

SPAIN

Business Guide

Compiled by:

Swiss Business Hub Spain

Madrid, May 2020

**Important Note: This Guide includes some general cautions concerning COVID-19.
For updated information, please, contact us directly.**

INTRODUCTION

Spain is one of the world's most developed countries, playing an important role in international political and economic arenas. Over the years, the country has well proved its ability to effectively translate consistent economic growth into significant investments, including advanced communication networks comprising thousands of kilometres of highways and high-speed train services. This ability and the ongoing effort made to ensure the competitiveness of its economic structure has enabled Spain to remain one of the world's main economic players.

Despite a decline in growth during the financial crisis in certain sectors, resulting in significantly lower employment rates, Spain's economy recovered its financial position thanks to implemented, ambitious austerity measures. Spanish economy closed 2019 with a sixth consecutive year of GDP growth with an average of 2.6% (2014: 1.4%, 2015: 3.8%, 2016: 3.0%, 2017: 2.9%, 2018: 2.4% and 2019: 2%).

Note: Forecasts for 2020 predicted a potential GDP rise from 1.6% to 1.9%. The current global crisis derived from COVID-19 imply these forecasts are no longer valid.

ARRIVAL AND DEPARTURE

Swiss, EFTA and European Community citizens need a valid national identity card or passport to enter Spain. Citizens from the rest of the world require a valid passport and a temporary entrance or residence visa issued by the appropriate Spanish Embassy or Consulate from their country of residence, unless they come from countries with which a visa exemption agreement has been signed. Where such an agreement has been reached, these persons are exempt from an entrance visa for visits not exceeding 90 days and they must not have the intention of undertaking any work in Spain.

LANGUAGES USED FOR BUSINESS

Spanish is the official national language for the entire country.

The six autonomous communities of Catalonia, the Basque Country, Galicia, Valencia, Navarre and the Balearic Islands have also declared regional languages as official languages along with Spanish. These languages are Catalan (in Catalonia and the Balearic Islands), Basque (in the Basque Country and areas of Navarre), Galician and Valencian.

Although many large companies do conduct business in English and Spanish, you cannot expect English (neither French, nor German) to be widely spoken. Check in advance to determine if an interpreter is needed.



PUBLIC HOLIDAYS

Spain remains a culturally Catholic country and many official holidays relate to religious festivals, particularly holy days of obligation such as: Corpus Christi (a movable feast celebrated in Cordoba Seville and Toledo); the immovable Feasts of the Epiphany (6th of January); Saint James (25th of July); the Assumption (15th of August); All Saints (1st of November); and the Immaculate Conception (8th of December). The secular National Holiday is 12th of October (*Día de la Hispanidad* -Hispanic Day-) and 6th of December is *Día de la Constitución* (Constitution Day).

In addition, all towns and villages have important annual “*fiestas*” and/or “*ferias*” that may last several days, mostly during August and September. It is, therefore, imperative that you consult regional and local calendars as well as the list of national holidays before making travel plans.

Annual vacations of 30 days (including Saturdays and Sundays) are compulsory. They are usually taken around Easter (*Semana Santa*) or from July to September. August is the most popular month.

HEALTH AND INOCULATIONS

Note: For updated information about the current situation in Spain, please, visit the [Spanish Health Ministry's site for COVID-19](#).

The healthcare system in Spain is generally of a high standard and combines both private and public healthcare, with residents in possession of a Spanish social security number and the necessary documentation being entitled to receive free or low-cost healthcare.

The state system is funded by social security contributions, with each region of Spain taking individual responsibility for a health budget allocated by central government.

As the healthcare system is decentralized, you will need to check the conditions in your own area for using healthcare services. There is a directory of the regional health authorities within the different regions of Spain on the [Spanish Health Ministry's website](#) (mainly in Spanish). Click on your region on the map for contact details of your local health authority and links to specific information about the health services it provides.

Some residents choose to use private healthcare services in Spain in order to have access to more options for treatment and physicians, and to avoid the queues of the public health system, especially in the case of non-emergency procedures. There are hundreds of private clinics and hospitals across the country, giving the private healthcare system a great degree of accessibility.

Single consultations within the private healthcare system may be affordable, but the care required in the case of a medical complication or in an emergency can quickly become expensive. If planning to regularly use private healthcare services, it is recommended to take out health insurance.

No particular vaccinations are required in Spain.

TIME ZONE

Spanish time is GMT+1 from the end of October to the end of March and GMT+2 the rest of the year (same time zone as Switzerland). Canary Islands' time is one hour behind the rest of Spain all year round.

ELECTRICITY SUPPLY

Electric current in Spain is 220 volts AC, 50 cycles.

METHODS OF PAYMENT

Debit and credit cards are widely accepted in restaurants, shopping malls and major boutiques. Only small shops and rural areas are less inclined to accept debit/credit cards.

The Bank of Spain (*Banco de España*) is the country's central bank. For a list of Spain's Financial Institutions, you can click on the following [here](#).

CURRENCY

The introduction of the single currency on January 1, 2001, in twelve countries of the EU, has further increased Spain's opportunities of growth and development. Now nineteen countries of the EU share the same currency.

Currency exchange in May 2020: 1 Euro = CHF 1.05¹

TRANSPORTATION

The development of modern transportation and telecommunication infrastructures has been one of the priorities of Spain's economic policy since the mid-1980s. Due to this effort, Spain enjoys today a modern network of roads and highways and is constantly adding new high speed rail connections between its most important cities.

¹ Swiss National Bank (www.snb.ch)

Following the opening of Terminal 4 at Madrid Barajas International Airport on February 5, 2006 - which doubled the airport capacity from 35 million passengers per year to 70 million - two further key hubs for passenger traffic have been upgraded with modern state-of-the-art terminals. The inauguration of Barcelona International Airport's new Terminal 1 in June 16th, 2009 increased its capacity to 50 million passengers, while the new Terminal 1 at Malaga International Airport – which became operational in March 2010 – is able to handle up to 30 million passengers per year. Madrid ranks as the fifth most important airport in Europe (after London, Paris, Amsterdam and Frankfurt) with 61.4 million passengers in 2019, and Barcelona as the sixth with 52.6 million passengers.

BY AIR:

The 48 airports (+2 heliports) in Spain have a throughput of about 275.2 (2019) million passengers per year². The main airports in terms of passengers' traffic are Madrid, Barcelona, Palma de Mallorca, Malaga, Alicante, Gran Canaria and Tenerife.

Several airlines operate direct flights between Switzerland and Spain:

SWISS	www.swiss.com	IBERIA	www.iberia.es
EASYJET	www.easyjet.com	SKYWORK	www.flyskywork.com
VUELING	www.vueling.com		

Note: For updated information about the current situation in Spain, please, visit [Aena's site for COVID-19](#).

BY SEA:

Spain's geographical position and the peninsular nature of its mainland with 3,933 km of coastline have led to the development of 53 ports providing maritime links to all destinations. According to the Spanish Ports Authority (www.puertos.es), the main ports in terms of cargo traffic during 2019 were Algeciras (109.4 million tonnes), Valencia (81 million tonnes), Barcelona (67.6 million tonnes), Bilbao (35.5 million tonnes) and Tarragona (32.8 million tonnes).³

Note: For updated information about the current situation in Spain, please, visit [Spanish Transport Ministry's site for COVID-19](#).

² Source : www.aena.es

³ Source: www.puertos.es

BY ROAD:

There are 3 frontier rail crossings into Portugal and 2 into the rest of Europe at Irún and Portbou. There are numerous road border points leading into neighbouring countries, which handle a steady flow of traffic.

Note: For updated information about the current situation in Spain, please, visit [Spanish Transport Ministry's site for COVID-19](#).

BY RAIL:

The Spanish rail network is operated by the state-owned company “Red Nacional de los Ferrocarriles Españoles” (RENFE). The country benefits from a wide railway network, used by millions of travelers each year, especially in terms of high-speed train lines (3rd largest in the world, 1st in Europe). The high-speed rail network connects all major cities to Madrid as well as the main tourist destinations in Spain. Since 2013, the Spanish high-speed network is connected to France via the Barcelona-Figueres line.

All fare information is available on the [RENFE website](#).

Note: For updated information about the current situation in Spain, please, visit [Spanish Transport Ministry's site for COVID-19](#).

HOTELS

Information on hotels and restaurants is available at: <http://www.hoteles-restaurantes.com>.

COMMUNICATION

The telephone country codes are:

- From Switzerland to Spain: dial 0034 and then the number of your contact
- From Spain to Switzerland: dial 0041 and then the area code (without “0”) followed by the contact number

Wi-Fi connections are widely available in the Spanish territory.

CELL PHONES

There are a large number of cell phone companies in Spain, each with different service packages on offer. Swiss cell phones can be used in Spain but may incur roaming charges. In order to avoid roaming costs while in Spain and using a Swiss cell phone, a Spanish SIM card (also as a prepaid option) can be easily purchased with local service providers presenting proper identification, such as valid passport.

BUSINESS HOURS

Shops

The opening hours for most shops throughout the country are from 10 a.m. to 2 p.m. and from 5 p.m. to 8 or 9 p.m., Monday to Saturday. Major shopping malls, department stores and supermarkets stay open without a break from 10 a.m. to 9 p.m. or in some cases until 10 p.m.

Shops in towns and areas declared as touristic are allowed to open every Sunday. The list is quite extensive as it includes downtown Madrid as well as many municipalities in the Madrid metropolitan area, most of Valencia municipality, downtown Zaragoza, downtown Palma de Mallorca, most of the Catalan coastal area, most of the Murcia coastal area, the Andalusia coastal area and the Valencia coastal area. Shopping malls and hypermarkets in these areas usually stay open every Sunday.

Restaurants

Restaurants start serving lunch from 2 p.m. to 4 p.m. and dinner from 8 p.m. to 11 p.m. In small restaurants and bars it is normally possible to get served a fixed number of menus at any time of the day.

Banks

Banks are open from 8.30 a.m. to 2.30 p.m. Monday to Friday (many open Thursday afternoon).

Public Services

The majority of public services (i.e. the city hall, health centres) are open from 9 a.m. to 2 p.m. Monday to Friday.

ADDRESSES AND TIMETABLES: EMBASSY AND CONSULATE

SWISS EMBASSY

Calle Nuñez de Balboa 35A, 7° Piso

E - 28001 **Madrid**

Tel. +34 91 436 39 60

Fax +34 91 436 39 80

E-mail: mad.vertretung@eda.admin.ch

Opening hours for the public are Monday to Friday from 9 a.m. to 1 p.m.

The Embassy can be contacted by phone from 9 a.m. to 1.30 p.m. and from 2.30 p.m. to 5 p.m. from Monday to Thursday. The Embassy is closed on Friday afternoons.

CONSULATE GENERAL OF SWITZERLAND

Edificio Trade

Gran Vía de Carlos III, 94,7°

E - 08028 **Barcelona**

Tel. +34 93 409 06 50

Fax +34 93 490 65 98

E-mail: bar.vertretung@eda.admin.ch

Opening hours for the public are Monday to Friday from 9 a.m. to 12.30 p.m.

The Consulate General can also be contacted by phone from 8 a.m. to 1.00 p.m. and from 2.15 p.m. to 5 p.m. from Monday to Thursday. The Consulate is closed on Friday afternoons.

BUSINESS PRACTICE

The People

Personal pride and individualism are highly valued, and so are character and family background. Modesty is valued over assertiveness. People strive to project prosperity and social position. Personal appearance, image and human relationships are very important.

Keep in mind that during a first meeting, Spaniards may want to become acquainted with you before proceeding with business, so be accommodating and answer any questions about your background and family life. Personal qualities are valued just as much as technical ability, professionalism or competence.

Meeting and Greeting

Shake hands with everyone present -men, women- at a business or social meeting. Shake hands again when leaving.

Men may embrace each other when meeting (friends and family only). Women may kiss each other on the cheek and embrace.

Although you should always be punctual yourself, you should not be surprised or alarmed if a visitor arrives 15-20 minutes late.

You should be aware of the importance hierarchy and position play in Spanish business culture. For example, it would be frowned upon if you spent a great deal of time and attention on someone who is of lesser rank than you. It will be in your best interest to focus chiefly on those who would be considered your "equals".

It is difficult to cause real offence without being directly insulting - and you should not confuse a Spaniard's innate animation with anger or any other deep-seated emotion - but you must avoid making disrespectful remarks about Spanish traditions or practices (i.e. bullfights) that you may find alien. You must certainly not allude to national or regional stereotypes.

Body Language

Never touch, hug or back slap a Spaniard you do not know well, unless a friendly Spaniard touches you first. Generally, Spaniards stand very close when talking and speak a lot with their hands.

Dress

Spaniards are extremely dress-conscious and will perceive your appearance as an indication of your professional achievement and relative social standing. It is therefore important to dress *con elegancia*, which means top-quality, conservative clothing. Men should wear dark woollen or linen suits and silk ties with shirts and women should wear well-cut suits (including trouser suits) or business dresses made of high-quality fabrics. Shoes are also an important element of dress. Shabby looking shoes and colourful socks can ruin any nice outfit.

Obviously the weather can be an important factor in determining what to wear. As the temperature approaches 40°C in the shade at the height of summer, it becomes increasingly acceptable to wear lightweight suits and, outside an air-conditioned office, to loosen one's tie and throw one's jacket over one's shoulder. Of course, it makes a difference for the dress code if you are working for a law firm or if you will be a representative of an IT start up.

As always, it is best to follow the example of your Spanish counterpart and to remember that it is 'cool' to look smart, but also that it is smart to look literally cool.

Corporate Culture

You should always make appointments in advance and confirm them by phone or email just before your arrival. When you arrive at an appointment, the most appropriate way to announce yourself is to present your business card to the receptionist, who in turn will let your Spanish contact know that you have arrived.

There is no substitute for face-to-face meetings with Spanish business representatives to break into this market. **Spaniards expect a personal relationship with suppliers.** Initial communication by phone or email is far less effective than a personal meeting.

Decision-making can be slow and tedious: various levels of hierarchy will be consulted and all aspects of your proposal will be analysed in painstaking detail; only the highest individual in authority makes the

final decision. Spaniards generally expect the people with whom they negotiate to have the authority to make the final decision.

Dining and Entertainment

Lunch usually starts at 2:00 p.m. but 3:00 p.m. is equally possible. Depending on the circumstances it could either be a quick, casual meal at a local café or last for several hours in a fine restaurant. After returning to the office, workers stay as long as necessary, typically until 7:00 p.m. or 8:00 p.m. but professionals often stay much later.

Business can be conducted over meals but you should be aware that Spaniards regard eating as a primarily sociable activity so, if you do want to discuss business, you should make this clear to your Spanish counterpart in advance. Breakfast meetings are not very popular and should certainly not be scheduled before 8:30 a.m.

Because of the comparatively unusual structure of the Spanish working day, it is probably best to arrange an initial meeting for the mid-morning until or unless you know your counterpart's particular practice.

Interesting tips from Directors of Swiss subsidiaries in Spain

It's important that you stay involved with your Spanish counterparts, helping to implement what has been agreed to. This must be done with sensitivity toward the pride that Spaniards feel in being able to handle things independently. So, never be intrusive, but always be available; express an interest in learning about their ways, while providing them with the resources and information they need to reach their objectives.

Swiss manufacturing companies often start off their activities in Spain using a Spanish representative. Quite soon however, they realise that the particular traits of Swiss goods (and their high price) makes it indispensable to create a subsidiary in Spain and contract staff devoted entirely to the Swiss product. This is the way to provide the necessary market proximity and win over client confidence in order to boost sales.

Each individual company needs to bring awareness to the market regarding the quality of Swiss products and its capability for total flexibility in adapting to client needs. Consequently, the added value provided by Swiss products (for instance involving medium- and long-term solutions on technical, safety and energy-saving levels, etc.) and the flexibility demonstrated by Swiss companies confronted by client demands are key factors to set up successfully in the Spanish market.

To gain the trust of the different stakeholders involved in a sector, it is essential to offer a customised service giving a further impression of market proximity in spite of the fact that goods are produced in Switzerland (apparently far away).

Success in this market comes with maximum constancy and consistency on all levels:

- visiting clients on a day-to-day basis
- developing a network of contacts
- providing specialised training for collaborators and practical instruction for users and technicians
- offering solutions in line with the specific client requirements through interdisciplinary collaboration from specialists.

Finally, the ability to carry out business in the language of the country – both spoken and written – is of utmost importance together with the necessity to produce any promotional literature or brochures in Spanish.

SPECIAL FEATURES ON THE MARKET

Thanks to its privileged geostrategic position, **Spain serves as a natural gateway to Latin America and North Africa due to the country's strong economic, cultural and historical ties with both regions.** Many Spanish companies have a strategic position in key sectors of the Latin American economy (ICT, energy, finance, infrastructures, etc.).

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