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A Smart Mediterranean City

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# **Malaga,** the best place to live, to work and to invest.


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# Why **Malaga?**

Malaga is a modern and cosmopolitan city that has become an important European business centre.

The innovative spirit that permeates every corner of the city makes it the perfect place to create companies in any industry and, of course, to live and work.

**The city's geographic location** facilitates the development of local businesses, which fosters its commercial growth. This commercial growth also benefits from the city's overall economic expansion. With a 3.4% and 2.9% increase in GDP in 2018 and 2019 respectively, Malaga is considered the economic driver of Andalusia and is one of the Spanish cities with the highest relative growth in the 21st century.

This is due to its location and several other factors such as the commitment of its institutions, the quality of its infrastructures, the access to local talent and the possibility of easily attracting talent from abroad, the competitiveness of its prices and the strength of its business fabric... **Malaga offers endless opportunities to companies that decide to set up here.**

Its climate, its leisure and cultural activities, its Mediterranean cuisine, its traditions, and its history make living in the city a pleasure and one of the reasons why it is one of the top 10 European cities, and the only Spanish city, among the cities offering the best quality of life according to the European Commission's Euro-barometer. **For these reasons, Malaga is a perfect city for business.**

Collaborating Institutions:

PROMÁLAGA · Cámara Málaga · Universidad de Málaga · Andalucía Tech · cem Confederación de Empresarios de Málaga · malagavalley

malagaworkbay.com
openforbusiness.malaga.eu/es/

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# How **to get there?**

Malaga is located in the south of Spain. Its location makes the city a strategic entry point for doing business in Europe and a bridge to the emerging markets of the African continent.

# Fully **equipped**

In recent years, Malaga has experienced an enormous growth in terms of **quality** and in quantity of **infrastructures**, transforming itself into a **fully equipped city that satisfies all the logistic needs that a company may have, whether land, sea, or air.**

The **motorway network** in Malaga and the Costa del Sol is fantastic. The main A7 highway runs along the entire southern coast to link the popular tourist destinations of the Costa del Sol such as Malaga, Marbella and Estepona, as well as providing links to major cities such as Cordoba, Seville, Madrid, and Valencia.



### Public transportation

You can get around the city by metro, bus, or bicycle. Also, the historic centre has a pleasant and practical promenade and pedestrian areas.
Malaga's bus service has 47 bus routes with 1,062 stops. There are 2 metro lines covering the western and southwestern areas of the city.
The suburban train network also connects the capital with the towns of the west coast and the interior of the province.

### Airport

Malaga has a comprehensive network linking the city by land, air and sea to major European cities and the rest of the world. More than 60 airlines operate from the city's airport flying to 141 destinations.
More than 19.8 million passengers passed through its terminal in 2019, making it the fourth busiest airport in Spain.

### The Port

The port of Malaga is the second most important port for cruise ships in Spain and the sixth in the Mediterranean. 288 ships docked in the city and more than 477,000 passengers disembarked in Malaga in 2019, filling the city with tourist activity, an important economic driver

### AVE (high-speed train network)

The city has a great railway network that connects Malaga with the most important points in Spain. Madrid is only two and a half hours away and the train reaches Cordoba in less than an hour. There are also lines connecting the city with other major urban centres such as Barcelona, Seville, and Zaragoza. At present the AVE (high-speed train) allows travel as far as Paris.

## Destinations from Malaga-Costa del Sol Airport

(Source AENA 2019)

| Europe | D. destinations |
|---|---|
| United Kingdom | 25 |
| Germany | 15 |
| France | 11 |
| Norway | 6 |
| Italy | 6 |
| Poland | 6 |
| Belgium | 5 |
| Ireland | 4 |
| Netherlands | 3 |
| Other countries | 10 |
| **TOTAL** | **110** |

| International | D. destinations |
|---|---|
| Spain | 19 |
| Europe | 110 |
| Africa | 5 |
| Asia | 5 |
| America | 2 |
| **TOTAL** | **141** |

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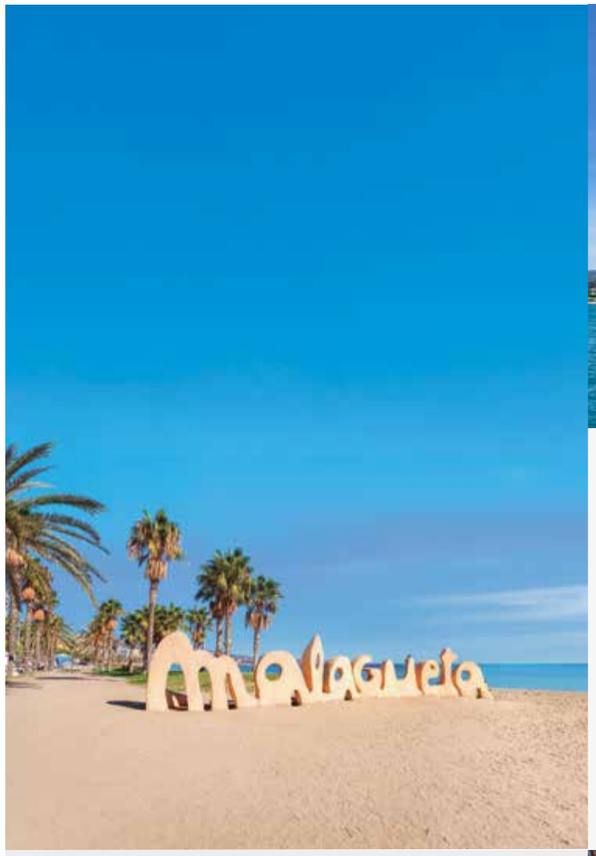
# Work/Life Balance

There are many reasons to live in Malaga, but they can all be summed up in one phrase: work-life balance. Malaga is one of the top 10 European cities in terms of quality of life according to the European Commission's latest Euro barometer and many factors put the city at the top of that list.



## Climate

307 sunny days a year and an average outdoor temperature of 18.4 °C give Malaga's inhabitants the opportunity to enjoy all its charms all year round. Its Mediterranean climate guarantees moderate temperatures with small variations between seasons.

## Security

Malaga is a safe city. You can walk anywhere in the city in complete safety, so you can appreciate all it has to offer and explore its more secluded places.

## Healthcare system

The Spanish healthcare system is recognised as one of the best in the world. It guarantees universal coverage for all residents.

### Affordable prices

A daily set menu in a normal restaurant can cost around 10 euros, including drink and dessert. A monthly ticket for public transport is around 35 euros and two tickets for the cinema cost 13 euros.

### Cultural and leisure activities

Museums, theatres, concert halls, art galleries and restaurants of all kinds. Malaga has centres such as the Picasso Museum Malaga, Centre Pompidou, Carmen Thyssen Museum, the Contemporary Art Centre, and the Collection from the Russian Museum. Residents of the city have thousands of things to do in their free time. They also have first-class sports offerings such as golf, water sports, sports complexes...

### Diverse cosmopolitan city

Since ancient times, Malaga has been an important seaport, which has given rise to a generous population, open to the new, the different and the foreign, making it a welcoming city.

### International communities and environments

Malaga is an international city with 32 consular agents to serve the numerous communities of foreigners living in the city.

### History

Malaga's rich 3,000 years of history means that the city is an open-air museum that can be enjoyed by walking slowly through its many pedestrian streets in the city centre. Different cultures have left their mark on the city's streets and squares, leaving impressive monuments such as the Cathedral, the Roman Theatre, and the Moorish Alcazaba. All this makes Malaga a rich city full of cultural traditions.

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# Process to establish a company

## FIRST STEPS

**1 NIE**
Apply for your Foreigner's Identification Number (NIE) or approval of powers of attorney. Non-EU foreigners must apply for work visa and residence permit.

**2 CAPITAL**
Open a bank account and deposit the initial capital (€3,005).

**3 LEGAL STRUCTURE AND NAME**
Establish the legal structure of your business: corporation, limited company, cooperative etc. Choose a name and check that there is no business with the same name in the Commercial Registry.

**4 ARTICLES OF ASSOCIATION**
These steps represent the basis on which your company is constituted. They contain the name, the capital, the registered office, the administrative body, the distribution of dividends and the process to be followed in case of dissolution of the company.

## INCORPORATION AND REGISTRATION OF THE COMPANY

**1 Notarised deed**
All the partners of the company go to the notary's office and provide the documentation mentioned previously.

**2 Foreign capital**
Declare the initial capital in the Ministry of Industry, Commerce and Tourism.

**3 Registration with the tax authorities and tax identification number (NIF).**
By means of form 036 presented in the Spanish Tax Agency, together with a copy of the deed of incorporation and of the statutes (provisional NIF and definitive NIF).

**4 Mercantile Registry**
Incorporate your company at the Mercantile Registry to obtain full legal competence.

**5 Social Security**
If you are going to hire personnel, the next step is to register the company with the Spanish Social Security system.

**6 Patent and trademark registration**
This step is taken to ensure that the company is protected as a trademark, although it is not mandatory.

Source: Spanish Chamber of Commerce website: https://www.camara.es/en



# Operating **expenses** and **taxes**

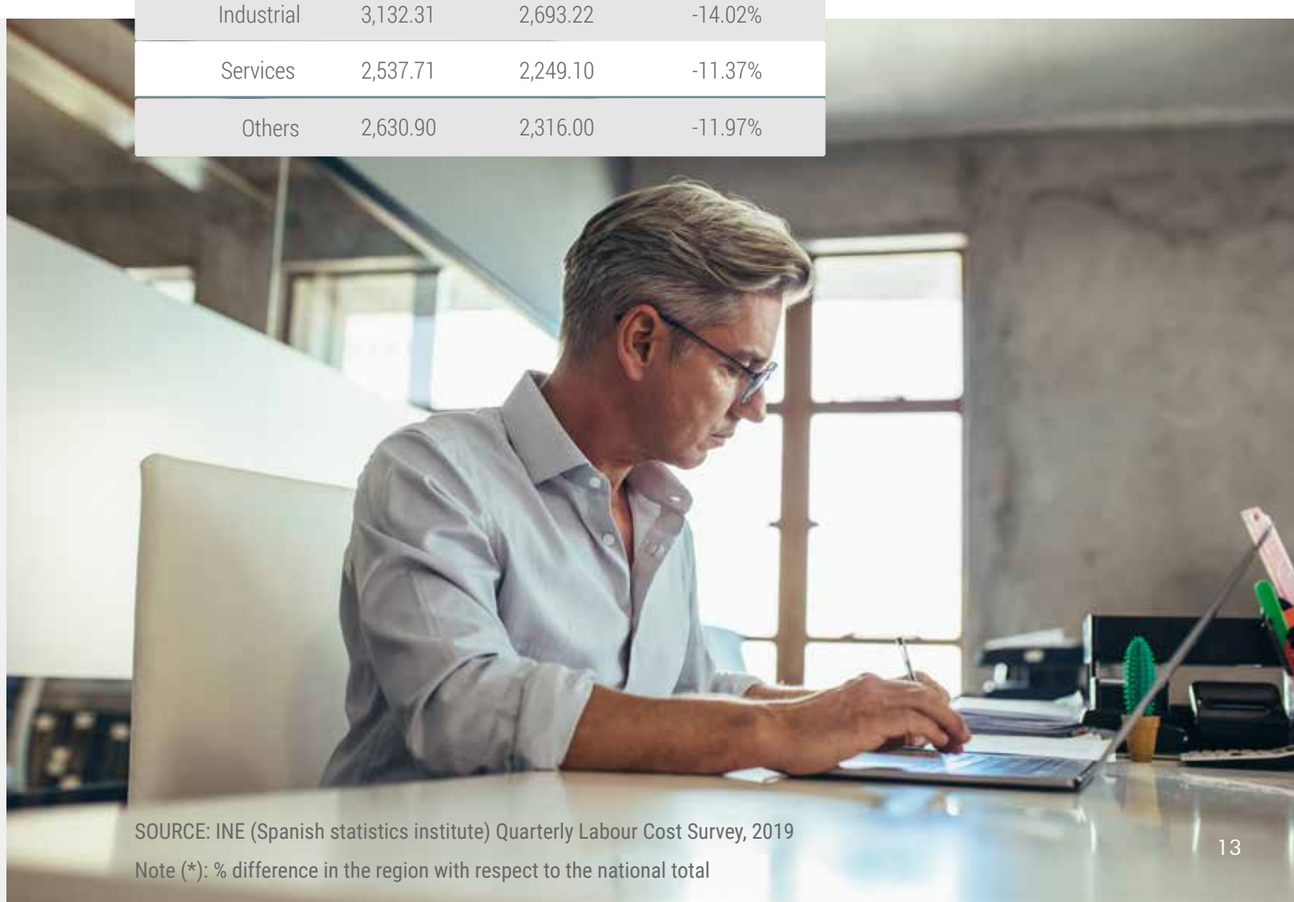
Personal income tax (IRPF) is settled on the disposable income of an individual according to a progressive rate scale. Expatriate workers can choose between this general tax system or income tax for non-residents (IRNR) which is paid at a flat rate of 24% for a maximum of 6 years and a maximum annual income of 600,000 euros.

Income generated in other countries is not subject to tax on this Spanish income. The following conditions must be met in order to choose the IRNR:

- The transfer to Spain must be a consequence of an **employment contract**.
- **The person must not have lived in Spain during the previous 10 years.**
- The work must be performed for a **company resident in Spain or for a permanent establishment of a non-resident company in Spain.**

LABOUR COSTS AND WAGE COSTS PER WORKER PER MONTH BY SECTOR OF ACTIVITY UNIT OF MEASUREMENT: EUROS, YEAR 2019

| Sectors | Spain Labour cost | Andalusia Labour cost | %* Difference |
|---|---|---|---|
| **2019** Construction | 2,677.26 | 2,498.29 | -6.68% |
| Industrial | 3,132.31 | 2,693.22 | -14.02% |
| Services | 2,537.71 | 2,249.10 | -11.37% |
| Others | 2,630.90 | 2,316.00 | -11.97% |



SOURCE: INE (Spanish statistics institute) Quarterly Labour Cost Survey, 2019

Note (*): % difference in the region with respect to the national total

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# Locations, industrial spaces and office buildings

Malaga has more than 30 productive, educational, technical, logistics and business areas, covering 10.5 million square meters and forming a “PRODUCTIVE TRIANGLE”, positioning Malaga as one of the most dynamic innovative cities in Europe.

**The Malaga TechPark**

was designed to be a catalyst for technology, industry and innovation in Malaga and Andalusia. It is home to major multinational technology corporations and several research centres. Currently, more than 635 companies of different sizes and industries with more than 20,000 workers are established there (source: Malaga TechPark December 2020). They include large, consolidated multinationals such as Ericsson, Oracle, IBM, Accenture, Telefónica, Huawei and TDK as well as emerging companies investing in innovation. Other multinationals such as Ciklum, EPAM and Google are also present in the city.

The city has several **industrial and business parks** equipped with excellent logistics centres, which serve as a connection to the entire region of Andalusia.
They represent 90% of the industrial land in the capital, with more than 6.5 million square meters that house more than 4,000 companies and require more than 30,000 jobs. They have green areas, city buses, bars and cafeterias, service stations, financial institutions, as well as a wide range of offices, industrial and commercial premises and warehouses in which to locate new companies, moving away from the classic concept of industrial parks. You can find out about all the industrial and business parks in the following website of the Malaga City Council:
https://cemi.malaga.eu/es/apps-moviles/parques-empresariales



**Multifunctional facilities.** Malaga has many locations to host professional events. The Malaga Trade Fair and Congress Centre stands out for being a huge multifunctional convention centre that hosts fairs, exhibitions and congresses every year, some open to the general public and others specific and private. More than 396,204 visitors passed through its doors in 2019.

**Malaga’s Digital Content Hub** has 12,000 m2 of facilities and laboratories (www.polodigital.eu), a space equipped with the latest technology in which activities are developed to promote entrepreneurship, its growth and consolidation, as well as for the internationalization of digital content companies. The activities and use of its facilities are especially aimed at video game creators, designers, photographers, architects, technology entrepreneurs, audio-visual journalists, and students. The building is equipped with laboratories and the latest technologies in 3D animation, computer science and graphic design, which contribute to provide mentoring, internationalization, and capital acceleration services.

**The Municipal Incubator Network (RMI)** drives the creation and consolidation of companies and entrepreneurs. This organization helps new and start-up companies to develop by providing them with services such as management training or office space. The RMI has twelve centres: technological, creative-cultural and city district centres, which allow entrepreneurs to group together around the same sector of activity.

There are also several private coworking spaces in the city. In addition, Malaga City Council supports micro-enterprises and self-employed professionals by offering them a place to work, meeting rooms, sharing areas and a place to network with other companies. www.promalaga.es

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# Access to **Internet**

The municipal Wi-Fi network aims to provide citizens with free wireless connectivity in municipal buildings and on every street in the city centre.
The network consists of 140 access points (hotspots) located inside public buildings that provide coverage to users with Wi-Fi devices within a 30-100 m radius around the hotspot.

In addition, the city offers free and unlimited Wi-Fi at the Airport, on Malaga's bus fleet and at the mainline train stations. Restaurants, hotels, and vacation rentals also offer this free service.

5G broadband. Since 2019, Malaga has been connected to 5G, the next-generation telecommunications network.
Source: Diario Sur https://www.diariosur.es/malaga-capital/telefonica-orange-activan-20200907114504-nt.html

# Source of talent.
# Education and international schools.

The University of Malaga (UMA) is a public university with 50 years of experience educating the talent of the future. UMA offers more than 150 bachelor's, master's, and doctoral degrees, many of which are in technical and engineering subjects. The University focuses on research, development and innovation (R&D+I) and is an Andalusian Campus of Excellence for technology.

| Student Enrolment 2019-2020 | |
|---|---|
| Undergraduate | 30,517 (13,859 men and 16,658 women) |
| Official Master's Degrees | 3,256 (1,446 men and 1,810 women) |
| Doctorates | 1,893 (984 men and 909 women) |
| TOTAL | 35,666 (16,289 men and 19,377 women) |

Malaga is also home to prestigious business schools with an international character, such as ESESA IMF, ESADE, San Telmo and ESIC, which offer high-quality advanced degree programmes. Thousands of students attend these centres each year and they are an important asset for the city.
The bilingual educational offering is extensive in Malaga, both in private, public, and subsidized schools which offer European languages and methodologies. In the Malaga province there are more than fifteen private international schools for students from 3 to 18 years old.

## International Private Schools

**Aloha College**
www.aloha-college.com
Tel.: (+34) 952 814 133

**Benalmadena International College**
www.bic-benal.com/
Tel: (+34) 952 561 666

**Bifrostskolen Danish School**
www.bifrostskolen.com
Tel.: (+34) 654 447 848

**British School of Malaga -St George's**
www.britishschoolMalaga.com
Tel: (+34) 952 290 149

**Finnish School**
www.suomalainenkoulu.net
Tel: (+34) 952 476 193

**German School**
www.dsMalaga.com
Tel: (+34) 952 830 136

**Laude San Pedro International College**
www.laudesanpedro.com
Tel: (+34) 952 799 900

**Lycee French School**
www.lfMalaga.com
Tel: (+34) 952 296 900

**Malaga Institute of Technology** (MIT)
www.colegiomit.com
Tel: (+34) 952 020 281

**Mayfair International Academy**
www.linkedin.com/company/mayfairacademy/
Tel: (+34) 952 888 894

**Nova School Sunland International**
www.sunland.novaschool.es/
Tel: (+34) 952 424 253

**Phoenix College Malaga**
www.phoenixcollegeMalaga.com/
Tel: (+34) 952 220 275

**Queen's British Grammar School**
www.queensbritishgrammar.school
Tel: (+34) 952 882 032

**St Anthony's College**
www.stanthonyscollege.com
Tel: (+34) 952 473 166

**Sunny View School**
www.sunnyviewschool.com
Tel: (+34) 952 383 164

**Swans International School**
www.swansschoolinternational.es
Tel:(+34) 952 773 248

**Swedish School**
www.svenskaskolanmarbella.com/
Tel:(+34) 952 475 076

**The British College Benalmadena**
www.thebritishcollege.com/
Tel: (+34) 952 442 215

**The English International College**
www.eicmarbella.org
Tel: (+34) 952 381 058

**The International School Estepona** (Primary School)
www.marbellaschool.com
Tel: (+34) 952 884 789

# Visas

The Spanish government has a specific immigration policy for entrepreneurs, investors and non-EU citizens based on an agile and specialised visa system.

Features:

- A **single authorisation** to live and work, valid anywhere in Spain.
- **Freedom of movement** within **Schengen** member states.
- **Simplified processing:** 10 days for visas and 20 days for residence permits, combined procedure for spouses and children, formalities can be carried out through a representative.

http://www.exteriores.gob.es/Consulados/CIUDADDELCABO/es/InformacionParaExtranjeros/Paginas/Visados-Ley-de-Emprendedores.aspx

# Incentives

Central and regional governments, universities and the European Union offer a variety of incentives, loans, and grants for businesses. Categories include training and employment, and sector specific (tourism, renewable energy, R&D project funding, technology, digital content, internationalization, SME development).

**National:**
ICEX España Exportación e Inversiones (Export and Investments) www.icex.es
CDTI Centro para el Desarrollo Tecnológico e Industrial (Centre for Technological and Industrial Development) www.cdti.es/index.asp?idioma=2&r=1440*900

**Regional:**
IDEA Agencia de Desarrollo e Innovación de Andalucía (Andalusian Agency for Development and Innovation) www.juntadeandalucia.es/organismos/idea.html
CTA Corporación Tecnológica de Andalucía (Andalusian Technology Corporation) www.corporaciontecnologica.com/en/



# Awards and recognitions

**Malaga recognised as one of the 20 best places for Americans to live**, invest, work in Europe. According to Forbes Magazine October 2020.
**Malaga elected European Capital of Smart Tourism 2020**. The city was the only Spanish city to receive this title awarded by the European Commission to distinguish destinations that have opted to innovate to make tourism development more sustainable.

**2018 Sustainable City Award.**

**'ARS Magazine' presents the 2018 Art and Business awards.**
The award for the best work of patronage was granted to the city of Malaga for "the enormous effort made in recent years in its management of museums (...), which has transformed the profile of the city to turn it into a cultural beacon both inside and outside Spain".

**2018 Malaga receives the European award for Smart Tourism-Accessibility.**
Malaga recibe el premio europeo de Turismo Inteligente-Accesibilidad | ES-UE.ORG (es-ue.org)

**2017 / ENVIRONMENTAL AWARENESS**

**Malaga Winner of the CIVITAS Awards 2016.**
Malaga prides itself on implementing bold public transport measures year-round to improve the public bicycle system, electric car infrastructure, access to the city centre, logistics, metro, regulated parking, safer routes to schools and much more. Active member of CIVITAS.

Source Web Ayuntamiento de Málaga : www.malaga.eu/el-ayuntamiento/el-alcalde/documentos-de-interes/premios-y-reconocimientos/

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# Our advisory services

The City of Malaga is committed to helping international companies to establish themselves in Malaga.
Thanks to the creation of the Virtual Office, we provide information and attention digitally, in several languages, to all companies, entrepreneurs, investors, startups and/or corporations that are interested in Malaga or are considering setting up in the city.

The virtual office offers a free personalised service through the “Malaga Open for Business” website, which can be accessed from the following link **openforbusiness.malaga.eu**

**We offer the following services to companies:**

- Soft landing.
- Guidance through the legal process of setting up a company.
- Provision of economic data on the current business environment.
- Identification of financial incentives, grants, and loans from local, regional and European institutions.
- Arrangement of business visits to the city.
- Contact with major companies and potential local business partners.
- Assistance in identifying plots of land for company establishment.
- Help in applying for building permits and issuing licenses.
- Help in finding housing, access to public services, international education, registration, and tax advice.
- Information on cultural activities, recreational events, and general knowledge about the city.

Ayuntamiento de Málaga
Investor Office

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