European Investment Bank

USA

Overview

EIB INVESTMENT SURVEY

2022

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European
Investment Bank

EIB Investment Survey Country Overview 2022: USA

About the EIB Investment Survey (EIBIS)
The EIB Group Survey on Investment, which has been administered since 2016, is a unique, annual survey of some 13 000 firms. It covers firms in all European Union Member States and also includes a sample of firms in 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, such as climate change and digital transformation. The EIBIS, which uses a stratified sampling methodology, is representative across all 27 EU Members States 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
These reports provide an overview of data collected for the 27 EU Member States and the United States. They are intended to provide a snapshot of the data. For the purpose of these publications, data are weighted by value-added to better reflect the contribution of different firms to economic output. Contact: eibis@eib.org.

Download the findings of the EIB Investment Survey for each EU country or explore the data portal at www.eib.org/eibis.

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

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EIBIS 2022 – THE USA Overview

KEY RESULTS

Investment Dynamics and Focus
EIBIS 2022 shows that on average, at the time of interviews (April-July 2022), US firms were exiting from COVID-19 in a relatively good shape but, on balance, had a deteriorating outlook. The investment picture is generally positive with the proportion of firms investing (79%) matching pre-pandemic levels (85%) and in line with the latest EU average (81%). In net balance terms, the share of firms expecting to increase rather than decrease investment is above pre-COVID-19 levels (29% versus 10%).

Investment Needs and Priorities
There are no signs of a major investment shortfall in the USA. The large majority (81%) believe they invested the right amount over the past three years. While one in five (15%) say they invested too little, this is similar to EIBIS 2021 (21%) and the current EU average (14%). Capacity expansion is the most commonly cited investment priority for the next three years among firms in the USA (41%).

Covid-19 Impact
About half (47%) of firms in the USA were negatively impacted by COVID-19 in terms of sales. Nevertheless, in spite of the pandemic period sales' loss, 43% of firms expected sales to return to at least their 2019 levels. On the other hand, nearly 40% of firms in the USA saw increased sales or turnover in 2020-2021. While at the time, over 70% of firms in the USA expected their 2022 sales to exceed those achieved in 2019, more than the EU average 57%.

About two thirds (67%) of firms in the USA received some form of financial support as a response to COVID-19, and 4% are still receiving it.

Firms' Transformation, Innovation and Digitalisation
Most firms in the USA (78%) say they have taken at least one action in response to COVID-19, much higher than the EU average (63%). The action most often taken is to become more digital (67%), higher than in the EU (53%).

Seven in ten (71%) USA firms are using at least one advanced digital technology, similar to the EU average (69%). While 53% of firms developed or introduced new products, processes or services as part of their investment activities. This is higher than both EIBIS 2021 (44%) and the current EU average (34%).

International Trade
Similar to the EU average (87%), over nine in ten firms in the USA are facing disruptions associated with international trade (92%), rising to 98% of its traders. Nearly three-quarters (74%) of firms in the USA are impacted by either COVID-19, the Russia-Ukraine conflict or both. Two thirds (66%) of firms in the USA, who are facing trade disruption, are taking action to mitigate the impact of international trade disruptions. This is higher than the EU average (57%). Overall, firms in the USA are more inclined to focus on domestic suppliers or markets rather than increasing or diversifying trading partners, than (53% versus 41%).

Drivers and Constraints
Reflecting sentiment across the EU and compared to EIBIS 2021, US firms are generally less optimistic about the investment conditions for the year ahead. Economic climate expectations have turned very negative in net terms (declining from +49% to -31%). The most commonly cited long-term barrier to investment in the US is availability of skilled staff (86%). Energy costs are a much larger barrier than in EIBIS 2021 (85% versus 70%).

EIBIS 2022 – THE USA Overview

Investment Finance
The share of financially constrained firms in the USA (4.5%) is similar to the EU average (6.2%) and EIBIS 2021 (4.6%).

Climate Change and Energy Efficiency
The proportion of firms in the USA saying their firm is being impacted by climate change events (59%) is similar to EIBIS 2021 (63%) and the EU average (57%). Around two in five firms in the USA have already invested in tackling the impacts of weather events and reducing carbon emissions; and are planning on investing in the next three years (43% and 41% respectively), fewer than in the EU. While around 36% firms in the USA invested in measures to improve energy efficiency in 2021, similar to the EU average of 40%.

Overall, firms in the USA tend to regard the transition to stricter climate standards and regulations as a risk (32%) rather than as an opportunity (21%). Although the share of firms viewing the transition as a risk has declined since EIBIS 2021 (declining from 44% to 32%).

Fewer firms in the USA are taking actions to reduce Greenhouse Gas (GHG) Emissions than in the EU (75% versus 88% EU). While just 12% of firms in the USA set and monitor targets for their own Greenhouse Gas emissions. This is much lower than the EU average (41%).

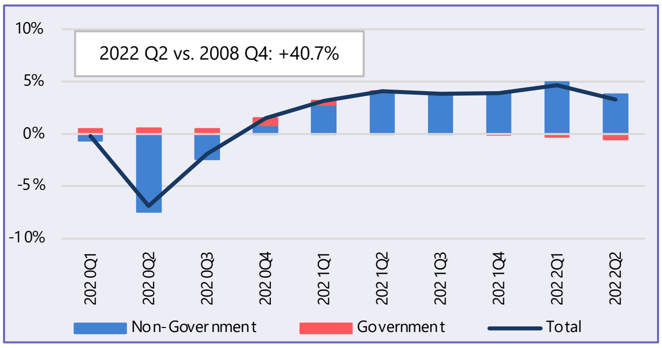
Firm Management, Gender Balance and Employment

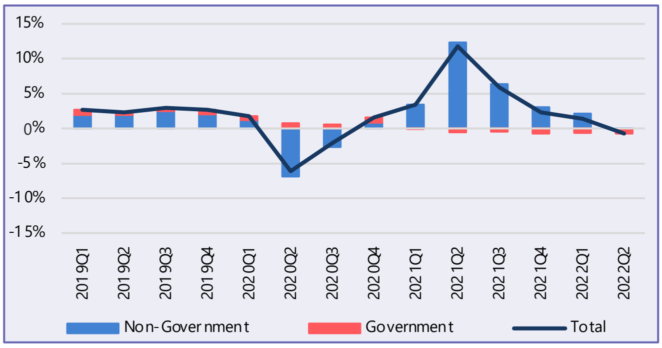
Around 44% of firms in the USA use a strategic monitoring system. This is lower than the EU average (51%). While the proportion of firms in the USA striving for gender balance within their business (62%) is similar to the EU average (58%).

Investment dynamics and focus

INVESTMENT DYNAMICS BY INSTITUTIONAL SECTOR

- During the first year of the pandemic, aggregate investment fell abruptly in Q2 2020, at which it reached its trough of -6.9% relative to Q4 2019. This drop was driven by the strong contraction in non-government investment.
- Aggregate investment increased quarter-on-quarter between Q3 2020 and Q2 2021, mainly on the back of a recovery in non-government investment. However, this upward trajectory came to a halt in the second half of 2021, during which total investment stabilized at a level of around +4% relative to Q4 2019. This was a result of a deacceleration in non-government investment growth and decline in government investment.
- In spite of the slight uptick in Q1 2022, aggregate investment fell in Q2 2022 to a level of +3.3% relative to Q4 2019. This decline was driven by the lower positive contribution from non-government investment together with the slightly more negative contribution from government investment to the overall level.

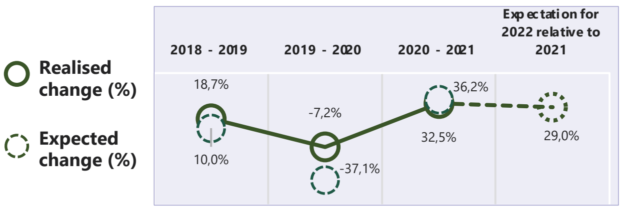


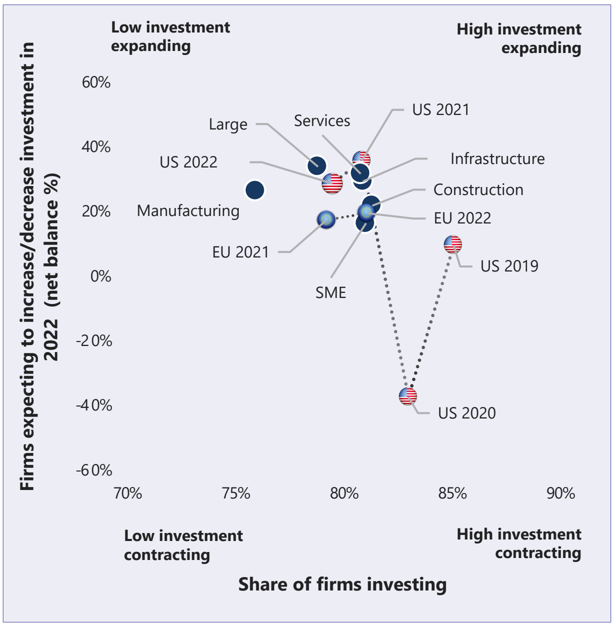


The LHS chart shows the evolution of total gross fixed capital formation (GFCF) by institutional sector, in real terms, seasonally and calendar adjusted (US$, millions, 2012). The level of total real GFCF in Q4 2019 is normalised to 0. The RHS chart shows the y-o-y % change in total real GFCF by institutional sector, using the same source data.
Source: Bureau of Economic Analysis (BEA), authors' own calculations.

INVESTMENT CYCLE AND EVOLUTION OF INVESTMENT EXPECTATIONS

- Firms operating in the USA hold, on balance, a positive outlook towards their future investment. The net balance of firms expecting to increase rather than decrease investment is 29%. This maintains the positive outlook seen in EIBIS 2021.
- The USA has a higher share of firms expecting to increase their investment in 2022 than across the EU (net balance of 29% versus 20%).
- The investment outlook in 2022 is more positive for large and service sector firms.





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

Base for expected and realised change: All firms

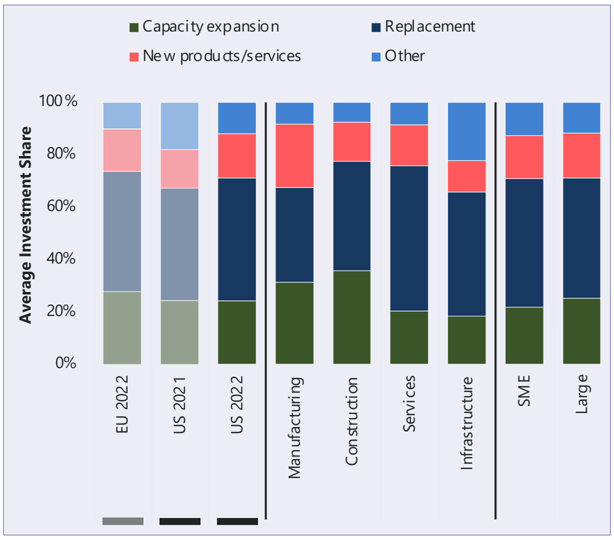
Share of firms investing shows the percentage of firms with investment per employee greater than EUR 500.

Base for share of firms investing: All firms (excluding don't know/refused responses)

Investment dynamics and focus

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

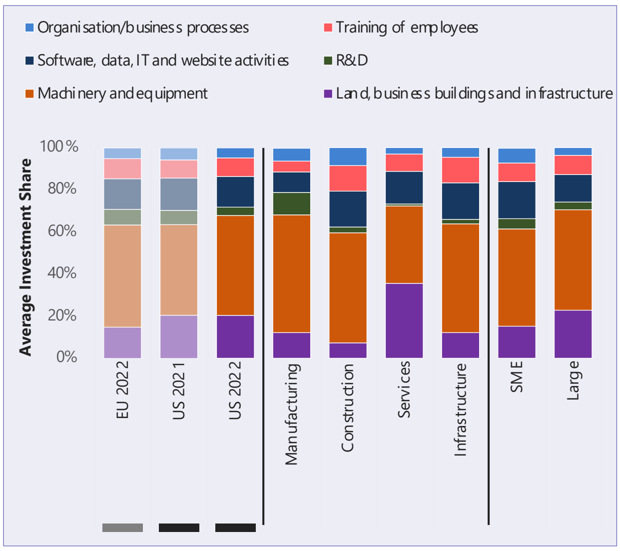
- On average, firms in the USA spent 47% of their investment on replacement in 2022, similar to what was reported in EIBIS 2021 (43%) and in line with the current EU average (46%).
- Investment in capacity expansion also accounted for a large proportion of total investment (24%), in line with the EU average (28%).
- The highest shares of investment in capacity expansion was among manufacturing and construction firms (31% and 36%).
- Manufacturing firms also had the highest spend on new products and services (24%).



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



- Investment in intangible assets (R&D, software, training and business processes) by firms in the USA accounted for 32% and remained stable compared to EIBIS 2021. This was in line with the EU average (37%).
- Investment activities varied depending on the business sector. Construction firms invested the highest share in intangible assets (40%) and firms in the services sector the lowest (27%).
- SMEs invested a larger share of their investment expenditures than large firms in intangible assets (38% versus 29%).

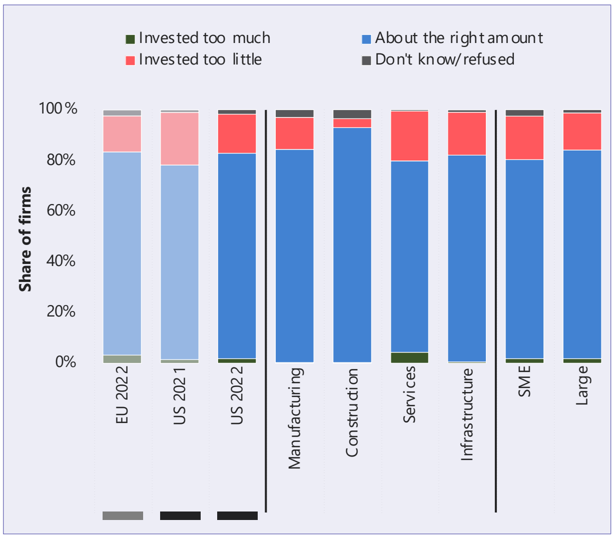
Q. In the last financial year, how much did your business invest in each of the following with the intention of maintaining or increasing your company's future earnings?

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

Investment needs and priorities

PERCEIVED INVESTMENT GAP

- Firms do not perceive major gaps in terms of investment. Despite difficult circumstances, 81% of firms in the USA believe that their investment activities over the last three years were about the right amount, similar to the share reported in EIBIS 2021.
- 15% of firms in the USA report that they invested too little, while 2% report too much investment, both figures in line with EIBIS 2021.
- Firms in the USA are similar to the EU average in their perceptions of the investment gap.

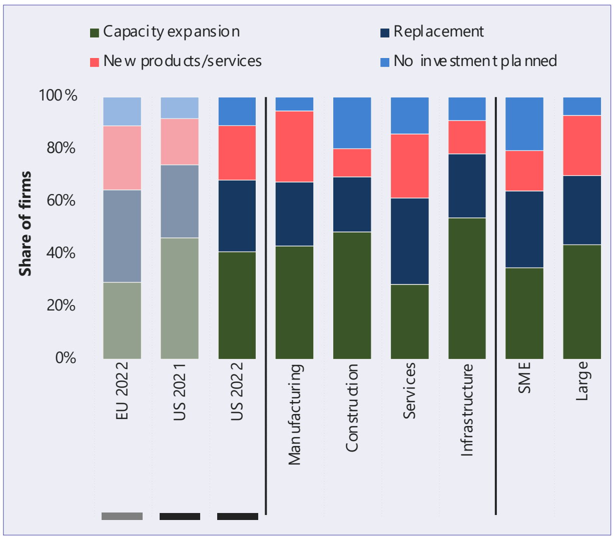


Q. Looking back at your investment over the last 3 years, was it too much, too little, or about the right amount?

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

FUTURE INVESTMENT PRIORITIES

- In line with EIBIS 2021, capacity expansion is the most commonly cited investment priority for the next three years among firms in the USA (41%). This is followed by replacement (27%) and developing or introducing new products/services (21%).
- Almost 11% have no investment planned for the next three years and this increases to around 20% among construction firms and SMEs.
- Fewer services firms cite capacity expansion as a priority (29%).
- Compared to the EU, firms in the USA are more likely to be focusing on capacity expansion (41% versus 29%).

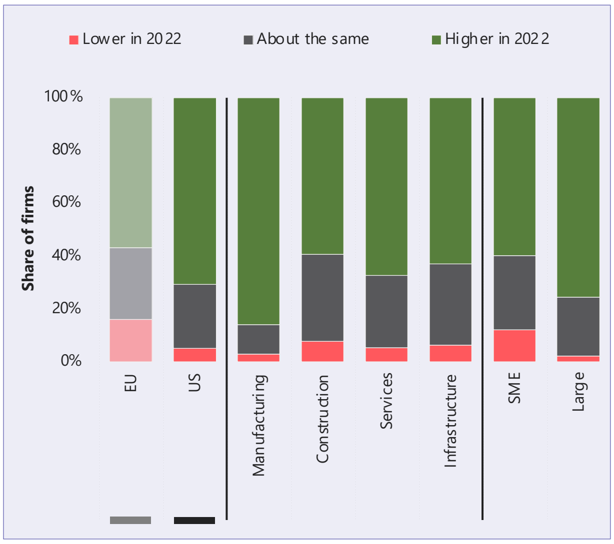


Q. Looking ahead to the next three years, which is your investment priority (a) replacing capacity (including existing buildings, machinery, equipment, IT) (b) expanding capacity for existing products/services (c) developing or introducing new products, processes, services?

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

Impact of COVID-19

IMPACT OF COVID-19 ON SALES OR TURNOVER BY END OF 2022 COMPARED TO 2019

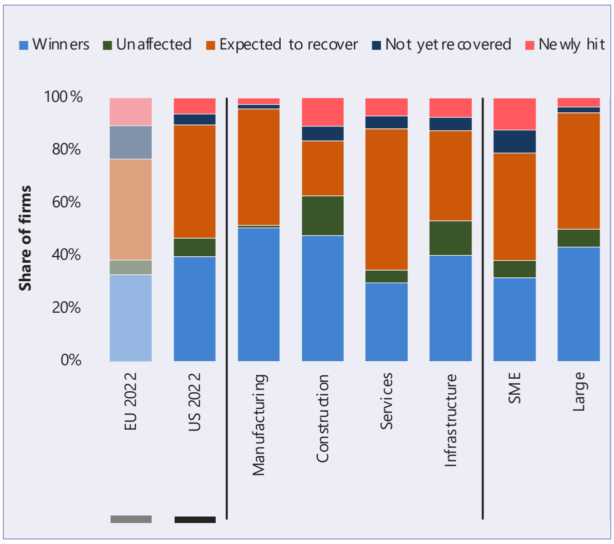


Q. Compared to 2019, do you expect your sales or turnover in 2022 to be higher, lower or about the same?

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

- At the time of interview, just over 70% of firms in the USA expected their 2022 sales to be above those achieved in 2019 (71%). Relatively few (5%) expected sales to be lower. This is a more optimistic outlook than the EU average (57% and 16% respectively).
- In each sector, at least 59% of firms expected sales to exceed those of 2019. Among manufacturers the figure reaches 86%.
- Large firms had even greater expectations than SMEs that sales in 2022 would be higher than pre COVID-19 levels (75% versus 60%). SMEs were more likely than large firms to expect sales and turnover in 2022 to be lower compared to 2019 (12% versus 2%).

IMPACT ON FIRMS' SALES OR TURNOVER AND EXPECTED RECOVERY



Q. Compared to 2019, before the pandemic started, did your companies sales and turnover in 2020 decline, increase or stay the same?
Q. Compared to 2020, did your companies sales and turnover in 2021 decline, increase or stay the same?
Q. Compared to 2019, do you expect your sales or turnover in 2022 to be higher, lower or about the same?

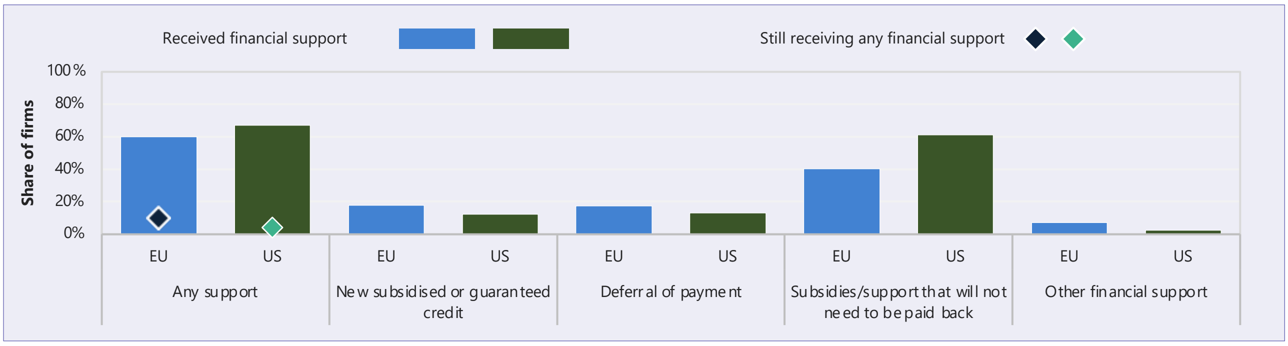
Base: All firms (excluding don't know/refused responses)

- About half of firms in the USA (47%) had their sales' level negatively impacted by COVID-19 in 2020 and/or 2021. Nevertheless, 43% of firms expected 2022 sales to return to at least their 2019 levels, following their pandemic period decline.
- Nearly 40% of firms in the USA are COVID-19 'winners' i.e. they saw increased sales or turnover in 2020-2021 and expected higher sales or turnover in 2022 compared to 2019. This is slightly higher than the EU average (33%). Firms in the services sector (30%) have the lowest share of firms who are COVID-19 'winners'.
- About 6% are 'newly hit'. These are firms who, in spite of not having experienced a loss of sales during the pandemic period, were expecting their 2022 sales or turnover level to be lower than in 2019. The share of 'newly' hit firms almost doubles for construction firms (11%) and SMEs (12%).
- 7% of firms say sales are unaffected by COVID-19, and this is highest among construction (15%) and infrastructure (13%) firms.

Impact of COVID-19

FINANCIAL SUPPORT RECEIVED IN RESPONSE TO COVID-19

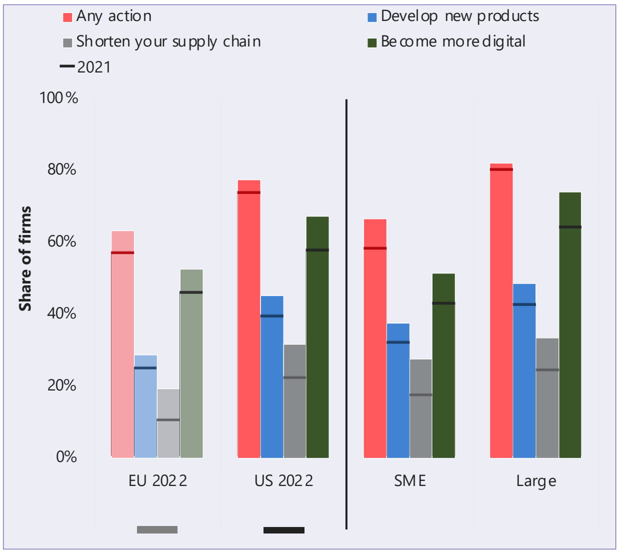
- About two thirds (67%) of firms in the USA received some form of financial support as a response to COVID-19, and 4% are still receiving it.
- The main type of support received was subsidies/support that will not need to be paid back (61%). This type of support was received by a higher share of firms in the USA than in Europe (61% versus 40%).
- Firms in the USA were slightly less likely than firms in the EU to have received any of the other types of support.



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

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

ACTIONS AS A RESULT OF COVID-19



- More than three quarters (78%) of firms in the USA say they have taken at least one action in response to COVID-19. The figure is similar to EIBIS 2021 (74%) but remains much higher than the EU average (63%).
- As reported by 67% of firms in the USA, the most often cited area of action or investment is to become more digital by taking steps such as moving to online service provision. This is slightly higher than in EIBIS 2021 (58%) and much higher the EU average (53%).
- Large firms are more likely than SMEs to have taken action of some kind (82% versus 67%). In particular they have responded by becoming a more digital business (74% versus 52%).

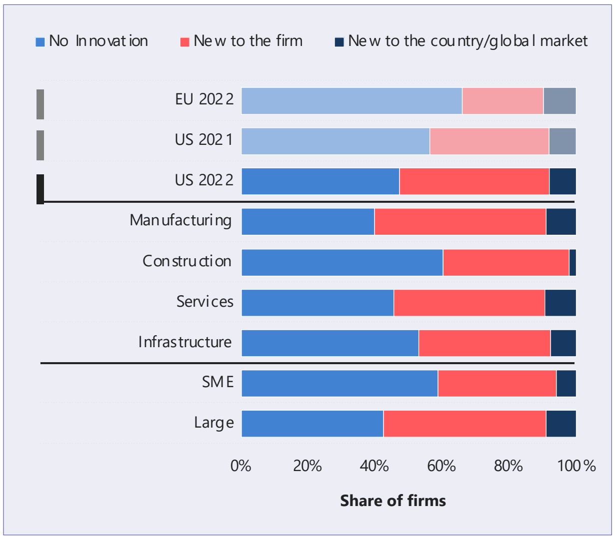
Q. As a response to the COVID-19 pandemic, have you taken any actions or made investments to...?

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

Innovation activities

INNOVATION ACTIVITY

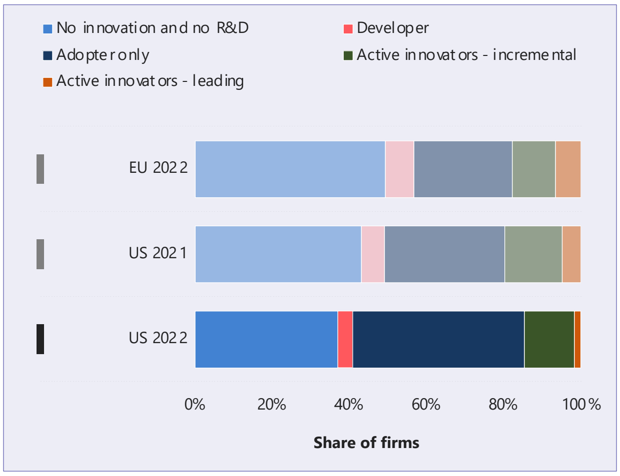
- More than a half (53%) of firms in the USA developed or introduced new products, processes or services as part of their investment activities. This is higher than both EIBIS 2021 (44%) and the current EU average (34%).
- The share of firms who developed or introduced new products, processes or services as part of their investment activities varied by sector. 60% of manufacturing firms innovated compared with 40% of construction firms.
- Large firms in the USA (57%) are more likely than its SMEs (41%) to have made innovations that are new to either the country or global market.



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



- Almost 15% of firms in the USA can be classified as active innovators — firms that invested significantly in research and development and introduced a new product, process or service. This is similar to EIBIS 2021 (20%) and the EU average (18%).
- The proportion of firms in the USA that did not innovate or invest in R&D in the last financial year (37%) is similar to EIBIS 2021 (43%) but is much lower than across the EU (49%).

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?

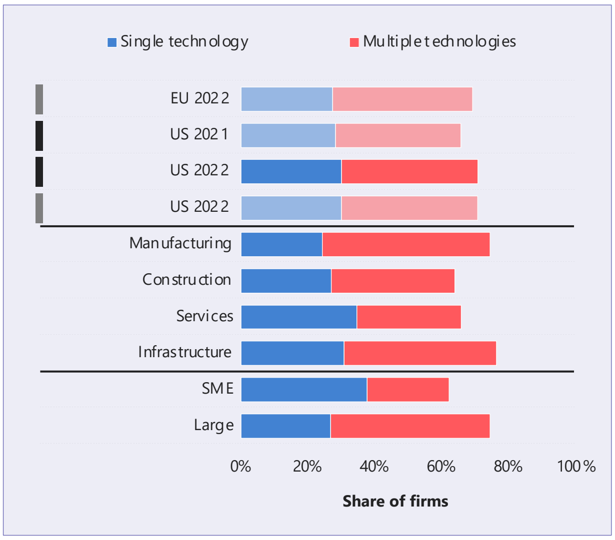
Base: All firms (excluding don't know/refused responses)

The 'No innovation 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

USE OF ADVANCED DIGITAL TECHNOLOGIES

- Seven in ten (71%) firms in the USA are using at least one advanced digital technology, similar to the EU average (69%).
- Around two thirds or more, of firms in each sector, are using at least one advanced digital technology (ranging from 64% of construction firms to 76% of infrastructure firms).
- Large firms are more likely than SMEs to utilise digital technologies (74% versus 62%) with almost a half of large firms utilising multiple technologies (48% versus 24% SMEs).
- Firms in the USA are more likely than EU firms to be adopting: the internet of things (53% versus 41% EU) and drones (36% versus 23%).



EIBIS 2022
Q. To what extent, if at all, are each of the following digital technologies used within your business? Please say if you do not use the technology within your business?

EIBIS 2021
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?

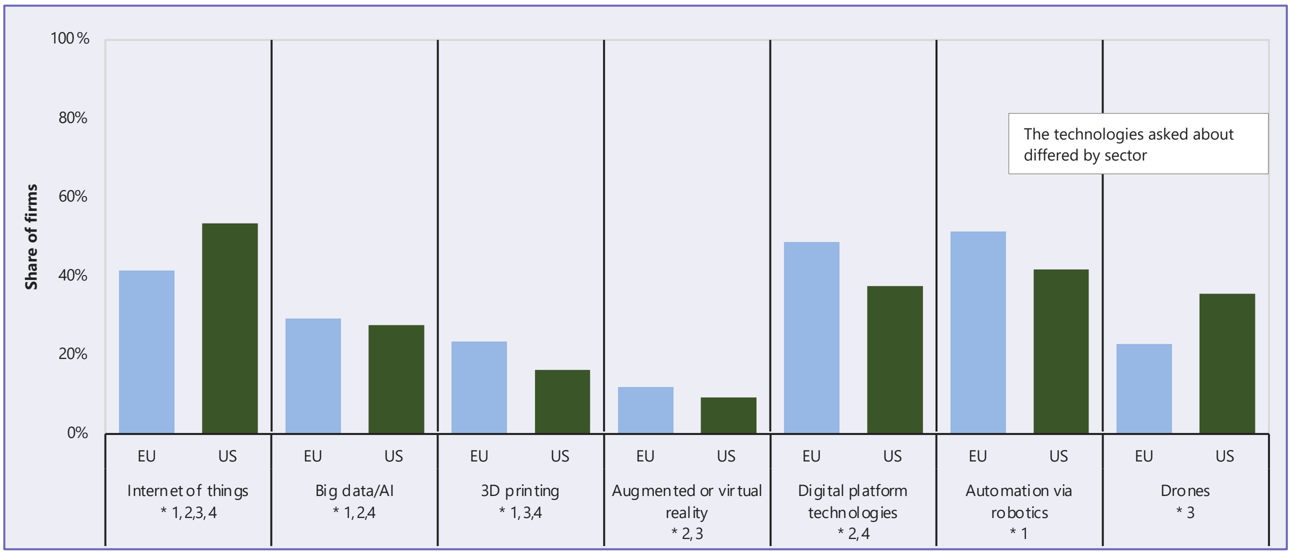
Base: All firms (excluding don't know/refused responses)

Please note: question wording and definitions changed between 2021 and 2022, comparisons between the two waves should not be made.

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

Single technology is where firms have used one of the technologies asked about. Multiple technologies is where firms have used more than one of the technologies asked about

ADVANCED DIGITAL TECHNOLOGIES



*** Sector: 1 = Asked of Manufacturing firms, 2 = Asked of Services firms, 3 = Asked of Construction firms, 4 = Asked of infrastructure firms**

Q. To what extent, if at all, are each of the following digital technologies used within your business? Please say if you do not use the technology within your business?

Base: All firms (excluding don't know/refused responses);
Sample size US: Manufacturing (194); Construction (186); Services (220); Infrastructure (190).

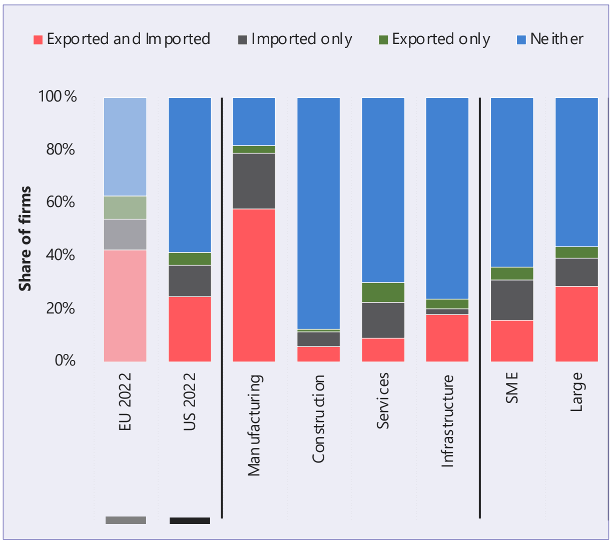
Reported shares combine used the technology 'in parts of business' and 'entire business organised around it'

Please note: question wording changed between 2021 and 2022, comparisons between the two waves should not be made.

International trade

ENGAGEMENT IN INTERNATIONAL TRADE

- Two in five firms in the USA are engaged in international trade, much fewer than in the EU (41% versus 63%).
- Levels of engagement in international trade varied by sector with the vast majority (82%) of manufacturing firms trading outside their home market compared with just 12% of construction firms.
- Overall, a quarter (25%) of firms in the USA both exported and imported goods and this rose to 58% among manufacturing firms.

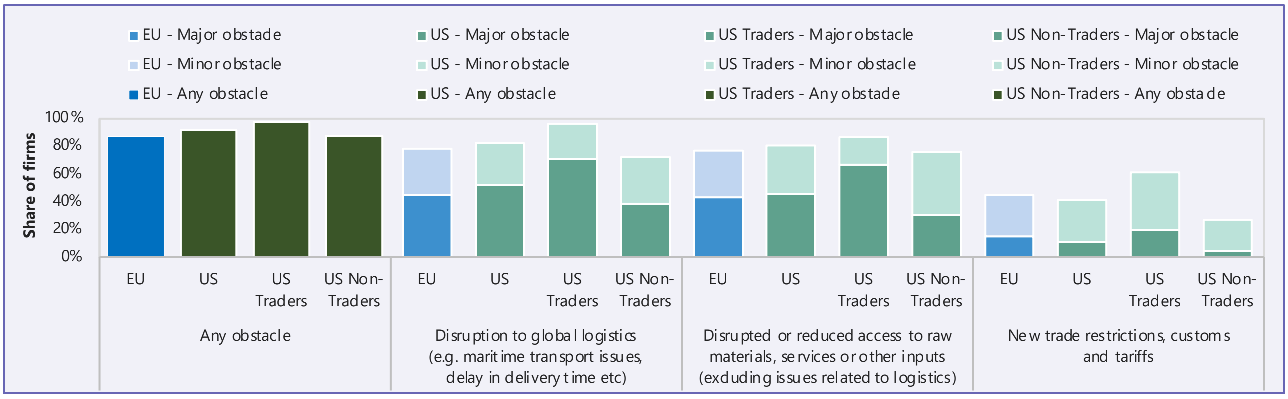


Q. In 2021, did your company export or import goods and/or services?

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

DISRUPTIONS RELATED TO INTERNATIONAL TRADE

- Similar to the EU average (87%), over nine in ten firms in the USA are facing disruptions associated with international trade (92%). Such disruption impacted almost all traders in the USA (98%).
- Disruption to global logistics (82%) and disrupted or reduced access to raw materials, services or other inputs (80%) are the main trade-related obstacles for firms in the USA.
- Two in five (41%) firms in the USA are facing disruptions from new trade restrictions, customs and tariffs and this is higher amongst traders (61%).
- Traders are more likely to be facing all of these obstacles than non-traders.



Q. Since 2021, did any of the following present an obstacle to your business's activities?

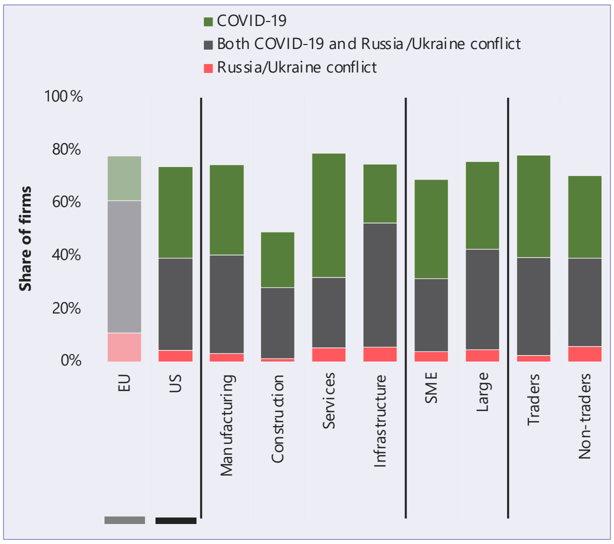
Any obstacle combines 'minor' and 'major' obstacles into one category

Base: "Any obstacle" - All firms (excluding those who said don't know/refused/not applicable responses to all three international trade obstacles)
Base: Individual obstacles - All firms (excluding those who said don't know/refused/not applicable)

International trade

EXTERNAL FACTORS IMPACTING INTERNATIONAL TRADE

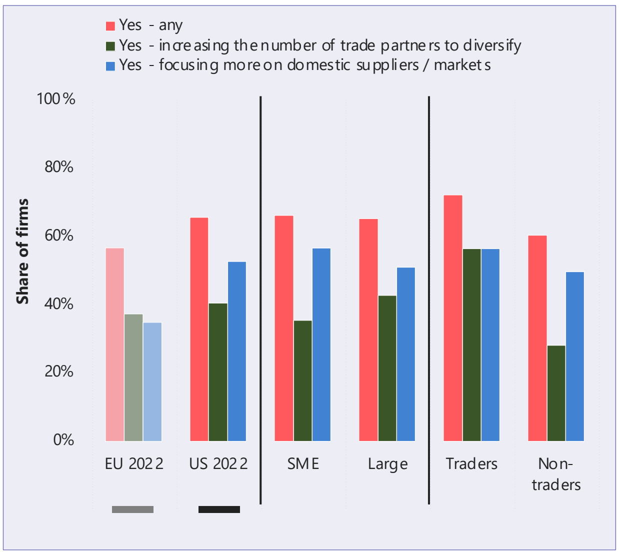
- Nearly three-quarters (74%) of firms in the USA are impacted by at least one of the external factors disrupting international trade.
- Construction firms are the least impacted by these external factors (49%), compared to a least three quarters of firms in all other sectors.
- As a stand-alone factor, COVID-19 (35%) has impacted firms in the USA to a greater extent than the Russia-Ukraine conflict (4%). This is a different pattern to the EU.
- As a stand-alone factor, COVID-19 has impacted more service sector (47%) than construction (21%) or infrastructure firms (22%).
- COVID-19 and the Russia-Ukraine conflict have impacted SMEs and large firms and traders versus non-traders to a similar degree.



Q. You have just said that you experienced {an obstacle/obstacles} to your business activities since 2021. Did Covid-19 and/or the Russia-Ukraine conflict, including the sanctions imposed by the International community, contribute to this in anyway?

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

ACTIONS TO MITIGATE INTERNATIONAL TRADE DISRUPTIONS



- Two thirds (66%) of firms in the USA, who are facing trade disruption, are taking action to mitigate the impact of international trade disruptions. This is higher than the EU average (57%).
- Overall, firms in the USA are more inclined to focus on domestic suppliers or markets rather than increasing or diversifying trading partners, than (53% versus 41%).
- SMEs and large firms, who are facing disruption, in the USA are as likely to be taking action to mitigate (66% and 65% respectively).

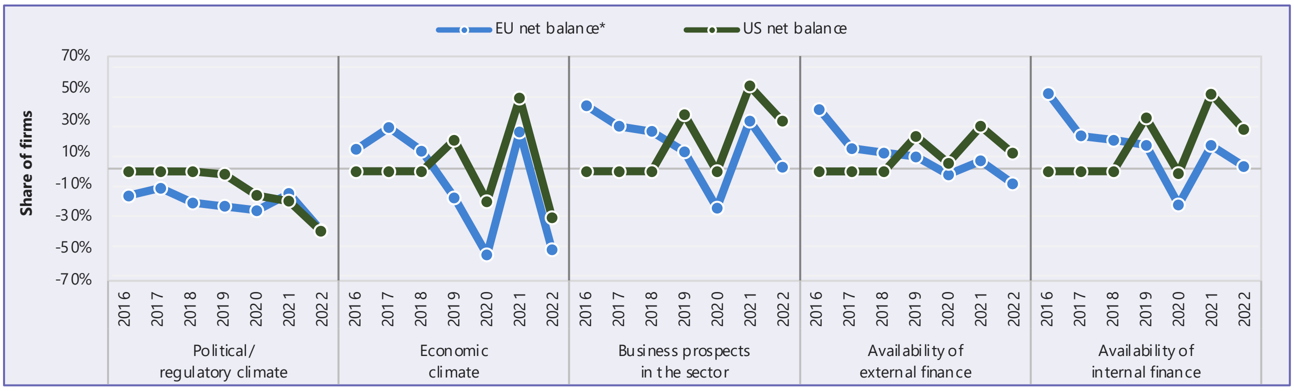
Q. Is your company taking any actions to mitigate the impact of these disruptions?

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

Drivers and constraints

SHORT-TERM FIRM OUTLOOK

- Following the upward trend in outlook in EIBIS 2021, firms in the USA are now generally less optimistic about the investment conditions for the year ahead. Economic climate expectations have turned very negative in net terms (declining from +49% to -31%).
- Expectations for the business prospects in the sector, availability of external and internal finance have all fallen since EIBIS 2021, but are still net positive.
- Expectations in relation to the political and regulatory climate have remained negative and have faced further declines (declining from -20% to -40%).
- The downward trend in sentiment reflects the data from the EU as a whole. However, firms in the USA are on most measures (excluding the political and regulatory climate) more optimistic than across the EU.



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 FIRM OUTLOOK BY SECTOR AND SIZE (net balance %)

	Political / regulatory climate	Economic climate	Business prospects	External finance	Internal finance
US	40%	31%	34%	12%	28%
Manufacturing	49%	41%	17%	10%	23%
Construction	32%	19%	39%	29%	14%
Services	40%	33%	38%	12%	38%
Infrastructure	33%	22%	44%	32%	26%
SME	46%	33%	26%	4%	18%
Large	38%	30%	37%	16%	32%

- Firms are consistently more negative than positive about the political/regulatory and economic climates across different sectors and business sizes.
- Manufacturing firms (-10%) are the least optimistic about prospects for the availability of external finance. In all sectors between 12% and 32% are optimistic about the short-term availability of external finance.
- Large firms are even more optimistic than SMEs about business prospects (37% versus 26%), the availability of external finance (16% versus 4%) and availability of internal finance (32% versus 18%).

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

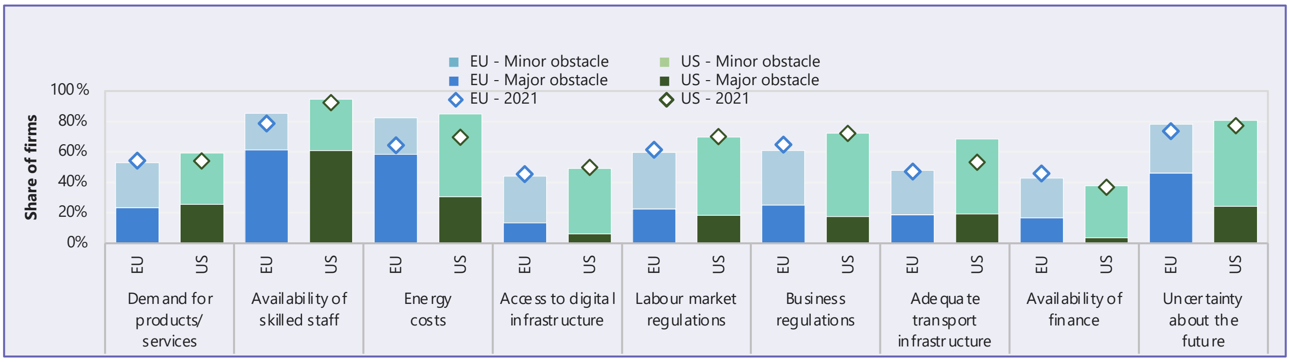
Q. Do you think that each of the following will improve, stay the same, or get worse over the next twelve months?

Base: All firms

Drivers and constraints

LONG-TERM BARRIERS TO INVESTMENT

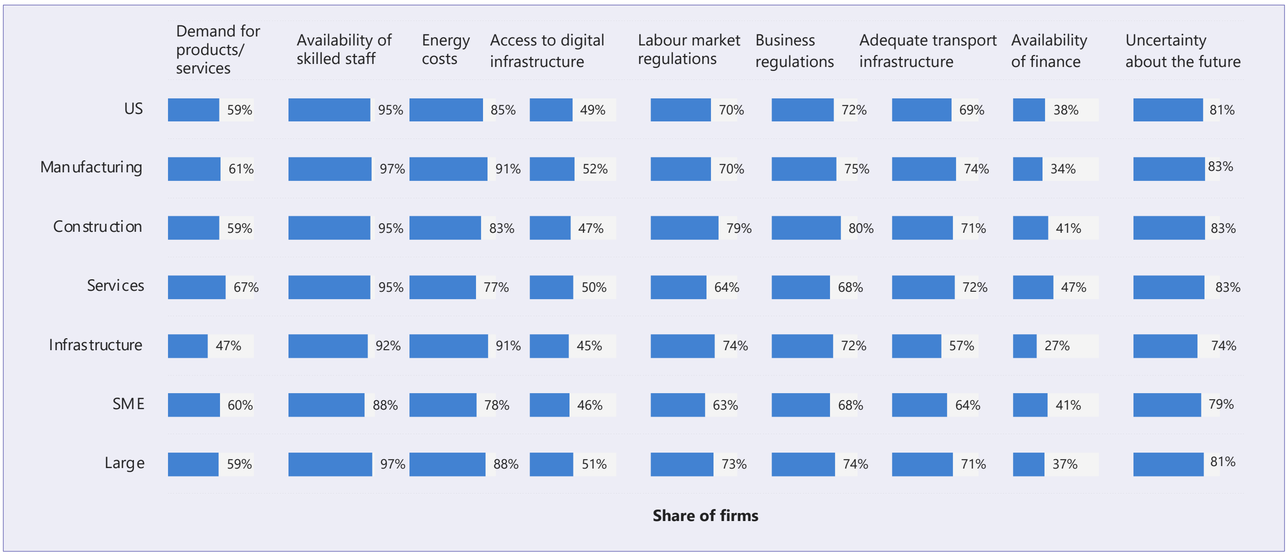
- Above anything else, the most frequently cited long-term barrier to investment in the USA is the availability of skilled staff (95%).
- Meanwhile, compared to EIBIS 2021, energy costs (85% versus 70% EIBIS 2021) and adequate transport infrastructure (69% versus 53% EIBIS 2021) are cited more frequently as a barrier.
- Compared to the EU average, more firms in the USA said that the following were barriers to their investment: availability of skilled staff (95% versus 85% EU), labour market regulations (70% versus 60% EU), business regulations (72% versus 61% EU), availability of adequate transport infrastructure (69% versus 48%).



Q. Thinking about your investment activities, 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

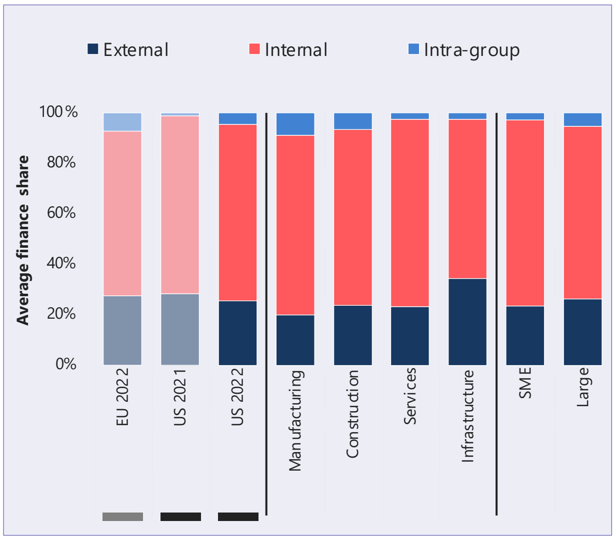
Q. Thinking about your investment activities, to what extent is each of the following an obstacle? Is it a major obstacle, a minor obstacle or not an obstacle at all?

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

Access to finance

SOURCE OF INVESTMENT FINANCE

- As in EIBIS 2021, internal sources currently account for the large majority of USA firm's investment finance (70% versus 71%). Around a quarter (25%) is financed from external sources. The picture reflects the overall EU averages.
- In every sector at least 63% of investment is financed from internal sources. Services firms are most reliant on their own internal resources with 74% of investment funded through this channel.
- Infrastructure firms have the largest share of finance from external sources (34%).
- SMEs and large firms have funded their investments in similar ways.



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)

USE OF EXTERNAL FINANCE

- More than two in five (46%) firms in the USA, that invested in the last financial year, funded at least some of this via external finance. This is similar to EIBIS 2021 (51%), and the current EU average (45%).
- Infrastructure firms (55%) are the most likely to have accessed external finance, while manufacturing firms are the least likely (34%).
- SMEs have similar access to external finance as large firms (44% versus 47%).

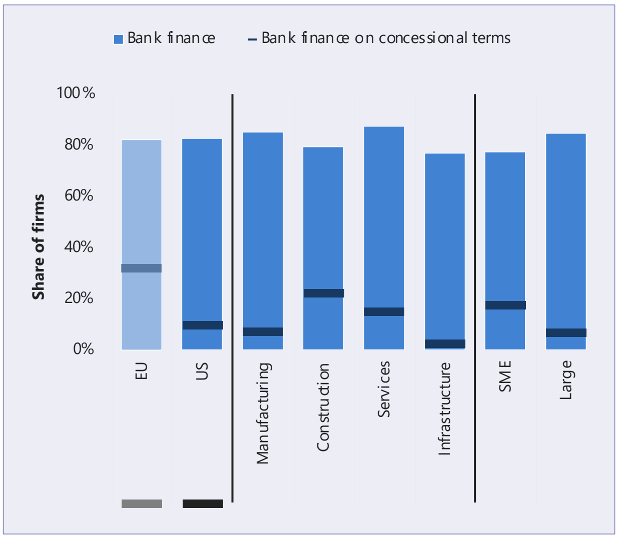
Q. Approximately what proportion of your investment in the last financial year was financed by each of the following

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

Access to finance

ACCESS TO BANK FINANCE AND CONDITIONS

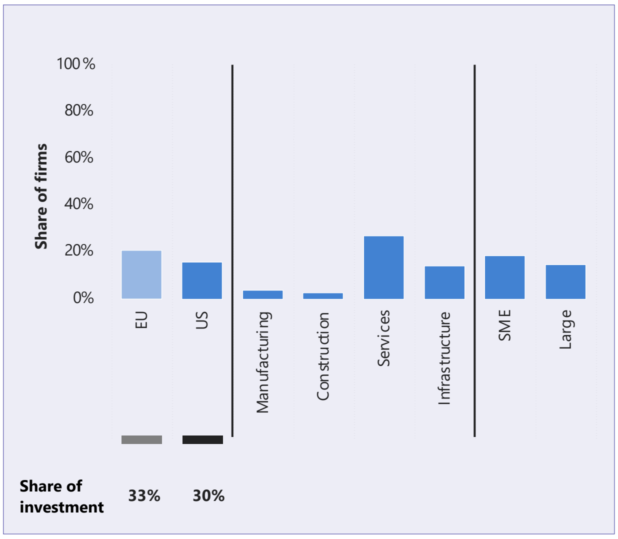
- The majority (83%) of firms in the USA, who used external finance, received bank finance, but only 10% obtained this on concessional terms.
- Compared to the EU average, while a similar share of firms received bank finance, there is a large difference in the shares receiving it on concessional terms (10% versus 32% EU).
- There is very little variation in use / access to bank finance by sector, although construction firms and services firms (22% and 15% respectively) have the highest share of firms to have received bank finance on concessional terms.
- In the USA, SMEs are more than twice as likely as large firms to have received bank finance on concessional terms (18% versus 7%).



Q. Which of the following types of external finance did you use for your investment activities in the last financial year?
Q. Was any of the bank finance you received on concessional terms (e.g. subsidised interest rates, longer grace period to make debt payments)?

Base: All firms who used external finance (excluding don't know/refused responses)

SHARE OF FIRMS WITH FINANCE FROM GRANTS



- Compared to the EU average (21%), fewer firms in the USA are using external finance received in the form of grants (16%).
- The services and infrastructure sectors have the highest share of firms receiving grants to finance their investment expenditures (27% and 14% respectively).
- Nearly a third (30%) of firms' total investment in the last financial year was financed by grants.

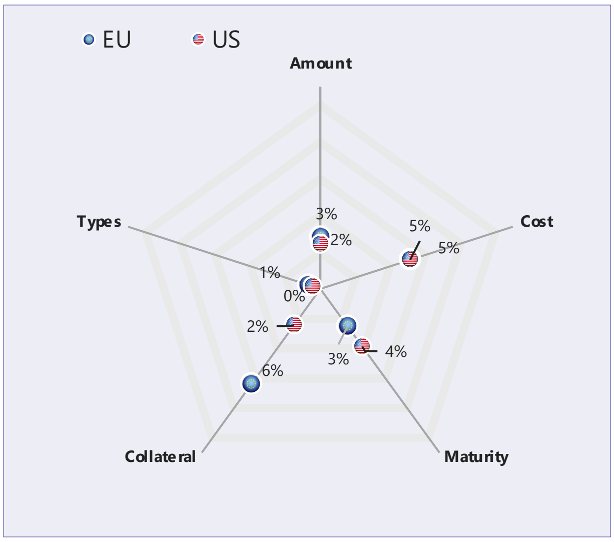
Q. What proportion of your total investment in your last financial year was financed by grants?

Base: All firms using external finance (excluding don't know/refused responses)
Base: All firms that received grants (excluding don't know/refused responses)

Access to finance

DISSATISFACTION WITH EXTERNAL FINANCE RECEIVED (% of firms)

- Overall there are very low levels of dissatisfaction with the finance received. The highest levels of dissatisfaction were seen for the cost of the finance (5%) and the length of the loan (4%).
- These low levels of dissatisfaction are similar to those seen across the EU. The only exception is that the proportion of firms in the US dissatisfied with the collateral requirements is three times less than the EU average (2% versus 6%).



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 (% of firms)

	Amount	Cost	Maturity	Collateral	Type
US	2%	5%	4%	2%	0%
Manufacturing	1%	1%	0%	10%	1%
Construction	0%	1%	0%	0%	1%
Services	1%	7%	10%	0%	0%
Infrastructure	6%	6%	0%	1%	0%
SME	2%	5%	1%	3%	2%
Large	3%	5%	5%	2%	0%

- Across most sectors and size classes, levels of dissatisfaction are extremely low. However, a relatively large proportion of manufacturing sector firms (10%) are dissatisfied with the collateral requirements attached to their external finance.
- 10% of services firms were dissatisfied with the length of time they were given the finance over.

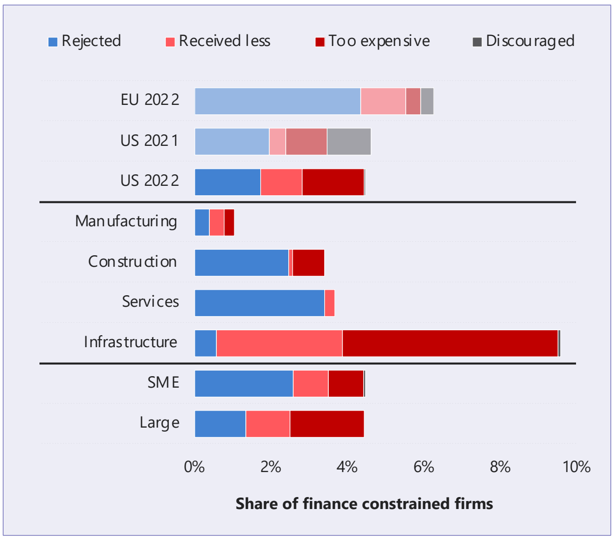
Q. How satisfied or dissatisfied are you with …?

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

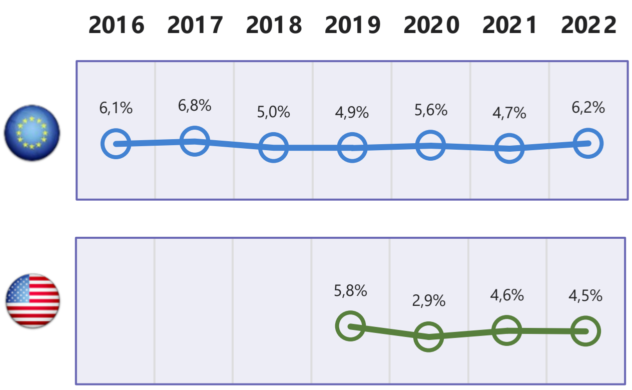
- The share of financially constrained firms in the USA (4.5%) is similar to the EU average (6.2%) and EIBIS 2021 (4.6%).
- Firms in the infrastructure sector are the most finance constrained (9.6%).
- Identical proportion of large firms (4.4%) and SMEs (4.5%) are finance constrained.



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 (excluding don't know/refused responses)

FINANCING CONSTRAINTS OVER TIME



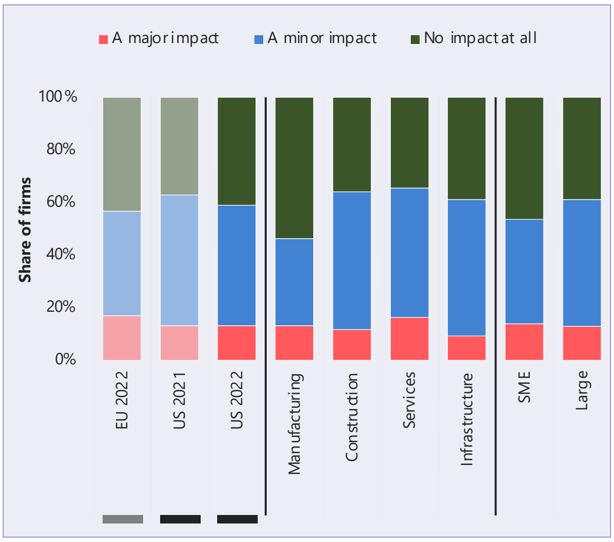
- The proportion of firms in the USA that are finance constrained is nearly identical to EIBIS 2021 (4.5% versus 4.6%).
- The proportion of finance constrained firms in the USA is slightly below the EU average.

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

Climate change and energy efficiency

IMPACT OF CLIMATE CHANGE – PHYSICAL RISK

- The proportion of firms in the USA saying their firm is being impacted by climate change events (59%) is similar to EIBIS 2021 (63%), and the EU average (57%).
- Firms in the manufacturing sector are the least likely to be experiencing the impact of climate change on their firm: 46% say that climate change is impacting their firm compared to between 61% and 66% in other sectors.
- SMEs and large firms share similar experiences.

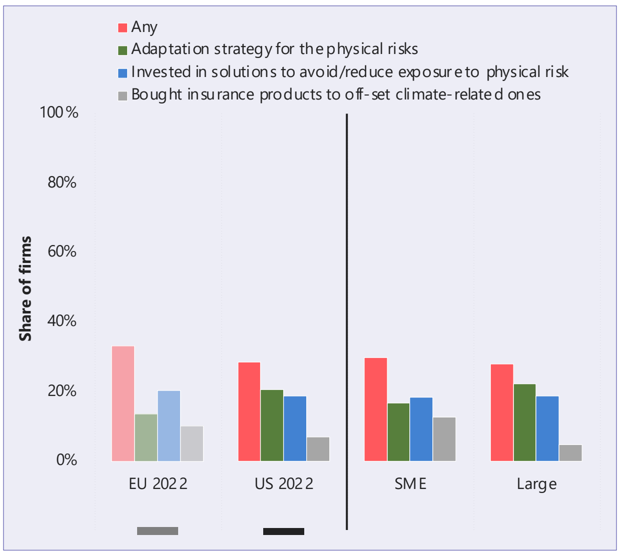


Q. Thinking about the impact of climate change on your company, such as losses due to extreme climate events, including droughts, flooding, wildfires or storms or changes in weather patterns due to progressively increasing temperature and rainfall. What is the impact, also called physical risk, of this on your company?

Please note: question wording changed between 2021 and 2022. Comparisons should be treated with caution.

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

BUILDING RESILIENCE TO PHYSICAL RISK



- Nearly 30% of firms in the USA have already developed or invested in measures to build resilience to the physical risks caused by climate change. This is in line with the EU average (33%).
- Firms in the USA are as likely to have invested in solutions to avoid or reduce exposure to physical risk (19%) as to have responded by adapting their strategy (21%). The proportion adapting their strategy is above the EU average of 14%.
- In the USA, SMEs and large firms are as likely to have developed or invested in measures to build resilience to physical risks (30% and 28% respectively).

Q. Has your company developed or invested in any of the following measures to build resilience to the physical risks to your company caused by climate change?

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

Climate change and energy efficiency

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

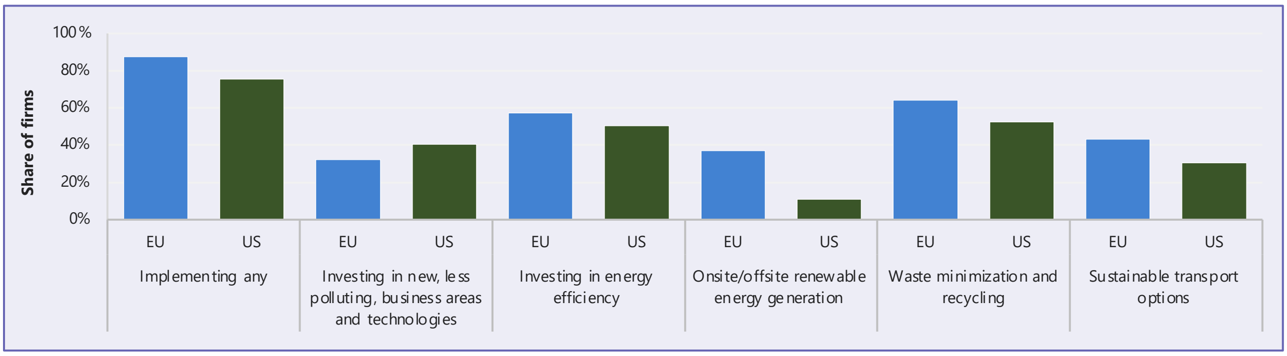
- Firms in the USA tend to regard the transition to stricter climate standards and regulations as a risk (32%) rather than as an opportunity (21%). Although the share of firms viewing the transition as a risk has declined since EIBIS 2021 (declining from 44% to 32%).
- In all sectors, except construction, the balance of opinion is that the transition to stricter climate standards and regulations is a risk. However, in the construction sector more firms see it as an opportunity rather than a risk (35% versus 25%).

Q. Thinking about your company, what impact do you expect this transition to stricter climate standards and regulations will have on your company over the next five years?

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

ACTIONS TO REDUCE GHG EMISSIONS

- Fewer firms in the USA are taking actions to reduce greenhouse gas (GHG) emissions than in the EU (75% versus 88% EU).
- The main actions being taken by firms in the USA are waste minimization and recycling (53%) and investments in energy efficiency (50%).
- Two in five (40%) firms are investing in new, less polluting business areas and technologies, more than across the EU (32%). On all other actions the firms in the USA are less likely than EU firms to be taking action.



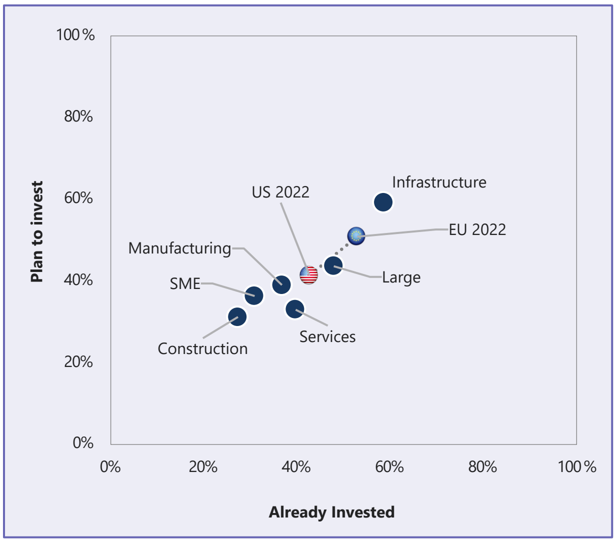
Q. Is your company investing or implementing any of the following, to reduce Greenhouse Gas (GHG) emissions?

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

Climate change and energy efficiency

INVESTMENT PLANS TO TACKLE CLIMATE CHANGE IMPACT

- Around two in five firms in the USA have already invested in tackling the impacts of weather events and reducing carbon emissions. And are planning on investing in the next three years (43% and 41% respectively). Both figures are below the EU average (53% and 51% respectively).
- Infrastructure firms are both the most likely to have already invested and be planning on investing in the next three years (both 59%).
- Compared to SMEs, a higher proportion of large firms have already invested (48% versus 31%) and plan to invest over the next three years (44% versus 36%).



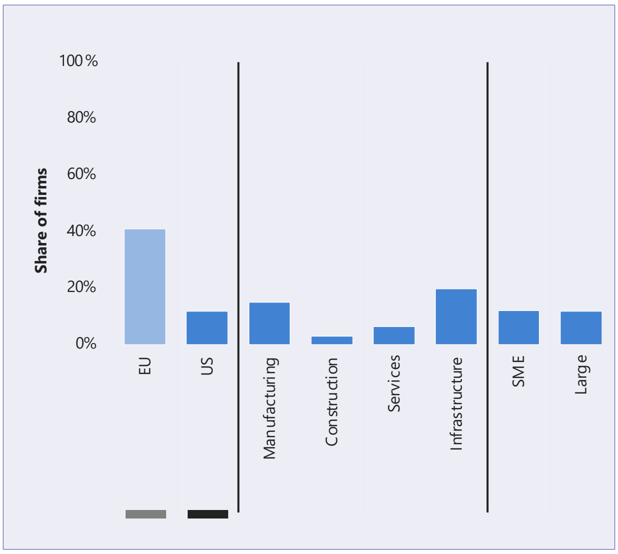
EIBIS 2021
Q. Now thinking about investments to tackle the impacts of weather events and to deal with the process of reduction in carbon emissions, which of the following applies?

EIBIS 2022
Q. Which of the following applies to your company regarding investments to tackle the impacts of weather events and to help reduce carbon emissions?

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

Please note: question change and an additional answer option was included in 2022, this may have influenced the data. Treat comparison to previous waves with caution.

CLIMATE CHANGE TARGETS FOR OWN GREENHOUSE GAS (GHG) EMISSIONS



- Just 12% of firms in the USA set and monitor targets for their own Greenhouse Gas emissions. This is much lower than the EU average (41%).
- The manufacturing and infrastructure sectors have the highest share of firms who set and monitor these targets (15% and 20% respectively).

Q. Does your company... set and monitor targets for its own Greenhouse Gas (GHG) emissions

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

Climate change and energy efficiency

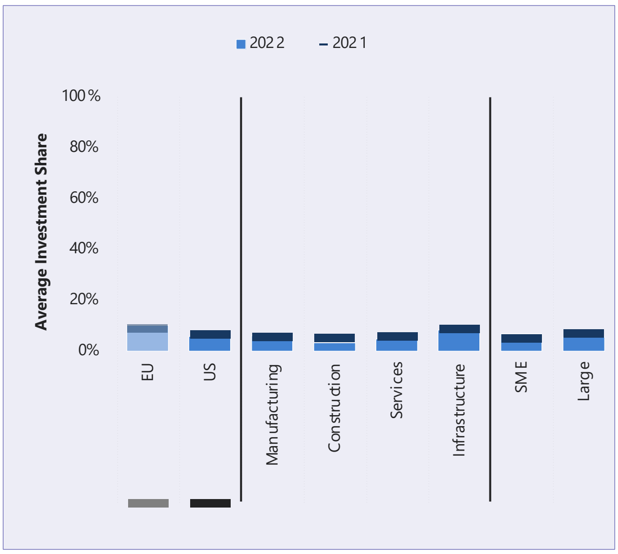
SHARE OF FIRMS INVESTING IN MEASURES TO IMPROVE ENERGY EFFICIENCY

- Around 36% of firms in the USA invested in measures to improve energy efficiency in 2021, similar to the EU average of 40%.
- Among firms in the USA, those in the infrastructure sector (45%) were the most likely to be investing in energy efficiency, while construction firms were the least likely to be doing so (22%).
- Large firms were slightly more likely than SMEs to be investing in energy efficiency (39% versus 28%).

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

Base: All firms

AVERAGE SHARE OF INVESTMENT IN MEASURES TO IMPROVE ENERGY EFFICIENCY



- The average share of total investment directed by firms in the USA towards improving energy efficiency is 6%, nearly half that spent by firms in the EU (11%).
- Infrastructure (8%) are directing the highest proportion of investment towards energy efficiency.
- A similar proportion of SMEs and large firms' investment has been used primarily to improve their energy efficiency (7% and 6% respectively).

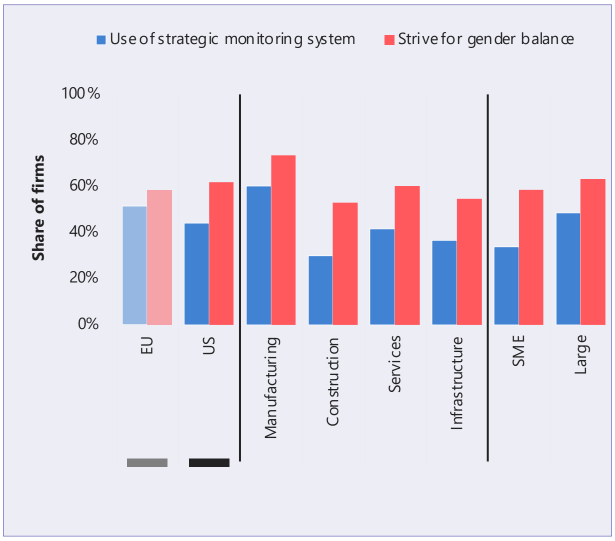
Q. What proportion of the total investment in the last financial year was primarily for measures to improve energy efficiency in your organisation?

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

Firm management, gender balance and employment

FIRM MANAGEMENT AND GENDER BALANCE

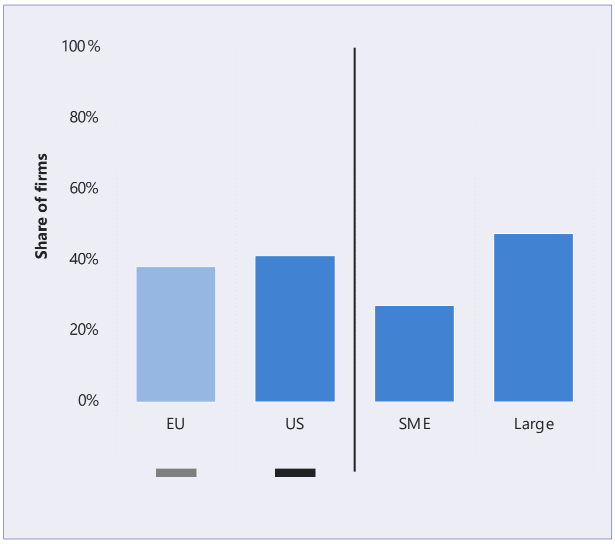
- Around 44% of firms in the USA use a strategic monitoring system. This is lower than the EU average (51%).
- The proportion of firms in the USA striving for gender balance within their business (62%) is similar to the EU average (58%).
- Among firms in the USA, the use of a strategic monitoring system and striving for gender balance was more common among manufacturing firms (60% and 73% respectively).
- Large firms are more inclined than SMEs to have implemented strategic monitoring systems (49% versus 34%).



Q Does your company...?

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

FIRMS WHO HAVE INCREASED EMPLOYEE NUMBERS SINCE 2019



- Around 41% of firms in the USA have increased their employment since 2019, similar to the EU average (38%).
- Large firms are more likely than SMEs to have increased their employment since 2019 (48% versus 27%).

Q. How many people does your company employ either full or part time at all its locations, including yourself?

Q. How many people did your company employ either full or part time at all its locations at the beginning of 2019, before the COVID-19 pandemic?

Base: All firms (excluding don't know/refused/did not exist in 2019 responses)

EIBIS 2022 – 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 the USA , so the percentage results are subject to sampling tolerances. These vary with the size of the sample and the percentage figure concerned.

	EU	US	Manufacturing	Construction	Services	Infrastructure	SME	Large	EU vs US	Manuf vs Constr	SME vs Large
	(12021)	(800)	(194)	(186)	(220)	(190)	(714)	(86)	(12021 vs 800)	(194 vs 186)	(714 vs 86)
10% or 90%	1.1%	4.1%	7.5%	8.1%	7.3%	7.9%	2.2%	5.7%	5.7%	11.1%	6.1%
30% or 70%	1.7%	6.2%	11.5%	12.4%	11.2%	12.1%	3.4%	8.7%	8.7%	16.9%	9.3%
50%	1.8%	6.8%	12.6%	13.6%	12.2%	13.2%	3.7%	9.5%	9.5%	18.4%	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.

Note: the EIBIS 2022 country overview refers interchangeably to 'the past/last financial year' or to '2021'. Both refer to results collected in EIBIS 2022, where the question is referring to the past financial year, with the majority of the financial year in 2021 in case the financial year is not overlapping with the calendar year 2021.

EIBIS 2022 – Country technical details

The country overview presents selected findings based on telephone interviews with 800 firms in the USA (carried out between April and July 2022).

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

Base definition and page reference	EU 2022/2021	US 2022	US 2022/2021	Manufacturing	Construction	Services	Infrastructure	SME	Large
All firms, p. 3, p.12, p.13, p. 21 (top)	12021/11920	800	800/802	194	186	220	190	714	86
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 4 (top)	9704/9670	668	668/674	164	153	182	162	593	75
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 4 (bottom)	9501/9523	668	668/667	165	155	180	161	598	70
All firms (excluding 'Company didn't exist three years ago' responses), p. 5 (top)	11735/11648	778	778/779	190	182	211	185	694	84
All firms (excluding don't know/refused responses), p. 5 (bottom)	11814/11765	780	780/793	189	179	215	187	695	85
All firms (excluding don't know/refused responses), p. 6 (top)	11810/NA	795	795/NA	193	183	220	189	710	85
All firms (excluding don't know/refused responses), p. 6 (bottom)	11725/NA	784	784/NA	191	180	216	187	701	83
All firms (excluding don't know/refused responses), p. 7 (top)	11945/11857	762	762/775	187	182	204	179	683	79
All firms (excluding don't know/refused responses), p. 7 (bottom)	11989/11891	796	796/802	193	186	218	189	711	85
All firms (excluding don't know/refused responses), p. 8 (top)	11735/11648	778	778/779	190	182	211	185	694	84
All firms (excluding not applicable/don't know/refused responses to all 3 questions), p. 8 (bottom)	8728/8780	615	615/618	153	140	165	150	548	67
All firms (excluding don't know/refused responses), p. 9	11980/NA	800	800/NA	194	186	220	190	714	86
All firms (excluding don't know/refused responses), p. 10 (top)	11975/NA	798	798/NA	194	186	219	189	712	86
All firms (excluding those who said don't know/refused/not applicable responses to all three international trade obstacles) p. 10 (bottom)	11382/NA	790	790/NA	193	183	219	185	704	86
All firms (excluding don't know/refused responses), p. 11 (top)	9339/NA	680	680/NA	176	159	188	149	609	71
All firms facing trade disruptions (excluding don't know/refused responses), p. 11 (bottom)	9265/NA	707	707/NA	180	162	198	159	630	77
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 14	10051/8675	665	665/621	165	153	178	162	594	71
All firms who used external finance (excluding don't know/ refused responses), p. 15 (top)	4107/4059	275	275/290	66	65	62	80	243	32
All firms who used external finance (excluding don't know and refused) p. 15 (bottom)	4155/4100	280	280/296	67	66	65	80	247	33
All firms that received grants (excluding don't know/refused responses) p. 15 (bottom)	3988/3964	270	270/281	63	65	62	77	238	31
All firms who used external finance in the last financial year (excluding don't know/refused responses) , p. 16	925/NA	NA	40/NA	NA	NA	NA	NA	NA	NA
All firms (excluding don't know/refused responses), p. 17	11504/11518	715	715/743	178	163	196	169	643	72
All firms (excluding don't know/refused responses), p. 18 (top)	11911/11849	790	790/798	191	182	217	190	704	86
All firms (excluding don't know/refused responses), p. 18 (bottom)	11909/NA	784	784/NA	190	182	215	187	699	85
All firms (excluding don't know/refused responses), p. 19 (top)	11172/11384	759	759/783	183	173	213	180	675	84
All firms (excluding don't know/refused responses), p. 19 (bottom)	11964/NA	794	794/NA	192	185	217	190	709	85
All firms (excluding don't know/refused responses), p. 20 (top)	11685/NA	763	763/NA	186	174	207	186	684	79
All firms (excluding don't know/refused responses), p. 20 (bottom)	11712/NA	783	783/NA	190	184	214	185	702	81
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 21 (bottom)	9752/9617	677	677/673	165	157	183	165	603	74
All firms (excluding don't know/refused responses) p. 22 (top)	11696/11616	785	785/774	192	182	215	187	700	85
All firms (excluding don't know/refused/did not exist in 2019 responses) p. 22 (bottom)	11662/11718	783	783/793	192	183	215	184	702	81

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2022