Spain remains attractive for foreign firms, despite taxation and bureaucracy challenges

Foreign-owned companies in Spain value the country's skilled workforce and high-quality infrastructure but highlight the need for improvements in bureaucracy, taxation and social security costs.

February 28, 2025

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- 89% of foreign companies plan to maintain or increase investments in 2025, despite global uncertainty.
- 92% expect to retain or expand their workforce.
- Infrastructure, market size and human capital remain the factors most highly valued.

The 17th edition of the Barometer of the Business Climate in Spain, prepared by ICEX-Invest in Spain, Multinationals with Spain and IESE's International Center for Competitiveness (ICC), led by Pascual Berrone, confirms that Spain remains an attractive hub for foreign investors despite international uncertainty. In 2025, 89% of surveyed companies expect to maintain or increase their investments.

While infrastructure, market size and human capital continue to receive high marks, investors highlight the need for improvements in taxation, bureaucratic burden and labor legislation adapted to business needs.

About the study

The 17th edition of the Barometer of the Business Climate in Spain analyzes the feedback of over 700 executives from foreign-owned companies about Spain's business environment. The study is carried out by ICEX-Invest in Spain, Multinationals with Spain and IESE's International Center for Competitiveness (ICC), led by Pascual Berrone, and co-authored with researcher Maria Luisa Blazquez.

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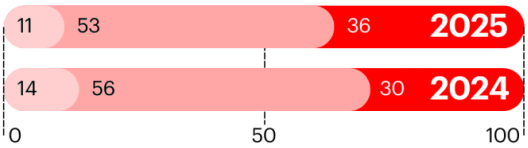
Greater investment

89% of companies plan to maintain or increase their investment

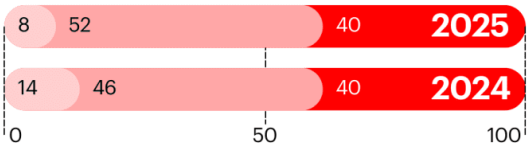


By sector

Reduce	Maintain	Increase
Automotive and components	ICT and telecommunications	Food and beverages
Chemicals, pharmaceuticals, and biotechnology		Renewable energy
		Logistics and transportation

More employment

92% expect to maintain or expand their workforce—six percentage points more than in 2024

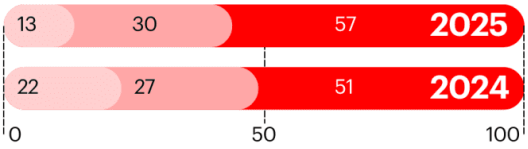


By sector

Food and beverages	Commercial distribution	Logistics and transportation
Agriculture, forestry and fisheries	Chemicals and pharmaceuticals	Construction and engineering services

Turnover on the rise

87% expect their turnover to be the same or more than last year— an increase of 9 percentage points

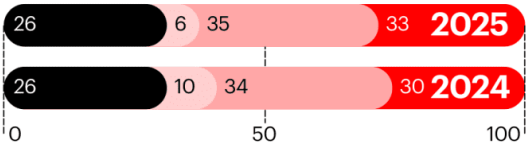


By sector

Renewable Energies	Sales distribution	Construction
Professional Services		Logistics and transportation

More exports

The number of companies planning to reduce their export volume decreases to 6%



By sector

No exports			
Renewable energies	Professional Services	Sales distribution	Chemicals and pharmaceuticals

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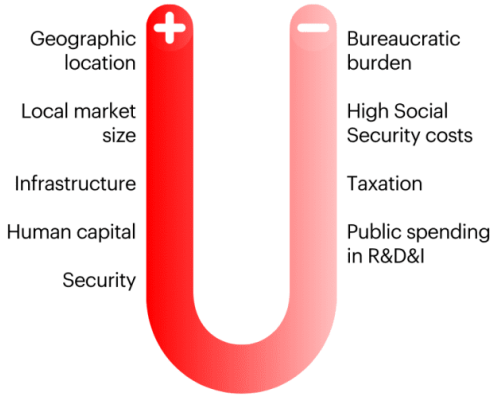
What is most and least attractive?

Spain's strengths and weaknesses according to foreign company executives



Pascual Berrone

Head of the Strategic Management Department and holder of the Schneider Electric Sustainability and Business Strategy Chair at IESE Business School.

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