



Austria

Overview

EIB INVESTMENT SURVEY

2023

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Austria

Overview

EIB Investment Survey Country Overview 2023: Austria

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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 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 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 2023 – Austria overview

KEY RESULTS

Investment dynamics and focus

Firms in Austria have become more cautious about their investment outlook. At the time of the interviews (April – July 2023), the net balance expecting to increase rather than decrease investment (7%) is much lower than EIBIS 2022 (25%) and half the EU average (14%). The share of Austrian firms that invested in 2022 (88%) is similar to what was reported for 2021 in EIBIS 2022 (87%) and aligned with the EU average (85%).

Investment needs and priorities

Eight in ten Austrian firms (80%) say they invested the right amount over the last three years, while more than one in ten Austrian firms (14%) believe they invested too little over the past three years (especially in the manufacturing sector). Regarding future investment priorities, Austrian firms seem to focus less on capacity expansion (now at 22% from 31% in EIBIS 2022) and more on replacement (now at 43% from 36%) over the next three years, while the focus on new products/services remained stable (26%). This is coherent with the slowing investment trends in the country. The future priorities of Austrian businesses differ slightly from EU firms, but with more focus on replacement (43% versus 34%) than capacity expansion (22% versus 34%).

Austrian firms remain as pessimistic about investment conditions as they were in EIBIS 2022. A large balance of Austrian firms is pessimistic about the political and regulatory climate (-44%). This matches EIBIS 2022 (-43%) and is lower than the EU average (-30%). Similar views are held on the economic climate. Austrian firms are, on balance, more pessimistic than in EIBIS 2022 that business prospects will improve (-13% versus -1%) and are increasingly concerned about the availability of external finance (-17% versus -11% in net balance terms).

Energy market developments

The Austrian economy has been particularly exposed to high energy prices. Consequently, energy prices are a concern for over nine in ten Austrian firms (93%) and a major concern for 55%.

Almost every Austrian firm (97%) changed strategy in response to energy shocks. Most often they looked for energy savings/efficiencies (85%) and/or passing increased costs on to customers (79%), with over seven in ten mentioning renegotiating their energy contract as a strategy (72%). Austrian firms were more likely than the EU average to report energy savings/efficiencies (85% versus 78%), renegotiating their energy contracts (72% versus 67%) and/or passing on increasing energy costs to customers (79% versus 62%) as a strategy or priority.

International trade

Supply chain disruptions are affecting Austrian business: almost all firms in Austria (95%) faced some disruption linked to international trade, with logistics/transport (73%) and restricted access to components (71%) the biggest obstacles. Access to semiconductors and microchips (58% versus 46%), components, semi-finished products, services or equipment (71% versus 60%) and compliance with new regulations, standards or certifications (65% versus 55%) were more disruptive to firms in Austria than those across the EU as a whole.

More Austrian firms than the EU average are changing or planning to change their sourcing strategy (63% versus 49%). When doing so, they are more likely to mention investing in increased stocks and inventory (47% versus 31%) or digital inventory and inputs tracking (29% versus 20%). Compared to the EU average, a similar proportion of Austrian importers say they are or plan on reducing the share of goods or services they import from abroad (13% versus 10%) or diversifying or increasing the number of countries from which they import (29% versus 24%).

EIBIS 2023 – Austria overview

Climate change and energy efficiency

Climate change is increasingly felt by Austrian businesses: climate change is a reality for most Austrian firms with 70% reporting weather events are impacting their business. This is an increase from 64% in EIBIS 2022 and the figure now exceeds the EU average (also 64%). Four in ten Austrian firms (40%) have developed or invested in measures to build resilience to the physical risks of climate change. This is similar to EU average (36%). Austrian firms prefer to develop or invest in solutions to avoid exposure to the risk itself (29%), followed by adapting their strategy for physical risks (22%); while 10% buy insurance products to off-set losses. Compared to the EU as a whole, Austrian firms are more inclined to invest in solutions to avoid or reduce exposure to physical risks (29% versus 20%).

More Austrian firms say the transition to stricter climate standards and regulations is an opportunity than a risk (38% versus 31%). The proportion saying “opportunity” is above the EU average (29%). While almost every firm in Austria (95%) is taking action to reduce Greenhouse Gas (GHG) emissions - and this compares favourably to the EU average (89%) - only a minority (45%) sets and monitors targets for their own emissions. The main actions taken by Austrian firms to reduce emissions are to invest in or implement energy efficiency (77%) or waste minimization and recycling initiatives (72%). Austrian firms are generally more likely than EU firms to be taking specific actions: the biggest ‘leads’ are for energy efficiency (77% versus 59%) and sustainable transport options (58% versus 46%).

Innovation activities

Innovation activity is gaining strength. Having increased from 30% to 42% since EIBIS 2022, four in ten Austrian firms developed or introduced new products, processes or services as part of their investment activity in 2022. This matches the current EU average (39%) but is lower than the US (57%).

Adoption of digital technologies is stronger in Austria than in the EU as a whole. Eight in ten Austrian firms (81%) used at least one advanced digital technology. This exceeds the EU average (70%). Over six in ten are using digital platform technologies (65%) and/or automation via robotics (73%). Relatively few Austrian businesses have utilised augmented or virtual reality technology (18%).

Investment impediments

The main long-term barriers to Austrian firms’ investment are availability of staff (91%) and energy costs (83%). Getting skilled staff is a particular issue, with 72% saying it is a major obstacle. The EU figure is 54%. The impact of barriers is not easing for Austrian firms compared to previous survey rounds.

Access to finance

The proportion of finance constrained Austrian firms is almost identical to EIBIS 2022 (3.3% versus 3.4% below the EU average (6.1%). Dissatisfaction with the cost of external finance is above the EU average (19% versus 14%) but otherwise, levels of dissatisfaction are at a very similar level.

Note on how to read the results:

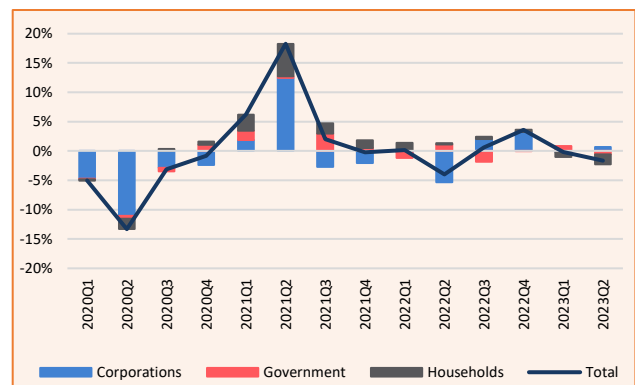
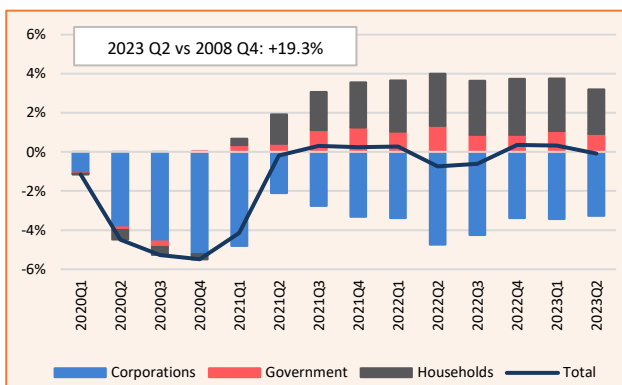
EIBIS 2023 overview presents the results of the survey run in 2023. Questions in the survey might point to “last financial year” (2022) or expectations for the current year (2023). The text and the footnote referring to the question will specify in each case which year is considered.

Investment dynamics and focus

INVESTMENT DYNAMICS BY INSTITUTIONAL SECTOR

- Total gross fixed capital formation in Austria has been slowing down during the first part of 2023, mirroring the general slowdown of the economy and of its outlet markets (especially Germany).
- In 2023 the Austrian economy is one of the few in EU expected to register a negative GDP growth rate (-0.5%), according to EU Commission Autumn

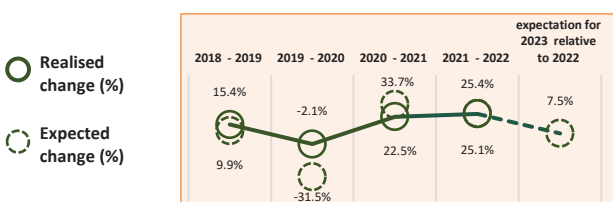
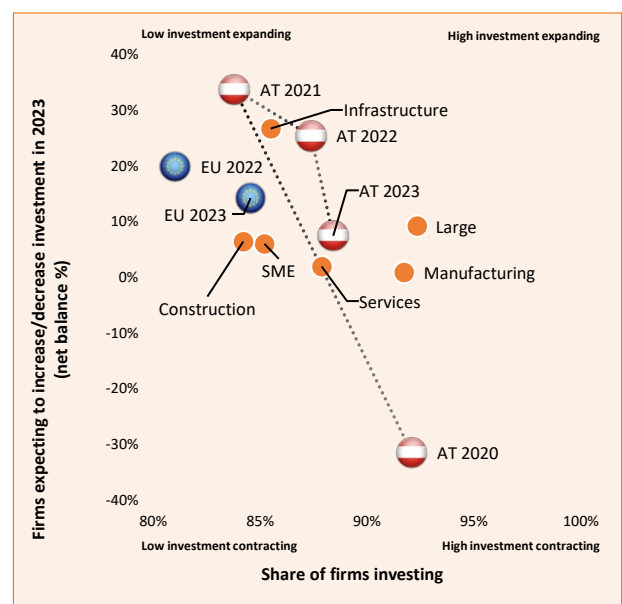
forecast (published in November 2023), with high retail energy prices impacting industry, increasing unit labour costs and sluggish export growth.



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

- Firms in Austria have become more cautious about their investment expectations. A modest net balance (7%) is expecting to increase rather than decrease investment, which is much lower than EIBIS 2022 (25%) and lower than EU (being half the EU average, 14%).
- Except for infrastructure (27%), a balance of between 1% and 6% of firms in each sector expects to increase rather than decrease investment. SMEs have a similar outlook to large firms (6% and 9%, respectively).
- The share of Austrian firms currently investing (88%) is similar to EIBIS 2022 (87%) and remains in line with EU as a whole (85%).



'Realised change' is the share of firms that 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.

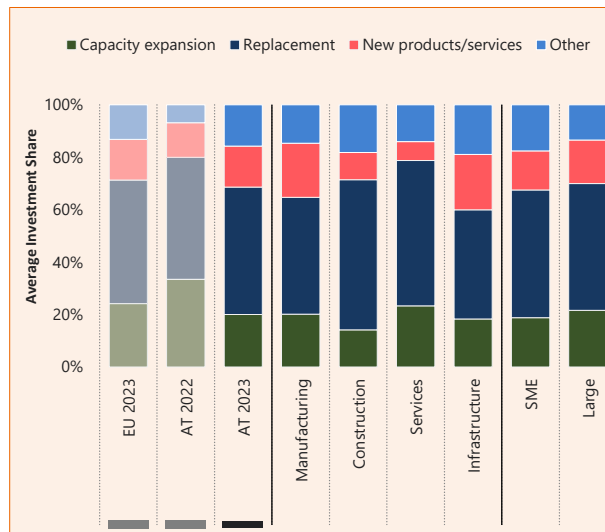
Base for share of firms investing: All firms (excluding don't know/refused responses)

Base for expected and realised change: All firms

Investment dynamics and focus

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

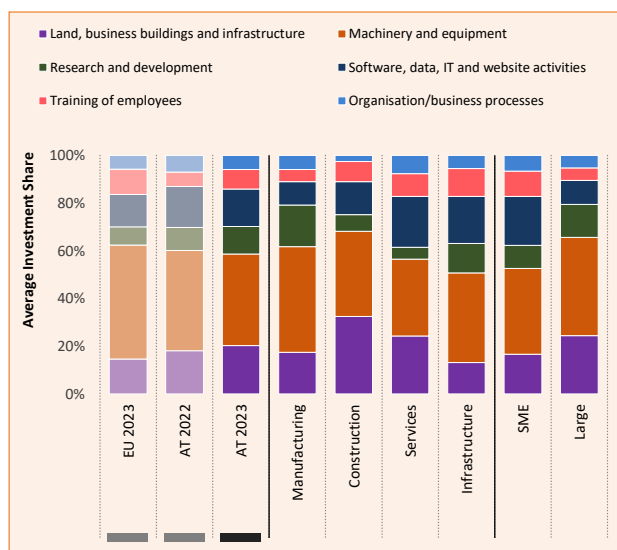
- In 2022, investment in capacity expansion accounted for a fifth of total investment (20%) and while this reflects the current EU average (24%), it represents a drop from EIBIS 2022 (33%).
- Almost half of Austrian firms' investment was directed towards replacement (49%). This is similar to both EIBIS 2022 (46%) and the current EU average (47%).
- The purpose of investment varies by sector. Construction firms directed the largest share of their investment towards replacement (57%). Approximately a fifth of investment made by manufacturers and infrastructure firms (both 21%) was for new products/services. In contrast this represented only 7% of service firms' investment.
- The investment focus of SMEs and large firms was very similar.



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, Austrian firms directed two-fifths (41%) of their investment towards intangible assets (R&D, software, training and business processes). This reflects the EU average (38%).
- The share of investment in intangible assets ranged from almost half for infrastructure firms (49%) to less than two-fifths in the manufacturing and construction sectors (38% and 32% respectively). Manufacturers directed relatively little of their investment towards employee training (5%), while construction and services firms did not focus on R&D activities (7% and 5%, respectively).
- Compared to large firms, SMEs directed a higher share of investment towards training of employees (11% versus 5%) and intangible assets (47% versus 34%). In particular, SMEs invested a larger proportion in software, data, IT and website activities (20% versus 10%).

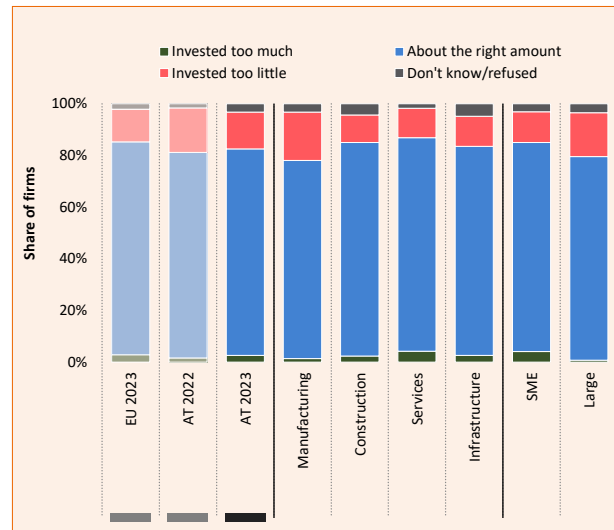
Q. In the last financial year, how much did your business invest in each of the following with the intention of maintaining or increasing your company's future earnings?

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

Investment needs and priorities

PERCEIVED INVESTMENT GAP

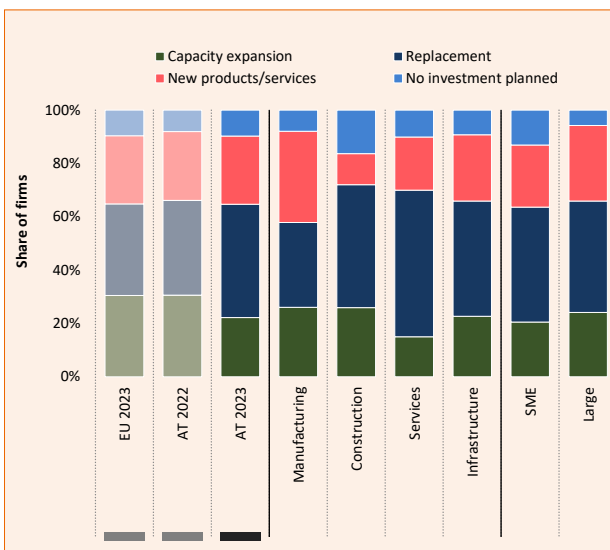
- More than one in ten Austrian firms (14%) believe they invested too little over the past three years (especially in the manufacturing sector). This is similar to EIBIS 2022 (17%) and the EU average (13%).
- The majority of firms in Austria, however, do not perceive major gaps in their levels of investment. Eight in ten firms (80%) believe that they invested about the right amount over the last three years. This share is identical to EIBIS 2022 (80%) and very close to the current EU average (82%).
- The figures are very consistent across sectors and different sizes of business. At least 77% of firms in every sector say they invested the right amount over the last three years. The respective figures for SMEs and large firms are 81% and 79%.



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



- Regarding future investment priorities, Austrian firms seem to focus less on capacity expansion (now at 22% from 31% in EIBIS 2022) and more on replacement (now at 43% from 36%) over the next three years. A stable share focuses on new products/services (26%). This is coherent with the slowing investment trends in the country.
- Austrian firms' priorities differ slightly from those across the EU. Over the next three years they are more inclined to prioritize replacement (43% versus 34%), but less likely to focus on capacity expansion (22% versus 31%).
- Manufacturing (34%) has by far the highest proportion intending to focus their investment on new products and services.
- SMEs are twice as likely than large firms to have no investment planned (13% versus 6%).

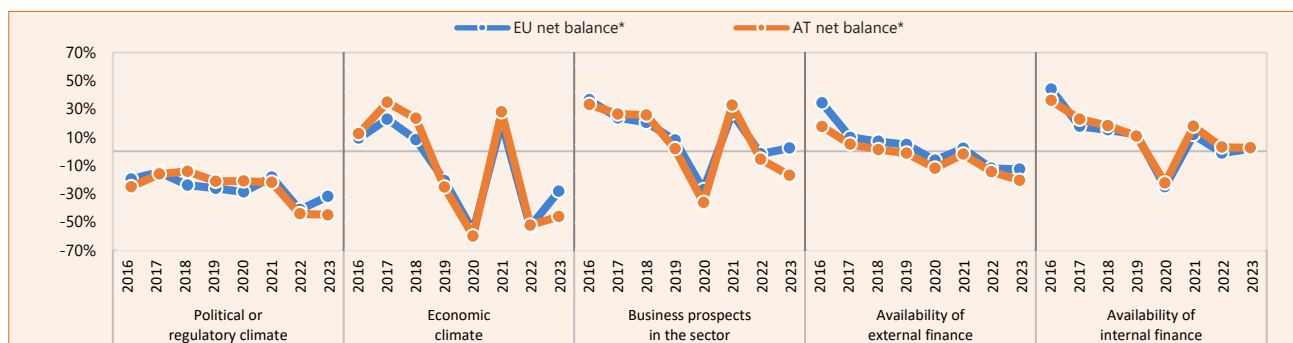
Q. Looking ahead to the next three years, which is your investment priority (a) replacing capacity (including existing buildings, machinery, equipment, IT); (b) expanding capacity for existing products/services; (c) developing or introducing new products, processes or services?

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

Investment needs and priorities

SHORT-TERM DRIVERS AND CONSTRAINTS

- Austrian firms remain, on balance, as pessimistic as they were in EIBIS 2022 about investment conditions for the next year. Overall, they are slightly more pessimistic than firms across the EU as a whole.
- Matching EIBIS 2022 (-43%) and lower than the EU average (-30%), a large balance of Austrian firms remains pessimistic about the political and regulatory climate (-44%). Similar views are held on the economic climate.
- Austrian firms are less inclined than in EIBIS 2022 to think prospects in their sector will improve rather than worsen (-13% versus -1% on balance) and are increasingly concerned about availability of external finance (-17% versus -11%). Expectations for the availability of internal finance is the only 'metric' with a positive balance and where the figure is not lower than the EU average (both 7%).

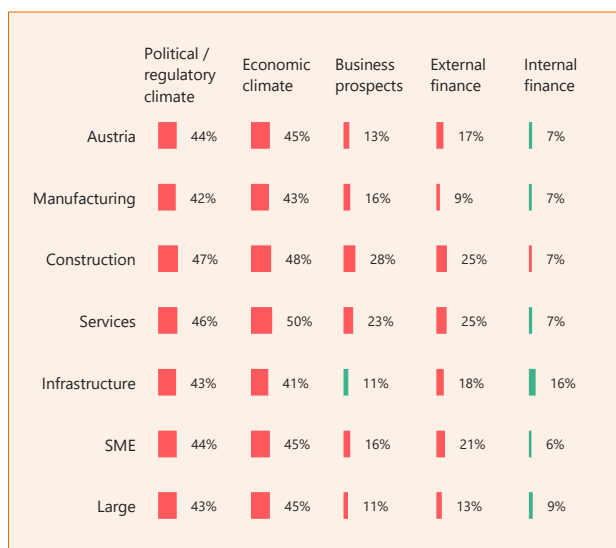


Q. Do you think that each of the following will improve, stay the same, or get worse over the next 12 months?

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

Base: All firms

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



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

- Firms in every sector have an on balance negative outlook on the prospects for Austria's political/regulatory and economic climate, similar for Austria's SMEs and large firms. Construction and services firms are especially pessimistic.
- Only Austria's infrastructure firms (+11%) have a positive outlook on balance for prospects in their sector. Construction (-28%) and services firms (-23%) are particularly pessimistic. Neither SMEs nor large firms believe business prospects will improve over the next 12 months (-16% and -11%, respectively).
- Businesses in every sector and size category are, on balance, pessimistic about the availability of external finance. Again, the lowest figures are within construction and services (both -25%).
- Except for construction (-7%), firms are, on balance, optimistic about the future availability of internal finance. SMEs and large firms have a similar outlook (+6% and +9%, respectively).

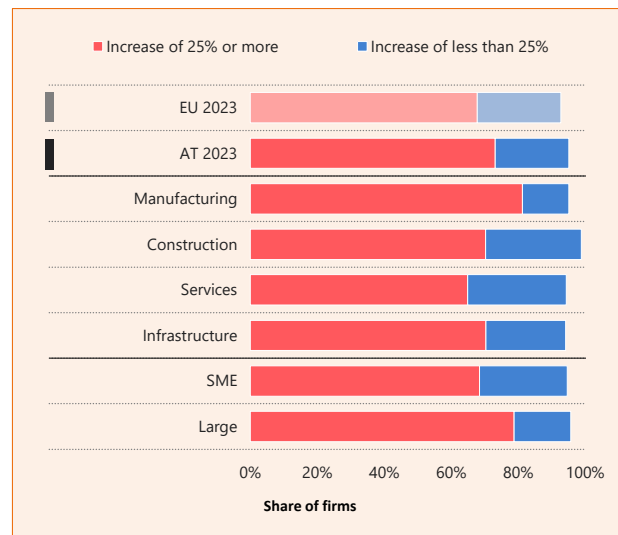
Q. Do you think that each of the following will improve, stay the same, or get worse over the next 12 months?

Base: All firms

Energy market developments

INCREASED SPENDING ON ENERGY

- The Austrian economy has been particularly exposed to high energy prices: almost every Austrian business has faced increases in energy costs (95%) with three-quarters (73%) reporting that energy-related spending has risen by at least 25%. Both figures reflect the experience of firms throughout the EU (93% and 68%, respectively).
- The proportion of Austrian firms facing increased energy cost was broadly consistent across sectors, although manufacturers (81%) were the most exposed, likely to have faced an increase of 25% or more.
- Almost eight in ten large firms (79%) reported an increase of 25% or more in energy spending.



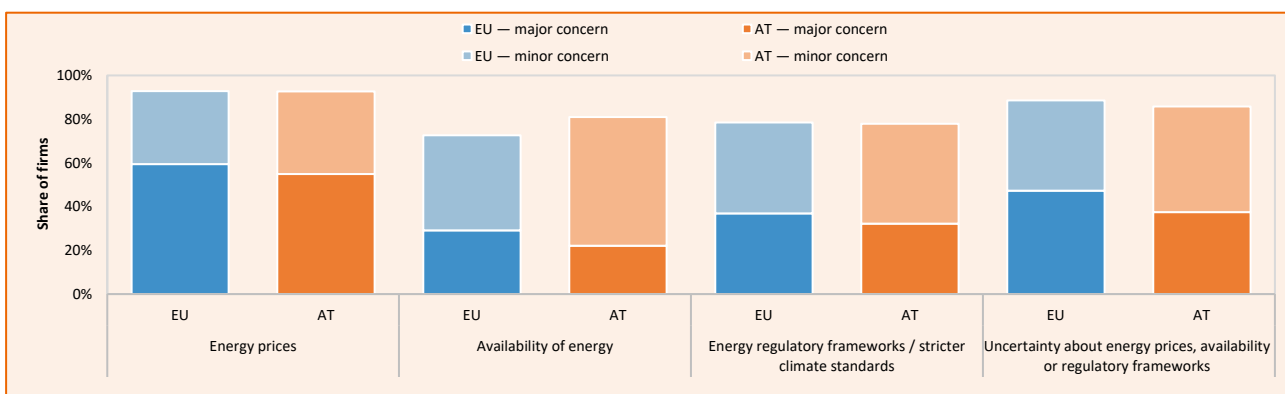
Q. Since the beginning of 2022, by how much has your company's spending on energy (including gas, electricity, oil) changed on average?

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 Austrian firms hard, and to a similar extent to those across the EU as a whole. Energy prices are a concern for over nine in ten Austrian firms (93%), and a major concern to 55%. The respective EU figures are 93% as well and 59%.
- Energy availability is a concern for eight in ten Austrian firms (81%) and this is higher than the EU average (73%). However, the proportion holding this as a major concern is lower than the EU average (22% versus 29%).



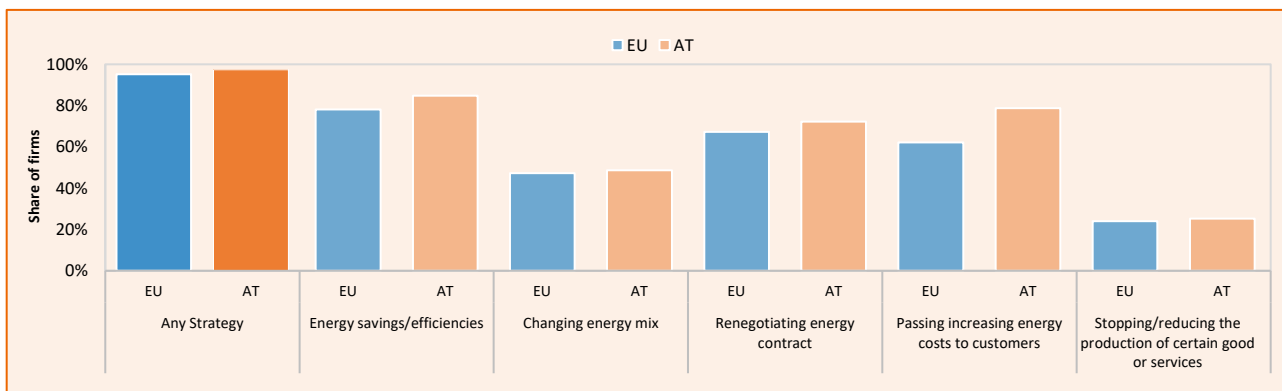
Q. Thinking about the energy shock, to what extent is your company concerned about ...?

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 Austrian firm (97%) set forward one of the strategies to deal with the energy shock asked about. Most frequently they looked for energy savings/efficiencies (85%) and /or passed increased energy costs on to customers (79%).
- Over seven in ten Austrian firms mention the renegotiation of their energy contract (72%) and almost half changing their energy mix (49%) as a strategy.
- Austrian firms were more likely than the EU average to set energy savings/efficiencies (85% versus 78%), renegotiating energy contracts (72% versus 67%) and/or passing on increasing energy costs to customers (79% versus 62%) as a strategy or priority.

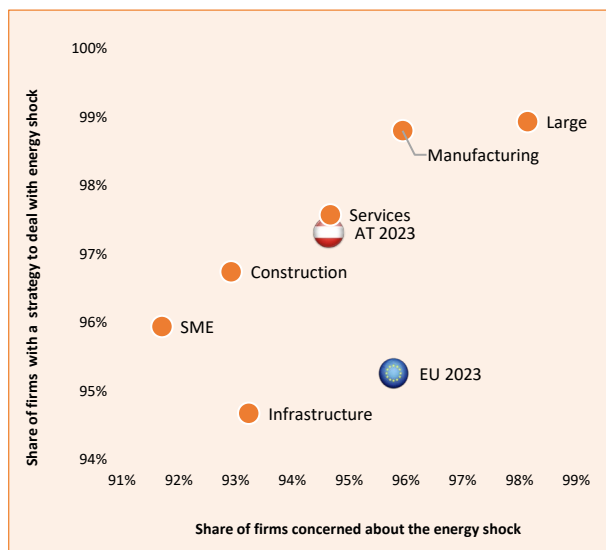


Q. Which, if any of the following, are your priorities/strategies to deal with the recent developments in the energy market?

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

IMPACT AND STRATEGIES TO DEAL WITH ENERGY SHOCK

- In Austria, over nine in ten firms in every sector are concerned about the energy shock. Large firms are even more concerned than SMEs (98% and 92%, respectively).
- The proportion of Austrian firms concerned about recent developments in the energy market mirrors the EU average (95% versus 96%). The share of firms adopting strategies to help deal with these developments also reflects the EU average (97% versus 95%).
- Almost every firm in every sector has adopted strategies in response to energy market shocks. It ranges from 95% in the infrastructure sector to 99% of manufacturers. An extremely high proportion of both SMEs and large firms has adopted strategies to deal with energy market developments (96% and 99%, respectively).



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 ...

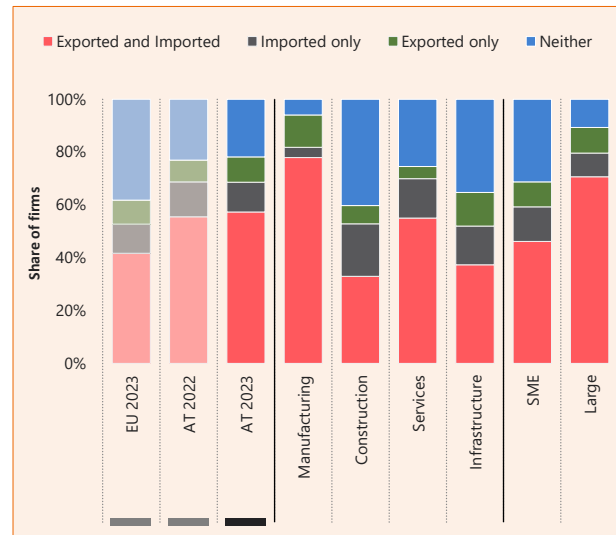
Base: All firms for 'share of firms concerned about the energy shock'

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

- The Austrian economy is very export-oriented: over three-quarters of firms (78%) report to be engaged in international trade in 2022. This figure is unchanged from the previous survey wave (EIBIS 2022 was at 77%) and exceeds the current EU average (62%).
- The majority of firms in every sector is trading internationally. Import/export activity is highest among manufacturing (94%) but relatively lower among construction businesses (60%). Only in the manufacturing and services sectors is the majority of firms both exporting and importing goods and/or services (78% and 55% respectively).
- Large firms are more likely than SMEs to be engaged in international trade (89% versus 69%). Over seven in ten (71%) of Austria's biggest enterprises are both exporting and importing goods and/or services.

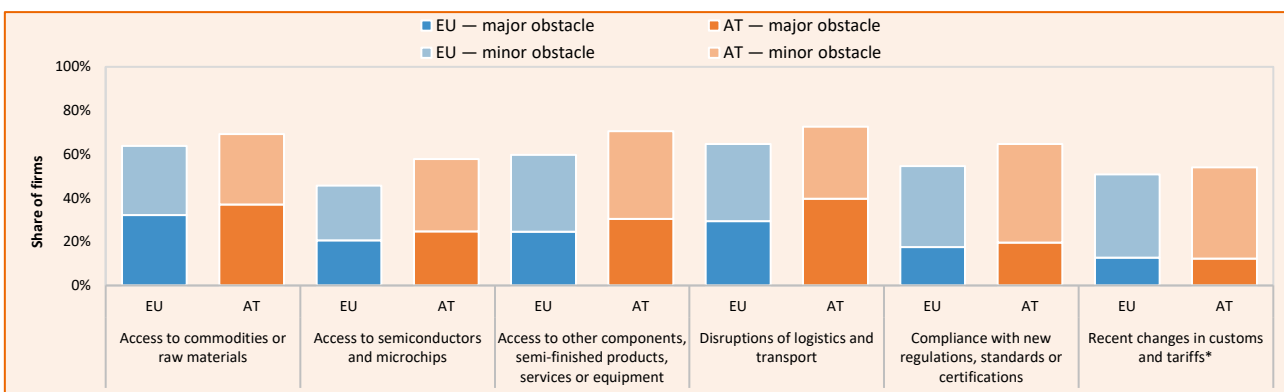


Q. In 2022, did your company export or import goods and/or services?

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

DISRUPTIONS RELATED TO INTERNATIONAL TRADE

- With more than seven in ten firms experiencing them, disrupted logistics/transport (73%) and restricted access to components (71%) are the biggest obstacles for Austrian firms. Changes to customs and tariffs have disrupted the smallest proportion of Austrian firms (54%). In general, a majority of Austrian firms has faced each of the obstacles covered by the survey.
- Austrian firms were slightly more disrupted than those across the EU. In relative terms, access to semiconductors and microchips (58% versus 46%), components, semi-finished products, services or equipment (71% versus 60%) and compliance with new regulations, standards or certifications (65% versus 55%) were more disruptive to firms in Austria than those across the EU.



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

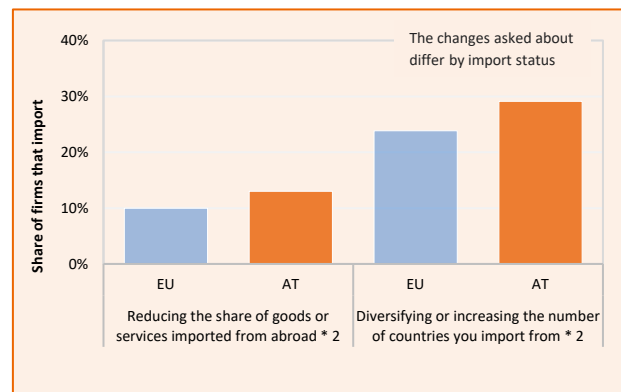
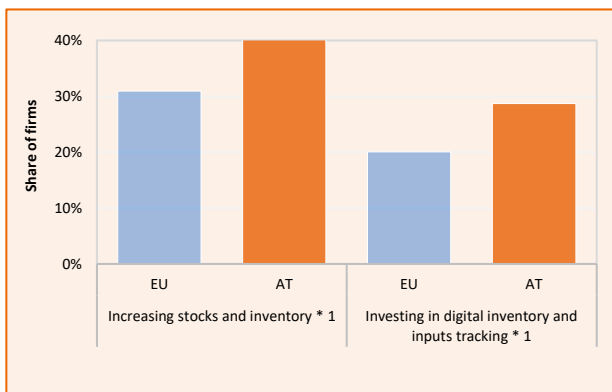
Base: All firms (excluding don't know/refused/not applicable responses)

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

International trade

SOURCING STRATEGY

- Austrian firms are taking actions or plan to take actions to tackle supply chain disruptions. Asked about potential changes to their sourcing strategy, firms in Austria are more likely than those across the EU to be investing in or have plans to invest in increased stocks and inventory (47% versus 31%) or digital inventory and inputs tracking (29% versus 20%).
- Compared to the EU average, a similar proportion of Austrian importers were reducing or plan to reduce the share of goods or services it imports from abroad (13% versus 10%) or diversifying or increasing the number of countries from which they import or have plans to do so (29% versus 24%).



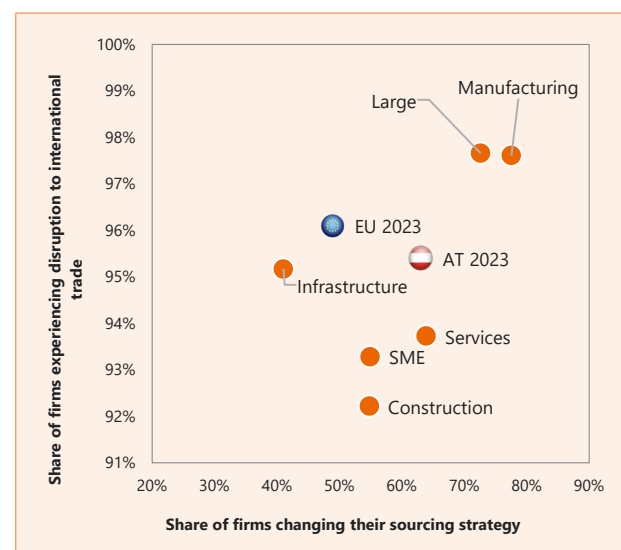
* 1 = Asked to all, 2 = Asked to all importers

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

- Almost all firms in Austria faced at least one of the disruptions to international trade asked about (95%).
- Over six in ten have changed their sourcing strategy or are planning to change it, and this proportion is significantly higher than the EU average (63% versus 49%).
- Except for infrastructure firms (41%), a majority of firms in every sector has changed or has plans to change their sourcing strategy. Nearly eight in ten manufacturers (78%) are changing their strategy.
- Large firms are more reactive and are far more likely than SMEs to be changing their sourcing strategy (73% versus 55%).



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

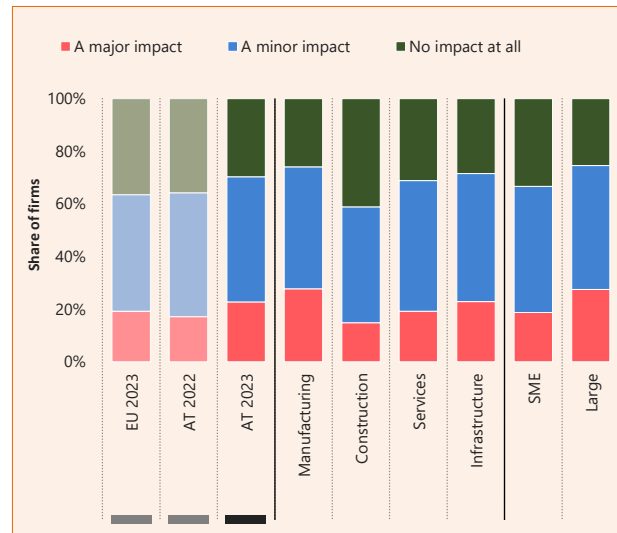
Q. Since the beginning of 2022, has your company made or are you planning to make any of the following changes to your sourcing strategy?

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

Climate change and energy efficiency

IMPACT OF CLIMATE CHANGE – PHYSICAL RISK

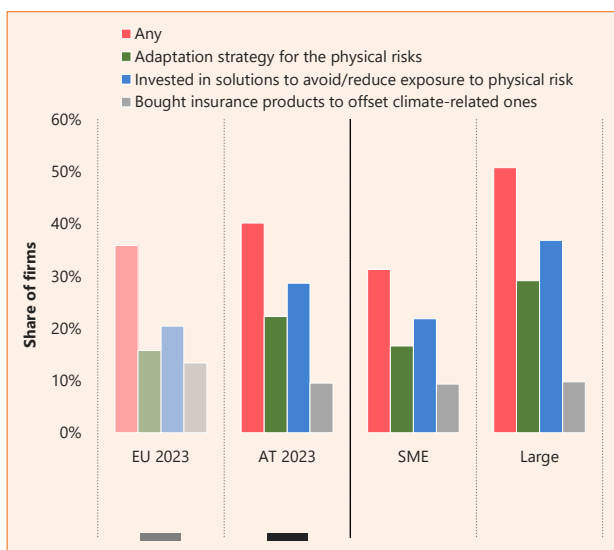
- Climate change is increasingly felt by Austrian businesses: seven in ten firms are reporting weather events as impacting their business to some degree. Having increased from 64% in EIBIS 2022, the Austrian figure now exceeds the EU average (also 64%).
- In all sectors, the majority of firms report weather events as impacting their company. It is highest among manufacturers (74%) where nearly three in ten (28%) say climate change is having a major impact on their activities.
- Three-quarters of Austria’s large firms (75%) say weather events have impacted their business. This compares to 67% of SMEs.



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



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?

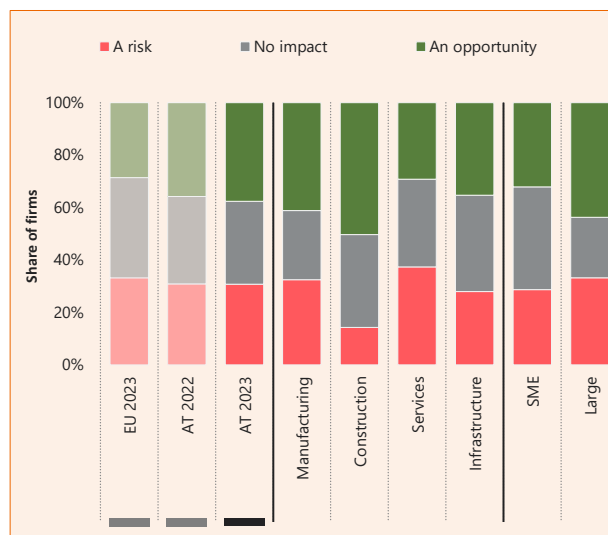
Base: All firms (excluding don't know/refused responses)

- Austrian firms were taking action against the negative effects of climate change. Four in ten Austrian firms (40%) have developed or invested in measures to build resilience to the physical risks to their company caused by climate change. This is slightly higher than the EU average (36%).
- Austrian firms preferred to develop or invest in solutions to avoid exposure to the risk itself (29%), followed by adapting their strategy for physical risks (22%). Relatively few bought insurance products to offset climate-related losses (10%).
- Compared to others in the EU, Austrian firms were more inclined to invest in solutions to avoid or reduce exposure to physical risks (29% versus 20%).
- In Austria, large firms were far more likely than SMEs to have developed or invested in measures that build resilience to the physical risks of climate change (51% versus 31%). However, in both cases firms were most inclined to invest in solutions that avoid or reduce exposure to physical risks (37% and 22%, respectively).

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

- On balance, more Austrian firms regard the transition to stricter climate standards and regulations as an opportunity rather than a risk (38% versus 31%). The figures are very similar to EIBIS 2022 and, compared to the EU average, more Austrian firms regard the transition to stricter climate standards and regulations as an opportunity (38% in Austria versus 29% in EU).
- A half (50%) of construction firms believe that the transition to stricter climate standards and regulations is an opportunity. Services is the only sector where the transition to stricter climate standards and regulations is viewed as a risk rather than an opportunity (37% versus 29%).
- Large companies see more opportunities than SMEs in the transition. Indeed, more of Austria's large firms than SMEs think the transition to stricter climate standards and regulations is an opportunity (44% versus 32%). Many SME (39%) do not see any positive or negative impact from the transition.

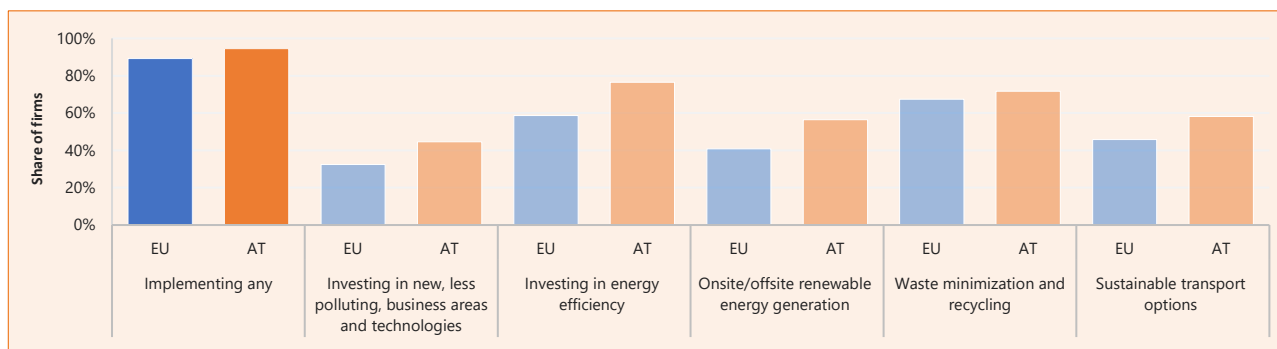


Q. Thinking about your company, what impact do you expect this transition to stricter climate standards and regulations will have on your company over the next five years?

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

ACTIONS TO REDUCE GREENHOUSE GAS EMISSIONS

- Almost every firm in Austria (95%) is taking action to reduce their Greenhouse Gas (GHG) emissions. This compares to 89% across the EU.
- To green their business model, Austrian firms are investing in or implementing energy efficiency initiatives (77%) or waste minimization and recycling activities (72%).
- In Austria, the figures for specific actions are higher than the EU average. In absolute terms, the biggest gaps are seen with respect to investing in energy efficiency (77% versus 59%), sustainable transport options (58% versus 46%) and investing in new, less polluting, business areas and technologies (45% versus 32%).



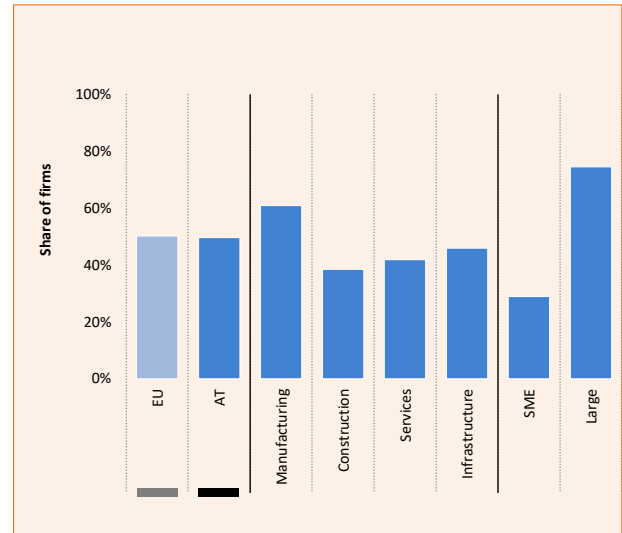
Q. Is your company investing or implementing any of the following, to reduce greenhouse gas (GHG) emissions?

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

Climate change and energy efficiency

ENERGY AUDIT

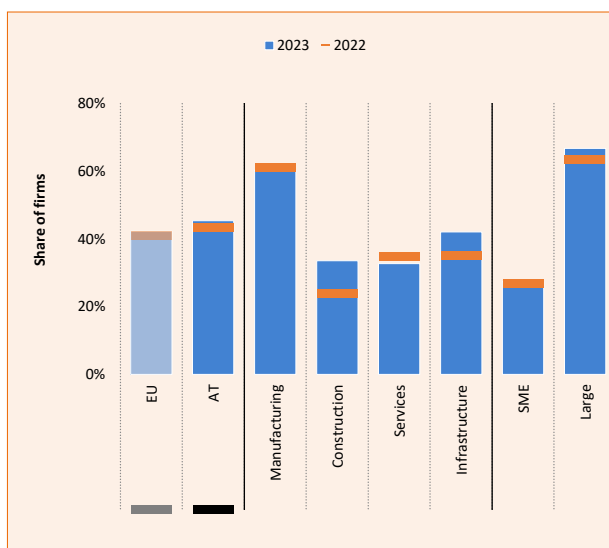
- Half of Austrian firms (50%) have had an energy audit in the past three years. That is an assessment of the energy needs and efficiency of their company's building or buildings. This positions Austria exactly in line with the EU average (50%).
- Over six in ten manufactures (61%) have had an energy audit, but only a minority of other firms and relatively few construction businesses (38%) have taken this action.
- In Austria, large firms are significantly more likely than SMEs to have had an energy audit in the past three years (75% versus 29%).



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



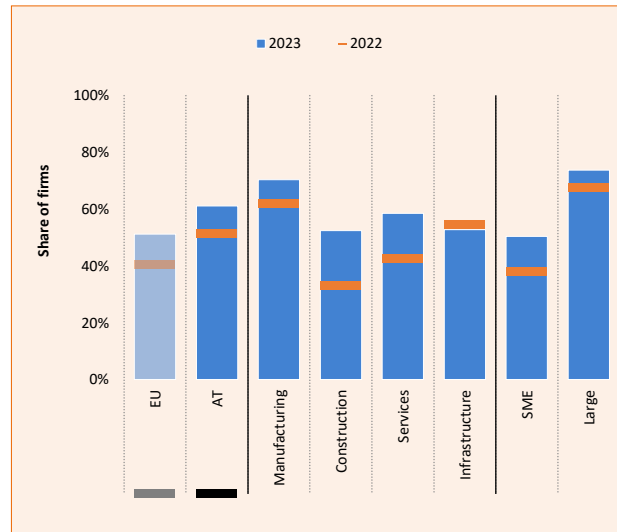
Q. Does your company... sets and monitors targets for its own greenhouse gas (GHG) emissions?

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

Climate change and energy efficiency

SHARE OF FIRMS INVESTING IN MEASURES TO IMPROVE ENERGY EFFICIENCY

- Six in ten Austrian firms (61%) were investing in measures to improve energy efficiency in 2022. This is higher than what was reported for 2021 in EIBIS 2022 and the EU average (both 51%).
- Energy efficiency investments have been growing. In Austria, the majority of firms in every sector was investing in energy efficiency. It ranges from 70% of manufacturers to 52% of construction service firms. Infrastructure is the only sector where the figure has not increased since EIBIS 2022.
- Although the proportion of SMEs investing in measures to improve energy efficiency has increased since EIBIS 2022 (from 38% to 50%), the proportion is much lower than among large firms (74%).

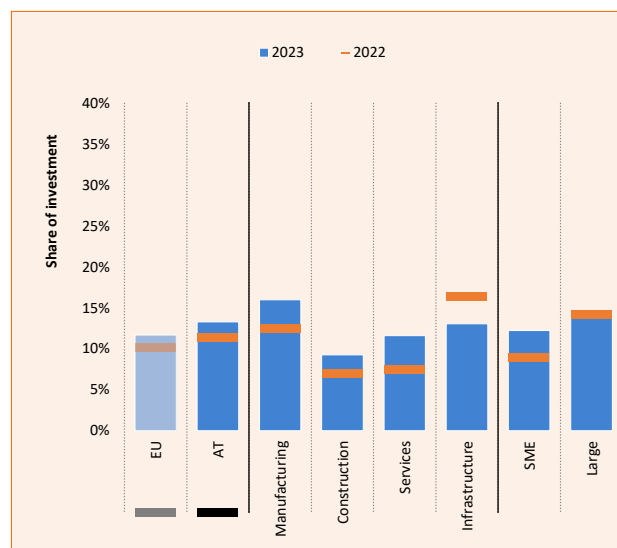


Q. What proportion of the total investment in the last financial year was primarily for measures to improve energy efficiency in your organisation?

Base: All firms

AVERAGE SHARE OF INVESTMENT IN MEASURES TO IMPROVE ENERGY EFFICIENCY

- An average of 13% of the investment made by Austrian firms was directed towards energy efficiency improvements. This is little changed since EIBIS 2022 (11%) and similar to the current EU average (12%).
- Manufacturers (16%), more sensitive to energy prices, were using the largest proportion of their total investment to improve energy efficiency.
- SMEs and large firms were using a similar proportion of their total investment on improving energy efficiency (12% and 15%, respectively).

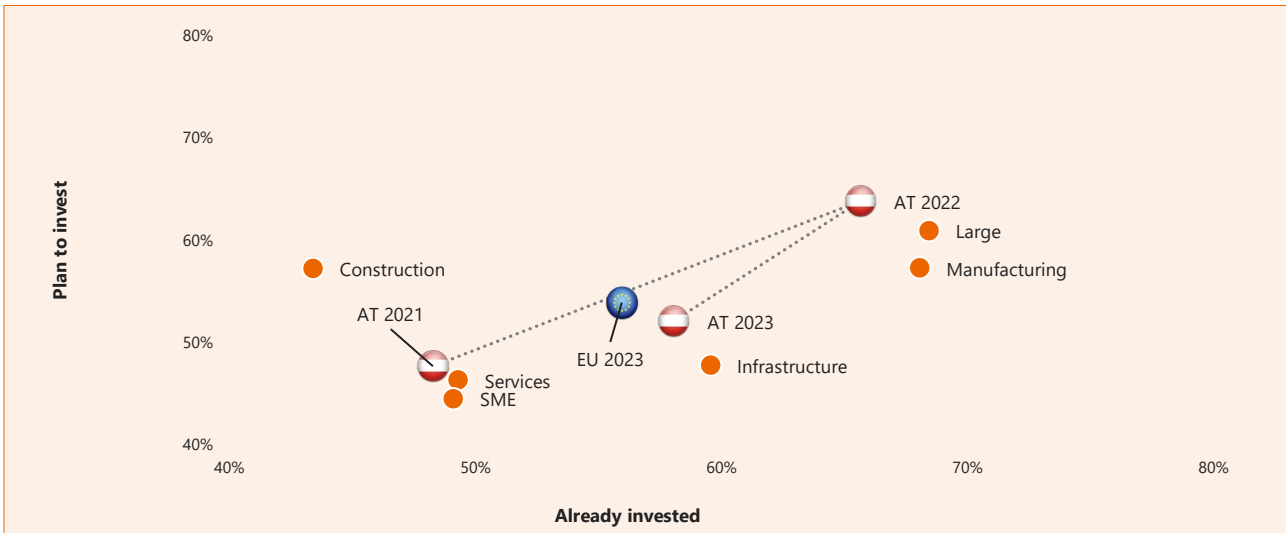


Q. What proportion of the total investment in the last financial year was primarily for measures to improve energy efficiency in your organisation?

Base: All firms 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?

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.

EIBIS 2021:

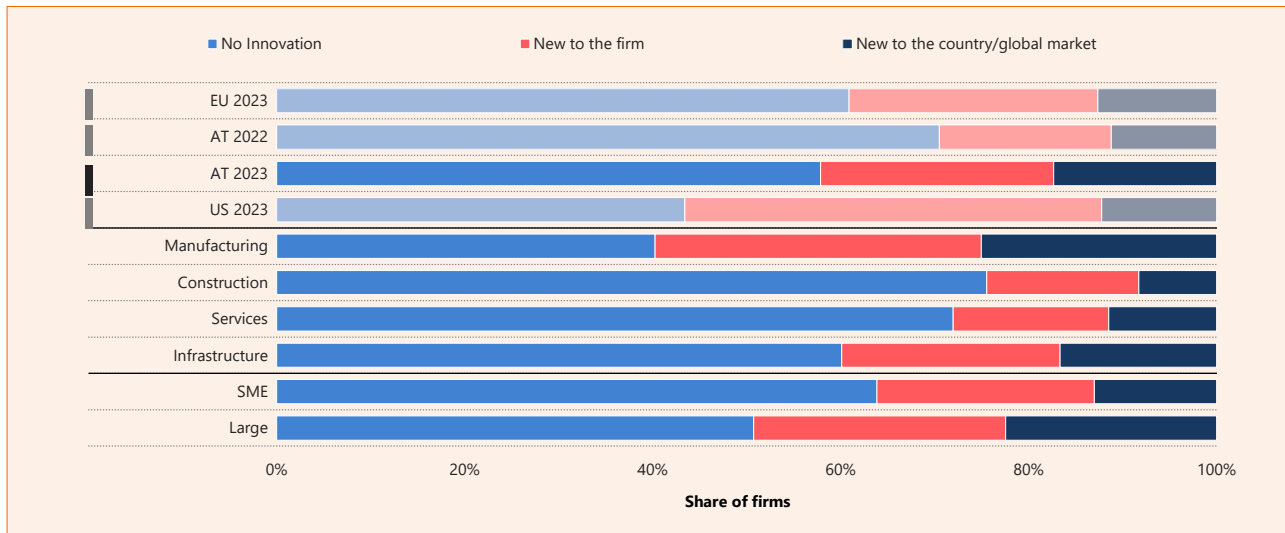
Q. Now thinking about investments to tackle the impacts of weather events and to deal with the process of reduction in carbon emissions, which of the following applies?

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

- Overall, the majority of Austrian firms are investing to reduce their exposure to physical and transition climate risk, but less than in the previous year. More specifically, almost six in ten Austrian firms (58%) have already invested to tackle the impacts of weather events and deal with the process of reducing carbon emissions. This is lower than EIBIS 2022 (66%) but in line with the EU average (56%). Just over half the firms in Austria (52%) have plans to invest in these areas in the next three years. This is also lower than EIBIS 2022 (64%) and in line with the EU average (54%).
- Construction (43%) and service sector firms (49%) are less likely than those in infrastructure (60%) or manufacturers (68%) to have already invested to tackle the impacts of weather events. A majority of construction firms and manufacturers (both 57%) say they intend to invest to tackle the impacts of weather events. There is less intention demonstrated by services and infrastructure firms (46% and 48% respectively).
- Large firms are more likely than SMEs to have already invested (68% versus 49%) and to have plans to invest (61% versus 45%).

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?

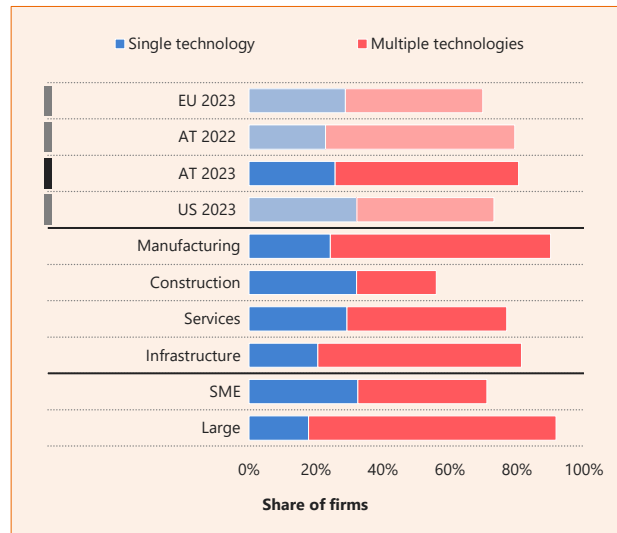
Base: All firms (excluding don't know/refused responses)

- Innovation activity is gaining strength. Having increased from 30% to 42% since EIBIS 2022, four in ten Austrian firms developed or introduced new products, processes or services as part of their 2022 investment activity. This matches the current EU average (39%) but is lower than the US (57%).
- Austrian firms were more likely to introduce products, processes or services new to the firm, rather than the country or global markets (25% versus 17%). However, the new to country/global markets figure is higher than EIBIS 2022 (11%).
- Manufacturers (60%) had the highest proportion of firms investing in innovation, with 25% of manufactures reporting the development / introduction of products, processes or services new to either Austria or global markets. Construction (24%) and services (28%) had the lowest proportion of firms investing in innovation.
- Large firms were more oriented to innovation than SME: more large firms than SMEs invested in innovation (49% versus 36%).

Innovation activities

USE OF ADVANCED DIGITAL TECHNOLOGIES

- Eight in ten Austrian firms (81%) used at least one advanced digital technology (among Internet of things, Big Data and AI, 3D printing, Augmented or virtual reality, robotics, drones). This is virtually unchanged from EIBIS 2022 (79%) and exceeds the EU average (70%).
- Except for construction (56%), at least three-quarters of firms in every sector has adopted one or more advanced digital technologies. The proportion is highest among manufacturing firms (90%).
- Large firms are more likely than SMEs to have adopted such technologies (92% versus 71%) and are more inclined to use multiple digital applications (74% versus 39%).
- Two-thirds or more of the firms in Austria are using digital platform technologies (65%) and automation via robotics (73%). Relatively few Austrian businesses have utilised augmented or virtual reality technology (18%).
- Overall, Austrian firms' use of specific technologies tends to match or exceed the level seen among businesses throughout both the EU and the US. However, as with other EU firms, those in Austria make far less use of drones than businesses in the US (33% versus 60%).



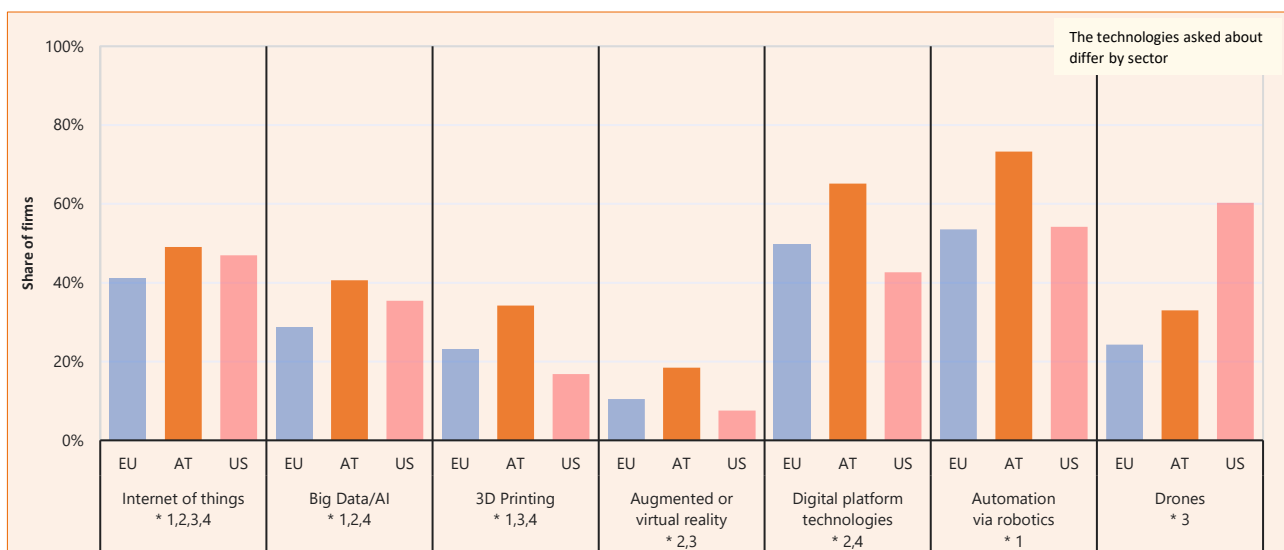
Reported shares combine "used" the technology "in parts of business" and "entire business organised around it."

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.

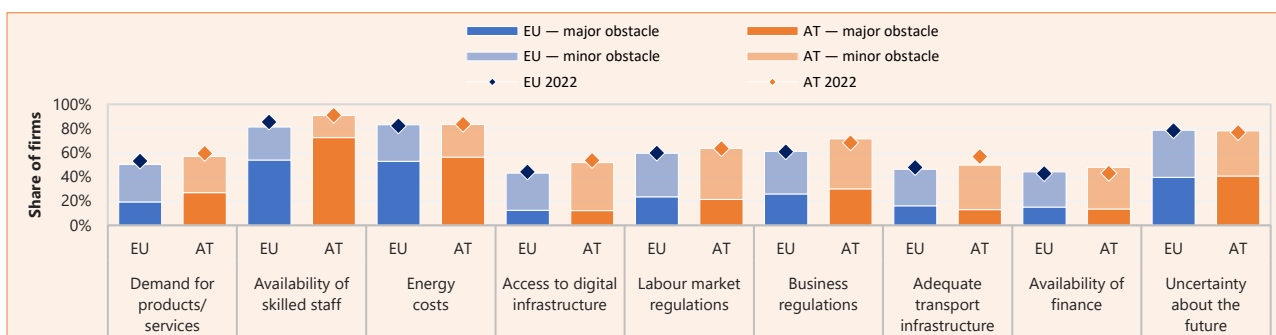
Reported shares combine used the technology 'in parts of business' and 'entire business organised around it'

Base: All firms (excluding don't know/refused responses);
Sample size AT: Manufacturing (153); Construction (75); Services (115); Infrastructure (123).

Investment impediments

LONG-TERM BARRIERS TO INVESTMENT

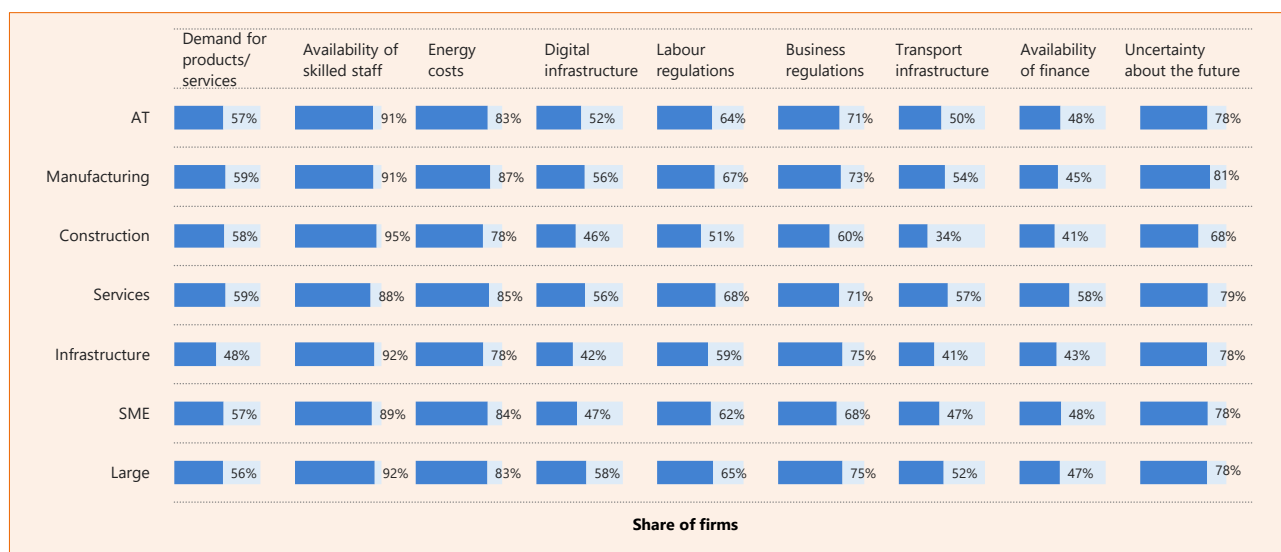
- The long-term barriers to Austrian firms' investment are availability of staff (91%), energy costs (83%) and future uncertainty (78%). These are also the largest barriers for firms across the EU. Accessing skilled staff is a particular issue for Austrian firms with 72% saying it is a major obstacle. This compares to 54% for the EU as a whole. The impact of these barriers on Austrian firms is not easing.
- The figures are generally consistent across sectors.
- SMEs and large firms gave similar responses. However, large firms are more likely than SMEs to consider access to digital infrastructure an obstacle to investment (58% versus 47%).



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

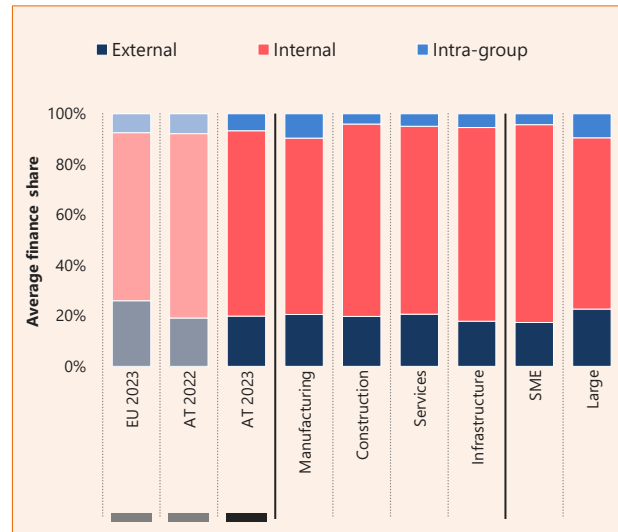
Q. Thinking about your investment activities, to what extent is each of the following an obstacle? Is it a major obstacle, a minor obstacle or not an obstacle at all?

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

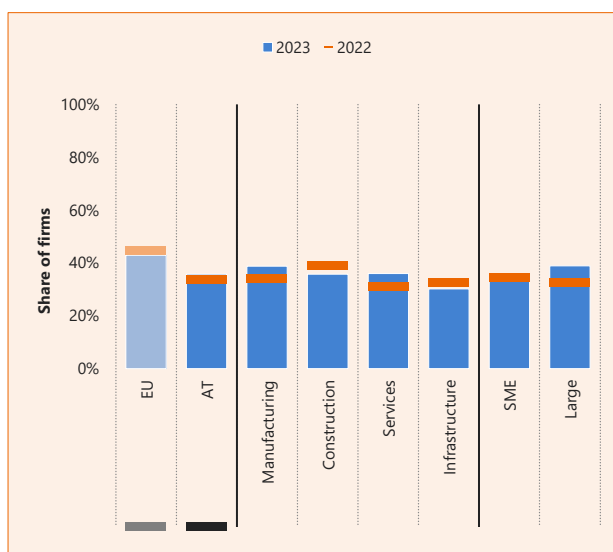
- In Austria, internal sources accounted for almost three-quarters of firms' investment finance (73%). A fifth came from external sources (20%) but relatively little from intra-group financing (7%). All proportions are similar to EIBIS 2022. Compared to the EU average, a lower proportion of Austrian firms' investment finance was provided by external sources (20% versus 26%).
- In all sectors, at least 70% of investment finance came from internal sources. It rises to 77% for infrastructure firms and 76% in the construction sector.
- Compared to SMEs, Austria's large firms financed a very slightly higher proportion of their investment from external sources (23% versus 17%).



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



- Just over a third of Austrian firms that invested in the last financial year, funded some of this investment through external sources (36%). This is consistent with EIBIS 2022 (34%) but lower than the current EU average (43%).
- The proportion of firms using external finance is similar in each sector, ranging from 39% in manufacturing to 30% of infrastructure firms, similar to previous year.
- The proportion of large firms and SMEs that obtained investment finance from external sources is very similar, as it was in EIBIS 2022.

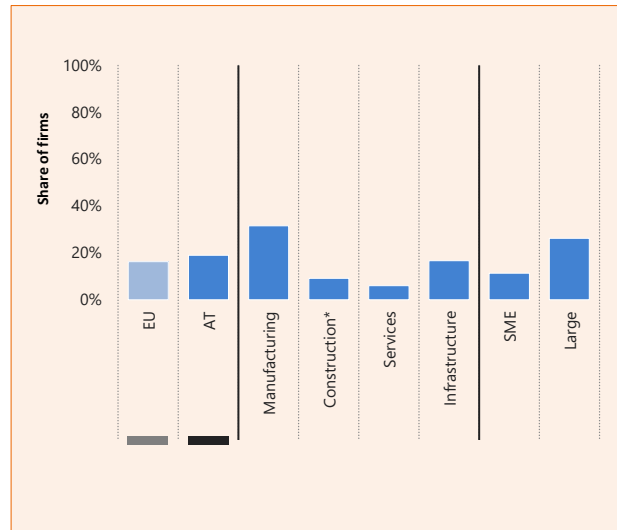
Q. Approximately what proportion of your investment in the last financial year was financed by each of the following?

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

- Just under a fifth of firms using external finance in Austria received grants (19%). This is close to the EU average (16%).
- Manufacturers (32%) are more likely than those operating in other sectors to have received some of their external finance in the form of grants. This figure far exceeds the proportion seen among construction and services firms (9% and 6%, respectively).
- Large firms were better able to access grants funding: they were over twice as likely as Austria's SMEs to have received grants (26% versus 11%).



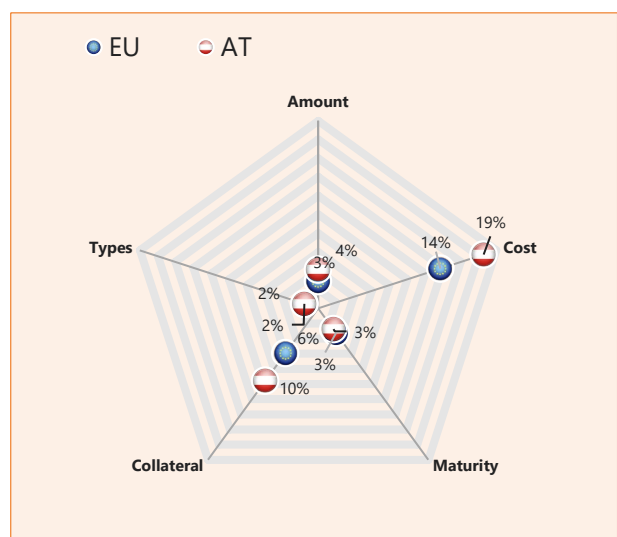
Q. What proportion of your total investment in the last financial year was financed by grants?

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

*Caution very small base size less than 30

DISSATISFACTION WITH EXTERNAL FINANCE RECEIVED (% of firms)

- The level of dissatisfaction, generally low for Austrian firms, increased significantly: two in ten Austrian firms (19%) are dissatisfied with the the cost of external finance. Meanwhile, 10% are unhappy with collateral requirements. There is very little dissatisfaction with the amount made available (4%), the maturity terms (3%) or the types of external finance on offer (2%).
- In Austria, dissatisfaction with the cost of external finance is above the EU average (19% versus 14%). Otherwise, levels of dissatisfaction are at a very similar level.



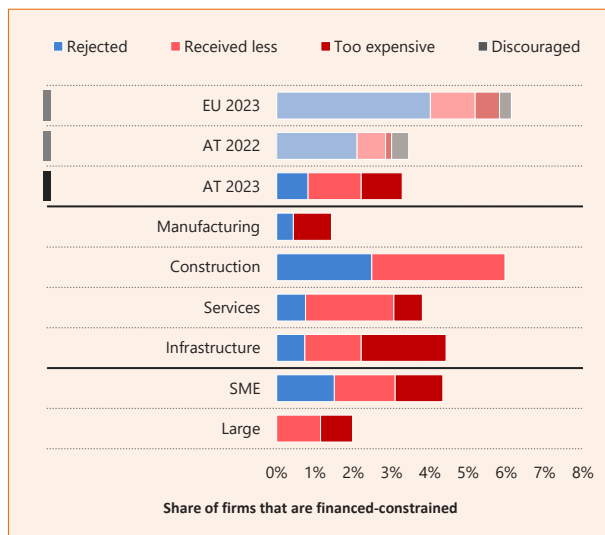
Q. How satisfied or dissatisfied are you with ...?

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

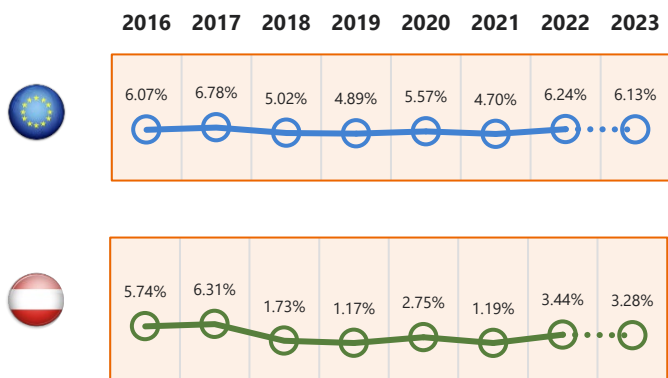
- The share of financially constrained firms in Austria (3.3%) is similar to EIBIS 2022 (3.4%) lower than the current EU average (6.1%).
- The level of finance-constrained firms is higher in construction (6.0%) than manufacturing (1.4%).



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

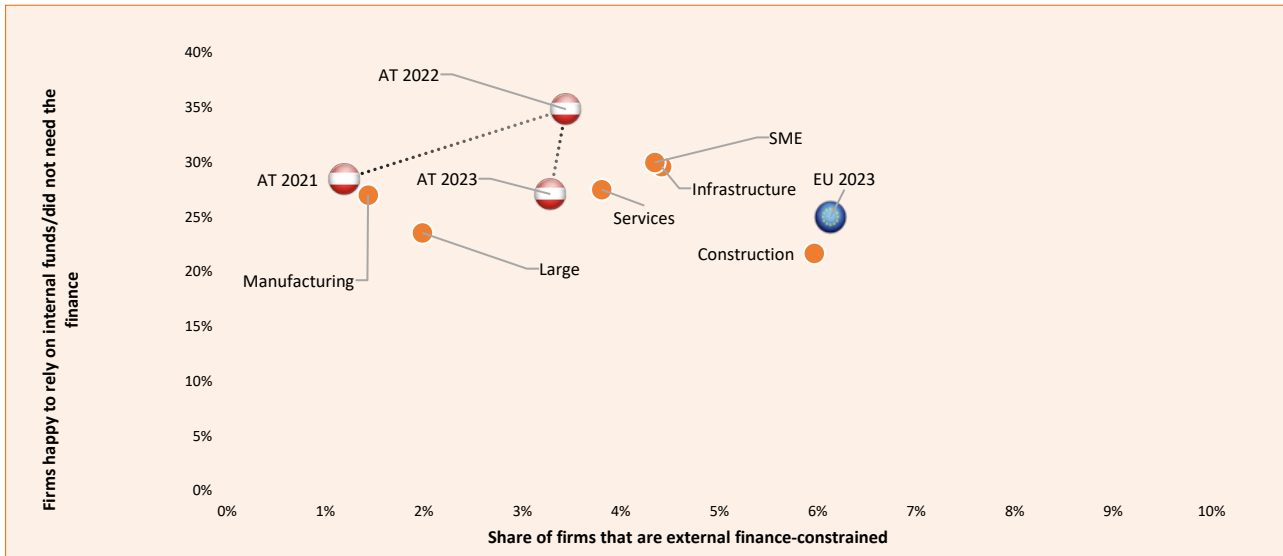


- The proportion of Austrian firms that are finance constrained is almost identical to EIBIS 2022 (3.3% versus 3.4%) and higher than the average over the past five years.
- The proportion of finance constrained firms in Austria is below the EU average (3.3% versus 6.1%). This has been the case every year of the EIBIS.

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)

- Very few Austrian firms are finance constrained (3.3%) and just over a quarter (27%) are happy to rely on internal finance (or do not actually need any external finance). The proportion of finance constrained firms has not changed since EIBIS 2022, but the proportion of Austrian firms happy to use internal finance is now very slightly lower than a year ago (27% versus 35%).
- Compared to the current EU average, fewer Austrian firms are finance constrained (3.3% versus 6.1%) but a similar proportion are happy to rely on internal finance (27% versus 25%).
- Austria's construction firms are more financially constrained than those operating in other sectors. Fewer, construction firms (22%) also appear less happy to rely on internal finance. The respective figures for infrastructure, manufacturing and services are 30%, 27% and 27%.

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

	EU	US	AT	Manufacturing	Construction	Services	Infrastructure	SME	Large	EU vs AT	Manuf vs Constr	SME vs Large
	(12030)	(802)	(480)	(154)	(75)	(117)	(123)	(356)	(124)	(12030 vs 480)	(154 vs 75)	(356 vs 124)
10% or 90%	1.1%	3.9%	2.5%	4.3%	6.3%	5.0%	4.9%	2.7%	4.5%	2.8%	7.6%	5.3%
30% or 70%	1.8%	6.0%	3.9%	6.6%	9.6%	7.6%	7.4%	4.1%	6.9%	4.2%	11.7%	8.0%
50%	1.9%	6.5%	4.2%	7.2%	10.5%	8.3%	8.1%	4.5%	7.5%	4.6%	12.7%	8.8%

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 480 firms in Austria (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	Austria 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	480/482	154	75	117	123	356	124
All firms (excluding don't know/refused responses), p. 5 (bottom right)	11624/11682	776	464/439	148	72	115	119	346	118
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 6 (top)	10147/9704	692	408/360	136	61	103	98	303	105
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 6 (bottom)	9948/9501	704	405/309	131	62	101	101	301	104
All firms (excluding 'Company didn't exist three years ago' responses), p. 7 (top)	12015/12005	802	477/482	152	75	116	123	353	124
All firms (excluding don't know/refused responses), p. 7 (bottom)	11880/11814	794	476/480	154	73	115	123	353	123
All firms (excluding don't know/refused responses), p. 9 (top)	11812/NA	782	470/NA	154	73	111	122	349	121
All firms (data not shown for those that said not an obstacle at all/don't know/refused), p. 9 (bottom)	12030/NA	802	480/NA	154	75	117	123	356	124
All firms (excluding don't know/refused responses), p. 10 (top)	11739/NA	786	475/NA	153	72	115	121	351	123
All firms (excluding don't know/refused responses), p. 10 (bottom)	11739/NA	786	475/NA	153	72	115	121	351	123
All firms (excluding don't know/refused responses) p. 11 (top)	11978/11975	800	480/482	154	75	117	123	356	124
All firms (excluding don't know/refused/not applicable responses), p. 11 (bottom)	6692/NA	284	322/NA	118	36	78	67	216	102
All firms (excluding Don't know/refused responses), p. 12 (top left)	11918/NA	797	476/NA	153	73	116	123	352	124
All firms that import (excluding don't know/refused responses), p. 12 (top right)	6151/NA	240	299/NA	123	34	77	60	201	98
All firms (excluding don't know/refused responses), p. 12 (bottom)	10139/NA	717	433/NA	145	67	106	104	312	121
All firms (excluding Don't know / refused responses) p. 13 (top)	11930/11911	797	479/477	154	75	116	123	355	124
All firms (excluding Don't know / refused responses), p. 13 (bottom)	11944/11909	789	479/473	154	75	117	122	356	123
All firms (excluding don't know/refused responses), p. 14 (top)	11433/11172	771	464/458	148	73	111	121	341	123
All firms (excluding don't know/refused responses), p. 14 (bottom)	11956/11964	800	480/479	154	75	117	123	356	124
All firms (excluding don't know/refused responses), p. 15 (top)	11549/NA	766	470/NA	151	74	114	120	350	120
All firms (excluding don't know/refused responses), p. 15 (bottom)	11836/11712	791	473/466	151	74	115	122	351	122
All firms that have invested in the last financial year (excluding don't know/refused responses), p. 16 (bottom)	10210/9752	707	406/359	133	62	103	99	302	104
All firms (excluding don't know/refused responses), p. 17	11721/11685	770	471/473	152	74	114	120	347	124
All firms (excluding don't know/refused responses), p. 18	11738/11735	780	464/473	147	72	114	120	344	120
All firms (excluding don't know/refused responses), p. 19 (top)	12009/11980	801	477/475	154	75	115	123	353	124
All firms (excluding don't know/refused responses), p. 19 (bottom)	11916/11844	800	476/473	153	75	115	123	353	123
All firms (data not shown for those who said not an obstacle at all/don't know/refused), p. 20 (top)	12030/12021	802	480/482	154	75	117	123	356	124
All firms (data not shown for those who said not an obstacle at all/don't know/refused), p. 20 (bottom)	12030/12021	802	480/482	154	75	117	123	356	124
All firms who invested in the last financial year (excluding don't know/refused responses), p. 21 (top)	10517/10051	697	427/381	140	65	105	107	313	114
All firms who invested in the last financial year (excluding don't know/refused responses), p. 21 (bottom)	10517/10051	697	427/381	140	65	105	107	313	114
All firms using external finance (excluding don't know/refused responses), p. 22 (top)	4269/4107	265	146/127	53	23	36	32	102	44
All firms that used external finance in the last financial year (excluding don't know/refused responses), p. 22 (bottom)	4184/3988	264	141/121	51	22	34	32	97	44
All firms (excluding don't know/refused responses), p. 23 (top)	11544/11504	729	459/430	146	72	113	118	343	116
All firms (excluding don't know/refused responses), p. 23 (bottom)	11544/11504	729	459/430	146	72	113	118	343	116
All firms (excluding don't know/refused responses), p. 24	11544/11473	729	459/428	146	72	113	118	343	116



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Overview

EIB INVESTMENT SURVEY

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