

TAKE IT TO THE WORLD, TAKE IT TO **SPAIN**

A MAJOR INTERNATIONAL TRADE AND INVESTMENT PARTNER

BIOTECH INDUSTRY IN THE SPANISH MARKET:

For companies that want to raise their game

The biotechnology sector in Spain is young and dynamic with great growth potential. It has a strong science base and is the 3rd biggest region in Europe in terms of the number of qualified R&D professionals. Both central and regional governments actively support innovation and R&D with special programmes devoted to biotechnology, the development of science parks and "clusters" of biotechnology companies. Six BioRegions in Spain have full Council of Europe Bio-Regions membership.

More than 650 Spanish companies are involved in biotechnology, with 88,000 employees generating a turnover of €22,500 million. 300 of these companies are exclusively dedicated to biotechnology of all types (40 per cent in the health sector, 18 per cent in the environmental or agriculture biotech sector, 10 per cent in industrial bio and 33 per cent a mix of biotech areas).

The most important venture capital funds for Spanish biotechnology are Barcelona Emprande, Najeti, Clave Mayor, Sofinnova, SuanFarma, Ysios, Talde, Invertec, Seed Capital Bizkaia and Uninvest. Another investor is the NEOTEC programme, which is promoted by the Centre of Industrial Technological Development (CDTI).

Many biotechnology companies opt to licence their patents so that they can continue with further research or they try to reach agreements with international partners to share costs and shorten the product development period.

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KEY FACTS

- The Spanish Ministry of Science & Technology's drive for a knowledge-driven economy includes setting an objective that by 2010, biotechnology will represent 1.6 per cent of GNP and 100,000 jobs.
- Public financing for R&D projects and scientific infrastructure acquisition has increased annually by 34 per cent in the past few years. Active government support for innovation and R&D, with special programmes devoted to biotechnology, has been especially significant during the last two years thanks to the Ingenio 2010 initiative.
- There is a significant, new and growing venture capital sector interested in biotechnology. Its investment of about €150 million represents more than 80 per cent of total financial investment during 2006.
- The Madrid Bioscience Region is the most important geographical area for biosciences. Cancer and cardiovascular research, molecular biology and the Spanish National Research Council are located there.

KEY FACTS (continued)

- 60 per cent of Spanish resident and foreign pharmaceutical companies are located in Barcelona. Biocat (Catalunya BioRegion) is a significant biotechnology cluster, and the European Federation of Biotechnology is now based in Barcelona in recognition of Spain's growing importance in the biotech sector.
- Biobasque (Basque Country BioRegion Agency) boasts 70 companies (€300m turnover). R&D centres, such as CICbioGUNE (human disease diagnosis, prevention and treatment) and CICbiomaGUNE (biomaterials and nanobio) have emerged as important sectors here.
- There is a strong R&D base in the Andalucía region that includes 560 research teams specialising in biotechnology. 103 companies are involved in biotechnology with 2,800 staff and turnover of €586m. A strong emphasis on stem cell research is shown by the presence of the stem cell bank at the Health Technology Park in Granada and CABIMER in Seville.

WHY SPAIN?

- Economic forecasts for 2010 show biotechnology representing 1.6 per cent of GDP. This is part of a move to gradually achieve the target of 3 per cent of GDP invested in R&D in Europe by 2010. This is expected to create more than 100,000 jobs.
- There is strong strategic regional and national support for this sector. The new National R&D Plan 2008-2011, which is promoted by central government and includes strategic action in the areas of healthcare and biotechnology, represents clear support for this promising sector.
- In 2008, collaboration agreements or partnerships have increased both in number and importance: 37 per cent of these agreements were with international partners, largely from Europe (17 per cent) or from the USA. (17 per cent). This has improved the sector's international profile. For example, in 2005 only 32 per cent of the alliances were international and they were primarily agreements with the USA.
- A co-operation agreement has been signed between the UK and Spanish governments for collaboration on stem cell research projects with funding by both governments to take this forward.
- Rental prices for setting-up a company are much lower in Spain than in other UE-15 countries, and there are several regional finance packages for biotechnology companies locating in different regions of Spain.
- The national and regional tax policy encourages innovative technological sectors through incentives for research and development in the "Bio Regions", the creation of new companies, development and expansion of science technology parks, and the attraction of foreign direct investment.



- Spain has a good reputation for carrying out high quality clinical trials, which are significantly faster and less expensive than those carried out in other European countries. It is also a reference Member State for new registrations of pharmaceutical products.
- Spain has a privileged strategic position as a natural springboard for entering the South American, Caribbean, European and North African markets, which represent a potential market of more than 600 million people.

WHY UKTI?

The experience of UK Trade & Investment (UKTI) in industry and in the private sector, and our links with key industry sectors, make us the best provider of business advice to help your business grow.

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