



# Murcia Region (Spain)

## **Geographic description of the region;**

Located at the South-East corner of the Iberian Peninsula, between the regions of, Andalusia, Castile-La Mancha and Valencia, the region of Murcia occupies an **area of 11,317 km<sup>2</sup>** (2.2% of the total surface area of Spain). The population density is 98.53 inhabitants per Km<sup>2</sup>, above the national average (76.82). The three major cities are Murcia, Cartagena and Lorca.

The region is well-served by motorways, which link it to Portugal, Madrid, Northern and Southern Spain, and (via Valencia and Catalonia) to France. Murcia also boasts two international airports, and the port of Cartagena, which was the first Spanish port to be awarded ISO 9002 for the container trade.

In terms of surface area the region of Murcia is the ninth largest of the Spanish autonomous communities. The Murcia region lies at the centre of the **Spanish Mediterranean coastal arch**, between the longitudes 37° 23' - 38° 45'N and the latitudes 0° 39' - 2° 20'W taking as reference the Greenwich Meridian.

## **Economic description of the region;**

Regional Gross Product has increased in recent years above the national average, a rate that is expected to be repeated in the next few years. The percentage breakdown of the Murcian economy is characterised by the important predominance of the services sector, which accounts for 62% of the total, followed by industry (21%), construction (9%) and lastly agriculture (8%), which is double the national figure. In this sense, it is worth highlighting that Murcia has a very advanced and modernised farming industry, with important investments both in technology and applied research and development, hence its more common definition of "agroindustry".

Furthermore, the Region is developing a new industrial reality, building important clusters: chemical industry, plastics, metallurgy-mechanics, textiles and fashions, footwear and leather, wood and furniture, paper and graphic arts and a very important agrifood industry: canned foods, wines, juices, baby's food, and meat.

The main strengths of the Region from the competitive standpoint are as follows:

- The ideal combination of climate and soil, together with expert knowledge of farming techniques, provide the agrifood industry with competitive advantages, and make it one of the most important promoters of economical development in the Region, with the largest number of related sectors.
- The business organisation has strengths derived from the greater flexibility offered by the small size of companies, providing it with greater capacity to adapt to changes.
- Important opening to international markets due to the strong exporting vocation of the Murcian economy.
- Young age of the Murcian population, enabling it to offer important human capital with adequate levels of training.
- Productive machinery with special protagonism of endogenous and traditional activities in which technological renovation and the innovation of processes and products can help these to occupy a leading role of the development of the Region.

The region has attracted several large foreign and domestic investors. Some examples of the companies that have bases in the region are General Electric, Hermandad Farmaceutica del Mediterraneo, Bayer, AES Corporation, Industrias Fuertes, Hyatt, P&O, REPSOL-YPF, García Carrion, Ecocarburantes, and Shwartz-Hero España.

100% of the region is eligible for Objective I Structural funding. The region has also participated in previous EU Innovation schemes such as Global Grant, the Innovation Relay Centre network, RISI - the Regional Information Society Initiative (funded under Article 6, ESF), Innovative Actions (ERDF), RITTS-RIS, STAR, TELEMATICA, STRIDE, European Business Network, and various other Community Initiatives.

## **Description of the most important sectors of the region;**

Tourism plays a major role in the regional economy; attractions include some 250 kms of coastline, thermal springs and a rich historical and cultural heritage. Other important sectors are the agro-food industry, wood and furniture, metal industry, footwear and textiles, and non-metallic minerals. Services account for 60% of GDP in the region, whilst industry, construction and agriculture account for 24%, 8% and 8% of GDP respectively.

The communication technology industry is seen as the main emerging sector. The industrial sector is dominated by small and medium-sized enterprises, which account for 99.7% of companies. The principal export sectors are fruit (15% of Spanish exports), and vegetables (50% of Spanish exports). Fuel minerals and footwear are two other important fields of export.

#### **4. Useful links where to find the information about your region.**

Region of Murcia Portal

<http://www.todomurcia.com/>

Benefits of geographical position for business in region

<http://www.investinmurcia.com/>

Region of Murcia Tourist Portal

<http://www.carm.es/ctyc/murciaturistica/Portal/iya.menu.menu?idi=2>

Region of Murcia Foreign Trade Portal

<http://www.impulsoexterior.com/>