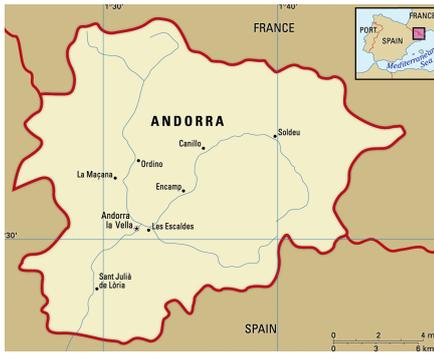


The Principality of Andorra Factsheet



Basics

- **Official Name:** Principality of Andorra
- **Capital:** Andorra la Vella
- **Time zone:** CET (UTC+1)
- **Calling code:** +376
- **Surface:** 468 km²
- **Population:** 87,303
- **Capital:** Andorra la Vella
- **Language:** Catalan (official). Spanish widely used in daily life.
- **Currency:** Euro
- **Religion:** Predominantly Catholic
- **Form of State:** Parliamentary co-principality

Historical Snapshot

Andorra origins are traditionally linked to **Charlemagne** (805, by legend), while the first written references date to the mid-9th century. The **Pareatges of 1278** consolidated a system of shared sovereignty, establishing the co-principality between the **Bishop of Urgell** and the **Count of Foix** -today represented by the President of the French Republic. The **1993 Constitution** modernised this arrangement into a parliamentary democracy, preserving the joint head of state while creating fully sovereign institutions.

Geography & Territory

- **Mean elevation:** 1,996 m
- **Highest Mountain:** Coma Pedrosa (2,942 m)
- **Lowest Point:** Riu Runeralira confluence (840 m)
- **Parishes (parròquies):** Andorra la Vella, Canillo, Encamp, Escaldes-Engordany, La Massana, Ordino, Sant Juli de Lria.
- **Borders:** Spain 63.7 km; France 56.6 km

Geography and Administrative Structure

Andorra is a small, landlocked country in the eastern Pyrenees between Spain and France, defined by **high mountains and narrow valleys** where most settlement concentrates. Administratively, it is organised into **seven parishes (parròquies)**, which serve as the main local government units. The largest urban area is formed by the capital, **Andorra la Vella**, and neighbouring **Escaldes-Engordany**.

Population & Social Indicators

- **Population:** 88,941
- **Density:** 189 inhab./km²
- **Foreigners:** 54.7 % foreign nationality
- **Life Expectancy:** 84.6 years
- **Fertility/Birth Rate:** Fertility rate 0.8
- **HDI:** 0.913 (32nd)
- **Gini Index (income):** 0.384
- **Population <15:** 11.3 %
- **Population >65:** 15.4 %
- **Net migration:** +1,874

Demographic Profile

Since 2013, Andorra population has **expanded by more than 20,000 residents**, reaching **88,941** inhabitants in 2025. The demographic structure is nonetheless ageing: in 2024, only **11.3% of the population was under 15**, while **15.4% was over 65**, and the average age has risen markedly over the past fifteen years.

Economic Structure

▷ GDP

- **GDP:** 2,988 € M (+3.4 %) (real) | 3,732 € M (+6.6 %) (nominal)
- **GDP Real Growth:** +3.4 %
- **GDP per Capita:** 42,853 € (nominal); 34,321 € (real)
- **By Sector:** 0.5 % agriculture; 12.8 % industry; 77.6 % services
- **Key Pillars :** Real estate/construction ~24 % GDP; trade/hospitality ~24 %; finance/ insurance ~13 %; public administration ~13 %

▷ Macro Indicators

- **Inflation:** 2.3 %
- **Unemployment rate:** 1.5 %
- **Number of employees:** 46,285
- **Number of jobs:** 55,555
- **Cross-border workers:** 1,800 (3.5 % of total workers)
- **Minimum monthly wage:** 1,447 €
- **Average monthly wage:** 2,636 €
- **Public Deficit/surplus:** +2.8 % of GDP
- **Public Debt:** 32.9 % of GDP

Note: 2025 data when available; otherwise, latest available.

► External Sector

- **Exports:** Goods 4.0 % of GDP; services 83.5 % of GDP.
 - Export to Spain (49,3 %) and France (15,9 %).
 - Imports from Spain (59,1 %) and France (10,8 %).
- **Imports:** Goods 49.3 % of GDP; services 23.6 % of GDP
- **By Country:** Imports from dominate trade flows
- **Net FDI:** +3.7 % of GDP
- **NIIP:** +351 % of GDP
- **Current Account:** +595 € M (15.9 % of GDP)
- **Balance of Payments (M€):** CA +595 | KA -3 | FA +635 | omissions +44

Macroeconomic Overview

Nominal GDP reached 3,732€ million, with GDP per capita of 42,853€, reflecting a high-income economy whose growth remains largely supported by extensive drivers, notably population inflows and domestic demand. **Activity is strongly service-based**, with tourism and trade/hospitality at the core of the model, complemented by a large and systemic financial sector and a significant real-estate and construction component. **Public finances are sound**, with a fiscal surplus and moderate public debt, providing a strong macro-fiscal anchor.

Political and Institutional Framework

► Institutional Architecture

- **Head of Government (Cap de Govern):** Xavier Espot (Democrats per Andorra, DA)
- **Cabinet (Consell de Ministres):** DA-led government (10 DA ministers) with 1 minister from Ciutadans Compromesos (CC)
- **Parliament (Consell General):** 28 seats A 14; Concrdia 5; PS 3; AE 3; CC 2; Acci 1
- **Electoral system:** Mixed (parish-based seats + national list; two ballots)
- **Local government:** Parishes governed by Comns (municipal competences)

► International Relations

- **EU:** Gradual integration since the 1990 EU Customs Union Agreement and subsequent sectoral arrangements; the Association Agreement is expected to be ratified in 2026.
- **Multilateral membership:** UN (1993), UNESCO (1993), Council of Europe (1994), OSCE (1996), IMF (2020).

Political and Institutional Framework

Andorra is a parliamentary co-principality in which the **President of the French Republic** and the **Bishop of Urgell** act as joint heads of state, while executive power rests with the **Cap de Govern** and cabinet, accountable to the Consell General. The 28-seat parliament is elected through a mixed system combining parish-based seats and a national list, and the government is formed by the parliamentary majority. Externally, Andorra has close relations with Spain and France and is deepening cooperation with the European Union. Andorra is a **member of multilateral organisations** such as UN, UNESCO, the Council of Europe, the OSCE or the IMF.

Business Environment & Tax Snapshot

- **Personal income tax (max):** 10 %
- **Corporate income tax:** 10 %
- **Indirect tax (IGI, standard):** 4.5 %
- **Social security contributions (CASS):** 22 % of gross wage (6.5 % employee; 15.5 % employer)
- **Wealth / inheritance tax:** None

Tax System Overview

Andorra operates a modern, **broad-based tax system** built around a general indirect tax (IGI) and personal and corporate income taxation, complemented by social security contributions. Accession to key multilateral frameworks and the adoption of international transparency and standards have **tightened compliance, reporting and cross-border cooperation**, bringing the system closer to the regulatory and administrative practices prevailing in neighbouring European countries.

