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Investment  
Bank

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# Portugal

Overview

## EIB INVESTMENT SURVEY

2017

## EIB Group Survey on Investment and Investment Finance Country Overview: Portugal

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### About the EIB Investment Survey (EIBIS)

The EIB Group Survey on Investment and Investment Finance is a unique, EU-wide, annual survey of some 12 300 firms. It collects data on firm characteristics and performance, past investment activities and future plans, sources of finance, financing issues and other challenges that businesses face. Using a stratified sampling methodology, EIBIS is representative across all 28 member States of the EU, as well as for firm size classes (micro to large) and 4 main sectors. It is designed to build a panel of observations to support time series analysis, observations that can also be linked to firm balance sheet and profit and loss data. EIBIS has been developed and is managed by the Economics Department of the EIB, with support to development and implementation by Ipsos MORI. For more information see: <http://www.eib.org/eibis>.

### About this publication

This Country Overview is one of a series covering each of the 28 EU Member States, plus an EU-wide overview. These are intended to provide an accessible snapshot of the data. For the purpose of these publications, data is weighted by value-added to better reflect the contribution of different firms to economic output. Contact: [eibis@eib.org](mailto:eibis@eib.org).

### 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, a team of 40 economists, is headed by Debora Revoltella, Director of Economics.

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### Disclaimer

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

### About Ipsos Public Affairs

Ipsos Public Affairs works closely with national governments, local public services and the not-for-profit sector, as well as international and supranational organizations. Its c.200 research staff in London and Brussels focus on public service and policy issues. Each has expertise in a particular part of the public sector, ensuring we have a detailed understanding of specific sectors and policy challenges. This, combined with our methodological and communications expertise, helps ensure that our research makes a difference for decision makers and communities.

# EIBIS 2017 – COUNTRY OVERVIEW

## Portugal

The annual EIB Group Survey on Investment and Investment Finance (EIBIS) is an EU-wide survey of some 12 300 firms that gathers information on investment activities by both SMEs and larger corporates, their financing requirements and the difficulties they face.

As the EU bank, the EIB Group responds to the need to accelerate investment to strengthen job creation and long-term competitiveness and sustainability across all 28 EU Member States.

EIBIS helps the EIB to contribute to a policy response that properly addresses the needs of businesses, promoting investment.

This country overview presents selected findings based on telephone interviews with 535 firms in Portugal in 2017 (carried out between April and July).

## Key results

<b>Macroeconomic context</b>	<b>In 2016, aggregate investment in Portugal was still around 30% below its 2008 level.</b> A large part of the gap was caused by lower corporate investment.
<b>Investment outlook:</b>	<b>More firms increased than reduced investment in the last financial year,</b> with the share investing exceeding expectations. This positive outlook is expected to continue in the current year but to a lesser extent.
<b>Investment activity:</b>	<b>79% of firms invested in the last financial year,</b> lower than the EU average (84%). The investment intensity (investment per employee) was also below the EU average. However, the share of firms investing is up from 77% in the previous financial year. 42% of firms name replacement as the key priority for investment in the next 3 years.
<b>Perceived investment gap:</b>	<b>18% of firms report investing too little over the last three years,</b> similar to the EU average of 15%. The share of firms under-investing is similar to last year (17%). The average share of state-of-the art machinery and equipment in firms is below the EU average (37% versus 45%). However, the average share of building stock satisfying high efficiency standards is 39% in Portugal, as in the EU.
<b>Investment barriers:</b>	<b>Uncertainty about the future</b> continues to be perceived as the main barrier to investment, followed by labour market regulation and energy costs – all more so in Portugal than EU-wide. Availability of skilled staff is more likely to be mentioned as a barrier this year, both in Portugal and across the EU.
<b>External finance:</b>	<b>13% of firms are finance constrained,</b> higher than the EU average (7%). This is the proportion of firms dissatisfied with the amount of finance obtained, sought finance but did not receive it, did not seek finance because they thought borrowing costs were too high or they would be turned down.
<b>Firm performance:</b>	<b>Firms in Portugal tend to fall in the lowest productivity class.</b> Across sectors, productivity tends to be lower in construction and higher in services.

# INVESTMENT DYNAMICS

## INVESTMENT ACTIVITY IN LAST FINANCIAL YEAR

Around eight in ten firms in Portugal invested in the last financial year. This proportion remains below the EU average (84% in both waves).

Firms in the infrastructure sector (85%) were more likely to invest than those in the construction sector (70%). Also, large firms were more likely to invest than SMEs.

Investment intensity has declined in Portugal, as in the EU, and is again highest in the infrastructure sector.

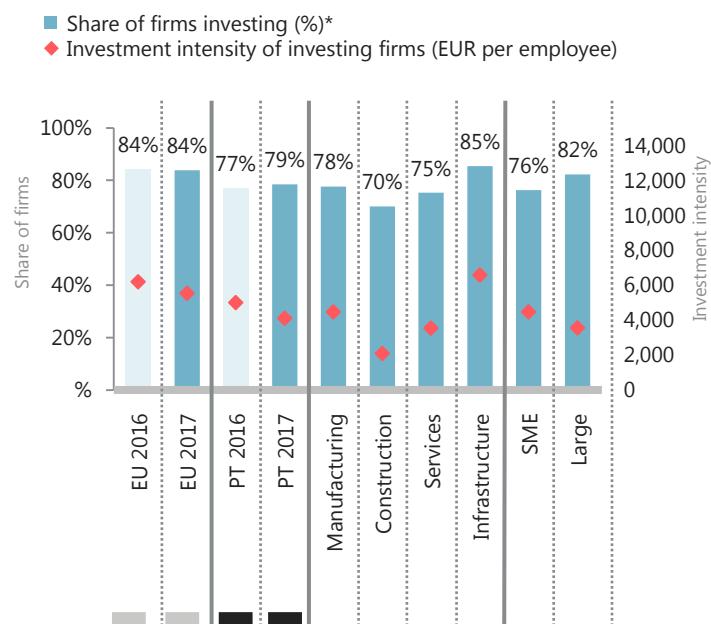
*\*The blue bars indicate the proportion of firms who have invested in the last financial year.*

*A firm is considered to have invested if it spent more than EUR 500 per employee on investment activities.*

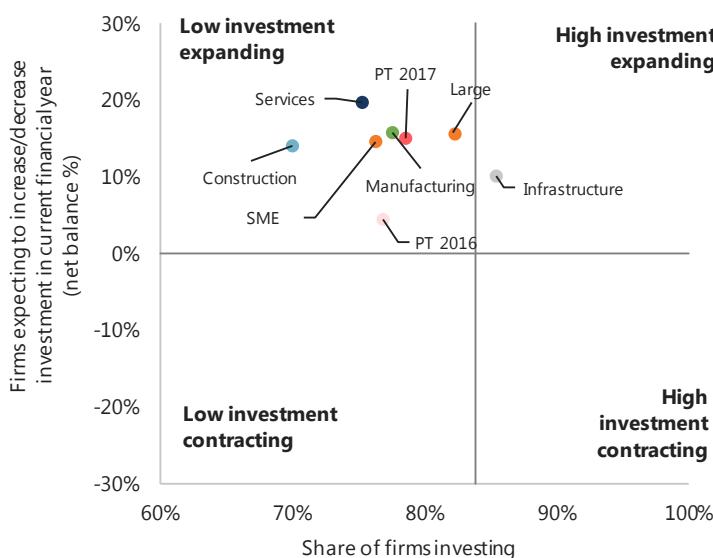
*Investment intensity is the median investment per employee of investing firms.*

*Investment intensity is reported in 2015 values (using the Eurostat GFCF deflator).*

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



## INVESTMENT CYCLE



Investment activity by firms this wave places Portugal in the 'low investment expanding' quadrant on the investment cycle. This is unchanged compared to the previous wave.

The exception is the infrastructure sector, which now sits in the 'high investment expanding' quadrant due to its share of firms investing slightly exceeding the overall EU average.

Although large firms and SMEs are both placed in the 'low investment expanding' quadrant, large firms do approach the overall EU average in terms of share of firms investing.

Compared to the previous wave, more firms are expected to increase their investment spending.

*Base: All firms*

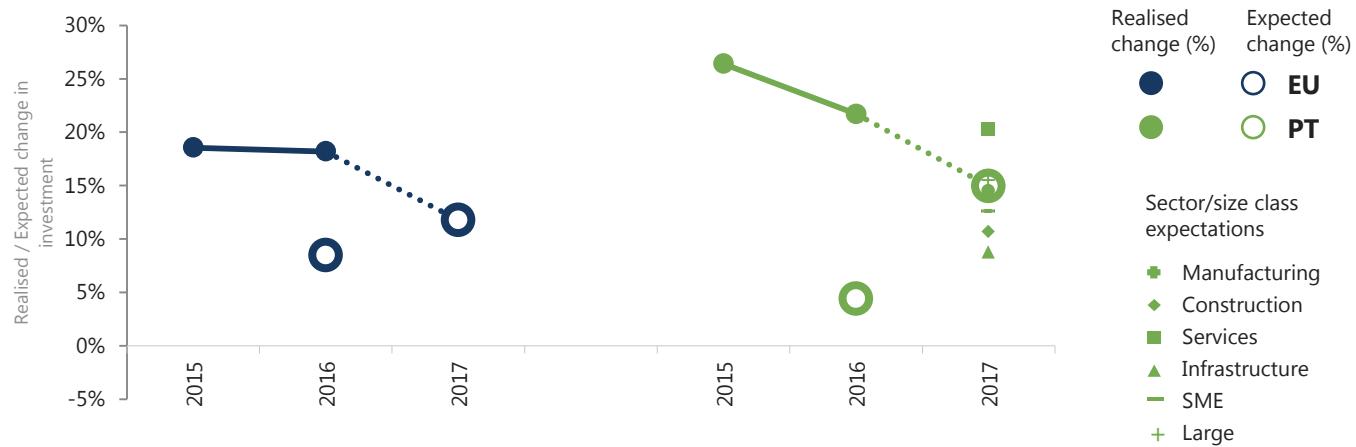
*Share of firms investing shows the percentage of firms with investment per employee greater than EUR 500.*

*The y-axis line crosses x-axis on the EU average for 2016*

# INVESTMENT DYNAMICS

## EVOLUTION OF INVESTMENT EXPECTATIONS

More firms in Portugal increased than reduced their investment activities in the last financial year, and to a greater extent than the EU average. In the current year, this positive outlook is expected to continue, though to a lesser extent in both Portugal and EU-wide. The service sector in Portugal is most likely to expect an increase in investment while the infrastructure sector is least likely to anticipate this.

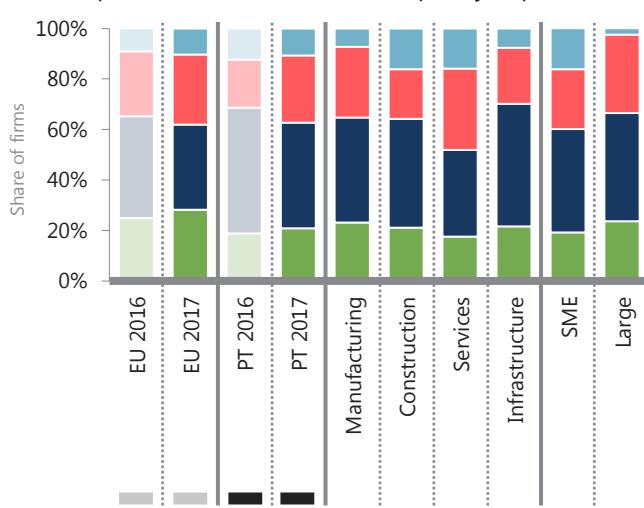


Base: All firms

'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.

## FUTURE INVESTMENT PRIORITIES

■ No investment planned    ■ New products/services  
■ Replacement                      ■ Capacity expansion



Looking ahead to the next 3 years, replacing existing buildings, machinery, equipment and IT is still most commonly cited priority for investment (by 42% of firms in Portugal), though this has fallen from 50% in the previous wave.

Developing or introducing new products, processes or services is the priority for 27% of firms, and has increased from 19% last year. This share is somewhat higher for large corporations than SMEs (respectively 31% and 24%).

Capacity expansion for existing products/services is the priority for 21% of firms, similar to last year's 19% figure.

Firms in Portugal are more likely to prioritise replacement investment (42% versus 34%) and less likely to prioritise capacity expansion (21% versus 28%) than firms EU-wide.

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

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?

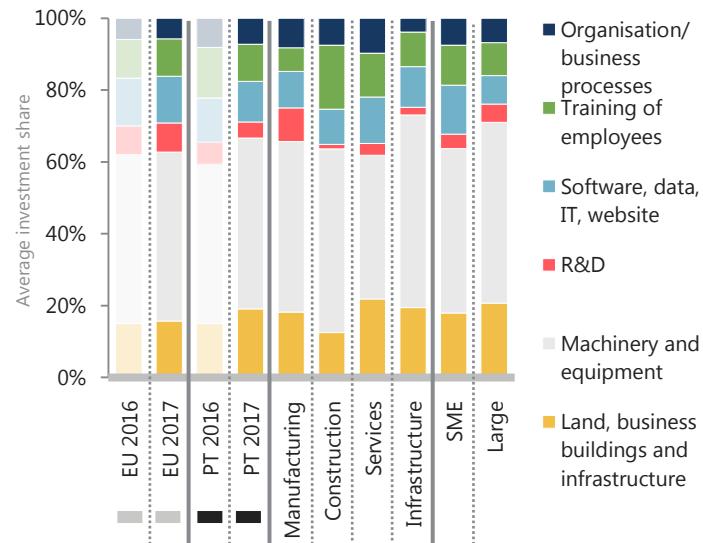
# INVESTMENT FOCUS

## INVESTMENT AREAS

Of the six investment areas asked about, the highest share of investment in Portugal is in machinery and equipment (48%), followed by land, business buildings and infrastructure (19%) and software, data and IT (11%).

While the pattern is similar to the previous wave and EU-wide findings, firms in Portugal invest a higher share on land, buildings and infrastructure than the EU average (19% versus 16%), and a lower share on R&D (4% versus 8%).

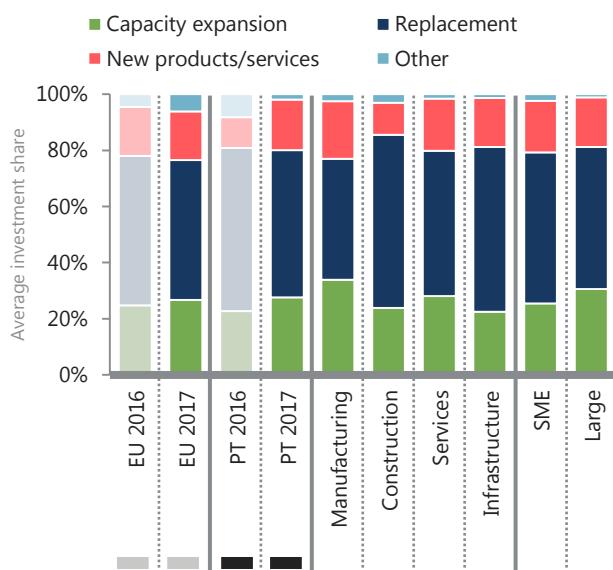
Within Portugal, there are few variations by firm size or sector, but manufacturing firms spend more on R&D (9% versus 1%-3% in other sectors). SMEs invest a higher share on software, data, IT and website activities (14%, compared to 8% for large firms).



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

*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?*

## PURPOSE OF INVESTMENT IN LAST FINANCIAL YEAR



The largest share of investment in Portugal is driven by the need to replace existing buildings, machinery, equipment and IT (52%), in line with the pattern across the EU (where the equivalent share is 50%).

Within Portugal, the share accounted for by replacement investment is highest in the construction and infrastructure sectors (62% and 59% respectively), and lowest in manufacturing (43%).

The share of investment allocated to capacity expansion is highest in manufacturing (34%) and among large firms (31%).

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

*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?*

# INVESTMENT FOCUS

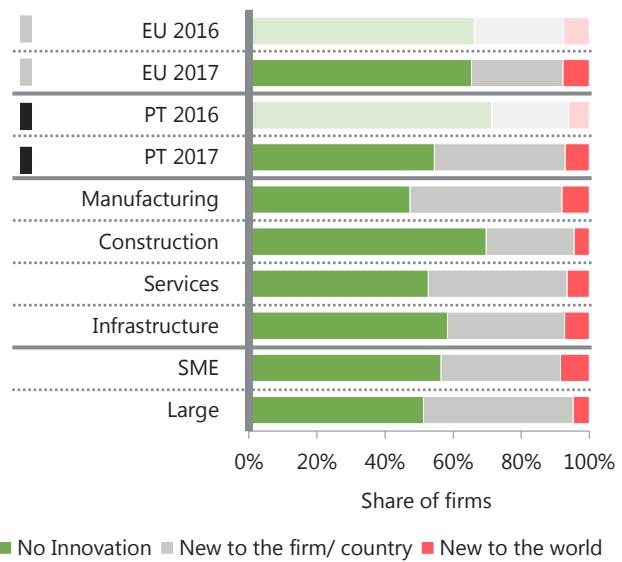
## INNOVATION ACTIVITY

Among all firms, nearly half (46%) developed or introduced new products, processes or services as part of their investment activities. This compares favourably with both the previous wave (29%) and this year's EU average (35%).

Seven per cent of firms in Portugal claim to have undertaken innovation that is new to the global market, similar to the 8% EU-wide.

More than half of manufacturing firms undertook innovation activity (53%), closely followed by services firms (47%), but only 30% of construction firms reported doing the same.

Large firms are a little more likely to innovate than SMEs (respectively 49% and 44%).

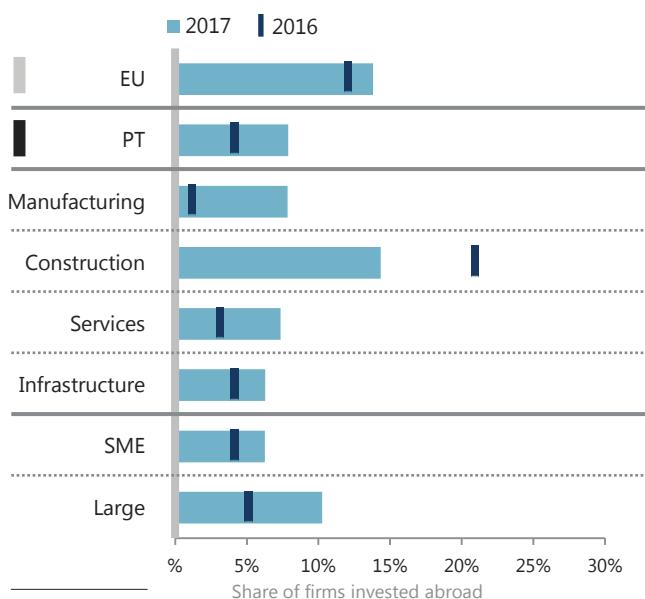


*Base: All firms (excluding don't know/refused responses)*

*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?*

## INVESTMENT ABROAD



Among Portuguese firms that invested in the last financial year, 8% invested in another country, which is below the EU average (14%).

The share of Portuguese firms investing abroad has doubled from 4% in the previous year.

Firms in the construction sector were most likely to have invested in another country (14%), though there is much less of a gap between construction firms and other sectors than in the previous wave.

The share of large firm investing abroad is a little higher than that of small firms. Only six per cent of SMEs in Portugal reported investing in another country in this wave.

*Base: All firms who invested in the last financial year*

*Q. In the last financial year, has your company invested in another country?*

# INVESTMENT NEEDS

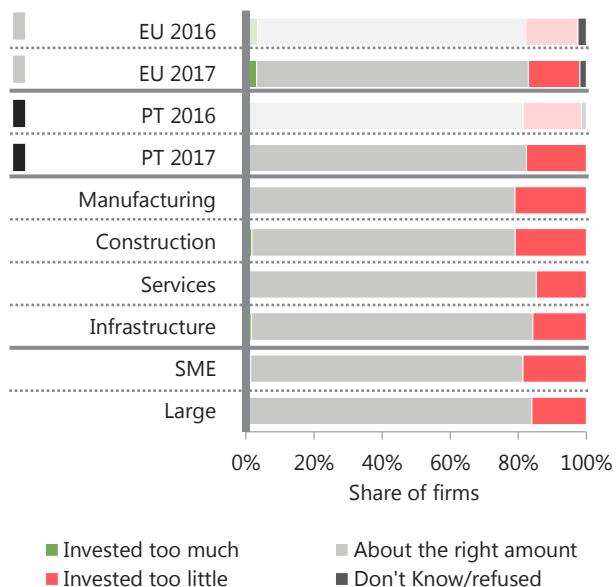
## PERCEIVED INVESTMENT GAP

Around eight in ten firms believe their investment over the last three years was about the right amount (82%).

Eighteen per cent report investing too little, similar to the previous wave (17%).

All of the above findings are similar to the EU average, though three per cent of EU firms say they invested too much in the last three years compared with only one per cent in Portugal.

Within Portugal, these patterns do not vary significantly, either by firm size or by sector.



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

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

## SHARE OF FIRMS AT OR ABOVE FULL CAPACITY



Identical to the previous wave, around six in ten firms in Portugal report operating at or above maximum capacity in the last financial year (59%).

This means firms in Portugal remain more likely to be operating at or above maximum capacity than firms across the EU overall (where 53% report being at or above capacity in this wave).

Firms in the infrastructure and service sectors remain more likely to say they are operating at or above full capacity (70% and 65% respectively).

*Base: All firms*

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

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

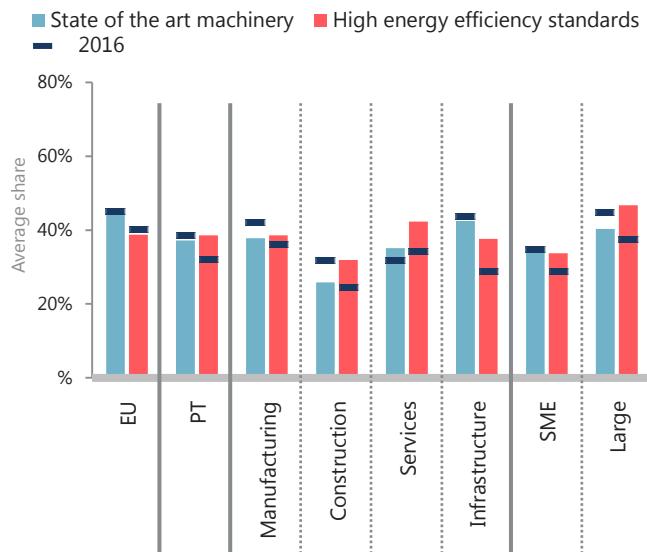
# INVESTMENT NEEDS

## SHARE OF STATE OF THE ART MACHINERY AND BUILDING STOCK MEETING HIGH ENERGY EFFICIENCY STANDARDS

The average share of state-of-the-art machinery and equipment in firms is below the EU average (37% versus 45%), and very similar to the previous wave.

However, the share of firms' building stock that satisfies high energy efficiency standards is now exactly in line with the EU average (39% in both instances). The share is higher for large corporations than for SMEs (47% versus 34%).

Construction firms report a lower share of machinery that is state-of-the-art (26%) when compared with infrastructure and manufacturing firms (43% and 38% respectively).

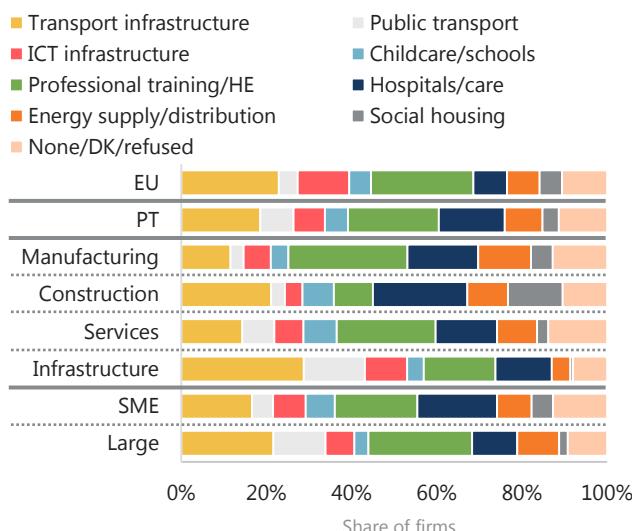


Base: All firms

Q. What proportion, if any, of your commercial building stock satisfies high or highest energy efficiency standards?

Q. What proportion, if any, of your machinery and equipment, including ICT, would you say is state-of-the-art?

## PUBLIC INVESTMENT PRIORITIES



All firms were asked which one of a choice of eight areas they thought should be the main priority for public investment over the next three years.

Just over one in five firms considered professional training and higher education to be the priority (21%). This was followed by transport infrastructure (selected by 19%) and hospitals and care (16%). All other areas were selected by fewer than one in ten firms.

Hospitals/care were more of a priority in Portugal than EU-wide (16% versus 8%).

Within Portugal, infrastructure firms were most likely to prioritise transport infrastructure (29%) and public transport (14% compared with 8% overall).

Construction firms were three times as likely to select social housing (13% compared with 4% overall).

Base: All firms

Q. From your business' perspective, if you had to prioritise one area of public investment for the next 3 years, which one would it be?

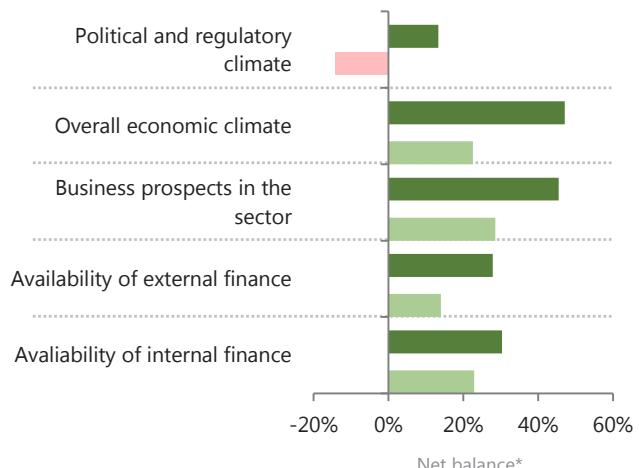
# DRIVERS AND CONSTRAINTS

## SHORT TERM INFLUENCES ON INVESTMENT

On balance more firms in Portugal expect the political and regulatory climate to improve than deteriorate in the next 12 months. This is at odds with the overall trend EU-wide where more firms expect a deterioration in the political and regulatory climate than an improvement.

Firms in both Portugal and across the EU display optimism on how the other short term influences on investment will evolve in the coming year, though the degree of optimism is again greater in Portugal than EU-wide.

■ PT negative net balance\*  
■ PT positive net balance  
■ EU negative net balance  
■ EU positive net balance

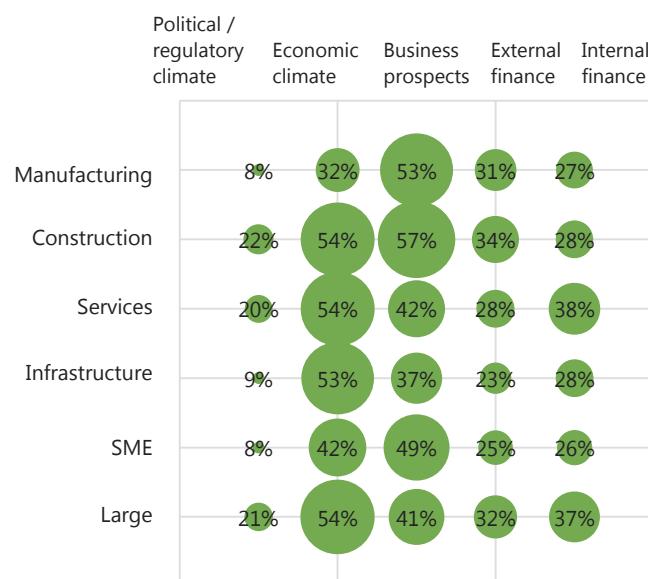


*\*Net balance is the share of firms expecting improvement minus the share of firms expecting a deterioration*

Base: All firms

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

## SHORT TERM INFLUENCES BY SECTOR AND SIZE (NET BALANCE)



The optimistic outlook in Portugal applies to all types of firm by size and sector across all of the short-term influences on investment.

Nonetheless, there are some differences. For example, large firms are relatively more optimistic than SMEs on four of the five measures (including availability of internal and external finance); and, while still positive, manufacturing firms are not as confident of the overall economic climate improving as firms in other sectors.

Base: All firms

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

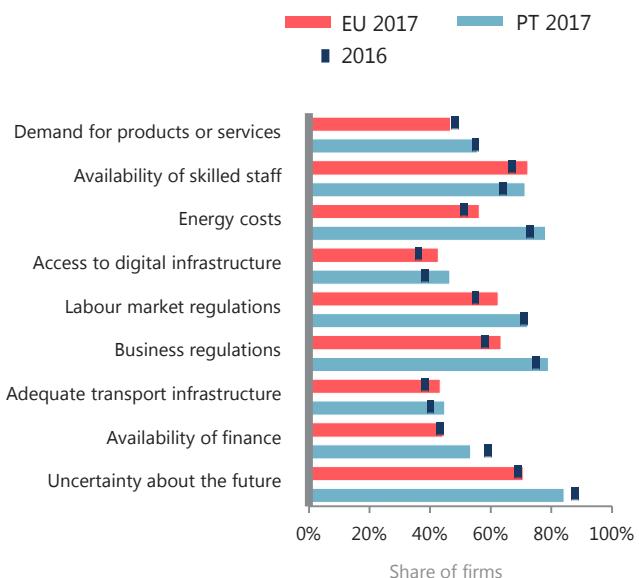
# DRIVERS AND CONSTRAINTS

## LONG TERM BARRIERS TO INVESTMENT

Around eight out of ten firms consider uncertainty about the future and business regulations as obstacles to investment activities (84% and 79% respectively). Both are more likely to be seen as barriers in Portugal than EU-wide where the equivalent figures are 71% and 63%).

Energy costs are a barrier for 78% of firms, again higher than the EU average. Availability of skilled staff is an obstacle for seven in ten firms, both in Portugal (71%) and EU-wide (72%), increasing in both cases since the previous wave.

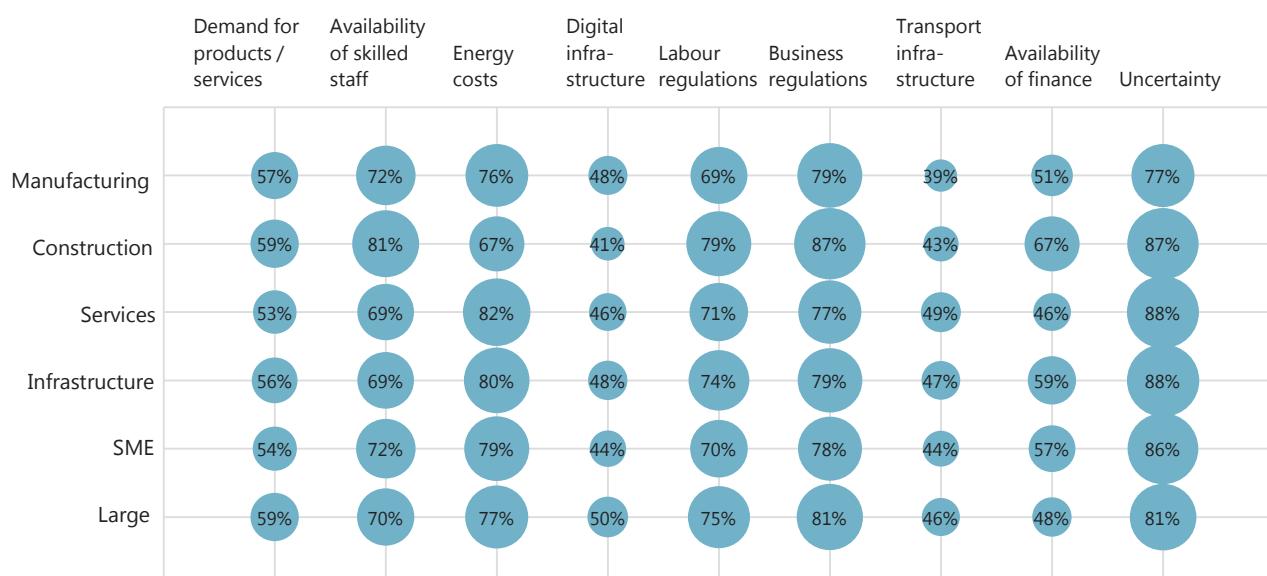
There are important differences across sectors. Construction firms are most likely to consider skilled staff availability, business and labour market regulations and availability of finance as obstacles.



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

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

## LONG TERM BARRIERS BY SECTOR AND SIZE



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

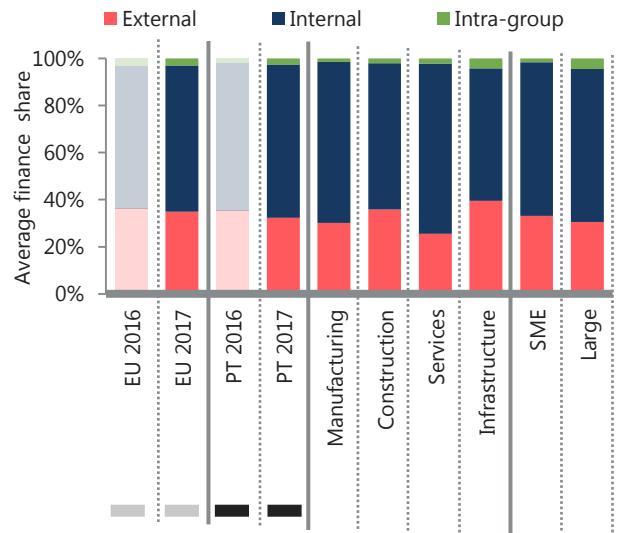
*Q. Thinking about your investment activities in Portugal, to what extent is each of the following an obstacle? Is it a major obstacle, a minor obstacle or not an obstacle at all?*

# INVESTMENT FINANCE

## SOURCE OF INVESTMENT FINANCE

Internal funds account for the highest share of investment finance (65%). This is generally in line with both the EU average and the share reported in Portugal in the last wave (62% and 63% respectively).

External finance makes up a higher share of investment finance for firms in the infrastructure sector (40%, compared with 32% for all firms in Portugal and only 25% among service sector firms).

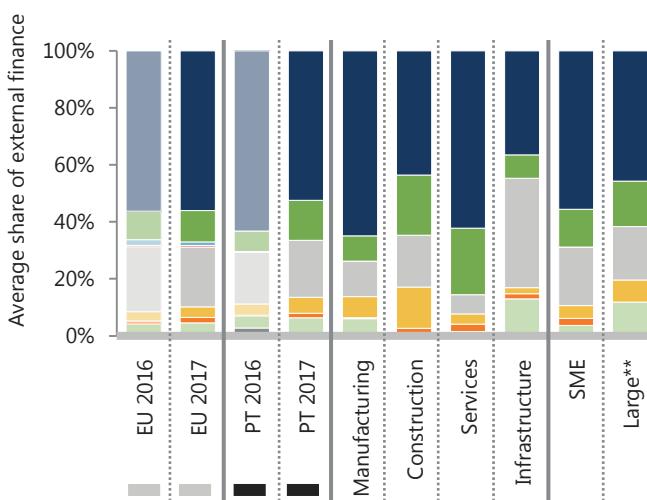


*Base: All firms who invested in the last financial year (excluding don't know/refused responses)*

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

## TYPE OF EXTERNAL FINANCE USED FOR INVESTMENT ACTIVITIES

Bank loan	Other bank finance	Bonds
■	■	■
Equity	Leasing	Factoring
■	■	■
Non-institutional loans*	Grants	Other
■	■	■



Bank loans still account for more than half of external finance (52%), though this is lower than the 63% share recorded in the previous wave. The next highest shares are leasing and hire purchase (20% of external finance) and non-loan bank finance such as overdrafts and other credit lines (14%).

The situation in Portugal mirrors the EU-wide breakdown.

Within Portugal, leasing accounts for a slightly higher share of infrastructure firms' external finance than bank loans (38% versus 36%), making it different from the other sectors where bank finance dominates.

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

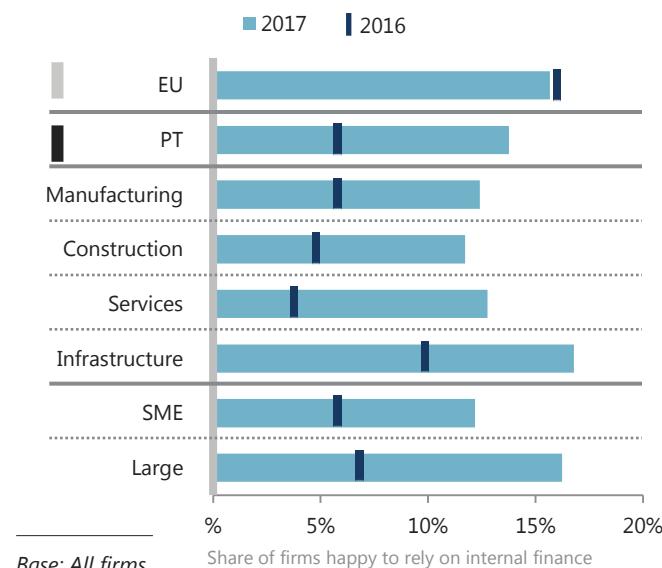
*\*\* Caution very small base size less than 30*

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

*\*Loans from family, friends or business partners*

# INVESTMENT FINANCE

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



Around one in seven of all firms in Portugal report they did not apply for external finance because they are happy to use internal funds or did not have a need for it (14%). This is on a par with the EU average (16% in both waves).

The share of firms happy to rely on internal funds or not having a need for external finance has increased since the previous wave in Portugal (from 7% to 14%), contrasting with the EU where it has remained stable.

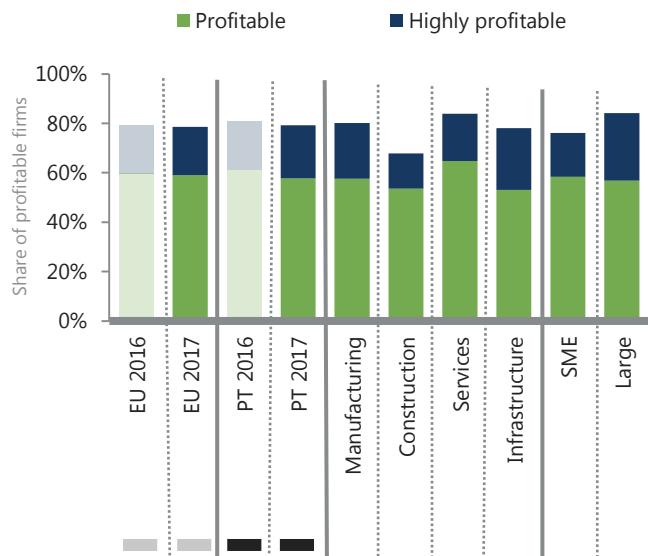
Large firms and firms in the infrastructure sector are marginally more likely to be happy to rely on internal funds or not have a need for external finance.

## SHARE OF PROFITABLE FIRMS

Around one in five firms in Portugal report being highly profitable (22% compared to 19% in the previous financial year).

The EU overall has a similar share of highly profitable firms (20%).

More generally, within Portugal construction firms are least likely to report any profit (67% do, compared to 78%-84% of firms in other sectors).



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

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

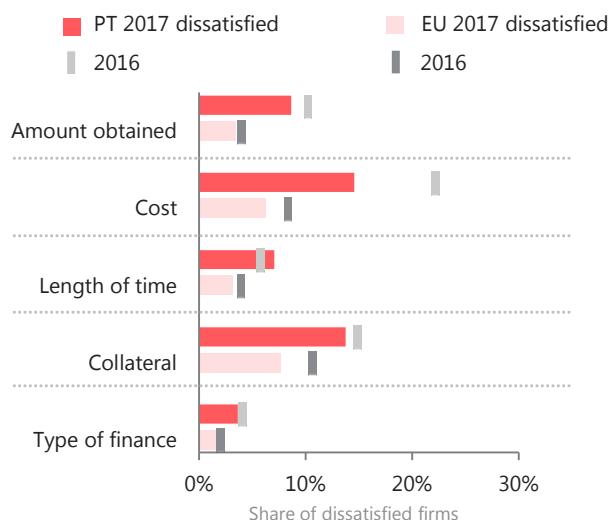
# SATISFACTION WITH FINANCE

## DISSATISFACTION WITH EXTERNAL FINANCE RECEIVED

Firms that used external finance are on balance satisfied with the amount, cost, maturity, collateral and type of finance received.

The highest proportion of dissatisfaction in Portugal is with the cost of finance (15%), closely followed by the collateral required (14%). Across the EU, the area with most dissatisfaction registered is collateral requirements (by 8% of firms).

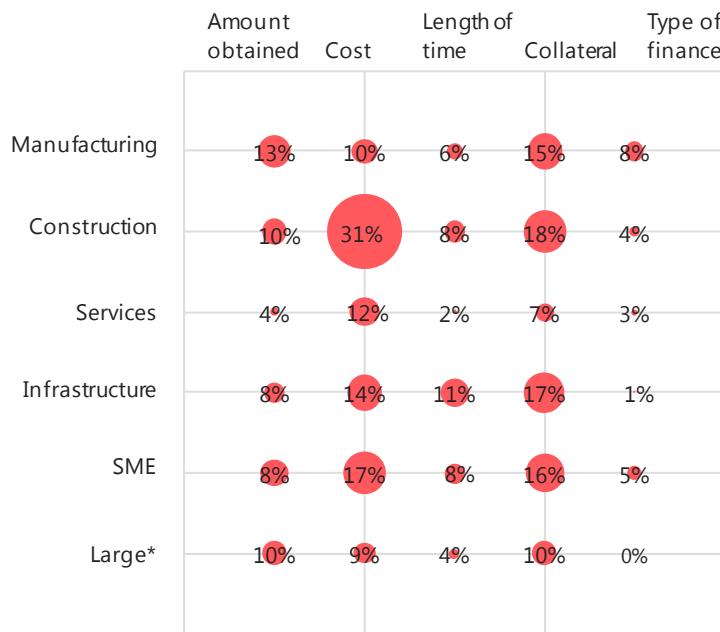
Although low overall, and similar to or a little lower than the previous wave, levels of dissatisfaction are higher in Portugal than the EU average (except for the type of finance obtained).



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

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

## DISSATISFACTION BY SECTOR AND SIZE



Construction firms are more likely than average to be dissatisfied with the cost of external finance (with 31% saying this, double the average for all firms in Portugal).

Nearly one in five SMEs are dissatisfied with the cost of external finance and the collateral requirements (17% and 16% respectively). This is above the dissatisfaction reported by large corporations.

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

*\*Caution very small base size less than 30*

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

# SATISFACTION WITH FINANCE

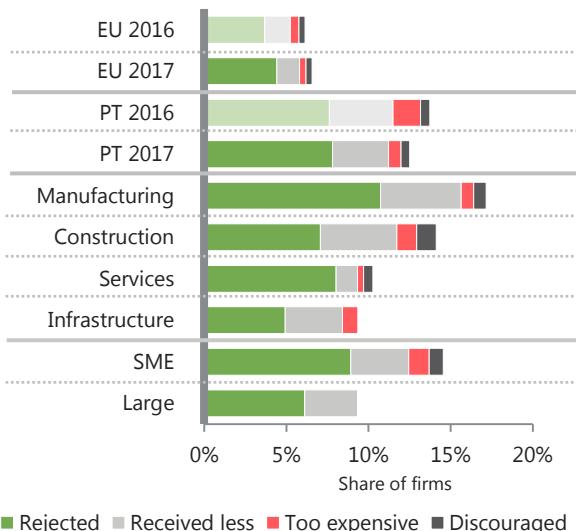
## SHARE OF FINANCE CONSTRAINED FIRMS

Thirteen per cent of all firms can be considered finance constrained, which is higher than the EU average (7%).

Compared to the previous wave, the share of finance constrained firms has declined a little.

The share of corporations reporting finance constraints is a little higher for SMEs than for large corporations (respectively 15% and 9%).

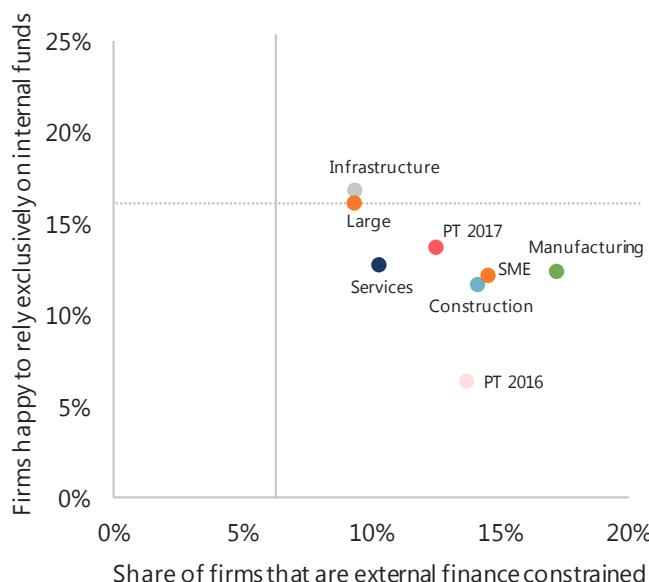
The share is highest for corporations in the manufacturing sector (17%), and lowest for firms in services and infrastructure (respectively 10% and 9%).



Base: All 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)*

## FINANCING CROSS



Firms in Portugal are more likely to be finance constrained and a little less likely to rely exclusively on internal funds than the EU average.

There are some differences by sector. Manufacturing firms and construction firms are most likely to be finance constrained.

Also, compared to the EU average, SMEs are more likely to be finance constrained and less happy to rely only on internal funds.

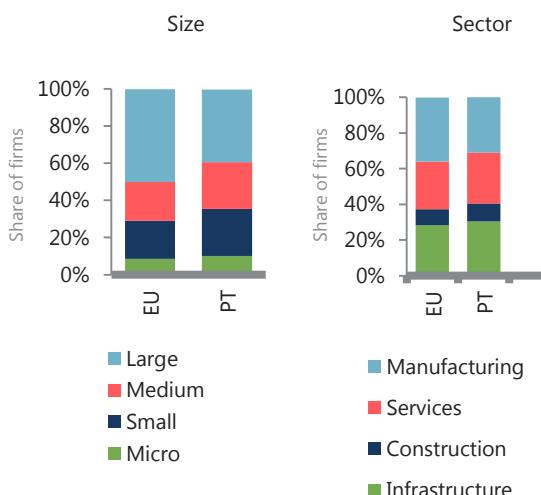
On the other hand, infrastructure sector firms and large firms are most likely to rely on internal funds.

Base: All firms

Data derived from the financial constraint indicator and firms indicating main reason for not applying for external finance was 'happy to use internal finance/didn't need finance'  
The x- and y-axes lines cross on the EU average for 2016

# PROFILE OF FIRMS

## CONTRIBUTION TO VALUE ADDED



Base: All firms

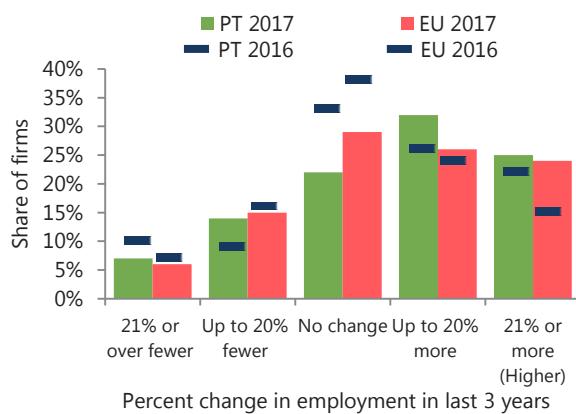
The charts reflect the relative contribution to value-added by firms belonging to a particular size class / sector in the population of firms considered. That is, all firms with 5 or more employees active in the sectors covered by the survey. Micro: 5-9 employees; Small: 10-49; Medium: 50-249; Large: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

In terms of the weighted size distribution, larger firms account for the greatest share of value-added (39%), though this is below the EU average (50%). Medium-sized and small firms in Portugal each make up 25% of value-added, compared to 21% and 20% respectively of EU value-added.

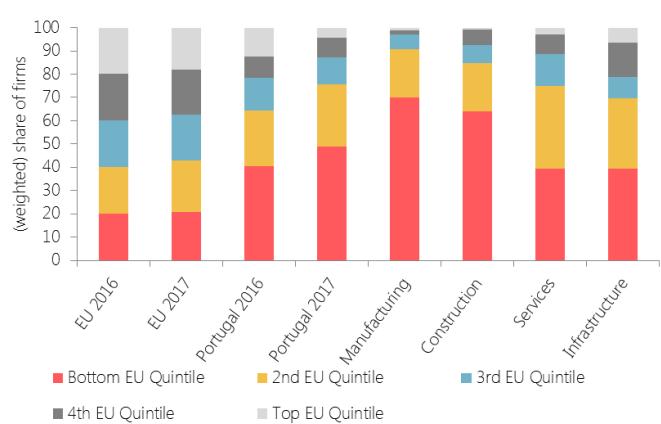
Employment dynamics over the past three years were favourable in Portugal with more firms expanding than contracting. There has been an improvement since the previous wave.

Productivity of firms tend to be lower in Portugal than in the EU as a whole, with a larger part of the distribution falling into the lowest productivity classes. Across sectors, productivity tends to be lower in construction and higher in services.

## EMPLOYMENT DYNAMICS IN LAST THREE YEARS



## DISTRIBUTION OF FIRMS BY PRODUCTIVITY CLASS



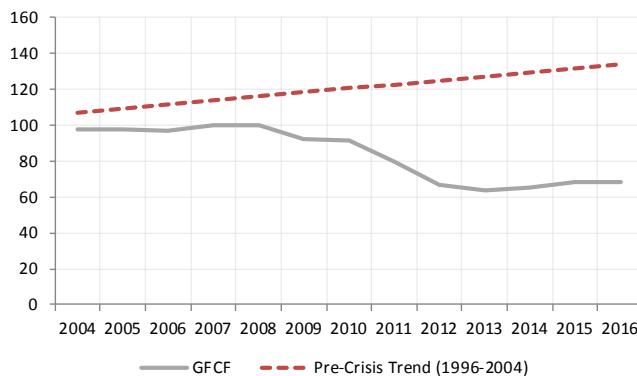
Base: All firms (excluding don't know, refused and missing responses)

Q. Thinking about the number of people employed by your company, by how much has it changed in the last 3 years?

Share of firms by productivity class (Total Factor Productivity). Productivity classes are defined on the basis of the entire EU sample.

# MACROECONOMIC INVESTMENT CONTEXT

## Investment Dynamics over time



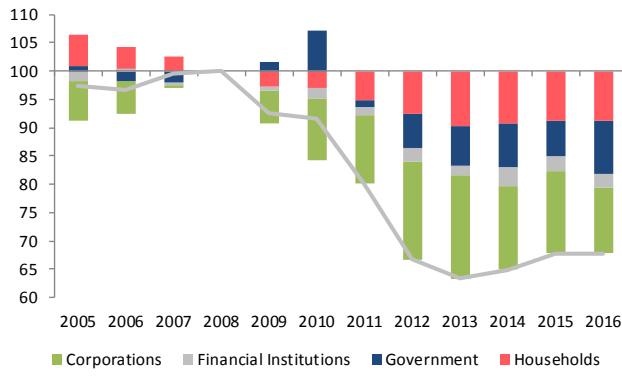
The graph shows the evolution of total Gross Fixed Capital Formation. (in real terms); against the series 'pre-crisis trend'. The data has been indexed to equal 100 in 2008. Source: Eurostat.

In 2016, investment in Portugal was still more than 30% below its 2008 level.

The gap was reflecting lower investment mostly from corporates, but also government and households.

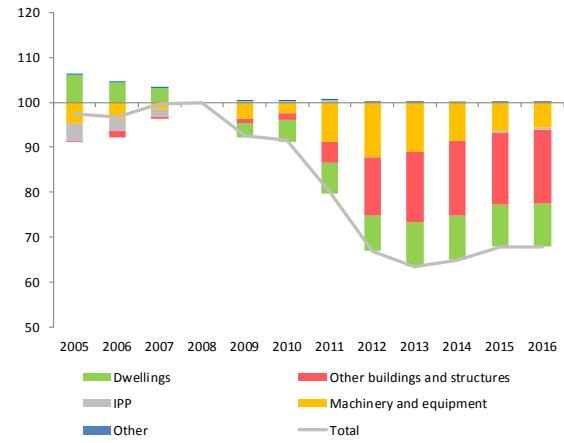
In terms of assets, the gap was distributed among investments in 'machinery and equipment', 'dwellings' and 'other buildings and structure'.

## Investment Dynamics by Institutional Sector



The graph shows the evolution of total Gross Fixed Capital Formation. (in real terms); by institutional sector. The data has been indexed to equal 100 in 2008. Source: Eurostat.

## Investment Dynamics by Asset Class



The graph shows the evolution of total Gross Fixed Capital Formation. (in real terms); by asset class. The data has been indexed to equal 100 in 2008. Source: Eurostat.

# EIB 2017 – 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 Portugal, so the percentage results are subject to sampling tolerances. These vary with the size of the sample and the percentage figure concerned.

	EU	Portugal	Manufacturing	Construction	Services	Infrastructure	SME	Large	EU vs Portugal	Manufacturing vs Construction	SME vs Large
	(12338)	(535)	(134)	(125)	(136)	(140)	(450)	(85)	(12338 vs 535)	(125 vs 134)	(450 vs 85)
10% or 90%	1.1%	2.7%	5.0%	5.2%	5.1%	5.0%	2.5%	5.6%	2.9%	7.2%	6.1%
30% or 70%	1.6%	4.1%	7.6%	7.9%	7.8%	7.6%	3.8%	8.5%	4.4%	10.9%	9.3%
50%	1.8%	4.4%	8.3%	8.6%	8.6%	8.3%	4.2%	9.3%	4.8%	11.9%	10.1%

## GLOSSARY

<b>Investment</b>	A firm is considered to have invested if it spent more than EUR 500 per employee on investment activities with the intention of maintaining or increasing the company's future earnings.
<b>Investment cycle</b>	Based on the expected investment in current financial year compared to last one, and the proportion of firms with a share of investment greater than EUR 500 per employee.
<b>Productivity</b>	Total factor productivity is a measure of how efficiently a firm is converting inputs (capital and labor) into output (value-added). It is estimated by means of an industry-by-industry regression analysis (with country dummies).
<b>Manufacturing sector</b>	Based on the NACE classification of economic activities, firms in group C (manufacturing).
<b>Construction sector</b>	Based on the NACE classification of economic activities, firms in group F (construction).
<b>Services sector</b>	Based on the NACE classification of economic activities, firms in group G (wholesale and retail trade) and group I (accommodation and food services activities).
<b>Infrastructure sector</b>	Based on the NACE classification of economic activities, firms in groups D and E (utilities), group H (transportation and storage) and group J (information and communication).
<b>SME</b>	Firms with between 5 and 249 employees.
<b>Large firms</b>	Firms with at least 250 employees.

# EIB 2017 – COUNTRY TECHNICAL DETAILS

## BASE SIZES

Base definition and page reference	EU 2016/ 2017	PT 2016/2017	Manufacturing	Construction	Services	Infrastructure	SME	Large
All firms, p. 2, 3, 6, 7, 8, 11, 14	12483/12338	480/535	134	125	136	140	450	85
All firms (excluding don't know/refused responses), p. 3	12159/12020	470/532	134	124	136	138	447	85
All firms (excluding don't know/refused responses), p. 5	12071/12073	466/529	134	123	134	138	446	83
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 4	10060/10321	373/489	112	118	126	133	407	82
All firms who invested in the last financial year, p. 5	10881/10889	415/496	118	118	127	133	412	84
All firms (excluding 'Company didn't exist three years ago' responses), p. 6	12453/12306	479/535	134	125	136	140	450	85
All firms (data not shown for those who said not an obstacle at all/don't know/refused), p. 9	12483/12338	480/535	134	125	136	140	450	85
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 10	9093/9131	327/426	100	108	108	110	373	53
All firms (excluding don't know, refused and missing responses), p. 14	12162/11513	462/519	131	120	132	136	441	78











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# Portugal

Overview

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## EIB INVESTMENT SURVEY

