



Exporting to SPAIN AND PORTUGAL

A guide for clients



Going Global

#GlobalAmbition



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Eurozone Global Guides



Enterprise Ireland in the Eurozone

The Eurozone markets are a cornerstone of Enterprise Ireland's strategy to accelerate market diversification in order to continue to deliver sustainable economic growth. The ability to seek out new international opportunities and capitalise on them will be a key success factor for Irish companies in the period ahead. In addition, as part of the governments stated ambition to grow the domestic SME sector, Enterprise Ireland is committed to increasing the number of new exporters in the Eurozone.

The EU single market is particularly attractive for Irish exporters thanks to the absence of customs and tariffs as well as regulatory alignment in many areas. The absence of foreign exchange costs in the Eurozone market is an additional attraction in those 19 countries who have adopted the euro.

While the multinational sector has reaped the benefits of the single market, Irish owned businesses have yet to take advantage of what is the biggest Free Trade Agreement in the World.

Enterprise Ireland client exports to the Eurozone (2020: €5.8bn) are less than 80% of the value of those to the UK (2020: €7.51bn) despite the fact that the Eurozone population and Eurozone GDP is 5 times that of the UK.

Enterprise Ireland's Eurozone Strategy aims to inspire and support more companies to enter and scale in Eurozone markets. Since it was launched in 2017 exports to the Eurozone have increased by over 33% (to 2019); growth in Enterprise Ireland client exports increased by 15% in 2019 alone and increased by 1.6% in 2020 despite the challenges of Covid. However, the markets still remain relatively untapped and Enterprise Ireland is committed to continuing this strong growth.

Enterprise Ireland's Eurozone Strategy ultimate goal is for the Eurozone market to become an extension of the Irish domestic market for Irish businesses. It seeks to do this by creating an awareness of the opportunities afforded by a single market and a single currency and by providing the necessary supports to Irish owned businesses to exploit them.



Enterprise Ireland currently has 8 offices in 6 countries across the Eurozone

Country	Offices	2020 exports
Netherlands	Amsterdam	€1.71bn
Germany	Dusseldorf, Munich	€1.29bn
France	Paris, Lyon	€1.1bn
Belgium	Brussels	€546m
Italy	Milan	€431m
Spain	Madrid	€356m
Total Eurozone		€5.856bn



Spain



Madrid

Capital



Euro

Currency



47.4m¹

Population



€23,690²

GDP per capita



€356.2m³

Enterprise Ireland client
exports (2020)



For more information: Watch video



Why Export to Spain

With seven times the landmass of Ireland and 10 times the population, the scale of Spain is not to be underestimated.

Neither is the size of the opportunity it can offer, not least because of its role as a valuable bridge to the South American market.

Having suffered enormously in the financial crash, the country is showing sustained recovery. According to an IMF report in late 2018, Spain's economy has continued to grow strongly, reflecting its improved fundamentals. The country's real GDP and employment growth were set to exceed that of the euro area for the fourth year in a row. This growth pattern has been contributed to by domestic consumption, investment and net exports. As a result of these positive developments, Spain's sovereign debt ratings have been upgraded by international ratings agencies.⁴

Reforms instituted on foot of the crisis have enabled Spain's economy to become more "competitive, flexible and resilient", with a dynamic services sector having replaced a bloated construction sector and a recovery in manufacturing.

Spain experienced GDP growth of 2% in 2019, however the country was one of the worst affected by the first wave of the Covid-19 crisis, and as a result saw a significant decrease in GDP in 2020. The IMF projected a fall of real GDP of -11%, however final analysis of GDP for 2020 revealed an actual fall of 5.7%. In addition, the economy is weighed down by high deficit and public debt, although stringent austerity measures have been adopted to tackle the situation. Spain's infrastructure is among the best in the world, with two of Europe's 10 largest airports, in Madrid and Barcelona. The country has around 47 airports in all, servicing around 250 airlines and is among the top countries in Europe in terms of passenger traffic⁵. In addition to one of the largest road networks in Europe, it has 46 Atlantic and Mediterranean ports, putting Spain among Europe's leaders in goods transportation⁶. The country has one of the largest railway networks of the EU27⁷ and the biggest high-speed network in Europe⁸.

According to CSO figures, Irish exports to Spain decreased by 6.4% in 2019 compared to the same period in 2018 (Jan-Dec). Exports in 2019 stood at €2,352 million while imports totaled €1,410 million - a balance of €942 million in Ireland's favour. Exports by Enterprise Ireland clients reached €386.7 million in 2019.



Sectoral success

Spain has been historically a very important point of trade in Europe. While the market has been perceived as a more difficult Eurozone market to enter for exporters, this is changing. Spain is currently experiencing a post-crisis renaissance in business.

This paves the way for new opportunities for Irish exporters, in nascent Irish-Spanish export sectors such as agriculture and agritech, medtech, fintech and high-tech construction. Enterprise Ireland is playing a key role in supporting those seeking out opportunities in telecoms and pharmaceuticals too, while in recent years Enterprise Ireland clients have won significant business in the area of Traveltech and services, key wins in a country whose hospitality industry has historically proven difficult to penetrate but represents a huge opportunity for Irish companies in this sector.

Spain's sheer size and purchasing power relative to Ireland's make it an attractive option. Above all, the high-performing Spanish corporates, many of which remained buoyant throughout the downturn, are the greatest source of opportunities for potential exporters.



Going Global



Why Export to Spain

(continued)

Spain's strength lies predominantly in manufacturing and services. In the financial arena, key companies include powerhouses Banco Santander and BBVA. Spain is a global leader in areas such as high-speed rail, thanks to players such as Ferrovial.

Telefonica is one of the world's largest telecoms operators while Inditex, which owns retail brands such as Zara, Pull & Bear and Massimo Dutti, is the world's largest clothing retailer, with 7,400 outlets in 93 countries.

Spain is also among the leading destinations for investment by foreign multinationals, many of which have located in Madrid. Backed by favourable Government policies, more than 12,800 foreign companies have already established operations in Spain, including 75 of Forbes' Top 100⁹.



Regional variations

With a land area of 504,645 km sq, Spain is the fourth largest country on the continent. The country is divided among 17 autonomous regions or communities, similar to a federal state system in other countries.

Among the most important of these are the industrial pillars of the Community of Madrid, Cataluña, and El País Vasco (The Basque Country) as well as the tourist havens of Andalucía, the Community of Valencia and the Balearic and Canary Islands.

Though big, it is also a very urban society, with close to one third of the population living in its various provincial capitals. Madrid is the capital of Spain with a population of 3.2 million, spanning to 6.7 million in the greater Madrid area¹⁰. Other large cities include Barcelona (1.6 million), Valencia (790,000) and Bilbao (345,000)¹¹.

Historical or natural clusters include pharma in Barcelona; machine tools/engineering in the Basque Country, Barcelona and Madrid; telecoms/IT in Madrid, and financial, professional services and public sector in Madrid. And while Madrid, Barcelona and the Basque Country all have established Biotech clusters, new ones are emerging in places such as Lerida, Galicia and Valencia.

Equally, while aerospace traditionally is centred around Madrid, significant aerospace clusters have sprung up in Seville and the Basque Country, as well as a smaller cluster in Barcelona.



Get Ready to Do Business in Spain

Spanish people typically place great importance on personal relationships as a basis for doing business, and they can help facilitate introductions to the right people.

“Face time” is very important. Developing relationships doesn’t necessarily have to involve a scheduled meeting with an agenda, simply arranging to meet for coffee and a brief chat when you are visiting the market is enough to maintain connections.

That said, Spanish business culture is more formal than in Ireland. Spanish companies, particularly in large organisations, tend to be more hierarchical in nature. Business people in Spain prefer to meet on equal terms. Therefore, if you want to meet a company director, you need to bring someone at director level in your own company.

With many “protection layers”, or “gatekeepers” in the way, it can be difficult to reach decision makers. Emails may not always reach the intended recipient/decision maker. Having an industry partner or company insider is the best way to secure an introduction.

Business lunches are a Spanish tradition but Spanish business people will not normally suggest a lunch until the relationship is either established or in the final stages of negotiation. If you are invited to one by your Spanish counterpart, these rarely start before 2pm and can last an entire afternoon. Business dinners can start from 9pm.



Get the memo on meetings

- Scheduling meetings in order to put together an itinerary in advance is hard because Spanish business people can be reluctant to put firm dates in their diary more than a couple of weeks ahead. While it is advisable to plan a trip at least a month in advance and confirm respondents’ availability, don’t expect meeting confirmation until a week or so before the appointment.

- Where possible, have some Spanish language capability in your team. Alternatively, enquire in advance if your counterpart is comfortable speaking in English, or if an interpreter will be required. Levels of English can vary depending on the sector, for example it is generally very prevalent in the life sciences sector but can be scarce in the agricultural sector.
- The Spanish market is typically price sensitive, more so than quality sensitive, and this was the case even before the downturn. This means premium quality products or services can be hard to sell in a B2B context unless there is a demonstrable and proven return on the extra cost. It is common practice for Spanish customers to ask for prices before they have seen the technical specifications of a product.
- Face-to-face meetings are essential, especially in the early stages of a business relationship. Spanish people are typically sociable and like to establish some commonality early in the initial conversation before getting down to business fairly quickly. Professional attire is appropriate and business dress sense is mostly formal.



Get Ready to Do Business in Spain

(continued)



Common pitfalls

- Unless specified otherwise, the acceptable duration for a first meeting is 45 minutes to an hour. It will typically consist of a mutual company/product presentation, including laptops and PowerPoint. This will be followed by an exploratory discussion to find possible “fits” between companies, but major decisions are rarely made at this point. Proposals and counter proposals will subsequently be exchanged before a deal is made.
- Spanish working hours are variable but typically run from 9am to 2pm and from 4pm to 8pm. Though the traditional “proper” lunch break is in gradual decline, driven in part by the increasing presence of multinational companies and flexitime, many companies still follow this regime.



Marketing materials

Update your website to accommodate Spanish enquiries and purchases. Setting up a .es landing page is not essential, a .com one will suffice, but .ie is not recommended. Optimise it for Spanish search enquiries. Having a presence on social media can help but as a country that values face-to-face relationships, virtual connections carry less weight in Spanish business culture. Good quality corporate marketing materials are essential, and particularly useful if you are attending trade shows to build your brand.

- August is the most common month for summer holidays so it may be more difficult to schedule meetings then. In winter, the Christmas/ New Year period may also be more difficult to schedule meetings.
- Be aware, although it is normal practice for European and US companies to disclose, and expect others to disclose, key data such as turnover and profit figures, this is not always the case in Spain.
- Potential distribution partners in Spain, such as buyers, are often averse to pre-qualify by filling in long questionnaires requesting detailed financial data and client references.
- Long lead times are common and the market instability of recent years means many organisations are unlikely to want to include certain targets or objectives in their negotiations.



Get Ready to Do Business in Spain

(continued)



ROUTES TO MARKET

Commercial agents

If your business has a solid lead generation system and sales process in place, locally based agents can be useful to close deals. However, due to Spain's autonomous regional network, you may have to build up a patchwork of agents as it is unlikely you will get entire market coverage from one agent.

Partners

As a newbie, partners are good way of gaining scale and building sales opportunities in sectors that might be difficult to crack. Many Spanish manufacturers are open to complementing their own product ranges with partners' products, acting as bona fide distributors or repackaging under their own brand.

Distributors

Have pre-existing lists of leads and potential clients. Distributors assume the risk, but you can lose control of the relationship. Most segments of Spain's consumer goods market, including food and drink and personal care products, are usually well served by national distributors. However, the services market in general, and specialist B2B products in particular, is normally more fragmented and it is likely you will need more than one distributor to achieve national coverage.

Establishing a direct local presence

This is often advocated as essential to long-term success in Spain on the basis that it gives confidence to distributors and customers. It is also the most expensive option, but offers the potential to be most profitable long term as it cuts the need for intermediaries' margins.



Things to Consider



Market landscape

The Spanish market is characterised by how decentralised it is; with 17 different autonomous regions, each area can have its own regional Government and varying market trends and leading players. This can prove a challenge, not least in terms of market coverage as tactics may have to be adapted to suit the variances between areas.

These regional areas are linked by two significant hubs – Madrid and Barcelona. A clear understanding of the dynamics of your target market and sector are essential for success as the market is large and diverse. Time and patience are required as well as language skills for the most part, however, there are significant Irish success stories and innovative, cutting-edge products and services are well positioned to do well in the market. Commitment to the market is key as well as investing the time and resources required in order to properly service any new business.



Competitors

Spain is ranked 11th globally in terms of FDI (according to the 2020 A. T. Kearney FDI Confidence Index¹²) and multinational companies have a significant presence in the market along with several large native multinational groups such as Inditex, BBVA and Iberdrola to name but a few. Spanish consumers like to support local business but do not have an aversion to international products or services that offer an improvement or lower price than a Spanish equivalent.

Spain is a mature market and competitors are generally well established; therefore a clearly defined value proposition with an innovative product or service are essential to gain market share.



Boots on the ground

Having a direct presence in the market offers a distinct advantage when negotiating deals and servicing the Spanish market. Options such as a third-party logistics operator to serve your customers and mitigate logistical issues with delivering direct from Ireland will solve headaches and even act as a selling point for your company. A direct local presence of some sort helps to build trust with Spanish buyers, assists with overcoming any language barriers and demonstrates your commitment to the market.

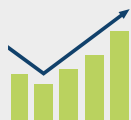


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Things to Consider

(continued)



Market trends

The Spanish economy is recovering, with structural unemployment decreasing, and the growth momentum is expected to continue albeit at a slower pace. Spain is a knowledge-based economy where services represent almost 75% of economic activity in the market¹³. Spanish buyers can be conservative in their habits and recognised brands do well in the market however private label products are also very popular, as seen by leading retail supermarket giant Mercadona whose model is based on a majority own-brand offering with few key branded items. What are the current market trends for the sectors you will be targeting? If there is an obvious gap in the market, find out why - it may exist for a reason.



Market research resources

Being abreast of local market trends, especially in your sector, will help enormously when it comes to building your knowledge about the Spanish market. Enterprise Ireland's Market Research Centre offers client companies access to market intelligence in the form of company, sector, market, and country information to explore opportunities and compete in international markets.

See www.enterprise-ireland.com/en/Export-Assistance/Market-Research-Centre/ for more information on the market research facilities available.



Going Global



Key Growth Opportunities in Spain

Spain had a difficult financial crisis and the repercussions are still being felt, not least in its politics. Spain has been, to date, a pro-European country, a fact highlighted by the strict austerity measures implemented by the country under the recommendation of the EU to combat the global economic downturn.

While the Basque conflict has moved towards political resolution through dialogue, separatist movements continue in Catalonia, a major contributor to the economy. There are, however, opportunities across a variety of sectors.

Irish companies thinking about the Spanish market should consider a strategy that targets not just a particular sector, but specific companies with an appetite for innovation and services, and the resources to pay for them.



Telecommunications

The telecommunications sector has traditionally been a pillar of the Spanish economy. In 2018, the Spanish mobile phone market grew by 10.1% in 2018 to reach a value of around €11.8 billion¹⁴. In 2022, the Spanish telecommunication services market is forecast to have a value of \$21,363.5 million, an increase of 13.8% since 2017¹⁵. The sector in Spain is currently centered around three large nationwide convergent operators (Telefonica, Vodafone-ONO and Orange-Jazztel). These operators control 85% and 95% of the retail markets for mobile and fixed broadband services respectively. Integrated carriers' fixed-to-mobile bundled services are proving an effective way to reduce customer churn, prompting cable and mobile operators to complement their services. Leading companies like Telefonica are very open to new innovation.



Life Sciences

The Spanish pharmaceuticals market has been moving in and out of decline in recent years but is predicted to produce more stable growth in the years up to 2024. The Spanish market had total production of €22.27 billion in 2019 and accounts for 10.1% of the European pharmaceuticals market value. Catalonia is known as the leading and birthplace region of pharmaceuticals in Spain, is home to the five biggest Spanish pharmaceutical companies: Almirall, Esteve, Ferrer, Grifols and Uriach. Catalonia is also home of Lacer, Indukern, Salvat and Isdin. Furthermore, many international companies have established here, such as Novartis, Sanofi, Boehringer-Ingelheim, Bayer, Pfizer, Roche, Menarini, Pierre Fabre, B Braun, GE Healthcare, Zoetis, Otsuka, Invent Farma, Intas, Accord, AstraZeneca, Synthon or Angelini. Enterprise Ireland's Madrid office has an extensive network across the sector and is continuing to develop this.



Going Global



Key Growth Opportunities in Spain

(continued)



Agricultural Sector

The Spanish agricultural sector represents one of the largest markets for agricultural products in Europe and had a value of €28.9 billion in 2018. Fruit is the largest sector within the market, accounting for 36.1% of the market total. Overall, the Spanish agricultural products market accounts for 12.3% of the European total. The performance of the market is forecast to accelerate, with a forecasted value of €37.35 billion in 2023, a 29.2% increase on the 2018 figure.

The agricultural sector in Spain occupies over 23 million hectares, which represents over half of all Spanish territory. 76% of cultivated land is unirrigated while 24% is irrigated land. In terms of livestock, Spain is home to over 25 million pigs and more than 16 million sheep. In 2019, milk production stood at 8,218,053 tonnes, representing 5% of cow's milk, 15% of sheep's milk and 20% of goat's milk production in the EU.



Traveltech

Tourism has been the star of the Spanish economy for years and proved its worth during the recent crisis curbing economic turmoil. A revitalized travel industry, buoyed by consecutive years of record-breaking inbound tourism, is boosting employment and breathing new life into the country's vacation hotspots. As a result of the Covid-19 pandemic however, this sector has been one of the hardest hit in Spain, with great uncertainty about how it will recover.

In 2019, inbound visitation increased by 1.1% to a record 83.7 million tourists, breaking the yearly record for the 7th year running. The amount of money spent by visitors to Spain also increased to €92.27 billion. Irish visitors to Spain also increased in 2019 to 2.17 million. The popularity of online booking has increased dramatically within the online leisure/unmanaged business share of travel bookings, nearly doubling over the past five years to 45%. Smartphone ownership among Spaniards has exploded over the past two years, a trend that will further boost the importance of mobile to Spain's travel market.



Fintech

Spain has historically been a banking powerhouse of the western world and today is home to some of the largest global banking institutions namely Santander and BBVA. However, the banking sector remains traditional, categorising fintech as more of a holistic user-experience end-product for the client rather than innovative game changing software. Given Ireland's strong cluster of innovative fintech companies, this should be a key developing sector for Irish businesses.



Going Global



Legal & Taxation Information



Visa requirements

Citizens of the EU, Iceland, Norway and Sweden do not require visas to enter Spain. However, as of 2012, residency requirements are in place for those who plan to spend more than three months in Spain. Passports and travel documents are required to be valid during the duration of the visit. You do not need a minimum of validity in your passport or travel document to travel to Spain.



Customs information

As part of the EU, members apply the same tariffs to goods imported into their territory from the rest of the world, and apply no tariffs internally among members. Both Spain and Ireland are members of the single market and benefit from this customs union.



Corporate structures

There are several legal forms of corporate structures recognised by Spanish law, all of which vary in terms of costs, time and requirements, such as:

- Creation of a company with own legal identity: (S.A.'s – Sociedad Anonimas) / Limited Liability Companies (S.L.'s – Sociedad Limitada)
- Branch or permanent establishment
- Joint venture
- Sole proprietor

For more information on corporate structures and other forms of doing business in Spain, see http://www.investinspain.org/guidetobusiness/en/2/art_2_2.html



Employment

Spanish labour legislation has been subject to changes during recent years to modernize the labour market and to improve its flexibility. New laws seek to establish a clear labour and employment law framework, facilitate job creation and stable employment, and provide support for entrepreneurs and self-employment.



Taxation

The Spanish labour market is highly regulated and in Spain taxes are levied by the central Government, by the Autonomous Communities (regional) and by local authorities. The Spanish tax system is modern and competitive. The tax burden in Spain (i.e. tax and social security contributions as a percentage of GDP) is almost five and a half points lower than the average ratio for the EU 27 zone. The general Corporate Tax rate is 25% and the reduced rate is 15% with several deductions available depending on the company size, activity etc.

For more information, see: <http://www.investinspain.org/invest/wcm/idc/groups/public/documents/documento/mde2/nje2/~edisp/doc2016616338.pdf>



Portugal



Lisbon

Capital



Euro

Currency



10.3m¹⁶

Population



€23,062¹⁷

GDP per capita



€75m^{18*}

Enterprise Ireland client exports (2020)

*Portugal & Azores



Why export to Portugal

Portugal shares the Iberian Peninsula with its only neighbour Spain, covering 92,212 km² of territory. As of 2019, the population is estimated at 10,295,000. The republic also includes the Atlantic archipelagos of the Azores and Madeira, both autonomous regions with their own regional governments.

Portugal is a developed country with a high-income advanced economy and a high living standard. It is ranked as the 3rd most peaceful country on the Global Peace Index rankings, maintaining a unitary semi-presidential republican form of government.¹⁹ It has the 18th highest social progress in the world, putting it ahead of the United States.²⁰

A founding member of NATO and the Community of Portuguese Language Countries, it is also a member of numerous other international organizations, including the United Nations, the European Union, the Eurozone, and OECD.

Lisbon is the capital of Portugal with a population of 2,812,678 in its greater metropolitan area. The next largest and significant Portuguese city is Oporto to the north. Oporto's greater metropolitan area has a population of 1.8 million. These two areas form the two major industry hubs in the country. The Lisbon region has major banking & financial services, oil & gas, and ICT hubs, while to the north there is less of a focus on oil & gas and more on manufacturing.²¹ Meanwhile, the southern Algarve region is a tourist hotspot, with this being the region's top industry.

In May 2014, Portugal emerged from its financial aid programme. In order to meet criteria, put forth by Brussels, the 2015 budget aimed to reduce the public deficit to 2.7% of GDP. Since then, the government has embarked on a major fiscal consolidation plan to control the country's deficit and debt. The Stability Programme (SP) 2018-2022 aims to achieve better financial performance, through the reduction of deficits and debts. The programme also aims to sustain the GDP growth trends and strengthen the labour markets. The strategy targets an average growth of 2.2% during 2018-2022. Differing reports from the Portuguese government, the European Commission and the IMF predict the Portuguese economy contracting by 6.1-13.9% in 2020.²²

Employment has also increased at a faster pace than unemployment reduction, meaning the economy has incorporated new entrants and previously unemployed citizens simultaneously into the workforce. The unemployment rate held steady at 6.8% in 2019 according to the country's statistics office, meaning that unemployment is now lower than at pre-crisis levels before

dropping to 5.3% at the beginning of 2020. Still, unemployment has disproportionately affected the under-25 population and social inequalities between the North and the South have increased in recent years.

The social issues in Portugal are similar to those experienced across many other European nations, and the country faces the challenges of an ageing population. 20% of the Portuguese population is above 65 years of age. Around 65% of the population belongs to the 15-64 age group and 15% are in the 0-14 age group. This age structure is similar to the demographic trend in the rest of Europe, where populations are aging and fewer people are entering the workforce.

The government gives higher incentives towards R&D than other OECD countries. Tax subsidy rate (calculated as 1-B index and defined as the present value of before tax income needed to cover the initial cost of R&D investment and to pay corporate income tax) also is the highest among the OECD nations, which will encourage businesses to invest in R&D in Portugal. Lisbon is also flagged as a major city with regard to the latest innovation and start-up movement. In 2015 the city managed to attract the flag ship technological innovation event 'Web Summit' from Dublin, highlighting its econ system as one to watch in the coming years. The Portuguese government announced a ten-year extension with the Web Summit in October 2018.



Get Ready to Do Business in Portugal

Business culture in Portugal is similar to that in most Southern European countries, including Spain, but there are some differences to watch out for.

- Companies are usually very hierarchical in structure, with most of the authority and decision-making power concentrated in the person at the top. Consensus does not generally need to be met, and once a decision is made it is rarely amended, although it can take considerable time to make one.
- Portuguese professionals are very relationship orientated. Take the time to get to know Portuguese contacts – avoid showing fake interest purely to approach a potential customer. Establishing a personal relationship will foster a sense of security and help build trust between you and your Portuguese contact.

- Meetings are best arranged about a month in advance, but make sure to reconfirm the meeting a few days before it is due to take place. The busiest times of the year are June (concentrated public holidays), August (holidays) and around Christmas, so it is best to avoid an initial meeting during these dates. While there is generally a higher level of fluency in English in Portugal when compared with Spain, it is still advisable to enquire and make suitable arrangements for an interpreter to be present during meetings.
- Titles are important in Portuguese business culture. During the initial phases of contact, it is recommended to address people by Mr./Senhor or Ms./Senhora. You will also see university graduates being addressed according to their field of study, for example Dr. or Engenheiro (engineer).
- Business dress code is quite formal for both genders. Casual attire is not common, even in modern and creative industries. Being well-groomed and stylish is seen as a sign of prestige.
- The Portuguese tend to be very thorough and are known to have an eye for detail, therefore they are careful and considerate planners. In addition to facts and figures, Portuguese associates are likely to ask detailed questions about the delivery times, currency and payment terms.
- In contrast to Spain and some other Mediterranean countries, people in Portugal use less gesticulation when talking. They also tend to remain calm and avoid emotional outbursts. The Portuguese communicate rather directly; however, they will remain polite while doing so.



Going Global



Key Growth Opportunities in Portugal



Telecommunications

While the Portuguese telecommunications market has experienced a strong decline in recent years, this decline is expected to be reversed in the coming years. Forecasts show that the sector will have a value of approximately €4.6 billion by 2022.²³ Sectorial opportunities in the telecommunications sector have arisen from previous interactions between Enterprise Ireland, client companies, and major Portuguese telecoms companies such as Altice (formerly Portugal Telecom), Vodafone Portugal and NOS. Altice is the leading player in the Portuguese telecommunication services market, generating a 50.7% share of the market's volume. Vodafone Portugal accounts for a further 23.4% of the market. The Enterprise Ireland office in Madrid has the opportunity to forge relationships with these three leading companies and broker introductions between them and leading telecom focused clients. These relationships will be nurtured into the future.



IT for Travel

Portugal's travel & tourism industry demonstrated strong growth in 2018, increasing by 5% to a value of around €21.9 billion. This is expected to continue to grow, although at a slower rate, reaching a value of €27 billion in 2023, a 23.4% increase from 2018.²⁴ TAP-Transportes Aereos Portugueses, SGPS, S.A. (TAP) is the largest Portuguese commercial airline company, engaged in air passenger and cargo transport. The company operates on average, pre-Covid, almost 300 daily flights via a fleet of 77 aircraft, including a direct flight to Dublin. The company operates in Europe, Africa, the Americas, the Middle East and Asia. TAP is a key target for Enterprise Ireland clients entrenched in the IT for Travel space. Its Lisbon-Dublin route, launched in April 2019, gives the opportunity to further grow the connection between the two markets. The Enterprise Ireland office in Madrid has forged a strong relationship with the company, and will continue to do so for future business opportunities.

The Portuguese hotels and motels industries have seen a strong rate of value growth and a moderate rate of volume growth respectfully throughout the last few years, due to tourists seeing it as a 'safe' option when compared to other holiday destinations. The sector is expected to have a total value of €3.2 billion in 2023.

The online travel agency market is sewn up by the leading European powerhouses as well as indigenous Portuguese companies.



FinTech

The Portuguese banking industry was one of the hardest hit by the global financial crisis of 2008/2009. The country's biggest bank, Banco Espirito Santo, received a bailout, was split, and is now known as Novo Banco. The country's banking industry has continued to decline as the Portuguese economy battles against low consumer confidence. An improvement in the industry's fortunes is forecast, although it will still mean no better than stagnation. Given the current wave of banking renaissance crashing against European coastlines coupled with an innovative Irish cluster of Fintech companies, EI Madrid will proactively continue to identify opportunities for clients within the Portuguese banking sector.



Going Global



Helping You Win in Spain & Portugal



**Enterprise Ireland assists clients
entering new markets with:**

Pre-visit support

- Sector overview
- Validation of the opportunity for your product or service
- Evaluation of your market entry strategy
- Suggested channels to market
- Competitor analysis
- Relevant contacts/suggested itinerary

In-market support

- Introductions to buyers and decision makers
- Identification of potential partners
- Facilitating buyer visits to Ireland
- Assistance with product launches and workshops
- Securing reference sites

International trade events

- Inward buyers' missions to Ireland
- Group stands at international trade fairs
- Overseas trade missions
- Market study visits
- Client knowledge seminars
- Networking events with market contacts

Additional supports

- Access to translation and interpreting services
- Introductions to specialists in all areas, including legal, recruitment, PR and taxation

Access to mentors

- Enterprise Ireland has built up an excellent network of individuals in these markets who are available to work with Irish client companies looking to develop their business. This includes market and sector specialists, business accelerators and members of Irish business associations.



Contact Us



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Other Irish Networks in Spain & Portugal

Embassy of Ireland in Spain

<https://www.dfa.ie/irish-embassy/Spain/>

Spanish Irish Business Network

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Rialtas na hÉireann
Government of Ireland



Ireland's EU Structural and
Investment Funds Programmes
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Co-funded by the Irish Government
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European Union
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Ireland's European Structural and Investment Funds Programmes 2014-2021.
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