



Portugal
MAKES SENSE

PORTUGAL
PARTNER COUNTRY
OF HANNOVER MESSE'22

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Portugal is the proudly Partner Country of Hannover Messe'22, participating under the motto "Portugal Makes Sense". Portugal Makes Sense for German companies to Source, Outsource, Create, Innovate, Invest, Engage, Expand and Win in the world stage. Portugal Makes Sense because of its talented people, reliable supply chain, engaged work force, innovate companies and top communication infrastructures.

Portugal is an essential partner of the German Industry where German companies find talent, innovation, reliability, and commitment with success. 574 German companies already operating successfully in Portugal know this. Germany is also Portugal's 3rd main trade partner.

Portugal Partner Country project will focus on Engineered Parts & Solutions, Digital Ecosystems and Energy Solutions theme areas, which are representative of the Portuguese offer of clusters of excellence, such as mechanical engineering, metal, mobility and automotive, aeronautics and space, textiles, technical plastics, moulds, production technologies and renewable energies. Portuguese participation will be organized by the business association AIMMAP, in partnership with AICEP - Portuguese Trade & Investment Agency, the Portuguese-German Chamber of Commerce and Industry and Hannover Messe.

Portugal will present itself with exhibiting companies, a Central Pavilion and three thematic focus areas, as well as forums and seminars and also with a cultural programme. This will highlight industrial supply, IT and software for industry, and the energy sector – areas where Portugal and Germany share many synergies and a potential for new partnerships.

We are ready to showcase Portuguese capabilities in 2022 as Hannover Messe Partner Country!

PORTUGUESE MAIN AREAS AT HANNOVER MESSE 2022

Engineered Parts & Solutions

Portugal has managed to position itself as a global player that stands out in the market due to its capacity to produce small series with high added value, flexibility, and a remarkable price/quality ratio.

Its main client industries are the automotive, aeronautics and the electrical and electronics sectors, among other groups of enormous relevance, sophistication, and demand.

Large international groups find in Portugal a qualified and experienced workforce, companies with a high technological and engineering competitiveness, which allows them to manufacture metal, plastic or rubber parts of high precision and assemble their products.

From small components to complex systems, Portuguese companies work for quality. They are mainly SMEs that have been able to acquire the necessary knowledge and know-how in their sector, develop the flexibility of their activity and resort to innovation to be better prepared for the new challenges of the market.

The Portuguese companies in the Engineered Parts & Solutions area have gained ground and visibility internationally, standing out in quality, innovation, and technology.

Product groups

Stainless steel castings; Aluminium die castings; CNC turned parts made of stainless steel; Precision milled parts made of steel and iron.

Digital Ecosystems

Portuguese companies already develop innovative technologies that major brands cannot live without. It eases the daily activity of millions of people and opens the door to the future.

From the labs to the world, Portugal has been the nest for some high-tech innovations and a tech hub for cybersecurity, artificial intelligence and robotics, a Technology Center for autonomous vehicles, among others.

The stability of its legal systems, its respect for intellectual property rights and welcome to foreign talent are great combination for foreign companies of all sizes that establish their presence in Portugal.

Portuguese ICT companies provide services for different sectors such as aeronautics and defence, health, education, security, finance, telecommunications, and distribution, among others.

Portugal is not only a market open to innovation, but also the best gateway for ICT companies in Portuguese-speaking countries (more than 258 million people).

Product groups

Process automation solutions for logistics and material flow; General virtual and augmented reality in automation technology; Equipment, sensors, communication technology for Industry 4.0, IoT devices, embedded systems and industrial internet; IT Consulting.

Energy Solutions

Portugal ranks 9th in global contribution to Planet & Climate in the "Good Country Index" therefore we are really committed to achieve carbon neutrality by 2050.

As actions are more powerful than words, we are taking firm steps to reduce energy consumption, make a more efficient use of our resources, achieve better sustainable mobility, reach higher security of supply and diversify our renewable energy resources.

We see a greener future and that is why, today, we are building tomorrow's Energy Solutions where we see win, solar and hydrogen playing a central role in our energy transition and in decarbonizing our national economy.

We are looking forward to showcasing them as Partner Country in Hannover Messe 2022.

Product groups

Slip-rings (energy conduction, current lines); Engineering, energy storage solutions, development of electronic systems, smart cities solutions.



About Portugal

Located in southwestern Europe, Portugal is a welcoming and multicultural country with an open economy, where culture and tradition coexist with design, innovation, technology, and R&D.

Its strategic location, at the crossroads between the European, African, and American continents, as well as its status as a European Union and Eurozone member state, make Portugal the ideal partner for your business.

Top international rankings* consider Portugal to be the third safest country in the world and the seventh most politically and socially stable, as well as one of the countries that invests the most in renewable energy sources and on policies to combat climate change.

Portugal's excellent infrastructures, telecommunications, and quality of life attract visitors and companies from all over the world. The production of Portuguese goods is characterised by its quality, authenticity, and exclusivity, which is why they are highly sought after by well-renowned international customers.

With almost nine centuries of history, Portugal is an innovative, sophisticated, and forward-looking country where sustainability is a priority and an industry concern.

* Sources: Global Peace Index 2020 (Institute for Economics & Peace | 163 countries); The World Bank (Worldwide Governance Indicators | 214 countries); Climate Change Performing Index 2021 (CCPI 2021 | 61 countries); Connect4Climate (World Bank Group).

WHY PORTUGAL?

In the last years, Portugal has shown to the world its capabilities in the areas of Industry, Trade and Tourism, increasing exports in volume and value, and attracting more and better investment. Despite the obvious effects caused by the pandemic on the world economy and in Portugal, the industry has not stopped, and the country remains open for business. And according to the latest IMF forecast, the Portuguese economy will grow 3,9 % in 2021.

Today, Portugal is a competitive, innovative, and attractive country, with the 3rd highest rate of Engineers in the EU, a high English proficiency level (ranking 7th in the English Proficiency Index 2020), as well as one of the highest levels of peace and stability (ranking 3rd in Global Peace Index 2020 and 7th in Political Stability), this makes Portugal the 5th Best Expat Destination Worldwide and 3rd in terms of Quality of Life (according to Expat Insider 2021).

Its strategic location and transport infrastructures ensure full and easy integration in the European market for companies from many countries, as Portugal is the nearest European country to the US and Canada, and has the same time zone as the UK and Ireland. Furthermore, Portugal is also a gateway to other Portuguese speaking countries around the world.

PORTUGAL'S ATTRACTIVENESS

Talent – availability of a highly skilled talent pool; multilingual and multicultural; availability of subcontracting, training, and knowledge networks.

Quality of life – repeatedly recognized as a top destination in terms of quality of life, namely for expats.

Risk perception – political and social stability; very low operational risk.

Innovation – Portugal has registered a rapid growth on innovation levels and is now recognized as an innovating country within the EU.

Infrastructures – excellent physical infrastructures, with international airports that allow a wide network of international connections; connectivity: the country has a very high penetration rate for Mobile Broadband connections, and an extensive fibre optics network; Portugal ranked 2nd for Ultrafast Broadband take-up, 2.5 times higher than the EU average; all these provide an excellent technological framework for digital businesses.

PRESIDENCY OF THE COUNCIL OF THE EUROPEAN UNION

Until the 30th of June 2021, Portugal will be presiding over the Council of the European Union for the fourth time. The [current presidency trio](#) is made up of Germany (second half of 2020), Portugal (first half of 2021) and Slovenia (second half of 2021).



Under the motto of “Time to deliver: a fair, green and digital recovery”, the Portuguese Presidency has three fundamental priorities:

- Economic and social recovery based on the engines of the climate and digital transitions.
- Developing the European Union Social Pillar as a basis of trust that allows Europe to lead digital and climate transitions leaving no one behind, a central topic of the Social Summit which was held in Porto in May.
- Reinforcing the strategic autonomy of a European Union open to the world by strengthening relationships with our transatlantic partners, both with the new American administration and with Latin America, with Africa, with the Indo-Pacific area, namely through the EU-India Summit, and with our neighbours in the east, whom we will be meeting in an Eastern Partnership Summit, and in the south.

The Porto Social Summit was an example of the motto of the Portuguese Presidency, promoting the creation of more and better jobs, matching skills to current and future needs, reinforcing social protection and fighting against poverty.

INTERNATIONAL BENCHMARKING



#3

safest country in the World

Global Peace Index 2020, Institute for Economics and Peace, 163 countries



#7

Political Stability and Absence of Violence/Terrorism 2019

The World Bank, exc. Micro-States, 214 countries



#7 Language Skills

#12 Management Education

#14 University Education

IMD World Talent Report 2020, 63 countries



#3

highest rate of Engineering graduates in EU

OECD 2018



#7

English Proficiency Index

Very High Proficiency
EF, 2020



#12

Strong Innovator Country, European Innovation Scoreboard

EU Commission, 2020



#8

Digitalisation Index

EIB Digitalisation index, 2020, EU28



#9

Digital Public Services

Digital Economy and Society Index, 2019, EU28



#5

Best Expat Destination Worldwide (#3 best quality of life)

Expat Insider, Internations, 2021

OPPORTUNITIES FOR GERMAN COMPANIES TO INVEST IN PORTUGAL

- Automotive and mobility industry, a sector that has been significantly increasing investment in Portugal.
- Technology-driven innovation in manufacturing. Opportunities in the implementation of the concepts related to "Industry 4.0" and smart factory: integration of Internet of Things, AI, robotics, automation in manufacturing process.
- Competence centres in engineering, software development.
- Partnerships with Start-ups ecosystem to foster innovation, namely in health tech, e-commerce, AI, IoT, blockchain, cloud, cybersecurity, fintech,
- Aeronautics and Space sector.
- Mechanical engineering sector: advanced manufacturing, rapid prototyping, 3D printing, ...
- Tooling industry (moulds, dies and tools).
- Smart materials, development of new generation of textiles, thermoplastics that can conduct energy, communicate with different devices, provide safety, and various other applications.
- Life Sciences: medical devices, e-health devices.

“HANNOVER MESSE 2022 will strengthen cooperation between Portuguese and German companies through the development of new projects.”

Pedro Siza Vieira, Portugal's Minister of Economy,
October 2020



“In Portugal, German companies find talent, innovation, reliability, and commitment to success. We want HANNOVER MESSE to deliver this crucial message to a wider range of German companies.”

Martin Ney, German Ambassador to Portugal,
October 2020

PORTUGUESE ECONOMY AT A GLANCE

According to the [European Commission Economic Forecast Spring 2021](#), Portugal's economy is set to grow again from the second quarter of 2021 as measures to contain the COVID-19 pandemic are gradually relaxed. GDP is projected to reach its pre-pandemic level in mid-2022, also helped by the expected deployment of the RRF - Recovery and Resilience Facility. After the public debt ratio reached an all-time high in 2020, public finances are set to gradually improve in 2021 and 2022, driven by the expected economic recovery and wind-down of fiscal support measures.

With the gradual relaxation of mobility restrictions, the economy is expected to rebound in the second quarter of 2021 and to accelerate further in the third quarter. In full-year terms, GDP is projected to grow by 3.9% in 2021 and 5.1% in 2022. After the economic contraction of 7.6% in 2020, the current projections suggest that GDP should reach its pre-pandemic level in mid-2022. The forecast factors in strong growth in investment, helped by the deployment of the RRF.

The recovery in tourism is assumed to gain speed in the third quarter of 2021 but the sector is not expected to have fully reached its pre-pandemic level by the end of the forecast period.

Both exports and imports are projected to rise at high rates over the forecast period mainly due to base effects from the travel industry. Therefore, the external sector is set to have a positive contribution to GDP growth in 2021 and 2022. The current-account balance is also projected to improve but to remain slightly negative as the net inflow of travel receipts is expected to remain below its pre-pandemic level.

The Portuguese economy is characterized by a high weight of the services sector, which corresponded to 75.8% of GVA and employed 69.9% of the active population in 2020. Agriculture, forestry, and fisheries represented only 2.3% of GVA and 5.4% employment, while industry, construction, energy, and water accounted for 22% of GVA and 24.8% of employment.

In the last decade, in addition to a greater incidence and diversification of services in economic activity, there was also a significant change in the pattern of specialization of the manufacturing industry in Portugal, moving away from the dependence on traditional industrial activities to a situation in which new sectors, of greater technological incorporation, have gained weight and a dynamic of growth, standing out the automotive and components sector, electronics, energy, the pharmaceutical sector and the industries related to the new information and communication technologies.