

# Madrid: Your plug-and-play market to grow

Spain's most vibrant region opens its arms to opportunities and investments as new sectors rise and the region puts a hard focus on sustainable growth

# MADRID

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# Madrid: Your plug-and-play market to grow

Spain's capital region is a thriving modern hub for technology-based, future-focused industries that provides the perfect mix of business opportunities and quality of life

The region of Madrid is the dynamic engine of Spain's economy, contributing nearly 20% of the nation's €1.2-trillion gross domestic product and drawing in over 72% of its inward investments. "It's a land of opportunities that's booming, attracting investments in projects, businesses, digitalization, culture, tourism and sports, as well as students," says the president of the region's government, Isabel Díaz Ayuso.

Quality of life partly explains its magnetism for international companies and individuals, she asserts: "Madrid has it all. It's in the top rankings for everything from safety to life expectancy and public services, plus it's one of the most en-

joyable Spanish regions, with more culture, more leisure options and the highest percentage of protected natural space. It's a region of contrasts — you can live a thousand different lives in Madrid."

Those contrasts are reflected in Spain's vibrant capital, Madrid. The city that combines awe-inspiring heritage with modernity has become a prime location for future-oriented industries, states its mayor, José Luis Martínez-Almeida: "Since 2019, we've quadrupled investment in entrepreneurship to €2.8 billion, but we're clear that we want more companies involved in digital transformation, technology, innovation, knowledge and financial services to move here."



A capital city on a human scale, Madrid offers a unique lifestyle

To help achieve this, the city is investing in vast infrastructure developments, such as the mixed-use Madrid Nuevo Norte. "It's the largest urban development in a European capital and will create a fully sustainable city of the future. As well as appealing to businesses, it will generate affordable housing, enabling us to retain our highly qualified young people and attract new talent," he reveals. According to Ángel Asensio Laguna, president of the Chamber of Commerce, Industry and Services of Madrid, there are many other advantages for investors: "Its location is strategic, as a key bridge to the Americas, Europe and Africa. It also offers institutional and legal security, low taxes, supportive authorities, large universities and a favorable ecosystem for growth."

One sector that illustrates how tech-driven industries are flourishing is aerospace: "More than 90% of the Spanish aerospace industry is concentrated in Madrid," notes Ayuso.



Isabel Díaz Ayuso  
President of the Community of Madrid

The sector is led by Iberia, Spain's largest airline, that connects a huge range of destinations across Europe, the Americas, Africa, the Middle East and Asia.

With the support of local authorities, Iberia plans to transform its extensive maintenance, repair and design facility by Madrid-Barajas Adolfo Suárez Airport into South Europe's aeronautical hub, which will integrate innovative businesses and organizations. "It



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**More than 90% of the Spanish aerospace industry is concentrated in Madrid."**

Isabel Díaz Ayuso, President of the Community of Madrid

A good example of how it nurtures that sector is Arquimea, one of Spain's fastest-growing firms, which aims to launch a Madrid-made satellite constellation in 2025. "A reason we're successful in selling our technology worldwide is there are great engineering schools and engineers here. It's competitive to engineer from Madrid, where there are many companies working on major projects for organizations like NASA, Airbus and Boeing," says Arquimea's president, Diego Fernández.

will include added-value industrial activity that will offer us an opportunity to focus on innovation and digital development. We also have partners that want to work on new sustainable fuels and there will be a training school," explains CEO Javier Sánchez-Prieto. He would encourage all investors to consider Madrid: "There's no better place for efficiency, cost, ease of setting up, location, magnificent transport networks and it's becoming a hub for talent. It's definitely Madrid's time."

# Why Madrid?

Isabel Díaz Ayuso, President of the Community of Madrid, introduces a booming entrepreneurial region that ranks highly in comparison with other global capitals and welcomes international investors

**PR: Could you introduce the region of Madrid to our readers?**

**IDA:** Madrid is the capital region of Spain, but it is a capital on a human scale, where property, business rights, low taxation, the freedom of citizens to choose, public services, quality of life and security in all aspects of life and doing business are respected. It's a land of opportunities that's booming, attracting investments in projects, businesses, digitalization, culture, tourism and sports, as well as students.

Madrid competes with other world capitals and contributes more to public coffers than any other region in the country. However, I do not want to compete with other Spanish regions, but to help them grow with Madrid.

**PR: In 2021, the Community of Madrid led foreign investment from the US into Spain. What is your strategy for attracting international investors to the region?**

**IDA:** I speak to investors directly, because behind every investor or company there is a family. I explain to them that they will be able to choose the educational model they want for their children and they will have free access to an excellent universal public healthcare system, which is a rare thing in the world. Madrid has it all. It's in the top rankings for everything from safety to life expectancy and public services, plus it's one of the most enjoyable

Spanish regions, with more culture, more leisure options and the highest percentage of protected natural space that includes the second-most important national park in Spain.

It's a region of contrasts — you can live a thousand different lives in Madrid. For instance, Madrid city is the third-largest musical theater capital in the world and the top-ranked capital in Europe for shopping.

Madrid is also the perfect size to move around comfortably. It offers a unique way of life, and you can see the happiness and desire to work hard to get things done in the population. 45% of people living in Madrid were not born here — it is a region that has been open to outsiders for five centuries. The region is growing too, with several urban developments taking place, including Madrid Nuevo Norte, the largest public-private investment in Europe right now, while Spain's first green hydrogen plant will be built in the

**“The rules of the game in Madrid are clear: stability, respect for property and respect for the family.”**

Isabel Díaz Ayuso, President of the Community of Madrid

region. We are living in an exceptional moment!

This is the only region in Spain that does not have its own taxes. However, an investor is not only attracted by fiscal matters, they also want to know about quality of life and doing business in an invest-



View to Palacio Real in the capital during the Madrid Gastrofestival

ment destination, that they will be respected and that they will be welcomed from day one. The rules of the game in Madrid are clear: stability, respect for property and respect for the family.

**PR: Madrid has recently received a European Entrepreneurial Region Award from the European Union. Can you describe some of the actions you have taken to create a society of entrepreneurs in Madrid?**

**IDA:** We always implement positive policies that unite and that promote prosperity and openness. For example, we have approved an open market law that allows a company located in any other part of Spain to operate in Madrid without the need for gaining new licenses.

**PR: There are 12 universities in Madrid, six of which are highly ranked globally. How is your administration encouraging cooperation between the region's higher education institutions and businesses?**

**IDA:** Madrid is a capital region for attracting national and international university students and for creating ecosystems between companies and universities.

As an illustration, Madrid is committed to digitalizing key sectors such as healthcare — where we are now very focused on longevity and the medicine of the future — and so we are creating digital technology clusters that make it possible to build an ecosystem between universities and the private sector in those areas.

We are also making an unprecedented commitment to professional training, because we believe that everyone is good at something but needs to be able to follow their own path.

## The Spanish region that leads the nation



**Business creation**

Madrid ranked first in new firms created in 2021, with 23.4% of the national total



**Foreign investment**

Madrid led foreign investment from the US into Spain in 2021, with 77% of the total



**Decarbonization**

The first green hydrogen plant to be built in Spain will be in Madrid



**Green spaces**

Madrid contains the highest percentage of protected territory in Spain



**Education**

There are 12 universities in Madrid, six of them highly ranked

# A globally competitive and sustainable city of the future

José Luis Martínez-Almeida, Mayor of Madrid, describes the city's strategies for remaining attractive to investors and talent from across the globe

**PR: The Madrid region produced close to 20% of Spain's gross domestic product in 2022 and Madrid city was a central factor in that performance. Can you explain the Spanish capital's ongoing economic dynamism?**

**JLMA:** It has a lot to do with stability in policy. Over the past 25 years, governments have established a series of business-friendly policies that have withstood the test of time. Madrid's framework of legal certainty, regulatory simplicity, fiscal competitiveness and public-private collaboration, plus continuous attraction of talent to the city and its surrounding region, are the key reasons that explain why we are in this situation.

Another — which has become more important to those making de-

isions about where to locate investments or companies since the pandemic — is quality of life. Madrid provides an extraordinary quality of life to all who live here.

In addition to what the city already offers, we are developing Madrid Nuevo Norte. It's the largest urban development in a European capital and will create a fully sustainable city of the future based on innovation and knowledge. As well as appealing to businesses, it will generate affordable housing, enabling us to retain our highly qualified young people and attract new talent.

In line with our ambitions, we've quadrupled investment in entrepreneurship to €2.8 billion since 2019, with even more projected for the coming years, but we're also clear that we want more companies

involved in digital transformation, technology, innovation, knowledge and financial services to move here, because we believe that these will be emblems of the city of the future.

**PR: What is your strategy for attracting and retaining talent?**

**JLMA:** We are fortunate to have great educational institutions in Madrid, including some of the best business schools in the world. At this moment, students from more than 175 countries are becoming highly qualified in the city and what they are telling us is that they want to stay on after their studies to live in Madrid, if they can find jobs that are consistent with the qualifications they obtain. As the local administration, our responsibility is to generate a virtuous circle of conditions so that the right companies come to Madrid and offer these jobs.

**PR: In what areas of tourism does the city stand out?**

**JLMA:** In November 2022 we were named the best city worldwide for business meetings and conferences at the World Travel Awards for the fourth consecutive year. We also rank as a top city in Europe for shopping. Luxury hotel chains have chosen to open in Madrid too and we currently have more than 40 5-star or luxury hotels here.



**José Luis Martínez-Almeida**  
Mayor of Madrid

Madrid is a very green city as well, with the second-highest ratio of trees to citizens worldwide after Tokyo and wonderful parks like El Retiro, which is a UNESCO World Heritage site.

**PR: Why should international investors choose Madrid?**

**JLMA:** We believe that the future of Madrid depends precisely on it remaining capable of attracting investment, generating employment and creating wealth. Here, investors will find a welcoming administration and one that is receptive to their needs.

Firstly, the level of public services in areas like transport, health, education, safety on the streets and environmental management make for a quality of life that is very difficult to find in another city. Secondly, our administration has generated a legal framework and a fiscal framework that are extraordinarily competitive in order to entice companies and individuals to the city.

**“We've quadrupled investment in entrepreneurship to €2.8 billion since 2019, with even more projected for the coming years.”**







José Luis Martínez-Almeida, Mayor of Madrid

In addition, we have been named by Euromonitor International as the world's fourth-best destination for urban tourism, largely because of our unmatched cultural offerings: we are a center for humanity's heritage, with cultural institutions that include the Prado, the Reina Sofía and the Thyssen-Bornemisza museums. From a gastronomic point of view, there are many new projects opening in Madrid that have a very reasonable price-to-quality ratio. We are perhaps the capital of Europe in terms of having the greatest amount of culinary variety and quality.

Also, we are the second-largest capital of the European Union with regard to population size, and we have a privileged geographical position that is halfway between the Middle East and Latin America, plus we are the capital of Ibero-America in Europe. Therefore, we have the capacity to serve as a bridge between various parts of the world. If we continue to implement our policies relating to sustainability, innovation, knowledge, talent attraction and the management of our public services, we will remain competitive with any other major city in the world.

## A capital that appeals to everyone

The European Union's second-largest city by population offers a vast range of unbeatable experiences

 <p style="color: #c00000; font-weight: bold; margin: 5px 0;">4th-best urban tourism</p> <p style="font-size: 0.9em; margin: 0;">destination worldwide according to Euromonitor International</p>	 <p style="color: #c00000; font-weight: bold; margin: 5px 0;">2nd-highest ratio of trees</p> <p style="font-size: 0.9em; margin: 0;">to inhabitants of any city in the world</p>
 <p style="color: #c00000; font-weight: bold; margin: 5px 0;">3rd-largest capital</p> <p style="font-size: 0.9em; margin: 0;">for musical theater globally</p>	 <p style="color: #c00000; font-weight: bold; margin: 5px 0;">Students from 175 nations</p> <p style="font-size: 0.9em; margin: 0;">are studying at Madrid's universities</p>
 <p style="color: #c00000; font-weight: bold; margin: 5px 0;">Top city for business tourism</p> <p style="font-size: 0.9em; margin: 0;">at the World Travel Awards</p>	 <p style="color: #c00000; font-weight: bold; margin: 5px 0;">Madrid has 22</p> <p style="font-size: 0.9em; margin: 0;">Michelin-starred restaurants</p>

# The right ecosystem for business success

Ángel Asensio Laguna, President of the Chamber of Commerce, Industry and Services of Madrid, reveals how his organization helps companies to develop

**PR: Why is the Madrid region an attractive location for businesses and investors?**

**AAL:** Madrid's location is strategic as a key bridge with important connections to the Americas, Europe and Africa. It also offers institutional and legal security, low taxes, supportive authorities, large universities and a favorable ecosystem for growth.

Madrid is the main engine of the Spanish economy and everything that involves investing to develop the economy is supported and backed here. One in four companies established in Spain is created in the Community of Madrid, while around 70% of the foreign investment that comes into the country stays in the region. All this creates a very favorable context for the development of investments, which translates into the growth that every investor hopes for. It is a dynamic region and it is an attractive region.

**PR: Madrid's pharmaceutical industry saw impressive growth during the pandemic. What are some other sectors that are expanding in the region?**

**AAL:** Health is here to stay, with one emerging theme being health in sports, which Madrid is developing through good clinics, great professionals and a lot of innovation. Another sector is logistics at the national, European, Latin American and African level. The region is also investing in becoming a



**Ángel Asensio Laguna**  
President, Chamber of Commerce, Industry and Services of Madrid

hub for digital technologies, tourism is very strong, and education is gaining in importance as more and more fore-

**Madrid's location is strategic as a key bridge with important connections to the Americas, Europe and Africa."**

Ángel Asensio Laguna  
President, Chamber of Commerce, Industry and Services of Madrid

ign students come to the region for its quality of education and life.

**PR: What have been the main achievements of the Chamber of Commerce, Industry and Services of Madrid in recent years and what are its biggest strengths?**

**AAL:** We have managed to go from a loss-making chamber to one with a significant profit in the last year. This is



The chamber is headquartered at the 290-year-old Palacio de Santoña

being reinvested into providing more and better services, retraining our staff and incorporating new talent into the chamber in order to fulfill our purpose, which is to make companies in Madrid more competitive.

The Madrid chamber is the largest chamber of commerce in Spain and Latin America. One of our major strengths is helping with the internationalization of companies by giving advice and organizing trade missions, for example. Training is another, as we train more than 8,000 students each year in different disciplines to ensure

local universities to support innovation that meets the needs of companies. Among our other important activities, we have two arbitration courts that are specialized in resolving business conflicts quickly. Overall, we serve almost 50,000 companies a year.

**PR: What are your current goals for the chamber?**

**AAL:** My objective is that the services we give to businesses are qualitatively and quantitatively better every day. In addition, we want to push innovation as new needs arise and transfer it to companies. For example, we have recently created the Real Estate Financial Institute to address new models in construction and we have introduced specialized courses in logistics, because it is one of the sectors that is developing in the region.

Internationally, the main markets for Madrid-based firms today are in Europe and the Ibero-America region. However, the chamber is now targeting other regions and North America is one of those, with Miami being an important gateway for us due to our cultural and linguistic ties. Miami's infrastructure and distribution capacity opens up all of North America to Madrid, making it an excellent entry point.

## Madrid-based companies flourish with chamber of commerce support



**Madrid's economy**

grew by 6.3% in 2021



**Madrid's exports**

contributed 14.2% of Spain's total exports between January and April 2022



**Madrid is home to**

the largest chamber of commerce in Spain and Latin America



**50,000+ companies**

are supported by the Chamber of Commerce, Industry and Services of Madrid annually



**Over 8,000 students**

are trained in different disciplines by the chamber every year

# Flagship airline is a driving force for the country's economy

Javier Sánchez-Prieto, CEO of Iberia, discusses Madrid's role in the future of Spanish tourism and as a European hub for an innovative, sustainable aerospace industry

**PR: What role does the air transport sector play in Spanish tourism?**

**JSP:** Tourism is fundamental for the country as it is the top contributor to gross domestic product (GDP) and the second-highest contributor to employment. In 2019, 82% of tourists to Spain arrived by plane, while the global average is around 55%. The air transport industry's role going forward is to be a driving force in the transformation of tourism. The country has to be able to focus less on sun-and-sand tourism and the airlines, Iberia in particular, can play a key role in this.

Iberia is the leader in traffic between Europe and Latin America.

We have also continued to invest in new routes to the US. Right now, we fly to nine US destinations and — through strategic alliances with American Airlines, British Airways and Finnair — we connect 260 cities in the US with 180 in Europe.

There is a lot of potential for further development of the American and Asian markets and Madrid-Barajas Adolfo Suárez Airport offers great opportunities for this as one of the few uncongested airports in Europe.

**PR: Iberia is investing to transform its La Muñeza maintenance, repair and design facility by Madrid's airport into South**



Iberia's 1.7 million square meters maintenance facility

**Europe's aeronautical hub. Can you summarize your plans for the facility?**

**JSP:** About 4,000 people already work at La Muñeza and we are committed to developing an aeronautical hub there, which will have at least three components.

First, the industrial aeronautical activity that today contributes 1.7% to GDP and more than 50,000 jobs. This is an area with high added value that brings high-quality, stable and well-paid employment. It also offers us the chance to focus on innovation, digital development and creating a center for investment. The second component relates to the development of sustainable new fuels and the third element is training: we want to bring professional training closer to the point where the skills will be implemented.

**PR: How important are digital technologies for Iberia?**

**JSP:** In everything that has to do with e-commerce we have to be the



Javier Sánchez-Prieto  
CEO, Iberia

enable them to test their solutions on an extremely large scale.

**PR: How is the airline industry working to improve its environmental impact?**

**JSP:** It is innovation in aircraft technology that has to lead us to zero emissions. The industry can reach that target by around 2050, although the challenge we face

## Linking Spain with the world

From its base in Madrid, the nation's largest airline offers a vast global network of connections for leisure and business travelers



**Leader for Latin America**

Iberia offers the most flights between Latin America and Europe



**75 years**

Iberia first flew to Latin America 75 years ago



**Iberia connects**

260 US cities with 180 cities in Europe



**Top 2 country for visitors**

Spain was the 2nd-most visited country globally in 2019 and 82% of people arrived by plane



**Long-haul CO<sub>2</sub> emissions**

Since 2019, Iberia has reduced emissions by 17%, the 2nd-highest level for any airline worldwide



**Industrial aerospace**

Contributes 1.7% to Spanish GDP and over 50,000 jobs

**There is a lot of potential for further development of the American and Asian markets and Madrid-Barajas Adolfo Suárez Airport offers great opportunities for this."**

Javier Sánchez-Prieto, CEO, Iberia

spearhead, because airlines are the world's largest e-commerce businesses. We achieve this through our own investments, but we also work with startups that have viable products which need further development. What startups offer us are products that fit and agility, while we

globally is that we must develop technology that does not exist yet to do this. Airlines are making efforts to buy planes that consume less fuel, to reduce the weight of planes and to be more efficient, but the solution to the transition will be more about sustainable fuels.

# Madrid: The Silicon Valley of Europe

Diego Fernández, President of Arquimea, demonstrates how Madrid is fostering international growth for companies working in multiple technology sectors

**PR: Founded in 2005 and headquartered in Madrid, Arquimea was among the top-five fastest-growing companies in Spain in 2022, recording a turnover of around \$120 million. Could you introduce Arquimea and explain how it has evolved?**

**DF:** Arquimea is a multi-sector technology company. Right now, we have three main divisions: biotech, aerospace and fintech. We are an international company that has grown a lot in recent years: in Europe we are in Spain and have a subsidiary in Germany, we also have subsidiaries in the US and we are in Southeast Asia. With this geographical presence, we can reach a greater number of clients in the international market. Additionally, within the last two years we have invested in technology companies in Israel and we have bought an aerospace company in the US.

The key to Arquimea's growth is that we are permanently working on very ambitious opportunities. There is no conformism within the company and we are lucky to employ a lot of talent, both here in Spain and in our international subsidiaries.

**PR: Can you explain why the global aerospace sector is so dynamic at the moment?**

**DF:** On the one hand, NASA has decided to make the largest investment in its history to return to the moon via the Artemis program and, through our US subsidiary, we have work to do for that program. In parallel, a series of billionaires have decided to enter the space sector, which is opening up a new satellite telecommunications market through low earth orbit (LEO) constellations.

There are many LEO constellations that are competing to reach new markets and this is going to result in a massive revolution in terms of providing telecommunications services to the entire world. However, some of the constellations that are best known today will not survive over the next five years, because they are not profitable.



**Diego Fernández**  
President, Arquimea

**PR: What makes your own BeetleSAT LEO project competitive and can it be profitable?**

**DF:** When you analyze the business plans of the constellations that arrived first in this sector, you

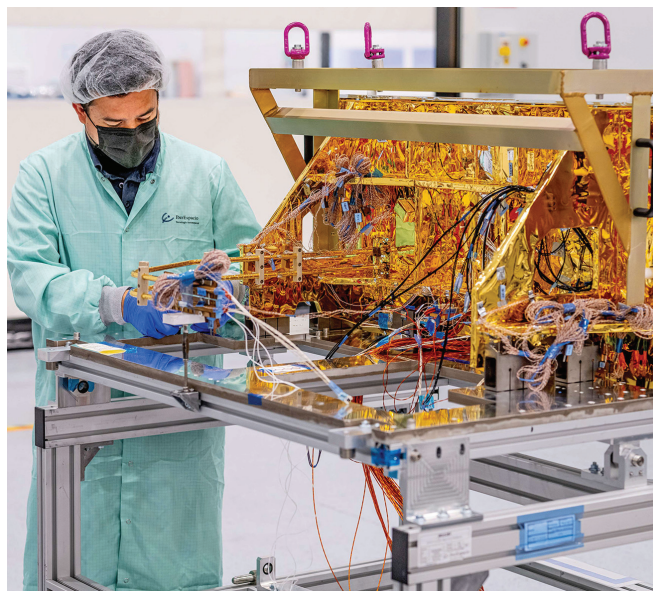
**“There are great engineering schools and engineers here. It's competitive to engineer from Madrid.”**

Diego Fernández, President, Arquimea

realize that they are not going to be profitable because the cost of each individual satellite is too high for the return that can be obtained in the markets where there is potential for selling data.

We developed our business plan the other way round, by calculating what cost each satellite must have to be profitable. Two years ago, we found a company in Israel that had invented a technology that allows us to make a profit. Through this company, which is moving its headquarters to the US, we have been promoting a new constellation based on this technology.

It is called BeetleSAT and is going to be the first cost-effective LEO constellation. BeetleSAT will be profitable for two reasons. Firstly, it will have a connection between the satellites that will allow secure point-to-point communication anywhere in the world and that connection is



Arquimea manufactures spaceflight equipment for satellites and launchers

unique. In addition, we are going to ensure that return on investment will be there from the beginning, because we will obtain contracts with clients which guarantee that the capex we need is covered.

That technology made a big impact worldwide as soon as we made it public.

**PR: What are some other major projects you are working on?**

**DF:** In 2023 we will seek financing for another high-potential project, this time in the biotech area. It involves a molecule we are developing for the treatment of amyotrophic lateral sclerosis. Ideally, a pharmaceutical company will help us to market the molecule, but we would like to have a mix of financial and industrial investors to partner with us on this initiative. In addition, we are working on many technologies that are aimed at improving sustainability.

**PR: What would you tell foreign investors about working from Madrid?**

**DF:** Madrid is the Silicon Valley of Europe, with excellent universities, creative entrepreneurs, talent and a splendid climate. A reason we're successful in selling our technology worldwide is there are great engineering schools and engineers here. It's competitive to engineer from Madrid. There is also, for example, a very powerful aerospace hub: 90% of the Spanish aerospace industry is in Madrid, where there are many companies working on major projects for organizations like NASA, Airbus and Boeing.

# The world capital of Spanish culture

Andrea Levy Soler, Delegate of Culture, Tourism and Sport, Madrid City Council, identifies the city's brand

**PR: How is Madrid's image evolving internationally?**

**ALS:** Madrid is a city that has great potential, but when our new local government team was elected in 2019, we realized that our main challenge was forging a new cultural identity for Madrid. The first element of this is that we are the capital of the Spanish language, the capital of the Golden Age and the capital where Cervantes, Lope de Vega, Quevedo and many others met. We have some of the best art galleries in the world with one of the most-visited paintings worldwide: Picasso's Guernica. This is very important cultural heritage.

Alongside this, Madrid as a city has the third-highest number of musicals in the world, behind New York

and London: Gran Vía is our Broadway. Additionally, we have highlighted the fact that Madrid is a city with a very human dimension. We always say that whoever comes to Madrid is from Madrid, and it is a safe city of life and joy that you can walk from end to end. It is also a great place to invest in and do business, which is why it is the best destination in the world for fairs, conventions and other business events. Another great quality that our city has is that it is the gateway between Europe and Latin America.

**PR: How do you plan to continue building Madrid's brand on the global stage?**

**ALS:** Through permanent public-private collaboration, which was



**Andrea Levy Soler**  
Delegate of Culture, Tourism and Sport  
Madrid City Council

one of the keys to our success during the pandemic. We must continue to have an identifiable offer throughout the four seasons of the year and to promote all the qualities of our city, especially our outstanding gastronomy, which combines century-old restaurants with avant-garde cuisine, like the one served in DiverXo in Madrid, whose chef, Dabiz Muñoz has been named Best Chef in the World for the second year in a row. Madrid is a must-stop for food lovers and that needs to be part of the message. We must also carry on

hosting big international events in sports, for instance, while another defining aspect is attracting international filming to our city — we want big production companies to come here to shoot. What is great is being able to create synergies where there is not only economic profitability for Madrid at the production level, but the resulting television series or films become ambassadors for the city and its products.

Madrid will experience significant growth in the coming years, with the creation of a new financial district, Madrid Nuevo Norte, which will also be a new cultural hub. We are also becoming a capital of Ibero-America with many Latin Americans moving here. Being a European and American capital at the same time will be one of the aspects that defines Madrid in the future.

Madrid is a city that everyone is talking about at the moment, which is attracting talent, renowned international cultural creators and innovative projects to the city. However, unlike some other cities, Madrid needs to manage its success in attracting talent and investment in a sustainable way.

# 'If life was a city, it would be Madrid'

Almudena Maillo del Valle, Councilor for Tourism, Madrid City Council, explains why the city is an iconic destination

**PR: Madrid is a valued tourism location. It is the fourth-most visited urban destination in the world, within the top-10 cities for quality of life and was recently chosen as the best city for shopping tourism. Why is it receiving all these plaudits at the moment?**

**AMV:** In 2019, Madrid received a record 11 million tourists, but everything stopped when the pandemic arrived. However, a combination of policies for openness in the economy and the adoption of far-sighted health measures enabled us to be the first city worldwide to reopen its museums, theaters, restaurants and so on. This was a message to the world that Madrid was an open, safe city. Instead of hotels closing, large luxury hotel chains arrived in Madrid to open hotels in those pandemic years, including Four Seasons, Mandarin

Oriental, Rosewood and Edition, and more are coming.

In parallel, there were new gastronomic projects, shopping initiatives, in 2021 the Paseo del Prado and the Retiro were declared UNESCO World Heritage sites and the number of musical theater productions are now higher than before COVID. Creativity exploded, causing vibrant Madrid to wake up and open up to the world with more force than ever.

Madrid's airport is just 13 kilometers from the city center and international air connectivity is another strength that is expanding, with new routes opening due to demand. These factors allow us to be ambitious about the future and we have a plan in place to position Madrid as the luxury capital of the world.

**PR: What makes Madrid an iconic destination for tourists?**

**AMV:** We felt for a long time that Madrid was missing an icon — we have the monumental Puerta de Alcalá and Real Madrid's Santiago Bernabéu stadium, but we don't have something physical that is as universally recognizable as the Statue of Liberty. Then we realized that Madrid's unique way of life is what attracts the most attention: Madrid is a city of life and, if life were a city, it would be Madrid. There is a capacity for welcoming and openness here, where everyone is respected and no one asks where you have come from or where you are going to.

We also protect the places that make us different and never want to lose that authenticity. For example, Madrid has the oldest restaurant in the world, Casa Botín, which opened in 1725. It is also the capital of flamenco and has the world's only Michelin-starred show restaurant, El Corral de la Morería, where diners can experience that art form.

We make sure that something is always happening here as well. For instance, we do a lot of work on Ma-



**Almudena Maillo del Valle**  
Councilor for Tourism  
Madrid City Council

drid's sporting agenda with our great football teams and for sports like tennis, golf, horse riding and running. We also attract unique music festivals and other cultural events.

Madrid is a city that surprises you every time you come. New York generates the same feeling: when you leave, you want to return because you never get tired of it. Madrid is similar and, any time you return, it will be different.



# A hyperconnected hub for trade events

Juan Arrizabalaga Azurmendi, Director General of IFEMA Madrid, provides an insight into an organization that is a big contributor to the city's reputation for being the best place in the world for business tourism

**PR: Established as consortium by the Community of Madrid, Madrid City Council, the Chamber of Commerce, Industry and Services of Madrid and the Montemadrid Foundation, IFEMA Madrid is the largest trade fair and congress operator in Spain and one of the biggest in Europe.**

**How important is IFEMA Madrid for the city's economy, what are the main challenges it faces and can you highlight some of its recent achievements?**

**JAA:** IFEMA Madrid is an engine for the economy. In 2019, we held 895 events including trade fairs, shows and congresses. Almost 17,000 companies gathered at our venues, there were more than 4 million visitors and that meant direct business of almost €190 million. If we look at the macro data, IFEMA Madrid represents more than 2% of the Madrid region's gross domestic product and almost 4% of the city's.

The biggest challenge facing the trade fair industry is to recover the values and volumes that we had before the pandemic hit, because trade events are elements of dynamism for the economy. The second challenge will be to accompany society in its transformation processes, technologically, digitally and internationally.

The main achievement IFEMA Madrid has made in recent years is going from being a local entity to having greater openness and our large fairs are now very international. But we still have the capacity to grow



**Juan Arrizabalaga Azurmendi**  
Director General  
IFEMA Madrid

in, for example, our digital transformation and the diversification of our activities. For that we have to do two things: bring in new capabilities and change the organization so that these capabilities can provide us with the knowledge to make the changes we want to see.

**PR: How is IFEMA Madrid helping to drive digitalization in the trade event sector?**

**JAA:** Over the last few years IFEMA Madrid has experienced a technological transformation that has allowed us to hold some of our most important events online. Smart events were already taking place before COVID-19, but they have been accelerating throughout the world since then.

Going forward, augmented reality and metaverse experiences are also going to increase in the coming years. IFEMA Madrid has an obliga-



**IFEMA Madrid leads the international fairs calendar in Spain**

tion to be active in this space from the start, so that we don't fall behind from a technological or economic point of view.

As an illustration, for a year and a half we have been working with technology partners such as Cisco and Telefónica on the Helixa platform. This is a highly collaborative platform of innovation knowledge that allows sellers and buyers to have a much more relational business activity through metaverse technology. The platform is very advanced and puts IFEMA Madrid at the forefront of utilizing the metaverse for the fair and exhibition sector.

Another of our new platforms is Life Connect, which we have been running for a year and with which exhibitors and clients that meet at physical events can continue to interact with each other throughout the following year. IFEMA Madrid wants the service it provides to not only cover the days of an event, but to be a year-long experience.

In addition, we have implemented 5G technology at our venues, which

gives us more communication capacity and speed, while all aspects of cybersecurity have also been improved so communications take place in a secure environment.

However, I do not believe that the future of trade events will be exclusively virtual. Face-to-face physical contact between participants will continue to be, I would say, the most important part of our business.

**PR: What are your goals for IFEMA Madrid's development?**

**JAA:** Our objective is to implement our new strategic plan, which is based on three pillars: first, to internationalize IFEMA Madrid's business much more, with our main focus being Central and South America; second, to accelerate our digital transformation; and third, to further diversify our business.

We want our activities in trade fairs, congresses and events to continue to develop and grow, but we want to expand our presence in areas like concerts and other events that our facilities have the capacities for.

## IFEMA Madrid: The frontrunner in fairs, congresses and events



### Best convention

center in Europe and Spain  
at the World MICE  
Awards 2022



### Economic impact

for the region of Madrid  
of €5.1 billion



### Generates

more than 39,000 jobs



### Carbon footprint

has been reduced  
by 78% since 2017



### IFEMA Madrid

is the location for 50%  
of all international fairs  
in Spain





