

PULSAR



PORTO ECONOMIC DEVELOPMENT STRATEGY

Porto.



MESSAGE FROM THE MAYOR

“Pulsar embodies the development of a strategic guideline for the city, based on better value creation and sustainability as the cornerstones of the city’s future.”

Rui Moreira

Mayor of Porto

Porto Economic Development Strategy arises whilst the city is experiencing a unique moment in terms of economic dynamism, despite two years of a pandemic and a year with a war economy in Europe.

We know that Porto’s growing attractiveness, unquestionable these days, cannot be explained only by its beauty, its uniqueness and its history. But rather because of the way we have known, collectively, to assert ourselves as a cosmopolitan and tolerant city, friendly to differences and entrepreneurship,

comfortable and interesting, and marked by increasingly unequivocal manifestations of quality of life.

A city that, after approving its new Municipal Master Plan, creates the basis to materialise what was lacking in our city project, namely: to double the city’s green area; increase the stock of affordable housing, against the backdrop of the demographic recovery, and solidify the conditions for the economic and social prosperity of people and companies.

"A NEW CITY POLICY

must promote the necessary paradigm changes to respond to contemporary challenges, whether in mobility, in public space, in the ecosystem and urban landscape, in the economy or in the housing stock."

We know that when we talk about sustainability, we are basically talking about two dimensions and their relationship: resources and time. Talking about sustainability is talking about ethics in the use of existing resources, it is not burdening future generations with the resolution of current problems. To be sustainable is to leave no future liabilities, whether economic, social or environmental. It is therefore good to witness that there is no sustainability without rigor in municipal accounting, which has been the foundation of the Municipality's performance.

Sustainability as a political program for a city is much more than just financial rigor. It is about building an integrated vision of what is the management of a city, of this large condominium where we live, work, have fun, and move around. It is in this sense that we incorporate demography into the city's sustainability, through the establishment of strategies for the new labour conditions, as well as changes in mobility patterns that these new conditions imply. To be sustainable is to realise that a new city policy must promote the necessary paradigm changes to respond to contemporary challenges, whether in mobility, in public space, in the ecosystem and urban landscape, in the economy or in the housing stock. Sustainability is, therefore, taking into account the present and the future, and the relationship between them, which is only successful when public authorities manage to harmonise the different conflicting interests in the city: public and private.

Essentially, this is precisely the subject that Pulsar deals with, and that is why this document is created together with the city's institutions, which would necessarily have to consider sustainability as one of its fundamental cornerstones.

Lastly, the document lists the Porto's ambitions and prospects for the future:

- Talent, innovation, sustainability, competitiveness and attractiveness are mottos that all territories share, but **Porto assumes an unequivocal responsibility here: to lead by example and be exemplary;**
- A vision based on the assertion of **"Melhor Porto" (better Porto) and value-based selectivity**, in areas directly and indirectly related to the promotion of economic activities, the consolidation of investment attraction, in production, in retaining talent, in the green economy and in the assertion as an innovation hub;
- Reinforcement of **"Porto" brand**, appropriated by all and communicated in a cross-cutting and specific way, by local and regional players and by different "sectors";
- **"Reaching the top"** (in relevant ranking and ratings for Porto's scale (medium sized cities) both in a European and Worldwide level), in a dynamic perspective.

MESSAGE FROM THE CITY COUNCILLOR

“This Strategy is the result of a unique consultation and participation process, with the involvement of the city and region’s living forces in its development.”

Ricardo Valente

City Councillor for Economy, Employment and Entrepreneurship

When we present a Strategic Plan, the first question that is always asked is related to the differentiation of vision and strategy. Therefore, I would state four principles:

→ **Focus on “value”:** the ambition to grow through “better”, instead of “more” (knowledge, R&D, technology, sustainability), from a small territory, but with a European and worldwide protagonism and reach, emphasising the immaterial factors of competitiveness and territorial branding;

→ **Geographically inclusive perspective** that mobilises the city, Porto Metropolitan Area, Norte Region and the Iberian Peninsula Northwest;

→ **Fearless and audacious identification of smart specialisation areas** in which we should focus: 8 domains with different levels of maturity, with effective space for evolution in the economy;

→ **Coordination with the local identity,** combining new ways of affirming and valuing traditional, emerging and wild-card sectors.



“[PULSAR] EMBODIES A GUIDANCE DOCUMENT THAT IS FLEXIBLE ENOUGH TO ALLOW DEALING WITH THE UNPREDICTABILITY and uncertainties of present times.”

— This Strategy is the result of a unique consultation and participation process, with the involvement of the city and region's living forces in its development. Thus, it results on the collective and broad reflection of local stakeholders (72 entities directly consulted and involved in 25 discussions, focus groups or interviews), incorporating the contributions of representatives of diverse themes and sectors relevant to economic development.

This plan embodies an economic development strategy that:

- Coincides and articulates with the new framework of European, national and regional policies for 2021-2027;
- Incorporates the guidelines of the Sustainable Development Goals from the United Nations' 2030 Agenda for Sustainable Development;
- Acts as the motto for the positioning of this territory with growing and recognised responsibilities within Porto Metropolitan Area and the Norte Region within, Porto can be an engine for the development of the Peninsular Northwest macro-region;
- Represents a medium-long-term planning instrument, which defines a vision for 2035, supported by an ambitious strategy and a restricted set of relevant projects for its realisation;
- Emerges in an accelerating context a strong demand for companies, public entities and ecosystems adaptation;
- Represents a guidance document that is flexible enough to allow dealing with the unpredictability and uncertainties of present times, based on a process that is intended to

emerge in the phase that follows (projects will gain a life of their own in the coming years).

This plan also adds an action plan towards the activation of this strategy. Thus, 10 projects were identified, which incorporate 28 specific work components, potentially inducing an investment of 600 million euros by 2035. These projects personify the operational face of Pulsar and guarantee the achievement of the objectives set. The Municipality assumes different functions (e.g. promoter, co-promoter, facilitator), in close collaboration with partners, promoting an ecosystem which catalyses economic development.

Lastly, the path of Pulsar begins now and requires commitment and a sense of mission so that, together, the proposed development ambitions can be achieved. The start of each of the projects will be launched shortly, based on a robust and active governance structure.

INTRODUCTION

Porto Economic Development Strategy (Pulsar) aims to establish itself as an instrument for planning and optimising the response to the challenges that **Porto faces, relating to the consolidation and diversification of factors or drivers of economic growth and development.**

The engagement of the city's stakeholders in the development of Pulsar was assumed from the beginning as a priority of this strategic planning instrument.

Pulsar is the result of a collective and broad reflection of the territory's stakeholders,

incorporating the contributions of representatives of the most diverse themes and sectors relevant to economic development, as well as the results of a prospective diagnosis.

This document is the summary of the more detailed technical report. With this summary of the Strategy, it is intended to disseminate the key ideas of Pulsar, so its in-depth study does not exempt from consulting the report in its entirety.

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This document is the summary of the more detailed technical report



01

DIAGNOSIS



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Porto, “Grande Porto” and the Porto Metropolitan Area (AMP) are part of and even head the macro-region of the Portuguese Northwest that comprises eight NUTS III regions and extends from Alto Minho to the Coimbra Region. It has 4.3 million of inhabitants (43% of the population of mainland Portugal in 2021). In this context, Porto has a strategic location, and being part of the main national transport networks, establishing connections with the rest of the Iberian Peninsula and Europe¹.

value generated by each of the municipalities that comprise it.

It is, however, unavoidable that smaller territorial units are the ideal spaces for the promotion of cooperation in certain matters of a more local scope, as provided for in the country’s regional development strategies and in the Portugal 2030 Partnership Agreement itself. In addition to the AMP, the “Grande Porto” area is also relevant for this strategy, a space of proximity where the domains of governance or proximity services management are of particular importance.

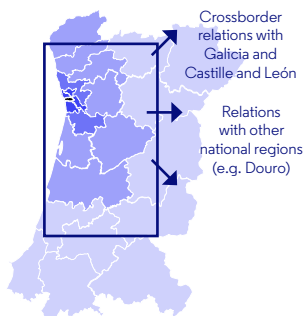
Porto is the driving force of this macro-region, which is important to unite, in order to the

With about 232 thousand inhabitants, Porto concentrates 13% of AMP’s resident population and 7% of the Norte Region, being the second most populated municipality in this Metropolitan Area and the one with the highest population density. In the national context, the 2021 Census places the municipality in fourth and third place in these indicators, respectively.

As in the country, population loss and aging are important challenges for demographic sustainability in Porto and its surroundings. A comparison of the population variation between the last two Census reveals that between 2011 and 2021 the population loss in Porto was greater than that of the country and the AMP and shows a strong pattern of aging in the national and regional context².

Porto in the macro-region of the Portuguese Northwest (and peninsular)

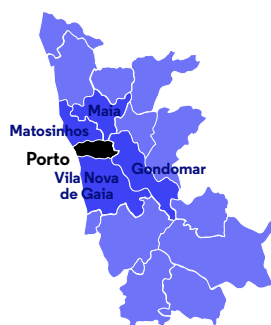
Portuguese Northwest in the (inter)national context



Portuguese Northwest (NUTS III)



“Grande Porto” in the context of the Porto Metropolitan Area



Demographic context in Porto



231.962 Inhabitants
13,4% of the AMP (2021)



-2,4% Inhabitants
-1,3% in the AMP (2021 vs. 2011)



5.600 Inhabitants/km²
851 in the AMP (2021)



217 elderly per 100 young people
165 in the AMP (2020)

¹Source: EY-Parthenon based on Ferrão, J., Ribeiro, J. M. F. (Eds.). (2014). Noroeste Global.

²Lisboa: Fundação Calouste Gulbenkian; INE, Annual estimates of resident population



A joint analysis of the dependency rates of elderly and young people reveal, on the one hand, the relationship between the number of elderly people (individuals aged 65 or older) and the active population is high compared to national and AMP values (49.2 in Porto compared to 32.6 in the AMP and 35 in Portugal, in 2020), the same can be said about the relative weight of the number of

young people (individuals between 0 and 14 years old) in the active population (22.7 in Porto compared to 19.8 in AMP and 20.9 in Portugal), although the magnitude of the differences are even greater in the case of the elderly dependency ratio. On the other hand, although with an aging population compared to the national and regional scenario, Porto also has a relevant young population.

The population size of the Portuguese Northwest is accompanied by its economic dimension. In 2019, this macro-region accounted for 38% of the total number of establishments in the country and 41% of jobs.

Porto is the largest city in terms of economic activity of the Portuguese Northwest and its economic profile comprises activities that tend to be concentrated in the largest

urban centres, such as business services, commerce, hotel industry, education, health and social support.

Business services generate 43% of jobs in Porto, most of which are concentrated in administrative and support service activities, consulting, scientific research and development and information and communication activities.

Porto's business structure



45.568 Establishments
20,2% of the AMP (2019)



1.100 est./km² Establishments density
111 of the AMP (2019)



14.673 M€ Business turnover
20,7% of the AMP (2019)



322 M€ Turnover per establishment
315 M€ of the AMP (2019)



161.333 Persons employed
21,2% of AMP (2019)

Source: Own research based on INE, System of integrated corporate accounts

Main evidences of Porto's business structure

1. Business structure dominated by SME, **95.5% of which are micro companies** (2019).
2. **Sustained growth of the number of establishments** after 2013.
3. **Commerce and services** dominate the economic profile of Porto (88% of employment and 79% of business turnover), according to data from 2019.
4. **Business services** generate around **43% of the jobs in Porto** (2019).
5. **Productive specialisation in the services sector**, highlighted by the Information and Communication services sector (2019).
6. Growth of **consulting services** between 2015 and 2019 induced a change in the companies' profile structure.

Source: INE, System of integrated corporate accounts

Porto's productive structure (both current positioning and the potential for the future) determined the need for a more specific analysis of eight areas of economic activity: Traditional – Commerce and Services, Tourism, Real Estate, ICT and Service Centres; Emerging – Culture and Creative Industries, Health; Wild-card – Blue Economy and Energy and Environment.

These “sectors” were classified according to a typology based on their degree of consolidation in Porto's economy and considering their degree of maturity – **traditional areas, consolidating areas**, and emerging areas – and also with the associated value chain and the impacts that they may have in the rest of the economy. For each of these activities, some facts and trends were developed.

HIGHLIGHT FOR THE WEIGHT OF BUSINESS SERVICES ON EMPLOYMENT AND FOR PRODUCTIVE SPECIALISATION IN INFORMATION AND COMMUNICATION ACTIVITIES.

RELEVANT AREAS OF ECONOMICAL ACTIVITY

Traditional areas, consolidating areas, and emerging areas



TRADITIONAL AREAS

Commerce and Services

- **Main economic anchor in Porto**, representing 92% of establishments, 88% of employment and 79% of turnover, in 2019
- Sharp growth in services to families/ individuals, which was mainly due to **real estate, hotels and restaurants**
- Productive structure specialised in **Information and communication activities**
- **Management consulting and R&D** activities are of particular relevance to the AMP



TRADITIONAL AREAS

Tourism

- Porto is the **principal pole of tourist attraction of the AMP**, one of the most relevant in the Portuguese Northwest and having been distinguished with numerous international tourism awards
- **Strong growth in the sector**, interrupted by the COVID-19 pandemic
- **Extension of the average stay and mitigation of the seasonal effect** as main challenges



TRADITIONAL AREAS

Real Estate

- Sector with positive dynamics and trends contrary to those seen at regional and national level - **increase in family housing buildings completed** (+18,5%) and in **building permits issued** (+109%), between 2011 and 2020
- **Rehabilitation market** as the main driver of this growth
- **Growing rental and sales market**, with an increase in the number of new contracts and growth in the median value of sales, between 2017 and 2020
- Equally attractive real estate market for **Business Service Centres**



CONSOLIDATING AREAS

ICT and Business Centres

- **Significant growth of FDI projects** in Porto and Norte Region, between 2013 and 2018
- Porto as an **attractive hub for multinationals in the ICT** area and a concentration of about one-third of the skills centres installed in the country
- Good positioning in **European and international rankings** in the area of ICT

RELEVANT AREAS OF ECONOMICAL ACTIVITY

Traditional areas, consolidating areas, and emerging areas



CONSOLIDATING AREAS

Culture and Creative Industries

- Porto has a **combination of factors that boosts the development of creative industries and the culture as a sector:** equipment, historical and architectural heritage, growing demand for tourism and training, events
- **A hub of cultural supply** in the country North Region



CONSOLIDATING AREAS

Health

- The national **critical mass in terms of S&T applied to Health** is concentrated in the Northwest, with particular emphasis on Porto
- Hospital institutions in Porto with **the highest value of R&D expenditure** at a national level
- Health sector holds 2nd position in the AMP and Portuguese Northwest in **terms of R&D expenditure**, showing robust growth dynamics



EMERGING AREAS

Blue Economy

- Peninsular Northwest with high **aptitude for traditional marine activities** and recent investment in **emerging sectors**
- Main sectors of the Ocean Economy with **reduced relevance in the economic activity of AMP and Norte Region**
- Porto with the **potential to become a regional hub for boosting** the Ocean Economy, mobilising the academic community and the entrepreneurial ecosystem



EMERGING AREAS

Green Economy and Renewable Energies

- **Waste collection, recycling and reuse** rates have evolved positively in recent years, but there is a long way to go
- **Water and energy consumption** is concentrated in a small number of activity sectors, which facilitates a collective efficiency approach
- To be an **attractive centre for companies in the field of sustainability** and has a **long-term vision for the circular economy**

Porto and the Portuguese Northwest as a training ground of qualified talent and knowledge



Portuguese Northwest has **relevant knowledge and higher education hubs** in the country (about 46% of higher education establishments in the academic year 2019/20)



Prevalence of graduates in the areas of **Engineering and Health** in Porto



Evidence of a favorable match both for graduates and for companies



Strong capacity to attract foreign students in the courses with master and doctorate degrees (40.2% and 15.1% enrolled in the academic year 2019/20, respectively) in Porto

Source: DGEEC - Directorate-General for Education and Science Statistics; IPCTN19; CWTS Leiden Ranking; INE, Community Innovation Survey – CIS 2018

The leading role that Porto plays in economic terms within the AMP, the Norte Region and the Portuguese Northwest is accompanied by a favourable dynamic in the areas that support economic development: Talent and Education, Science and Technology (S&T), Research and Development (R&D) and Entrepreneurship and Innovation.

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Higher education establishments in the AMP (2019/2020)

15%

Foreign students enrolled in doctoral degrees in Porto (2019/2020)

28%

S&T students enrolled in higher education in the AMP (2019/2020)

22%

Students enrolled in higher technical and professional courses in the Norte Region (2019/2020)

PREVALENCE OF GRADUATES IN THE AREAS OF ENGINEERING AND HEALTH IN PORTO AND STRONG CAPACITY TO ATTRACT FOREIGN STUDENTS

Investment in S&T and R&D as a driver of innovation and improvement of operational performance in Porto, AMP and Portuguese Northwest



In the Norte Region, the most significant investments in R&D were made by **the business structure**



Regarding scientific publications, the University of Porto occupies the 2nd place in the national ranking and the 39th in the European ranking (2021)



Of the R&D units funded by the FCT, **around 41 of the most important** are in Porto and in the Portuguese Northwest



The regional scientific and technological system presents **relevant infrastructure**

Source: DGEEC - Directorate-General for Education and Science Statistics; IPCTN19; CWTS Leiden Ranking; INE, Community Innovation Survey – CIS 2018



2%

Volume of R&D expenditure in GDP in the AMP (2019)

+9%

R&D investment in GDP by companies in the Norte Region (2019)

41%

% of applications from the Norte Region to R&D projects (2021)

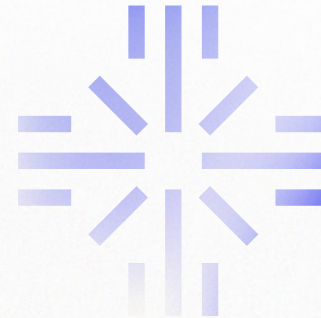
122.5M€

Investment of foreign companies in the Norte Region in R&D activities (2019)

The innovation and entrepreneurial ecosystem of Porto, AMP and the Portuguese Northwest is very favourable to its future development potential

- Norte Region with **remarkable progress in innovation**
- In the period 2016-18, **30.9% of companies in the Norte Region have had innovation activities**
- Norte Region as the **region with the most invention requests** (38.6% in 2020)
- **The number of startups and their size in terms of turnover** have increased in Porto (26.2% and 28% growth, 2016-18)
- A significant number of **interface centres**,

Source: DGEEC - Directorate-General for Education and Science Statistics; IPCTN19; CWTS Leiden Ranking; INE, Community Innovation Survey – CIS 2018



92% Global innovation index (UE27 average) (2021)

12% Growth in innovation performance (2014–2021)

2nd Portugal's most innovative region (2021)

151^o Position on innovation (238 European regions) (2021)

THE RELEVANCE OF THE DIAGNOSIS

for the development of a strategy

To a large extent, Pulsar embodies the contributions of the participation of a wide range of territorial stakeholders in an extensive diagnosis that took place in the form of sector focus groups and individual interviews.

From this process, some key cross-cutting points can be highlighted:

- The lack of **scale and coordination** as factors that limit the development of the city and the surrounding region (Porto's small geography requires greater regional integration);
- The existing margin and the relevance of **further projecting Porto and the surrounding region** abroad, identifying and publicising their highly attractive and differentiating factors, as well as smart specialization clusters;
- **Digital transformation, valuing sustainability, quality of life and health** as strong and accelerated trends in the context of post-COVID-19 challenges;
- The importance of **networking** and involving local and regional actors from different areas, enhancing synergies and stimulating cross-fertilization;
- The cross-cutting difficulty in hiring and retaining **talent** (qualified workers) in the various economic activities, namely in ICT-related activities and in areas related to tourism, but also the challenge of reducing **the economic valuation gap** in some activities (e.g. health);
- Remote work is a factor that intensified global competition for human resources and made all the **processes of attracting and retaining talent** more demanding, giving greater relevance to the issue of digital nomadism.

Diagnosis

Focus Groups

- Business ecosystem & economic development
- Talent & education
- Health
- Porto's Municipality organizational structure & business sector
- Mobility & Infrastructures
- Tourism & Hospitality
- Green economy & renewable energies
- Entrepreneurship & Innovation
- Culture & Creative industries
- *Leading investors in Porto*

Interviews

- External interviews with relevant entities from Porto and the Norte Region
- Internal interviews with Porto's Municipality organic units and municipal companies

02

VISION

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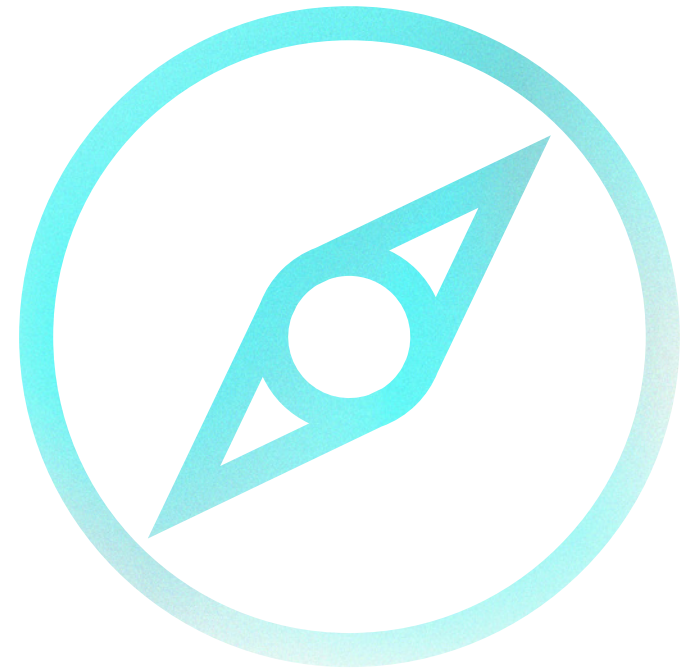
CHALLENGES AND AMBITIONS

Five major challenges for Porto and its surroundings

The diagnosis had oriented against a set of target areas, together with the inevitable trends assessed on both structures reasons or for conjunctural reasons as well as for regional/local specificities, allowed to mark out **five major challenges for Porto and its environment**, together with **five future ambitions** for the city-region. Such challenges are in line with the strategic guidelines at a higher territorial level – Europe 2030, Recovery and Resilience Plan 2021-2026 (PRR), Norte 2030, Centro 2030, AMP 2030, Smart Specialisation Strategies.

As the initial ambition, Porto intends to intensify its focus on qualification, attracting and retaining qualified talent and, thus, **standing out among the most competitive cities in terms of talent** (A1).

On the other hand, Porto wants to assert itself, more and more, as **a city of innovation** (A2) and intends to position itself among the **most sustainable cities** (A3), actively contributing to address climate change and to the promotion of the circular economy. Porto's innovative character, talent and commitment to sustainable development will be powerful enablers for **increasing the competitiveness of the city-region** (A4), compared with relevant benchmark cities. A dynamic city, based on innovation, human capital and sustainability will bring together the conditions for the coveted **increase in the attractiveness of the city and surrounding region in the global context** (A5).



A DYNAMIC CITY, BASED ON INNOVATION, HUMAN CAPITAL AND SUSTAINABILITY

Will bring together the conditions for the coveted increase in the attractiveness of the city and surrounding region in the global context

CHALLENGES

- D1** Answering the **growing need for talent**, reinforcing the capacity of human capital development and attracting human resources at a global scale
- D2** Increase in **innovation and economic sophistication** through the incorporation of knowledge and technology in the main activities of the municipality and development of new enhanced activities
- D3** Seizing opportunities resulting from the **Sustainable Development Goals (SDGs)** in the environmental (decarbonisation, circular economy, bioeconomy) and social sectors
- D4** Growing **international competitiveness as a reference city-region** to live, work, study, visit and invest
- D5** Progression toward a **new standard in national and international investment attraction**, as in size and sophistication

AMBITIONS

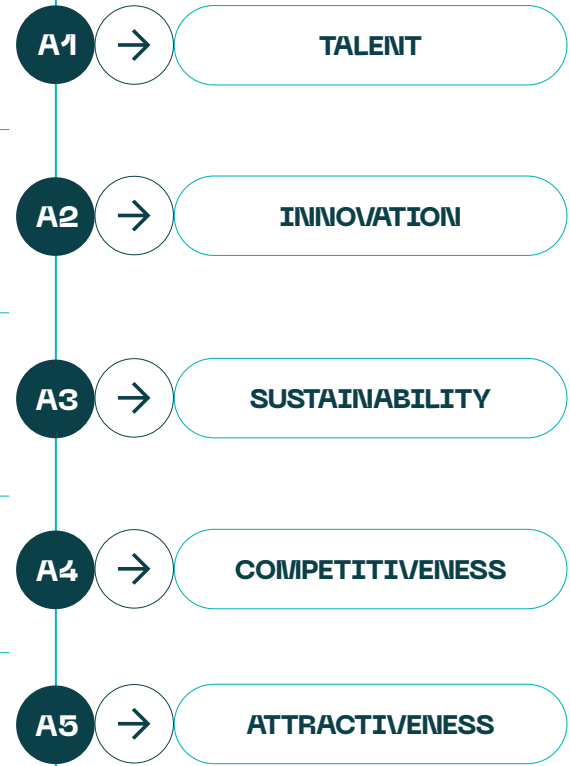
Reinforcing Porto's positioning as a **key European city of medium size regarding talent**

Intensifying Porto's positioning as a **key innovation European city of medium size**

Positioning Porto as a **first mover regarding environmental and social sustainability** in Europe

Strengthening Porto's positioning as a **crucial European city of medium size in terms of competitiveness**

Consolidating Porto's positioning as **one of the most attractive European cities of medium size for investment**



STRATEGIC ARCHITECTURE

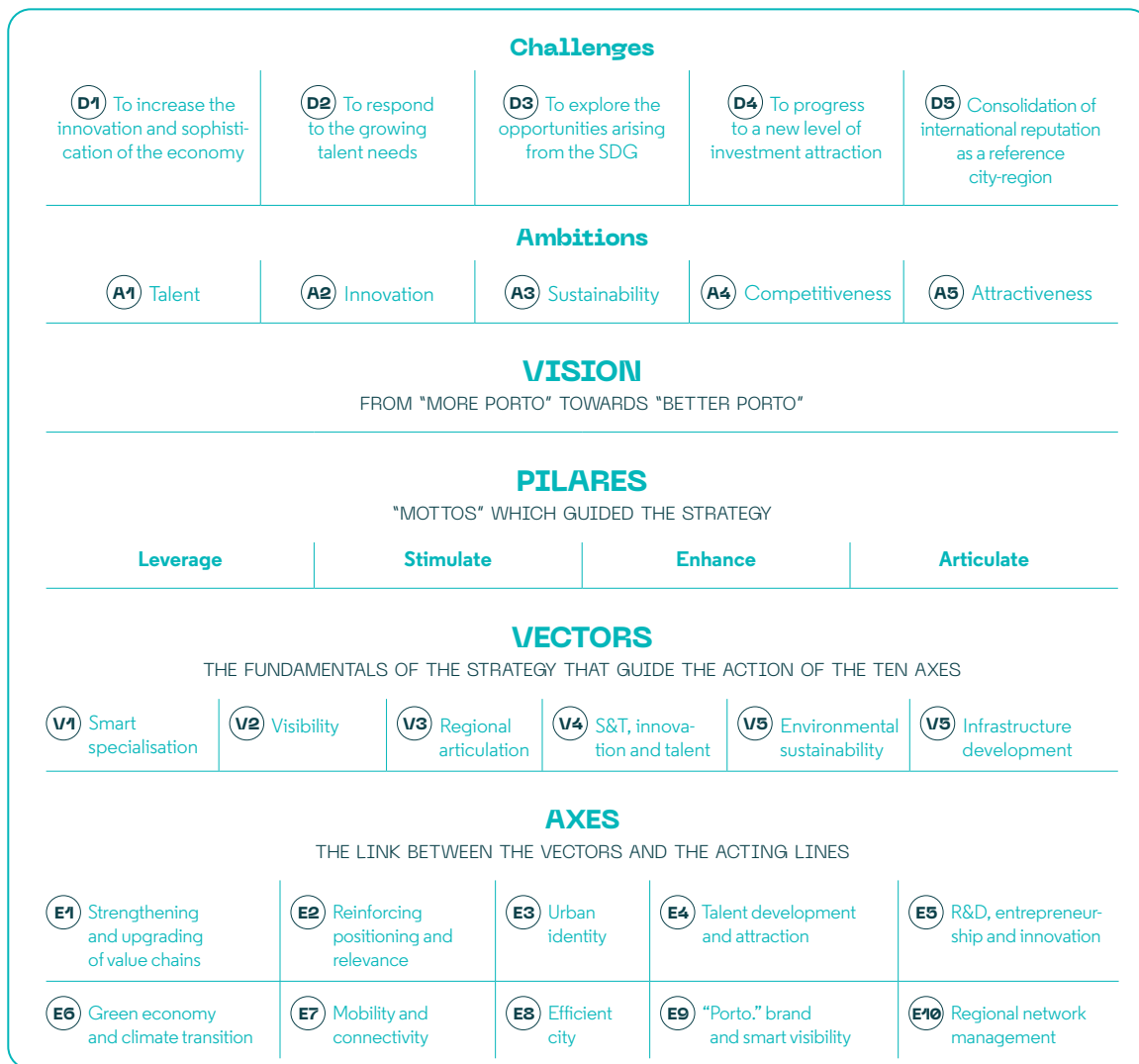
Building on the challenges and ambitions identified above, the Pulsar’s Strategy architecture is based on **four cornerstones, seven Vectors and ten Axes.**

The cornerstones support the strategic assumptions adopted: to **leverage, stimulate, enhance and articulate.**

In turn, the Vectors underpin the Strategy and guide Pulsar’s strategic performance.

Finally, the Axes define the areas of focus for Porto’s economic development for 2035 and determine the priority areas of action.

The diagram below **summarises the conceptual architecture of the Pulsar strategy,** showing its overall coherence.



FUTURE VISION

Developing a Vision and Strategy for the future of Porto implies combining the challenges (opportunities and threats) identified in the national, European and international context. **This starting point implies the importance of guiding, framing and making the strategic vision converge with the medium and long-term global framework.**

The combined reading of the challenges with the potential that the territory contains (positioning and regional leadership, talent and innovation, productive specialisation with potential for growth in value), and the wide range of supra-municipal dynamics and macro trends that contextualise it made clear the relevance of a Vision (and Strategy):

- Focused on **smart specialisation** and **sustainable growth** in value (replacing growth in volume);
- Guided by innovation, capitalising on the strengths of the business structure and the regional scientific and technological system;
- Based on the **intelligence of the territory** in terms of **inter and supra-municipal collaboration** and **leadership ability**, as an engine of regional development and international affirmation;
- That advocates **quality of life** and **urban identity** as crucial factors for economic development and attractiveness.

THE VISION FOR THE FUTURE OF THE ECONOMY OF PORTO IS BASED ON A COMPREHENSIVE PERSPECTIVE OF THE CONCEPT OF ECONOMIC DEVELOPMENT

Includes the dimensions of sustainability, talent, territorial marketing and global visibility, increasingly focused on the regional factors of competitiveness.



From "More Porto" towards "Better Porto"

A SELECTIVE PORTO BY VALUE

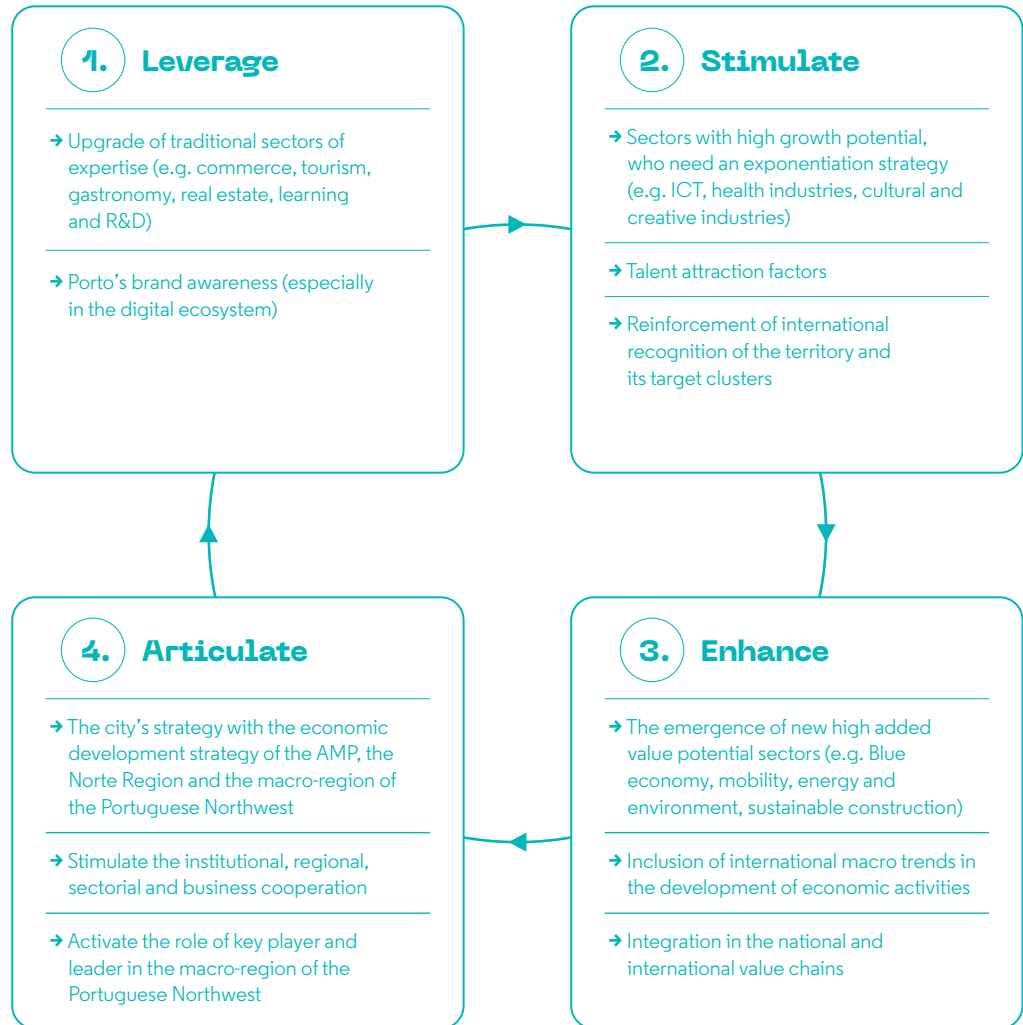
- A competitive, trend-setting and increasingly technological economy, combining identity with modernity, territorial intelligence with business intelligence, the "traditional" sectors with the emerging sectors and cooperation with leadership.
- An innovation based economy relying on value, sophistication, talent, green development and regional, European and international projection through a rugged global brand.
- An integrated, digital, sustainable, fair and resilient economy, able to answer social challenges of the present and able to capitalise on future challenges.

CORNERSTONES

The process of developing the Pulsar strategy had based on four Cornerstones – **Leverage, Stimulate, Enhance and Articulate** –, four “mottos” under which the guidelines were arranged and the Vision established.

The prospective diagnosis highlighted the need to build a medium-long-term strategy that would guide economic development towards intelligent specialisation with differentiated strategies, taking into account not only the particularities of each field of specialisation, but also its degree of maturity and its potential for development in Porto and the surrounding region.

It should come to notice that the effective implementation of the four Development Cornerstones – Leverage, Stimulate, Enhance and Articulate – presupposes **concerted action with other dimensions of territorial development**, such as sustainability and quality of life.



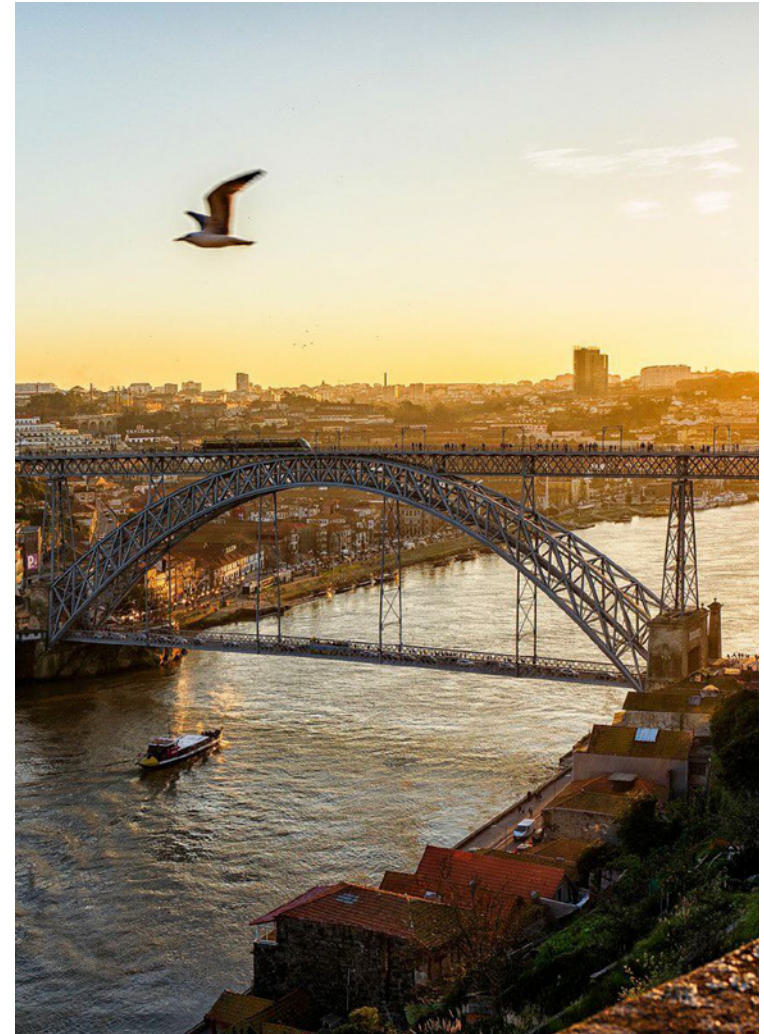
Pulsar's Vision and Strategy incorporate a reflection that aims both at

- **Within the borders of the territory,** guided by the growth in value rather than growth in volume, following the sectoral macro trends of economic activities based on the strategy of smart specialisation, on strengthening the visibility of Porto and focusing on the promotion of differentiating factors of the county, such as quality of life, talent, S&T and innovation infrastructures;
- **Outside the borders of the territory,** with the Portuguese Northwest macro-region as the first plan of action and projecting itself to Portugal and the world. In this plan, the focus given to the articulation with the confluence territories is emphasised both in the development of clusters of economic activity (e.g. development of the Blue Economy in articulation with Matosinhos and Vila Nova de Gaia), and in the vector of quality of life and tourism, where Porto assumes the role of “gateway” to this macro-region, capitalising on the attractiveness factors and differentiated tourist products associated with the city of Porto.

Outside the borders of the territory, with the Portuguese Northwest macro-region

as the first plan of action and projecting itself to Portugal and the world. In this plan, the focus given to the articulation with the confluence territories is emphasised both in the development of clusters of economic activity (e.g. development of the Blue Economy in articulation with Matosinhos and Vila Nova de Gaia), and in the vector of quality of life and tourism, where Porto assumes the role of “gateway” to this macro-region, capitalising on the attractiveness factors and differentiated tourist products associated with the city of Porto.

The guiding principles and operational structure for the 2021-2027 European Structural and Investment Funds strongly converge to this form of action, focusing on “flexible territorial programming models” to respond to specific territorial problems”, including the traditional Integrated Territorial Interventions (ITI) of NUTS III scale, for the objectives of attractiveness and regeneration of urban centres, but also other thematic territorially-based integrated interventions of sub-regional or inter-regional scale.



VECTORS AND AXES

The vision and strategy proposal of Pulsar is based on a comprehensive understanding of the concept of economic development and business competitiveness. This encompasses not only a perspective of smart specialisation based on the analysis of the prospective positioning of Porto in key sectors of economic activity, but also other dimensions of development such as:

- **Dialogue and regional articulation** with the territories in its area of influence;
- Consolidation of a **strong and unique identity, centred on innovation, talent, sustainability and urban qualification**;
- Reinforced projection of **the reputation of Porto**.

Pulsar’s vectors are the result of a reflection on the major strategic goals of development for Porto and the surrounding region during its validity period (until 2035). Conceptually, they are the base of strategy, related to the objectives translated into the ten Axes.

With a more operational and less conceptual nature, the Pulsar’s Axes establish the connection between the Vectors – the “strategic goals” – and a set of action areas, eminently operational.

Next, the seven Vectors and the rationale behind their inclusion in the strategy are specified, as well as the ten Axes that embody them. Altogether, these assumptions form the thematic dimensions of Pulsar.

WITH A MORE OPERATIONAL AND LESS CONCEPTUAL NATURE, THE PULSAR’S AXES ESTABLISH THE CONNECTION BETWEEN THE VECTORS – THE “STRATEGIC GOALS” – AND A SET OF AREAS OF ACTION.



VECTORS

V1 Smart specialisation

Promote the growth of economic activity based on added value, starting by innovative strategies depending on the maturity level of each sector.

V2 Visibility

Enhance the brand value of the historic “Porto” brand, guiding it towards an active promotion strategy of the city and of a whole region in which Porto is the hub of investment attraction, talent, tourism and economic activity (“Greater Porto Flagship”).

V3 Regional articulation

Install a cooperative pro-active dialogue and a synergy building cooperation with the other territories of the Portuguese Northwest - in particular of “Grande Porto” – accepting the role of Porto as a gateway and anchor of international recognition

V4 S&T, innovation and talent

Consolidate the investigation, talent and innovation ecosystem based on municipal and regional smart specialisation strategy

V5 Environmental sustainability

Position Porto as a reference in carbon neutrality and circular economy, in terms of international image and as a driver of economic development

V6 Infrastructure development

Rethink urban development, housing, habitat and mobility as key components of the development of conditions for the attraction of people and business

V7 Financing

Common vector to guide the operational execution of the Strategic Axes toward the financing opportunities from national and international public policy

AXES

E1 Strengthening and upgrading the value chains

Improve the competitive profile of Porto’s economy through a sophisticated smart specialisation strategy.

E2 Reinforcing positioning and relevance

Reinforce Porto’s leadership in the Portuguese Northwest macro-region and international relevance of the brand “Porto”.

E3 Urban identity

Associate Porto’s region with high quality of life standards, developing initiatives regarding urban regeneration, mobility and urban

E4 Talent development and attraction

Enhance the growing qualified talent search in key economic activity sectors.

E5 R&D, entrepreneurship and innovation

Consolidate the S&T and R&D ecosystems of Porto and its surrounding region, based on the principles of “smart specialisation” and promotion of entrepreneurship and innovation.

E6 Green economy and climate transition

Reinforce circular economy and business activity while implementing policies that effectively tackle climate change and reach towards carbon neutrality.

E7 Mobility and connectivity

Promote mobility solutions (internationally, regionally, nationally and locally) and green connectivity.

E8 Efficient city

Develop the city as an efficient and sustainable services hub, capitalising on the potential of digitalisation, decarbonisation and circular economy.

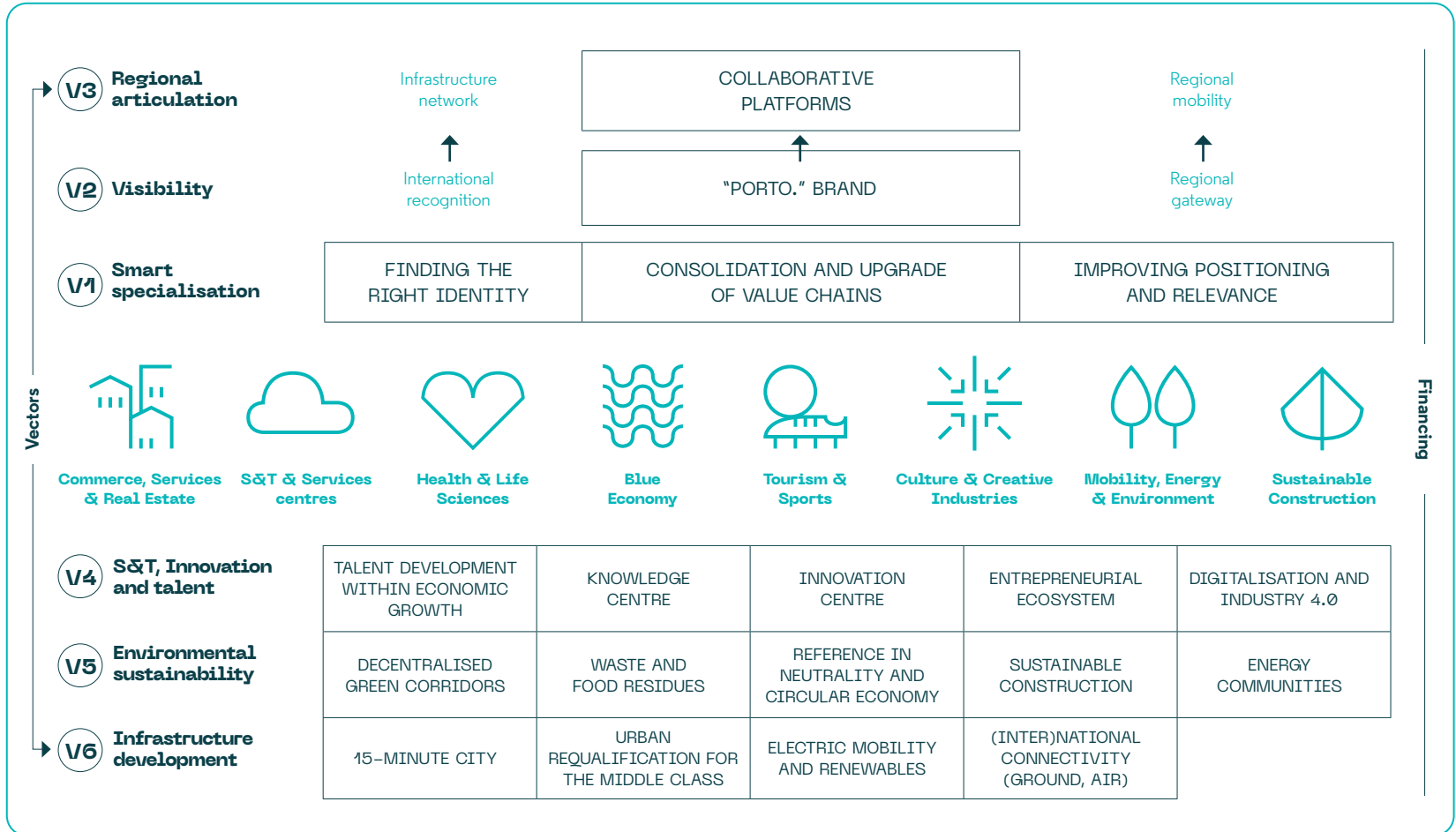
E9 “Porto.” brand and smart visibility

Increase awareness and recognition of Porto in key areas regarding investment, business and community.

E10 Regional network management

Promote Porto’s regional cooperation regarding institutional relations and territorial development.

Implementation of the Strategy and its areas of activity through the Vectors and areas of smart specialization



SMART SPECIALI- SATION AREAS

Key areas for Porto's economic development process

The smart specialisation areas were identified considering the **competitive advantages that Porto and the regional context (Portuguese Northwest) exhibit.**

In the identification of smart specialisation areas, the following criteria were (i) the **degree of maturity** that the activities present in Porto and the respective margin of progress, (ii) the **distinctive specificities** associated with them, (iii) the **potential for future development**, given the current conditions and trends envisaged and (iv) **the ability to induce economic differentiation, create value and promote sustainable growth.**

Overall, **the trend towards digitalisation stands out**, based on the development and application of new ICT solutions and a **greater awareness of sustainability issues**, which have led to significant changes in production, consumption and business



Traditional



**Commerce, Services
& Real Estate**

Includes the traditional sectors of commerce and proximity services, which then unfold into business services, household services and public services. It also comprehends the real estate sector, associated with the residential and corporate components.

Emerging



**S&T &
Services centres**

Refers to the consolidating economic cluster assumed as one of the main drivers of growth in the Norte Region in recent years. Considers the technology services, business centres, investigation centres and innovation related with the link between university and the business ecosystem.



**Health &
Life Sciences**

Addresses the challenge of promoting the health and life sciences value chain. It is built based on healthcare services ability to elevate the development of another health industries (e.g. biopharma, medtech, “smart health”).

Wild-card



**Blue
Economy**

Wild-card sector with high regional potential. Includes the more traditional sea-related activities such as fishing, sea transport, coastal tourism and shipbuilding, but also new emerging activities such as R&D applied to the Blue Economy, where Porto can stand out as a provider of highly innovative solutions.



**Tourism
& Sports**

Related to the traditional segments of hospitality, travel and tourist services, from business trips, conferences and summits to the promotion of differentiating tourist products. The sports industries (especially football) and the events segment are also covered here, with their capacity for dynamization and projection of the city.



**Culture &
Creative Industries**

Encircles a range of activities going from the core production of artistic exhibitions (e.g. museology, performative arts, literary creation and visual arts) to the culture industries (e.g. cinema, theatre, music, audiovisual) and creative industries (e.g. architecture, publicity, software services).



**Mobility, Energy
& Environment**

Implementation of sustainable environmental management resources (e.g. waste management, circular economy) and in sustainable mobility, resulting in a business ecosystem dedicated to this cluster.



**Sustainable
Construction**

Area in the real estate segment which will guide the construction industry towards sustainability, renovation of the buildings and construction and demolition materials, creation and responsible and efficient management of resources, considering ecological principles and social cohesion.

03

PROJECTS

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PROJECTS

The projects that embody Pulsar's Action Plan and which are presented below were selected based on the Vision, the Axes, the Vectors and the smart specialisation areas, as well as on the ideas identified during the diagnosis.

Ten projects are proposed, subdivided into components/subprojects, which materialise and operationalise the strategy defined for the economic development of Porto and the surrounding region in the 2035 horizon.

These 10 projects are expected to involve around **600 million euros in direct investment** (rough estimates), 50% of which would be provided by the Municipality.

The following table summarises the list of the projects, their respective components and the estimated investment.

The separation of each project into several components allows for a functional and operational partition that relates to the diversity of funding sources and mechanisms and the nature of the activities themselves.

In addition to the projects to be developed under the leadership of the Municipality, **initiatives to be co-promoted by other**

relevant actors, identified during the diagnosis are considered.

These projects seek to provide a concrete response to the global and regional challenges of medium and long term identified considering the diagnosis, their level of expected impact and the timeline of Implementation.

The development of a governance model for Pulsar, at a later stage, will aim to **ensure adequate monitoring in executive, strategic and operational terms**, being a crucial factor in achieving the intended results and goals.

The governance model should be **a tool for promoting collaboration between relevant experts and stakeholders** to create and give visibility of the Strategy to society and to create an ecosystem conducive to the implementation of the projects.

Under the motto "Best Porto", the governance envisaged for Pulsar is based on **a structure that is intended to be agile, representative and focused**.



Outline of Pulsar's projects

10

PROJECTS

28

COMPONENTS

600 M€

DIRECT INVESTMENT

2035

EXECUTION TIMELINE

Type	Project	Components
Cross-cutting projects	P1 Innovation and Talent District	1.1 Porto Innovation District
		1.2 Living Laboratory and Experimental City
		1.3 Lifelong Career Guidance
	P2 Digital Hub	2.1 ICT, Digitalisation and Industry 4.0
		2.2 Business Intelligence and Analytics
		2.3 Digitalisation and administrative modernisation
Thematic projects	P3 Regional Agency for Investment Promotion and Attraction	3.1 Creation of a regional entity (agency)
		3.2 International promotion of Porto and the Portuguese North/Northwest
	P4 City for Business and Investment	4.1 InvestPorto - Leading Investors Program
		4.2 Conversion and exploitation of the Old Industrial Slaughterhouse of Porto
	P5 Green Porto	5.1 Sustainable mobility and transport
		5.2 Energy transition
		5.3 Sustainable construction and buildings
		5.4 Green entrepreneurship
		5.5 Smart resource management

Type	Project	Components
Sectoral projects	P6 Cultural and Creative Porto	6.1 Creative Education and Training
		6.2 Creative Entrepreneurship Lab
		6.3 Digital Production centre
		6.4 CoLAB ORAMA
	P7 Porto Wise Destination	7.1 Differentiation and projection of tourism
		7.2 Commerce with value
	P8 Health Business	8.1 Construction and activation of a “wet” incubator
		8.2 Creation of a financing vehicle
		8.3 International promotion of the regional health cluster
	P9 Blue Economy	9.1 Digital transition and conversion of traditional activities
9.2 Incubation space for emerging activities		
P10 (e)Sports	10.1 Creation of the “Arena Liga Portugal”	
	10.2 Stimulating large-scale events	



Project 1.

Innovation and Talent District

Pólo de Inovação e Talento



SPECIALISATION AREA

ICT & Service centres

VECTORS



V4 S&T, innovation and talent
V6 Infrastructure development

AXIS



E4 Talent development and attraction
E5 R&D, entrepreneurship and innovation
E9 "Porto." brand and smart visibility



ODS

2030 AGENDA
FOR SUSTAINABLE
DEVELOPMENT



Porto has a dynamic S&T and R&D system, with potential that must be leveraged. The consolidation of this system aims to **make Porto a centre of knowledge production, with a leading role in activating the regional innovation ecosystem.** In this sense, the production, attraction and retention of highly qualified and/or specialised talent is equally relevant.

Thus, the project "Innovation and Talent District" has the implicit ambition of international assertion of the innovation and talent ecosystem of Porto through the development of initiatives focused on promoting innovation and attracting talent.

Projeto 1.

Innovation and Talent District

Pólo de Inovação e Talento

The project “Innovation and Talent District” has the implicit ambition of international assertion of the innovation and talent ecosystem of Porto

This project features the following key components:

Component	Role of CMP
<p>1.1. Porto Innovation District.</p> <p>Consolidation of the attractiveness of this regional innovation hub and the development of an international marketing plan for its promotion and dissemination.</p>	Co-promoter
<p>1.2. Living Laboratory and Experimental City.</p> <p>Reinforcement of the positioning of Porto and AMP as a space for testing and experimenting with concepts for innovative and distinctive solutions in the area of technologies</p>	Co-promoter
<p>1.3. Lifelong Career Guidance.</p> <p>Training program and local professional requalification/reconversion, in partnership with companies, educational institutions and employment promoters.</p>	Co-promoter

this project is expected to have a major impact on increasing the attractiveness of the ecosystem concerning innovation and talent, consolidating dynamics that affirm the regional potential in this area, in pioneering areas of future experimentation and in the ability to guarantee human capital for the development of economic activities.

Main goals:

- Project Porto and the Portuguese Northwest in Europe and in the world;
- Foster R&D, innovation and entrepreneurship activities;
- Providing Porto and the region with innovative technological solutions;
- Assess and respond to the human resources needs of companies;
- Attract national and international talent;
- Promote the retention of qualified talent, in particular graduates of higher education institutions of the Porto academy or specialised technical education institutions;
- Stimulate people at risk or unemployed to enter the labour market.



Project 2.

Digital Hub



SPECIALISATION AREA
ICT & Service centres

VECTORS



- V1 Smart specialisation
- V4 S&T, innovation and talent
- V5 Infrastructure development

AXES



- E4 Talent development and attraction
- E9 "Porto." brand and smart visibility



ODS

2030 AGENDA FOR SUSTAINABLE DEVELOPMENT:



More and more multinationals choose Porto to establish their service and competence centres, namely in the area of technology and digital. The growth of this type of companies materialises numerous opportunities for Porto, due to the growth potential they present and the qualified job opportunities they offer.

This project is premised on **promoting the basic conditions for the consolidation of Porto as a leading international digital hub**. On the one hand, it intends to pursue this ambition by strengthening its current positioning in the areas of ICT, digitalisation, Industry 4.0 and blockchain technology, developing programs to attract digital talent.

On the other hand, consolidating the focus on digital solutions as tools for gathering information and communicating quickly, flexibly and flexibly with entrepreneurs and potential investors. In this process, it will also be important to foresee structuring investments that contribute to making Porto a more accessible and digitally connected municipality, with the consolidation of administrative modernisation at the level of the municipality and region being also implicit.

Project 2.

Digital Hub

This project is premised on promoting the basic conditions for the consolidation of Porto as a leading international digital hub.

This project features the following key components:

Component	Role of CMP
<p>2.1. ICT, Digitalisation and Industry 4.0</p> <p>Aiming at the creation of the attractiveness conditions for international competence centres and digital talent in Porto.</p>	Partner
<p>2.2. Business Intelligence and Analytics</p> <p>To create thematic observatories for the collection and analysis of information in core areas of economic development in Porto and the Norte Region and placing the results at the service of public policy and also of investors.</p>	Promoter
<p>2.3. Digitalisation and Administrative Modernisation</p> <p>Integrating a set of initiatives that aim to improve and facilitate the relationship between entrepreneurs and investors and between them and the Municipality, helping to make Porto a business friendly destination.</p>	Co-promoter

The expected effects of the implementation of this project are related to the creation of a sophisticated and technological environment, the capitalisation of the usefulness of the data in the analysis of economic and sectorial dynamics, the efficiency of procedures and the increase of the attractiveness of Porto for high value added sectors.

Main goals:

- Stimulate and consolidate the municipal ecosystem linked to activities and competence centres around ICT, digitalisation, Industry 4.0 and blockchain technology;
- Position Porto in defining the technological frontier in areas such as business services, clusters (e.g. health, fashion, etc.) or the cities of the future;
- Create a knowledge base of the economy and data analytics of Porto and its strategic sectors, to support decision-making;
- Streamline and simplify the relationship with and between entrepreneurs and future investors in an open and transparent ecosystem;
- Facilitate municipal processes inherent to business activity, making Porto a business friendly city;
- Promote sectorial and public services digitalisation;
- Improve digital connectivity in the city.



Project 3.

Regional Agency for Investment Promotion and Attraction

Agência Regional de Promoção e Atração



SPECIALISATION AREA
Transversal to all smart specialisation areas in Porto

VECTORS



- V1 Smart specialisation
- V3 Regional Articulation
- V4 S&T, innovation and talent

AXES



- E1 Strengthening and upgrading of value chains
- E2 Reinforcing positioning and relevance
- E5 R&D, entrepreneurship and innovation



ODS

2030 AGENDA FOR SUSTAINABLE DEVELOPMENT:



This project aims to create the **Regional Agency for the Promotion and Attraction of Investment**, an institution of a collective nature (e.g. non-profit association), led by the Porto Municipality with the representation of relevant entities in territorial promotion and attraction of investment locally, both regional and national (e.g. CCDR-N, AMP, AEP, University of Porto, ERT Porto e Norte, AICEP) aims to develop

business in the entire “value chain” of territorial promotion activities and investment attraction, national and foreign, to the North/Portuguese Northwest.

Projeto 3.

Regional Agency for Investment Promotion and Attraction

Agência Regional de Promoção e Atração de Investimento

The “value chain” includes not only the more “traditional” services of an investment attraction agency/office, namely, lead follow-up, landing services and retirar a virgula, but also the strategic planning of target segments, territorial marketing activities, territorial

planning of business reception infrastructures, coordination of “sales forces” in target markets, promotion of innovation networks, among other critical factors of competitiveness to enhance the attraction of investment, (e.g. support in talent mapping).

This initiative will have a complementary and aggregating nature of the projects that have been promoted in this area, from activities under the purview of InvestPorto, but also by other key actors such as AEP, with the N-Invest project, or AICEP, with the Portugal Site Selection and its responsibility for attracting investment to the country.

This project features the following key components:

Component	Role of CMP
3.1. Creation of a Regional Entity (Agency) Oriented towards the promotion and attraction of investment, with a special focus on international markets.	Co-promoter
3.2. International promotion of Porto and the Portuguese North/Northwest In the most important international markets, taking into account the economic specialisation of the region.	Co-promoter

Main goals:

- Create a strong territorial brand with international investors in priority segments/sectors, with greater knowledge of the business structure and competitive factors in the region;
- Qualify and develop new areas of business reception in Porto and in the region that allow the attraction of structuring and large-scale investments in terms of (qualified) job creation;
- Offer differentiating elements in the relationship with potential and current investors (e.g. digital monitoring platform throughout the investment lifecycle - from lead to post-installation monitoring);
- Bring the key entities of the innovation system closer to potential investors, from the lead stage of the investment cycle;
- Establish a network of international agents with physical presence in countries/regions with large-scale investor decision centres in sectors considered strategic for Porto and the region;
- Attract investment of a more strategic and sustainable nature (i.e. suitable for productive specialisation and with greater long-term growth potential).



Project 4.

City for Business and Investment

Centro de Negócios e Investimento



SPECIALISATION AREA
Transversal to all smart specialisation areas in Porto

VECTORS



- V1 Smart specialisation
- V2 Visibility
- V4 S&T, innovation and talent
- V6 Infrastructure development

AXES



- E1 Strengthening and upgrading of value chains
- E3 Urban identity
- E5 R&D, entrepreneurship and innovation



ODS

2030 AGENDA FOR SUSTAINABLE DEVELOPMENT:



The City for Business and Investment project embodies Porto’s ambition to be a highly sophisticated, cosmopolitan and internationalised business centre, to attract competence centres of multinational companies, disseminating the entrepreneurial and innovation ecosystem throughout the city and qualifying traditional economic activities.

attractiveness of the city for different businesses, focusing on its business environment, as well as on the requalification of infrastructures and equipment to meet the needs of business investment (e.g. office buildings, co-working spaces). A good example of this is the conversion of the Old Industrial Slaughterhouse (Matadouro Industrial do Porto) that has recently begun.

The Municipality will develop an urban development program to reinforce the

Project 4.

City for Business and Investment

Centro de Negócios e Investimento

Simultaneously, a program will be dedicated to the promotion and monitoring of investments with high strategic interest and impact for the economic development of

Porto and the Portuguese Northwest (“Leading Investors in Porto”).

This project features the following key components:

Component	Role of CMP
4.1. InvestPorto - Leading Investors Program A strategic account management program for investors with projects of high strategic value for the economic development of Porto;	Promoter
4.2. Conversion and exploitation of the Old Industrial Slaughterhouse of Porto One of the biggest investments of urban requalification that aims to transform the eastern part of the city into a fertile space for culture and social innovation.	Promoter and concession manager

Main goals:

- Reinforce the international positioning of Porto as a business and innovation centre;
- Create new spaces that enhance the emergence and scalability of technological start-ups;
- Transform the eastern part of the city around an anchor project of culture, art and social innovation;
- Identify and attract investors with projects of strategic interest;
- Boost the retention and expansion of strategic projects in Porto.



Project 5.

Green Porto

Porto Verde



SPECIALISATION AREA

Mobility, Energy & Environment Sustainable construction

VECTORS



V5 Environmental sustainability
V6 Infrastructure development

AXES



E6 Green economy and climate transition
E7 Mobility and connectivity
E8 Efficient city



ODS

2030 AGENDA FOR SUSTAINABLE DEVELOPMENT:



The objective of this project is **to transform Porto into a national and international reference in the areas of sustainability, circular economy and urban green mobility**, promoting the adoption of practices and behaviours that accelerate decarbonisation and the transition to a circular economy model.

This includes initiatives such as support for the creation of energy communities, the increase in the city’s green corridors and “lungs”, the promotion of “circular buildings” and the adoption of good practices in

the management of construction and demolition waste, as well as other measures in line with the Porto Circular Economy Roadmap.

The Municipality could accelerate the emergence of green and circular businesses through a commitment to sustainable public procurement, along with the adoption of other measures for the sustainable management of municipal heritage, such as the promotion of energy efficiency in buildings and the use of renewable energies in

Project 5.

Green Porto

Porto Verde

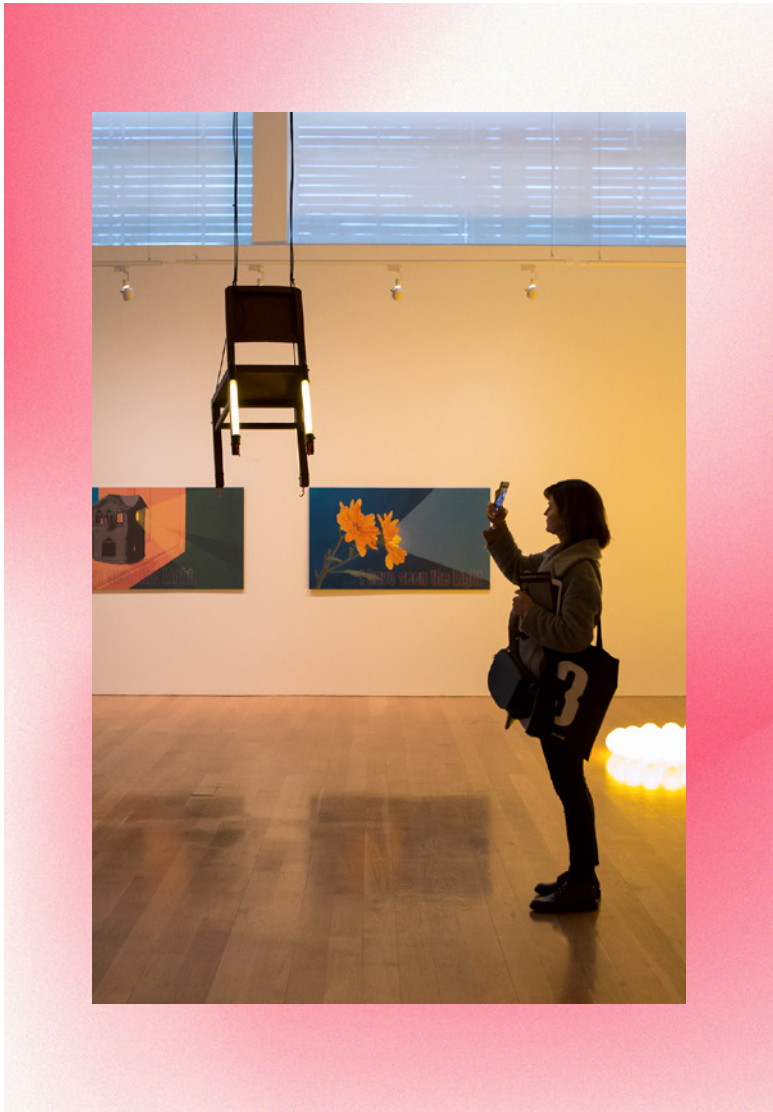
This project features the following key components:

Component	Role of CMP
<p>5.1. Sustainable Mobility and Transport</p> <p>Focused on creating a platform for managing electric vehicle charging in buildings with renewable electricity generation.</p>	Co-promoter
<p>5.2. Energy Transition</p> <p>Aimed at creating renewable energy communities (CER) in social housing buildings to support addressing energy poverty and decarbonisation of the energy consumed in municipal public infrastructures.</p>	Co-promoter
<p>5.3. Sustainable Construction and Buildings</p> <p>Oriented toward the rehabilitation of municipal buildings and encouraging the renovation of privately owned buildings to make them more energy efficient, sustainable and circular.</p>	Co-promoter/ Facilitator
<p>5.4. Green Entrepreneurship</p> <p>Aimed at building infrastructures for innovation and incubation of sustainable and circular ideas and businesses.</p>	Co-promoter
<p>5.5. Smart Resource Management</p> <p>Focused on creating the conditions for the management of waste and water generated in the municipality and in the region promoting the creation of new products.</p>	Co-promoter

As the main city in the Norte Region, the Municipality must lead and/or facilitate the implementation of research and innovation agendas in the areas of regional decarbonisation and circular economy (driven by CCDR-Norte) and the main regional stakeholders (e.g. Lipor), and become a laboratory city.

Main goals:

- Accelerate the energy and climate transition and the circularity of the economy in Porto;
- Position Porto as a sustainable investment destination;
- Foster sustainable construction;
- Promote green and sustainable mobility;
- Boost the emergence of green and circular businesses;
- Make Porto a laboratory city at the service of an entire ecosystem of entrepreneurship that wants to “use” the city to create sustainable products;
- Stimulate the performance of FabLabs and the valorisation of knowledge.



Project 6.

Cultural and Creative Porto

Porto Cultural e Criativo



SPECIALISATION AREA
Culture & Creative Industries

VECTORS → V1 Smart specialisation

AXES → E1 Strengthening and upgrading of value chains



ODS

2030 AGENDA FOR SUSTAINABLE DEVELOPMENT



Technological innovation and digitalisation have revolutionised the creative sectors, challenging agents to reinvent the ways of creating, producing, distributing and enjoying cultural and creative goods and products, recognising the difficulties of most artists and creators in adapting to the new ways of monetising their activity.

The “Cultural and Creative Porto” project aims to respond to these challenges, through the creation of an integrated **platform for training, production and distribution of**

cultural and creative services and content, in a competence centre model. This project aims to respond to the challenges inherent to the imbalance in the value chain of the cultural, audio-visual and cinema sector in Portugal and to the transformations caused by the digitalisation. It is intended that the territory of action of this competence centre covers the Portuguese Northwest, in a logic

Project 6.

Cultural and Creative Porto

Porto Cultural e Criativo

An integrated platform for training, production and distribution of cultural and creative services and content

This project features the following key components:

Componente	Role of CMP
6.1 Creative Education and Training focused on creating an innovation hub that links education and the arts.	Partner
6.2. Creative Entrepreneurship Lab, Materialised in a program to promote creative talent in Porto and the Norte Region, to support the creation of sustainable businesses with growth potential within the sector's value chain in a digital context.	Promoter
6.3. Digital Production Centre Aimed at experimentation and digital creation by professional creators and supported by a TV and multimedia operator.	Co-promoter
6.4. CoLAB ORAMA Aiming at the creation of a national CoLAB hub for the cultural, creative and audio-visual industries.	Co-promoter

This project also implies the articulation of culture and creative industries with other activities, seeking to assert themselves as elements of invention, innovation and differentiation from other economic activities (e.g. fashion industries).

Main goals:

- Strengthen Porto as a cultural hub to aggregate and promote the culture and heritage of the Portuguese Northwest;
- Support the digital transition of the cultural and creative sector;
- To train cultural and creative agents to value knowledge and create sustainable businesses;
- Promote the integration and articulated development of culture and creative industries;
- Increase the integration of actors in the knowledge triangle in the audio-visual and cinema sectors in Portugal.



Project 7.

Wise Destination



SPECIALISATION AREA
Commerce, Services & Real Estate Tourism & Sports

VECTORS → **V1** Smart specialisation

AXES → **E1** Strengthening and upgrading of value chains



ODS

2030 AGENDA FOR SUSTAINABLE DEVELOPMENT:



Porto has witnessed a considerable growth in tourism and commerce activities, both sectors with historical representation in its economic environment, gaining a reputed status as a preeminent destination in Europe. With the pandemic crisis, new trends and challenges have emerged in both sectors (e.g. digitalisation, sustainability, safety, quality requirements, etc.), to which Porto intends to respond, seeking to stand out in a differentiating way.

Wise Destination is an **integrated project, composed of initiatives in the field of tourism and commerce**, to promote Porto and the Norte Region as a sustainable, qualified and recognised tourist destination, centred on people and based on a differentiation/tailor-made.

Project 7.

Wise Destination

An integrated project, composed of initiatives in the field of tourism and commerce, to promote Porto and the Norte Region as a sustainable, qualified and recognised tourist destination

This project features the following key components::

Component	Role of CMP
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7.1. Differentiation and Projection of Tourism

Promoter

Increasing the sophistication of the tourism sector in Porto and the Norte Region, through an intense and incisive promotion of integrated tourism products in the region, the promotion of good coexistence between tourists and residents and the increase of the quality of the offer.

7.2. Commerce with Value

Promoter

A qualification program for commercial establishments in Porto focused on offering training, consulting services and support in the digitalisation of businesses.

The value upgrade of the tourism and commerce sector is one of the main assumptions of the project implementation, based on the continuous improvement and evolution of established and mature sectors.

Main goals:

- Promote and develop tourism in Porto and North Portugal in a sustainable way;
- Putting people at the heart of tourism development;
- Stimulating 5.0 traditional commerce;
- Differentiate tourism and commerce supply.



Project 8.

Health Business

Ecosistema da Saúde



SPECIALISATION AREA
Health & Life Sciences

- VECTORS** → **V1** Smart specialisation
V2 Visibility
V3 Regional articulation
V4 S&T, innovation and talent

- AXES** → **E1** Strengthening and upgrading of value chains
E2 Reinforcing positioning and relevance
E5 R&D, entrepreneurship and innovation
E9 "Porto." brand and smart visibility



ODS

2030 AGENDA
FOR SUSTAINABLE
DEVELOPMENT



Over the last few years, health and life sciences have assumed a relevant role in the investments made in PMA, the Norte Region and Northwest Portugal, with R&D expenditure providing a significant contribution. The **commitment to the transfer and exploitation of knowledge, through the strengthening of links between academia and business organisations**, should be a priority in regional economic development.

This connection could allow the R&D scale of non-business entities of the R&I system,

to obtain critical mass **and position the Portuguese Northwest as a reference hub in the health area.**

It is in this context that the Health Business emerges, a project for Porto and the surrounding region, which aims to create a one-stop-shop hub for attraction, incubation and scale-up of spin-offs, start-ups and competence centres, locally, regionally, nationally and internationally based, in areas linked to the health industries, namely in Biopharma, MedTech and Smart Health.

Project 8.

Health Business

Ecosistema da Saúde

The Health Business should be structured around a (“wet”) incubator, duly adapted to the needs of R&D and entrepreneurship projects in areas related to health and life sciences, capitalising on the existing health-related ecosystem in Porto and

the Portuguese Northwest. (e.g., higher education institutions, research centres, hospitals, pharmaceutical laboratories, companies and related sectors) in a science and technology park format.

The positioning of the Porto Health Cluster should emphasise as much as possible the existing businesses, both technological start-ups (e.g. FairJourney Biologics, Sword Health, HealthySystems, Promptly Health) and well-established business groups (e.g. Bial, Glintt, FHC/Basi, Bluepharma).

In this context, This project features the following key components:

Componente	Papel CM Porto
8.1 “Wet” incubator Aiming to create and activate a physical and immaterial platform to support the emergency and the development of innovative businesses in the health area.	Facilitator
8.2. Financing vehicle Oriented towards the creation of specialised risk financing instruments that accommodate the specificities of the health sector.	Co-promoter
8.3. International promotion of the regional health cluster Aiming to promote the international reputation of the Porto Health Cluster and the Portuguese Northwest as a reference hub in the health domains.	Co-promoter

Main goals:

- Consolidate an entrepreneurial ecosystem adapted to the needs of life sciences, namely in areas related to biopharma;
- Stimulate the emergence of specialised venture capital (with international know-how) that enhances the scale-up of spin-offs and start-ups and the attraction of technological FDI;
- Boosting Porto’s international reputation as a health industry hub.



Project 9.

Blue Economy

Porto Azul



SPECIALISATION AREA
Blue Economy

- VECTORS** → **V1** Smart specialisation
V3 Regional articulation
V5 Environmental sustainability

- AXES** → **E2** Reinforcing positioning and relevance
E5 R&D, entrepreneurship and innovation
E6 Green economy and climate transition



ODS

2030 AGENDA
FOR SUSTAINABLE
DEVELOPMENT



Considering its extensive coastline, the Portuguese Northwest has always been able to explore traditional activities related to the sea. In recent years, S&T and R&D initiatives related to marine activities have emerged in this territory. Porto has an academic community and an entrepreneurial capacity with the potential to boost this sector at a regional level.

The Blue Economy encourages the creation and development of a **centre for solutions and innovation** applied to activities related to the Economy of the Sea and the Douro River.

Project 9.

Blue Economy

Porto Azul

The Blue Economy encourages the creation and development of a centre for solutions and innovation applied to activities related to the Economy of the Sea and the Douro River.

This project features the following key components:

Component**Papel CM Porto****9.1 Solutions for the Digital Transition and Conversion of Traditional Activities**

Facilitator

Aimed at enhancing and reconverting the sector's traditional activities, through support for digitalisation and investment in R&D.

9.2 Incubation space for emerging activities

Facilitator

Aiming to promote and develop these activities, through an incubation space for companies linked to the sector.

The focus on research and development of new solutions that take advantage of the potential of marine and river resources should be done in partnership with the academic community and the entrepreneurial ecosystem, as well as in articulation with key municipalities (e.g., Matosinhos and Viana do Castelo).

The mobilisation of these actors is central to the affirmation of Porto and the Northwest as a centre of knowledge in the area of the Blue Economy, being also an area with great potential for development.

Main goals:

- Strengthen Porto as a hub of knowledge and promotion of activities related to the Blue Economy at a regional level;
- Attracting international investment in competence centres linked to the Blue Economy.



Project 10.

(e)Sports and Football

(e)Sports e Futebol



SPECIALISATION AREA
Tourism & Sports

- VECTORS** → **V1** Smart specialisation
V3 Visibility
V5 S&T, innovation and talent
- AXES** → **E2** Reinforcing positioning and relevance
E5 R&D, entrepreneurship and innovation
E6 "Porto." brand and smart visibility



ODS

2030 AGENDA
FOR SUSTAINABLE
DEVELOPMENT



Promotion of a hub dedicated to sport, with a stronger specialisation in football and focused on the construction of the new headquarters of the Liga Portugal, which will house several centres of competencies for greater industrialisation of professional football and the creation of economic value associated with sport. Also included is the development of the internationalisation

process of Liga Portugal, as well as the organisation and promotion of large-scale events in the city.

Projeto 10.

(e)Sports and Football

(e)Sports e Futebol

Promotion of a hub dedicated to sport, with a stronger specialisation in football and focused on the construction of the new headquarters of the Liga Portugal

This project features the following key components:

Componente	Role of CMP
<p>10.1 Arena Liga Portugal</p> <p>Focused on creating an innovation hub dedicated to sport, strongly centred on the competence centre and on the internationalisation of its valences.</p>	Facilitator
<p>10.2 Large-scale Sports Events</p> <p>Materialised in a program to promote events in Porto and the Portuguese Northwest linked to sport, intending to boosting the city as a sports hub.</p>	Co-promoter

The scope of action of this competence centre covers the municipality of Porto and the Portuguese Northwest, in a logic of intra-regional articulation. Although the primary location of the investment is the municipality of Porto, which will receive the new headquarters of the Liga Portugal, the impact of the investment will spill over to the whole country, especially to the Norte Region, due to the high concentration of clubs that currently compete in professional football competitions.

Some of the large-scale events planned for the city of Porto also have positive externalities for the region, through the promotion of associated business tourism.

Main goals:

- Creation of an international reference infrastructure for the production of knowledge and innovation linked to football and sport;
- Increase in the training offered in areas of professional management of football and sport to professionalise clubs, sports societies and other actors in the value chain associated with football;
- Make Porto an international centre of reference in the football industry;
- Attract events with great national and international media impact and attracting crowds to the city.

Technical information

Title

Pulsar

Pulsar | Porto Economic Development Strategy

Summary Report

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Disclaimer

Porto Economic Development Strategy (Pulsar) was promoted between June 2021 and January 2022 by the Municipality of Porto, with the technical assistance of EY-Parthenon.

Pulsar is the result of perspectives, points of view and opinions, which do not exclusively reflect those of the Municipality of Porto and the Porto City Council.

It should also be noted that the statistics presented in the diagnosis refer to the data available at the time the work was prepared (mentioned above), so neither EY-Parthenon nor the Municipality of Porto are responsible for the fact that these may have been updated later.

The development of Pulsar involved carrying out a consultation process with several entities, which took place between August and December 2021.

PORTO ECONOMIC DEVELOPMENT STRATEGY

Porto.