BASQUE COUNTRY DOSSIER

- INVESTMENTS- 2008
On a roll: steel group to spend €40 million to revamp Basque mill

Steel group ArcelorMittal will be taking advantage of this month’s scheduled production stoppage at its Olaberria mill to work on a €40 million investment plan for acquiring and starting up new production equipment and for making major improvements at the mill.

Group executive Gonzalo Urquijo gave pride of place to the installation of a double stand with in and out tables. Engineering firm Lagun Artea, based in Zumaya, has been entrusted with assembling the stand and then pushing the start button for the first time.

Lagun Artea will also be responsible for installing a group of five multi-use rolling stands which together make up a new large profile rolling mill.

Under the improvement plan, the large profile cooling bed at the Olaberria mill is also to be enlarged to 100 metres long by 29 metres wide. Extension work will mean relocating several large pieces of equipment, including a nearby straightening machine.

Once extension work has been completed, ArcelorMittal’s Guipúzcoa-based mill will be further reinforced with a new bundle transfer system, a new cutting station and a new profile piling station. Lagun Artea has also been asked to take charge of this phase of the work.

Urquijo also cleared up any remaining doubts about the future steel research centre Arcelor is planning with the regional government being located in Vizcaya. With 45 researchers on the pay roll, the centre will be the object of investments totalling €100 million over the next five years. Between them, the Basque government and the steel group will be putting up the entire investment, shared equally at 50 per cent each. The centre will be looking to recruit university graduates for R&D and innovation.

Small will be beautiful: Basque Country to spend €552 million on nanotechnology to 2015

Under the NanoBasque strategy presented yesterday in San Sebastián, the Basque regional government is to contribute €223 million of the €552 million the region is to allocate to nanotechnology to 2015.

In San Sebastián, regional president Juan José Ibarretxe and Guipúzcoa provincial council chief executive Markel Olano inaugurated the initiative’s presentation session, accompanied by regional Industry minister Ana Aguirre, Donostia International Physics Center director Pedro Miguel Etxenike and the CEO from French nanotechnology centre Minatec, Jean Charles Guibert.

Also present and taking an active part in things were Basque regional development agency SPRI technology innovation manager Cristina Oyon and SPRI director general, Mauri Lazkano, who detailed the NanoBasque strategy for the coming years.

Ibarretxe stressed that, with economic recession at the door, the NanoBasque strategy was a really good reason “to resend” a message of “hope” to Basque citizens and “another step” on the road to the Basque Country’s second great economic transformation, which had been under way “for some time now” and which will be brought about by the knowledge society, the rock-like foundation for future competitiveness and progress.”

According to the forecasts, in 2015 upwards of 100 Basque firms will be exploiting nanotechnology in some form or other and will have generated 700 new, highly-skilled jobs, and in the five years after, the number of businesses involved in the field would double to create a further 500 jobs. Today some 80 firms operate in the Basque Country in micro-and nanotechnology.
Train time: Basque cooperative group announces historic €90 million Russian machine-tool contract

A spokesman at Danobat announced yesterday that the group had recently signed contracts with two Russian firms worth €90 million in all, the biggest-ever contract in the history of Spain’s machine-tool industry, a sector located to a great extent in the Basque Country, and particularly Guipúzcoa.

Speaking at a press conference at Elgoibar-based technology centre Ideko, management at the Mondragon Corporation member group explained the details of the two contracts, which mean a much-needed breath of fresh air in the industry and in an economy affected by the global crisis. Danobat CEO and Mondragon Corporation vice chairman Rafael Barrenechea, accompanied by Danobat Railway Systems DRS managing director Antxon López, and the Danobat group export director and DRS commercial manager Pedro Corral, did little to hide his satisfaction with the two contracts, which have been added to what he described as an “interesting” order portfolio, up 9 per cent this year over year-end 2007.

With 12 associate cooperatives, the Guipúzcoa-based group has signed one of the contracts, worth €50 million, with Russian firm TVSZ, the country’s leading goods wagon maker. The order involves designing and supplying a totally automated line manufacturing axles assembled for rail transport, i.e. the parts of the bogey that keep the wheels together. The contract also includes delivery of three robot cells with 17 machines in all for making the bogeys themselves.

The other plum in Danobat’s contract cake came through a series of agreements signed with Russian Railways (RZD) and Russian construction company Transmashholding (TMH), the country’s largest rolling-stock producer. Under the agreements, the companies will be cooperating on the development of manufacturing and maintenance technologies for the railway carriage system and includes, to begin with, delivery of two bogey production facilities and a assembled axle line together worth €40 million. Barrenechea noted that €4.7 million of the money had already been formalized.

From next year on, around 60 people will be working at Danobat’s new €10-million factory in Vergara. At the new facility, where at least 35 members of the Vergara workforce will be highly qualified, the group plans to make high engineering-content production lines mostly for the railway industry. Indeed, the new asset is a response to Danobat’s strategy of specializing in the railways.

And it was precisely with this strategy in mind that the group recently set up engineering firm Danobat Railway Systems to develop and market automatic equipment and lines to make train carriage components.

Located in the Mekolade district of Vergara, the new 10,000-square-metre factory should be inaugurated next March.

Danobat has also bought 20,000 square metres of land in India, in the city of Pune, where it plans to build a standard machine assembly factory for the local market. The group is expected to invest around €6 million on the facility, which is scheduled to be ready in late 2010.

Networking to advantage: Basque firm takes control of Mexican electronics concern

In an initiative designed to “renew its drive to consolidates its business interests in Mexico”, the Ikusi Group has taken control of Micronet and merged its operations in the country with the local firm. The operation means a 70 per cent increase in Ikusi turnover, which leaps from €118 million in 2007 to €200 million this year.
Once properly merged, Ikusi and Micronet will be the second biggest concern in the network and data industry in Mexico, with a 10 per cent market share. The new firm will have two "front-rank" technology providers in Nortel, which already worked with Ikusi, and Cisco. With foreign sales accounting for 38 per cent of all Ikusi sales, the operation is clearly part of the Basque firm’s ongoing internationalization drive.

Ikusi has had business interests in Mexico since 2003, when it acquired 60 per cent of GS Comunicaciones, specializing in integrating voice and data networks and maintenance services. Early this year Ikusi bought up the rest of the company and now owns it outright.

Summary of a news item published by Noticias de Gipuzkoa, 2 December 2008

Not just talk: San Sebastián neuroscience study centre to have 70 experts

Looking into the brains of people who habitually speak more than two languages to see how they work, and analyzing learning processes and neurodegeneratives connected with language are just two of the objectives of the Basque Center on Cognition Brain and Language (BCBL), an organization based in San Sebastián which aims to become an international benchmark in research into cognitive neurosciences.

The project is expected to attract more than 70 experts from all over the world who will work from the centre’s San Sebastián HQ on, among other things, sociolinguistic research and the study of language. Set to be up and running in September 2009, the centre will have a budget of around €20 million for the first four years of its active life.

Basque regional minister for Education, Universities & Research Tontxu Campos and Provincial Council executive for Innovation José Ramón Guridi presented the project in the company of BCBL director-elect Manuel Carreiras. The first thing they explained was that, rather than a new headquarters in San Sebastián, they would set up first at the city’s Miramon technology park. There the centre will stay until the new buildings now under construction on the University of the Basque Country’s Ibaeta campus are ready to provide it with its definitive 3,500-square-metre home. So the €20-million investment, explained Campos, would basically be spent on "staff costs and, above all, equipment," including, to begin with, a functional magnetic resonance, magnetoencephalography and eye-movement registration machines.

Apart from sociolinguistic issues, the centre will be studying dyslexia, language disorders, concentrating in particular on speech loss in neurodegenerative processes like Alzheimer’s. "We’ll discover early markers (giving advance warning of impending loss) to design tools capable of acting in illnesses of this type," said Carreiras, as one of the ways to improve patients’ lives.

Finally, the experts will be analyzing the biological and sociological aspects of human language and concentrating in particular on people with perfect mastery of two languages, which, in this case, will be Spanish and Basque.

Summary of a news item published by Noticias de Gipuzkoa, 2 December 2008

Great expectations: Basque office furniture maker invest eight million on new factory

Guipúzcoa-based office furniture maker Akaba recently made an €8 million investment in its new 10,000-square-metre production facilities that have enabled the firm to improve production processes, reduce costs, and, with one eye on the future, tackle a number of challenges, including accessing emerging markets.

Akaba’s new factory, a modern, functional arrangement on the Atallu industrial estate in Usurbil, has been up and running since April.
The firm has three major business areas oriented towards different sectors. One makes furniture for large groups like universities, hospitals, hotels and auditoriums, another concentrates on offices and the third supplies furniture for passenger terminals at airports and metro and rail stations.

With an 80-strong workforce, in 2008 the company hopes to clock up turnover slightly higher than the 2007 figure. For 2009, despite the recession, company executive Ramírez Zabala says they are optimistic, as they have projects for the coming months which, in addition to the margin for improvements abroad, means Akaba can look to the future with great expectations. With ISO 9000 and UNE 150:301 eco-design certification already under its belt, and ISO 14000 in the pipeline, the firm is reserving an extra 4,000 square metres at its new home for possible extensions in the future.

Internationalizing its products has been one of the firm’s leading objectives from the very beginning. Today, Akaba exports nearly 50 per cent of its production, principally to the rest of Europe, USA, Australia, Japan and Singapore. It also recently launched a campaign to introduce its products into emerging markets such as South Africa, Mexico, Eastern Europe and the Middle East.

Foremost amongst the many awards Akaba has received is the Prince Felipe Prize for Business Excellence, in the SME category. Other major awards include the Internationalization Award (at the 9th series of the Chamber of Commerce Industry Awards) and the Spanish National Design Award. Its products have also won a number of other Spanish and international awards.

Summary of a news item published by Estrategia Empresarial, 16 November 2008

**Keeping track: EUVE develops pioneer location and monitoring system for world’s toughest horse race**

The System was first used at the beginning of November at the FEI World Endurance Championship in Malaysia. It is the first-ever device of this kind made anywhere in the world, a feat which makes EUVE a benchmark in R&D and innovation, particularly as it involves some unique technology.

A member of the Basque audiovisual cluster EIKEN, the EUVE Foundation (European Virtual Engineering Fundazioa, to give its full name), has developed a new location and monitoring system for endurance or cross-country horse races.

Basically, EUVE implemented the new system’s software on a communications device produced by Galicia firm Arteixo.

Held on 6 to 9 November, the FEI World Endurance Championship 2008 provided the perfect technology check for the location and monitoring system.

Riding by night, participants had to cover 160 kilometres non-stop in approximately 14 hours, with the same horse and rider throughout.

Organized by the Sultan of Malaysia, the race involved 150 horses from 43 countries. With favourites coming principally from Spain and France, the winner was Spanish rider María Mercedes Álvarez Pontón.

**International interest.** Companies from a range of sectors and countries are showing interest in EUVE’s new system, as it can be adapted to provide applicable solutions in several technological fields. Countries interested in the location device for use in their horse racing and endurance events include Brazil (Junior World Championship 2009), the United States (the Kentucky world horse championships, held every eight years), India and the United Arab Emirates.

**For more information, contact:** basquenews@spri.es

Source: Eiken 8
Hot as sun: Basque glass maker invest 20 million in solar glass production equipment

Management at Guardian Llodio have announced €28 million investments in its Basque factory to install a production line for glass to be used in photovoltaic solar panels (the ones used to produce electricity) and sun-ray activated hot water collectors. This latest round of investments should bring 50 new jobs in its wake, adding to the 700-strong workforce in June 2009 when the new production line comes on-stream. The project involves the construction of a new €17-million furnace, leaving the rest of the cash for installing post-production glass treatment lines. Work is scheduled to start on 1 April next year, and is expected to take just over two months. The furnace will be active for no less than 10 years, and the model will be transferred to Guardian’s German factory, where a similar furnace is to be built. In all, the new line will be able to produce 4.5 million square metres of glassed panels a year. Company spokesmen stressed that solar glass was a new product that would enable Guardian to get into renewable energy, a rapidly expanding market in Europe. They added that the firm’s factory in Llodio, currently concentrating on glass for the automotive industry and architecture, would be looking to be a benchmark in solar glass in the near future.

A power of good: energy targeted by latest round of public investments in Basque Country

Energy, biotechnology, construction and new technologies. These are the strategic projects chosen by the Basque government and the provincial councils to implement between this year and 2011. Ten fully baptized initiatives involving global investments of 648.35 million euros, 31.47 million of which will be subsidised by the regional government and the provincial councils. In all, the projects are expected to create 2,521 jobs. Ten proposals put forward by the local authorities to demonstrate that the crisis is not going to paralyze business and production in the Basque Country.

Accompanied by representatives from the three provincial councils, regional president Juan José Ibarretxe held a press conference yesterday to announce the projects, four of which have been assigned to Vizcaya, three to Guipúzcoa, two shared by both and one in Álava, with a further one up for official approval in the near future.

Praxis Pharmaceutical is the name of a new facility for research, production and the commercialization of constituents for medical use. Promoted under the BIOBASK 2010 strategy, the new facility will be cooperating with the Centre for Structural Biology and cooperative research centre CIC bioGUNE, as well as the Genetic Engineering and Biotechnology Centre in Havana. Costing just over 42 million euros, the new facility should create 78 new jobs.

Habidite Bizkaia is a new facility for research, development and the integral industrial manufacture of modular buildings. Officials running the 90-plus-million-euro project say they have already signed cooperation agreements with the University of the Basque Country (UPV), engineering research centre Labein, Cidemco and the private University of Mondragón. The project is expected to create 759 new jobs.

Ibermática’s new 144.74-million-euro R&D facilities, expected to provide jobs for more than 700 people, are to be set up at the Vizcaya (Zamudio) and San Sebastián (Miramón) technology parks. The project will be oriented towards promoting a service centre for the application of R&D and innovation results, towards developing a software factory and doing more in-depth work on mobility-related technologies.

Ingeteam is another project shared between Vizcaya and Guipúzcoa involving four new research infrastructures working on power electronics, electric machinery, electricity transmission and...
distribution and hydraulic machinery. The 80-million-euro project, employing almost 350 people, will also implement new manufacturing facilities making equipment for the wind farm, hydroelectric and shipbuilding industries.

Ulma is to get new facilities in Guipúzcoa for developing and manufacturing a new range of products for the construction and civil works industry. At an investment of just over 97 million euros, the new centre’s estimated 225 employees will be concentrating on R&D in new, higher performance materials that can also be recycled. ULMA Packaging Engineering is to be set up as part of the packaging section, to develop automated integrated packaging solutions.

Vizcaya is also to provide a home for Lasercell, an approximately 29-million-euro research, development and manufacturing centre employing 87 people, specializing in high-efficiency photovoltaic solar panels, and which is to cooperate with the CEIT research centre on anti-reflecting and texturizing technologies, and with fellow research centre TIM on developing and industrializing low-thickness wafers for solar panels.

Guipúzcoa is the location for Xubi’s new 33 and a half-million-euro facilities where 86 people will develop and manufacture high-tech transmission parts and equipment for the wind farm industry in particular, including rings, conical teeth and reducers.

Vizcaya-based project Widewall concentrates on investments in R&D and on complementing the group’s technology and production infrastructures. It will do this by developing and applying new cutting-edge solutions and products for medium voltage and power distribution. Investments amount to 83 and a half million euros, and include the creation of 84 jobs.

Exeter’s new facilities in Guipúzcoa will be used to develop specialized machinery and treatment solutions for large, technically complex, high performance components, mostly for the wind farm industry. The result of three years’ research supported by local research and technology centres Gaiker, Profit and Cenit, the 26-million-euro project is expected to lead to 77 new jobs altogether.

Alkargo is a new 21.79-million-euro research, development and manufacturing centre for state-of-the-art electricity transformers in the high voltage power segment that will mean 75 new jobs. The firm already cooperates with the Higher Engineering School in Bilbao, the University of Oviedo, research centre Labein, Lcoe, Cesi, Ikerlan and a number of specialist engineering concerns in Italy and Germany.

**Summary of a news item published by Diario de Noticias de Alava, 19 November 2008**

**Buoy, buoys, buoys: Basque Country to provide home for Europe’s most modern wave energy platform**

Regional president Juan José Ibarretxe was in Lemoniz, on the Vizcaya coast overlooking the Bay of Biscay, to help lay the foundation buoy for the future wave energy research platform. Conceived as the most advanced of its kind in Europe and promoted by Basque Energy Board EVE, the platform is expected to cost around fifteen million euros.

Basically, the project has been designed to attract the world’s main marine technology producers as a way of stimulating research into wave-power harnessing devices and, at the same time, of reactivating part of the Basque economy. “Wave power is new and has a genuine future in the renewable energy industry,” said Ibarretxe. “It’s not without its risks,” he added, “but Basque society has no fear of failure.”

Representatives from EVE and local and regional authorities joined the regional president to take “the first step” towards the future Biscay Marine Energy Platform (BIMEP), which will eventually become Europe’s most advanced platform for research into electricity generation mechanisms using wave power. And they did it by installing the first buoy for a project that will be aiming to make the Basque Country a world wave power benchmark, taking advantage of the Bay of Biscay’s potential. As EVE head honcho Jose Ignacio Hormaeche says, conditions in the Bay, with mid to heavy waves, are “ideal for running this kind of project.”
Gearing up for high performance: Basque racing team puts finishing touches to new HQ

Basque racing car team Epsilon Euskadi is putting the finishing touches to the 35-million-euro high performance automotive centre now being built at the Alava Technology Park in Miñano. Scheduled to be ready in early 2009, EE’s new premises will also house Spain’s first wind tunnel, says company chairman Joan Villadelprat.

The team is also considering adding a suspension simulator that a number of other sectors, including the construction and aerospace industries, could use. Although Epsilon plans to keep part of its organization in Guipúzcoa, it will be concentrating most activities at its new Miñano headquarters, which will have a special training area for highly qualified engineers and specialist mechanics alike.

Conveying communications: Telefónica advertises 80-million investment in Basque Country to develop fixed and mobile broadband

Spanish telephone communications operator Telefónica invested 80 million euros last year in developing fixed and mobile broadband in the Basque Country, where it now has 960,000 cell phone clients. The company recently presented its mobility services to SME in Alava at an open day attended by more than fifty local businessmen. With a 430-million-euro investment plan for the region covering the period from 2006 to 2009, Telefónica was looking to tell as many firms as possible about the opportunities and the potential mobile technologies offered for optimizing business management.

Management spokesmen from the multinational explained that mobile technologies “help to increase business competitiveness by reducing costs, eliminating distances, wasting less time, increasing productivity and guaranteeing processes.” They also reminded the businessmen present of how vitally important it was to ensure that fixed, mobile and the Internet all converged.

Keep moving along: regional president announces 600 million business investments to create 2,500 jobs

Regional president Juan José Ibarretxe announced yesterday that the Basque Council for Economic Promotion would meet on the 18th to give the green light to ten innovative business projects involving global investments of 650 million euros and the creation of 2,500 new jobs.

Ibarretxe made his announcement at a forum entitled ‘Basque institutions and the economic crisis’ organized yesterday by the regional government and the three Basque provincial councils at San Sebastián’s Miramón technology park to give local business a better idea of the public initiatives already launched and upcoming measures designed to counteract the effects of the present economic situation. However, the president preferred not to give details of the actual projects, which will be made public after the Basque Council for Economic Promotion meeting.

Speaking to nearly 250 representatives from local business and the region’s institutions, Ibarretxe gave a forty-minute speech from a stage he shared with the chief executives from the three provincial councils, Markel Olano from Guipúzcoa, José Luis Bilbao from Vizcaya and Xabier Aguirre...
from Alava. In front of a giant screen, Ibarretxe described the nine strategies that, in his view, the Basque Country needed to implement to avoid the worst of the economic crisis.

Current challenges included “stimulating our 600-million-euro strategic projects”, designed to create 2,500 new jobs. “You can’t just wait for opportunities to knock,” he told businessmen. “You’ve got to go out and look for them.” But most important of all, he added, was not just resigning yourself to the inevitable.

Ibarretxe had a very clear message to get across to top business management. “If we work hard and do the right things”, he said, “then we’ll be much leaner and tougher when we come out on the other side of the crisis.” Ibarretxe also had a message for Xabier Iturbe, Xabier de Irala and Gregorio Rojo, respective chairmen of the local savings banks Kutxa, BBK and Caja Vital. He encouraged them to get their financial houses involved in these projects, because “with their help we’ll be out of the woods sooner and in much better shape in general.”

And although unemployment in the region was at lower levels than elsewhere in Spain, Ibarretxe warned, “we can’t afford to sit back and be satisfied with that.” He stressed that all the upcoming measures were being implemented to keep the momentum going in Basque business as a whole, while reminding his listeners of the 11,800-million euro Basque government and provincial council plan launched back in June.

Summary of a news item published by Diario de Noticias de Alava, 7 November 2008

Catering for all: Basque government to invest 54.5 million to 2012 on consolidating tourism in the region

Everything in the Basque Country is made in … From the sheer nerve required to set up a unique museum like the Guggenheim, to the creativity of an artist like Chillida, the local rural sports, the cuisine and the locals’ peaceful coexistence with nature... These are the main points of an ambitious marketing campaign launched to promote the Basque Country as a tourist and holiday hot spot for other Spaniards and foreigners alike. BasqueTour and the Basque regional government have prepared the region’s entry into the tourist big league with targets for the next four years of attracting 16 per cent more tourists from other parts of Spain and 26 per cent more foreign tourists.

To ensure that last year’s tourist levels of two million visitors did not just slowly drop off, the regional government presented an initiative yesterday that was also designed to increase this year’s expenditure on tourism by 96 per cent, taking the total to 800 million in 2012. The campaign has a whole range of attractions with a common denominator: to sell the Basque identity as a concept that reconciles tradition and modernity, a concept it is backing with a 54.5-million-euro budget. With the winning tape in 2012, the government has plumped for heavy investment that is expected to generate plenty of wealth.

Giving his full backing to the campaign, called Hor Dago! Plana, regional president Juan José Ibarretxe noted that the idea is to make people see the region as what he describes as an “open” destination, a place for everyone, whatever their tastes. He also explained for an initiative like this to be innovative, it had to have “personality” and “roots.” ”It certainly has all of that”, he declared, which is why he was confident that tourism in the Basque Country had a healthy future. ”If we work hard at it”, he ended, “the tourist industry could eventually contribute more than 5 per cent of the regional GDP.”

Summary of a news item published by Deia, 5 November 2008

Fair exchange: central government agrees to invest 1000 million at Basque fishing and commercial port in return for safe passage for Spanish budget
In the wake of the pact struck in Madrid between the Basque nationalist party and the Spanish socialists to ensure the government has the political support it needs to push its budget for next year through Spanish parliament, central government is to invest 1,000 million euros on building the outer port and recuperating underprivileged areas in Pasajes.

Covering almost entirely the cost involved in building the fishing and commercial business port’s new harbour, the investment was announced at a press conference yesterday in Bilbao by Spain’s minister for Economic Promotion Magdalena Álvarez. In Bilbao to unveil her Department’s planned expenditure in the Basque Country, Álvarez broke the confidentiality agreement signed by the two sides, which had originally agreed not to say anything until the government budget had come through parliament successfully.

However, discretion was maintained over the global amount when the agreement between nationalists and socialists on the government budget was announced. Then, the announcement simply stated that central government in Madrid had accepted an undertaking to build the outer port.

At the time, the only figure made public the one of nine million euros included in the 2009 Budget assigned to improvements to the existing port infrastructures. One thousand million euros from the state coffers earmarked for the construction of the outer harbour will be invested as the phases of execution are completed. All work on the new port should be finished by 2020. Spain’s Ministry for the Environment is also involved in the agreement, largely because it will be required to give approval to the environmental impact plans for the zones affected by construction work.

Half of the investment originates in the need to free up 80 hectares of the present port zone, a third of which has already been reserved for new housing projects. Businesses in the services sector will be housed in another third, with the third and final section providing storage for common equipment.

Other major investments include the 120 million euros assigned by the Provincial Council to the new harbour’s access roads and 60 million the Ministry of Economic Promotion has promised to build the necessary rail links.

The remaining 600 million euros available for the work will come from public debt and private financing, in particular the Iberdrola combined cycle generation facility scheduled to be built in the new harbour.

In the meantime, the Board of Directors of the Pasajes Port Authority is meeting today to approve the outer harbour’s strategic plan, now that the period for presenting claims, declarations and statements has finished, thus bringing the first preliminary phase of the actual construction work to an end. The next step, which involves official approval for the Master Plan for the works, will be dealt with at the Board meeting scheduled for December.

Work on regenerating the La Herrera district within the actual port of Pasajes is scheduled to begin in January 2009 with the demolishing of the industrial pavilions and decontamination of land in the area.
**Natra-llly sweet: chocolate maker invests 6 million euros at Zahor factory in Oñate to launch new products**

In the last two years, the Natra group, which produces chocolate and cacao-derived products, has invested some six million euros on machinery and research into efficient processes at its Natra-Zahor factory in Oñate with a view to developing innovative products in the coming years.

A management spokesman at Natra said the first result of this process was the market launch in Europe of its Vital’Crusty bars, which have required a year and a half of research and development. Vital’Crusty is one of its “star developments” as far as creating innovative cacao and chocolate products for distributors was concerned. In Spain, such trademark product distributors have a 31.8 per cent market share, according to figures published by TNS Wordpanel in the first half of 2008.

The spokesman also said that chocolate distributors were growing at about 9 per cent a year, as opposed to the 2 per cent registered by the company’s own-label products.

Currently with business interests, revolving around its cacao and chocolate products, in 24 of the 30 largest distributors in Europe, Natra says it is investing in new product lines and packaging formats in all its consumer-focused business areas, including chocolate bars, energy bars, sweets, Belgian specialities and chocolate and almond spreads.

Summary of a news item published by Noticias de Gipuzkoa, 21 October 2008

**A prawn in their game: Basque firm invests 16 million euros in new factory**

Substitute baby eel producers Angulas Aguinaga have invested 16 million euros in a new factory in Villafría (Burgos) for cooking shellfish and producing fish-based pre-cooked dishes. The first product launch of this new business line was a king prawn-based dish called King Artik.

Angulas Aguinaga owns 80 per cent of the share capital in Angulas Aguinaga Burgos (AAB), the other 20 per cent owned by a local partner with a long record in selling prawns and king prawns. In all, the new 14,000-square-metre factory in the province of Burgos entailed an investment of 20 million euros and has created 45 new jobs.

Inaugurated in July, the Villafría factory launched its first product King Artik, a range of king prawn bodies and whole king prawns which will be a “genuine revolution in the world of prawns”, says Angulas Aguinaga marketing manager Babro Bellido.

The firm offers several dishes based on the first-class Vanamei prawn, from Central and South America, with a range of sauces like curry or garlic all packaged in a new vertical container. The idea is to “change people’s ideas of king prawns being a dish for special occasions and get people to see them as a ‘commodity’ product.”

Angulas Aguinaga, which has a 200-strong workforce at its Irura factory producing La Gula del Norte baby eel substitutes and the Krissia ranges, both leaders in their market segments. Management at the company expect the factory to produce 12,000 tons in all next year to achieve turnover of around 90 million euros.

Summary of a news item published by Estrategia Empresarial, 16 October 2008
Solid chrome auto motive for major changes: Basque automotive component producer sets up joint venture in Morocco

Vizcaya-based automotive component maker Cromoduro Corporación is to produce plated liners in Morocco to ensure the activity continues. The company has set up a joint venture in Morocco with local firm Floquet Monopole, to make liners at its factory in Fez. Meanwhile, the 10,000-square metre facilities Cromoduro originally acquired in Tangiers for this line of work will be used to produce plastics for Renault.

Six thousand of the 10,000 square metres Cromoduro owns in Tangiers are actual premises. This is one of the last sales of land, as when Renault announced it was setting up in Morocco, the Moroccan government decided that land could only be rented in the area, not bought.

Cromoduro continues to transfer its factory from Bilbao to the Boroa industrial estate in Amorebieta (Vizcaya), where it will occupy a plot with 16,000 square metres of land available for two-storey buildings. One of the latest decisions taken by company management was to keep its offices and general administration in Bilbao and to locate the Cromoduro Research & Development centre (CIT) at the AIC-Automotive Intelligence Center.

Wrong-footing the crisis: Ceprenor opens new facility and starts to produce for the solar industry

Basque rail signal component manufacturer Ceprenor seems to have successfully wrong-footed the present crisis. The firm has just got a new 5-million-euro-plus facility up and running at the Boroa industrial estate, in Amorebieta, not far from Bilbao.

Ceprenor has also acquired Valencia-based concern Metallics as a way into the mobile solar panel support and motorization system market.

As head Ceprenor honchos Iker Iturbe and Juan Tomás Zarraga stressed yesterday, the Basque firm is committed to investments of more than 6.3 million euros in its bid to grow and diversify in the rail signal segment.

Iturbe said the firm was hoping to end 2008 with turnover of more than 12 million euros although, as he pointed out, current lack of movement in the state infrastructure construction industry meant the company would be unable to sustain the major growth rate achieved in 2007, when turnover increased by 37 per cent.

Rather than outsourcing, Ceprenor makes all kinds of steel and aluminium signal components itself at its new facility in Boroa, which basically amounts to a 4,500-square-metre factory on a 10,500-square-metre site. With a full-time workforce of 60, Ceprenor today has four business lines, with the production and installation of rail signal components, and rail traffic management, plus the supply of signal components and, finally, the production of signal and urban reorganization reports.

The cleanest cut: Basque technology centre wins world “Manufacturer of the Year 2008” award

Basque technology centre Ideko, an IK4 alliance member, has been named as the winner of the Manufacturer of the Year Award 2008 at the European Manufacturing Strategies forum in Düsseldorf, Germany. The Mondragon Corporation associate was chosen from more than one hundred firms throughout the world (including major multinationals like Hewlett Packard (HP), Bombardier, SAP, Procter&Gamble, Baxter and Microsoft) for its dedication to and record in the continual search for solutions and improvements in machining processes.
Ideko has developed an innovative clean-cut technology that avoids risks of magnesium shavings exploding catching fire without resorting to lubricants during alloy machining in the aerospace and automotive industries. Oriented towards safer, more ecological machining, and demonstrating the centre is capable of taking research to a higher level of competitive manufacturing, the process has won the Elgoibar-based technology centre the Manufacturer of the Year award at the Strategic Manufacturing Awards 2008. Present at the awards ceremony on 8 October was Ideko's international R&D project manager Joseba Pérez.

The technology centre also received a partial award in the Green Manufacturing category for its system facilitating total recycling of magnesium shavings, improving production ratios in the process.

Summary of a news item published by Noticias de Gipuzkoa, 15 October 2008

With our complements: Basque aerospace group acquires Alstom engineering and software subsidiary to augment capability

Basque aerospace group ITP has announced an agreement to acquire turbomachinery and aerospace software engineering, design and production concern Alstom Aerospace for an undisclosed sum.

Previously owned outright by French multinational Alstom, Alstom Aerospace has been bought out through ITP's British subsidiary. Alstom Aerospace has a workforce of 150, 107 employed in engineering at the firm’s UK-based Whetstone factory and the rest in design and manufacturing in Lincoln.

ITP CEO Ignacio Mataix described the operation as being part of the growth and diversification policy envisaged under the company's 2006-2010 strategic plan. Mataix called the move “a major additional accessory in our bid to get well set up in small engines and to increase our interests in the growing business aviation sector.” ITP itself is owned by two major shareholders, one being local engineering group Sener, with just over 53 per cent, and the other Rolls Royce, with close on 47 per cent.

Rebaptized as ITP Engines UK Limited, Alstom Aerospace is expected to account for something like 7 per cent of total ITP group sales on 2008.

In the 2007 tax year (which ended in March), Alstom Aerospace registered sales of 34.5 million euros, 22.2 million of which came from design and fabrication, 11.3 million from engineering services and a million from aerospace software.

An ITP spokesman said yesterday that the company was hoping the acquisition would become totally effective in the coming months, “once we’ve been through the usual red-tape and the fair competition authorities have given us their go-ahead.”

According to the spokesman, the new company will contribute “experience in manufacturing crucial products complementing the ones ITP already makes, in particular the ones associated with rotating engine parts such as compressor blisks, impellers and compressor disks and turbines, plus axle and cooled blade design.” It is also expected to provide "major experience in design and R&D expertise in a whole range of aerospace engine applications” and give rise to “activities complementing what ITP already does, including software and control system services and rotary engine component development cells.”

On ITP Engines UK’s client roster are the major OEM in the engine production industry, including General Electric, Rolls Royce, Honeywell, Goodrich and IHI. The new firm also works on programmes that are expected to achieve greater market penetration n the business and regional aviation segments and the defence market.

Summary of a news item published by Noticias de Gipuzkoa, 8 October 2008
Go forth and multiply—fast: Basque biotechnology group forecasts 25-fold increase in turnover in five years

At a press conference yesterday, Basque biotechnology group Progenika, based at the Vizcaya technology park in Zamudio, just outside Bilbao, announced that it expected to multiply business turnover 25-fold over the next five years, going from last year’s figure of 8 million euros to 200 million-plus in 2012. This is just one of the objectives included in the firms expansion plan for the 2008-2012 period, during which time it expects to invest more than 75 million euros in R&D.

Increases in turnover, as a group spokesman explained, are to be based on two factors. The first is commercializing company products abroad and the other is the launch of new products currently in the research, development or validation phases. Expansion will concentrate mainly on Europe, the Middle East and the US, where the group has already set up shop.

Founded in 2000, Progenika develops biochips for personalized medicine used in the diagnosis and prognosis of illnesses and disease and probable patient response to treatment. More than 60 per cent of its 120-plus researchers are doctors and the company reckons that by the end of its expansion plan it will have 350-plus researchers on its books.

Current Progenika products include the Pharmachip, used to predict patient response to treatment in a number of illnesses, and Lipochip, for diagnosis and prognosis of familiar hypercholesterolemia, which, according to the company spokesman, became the first CE-labelled genetic biochip in 2004.

At their BEC: Basque Country to host Europe’s largest renewable energy trade fair

One of the world’s largest renewable energy fairs is coming to the Basque Country. The first edition of the European Renewable Energy Forum is scheduled to be held next year at the Bilbao Exhibition Centre (BEC), in Baracaldo, from 9 to 11 June. This new fair has been made possible by the support BEC has received from the Basque authorities, as part of a concerted bid to win the right to hold the event in the face of competition from other countries like Germany, Denmark and Iceland with major interests in the environment and renewable energy industries.

Combining conferences, lectures and a major commercial exhibition, the European Forum expects some 200 firms, half from outside Spain, to come and set up their stands. Some 5,000 professionals from the energy industry are expected to attend.

At a press conference yesterday, Bilbao Exhibition Centre CEO José Miguel Corres stressed how important it was for the BEC that the event’s organizers (Turrent Middle East) had plumped for the Bilbao candidature. He also declared that the city had already had “the positive experience” of hosting the natural gas industry fair, Gastech, held in Bilbao by the same organizers.

Corres added that the BEC would be in charge of “selling” the fair in Spain. Bilbao has been chosen as the host for the European Forum for a number of reasons, including the fact that Spain is a world leader in renewable energy, with what is described as a “highly ambitious” investment plan to promote the use of such power.

Another motive mentioned by the organizers was the Basque region being home to a number of major companies in the front rank of the international power industry, particularly in wind farms, including multinationals Iberdrola and Gamesa.
On the edge: peripherals multinational inaugurates new HQ with Europe’s only automated storage centre

Computer peripheral and consumer electronics manufacturer NGS inaugurated its new 8-million-euro HQ in Renteria. The company’s new home has Europe’s most modern automated storage centre, which will enable the firm to increase foreign sales by 50 per cent.

Present at the new 11,000-square-metre-plus HQ’s inauguration were Guipúzcoa Provincial Council chief executive Markel Olano, Basque Government director for innovation and the information society Elena Gutiérrez, Provincial Council treasury boss Pello González and Renteria’s mayor Juan Carlos Merino.

During his speech, NGS chairman Tomás Falcón described the new premises as a major step forward for the company, which already has factories in France, Portugal, Italy and Poland.

"Our new storage centre is the only automated one in Europe’s peripheral and consumer electronics industry”, said Falcón, "and is capable of serving five million products a year with an insignificant margin of error", adding that every product the firm provided for Spanish department store chain El Corte Inglés or hypermarket chain Eroski left the facilities “completely finished and with the price already on it.”

One of the two new business units involves accessories for video games while the other is consumer electronics, joining the other four the firm currently has, which are NGS Technology, NGS Home, NGS Bags and NGS Motors.

Summary of a news item published by Noticias de Gipuzkoa, 20 September 2008

Engineering the future: Basque engineering firm buys Portuguese

Top management from Basque engineering firm Sener announced yesterday the company had bought 49 per cent of Portuguese road project developers Engivia and that it had secured a three-year purchase option on the other 51 per cent. The purchase agreement was signed in Lisbon by Jorge Unda, CEO at Sener Ingeniería y Sistemas, and Engivia’s three leading partners, Antonio Vaz Pato, Paulo Silva and Ricardo Sardinha.

According to management sources at Sener, the operation doubles the firm’s current civil engineering capacity in Portugal, focused today on railway, metro and road projects, Engivia providing diversification and increases in its project capability abroad.

The sources added that the agreement culminated a year-and-a-half-long process, although previously both firms had worked together on preparing civil engineering tenders.

Sener’s projects in Portugal include its participation in plans to enlarge the metropolitan railways in Lisbon and Porto, and the high speed Madrid-Lisbon train. It is also working with several other firms on motorway section projects currently up for tender.

Summary of a news item published by Deia, 20 September 2008

All on the surface: Basque battery maker researches new industrial coatings in 25-million-euro project

Basque group Cegasa, one of the region’s leading international producers of batteries, is currently involved in an industrial research project called ART-DECO, designed to develop really tough new decorative and industrial coatings for ceramics, glass and metal for the construction, automotive and white-line household goods industries.

In all, 14 businesses and 12 research centres are taking part in this 25-million-euro project expected to come up with useable results that can be implemented fast in the target industries,
are eco-friendly and, using cutting-edge technologies, can make the present highly contaminating industrial coating processes obsolete.

Approved in the last call for the Spanish Ministry of Industry’s CENIT (2007-2011) programme, the project is one of a number of major industrial initiatives backed by public and private sectors alike. CENIT is basically a way of getting large, inevitably costly strategic industrial research projects up and running.

Any processes fine-tuned as part of ART-DECO should lead to the development of new decorative and industrial coatings providing specific new functional performances and solutions and technological advantages in a range of applications, such as coatings for the glass and optical industries.

During its time on the project, Vitoria-based Cegasa has become a major European battery producer, and is now one of the world’s leading private trademark battery maker.

In recent years, Cegasa has consolidated its interests in a formidable international business group, with eight subsidiaries in countries around the world selling its products in more than 50 countries.

Summary of a news item published by Diario de Noticias de Álava, 15 April 2008

Heat is on: Basque engineering firm allies with Arab firm to lead world solar energy market

Sener has launched a new company to operate in renewable energy sources with an ambitious thermsolar technology that involves concentrating the sun’s rays in a receiver to use the heat captured to generate electricity. For its latest initiative, the Basque engineering firm has found an ally in Masdar, an alternative energy firm based in Abu Dhabi (Arab Emirates). Together they’ve set up Torresol Energy, which has been given the mission of becoming a world leader in the industry. TE management are looking to invest 2,000 million euros to 2012 on building ten or so thermosolar facilities at a rate of two a year.

Torresol Energy was presented in Bilbao under the auspices of Vizcaya Provincial Council, whose Chief Executive, José Luis Bilbao, accompanied Sener chairman Jorge Sendagorta. Masdar was represented by CEO sultan Ahmed Al Jaber, who, after receiving the makila or baton from Bilbao appeared in the press conference with a number of his fellow Arab executives.

Owned 60 per cent by Sener and 40 per cent by its Abu Dhabi-based partner, the joint venture is up and running at a time when clean sources of electricity are all the rage in a market that is still a long way from maturity. Solar energy from concentration has been used in a number of projects worldwide. However, the technology is not yet being exploited on a major scale, and there’s still plenty of scientific work and marketing.

Today thermsolar installed capacity around the world comes to roughly 400 MW, hardly a blip on the radar of the global electricity generation mix. To show just how far the technology has to go, Torresol reckons on having a production base of 320 MW in the next five years. In the slightly longer term, the company has set itself a target of 1,000 MW in ten years’ time.

The first 800-million investment has already been assigned to three projects, two in Fuentes de Andalucía in Seville, and the other in Arcos de la Frontera, Cadiz. Work begins next month on the first 17 MW complex, while work on the other two (both 50 MW each) begins this coming September and March 2009 respectively.

Summary of a news item published in Deia, 13 March 2008
Cash in the air: natural gas firm announces 170 million investments in Basque region in renewable energy sources

Naturgas Energía, the leading supplier of natural gas in the Basque and Asturias regions as well as being the Basque Country's second leading electricity operator, has committed 170 million euros to invest in renewable energy to 2010 through Naturneo, and a further 100 million in other business areas. At a press conference in Bilbao yesterday, Naturgas Energía chairman Manuel Menéndez said the pace of investment and the actual target business areas depended on opportunities and permits from the authorities. Menéndez underlined the fact that Naturgas net profits in 2007 had upped 55 per cent over the previous year to top the 100-million-euro mark.

After presenting some excellent results with major growth in business levels, top management at Naturgas Energía said forecasts for 2008 reckoned on "continuing with last year's sustained growth" and taking advantage of all the opportunities arising in a market where further liberalization is on the agenda.

Menéndez and company CEO Fernando Bergasa explained that Naturneo Energía, in which Naturgas owns 51 per cent, the rest belonging to the EDP Group, is currently involved in bidding in a call for tenders to build three wind farms in Alava, which should be awarded soon, and is committed to exploring all "profitable" opportunities arising in the fields of renewable energy and cogeneration.

Summary of a news item published in Diario de Noticias de Alava, 8 March 2008

All in the same boat: audiovisual foundation set to make technology park TV benchmark

Alava Technology Park has been chosen as the definitive site for the new 8-million-euro, 5,000-square-metre head offices of the EUVE (European Virtual Engineering) foundation. After weighing up a number of options (Vitoria City Council offered the firm a fifty-year lease on a lot in Lakua, but company management were not convinced by the financial guarantee on the lease), the foundation will finally build its new HQ in Miñano because, as a management spokesman put it, "that's where the most innovative and development-oriented action is in Alava today."

EUVE director general Pedro Hernández describes the Technology Park as "a flagship initiative with huge critical mass. Which is why we thought that it was the natural place for a technology centre like ours," Hernández went on to say the Park had "all the infrastructures EUVE needs to organize events designed to publicise technologies." EUVE is a non-profit making foundation working on virtual engineering, television, information systems, meteorology and artificial intelligence.

The new three-storey, boat-shaped building will be fitted with meeting rooms, rest and multi-use areas and a TV laboratory which, besides the vital computer infrastructure, will have a set for recording programmes and live broadcasts and the equipment needed to experiment with the application of new technologies to audiovisual production.

Summary of a news item published in Deia, 4 March 2008

Electrifying: French electrical goods multinational to build 20-million factory in Vizcaya

French electrical goods manufacturer Schneider Electric is to invest 20 million on a new factory making medium voltage products in Vizcaya. As group CEO for Spain Enrique Valer explained yesterday, the new factory will be producing the Mesa range, a specialist in high and medium voltage products such as sectionalizer switches, medium voltage cells, fuses and over ground distribution instruments.
With the property and housing market in deceleration, Valer said that Schneider Electric expected turnover to be up 7.5 per cent, as opposed to the figure of 11.9 per cent achieved in 2007. For the multinational’s Spanish subsidiary, property provides from 12 per cent to 16 per cent of its total turnover. Schneider Electric’s European division has had its HQ in Barcelona since last year. Led by Julio Rodriguez, the division bills 5,200 million euros a year and keeps a 32,000-strong workforce busy in 18 countries.

Although the factory will increase group production in Spain, the actual number of Schneider Electric factories will remain the same, as the new facility will replace the present factory in Munguia, which currently provides work for 140 people.

Summary of a news item published in Diario de Noticias de Álava, 5 March 2008

**Tool revolution ahead: Basque machine tool producer inaugurates new unit**

Izar Tools inaugurated its new 13-million-euro, 11,000-square-metre cutting tool facility at Boroa-Amorebieta. Attending the official inauguration were a number of representatives from the Basque authorities and the region’s institutions, led by regional president Juan José Ibarretxe, who praised the efforts made by the century-old firm to innovate and improve competitiveness.

The facility was inaugurated as part of the events programmed for the Machine-Tool Biennial, on until this Saturday at the BEC, Baracaldo’s Bilbao Exhibition Centre. Dozens of clients, suppliers and workers visited the centre, which has been fitted with the very latest technology.

On a 24,000-square-metre site at the Boroa business park, the facility is described by company management as “Europe’s most modern cutting tool production centre.” Izar hopes the new unit will revolutionize its manufacturing concept to multiply the amount and quality of all the tools it produces.

Summary of a news item published in Deia, 5 March 2008

**On a roll: Basque hygiene supplier announces new 6-million-euro logistics centre**

Vizcaya-based supplier of safety and hygiene products for industry, hospitals and communities Celulosas Vascas is to open a new six-million-euro, 6,380-square-metre facility at the Boroa industrial estate near Amorebieta in May, where it will finally fulfil its ambition of unifying all its factories and warehouses in a single logistics centre.

Using warehouses and distributors throughout Europe to move its products, Celulosas Vascas needs enormous stocks to guarantee its ability to spot-supply its customers, particularly organizations like the Basque region’s public health service Osakidetza. The new facility in Boroa now being built by Zamakoa will provide the firm with 1,300 square metres of office space while improving the production and logistics side of the business. But the big surprise at the new Celulosas Vascas factory is in fact to be found on the façade, which is to display photographs of the region’s flora and nature as a means of integrating the facility into its surroundings. Local art studio Durero and Formica, with a new product called Digiform, are currently working together on materializing a dream long held by founding partner Gabriel Sanz.

Celulosas Vascas began operations back in 1981 in Erandio. Its current success owes much to the vision and tenacity of business partners Javier Izaola and Gabriel Sanz in commercializing products that were only just beginning to circulate in Europe at the time as substitutes for towels and workshop cleaning cloths. With cellulose rolls in hand as their catalogue, Celulosas canvassed and convinced major consumers like Cruces, which was the first hospital anywhere in Spain to use its rolls, Spanish power giant Iberduero, leading bank BBV, Agra and Bilbao’s other major hospital, Basurto. With its Aachen trademark, Celulosas Vascas added new strategic clients and

products, including industrial rolls, bins, sacks for waste, soap dispensers and disposable gloves, clothes and cutlery. Most of the firm’s products are also used in the food, cosmetics and beauty industries.

Summary of a news item published by Estrategia Empresarial, 31 January 2008

Czech mate puts group at advantage: Basque automotive component group continues expansion strategy

Basque automotive components producer CIE Automotive recently notified Spanish national securities and investments board CNMV that it had acquired Czech machining company Praga Louny outright at a price of 3.96 million euros drawn from the group’s own resources.

According to a CIE press release, the recently acquired company, some 60 kilometres northwest of Prague, specializes in metal cutting technologies, including turning, milling, grinding and rolling, while also performing heat treatments and machining gear-box parts and other vehicle components.

According to a CNMV spokesman, the new group member has a workforce of 279 people employed at a 33,000-square metre factory on a site of nearly 135,000 square metres.

In 2007 the company registered turnover of nearly eight million euros. The acquisition means CIE has strengthened its business interests in Eastern Europe, where it now has 8 factories in all.

Summary of a news item published in Deia, 5 January 2008

Helping hand: strategic seven get 24 million-euro share-out for major business projects

Seven major Basque firms have been chosen to benefit from an aid scheme for strategic projects introduced by the regional government’s Department of Industry. A Department spokesman described the new programme as the most ambitious of its kind to date. This year it has already awarded 24 million euros in support of Aeroblade, CAF, Epsilon Euskadi, Navacel, Sapa Placencia, Ulma Forja and Sociedad de Cartera Zestoa in their bid to implement plans designed to increase production investments and workforces.

According to the Department spokesman, the aids would provide backing for investments worth nearly 250 million euros and entail the creation 672 new jobs to 2010.

The star project qualifying for such aid is undoubtedly the one presented by Aeroblade, a new Aernnova subsidiary set up with the mission to get a foothold in production of blades for the latest generation of wind turbines.

Rolling-stock producer CAF is to receive 4.8 million to help in its drive to expand its business interests abroad and consolidate its position with its own technology in the high-speed train market. Epsilon is to get 3 million euros for its new facilities in Vitoria, where it is moving from its original home in Azcoitia. The 1.7-million subsidy for Navacel is designed to aid the firm to develop larger parts for the petrochemical industry.

Sapa (3 million), Ulma Forja (2.9 million) and Sociedad Cartera Zestoa (4.6 million) are the other firms on the list of companies receiving government backing for projects the Department of Industry describes as strategic.

Summary of a news item published in Deia, 10 January 2008

Clean-up act maturing nicely: urban redevelopment corporation plans 360-million-euros’ worth of new investments
With its 15th anniversary year just begun, public city redevelopment corporation Bilbao Ría 2000 has a number of urban reclamation operations under way at present in Bilbao, Baracaldo and Basauri entailing as yet unassigned investments valued at around 357 million euros.

In Bilbao alone, planned investments of 194 million euros should lead soon to the reorganization of the huge urban lot at the former home of local police and fire brigade at Garellano, although the most complex operation in Bilbao is to be found at nearby Olabeaga, where plans are going ahead to put the railway tracks underground, build new housing on the freed up land and add several access ways from the neighbouring A-8 motorway.

In the Abandoibarra area a few hundred metres down river from the Guggenheim Museum, Bilbao Ría 2000 has the new Iberdrola Tower under way (which, at 165 metres high will be the region’s tallest building), the new Plaza de Euskadi, incorporating a 14,500-square-metre garden and a much-needed city car park, and the new 25,000-square-metre park on the riverside area known as the Campa de los Ingleses.

Currently presided over by city mayor Iñaki Azkuna, the corporation will have spent some 694 million euros on revamping Bilbao in its 15-year lifespan once these latest operations have finished.

In Baracaldo, Bilbao Ría 2000 has projects finished or under way worth 125 million, with a further 107 million euros as yet unawarded to come.

Finally, Bilbao Ría 2000’s 58-million-euro arrival in the project designed to regenerate the neighbouring town of Basauri will be formalized in the immediate future, now that all the parties involved are close to agreeing terms and the construction project for the Lapatza goods terminal is almost ready.

Founded in 1992 by a number of public organizations backed by the Spanish and Basque regional governments, the Vizcaya Provincial Council and the city councils of Baracaldo and Bilbao, Bilbao Ría 2000 has been so successful in revamping the metropolitan area of Greater Bilbao that it has become an international benchmark for institutional coordination for urban recovery.

Summary of a news item published in Estrategia Empresarial, 11 January 2008