

# SustainX

## Mini Collaboration Guide with the Canary Islands Region



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# Opportunities for European Companies after International Sustainability Week

## Why the Canary Islands?

The Canary Islands are one of the nine Outermost Regions (ORs) of the European Union, with a special status that combines structural challenges (insularity, economic dependency, administrative fragmentation) with unique strategic advantages: a preferential tax regime, extended access to European funding, and a role as a “living lab” for the green and digital transition.

The working visit of the DIZ team to the Canary Islands during **International Sustainability Week (Tenerife)**, together with the strategic documents developed throughout 2025 within the SustainX programme, provide a clear picture of how this region can become a key partner for companies seeking internationalisation, solution testing, and access to European projects.

## 1. Regional profile – key data for market entry decisions

### Relevant socio-economic data

- Population: **~2.24 million inhabitants**
- GDP per capita: **~60–65% of the EU average**

### Economic structure:

- services and tourism: **~35–40% of GDP**
- high dependence on imports

### Unemployment:

- above the EU average
- youth unemployment: **>50%**

These figures explain why **economic diversification, innovation, and investment attraction** are major priorities in the Regional Action Plan.

## 2. Regional Action Plan – strategic directions for collaboration

The **SustainX – Canary Islands Regional Action Plan (2025)** builds on the **region’s RIS3 priorities**, translating smart specialisation objectives into concrete collaboration, testing, and internationalisation opportunities.

### Strategic objectives

- reducing dependence on traditional tourism;
- increasing local added value through innovation;
- positioning the region as a **European hub for testing and demonstration**;
- integrating the green and digital transition across all economic sectors.

### Key regional assets

- **special tax regime (REF / ZEC) – 4%** corporate tax for eligible companies, combined with additional tax exemptions and incentives;

- **European-level research infrastructures:**
  - **ITER** – renewable energy,
  - **PLOCAN** – blue economy and marine technologies,
  - **Institute of Astrophysics** – space and aeronautics;
- an emerging ecosystem of **living labs** and **testing platforms**.

☞ For external companies, this plan acts as a predictability framework for investments and partnerships.

## 3. Priority collaboration areas – opportunities for organisations from Romania

### 3.1 Sustainable tourism and digitalised HoReCa

- energy efficiency;
- food waste reduction and circular resource management;
- digital solutions for management and sustainable tourist experience;
- low-impact operations and integration with local ecosystems.

**Opportunity:** access to pilot markets + rapid validation with local actors.

**Example:** Visionary Hospitality – interest in international early adopters.

### 3.2 Green energy and climate technologies

- solar and wind energy;
- green hydrogen;
- energy communities and storage and climate resilience solutions.

**Opportunity:** testing in real-life conditions + Horizon / LIFE projects.

**Example:** Water2KW – green hydrogen technology, seeking European consortia.

### 3.3 Blue economy, health & biotechnology

- marine technologies;
- biotechnology and sustainable compounds;
- applications in agriculture, health, and industry.

**Opportunity:** access to unique infrastructures and ecosystems, such as PLOCAN for marine technologies, and multidisciplinary partners for health and biotechnology.

**Example:** Kanara Labs – need for partners for TRL, regulation, and market access.

### 3.4 Drones, space, and smart agriculture

- applications for the primary sector;
- climate monitoring and resilient agri-food systems;
- testing in isolated environments.

**Opportunity:** development and demonstration in real conditions.

**Example:** TecnoFly – interest in European partnerships and access to talent.

## 4. Funding instruments and incentives for companies

**European funding.** Companies collaborating with Canary Islands entities can benefit from co-financing of up to 85% (ERDF, ESF+); priority access to Horizon Europe, I3 – Interregional Innovation Investments, LIFE, Interreg, and Digital Europe.

**Competitive advantage.** The presence of a partner from an outermost region can be a competitive advantage in securing European funding, as it:

- increases project scores;
- reduces own contribution;
- enables faster testing and demonstration.

## 5. Real challenges – and how they can be managed

### Identified challenges

- ecosystem fragmentation between islands;
- logistical constraints;
- difficulties in assessing TRL for non-technological innovations;
- limited access to specialised talent.

### Solutions proposed through SustainX

- **One Stop Shop** for SMEs;
- common TRL + Sustainability Readiness methodology;
- interregional matchmaking;
- support for consortia and European project preparation.

## 6. Practical steps for interested companies (Checklist)

- ✓ Identify alignment with **RIS3 Canary Islands**
- ✓ Select a local partner (institute, NGO, SME)
- ✓ Join a European consortium (SustainX, EDIH, EEN)
- ✓ Testing / piloting in the Canary Islands
- ✓ Scaling to other EU regions

## Conclusion: why collaborating with the Canary Islands is strategic

The Canary Islands are more than a tourist destination – they are a European **hub for experimentation, innovation, and cooperation**. For companies seeking:

- pilot markets,
- tax advantages,
- European funding,
- international partnerships.

This region offers **conditions that are hard to match** elsewhere in the EU. **International Sustainability Week and SustainX demonstrate that success does not come from isolation, but from smart collaboration between regions.**

# SustainX

<https://sustainx.digital-innovation.zone/>

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