	Madrid	294.00	-2.97
32	Hamburg	288.00	0.00
33	Brussels	285.00	0.00
34	Athens	276.00	0.00
35	Berlin	270.00	2.27
36	Marseille	270.00	0.00
37	Tel Aviv	261.34	-1.82
38	Prague	240.00	-4.76
39	Budapest	240.00	0.00
40	Rotterdam	225.00	7.14
41	Copenhagen	224.50	-1.47
42	Lisbon	222.00	0.00
43	Lille	220.00	10.00
44	Bucharest	216.00	-2.70
45	Barcelona	213.00	-1.39
46	The Hague	210.00	0.00
47	Utrecht	205.00	2.50
48	Johannesburg	202.38	0.00
49	Bratislava	192.00	0.00
50	Zagreb	180.00	0.00
51	Belgrade	180.00	0.00
52	Aarhus	174.24	1.96
53	Belfast	166.31	0.00
54	Oporto	144.00	0.00
55	Thessaloniki	126.00	0.00

**Source:** CB Richard Ellis, *EMEA Rents and Yields Q4 2013* (EMEA: Europe, Middle East and Africa)

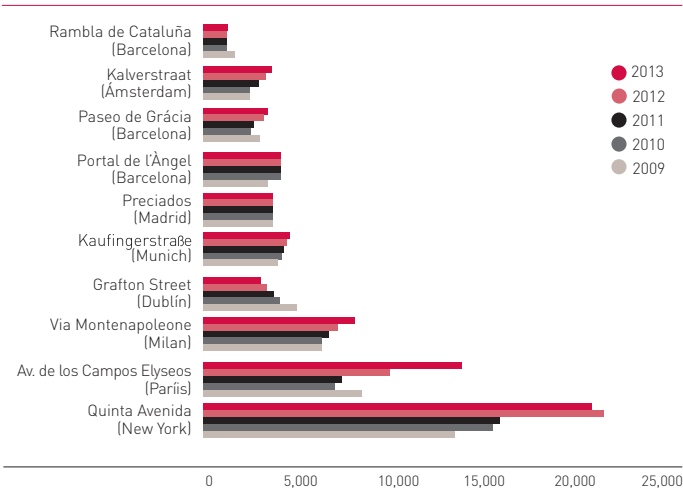
# Retail rental rates in cities around the world in 2013

## Barcelona's retail premises remain competitive

Barcelona is still attractive for retailers thanks to competitive lease prices for commercial premises in 2013. According to *Main Streets Across The World*, a study by Cushman & Wakefield, the most expensive street in Barcelona and throughout Spain, Portal de l'Angel, continues to be in 15th position in the world rankings for the second year after dropping two positions in 2011. The rental price of a shop in Portal de l'Angel is €3,180/ m²/year, which is the same as in 2012. Main streets in the most expensive cities, like Fifth Avenue in New York, or Champs Elysees in Paris or in New Bond Street in London, retail price rentals are 6, 4 and 3 times more expensive than the Portal de l'Angel in Barcelona, respectively.

Overall, of the 334 cities analyzed, 285 have seen rental prices for retail premises stay stable or rise. This is the case of Barcelona, where rentals have remained the same in Portal del Angel (0%), while down Passeig de Gràcia (2.4%) and Rambla Catalonia (6.3%) they rose. In particular, luxury shops in the city are paying higher rentals due to limited space and strong demand. Improvements to infrastructure in Barcelona, like new links to Asia, the Middle East and Brazil, and improvements to the stock of high-end hotels, cruises and sporting events all mean Barcelona is more attractive for tourists with high purchasing power, which in turn fosters consumption in the luxury shops in Barcelona.

Price of rental premises (€/m²/ year)



Source: Cushman & Wakefield

2012	2013	Country	City	Street	Rental of retail premises (€/m²/year)
1	1	Hong Kong (China)	Hong Kong	Causeway Bay	24,983
2	2	U.S.	New York	5th Avenue	20,702
3	3	France	Paris	Avenue des Champs-Élysées	13,255
6	4	UK	London	New Bond Street	8,666
4	5	Japan	Tokyo	Ginza	8,152
8	6	Italy	Milan	Via Montenapoleone	7,500
7	7	Switzerland	Zurich	Bahnhofstrasse	7,236
5	8	Australia	Sydney	Pitt Street Mall	7,042
9	9	South Korea	Seoul	Myeongdong	6,063
11	10	Austria	Vienna	Kohlmarkt	4,440
10	11	Germany	Munich	Kaufingerstrabe	4,320
-	12	Russia	Moscow	Stoleshnikov	3,846
14	13	China	Beijing	Wangfujing	3,610
12	14	Brazil	Sao Paulo	Iguatemi Shopping	3,343
15	15	Spain	Barcelona	Portal del Àngel	3,180
16	16	Singapore	Singapore	Orchard Road	2,930
18	17	Netherlands	Amsterdam	Kalverstraat	2,900
22	18	Norway	Oslo	Karl Johans Gate	2,835
19	19	Malaysia	Kuala Lumpur	Pavillon KL	2,673
21	20	Israel	Tel Aviv	Ramat Aviv	2,663
24	21	Colombia	Bogota	Shopping Centre	2,631
20	22	Canada	Toronto	Bloor Street	2,512
17	23	Ireland	Dublin	Grafton Street	2,389
23	24	Ukraine	Kiev	Kreschatik Street	2,308
25	25	Denmark	Copenhagen	Støget	2,279
27	28	Czech Republic	Prague	Na Pnrikope/Wenceslas Square	2,160
-	27	New Zealand	Auckland	CBD	2,139
26	28	India	New Delhi	Khan Market	2,090
-	29	Turkey	Istanbul	Bagdat Caddesi (Asia)	2,077
31	30	Taiwan	Taipei	ZhongXiao E. Road	1,981
28	31	Greece	Athens	Ermou	1,980
30	32	Finland	Helsinki	City Centre	1,920
33	33	Vietnam	Ho Chi Minh City	Shopping Centre	1,846
32	34	Belgium	Brussels	Rue Neuve	1,800
34	35	Sweden	Stockholm	Biblioteksgatan	1,676
40	36	United Arab Emirates	Dubai	Shopping Centre	1,578
36	37	Libya	Beirut	ABC Centre Achrafieh	1,539
37	38	Luxembourg	Luxembourg	Gran Rue	1,500
38	39	Chile	Santiago	Downtown ( Paseo Ahumada)	1,393
46	40	Kazakhstan	Almaty	Shopping Centre	1,292
-	41	South Africa	Johannesburg	Sandton City	1,116
41	42	Hungary	Budapest	Vaci Utca	1,080
45	43	Portugal	Lisbon	Chiado	1,050
44	44	Argentina	Buenos Aires	Florida	1,034
43	45	Poland	Warsaw	ul. Nowy Swiat	996
48	46	Thailand	Bangkok	City Centre	923
47	47	Indonesia	Jakarta	Shopping Centre	908
42	48	Channel Islands	St Helier	King Street	899
49	49	Oman	Muscat	Shopping Centre	839
54	50	Lithuania	Vilnius	Vilnius	804
51	51	Mexico	Mexico City	Masaryk Avenue	785
50	52	Peru	Lima	Shopping Centre	785
52	53	Slovenia	Ljubljana	Copova	690
57	54	Slovakia	Bratislava	Shopping Centre	684
52	55	Romania	Bucharest	Bulevardul Magheru	600
55	56	Ecuador	Quito	Av. Naciones Unidas	591
56	57	Latvia	Riga	Shopping Centre	540
58	58	Venezuela	Caracas	Shopping Centre	489
59	59	Bulgaria	Sofia	Vitosha Blvd	480
-	60	Republic of Macedonia	Skopje	Shopping Centre	480
60	61	Bahrain	Manama	Shopping Centre	392
61	62	Estonia	Tallinn	Shopping Centre	360
-	63	Philippines	Manila	Fort Bonifacio	310
62	64	Jordan	Amman	City Center (BCD)	308

**Note:** This ranking includes only the most expensive shopping street in each country.  
**Source:** Cushman & Wakefield, *Main Streets Across the World 2013-14*

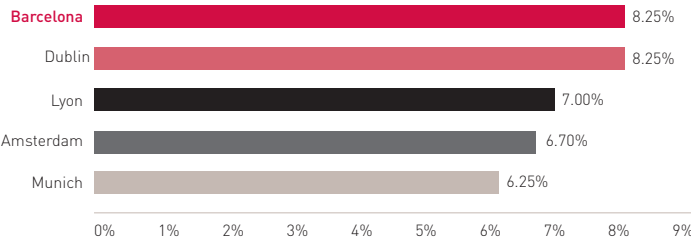
# Industrial land lease prices in cities in Europe, the Middle East and Africa in 2013

## Stable prices in Barcelona

According to the report *EMEA Rents and Yields* by Richard Ellis, the rental price of industrial land in Barcelona was 72 € per square meter in 2013, cheaper than benchmark cities like Geneva, London, Zurich, Stockholm, Paris, Amsterdam and Frankfurt. This price put Barcelona in the middle of the range of cities in Europe, the Middle East and Africa, according to this prestigious consultancy.

The prevailing rental prices of industrial land in cities included in the report by Richard Ellis, amongst them Barcelona, was stable. There were some exceptions such as Oslo, Zurich, Dubai, Amsterdam, Birmingham, The Hague, Utrecht and Marseille, where prices went up; in Rome, Milan and Athens prices dropped, which is due to the impact of the recession on business and demand in the south of Europe. In the case of Barcelona, there was price stability in 2013, which was a turning point after years of price declines, which is related to improvements in industrial activity in 2013.

### Return on industrial land in European cities (IV quarter 2013)



Note: The yield refers to the return on investment for industrial land for each city.  
 Source: CBRE. EMEA Rents and Yields Q4 2013 (EMEA. Europe. Middle East and Africa)

City	Rental price of industrial land (€/m²/year) 2013	Annual growth (%)
Abu Dhabi	193.07	0.00
Geneva	166.53	0.00
London	166.31	0.00
Oslo	159.07	20.00
Helsinki	138.00	0.73
Zurich	133.22	6.67
Moscow	104.66	0.00
Stockholm	102.73	0.00
St. Petersburg	97.18	0.00
Paris	90.00	0.00
Dubai	87.75	35.71
Glasgow	83.16	4.17
Edinburgh	79.83	0.00
Munich	78.00	0.00
Manchester	76.50	0.00
Amsterdam	75.00	10.29
Frankfurt	74.40	0.00
Johannesburg	74.02	0.00
Birmingham	73.18	4.76
Barcelona	72.00	0.00
Rotterdam	70.00	0.00
The Hague	70.00	7.69
Utrecht	70.00	2.94
Hamburg	68.40	0.00
Zagreb	66.00	0.00
Düsseldorf	62.40	0.00
Istanbul	60.55	0.00
Dublin	60.00	0.00
Madrid	60.00	0.00
Vienna	57.60	0.00
Copenhagen	56.96	0.00
Kyiv	56.07	0.00
Rome	55.00	-8.33
Berlin	54.00	0.00
Budapest	54.00	0.00
Belgrade	54.00	0.00
Prague	51.00	0.00
Bratislava	51.00	0.00
Milan	50.00	-3.85
Warsaw	48.00	0.00
Bucharest	48.00	-2.44
Brussels	46.00	0.00
Lille	45.00	0.00
Lyon	44.00	0.00
Marseille	42.50	1.19
Athens	39.00	-7.14
Lisbon	39.00	0.00

Source: CBRE. EMEA Rents and Yields Q4 2013 (EMEA. Europe. Middle East and Africa)



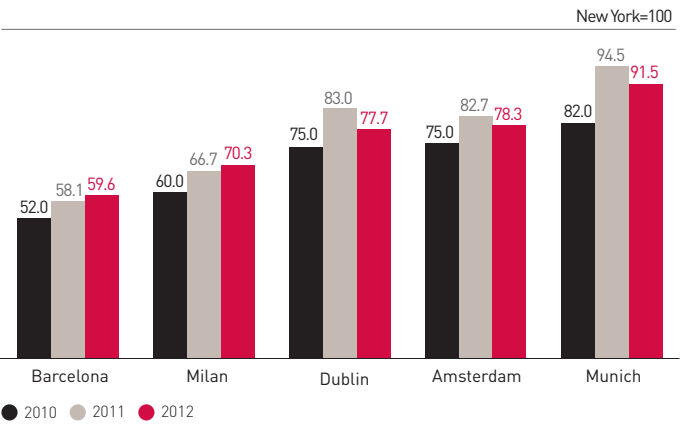
# Salaries in the world's cities in 2012

## Barcelona remains in a mid-range position in Europe and the world

In 2012 gross salaries in Barcelona increased although by a smaller percentage than in 2011. Net wages decreased, however, due to tax and contributions to Social Security, which is different to what happened in 2011, according to the report *Prices & Earnings Around The Globe*, compiled by UBS, which analyzes the trends in wage levels in 72 cities across the world compared to New York.

The wage level evolution in 2012 shows a varied trend, with Barcelona varying just one position from 30<sup>th</sup> in 2011 to 29<sup>th</sup> in 2012 in the world rankings, and from 20<sup>th</sup> to 19<sup>th</sup> in the European ranking. So Barcelona is located in the mid range in terms of gross salary in Europe and the world, above cities like Madrid, Rome, Seoul, Dubai, Lisbon and Tel Aviv, but below Milan and Lyon.

Gross salary index (New York = 100)



**Note:** The effective hourly wage is calculated from 14 professions. Net pay is calculated after taxes and social security contributions.

**Source:** *Prices & Earnings around the Globe*, UBS

Ranking 2012	Gross Salary (New York = 100)	City	Net Salary (New York = 100)
1	131.1	Zurich	132.4
2	123.6	Geneva	119.2
3	123.1	Copenhagen	93.4
4	119.1	Oslo	97.4
5	105.4	Luxembourg	109.7
6	100.0	New York	100.0
7	94.1	Sydney	98.0
8	92.4	Tokyo	90.4
9	91.5	Munich	76.0
10	88.2	Frankfurt	78.1
11	86.3	Los Angeles	80.9
12	83.3	Chicago	80.6
13	82.9	Stockholm	78.1
14	81.8	Miami	79.9
15	81.5	Brussels	59.5
16	80.2	Helsinki	74.2
17	80.2	Vienna	70.8
18	79.5	London	75.2
19	79.2	Berlin	70.1
20	78.3	Amsterdam	69.4
21	78.1	Paris	73.6
22	77.7	Dublin	78.8
23	76.8	Toronto	68.6
24	76.2	Montreal	66.2
25	70.3	Milan	61.5
26	64.2	Lyon	64.7
27	60.8	Nicosia	68.5
28	59.8	Auckland	63.5
29	59.6	Barcelona	58.7
30	57.0	Madrid	57.9
31	55.1	Rome	48.2
32	54.8	Seoul	50.2
33	49.6	Dubai	64.2
34	44.0	Lisbon	42.6
35	43.0	Tel Aviv	43.5
36	42.8	Hong Kong	49.8
37	41.5	Johannesburg	38.9
38	41.4	Athens	40.0
39	36.4	Ljubljana	32.0
40	33.3	Taipei	39.3
41	30.5	Manama	38.8
42	30.4	Moscow	33.8
43	30.1	Sao Paulo	30.5
44	28.0	Tallinn	28.3
45	27.9	Istanbul	28.2
46	27.7	Bratislava	27.3
47	27.2	Rio de Janeiro	27.5
48	26.6	Doha	34.4
49	24.5	Prague	25.1
50	24.2	Riga	21.4
51	23.8	Warsaw	21.9
52	23.6	Buenos Aires	25.4
53	22.6	Santiago de Chile	21.5
54	22.3	Bogota	22.0
55	22.2	Lima	23.1
56	21.7	Vilnius	21.2
57	21.5	Kuala Lumpur	22.0
58	20.9	Shanghai	21.6
59	20.1	Budapest	18.1
60	20.0	Caracas	23.4
61	17.0	Beijing	18.0
62	14.8	Bucharest	13.5
63	14.6	Bangkok	17.4
64	13.8	Sofia	13.6
65	13.7	Mexico	15.1
66	11.0	Cairo	12.1
67	10.5	Kiev	11.2
68	10.4	Nairobi	10.2
69	8.5	Mumbai	9.3
70	8.0	Manila	8.1
71	7.9	Jakarta	9.2
72	7.6	Delhi	8.3

**Note:** The effective hourly wage is calculated from 14 professions. Net pay is calculated after taxes and social security contributions.

**Source:** *Prices & Earnings around the globe*, UBS



## Introduction

The second half of 2013 saw the beginning of a modest recovery in the European Union economy and euro zone, along with improved stakeholder expectations. The result is a degree of stabilization in labour market indicators after two years of falling employment and increased unemployment in most member countries. In terms of this general trend, we can find significant differences in countries like Germany, the United Kingdom and Sweden, which have seen increases in employment rates, and other places like Belgium, which have remained stable, and a third category characterised by a loss of jobs across much of southern Europe.

In the case of Catalonia, the employment rate in 2013 is below the European average for the fifth consecutive year and the rate of unemployment is twice that of the EU average despite slowing down. Experts are predicting a slow recovery of those jobs lost during the crisis.

Given this context, the number of jobs in Barcelona stabilized in 2013 after five years of net job destruction and adjustments in the labour market were more moderate than in the wider region. Indeed, the city ended the year with nearly a million Social Security members in the fourth quarter of 2013, an activity rate of 79%, which is almost 7 points up on the European rate, and an employment rate that stood at 65.4%, while the unemployment rate dropped to 17.2% the same year, which is still well below averages seen in Catalonia and Spain.

The Council has developed a policy to stimulate employment via programmes that promote economic growth in the city. These stimulus policy measures aimed at growth and economic development were part of the Strategic Framework 2012-2015, and these are managed by Barcelona Activa. The city is committed to trying to reduce unemployment, by boosting the employability of individuals with regards the market's needs, and employment through the city base companies ability to generate more and better quality employment opportunities for people.

Barcelona and its hinterland's strength is its critical mass of highly-qualified human resources. In 2013, the percentage of male and female workers with a university education in Catalonia grew to 41.8% and 46.4% respectively, which were well above the average of the European Union. Moreover, Barcelona is still a benchmark in terms of business education. It is the only European city with two business schools (IESE and ESADE) in the top ten business schools on the continent, according to *The Financial Times* and *The Economist Intelligence Unit*. In 2014 both schools maintained their positions in the FT rankings.

# Employment rate in European regions in 2013

## Falls in the employment rate in Catalonia slows

In 2013 the employment rate in the EU was stable compared to the previous three years, and we can see a significant difference between employment growth rates where this indicator is highest compared to falling rates in the majority of those regions that have rates below the European average.

The latter is the case of Spain and Catalonia, where employment rates remain amongst the lowest in the table, after five years of consecutive falls since 2008. The employment rate in Catalonia was 59% in 2013, with an annual drop of 0.5%, which is below the European average for the fifth year in a row. This is, however, a softer fall than that recorded in 2012, which was 3%. Employment rates in Catalonia remain above Spain's by 4.6%, and also those of regions like Rome, Montpellier and Brussels. On the other hand, the female employment rate dropped to 55.6% in Catalonia in 2013, meaning it lies below the EU average and it is still far off the leading regions in Europe, whose rates are around 70%, although it is still above the Spanish average.

As for Barcelona, the overall employment rate was 65.4% in the fourth quarter of 2013, higher than the European rate and still clearly above the average for Catalonia (61.7%) and Spain (55.9%). The female employment rate stood at 63.8%, a drop on 2012, but still more than 4% above the EU average (59%).

Employment rate [%]



Source: Eurostat and Idescat

Female employment rate (%) 2013	Female employment rate (in p.p) variation 2013/2012	Region (CITY)	Variation 2013/2012 (in p.p)	Employment rate (%) 2013
73.5	1.1	Upper Bavaria (Munich)	0.9	78.4
75.6	0.5	Stockholm (Stockholm)	0.8	77.5
74.2	-0.8	Oslo (OSLO)	-0.8	76.4
70.8	1.0	Stuttgart (Stuttgart)	0.4	75.8
71.5	-0.5	North Holland (Amsterdam)	-0.6	75.4
72.3	0.6	Denmark (Copenhagen)	0.5	74.4
69.2	0.7	Darmstadt (Frankfurt)	0.3	74.0
70.9	1.1	Hamburg (Hamburg)	0.3	73.7
65.7	1.3	Prague (Prague)	1.0	73.7
72.0	-0.3	Southern Finland (Helsinki)	-0.7	73.4
67.7	-0.5	South Holland (Rotterdam)	-0.7	72.7
68.8	2.7	Eastern Scotland (Edinburgh)	0.9	71.9
62.8	2.3	Inner London (London)	1.8	69.3
66.4	3.3	Southwest Scotland (Glasgow)	2.7	69.1
63.5	0.3	Düsseldorf (Düsseldorf)	0.0	69.0
65.7	1.0	Estonia (Tallinn)	1.4	68.5
65.7	0.4	Berlin (Berlin)	0.2	68.2
63.8	-0.1	Vienna (Vienna)	0.0	67.8
62.4	0.5	Rhône-Alpes (LYON)	0.4	66.6
63.2	0.7	Ile de France (Paris)	0.3	66.5
62.0	0.1	Greater Manchester (Manchester)	-0.5	65.9
60.1	0.1	Mazowsze (Warsaw)	-0.2	65.6
62.8	0.4	Sofia (Sofia)	-0.1	65.0
63.4	1.7	Latvia (Riga)	2.0	65.0
57.3	1.1	Lombardy (Milan)	0.2	64.9
<b>58.7</b>	<b>0.2</b>	<b>EUROPEAN UNION</b>	<b>0.0</b>	<b>64.0</b>
62.8	1.0	Lithuania (VILNIUS)	1.7	63.7
57.6	0.1	Central Hungary (BUDAPEST)	0.6	62.8
56.5	-1.0	West Midlands (Birmingham)	-0.6	62.7
57.5	0.4	Provence-Alpes-Côte d'Azur (Marseille)	0.0	62.0
57.4	-0.7	Basque Country (Bilbao)	-1.0	61.8
57.4	-1.9	Madrid (Madrid)	-1.2	61.4
56.8	0.7	South and east (Dublin)	1.3	61.3
59.3	-1.4	Lisbon (Lisbon)	-0.7	60.5
<b>55.6</b>	<b>-0.4</b>	<b>Catalonia (BARCELONA)</b>	<b>-0.5</b>	<b>59.0</b>
50.6	1.2	South - Muntenia (Bucharest)	1.4	58.5
48.5	-1.1	Lazio (Rome)	-1.6	57.0
52.9	1.4	Languedoc-Roussillon (Montpellier)	1.7	56.7
<b>49.7</b>	<b>-0.9</b>	<b>Spain</b>	<b>-1.0</b>	<b>54.4</b>
47.4	-0.6	Valencia (VALENCIA)	-0.4	52.7
48.5	-0.1	Brussels (Brussels)	-1.5	52.5
42.2	-2.0	Attica (Athens)	-2.0	49.7
28.1	1.5	Istanbul (Istanbul)	0.9	49.4
26.0	0.6	Ankara (ANKARA)	0.7	47.8

**Note:** Labour force aged 15 to 64 years. The original database contains 314 regions, although the table shows only a sample of reference regions.

**Source:** Eurostat

# Unemployment rate in European regions in 2013

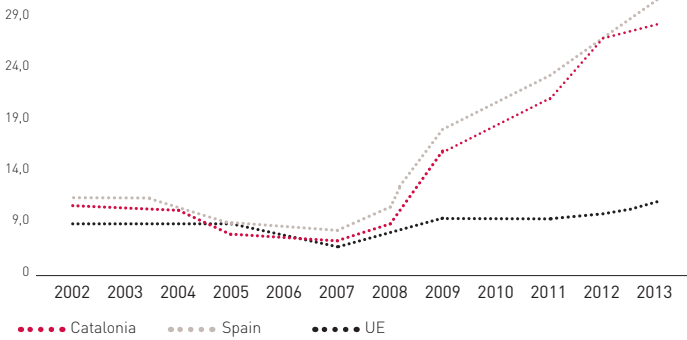
## The unemployment rate in Catalonia is still far off the European average

The modest recovery in the European Union economy in the second half of 2013 meant the year, which started in recession, ended with an unemployment rate of 10.7% for the whole EU-28, 0.1% below that of 2012. The unemployment situation continues to affect in southern Europe especially hard, such as in Spain and Catalonia, where the difference with respect to the European average continues to grow after increases in unemployment of 1.4% and 0.8% respectively.

The unemployment rate in Catalonia reached an annual rate of 23.4% in 2013, doubling the European average and moving further above the main benchmark regions, although still below the Spanish average [26.4%]. Meanwhile, the female unemployment rate stood at 22.8%, 0.7 points above that of 2012. Importantly, the female unemployment rate in Catalonia is slightly lower than the overall rate, while in the European Union it is very similar.

In Barcelona, during the fourth quarter of 2013 the unemployment rate stood at 17.2% and female rate stood at 17.5%, after falls of 1.6 and 1.4 points respectively, compared to same period last year. These unemployment rate trends place the city closer to the European Union trend, although it is more than 6% above this rate, than Spain's rate, which stands 8.6% above Barcelona's.

Unemployment rate (%)



Source: Eurostat

Female unemployment rate (%) 2013	Region (CITY)	Unemployment rate (%) 2013
2.6	Upper Bavaria (Munich)	2.6
3.1	Prague (Prague)	3.1
3.7	Stuttgart (Stuttgart)	3.7
3.9	Oslo (OSLO)	3.9
3.7	Darmstadt (Frankfurt)	4.3
4.0	Hamburg (Hamburg)	4.8
5.4	Düsseldorf (Düsseldorf)	6.4
6.1	North Holland (Amsterdam)	6.6
6.2	Southern Finland (Helsinki)	6.7
6.9	Stockholm (Stockholm)	6.9
6.7	Eastern Scotland (Edinburg)	7.1
7.2	South Holland (Rotterdam)	7.4
7.9	Denmark (Copenhagen)	7.4
8.2	Mazowsze (Warsaw)	8.0
8.8	Lombardy (Milan)	8.1
7.6	Southwest Scotland (Glasgow)	8.3
8.2	Vienna (Vienna)	8.4
8.4	Rhône-Alpes (LYON)	8.4
8.6	Inner London (London)	8.6
8.2	Estonia (Tallinn)	8.6
8.0	Central Hungary (BUDAPEST)	8.7
8.1	Ile de France (Paris)	8.9
14.6	Turkey (ANKARA)	9.0
8.0	Greater Manchester (Manchester)	9.5
8.6	Sofia (Sofia)	9.8
9.5	South - Muntenia (Bucharest)	9.9
9.2	Berlin (Berlin)	10.6
13.9	Istanbul (Istanbul)	10.6
10.9	Provence-Alps-Côte d'Azur (Marseille)	10.8
10.9	EUROPEAN UNION	10.8
10.5	Lithuania (VILNIUS)	11.8
11.1	Latvia (Riga)	11.9
13.7	Lazio (Rome)	12.3
10.2	South and East (Dublin)	12.6
12.8	West Midlands (Birmingham)	12.9
13.1	Languedoc-Roussillon (Montpellier)	12.9
16.0	Basque Country (Bilbao)	15.8
17.8	Lisbon (Lisbon)	18.5
17.0	Brussels (Brussels)	19.2
20.8	Madrid (Madrid)	20.2
22.8	Catalonia (BARCELONA)	23.4
27.0	Spain	26.4
30.3	Attica (Athens)	28.2
29.8	Valencia (VALENCIA)	28.6

Note: Population aged 15 or over. The original database contains 314 regions, although the table shows only a reference regions.

Source: Eurostat

## Workers with university studies in European regions in 2013

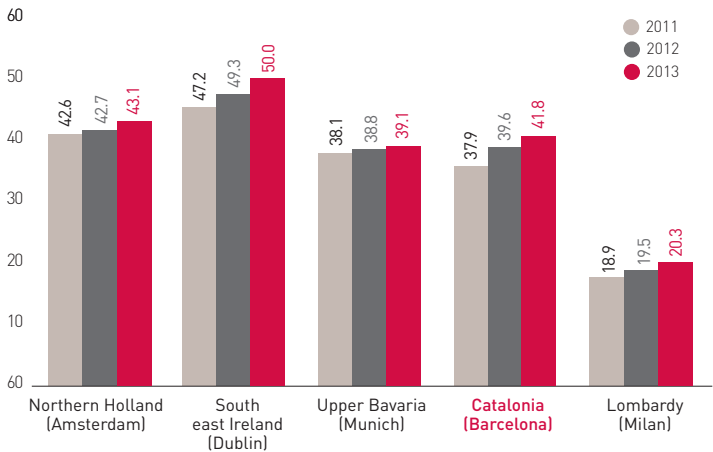
### More than 4 in 10 Catalan workers have university level studies

According to Eurostat data for 2013, 41.8% of workers in Catalonia have university level studies, representing an increase of 2.2% compared to the previous year. This indicator is significantly higher than the EU average (33.5%) and above benchmark regions like Manchester, Munich, Lyon and Milan, and also slightly above the Spanish average (41.6%) for the first time since 2009.

Standing at 46.4%, the percentage of female workers with a university education in Catalonia is again higher than the total population, having risen 2% compared to 2012. Moreover, this rate remains well above the European Union average (37%) and above the aforementioned benchmark regions, and for the first time in seven years, it's also above the Spanish average (45.7%).

These results show the increase in higher education in Catalonia in recent years, and now further work is needed to bring these levels of education to those seen in the northern regions of Europe.

Workers with university studies [% of all employed people]



Female workers with university studies (%)	Region (CITY)	Total workers with university studies (%)
72.0%	Inner London (London)	69.7%
59.8%	Basque Country (Bilbao)	55.7%
60.6%	Oslo og Akershus (OSLO)	55.0%
58.7%	Region of Brussels-Capital (BRUSSELS)	53.3%
59.5%	Southern Finland (Helsinki)	53.2%
53.4%	Madrid (Community) (MADRID)	52.3%
56.5%	Eastern Scotland (EDINBURG)	51.4%
55.9%	South and East (Dublin)	50.0%
54.1%	Stockholm (Stockholm)	48.4%
53.1%	Capital (Copenhagen)	48.4%
48.6%	Ile de France (Paris)	47.3%
50.7%	South West Scotland (Glasgow)	46.4%
47.9%	Attica (Athens)	44.6%
44.3%	North Holland (Amsterdam)	43.1%
50.4%	Lithuania (VILNIUS)	42.4%
44.5%	Berlin (Berlin)	42.4%
46.4%	Catalonia (BARCELONA)	41.8%
49.4%	Mazowsze (Warsaw)	41.6%
45.7%	Spain	41.6%
46.1%	Bucharest - Ilfov (Bucharest)	41.2%
45.1%	Greater Manchester (Manchester)	41.1%
40.2%	Prague (Prague)	40.7%
47.9%	Southwest (BG) (SOFIA)	39.7%
40.3%	Southern Netherlands (The Hague)	39.5%
35.8%	Upper Bavaria (Munich)	39.1%
42.6%	Rhône-Alpes (LYON)	39.1%
43.4%	Provence-Alps-Côte d'Azur (Marseille)	39.0%
41.5%	Valencia (VALENCIA)	37.8%
40.5%	Central Hungary (BUDAPEST)	37.6%
45.1%	Latvia (Riga)	36.4%
33.5%	Darmstadt (Frankfurt am Main)	36.3%
41.6%	Languedoc-Roussillon (MONTPELIER)	35.9%
40.7%	West Midlands (Birmingham)	35.6%
35.7%	Vienna (AT) (Vienna)	35.4%
29.7%	Stuttgart (Stuttgart)	35.2%
37.0%	EUROPEAN UNION	33.5%
37.4%	Lisbon (Lisbon)	31.8%
26.3%	Düsseldorf (Düsseldorf)	28.6%
41.5%	Istanbul (Istanbul)	27.3%
30.3%	Central Croatia (ZAGREB)	25.8%
29.9%	Lazio (Rome)	24.6%
24.3%	Lombardy (Milan)	20.3%
13.8%	Ankara (ANKARA)	14.4%

Note: % of employed population aged 25 to 64 years with a university degree, the original database contains 314 regions, although the table contains a reference sample of selected regions.  
Source: Eurostat

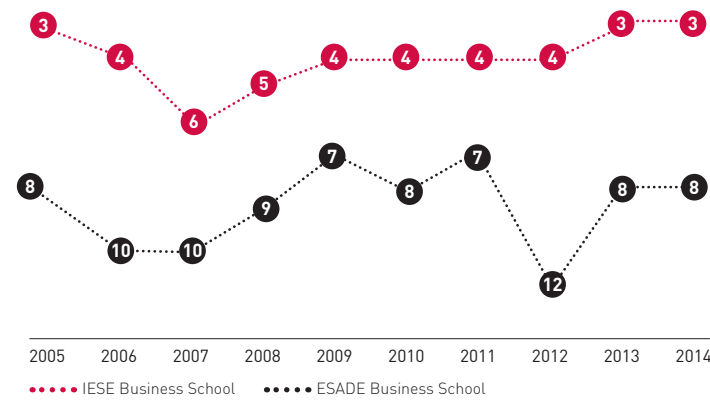
# Best Business Schools in Europe in 2014

## Barcelona is still the only city with two business schools in the European top ten

Barcelona is the only city with two business schools in Europe's top ten in 2014, according to the Financial Times' *Top 100 MBA* full-time programmes ranking, which has been published for the last 14 years. IESE and ESADE business schools were placed in 3<sup>rd</sup> and 8<sup>th</sup> position respectively in the European ranking for the second year, above schools like Oxford University's Saïd Business School and Warwick Business School, both English schools. In the 2014 world ranking, IESE and ESADE also retained their previous year's positions, coming 7<sup>th</sup> and 22<sup>nd</sup> respectively.

The *Which MBA?* ranking published annually by The Economist Intelligence Unit placed IESE 5<sup>th</sup> in the world ranking and ESADE 16<sup>th</sup> in 2013. Both schools climbed positions compared to 2012, when they stood in 9<sup>th</sup> and 18<sup>th</sup> position, respectively. Year after year, these indicators show Barcelona's excellence in business school education at the international level.

Position in the European ranking



Source: Financial Times. *Global MBA Ranking*



European ranking 2014	Business school	City	World ranking 2014
1	London Business School	London	3
2	Insead	Fontainebleau	5
3	IESE Business School	Barcelona	7
4	IMD	Lausanne	12
5	IE Business School	Madrid	13
6	University of Cambridge: Judge	Cambridge	16
7	HEC Paris	Paris	21
8	ESADE Business School	Barcelona	22
9	University of Oxford: Saïd	Oxford	23
10	Warwick Business School	Coventry	25
11	SDA Bocconi	Milan	31
12	Rotterdam School of Management, Erasmus University	Rotterdam	39
13	City University: Cass	London	41
14	Manchester Business School	Manchester	43
15	Cranfield School of Management	Cranfield	46
16	Imperial College Business School	London	49
17	The Lisbon MBA	Lisbon	52
18	Hult International Business School	UK / USA / UAE /	61
19	Mannheim Business School	China	66
20	University of Strathclyde Business School	Mannheim	73
21	Tilburg University, TiasNimbas	Glasgow	74
21	Lancaster University Management School	Tilburg	77
23	University of Bath School of Management	Lancaster	84
24	Universität St Gallen	Bath	88
25	ESMT - European School of Manegement and Technology	St.Gallen	89
26	University College Dublin: Smurfit	Berlin	91
27	EM Lyon Business School	Dublin	95
28	Durham University Business School	Lyon	97
29	Vlerick Leuven Management School	Durham	100

Source: Financial Times. Global MBA



- Synthesis

Given a backdrop of general improvements at the international and European level in 2013, Catalonia's economy came out of its second recession in the current economic crisis and started to see a recovery in activity in the second quarter. This was accompanied by net job creation at the beginning of 2014, something not seen since 2007 and extraordinarily important for reducing the high unemployment rate.

In this context of overall improvement, Barcelona managed to maintain a strong position in terms of its economic and business activity at the international and European level judging by the majority of indicators collected for the Barcelona Observatory 2014 report, even improving positions on some of them.

Barcelona is among the top 10 European and world cities according to many key business development indicators like the future prospects indicator or attractiveness for international retailers, the number of foreign investment projects received and the organization of international meetings. Barcelona improved its position on the majority of these compared to the previous year. Specifically, Barcelona came seventh in the ranking of European cities with the best future prospects for 2014-2015, according to the Financial Times group's fDi Magazine. This is an increase of fifteen places compared to the previous year's ranking, especially relevant given the city's top overall position and best foreign investment promotion award by fDi Magazine for cities of the South of Europe.

A KPMG report places Barcelona in tenth spot overall in terms of foreign investment projects received for the period 2009-2013, while the Mori Global Power City Index, which compares 40 of the world's largest cities, places Barcelona 19<sup>th</sup> worldwide and 10<sup>th</sup> in Europe in terms of global competitiveness. Barcelona is the world's top city in terms of number of delegates and the third in terms of number of international conferences organized in the period 2008-2012, according to International Congress and Convention Association (ICCA), while export prospects for 2014 continue to look favourable for Catalonia, which is located in the upper part of the European ranking, above the EU average and ahead of countries like Belgium or Germany.

In the fields of knowledge and technology, Barcelona is still well positioned at the European and world level and it improved on indicators like workers employed in knowledge-intensive and high-tech services in 2012, and in terms of workers in science and technology in 2012, and scientific production in 2013 and requests for international technology patents in 2011.

What particularly stands out is its position in terms of scientific production: it is the fifth city in Europe and eleventh in the world, according to the *Knowledge Cities Ranking 2013*, compiled by the UPC's Centre for Land

Policy and Values. Barcelona occupied 27<sup>th</sup> position in terms of scientific production in the world in 2005 and since then its rise has been almost continuous. As for jobs, employment in the area of science and technology increased strongly in Catalonia in 2012, significantly softening the cumulative decline seen since 2008, while high and mid range technological intensity manufacturing fell and Catalonia stood in 11<sup>th</sup> place in the ranking of Europe's regions. However, in the field of innovation, 2011's results showed a significant increase in technology patents (+35.8%), and a slight stabilization in the number of total PCT patents applied for in the Barcelona area.

Tourism remains one of the drivers of Barcelona's economic momentum especially in these times of recession when domestic demand is weak. Tourism has experienced an upward trend and this has helped Barcelona's positioning in Europe, especially since the city was placed in the top 10 in terms of number of passengers using the city airport in 2013, sixth in terms of international tourists in 2012, despite losing a position on the previous year, and first in terms of cruise passengers in 2012, a ranking it has held for twelve consecutive years. Regarding passenger traffic at the city airport, Barcelona is one of the few airports that has seen increases rather than declines, unlike many other airports including Madrid, Athens, Milan-Malpensa and Rome-Fiumicino. Importantly, Barcelona Airport was recently awarded *Best Airport in Europe* in 2014 in the large airports category with more than 25 million passengers by the Airports Council International (ICA).

Barcelona Observatory's chapter on sustainability and quality of life has been changed almost entirely this year with four new indicators: smart cities, global brand, work appeal and mobility. Importantly, Barcelona is in the top 10 for the first three indicators and in terms of mobility it's in the top 20 in the world. It came 4<sup>th</sup> in the top smart city in Europe ranking, climbing four positions over the year to beat Stockholm, Paris, London and Hamburg, boosting the city's leadership and international promotion of smart city integration of ecology, urbanism and technologies to improve sustainability and quality of life. Barcelona was 5<sup>th</sup> in terms of both quality of life and as an attractive place for working in the world. It holds the 6<sup>th</sup> best global brand according to the *Guardian Cities Global Brand Barometer*, which takes into account two fundamental aspects to determine Brand strength: assets, which includes climate, tourist sights, infrastructure, the level of security and economic prosperity; and mentions in the media, like opinions posted on social networks and impact on the media. Regarding mobility, the Catalan metropolis stands out because of its incisive public sector strategies and measures, its share of transportation modes with zero-emission mobility, the success of the city's bike sharing scheme and its road density policies, among others. However, it does need to improve pollution reduction, the high price of public transport and its car-pooling.

In terms of costs of living, Barcelona remains competitive relative to other cities in the world and, although it jumped a position in the 2013 ranking it is below cities like Madrid, Frankfurt and Munich and its position in the ranking before the recession. In terms of salary, the City of Barcelona was located in the mid range of the gross salary ranking in Europe and the world in 2012, above cities like Rome, Seoul, Dubai, Lisbon or Tel Aviv.

Barcelona continued to be competitive in terms of the price of industrial land, office rental prices and retail premises in 2013. Leases on retail premises remained constant or increased in the city's main shopping streets, reflecting the robustness of demand and the growing appeal of the luxury segment in Barcelona. At the same time, reduced office rental rates and the stability of Industrial land prices in Barcelona means the city is located in the low and mid range of the ranking respectively compared to other benchmark cities in Europe, the Middle East and Africa. This all means Barcelona's attractiveness for doing business is on the up as the economic recovery gains momentum. On the other hand, despite VAT rates and corporation tax remaining stable in 2013, Spain is located in the highest part of the ranking compared to other countries' tax rates in the European Union.

In terms of the labour market, in 2013 the employment rate in Catalonia was again below the European average and the unemployment rate more than doubled the EU average, despite an improvement that began to be noticed in the last months of the year. However, the adjustment process in the labour market due to the recession has been less intense in Barcelona than in the surrounding regions. The city ended the year with an employment rate similar to the European rate and an unemployment rate that was closer to the Spanish rate.

In terms of higher education, Catalonia and Barcelona have made significant progress in recent years. In 2013, 41.8% of workers in Catalonia had tertiary studies, a figure well above the European Union average, above benchmark regions like Manchester, Munich, Milan or Lyon and also slightly above the Spanish average for the first time since 2009.

And Barcelona is the only city with two top ten business schools in The Financial Times' Top 100 MBA full-time programmes, which it has published for the last 14 years. IESE and ESADE Business School were placed 3<sup>rd</sup> and 8<sup>th</sup> in the European ranking, respectively, for the second consecutive year. In the world rankings the schools ranked 7<sup>th</sup> and 22<sup>nd</sup> respectively.

Finally, and for the fourth consecutive year, Barcelona Observatory has published its special report *Business climate in the metropolitan area of Barcelona (AMB)*, which examines the main business trends in 2013 and makes forecasts for 2014. This analysis shows 2013 was the year that marked the beginning of an economic recovery and, therefore, saw improvements

Finally, and for the fourth consecutive year, Barcelona Observatory has published its special report *Business climate in the metropolitan area of Barcelona (AMB)*, which examines the main business trends in 2013 and makes forecasts for 2014. This analysis shows 2013 was the year that marked the beginning of an economic recovery and, therefore, saw improvements to business performance in the AMB, despite still being negative. At the same time, the falling prices of goods and services, declines in employment and drops in investment levels were not as sharp as before. The sector that saw most improvements in business performance was the hospitality and tourism sector, thanks to buoyant foreign tourism inflows, followed by industry, which enjoyed successful results due to exports. In 2014, business executives in the AMB are forecasting a consolidation of business performance in the first quarter and they believe in the second quarter this will have gained even more momentum, especially in the industrial sector, hospitality and other services (not retail).

	Globally competitiveness of cities 2013	European cities of the future 2014/2015	Entrepreneurial activity rate 2013	Business export forecasts <sup>1,3</sup> 2014	Foreign investment projects 2013	Attractiveness for international retailers 2012	Organisation of international meetings 2013	Workers in knowledge-intensive high-technology services 2012	Workers in science and technology <sup>2</sup> 2012	Scientific production 2013
1	London	London	Brazil	Portugal	London	London	Paris	Paris	Paris	Beijing
2	New York	Helsinki	Argentina	Finland	Shanghai	Paris	Madrid	Madrid	Madrid	London
3	Paris	Eindhoven	China	Serbia	Hong Kong	Moscow	Vienna	Milan	London	Tokyo
4	Tokyo	Cambridge	Latvia	Lithuania	New York	Milan	Barcelona	Outer London	Warsaw	Seoul
5	Singapore	Dublin	United States	Latvia	Sao Paulo	Madrid	Berlin	Munich	Barcelona	Shanghai
6	Seoul	Munich	Hungary	Estonia	Sydney	Rome	Singapore	Rome	Lyon	Boston
7	Amsterdam	Barcelona	Slovakia	Spain	Paris	Munich	London	Warsaw	Milan	Paris
8	Berlin	Berlin	Poland	Turkey	Moscow	St. Petersburg	Istanbul	Barcelona	Munich	New York
9	Vienna	Amsterdam	Netherlands	Bulgaria	Beijing	Prague	Lisbon	Istanbul	Berlin	Madrid
10	Frankfurt	Reading	Sweden	Poland	Barcelona	Barcelona	Seoul	Inner London	Stuttgart	Moscow
11	Hong Kong	Edinburgh	Switzerland	Malta	San Francisco	Istanbul	Prague	Oxford	Düsseldorf	Barcelona
12	Shanghai	Vienna	EU average	Greece	Düsseldorf	Berlin	Amsterdam	Stockholm	Seville	Toronto
13	Sydney	Glasgow	United Kingdom	Barcelona	Dublin	Hamburg	Dublin	Berlin	Frankfurt	Cambridge, Ma
14	-----	Rotterdam	Barcelona	Italy	Tokyo	Vienna	Buenos Aires	Brighton	Cologne	Baltimore
15	19 Barcelona	Lyon	Catalonia	Slovenia	Amsterdam	Amsterdam	Brussels	Lyon	Marseille	Sao Paulo

1 The ranking refers to a selected sample  
2 The ranking refers to regions or provinces  
3 The ranking refers to countries

	PCT patent applications <sup>1,2</sup> 2011	Passenger airports 2013	International tourists 2012	Cruise passengers 2012	Smart cities in Europe 2013	Global brand 2014	Quality of life 2012	Labour attractiveness 2014	Mobility 2013	Cost of living 2013
1	Tokyo	London Heathrow (LHR)	Hong Kong	Miami	Copenhagen	Los Angeles	Tokyo	Paris	Hong Kong	Luanda
2	San Jose	Paris Roissy (CDG)	Singapore	Port Canaveral	Amsterdam	New York	Stockholm	London	Stockholm	Moscow
3	Seoul	Frankfurt (FRA)	Bangkok	Port Everglades	Vienna	London	Paris	Toronto	Amsterdam	Tokio
4	New York	Amsterdam (AMS)	London	Barcelona	Barcelona	Paris	Oslo	Calgary	Copenhagen	N'Djamena
5	Boston	Istanbul (IST)	Macau	Venice	Paris	Seoul	Barcelona	Barcelona	Vienna	Singapore
6	Osaka	Madrid (MAD)	Kuala Lumpur	Southampton	Stockholm	Barcelona	Toronto	Vancouver	Singapore	Hong Kong
7	Los Angeles	Munich (MUC)	Shenzhen	Galveston	London	Rio de Janeiro	Helsinki	Madrid	Paris	Geneva
8	Houston	Rome-Fiumicino (FCO)	New York	New York	Hamburg	San Francisco	Seoul	Montreal	Zurich	Zurich
9	Chicago	London Gatwick (LGW)	Antalya	New Orleans	Berlin	Las Vegas	London	Stockholm	London	Bern
10	Seattle	Barcelona (BCN)	Paris	Tampa	Helsinki	Dubai	Milan	Sydney	Helsinki	Sydney
11	Stuttgart	Moscow Domodedovo (DME)	Istanbul	Seattle		Istanbul	Auckland	Oslo	Munich	Oslo
12	Munich	Moscow (SVO)	Rome	Long Beach		Madrid	Athens	Halifax	Stuttgart	Osaka
13	Stockholm	Paris Orly (ORY)	Dubai	Singapore		Chicago	Vienna	Hong Kong	Berlin	Seoul
14	...	Antalya (AYT)	...	Santos		Singapore	Melbourne	Berlin	...	...
15	19 Barcelona	Zurich (ZHR)	23 Barcelona	Copenhagen		Bangkok	Amsterdam	Seattle	20 Barcelona	84 Barcelona

1 The ranking refers to a selected sample  
2 The ranking refers to regions or provinces  
3 The ranking refers to countries  
4 Ranking from less to more value

	Corporate tax <sup>1,3</sup> 2013	Office rental prices 2013	Price of retail leases <sup>3</sup> 2013	Rental prices for industrial land 2013	Salary levels 2012	Employment rate <sup>1,2</sup> 2013	Unemployment rate <sup>1,2,4</sup> 2013	Workers with tertiary studies <sup>1,2</sup> 2013	Business Schools 2014
1	United States	London West End	Hong Kong- Causeway Bay	Abu Dhabi	Zurich	Munich	Munich	London	London - London Business School
2	Japan	Moscow	New York 5 <sup>th</sup> Avenue	Geneva	Geneva	Stockholm	Prague	Bilbao	Fontainebleau - Insead
3	Argentina	Paris	Paris-Av. Dec Champs-Élysées	London	Copenhagen	Oslo	Stuttgart	Oslo	Barcelona - Iese Business School
4	Belgium	Geneva	London-New Bond Street	Oslo	Oslo	Stuttgart	Oslo	Brussels	Lausanne - IMD
5	India	London city	Tokyo- Ginza	Helsinki	Luxembourg	Amsterdam	Frankfurt	Helsinki	Madrid - IE Business School
6	France	Zurich	Milan-Via Montenapoleone	Zurich	New York	Copenhaguen	Hamburg	Madrid	Cambridge - University of Cambridge: Judge
7	Italy	Dubai	Zurich- Bahnhofstrasse	Moscow	Sydney	Frankfort	Düsseldorf	Edinburgh	Paris - HEC Paris
8	Australia	St. Petersburg	Sydney-Pitt Street Mall	Stockholm	Tokyo	Hamburg	Amsterdam	Dublin	Barcelona - Esade Business School
9	Barcelona	Oslo	Seoul- Myeongdong	St. Petersburg	Munich	Prague	Helsinki	Stockholm	Oxford - University of Oxford: Saïd
10	Tunisia	Stockholm	Vienna- Kohlmarkt	Paris	Frankfurt	Helsinki	Stockholm	Copenhagen	Coventry - Warwick Business School
11	Germany	Milan	Munich- Kaufingerstrasse	Dubai	Los Angeles	Rotterdam	Edinburgh	Paris	Mian - SDA Bocconi
12	Luxembourg	Frankfurt	Moscow- Stolesnikov	Glasgow	Chicago	Edinburgh	Rotterdam	Glasgow	Rotterdam - Rotterdam School of Management, Erasmus
13	South Africa	Istanbul	Beijing- Wangfujing	Edinburgh	Stockholm	London	Copenhagen	Athens	London: City University: Cass
14	Norway	...	São Paulo- Iguatemi Shopping	...	...	...	...	...	Manchester - Manchester Business School
15	Canada	45 Barcelona	Barcelona- Portal de l'Angel	20 Barcelona	29 Barcelona	35 Barcelona	41 Barcelona	17 Barcelona	Cranfield - Cranfield School of Management

1 The ranking refers to a selected sample  
2 The ranking refers to regions or provinces  
3 The ranking refers to countries  
4 Ranking from less to more value







- Special Report

# BUSINESS CLIMATE IN BARCELONA'S METROPOLITAN AREA

## Situation in 2013 and prospects for 2014

### Index

- 1. Business climate: Situation and trends in 2013
- 2. Factors limiting business performance in 2013
- 3. Situation and business prospects for the first half of 2014
- 4. Graphs and tables
- 5. Appendix for methodology

### Executive Summary

- 2013 was the year of economic recovery and, therefore, improvements to business performance in the metropolitan area of Barcelona (AMB), although this is still negative.
- The sector that most improved was the hospitality sector, thanks to buoyant foreign tourism, followed by the industrial sector, which has also had fine export results.
- 2013 also saw moderation in falls in prices, employment, and investment in the AMB.
- Notably, the hospitality sector registered a slight increase in overall investment.
- The industrial sector saw a moderately positive balance in terms of employment in the last quarter of the year
- The construction sector continues to record more negative results than any other sector analyzed, and worse than the whole of Catalonia.
- Weak demand became less important in terms of being a limiting factor for business performance thanks to the economic recovery, although it is still the factor that is most mentioned by companies.
- Increased competition, the second factor mentioned as limiting business performance, remained almost the same in terms of importance. In the hospitality industry it even gained in importance as a limiting factor and even overtook the factor weak demand.
- The third factor, financing difficulties, also lost some of its importance although it remains high when we look at the past trends.
- Improved business performance consolidated in the first quarter of 2014, and it is expected to gain momentum in the second quarter, especially in the industrial sector, hospitality and other services sector (excluding retail sectors)

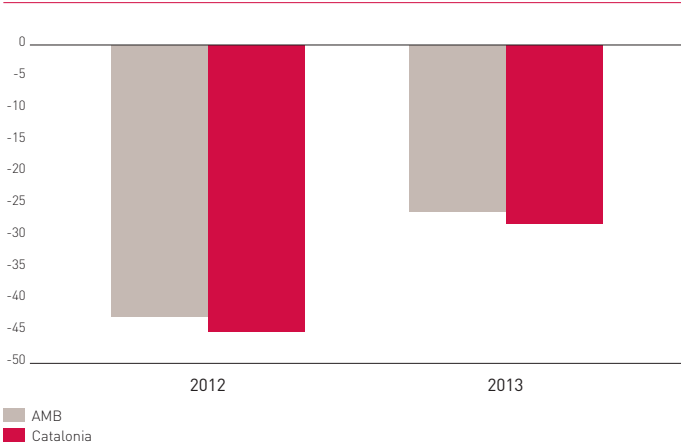
1. Business climate: Situation and trends in 2013

For Europe, Spain, Catalonia and the metropolitan area of Barcelona, 2013 was a year of improvement as from the second quarter of the year, according to the *Survey on Business Climate* by Barcelona Chamber of Commerce and Idescat.

Business performance in the AMB is still negative, but less so than last year, and this improvement is widespread across all sectors included in the survey. The most notable improvement was for the hospitality sector, followed by the industrial sector. In fact, industrial exports continued to show positive results in 2013 and they were even better than in 2012.

In comparison to the whole of Catalonia, business performance in the AMB was somewhat less negative in 2013.

Figure 1.1. Trends in business performance across the whole economy. Situation from 2012 to 2013. Comparison with Catalonia.  
Balance<sup>1</sup> in percentages



Source: Barcelona Chamber of Commerce and Idescat

<sup>1</sup>The balance is the difference between the percentage of businesses indicating that business performance was favourable and the percentage indicating it was unfavourable.

Business performance in the metropolitan area of Barcelona was better than in 2012. In fact, this improvement was occurring gradually throughout the year, from the second quarter as seen by economic activity trends which are no longer negative. Therefore, in the fourth quarter of 2013 business performance was the least negative in the current data series used since 2009.

Survey results for the AMB show the percentage of executives that say business performance has been favourable has risen from 9% in 2012 to 15% in 2013, while the percentage that consider business poor has gone from 53% to 41% in the same period. This improvement is seen across all sectors, but especially the hospitality sector where the percentage of businesses describing business performance as good equals the percentage that say it is negative.

Business performance across the whole of Catalonia has also improved: 2013 is less negative than previous year, though it is still slightly more negative than in the AMB. The percentage of business executives that say business performance has been positive is 13%, compared to 15% in the AMB, while the percentage that say business is poor is 41%, identical to that recorded in the AMB.

Table 1.1. Business climate across the whole economy<sup>2</sup>.  
Comparison with Catalonia.

Whole economy	AMB	Catalonia
Situation in 2013		
Business performance	Unfavourable	Unfavourable
2013 compared to 2012		
Sales Prices	●↑	●↑
Number of employees	●↑	●↑
Investment	●↑	●↑

Source: Barcelona Chamber of Commerce and Idescat

- ↑ Positive and better than the previous year
- ↓ Positive and worse than the previous year
- Positive and no change on the previous year
- ↑ Negative and better than the previous year
- ↓ Negative and worse than the previous year
- ← Negative and no change on the previous year

<sup>2</sup> Results for the overall economy are aggregated from the results for the industrial sector, construction, retail and commerce, hospitality, and other services categories. As from 2013 results of the survey for Spain no longer be included as they are not available. INE only publishes results of the Harmonized Business Climate indicator for Spain and sectors.

Price falls also bottomed out in 2013 compared to 2012. On the one hand, the percentage of negative responses (price falls) went from 21% in 2012 to 17% in 2013, and on the other hand, the percentage of positive responses (higher prices), fell, but to a lesser extent, from 7% in 2012 to 6% in 2013. This trend was correlated to activity. Quarterly data from the survey show moderation in price decreases started as from the second quarter, when economic activity also recovered.

Moderation in price falls is quite widespread across sectors, except in the construction sector which unlike the rest saw a slight acceleration of price falls in 2013.

**Employment** in the metropolitan area showed less pronounced annual falls in 2013 with a higher percentage of answers (increase in employment) from 6% in 2012 to 11% in 2013. The percentage of negative responses was stable (decrease in employment) standing at 27%. Indeed, data showing Social Security membership (Company paid stamps and self employed) confirm this trend. On December 31<sup>st</sup>, 2013 the number of stamp paying members in the AMB was 1,891,746 people, a 0.1% annual decline, and a much softer fall than the -7% seen in December 31<sup>st</sup>, 2012. In this case, and in the case of prices, this moderation in employment falls in the AMB occurs when production began to take off as from the second quarter of 2013.

Social Security membership for the main sectors shows how falls in employment have become more gradual both in the industrial sector and in the construction sector and there was even growth in affiliate membership in the services sector of 0.8% at December 31<sup>st</sup> 2013 compared to the year previous. Within the services sector, the following areas contributed to employment growth: administration activities, public administration, social services without accommodation, education, information technology services, food and beverage, and accommodation services. Indeed, these last two make up the area called hospitality in the business climate survey, which as we will see further ahead, is the sector that performed best in terms of employment. However, the number of affiliate members in the chemical sector also showed positive results, so too the pharmaceutical products area and manufacturing, which all saw a rise in employment last December 31<sup>st</sup> compared to the previous year. The results of the Survey on Business Climate in the industrial sector in the AMB also showed improvements in employment trends in this sector, especially in the last quarter of 2013, which was slightly up on the year previous, as we shall see later.

Investment trends also improved in 2013, which was slightly less negative than in 2012. This result is due to positive responses received in the survey (increases in investment) from 7% in 2012 to 18% in 2013, an increase of 11 percentage points, exceeding negative answers (decreases in investment), which increased from 27% in 2012 to 31% in 2013 (4 percentage points). All sectors surveyed show similar improvements, except the construction sector, whose balance was even more negative in 2013. The sector that stands out most is the hospitality sector, which registered a moderately positive balance, as discussed below.

### Results by sector:

Business performance improved last year in the AMB in all sectors analyzed in the Survey on Business Climate, to a greater or lesser extent. The sector that improved most was the hospitality sector thanks to the buoyancy of foreign tourism, followed by the industrial sector, which also benefited from strong exports.

The industrial sector ended 2013 in a far less negative situation than the year before. This improvement is even more remarkable if we analyze the trend quarter by quarter. In fact, in the last quarter of 2013 the percentage of positive responses (favourable business performance) was 26%, which almost equalled the percentage of negative responses (unfavourable business performance), which was 29%. For the whole of 2013, these percentages were 20% and 32%, respectively, which yields a less negative balance than 2012, when these percentages were 51% of negative answers to 12% of positive responses.

This improvement in business performance in the **industrial** sector<sup>3</sup> in the AMB has benefited from strong export growth. This survey shows a positive balance for this variable, which was also somewhat more positive than in 2012. By 2013 the percentage of executives who said they had increased sales abroad was 19%, slightly higher than in 2012 (18%) and higher than the percentage of employers who said there had been a fall, which was 11% in 2013, lower than the 13% recorded in 2012. Importantly, the nominal growth in goods **exports** was weak (0.5% annually in 2013), much lower than the previous year (7.1%), although it was higher than Catalonia's average (0.1% in 2013), according to the State Department of Trade. The results of the survey on business climate show that the balance in terms of industrial sector exports in 2013 was slightly higher than the whole of Catalonia.

Regarding **prices**, these fell more moderately in 2013, especially in the last quarter of the year, when the economic recovery began to show signs of consolidation. This was accompanied by a certain recovery in domestic demand, especially in terms of family consumption, but also in terms of investment<sup>4</sup>. In 2013 the percentage of executives that said prices had increased fell slightly to 6% (7% in 2012), while the percentage of executives that had noted a decline in prices was 17% (21% in 2012).

<sup>3</sup>As from 2013, the Survey has extended the number of industries analyzed to cover the whole of industry, not just manufacturing, as had happened until now.

<sup>4</sup>Data for Catalonia showed that in the last quarter of 2013, inter-annual household consumption was positive for the first time in the last three and a half years, while investment falls in capital equipment almost halted in inter-annual terms.

However, the most notable improvement in the industrial sector was in terms of employment, apart from exports, which has really acted as a driver of industrial activity over the last four years of the recession. In 2013 there was a slower fall in employment in the industrial sector in the AMB, but especially noteworthy was a slightly positive balance in terms of employment in the fourth quarter. The percentage of executives that said there had been an increase in workers was slightly higher than the percentage that said this had decreased (10% and 9%, respectively). Over the whole year, the percentage of employers that noted an increase in prices was 10% (7% in 2012) and the percentage that registered a fall was 16% (22% in 2012).

**Investment**<sup>5</sup> also showed significant improvements with a less negative balance in 2013 than the previous year, although this was close to zero. The percentage of companies indicating investment growth (22%) was close to the percentage who said investment had decreased (26%). This showed the fall off in investment in the industrial sector in the AMB had almost come to a halt in 2013. This trend is consistent with what happened to capital goods investments for the whole of Catalonia.

**Table 1.2. Business climate in the industrial sector.**  
Comparison with Catalonia

Industrial sector	AMB	Catalonia
Situation in 2013		
Business performance	Unfavourable	Unfavourable
2013 compared to 2012		
Exports	●↑	●↑
Sales prices	●↑	●↑
Number of employees	●↑	●↑
Investment	●↑	●↑

Fuente: Barcelona Chamber of Commerce and Idescat

The survey results for the industrial sector were slightly less negative than the whole of Catalonia in terms of business performance and investment, and positive in the case of exports, as mentioned above. In the case of employment in the last quarter of 2013, results were better in the AMB, where the balance was slightly positive, which is different to the rest of Catalonia.

<sup>5</sup>As from 2013 onwards the question on the Business Climate Survey about investment has only been carried out once a year. Therefore, the question is framed regarding inter-annual investment and not quarterly investment as was done before.

**Table 1.3. Business climate in the construction sector.**  
Comparison with Catalonia

Construction	AMB	Catalonia
Situation in 2013		
Business performance	Unfavourable	Unfavourable
2013 compared to 2012		
Sales prices	●↑	●↑
Number of employees	●←	●↑
Investment	●↓	●↓

Source: Barcelona Chamber of Commerce and Idescat

- ↑ Positive and better than the previous year  
●↓ Positive and worse than the previous year  
●→ Positive and no change on the previous year
- ↑ Negative and better than the previous year  
●↓ Negative and worse than the previous year  
●← Negative and no change on the previous year

The **construction** sector continues to record the worst balances, and improvements to business performance were only seen in the last quarter of 2013, so over the whole year improvements were reduced. For other variables analyzed there was little improvement, as explained afterwards. Regarding **business performance**, the percentage of executives that said this was favourable rose slightly to 4% (2% in 2012), whilst those saying it was unfavourable fell to 67% in 2013 (71% in 2012), but this figure is still very high, especially compared to other sectors analyzed in the survey whose figures were around 30%. In the last quarter of 2013, however, these percentages improved: positive responses rose to 5% and the negative responses dropped to 50%.

Falls in **sales prices** were more gradual in 2013, but for the construction sector, this variable was the most negative of all sectors analyzed. Thus, the percentage of businesses in the sector pointing to a decline in prices dropped from 46% in 2012 to 42% in 2013, while the percentage of business that say there was a rise in prices increased from 1% in 2012 to 3% in 2013.

However, in the case of **employment** there were no clear improvements. During 2013 the overall balance remained just as negative as the proceeding year, and in terms of quarters there was no clear improvement trend either. In 2013 the percentage of businesses indicating that employment had decreased was 51% (50% in 2012) and those saying it was increasing was 3% (2% the previous year).

Also, **investment** trends didn't improve, but rather worsened, registering a higher negative balance in 2013 than the previous year. 63% of business people suggest that this fell, compared to 44% recorded in 2012. Only 3% claimed it had increased, more or less the same as in 2012 (2%).

In general, the results of the Survey on Business Climate for the construction sector showed more negative results in the metropolitan area of Barcelona than Catalonia during 2013. Probably this is due to the fact new builds have fallen more in the AMB than in the rest of Catalonia since space is scarce here.

**Retail and commerce** in the AMB region in 2013 continued to have the worst results in terms of **business performance** after those of the construction sector. However, it is also true that the balance showed an improvement on 2012, being less negative. In 2013, 52% of business people in this sector indicated that business performance had been unfavourable, compared to 10% indicating that it had been favourable. These figures for the previous year were 66% and 6%, respectively. Despite the improved rates, the overall positive result may seem small. However, improvements in business performance gradually increased as the year progressed, and the last quarter of 2013 was quite significant. During the fourth quarter, the percentage of businesses that described performance as unfavourable fell to 33%, and those qualifying it as favourable rose to 17%. In the same quarter in 2012, these percentages were 64% and 8%, respectively. Therefore, the resulting balance is less negative for all quarters in 2012 and 2013.

The fall in **prices** accelerated in 2013 compared to 2012, with the percentage of businesses registering a decline rising to 26% (21% in 2012), while the percentage seeing falls in price increased to 7% (13% in 2012).

Regarding reductions in **employment**, this remained fairly stable in 2013 for the second consecutive year, so the overall balance was almost identical to 2012 and 2011, although the percentage of responses varied slightly. On the one hand, the percentage of negative responses (indicating a fall in employment) increased to 29% by a similar proportion (previous year 24%). On the other hand, the percentage of positive responses (increased employment) went up to 11% (4% in 2012).

**Investment** also showed significant improvements in 2013, practically stopping any falls. Indeed, the percentage of businesses in the AMB's retail sector indicating an increase in investment has risen significantly, from 7% in 2012 to 20% in 2013. At the same time, the percentage of businesses indicating a decrease in investment has stabilized at 27% (26% in 2012).

The results of the Survey on Business Climate in the AMB in 2013 show annual balances somewhat more negative than the rest of Catalonia, except for investment. However, business performance improvements in the last quarter of the year were slightly less negative in the metropolitan area than in Catalonia. Probably, this is because when demand eases off the AMB suffers most, because it has most of the retail in Catalonia. However, when conditions improve, the AMB area really feels its impact.

The **hotels and restaurants sector** is by far the sector that registered the best business performance in 2013. It not only performed better than other sectors analyzed in the Survey on Business Climate, but also it also recorded positive results for business performance from the second to the last quarter of 2013. Certainly part of these results come from strong seasonal quarters for this sector, but results were as good as or better than the same quarters in 2012. The biggest difference is seen in the last quarter of the year: 2013 showed a positive balance, with 33% of businesses

**Table 1.4. Business climate in the retail and commerce sector.**  
Comparison with Catalonia

Retail and commerce	AMB	Catalonia
Situation in 2013		
Business performance	Unfavourable	Unfavourable
2013 compared to 2012		
Sales prices	●↓	●↓
Number of employees	●↑	●↑
Investment	●↑	●↑

Source: Barcelona Chamber of Commerce and Idescat

- ↑ Positive and better than the previous year
- ↓ Positive and worse than the previous year
- Positive and no change on the previous year
- ↑ Negative and better than the previous year
- ↓ Negative and worse than the previous year
- ↔ Negative and no change on the previous year

**Table 1.5. Business climate in the hotels and restaurants sector.**  
Comparison with Catalonia

Hotels and restaurants	AMB	Catalonia
Situation in 2013		
Business performance	Unfavourable	Unfavourable
2013 compared to 2012		
Sales prices	●↑	●↑
Number of employees	●↑	●↑
Investment	●↑	●↑

Source: Barcelona Chamber of Commerce and Idescat

- ↑ Positive and better than the previous year
- ↓ Positive and worse than the previous year
- Positive and no change on the previous year
- ↑ Negative and better than the previous year
- ↓ Negative and worse than the previous year
- ↔ Negative and no change on the previous year

describing business performance as favourable, while 23% described it as negative. In 2012 these percentages were 7% and 48%, respectively, which was worse. During the whole of 2013, improvements to business performance results in the hospitality industry was reduced by the highly negative balance recorded in the first quarter of year.

In the whole of 2013 **sales prices** continued to fall, as they did in 2012, although at a more gradual pace. Worth mentioning, however, is that in the second and third quarters prices rose, which shows that the Easter and Summer seasons were good, while in the third quarter of 2012 the balance was very negative due to prices in the sector in the AMB.

The number of **workers** also followed a positive trend overall in 2013, halting the previous year's declines. The trend was favourable in the second and third quarters, which showed positive balances, meaning jobs were created.



However, **investment** was the area with the best performance in 2013 as it had a slightly positive balance: the percentage of businesses who indicated an increase in investment exceeded that declaring a fall in investment, which was an improvement on the negative results of 2012. These percentages were 27% and 19%, respectively (compared to 7% and 20% in 2012). This trend shows hospitality in the AMB is the only sector that registered a positive balance in terms of investment in 2013.

The **hotels and restaurants** industry in the metropolitan area recorded the best results on all the variables analyzed in the Survey on Business Climate in 2013. The most important results were in terms of business performance and investment and, to a lesser extent, employment. In the case of business performance in the AMB, there were three consecutive quarters that registered positive balances (percentage of employers indicating favourable business performance exceeding those declaring an unfavourable performance), while in Catalonia this only happened in the third quarter, the high season. Tourism in Barcelona is less and less seasonal and there is a significant amount of business tourism that would make the hospitality sector a better prospect than the rest of Catalonia. Investments registered a higher positive balance in the AMB than the rest of Catalonia, while employment was less negative than in the rest of the region.

For the **rest of services** business performance improved in 2013, being less negative than 2012. This is best seen through quarterly trend data. In annual terms, the percentage of businesses which indicated they had unfavourable business performance decreased from 48% in 2012 to 36% in 2013, while the percentage saying business was more favourable rose from 7% to 12%, respectively. However, the figures for the last quarter of 2013 were still the best: the percentage of negative responses (unfavourable business performance) was down to 30%, while positive responses (favourable business performance) rose to 16%.

The decreases in **sales prices** fell gradually in 2013 compared to the previous year with the percentage of business saying that prices were falling standing at 23% (29% in 2012), while the percentage saying prices were increasing stayed stable at 3%. As before, this trend towards moderation is more obvious with quarterly data, where these percentages stood at 18% and 1%, respectively, while in the first quarter they were 31% and 8%, respectively.

**Employment** also followed the same trend: falls became more gradual with less negative balances as we move through the quarters in 2013 and, therefore, throughout the whole year. In 2013, 29% of businesses said employment had decreased, almost same percentage as in 2012 (28%), but the percentage of employers saying employment was increasing rose to 12% (7% in 2012).

**Investment** also improved and its balance was less negative, with 2013 showing more gradual declines compared to the previous year. On the one hand, the percentage of executives indicating growth was up to 18%

**Table 1.6. Business climate for the other services sector.**  
Comparison with Catalonia

Other services	AMB	Catalonia
Situation in 2013		
Business performance	Unfavourable	Unfavourable
2013 compared to 2012		
Sales prices	● ↑	● ↑
Number of employees	● ↑	● ↑
Investment	● ↑	● ↑

Source: Barcelona Chamber of Commerce and Idescat

- ↑ Positive and better than the previous year
- ↓ Positive and worse than the previous year
- → Positive and no change on the previous year
- ↑ Negative and better than the previous year
- ↓ Negative and worse than the previous year
- ← Negative and no change on the previous year

(6% in 2012), yet there was also a rise in the number pointing to a fall in investment, but to lesser degree, standing at 30% (26% in 2012).

In general, the other services sector recorded slightly less negative results in the AMB than in Catalonia on all variables analyzed in the Survey on Business Climate, except for sales prices, which was negative for both territories.

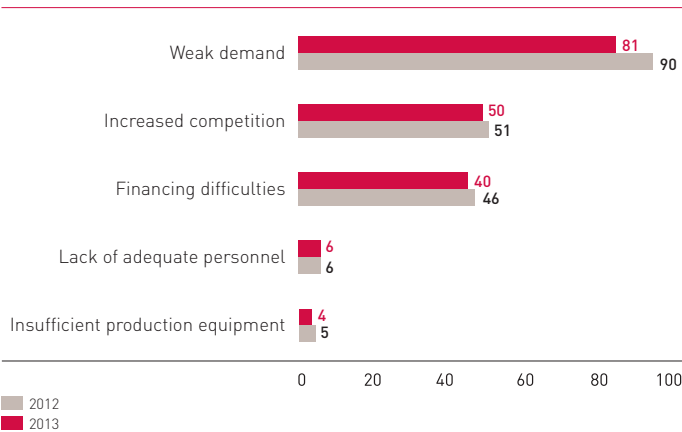
2. Factors limiting business performance in 2013

The upswing in economic activity led to improvements in demand to a certain extent, although this was still the factor most mentioned by business as limiting business performance in 2013, but it did lose some importance compared to the previous year. Increased competition, the second-most mentioned limiting factor, hardly improved.

Improved conditions regarding financing were of slightly less importance in terms of being a limiting factor to business performance, although these remained significant. This is the third factor mentioned by businesses.

Figure 2.1. Factors that limit business performance across the whole economy. Comparison 2012-2013 (percentage)

90  
●



Source: Barcelona Chamber of Commerce and Idescat

Results by sector:

In 2013 the most-mentioned factor for the entire metropolitan area of Barcelona was still weak demand. However, increased economic activity and the end of the recession both at a national and European level led to an improvement in demand that, unlike other years, also affected domestic demand, which meant this factor became less significant, being mentioned by 81% of employers in 2013, lower than the 90% recorded in 2012, although this is obviously still high.

The reduced importance of this factor was generalized to virtually all sectors analyzed in the Survey on Business Climate, with the only exception being the construction sector, which was also the sector with the highest percentage of businesses indicating weak demand as being a limiting factor to business performance in 2013, with 94%, and this was virtually the same as 2012 when it was 95%. The sectors where this percentage was below the average for the AMB was hospitality, other services and the industrial sector, mentioned by 77%, 78% and 79% of business, respectively. The retail sector, along with construction, is the other sector where weak demand was mentioned by a higher than average percentage of businesses in the AMB as being a limiting factor, was 84% in 2013, down compared to 2012, when it was 96%.

**Increased competition** was the second-most mentioned factor limiting business performance in 2013 in the AMB, mentioned by 50% of executives, a percentage similar to 2012's results (51%). Competition for demand, which thanks to the recession had shrunk, got tougher. However, this result only occurs in two sectors: hospitality and other services, especially the first. In fact, the hospitality industry recorded the highest percentage of businesses mentioning competition as a limiting factor to business performance, which stood at 89%, even exceeding the factor weak demand, which was mentioned by 77% of businesses in the sector. The rest of services also saw increases in the percentage of businesses mentioning this as a limiting factor, but to a lesser extent than in the hospitality industry, standing at 48% in 2012 and 51% in 2013. This is only slightly above the average for the whole of the AMB. However, for the rest of sectors this factor lost importance. It lost most importance for the construction sector, going from being mentioned by 61% of businesses in 2012 to 44% in 2013, while the industrial sector went from 46% to 41%, and retail, 46% to 45%, respectively.

The third factor limiting business performance was **financing difficulties**, which was mentioned by 40% of businesses in the AMB, a lower percentage than the previous year (46%). This loss of importance was thanks to the economic recovery and improved conditions in financial markets (like risk premium reductions in peripheral countries, measures announced by the European Central Bank, progress on a banking union in Europe, reductions in interest rates and uncertainties, as well as improving prospects). The reduced importance of this factor is seen across all sector to a lesser or greater extent. The hospitality industry stood out for having a smaller percentage of businesses indicating finance difficulties with 19%

in 2013. This is because this sector is performing better than the rest thanks to international demand and because financing needs are lower than other sectors. Afterwards comes the industrial sector, where 37% of businesses mentioned this factor as limiting business, after comes retail, other services and construction, with similar percentages [43 to 44%], which is slightly above the average for the whole of the AMB.

In the case of the hospitality business, 13% of executives pointed to a lack of adequately-qualified workers as being a limiting factor in business performance in 2013. This is a small percentage but, firstly, it is the highest for all sectors. Moreover, this percentage increased compared to the previous year. It may not be a key factor determining business performance, but it is beginning to have some relevance since it's twice as high as other sectors.

Comparative results by sector for the AMB and the whole of Catalonia show some differences, namely:

- Increased competition is a little more relevant to the whole Catalonia than in AMB in 2013, especially for the industrial sector and retail.
- In the industrial sector this factor is mentioned by 54% of Catalan businesses versus 41% in the metropolitan area. The trends are uneven, while in Catalonia this factor is gaining importance compared to the previous year, in the AMB it is becoming less important.
- For retail the percentages are 45% to 51% for the AMB and Catalonia.
- The financing difficulties are less important in the construction sector in the AMB than in Catalonia. In 2013, 44% of businesses in the AMB mention this as a factor limiting business compared to 55% in the whole of Catalonia.
- The hospitality industry in the AMB saw a higher percentage of businesses pointing to increased competition as a limiting factor than in Catalonia as a whole, 89% versus 73%, respectively.
- Conversely, weak demand and financing difficulties were less relevant to this sector in the metropolitan area than in Catalonia. Weak demand is mentioned by 77% of businesses in the AMB, compared to 81% in Catalonia, and financial difficulties are mentioned by 19%, compared to 31%, respectively.

**Table 2.1. Factors that limit business performance across the whole economy.**  
Comparison with Catalonia (percentage)

Whole economy	AMB	Catalonia
Weak demand	81↓	82↓
Increased competition	50↓	53↑
Financing difficulties	40↓	41↓
Lack of adequate personnel	6=	6=
Insufficient production equipment	4↓	5=

Source: Barcelona Chamber of Commerce and Idescat

↑ **Gains importance** as a limiting factor affecting business performance compared to the previous year  
↓ **Losses importance** as a limiting factor affecting business performance compared to the previous year  
= **Maintains importance** as a limiting factor affecting business performance compared to the previous year

**Table 2.2. Factors that limit business performance in the industrial sector.**  
Comparison with Catalonia (percentage)

Industrial sector	AMB	Catalonia
Weak demand	79↓	80↓
Increased competition	41↓	54↑
Financing difficulties	37↓	35↓
Lack of adequate personnel	6↓	6↑
Insufficient production equipment	5=	8↑

Source: Barcelona Chamber of Commerce and Idescat

↑ **Gains importance** as a limiting factor affecting business performance compared to the previous year  
↓ **Losses importance** as a limiting factor affecting business performance compared to the previous year  
= **Maintains importance** as a limiting factor affecting business performance compared to the previous year

**Table 2.3. Factors that limit business performance in the construction sector.**  
Comparison with Catalonia (percentage)

Construction	AMB	Catalonia
Weak demand	94↓	92↓
Increased competition	44↓	55↓
Financing difficulties	44↓	46↓
Lack of adequate personnel	5↓	4↓
Insufficient production equipment	2↓	2↓

Source: Barcelona Chamber of Commerce and Idescat

↑ **Gains importance** as a limiting factor affecting business performance compared to the previous year  
↓ **Losses importance** as a limiting factor affecting business performance compared to the previous year  
= **Maintains importance** as a limiting factor affecting business performance compared to the previous year

**Table 2.4. Factors that limit business performance in the retail and commercial sector.** Comparison with Catalonia (percentage)

Retail and commerce	AMB	Catalonia
Weak demand	84 ↓	86 ↓
Increased competition	43 ↓	42 =
Financing difficulties	45 ↓	51 ↑
Lack of adequate personnel	6 ↑	6 ↑
Insufficient production equipment	2 ↓	2 ↓

Source: Barcelona Chamber of Commerce and Idescat

↑ **Gains importance** as a limiting factor affecting business performance compared to the previous year  
↓ **Losses importance** as a limiting factor affecting business performance compared to the previous year  
= **Maintains importance** as a limiting factor affecting business performance compared to the previous year

**Table 2.5. Factors that limit business performance in the hospitality sector.** Comparison with Catalonia (percentage)

Hospitality	AMB	Catalonia
Weak demand	77 ↓	81 ↓
Increased competition	89 ↑	73 ↑
Financing difficulties	19 ↓	31 ↓
Lack of adequate personnel	13 ↑	13 ↑
Insufficient production equipment	11 ↑	11 ↑

Source: Barcelona Chamber of Commerce and Idescat

↑ **Gains importance** as a limiting factor affecting business performance compared to the previous year  
↓ **Losses importance** as a limiting factor affecting business performance compared to the previous year  
= **Maintains importance** as a limiting factor affecting business performance compared to the previous year

**Table 2.6. Factors that limit business performance in the rest of services sector.** Comparison with Catalonia (percentage)

Other services	AMB	Cataluña
Weak demand	78 ↓	78 ↓
Increased competition	51 ↑	49 ↑
Financing difficulties	44 ↓	42 ↓
Lack of adequate personnel	5 ↓	6 =
Insufficient production equipment	4 =	5 =

Source: Barcelona Chamber of Commerce and Idescat

↑ **Gains importance** as a limiting factor affecting business performance compared to the previous year  
↓ **Losses importance** as a limiting factor affecting business performance compared to the previous year  
= **Maintains importance** as a limiting factor affecting business performance compared to the previous year

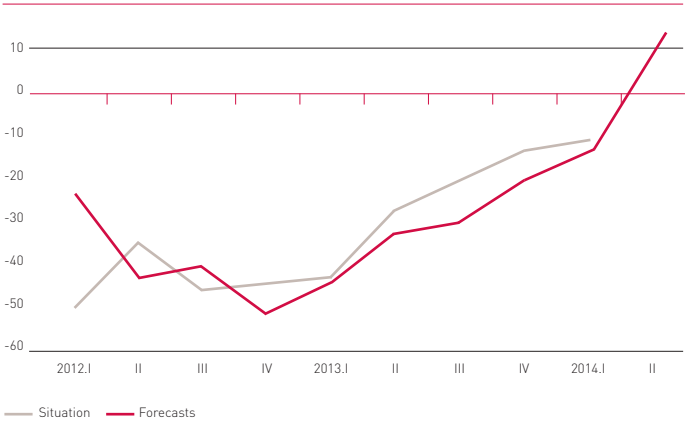
**Situation and business prospects in the first half of 2014**

Business performance remained stable in the first quarter of 2014 compared to the previous year. Business forecasts for the second quarter were positive again for the first time in the last three years.

Expectations are positive in the hospitality, industrial and other services sectors (not including retail), while the construction and retail sectors are negative but holding steady.

The results of the Survey on Business Climate for the first half of 2014 show improvements to business performance in the first quarter consolidating and these could gain momentum in the second quarter. The situation in the first quarter was better than a year ago. It is stable compared to the last quarter of 2013. Meanwhile, business forecasts for the second quarter were positive for the first time in the last three years, when there was a worsening of the economic situation and a second recession in the middle of 2011.

**Figure 3.1. Business performance across the whole economy, first semester, 2014** (balance<sup>6</sup>, in %)



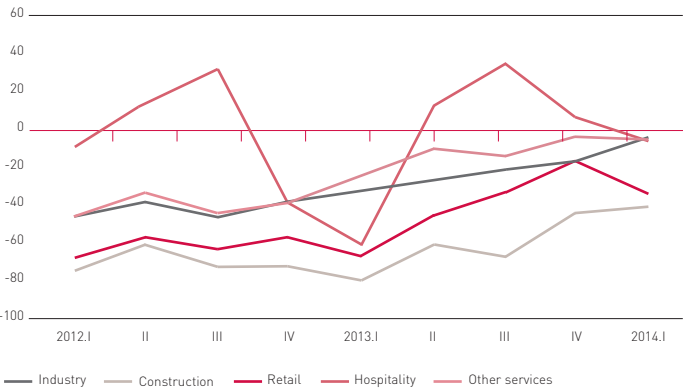
Source: Barcelona Chamber of Commerce and Idescat

<sup>6</sup> The balance of the situation is the difference between the percentage of businesses indicating that business progress has been favorable and the percentage of businesses indicating that it has been unfavorable. And in the case of business prospects, it is the difference between the percentage of businesses which expect business will be favourable and the percentage of business that expect it will be unfavourable.

Those sectors that had least negative business performance in the first quarter 2014 were the industrial sector, hospitality and other services. Construction and retail trade had negative results but much less so than a year ago. So the situation has improved, although less than the areas mentioned above.

At the same time, the industrial sector, hospitality and other services sectors were also those that had the best business prospects for the second quarter of 2014, and they had positive results, meaning the percentage of businesses that expected business performance in their sector to be favourable exceeded the percentage that expected it to be unfavourable. The hospitality sector had the most positive forecasts, meaning the difference between the positive and negative percentages is greater. These were 39% and 5% respectively, while for the industrial sector it was 27% and 21%, respectively, and for other services, 27% and 18%, respectively. The prospects for retail and construction for the second quarter 2014 are still negative, but less than the previous quarter and less than a year ago.

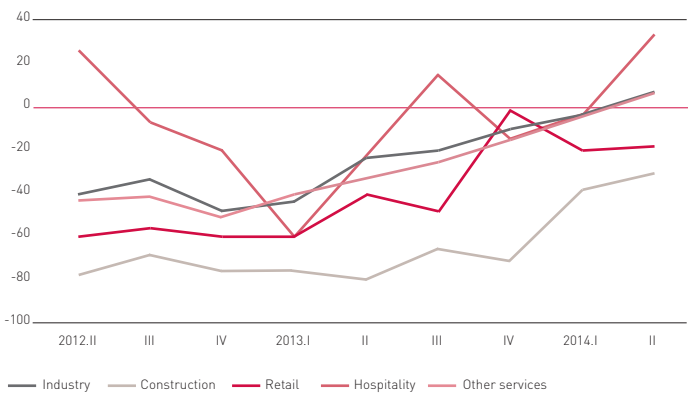
**Figure 3.2. Situation of business performance, first quarter of 2014 by sectors.**  
(Balance<sup>7</sup> in %)



**Source:** Barcelona Chamber of Commerce and Idescat

<sup>7</sup> The balance of the situation is the difference between the percentage of businesses indicating that business progress has been favorable and the percentage of businesses indicating that it has been unfavorable. And in the case of business prospects, it is the difference between the percentage of businesses which expect business will be favourable and the percentage of business that expect it will be unfavourable.

**Figure 3.3. Perspectives for business performance, second quarter of 2014 by sectors.**  
(Balance<sup>7</sup> in %)



**Source:** Barcelona Chamber of Commerce and Idescat

<sup>7</sup> The balance of the situation is the difference between the percentage of businesses indicating that business progress has been favorable and the percentage of businesses indicating that it has been unfavorable. And in the case of business prospects, it is the difference between the percentage of businesses which expect business will be favourable and the percentage of business that expect it will be unfavourable.

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5. Appendix on Methodology

Sectors featured in the Survey on Business Climate:

Industry

- 01: Food, beverages and tobacco (CCAЕ-2009: 10 to 12)
- 02: Textiles, clothing, leather and footwear (CCAЕ-2009: 13 to 15)
- 03: Wood and cork, paper and printing industries (CCAЕ-2009: 16 to 18)
- 04: Chemical, rubber and other non metal minerals industries (CCAЕ-2009: 20 to 23)
- 05: Metallurgy and manufacture of metal products (CCAЕ-2009: 24 and 25)
- 06: Manufacture of machinery and mechanical equipment, and electrical products, computers, electronic and optical products (CCAЕ-2009: 26 to 28)
- 07 Other industries (CCAЕ-2009: 05 09 to 19 29 to 33 35 to 39)

Construction

- Section F of the CCAЕ-2009 is considered completely, with divisions:
- 41: Construction of buildings
  - 42: Construction of civil engineering works
  - 43: Specialised construction activities

Retail

- 01: Retail trade of food products, beverages and tobacco specialized (CCAЕ-2009: 472)
- 02: Retail trade of household goods, cultural and recreational goods in specialized shops (CCAЕ-2009: 475 and 476)
- 03: Other types of retail (CCAЕ-2009: 473, 474, 477, 478, 479)
- 04: Retail in non-specialized shops (CCAЕ-2009: 471)
- 05: Sale and repair of motor vehicles and motorcycles (CCAЕ-2009: 45)
- 06: Wholesale trading and intermediary trading (CCAЕ-2009: 46)

**Hotels and restaurants**

CCAE-2009: 55 and 56

55: Accommodation Services

56: Food and Beverage Services

**Other services**

01: Information and communication (CCAE-2009: 58 to 63)

02: Legal and accounting activities (CCAE-2009: 69)

03: R&D, advertising and market research and scientific and technical activities (CCAE-2009: 71 to 75)

04: Administrative and support service activities (CCAE-2009: 77 to 82)

05: Other Services (CCAE-2009: 49 53, 64 66, 68, 92, 93 and 96)



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