

Socio-Economic Impact of South Summit in Madrid

May 8, 2025

The background of the slide features a scenic view of mountains at sunset. The sky is a gradient of orange and yellow, transitioning into a darker blue over the mountain peaks. In the foreground, several bright, glowing red light trails curve across the landscape, creating a sense of motion and energy. The text "In Motion" is centered over this background.

In Motion

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1.

Introduction and objective of the report

South Summit is a **global platform** that facilitates the **connection** of startups, investors, corporations and public institutions in **all parts of the world** and in **various sectors**

SOUTH SUMMIT

South Summit has established itself as a **platform** for driving the innovative ecosystem, promoting corporate cultural change for more than a decade, attracting talent, generating high-value connections and contributing to economic transformation at a global level, in Spain and in Madrid.

IN MOTION: In an environment where everything is connected and in permanent transformation, South Summit drives movement through entrepreneurship, innovation and decisive action to face the great global challenges.

1 XIV Edition of South Summit

Madrid 2025

Where?



When?

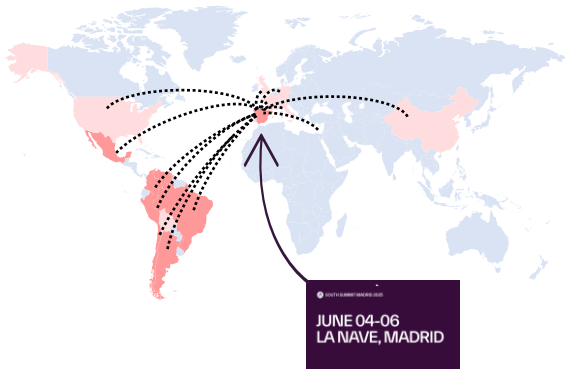


2 Sectors

Fintech	Ecosystem & innovation	Smart infrastructures
Trust tech	Health & science	AgriTech & food
		...
Sports tech	Space tech	Among many other ...

3 Event Scope

The **South Summit dimension** includes entrepreneurs, investors, speakers, corporations, media, institutions, etc. from all over the world and from all sectors.



Given its relevance to the entrepreneurial ecosystem and society, this report presents an **analysis of the evolution of this ecosystem** in the last year and the **estimated socioeconomic impact** of South Summit in 2025

Objectives of the study

1

TO ANALYSE THE EVOLUTION OF THE ENTREPRENEURIAL ECOSYSTEM IN SPAIN

Evolution of the global environment and the national context of the volume of investment.

2

CALCULATE SOUTH SUMMIT'S CONTRIBUTION

- Calculation of the **production (economic activity)** and **employment** that will be generated this year 2025 at the South Summit event in Madrid.
- Effect on **the media and media coverage** of the meetings in **Madrid**.
- Analysis of the **cumulative investment raised** of the **finalist startups** on the entrepreneurial ecosystem in 2024.

Main sources of information

- **Dealroom**, as a provider of data and information related to the entrepreneurial ecosystem
- **South Summit's 2024 Entrepreneurship Map**, developed in collaboration with IE University, analyzes the relevance of the Spanish entrepreneurial ecosystem
- **Bankinter Innovation Foundation's Startup Ecosystem Observatory in Spain**, on the latest investment trends in Spain in 2024
- **Startup Radar madri+d**, with the latest reports on the Madrid ecosystem and investment
- **Institute of Statistics of the Community of Madrid**, with data on expenditure by national and international visitors



Methodology: input-output model

The estimation of the impact on **economic activity** and **employment** in Madrid with the **celebration of South Summit** is calculated from the **input-output model**, a technique widely used in the quantification of economic impacts¹.



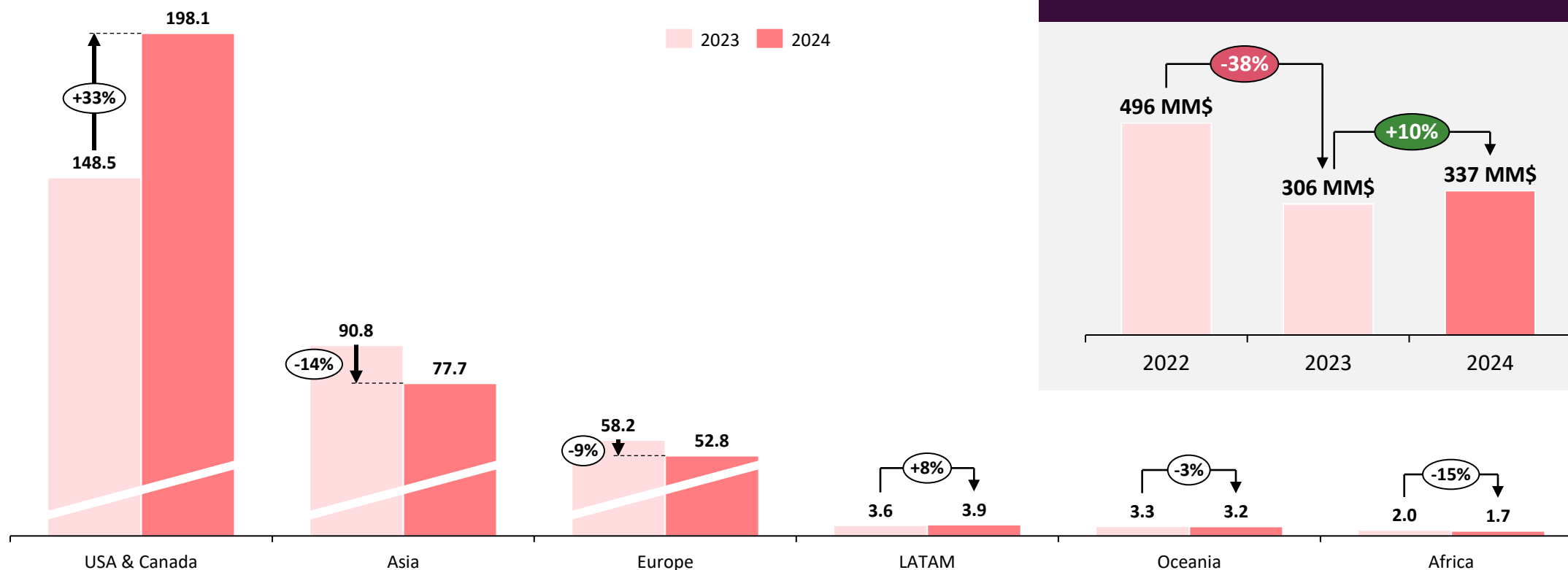
2.

The entrepreneurial ecosystem

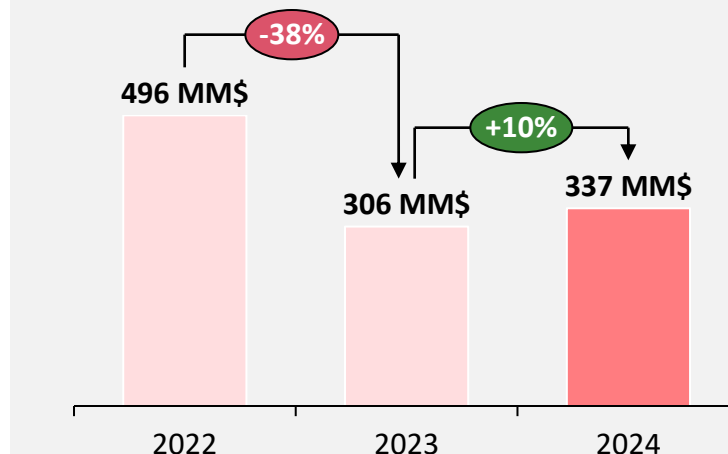


After the decline in global investments in startups between 2022 and 2023, **2024** marked a **change in trend**, with a **10% increase** that brought total investment to **\$337 billion**

Evolution of the **volume of investment** in startups (MM\$)



Volume of world investments (MM\$)





This rebound is largely explained by the improvement in the **macroeconomic context**, with a soft landing for the economy, and the prioritisation by investors of **financing rounds in more mature companies**

Macroeconomic factors that have affected the volume of investment in startups in 2024

Lowering interest rates (soft landing of the economy)

The progressive **reduction of interest rates** by approximately 100 basis points carried out by the Federal Reserve and the European Central Bank in 2024 has been in line with the reduction in inflation, which has made it possible to maintain a relatively stable and strong labour market and private consumption. The improvement in the macro context and the return to lower rates has once again generated greater interest in **investment alternatives** with potentially higher returns, such as venture capital.

Normalization of the geopolitical situation

The **normalisation of geostrategic conflicts** in the vicinity of the European Union and the stabilisation of energy prices have reduced the risk perceived by investors. In addition, venture capital, having a long time horizon and focusing on **companies with high growth potential**, shows greater resilience to short-term economic fluctuations. This allows investments to continue to move forward, even in uncertain geopolitical contexts, especially in innovative or expanding sectors.

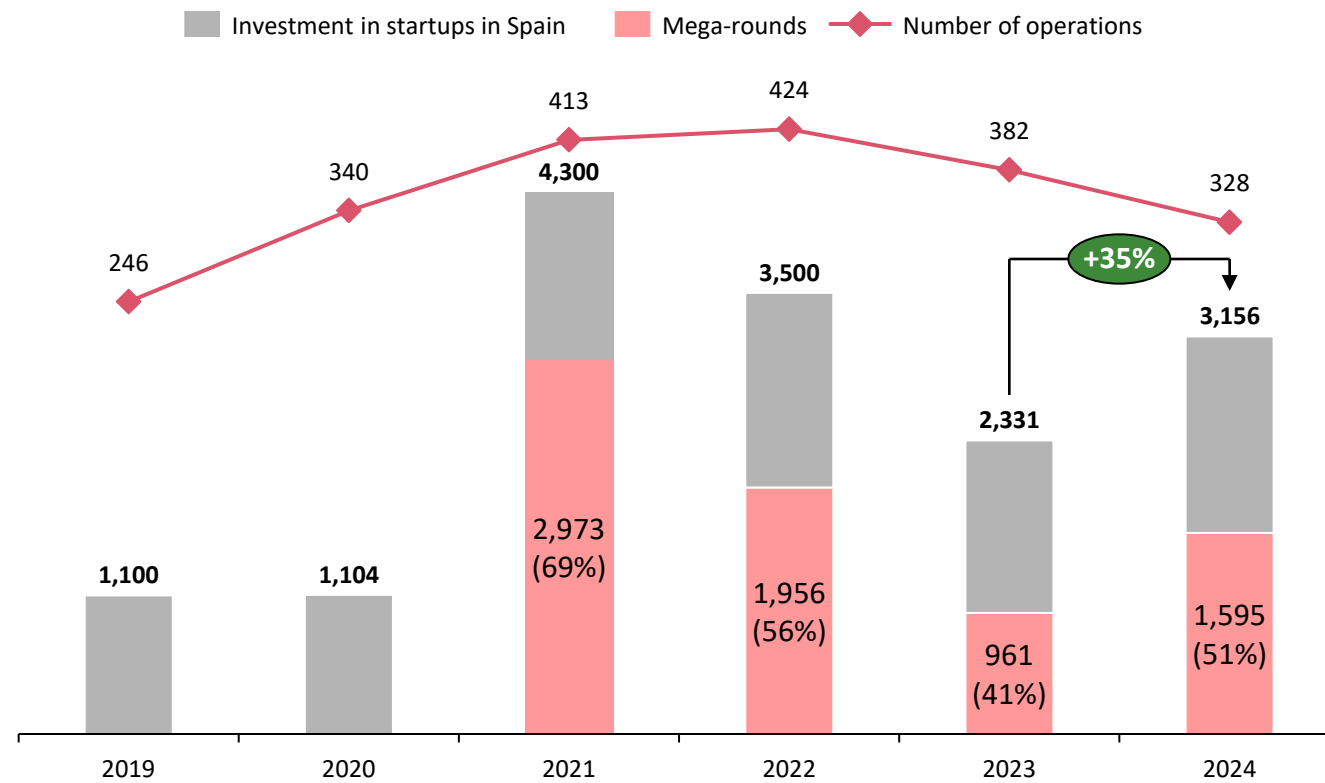
Targeting investors on mature companies with larger rounds

In the current global context, investors have redirected their focus towards **more mature companies and larger funding rounds** as part of a strategy aimed at mitigating risk and maximizing returns. Advanced-stage companies, with **strong business models and stable revenue streams**, have lower volatility, which has made them more attractive options in the face of the risks and uncertainties of the global environment.



In **Spain**, this increase was **significant**, with an increase in **investment volume** of **€885 million** (+35%), thanks in part to the number of mega-round operations

Evolution of the **volume of investments** in Spanish startups (M€) and **number of operations**



Key Points of 2024



35% increase in **investment volume** compared to 2023



The **number of operations** has been reduced by 14% compared to the previous year



The **average size of rounds** has increased by 58% mainly due to the 66% growth of **mega-rounds**

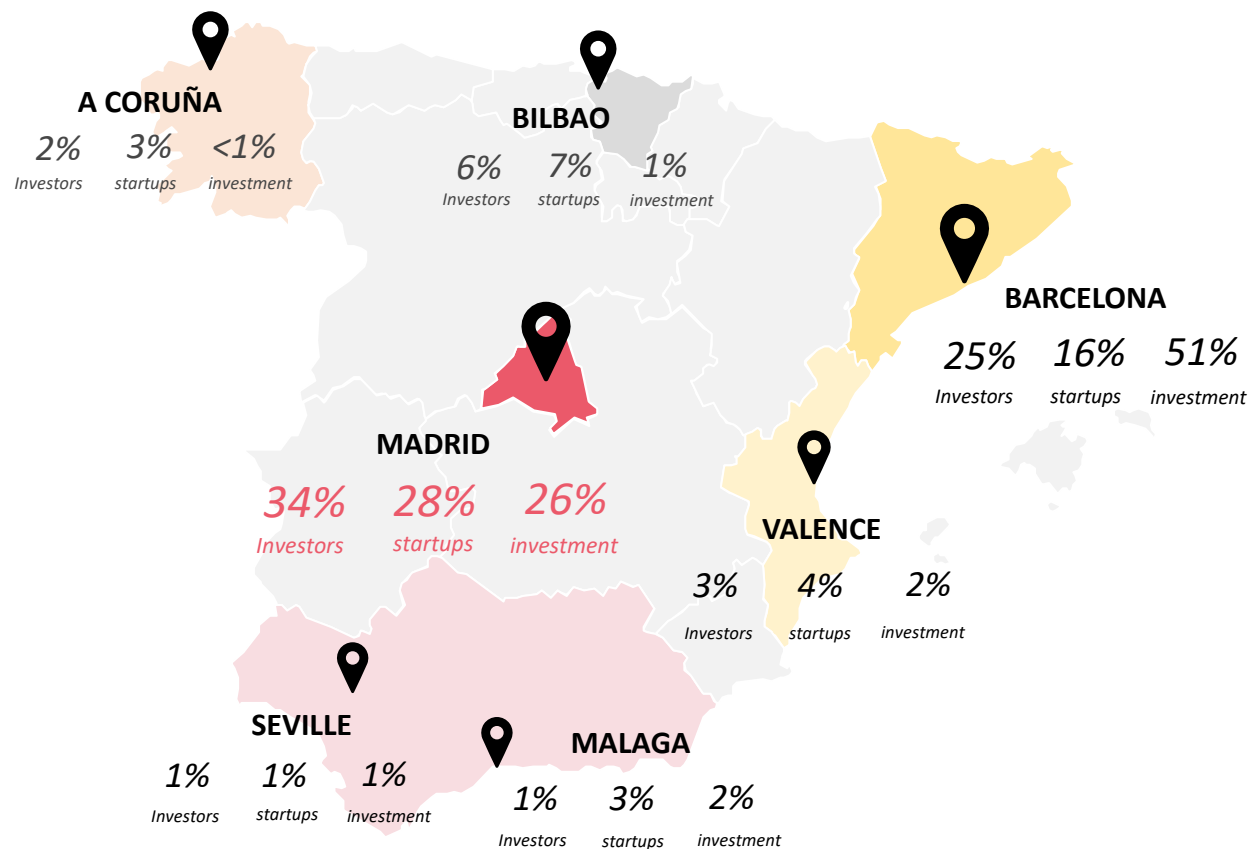


134% increase in **foreign investment** compared to 14% growth in **domestic investors**



Madrid and Barcelona continue to stand out as the main entrepreneurial ecosystems at the national level

National map of the main entrepreneurial ecosystems in 2024 (% of the national total¹)



The **entrepreneurial ecosystem** in Spain has experienced a notable **geographical expansion** over the last year, registering positive advances in **several provinces**. **Madrid and Barcelona** continue to concentrate the main entrepreneurship ecosystems, followed by **Bilbao, Valencia and Malaga**, which also have a significant weight in this area.

This year the case of **Palencia** stands out, which, despite having a small number of investors, startups and transactions, has managed to position itself as an important **innovation hub** in Spain. This milestone is due, to a large extent, to the investment round obtained by the company **Zunder**.



Madrid recorded a total investment of **more than 821 million euros** in 2024, **6% more** than in 2023, thus remaining one of the **main hubs** nationally and internationally for another year

Notable data on Madrid's **entrepreneurial and innovative ecosystem**

Entrepreneurial ecosystem in Madrid in 2024



~ €821 million raised by **Madrid startups** in 2024 in 93 operations¹

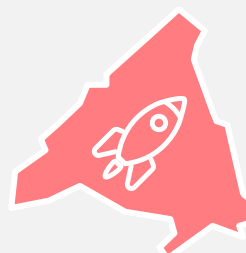


~ 10,952 **Madrid startups** in 2024²



~ 1.5 M **workers** are part of **Madrid's startups** in 2024²

MADRID Ecosystem



1st city globally in the ranking of the main **developing ecosystems**³

3rd European position **in number of exits** with a total of 4,200 million euros⁴

4th European position in **fundraising** by venture capital investors with more than 1,200 million in 2024⁴

6th European position by total number of **companies invested**⁴

3.

Contribution of South Summit

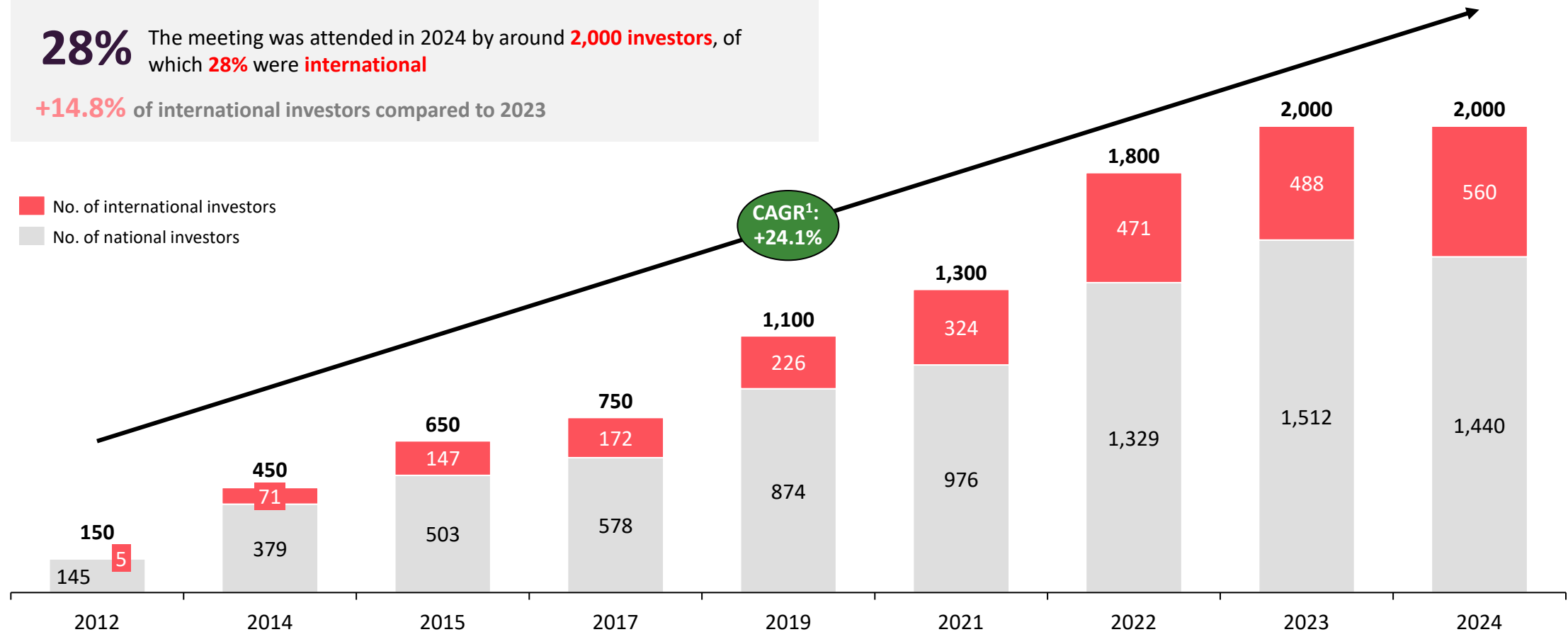
South Summit has established itself as **the benchmark meeting** at a national and international level...

2012-2013	<i>Spain Startup – Driving Innovation and Entrepreneurship</i>	>>	70 investors	185 entrepreneurs		
2014-2015	<i>Let's Prove to the world how bright the South is!</i>	>>	450 investors	3,500 entrepreneurs	31.500M\$	Investment Portfolio
2016-2017	<i>Development of South Summit We landed in L@ N@ve!</i>	>>	650 investors	4,600 entrepreneurs	35.700M\$	Investment Portfolio
2018-2019	<i>Consolidation in Madrid and expansion in Spain and LATAM</i>	>>	1,100 investors	6,500 entrepreneurs	\$126,000M	Investment Portfolio
2020	<i>COVID-19 Resilience: Investing in Reinvention</i>	>>	Strong telematic presence and several thematic meetings		+30.000	Active users on the platform
2021	<i>Shape the Future and Green Economy</i>	>>	1,600 investors	8,000 entrepreneurs	\$141,700M	Investment Portfolio
2022	<i>Decoding Complexity</i>	>>	1,848 investors	6,160 entrepreneurs	\$250,000M	Investment Portfolio
2023	<i>TODAY 2030</i>	>>	2,000 investors	6,500 entrepreneurs	\$326,000M	Investment Portfolio
2024	<i>HUMAN BY DESIGN</i>	>>	2,000 investors	+6,500 entrepreneurs	\$500,000M	Investment Portfolio
2025	<i>IN MOTION</i>	MADRID 4-6 JUNE 2025				

... creating high-value relationships in its more than thirteen years of history

Number of investors in South Summit (2012-2024)

28% The meeting was attended in 2024 by around **2,000 investors**, of which **28%** were **international**
+14.8% of international investors compared to 2023



This year, under the slogan **In Motion**, South Summit will be focused on driving **innovation on a large scale**, with a focus on **growth**, always placing **people** and the **planet** at the center, and counting on **technology** as a great ally

In **2025 South Summit** promotes entrepreneurship as a **transformative force**, promoting economic growth and innovation to face uncertainty and respond to **global challenges** through **decisive actions**

4 Powerful Tracks

Growth



Sustainable
action



Technological
horizons



Humanity
2.0



OUTSTANDING LEADERS

CONNECTION  EMOTION

IN MOTION



Marc Randolph
Co-Founder of Netflix,
Bestselling Author,
Entrepreneur, Mentor
and Investor



Marci Zaroff
Founder and CEO of
ECO-fashion Corp, educator,
entrepreneur and author of
ECOrenaissance



Dennis Hong
Founding Director of
RoMeLa and Professor at
the University of
California, Los Angeles



Gregg Hoffman
Former CMO of Nike,
founder and director of the
Modern Area platform, and
author of Emotion By Design

Some of the **Startups and Unicorns** within the South Summit ecosystem



The **XIV edition** will feature a program of **meetings, talks and conferences** that will deal with **various sectors** and topics, including...

SOUTH SUMMIT



FINTECH

Financial Inclusion | Future of Banking | DeFi



CLIMATE TECH

Energy transition | Ecosystem Regeneration | Circular economy



DIGITAL CULTURE

Entertainment | Digital Communities | Education



SPORTS TECH

Digitalization | Future of Sport | Leadership



TRUST TECH

Privacy | Transparency | Ethics



SMART INFRASTRUCTURES

Industry 5.0 | Mobility | Connectivity



HEALTH & SCIENCE

Med Tech Solutions | Mental Health | Future of health



AGRITECH & FOOD

Food Value Chain | Agritech Solutions | Future of food



INNOVATION & ECOSYSTEM

Redefining Success | Ecosystem Collaboration | Talent economy



GROWTH

Investment | Scaling up



SPACE TECH

Future of the space sector | Revolutionary Spacetech | Leadership through spacetech

In this context, the **South Summit** meeting adds value through the following **strategic axes**...



Economy and employment

... generating **economic activity and employment** in Madrid with the organization and celebration of the meeting

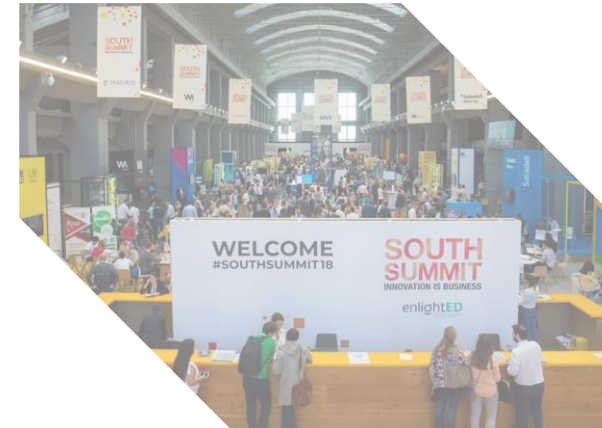
Image and reputation

... improving the **image and reputation** of the country, thanks both to the meeting itself in Madrid and to the continuous activity



Entrepreneurial ecosystem

... contributing to economic activity and employment thanks to the **investment raised by the finalist startups**



3.

Contribution of South Summit

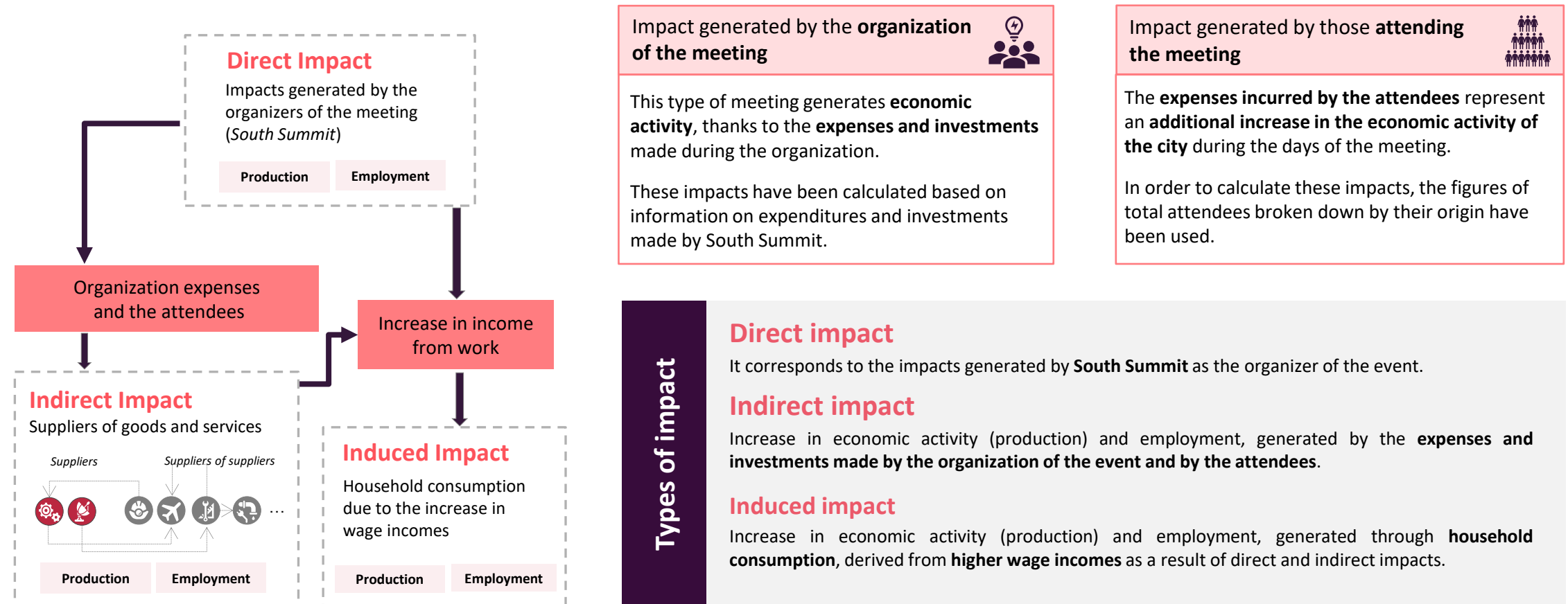
3.1 Impact on the economy and employment

3.2 Impact on image and reputation

3.3 Impact on the entrepreneurial ecosystem

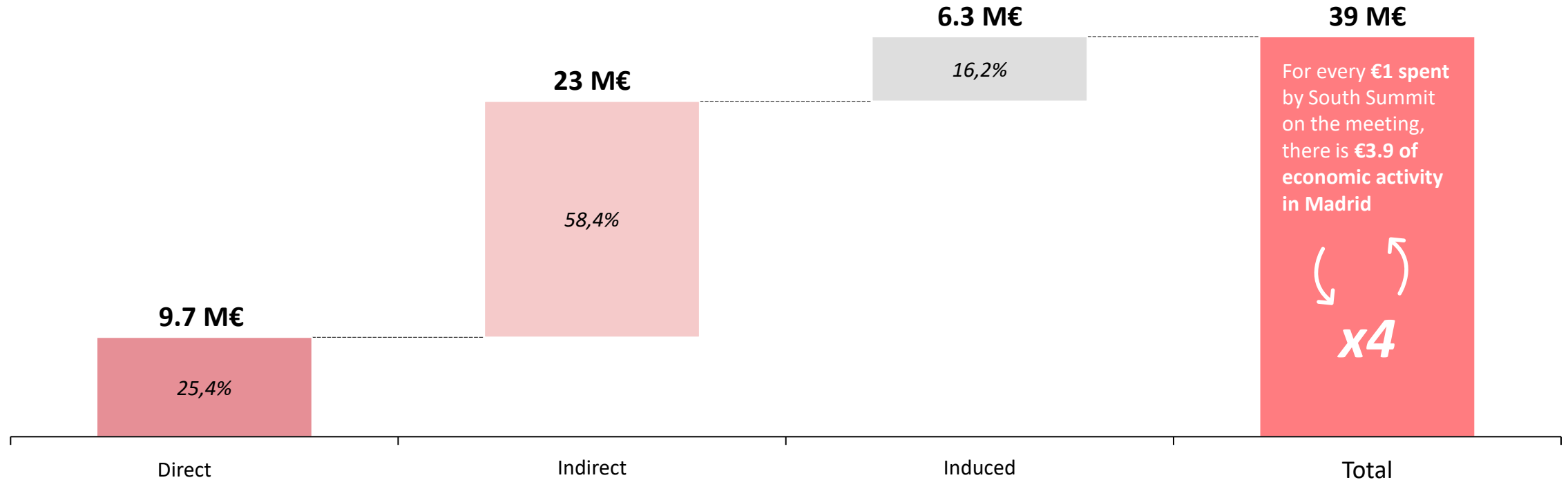
The organization and celebration of South Summit generates a **positive impact** on the **economy** and **employment** of the **city of Madrid**, both directly, indirectly and through induced effects

Typology of socioeconomic impacts calculated for Madrid from South Summit in 2025



The South Summit 2025 event will generate approximately **€39 million** in economic activity in Madrid

Impact on Madrid's production of South Summit 2025 (M€)



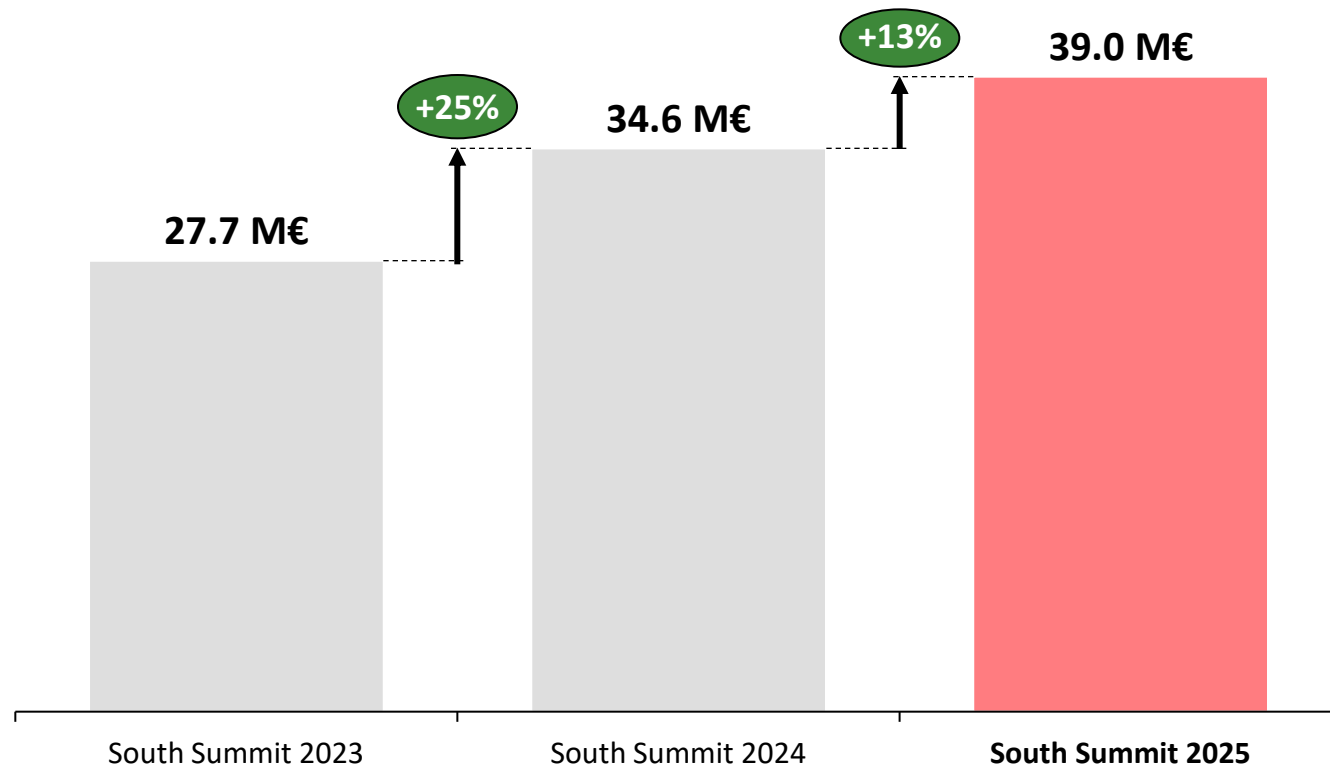
1.899 €

+21% compared to 2024

For every visitor who comes to South Summit, around **€1,899** of activity is generated in the local economy

In line with the improving context of the ecosystem in Spain, South Summit continues to **increase its contribution**, with a **10% greater economic impact** than in the 2024 edition

Comparison of the impact on the production of South Summit in Madrid (M€)



The economic impact of South Summit 2025 is equivalent to...

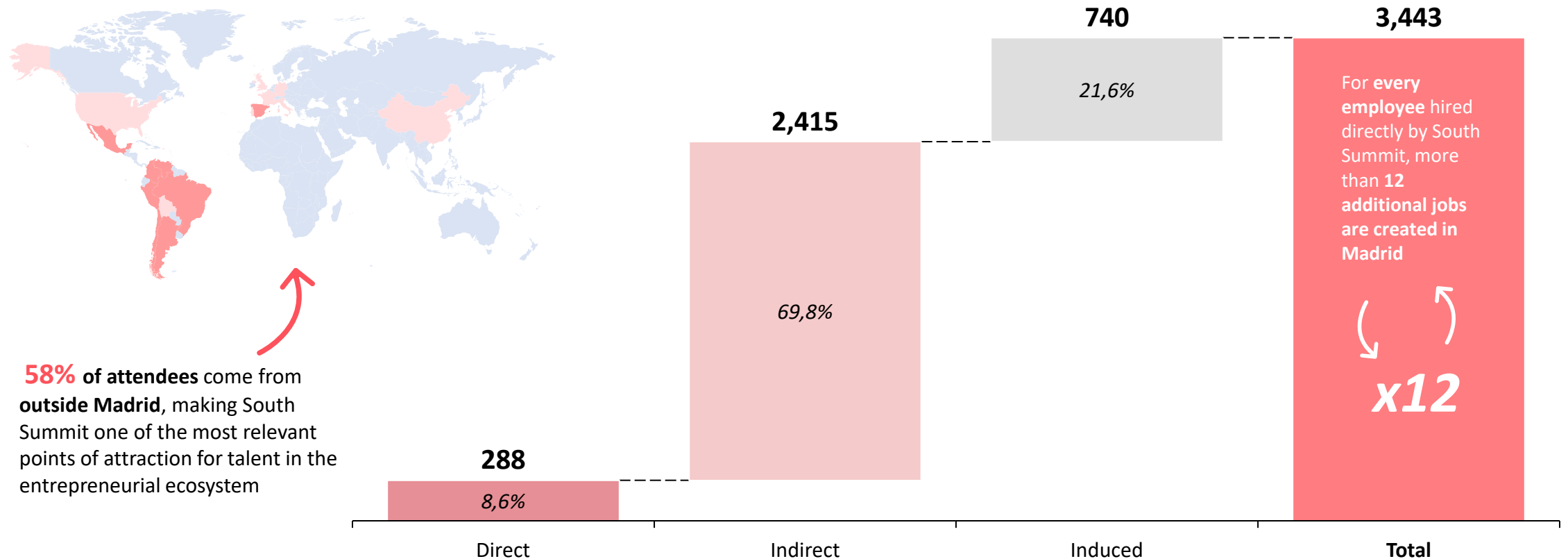
28% of expenditure on **cultural activities** budgeted by the Madrid City Council for 2025¹.

31% of the **health** expenditure budgeted by the Madrid City Council for 2025².

21% of the expenditure on **education** budgeted by the Madrid City Council for 2025³.

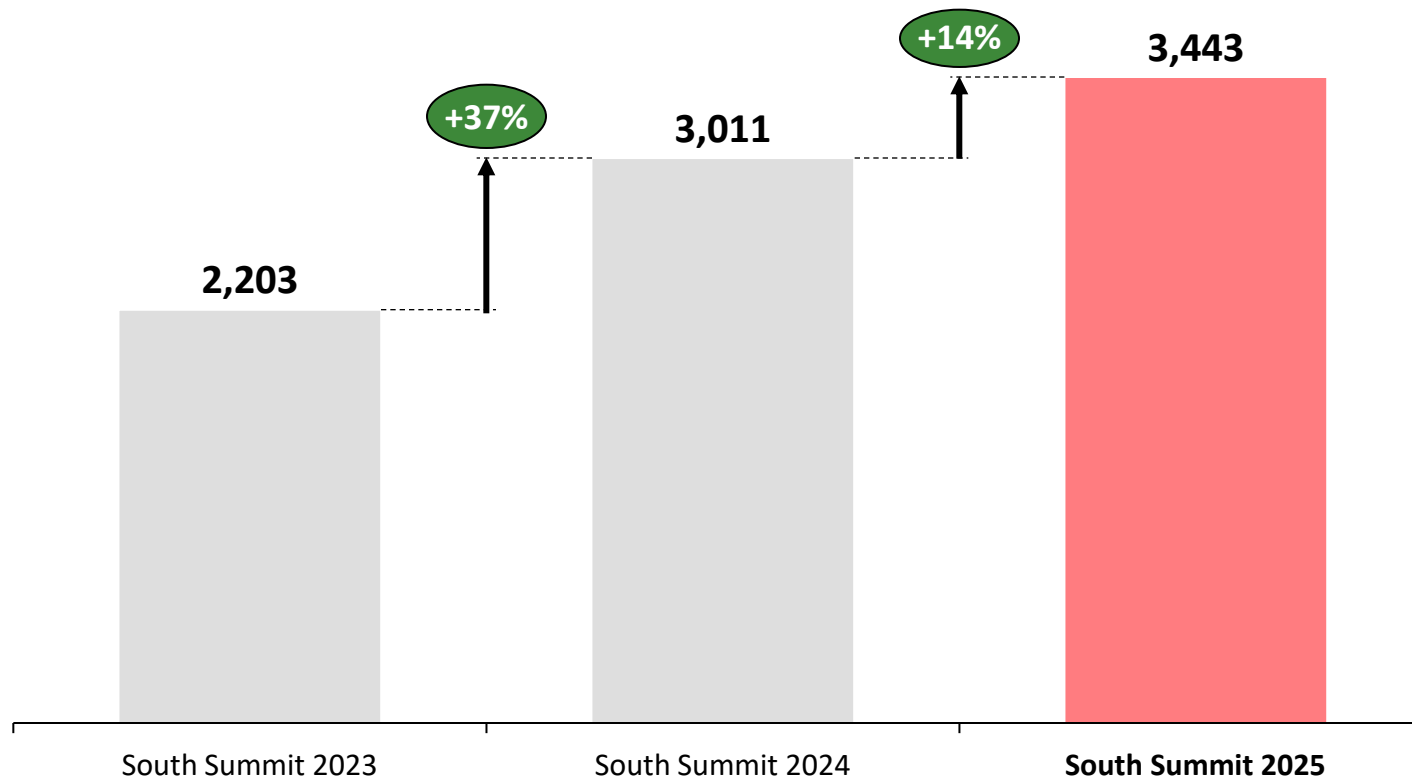
In terms of **employment**, South Summit is positioned as a **focus of international attraction**, with more than half of the attendees from outside Madrid, which generates a total impact on the city of more than **3,443 jobs**

South Summit's Madrid employment impact in 2025 (Equivalent to monthly duration jobs)



As with economic activity, this year's **total contribution to employment** continues to **grow** compared to past editions, with **14% more than** in 2024

Comparison of the impact on employment in Madrid of South Summit in 2025
(equivalent jobs of monthly duration)



509 jobs

For every **M€ of expenditure and investment** made by South Summit, around **509 equivalent jobs of monthly duration** are created directly, indirectly and induced



301 jobs

For every **€ million spent by attendees**, around **301 equivalent jobs of monthly duration** are created directly, indirectly and induced.



3.

Contribution of South Summit

3.1 Impact on the economy and employment

3.2 Impact on image and reputation

3.3 Impact on the entrepreneurial ecosystem

The meeting has a high **media impact**, which boosts the image and **reputation of the city** and helps to position it as a **reference in entrepreneurship**

Summary of the **media impact** of the South Summit meeting in Madrid in 2024 (5-7 June)



MEDIA IMPACTS

The **total number of media impacts** at the 2024 meeting amounts to **1,684 online impacts** and ...



123

Impacts
International



ECONOMIC VALUE

The **South Summit meeting** achieved an economic valuation in 2024 equivalent to...

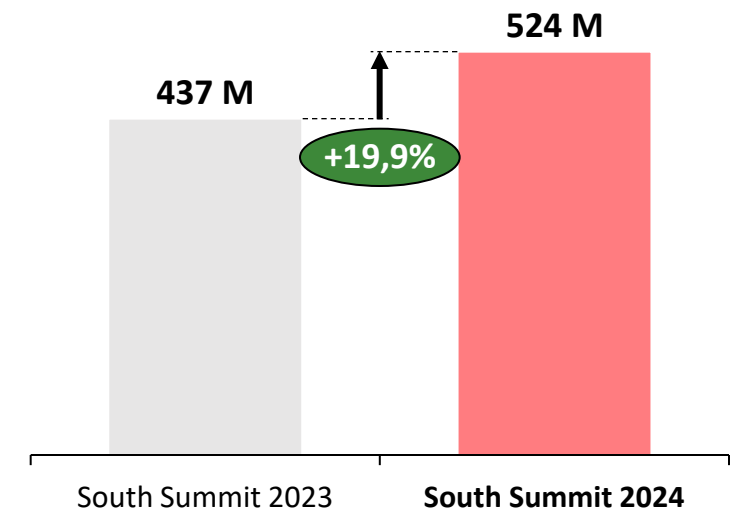
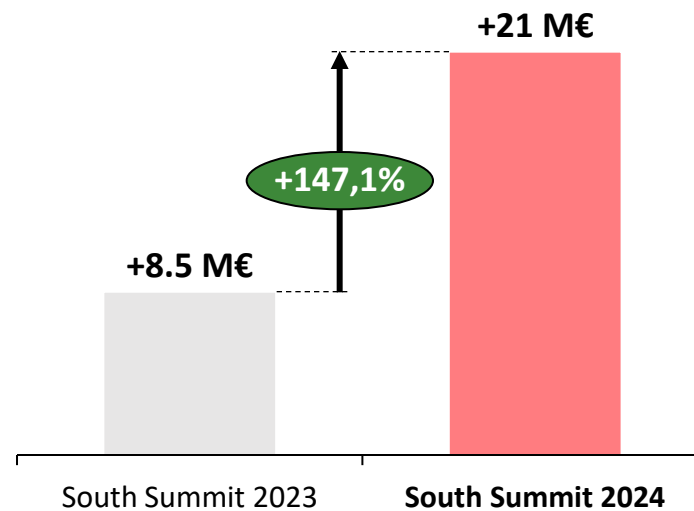
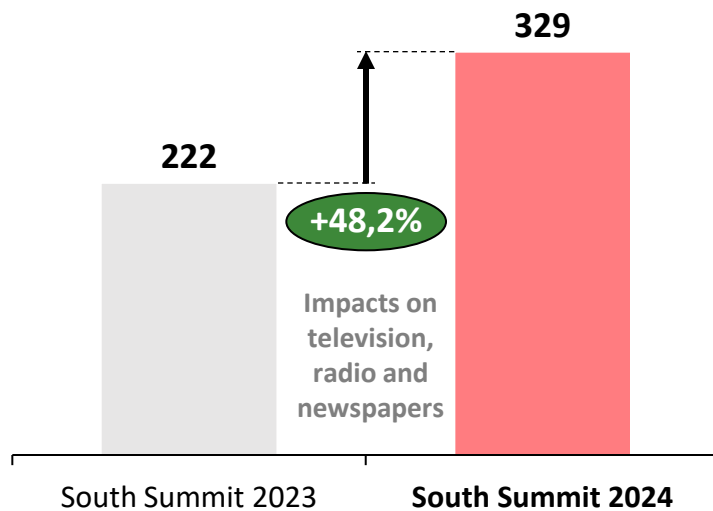
21 M€



AUDIENCE

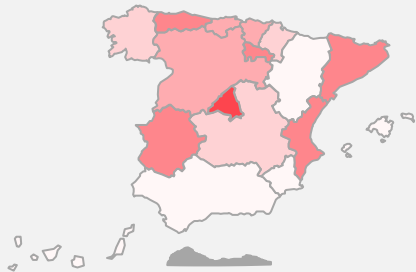
During the meeting, **South Summit** reached an audience of...

524 M



In addition to the meeting itself **in Madrid**, South Summit generates an important **media impact** whose effects are maintained throughout the year

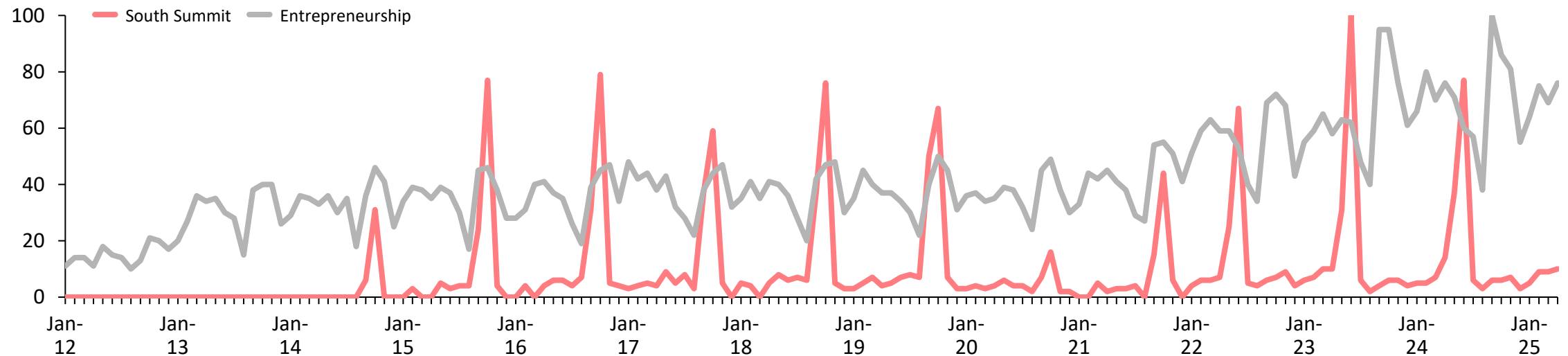
Relationship between the **number of searches** in Google Spain for "**South Summit**" and "**entrepreneurship**"



The **Community of Madrid** registers the **highest online interest** in the South Summit event, with the highest number of internet searches, followed by **Catalonia**, the **Valencian Community**, **Extremadura** and **Asturias**.



Interest in **entrepreneurship** in Spain continues its **upward trend**, in line with the impact recorded each year by **South Summit**



3.

Contribution of South Summit

3.1 Impact on the economy and employment






3.2 Impact on image and reputation

3.3 Impact on the entrepreneurial ecosystem

81% of the startups participating in South Summit 2024 were **international**, being a pole of **attraction for global talent** that drives **investment and** the greatest impact on the entrepreneurial ecosystem

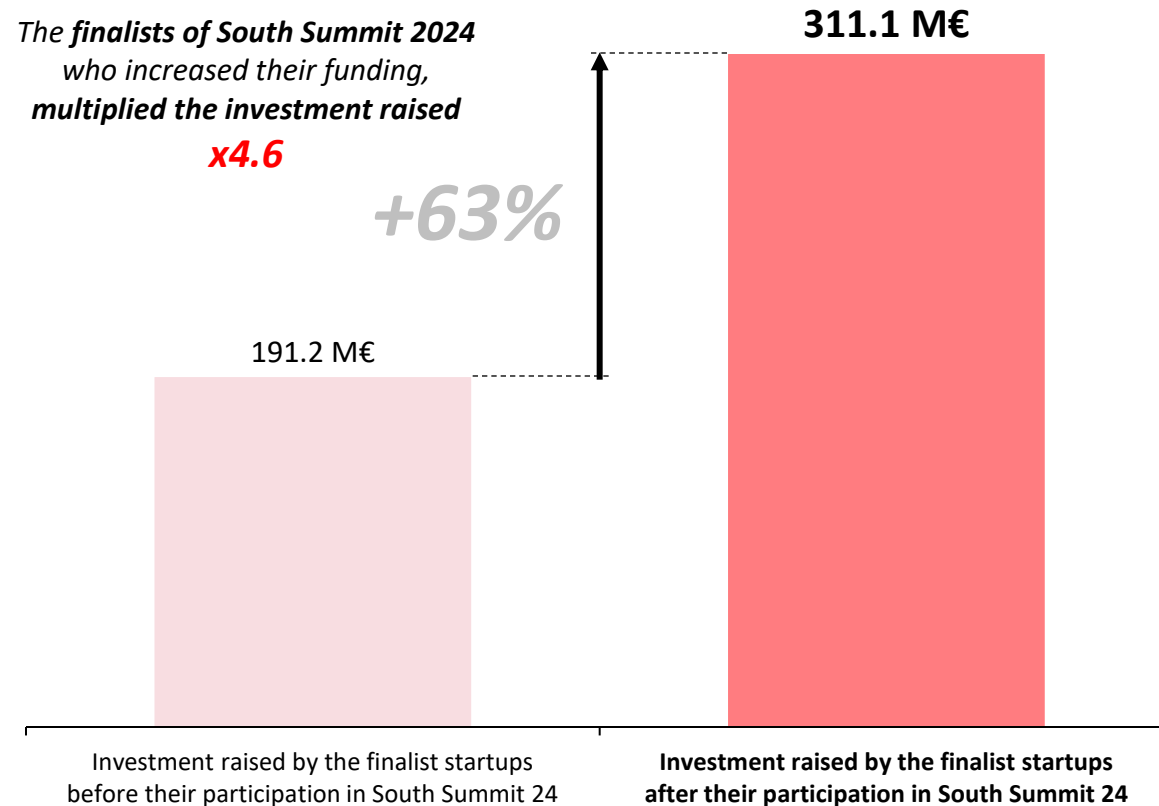
8 out of 10 startups participating in South Summit 2024 were **international**, subsequently representing around **47% of the finalist startups**

Number of **South Summit finalist startups** and their total investment received (2012-2024)

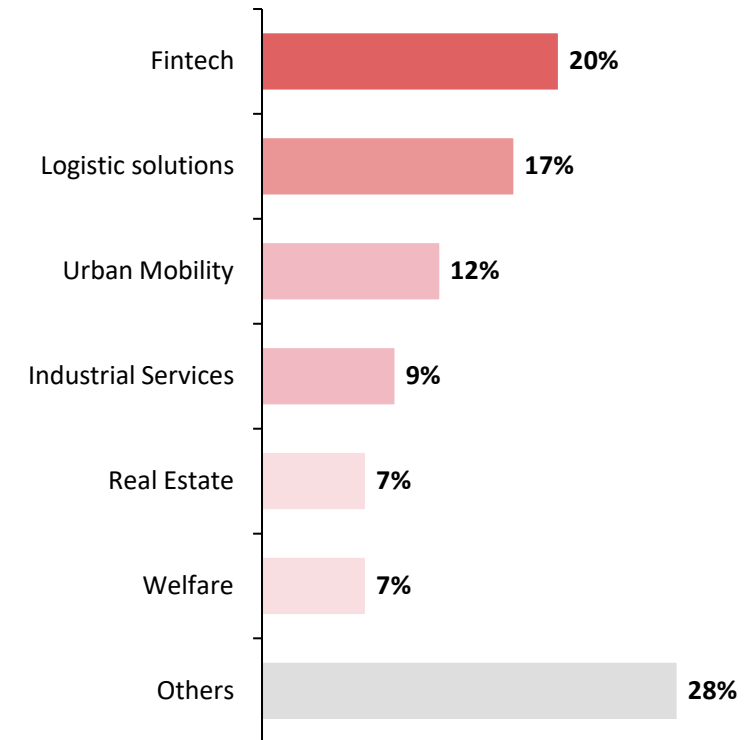
	 No. of finalist startups (cumulative 2012-2024)	 Total investment received by the finalist startups (cumulative 2012-2024)	
 Total	1,062	€12,206 M	About a 70% of the total investment raised by the finalists between 2012 and 2024 corresponds to Spanish startups
 From Spain	626	8,535 M€	The total investment accumulated by Madrid finalist startups represents around ... 50% of the investment received by the finalist Spanish startups
 From Madrid	292	4,268 M€	

After their participation in South Summit, the 2024 finalist startups experienced a **63% increase** in the volume of **investment raised**, reaching a total of **€311.1 million**

Investment raised by the **finalist startups** of the South Summit 2024 edition

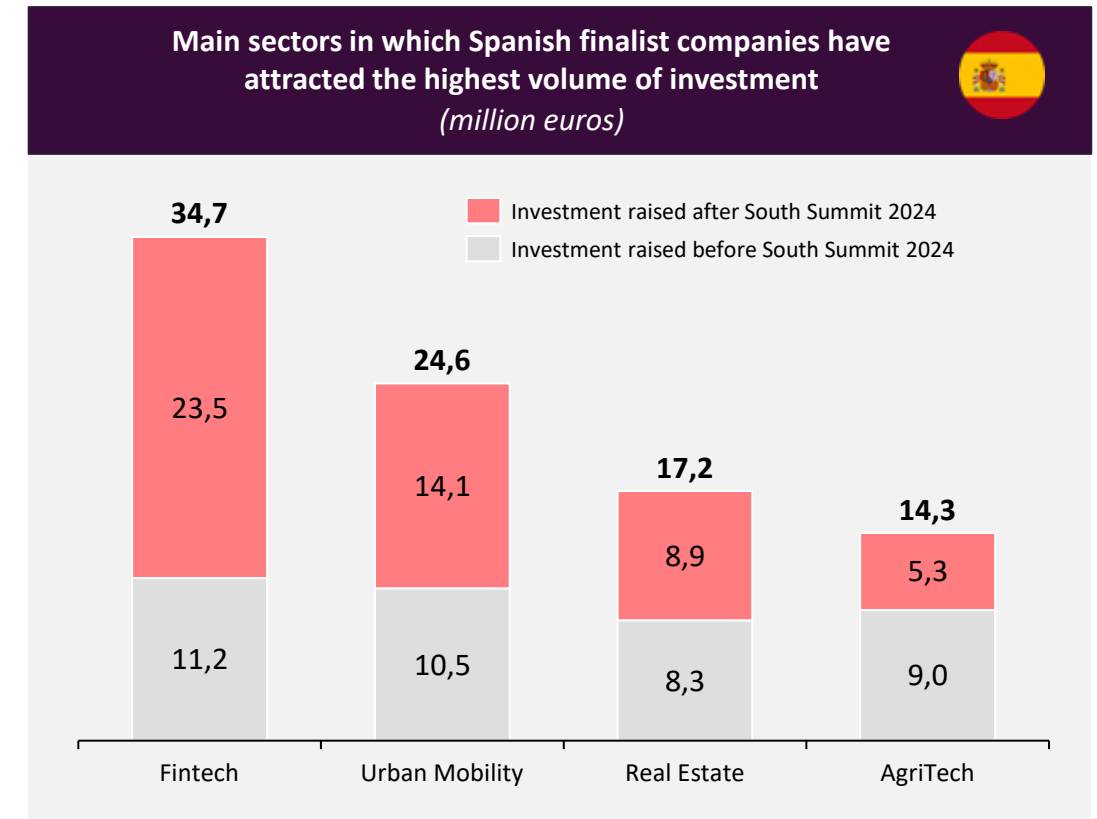
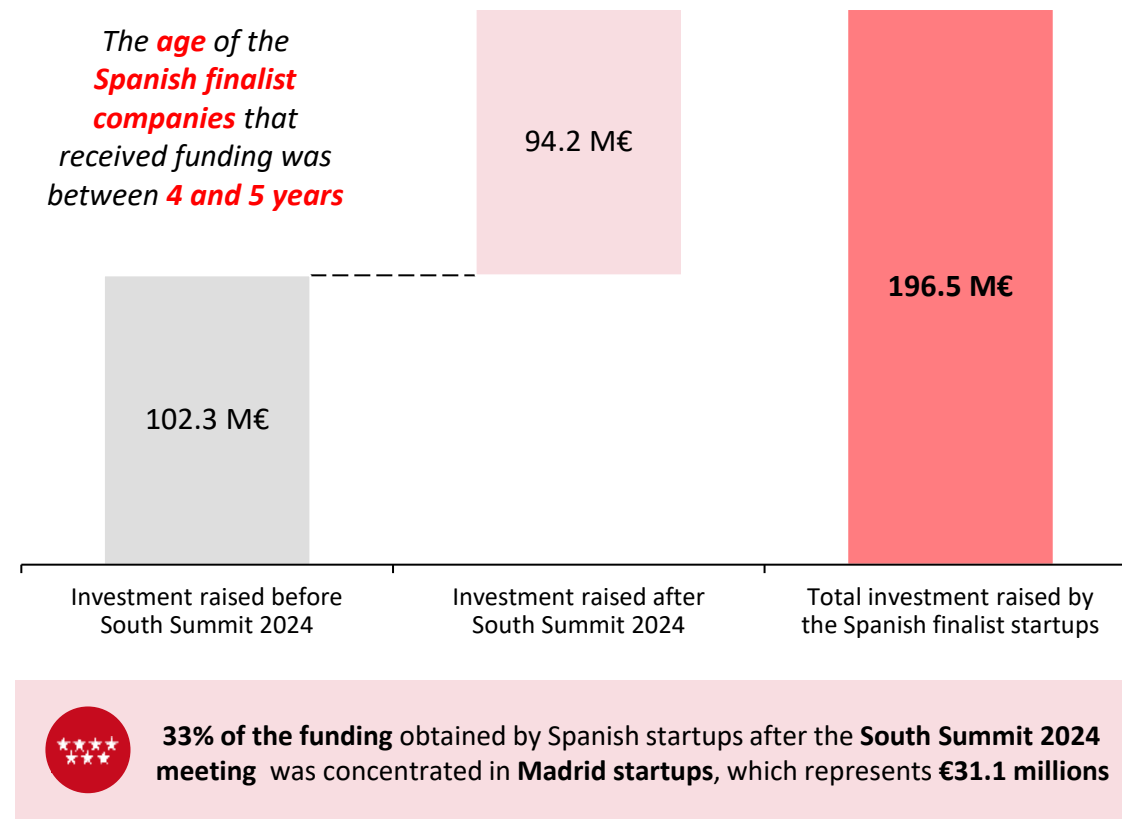


Main sectors in which the finalist companies have attracted the highest volume of investment
(% of the total)



In the case of **Spanish startups**, this effect is even more relevant, managing to **almost double (+92%)** the **investment raised** after their passage through the South Summit final in 2024

Investment raised by the **Spanish finalist startups** of the South Summit 2024 edition



Methodological annex

Methodological Annex: The Input-Output Model (1/2)

The impacts on economic activity and employment in Madrid generated as a result of the organisation and holding of the meeting are calculated based on the *input-output model*, built from data from the Regional Accounts of the Community of Madrid. In addition, the *input-put model*, built from data from the Spanish National Accounts, has been used to calculate the impact of the South Summit finalist companies in Spain.

Input-output models are a standard and widely used technique for quantifying the economic impact of economic activities and infrastructure investments. They are based on *Leontief's* production model, in which the production requirements of an economy are equivalent to the intermediate demand for goods and services by the productive sectors plus the final demand, as can be seen in the following expression:

$$X = AX + y$$

where X is a column vector that represents the production needs of each sector of the economy (a total of 66 in the Regional Accounts of the Community of Madrid and; a total of 63 in the National Accounts of Spain), and is a column vector that represents the final demand of each sector, and A it is a matrix (66 rows x 66 columns in the Regional Accounts of the Community of Madrid and; 63 rows x 63 columns in the National Accounts of Spain), called technical coefficients, which by rows indicates for each specific sector the percentage of its production that is destined to each of the other sectors of the economy, and by columns it also indicates for each sector the weight on its production of the goods and services that it demands from each of the other sectors of the economy. The above expression can also be seen as follows:

$$\begin{bmatrix} X_1 \\ X_2 \\ X_3 \\ \dots \\ X_{66} \end{bmatrix} = \begin{bmatrix} a_{11} & a_{12} & a_{13} & \dots & a_{166} \\ a_{21} & a_{22} & a_{23} & \dots & a_{266} \\ a_{31} & a_{32} & a_{33} & \dots & a_{366} \\ & & & \dots & \\ a_{661} & a_{662} & a_{663} & \dots & a_{6666} \end{bmatrix} \begin{bmatrix} X_1 \\ X_2 \\ X_3 \\ \dots \\ X_{66} \end{bmatrix} + \begin{bmatrix} and_1 \\ and_2 \\ and_3 \\ \dots \\ and_{66} \end{bmatrix}$$

where, e.g., X_1 is the production needs of sector 1, and_1 is the final demand of this same sector, and $at_{11}, at_{12}, at_{13}, \dots, at_{166}$ are the percentages of the production of sector 1 that is destined to, respectively, sectors 1, 2, 3, ..., 66, while $at_{11}, to_{21}, to_{31}, \dots, to_{66}$ are the weights on the production of sector 1 of the goods and services demanded, respectively, of sectors 1, 2, 3, ..., 66.

Methodological Annex: The Input-Output Model (2/2)

Reordering the previous expression, the production needs of an economy (X) can be calculated from the final demand (y) that it has to meet as follows:

$$X = (I-A)^{-1} \text{ and}$$

Where $(I-A)^{-1}$ is the Leontief inverse matrix or output multiplier matrix that is used to calculate impacts.

The matrix of production multipliers that we use in our analysis has been calculated from the data published by the National Institute of Statistics of the Community of Madrid. This matrix makes it possible to determine, for each euro disbursed or invested in the different sectors of the Regional Accounts (i.e. for each euro of final demand), the impact in terms of gross production (i.e. production needs). On the other hand, for the estimation of the national impact of the South Summit finalists, the matrix of production multipliers calculated from the data published by the National Institute of Statistics has been used. This matrix makes it possible to determine, for each euro disbursed or invested in the different sectors of the National Accounts (i.e. for each euro of final demand), the impact in terms of gross production (i.e. production needs).

From the matrix of production multipliers, the employment multipliers are calculated. To do this, using data from the National Institute of Statistics of the Community of Madrid and the National Institute of Statistics, the direct employment coefficients (ratio between number of employees and production) are first calculated for each sector. The employment multipliers are then derived by multiplying the output multiplier matrix by a column vector with the direct employment coefficients calculated for each sector.

The multipliers for calculating the induced effects are obtained from information on: (i) the weight of household income (remuneration of employees) on the production of each of the affected sectors, (ii) the distribution of household consumption by sector, and (iii) the estimated marginal propensity to consume for the Spanish economy (0.643).

Methodological Annex: Estimation of Attendee Expenses

In the absence of specific information on the expenditures made by those attending the meeting, the data on average tourist expenditures have been used as an approximation, as well as the breakdown of these expenditures by concepts published by the Institute of Statistics of the Community of Madrid and the INE. More specifically, for those attending the meeting, the average expenditure made by tourists from the rest of Spain and foreigners who come to the Community of Madrid has been used as a reference.

These average expenditure figures have been additionally adjusted for the specific case of South Summit, in order to reflect only those expenses that would have had an impact on Madrid and that would not have been incurred if the meeting had not been held. In addition, to avoid duplication in the estimated impacts, those expenses made by the attendees in the tickets to the match have not been taken into account.

The adjustment of these figures has been made independently depending on the origin of the attendees, as detailed below:

- Attendees from Spain (except the Community of Madrid) and from outside Spain:
 - It has been assumed that 50% of transport expenditure was made in Madrid and the remaining 50% in the respective places of origin, with the exception of air and sea transport where 75% has been assumed.
 - The travel agency expenses of foreign tourists have not been included on the assumption that they were made in the place of origin.
- Attendees from the Community of Madrid:
 - In order to take into account only those additional expenses, i.e. those that have been incurred exclusively for attending the meeting and that would not have been incurred in the absence of it, in the case of residents in Madrid, only the expenditure made on transport to and from the festival site has been taken into account (mainly taxi and petrol in the case of those who use their own vehicle). These figures have been estimated based on the average prices of petrol and taxi journeys from the venue to different points in Madrid (€50 for a round trip in a taxi with 2 people).

In order to estimate the impacts, all the average expenditure data have been additionally adjusted by eliminating the corresponding VAT, depending on each category of expenditure.



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