
XII. SPAIN

General Information

Spain is a parliamentary monarchy, the first government of which piloted Spain's transition towards a modern democratic state in 1977. With a population of 40 million, Spain is organized into municipalities, provinces and 17 "autonomous" communities, in addition to the Spanish enclaves of Ceuta and Melilla in North Africa. Each enjoys its respective degree of control in the administration of its interests.

Principal cities are Madrid (the capital); Barcelona, the major industrial port city in Catalunya; Valencia, also a port city on the Mediterranean coast; Sevilla, Andalusia's principal city; and Bilbao, the Basque country's major port. Exporters targeting the Spanish market are encouraged to consider both Madrid and Barcelona as key cities as they have the largest market potential for most product sectors.

Language. Castilian Spanish, the official language, is understood throughout the country. Local languages are used in Galicia, Catalunya and the Basque country and differ significantly from Castilian Spanish.

Business Hours/Practices. Spanish Standard Time is six hours ahead of Eastern Standard Time (EST) in Canada.

Office hours for foreign companies in Spain generally follow the North American norm (9 a.m. to 5:30 p.m. allowing for an hour for lunch). Spanish companies allow for a longer lunch break and extend the closing hour. Summer hours are generally shorter (8 a.m. to 3 p.m.).

Banks are open to the public from 9 a.m. to 2 p.m., Monday through Saturday. The official currency is the Spanish peseta.

The metric system is used for all weights and measures.

Economy. Spain has a free market economy with notable government ownership of principal industries. Privately owned, state-licensed monopolies exist, though recent entry into the EEC has significantly reduced monopolistic practices at both state and private levels.