



# Sweden

Overview

## EIB INVESTMENT SURVEY

# 2020



EIB Group survey on investment  
and investment finance 2020  
Country overview

# Sweden

## **EIB Group survey on investment and investment finance 2020.**

### **Country overview: Sweden**

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### **About the EIB Investment Survey (EIBIS)**

The EIB Group Survey on Investment and Investment Finance, which has been administered since 2016, is a unique, annual survey of some 13 500 firms. It covers firms in all European Union Member States and also includes a sample of firms in the United Kingdom and the United States.

The survey collects data on firm characteristics and performance, past investment activities and future plans, sources of finance, financing issues and other challenges that businesses face. The EIBIS, which uses a stratified sampling methodology, is representative across all 27 EU Member States, the United Kingdom and the United States, as well as across four classes of firm size (micro to large) and four main economic sectors (manufacturing, construction, services and infrastructure). The survey is designed to build a panel of observations, supporting the analysis of time-series data. Observations can also be linked back to data on firm balance sheets and profit and loss statements. The EIBIS was developed by the EIB Economics Department. It is managed by the department with the support of Ipsos MORI.

### **About this publication**

The series of reports provide an overview of data collected for the 27 EU Member States, the United Kingdom and the United States. The reports are intended to provide a snapshot of the data. For the purpose of these publications, data are weighted by value-added to better reflect the contribution of different firms to economic output. Contact: [eibis@eib.org](mailto:eibis@eib.org).

**Download the findings of the EIB Investment Survey for each EU country or explore the data portal at [www.eib.org/eibis](http://www.eib.org/eibis).**

### **About the Economics Department of the European Investment Bank**

The mission of the EIB Economics Department is to provide economic analyses and studies to support the Bank in its operations and in its positioning, strategy and policy. The department and its team of 40 economists is headed by Debora Revoltella, director of economics.

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### **Disclaimer**

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# EIBIS 2020 – Sweden

## KEY RESULTS

### Investment Dynamics

Investment in Q2 2020 in Sweden is 5.2% below the pre-crisis Q4 2019 level. The decline in investment is lower than the EU average drop (19%) but nevertheless calls for extra vigilance. COVID-19 has affected firms' investment strategies for 2020 with around a half (51%) of firms having changed their investment plans by either investing more (3%) or less (48%). This is similar to the EU average.

### Investment Focus

Two fifths (40%) of firms, with investment plans for the current financial year in Sweden plan to abandon or delay at least some of their investments as a result of COVID-19. Around a fifth (21%) of firms with investment plans intend to continue with at least some of their investment plans but with a reduced scale or scope, this is in line with the EU average (18%).

The most frequently cited long-term impact of COVID-19 is the increased use of digital technologies (62%).

### Investment Needs and Priorities

Half (50%) of all firms were operating at or above full capacity in 2019, which is similar to EIBIS 2019 (53%), and significantly lower than the EU average (61%).

Firms' investment priorities in Sweden resemble the EU average, with investments to developing new product/services and capacity expansion leading the list (31% and 29%, respectively). The firms directly impacted by COVID-19 are more likely to be prioritising investment in developing or introducing new products, processes or services than firms who had not been impacted by COVID-19 (38% versus 25%).

### Innovation Activities

Around two fifths of all firms in Sweden (41%) developed or introduced new products, processes or services as part of their investment activities, with sixteen per cent having undertaken innovation that is new to the country or the world.

Around three quarters (71%) of firms have implemented, either fully or partially, the digital technologies they were asked about. This is higher to EIBIS 2019 (58%).

### Drivers and Constraints

Firms have become more pessimistic about the short term outlook, with the exception of the political and regulatory climate (a net balance of +1% in EIBIS 2020 versus -19% in EIBIS 2019). Expectations worsened most for the overall economic climate (-61% in EIBIS 2020 versus -34% in EIBIS 2019) and the availability of internal finance (-21% in EIBIS 2020 versus +17% in EIBIS 2019).

The two most common long term barriers to investment remain the uncertainty about the future (75%) and the availability of skilled staff (72%), both similar to EIBIS 2019 and the EU average.

### Investment Finance

Seven tenths of investment activity in Sweden firms was financed by internal sources (70%) in 2019. This is higher than EIBIS 2019 and the EU average (60% and 62% respectively), although the share of profitable firms in Sweden was similar to the EU average in 2019.

Bank loans continued to make up the highest share of external finance (52%). This is similar to both EIBIS 2019 (56%) and the EU average (59%). Leasing accounted for the second highest share of external finance (26%).

### Access to Finance

Only three per cent of all firms in Sweden could be considered as external finance constrained in 2019. Firms using external finance in 2019 are on balance satisfied with the amount, cost, maturity, collateral and type of finance received. The highest level of dissatisfaction recorded among firms in Sweden is with the type of finance offered (6%), the collateral requirements (5%) and the cost (5%).

### Energy Efficiency

More than two fifths (43%) of firms have invested in measures to improve their energy efficiency. This is similar to EIBIS 2019 (39%) and the EU average (47%). However, firms in Sweden are more likely than EU firms to have a designated person to develop their climate change strategies (32% versus 23%), and to have set internal targets on carbon and energy (59% versus 41%).

### Climate Change

About half (47%) of all firms in Sweden feel their business has been impacted by climate change and the related changes in weather patterns – including 13% who felt it had a major impact on their business. This is lower than the EU average (58% and 23% respectively).

Overall, more firms in Sweden expect the transition to a low-carbon future to have a positive rather than a negative impact on their reputation (+36%) and on market demand (+24%) over the next five years. In contrast, more firms expect a negative rather than a positive impact on their supply chain (-7%).

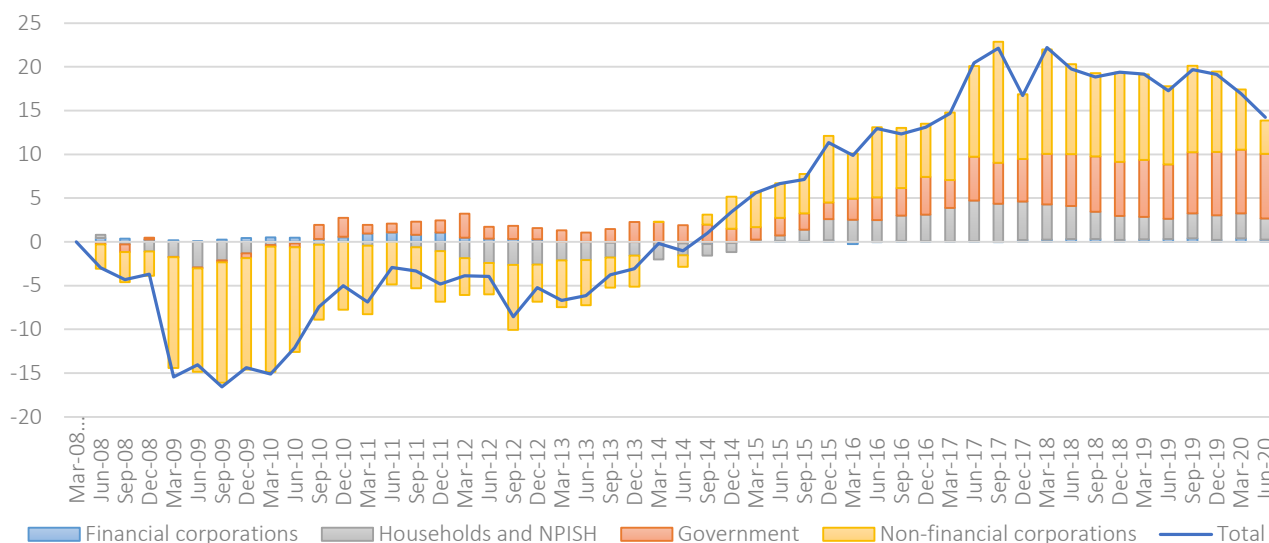
About two thirds (65%) of firms in Sweden have either already invested or plan to invest, in the next three years, in measures to tackle the impact of weather events and reduction in carbon emissions. This is similar to the EU average (67%). The most frequently cited barriers to investing in activities to tackle climate change are cost of investment activities (58%) and uncertainty about the regulatory environment and taxation (57%).

# Investment Dynamics

## INVESTMENT DYNAMICS BY INSTITUTIONAL SECTOR

With COVID-19 abruptly affecting the economy, investment in Q2 2020 is 5.2% below the pre-crisis 2019 level. This is a lower drop than experienced across the EU, on average (19%).

Even though investment levels are well above the 2008 levels, current dynamics resemble investment patterns during the global financial crisis, calling for extra vigilance in the coming months.

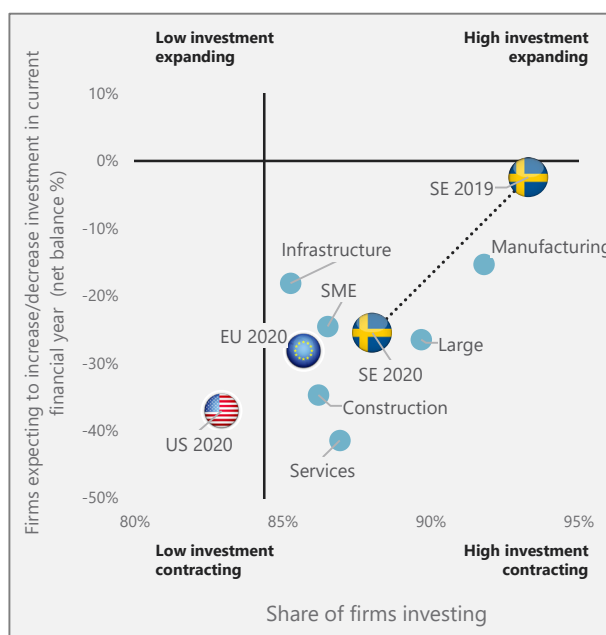


The graph shows the evolution of total Gross Fixed Capital Formation (in real terms); by institutional sector. The data has been indexed to equal 0 in 2008. Source: Eurostat.

## INVESTMENT CYCLE

Sweden remains within the 'high investment contracting' quadrant on the investment cycle. However, in comparison to EIBIS 2019, the net balance of firms expecting to increase rather than decrease investment in the current financial year has dropped precipitously.

In manufacturing sector, which has the highest share of investing firms, the net balance of firms expecting to decrease rather than increase investment in the current financial year is lowest (15%). On the other hand, the same figure for services and construction firms are considerably higher (41% and 35%, respectively).



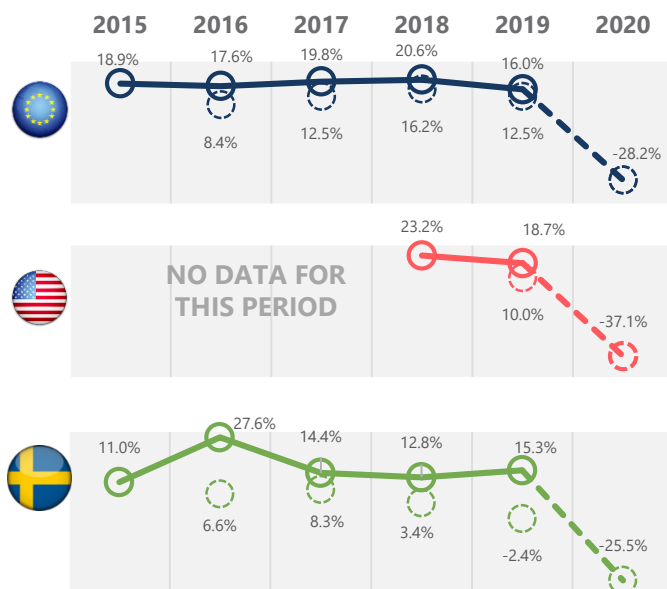
Share of firms investing shows the percentage of firms with investment per employee greater than EUR 500. The y-axis line crosses x-axis on the EU average for 2016.

Base: All firms (excluding don't know/refused responses)

# Investment Dynamics

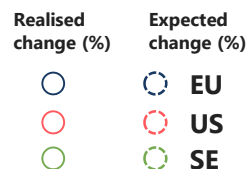
## EVOLUTION OF INVESTMENT EXPECTATIONS

### Realised/expected change in investment



In EIBIS 2020, the net balance of firms reporting increasing rather than reducing their investment activities in the last financial year has remained broadly stable and is again above expectations from EIBIS 2019.

For the first time, the outlook is extremely negative (net minus 26%) but similar to the EU as a whole (net -28%).



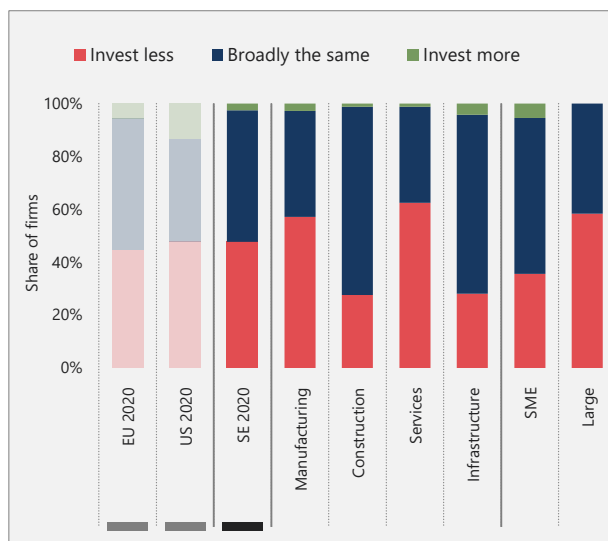
'Realised change' is the share of firms who invested more minus those who invested less; 'Expected change' is the share of firms who expect(ed) to invest more minus those who expect(ed) to invest less.

Base: All firms

## IMPACT OF COVID-19 ON INVESTMENT

COVID-19 has affected firms' investment strategies for 2020 with around a half (51%) of firms having changed their investment plans by either investing more (3%) or less (48%). This is similar to the EU average (50%, 6% and 45% respectively).

Services sector firms are the most likely to invest less over the course of 2020 (62%), whilst construction firms are the most likely to have invested broadly the same (71%).



Q. Have your company's overall investment expectations for 2020 changed due to coronavirus?

Base: All firms with investment plans for the current financial year (excluding don't know/refused responses)

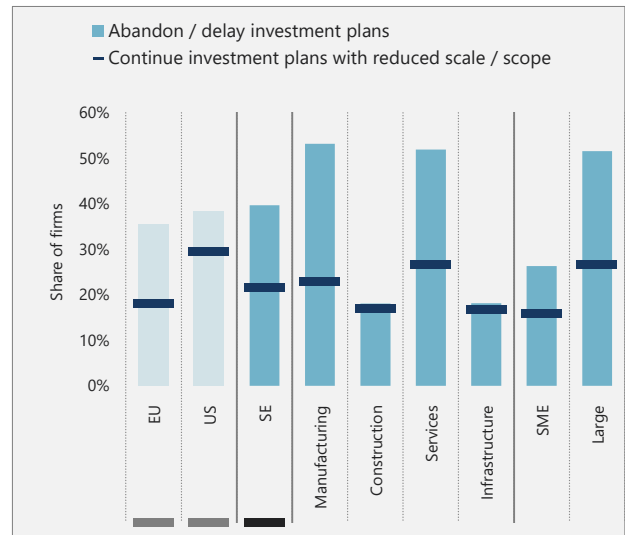
# Investment Focus

## ACTIONS AS A RESULT OF COVID-19

Two fifths (40%) of firms in Sweden, with investment plans for the current financial year, plan to abandon or delay at least some of their investments as a result of COVID-19, which is a similar share to the EU average (35%).

Around a fifth (21%) of firms with investment plans, intend to continue with at least some of their investment plans but with a reduced scale or scope, this is in line with the EU average (18%).

Firms operating in the manufacturing and services sector (53% and 52%), along with large firms (52%) are the most likely to abandon or delay at least some of their investment plans.

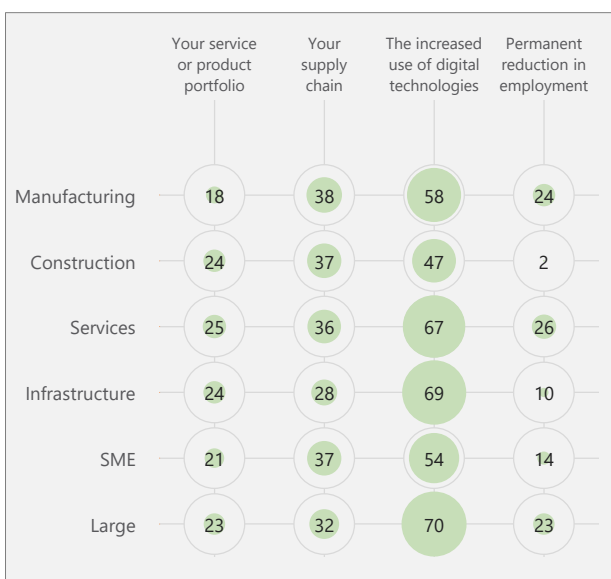


Q. You said you will invest less due to coronavirus. Can I just check which of the following actions will your company undertake?

Please note some firms may be taking multiple actions i.e. abandoning/delaying some investment plans whilst continuing with other plans at a reduced scale or scope.

Base: All firms with investment plans for the current financial year (excluding don't know/refused responses)

## LONG TERM IMPACT OF COVID-19 BY SECTOR AND SIZE



The most frequently cited long term impact of COVID-19 is the increased use of digital technologies (62%). Larger firms are more likely to cite the increased use of digital technologies as a long term impact than SME's (70% versus 54%).

Around one third of firms expect COVID-19 to have a long term impact on their supply chain (35%) and one fifth of firms to have a long term impact on their services or products portfolio (22%).

18% of firms expect a permanent reduction in employment. The manufacturing and services sectors are the most likely to hold this view.

Q. Do you expect the coronavirus outbreak to have a long-term impact on any of the following?

Base: All firms

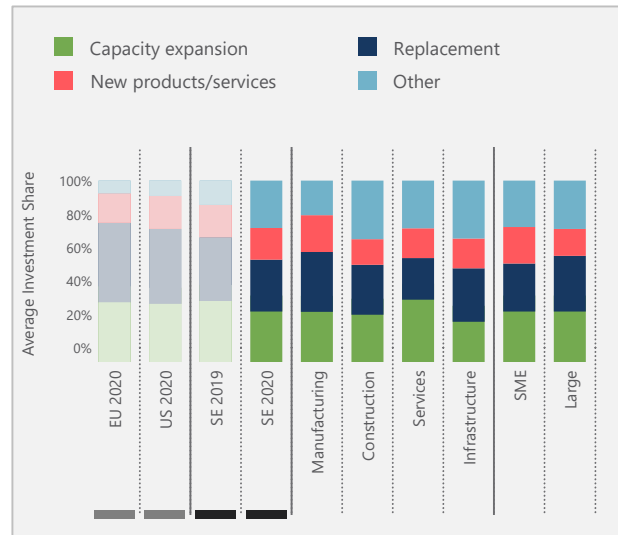


# Investment Focus

## PURPOSE OF INVESTMENT IN LAST FINANCIAL YEAR (% of firms' investment)

Around a third of firms' investment (31%) in 2019 was with the purpose of replacing buildings and equipment, lower than in EIBIS 2019 (38%) and the EU average (47%).

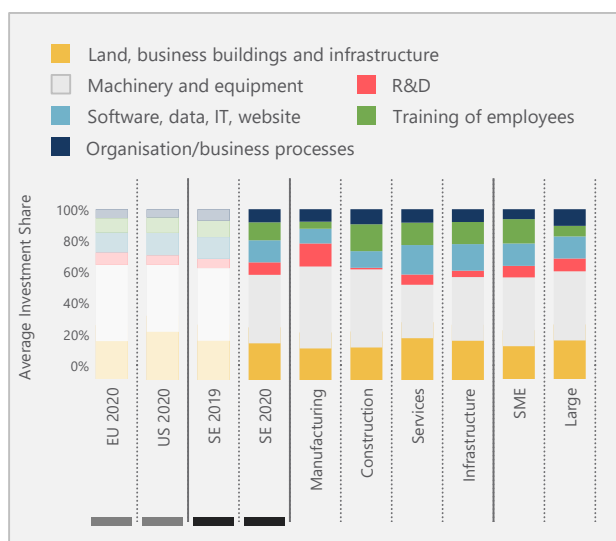
Replacement was followed by capacity expansion which made up around a fifth (21%) of all investment, again lower than in EIBIS 2019 (28%) and EU average (27%). The services sector allocated a higher share of their investment to capacity expansion compared with infrastructure firms (29% versus 16%).



Q. What proportion of total investment was for (a) replacing capacity (including existing buildings, machinery, equipment, IT) (b) expanding capacity for existing products/services (c) developing or introducing new products, processes, services?

Base: All firms who have invested in the last financial year (excluding don't know/refused responses)

## INVESTMENT AREAS



Out of the six investment areas considered, the highest share of investment in Sweden was in machinery and equipment (48%), followed by software, data, IT and website activities (14%), land, business buildings and infrastructure (14%) and training of employees (11%). The pattern is broadly in line with the EIBIS 2019 findings.

Manufacturing and large firms tended to allocate a lower share of their investment to the training of employees than other sectors.

Q. In the last financial year, how much did your business invest in each of the following with the intention of maintaining or increasing your company's future earnings?

Base: All firms who have invested in the last financial year (excluding don't know/refused responses)

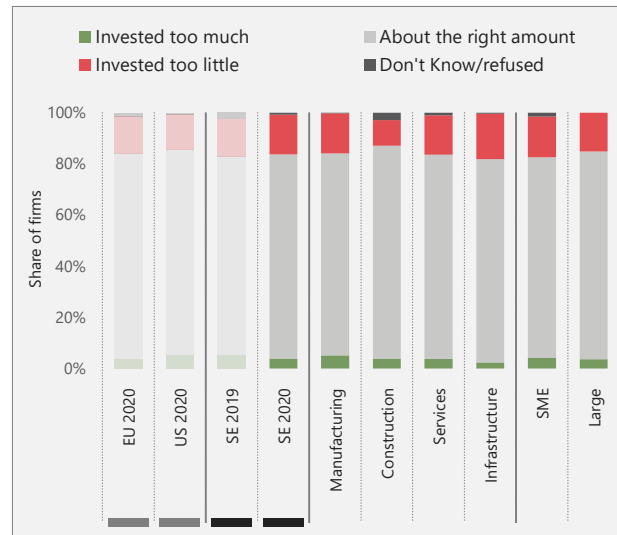
# Investment Needs and Priorities

## PERCEIVED INVESTMENT GAP

Around four fifths (80%) of firms believe their investment over the last three years was about the right amount, which is in line with EIBIS 2019 (78%) and the EU average (80%).

Sixteen per cent of firms in the Sweden report they have invested too little which is in line with the EU average of 15%.

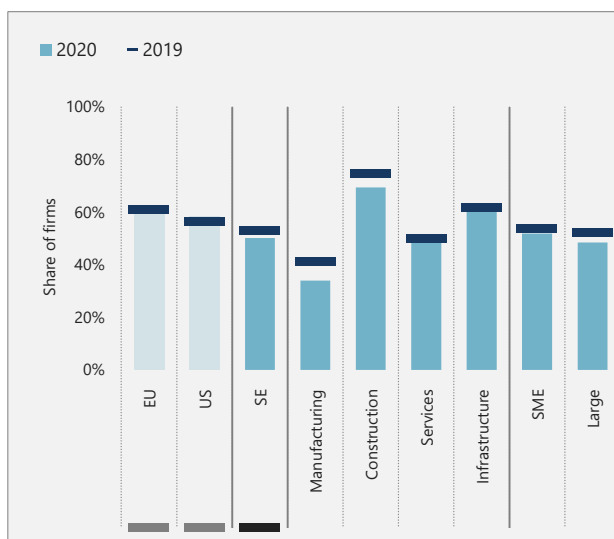
The perceived investment gap is broadly similar across all sectors and size of firms.



Q. Looking back at your investment over the last 3 years, was it too much, too little, or about the right amount?

Base: All firms (excluding 'Company didn't exist three years ago' responses)

## SHARE OF FIRMS AT OR ABOVE FULL CAPACITY



Full capacity is the maximum capacity attainable under normal conditions e.g. company's general practices regarding the utilization of machines and equipment, overtime, work shifts, holidays etc.

Q. In the last financial year, was your company operating above or at maximum capacity attainable under normal circumstances?

Base: All firms (data not shown for those operating somewhat or substantially below full capacity)

Half (50%) of all firms were operating at or above full capacity in the past financial year, which is similar to EIBIS 2019 (53%), and significantly lower than the EU average (61%).

Firms in the manufacturing sector were less likely to be operating at or above full capacity than all the other sectors (34% versus other sectors ranging between 51% to 69%).

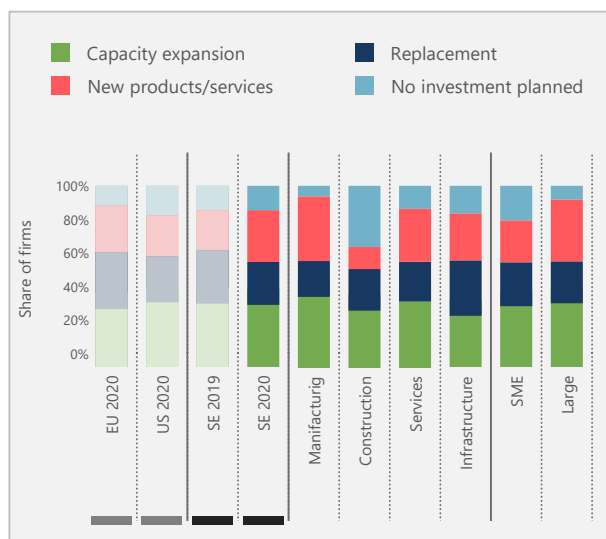
# Investment Needs and Priorities

## FUTURE INVESTMENT PRIORITIES (% of firms)

Looking ahead to the next three years, developing or introducing new products, processes and services is the most commonly cited investment priority among firms (31%).

Among the sectors, construction and across firms sizes SMEs are the least likely to prioritise new products and services (13% and 25%, respectively).

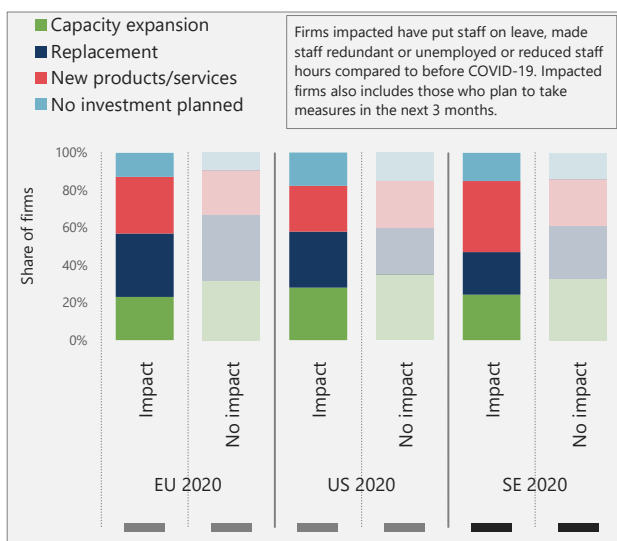
Overall one sixth (15%) of firms have no investment planned and this rises to one fifth (21%) among SMEs and more than a third (37%) among construction firms.



Q. Looking ahead to the next 3 years, which is your investment priority (a) replacing existing buildings, machinery, equipment, IT; (b) expanding capacity for existing products/services; (c) developing or introducing new products, processes, services?

Base: All firms (excluding don't know/ refused responses)

## COVID-19 IMPACT ON PRIORITIES



The pattern of investment priorities between firms impacted by COVID-19 and those who have not been impacted is different in Sweden and the EU. Impacted firms in Sweden are more likely to be prioritising investment in developing or introducing new products, processes or services than firms who had not been impacted by COVID-19 (38% versus 25%).

The share of impacted firms in Sweden who are prioritising new products or services is also higher than the EU average (38% versus 30%).

Q. Looking ahead to the next 3 years, which is your investment priority (a) replacing existing buildings, machinery, equipment, IT; (b) expanding capacity for existing products/services; (c) developing or introducing new products, processes, services?

Q. Thinking about the impact of coronavirus, have you had to put staff temporarily on leave, make staff redundant or unemployed or reduce the number of hours they work compared to before the coronavirus pandemic?

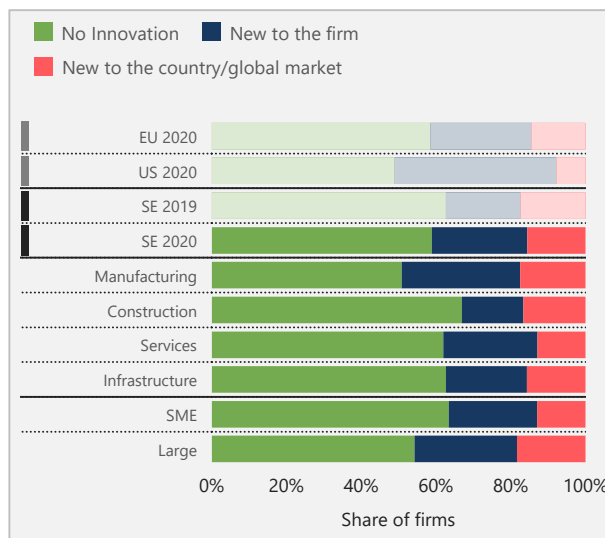
Base: All firms (excluding don't know/ refused responses)

# Innovation Activities

## INNOVATION ACTIVITY

Around two fifths of all firms in Sweden (41%) developed or introduced new products, processes or services as part of their investment activities, with sixteen per cent having undertaken innovation that is new to the country or the world.

Manufacturing and large firms are the most likely to have innovated (55% and 46% respectively).

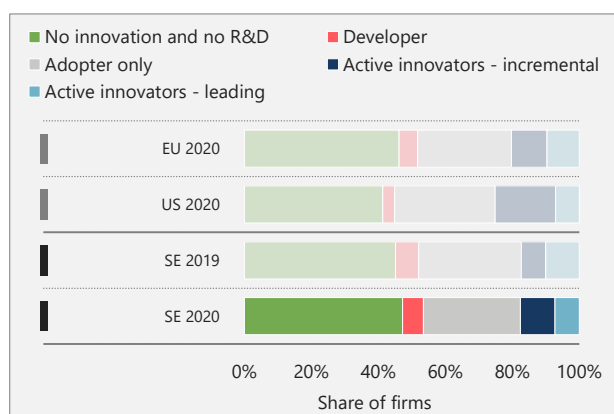


Q. What proportion of total investment was for developing or introducing new products, processes, services?

Q. Were the products, processes or services new to the company, new to the country, new to the global market?

Base: All firms (excluding don't know/ refused responses)

## INNOVATION PROFILE



When firms' innovation and research and development behaviour is profiled more widely, 17% of firms in Sweden are classified as 'active innovators', and a further 6% of firms are 'developers'.

This is broadly in line with the EU average of 20% of firms as 'active innovators' and 6% as 'developers'.

Q. What proportion of total investment was for developing or introducing new products, processes, services?

Q. Were the products, processes or services new to the company, new to the country, new to the global market?

Q. In the last financial year, how much did your business invest in Research and Development (including the acquisition of intellectual property) with the intention of maintaining or increasing your company's future earnings?

Base: All firms (excluding don't know/refused responses)

The 'No innovation and no R&D' group comprises firms that did not introduce any new products, processes or services in the last financial year. The 'Adopter only' introduced new products, processes or services but without undertaking any of their own research and development effort. 'Developers' are firms that did not introduce new products, processes or services but allocated a significant part of their investment activities to research and development. 'Incremental' and 'Leading innovators' have introduced new products, processes and services and also invested in research and development activities. The two profiles differ in terms of the novelty of the new products, processes or services. For incremental innovators these are 'new to the firm'; for leading innovators these are 'new to the country/world'.

# Innovation Activities

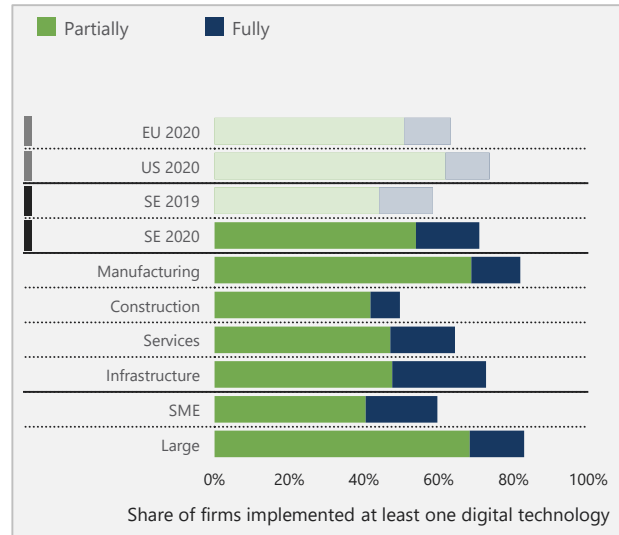
## IMPLEMENTATION OF DIGITAL TECHNOLOGIES

Around three quarters (71%) of firms have implemented, either fully or partially, the digital technologies they were asked about. This is higher than EIBIS 2019 (58%).

Firms in the manufacturing sector are the most likely to have implemented digital technologies, either fully or partially (82%), while those in the construction sector are the least likely to have done so (50%).

Large firms tend to be more likely than SMEs to have implemented at least one digital technology (83% versus 60%).

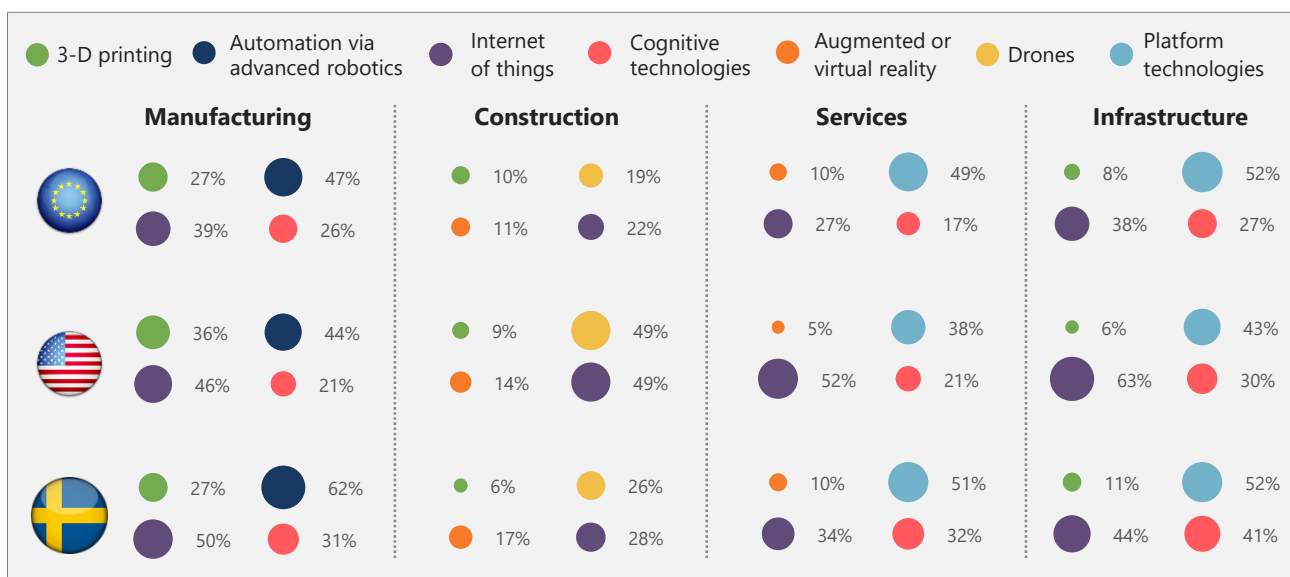
Sweden manufacturing firms reported relatively high take-up of automation via advanced robotics.



Q, Can you tell me for each of the following digital technologies if you have heard about them, not heard about them, implemented them in parts of your business, or whether your entire business is organised around them?

Base: All firms (excluding don't know/ refused responses)

## DIGITAL TECHNOLOGIES BY SECTOR



Reported shares combine 'implemented the technology in parts of business' and 'entire business organized around it'

Q, Can you tell me for each of the following digital technologies if you have heard about them, not heard about them, implemented them in parts of your business, or whether your entire business is organised around them?

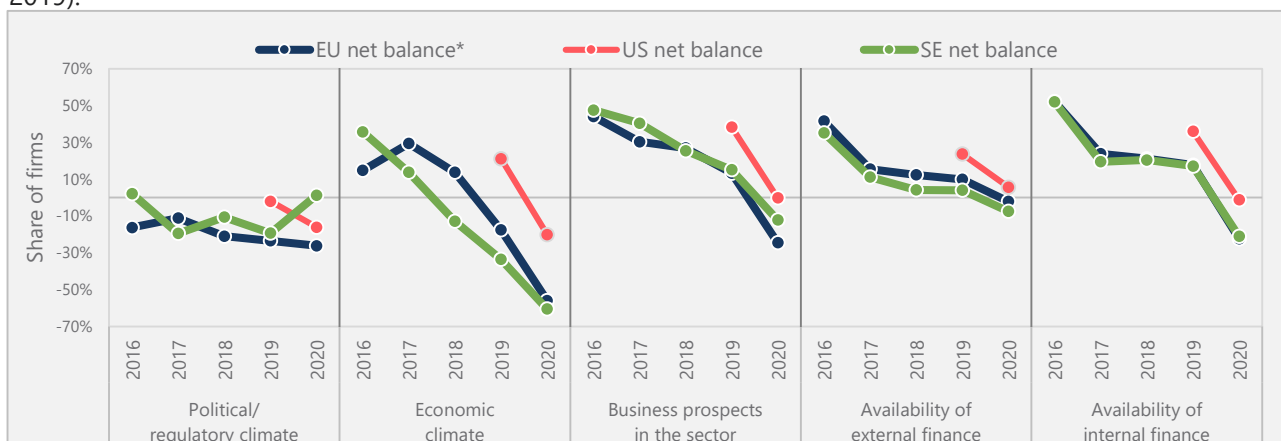
Base: All firms (excluding don't know/refused responses)

# Drivers And Constraints

## SHORT TERM FIRM OUTLOOK

Over the next twelve months, more firms in Sweden expect a deterioration rather than improvement across four out of five short-term outlook factors. Firms have become much optimistic about the political and regulatory climate (+1% in EIBIS 2020 versus -19% in EIBIS 2019).

However, firms are much less optimistic about the overall economic climate (-61% versus -34% in EIBIS 2019), the business prospects in their sector (-12% versus 15% in EIBIS 2019) and the availability of internal finance (-21% versus 17% in EIBIS 2019).

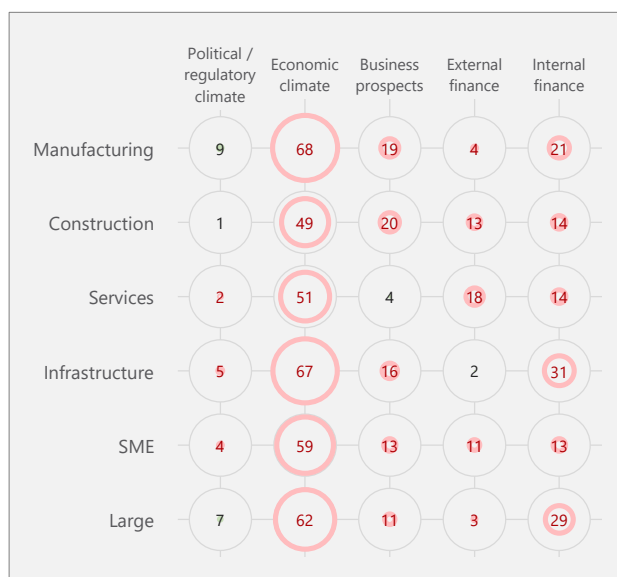


Q. Do you think that each of the following will improve, stay the same, or get worse over the next twelve months?

\*Net balance is the share of firms seeing improvement minus the share of firms seeing a deterioration

Base: All firms

## SHORT TERM FIRM OUTLOOK BY SECTOR AND SIZE (NET BALANCE %)



Please note: green figures are positive, red figures are negative

Q. Do you think that each of the following will improve, stay the same, or get worse over the next twelve months?

Base: All firms

Firms are consistently more negative than positive across all sectors and sizes of firms in relation to the economic climate and internal finance.

Firms in the manufacturing and infrastructure sectors are the most negative about the overall economic climate and availability of internal finance.

Manufacturing, construction and large firms are more positive than negative about the political regulatory climate – although this positivity is at a low level.

# Drivers And Constraints

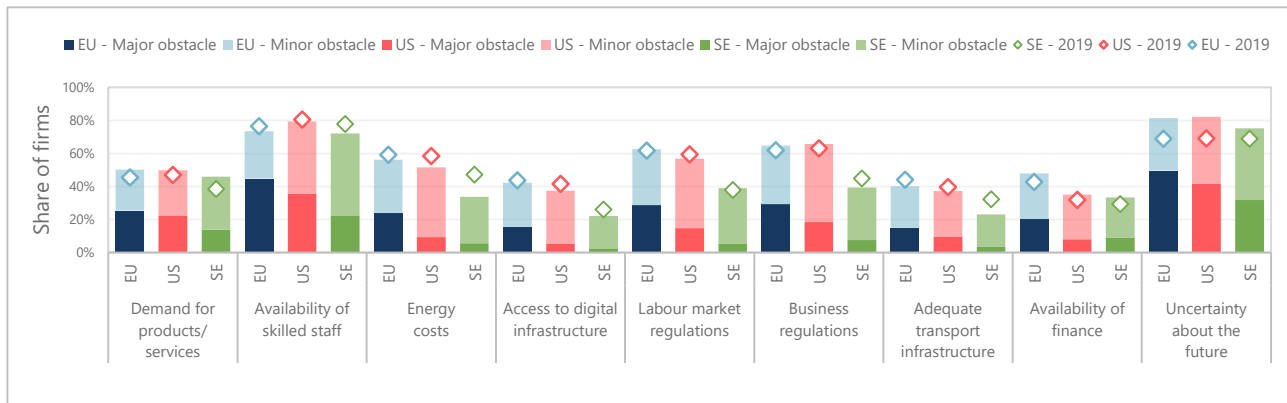
## LONG TERM BARRIERS TO INVESTMENT

The two most common barriers to investment remain the uncertainty about the future (75%) and the availability of skilled staff (72%), both similar to EIBIS 2019 and the EU average.

There has been a decline since EIBIS 2019 in the share of firms citing energy costs (34%, down from 47%) and availability of adequate transport (23%, down from 32%)

infrastructure (23%, down from 32%) as barriers to investment.

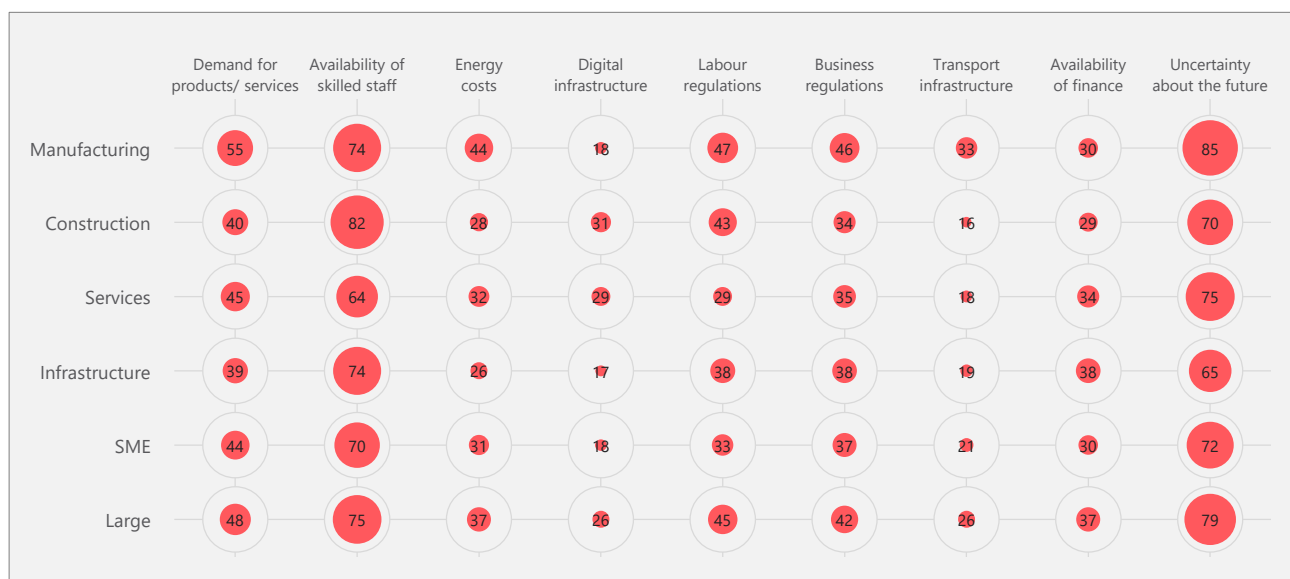
Overall, fewer firms in Sweden cite these factors as a long term barrier to investment than across the EU, except for demand for products/services and availability of staff which are at similar levels in Sweden and the EU.



Q. Thinking about your investment activities in Sweden, to what extent is each of the following an obstacle? Is it a major obstacle, a minor obstacle or not an obstacle at all?

Base: All firms (data not shown for those who said not an obstacle at all/don't know/refused)

## LONG TERM BARRIERS BY SECTOR AND SIZE



Q. Thinking about your investment activities in Sweden, to what extent is each of the following an obstacle? Is it a major obstacle, a minor obstacle or not an obstacle at all?

Reported shares combine 'minor' and 'major' obstacles into one category

Base: All firms (data not shown for those who said not an obstacle at all/don't know/refused)

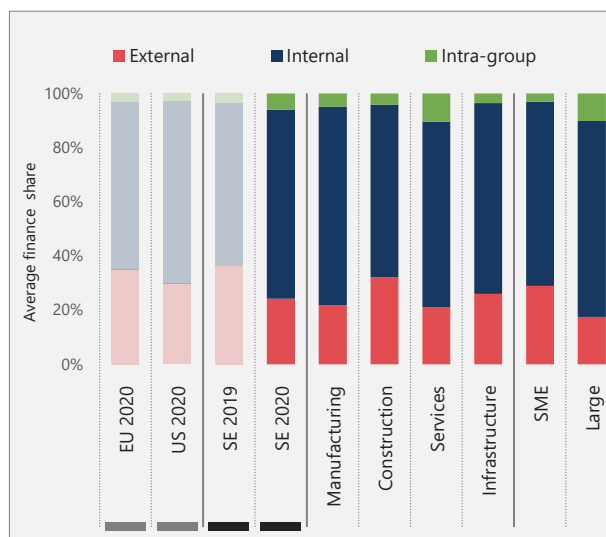
# Investment Finance

## SOURCE OF INVESTMENT FINANCE

Seven tenths (70%) of investment activity in Sweden firms was financed by internal sources in the past financial year. This is higher than EIBIS 2019 and the EU average (60% and 62% respectively).

Conversely, external finance made up just under one quarter of investment finance (24% share) in 2019. This is lower than the EU average of 35%.

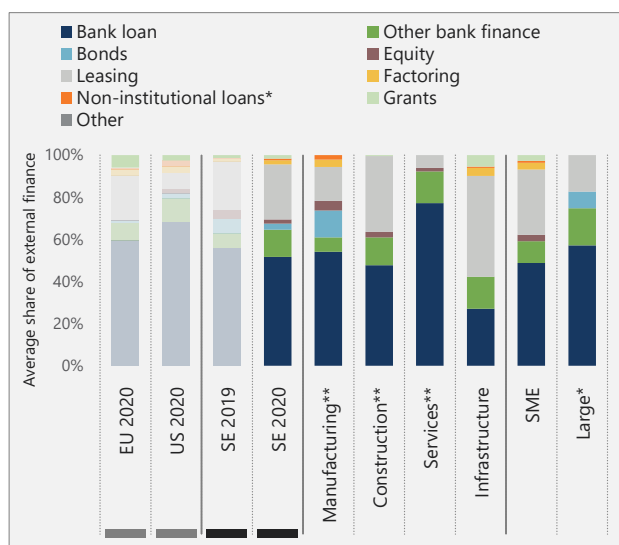
The average finance share is broadly similar across all sectors and sizes of firms.



Q. What proportion of your investment was financed by each of the following?

Base: All firms who invested in the last financial year (excluding don't know/refused responses)

## TYPE OF EXTERNAL FINANCE USED FOR INVESTMENT ACTIVITIES



Bank loans continued to make up the highest share of external finance (52%). This is similar to both EIBIS 2019 (56%) and the EU average (59%).

Leasing accounted for the second highest share of external finance (26%).

Firms in the service sector reported the highest share of external finance coming from bank loans (77%) while those in infrastructure reported the lowest (27%).

Infrastructure firms had the highest share of external finance coming from leasing (48%).

Q. Approximately what proportion of your external finance does each of the following represent?

\*Loans from family, friends or business partners

Base: All firms who used external finance in the last financial year (excluding don't know/refused responses) \*\* Caution very small base less than 30. Effective base sizes are less than 30 – no significance testing applied.

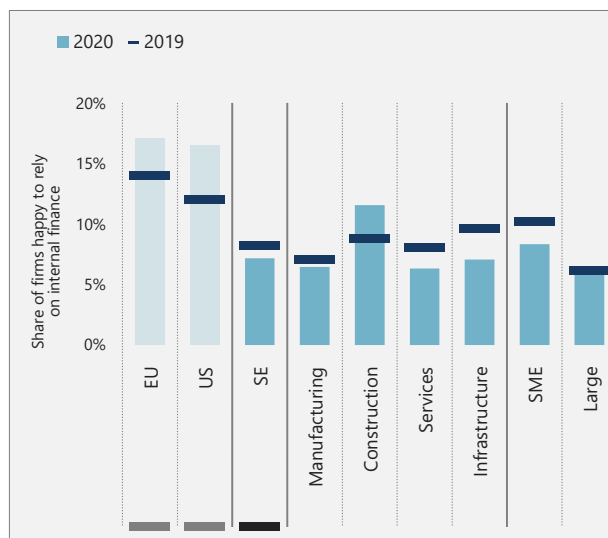


# Investment Finance

## SHARE OF FIRMS HAPPY TO RELY EXCLUSIVELY ON INTERNAL SOURCES TO FINANCE INVESTMENT

Among all firms in Sweden seven per cent cite the main reason for not applying for external finance is because they have no need as they were not planning to undertake large investments. This is similar to the EIBIS 2019 (8%) but lower than the EU average (17%).

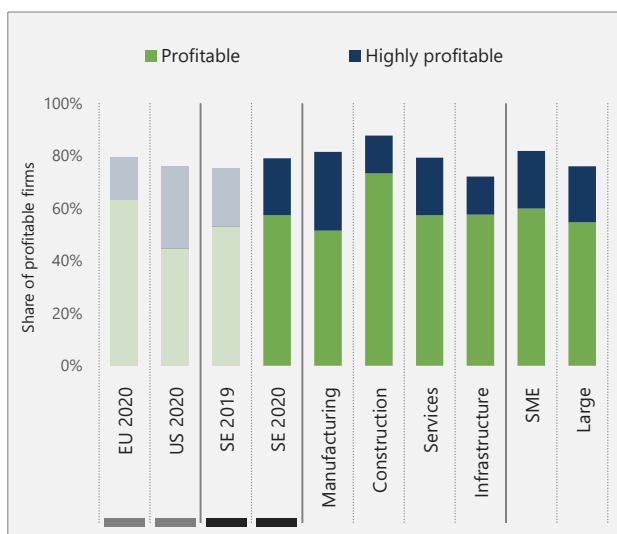
The share of firms happy to rely exclusively on internal sources to finance investment is broadly similar across all sectors and size of firms.



Q. What was your main reason for not applying for external finance for your investment activities? Was happy to use internal finance/didn't need the finance

Base: All firms

## SHARE OF PROFITABLE FIRMS



Eight in ten (79%) firms report generating a profit in the last financial year, higher than EIBIS 2019 and in line with the EU average (75% and 80% respectively).

Specifically, 22% of firms claim to be highly profitable, defined as generating a profit level at least 10% of firm turnover. This is higher than the EU average (16%).

The pattern of profitability is fairly stable across all sectors and sizes of firms.

Q. Taking into account all sources of income in the last financial year, did your company generate a profit or loss before tax, or did you break even? Highly profitable is defined as profits/turnover of 10% or more

Base: All firms (excluding don't know/refused)

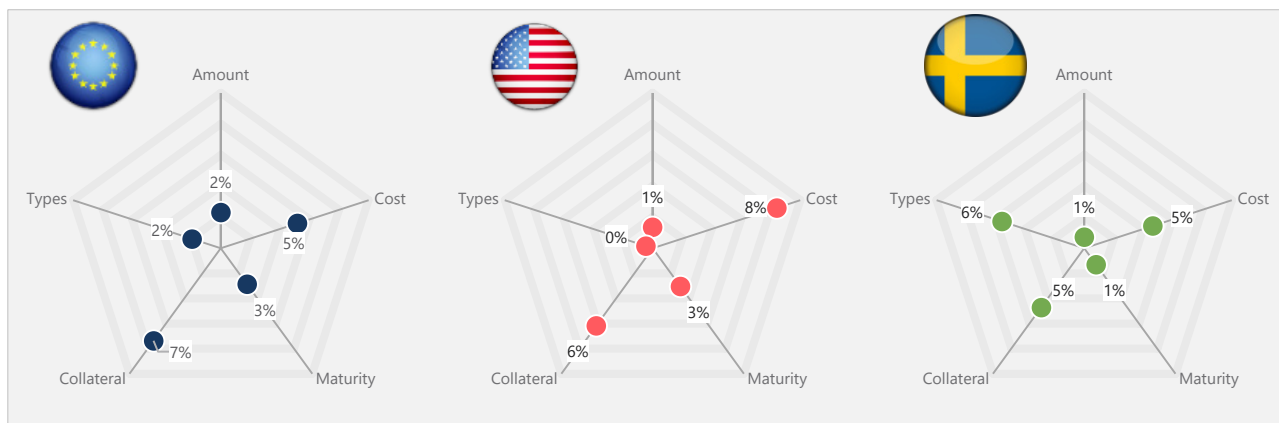
# Access To Finance

## DISSATISFACTION WITH EXTERNAL FINANCE RECEIVED

Firms using external finance in 2019 are on balance satisfied with the amount, cost, maturity, collateral and type of finance received.

The highest level of dissatisfaction recorded among firms in Sweden is with the type of finance offered (6%), the collateral requirements (5%) and the cost (5%).

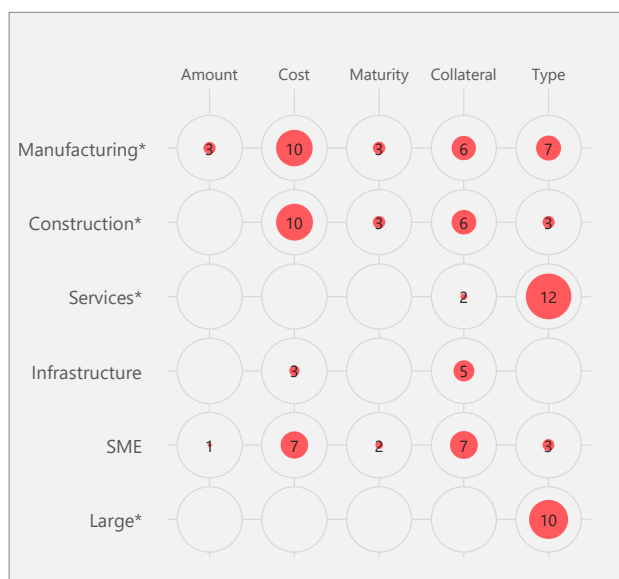
### Share of dissatisfied firms



Q. How satisfied or dissatisfied are you with ...?

Base: All firms who used external finance in the last financial year (excluding don't know/refused responses)

## DISSATISFACTION BY SECTOR AND SIZE (%)



Overall dissatisfaction levels are low, with the highest levels of dissatisfaction mentioned regarding the cost of the finance with manufacturing (10%) and construction (10%).

Q. How satisfied or dissatisfied are you with ...?

Base: All firms who used external finance in the last financial year (excluding don't know/ refused responses) \*\* Caution very small base less than 30. Effective base sizes are less than 30 – no significance testing applied.

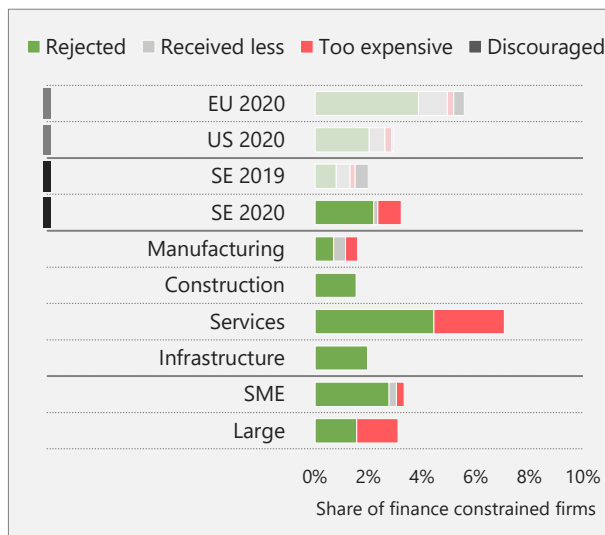
# Access To Finance

## SHARE OF FINANCE CONSTRAINED FIRMS

Three per cent of all firms in Sweden could be considered as external finance constrained in 2019, which is similar to the EU average of 5%.

Firms in the service sector, were more likely to be financially constrained (7%) than firms in other sectors.

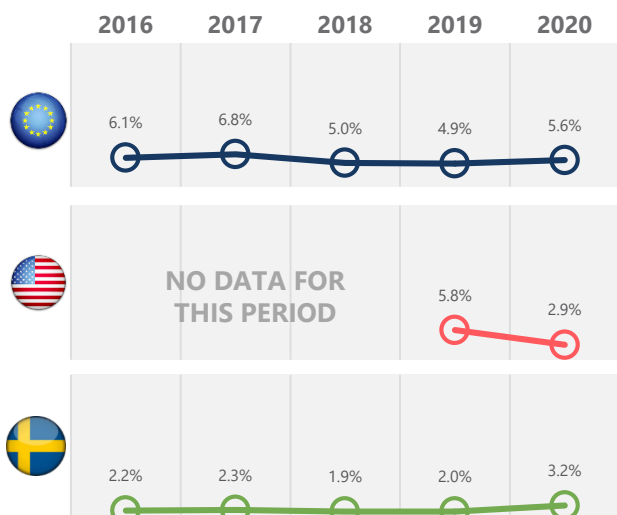
The frequency of external finance constrained firms are similar across firm sizes, however, underlying reasons differ. For SMEs, high rejection rates are the main driver of financial constrains, whereas cost of finance is more prominent for large firms.



*Finance constrained firms include: those dissatisfied with the amount of finance obtained (received less), firms that sought external finance but did not receive it (rejected) and those who did not seek external finance because they thought borrowing costs would be too high (too expensive) or they would be turned down (discouraged)*

Base: All firms

## FINANCING CONSTRAINTS OVER TIME



The share of finance constrained firms in Sweden has remained fairly stable over time.

Firms in Sweden are as likely to be finance constrained when compared to the current EU average.

Base: All firms

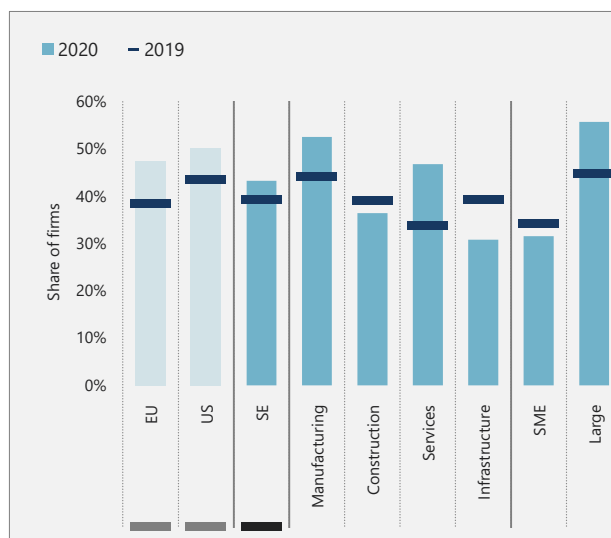
# Energy Efficiency

## SHARE OF FIRMS INVESTING IN MEASURES TO IMPROVE ENERGY EFFICIENCY

More than two fifths (43%) of firms have invested in measures to improve their energy efficiency. This is similar to EIBIS 2019 (39%) and the EU average (47%).

Firms in the manufacturing sector are the most likely to invest in energy efficient measures (53%), while firms in the infrastructure sector are least likely (31%).

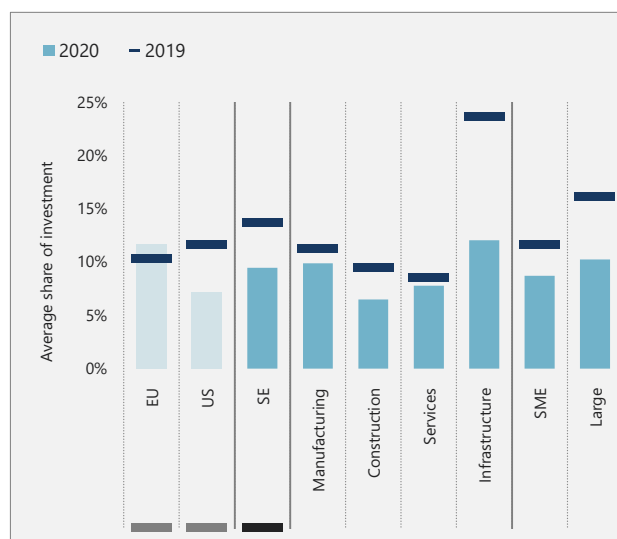
Large firms are more likely than SMEs to have invested in these types of measures (56% versus 32%).



Q. What proportion of total investment in the last financial year was primarily for measures to improve energy efficiency in your organisation?

Base: All firms

## AVERAGE SHARE OF INVESTMENT IN MEASURES TO IMPROVE ENERGY EFFICIENCY



The average share of investment in measures to improve energy efficiency is 9% and this is lower than in EIBIS 2019 (14%) but similar to the EU average (12%).

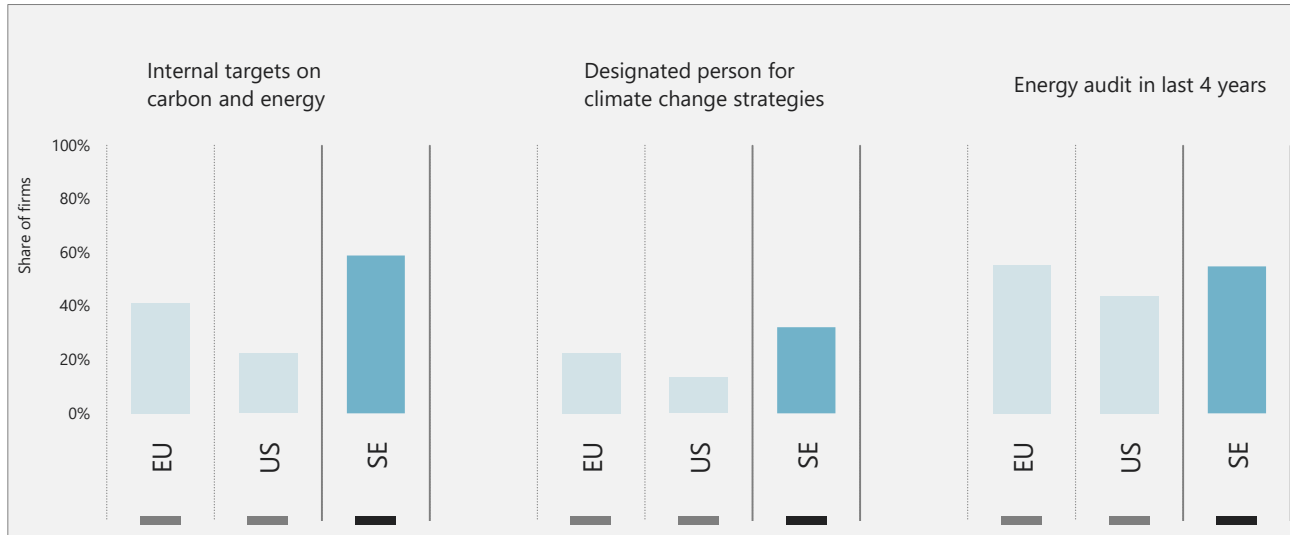
The average share of investment in measures to improve energy efficiency is broadly similar across all sectors and sizes of firms.

Q. What proportion of total investment in the last financial year was primarily for measures to improve energy efficiency in your organisation?

Base: All firms who had invested in the last financial year (excluding don't know/refused responses)

# Energy Efficiency

## ENERGY TARGETS, MANAGEMENT AND INTERNAL AUDIT



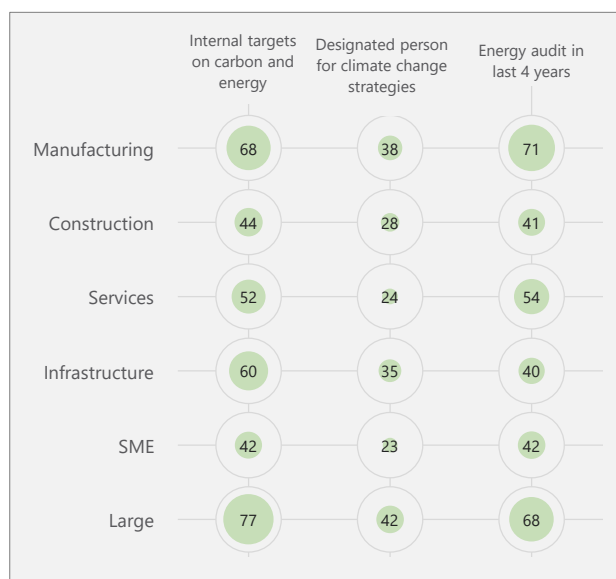
Q. In 2019 and under normal conditions, did your company set and monitor internal targets on carbon emissions and energy consumption?

Q. In 2019 and under normal conditions, did your company have a designated person responsible for defining and monitoring climate change strategies?

Q. And can I check, in the past four years has your company had an energy audit? By this, I mean an assessment of the energy needs and efficiency of your company's building or buildings

Base: All firms

## ENERGY TARGETS, MANAGEMENT AND INTERNAL AUDIT BY SECTOR AND SIZE



Firms in Sweden are more likely than EU firms to have a designated person to develop their climate change strategies (32% versus 23%) and to have set internal targets on carbon and energy (59% versus 41%). However, they are as likely to have had an energy audit in the past four years (55% versus 55%).

Larger firms are more likely than SMEs to have had an energy audit in the past four years (68% versus 42%) and to have internal targets on carbon and energy (77% versus 42%).

Manufacturing firms are the most likely to have had an energy audit in the last 4 years (71%).

Q. In 2019 and under normal conditions, did your company set and monitor internal targets on carbon emissions and energy consumption?

Q. In 2019 and under normal conditions, did your company have a designated person responsible for defining and monitoring climate change strategies?

Q. And can I check, in the past four years has your company had an energy audit? By this, I mean an assessment of the energy needs and efficiency of your company's building or buildings

Base: All firms

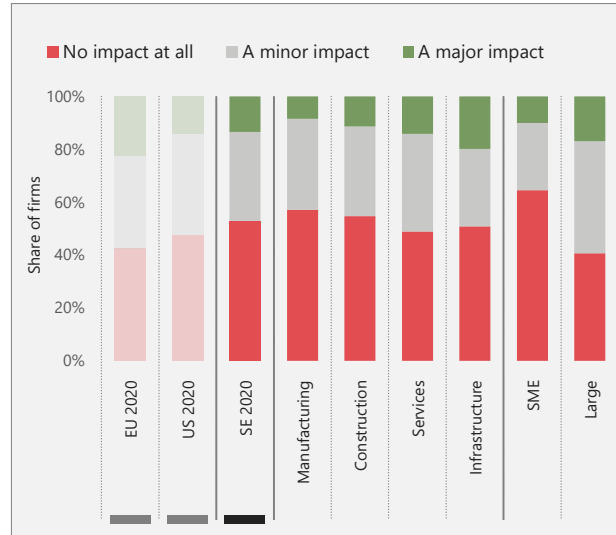
# Climate Change

## CLIMATE CHANGE IMPACT

About half (47%) of all firms in Sweden feel their business has been impacted by climate change and the related changes in weather patterns – including 13% who felt it had a major impact on their business. This is lower than the EU average (58% and 23% respectively).

The share of firms impacted by climate change is broadly similar across all sectors.

SMEs are more likely than large firms to report that climate change has had no impact at all on their business (66% versus 41%).



Q, Thinking about climate change and the related changes in weather patterns, would you say these weather events currently have a major impact, a minor impact or no impact at all on your business?

Base: All firms (excluding don't know / refused responses)

## REDUCTION IN CARBON EMISSIONS OVER NEXT FIVE YEARS BY SECTOR AND SIZE (NET IMPACT %)



Please note: green figures are positive, red figures are negative

Q. What impact will the transition to a reduction of carbon emissions have on the following aspects of your business over the next five years?

Base: All firms

Overall, more firms in Sweden expect transition to a low-carbon future over the next five years to have a positive rather than a negative impact on their reputation (+36%) and on market demand (+24%) over the next five years. Infrastructure firms are the most positive about the impact on their reputation (+48%).

In contrast, more firms expect the transition to have negative rather than a positive impact on their supply chain (-7%). Manufacturing firms are the most negative about the impact on their supply chain (-19%).

\*Net balance is the share of firms seeing positive impact minus the share of firms seeing a negative impact

# Climate Change

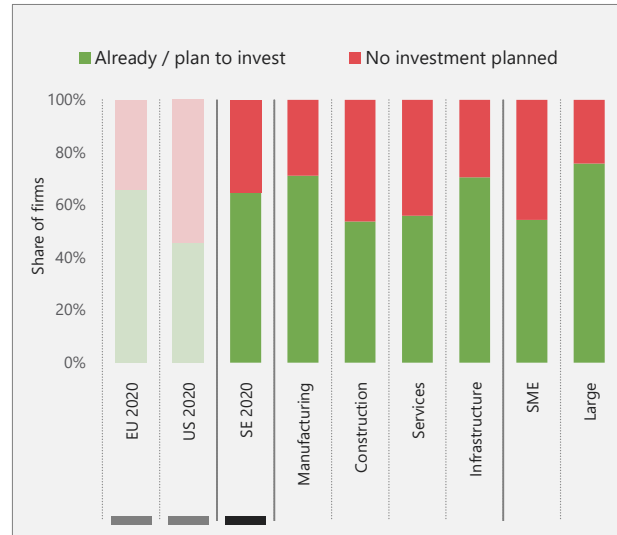
## INVESTMENT PLANS TO TACKLE CLIMATE CHANGE IMPACT

About two thirds (65%) of firms in Sweden have either already invested or plan to invest, in the next three years, in measures to tackle the impact of weather events and reduction in carbon emissions. This is similar to the EU average (67%).

Large firms are more likely to have either already invested or plan to invest than SMEs (76% versus 54%).

Construction firms are more likely than manufacturing and infrastructure firms to have no investment plans (46% versus 29% both).

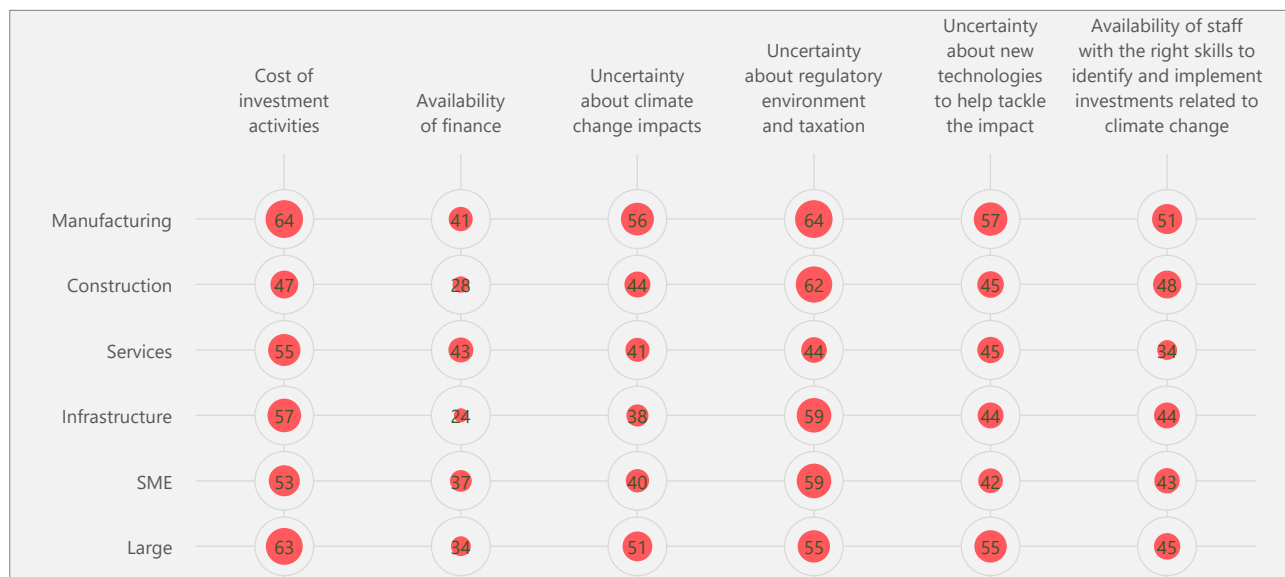
The most frequently cited barriers to investing in activities to tackle climate change are cost of investment activities (58%) and uncertainty about the regulatory environment and taxation (57%).



Q. Now thinking about investments to tackle the impacts of weather events and reduction in carbon emissions, which of the following applies?

Base: All firms (excluding don't know/refused responses)

## BARRIERS TO INVESTING IN ACTIVITIES TO TACKLE CLIMATE CHANGE BY SECTOR AND SIZE



Q. To what extent is the following an obstacle to investing in activities to tackle weather events and emissions reduction? Is it a major obstacle, minor obstacle or not at obstacle at all?

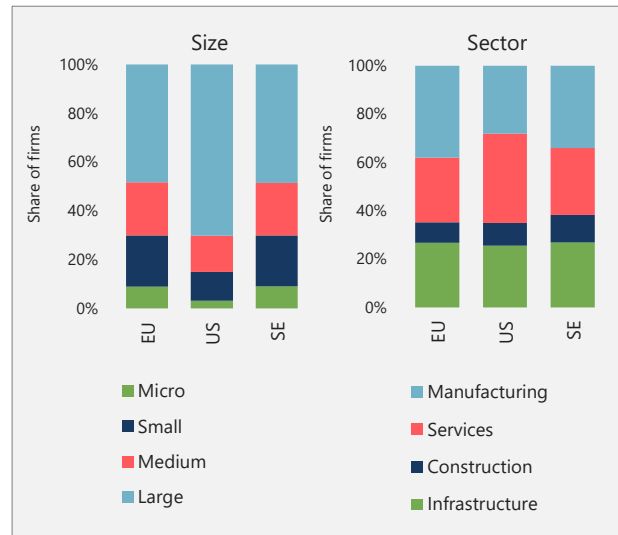
Base: All firms (data not shown for those who said not at obstacle at all / don't know / refused)

# Profile of Firms

## CONTRIBUTION TO VALUE ADDED

Large firms with 250+ employees (49%) and the manufacturing sector (34%) continue to account for the greatest shares of value-added in Sweden.

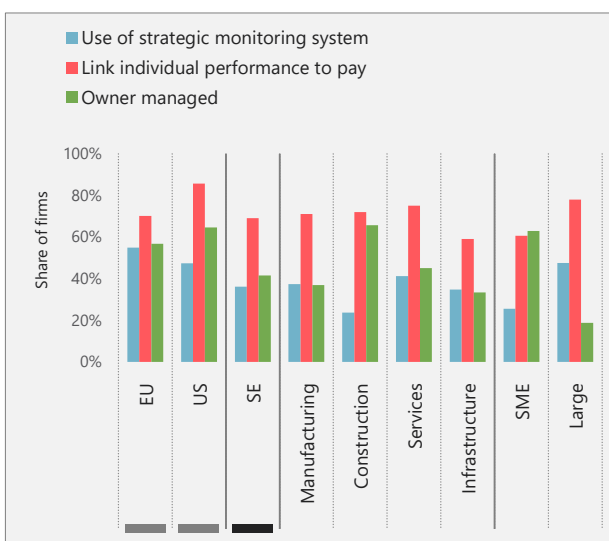
These proportions are in line with the EU average (48% and 38% respectively).



The charts reflect the relative contribution to value-added by firms belonging to a particular size class / sector in the population of firms considered. That is, all firms with 5 or more employees active in the sectors covered by the survey. Micro: 5-9 employees; Small: 10-49; Medium: 50-249; Large: 250+

Base: All firms

## FIRM MANAGEMENT



Firms in Sweden are less likely than EU firms to report using a formal strategic monitoring system (36% versus 55%).

Firms in Sweden are as likely as EU firms to link individual performance to pay (69% versus 70%) and less likely to be owner managed (42% versus 57%).

Large firms are more likely than SMEs to link individual performance to pay (78% versus 61%) and to use a strategic monitoring system (47% versus 26%).

Q. And does your company (a) use a formal strategic business monitoring system (that compares the firm's current performance against a series of strategic key performance indicators) (b) link individual performance with pay?  
Q. Does the CEO/ company head of your firm own or control the firm, or have a family member that owns/controls it?

Base: All firms (excluding don't know/refused responses)



# EIBIS 2020 – Country Technical Details

## SAMPLING TOLERANCES APPLICABLE TO PERCENTAGES AT OR NEAR THESE LEVELS

The final data are based on a sample, rather than the entire population of firms in Sweden, so the percentage results are subject to sampling tolerances. These vary with the size of the sample and the percentage figure concerned.

	EU	US	SE	Manufacturing	Construction	Services	Infrastructure	SME	Large	EU vs SE	Manuf vs Constr	SME vs Large
	(11971)	(800)	(480)	(138)	(98)	(113)	(123)	(398)	(82)	(11971 vs 480)	(98 vs 138)	(398 vs 82)
10% or 90%	1.1%	3.5%	3.0%	5.3%	6.1%	6.1%	5.7%	2.6%	5.5%	3.2%	8.1%	6.1%
30% or 70%	1.7%	5.3%	4.6%	8.1%	9.3%	9.3%	8.7%	4.0%	8.4%	4.9%	12.3%	9.3%
50%	1.9%	5.8%	5.0%	8.9%	10.2%	10.2%	9.5%	4.3%	9.2%	5.3%	13.5%	10.2%

## GLOSSARY

<b>Investment</b>	A firm is considered to have invested if it spent more than EUR 500 per employee on investment activities with the intention of maintaining or increasing the company's future earnings.
<b>Investment cycle</b>	Based on the expected investment in current financial year compared to last one, and the proportion of firms with a share of investment greater than EUR 500 per employee.
<b>Manufacturing sector</b>	Based on the NACE classification of economic activities, firms in group C (manufacturing).
<b>Construction sector</b>	Based on the NACE classification of economic activities, firms in group F (construction).
<b>Services sector</b>	Based on the NACE classification of economic activities, firms in group G (wholesale and retail trade) and group I (accommodation and food services activities).
<b>Infrastructure sector</b>	Based on the NACE classification of economic activities, firms in groups D and E (utilities), group H (transportation and storage) and group J (information and communication).
<b>SME</b>	Firms with between 5 and 249 employees.
<b>Large firms</b>	Firms with at least 250 employees.
<b>EIBIS 2019</b>	The previous wave of the EIB Investment Survey, with interviews carried out between April-July 2019.
<b>EIBIS 2020</b>	The current wave of the EIB Investment Survey, with interviews carried out between May-August 2020.

*Note : the EIBIS 2020 overview refers interchangeably to 'the past/last financial year' or to '2019'. Both refer to results collected in EIBIS 2020, where the question is referring to the past financial year, with the majority of the financial year in 2019 in case the financial year is not overlapping with the calendar year 2019.*

# EIBIS 2020 – Country Technical Details

The country overview presents selected findings based on telephone interviews with 480 firms in Sweden (carried out between May and August 2020).

**BASE SIZES** (\*Charts with more than one base; due to limited space, only the lowest base is shown)

Base definition and page reference	EU 2020/2019	US 2020/2019	SE 2020/2019	Manufacturing	Construction	Services	Infrastructure	SME	Large
All firms, p. 3, p. 4, p. 6, p. 10, p.11, p. 13, p. 15, p. 16, p. 17, p. 18, p. 19, p. 20	11971/12071	800/803	480/488	138	98	113	123	398	82
All firms (excluding don't know/refused responses), p. 2	11634/11417	748/711	474/467	136	96	111	123	395	79
All firms with investment plans for the current financial year (excluding don't know/refused responses), p. 3 (bottom), p. 4 (top)	9606/NA	643/NA	399/NA	118	79	91	105	318	81
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 5 (top)	10138/9716	682/624	411/398	117	86	92	108	337	74
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 5 (bottom)	9874/9506	683/620	406/421	114	88	88	108	341	65
All firms (excluding 'Company didn't exist three years ago' responses), p. 6	11949/12042	799/802	480/486	138	98	113	123	398	82
All firms (excluding don't know/refused responses), p. 7 (top)	11727/11757	787/775	469/477	138	96	109	119	387	82
All firms (excluding don't know/refused responses), p. 7 (bottom)	11608/0	780/0	462/0	136	95	107	117	382	80
All firms (excluding don't know/refused responses), p. 8 (top)	11720/11770	769/772	456/466	133	89	112	116	375	81
All firms (excluding don't know/refused responses), p. 8 (bottom)	9039/8380	600/516	357/353	102	75	81	93	294	63
All firms (excluding don't know/refused responses), p. 9	11938/11937	799/800	477/477	137	97	113	123	396	81
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 12	9255/9008	648/587	265/282	68	55	58	77	231	34
All firms who used external finance in the last financial year (excluding don't know/ refused responses), p. 12	4354/4369	314/252	112/148	29	27	18	35	101	11
All firms (excluding don't know/refused responses), p. 13	10711/10490	637/605	436/443	122	90	102	114	362	74
All firms who used external finance in the last financial year (excluding don't know/refused responses), p. 14*	4310/4292	314/245	110/147	29	28	17	34	99	11
All firms (excluding don't know/refused responses), p. 18	11898/NA	794/NA	480/NA	138	98	113	123	398	82
All firms (excluding don't know/refused responses), p. 19	11739/NA	772/NA	471/NA	137	97	108	121	390	81
All firms (excluding don't know/refused responses), p. 20*	11740/11627	777/762	472/474	136	96	110	121	392	80





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# Sweden

Overview

## EIB INVESTMENT SURVEY

# 2020