

LISBON

Exploring an Emerging Atlantic Business Hub

Manuel Salgado

Vice-Mayor of the Lisbon City Council

Good Morning Ladies and Gentlemen,

It is with great pleasure that I am here today to work with you and introduce Lisbon as a dynamic business hub, with plenty of investment opportunities.

Before starting, I would like to thank Financial Times and Invest Lisboa for the organization of this event, Mr. Mike Campbell and Mr. Javier Gandara from Easyjet, Mr. Zeinal Bava, CEO of Portugal Telecom and Mr. Eric van Leuven from Cushman & Wakefield Portugal. Thank you all for having accepted our invitations.

We all feel, in our daily lives, the consequences of the present economic turmoil.

However, the last thing we should do when facing a storm is to stand still!

If we are clear about **where we want to go**;

If we have **a strategic vision** for the future;

If we have **the intelligence, the creativity and the courage** to go forward;

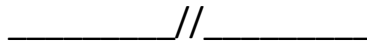
I am sure that **we will overcome** the difficulties, and come out of this crises with **improved resilience and new opportunities for growth and prosperity**.

The city of Lisbon has faced **many adversities** throughout the centuries, and in the aftermath of those crises, **has always succeeded** in its recovery and regeneration processes.

To give an example; a major fire broke out in the downtown area of Lisbon in 1988, destroying great parts of the historic centre. Ten years later, this part of the city was entirely renewed and made an important contribution to the economic prosperity of Lisbon. The Portuguese spirit is not one of giving up, but of overcoming difficulties and make them into advantages!

I would say that Lisbon has always managed to remain successful in its **essential character**: to work as a **privileged platform for trade and**

economic activity between different continents; a city that is open to the world, proudly combining tradition, history and culture, with the forefront elements of cosmopolitanism and innovation.



Lisbon – an Atlantic Hub

Lisbon is in fact a **privileged European Gateway to the twenty first century globalization**, with a major growing capability to work as an **European Atlantic hub**, in close relation with emergent **Central and Latin America, Africa and Asia countries and regions**, connected by air and sea and allowing easy access to seven hundred and fifty million (750 M) consumers, from Europe and Portuguese-speaking countries.

In fact Portuguese is the fifth **most spoken** language in the world, with over **two hundred and fifty million (250 M) consumers**, and Lisbon is the ideal location for companies wishing to manage and prepare its exports or investment ventures in these markets.

The **geostrategic position of Lisbon** presents good **international growth prospects** and **opportunities** for the intensification of economic and business relations with the **seven Portuguese-speaking countries**. The emergent powerhouses **Brazil** and **Angola** are at the forefront.

Lisbon may be peripheral in the European context!

But globally, it is certainly, a very central European gateway, a truly Atlantic Hub!

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An Agenda for Competitiveness and Innovation

This event is part of an ambitious **strategy regarding the competitiveness, innovation and entrepreneurship of Lisbon.**

Allow me to mention some of the cornerstones and key projects in the area of economy and innovation in Lisbon:

- Our ambition is being **proactive and dynamic in promoting the internationalization and the competitive capability of its economy at**

a regional and global scale and in creating, attracting and retaining talents, companies and investments.

The timing of this event here in London, held in a turbulent and difficult time, is a result of that ambition. We are currently developing a set of initiatives to reinforce the economic promotion of Lisbon and its competitive capability, among which I would like to highlight:

- the executive meetings with Portuguese and international companies, called LISBON BUSINESS CONNECTIONS, (to be initiated next January);
- the recent creation of a new Department in the City Council responsible for economy, innovation and entrepreneurship, working in close cooperation with Invest Lisboa (a “one-stop-shop” for investors that provides confidential, free and personalized information regarding, among others, partners, locations and investment opportunities).
- This strategy aims to **stimulate innovation, creativity and the entrepreneurship spirit in the city**. I would like to underline the opening of a new Incubator in the very unique and central area of Lisbon downtown (“Baixa”).

This incubator is ready to open its doors to the first enterprises in December this year and will be the central node of a network of incubation, acceleration and co-working spaces in Lisbon. It is an incubator reserved for small companies with a big growth potential.

We are strongly committed with the reinforcement of entrepreneurship programs in the city.

For example, the City Council will sign a protocol with Junior Achievement Portugal which will involve additional 550 students in different schools of Lisbon.

We aim at **making Lisbon a city open to the exploitation of new motivations, experiences, concepts and innovations.** We have therefore supported, and will continue to support, different kinds of events in the domain of entrepreneurship, innovation and creativity – for instance TEDxEdges Lisbon, Silicon Valley comes to Lisbon, Sandbox Global Summit, among others. An important project that will be implemented in the beginning of next year is the launch of the “Social

Innovation Network of Lisbon”, in which different stakeholders work together to explore opportunities, launch challenges and develop new projects.

This new strategy for the city of Lisbon is also strongly anchored in a set of **new instruments, regulations and reforms recently undertaken by the City Council.**

The **new Lisbon Master Plan** (2011) establishes **more clear and simple regulations**, that we all know to be essential to attract investments from national and international companies and more qualified employment.

In the context of this Master Plan, the location of economic activities in the city will be based on the principle of **multifunctionality**, allowing planning permissions and reservation of flexible office spaces for enterprises, in most of the urban planning instruments and operations.

I also want to mention that the City Council of Lisbon **has recently restructured its internal services**, with the aim of promoting **a simpler, integrated and territorial-based approach** to the services provided, and

introducing **more efficiency** in essential functional areas, such as **licensing economic activities** through simpler and faster processes.

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Lisbon: Knowledge, Innovation, Entrepreneurship, Sustainability and Quality Of Life

I would like to use my last few minutes to talk about the critical issues of Knowledge, Innovation, Entrepreneurship, Sustainability, Quality Of Life, and the “Lisbon Experience”.

Knowledge, Innovation and Entrepreneurship

The Lisbon region brings together the key decision-makers; fundamental for the launch and growth of new businesses. In Lisbon, we have a concentration of highly qualified, flexible, creative and multilingual talents, a young generation of Portuguese human resources available at highly competitive costs.

International cooperation programs between Universities and R&D Institutes such as MIT, University of Austin-Texas, Carnegie-Mellon University, Fraunhofer Program and the Harvard Medical School, make Lisbon a vibrant environment for companies to recruit highly skilled human resources.

Lisbon is also a privileged place for setting-up research and development centres. There is a critical mass of national and international researchers and public and private higher education institutions and other research organizations (universities, laboratories, foundations, etc.), dedicated to Medical and Life Sciences, Engineering, Media Technologies, among other fields of knowledge.

Concerning entrepreneurship, there is an important indicator perhaps not well known to most of you: Portugal was considered the 4th OECD country in entrepreneurial activity (Global Benchmark Report 2010).

Sustainability

Regarding sustainability I would like to highlight two major areas of action:

1. Lisbon was one of the first European cities to install a network for electric mobility, which currently comprises 687 charging stations.
2. We have been giving full priority to Urban Rehabilitation of the consolidated city, which is both a sustainability effort and an investment opportunity.

Experiences and Quality of Life

Lisbon is a city of experiences, a city to be experienced, a city where something is always happening.

Being a major tourism destination (Best tourist destination in Europe - European Consumers Choice, 2010), the quality of life in Lisbon is rather incomparable. The amenity of the climate with its 220 sunshine days per year, together with a rich and diverse gastronomy, a constant vibrant city life, full of events and leisure spots, make Lisbon a unique location to live and work.

Strategic Clusters / Industries

In terms of strategic clusters and industries for the city, tourism is an important one for sure, but the city's potential goes far beyond it.

Lisbon's **Creative and Cultural Industries** are growing, as well as **other strategic clusters**, such as **Health & Wellbeing, Information and Communications Technologies, Shared Services Centres, Research & Innovation, Renewable Energies, Urban Rehabilitation and Maritime Economy**, offering great business opportunities and growth prospects.

Deputy Mayor Graça Fonseca will give further details on these clusters.

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To conclude, I must say that these **challenging times offer in fact many promising opportunities** and I truly believe that the city of Lisbon is **prepared for the future!**

As at least some of you probably know, arriving in Lisbon is very often **the beginning of a love story, so shall it be for those that decide to live, to invest, and to work or study with us in Lisbon.**

Thank you very much.