


Sales Brochure - Digital

Development of a strategy to support change in the production model of the Autonomous City of Melilla

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01.

Situation of Spain

Spain has 17 autonomous regions with diverse geographical and cultural characteristics

Location of Spain



Location information

Spain is a country located on the **Iberian Peninsula**, at the southwestern tip of Europe, with a total area of **504,642 km²**; which includes the mainland and adjacent islands as well as the Canary and Balearic archipelagos and the cities of Ceuta and Melilla.

- *Inhabitants: 47,615,033 million*
- *Business environment: 3,366,570 companies*
- *Activity rate: 58.86%*



48 airports



Road network connected to France, Portugal, Andorra, Morocco and Andorra.



46 ports managed by 28 Port Authorities



Advanced Technology Infrastructures

Spain participates actively in the main international forums and organizations such as the **UN**, **NATO**, the **OECD** and the **G-20**. It is also a **member state of the European Union**, the world's leading economic bloc, and remains firmly committed to advancing the integration of the continent.

Despite the difficulties posed by Covid-19 and the Russia-Ukraine war, Spain maintains a strong and positive growth rate

The evolution of the Spanish economy in recent years has been marked by the Covid-19 pandemic and the war between Russia and Ukraine.

Even in a particularly complex international context, the Spanish economy maintained a strong pace of growth in the first half of last year, driven by:

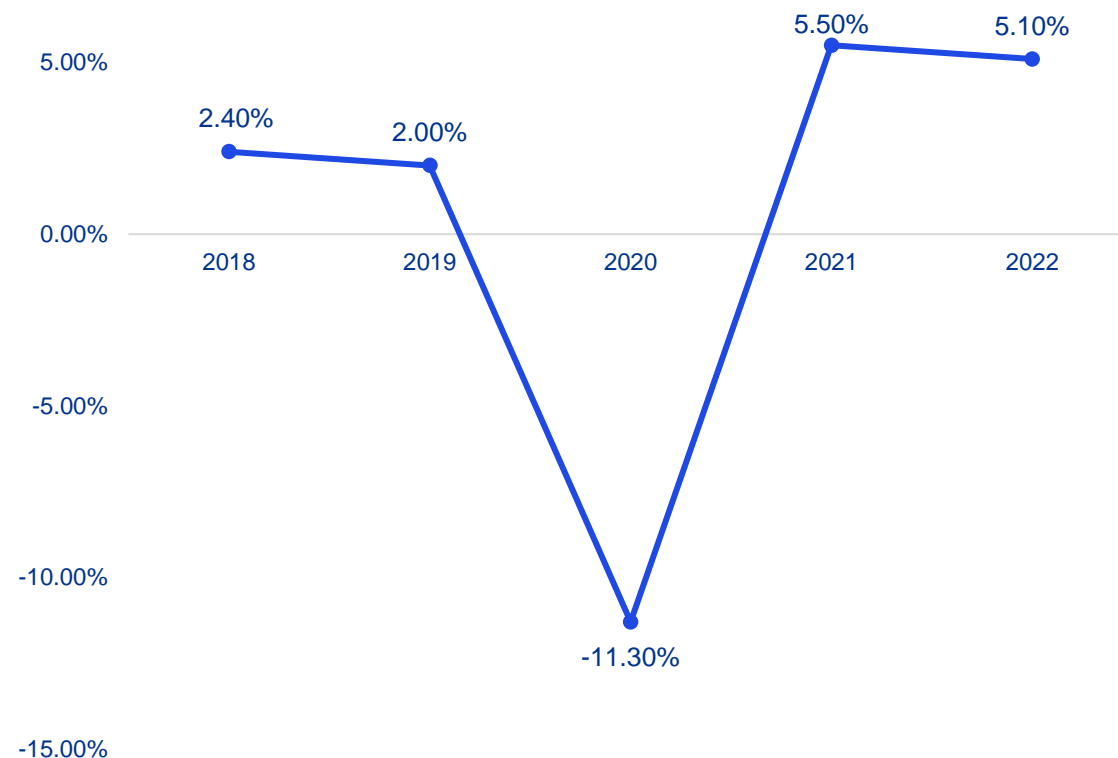
- Job creation
- Investment
- The positive trend in the external sector

The Spanish economy averaged a growth rate of **5.1%** in 2021 as a whole, as a result of the grants and loans provided by the EU and the recovery of economic activity after the confinement.

Spain is now the **15th largest economy in the world in terms of GDP**, reaching a total of **1,206,842 million euros**.



Percentage evolution of Spanish GDP over the years 2018-2022



Source: Ministry of Finance and Public Administration

Unemployment has been greatly reduced post-pandemic, but inflation remains a serious problem that urgently needs to be alleviated

The labor market evolution is particularly positive, with **records in the number of social security affiliates (20.4 million people) and the lowest number of unemployed since 2009 (3 million).**

The improvement is mainly seen in innovative sectors, such as IT or science, thanks to the specific funds that support them.

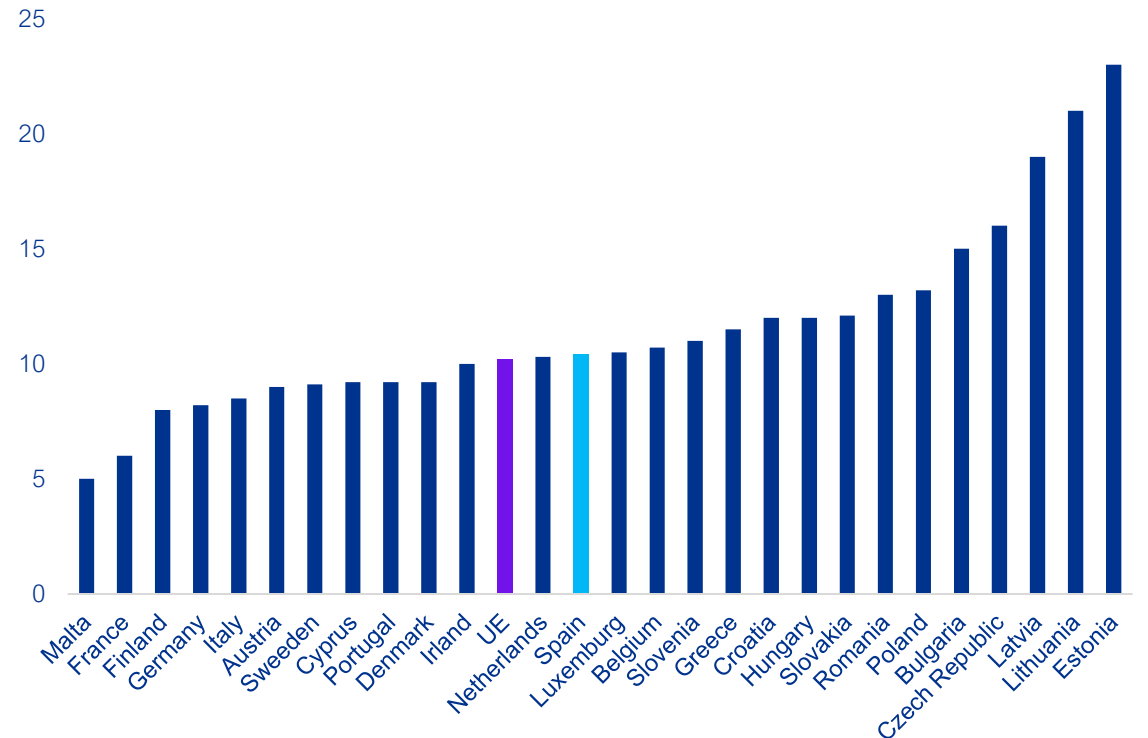
The good evolution of activity and job creation in 2021 allow progress to be made in the **country's fiscal consolidation:**

- **The government deficit/GDP ratio was reduced by 3.3 points.**
- **Public debt was reduced by 1.5 points.**

Thus, as in other countries, the **main challenge** facing the Spanish economy is **inflation**, driven by rising energy costs.

Spain is in the median of the EU in terms of price rises in the last year.

EU general harmonised CPI



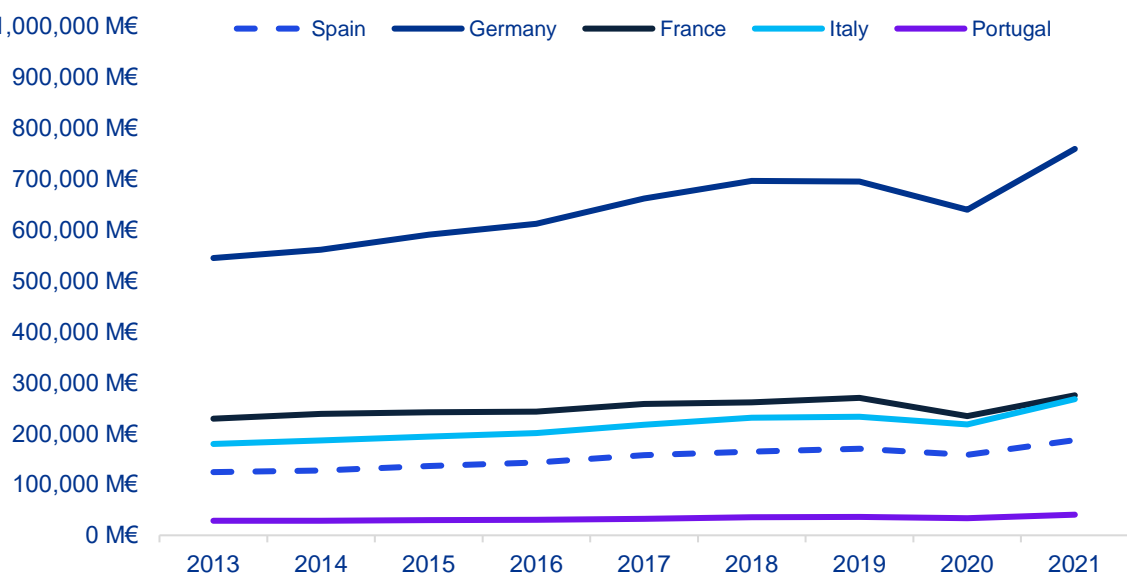
Source: Ministry of Finance and Public Administration

Although Germany is above the rest of the EU countries, Spanish import and export levels are at similar levels to the rest of the European economies

IMPORTS

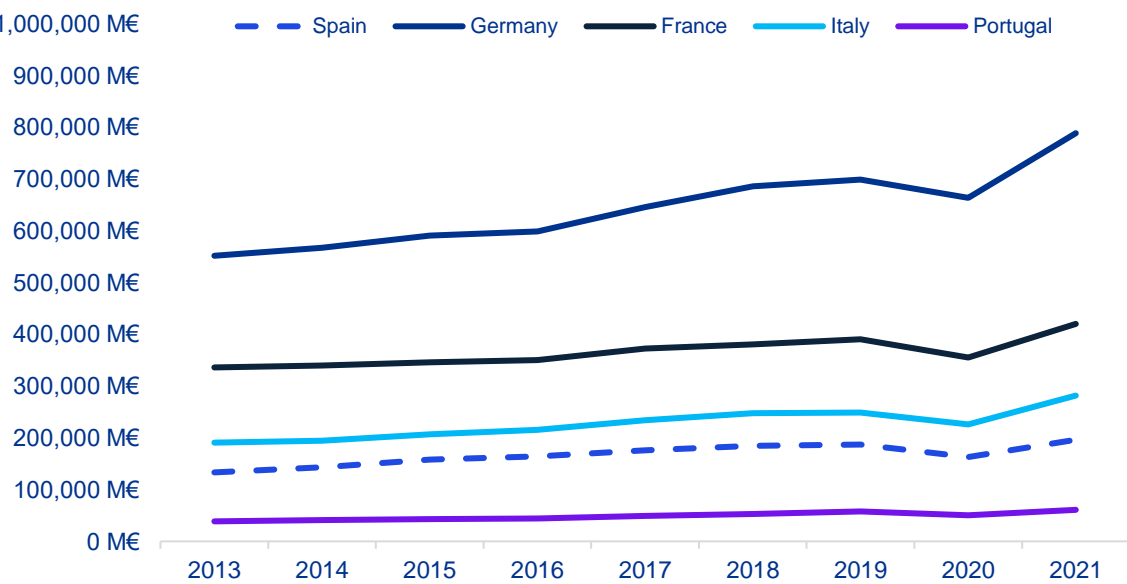
EXPORTS

Main European Countries Imports



Source: European Commission: EU trade statistics (excluding UK)

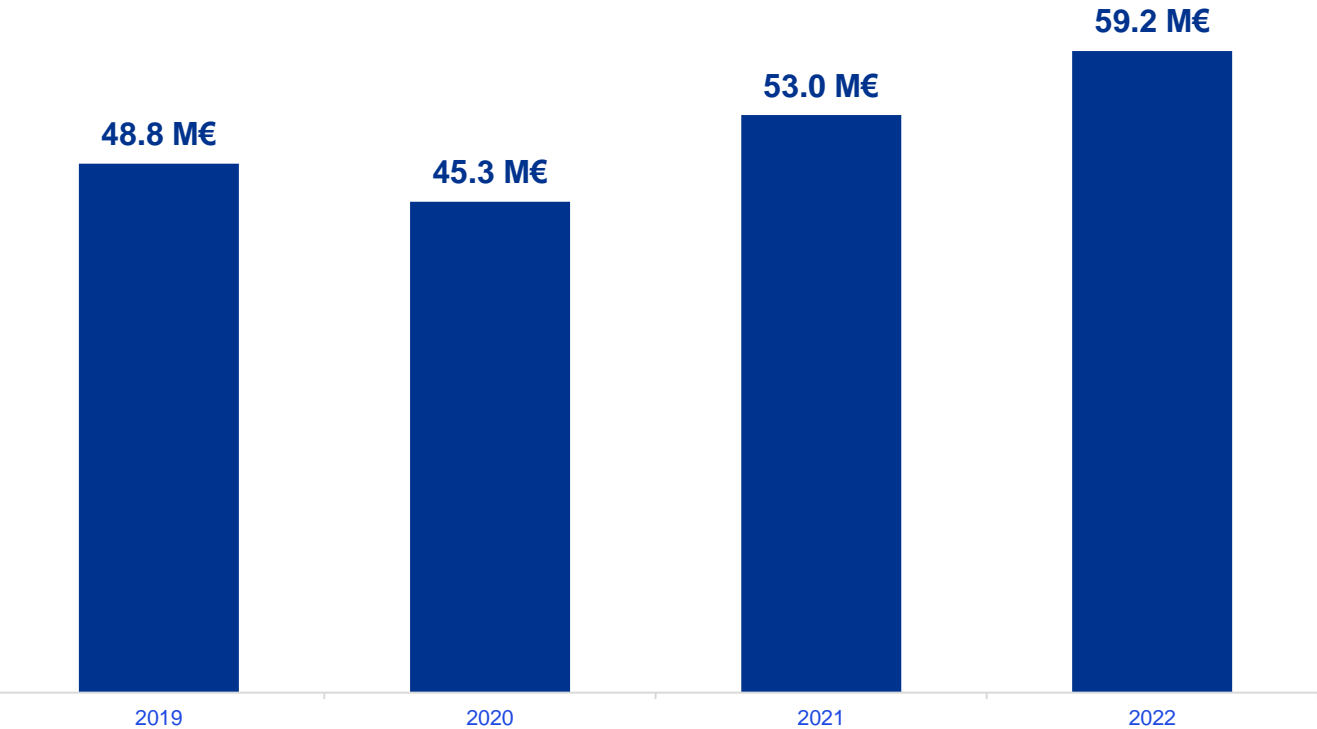
Main European Countries Exports



Source: European Commission: EU trade statistics (excluding UK)

Spain is the country with the highest percentage of investment in technology and digitalisation in the entire European Union

Levels of investment in technology in Spain



Source: CNC

Investment in technology in the **last year** has **increased** by **more than 10%**, according to data from the National Competition Commission, recovering pre-pandemic growth.

This makes **Spain** the country with the **highest percentage of investment in digitalisation and R&D** in the whole of the **EU**.

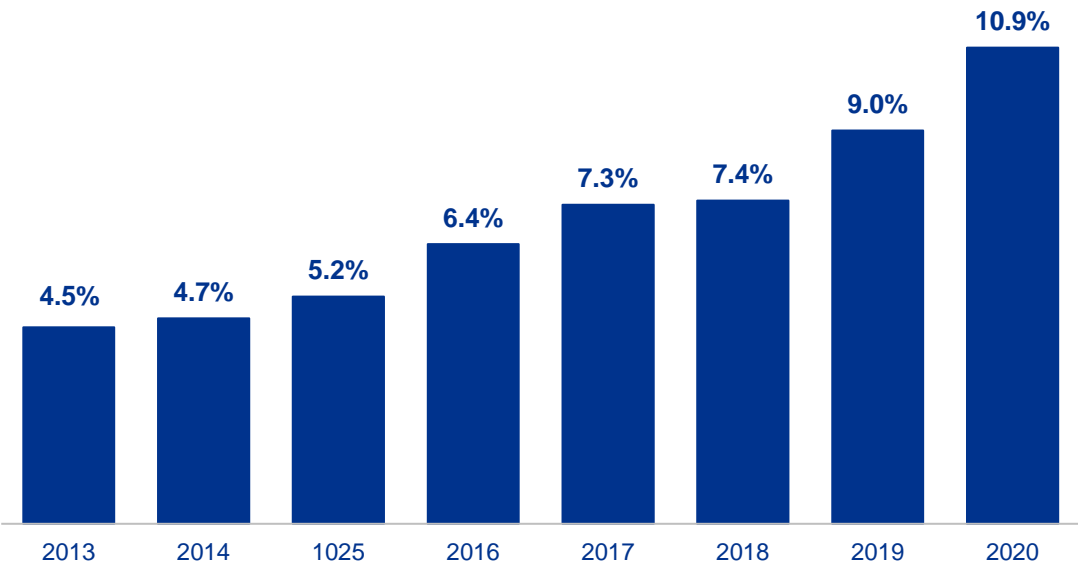
40% of Spanish companies' revenues are used for this purpose. Only China has higher levels of percentage business investment worldwide.

Investment is **highly concentrated** in **14 large companies**, which invest **25% of the money** (Banco Santander, Telefónica, etc.).

Business economic growth is **directly correlated** with **technological growth**: the 5 global companies that have invested the most in digital since 2015 have grown at a rate 5 times higher than the rest.

The digital sector has experienced the greatest growth in recent years, driven by the growing need for new technologies

Evolution of the percentage of GDP represented by the digital sector



Source: Adigital

In Spain, the **digital economy has grown significantly** in the recent past, but it has been the last few years that have given the **greatest boost** to its importance.

It now accounts for **22% of the entire national GDP indirectly**, and up to **10.9% directly**.

Thus, it appears as one of the few sectors whose growth **has been boosted by the pandemic**, demonstrating its degree of resilience and the stability that characterizes it.

It is expected to continue to grow and to become increasingly important.

Nevertheless, it will be difficult to achieve as high a degree of year-on-year growth as during the Covid-19 years, which made the technologies a necessity.

The evolution of the number of **employees** in the sector (**10% increase** in the last year) demonstrates this growth.

02.

General Information about Melilla

Melilla is a Spanish autonomous city located in African territory and bathed by the Mediterranean Sea

Location of Melilla



Location information

Melilla is one of Spain's two autonomous cities located in African territory, both of which border exclusively on Morocco.

- *Inhabitants: 84,689*
- *Business environment: 5,304 business*
- *Activity rate: 63.8%*



Melilla Airport



Road network connected with Morocco



Port of Melilla, a transnational complex



Advanced Technology Infrastructures

The **strategic location** of the city and the infrastructure facilitate the **connection** with different points of the peninsula and surrounding areas and, in turn, enable the storage of goods traded on a large scale.

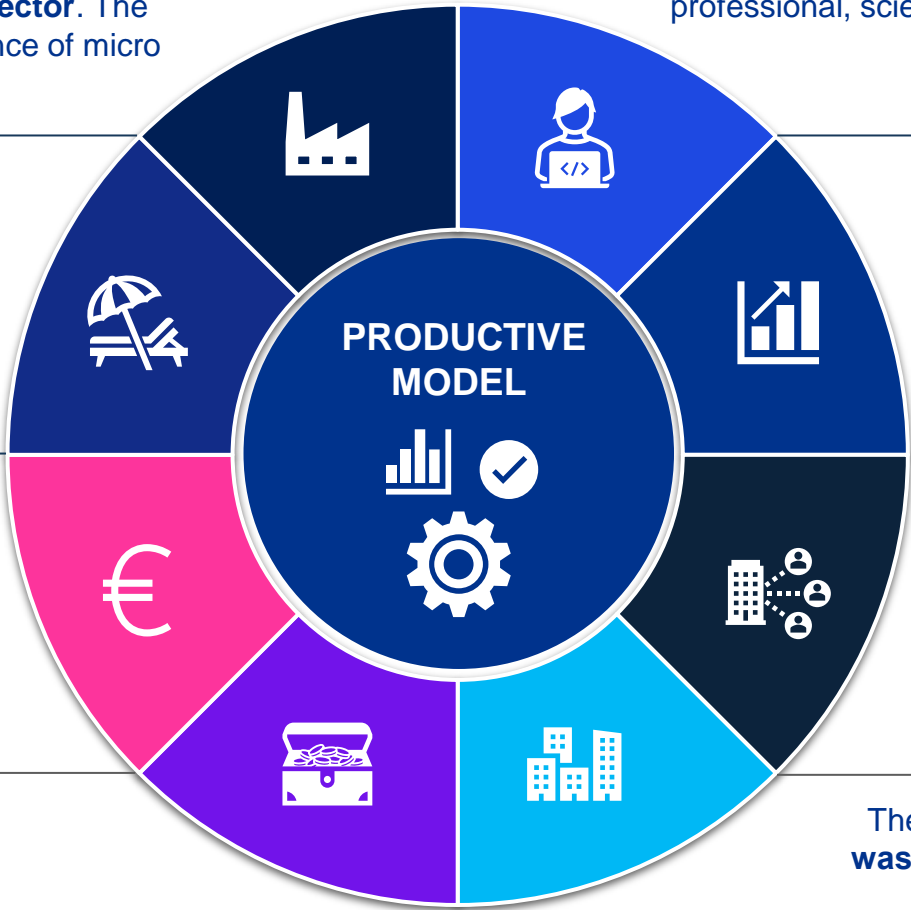
The productive model of Melilla is characterized by the following issues

The business environment is made up of **5,304 companies**, **41% of which are engaged in the commercial sector**. The business fabric is characterized by the high presence of micro enterprises.

Tourism is an opportunity sector for Melilla's economic recovery and, nowadays, its seasonality is less marked than in other peninsular destinations (although more marked than in Ceuta).

Melilla generated 1,509 million euros of GDP in 2020.

Melilla's GDP per capita in 2020 was €17,900



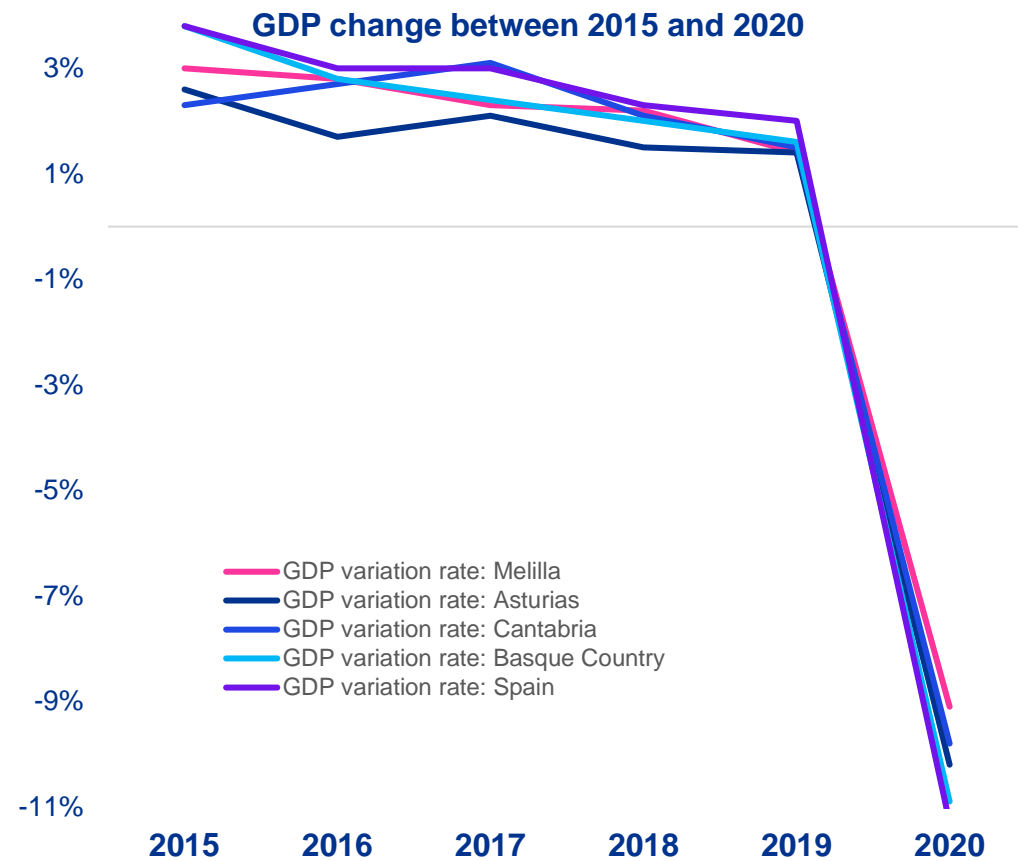
Real estate activities have high productivity compared to professional, scientific and technical activities; administrative activities and auxiliary services.

Investment in the digital sector **has grown during the last few years**, which is an incentive and generates hope to maintain this trend in the future. Digitalization could become one of the main drivers of investment in Melilla.

The work productivity has increased since 2008 and now stands at **9.8%**.

The **average income per household in Melilla in 2020 was € 39,868**, which represents a 0.3% increase over the previous year. This value is higher than the average Spanish income, which stands at €30,552..

The crisis caused by Covid-19 led to a decline in the city's GDP after several years of continuous growth.



During 2020, the Autonomous City of Melilla generated a **Gross Domestic Product of 1,509M€**, which represents a decrease compared to the previous year and the **end of a streak of 7 consecutive years of growth**.

2020 was marked by the **Covid-19 economic crisis that hit hard the local economy**, returning to GDP levels of 2016.

One of the main reasons for this decline was the **city's production model**. Based on traditional trade, **it failed to adapt** to the new trends of digital commerce, thus eroding the income of local businesses.

However, **this GDP regression was not a local problem**, but affected all Spanish regions equally, as well as other countries in the European Union and in a more international context.

The GDP variation rate in Melilla in 2020 stood at -9.1%, which is a lower decrease than Spain (-11.3%) and also **lower than other autonomous communities in the same year, such as Asturias, the Basque Country or Cantabria**, all three of which were around -10%.

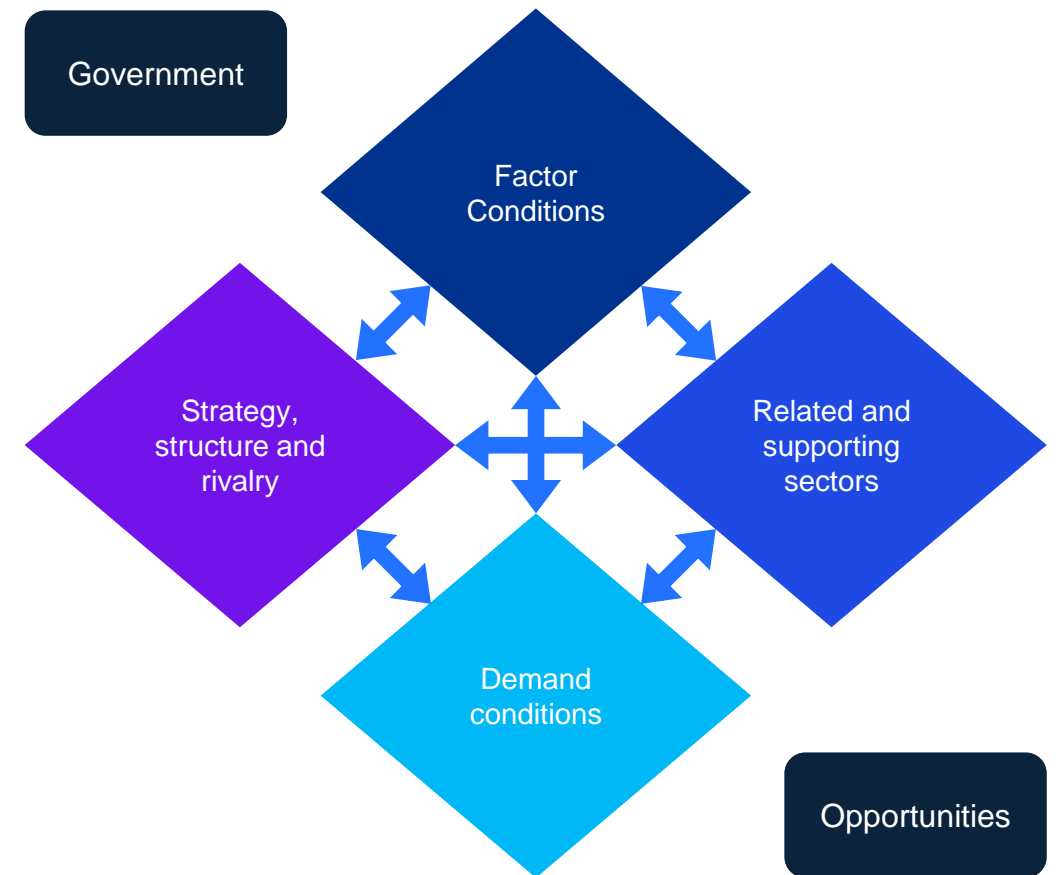
03.

Advantages of Melilla

Melilla has a number of advantages that make it a unique territory and a great opportunity for the location of companies

The advantages of Melilla are detailed below:

- **Factor conditions.** All of Melilla's productive resources are included:
 - ❖ Infrastructure and land.
 - ❖ Workforce.
 - ❖ Natural resources.
- **Related and supportive sectors.** Presence of suppliers and various local companies, as well as other support agencies.
- **Demand conditions.** Local demand situation, market value and end-customers for the sector as well as national and global situation.
- **Strategy, Structure and Rivalry.** Melilla has worked in recent years on the development of a new productive model in which trade continues to be the basis of the local economy.
- **Other factors.** The role of public administration in supporting companies to improve their performance is key in Melilla, as public entities have a solid structure and support new incorporations to the sector.



In the Autonomous City of Melilla there are important tax reliefs and exemptions

Melilla's geographical location justifies the existence of a **special tax regime**, the most important aspects of which are as follows:



Direct Taxation

- **50% reduction in corporation tax**
- **60% reduction in Personal Income Tax.**
- **50% reduction for companies that transport goods to or from Melilla**, whose costs are included in freight and associated expenses, costs of handling the goods in ports or airports as well as their taxes, security taxes and surcharge for fuel when applicable. It is necessary that the goods originate in Melilla (completely originating in Melilla, transformed in the city or the transformation process ends in Melilla).
- **Reduction of 50% in Probate and Donation Tax, increasing the reduction percentage to 99%** when the beneficiaries are the spouse, ascendants or descendants. This will be the case for both mortis causa acquisitions (inheritances) and inter vivos acquisitions (donations).
- **Reduction of 50% on Inheritance Tax and Legal Documented Acts.**
- **Reduction of 75% on Wealth Tax.**



Any person (physically or legislatively) residing in Melilla can benefit from its tax advantages



Since 1 September, according to Final Provision thirteen, RD 1/2023 limits the 50% bonification in Social Security contributions to a **reduction of 232 euros of the corresponding contribution**, as long as they are workers with an indefinite contract and training actions are carried out.

Direct taxation:

Value Added Tax is not applied in Melilla. Instead, the Tax on Production, Services and Imports (IPSI) is applied with rates between 0.5% and 10%. Some of the services taxed at 0.5% are:

- **Advertising and marketing services**
- **services provided by electronic means**
- **Ancillary and complementary management services for the performance of gambling activities** that constitute the taxable events of taxes on gambling and random combinations
- **50% reduction in municipal taxes.**
- **Special taxes:** only the Special Tax on Certain Means of Transport and, within the manufacturing taxes, the Special Tax on Electricity, are compulsory. But there is a complementary IPSI on tobacco products and on fuel and combustibles.

Exemption from Excise Taxes on Alcohol, Tobacco Products and Hydrocarbons

96.1% of the industrial land in Melilla corresponds to the SEPES industrial area, the remaining 3.9% is distributed in different parts of the city

The city of Melilla has an industrial land area of 43.9 hectares (3.6% of its surface area). The SEPES industrial estate, with 96.1% of the industrial land, hosts a total of **572 industrial warehouses**.

In addition to the supply of warehouses for sale and rent (approximately 6,021 m²), and the foreseeable availability of empty or inactive warehouses (up to 41,982 m² potentially available), a further 17,286 m² should be added, corresponding to the unused plots of land on the industrial estate.

Therefore, **the land potentially available for new industrial uses, including establishments to carry out activities belonging to the digital sector, would amount to about 6.5 ha, 15.5% of SEPES.**

The state of conservation of this area is good. Land registry data indicate that **24.5% of the properties are in an excellent state of conservation.**

To all this space must be added that resulting from the new Technology Centre planned for the city, which will be able to house ICT companies.

Melilla Industrial Area



Source: Industrial Area SEPES, Strategic plan Melilla 2020-2029

Melilla has infrastructures prepared for the shipment of goods



Roads

In the Autonomous City of Melilla, the road network serves two main needs: to articulate the **urban environment** of the locality and to **favour external communications with Morocco**. The roads are classified as follows: the ML-300 ring road, penetration roads and roads running parallel to the coast.



20,000 people
daily



5,000 vehicles
daily

Melilla's road network links up with Morocco's road network via the CN19, which also handles traffic from the port of **Beni Inzar, making this road a major cross-border corridor with a daily flow of 20,000 people and 5,000 vehicles.**



Airport

Melilla airport is located **3 km southwest of the autonomous city**. Its air communications make it a **potential base of operations** both for those seeking the commercial advantages of the African market and for local companies wishing to export products.



332,400 passengers
2021



10,000 tons
2021

Direct connections with international airports such as Madrid allow contact with the main **European economic and digital powers**, which is a boost for the proper development of the digital sector in Melilla, raising awareness of the opportunities it presents.



Port

The port of Melilla is a **strategic infrastructure** of great importance for trade, tourism and the economy in general. It has a **maritime traffic flow that represents 10% worldwide**; its expansion could contribute to improving the city's competitiveness.



218,795 m² of Surface area
commercial area



250,000 m² of Surface area
expansion project

The extension of the port would be an **advantage for the development of the business fabric of Melilla**, as it would increase the stock of public infrastructures and other constructions in the city, reducing the important gap that exists with respect to the rest of Spain.

The city has the necessary supplies for the proper development of the city's businesses

Melilla's electricity system is able to supply the entire city.

The **Autonomous City's energy demands** are covered entirely by its **own generation**. Melilla's main energy infrastructure is a **diesel engine power plant** located in the vicinity of the port. This plant **generates about 95% of the energy consumed in Melilla**. The remaining 5% comes mainly from the **energy recovery of waste** in the incinerator of the Autonomous City.



Hydraulic infrastructures have been developed with a **dual objective**. On the one hand, **to alleviate the scarcity of endogenous resources**, and on the other, **to improve the quality of water**. At present, **the supply of drinking water comes from surface catchments, underground catchments and desalination plants**. The desalination infrastructure consists of one desalination plant and two desalinization plants.

The water system provides sufficient water quality for the entire city.

Melilla has the specialized infrastructure for the treatment of each type of waste.

The city has a **Solid Urban Waste Landfill** for urban waste, a **Temporary Waste Storage Centre** for waste fractions that can only be treated on the mainland, an **Energy Valorization Incineration Plant** for sludge from the WWTP and an **Incineration Ash Vitrification Plan** for the treatment of ashes generated in gas purification..



The Autonomous City of Melilla has an advanced technology-based infrastructure and a strong commitment to ICTs



*In March 2015, the **ICT Technology Centre** was inaugurated as a driving force to support initiatives in the field of information and telecommunications technologies. The Technology Centre has a classroom, laboratories and spaces dedicated to the promotion of technology.*

Technology advantages in the city

From a strategic perspective, Melilla has developed **infrastructures to promote the technological development** of the city:

- Since 2014, Melilla has been connected to the mainland via a **second optic fibre submarine cable**. This basic and strategic infrastructure has improved the quality and reliability of communications.
- Melilla has deployed an optic fibre network to the home and/or businesses (FTTH) throughout its urban core, as well, **the mobile broadband network has also been improved throughout the city**.
- There is also a **corporate fibre network** that interconnects the different departments of the Autonomous City.

Sustainability and digitalization are the main global trends that Melilla could exploit to improve its positioning. Virtual tourism, driven by new technologies, is along the same lines.

Over the years, Melilla has strongly supported education as a necessary driver of the city's economy

University of the Autonomous City of Melilla

Melilla has a campus of the **University of Granada (UGR)**, with **3 faculties** (Social Sciences, Education and Sport Sciences and Health Sciences) and a **center of the National University of Distance Education (UNED)**.



Facultad de
Ciencias Sociales
y Jurídicas
de Melilla



FACULTAD DE
CIENCIAS DE LA
SALUD DE MELILLA



FACULTAD DE
CIENCIAS DE LA
EDUCACIÓN Y DEL
DEPORTE DE
MELILLA

The University is perceived as an opportunity for the city, beyond the educational field, since it means the arrival of a population from the peninsula with better qualifications and economic capacity.

Educational offer



The city of Melilla seeks to become a **University City** as it has more than **2,500 students** and intends to **continue expanding the university campus**, specializing as well in degrees in the **ICT sector**.



The city of Melilla offers **internship programs** to its students with **local and peninsular entities**.



Free enrolment up to €1,000 in numerous **specialities**, and different scholarships for the following years of study, subject to fulfilling requirements.



Currently, Melilla has **training courses** for the **unemployed**, **training programs** for workers and employers, a **hotel school**, a **university** and **postgraduate studies**.



Melilla Orienta, Melilla's **first training and employment portal**.

The Melilla Technology Centre has classrooms, several laboratories and extensive ICT facilities



Melilla Technology Center is the driving supporting initiatives in the field of ICTs:

- **MELILLA FORMATIC**

Global project aimed at attracting human capital to the city through innovative training programmes in the field of ICT, subsidised for high-potential professionals who wish to complete their training with specialised courses.

- **MELILLA SECURETIC**

Collaboration project between the Autonomous City of Melilla and Telefónica that offers postgraduate training programmes and specialisation courses for high level professionals interested in specific high-level training.

- **TRAMITA MELILLA**

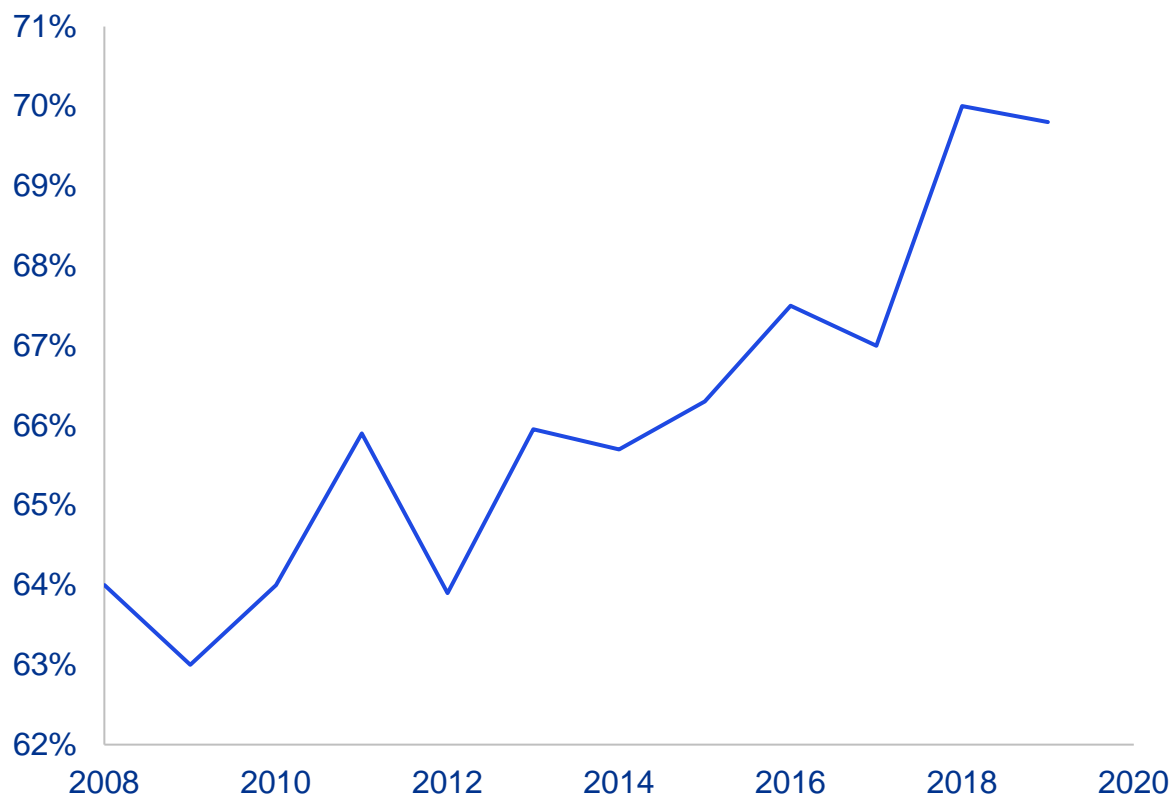
Development and promotion of the digital economy "Tramitamelilla" project, an initiative that the Department of the Presidency and Public Administration, through the General Directorate for the Information Society, promotes the use of electronic media in the relations between companies and the Administration, providing technical support.

- **IDEAS MELILLA**

This initiative is promoted by the Department of the Presidency and Public Administration of the City of Melilla, with the aim of supporting technology-based entrepreneurship based on technological innovation for the generation and marketing of other products that are capable of becoming sustainable and scalable projects.

In the Autonomous City of Melilla there is a wide availability of human resources, approximately 40,000 people

Evolution of the percentage of the active population in Melilla



In 2021, the city had approximately **40,000 people in the labor force**, 21,500 men and 18,700 women, a contingent consisting mainly of **people aged 35 to 44 and 45 to 54**. The **active population increased by more than 10,000 people between 2008 and 2021** (around 30% more), which represents a very significant increase in the available labor force.

Melilla has the **lowest average salary in Spain**, which translates into the **lowest average labor cost** in the country for companies in the territory. It has an **average salary of 18,510 euros**, more than 3,400 euros behind the next community (Cantabria) and **more than 6,000 euros behind the national average**.

However, this **does not have a direct impact on the quality of life of citizens**, as the **tax benefits** enjoyed by workers in the city allow the net difference with the rest of the country to be smaller. The **development of more technical sectors** can be expected to bring about a general increase in the short and medium term.

In conclusion, **Melilla offers a sufficient labor force**, with **competitive salaries** that allow for the **attraction of trained human capital and a certain margin of maneuver for employers**.

Melilla's digital value chain includes large companies from equipment manufacturing to the provision of digital services



Provision of cross-cutting services to the digital sector

This would include all those companies responsible for the maintenance of the computer equipment necessary for the development of the activity and those that are dedicated to providing network support, which is also indispensable. Other cross-cutting services include cybersecurity work or even the electrical network.



Other organisations in the value chain environment

Melilla Entrepreneurship Cluster
Melilla Technology Centre

Other public centres (RTMelilla)
University of Granada

Educational Centres
Melilla City Council

Melilla's entrepreneurial ecosystem favours the promotion of collaboration and innovation activities

A possible niche market that could be exploited by companies wishing to have their operations centre in Melilla could be the **maintenance of the computer equipment** necessary for the **running of Melilla's technological network**.



It is an association that aims to **create and enhance the city's entrepreneurial**, business and financial culture by promoting development and collaboration in **digital and technical innovation**. **New technologies** are therefore one of the **main areas of work** of the organisation, which has been in operation since 2021. To this end, the Association has a large cross-cutting and interdisciplinary group of experts, which meets with the intention of collaboratively exploring solutions to the new technological and industrial challenges of the future.



Melilla Technology Centre opened its doors in 2015 with the ultimate goal of supporting and promoting specific initiatives in the ICT sector. Some of the main initiatives carried out there are **Melilla FormaTic**, aimed at attracting human capital to the city through subsidised training programmes in the field of ICT; **Melilla SecureTIC**, which offers postgraduate programmes and courses aimed at high-level professionals; and **Tramita Melilla**, which aims to promote the use of electronic media in the relations between companies and the Administration, among others.

The digital sector in the city of Melilla is almost entirely represented by the ICT sector



Existence of a thriving local demand. The digital sector is one of the sectors that has grown the most in recent years worldwide and, given its transversal and digital nature, the demand for it is not only limited to the autonomous city, but has a worldwide range of activity. In addition, **Melilla offers very favourable tax advantages for this type of companies** and, as can be seen in the graph, the percentage of use of new technologies in the sectors is high.

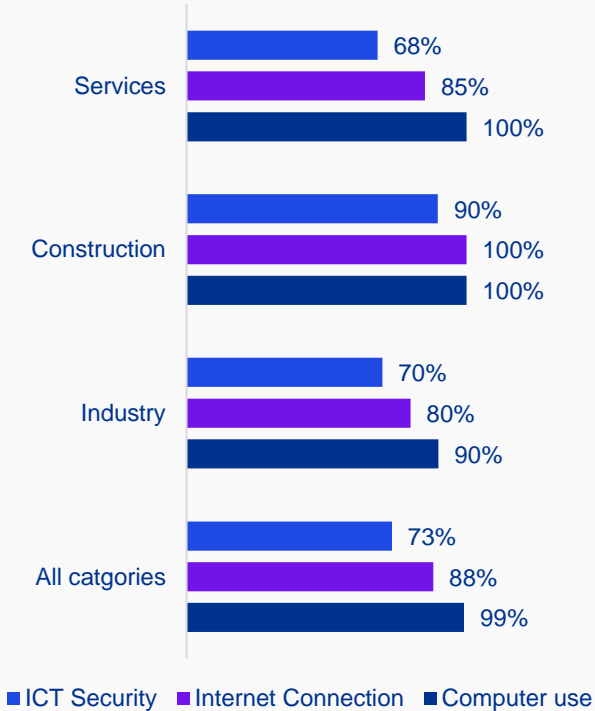


Existence of business fabric. Melilla has a technology centre, which will be expanded in the near future, and which was created with the aim of becoming a driving force to support initiatives in the ICT field. This centre carries out various initiatives in the field of ICTs with the aim of helping companies to develop their projects through training programmes, security, etc.



Availability of qualified suppliers and channels. The digital sector is not a traditional sector. The vast majority of companies have the resources they are going to provide to users directly, thus eliminating the need for qualified suppliers. In order to be able to provide digital services, it is necessary to have a good network infrastructure, something that Melilla has.

Percentage use of new technologies in Melilla companies in 2021



Source: INE

Melilla is well connected thanks to its advanced connectivity infrastructure



Access to markets. The great advantage of the **digital sector** is that **access to markets is unlimited** from anywhere in the world; **it is a service that can be provided from any territory and for any territory**, so there is no barrier for the sector in this respect.



Operating costs. This sector does not require large areas of land, but benefits from **technological advances** so as not to have a specific location. **High-level network access and connection is essential**, something that Melilla can offer thanks to the powerful fibre optic cable that serves the entire city.



R&D&i intensity. The creation of the **Melilla Technology Centre** facilitates the **intelligent and sustainable growth** of the sector, since, thanks to its facilities and equipment, it has become the **reference centre** for supporting initiatives in the ICT field. Likewise, it provides the citizens of Melilla with different **grants and training programmes** for the **development of the economic business fabric**.

Advanced connectivity

COMMUNICATIONS SECURITY: There are two submarine fibre-optic cables, ensuring permanent availability of telecommunications

TELECOMMUNICATIONS CAPACITY:
One of the submarine cables is publicly owned and has high transmission capacities, allowing any data transmission service needs to be met.

FTTH BROADBAND AVAILABILITY:
There is 100% fibre optic broadband (FTTH) coverage throughout the urban area.

Source: Own elaboration based on
Investinities

ICT technologies will play a leading role in the technological development of the city of Melilla, one of its main objectives

Melilla has carried out **a large number of initiatives** in order to become the **technology hub** of North Africa, including the extension of the fiber optic network, the construction of a technology centre and the implementation of technological procedures to facilitate the development of companies in the territory. The "**Melilla Smart Specialisation Strategy**" includes objectives for the smart growth of Melilla.

Completing the city's innovation base

Including postgraduate and professional training of specialists, promotion of entrepreneurship and inter-institutional collaboration.

Identifying the customer in the environment

Above all, by including potential Moroccan clients and improving relations between Melilla and the neighbouring country.

Environmental sustainability

Focusing on the responsible use of available resources.

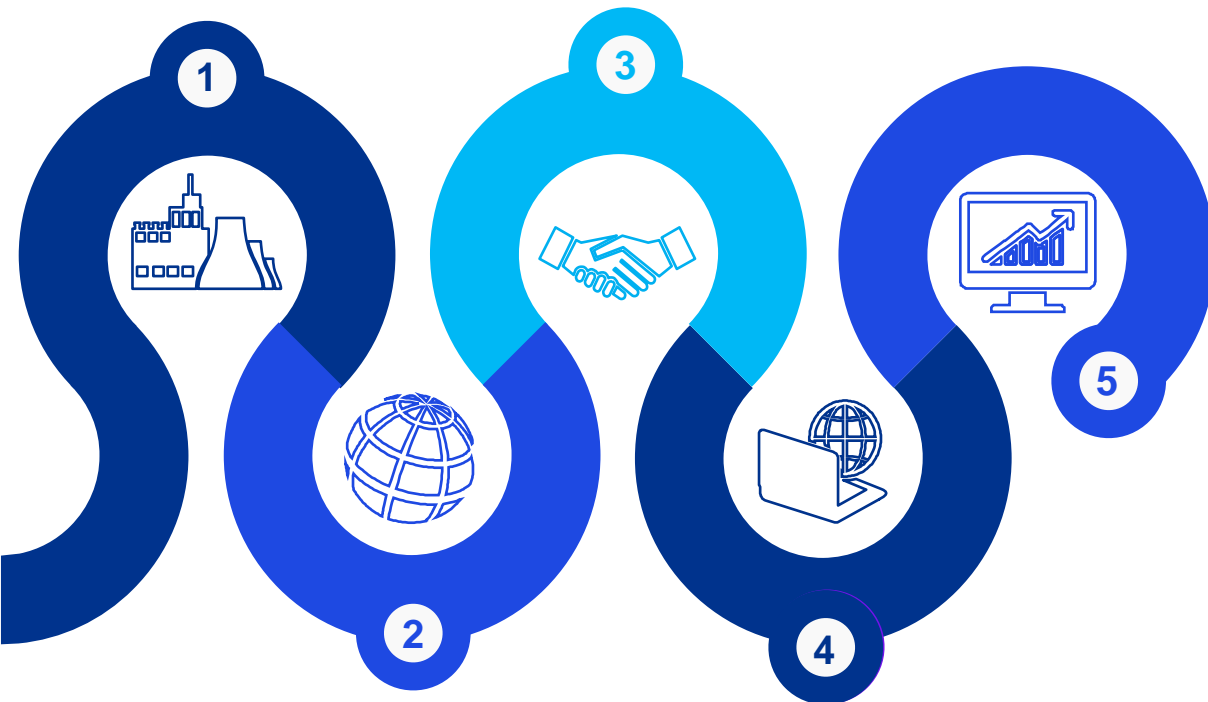
Social innovation and cohesion in marginalised areas

Using technology to maximise access to information for the most marginalised population groups at risk of exclusion.



The digital sector in Melilla has great potential for growth, which will depend on the arrival of companies with technological know-how

Although the degree of development of the digital sector in the Autonomous City of Melilla is not very high, the **potential for growth** is **great**, as a result of the successive extensions of the fiber optic network and the beneficial tax system offered by the territory. Both factors favour the **establishment of remote companies** and, ultimately, **technological and digital know-how**.



- 1 Attraction of remote digital start-ups
- 2 Enhancing training in digital skills
- 3 Promotion of institutional and private partnerships to facilitate the creation and development of enterprises
- 4 Facilitating telematic procedures with the administration.
- 5 Using digitalisation as an enhancer for other sectors

The European funding will be an important boost for Melilla's digital sector, as digitisation is one of its main objectives

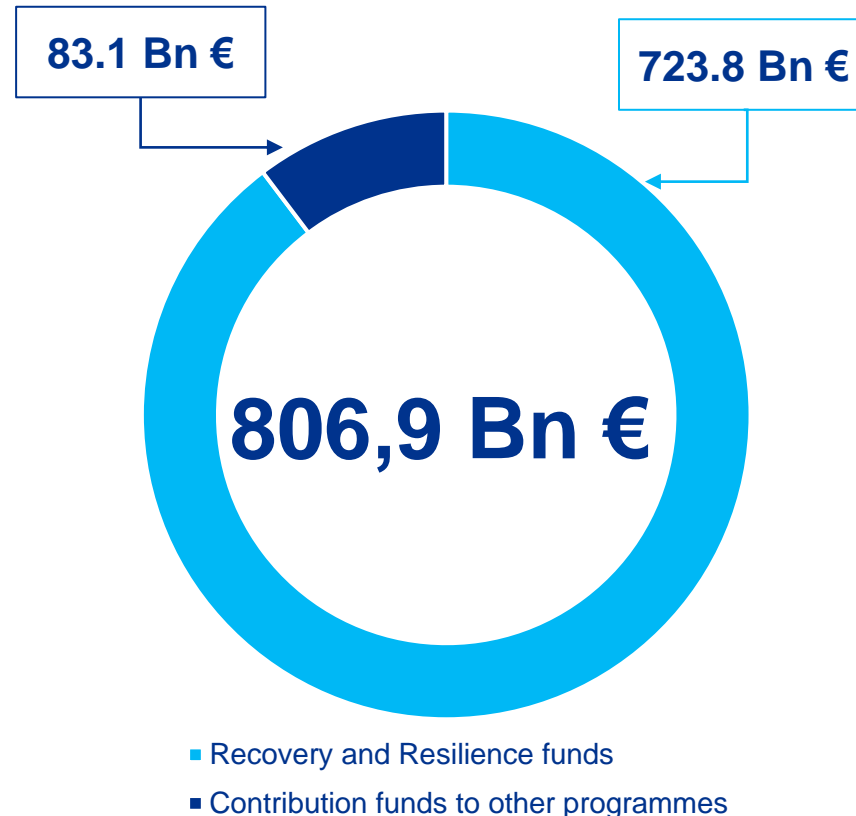
European Funding

Most of Melilla's objectives are related to digitalization, with the modernization of the economy being the most important general objective. Some of the European objectives in line are:

- Europe's innovative and intelligent transformation
- The digitization of Europe
- Integrated and sustainable development of urban, rural, coastal and natural areas through the use of digital tools.
- Adaptation to climate change and changes in the production and energy structure to make it a green economy, with a special focus on digitalization.

The European Funds will be the most important source of financing to achieve the specific objectives of the Melilla Strategic Plan 2029 and, therefore, the objectives directly related to the **digital sector** of the autonomous city.

This is so, firstly, because of their **amount**; but also because of the **purposes** for which they are **to be used**, which are particularly well suited to the **needs that Melilla** currently presents.



- Recovery and Resilience funds
- Contribution funds to other programmes

Melilla will also provide funds and aid for the modernization of its economy and digitalization

Main grants for trade in Melilla

Institutional support for digitalisation is absolute and includes **all kinds of initiatives** to facilitate the **digital transition** of both companies and institutions. Of particular note are those explained in the [Melilla Strategic Plan 2020-2029](#), which revolves around the transformation of the city's production model.

However, there are **numerous general grants** for job creation, which ultimately also provide an important **boost for commerce, the most important sector in the city**, among which the funds of the public entity **Promesa** stand out.



Investment with employment creation		Investment for employment promotion		Microenterprise investment		Investing in companies to improve their quality systems		Investment in the Melilla Economic Promotion Zone (EPZ)	
Type	Limit	Type	Limit	Type	Limit	Type	Limit	Type	Limit
45,000 euros per employee	45% investment	7,000 euros per employee	-	Per investment in SMEs	40% investment /30,000 euros	Quality Systems Improvement	40% investment / 40,000 euros	Minimum 900,000 euros	35% investment

04.

Sectorial Opportunities

Good connectivity and a large extension of fiber optics make Melilla a region with a high technological potential

In recent years, the digital sector has grown significantly compared to other sectors. This, together with the advantages that Melilla has for the sector (attractive tax system, advanced connectivity network, etc.) means that there are different sectorial opportunities that can be taken advantage of by new companies that decide to set up in Melilla.

Specific digital training on subjects in which the city offers differential elements

- Given the **quasi-exponential growth of the digital training sub-sector**, the establishment of **companies that are specifically dedicated to it** and do not divide the allocation of resources into more services will have a great business opportunity.
- Melilla could take advantage of the **most developed knowledge areas in the region**.
- Some examples of **possible knowledge areas** could include: the development of digital skills, ICT or the use of robotics in companies.

Cybersecurity systems providers

- The **spread** of all new **digital technology services**, especially **cloud** and **AI** services, makes it necessary to establish security systems.
- Their **importance lies** not only in guaranteeing the **proper functioning of companies** in the sector, but also the **correct protection of sensitive** and relevant user information.
- Given the **good connectivity** of the region and the extension of **optic fiber** networks throughout its territory, Melilla is a good base territory for cybersecurity companies.
- Existence of a **high degree of infrastructural development** to carry out their business activity.

Establishment of companies dedicated to online sporting activities

- The existing **reductions** in favour of companies with registered offices in Melilla offer a competitive **tax environment** at European level.
- **Europe** is the **largest market for online activities** in the world, so Melilla's geographical location would act as a plus point.
- Of all the sub-sectors of online activities, **sports** is the **largest and fastest growing**.
- Given the **high level of interest** in many sports in Europe, the specialisation of companies in this area should prove successful.



Thank you



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