Spain Overview

EIB INVESTMENT SURVEY 2020
EIB Group survey on investment and investment finance 2020
Country overview

Spain
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.

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EIBIS 2020 – Spain

KEY RESULTS

Investment Dynamics
With the COVID-19 crisis affecting the economy, investment in Q2 2020 is 26% below the pre-crisis 2019 level. The decline in investment is steeper than during the global financial crisis. COVID-19 has affected firms’ investment strategies for 2020 with almost half of the firms (48%) investing less than planned and six per cent investing more than planned. This is close to the EU average (45% and 6% respectively).

Investment Focus
Almost two out of five firms with investment plans for the current financial year in Spain plan to abandon or delay at least some of their investments as a result of COVID-19 (38%), echoing a similar share of those firms in the EU (35%). Across all sectors, the most frequently cited long term impact of COVID-19 is expected to be the increased use of digital technologies (49% overall).

Investment Needs and Priorities
Eight in ten firms believe their investment over the last three years was about the right amount (82%), while thirteen per cent report investing too little. These figures are in line with EIBIS 2019 and the EU average.

More than half of the firms in Spain were operating at or above full capacity in 2019 (56%), which is close to the reported levels from EIBIS 2019 (60%) and to the EU average (61%).

Innovation Activities
Almost two in five firms (38%) developed or introduced new products, processes or services as part of their investment activities, which is close to the EU average (42%). In addition, twenty per cent of all firms claimed to have undertaken innovation that is new to the country or the world.

Nearly three in four firms (74%) have implemented, either fully or partially, the digital technologies they were asked about. This proportion of firms implementing digital technologies is higher than the EU average (63%) and similar to the US (74%).

Drivers and Constraints
In the short-term, firms are most pessimistic about the overall economic climate (-67%), which is now below the net balance for the EU (-56%). This is followed by the political and regulatory climate (-63%, down from fifty five percentage points since EIBIS 2019 and lower than the EU average -26%) and business prospects (-41% down from sixty nine percentage points and below the EU average - 25%).

In the long-term, the top three barriers to investment are uncertainty about the future (97%), business regulations (85%) and labour market regulations (80%).

Investment Finance
More than half of investment activities of firms in Spain was financed by internal sources (55%). This is slightly less than the EU average (62%).

Nearly eight in ten (76%) of firms report generating a profit in the last financial year, in line with EIBIS 2019 and the EU average (79% and 80% respectively).

Access to Finance
Financing constraints in 2019 stayed stable since EIBIS 2019 and marginally above EU level. They were more elevated in the construction and infrastructure sectors.

Firms using external financing in 2019 are on balance satisfied with the amount, cost, maturity, collateral and the type of financing received. The highest proportion of dissatisfaction in Spain is with the maturity of the received financing (6%) followed by the cost and collateral requirements (both at 5%).

Energy Efficiency
About half of all firms in Spain (51%) have invested in measures to improve their energy efficiency, in line with EIBIS 2019 (46%) and the EU average (47%). The average share of investment in measures to improve energy efficiency by firms in Spain (13%) is similar to the reported share of firms in EIBIS 2019 and to the average for the EU (both at 12%).

Climate Change
More than three quarters (77%) of firms in Spain reported that their business had been affected by climate change and the related change in weather patterns. This includes around a half (48%) who report a major impact on their business. This is much higher than the EU average (58% and 23% respectively).

All firms in Spain are expecting the transition to a low-carbon future to be positive rather than negative for their reputation (31%) and for market demand (13%) over the next five years.

Three out of five firms in Spain (60%) 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 below the EU average (67%).
Investment Dynamics

INVESTMENT DYNAMICS BY ASSET TYPE

With the COVID-19 crisis abruptly affecting the economy, investment in Q2 2020 is 26% below the pre-crisis 2019 level.

The decline in investment is steeper than during the Global financial crisis. At that time, investment dropped by 9% from Q1 2008 to Q3 2008, followed by a protracted period of subdued investments.

INVESTMENT CYCLE

Spain is just between the ‘low’ and ‘high’ investment contracting quadrants on the investment cycle. As with the EU, the net balance of firms expecting to increase rather than decrease investment in the current financial year has declined since EIBIS 2019.

Manufacturing, infrastructure and large firms continue to have a higher 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

The net balance of firms reporting and increase rather than reduction of their investment activities in the last financial year has declined (from 24% to 15%) and is close to the expectations for 2019 (14%).

For the current year, the expectations are much more negative with more firms anticipating reducing rather than increasing investments (net -35%). The expectations in the country are more negative than those EU-wide (net -28%).

Realised/expected change in investment

<table>
<thead>
<tr>
<th>Year</th>
<th>Realised change (%)</th>
<th>Expected change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>18.9%</td>
<td>EU</td>
</tr>
<tr>
<td>2016</td>
<td>17.6%</td>
<td>US</td>
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<tr>
<td>2017</td>
<td>19.8%</td>
<td>ES</td>
</tr>
<tr>
<td>2018</td>
<td>20.6%</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>16.0%</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>-28.2%</td>
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</tr>
</tbody>
</table>

'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.

IMPACT OF COVID-19 ON INVESTMENT

COVID-19 has affected firms’ investment strategies for 2020 with almost half of the firms (48%) planning to invest less than planned and six percent more than planned. This is close to the EU average (45% and 6% respectively).

Overall the pattern of investment expectations are stable across sector and size of firm. Service firms are the most likely to expect to invest less as a result of COVID-19.

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

**LONG TERM IMPACT OF COVID-19 BY SECTOR AND SIZE**

Across all sectors, the most frequently cited expected long term impact of COVID-19 is to be the increased use of digital technologies (49% overall).

Around two fifths (38%) of Spanish firms expect a change to their service or product portfolio.

Around a quarter of firms expect their supply chain to be impacted (28%) and to permanently reduce employment (26%).

More SMEs than large firms expect COVID-19 to have an impact on the permanent reduction in employment (32% compared with 18% respectively).
Investment Focus

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

The largest share of investment in 2019 was driven by the need to replace existing buildings, machinery, equipment and IT (42%) followed by capacity expansion which makes almost one third (32%) of all investments in Spain.

Construction firms were more likely to report a higher share of investment for replacements (55%) than firms in other sectors (ranging from 39% to 42%), while manufacturing firms were more likely to report a higher share of investment for introducing new products, processes or services (24%) than firms in other sectors (ranging from 13% to 16%).

Out of the six investment areas considered, the highest share of investment in the past financial year in Spain was in machinery and equipment (52%) distantly followed by investments in land, business buildings and infrastructure (14%). The pattern is broadly in line with the EIBIS 2019 findings and with the investments highlighted EU-wide.

Manufacturing firms tended to allocate a slightly larger share of their investment to R&D (13%) than construction firms (3%), while those in construction were more focused on training of employees (15% compared with 4% share of manufacturing firms).
Investment Needs and Priorities

PERCEIVED INVESTMENT GAP

Eight in ten firms believe their investment over the last three years was about the right amount (82%), while thirteen per cent report having invested too little. These figures are in line with EIBIS 2019 and the EU average.

Fewer firms in manufacturing report they have invested too little (7%) compared with other sectors (ranging from 14% to 17%).

SHARE OF FIRMS AT OR ABOVE FULL CAPACITY

More than half of the firms in Spain were operating at or above full capacity in 2019 (56%), which is close to the reported levels from EIBIS 2019 (60%) and to the EU average (61%).

Firms in the manufacturing sector were least likely to be operating at or above full capacity (41%, compared with between 63% and 65% among firms in other sectors).
Investment Needs and Priorities

FUTURE INVESTMENT PRIORITIES (% of firms)

Looking ahead to the next three years, expanding capacity for existing products/services is the most commonly cited investment priority among firms (34%). The proportion prioritising capacity expansion is lower than the share reported in EIBIS 2019 (41%), but remains above the average for the EU (26%).

Replacing existing buildings, machinery, equipment and IT is ranked second and pointed as a less important priority among firms in Spain (20%) when compared to the classification across the EU (34%).

Large firms are more likely to prioritise capacity expansion (42%) than SMEs (42% compared with 26% respectively), and they are less likely to have no investment planned (11% compared with 34% respectively).

The pattern of priorities is different between firms impacted by COVID-19 and those who were not impacted. Firms which were impacted are less likely to prioritise capacity expansion but more likely to have no investments planned (27% and 28% respectively) compared with firms who were not impacted by COVID-19 (43% and 17% respectively).

Spanish firms impacted by COVID-19 are more likely to have no plans for investments than firms across the EU (28% and 13% respectively). In Spain, the share of firms impacted by COVID-19 claiming to replace buildings and equipment over the next three years is well below the EU average (20% and 34% respectively).
Innovation Activities

INNOVATION ACTIVITY

Almost two in five firms (38%) developed or introduced new products, processes or services as part of their investment activities, which is close to the EU average (42%). In addition, twenty per cent of all firms claimed to have undertaken innovation that is new to the country or the world.

Manufacturing firms are the most likely to have innovated (53%), while only twenty five per cent of construction and service sector firms said they had invested in developing or introducing new products, processes or services in the last financial year.

Large firms are also more likely to have invested in developing innovative products, processes or services compared with SMEs (45% and 32% respectively).

INNOVATION PROFILE

When firms’ innovation and research and development behaviour is profiled more widely, 23% of firms in Spain are classified as ‘active innovators’, and a further 6% of firms are ‘developers’.

This breakdown is broadly in line with the EU average (comprised of 20% of firms being ‘active innovators’ plus 6% of firms being ‘developers’).

However, the “developers” group in Spain decreased since EIBIS 2019 (from 12% to 6%), while those planning no innovation and no R&D slightly increased (from 38% to 46%).
Innovation Activities

IMPLEMENTATION OF DIGITAL TECHNOLOGIES

Nearly three in four firms (74%) have implemented, either fully or partially, the digital technologies they were asked about. This proportion of firms implementing digital technologies is higher than the EU average (63%) and similar to the US (74%).

Firms in the infrastructure sector are the most likely to have implemented digital technologies, either fully or partially, within their business (82%), followed by those in manufacturing (76%).

Large firms are much more likely than SMEs to have implemented at least one digital technology (85% versus 64%).

All sectors reported a higher share of implementation of the “internet of things” concept compared to the share EU-wide. Infrastructure sector firms also report a higher take-up on platform technologies (65% compared with 52% among EU infrastructure firms).

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

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?

Base: All firms (excluding don’t know/refused responses)
Drivers And Constraints

SHORT TERM FIRM OUTLOOK

Asked about the outlook in the next 12 months, for all the aspects, more firms expect a deterioration than an improvement, a pattern also observed at the EU level. In addition, this pessimistic outlook is clearly more prevalent than in EIBIS 2019.

Firms are most pessimistic about the overall economic climate (-67%), which is now below the net balance for the EU (-56%). This is followed by the political and regulatory climate (-63%, down fifty five percentage points since EIBIS 2019 and lower than the EU average -26%) and business prospects (-41% down sixty nine percentage points and below the EU average -25%).

Firms across all sectors and firm sizes are consistently more negative than positive about the political and regulatory climate, the economic climate, business prospects and internal finance.

For their external finance expectations only, and in some cases, such as construction, infrastructure sector firms and SMEs, firms are marginally more optimistic, on balance.
Drivers And Constraints

LONG TERM BARRIERS TO INVESTMENT
Overall, there has been an increase, since EIBIS 2019, in the share of firms in Spain that consider all nine areas to be long term barriers to investment. The share of firms is higher than the EU average on all measures except the availability of staff with the right skills.

The top three long term barriers to investment in Spain are uncertainty about the future (97%), business regulations (85%) and labour market regulations (80%). Firms in the services sector are the least likely to cite availability of skilled staff as long term barrier (65%).

Demand for products/services, Availability of skilled staff, Energy costs, Access to digital infrastructure, Labour market regulations, Business regulations, Adequate transport infrastructure, Availability of finance, Uncertainty about the future

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

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

LONG TERM BARRIERS BY SECTOR AND SIZE

<table>
<thead>
<tr>
<th>Sector</th>
<th>Demand for products/services</th>
<th>Availability of skilled staff</th>
<th>Energy costs</th>
<th>Digital infrastructure</th>
<th>Labour market regulations</th>
<th>Business regulations</th>
<th>Transport infrastructure</th>
<th>Availability of finance</th>
<th>Uncertainty about the future</th>
</tr>
</thead>
<tbody>
<tr>
<td>SME</td>
<td>80</td>
<td>77</td>
<td>79</td>
<td>67</td>
<td>81</td>
<td>87</td>
<td>56</td>
<td>73</td>
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<tr>
<td>Large</td>
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<td>83</td>
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<td>Infrastructure</td>
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<td>75</td>
<td>82</td>
<td>63</td>
<td>66</td>
<td>98</td>
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<tr>
<td>Manufacturing</td>
<td>81</td>
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<td>79</td>
<td>69</td>
<td>78</td>
<td>85</td>
<td>64</td>
<td>72</td>
<td>96</td>
</tr>
</tbody>
</table>

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

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

SOURCE OF INVESTMENT FINANCE

More than half of investment activities of firms in Spain was financed by internal sources (55%) in 2019, lower than the EU average (62%).

Conversely, external finance made up more than two fifths (43%) of the share of investment finance, which is above the EU average of 35%.

Firms in the infrastructure sector reported a lower share of internal finance than other sectors (46% compared with a range of 59% to 61% for other sectors).

SMEs reported a higher share of internal finance than large firms (60% and 50% respectively).

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)

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)

TYPE OF EXTERNAL FINANCE USED FOR INVESTMENT ACTIVITIES

Bank loans continued to make up the highest share of external finance (68%), but this share has declined since EIBIS 2019 (76%).

Firms in Spain attributed a much lower share of external finance to leasing and higher purchases than across the EU as a whole (9% versus 21% EU-wide).

Leasing and higher purchases represented a higher share of external finance among construction and infrastructure sector firms compared to other sectors (19% and 13% compared with other sectors ranging from 4% to 7%).

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

*Loans from family, friends or business partners

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

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

Sixteen per cent of all firms in Spain say they did not apply for external finance in the past financial year because they are happy to use internal sources or do not need this financing. This is in line with EIBIS 2019 (15%) and the average for the EU (17%). Manufacturing firms were more likely to be happy to rely exclusively on internal financing (23%) compared with other sectors (ranging from 13% to 15%).

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

Nearly eight in ten (76%) of firms report generating a profit in the last financial year, in line with EIBIS 2019 and the EU average (79% and 80% respectively). Large firms are more likely to report making a profit than SMEs (71% and 83% respectively). The share of profitable firms is homogeneous across sectors.

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 financing in 2019 are on balance satisfied with the amount, cost, maturity, collateral and the type of financing received. The highest proportion of dissatisfaction in Spain is with the maturity of the received financing (6%) followed by the cost and collateral requirements (both at 5%).

Levels of dissatisfaction are close to the EU averages, and are similar with the levels reported in EIBIS 2019.

Share of dissatisfied firms

DISSATISFACTION BY SECTOR AND SIZE (%)

Overall dissatisfaction levels are low. Firms in the construction sector report higher levels of dissatisfaction with the cost of external financing they received (16%) and the collateral asked (11%).

Q. How satisfied or dissatisfied are you with …?

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

SHARE OF FINANCE CONSTRAINED FIRMS

Six per cent of all firms in Spain could be considered as financially constrained in 2019, which is marginally above the share reported in EIBIS 2019 (5%) and EU average (6%).

The share of financed constrained firms is highest among construction firms (9%) and lowest among the manufacturing sector firms (3%).

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 CONSTRAINTS OVER TIME

There has been some little variation in the proportion of financially constrained firms in Spain over the past five years, with shares evolving between 5.4 and 6.3%.

While still contained, the evolution was somewhat more pronounced at the EU level, with share of financed constrained firms evolving between 5.0% and 6.8%.
Energy Efficiency

SHARE OF FIRMS INVESTING IN MEASURES TO IMPROVE ENERGY EFFICIENCY

About half of all firms in Spain (51%) have invested in measures to improve their energy efficiency, in line with EIBIS 2019 (46%) and the EU average (47%).

Construction firms have the lowest share of firms investing in measures to improve energy efficiency. Large firms are more likely to have invested in these measures than SMEs (64% and 39% respectively).

The average share of investment in measures to improve energy efficiency by firms in Spain (13%) was similar to the reported share of firms in EIBIS 2019 and to the average for the EU (both at 12%).

Firms operating in infrastructure reported the highest share of investment (20%) compared with firms in other sectors (ranging from 8% to 10%).

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

Around a half of firms in Spain have had an energy audit in the past four years (54%) or have set internal targets on carbon and energy (46%). A quarter of all firms also have a designated person to develop their climate change strategies (25%). This is in line with the EU averages.

Firms in the construction sector (25%) and SMEs (35%) are the least likely to have had an energy audit. Manufacturing (53%), infrastructure (59%) and large firms (62%) are the most likely to have internal targets on carbon and energy.

Base: All firms
Climate Change

CLIMATE CHANGE IMPACT

More than three quarters (77%) of firms in Spain reported that their business has been affected by climate change and the related change in weather patterns. This includes around a half (48%) who report a major impact on their business. This is much higher than the EU average (58% and 23% respectively).

Firms in the construction sector are less likely to have been impacted in a major way than firms in other sectors (38% compared with between 45% and 53%).

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 %)

All firms in Spain are expecting the transition to a low-carbon future to be positive rather than negative for their reputation (31%) and for market demand (13%) over the next five years, with services sector firms and SMEs being the least positive.

Service sector firms (net -9%) and SMEs (net -3%) are also expecting a negative impact on their supply chain, while other sectors and large firms believe the impact will be positive rather than 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?

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

Please note: 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

Three out of five firms in Spain (60%) 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 below the EU average (67%).

Firms in the construction sector are less likely to have invested or plan to invest than firms in the other sectors (39%, compared to a range of 56% to 71% for other sectors).

SMEs are more likely than large firms to have no investment planned (56% and 24% respectively).

The most frequently cited barrier to investing in activities to tackle climate change is the uncertainty about regulatory environment and taxation (81%) followed by the cost (78%) and uncertainty about climate change impacts (75%).

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

<table>
<thead>
<tr>
<th>Sector</th>
<th>Cost of investment activities</th>
<th>Availability of finance</th>
<th>Uncertainty about climate change impacts</th>
<th>Uncertainty about regulatory environment and taxation</th>
<th>Uncertainty about new technologies to help tackle the impact</th>
<th>Availability of staff with the right skills to identify and implement investments related to climate change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>82</td>
<td>71</td>
<td>76</td>
<td>81</td>
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</tbody>
</table>

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

In Spain, large firms account for the greatest share of value-added (46%), slightly less than the EU average of 48%.

Conversely, micro and small enterprises account for a slightly larger share of value added, 32% in Spain, compared to 30% in the EU.

By sector, manufacturing, services and infrastructure firms make similar contributions to value added (31%, 31% and 30% respectively). The construction sector contributes 8%.

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

In Spain, seven in ten firms use a strategic business monitoring system, higher than the EU average (70% and 55% respectively). This is more common among large firms (84%, compared with 58% of SMEs).

Just over half of all firms report linking individual performance to pay, which is below the EU average (57% and 70% respectively).

Three out of five firms claim to be owned or controlled by their CEO or a member of the CEO’s family, broadly in line with the EU average (61% and 57% respectively). SMEs are more likely to be owner managed than large firms (76% and 45% respectively).

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

<table>
<thead>
<tr>
<th></th>
<th>EU vs ES</th>
<th>Manuf vs Constr</th>
<th>SME vs Large</th>
</tr>
</thead>
<tbody>
<tr>
<td>10% or 90%</td>
<td>1.1% 3.5% 2.5%</td>
<td>4.4% 4.8% 4.7%</td>
<td>2.4% 4.6% 2.7%</td>
</tr>
<tr>
<td>30% or 70%</td>
<td>1.7% 5.3% 3.8%</td>
<td>6.7% 7.3% 7.3%</td>
<td>3.7% 7.0% 4.2%</td>
</tr>
<tr>
<td>50%</td>
<td>1.9% 5.8% 4.2%</td>
<td>7.3% 7.9% 7.9%</td>
<td>8.0% 4.0% 7.7%</td>
</tr>
</tbody>
</table>

GLOSSARY

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
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</thead>
<tbody>
<tr>
<td>Investment</td>
<td>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.</td>
</tr>
<tr>
<td>Investment cycle</td>
<td>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.</td>
</tr>
<tr>
<td>Manufacturing sector</td>
<td>Based on the NACE classification of economic activities, firms in group C (manufacturing).</td>
</tr>
<tr>
<td>Construction sector</td>
<td>Based on the NACE classification of economic activities, firms in group F (construction).</td>
</tr>
<tr>
<td>Services sector</td>
<td>Based on the NACE classification of economic activities, firms in group G (wholesale and retail trade) and group I (accommodation and food services activities).</td>
</tr>
<tr>
<td>Infrastructure sector</td>
<td>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).</td>
</tr>
<tr>
<td>SME</td>
<td>Firms with between 5 and 249 employees.</td>
</tr>
<tr>
<td>Large firms</td>
<td>Firms with at least 250 employees.</td>
</tr>
<tr>
<td>EIBIS 2019</td>
<td>The previous wave of the EIB Investment Survey, with interviews carried out between April-July 2019.</td>
</tr>
<tr>
<td>EIBIS 2020</td>
<td>The current wave of the EIB Investment Survey, with interviews carried out between May-August 2020.</td>
</tr>
</tbody>
</table>

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.
The country overview presents selected findings based on telephone interviews with 600 firms in Spain (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*)

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>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</td>
<td>11971/12071</td>
<td>800/803</td>
<td>600/601</td>
<td>170</td>
<td>138</td>
<td>147</td>
<td>142</td>
<td>478</td>
<td>122</td>
</tr>
<tr>
<td>All firms excluding don’t know/refused responses, p. 2</td>
<td>11634/11417</td>
<td>748/711</td>
<td>573/562</td>
<td>162</td>
<td>131</td>
<td>141</td>
<td>136</td>
<td>458</td>
<td>115</td>
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<tr>
<td>All firms with investment plans for the current financial year (excluding don’t know/refused responses), p. 3 (bottom), p. 4 (top)</td>
<td>9605/NA</td>
<td>643/NA</td>
<td>458/NA</td>
<td>134</td>
<td>100</td>
<td>108</td>
<td>113</td>
<td>347</td>
<td>111</td>
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<tr>
<td>All firms who have invested in the last financial year (excluding don’t know/refused responses), p. 5 (top)</td>
<td>10138/9716</td>
<td>682/624</td>
<td>485/423</td>
<td>146</td>
<td>106</td>
<td>116</td>
<td>114</td>
<td>378</td>
<td>107</td>
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<tr>
<td>All firms who have invested in the last financial year (excluding don’t know/refused responses), p. 5 (bottom)</td>
<td>9874/9506</td>
<td>683/620</td>
<td>384/330</td>
<td>113</td>
<td>86</td>
<td>90</td>
<td>92</td>
<td>306</td>
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<td>All firms excluding ‘Company didn’t exist three years ago’ responses, p. 6</td>
<td>11949/12042</td>
<td>799/802</td>
<td>599/600</td>
<td>169</td>
<td>138</td>
<td>147</td>
<td>142</td>
<td>477</td>
<td>122</td>
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<tr>
<td>All firms excluding don’t know/refused responses, p. 7 (top)</td>
<td>11727/11757</td>
<td>787/775</td>
<td>590/582</td>
<td>169</td>
<td>138</td>
<td>141</td>
<td>139</td>
<td>470</td>
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<tr>
<td>All firms excluding don’t know/refused responses, p. 7 (bottom)</td>
<td>11608/0</td>
<td>780/0</td>
<td>589/0</td>
<td>169</td>
<td>137</td>
<td>141</td>
<td>139</td>
<td>469</td>
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<tr>
<td>All firms excluding don’t know/refused responses, p. 8 (top)</td>
<td>11720/11770</td>
<td>769/772</td>
<td>598/580</td>
<td>169</td>
<td>137</td>
<td>147</td>
<td>142</td>
<td>476</td>
<td>122</td>
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<tr>
<td>All firms excluding don’t know/refused responses, p. 8 (bottom)</td>
<td>9039/8380</td>
<td>600/516</td>
<td>359/343</td>
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<td>86</td>
<td>283</td>
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<td>All firms excluding don’t know/refused responses, p. 9</td>
<td>11938/11937</td>
<td>799/800</td>
<td>600/571</td>
<td>170</td>
<td>136</td>
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<td>142</td>
<td>478</td>
<td>122</td>
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<td>All firms who have invested in the last financial year (excluding don’t know/refused responses), p. 12</td>
<td>9255/9008</td>
<td>648/587</td>
<td>470/444</td>
<td>140</td>
<td>102</td>
<td>114</td>
<td>112</td>
<td>377</td>
<td>93</td>
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<tr>
<td>All firms who used external finance in the last financial year (excluding don’t know/ refused responses), p. 12</td>
<td>4354/4369</td>
<td>314/252</td>
<td>280/283</td>
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<td>47</td>
<td>63</td>
<td>77</td>
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<td>66</td>
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<td>All firms excluding don’t know/refused responses, p. 13</td>
<td>10711/10490</td>
<td>637/605</td>
<td>556/552</td>
<td>160</td>
<td>127</td>
<td>135</td>
<td>131</td>
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<tr>
<td>All firms who used external finance in the last financial year (excluding don’t know/ refused responses), p. 14*</td>
<td>4310/4292</td>
<td>314/245</td>
<td>287/282</td>
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<td>49</td>
<td>64</td>
<td>79</td>
<td>218</td>
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<td>All firms excluding don’t know/refused responses, p. 18</td>
<td>11898/NA</td>
<td>794/NA</td>
<td>594/NA</td>
<td>170</td>
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<td>141</td>
<td>472</td>
<td>122</td>
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<tr>
<td>All firms excluding don’t know/refused responses, p. 19</td>
<td>11739/NA</td>
<td>772/NA</td>
<td>585/NA</td>
<td>168</td>
<td>132</td>
<td>143</td>
<td>139</td>
<td>466</td>
<td>119</td>
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<tr>
<td>All firms excluding don’t know/refused responses, p. 20*</td>
<td>11740/11627</td>
<td>777/762</td>
<td>587/569</td>
<td>166</td>
<td>135</td>
<td>142</td>
<td>139</td>
<td>467</td>
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