European Investment Bank
The EU bank

Sweden

Overview

EIB INVESTMENT SURVEY

2019

EIB Group survey on investment and investment finance 2019
Country overview

Sweden

European Investment Bank

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EIB Group survey on investment and investment finance 2019. Country overview: Sweden

About the EIB Investment Survey (EIBIS)

The EIB Group Survey on Investment and Investment Finance is a unique, annual survey of some 13.500 firms. It comprises firms in all EU Member States, as well as a sample of US firms which serves as a benchmark. 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 Member States of the EU and for the US, 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: http://www.eib.org/eibis.

About this publication

This EU-wide report is an overview of a series covering each of the EU Member States and the United States of America. 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

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.

Main contributors to this publication

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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.

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EIBIS 2019 – Sweden

KEY RESULTS

Investment Dynamics

Aggregate investment recovered relatively quickly from the global financial crisis, and as of 2019 Q1 is more than 30% above its pre-crisis level. Investment is mainly driven by the corporate sector, but has also been supported by government and household investment.

In the current year, the outlook is more negative with the share of firms expecting to reduce their investment exceeding the share of firms expecting to increase their investment.

Innovation Activities

Almost four in ten firms are involved in some form of innovation activity (37%). This includes 17% of firms claiming innovation new to the national or global market, higher than the EU average (11%).

More than half of firms (58%) claim to have implemented, either fully or partially, at least one of the digital technologies they were asked about. This is in line with the EU average (also 58%).

Digital adoption in the manufacturing sector is at a more advanced stage compared with the EU average. However, the service and construction sectors are lagging behind, in particular with regards to the use of IOT applications.

Drivers and Constraints

More firms in Sweden expect the political and regulatory climate to deteriorate than improve in the next year, and to a larger extent than in EIBIS 2018. However, firms in Sweden are even more pessimistic about the overall economic climate.

Availability of skilled staff remains the most commonly cited obstacle to investment activities in Sweden, followed by uncertainty about the future. However, other barriers are less likely to be cited overall than the EU average.

Access to Finance

Firms in Sweden remain less likely to be external finance constrained than the EU average (2% versus 5% - both unchanged from EIBIS 2018).

Firms using external finance are on balance satisfied with the amount, cost, maturity, collateral and type of finance received. The highest proportions of dissatisfaction in Sweden are with collateral requirements (9%) and the cost of finance (7%).

Investment Focus

Firms are relatively evenly divided between prioritising replacement (32%) and capacity expansion (30%) in the next three years, followed by new products, processes and services (24%).

In the last financial year, the largest investment share (38%) was for replacing existing buildings/ machinery/equipment/IT, below the EU average (48%). Around half of investment (47%) was on machinery and equipment, matching the EU share. Investment with the primary objective of improving energy efficiency accounted for 14% of total investment activities, above the 10% EU average.

Investment Needs

Just over three-quarters of firms in Sweden (78%) believe their investment over the last three years was about the right amount. This is broadly in line with EIBIS 2018 and the EU average. However, 15% of firms report investing too little. The share of firms reporting operating at or above maximum capacity is 53%, below the EU average of 59%.

Firms' average share of machinery and equipment perceived as state-of-the-art remains below the EU average (32% compared to 44%).

Half of firms (50%) report having an energy audit in the past three years, above the EU average (43%).

Investment Finance

Internal funds continue to account for the majority of investment finance (60%), but share of external finance has increased to 36% (from 29% in EIBIS 2018). The share of firms saying that they did not seek any external finance because they are happy to rely exclusively on internal funds or do not have a need for external finance is 8%, half of the EU average (16%).

Bank loans continue to make up the largest share of external finance (56%). Bonds account for a 7% share of external finance, and 15% among large firms – both much higher than in EIBIS 2018.

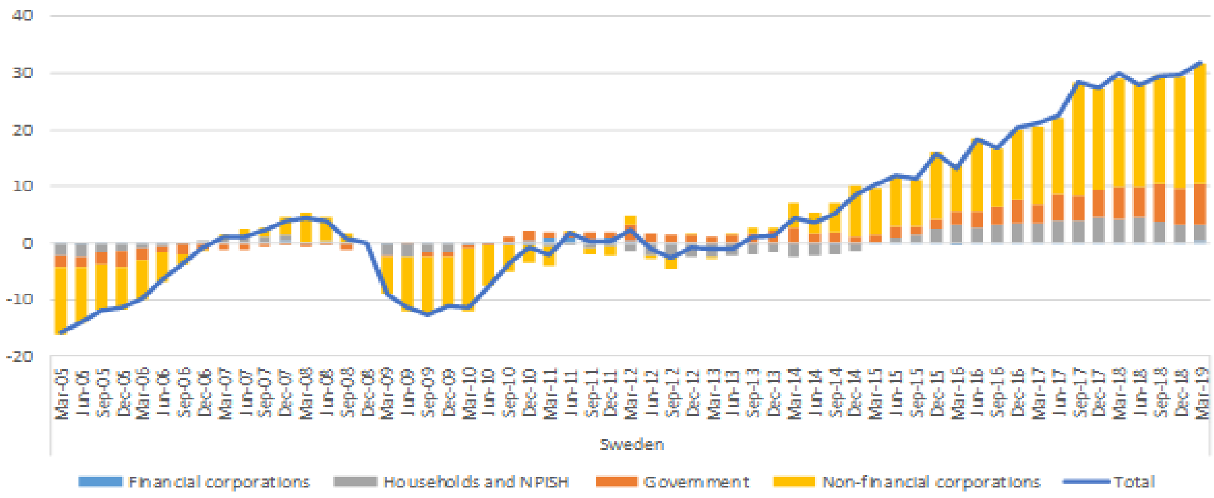
Around three-quarters of firms in Sweden (76%) report being profitable. This is in line with EIBIS 2018 and the EU average.

Investment Dynamics

INVESTMENT DYNAMICS BY INSTITUTIONAL SECTOR

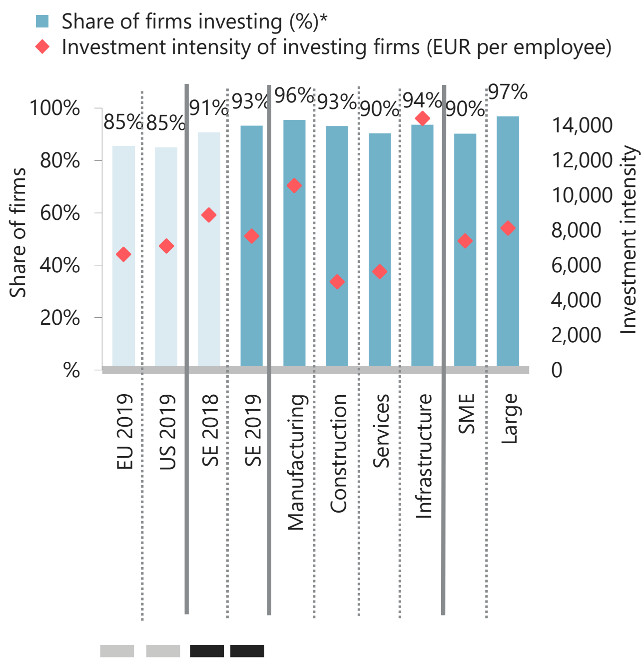
Sweden is among the first EU countries to reach its pre-crisis investment levels. While corporate sector is the main driver of the aggregate investments, household and government investment are also significantly contributing.

Government investment has been continuously on the supportive side since 2010, but its contribution grew markedly in recent years. Household investment was on par with government investment during the 2016-2017 period, however, in the face of housing market problems it has started to lose its momentum from 2018.



The graph shows the evolution of total Gross Fixed Capital Formation (in real terms); by institutional sector. The data has been indexed to equal 0 in Q4 of 2008. Source: Eurostat.

INVESTMENT ACTIVITY IN LAST FINANCIAL YEAR



More than nine out of ten firms in Sweden invested in the last financial year (93%), representing little change from EIBIS 2018 (91%). The share of investing firms remains higher than the EU average (85%). A higher proportion of large firms invested than SMEs (97% compared to 90%).

Intensity of investment per employee has fallen compared with EIBIS 2018, but remains higher than the EU average (approximately EUR 7,700 vs EUR 6,600 per employee, respectively).

**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 real terms using the Eurostat GFCF deflator (indexed to EIBIS 2016).*

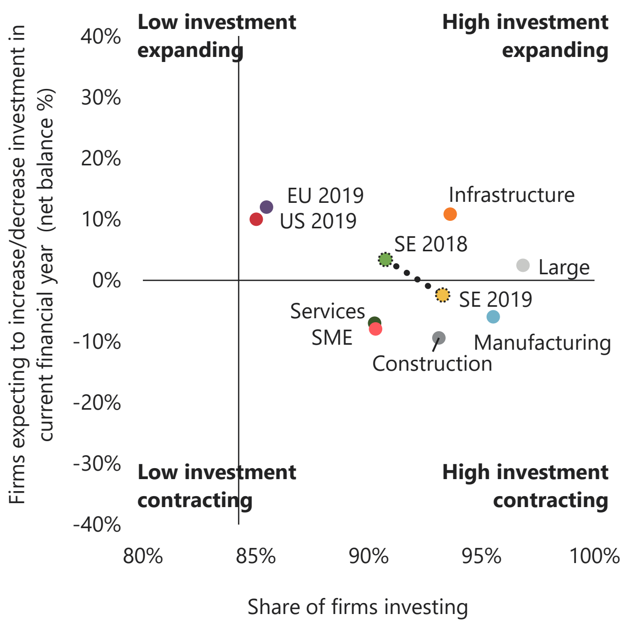
Base: All firms (excluding don't know/refused responses)

Investment Dynamics

INVESTMENT CYCLE

Sweden has moved from the 'high investment expanding' quadrant to being marginally within the 'high investment contracting' quadrant on the investment cycle.

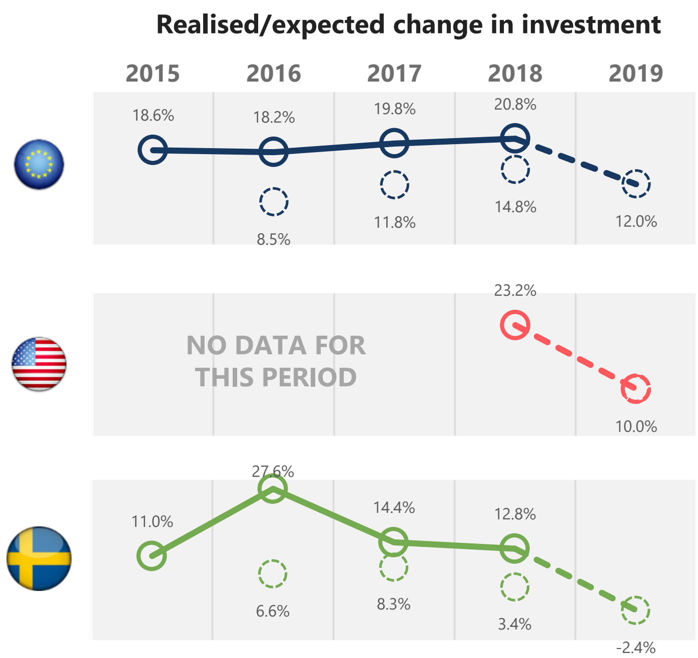
While more firms in the infrastructure sector and large firms expect to increase than reduce their investment in the current year, the reverse applies to firms in other sectors and SMEs on balance.



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

Base: All firms

EVOLUTION OF INVESTMENT EXPECTATIONS



While still positive, there has been a fall in the net balance of firms in Sweden reporting increasing rather than reducing their investment activities in the last financial year. This balance remains below the EU average.

In the current year, the outlook is more negative with the share of firms expecting to reduce their investment exceeding the share of firms expecting to increase their investment.

Realised change (%)	Expected change (%)	
		EU
		US
		SE

'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

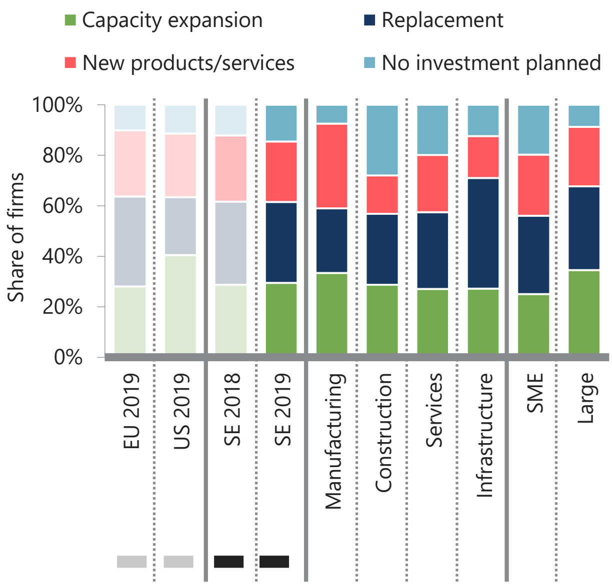
Investment Focus

FUTURE INVESTMENT PRIORITIES (% of firms)

Overall, there has been little change in future investment priorities over the next three years, with firms still relatively evenly divided between prioritising replacement (32%) and capacity expansion (30%), followed by new products, processes and services (24%).

There has however, been a small increase in the proportion of firms reporting no planned investment – rising to 15%, from 12% in EIBIS 2018, and above the EU average of 10%. SMEs are more likely than larger firms to have no investment planned (20% compared to 9% respectively).

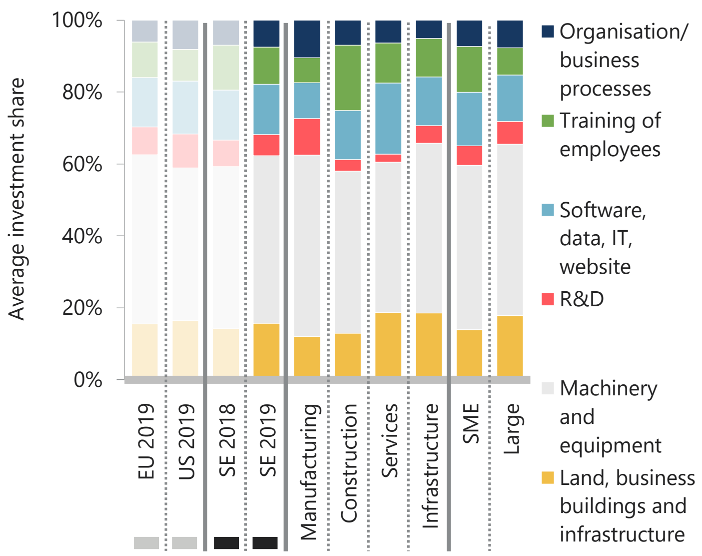
In the manufacturing sector, investment in new products and services continues to be the most commonly cited priority (for 34% of firms) compared to between 15% and 23% across other sectors.



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)

INVESTMENT AREAS



Of the six investment areas asked about, the highest share of investment continues to be in machinery and equipment (47%), followed by land, business buildings and infrastructure (16%) and then software, data, IT and website activities (14%). This pattern of investment is broadly unchanged from EIBIS 2018, and in line with the EU average.

Similar to EIBIS 2018, the construction sector has the highest share of investment in employee training (18%, compared to between 7% and 11% in the other sectors). SMEs also allocate a higher share of investment to employee training than large firms (13% versus 8% respectively).

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?

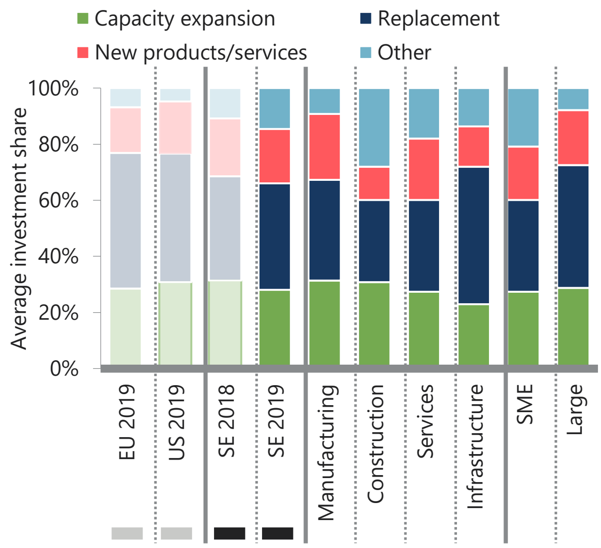
Base: All firms who have invested in the last financial year (excluding don't know/refused responses)

Investment Focus

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

The largest share of investment is driven by the need to replace existing buildings, machinery, equipment and IT (38%). The proportion of investment in new products or services declined marginally to 19% (from 21% in EIBIS 2018), however, this proportion is still above the EU average (16%).

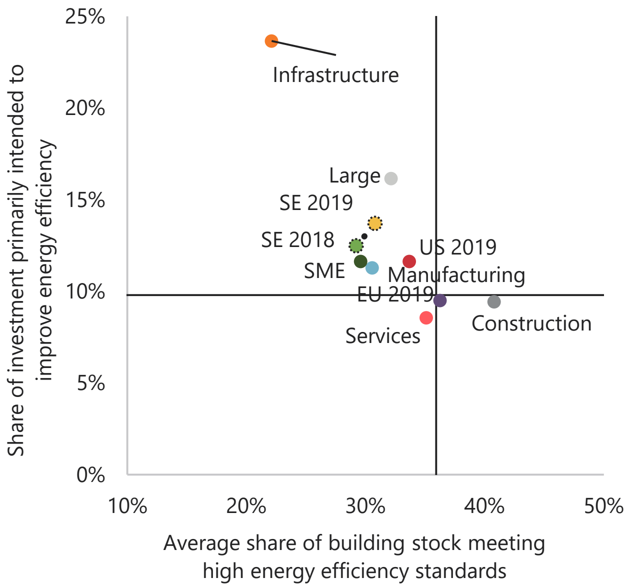
Large firms report a higher share of investment in replacement compared to SMEs (44% versus 33% respectively). Firms in the infrastructure sector also allocate a higher share of investment in replacement (49%), compared to between 29% and 36% across other sectors.



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)

ENERGY EFFICIENCY INVESTMENT



Firms report slightly higher average shares than in EIBIS 2018, both in terms of their share of building stock perceived to meet high energy efficiency standards (31%, versus 29% in EIBIS 2018), and their share of investment primarily intended to improve energy efficiency (14%, versus 12% in EIBIS 2018).

The reported share of investment on measures primarily intended to improve energy efficiency is higher than the EU average (14% versus 10%). Large firms are the main drivers of this type of investment (16% share), yet, even the 12% share among SMEs in Sweden lies above the overall EU average.

Q. What proportion, if any, of your commercial building stock satisfies high or highest energy efficiency standards?
Q. What proportion of total investment in the last financial year was primarily for measures to improve energy efficiency in your organisation?

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

Innovation Activities

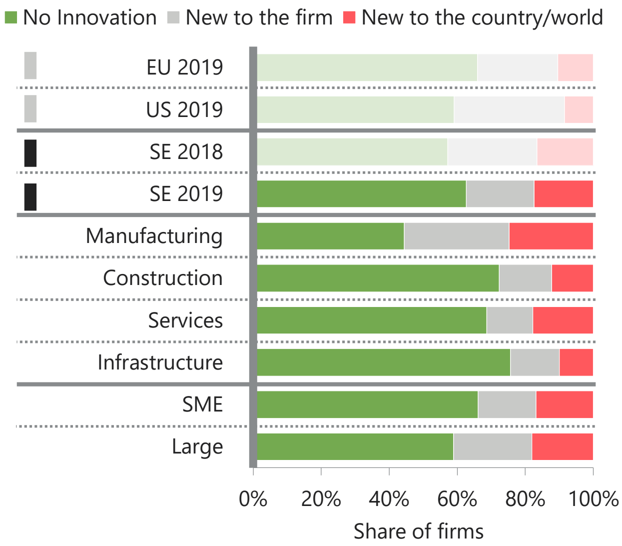
INNOVATION ACTIVITY

Among all firms, almost four in ten (37%) claim to develop or introduce new products, processes or services. This is lower than in EIBIS 2018 (43%), but still somewhat higher than the current EU average (34%).

Around one in five firms (17%) claim innovation activity new to the country or world. This is well above the EU average of 11% of firms.

Firms in the manufacturing sector are much more likely to undertake innovation activity (56%) than firms in other sectors (where the equivalent shares are between 24% and 32%).

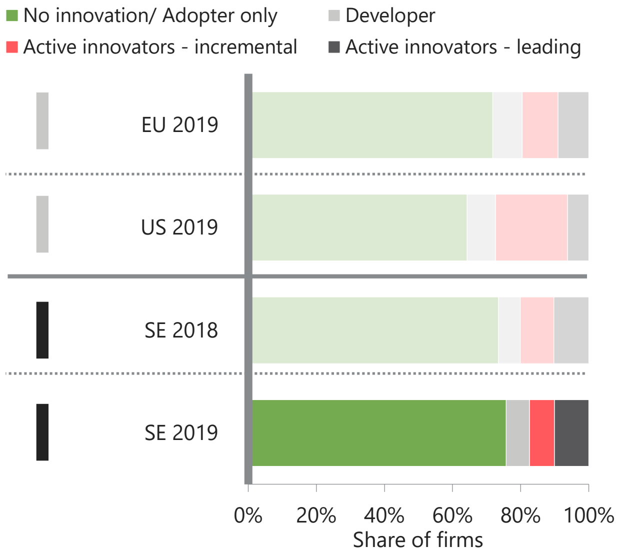
More large firms report innovation compared to SMEs overall (41% versus 34%). However, the share of SMEs claiming national or global level innovation is on a par with large firms.



Q. What proportion of total investment was for developing or introducing new products, processes, services?
Q. Were the products, processes or services new to the company, new to the country, new to the global market?

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

INNOVATION PROFILE



When firms' innovation and research and development behaviour is profiled more widely, one-quarter of firms (24%) fit under one of the innovation categories (either as active innovators or developers). This falls just below the position in EIBIS 2018 (27%), and current EU average of 28%.

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

Innovation Activities

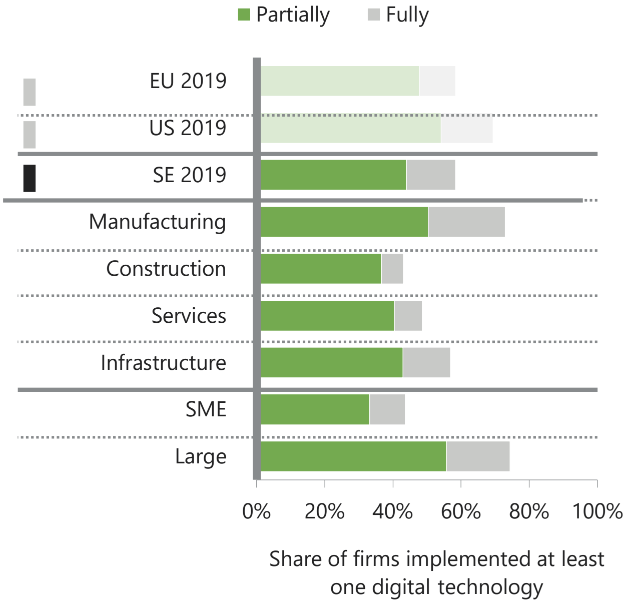
IMPLEMENTATION OF DIGITAL TECHNOLOGIES

More than half of firms (58%) claim to be implementing, either partially or in full, at least one of the digital technologies they were asked about. This is in line with the EU average (also 58%).

Firms in the manufacturing sector are most likely to be implementing digital technologies, either fully or partially, within their business (73%). Their adoption levels of 'Internet of Things', advanced robotics and cognitive technologies exceeds the average across all EU manufacturing firms.

Use of drones in the construction sector, and augmented or virtual reality in the service sector, are both below the respective EU benchmarks.

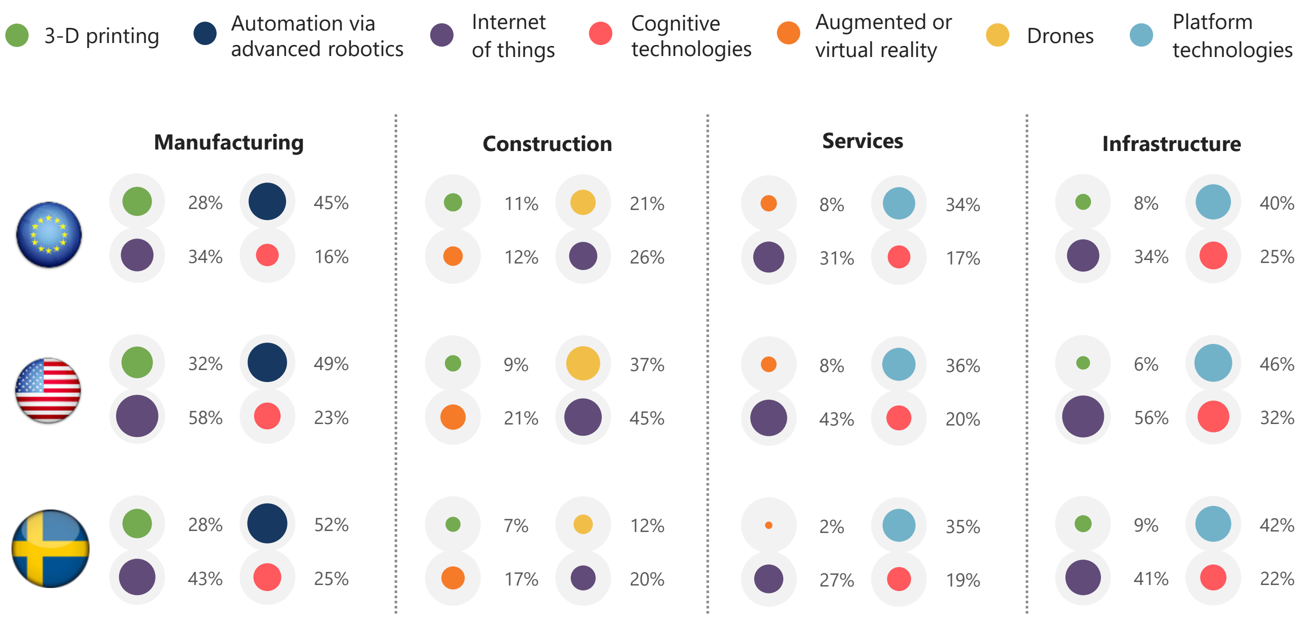
Large firms are more likely than SMEs to be implementing at least one digital technology (74% compared to 44% respectively).



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

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

DIGITAL TECHNOLOGIES BY SECTOR



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

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

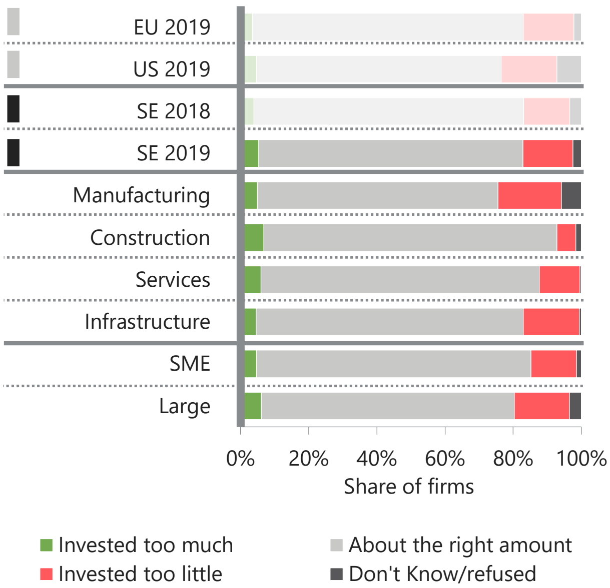
Investment Needs

PERCEIVED INVESTMENT GAP

Just over three-quarters of firms (78%) believe their investment over the last three years was about the right amount. This is in line with EIBIS 2018 and the EU average (both 79%).

However, 15% of firms report investing too little and 5% say they invested too much.

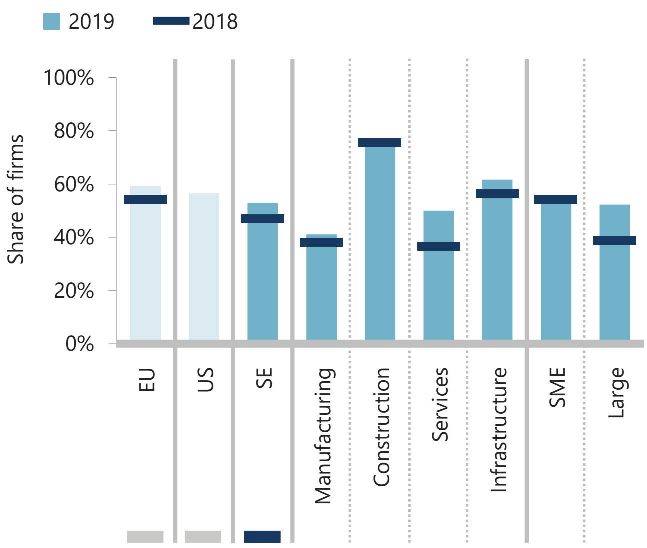
Firms in the manufacturing sector are most likely to report investing too little (19%), whereas construction firms are most likely to say they invested too much (7%).



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



Just over half of firms report operating at or above maximum capacity in the last financial year (53%), slightly higher than EIBIS 2018 (47%). However, Sweden remains below the EU average of 59%, due to a similar increase from EIBIS 2018 (54%).

Firms in the construction sector continue to be more likely to report operating at or above full capacity (75%).

The proportion of large firms claiming to be at or above maximum capacity increased to 52% from 39% in EIBIS 2018, and is now in line with the equivalent share of SMEs (55%).

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

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

Base: All firms

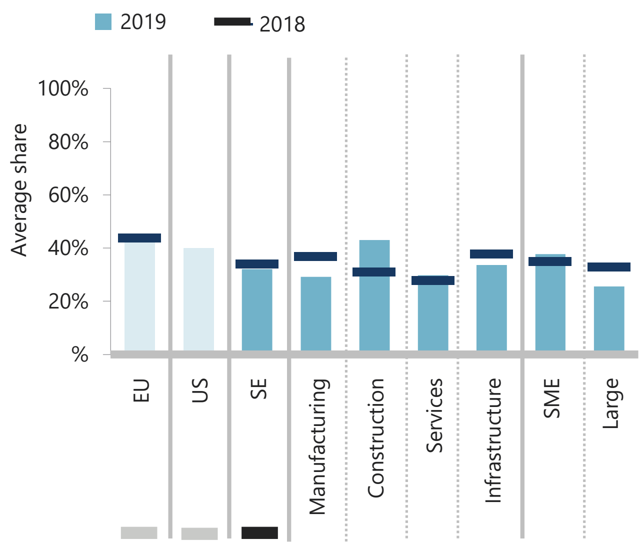
Investment Needs

SHARE OF STATE-OF-THE-ART MACHINERY

The average share of machinery and equipment in firms that is perceived to be state-of-the-art remains below the EU average (32% versus 44%).

The reported share of state-of-the-art machinery and equipment is higher in SMEs compared to large firms (38% compared to 26%).

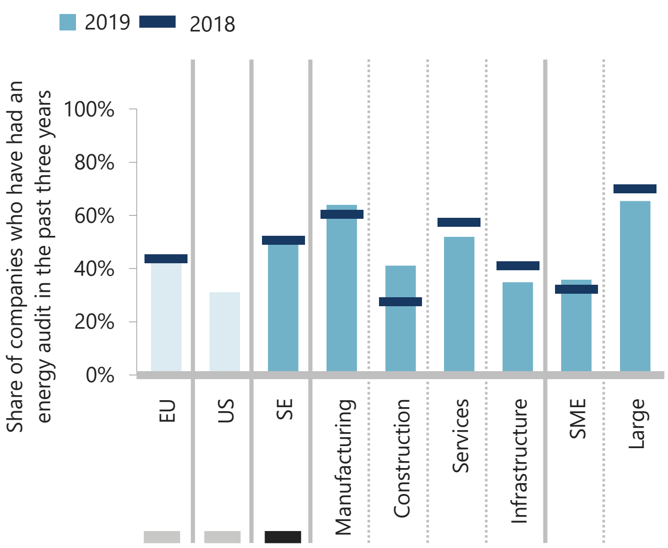
Firms in the construction sector report an increased share of state-of-the-art machinery (43%, versus 31% in EIBIS 2018).



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

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

ENERGY AUDIT



Exactly half of firms (50%) report having an energy audit in the past three years. This is in line with EIBIS 2018 (51%), and remains above the EU average (43%).

Firms in the manufacturing sector and large firms are most likely to say they have had an energy audit in this time (64% and 65% respectively).

The share of firms in the construction sector claiming to have an energy audit has increased from 28% to 41% since EIBIS 2018. Conversely, there has been a slight fall in the share of infrastructure and service sector firms that report having had an energy audit.

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

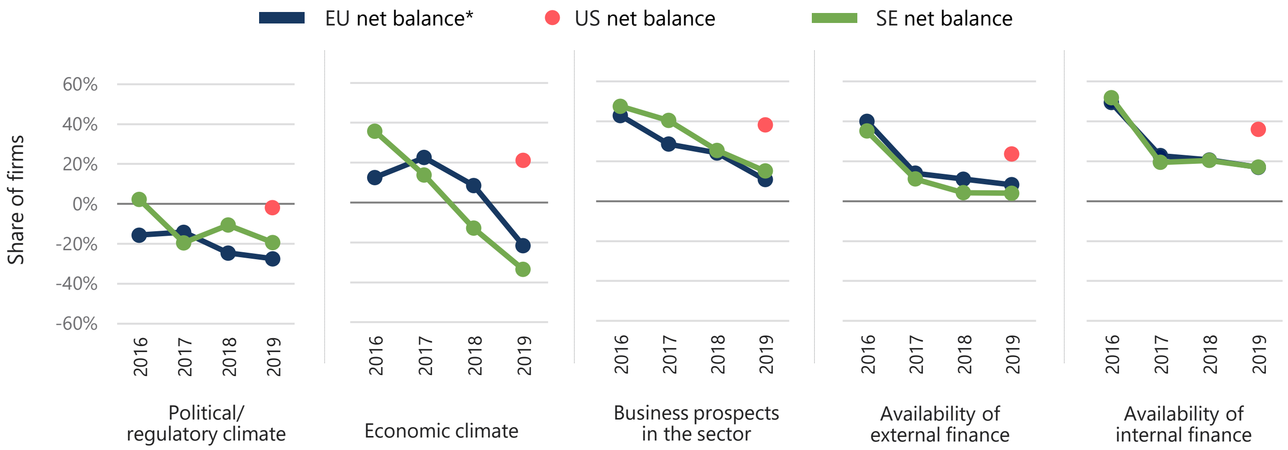
Base: All firms (excluding 'Company didn't exist three years ago' responses)

Drivers And Constraints

SHORT TERM INFLUENCES ON INVESTMENT

More firms in Sweden expect the political and regulatory climate to deteriorate than improve in the next twelve months, and to a larger extent than in EIBIS 2018, although EU firms remain even more negative on this measure.

However, firms in Sweden are even more pessimistic about the overall economic climate. Firms in both Sweden and across the EU remain optimistic on balance regarding their sector business prospects and availability of finance.

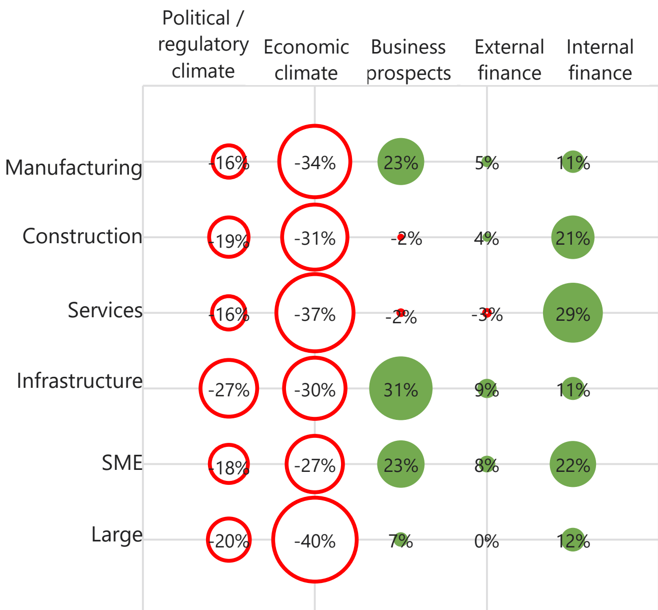


Q. Do you think that each of the following will improve, stay the same, or get worse over the next 12 months?

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

Base: All firms

SHORT TERM INFLUENCES BY SECTOR AND SIZE (NET BALANCE)



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

All types of firm (by size and sector) are negative on balance about the economic climate, but especially among large firms.

Firms in the infrastructure and manufacturing sectors are most likely to be optimistic about the business prospects for their sector, whereas more firms in both the construction and service sectors expect their sector business prospects to deteriorate than improve.

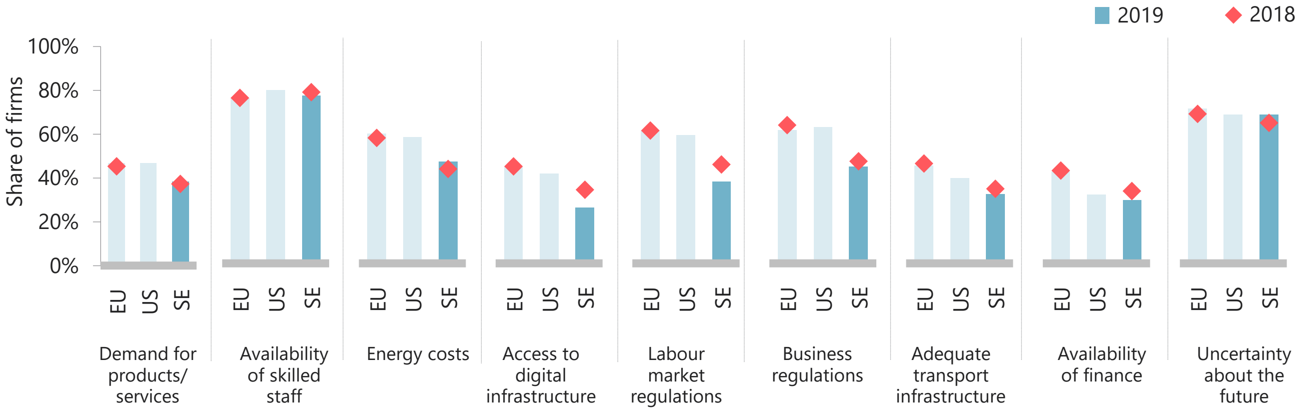
Service sector firms are also negative on balance, albeit marginally, about the availability of external finance in the next twelve months.

Drivers And Constraints

LONG TERM BARRIERS TO INVESTMENT

Availability of skilled staff continues to be the most commonly cited obstacle to investment activities (by 78% of firms – compared to 79% in EIBIS 2018 and 77% of EU firms), followed by the uncertainty about the future (69%). Other barriers are less likely to be cited overall than the EU average.

Firms in the service sector are least likely to consider availability of skilled staff as a barrier (66%), while infrastructure firms are least likely to cite future uncertainty (58%). Manufacturing firms are more likely than average to mention product demand, and construction firms more likely than average to mention labour/business regulations.



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

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

LONG TERM BARRIERS BY SECTOR AND SIZE

	Demand for products/ services	Availability of skilled staff	Energy costs	Digital infra-structure	Labour regulations	Business regulations	Transport infra-structure	Availability of finance	Uncertainty about the future
Manufacturing	51%	86%	54%	26%	37%	50%	32%	36%	79%
Construction	41%	87%	43%	35%	51%	57%	32%	25%	74%
Services	33%	66%	38%	21%	38%	39%	33%	27%	65%
Infrastructure	27%	76%	50%	26%	33%	39%	32%	26%	58%
SME	38%	82%	45%	26%	40%	48%	33%	30%	67%
Large	39%	74%	50%	26%	36%	41%	31%	29%	71%

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

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

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

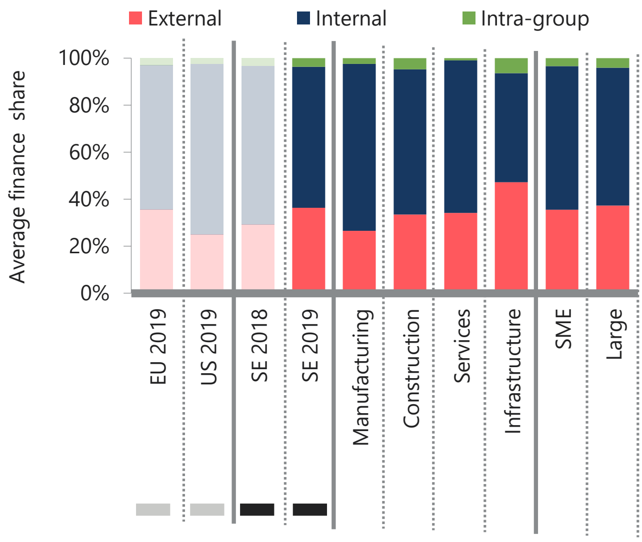
Investment Finance

SOURCE OF INVESTMENT FINANCE

Internal funds continue to account for the highest share of investment finance (60%), close to the EU average of 62%.

However, share of external finance has increased to 36%, from 29% in EIBIS 2018, and now matches the EU average share.

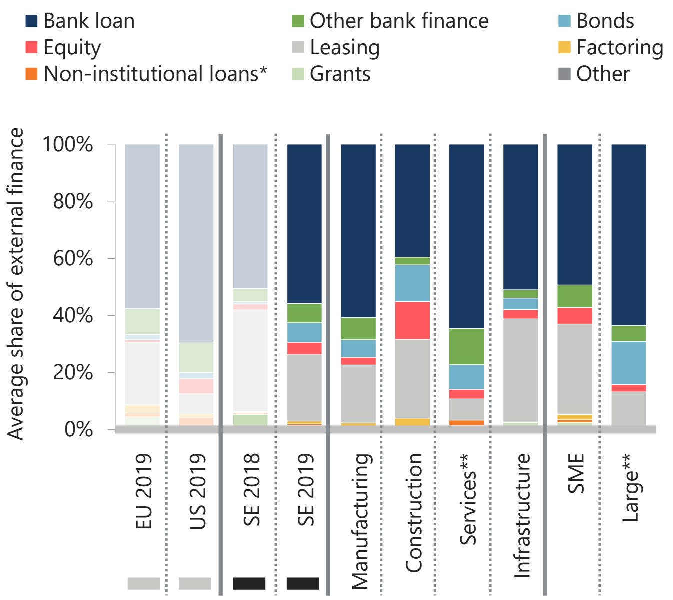
With regards to reliance on external versus internal finance, large firms and SMEs have a very similar finance composition.



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



Q. Approximately what proportion of your external finance does each of the following represent?
**Loans from family, friends or business partners*

Base: All firms who used external finance in the last financial year (excluding don't know/refused responses)
***Caution very small base size less than 30*

Bank loans account for the highest share of external finance (56%), but there has been a decrease in the share of external finance provided by leasing and hire purchase – falling from 36% in EIBIS 2018 to 23%.

These shares are in line with the corresponding EU average shares of 58% and 22% respectively.

Firms in the infrastructure sector report a larger share of external finance from leasing than other sectors (36%).

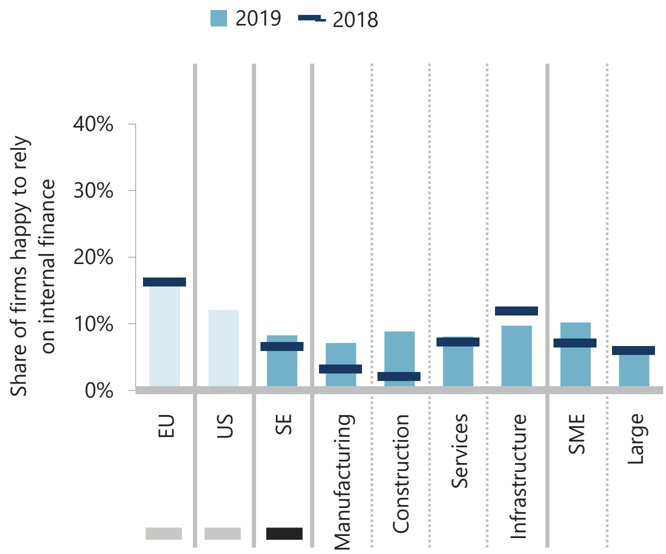
Large firms report bonds as the second largest source of external finance (15% share) after bank loans. While for SMEs, leasing comes second with a 32% share.

Investment Finance

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

Among all firms, eight per cent report the main reason for not applying for external finance is because they are happy to use internal funds or do not have a need for the finance. This is half of the EU average of 16% of firms, but in line with the seven per cent recorded in EIBIS 2018.

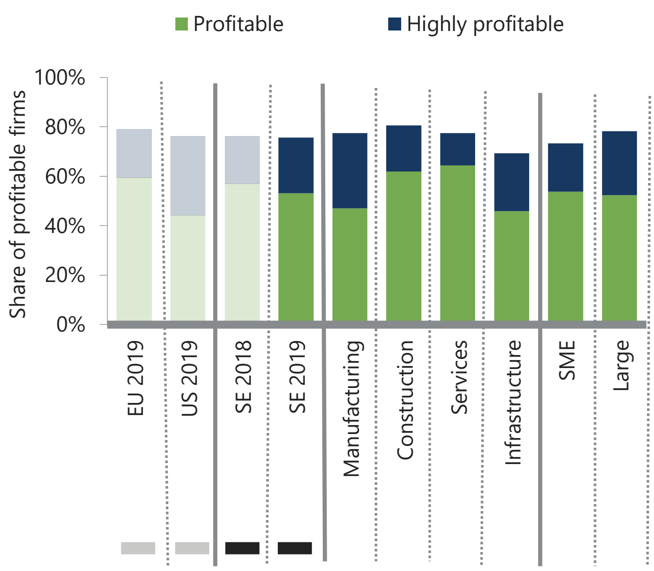
Within the construction sector there has been a rise in the share of firms happy to rely exclusively on internal sources (9% compared to 2% in EIBIS 2018). Similarly, more SMEs report being happy to rely on internal finance than in EIBIS 2018 (12% versus 7%).



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

Base: All firms

SHARE OF PROFITABLE FIRMS



Around three-quarters of firms in Sweden (76%) report being profitable. This is consistent with EIBIS 2018 (also 76%), and similar to the EU average (79%).

Nearly one-quarter of firms (23%) report being highly profitable, defined as reporting a profit 10% or higher when compared to turnover, which is just above the EU average of 20%.

Highly profitable firms in Sweden are more likely to be in the manufacturing sector (30%) and least likely to be in the service sector (13%). Unlike in EIBIS 2018, large firms are more likely to be highly profitable (26%) than SMEs (20%).

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

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

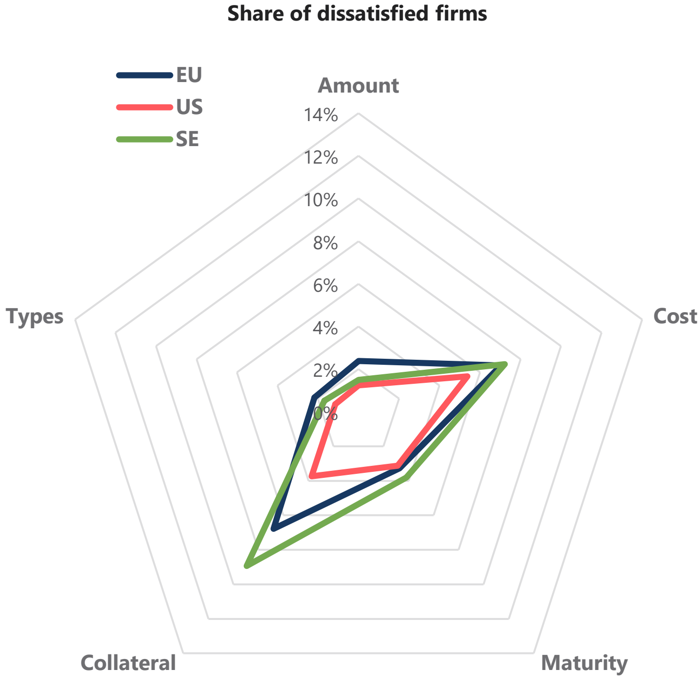
Access To Finance

DISSATISFACTION WITH EXTERNAL FINANCE RECEIVED

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

The highest proportions of dissatisfaction recorded are with collateral requirements and the cost of finance (9% and 7% of firms respectively).

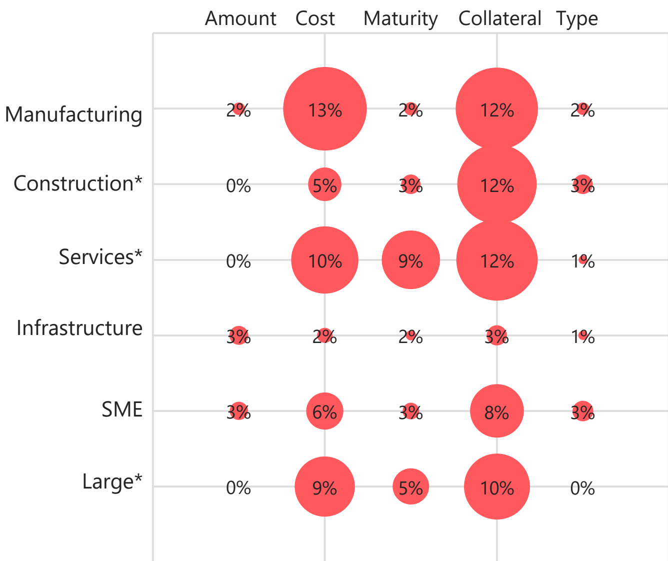
There is notably little difference between firms in Sweden and firms EU-wide.



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



The highest reported levels of dissatisfaction – with the collateral requirements and cost of external finance – impact all types of firm relatively equally, but to a lesser extent firms in the infrastructure sector.

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

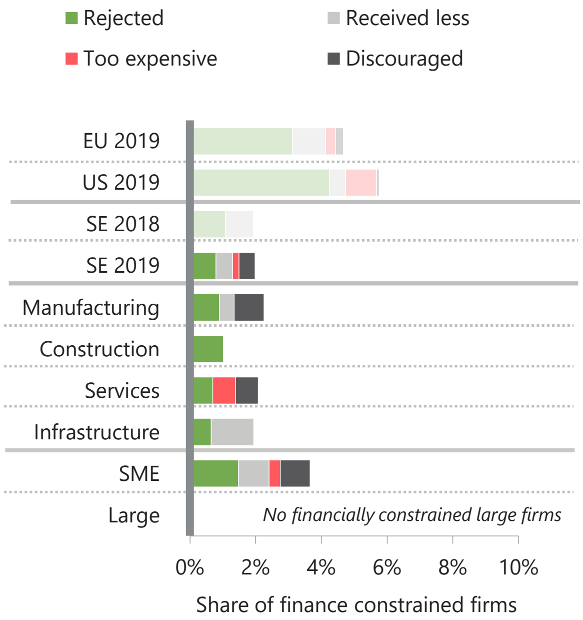
Base: All firms who used external finance in the last financial year (excluding don't know/refused responses)
**Caution very small base size less than 30*

Access To Finance

SHARE OF FINANCE CONSTRAINED FIRMS

Just two per cent of firms can be considered external finance constrained, which remains the same as in EIBIS 2018 and much lower than the EU average (5%).

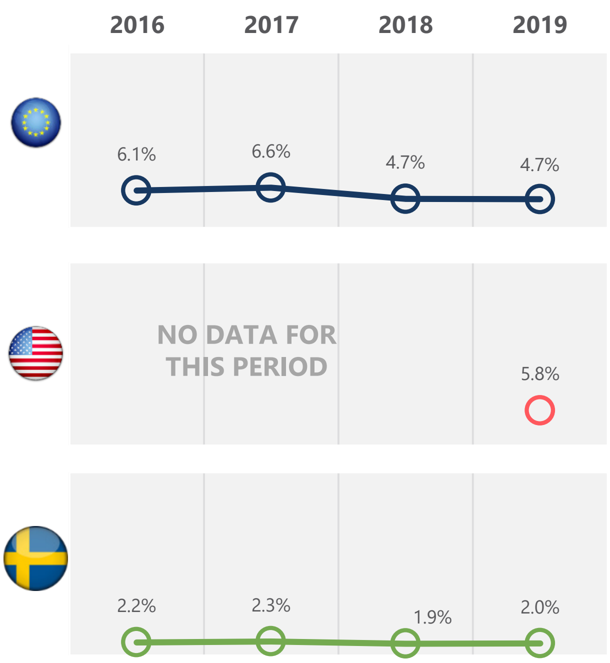
The share of constrained firms increases slightly to 4% among SMEs, while no large firms report being finance constrained.



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

Base: All firms

FINANCING CONSTRAINTS OVER TIME



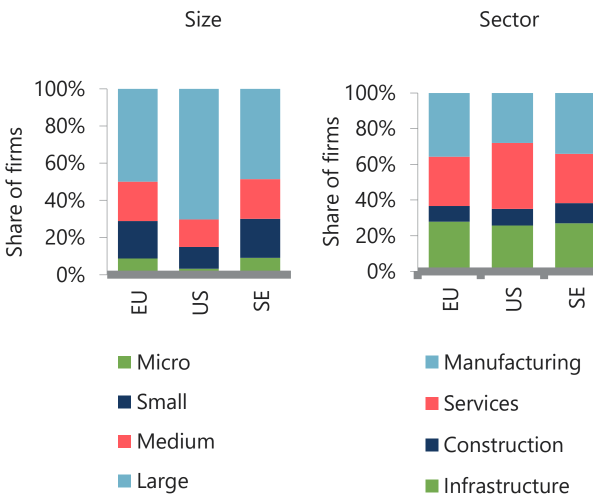
There has been little change in the share of external finance constrained firms since EIBIS 2016. However, firms in Sweden continue to be less likely to be finance constrained, as well as less likely to be happy to rely exclusively on internal funds, than the EU average.

Data derived from the financial constraint indicator

Base: All firms

Profile Of Firms

CONTRIBUTION TO VALUE ADDED



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

Base: All firms

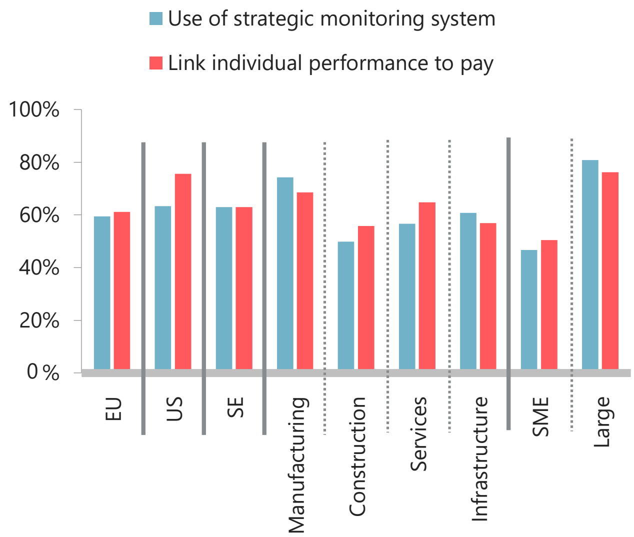
Large firms with 250+ employees account for the greatest share of value-added (49%) in Sweden, in line with the EU average (50%).

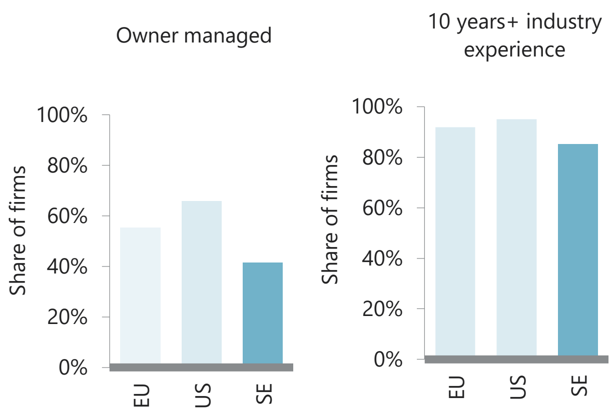
The share of value-added across sectors is line with the overall EU position. The manufacturing sector contributes the highest share (34%), with similar proportions contributed by the services and infrastructure sectors.

Around six in ten firms claim to use a formal strategic monitoring system (63%), and to link individual performance to pay (also 63%), both in line with the overall EU position. Large firms and SMEs diverge both in their utilisation of strategic monitoring systems and linking performance to pay.

The share of firms that report being owner-managed (42%), and the share of firms with the CEO or company head having at least ten years of industry experience (85%), are both below the EU averages (55% and 92% respectively).

FIRM MANAGEMENT





Q. And does your company (a) use a formal strategic business monitoring system (that compares the firm's current performance against a series of strategic key performance indicators) (b) link individual performance with pay?

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

Q Does the CEO/ company head of your firm (a) own or control the firm, or have a family member that owns/controls it (b) have more than 10 years of experience in your firm's industry or sector?

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

EIBIS 2019 – Country Technical Details

SAMPLING TOLERANCES APPLICABLE TO PERCENTAGES AT OR NEAR THESE LEVELS

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

	EU	US	Sweden	Manufacturing	Construction	Services	Infrastructure	SME	Large	EU vs Sweden	Manuf vs Constr	SME vs Large
	(12672)	(803)	(488)	(148)	(92)	(118)	(119)	(407)	(81)	(12672 vs 488)	(148 vs 92)	(407 vs 81)
10% or 90%	1.0%	2.9%	3.0%	5.2%	6.5%	6.0%	5.9%	2.5%	5.6%	3.2%	8.3%	6.1%
30% or 70%	1.5%	4.4%	4.6%	8.0%	9.9%	9.1%	9.0%	3.9%	8.5%	4.8%	12.7%	9.3%
50%	1.7%	4.8%	5.0%	8.7%	10.8%	10.0%	9.8%	4.2%	9.3%	5.3%	13.9%	10.2%

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.

EIBIS 2019 – Country Technical Details

The country overview presents selected findings based on telephone interviews with 488 firms in Sweden (carried out between March and June 2019).

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

Base definition and page reference	EU 2019/2018	US 2019	SE 2019/2018	Manufacturing	Construction	Services	Infrastructure	SME	Large
All firms, *p. 3, p. 4, p. 8, p. 10, p. 13, p. 15, p. 16*	12672/12355	803	488/476	148	92	118	119	407	81
All firms (excluding don't know/refused responses), *p. 2*	11967/11790	711	467/457	141	90	112	114	396	71
All firms (excluding don't know/refused responses), *p. 6**	8802/9095	516	353/332	112	65	78	90	297	56
All firms (excluding don't know/refused responses), *p. 7**	12533/NA	800	477/NA	143	91	116	117	398	79
All firms (excluding don't know/refused responses), *p. 9*	12216/11952	778	452/448	142	84	109	107	381	71
All firms (excluding don't know/refused responses), *p. 13*	10980/10865	605	443/432	137	83	109	105	373	70
All firms (excluding don't know/refused responses), *p. 16**	12201/NA	762	474/NA	145	89	114	116	397	77
All firms who have invested in the last financial year (excluding don't know/refused responses), *p. 4*	10005/10126	620	421/399	125	81	100	105	358	63
All firms who have invested in the last financial year (excluding don't know/refused responses), *p. 5**	10188/10004	624	373/370	113	71	89	90	315	58
All firms who have invested in the last financial year (excluding don't know/refused responses), *p. 12*	9407/9030	587	282/258	78	54	63	79	247	35
All firms who used external finance in the last financial year (excluding don't know/refused responses), *p. 14**	4426/4212	245	147/115	39	29	24	51	127	20
All firms (excluding those who did not exist three years ago), *p. 8*	12640/12335	802	486/475	147	91	118	119	405	81
All firms (excluding those who did not exist three years ago), *p. 9*	12640/12335	802	486/475	147	91	118	119	405	81
All firms (data not shown for those who said not an obstacle at all/don't know/refused), *p. 11*	12672/12355	803	488/476	148	92	118	119	407	81
All firms who used external finance in the last financial year (excluding don't know/refused responses), *p. 12*	4578/4323	255	152/119	40	31	26	52	130	22

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Sweden

Overview

EIB INVESTMENT SURVEY 2019