



## Regions of Portugal - Algarve

### Area

### Why Algarve?

✓ The Algarve has a land area of 4,997 km<sup>2</sup>, with an international land border of 48 km and a coastline of 318 km

**Area (km<sup>2</sup>): 4,996.8**

**Inhab/Km<sup>2</sup>: 87.6**

**Population (N.): 437,643 (2010)**

✓ The Algarve is the southern most region in mainland Portugal, bordering, in the north with the Alentejo Region and in the south with the wide Atlantic Ocean. The Algarve enjoys one of the best all year round climates in Europe and, as well as its wide golden coast, with pleasant beaches it also has a large area of protected land and a varied biodiversity

✓ Significant developments in infrastructures: logistics and transport equipment



**4** Marinas - Albufeira, Lagos, Portimão, Vilamoura

**4** Yachting Harbors - Faro, Olhão, Tavira, Vila Real de Santo António



**220.6** km of electric railway network



**1** Airport (Faro)

**1** Aerodrome

✓ The NUT II Algarve covers only the Faro District and for statistical purposes NUT II and NUT III coincide

✓ With outstanding international recognition as a tourism destination, excellent infrastructures and facilities, the Algarve attracts thousands of tourists from around the world



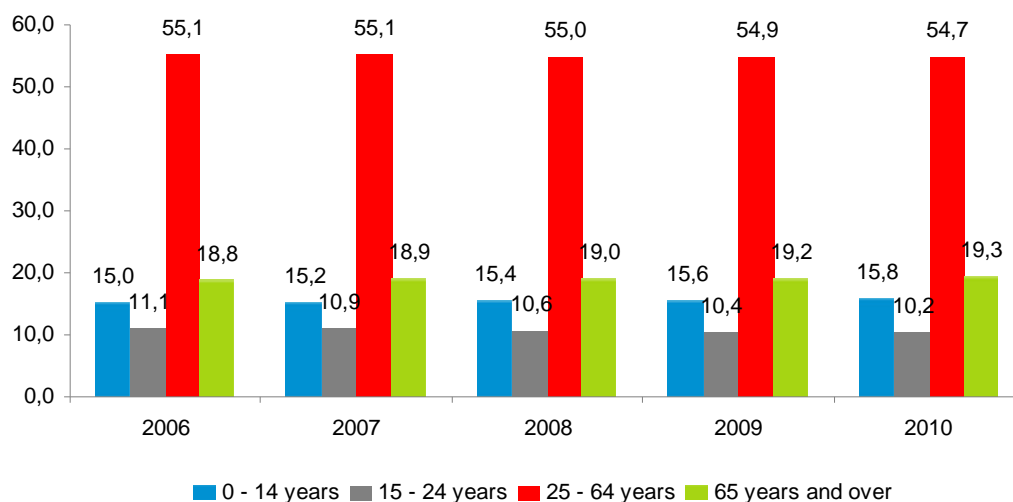
## People

### Why Algarve?

#### Population

- ✓ In 2010, the Algarve recorded the highest natural increase rate of population (0.83%) - above national average (-0.01%) - with the contribution of migration (0.75%)
- ✓ Resident population on 31.12.2010: 438,000 individuals (1.3% increase in 10 years and 0.8% increase compared to the previous year). Projections for 2025 (Eurostat): 543,000 inhabitants
- ✓ The demographic structure of the region is characterized by its high rate of young people (0-24 years - around 26% of total in 2010), while the elderly (+65 years old) represent only 19%, which means one p.p. above the national average

#### Resident Population according to Age Groups



Source:INE

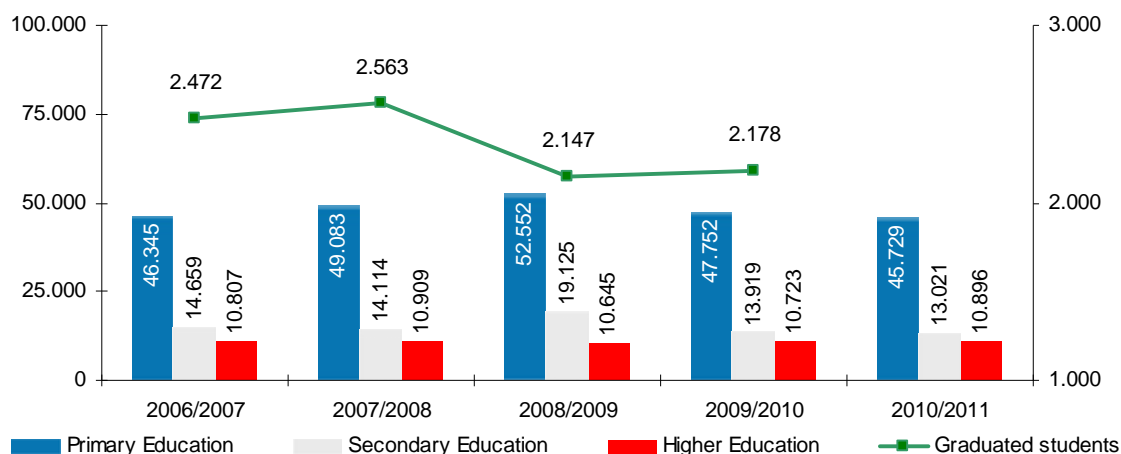
#### Education

- ✓ In the school year 2010/2011, students that enrolled in primary and secondary education accounted for 4% of the national total, in both levels of education
- ✓ Between the school year 2006/2007 and 2010/2011 the number of students that enrolled in higher education increased by 1%
- ✓ Algarve has an attainment rate of 151.5%, in secondary education, above the national average (146.2%)



- ✓ Higher education institutions located in the Algarve provide a very good range of specialized courses with a significant innovative component

### Students enrolled according to educational level / Number of students graduated



Sources: GEPE, MEC

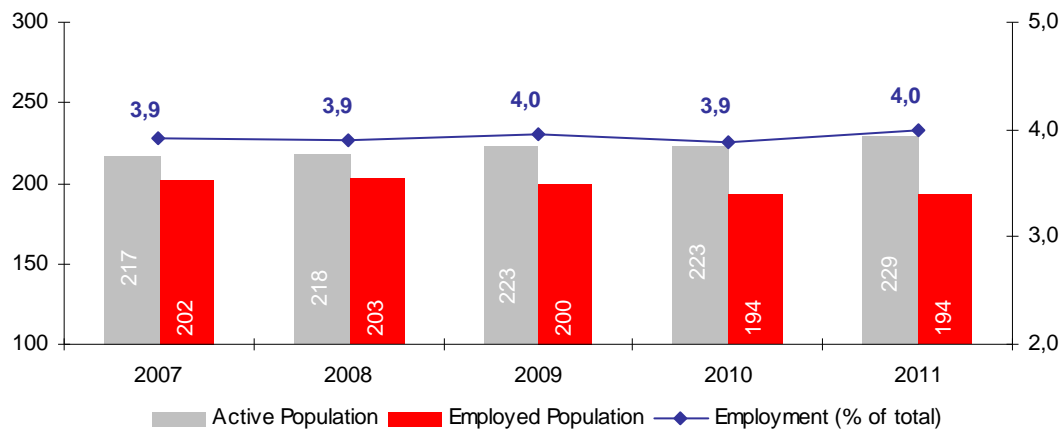
- ✓ In the 12 higher education institutions, located in Algarve, the number of students that enrolled exceeded 10,000 and graduates were more than 2,000 (2.7% of national total). The areas of Business Studies (Management / Economics / Accounting), Health and Engineering and Mathematics were chosen, respectively, by 20.4%, 14.1% and 8.5 % of the enrolled students. Graduates in these same areas represented, respectively, 18.7%, 15% and 5.5% of total
- ✓ About 27% of the students enrolled in higher education have chosen S&T areas

### Labour activity / Employment

- ✓ Active population in 2011: 229,000 individuals (4% of total)
- ✓ Employed population (2010): 194,000 individuals (4% of total)
- ✓ The Algarve has an employment rate slightly below the national average (52.5% versus 53.5%) and an activity rate above the national average (62.6% versus 61.3%) among individuals aged 15 years or more



### Active Population / Employment

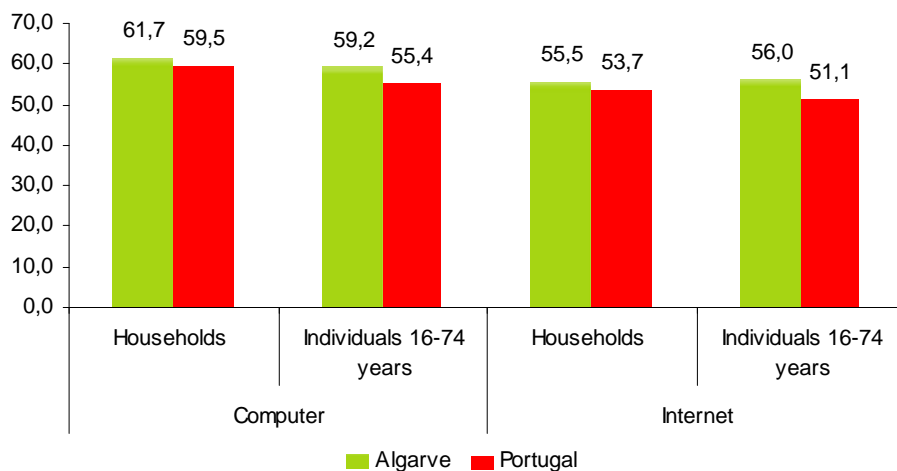


Source: INE - Employment Statistics

## Knowledge

✓ More than 60% of the population between 16 and 74 years old use computers and 56% have Internet access

### Information Society - Computer and Internet Access, 2010



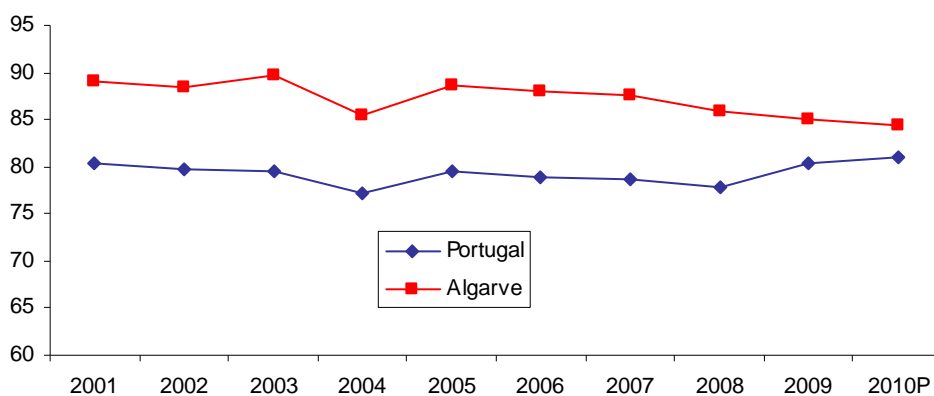
Source: INE/Survey on Information and Communication Technologies usage in private households, 2010



## Economy

- ✓ The Algarve economic development is unbalanced. The southern coast concentrates the majority of the population, wealth creation and investment opportunities
- ✓ Algarve Gross Domestic Product (GDP) in 2010: 7,381 million € (4.3% of national GDP and 1.9% increase compared to the previous year)
- ✓ GDP per capita: 17,000 € in 2010 (105 - index Portugal=100 and 85 index EU27=100)

### GDP per inhabitant in PPP (UE27=100)

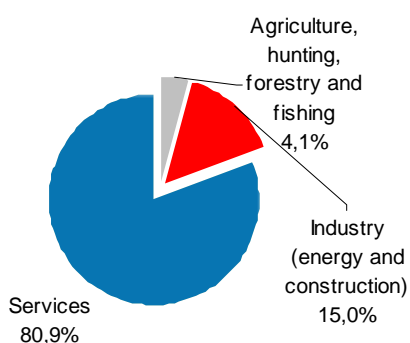


Source: INE

P= Provisional data

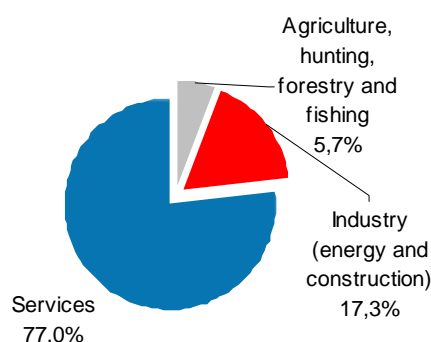
- ✓ Annual average growth rate of GDP (2001-2010): 3.2% (national average in the same period: 2.8%)

### GVA Breakdown - 2010



Source: INE

### Employment Breakdown - 2010

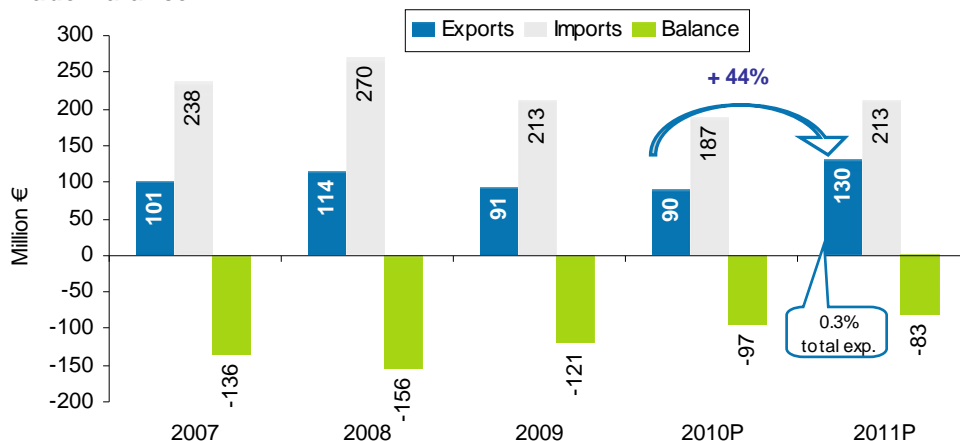


Source: INE



- ✓ Turnover generated in 2009: 8,077 million € (301 million € in the manufacturing industry), which represented 2.7% and 0.4% of national and manufacturing turnover, respectively
- ✓ The Algarve's economy is concentrated in three key sectors, significant employment rate, due to the wealth generated by tourism (accommodation and restaurants), construction and wholesale and retail trade
- ✓ The food sector and aquaculture, the latter related to biotechnology, are the most important sectors in the Algarve's economy and have a significant weight in total exports
- ✓ Prominent manufacturing industries in the Algarve: metal industry, food products, wood and cork
- ✓ In 2011 Algarve's exports (0.3% of total exports) registered a 44% growth compared to the previous year despite the remaining trade balance deficit

### Trade Balance



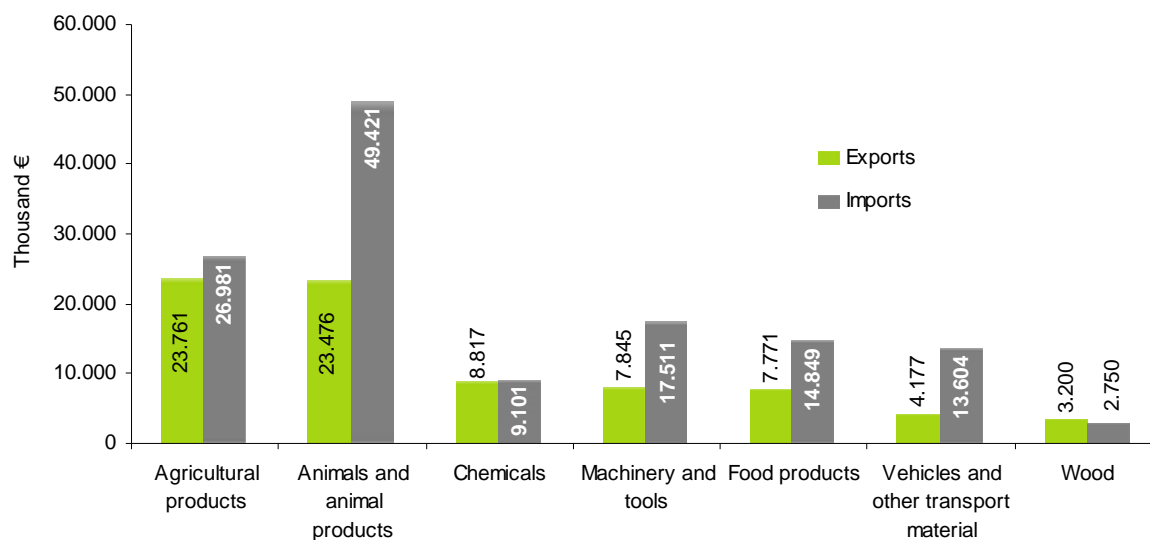
Source: INE (declared values)

P= Preliminary data(2010-2011)

- ✓ 5 major clients: Spain, Angola, Italy, Netherlands and France
- ✓ More than half of total exports are food products followed by industrial products which represent 35% of the total



### Internacional Trade - Main Products, 2010P



Source: INE (declared values)

P= Preliminary data

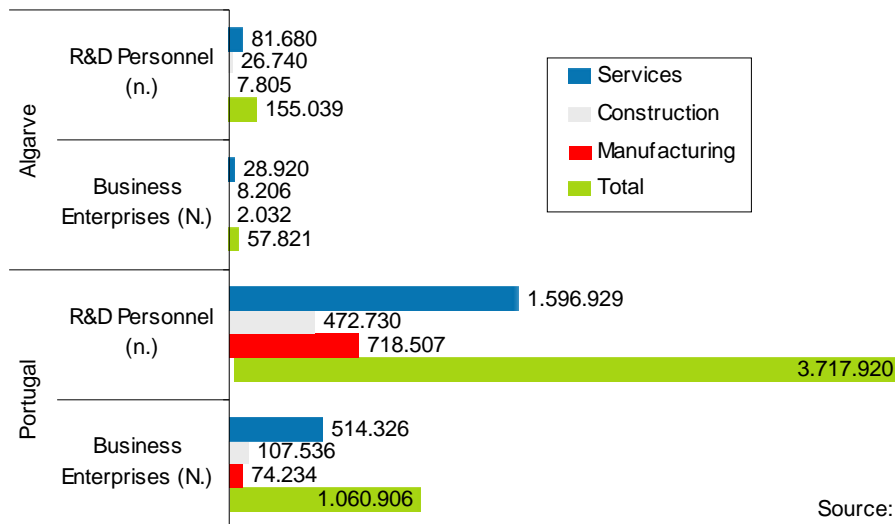
- ✓ Proportion of exports of high technology goods in 2011: 3.1% of total
- ✓ In 2011, the number of nights spent in hotel establishments and similar accommodation increased 6%, very close to the national average (5.8%)



## Companies

✓ More than 58,000 companies are located in Algarve. These companies generate a turnover exceeding 8 billion € and have more than 155,000 employees

### Business Enterprises - Number of companies and R&D Personnel, 2009

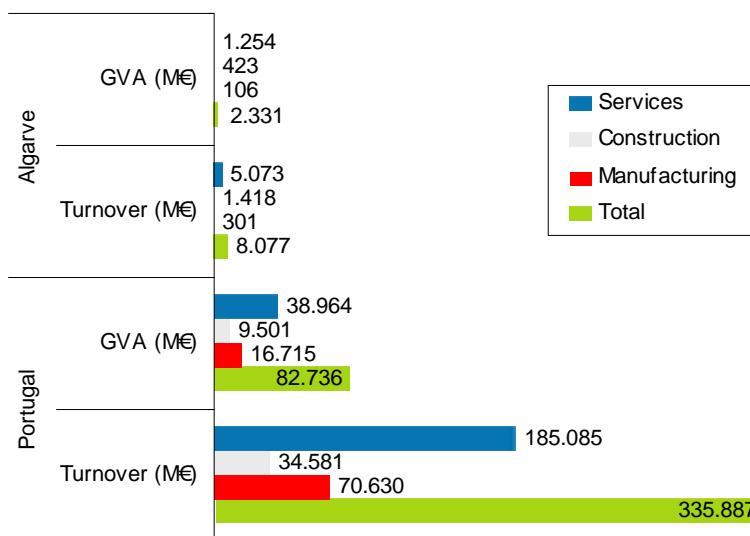


Source: INE

✓ The manufacturing industry is represented by more than 2,000 companies, which generate a turnover around 300 million € and have approximately 8,000 employees. The most representative industries<sup>1</sup> are the following: Metal Products (22.6% of total), Food industry (21.5%), Wood and Cork (12.2%) and Non-Metallic Minerals (8%)

(1) Data refers to manufacturing companies (number) located in the region (GVA and Turnover data available only for some manufacturing sectors)

### Business Enterprises - Turnover and GVA, 2009



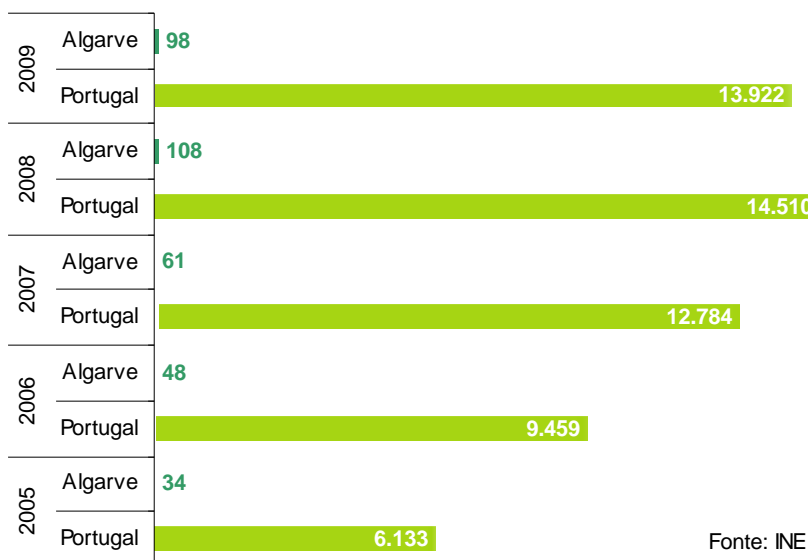
Source: INE



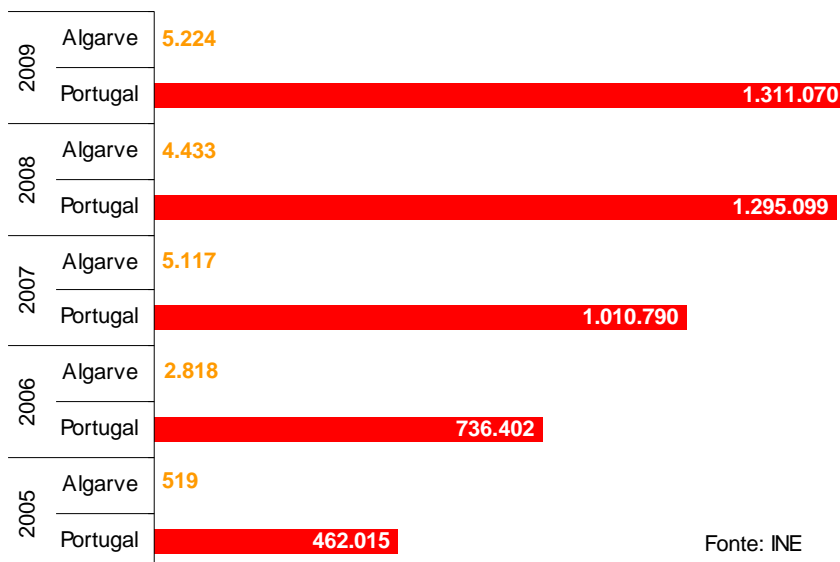


- ✓ Number of exporting companies in 2010: 266 (1.5% of total)
- ✓ Algarve has 83 Research Institutions (R & D Centres) with international recognition

**Business Companies - R&D Personnel (Thousand)**



**Business Enterprises - R&D Expenditure (Thousand€)**



- ✓ R&D personnel hired by companies almost tripled, between 2005 and 2009. Spending in R&D increased more than ten times in the same period