



Austria

Overview

EIB INVESTMENT SURVEY

2020

EIB Group survey on investment
and investment finance 2020
Country overview

Austria

EIB Group survey on investment and investment finance 2020.

Country overview: Austria

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About the EIB Investment Survey (EIBIS)

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

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

About this publication

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

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 European Investment Bank

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

Main contributors to this publication

Matteo Ferrazzi.

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EIBIS 2020 – Austria

KEY RESULTS

Investment Dynamics

Investment in Q2 2020 is 7.9% below the pre-crisis 2019 level. COVID-19 has affected firms' investment strategies for 2020 with more than half of firms (54%) declaring they will invest less than planned due to COVID-19, a share well above the EU average (45%).

Investment Focus

A higher share of firms, with investment plans for the current financial year, plan to abandon or delay at least some of their investments as a result of COVID-19 (50%) than the EU average (35%).

Across all sectors, the most frequently cited long term impact of COVID-19 is the increased use of digital technologies (55%).

Investment Needs and Priorities

Seven in ten firms (71%) were operating at or above full capacity in 2019, which is relatively unchanged from EIBIS 2019 (73%), and higher than the EU average (61%).

Firms in Austria which have been impacted by COVID-19 are more likely to prioritise investment in replacing buildings and equipment over the next three years than the EU average (43% versus 34%).

Innovation Activities

Almost four in ten firms (39%) state that they developed or introduced new products, processes or services as part of their investment activities - half of which (19%) are new to the country or world.

Almost two-thirds of all firms (65%, with a higher share for large companies) have implemented, either fully or partially, the digital technologies they were asked about, in line the EU average (63%).

Drivers and Constraints

Austrian firms are significantly much less optimistic about the overall economic climate compared to EIBIS 2019 (-60% versus -22%).

The share of Austrian firms who consider uncertainty about the future to be a barrier to investment has increased since EIBIS 2019 (77% from 65%).

Investment Finance

More than four fifths (85%) of firms in Austria report generating a profit in 2019.

Just over two-thirds of investment activity in Austrian firms was financed by internal sources (68%). This is unchanged since EIBIS 2019 (68%) and above the EU average (62%).

Access to Finance

Firms using external finance in 2019 are on balance satisfied with the amount, cost, maturity, collateral and type of finance received. Only three per cent of all firms in Austria could be considered as external finance constrained in 2019 less than in the EU.

Energy Efficiency

Increases in the share of firms that have invested in measures to improve their energy efficiency has been noted across all sectors and size of firms in Austria in EIBIS 2020.

Climate Change

A relevant share of firms is directly impacted by climate change: almost one in five firms (19%) feel their business has been majorly impacted by climate change and the related changes in weather patterns, and a further two in five (39%) report a minor impact.

More firms in Austria are expecting the transition to a low-carbon future to be positive rather than negative for their reputation (22%) and for their market demand (19%) over the next five years.

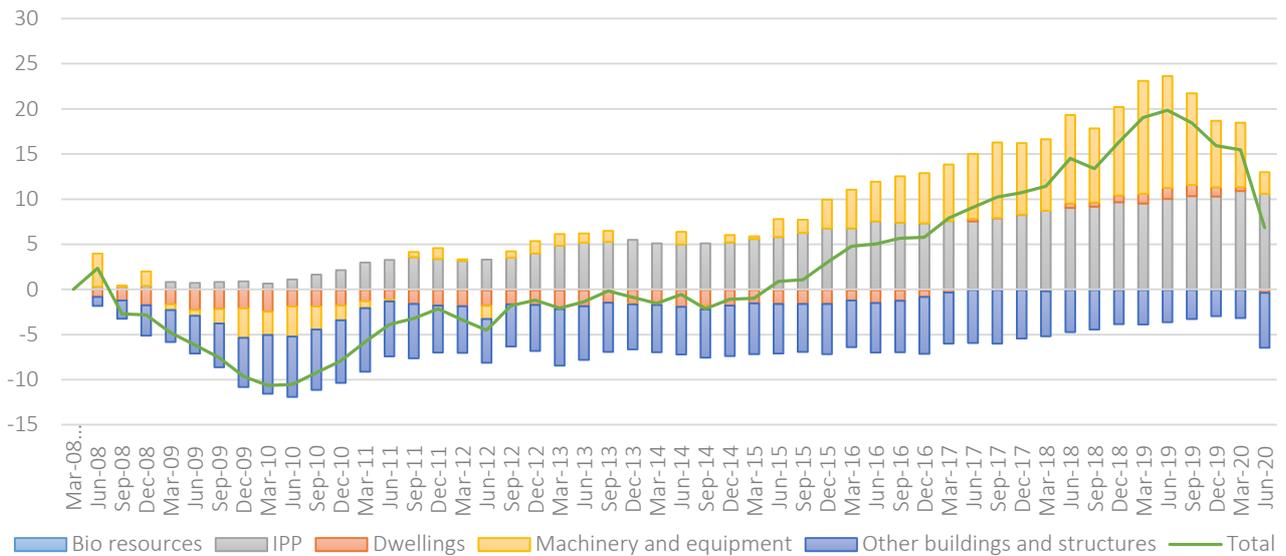
Almost seven in ten (69%) firms in Austria have already invested or plan to invest in the next three years in measures to tackle the impact of weather events and reduction in carbon emissions.

Investment Dynamics

INVESTMENT DYNAMICS BY ASSET TYPE

With the COVID-19 crisis abruptly affecting the economy, investment in Q2 2020 is 7.9% below the pre-crisis 2019 level.

The impact of COVID-19 on investment adds to a declining trend in investment, already starting from mid-2019. With investment levels only slightly above 2008 levels, these investment dynamics call for extra vigilance.

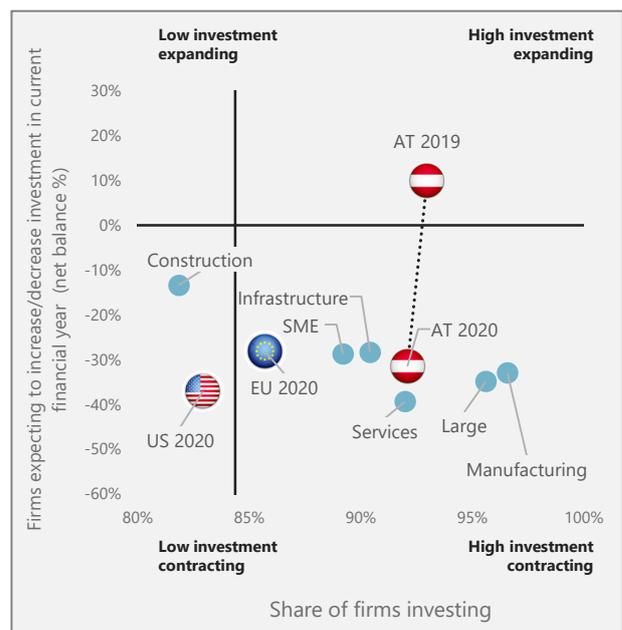


The graph shows the evolution of total Gross Fixed Capital Formation (in real terms); by asset type. The data has been indexed to equal 0 in 2008. Source: Eurostat.

INVESTMENT CYCLE

In line with the EU average, Austria is in a negative phase of the investment cycle, having moved from the 'high investment expanding' quadrant into the 'high investment contracting' quadrant. The net balance of firms expecting to increase rather than decrease investment turned from positive to negative, with 32% more firms expecting now a decline in investment, vs 10% more expecting an increase in the last year (EIBIS 2019).

Large firms (with more than 250 employees) and manufacturing firms continue to have a high share of firms investing, while construction firms have a low share of firms investing.



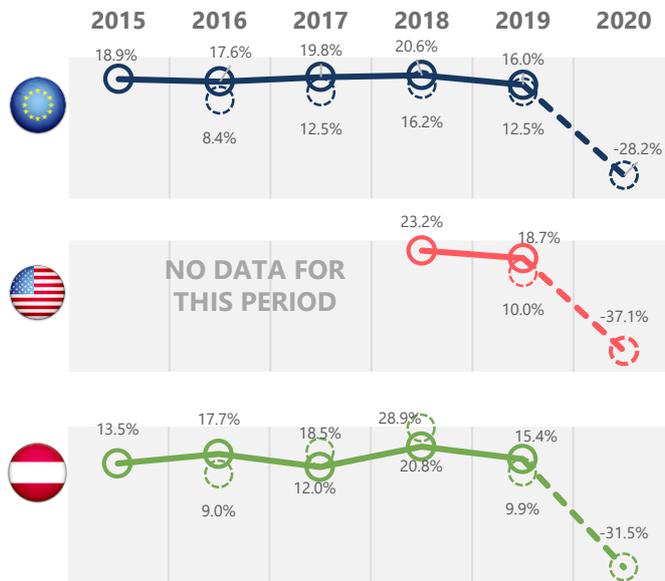
Share of firms investing shows the percentage of firms with investment per employee greater than EUR 500. The y-axis line crosses x-axis on the EU average for 2016.

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

Investment Dynamics

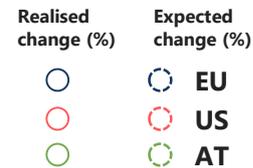
EVOLUTION OF INVESTMENT EXPECTATIONS

Realised/expected change in investment



Actual investment for 2019 turned out to be higher than forecasts provided by firms in the previous run of the survey. The delta between firms increasing investment minus those decreasing was 15.4%, versus expectations of some 9.9% presented in EIBIS 2019.

In 2020, for the first time, the investment outlook is extremely negative (net minus 32%), with more than half of all firms expecting to reduce their investment.



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

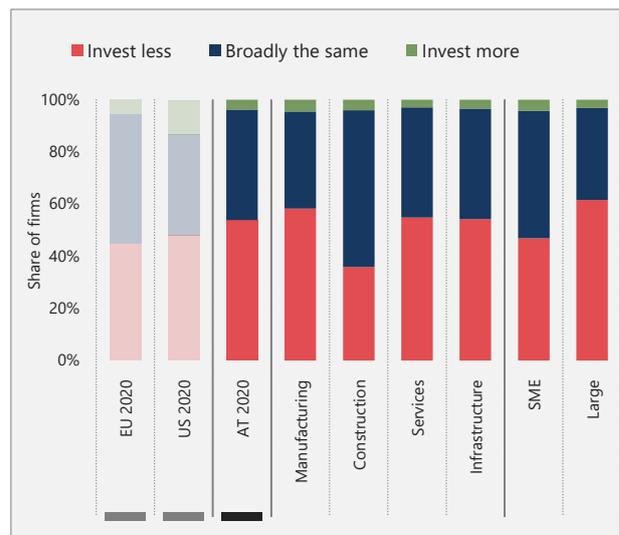
Base: All firms

IMPACT OF COVID-19 ON INVESTMENT

COVID-19 has affected firms' investment strategies for 2020 with more than half of firms (54%) declaring they will invest less than planned, well above the EU average (45%).

The investment plans of large firms have been more affected than SMEs: large firms are now more likely to be investing less than expected (62% versus 47% for SMEs).

COVID-19 has had less impact on the investment strategies of construction firms than in other sectors, with 60% stating their investment plans will be broadly the same.



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

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

Investment Focus

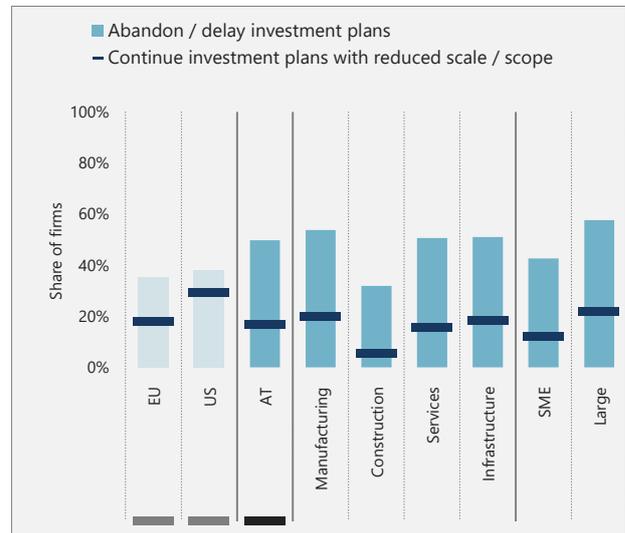
ACTIONS AS A RESULT OF COVID-19

A higher share of Austrian firms, with investment plans for the current financial year, plan to abandon or delay at least some of their investments as a result of COVID-19 (50%) than the EU average (35%).

Around one-fifth (17%) of Austrian firms with investment plans report they will continue with at least some of their investment plans at a reduced scale/scope. This is similar to the EU average (18%).

The share of firms abandoning or delaying their plans is higher among large firms than SMEs (58% versus 43%).

Constructions firms are the least likely sector to abandon or delay their investment plans (32%).

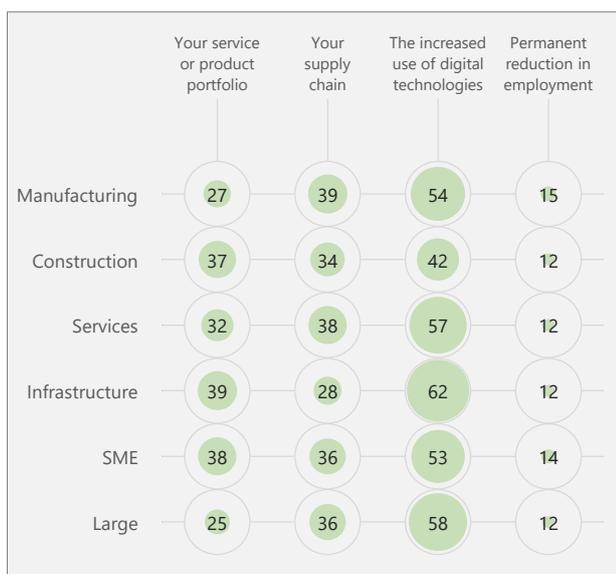


Q. You said you will invest less due to coronavirus. Can I just check which of the following actions will your company undertake?

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

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

LONG TERM IMPACT OF COVID-19 BY SECTOR AND SIZE



Across all sectors, the most frequently cited long term impact of COVID-19 is the increased use of digital technologies (55%). Infrastructure (utilities, transportation, ICT) and service firms are more likely to cite the increased use of digital technologies as a long term impact than construction firms (62% and 57% versus 42%).

Overall around one-third of Austrian firms (36%) expect changes to their supply chain and service or product portfolio (32%) due to COVID-19 long term impact. SMEs are more likely to cite COVID-19 having a long term impact on their service/product portfolio than large firms (38% versus 25%).

Overall one in eight firms (13%) expect a permanent reduction in employment levels, with little difference by sector or size of firm.

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

Base: All firms

Investment Focus

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

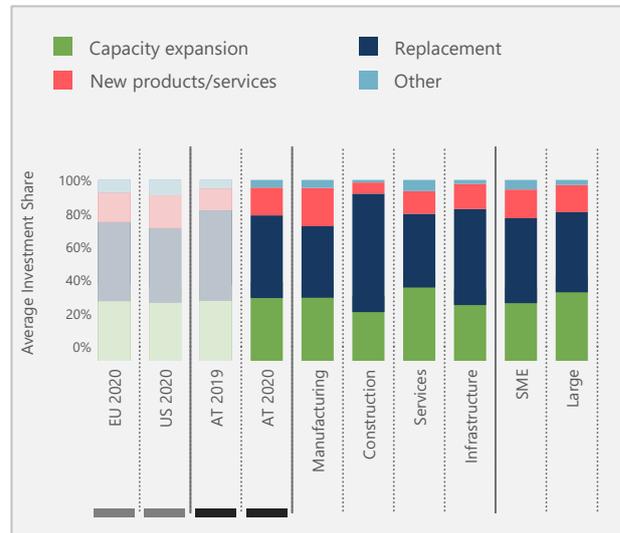
Half of firms' investment (50%) was with the purpose of replacing existing buildings, machinery, equipment and IT.

Replacement is followed by capacity expansion which made up more than one-quarter (29%) of all investment.

Overall, Austria had a very similar investment pattern in 2019 to both EIBIS 2019 and to the EU average.

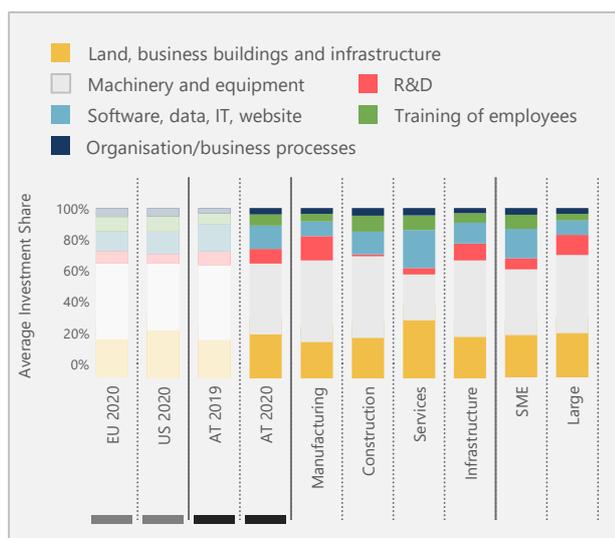
Construction firms were more likely than firms in the other three sectors to replace buildings and equipment (72% versus 43-58%). Whilst manufacturing firms were more likely to invest in introducing new products, processes or services than firms in the other three sectors (23% versus 7 to 15%).

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



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)

Out of the six investment areas considered, the highest share of investment in Austria was in machinery and equipment (45%), followed by land, business buildings and infrastructure (19%) and software, data, IT and website activities (15%).

The pattern of investment areas is in line with the EIBIS 2019 findings and the EU average.

Firms in the manufacturing (16%) and infrastructure sector (11%) and large firms (13%) tended to allocate a larger share of their investment to R&D. Firms in services (25%) and also SMEs (19%) had a higher share of investments in software, data and IT in 2019.

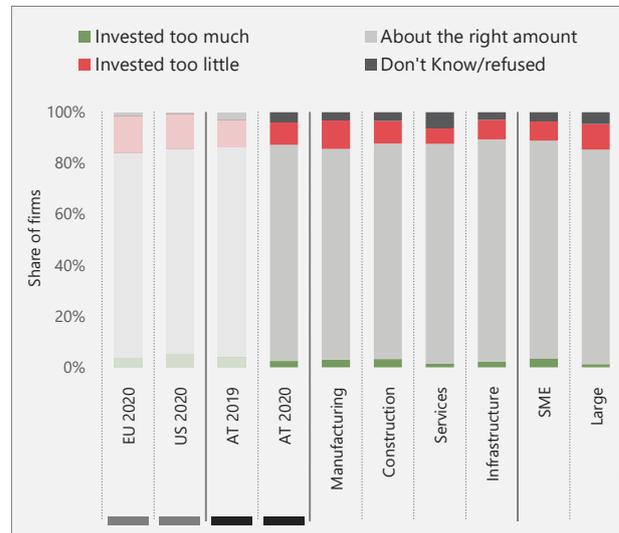
SMEs were more likely to have a higher share of investment in training of employees than large businesses (9% versus 4%).

Investment Needs and Priorities

PERCEIVED INVESTMENT GAP

More than eight in ten firms (85%) believe their investment over the last three years was about the right amount, while only three per cent report investing too much. These figures are in line with EIBIS 2019 and the EU average.

The share of Austrian firms who had invested too little is below the EU average (9% versus 15%).



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

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

SHARE OF FIRMS AT OR ABOVE FULL CAPACITY



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

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

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

Seven in ten firms (71%) were operating at or above full capacity, which is relatively unchanged from EIBIS 2019 (73%), but higher than the EU average (61%).

Austrian firms in the construction sector were the most likely to be operating at or above full capacity (91%, compared to between 63% and 75% among firms in the other sectors).

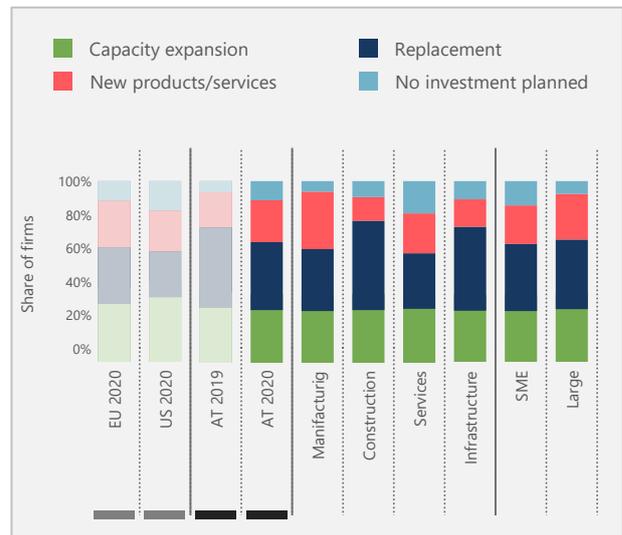
Investment Needs and Priorities

FUTURE INVESTMENT PRIORITIES (% of firms)

Looking ahead to the next three years, replacing existing buildings and equipment is the most commonly cited investment priority among firms (41%). The proportion prioritising replacement is lower than that reported in EIBIS 2019 (48%), as more firms are investing in new products/services or have no investment planned.

Developing or introducing new products, processes or services is the priority for one-quarter (25%) of firms, followed by capacity expansion for existing products and services (23%).

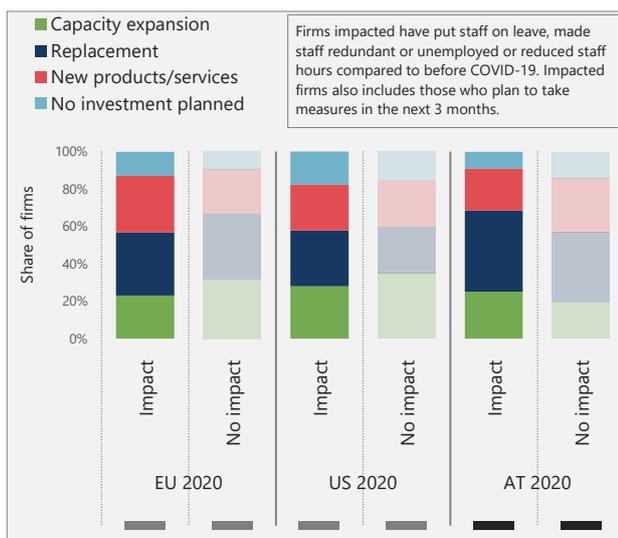
Construction sector firms are more likely to prioritise replacement (54%) than firms in the manufacturing and service sectors (37% and 33% respectively) both of which are more likely to favour introducing new products and services.



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

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

COVID-19 IMPACT ON PRIORITIES



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

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

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

The pattern of overall investment between Austrian firms who were impacted by COVID-19 and firms who were not impacted is similar.

However, firms in Austria who have been impacted by COVID-19 are more likely to be prioritising investment in replacing buildings and equipment over the next three years than impacted firms in the EU (43% versus 34%).

Conversely, impacted firms in Austria were less likely to be prioritising investment in new products and services than firms within the EU (22% versus 30%).

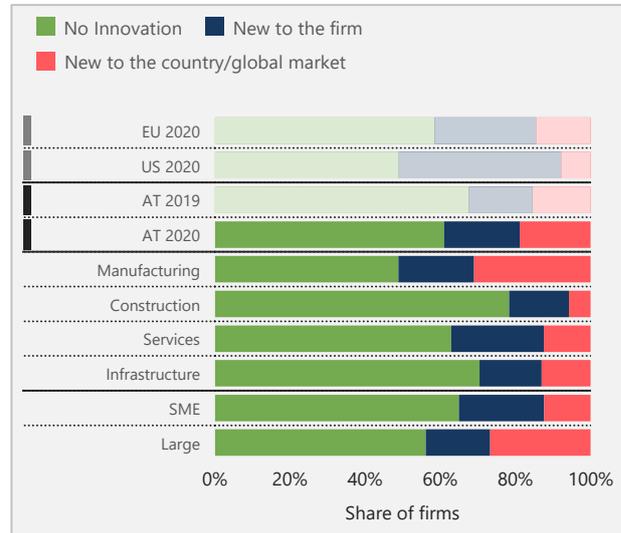
Innovation Activities

INNOVATION ACTIVITY

Almost four in ten firms (39%) developed or introduced new products, processes or services as part of their investment activities - half of which (19%) claim to be new to the country or global market.

Manufacturing firms are the most likely to innovate (51%), while construction firms are the least likely to innovate (22%).

Innovation activity is more relevant for large companies: large firms are more likely to introduce a product, process or service that is new to the country or global market than SMEs (27% versus 12%).

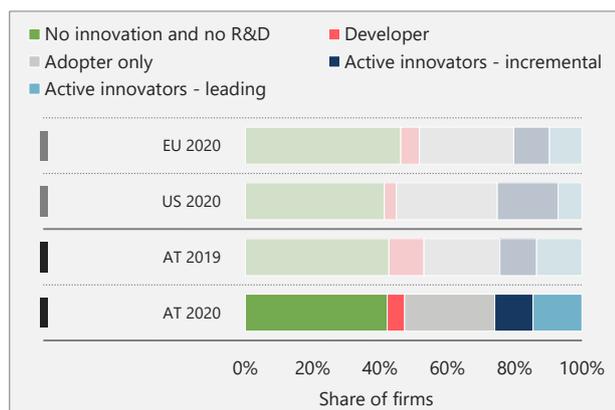


Q. What proportion of total investment was for developing or introducing new products, processes, services?

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, around a quarter (26%) of firms in Austria are classified as 'active innovators', and a further 5% of firms are 'developers'.

The share of active innovators is higher than the EU average (20%) and similar to USA (25%).

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

Innovation Activities

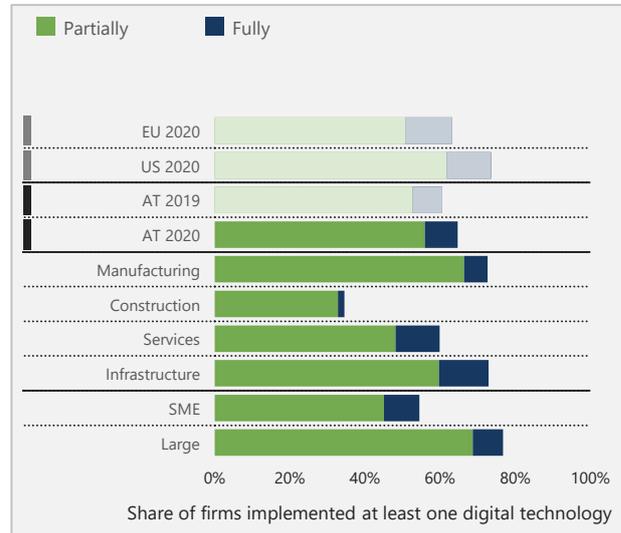
IMPLEMENTATION OF DIGITAL TECHNOLOGIES

Almost two-thirds of all firms (65%) have implemented, either fully or partially, the digital technologies they were asked about, in line with last year (EIBIS 2019: 61%) and the EU average (63%).

Firms in the construction sector are the least likely to have implemented digital technologies, either fully or partially, within their business (34%).

Large firms are more likely than SMEs to have implemented at least one digital technology (77% versus 54%).

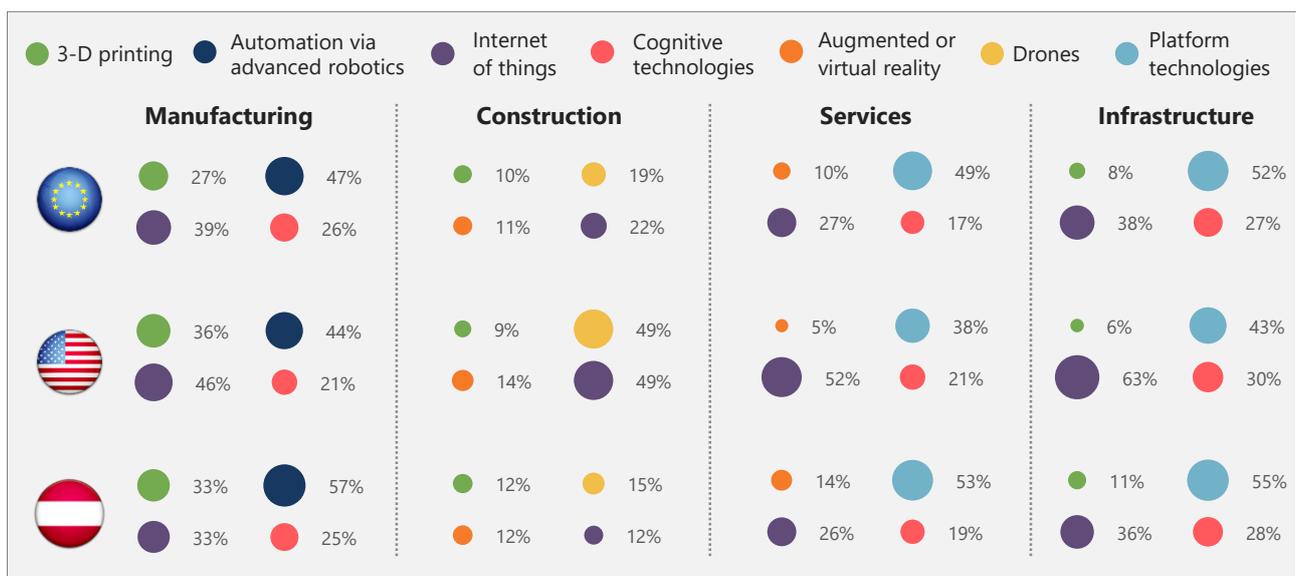
Austrian manufacturing firms report relatively high take-up of automation via advanced robotics when compared with EU manufacturers.



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



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'

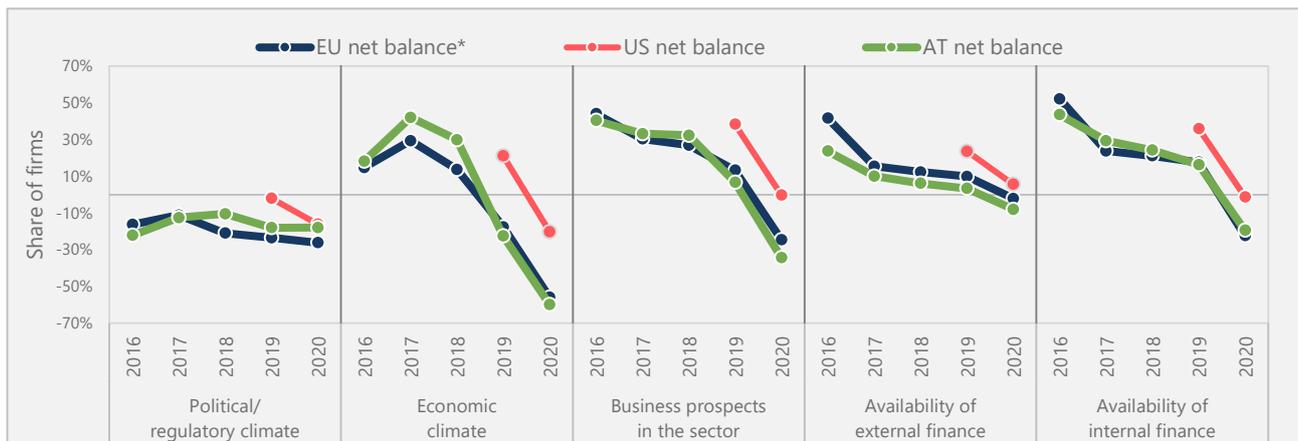
Base: All firms (excluding don't know/refused responses)

Drivers And Constraints

SHORT TERM FIRM OUTLOOK

The short term outlook is negative: more Austrian firms expect a deterioration than an improvement across all five short term barriers in the next twelve months. This is in line with firms across the EU.

Firms are much less optimistic about the overall economic climate compared with EIBIS 2019 (-60% versus -22%). The external finance components is relatively less affected than other components, in line with the resilience of the banking sector.

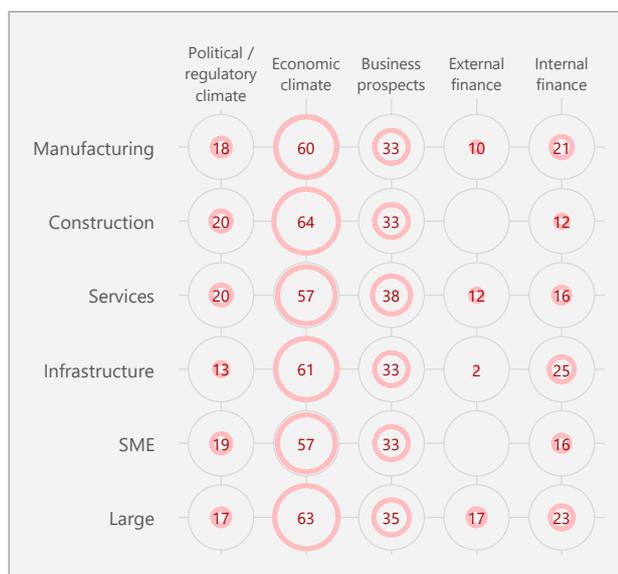


Q, Do you think that each of the following will improve, stay the same, or get worse over the next twelve months?

*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 both the economic climate (ranging from -57% to -64%) and business prospects within their sector (ranging from -33% to -38%).

SMEs are relatively less pessimistic (net 0%) on balance about the availability of external finance compared to large firms (-17%).

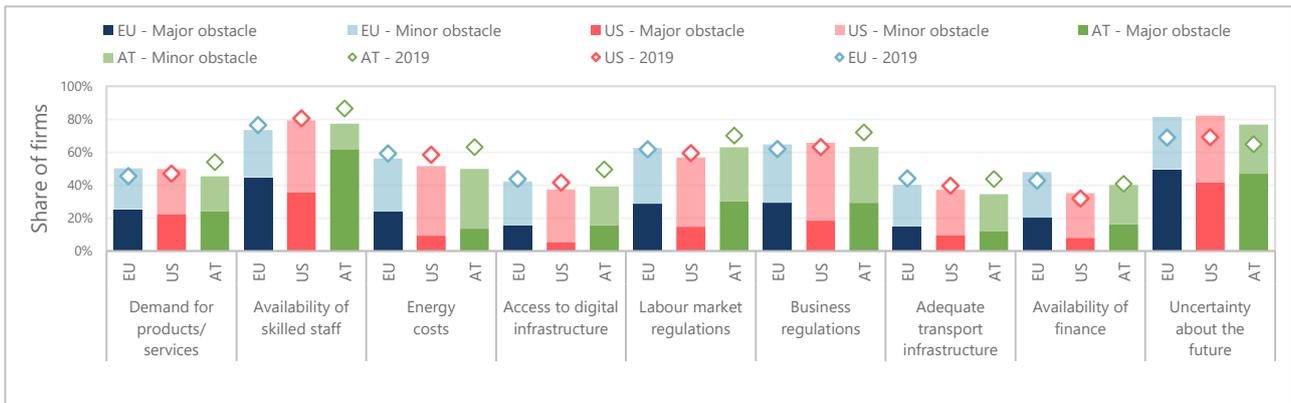
Firms in the construction sector are also less pessimistic (net 0%) about external finance availability than services and manufacturing sector firms (-12% and -10% respectively).

Drivers And Constraints

LONG TERM BARRIERS TO INVESTMENT

The proportion of Austrian firms who consider uncertainty about the future to be a barrier to investment has increased since EIBIS 2019 (77% from 65%). Although, this is still lower than the EU average (81%). Availability of skilled staff is the other most-cited barrier by Austrian firms (78%).

Manufacturing firms are more likely than all other sectors to cite access to digital infrastructure, availability of adequate transport infrastructure and availability of finance as long term barriers to investment. The availability of skilled staff is reported as a relevant barrier across all sectors, for both SMEs and large firms.



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

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

LONG TERM BARRIERS BY SECTOR AND SIZE



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

Q. Thinking about your investment activities in Austria, 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)

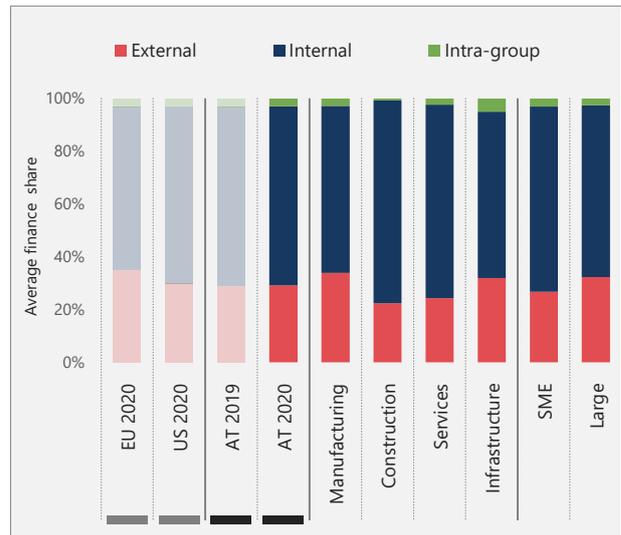
Investment Finance

SOURCE OF INVESTMENT FINANCE

Just over two-thirds of investment activity in Austrian firms was financed by internal sources (68%). This is unchanged since EIBIS 2019 (68%) and above the EU average (62%).

Conversely, external finance made up more than one-quarter of investment finance (29% share), below the EU average (35%).

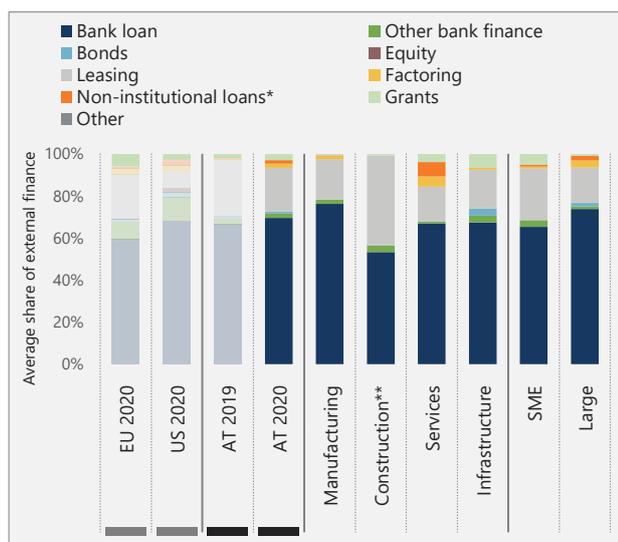
Construction firms report a higher share of internal finance usage in the past financial year than manufacturing and infrastructure firms (77% versus both 63%).



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

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

TYPE OF EXTERNAL FINANCE USED FOR INVESTMENT ACTIVITIES



Bank loans continued to make up the highest share of external finance (70%) for Austrian firms. This is in line with EIBIS 2019 (67%), but above the current EU average (59%).

Leasing or hire purchase accounted for the second highest share of external finance (21%), in line with the EU average (21%).

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

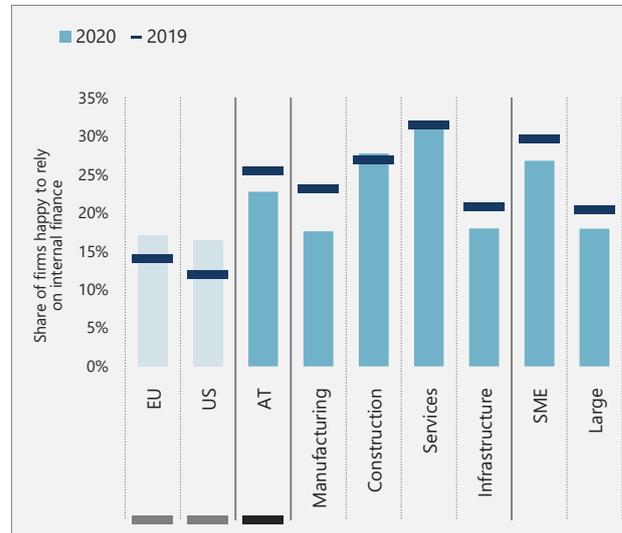
Investment Finance

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

Among all firms in Austria, almost one-quarter (23%) cite 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 external finance. This is in line with EIBIS 2019 (25%) and remains higher than the EU average (17%).

Service firms were happier than firms in the manufacturing and infrastructure sectors to use internal funds to finance investment (31% versus both 18%).

27% of SMEs in Austria were happy to rely exclusively on internal sources to finance investment, compared with 18% for large firms.



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

Base: All firms

SHARE OF PROFITABLE FIRMS



More than four fifths (85%) of firms in Austria report generating a profit in the last financial year, more than the EU average (80%).

Specifically, nearly two fifths (19%) of firms claim to be highly profitable, defined as generating a profit level at least 10% of firm turnover. This is similar to the EU average (16%).

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

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

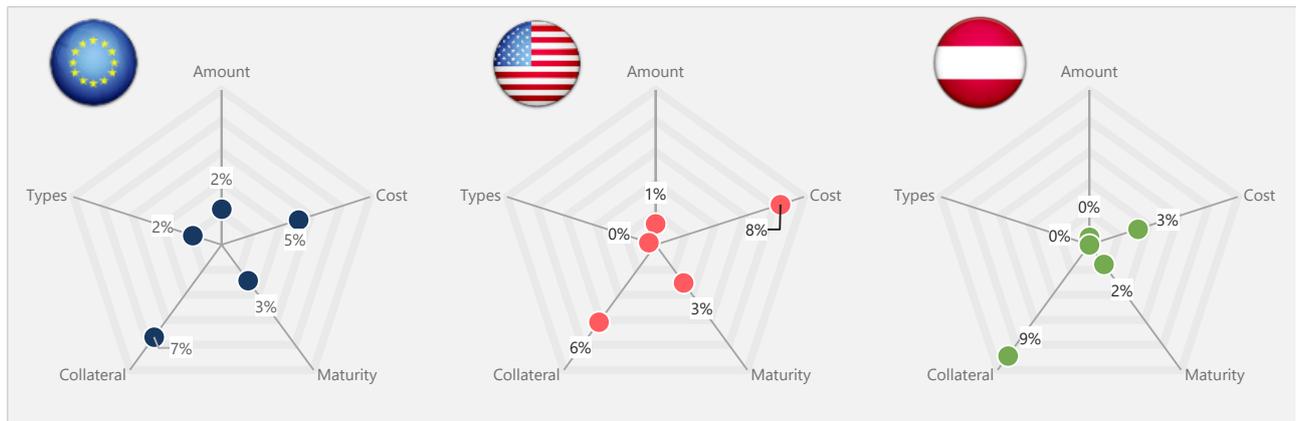
Access To Finance

DISSATISFACTION WITH EXTERNAL FINANCE RECEIVED

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

The highest levels of dissatisfaction recorded among firms in Austria is with the collateral requirements (9%).

Share of dissatisfied firms



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

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

DISSATISFACTION BY SECTOR AND SIZE (%)



Overall dissatisfaction levels are low, with the highest levels of dissatisfaction being the collateral requirements, particularly for SMEs (14%) and firms in the infrastructure sector (13%).

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

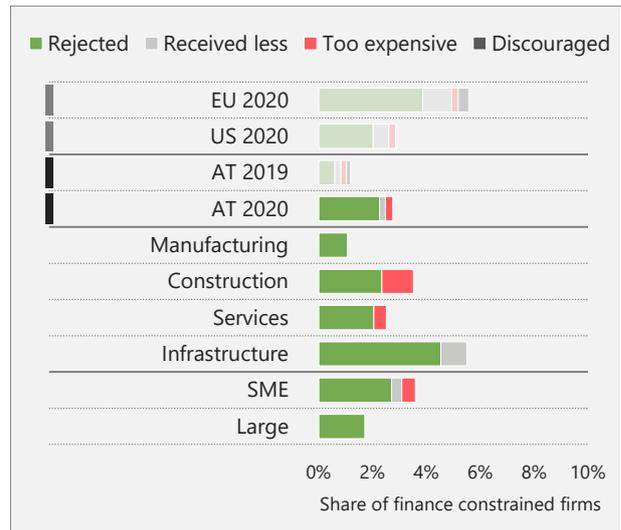
Base: All firms who used external finance in the last financial year (excluding don't know/ refused responses) *Caution very small base size less than 30

Access To Finance

SHARE OF FINANCE CONSTRAINED FIRMS

Financing constraints for Austrian firms were significantly less binding than in EU, but persisted in some sectors. Only three per cent of all firms in Austria could be considered as finance constrained in 2019, which is well below the EU average of six per cent.

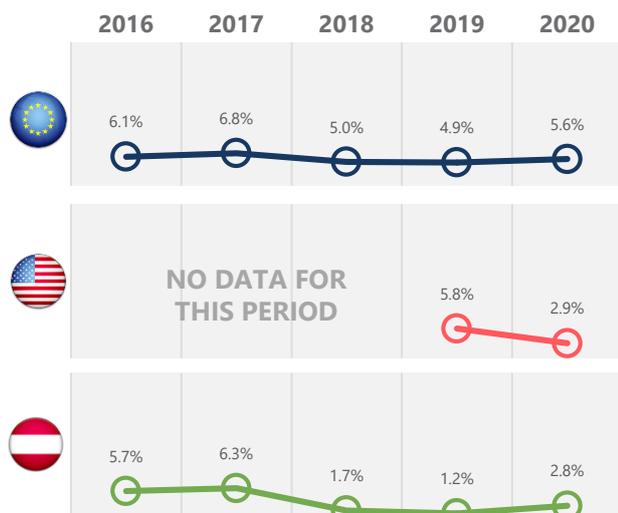
Nevertheless, six per cent of infrastructure firms (utilities, transportation and storage, ICT) were finance constrained, of which the vast majority (5%) had sought external finance but did not receive it ('rejected').



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

Base: All firms

FINANCING CONSTRAINTS OVER TIME



The share of finance constrained firms in Austria has more than doubled since EIBIS 2019, but remains below the level reported in EIBIS 2017.

In the past financial year, firms in Austria were less likely to be finance constrained when compared to the EU average.

Base: All firms

Energy Efficiency

SHARE OF FIRMS INVESTING IN MEASURES TO IMPROVE ENERGY EFFICIENCY

Increases in the share of firms that have invested in measures to improve their energy efficiency has been noted across all sectors and size of firms in Austria in EIBIS 2020.

Overall, around a half (49%) of firms have invested in these types of measures, and this represents a ten percentage point increase on EIBIS 2019 (39%). This pattern was also evident in EU.

Firms in the manufacturing sector (58%) are more likely to invest than firms in the services and construction sectors (40% and 39% respectively).

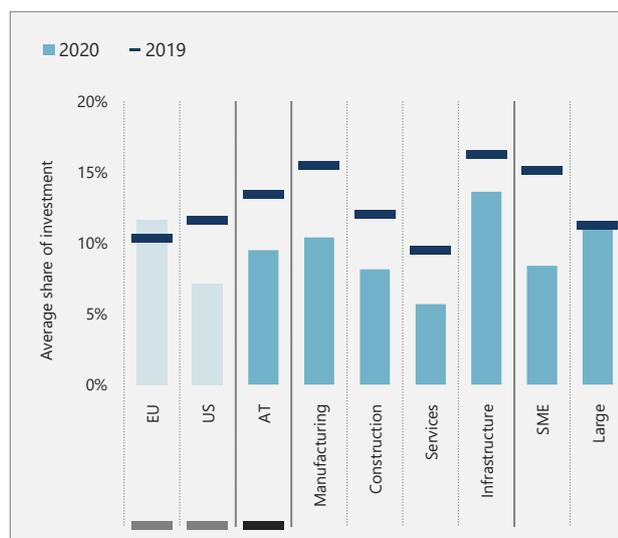
Large firms (60%) are also far more likely to invest in energy efficiency measures than SMEs (40%).



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

Base: All firms

AVERAGE SHARE OF INVESTMENT IN MEASURES TO IMPROVE ENERGY EFFICIENCY



The average share of investment in measures to improve energy efficiency by Austrian firms has decreased by three percentage points from 13% to 10% in EIBIS 2020 but remains in line with the EU average (12%).

Although all sectors have seen a decline year on year, firms in the infrastructure sector (14%) and in the manufacturing sector (10%) continue to invest a higher share than those in the services sector (6%).

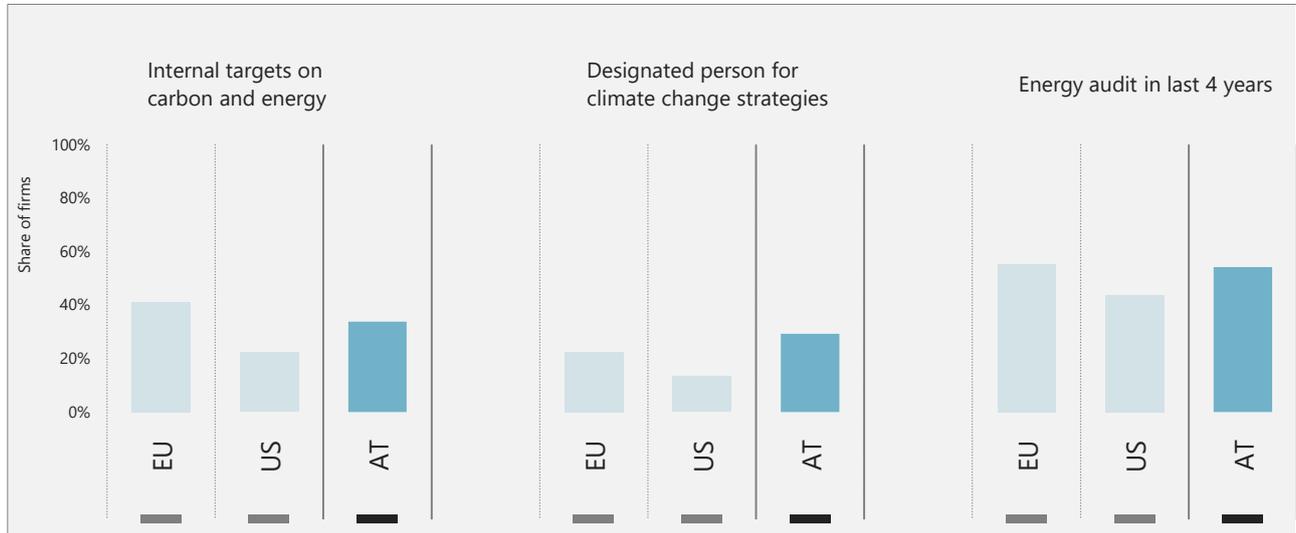
The biggest decline is seen in SMEs (8% from 15% in EIBIS 2019).

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

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

Energy Efficiency

ENERGY TARGETS, MANAGEMENT AND INTERNAL AUDIT



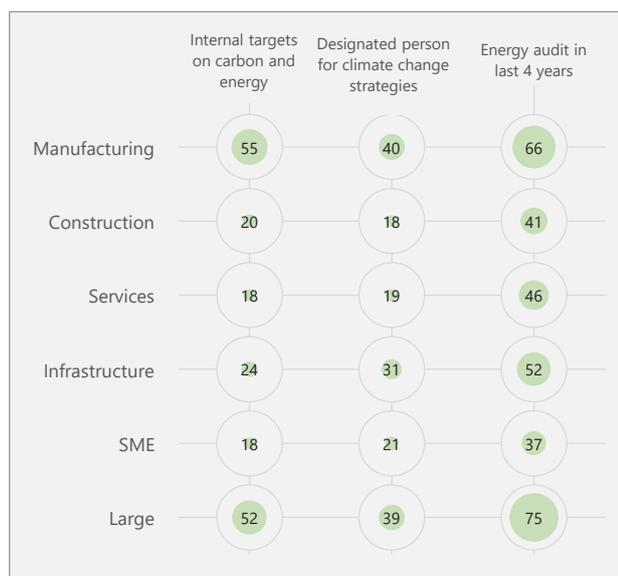
Q. In 2019 and under normal conditions, did your company set and monitor internal targets on carbon emissions and energy consumption?

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

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

Base: All firms

ENERGY TARGETS, MANAGEMENT AND INTERNAL AUDIT BY SECTOR AND SIZE



Austrian firms are more likely than EU firms to have designated a person to develop their climate change strategies (29% versus 23%) but less likely to have set internal targets yet (34% versus 41%).

More than half of all firms in Austria (54%) have had an energy audit in the past four years, in line with the EU average (55%).

In comparison to the other sectors, firms in the manufacturing sector are the most likely to have a designated person in place (40%), to have set targets (55%) and to have had an energy audit in this time (66%).

Large firms are around three times as likely to have a set targets compared to SMEs and twice as likely to have a designated person in place and to have had an energy audit.

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

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

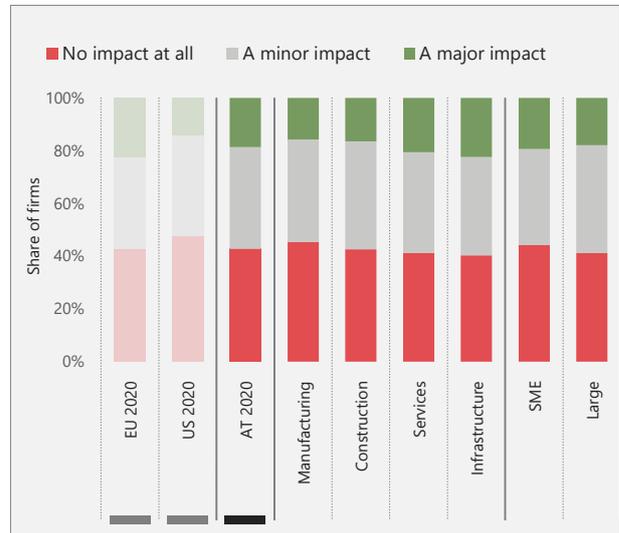
Q. And can I check, in the past four years has your company had an energy audit? By this, I mean an assessment of the energy needs and efficiency of your company's building or buildings

Base: All firms

Climate Change

CLIMATE CHANGE IMPACT

A relevant share of Austrian firms has experienced impact from climate change: almost one in five firms (19%) report that climate change and the related changes in weather patterns has had a major impact on their business, and a further two in five (39%) report a minor impact. These levels are in line with the EU average (23% and 35% respectively).



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

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

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



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

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

Base: All firms

The climate transition is seen in Austria as an opportunity rather than a risk by a relevant number of firms. More firms in Austria are expecting the transition to low-carbon future to be positive rather than negative for their reputation (22%) and for their market demand (19%) but to have a negative rather than positive impact on their supply chain (-15%) over the next five years.

A positive impact on market demand is seen in particular for companies in manufacturing (26%) and construction (29%), while service firms are the most likely to believe this transition will negatively affect their supply chain (-31%).

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

Climate Change

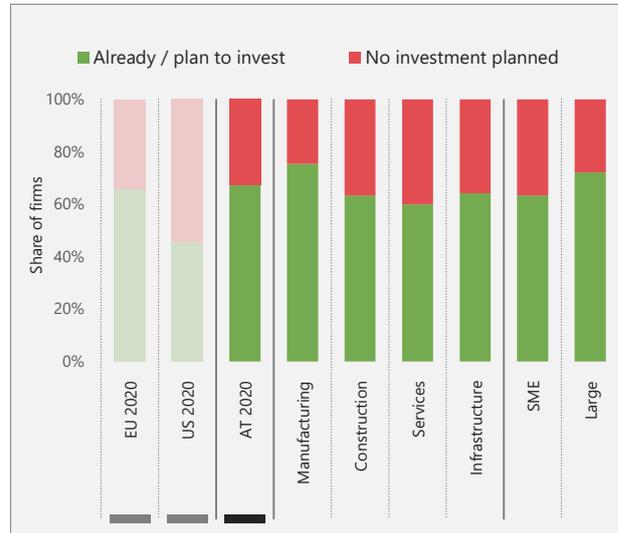
INVESTMENT PLANS TO TACKLE CLIMATE CHANGE IMPACT

Almost seven in ten firms in Austria (69%) have already invested or plan to invest in the next three years in measures to tackle the impact of weather events and reduction in carbon emissions. This is in line with the EU average (67%).

More manufacturing firms (77%) have invested or plan to invest than firms in the other sectors (between 61% and 65%).

Uncertainty about the regulatory environment and taxation is the biggest barrier to investment in this area (69%), followed by the cost of these activities (64%).

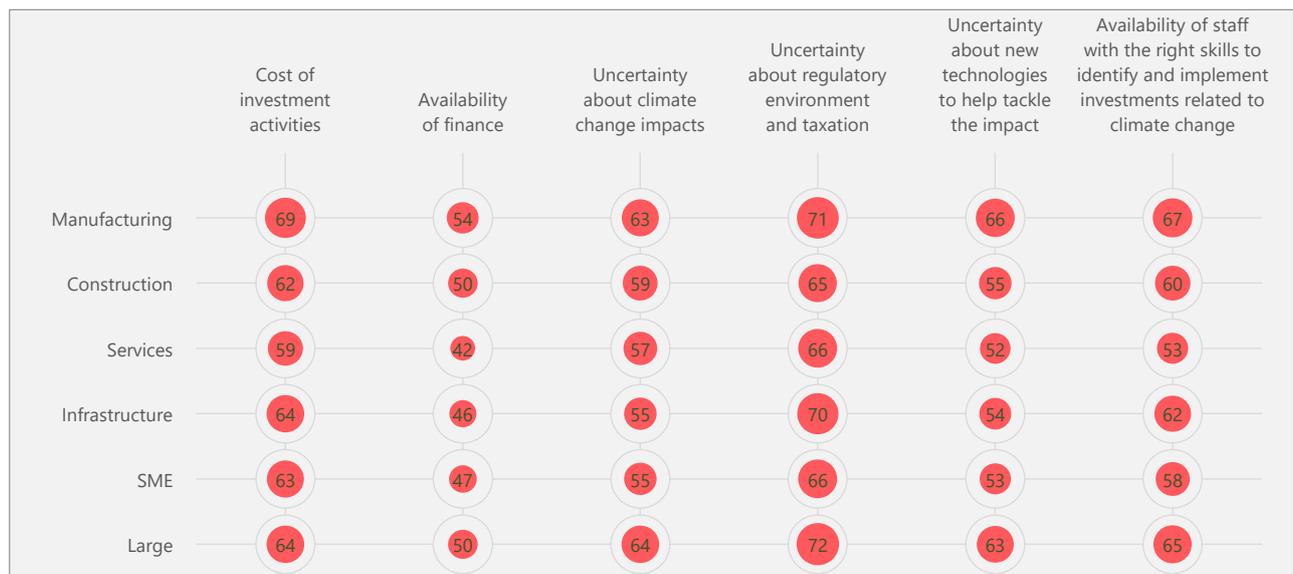
In comparison to firms in other sectors, firms in the manufacturing sector have more concerns around the uncertainty related to new technologies to help tackle the impact (66%).



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

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

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



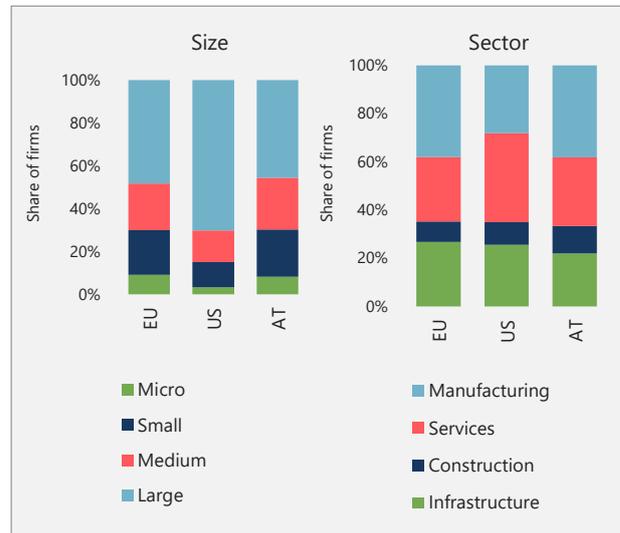
Q. To what extent is the following an obstacle to investing in activities to tackle weather events and emissions reduction? Is it a major obstacle, minor obstacle or not at obstacle at all?

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

Profile of Firms

CONTRIBUTION TO VALUE ADDED

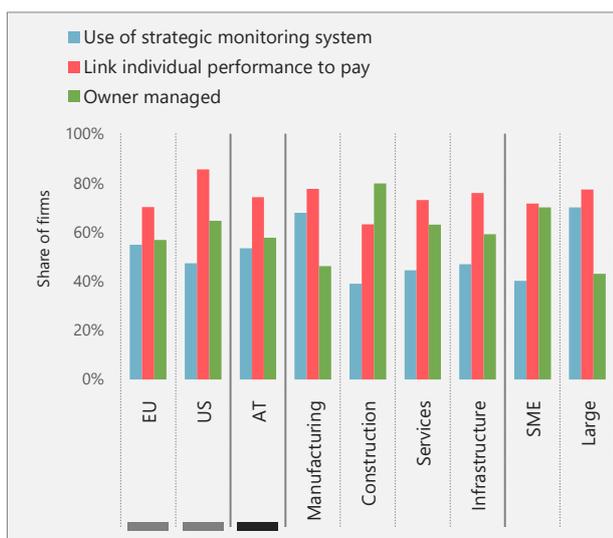
Large firms with 250+ employees (46%) and firms in the manufacturing sector (38%) continue to account for the greatest shares of value-added in Austria, in line with the EU average (48% and 38% respectively).



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

Base: All firms

FIRM MANAGEMENT



Firms in Austria are as likely as EU firms to report using a formal strategic monitoring system (53% and 55% respectively).

Large firms (70%) and firms in the manufacturing sector (68%) are the most likely to use a formal strategic monitoring system.

There has been a large increase in linking individual performance to pay compared to EIBIS 2019 (74% versus 59%).

Nearly six in ten (58%) firms in Austria report being owned or controlled by their CEO or a member of the CEO's family. This is in line with the EU average (57%).

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

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

EIBIS 2020 – Country Technical Details

SAMPLING TOLERANCES APPLICABLE TO PERCENTAGES AT OR NEAR THESE LEVELS

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

	EU	US	AT	Manufacturing	Construction	Services	Infrastructure	SME	Large	EU vs AT	Manuf vs Constr	SME vs Large
	(11971)	(800)	(480)	(147)	(86)	(121)	(120)	(346)	(134)	(11971 vs 480)	(86 vs 147)	(346 vs 134)
10% or 90%	1.1%	3.5%	2.5%	4.3%	5.8%	5.0%	4.8%	2.8%	4.3%	2.7%	7.2%	5.1%
30% or 70%	1.7%	5.3%	3.8%	6.5%	8.8%	7.6%	7.4%	4.3%	6.6%	4.2%	11.0%	7.9%
50%	1.9%	5.8%	4.2%	7.1%	9.6%	8.3%	8.1%	4.7%	7.2%	4.5%	12.0%	8.6%

GLOSSARY

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

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

EIBIS 2020 – Country Technical Details

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

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

Base definition and page reference	EU 2020/2019	US 2020/2019	AT 2020/2019	Manufacturing	Construction	Services	Infrastructure	SME	Large
All firms, p. 3, p. 4, p. 6, p. 10, p.11, p. 13, p. 15, p. 16, p. 17, p. 18, p. 19, p. 20	11971/12071	800/803	480/483	147	86	121	120	346	134
All firms (excluding don't know/refused responses), p. 2	11634/11417	748/711	424/413	128	82	106	102	308	116
All firms with investment plans for the current financial year (excluding don't know/refused responses), p. 3	9606/NA	643/NA	413/NA	133	73	95	106	291	122
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 5 (top)	10138/9716	682/624	381/340	123	67	97	89	272	109
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 5 (bottom)	9874/9506	683/620	337/309	96	69	83	83	258	79
All firms (excluding 'Company didn't exist three years ago' responses), p. 6	11949/12042	799/802	478/483	147	86	120	119	344	134
All firms (excluding don't know/refused responses), p. 7 (top)	11727/11757	787/775	456/466	139	84	112	116	329	127
All firms (excluding don't know/refused responses), p. 7 (bottom)	11608/0	780/0	454/0	138	84	112	115	327	127
All firms (excluding don't know/refused responses), p. 8 (top)	11720/11770	769/772	473/477	144	86	121	116	344	129
All firms (excluding don't know/refused responses), p. 8 (bottom)	9039/8380	600/516	305/247	92	62	74	73	233	72
All firms (excluding don't know/refused responses), p. 9	11938/11937	799/800	477/478	147	86	119	119	343	134
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 12	9255/9008	648/587	358/341	101	69	94	89	266	92
All firms who used external finance in the last financial year (excluding don't know/ refused responses), p. 12	4354/4369	314/252	166/157	56	24	37	46	111	55
All firms (excluding don't know/refused responses), p. 13	10711/10490	637/605	370/346	111	67	89	100	268	102
All firms who used external finance in the last financial year (excluding don't know/refused responses), p. 14*	4310/4292	314/245	164/156	55	23	37	46	111	53
All firms (excluding don't know/refused responses), p. 18	11898/NA	794/NA	474/NA	145	84	120	119	340	134
All firms (excluding don't know/refused responses), p. 19	11739/NA	772/NA	465/NA	143	85	115	116	337	128
All firms (excluding don't know/refused responses), p. 20*	11740/11627	777/762	455/469	140	85	111	113	330	122



**European
Investment
Bank**

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Economics Department

✉ economics@eib.org
www.eib.org/economics

Information Desk

☎ +352 4379-22000
✉ info@eib.org

European Investment Bank

98-100, boulevard Konrad Adenauer
L-2950 Luxembourg
☎ +352 4379-1
www.eib.org

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Austria

Overview

EIB INVESTMENT SURVEY

2020