



Spain

Overview

EIB INVESTMENT SURVEY

2021

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Spain

Overview

EIB Investment Survey Country Overview: Spain

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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 13 500 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 firms face, such as climate change and digital transformation. 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.

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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The views expressed in this publication are those of the authors and do not necessarily reflect the position of the EIB.

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EIBIS 2021 – Spain

KEY RESULTS

Investment Dynamics and Focus

Firms in Spain have become more optimistic for 2021: more firms are expecting to increase investment rather than to decrease it (20%). On average, firms across Spain spent nearly a half (46%) of their investment on the replacement of buildings and equipment - in line with the EU average (50%). The largest share of investment went into machinery and equipment (52%).

Impact of COVID-19

COVID-19 hit firms in various ways: 46% of firms in Spain report their sales or turnover to have declined compared to the beginning of 2020. While the majority (82%) of firms have not changed their investment plans as a result of COVID-19, 15% have revised them downwards.

Asked about the short-term actions due to COVID-19, digitalisation stood out with nearly a half (47%) of firms reporting they have become more digital.

Investment Needs and Priorities

COVID-19 will have a long-term impact on needs and priorities. Digitalisation stands out, with more than a half (53%) expecting the long-term impact of COVID-19 to be the increased use of digital technologies.

Firms in Spain do not perceive major gaps in their investment activities. In spite of the difficult circumstances, 85% of firms in Spain believe that their investment activities over the last three years have been in line with their needs, which is broadly in-line with what was reported in EIBIS 2020 and the EU average. In addition, half of all firms operated at or above full capacity, in-line with the EU average.

Innovation Activities

Nearly one in three firms (31%) developed or introduced new products, processes or services as part of their investment activities. These trends are broadly in line with the one reported in EIBIS 2020 and with the EU average. In addition, around 70% of Spanish firms implemented at least one of the advanced digital technologies they were asked about. This is above the EU average.

Drivers and Constraints

Firms in Spain remain pessimistic about the political and regulatory climate (-29%), which is below the net balance for the EU (-15%). Nevertheless, expectations for the overall economic climate have turned back positive (rising from -67% to +27%) as have perceptions of business prospects in the sector (rising from -41% to +38%) and availability of internal finance (rising from -17% to +16%). Except for the political/ regulatory environment, the short-term outlook in Spain is very similar to the one in the EU overall.

The main long-term barriers cited by Spanish firms are uncertainty about the future and business regulations. Spanish firms are, with the exception of availability of skilled staff, more likely than the EU average to consider all of the factors asked about as long-term barriers to investment.

Investment Finance

Access to finance conditions are benign: 6% of all firms in Spain can be considered as external finance constrained, similar to both EIBIS 2020 (6%) and the EU average (5%). In addition, firms that used external finance are generally satisfied with the finance received.

As a result of the COVID-19 crisis, nearly a third of all firms have increased their debt (29%). This share is nearly double the EU average (16%). Nearly six in ten (58%) firms report receiving financial support in response to COVID-19, either via a bank or other finance provider or government-backed finance. This is in line with EU wide share of firms receiving financial support (56%). New subsidised or guaranteed credit was the most prevalent form of support received (42%) much higher than among EU firms (17%).

Climate Change and Energy Efficiency

A relevant share of Spanish firms feel the effect of climate change: more than three-quarters (78%) of firms report that climate change has an impact on their business, above the EU average (58%). Overall firms in Spain tend to see the transition to more stringent climate standards and regulation as an opportunity (42%) rather than as a risk (26%).

On average, one in three firms (34%) have already invested and nearly half (47%) of firms have plans to invest more in the next 3 years to tackle the impact of weather events and to deal with the process of reduction in carbon emissions. The share of firms investing is below the average for the EU (43%), while the share of firms planning to invest is in line with the EU average. The share of firms that have invested in measures to improve energy efficiency in 2020 has declined since EIBIS 2020 (40% versus 51%). In Spain, more than in the EU, firms set and monitored internal targets on carbon emissions and energy consumption (59% versus 46%).

Firm management, gender balance and employment

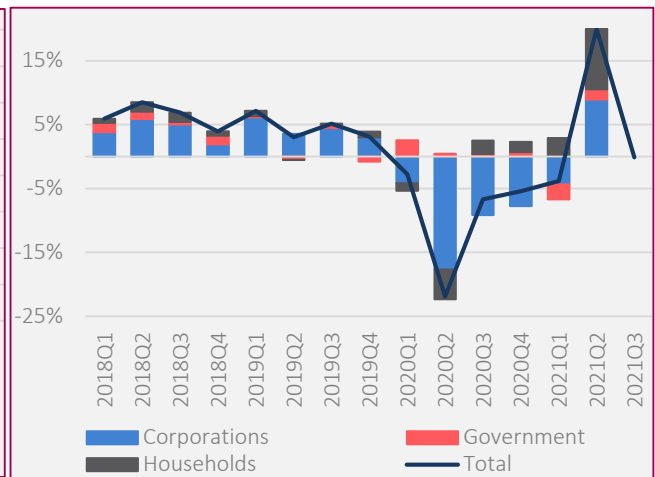
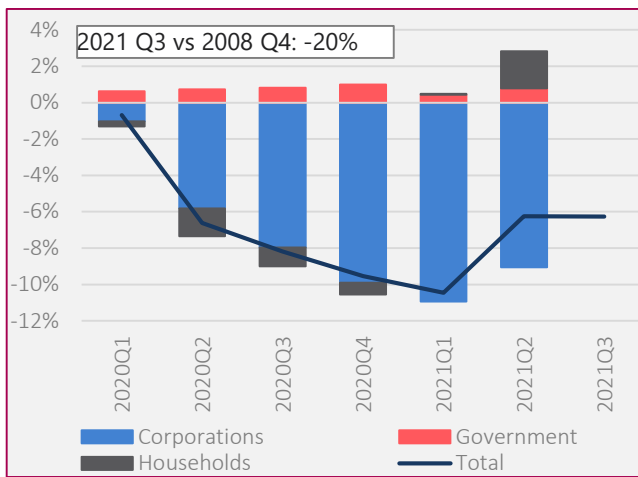
In 2020, firms in Spain were more likely than the EU average to strive for gender balance (89% versus 60%), use strategic monitoring systems (73% versus 55%) and set and monitor internal targets on carbon emissions and energy consumption (59% versus 46%). Overall, the workforce in Spain has declined since the start of the COVID-19 pandemic (-2.3%)

Investment Dynamics and Focus

INVESTMENT DYNAMICS BY INSTITUTIONAL SECTOR

Spain was among the European countries that were most hit by the COVID-19 crisis. In Q3 2021, real investment was still 6% below the pre-crisis level (Q4 2019). The gap mostly reflects the collapse in corporate investment, which consistently fell starting from Q2 2020. Over the

same period, public investment increased while household investment dropped. Both total investment and its components had a significant rebound in Q2 2021, the former being 19% above the level in the same quarter of the previous year.



The graph on the left shows the evolution of total Gross Fixed Capital Formation (in real terms); by institutional sector. The data are transformed into four-quarter sums, deflated using the implicit deflator for total GFCF. The four-quarter sum of total GFCF in 2019 Q4 is normalized to 0. Source: Eurostat

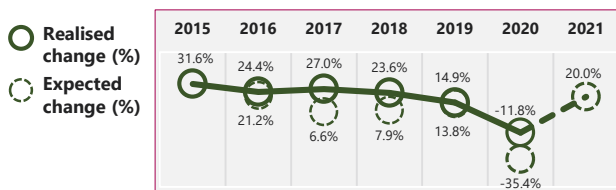
The graph on the right shows the year-on-year growth of total gross fixed capital formation (in real terms); by institutional sector. The data are deflated using the implicit deflator for total GFCF. Source: Eurostat.

INVESTMENT CYCLE AND EVOLUTION OF INVESTMENT EXPECTATIONS

Firms in Spain have become more optimistic for 2021 as more firms expect to increase investment rather than decrease it (20%). The net balance of firms expecting to increase rather than decrease investment as well as the share of firms already investing in 2020 is in-line with the EU overall.

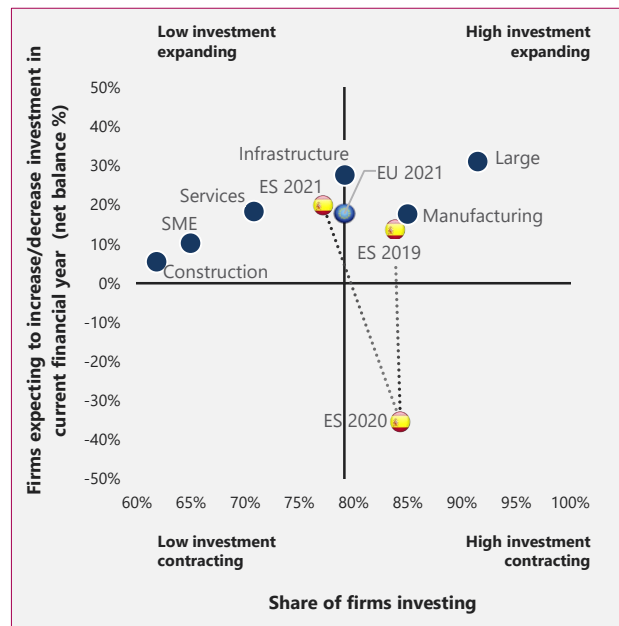
Large firms and firms in the manufacturing sector are more likely to have invested than SMEs and other sectors.

In 2020, the actual negative net balance of investment change turned out to be less pronounced than expected. In EIBIS 2021, the expected net balance for 2022 has turned positive again.



'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



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 EIBIS 2021.

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

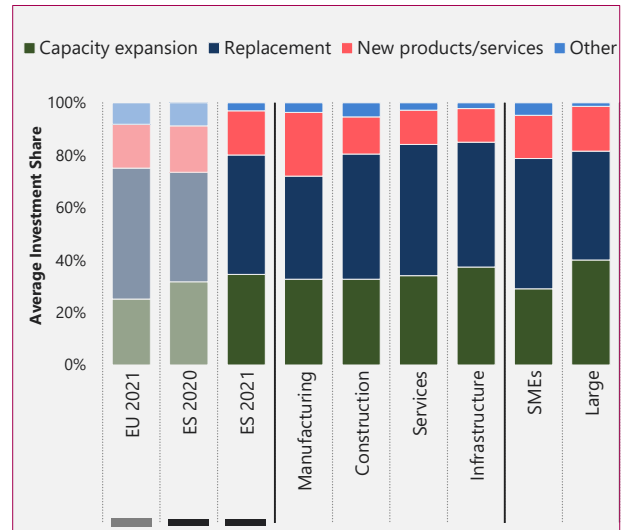
Investment Dynamics and Focus

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

On average, firms across Spain spent nearly half (46%) of their investment on the replacement of buildings and equipment in 2020 - in line with the EU average (50%).

Investment in capacity expansion accounted for around a third (35%) of the total investment spent by Spanish firms, a larger share than in the EU as a whole (25%). Large firms spent relatively more on capacity expansion than SMEs (40% versus 29%).

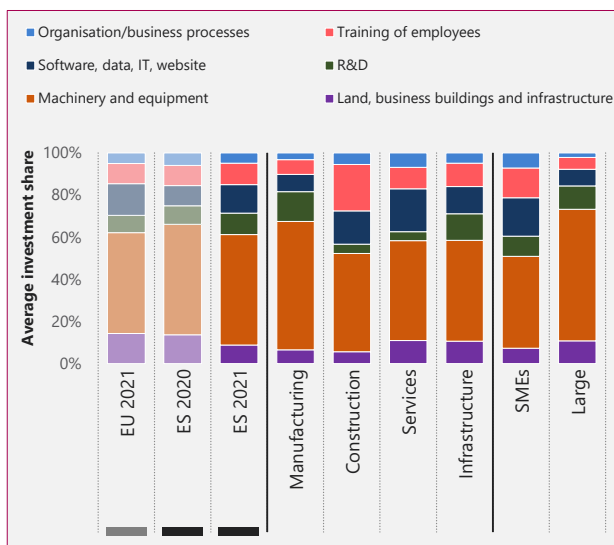
Manufacturing firms were more likely to report a higher share of investment for introducing new products, processes or services compared to other sectors (24% versus other sectors ranging from 13% to 14%).



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 largest share of investment in Spain went into machinery and equipment (52%), followed by software, data, IT and website activities (13%), training of employees (10%) and research and development (10%). The pattern is broadly similar to EIBIS 2020 as well as the overall EU level.

Capital expenditure varied across sector of activity and firm size. Manufacturing firms and large firms invested a lower share in 'intangible assets' (R&D, software, training and business processes) and a higher share in 'tangible assets' (land, buildings, infrastructure and machinery).

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)

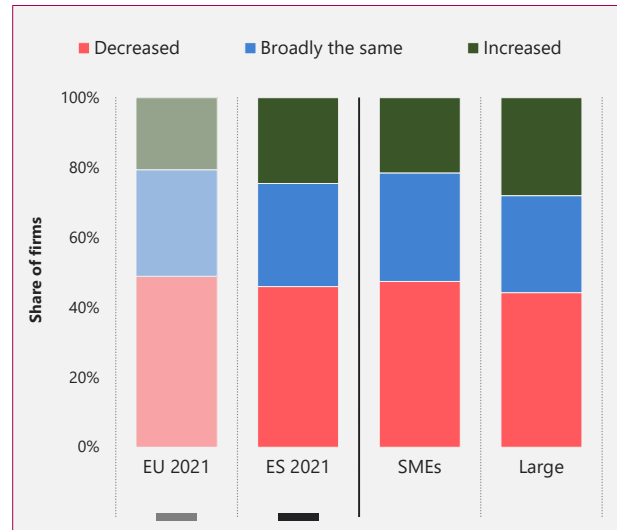
Impact of COVID-19

IMPACT OF COVID-19 ON SALES

COVID-19 hit firms in various ways, negatively affecting their sales.

When asked about the impact on sales, 46% of firms in Spain report that their sales declined compared to the beginning of 2020, which is similar to the EU average (49%). In addition, a quarter (25%) of firms have experienced an increase in sales, again similar to the EU average (21%).

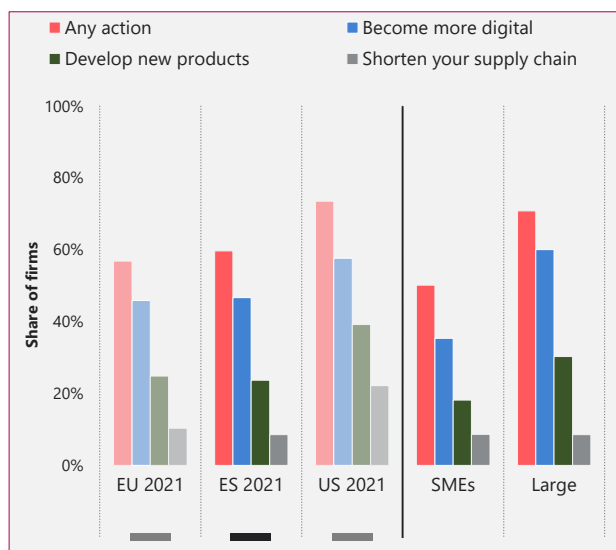
Large firms are more likely than SMEs to report a positive impact on their sales (28% versus 22%).



Q. What has been the impact so far of the COVID-19 pandemic on your company's sales or turnover compared to the beginning of 2020?

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

SHORT-TERM ACTIONS AS A RESULT OF COVID-19



Six in ten firms (60%) have taken at least one of the short-term action(s) or made investments, in one of the aspects they were asked about, as a result of COVID-19. This is broadly in line with the EU average (57%), and below the US average (74%).

The most common action is a shift towards becoming more digital, mentioned by nearly half of all firms (47%). Large firms are more likely to report they have become more digital than SMEs (60% versus 35%).

A quarter (24%) of firms have developed new products and again large firms are more likely to have done so than SMEs (30% versus 18%).

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

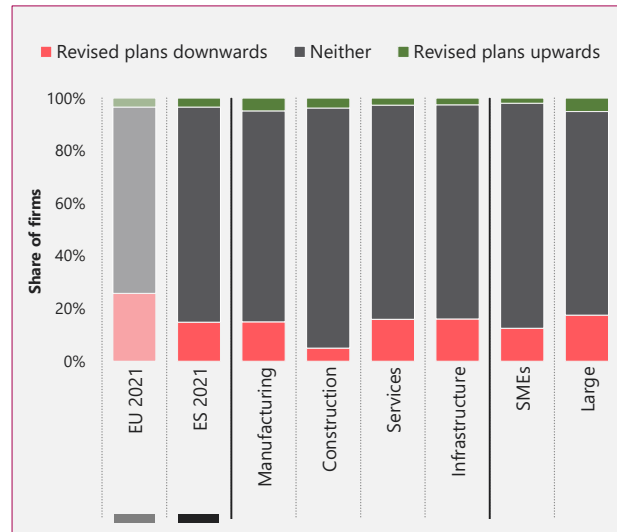
Base: All firms (excluding don't know/refused responses)

Impact of COVID-19

IMPACT OF COVID-19 ON INVESTMENT

COVID-19 also impacted investment. In Spain, 15% of firms revised their investment plans downwards, which is much lower than the EU average (26%). 3% of firms revised them upwards.

The construction sector has the lowest share of firms which changed their investment plans (with only 5% revising their investment plans downwards and 4% revising them upwards) compared to other sectors.

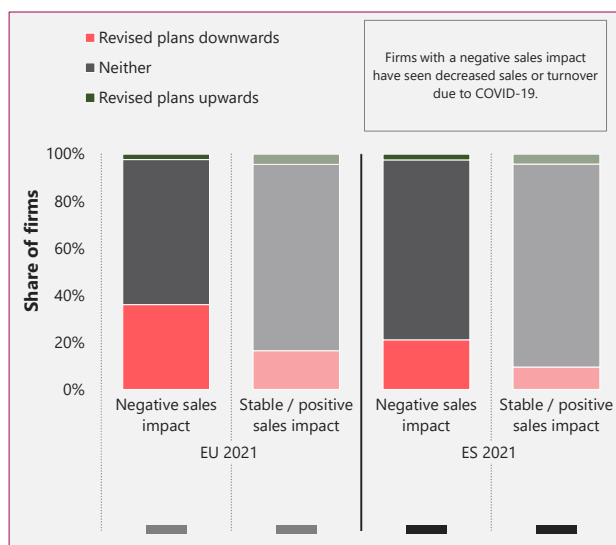


Q. Has your company taken any of the following actions as a result of the COVID-19 pandemic?

Q. You mentioned revising your investment plans due to the COVID-19 pandemic. Did you revise them upward or downward?

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

DIFFERENCES IN IMPACT OF COVID-19 ON INVESTMENT



Firms that experienced a decline in sales due to COVID-19 are more likely than those that experienced a stable or positive impact to have revised their investment plans downwards (21% versus 9% respectively).

The proportion of firms experiencing a negative sales impact and revising their investment plans downwards is lower in Spain than in the EU (21% versus 36% EU average).

Q. Do you expect the COVID-19 outbreak to have a long-term impact on any of the following?

Q. What has been the impact so far of the COVID-19 pandemic on your company's sales or turnover compared to the beginning of 2020? Has it...?

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

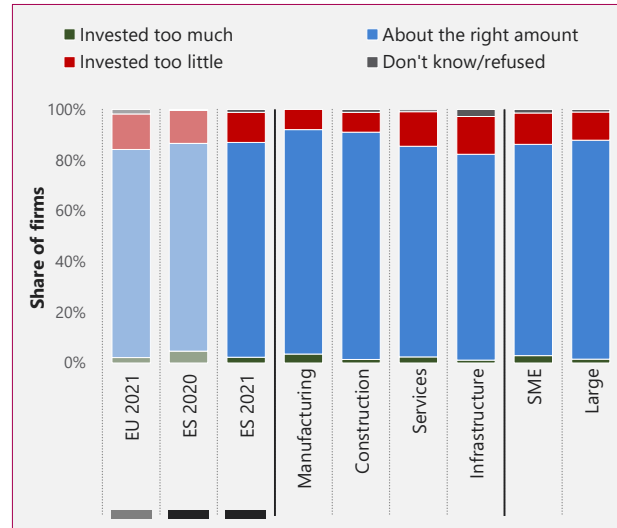
Investment Needs and Priorities

PERCEIVED INVESTMENT GAP

Spanish firms do not perceive major gaps in their investment. In spite of the difficult circumstances, 85% of firms in Spain believe that their investment activities over the last three years have been in-line with their needs, which is broadly in line with the share reported in EIBIS 2020 (82%) and with the EU average share (82%).

Respectively, 12% of firms report that they invested too little and only 2% believe they invested too much.

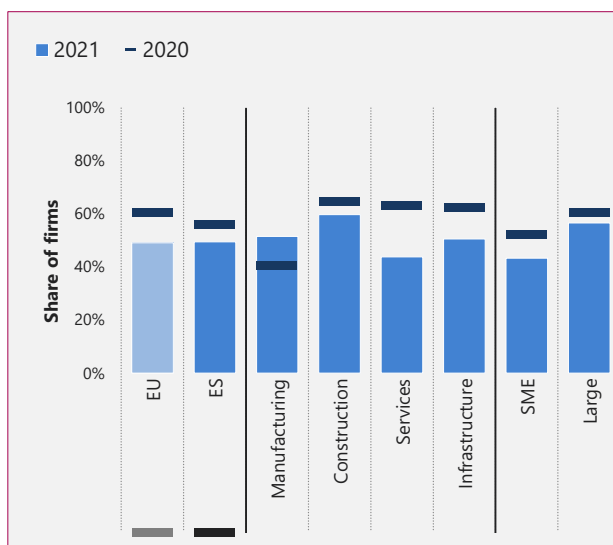
Firms in the infrastructure and the service sectors are more likely to believe they have invested too little (15% and 14% respectively) compared to firms operating in the construction and manufacturing sectors (both with a share of 8%).



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



Half (50%) of firms operated at or above full capacity in 2020, a ratio similar to that in the EU and below that reported in EIBIS 2020 (56%).

Firms in the construction sector were the most likely to operate at or above full capacity (60%), compared to between 44% and 52% among firms in the other sectors).

Large firms were also more likely than SMEs to operate at or above full capacity (57%, versus 43%).

Full capacity is the maximum capacity attainable 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?

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

Investment Needs and Priorities

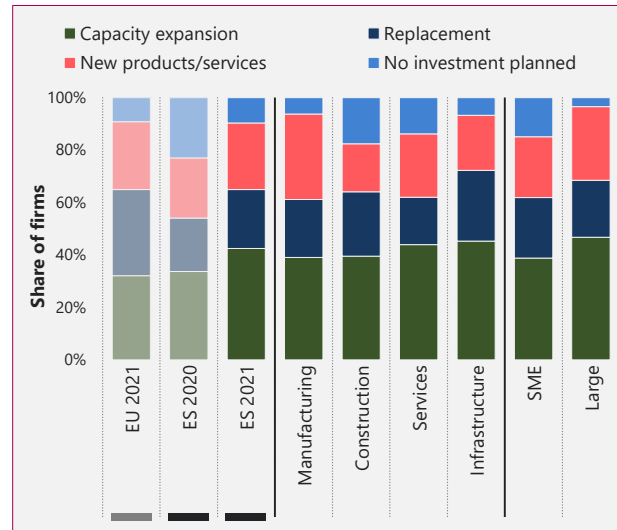
FUTURE INVESTMENT PRIORITIES (% of firms)

10% of Spanish firms do not plan to investment in the next three years, a ratio similar to that in the EU, and larger for SMEs (15%). This ratio has declined from 23% in EIBIS 2020.

Investment in capacity expansion remains the most commonly cited priority for the next three years (42%), following a further increase since EIBIS 2020 (at 34%). This is followed by investment in new products and services (25%) and replacing capacity (23%), both at similar levels as in to EIBIS 2020.

Manufacturing firms are more likely to prioritise new products and services (33%) compared to other sectors (ranging from 18% to 24%).

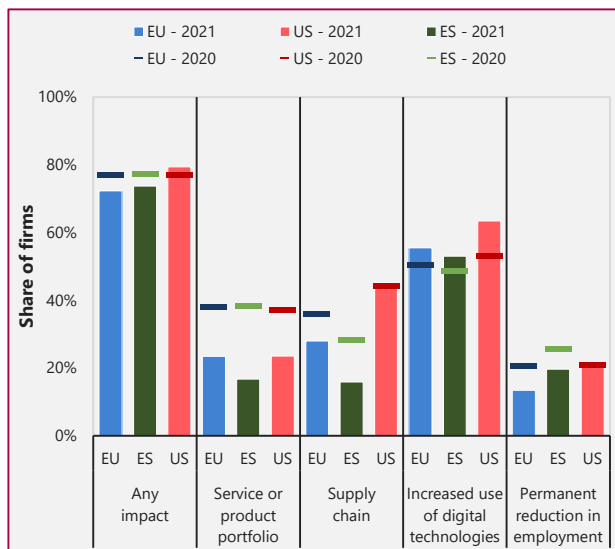
Large firms are more likely to prioritise capacity expansion (47%) compared to SMEs (39%).



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 LONG-TERM IMPACT



COVID-19 will have a long-term impact on needs and priorities.

Nearly three-quarters (74%) of firms in Spain expect COVID-19 to have a long-term impact on their business, in at least one of the ways they were asked about, which is the same as the EU average (72%).

The most commonly anticipated long-term impact is the increased use of digital technologies (53%), similar to the EU average (55%).

Spanish firms are less likely than EU firms to think that COVID-19 will have a long-term impact on their services or product portfolio (17% versus 23% respectively) and on their supply chain (16% versus 28%). In addition, in both of these instances the share of firms in Spain that think there will be a long-term impact has declined compared to EIBIS 2020.

Spanish firms are more likely to report that COVID-19 will have a permanent reduction in employment than the EU average (26% versus 20%). This share has declined compared to EIBIS 2020 (26%).

Q. Do you expect the COVID-19 outbreak to have a long-term impact on any of the following?

Base: All firms

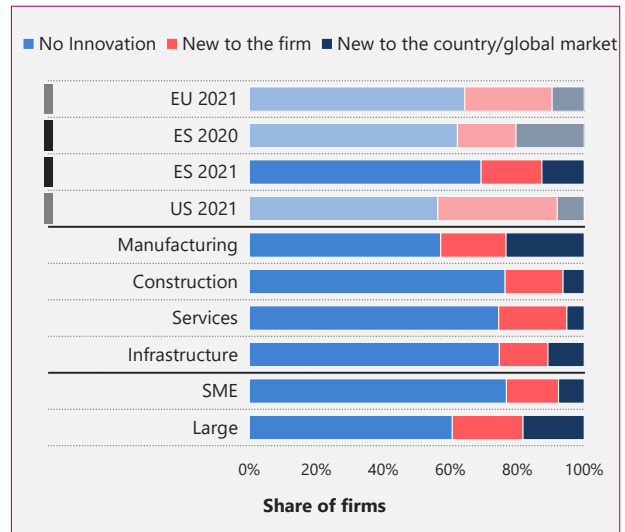
Innovation Activities

INNOVATION ACTIVITY

Nearly one in three firms (31%) have developed or introduced new products, processes or services as part of their investment activities in 2020, which is broadly in line with the average for the EU (36%). Around a fifth (18%) of firms developed or introduced new products, processes or services that are new to the firm and further 13% claim to have undertaken innovation that is new to the country or the world.

Manufacturing firms are the most likely to have innovated (43%) compared to firms in the other sectors (ranging from 24% to 26%).

Large firms are also more likely to have innovated than SMEs (39% versus 23%).

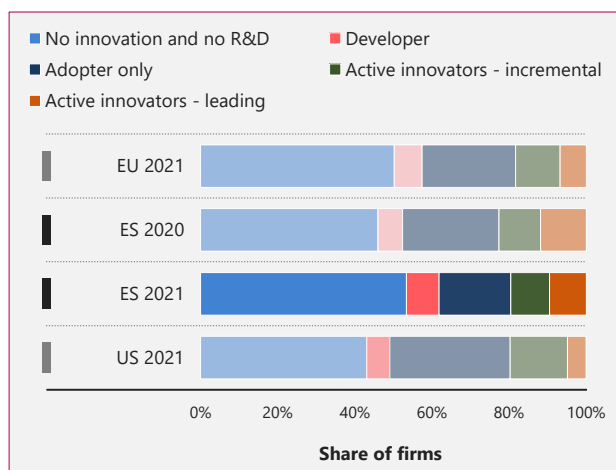


Q. What proportion of total investment was for developing or introducing new products, processes, services?

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



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)

When firms' innovation and research and development behaviour is profiled more widely, 20% of firms in Spain can be classified as 'active innovators', and a further 8% of firms as 'developers'. This breakdown is broadly in line with EIBIS 2020 and the EU average.

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.

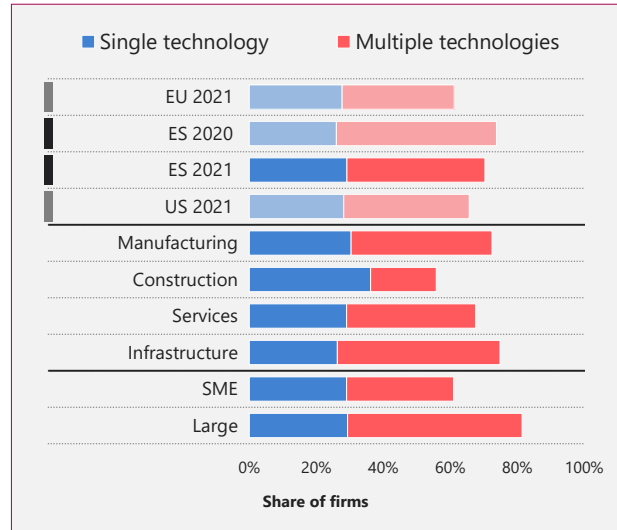
Innovation Activities

IMPLEMENTATION OF ADVANCED DIGITAL TECHNOLOGIES

Seven in ten firms have implemented at least one of the advanced digital technologies they were asked about. This is broadly in line with what was reported in EIBIS 2020 (74%), and is above the average proportion for EU firms (61%).

Firms in the construction sector are less likely to have implemented at least one advanced digital technology (56%) compared to other sectors. SMEs are also less likely than large firms to have implemented at least one advanced digital technology in their business (61% versus 81% respectively).

Firms in Spain report a much higher uptake of internet of things compared to EU firms overall (47% versus 29%). A slightly higher share of firms in the country also claim to have implemented big data and AI, platforms and drones compared to the overall uptake of those technologies across the EU.

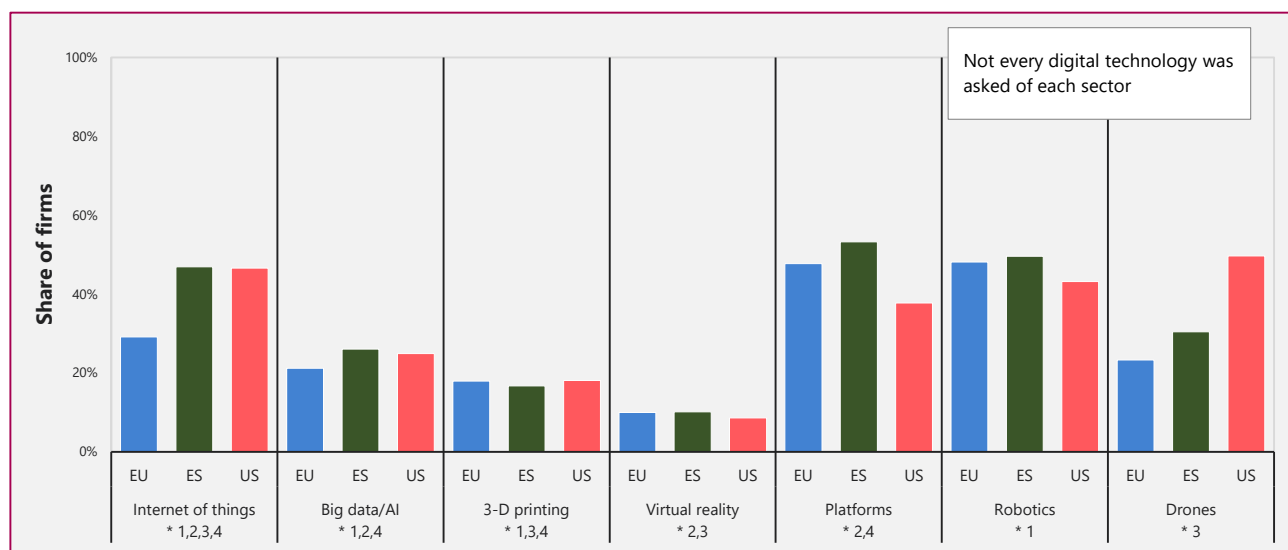


Q. Can you tell me for each of the following digital technologies if you have heard about them, not heard about them, implemented them in parts of your business, or whether your entire business is organised around them?

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

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. 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?

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

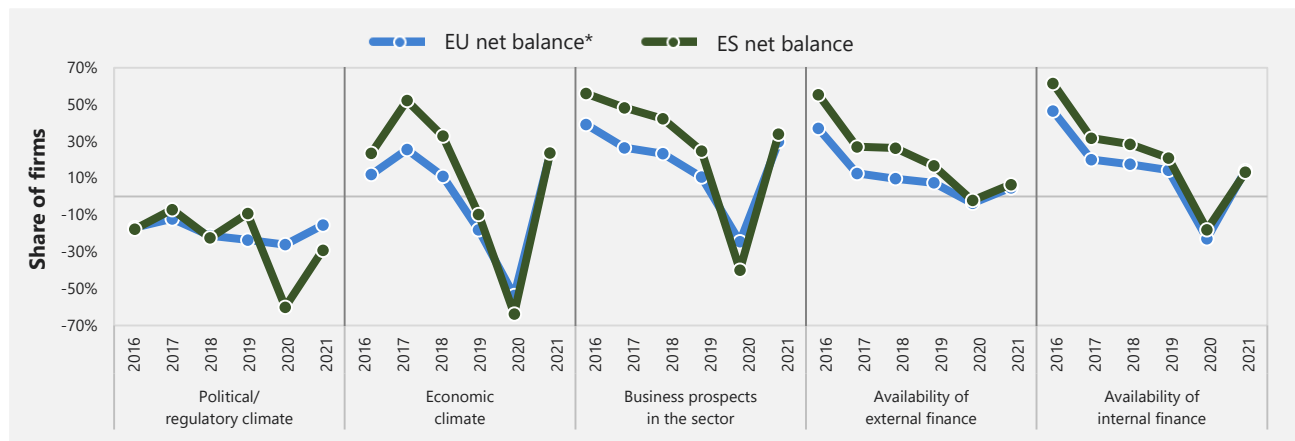
Base: All firms (excluding don't know/refused responses);
Sample size ES: Manufacturing (158); Construction (139); Services (149); Infrastructure (147)

Drivers And Constraints

SHORT-TERM FIRM OUTLOOK

Firms in Spain remain pessimistic about the political and regulatory climate (-29%), more pessimistic than in the EU overall (-15%). Nevertheless, expectations for the overall economic climate have turned back positive (rising from -67% to +27%) as have perceptions of business prospects in the sector (rising from -41% to

+38%) and availability of internal finance (rising from -17% to +16%). The outlook on the availability of external finance has become slightly more positive than in EIBIS 2020. Apart from the political/ regulatory environment, the short-term outlook in Spain is very similar to the one in the EU overall.

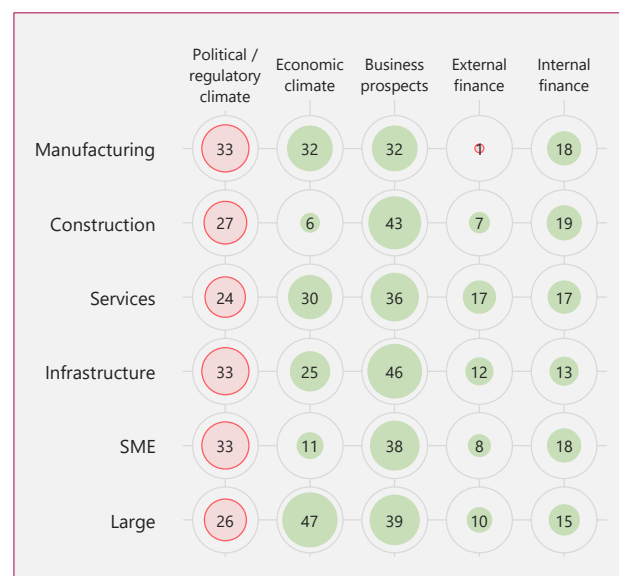


Q. Do you think that each of the following will improve, stay the same, or get worse over the next twelve months?

*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 about the political/regulatory climate. In contrast, the outlook for the business prospects is consistently positive across all sectors and all firm sizes.

Construction firms and SMEs are less optimistic about the economic climate than firms operating in other sectors and large firms.

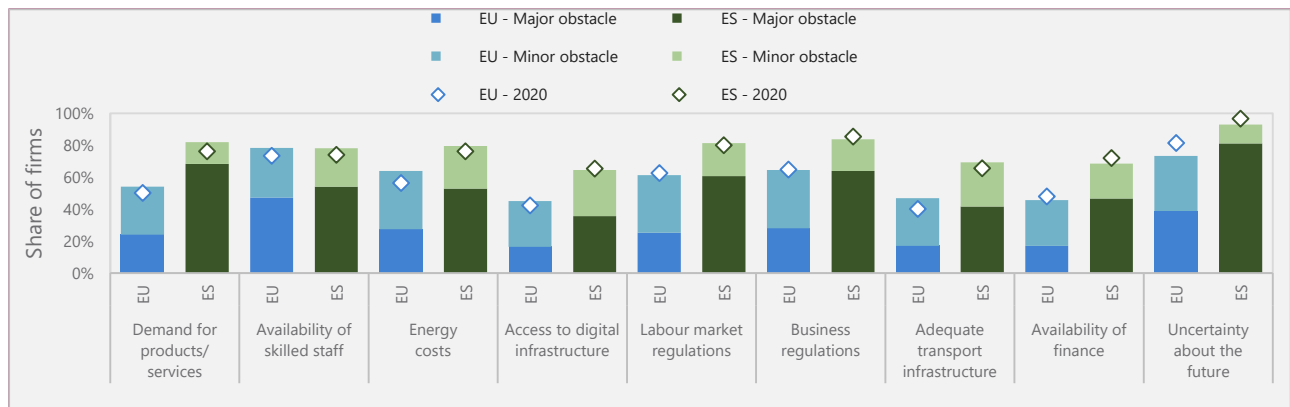
Manufacturing firms are more negative than positive about the availability of external financing (-1%), while other sectors are more optimistic.

Drivers And Constraints

LONG-TERM BARRIERS TO INVESTMENT

The main long-term barriers cited by Spanish firms are uncertainty about the future and business regulations. Spanish firms are, with the exception of availability of skilled staff, firms are more likely than the EU average to consider all of the factors as long-term barriers to investment.

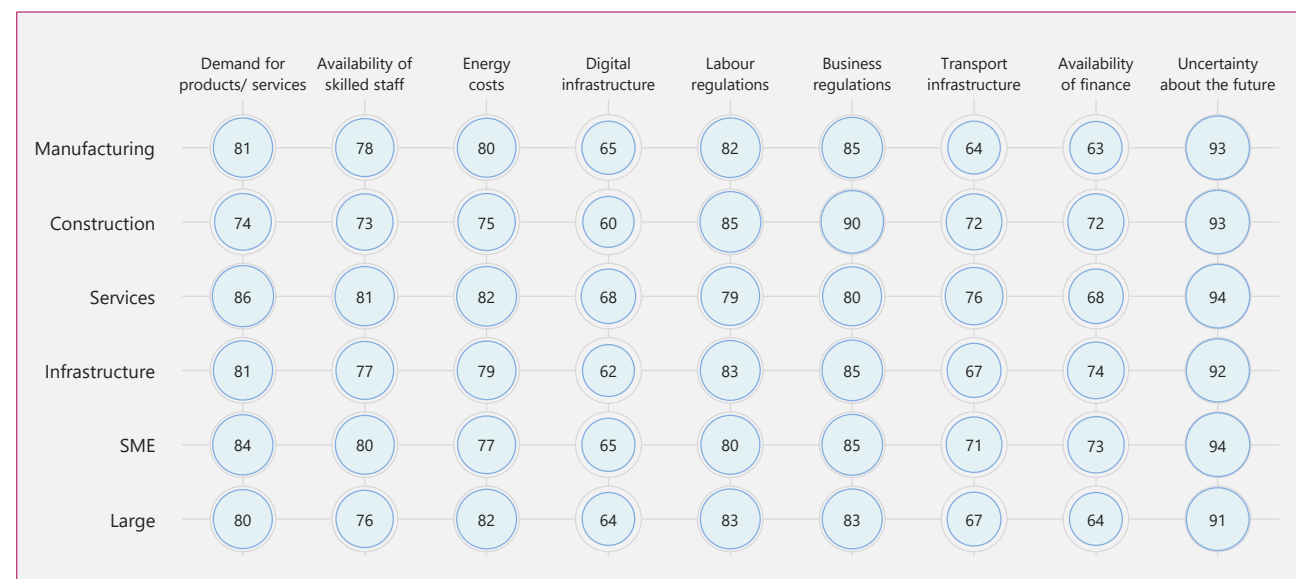
The share of firms citing uncertainty about the future as a barrier to investment has declined (93% in EIBIS 2021 versus 96% in EIBIS 2020) but it is still the most frequently cited barrier to investment. In contrast, there has been a rise in the share of firms citing the demand for products and services as a barrier (82% versus 76% in EIBIS 2020).



Q. Thinking about your investment activities in Spain, 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 Spain, 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

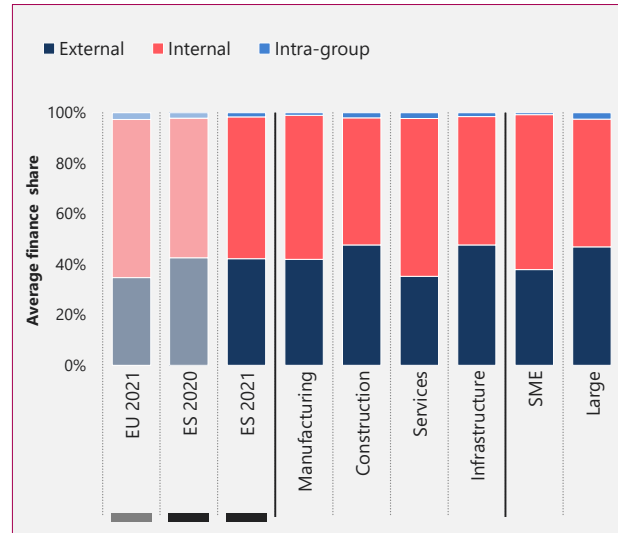
SOURCE OF INVESTMENT FINANCE

As in EIBIS 2020, firms in Spain continued to fund the majority of their investment in 2020 through internal financing (56%). This share is below the EU average (63%).

External finance made up two-fifths of the overall investment finance (42% share). This is higher than the EU average of 35%.

Firms in the services sector report the smallest share of investments funded through external finance (35% compared to other sectors ranging from 42% to 48%).

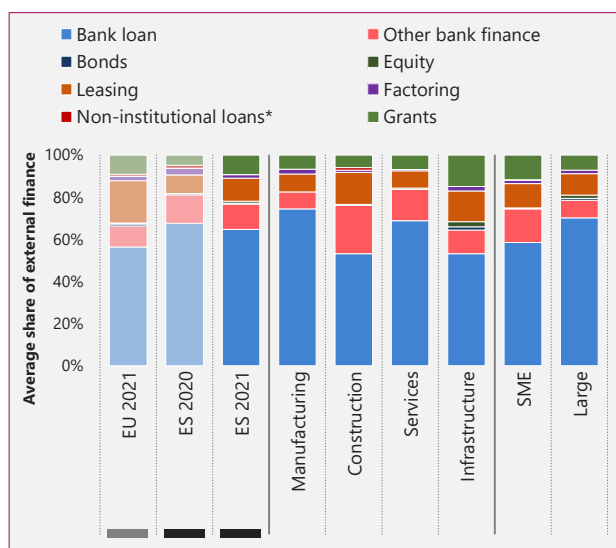
SMEs also report a smaller share of investments funded through external finance (38%) than large firms (47%).



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 made up the largest share of external finance used for investment activities in Spain in 2020 (65%), followed by other bank finance (12%), leasing (11%) and grants (9%). This pattern is in line with the one reported in EIBIS 2020. Firms across the EU report having sourced a slightly lower share of external financing through banks (56%) and a higher share through leasing (20%).

Manufacturing and services sectors obtained a larger share of finance from banks (74% and 69% respectively) compared to firms in the construction and infrastructure sectors (both at 53%).

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)

Investment Finance

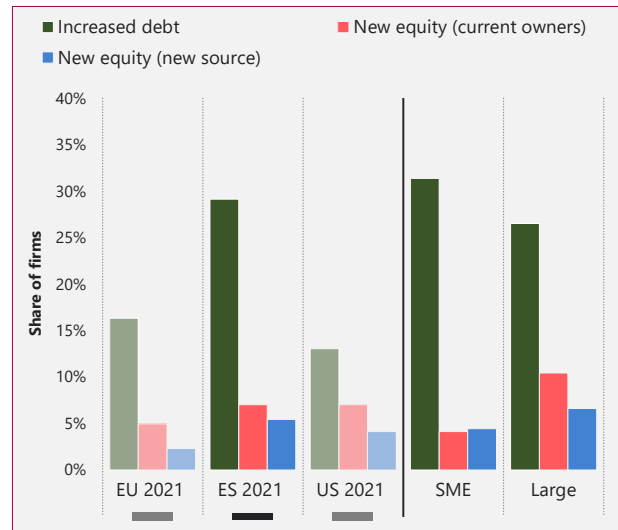
ACTIONS TAKEN AS A RESULT OF COVID-19

Around three in ten firms report having increased debt as a result of the COVID-19 crisis (29%). This share is nearly double the average for the EU (16%).

In addition, 7% have raised new equity from the current owners and 5% have raised new equity from the market.

Large firms are slightly more likely than SMEs to have raised new equity from their current owners (10% versus 4% respectively).

Conversely, SMEs are slightly more likely than large firms to have raised debt (31% versus 27% respectively).



Q. Has your company taken any of the following actions as a result of the COVID-19 pandemic?

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

SHARE OF FIRMS RECEIVING FINANCIAL SUPPORT IN RESPONSE TO COVID-19



Nearly six in ten (58%) firms report receiving financial support in response to COVID-19, a similar share to EU firms overall (56%).

New subsidised or guaranteed credit is the most prevalent form of support received in Spain (42%) and is much higher than among EU firms (17%).

Subsidies or support that does not need to be paid back makes up of only 11% of the financial support which is significantly below the EU average (36%).

SMEs are more likely to have accessed support from new subsidised or guaranteed credit (46%) compared to large firms (37%).

Q. Since the start of the pandemic, have you received any financial support in response to COVID-19? This can include finance from a bank or other finance provider, or government-backed finance

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

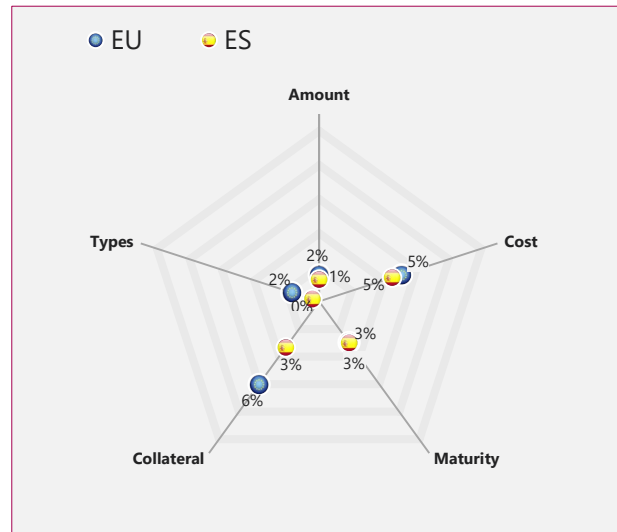
Access To Finance

DISSATISFACTION WITH EXTERNAL FINANCE RECEIVED

Firms that used external finance in 2020 are generally satisfied with the finance received. The highest proportions of dissatisfaction are with cost of finance received (5%).

A similar pattern is evident among EU firms that used external finance for most of the components but collateral.

The share of firms dissatisfied with the collateral requirements associated to the external financing offer is 3% in Spain, slightly below the EU average (6%). This may be related to the more intensive use of guaranteed loans in Spain.



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.

Construction firms report the highest levels of dissatisfaction with cost and collateral required.

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

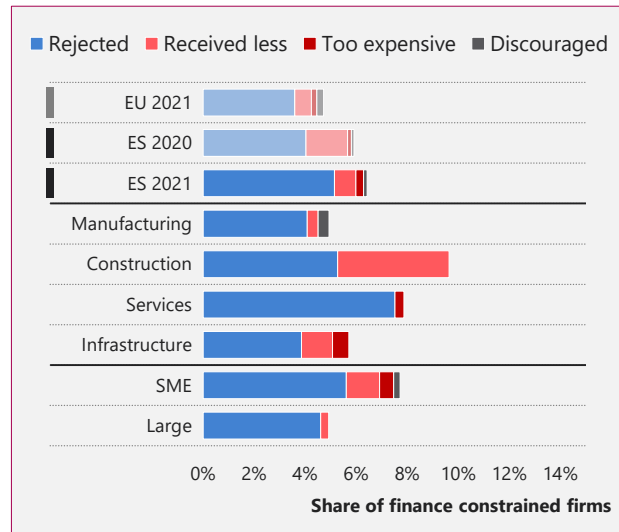
Base: All firms who used external finance in the last financial year (excluding don't know/refused responses)

Access To Finance

SHARE OF FINANCE CONSTRAINED FIRMS

Only 6% of all firms in Spain can be considered as external finance constrained. This is similar to the share reported in EIBIS 2020 (6%) and the EU average (5%).

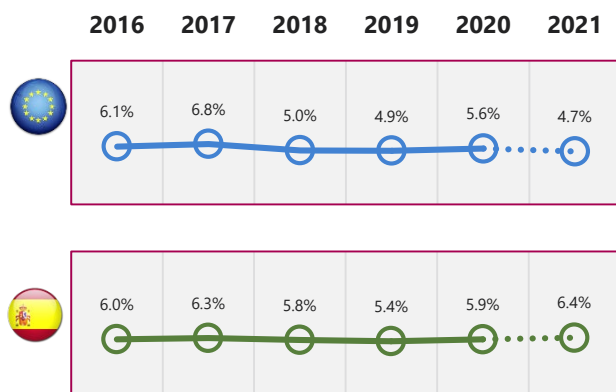
SMEs and construction firms have the highest share of finance constrained firms.



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 (excluding don't know/refused responses)

FINANCING CONSTRAINTS OVER TIME



In EIBIS 2021, the share of finance constrained firm is at its highest since the first wave of the survey. However, the ratio has evolved in a very narrow range, between 5% and 6%.

In EIBIS 2021, the share of finance constrained firms in Spain is slightly higher than in the EU overall (6.4% vs 4.7% respectively).

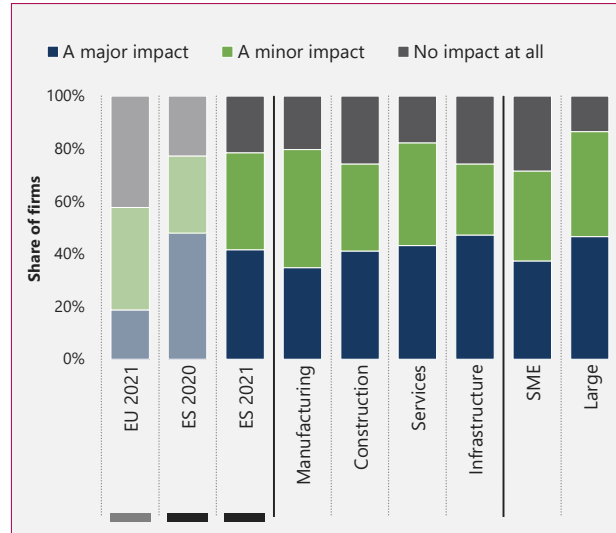
Base: All firms (excluding don't know/refused responses)

Climate Change and Energy Efficiency

IMPACT OF CLIMATE CHANGE – PHYSICAL RISK

A sizeable share of Spanish firms feel the effect of weather events: around three-quarters (78%) of firms in Spain think that climate change has an impact on their business. This is in line with what was reported in EIBIS 2020 (77%) and above the EU average (58%). More firms report that the impact of climate change is a major one (42%) than a minor one (37%), but less so than in EIBIS 2020.

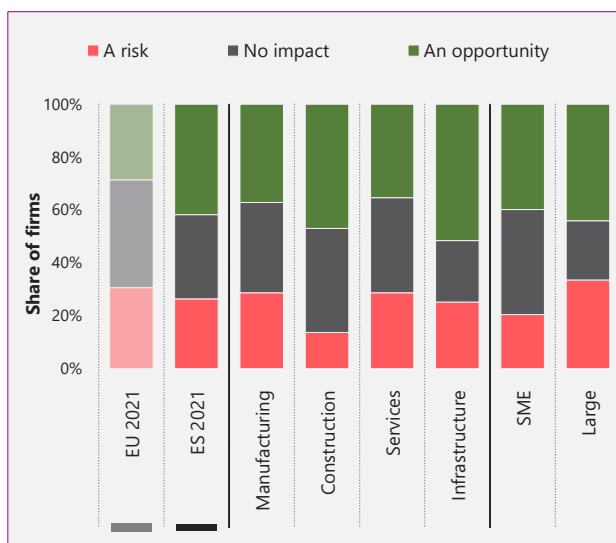
Large firms are more likely than SMEs to report that climate change is having an impact on their business (86% versus 72%).



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)

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



Around a third (32%) of firms in Spain think that the transition to more stringent climate standards and regulations will have no impact on their company over the next 5 years. This is below the EU average of 41%. Firms that think it will have an impact are more likely to see it as an opportunity than a risk (42% compared to 26%).

The infrastructure and construction sectors have the largest share of firms that consider the climate transition as an opportunity (51% and 47% respectively). Large firms are more likely than SMEs to see the transition to a net zero emission economy as a risk to their business (34% versus 20%).

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?

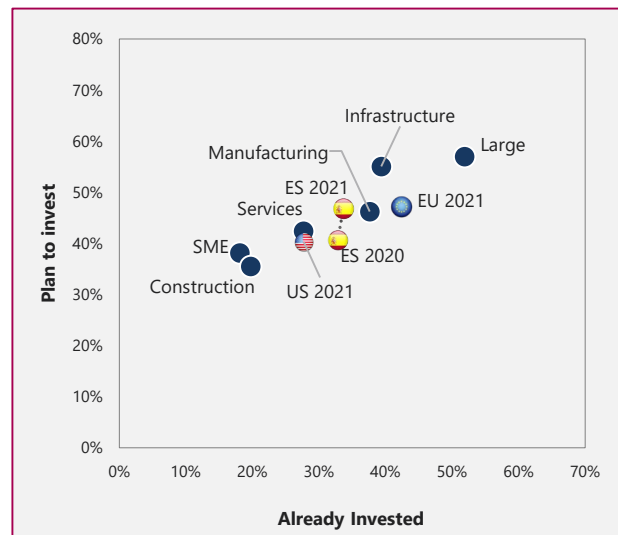
Base: All firms (excluding don't know / refused responses)

Climate Change and Energy Efficiency

INVESTMENT PLANS TO TACKLE CLIMATE CHANGE IMPACT

About one in three firms (34%) have already made investments to tackle the impacts of weather events and to deal with the process of reduction in carbon emissions. Nearly half of all firms in Spain (47%) have plans to invest more in the next 3 years. The share of firms who have already invested is below the average for the EU (43%), while the share of firms planning to invest is in line with the EU average (47%).

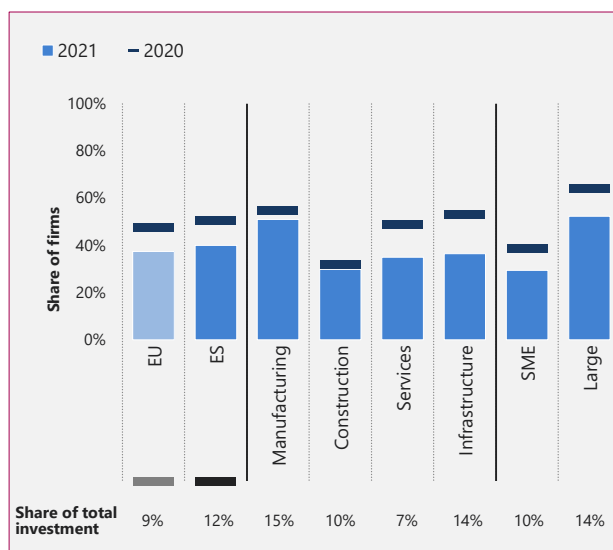
Large firms are particularly likely to have already invested (52%) and to have plans to invest (57%). In contrast, SMEs are among the least likely to have either invested (18%) or have plans to invest (38%). Construction firms in Spain are less likely to have plans to invest in the next 3 years to tackle climate change compared to other sectors (36%) versus other sectors ranging from 42% to 55%.



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?

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

SHARE OF FIRMS INVESTING IN MEASURES TO IMPROVE ENERGY EFFICIENCY AND SHARE OF TOTAL INVESTMENT



Two in five firms (40%) invested in measures to improve energy efficiency in 2020, below the share reported in EIBIS 2020 (51%) and in line with the EU average (37%).

The average share of total investment in the country (12%) is in line with the EU overall (9%).

In 2020, large firms were more likely to invest in measures to improve energy efficiency than SMEs (52% versus 29%).

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 (for share of firms investing)

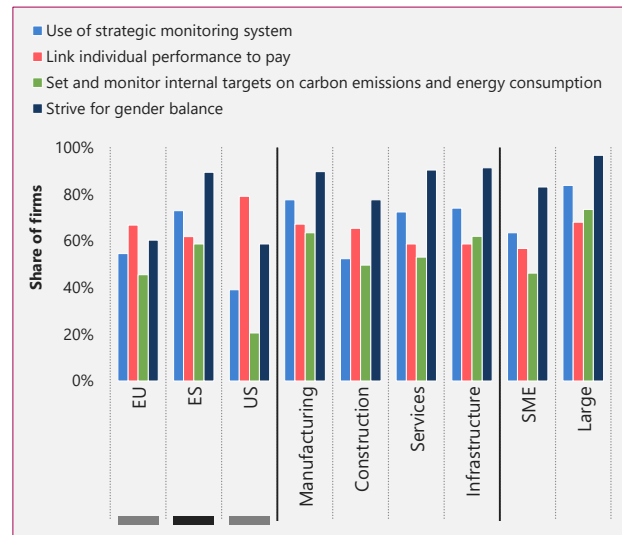
Base: All firms who have invested in the last financial year (excluding don't know/refused responses) (average share of investment)

Firm management, climate targets, gender balance and employment

FIRM MANAGEMENT, CLIMATE TARGETS AND GENDER BALANCE

In 2020, firms in Spain were more likely than EU firms to strive for gender balance (89% versus 60%), use strategic monitoring systems (73% versus 55%) and set and monitor internal targets on carbon emissions and energy consumption (59% versus 46%). In addition, around two in three firms (62%) linked individual performance to pay, in line with the EU average (67%).

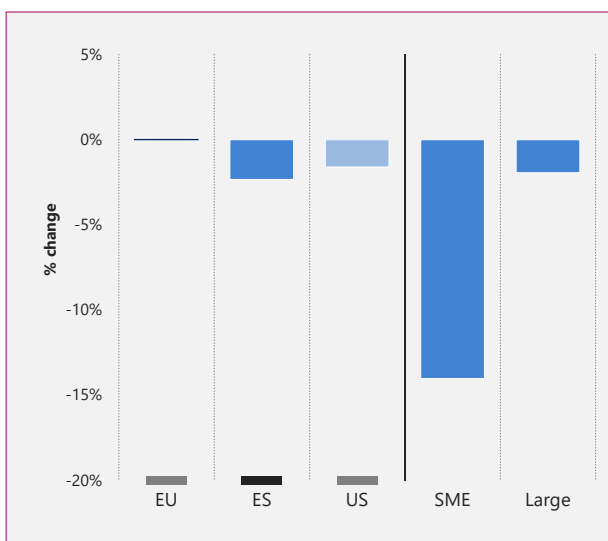
Large firms are more likely than SMEs to have taken each action. Construction firms are the least likely to have used strategic monitoring systems (52%) and to have striven for gender balance (78%).



Q. In 2020, did your company...?

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

CHANGE IN EMPLOYMENT DURING COVID-19



Overall, the workforce in Spain has declined since the start of the COVID-19 pandemic (-2.3%).

The number of employees in SMEs has dropped by an average of 14%, while large companies have seen a much smaller decline in their workforce (-2%).

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 2020, before the COVID-19 pandemic?

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

EIBIS 2021 – 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 Spain, so the percentage results are subject to sampling tolerances. These vary with the size of the sample and the percentage figure concerned.

	EU	US	ES	Manufacturing	Construction	Services	Infrastructure	SME	Large	EU vs ES	Constr Vs Manuf.	SME vs Large
	(11920)	(802)	(600)	(159)	(140)	(150)	(148)	(470)	(130)	(11920 vs 600)	(140 vs 159)	(470 vs 130)
10% or 90%	1.1%	3.5%	2.5%	4.4%	4.7%	4.6%	4.6%	2.5%	4.5%	2.7%	6.4%	5.1%
30% or 70%	1.7%	5.3%	3.7%	6.7%	7.1%	7.1%	7.1%	3.8%	6.8%	4.1%	9.8%	7.8%
50%	1.8%	5.8%	4.1%	7.3%	7.8%	7.7%	7.7%	4.1%	7.4%	4.5%	10.7%	8.5%

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 2021 country overview refers interchangeably to 'the past/last financial year' or to '2020'. Both refer to results collected in EIBIS 2021, where the question is referring to the past financial year, with the majority of the financial year in 2020 in case the financial year is not overlapping with the calendar year 2020.

EIBIS 2021 – Country Technical Details

The country overview presents selected findings based on telephone interviews with 600 firms in Spain (carried out between March and July 2021).

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




Base definition and page reference	EU 2021/2020	US 2021	ES 2021/2020	Manufacturing	Construction	Services	Infrastructure	SME	Large
All firms, p. 2, p. 6, p. 7, p. 10, p. 11	11920/11971	802	600/600	159	140	150	148	470	130
All firms (excluding 'Company didn't exist three years ago' responses), p. 6	11910/11949	802	600/599	159	140	150	148	470	130
All firms (excluding don't know/refused responses), p. 2	11620/11634	768	572/573	157	133	139	140	449	123
All firms (excluding don't know/refused responses), p. 4 (top)	11860/NA	800	599/NA	159	140	149	148	469	130
All firms (excluding don't know/refused responses), p. 4 (bottom)	11891/NA	802	595/NA	156	140	149	147	468	127
All firms (excluding don't know/refused responses), p. 5 (top)	11814/11971	768	596/600	158	140	149	146	468	128
All firms (excluding don't know/refused responses), p. 5 (bottom)	11760/0	766	595/0	158	140	148	146	467	128
All firms (excluding don't know/refused responses), p. 7 (top)	11765/11727	793	594/590	158	140	148	145	467	127
All firms (excluding don't know/refused responses), p. 8 (top)	11648/11720	779	596/598	159	138	150	146	467	129
All firms (excluding don't know/refused responses), p. 8 (bottom)	8780/9039	618	399/359	118	89	87	102	311	88
All firms (excluding don't know/refused responses), p. 9	11891/11938	802	596/600	158	139	149	147	469	127
All firms (excluding don't know/refused responses), p. 13 (top)	11882/NA	777	597/NA	158	140	149	147	468	129
All firms (excluding don't know/refused responses), p. 13 (bottom)	11857/NA	775	591/NA	158	137	149	144	464	127
All firms (excluding don't know/refused responses), p. 15	11518/11477	743	560/558	155	131	135	136	439	121
All firms (excluding don't know/refused responses), p. 16 (top)	11849/11898	798	597/594	157	140	150	147	469	128
All firms (excluding don't know/refused responses), p. 16 (bottom)	11384/NA	783	577/NA	152	136	142	144	454	123
All firms (excluding don't know/refused responses), p. 17	11659/11739	775	578/585	154	134	144	143	453	125
All firms (excluding don't know/refused responses), p. 18 (top)*	11616/NA	774	581/NA	155	135	143	144	456	124
All firms (excluding don't know/refused responses), p. 18 (bottom)	11664/11402	794	596/582	158	138	150	147	468	128
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 3 (top)	9670/10138	674	461/485	133	98	112	115	349	112
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 3 (bottom)	9523/9874	667	419/384	122	94	93	107	328	91
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 12	8675/9255	621	427/470	122	92	103	108	330	97
All firms who have invested in the last financial year (excluding don't know/refused responses)*, p. 17	11920/11971	802	600/600	159	140	150	148	470	130
All firms who used external finance in the last financial year (excluding don't know/refused responses), p. 12	4003/4354	284	264/280	77	59	58	68	190	74
All firms who used external finance in the last financial year (excluding don't know/refused responses), p. 14*	3964/4310	281	264/287	79	59	57	66	190	74



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Spain

Overview

EIB INVESTMENT SURVEY

2022

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