



Austria

Overview

EIB INVESTMENT SURVEY

2022

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Austria

Overview

EIB Investment Survey Country Overview 2022: Austria

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About the EIB Investment Survey (EIBIS)

The EIB Group Survey on Investment, which has been administered since 2016, is a unique, annual survey of some 13 000 firms. It covers firms in all European Union Member States and also includes a sample of firms in 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, such as climate change and digital transformation. The EIBIS, which uses a stratified sampling methodology, is representative across all 27 EU Member States 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

These reports provide an overview of data collected for the 27 EU Member States and the United States. They 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.

Download the findings of the EIB Investment Survey for each EU country or explore the data portal at www.eib.org/eibis.

About the Economics Department of the EIB

The mission of the EIB Economics Department is to provide economic analyses and studies to support the Bank in its operations and in the definition of 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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EIBIS 2022 – Austria Overview

KEY RESULTS

Investment Dynamics and Focus

EIBIS 2022 shows that on average, fewer Austrian firms invested in 2021 (87%) than before the pandemic (93%), but this exceeded the EU average (81%). At the time of interviews (April-July 2022), the net balance of firms expecting to increase rather than decrease investment was lower than in EIBIS 2021 (25% versus 34%) but reflects the EU average (20%).

Investment Needs and Priorities

There are few signs of an investment shortfall in Austria. Eight in ten firms (80%) believe they invested the right amount over the past three years, only 17% think it has been too little. Similar proportions of Austrian firms intend to prioritise investment in capacity replacement (36%) and capacity expansion (31%), while a quarter (26%) will direct investment towards new products. Each figure is close to both EIBIS 2021 and the EU average.

Covid-19 Impact

In Austria, 44% of firms were negatively impacted by COVID-19, with, at the time of interviews, 32% expecting sales to return to at least 2019 levels in 2022.

Exceeding the EU average (60%), over seven in ten (72%) Austrian firms received some form of financial support in response to COVID-19. About one in ten (11%) are still receiving it.

Firms' Transformation, Innovation and Digitalisation

Austrian firms took action : almost three-quarters of Austrian firms (73%) say they have taken at least one action in response to COVID-19. The figure remains above the EU average (63%). The most often cited area of action or investment is to become more digital (68%). This is also higher than EIBIS 2021 (59%) and the EU average (53%).

Eight in ten (79%) Austrian firms are using at least one advanced digital technology. And a large proportion of Austrian firms adopt multiple advanced digital technologies (56%), above the EU average (42%). Austria's firms are adopting many of these technologies to a significantly greater degree than other EU firms. In relative terms they far more likely to be utilising augmented or virtual reality (27% versus 12%), digital platform technologies (73% versus 49%), and Big Data/AI (43% versus 29%).

International Trade

Nine in ten Austrian firms (91%) are facing disruptions associated with international trade. Two-thirds (67%) of Austrian firms, who are facing disruption, are taking action to mitigate the impact of international trade disruptions, which is higher than the EU average (57%). In response Austrian firms are as likely to focus on increasing or diversifying trading partners (51%) as to address their domestic suppliers or markets (46%).

Drivers and Constraints

Following improved figures in EIBIS 2021, Austrian firms are generally less optimistic about investment conditions for the year ahead. Economic climate expectations are now very negative in net terms (falling from +35% to -51%). Austrian firms have never been more pessimistic about the political climate (-43%) and short-term availability of external finance (-11%). The biggest long-term barriers to investment are regarded as availability of skilled staff (91%) and energy costs (84%). The energy cost figure is 18 points higher than EIBIS 2021.

EIBIS 2022 – Austria Overview

Investment Finance

The share of financially constrained firms in Austria (3%) is above EIBIS 2021 (1%) but remains well below the EU average (6%). It could be that Austria's firms tend not to need or seek external finance. Internal sources account for almost three-quarters (73%) of their investment finance and the proportion financed via external sources (19%) is below the EU average (28%). A fifth of Austrian firms using external finance received grants (20%, similar to the EU average).

Climate Change and Energy Efficiency

The majority of Austrian firms report they are impacted by climate change: the proportion of firms saying they face losses due to climate events (64%) is higher than the EU average (57%).

The transition towards a low carbon economy is seen among Austrian firms as an opportunity for 36%, and as a risk for 31% of firms. This contrasts slightly with the EU average where marginally more consider this a risk than an opportunity (32% versus 29%). Since EIBIS 2021, the proportion of firms in Austria regarding this as a risk has increased from 23% to 31%. Almost every Austrian firm (94%) is taking action to reduce Greenhouse Gas (GHG) Emissions. However, in line with the EU average (41%), fewer than half of Austria's firms (43%) set and monitor targets for their own GHG emissions.

Austrian firms are getting more resilient to climate change: two-thirds (66%) of Austrian firms have already invested in tackling the impacts of weather events and reducing carbon emissions. A similar proportion (64%) plans to invest in the next three years. Both figures are above the EU average (53% and 51% respectively). With a small increase since EIBIS 2021 (from 46% to 51%), a half of Austrian firms invested in measures to improve energy efficiency in 2021. This is above the EU average (40%).

Firm Management, Gender Balance and Employment

Most Austrian firms (54%) use a strategic monitoring system. This is similar to the EU average (51%). The proportion striving for gender balance within their business (49%) is lower than the EU average (58%).

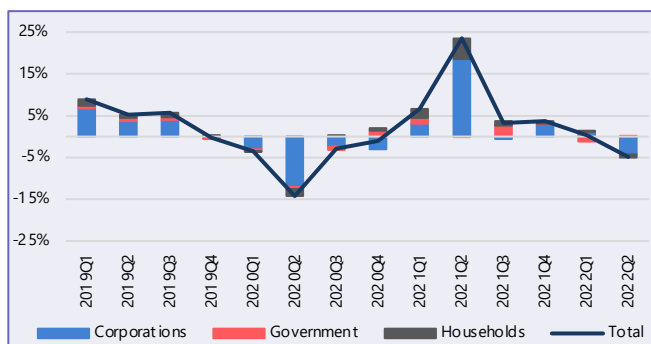
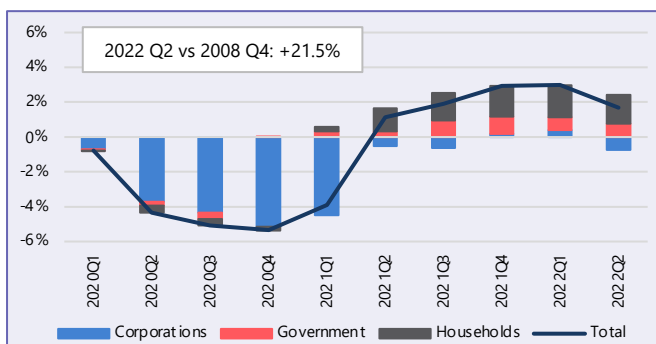
Investment dynamics and focus

INVESTMENT DYNAMICS BY INSTITUTIONAL SECTOR

- Total investment began recovering starting from Q1 2021, following the pronounced fall in aggregate investment during the first year of the pandemic, (during which the lowest level was reached in Q4 2020 of -5.3% relative to Q4 2019).
- Aggregate investment more than reached its pre-pandemic level in Q2 2021 (+1.1% relative to Q4 2019). This rebound was driven by the positive contributions from household investment and,

subsequently, by government investment in Q3 2021.

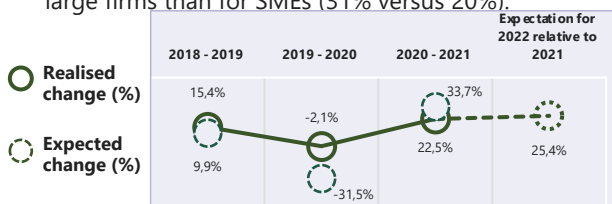
- The first half of 2022, however, was marked by a stabilization in Q1 2022 followed by a fall in the level of aggregate investment in Q2 2022. The latter was driven by a contraction in corporate investment.



The LHS chart shows the evolution of total gross fixed capital formation (GFCF) by institutional sector, in real terms and non seasonally nor calendar adjusted. The nominal GFCF source data was transformed into four-quarter sums and deflated using the implicit deflator for total GFCF (2015=100 euro). The four-quarter sum of total GFCF in 2019Q4 is normalised to 0. The RHS chart shows the y-o-y change in total real GFCF by institutional sector, following the same transformations (described above) to the source data. Source: Eurostat, authors' own calculations.

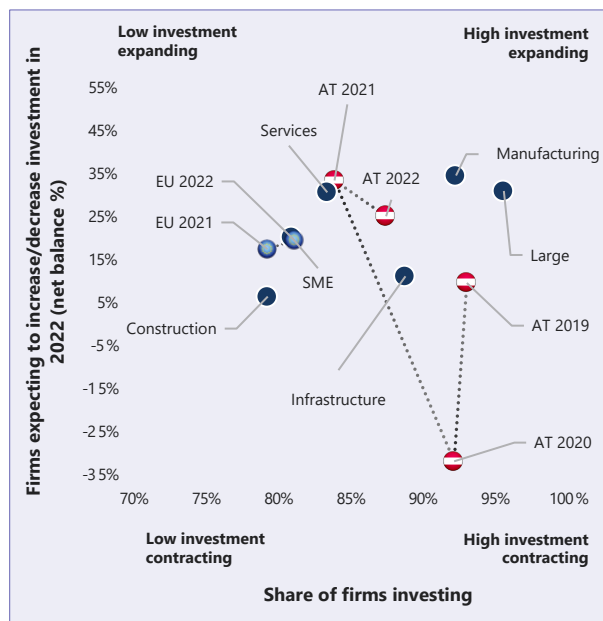
INVESTMENT CYCLE AND EVOLUTION OF INVESTMENT EXPECTATIONS

- The proportion of Austrian firms investing in 2021 is high and in line with EIBIS 2021 (87% versus 83%) but the net balance of firms planning to increase rather than decrease investment has fallen (from 34% to 25%).
- The share of firms investing is lower than pre-pandemic levels (87% versus 93%) but exceeds the EU average (81%). The net balance of investment expectations is above pre-COVID-19 levels (25% versus 10%), similar to the EU average (20%).
- The net balance comparing the share of firms planning to increase rather than decrease investment in 2022 is highest in manufacturing (35%) and lowest in construction (7%). This proportion is also higher for large firms than for SMEs (31% versus 20%).



'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 for expected and realised change: All firms



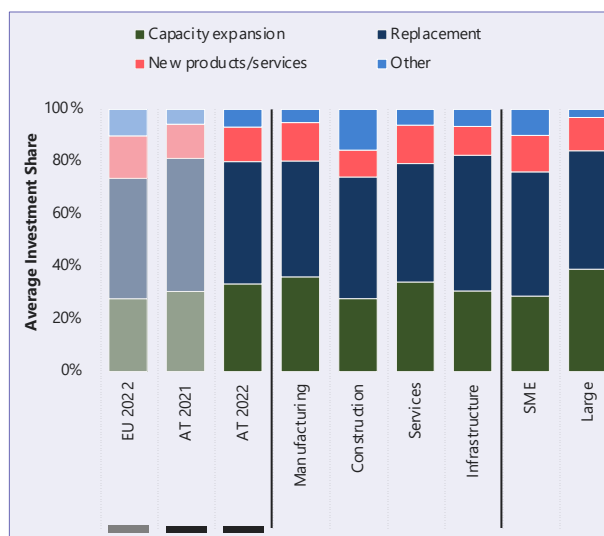
Share of firms investing shows the percentage of firms with investment per employee greater than EUR 500.

Base for share of firms investing: All firms (excluding don't know/refused responses)

Investment dynamics and focus

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

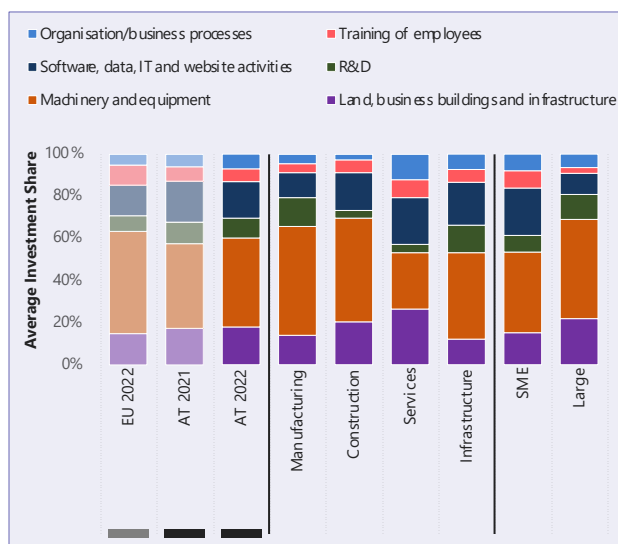
- Almost half (46%) of Austrian firms' investment is directed towards capacity replacement. A third (33%) is directed towards capacity expansion but relatively little on developing new products/services (13%). These figures are similar to both EIBIS 2021 and the EU average.
- Replacement receives the largest share of investment in all sectors, ranging from 44% in manufacturing to 52% for infrastructure firms. Investment in new products/services is less of a focus for construction and infrastructure firms (10% and 11% respectively).
- Austria's large firms (39%) are directing a larger share of their investment towards capacity expansion than are SMEs (29%).



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



- The single biggest proportion (42%) of the investment made by Austrian firms was directed towards machinery and equipment, as in EIBIS 2021.
- Two-fifths (40%) of Austrian firms' investment was in intangible assets (R&D, software, training and business processes). This is virtually unchanged since EIBIS 2021 (42%) and higher than the EU average (37%).
- The proportion of investment directed towards intangibles varies by sector, ranging from 30% in construction to 47% in both services and infrastructure.
- Compared to large firms, SMEs are directing a larger proportion of their investment towards intangibles (46% versus 31%).

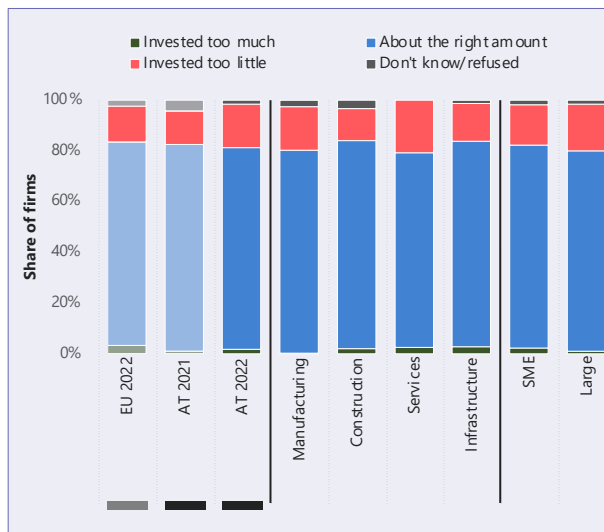
Q. In the last financial year, how much did your business invest in each of the following with the intention of maintaining or increasing your company's future earnings?

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

Investment needs and priorities

PERCEIVED INVESTMENT GAP

- Eight in ten Austrian firms (80%) believe they invested the right amount over the past three years, about two in ten (17%) say they invested too little. The proportion saying they did not invest enough is small and aligns with EIBIS 2021 (13%) and the current EU average (14%).
- Service firms appear to be more exposed to underinvestment: approximately a fifth of service firms (21%) feel they invested too little. This compares to 13% among construction firms.
- SMEs and large firms have very similar views on whether they invested an appropriate amount over the past three years.

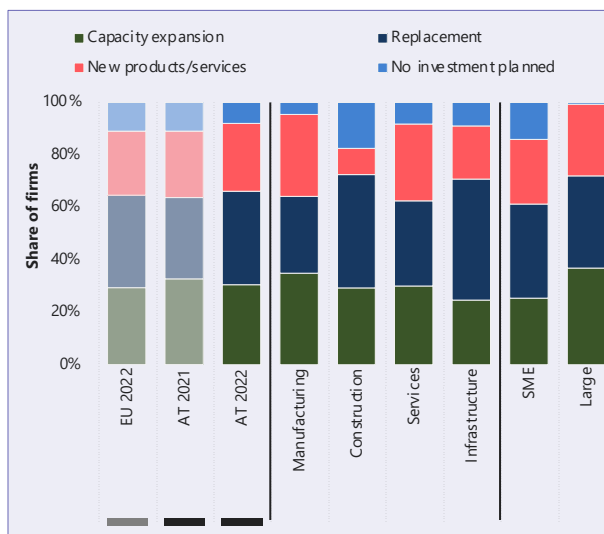


Q. Looking back at your investment over the last 3 years, was it too much, too little, or about the right amount?

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

FUTURE INVESTMENT PRIORITIES

- Over the next three years, a roughly equal proportion of Austrian firms will prioritise investment in capacity replacement (36%) and capacity expansion (31%). A quarter (26%) expect to prioritise new products/services in their investment decisions. Each figure is close to both EIBIS 2021 and the EU average.
- Over two-fifths of construction (43%) and infrastructure firms (46%) expect to prioritise capacity replacement over the next three years. Compared to construction firms (10%), investment in new products/services will be a relatively higher priority within services (29%) and manufacturing (31%). Almost a fifth of construction firms (18%) have no investment planned.
- Almost every large firm is planning to invest, but 14% of SMEs are not. Large firms are looking to give relatively more priority than SMEs to capacity expansion (37% versus 25%).

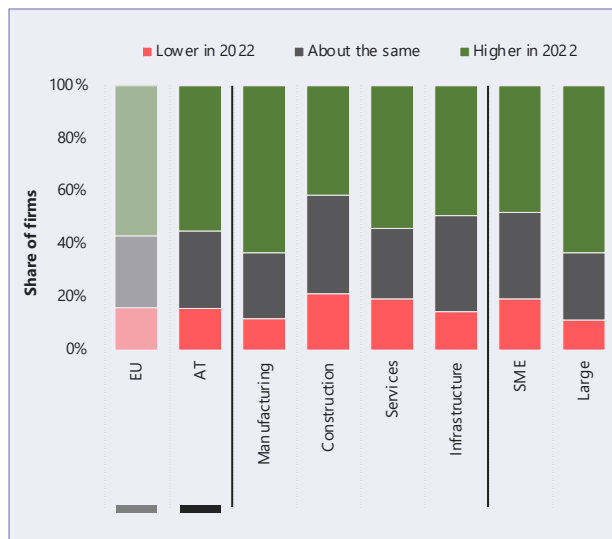


Q. Looking ahead to the next three years, which is your investment priority (a) replacing capacity (including existing buildings, machinery, equipment, IT) (b) expanding capacity for existing products/services (c) developing or introducing new products, processes, services?

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

Impact of COVID-19

IMPACT OF COVID-19 ON SALES OR TURNOVER BY END OF 2022 COMPARED TO 2019

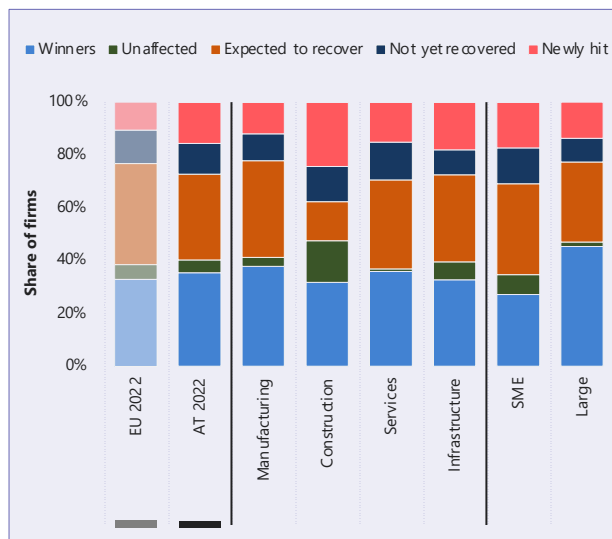


- At the time of the interviews, most Austrian firms (55%) expected their 2022 sales' level to be above the one achieved in 2019. Relatively few (16%) expected sales to be lower. This is an outlook shared across the EU (57% and 16% respectively).
- While most manufacturers (63%) and service sector firms (54%) expected their sales to exceed those in 2019, only a minority of construction (41%) and infrastructure (49%) firms shared this positive view. Some construction and services firms may actually struggle in terms of sales, as one fifth expect a 2022 sales' level lower than in 2019.
- The share of firms expecting a higher level of sales in 2022 compared to the pre-pandemic level was larger among large firms than among SMEs (63% versus 48%).

Q. Compared to 2019, do you expect your sales or turnover in 2022 to be higher, lower or about the same?

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

IMPACT ON FIRMS' SALES OR TURNOVER AND EXPECTED RECOVERY



Q. Compared to 2019, before the pandemic started, did your company's sales and turnover in 2020 decline, increase or stay the same?

Q. Compared to 2020, did your company's sales and turnover in 2021 decline, increase or stay the same?

Q. Compared to 2019, do you expect your sales or turnover in 2022 to be higher, lower or about the same?

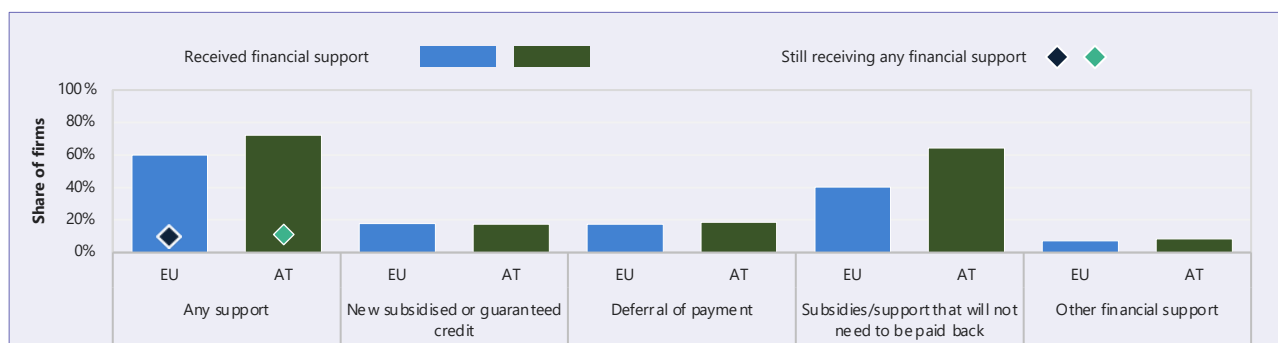
Base: All firms (excluding don't know/refused responses)

- Around 44% of Austrian firms had their sales' level negatively impacted by COVID-19 in 2020 and/or 2021. At the time of the interviews, 32% of firms had suffered a decline in sales during this period but expected to return to at least their 2019 sales' level in 2022. These figures align very closely to the EU average.
- On the other hand, 16% of firms expected a sales drop in 2022, back to or below pre-pandemic levels, in spite of not having experienced any year-on-year sales decline during the COVID-19 crisis (newly hit firms) - more so than in the EU overall (11%). The construction sector has the highest share of 'newly hit' firms (24%).
- The sales outlook was mainly positive across all sectors, with the exception of the construction sector. More than two thirds of manufacturing (74%), services (70%) and infrastructure sector firms (66%) foresaw a 2022 sales level at least as high as the one prior to the start of the COVID-19 pandemic. Only a minority of construction firms (47%) shared this optimism.
- Large firms have a higher share of 'winners' (45% versus 27%) but, still, SMEs have a higher share of 'expected to recover' firms (30% versus 34%).

Impact of COVID-19

FINANCIAL SUPPORT RECEIVED IN RESPONSE TO COVID-19

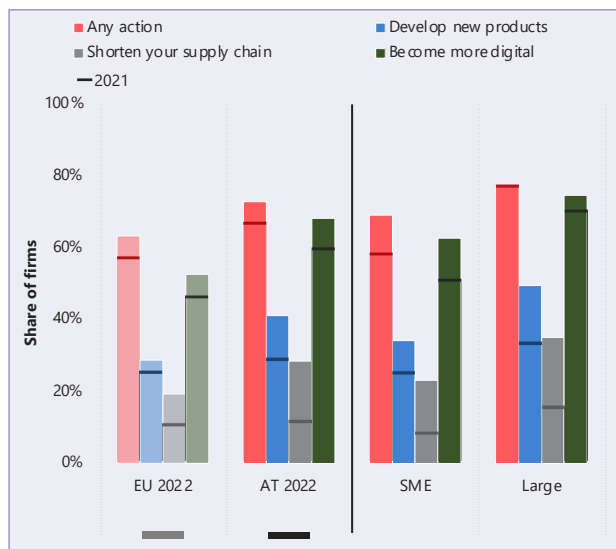
- Many Austrian firms received support from the state: largely exceeding the EU average (60%), over seven in ten (72%) Austrian firms received some form of financial support as a response to COVID-19. About one in ten (11%) are still receiving it.
- Far more than any other type of assistance, Austrian firms benefitted from subsidies/ support that will not need to be paid back (64%). This is much higher than the EU average (40%).
- As was seen across the EU, one in five Austrian firms benefited from deferred payments (19%) or new subsidised or guaranteed credit (17%).



Q. Since the start of the pandemic, have you received any financial support?
Q. Are you still receiving (any of) this financial support?

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

ACTIONS AS A RESULT OF COVID-19



- Austrian firms took action in response to COVID-19: almost three-quarters of Austrian firms (73%) say they have taken at least one action. The figure remains above the EU average (63%).
- Digitalization became the priority: as reported by 68% of Austrian firms, the most often cited area of action or investment is to become more digital. This happens by taking steps such as moving to online service provision. Again this is higher than the EU average (53%).
- Large firms are more likely than SMEs to have taken action of some kind (77% versus 69%). Among both groups the main response has been to become a more digital business. (75% and 63%).

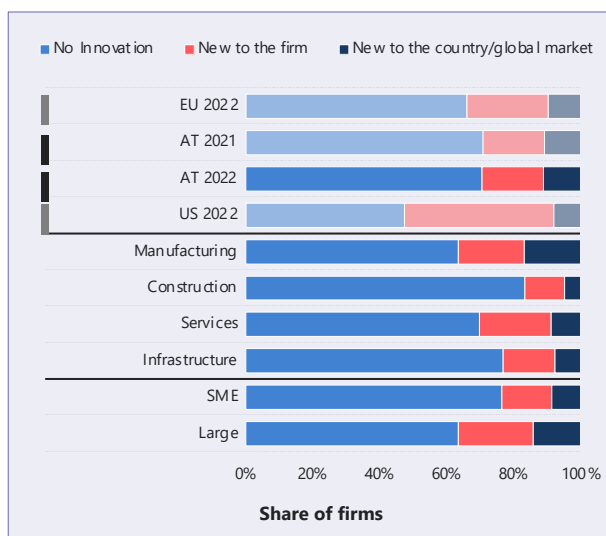
Q. As a response to the COVID-19 pandemic, have you taken any actions or made investments to...?

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

Innovation activities

INNOVATION ACTIVITY

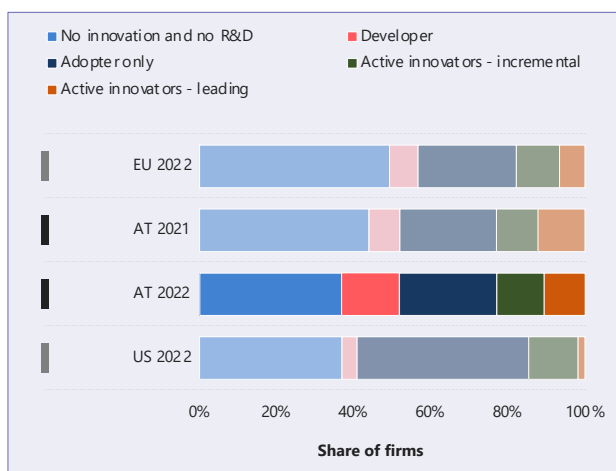
- Three in ten (30%) Austrian firms developed or introduced new products, processes or services as part of their investment activities. This is similar to EIBIS 2021 (29%) and the current EU average (34%).
- Austria's manufacturing (37%) and services sectors (30%) have a higher proportion of firms investing in innovation than infrastructure (23%) or construction (17%).
- As is seen across the EU (11%), one in ten (11%) Austrian firms report the development/ introduction of products, processes or services that were new to either the country or global market.
- Innovation activity is more relevant for large firms: they are more likely than SMEs to have developed or introduced new products, processes or services as part of their investment activities (37% versus 24%).



- 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



- Around a quarter of Austrian firms (23%) can be classified as active innovators — firms that invested significantly in research and development and introduced a new product, process or service. This is identical to EIBIS 2021 (23%) and slightly above the EU average (18%).
- The proportion of Austrian firms that innovated or invested in R&D in the last financial year (63%) is higher than both EIBIS 2021 (56%) and the EU average (51%). Austria's level of innovators matches that of the US (63%).

- 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?

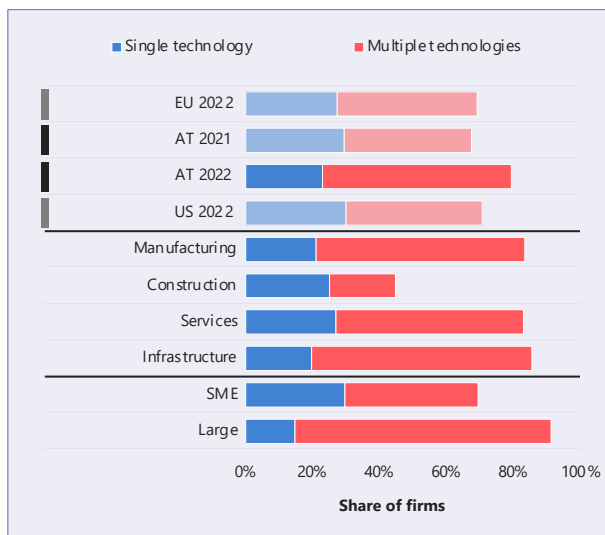
Base: All firms (excluding don't know/refused responses)

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

USE OF ADVANCED DIGITAL TECHNOLOGIES

- A large proportion of Austrian firms adopt at least one advanced digital technology (79%), above the EU average (69%).
- Only in construction (45%) a minority of firms is using digital technologies. It accounts for at least 83% in all other sectors rising to 86% of infrastructure firms.
- Large firms are more likely than SMEs to utilise digital technologies (91% versus 69%) with over three-quarters of bigger firms utilising multiple technologies (76%).
- Austria's firms are adopting many of these technologies to a significantly greater degree than other EU firms. In relative terms they far more likely to be utilising augmented or virtual reality (27% versus 12%), digital platform technologies (73% versus 49%), and Big Data/AI (43% versus 29%).



EIBIS 2022

Q. To what extent, if at all, are each of the following digital technologies used within your business? Please say if you do not use the technology within your business?

EIBIS 2021

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?

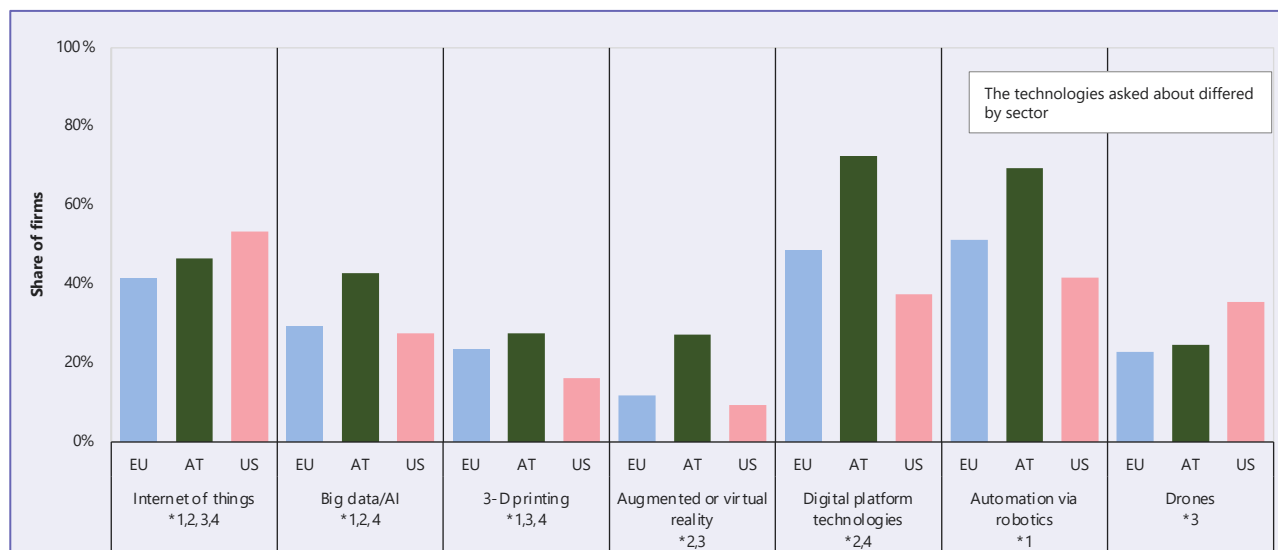
Please note: question wording and definitions changed between 2021 and 2022, comparisons between the two waves should not be made.

Reported shares combine used the technology 'in parts of business' and 'entire business organised around it'

Single technology is where firms have used one of the technologies asked about. Multiple technologies is where firms have used more than one of the technologies asked about

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

ADVANCED DIGITAL TECHNOLOGIES



* Sector: 1 = Asked of Manufacturing firms, 2 = Asked of Services firms, 3 = Asked of Construction firms, 4 = Asked of infrastructure firms

Q. To what extent, if at all, are each of the following digital technologies used within your business? Please say if you do not use the technology within your business?

Reported shares combine used the technology 'in parts of business' and 'entire business organised around it'

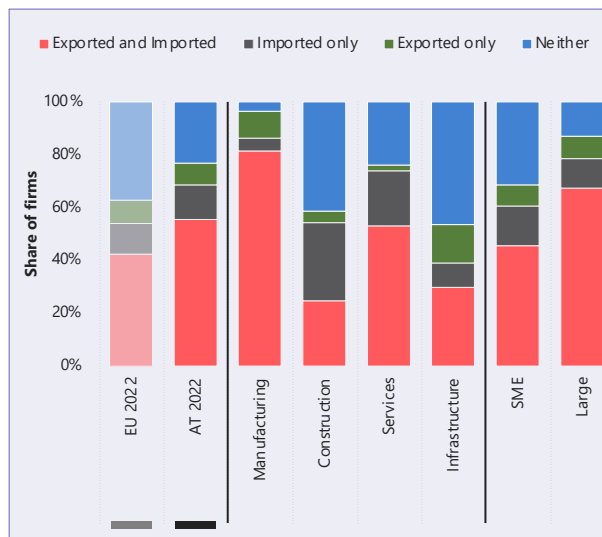
Base: All firms (excluding don't know/refused responses);
Sample size AT: Manufacturing (156); Construction (73); Services (126); Infrastructure (110).

Please note: question wording changed between 2021 and 2022, comparisons between the two waves should not be made.

International trade

ENGAGEMENT IN INTERNATIONAL TRADE

- A high share of Austrian firms are traditionally engaged in international trade: a higher proportion of Austrian firms than the EU average are engaged in international trade (77% versus 63%). Almost all Austria's manufacturers (96%) trade outside their home market, but fewer than six in ten construction (59%) and infrastructure firms (54%) do likewise.
- A higher proportion of large firms than SMEs are trading internationally (87% versus 68%).



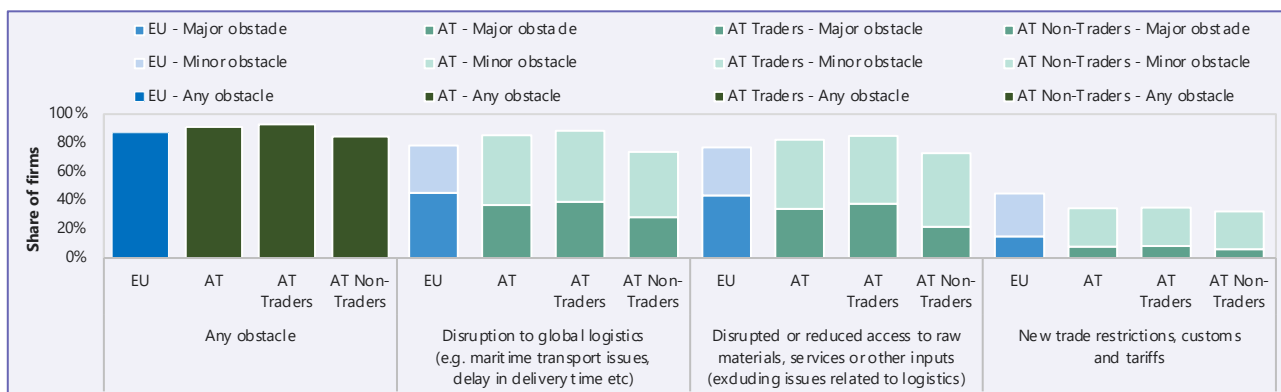
Q. In 2021, did your company export or import goods and/or services?

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

DISRUPTIONS RELATED TO INTERNATIONAL TRADE

- Supply chain disruptions are affecting Austrian firms: similar to the EU average (87%), nine in ten Austrian firms are facing disruptions associated with international trade (91%).
- Disruption to global logistics (85%) and reduced access to raw materials, services or other inputs (82%) are the main trade-related obstacles for

Austria's firms. In both absolute terms and relative to the EU average, few Austrian firms have found trade restrictions, customs or tariffs to be an obstacle to their activities (35% versus 45%).



Q. Since 2021, did any of the following present an obstacle to your business's activities?

Any obstacle combines 'minor' and 'major' obstacles into one category

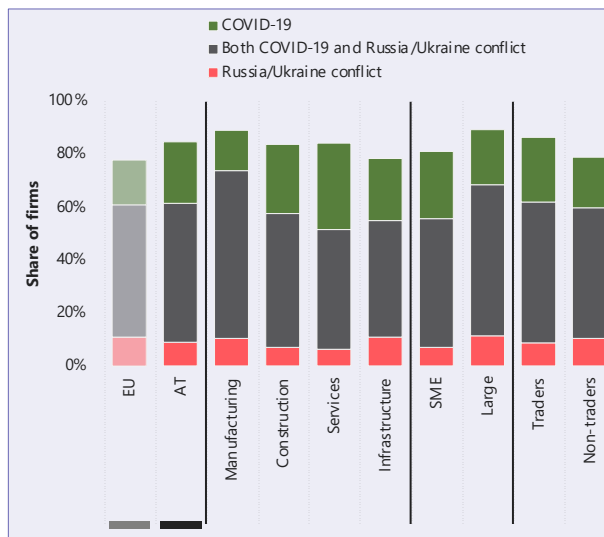
Base: "Any obstacle" - All firms (excluding those who said don't know/refused/not applicable responses to all three international trade obstacles)

Base: Individual obstacles - All firms (excluding those who said don't know/refused/not applicable)

International trade

EXTERNAL FACTORS IMPACTING INTERNATIONAL TRADE

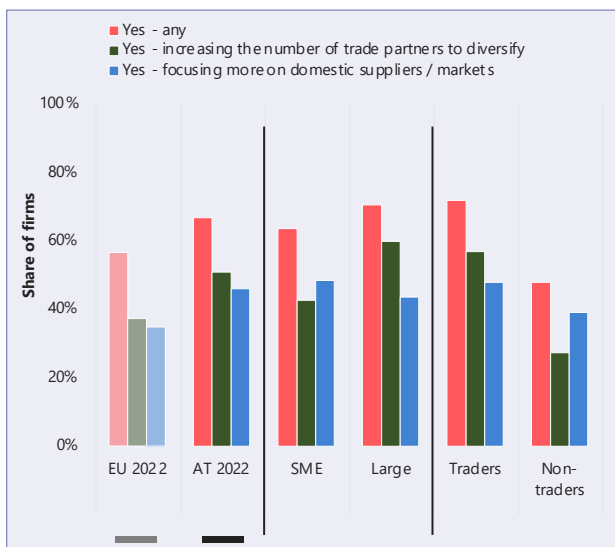
- Nearly nine in ten (85%) Austrian firms are impacted by at least one of the external factors disrupting international trade. As a stand-alone factor, COVID-19 (23%) has impacted Austrian firms to a greater extent than the Russia-Ukraine conflict (9%) and has had a bigger impact than across the EU (17%).
- At least 79% of firms in all sectors have been impacted by one or both of these external factors. As a stand-alone factor, COVID-19 has impacted far more services firms (33%) than manufacturers (15%).
- COVID-19 and the Russia-Ukraine conflict have impacted SMEs and large firms to a broadly similar degree. The same is true of traders and non-traders.



Q. You have just said that you experienced (an obstacle/obstacles) to your business activities since 2021. Did Covid-19 and/or the Russia-Ukraine conflict, including the sanctions imposed by the International community, contribute to this in anyway?

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

ACTIONS TO MITIGATE INTERNATIONAL TRADE DISRUPTIONS



- Two-thirds of Austrian firms (67%) are taking action to mitigate the impact of international trade disruptions. This is higher than the EU average (57%).
- More large firms than SMEs have taken steps to mitigate the impact of international trade disruptions (71% versus 64% respectively).
- Austrian firms are as likely to focus on increasing or diversifying trading partners (51%) as to address their domestic suppliers or markets (46%). Working with trading partners is something a majority of large firms (60%) and traders (57%) have done.

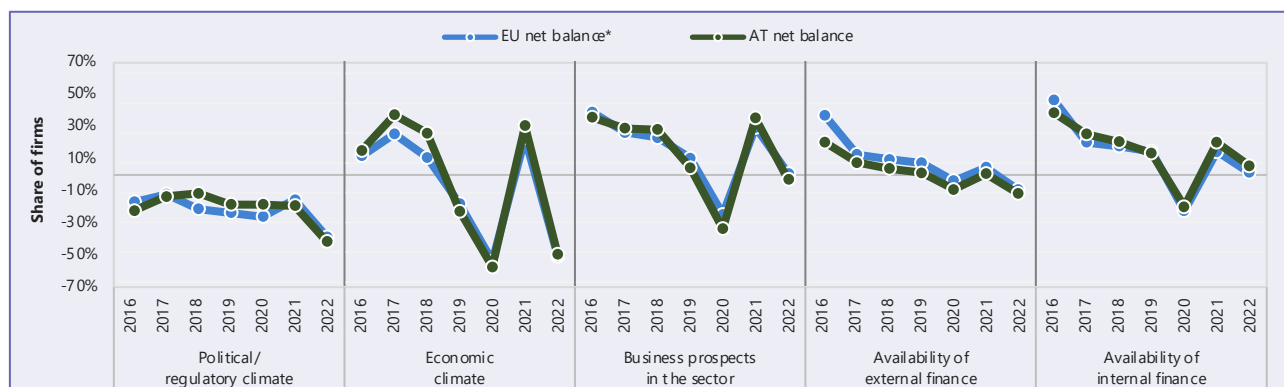
Q. Is your company taking any actions to mitigate the impact of these disruptions?

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

Drivers and constraints

SHORT-TERM FIRM OUTLOOK

- Following the upward trend in outlook in EIBIS 2021, Austrian firms are now less optimistic about the investment conditions for the year ahead. Economic climate expectations have turned very negative in net terms (declining from +35% to -51%).
- Expectations around business prospects has also turned negative (declining from +40% to -1%).
- Austrian firms are as pessimistic as they have ever been especially about the political/regulatory climate (-43%).
- The downward trend in sentiment reflects the data from the EU as a whole, with Austrian firms having similar levels of optimism / pessimism on each factor.

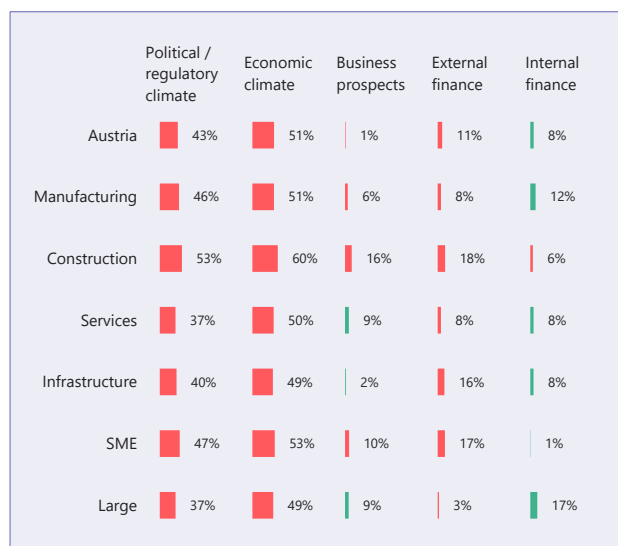


*Net balance is the share of firms seeing improvement minus the share of firms seeing a deterioration.

Q. Do you think that each of the following will improve, stay the same, or get worse over the next 12 months?

Base: All firms

SHORT-TERM FIRM OUTLOOK BY SECTOR AND SIZE (net balance %)



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

- Firms are consistently more negative than positive about the political/regulatory and economic climates and external finance across different sectors and business sizes. Construction firms are especially pessimistic.
- Only within services (+9%) and infrastructure firms (+2%) is there a degree of optimism regarding business sector prospects. In construction it is -16%.
- Firms in all sectors are pessimistic about the short-term availability of external finance, which was not previously considered a relevant obstacle for Austrian firms. It reaches -18% among construction firms.
- While they are also concerned about the political and economic climate, Austria's large firms are not as pessimistic as its SMEs. Large firms remain the most optimistic about business prospects (+9% versus -10%) and availability of internal finance (+17% versus +1%).

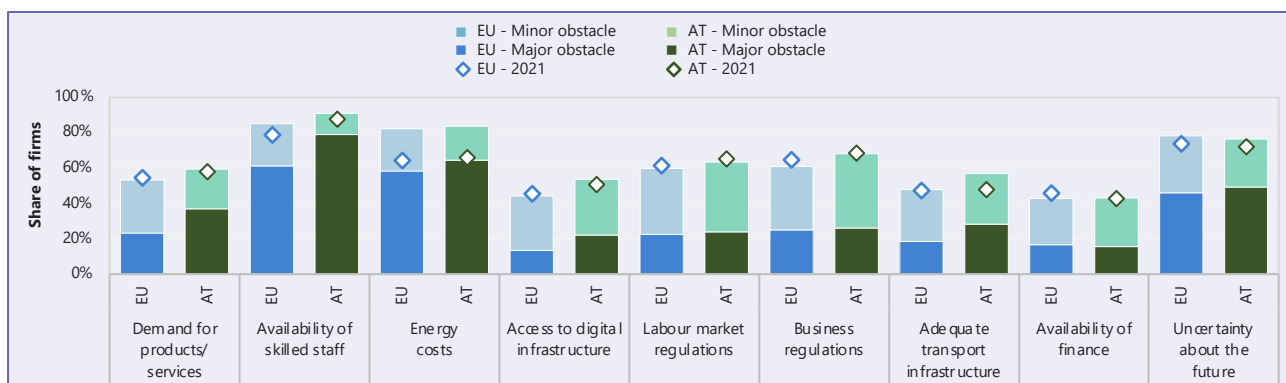
Q. Do you think that each of the following will improve, stay the same, or get worse over the next twelve months?

Base: All firms

Drivers and constraints

LONG-TERM BARRIERS TO INVESTMENT

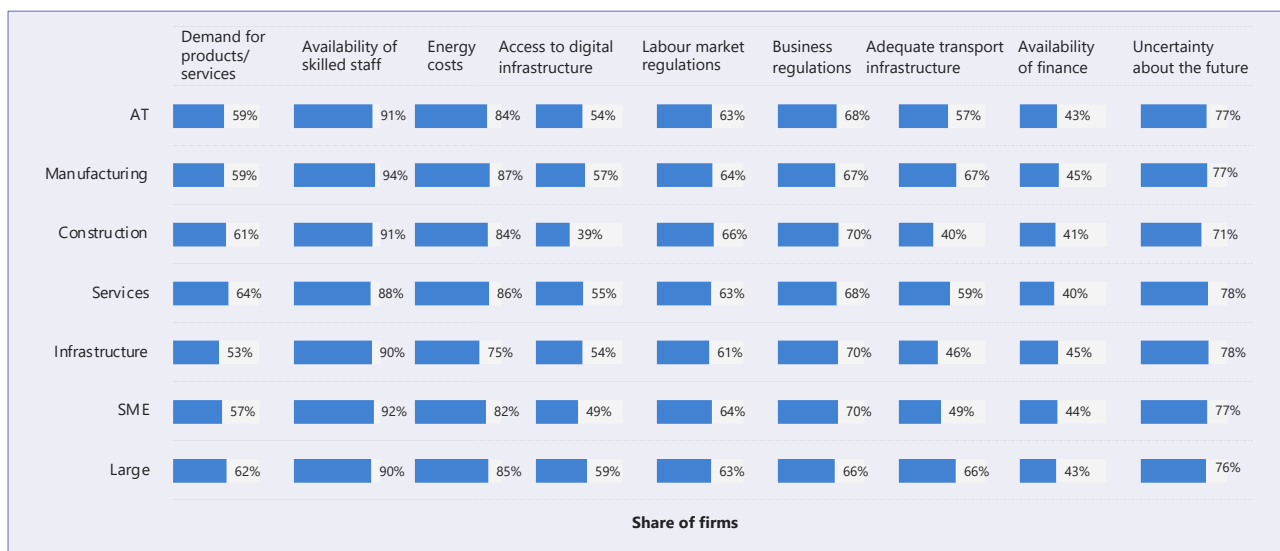
- The two biggest long-term barriers to investment in Austria are the availability of skilled staff (91%) and energy costs (84%). The proportion saying energy costs are a barrier has risen significantly from 66% in EIBIS 2021.
- Over three-quarters (77%) consider uncertainty about the future as an obstacle to their investment activities while business regulations are considered a barrier by nearly seven in ten (68%). Two out of five of Austria's firms (43%) say availability of finance is obstructing investment.
- The proportion of Austrian firms saying each factor is an obstacle to investment tends to be a little higher than the EU average. This is most evident with regard to the digital (54% versus 44%) and transport infrastructure (57% versus 48%).



Q. Thinking about your investment activities, 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



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

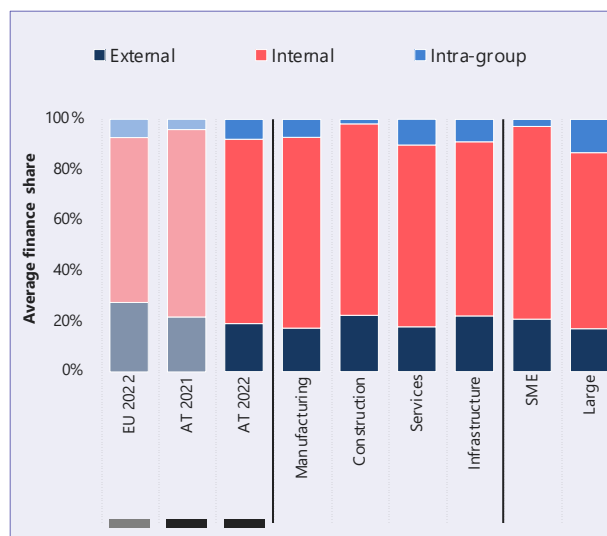
Q. Thinking about your investment activities, to what extent is each of the following an obstacle? Is it a major obstacle, a minor obstacle or not an obstacle at all?

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

Access to finance

SOURCE OF INVESTMENT FINANCE

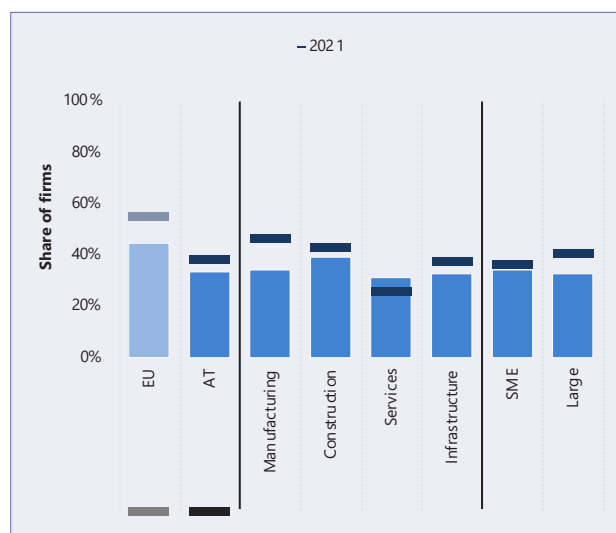
- Internal sources account for the large majority of Austrian firms' investment finance (73%). The proportion financed from external sources (19%) is below the EU average (28%).
- In every sector at least 69% of investment is financed from internal sources. Manufacturing and construction firms are most reliant on their own internal resources with 76% of their investment funded via these means.
- SMEs and large firms finance a similar share of investment via internal sources (76% versus 70% respectively). But large firms have funded more of their investment via intra-group sources than have SMEs (13% versus 3%).



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)

USE OF EXTERNAL FINANCE



- Just over a third (34%) of Austrian firms that invested in the last financial year, funded at least some of this via external finance. This is similar to EIBIS 2021 (38%) but is lower than the current EU average (45%).
- Construction firms (39%) are the most likely to have accessed external finance, and service firms (31%) the least. Compared to EIBIS 2021, manufacturers have seen a particularly large fall in the proportion funding some of their investment through external sources (46% versus 34%).
- SMEs have similar access to external finance as large firms (34% versus 33%). For large firms this represents an eight-point drop since EIBIS 2021.

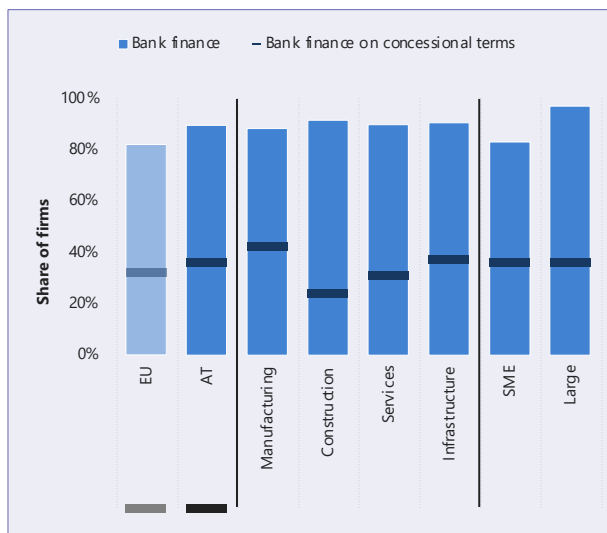
Q. Approximately what proportion of your investment in the last financial year was financed by each of the following

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

Access to finance

ACCESS TO BANK FINANCE AND CONDITIONS

- Banks' finance is the prevailing source of external finance: nine in ten Austrian firms (90%) using external finance received bank finance, 36% obtained this on concessional terms. Compared to the EU average, slightly more Austrian firms have been supported by a bank when obtaining external finance (90% versus 82%).
- There is very little variation in use / access to bank finance by sector.
- Although a very large proportion of Austrian SMEs received external finance from a bank (83%), it is higher still among large firms (97%). SMEs obtained concessional terms with the same level of frequency as large firms (both 36%).

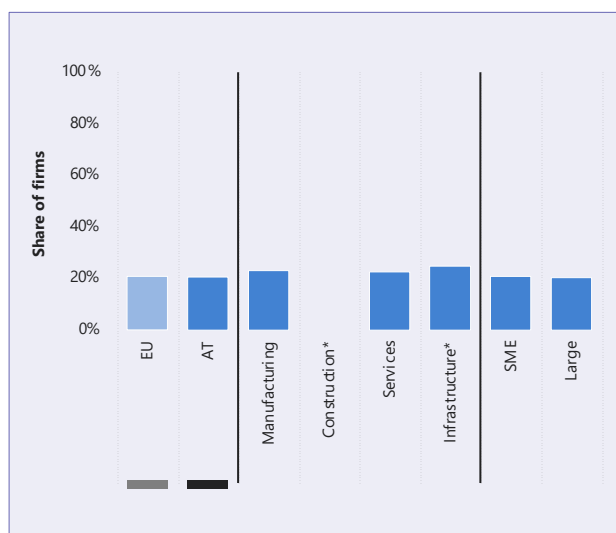


Q. Which of the following types of external finance did you use for your investment activities in the last financial year?

Q. Was any of the bank finance you received on concessional terms (e.g. subsidised interest rates, longer grace period to make debt payments)?

Base: All firms who used external finance (excluding don't know/refused responses)

SHARE OF FIRMS WITH FINANCE FROM GRANTS



- A fifth of Austrian firms using external finance received grants (20%). That is financial support or subsidies from regional and national government or funding provided by the European Commission. This is similar to the EU average (21%).
- None of the construction firms using external finance had received grants, but in all other sectors approximately a quarter had.
- A similar proportion of SMEs and large firms (around a fifth) that accessed external finance were in receipt of grants.

Q. What proportion of your total investment in your last financial year was financed by grants?

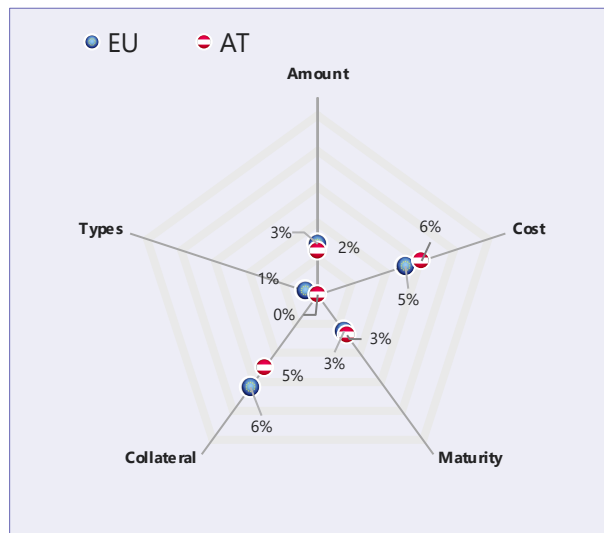
Base: All firms using external finance (excluding don't know/refused responses)

* Caution base size <30

Access to finance

DISSATISFACTION WITH EXTERNAL FINANCE RECEIVED (% of firms)

- The relationship of Austrian firms with banks is strong: Austrian firms that have used external finance in 2022 are far more likely to be satisfied than dissatisfied with each aspect of the finance received. Only for the cost of finance did more than 5% of firms express dissatisfaction.
- These low levels of dissatisfaction are in most cases better to those seen across the EU.



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 (% of firms)

	Amount	Cost	Maturity	Collateral	Type
AT	2%	6%	3%	5%	0%
Manufacturing	3%	3%	2%	7%	0%
Construction	3%	8%	0%	13%	0%
Services	4%	10%	8%	3%	0%
Infrastructure	0%	5%	0%	0%	0%
SME	5%	6%	3%	5%	0%
Large	0%	6%	3%	5%	0%

- Levels of dissatisfaction with banks' financing are extremely low across all sectors and firms of different sizes.
- Although the absolute number is low, around one in ten service sector firms are dissatisfied with the cost (10%) and maturity terms (8%) of their external finance.
- The highest degree of dissatisfaction is seen among construction firms with respect to collateral requirements (13%).
- No firms in any sector or of any size were dissatisfied with the type of external finance they obtained.

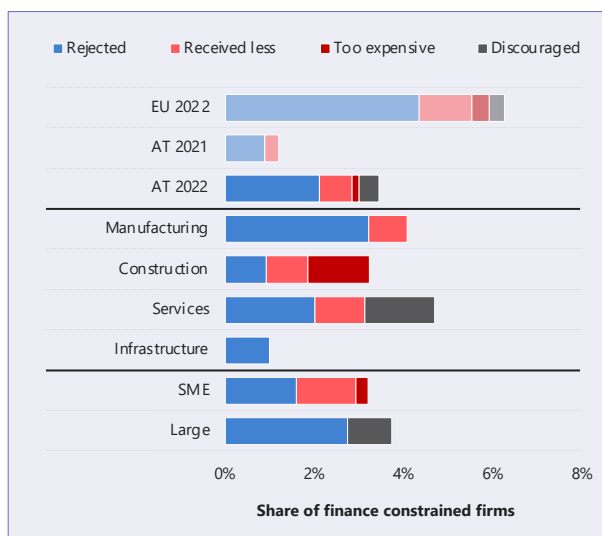
Q. How satisfied or dissatisfied are you with ...?

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

Access to finance

SHARE OF FINANCE CONSTRAINED FIRMS

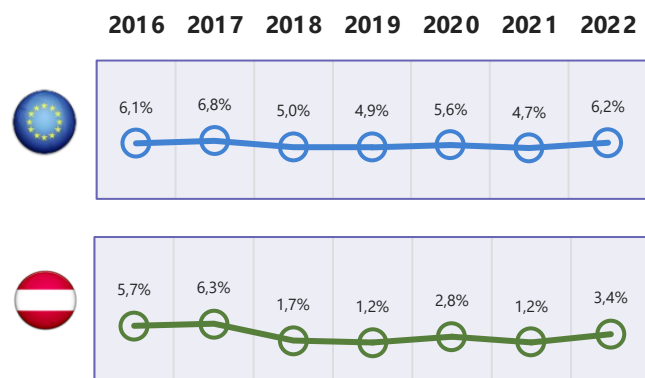
- The share of financially constrained firms in Austria (3.4%) is above the very low proportion seen in EIBIS 2021 (1.1%) but remains well below the EU average (6.2%)
- Among financially constrained firms, only 2.1% are rejected when it comes to banks' financing.
- No more than 5% of firms in any sector (services) are financially constrained and it falls to 1% among infrastructure firms.
- An almost identical proportion of large firms (3.7%) and SMEs (3.2%) are finance constrained, although rejection is a bigger factor among large firms than SMEs (2.7% versus 1.6% respectively).



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 (excluding don't know/refused responses)

SHARE OF FINANCE CONSTRAINED FIRMS OVER TIME



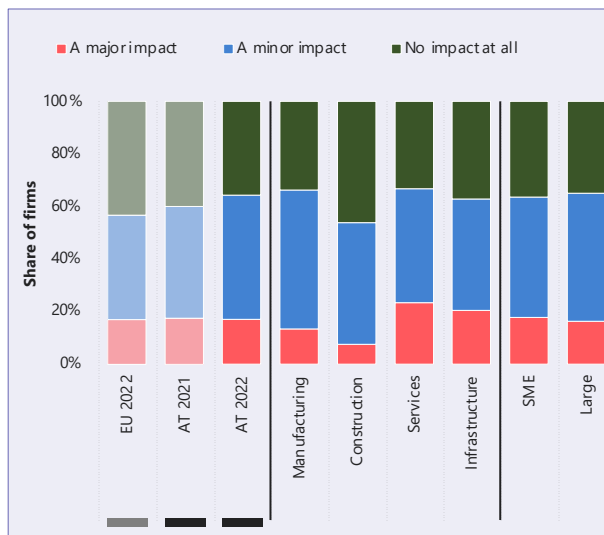
- The proportion of Austrian firms that are finance constrained remains very low (3.4%) but in historical terms it is the highest since EIBIS 2017 (6.3%).
- In every wave of EIBIS the proportion of finance constrained firms in Austria has been lower than the EU average. This continues to be the case (3.4% versus 6.2%).

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

Climate change and energy efficiency

IMPACT OF CLIMATE CHANGE – PHYSICAL RISK

- The majority of Austrian firms report they are impacted by climate change: the proportion of firms saying they face losses due to climate events (64%) is higher than the EU average (57%). As in EIBIS 2021 (18%), just under a fifth of Austrian firms say weather events are having a major impact (17%).
- With the exception of construction (54%), approximately two-thirds of firms in every sector say weather events are having a negative impact on their business.
- SMEs and large firms share similar experiences with two-thirds saying climate events have led to physical losses.

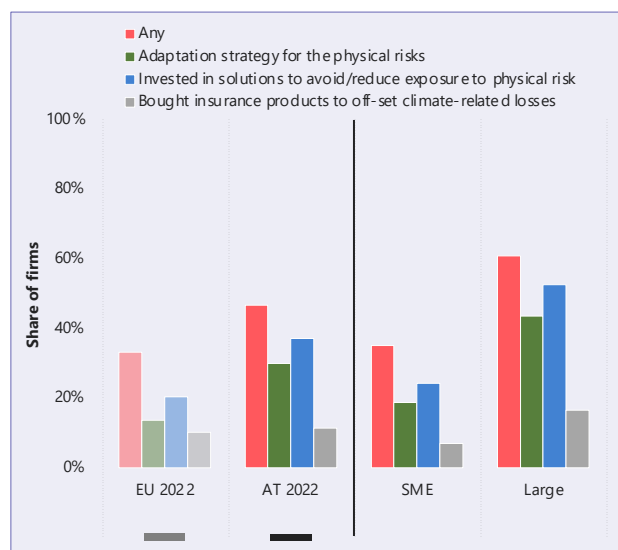


Q. Thinking about the impact of climate change on your company, such as losses due to extreme climate events, including droughts, flooding, wildfires or storms or changes in weather patterns due to progressively increasing temperature and rainfall. What is the impact, also called physical risk, of this on your company?

Please note: question wording changed between 2021 and 2022. Comparisons should be treated with caution.

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

BUILDING RESILIENCE TO PHYSICAL RISK



- Almost half of Austrian firms (47%) have already developed or invested in measures to build resilience to the physical risks caused by climate change. This is much higher than the EU average (33%).
- To a slightly greater degree than having developed an adaptation strategy, Austrian firms have invested in solutions to avoid or reduce exposure to physical risk (37% versus 30%). The proportion taking each measure is above the EU average. Relatively few have taken our relevant insurance policies (11%).
- In Austria, large firms are far more likely than SMEs (61% versus 35%) to have developed or invested in measures to build resilience to the physical risks to their company caused by climate change.

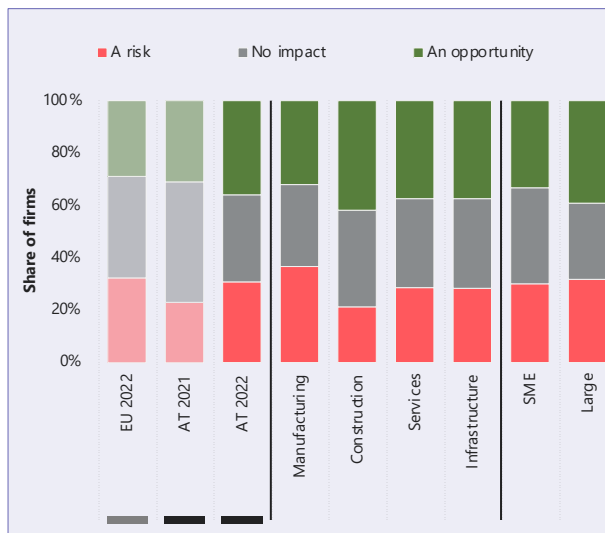
Q. Has your company developed or invested in any of the following measures to build resilience to the physical risks to your company caused by climate change?

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

Climate change and energy efficiency

IMPACT OF CLIMATE CHANGE – RISKS ASSOCIATED WITH THE TRANSITION TO A NET ZERO EMISSION ECONOMY OVER THE NEXT FIVE YEARS

- The transition towards a low carbon economy is seen among Austrian firms as an opportunity for 36%, and as a risk for 31%. This contrasts slightly with the EU average where marginally more consider this a risk than an opportunity (32% versus 29%).
- Since EIBIS 2021, the proportion in Austria regarding this as a risk has increased from 23% to 31%.
- Positive sentiment is strongest in construction. In manufacturing more regard this as a risk (37%) than consider it an opportunity (32%).
- Large firms and SMEs have broadly similar opinions regarding the impact of the transition to stricter climate standards and regulations.

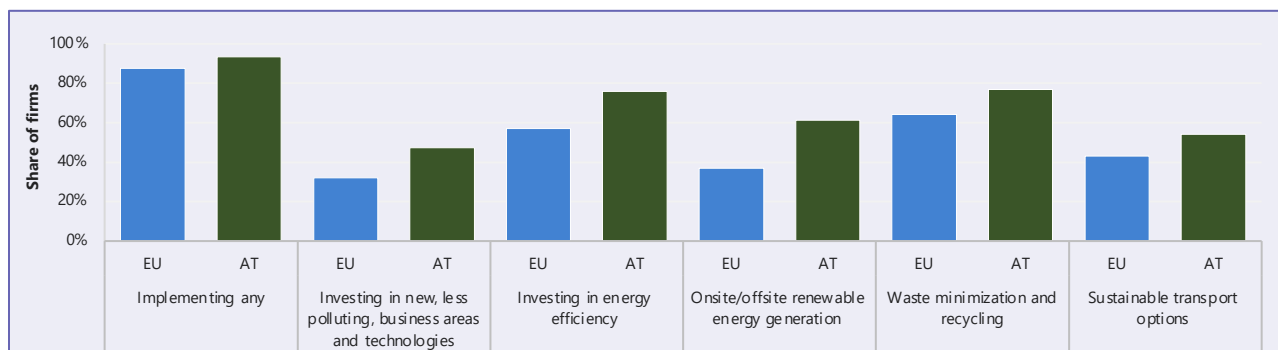


Q. Thinking about your company, what impact do you expect this transition to stricter climate standards and regulations will have on your company over the next five years?

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

ACTIONS TO REDUCE GHG EMISSIONS

- Even higher than the EU average, almost every Austrian firm is taking action to reduce Greenhouse Gas (GHG) Emissions (94% versus 88%).
- The main actions being taken in Austria are investments in waste minimization and recycling (77%) and energy efficiency (76%). Both figures are significantly above the EU average (64% and 57% respectively).
- A majority of Austrian firms are also investing in renewable energy generation (61%) and implementing sustainable transport options (54%). Both figures are higher than the EU average (37% and 43% respectively).



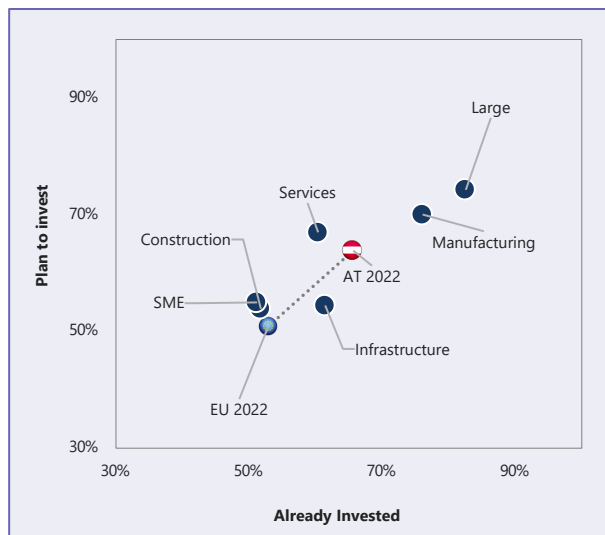
Q. Is your company investing or implementing any of the following, to reduce Greenhouse Gas (GHG) emissions?

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

Climate change and energy efficiency

INVESTMENT PLANS TO TACKLE CLIMATE CHANGE IMPACT

- Austrian firms are getting more resilient to climate change: two-thirds (66%) of Austrian firms have already invested in tackling the impacts of weather events and reducing carbon emissions. A similar proportion (64%) plans to invest in the next three years. Both figures are above the EU average (53% and 51% respectively).
- A majority in each sector have already invested in this area. Among manufacturers the figure rises to 76%. A majority in every sector also has future investment planned and again this is highest in manufacturing (70%).
- Compared to SMEs, a much higher proportion of large firms have already invested (83% versus 51%) and plans to invest over the next three years (74% versus 55%).



EIBIS 2021

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

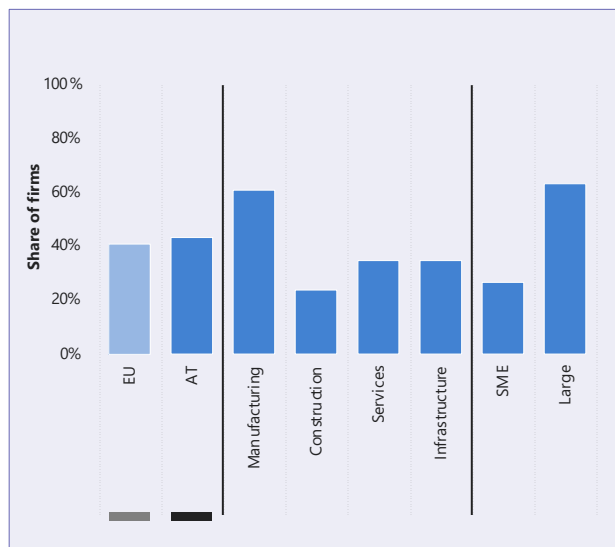
EIBIS 2022

Q. Which of the following applies to your company regarding investments to tackle the impacts of weather events and to help reduce carbon emissions?

Please note: question change and an additional answer option was included in 2022, this may have influenced the data. Treat comparison to previous waves with caution.

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

CLIMATE CHANGE TARGETS FOR OWN GREENHOUSE GAS (GHG) EMISSIONS



- Fewer than half of Austrian firms (43%) set and monitor targets for their own GHG emissions. This is similar to the proportion seen across the EU (41%).
- A clear majority of Austria's manufacturing firms (61%) set and monitor GHG emissions targets, but it accounts for only a third of services and infrastructure firms (both 35%) and a quarter of construction firms (24%).
- Large firms (63%) are over twice as likely as SMEs (27%) to be setting and monitoring targets for their own GHG emissions.

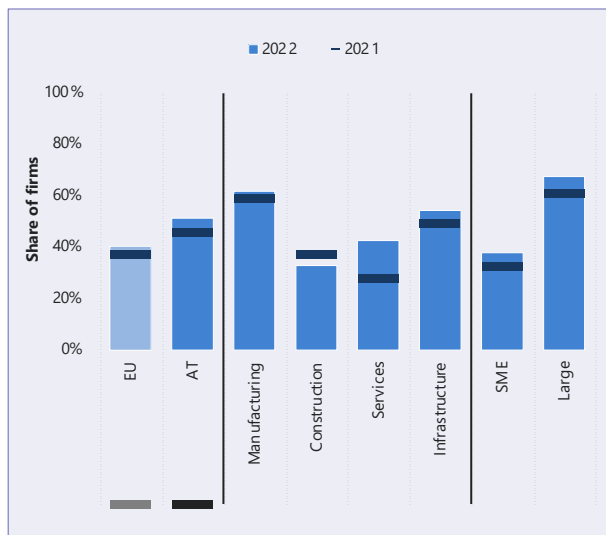
Q. Does your company... set and monitor targets for its own Greenhouse Gas (GHG) emissions

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

Climate change and energy efficiency

SHARE OF FIRMS INVESTING IN MEASURES TO IMPROVE ENERGY EFFICIENCY

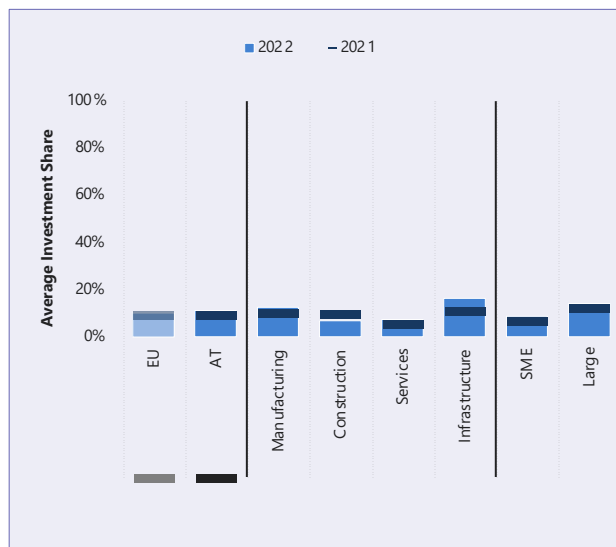
- With a small increase since EIBIS 2021 (from 46% to 51%), a half of Austrian firms is now investing in measures to improve energy efficiency. This is above the EU average (40%).
- Austria's manufacturers (62%) are the most likely to be investing in energy efficiency. There has been a large increase among service sector firms (from 28% to 43%) but alongside construction (down from 37% to 33%) they remain the least likely to be investing in such initiatives.
- Large firms (68%) are far more likely than SMEs (38%) to be investing in energy efficiency, with little change in these figures since EIBIS 2021.



Q. What proportion of the 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 Austrian firms' investment directed primarily towards improving energy efficiency is 11%. This is in line with both EIBIS 2021 (9%) and the current EU average (10%).
- Infrastructure (16%) firms are directing the highest proportion of investment towards energy efficiency, construction and services firms (both 7%), the least.
- Compared to SMEs, large firms are directing a larger share of their investment primarily towards energy efficiency improvements (14% versus 9%).

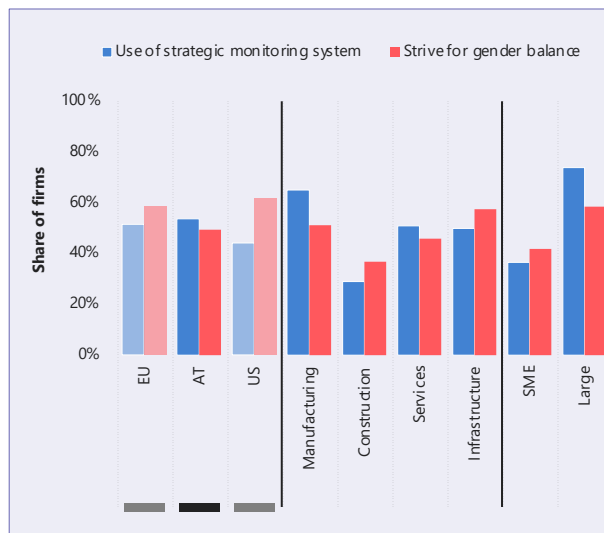
Q. What proportion of the total investment in the last financial year was primarily for measures to improve energy efficiency in your organisation?

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

Firm management, gender balance and employment

FIRM MANAGEMENT AND GENDER BALANCE

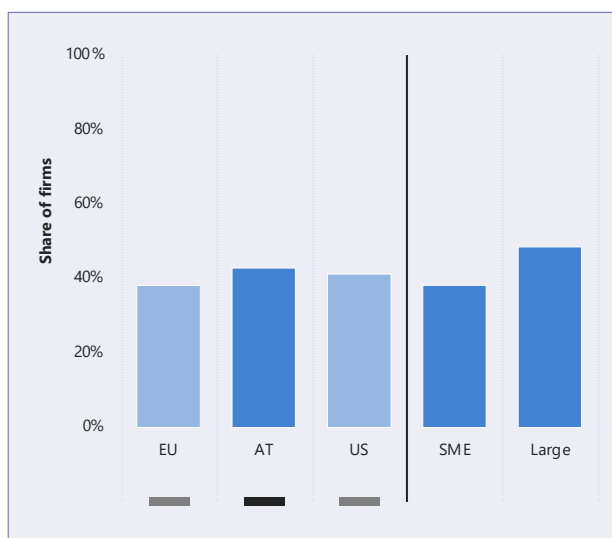
- Regarding management practices among Austrian firms, just over half of Austrian firms (54%) use a strategic monitoring system (similar to the EU average at 51%).
- The proportion of Austrian firms striving for gender balance within their business (49%) is lower than both the EU average (58%) and the US (62%).
- Firms in the construction sector have the lowest share of firms using a strategic monitoring system (29%) and striving for gender balance (37%).
- Large firms are twice as likely as SMEs to have implemented strategic monitoring systems (74% versus 37%) and more likely to be working towards gender balance (58% versus 42%).



Q Does your company...?

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

FIRMS WHO HAVE INCREASED EMPLOYEE NUMBERS SINCE 2019



- Just over four in ten Austrian firms (43%) have increased their employee numbers since 2019. This is similar to both the EU average (38%) and the US (41%).
- Large firms (48%) are more likely than SMEs (38%) to have increased employee numbers since 2019

Q. How many people does your company employ either full or part time at all its locations, including yourself?

Q. How many people did your company employ either full or part time at all its locations at the beginning of 2019, before the COVID-19 pandemic?

Base: All firms (excluding don't know/refused/did not exist in 2019 responses)

EIBIS 2022 – 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 Austria, so the percentage results are subject to sampling tolerances. These vary with the size of the sample and the percentage figure concerned.

	EU	US	AT	Manufacturing	Construction	Services	Infrastructure	SME	Large	EU vs AT	Manuf vs Constr	SME vs Large
	(12021)	(800)	(482)	(158)	(75)	(128)	(110)	(354)	(128)	(12021 vs 482)	(158 vs 75)	(354 vs 128)
10% or 90%	1.1%	4.1%	2.5%	4.2%	6.3%	4.8%	5.1%	2.7%	4.4%	2.7%	7.5%	5.2%
30% or 70%	1.7%	6.2%	3.8%	6.4%	9.6%	7.4%	7.8%	4.2%	6.7%	4.2%	11.5%	7.9%
50%	1.8%	6.8%	4.2%	7.0%	10.5%	8.0%	8.5%	4.6%	7.3%	4.5%	12.6%	8.6%

GLOSSARY

Investment	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.
Investment cycle	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.
Manufacturing sector	Based on the NACE classification of economic activities: firms in group C (Manufacturing).
Construction sector	Based on the NACE classification of economic activities: firms in group F (Construction).
Services sector	Based on the NACE classification of economic activities: firms in group G (wholesale and retail trade) and group I (accommodation and food Services activities).
Infrastructure sector	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).
SME	Firms with between 5 and 249 employees.
Large firms	Firms with at least 250 employees.

Note: the EIBIS 2022 country overview refers interchangeably to 'the past/last financial year' or to '2021'. Both refer to results collected in EIBIS 2022, where the question is referring to the past financial year, with the majority of the financial year in 2021 in case the financial year is not overlapping with the calendar year 2021.

EIBIS 2022 – Country technical details

The country overview presents selected findings based on telephone interviews with 482 firms in Austria (carried out between April and July 2022).

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

Base definition and page reference	EU 2022/2021	US 2022	AT 2022/2021	Manufacturing	Construction	Services	Infrastructure	SME	Large
All firms, p. 3, p.12, p.13, p. 21 (top)	12021/11920	800	482/482	158	75	128	110	354	128
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 4 (top)	9704/9670	668	360/373	124	51	90	86	259	101
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 4 (bottom)	9501/9523	668	309/311	105	51	80	66	234	75
All firms (excluding 'Company didn't exist three years ago' responses), p. 5 (top)	11735/11648	778	473/474	155	74	126	107	348	125
All firms (excluding don't know/refused responses), p. 5 (bottom)	11814/11765	780	480/471	157	74	128	110	352	128
All firms (excluding don't know/refused responses), p. 6 (top)	11810/NA	795	470/NA	153	72	125	109	344	126
All firms (excluding don't know/refused responses), p. 6 (bottom)	11725/NA	784	467/NA	152	72	123	109	343	124
All firms (excluding don't know/refused responses), p. 7 (top)	11945/11857	762	477/474	154	75	127	110	352	125
All firms (excluding don't know/refused responses), p. 7 (bottom)	11989/11891	796	481/477	157	75	128	110	354	127
All firms (excluding don't know/refused responses), p. 8 (top)	11735/11648	778	473/474	155	74	126	107	348	125
All firms (excluding not applicable/don't know/refused responses to all 3 questions), p. 8 (bottom)	8728/8780	615	269/270	94	42	67	60	201	68
All firms (excluding don't know/refused responses), p. 9	11980/NA	800	475/NA	156	73	126	110	349	126
All firms (excluding don't know/refused responses), p. 10 (top)	11975/NA	798	482/NA	158	75	128	110	354	128
All firms (excluding those who said don't know/refused/not applicable responses to all three international trade obstacles) p. 10 (bottom)	11382/NA	790	461/NA	154	72	124	102	338	123
All firms (excluding don't know/refused responses), p. 11 (top)	9339/NA	680	408/NA	142	66	110	85	294	114
All firms facing trade disruptions (excluding don't know/refused responses), p. 11 (bottom)	9265/NA	707	408/NA	144	66	110	83	293	115
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 14	10051/8675	665	381/340	131	54	97	90	273	108
All firms who used external finance (excluding don't know/ refused responses), p. 15 (top)	4107/4059	275	127/128	47	20	30	29	91	36
All firms who used external finance (excluding don't know and refused) p. 15 (bottom)	4155/4100	280	127/128	47	20	30	29	91	36
All firms who used external finance in the last financial year (excluding don't know/refused responses) , p. 16	3988/3964	270	121/124	43	19	29	27	85	35
All firms (excluding don't know/refused responses), p. 17	11504/11518	715	430/432	141	66	113	102	320	110
All firms (excluding don't know/refused responses), p. 18 (top)	11911/11849	790	477/476	157	74	125	110	350	127
All firms (excluding don't know/refused responses), p. 18 (bottom)	11909/NA	784	473/NA	155	74	124	109	349	124
All firms (excluding don't know/refused responses), p. 19 (top)	11172/11384	759	458/450	149	72	118	108	338	120
All firms (excluding don't know/refused responses), p. 19 (bottom)	11964/NA	794	479/NA	158	74	127	109	351	128
All firms (excluding don't know/refused responses), p. 20 (top)	11685/NA	763	473/NA	155	73	124	110	346	127
All firms (excluding don't know/refused responses), p. 20 (bottom)	11712/NA	783	466/NA	152	72	125	108	343	123
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 21 (bottom)*	9752/9617	677	359/352	126	51	91	83	260	99
All firms (excluding don't know/refused responses) p. 22 (top)	11696/11616	785	467/452	155	72	123	107	343	124
All firms (excluding don't know/refused/did not exist in 2019 responses) p. 22 (bottom)	11662/11718	783	459/474	148	71	123	107	341	118



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Overview

EIB INVESTMENT SURVEY

2022