



# Slovakia

Overview

**EIB INVESTMENT SURVEY**

**2023**



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# Slovakia

Overview

## **EIB Investment Survey Country Overview 2023: Slovakia**

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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](mailto: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](http://www.eib.org/eibis).**

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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.

### **Main contributors to this publication**

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# EIBIS 2023 – Slovakia overview

## KEY RESULTS

### Investment dynamics and focus

Notwithstanding decelerating economic growth and tightening monetary policy, at the time of the interviews (April-July 2023), Slovakian firms remained relatively positive on their investment intentions for 2023. The proportion of Slovakian firms investing in 2022 (84%), is higher than in EIBIS 2022 (75%), and matches the EU average (85%). A positive balance of 23% expects to increase rather than decrease investment in 2023, which is more than in the overall EU (net balance of 14%).

### Investment needs and priorities

Eight in ten firms in Slovakia (80%) say they invested the right amount over the last three years. This is similar to EIBIS 2022 and the EU average (84% and 82%, respectively). Over the next three years, more Slovakian firms intend to prioritise investment in capacity expansion (40%) over replacement (30%) or new products/services (25%). The focus on capacity expansion is greater than it is across the EU as a whole (30%). Fewer than one in ten firms in Slovakia has no investment planned (6%) but the figure is made up entirely of SMEs.

Firms in Slovakia are becoming more optimistic about investment conditions. Although they remain, on balance, pessimistic about the economic climate (-5%), the balance is far less negative than in EIBIS 2022 (-51%) and significantly above the EU average (-26%). More firms expect prospects in their sector to improve rather than worsen (net balance of 11%). Compared to EIBIS 2022, the negative net balance about the outlook for external finance availability is diminishing (-5% versus -15%) and expectations for availability of internal finance are, on balance, strengthening (13% versus -14%).

### Energy market developments

There is a widespread concern among Slovakian firms about energy prices (90% and a major concern for 54%) and energy market uncertainty (85%). Compared to the EU average (73%), fewer firms in Slovakia are concerned about energy availability (54%).

Almost every firm in Slovakia (97%) reports having strategies or priorities to deal with the energy price shock. Most frequently, Slovakian firms mention energy savings/efficiencies (87%), passing increased energy costs on to customers (76%) or renegotiating energy contracts (67%). Relatively few report changing their energy mix (43%) as a strategy, and as with most figures, this is close to the EU average (47%). In both Slovakia and the EU, a quarter of firms say that stopping or reducing production in response to energy market developments is a strategy (27% and 24%, respectively).

### International trade

Almost every firm in Slovakia has faced at least some disruption to international trade (94%), with access to components, semi-finished products, services or equipment (63%) and commodities or raw materials (62%) representing the main obstacles.

As in the EU as a whole (49%), only a minority of Slovakian firms (44%) is changing or planning to change their sourcing strategy. When adjusting or changing sourcing strategy, firms in Slovakia were only half as likely as those across the overall EU to mention increasing stocks and inventory (16% versus 31%). However, a similar proportion reports investing in digital inventory and inputs tracking (19% versus 20%). Almost no Slovakian importers (1%) say they have reduced the share of goods or services they import from abroad or plan to do so, but a quarter says they have or are planning to diversify or increase the number of countries from which they import (26%). The respective EU figures are 10% and 24%.

## EIBIS 2023 – Slovakia overview

### Climate change and energy efficiency

Climate change is a reality for most firms in Slovakia with six in ten (60%) reporting weather events as having impacted their business. This is higher than EIBIS 2022 (46%) and similar to the EU average (64%). Firms in Slovakia are as likely as EU businesses as a whole to have developed or invested in measures that build resilience to the physical risks of climate change (both 36%). Their adoption of specific actions also reflects behaviour across the EU as a whole, with Slovakian firms tending to invest in solutions that reduce exposure to physical risks (18%) or use insurance products that off-set climate-related losses (16%).

Far more Slovakian firms regard the transition to stricter climate standards and regulations as a risk rather than an opportunity (46% versus 13%). The proportion regarding the transition as an opportunity is unchanged from EIBIS 2022 (13%) and remains lower than the EU average (29%). As in the EU as a whole (89%), most Slovakian firms are taking initiatives to reduce Greenhouse Gas (GHG) emissions (86%). In Slovakia 27% of firms set and monitor targets for their emissions. This is similar to EIBIS 2022 (32%) but below the EU average (42%). The main actions taken to reduce emissions are to focus on waste minimization and recycling (66%) or energy efficiency (54%). Figures for specific actions tend to align with the EU average but Slovakian firms are less likely to invest in sustainable transport (26% versus 46%).

Over a half of Slovakian firms (57%) have invested in tackling the impacts of weather events and the process of reducing carbon emissions. The same proportion plans to invest in the next three years (57%). These figures reflect the EU average (56% and 54% respectively). The proportion already invested is similar to EIBIS 2022 (57% versus 54%) but there is greater intent for future investment (57% versus 43%).

### Innovation activities

In 2022, 35% of firms in Slovakia have developed or introduced new products, processes or services. This is much higher than the figure reported in EIBIS 2022 (14%) and now reflects the EU average (39%). Fewer than one in ten Slovakian firms developed or introduced products, processes or services new to either their country or global markets (8%). This is consistent with the EU (13%) and US (12%) averages.

Three-quarters of firms in Slovakia (74%) are using at least one advanced digital technology. This is similar to both EIBIS 2022 (79%) and the current EU average (70%). A majority of Slovakian firms are utilising the Internet of Things (54%), while there is widespread use of automation via robotics (45%) and digital platform technologies (41%). However, fewer than one in ten firms is using augmented or virtual reality technology (9%).

### Investment impediments

Slovakian firms report that the biggest long-term barriers to their investment are energy costs (86%), availability of skilled staff (83%) and future uncertainty (82%). Their assessment reflects that of firms across the EU, and compared to EIBIS 2022 only the impact of energy costs appears to be easing.

### Access to finance

The proportion of Slovakian firms that are finance constrained (6.3%) is marginally lower than EIBIS 2022 (7.0%). The current figure is similar to the average figure recorded in Slovakia since EIBIS started in 2016, and is similar to the EU average (6.1%). Very few firms in Slovakia are dissatisfied with any aspects of external finance. While 14% of firms across the EU are dissatisfied with the cost, this accounts for only 6% of Slovakian firms.

### Note on how to read the results:

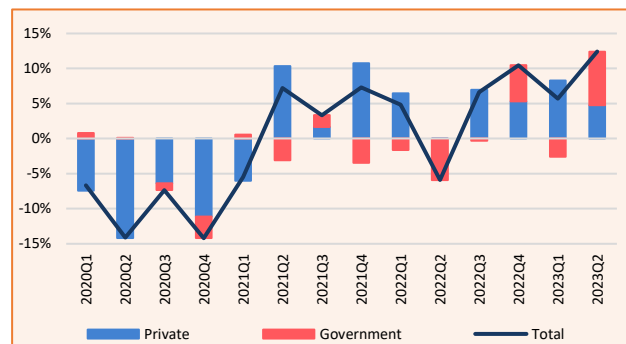
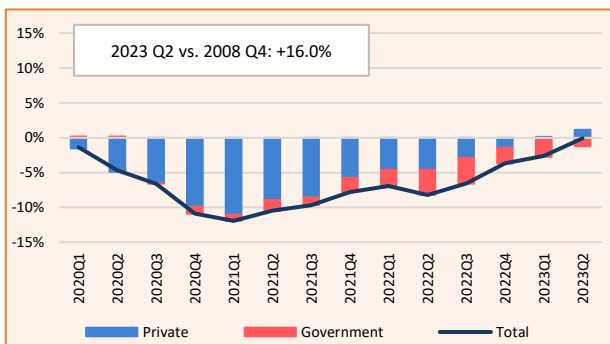
*EIBIS 2023 overview presents the results of the survey run in 2023. Questions in the survey might point to “last financial year” (2022) or expectations for the current year (2023). The text and the footnote referring to the question will specify in each case which year is considered.*



# Investment dynamics and focus

## INVESTMENT DYNAMICS BY INSTITUTIONAL SECTOR

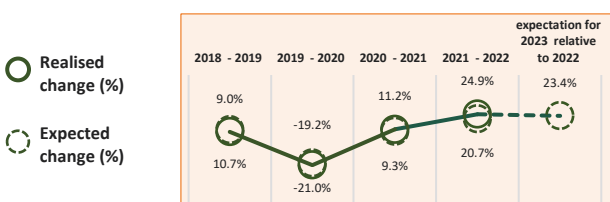
- Following the pandemic, investment declined by more than twice as much in Slovakia relative to the rest of the EU. Only by mid-2023, the four-quarter moving average of investment reached its pre-pandemic level (left panel).
- From mid-2022 onwards, investment in Slovakia grew much faster than in the EU. Private investment growth slowed during the first half of 2023, when financing costs for firms and households rose. In contrast, public investment grew sharply, supported by EU structural funds (right panel).



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.

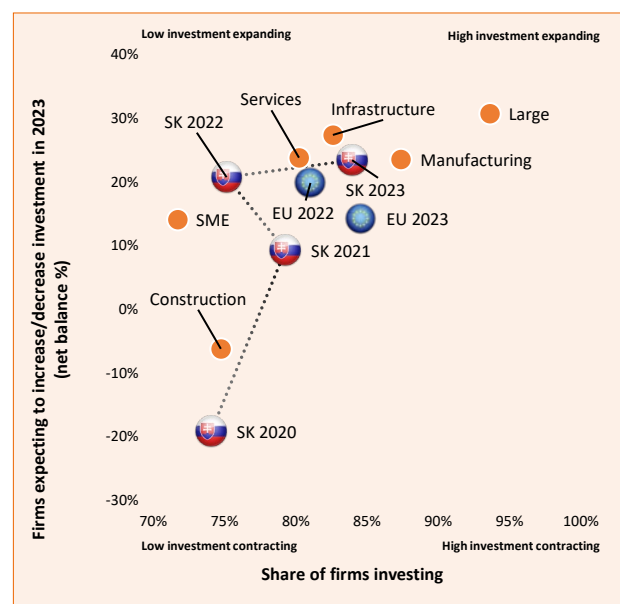
## INVESTMENT CYCLE AND EVOLUTION OF INVESTMENT EXPECTATIONS

- Firms in Slovakia retain a positive investment outlook with a net balance of 23% expecting to increase rather than decrease investment. The figure is similar to EIBIS 2022 (21%) and exceeds the EU average (14%).
- With the exception of construction, in each sector a net balance of between 24% and 27% of firms expects to increase rather than decrease investment. More construction firms anticipate a reduction rather than an increase in investment (net balance of -6%). Twice as many large firms as SMEs expect to increase rather than decrease investment (net balances of 31% versus 14%).
- Compared to EIBIS 2022, a greater share of Slovakian firms report that they were investing in 2022 (84% versus 75%), matching the current EU average (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.

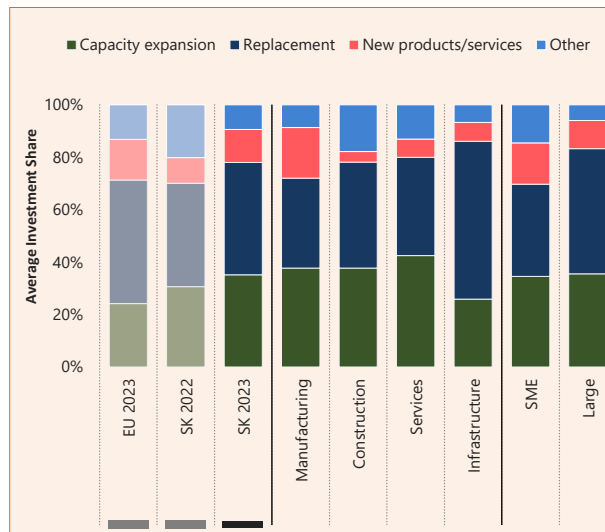
Base for share of firms investing: All firms (excluding don't know/refused responses)

Base for expected and realised change: All firms

# Investment dynamics and focus

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

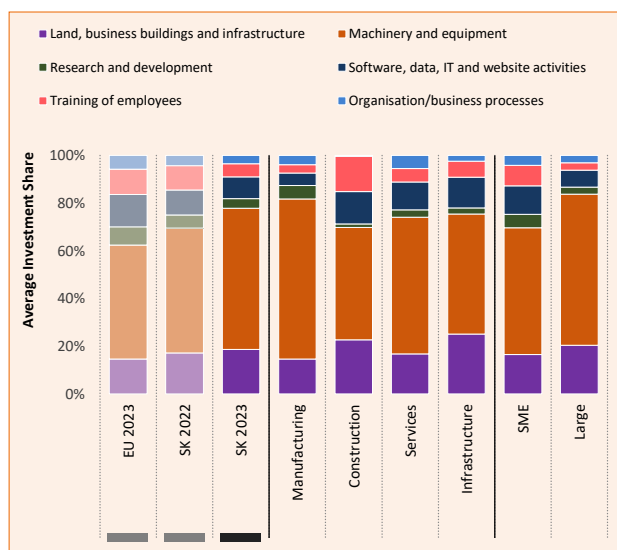
- Slovakian firms report that they used the largest share of their investment in the last financial year for replacement (43%). A third was directed towards capacity expansion with relatively little used for new products or services (35% and 13%, respectively).
- Compared to those across the EU as a whole, firms in Slovakia used more of their investment for capacity expansion (35% versus 24%).
- Investment focus varied by sector, with infrastructure firms directing 60% towards replacement. This compares to 34% of manufacturers who were using a greater share than other firms for new products/services (19%).
- Both SMEs and large firms were using about a third of their investment for capacity expansion (35% and 36% respectively). However, while large firms were using more for replacement (48% versus 35%), SMEs were directing a relatively greater share of their investment towards 'other' areas (15% versus 6%).



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 Slovakian firms directed just over a fifth (22%) of their investment towards intangible assets (R&D, software, training and business processes). This is lower than EIBIS 2022 (30%) and the EU average (38%).
- The focus of activity varies by sector, with investment in intangible assets much higher among construction firms than manufacturers (30% versus 18%). Two-thirds of manufacturing firms' investment was focussed on machinery and equipment (67%).
- Compared to large firms, SMEs were directing a higher share of investment towards intangible assets (30% versus 16%). SMEs used relatively more of their investment for employee training (9% versus 3%).

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?

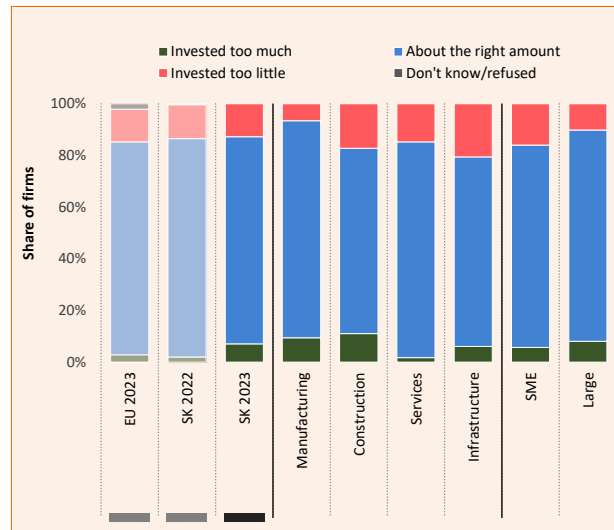
Base: All firms that have invested in the last financial year (excluding don't know/refused responses)



# Investment needs and priorities

## PERCEIVED INVESTMENT GAP

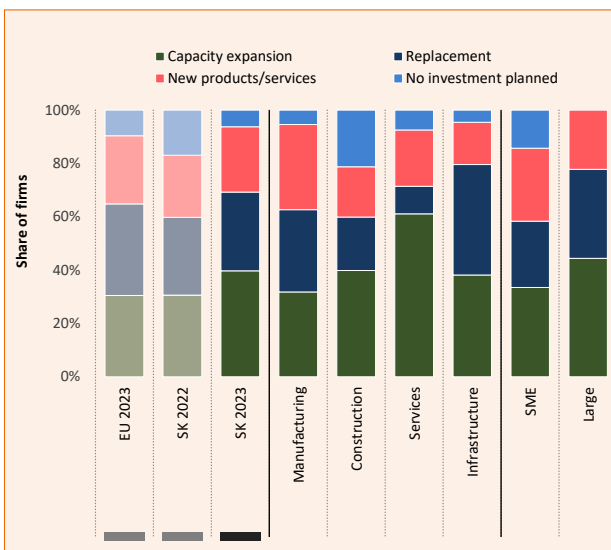
- Firms in Slovakia do not perceive major investment gaps. Eight in ten (80%) believe they invested about the right amount over the last three years. This share is similar to both EIBIS 2022 and the current EU average (84% and 82% respectively).
- Over one in ten Slovakian firms (13%) believe they invested too little over the past three years. This is exactly the same proportion as both EIBIS 2022 and the EU average.
- Investment gaps appear largest in infrastructure and services. Very few service firms believe they invested too much (2%), while 15% believe they invested too little. Among infrastructure firms, over two in ten believe they have invested too little (21%) and just 6% think that they invested too much.
- A larger proportion of SMEs than of large firms say they invested too little (16% versus 10%).



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



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?

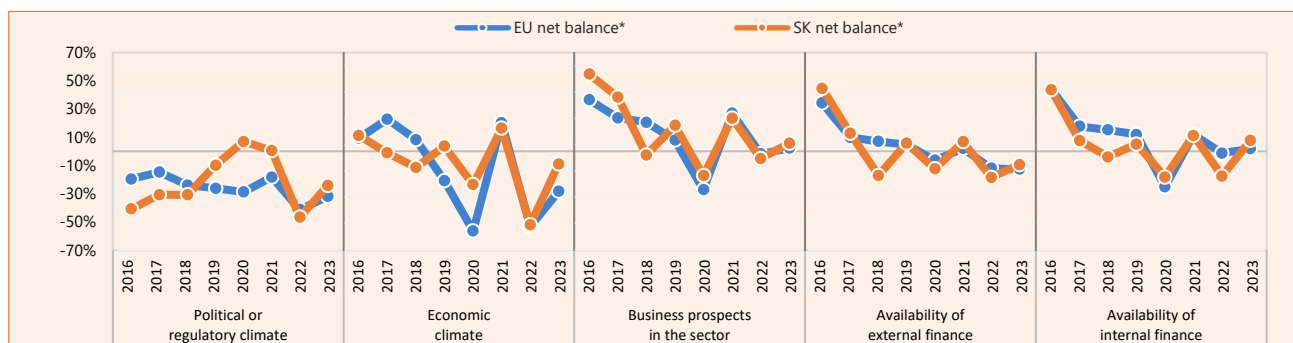
Base: All firms (excluding don't know/refused responses)

- Over the next three years, Slovakian firms intend to prioritise investment in capacity expansion (40%) over replacement (30%) or new products/services (25%). About one in twenty have no investment planned (6%) with the figure entirely made up of SMEs. Every large firm intends to invest.
- More firms than in EIBIS 2022 have some investment planned (94% versus 83%) and this is now more likely to be directed towards capacity expansion (40% versus 31%). The proportion investing in capacity expansion is also higher than the current EU average (40% versus 30%).
- Most Slovakian service firms (61%) expect to invest in capacity expansion, while those in the infrastructure sector intend to prioritise replacement (42%) over other investment categories. Manufacturers' priorities are equally divided between the three investment categories.
- Large firms are more likely than SMEs to be planning investments in both capacity expansion (44% versus 34%) and replacement (33% versus 25%).

# Investment needs and priorities

## SHORT-TERM DRIVERS AND CONSTRAINTS

- Firms in Slovakia are becoming more optimistic about investment conditions and on each of five factors asked about in the survey, the balance expecting improvement rather than deterioration exceeds the figure reported in EIBIS 2022.
- Slovakian firms are, on balance, slightly pessimistic about the economic climate, but the balance is dramatically better than the figure reported in EIBIS 2022 (-5% versus -51%) and is higher than the EU average (-26%).
- More firms expect prospects in their sector to improve rather than worsen, with the positive balance higher than EIBIS 2022 (11% versus -1%). The latest figure mirrors the EU average (7%).
- Although negative, the balance of firms worried about the availability of external finance is falling (-5% versus -15%). Expectations for the availability of internal finance are also stronger than in EIBIS 2022 (13% versus -14%).

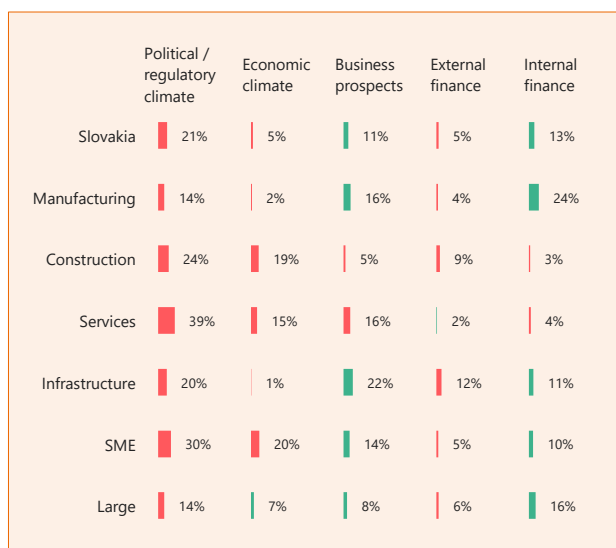


Q. Do you think that each of the following will improve, stay the same, or get worse over the next 12 months?

\*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.

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

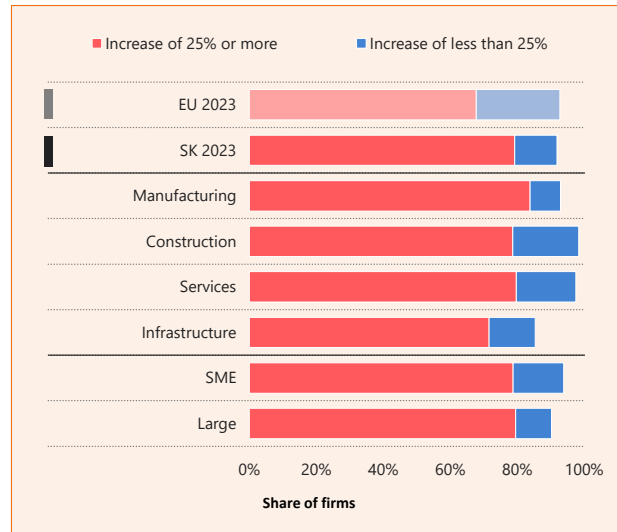
Base: All firms

- Firms in every sector have, on balance, a negative outlook on Slovakia's political and regulatory climate, but opinions on the economic climate are, on balance, more positive. Infrastructure firms (-1%) and manufacturers (-2%) have an almost equal proportion of pessimists and optimists regarding economic climate.
- Infrastructure and manufacturing firms have, on balance, an optimistic outlook on business prospects in their sector (22% and 16% respectively) while construction and service firms are, on balance, pessimistic (-5% and -16%).
- In most sectors, a small balance of firms is more likely to believe that the availability of external finance will worsen, with infrastructure businesses (-12%) the most pessimistic. The outlook for the availability of internal finance is more positive with infrastructure firms and manufacturers the most optimistic (11% and 24%, on balance, respectively).
- Large firms have, on balance, a more optimistic outlook on Slovakia's economic climate than SMEs (7% versus -20%). Both groups expect business prospects to improve over the next 12 months (8% and 14%) and they share similar perceptions for the availability of external (-6% and -5% in net balance terms) and internal finance (16% and 10%, on balance).

# Energy market developments

## INCREASED SPENDING ON ENERGY

- As in the EU as a whole (93%), since the beginning of 2022 over nine in ten firms in Slovakia have seen an increase in their spending on energy (92%).
- A very high proportion of firms in every sector has faced higher energy spending, ranging from 85% in infrastructure to 98% of construction businesses. In every sector at least 72% of firms has seen their spending on energy increase by 25% or more.
- SMEs and large firms were equally as likely to have faced increases in energy costs (94% and 90%, respectively). In both cases eight in ten say their energy spending increased by 25% or more (79% and 80%, respectively).



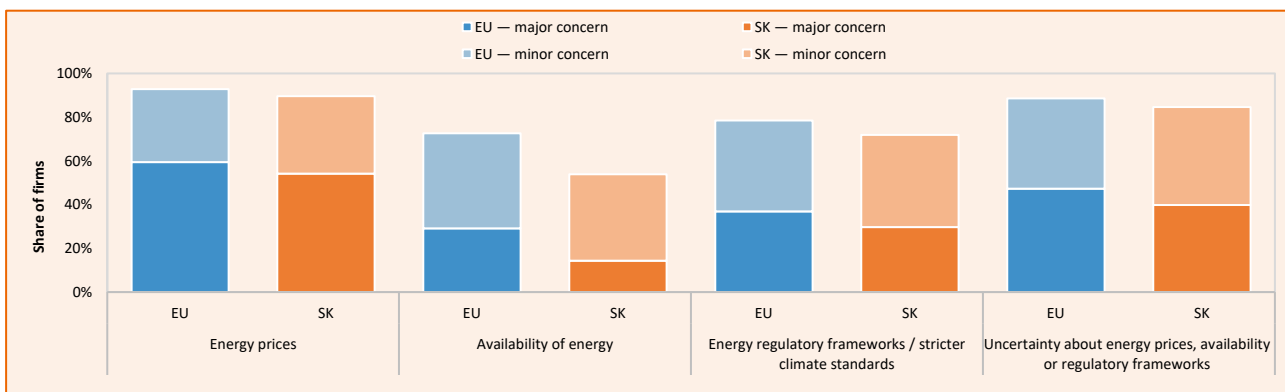
Q. Since the beginning of 2022, by how much has your company's spending on energy (including gas, electricity, oil) changed on average?

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 firms in Slovakia strongly, just as it did those across the EU as a whole. As for EU firms in general, the major concerns for Slovakian firms were energy prices (90%) and uncertainty about prices, availability or regulatory frameworks (85%). Energy prices were a major concern for more than a half of Slovakian firms (54%).
- Most firms in Slovakia are concerned about energy availability (54%), but it is a major concern for relatively few (14%). Both figures are nevertheless significantly below the EU average (73% and 29%, respectively).



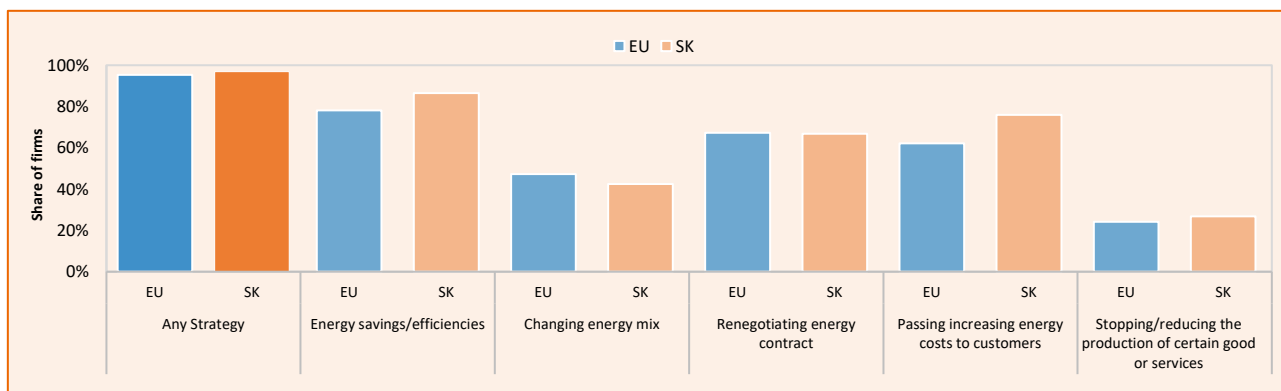
Q. Thinking about the energy shock, to what extent is your company concerned about ...?

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 Slovakian firm (97%) responded to the energy shock by adopting one or more of the strategies proposed. The response most frequently given was to seek energy savings/efficiencies (87%).
- At least two-thirds mentioned passing the increased energy costs on to customers (76%) or renegotiating energy contracts (67%) as a strategy.
- Firms in Slovakia were more likely than firms across the EU to mention energy savings/efficiencies (87% versus 78%) and passing the increased energy costs on to customers (76% versus 62%) as a strategy or priority.

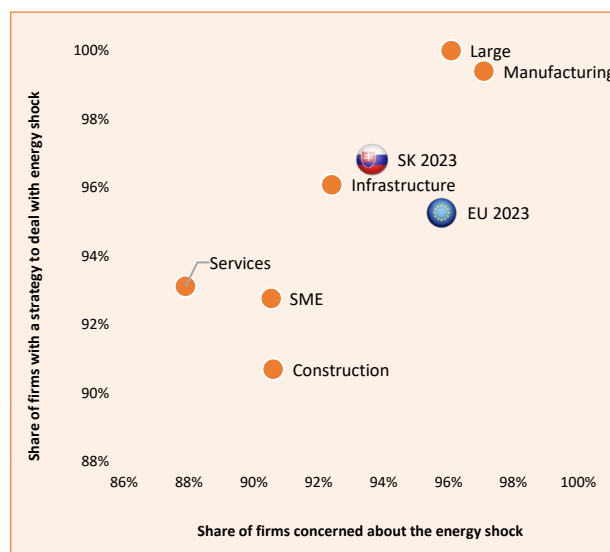


Q. Which, if any of the following, are your priorities/strategies to deal with the recent developments in the energy market?

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

## IMPACT AND STRATEGIES TO DEAL WITH ENERGY SHOCK

- Over nine in ten firms in Slovakia (94%) are concerned about recent energy shocks and a similar proportion is adopting strategies to help deal with recent developments in the energy market (97%). Both figures are very close to the EU average (96% and 95%, respectively).
- There is a very high level of concern in all sectors, ranging from 88% of service sector firms to 97% of Slovakia's manufacturers. Concern is also very high among both SMEs and large firms (91% and 96%, respectively).
- At least nine in ten firms in every sector is adopting strategies in response to the energy shock. The highest proportion is seen among infrastructure (96%) and manufacturing firms (99%). Every large firm is adopting strategies to deal with energy market developments, as are over nine in ten SMEs (93%).



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 ...

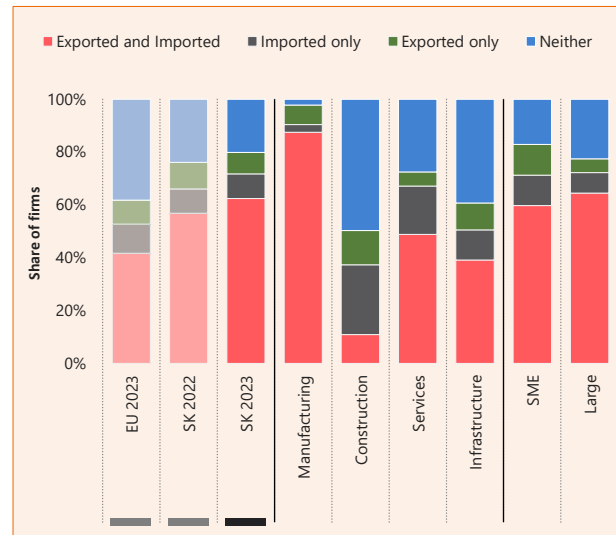
Base: All firms for 'share of firms concerned about the energy shock'

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

- Eight in ten firms in Slovakia (80%) report being engaged in international trade. This figure is similar to EIBIS 2022 (76%) and exceeds the EU average (62%).
- There is wide variation across sectors in the proportion of firms trading internationally. It ranges from almost every manufacturer (98%) to a clear majority of services (72%) and infrastructure firms (61%) and relatively few construction businesses (50%). Almost nine in ten manufacturers (87%) are both exporters and importers of goods and/or services.
- SMEs are more likely than large firms to be engaged in international trade (83% versus 77%). In both cases approximately six in ten firms are both exporting and importing goods and/or services (60% and 64% respectively).

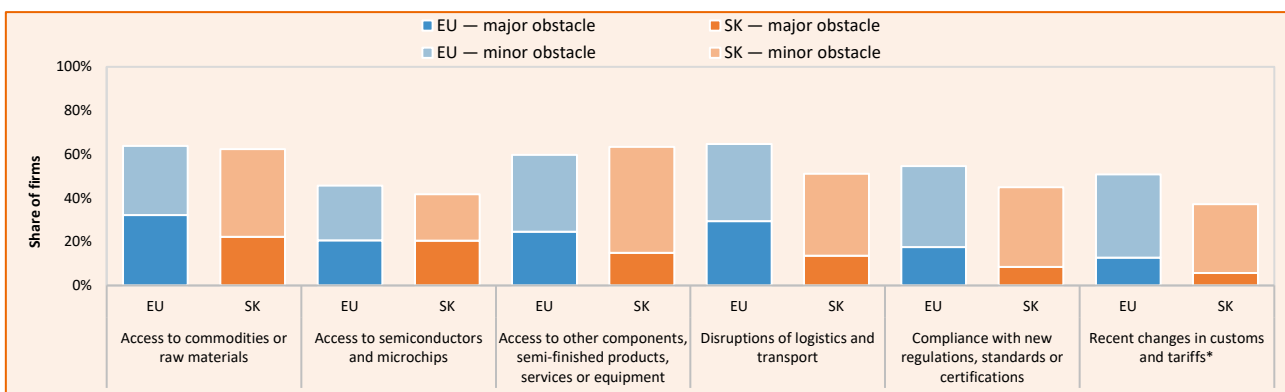


Q. In 2022, did your company export or import goods and/or services?

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

## DISRUPTIONS RELATED TO INTERNATIONAL TRADE

- Just over six in ten Slovakian firms have seen their activities obstructed by access to components, semi-finished products, services or equipment (63%) or obtaining commodities or raw materials (62%). These obstacles were experienced to a similar degree to firms across the whole EU.
- Compared to firms throughout the EU as a whole, fewer Slovakian firms have been obstructed by transport and logistical issues (51% versus 65%), changes to customs and tariffs (37% versus 51%) or compliance with new regulations, standards or certifications (45% versus 55%).



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

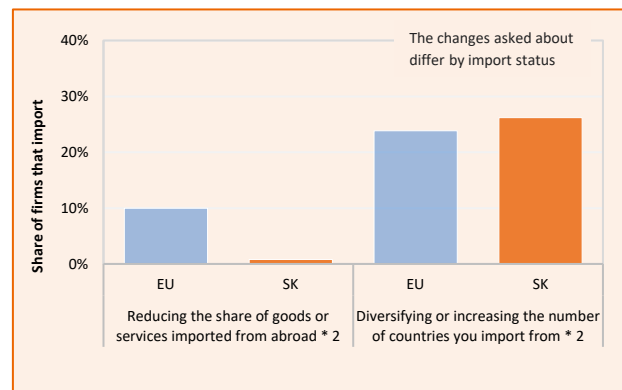
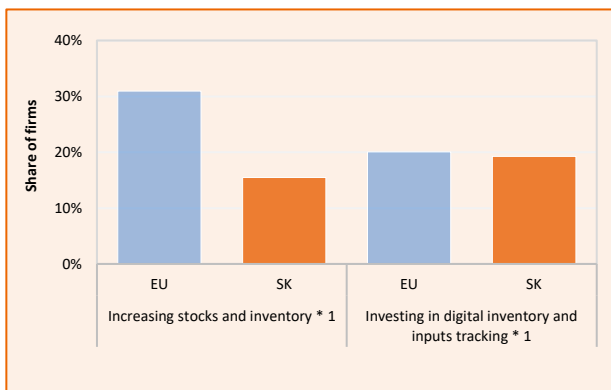
Base: All firms (excluding don't know/refused/not applicable responses)

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

# International trade

## SOURCING STRATEGY

- In the context of changes or planned changes to sourcing strategy, firms in Slovakia are only half as likely as those across the overall EU to report increasing stocks and inventory (16% versus 31%). However, a similar proportion reports investing in digital inventory and inputs tracking (19% versus 20%).
- Almost no Slovakian importer (1%) has reduced or is planning to reduce the share of goods or services they import from abroad. However, a quarter are diversifying or planning to diversify the origin of their imports (26%). The respective EU figures are 10% and 24%.



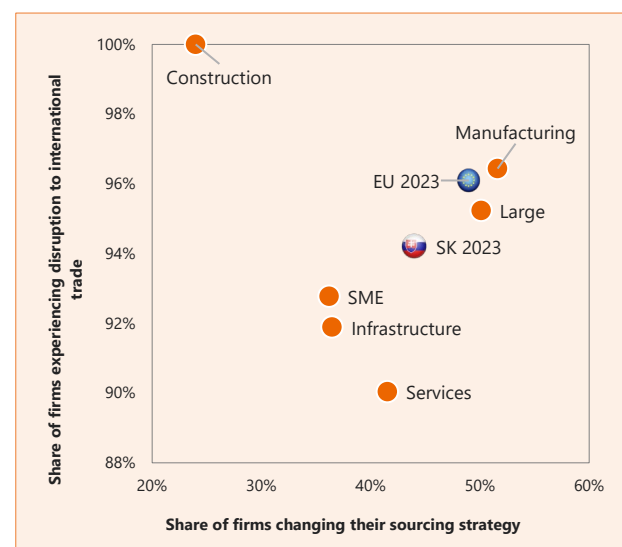
\* 1 = Asked to all, 2 = Asked to all importers

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

- Although almost every firm in Slovakia faced at least some disruption to international trade (94%), only a minority (44%) is changing their sourcing strategy or is planning to change it. The proportion changing or planning to change sourcing strategy is similar to the EU average (44% versus 49%)
- While every construction firm says it has experienced disruptions (100%), less than a quarter (24%) have changed or are thinking of changing their sourcing strategy. Only in the manufacturing sector (52%) is a majority of firms adapting their sourcing strategy.
- Half of large firms have changed or intend to change their sourcing strategy (50%) but relatively few SMEs are doing likewise (36%).



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?

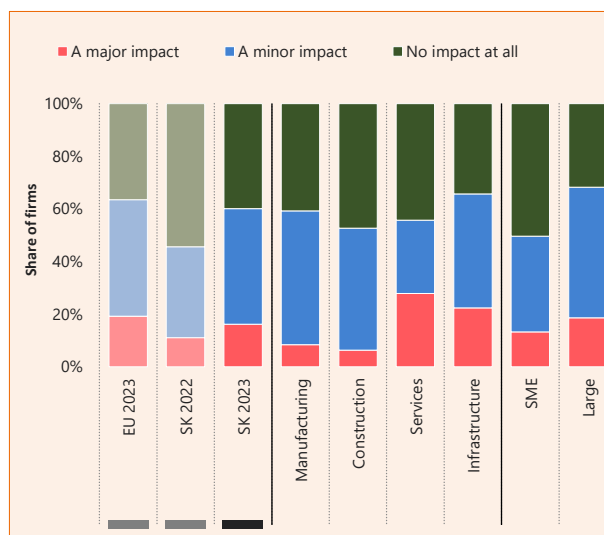
Base: All firms (excluding don't know/refused responses)



# Climate change and energy efficiency

## IMPACT OF CLIMATE CHANGE – PHYSICAL RISK

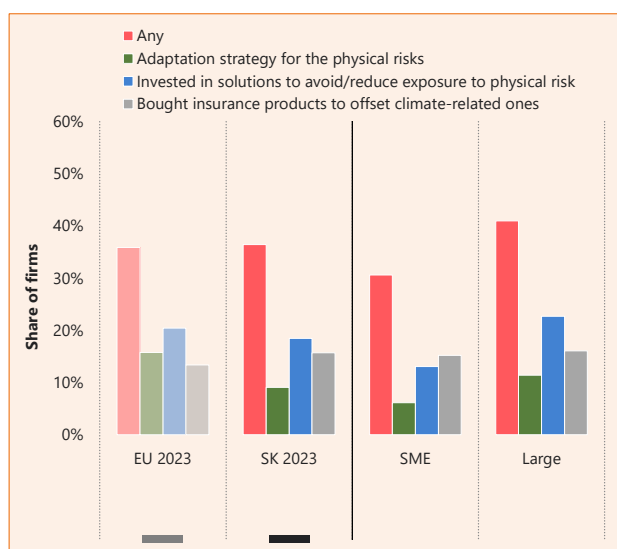
- Climate change is a reality for most firms in Slovakia with six in ten (60%) reporting that weather have an impact on their business. Possibly driven by experience of extreme summer temperatures, this is much higher than EIBIS 2022 (46%) and now reflects the EU average (64%).
- Infrastructure firms (66%) are more likely than others to say weather events are impacting their business. However, service sector firms (28%) are the most inclined to report climate change as having a major impact on their company. This accounts for fewer than one in ten manufacturers or construction sector firms (8% and 6% respectively).
- Almost seven in ten large firms (68%) report that weather events are impacting their business but only 50% 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



- Firms in Slovakia are equally as likely as others across the EU to have developed or invested in measures to build resilience to the physical risks of climate change (both 36%).
- Where Slovakian firms are taking action, they are most inclined to have invested in solutions to avoid or reduce exposure to physical risks (18%) or to have used insurance products that offset climate-related losses (16%). In each case the figure is similar to the EU as a whole. The proportion reporting having adapted their strategy to physical risk is below the EU average (9% versus 16%).
- Large firms are more likely than SMEs to have developed or invested in measures that build resilience to the physical risks of climate change (41% versus 31%). In particular, more large firms were investing in solutions to avoid or reduce exposure (23% versus 13%).

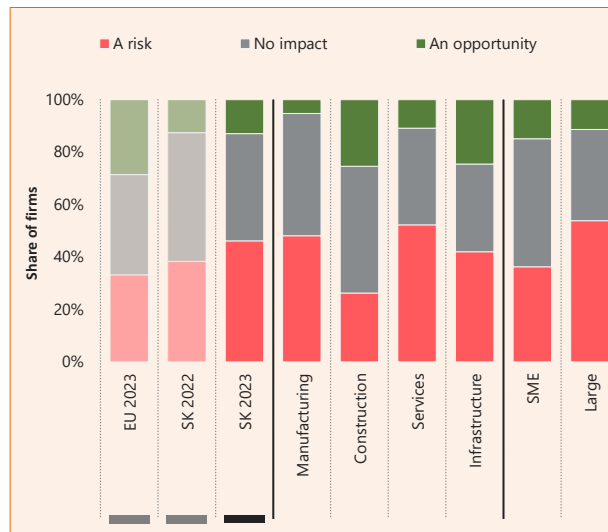
Q. Has your company developed or invested in any of the following measures to build resilience to the physical risks to your company caused by climate change?

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

- Most Slovakian firms regard the transition to stricter climate standards and regulations as a risk rather than an opportunity (46% versus 13%). The share of firms perceiving an opportunity is unchanged from EIBIS 2022 (13%) and remains lower than the EU average (29%).
- There is some variation across sectors, with construction and infrastructure firms most likely to perceive the transition as an opportunity (both 25%). A majority of services firms (52%) considers the transition a risk.
- A majority of Slovakia's large firms (54%), but only a minority of its SMEs (36%), say the transition to stricter climate standards and regulations is a risk to their company. A similar proportion of SMEs and of large firms think the transition represents an opportunity (15% and 11%, respectively).

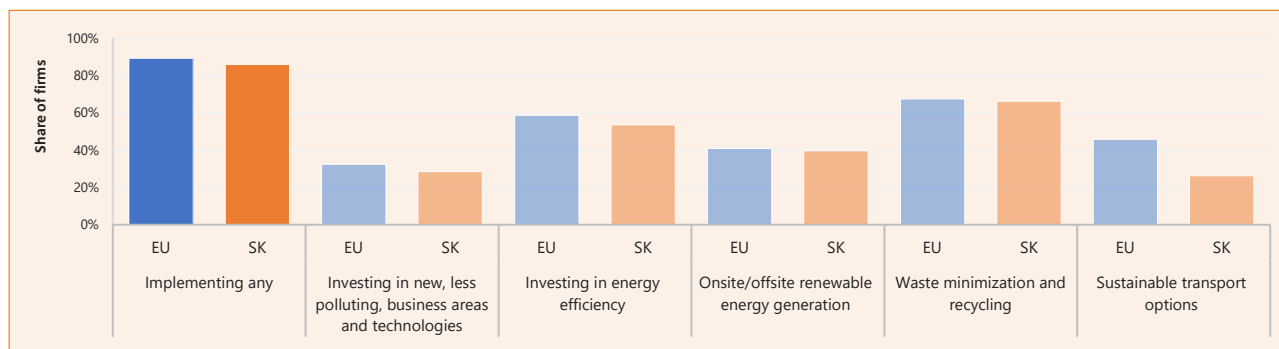


Q. Thinking about your company, what impact do you expect this transition to stricter climate standards and regulations will have on your company over the next five years?

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

### ACTIONS TO REDUCE GREENHOUSE GAS EMISSIONS

- Slovakian firms are as likely as those across the EU as a whole to be taking initiatives to reduce Greenhouse Gas (GHG) emissions (86% and 89%, respectively).
- The main actions taken by firms in Slovakia are to invest or implement waste minimization and recycling (66%) or energy efficiency (54%). Relatively few are investing in new, less polluting business areas and technologies or sustainable transport options (28% and 26%, respectively).
- The figures for specific actions tend to align with the EU average. However, firms in Slovakia are less likely to be investing in sustainable transport options (26% versus 46%).



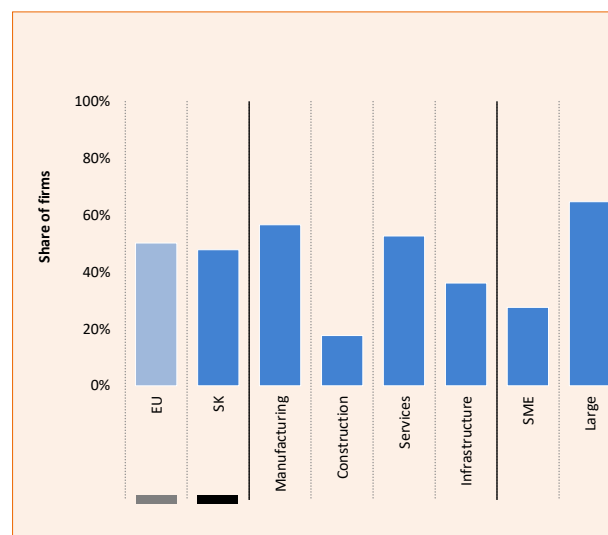
Q. Is your company investing or implementing any of the following, to reduce greenhouse gas (GHG) emissions?

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

# Climate change and energy efficiency

## ENERGY AUDIT

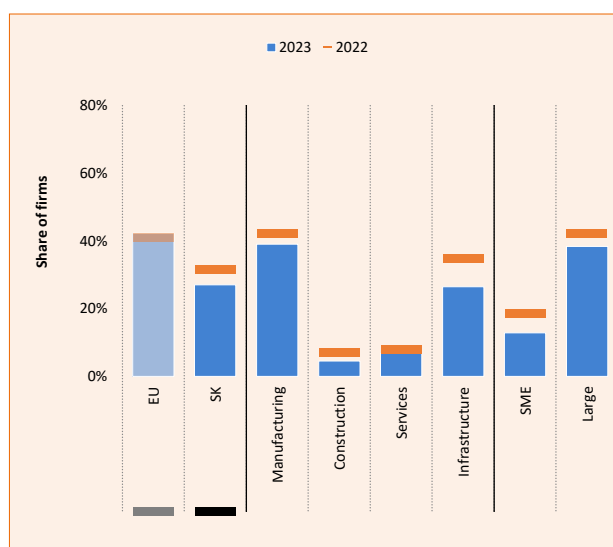
- Almost half the firms in Slovakia (48%) have had an energy audit in the past three years. That is an assessment of the energy needs and efficiency of their company's building or buildings. This is close to the EU average (50%).
- The majority of manufacturers and services firms have had an energy audit (57% and 53%, respectively). These proportions are three time higher than is seen among construction firms (18%).
- Slovakia's large firms are far more likely than its SMEs to have had an energy audit in the past three years (65% versus 28%).



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



- Just under three in ten firms in Slovakia (27%) set and monitor targets for their own GHG emissions. This is similar to EIBIS 2022 (32%) but lower than the current EU average (42%).
- Slovakia's manufacturing and infrastructure firms (39% and 27%) are far more likely than those in the services or construction sectors (7% and 5%) to set and monitor GHG targets.
- Large firms remain far more likely than SMEs to set and monitor targets for their own GHG emissions (38% versus 13%).

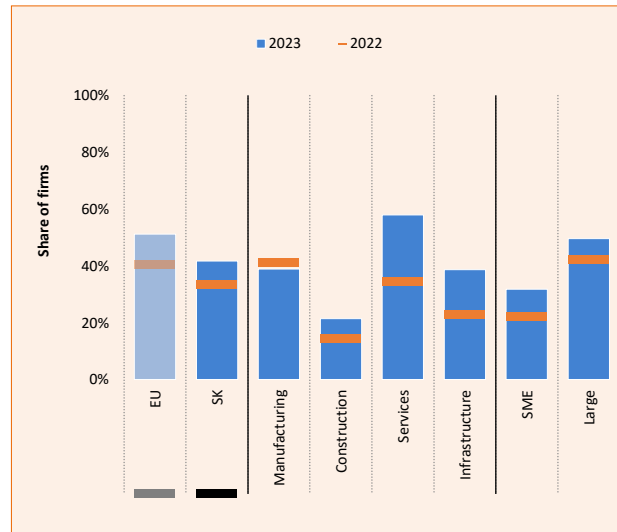
Q. Does your company... sets and monitors targets for its own greenhouse gas (GHG) emissions?

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

# Climate change and energy efficiency

## SHARE OF FIRMS INVESTING IN MEASURES TO IMPROVE ENERGY EFFICIENCY

- Four in ten Slovakian firms (42%) invested in measures to improve energy efficiency in their last financial year. This is higher than EIBIS 2022 (33%) but remains below the EU average (51%).
- Almost six in ten service firms (58%) invested in energy efficiency. Manufacturing and infrastructure firms (both 39%) were almost twice as likely as construction businesses (21%) to be making these investments. The figure for services and infrastructure firms are more than 10 percentage points higher than in EIBIS 2022 (34% and 23% respectively).
- Fewer SMEs than large firms were investing in measures to improve energy efficiency (32% versus 50%) but in each case the figure is higher than EIBIS 2022 (22% and 42%).

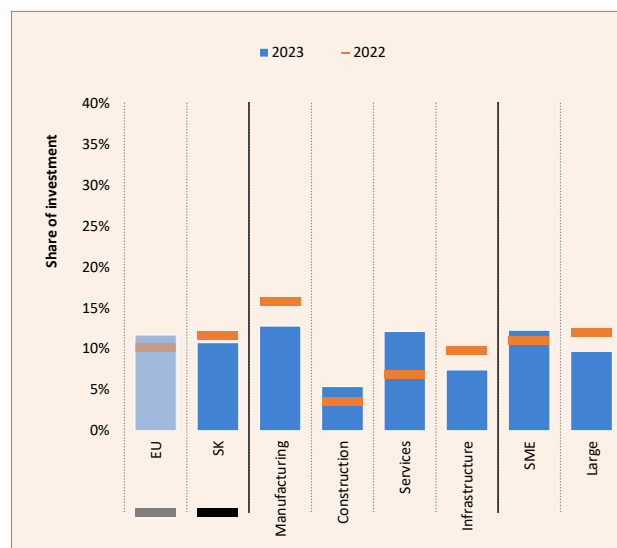


Q. What proportion of the total investment in the last financial year was primarily for measures to improve energy efficiency in your organisation?

Base: All firms

## AVERAGE SHARE OF INVESTMENT IN MEASURES TO IMPROVE ENERGY EFFICIENCY

- An average of 11% of the investment made by firms in Slovakia was being directed towards improvements in energy efficiency. This is virtually unchanged since EIBIS 2022 and very close to the current EU average (both 12%).
- There is little variation in the average investment share firms used to improve energy efficiency by sector.
- SMEs and large firms were using a similar proportion of their total investment to improve energy efficiency (13% and 10%, respectively).

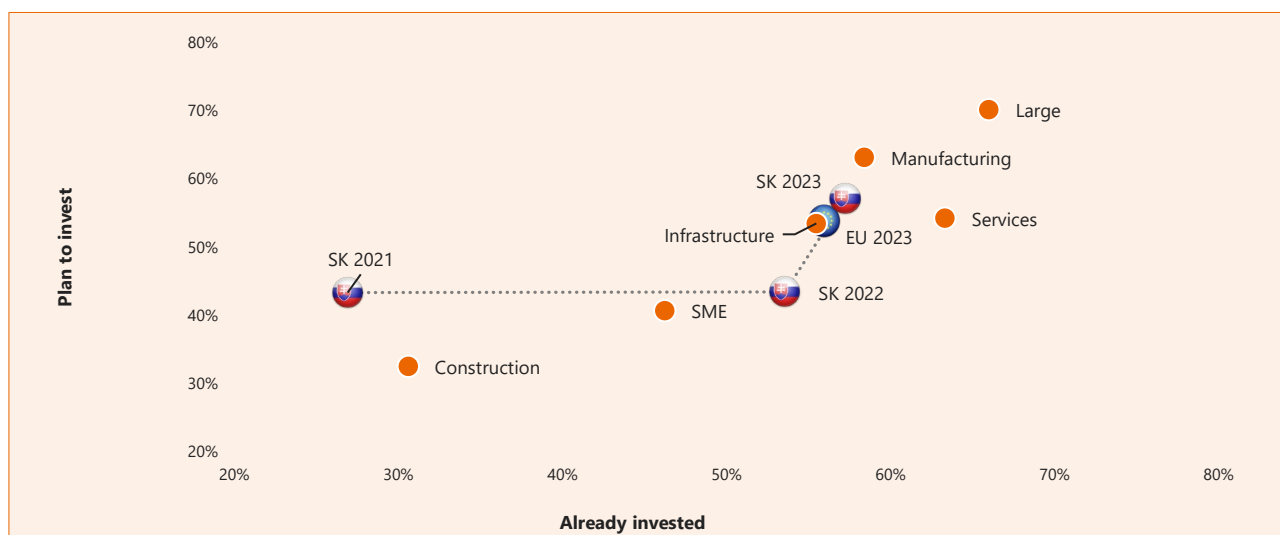


Q. What proportion of the total investment in the last financial year was primarily for measures to improve energy efficiency in your organisation?

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:

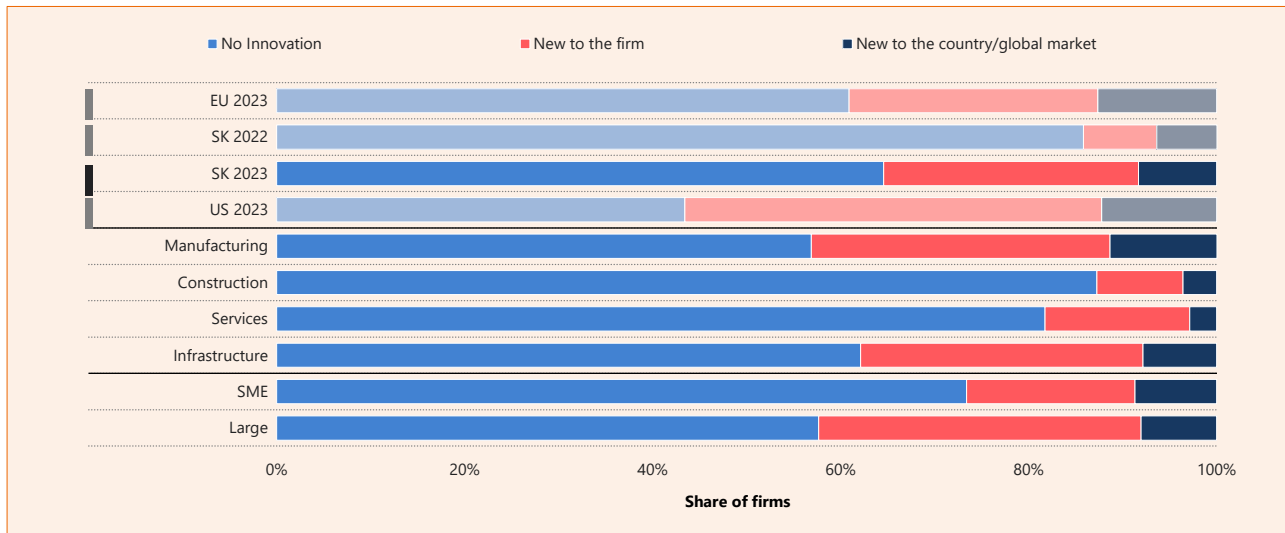
Q. Now thinking about investments to tackle the impacts of weather events and to deal with the process of reduction in carbon emissions, which of the following applies?

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

- Over half the firms in Slovakia (57%) have already invested in tackling the impacts of weather events and dealing with the process of reducing carbon emissions. The same proportion also plans to invest in these areas in the next three years (57%). Both figures are in line with the EU average (56% and 54%, respectively). Compared to EIBIS 2021, the share of firms that have already invested has remained stable (57% versus 54%) but the share of firms planning to invest has risen (57% versus 43%).
- Except for construction firms (31%), a majority in each sector have already invested to tackle the impacts of weather events. It accounts for almost two-thirds of services firms (63%). Construction firms (33%) are the least likely to be planning investment that tackles the impact of weather events and deals with the process of reducing carbon emissions. Elsewhere the figure ranges from 53% (infrastructure) to 63% (manufacturing).
- Large firms are far more likely than SMEs to have already invested (66% versus 46%) and to have plans to invest (70% versus 41%).

# 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)

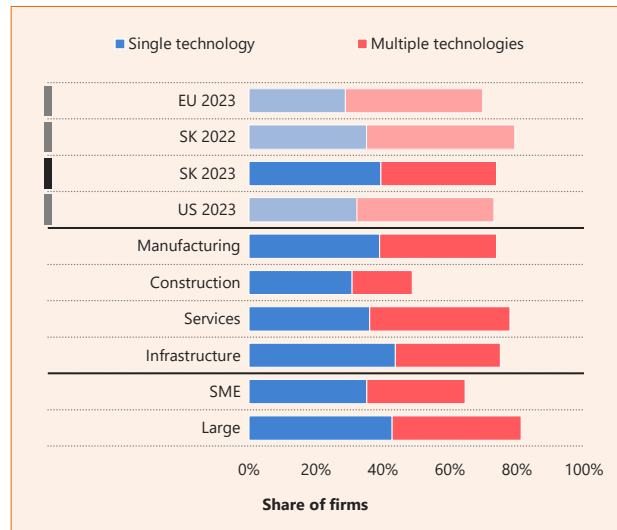
- Approximately a third of firms in Slovakia (35%) have developed or introduced new products, processes or services. This is much higher than in EIBIS 2022 (14%) and the proportion that invested in innovation now reflects the EU average (39%).
- Fewer than one in ten Slovakian firms developed or introduced products, processes or services new to either their country or global markets (8%). The figure is consistent with both the overall EU (13%) and US (12%) averages.
- Manufacturing (43%) has the highest proportion of Slovakian firms that invested in innovation, with 11% reporting the development / introduction of products, processes or services new to either Slovakia or global markets. The lowest proportions of firms that invested in innovation are found in services (18%) and construction (13%).
- Large firms were more likely than SMEs to have invested in innovation in the past year (42% versus 27%).



# Innovation activities

## USE OF ADVANCED DIGITAL TECHNOLOGIES

- Three-quarters of firms in Slovakia (74%) are using at least one advanced digital technology. This is similar to both EIBIS 2022 (79%) and the current EU average (70%).
- Construction (49%) is the only sector in Slovakia where fewer than half the firms have adopted at least one advanced digital technology. Large firms are far more likely than SMEs to have adopted such technologies (81% versus 65%).
- A majority of Slovakian firms are utilising the Internet of Things (54%) and at least four in ten are using automation via robotics (45%) and digital platform technologies (41%). Relatively few firms have employed other digital technologies with fewer than one in ten using augmented or virtual reality (VR) technology (9%).
- With the exceptions of the Internet of Things (54% versus 41%), firms in Slovakia are making less use of advanced digital technologies than those in the EU as a whole.



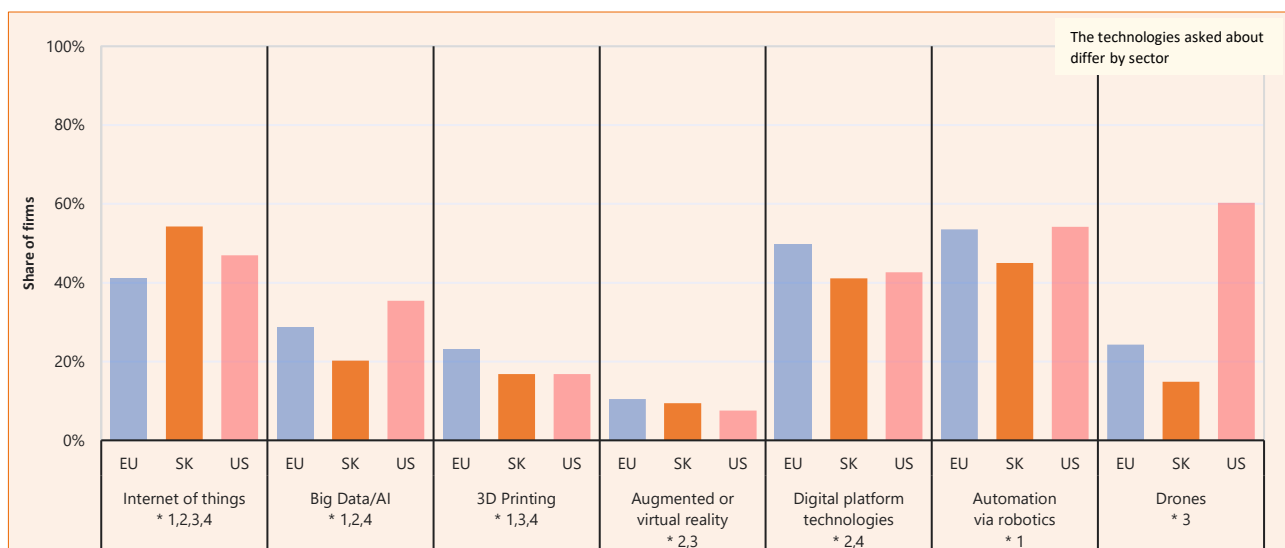
Reported shares combine “used” the technology “in parts of business” and “entire business organised around it.”

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.

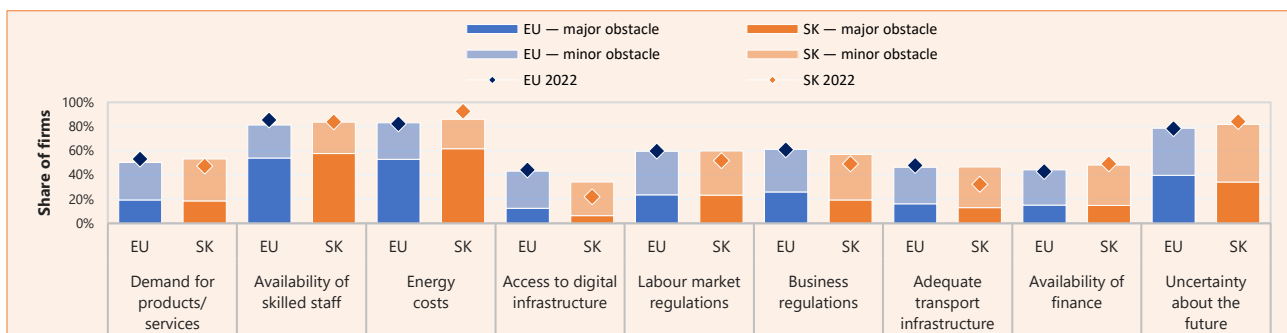
Reported shares combine used the technology ‘in parts of business’ and ‘entire business organised around it’

Base: All firms (excluding don't know/refused responses);  
Sample size SK: Manufacturing (127); Construction (69); Services (105); Infrastructure (94).

# Investment impediments

## LONG-TERM BARRIERS TO INVESTMENT

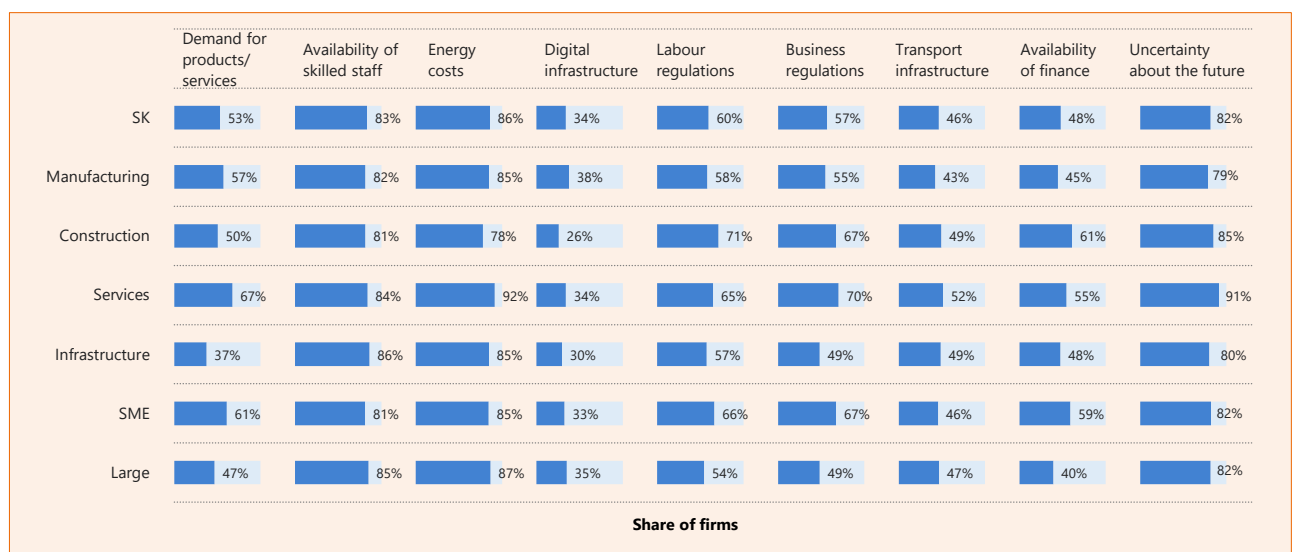
- At least eight in ten Slovakian firms say energy costs (86%), availability of skilled staff (83%) and future uncertainty (82%) obstruct their investment activity. Sentiment on investment barriers tends to reflect that of firms across the EU as a whole, although access to digital technology is considered less of an obstacle (34% versus 43%).
- The impact of energy costs appears to be easing very slightly with the share of firms reporting it as an obstacle falling from 93% to 86%. In contrast, compared to EIBIS 2022, access to digital infrastructure (34% versus 22%) and availability of adequate transport infrastructure (46% versus 32%) have become a barrier for an increasing share of firms.



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

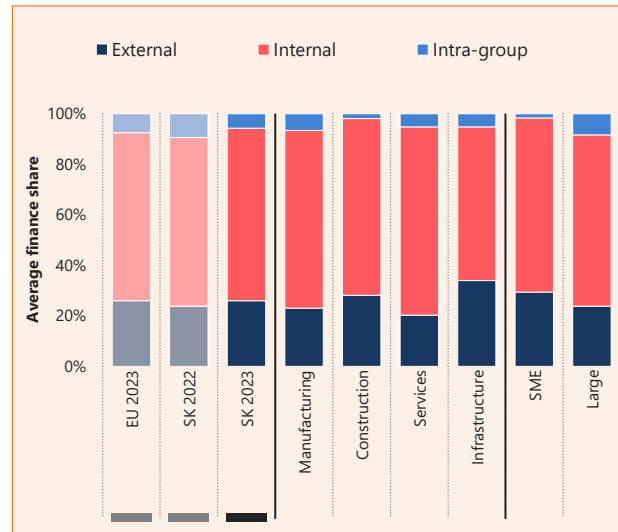
Q. Thinking about your investment activities, to what extent is each of the following an obstacle? Is it a major obstacle, a minor obstacle or not an obstacle at all?

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

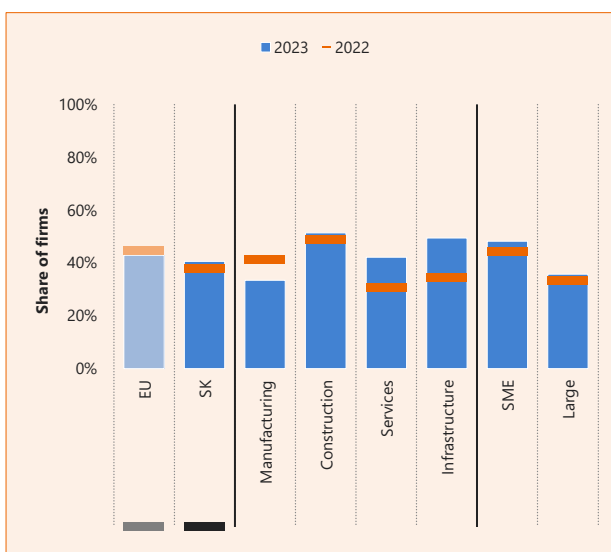
- Internal sources accounted for over two-thirds of Slovakian firms' investment finance (68%). This is followed by external finance (26%) with relatively little originating from intra-group channels (6%). All proportions are similar to EIBIS 2022 and the EU average.
- In all sectors at least 61% of investment finance came from internal sources. It rises to 74% for service sector firms. A third of infrastructure firms' investment finance came from external sources (34%).
- The source of investment finance was very similar for both SMEs and large firms.



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



- Four in ten of the Slovakian firms that invested in the last financial year funded some of this investment through external sources (41%). This is consistent with EIBIS 2022 (38%) and the current EU average (43%).
- Around half of construction and infrastructure were funding at least some of their investment from external sources (51% and 49% respectively).
- A higher proportion of SMEs than large firms obtained investment finance from external sources in the last financial year (48% versus 36%). Both figures are very similar to EIBIS 2022.

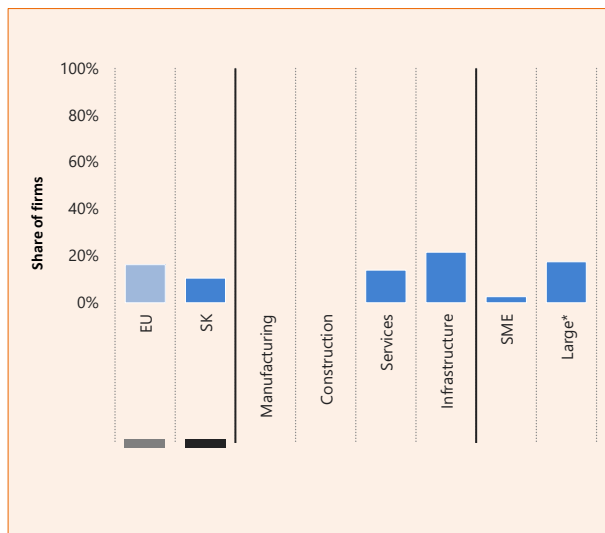
Q. Approximately what proportion of your investment in the last financial year was financed by each of the following

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 over one in ten firms using external finance in Slovakia received grants (11%). This is lower than the EU average (16%).
- None of the manufacturers or construction businesses that used external finance received grants. However, 21% of infrastructure firms and 14% of those operating in the services sector obtained them.

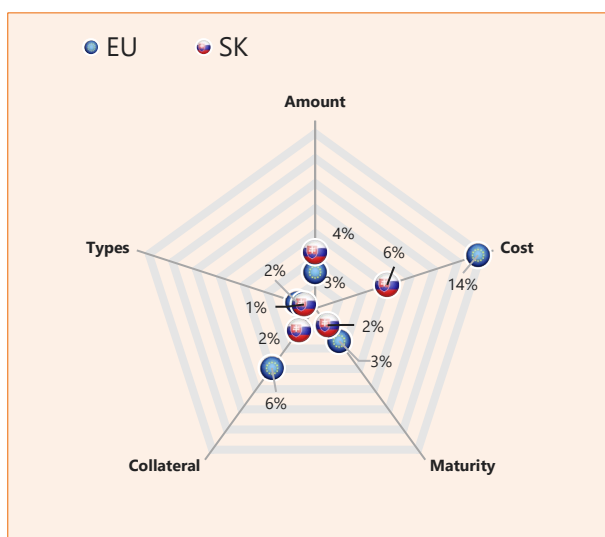


Q. What proportion of your total investment in your last financial year was financed by grants?

Base: All firms using external finance (excluding don't know/refused responses)  
\*Caution very small base size less than 30

### DISSATISFACTION WITH EXTERNAL FINANCE RECEIVED (% of firms)

- Very few firms in Slovakia are dissatisfied with any aspects of external finance. While 14% of firms across the EU are dissatisfied with the cost, this accounts for only 6% of Slovakian firms.
- In Slovakia the level of dissatisfaction is even lower for the amount made available (4%), collateral requirements (2%), maturity terms (2%) or the type of external finance on offer (1%). These figures are close to the EU average.



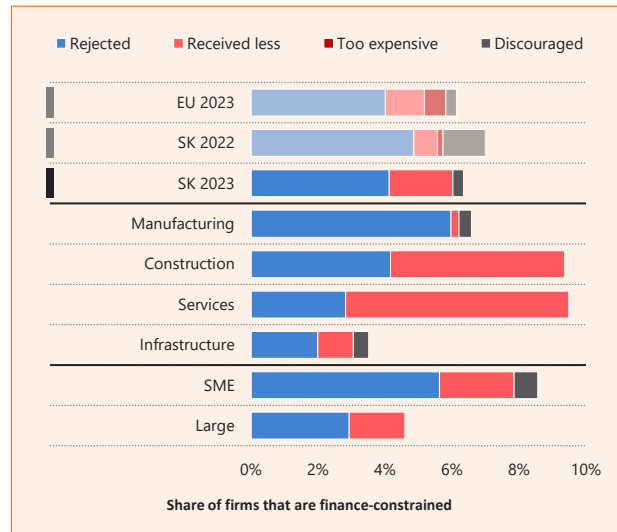
Q. How satisfied or dissatisfied are you with ...?

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

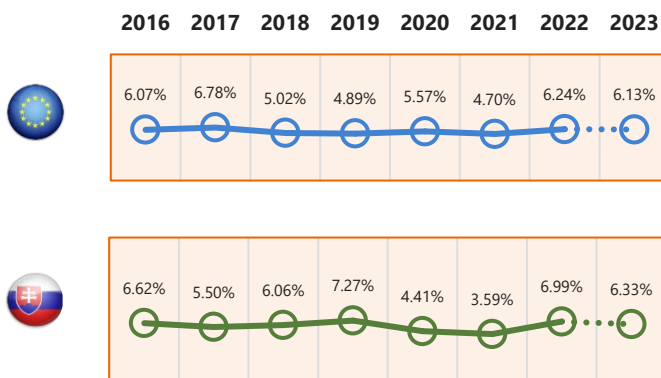
- The share of financially constrained firms in Slovakia (6.3%) is similar to EIBIS 2022 (7.0%) and the current EU average (6.1%). The main constraint on Slovakian firms is rejection (4.1%).
- In Slovakia, the construction and services sectors have the highest proportion of financially constrained firms (9.4% and 9.5% respectively). It is far lower among infrastructure firms (3.5%). Dissatisfaction with the amount received is the primary reason why some construction and services firms see their access to finance restricted (5.2% and 6.7%, respectively).
- Slovakia's SMEs are more likely than its large firms to be finance-constrained (8.6% versus 4.6%).



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

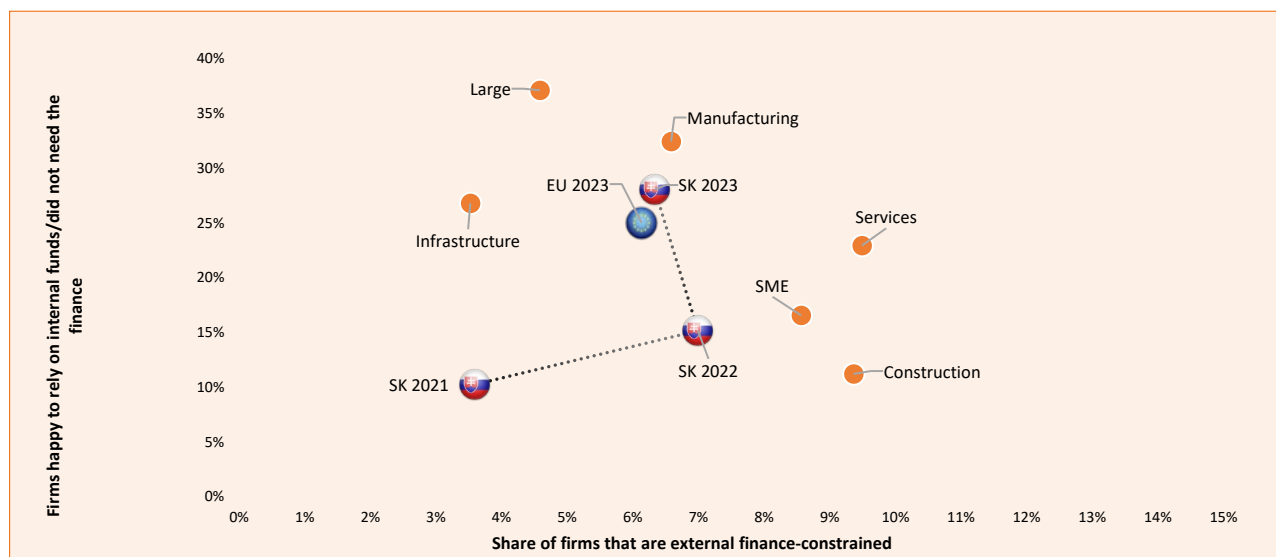


- The proportion of Slovakian firms that are finance constrained (6.3%) is marginally lower than EIBIS 2022 (7.0%) and reflects the average across the entire EIBIS series.
- The proportion of finance constrained firms in Slovakia is similar to the EU average (6.3% versus 6.1%).

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 relatively small proportion of (6.3%) of Slovakian firms is finance constrained while almost three in ten (28%) is happy to rely on internal finance (or do not actually need any external finance). The level of finance constrained firms has changed relatively little since EIBIS 2022 (from 7.0% to 6.3%), but there has been a large increase in the proportion of Slovakian firms happy to use internal finance (from 15% to 28%). The proportion currently happy to rely on internal finance is almost three times higher than EIBIS 2021 (10%). Compared to the current EU average, a similar proportion of Slovakian firms are finance constrained (6.3% versus 6.1%) and happy to rely on internal finance (28% versus 25%).
- In Slovakia, the construction and services sectors have the highest incidence of financially constrained firms (9.4% and 9.5% respectively) while infrastructure and manufacturing have the lowest (3.5% and 6.6% respectively). Construction (11%) has the lowest proportion of firms happy to rely on internal finance (or not requiring any). It is at least 23% in every other sector, reaching 32% among manufacturers.
- Slovakia's SMEs are more likely than its large firms to be financially constrained (8.6% versus 4.6%), and far less content to rely on internal finance (17% versus 37%).



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

	EU	US	SK	Manufacturing	Construction	Services	Infrastructure	SME	Large	EU vs SK	Manuf vs Constr	SME vs Large
	(12030)	(802)	(400)	(129)	(69)	(105)	(96)	(357)	(43)	(12030 vs 400)	(129 vs 69)	(357 vs 43)
10% or 90%	1.1%	3.9%	4.5%	7.1%	6.1%	8.3%	8.6%	2.9%	7.7%	4.6%	9.4%	8.2%
30% or 70%	1.8%	6.0%	6.9%	10.9%	9.3%	12.8%	13.1%	4.4%	11.8%	7.1%	14.3%	12.5%
50%	1.9%	6.5%	7.5%	11.9%	10.2%	13.9%	14.3%	4.8%	12.8%	7.7%	15.6%	13.6%

### GLOSSARY

<b>Investment</b>	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.
<b>Investment cycle</b>	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.
<b>Manufacturing sector</b>	Based on the NACE classification of economic activities: firms in group C (Manufacturing).
<b>Construction sector</b>	Based on the NACE classification of economic activities: firms in group F (Construction).
<b>Services sector</b>	Based on the NACE classification of economic activities: firms in group G (wholesale and retail trade) and group I (accommodation and food Services activities).
<b>Infrastructure sector</b>	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).
<b>SME</b>	Firms with between 5 and 249 employees.
<b>Large firms</b>	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 400 firms in Slovakia (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	Slovakia 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	400/400	129	69	105	96	357	43
All firms (excluding don't know/refused responses), p. 5 (bottom right)	11624/11682	776	390/390	125	68	102	94	348	42
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 6 (top)	10147/9704	692	330/288	108	59	85	77	287	43
All firms who have invested in the last financial year (excluding don't know/refused responses), p. 6 (bottom)	9948/9501	704	282/240	92	50	69	70	249	33
All firms (excluding 'Company didn't exist three years ago' responses), p. 7 (top)	12015/12005	802	399/400	129	68	105	96	356	43
All firms (excluding don't know/refused responses), p. 7 (bottom)	11880/11814	794	396/394	129	67	104	95	353	43
All firms (excluding don't know/refused responses), p. 9 (top)	11812/NA	782	397/NA	128	68	104	96	354	43
All firms (data not shown for those that said not an obstacle at all/don't know/refused), p. 9 (bottom)	12030/NA	802	400/NA	129	69	105	96	357	43
All firms (excluding don't know/refused responses), p. 10 (top)	11739/NA	786	394/NA	127	68	104	94	351	42
All firms (excluding don't know/refused responses), p. 10 (bottom)	11739/NA	786	394/NA	127	68	104	94	351	42
All firms (excluding don't know/refused responses) p. 11 (top)	11978/11975	800	400/400	129	69	105	96	357	43
All firms (excluding don't know/refused/not applicable responses), p. 11 (bottom)	6692/NA	284	184/NA	69	27	40	42	167	17
All firms (excluding Don't know/refused responses), p. 12 (top left)	11918/NA	797	400/NA	129	69	105	96	357	43
All firms that import (excluding don't know/refused responses), p. 12 (top right)	6151/NA	240	259/NA	110	25	71	53	229	30
All firms (excluding don't know/refused responses), p. 12 (bottom)	10139/NA	717	289/NA	111	43	68	66	254	35
All firms (excluding Don't know / refused responses) p. 13 (top)	11930/11911	797	395/394	126	68	105	95	352	43
All firms (excluding Don't know / refused responses), p. 13 (bottom)	11944/11909	789	399/398	129	69	104	96	356	43
All firms (excluding don't know/refused responses), p. 14 (top)	11433/11172	771	377/350	119	65	102	90	336	41
All firms (excluding don't know/refused responses), p. 14 (bottom)	11956/11964	800	399/400	129	69	105	95	356	43
All firms (excluding don't know/refused responses), p. 15 (top)	11549/NA	766	383/NA	120	67	102	93	344	39
All firms (excluding don't know/refused responses), p. 15 (bottom)	11836/11712	791	389/379	120	69	104	95	348	41
All firms that have invested in the last financial year (excluding don't know/refused responses), p. 16 (bottom)	10210/9752	707	321/257	103	58	85	74	281	40
All firms (excluding don't know/refused responses), p. 17	11721/11685	770	394/388	126	69	103	95	352	42
All firms (excluding don't know/refused responses), p. 18	11738/11735	780	399/395	129	68	105	96	356	43
All firms (excluding don't know/refused responses), p. 19 (top)	12009/11980	801	400/400	129	69	105	96	357	43
All firms (excluding don't know/refused responses), p. 19 (bottom)	11916/11844	800	396/395	127	69	105	94	355	41
All firms (data not shown for those who said not an obstacle at all/don't know/refused), p. 20 (top)	12030/12021	802	400/400	129	69	105	96	357	43
All firms (data not shown for those who said not an obstacle at all/don't know/refused), p. 20 (bottom)	12030/12021	802	400/400	129	69	105	96	357	43
All firms who invested in the last financial year (excluding don't know/refused responses), p. 21 (top)	10517/10051	697	330/288	108	58	85	78	287	43
All firms who invested in the last financial year (excluding don't know/refused responses), p. 21 (bottom)	10517/10051	697	330/288	108	58	85	78	287	43
All firms using external finance (excluding don't know/refused responses), p. 22 (top)	4269/4107	265	151/120	46	28	35	41	135	16
All firms that used external finance in the last financial year (excluding don't know/refused responses), p. 22 (bottom)	4184/3988	264	151/120	46	28	35	41	135	16
All firms (excluding don't know/refused responses), p. 23 (top)	11544/11504	729	395/388	127	68	103	96	353	42
All firms (excluding don't know/refused responses), p. 23 (bottom)	11544/11504	729	395/388	127	68	103	96	353	42
All firms (excluding don't know/refused responses), p. 24	11544/11473	729	395/388	127	68	103	96	353	42





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# Slovakia

Overview

**EIB INVESTMENT SURVEY**

**2023**