

AE

Andorra Econòmica



Special Edition

The Magazine of the Andorran Business Confederation
El magazín de la Confederació Empresarial Andorrana

GIANNINA TACCA SORIANO
Economic Ambassador Italy, Mexico and Texas

C/ Prat de la Creu, 59-65
Bloc B, 2n
AD500 Andorra la Vella
Principat d'Andorra
www.cea.ad
Tel. (+376) 621 260
gianninatacca@valgianni.com



Andorra, country to invest, country to live





Xavier ALTIMIR
President of the CEA

Greetings from the President

A COUNTRY WORTH LIVING



Imagine a country where security represents one of its main assets, with an exceptional climate, where the four seasons are well defined, with an excellent quality of air, where more than 100 nationalities live together with respect and tolerance. Imagine an inviting country, with 3 different educational systems to choose from (French, Spanish and Andorran), with an enviable public health system, with first-rate equipment, a healthy and varied high-quality gastronomy, a prominent offer of goods and services, an ancient history and a highly competitive tax framework... well, your imagination can become reality once you arrive in our country. Andorra offers all of these features in a natural way. For eight centuries, we have been able to adapt to developments and all the changes that have been taking place throughout time, and where peace has never been disrupted throughout our history.

Globalization, together with the new digital era has made the world increasingly smaller, therefore, who can adapt better to the new reality than a small country?

Adjustment have been made to be internationally homologated and to adapt to the requirements of international controlling bodies: taxation, sharing of information, labor legislation... the mentioned adjustments have occurred in a swift manner; in a few years Andorra has

embraced changes that other countries have taken decades to implement.

Now that our homework has been done, it is time for us to get to work together: we have to present Andorra to the world. We need the involvement of the entire country, since we are all Ambassadors of our country. People that discover Andorra remain positively surprised during their first visit, and many of them come back again as tourists. We now need that the visitors that come back perceive our country as an ideal place to live and develop their business.

Andorra warmly welcomes everyone who sees the country as an opportunity to develop their projects, as well as a place where they will be able to enjoy all things that someone can dream of when looking for the best place to live.

The Andorran Business Confederation (CEA) is working, and will continue working, to explain the amendments that Andorra has made to adapt to this new era. To all of those who need support, information and help: our doors are open and we will be very pleased to assist you.

Xavier Altimir
Chairman of the CEA





Jordi RIBÓ
Fiabci Andorra Chapter President

WELCOME TO ANDORRA & WELCOME TO 68TH FIABCI WORLD CONGRESS



Dear Fiabci Friends,
It is a great honour and privilege to welcome you all to Andorra.

Fiabci World Congress is the period of the year when we all meet and know each other. In modern terms: Networking. During these days I will appreciate if you take into consideration these steps for making Fiabci World Congress unforgettable.

Step 1 s Andorra

Discover Andorra in all its perspectives. Business, tax's benefits, economy, nature, shopping, tourism. We are small country full of opportunities.

Step 2 s Professional Networking

Never underestimate the power of face-to-face networking. The people you meet at real estate conferences are decision makers.

It will be the time to meet new people and make new friends.

With today's technology carrying on these relationships has never been easier.

Step 3 s Business

By definition, International real estate could be viewed as one of the most dynamic branches of real estate business. Did you realise we are in the correct place? Fiabci World Congress.

Catch up your business.

Step 4 s Enjoy

Have an excellent time during the conference, the social events and dinners.

Enjoy and have fun.

Welcome to my home, welcome to Andorra.





Albert MOLES
Chief Executive Officer of FEDA and member of the ACTUA initiative

ANDORRA, SMART COUNTRY

In recent times Andorra has set off on a path towards sustained economic development



Following the work of reflection and analysis carried out by the Government in close collaboration with the different economic key players of the country, the *ACTUA* project was launched with a well-defined scope and purpose: to be the basis for building the present and future of Andorra.

This project is part of a wider framework of economic diversification in Andorra with three major working areas: the internationalisation of the economy, support for local entrepreneurship, and diversification. This initiative also translates into the creation of competitiveness clusters in the sectors of Health and Well-being, Education, and Innovation and New technologies. In the last sector mentioned, work has been carried out over 18 months, aimed at mobilising the key factors of competitiveness, particularly the ability to innovate in order to develop growth and employment in dynamic markets. Within the Innovation cluster, the focus has been on developing cross-disciplinary projects to generate the creation of wealth in the country; projects that could initiate disruptive business models to speed up the improvement of the economy.

For this reason, work is carried out with three objectives: to have a critical mass that generates innovation, to increase technology, the quality of the provision and diversity, and create projects that integrate transversality, new ideas and cutting-edge technology.

These are the main principles of the Porter Diamond. We firmly believe that if we take these as our base, we can attempt to make our country competitive, and this will

happen when we achieve the highest level of productivity. A competitive nation is a nation that creates a high standard of living for all its citizens and that, moreover, continues to rise. We must, therefore, be a productive nation with capital, employment and quality products.

The Smart Country project will make the Principality a platform of innovation for companies within our environment

The key to this competitiveness lies in improving productivity, expanding international trade, optimising the role of economic operators within the value chain in the country and facilitating innovation. Smart Country is one of the key projects being led within the cluster that, through waves of successive implementation, aims to give Andorra the functionalities, attributes and benefits of a Smart Country on a road map that is both approachable and manageable for its main actors. This project will improve the perception of the brand and attractiveness of

Andorra for tourism, and increase visibility through the projection of an image of an innovative and dynamic territory, that will make the Principality a platform of innovation for businesses within the region.

The Smart Country project can be implemented by focusing its approach on a public and open *Cloud Computing* model that can be used as a technological platform for the country. This model will allow us to develop customer-oriented services, and be able to access foreign markets in a different way to that used currently. It will also facilitate the development of businesses in Andorra. In this regard, those within the innovation and new technology cluster aim to identify the key players in the value chain that can help the project and make the services grow quickly.



Jordi GALOBARDAS
President of the Andorran Association of Property Developers

ANDORRA IS AN ATTRACTIVE COUNTRY FOR “NON-LUCRATIVE” RESIDENTS

Citizens enjoy the tranquility of being in a peaceful, secure and healthy environment



What is your opinion of the economic openness?

Necessary and at the same time, inevitable. In a world that is increasingly globalised, it was essential to open up the country's economy as soon as possible. There is now a consensus on the fact that foreign investment must be activated in order to develop new economic sectors and, as many also think, make companies from traditional industries more competitive. Excessively protecting the country's companies meant, in the long run, an inefficient and delayed economic activity in comparison with an international economy that is constantly developing and evolving. All these changes have had to be made in the middle of a long crisis, which has constituted an additional challenge for the companies and professionals of this country.

Normally Andorra is spoken about as an attractive country for companies, is it also attractive for the individual?

Most certainly. Despite the fact that we Andorrans are very self-critical, we can boast of a high standard of

living in comparison with other countries. One of the strongest points is the level of security and stability, an aspect that is becoming more and more important in an international environment that is often unstable and turbulent. Andorran society is free and democratic, with wide ranging opinions and concerns, which we discuss among ourselves with mutual respect. The economic, social and political development of the country in the past few decades has been very significant but in spite of this, we have not suffered any great social confrontation.

Another comparative advantage is Andorra's natural environment. Despite being a small country, only a very small part of the territory that lies at the bottom of the valley is developed. Around 95% of the country is preserved in the natural environment and is left intact. Moreover, we fortunately have few natural dangers. Urban development has been carried out in an environment with appropriate protection against existing risks (avalanches, etc.). Lastly, pollution levels are very low: in Andorra there is no industry that pollutes, and the large wooded environment

The economic, social and political development of the country in the past few decades has been very significant





serves as the natural “lungs” for the urban areas. Due to our great commercial activity, Andorra has a wide variety of products and services, something very unusual in the world for a community as small as ours. And our prices, although there is no longer such a difference as in past times, remain very competitive. The provision of Andorra’s telecommunications network is very good; for example, the whole country is wired with fibre optics and 99% of the territory has mobile phone coverage. Finally, Andorra continues to be a country with great tax appeal. Personal tax rates are very low and competitive in comparison with any other European country.

What is the profile of the individual investor arriving in this country?

Apart from the investor interested in starting some sort of business activity in this country, in recent years we have seen how many foreigners who have settled in Andorra develop their activity from home, using Internet networks. In this way, they enjoy the peaceful environment for their family and at the same time, they can carry out their international activity or manage their business.

We are also beginning to see the return of the housing investor, albeit on a small scale at present, who is taking advantage of the current prices to generate profit through leases. This type of investor predicts that the housing market will probably now begin a long period of stabilization and thus he or she considers this investment more stable and safer than other less tangible alternatives.

Beyond active residency, work has also been done to boost passive residency. How has this been perceived?

Indeed, investing 400,000 euros (for example, in properties), enough to get the passive residency permit, has been attractive to many foreigners who do not want to carry out any work or professional activity within this country, but who just want to enjoy the surroundings of their home. This amount does not represent any restraint, if we compare it with the amount requested by other countries for the granting of passive residency. In addition, there has been promotion of new models of passive residency for professionals with international presence or on grounds of scientific, cultural or sporting interest. The resident who opts for these types of residency will only have to deposit 50,000 euros at the Institut Andorrà de Finances and an additional 10,000 euros for each person in their charge (who will also be considered as a resident). These amounts will be repaid on leaving the country, or if active residency has been obtained.

How does this group view Andorra?

They are often stronger defenders of the country than the Andorran people themselves. They are fully aware of the advantages of living in Andorra and particularly enjoy the tranquility of being in a peaceful, secure and healthy environment. At the same time they do not have the feeling of being isolated in a small community due to the ready availability of quality products, services and communications and because of the relative proximity of large cosmopolitan cities such as Barcelona or Toulouse.





Gilbert SABOYA
Minister of Foreign Affairs

NEW FISCAL FRAMEWORK, MORE COMPETITIVENESS FOR ANDORRA

What has changed in Andorra which makes it more attractive to investors now than it was before?

To attract investors it is first necessary to establish a climate of confidence. In order to create trust, the strengthening of the legal security is key. In this sense the law of economic openness allows investors to arrive with no limit on the percentage of capital, in a way that is completely transparent. Also the creation of a fiscal framework which is complete, comparable and competitive helps create some clear rules of the game and is favourable to the creation of businesses, especially when it also facilitates working in the sense of implementing double taxation agreements that allow them to be more competitive in the provision of services from Andorra. From this point of view, I would like to stress the importance of improving public finances that we have reached in this term of office: being on the way to a balanced budget is a generator of trust and credibility, which meanwhile allows us to guarantee the stability of the fiscal framework that we have designed and implemented. At the same time, we have become aware of the need to guide investors better, either by modifying legal provisions and regulations to accelerate and strengthen the process of business creation or creating information structures and promotion, as it is done through Actua Corner, which includes assistance to the investor but also to the business community as a whole, in collaboration with the CCIS (Chamber of Commerce). But beyond the legal frameworks which are a necessary condition, what has to change is the mentality to go searching for results, taking on risks as entrepreneurs do, having ambition. Having the ambition to strengthen the competitiveness of existing industries: tourism and commerce. Having the ambition to open up new sectors of activity: especially in the world of health and IT, as well as in education.

What is the main attraction that would interest a foreign investor to open up a business in Andorra?

It depends a lot on the profile of the investor or of the sector in which they aim to carry out their activity. In

any case, there are cross-cutting elements that always apply like institutional and political stability, which is a very important factor. The high degree of human development with a distinct identity compatible with a diverse multilingual and multicultural society: this brings with it a strong ability to understand each other and it is an asset that we sometimes don't value highly enough. Also the good quality of life, including concepts such as the level of public safety, the richness of the educational model, the coverage of the health and social welfare systems, environmental quality and the accessibility to the natural and cultural heritage. But also the proximity of large centres such as Barcelona and Toulouse with their infrastructures and services. In the broader economy, a high per capita GDP, healthy public finances and being on the path towards a balanced budget, a competitive fiscal framework, and a modern infrastructure, especially in terms of the Internet.

The law of economic openness allows investors to arrive with no limit on the percentage of capital, in a completely transparent way

Where can a foreign investor or entrepreneur go to for advice on how to roll-out a business initiative in Andorra?

Obviously, they will have access to all consulting professionals that there are in Andorra. In addition, they'll have the Actua initiative at their disposal whose mission, through Actua Corner, is to provide information on the creation of business initiatives.

What measures have been implemented by the Government of Andorra to streamline the setting up of businesses?

During the last three years several changes have been made to streamline the creation of businesses and to help towards stimulating economic activity. The period needed to open up a business has been reduced to zero days with the declaration of compliance procedure; the change of ownership of businesses has been simplified; a single business has been allowed to have multiple purposes; the requirement for authorisation by the administration for the incorporation of companies has been removed; social security contributions for the self-employed have been



reduced... It is clear that the work on this front will never be finished, but it is also clear that a lot of work has been carried out by the Ministry of the Economy in this regard.

What, in your opinion, should be on Andorra's agenda in the coming years to continue implementing economic openness?

The agenda will continue to be marked by progress towards greater international transparency, the construction of a network of double taxation agreements that continue to guarantee our commitment to openness and access to new markets, and the approach to the European internal market. And here we have a good example with the case of Liechtenstein and its membership in the European Economic Area.

In particular, what measures do you think the Government should implement in order to adapt the services of the Administration that are involved in the process of opening up businesses to the new direction? The majority allege that, behind the door opened by the Law of Foreign Investment, there is a wall of bureaucracy.

I remember, when speaking for the first time about openness in December 2011, that the head of Government said economic openness was mainly a matter of open-mindedness. And it is obvious that it has been difficult for all of us: the paradigm has changed and it has done so radically, and now we all need to adapt to these changes. There have been efforts to reduce paperwork and bureaucracy and there is still more to do and it will continue to be done, especially with the implementation of electronic administration. The changes, whether in public administration or anywhere else, are not made from one day to the next. But be careful not to over-exaggerate the bureaucracy; the change in mentality involved with economic openness not only has to be made by the Government and the public administration, but also by business associations, professional associations, trade unions, etc.

Is it essential to have an Andorran partner in order to create a business in Andorra?

No. Another issue is that experience has shown that having local partners is often preferred, but there is no obligation in this regard.

Does the new fiscal framework diminish competitiveness in Andorra?

On the contrary, the new fiscal framework allows it to compete with better prospects for the future. For two reasons: firstly, the new fiscal framework allows the Andorran economic model to be compared and, therefore,

puts us on the playing field to compete: it's what allows us to open up conditions, sign double taxation agreements and attract productive and positive foreign investment. And secondly, the fact that it follows a moderate type of fiscal model provides good conditions for competition and, in addition, provides security. For years we had been in a state of uncertainty: everyone knew that the Andorran fiscal framework would evolve but no one was clear where it was headed or with what intensity. Now we know, now we know to what it is committed. And this gives security to the potential investor. A security that is enhanced by a rigorous management of the deficit and debt. And this security is also essential in order to compete.

What sort of results is the economic openness process giving?

If what you want are the numbers, beyond feelings or subjective interpretations: in 2 years the volume of investments has reached 60 million euros. To put it in perspective: this is equivalent to 2.4% of GDP. Or, if you want the numbers that could bring us closer to the people: more than 300 net jobs have been created. Or if you want numbers that bring us closer to the street: 280 new shops and some 40 acquisitions of existing businesses. It is no coincidence that the balance between the number of open and closed businesses has returned to positive figures immediately after the coming into force of the Law of Economic Openness. These are some figures accumulated in the first two years from the adoption of the law in June 2012. But more importantly are some of the dynamics detected: the pace of investment has accelerated every six months compared to the previous six months, and the share of initiatives coming from France and other countries has grown each half-year compared to the previous one. It allows us to believe that we are reaching more potential investors and less those who were already knowledgeable about Andorra.

When you go abroad to talk about Andorra, how do the people you talk to react?

We must bear in mind that we are a great unknown. Further away, they don't know us very well and, close by, sometimes by clichés that no longer are so true. I would say that we tend to generate surprise and interest when we go further away because of the ignorance they had about us. For example both the numbers of tourists and visitors impresses them. And when we go nearer to home the profound changes experienced in a short time impress people. This willingness to face the changes and implement them effectively in the legislature usually generates a certain recognition.





Mireia GERMAN CONILL
Journalist

ARCHITECTONICAL FUSION

For many years, Andorra has opted for a conservative and traditional architecture, but lately both public and private investors have emphasized on the construction of contemporary style buildings, which bear a strong identity and reinforce the uniqueness of the Principality. As a result of this fusion, both of the styles coexist together and seduce visitors with the architectural contrasts.

On a historical note, it is important to have in mind that the construction of the roads was started in the twentieth century and since the 30s there has been a significant change in the traditional architecture, which lasted until the 60s, with the so-called “granite architecture”, which arises from the boost of the wellness tourism, electricity brought to the country, the temporary emigration of young apprentices in the field of construction and the contribution of renowned architects in building the country.



If we review the most iconic and significant contemporary buildings that we find at the heart of the capital, the unique building “El Diamant” on Avinguda Meritxell, with high standard luxury housing and business premises. A building that draws the attention of the millions of visitors who walk through the commercial hub of the country and are impressed by the stunning façade and curious to explore its depths.



Moreover, an international public tender was held a few months ago for the selection of a construction project of a high-level multifunctional urban complex. The innovative architectural proposal of the complex titled “El Falgueró” is characterized by the intention to create a particular aesthetic and functional architectural design, with a great integration into the urban environment and landscape, and also taking the environmental sustainability criteria into account.





Andorra is committed to environmental sustainability, in order to preserve our common natural capital by moderating the consumption of natural resources and paying attention to the rate of emissions and biodiversity. For this reason, together with other factors, renowned architects such as the French architect Jean Nouvel has focused its attention on the Principality Andorra. The winner of the 2008 Pritzker prize opted for the construction of a building fully integrated into the natural environment, built with stone and other products related to the landscape. The complex, which is titled “La Querola”, will feature sixty luxury housings. The first stone was laid in July 2012 and the building is expected to be completed by the end of the year.



Companies and real estate holdings continue more than ever to perceive Andorra as a safe environment, which also has a lot of margin for improvement, with the consequent benefit for the investors in this sector. The residential area of “La Cabeça”, which will be located in Encamp, according to sources of investment, will contain housing, commercial and leisure areas, and a business park. The project “La Cabeça” is a futuristic “New Age” building that combines the unique style inspired by the architecture that exists in reference countries such as Singapore and the natural surroundings landscape, a main feature of the Principality.



The large number of development projects that are currently initiated are promoted by the interest of private and public investors in Andorra. The Government of Andorra works to promote tourism. The main tourist attraction during the winter season are the two major ski areas: Grandvalira and Vallnord. Two completely different stations designed for those who want to enjoy nature and sports. Both stations frequently host sports competitions at a worldwide level, which presents the country and at the same time promotes sports tourism. For this reason, the ski areas have to be constantly upgraded. For example, the Government recently declared the construction of a new skiing facility on the bottom of the slope “Avet de Soldeu” (Grandvalira) and an underground parking with about 500 spaces, declared as a project of national interest. This project is necessary so that the station can host the finals of the World Cup 2019. Such actions help to the constant

renewal of tourist attractions and at the same time helps to position them as global leaders.



Apart from the good level of the existing facilities, the ski resorts constantly continue investing and innovating in order to be at the top of the world rankings, and to export our “savoir faire” on an international level. (fotos musing). The delicious gastronomy, which is a pleasure for every taste, the location of restaurants as well as their decoration, allow guests to enjoy the meals and savour even more this delight. This year, Grandvalira has opted for the new culinary trend, the “Noman Ratrack Food”, which is an itinerant restaurant point that offers gourmet cuisine to the guests of the ski resort.



Regarding the Vallnord ski area, the managing company of Arcalís (Secnoa) presented the “Pla Director d’Ordino-Arcalís”, which includes an investment of 20 million euros, which is aimed to improve the communication between the skiing sectors and adding new mechanical devices.

And on the bottom of the ski resort of Arinsal (Vallnord) we can find the urban complex called “Pleta d’Arinsal”. Within the world of architectural and urban design, experts found the option to recover the aesthetic standards of the traditional architecture of the Valleys of the Pyrenees. The design line aims at maintaining a unity of volumes and materials with the old architectural style of our towns and create a harmonious quality landscape through this integration. The distinctive ancient architecture of the country also gives us values that strengthen the cultural identity of the territory.



Andorra is seen as a country of opportunities by many investors, as an optimal place to invest.

Therefore, logistics and basic services such as education are optimal and fit it with the magnitude of investments that are made in the country.

The Principality of Andorra provides three public school systems that coexist.

Families can determine whether to educate their children in the Andorran, French or Spanish educational systems. It is a very wide offer, taking into account the number of students who are studying in the country.

For all these reasons, together with other facts like low tax, public safety, and its geographical location, according to the consultancy firm Bradley Hackford, Andorra is the best country to live in the world, just after the Bahamas.



Pere AUGÉ
Vice-president of the CEA's Commission of International and Institutional Relations

ANDORRA, THE FAVORITE PLACE OF RESIDENCE FOR HIGH NET WORTH INDIVIDUALS

As a result of its international fiscal standardization process, Andorra is now strategically positioned as one of the most competitive countries in the world for individuals that seek to manage their business and personal wealth in optimum conditions.

Aware of the requirements of the current international framework, which generate more and more pressure, Andorra has firmly committed itself to complete its fiscal model. Indeed, further to the laws that have regulated corporate taxes, economic activity, non-residents, along with the General Indirect Tax, the approval of the Law on Personal Income Tax (IRPF, 5/2014 of the 24th April 2014) was a decisive step towards the generalization of direct taxation in our country and a firm intent to generate a climate of trust at an international level, a favorable dynamic to position Andorra as a strategic location.

In fact, we are all conscious that the approval of the IRPF was essential for the negotiation of the necessary conventions to avoid double taxation. On this particular issue, in a swift manner and as a direct consequence of the above mentioned legislative change, France immediately went through the parliamentary ratification and the convention already came into effect quite a long time ago. Since then, conventions with Spain, Luxemburg, Liechtenstein and recently Portugal have been signed and also came into force, as well as the conventions signed with Malta and the United Arab Emirates, which will soon come into force, without forgetting that there are more conventions that are being negotiated.

In parallel to this aspect, the process of economic opening and the liberalization of foreign investment have been significantly increasing since the adoption of the corresponding law in the summer of 2012. But at the end, behind any investment there are "individuals" who have bet on our country and felt attracted by the advantages that Andorra can offer. It is clear that if any of the interested people ask us, as consultants in Andorra, it is obvious that

we will present all the qualities of our country.

Moreover, international observers have analyzed our country and reached the conclusion that, as far as tax motivated expatriation is concerned, Andorra is now the second most attractive place in the world to set up a residency. The criteria taken into consideration in this study were the following: legal security and personal safety, political attractiveness to new investors, agility of Administrations, strategic geographic location and access to primary centers of interest, and, of course, the low tax pressure for Andorran residents. The proof of the success of individuals becoming Andorran residents can be seen in the fact that many new residents coming from abroad have blended into our society. In particular, nearly 1,250 residents practice a liberal profession or manage their own business (through companies that they have incorporated in Andorra), more than 1,000 non-lucrative residents, professionals with an international reach or residents for reasons of scientific, cultural or sports interest, with over 500 "regrouped" family members.

For the expats with an active residency whose income is essentially work related, the tax rates are very reasonable: 0% for income up to € 24.000 per year, 5% for income between € 24.000 and € 40.000 and 10% for income above this amount. For non-lucrative residents (ie. those who live from "wealth management"), the tax rate will be comprised between 0% and 10% (the first € 3000 being exempt), depending on the use or not of collective financial investment vehicles, such as the Andorran SICAVs which can effectively reduce tax to nil. Additionally, as an example of a further incentive in an advantageous fiscal system, the distribution of dividends from an Andorran company to its shareholders residing in Andorra is exempt of tax. Andorran has therefore become the preferred destination for High Net Worth Individuals from all over the world who are looking for a strategic location in Europe that offers many guarantees and a place to live with unique advantages.



Jordi GUILLAMET
Historian. Director of the Institute of Andorran Studies

A COUNTRY WITH SOLID ROOTS

Andorra is a small country covering 468 km² of complex terrain – the lowest point lies at 840 metres and the highest reaches 2,942 metres. The climate can be challenging with long, harsh winters and high rainfall

This set of factors has conditioned the economy, historically based on agriculture and livestock farming, and only 4% of the land has successfully been allocated to agriculture. Andorra has suffered a *hunger for land*. Channels for communication with the outside have also historically been an obstacle for developing trade activities. These obstacles have moulded the particular character of the valley settlers, who have become stronger in the face of hardship and external geopolitical situations.

As regards settlement, it can be said that, since the epipaleolithic period, 12,000 years before Christ, Andorra has constantly been populated. Evidence of this can be seen in the numerous conserved artifacts that archaeology has brought to light in different areas of the country. Between the 9th and 13th centuries, the territory of this area of the Pyrenees was subjected to the tensions and strife of feudalism. Andorra, which still had no defined political and institutional form, suffered the consequences of the long-running dispute between the Counts of Foix (a county located in the South of France) and the Bishops of Urgell (a Catalan diocese close to the border with Andorra), which finally culminated in 1278 with the signing of a charter establishing that Andorra would be ruled by these two lords. This date is considered as the institutional origin of Andorra: a defined territory, ruled by two lords who jointly exercised justice, collected taxes and mobilised the inhabitants in military affairs. This institutional pattern remained unchanged until the Constitution of 1993, which is the current legal framework that defines Andorra as an independent democratic and

These obstacles have moulded the particular character of the valley settlers, who have become stronger in the face of hardship and external geopolitical situations

social state governed by the rule of law.

While the Bishops of Urgell, signatories of this charter of 1278, have always been co-rulers for having occupied the episcopal see continuously, the historical facts meant that the Counts of Foix would become the Kings of Navarre, later the Kings of France and finally the presidents of the Republic, which means that today, the heads of

state of Andorra are the Msgr. Joan Enric Vives

Archbishop of the Seu d'Urgell and Mr.

François Hollande, president of the French Republic, at the moment of writing.

During the seven centuries from

1278 to 1993, Andorra did not stand on the sidelines regarding the political and social events of its neighbouring countries. Due to its geographic location and the welcoming nature of its people, the Principality has always been a land of asylum, regardless of the political persuasions or ideologies of people who have taken refuge there. Throughout its history

Andorra has always been a neutral country.

The imprint of the past is evident. Small Romanesque churches scattered throughout the territory, many of which conserve their interior wall paintings and also their original architectural structure. In the 11th and 12th centuries, when Andorra was deeply immersed in feudalism, Romanesque art appeared, a cultural richness that Andorra has duly conserved.

On entering the new millennium, Andorra has reaped the fruits of its long history forged on the basis of tenacity, effort and diplomatic skill and it has positioned itself in the new scenarios of the 21st century as a modern, dynamic state that is open to new global challenges.



Mireia GERMAN CONILL
Journalist

CONSTRUCTION OF NEW TOURIST ATTRACTIONS

Sport tourism, health tourism, wellness tourism and family tourism: the list is long. The Department of Tourism and Economy Planning of the Ministry of Tourism and Trade, together with “Andorra Turisme” have the primary mission of developing and promoting tourism in Andorra throughout the year. It is clear that during the winter season the two major ski resorts generate a very significant number of visitors. However, Andorra is a popular tourist destination all year around. While the nature provides the ground for a varied range of activities, private or public investors boost tourism by building new services designed so that visitors can choose from an extensive list of possibilities.

An amendment of the current Gaming Law is being examined by the Government of Andorra in order to set the legal framework to build a Casino in the country. The Government is currently due to bid the awarding of the management of the casino and thus in a short period of time – in a few months – Andorra will have a Casino. Therefore, it will be an additional tourist attraction that will allow visitors to have a public establishment where they can gamble.

Although there are already several rumors, the location of the Casino of Andorra is yet to be determined. One of the potential locations could be the future building The

Cloud. The premises will include several cultural areas, commercial spaces, museums, bars & restaurants, and research and technology areas.

The building will be located in the former headquarters of the firefighters and where until recently Andorra Telecom (the public telecommunications operator of Andorra) had its facilities, on Avinguda Meritxell. The architectural



design concept is based on technology as the main theme and is therefore inspired by a cloud made out of glass. The project architect, Gerard Arias, based himself on the fact that Andorra Telecom is the pioneer company within the technology sector of the country and the concept of the building aims at representing the cloud and the



concept of “Big Data”. The Cloud will have international certifications that ensure sustainability and integration of the surroundings. As to the astonishing character of the building, once it is built it will be a turning point, as the magnitude of the construction will be widely discussed and commented. The business center for technological development and innovation will represent an estimated cost of € 31 million.

In terms of cultural interest, Andorra has climbed the charts with the recent opening of the Carmen Thyssen Andorra Museum last March, which has generated great expectations for Andorran residents as well as for visitors from all over the world. The news has echoed across

media networks throughout the world. In fact, more than fifty journalists from all over the world attended the inauguration.

This tourist attraction was opened with the exhibition titled “Escenarios”, which exposes some of the most influential works of art from the private collection of the Baroness coming from the Madrid museum and other artistic spaces.

Museum visitors can see works by Masters of the nineteenth and twentieth century, such as Gauguin, Matisse and Monet and the exhibitions will be renewed annually so that visitors can fall in love with the art and by doing so generate further expectations, having tourists return to Andorra to enjoy the new works of art of the Carmen Thyssen Museum of Andorra.



And for motorsport enthusiasts, the renowned Spanish Moto GP rider Jorge Lorenzo has opened the World Champions Museum, located in the center of the Andorran capital, close to the “Centre de Congressos d’Andorra la Vella” (the capital’s congress center).

This unique attraction has become a place to enjoy the show and sport. The museum has been conceived to provide a space to the world champions of F1 and Moto GP. On the ground floor there is a multipurpose space, which comprises the bar & restaurant area together with a recreation area (which includes simulators) and a merchandising area. And the top floor is reserved for the exhibition of museum objects. The atmosphere of this space makes all the visitors quiver and at the same time it makes them feel as if they



were in one of the most renowned circuits in the world. It is clear that accessibility is essential in order to reach Andorra and to be able to fully enjoy these services. The most usual way to reach the country is by road. Therefore, the Government is also working on offering a good range of possibilities. The national bus station has recently been remodeled. Most tourists arriving at the closest airports end up arriving to Andorra by bus and therefore the facilities needed to be appropriate. The good frequency of the links to international airports allow users to get to the Principality without any complication. And soon tourists will be able to get to Andorra by landing at the Andorra-La Seu Airport, a more convenient and faster option to get to the Principality. In addition to this, work is under way to set up the national heliport in Encamp, which is due to be operational in 2019.

And to complement all those services, Andorra offers to citizens and visitors a wide variety of gastronomy to suit every taste. The local cuisine is Mediterranean and it embraces elements from other cuisines such as French or Italian. As a result, the local gastronomy is based on traditional mountain cuisine blended together with new culinary trends.





Àlex TERÉS
Consultant

INTERNATIONALISATION: A HOPEFUL CHALLENGE

In an increasingly connected world, more and more Andorran companies are committed to doing business beyond the borders of the Principality

Enterprise internationalisation is a reality that has numerous success stories. Telecommunications, infrastructure and financial services are three of the main areas guiding this internationalisation. Particularly “in countries where all is yet to be done”, explains the strategic consultant for the development of business projects in Central Africa, Josep Duró. “We are talking about emerging countries where infrastructure is needed. For example, in Gabon, 80% of the roads are dirt tracks; lighting and water conduits are almost non-existent, and health and education facilities are in a precarious state. However, Gabon does have resources and economic capabilities. And it is this reality that is being exploited by the Andorran and Spanish companies that I advise in the development of projects in this region of Africa, which includes countries such as Cameroon, the Belgian Congo, Sao Tomé and Gabon, among others”, adds Duró.

Also making its mark in Africa is the Andorran firm E4G, a group of engineering and architecture companies. The group has offices in Algeria and Gabon and its headquarters are located in Andorra. “From here, we coordinate the projects that are developed around the African continent”, explains one of the partners of this business alliance, Turi Ribera ygua. “We are highly regarded due to our experience in the sector. The four companies that make up our group have over 20 years of experience in the field of urban development and infrastructure, and this is an asset that endorses our commitment”.

Another success story is that of Pas Grau Internacional. With offices in France, Turkey, Azerbaijan and Kazakhstan, this Andorran flagship carries out projects related to the world of snow and mountains. The head of the company,

Joan Viladomat, points out that “the mere fact of working abroad, for an Andorran company is positive because it means that the company in question is growing. In general, adds Viladomat, there are more positives than negatives: it also involves attracting more qualified professional profiles and more interesting projects and, as one would expect, the workers of the company grow professionally, facing challenges that enable them to gain experience and increase their self-esteem”.

“Externally we are highly regarded for our experience in the sector”, say the representatives of internationalised companies

This professional development is one of the assets that is also confirmed by the workers of Doppelmayr Andorra, which focuses on projects in Latin America. The Andorran company, under the corporate umbrella of the multinational firm Doppelmayr, with headquarters in Austria, has made its mark in countries such as Bolivia and Venezuela by providing experience and knowledge in the cableway sector. In the Bolivian capital, La Paz, Doppelmayr Andorra is in charge of financial management and Executive Vice-Presidency of the construction of one of the largest cableways in the world. In Caracas it is in charge of the construction of the cable train that will articulate urban transport in the Venezuelan capital. In all cases, “these are opportunities for our company, for its employees and also for Andorra, because it is exporting its ‘know how’ beyond the borders of the Principality”.

Even though there are more advantages than disadvantages, Viladomat points out that evidently Andorran companies, like any others, must overcome obstacles and problems. One of these, to give an example, is the matter of Withholding Tax. This retention rate varies according to the country. In France, for example, it is 30% and in Turkey 20%. This opinion is shared by Ribera ygua, who adds that for the projects to be



successful, it is necessary to foresee and coordinate many aspects, including tax, because the repatriation of money and other factors must be carefully analysed before any work can begin. “The Andorran business community has a particular ability to adapt”, adds Duró, and that is probably why most success stories are about companies that are committed to internationalisation.

The economic openness focuses on foreign companies wanting to invest in Andorra. Duró points out that it will be beneficial if this development is carried out whilst also thinking about companies that are looking towards the exterior and, therefore, helping them in their quest to work abroad. “The demand is there, but we need to do more here in Andorra to facilitate the processes for working with third countries”. This sentiment is shared by Riberaigua, who says that economic

openness is necessary and that we need to create a framework that will encourage the investor to choose Andorra, although this must be done “with great care”, as without specific agreements with third countries, such as double taxation exemption, companies established in Andorra might find that they can work openly within the country but encounter limitations beyond its borders. It should be noted that the Government is working along these lines to facilitate the growth of international companies based in the Principality. Joan Viladomat concludes that the potentiality of Andorran companies is encouraging. “We are very well regarded and shown a lot of respect. We are on an equal footing with Barcelona and Europe. Andorra is very close to the Catalan capital and we also have a European profile, and this gives us extra points”.



Conrad BLANCH
Member of the communication commission of the CEA (Business Confederation of Andorra)

ANDORRA: THE LAND OF SNOW

With more than 300 kilometres of ski slopes, Andorra is today a winter destination recognised and valued internationally



The country has several ski resorts that in recent years have followed an important investment process to place themselves in a very good competitive position among other European destinations. This investment effort has been accompanied by promotional work, both in local markets, as well as those further afield. To facilitate this promotion, several years ago the ski resorts of Andorra created the two powerful commercial unions that we know today, Grandvalira and Vallnord, both members of Ski Andorra.

What distinguishing facts can we attribute to the Andorran resorts? A study published by Mountain-Management describes the main criteria that a skier assesses when choosing a winter destination. The most important in order of priority are: skiable space, guaranteed snow, preparation of slopes and hotel capacity. If we analyze the Andorran resorts, we will see that they score highly in terms of these requirements. But apart from this technical category, undoubtedly the distinguishing value of skiing in Andorra is having slopes close by, all over the country, with strong commercial provision, an attractive spa center such as Caldea, and a range of additional activities, both at the ski resorts themselves and at locations belonging to other operators, such as Naturlandia.

Regarding the international positioning of Andorra as a winter destination, a significant contribution has been made by the organization of high level sports competitions, such as the Ladies FIS Alpine Ski World Cup in 2012 and 2016, which attracted wide attention. Focusing on the next season, the calendar of competitions and events looks very attractive.

The ski resorts of Andorra created the two powerful commercial unions that we know today, Grandvalira and Vallnord, both members of Ski Andorra

Highlights include the finals of the Alpine Skiing European Cup and Speed Skiing World Cup at Grandvalira. And in 2019 Grandvalira will host the FIS Alpine Ski World Cup Finals, an important event with very high impact. But apart from these competitions regulated by the FIS (International Ski Federation), the ski resorts of Andorra have for many years been pioneers in the organization of all kinds of competitions: in the area of freeride, there is a stage of Free Ride World Tour, while in the freestyle category there is the "Total Fight" competition.

However, there is also a great awareness of the importance today of social networks, and the use of technology to make an impact on the market and to facilitate the provision of services for customers. For this reason, Andorran resorts have been very active and innovative in this area, as demonstrated by their commitment to using web portals, apps, management of social network tools and on-line marketing.

In conclusion, the ski and snow sector is a key engine of the Andorran economy, as demonstrated by the fact that, last season, 2.5 million ski days were clocked up by a clientele that is increasingly diversified in its location of origin, which means that the entire service chain has to adapt to customer expectations, habits and languages. To this end, all tour operators must work together on the improvement of the service and also on the promotion of the Andorra brand. Therefore, in this challenge, Andorra Tourism Board plays a very important role, providing resources and coordinating efforts.



Alfred LLAHÍ
Writer, journalist and TV presenter

736 YEARS OF INDEPENDENCE, NEUTRALITY AND PEACE



The Rev. Antoni Fiter i Rossell, our most prominent intellectual of the Enlightenment, had wisdom enough when, in 1748, he wrote the maxims that appear in the sixth part of the *Manual Digest de las Valls Neutras d'Andorra*. More than two and a half centuries after they were written, they still retain the essence of topicality and of sensible prudence. To realise this, one just has to read the maxim number 37: "in a time of war between France and Spain, do not show any special bias towards one Crown against the other, but preserve one's neutrality."

This sage advice has made possible the miracle of Andorra and its 736 year history, an example of secular peace and neutrality. A case which is unique in the world and which has survived to the present day thanks to the joint-sovereignty exercised by the Bishop of Urgell and the Count of Foix, uninterrupted since 1278 (the signing of the *Primer Pariatge*, the Treaty that conferred the "*merum imperium*" to the two lords) until the 18th century, or to be more exact, until 1793, when Louis XVI, King of France and of Navarre, the Duke of Berry and co-Prince of Andorra, was sent to the guillotine. From this date, Andorra experienced thirteen years without a French co-Prince, since the French National Convention refused to receive taxes from Andorra due to the feudal connotations it had and denied all rights.

The British Aristocrat, Edward Bulwer-Lytton, said that "reform is a correction of abuses; a revolution is a transfer of powers". For this reason, relations were not resumed with France until they had stopped cutting heads off with the guillotine. And it was Napoleon Bonaparte (Emperor Napoleon I, when the First Consul of France for life was

transformed into a hereditary empire) who, in 1806, re-established, upon the request of the Andorrans, the feudal tradition and rights of co-sovereignty in the same year that he conquered Naples and won the battle of Auerstedt, an easy task if we believe him when he said that "the battles against women are the only ones that can be won fleeing".

This Decree of 1806 renewed and confirmed the status quo of Andorra and re-established the *quèstia*

(the annual tax paid by the parishes to the co-princes) and guaranteed the independence

of the country. As a curiosity, although

Napoleon I re-established, the status

of the co-Principality in 1806, a small

oversight was made, six years later, on

January 26, 1812, by an imperial decree

perhaps unintentionally, that Andorra

would be annexed to the Napoleonic

Empire. The Andorrans, seeing that the

French army could enter the country, sent

their representative, Antoni Picart, to Puigcerdà,

capital of the Department of Segre, one of the four

departments into which the Principality of Catalonia was

divided, and of which, Andorra was to form part of once its

union to the French Empire had been decreed, to convince

general Quesnel of the secular neutrality of Andorra. Finally,

on 20th June of that same year, the country reverted to the

previous situation.

Today, far distant from those earlier times, Andorra

continues to proudly carry the flag of independence and

neutrality, undisturbed for more than seven centuries,

thanks, perhaps, to the character of its inhabitants, to the

prudence characteristic of mountain people and, perhaps,

also to the fact that, as Nietzsche said: "being independent

is the business of the few, it is the privilege of the strong."

Andorra is an example of secular peace and neutrality. A case which is unique in the world and which has survived to the present day thanks to the joint-sovereignty exercised by the Bishop of Urgell and the Count of Foix



Gregory COONEN
Chief Executive Officer of Commit, journalist and author

ANDORRA: THE WORLD'S BEST KEPT SECRET



As a young journalist and later as an advertising entrepreneur I visited more than 90 developing countries. What fascinated from a marketing standpoint in these countries, was how confident the politicians and business communities were in promoting their capitals as dynamic investment destinations no matter how dark their recent past. Countries such as Kosovo, Albania but also Malaysia, Turkey, Egypt, the Emirates and a number of other up and coming developing economies, positioned themselves in relation to the obvious BRIC powerhouses (Brazil, Russia, India, China) in order to aggressively attract Foreign Direct Investment (FDI). Even small states, such as Switzerland, Luxemburg and Monaco promoted themselves unabashedly to foreign investors and companies, as they realized that “small can (indeed) be beautiful”. Andorra on the other

hand, while promoting itself successfully as a beautiful tourism destination, had made little effort to make itself better known to investors.

This may explain why many of our friends showed great surprise when we informed them in 2010 we had chosen to move to Andorra. The vast majority wondered how long our family would stay in slower paced Andorra. It was hard for them to fathom that after years spent in bustling and exciting capital cities such as Paris, Washington D.C., Madrid, Moscow and Sao Paulo, we would choose Andorra over Paris or London to educate our daughters. Well... let me tell you how amazingly easy it has been and how much sooner we may have made the move had we known then what we know today!



I discovered a country where everything is of human size for both entrepreneurs and residents. Beyond Andorra's stunning natural beauty, we realized that its much acclaimed security is not just a concept; it is a way of life. We enjoy the beautiful sceneries and pure air on a daily basis but it is the ease with which we can shift from work to leisure that has made the biggest impact in our lives. It is surprisingly easy for those wishing to work hard but also have an active family and social life to conciliate all three dimensions in Andorra. What country allows a parent to drop off his/her children at school in the morning, escape for one or two hours of ski, mountain bike or paddle after a 5 to 10 minute drive and still have the rest of the day to do business if she/he so chooses?

It is obvious that for some companies, the size of the local market and employee talent pool is paramount; in this case Andorra is probably not the first choice. But for other international companies and entrepreneurs that are outward looking, and wish to be strategically situated in the heart of Europe without enduring some of the more tedious E.U administrative obligations, Andorra could

become a very attractive home. The country boasts first-rate infrastructure, a simple and competitive fiscal system and an investor friendly business environment where red tape, bureaucracy and regulatory considerations are comparatively low.

High quality of life coupled with relatively low costs of living (low rents, three public school systems to choose from as well as private schools...) make Andorra a winning proposition for most entrepreneurs. Proximity to the dynamic cities of Barcelona and Toulouse and the heliport project that should see the light before 2020, further facilitates life for the international businessman. Throw in the country's own culinary tradition while blending in France's gourmet cuisine and Spain's tapas culture, and you have a very unique, diversified gastronomy with wide appeal.

Since we live in Andorra, our family sometimes takes the clear skies and clean air for granted, but as soon as we travel, we realize how difficult it would be to go back to living in any city in Europe, let alone Asia or the Americas. Just visit www.aire.ad to get an idea of what I mean. If in addition, one takes into consideration that Andorra enjoys one of the highest numbers of sunny days per year and offers a plethora of outdoors sports activities, you may seriously think about booking your next stay in the country!

There is nothing to be gained from Andorra remaining the world's best-kept secret which is why I am writing this article. I encourage you to visit Andorra to find out for yourselves, as one day spent here is worth ten articles. I have little doubt that you will be astonished at how investor friendly this country has become during recent years. More importantly, if you value tranquility, security, quality of life yet like to get things done on the work front, you will be surprised at what a good match Andorra could be for you and your family. Don't only take my word for it: peruse the following September 2016, report published in the Lancet on comparative world health and living standards.

Andorra today is aligned with the ideal existence of the 21st century: beautiful nature, healthy lifestyle, multilingualism, the creation of clusters in the sectors of health, innovation and new technologies, the Smart-Country model, no army, free quality education in three different systems, low unemployment, negligible delinquency... Andorra presents itself as a safe forward looking haven for foreign investors and entrepreneurs and their families, far removed from the chaos that prevails in the rest of the world. There is one obvious thing that you could complain about though: that Andorra did not let you know before!



Douglas PATE
Entrepreneur

“MY CHILDREN ARE PROUD TO BE ANDORRAN”



Simon, first of all where are you from?

I was born in Waiouru, which is a military town in the middle of the north island of New Zealand. My father worked on a sheep station before returning to his chosen career of Blacksmith/Farrier. A sheep station is a really immense sheep farm, and the one he managed was in the middle of nowhere. Back when I was a child a high proportion of this type of work was still being done using horses and dogs.

If your family lived out in the middle of nowhere, how was it that you got into motorbikes?

When my father began to work again with horses, where we lived, and in general in New Zealand, the only sport a young lad was supposed to play was Rugby. Anything else was considered ‘un-manly’. So I played Rugby and rode horses. When I was 10 years old my best friend and neighbour who lived about an hour’s walk from where I lived, showed me how to ride his father’s old “farm bike”, a Suzuki TS185. We were both so small that we had to let the clutch out while running along side it before jumping on. When we’d come to a stop the other was there to catch the bike. After that

very first afternoon on a motorcycle, I was hooked. I could think of nothing else.

And what did your family say?

Well, dad was into horses and rugby. I drove him crazy about motorcycles for about 12 months but it wasn’t until I woke up in the back of his car having been knocked unconscious while playing an inter-school rugby game that he got a fright and listened. I used to go every Friday with my parents to the local town for the groceries. They would do their shopping and I would spend every minute of that visit to town in the motorcycle shop. The evening after I was knocked unconscious playing rugby my father gave in to my pleading and bought me a second hand, child sized farm bike of my own.

When did you start competing?

I actually started competing on that farm bike about a year after I got it. A friend of my mother’s offered to take me with her family to a motocross competition her son was riding in. I finished toward the back of the races but I loved

So we came up to Andorra to explore and as soon as we crossed the border we knew we liked it. Two weeks later we were here





it. When I heard my father being told that I had talent but I needed a decent bike, I saw that he was very interested. Shortly after this my mother and father bought me my first Suzuki RM80 motocross bike. I was 12 years old.

By the time I was 15 years old I had been competing for 3 or 4 years and I was so passionate about it that I decided to leave school to take the offer of an apprenticeship as a mechanic in a bike shop that the owner was also willing to sponsor my racing. It was a dream come true and, after a lot of discussion, my family accepted my decision. After only six months working I got an opportunity to try my skills out on the asphalt, on a circuit. I knew straight away that was what I wanted. After two years competing on the asphalt on a 250cc I was in so much debt that I had to stop and sell the bikes to get out 'of the red'. At 17 without racing, I have to say that I really lost my way in life. I discovered sex, alcohol and breaking the law. I owned a Suzuki 1100 and would race around the city of Auckland with my mates. They were crazy times and not everyone survived. But I convinced myself, my employer (a motorcycle shop owner who loved racing) and my parents to help me have one more serious go at racing. I told them I would put everything into it and that I was going to win. I was nervous stating this last point but I think it was important. Everyone helped me and I won my first of many New Zealand Championships. A large motorcycle dealer in Tokyo saw my results and offered me a ride with his private team in Japan. It turned out to be one of the many stepping stones all the way to the Superbike and Motorcycle GP world championship, where I competed for 7 years and won at the highest level.

How did you come to be in Andorra?

We were tired of living in a motorhome in Europe during the world championship race season. Yes it is fun, but after a while you really start to miss having a car, landline, wifi, your local gym, a wardrobe etc. We noticed Andorran number plates in the GP paddock. I had seen the sign posts to Andorra when I went through Barcelona. I ended up speaking to a fellow competitor who told me more about the country. We had already investigated Monaco as a possible place to live but, well, the cost of living there means that when sportspeople finish their career it is almost impossible financially to stay there, and we felt there was a possibility of wishing to stay in Europe after racing. Another thing although it may seem trivial, Monaco has no grass that I saw, except on a carpark roof. Coming from where I came

from this is not right. So we came up to Andorra to explore and as soon as we crossed the border we knew we liked it. We are New Zealanders and Andorra is much greener, more like home. Two weeks later we were here.

So tell us in more detail about your decision to come to Andorra and the reasons for staying.

Well, it goes without saying that I came to Andorra for tax purposes. My sport meant I raced all over the world, traveling all the time, so it didn't really matter exactly where I lived. I was looking to optimize my family's economy as well as having a countryside I enjoyed, and logistically it works. Over the years the reasons for staying here have changed. For example our children, who were born in Andorra, grow up exposed to, and speaking, four languages. In New Zealand they would only speak one. We knew this would be great for them. Then there are the things you need as a family. A great education system, good medical services, and there is almost no crime which is a big one for the wife of a traveling husband. We feel safe and our children are safe. We have two children and they are proud to be Andorrans. It is home to them. I also knew that I could, rather we knew we could afford to live in Andorra after my sporting career.

You do not compete anymore but you run a company called Motovudu. How does living in Andorra help you with your business?

From a family point of view as I have explained, we are very happy in Andorra. From a business point of view it works well. The new laws allowing a non Andorran to own 100% of an Andorran company, together with the low tax rates all help. Actually the whole system and the people running it that we have had dealings with are, what I would call, reasonable. You are not treated as just a number. They look you in the eye and treat each case individually. Call me old fashioned but I like that. If you have a question for the authorities they try to help you and I have to this day always come away feeling that their decisions are fair. I must say that there are some logistical curiosities we have had to work around. All the Motovudu Suzuki GSXR motorcycles in my fleet are street registered and have number plates to enable me to move them freely across the border (in and out of the EU). If I lived in an EU country for example, I wouldn't need to have registration documents and number plates for competition prepared motorcycles.





Cyril DESPRES
2005, 2007, 2010, 2012 & 2013 Dakar Rally Champion

Miquel À. JULIÀ
Journalist

CYRIL DESPRES

“It’s very easy for me to train in such natural surroundings, at an altitude of 1,500”

Cyril Despres (Fontainebleau, 1974) is amongst the leading international sportsmen and women who have chosen Andorra as their place of work. The French rally racing rider, a five-times winner of the Dakar, not only lives in Andorra, but is also full of praise for our country, acting almost as an ambassador for its many qualities and possibilities.

How did you first come to Andorra?

I came here in 2000. I was a mechanic and I wanted to get away from the Paris region. I was lucky enough to find a job, helping to develop an electricity meter that Henri Magne was making in Andorra. I spent a few days there and realised that the country offered many opportunities if I wanted to become a motorbike rider. I had a job and I was close to Spain – those were my main reasons for staying in Andorra at that time.

What does living in a tiny country like Andorra give an athlete like you?

Mainly quality of life, but it is also easy to train all year round, I just have to change sport. Then there is day-to-day safety and security, not having to run any risks, not having to worry that they might steal something from you at any moment, as occurs in Paris. I was also impressed by the very sports-focused environment in general. From a very young age, schoolchildren get the chance to try all kinds of sporting activities, and I think that’s a very good thing.

How do you organise your training?

Joel, my personal coach, is Argentinian, he works in Anyós Park and he organises my training. About 15-20% of my training is on the motorbike, on various motocross tracks in Spain. I never used the motorbike much in Andorra, because its laws are complicated. I cycle in summer and ski in winter here. But another part of my training is in the gym and the pool, enjoying the excellent Andorran sports facilities. It’s very easy for me to train in such natural surroundings, at an altitude of 1,500 metres like my home in Arinsal.

You won Dakar 2013 in the motorcycle class. How did you prepare for the rally?

It’s difficult to explain my preparation for Dakar in just a few words, but I can say that, for any top athlete, physical preparation and care over every last detail are essential. I train 2-4 hours per day, 5 days a week, depending on the season, and needless to say I devote more hours and increase the intensity of my training as Dakar approaches. Generally speaking, we begin with more specific, harder training from July on, but as Joel says, better to suffer before the race than once it’s started. As you can imagine, it is important to be really well prepared for to take part in a motorcycle event that takes you over 9,000 kilometres in 15 days.

Logistically speaking, is it difficult to compete as a permanent resident of the Principality?

Living in Andorra is no problem for competing. I have never had any difficulties. When I go through customs with my van full of motorbikes and parts, they look at me as they would anyone else, and the customs officials know me now and they realise I’m not a smuggler. What I take with me I need for training and they know that.

As an elite rider, what conditions do you need to perform at your best?

To be an elite rider, you have to be really fit physically and have good powers of concentration, as well as above-average will to improve. What makes the difference is your willpower. Every year at Dakar there are many riders who hope to win, but only a few reach the finish line. That is the difference between a Marc Coma, a Stephan Peterhansel or a Cyril Despres and the other riders who don’t make to the end of the rally.

How do you see your future when you decide not to ride anymore? Some sporting project in Andorra?

For the moment, my future is to continue as a motorbike rider, taking part in competitions. I have future projects, but for the moment I’m keeping them to myself. What I can say is that, whatever I do, I’ll do it from Andorra.



The CEA gives you a voice



www.investwithandorra.com



68th WORLD
CONGRESS
FIABCI
ANDORRA
MAY 23-28, 2017
ANDORRA LA VELLA

**WELCOME
TO
ANDORRA**

WWW.FIABCIANDORRA.COM