



Survey on the access to finance of enterprises (SAFE)

Analytical Report 2022

Written by Kantar, a research company, in cooperation with GDCC (Global Data Collection Company), an independent market research firm

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Table of Contents

Table of Contents	6
INTRODUCTION	9
Methodology	10
EXECUTIVE SUMMARY	12
I. USE OF EXTERNAL FINANCING	15
Key findings	16
Relevance of sources of financing	17
What sources of finance were used	18
Credit line, bank overdraft or credit cards overdraft	18
Bank loans	21
Leasing or hire-purchase	23
Trade credit	25
Grants or subsidised bank loans	27
Retained earnings or sale of assets	29
Other loans	31
Equity capital	33
Factoring 35	
Types of external financing applied for	37
Credit line, bank overdraft or credit cards overdraft	37
Bank loans	42
Trade credit	47
Other external financing	51
Last obtained amount of external finance	55
Charged interest rate	57
Purpose of the most recent loan	59
Fixed investment	59
Inventory or other working capital	61
II. ACCESS TO EXTERNAL SOURCES OF FINANCE	63
Key findings	64
Changes in the general economic and financial environment	65
General economic outlook	65
Bank lending	68

Changes in the availability of financing	71
Credit line, bank overdraft or credit cards overdraft	71
Bank loans	74
Trade credit	76
Equity capital	78
Changes in the need for external financing	80
Bank loans	80
Leasing or hire-purchase	83
Changes in the terms and conditions of bank financing	85
Level of interest rates	85
Collateral requirements	88
III. OUTLOOK FOR THE FUTURE	90
Key findings	91
Expected growth SMEs	92
Confidence in being able to get future financing	94
External financing in the future	98
Preferred type of financing	98
Perceived limiting factors to obtaining financing	100
Amount of financing	102
Expected availability of internal funds and external financing	104
IV. CHARACTERISTICS AND CURRENT STATE OF ENTERPRISES	107
Key findings	108
The financial state of enterprises	109
Turnover	109
Labour costs	110
Other costs	112
Interest expenses	114
The most important problems	118
Late payments	121
Innovativeness	123
High-growth enterprises and gazelles	125
High-growth enterprises	125
Gazelles	127

Exporters	129
Export markets	131
CONCLUSION	135
APPENDIX I: RESULTS FOR NON-EU COUNTRIES	137
APPENDIX II: QUESTIONNAIRE	156



INTRODUCTION



Small and medium-sized enterprises (SMEs)¹ are a critical part of the European economy, representing 99% of businesses in the EU and employing over 100 million people.² Unlike larger enterprises, SMEs have unique financing needs, and face different challenges accessing finance to grow their business. As a result, it is important that SMEs are supported by policies tailored to their specific requirements.

In order to support policy development, in 2008 the ECB and the European Commission's DG for Internal Market, Industry, Entrepreneurship and SMEs commissioned the Survey on the Access to Finance of Enterprises (SAFE). This survey is conducted across Europe on an annual basis. The following report presents the results of the 2022 wave of the survey, and also discusses significant evolutions since 2014. It covers 30 countries: the EU27 Member States, and Iceland, Liechtenstein and Norway.

Results are also presented according to company characteristics, making comparisons based on sector and company size. Comparisons are also made based on whether an SME is innovative, high-growth or a gazelle, or an exporter using the following definitions:

- An enterprise is considered innovative when it has introduced a new or significantly improved product or service to the market, a new or significantly improved production process or method, a new organisation of management, or a new way of selling goods or services.
- An SME is categorised as a high-growth enterprise when it has experienced an average annualised growth of 20% per annum over a three-year period.
- Gazelles are a subset of high-growth enterprises. They are SMEs that have high growth and are also less than five years old.
- An SME is classified as an exporter when at least some percentage of its turnover is accounted for by exports of goods or services

Where relevant, results are described by presenting their net value (i.e., net increase/decrease, net improvement/deterioration). This value corresponds to the difference between the values Improved and Deteriorated or Increased and Decreased.

Methodology

For the 22nd SAFE wave, the sample was randomly drawn at a country level, based on the population of enterprises in each country. The latest available population figures were obtained in order to make accurate counts of the number of enterprises per country, size class and subsector. For this wave we used the latest available population figures (Eurostat 2019 and the Office of Statistics 2020 for Liechtenstein). Based on the population figures the proportional percentage of the enterprises per subsector, per size class, within each country were calculated.

The survey sample was selected randomly according to three criteria:

- Coverage: 27 EU Member States plus Iceland, Liechtenstein and Norway.
- Enterprise size: micro (1-9 staff), small (10-49 staff), medium-sized (50-249 staff) and large (250 or more staff).
- Sector of industry. The following industries have been taken into account:³
 - Industry (NACE B, C, D, E).
 - Construction (NACE F).
 - Trade (NACE G).
 - Services (NACE H, I, J, L, M, N, R, S excluding K, O, P, Q).

The distribution of interviews across countries, industry sectors and enterprise sizes/classes is not the same as the distribution of the population of enterprises along these dimensions. To correct for this, calibrated weights were used based on company size and economic activity. As the economic weight of an enterprise varies according to their size, use of weights restores the proportions of the economic weight of each size class, economic activity and country. The number of persons employed was used as a proxy for economic weight.

The calibration targets were derived from the latest figures from Eurostat's Structural Business statistics (SBS) in terms of the number of persons employed, economic activity, size class and country, with figures from national accounts and different country-specific registers used to cover activities not included in the SBS (Structural Business Statistics) regulations⁴, as well as from figures from the European Commission's SME Performance Review⁵.

Fieldwork was conducted by telephone and/or online between 7 September and 27 October 2022. The number of completed interviews is summarised in table 1.

¹ In this report SMEs are defined as enterprises with 1-249 employees. As a result enterprises without paid staff are excluded.

² https://single-market-economy.ec.europa.eu/smes_en

³ The NACE Rev. 2 classification of economic activities has been used.

⁴ <https://ec.europa.eu/eurostat/web/structural-business-statistics>

⁵ https://single-market-economy.ec.europa.eu/smes/sme-strategy/sme-performance-review_en

The questionnaire has been included in Appendix 3. Since the previous wave, some questions have been changed to reflect the current political context. In Q0b, among the possible categories which respondents could choose when selecting the Other option, the category Brexit was removed, while the categories War in Ukraine and Rising inflation were added. In Q8B_VAR the reference rate EONIA (euro overnight index average)⁶ was modified and replaced by €STR (euro short-term rate)⁷. The formulation of QA1, QA2 and QA3 was changed to reflect the previous formulation used in the 2019H2 wave.

Table 1. number of completes on fall wave 2022

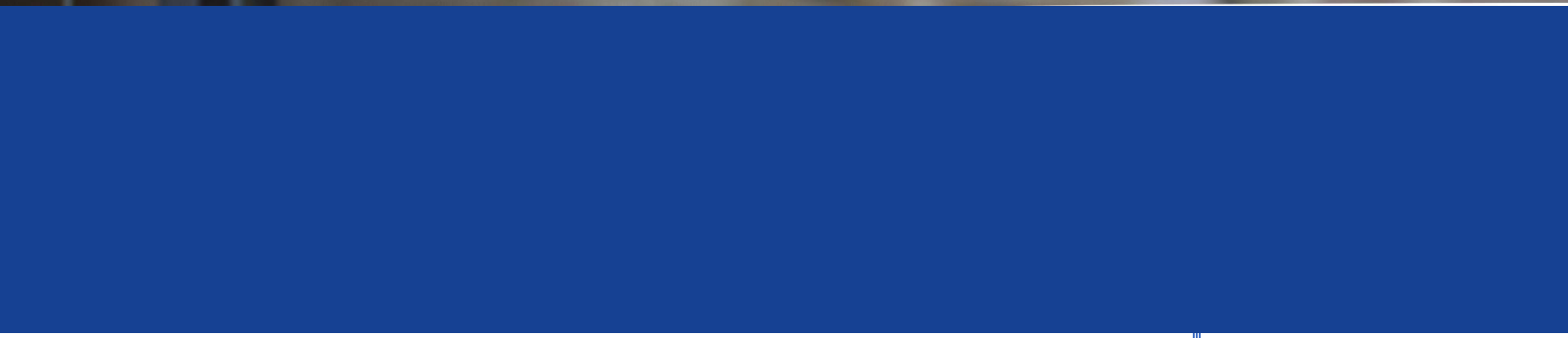
<i>country</i>	<i>number of completes</i>
Italy	1501
France	1500
Germany	1332
Spain	1300
Austria	501
Belgium	501
Finland	449
Greece	501
Ireland	501
Netherlands	800
Portugal	501
Cyprus	100
Estonia	100
Latvia	200
Luxembourg	100
Malta	101
Slovakia	500
Slovenia	200
Bulgaria	501
Croatia	300
Czechia	469
Denmark	448
Hungary	504
Lithuania	296
Poland	1115
Romania	501
Sweden	502
Iceland	100
Liechtenstein	50
Norway	151
Total	15625

Detailed methodological information can be found on the ECB's website (<https://www.ecb.europa.eu/stats/money/surveys/sme/html/index.en.html>).

⁶ https://www.ecb.europa.eu/pub/economic-bulletin/focus/2019/html/ecb.ebbox201907_01~b4d59ec4ee.en.html

⁷ https://www.ecb.europa.eu/stats/financial_markets_and_interest_rates/euro_short-term_rate/html/index.en.html

EXECUTIVE SUMMARY



Debt financing is increasingly relevant to SMEs and although application rates remain relatively stable, the success rate for receiving full funding is declining

Debt financing is relevant for the large majority of SMEs in the EU, with 82% (+5 percentage points since 2021) saying this is a relevant source of financing for their firm. Relevance of debt financing ranges from 93% in Finland, to 74% in Latvia and Hungary. Within the debt financing options, a credit line, bank overdraft or credit cards overdraft (47%), leasing or hire-purchase (47%), bank loans (46%) or grants or subsidised bank loans (42%) are considered the most relevant, although trade credit is also increasingly relevant (31%). At 26%, the relevance of internal funds (retained earnings or sale of assets) has remained relatively stable since 2021.

Given their relevance to SMEs, it is not surprising a credit line, bank overdraft or credit cards overdraft (28%) and leasing or hire-purchase (21%) are the most used forms of external finance, followed by bank loans, trade credit (15% each) and grants and subsidised loans (11%).

Application rates for relevant forms of financing have remained relatively stable since 2021. Almost one quarter (24%, no change) applied for a credit line, bank or credit cards overdraft, while 21% (no change) applied for a bank loan. The highest application rates for credit line, bank or credit card overdrafts are seen in Slovenia (41%) and Latvia (40%), while only 3% applied in Sweden. The highest application rates for bank loans, instead, are seen in Belgium (35%), while the lowest are seen in Bulgaria and Hungary (10% each). There has been a slight decline in the application rates for trade credit (28%, -2 pp) and other external financing (11%, -3 pp). Although rejection rates for each finance type have also remained relatively stable, the proportion of SMEs that were successful in receiving all the funds they applied for has declined in all categories. The largest decline is seen for trade credit (61%, -11 pp), followed by bank loans (62%, -9pp), credit line, bank or credit cards overdraft (66%, -8pp) and other external finance (68%, -7 pp).

The amount of the last bank loan received by SMEs has remained relatively stable, with 36% receiving up to EUR 100 000 (+1 percentage point since 2021), although loan size is strongly related to company size, with the largest enterprises skewed towards larger loan amounts. However, the mean interest rate paid by SMEs has increased by 0.9 percentage points to 3.4% and is even higher for micro SMEs (4.1%). This reverses the trend for declining interest rates seen between 2014 and 2021.

SMEs increasingly need external finance, but are facing an environment of declining availability, and increasing interest rates and collateral requirements

SMEs in 2022 are the most pessimistic they have ever been, in the observed period, about the general economic outlook. Half (50%) say this has deteriorated and just 6% that it has improved, resulting in a net deterioration of 44%. SMEs in every Member State report a net deterioration in the general economic outlook, with the largest seen in Hungary (65%), Finland and Spain (57% each)

SMEs report a declining willingness of banks to lend and deteriorating availability of credit lines, bank or credit cards overdrafts, or bank loans or trade credit. In fact, SMEs are more pessimistic about the availability of each of these types of finance than at any time since 2014, with the worst result for the availability of bank loans (net deterioration of 8%). The largest net deteriorations in the availability of bank loans are seen in Lithuania (19%), Luxembourg (17%) and Austria (16%). The impact of declining availability is compounded by an increasing need for external finance. There has been a net increase of 5% in the need for bank loans, and a net increase of 10% in the need for leasing or hire-purchase. Lithuania, which experienced the largest deterioration in the availability of bank loans, also experienced the largest net increase in the need for bank loans (27%), considerably larger than for other countries.

Two thirds (66%) of SMEs with bank finance already in place have experienced an increase in interest rates. With just 2% saying their interest rates have improved this is a net deterioration of 64% - the lowest level since 2014. An increase in collateral requirements has led to a net deterioration of 21% in this area, which is the second largest deterioration on record.

SMEs expect the availability of external finance to deteriorate over the next six months, and confidence in talking to banks about financing and being successful has declined

Given the challenging financial environment SMEs find themselves in, it is not surprising optimism about growth in annual turnover has declined markedly since 2021 (54%, -13 percentage points).

Although six in ten SMEs are confident to talk with banks about financing and obtain the desired results, this is a decline of seven percentage points since 2021. Confidence varies considerably between Member States, ranging from 78% in Austria, to 45% in Hungary and Latvia. This presents additional challenges for SMEs as bank loans (63%) are by far their preferred form of debt financing. SMEs are less likely to be confident in talking with equity investors and venture capital enterprises about financing and obtaining the desired results (21%), but only a small proportion of SMEs prefer equity investment as a source of external finance (6%).

Amongst SMEs planning to grow in the next two to three years, the majority see limitations in accessing future finance. Interest rates or too high of a price is the most mentioned issue, and at 26% this is a significant increase of 14 percentage points since 2021. One in ten (10%, -2 pp) say insufficient collateral or guarantee is a barrier. Although 36% of SMEs see no obstacles to accessing finance in the future, this represents an 11 percentage point decline since 2021.

The amount SMEs with growth plans need to finance their ambitions has remained relatively stable over time, with the majority (52%) looking for up to EUR 250 000.

SMEs are pessimistic about the availability of different types of external financing in the next six months and are expecting a net deterioration in the availability of each. The only other time this has occurred was in 2020. The current net deteriorations in expected availability of bank loans (30%), credit line, bank overdraft or credit cards overdraft (25%), trade credit (21%), leasing and hire purchase (15%) and other loans (12%) are all the largest since 2014.

Improvements in turnover are more than offset by increased costs

There is a pervasive pattern of increasing costs and decreasing profits amongst SMEs in every Member State, and across companies of different sectors, sizes and characteristics. Although SMEs enjoyed a net improvement in turnover in 2022 (17%), this is more than offset by record net deteriorations in labour costs (68%), other costs (91%) and a net increase of 28% in interest expenses. It is therefore not surprising that profit has recorded a net decrease of 20%.

Asked to nominate the most important problem for their enterprise at the moment, SMEs most often mention the availability of skilled staff or experienced managers (27%), followed by the cost of production or labour (18%) and finding customers (12%). Fewer than one in ten mentions regulation (9%), competition (7%) or access to finance (6%).

Late payments affect 43% of SMEs, with the most common knock-on effects being impacts on payments to suppliers (32%), impacts on investments or new recruitment (22%) and impacts on production or operations (21%). At least one quarter of SMEs in each Member State are impacted by late payments.

Almost half of the EU's SMEs are classed as innovative, but the proportion of high-growth enterprises is declining

Almost half (47%) of SMEs in EU27 are classed as innovative, although there is considerable national variation with levels ranging from 72% in Finland to 37% in Hungary. Innovative SMEs are more likely to be found in the industry sector (52%), enterprises with at least 10 employees (50%-53%), exporters (55%) and gazelles (68%) and high-growth SMEs (65%).

At 10%, the proportion of SMEs in the EU classified as high-growth has declined seven percentage points since 2021 and is now at an historic low point. At a national level the proportions vary from 19% in Denmark to 4% in Austria, and innovative SMEs have the highest proportion of high-growth enterprises (13%). Gazelles, a subset of high-growth enterprises, make up just 1.3% of all SMEs in EU27.

Almost four in ten SMEs (39%) are exporters, and they are most likely to be found in Slovenia (62%) and least likely to be found in France (29%). The industry sector (74%) and with companies of at least 50 employees (59%-64%) also have a much higher than average levels of exporters. Gazelles (28%), on the other hand, are less likely than average to export. Amongst exporters, 87% export to the euro area, 52% to the rest of the EU, 35% to countries in Europe outside the EU, and 32% export to the United Kingdom. Just over four in ten (42%) export outside of Europe, with North America (61%), the rest of Asia and the Pacific (47%) and the Middle East and North Africa (44%) the most common destinations.

I. USE OF EXTERNAL FINANCING



Key findings

Debt financing is relevant to 82% of EU27 SMEs, an increase of five percentage points since 2022. The most relevant forms of debt financing for SMEs are a credit line, bank overdraft or credit cards overdraft (47%), leasing or hire-purchase (47%), bank loans (46%) or grants or subsidised bank loans (42%). There has been little or no change in these proportions since 2021. At 31%, the relevance of trade credit has increased for the first time since 2015. Other forms of debt financing such as other loans (18%), equity use (11%) and factoring (9%) are less widely mentioned. Just over one quarter (26%) of SMEs say internal funds (retained earnings or sale of assets) are a relevant source of financing for their firm. There has been little to no change in these figures since 2021.

A credit line, bank overdraft or credit cards overdraft, and leasing or hire-purchase are the most relevant forms of external finance for SMEs, and they are also the most used. Almost three in ten (28%) SMEs in EU27 used a credit line, banks overdraft or credit cards overdraft, continuing the trend in declining use that started in 2015 - although the difference between 2021 and 2022 is slight (-1 percentage point). Leasing or hire-purchase is the second most used type of finance (21%, -1 percentage point since 2011), followed by bank loans (15%, +1 pp) and trade credit (15%, +1 pp). In a second consecutive decline, the use of grants and subsidised loans has fallen five percentage points since 2021 and now sits at 11%.

Turning to applications for finance, almost one quarter of SMEs (24%) who said that a credit line, bank overdraft or credit cards overdraft was relevant applied for one, with 66% successful in receiving all the funds they asked for and 7% being rejected. Although the application rate remained stable compared to 2021, the proportion receiving the full amount applied for has fallen eight percentage points back to a level last seen in 2015. The proportion of SMEs applying for a bank loan has remained stable but the proportion that applied and received the full amount has declined sharply since 2021 (62%, -9 percentage points). This pattern of declining success in receiving all the funds applied for is repeated for trade credit (61%, -11 pp) and other external financing (68%, -7 pp).

The amount of the last bank loan received by SMEs has remained relatively stable, with 36% receiving up to EUR 100 000 (+1 percentage point since 2021), although loan size is strongly related to company size, with the largest enterprises skewed towards larger loan amounts. After declining since 2014, the interest rates charged to SMEs in EU27 have increased by 0.9% to a mean of 3.4%, with micro-SMEs (1-9 employees) paying the highest mean rate (4.1%).

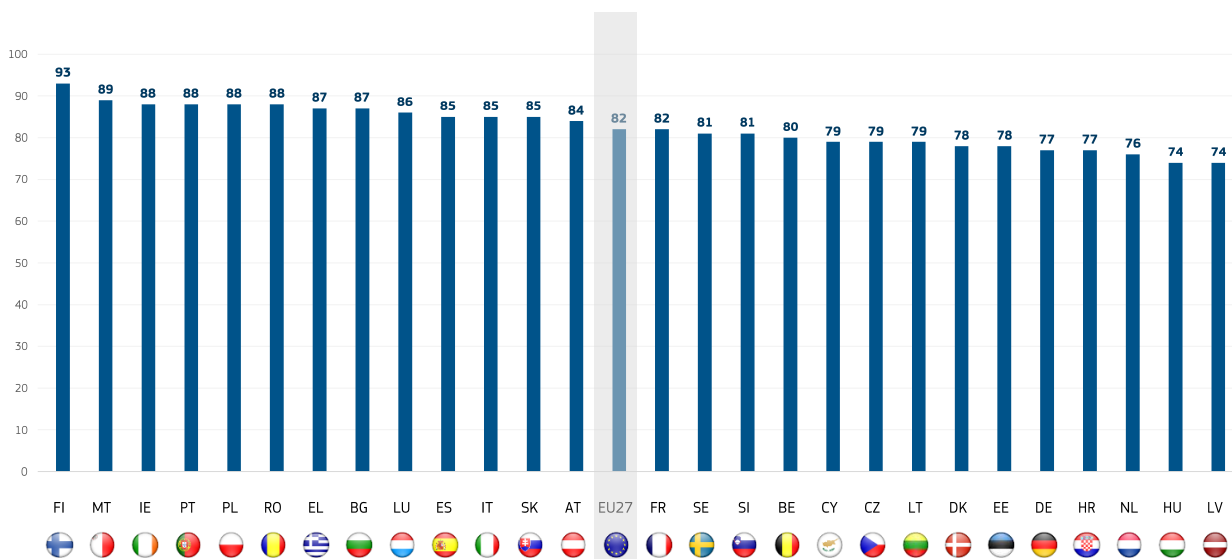
SMEs are most likely to report using their external financing for fixed investment (32%), although this is a decline of six percentage points since 2021 putting fixed investment at a lower level than the period 2015-2020. Using external finance for inventory or other working capital (34%) has also declined to its lowest level since 2017.

Relevance of sources of financing

SMEs were asked whether a variety of different kinds of external financing were relevant for their enterprise. Across the EU, 82% consider at least one form of debt financing to be relevant for their firm, an increase of five percentage points since 2021 and the second consecutive increase since 2020. SMEs are most likely to say a credit line, bank overdraft or credit cards overdraft (47%, -1 percentage point), leasing or hire-purchase (47%, no change) or bank loans (46%, no change) are relevant, although 42% (-1 pp) say grants or subsidised bank loans are relevant for their enterprise. Trade credit (31%), other loans (18%), equity use (11%), factoring (9%) and other types of financing (5%) are less widely mentioned. Just over one quarter (26%) of SMEs say internal funds are a relevant source of financing for their firm. Over the longer term the relevance of credit line, bank overdraft or credit cards overdraft has been steadily declining since 2015.

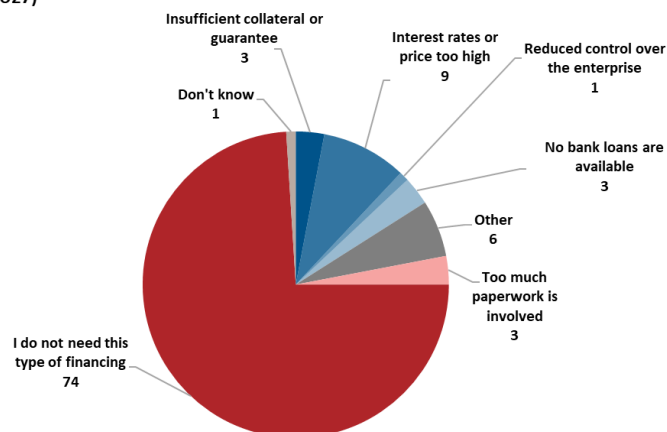
More than seven in ten SMEs in each EU Member State say at least one form of debt finance is relevant for their enterprise, although proportions range from 93% in Finland, 89% in Malta and 88% in Poland, Ireland and Romania, to 74% in Latvia and Hungary and 76% in the Netherlands.⁸

Q4 Are the following sources of financing relevant to your firm, that is, have you used them in the past or considered using them in the future? - Debt financing - Yes (%)



SMEs that declared bank loans are not relevant to their enterprise were asked the reason why. Almost three quarters (74%, -1 percentage point since 2021) say they do not need this type of financing. The proportion that says bank loans are not relevant because of interest rates or too high prices is now 9% (+1 pp). As was the case in 2021 only a small proportion of SMEs reported insufficient collateral or guarantee (3%), too much paperwork (3%) or reduced control over the enterprise (1%).

Q32 You mentioned that bank loans are not relevant for your enterprise. What is the most important reason for this? (% - EU27)



(Sep. / Oct. 2022)

⁸ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

What sources of finance were used

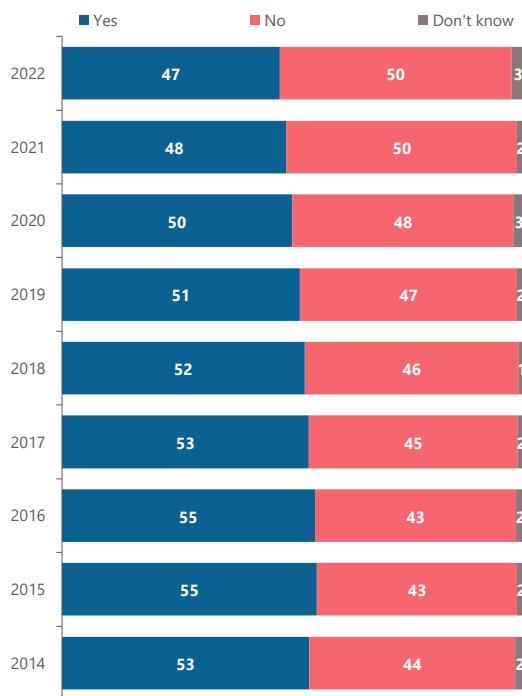
This section presents more detail about SMEs' use of different types of external finance in the past six months⁹, and covers the following types of finance: credit line, bank or credit cards overdraft; bank loans; leasing or hire-purchase; trade credits; grants or subsidised loans; retained earnings or sale of assets); other loans; equity capital and factoring.

Credit line, bank overdraft or credit cards overdraft

In the period March-August 2022, 47% said that credit line, bank overdraft or credit cards overdraft is a relevant source of financing for their enterprise. Almost three in ten (28%) SMEs in EU27 used a credit line, banks overdraft or credit cards overdraft, making these the most used forms of external finance. This result continues a general trend of declining use since 2015, although the difference between 2021 and 2022 is slight (-1 percentage point). Almost one in twenty (19%) SMEs did not use this type of finance, while 50% say it is not relevant for their enterprise.

Q4c Are the following sources of financing relevant to your firm, that is, have you used them in the past or considered using them in the future?

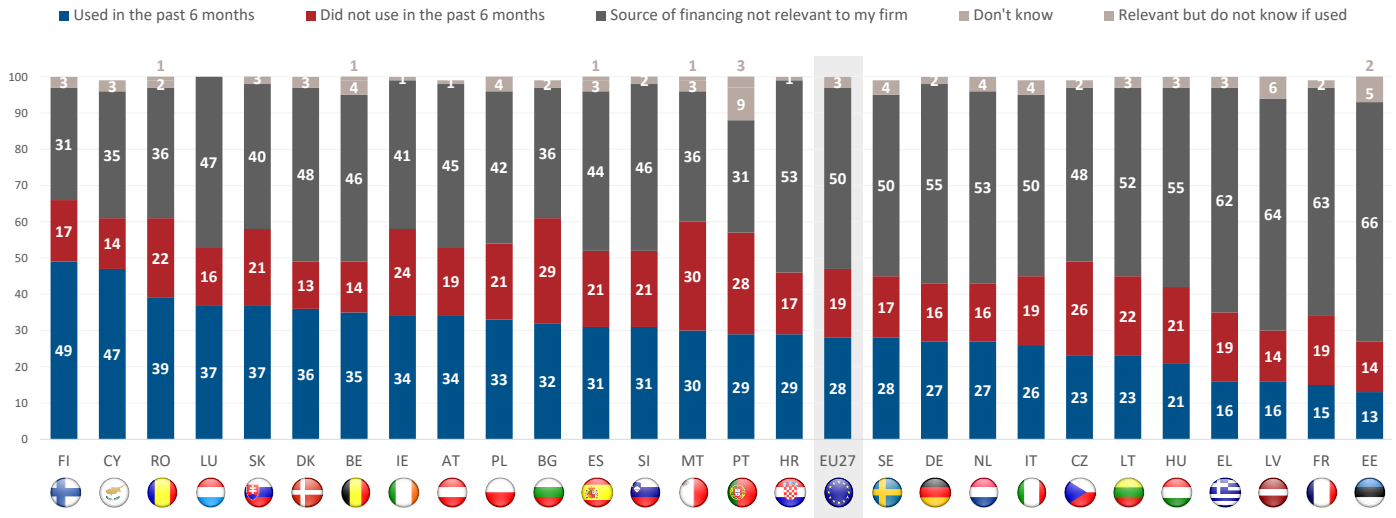
Credit line, bank overdraft or credit cards overdraft
(% - EU)



⁹ March-August 2022

At a national level the proportion of SMEs using credit line or overdrafts varies from 49% of SMEs in Finland, 47% in Cyprus and 39% in Romania to 13% in Estonia, 15% in France and 16% in Latvia and Greece.¹⁰ In 11 Member States at least half of all SMEs say this kind of financing is not relevant for their firm, with the highest proportion in Estonia (66%). SMEs in Denmark (13%) the least likely to report that they did not use credit line or overdrafts, followed by those in Belgium, Latvia, Estonia and Cyprus (all 14%).

Q4(2)_c Have you obtained such sources of financing in the past 6 months?
 (% - Credit line, bank overdraft or credit cards overdraft)



¹⁰ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

The table below illustrates the use of credit line, bank overdraft or credit cards overdraft by SMEs broken out by sector, enterprise size, growth type, innovativeness and exporter status. It shows SMEs in industry (36%) and trade (32%) are more likely than average (28%) to have obtained this type of finance in the last 6 months, and use is higher in these sectors than in construction (27%) and services (23%).

Use of credit lines or overdrafts increases with company size, with large enterprises (250+ employees) more likely to have used them in the last six months than micro enterprises (1-9 employees) (43% vs 21%). Innovative SMEs¹¹ are more likely to use credit lines or overdrafts than those classed as non-innovative (31% vs 25%), and the same pattern applies comparing exporting SMEs with non-exporters (34% vs 24%). Finally, gazelle¹² enterprises are less likely than the EU27 average (28%) to have used use credit line, bank overdraft or credit cards overdraft in the last 6 months.

Q4(2)_c Have you obtained such sources of financing in the past 6 months? - Credit line, bank overdraft or credit cards overdraft (% - EU)

	Used in the past 6 months	Did not use in the past 6 months	Source of financing not relevant to my firm	Don't Know	Relevant but do not know if used
EU27	28	19	50	3	0
Sector					
Industry	36	18	43	3	0
Construction	27	18	52	2	1
Trade	32	19	45	3	0
Services	23	20	54	3	0
Size: employees					
1--9	21	20	55	3	1
10--49	30	19	47	3	0
50--249	36	18	43	3	0
250+	43	15	40	2	0
Innovativeness					
Innovative	31	20	46	3	0
Non-innovative	25	19	54	2	0
Growth					
Gazelle	23	26	48	2	1
High-growth	30	22	46	2	0
Exporting vs. non-exporting					
Exporters	34	18	45	3	0
Non-exporters	24	20	53	3	0

¹¹ An enterprise is considered innovative when it has introduced a new or significantly improved product or service to the market, a new or significantly improved production process or method, a new organisation of management, or a new way of selling goods or services.

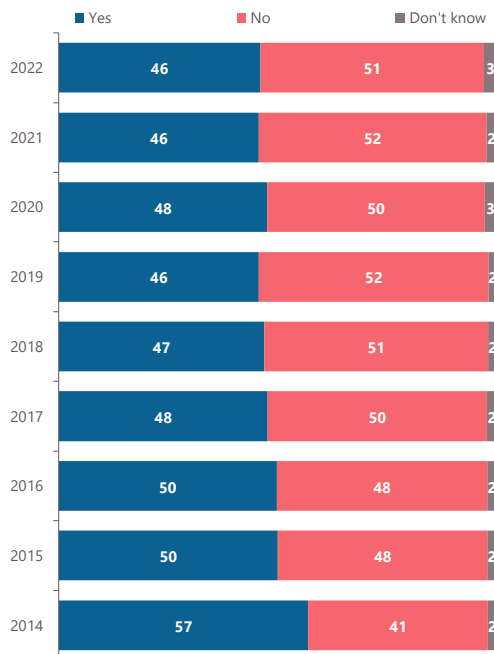
¹² Gazelles are a subset of high-growth enterprises: they have high growth and are also less than five years old.

Bank loans

46% of SMEs say that bank loans are a relevant source of financing for them, while 51% say this is not relevant. After declining between 2020 and 2021, the use of bank loans amongst SMEs has increased slightly in 2022 (15%, +1 percentage point since 2021). However, use of bank loans remains low compared to the period 2015–2020. Just over three in ten (31%) say they have not used bank loans in the last six months.

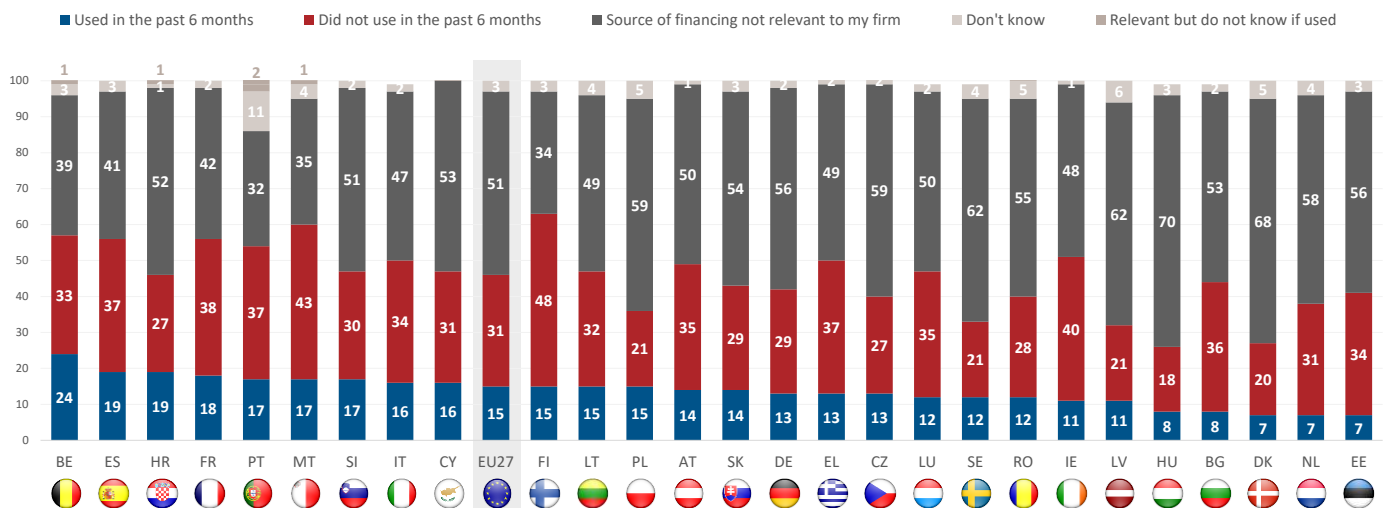
Q4d Are the following sources of financing relevant to your firm, that is, have you used them in the past or considered using them in the future?

Bank loan (excluding subsidised bank loans, overdrafts and credit lines)



The chart below shows the use of bank loans in the last 6 months across individual Member States.¹³ Bank loans are most common amongst SMEs in Belgium (24%), Croatia and Spain (19% each), and least common for those in the Netherlands, Estonia and Denmark (7% each). In 17 countries at least half of all SMEs say bank loans are not relevant to their enterprise, with the highest levels seen in Hungary (70%) and Denmark (68%).

Q4(2)_d Have you obtained such sources of financing in the past 6 months?
(% - Bank loan)



¹³ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

SMEs in the industry sector (20%) are more likely to make use of bank loans than those in other sectors, and particularly the services sector (12%). Use of bank loans increases with company size, with large enterprises (31%) much more likely to use them than micro enterprises (10%). SMEs that export are more likely to have used bank loans than their non-exporting counterparts (18% vs 13%), and innovative SMEs are slightly more likely to have used them than non-innovative SMEs (17% vs 13%). High-growth enterprises (18%) are slightly more likely than the EU average (15%) to have used bank loans than gazelles (12%).

Q4(2)_d Have you obtained such sources of financing in the past 6 months? - Bank loan
(% - EU)

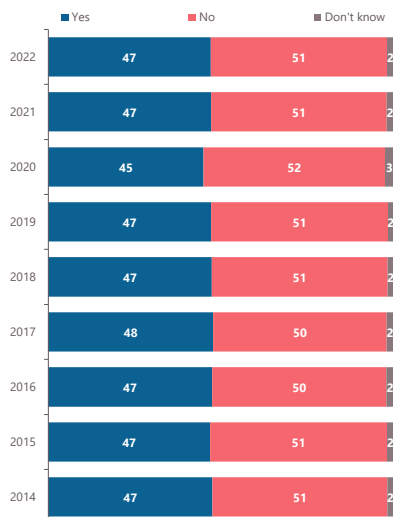
	Used in the past 6 months	Did not use in the past 6 months	Source of financing not relevant to my firm	Don't Know	Relevant but do not know if used
EU27	15	31	51	3	0
Sector					
Industry	20	34	44	2	0
Construction	17	28	53	3	0
Trade	16	30	50	3	0
Services	12	32	53	3	0
Size: employees					
1--9	10	28	58	3	0
10--49	16	34	47	3	0
50--249	22	33	42	3	0
250+	31	30	36	2	1
Innovativeness					
Innovative	17	34	46	2	0
Non-innovative	13	29	55	3	0
Growth					
Gazelle	12	34	50	3	1
High-growth	18	31	48	3	0
Exporting vs. non-exporting					
Exporters	18	31	48	3	0
Non-exporters	13	32	53	3	0

Leasing or hire-purchase

In 2022, leasing or hire-purchases was a relevant source of financing for 47% of enterprises, while 51% say it is not relevant for their firm. The results are stable when compared to 2021. Just over one in five SMEs (21%, -1 percentage point since 2021) used leasing or hire-purchase in the last six months, making it the second most used form of external finance. This result is a slight decline since 2021 (-1 percentage point) and lower than the period 2014-2019. One quarter (25%) of SMEs have not used this form of financing in the past six months.

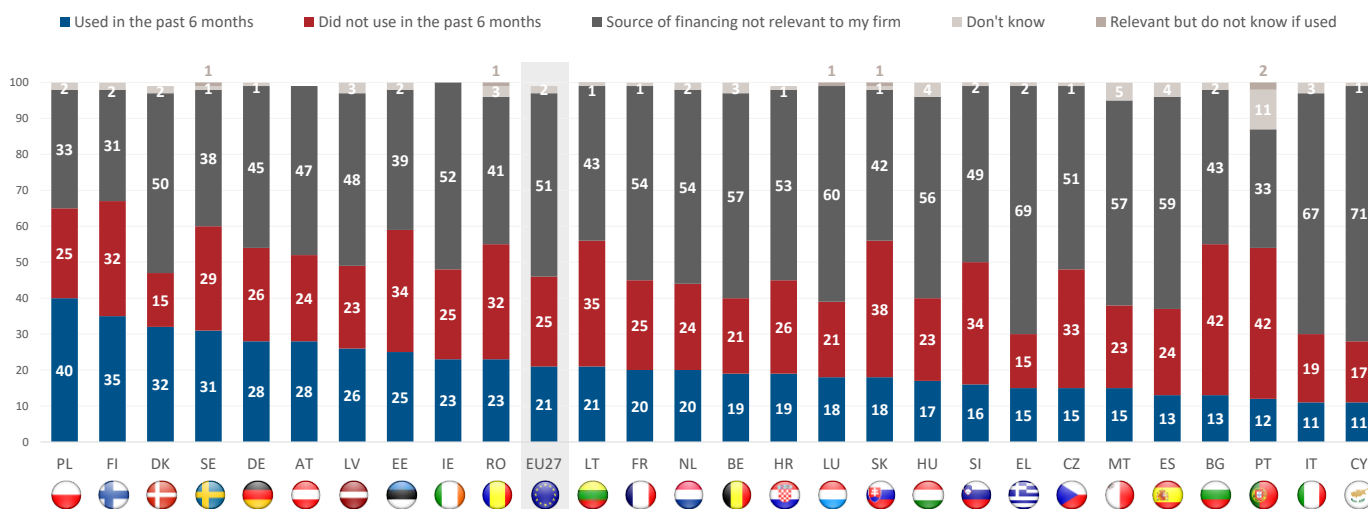
Q4m Are the following sources of financing relevant to your firm, that is, have you used them in the past or considered using them in the future?

Leasing or hire-purchase



At the national level, use of leasing or hire purchase ranges from 40% of SMEs in Poland, 35% in Finland and 32% in Denmark to 11% in Italy and Cyprus.¹⁴ There are 14 countries where at least half say this form of financing is not relevant for their enterprise, with SMEs in Cyprus (71%) and Greece (69%) being the most likely to report this.

Q4(2)_m Have you obtained such sources of financing in the past 6 months? (% - Leasing or hire-purchase)



¹⁴ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

Construction (28%) and industry (25%) SMEs are more likely to use leasing or hire-purchase than those in trade or services (20% each). In a consistent pattern for external financing, use of this type of financing increases with company size. In addition, medium (35%) and large enterprises (42%) are also more likely to use leasing or hire-purchase than the EU27 average (21%). The chart below also illustrates the use of leasing or hire-purchase is higher amongst innovative SMEs (24% vs 19% non-innovative SMEs) and exporters (26% vs 19% non-exporters). Finally, high-growth SMEs (26%) are more likely than the EU27 average (21%) to have used this kind of financing, but gazelles are less likely to have done so (16%).

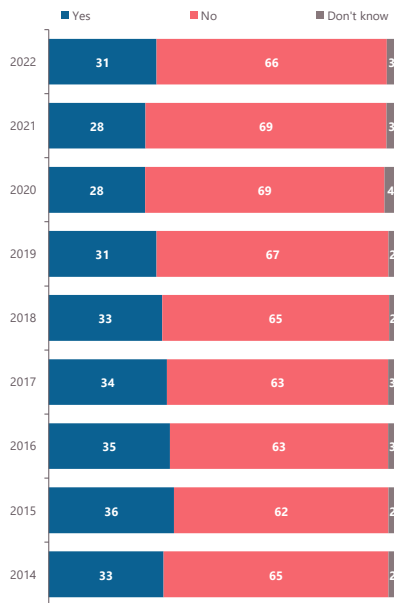
Q4(2)_m Have you obtained such sources of financing in the past 6 months? - Leasing or hire-purchase
(% - EU)

	Used in the past 6 months	Did not use in the past 6 months	Source of financing not relevant to my firm	Don't Know	Relevant but do not know if used
EU27	21	25	51	2	0
Sector					
Industry	25	27	45	2	0
Construction	28	25	45	2	0
Trade	20	25	53	2	0
Services	20	25	53	3	0
Size: employees					
1--9	12	25	60	3	0
10--49	24	26	47	2	0
50--249	35	24	39	2	0
250+	42	17	38	2	0
Innovativeness					
Innovative	24	27	46	2	0
Non-innovative	19	24	55	2	0
Growth					
Gazelle	16	31	51	1	1
High-growth	26	24	48	2	1
Exporting vs. non-exporting					
Exporters	26	26	46	2	0
Non-exporters	19	25	53	2	0

Trade credit

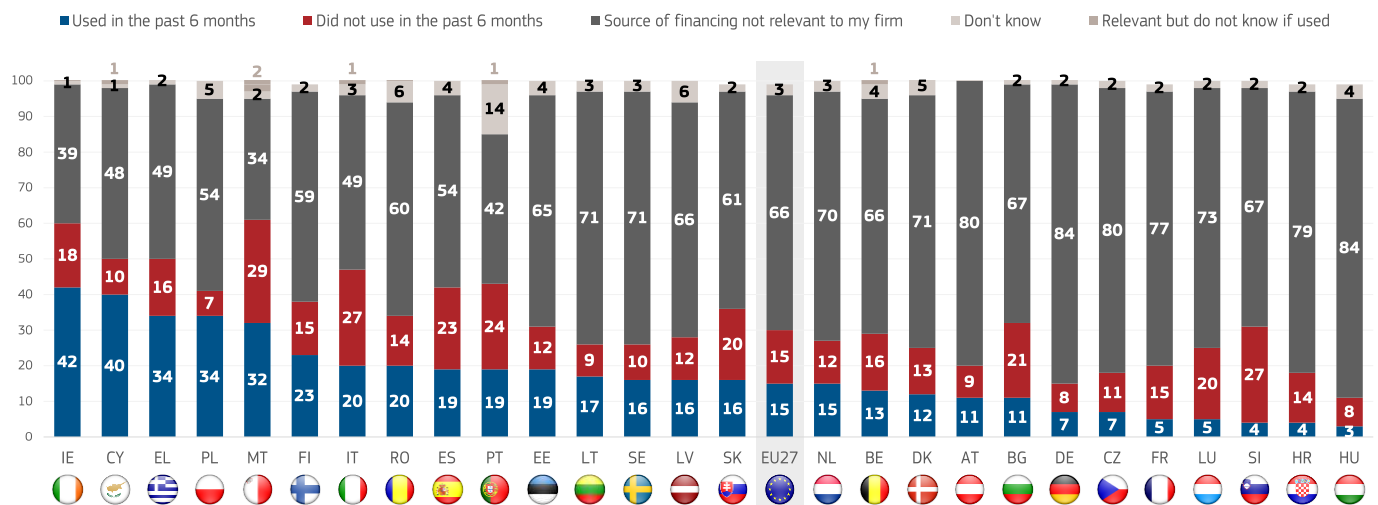
Among the firms surveyed, 31% say that trade credit is a relevant source of financing for them, an increase compared to 2021 (+3 percentage points). The use of trade credit amongst EU SMEs has increased slightly in 2022 (15%, +1 percentage points since 2021), but remains below the period 2015-2017. More than one in ten (15%) say they did not use trade credit in the last six months, while 66% say it is not relevant for their enterprise.

Q4e Are the following sources of financing relevant to your firm, that is, have you used them in the past or considered using them in the future?
Trade credit
(% - EU)



Use of trade credit varies across Member States, with proportions ranging from 42% of SMEs in Ireland and 40% in Cyprus to 3% in Hungary.¹⁵ The majority of SMEs in 21 Member States say trade credit is not relevant for their enterprise, and this is especially the case for SMEs in Germany and Hungary (both 84%), and Austria and Czechia (both 80%).

Q4(2)_e Have you obtained such sources of financing in the past 6 months?
(% - Trade credit)



¹⁵ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

Use of trade credit is much lower amongst services sector SMEs (9%) than those in other sectors, particularly trade (23%) and industry (22%). Medium (22%) and large (26%) enterprises are also more likely to use trade credit than those with fewer than 50 employees. A review of company characteristics also highlights the use of trade credit is more common amongst innovative SMEs (19% vs 12% non-innovative) and exporters (19% vs 13% non-exporters). Gazelles, on the other hand, are slightly less likely than average to use trade credit (12% vs 15%).

Q4(2)_e Have you obtained such sources of financing in the past 6 months? - Trade credit
(% - EU)

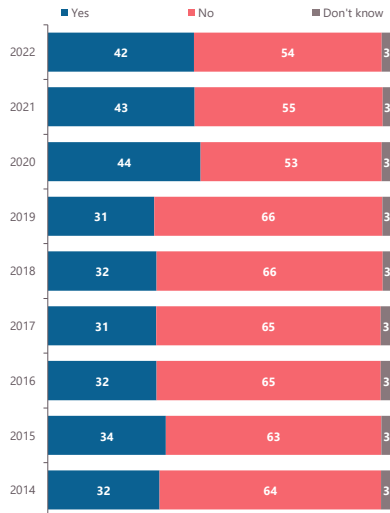
	Used in the past 6 months	Did not use in the past 6 months	Source of financing not relevant to my firm	Don't Know	Relevant but do not know if used
EU27	15	15	66	3	0
Sector					
Industry	22	17	59	2	0
Construction	18	17	62	3	1
Trade	23	17	57	3	0
Services	9	13	74	4	0
Size: employees					
1--9	12	15	70	3	0
10--49	14	15	66	3	0
50--249	22	15	60	3	0
250+	26	10	60	3	0
Innovativeness					
Innovative	19	17	61	3	0
Non-innovative	12	13	72	3	0
Growth					
Gazelle	12	23	62	1	1
High-growth	17	18	61	3	0
Exporting vs. non-exporting					
Exporters	19	16	61	3	0
Non-exporters	13	14	70	3	0

Grants or subsidised bank loans

Grants or subsidised bank loans are a relevant source of financing for 42% of SMEs, a slight decrease compared to 2021, while 54% say this is not a relevant one. The use of grants or subsidised bank loans has fallen to 11% in 2022 (-5 percentage points since 2021), the second notable decline since 2020. However, the current result remains higher than the period 2014-2019. Just over three in ten SMEs (31%) say they did not use think type of financing in the last six months.

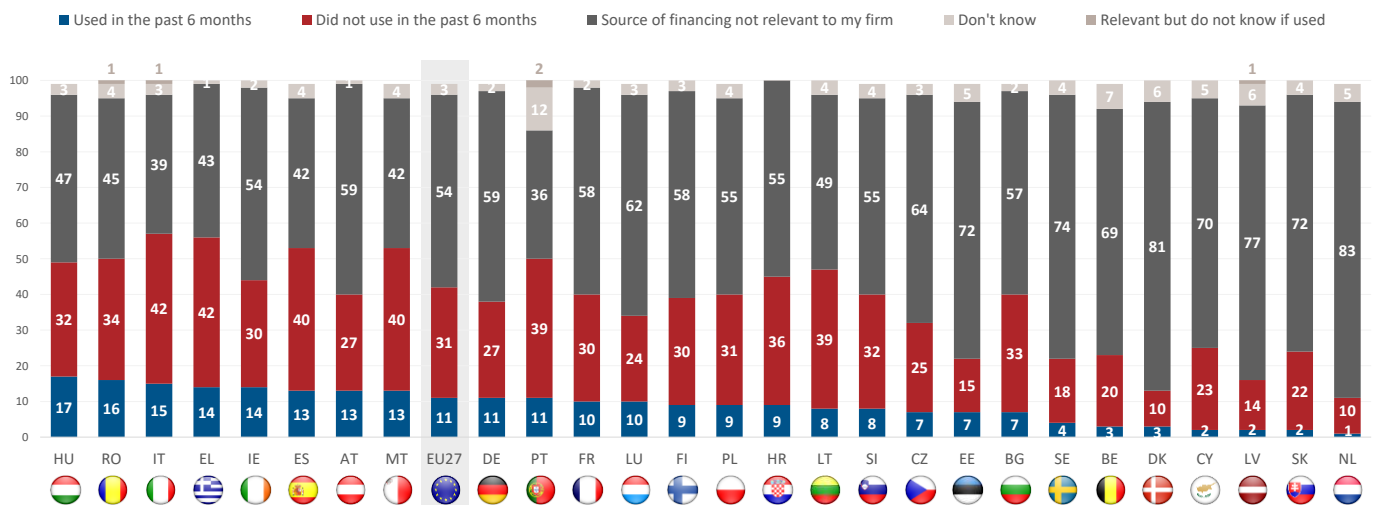
Q4b Are the following sources of financing relevant to your firm, that is, have you used them in the past or considered using them in the future?

Grants or subsidised bank loan
(% - EU)



At a national level only a small proportion of SMEs used grants or subsidised bank loans in the last six months, with the highest use seen in Hungary (17%), Romania (16%) and Italy (15%).¹⁶ In contrast just 1% of SMEs in the Netherlands used this form of finance. In every country more than one third of SMEs say grants or subsidised loans are not relevant for them, with the highest levels seen in the Netherlands (83%) and Denmark (81%).

Q4(2)_b Have you obtained such sources of financing in the past 6 months?
(% - Grants or subsidised bank loan)



¹⁶ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

SMEs in the industry sector (15%) are more likely to have used grants or subsidised bank loans in the last 6 months than those in other sectors (all 10%), and SMEs with at least 50 employees (15%) are more likely to have used this form of finance than smaller SMEs. Innovative SMEs are more likely to have used grants or subsidised loans than non-innovators (14% vs 8%), but there is little difference between exporters and non-exporters. Both high-growth and gazelle enterprises (15% each) are more likely than the EU average (11%) to have used grants or subsidised bank loans.

Q4(2)_b Have you obtained such sources of financing in the past 6 months? - Grants or subsidised bank loan
(% - EU)

	Used in the past 6 months	Did not use in the past 6 months	Source of financing not relevant to my firm	Don't Know	Relevant but do not know if used
EU27	11	31	54	3	0
Sector					
Industry	15	35	46	3	1
Construction	10	28	58	3	0
Trade	10	30	56	3	1
Services	10	31	56	3	0
Size: employees					
1--9	8	30	58	3	0
10--49	11	33	52	3	0
50--249	15	30	51	3	0
250+	15	26	56	3	0
Innovativeness					
Innovative	14	36	47	3	1
Non-innovative	8	27	62	3	0
Growth					
Gazelle	15	40	42	3	1
High-growth	15	34	48	3	0
Exporting vs. non-exporting					
Exporters	13	32	52	3	0
Non-exporters	10	31	56	3	0

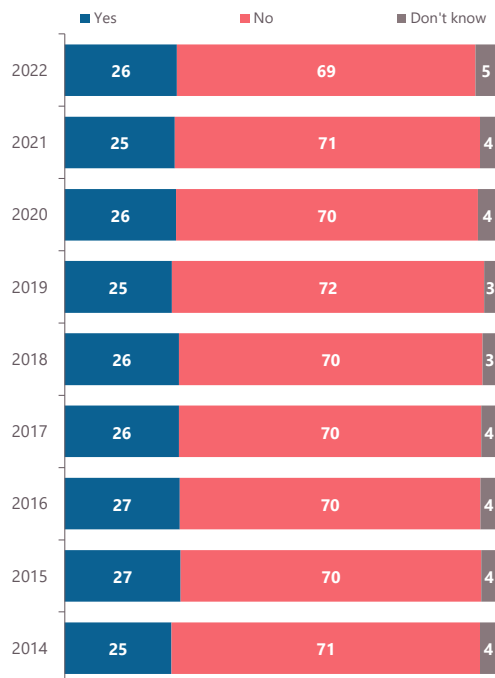
Retained earnings or sale of assets

26% of SMEs described internal funds as relevant for their enterprise, while the large majority (69%) say this type of financing is not relevant. Across EU27, 14% of SMEs used retained earnings or sale of assets. There has been no change since 2021, and little variation over the longer term.

Q4a Are the following sources of financing relevant to your firm, that is, have you used them in the past or considered using them in the future?

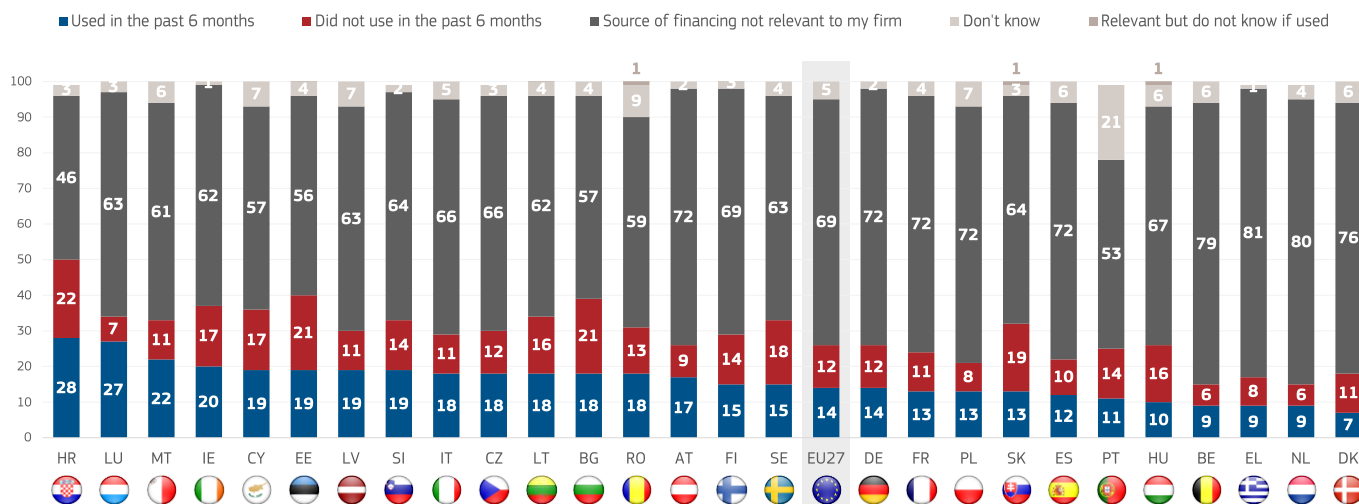
Internal funds (retained earnings or sale of assets)

(% - EU)



Use of retained earnings or sale of assets in the last six months is most often reported by SMEs in Croatia (28%) and Luxembourg (27%), and least often by those in Denmark (7%).¹⁷ With the exception of Croatia (46%), more than half of all SMEs in each country say this form of finance is not relevant to their enterprise.

Q4(2)_a Have you obtained such sources of financing in the past 6 months?
(% - Internal funds (retained earnings or sale of assets))



¹⁷ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

Industry SMEs (19%) are more likely than those in other sectors to have used retained earnings or sale of assets in the past six months. The larger the company, the more likely it is to have used this kind of finance, with medium (23%) and large (29%) enterprises much more likely to have done so compared to small (15%) and micro (9%) SMEs. Innovative SMEs (17%) are more likely than non-innovators to have used retained earnings or sale of assets, as are exporters when compared to non-exporters (18% vs 12%). Use of this kind of finance amongst high-growth (12%) and gazelle (13%) SMEs is close to the EU27 average (14%).

Q4(2)_a Have you obtained such sources of financing in the past 6 months? - Internal funds (retained earnings or sale of assets)
(% - EU)

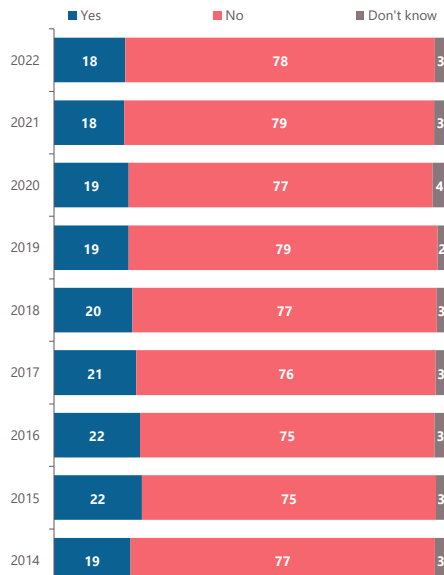
	Used in the past 6 months	Did not use in the past 6 months	Source of financing not relevant to my firm	Don't Know	Relevant but do not know if used
EU27	14	12	69	5	0
Sector					
Industry	19	12	65	4	1
Construction	14	11	70	5	0
Trade	14	12	69	5	0
Services	13	12	71	5	0
Size: employees					
1--9	9	11	75	5	0
10--49	15	12	69	4	0
50--249	23	14	59	4	0
250+	29	14	53	4	0
Innovativeness					
Innovative	17	14	65	4	0
Non-innovative	12	10	74	4	0
Growth					
Gazelle	13	11	74	2	0
High-growth	12	14	71	3	0
Exporting vs. non-exporting					
Exporters	18	13	65	4	0
Non-exporters	12	11	72	4	0

Other loans

18% of SMEs report that other loans represent a relevant source of financing for them, against 78% who say they do not. In 2022, fewer than one in ten (7%) SMEs used other loans. After declining between 2015 and 2021 the proportion using other loans has stabilised, with no change between 2021 and 2022.

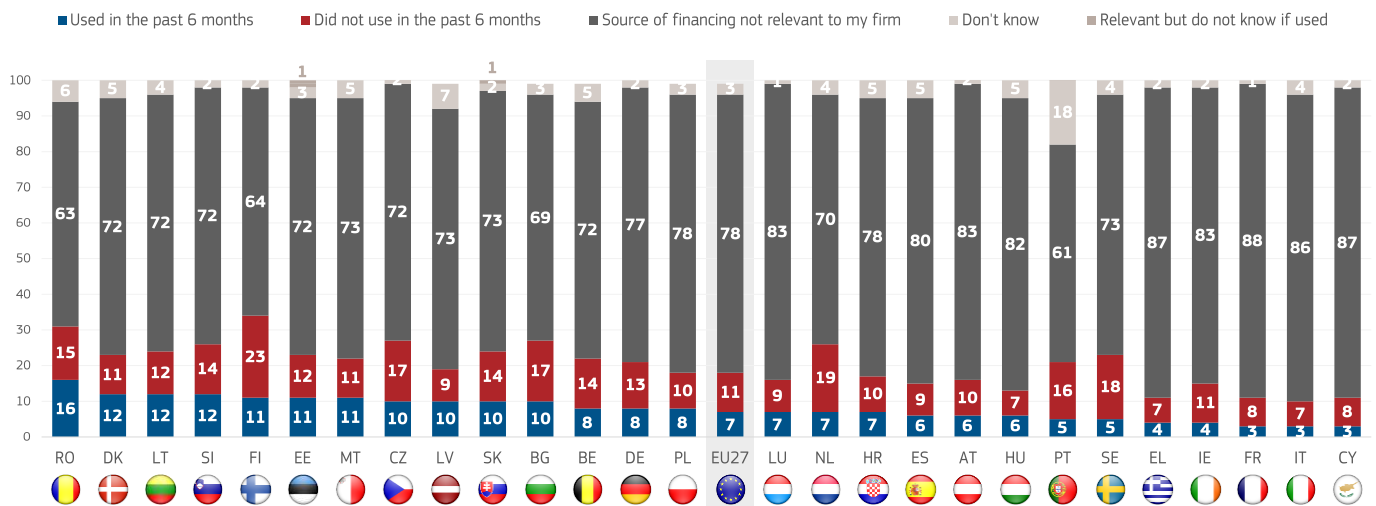
Q4f Are the following sources of financing relevant to your firm, that is, have you used them in the past or considered using them in the future?

Other loan



There are only 11 Member States where at least one in ten SMEs used other loans in the last six months, with the highest use in Romania (16%).¹⁸ In contrast, 3% in Italy, France and Cyprus used other loans. More than six in ten SMEs in each country say this form of finance is not relevant for them.

Q4(2)_f Have you obtained such sources of financing in the past 6 months?
(% - Other loan)



¹⁸ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

There is little difference in the use of other loans by sector, with all sectors at or close to the EU27 average. Differences based on enterprise size are also small, with large companies (10%) slightly more likely to use other loans than micro or small SMEs (6% each). Innovative SMEs are slightly more likely to have obtained other loans than their non-innovative counterparts (9% vs 5%), but there is little difference between exporters and non-exporters (8% vs 6%). Gazelle SMEs (10%) are slightly more likely than average to have obtained other loans in the past six months.

Q4(2)_f Have you obtained such sources of financing in the past 6 months? - Other loan
(% - EU)

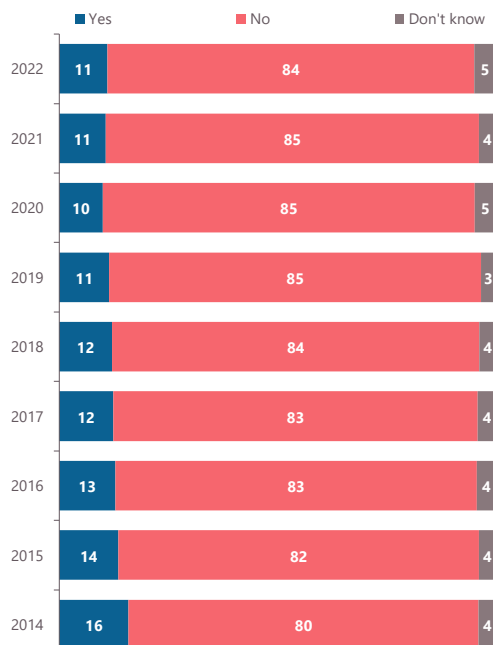
	Used in the past 6 months	Did not use in the past 6 months	Source of financing not relevant to my firm	Don't Know	Relevant but do not know if used
EU27	7	11	78	3	0
Sector					
Industry	8	11	77	3	0
Construction	7	9	79	3	0
Trade	7	11	78	3	0
Services	6	12	78	4	0
Size: employees					
1--9	6	11	79	4	0
10--49	6	11	79	3	0
50--249	8	12	76	4	0
250+	10	13	73	4	0
Innovativeness					
Innovative	9	13	75	3	0
Non-innovative	5	10	82	3	0
Growth					
Gazelle	10	14	75	1	0
High-growth	7	12	77	3	0
Exporting vs. non-exporting					
Exporters	8	13	76	3	0
Non-exporters	6	11	80	3	0

Equity capital

11% of SME firms say that equity capital is a relevant source of financing for them. The use of equity capital has remained relatively stable since 2015 and use in 2022 sits at 1% (no change since 2021). The large majority of SMEs (84%) say this form of financing is not relevant for their enterprise.¹⁹

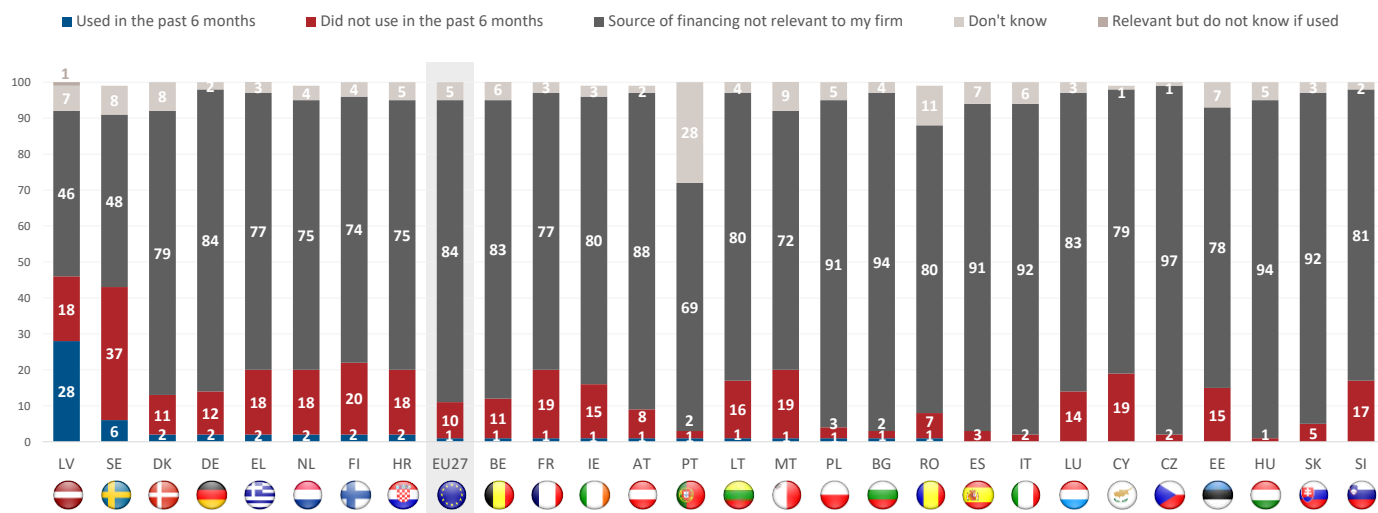
Q4j Are the following sources of financing relevant to your firm, that is, have you used them in the past or considered using them in the future?

Equity capital
(% - EU)



SMEs in Latvia (28%) are much more likely to report using equity capital in the last 6 months than SMEs in other countries, where the proportions range from 1%-5%.²⁰ With the exception of Latvia (46%) and Sweden (48%), at least two thirds of SMEs in all countries say this form of financing is not relevant for their enterprise.

Q4(2)_j Have you obtained such sources of financing in the past 6 months?
(% - Equity)



¹⁹ March-August 2022

²⁰ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

With just 1% of SMEs using equity capital in the last six months it is perhaps not surprising there is little difference between different groups of enterprises. Large enterprises (3%) and gazelles (3%) are the only groups where more than 2% have used this type of finance in the past six months.

Q4(2).j Have you obtained such sources of financing in the past 6 months? - Equity
(% - EU)

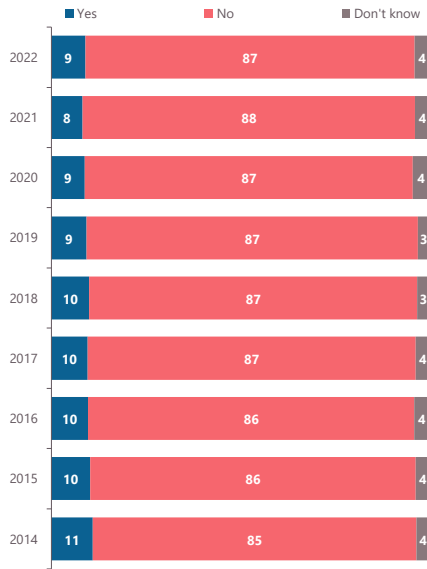
	Used in the past 6 months	Did not use in the past 6 months	Source of financing not relevant to my firm	Don't Know	Relevant but do not know if used
EU27	1	10	84	5	0
Sector					
Industry	2	9	85	4	0
Construction	1	9	85	4	0
Trade	1	9	86	5	0
Services	2	10	82	6	0
Size: employees					
1--9	1	8	86	5	0
10--49	1	10	84	5	0
50--249	2	11	81	5	0
250+	3	13	79	5	0
Innovativeness					
Innovative	2	11	82	5	0
Non-innovative	1	9	87	4	0
Growth					
Gazelle	3	10	84	3	1
High-growth	1	12	83	4	0
Exporting vs. non-exporting					
Exporters	1	11	83	5	0
Non-exporters	1	9	85	5	0

Factoring

9% of SMEs say factoring is a relevant source of financing for their enterprise. In 2022 one in twenty (5%) of SMEs in EU27 used factoring as a source of finance. There has been no change since 2021, and over the longer term the proportion of SMEs using factoring has remained relatively stable. The large majority (87%) of SMEs say factoring is not relevant for them.

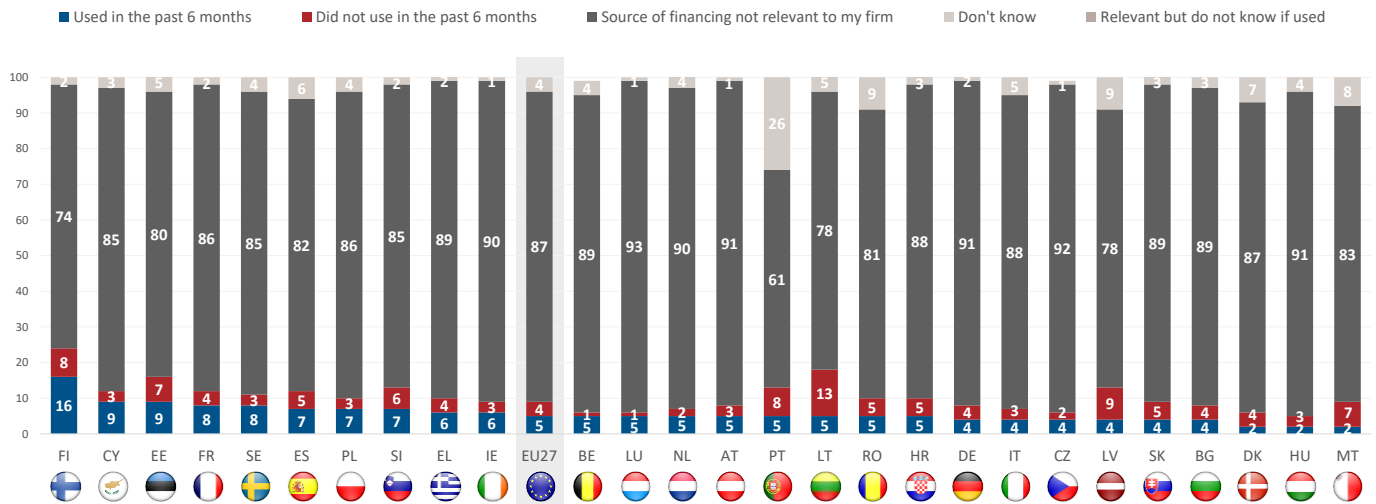
Q4r Are the following sources of financing relevant to your firm, that is, have you used them in the past or considered using them in the future?

Factoring
(% - EU)



At the national level, Finland (16%) is the only country where at least one in ten SMEs report using factoring in the last six months. More than six in ten SMEs in each country say that factoring is not relevant for their enterprise.

Q4(2)_r Have you obtained such sources of financing in the past 6 months?
(% - Factoring)



In the last six months factoring has been much more widely used by industry SMEs (11%) than those in other sectors (4%-5%). Use of factoring also increases with enterprise size: 19% of large enterprises used it in the last six months, compared to 2% of micro SMEs. The chart below illustrates exporting SMEs are more likely to have used factoring than non-exporters (9% vs 3%), and the same pattern applies comparing innovative and non-innovative SMEs (7% vs 4%). Use of factoring amongst gazelles (5%) and high growth SMEs (6%) is at or close to the EU average.

Q4(2)_r Have you obtained such sources of financing in the past 6 months? - Factoring
(% - EU)

	Used in the past 6 months	Did not use in the past 6 months	Source of financing not relevant to my firm	Don't Know	Relevant but do not know if used
EU27	5	4	87	4	0
Sector					
Industry	11	6	81	3	0
Construction	5	5	86	4	0
Trade	5	3	87	4	0
Services	4	3	88	5	0
Size: employees					
1--9	2	3	90	5	0
10--49	5	4	87	4	0
50--249	12	5	80	4	0
250+	19	4	74	3	0
Innovativeness					
Innovative	7	5	84	4	0
Non-innovative	4	3	90	3	0
Growth					
Gazelle	5	4	89	2	0
High-growth	6	5	84	5	0
Exporting vs. non-exporting					
Exporters	9	5	83	4	0
Non-exporters	3	3	89	4	0

Types of external financing applied for

This section of the report reviews the type of external financing SMEs applied for in the six months prior to the survey²¹, including credit line and overdraft, bank loans, trade credit and other types of external financing.

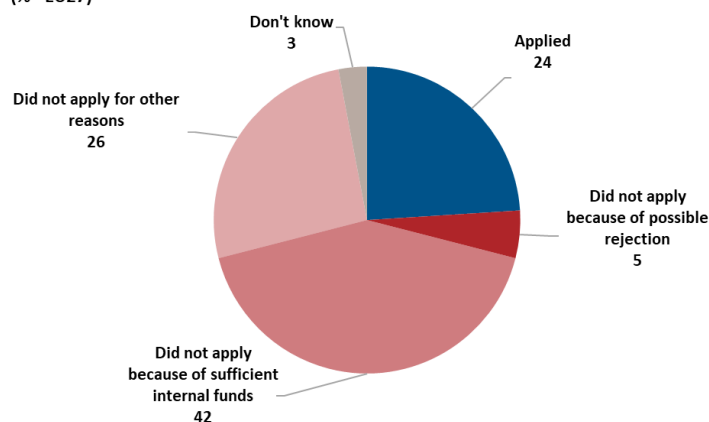
Credit line, bank overdraft or credit cards overdraft

Amongst SMEs in EU27 who indicated that a credit line, bank overdraft or credit cards overdraft was relevant for their company, 24% applied for such a facility in the last 6 months. Just over four in ten (42%) did not apply because they have sufficient internal funds, 5% did not apply due to possible rejection and 26% did not apply for other reasons.

After declining between 2020 and 2021, the application rate for SMEs that say a credit line or overdraft are relevant for their business remained stable compared to 2021 (no change). However, the proportion who did not apply due to sufficient internal funds has declined four points since 2021.

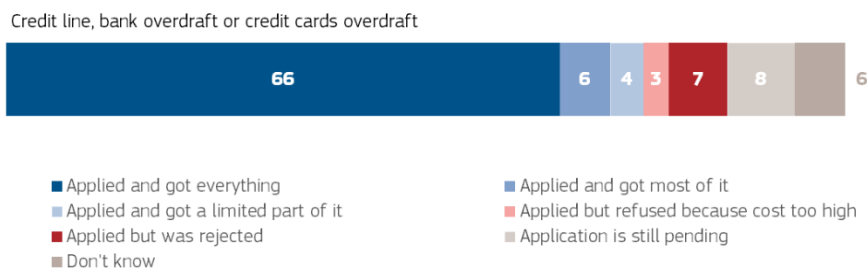
Amongst SMEs that applied for a credit line or overdraft 66% were successful in getting everything they asked for, while a further 6% received most of what they asked for, and 4% received only a limited part of what they applied for. The rejection rate for credit line, bank overdraft or credit cards overdraft was 7%.

Q7Ad Have you applied for the following types of financing in the past 6 months?
Credit line, bank overdraft or credit cards overdraft
(% - EU27)



(Sep./Oct. 2022)

Q7Bd. If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome?
(% - EU)



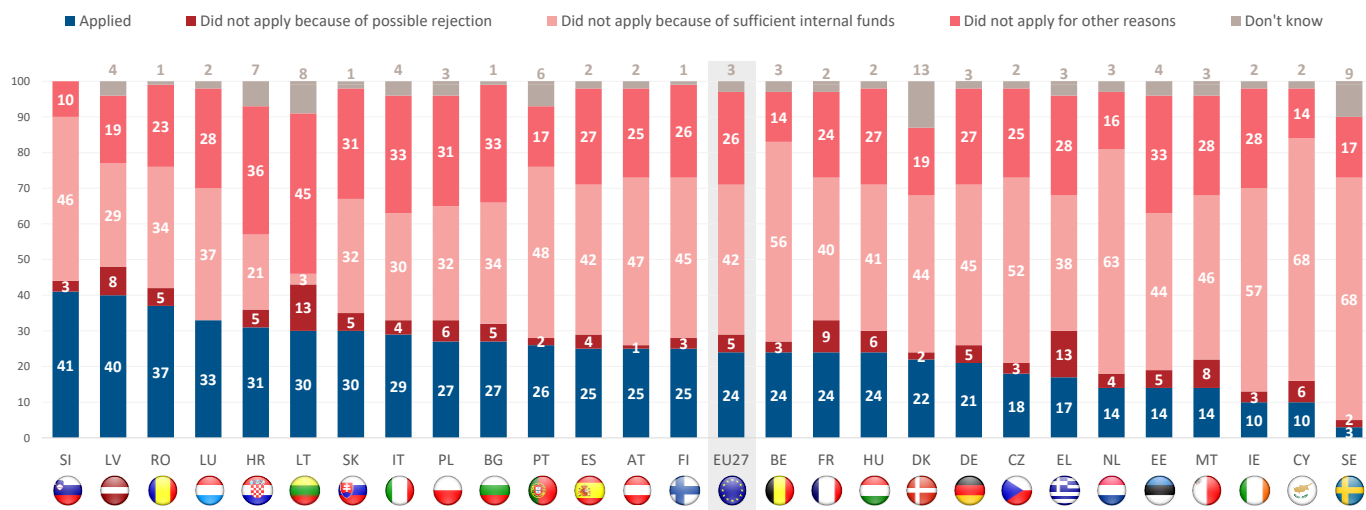
²¹ March-August 2022

The national results illustrated in the chart below show considerable variation in credit line or overdraft application rates amongst SMEs (who said this type of finance was relevant for their enterprise).²² The highest application rates are seen in Slovenia (41%) and Latvia (40%), and at least three in ten in Romania (37%), Croatia (31%), Slovakia and Lithuania (30% each) also applied. In contrast 3% of this group of SMEs in Sweden, and 10% in Ireland and Cyprus also applied for a credit line or overdraft.

With the exception of Italy, Croatia and Lithuania, having access to sufficient internal funds is the main reason for not applying for a credit line or overdraft, with at least six in ten SMEs in Cyprus (68%), Sweden (68%) and the Netherlands (63%) giving this reason. In Lithuania (45%), Croatia (36%) and Italy (33%) “other reasons” are most common for not applying for this type of credit.

Greece and Lithuania (13% each) are the only countries where at least one in ten did not apply due to possible rejection.

Q7A_d Have you applied for the following types of financing in the past 6 months?
 (% - Credit line, bank overdraft or credit cards overdraft)



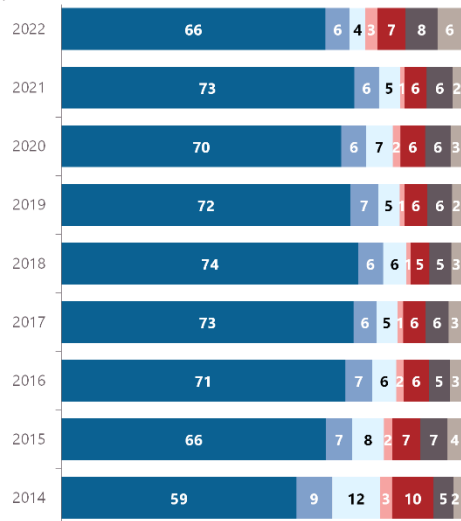
The chart below shows the outcome for SMEs in EU27 that applied for credit line and overdraft each year between 2014 and 2022. Over this period the proportion who applied and received everything had generally been increasing, but 2022 represents a reversal in the trend with a notable decline of eight percentage points back to a level last seen in 2015. The rejection rate also increased slightly to a level last seen in 2015.

²² Results for Slovenia, Latvia, Cyprus and Malta should be interpreted with caution due to low base size (50-99). The following countries are not included in the discussion of results due to very low base size (<50): Estonia, Luxembourg.

Q7Bd If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome?

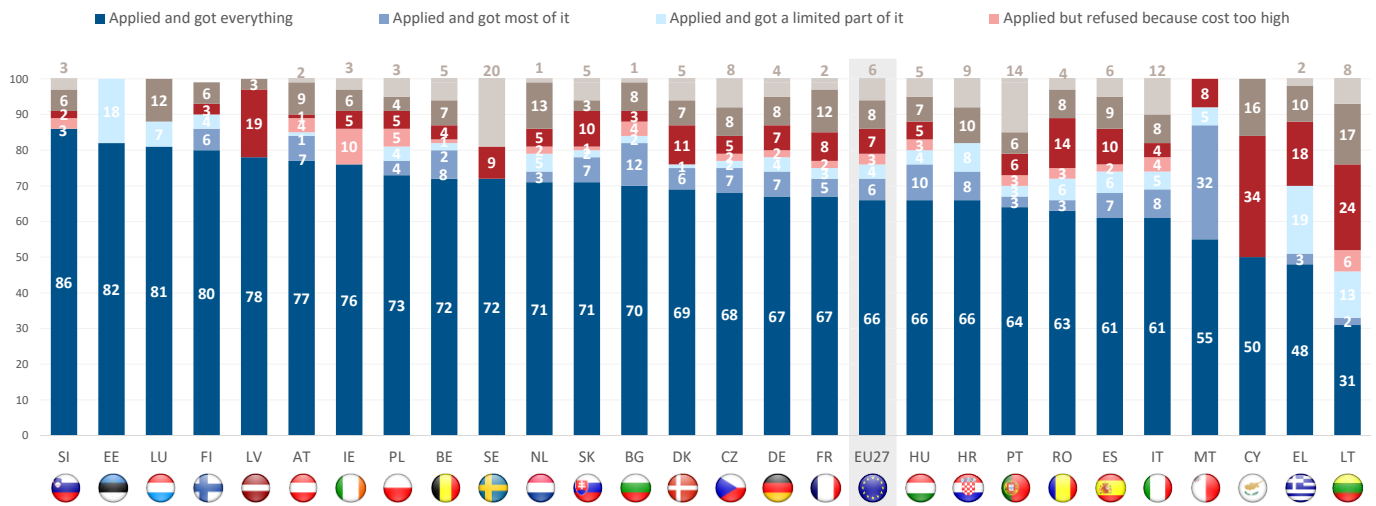
Credit line, bank overdraft or credit cards overdraft
(% - EU)

- Applied and got everything
- Applied and got most of it
- Applied and got a limited part of it
- Applied but refused because cost too high
- Applied but was rejected
- Application is still pending
- Don't know



National level analysis of the obtained result is not entirely possible due to low (50-99) or extremely low (<50) base size in all countries. The chart below should be interpreted with high caution.

Q7B_d If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome?
(% - Credit line, bank overdraft or credit cards overdraft)



Industry sector SMEs (31%) are the most likely to have applied for a credit line, bank overdraft or credit cards overdraft in the last six months, particularly compared to services sector SMEs (19%). Increasing enterprise size is correlated with increasing application rates, with a considerably jump in rates between SMEs (19%-29%) and large enterprises (40%). Innovative SMEs are more likely to have applied than non-innovators (27% vs 21%), and the same pattern applies comparing exporting and non-exporting SMEs (28% vs 21%). High growth enterprises (30%), and to a lesser extent gazelles (27%) are both more likely than the EU27 average (24%) to have applied for a credit line or overdraft in the past six months.

Q7A_d Have you applied for the following types of financing in the past 6 months? - Credit line, bank overdraft or credit cards overdraft
(% - EU)

	Applied	Did not apply because of possible rejection	Did not apply because of sufficient internal funds	Did not apply for other reasons	Don't Know
EU27	24	5	42	26	3
Sector					
Industry	31	4	36	25	3
Construction	25	5	39	27	3
Trade	26	4	41	24	4
Services	19	5	45	28	3
Size: employees					
1--9	19	6	42	29	3
10--49	25	5	41	26	3
50--249	29	3	42	23	3
250+	40	1	42	15	3
Innovativeness					
Innovative	27	6	39	26	3
Non-innovative	21	4	45	27	2
Growth					
Gazelle	27	3	34	35	1
High-growth	30	7	34	27	3
Exporting vs. non-exporting					
Exporters	28	5	40	24	3
Non-exporters	21	5	43	28	3

Looking at the outcome of applications for a credit line, bank overdraft or credit cards overdraft in the last six months shows industry (72%) and trade (69%) sector SMEs are more likely to have received everything they applied for than SMEs in the services (62%) or construction sector (61%). The success rate for receiving all the funds applied for (100% success rate) also increases with company size, with the most notable difference between micro (61%) and small SMEs (62%) and medium (75%) and large (80%) companies. The results also highlight that innovative companies are less likely than non-innovators to have received everything they applied for (62% vs 71%). Finally, high growth companies (61%) are less likely than average to have received all the funds they applied for, while exporters were more likely to be 100% successful than non-exporters (70% vs 62%).²³

Looking at rejection rates for applications for credit lines or overdrafts shows the smaller the company the higher the rate: for example, the rejection rate for micro SMEs is 9% compared to 2% for large enterprises. Innovators (9%) and non-exporters (9%) also had higher rejection rates.

Q7B_d If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome? - Credit line, bank overdraft or credit cards overdraft
(% - EU)

	Applied and got everything	Applied and got most of it	Applied and got a limited part of it	Applied but refused because cost too high	Applied but was rejected	Application is still pending	Don't Know
EU27	66	6	4	3	7	8	6
Sector							
Industry	72	5	5	1	5	7	4
Construction	61	7	7	4	8	7	6
Trade	69	7	2	2	7	7	6
Services	62	6	5	4	9	9	6
Size: employees							
1--9	61	6	5	4	9	8	7
10--49	62	8	5	3	8	9	5
50--249	75	4	3	1	5	7	5
250+	80	3	2	1	2	10	2
Innovativeness							
Innovative	62	6	5	2	9	9	6
Non-innovative	71	6	4	3	5	6	5
Growth							
Gazelle	44	8	6	0	4	10	27
High-growth	61	6	8	3	6	8	8
Exporting vs. non-exporting							
Exporters	70	7	4	2	5	7	4
Non-exporters	62	5	5	4	9	9	7

²³ Gazelles are not included in the discussion due to very low base size (<50).

Bank loans

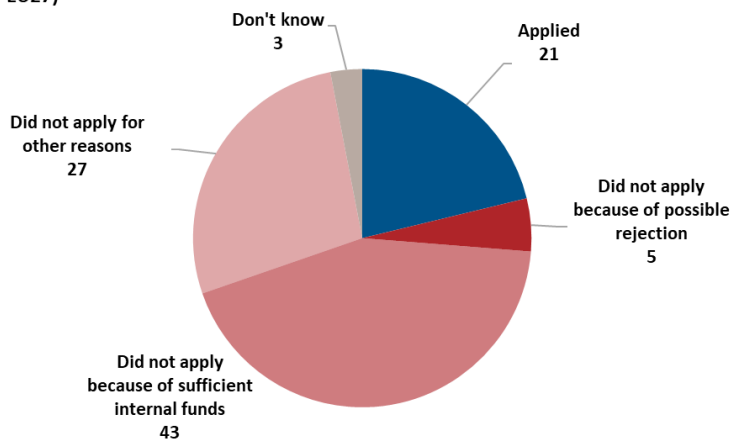
Amongst SMEs that said bank loans were relevant for their enterprise, 21% applied for one in the six months prior to the survey²⁴. Having sufficient internal funds (43%) is the main reason SMEs give for not applying for a bank loan.

After a sharp decline between 2020 and 2021, the proportion of SMEs applying for a bank loan stabilised in 2022 (no change). The proportion who did not apply due to sufficient internal funds declined five points compared to 2021.

For SMEs that applied, the majority (62%) got everything they asked for. A further 7% received most of what they requested, while 5% only received a limited amount. The rejection rate was 7%. The application rate was 21%.

Q7Aa Have you applied for the following types of financing in the past 6 months?

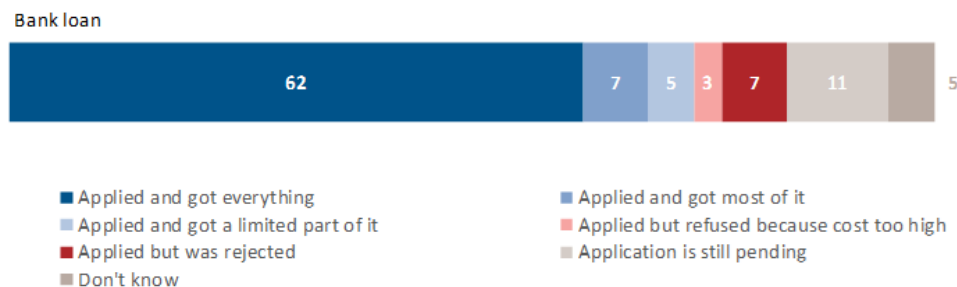
Bank loan
(% - EU27)



(Sep./Oct. 2022)

Q7Ba. If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome?

(% - EU)

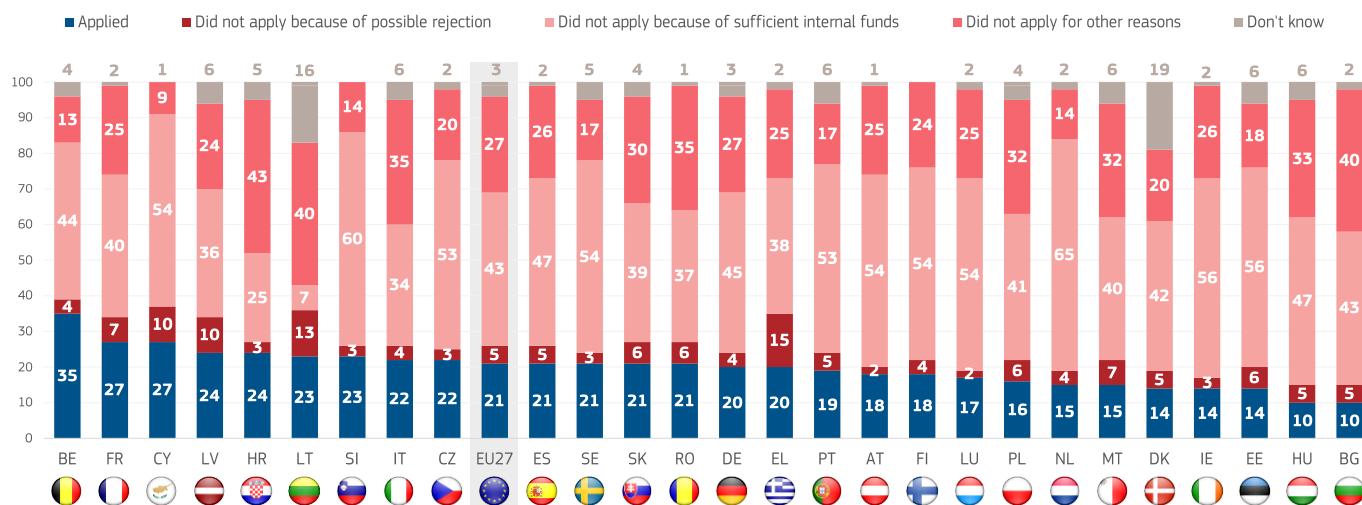


²⁴ March 2022 – August 2022

The national results show at least one in ten SMEs that said bank loans were relevant for them applied for one during March-August 2022.²⁵ The highest application rates are seen in Belgium (35%), France and Cyprus (27% each) and there are 16 countries overall where at least one in five SMEs applied for a bank loan in the last six months. The lowest application rates are seen in Bulgaria and Hungary (10% each).

With the exception of Italy, Croatia and Lithuania, the most common reason given for not applying is the availability of sufficient internal funds, with more than six in ten in the Netherlands (65%), and Slovenia (60%) giving this reason. In Croatia (43%), Lithuania and Bulgaria (40% each) and Italy (35%) SMEs most often give “other reasons” for not applying.

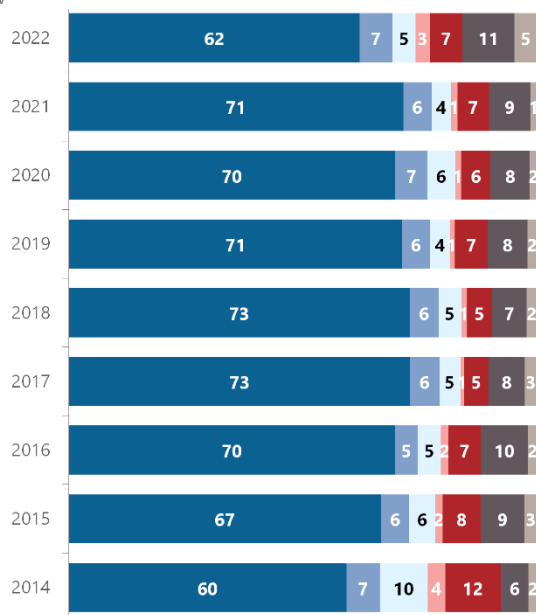
Q7A_a Have you applied for the following types of financing in the past 6 months?
(% - Bank loan)



The proportion of SMEs that applied for a bank loan and received everything they asked for has declined sharply since 2021 (62%, -9 percentage points) and it is now almost at the lowest level since 2014 when it was 60%. However, the rejection rate (7%) has remained stable compared to 2021 and it is lower than in 2014 (-5 percentage points).

Q7Ba If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome?

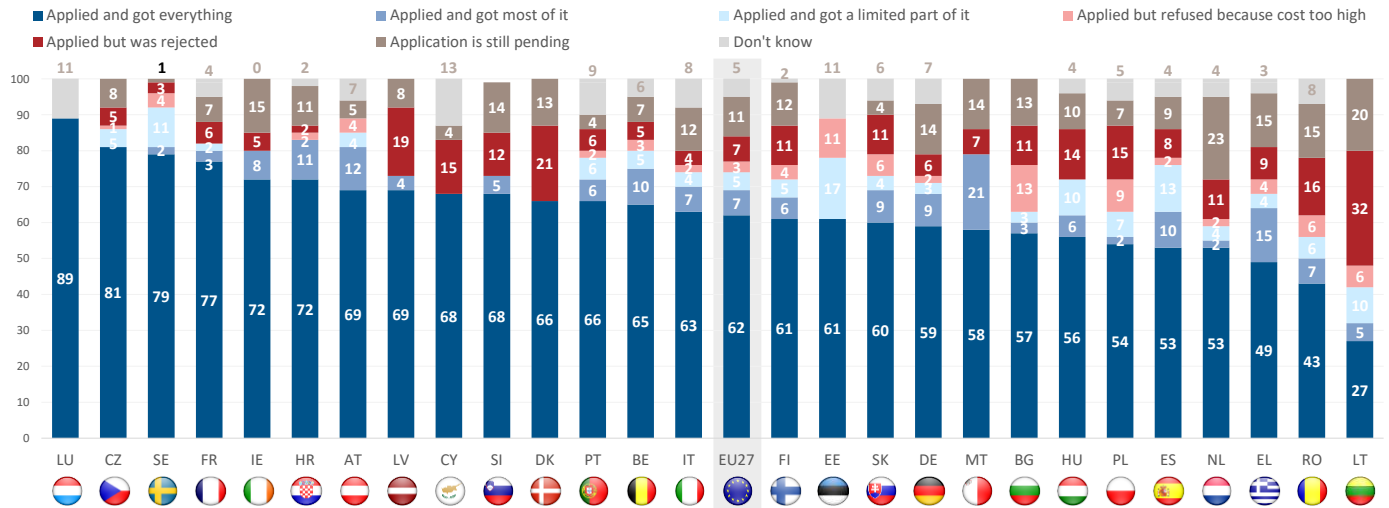
Bank loan
(% - EU)



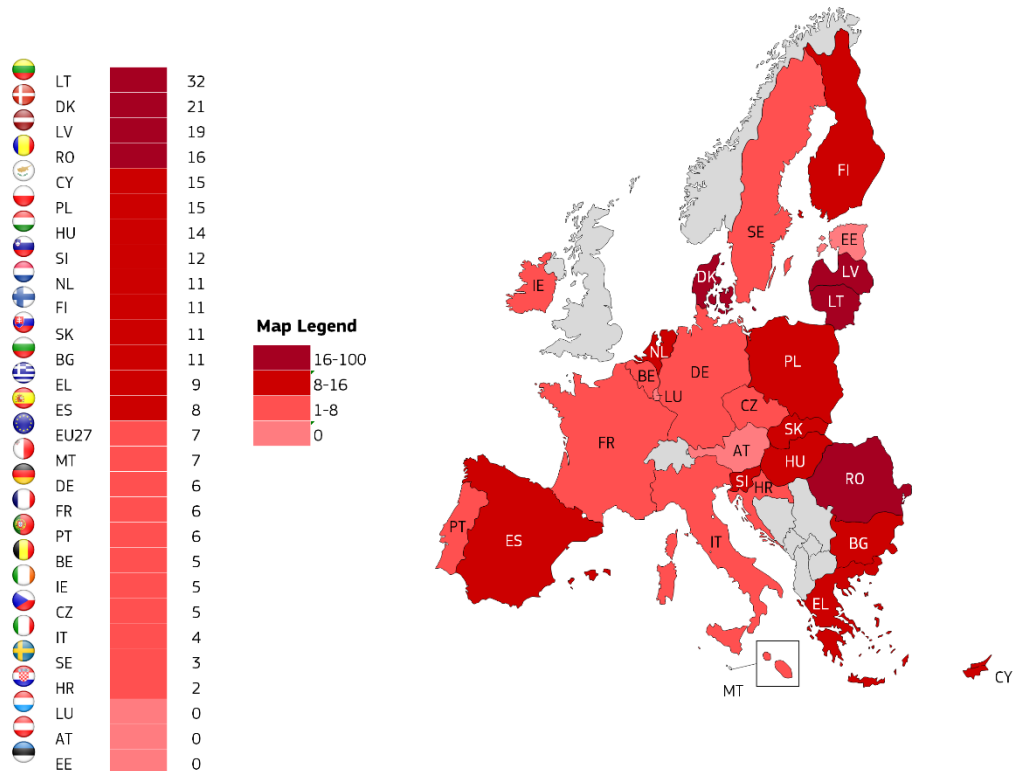
²⁵ Results for Estonia are not included in the discussion due to very low base size (<50). Results for Latvia, Cyprus, Luxembourg and Malta should be interpreted with caution due to low base size (50-99).

National level analysis is not entirely possible due to low (50-99) or extremely low (<50) base size in all countries. The chart below should be interpreted with high caution.

Q7B_a If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome?
(% - Bank loan)



Q7B_a If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome?
Bank loan (% - Applied but was rejected)



Industry SMEs (26%) are the most likely to have applied for a bank loan in the last six months, particularly compared to services sector SMEs (17%). Application rates for construction (23%) and trade (22%) SMEs are close to the EU average (21%). Once again there is a clear relationship between application rates and company size, with the rate increasing as company size increases. The biggest difference is seen between SMEs (16%-27%) and large enterprises (39%). Innovative SMEs are more likely to have applied than non-innovators (23% vs 18%), and the same pattern applies comparing exporting SMEs to non-exporters (23% vs 19%). Finally, high-growth SMEs (26%) are more likely than average to have applied for a bank loan, but gazelles (18%) are less likely than average to have done so.

Q7A_a Have you applied for the following types of financing in the past 6 months? - Bank loan
(% - EU)

	Applied	Did not apply because of possible rejection	Did not apply because of sufficient internal funds	Did not apply for other reasons	Don't Know
EU27	21	5	43	27	3
Sector					
Industry	26	5	41	26	3
Construction	23	5	39	29	4
Trade	22	5	44	26	4
Services	17	6	45	28	3
Size: employees					
1--9	16	7	42	31	4
10--49	21	5	44	27	3
50--249	27	3	44	22	3
250+	39	2	40	17	2
Innovativeness					
Innovative	23	6	41	26	3
Non-innovative	18	4	47	29	3
Growth					
Gazelle	18	5	37	39	2
High-growth	26	6	41	25	3
Exporting vs. non-exporting					
Exporters	23	5	44	24	4
Non-exporters	19	5	43	30	3

Looking at application success rates shows relatively little difference across sectors in the proportion of SMEs that received all the funds they applied for. However, the picture is different for company size. Not only do application rates for bank loans increase with company size, but so does the success rate. For instance, 75% of large SMEs received everything they applied for, compared to 54% of micro-SMEs. At the same time, the rejection rate is inversely related to company size: 11% of micro-SMEs had their application rejected, compared to 3% of large companies.

There is no difference between exporters and non-exporters, but innovative SMEs are less likely to have received all the funds they applied for than non-innovators (59% vs 67%), and their rejection rate is slightly higher (9% vs 6%). High growth enterprises are less likely than the EU average to have received all the funds they applied for (54% vs 62%), but their rejection rate is slightly below average (5% vs 7%).²⁶

Q7B.a If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome? - Bank loan (% - EU)

	Applied and got everything	Applied and got most of it	Applied and got a limited part of it	Applied but refused because cost too high	Applied but was rejected	Application is still pending	Don't Know
EU27	62	7	5	3	7	11	5
Sector							
Industry	64	6	5	3	8	12	3
Construction	64	5	9	4	9	7	3
Trade	60	10	4	3	6	10	7
Services	61	7	5	2	7	11	6
Size: employees							
1--9	54	6	6	4	11	12	6
10--49	60	9	5	3	7	10	5
50--249	70	6	4	1	4	10	5
250+	75	8	3	0	3	9	3
Innovativeness							
Innovative	59	7	6	2	9	12	5
Non-innovative	67	7	4	2	6	9	5
Growth							
Gazelle	46	7	7	3	5	18	13
High-growth	54	9	9	6	5	12	6
Exporting vs. non-exporting							
Exporters	63	7	5	3	6	12	5
Non-exporters	61	7	5	2	8	10	5

²⁶ Gazelles are not included in the discussion due to very low base size (<50).

Trade credit

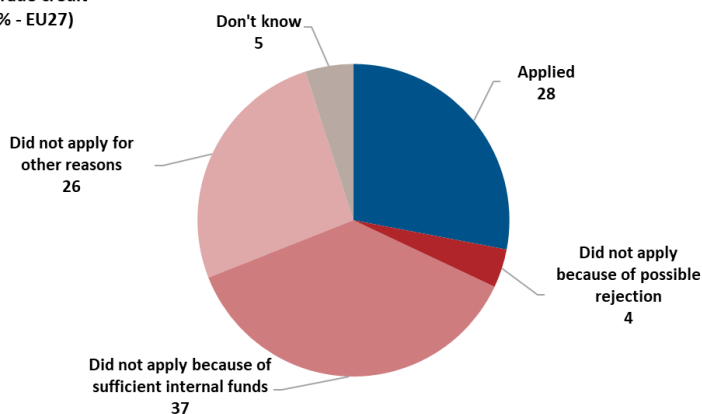
From the EU27 SMEs that said trade credit was relevant for their enterprise, more than one quarter (28%) actually applied for this kind of credit in the past six months. Sufficient internal funds (37%) are the main reason SMEs did not apply for trade credit in the last six months, while 26% did not apply for other reasons and 4% did not apply due to possible rejection.

Amongst SMEs that applied for trade credit 61% received everything they applied for, 11% received most of it and 11% only received a limited part of what they applied for. Just 3% say their application was rejected. 5% say their application was still pending.

Applications for trade credit have generally been declining since 2017, and this trend continued between 2021 and 2022 (-2 percentage points).

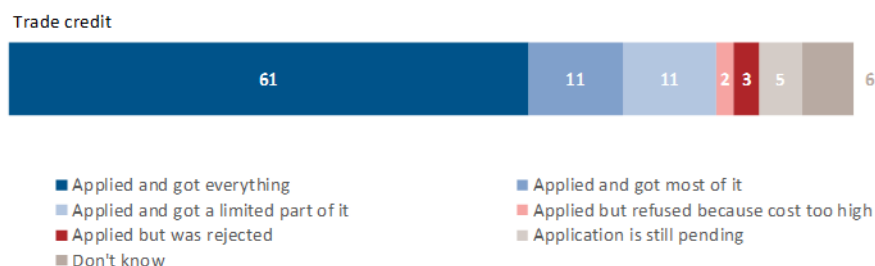
Q7Ab Have you applied for the following types of financing in the past 6 months?

Trade credit
(% - EU27)



(Sep./ Oct. 2022)

Q7Bb. If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome?
(% - EU)

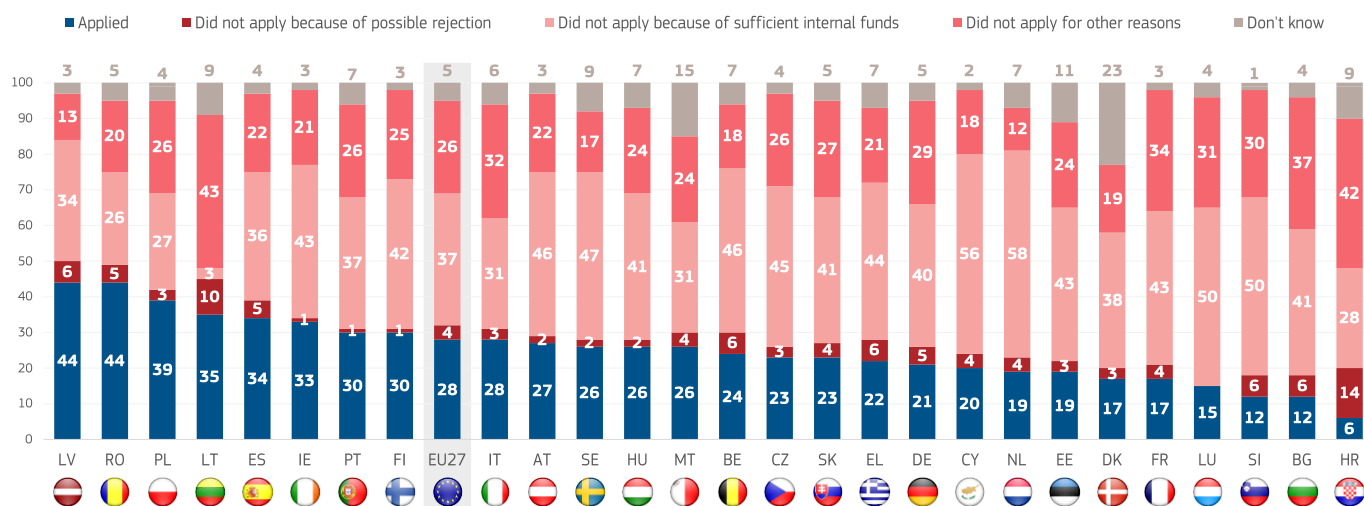


Amongst SMEs for whom trade credit is relevant, application rates are highest in Latvia (44%), Romania (44%), followed by Poland (39%), Lithuania (35%), Spain (34%) and Ireland (33%).²⁷ In contrast, 6% of SMEs in Croatia and 12% in Bulgaria and Slovenia also applied for trade credit.

With the exception of Lithuania, Croatia and Italy, the main reason given by SMEs in each country for not applying is the existence of sufficient internal funds, with at least half in the Netherlands (58%), Cyprus (56%) and Slovenia (50%) reporting such.

²⁷ Latvia, Estonia and Luxembourg are not included in the discussion due to very low base size (<50). Results for the following countries should be interpreted with caution due to low sample size (50-99): Denmark, Austria, Czechia, Lithuania, Malta, Cyprus, Slovenia, Hungary, Croatia.

Q7A_b Have you applied for the following types of financing in the past 6 months?
(% - Trade credit)



The proportion of SMEs who applied for trade credit and received everything they asked for has declined considerably since 2021 (61%, -11 percentage points) and is now only two points higher than the low of 59% in 2014. The rejection rate has remained stable since 2021 (3%), but remains lower than the highest level of 8% in 2014.

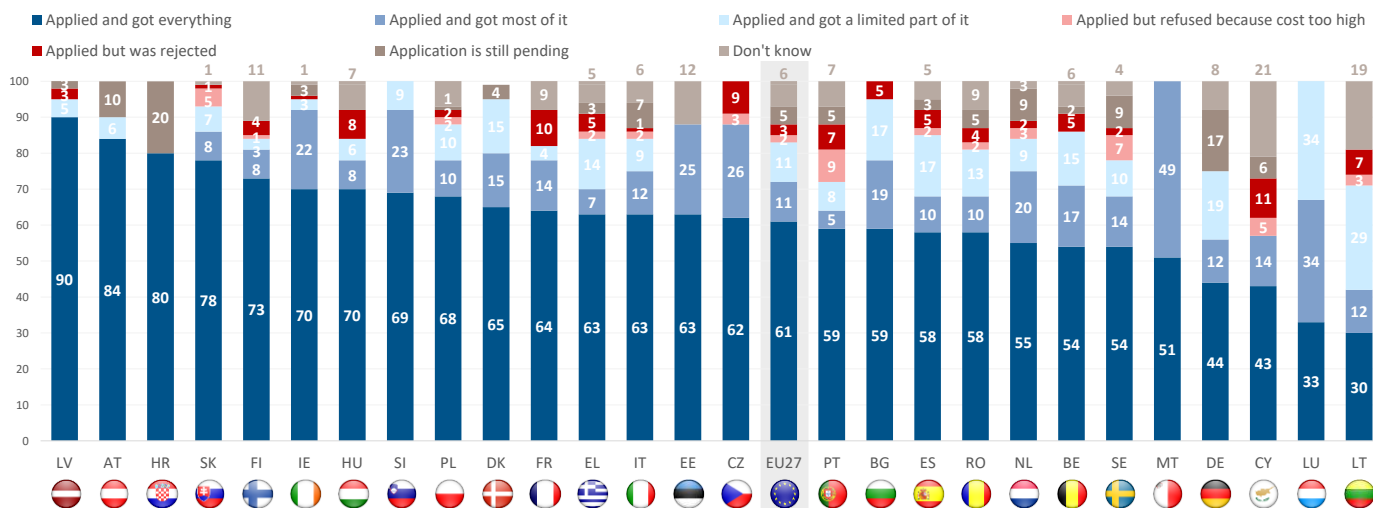
Q7Bb If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome?

Trade credit
(% - EU)



National level analysis is not entirely possible due to low (50-99) or extremely low (<50) base size in all countries. The chart below should be interpreted with high caution.

Q7B_b If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome? (% - Trade credit)



Industry (34%) and trade (31%) SMEs are the most likely to have applied for trade credit in the last six months, particularly compared to services sector SMEs (21%). As has been the case for other types of finance, application rates for trade credit increase with company size: for example, 40% of large companies applied for trade credit, compared to 21% of micro SMEs. Innovative SMEs are more likely to have applied for trade credit than non-innovators (31% vs 23%), and the same pattern applies comparing exporters with non-exporters (31% vs 26%). High growth SMEs are more likely than the EU average to have applied for trade credit (35% vs 28%), but the application rates for gazelles is the same as the EU average.²⁸

Q7A_b Have you applied for the following types of financing in the past 6 months? - Trade credit (% - EU)

	Applied	Did not apply because of possible rejection	Did not apply because of sufficient internal funds	Did not apply for other reasons	Don't Know
EU27	28	4	37	26	5
Sector					
Industry	34	4	33	24	5
Construction	29	4	36	26	4
Trade	31	3	38	23	6
Services	21	5	39	31	5
Size: employees					
1--9	21	5	38	30	6
10--49	29	4	36	26	5
50--249	36	2	35	22	5
250+	40	2	36	18	5
Innovativeness					
Innovative	31	4	35	25	5
Non-innovative	23	4	41	28	4
Growth					
Gazelle	28	3	28	38	4
High-growth	35	5	33	24	4
Exporting vs. non-exporting					
Exporters	31	4	36	24	5
Non-exporters	26	4	38	28	5

²⁸ Results for gazelles should be interpreted with caution due to low base size (50-99).

Turning to the success of applications for trade credit, the results show relatively little difference across sectors, with construction SMEs (64%) the most likely to have received everything they ask for and trade and services sector (60%) SMEs the least likely to have done so. However, the 100% success rate increases with company size, while the rejection rate decreases. For example, medium SMEs (67%) and large enterprises (68%) are more likely to have received all the funds they applied for than small (60%) and micro SMEs (55%). There is no difference in the 100% success rate between exporters and non-exporters (61% each), although non-exporters have a slightly higher rejection rate (5% vs 2% for exporters), but non-innovative SMEs are more likely to have received all they applied for than innovative SMEs (66% vs 59%). Finally, high-growth SMEs are less likely to have received everything they asked for than average (54% vs 61%).²⁹

Q7B_b If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome? - Trade credit
(% - EU)

	Applied and got everything	Applied and got most of it	Applied and got a limited part of it	Applied but refused because cost too high	Applied but was rejected	Application is still pending	Don't Know
EU27	61	11	11	2	3	5	6
Sector							
Industry	62	12	10	1	3	5	7
Construction	64	12	12	2	5	0	4
Trade	60	12	13	1	2	5	6
Services	60	9	10	3	4	7	6
Size: employees							
1--9	55	10	14	3	5	5	7
10--49	60	11	12	2	4	5	8
50--249	67	13	9	1	2	5	4
250+	68	14	9	0	1	3	4
Innovativeness							
Innovative	59	13	12	2	3	6	6
Non-innovative	66	9	11	2	3	3	6
Growth							
Gazelle	46	13	12	0	3	11	15
High-growth	54	14	10	2	2	8	10
Exporting vs. non-exporting							
Exporters	61	14	11	1	2	5	6
Non-exporters	61	9	11	3	5	5	6

²⁹ Gazelles are not included in the discussion due to very low base size (<50).

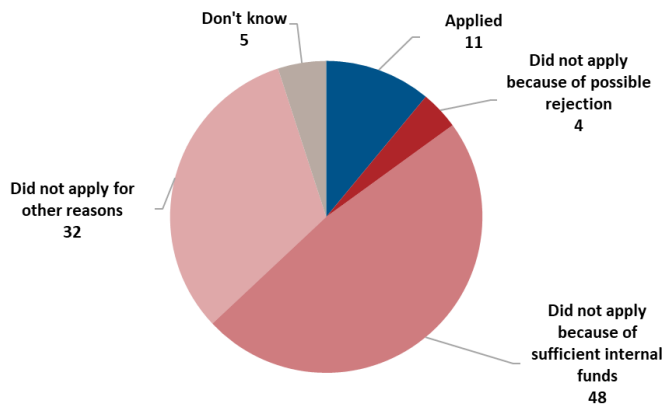
Other external financing

From the SMEs in EU27 that say other external financing is relevant for their enterprise, 11% applied in 2022 for this kind of financing. The most common reason for not applying is the availability of sufficient internal funds (48%). Amongst those that applied for other external financing 68% received everything they asked for, 6% receive most of what they asked for and 4% received only a limited part of their request. The rejection rate was 4%.

The proportion of SMEs applying for other external financing declined by three percentage points between 2021 and 2022, continuing a trend in declining applications since 2020. The rejection rate remained stable, but the proportion who did not apply due to sufficient internal funds has declined slightly (-3 percentage points), reversing the trend seen between 2020 and 2021.

Q7Ac Have you applied for the following types of financing in the past 6 months?

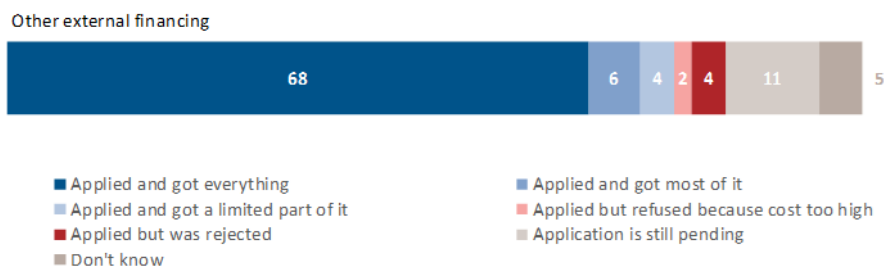
Other external financing
(% - EU27)



(Sep. / Oct. 2022)

Q7Bc. If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome?

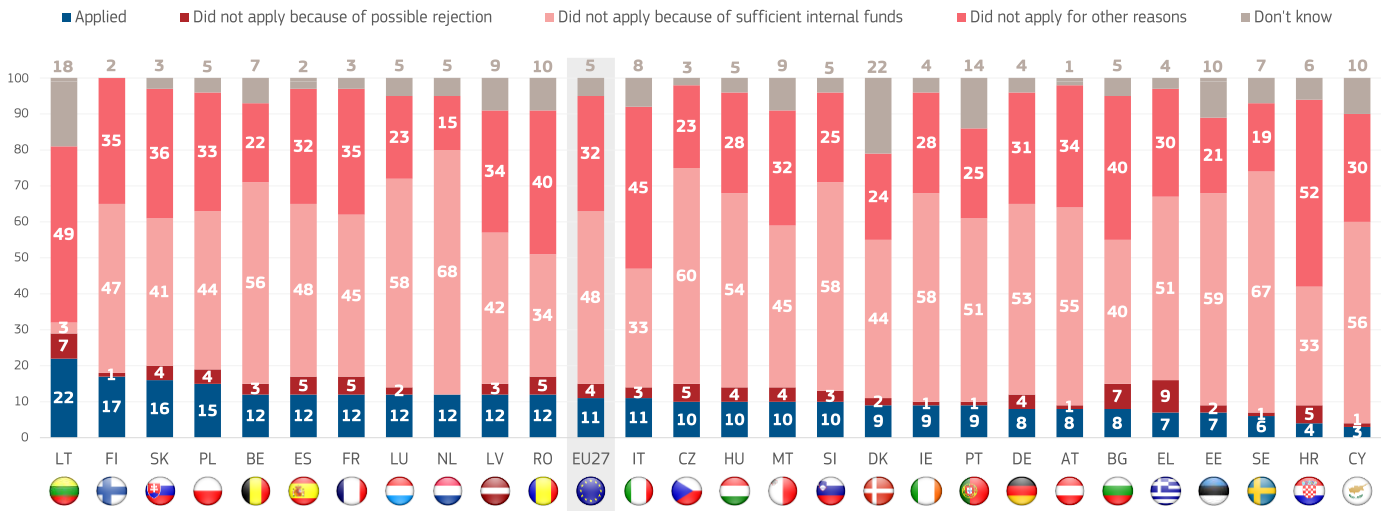
(% - EU)



At a national level the proportion of SMEs applying for other external financing ranges from 22% in Lithuania to 3% in Cyprus.³⁰ In 22 countries the most common reason for SMEs not applying for this type of finance is a lack of need due to sufficient internal funds, with SMEs in the Netherlands (68%) and Sweden (67%) the most likely to say this.

³⁰ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

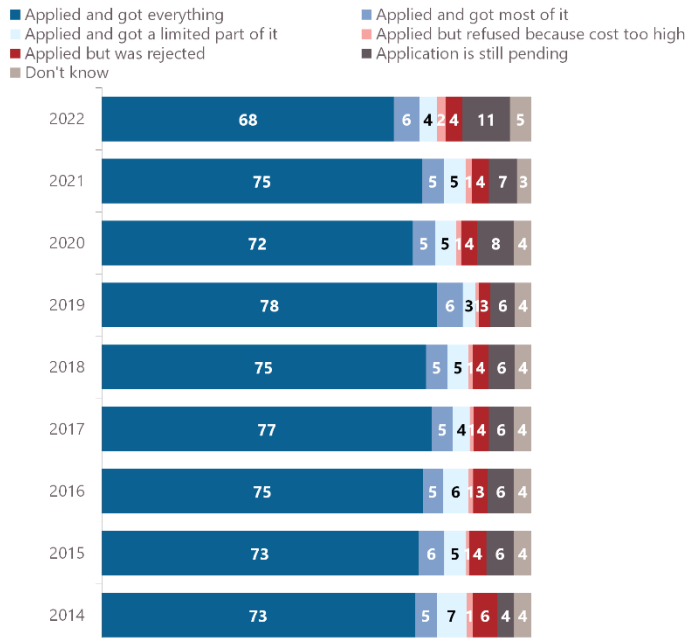
Q7A_c Have you applied for the following types of financing in the past 6 months? (% - Other external financing)



The proportion of SMEs that received all the other external finance they applied for has declined by seven percentage points since 2021 and is now at its lowest points since 2014 (68%). The rejection rate, however, has remained stable at 4%. The proportion of SMEs with applications still pending is at its highest ever level (11%).

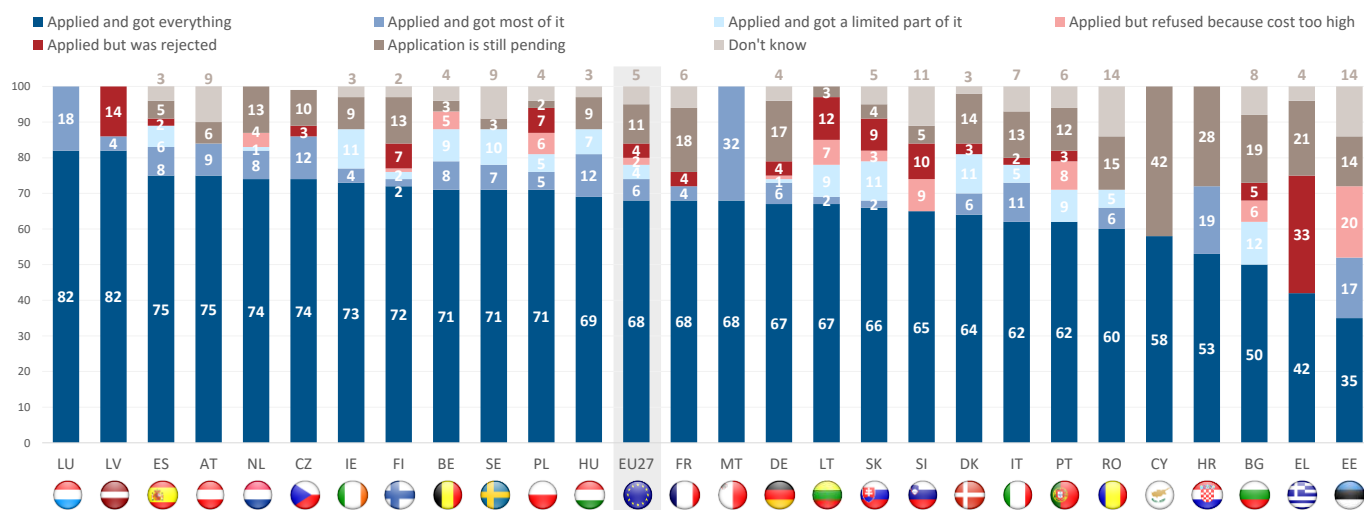
Q7Bc If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome?

Other external financing (% - EU)



National level analysis is not entirely possible due to low (50-99) or extremely low (<50) base size in all countries. The chart below should be interpreted with high caution.

Q7B_c If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome? (% - Other external financing)



SMEs in the industry sector (13%) are slightly more likely than those in other sectors (10% each) to have applied for other external financing. In a familiar pattern, application rates also increase with company size: 19% of large enterprises applied for other external financing, compared to 8% of micro SMEs. Innovative SMEs are more likely than their non-innovative counterparts to have applied for other external financing (13% vs 8%), but there is little difference between exporters and non-exporters (12% vs 10%). Application rates for gazelles (16%) and high-growth SMEs in general (15%) are higher than the EU average (11%).

Q7A_c Have you applied for the following types of financing in the past 6 months? - Other external financing (% - EU)

	Applied	Did not apply because of possible rejection	Did not apply because of sufficient internal funds	Did not apply for other reasons	Don't Know
EU27	11	4	48	32	5
Sector					
Industry	13	4	48	30	5
Construction	10	4	46	35	5
Trade	10	3	48	32	6
Services	10	4	49	32	5
Size: employees					
1--9	8	6	46	35	5
10--49	10	3	50	31	6
50--249	14	2	50	28	5
250+	19	1	49	25	5
Innovativeness					
Innovative	13	4	45	32	5
Non-innovative	8	3	53	32	5
Growth					
Gazelle	16	6	40	36	2
High-growth	15	5	44	32	4
Exporting vs. non-exporting					
Exporters	12	4	50	29	5
Non-exporters	10	4	47	34	5

Although there was relatively little difference between sectors in the application rates for other external finance, there are notable differences in the 100% success rate. Construction (74%) and trade (72%) SMEs are the most likely to have received all the funds they applied for, and services sector SMEs (68%) are in turn more likely to have received everything than industry SMEs (63%). Interestingly, though the 100% success rate for trade SMEs is higher than for industry SMEs, trade SMEs also have a slightly higher rejection rate (6% vs 3% for industry) even

Success in receiving all the funds applied for increases with company size: 80% of large SMEs were 100% successful, compared to 62% of micro-SMEs. Micro SMEs also have the highest rejection rate (7% vs 2%-4% for larger companies). Exporters are more likely to have received everything they applied for than non-exporters (72% vs 64%), although there is little difference in the total rejection rate between the two. Innovative firms are less likely to have been 100% successful than non-innovative counterparts (64% vs 75%), but their overall rejection rates are the same. Finally, high-growth enterprises are slightly less likely than average to have received all they applied for (64% vs 68%).³¹

Q7B_c If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome? - Other external financing (% - EU)

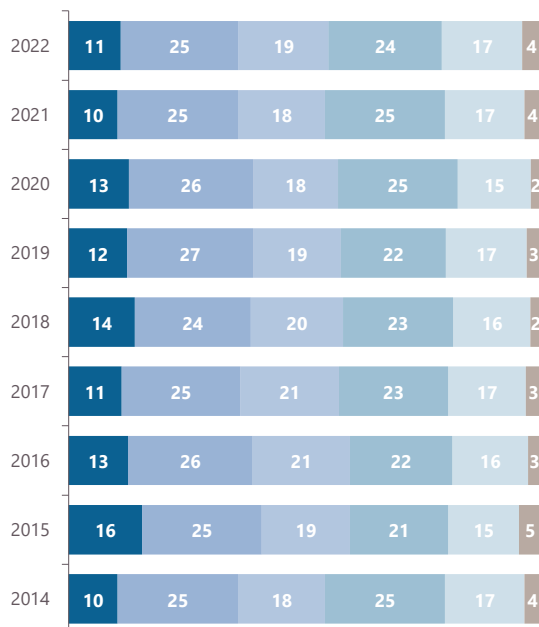
	Applied and got everything	Applied and got most of it	Applied and got a limited part of it	Applied but refused because cost too high	Applied but was rejected	Application is still pending	Don't Know
EU27	68	6	4	2	4	11	5
Sector							
Industry	63	7	5	2	3	15	5
Construction	74	3	6	4	4	4	6
Trade	72	7	2	2	6	8	4
Services	68	6	4	1	4	12	5
Size: employees							
1--9	62	6	5	3	7	11	5
10--49	67	7	5	2	4	10	5
50--249	73	5	2	1	2	12	4
250+	80	2	4	1	2	6	5
Innovativeness							
Innovative	64	6	5	2	4	13	5
Non-innovative	75	6	2	1	4	8	3
Growth							
Gazelle	33	0	3	2	0	37	25
High-growth	64	5	3	1	3	17	6
Exporting vs. non-exporting							
Exporters	72	4	4	1	3	12	3
Non-exporters	64	8	4	3	5	11	6

³¹ Gazelles are not included in the discussion due to very low base size (<50).

Last obtained amount of external finance

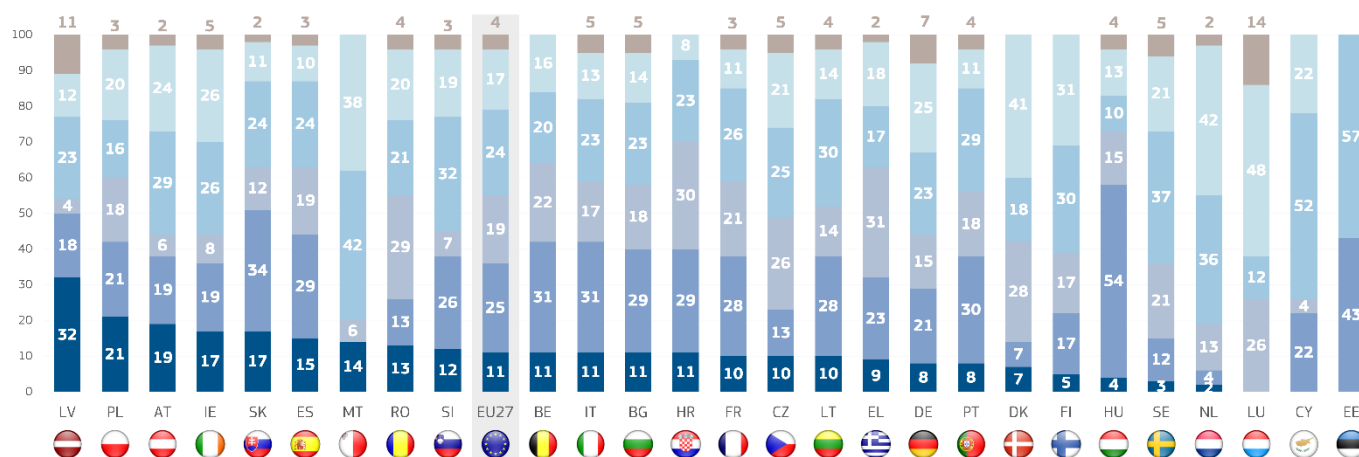
SMEs were asked the amount of the last bank loan they obtained in the previous 6 months³². One quarter (25%) obtained more than EUR 25 000 and up to EUR 100 000, while almost one in five (19%) received more than EUR 100 000 and up to EUR 250 000. Almost one quarter (24%) received more than EUR 250 000 and up to EUR 1 000 000 while 17% received over EUR 1 000 000. Small loans were less common (up to EUR 25 000: 11%). There has been little change since 2021, and over the longer term these proportions have been relatively stable since 2016.

Q8A If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome?
(% - EU)



National level analysis is not entirely possible due to low (50-99) or extremely low (<50) base size in all countries. The chart below should be interpreted with high caution.

Q8A What is the size of the last bank loan that your enterprise obtained/renegotiated/attempted to obtain in the past 6 months?
(%)



³² March-August 2022

Looking at differences based on company characteristics shows SMEs in the industry sector are more likely to report larger loan sizes: more than half (53%) were for loans of more than EUR 250 000, compared to 42% for construction and trade SMEs and 33% for services sector SMEs. Loan size also increases with company size. For micro SMEs 67% of loans were for up to EUR 100 000, compared to 2% of large enterprises and 9% of medium SMEs.

SMEs that export also tend to have higher loan amounts than non-exporters, for example 52% of exporters have loans of more than EUR 250 000 compared to 33% of non-exporters. In the case of innovative and non-innovative SMEs the main difference lies in the range of more than EUR 25 000 and up to EUR 250 000, with non-innovators loan sizes skewed towards the lower end of this range compared to innovators. The profile for high-growth enterprises is similar to that of the EU27 average.³³

Q8A What is the size of the last bank loan that your enterprise obtained/renewed/attempted to obtain in the past 6 months? (EUR)
(% - EU)

	Up to 25 000	More than 25 000 and up to 100 000	More than 100 000 and up to 250 000	More than 250 000 and up to 1 000 000	Over 1 000 000	Don't Know
EU27	11	25	19	24	17	4
Sector						
Industry	4	19	19	31	22	6
Construction	12	22	19	24	18	6
Trade	11	26	16	24	18	4
Services	15	29	20	20	13	3
Size: employees						
1--9	25	42	13	11	6	3
10--49	8	30	26	18	12	6
50--249	2	7	16	40	31	3
250+	0	2	3	19	72	4
Innovativeness						
Innovative	11	23	21	25	17	4
Non-innovative	11	27	15	23	19	4
Growth						
Gazelle	24	38	28	11	0	0
High-growth	9	27	20	27	16	2
Exporting vs. non-exporting						
Exporters	7	18	19	29	23	5
Non-exporters	14	32	18	20	13	4

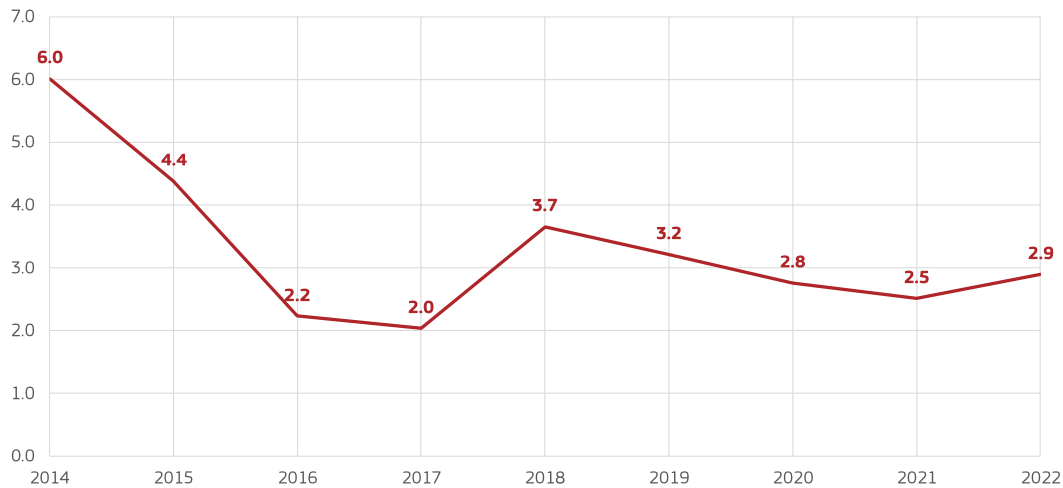
³³ Analysis of gazelle enterprises is not included due to extremely low base size (<50).

Charged interest rate

The figure below illustrates the trend in the mean value of the interest rate on bank overdraft and credit line for EU27 SMEs between 2014 and 2022.

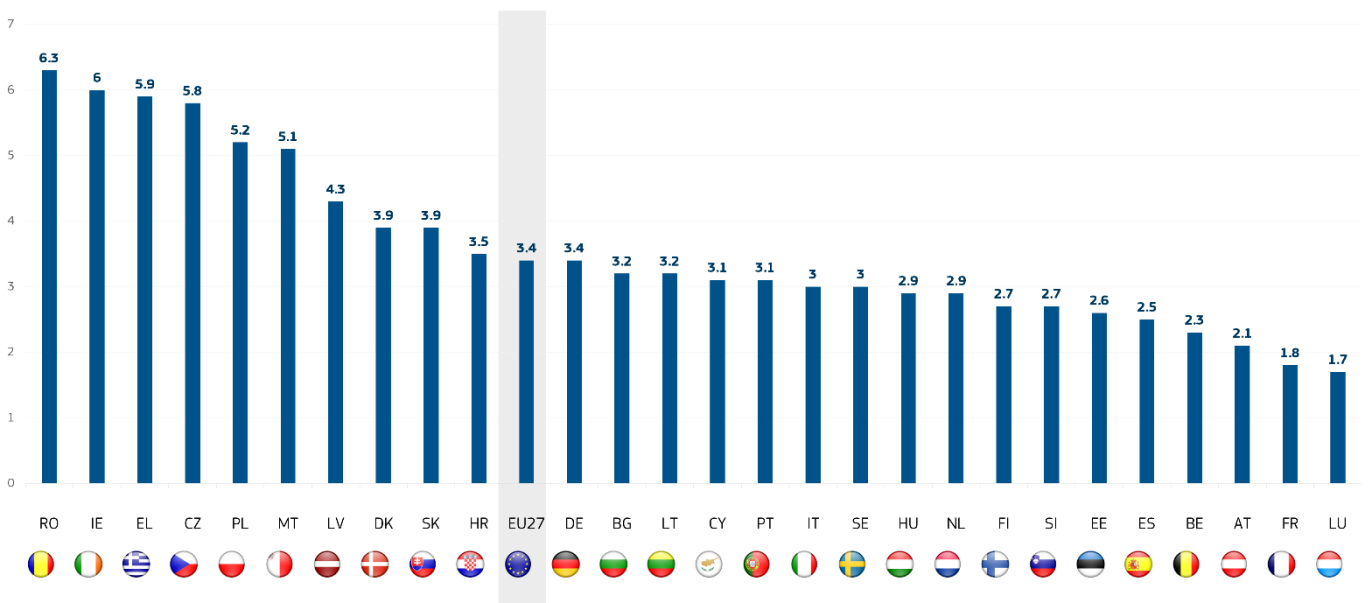
After declining since 2014, with the exception of 2018, the mean interest rate has increased in 2022. At 2.9 the mean rate is up 0.4 percentage points compared to 2021.

Q8b. What interest rate was charged for the credit line or bank overdraft for which you applied?
Mean
(% - EU)



National level analysis is not entirely possible due to low (50-99) or extremely low (<50) base size in all countries. The chart below should be interpreted with high caution.

Q8B What interest rate was charged for the credit line or bank overdraft for which you applied? - Mean (%)



Turning to the mean interest rate by enterprise characteristics, the chart below illustrates that at 3.8, services sector SMEs have a notably higher interest rate than industry, construction (both 3.2) and trade (3.1) SMEs, and the rate for services is also higher than the EU average (3.4). The mean interest rate being paid increases as company size decreases, with the companies with 1-49 employees paying higher rates than those with 50 or more employees. Micro SMEs are paying a mean of 4.1, compared to 3.6 for small SMEs, 2.7 for medium SMEs and 2.5 for large enterprises. The rate for micro SMEs is also well above the EU average of 3.4. SMEs that do not export are paying a higher rate than exporters (3.8 vs 3.1), while the mean interest rate paid by high-growth enterprises is slightly above the EU average (3.7 vs 3.4).³⁴

Q8B What interest rate was charged for the credit line or bank overdraft you applied?
(% - EU)

	Mean
EU27	3.4
Sector	
Industry	3.2
Construction	3.2
Trade	3.1
Services	3.8
Size: employees	
1--9	4.1
10--49	3.6
50--249	2.7
250+	2.5
Innovativeness	
Innovative	3.4
Non-innovative	3.2
Growth	
Gazelle	3.6
High-growth	3.7
Exporting vs. non-exporting	
Exporters	3.1
Non-exporters	3.8

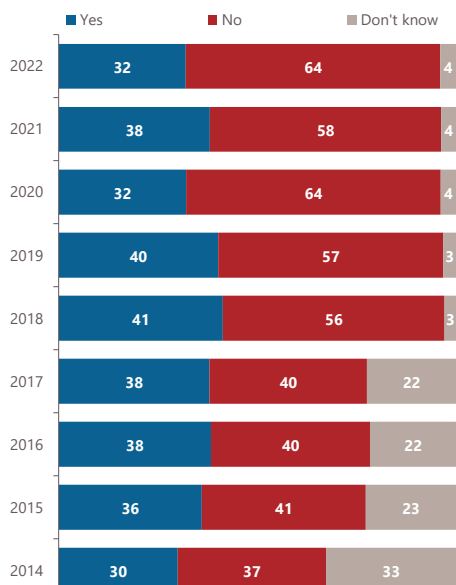
³⁴ Gazelles are not included in the discussion due to very low base size (<50).

Purpose of the most recent loan

Fixed investment

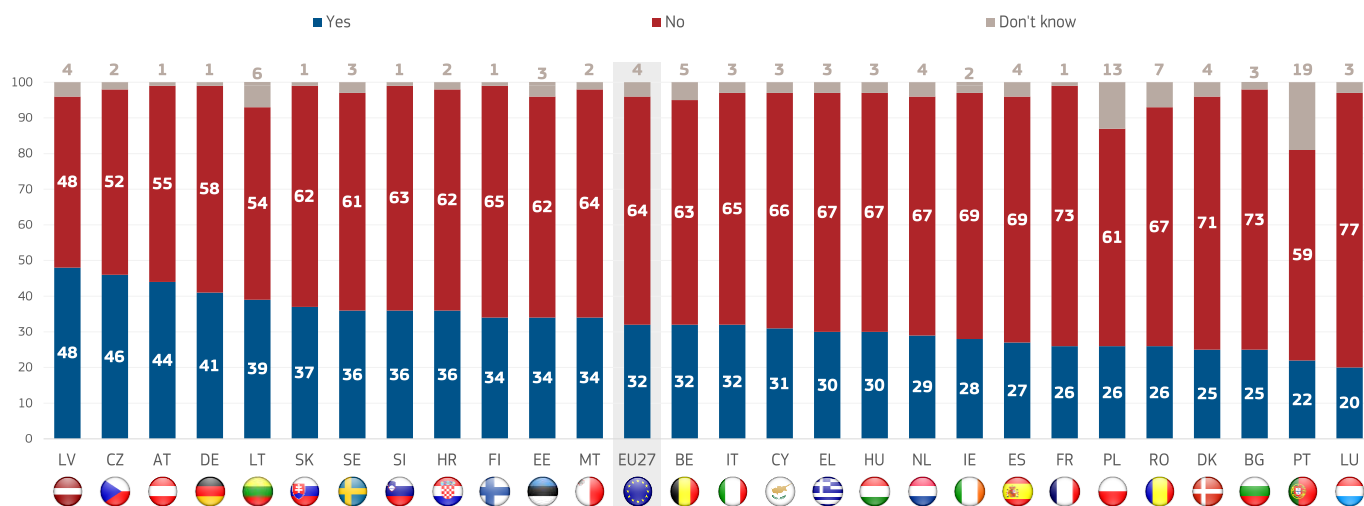
The proportion of SMEs in EU27 that used their external financing for fixed investment dropped to 32% in 2022 (-6 percentage points since 2021) reversing the increase seen between 2020 and 2021. The current proportion is also notably lower than those seen between 2015 and 2019.

Q6A1 For what purpose was external financing used by your enterprise during the past 6 months?
Fixed investment
(% - EU)



In every Member State, at least one in five SMEs used their external financing for fixed investment, with proportions ranging from 48% in Latvia, 46% in Czechia and 44% in Austria to 20% in Luxembourg and 22% in Portugal.³⁵

Q6A_1 For what purpose was external financing used by your enterprise during the past 6 months?
(% - Fixed investment)



³⁵ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

The results of the analysis by company characteristics show industry SMEs (41%) are more likely than those in other sectors to have used their external financing for fixed investment. Trade SMEs (26%), on the other hand, are the least likely to have used their finance in this way. The larger the company, the more likely they are to have used their financing for fixed investment: 56% of large companies did so compared to 23% of micro SMEs. Innovative SMEs are much more likely to have used their funding for fixed investment than non-innovators (40% vs 27%), and the same pattern applies comparing exporters and non-exporters (38% vs 29%). High growth enterprises (41%) and gazelles (38%) are both more likely than the EU average (32%) to have used their finance for fixed investment.

Q6A1 For what purpose was external financing used by your enterprise during the past 6 months? -

Fixed investment

(% - EU)

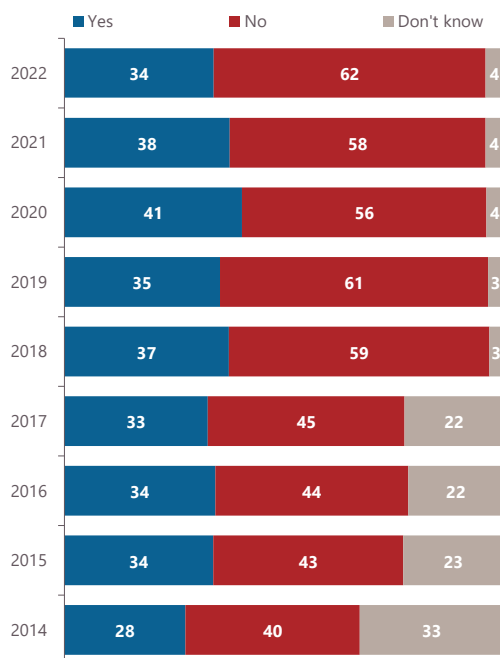
	Yes	No	Don't Know
EU27	32	64	4
Sector			
Industry	41	57	2
Construction	36	60	4
Trade	26	70	4
Services	32	64	4
Size: employees			
1--9	23	72	5
10--49	36	61	3
50--249	45	52	3
250+	56	41	3
Innovativeness			
Innovative	40	58	3
Non-innovative	27	69	3
Growth			
Gazelle	38	59	2
High-growth	41	56	3
Exporting vs. non-exporting			
Exporters	38	59	3
Non-exporters	29	67	4

Inventory or other working capital

The proportion of EU27 SMEs that used their last obtained external financing for inventory or other working capital has declined four percentage points since 2021 and now sits at 34%. This is its lowest level since 2017.

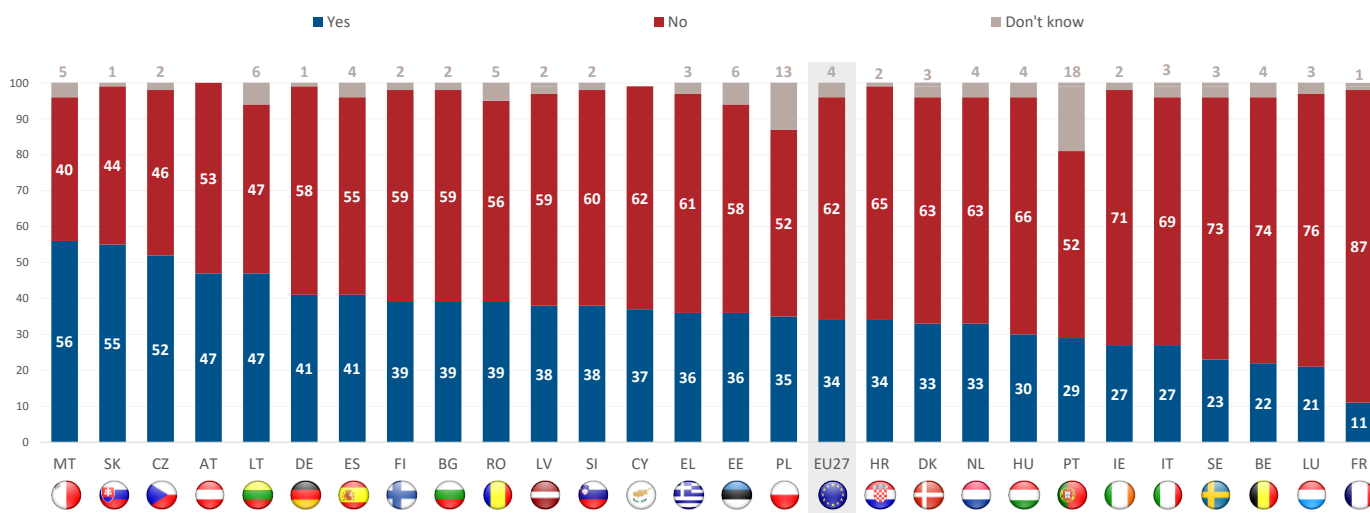
Q6A2 For what purpose was external financing used by your enterprise during the past 6 months?

Inventory and other working capital
(% - EU)



There is considerable national variation in the proportion of SMEs that used their external finance for inventory or other working capital. At least half in Malta (56%), Slovakia (55%) and Czechia (52%) say they did this, compared to 11% in France. France is the only country where fewer than one in five SMEs used their external finance in this way.

Q6A_2 For what purpose was external financing used by your enterprise during the past 6 months?
(% - Inventory and other working capital)



Industry (47%) and trade (46%) SMEs are much more likely to have used their financing for inventory and other working capital than SMEs in construction (33%) or the service sector (24%). Use of financing for inventory or working capital increases with company size. For example, just over half of large companies (51%) used their finance for this purpose, compared to 27% of micro SMEs. The chart below also illustrates innovative SMEs are much more likely to have used their finance for inventory or other working capital than non-innovators (40% vs 29%), and the same pattern applies comparing exporters and non-exporters (43% vs 28%). Finally, gazelle SMEs are less likely than average to have used their finance in this way (29% vs 34%), but there's no difference between high-growth SMEs and the EU average.

Q6A2 For what purpose was external financing used by your enterprise during the past 6 months? -
Inventory and other working capital
(% - EU)

	Yes	No	Don't Know
EU27	34	62	4
Sector			
Industry	47	51	2
Construction	33	63	4
Trade	46	50	4
Services	24	71	4
Size: employees			
1--9	27	68	5
10--49	34	63	3
50--249	46	51	3
250+	51	46	3
Innovativeness			
Innovative	40	57	3
Non-innovative	29	67	3
Growth			
Gazelle	29	68	2
High-growth	34	63	3
Exporting vs. non-exporting			
Exporters	43	54	3
Non-exporters	28	68	4

II. ACCESS TO EXTERNAL SOURCES OF FINANCE



Key findings

The results presented in this chapter show SMEs are facing an increasing need for finance in an environment of declining availability and increasing interest rates and collateral requirements.

In 2022 there has been a dramatic deterioration in SMEs' views of the general economic outlook, with 50% saying it has deteriorated and just 6% that it has improved; resulting in a net deterioration of 44%³⁶. This is the most pessimistic outlook since 2014, and four percentage points lower than the previous low in the first year of the COVID-19 pandemic. This negative outlook is likely to be influenced by the ongoing effects of the pandemic compounded by the profound economic impacts of the Russian invasion of Ukraine.

SMEs have also seen a decline in the willingness of banks to lend. For the first time since 2014, the proportion saying this has deteriorated (15%) is now larger, even though slightly, than the proportion that say it has improved (14%).

The pessimistic financial environment for SMEs is further highlighted by the deteriorating availability of credit lines, bank or credit cards overdrafts, or bank loans or trade credit. In each case the proportion of SMEs that think availability has deteriorated is larger than the proportion who think it has improved, resulting in a net deterioration. As a result, SMEs are more pessimistic about the availability of each of these types of finance than at any time since 2014. The strongest deterioration is seen in the availability of bank loans with a net deterioration of 8%. The only break in this bleak picture is a net improvement in the availability of equity capital (4%).

At the same time that the availability of external finance is declining, the need for it is increasing. Almost one in five (18%) SMEs report an increased need for bank loans, and with 13% reporting a decrease in need this has resulted in a net increase of 5%. This is the second highest increase on record (since 2014), although still considerably below the peak in 2020 when the net increase was 19%. There has been an even larger net increase in the need for leasing or hire-purchase (10%), although this is consistent with the results from 2021.

For SMEs with bank finance already in place, 66% have experienced an increase in interest rates. With just 2% saying their interest rates have improved this is a net deterioration of 64% and a dramatic worsening of the position compared to previous years (it was +6% in 2020). Although collateral requirements have historically reported a net deterioration each year, in 2022 the position has worsened considerably. The current net deterioration of 21% is the second largest on record after that reported in 2014.

³⁶ The net deterioration value is the difference between the values Improved and deteriorated

Changes in the general economic and financial environment

The general economic outlook of SMEs and their opinions about the willingness of banks to provide credit are discussed in the following sections. Net changes are presented and were calculated using increases minus decreases.

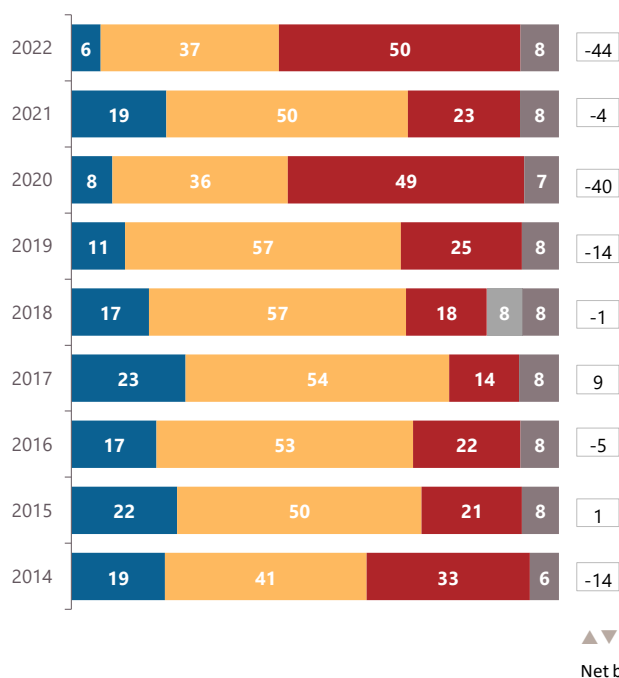
General economic outlook

Half (50%) of all SMEs in EU27 think the general economic outlook has deteriorated in the previous six months. Only 6% say it has improved, resulting in a net deterioration of -44%. This is four points worse than the previous low of a 40% net deterioration in 2020, and more than reverses the considerable improvement seen between 2020 and 2021.

Q11a For each of the following factors, would you say that they have improved, remained unchanged or deteriorated over the past 6 months?

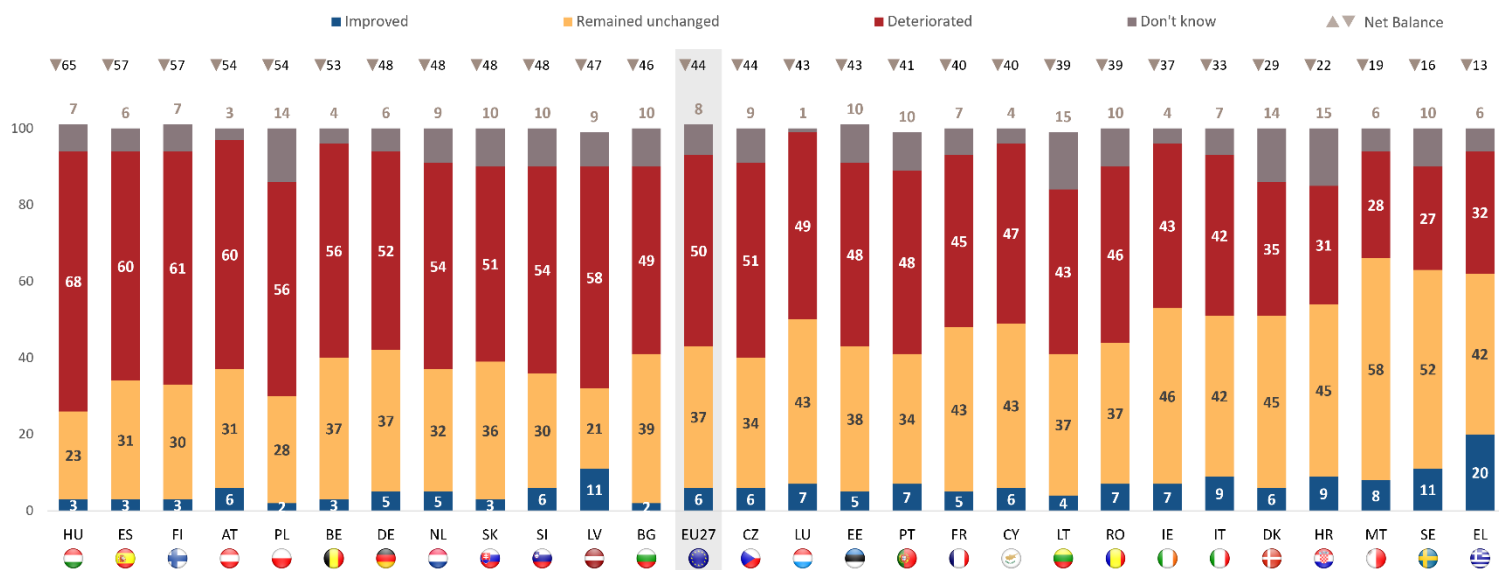
General economic outlook, insofar as it affects the availability of external financing (% - EU)

■ improved ■ remained unchanged ■ deteriorated ■ not applicable ■ don't know



SMEs in every Member State report a net deterioration in the general economic outlook, with the largest seen in Hungary (65%), Finland and Spain (57% each).³⁷ At the other end of the scale the smallest net deterioration is observed in Greece (13%).

Q11_a For each of the following factors, would you say that they have improved, remained unchanged or deteriorated over the past 6 months?
 (% - General economic outlook, insofar as it affects the availability of external financing)



³⁷ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

The results split according to company characteristics show that each group reported increased pessimism in the general economic outlook. The net deterioration is higher amongst industry and trade SMEs (47% each) than those in construction and services (42% each). The larger the company size, the more persistent the pessimism. For instance, large companies show a net deterioration of 53%, compared to 42% for micro-SMEs. There are no notable differences based on exporter or innovator status. Although still recording a negative change in outlook, the net deterioration amongst high growth (38%) and gazelle (32%) SMEs is smaller than the EU average (44%).

Q11_a For each of the following factors, would you say that they have improved, remained unchanged or deteriorated over the past 6 months? - General economic outlook, insofar as it affects the availability of external financing (% - EU)

	Improved	Remained unchanged	Deteriorated	Don't Know	Net balance
EU27	6	37	50	8	44
Sector					
Industry	6	35	53	6	47
Construction	5	39	47	8	42
Trade	5	35	52	8	47
Services	6	37	49	8	42
Size: employees					
1--9	6	37	48	9	42
10--49	6	37	50	7	44
50--249	6	35	54	6	48
250+	5	33	58	4	53
Innovativeness					
Innovative	8	33	53	6	45
Non-innovative	4	40	48	8	44
Growth					
Gazelle	10	43	42	5	32
High-growth	9	38	47	6	38
Exporting vs. non-exporting					
Exporters	7	36	51	7	44
Non-exporters	5	37	50	8	45

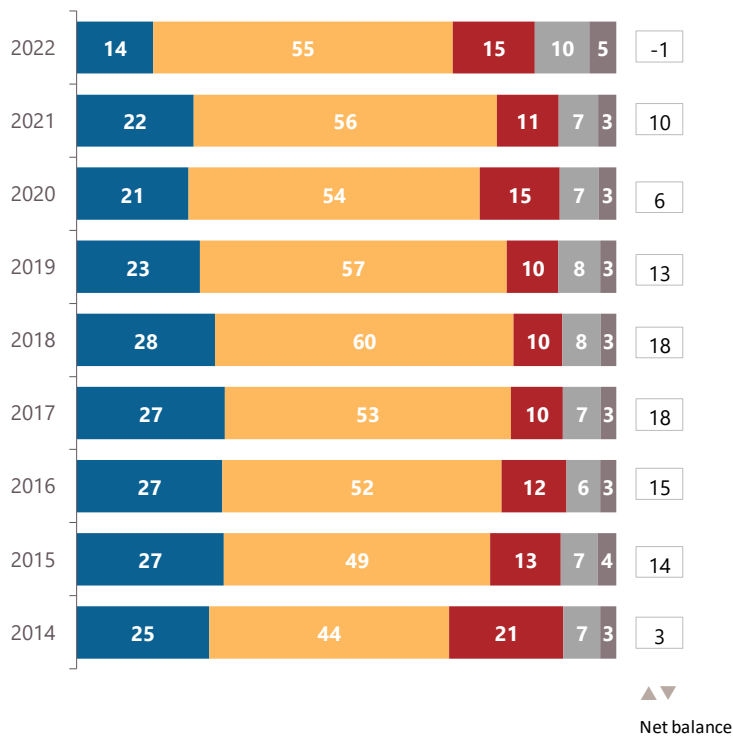
Bank lending

Across EU27, 14% of SMEs report improvements in the willingness of banks to provide them with credit. However, slightly more (15%) report a deterioration in bank lending giving a net deterioration of 1%. This is the first negative result for this measure since 2014, driven by a decline of eight percentage points since 2021 in the proportion of SMEs that say bank willingness to provide credit has improved.

Q11_f For each of the following factors, would you say that they have improved, remained unchanged or deteriorated over the past 6 months?

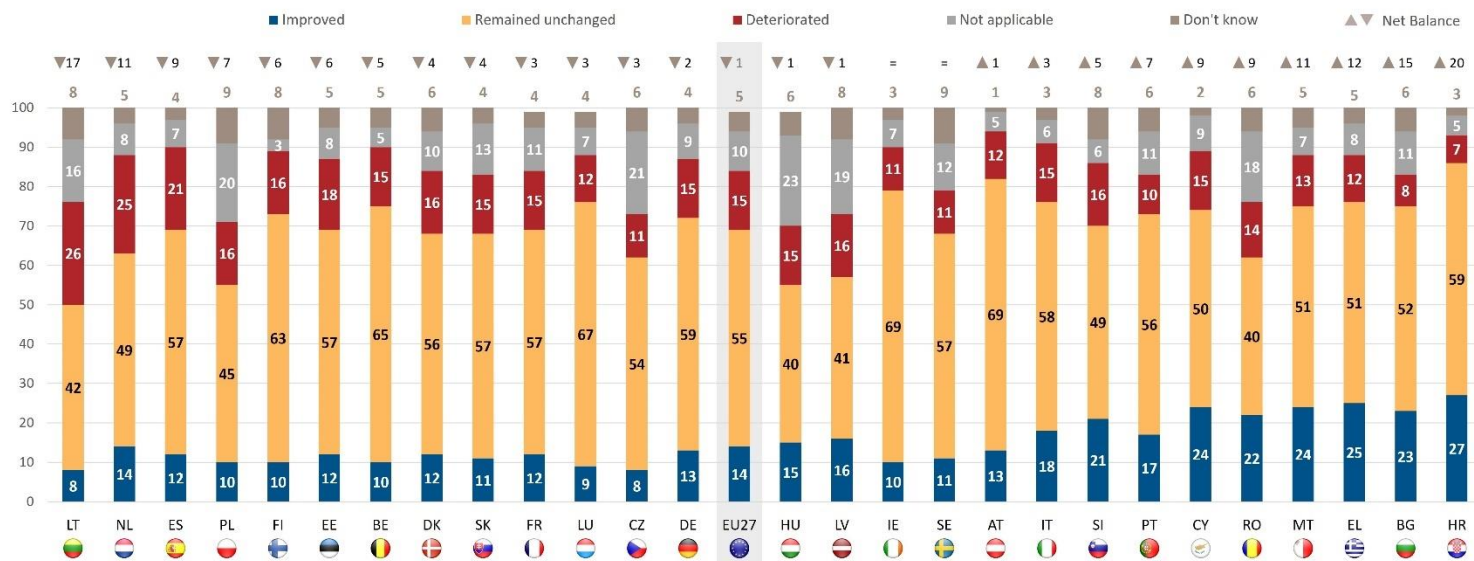
Credit line, bank overdraft or credit cards overdraft (% - EU)

■ improved ■ remained unchanged ■ deteriorated ■ not applicable ■ don't know



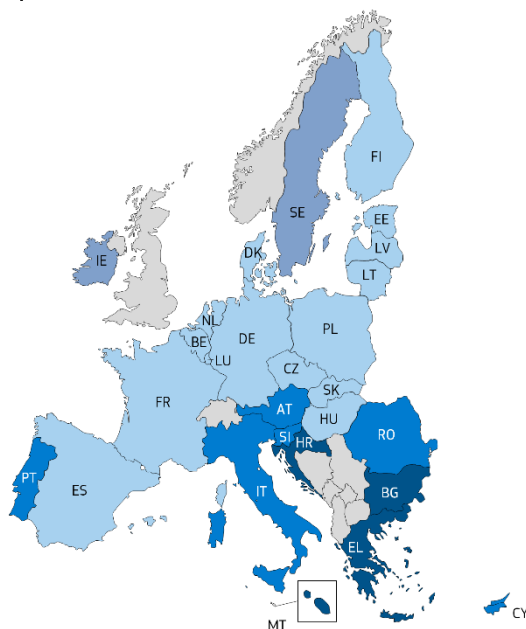
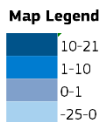
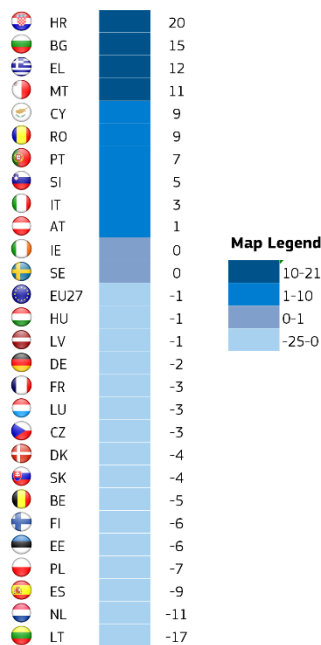
There are 16 countries where SMEs report a net deterioration in the willingness of banks to provide finance, with the largest seen in Lithuania (17%) and the Netherlands (11%). In contrast there are four countries with double-digit net improvement in this area: Croatia (20%), Bulgaria (15%), Greece (12%) and Malta (11%).

Q11_f For each of the following factors, would you say that they have improved, remained unchanged or deteriorated over the past 6 months?
 (% - Willingness of banks to provide credit to your enterprise)



Q11_f For each of the following factors, would you say that they have improved, remained unchanged or deteriorated over the past 6 months?

Willingness of banks to provide credit to your enterprise
 (% - Net balance)



Across sectors, trade SMEs are the only ones to report a net improvement in the willingness of banks to lend (1%), while services (3%) and construction (2%) report net deteriorations. The larger the enterprise, the more likely they are to be positive about banks willingness to lend: micro SMEs report a net deterioration of 4%, compared to a net improvement of 3% for large companies. Export status is also influential, with exporters showing a net improvement (1%) and non-exporters a net deterioration (3%). However, the most dramatic differences are amongst high growing SMEs. Gazelles report a net improvement of 14% in banks willingness to lend in the past 6 months, while high-growth enterprises report an improvement of 8%. Both results are a considerable contrast to the EU average (net deterioration of 1%).

Q11_f For each of the following factors, would you say that they have improved, remained unchanged or deteriorated over the past 6 months? - Willingness of banks to provide credit to your enterprise (% - EU)

	Improved	Remained unchanged	Deteriorated	Not applicable	Don't Know	Net balance
EU27	14	55	15	10	5	1
Sector						
Industry	14	59	15	8	4	0
Construction	14	56	16	10	5	-2
Trade	15	55	14	11	5	1
Services	14	54	17	11	5	-3
Size: employees						
1--9	12	51	17	14	6	-4
10--49	14	57	16	8	4	-2
50--249	17	61	13	6	3	4
250+	14	67	11	5	3	3
Innovativeness						
Innovative	17	52	18	9	4	-1
Non-innovative	11	61	13	11	4	-2
Growth						
Gazelle	24	38	10	19	8	14
High-growth	23	49	15	9	4	8
Exporting vs. non-exporting						
Exporters	15	58	14	8	4	1
Non-exporters	13	54	16	11	5	3

Changes in the availability of financing

This section of the report discusses SMEs' views on the availability of a range of external finance options: credit line or bank or credit cards overdraft, bank loans, trade credit and equity capital. In each case results are based on the proportion of SMEs that said the finance type was relevant for their firm. Net changes are calculated using improvements minus deteriorations.

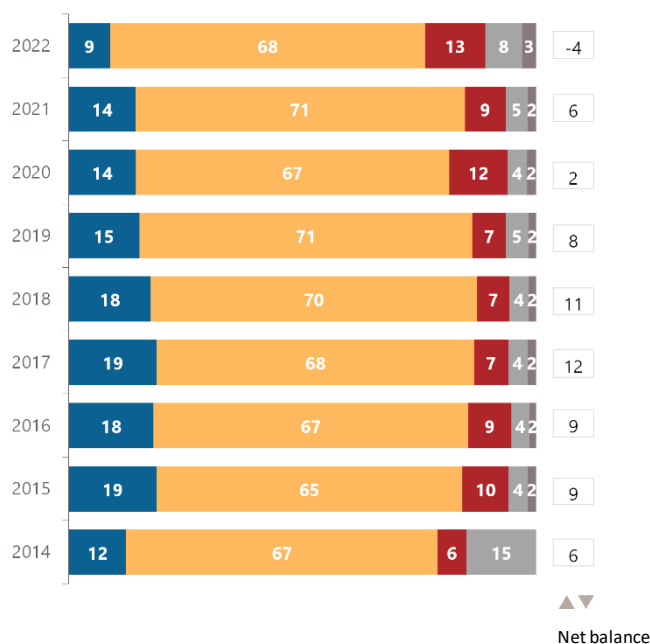
Credit line, bank overdraft or credit cards overdraft

Nearly one in ten (9%) EU27 SMEs report an improvement in the availability of credit line, bank overdraft or credit cards overdraft facilities. However, slightly more (13%) report a deterioration in this area, leading to a net deterioration of 4%. This is the first time since 2014 that there has been a net deterioration in availability of these forms of financing, with the position worsening after a slight recovery between 2020 and 2021.

Q9_f For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past 6 months?

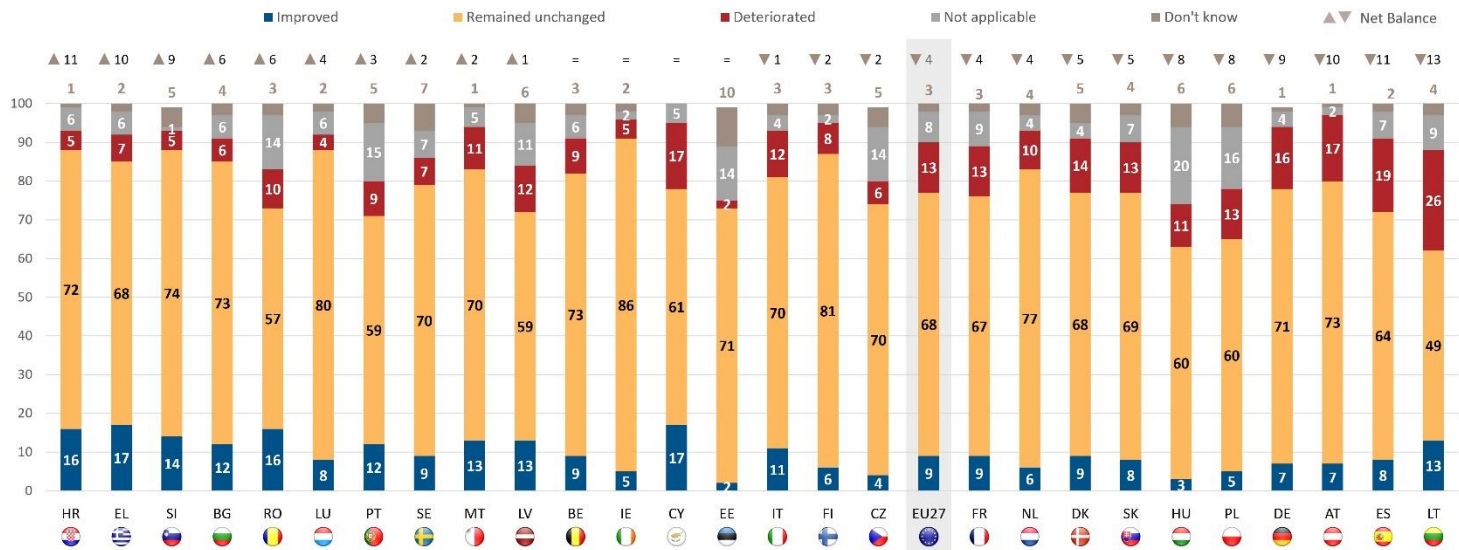
Credit line, bank overdraft or credit cards overdraft (% - EU)

■ Improved ■ Remained unchanged ■ Deteriorated ■ Not applicable ■ Don't know



In nine Member States SMEs report a net improvement in the availability of his type of financing, with the largest seen in Croatia (11%) and Greece (10%).³⁸ However, in 13 countries SMEs report a net deterioration, and this is particularly the case in Lithuania (13%), Spain (11%) and Austria (10%).

Q9_f For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past 6 months? (% - Credit line, bank overdraft or credit cards overdraft)



³⁸ Results for Slovenia, Latvia, Cyprus and Malta should be interpreted with caution due to low base size (50-99). The following countries are not included in the discussion of results due to very low base size (<50): Estonia, Luxembourg.

With the exception of gazelles and high-growth enterprises, all the groups in the review of company characteristics report a net deterioration in the availability of credit lines or overdrafts. There is relatively little difference across sectors, with construction and services sector SMEs having a net deterioration of 6%, while industry SMEs experienced a net deterioration of 2%. Company size provides more differentiation, with micro (5%) and medium (7%) SMEs having a larger net deterioration than medium SMEs and large enterprises (1% each). Non-exporting SMEs have a larger net deterioration than exporters (6% vs 1%). In contrast, gazelles report a net improvement of 15% in the availability of this kind of financing while high-growth SMEs report a net improvement of 5%. Both are considerable better than the EU average, which is a net deterioration of 4%.

Q9_f For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past 6 months? - Credit line, bank overdraft or credit cards overdraft (% - EU)

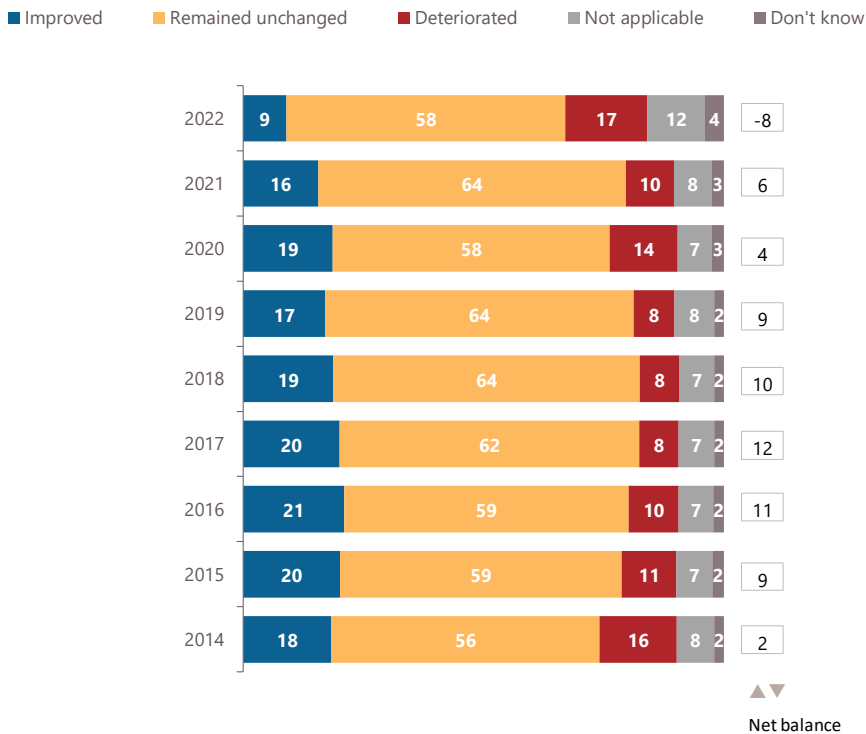
	Improved	Remained unchanged	Deteriorated	Not applicable	Don't Know	Net balance
EU27	9	68	13	8	3	-4
Sector						
Industry	10	70	12	6	3	-2
Construction	7	69	13	7	3	-6
Trade	9	68	12	8	3	-3
Services	8	66	14	8	3	-6
Size: employees						
1--9	8	64	13	11	4	-5
10--49	8	69	15	6	3	-7
50--249	10	72	11	5	2	-1
250+	10	75	11	3	2	-1
Innovativeness						
Innovative	11	65	15	6	3	-4
Non-innovative	6	72	11	8	3	-5
Growth						
Gazelle	22	56	7	15	1	15
High-growth	15	64	10	9	2	5
Exporting vs. non-exporting						
Exporters	10	69	11	6	3	-1
Non-exporters	8	67	14	8	4	-6

Bank loans

SMEs are more negative than positive about the availability of bank loans. Although 9% say availability has improved, 17% say it has deteriorated resulting in a net deterioration of 8%. This is the first net deterioration since 2014, and considerably worse than the previous low point in 2014 when there was a net improvement of 1%.

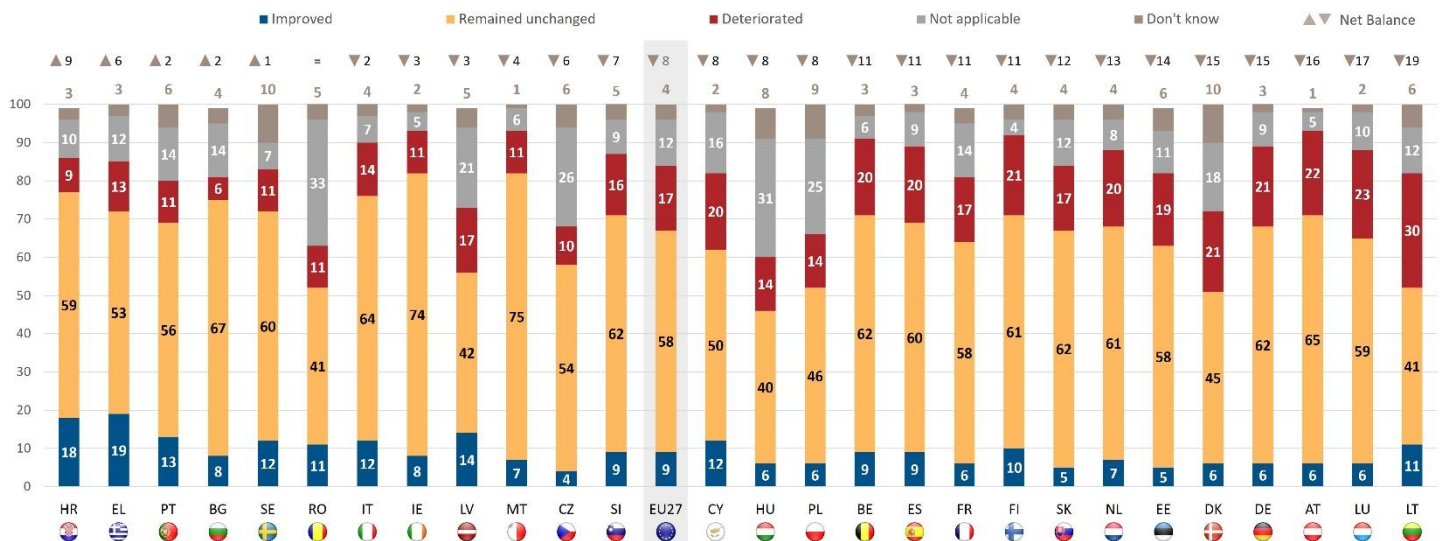
Q9_a For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past 6 months?

Bank loan (% - EU)



20 Member States SMEs have experienced a net deterioration in the availability of bank loans, and in 12 countries the decline is at least ten percentage points.³⁹ The largest net deteriorations are seen in Lithuania (19%), Luxembourg (17%) and Austria (16%). In contrast, net improvements in the availability of bank loans are seen in five countries including Croatia (9%) and Greece (6%).

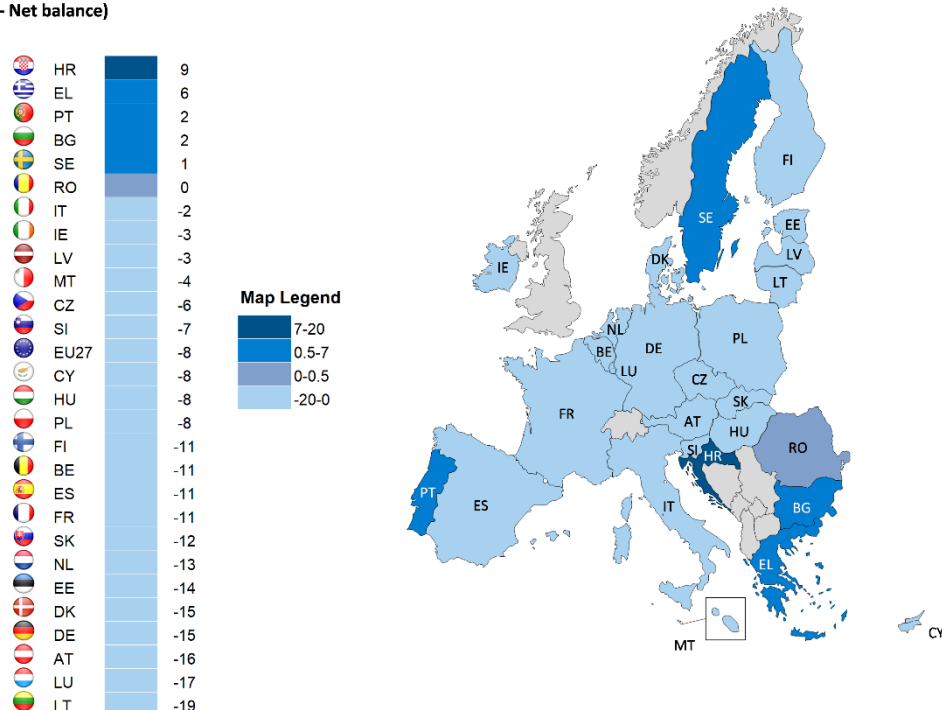
Q9_a For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past 6 months? (% - Bank loan)



³⁹ Results for Latvia, Cyprus, Luxembourg and Malta should be interpreted with caution due to low base size (50-99). The following countries are not included in the discussion of results due to very low base size (<50): Estonia.

Q9_a For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past 6 months?

Bank loan
(% - Net balance)



With the exception of gazelles and high-growth SMEs, the analysis based on company characteristics shows deterioration across all groups in the availability of bank loans. At a sector level the net deterioration is larger for construction (11%) and services sector SMEs (10%) than those in trade (5%) or industry (4%). Small (11%) and micro (9%) SMEs experienced larger net deteriorations in availability than medium SMEs and large enterprises (5% each). There is little difference between innovative and non-innovative SMEs (net deteriorations of 8% and 7% respectively), but non-exporters experienced greater deterioration than exporters (10% vs 5%). Going against the trend, and in contrast to the EU average of a net deterioration of 8%, gazelles and high growth SMEs report a net improvement in the availability of bank loans (5% and 2% respectively).

Q9_a For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past 6 months? - Bank loan
(% - EU)

	Improved	Remained unchanged	Deteriorated	Not applicable	Don't Know	Net balance
EU27	9	58	17	12	4	-8
Sector						
Industry	10	63	14	10	3	-4
Construction	7	59	18	13	4	-11
Trade	10	59	15	12	4	-5
Services	8	56	18	13	5	-10
Size: employees						
1--9	8	53	17	16	6	-9
10--49	8	59	19	11	3	-11
50--249	9	65	14	9	3	-5
250+	10	65	15	8	2	-5
Innovativeness						
Innovative	11	55	19	12	4	-8
Non-innovative	7	64	14	12	4	-7
Growth						
Gazelle	17	42	12	26	2	5
High-growth	15	55	13	12	4	2
Exporting vs. non-exporting						
Exporters	10	61	15	10	4	-5
Non-exporters	8	57	18	14	4	-10

Trade credit

Trade credit has a net deterioration in availability of -3%. 10% of EU27 SMEs indeed say that availability has improved while 13% say it has deteriorated. As is the case for the previously discussed forms of finance, this is the worst result since 2014. It also reverses the trend of improvement seen between 2020 and 2021.

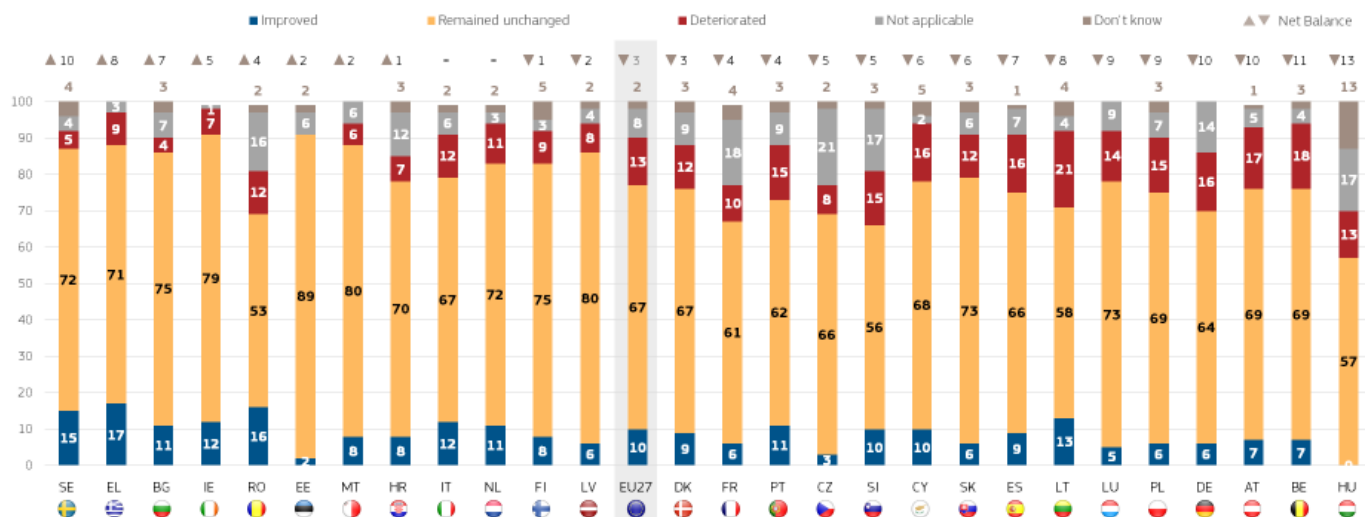
Q9_b For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past 6 months?

Trade credit (% - EU)



SMEs in 15 countries experiences a net deterioration in the availability of trade credit, with the largest seen in Hungary (13%), Belgium (11%), Austria and Germany (10% each).⁴⁰ Hungary is the only country in which nobody reported a net improvement. There was a net improvement in seven countries including Sweden (10%), Greece (8%) and Bulgaria (7%).

Q9_b For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past 6 months?
(% - Trade credit)



⁴⁰ Results for the following countries should be interpreted with caution due to low base size (50-99): Denmark, Austria, Czechia, Lithuania, Malta, Cyprus, Slovenia, Hungary, Croatia. The following countries are not included in the discussion of results due to very low base size (<50): Estonia, Latvia, Luxembourg.

As is the case for credit lines/overdrafts and bank loans, gazelles (10%) and high-growth SMEs (4%) are the only groups to have experienced a net improvement in the availability of trade credit. All other groups report a net deterioration. Across sectors, construction SMEs are the most negative (net deterioration of 6%), and services the least so (net deterioration of 2%). Large enterprises experienced the worst net deterioration (7%), particularly compared to SMEs (2%-4%). Innovative SMEs experienced a slightly smaller net deterioration than non-innovators (2% vs 4%), and the same pattern applies comparing exporters and non-exporters (3% vs 4%).

Q9_b For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past 6 months? - Trade credit
(% - EU)

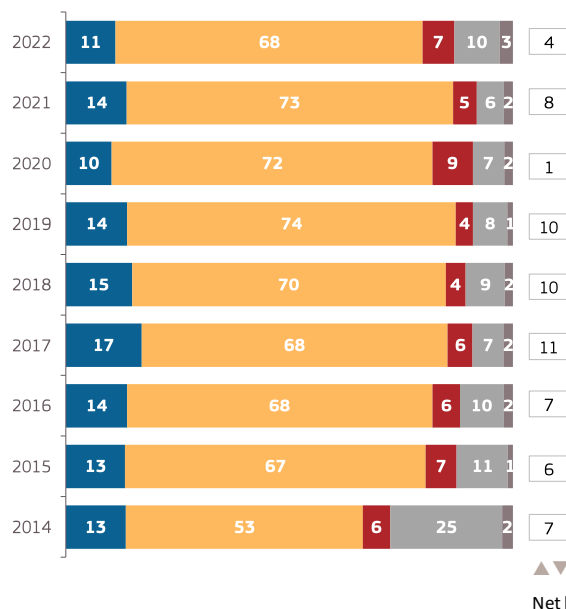
	Improved	Remained unchanged	Deteriorated	Not applicable	Don't Know	Net balance
EU27	10	67	13	8	2	-3
Sector						
Industry	9	70	13	6	2	-4
Construction	9	65	15	8	3	-6
Trade	10	68	13	7	2	-3
Services	10	65	12	11	2	-2
Size: employees						
1--9	9	63	13	12	3	-4
10--49	10	68	13	7	2	-3
50--249	11	70	13	5	2	-2
250+	7	72	14	5	1	-7
Innovativeness						
Innovative	13	62	15	8	2	-2
Non-innovative	6	73	10	8	2	-4
Growth						
Gazelle	15	60	5	18	3	10
High-growth	15	65	11	7	2	4
Exporting vs. non-exporting						
Exporters	10	68	13	7	2	-3
Non-exporters	9	66	13	9	2	-4

Equity capital

SMEs are more positive about the availability of equity capital. With 11% saying availability has improved and 7% that it has deteriorated availability of equity capital has a net improvement of 4% in 2022. This is the second consecutive year with a net improvement in availability.

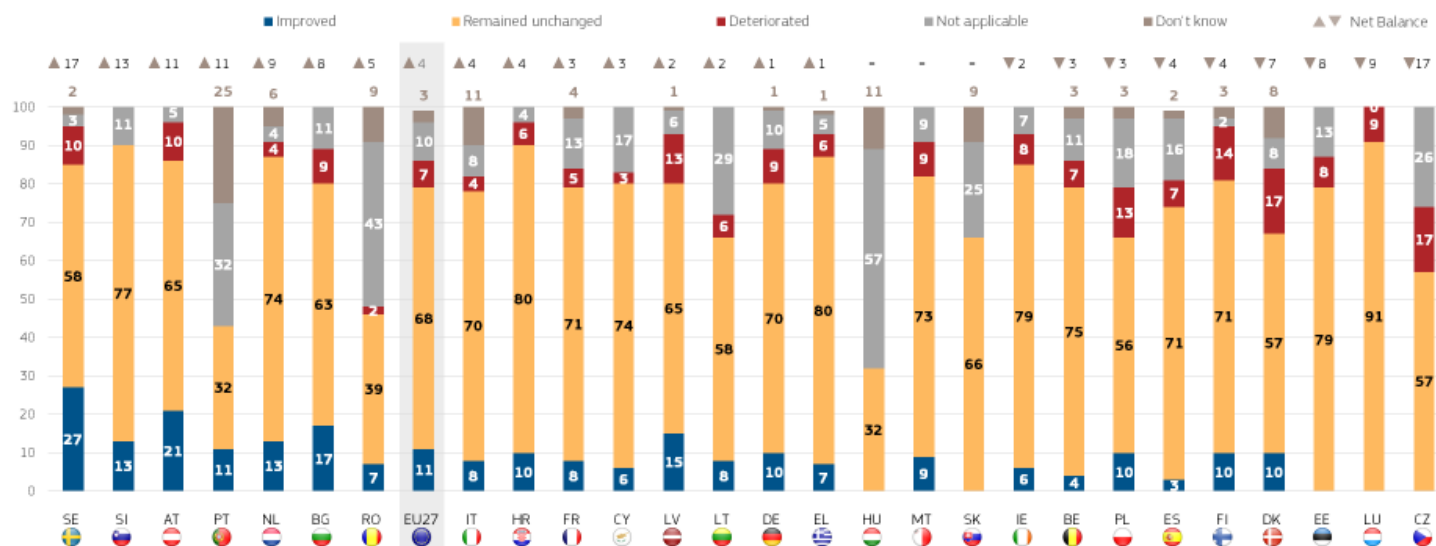
Q9_c For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past 6 months?
Equity (% - EU)

■ Improved ■ Remained unchanged ■ Deteriorated ■ Not applicable ■ Don't know



National level analysis is not entirely possible due to low (50-99) or extremely low (<50) base size in all countries. The chart below should be interpreted with high caution.

Q9_c For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past 6 months?
(% - Equity)



With the exception of industry sector (net deterioration of 1%), SMEs report a net improvement in the availability of equity capital. SMEs in the trade sector experienced the largest net improvement (5%), but construction and services sector SMEs (3% each) also saw improvement in availability of this type of finance. There is little variation based on company size. Exporting SMEs have a slightly higher net improvement than non-exporters (5% vs 3%), but the reverse is true comparing innovators and non-innovators (3% vs 4%). Gazelles (16%) and high-growth enterprises (9%) experienced the strongest net improvement of any group, with both results notably higher than the EU average.

Q9_c For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past 6 months? - Equity
(% - EU)

	Improved	Remained unchanged	Deteriorated	Not applicable	Don't Know	Net balance
EU27	11	68	7	10	3	4
Sector						
Industry	7	69	8	11	3	-1
Construction	8	67	5	17	3	3
Trade	10	73	5	9	3	5
Services	12	67	9	10	3	3
Size: employees						
1--9	10	67	8	13	3	2
10--49	11	69	8	9	3	3
50--249	11	70	7	8	4	4
250+	9	71	6	10	4	3
Innovativeness						
Innovative	12	64	9	10	4	3
Non-innovative	9	74	5	11	2	4
Growth						
Gazelle	18	63	2	15	1	16
High-growth	16	64	7	10	3	9
Exporting vs. non-exporting						
Exporters	12	70	7	8	3	5
Non-exporters	10	68	7	13	3	3

Changes in the need for external financing

This section of the report reviews the need for bank loans and leasing or hire purchase amongst SMEs, including longer-term trends. Net changes are presented and were calculated using increases minus decreases.

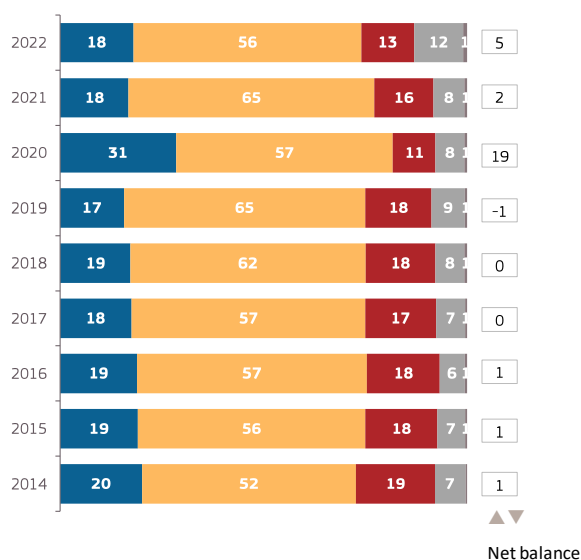
Bank loans

In 2022, 18% of SMEs in the EU report an increased need for bank loans, while 13% report a decreased need, resulting in a net increase in need of 5%. This is more than double the net increase seen in 2021, and higher than the period 2014–2019. However, it remains considerably lower than the peak in 2020 when the net increase was 19%.

Q5_a For each of the following types of external financing, please indicate if your needs increased, remained unchanged or decreased over the past 6 months?

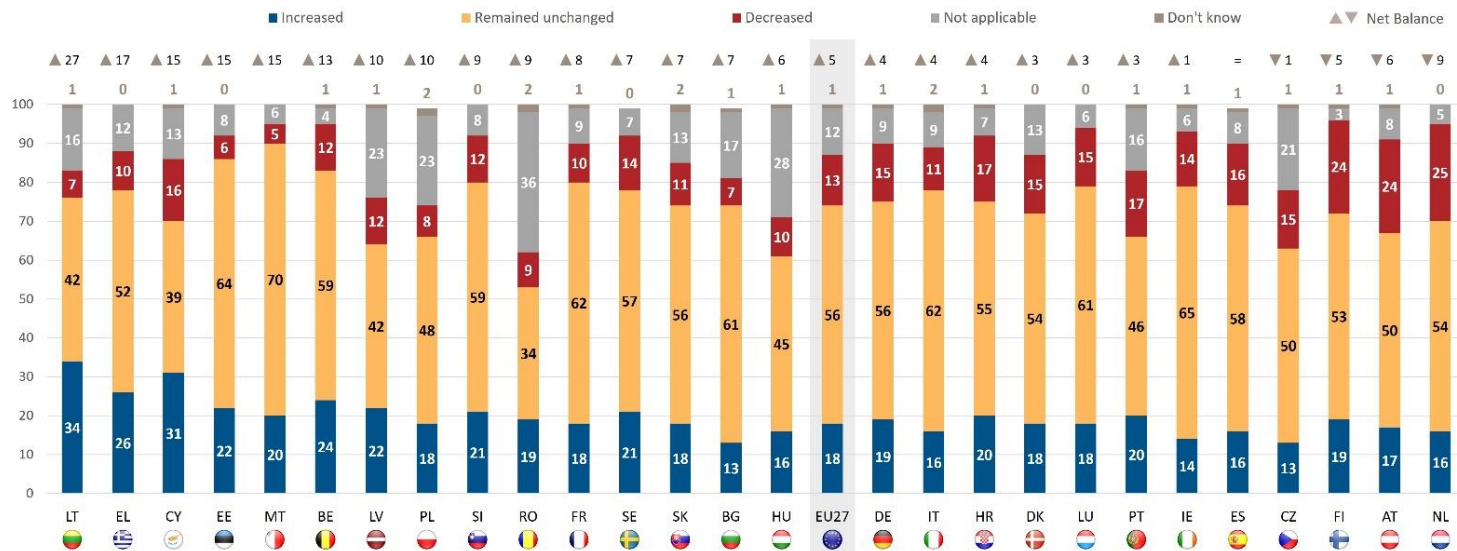
Bank loans (% - EU)

■ Improved ■ Remained unchanged ■ Deteriorated ■ Not applicable ■ Don't know

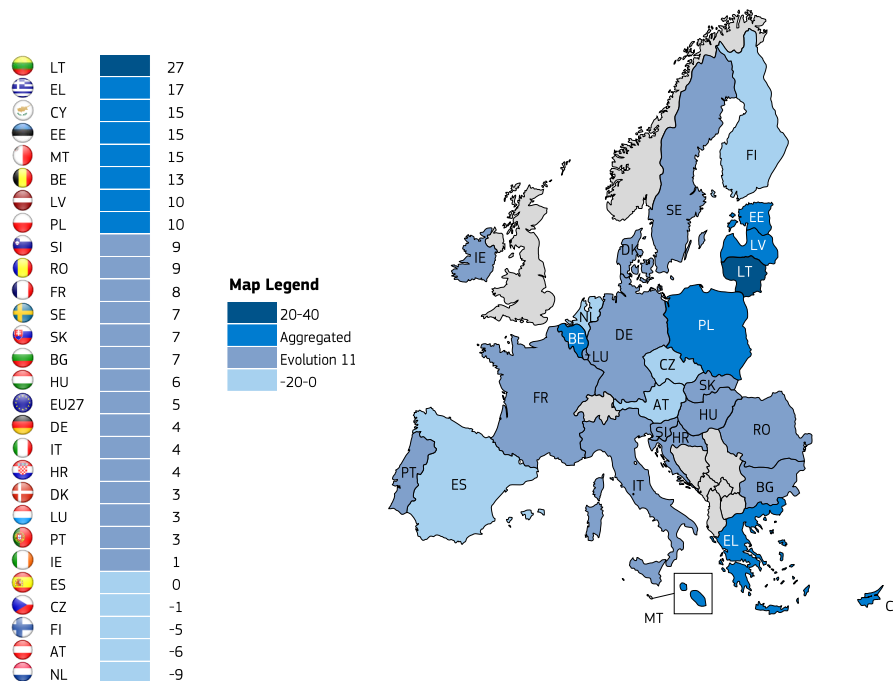


In 21 Member States SMEs experienced a net increase in the need for bank loans, with the net increase in Lithuania (27%) considerably larger than for other countries.⁴¹ A further seven countries had a net increased need of at least 10%, including Greece (17%), Estonia, Malta and Cyprus (15% each), Belgium (13%) and Latvia and Poland (10%). Four countries experienced a net decrease in the need for bank loans: the Netherlands (9%), Austria (6%), Finland (5%) and Czechia (1%).

Q5_a For each of the following types of external financing, please indicate if your needs increased, remained unchanged or decreased over the past 6 months? (% - Bank loans)



Q5_a For each of the following types of external financing, please indicate if your needs increased, remained unchanged or decreased over the past 6 months? Bank loans (% - Net balance)



⁴¹ Results for Latvia, Cyprus, Luxembourg and Malta should be interpreted with caution due to low base size (50-99). The following countries are not included in the discussion of results due to very low base size (<50): Estonia.

A review of company characteristics shows all groups experienced a net increase in the need for bank loans in 2022. Across sectors, SMEs in construction and industry (9% each) experienced a greater increase in need for bank loans than those in trade (6%) and particularly services (2%). Large enterprises (15%) and medium SMEs (9%) experienced a higher increase in need than smaller SMEs (3%). The chart below also illustrates a greater increased need amongst innovative SMEs (8% vs 1% for non-innovators) and exporters (8% vs 3% for non-exporters). The increase in need amongst gazelles (12%) and high-growth SMEs (11%) is higher than the EU average (5%).

Q5a For each of the following types of external financing, please indicate if your needs increased, remained unchanged or decreased over the past 6 months? - Bank loans (% - EU)

	Increased	Remained unchanged	Decreased	Not applicable	Don't Know	Net balance
EU27	18	56	13	12	1	5
Sector						
Industry	22	53	14	10	1	9
Construction	19	58	10	13	1	9
Trade	19	56	13	11	1	6
Services	16	56	14	12	1	2
Size: employees						
1--9	15	55	12	16	1	3
10--49	18	57	14	10	1	3
50--249	23	55	14	8	1	9
250+	29	50	14	6	1	15
Innovativeness						
Innovative	21	52	13	12	1	8
Non-innovative	15	60	14	10	1	1
Growth						
Gazelle	20	50	8	19	2	12
High-growth	24	50	13	11	2	11
Exporting vs. non-exporting						
Exporters	21	55	13	10	1	8
Non-exporters	16	57	14	12	1	3

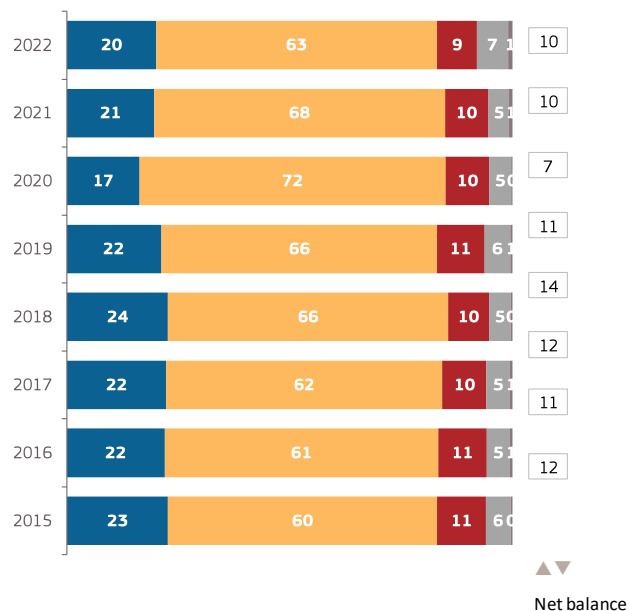
Leasing or hire-purchase

One in five (20%) SMEs in EU27 say they have an increased need leasing or hire purchase for this type of external finance, while 9% say their need has decreased, resulting in a net increased need of 10%. This is the same as 2021 but slightly lower than the period 2015-2019.

Q5_g For each of the following types of external financing, please indicate if your needs increased, remained unchanged or decreased over the past 6 months?

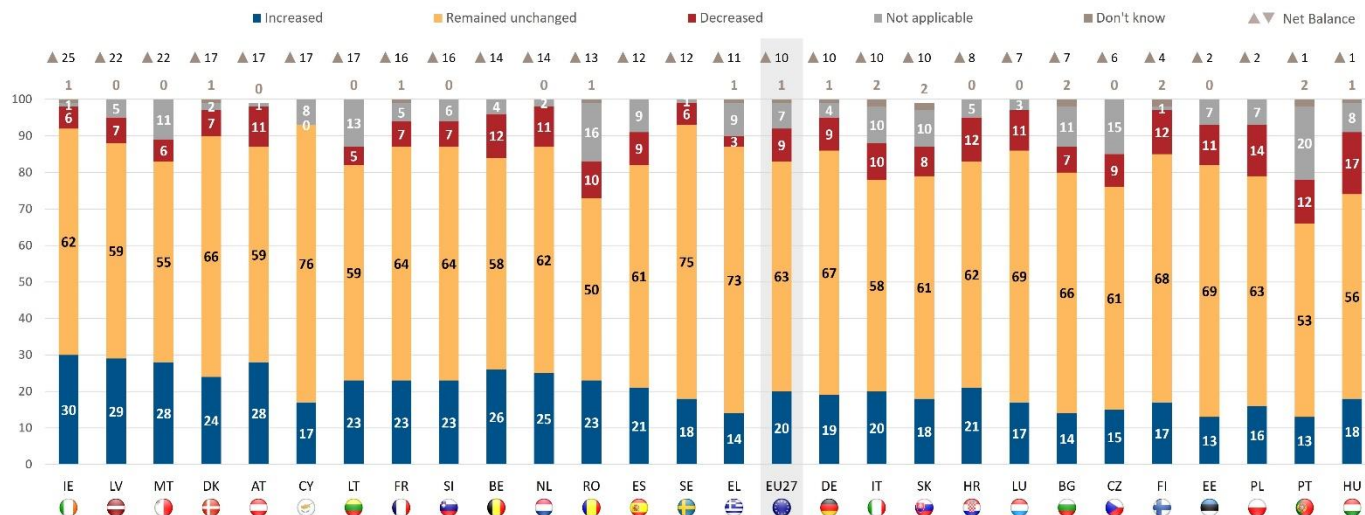
Leasing or hire-purchase
(% - EU)

■ Increased ■ Remained unchanged ■ Decreased ■ Not applicable ■ Don't know



In every Member State, SMEs experienced a net increase in the need for leasing or hire-purchase, and in 16 countries the increase is at least 10 percentage points.⁴² The net increase in need ranges from 25% in Ireland and 22% in Latvia to 1% in Portugal and Hungary.

Q5_g For each of the following types of external financing, please indicate if your needs increased, remained unchanged or decreased over the past 6 months?
(% - Leasing or hire-purchase)



⁴² Results for Slovenia, Latvia and Estonia should be interpreted with caution due to low base size (50-99). The following countries are not included in the discussion of results due to very low base size (<50): Cyprus, Malta, Luxembourg.

Turning to SMEs grouped by company characteristics, every group saw a net increase in need for leasing and hire-purchase. Looking at sectors, the net increase is largest for construction SMEs (14%), particularly compared to those in trade (9%). The net increase in need also increases with company size, with the net increase for large enterprises at 17%, compared to 5% of micro-SMEs. Innovative SMEs experienced a larger net increase in need than non-innovators (13% vs 8%), and the same pattern appears when comparing exporters and non-exporters (12% vs 9%). However, across all groups the largest net increase is seen for gazelles⁴³ (15%) and high-growth SMEs (21%), with both results higher than the EU average of a net increase of 10%.

Q5g For each of the following types of external financing, please indicate if your needs increased, remained unchanged or decreased over the past 6 months? - Leasing or hire-purchase
(% - EU)

	Increased	Remained unchanged	Decreased	Not applicable	Don't Know	Net balance
EU27	20	63	9	7	1	10
Sector						
Industry	20	65	10	5	1	10
Construction	22	62	8	6	2	14
Trade	18	64	9	7	1	9
Services	20	62	10	8	1	10
Size: employees						
1--9	15	64	10	10	1	5
10--49	20	63	9	7	1	11
50--249	24	61	10	3	1	14
250+	25	63	8	3	1	17
Innovativeness						
Innovative	23	60	10	7	1	13
Non-innovative	17	66	9	7	1	8
Growth						
Gazelle	21	56	6	17	0	15
High-growth	29	56	8	7	1	21
Exporting vs. non-exporting						
Exporters	22	63	9	6	1	12
Non-exporters	18	63	10	8	1	9

⁴³ The result for gazelles should be interpreted with caution due to low base size (50-99).

Changes in the terms and conditions of bank financing

This section covers changes in the terms and conditions for bank financing for SMEs that have received bank financing, such as bank loans, overdrafts and credit lines. It focuses on the level of interest rates and collateral requirements for loans. Net changes are presented and were calculated using increases minus decreases.

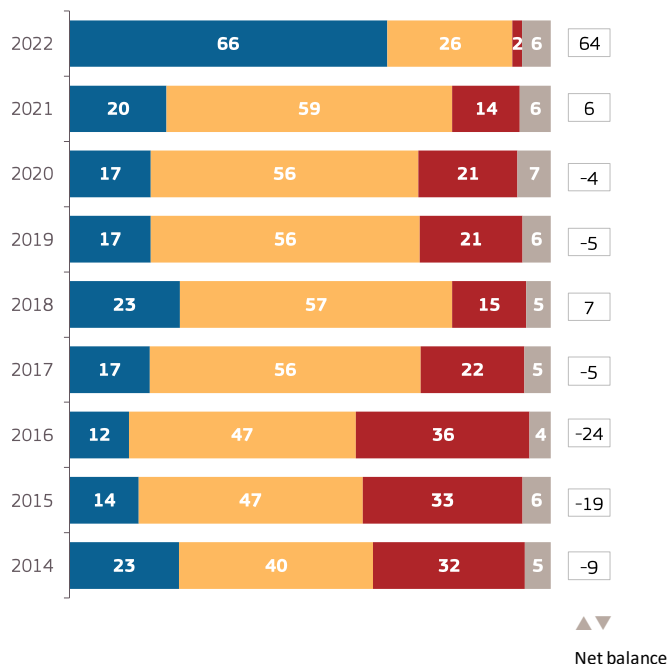
Level of interest rates

2022 presents a dramatically different picture on interest rates to previous years, with a profound deterioration for most SMEs with bank finance. Two thirds (66%) of SMEs say the interest rate on their bank finance has been increased, and, with just 2% reporting a decrease, the net deterioration is 64%. This is the worst deterioration since 2014, and by a considerable margin. The previous low was a net deterioration of 6% in 2021.

Q10_a We will turn now to the terms and conditions of bank financing, such as bank loans, overdrafts and credit lines. Please indicate whether the following items increased, remained unchanged or decreased in the past 6 months?

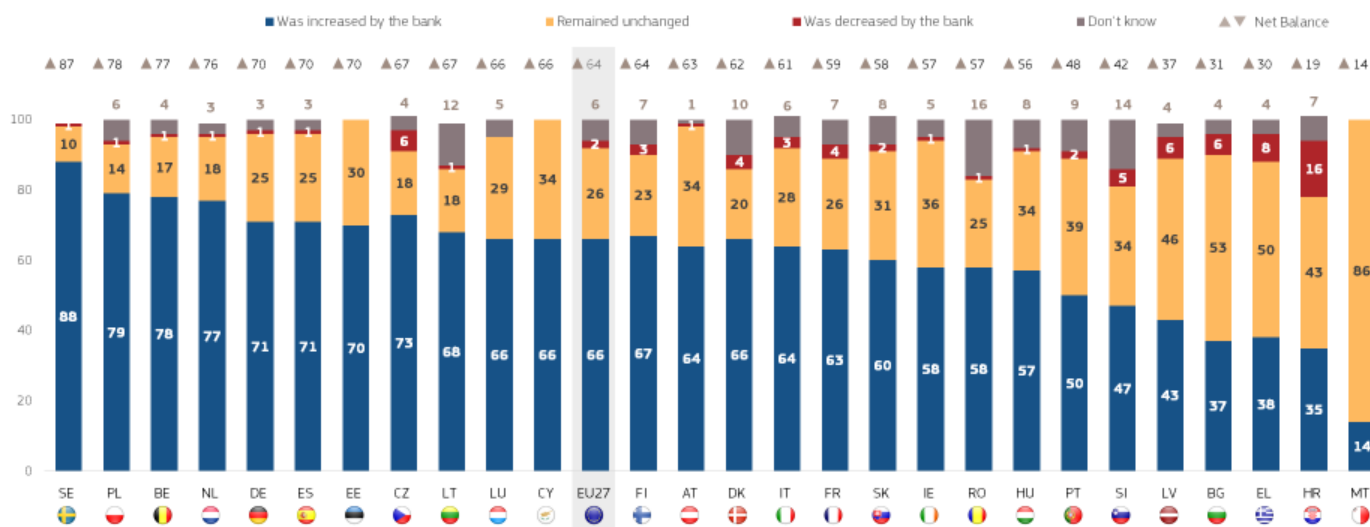
Level of interest rates (% - EU)

■ Was increased by the bank ■ Remained unchanged ■ Was decreased by the bank ■ Don't know



More than one third of SMEs in every country have experienced increases in interest rates, resulting in a significant net deterioration in every Member State.⁴⁴ Net deteriorations range from 78% in Poland, 77% in Belgium and 76% in the Netherlands to 19% in Croatia. Croatia is the only country where the net deterioration is below 30%.

Q10_a We will turn now to the terms and conditions of bank financing, such as bank loans, overdrafts and credit lines. Please indicate whether the following items increased, remained unchanged or decreased in the past 6 months? (% - Level of interest rates)



⁴⁴ Results for the following countries should be interpreted with caution due to low base size (50-99): Finland, Bulgaria, Greece, Austria, Netherlands, Czechia; Hungary, Croatia, Ireland, Lithuania, Denmark. The following countries are not included in the discussion of results due to very low base size (<50): Estonia, Luxembourg, Sweden, Latvia, Cyprus, Malta.

The analysis of company characteristics shows every group has experienced a significant net deterioration in interest rates. At a sector level, industry (69%) and services (65%) SMEs experienced a larger net deterioration than SMEs in trade (63%) or construction (67%). The net deterioration also increases with company size, with the largest difference seen between large enterprises (net deterioration of 77%) and micro-SMEs (60%). There is little difference based on the innovativeness of the SME, or whether or not they export. Interestingly, high-growth enterprises experienced a net deterioration below the EU average (59% vs 64%).⁴⁵

Q10_a We will turn now to the terms and conditions of bank financing, such as bank loans, overdrafts and credit lines. Please indicate whether the following items increased, remained unchanged or decreased in the past 6 months? - Level of interest rates (% - EU)

	Was increased by the bank	Remained unchanged	Was decreased by the bank	Don't Know	Net balance
EU27	66	26	2	6	66
Sector					
Industry	69	24	2	5	68
Construction	67	26	1	5	65
Trade	63	28	2	7	61
Services	65	27	2	6	65
Size: employees					
1--9	60	28	3	9	59
10--49	65	29	1	4	63
50--249	71	22	2	4	70
250+	77	19	1	3	77
Innovativeness					
Innovative	67	25	2	6	65
Non-innovative	65	29	2	4	65
Growth					
Gazelle	39	42	8	11	36
High-growth	62	30	3	6	62
Exporting vs. non-exporting					
Exporters	66	26	2	5	64
Non-exporters	65	27	2	6	65

⁴⁵ The results for gazelles are not include due to very low base size (<50).

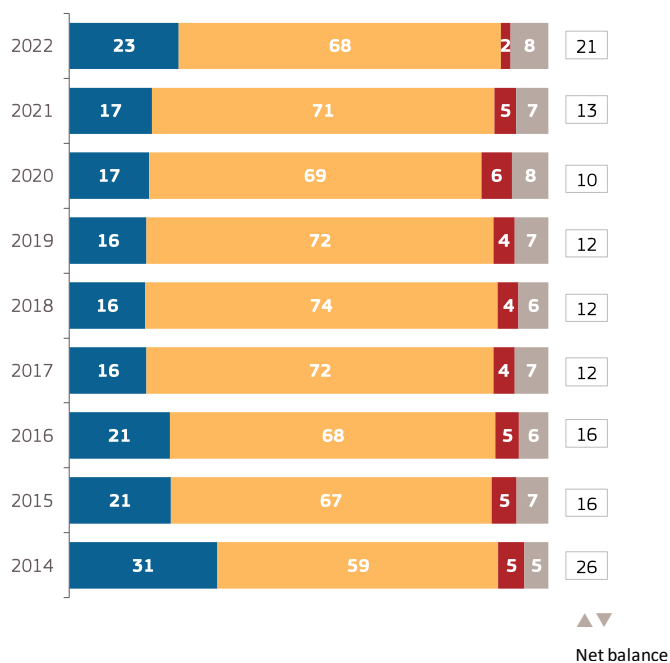
Collateral requirements

Banks may require collateral from the borrower as a form of security for the repayment of the loan, often in the form of fixed assets. Although collateral requirements have continuously been reported as a net deterioration, the position has worsened considerably in 2022. 23% of SMEs say their collateral requirements were increased by the bank, and 2% say they were decreased leading to a net deterioration of 21%. This is the second largest deterioration since 2014, and only 2014 has a worse position (net deterioration of 26%).

Q10_e We will turn now to the terms and conditions of bank financing, such as bank loans, overdrafts and credit lines. Please indicate whether the following items increased, remained unchanged or decreased in the past 6 months?

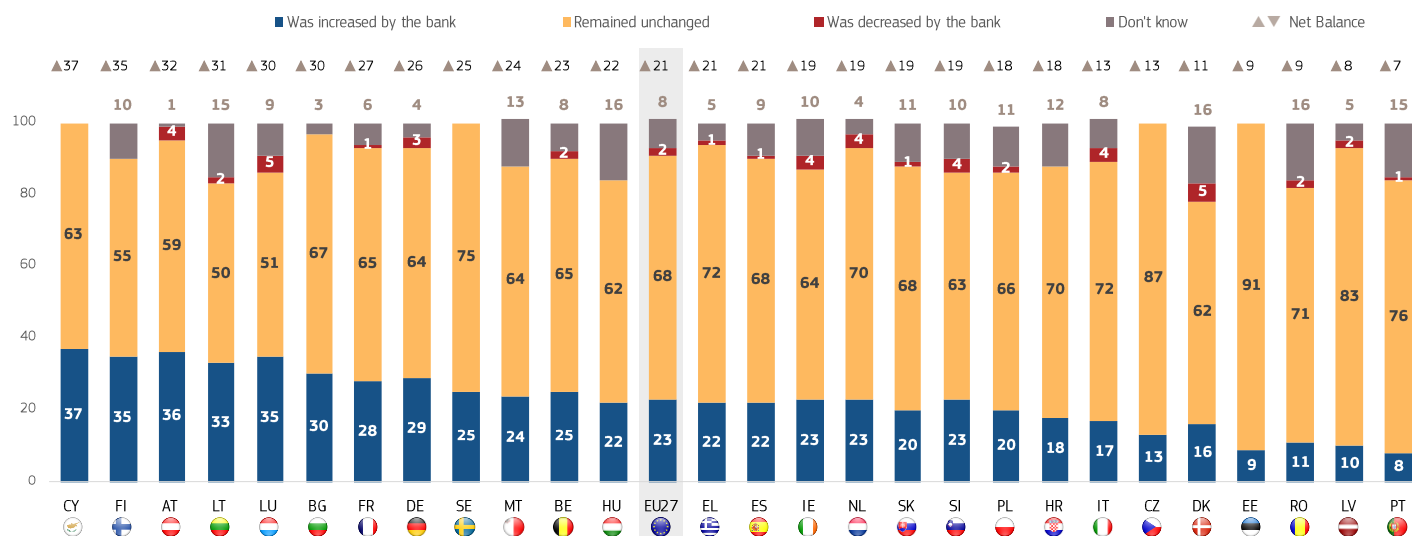
Collateral requirements (% - EU)

■ Was increased by the bank ■ Remained unchanged ■ Was decreased by the bank ■ Don't know



In every Member State SMEs report a net deterioration in collateral requirements, and in all but two countries the decline is at least 10 percentage points.⁴⁶ The largest net deteriorations are seen in Finland (35%), Austria (32%) and Lithuania (31%), and the smallest in Portugal (7%) and Romania (9%).

Q10_e We will turn now to the terms and conditions of bank financing, such as bank loans, overdrafts and credit lines. Please indicate whether the following items increased, remained unchanged or decreased in the past 6 months? (% - Collateral requirements)



A review of company characteristics shows a net deterioration for all groups, representing a net increase in collateral requirements. Across sectors the net deterioration is largest for construction and services sector SMEs (24% each), particularly compared to trade SMEs (16%). Small (23%) and micro-SMEs (22%) experienced larger net deteriorations than medium SMEs (17%) or large enterprises (13%). Innovative SMEs experienced a slightly larger net deterioration than non-innovators (22% vs 19%), but the pattern is reversed when comparing exporters and non-exporters (17% vs 23%). Compared to the EU27 average, high-growth SMEs (17%) and gazelles (12%) have experienced a smaller net deterioration in collateral requirements.

Q10_e We will turn now to the terms and conditions of bank financing, such as bank loans, overdrafts and credit lines. Please indicate whether the following items increased, remained unchanged or decreased in the past 6 months? - Collateral requirements (% - EU)

	Was increased by the bank	Remained unchanged	Was decreased by the bank	Don't Know	Net balance
EU27	23	68	2	8	21
Sector					
Industry	21	69	2	8	19
Construction	24	66	0	10	24
Trade	18	72	2	8	16
Services	26	65	2	7	24
Size: employees					
1--9	24	63	2	10	22
10--49	25	66	2	7	23
50--249	19	73	2	6	17
250+	14	79	1	5	13
Innovativeness					
Innovative	25	65	3	7	22
Non-innovative	20	71	1	7	19
Growth					
Gazelle	17	63	5	15	12
High-growth	20	67	3	11	17
Exporting vs. non-exporting					
Exporters	20	70	3	8	17
Non-exporters	25	66	2	8	23

⁴⁶ Results for the following countries should be interpreted with caution due to low base size (50-99): Finland, Bulgaria, Greece, Austria, Netherlands, Czechia; Hungary, Croatia, Ireland, Lithuania, Denmark. The following countries are not included in the discussion of results due to very low base size (<50): Estonia, Luxembourg, Sweden, Latvia, Cyprus, Malta.

III. OUTLOOK FOR THE FUTURE



Key findings

Optimism about growth in annual turnover has declined considerably since 2021, with 54% of SMEs in the EU now expecting turnover growth to some degree (-13 percentage points). More than four in ten (45%) SMEs expect moderate growth while 9% expect substantial growth. There is also considerable variation at the national level, with expectations of growth ranging from 79% of SMEs in Malta to 44% in Germany and Hungary.

Confidence in talking with banks about financing and obtaining the desired results has declined seven percentage points since 2021 and now sits at 60%. Confidence varies from a majority of SMEs in Austria (78%) to a minority in Lithuania (38%). Although lower, confidence in talking with equity investors and venture capital enterprises about financing and obtaining the desired results has remained relatively stable since 2021 (21%, -1 percentage point). SMEs in Germany (38%) are the most likely to be confident having these discussions, with those in Slovenia the least likely to be confident (5%).

As was the case in 2021, in order to finance future growth ambitions debt financing via loans remains much more popular than financing through equity investment. Bank loans (63%) are preferred over other loans (14%), while 6% prefer equity investments as a source of external finance. Although still the most popular, the preference for bank loans has been slightly declining compared to the 2018-2021 period.

Amongst SMEs with growth plans in the next two to three years, interest rates or a too high price is the most mentioned limitation to accessing future finance, with mentions increasing considerably since 2021 (26%, +14 percentage points). This is also seen as the main barrier by more than one in ten SMEs in each Member State. One in ten (10%, -2 pp) say insufficient collateral or guarantee is a barrier. Although more than one third (36%) of SMEs see no obstacles to accessing finance in the future, this represents an 11-point decline since 2021 and is the second lowest level after 2014.

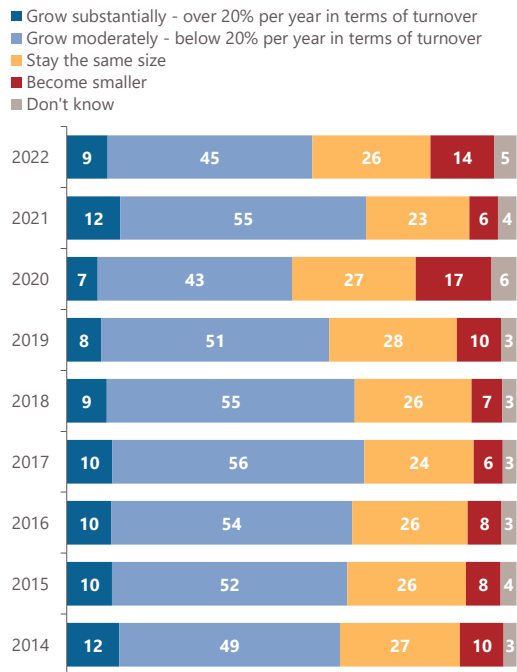
The amount SMEs with growth plans need to finance their ambitions has remained relatively stable over time, with 52% of them looking for up to EUR 250 000. There is a strong relationship between company size and the level of finance looked for: the larger the company, the more likely it is to be looking for more than EUR 250 000.

SMEs expectations about the availability of different types of external financing in the next six months are universally pessimistic. Reversing the trend of 2021, SMEs in 2022 are expecting a net deterioration in the availability of all types of finance. The only other time this has occurred is in 2020, the first year of the pandemic. The net deteriorations in expected availability of bank loans (30%), credit line, bank overdraft or credit cards overdraft (25%), trade credit (21%), leasing and hire purchase (15%) and other loans (12%) are all the largest on record since 2014.

Expected growth SMEs

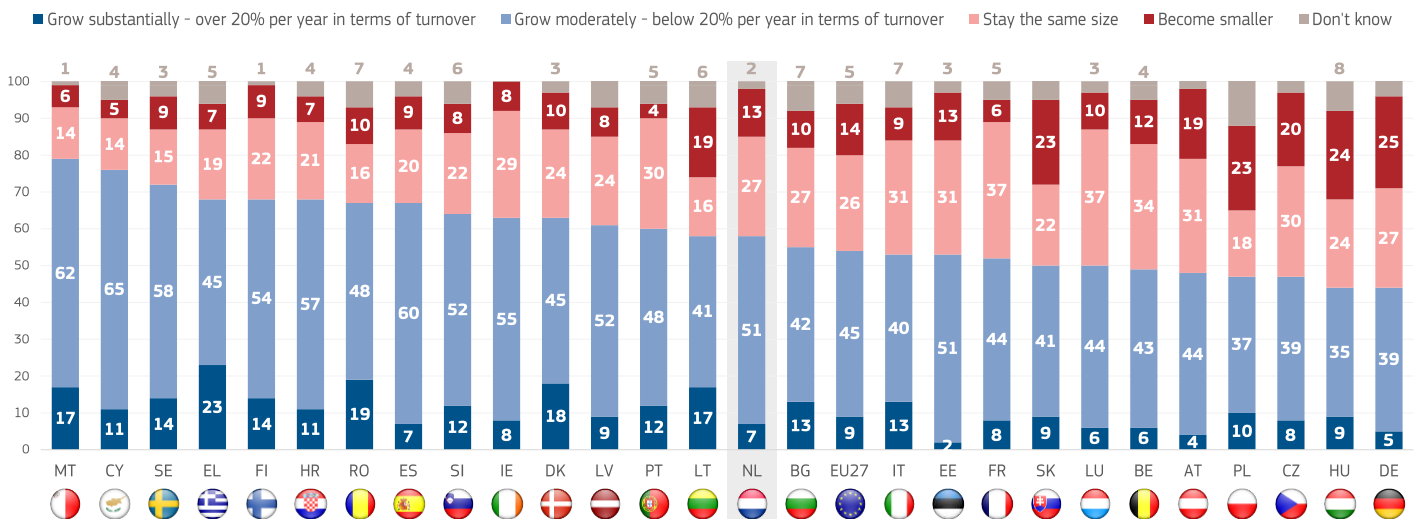
SMEs have become less optimistic about their growth in turnover in the next two to three years. Although more than half (54%) expect turnover to grow to some degree, this represents a significant decline since 2021 (-13 percentage points). Most SMEs expect moderate growth (45%, -10 pp since 2020), while 9% (-3 pp) expect substantial growth. The proportion that thinks growth will become smaller is now 14%, an increase of eight points since 2021 and the second highest level after 2020.

Q17 Considering the turnover over the next two to three years (2022-2024), how much does your enterprise expect to grow per year? (% - EU)



More than four in ten SMEs in every Member State expect to grow to some degree in the next two to three years, although proportions vary from 79% of SMEs in Malta, 76% in Cyprus and 72% in Sweden to 44% in Germany and Hungary.⁴⁷ When it comes to substantial growth, SMEs in Greece (23%), Romania (19%) and Denmark (18%) are the most likely to be optimistic about growth in turnover of over 20% per year. In contrast to this optimism, in 15 countries at least one in ten SMEs expect turnover to decline, with the largest proportions seen in Germany (25%), Hungary (24%), Slovakia and Poland (23% each).

Q17 Considering the turnover over the next two to three years (2022-2024), how much does your enterprise expect to grow per year? (%)



⁴⁷ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

When SMEs are split by company characteristics, the results show more than four in ten in each group expect moderate to substantial growth in turnover in the next two to three years. An optimistic outlook is more common amongst SMEs in the industry and services sector (56% each) than in trade (52%) or construction (47%). Optimism also increases with company size: 71% of large SMEs expect moderate to substantial growth, compared to 49% of micro-SMEs.

There is a large difference in growth expectations based on innovation, with innovative SMEs much more likely to be optimistic than non-innovators (63% vs 48%). SMEs that export are also more likely to anticipate growth than those that do not export (60% vs 51%). Finally, more than three quarters of gazelles (77%) and 71% of high-growth SMEs expect to grow moderately to substantially, and in both cases the result is well above the EU average (54%).

Q17 Considering the turnover over the next two to three years (2022-2024), how much does your enterprise expect to grow per year?
(% - EU)

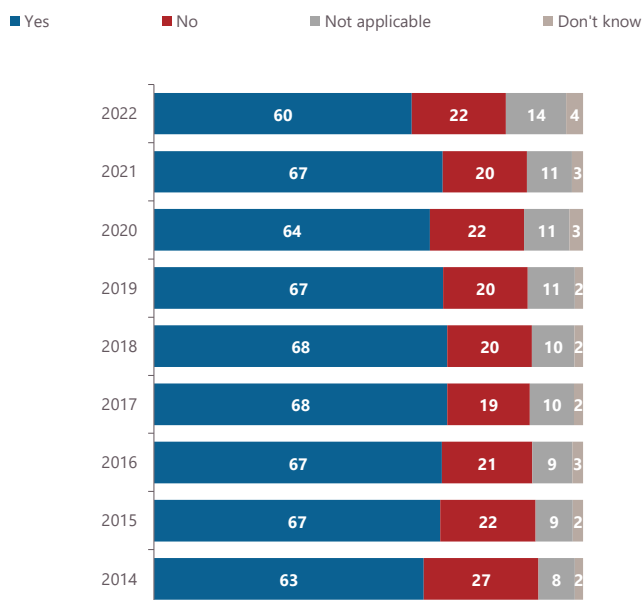
	Grow substantially - over 20% per year in terms of turnover	Grow moderately - below 20% per year in terms of turnover	Stay the same size	Become smaller	Don't Know
EU27	9	45	26	14	5
Sector					
Industry	10	46	24	14	6
Construction	9	38	30	17	6
Trade	8	44	25	17	5
Services	10	46	26	13	5
Size: employees					
1--9	10	39	29	16	6
10--49	9	45	25	15	6
50--249	8	54	22	11	4
250+	5	66	16	10	3
Innovativeness					
Innovative	14	49	20	12	4
Non-innovative	6	42	32	16	5
Growth					
Gazelle	42	35	14	7	2
High-growth	25	46	15	9	5
Exporting vs. non-exporting					
Exporters	11	49	23	13	5
Non-exporters	9	42	28	15	6

Confidence in being able to get future financing

Financing plays an important role in SMEs ability to grow and increase turnover. However, confidence in talking with banks, equity investors and venture capital enterprises and obtaining the desired finance is at an all-time low (60%).

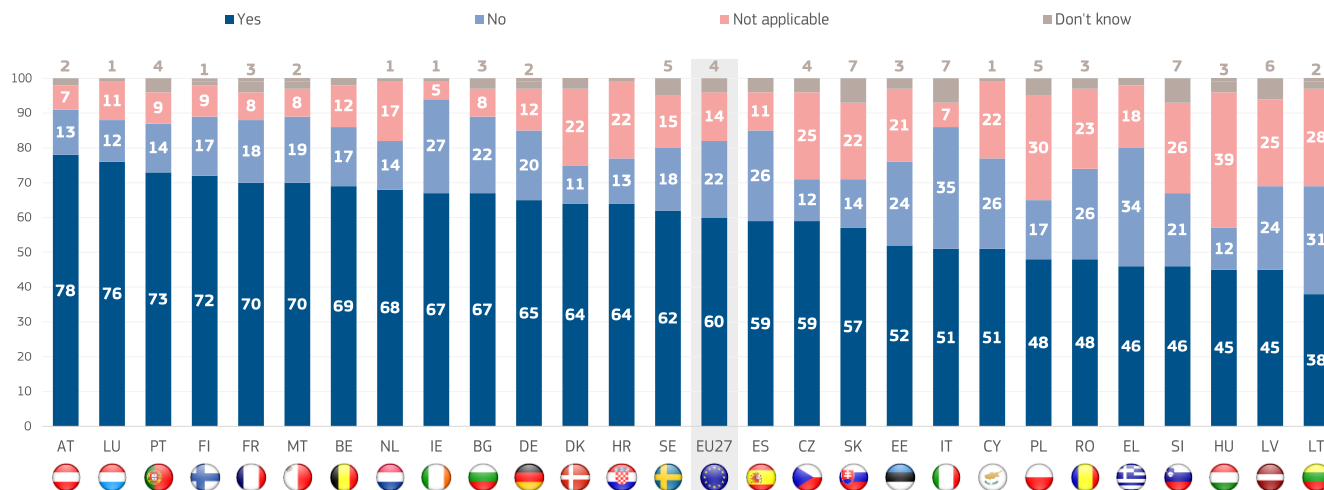
In 2022 60% of SMEs are confident to have these conversations with banks and be successful. This is a seven-percentage point decline compared to 2021, and the lowest level of confidence since 2014. However, it is worth noting that the proportion who are not confident has only increased slightly (22%, +2 pp) and is still lower than the highest level of 27% in 2014. The proportion of SMEs that say this is not applicable to them has increased three points since 2021 and is now at its highest level (14%).

Q19a Do you feel confident talking about financing with banks and that you will obtain the desired results?
(% - EU)



Confidence in talking with banks about financing and obtaining the desired results varies considerably between Member States.⁴⁸ At least seven in ten SMEs in Austria (78%), Luxembourg (76%), Portugal (73%), Finland (72%), France and Malta (70% each) are confident to have these discussions successfully, compared to 38% in Lithuania and 45% in Latvia and Hungary.

Q19A Do you feel confident talking about financing with banks and that you will obtain the desired results?
(%)



⁴⁸ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

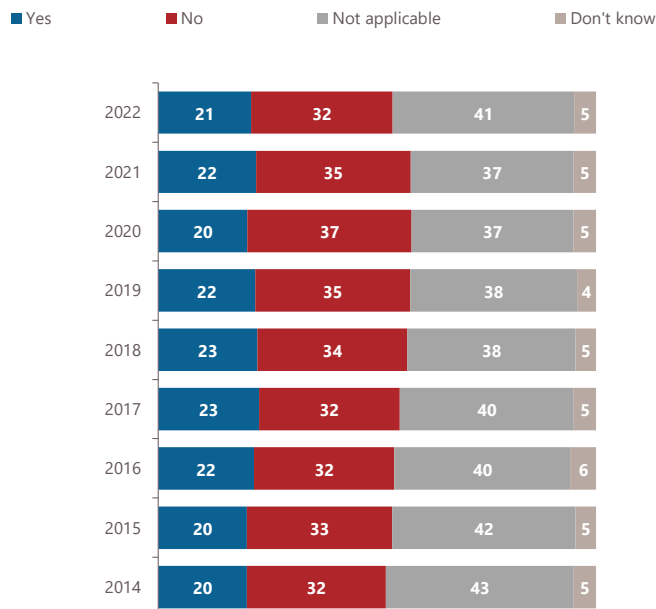
A review of the results by company characteristics shows a majority of SMEs in each group are confident talking about financing with banks and getting their desired outcome, but there are some differences. Confidence is higher amongst industry (64%) and trade (62%) SMEs than those in the services (59%) and construction (58%) sectors. Confidence also increases with company size: in particular, micro-SMEs (52%) are much less likely to be confident than larger enterprises. SMEs that export are more confident to have these discussions successfully than non-exporters (64% vs 59%), and the same pattern applies comparing innovative and non-innovative SMEs (63% vs 60%). The results also show high-growth SMEs are slightly more likely to be confident than the EU average (63% vs 60%).

Q19a Do you feel confident talking about financing with banks and that you will obtain the desired results?
(% - EU)

	Yes	No	Not applicable	Don't Know
EU27	60	22	14	4
Sector				
Industry	64	20	12	3
Construction	58	24	15	4
Trade	62	20	14	4
Services	59	23	15	4
Size: employees				
1--9	52	26	18	4
10--49	64	21	12	4
50--249	71	15	11	3
250+	74	10	12	3
Innovativeness				
Innovative	63	22	11	3
Non-innovative	60	21	16	3
Growth				
Gazelle	59	25	12	5
High-growth	63	22	11	4
Exporting vs. non-exporting				
Exporters	64	19	13	4
Non-exporters	59	23	15	4

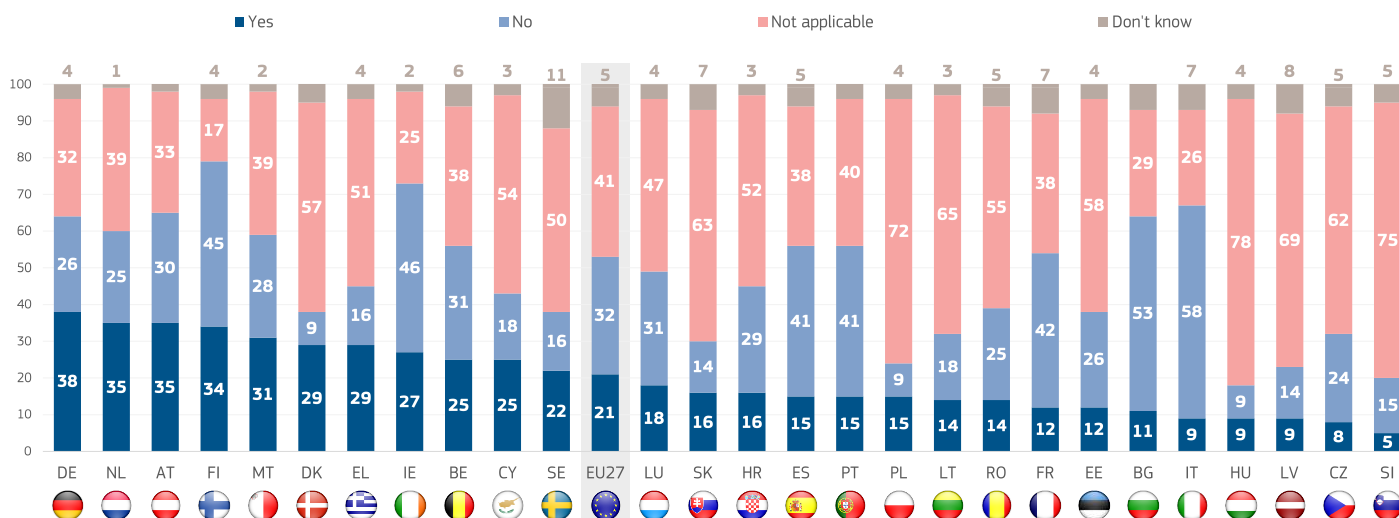
In contrast to the results for banks, confidence in talking with equity investors and venture capital enterprises about financing and obtaining the desired results has remained relatively stable. Just over one in five SMEs (21%, -1 percentage point since 2021) with plans to grow in the next two-three years are confident to have these conversations successfully, while 32% (-3 pp) are not. The proportion who are not confident is now equal to the lowest point first seen in 2017.

Q19b Do you feel confident talking about financing with equity investors/venture capital enterprises and that you will obtain the desired results? (% - EU)



At a national level, confidence in having successful financing conversations with equity investors or venture capital enterprises is relatively low in all countries compared to confidence having these conversations with a bank. SMEs in Germany (38%), Austria and the Netherlands (35% each) are most likely to express confidence, while those in Slovenia (5%) and Czechia (8%) are the least likely to do so.⁴⁹

Q19B Do you feel confident talking about financing with equity investors/venture capital enterprises and that you will obtain the desired results? (%)



⁴⁹ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

The chart below shows there is little difference between the proportion of SMEs in each sector that are confident to have successful discussions about financing with equity investors or venture capital enterprises. However, confidence does increase with company size: 29% of large enterprises say they are confident, compared to 18% of micro-SMEs. Innovative firms are slightly more confident to have these conversations (23% vs 20% of non-innovators), as are exporters (23% vs 20% of non-exporters). High-growth SMEs (26%) and gazelles (23%) are also more confident to have these discussions than the EU average (21%).

Q19b Do you feel confident talking about financing with equity investors/venture capital enterprises and that you will obtain the desired results?
(% - EU)

	Yes	No	Not applicable	Don't Know
EU27	21	32	41	5
Sector				
Industry	21	30	43	5
Construction	20	33	41	6
Trade	20	33	42	5
Services	22	33	41	5
Size: employees				
1--9	18	35	42	5
10--49	23	32	39	6
50--249	25	26	43	5
250+	29	21	44	5
Innovativeness				
Innovative	23	33	38	5
Non-innovative	20	33	43	4
Growth				
Gazelle	23	37	38	2
High-growth	26	33	36	5
Exporting vs. non-exporting				
Exporters	23	30	42	5
Non-exporters	20	34	41	5

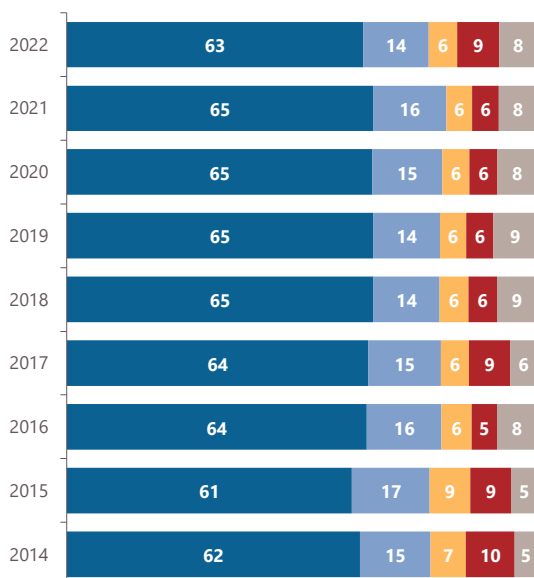
External financing in the future

Preferred type of financing

As has been the case in previous years, debt financing remains much more popular than equity investments as a source of external finance to support SMEs' growth ambitions. Bank loans are the preferred source of financing for a majority of SMEs with plans to grow in the next two-three years, although this preference has been declining since 2018. More than six in ten (63%, -2 percentage points compared to 2021) prefer bank loans to realise their growth ambitions, the lowest level seen since 2014-2015. Loans from other sources are preferred by 14% (-2 pp), while 6% (no change) prefer equity investment and 9% (+3 pp) prefer other sources.

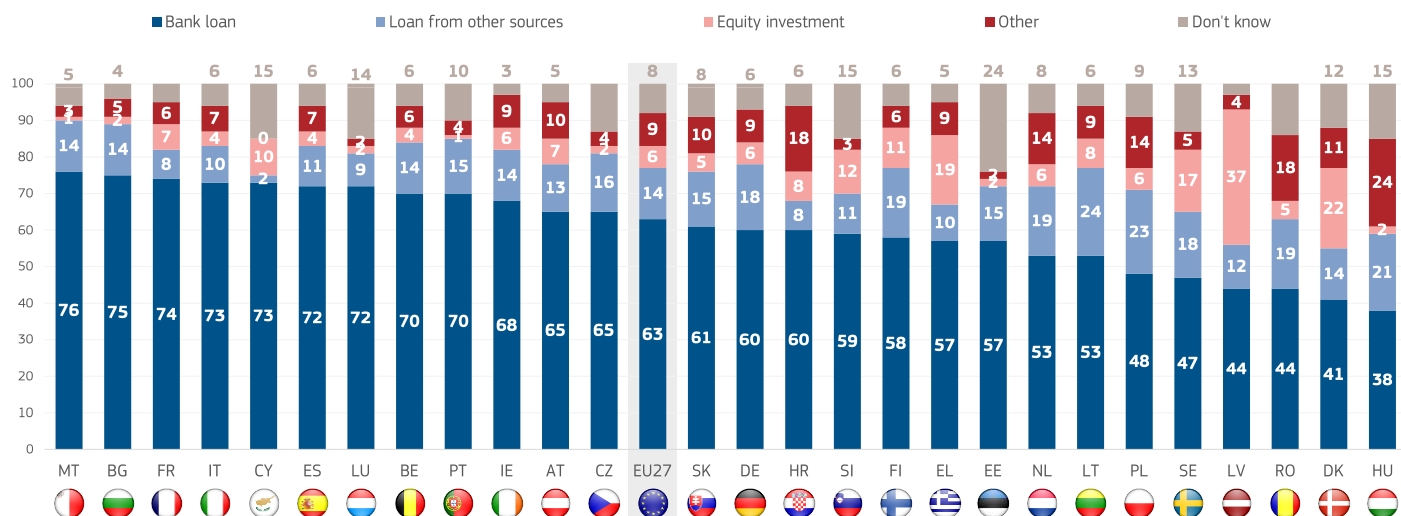
Q20 If you need external financing to realise your growth ambitions, what type of external financing would you prefer most?
(% - EU)

■ Bank loan ■ Loan from other sources ■ Equity investment ■ Other ■ Don't know



At the national level, in the context of financing SMEs' growth ambitions, debt financing is the preferred form of external financing overall, with proportions ranging from 90% in Malta and 89% in Bulgaria, to 55% in Denmark. Across all the external finance options asked about, bank loans are the preferred form to finance future growth in each country, although proportions range from 76% in Malta, 75% in Bulgaria and 74% in France to 38% in Hungary.⁵⁰ Loans from other sources are most popular with SMEs in Lithuania (24%), Poland (23%) and Hungary (21%). Equity investment is much more popular with SMEs in Latvia (37%) than in any other country, with Denmark (22%) the only other Member State where at least one in five prefer this form of financing. Other options for external financing are most popular in Hungary (24%).

Q20 If you need external financing to realise your growth ambitions, what type of external financing would you prefer most? (%)



The results by company characteristics show a strong preference for debt financing as a future growth financing across all groups, but particularly amongst medium SMEs and large enterprises (81% each), and SMEs in the trade sector (80%). Bank loans are the most preferred form of external finance across all groups, although innovative SMEs (61%) and exporters (60%) are less likely to prefer bank loans and more likely to prefer other loans than SMEs that don't innovate or export. Compared to the EU average, gazelles are less likely to prefer bank loans (55%) and more likely to prefer loans from other sources (17%). Finally, innovative SMEs are slightly more likely to prefer equity investment than non-innovators (8% vs 5%).

Q20 If you need external financing to realise your growth ambitions, what type of external financing would you prefer most? (% - EU)

	Bank loan	Loan from other sources	Equity investment	Other	Don't Know
EU27	63	14	6	9	8
Sector					
Industry	63	16	6	8	7
Construction	66	12	5	9	9
Trade	64	16	5	8	7
Services	62	13	7	10	8
Size: employees					
1--9	61	13	7	11	9
10--49	65	14	6	8	8
50--249	64	17	6	7	6
250+	62	19	6	6	8
Innovativeness					
Innovative	61	16	8	9	6
Non-innovative	66	12	5	9	8
Growth					
Gazelle	55	17	8	14	6
High-growth	61	14	8	10	7
Exporting vs. non-exporting					
Exporters	60	17	7	8	7
Non-exporters	65	12	5	10	8

⁵⁰ Results for Estonia, Cyprus and Malta should be interpreted with caution due to low base size (50-99). The following countries are not included in the discussion of results due to very low base size (<50): Luxembourg.

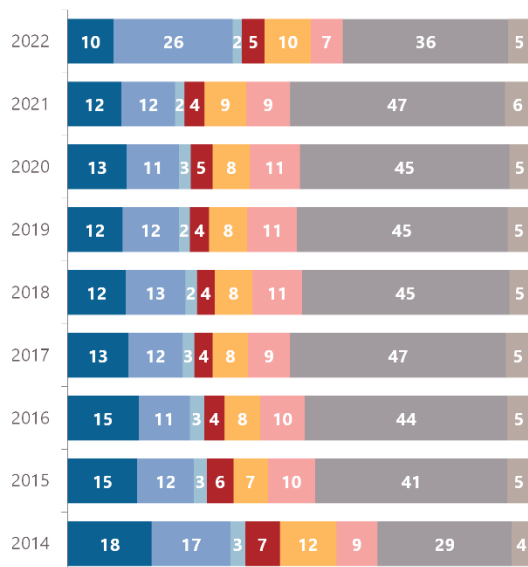
Perceived limiting factors to obtaining financing

SMEs in EU27 with plans to grow in the next two-three years are more likely than ever to say interest rates or the price being too high (26%) are the most important limitation to accessing finance in the future. This represents 14 percentage point increase since 2021 and is also nine points higher than the previous highest level in 2014 (17%). One in ten (10%, -2 percentage points since 2021) say insufficient collateral or guarantee is a barrier, and the proportion mentioning this has declined fairly consistently since 2014 when it was 18%. Other factors are mentioned by fewer than one in ten: too much paperwork (7%, -2 pp), financing not available at all (5%, +1 pp) and reduced control over the firm (2%, no change).

Although the most common answer from SMEs is that they see no obstacles to accessing finance in the future, at 36% this represents an 11-point decline since 2021, and the lowest level recorded since 2014 when it was 29%.

Q22 What do you see as the most important limiting factor to get this financing?
(% - EU)

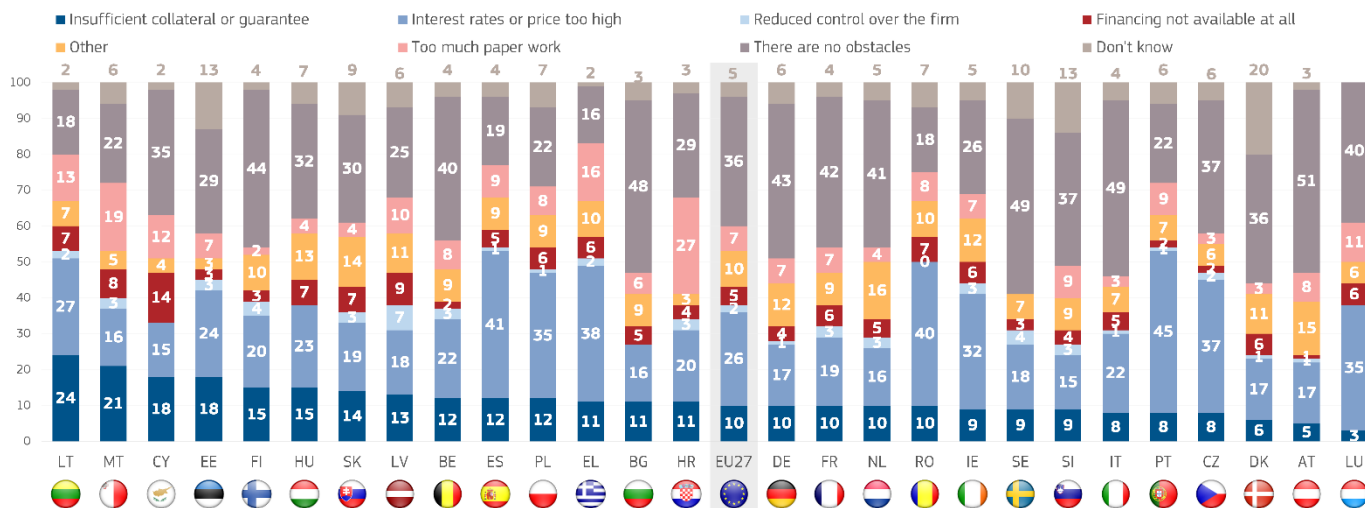
- Insufficient collateral or guarantee
- Interest rates or price too high
- Reduced control over the firm
- Financing not available at all
- Other
- Too much paper work
- There are no obstacles
- Don't know



At a national level, the proportion of SMEs that say there are no obstacles to accessing future financing ranges from 51% in Austria and 49% in Italy and Sweden to 16% in Greece and 18% in Romania and Lithuania.⁵¹

More than one in ten SMEs in each country say interest rates or the price being too high is a barrier, with SMEs in Portugal (45%), Spain (41%) and Romania (40%) the most likely to mention this obstacle. SMEs in Lithuania (24%) are much more likely than those in other Member States to say insufficient collateral or guarantee is a limitation, while those in Croatia (27%) are by far the most likely to mention too much paperwork. Cyprus (14%) is the only country where at least one in ten SMEs mention financing not being available to all, and Latvia (7%) is the only country where at least one in twenty mentions reduced control over the firm.

Q22 What do you see as the most important limiting factor to get this financing? (%)



The results by company characteristics show few differences by sector, with services sector SMEs (34%) slightly less likely to report no obstacles than those in other sectors (37%-38%). However, as company size increases, so too does the proportion of SMEs reporting no obstacles: 46% of large SMEs say this compared to 31% of micro-SMEs. In addition, the smaller the SME, the more likely they are to say insufficient collateral or guarantee is a limiting factor to accessing future financing. Innovative SMEs are less likely than non-innovators to foresee no obstacles (32% vs 40%), and more likely to say insufficient collateral or guarantee is an obstacle (12% vs 8%).

Gazelles are less likely than average to see no obstacles (31% vs 36%), and more likely than average to mention insufficient collateral or guarantee (15% vs 10%) or too much paperwork (11% vs 7%).

Q22 What do you see as the most important limiting factor to get this financing? (% - EU)

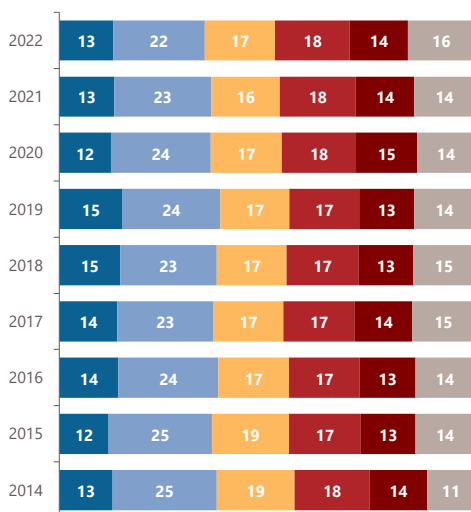
	Insufficient collateral or guarantee	Interest rates or price too high	Reduced control over the firm	Financing not available at all	Other	Too much paper work	There are no obstacles	Don't Know
EU27	10	26	2	5	10	7	36	5
Sector								
Industry	11	27	1	4	9	5	37	5
Construction	11	25	2	5	8	6	38	5
Trade	10	27	1	4	10	6	37	5
Services	10	25	2	5	10	8	34	5
Size: employees								
1--9	12	26	2	6	10	9	31	5
10--49	10	26	1	4	10	8	37	4
50--249	8	26	2	4	10	4	41	6
250+	7	25	2	4	8	3	46	4
Innovativeness								
Innovative	12	26	2	5	11	7	32	4
Non-innovative	8	25	1	4	9	7	40	5
Growth								
Gazelle	15	20	2	5	9	11	31	5
High-growth	11	30	2	4	8	7	34	4
Exporting vs. non-exporting								
Exporters	10	26	2	5	10	7	35	5
Non-exporters	10	25	1	5	9	7	36	5

⁵¹ Results for Slovenia, Cyprus and Malta should be interpreted with caution due to low base size (50-99). The following countries are not included in the discussion of results due to very low base size (<50): Estonia, Luxembourg.

Amount of financing

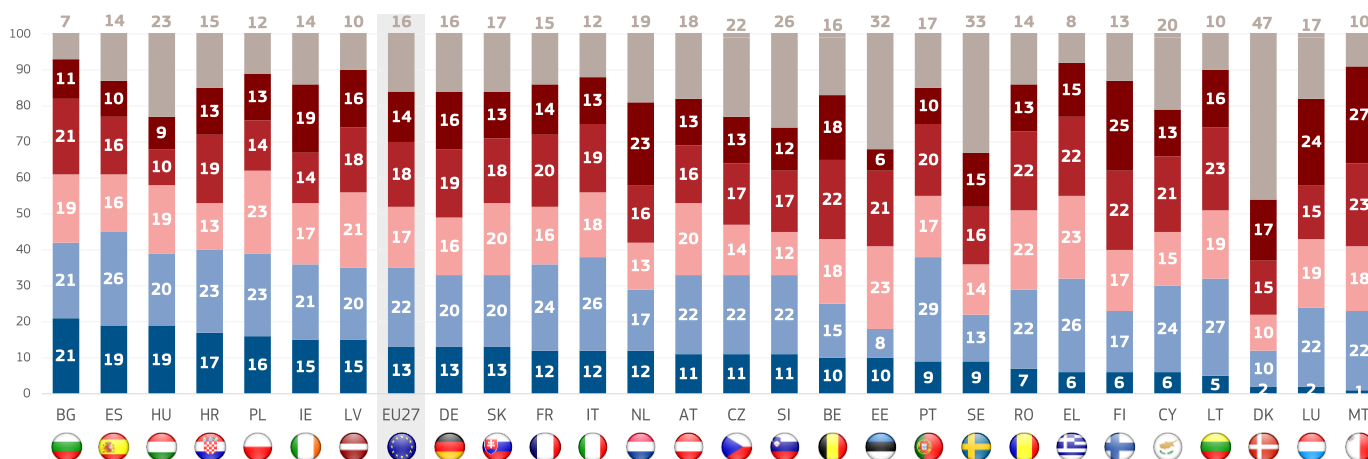
SMEs with plans to grow in the next two to three years were asked how much they would need to finance their ambitions. More than EUR 25 000 and up to EUR 100 000 (22%) is the most common amount looked for, followed by more than EUR 250 000 and up to EUR 1 000 000 (18%) and more than EUR 100 000 and up to EUR 250 000 (17%). In total 52% of SMEs with growth plans are looking for up to EUR 250 000 to finance their ambitions. These amounts have remained relatively stable over time.

Q21 If you need external financing to realise your growth ambitions, what amount of financing would you aim to obtain? (% - EU)



With the exception of Hungary (19%) more than one quarter of SMEs in each country would be looking for more than EUR 250 000 in financing to realise their growth ambitions, with the largest shares found in Malta (50%) and Finland (47%).⁵² At the other end of the scale, SMEs in Spain (45%), Bulgaria (42%) and Croatia (40%) are the most likely to be looking for EUR 100 000 or less. In fact, Bulgaria (21%) has the largest proportion of SMEs looking for EUR 25 000 or less.

Q21 If you need external financing to realise your growth ambitions, what amount of financing would you aim to obtain? (%)



⁵² Results for Estonia, Cyprus and Malta should be interpreted with caution due to low base size (50-99). The following countries are not included in the discussion of results due to very low base size (<50): Luxembourg.

The chart below illustrates the results broken down by enterprise characteristics. It shows industry SMEs (52%) are much more likely to need more than EUR 250 000 than SMEs in other sectors, while there is little difference between SMEs in the construction, trade and services sectors. There is a strong relationship between the amount of finance looked for and enterprise size. The larger the company, the more likely it is to be looking for more than EUR 250 000, with the largest gap between micro (14%) and small (31%) SMEs and medium SMEs (61%) and large enterprises (79%).

Innovative SMEs are more likely to be looking for more than EUR 250 000 (37% vs 27% of non-innovators), as are SMEs that export (43% vs 25% of non-exporters).

Compared to the EU average, gazelles are more likely to be looking for more than EUR 250 000 and up to EUR 1 000 000 (24% vs 18%), but less likely to be looking for more than EUR 1 000 000 (5% vs 14%).

Q21 If you need external financing to realise your growth ambitions, what amount of financing would you aim to obtain? (EUR)
(% - EU)

	Up to 25 000	More than 25 000 and up to 100 000	More than 100 000 and up to 250 000	More than 250 000 and up to 1 000 000	Over 1 000 000	Don't Know
EU27	13	22	17	18	14	16
Sector						
Industry	5	13	17	26	26	13
Construction	13	23	18	16	13	17
Trade	12	24	17	18	14	16
Services	15	25	17	16	11	17
Size: employees						
1--9	22	34	16	10	4	14
10--49	8	22	23	21	10	16
50--249	3	6	12	27	34	18
250+	1	1	3	13	66	16
Innovativeness						
Innovative	10	21	19	20	17	13
Non-innovative	15	24	15	15	12	18
Growth						
Gazelle	12	26	20	24	5	13
High-growth	11	23	18	19	14	15
Exporting vs. non-exporting						
Exporters	7	17	18	23	20	15
Non-exporters	16	27	17	15	10	16

Expected availability of internal funds and external financing

The chart below illustrates SMEs' expectations about the availability of different types of financing over the next six months: internal finance, bank loans, other loans, equity capital, trade credit, debt securities, credit line and leasing. SMEs were only asked about finance types that were relevant to their enterprise.⁵³ Net changes are presented and were calculated using improvements minus deteriorations.

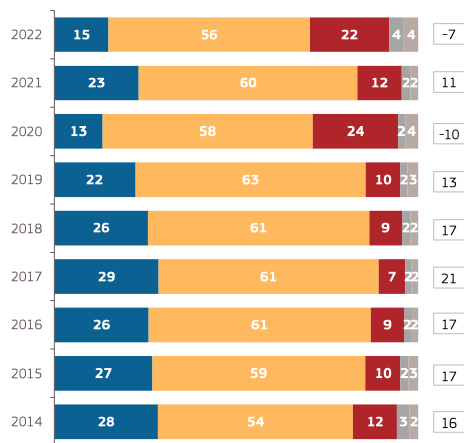
Reversing the trend of 2021, SMEs are expecting a net deterioration in the availability of all types of finance. The only other time this has occurred is in 2020, the first year of the pandemic. The most profound net deteriorations are seen for bank loans (30%), credit line, bank overdraft or credit cards overdraft (25%) and trade credit (21%).

SMEs are expecting a net deterioration in the availability of **internal funds** (7%) in the next six months, with 15% thinking availability will improve and 22% that it will deteriorate. This is the second highest deterioration since 2014, after that seen in 2020.

Across EU27, SMEs are expecting a net deterioration in the availability of **credit line, bank overdraft or credit cards overdraft** (25%). Only 8% think availability will improve, while 33% expect it to deteriorate. This is the worst result since 2014, and more than double the previous low of a 12% net deterioration in 2020.

Q23_a Looking ahead, for each of the following types of financing available to your enterprise, could you please indicate whether you think their availability will improve, deteriorate or remain unchanged over the next 6 months?
Internal funds
(% - EU)

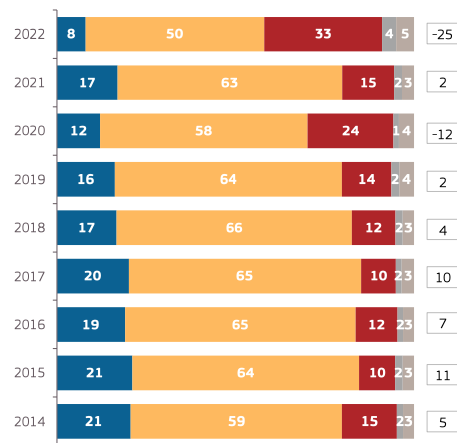
■ Will improve ■ Will remain unchanged ■ Will deteriorate ■ Not applicable ■ Don't know



▲▼ Net balance

Q23_g Looking ahead, for each of the following types of financing available to your enterprise, could you please indicate whether you think their availability will improve, deteriorate or remain unchanged over the next 6 months?
Credit line, bank overdraft or credit cards overdraft
(% - EU)

■ Will improve ■ Will remain unchanged ■ Will deteriorate ■ Not applicable ■ Don't know



▲▼ Net balance

⁵³ See Chapter 1, Section 2

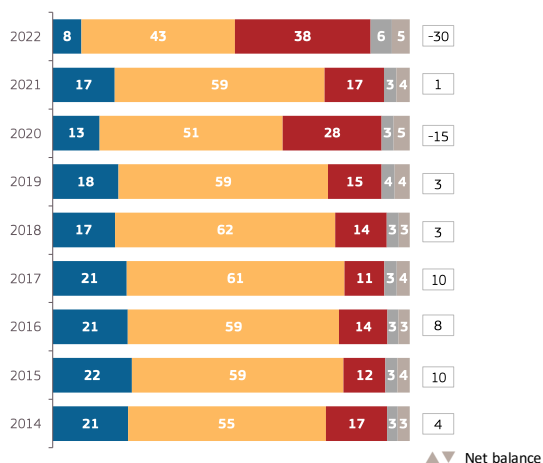
The expected deterioration in the availability of **bank loans** is even higher (net deterioration of 30%). Just 8% think availability will improve in the next six months, while 38% think it will deteriorate. This is the worst result on record and double the net deterioration of 15% in 2020.

Turning to the availability of **equity capital**, SMEs expect a net deterioration in availability (3%). This is a considerable change from 2021 when the expectation was a net improvement (12%).

Q23_b Looking ahead, for each of the following types of financing available to your enterprise, could you please indicate whether you think their availability will improve, deteriorate or remain unchanged over the next 6 months?

Bank loans (% - EU)

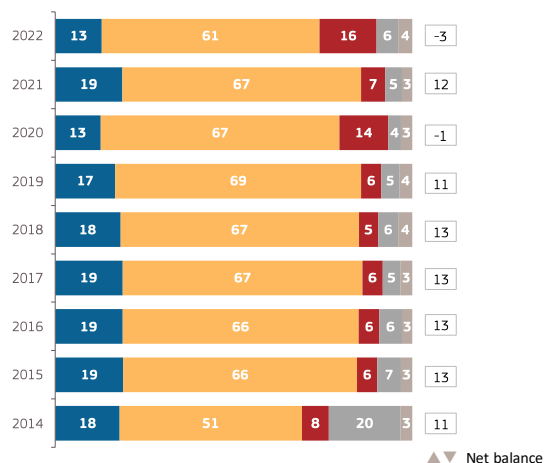
■ Will improve ■ Will remain unchanged ■ Will deteriorate ■ Not applicable ■ Don't know



Q23_c Looking ahead, for each of the following types of financing available to your enterprise, could you please indicate whether you think their availability will improve, deteriorate or remain unchanged over the next 6 months?

Equity capital (% - EU)

■ Will improve ■ Will remain unchanged ■ Will deteriorate ■ Not applicable ■ Don't know

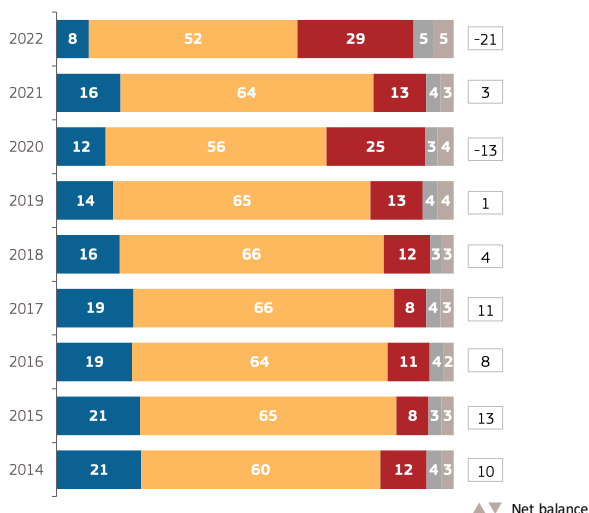


SMEs have also become more pessimistic about the short-term availability of **trade credit**, with a net deterioration of 21%. This is 8 percentage points lower than the previous low of a -13% net deterioration in 2020. In 2022, 8% think availability will improve in the next six months and 29% that it will deteriorate.

Q23_d Looking ahead, for each of the following types of financing available to your enterprise, could you please indicate whether you think their availability will improve, deteriorate or remain unchanged over the next 6 months?

Trade credit (% - EU)

■ Will improve ■ Will remain unchanged ■ Will deteriorate ■ Not applicable ■ Don't know

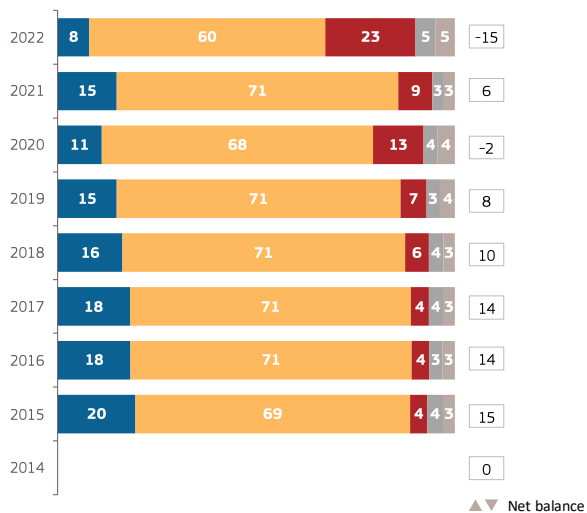


SMEs expect a net deterioration in the availability of **leasing or hire purchase** (15%), a new low point and 13 percentage points lower than 2020. Just 8% think availability will improve and 23% that it will deteriorate. SMEs also expect a net deterioration in the availability of **debt securities** issued (13%), equal to the low point set in 2020. In addition, expectations about the availability of **other loans** in the short-term has reached a new low, with a net deterioration of 12%.

Q23_i Looking ahead, for each of the following types of financing available to your enterprise, could you please indicate whether you think their availability will improve, deteriorate or remain unchanged over the next 6 months?

Leasing or hire-purchase (% - EU)

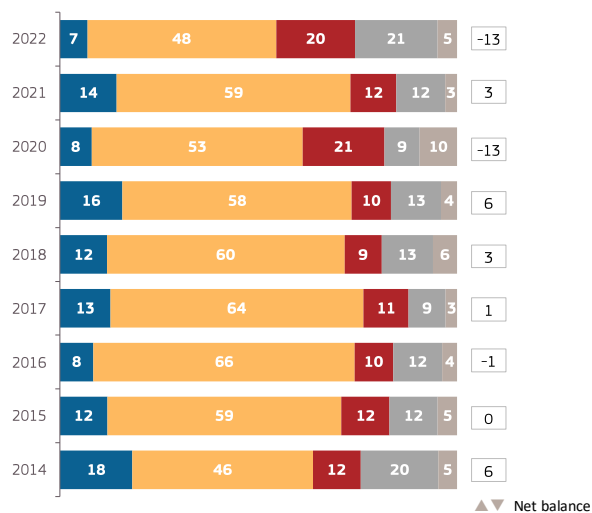
Will improve Will remain unchanged Will deteriorate Not applicable Don't know



Q23_e Looking ahead, for each of the following types of financing available to your enterprise, could you please indicate whether you think their availability will improve, deteriorate or remain unchanged over the next 6 months?

Debt securities issued (% - EU)

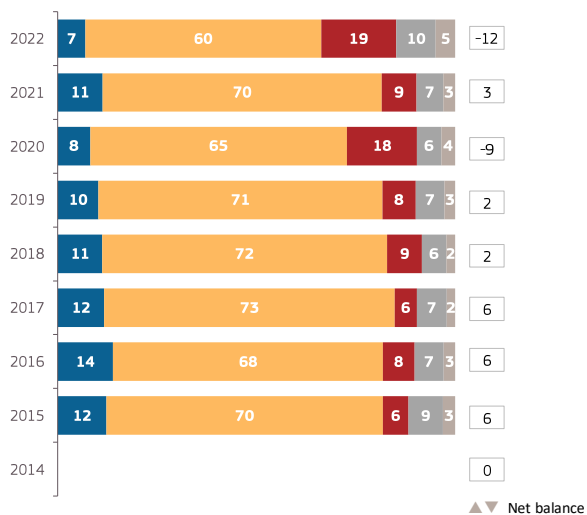
Will remain unchanged Will deteriorate Not applicable Don't know



Q23_j Looking ahead, for each of the following types of financing available to your enterprise, could you please indicate whether you think their availability will improve, deteriorate or remain unchanged over the next 6 months?

Other loan (% - EU)

Will improve Will remain unchanged Will deteriorate Not applicable Don't know



IV. CHARACTERISTICS AND CURRENT STATE OF ENTERPRISES



Key findings

Although SMEs have enjoyed a net improvement in turnover in 2022 (17%), this is offset by record net deteriorations in labour costs (68%), other costs (91%) and a net increase of 28% in interest expenses. As a result, SMEs' profit has seen a net decrease of 20% in 2022 – the second largest on record after 2020. This pattern of increasing costs and decreasing profit is repeated in every Member State, and across companies of different sectors, sizes and characteristics.

Asked to nominate the most important problem for their enterprise at the moment, SMEs most often mention the availability of skilled staff or experienced managers (27%). The cost of production or labour (18%) ranks second and is now at its highest level, while the proportion mentioning finding customers has declined (12%, -6 percentage points since 2021). Fewer than one in ten mentions regulation (9%), competition (7%) or access to finance (6%).

The proportion of SMEs reporting problems with late payments has remained relatively stable in 2022 (43%, +1 percentage points since 2021). The most common problems experienced as a result of late payment are impacts on payments to suppliers (32%), impacts on investments or new recruitment (22%) and impacts on production or operations (21%). Late payments affect at least 25% of SMEs in each Member State.

Almost half (47%) of SMEs in EU27 are classed as innovative, although there is considerable national variation with levels ranging from 72% in Finland to 37% in Hungary. Innovative SMEs are more likely to be found in the industry sector (52%), enterprises with at least 10 employees (50%-53%), exporters (55%) and gazelles (68%) and high-growth SMEs (65%).

The proportion of high-growth SMEs has declined seven percentage points to 10% in 2022, reaching an historic low point. At a national level the proportions vary from 19% in Denmark to 4% in Austria, and the results also highlight innovative SMEs have the highest proportion of high-growth enterprises (13%). Gazelles, a subset of high-growth enterprises, make up just 1.3% of all SMEs in EU27.

At 39%, the proportion of SMEs that export has remained relatively stable compared to 2021 (+1 percentage point), with exporters most likely to be found in Slovenia (62%) and least likely to be found in France (29%). The industry sector has the highest level of exporters (74%), with companies of at least 50 employees (59%-64%) also having a much higher than average levels of exporters. In contrast, gazelles are less likely than average to export (28%). Amongst exporters, 87% export to the euro area, 52% to the rest of Europe, 35% to countries in Europe outside the EU, and 32% export to the United Kingdom. Just over four in ten (42%) exporters sent goods or services outside of Europe in 2021, with North America (61%), the rest of Asia and the Pacific (47%) and the Middle East and North Africa (44%) as the most common destinations.

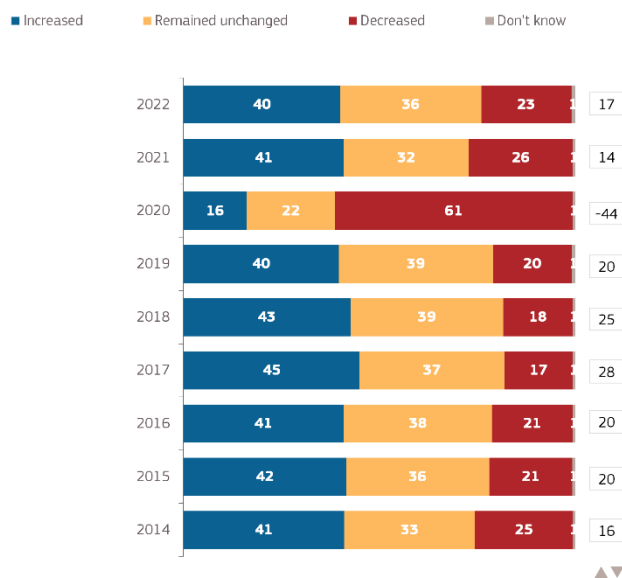
The financial state of enterprises

This section of the report provides an overview of the financial state of SMEs in EU27 focussing on changes in turnover, labour costs, other costs, interest expenses and profits in the past six months.⁵⁴

Turnover

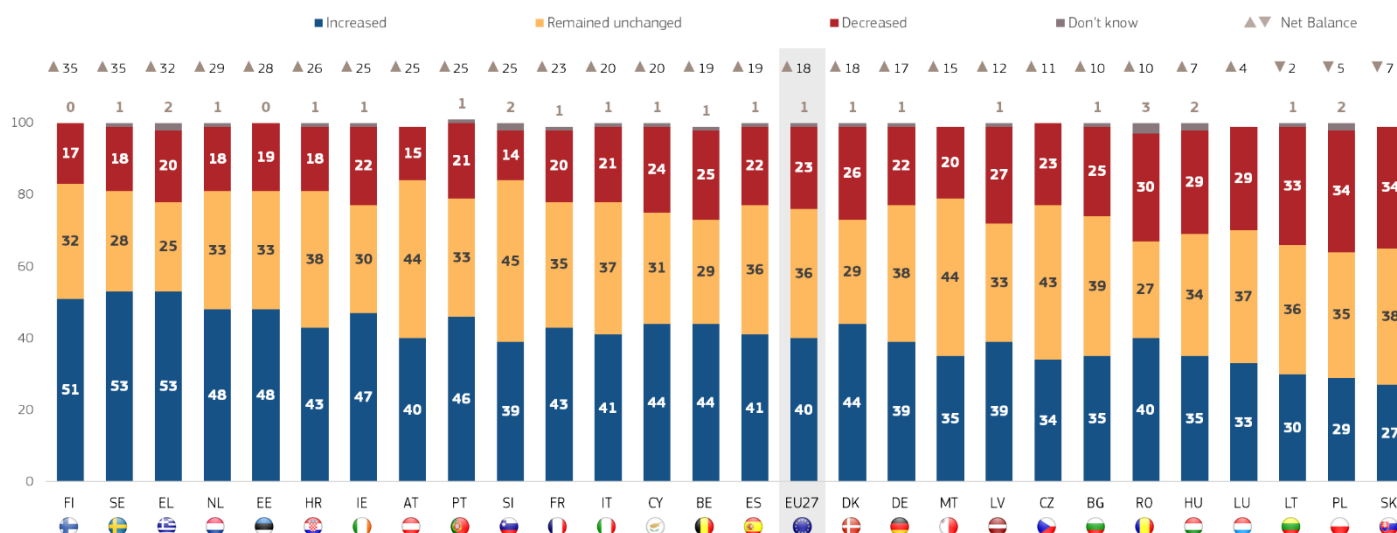
Although four in ten (40%) SMEs in EU27 report their turnover has increased in the last six months 23% say it has decreased, resulting in a net increase⁵⁵ in turnover of 17%. This continues the trend of net increase started between 2020 and 2021, although the current level remains below that seen in the period 2017-2019.

Q2_a Have the following company indicators decreased, remained unchanged or increased over the past 6 months?
Turnover (% - EU)



In all but three Member States, SMEs report a net increase in turnover, with the largest seen in Finland, Sweden (35% each) and Greece (32%).⁵⁶ In contrast, net decreases in turnover are reported in Slovakia (7%), Poland (5%) and Lithuania (2%).

Q2_a Have the following company indicators decreased, remained unchanged or increased over the past 6 months?
(% - Turnover)



⁵⁴ March-August 2022

⁵⁵ The net balance value is the difference between the values Increased and Decreased

⁵⁶ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

Comparing SMEs by company characteristics, a net increase in turnover for all groups is seen, but there are notable differences. Industry (21%) and services sector SMEs (20%) have the largest net positive changes, compared to construction (13%) and trade (11%) SMEs. The larger the enterprise, the greater the net increase: for instance, the net increase for large enterprises is 45%, compared to 4% for micro SMEs. Innovative SMEs have a larger net increase than non-innovators (23% vs 14%), and the same pattern applies when comparing exporters and non-exporters (25% vs 13%). Finally, both gazelles (50%) and high-growth enterprises in general (43%) have a much larger net increase than the EU average (18%).

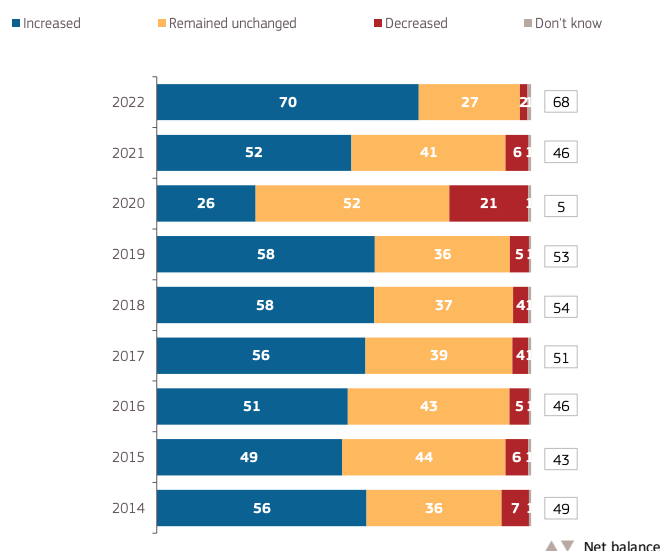
Q2_a Have the following company indicators decreased, remained unchanged or increased over the past 6 months? - Turnover (% - EU)

	Increased	Remained unchanged	Decreased	Don't Know	Net balance
EU27	40	36	23	1	18
Sector					
Industry	43	34	22	1	21
Construction	34	44	21	1	13
Trade	40	30	29	1	11
Services	41	37	21	1	20
Size: employees					
1--9	32	39	28	1	4
10--49	44	34	20	1	24
50--249	51	31	17	1	33
250+	60	25	15	1	45
Innovativeness					
Innovative	47	30	23	1	23
Non-innovative	36	41	22	1	14
Growth					
Gazelle	65	20	15	1	50
High-growth	58	26	16	1	43
Exporting vs. non-exporting					
Exporters	47	30	22	1	25
Non-exporters	36	39	24	1	13

Labour costs

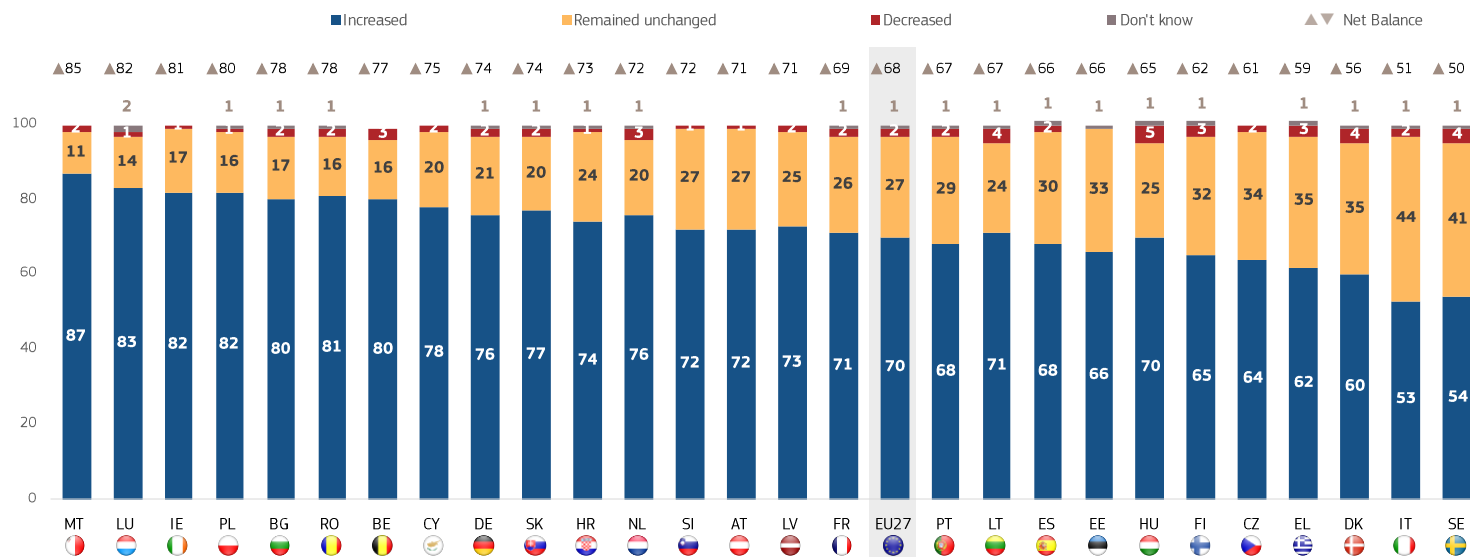
In contrast to turnover, the situation with respect to labour costs continues to deteriorate. 70% of SMEs report labour costs have increased, and only 2% say they have decreased leading to a net increase of 68%. Although the longer-term trend is for increasing labour costs, this is the largest net increase on record, and a significant worsening since 2021.

Q2_b Have the following company indicators decreased, remained unchanged or increased over the past 6 months?
Labour cost (including social contributions) (% - EU)



At the national level, all countries experienced a large net increase in labour costs, with levels ranging from 85% in Malta, 82% in Luxembourg and 81% in Ireland to 50% in Sweden and 51% in Italy.⁵⁷

Q2_b Have the following company indicators decreased, remained unchanged or increased over the past 6 months? (% - Labour cost (including social contributions))



Enterprises of all types have experienced a net increase of labour costs in 2022, with the largest experienced by companies of 50 or more employees, and high-growth enterprises.

Comparing sectors shows SMEs in industry and construction (71% each) have a slightly higher net increase than trade (68%) and services (67%) SMEs. Turning to company size shows SMEs with at least 10 employees (75%-77%) have a much higher net increase in labour costs than micro SMEs (59%). Innovative SMEs have a higher net increase than non-innovators (72% vs 65%). Finally, high-growth enterprises experienced a larger net increase than average (75% vs 68%).

Q2_b Have the following company indicators decreased, remained unchanged or increased over the past 6 months? - Labour cost (including social contributions) (% - EU)

	Increased	Remained unchanged	Decreased	Don't Know	Net balance
EU27	70	27	2	1	68
Sector					
Industry	71	27	1	0	71
Construction	73	24	2	1	71
Trade	70	27	2	1	68
Services	69	27	3	1	67
Size: employees					
1--9	62	34	3	1	59
10--49	76	21	2	1	75
50--249	78	20	1	1	77
250+	79	19	1	1	77
Innovativeness					
Innovative	74	24	2	1	72
Non-innovative	68	29	2	1	65
Growth					
Gazelle	71	27	1	1	70
High-growth	76	23	1	0	75
Exporting vs. non-exporting					
Exporters	71	26	2	1	69
Non-exporters	70	27	2	1	67

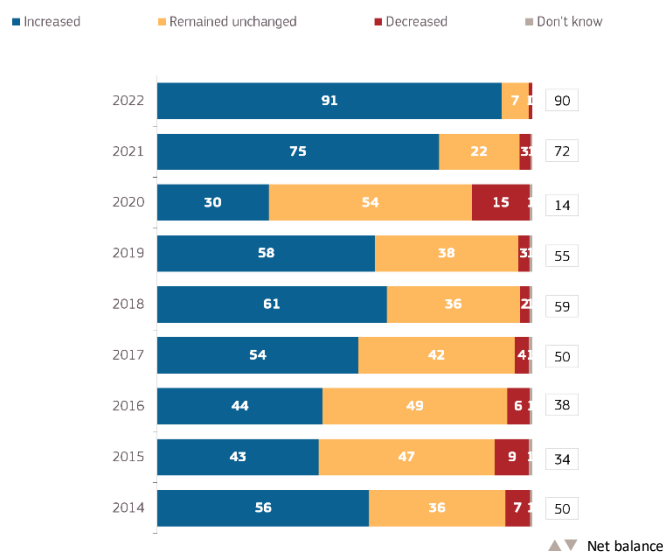
⁵⁷ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

Other costs

More than nine in ten SMEs (91%) report increasing other costs (including materials and energy). With just 1% of SMEs saying these costs have decreased, the net increase in other costs is 90% – considerably worse than the net increase of 72% in 2020. Although the net position on other costs has always been negative, this is the second consecutive significant net increase since 2020, and the largest net increase ever recorded.

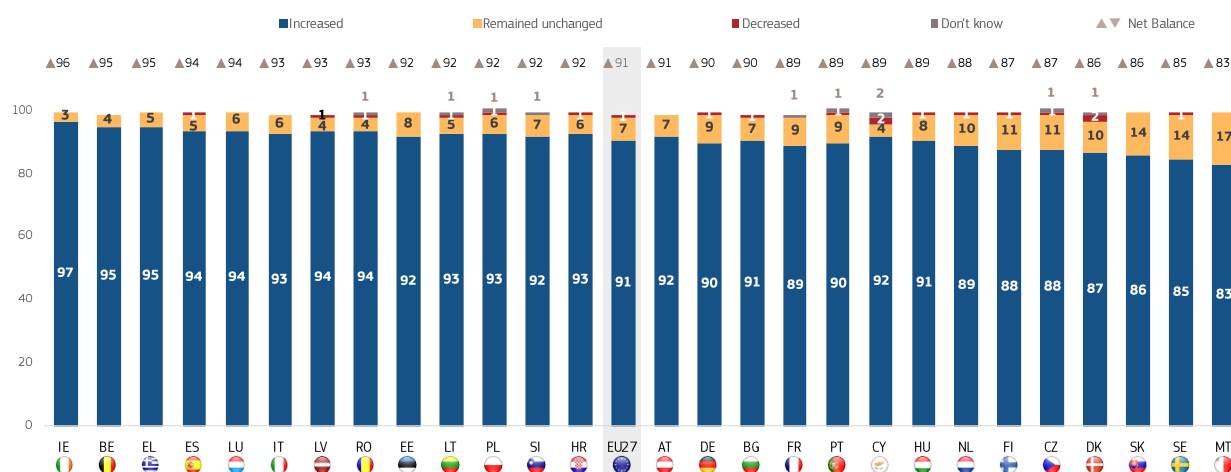
Q2_c Have the following company indicators decreased, remained unchanged or increased over the past 6 months?

Other cost (materials, energy, other) (% - EU)



In every Member State SMEs have recorded a large net increase in other costs, with levels ranging from a net deterioration of 96% in Ireland and 95% in Belgium and Greece to 83% in Malta and 85% in Sweden.⁵⁸

Q2_c Have the following company indicators decreased, remained unchanged or increased over the past 6 months? (% - Other cost (materials, energy, other))



⁵⁸ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

Given the large net increase at the overall EU27 level, it is perhaps not surprising there is relatively little difference between groups in the comparison of company characteristics. Across sectors, services sector SMEs (88%) report a lower net increase in other costs than SMEs in other sectors, and particularly in industry (96%). Comparing by company size shows micro SMEs (88%) have a smaller net increase than companies with at least 10 employees (93%). Finally, exporters have a slightly larger net increase in other costs than non-exporters (93% vs 90%).

Q2_c Have the following company indicators decreased, remained unchanged or increased over the past 6 months? - Other cost (materials, energy, other)
(% - EU)

	Increased	Remained unchanged	Decreased	Don't Know	Net balance
EU27	91	7	1	0	91
Sector					
Industry	96	3	0	0	96
Construction	94	6	1	0	93
Trade	93	6	1	0	93
Services	88	10	1	1	88
Size: employees					
1--9	88	10	1	1	88
10--49	93	6	1	0	93
50--249	95	5	0	0	94
250+	96	3	0	0	96
Innovativeness					
Innovative	93	6	1	0	92
Non-innovative	90	9	1	0	90
Growth					
Gazelle	93	6	1	1	92
High-growth	91	8	1	1	91
Exporting vs. non-exporting					
Exporters	93	6	1	0	93
Non-exporters	90	9	1	0	90

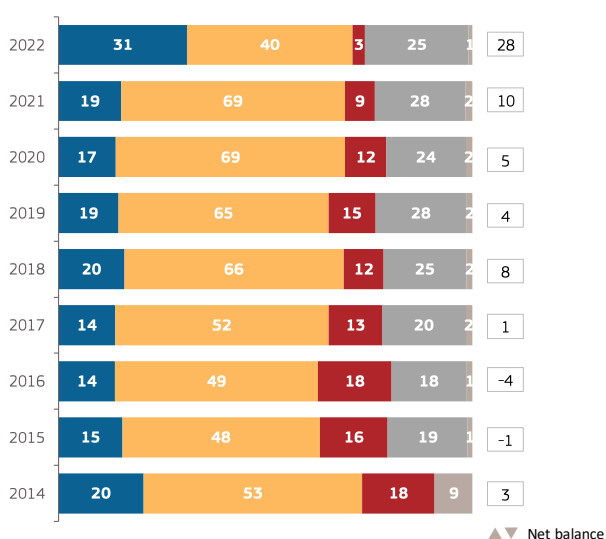
Interest expenses

The interest rates paid by enterprises includes a base interest and a risk mark-up. The base follows the Euribor (Euro interbank offered rate), the benchmark rate on the money market. The Euribor peaked in October 2008, then declined sharply until April 2010 when it began to increase again. After a lower peak in October 2011 the Euribor commenced a decline that saw the rate fall below zero percent in February 2016. The rate remained below zero until early April 2021 when it started climbing steeply, and in early December was at 2.87% - a level not seen since January 2009.⁵⁹

One third (31%) of SMEs report increased interest expenses over the past six months, while 3% say expenses have decreased, leading to a net increase of 28%. One quarter (25%) say this isn't relevant for them as the firm has no debt. Although there have been net increases in interest rate expenses since 2017, the result in 2022 is the largest by a significant margin.

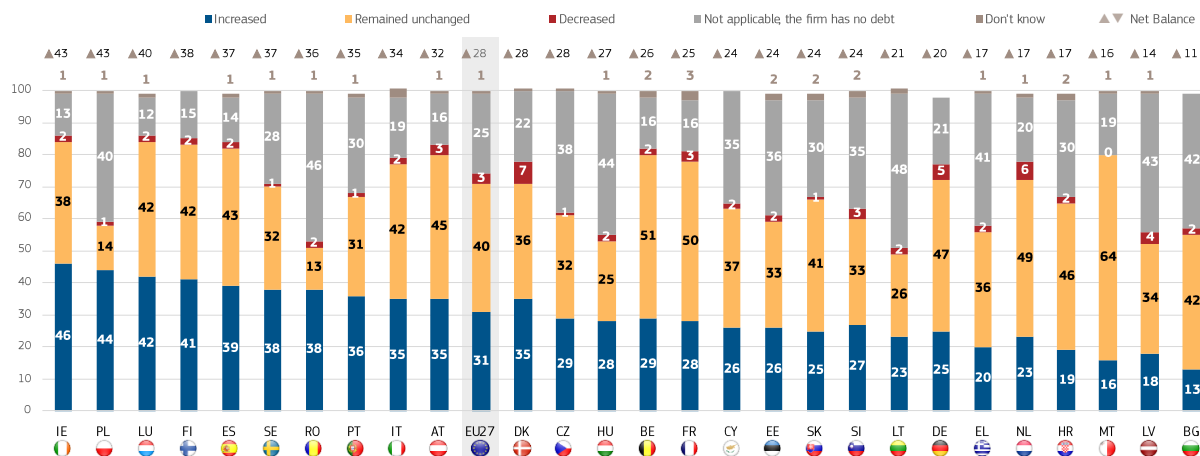
Q2_d Have the following company indicators decreased, remained unchanged or increased over the past 6 months?
Interest expenses (% - EU)

■ Increased ■ Remained unchanged ■ Decreased ■ Not applicable, the firm has no debt ■ Don't know



In every Member State the proportion of SMEs whose interest expenses increased exceeded the proportion whose interest rate decreased, resulting in a net increase in all countries.⁶⁰ Net increases range from 43% in Ireland and Poland and 40% in Luxembourg to 11% in Bulgaria and 14% in Latvia.

Q2_d Have the following company indicators decreased, remained unchanged or increased over the past 6 months?
(% - Interest expenses)



⁵⁹ <https://www.euribor-rates.eu/en/current-euribor-rates/4/euribor-rate-12-months/>

⁶⁰ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

The analysis of company characteristics shows all groups experienced a net increase in interest expenses in the last six months. Across sectors, the net increase for services sector SMEs (24%) is lower than for those in other sectors and particularly in industry (34%). The larger the company, the larger the net increase in interest expenses. For example, large companies experienced a net increase of 39%, compared to a 25% net increase for micro SMEs. Innovative companies (31%) and exporters (32%) experienced a larger net increase than non-innovators and non-exporters. Finally, high-growth SMEs experienced a slightly larger net increase in interest expenses than the EU27 average (31% vs 28%).

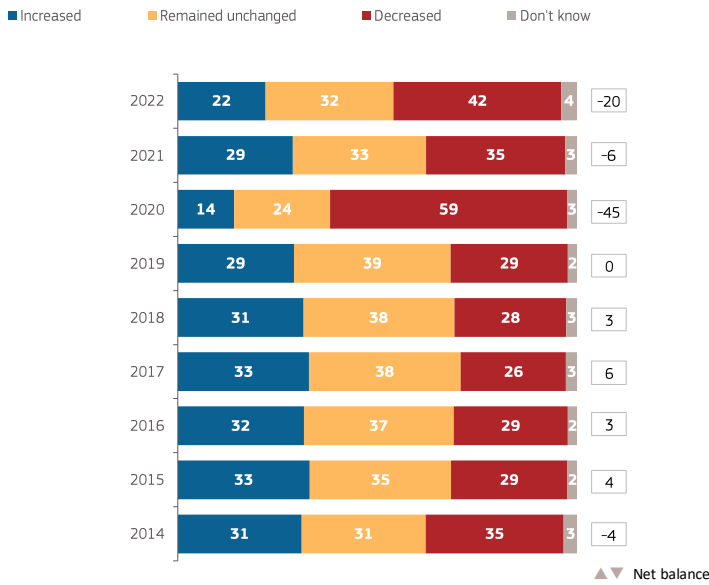
Q2_d Have the following company indicators decreased, remained unchanged or increased over the past 6 months? - Interest expenses (% - EU)

	Increased	Remained unchanged	Decreased	Not applicable, the firm has no debt	Don't Know	Net balance
EU27	31	40	3	25	1	28
Sector						
Industry	36	40	3	20	1	34
Construction	35	36	2	25	2	33
Trade	34	38	3	24	1	31
Services	28	41	3	27	2	24
Size: employees						
1--9	27	38	2	31	2	25
10--49	33	42	3	21	1	29
50--249	38	41	4	16	1	34
250+	43	39	3	14	1	39
Innovativeness						
Innovative	34	39	3	22	1	31
Non-innovative	29	42	3	25	1	26
Growth						
Gazelle	29	39	0	32	0	28
High-growth	34	40	3	22	1	31
Exporting vs. non-exporting						
Exporters	34	40	3	21	1	32
Non-exporters	29	40	3	27	1	26

Profit

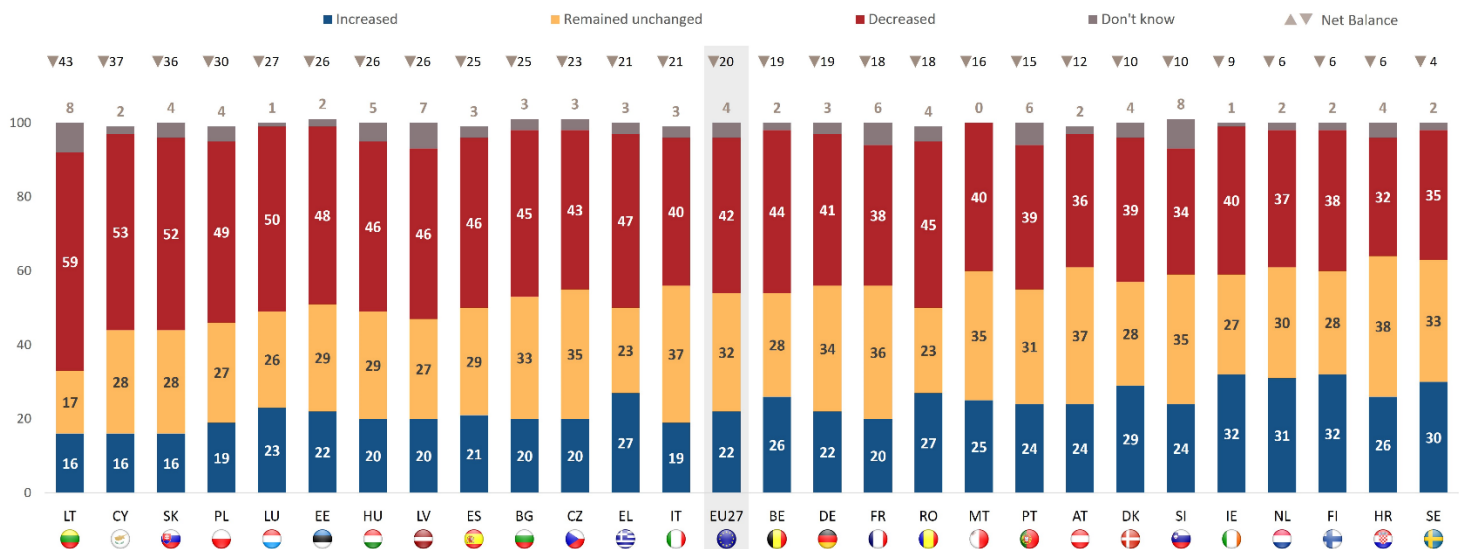
Given the worsening position of SMEs in EU27 in terms of costs and interest expenses, it is not surprising there has been a net deterioration in profit over the past six months. 22% of SMEs say profit has increased, while 42% say it has declined resulting in a net deterioration of 20%. This is the third consecutive year with a net deterioration, and the second largest net deterioration on record, after 2020.

Q2_e Have the following company indicators decreased, remained unchanged or increased over the past 6 months?
Profit
 (% - EU)



In every Member State, SMEs experienced a net deterioration in profit in 2022, although the level varies from 43% in Lithuania, 37% in Cyprus and 36% in Slovakia to 4% in Sweden and 6% in the Netherlands, Finland and Croatia.⁶¹

Q2_e Have the following company indicators decreased, remained unchanged or increased over the past 6 months?
 (% - Profit)



⁶¹ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

All groups in the analysis of company characteristics reported a net deterioration in profit. It is less severe for services sector SMEs (16%) than those in other sectors and particularly industry (26%). As company size decreases the net deterioration in profit increases, with a net deterioration of 25% for micro SMEs compared to 8% for large enterprises. SMEs that do not export report a higher net deterioration than exporters (23% vs 16%), and the same pattern applies comparing non-innovators to innovators (21% vs 18%).

The smallest net deteriorations are reported by gazelles (2%) and high-growth enterprises (3%): both are well below the EU average of 20%.

Q2_e Have the following company indicators decreased, remained unchanged or increased over the past 6 months? - Profit (% - EU)

	Increased	Remained unchanged	Decreased	Don't Know	Net balance
EU27	22	32	42	4	20
Sector					
Industry	21	30	46	3	26
Construction	17	36	42	5	25
Trade	22	30	44	3	22
Services	24	32	40	4	16
Size: employees					
1--9	19	34	43	4	25
10--49	23	31	41	4	18
50--249	27	29	41	3	13
250+	31	27	39	3	8
Innovativeness					
Innovative	26	28	44	3	18
Non-innovative	20	36	41	4	21
Growth					
Gazelle	34	28	37	1	2
High-growth	33	29	36	2	3
Exporting vs. non-exporting					
Exporters	26	30	41	3	16
Non-exporters	20	34	43	3	23

The most important problems

This section discusses the most important problems facing SMEs in the last six months from the following list: finding customers, the availability of skilled staff, competition, regulation, costs of production or labour and access to finance. Firms were asked to answer on a scale of 1-10 how important each problem was for their enterprise in the past six months. An analysis of their responses then allowed to define which percentage of firms ranked a determinate problem as first in each country and at the EU27 level.

The **availability of skilled staff or experienced managers** is the most important problem for 27% of SMEs in EU27, and the only issue mentioned by at least one in five SMEs. There has been no change since 2021 when it was ranked first, and mentions remain at the second highest point after the peak in 2019.

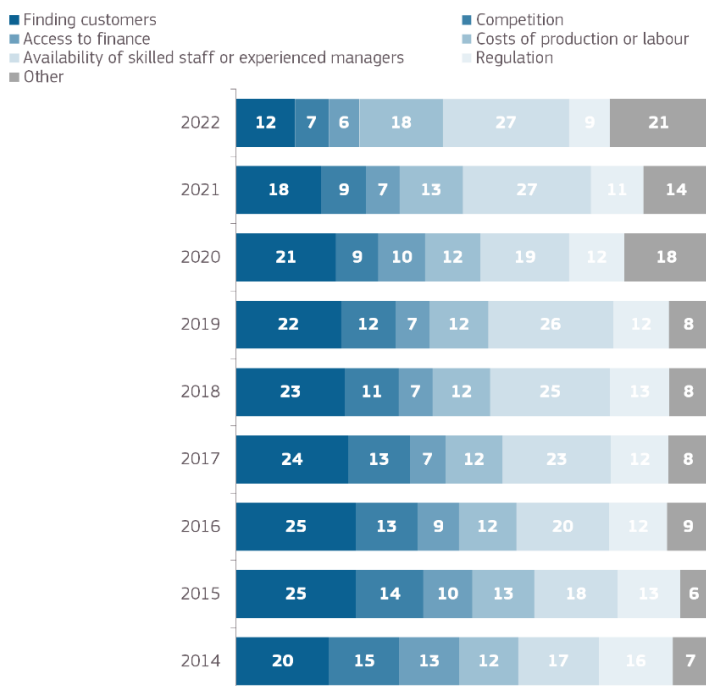
As discussed in preceding chapters, increasing costs are significant issue for SMEs, and this is further reinforced by the fact that 18% say the **cost of production or labour** is the most important problem facing their enterprise. This represents a five percentage point increase since 2021, and the highest level ever recorded. It also means this issue now ranks in second place, after ranking third in 2021.

The third most important problem is **finding customers**. Just over one in ten SMEs (12%) nominate this as the most important, although this represents a six percentage point decline since 2021 and the second consecutive decline since 2020.

Ranking fourth, **regulation** is mentioned by 9% of SMEs. After declining slightly since 2021 (-2 percentage points) regulation is now mentioned less than in any previous wave of the survey. **Competition** is considered the most important problem by 7% of EU27 SMEs (-2 percentage points since 2021), while **access to finance** is mentioned by 6% (-1 pp).

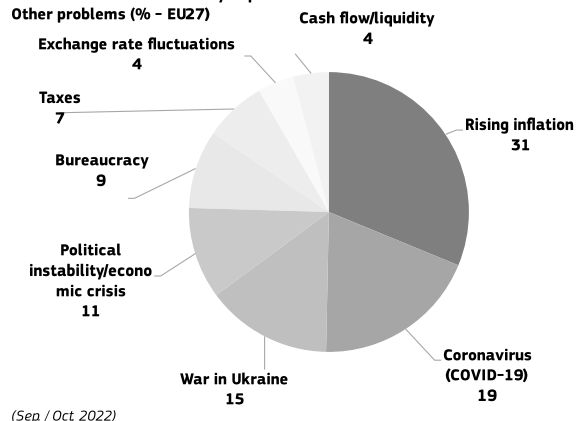
Just over one in five SMEs (21%) report **other problems** as the most important for their enterprise. Enterprises that indicated other problems as the most pressing one were asked to specify further which problems were most pressing. Among the categories which could be distinguished from their responses, rising inflation (31%) came largely first. This is followed by Coronavirus (19%), the War in Ukraine (15%) and political instability/economic crisis (11%), all mentioned by over 10% of those who chose other problems. Bureaucracy (9%), taxes (7%), exchange rate fluctuations and cash flow/liquidity (both 4%), were mentioned by less than 1 in 10 respondents who mentioned other problems.

Q0b How important have the following problems been for your enterprise in the past six months? Please answer on a scale of 1-10, where 1 means not it is not at all important and 10 means it is extremely important. - Share of firms ranking each problem as the most important one for them (% - EU)



Q0b. How important have the following problems been for your enterprise in the past six months? Please answer on a scale of 1-10, where 1 means not it is not at all important and 10 means it is extremely important.

Other problems (% - EU27)



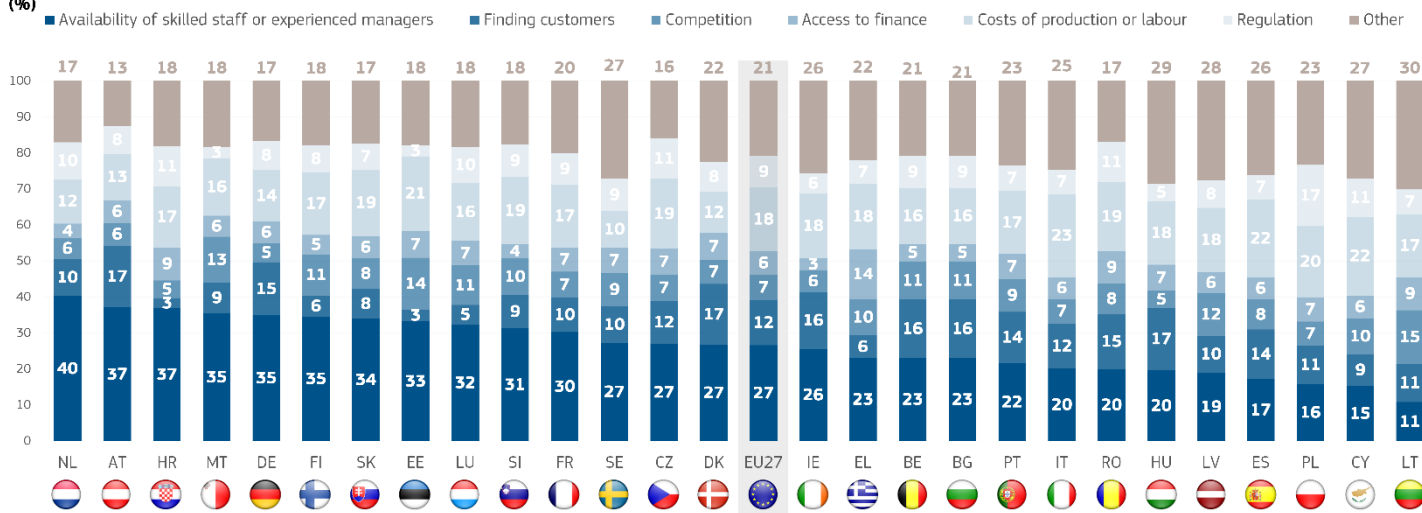
(Sep / Oct 2022)

In 23 countries the availability of **skilled staff or experienced managers** is the most important problem for SMEs, with proportions ranging from 40% in the Netherlands and 37% in Austria and Croatia to 19% of SMEs in Latvia.⁶² In Spain, Cyprus (22%) and Poland (20%) and Lithuania (17%) the **cost of production or labour** is the most mentioned, and this is also considered the most important issue by at least one in five SMEs in Italy (23%) and Estonia (21%).

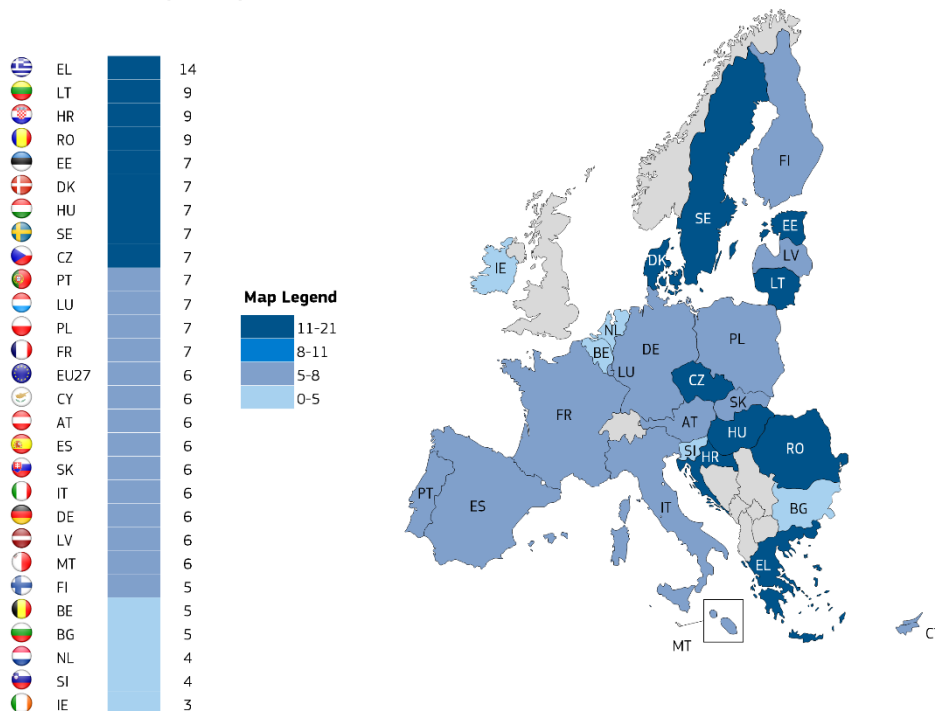
At least one in ten SMEs in 17 countries say **finding customers** is their most important problem, with the highest proportions seen in Hungary, Austria and Denmark (17% each) and the lowest in Croatia and Estonia (3% each). SMEs in Poland (17%) are much more likely than those in other Member States to say **regulation** is the most important problem, and this is particularly the case compared to SMEs in Malta and Estonia (3% each).

In 10 Member States at least one in ten SMEs say **competition** is their most important problem, with those in Lithuania (15%) the most likely to say this. Finally, Greece (14%) is the only country where at least one in ten SMEs say **access to finance** is their most important problem.

Q0b How important have the following problems been for your enterprise in the past six months? Please answer on a scale of 1-10, where 1 means not it is not at all important and 10 means it is extremely important. - Share of firms ranking each problem as the most important one for them (%)



Q0b How important have the following problems been for your enterprise in the past six months? Please answer on a scale of 1-10, where 1 means not it is not at all important and 10 means it is extremely important. - Share of firms ranking access to finance as the most important problem for them (%)



⁶² Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

The following analysis looks at the mean value of points assigned to each problem for each type of business. These results show that the availability of skilled staff or experienced managers is less likely to be an important problem for SMEs in trade (6.3) than those in other sectors, but trade SMEs are the most likely to say competition (5.9) is an important problem. SMEs in the industry sector are the most likely to say the cost of production or labour (7.5) is an important problem. Construction SMEs are less likely than those in other sectors to say finding customers (4.7) is an important problem.

Looking at company size shows micro SMEs are less likely than larger enterprises to say costs of production or labour (6.2), or the availability of skilled staff or experienced managers (6.0) are important problems. The larger the company, the more likely it is to say competition is an important problem. Innovative SMEs are more likely than non-innovators to say each issue is an important problem, and the same pattern applies to a lesser degree comparing exporters and non-exporters. Gazelles are more likely than average to say access to finance (5.1) or the availability of skilled staff or experienced managers (7.2) is an important problem.

Q0b How important have the following problems been for your enterprise in the past six months? Please answer on a scale of 1-10, where 1 means not at all important and 10 means it is extremely important.
(% - EU)

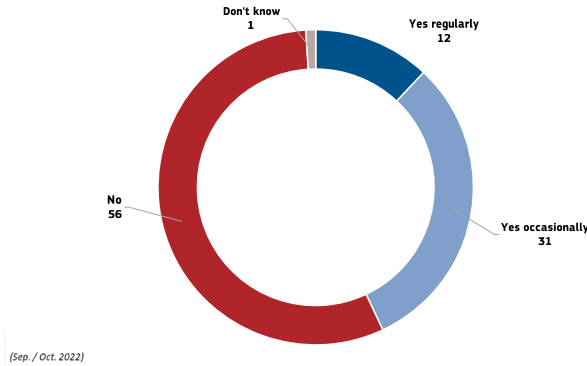
	Finding customers	Competition	Access to finance	Costs of production or labour	Availability of skilled staff or experienced managers	Regulation	Other
EU27	5.5	5.2	4.2	6.7	6.7	5.2	8.3
Sector							
Industry	5.5	5.4	4.5	7.5	7.0	5.4	8.6
Construction	4.7	4.9	4.1	6.9	7.1	5.2	8.1
Trade	6.0	5.9	4.2	6.7	6.3	5.2	8.3
Services	5.4	5.0	4.1	6.4	6.8	5.2	8.1
Size: employees							
1--9	5.4	5.0	4.1	6.2	6.0	5.1	8.1
10--49	5.4	5.3	4.2	7.0	7.2	5.3	8.3
50--249	5.7	5.7	4.3	7.3	7.5	5.4	8.4
250+	5.4	5.8	4.0	7.3	7.5	5.5	8.4
Innovativeness							
Innovative	5.8	5.4	4.6	7.1	7.1	5.5	8.5
Non-innovative	5.2	5.0	3.8	6.4	6.5	5.0	8.0
Growth							
Gazelle	5.3	5.0	5.1	7.0	7.2	5.5	8.7
High-growth	5.4	5.1	4.5	6.7	7.0	5.3	8.4
Exporting vs. non-exporting							
Exporters	5.6	5.4	4.3	6.9	6.8	5.3	8.4
Non-exporters	5.4	5.1	4.1	6.6	6.7	5.2	8.2

Late payments

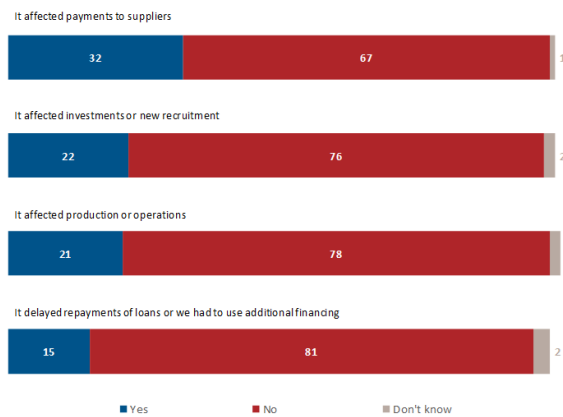
Just over four in ten (43%) SMEs in EU27 say they experienced problems due to late payment in the past six months, which is relatively stable compared to 2021 (+1 percentage points).⁶³ Just over three in ten (31%) experienced these problems occasionally, while 12% of SMEs experienced them regularly.

Amongst SMEs that reported problems 32% say late payments affected payments to suppliers, 22% say it impacted investments or new recruitment and 21% say it affected production or operations. More than one in ten (15%) say late payments delayed repayments of loans or required the use of additional financing. There has been little change in these results since 2021.

QA2 Has your company experienced problems due to late payments from any private or public entities in the past six months? (% - EU)

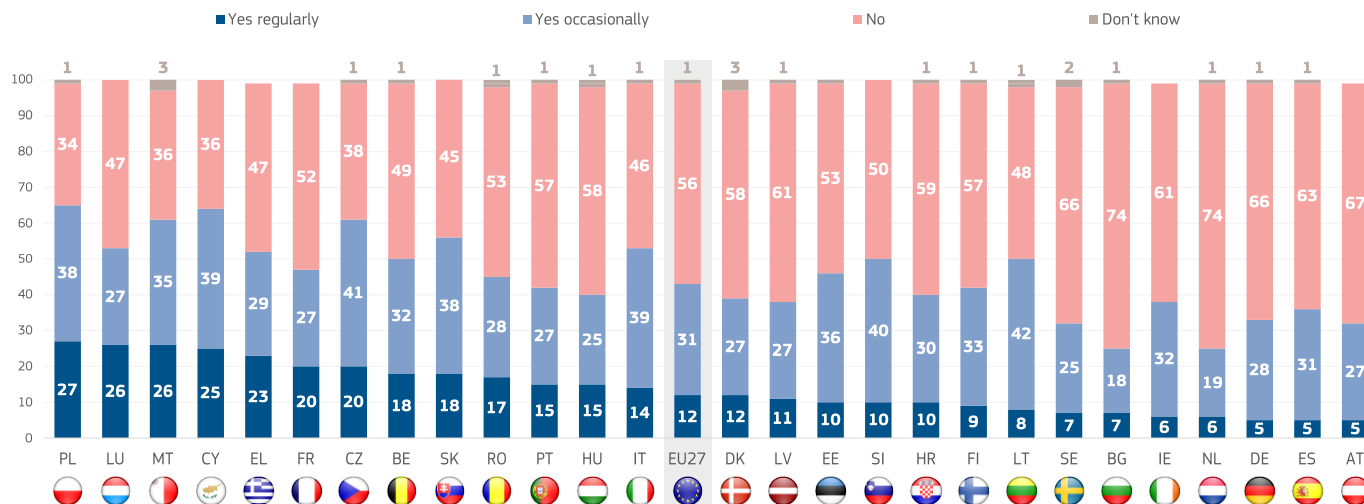


QA3. What were the consequences of those late payments? (% - EU)



At least one quarter of SMEs in each Member State reported problems either occasionally or regularly due to late payment, with the highest levels seen in Poland (65%), Cyprus (64%), and Czechia and Malta (both 61%).⁶⁴ At the other end of the scale 25% in the Netherlands and Bulgaria and 32% in Austria and Sweden reported problems with late payment.

QA2 Has your company experienced problems due to late payments from any private or public entities in the past six months? (%)



SMEs in industry and construction (49% each) are more likely to have experienced occasional or regular problems due to late payment in the last six months than those in trade (42%) or services (40%). Although the differences are relatively small, problems with late payment do increase with company size, ranging from 40% for micro SMEs to 48% for large enterprises. Innovative SMEs are more likely to have experienced problems due to late payment than non-innovators (49% vs 37%), and the same pattern applies comparing exporters to non-exporters (49% vs 40%).

Finally, gazelles (36%) are less likely than average to report late payment problems, while high-growth enterprises in general are slightly more likely to do so (45%).

QA2 Has your company experienced problems due to late payments from any private or public entities in the past six months? (% - EU)

	Yes regularly	Yes occasionally	No	Don't Know
EU27	12	31	56	1
Sector				
Industry	12	37	49	1
Construction	15	34	50	1
Trade	12	30	57	1
Services	12	28	59	1
Size: employees				
1--9	12	28	58	1
10--49	13	31	55	1
50--249	12	35	53	1
250+	13	35	51	1
Innovativeness				
Innovative	15	34	50	1
Non-innovative	9	28	62	0
Growth				
Gazelle	8	28	63	0
High-growth	15	30	55	1
Exporting vs. non-exporting				
Exporters	13	36	51	1
Non-exporters	12	28	59	1

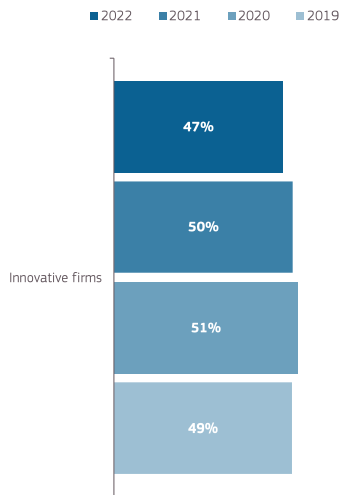
⁶⁴ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

Innovativeness

An enterprise is considered innovative when it has introduced a new or significantly improved product or service to the market, a new or significantly improved production process or method, a new organisation of management, or a new way of selling goods or services.

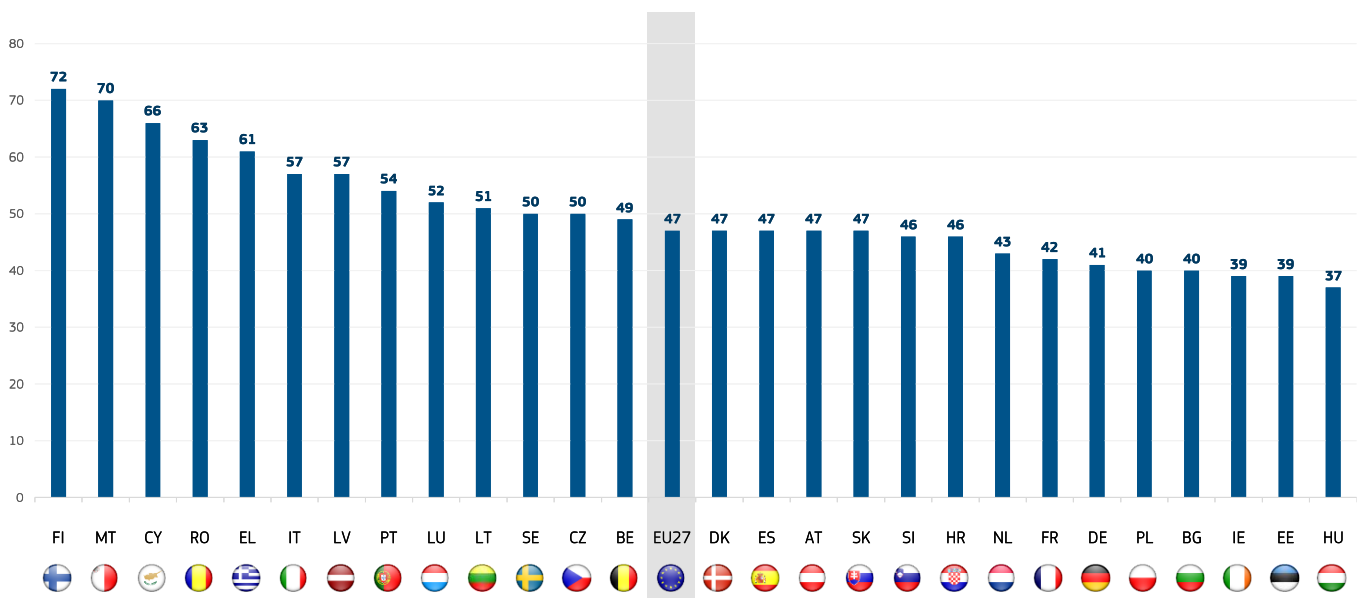
In 2022 47% of SMEs in EU27 are classed as innovative, a three-percentage point decline since 2021 and the second consecutive decline since 2020.⁶⁵

T3 Share of innovative enterprises (% - EU)



There is considerable variation between Member States.⁶⁶ At least two thirds of SMEs in Finland (72%), Malta (70%) and Cyprus (66%) are classed as innovative, compared to 37% in Hungary and 39% in Ireland and Estonia.⁶⁷

T3 Share of innovative enterprises per country (%)



⁶⁵ Due to the limited prior data on this specific question, this historical analysis is limited to 2019.

⁶⁶ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

⁶⁷ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

The table below illustrates that across sectors industry SMEs (52%) are the most likely to be classed as innovative, particularly compared to those in construction (37%). Companies with at least 10 employees (50%-53%) are more likely to be innovative than micro SMEs (44%), and exporting SMEs are more likely to be innovative than non-exporters (55% vs 42%). The analysis also highlights gazelle (68%) and high-growth (65%) enterprises are much more likely than average (47%) to be innovative.

T3 Share of innovative enterprises per business characteristics
(% - EU)

	Innovative firms
EU27	47
Sector	
Industry	52
Construction	37
Trade	49
Services	47
Size: employees	
1--9	44
10--49	50
50--249	50
250+	53
Growth	
Gazelle	68
High-growth	65
Exporting vs. non-exporting	
Exporters	55
Non-exporters	42

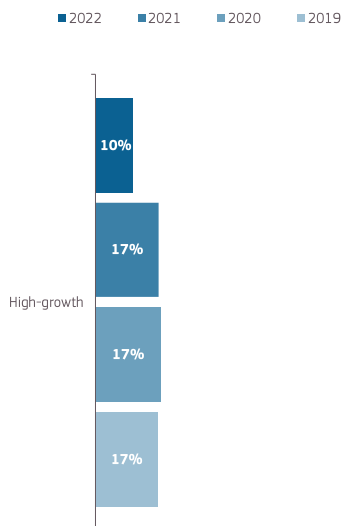
High-growth enterprises and gazelles

High-growth enterprises

An SME is categorised as a high-growth enterprise when it has experienced an average annualised growth of 20% per annum over a three-year period. They are of particular interest both because they are an important source of employment growth, but also because they have specific needs to support this level of year-on-year growth.

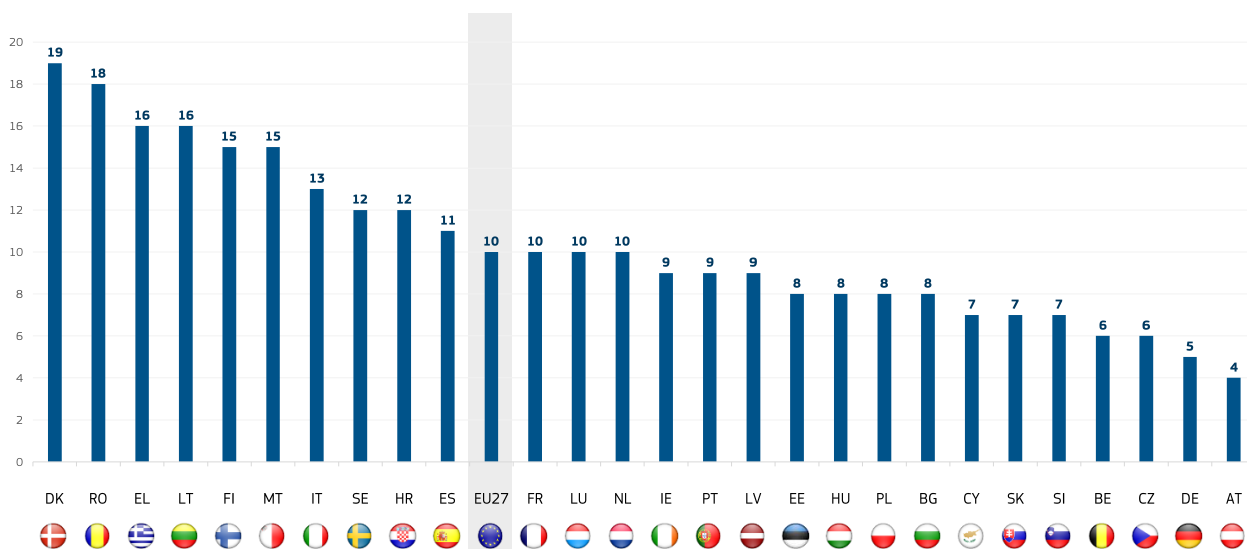
In 2022, 10% of SMEs in EU27 are classified as high growth. This is a seven-percentage point decline since 2021.⁶⁸

T1 Share of high-growth enterprises (% - EU)



There are 13 Member States where at least one in ten SMEs are classified as high-growth, with the highest levels seen in Denmark (19%), Romania (18%) and Greece and Lithuania (16% each).⁶⁹ At the other end of the scale 4% of SMEs in Austria and 5% in Germany are considered high-growth.

T1 Share of high-growth enterprises per country (%)



⁶⁸ Due to the limited prior data on this specific question, this historical analysis is limited to 2019.

⁶⁹ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

The analysis of company characteristics shows relatively little difference in the distribution of high-growth SMEs across sectors, with proportions ranging from 12% in construction to 8% in industry. There is little difference based on company size or exporter status, but innovative SMEs are more likely to be high growth than non-innovators (13% vs 6%).

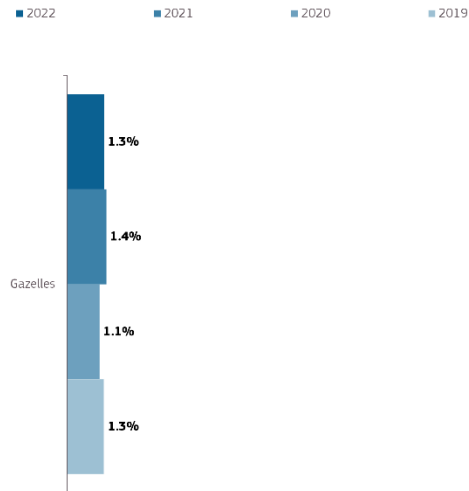
T1 Share of high-growth enterprises per business characteristics
(% - EU)

	High-growth
EU27	10
Sector	
Industry	8
Construction	12
Trade	9
Services	10
Size: employees	
1--9	10
10--49	10
50--249	9
250+	8
Innovativeness	
Innovative	13
Non-innovative	6
Exporting vs. non-exporting	
Exporters	10
Non-exporters	9

Gazelles

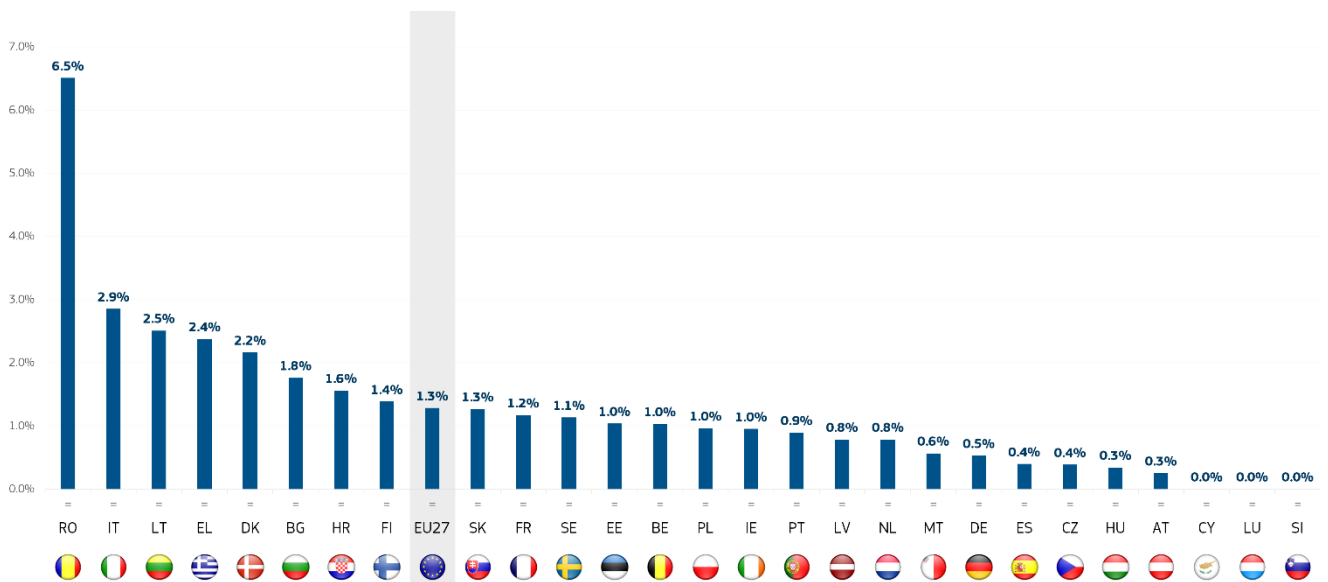
Gazelles are a subset of high-growth enterprises: in addition to having high growth, gazelles are also less than five years old. Across all SMEs 1.3% are gazelles. This is a slight (-0.1 percentage point) decline since 2021, and also a reversal of the trend between 2020 and 2021.⁷⁰

T2 Share of gazelles enterprises (% - EU)



Romania has the highest proportion of gazelles (6.5%) and there are only five countries in total where the proportion is at least 2%: Romania, Italy (2.9%), Lithuania (2.5%), Greece (2.4%), and Denmark (2.2%).⁷¹

T2 Share of gazelles enterprises per country (%)



⁷⁰ Due to the limited prior data on this specific question, this historical analysis is limited to 2019.

⁷¹ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

Gazelles make up a larger share of construction SMEs (1.9%) than they do in other sectors, and particularly in industry (0.9%). They also make up a larger share of micro (1.8%) and small (1.2%) SMEs than of larger enterprises. Innovative SMEs have a larger share of gazelles than non-innovators (1.9% vs 0.8%), while non-exporting SMEs have a larger share of gazelles than exporters (1.5% vs 0.9%).

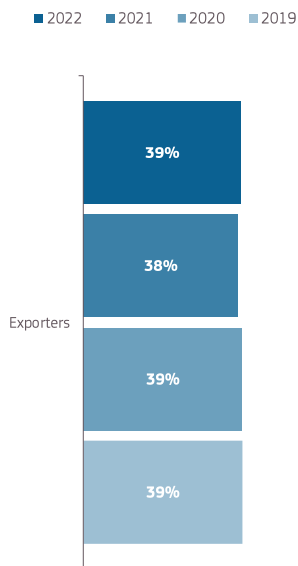
T2 Share of gazelles per business characteristics
(% - EU)

	Gazelles
EU27	1.3
Sector	
Industry	0.9
Construction	1.9
Trade	1.2
Services	1.4
Size: employees	
1--9	1.8
10--49	1.2
50--249	0.4
250+	0.3
Innovativeness	
Innovative	1.9
Non-innovative	0.8
Growth	
Gazelle	100
High-growth	13.4
Exporting vs. non-exporting	
Exporters	0.9
Non-exporters	1.5

Exporters

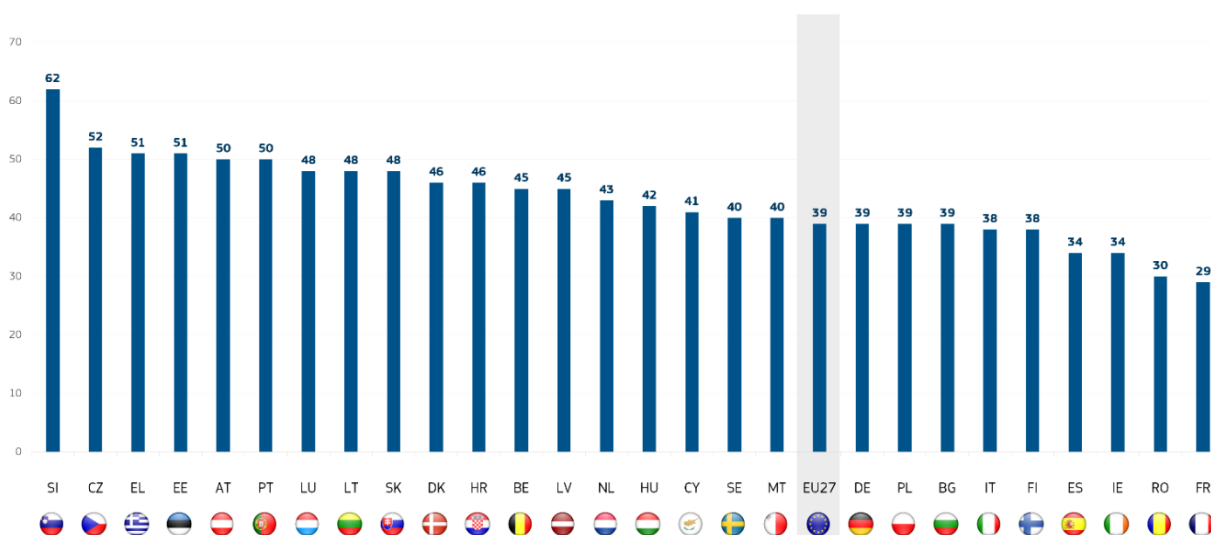
An SME is classified as an exporter when at least some percentage of its turnover is accounted for by exports of goods or services. In 2022 39% of SMEs were classified as exporters, up one percentage point since 2017, but still below the levels seen in 2014 – 2018.⁷²

T4 Share of exporters (% - EU)



At a national level, there is considerable variation in the proportion of SMEs that are exporters.⁷³ At least half in Slovenia (62%), Czechia (52%), Estonia, Greece (51% each) and Austria and Portugal (50% each) are exporters, while at the other end of the scale 29% of SMEs in France and 30% in Romania fall into this category.

T4 Share of exporters per country (%)



⁷² Due to the limited prior data on this specific question, this historical analysis is limited to 2019.

⁷³ Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution due to low base size (50-99).

SMEs in industry (74%) are much more likely to be exporters than those in other sectors, and particularly construction (20%). The proportion of exporters also increases with company size, rising from 28% of micro-SMEs to 64% of large enterprises.

A review of the company characteristics also shows innovative SMEs are much more likely to be exporters than non-innovators (46% vs 34%). Finally, gazelles are much less likely than average to be an exporter (28% vs 39%).

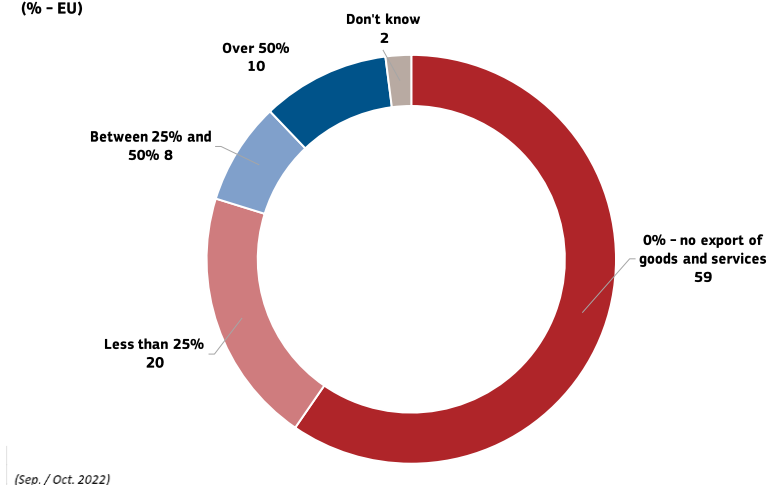
T4 Share of exporters per business characteristics
(% - EU)

	Exporters
EU27	39
Sector	
Industry	74
Construction	20
Trade	42
Services	31
Size: employees	
1--9	28
10--49	40
50--249	59
250+	64
Innovativeness	
Innovative	46
Non-innovative	34
Growth	
Gazelle	28
High-growth	41

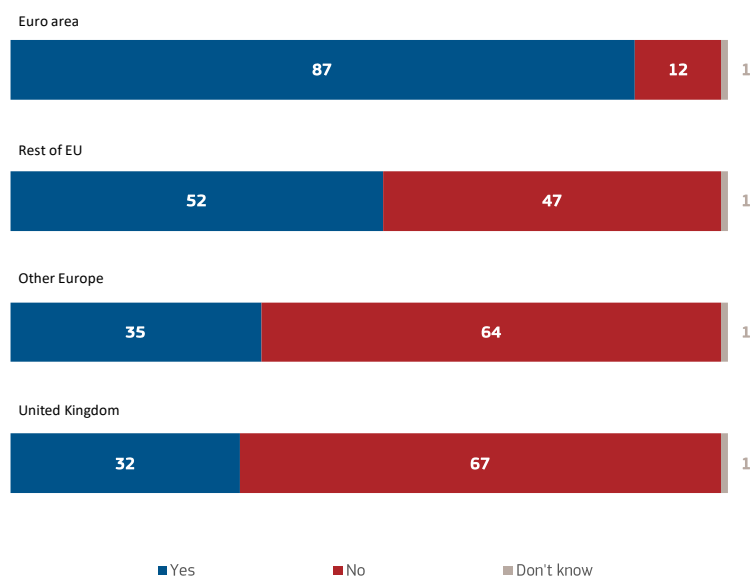
Export markets

Exports account for less than 25% of total turnover for about 20% of all the SMEs. They account for 25% to 50% of their total turnover for 8% of all SMEs, and for over 50% of total turnover for 10% of them. All these SMEs are considered as exporters (39% of the total SMEs). SMEs classified as exporters were asked about their export markets both within and outside of Europe. Amongst them, 87% exported to the euro area and 52% exported to the rest of Europe in the past year. Just over one third (35%) exported to countries in Europe outside the EU, 32% exported to the United Kingdom.

D7 What percentage of your company's total turnover in 2021 is accounted for by exports of goods and services? (% - EU)



QA1A. To which markets did your company export goods or services in 2021? Did you export to a country in Europe?



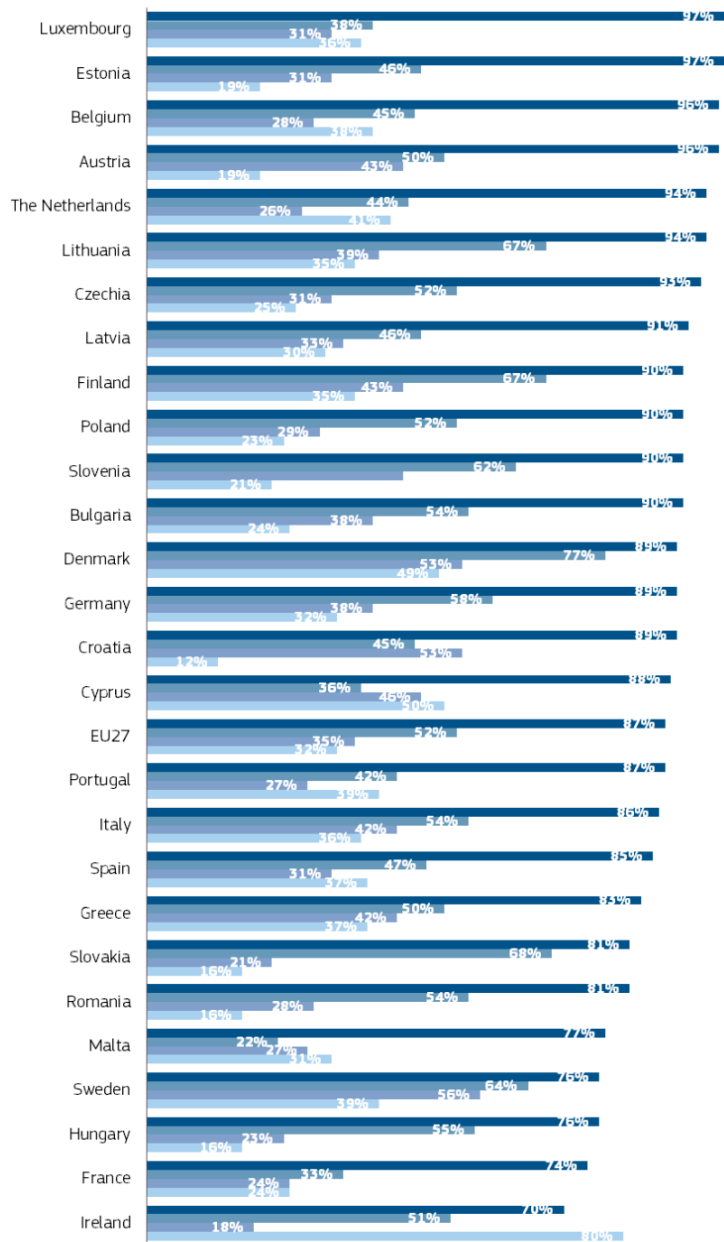
At a national level, the **euro area** is the most popular export destination for exporting SMEs, with proportions ranging from 97% of exporters in Estonia and 96% in Belgium and Austria to 70% in Ireland.⁷⁴ There is greater variation in the proportion of exporters to the **rest of the EU**. 77% of exporting SMEs in Denmark, 68% in Slovakia and 67% in Finland and Lithuania export to the rest of EU, compared to 33% in France. Sweden (56%), Denmark and Croatia (both 53%) are the only countries where at least half of all exporters export to **other European countries** outside the EU. In contrast, 18% in Ireland do this.

Finally, exporting SMEs in Ireland (80%) are much more likely than those in other Member States to export goods to the **UK**, and this is particularly the case compared to exporting SMEs in Croatia (12%).

⁷⁴ Results for Estonia and Latvia should be interpreted with caution due to low base size (50-99). Results for the following countries are not included due to very low base size (<50): Malta, Cyprus, Luxembourg.

QA1A To which markets did your company export goods or services in 2021? Did you export to a country in Europe?
(% - Yes)

■ Euro area ■ Rest of EU ■ Other Europe ■ United Kingdom



The table below details the results by company characteristics for SMEs that export. It highlights that exporting SMEs in the industry sector are more likely than those in other sectors to export to each area. For example, 61% in the industry sector export to the rest of the EU, compared to 51% of trade SMEs, 47% of services and 34% of SMEs in the construction sector. The table also illustrates that the larger the company, the more likely they are to export to each market. For instance, 58% of large companies export to the United Kingdom, compared to 23% of micro SMEs. Innovative SMEs are more likely than non-innovators to export to areas outside the Eurozone, with the largest difference seen for exporting to areas of Europe outside the EU (40% vs 29%). Finally, gazelles are less likely than the EU average to export to each of these areas, with the largest difference seen for European markets outside the EU (17% vs 35%).

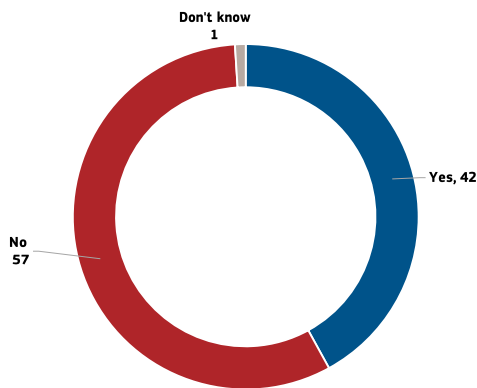
QA1A

To which markets did your company export goods or services in 2021? Did you export to a country in Europe?
(% - EU)

	Euro area			Rest of EU			Other Europe			United Kingdom		
	Yes	No	Don't know	Yes	No	Don't know	Yes	No	Don't know	Yes	No	Don't know
EU27	87	12	1	52	47	1	35	64	1	32	67	1
Sector												
Industry	93	7	0	61	38	1	43	56	1	38	61	1
Construction	80	20	0	34	65	0	20	79	1	15	85	0
Trade	88	11	1	51	48	1	34	65	1	25	73	2
Services	82	17	1	47	51	1	30	68	2	33	65	2
Size: employees												
1--9	80	19	1	42	57	1	26	73	1	23	76	1
10--49	86	12	1	49	49	1	31	67	2	29	69	2
50--249	93	7	1	63	36	1	44	54	2	41	57	1
250+	95	4	0	72	27	1	57	42	2	58	40	2
Innovativeness												
Innovative	87	12	1	56	43	1	40	59	1	35	64	1
Non-innovative	86	14	1	48	51	1	29	69	1	28	70	1
Growth												
Gazelle	79	18	3	49	51	0	17	83	0	22	78	0
High-growth	85	13	1	55	45	0	32	67	1	32	68	0
Exporting vs. non-exporting												
Exporters	87	12	1	52	47	1	35	64	1	32	67	1
Non-exporters	0	0	0	0	0	0	0	0	0	0	0	0

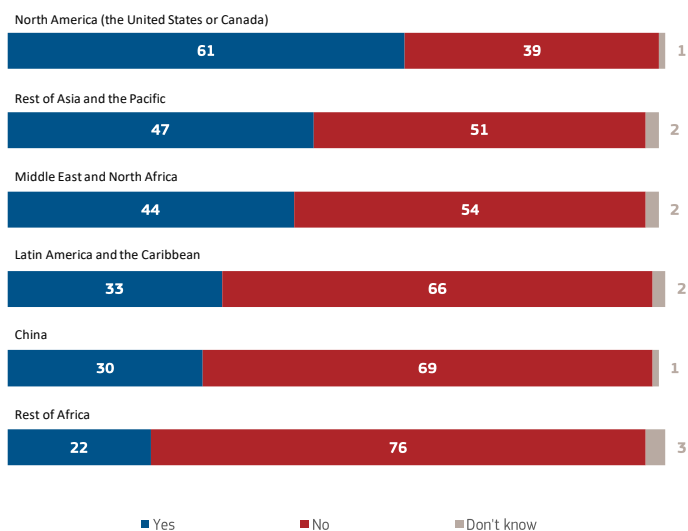
Just over four in ten exporting SMEs (42%) exported to countries outside of Europe in the past year. North America (61%) is the most common destination for exports, followed by the rest of Asia and the Pacific (47%), the Middle East and North Africa (44%), Latin America and the Caribbean (33%), China (30%) and the rest of Africa (22%).

QA1B To which markets did your company export goods or services in 2021? Did you export to markets outside of Europe?



(Sep. / Oct. 2022)

QA1C. To which of the following markets outside Europe did you export?



CONCLUSION



The results from the current wave of the Survey in the Access to Finance of Enterprises (SAFE) depict a challenging operating environment for SMEs in the European Union.

Although a growing proportion of SMEs have experienced increases in staff turnover, escalating costs mean profitability has been significantly impacted. More than nine in ten firms, in net terms, report an increase in costs such as materials and energy, while more than two thirds report increases in labour costs, and almost three in ten have experienced an increase in interest expenses. Improvements in turnover have not offset these increases, and as a result profit has seen a net decline of 20%. This pattern of increasing costs and decreasing profit is repeated in every Member State. Given these conditions it is not surprising there has been a net decline in SMEs' optimism that their turnover will grow in the next two to three years.

The situation for SMEs with existing bank finance is compounded by worsening conditions on their existing loans with two thirds experiencing an increase in interest rates. This is significantly worse than at any previous point in the survey's history. The position on collateral requirements has also deteriorated to the worst level since 2014.

In 2022, more SMEs are reporting an increased need for external finance in the form of bank loans and leasing or hire-purchase. However, this is occurring at a time when the availability of external finance is reduced, and those that do apply are less successful in receiving all the funds asked for. SMEs have reported the largest net deteriorations in the history of the survey when it comes to the availability of credit lines, bank or credit cards overdrafts, bank loans or trade credit. As these are amongst the most relevant and used forms of financing, this is a key issue for SMEs and their plans for future growth. SMEs also report a reduction in their confidence to have successful conversations with banks about financing, and a decline in the willingness of banks to lend.

Although an increasing need for external finance has been identified, this has not been reflected in increasing application rates. The stabilisation of application rates for debt financing in 2022 may therefore be reflecting SMEs tempering their growth plans because of economic uncertainty and deteriorating availability of finance. Certainly, the number of SMEs classified as high-growth has declined from almost one in five in 2021 to one in ten in 2022.

Although SMEs report increasing restriction in access to external finance, there has not been a concurrent increase in the outright rejection rate for those that have applied for it. However, SMEs are now less likely to be successful in receiving all the funds they apply for. The decline in this '100% success rate' is notable across a range of external finance options: credit line or bank or credit cards overdraft bank loans, trade credit and other external financing.

SMEs think the challenging financial environment will persist. Their expectations for the general economic outlook have deteriorated significantly and are now at the most pessimistic level since 2014. In addition, they expect the availability of all types of external finance to deteriorate further, and in the case of the most popular types of finance (bank loans, credit line/credit cards or bank overdraft, trade credit and leasing and hire purchase) they are the largest deteriorations on record. This is only the second year SMEs have expected availability to deteriorate for all types of external finance – the last time was 2020, the first year of the pandemic.

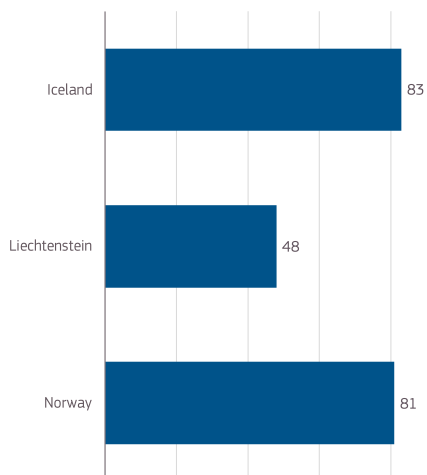
For SMEs that do have plans to grow in the next 2-3 years there has been a considerable decline in the proportion who say there is no obstacle in accessing future finance, and a substantial increase in the proportion who say interest rates or a too high price will be a barrier. The amount of finance SMEs are looking for, however, is comparable to previous years, which may be a further reflection of SMEs adjusting their plans to reflect difficult economic circumstances.

APPENDIX I: RESULTS FOR NON-EU COUNTRIES

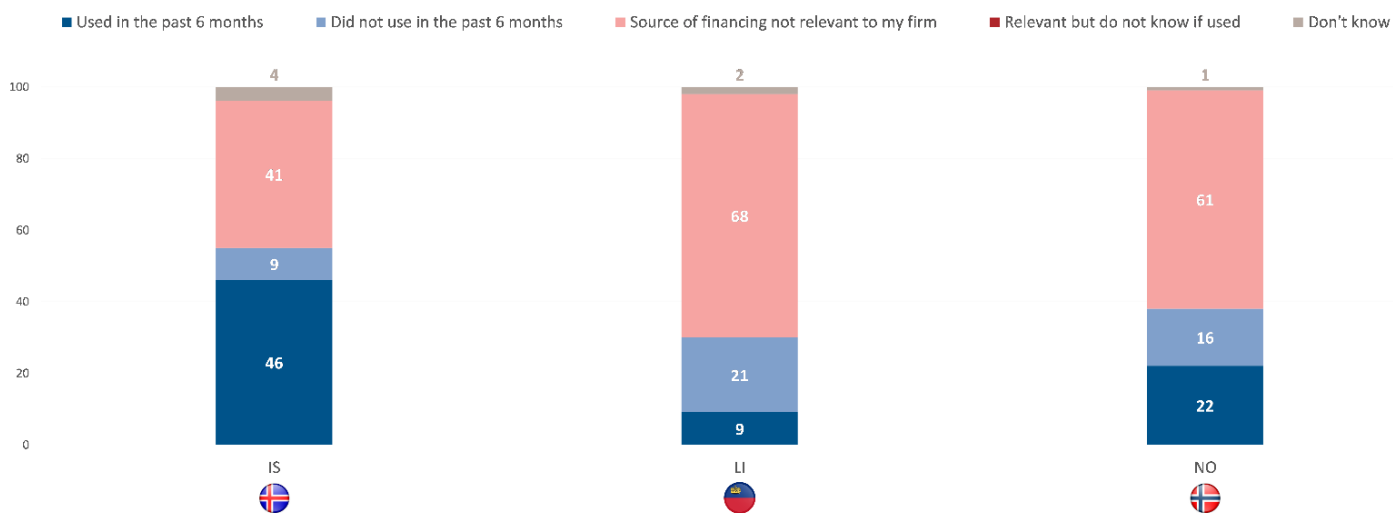


Use of external financing

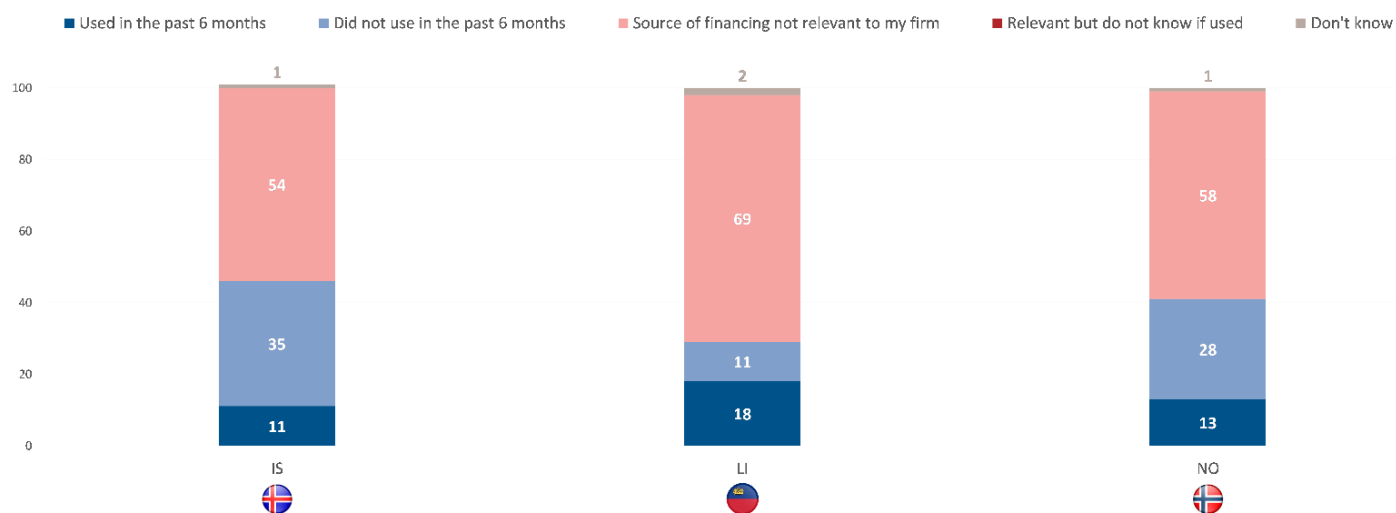
Q4 Are the following sources of financing relevant to your firm, that is, have you used them in the past or considered using them in the future? (MULTIPLE ANSWERS POSSIBLE)
 (% - Debt financing)



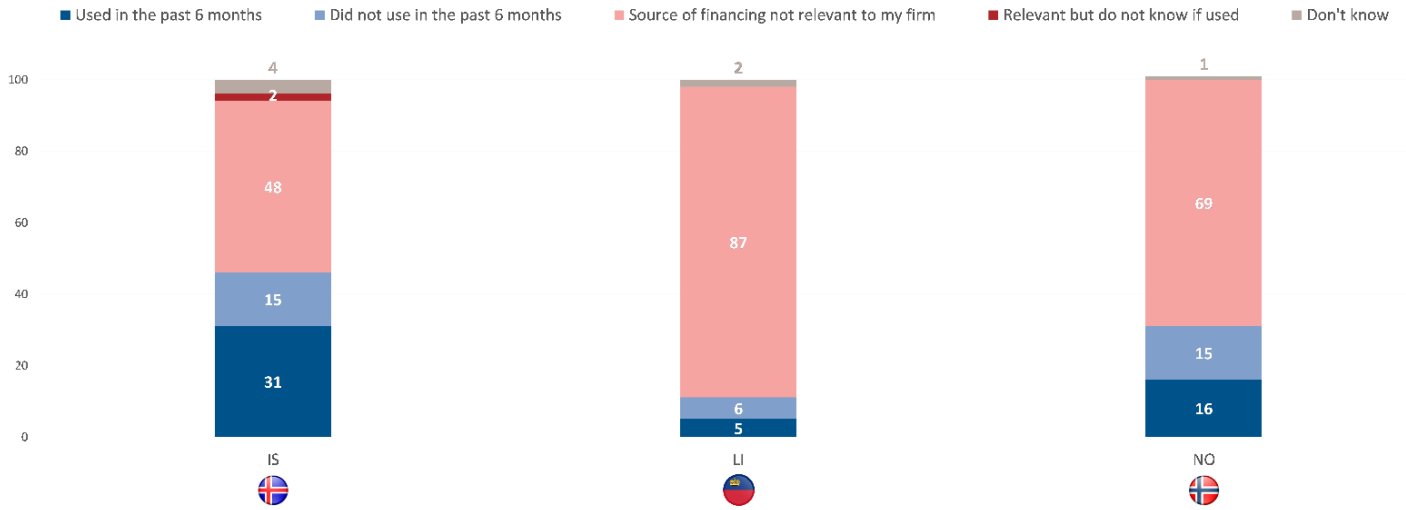
Q4c(2) Have you obtained such sources of financing in the past 6 months?
 (% - Credit line, bank overdraft or credit cards overdraft)



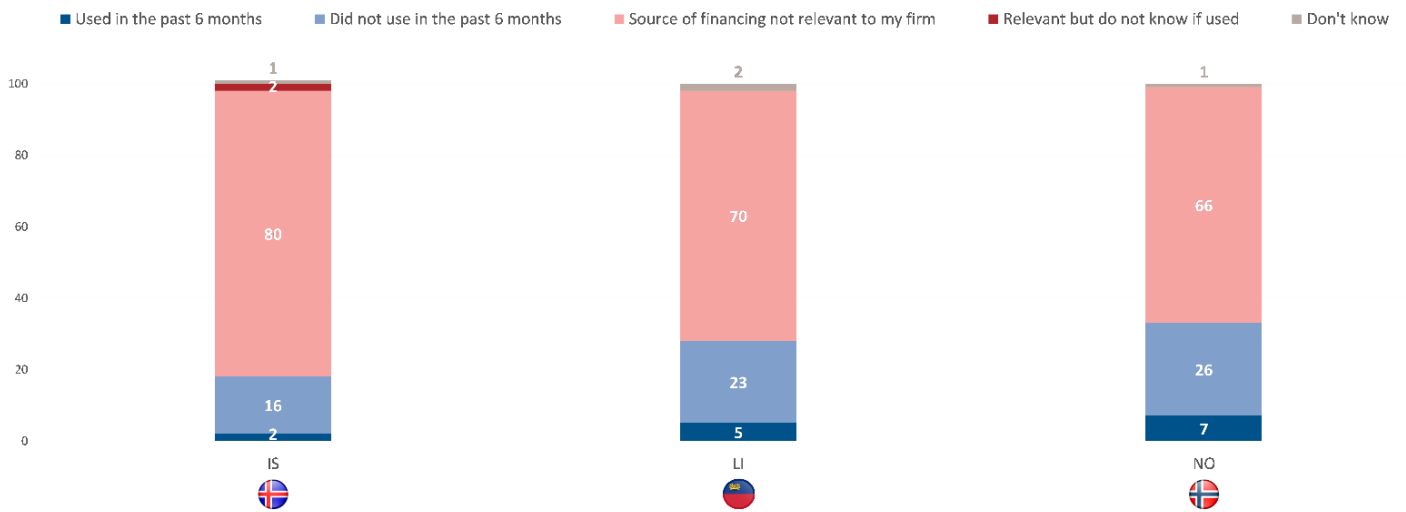
Q4d(2) Have you obtained such sources of financing in the past 6 months?
 (% - Bank loan)



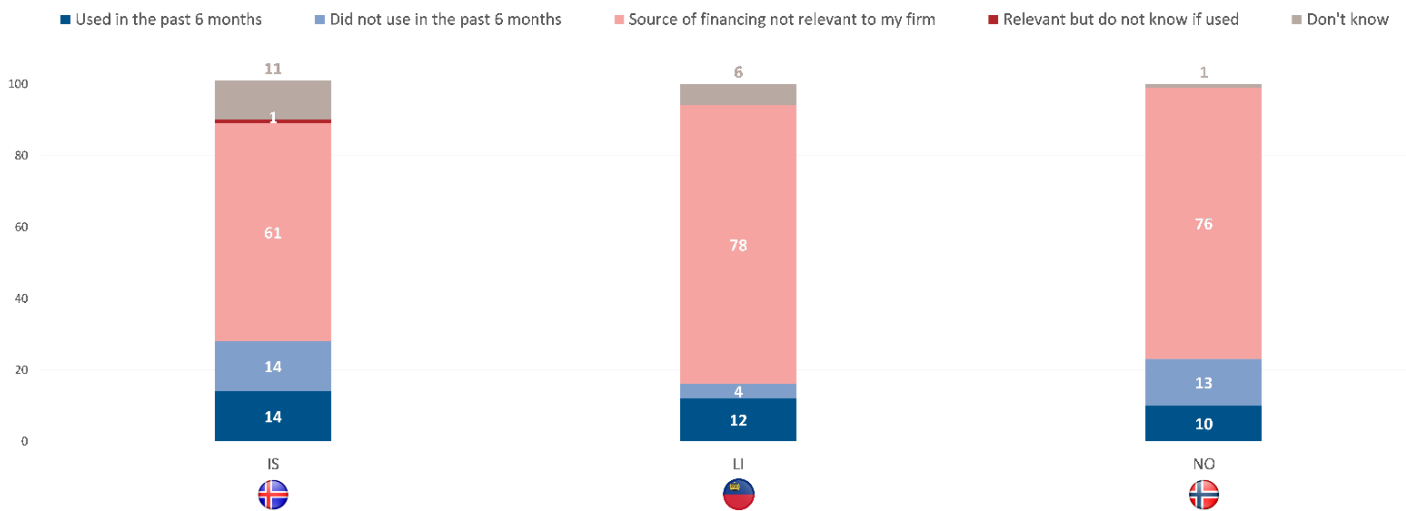
Q4e(2) Have you obtained such sources of financing in the past 6 months?
 (% - Trade credit)



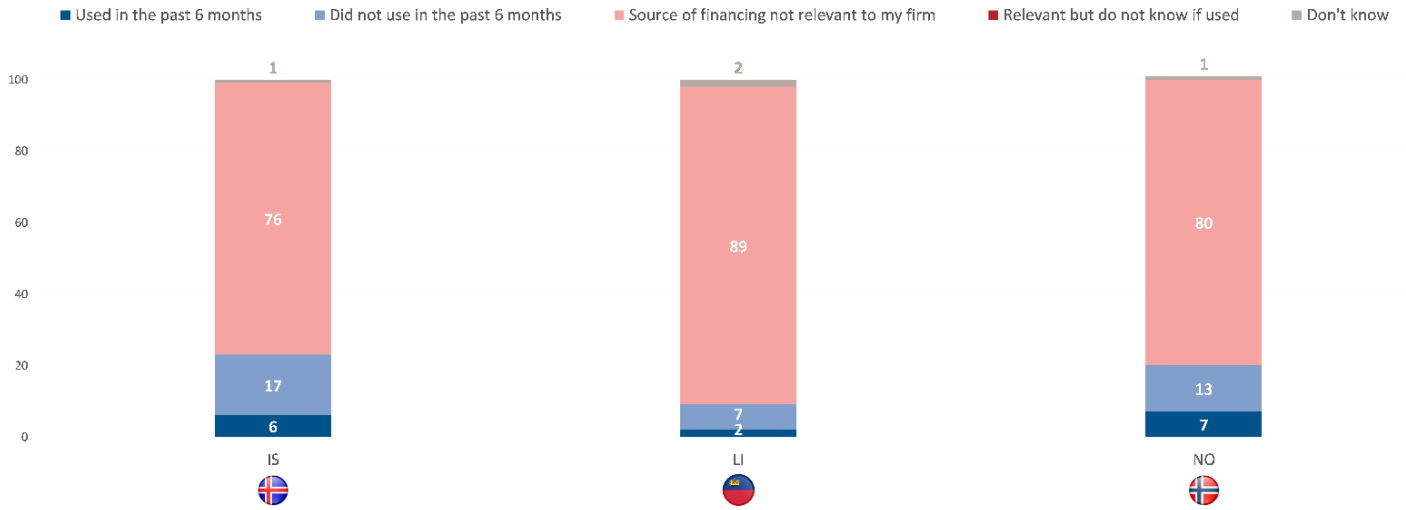
Q4b(2) Have you obtained such sources of financing in the past 6 months?
 (% - Grants or subsidised bank loan)



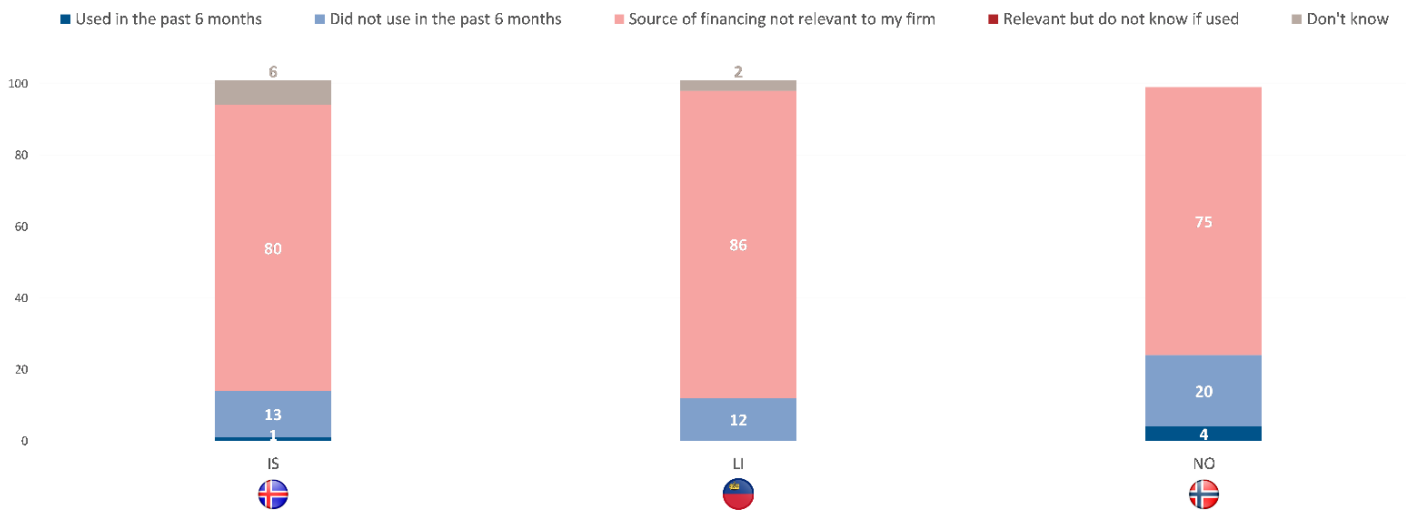
Q4a(2) Have you obtained such sources of financing in the past 6 months?
 (% - Internal funds (retained earnings or sale of assets))



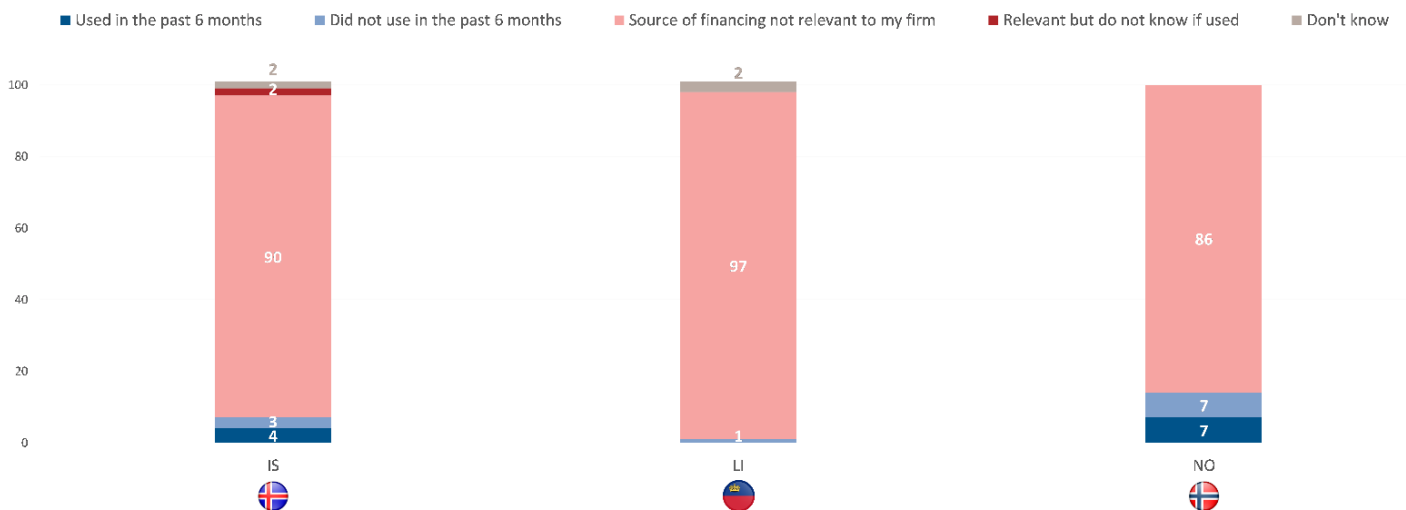
Q4f(2) Have you obtained such sources of financing in the past 6 months?
 (% - Other loan)



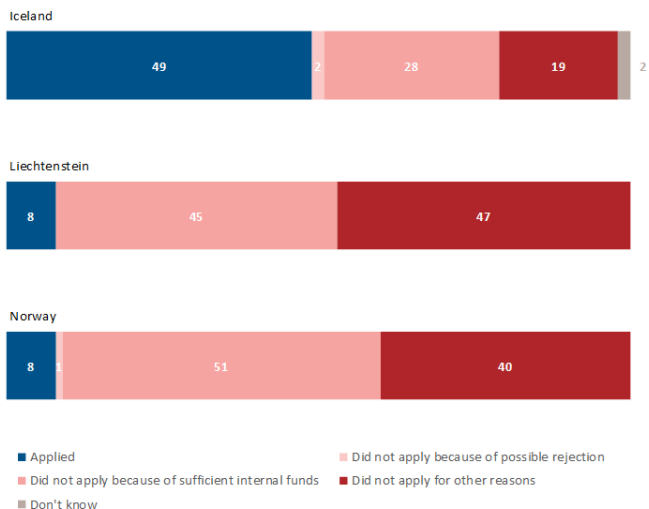
Q4j(2) Have you obtained such sources of financing in the past 6 months?
 (% - Equity)



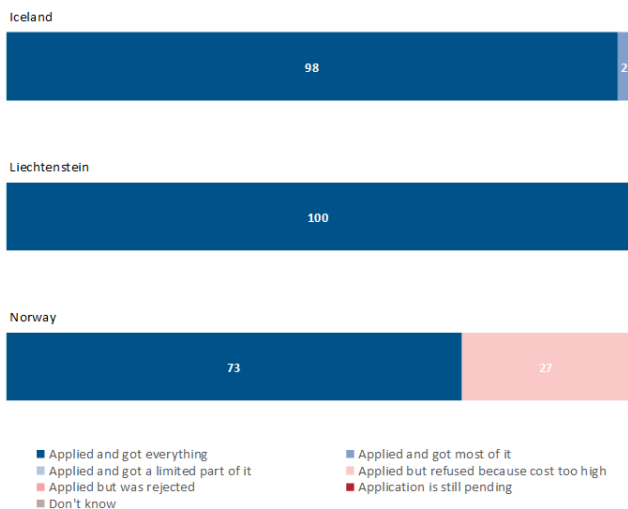
Q4r(2) Have you obtained such sources of financing in the past 6 months?
 (% - Factoring)



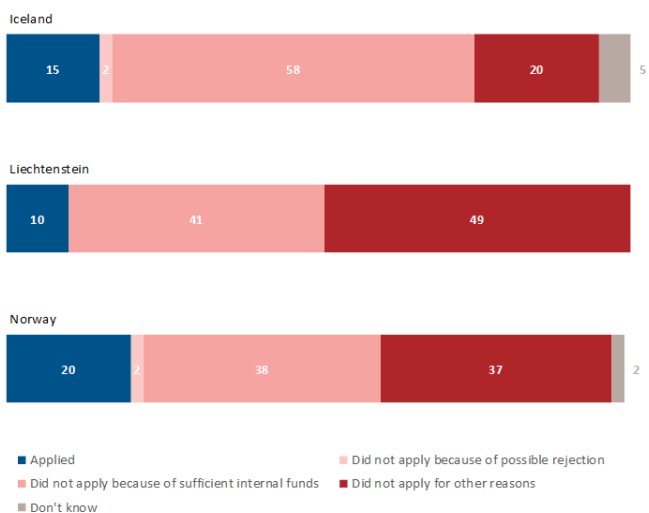
Q7Ad. Have you applied for the following types of financing in the past 6 months?
 (% - Credit line, bank overdraft or credit cards overdraft)



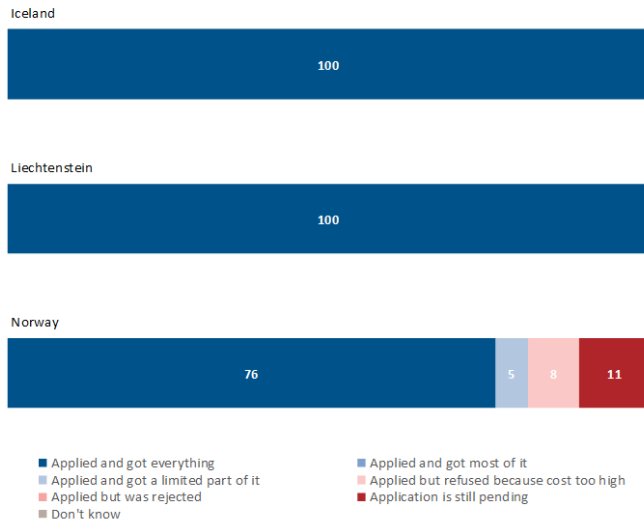
Q7Bd. If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome?
 (% - Credit line, bank overdraft or credit cards overdraft)



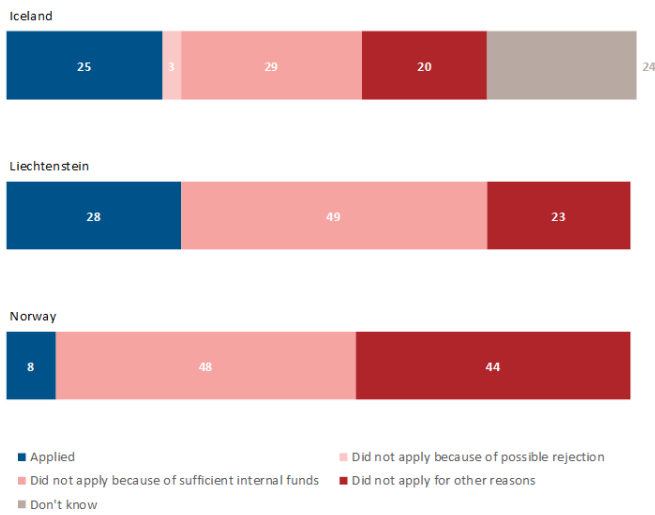
Q7Aa. Have you applied for the following types of financing in the past 6 months?
 (% - Bank loan)



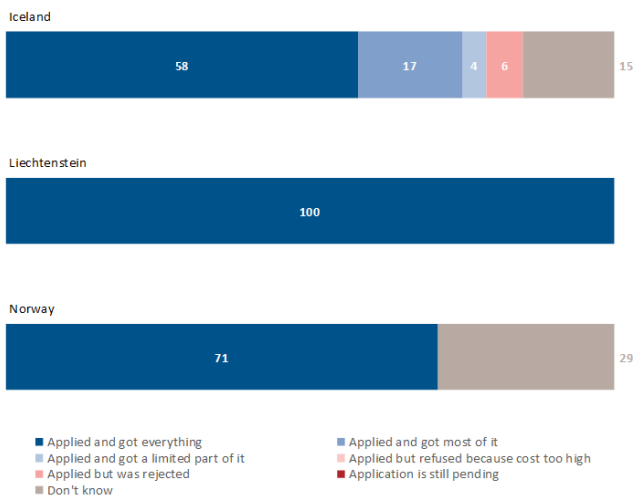
Q7Ba. If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome? (% - Bank loan)



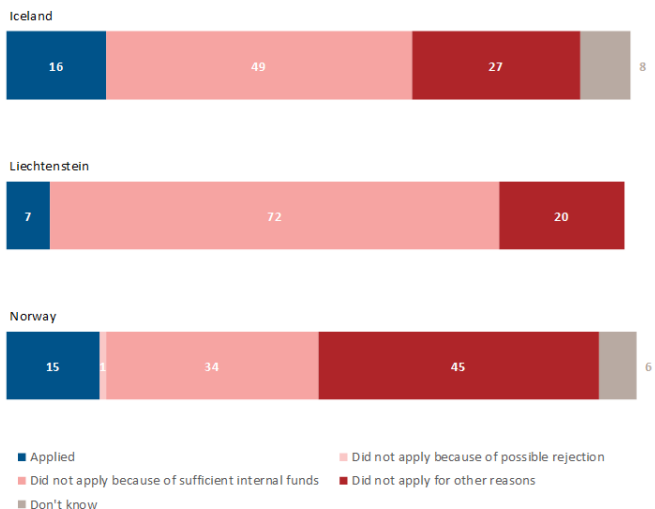
Q7Ab. Have you applied for the following types of financing in the past 6 months? (% - Trade credit)



Q7Bb. If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome? (% - Trade credit)



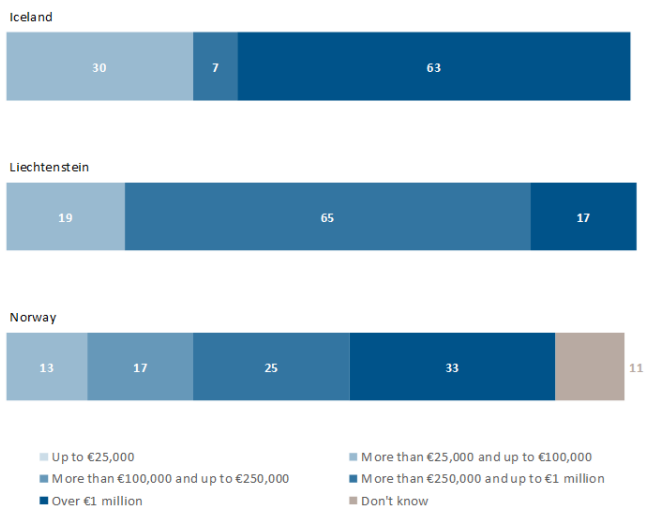
Q7Ac. Have you applied for the following types of financing in the past 6 months?
 (% - Other external financing)



Q7Bc. If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome?
 (% - Other external financing)

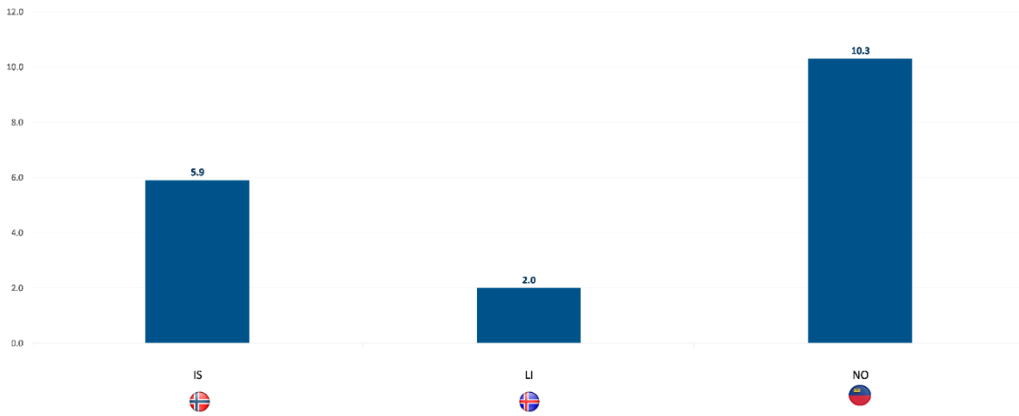


Q8A. What is the size of the last bank loan that your enterprise obtained/renegotiated/attempted to obtain in the past 6 months?
 (%)

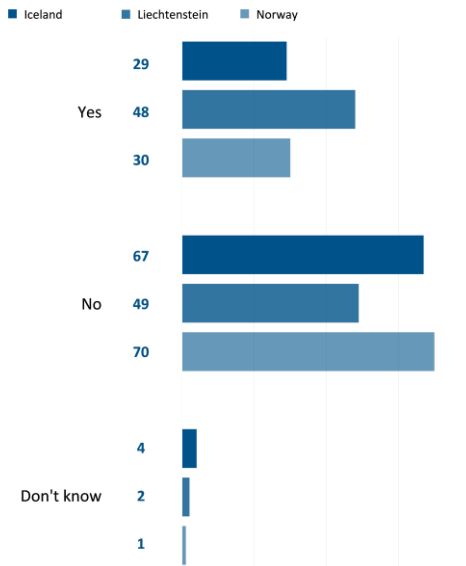


Q8B What interest rate was charged for the credit line or bank overdraft for which you applied? (Mean)

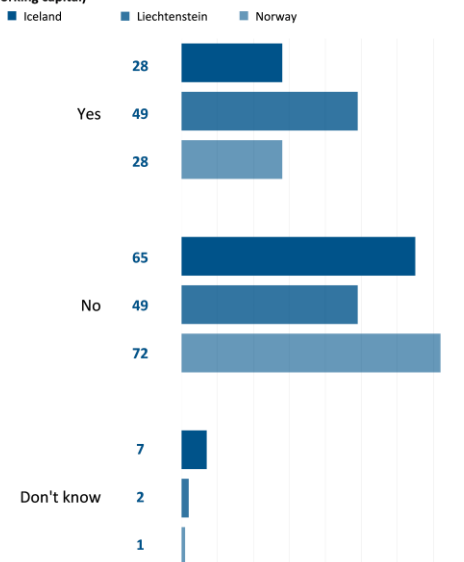
■ Sep. / Oct. 2022



Q6A1 For what purpose was external financing used by your enterprise during the past 6 months? (% - Fixed investment)

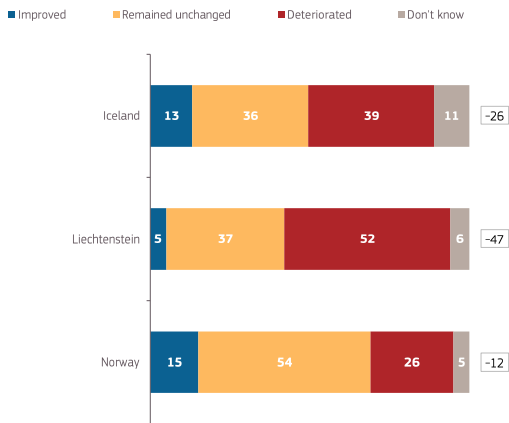


Q6A2 For what purpose was external financing used by your enterprise during the past 6 months? (% - Inventory and other working capital)

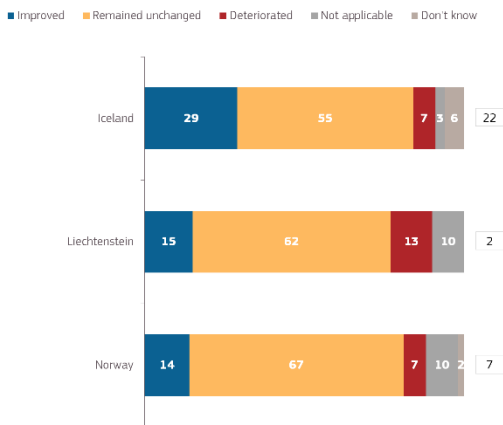


Access to external sources of finance

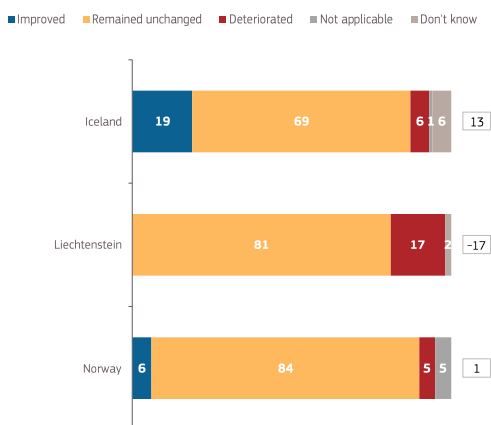
Q11a For each of the following factors, would you say that they have improved, remained unchanged or deteriorated over the past 6 months?
 (% - General economic outlook, insofar as it affects the availability of external financing)



Q11f For each of the following factors, would you say that they have improved, remained unchanged or deteriorated over the past 6 months?
 (% - Willingness of banks to provide credit to your enterprise)

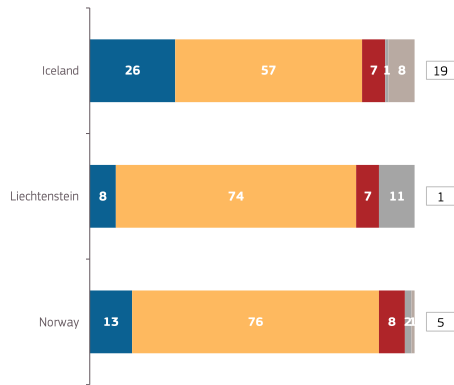


Q9f For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past 6 months?
 (% - Credit line, bank overdraft or credit cards overdraft)



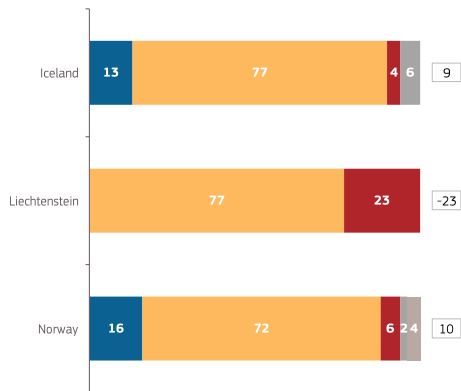
Q9a For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past 6 months?
 (% - Bank loan)

■ Improved ■ Remained unchanged ■ Deteriorated ■ Not applicable ■ Don't know



Q9b For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past 6 months?
 (% - Trade credit)

■ Improved ■ Remained unchanged ■ Deteriorated ■ Not applicable ■ Don't know



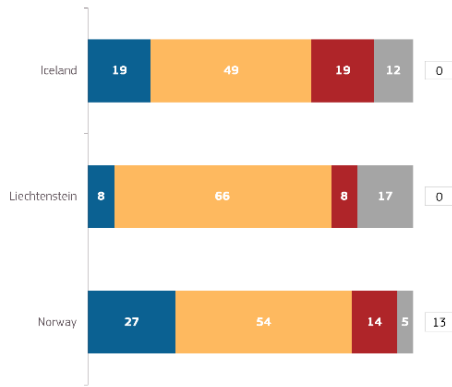
Q9c For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past 6 months?
 (% - Equity)

■ Improved ■ Remained unchanged ■ Deteriorated ■ Not applicable ■ Don't know



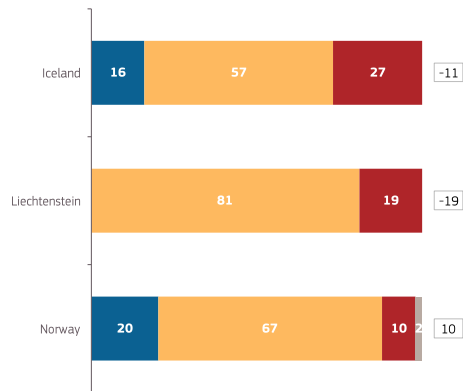
Q5a For each of the following types of external financing, please indicate if your needs increased, remained unchanged or decreased over the past 6 months?
 (% - Bank loans)

■ Increased ■ Remained unchanged ■ Decreased ■ Not applicable ■ Don't know



Q5c For each of the following types of external financing, please indicate if your needs increased, remained unchanged or decreased over the past 6 months?
 (% - Equity investments in your firm)

■ Increased ■ Remained unchanged ■ Decreased ■ Not applicable ■ Don't know



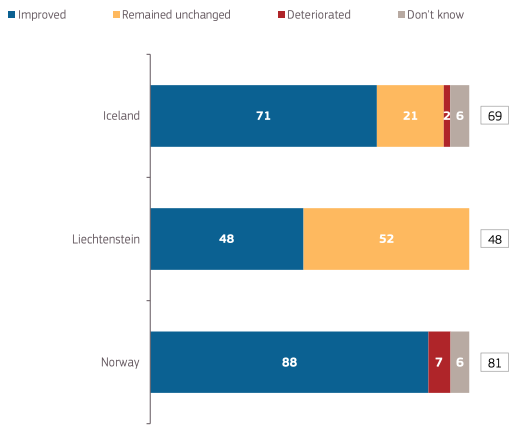
Q5g For each of the following types of external financing, please indicate if your needs increased, remained unchanged or decreased over the past 6 months?
 (% - Leasing or hire-purchase)

■ Increased ■ Remained unchanged ■ Decreased ■ Not applicable ■ Don't know



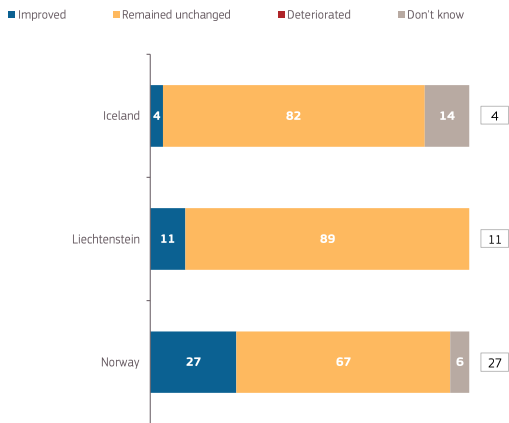
Q10a We will turn now to the terms and conditions of bank financing, such as bank loans, overdrafts and credit lines. Please indicate whether the following items increased, remained unchanged or decreased in the past 6 months?

(% - Level of interest rates)



Q10e We will turn now to the terms and conditions of bank financing, such as bank loans, overdrafts and credit lines. Please indicate whether the following items increased, remained unchanged or decreased in the past 6 months?

(% - Collateral requirements)

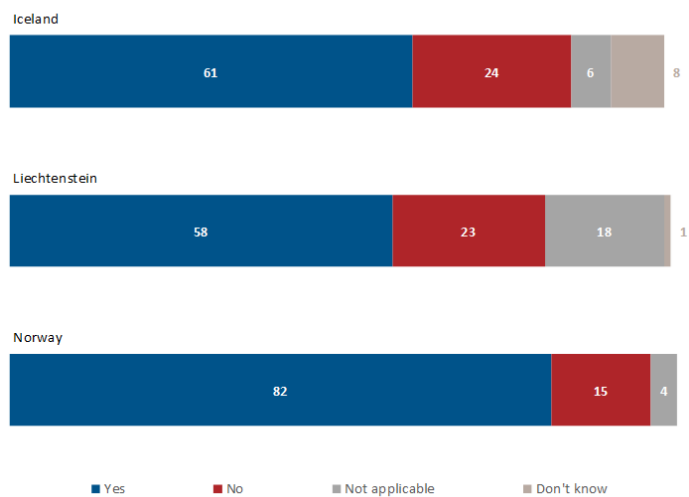


Outlook for the future

Q17. Considering the turnover over the next two to three years (2022-2024), how much does your enterprise expect to grow per year? (%)

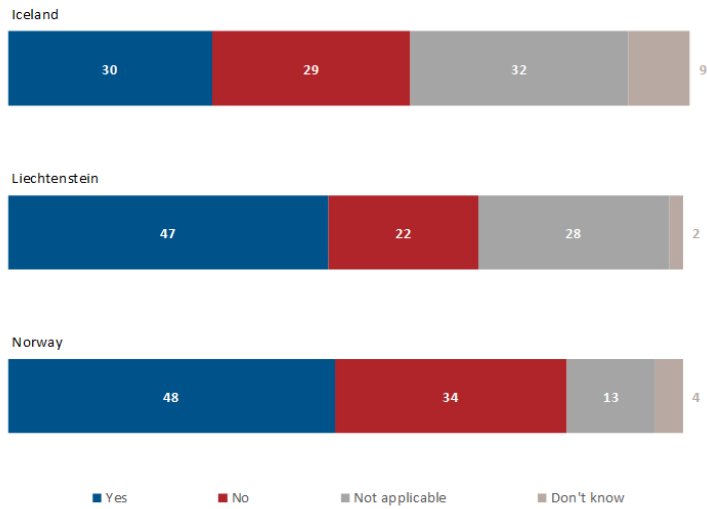


Q19A. Do you feel confident talking about financing with banks and that you will obtain the desired results? (%)



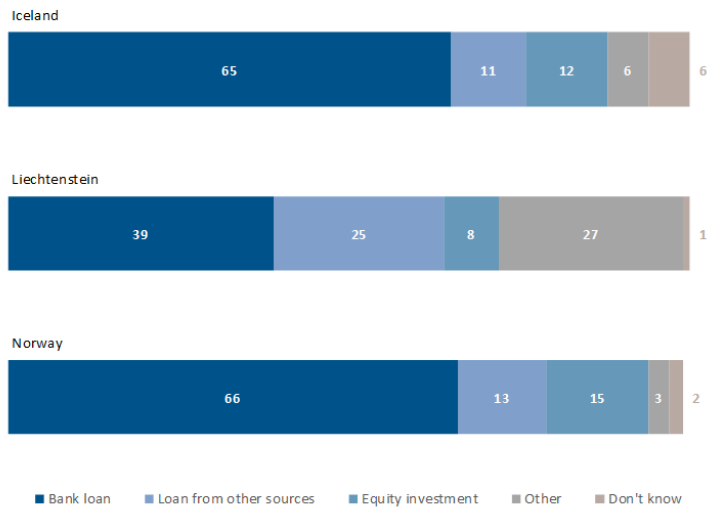
Q19B. Do you feel confident talking about financing with equity investors/venture capital enterprises and that you will obtain the desired results?

(%)



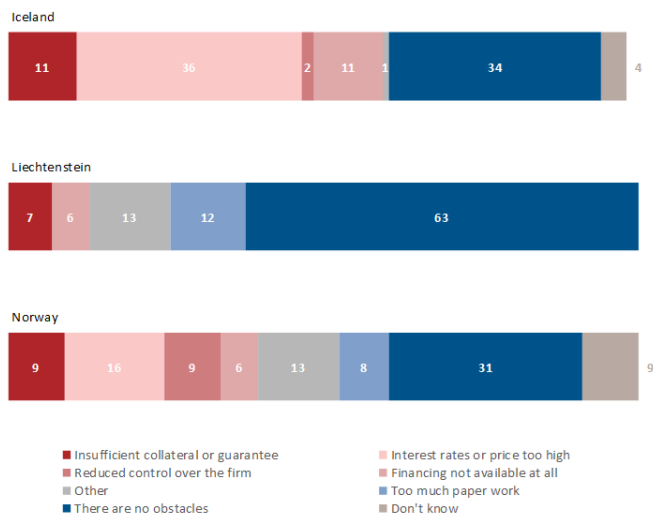
Q20. If you need external financing to realise your growth ambitions, what type of external financing would you prefer most?

(%)

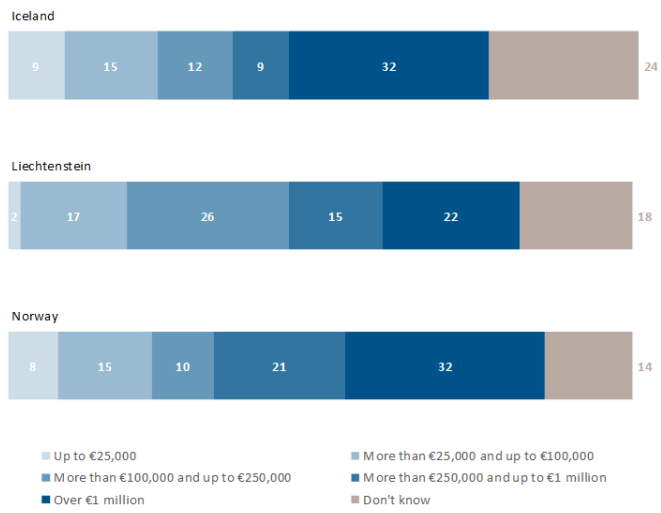


Q22. What do you see as the most important limiting factor to get this financing?

(%)

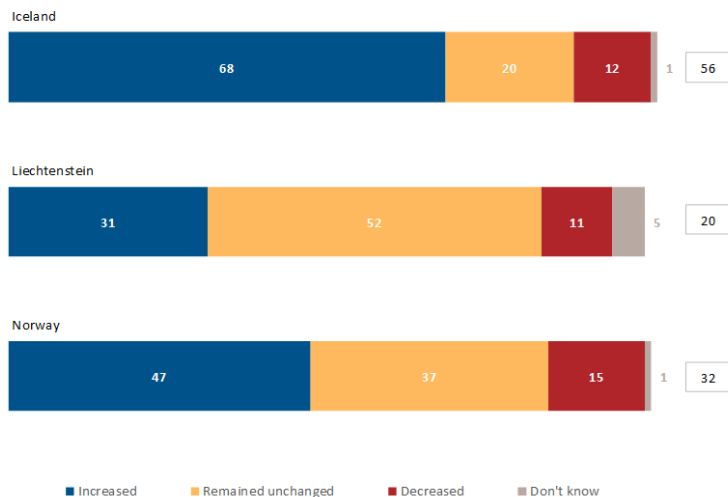


Q21. If you need external financing to realise your growth ambitions, what amount of financing would you aim to obtain? (%)

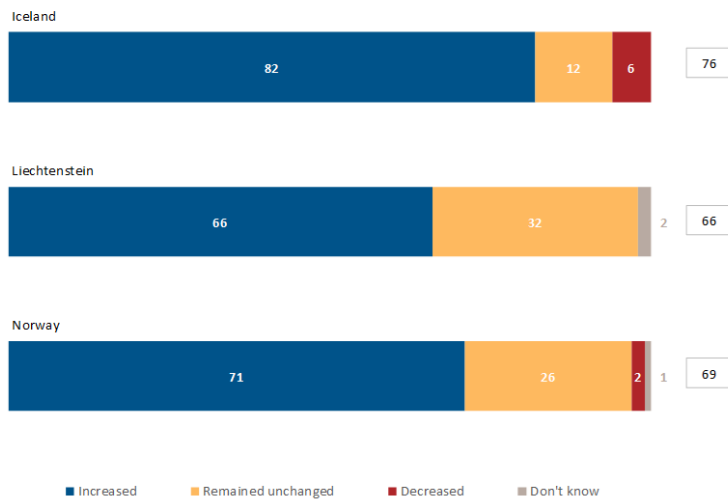


Characteristics and current state of enterprises

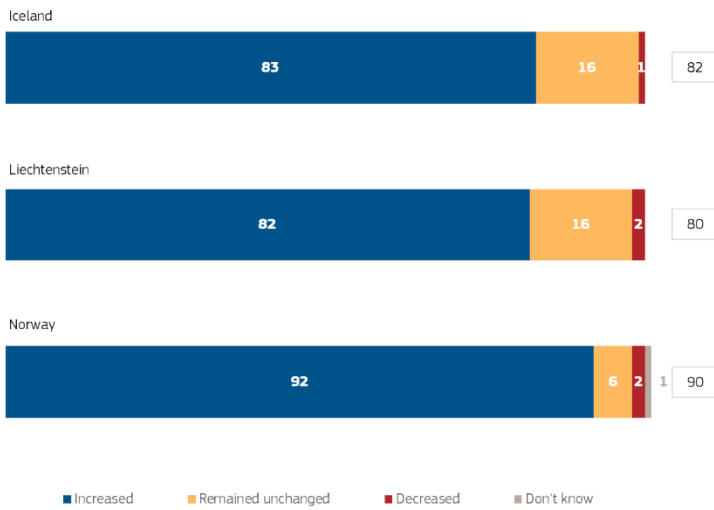
Q2a. Have the following company indicators decreased, remained unchanged or increased over the past 6 months?
(% - Turnover)



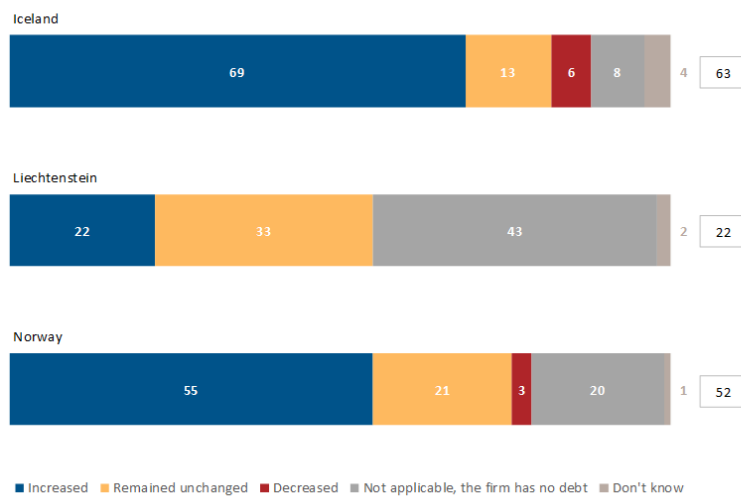
Q2b. Have the following company indicators decreased, remained unchanged or increased over the past 6 months?
(% - Labour cost (including social contributions))



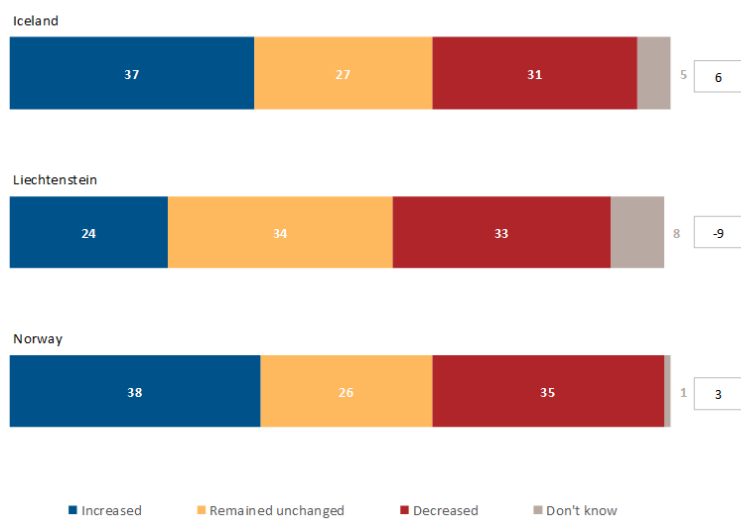
Q2c. Have the following company indicators decreased, remained unchanged or increased over the past 6 months?



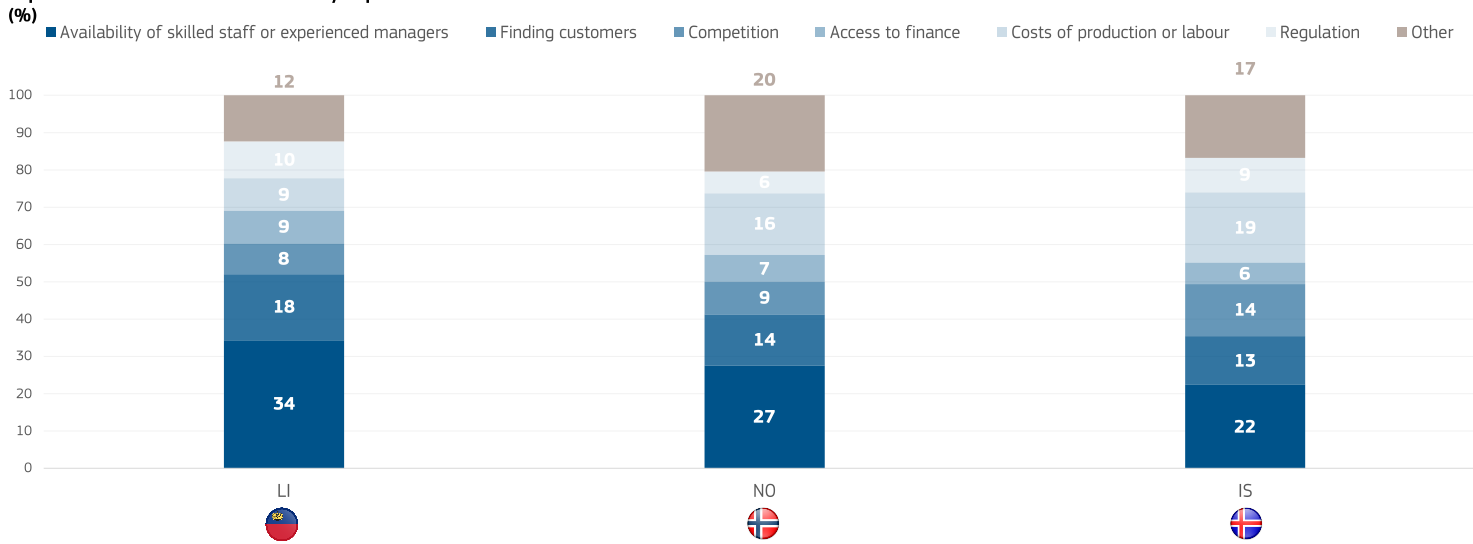
Q2d. Have the following company indicators decreased, remained unchanged or increased over the past 6 months? (% - Interest expenses)



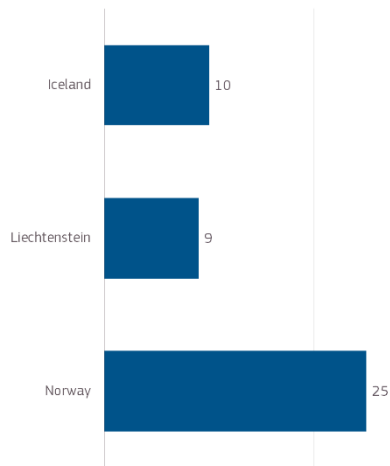
Q2e. Have the following company indicators decreased, remained unchanged or increased over the past 6 months? (% - Profit)



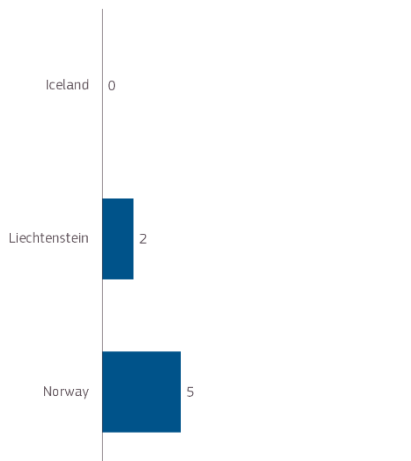
Q0b How important have the following problems been for your enterprise in the past six months? Please answer on a scale of 1-10, where 1 means not at all important and 10 means it is extremely important.



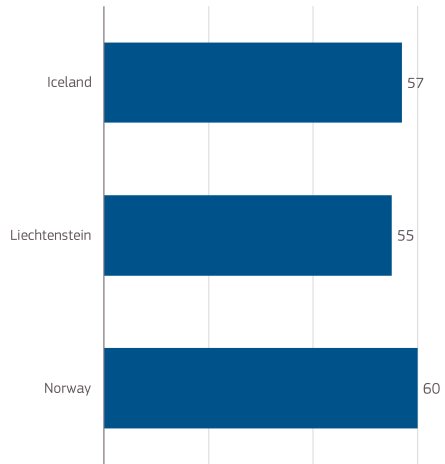
T1 Share of high-growth enterprises (%)



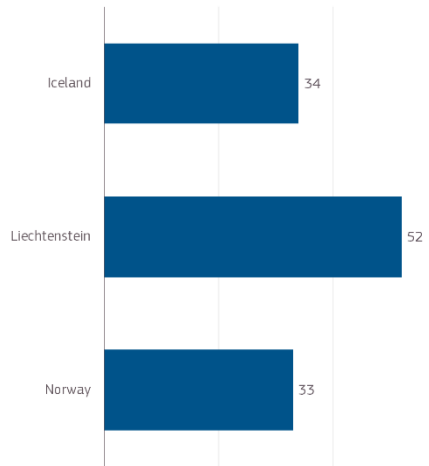
T2 Share of gazelles (%)



T3 Share of innovative firms (%)



T4 Share of exporters (%)



APPENDIX II: QUESTIONNAIRE

European Commission and European Central Bank

Survey on the access to finance of enterprises,

September 2022 to October 2022

[Introduction to the online survey]

Welcome to the Survey on the access to finance of enterprises: a joint initiative of the European Commission and the European Central Bank.

Your business has been selected to participate in this Europe-wide survey, which aims to assess the financing needs and the availability of financing among companies like yours. We very much appreciate your participation.

Your answers to this voluntary survey will be treated in strict confidence, used for statistical or policy research purposes and published in anonymised form only.

Please click 'next' to continue.

[Introduction to the telephone survey]

Hello, my name is <interviewer> and I am calling from <survey company> on behalf of the European Commission and the European Central Bank. Your business has been selected to participate in a Europe-wide survey on the financing needs and the availability of financing among companies like yours.

European policymakers want to have a better understanding of the issues and circumstances faced by small, medium-sized and large non-financial enterprises when it comes to accessing finance from banks and other institutions. This survey is now being conducted across Europe and your input is of the utmost importance: the responses to the survey will help shape policy decisions by the European Commission and the European Central Bank.

[IF RESPONDENT IS FROM PANEL: You may remember that we spoke to you about <INSERT CORRECT TIME PERIOD (e.g. six months, one year, one and a half years)> ago and you kindly said that you would be willing to participate again in the survey at around this time.]

[READ IF NECESSARY (IF RESPONDENTS ASK FOR MORE INFORMATION ABOUT THE PROJECT): The results of the survey will help the European Commission in its evidence-based policymaking to improve the access to finance for businesses and in the monetary policy of the European Central Bank. Can I email you some more information about the survey?]

May I speak with the most appropriate person – the person best able to provide information on how your company is financed?

[READ IF NECESSARY: This person could be the owner, a finance manager, the finance director or the chief financial officer (CFO).]

Your answers to this voluntary survey will be treated in strict confidence, used for statistical or policy research purposes and published in aggregate form only.

[READ IF NECESSARY: Would you prefer to participate in the survey by phone or online?]

D0. Can you please confirm that the name of your company is correct? If not, please indicate the correct company name.

Section 1

General characteristics of the enterprise

(Demographic part, common)

[FOR PANEL MEMBERS:]

First a few demographic questions – you may have already answered these, but it would be good to confirm that the details are still correct.

D2. NEW RESPONDENTS:

How would you characterise your enterprise? Is it...

D2. PANEL MEMBERS:

Can you confirm that your enterprise is <STATE ANSWER FROM PREVIOUS WAVE>?

[READ IF NECESSARY: If not, what is the correct category?]

[ONLY ONE ANSWER IS POSSIBLE]

- a subsidiary of another enterprise

[READ IF NECESSARY: a separate, distinct legal entity that is part of a profit-oriented enterprise] 4

- a branch of another enterprise

[READ IF NECESSARY: branches are controlled by a parent company and are not separate legal entities] 5

- an autonomous profit-oriented enterprise, making independent financial decisions

[READ IF NECESSARY: in the sense of making independent management decisions; this includes partnerships and cooperatives] 2

- a non-profit enterprise

[READ IF NECESSARY: foundation, association, semi-government] 3

- [DK/NA] 9

[IF 3 (NON-PROFIT) STOP INTERVIEW INTERVIEW NOT VALID]

[IF 4 (SUBSIDIARY) MAKE THE FOLLOWING REQUEST]

In your replies to all the following questions, please respond on behalf of the subsidiary.

[IF 5 (BRANCH) ASK THE FOLLOWING QUESTION]

Are you knowledgeable about the finances of the whole enterprise, that is, the head office and all branches?

[IF NO STOP INTERVIEW INTERVIEW NOT VALID]

[IF YES: Please respond on behalf of the whole enterprise, that is, the head office and all branches.]

[FILTER: IF D2 FEATURES 4 OR 5]

D2A. NEW RESPONDENTS:

In which country is the parent company of your enterprise located?

D2A. PANEL MEMBERS: Can you confirm that the parent company of your enterprise is located in <STATE ANSWER FROM PREVIOUS WAVE>?

[READ IF NECESSARY: If not, what is the correct country?]

[DO NOT READ OUT – USE ISO COUNTRY CODES]

[LIST OF MAIN COUNTRY CODES]

Euro area countries Other EU Member States Other countries

AT Austria BG Bulgaria AL Albania

BE	Belgium	HR	Croatia	BA	Bosnia and Herzegovina
CY	Cyprus	CZ	Czech Republic	CN	China
EE	Estonia	DK	Denmark	MK	North Macedonia
FI	Finland	HU	Hungary	IS	Iceland
FR	France	PL	Poland	JP	Japan
DE	Germany	RO	Romania	ME	Montenegro
GR	Greece	SE	Sweden	NO	Norway
IE	Ireland			RS	Serbia
IT	Italy			RU	Russian Federation
LT	Lithuania			CH	Switzerland
LV	Latvia			TR	Turkey
LU	Luxembourg			US	United States
MT	Malta			XK	Kosovo
NL	Netherlands			UK	United Kingdom
PT	Portugal				
SK	Slovakia				
SI	Slovenia				
ES	Spain			-99	Don't know

[FILTER: ALL ENTERPRISES]

D1. How many people does your enterprise currently employ either full or part-time at all its locations <in your country>? Please do not include unpaid family workers and freelancers working regularly for your enterprise.

[READ IF NECESSARY: Full-time and part-time employees should each count as one employee. Employees working less than 12 hours per week are to be excluded.]

[ONLY ONE ANSWER IS POSSIBLE]

- NUMERICAL ANSWER [1-999999]
- [DK/NA]

[READ IF 1 EMPLOYEE: The business must have at least one employee beyond the owner(s). Can you confirm that the employee is not the owner?]

[IF 0 EMPLOYEES STOP INTERVIEW INTERVIEW NOT VALID]

D1_rec. [IF NA/DK ASK ABOUT APPROXIMATE NUMBER IN BRACKETS – ONLY ONE ANSWER IS POSSIBLE IF STILL NA/DK STOP INTERVIEW INTERVIEW NOT VALID]

What is the approximate number?

- from 1 employee to 9 employees 1
- from 10 employees to 49 employees 2
- from 50 employees to 249 employees 3
- 250 employees or more 4
- [DK/NA] 9

D1_C. PANEL MEMBERS: [IF THE NEW CATEGORY DIFFERS SIGNIFICANTLY (I.E. BY MORE THAN ONE CATEGORY) FROM THE PREVIOUS WAVE, ASK THE FOLLOWING QUESTION.]

The last time your enterprise was interviewed, it had <STATE ANSWER FROM PREVIOUS WAVE> employees. Can you confirm that the number <has increased/decreased> to <STATE ANSWER FROM CURRENT WAVE>? [READ IF NECESSARY: If not, what is the correct number?]

D3. What is the main activity of your enterprise?

[ONLY ONE ANSWER IS POSSIBLE]

- construction 2
- industry

[READ IF NECESSARY: it includes manufacturing, mining and electricity, gas and water supply] 12

- wholesale or retail trade 4
- transport 5
- agriculture

[STOP INTERVIEW INTERVIEW NOT VALID] 8

- public administration

[STOP INTERVIEW INTERVIEW NOT VALID] 9

- financial services

[STOP INTERVIEW INTERVIEW NOT VALID] 10

- other services to businesses or persons

[READ IF NECESSARY: for example, hotels and restaurants, IT services] 13

- [READ IF NECESSARY: If none of these, please specify.]
- [IF RECODING IS NOT POSSIBLE, STOP INTERVIEW INTERVIEW NOT VALID] 11
- [DK/NA] [STOP INTERVIEW INTERVIEW NOT VALID] 99

D3_C. PANEL MEMBERS: [IF SECTOR DIFFERS FROM THE PREVIOUS WAVE, ASK THE FOLLOWING QUESTION.]

The last time your enterprise was interviewed, it was active in <STATE ANSWER FROM PREVIOUS WAVE>. Can you confirm that it is involved in <STATE ANSWER FROM CURRENT WAVE>? [READ IF NECESSARY: If not, what is the correct category?]

D6. NEW RESPONDENTS:

Who owns the largest stake in your enterprise?

D6. PANEL MEMBERS: Can you confirm that the largest stake in your enterprise is still owned by <STATE ANSWER FROM PREVIOUS WAVE>?

[READ IF NECESSARY: If not, what is the correct category?]

[ONLY ONE ANSWER IS POSSIBLE. IF RESPONDENT CLASSIFIES THE ENTERPRISE IN ONE OF THE FIRST CATEGORIES, THERE IS NO NEED TO READ ALL THE CATEGORIES]

[READ IF NECESSARY (NOTE ON THE REFERENCE TO THE LIMITED LIABILITY COMPANY): A limited liability company is a legal form of an enterprise that provides protection against personal liability to its owners. The owners can be natural persons or other enterprises. To which category would you classify the owner with the largest stake in your enterprise? READ THE CATEGORIES]

- one owner only, that is yourself or another natural person 5
- family or entrepreneurs [READ IF NECESSARY: more than one owner] 2
- other enterprises or business associates 3
- public shareholders, as your enterprise is listed on the stock market 1
- venture capital enterprises or business angels [READ IF NECESSARY: individual investors providing capital or know-how to young innovative enterprises] 4
- other 7

- [DK/NA] 9

D4. What was the annual turnover of your enterprise in 2021?

[READ IF NECESSARY: Please include all locations of your enterprises, both <in your country> and abroad.]

[ONLY ONE ANSWER IS POSSIBLE]

[For non-euro area countries, the amounts in euro will be converted to national currency.]

- up to €500,000 5
- more than €500,000 and up to €1 million 6
- more than €1 million and up to €2 million 7
- more than €2 million and up to €10 million 2
- more than €10 million and up to €50 million 3
- more than €50 million 4
- [DK/NA] 9

D4_C. PANEL MEMBERS: [IF THE NEW CATEGORY DIFFERS SIGNIFICANTLY (I.E. BY MORE THAN ONE CATEGORY) FROM THE PREVIOUS WAVE, ASK THE FOLLOWING QUESTION.]

The last time your enterprise was interviewed, the turnover was <STATE ANSWER FROM PREVIOUS WAVE>. Can you confirm that it is now <STATE ANSWER FROM CURRENT WAVE>? [READ IF NECESSARY: If not, what is the correct category?]

D7. What percentage of your company's total turnover in 2021 is accounted for by exports of goods and services?

[READ IF NECESSARY: Exports comprise sales of goods or the provision of services to non-residents, including to foreign tourists visiting the relevant country.]

NUMERICAL ANSWER IN PERCENTAGES [0-100]

[DK/NA: -99]

D7_rec. [IF (NA/DK) ASK WHETHER ONE OF THE FOLLOWING CATEGORIES WOULD APPLY – ONLY ONE ANSWER IS POSSIBLE]

Which of the following categories apply?

- 0% – my enterprise did not export any goods and services last year 1
- less than 25% 2
- between 25% and 50% 3
- over 50% 4
- [DK] 9

D7_C. PANEL MEMBERS: [IF THE NEW CATEGORY DIFFERS SIGNIFICANTLY (I.E. BY MORE THAN ONE CATEGORY) FROM THE PREVIOUS WAVE, ASK THE FOLLOWING QUESTION.]

The last time your enterprise was interviewed, the share of total turnover accounted for by exports was <STATE ANSWER FROM PREVIOUS WAVE>. Can you confirm that it is now <STATE ANSWER FROM CURRENT WAVE>?

[READ IF NECESSARY: If not, what is the correct number?]

[FILTER: IF D7_rec FEATURES CODE 2, 3 OR 4 ("enterprise exported")]

QA1A. To which markets did your company export goods or services in 2021? Did you export to a country in Europe?

- Yes 1
- No 2
- [DK] 99

[ONE ANSWER PER LINE]

1. Euro area [READ IF NECESSARY: countries that use the euro as their common currency, namely: Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia or Spain] 1 2 99

2. Rest of European Union (this excludes the United Kingdom) [READ IF NECESSARY: Bulgaria, Croatia, Czech Republic, Denmark, Hungary, Poland, Romania or Sweden] 1 2 99

10. The United Kingdom 1 2 99

3. European countries outside the European Union including Russia and excluding the United Kingdom [READ IF NECESSARY: Albania, Andorra, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Georgia, Iceland, Kosovo, Liechtenstein, Moldova, Monaco, Montenegro, North Macedonia, Norway, Russia, San Marino, Serbia, Switzerland, Ukraine or Vatican City] 1 2 99

[FILTER: IF D7_rec FEATURES CODE 2, 3 OR 4 ("enterprise exported")]

QA1B. Did you export to markets outside Europe? 1 2 99

[FILTER: IF QA1B FEATURES CODE 1 ("YES - exported outside Europe")]

QA1C. To which of the following markets outside Europe did you export?

4. North America (the United States or Canada) 1 2 99

5. Latin America and the Caribbean 1 2 99

6. China 1 2 99

7. Rest of Asia and the Pacific 1 2 99

8. Middle East and North Africa 1 2 99

9. Rest of Africa 1 2 99

[FILTER: ALL ENTERPRISES]

D5. NEW RESPONDENTS:

In which year was your enterprise first registered?

[READ IF NECESSARY: In the case of a past acquisition, please refer to the year when the acquiring enterprise was registered or, in the case of a merger, to the largest enterprise involved (in terms of employees)].

D5. PANEL MEMBERS: Can you please confirm that your enterprise was registered in <STATE ANSWER FROM PREVIOUS WAVE>

[READ IF NECESSARY: If not, what is the correct year?]

NUMERICAL ANSWER [1700-2022] <FOUR DIGITS, LESS OR EQUAL THAN YEAR OF SURVEY>

[DK/NA]

[THE AGE OF THE ENTERPRISE IS CALCULATED AS 2022 MINUS THE YEAR OF REGISTRATION.]

D5_rec. [IF NA/DK ASK WHETHER ONE OF THE FOLLOWING CATEGORIES WOULD APPLY – ONLY ONE ANSWER IS POSSIBLE]

Approximately, how old is your enterprise?

- 10 years or more 1
- 5 years or more, but less than 10 years 2
- 2 years or more, but less than 5 years 3
- less than 2 years 4
- [DK/NA] 9

Section 2

General information on the type and situation of the enterprise

We will now turn to your enterprise's current situation. When asked about the changes experienced by your enterprise over the past six months, please report just the changes that have occurred between April 2022 and now.

[FILTER: ALL ENTERPRISES]

Q0b. How important have the following problems been for your enterprise in the past six months? Please answer on a scale of 1-10, where 1 means it is not at all important and 10 means it is extremely important.

[ONE ANSWER PER LINE. DK/NA (CODE 99) OPTION PERMITTED]

1. Finding customers
2. Competition
3. Access to finance

[READ IF NECESSARY: Financing of your business – bank loans, trade credit, equity, debt securities, other external financing]

4. Costs of production or labour

[READ IF NECESSARY: If your company does not have production costs, please refer only to labour costs. Labour costs include wages, employee benefits and payroll taxes paid by an employer.]

5. Availability of skilled staff or experienced managers
6. Regulation, for example European and national laws, industrial regulations
7. Other, please specify

[READ IF NECESSARY: For "Other", please specify, "Is there anything else which has been a problem for your enterprise in the past six months?"]

[WRITE DOWN THE VERBATIM ANSWER. USE THE FOLLOWING CODES, IF THE ANSWER CAN BE CLASSIFIED AS ONE OF THE FOLLOWING CATEGORIES: 11 - Taxes, 12 - Cash flow / liquidity, 13 - Bureaucracy, 14 - Exchange rate fluctuations, 15 - Political instability/economic crisis, 17 - Coronavirus (COVID-19), 18 - War in Ukraine 19 - Rising inflation

Q2. Have the following company indicators decreased, remained unchanged or increased over the past six months?

[ONLY ONE ANSWER PER LINE]

- Increased 1
- Remained unchanged 2
- Decreased 3
- [NOT APPLICABLE, ENTERPRISE HAS NO DEBT] 7
- [DK/NA] 9

[AS REGARDS ITEM (d) and (j), IF THE COMPANY HAS NO DEBT, CODE 7 (NOT APPLICABLE) SHOULD BE USED.]

- (a) Turnover 1 2 3 9
- (b) Labour costs (including social contributions) 1 2 3 9
- (c) Other costs (materials, energy, other) 1 2 3 9
- (d) Interest expenses

[READ IF NECESSARY: what your company pays in interest for its debt] 1 2 3 7 9

- (e) Profit

[READ IF NECESSARY: net income after taxes] 1 2 3 9

- (g) Investments in property, plant or equipment

[READ IF NECESSARY: fixed investment] 1 2 3 9

(h) Inventories and other working capital

[*READ IF NECESSARY: Inventories are the goods and materials that a business holds for the ultimate purpose of resale. *READ IF NECESSARY: Working capital is the difference between current assets, such as inventories and invoices, and current liabilities, that is, debt or other obligations coming due within a year.] 1 2 3 9

(i) Number of employees

[READ IF NECESSARY (IF RESPONDENTS GIVES THE NUMBER): Please indicate if it increased or decreased in the past six months] 1 2 3 9

(j) Debt compared to assets

[READ IF NECESSARY: that is the ratio of all kinds of debt to total assets] 1 2 3 7 9

Section 3

Financing of the enterprise

We will now turn to the financing of your enterprise.

Q4. Are the following sources of financing relevant to your enterprise, that is, have you used them in the past or considered using them in the future? Please provide a separate answer in each case.

[ONE ANSWER PER LINE IS POSSIBLE (CODE 3, 7 OR 9)]

• Yes, this source is relevant to my enterprise

[READ FOR THE FIRST TWO ITEMS, AFTERWARDS IF NECESSARY: that is, I have used it in the past or considered using it in the future] 3

• No, this source is not relevant to my enterprise 7

• [DK/NA] 9

[FOR EACH FINANCING SOURCE, IF THE ANSWER IS "YES" (CODE 3), ASK THE RELEVANT FOLLOW-UP QUESTION – ONE ANSWER PER LINE IS POSSIBLE (CODE 1, 2 OR 99)]

• Yes 1

• No 2

• [DK/NA] 99

(c) Credit line, bank overdraft or credit cards overdraft.

[*READ IF NECESSARY: A credit line is a pre-arranged loan that can be used, in full or in part, at discretion and with limited advance warning.

*READ IF NECESSARY: The difference between a bank loan and a credit line is that in the case of a bank loan, the precise amount of loan and the dates of repayments are usually fixed, while in the case of a credit line, the borrower can draw only part of the money at discretion up to an agreed maximum balance, and interest is charged only on money actually withdrawn.

*READ IF NECESSARY: A bank overdraft is the negative balance on a bank account with or without specific penalties.

*READ IF NECESSARY: A credit card overdraft is a negative balance on a credit card.] 3 7 9

IF "YES" (CODE 3)

Have you drawn on such types of credit in the past six months? 1 2 99

(b) Grants or subsidised bank loans

[READ IF NECESSARY: involving, for example, support from public sources in the form of guarantees or reduced interest rate loans.] 3 7 9

IF "YES" (CODE 3)

Have you obtained new financing of this type in the past six months? 1 2 99

(d) Bank loan (excluding subsidised bank loans, overdrafts and credit lines)

[*READ IF NECESSARY: both short and long-term.

*READ IF NECESSARY: The difference between a bank loan and a credit line is that in the case of a bank loan, the precise amount of loan and the dates of repayments are usually fixed, while in the case of a credit line, the borrower can draw only part of the money at discretion up to an agreed maximum balance, and interest is charged only on money actually withdrawn.] 3 7 9

IF "YES" (CODE 3)

Have you taken out a new loan or renewed such a loan in the past six months? 1 2 99

(e) Trade credit

[READ IF NECESSARY: that means paying your suppliers at the later agreed date, usually 30, 60 or 90 days after the delivery of the purchased goods or services] 3 7 9

IF "YES" (CODE 3)

Have you obtained trade credit from your business partners in the past six months? 1 2 99

(f) Other loan, for example from family and friends, a related enterprise or shareholders, excluding trade credit 3 7 9

IF "YES" (CODE 3)

Have you taken out or renewed such a loan in the past six months? 1 2 99

(m) Leasing or hire-purchase

[READ IF NECESSARY: obtaining the use of a fixed asset (for example, cars or machinery) in exchange for regular payments, but without the immediate ownership of the asset] 3 7 9

IF "YES" (CODE 3)

Have you obtained new financing of this type in the past six months? 1 2 99

(h) Debt securities issued [READ IF NECESSARY: short-term commercial paper or longer-term corporate bonds issued by your enterprise] 3 7 9

IF "YES" (CODE 3) Have you issued any debt securities in the past six months? 1 2 99

(j) Equity capital

[*READ IF NECESSARY: Equity capital refers to raising capital through the sale of shares in your enterprise. It is usually associated with the financing of companies listed on an exchange via public offerings. It can also involve a private sale, in which the transaction between investors and the enterprise takes place directly.

*READ IF NECESSARY: Equity capital includes quoted and unquoted shares or other forms of equity provided by the owners themselves or by external investors, including venture capital or business angels.

*READ IF NECESSARY: Venture capital enterprises or business angels are individual investors providing capital or know-how to young innovative enterprises.] 3 7 9

IF "YES" (CODE 3) Have you issued equity in the past six months? 1 2 99

(r) Factoring

[READ IF NECESSARY: selling your invoices to a factoring company; this company gets your debt and has to collect it; it will make a profit by paying you less cash than the face value of the invoice] 3 7 9

IF "YES" (CODE 3) Have you used factoring in the past six months? 1 2 99

(a) Retained earnings or sale of assets [READ IF NECESSARY: internal funds like cash or cash equivalent, resulting for instance from savings, retained earnings or sale of assets] 3 7 9

IF "YES" (CODE 3) Have you retained earnings or sold assets in the past six months? 1 2 99

(p) Other sources of financing, for example subordinated debt instruments, participating loans, peer-to-peer lending, crowdfunding

[*READ IF NECESSARY: Subordinated debt is repayable only after other debts have been satisfied.

*READ IF NECESSARY: A participating loan gives the lender the right to convert the loan into an ownership or equity interest in the company under specified clauses and conditions.

*READ IF NECESSARY: Peer-to-peer lending consists of lending money to an unrelated individual or enterprise without a traditional financial intermediary, usually via dedicated online lending portals.

*READ IF NECESSARY: Crowdfunding involves raising monetary contributions from a large number of people, typically via the internet] 3 7 9

IF "YES" (CODE 3)

Have you obtained such sources of financing in the past six months? 1 2 99

[FILTER: IF ITEM Q4.d) (BANK LOANS) IS "NOT RELEVANT" (CODE 7)]

Q32. You mentioned that bank loans are not relevant for your enterprise. What is the main reason for this?

[ONLY ONE ANSWER IS POSSIBLE]

- Insufficient collateral or guarantee 1
- Interest rates or price too high 2
- Reduced control over the enterprise 3
- Too much paperwork is involved 6
- No bank loans are available 4
- I do not need this type of financing 8
- Other 5
- [DK] 9

[FILTER: FOR EACH Q4 ITEM THAT IS "RELEVANT" (CODE 1, 2, 99), NAMELY Q4.c), Q4.d), Q4.b), Q4.e), Q4.h) AND Q4.j), FILL THE RELEVANT ITEM IN Q5]

Q5. For each of the following types of external financing, please indicate if your needs increased, remained unchanged or decreased over the past six months.

[ONE ANSWER PER LINE IS POSSIBLE]

- Increased 1
- Remained unchanged 2
- Decreased 3
- [INSTRUMENT NOT APPLICABLE TO MY ENTERPRISE] 7
- [DK] 9

[FILTER: IF Q4.c) FEATURES CODE 1, 2 OR 99]

(f) Credit line, bank overdraft or credit card overdraft 1 2 3 7 9

[FILTER: IF Q4.d) OR Q4.b) FEATURES CODE 1, 2 OR 99]

(a) Bank loans (excluding overdraft and credit lines) 1 2 3 7 9

[FILTER: IF Q4.e) FEATURES CODE 1, 2 OR 99]

(b) Trade credit 1 2 3 7 9

[FILTER: IF Q4.j) FEATURES CODE 1, 2 OR 99]

(c) Equity capital [READ IF NECESSARY: including venture capital or business angels] 1 2 3 7 9

[FILTER: IF Q4.h) FEATURES CODE 1, 2 OR 99]

(d) Debt securities issued [READ IF NECESSARY: short-term commercial paper or longer-term corporate bonds issued by your enterprise] 1 2 3 7 9

[FILTER: IF Q4.m) FEATURES CODE 1, 2 OR 99]

(g) Leasing or hire-purchase [READ IF NECESSARY: obtaining the use of a fixed asset, for example, cars or machinery, in exchange for regular payments, but without the immediate ownership of the asset] 1 2 3 7 9

[FILTER: IF Q4.f) FEATURES CODE 1, 2 OR 99]

(h) Other loan, for example from family and friends, a related enterprise or shareholders, excluding trade credit 1 2 3 7 9

[FILTER: IF Q4.b) OR Q4.c) OR Q4.d) IS "RELEVANT" (CODE 3)]

Q7A. Have you applied for the following types of financing in the past six months?

[READ IF NECESSARY: Please also take into account renewal of the existing contracts.]

[ONE ANSWER PER LINE IS POSSIBLE]

- Applied 1
- Did not apply because of possible rejection 2
- Did not apply because of sufficient internal funds 3
- Did not apply for other reasons 4
- [DK/NA] 9

[FILTER: IF Q4.c) FEATURES CODE 1, 2 OR 99]

(d) Credit line, bank overdraft or credit card overdraft 1 2 3 4 9

[FILTER: IF Q4.d) OR Q4.b) FEATURES CODE 1, 2 OR 99]

(a) Bank loan (excluding overdraft and credit lines) 1 2 3 4 9

[FILTER: IF Q4.e) FEATURES CODE 1, 2 OR 99]

(b) Trade credit [READ IF NECESSARY: It covers not only an explicit request for trade credit to the business partners, but also if you have received a trade credit within a standard business practice] 1 2 3 4 9

[FILTER: IF AT LEAST ONE OF THE Q4 ITEMS Q4.f), Q4.h), Q4.j), Q4.m), Q4.r) OR Q4.p) IS "RELEVANT" (CODE 1, 2, 99)]

(c) Other external financing [READ IF NECESSARY: for example, loans from a related company, shareholders or family and friends, leasing, factoring, grants, subordinated debt instruments, participating loans, peer-to-peer lending, crowdfunding, and issuance of equity and debt securities] 1 2 3 4 9

[FILTER: FOR EACH Q7A ITEM THAT IS "APPLIED" (CODE 1), FILL THE RELEVANT ITEM IN Q7B]

Q7B. If you applied and tried to negotiate for this type of financing over the past six months, what was the outcome? Please provide a separate answer in each case.

[ONLY ONE ANSWER PER LINE IS POSSIBLE]

- Received everything 1
- Received 75% and above

[DO NOT READ: received most of it] 5

- Received below 75%

[DO NOT READ: only received a limited part of it] 6

- Refused because the cost was too high 3
- Was rejected 4
- Application is still pending 8
- [DK] 9

[FILTER: IF Q7A.d) FEATURES CODE 1]

(d) Credit line, bank overdraft or credit card overdraft 1 3 4 5 6 8 9

[FILTER: IF Q7A.a) FEATURES CODE 1]

(a) Bank loan (excluding overdraft and credit lines) 1 3 4 5 6 8 9

[FILTER: IF Q7A.b) FEATURES CODE 1]

(b) Trade credit 1 3 4 5 6 8 9

[FILTER: IF Q7A.c) FEATURES CODE 1]

(c) Other external financing

[READ IF NECESSARY: for example, loans from a related company, shareholders or family and friends, leasing, factoring, grants, subordinated debt instruments, participating loans, peer-to-peer lending, crowdfunding, and issuance of equity and debt securities] 1 3 4 5 6 8 9

[FILTER: IF Q7B.a) FEATURES CODE 1, 3, 4, 5, 6 OR 8]

Q8A. What is the size of the last bank loan that your enterprise...

[IF Q7B. a) FEATURES CODE 1, 5 or 6]

...obtained or renegotiated in the past six months?

[IF Q7B. a) FEATURES CODE 3, 4 or 8]

...attempted to obtain in the past six months?

[ONLY ONE ANSWER IS POSSIBLE]

[For non-euro area countries, the amounts in euro will be converted into national currency.]

- up to €25,000 1
- more than €25,000 and up to €100,000 2
- more than €100,000 and up to €250,000 5
- more than €250,000 and up to €1 million 6
- over €1 million 4
- [DK/NA] 9

[FILTER: IF Q7B.d) FEATURES CODE 1, 3, 5 OR 6]

Q8B_TYPE. What interest rate was charged for the credit line or bank overdraft for which you applied? Was it fixed or variable rate?

[READ IF NECESSARY: variable interest rates are generally characterised by the reference rate and the spread, for example 6-month EURIBOR plus 1.5%.]

- fixed 1
- variable 2

[FILTER: IF Q8B_TYPE IS "FIXED" (CODE 1)]

Q8B_FIX. Please indicate the interest rate.

NUMERICAL ANSWER IN PERCENTAGES [0-100],

UP TO FOUR DECIMAL PLACES, SEPARATED BY DECIMAL POINT, FOR EXAMPLE: 12.5988%, 0.5%

[DK/NA: -99]

[FILTER: IF Q8B_TYPE IS "VARIABLE" (CODE 2)]

Q8B_VAR. Please indicate the name of the reference rate and the spread

[READ IF NECESSARY: variable interest rates are characterised by the reference rate, the maturity of the reference rate and the spread, for example 6-month EURIBOR plus 1.5%. The most frequently used reference rate in the euro area is EURIBOR, the euro interbank offered rate. The maturity of the reference rate usually varies from 1 week to 12 months. The spread is a fixed percentage over the reference rate]

Q8B_VAR_REFERENCE RATE

What was the reference rate?

DROP-DOWN LIST:

- EURIBOR – 1 week 1
- EURIBOR – 1 month 3
- EURIBOR – 3 months 5
- EURIBOR – 6 months 6
- EURIBOR – 12 months 8
- EURIBOR – unknown maturity 9
- €STR [READ IF NECESSARY: euro short-term rate] 12
- Other, please specify 11
- [DK] -99

[FILTER: IF Q8B_REF_RATE FEATURES CODE 11]

Q8B_VAR_OTHER. What was the reference rate?

VERBATIM ANSWER [0-30 CHARACTERS]

[DK/NA: -99]

[FILTER: IF Q8B_TYPE IS "VARIABLE" (CODE 2)]

Q8B_VAR_SPREAD. What was the spread?

NUMERICAL ANSWER IN PERCENTAGES [0-100],

UP TO FOUR DECIMAL PLACES, SEPARATED BY DECIMAL POINT, FOR EXAMPLE: 12.5988%, 0.5%

[DK/NA: -99]

[FILTER: IF Q8B_VAR_REF_RATE IS "DK" (CODE -99)]

Q8B_VAR_TOTAL. If you do not know the reference rate, what was the final interest rate charged by the bank?

[READ IF NECESSARY: that is the sum of reference rate and the spread]

Final interest rate:

NUMERICAL ANSWER IN PERCENTAGES [0-100],

UP TO FOUR DECIMAL PLACES, SEPARATED BY DECIMAL POINT, FOR EXAMPLE: 12.5988%, 0.5%

[DK/NA: -99]

[IF Q8B_FIX, Q8B_VAR_SPREAD OR Q8B_VAR_TOTAL IS HIGHER THAN 15%, THEN READ: The interest rate charged is relatively high. Could you confirm that it was indeed <STATE ANSWER OF THE RESPONDENT> percent?]

[IF Q8B_FIX OR Q8B_TOTAL IS EQUAL TO 0%, THEN READ: Could you confirm that no interest rate was indeed charged?]

[FILTER: ALL ENTERPRISES]

Q6A. For what purpose was financing used by your enterprise during the past six months?

[READ IF NECESSARY: Financing could have been obtained both from the external sources and from funds generated by your enterprise.]

- Yes 1

- No 2
- [DK/NA (NOT APPLICABLE TO MY ENTERPRISE - I HAVE NOT USED ANY FINANCING)] 99
- 1. Investments in property, plant or equipment [READ IF NECESSARY: fixed investment] 1 2 99
- 2. Inventory and other working capital 1 2 99
- 3. Hiring and training of employees 1 2 99
- 4. Developing and launching of new products or services 1 2 99
- 5. Refinancing or paying off obligations 1 2 99
- 6. Other 1 2 99

[FILTER: ALL ENTERPRISES]

Section 4

Availability of finance and market conditions

In this part of the survey, we would like to ask about your enterprise's experiences and views on the availability of finance and market conditions.

Q11. For each of the following factors, would you say that they have improved, remained unchanged or deteriorated over the past six months?

[ONE ANSWER PER LINE]

- Improved 1
- Remained unchanged 2
- Deteriorated 3
- [NOT APPLICABLE TO MY ENTERPRISE - ONLY FOR b), e), f), g), h)] 7
- [DK] 9
- (a) General economic outlook, insofar as it affects the availability of external financing 1 2 3 9
- (b) Access to public financial support, including guarantees 1 2 3 7 9
- (c) Your enterprise-specific outlook with respect to your sales and profitability or business plan

[READ IF NECESSARY: insofar as it affects the availability of external financing for you] 1 2 3 9

- (d) Your enterprise's own capital

[READ IF NECESSARY: capital provided by the owners or shareholders of the enterprise] 1 2 3 9

- (e) Your enterprise's credit history

[READ IF NECESSARY: in other words, your credit worthiness, that is your track record of repaying past debts] 1 2 3 7 9

[FILTER: IF THE ITEM Q4.c) (CREDIT LINE, BANK OVERDRAFT, CREDIT CARD OVERDRAFT), Q4.d) (BANK LOAN) OR Q4.b) (SUBSIDISED BANK LOAN) IS "RELEVANT" (CODE 1, 2, 99)]

[CODE 7 IS NOT TO BE USED FOR ENTERPRISES HAVING "APPLIED" (CODE 1) IN Q7A.d), OR Q7A.a)]

- (f) Willingness of banks to provide credit to your enterprise

[READ IF NECESSARY: lender's attitude] 1 2 3 7 9

[FILTER: IF THE ITEM Q4.e) (TRADE CREDIT) IS "RELEVANT" (CODE 3)]

[CODE 7 IS NOT TO BE USED FOR ENTERPRISES HAVING "APPLIED" (CODE 1) IN Q7A.b)]

- (g) Willingness of business partners to provide trade credit

[READ IF NECESSARY: business partners' attitude] 1 2 3 7 9

[FILTER: IF ONE OF THE Q4 ITEMS Q4.f) (OTHER LOAN), Q4.h) (DEBT SECURITIES), Q4.j) (EQUITY CAPITAL) OR Q4.p) (OTHER SOURCES OF FINANCING) IS "RELEVANT" (CODE 1, 2, 99)]

(h) Willingness of investors to invest in your enterprise [READ IF NECESSARY: investors' attitudes towards, for example, investing in equity or debt securities issued by your enterprise] 1 2 3 7 9

[FILTER: FOR EACH OF THE Q4 ITEMS THAT ARE "RELEVANT" (CODE 1, 2, 99), NAMELY Q4.c), Q4.d), Q4.b), Q4.e), Q4.h) AND Q4.j), FILL THE RELEVANT ITEM IN Q9]

Q9. For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past six months?

[ONE ANSWER PER LINE]

- Improved 1
- Remained unchanged 2
- Deteriorated 3
- [NOT APPLICABLE TO MY ENTERPRISE] 7
- [DK] 9

[FILTER: IF Q4.c) FEATURES CODE 1, 2 OR 99]

[CODE 7 IS NOT TO BE USED FOR ENTERPRISES HAVING "APPLIED" (CODE 1) IN Q7A.d)]

(f) Credit line, bank overdraft or credit card overdraft 1 2 3 7 9

[FILTER: IF Q4.d) OR Q4.b) FEATURES CODE 1, 2 OR 99]

[CODE 7 IS NOT TO BE USED FOR ENTERPRISES HAVING "APPLIED" (CODE 1) IN Q7A.a)]

(a) Bank loans (excluding overdraft and credit lines) 1 2 3 7 9

[FILTER: IF Q4.e) FEATURES CODE 1, 2 OR 99]

[CODE 7 IS NOT TO BE USED FOR ENTERPRISES HAVING "APPLIED" (CODE 1) IN Q7A.b)]

(b) Trade credit 1 2 3 7 9

[FILTER: IF Q4.j) FEATURES CODE 1, 2 OR 99]

(c) Equity capital [READ IF NECESSARY: including venture capital or business angels] 1 2 3 7 9

[FILTER: IF Q4.h) FEATURES CODE 1, 2 OR 99]

(d) Debt securities issued

[READ IF NECESSARY: short-term commercial paper or longer-term corporate bonds issued by your enterprise] 1 2 3 7 9

[FILTER: IF Q4.m) FEATURES CODE 1, 2 OR 99]

(g) Leasing or hire-purchase

[READ IF NECESSARY: obtaining the use of a fixed asset (for example, cars or machinery) in exchange for regular payments, but without the immediate ownership of the asset] 1 2 3 7 9

[FILTER: IF Q4.f) FEATURES CODE 1, 2 OR 99]

(h) Other loan, for example from family and friends, a related enterprise or shareholders, excluding trade credit 1 2 3 7 9

[FILTER: Q7A.A) OR Q7A.D) IS "APPLIED" (CODE 1) (BANK LOANS, AND CREDIT LINES, BANK OVERDRAFT AND CREDIT CARD OVERDRAFTS)]

Q10. We will turn now to the terms and conditions of bank financing, such as bank loans, overdrafts and credit lines. Please indicate whether the following items increased, remained unchanged or decreased in the past six months.

[ONE ANSWER PER LINE]

- Was increased by the bank 1

- Remained unchanged 2
- Was decreased by the bank 3
- [DK/NA] 9

Price terms and conditions:

- (a) Level of interest rates 1 2 3 9
- (b) Level of the cost of financing other than interest rates, such as charges, fees, commissions 1 2 3 9

Non-price terms and conditions:

- (c) Available size of loan or credit line 1 2 3 9
- (d) Available maturity of the loan 1 2 3 9
- (e) Collateral requirements

[READ IF NECESSARY: the security given by the borrower to the lender as a pledge for the repayment of the loan] 1 2 3 9

- (f) Other, for example, required guarantees, information requirements, procedures, time required for loan approval, loan covenants

[READ IF NECESSARY: an agreement or stipulation laid down in loan contracts under which the borrower pledges either to take certain action or to refrain from taking certain action] 1 2 3 9

[FILTER: FOR EACH Q4 ITEM THAT IS "RELEVANT" (CODE 1, 2, 99), NAMELY Q4.c), Q4.d), Q4.e), Q4.h), Q4.j) and Q4.a), FILL THE RELEVANT ITEM IN Q23]

Q23. Looking ahead, for each of the following types of financing available to your enterprise, please indicate whether you think their availability will improve, deteriorate or remain unchanged over the next six months.

[ONE ANSWER PER LINE]

- Will improve 1
- Will remain unchanged 2
- Will deteriorate 3
- [INSTRUMENT NOT APPLICABLE TO MY ENTERPRISE] 7
- [DK] 9

[FILTER: IF Q4.c) FEATURES CODE 1, 2 OR 99]

[CODE 7 IS NOT TO BE USED FOR ENTERPRISES HAVING "APPLIED" (CODE 1) IN Q7A.d)]

- (g) Credit line, bank overdraft or credit card overdraft 1 2 3 7 9

[FILTER: IF Q4.d) OR Q4.b) FEATURES CODE 1, 2 OR 99]

[CODE 7 IS NOT TO BE USED FOR ENTERPRISES HAVING "APPLIED" (CODE 1) IN Q7A.a)]

- (b) Bank loans (excluding overdraft and credit lines) 1 2 3 7 9

[FILTER: IF Q4.e) FEATURES CODE 1, 2 OR 99]

[CODE 7 IS NOT TO BE USED FOR ENTERPRISES HAVING "APPLIED" (CODE 1) IN Q7A.b)]

- (d) Trade credit 1 2 3 7 9

[FILTER: IF Q4.j) FEATURES CODE 1, 2 OR 99]

- (c) Equity capital

[READ IF NECESSARY: including venture capital or business angels] 1 2 3 7 9

[FILTER: IF Q4.h) FEATURES CODE 1, 2 OR 99]

(e) Debt securities issued

[READ IF NECESSARY: short-term commercial paper or longer-term corporate bonds issued by your enterprise] 1 2 3 7 9

[FILTER: IF Q4.a) FEATURES CODE 1, 2 OR 99]

(a) Retained earnings or sale of assets [READ IF NECESSARY: internal funds] 1 2 3 7 9

[FILTER: IF Q4.m) FEATURES CODE 1, 2 OR 99]

(i) Leasing or hire-purchase

[READ IF NECESSARY: obtaining the use of a fixed asset (for example, cars or machinery) in exchange for regular payments, but without the immediate ownership of the asset] 1 2 3 7 9

[FILTER: IF Q4.f) FEATURES CODE 1, 2 OR 99]

(j) Other loan, for example from family and friends, a related enterprise or shareholders, excluding trade credit 1 2 3 7 9

[FILTER: ALL ENTERPRISES]

Q26. Looking ahead, please indicate whether you think your company's turnover will increase, decrease or remain unchanged over the next six months.

[ONE ANSWER PER LINE]

- Will increase 1
- Will remain unchanged 2
- Will decrease 3
- [DK] 9

QA2. We will turn now to the subject of late payments. Has your company experienced problems due to late payments from any private or public entities in the past six months?

[READ IF NECESSARY: a late payment is a payment not made within the contractual or statutory period of payment, unless the debtor is not responsible for the delay, and when the creditor has fulfilled all its legal and contractual obligations]

[ONLY ONE ANSWER IS POSSIBLE]

- Yes, regularly 1
- Yes, occasionally 2
- No 3
- [DK] 99

[FILTER: IF QA2 FEATURES CODE 1 OR 2 ("YES")]

QA3. What were the consequences of those late payments?

- Yes 1
- No 2
- [DK/NA] 99

[ONE ANSWER PER LINE]

1. It affected payments to suppliers 1 2 99
2. It affected investments or new recruitment 1 2 99

3. It delayed repayments of loans or we had to use additional financing 1 2 99
4. It affected production or operations 1 2 99

[FILTER: ALL ENTERPRISES]

Section 5

Future, growth and obstacles to growth

We will now turn to the longer-term prospects for your enterprise.

[FILTER: ALL ENTERPRISES]

Q1. During the past 12 months have you introduced...?

[ONE ANSWER PER LINE]

- Yes 1
 - No 2
 - [DK/NA] 9
- (a) ... a new or significantly improved product or service to the market 1 2 9
- (b) ... a new or significantly improved production process or method

[READ IF NECESSARY: not applicable if the enterprise does not produce anything] 1 2 9

- (c) ... a new organisation of management

[READ IF NECESSARY: for example, re-organisation of different parts of the enterprise or reporting hierarchy to increase efficiency or reduce costs] 1 2 9

- (d) ... a new way of selling your goods or services 1 2 9

Q16. Over the past three years (2019-2021), how much did your enterprise grow on average per year ...?

[ONE ANSWER PER LINE]

- Over 20% per year 1
- Less than 20% per year 2
- No growth 3
- Got smaller 4
- [NOT APPLICABLE, THE ENTERPRISE IS TOO RECENT] 7
- [DK] 9

[CODE 7 IS NOT TO BE USED FOR ENTERPRISES REGISTERED BEFORE 2019 (QUESTION D5)]

- (a) in terms of employment regarding the number of full-time or full-time equivalent employees ? 1 2 3 4 7 9
- (b) and in terms of turnover? 1 2 3 4 7 9

Q17. Considering the turnover over the next two to three years (2022-2024), how much does your enterprise expect to grow per year?

[ONLY ONE ANSWER IS POSSIBLE]

- Grow substantially – over 20% per year in terms of turnover 1
- Grow moderately – below 20% per year in terms of turnover 2
- Stay the same size 3

- Become smaller 4
- [DK/NA] 9

Q19. Do you feel confident talking about financing with banks and that you will obtain the desired results? And how about with equity investors/venture capital enterprises?

[ONE ANSWER PER LINE]

- Yes 1
- No 2
- [NOT APPLICABLE] 7
- [DK] 9
- (a) with banks 1 2 7 9
- (b) with equity investors/venture capital enterprises 1 2 7 9

[FILTER: IF Q17 FEATURES CODE 1 OR 2 (ENTERPRISE EXPECTS TO GROW)]

Q20. If you need external financing to realise your growth ambitions, what type of external financing would you prefer most?

[ONLY ONE ANSWER IS POSSIBLE]

- Bank loan 1
- Loan from other sources, for example trade credit, related enterprises, shareholders, public sources 2
- Equity capital [READ IF NECESSARY: including venture capital or business angels] 3
- Other 5
- [DK/NA] 9

[FILTER: IF Q17 FEATURES CODE 1 OR 2 (ENTERPRISE EXPECTS TO GROW)]

Q21. If you need external financing to realise your growth ambitions over the next two to three years [READ IF NECESSARY: that is, 2022 to 2024], what amount of financing would you aim to obtain?

[ONLY ONE ANSWER IS POSSIBLE]

[For non-euro area countries, the amounts in euro will be converted to national currency.]

- up to €25,000 1
- more than €25,000 and up to €100,000 2
- more than €100,000 and up to €250,000 5
- more than €250,000 and up to €1 million 6
- over €1 million 4
- [DK/NA] 9

[FILTER: IF Q20 FEATURES A BANK LOAN, A LOAN FROM OTHER SOURCES OR EQUITY INVESTMENT RESPECTIVELY (CODE 1, 2 OR 3)]

Q22. What do you see as the most important limiting factor to get this financing?

[ONLY ONE ANSWER IS POSSIBLE]

- There are no obstacles 8
- Insufficient collateral or guarantee [NOT TO BE USED IF Q20 FEATURES EQUITY CAPITAL (CODE 3)] 1
- Interest rates or price too high 2
- Reduced control over the enterprise 3
- Too much paperwork is involved 6
- Financing not available at all 4
- Other 5
- [DK/NA] 9

[FILTER: ALL ENTERPRISES]

C1/ Would you like to receive a copy of the published results?

[READ IF NECESSARY: In addition to the public report, you will also receive a report that is made available only to survey respondents.]

[SINGLE CODE]

- Yes 1

READ: Please provide your email address and we will send you a link to the publication.

WRITE EMAIL ADDRESS. CONFIRM EMAIL ADDRESS.

- No 2

C3/ This survey will be repeated in around six months. Your input constitutes an important part of the findings that the European Central Bank and the European Commission use to inform their policies that contribute to smoothing businesses' access to finance. Are you willing to be contacted on this topic again?

[SEVERAL ANSWERS POSSIBLE (NOT IN COMBINATION WITH CODE 2)]

- Yes, via telephone [CONFIRM AND MAKE A NOTE OF THE RESPONDENT'S FULL NAME] 3
- Yes, via email (for web-based survey)[CONFIRM AND MAKE A NOTE OF THE RESPONDENT'S FULL NAME AND EMAIL ADDRESS] 4
- No 2

1 2 3 -99

[Quality control]

For quality control purposes, may I please note down your name and job title?

Name: [VERBATIM]

Telephone: [VERBATIM]

Email: [VERBATIM]

Job title

- Owner 1
- Finance manager 2
- Finance director 3
- Chief financial officer (CFO) 4
- Chief Executive Officer (CEO) 6
- Managing director 7
- Other, please specify [WRITE DOWN THE VERBATIM ANSWER] 5

Please note that any information you may provide will be used solely for scientific and policy research purposes.

- 2

Those are all of the questions. Thank you for your time.

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