



# Portugal

Portugal is located in the western part of the Iberian Peninsula and has strong ties with the UK. Until June 2019, total UK exports to Portugal amounted to £3 billion (ONS, 2019). With consistent economic growth since 2014 forecasted to continue through 2024 (IMF, 2018), Portugal continues to experience a positive economy, leading to decreasing unemployment rates, increasing disposable incomes and therefore higher consumer confidence about spending.

Portugal is also a gateway to Portuguese-speaking markets including Brazil, Angola and Mozambique.

## Eco and Natural Products

Portuguese people show a much more ecological and ethic approach when it comes to their consumption habits. Main trends:

- ✓ Textile industry, fashion and consumers give sustainability more weight, preferring fibers produced of natural sources, such as banana tree trunks or cork;
- ✓ Rising preference for biodegradable and natural retail products and toiletries;
- ✓ Rising health concerns lead to greater number of consumers adopting flexitarian lifestyles;
- ✓ Stronger growth predicted for packaged food driven by demand for healthy high quality meal solutions;
- ✓ Healthier baby food demand: Portuguese parents look for organic or reduced sugar variants with rising health trend/ Competition within organic segment of baby food intensifies and private label begins to offer organic ranges to compete with brands
- ✓ Despite an international buzz around organic products, organic beverages in Portugal remain a niche category. Organic coffee is the only product that leads category growth.

## Technology

In recent years, the Portuguese government has supported existing technology clusters and made significant efforts in attracting tech-based companies to set up locally, creating new supply chain opportunities. As a result, several high profile multinational ICT and Tech companies have chosen Portugal to set up R&D, support and data centres to service local and worldwide networks, recognising the quality of the country's research, technological infrastructure and workforce.

In addition, funding programmes in key areas within digital transformation (such as Smart Cities and Industry 4.0) have been developed to support municipalities across the country to become more sustainable and for businesses to upskill and update their existing tech capability.

On the Telecoms sector, the main operators in Portugal made substantial investments in the development of a fibre-optics network (one of the best in Europe) over the last decade and are now preparing for the next stage in innovation, co-developing with other Tech providers. This translates into further investments in areas such as 5G, Smart Cities, visualization and digital experience, cloud services, data analytics, AI and Machine Learning.

Many global tech players use the Portuguese market as a testbed for new solutions given the rate of early adopters, which makes it an interesting place to pitch new solutions to well established operators.

High profile technology events taking place in Portugal - notably the Web Summit – have also contributed to the country's growing reputation as a tech and innovation hub and encourage local players to adopt new tech solutions at a faster pace.

On Financial & Business Services, government has made progress in repairing the fragile financial sector, with banks facing increasing challenges such as the need to increase income, reduce operating costs and adjust business models to digitisation. UK innovation and capability in areas like Fintech, Insurtech, Regtech, Blockchain and AI are very valued in Portugal.

## Life Sciences

The Life Sciences sector in Portugal presents a range of opportunities for innovative and cost-effective solutions, particularly in Healthcare. While the Portuguese Government continues to implement restructuring measures aimed at the sustainability of its NHS, the private sector players have also continued to expand their reach and services offer.

Current priority areas include: personalised medicine, chronic disease management, assisted living technologies, remote monitoring sensors, AI and analytics for health, wearable technology and new diagnostics solutions.

The most prominent areas within Biotech are linked to Pharma and Industrial applications for different manufacturing industries.

Local companies tend to seek commercial and technological partnerships that can support their activity in the internal market as well as with exports, notably in other Portuguese speaking countries. There are many existing links with British companies, universities, and R&D institutions – UK expertise in Life Sciences is highly regarded in Portugal.

### Web and email addresses

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