European Investment Bank

Spain

Overview

EIB INVESTMENT SURVEY

2023

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EIB Investment Survey Country Overview 2023: Spain

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 firms face, such as climate change and digital transformation. The EIBIS, which uses a stratified sampling methodology, is representative across all 27 EU Member 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.

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 2023 – Spain overview

KEY RESULTS

Investment dynamics and focus

In the context of decelerating economic growth and tightening financing conditions, Spanish firms remained on balance positive about their investment intentions. Asked about their intentions for investment in 2023 compared to 2022, a larger share of firms expect to increase rather than decrease investment (13% net positive). This is almost half the net balance of EIBIS 2022 (25%) but reflects the current EU average (14%). 77% of firms report they invested in the previous year, which is slightly lower than the EU average (85%).

Investment needs and priorities

About 10% of Spanish firms report they have invested too little over the past three years, which is close to the EU average (13%). Looking ahead to the investment focus over the next three years, investment in capacity expansion is the main priority (38% of firms), followed by investment in replacement (35%). Compared to the EU average, Spanish firms are less likely to report investment in new products or services as their investment priority (15% versus 26%). Approximately one in ten Spanish firms (11%) have no investment planned, which is similar to both EIBIS 2022 (12%) and the EU average (10%).

When asked about short-term drivers and constraints to investment over the next 12 months, Spanish firms remain, in net balance terms, pessimistic about both the political and regulatory climate, and the economic climate. They are marginally more likely to expect, on balance, positive developments in terms of business prospects and the availability of internal finance. However, a larger share of firms is anticipating a deterioration, rather than an improvement in access to external finance.

Energy market developments

The energy crisis hit Spanish firms hard and, in some respects, harder than those across the EU as a whole. Energy prices were a major concern for 73% of Spanish firms (compared to 59% in the overall EU). The majority of Spanish firms (58%) also described energy uncertainty as a major concern (47% in the overall EU).

Almost every Spanish firm (92%) has adopted at least one of the strategies or priorities asked about in response to the energy price shock. Most frequently they mention renegotiating their energy contracts (73%). Approximately two-thirds of Spanish firms (67%) report looking for energy savings/efficiencies, and a majority of firms say that passing on increased energy costs to customers (59%) is a priority or strategy. The response of Spanish firms is similar to that seen across the EU, although they are less likely to put forward strategies related to securing energy savings (67% versus 78% in the EU).

International trade

While the vast majority of Spanish firms (93%) faced disruptions to international trade, only 39% have changed their sourcing strategy or are planning to change it, which is lower than the EU average (49%).

When adjusting or changing their strategy, Spanish traders are less likely than those across the overall EU to be investing in digital inventory and inputs tracking or to have plans to do so (7% versus 20%). Spanish importers are less likely than others in the whole EU to have reduced or have plans to reduce the share of goods or services imported from abroad (4% versus 10%).

EIBIS 2023 – Spain overview

Climate change and energy efficiency

Eight in ten Spanish firms (80%) report that weather events have an impact on their business. This is higher than EIBIS 2022 (60%) and the current EU average (64%). Only 24% of Spanish firms report having developed or invested in measures to build resilience to the physical risks of climate change, which is lower than the EU average (36%). The actions taken include investment in solutions that avoid or reduce exposure to physical risks (13% of Spanish firms), adapting their strategy (9%) or investing in insurance products to offset climate-related losses (9%). All three figures are below the EU average.

Spanish firms are more likely to see the transition to stricter climate standards and regulations as a risk rather than an opportunity (33% versus 21%), while 46% expect no impact on their company from the transition. The share of Spanish firms taking action to reduce Greenhouse Gas (GHG) emissions is close to the EU average (86% and 89% respectively) while Spanish firms are more likely to set and monitor targets for their own emissions (47% versus 42% in the overall EU). The main actions include investment in waste minimization and recycling (58% of Spanish firms) or energy efficiency (51%).

Almost two-thirds of Spanish firms (64%) have already invested in tackling the impacts of weather events and the process of reducing carbon emissions. This is higher than EIBIS 2022 (53%) and the current EU average (56%). Most Spanish firms (51%) have plans to invest in these areas in the next three years, which is similar to EIBIS 2022 and the current EU average (both 54%).

Innovation activities

In 2022, 23% of Spanish firms invested to develop or introduce new products, processes or services as part of their investment activities. This is lower than the EU average (39%). Meanwhile, 8% of Spanish firms developed or introduced products, processes or services new to the country or the global market, which is also below the EU average (13%).

Three-quarters of Spanish firms (76%) report using at least one advanced digital technology, which is higher than the EU average (70%) with 41% using big data analytics and artificial intelligence, which is also higher than the EU average (29%).

Investment impediments

The main long-term barriers to Spanish firms' investment are uncertainty about the future (83%) and energy costs (81%). Compared to the EU average, Spanish firms tend to be most concerned about the availability of finance, labour market regulations, and demand for products or services.

Access to finance

The proportion of finance constrained firms in Spain is the lowest seen since the EIBIS series started, and for the first time since EIBIS 2017 it is slightly below the EU average (4.7% versus 6.1%). Just under two in ten Spanish firms (17%) report being dissatisfied with the the cost of external finance, which is similar to the EU average (14%).

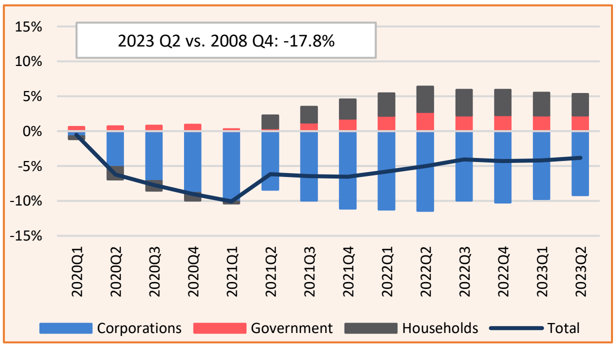
Note on how to read the results:

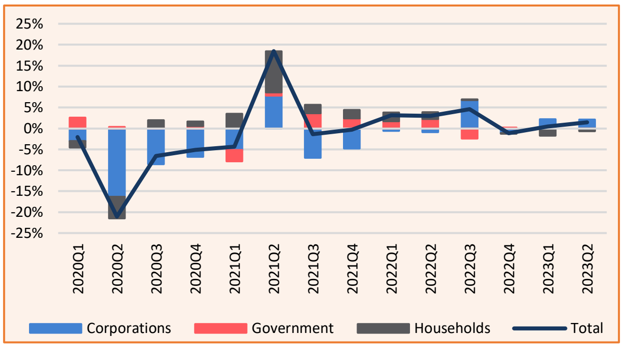
EIBIS 2023 overview presents the results of the survey run in 2023. Questions in the survey might point to "last financial year" (2022) or expectations for the current year (2023). The text and the footnote referring to the question will specify in each case which year is considered.

Investment dynamics and focus

INVESTMENT DYNAMICS BY INSTITUTIONAL SECTOR

- Aggregate investment plunged dramatically starting from the second quarter of 2020, coinciding with COVID-19 hitting the economy. While the corporate sector contributed the most to the decline in aggregate investment, household's investment also receded. Conversely, government investment rose, thereby slightly compensating for lower corporate and household investment.
- As of mid-2023, aggregate investment has not yet fully recovered and remains some 4% below its level in 2019 Q4.
- Aggregate investment rebounded strongly in 2021 Q2 but remained almost flat in the second half of 2021.
- Aggregate investment growth became positive again during most of 2022, supported by households and government in the first half of the year, and corporates as well in 2022 Q3.
- In the first two quarters of 2023, aggregate investment growth remained positive, supported primarily by corporate investment.

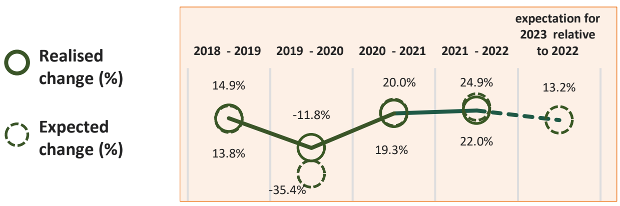




The LHS chart shows the evolution of total gross fixed capital formation (GFCF) by institutional sector, in real terms and non seasonally nor calendar adjusted. The nominal GFCF source data was transformed into four-quarter sums and deflated using the implicit deflator for total GFCF (2015=100 euro). The four-quarter sum of total GFCF in 2019Q4 is normalised to 0.
The RHS chart shows the y-o-y % change in total real GFCF by institutional sector. The implicit deflator for total GFCF (2015=100 euro) was used for deflating the nominal GFCF source data.
Source: Eurostat, authors' own calculations.

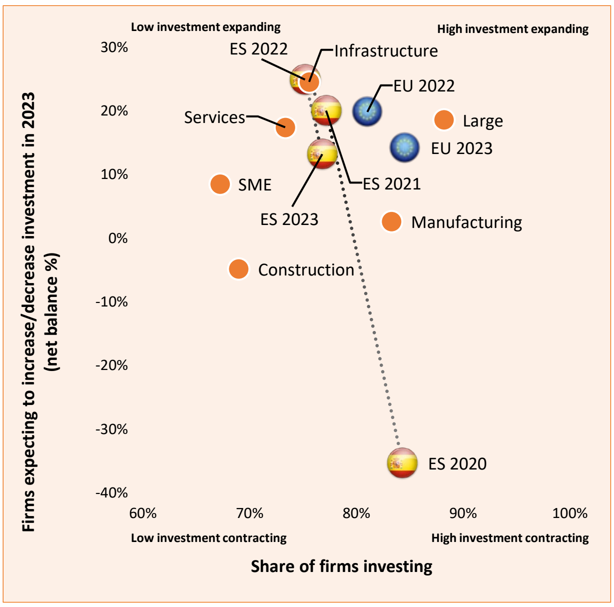
INVESTMENT CYCLE AND EVOLUTION OF INVESTMENT EXPECTATIONS

- The share of Spanish firms investing remained stable in the EIBIS 2023 compared to the EIBIS 2022 (at respectively 77% and 75%). The share of Spanish firms investing remains below that of EU firms (85%).
- A higher share of firms expect to increase rather than decrease investment in 2023 compared to 2022 (13% net positive). This is almost half the net balance of EIBIS 2022 (25%) and in line with the current EU average (14%).
- On balance, firms in infrastructure (25%) and services (17%) have a more positive outlook than those in manufacturing (3%) or construction (-5%). Large firms have stronger net investment expectations than SMEs (19% versus 9%).



'Realised change' is the share of firms who invested more minus those that invested less; 'Expected change' is the share of firms that expect(ed) to invest more minus those that 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 €500.

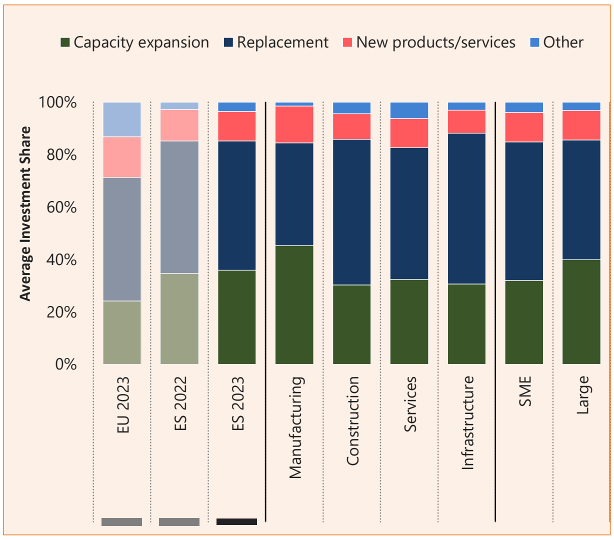
Base for share of firms investing: All firms (excluding don't know/refused responses)

Base for expected and realised change: All firms

Investment dynamics and focus

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

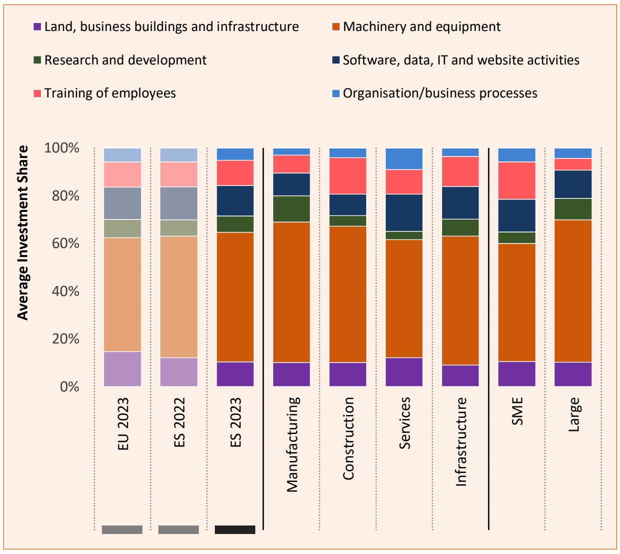
- In 2023, Spanish firms spent 49% of their investment on replacing capacity. This is line with EIBIS 2022 (51%) and the current EU average (47%).
- Investment in capacity expansion accounted for 36% of total investment. This is also similar to EIBIS 2022 (35%) and is above the current EU average (24%). Investment in new products or services accounted for a relatively small share of total investment (11%).
- Compared to other sectors, firms in manufacturing allocated a larger share of investment towards capacity expansion (45%) and less on replacement (39%).
- About a half (53%) of SMEs' investment was used for replacement, and 32% for capacity expansion, compared to large firms that used 46% of investment on replacement and 40% on capacity expansion.



Q. What proportion of total investment in the last financial year was for (a) developing or introducing new products, processes, services; (b) replacing capacity (including existing buildings, machinery, equipment and IT); (c) expanding capacity for existing products/services?

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

INVESTMENT AREAS



- In the last financial year, Spanish firms allocated 35% of their investment towards intangible assets (R&D, software, training and business processes). This is similar to EIBIS 2022 (37%) and the current EU average (38%).
- The nature of Investment was similar across sectors, although investment in intangible assets was slightly higher in services than in manufacturing (38% versus 31%).
- SMEs allocated a higher share of investment towards intangible assets than large firms (40% versus 30%).

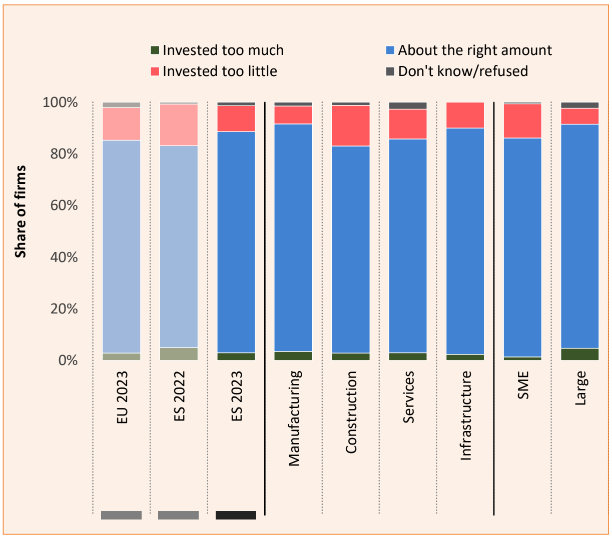
Q. In the last financial year, how much did your business invest in each of the following with the intention of maintaining or increasing your company's future earnings?

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

Investment needs and priorities

PERCEIVED INVESTMENT GAP

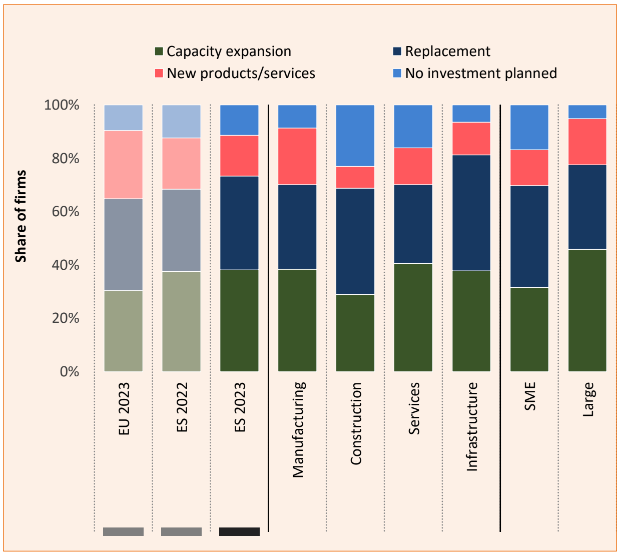
- Most Spanish firms do not perceive gaps in their levels of investment. Almost nine in ten firms (86%) believe that they invested about the right amount over the last three years. This share is a little higher than EIBIS 2022 (78%) and similar to the current EU average (82%).
- Yet, 10% of Spanish firms report they invested too little over the past three years. This is lower than EIBIS 2022 (16%) and close to the EU average (13%).
- Only 3% of Spanish firms believe they have invested too much over the past three years.
- Across sectors, firms in construction are more likely than those in manufacturing to report they invested too little over the past three years (16% versus 7%). With regard to size, SMEs are more likely than large firms to report they invested too little (13% versus 6%).



Q. Looking back at your investment over the last three 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



- Investment in capacity expansion (38% of firms) is the main priority for investment in the next three years, followed by investment in replacement (35%).
- Compared to the EU average, Spanish firms are less likely to report investment in new products or services as their investment priority (15% versus 26% in the overall EU).
- Approximately 11% of Spanish firms have no investment planned. This is similar to EIBIS 2022 (12%) and the current EU average (10%).
- Compared to other sectors, firms in the manufacturing sector are more likely to prioritise the development or introduction of new products, processes and services (21%). Firms in infrastructure are more likely to report that their priority is replacing capacity. Almost a quarter of construction firms (23%) have no investment planned.
- Only 5% of large firms have no investment planned, compared to 17% for SMEs. Large firms are more likely than SMEs to report capacity expansion as an investment priority (46% versus 32%).

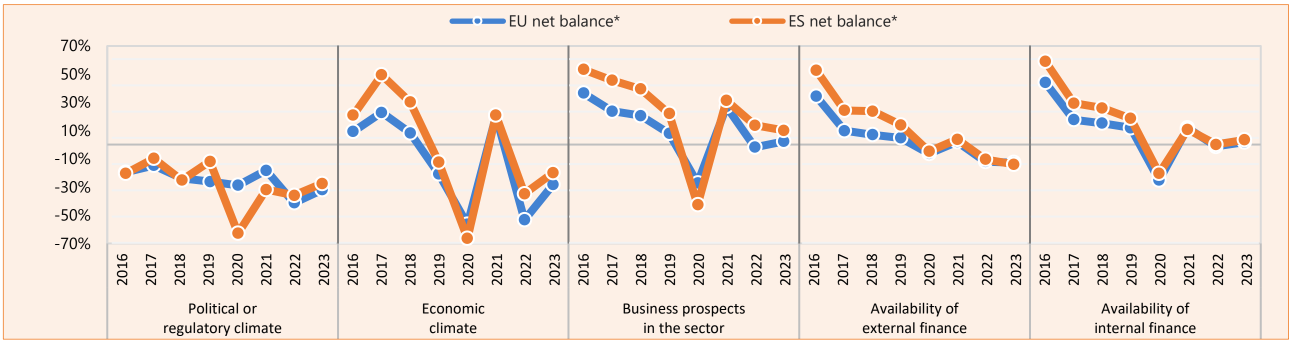
Q. Looking ahead to the next three years, which is your investment priority (a) replacing capacity (including existing buildings, machinery, equipment, IT); (b) expanding capacity for existing products/services; (c) developing or introducing new products, processes or services?

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

Investment needs and priorities

SHORT-TERM DRIVERS AND CONSTRAINTS

- When asked about short-term drivers and constraints to investment, on balance, firms are pessimistic in terms of the political and regulatory climate (-25%) and economic climate (-17%).
- Firms have, on balance, slightly positive expectations in terms of business prospects (16%) and the availability of internal finance (8%).
- The share of firms expecting external finance to get worse over the next 12 months is higher than the share of firms expecting it to improve. In net terms, Spanish firms therefore expect a deterioration in the outlook for access to external finance (-10% on balance).
- Overall, the outlook of Spanish firms is relatively similar to that of EU firms.



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

Base: All firms

**Net balance is the share of firms expecting an improvement minus the share of firms anticipating a deterioration.*

SHORT-TERM DRIVERS AND CONSTRAINTS BY SECTOR AND SIZE (net balance %)

	Political / regulatory climate	Economic climate	Business prospects	External finance	Internal finance
Spain	25%	17%	16%	10%	8%
Manufacturing	27%	18%	12%	19%	1%
Construction	36%	14%	2%	21%	4%
Services	21%	19%	20%	11%	15%
Infrastructure	23%	13%	19%	2%	10%
SME	24%	20%	8%	17%	5%
Large	25%	12%	25%	2%	13%

Please note: green figures represent a positive net balance, while red figures represent a negative net balance.

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

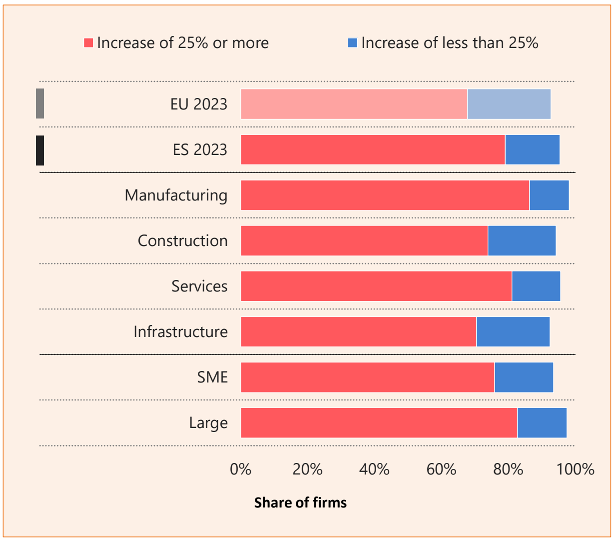
Base: All firms

- Overall, across different sectors and firm sizes, Spanish firms are consistently more negative than positive about the political and regulatory climate, economic climate and availability of external finance.
- Conversely, Spanish firms consistently have a more positive than negative outlook, on balance, for business prospects in their sector and internal finance.
- A small exception is the outlook for external finance where the share of infrastructure firms expecting external finance to improve over the next 12 months is slightly higher than the share of firms expecting that it will get worse (a positive net balance of 2%).
- SMEs have a generally more negative short-term outlook, on balance, than large firms.

Energy market developments

INCREASED SPENDING ON ENERGY

- The share of firms that faced increases in energy costs was similar in Spain to the overall EU average (95% versus 93%). Almost eight in ten Spanish firms (79%) reported an increase in energy spending of 25% or more, which is higher than the EU average (68%).
- Firms in manufacturing (86%) and services (81%) were most likely to face an increase in energy costs of 25% or more. This compares to 70% of infrastructure firms.
- The share of SMEs and large firms that faced increases in energy costs are similar (94% and 98%). Approximately eight in ten SMEs (76%) and large firms (83%) reported an increase of 25% or more in energy spending.



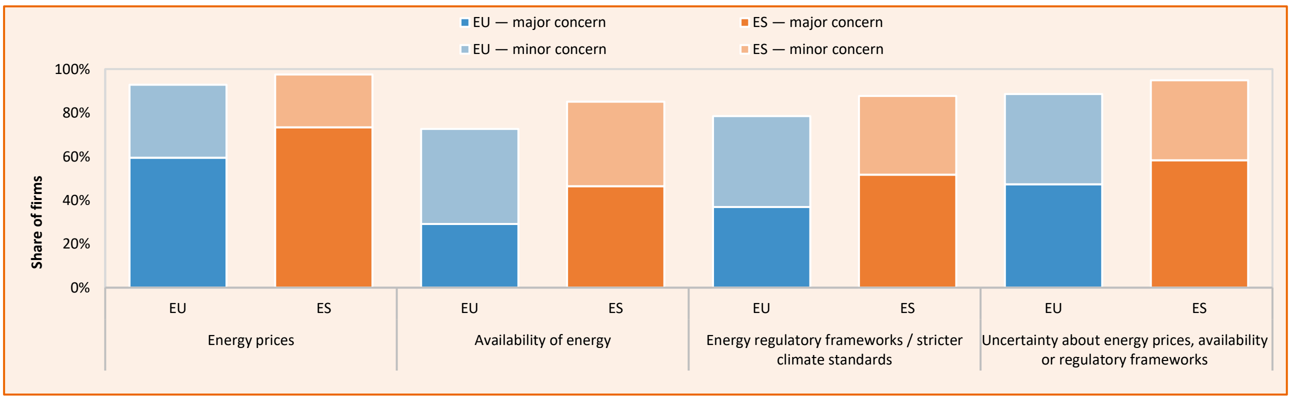
Q. Since the beginning of 2022, by how much has your company's spending on energy (including gas, electricity, oil) changed on average?

Please note: Responses of 'spending on energy stayed about the same' and 'spending on energy decreased' not shown on chart.

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

IMPACT OF ENERGY SHOCK

- The energy crisis hit Spanish firms hard and in some respects to a greater extent than those across the EU. The major concerns for firms in Spain were energy prices and uncertainty. Energy prices were a major concern for 73% of Spanish firms, which is higher than the EU average (59%).
- About 58% of Spanish firms also report energy uncertainty as a major concern, which is higher than the EU average (47%). Energy regulation / stricter climate standards was a major concern for 52% of Spanish firms which is also higher than the EU average (37%).



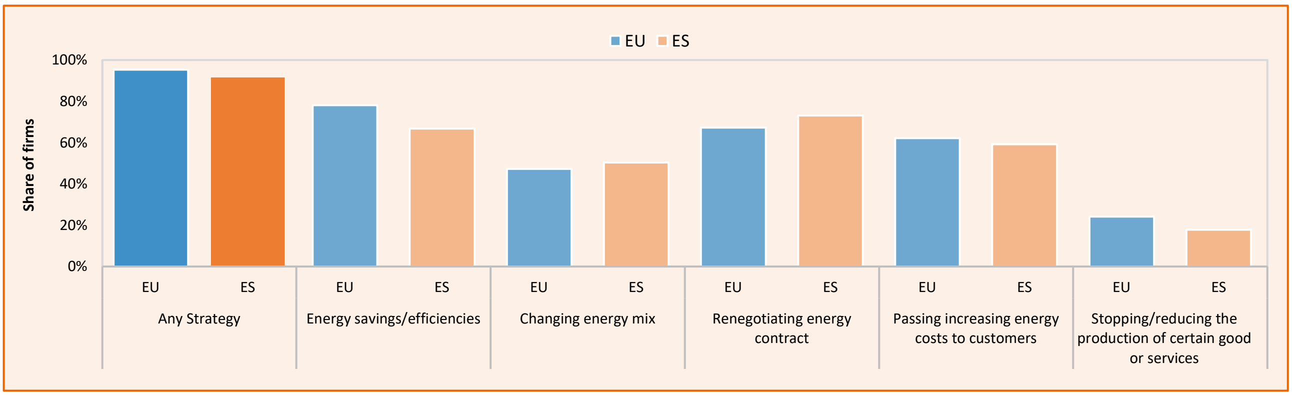
Q. Thinking about the energy shock, to what extent is your company concerned about …?

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

Energy market developments

STRATEGIES TO DEAL WITH THE ENERGY SHOCK

- Almost every Spanish firm (92%) is responding to the energy shock by adopting one or more of the strategies proposed. Most frequently, they mention renegotiating their energy contracts (73%). Two-thirds of Spanish firms (67%) report looking for energy savings/efficiencies.
- At least half of Spanish firms say that passing on increased energy costs to customers (59%) or changing their energy mix (50%) was a priority or strategy in response to the energy crisis. The response of Spanish firms to the energy shock is similar to that seen across the overall EU, although they are somewhat less likely to be looking for energy savings (67% versus 78%).

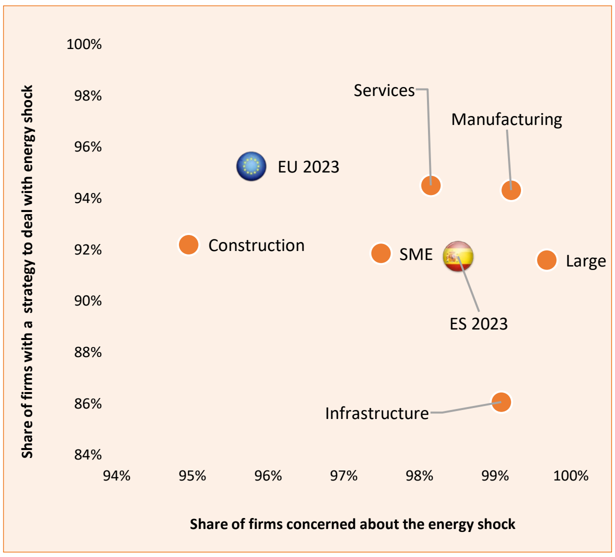


Q. Which, if any of the following, are your priorities/strategies to deal with the recent developments in the energy market?

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

IMPACT AND STRATEGIES TO DEAL WITH ENERGY SHOCK

- As in the rest of the EU, almost every firm in Spain is concerned about the energy shock (99% in Spain and 95% in the EU). The share of firms that has adopted strategies to deal with recent developments in the energy market is also similar in Spain and in the EU (92% versus 95%).
- There is a high level of concern in all sectors and among SMEs and large firms. Service sector firms (95%) and manufacturers (94%) are more likely to be undertaking strategies in response to the energy shock, compared to infrastructure firms (86%).



Q. Which, if any, of the following, are your priorities/ strategies to deal with the recent developments in the energy market?

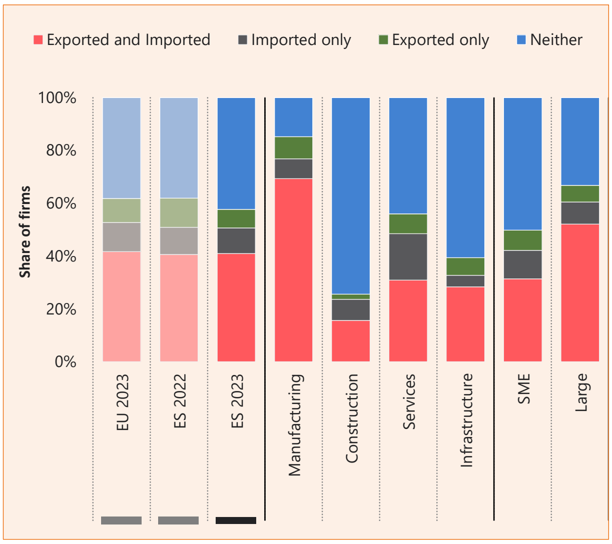
Q. Thinking about the energy shock, to what extent is your company concerned about …

Base: All firms for 'share of firms concerned about the energy shock'
Base: All firms (excluding don't know/refused responses) for 'share of firms with a strategy to deal with the energy shock'

International trade

ENGAGEMENT IN INTERNATIONAL TRADE

- In EIBIS 2023, more than half of Spanish firms (58%) reported being engaged in international trade in goods or services. This ratio is similar to that reported in EIBIS 2022 and the current EU average (both 62%).
- Almost all firms in manufacturing (85%) and the majority of firms in services (56%) in Spain are engaged in international trade. This is higher than firms in infrastructure (39%) or construction (16%). About two-thirds (69%) of manufacturing firms are both exporters and importers of goods and/or services.
- Large firms are more likely than SMEs to be engaged in international trade (67% versus 50%).

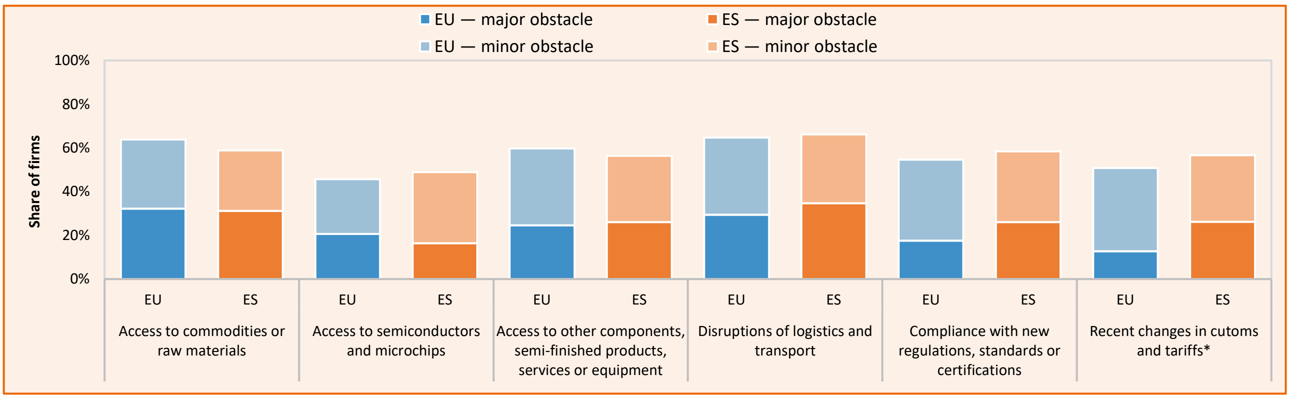


Q. In 2022, did your company export or import goods and/or services?

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

DISRUPTIONS RELATED TO INTERNATIONAL TRADE

- Disrupted logistics and transport (66%) is reported as the biggest trade obstacle by Spanish firms. About a third (35%) consider it a major obstacle to their business's activities. Access to semiconductors or microchips, for example, was considered less problematic.
- In general, trade obstacles were experienced by Spanish firms to a similar extent as those across the EU as a whole. However, recent changes to customs and tariffs were slightly more disruptive for Spanish firms: they are more likely than in the overall EU to report it as a major obstacle (26% versus 13%).



Q. Since the beginning of 2022, were any of the following an obstacle to your business's activities?

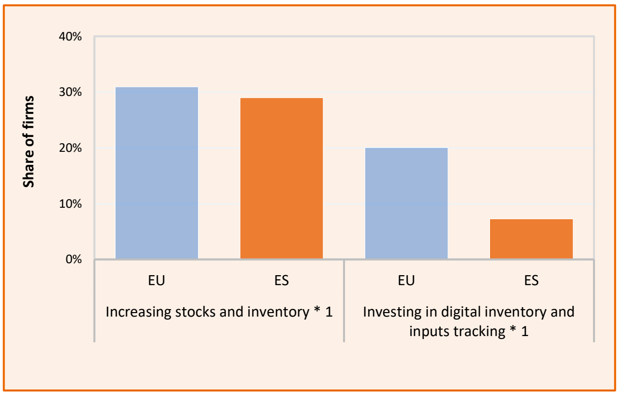
Base: All firms (excluding don't know/refused/not applicable responses)
**Base: All importers and exporters (excluding don't know/refused/not applicable responses)*

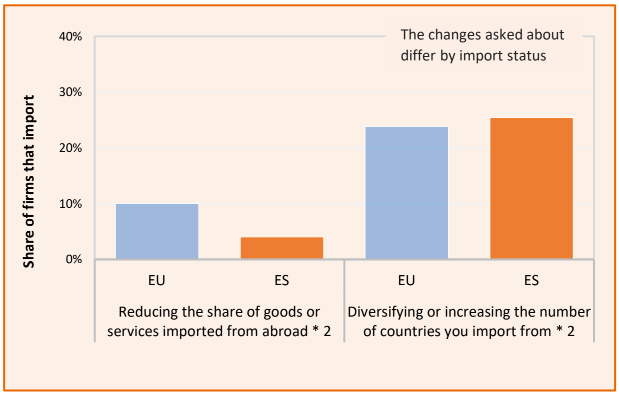
International trade

SOURCING STRATEGY

- Asked about potential changes to their sourcing strategy, Spanish firms active internationally are slightly less likely than those across the EU to be investing in digital inventory and inputs tracking. Moreover, they are also less likely to have plans to do so (7% versus 20%).

- Spanish importers were less likely than those across the EU to have reduced or have plans to reduce the share of goods or services imported from abroad (4% versus 10%)
- Spanish firms importing are slightly more likely than EU peers to diversify (26% and 24% respectively).





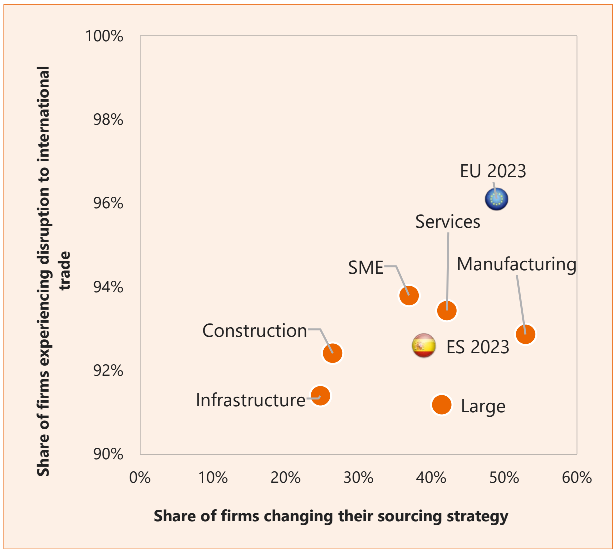
*** 1 = Asked to all, 2 = Asked to all importers**

Q. Since the beginning of 2022, has your company made or are you planning to make any of the following changes to your sourcing strategy?

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

DISRUPTIONS AND SOURCING STRATEGY

- While the vast majority (93%) of Spanish firms faced disruptions to international trade, only 39% have changed their sourcing strategy or are planning to change it. This is lower than the EU average (49%).
- Firms in manufacturing are most likely to have changed or have plans to change their sourcing strategy, while infrastructure firms are the least likely (53% and 25%, respectively).
- There is little difference between large firms and SMEs regarding their actions or intentions to change sourcing strategy (41% and 37%, respectively).



Q. Since the beginning of 2022, were any of the following an obstacle to your business's activities?

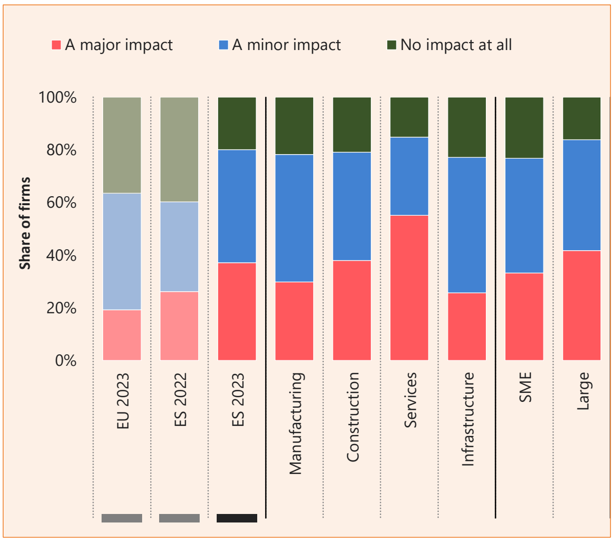
Q. Since the beginning of 2022, has your company made or are you planning to make any of the following changes to your sourcing strategy?

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

Climate change and energy efficiency

IMPACT OF CLIMATE CHANGE – PHYSICAL RISK

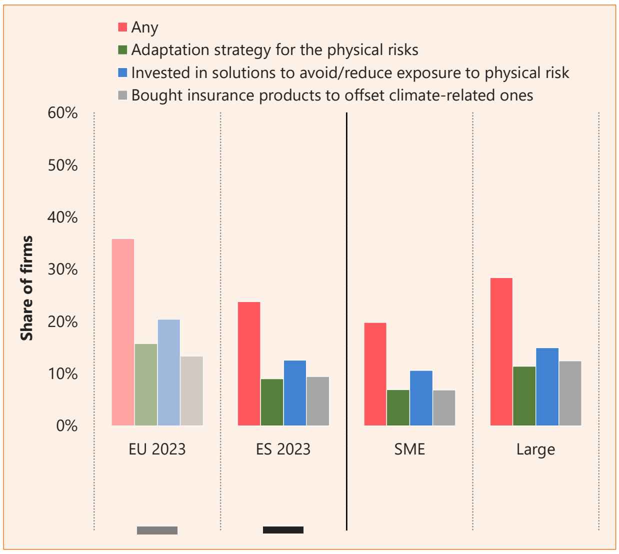
- Approximately 80% of Spanish firms report that weather events have an impact on their business. This is higher than EIBIS 2022 (60%) and the EU average in EIBIS 2023 (64%).
- Over a third of Spanish firms (37%) consider that physical risks associated with climate change to have a major impact on their company, much above the EU average of 19%. Only 20% of Spanish firms report that it has no impact at all (37% in the overall EU).
- Firms in services (55%) are more likely than others to report that weather events are having a major impact on their company. This is higher than in infrastructure (26%) or manufacturing (30%).
- The share of large firms reporting that physical risks associated with climate change have an impact on their company is higher than for SMEs (84% and 77%, respectively).



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?

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

BUILDING RESILIENCE TO PHYSICAL RISK



- Spanish firms were less likely than those across the EU to develop or invest in measures to build resilience to the physical risks of climate change (24% versus 36%).
- The actions taken include investment in solutions that avoid or reduce exposure to physical risks (13% of firms), adapting their strategy (9%) or investing in insurance products to offset climate-related losses (9%). All three figures are below the overall EU average.
- Large firms were more likely than SMEs to have developed or invested in at least one measure that builds resilience to the physical risks of climate change (28% versus 20%).

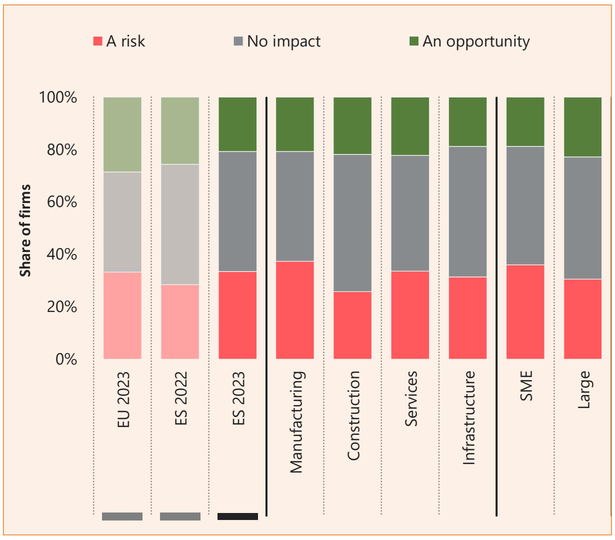
Q. Has your company developed or invested in any of the following measures to build resilience to the physical risks to your company caused by climate change?

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

- Spanish firms are more likely to see the transition to stricter climate standards and regulations as a risk rather than an opportunity (33% versus 21%). This is a larger gap than the EU average (33% vs. 29%), where the share of firms considering it as an opportunity is slightly higher. This is also a bigger gap than in EIBIS 2022 in Spain (28% versus 26%).
- 46% of Spanish firms continue to expect no impact on their company from the transition. This is higher than the EU average (38%).
- In every sector, firms are on balance more likely to consider the transition to stricter climate standards and regulations as a risk rather than an opportunity. The gap is greatest among manufacturing firms (37% versus 21%), and smallest in the construction sector (26% versus 22%).

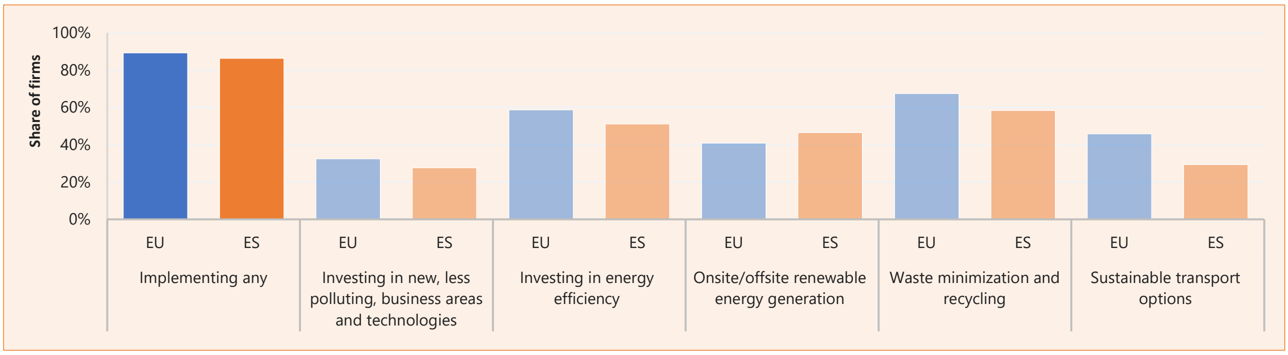


Q. Thinking about your company, what impact do you expect this transition to stricter climate standards and regulations will have on your company over the next five years?

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

ACTIONS TO REDUCE GREENHOUSE GAS EMISSIONS

- The share of Spanish firms taking action to reduce Greenhouse Gas (GHG) emissions is close to the EU average (86% and 89%, respectively).
- The main actions of Spanish firms are to invest in or implement waste minimization and recycling (58%) or energy efficiency (51%).
- The proportion of Spanish firms investing in new, less polluting business areas and technologies is close to the EU average (28% and 32%, respectively).
- Spanish firms are less likely than in the EU as a whole to be investing in sustainable transport options (29% versus 46%).



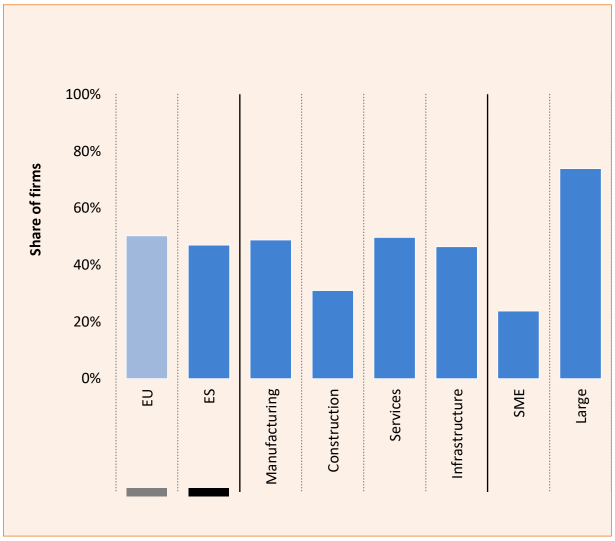
Q. Is your company investing or implementing any of the following, to reduce greenhouse gas (GHG) emissions?

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

Climate change and energy efficiency

ENERGY AUDIT

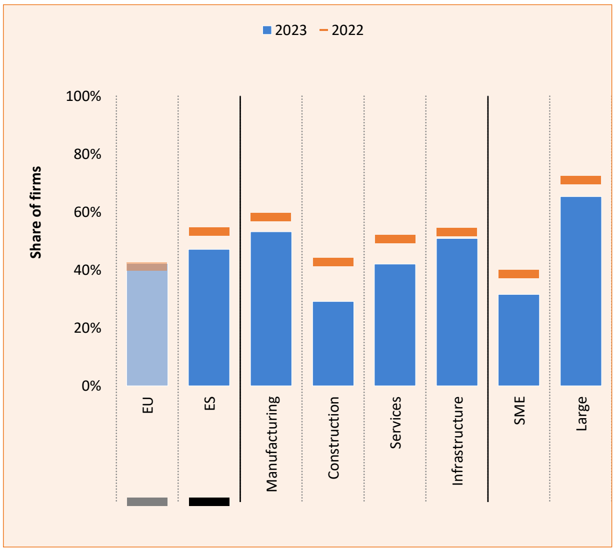
- Just under half of Spanish firms (47%) have had an energy audit in the past three years, which assesses the energy needs and efficiency of their company's buildings. This is similar to the EU average (50%).
- The share of firms that have had an energy audit is lowest in the construction sector (31%) and between 46% and 49% in the other sectors.
- Large firms are far more likely than SMEs to have had an energy audit in the past three years (74% versus 24%).



Q. In the past three years, has your company had an energy audit (i.e. an assessment of the energy needs and efficiency of your company's building or buildings)?

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

CLIMATE CHANGE TARGETS FOR OWN GREENHOUSE GAS EMISSIONS



- The share of firms that set and monitor targets for their own GHG emissions is higher in Spain than in the EU (47% versus 42%).
- However, the share of firms that set and monitor targets in Spain has decreased compared to EIBIS 2022 (53%). The drop was particularly large in the construction sector (to 29%, from 43% in EIBIS 2022).
- Large firms are more likely than SMEs to set and monitor targets for their own GHG emissions (65% versus 32%).

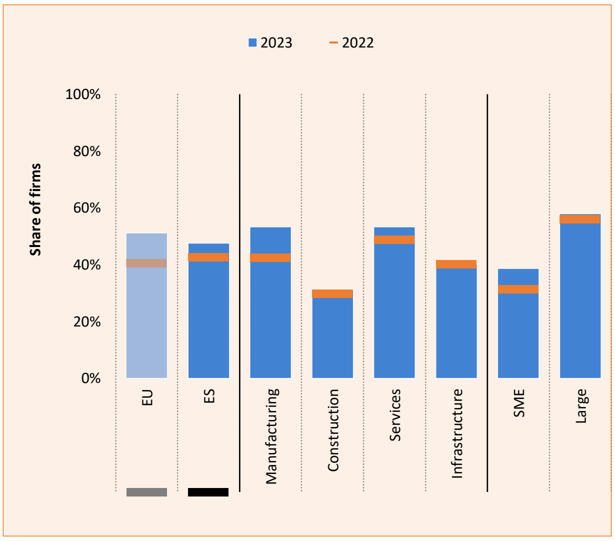
Q. Does your company… sets and monitors targets for its own greenhouse gas (GHG) emissions?

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

Climate change and energy efficiency

SHARE OF FIRMS INVESTING IN MEASURES TO IMPROVE ENERGY EFFICIENCY

- In 2022, almost half the firms in Spain (48%) invested in measures to improve energy efficiency. This is close to the EU average (51%) and EIBIS 2022 (43%).
- The share of firms investing in energy efficiency was higher in manufacturing (53%), and lower in construction (31%).
- Large firms were more likely than SMEs to invest in measures to improve energy efficiency (58% versus 39%).

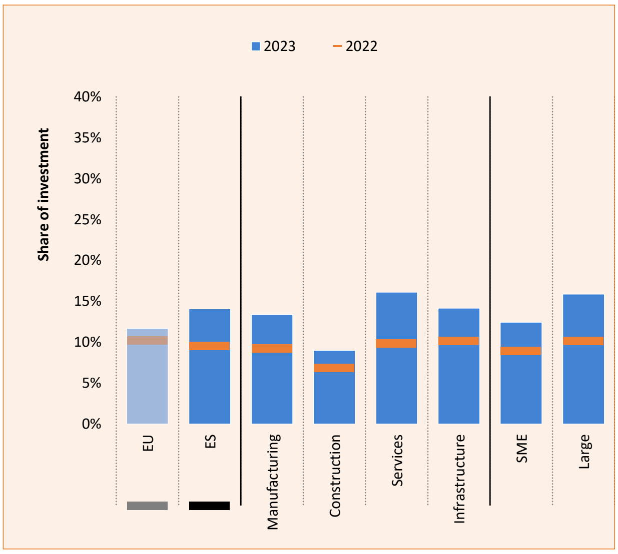


Q. What proportion of the total investment in the last financial year was primarily for measures to improve energy efficiency in your organisation?

Base: All firms

AVERAGE SHARE OF INVESTMENT IN MEASURES TO IMPROVE ENERGY EFFICIENCY

- On average, Spanish firms allocated 14% of investment towards improvements in energy efficiency. This is similar to the current EU average (12%) and represents a small increase compared to EIBIS 2022 (9%).
- The share of investment allocated towards improvement in energy efficiency is slightly higher in services (16% of total investment) than in construction (9%).

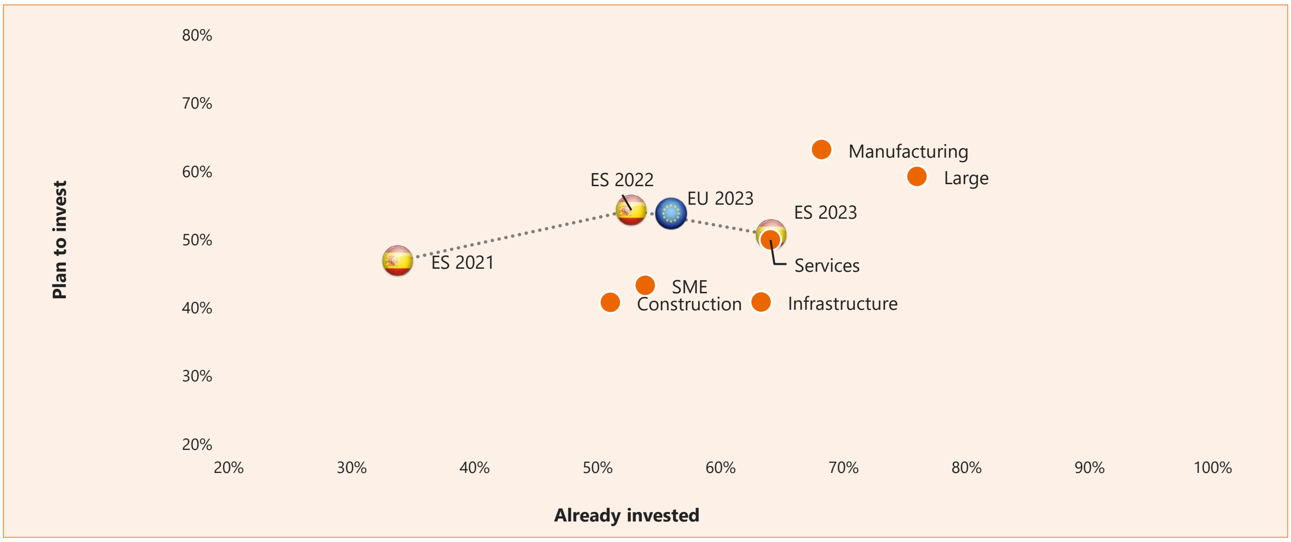


Q. What proportion of the total investment in the last financial year was primarily for measures to improve energy efficiency in your organisation?

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

Climate change and energy efficiency

INVESTMENT PLANS TO TACKLE CLIMATE CHANGE IMPACT



EIBIS 2022/2023:
Q. Which of the following applies to your company regarding investments to tackle the impacts of weather events and to help reduce carbon emissions?
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?

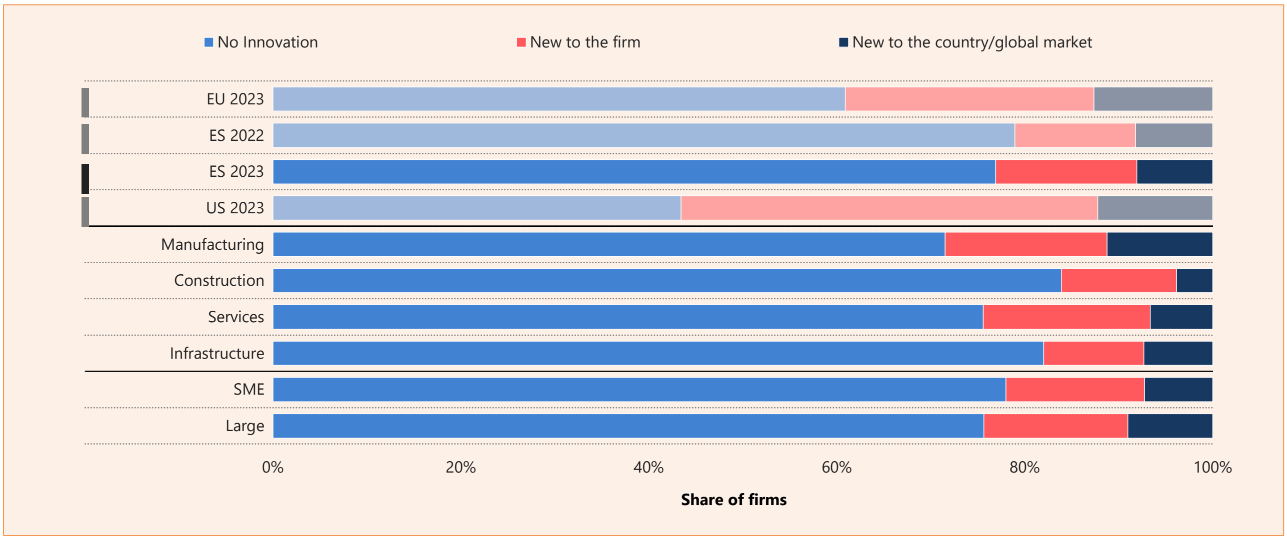
Please note: question change and an additional answer option was included in 2022, this may have influenced the data. Treat comparison to 2021 with caution.

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

- Almost two-thirds of Spanish firms (64%) have already invested in tackling the impacts of weather events and dealing with the process of reducing carbon emissions. This is higher than EIBIS 2022 (53%) and the current EU average (56%)
- Half of Spanish firms (51%) also have plans to invest in these areas in the next three years. This is similar to EIBIS 2022 and the current EU average (both 54%).
- The share of firms that have already invested to tackle the impacts of weather events is higher in manufacturing (68%) than in construction (51%). The share of firms that plan to invest in the next three years is also higher in manufacturing (63%) than in construction (41%).
- Large firms are more likely than SMEs to have already invested (76% versus 54%) and to have plans to invest (59% versus 43%).

Innovation activities

INNOVATION ACTIVITY



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

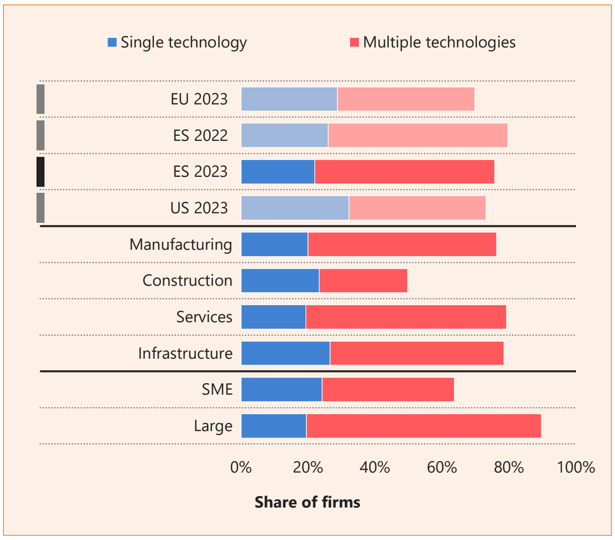
Base: All firms (excluding don't know/refused responses)

- Almost a quarter of Spanish firms (23%) invested to develop or introduce new products, processes or services as part of their investment activities. This is close to EIBIS 2022 (21%) but lower than the overall EU average (39%).
- Fewer than one on ten Spanish firms (8%) developed or introduced products, processes or services new to the country or the global market, which is also below the EU average (13%).
- The share of firms that invested in innovation is higher in manufacturing (28%) and services (25%) than in infrastructure (18%) and construction (16%).
- There is no significant difference between large firms and SMEs in the share of firms that invested in innovation (24% versus 22%).

Innovation activities

USE OF ADVANCED DIGITAL TECHNOLOGIES

- Three-quarters of Spanish firms (76%) used at least one advanced digital technology. This is similar to EIBIS 2022 (80%) and above the current EU average (70%).
- The share of firms that use advanced digital technologies is higher in services and infrastructure (both 79%) than in construction (50%).
- Large firms are more likely than SMEs to have adopted advanced digital technologies (90% versus 64%)
- Approximately four in ten Spanish firms (41%) use big data analytics and artificial intelligence, which is higher than the overall EU average (29%).
- While the majority of Spanish firms use digital platform technologies (65%), robotics (56%) and the internet of things (53%), relatively few use 3D printing (18%) or augmented or virtual reality technology (16%).



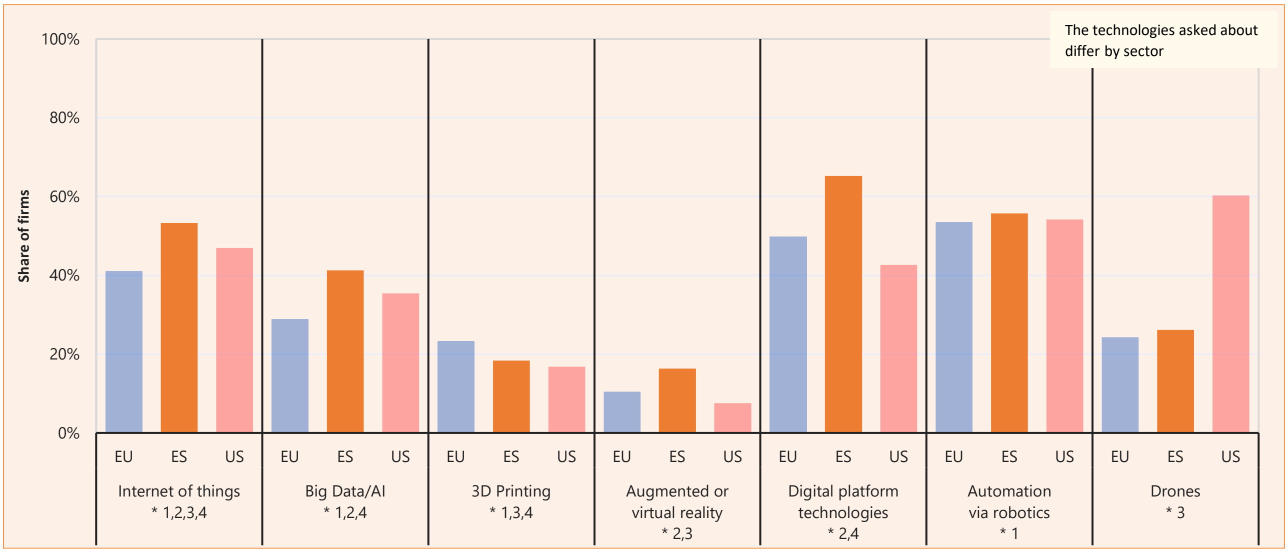
Reported shares combine "used" the technology "in parts of business" and "entire business organised around it."

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.

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)

ADVANCED DIGITAL TECHNOLOGIES



*** Sector: 1 = Asked to manufacturing firms, 2 = Asked to services firms, 3 = Asked to construction firms, 4 = Asked to 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.

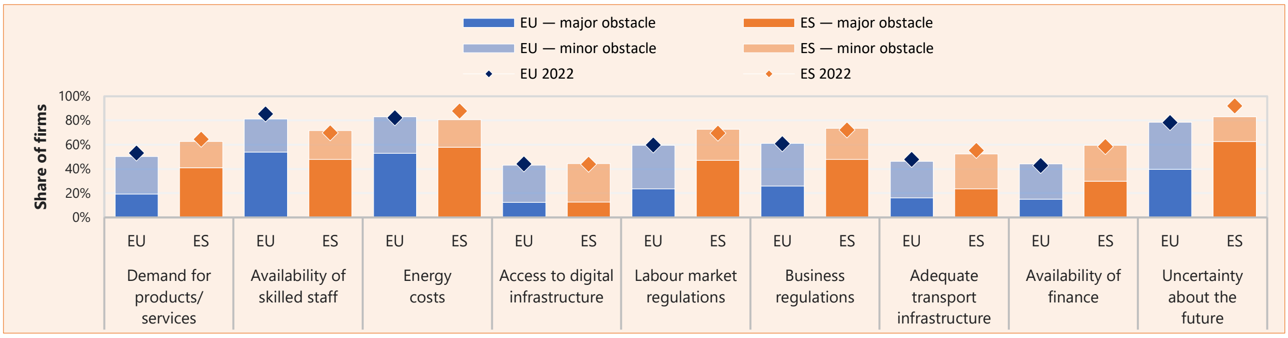
Reported shares combine used the technology 'in parts of business' and 'entire business organised around it'

Base: All firms (excluding don't know/refused responses);
Sample size ES: Manufacturing (175); Construction (131); Services (153); Infrastructure (137).

Investment impediments

LONG-TERM BARRIERS TO INVESTMENT

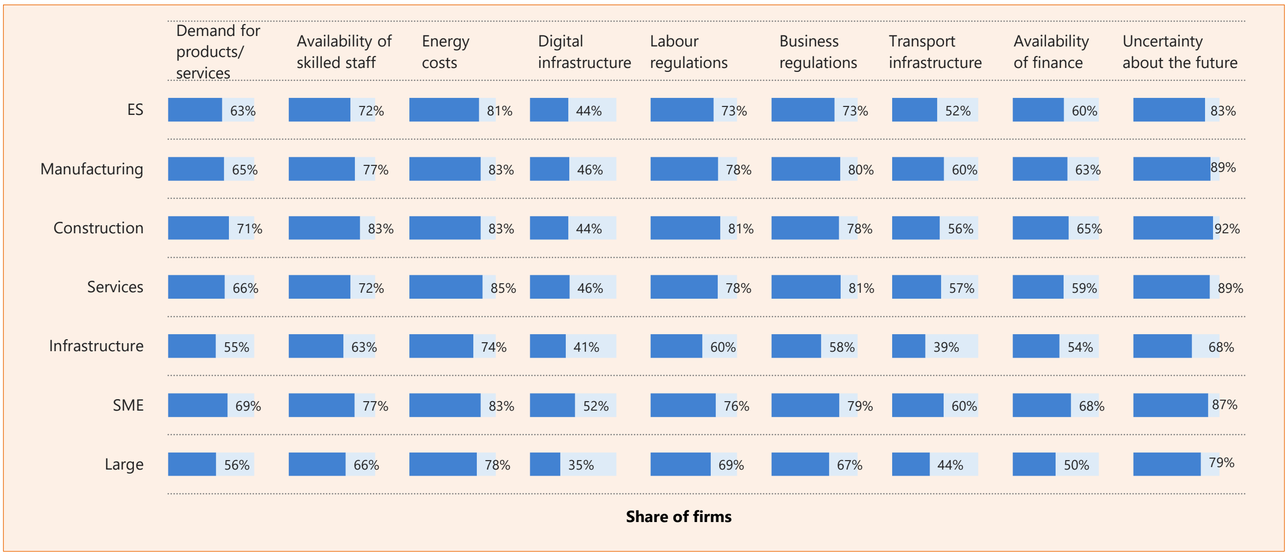
- The main long-term barriers to investment reported by Spanish firms are uncertainty about the future (83%) and energy costs (81%). Compared to EIBIS 2022, the share of Spanish firms regarding these factors as barriers to investment appears to be easing, or at least stabilising.
- Compared to the EU average, Spanish firms tend to regard the availability of finance, labour market regulations, and demand for products or services as long-term barriers to investment.
- Compared to those in other sectors, firms in infrastructure are less inclined to see these factors as barriers to their long-term investment.
- SMEs are generally more likely than large firms to see these factors as a barrier to investment. For example, access to digital infrastructure (52% versus 35%) and transport infrastructure (60% versus 44%).



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 that 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

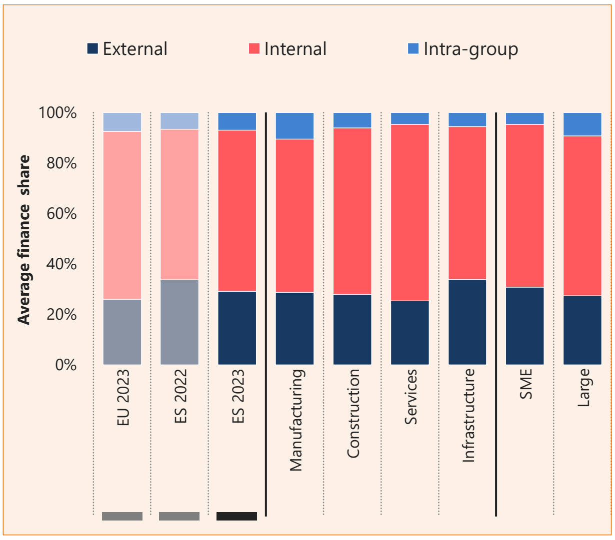
Q. Thinking about your investment activities, to what extent is each of the following an obstacle? Is it a major obstacle, a minor obstacle or not an obstacle at all?

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

Access to finance

SOURCE OF INVESTMENT FINANCE

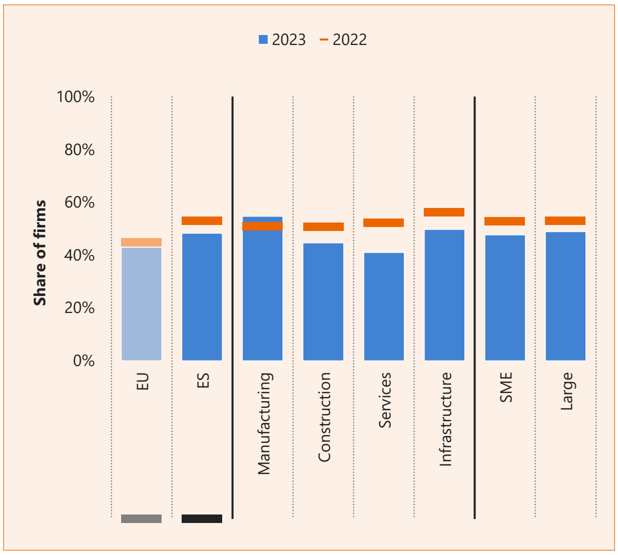
- Internal sources accounted for 64% of investment finance. This is followed by external finance (29%) with relatively little coming from intra-group funding (7%). These shares of investment finance are similar to both EIBIS 2022 and the EU average.
- In all sectors, at least 60% of investment finance came from internal sources (70% in services). In infrastructure, 34% of investment finance came from external sources.
- SMEs and large firms financed their investment in similar ways.



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

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

USE OF EXTERNAL FINANCE



- Almost half of the Spanish firms that invested in the last financial year funded some of their investment through external sources (48%). This is slightly higher than the current EU average (43%) and slightly lower than in EIBIS 2022 (53%).
- Manufacturing is the only sector were a majority of firms (55%) relied on external finance.
- The share of firms that relied on external finance is similar for SMEs and large firms (48% and 49%, respectively).

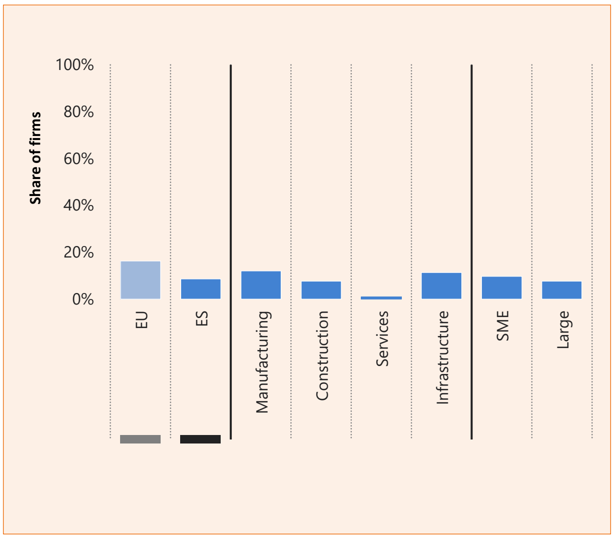
Q. Approximately what proportion of your investment in the last financial year was financed by each of the following

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

Access to finance

SHARE OF FIRMS WITH FINANCE FROM GRANTS

- Approximately one in ten Spanish firms using external finance received grants (9%). This is lower than the EU average (16%).
- Only 1% of firms in services using external finance received grants, which is far lower than in manufacturing and infrastructure (12% and 11%, respectively).
- A similar proportion of the SMEs and large firms that used external finance received grants (10% and 8%, respectively).

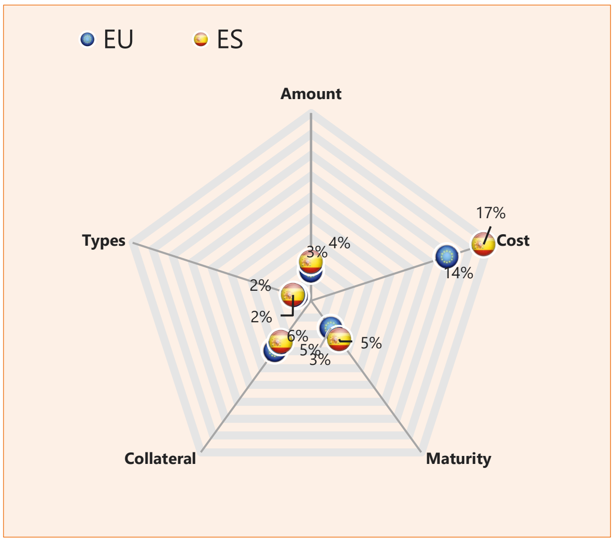


Q. What proportion of your total investment in the last financial year was financed by grants?

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

DISSATISFACTION WITH EXTERNAL FINANCE RECEIVED (% of firms)

- 17% of Spanish firms are dissatisfied with the the cost of external finance. The share of firms unhappy with every of the other aspects of external finance is lower: collateral requirements (6%), maturity terms (5%), the amount made available (4%), and type (2%).
- In Spain, the levels of dissatisfaction with external finance are similar to the overall EU average.



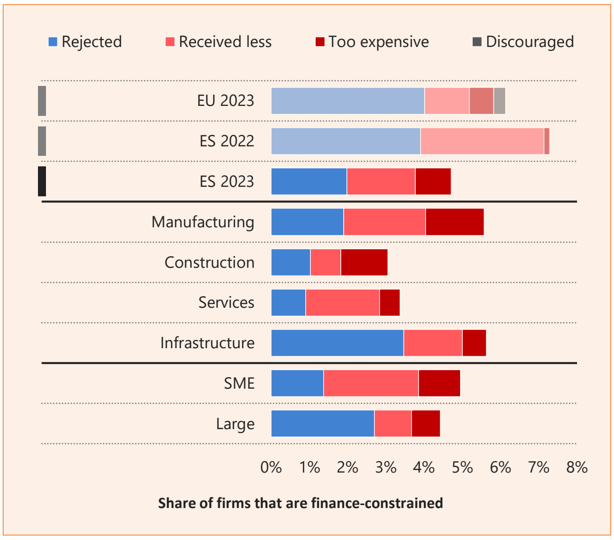
Q. How satisfied or dissatisfied are you with …?

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

Access to finance

SHARE OF FINANCE-CONSTRAINED FIRMS

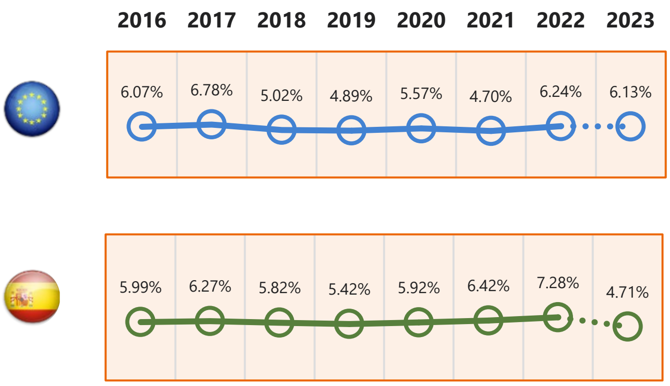
- The share of financially constrained firms in Spain (4.7%) is lower than EIBIS 2022 (7.3%) and the current EU average (6.1%).
- In Spain, the proportion of finance-constrained firms varies somewhat across sectors. It is higher in manufacturing and infrastructure (both 5.6%) than services (3.4%) or construction (3.1%).
- A similar share of SMEs and large firms are financially constrained (5.0% and 4.4%, respectively).



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 that 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

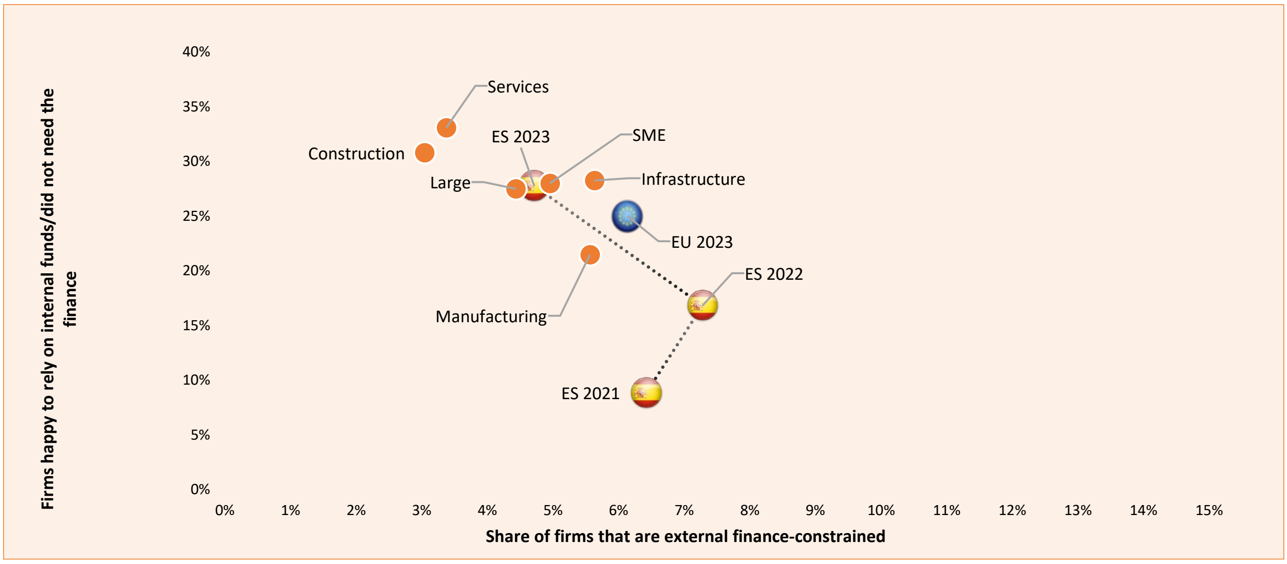


- The share of Spanish firms that are currently finance constrained (4.7%) is at the lowest level since 2016, when the EIBIS series started. This represents a decrease from EIBIS 2022 (7.3%), which was the highest level recorded.
- The proportion of finance constrained firms in Spain is now slightly lower than the EU average (4.7% versus 6.1%), which is the first time since EIBIS 2017.

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

Access to finance

FINANCING CROSS



Data derived from the financial constraint indicator and firms indicating main reason for not applying for external finance was 'happy to use internal finance/didn't need finance'

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

- A small share (4.7%) of Spanish firms is finance constrained while approximately three in ten (28%) are happy to rely on internal finance (or do not actually need any external finance). The level of finance constrained firms has not changed very much compared to EIBIS 2021 and 2022, but over this time there has been a large increase in the share of firms happy to use internal finance. The share of Spanish firms that are finance constrained is lower than in the overall EU (4.7% versus 6.1%) while and the share happy to rely on internal finance is similar (28% versus 25%).
- The share of financially constrained firms and the share of firms happy to rely on internal finance varies across sectors. Manufacturing has the highest share of financially constrained firms and the lowest happy to rely on internal finance (5.6% and 21% respectively). Within construction (3.0% and 31%) and services (3.4% and 33%), there are relatively few firms that are financially constrained, and a larger share that is happy to rely on internal finance.
- A similar share of SMEs and large firms are financially constrained (5.0% versus 4.4%) and happy to rely on internal finance (27% versus 28%).

EIBIS 2023 – 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.

	EU	US	ES	Manufacturing	Construction	Services	Infrastructure	SME	Large	EU vs ES	Manuf vs Constr	SME vs Large
	(12030)	(802)	(600)	(176)	(131)	(153)	(139)	(468)	(132)	(12030 vs 600)	(176 vs 131)	(468 vs 132)
10% or 90%	1.1%	3.9%	2.4%	4.2%	4.8%	4.6%	4.7%	2.4%	4.4%	2.7%	6.3%	5.0%
30% or 70%	1.8%	6.0%	3.7%	6.4%	7.3%	7.0%	7.3%	3.7%	6.7%	4.1%	9.7%	7.7%
50%	1.9%	6.5%	4.0%	7.0%	7.9%	7.6%	7.9%	4.1%	7.3%	4.5%	10.6%	8.4%

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 2023 country overview refers interchangeably to 'the past/last financial year' or to '2022'. Both refer to results collected in EIBIS 2023, where the question is referring to the past financial year, with the majority of the financial year in 2022 in case the financial year is not overlapping with the calendar year 2022.

EIBIS 2023 – Country technical details

The country overview presents selected findings based on telephone interviews with 600 firms in Spain (carried out between April and July 2023).

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

Base definition and page reference	EU 2023/2022	US 2023	Spain 2023/2022	Manufacturing	Construction	Services	Infrastructure	SME	Large
All firms, p. 5 (bottom left), p. 8 (top), p. 8 (bottom), p. 16 (top)	12030/12021	802	600/600	176	131	153	139	468	132
All firms (excluding don't know/refused responses), p. 5 (bottom right)	11624/11682	776	582/579	172	128	145	136	455	127
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 6 (top)	10147/9704	692	479/481	144	99	118	117	364	115
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 6 (bottom)	9948/9501	704	335/392	95	67	88	84	255	80
All firms (excluding 'Company didn't exist three years ago' responses), p. 7 (top)	12015/12005	802	600/600	176	131	153	139	468	132
All firms (excluding don't know/refused responses), p. 7 (bottom)	11880/11814	794	596/599	175	131	151	138	466	130
All firms (excluding don't know/refused responses), p. 9 (top)	11812/NA	782	597/NA	176	130	153	137	466	131
All firms (data not shown for those that said not an obstacle at all/don't know/refused), p. 9 (bottom)	12030/NA	802	600/NA	176	131	153	139	468	132
All firms (excluding don't know/refused responses), p. 10 (top)	11739/NA	786	592/NA	174	128	151	137	463	129
All firms (excluding don't know/refused responses), p. 10 (bottom)	11739/NA	786	592/NA	174	128	151	137	463	129
All firms (excluding don't know/refused responses) p. 11 (top)	11978/11975	800	596/598	176	130	150	139	464	132
All firms (excluding don't know/refused/not applicable responses), p. 11 (bottom)	6692/NA	284	298/NA	137	27	82	51	209	89
All firms (excluding Don't know/refused responses), p. 12 (top left)	11918/NA	797	596/NA	174	130	152	139	465	131
All firms that import (excluding don't know/refused responses), p. 12 (top right)	6151/NA	240	256/NA	120	24	71	40	175	81
All firms (excluding don't know/refused responses), p. 12 (bottom)	10139/NA	717	540/NA	171	119	134	115	421	119
All firms (excluding Don't know / refused responses) p. 13 (top)	11930/11911	797	593/595	173	130	152	137	462	131
All firms (excluding Don't know / refused responses), p. 13 (bottom)	11944/11909	789	599/598	175	131	153	139	468	131
All firms (excluding don't know/refused responses), p. 14 (top)	11433/11172	771	555/556	158	120	144	132	428	127
All firms (excluding don't know/refused responses), p. 14 (bottom)	11956/11964	800	598/600	176	131	152	138	467	131
All firms (excluding don't know/refused responses), p. 15 (top)	11549/NA	766	584/NA	172	126	150	135	456	128
All firms (excluding don't know/refused responses), p. 15 (bottom)	11836/11712	791	591/579	173	129	151	137	462	129
All firms that have invested in the last financial year (excluding don't know/refused responses), p. 16 (bottom)	10210/9752	707	471/476	144	97	117	112	359	112
All firms (excluding don't know/refused responses), p. 17	11721/11685	770	587/582	173	128	150	135	458	129
All firms (excluding don't know/refused responses), p. 18	11738/11735	780	599/599	176	131	153	138	467	132
All firms (excluding don't know/refused responses), p. 19 (top)	12009/11980	801	600/600	176	131	153	139	468	132
All firms (excluding don't know/refused responses), p. 19 (bottom)	11916/11844	800	597/596	175	131	153	137	466	131
All firms (data not shown for those who said not an obstacle at all/don't know/refused), p. 20 (top)	12030/12021	802	600/600	176	131	153	139	468	132
All firms (data not shown for those who said not an obstacle at all/don't know/refused), p. 20 (bottom)	12030/12021	802	600/600	176	131	153	139	468	132
All firms who invested in the last financial year (excluding don't know/refused responses), p. 21 (top)	10517/10051	697	498/491	152	100	126	119	376	122
All firms who invested in the last financial year (excluding don't know/refused responses), p. 21 (bottom)	10517/10051	697	498/491	152	100	126	119	376	122
All firms using external finance (excluding don't know/refused responses), p. 22 (top)	4269/4107	265	234/251	82	42	50	60	176	58
All firms that used external finance in the last financial year (excluding don't know/refused responses), p. 22 (bottom)	4184/3988	264	234/252	82	43	49	60	175	59
All firms (excluding don't know/refused responses), p. 23 (top)	11544/11504	729	574/581	170	126	145	132	448	126
All firms (excluding don't know/refused responses), p. 23 (bottom)	11544/11504	729	574/581	170	126	145	132	448	126
All firms (excluding don't know/refused responses), p. 24	11544/11473	729	574/580	170	126	145	132	448	126

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Overview

EIB INVESTMENT SURVEY

2023