

News Release

Portugal strengthens its position as key player in the European business services

Porto, 7 November 2024 - Portugal has joined the Association of Business Service Leaders (ABSL), the leading organization that represents the business services sector. This membership contributes to the strengthening of both the sector and Portugal's economy by attracting more foreign investment and creating new valuable jobs.

The business services sector encompasses services such as IT, finance, HR, marketing, customer service, R&D, supply chain operations, procurement, administration, consulting, and outsourcing, which are all essential for enhancing the operational efficiency of organizations and for driving their growth.

The business services sector is a cornerstone of the European economy, contributing significantly to both national economies and the EU budget. According to the "ABSL European Business Services Sector 2024" report, in 2023 the sector generated 20.4 percent of the EU-27's GDP. It employs approximately 31.5 million people within the EU-27 and around 40 million across Europe (including the UK, Switzerland, and the EEA countries). Europe's highly educated and diverse talent pool is essential for maintaining high-value operations, fostering innovation, and building Europe's competitiveness.

Portugal is making its mark on the European business services landscape

The business services sector plays a vital role in driving innovation, economic growth and the competitiveness of European countries. In Portugal - increasingly chosen as a location for technological services as well as finance & accounting, it is also an important contributor to employment, especially outside the major urban centers such as Lisbon and Porto. According to AICEP data, there are nearly 270 business services centers in Portugal that employ 93,000 people. The business services sector in Portugal has experienced significant growth in recent years, driven by the country's strategic location, political and economic stability, favorable business climate, and highly skilled workforce.

"A top-ranking education system, and strong language skills have helped Portugal emerge as a prime destination for investors and businesses which are looking to establish or expand their operations in Europe", said **Ricardo Arroja, President of AICEP**. "Portugal is currently one of the most significant European FDI destinations. Over the last five years, the country has recorded the third highest growth rate regarding the number of FDI projects - an impressive increase of 40 percent", added **Arroja**.

Portugal joins the ABSL family

Joining ABSL is a significant milestone for the Portuguese business services sector, as it reinforces its position as a key player in the European market. ABSL is represented across 11

Association of Business Service Leaders
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countries in Europe, and is now extending its reach to Australia and New Zealand. ABSL is the voice for the whole business services sector, communicating the views of its members to decision-makers and key stakeholders.

"Welcoming Portugal into the ABSL family is a testament to our commitment to the growth of the business services industry, and solidifies our status as the leading non-for-profit business services association globally", said **Jacek Levernes, Chairman of ABSL**. "Portugal is a prime example of a top talent destination in the business services sector, which attracts new investments and drives growth. Together we will continue to enhance competitiveness of Portugal and the European economy while strengthening the sector worldwide.

Frederico Barreto, the newly appointed President of **ABSL Portugal** added: "We are confident that our Portuguese members, alongside global industry leaders, will play a vital role in driving the sustained growth and success of Europe's business services sector".

Porto's unique advantage

The launch of ABSL Portugal took place in Porto during the ABSL Forum "Europe at the Crossroads". This premier industry event brought together key stakeholders, investors, and business leaders to discuss the latest trends, opportunities, and risks for the sector, as well as the impacts of technological and social changes on European businesses.

"Porto's unique location along the European Union's West Atlantic corridor, coupled with its high-quality infrastructure and strong market ties to a wide range of countries, makes it an ideal hub for the business services sector.", said **Rui Moreira, Mayor of Porto**.

Porto is consistently at the top of global rankings that determine the attractiveness of cities most favored by international investors. In 2024, Porto was ranked 3rd in the FDI strategy major European city of the future in the Financial Times ranking. It also topped the best English skills category in the EF Education First 2020 ranking.

About AICEP

AICEP - Portuguese Trade & Investment Agency is the public body that promotes the attraction of productive inward investment and the internationalization of the Portuguese economy, fostering export growth and the international expansion of Portuguese companies. AICEP has offices in Portugal and an external network in around 50 countries.

About InvestPorto

InvestPorto is the investment promotion agency of Porto, fostering investment to the region and offering guidance and support to navigate its business ecosystem. Founded by the Porto City Council, and in close collaboration with public and private entities, the agency aims to promote Porto internationally, providing tailored support to decision-makers and fast-tracking new investments in the city, free-of-charge and throughout all the investment phases of the project.

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