



# **Survey on the access to finance of enterprises (SAFE)**

Analytical Report 2023

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**Abstract:**

The Small and Medium-sized Enterprises (SMEs) are a critical part of the European economy. SMEs have unique financing needs and face different challenges accessing finance. Therefore, the European Central Bank and the European Commission commissioned the Survey on the Access to Finance of Enterprises (SAFE) since 2008 in order to support the policy development.

The following study examines the financial and operational landscape of the SMEs in the European Union. The study highlights their reliance on debt financing, economic challenges, growth prospects, and operational issues. A substantial majority of SMEs continue to depend on traditional debt financing methods such as leasing, credit lines, and bank loans, with many opting for internal funds over new financing. The economic climate is characterized by a deteriorating outlook, increasing interest rates, and stricter collateral requirements, leading to a heightened demand for financial resources amid lower confidence about the possibility to acquire those resources.

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**Résumé :**

Les petites et moyennes entreprises (PME) sont des acteurs clés de l'économie européenne. Elles présentent des besoins particuliers en matière de financement et font face à des défis spécifiques pour y avoir accès. Depuis 2008, la Banque centrale européenne et la Commission européenne ont recours à l'enquête sur l'accès des entreprises au financement (SAFE) pour appuyer le développement d'une politique visant à répondre à ces défis.

L'étude qui suit passe en revue les caractéristiques de l'environnement financier et opérationnel des PME au sein de l'Union européenne et met en lumière leur dépendance à l'égard du financement par la dette, leurs difficultés économiques, leurs perspectives de croissance et leurs problèmes opérationnels. L'immense majorité des PME reste à ce jour tributaire des méthodes traditionnelles de financement comme le crédit-bail, les lignes de crédit et les emprunts bancaires, nombre d'entre elles faisant le choix des ressources internes plutôt que de rechercher de nouveaux financements. Le climat économique est marqué par une détérioration des perspectives, des taux d'intérêt à la hausse et des exigences plus strictes en matière de garanties. Cette situation entraîne une demande accrue en ressources financières, conjuguée à un recul de la confiance quant à la possibilité d'obtenir effectivement de telles ressources.

**Clause de non-responsabilité :** Les informations et opinions exprimées dans ce rapport analytique 2023 relatif à l'enquête sur l'accès des entreprises au financement (SAFE) sont celles de leur(s) auteur(s) et ne reflètent pas nécessairement la position officielle de la Commission européenne. La Commission européenne ne garantit pas l'exactitude des données présentées dans ce rapport analytique. Ni l'Union européenne, ni aucune autre personne agissant en son nom, ne peut être tenue responsable de l'utilisation qui pourra être faite des informations contenues dans cette étude.

**Abstract:**

Kleine und mittlere Unternehmen (KMU) sind eine wichtige Säule der europäischen Wirtschaft. KMU haben einen besonderen Finanzierungsbedarf und stehen beim Zugang zu Finanzmitteln vor unterschiedlichen Herausforderungen. Aus diesem Grund haben die Europäische Zentralbank und die Europäische Kommission 2008 die Umfrage über den Zugang von Unternehmen zu Finanzmitteln (Survey on the Access to Finance of Enterprises; kurz SAFE) ins Leben gerufen. Ziel ist es, Erkenntnisse zur Unterstützung der Politikgestaltung auf diesem Gebiet zu gewinnen.

Die folgende Studie untersucht die finanziellen und betriebswirtschaftlichen Rahmenbedingungen von KMU in der Europäischen Union. Die Studie befasst sich dabei insbesondere mit der Abhängigkeit von Fremdfinanzierung, wirtschaftlichen Herausforderungen, Wachstumsaussichten und betriebswirtschaftlichen Fragen. Eine große Mehrheit der KMU ist nach wie vor auf traditionelle Instrumente der Fremdfinanzierung wie Leasing, Kreditlinien und Bankdarlehen angewiesen, wobei viele interne Mittel gegenüber Neufinanzierungen bevorzugen. Das Wirtschaftsklima ist von einer Verschlechterung der Aussichten, steigenden Zinsen sowie strengeren Vorgaben bei der Stellung von Sicherheiten/Rücklagen gekennzeichnet. Das führt einerseits zu einem steigenden Bedarf an Finanzmitteln, andererseits aber auch zu schwindender Zuversicht, was die Wahrscheinlichkeit betrifft, diese Finanzmittel zu erhalten.

**Haftungsausschluss:** Die in diesem Analysebericht zur Umfrage über den Zugang von Unternehmen zu Finanzmitteln (Survey on the Access to Finance of Enterprises; kurz SAFE) 2023 enthaltenen Ansichten sind die des Autors bzw. der Autoren und geben nicht notwendigerweise die offizielle Meinung der Europäischen Kommission wieder. Die Europäische Kommission übernimmt keine Gewähr für die Richtigkeit der in diesem Analysebericht enthaltenen Daten. Weder die Europäische Kommission noch Personen, die in ihrem Namen handeln, sind für die Verwendung der in dieser Veröffentlichung enthaltenen Informationen verantwortlich.

**Summary:**

The Small and Medium-sized Enterprises (SMEs) are a critical part of the European economy. SMEs have unique financing needs and face different challenges accessing finance. Therefore, the European Central Bank and the European Commission commissioned the Survey on the Access to Finance of Enterprises (SAFE) since 2008 in order to support the policy development.

For this SAFE study, the sample was randomly drawn at a country level, based on the population of enterprises in each country. The survey sample was selected randomly according to three criteria: country coverage, enterprise size and sector of industry. The fieldwork was conducted by telephone and/or online based on a dedicated questionnaire.

The SAFE study examines the financial and operational landscape of the SMEs in the European Union. The study highlights their reliance on debt financing, economic challenges, growth prospects and operational issues. A substantial majority of SMEs continue to depend on traditional debt financing methods such as leasing, credit lines and bank loans, with many opting for internal funds over new financing. The economic climate is characterized by a deteriorating outlook, increasing interest rates and stricter collateral requirements, leading to a heightened demand for financial resources amid lower confidence about the possibility to acquire those resources.

SMEs show a recovery in turnover expectations but continue to have limited optimism for substantial growth. There is an expected net deterioration in the availability of most financing types, with a slight improvement in equity capital. Operational challenges are significant, with SMEs facing rising labour and material costs, increased interest expenses and declining profitability. Shortages of experienced staff, difficulties with acquiring new customers and the difficulties caused by late payments are prevalent. The study concludes that SMEs face considerable challenges in maintaining growth and resilience amid tightening financial constraints and operational hurdles.

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**Résumé:**

Les petites et moyennes entreprises (PME) sont des acteurs clés de l'économie européenne. Elles présentent des besoins particuliers en matière de financement et font face à des défis spécifiques pour y avoir accès. Depuis 2008, la Banque centrale européenne et la Commission européenne ont recours à l'enquête sur l'accès des entreprises au financement (SAFE) pour appuyer le développement d'une politique visant à répondre à ces défis.

Aux fins de cette étude SAFE, l'échantillon a été établi au moyen d'un tirage aléatoire au niveau national, en fonction de la population d'entreprises de chaque pays. L'échantillon de l'étude a été sélectionné de façon aléatoire en se basant sur trois critères : la couverture géographique, la taille de l'entreprise et le secteur d'activité. Le travail de terrain a été mené par téléphone et/ou via un questionnaire spécifique en ligne.

L'étude SAFE passe en revue les caractéristiques de l'environnement financier et opérationnel des PME au sein de l'Union européenne. Elle met en lumière leur dépendance à l'égard du financement par la dette, leurs difficultés économiques, leurs perspectives de croissance et leurs problèmes opérationnels. L'immense majorité des PME reste à ce jour tributaire des méthodes traditionnelles de financement comme le crédit-bail, les lignes de crédit et les emprunts bancaires, nombre d'entre elles faisant le choix des ressources internes plutôt que de rechercher de nouveaux financements. Le climat économique est marqué par une détérioration des perspectives, des taux d'intérêt à la hausse et des exigences plus strictes en matière de garanties. Cette situation entraîne une demande accrue en ressources financières, conjuguée à un recul de la confiance quant à la possibilité d'obtenir effectivement de telles ressources.

Les prévisions des PME s'améliorent en termes de chiffres d'affaires, mais leurs perspectives de croissance restent faibles. La disponibilité de la plupart des types de financement devrait enregistrer une détérioration nette, même si une légère amélioration est prévue en termes de fonds propres. Les difficultés opérationnelles sont importantes, les PME devant faire face à une hausse des coûts de la main-d'œuvre, des matériaux et du montant des intérêts, associée à une érosion de la rentabilité. La pénurie de personnel qualifié, les obstacles pour élargir la clientèle et les problèmes liés aux retards de paiement sont très courants. Cette étude conclut que les PME rencontrent d'importants obstacles pour maintenir leur croissance et faire preuve de résilience face aux contraintes financières et aux freins opérationnels.

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## **Zusammenfassung:**

Kleine und mittlere Unternehmen (KMU) sind eine wichtige Säule der europäischen Wirtschaft. KMU haben einen besonderen Finanzierungsbedarf und stehen beim Zugang zu Finanzmitteln vor unterschiedlichen Herausforderungen. Aus diesem Grund haben die Europäische Zentralbank und die Europäische Kommission 2008 die Umfrage über den Zugang von Unternehmen zu Finanzmitteln (Survey on the Access to Finance of Enterprises; kurz SAFE) ins Leben gerufen. Ziel ist es, Erkenntnisse zur Unterstützung der Politikgestaltung auf diesem Gebiet zu gewinnen.

Für diese SAFE-Studie wurde die Stichprobe auf Länderebene nach dem Zufallsprinzip gezogen, und zwar basierend auf der Grundgesamtheit der Unternehmen im jeweiligen Land. Die Stichprobe für diese Studie wurde nach dem Zufallsprinzip anhand der folgenden drei Kriterien ausgewählt: Länderabdeckung, Unternehmensgröße und Branche. Die Befragungen wurden mithilfe eines festgelegten Fragebogens telefonisch und/oder online durchgeführt.

Die SAFE-Studie untersucht die finanziellen und betriebswirtschaftlichen Rahmenbedingungen von KMU in der Europäischen Union. Die Studie befasst sich dabei insbesondere mit der Abhängigkeit von Fremdfinanzierung, wirtschaftlichen Herausforderungen, Wachstumsaussichten und betriebswirtschaftlichen Fragen. Eine große Mehrheit der KMU ist nach wie vor auf traditionelle Instrumente der Fremdfinanzierung wie Leasing, Kreditlinien und Bankdarlehen angewiesen, wobei viele interne Mittel gegenüber Neufinanzierungen bevorzugen. Das Wirtschaftsklima ist von einer Verschlechterung der Aussichten, steigenden Zinsen sowie strengeren Vorgaben bei der Stellung von Sicherheiten/Rücklagen gekennzeichnet. Das führt einerseits zu einem steigenden Bedarf an Finanzmitteln, andererseits aber auch zu schwindender Zuversicht, was die Wahrscheinlichkeit betrifft, diese Finanzmittel zu erhalten.

Während sich die Umsatzerwartungen von KMU erholt haben, sind die Erwartungen an nennenswertes Wachstum weiterhin optimistisch. Was die Erwartungen an die Verfügbarkeit der verschiedenen Finanzierungsmöglichkeiten betrifft, so wird in Bezug auf die meisten Finanzierungsformen von einer Verschlechterung ausgegangen. Lediglich beim Eigenkapital zeigt sich eine leichte Verbesserung. Die betriebswirtschaftlichen Herausforderungen für KMU sind erheblich. Hierzu gehören steigende Arbeits- und Materialkosten, höhere Zinsaufwendungen und rückläufige Gewinne. Hinzu kommen ein Mangel an erfahrenen Fachkräften, Schwierigkeiten bei der Gewinnung neuer Kunden sowie Probleme, die durch verspätete Zahlungen entstehen. Die Studie kommt zu dem Schluss, dass KMU angesichts immer größerer finanzieller Einschränkungen und betriebswirtschaftlicher Hürden vor enormen Herausforderungen stehen, wenn es um Wachstum und den Erhalt ihrer Widerstandsfähigkeit geht.

**Haftungsausschluss:** Die in dieser Kurzdarstellung zur Umfrage über den Zugang von Unternehmen zu Finanzmitteln (Survey on the Access to Finance of Enterprises; kurz SAFE) 2023 enthaltenen Ansichten sind die des Autors bzw. der Autoren und geben nicht notwendigerweise die offizielle Meinung der Europäischen Kommission wieder. Die Europäische Kommission übernimmt keine Gewähr für die Richtigkeit der in dieser Kurzdarstellung enthaltenen Daten. Weder die Europäische Kommission noch Personen, die in ihrem Namen handeln, sind für die Verwendung der in dieser Veröffentlichung enthaltenen Informationen verantwortlich.



Report

# Survey on the access to finance of enterprises (SAFE)

Fieldwork: September-October 2023

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# INTRODUCTION



Small and medium-sized enterprises (SMEs)<sup>1</sup> are a critical part of the European economy, representing 99% of businesses in the EU and employing over 100 million people.<sup>2</sup> 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 European Central Bank (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 2023 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.

Due to rounding, it is possible that results add up to 99% or 101%, instead of 100%. This might have an impact on net values as well, that could present a difference of +1 or -1 with respect to the actual result.

In the report, several long trend graphs are displayed, which present results from 2014/2015 to 2023. For the waves of the years 2018-2021, at times, results were calculated excluding the option "not applicable" from the total. This is reflected in the graphs with the exclusion of the option, where relevant.

Unless specified otherwise, all references to "the past six months" or similar in this report should be assumed to refer to the period March - August 2023.

## Methodology

For the 30<sup>th</sup> 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:<sup>3</sup>
  - 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

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

<sup>2</sup> [https://single-market-economy.ec.europa.eu/smes\\_en](https://single-market-economy.ec.europa.eu/smes_en)

<sup>3</sup> The NACE Rev. 2 classification of economic activities has been used.

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) regulations<sup>4</sup>, as well as from figures from the European Commission's SME Performance Review<sup>5</sup>.

Fieldwork was conducted by telephone and/or online between 4 September and 20 October 2023. The number of completed interviews 15,855 is summarised in table 1. 91% of the 15,855 interviewed firms were micro, small, medium-sized companies with fewer than 250 employees.

The questionnaire has been included in Appendix 2. There are minor modifications compared to 2022H1.

country	number of completes
Austria	503
Belgium	501
Bulgaria	501
Croatia	301
Cyprus	101
Czechia	451
Denmark	502
Estonia	100
Finland	502
France	1502
Germany	1503
Greece	503
Hungary	504
Iceland	101
Ireland	501
Italy	1504
Latvia	202
Liechtenstein	42
Lithuania	301
Luxembourg	101
Malta	100
Netherlands	803
Norway	150
Poland	1077
Portugal	502
Romania	501
Slovakia	492
Slovenia	200
Spain	1301
Sweden	503

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

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

<sup>5</sup> [https://single-market-economy.ec.europa.eu/smes/sme-strategy/sme-performance-review\\_en](https://single-market-economy.ec.europa.eu/smes/sme-strategy/sme-performance-review_en)

# I. USE OF EXTERNAL FINANCING



## Key findings

Debt financing is relevant to 82% of EU27 SMEs, a figure which has not changed since the previous survey of December 2022. The most relevant forms of debt financing for SMEs are leasing or hire-purchase (48%), a credit line, bank overdraft or credit cards overdraft (47%), bank loans (46%). The proportion mentioning grants or subsidised bank loans (38%) has decreased since the last survey, while trade credit (32%) continues to gain in importance. Fewer SMEs mention other forms of debt financing such as other loans (19%), equity use (10%) and factoring (9%). A large majority of SMEs in each EU Member State say that at least one form of debt financing is relevant to their enterprise.

Over four in ten (42%) SMEs for whom credit line, bank overdraft or credit cards overdraft are relevant did not apply for them in the last six months<sup>6</sup> because they have sufficient internal funds. While only a minority of SMEs applied for specific forms of financing, the majority of those who applied were successful. A quarter (25%) applied for a credit line, bank overdraft or credit card overdraft, two thirds (66%) of whom received everything they applied for, while 6% were rejected. A fifth (20%) applied for a bank loan, with nearly two thirds (64%) getting everything they applied for and 7% seeing their application rejected. Over a quarter (29%) applied for trade credit, with over two thirds (69%) receiving everything they had applied for, and very few (2%) being turned down.

After falling significantly in the last survey from the figure recorded in 2021 (38%), the proportion of SMEs who use their external financing for fixed investment has returned to just over a third (34%) of those polled. The same proportion use external financing for inventory or other working capital, although there is wide variation on the country level.

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<sup>6</sup> All subsequent references to “the past six months” or similar in this report should be assumed to refer to the period March - August 2023, unless specified otherwise.

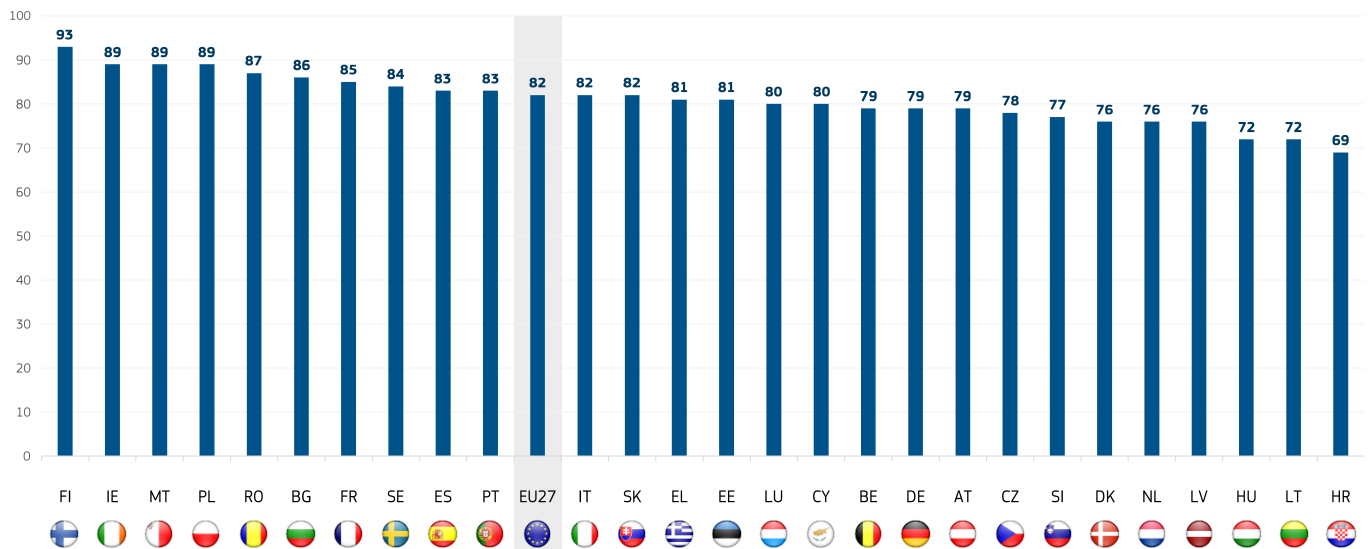
## Relevance of sources of financing

SMEs were asked about whether a variety of different kinds of external financing were relevant for their enterprise. In the EU overall, 82% of firms consider at least one form of debt financing to be relevant for their firm, a figure that has not changed since the previous survey of December 2022. Specific responses to this question have remained very stable since the last survey. SMEs are most likely to mention a leasing or hire-purchase arrangement (48%, +1pp), a credit line, bank overdraft or credit cards overdraft (47%, no change), or bank loans (46%, no change). Over two thirds (38%, -4 pp) say that grants or subsidized bank loans are relevant for their enterprise, while fewer mention trade credit (32%, +1 pp), other loans (19%, +1pp), equity (10%, -1pp), factoring (9%, no change) and other types of financing (4%, -1 pp).

Except for Croatia (69%), more than seven in ten SMEs in each EU Member State say at least one form of debt finance is relevant to their enterprise. Responses range from over nine in ten (93%) in Finland and nearly nine in ten (89%) in Ireland, Malta and Poland to less than three quarters in Lithuania and Hungary (both 72%).<sup>7</sup>

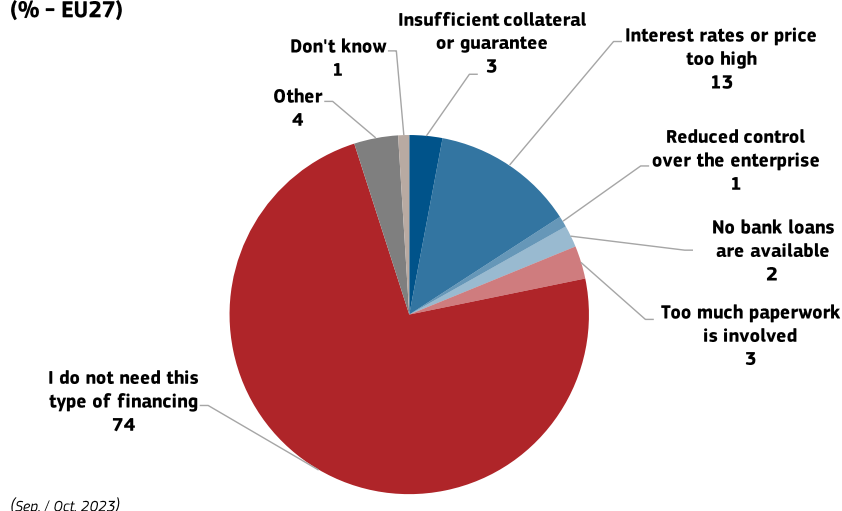
**Q4 Are the following sources of financing relevant to your firm, that is, have you used them in the past or considered using them in the future?**  
(% - Debt financing)

■ Sep./Oct. 2023



SMEs for whom bank loans are not relevant to their enterprise were asked the reason why. Almost three quarters (74%, no change) say that they do not need this type of financing. The proportion that says bank loans are not relevant because of interest rates or the price being too high has risen by 4 pp to 13% of SMEs in the current survey. Only a small proportion of SMEs mentioned insufficient collateral or guarantee (3%, no change) or reduced control over the enterprise (1%, no change). Only a small proportion of SMEs mentioned insufficient collateral or guarantee (3%, no change), too much paperwork (3%, no change) or reduced control over the enterprise (1%, no change).

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



<sup>7</sup> Results for Malta, Cyprus, Estonia and Luxembourg should be interpreted with caution in the whole section due to low base size (50-99).

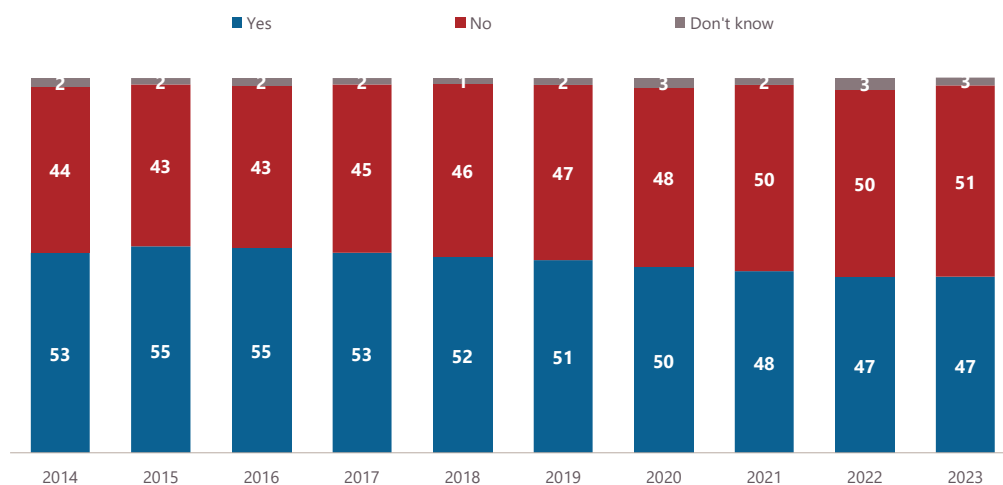
## What sources of finance were used

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

### Credit line, bank overdraft or credit cards overdraft

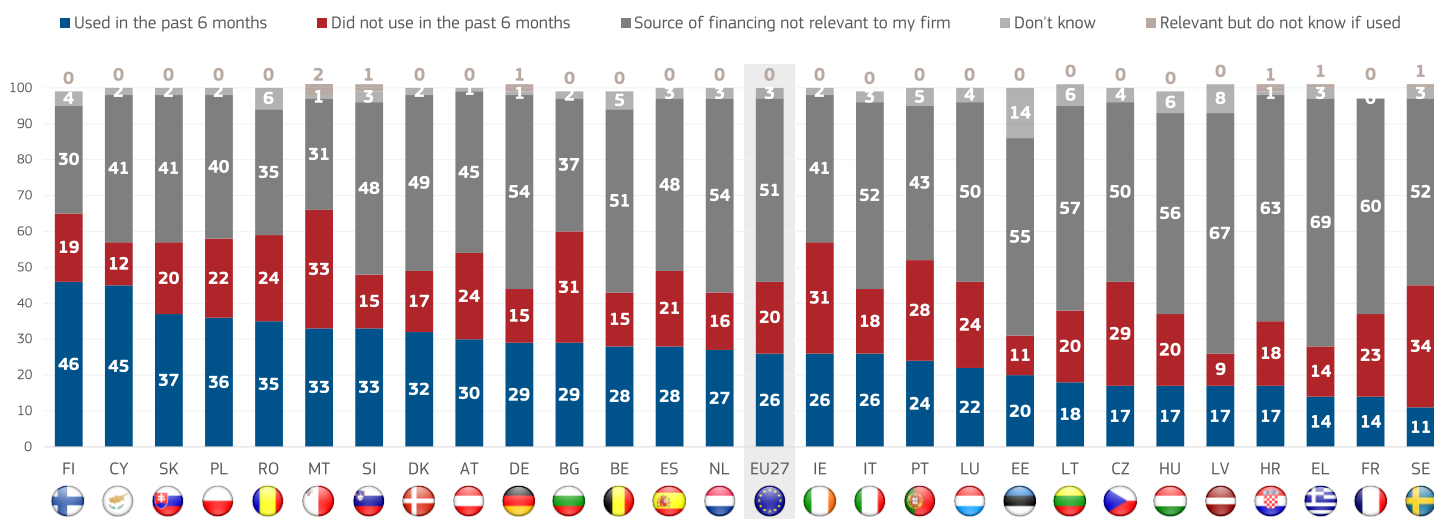
In the period March-August 2023,<sup>8</sup> 47% (no change) of SMEs said that credit line, bank overdraft or credit cards overdraft is a relevant source of financing for their enterprise. Just over a quarter (26%, -2 pp) SMEs used a credit line, bank overdraft or credit card overdraft in this period, while a fifth (20%, +1 pp) did not use this type of finance. Just over half (51%, +1 pp) say it is not relevant for their enterprise. These figures are consistent with an established pattern of slowly declining use of these sources of financing.

**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)



There is wide variation at the national level in the proportion of SMEs using this source of financing during the last six months, although in all cases it remains in a minority. As in 2022, the highest proportions are found in Finland (46%) and Cyprus (45%), compared with only 11% in Sweden and 14% in France and Greece. Around a third of SMEs in Sweden (34%) and Malta (33%) say that they did not use this kind of financing in the last 6 months. There are significant country-level differences in the proportions of SMEs who do not use credit lines, bank overdrafts or credit card overdrafts. In Greece (69%) and Latvia (67%) over two thirds of SMEs give this response, compared with less than a third in Finland (30%) and Malta (31%).

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



<sup>8</sup> All subsequent references to “the past six months” or similar in this report should be assumed to refer to the period March - August 2023, unless specified otherwise.

The following table illustrates the breakdown of SMEs by sector, enterprise size, growth type, innovativeness and exporter status. Consistent with previous findings, SMEs in industry (32%) and trade (30%) are more likely than SMEs on average (26%) to have obtained this source of financing in the past six months, while those in construction (28%) and particularly services (21%) are less likely to have done so.

As company size increases, the proportion of SMEs using these sources of finance increases. Large enterprises (those with 250+ employees) are significantly more likely to have used these sources of financing than micro enterprises (38% vs 20%). Innovative SMEs<sup>9</sup> are more likely to use credit lines or overdrafts than are those classified as non-innovative (30% vs 23%), and exporters are more likely to use these sources of financing than non-exporters (32% vs 22%). Finally, gazelle<sup>10</sup> enterprises are less likely than other high-growth enterprises to have used such sources of financing (21% vs 27%).

**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	26	20	51	3	0
<b>Sector</b>					
Industry	32	20	44	3	0
Construction	28	22	47	3	0
Trade	30	19	47	3	0
Services	21	20	56	3	0
<b>Size: employees</b>					
1--9	20	20	56	3	0
10--49	27	21	49	3	0
50--249	35	19	43	2	0
250+	38	18	42	2	1
<b>Innovativeness</b>					
Innovative	30	21	46	2	0
Non-innovative	23	20	55	3	0
<b>Growth</b>					
Gazelle	21	23	51	2	2
High-growth	27	20	50	3	0
<b>Exporting vs. non-exporting</b>					
Exporters	32	19	47	2	0
Non-exporters	22	21	53	3	0

<sup>9</sup> 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.

<sup>10</sup> Gazelles are a subset of high-growth enterprises: they have high growth and are less than five years old.

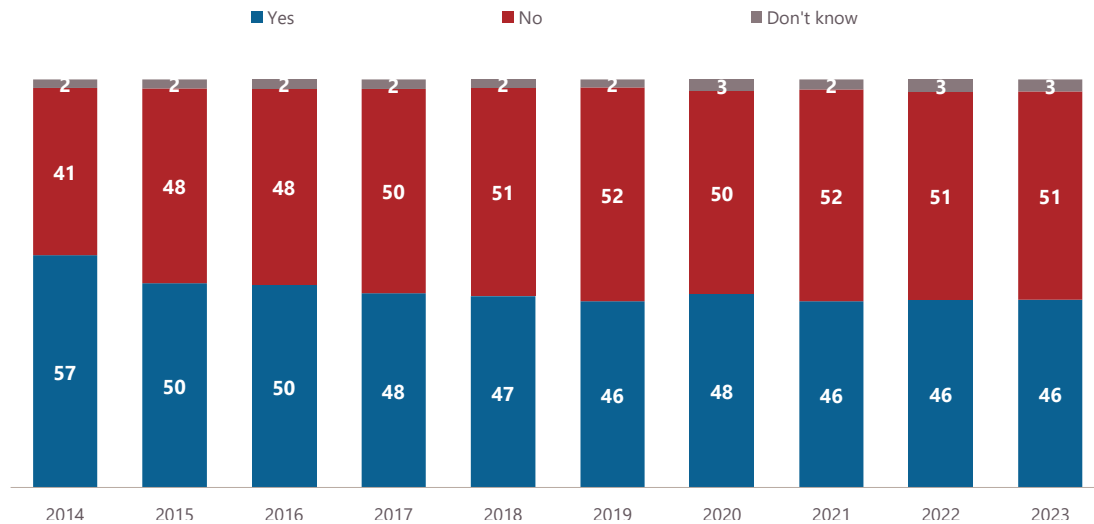


## Bank loans

46% of SMEs say that bank loans are a relevant source of financing for them, while 51% say this source of financing is not relevant. The use of bank loans has not changed since the previous survey of December 2022, and there has been little change over time in the proportions of SMEs using this source of financing.

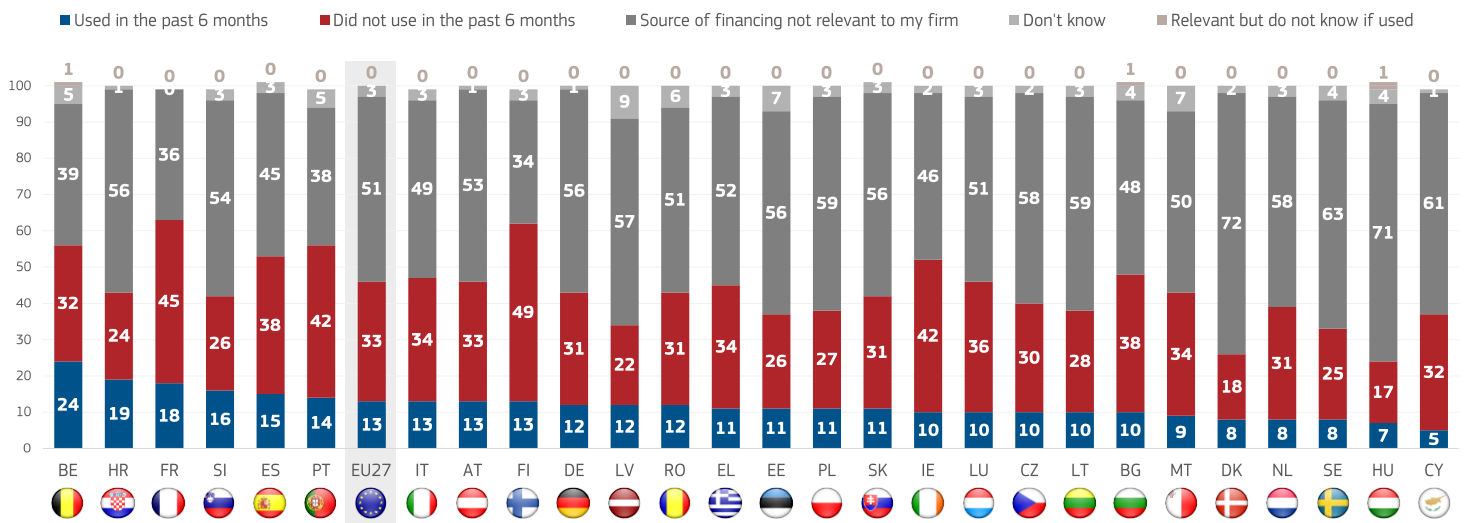
**Q4d** Are the following sources of financing relevant to your firm, that is, have you used them in the past or considered using them in the future?

**Bank loan (excluding subsidised bank loans, overdrafts and credit lines)**  
(% - EU)



At the Member State level, in all but one case less than a fifth (20%) of SMEs use bank loans. As in the previous survey, Belgium (24%) stands out for the relatively high proportion using this source of financing, compared with only 5% in Cyprus and 7% in Hungary. Nearly half (49%) of SMEs in Finland say that they have not obtained bank loans in the last six months, but less than a fifth in Hungary (17%) or Denmark (18%) give this answer. In 19 Member States at least half of SMEs say that bank loans are not relevant for them, with Denmark (72%) and Hungary (71%) standing out for a particularly high proportion giving this answer.

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



SMEs in the industry sector (17%) are more likely to make use of bank loans, particularly when compared with those in the services sector (10%). Use of bank loans increases with the size of SMEs: those with only 1-9 employees are much less likely than those with 250+ employees to use this source of financing (8% vs 27%). SMEs in the exporting sector are more likely to have used bank loans than those which do not export (16% vs 11%), and the same is true of innovative SMEs compared with their non-innovative counterparts (15% vs 11%). Gazelle companies are less likely than other high-growth companies to make use of bank loans (10% vs 14%).

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

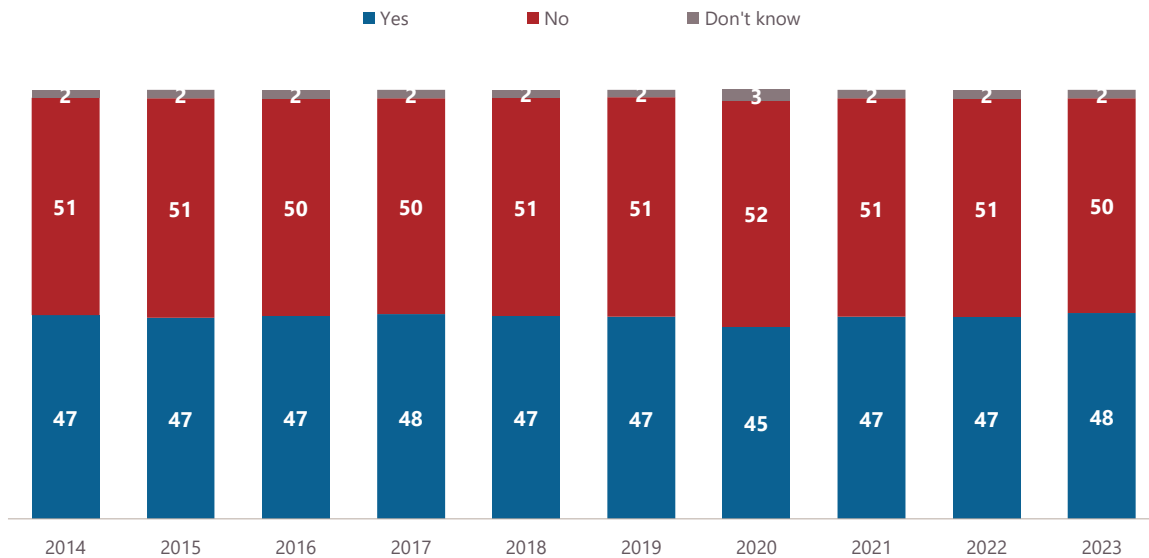
	Used in the past 6 months	Did not use in the past 6 months	Source of financing not relevant to my firm	Don't Know	Relevant but do not know if used
EU27	13	33	51	3	0
<b>Sector</b>					
Industry	17	37	43	2	0
Construction	15	31	50	3	0
Trade	14	33	50	3	0
Services	10	33	54	3	0
<b>Size: employees</b>					
1--9	8	31	58	3	0
10--49	14	36	48	3	0
50--249	21	35	42	2	0
250+	27	30	41	1	1
<b>Innovativeness</b>					
Innovative	15	35	47	3	0
Non-innovative	11	32	55	2	0
<b>Growth</b>					
Gazelle	10	34	55	1	0
High-growth	14	36	48	2	0
<b>Exporting vs. non-exporting</b>					
Exporters	16	34	48	2	0
Non-exporters	11	33	53	3	0

## Leasing or hire-purchase

The overall use of leasing or hire-purchase has also remained stable since the last survey, as indeed has been the case in general since 2014. As in December 2022, just under half (48%) say it is a relevant source of financing for their company, while half (50%) say it is not relevant. A fifth (20%) of SMEs have used this source of financing in the last six months, while just over a quarter (27%) have not.

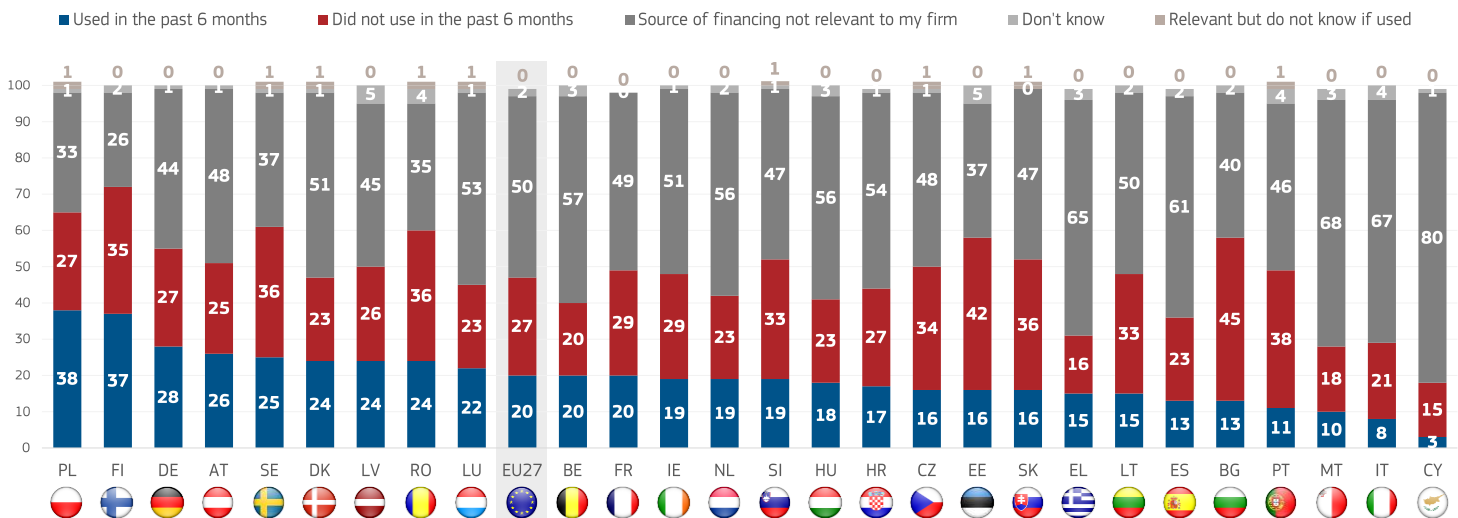
**Q4m** Are the following sources of financing relevant to your firm, that is, have you used them in the past or considered using them in the future?

### Leasing or hire-purchase



As in the previous survey, Poland (38%) and Finland (37%) stand out for a much higher than average proportion of SMEs who use leasing or hire-purchase, but this form of financing is much less popular in Cyprus (3%) and Italy (8%). There is also significant variation at the country level in the proportions of SMEs for whom leasing or hire-purchase is a relevant source of funding, but one which they have not made use of recently. Over four in ten SMEs in Bulgaria (45%) and Estonia (42%) give this response, compared with only 15% in Cyprus and 16% in Greece. There is also substantial variation when it comes to those who find this source of funding irrelevant to their firm's needs. In Cyprus, 80% of SMEs give this response, compared with just over a quarter (26%) in Finland.

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



As in the previous survey, SMEs in industry (25%) and construction (24%) are more likely than those in trade (19%) or services (19%) to have used leasing or hire-purchase sources of financing. Size of company is a particularly important factor: while only just over one in ten (11%) of companies with between 1 and 9 employees has used this form of financing in the last six months, nearly four in ten (39%) companies with 250+ employees has used it. Innovative SMEs are more likely than their non-innovative counterparts to have used leasing or hire-purchase (23% vs 18%) and the same is true of exporters compared with non-exporters (26% vs 17%); gazelle SMEs are slightly more likely than other high-growth SMEs to have used this form of financing (24% vs. 23%).

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

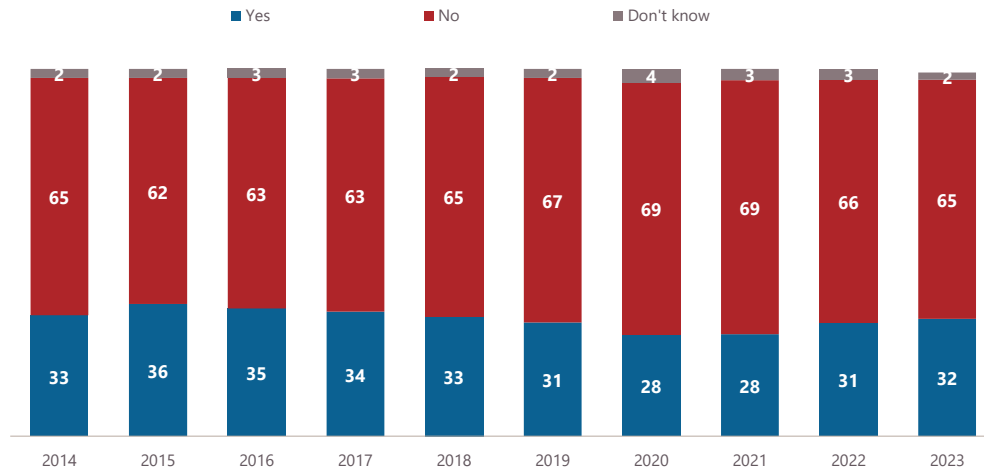
	Used in the past 6 months	Did not use in the past 6 months	Source of financing not relevant to my firm	Don't Know	Relevant but do not know if used
EU27	20	27	50	2	0
<b>Sector</b>					
Industry	25	29	44	2	0
Construction	24	29	44	2	1
Trade	19	25	54	2	0
Services	19	27	52	2	0
<b>Size: employees</b>					
1--9	11	27	59	2	0
10--49	23	29	46	2	0
50--249	35	24	39	1	0
250+	39	19	40	1	0
<b>Innovativeness</b>					
Innovative	23	28	47	2	0
Non-innovative	18	26	54	2	0
<b>Growth</b>					
Gazelle	24	18	53	4	1
High-growth	23	28	47	3	0
<b>Exporting vs. non-exporting</b>					
Exporters	26	26	46	2	0
Non-exporters	17	27	53	2	0

## Trade credit

Among the firms surveyed, 32% say that trade credit is a relevant source of financing for them (+1 pp). This figure is still lower than that observed before 2018, but higher than the 28% observed in 2020 and 2021. Of those SMEs for whom trade credit is relevant, equal proportions have used it in the past six months or have not used it in the last six months (16%). Nearly two thirds (65%) of SMEs say it is not relevant to their firm's needs.

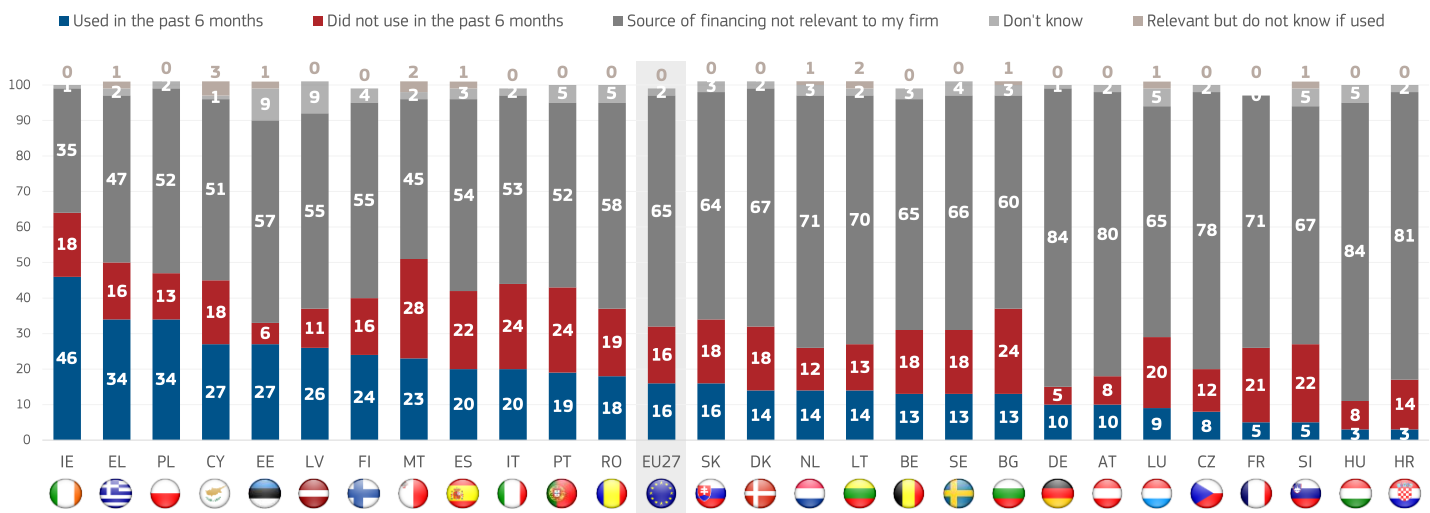
**Q4e** Are the following sources of financing relevant to your firm, that is, have you used them in the past or considered using them in the future?

**Trade credit**  
(% - EU)



There is large variation in SME responses at the country level. In Ireland, over four in ten (46%) SMEs have used trade credits during the last six months, as have just over a third in Greece and Poland (both 34%). However, very few SMEs in Croatia and Hungary (3%) have made use of this source of financing. There is also variation among those who say this source of financing is relevant, but have not used it recently. In Malta over a quarter (28%) of SMEs give this response, compared with only 5% in Germany. In all but three cases at least half of SMEs say that this form of financing is not relevant to their needs, with the largest majorities giving this response in Germany and Hungary (both 84%). However, only a minority of respondents in Ireland (35%), Malta (45%) and Greece (47%) see this form of financing as irrelevant.

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



SMEs in the service sector (10%) are much less likely than those in other sectors to use trade credit. Use of these credits increases with company size, with 12% of the smallest companies using this form of financing, compared with over a quarter (26%) of those which have 250 or more employees. Innovative SMEs are more likely than non-innovative SMEs to use trade credits (19% vs 14%), and the same is true of exporters compared with non-exporters (22% vs 12%). Gazelles are less likely than other high-growth SMEs to use this form of financing (13% vs 20%).

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

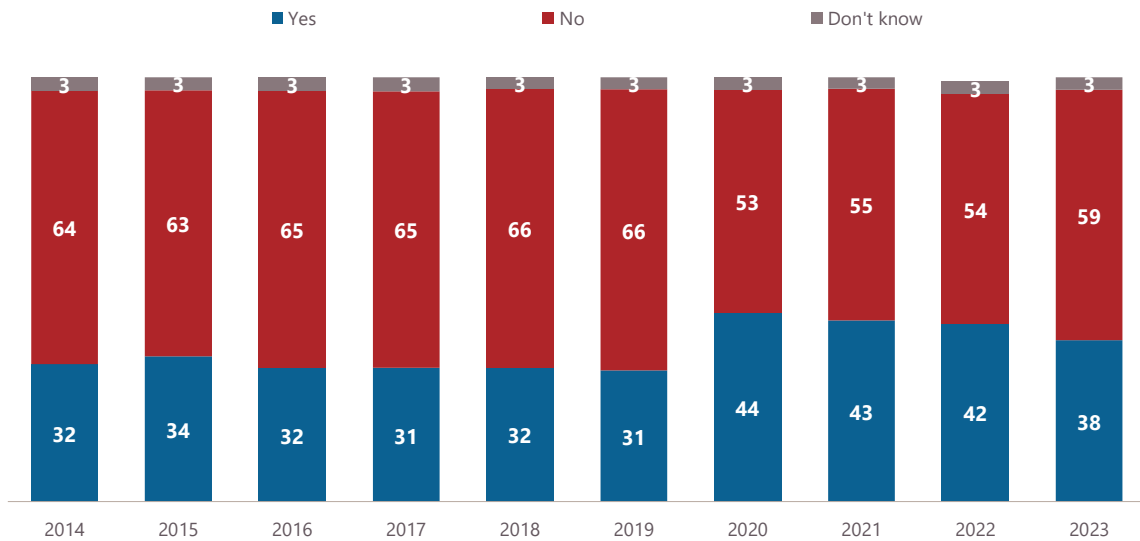
	Used in the past 6 months	Did not use in the past 6 months	Source of financing not relevant to my firm	Don't Know	Relevant but do not know if used
EU27	16	16	65	2	0
<b>Sector</b>					
Industry	23	17	58	2	0
Construction	17	17	63	3	0
Trade	24	19	54	2	0
Services	10	14	74	3	0
<b>Size: employees</b>					
1--9	12	17	69	2	0
10--49	16	16	65	3	0
50--249	23	14	60	2	1
250+	26	12	60	2	1
<b>Innovativeness</b>					
Innovative	19	17	61	2	0
Non-innovative	14	15	69	2	0
<b>Growth</b>					
Gazelle	13	20	66	1	0
High-growth	20	18	60	2	1
<b>Exporting vs. non-exporting</b>					
Exporters	22	16	59	2	0
Non-exporters	12	16	69	3	0

## Grants or subsidised bank loans

After a period of growth in the use of these instruments during the years 2020 to 2022, the proportion of SMEs using grants or subsidised bank loans has fallen from 42% in the December 2022 survey to 38%. Less than one in ten (9%) of SMEs has used this source of financing in the last six months, while just over a quarter (29%) have not made use of it. Most SMEs (59%) say that this source of financing is not relevant to their needs.

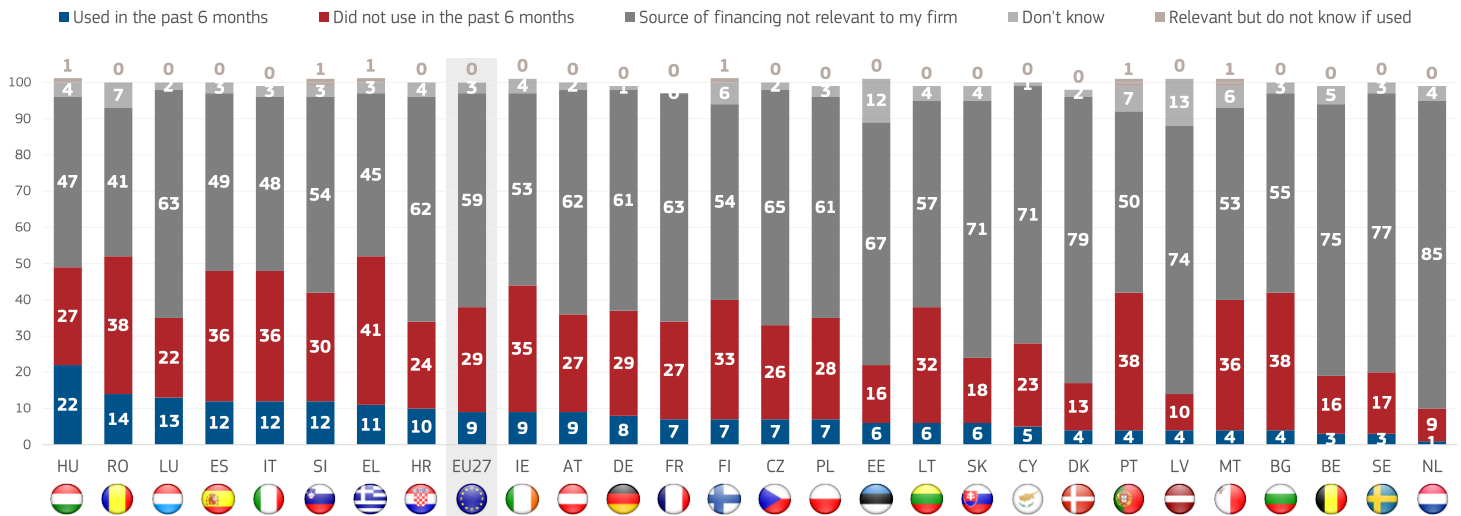
**Q4b** Are the following sources of financing relevant to your firm, that is, have you used them in the past or considered using them in the future?

### Grants or subsidised bank loan



Analysis at the country level reveals that in 19 of the 27 Member States less than one in ten (10%) use grants or subsidised bank loans, with the only noteworthy outlier being Hungary, where over a fifth (22%) have made use of this source of funding in the last six months. There is also considerable variation in the proportions of SMEs which see this funding as potentially relevant to their needs but have not used it, ranging from only 9% in the Netherlands to 41% in Greece. In 22 Member States a majority of SMEs have no need for this source of funding, with a particularly high proportion of SMEs in the Netherlands (85%) giving this answer, compared with 41% in Romania.

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



SMEs in industry (15%) are more likely than those in other sectors (7%-8%) to use grants or subsidised bank loans. Consistent with general patterns, companies with 1-9 employees are less likely than those with 250+ employees to make use of this source of financing (5% vs 13%), innovative SMEs are more likely to use them than non-innovative ones (11% vs 6%) and exporters are more likely to use them than non-exporters are (11% vs 7%). On the other hand, gazelles are less likely than other high-growth SMEs to use grants or subsidised bank loans (5% vs 12%).

**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	9	29	59	3	0
<b>Sector</b>					
Industry	15	35	47	3	0
Construction	8	28	59	4	0
Trade	7	28	61	4	0
Services	7	28	61	3	0
<b>Size: employees</b>					
1--9	5	27	64	3	0
10--49	9	32	55	3	0
50--249	14	30	52	3	0
250+	13	25	59	2	0
<b>Innovativeness</b>					
Innovative	11	33	53	3	0
Non-innovative	6	26	64	3	0
<b>Growth</b>					
Gazelle	5	30	61	5	0
High-growth	12	31	54	3	0
<b>Exporting vs. non-exporting</b>					
Exporters	11	31	55	3	0
Non-exporters	7	28	61	3	0

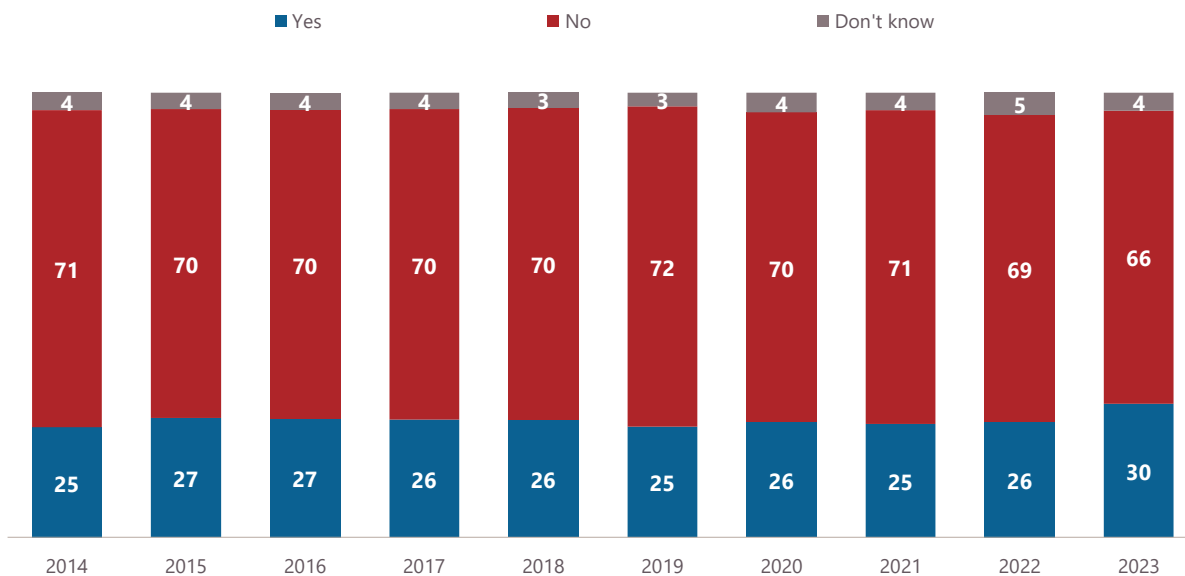


## Retained earnings or sale of assets

Over a quarter (30%) of SMEs say that internal funds such as retained earnings or sale of assets are relevant sources of financing, while the large majority (66%) say that this type of financing is not relevant. These figures are consistent with a trend established since 2014, with a slight increase in the proportion who see this source of financing as relevant (+4pp). Less than a fifth (17%) have used internal funds in the last six months, and just over one in ten (12%) see internal funds as a relevant source of funding but have not used it recently.

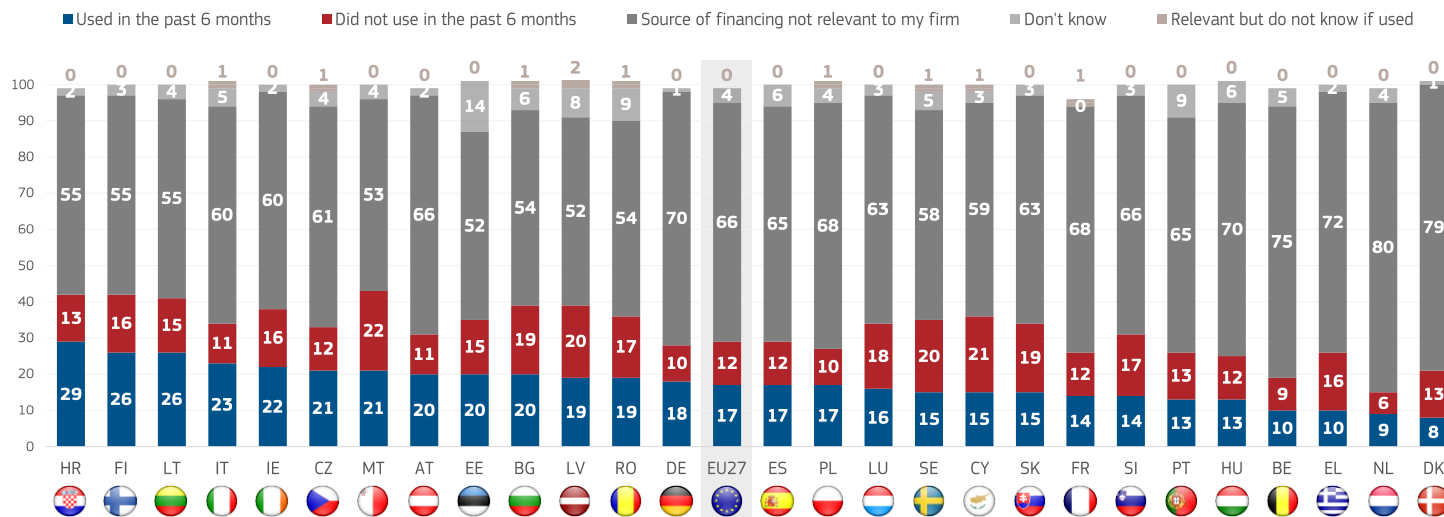
**Q4a** Are the following sources of financing relevant to your firm, that is, have you used them in the past or considered using them in the future?

**Internal funds (retained earnings or sale of assets)**  
(% - EU)



In Croatia (29%), Lithuania (26%) and Finland (26%) over a quarter of SMEs have used internal funds as a source of financing, compared with less than one in ten (8%) in Denmark. In all Member States, a majority of SMEs say that internal funds are irrelevant to their needs, but this varies from just over half in Latvia (52%), Estonia (52%) and Malta (53%) to around eight in ten SMEs in Denmark (79%) and the Netherlands (80%).

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



SMEs in industry (24%) are more likely than those in other sectors (16-17%) to have used internal funds in the past six months. Use of this kind of financing increases by company size: while just over one in ten (12%) of SMEs with 1 – 9 employees used internal funds in the past six months, a third (33%) of companies with 250+ employees did so. Innovative companies are more likely than non-innovative companies to have used internal funds (20% vs 15%), as are exporters when compared with non-exporters (22% vs 15%). However, gazelles (9%) are less likely than other high-growth SMEs (18%) to have used internal funds.

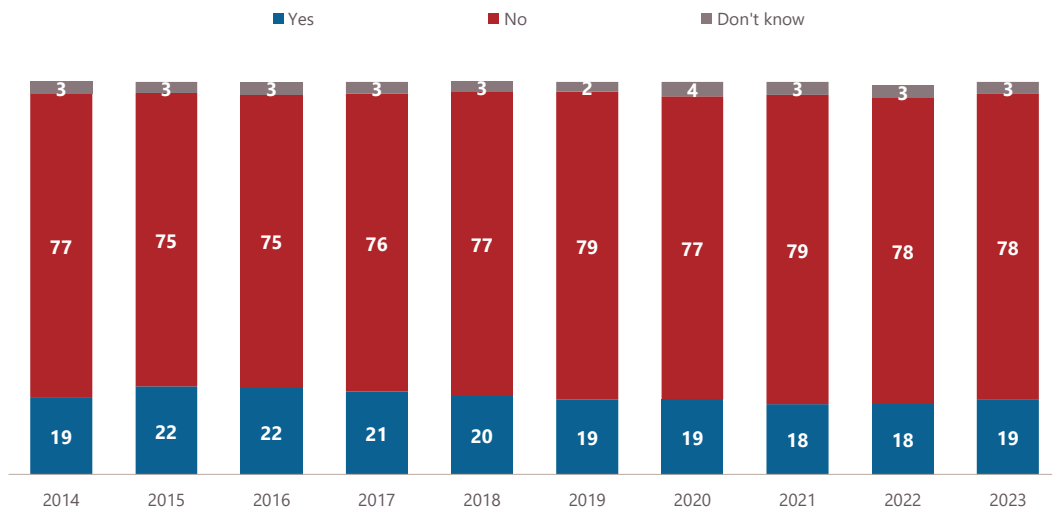
**Q4(2)\_a** Have you obtained such sources of financing in the past 6 months? - Internal funds (retained earnings or sale of assets)  
(% - EU)

	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	17	12	66	4	0
<b>Sector</b>					
Industry	24	13	58	4	0
Construction	16	12	67	4	0
Trade	17	11	67	5	0
Services	16	12	68	4	1
<b>Size: employees</b>					
1--9	12	11	72	4	0
10--49	19	12	64	4	0
50--249	25	14	58	3	0
250+	33	12	52	3	1
<b>Innovativeness</b>					
Innovative	20	14	61	4	0
Non-innovative	15	10	71	3	0
<b>Growth</b>					
Gazelle	9	13	75	3	0
High-growth	18	15	63	3	0
<b>Exporting vs. non-exporting</b>					
Exporters	22	13	61	4	0
Non-exporters	15	11	70	4	0

## Other loans

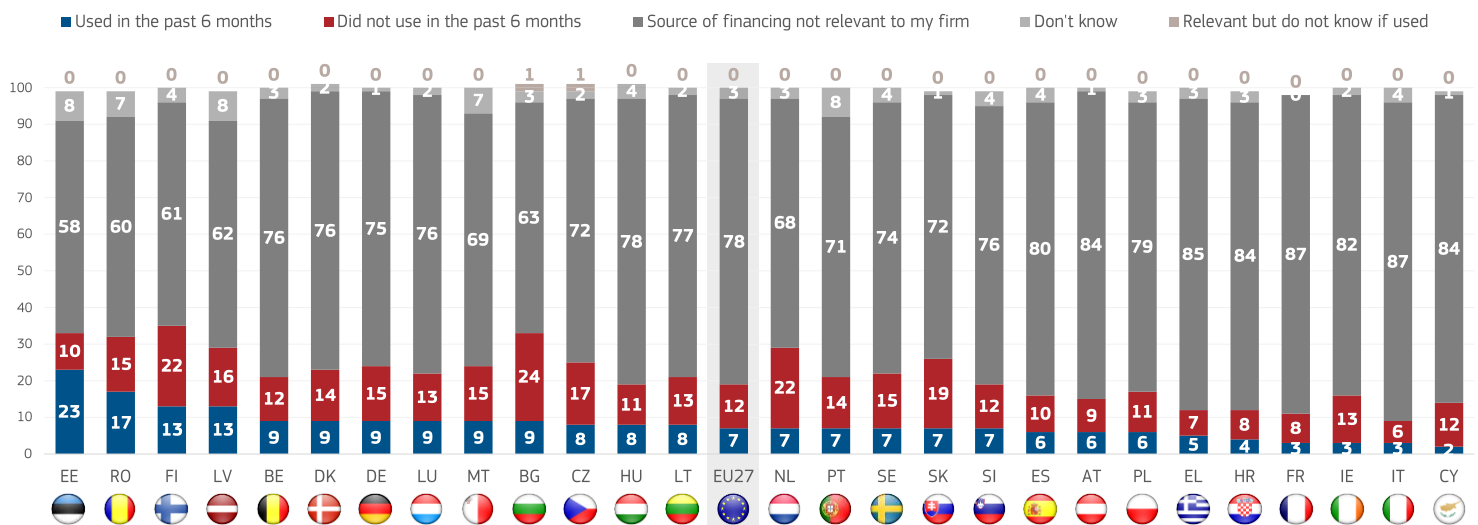
Slightly less than a fifth (19%, +1 pp) of SMEs report that other loans are a relevant source of financing for them, while over three quarters (78%, no change) do not. These figures suggest a slight recovery in the popularity of other loans to a level not observed since 2020, although there has been very little change over time. Only 7% of SMEs have used this source of financing in the last six months, while 12% have not used it.

**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**



In all but four cases less than one in ten (10%) SMEs have used other loans. The most significant exception is Estonia, where nearly a quarter (23%) of SMEs mention other loans, followed by Romania (17%), Latvia and Finland (both 13%). In all countries a clear majority of SMEs do not see this source of financing as relevant to their needs, ranging from 58% in Estonia to 87% in Italy and France.

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



There is little difference in the use of other loans by sector. Larger SMEs are slightly more likely to use other loans, with 9% of those who have 250+ employees mentioning this source of financing, compared with only 6% of those with 1 – 9 employees. Innovative SMEs are more likely than their non-innovative counterparts to have obtained other loans (10% vs 4%), but there is little difference between exporters and non-exporters (8% vs 6%). On the other hand, gazelles are more likely than other high-growth SMEs to have obtained other loans in the past six months (14% vs 9%).

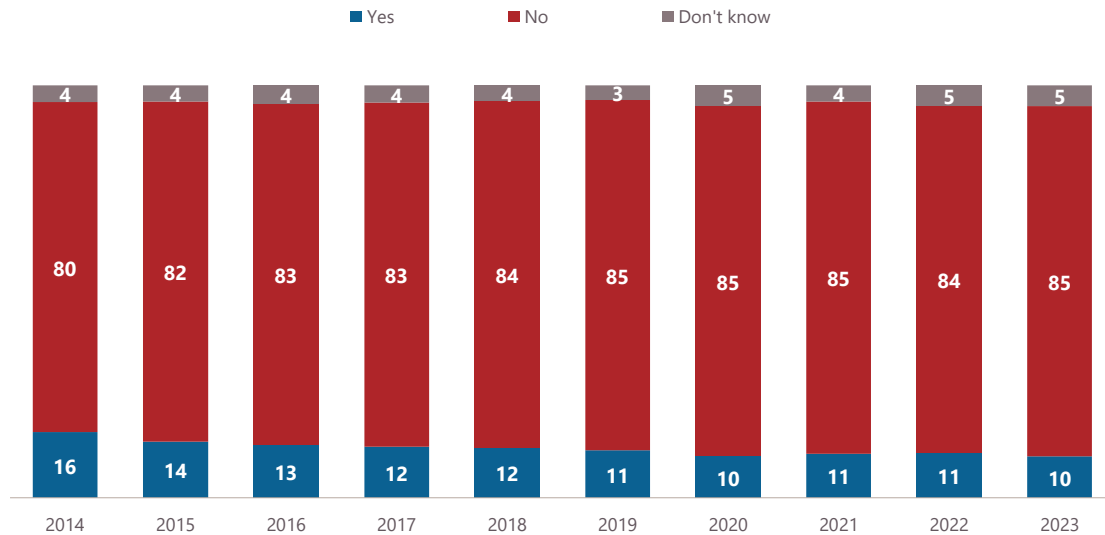
**Q4(2)\_f** Have you obtained such sources of financing in the past 6 months? - Other loan  
(% - EU)

	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	12	78	3	0
<b>Sector</b>					
Industry	8	13	77	3	0
Construction	6	10	80	3	0
Trade	7	13	77	3	0
Services	7	12	78	3	0
<b>Size: employees</b>					
1--9	6	12	79	3	0
10--49	7	12	77	4	0
50--249	8	13	76	3	0
250+	9	14	74	3	0
<b>Innovativeness</b>					
Innovative	10	14	74	3	0
Non-innovative	4	11	82	3	0
<b>Growth</b>					
Gazelle	14	16	64	4	1
High-growth	9	13	75	3	0
<b>Exporting vs. non-exporting</b>					
Exporters	8	13	76	2	0
Non-exporters	6	12	79	3	0

## Equity capital

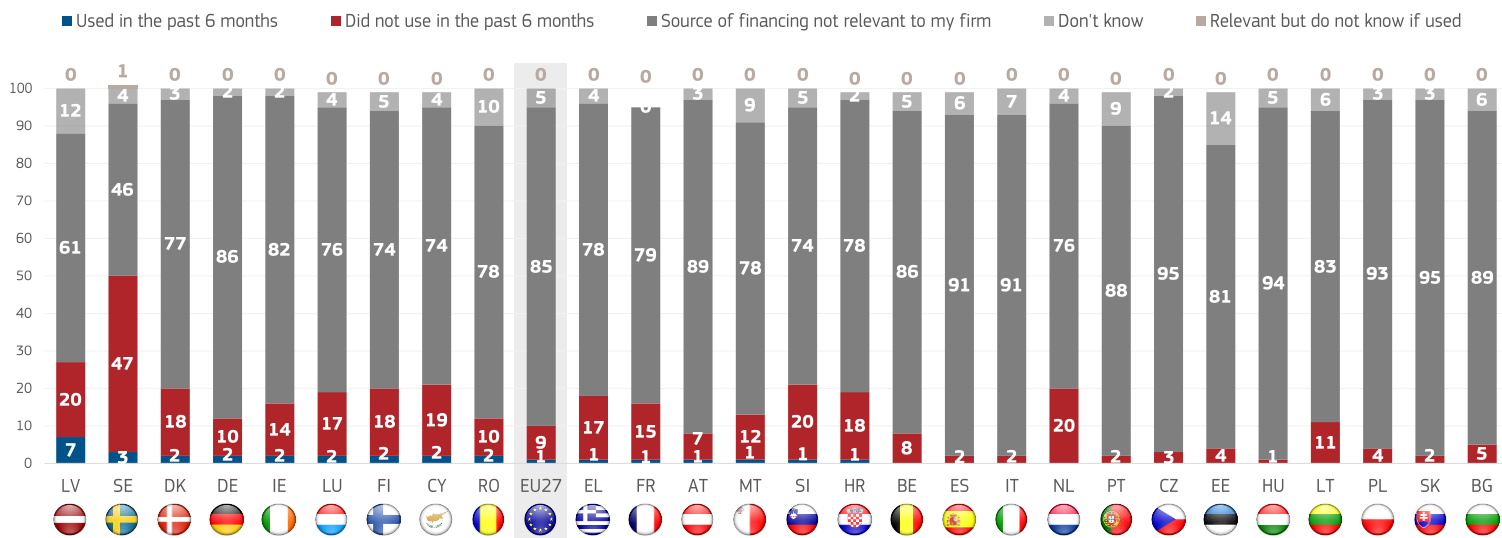
10% of SME firms say that equity capital is a relevant source of financing for them. This figure has remained essentially stable since 2019. Only 1% of SMEs have made use of equity capital in the past six months, with 85% saying this form of financing is not relevant to their needs.

**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)



Only in Latvia (7%) do a significant minority of SMEs mention this source of financing, but this figure has fallen significantly since 2022, when 28% of SMEs gave this answer. In all other countries the figure ranges from 0% to 3%. With the exception of Sweden (46%), in all countries a majority of SMEs say that equity capital is not a relevant source of financing for them, but this ranges from 61% in Latvia to 95% of SMEs in Czechia and Slovakia.

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



Given the very small proportion of SMEs who have used equity capital during the past six months, there is no essential difference between sectors, different sizes of company, exporters and non-exporters, or innovative and non-innovative SMEs. The only noteworthy difference is between gazelles (4%) and other high-growth SMEs (1%).

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

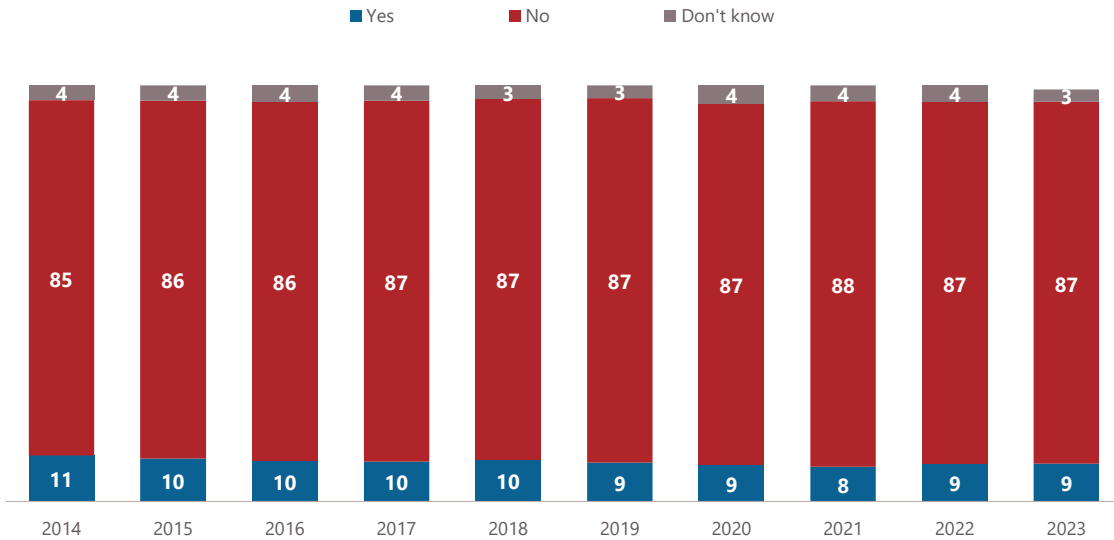
	Used in the past 6 months	Did not use in the past 6 months	Source of financing not relevant to my firm	Don't Know	Relevant but do not know if used
EU27	1	9	85	5	0
<b>Sector</b>					
Industry	1	8	87	4	0
Construction	1	9	85	5	0
Trade	1	8	86	5	0
Services	1	10	85	4	0
<b>Size: employees</b>					
1--9	1	8	87	5	0
10--49	1	10	84	5	0
50--249	1	11	84	4	0
250+	2	13	79	5	0
<b>Innovativeness</b>					
Innovative	1	11	84	4	0
Non-innovative	1	8	87	4	0
<b>Growth</b>					
Gazelle	4	12	78	6	0
High-growth	1	12	83	4	0
<b>Exporting vs. non-exporting</b>					
Exporters	1	10	85	4	0
Non-exporters	1	9	86	4	0

## Factoring

9% of SMEs say factoring is a relevant source of financing for their enterprise, and 6% have used it in the past six months. The proportion of SMEs seeing this source of financing as relevant has remained essentially stable in the longer term. The large majority (87%) of SMEs say that factoring is not relevant for them.

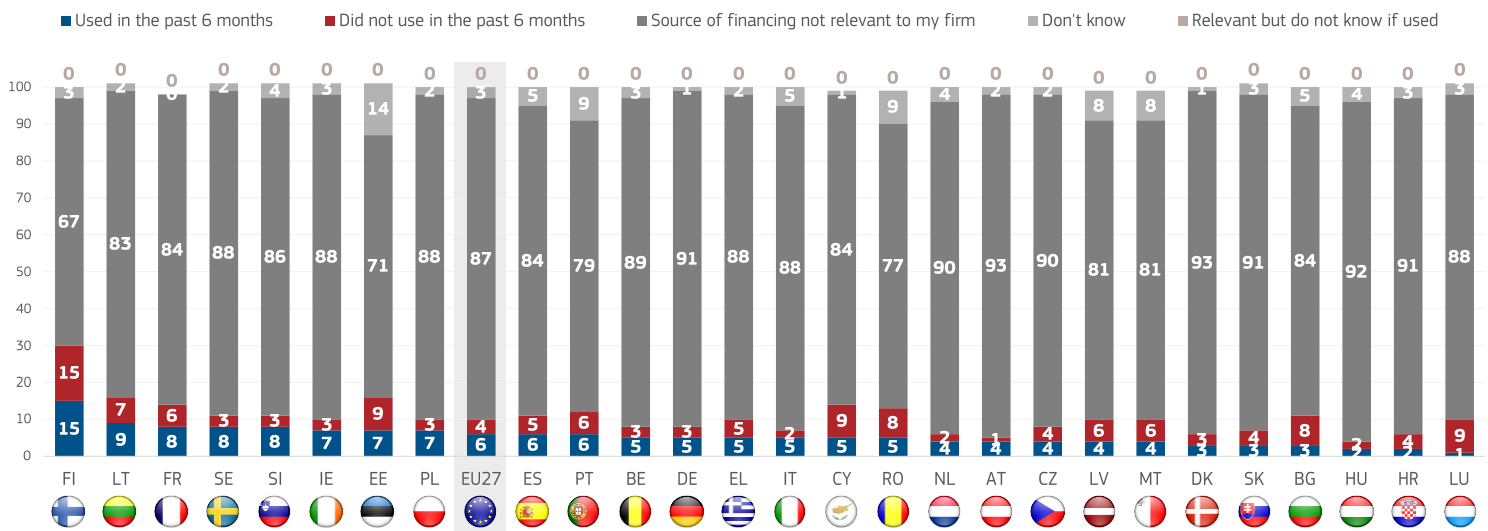
**Q4r** Are the following sources of financing relevant to your firm, that is, have you used them in the past or considered using them in the future?

### Factoring (% - EU)



At the country level, Finland (15%) stands out for a particularly large minority of SMEs using factoring as a source of financing. In all countries, more than two thirds (67%) of SMEs 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)



SMEs in the industry sector (11%) are more likely than those in other sectors (4%-6%) to have used factoring, as are SMEs with 250+ employees compared with those which have between 1 and 9 employees (19% vs 2%), innovative SMEs versus non-innovative SMEs (7% vs 4%) and exporters versus non-exporters (9% vs 3%). Gazelles are less likely than other high-growth enterprises to have used factoring (4% vs 6%).

**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	6	4	87	3	0
<b>Sector</b>					
Industry	11	5	81	3	0
Construction	5	5	87	3	0
Trade	6	4	87	3	0
Services	4	3	89	4	0
<b>Size: employees</b>					
1--9	2	3	91	4	0
10--49	6	4	86	4	0
50--249	12	4	81	3	0
250+	19	5	74	2	0
<b>Innovativeness</b>					
Innovative	7	5	85	3	0
Non-innovative	4	3	90	3	0
<b>Growth</b>					
Gazelle	4	4	85	7	0
High-growth	6	5	85	3	0
<b>Exporting vs. non-exporting</b>					
Exporters	9	5	84	3	0
Non-exporters	3	3	90	3	0



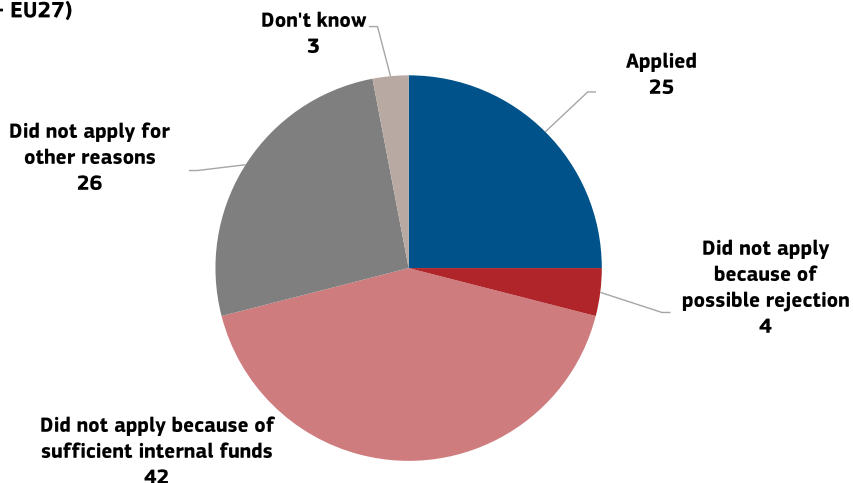
## Types of external financing applied for

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

### Credit line, bank overdraft or credit cards overdraft

Among SMEs who indicated that a credit line, bank overdraft or credit card overdraft was relevant for their company, a quarter (25%) applied for such a facility in the last 6 months. Over four in ten (42%) did not apply because they have sufficient internal funds, while 4% did not apply due to possible rejection and slightly more than a quarter (26%) did not apply for other reasons.

**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. 2023)

Of those SMEs who applied and tried to negotiate for this type of financing during the past 6 months, two thirds (66%) got everything they applied for, while 8% got most of what they had applied for and 6% a limited amount of what they had applied for. Of those SMEs that applied, 6% saw their applications rejected.

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

Credit line, bank overdraft or credit cards overdraft



- 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

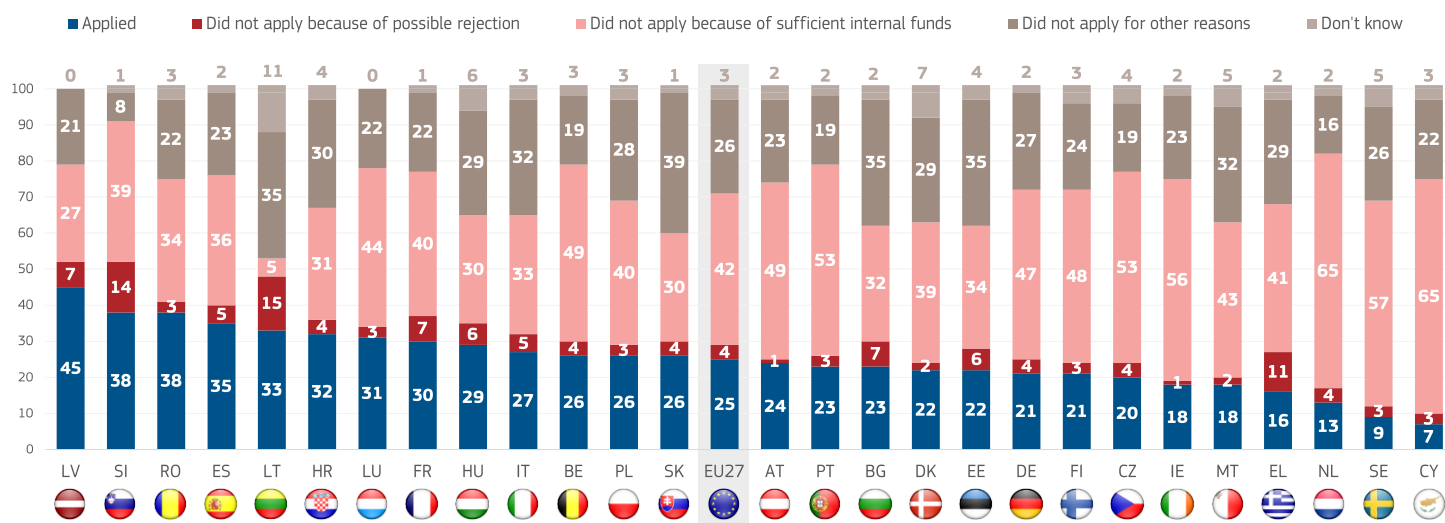
There are considerable variations at the country level in the proportions of SMEs applying for credit lines or overdrafts<sup>11</sup>. In Latvia, nearly half (45%) of those who said this type of finance was relevant for their enterprise applied for it, as did nearly four in ten SMEs in Romania and Slovenia (both 38%). At the other end of the scale, less than one in ten SMEs with a potential interest in applying for this funding did so in Cyprus (7%) and Sweden (9%).

In Lithuania (15%), Slovenia (14%) and Greece (11%) over one in ten SMEs did not apply because of possible rejection, but very few gave this response in Ireland (1%) or Austria (1%).

There are significant differences in the proportions of SMEs which did not apply due to having sufficient funds. In six Member States over half of SMEs that might have been interested in applying had sufficient funds to make this unnecessary, with nearly two thirds giving this response in the Netherlands and Cyprus (both 65%). In most cases at least a quarter (25%) had sufficient funds, but in Lithuania only 5% of SMEs gave this reason for not applying.

In each case only a minority of SMEs mention other, unspecified reasons for failing to apply, but this ranges from only 8% in Slovenia to nearly four in ten (39%) in Slovakia.

**Q7A\_d Have you applied for the following types of financing in the past 6 months?**  
 (% - Credit line, bank overdraft or credit cards overdraft)

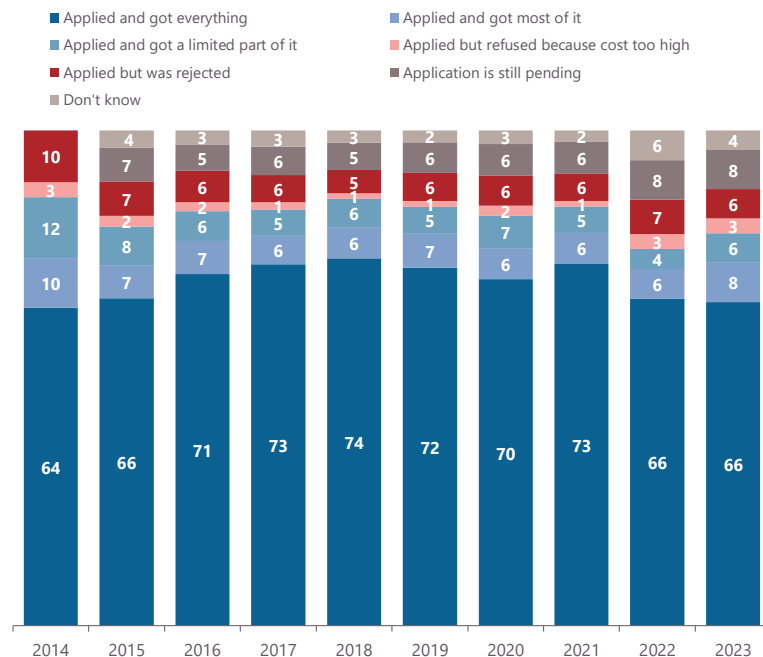


<sup>11</sup> Results for Cyprus, Estonia, Latvia, Luxembourg, Malta and Slovenia should be interpreted with caution in the whole section due to low base size (<99)

The chart below shows the outcome for SMEs that applied for credit line and overdraft each year between 2014 and 2023. In 2022 the trend for SMEs to apply and receive everything declined significantly after a period of general increase. The current survey is consistent with that change, with the same proportion (66%) of respondents applying for this funding and receiving the expected amount.

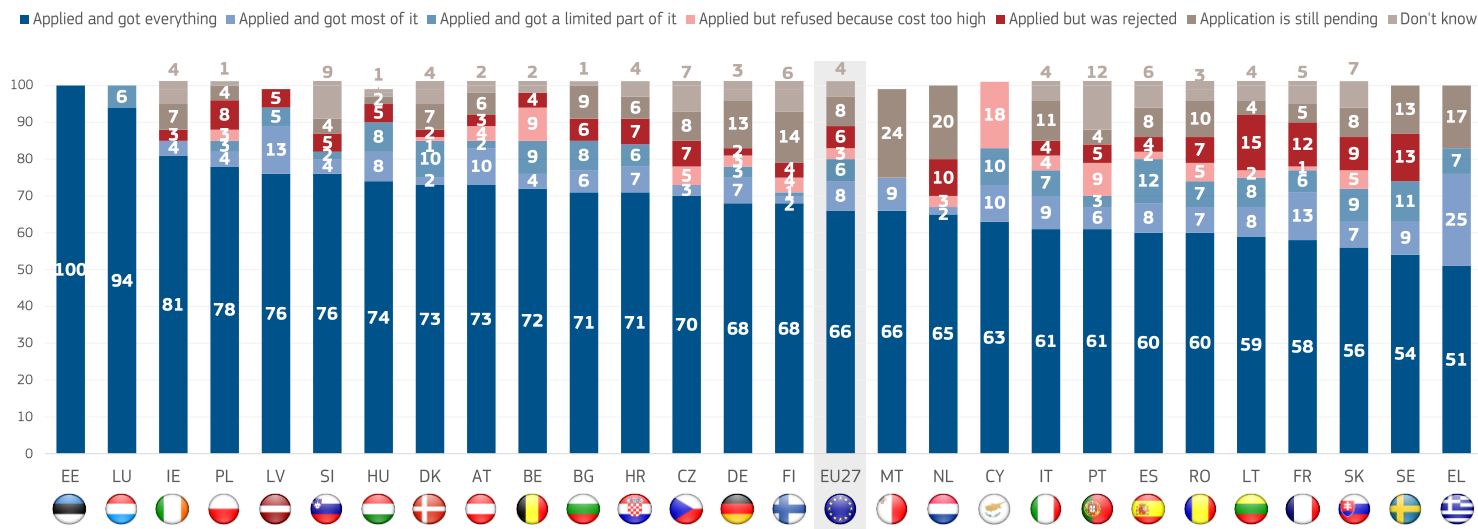
**Q7Bd** If you applied and tried to negotiate for this type of financing over the past 6 months, what was the outcome?

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



While the national-level breakdown suggests some differences in success rates, the low (50-99) or extremely low (<50) base size in most countries means that apparent differences cannot be regarded as statistically significant.

**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 (29%) are more likely than those in other sectors to have applied for a credit line, bank overdraft or credit card overdraft in the last six months, while only 23% of SMEs in the service sector have done so. Increasing enterprise size is correlated with increasing application rates, with enterprises which have 250+ employees more likely than those with between 1 and 9 employees to have made an application (32% vs 21%). Innovative SMEs are more likely than non-innovative SMEs to have applied (29% vs 22%), and the same is true of exporters compared with non-exporters (29% vs 23%). Gazelles (29%) are more likely than the EU average (25%) to have applied, but less likely than high-growth enterprises (31%).

**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	25	4	42	26	3
<b>Sector</b>					
Industry	29	4	39	24	3
Construction	25	3	42	27	3
Trade	27	5	39	26	3
Services	23	5	45	26	2
<b>Size: employees</b>					
1--9	21	6	43	29	2
10--49	26	5	41	25	3
50--249	32	2	42	22	3
250+	32	3	41	21	3
<b>Innovativeness</b>					
Innovative	29	5	38	26	2
Non-innovative	22	4	46	26	2
<b>Growth</b>					
Gazelle	29	15	37	19	0
High-growth	31	5	41	20	3
<b>Exporting vs. non-exporting</b>					
Exporters	29	5	40	23	3
Non-exporters	23	4	43	27	2

When looking at outcomes of applications, industry (70%) and trade (68%) sector SMEs are more likely than those in the services (62%) or construction (65%) industry to have received all the funds they applied for. As company size increases, the likelihood of receiving all funding also increases: while only 61% of companies with 1 – 9 employees were fully successful in obtaining all the funding applied for, 78% of those with 250+ employees were fully successful. While exporters are more likely than non-exporters (69% vs 62%) to have received everything they applied for, innovative SMEs are less successful than their non-innovative counterparts (63% vs 69%). Gazelles (58%) and other high-growth enterprises (64%) are less likely to be fully successful than the average enterprise (66%).

**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)

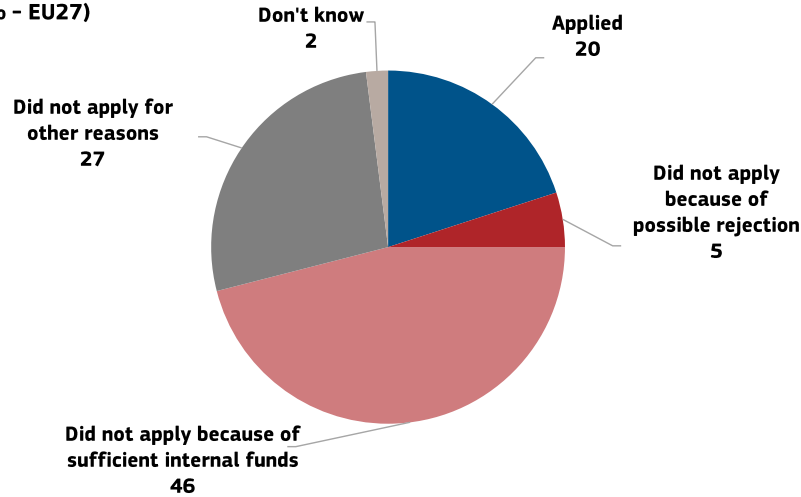
	Applied and got everything	Applied and got most of it	Applied and got a limited part of it	Applied but refused because cost too high	Applied but was rejected	Application is still pending	Don't Know
EU27	66	8	6	3	6	8	4
<b>Sector</b>							
Industry	70	7	5	2	5	7	3
Construction	65	7	8	5	5	8	3
Trade	68	7	6	3	4	8	3
Services	62	8	6	4	7	9	5
<b>Size: employees</b>							
1--9	61	6	8	5	7	8	5
10--49	64	9	5	3	6	9	4
50--249	71	8	4	1	4	8	3
250+	78	9	2	1	1	7	2
<b>Innovativeness</b>							
Innovative	63	9	7	3	6	9	4
Non-innovative	69	6	5	3	5	7	4
<b>Growth</b>							
Gazelle	58	0	31	4	0	7	0
High-growth	64	11	6	1	5	9	4
<b>Exporting vs. non-exporting</b>							
Exporters	69	7	5	3	5	8	3
Non-exporters	62	8	7	3	6	9	5

## Bank loans

Among SMEs that said bank loans were relevant for their enterprise, a fifth (20%) applied for one in the six months prior to the survey. Among those SMEs which saw this form of financing as relevant but did not apply, the main reason given for not applying is that they already have sufficient internal funds (46%), but only a few (5%) were discouraged from applying because of the possibility of rejection.

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

**Bank loan**  
(% - EU27)



(Sep. / Oct. 2023)

Nearly two thirds (64%) of SMEs which applied for this source of financing received all the funds they applied for. Far fewer got most (7%) or a limited amount (5%) of the expected funding, and 7% saw their application rejected.

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

(% - EU)

Bank loan

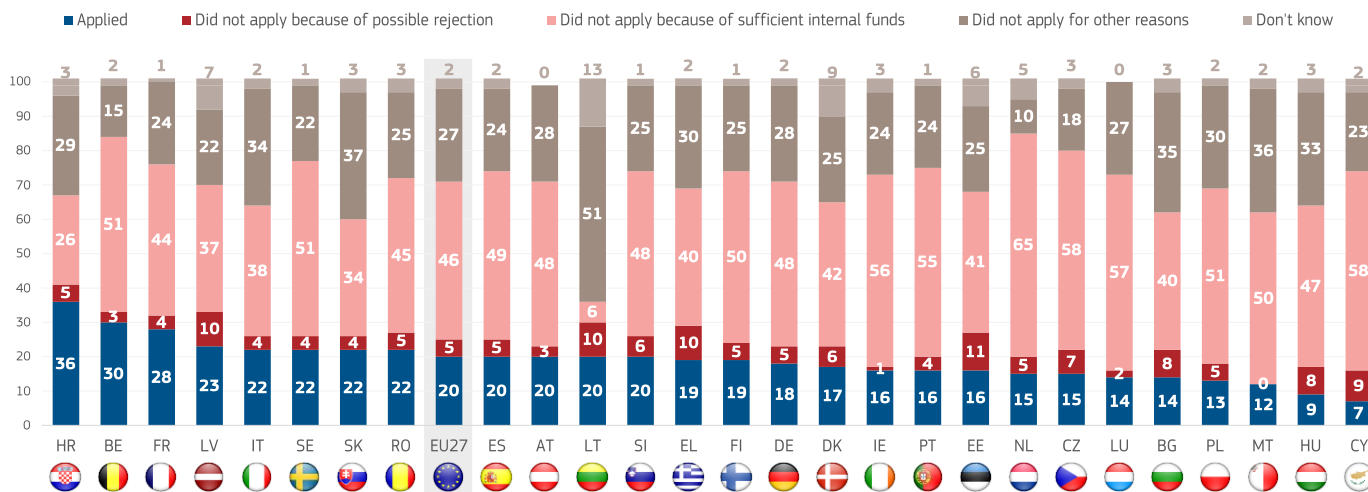


- Applied and got everything
- Applied and got most of it
- Applied and got a limited part of it
- Applied but refused because cost too high
- Applied but was rejected
- Application is still pending
- Don't know

With the exception of Cyprus (7%) and Hungary (9%), at least one in ten SMEs that see bank loans as relevant to their enterprise's needs applied for this source of financing during the six months prior to the survey. Croatia (36%), Belgium (30%) and France (28%) stand out for high rates of application, while elsewhere no more than a quarter (25%) applied.<sup>12</sup>

In 24 of the 27 Member States the most common reason for not applying is the availability of sufficient internal funds, ranging from just over a third (37%-38%) of those polled in Latvia and Italy to almost two thirds (65%) in Netherlands. In Lithuania (51%), Slovakia (37%) and Malta (36%) 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)



In 2022 the proportion of SMEs who received a bank loan in full declined significantly by nine percentage points to 62%. In this survey there has been a slight recovery to 64%, but the figure is still short of that seen between 2016 and 2021, when at least seven in ten (70%) SMEs received all of the loan they applied for.

**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)

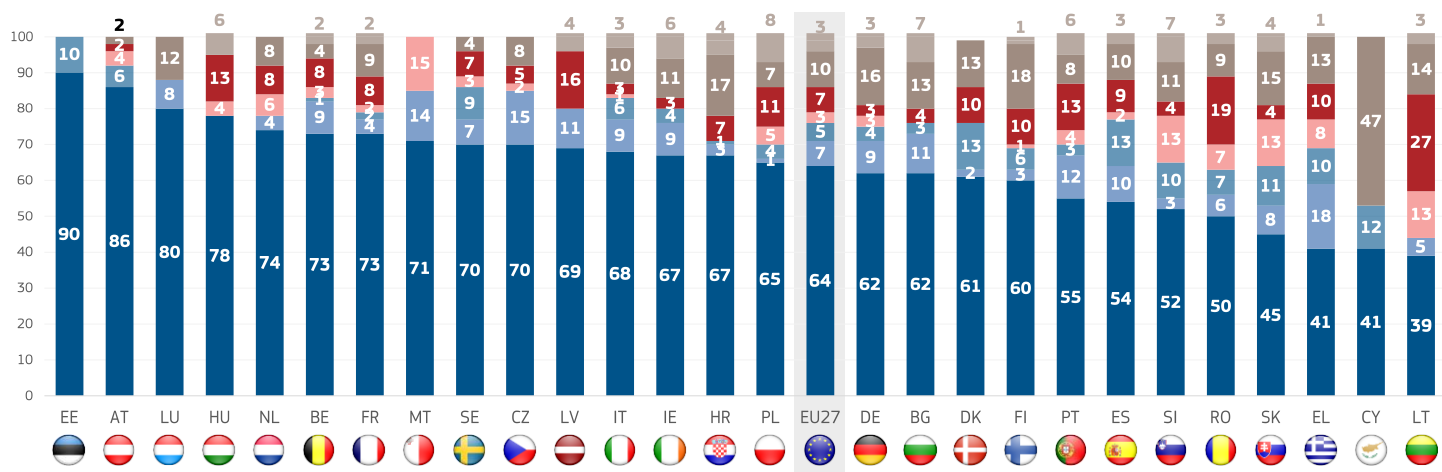


<sup>12</sup> Results for Cyprus, Estonia, Latvia, Luxembourg and Malta should be interpreted with caution in the whole section due to low base size (<99)

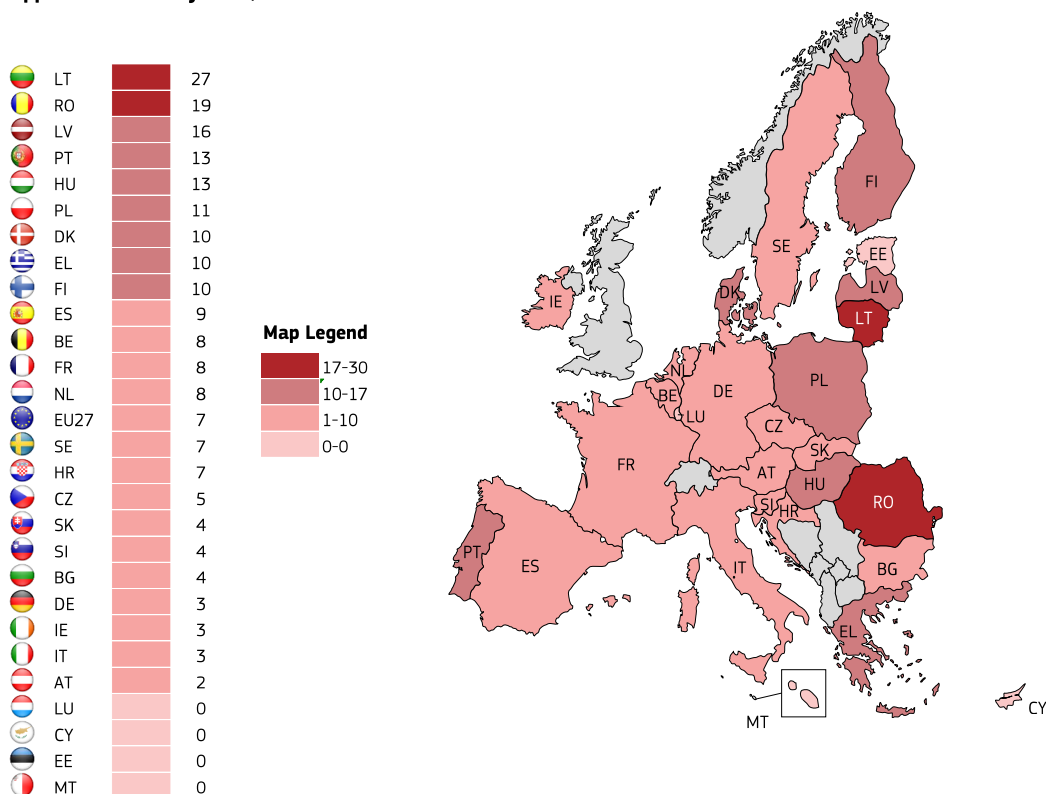
Analysis at the national level is again not possible due to the very small base size, with most countries having low (50-99) or extremely low (<50) responses to this question. All apparent differences between countries in the following charts should be treated with caution.

**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)

■ 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



**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)





SMEs in the construction (26%) and industry (24%) sectors are more likely than those in the trade (20%) and services (16%) sectors to have applied for a bank loan. Application rates for bank loans correlate with enterprise size: only 14% of SMEs with between 1 and 9 employees have applied for a bank loan, compared with 35% of those with 250 or more employees. Innovative SMEs are more likely than non-innovative SMEs (22% vs 17%) and exporters are more likely than non-exporters (22% vs 18%) to have applied. Gazelles (16%) are less likely to have applied for bank loans than the average enterprise (20%), but other high-growth enterprises (23%) are more likely 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	20	5	46	27	2
<b>Sector</b>					
Industry	24	5	43	26	2
Construction	26	5	42	26	2
Trade	20	6	46	25	2
Services	16	5	49	28	2
<b>Size: employees</b>					
1--9	14	6	47	30	2
10--49	20	5	47	25	2
50--249	28	3	44	23	2
250+	35	2	41	20	2
<b>Innovativeness</b>					
Innovative	22	5	44	26	2
Non-innovative	17	4	50	27	2
<b>Growth</b>					
Gazelle	16	21	43	20	0
High-growth	23	4	44	26	3
<b>Exporting vs. non-exporting</b>					
Exporters	22	5	47	23	3
Non-exporters	18	5	47	29	2

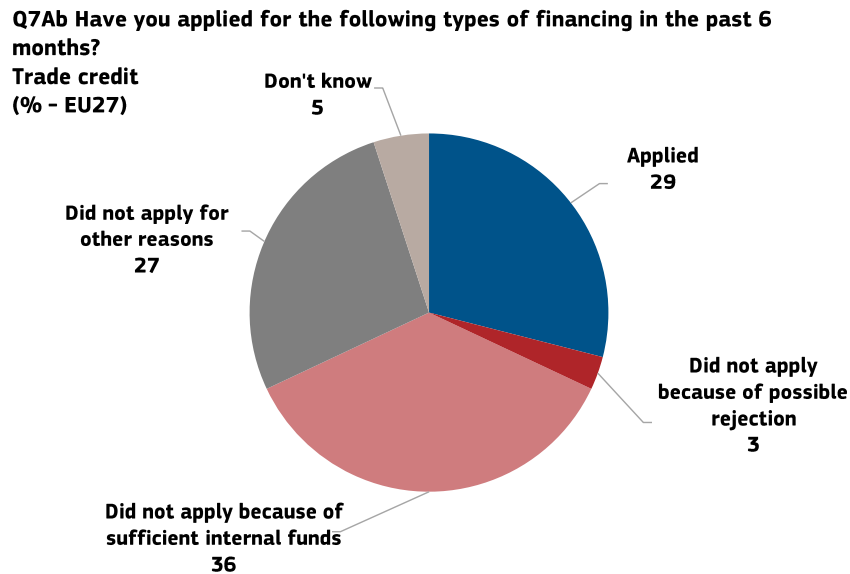
Among SMEs which applied for financing, those in the service sector (60%) are less likely than those in other sectors (67%-68%) to have received everything they applied for. Larger SMEs are also more likely to have received such financing, with 76% of SMEs with 250+ employees giving this answer compared with 57% of SMEs with between 1 and 9 employees. Non-innovative SMEs are more likely than innovative SMEs (69% vs 62%) to have gained all the requested funds, and the same is true of exporters compared with non-exporters (67% vs 63%). Gazelles (47%) are much less likely than the average enterprise (64%) to receive all the funds applied for.

**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	64	7	5	3	7	10	3
<b>Sector</b>							
Industry	68	7	5	1	6	9	4
Construction	68	7	6	3	6	8	2
Trade	67	6	5	4	5	12	2
Services	60	8	5	4	10	11	3
<b>Size: employees</b>							
1--9	57	6	6	5	11	12	4
10--49	65	7	6	3	7	10	3
50--249	70	8	4	2	5	9	3
250+	76	10	2	2	3	5	1
<b>Innovativeness</b>							
Innovative	62	7	6	3	9	11	3
Non-innovative	69	8	4	3	5	8	3
<b>Growth</b>							
Gazelle	47	13	0	0	30	10	0
High-growth	60	7	5	4	9	13	2
<b>Exporting vs. non-exporting</b>							
Exporters	67	6	4	2	6	11	3
Non-exporters	63	8	6	4	8	10	2

## Trade credit

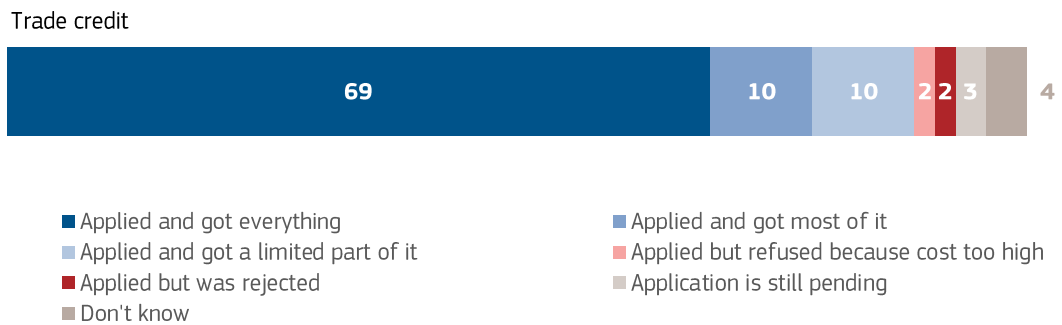
Just over a quarter (29%) of those SMEs who said trade credit was relevant for their enterprise actually applied for this source of financing in the past six months. The main reason for not applying was the existence of sufficient internal funds (36%), while just over a quarter (27%) cited other reasons.



(Sep. / Oct. 2023)

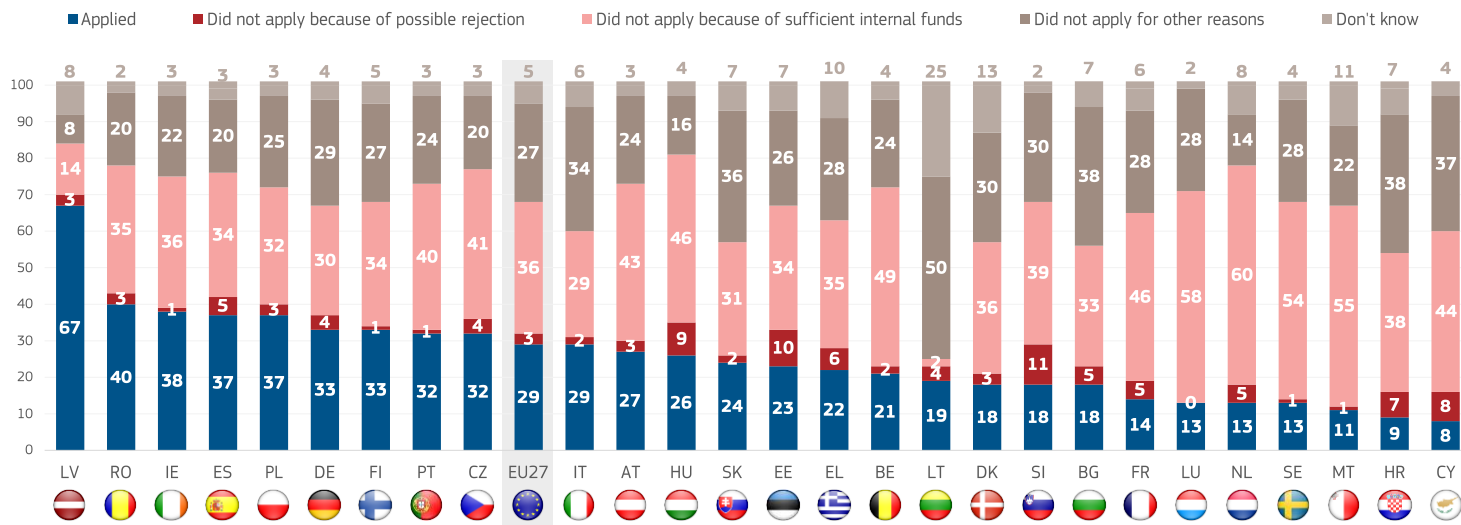
Among those SMEs that applied for trade credit, over two thirds (69%) received all the financing they had applied for, with one in ten (10%) getting most of what they applied for or a limited part of what they applied for. Very few (2%) SMEs were refused trade credit.

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



In most countries there are very low base sizes for those who applied for trade credit, meaning that national-level comparison cannot be undertaken in all cases. In those countries where the base size exceeds 100, there are significant differences: while in Romania 40% of SMEs who considered trade credit relevant also applied for it, in France only 14% of such SMEs did.

**Q7A\_b Have you applied for the following types of financing in the past 6 months?**  
(% - Trade credit)

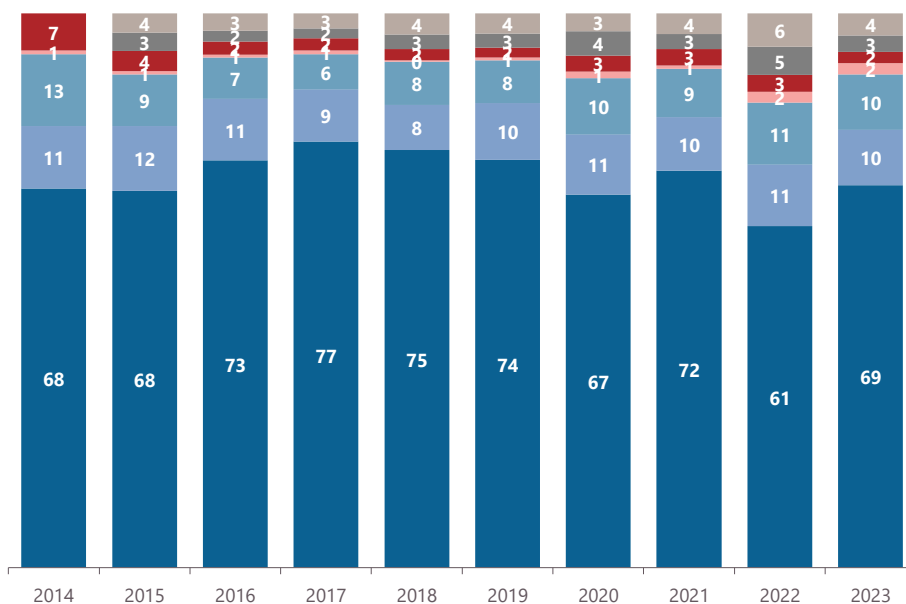


While the proportion of SMEs who applied for trade credit and received everything they asked for declined considerably between 2021 and 2022, this figure has risen by 8 percentage points in the current survey. The rejection rate remains low, at only 2% of applicants.

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

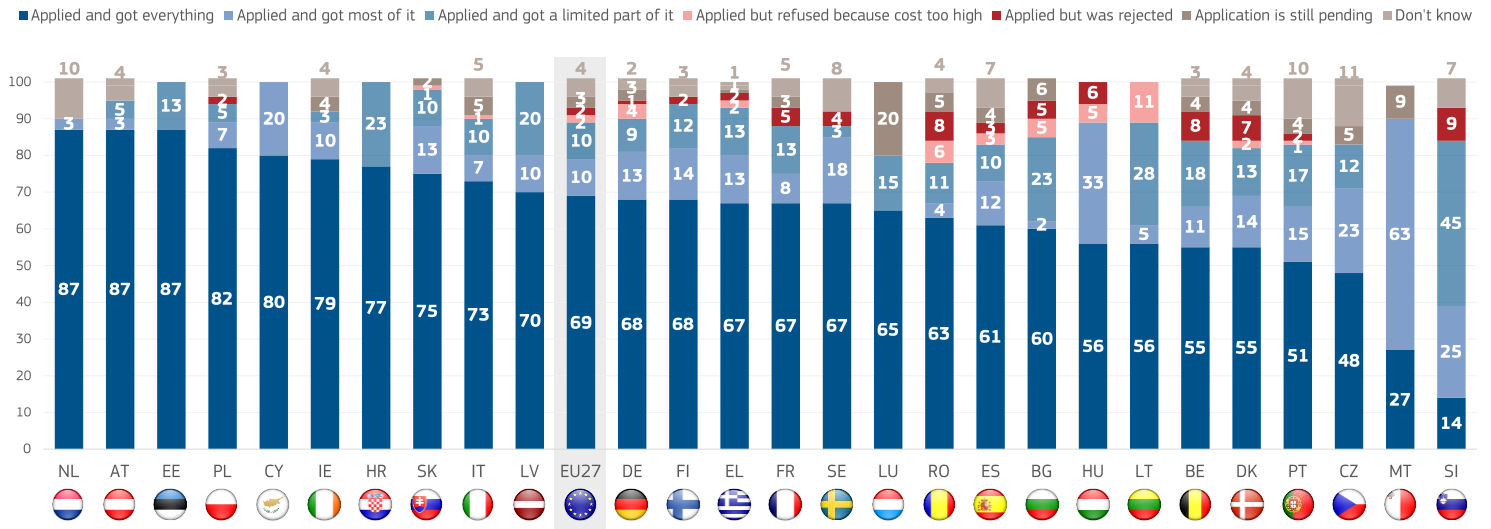
**Trade credit**  
(% - EU)

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



National-level analysis is not possible due to all countries having a low (50-99) or extremely low (<50) base size. The following chart should be interpreted with extreme 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 SMEs (36%) are more likely than their counterparts in other sectors to have applied for trade credit, particularly when compared with services (22%). Enterprise size is correlated with application rates: nearly four in ten (39%) SMEs with 250 or more employees applied for this source of financing, compared with less than a quarter (23%) of SMEs with 1 – 9 employees. Innovative SMEs are more likely than non-innovative SMEs to have applied for trade credit (33% vs 25%) and the same is true of exporters compared with non-exporters (34% vs 24%). Gazelle SMEs (22%) are less likely than the average SME (29%) to have applied for this source of financing.

**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	29	3	36	27	5
<b>Sector</b>					
Industry	36	3	31	25	5
Construction	29	3	35	26	6
Trade	32	4	35	25	5
Services	22	4	40	30	5
<b>Size: employees</b>					
1--9	23	4	38	29	5
10--49	29	3	36	27	5
50--249	37	3	33	22	5
250+	39	1	38	17	5
<b>Innovativeness</b>					
Innovative	33	3	33	27	4
Non-innovative	25	4	40	27	5
<b>Growth</b>					
Gazelle	22	16	32	30	0
High-growth	35	4	35	22	4
<b>Exporting vs. non-exporting</b>					
Exporters	34	4	34	23	4
Non-exporters	24	3	38	30	5

Where outcomes are concerned, SMEs in the industry sector (71%) and the trade sector (72%) were more likely than those in services (68%) or construction (57%) to have received everything they applied for. Non-innovative SMEs were more likely than their innovative counterparts to have received the entire sum (73% vs 66%), but enterprise size or exporter status was not correlated with rates of success, and gazelle SMEs were slightly more likely as the average enterprise to have received all their requested funding (69% for exporters and non-exporters vs 70% for gazelles).

**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)

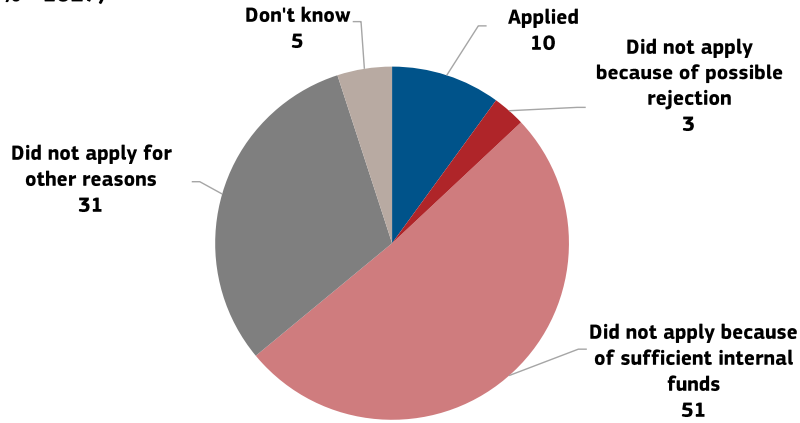
	Applied and got everything	Applied and got most of it	Applied and got a limited part of it	Applied but refused because cost too high	Applied but was rejected	Application is still pending	Don't Know
EU27	69	10	10	2	2	3	4
<b>Sector</b>							
Industry	71	11	9	1	2	3	5
Construction	57	13	18	1	2	2	6
Trade	72	8	7	2	2	4	4
Services	68	10	11	2	2	3	4
<b>Size: employees</b>							
1--9	70	7	11	2	2	4	4
10--49	69	9	10	2	3	3	4
50--249	67	14	9	1	2	2	5
250+	72	15	5	1	1	2	5
<b>Innovativeness</b>							
Innovative	66	11	11	2	3	4	4
Non-innovative	73	9	8	2	2	2	5
<b>Growth</b>							
Gazelle	70	0	0	0	30	0	0
High-growth	72	8	5	3	5	3	4
<b>Exporting vs. non-exporting</b>							
Exporters	69	11	10	1	2	3	5
Non-exporters	69	9	10	2	3	3	4

## Other external financing

Of those SMEs which declared that other forms of external financing were relevant for their needs, only one in ten (10%) actually applied for any of these sources of funding, with over half (51%) saying that they had sufficient internal funds not to need to apply, and a further 31% citing other, undefined reasons for not applying. These figures are very similar to those observed in the survey of December 2022.

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

Other external financing  
(% - EU27)



(Sep. / Oct. 2023)

Over two thirds (69%) of SMEs which applied for other types of financing received what they applied for, with few applicants receiving most (6%) or only a limited part (6%) of the expected funds. Only 3% of applicants were rejected.

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

(% - EU)

Other external financing

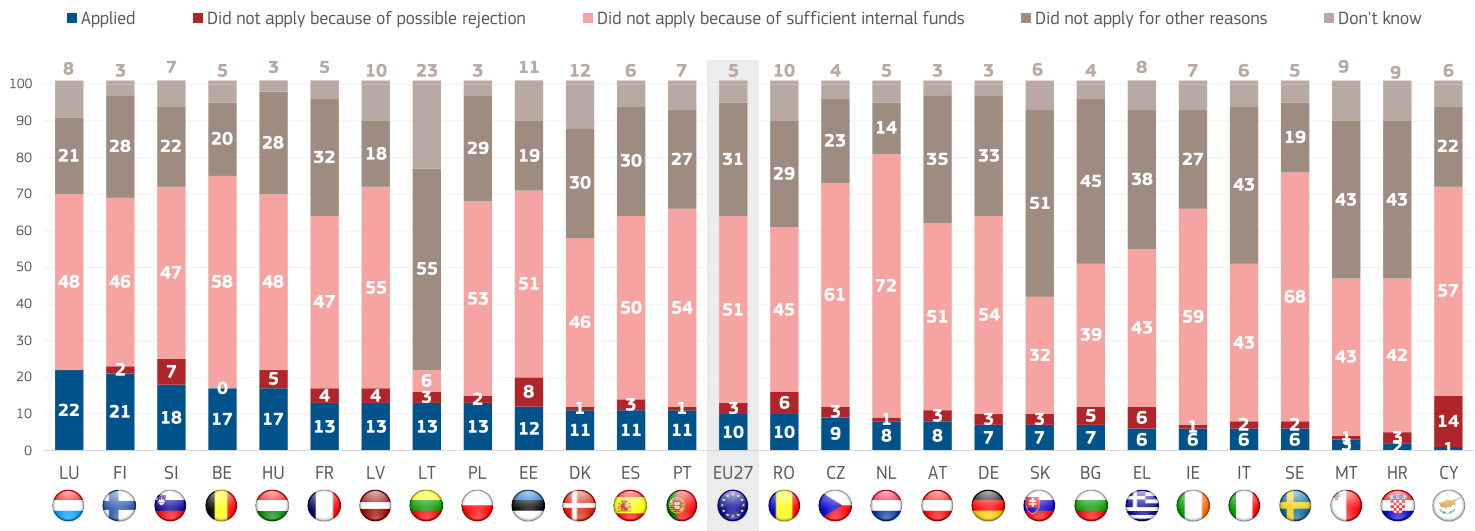


- Applied and got everything
- Applied and got most of it
- Applied and got a limited part of it
- Applied but refused because cost too high
- Applied but was rejected
- Application is still pending
- Don't know



At the national level, the proportion of SMEs applying for other forms of external financing ranges from only 1% in Cyprus to over a fifth in Luxembourg (22%) and Finland (21%). 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. SMEs in the Netherlands (72%) and Sweden (68%) are the most likely to give this response<sup>13</sup>.

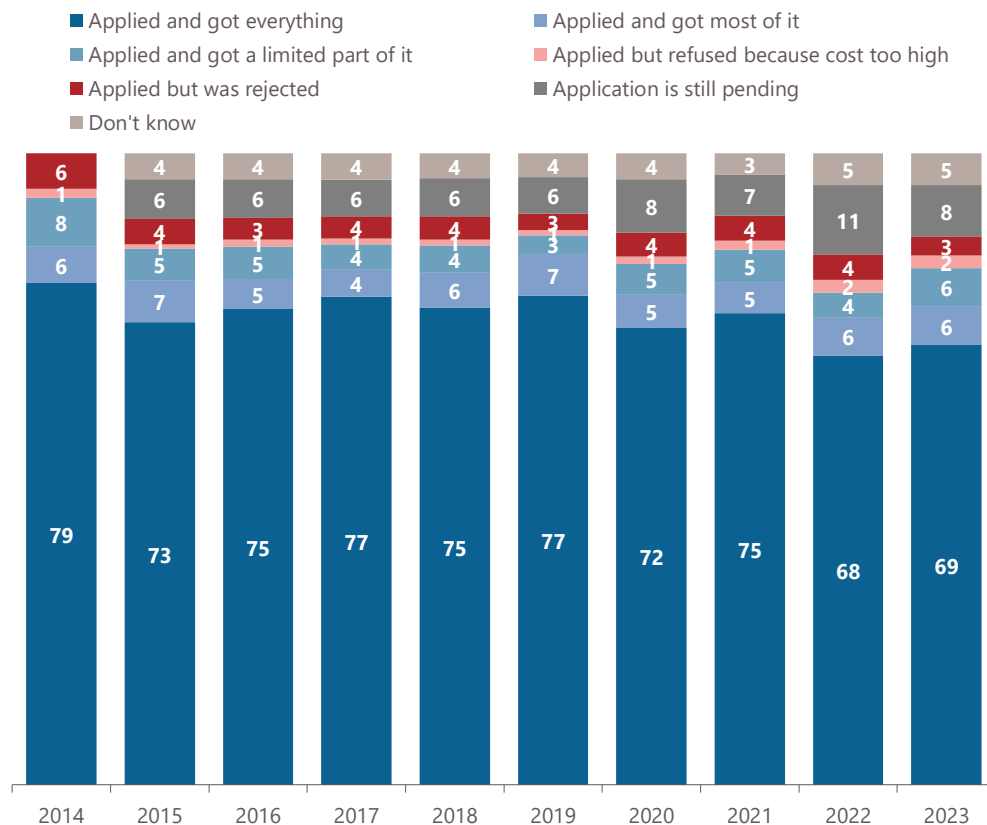
**Q7A\_c Have you applied for the following types of financing in the past 6 months?**  
(% - Other external financing)



There has been little change in the proportion of SMEs who applied for other forms of external financing and received everything they applied for, with this figure increasing by 1 percentage point since 2022. This figure is clearly lower than in the period 2014 – 2021, when it fluctuated between 72% and 79%. However, the rejection rate (3%) has declined by 1 percentage point since the last survey.

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

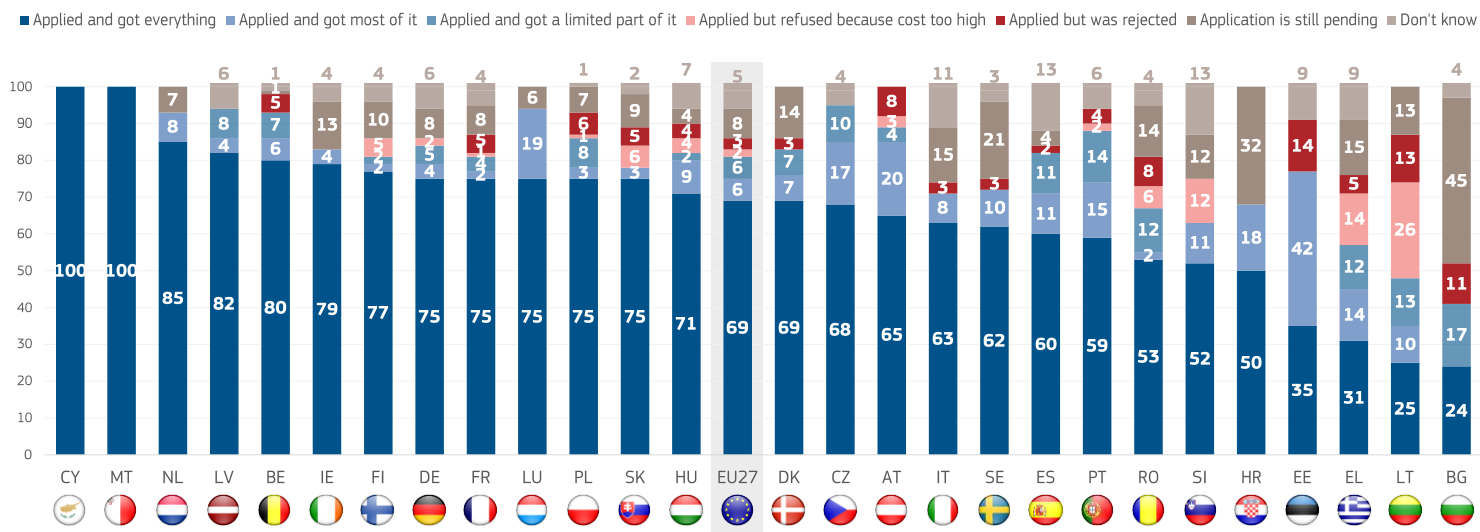
**Other external financing**  
(% - EU)



<sup>13</sup> Results for Cyprus, Estonia, Luxembourg, and Malta should be interpreted with caution in the whole section due to low base size (<99)

Analysis at the national level is not possible as all countries have a low (50-99) or extremely low (<50) base size.

**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)



In most cases there are only minor differences between types of SME, reflecting the generally low use of other sources of financing. SMEs in the industry sector are slightly more likely to apply for this source of funding (12% vs 9% in each of the other sectors), and innovative SMEs and exporters are slightly more likely than non-innovators and non-exporters to do so (12% vs 8% in both cases). However, gazelle SMEs (14%) are more likely than other high-growth SMEs (12%) and the average SME (10%) to apply for other sources of financing.

**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	10	3	51	31	5
<b>Sector</b>					
Industry	12	2	47	32	6
Construction	9	3	48	35	5
Trade	9	4	52	31	5
Services	9	3	53	30	5
<b>Size: employees</b>					
1--9	7	4	52	32	5
10--49	10	3	51	31	5
50--249	13	2	50	30	5
250+	14	1	51	27	6
<b>Innovativeness</b>					
Innovative	12	3	48	31	5
Non-innovative	8	3	54	31	4
<b>Growth</b>					
Gazelle	14	9	41	29	7
High-growth	12	4	51	29	5
<b>Exporting vs. non-exporting</b>					
Exporters	12	3	51	29	5
Non-exporters	8	3	52	33	5

There are greater differences when it comes to the success rate. Construction and trade (both 75%) SMEs are more likely than their counterparts in industry (67%) and services (65%) to get everything they applied for, and the same is true of enterprises with 250+ employees versus those with 1 – 9 employees (82% vs 63%) and non-innovative versus innovative SMEs (75% vs 65%). There is no significant difference between exporters and non-exporters, and the base rate of gazelle companies applying for these sources of financing is too low for any statistically significant comparison to be made.

**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)

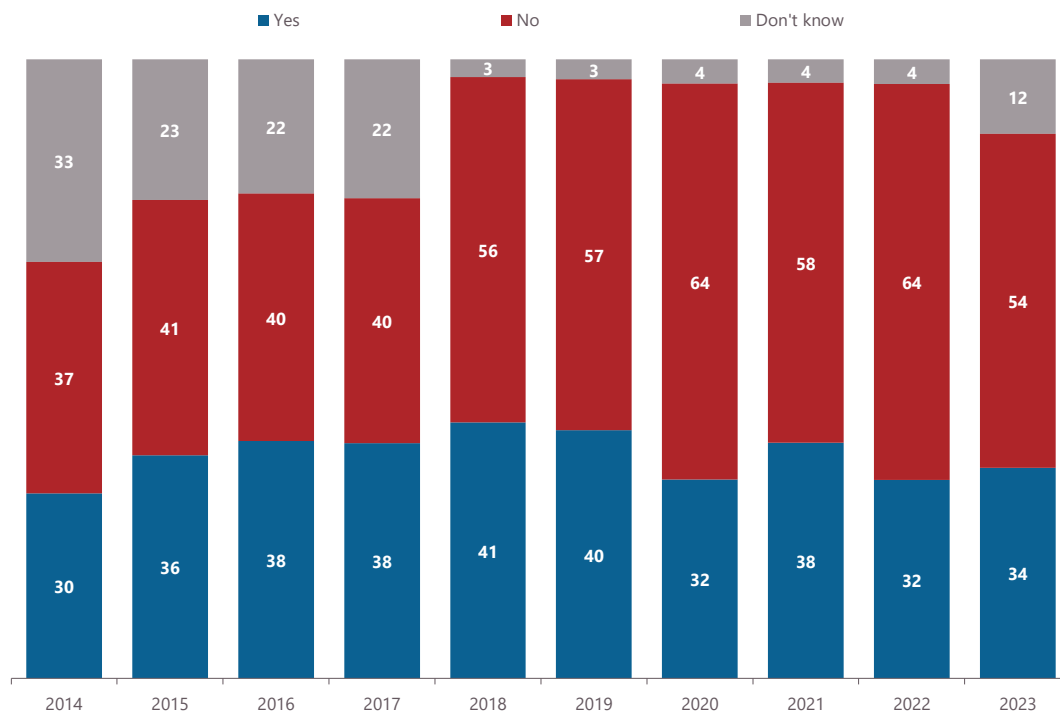
	Applied and got everything	Applied and got most of it	Applied and got a limited part of it	Applied but refused because cost too high	Applied but was rejected	Application is still pending	Don't Know
EU27	69	6	6	2	3	8	5
<b>Sector</b>							
Industry	67	8	4	3	2	12	4
Construction	75	8	5	2	2	6	2
Trade	75	6	6	0	2	6	4
Services	65	6	7	2	5	8	7
<b>Size: employees</b>							
1--9	63	6	8	4	5	8	7
10--49	68	7	6	1	4	11	4
50--249	74	7	4	1	2	6	5
250+	82	2	3	2	0	6	5
<b>Innovativeness</b>							
Innovative	65	7	7	2	4	9	6
Non-innovative	75	5	5	1	3	7	4
<b>Growth</b>							
Gazelle	80	0	0	0	0	20	0
High-growth	75	2	6	2	2	10	3
<b>Exporting vs. non-exporting</b>							
Exporters	69	8	6	2	1	8	6
Non-exporters	69	5	6	1	6	8	4

## Purpose of the most recent loan

### Fixed investment

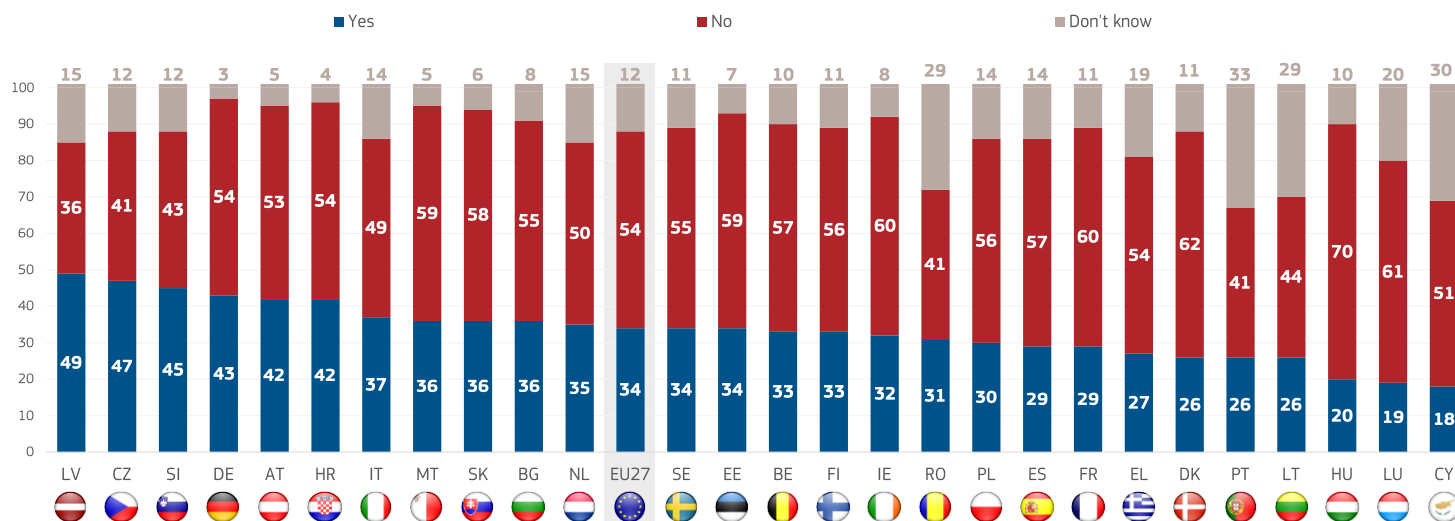
Just over a third (34%) of SMEs used their external financing for fixed investment during the past six months. This is a slight increase on the figure recorded in 2022, when 32% gave this response, but still short of the 38% who gave this response in 2021.

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



In all but three member states at least a quarter (25%) of SMEs used external financing for fixed investment. The exceptions are Hungary (20%), Luxembourg (19%) and Cyprus (18%). In all other countries the figure ranges from just over a quarter in Portugal, Denmark and Lithuania (26%) to nearly half of SMEs in Latvia (49%) and the Czechia (47%)<sup>14</sup>.

**Q6A\_1** For what purpose was external financing used by your enterprise during the past 6 months?  
 (% - Fixed investment)



<sup>14</sup> Results for Cyprus, Estonia, Luxembourg and Malta should be interpreted with caution in the whole section due to low base size (<99)

SMEs in the industry sector (45%) are more likely than those in other sectors to say they used external financing for fixed investment during the past six months, particularly when compared with the proportion of SMEs which used financing for this reason in the trade sector (28%) or in the services sector (33%). There is a strong positive correlation between the size of an enterprise and the use of external financing for fixed investment: just over a quarter (26%) of SMEs with only 1 – 9 employees use external financing for this purpose, compared with nearly six in ten (58%) of those in companies with 250+ employees. Innovative SMEs are more likely than non-innovative SMEs to have recently used external financing for fixed investment (40% vs 30%), and the same is true of exporters compared with non-exporters (38% vs 32%). Gazelle companies (38%) are more likely than the average SME (34%) to have used external financing for fixed investment.

**Q6A\_1** For what purpose was external financing used by your enterprise during the past 6 months? - Fixed investment (% - EU)

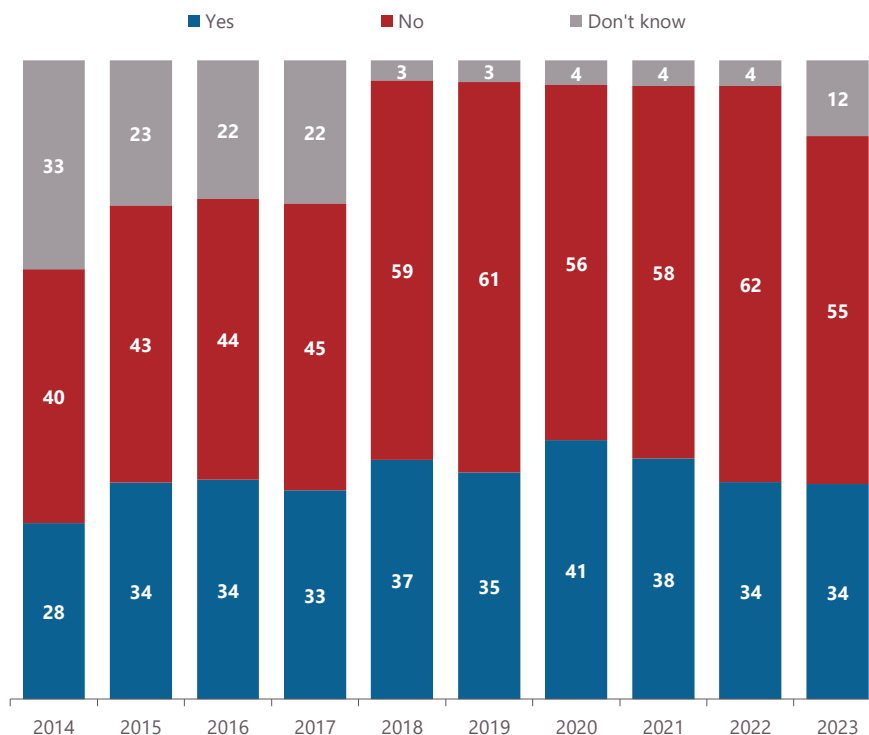
	Yes	No	Don't Know
EU27	34	54	12
<b>Sector</b>			
Industry	45	45	10
Construction	37	53	11
Trade	28	60	12
Services	33	54	13
<b>Size: employees</b>			
1--9	26	60	14
10--49	37	52	11
50--249	48	43	9
250+	58	33	9
<b>Innovativeness</b>			
Innovative	40	49	10
Non-innovative	30	58	12
<b>Growth</b>			
Gazelle	38	52	10
High-growth	43	45	12
<b>Exporting vs. non-exporting</b>			
Exporters	38	50	12
Non-exporters	32	56	12

## Inventory or other working capital

The same proportion of SMEs (34%) use external financing for inventory or other working capital as use it for fixed investment.

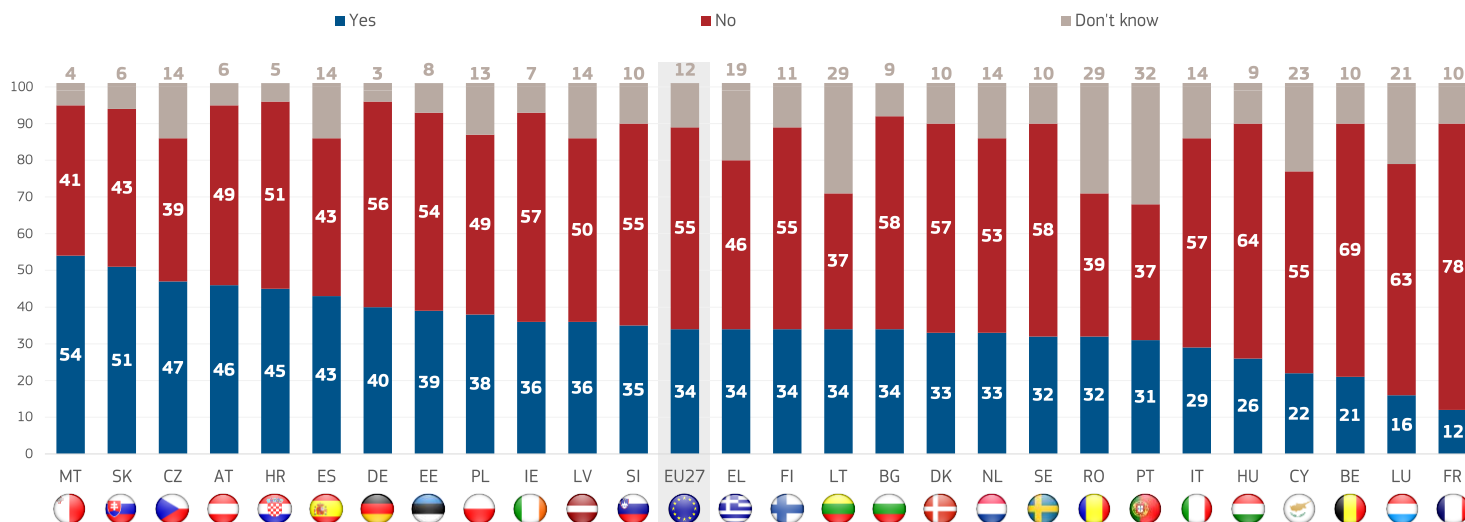
The proportion of SMEs that have used external financing for inventory or other working capital during the last 6 months has not changed since the December 2022 survey, and thus remains lower than in 2020 (41%) and 2021 (38%).

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



There is a wide spread of responses at the country level. In Malta (54%) and Slovakia (51%) over half use external financing for this purpose. In all other Member States less than half do, but this ranges from just under half of those polled in Czechia (47%) and Austria (46%) to less than a fifth in Luxembourg (16%) and only just over one in ten in France (12%)<sup>15</sup>.

**Q6A\_2** For what purpose was external financing used by your enterprise during the past 6 months?  
 (% - Inventory and other working capital)



<sup>15</sup> Results for Cyprus, Estonia, Luxembourg and Malta should be interpreted with cation in the whole section due to low base size (<99)

SMEs in the industry (46%) and trade (47%) sectors are more likely than those in construction (32%) and particularly services (24%) to have used external financing for inventory or other working capital. There is also a clear correlation with enterprise size, albeit not as substantial as in the case of fixed investment: nearly half (46%) of enterprises with 250+ employees have used external financing for this purpose, compared with just over a quarter (28%) of those with 1 – 9 employees. Innovative SMEs (40%) are more likely than non-innovative SMEs (29%) to have used financing for this purpose recently, and the same is true of exporters (44%) when compared with non-exporters (27%). Gazelle SMEs (38%) are slightly more likely than the average SME (34%) to have used external financing for this purpose.

**Q6A\_2** 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	55	12
<b>Sector</b>			
Industry	46	45	9
Construction	32	58	11
Trade	47	42	11
Services	24	63	13
<b>Size: employees</b>			
1--9	28	58	14
10--49	36	54	10
50--249	43	48	9
250+	46	45	8
<b>Innovativeness</b>			
Innovative	40	50	10
Non-innovative	29	59	12
<b>Growth</b>			
Gazelle	38	53	9
High-growth	38	50	12
<b>Exporting vs. non-exporting</b>			
Exporters	44	45	11
Non-exporters	27	61	12



## **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 2023 46% of SMEs think that the general economic outlook has deteriorated over the last six months, with a net negative outlook of -39%. This is lower than in 2022, when reaction to the economic impacts of the Russian's full invasion of Ukraine was visible in a dramatic deterioration in SMEs evaluation of the economic situation. In all countries SMEs report a deterioration in outlook, but there is substantial variation in extent, while across sectors those in trade (-43%) have a more negative outlook than those in services (-36%).

Overall SMEs continue to be pessimistic about the willingness of banks to lend to them, although at the country level there is a split on this question, with SMEs in 12 member states giving net positive answers, and larger companies are more positive than smaller ones.

The net deterioration also continues in the cases of other sources of financing. In the case of credit lines, bank or credit card overdraft, bank loans and trade credit, the proportion of SMEs who think availability has deteriorated outweighs the proportion who think it has improved. In the case of equity capital there is still a slight (+1%) net improvement, but this has declined from +4% in the previous poll.

While the availability of external finance is declining, SMEs report a net increase in need for it. Almost one in five (17%) SMEs report an increased need for bank loans, and with 15% reporting a decrease in need this has resulted in a net increase of 2%. There is a divide at the country level, with 14 Member States experiencing a net increase in the need for bank loans, while the remainder show a net decrease. There has been an even larger net increase in the need for leasing or hire-purchase (10%), and in this case SMEs in all countries share this view.

There has been a further dramatic increase in the proportion of SMEs that have already secured bank financing and report rising interest rates. Nearly eight in ten (78%) have seen interest rates rise against only 2% which have not, giving a net increase of 76%. In all countries at least half (50%) have experienced rising interest rates. In the case of collateral requirements, 23% of SMEs note an increase, while 2% say there has been a decrease, giving a net increase of 21%, similar to the figure recorded in 2022.

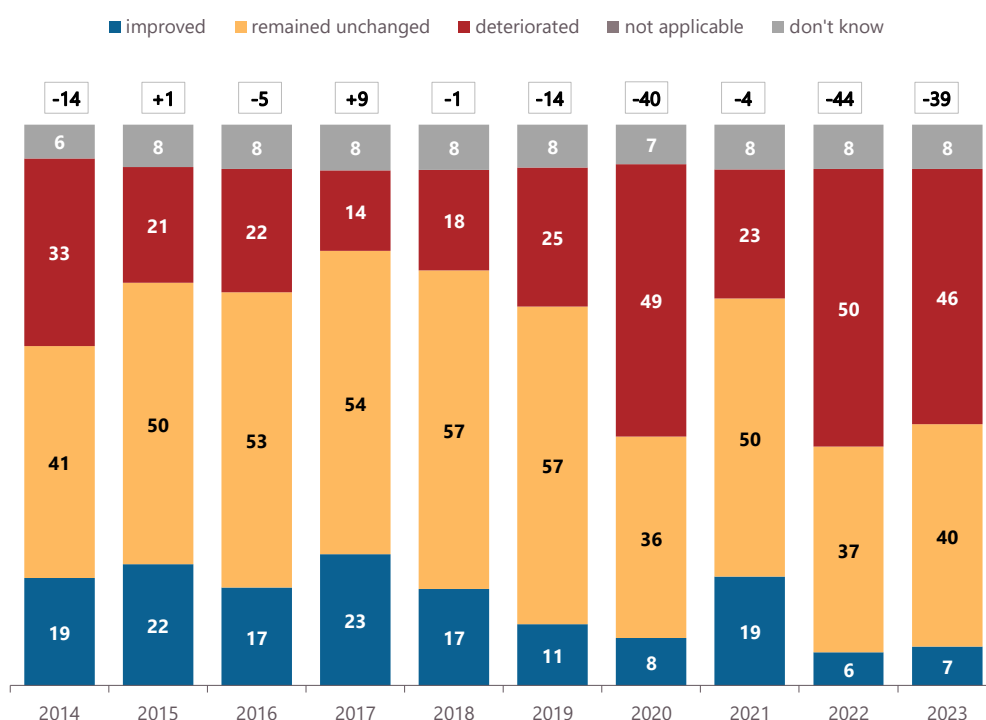
## Changes in the general economic and financial environment

The following section presents the general economic outlook of SMEs and their opinions about the willingness of banks to provide credit. As well as overall figures, net changes are presented, calculated by subtracting perceptions of deterioration from perceptions of improvement<sup>16</sup>.

### General economic outlook

In EU27, 46% of SMEs think that the general economic outlook has deteriorated in the previous six months. Only 7% say that it has improved, while 40% consider there to have been no change. This results in a net negative outlook of -39%. This is slightly lower than the -44% recorded in the previous survey, but much higher than in 2021, when the net outlook was only -4%.

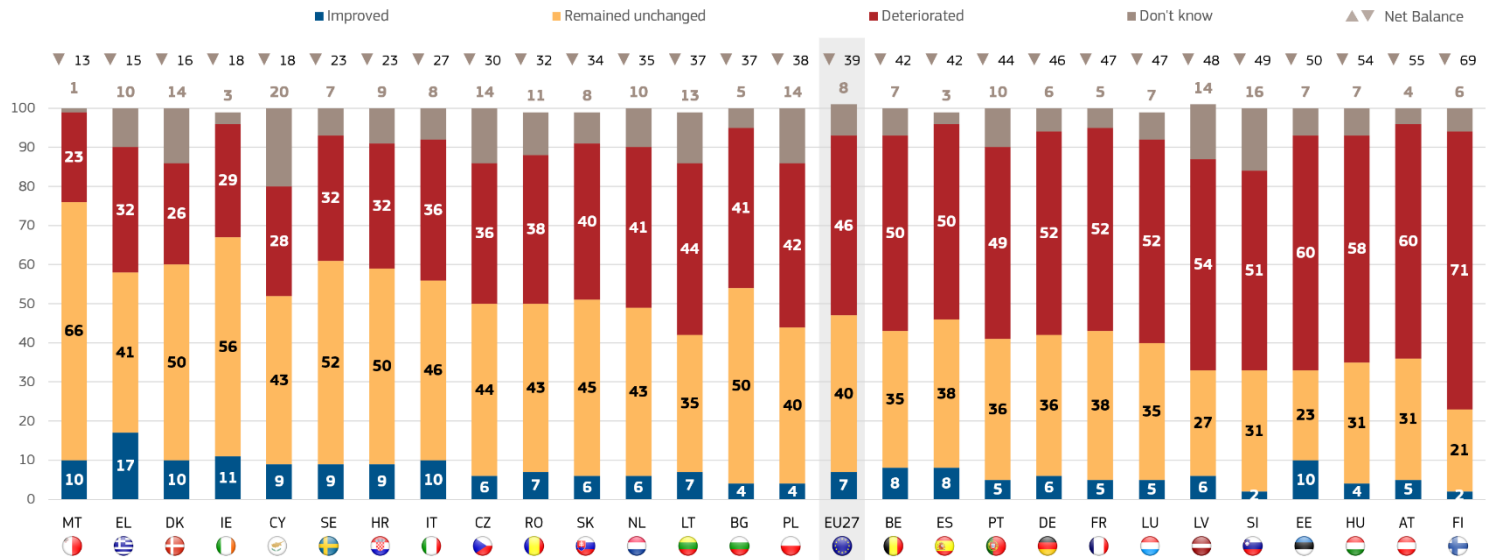
**Q11\_a** For each of the following factors, would you say that they have improved, remained unchanged or deteriorated over the past 6 months?  
**General economic outlook, insofar as it affects the availability of external financing (% - EU)**



<sup>16</sup> Results for Cyprus, Estonia, Luxembourg and Malta should be interpreted with caution in the whole section due to low base size (<99)

In all countries SMEs report a deterioration in general economic outlook. This is at its highest in Finland, where the net outlook is -69%, while in Malta it is only -13%. A significant minority of SMEs in Greece (17%) see an improvement in conditions, but elsewhere no more than one in ten (10%) consider economic conditions to have got better.

**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)



The breakdown by company characteristics shows that belief in the deterioration of economic conditions is common to all types of SME, with all recording a net negative outlook. However, there are some differences in the extent of this perception. SMEs in the trade sector (-43%) have a more negative outlook than those in services (-36%), and enterprises with more than 250 employees (-42%) have a more negative outlook than smaller enterprises (-38% - -40%). Innovative SMEs are slightly more negative (-41%) than their non-innovative counterparts (-37%), but there is no significant difference between exporters and non-exporters. The most significant difference is in the case of gazelle companies (-25%) and other high-growth companies (-31%), which have a net negative outlook, but one much lower than that of SMEs overall (-39%).

**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)

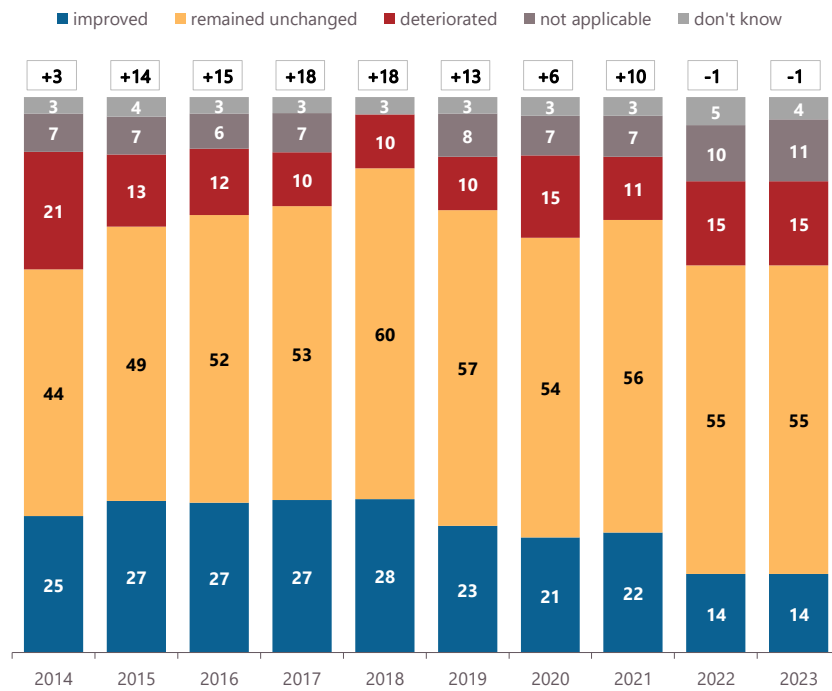
	Improved	Remained unchanged	Deteriorated	Don't Know	Net balance
EU27	7	40	46	8	-39
<b>Sector</b>					
Industry	7	39	47	7	-40
Construction	6	42	45	7	-39
Trade	5	39	48	8	-43
Services	8	40	44	8	-36
<b>Size: employees</b>					
1--9	6	41	44	8	-38
10--49	7	38	47	8	-40
50--249	8	40	47	6	-39
250+	6	41	48	5	-42
<b>Innovativeness</b>					
Innovative	9	36	49	6	-41
Non-innovative	6	44	43	8	-37
<b>Growth</b>					
Gazelle	13	44	38	4	-25
High-growth	12	38	43	7	-31
<b>Exporting vs. non-exporting</b>					
Exporters	7	39	47	7	-39
Non-exporters	7	41	45	8	-39

## Bank lending

Across EU27, 14% of SMEs report improvements in the willingness of banks to provide them with credit. However, this is outweighed by the 15% who say that bank lending has deteriorated, giving a net deterioration of -1%. This is consistent with the figures observed in the December 2022 survey, and confirms an abrupt worsening of perceptions since 2021, when over a fifth (22%) said that conditions had improved and there was a net improvement of 10%. Over half (55%) of SMEs say that things have not changed with respect to banks' willingness to lend.

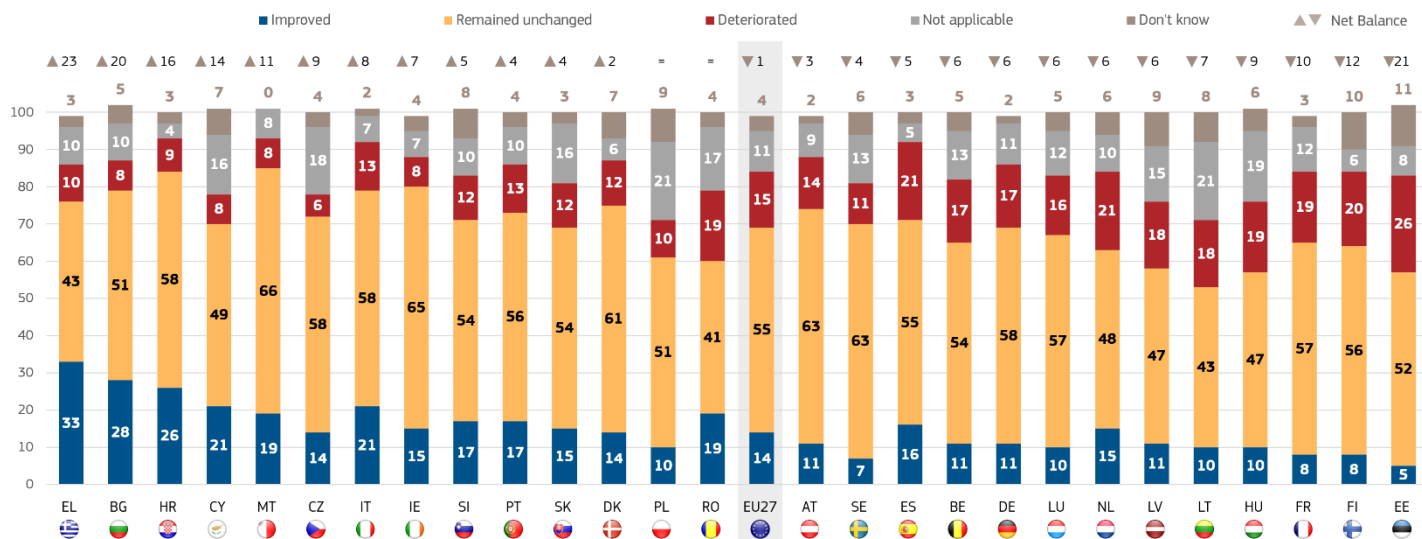
**Q11\_f** For each of the following factors, would you say that they have improved, remained unchanged or deteriorated over the past 6 months?

**Willingness of banks to provide credit to your enterprise**  
(% - EU)

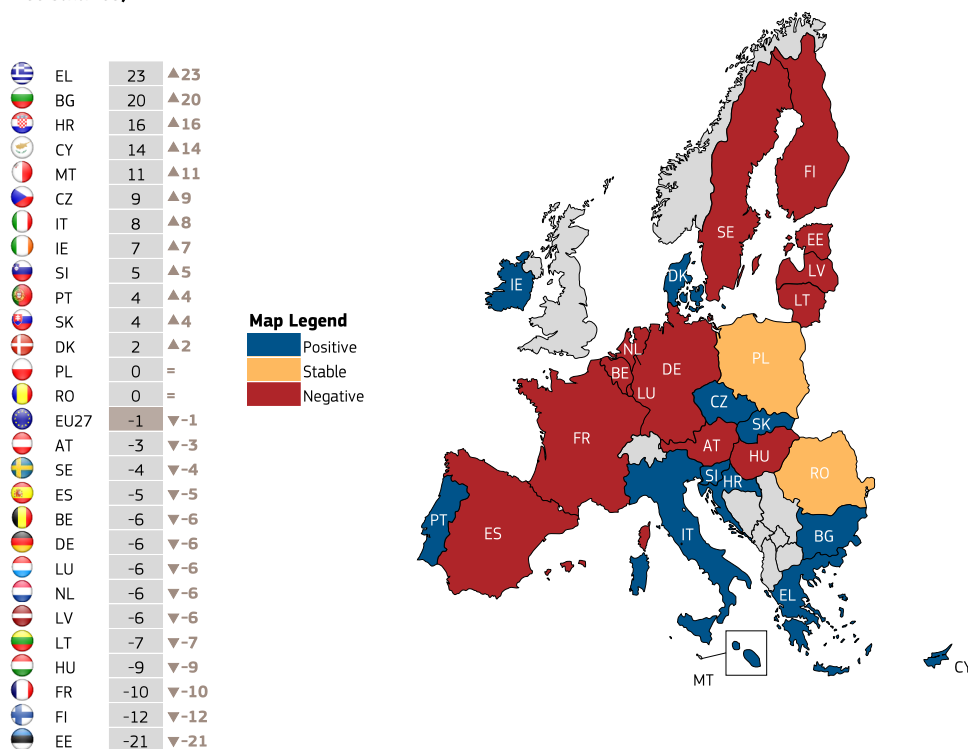


There is significant variation at the country level. In 12 Member States there is a net positive appraisal of banks' willingness to lend, ranging from +2 in Denmark to +23% in Greece, where a third (33%) of SMEs think that things have improved. At the other end of the scale, Estonia (-21%) stands out for a particularly negative net balance, followed by Finland (-12%) and France (-10%). In Poland and Romania the net balance is zero.

**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)**



SMEs in the service sector (-3%) have the most negative net appraisal of banks' willingness to lend, while those in industry (+2%) have a net positive view. There are also significant differences by size of enterprise. SMEs with between 1 and 9 employees (-3%) have a net negative view, but among those with 250 employees or more, those who think conditions have improved outweighs those who think they have deteriorated (+6%). While innovative SMEs are more likely than non-innovative ones to say that things have improved (17% vs 12%), there is no difference in their net appraisal of the situation (-1%). Exporters have a minimally net positive view (+1%), while non-exporters have a net negative view (-3%). Again, gazelle (+10%) and other high-growth (+5%) SMEs stand out for the extent to which they perceive the situation to have 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? - 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	11	4	-1
<b>Sector</b>						
Industry	15	60	13	9	3	2
Construction	15	55	16	11	3	-2
Trade	14	57	15	11	3	-1
Services	14	52	16	12	5	-3
<b>Size: employees</b>						
1--9	13	50	16	15	5	-3
10--49	15	55	16	10	4	-1
50--249	16	63	13	7	2	3
250+	16	67	10	5	1	6
<b>Innovativeness</b>						
Innovative	17	51	18	11	4	-1
Non-innovative	12	59	13	12	4	-1
<b>Growth</b>						
Gazelle	25	44	15	13	3	10
High-growth	23	49	17	8	3	5
<b>Exporting vs. non-exporting</b>						
Exporters	16	56	15	9	3	1
Non-exporters	13	54	16	13	4	-3



## Changes in the availability of financing

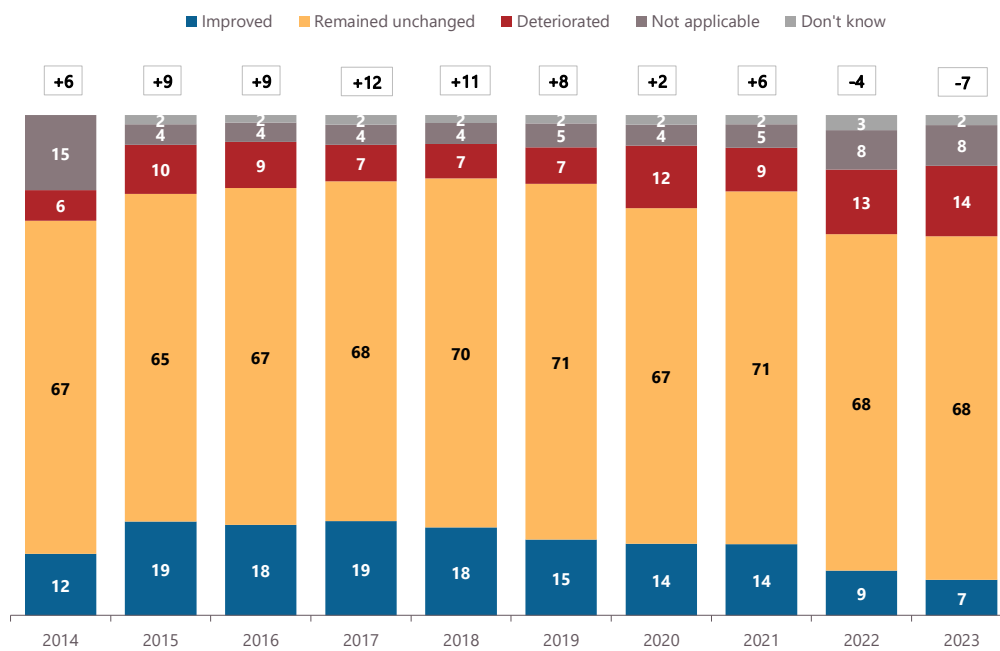
This section of the report discusses the views of SMEs about the availability of a range of external finance options: credit line or bank or credit card overdraft, bank loans, trade credit and equity capital. In each case, results are based on the proportion of SMEs that said these types of finance were relevant for their firm. Net perceptions of availability are calculated by subtracting the total who feel availability has deteriorated from the total who feel it has improved.

### Credit line, bank overdraft or credit cards overdraft

Overall, SMEs have a negative perception (-7%) of the availability of credit lines and overdrafts, with only 7% thinking things have improved against 14% who see a deterioration. Nearly seven in ten (68%) do not perceive any change. These figures continue the net deterioration observed in December 2022 (-4%), when for the first time since this series of surveys began, perceptions of deterioration began to outweigh positive ones.

**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?

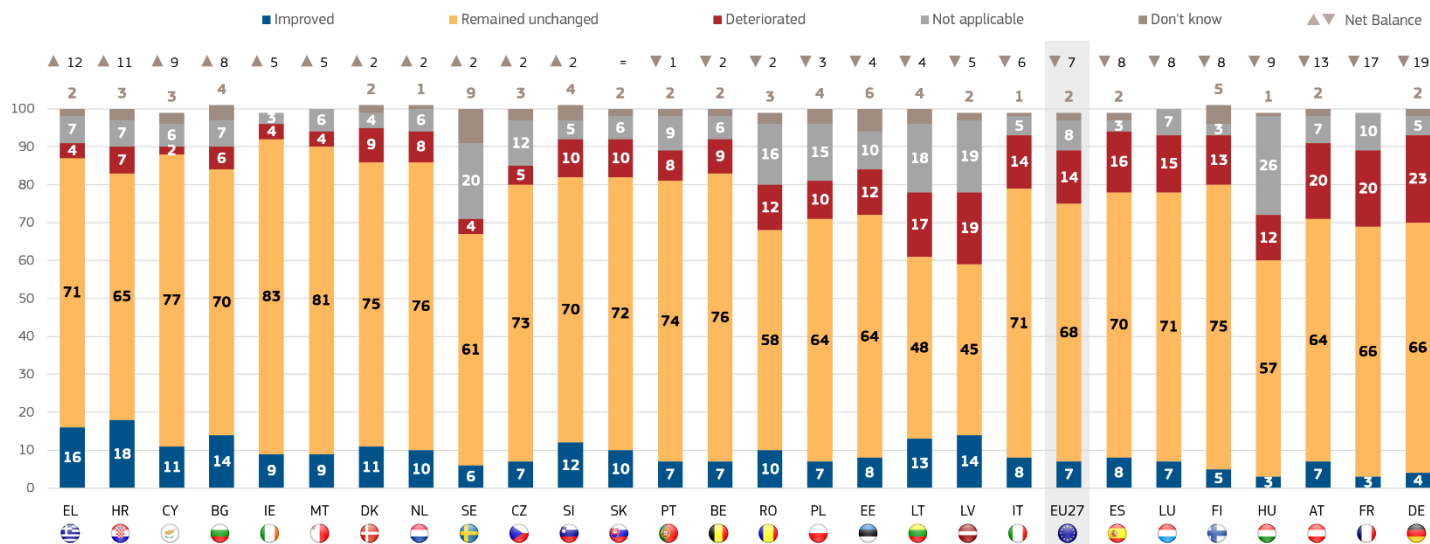
**Credit line, bank overdraft or credit cards overdraft (% - EU)**



There is clear variation at the country level. In 11 Member States the figure is net positive, but this ranges from only +2% in Slovenia, Czechia, Sweden, the Netherlands and Denmark to +12% in Greece. In 15 countries there is a net deterioration, ranging from -1% in Portugal to -19% in Germany, where 23% of SMEs say the situation has deteriorated, -17% in France and -13% in Austria<sup>17</sup>. The net balance is zero in Slovakia.

**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)



<sup>17</sup> Results for Cyprus, Estonia, Latvia Luxembourg, Malta and Slovenia should be interpreted with caution due to low base size (<99)

In each sector there is a net deterioration, ranging from -6% in the case of industry and trade SMEs to -8% among those in construction and services. Smaller SMEs are more likely to have a negative view of the availability of credit lines and overdrafts: those which have between 1 and 9 employees have a -10% net perception while among companies with 250+ employees there is a slightly positive net difference (1). Non-exporters (-10%) have a more negative view than exporters (-5%). Gazelles (-15%) stand out for a particularly negative appraisal of the chances of obtaining credit or overdrafts.

**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)

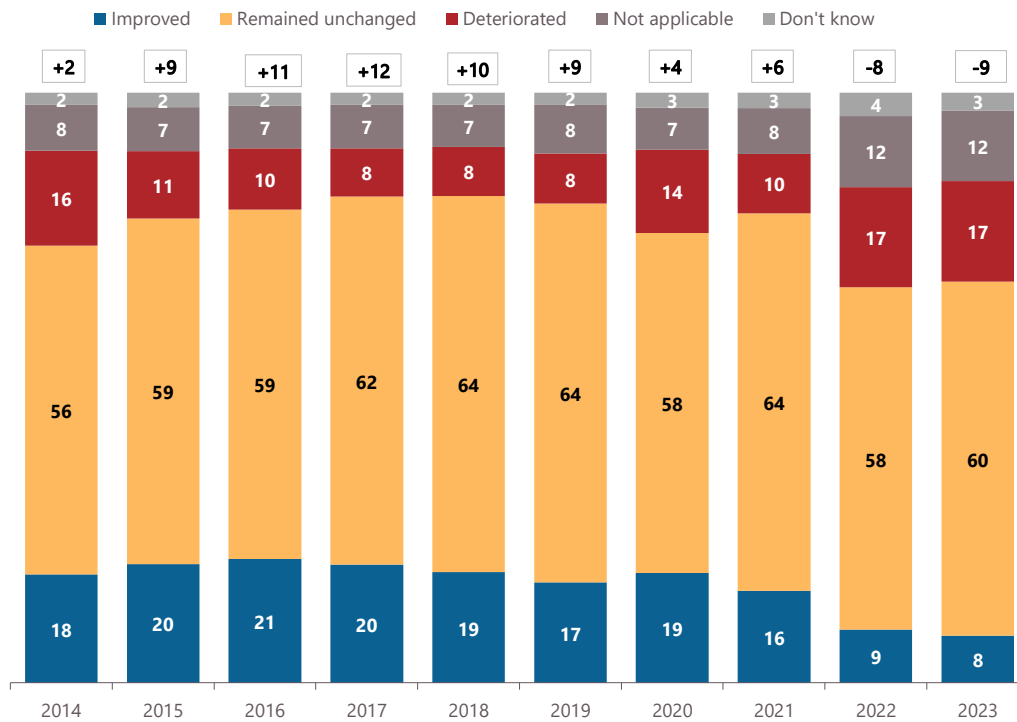
	Improved	Remained unchanged	Deteriorated	Not applicable	Don't Know	Net balance
EU27	7	68	14	8	2	-7
<b>Sector</b>						
Industry	7	71	13	7	2	-6
Construction	7	69	15	6	3	-8
Trade	8	68	14	8	2	-6
Services	7	67	15	9	2	-8
<b>Size: employees</b>						
1--9	6	65	16	9	3	-10
10--49	7	67	16	8	2	-9
50--249	9	73	10	6	2	-1
250+	10	75	9	4	1	1
<b>Innovativeness</b>						
Innovative	9	65	16	8	2	-7
Non-innovative	6	72	13	8	2	-7
<b>Growth</b>						
Gazelle	11	49	26	10	2	-15
High-growth	13	62	14	8	2	-1
<b>Exporting vs. non-exporting</b>						
Exporters	8	70	13	7	2	-5
Non-exporters	6	67	16	9	2	-10

## Bank loans

Where obtaining a bank loan is concerned, the proportion of SMEs who think the situation has deteriorated (17%) outweighs the proportion who see an improvement (8%) by 9 percentage points. Six in ten (60%) think that the situation has not changed. Again, these figures are in line with the sudden deterioration observed in the December 2022 survey, when the figure was -8%, compared with +6 in 2021.

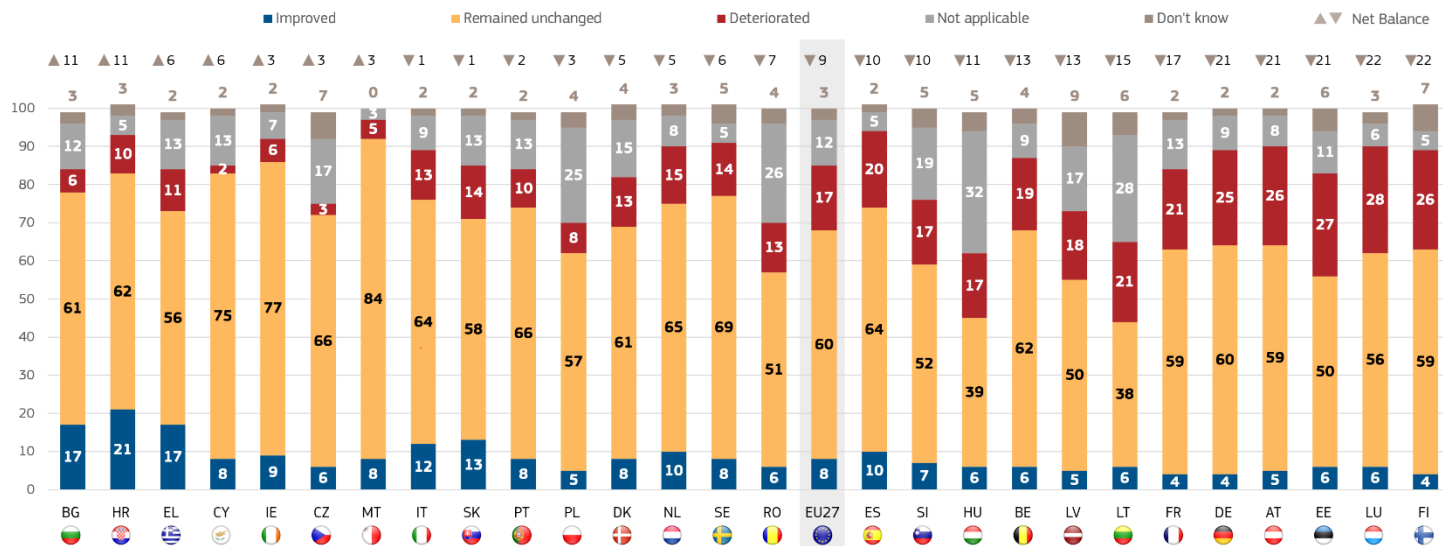
**Q9\_a** For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past 6 months?

**Bank loan (% - EU)**

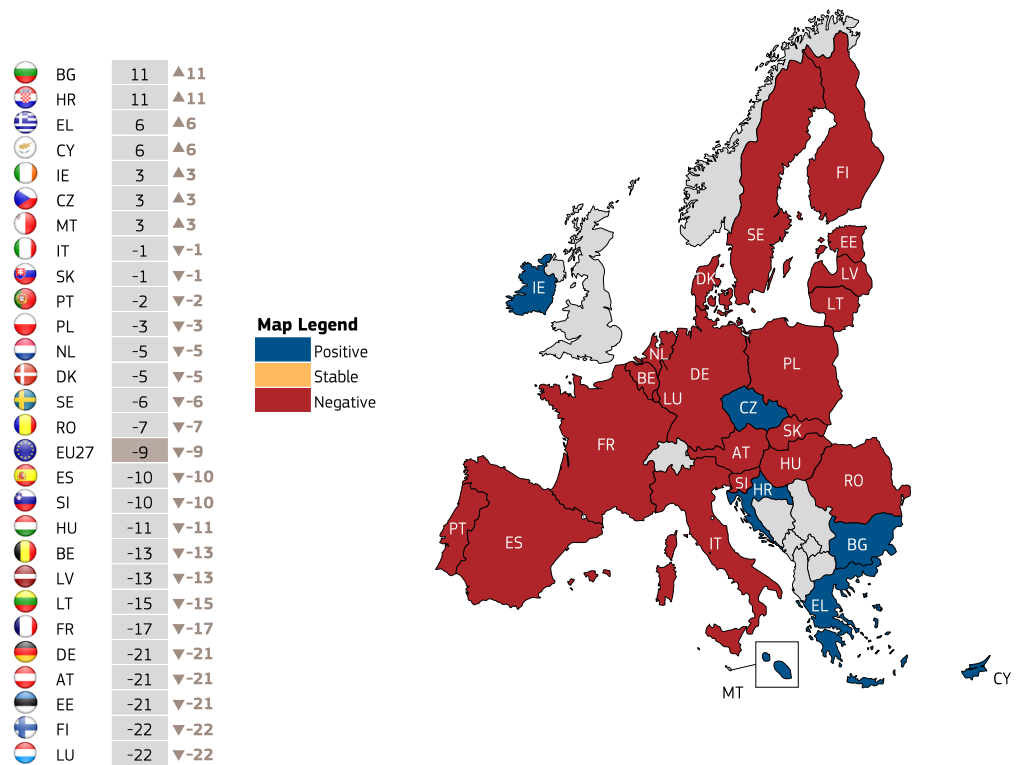


In seven of the 27 Member States the proportion of SMEs who say the situation has improved with respect to bank loans outweighs the proportion who say things have deteriorated. This is particularly the case in Croatia (+11%) and Bulgaria (+11%). In the remaining 20 Member States there is a net deterioration, but this ranges from only -1% in Italy and Slovakia to -22% in Luxembourg and Finland and -21% in Austria, Germany and Estonia<sup>18</sup>.

**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)



**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**



<sup>18</sup> Results for Cyprus, Estonia, Latvia, Luxembourg and Malta should be interpreted with caution due to low base size (<99)

There is net deterioration across all company types, although the extent varies in some cases. Larger enterprises have a slightly less negative view, with companies of 50-249 employees or 250+ having a net deterioration of -6% compared with -10 in the cases of companies with 1 – 9 employees or 10 – 49 employees. Innovative SMEs (-10%) and non-exporters (-11%) have experienced higher net deterioration than non-innovative SMEs (-9%) or exporters (-8%). The most significant deterioration is evident in the case of gazelles (-16%), although this figure should be interpreted with caution due to a low base in this category.

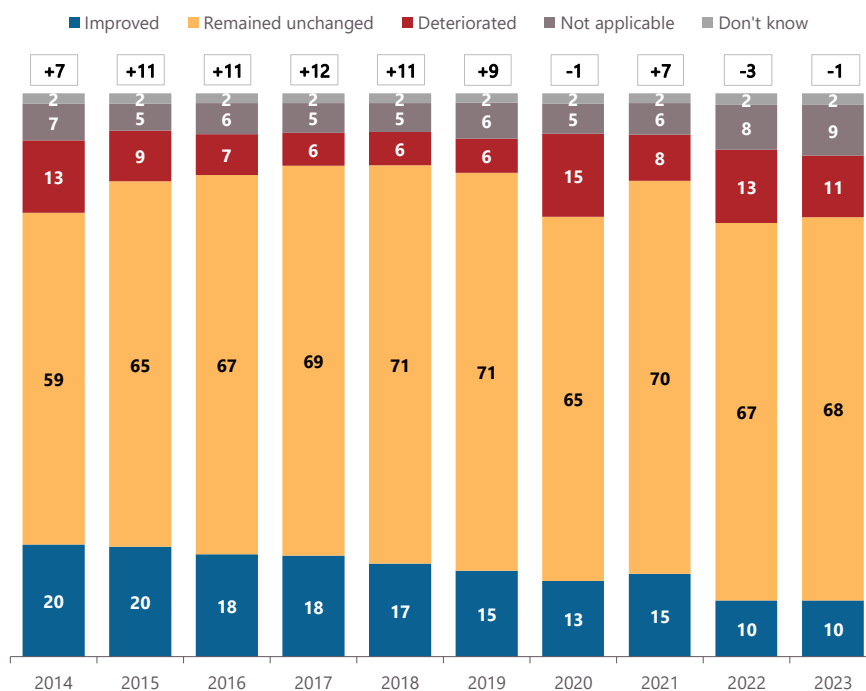
**Q9\_a** For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past 6 months? - Bank loan (% - EU)

	Improved	Remained unchanged	Deteriorated	Not applicable	Don't Know	Net balance
EU27	8	60	17	12	3	-9
<b>Sector</b>						
Industry	8	65	15	9	2	-7
Construction	7	64	17	11	2	-10
Trade	7	61	17	12	3	-10
Services	8	57	18	13	3	-10
<b>Size: employees</b>						
1--9	7	58	17	14	3	-10
10--49	8	59	18	11	3	-10
50--249	8	66	15	9	2	-7
250+	8	71	14	6	1	-6
<b>Innovativeness</b>						
Innovative	9	58	19	12	2	-10
Non-innovative	6	63	15	12	3	-9
<b>Growth</b>						
Gazelle	17	30	33	18	1	-16
High-growth	13	55	18	12	2	-5
<b>Exporting vs. non-exporting</b>						
Exporters	8	62	16	10	3	-8
Non-exporters	7	59	18	13	3	-11

## Trade credit

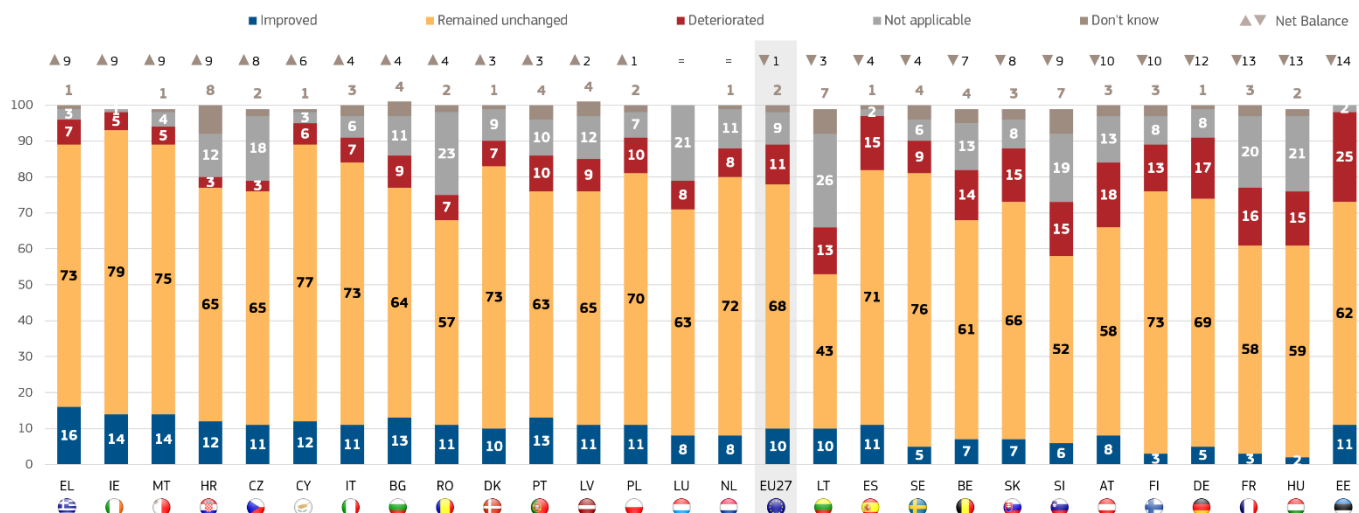
Among those SMEs who said trade credit is relevant for their enterprise, 10% say the availability of this source of funding has improved, compared with 11% who say it has deteriorated and 68% who see no change. This means there is a -1% net deterioration, a slight improvement on 2022 (-3%) but still significantly worse than in 2021 (+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 (% - EU)



In 13 of the 27 Member States the proportion of SMEs that see an improvement outweighs the proportion that think availability of trade credit has deteriorated. This ranges from a mere +1 in Poland to +9 in Croatia, Greece, Ireland and Malta. In 12 Member States there is a net perception of deterioration, ranging from -3 in Lithuania to -14% in Estonia. In Hungary only 2% see any improvement, compared to an EU27 average of 10%. The Netherlands and Luxembourg are the only countries in which there has been no change<sup>19</sup>.

**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)



<sup>19</sup> Results for Austria, Croatia, Cyprus, Estonia, Hungary, Latvia, Lithuania, Luxembourg, Malta and Slovenia should be interpreted with caution due to low base size (<99)

When results are broken down by company type, there are few significant differences. SMEs in the construction sector (-5%) have a more negative view than those in other sectors, particularly industry (+2), where the proportion saying availability of trade credit has improved outweighs the proportion claiming it has deteriorated. Enterprises with only 1 – 9 employees (-3%) have a negative view, while those with 250+ employees have no net difference on this question. While innovative SMEs and exporters are as likely to say access to trade credit has improved as they are to say it has deteriorated, the same is not true of non-innovative (-2%) and non-exporting (-3%) enterprises. Finally, gazelles have a negative view (-4%) while other high-growth enterprises (+3) are more likely to say that availability has improved, but this comparison should be treated with caution due to the low base rate of gazelles.

**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	68	11	9	2	-1
<b>Sector</b>						
Industry	11	71	9	6	3	2
Construction	8	69	13	8	2	-5
Trade	9	70	11	8	2	-2
Services	9	65	12	12	2	-3
<b>Size: employees</b>						
1--9	9	67	12	11	2	-3
10--49	11	68	10	9	3	1
50--249	10	71	11	6	2	-1
250+	9	77	9	4	1	0
<b>Innovativeness</b>						
Innovative	12	65	13	9	2	-1
Non-innovative	7	73	9	8	2	-2
<b>Growth</b>						
Gazelle	19	34	23	24	0	-4
High-growth	16	60	13	9	2	3
<b>Exporting vs. non-exporting</b>						
Exporters	11	69	11	7	2	0
Non-exporters	8	68	11	11	2	-3

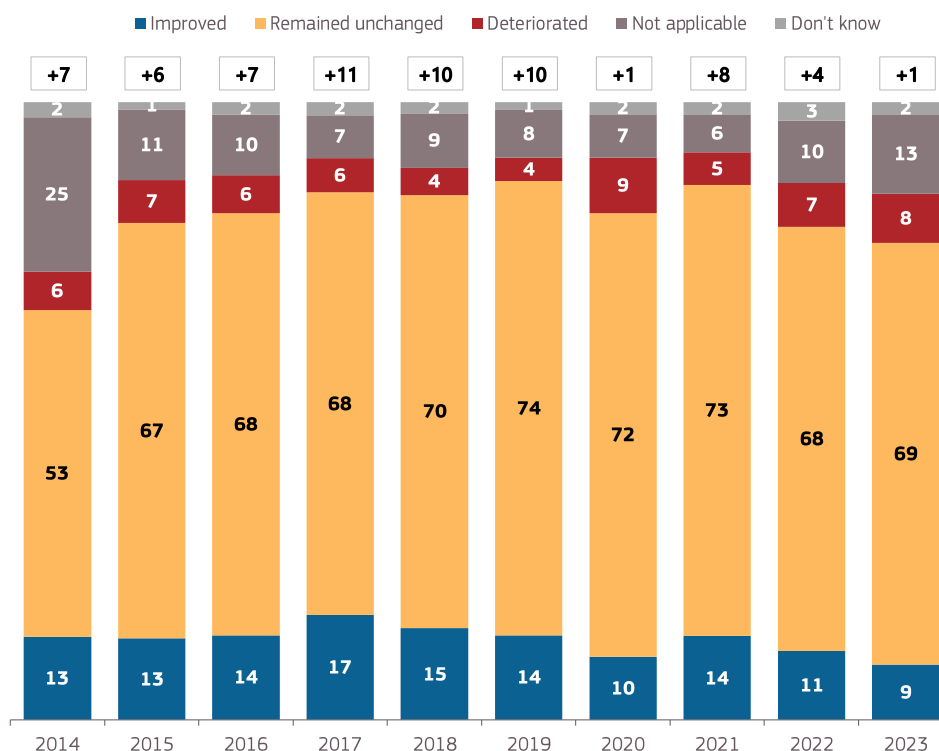


## Equity capital

The proportion of SMEs that say availability of equity capital has improved (9%) outweighs the proportion who say it has deteriorated (8%) by just one percentage point. This is a similar figure to that noted in 2020. In all other previous surveys there was a clear net perception of improvement in the availability of equity capital.

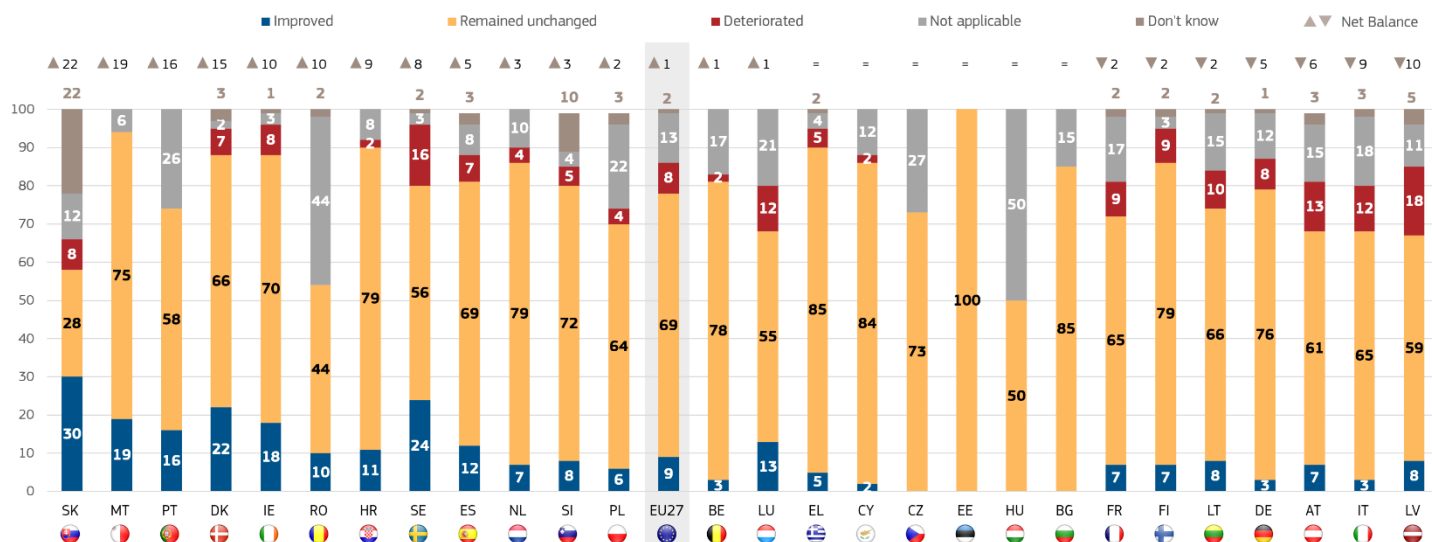
**Q9\_c** For each of the following types of financing, would you say that their availability has improved, remained unchanged or deteriorated for your enterprise over the past 6 months?

**Equity (% - EU)**



Analysis at the country level cannot reliably be undertaken due to most countries having low (50-99) or extremely low (<50) base sizes on this question. The following chart should therefore be treated with great caution, as apparent differences may not be statistically significant.

**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)



SMEs in the trade sector (-2%) have a net negative appraisal of the availability of equity capital, compared in particular with those in services (+2%). There is a correlation between the size of a company and the extent to which it has a positive perception of the availability of equity capital: while companies with between 1 and 9 employees have a net negative view (-1%), among those with 250 employees or more the proportion of those who say availability of equity capital has improved outweighs the proportion who say it has deteriorated by 5 percentage points. Innovative SMEs (+2%) and exporters (+4%) also have a more positive view than their respective counterparts (-1% for both). There are far too few gazelles for their results to be reliable, but it is worth noting that other high-growth companies (+6%) have the largest net perception of improvement among all company types.

**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	9	69	8	13	2	1
<b>Sector</b>						
Industry	7	70	6	14	2	1
Construction	9	67	9	15	1	0
Trade	7	71	9	12	1	-2
Services	10	69	8	12	2	2
<b>Size: employees</b>						
1--9	8	68	9	13	2	-1
10--49	9	68	8	13	2	1
50--249	9	72	6	12	1	3
250+	9	76	4	10	1	5
<b>Innovativeness</b>						
Innovative	11	66	9	13	1	2
Non-innovative	6	73	7	12	2	-1
<b>Growth</b>						
Gazelle	19	40	23	18	0	-4
High-growth	15	58	9	15	2	6
<b>Exporting vs. non-exporting</b>						
Exporters	11	70	7	11	2	4
Non-exporters	7	69	8	14	2	-1

## Changes in the need for external financing

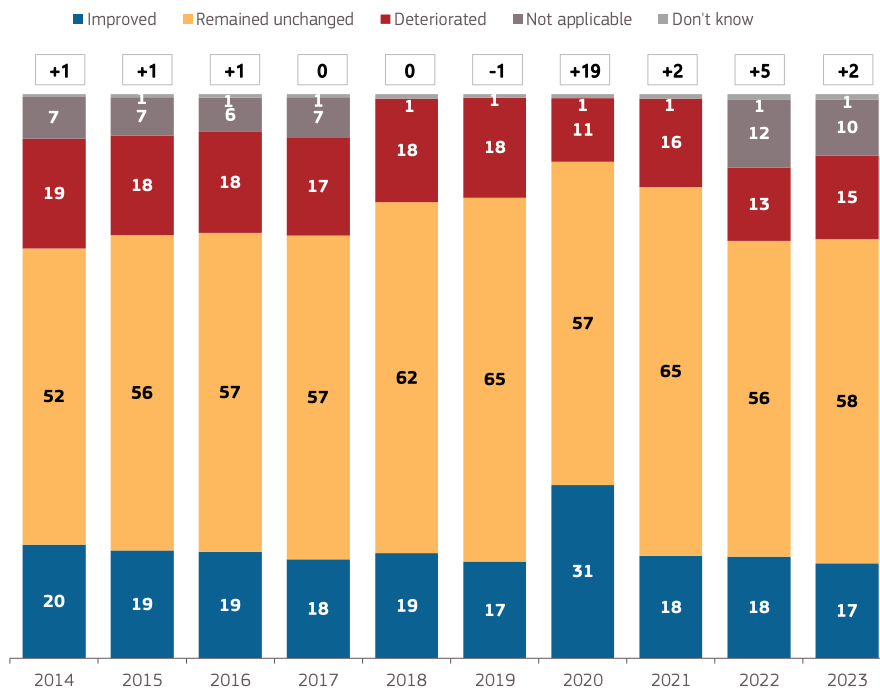
This section of the report reviews the need for bank loans and leasing or hire purchase among SMEs, including longer term trends. As well as overall figures, net changes are presented, calculated by subtracting the proportion reporting a decrease in need from the proportion reporting an increase.

### Bank loans

17% of SMEs in the EU report an increased need for bank loans, while 15% report a decreased need, resulting in a net increase in need of 2%. This is lower than in 2022, when the net increase was 5%, but still slightly higher than in most previous years, with the exception of 2020, when there was a dramatic increase (+19%) in the need for bank loans.

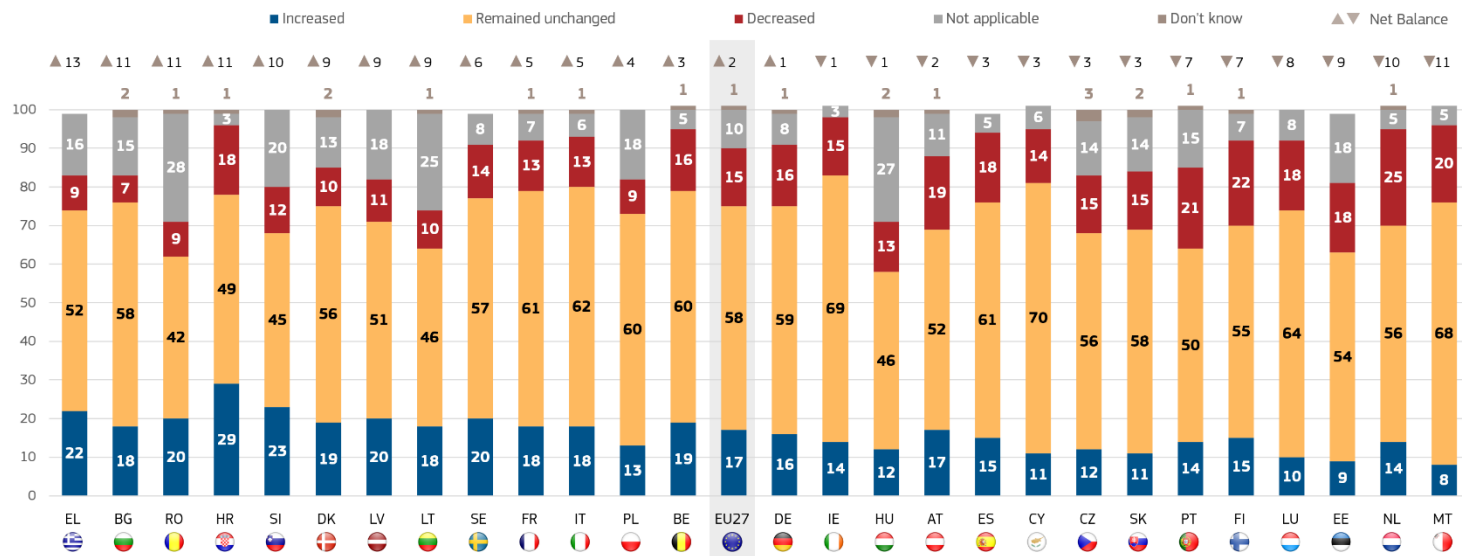
**Q5\_a** For each of the following types of external financing, please indicate if your needs increased, remained unchanged or decreased over the past 6 months?

**Bank loans (% - EU)**

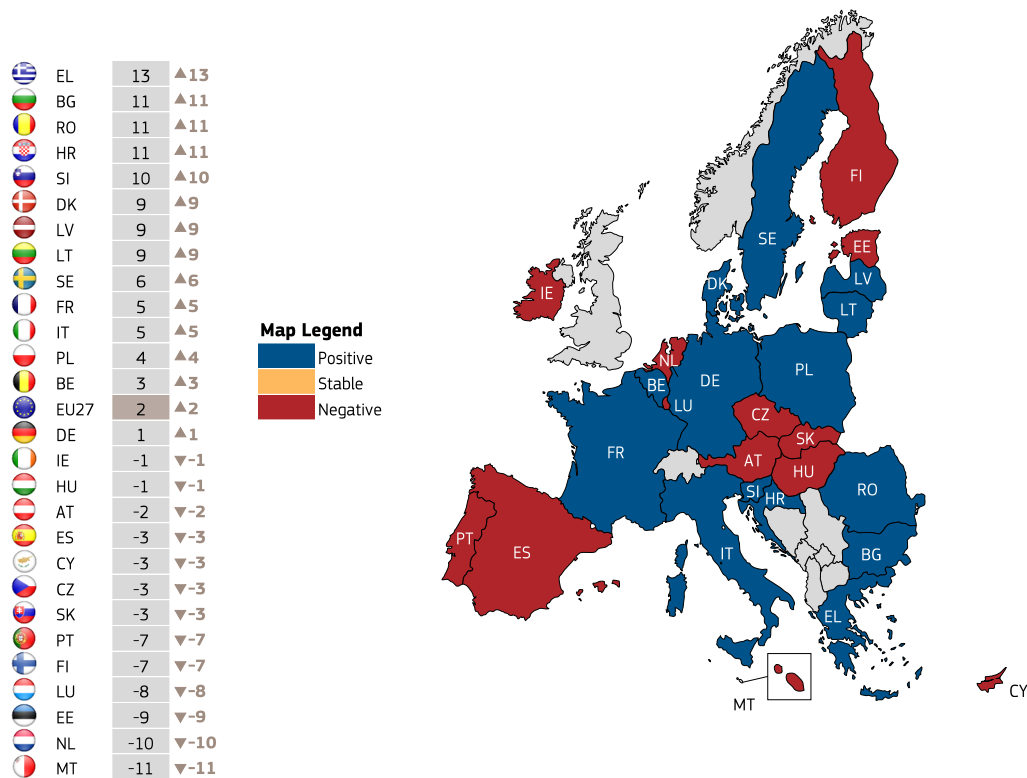


In 14 Member States SMEs experienced a net increase in the need for bank loans, with the largest increases noted in Greece (+13%). In 13 countries there was a decrease, with the largest changes occurring in Malta (-11%) and the Netherlands (-10%)<sup>20</sup>.

**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**



<sup>20</sup> Results for Cyprus, Estonia, Latvia, Luxembourg and Malta should be interpreted with caution due to low base size (<99)

SMEs in the construction sector report a significant increase in the need for bank loans (+7%), while there is also a moderate increase in the case of enterprises in the trade sector (+4%). SMEs in industry report only a negligible increase (+2%) while in the service industry the need for bank loans has slightly declined (-1%). There is not a clear correlation between the size of an SME and changes in its need for bank loans: while the smallest companies report a slight increase (+2%), those with between 10 and 49 employees say their needs have decreased (-1). However, the largest companies of 250 or more employees have a substantially increased need for bank loans (+9%). Innovative SMEs (+5%) report an increased need, but non-innovative SMEs (-1%) have a decreased need for such loans. The base is too low to be certain that the apparent increase among gazelles is statistically significant.

**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)

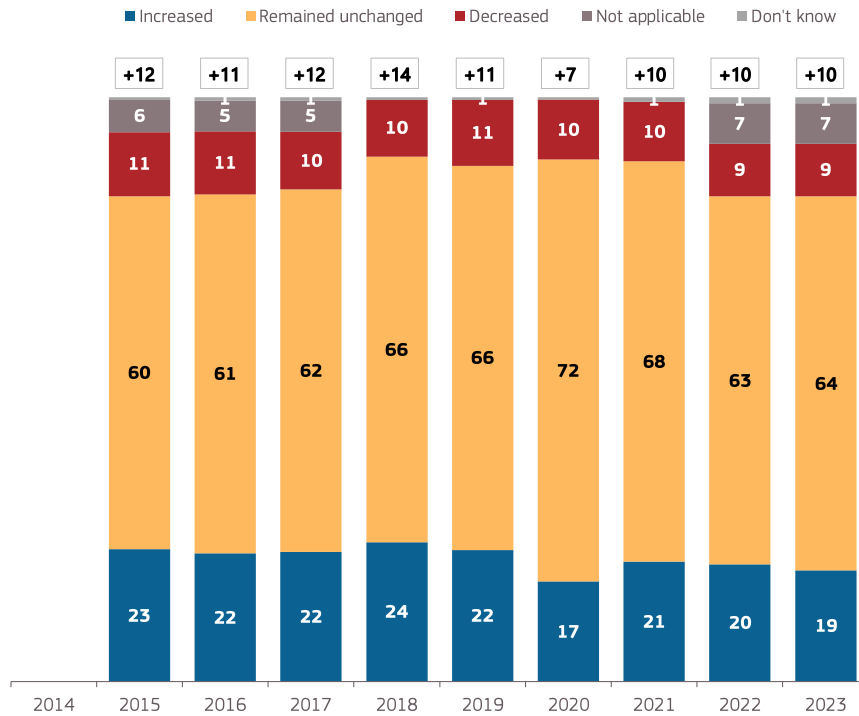
	Increased	Remained unchanged	Decreased	Not applicable	Don't Know	Net balance
EU27	17	58	15	10	1	2
<b>Sector</b>						
Industry	18	56	17	9	0	2
Construction	20	57	13	8	1	7
Trade	18	57	14	10	1	4
Services	14	60	15	11	1	-1
<b>Size: employees</b>						
1--9	15	60	12	12	1	2
10--49	15	59	16	9	1	-1
50--249	21	54	17	8	1	4
250+	25	51	16	8	1	9
<b>Innovativeness</b>						
Innovative	19	54	14	11	1	5
Non-innovative	14	62	15	9	0	-1
<b>Growth</b>						
Gazelle	18	49	1	26	6	17
High-growth	21	52	15	11	1	6
<b>Exporting vs. non-exporting</b>						
Exporters	18	56	16	9	1	2
Non-exporters	16	60	14	11	1	2

## Leasing or hire-purchase

19% of SMEs say that their need for leasing or hire-purchase forms of financing has increased over the last 6 months, while 9% say that it has decreased and 64% that it has remained unchanged. This gives a net increase of 10%. These figures are identical to those observed in 2022, and broadly consistent with figures observed in previous years, except 2018 (+14%).

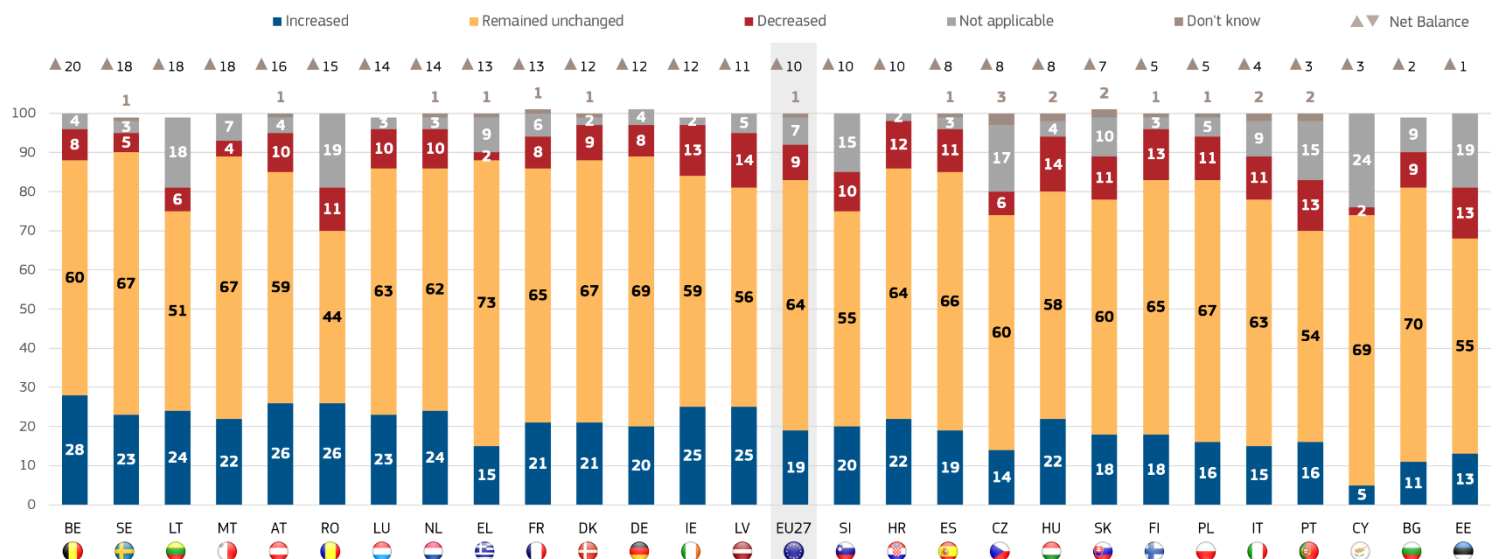
**Q5\_g** For each of the following types of external financing, please indicate if your needs increased, remained unchanged or decreased over the past 6 months?

**Leasing or hire-purchase**  
(% - EU)



In all EU27 countries there is a net increase in the proportion of SMEs needing to access leasing or hire-purchase forms of financing. However, there are significant differences between countries. In Estonia (+1%), Bulgaria (+2%), Cyprus (+3%) and Portugal (+3%) the increase is only minimal, but there are substantial increases in Belgium (+20%), Malta (+18%), Lithuania (+18%) and Sweden (+18%)<sup>21</sup>.

**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)



<sup>21</sup> Results for Cyprus, Estonia, Latvia, Luxembourg, Malta and Slovenia should be interpreted with caution due to low base size (<99)

Where company characteristics are concerned, there is also a net increase in every category, although there are some clear differences in its extent. SMEs in the trade sector (8%) have a lower level of increase than those in other sectors (+9% - +11%). Companies with between 50 and 249 employees (+17%) or with more than 250 employees (+16%) have a significantly greater need for leasing and hire-purchase than those with 1 – 9 employees (5%). Innovative SMEs have a larger net increase in need than non-innovative ones (+13% vs +6%) and exporters have a slightly greater need than non-exporters (+11% vs +9%).

**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	Net balance
EU27	19	64	9	7	1	10
<b>Sector</b>						
Industry	21	62	10	6	1	11
Construction	20	62	10	7	1	9
Trade	17	67	9	7	1	8
Services	20	64	9	7	1	11
<b>Size: employees</b>						
1--9	13	68	8	10	1	5
10--49	20	63	10	6	1	9
50--249	27	60	9	4	1	17
250+	23	66	7	3	1	16
<b>Innovativeness</b>						
Innovative	22	60	9	7	1	13
Non-innovative	16	68	10	6	1	6
<b>Growth</b>						
Gazelle	41	52	0	7	0	41
High-growth	29	54	10	7	0	20
<b>Exporting vs. non-exporting</b>						
Exporters	21	63	10	5	1	11
Non-exporters	18	65	9	8	1	9

## Changes in the terms and conditions of bank financing

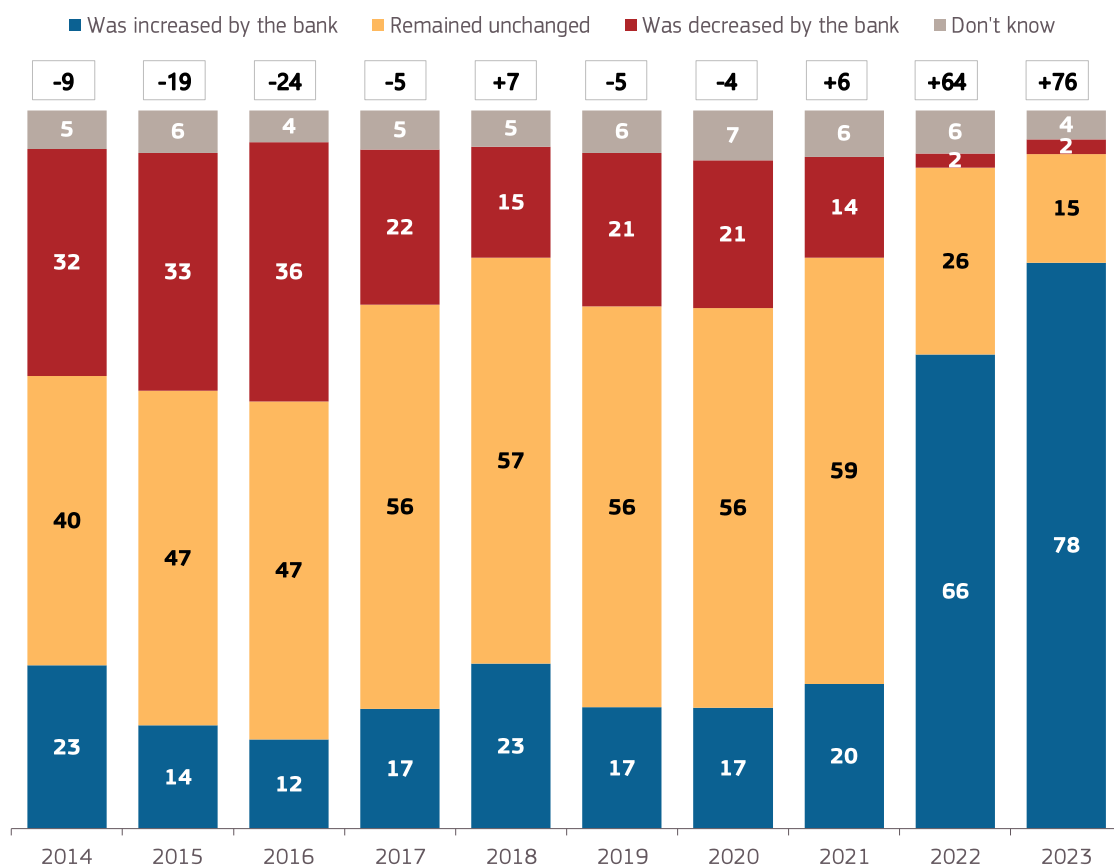
This section turns to changes in the terms and conditions for bank financing for those SMEs that have received bank loans, overdrafts and credit lines. It focuses on the level of interest rates and collateral requirements for loans. As well as overall figures, net changes are presented, calculated by subtracting the proportion reporting a decrease in need from the proportion reporting an increase.

### Level of interest rates

In the survey of December 2022 there was a dramatic increase in the proportion of SMEs saying that their bank had raised interest rates, with 66% giving this answer compared with only 20% in 2021, and the largest figure in previous years being 23% in 2014 and 2018. Only 2% said that the bank had decreased interest rates. This trend is continued in the present survey: nearly eight in ten (78%) SMEs reported an increase in interest rates, and only 2% reported a decrease. This equates to a net increase of 76%, higher than the 64% recorded in 2022 and far higher than the 6% seen 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?

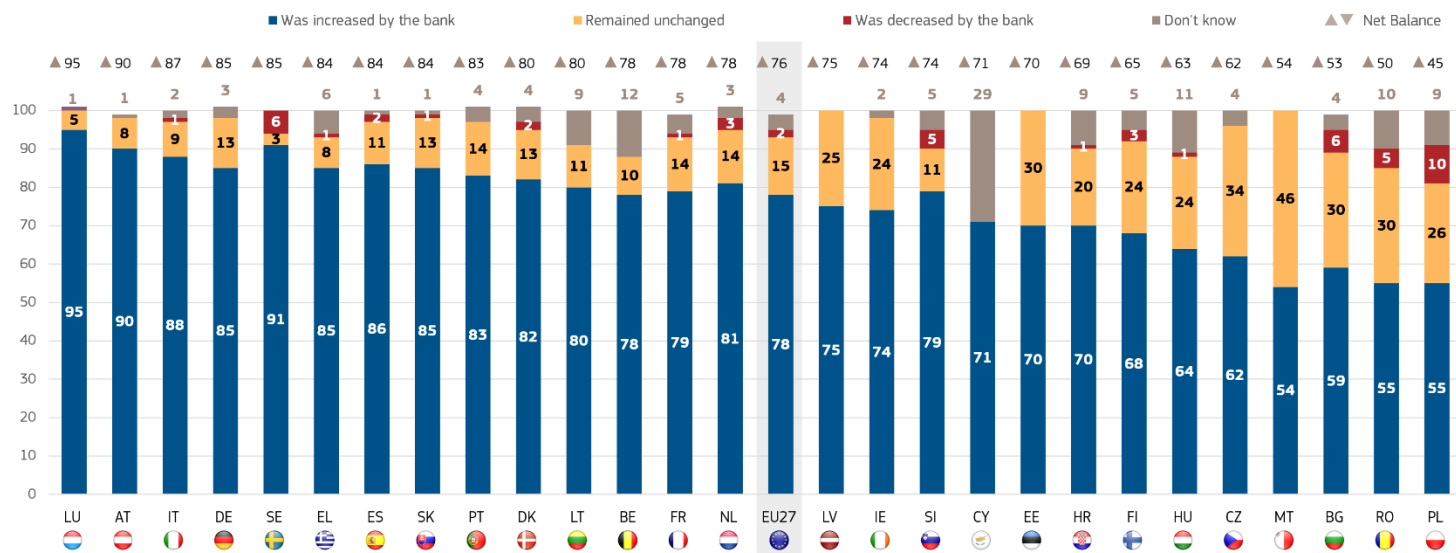
#### Level of interest rates (% - EU)





There are substantial country-level variations on this question, although in all cases at least half of SMEs (50%) have experienced an increase in interest rates and all countries have seen a substantial (>45%) net increase. In Luxembourg 95% of SMEs saw a rise in interest rates, and none reported a decrease. In Austria, 90% saw an increase, as did 88% in Italy. In 15 countries a small proportion of SMEs reported a decrease in the level of interest rates, but only in Poland (10%) did this reach single figures. Poland was also the country with the smallest net increase (45%), although Malta had the lowest proportion of SMEs which had seen interest rates rise (54%)<sup>22</sup>.

**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)**



<sup>22</sup> Results should be interpreted with caution, as 19 countries have a low base size (<99)

Across all types of company there is a high net increase. SMEs in the industry sector (+79%) have experienced a larger net increase than those in services (+74%). Larger companies have seen a greater net increase: while among those with between 1 and 9 employees there has been a net increase of 72%, this rises to 82% in companies with 250 or more employees. Innovative SMEs and exporters (both +79%) have seen a larger net increase than non-innovative companies and those which do not export (both +74%). The base for gazelles is too small to permit conclusions.

**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)

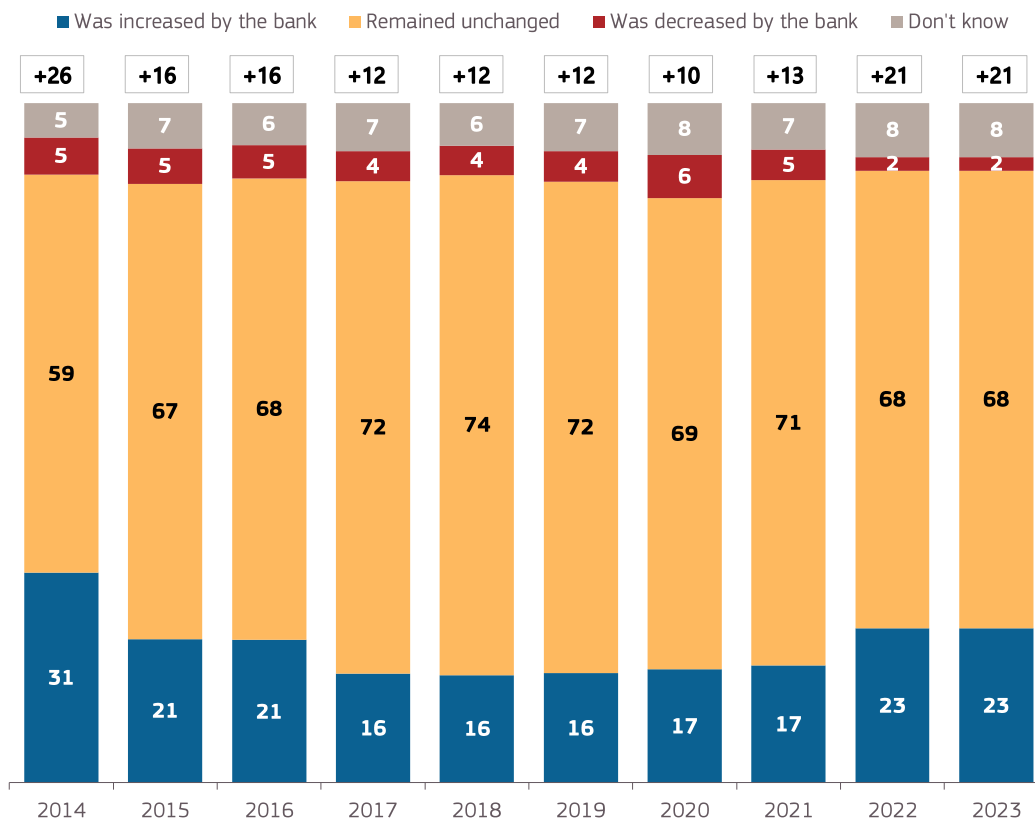
	Was increased by the bank	Remained unchanged	Was decreased by the bank	Don't Know	Net balance
EU27	78	15	2	4	76
<b>Sector</b>					
Industry	81	14	2	2	79
Construction	78	16	1	5	77
Trade	80	14	3	4	77
Services	76	17	2	5	74
<b>Size: employees</b>					
1--9	74	17	2	6	72
10--49	79	14	2	5	77
50--249	82	14	2	3	80
250+	84	11	2	2	82
<b>Innovativeness</b>					
Innovative	81	13	2	4	79
Non-innovative	76	18	2	4	74
<b>Growth</b>					
Gazelle	54	34	0	12	54
High-growth	79	15	3	3	76
<b>Exporting vs. non-exporting</b>					
Exporters	81	13	2	3	79
Non-exporters	76	17	2	5	74

## Collateral requirements

Banks may require collateral from the borrower as a form of security for the repayment of a loan, often in the form of fixed assets. 23% of SMEs report that during the past six months these collateral requirements have increased, while only 2% say they have decreased, giving a net increase of 21%. This is similar to the 21% net increase recorded in December 2022, when there was a significant increase in this figure compared to those observed in all previous surveys from 2017 onwards. However, it is still not as high as the increase recorded in 2014 (26%).

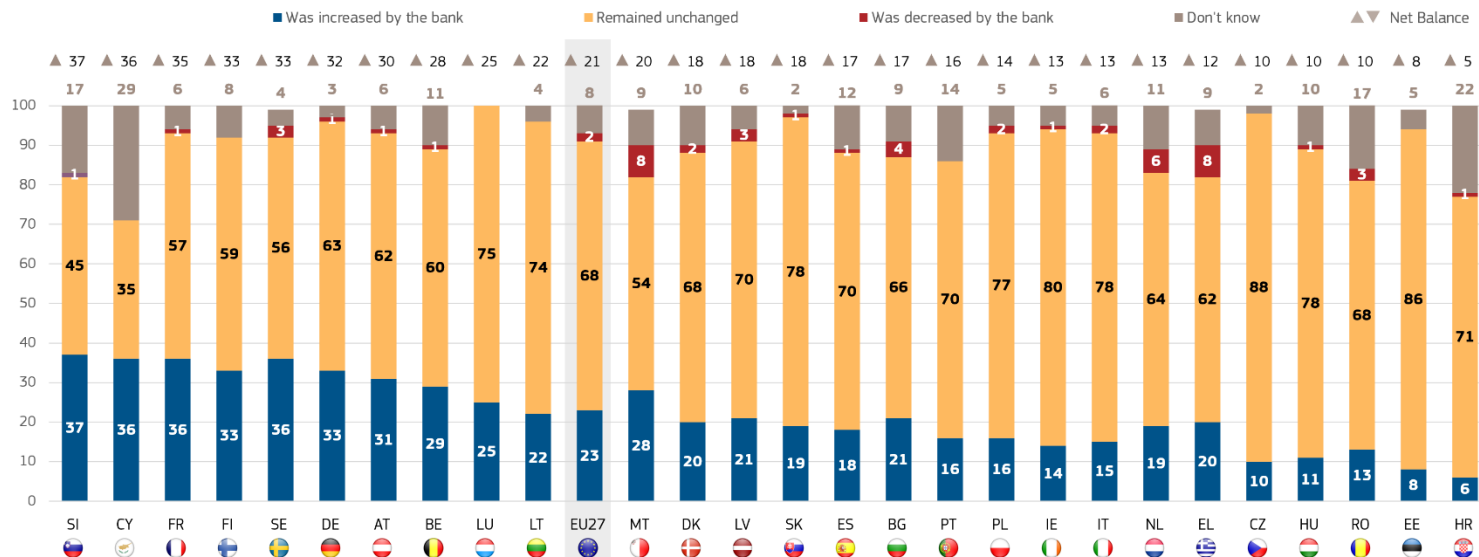
**Q10\_e** We will turn now to the terms and conditions of bank financing, such as bank loans, overdrafts and credit lines. Please indicate whether the following items increased, remained unchanged or decreased in the past 6 months?

### Collateral requirements (% - EU)



All 27 Member States have seen a net increase, but this ranges from only 5% in Croatia to 37% in Slovenia, with high increases also observed in Cyprus (+36%), France (+35%), Finland (+33%) and Sweden (+33%). The largest overall proportions of SMEs reporting increases are seen in Slovenia (37%) and Sweden, Cyprus and France (all 36%), and the smallest in Croatia (6%). In most countries there is at most only a very small proportion of SMEs reporting a decrease in collateral requirements, but in Greece (8%), Malta (8%) and the Netherlands (6%) a slightly larger proportion of SMEs give this response<sup>23</sup>.

**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)**



<sup>23</sup> Results should be interpreted with caution, as 19 countries have a low base size (<99)

The breakdown by company characteristics shows that different types of company all reflect the overall situation to some extent, with each reporting a net increase in collateral requirements. However, the degree of this increase varies. Companies in the service sector (+27%) and those in the construction sector (+23%) report a larger net increase than those industry (+16%) or trade (+17%). The same is true of innovative SMEs compared with their non-innovative counterparts (+24% vs +17%) and non-exporters compared with exporters (+24% vs +19%). The base for gazelles is too small to permit any statistically significant conclusions.

**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
<b>Sector</b>					
Industry	18	73	2	7	16
Construction	25	65	2	9	23
Trade	19	72	2	7	17
Services	28	64	1	8	27
<b>Size: employees</b>					
1--9	24	66	1	8	23
10--49	26	64	2	8	24
50--249	18	73	2	7	16
250+	18	78	1	3	17
<b>Innovativeness</b>					
Innovative	26	65	2	7	24
Non-innovative	19	72	2	7	17
<b>Growth</b>					
Gazelle	22	67	12	0	10
High-growth	26	63	3	7	23
<b>Exporting vs. non-exporting</b>					
Exporters	21	70	2	7	19
Non-exporters	25	66	1	8	24

### **III. OUTLOOK FOR THE FUTURE**



## Key findings

While in the last survey SMEs became less optimistic about their growth in turnover, there has been a slight recovery in the current survey, with 60% (+6 pp) saying that they expect growth in turnover during the next two to three years. However, there continues to be only a small minority that expects substantial growth (8%). There is considerable variation at the national level when it comes to moderate growth, but in only one case does more than a fifth (20%) think that substantial growth is likely.

Confidence in talking with banks about financing and obtaining the desired results slightly decreases at 59%, while a fifth (20%) say they are not confident. In most of the preceding surveys the proportions of SMEs who are not confident has not deviated significantly from this figure. Changes in recent years reflect instead a rise in the proportion of SMEs who say this question is not applicable (17%). There is substantial variation at the country level, and larger companies (75%) are much more likely than smaller ones (52%) to be confident of a positive outcome of talks.

Confidence in the results of talks with equity investors and venture capital enterprises has decreased, falling below a fifth (17%, - 4 pp) of SMEs for the first time. In all countries only a minority of SMEs express confidence in the outcome of such talks, with around a third in Denmark (34%) and the Netherlands (32%) giving this answer, compared with only 5% in Hungary. Large companies are again more confident of a positive outcome.

There has been a slight decline in the preference for bank loans among SMEs as a source of external financing for growth ambitions, dropping to 62% and marking the lowest popularity since 2015. Other loans have remained stable at 15%, while equity investment continues to be the least favoured option, consistently at 6%. The preference for debt financing is dominant across all countries, but with variations: in France and Ireland, over three-quarters prefer bank loans, while only about 40% do in Romania and Latvia. The construction sector shows the highest preference for bank loans, notably more than the service sector.

Concerns over high interest rates or prices as a barrier to accessing finance have risen sharply among SMEs, with 34% identifying this the main limitation for future growth. Less than 10% cite other obstacles such as insufficient collateral or excessive paperwork. The perception of no barriers has also decreased from 36% to 33%. Country-specific results show over half of SMEs in Spain, Cyprus, Portugal, and Greece are worried about high costs, while less than 20% in Bulgaria feel the same. Differences are moderate across sectors and company sizes, though larger firms and innovative SMEs report fewer obstacles.

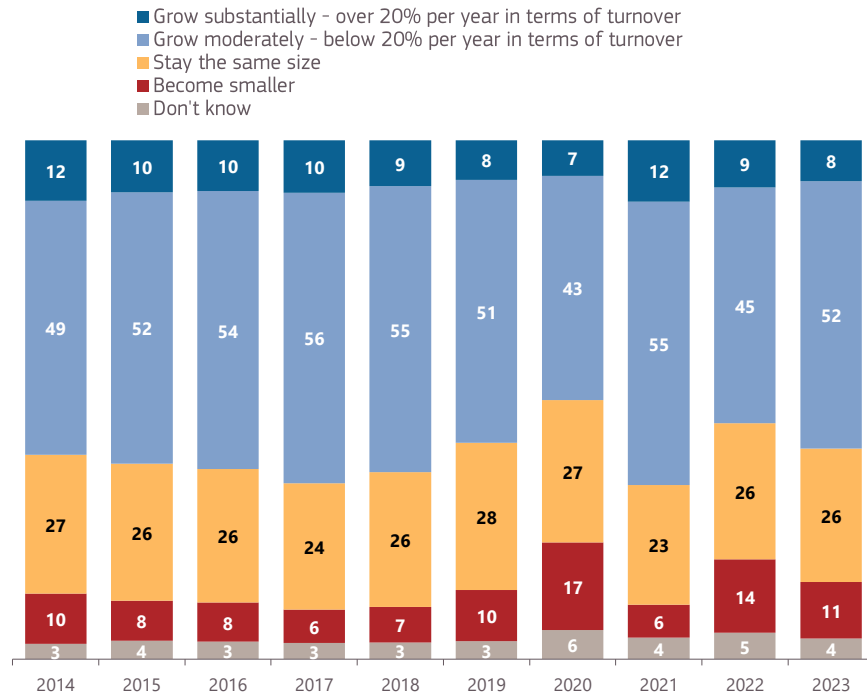
The amount SMEs with growth plans need to finance their ambitions has remained relatively stable over time. Just over a fifth (23%) target 25,000-100,000 EUR. Other amounts are less common, with 15% seeking up to 25,000 EUR, 16% aiming for 100,000-250,000 EUR, and 14% desiring over 1 million EUR. Industry sector SMEs and larger companies tend to seek higher financing compared to service sectors and smaller businesses. Innovativeness and exporting status also correlate with higher financing targets, indicating that growth-oriented SMEs have greater capital needs.

In line with the results of the previous survey, SMEs anticipate a general net deterioration in the availability of various types of financing over the next six months, except for equity capital, which shows a net improvement of +3%. The largest declines are expected in bank loans (-16%) and credit lines (-13%). There is less pessimism in the case of internal funds, showing a slight net decrease (-1%), a smaller dip than in the past two years. Trade credit (-10%), leasing (-5%), debt securities (-9%), and other loans (-5%) also reflect expectations of reduced availability. These expectations represent a less dramatic downturn than in 2022, suggesting a fluctuating rather than a consistently negative trend.

## Expected growth SMEs

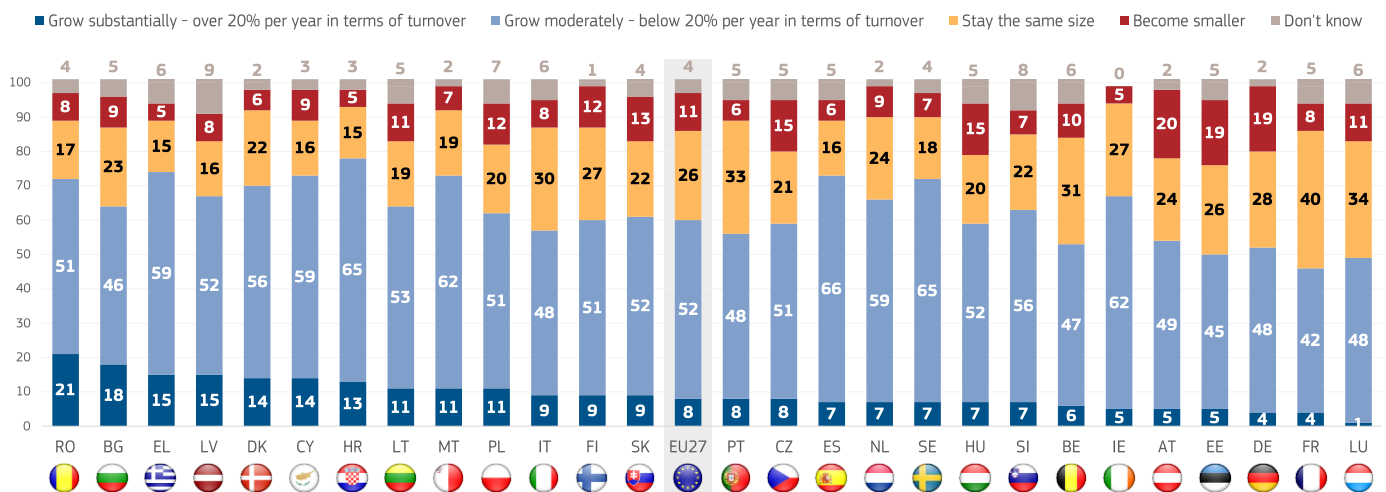
SMEs have become slightly more optimistic about their growth in turnover over the next two to three years. While in 2022 54% of SMEs expected at least some degree of growth, in the current survey 60% give this response. Nevertheless, only 8% expect substantial growth, down 1 percentage point from the previous survey. Just over one in ten (11%) expect turnover to decrease, while 26% think things will remain the same.

**Q17** Considering the turnover over the next two to three years (2023-2025), how much does your enterprise expect to grow per year? (% - EU)



In all but two countries at least half of SMEs (50%) express some degree of optimism. The exceptions are France (46%) and Luxembourg (49%). Optimism is particularly high in Croatia (78%), Greece (74%), Cyprus (73%) and Spain (73%). However, there is no correlation between overall levels of optimism and expectations of substantial growth. In 17 countries less than one in ten (10%) of SMEs expect substantial growth, although significant minorities give this response in Romania (21%) and Bulgaria (18%). In 16 countries less than one in ten (10%) think that the turnover of their enterprise will decrease, but in Austria a fifth (20%) of those surveyed express this opinion, closely followed by Germany (19%) and Estonia (19%)<sup>24</sup>.

**Q17** Considering the turnover over the next two to three years (2023-2025), how much does your enterprise expect to grow per year? (%)



<sup>24</sup> Results for Cyprus, Estonia, Luxembourg, Malta and Slovenia should be interpreted with caution due to low base size (<99)



SMEs in the services (61%) and industry (61%) sectors are more likely than those in the construction (52%) or trade (57%) sectors to expect growth in turnover. However, these differences are mostly driven by different expectations about moderate growth, with little difference between sectors in the case of substantial growth. Where moderate growth is concerned, there is a clear positive correlation with company size: only 47% of companies with 1 – 9 employees expect their business to grow by less than 20% in the next year, compared with 63% of those with 250 or more employees. However, the smallest companies are more likely than the largest ones to expect more substantial growth (8% vs 5%). Innovative companies have a greater expectation of moderate (57%) and substantial (12%) growth compared with non-innovative companies (48% and 4% respectively), and the same is true, albeit to a lesser extent, in the case of exporters (54%; 9%) and non-exporters (50%; 7%). Unsurprisingly, given the nature of these enterprises, gazelles and other high-growth businesses are much more likely to expect substantial growth (39% and 25% respectively), but the figure for gazelles should be treated with caution due to a low base.

**Q17** Considering the turnover over the next two to three years (2023-2025), how much does your enterprise expect to grow per year? (% - EU)

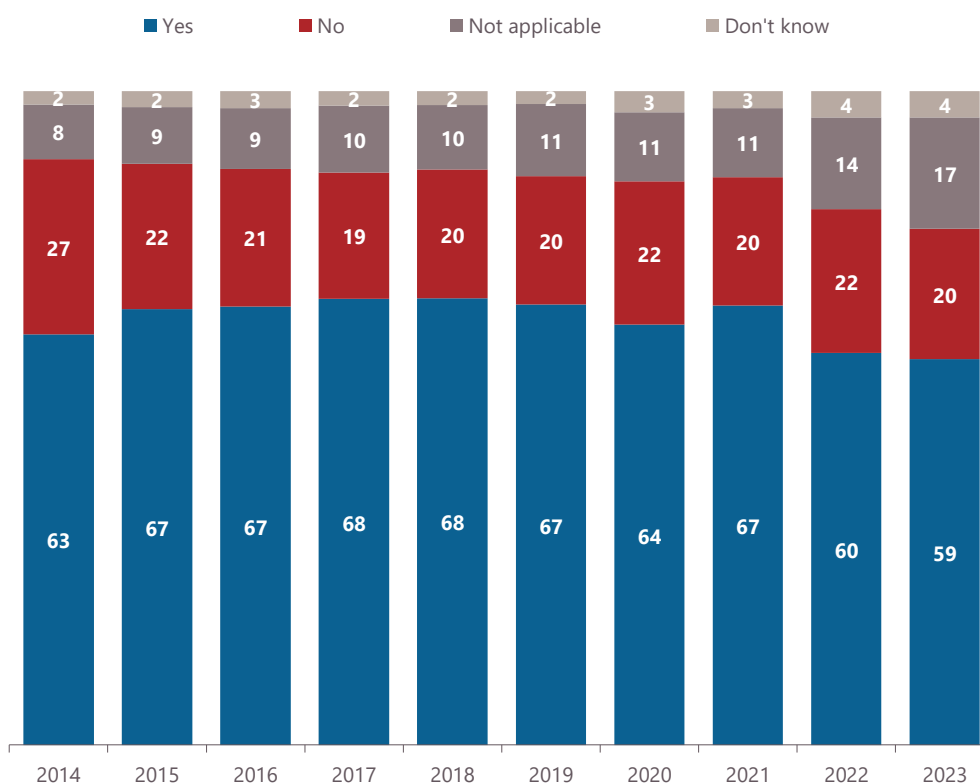
	Grow substantially - over 20% per year in terms of turnover	Grow moderately - below 20% per year in terms of turnover	Stay the same size	Become smaller	Don't Know
EU27	8	52	26	11	4
<b>Sector</b>					
Industry	8	53	24	11	5
Construction	7	45	29	15	4
Trade	6	51	26	13	4
Services	8	53	25	9	4
<b>Size: employees</b>					
1--9	8	47	28	11	5
10--49	7	52	26	11	4
50--249	6	60	20	10	3
250+	5	63	20	8	4
<b>Innovativeness</b>					
Innovative	12	57	19	9	3
Non-innovative	4	48	31	13	4
<b>Growth</b>					
Gazelle	39	45	8	4	4
High-growth	25	51	15	7	2
<b>Exporting vs. non-exporting</b>					
Exporters	9	54	22	11	4
Non-exporters	7	50	28	11	4

## Confidence in being able to get future financing

This section examines the extent to which SMEs are confident that talking with banks, equity investors and venture capital enterprises will result in them obtaining the financing they require.

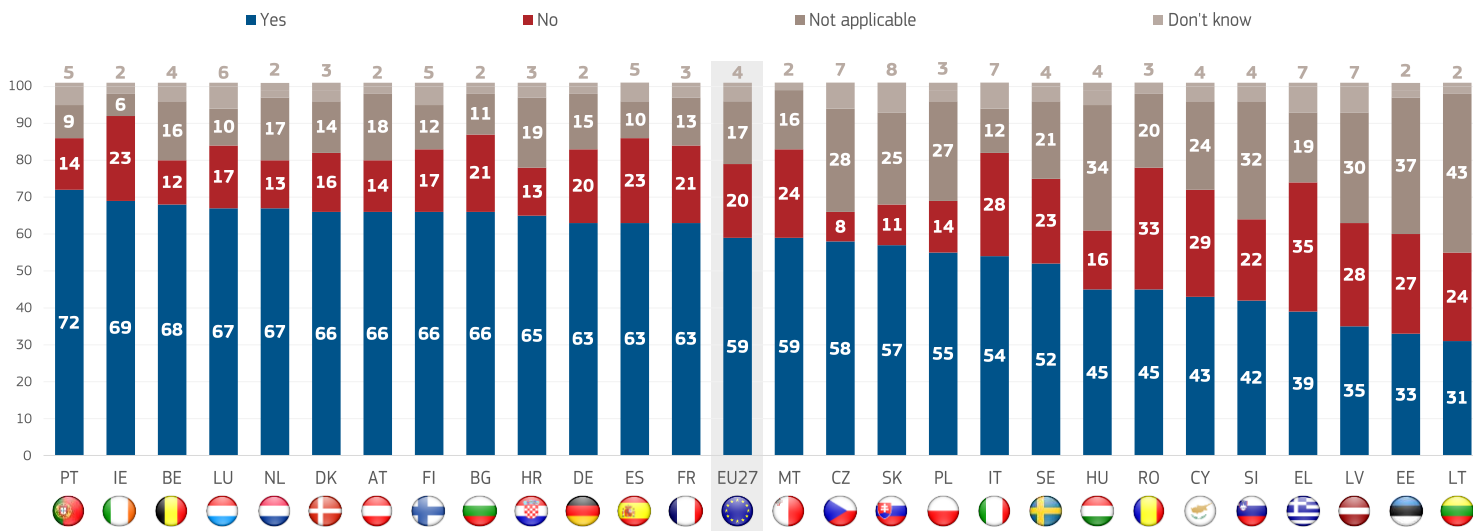
Almost six in ten (59%) SMEs express confidence that they will be successful in gaining financing from banks. This figure slightly decreased from the previous survey (60%), but is significantly lower than in previous surveys, where the level of confidence ranged between 63% and 68%. A fifth (20%) say that they are not confident, which is 2 percentage points lower than in the previous survey. It is worth noting that with the exception of 2014, when over a quarter (27%) were unconfident of success, this figure has changed very little across all surveys, fluctuating in a 3 pp band between 19% and 22%. Instead, changes in recent years reflect a rise in the proportion of SMEs who say that this question is not applicable: from 10% in 2017 to 17% in the current survey.

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



There is substantial variation at the national level in confidence in talking with banks. In 19 of the 27 Member States at least half of SMEs are confident, but this ranges from only 52% in Sweden to over two thirds in Portugal (72%), Ireland (69%), Belgium (68%), Luxembourg (67%) and the Netherlands (67%). Due to the large proportions in some countries of SMEs saying that this question does not apply to them (ranging from 6% in Ireland to more than four in ten (43%) in Lithuania), there is not a clear correlation between positive and negative answers to this question. In 21 Member States less than a quarter (25%) are not confident that their discussions with banks would yield a favourable outcome, but in Greece (35%) and Romania (33%) a significant proportion give a negative answer, compared with only 8% in Czechia<sup>25</sup>.

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



<sup>25</sup> Results for Cyprus, Estonia, Luxembourg, Malta and Slovenia should be interpreted with caution due to low base size (<99)

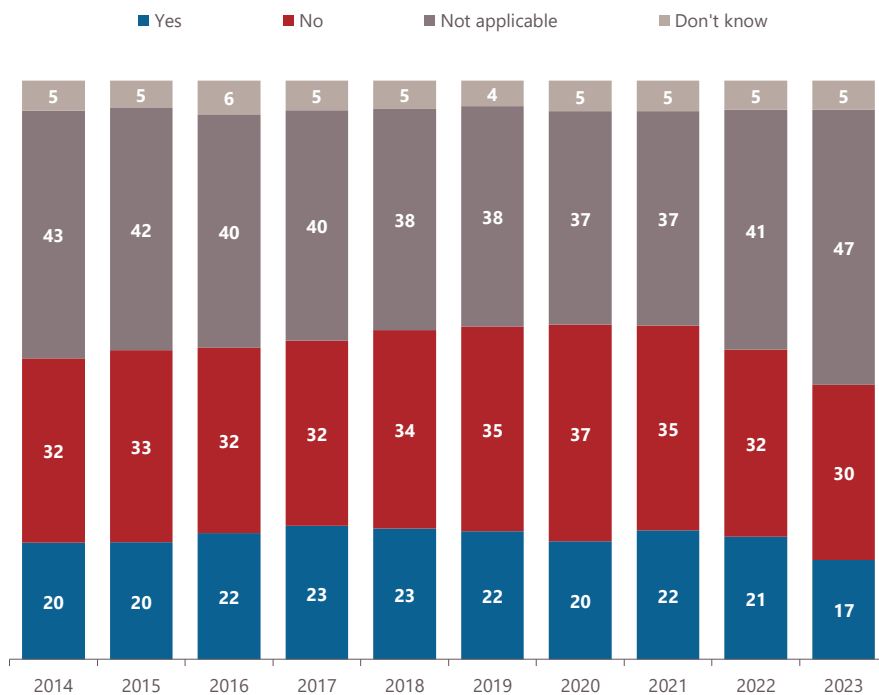
A review of responses broken down by company characteristics shows that a majority in each category feels confident that discussions with banks would obtain the desired results. However, there are variations by category. SMEs in the industry sector (64%) are more likely than those in other sectors (57%-60%) to express confidence. Larger companies are much more likely to be confident of a positive outcome, with three quarters (75%) of the largest companies saying they would expect this to be the case, compared with just over half (52%) of the smallest ones. There are no significant differences when it comes to innovative versus non-innovative companies with respect to positive outcomes, but innovative companies are slightly more likely to be pessimistic about the outcome of discussions (23% vs 19%). Exporters (62%) express more confidence than non-exporters (57%). Finally, gazelles (52%) are less likely than the average SME (59%) to feel confident about the outcome of talks with banks, and more than a third (37%) express a lack of confidence. However, these figures should be treated with caution given the low base.

**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	59	20	17	4
<b>Sector</b>				
Industry	64	17	15	4
Construction	59	22	15	4
Trade	60	20	16	4
Services	57	21	17	4
<b>Size: employees</b>				
1--9	52	24	19	4
10--49	62	19	15	4
50--249	70	14	14	3
250+	75	8	14	3
<b>Innovativeness</b>				
Innovative	60	23	14	3
Non-innovative	59	19	18	4
<b>Growth</b>				
Gazelle	52	37	9	3
High-growth	60	23	14	3
<b>Exporting vs. non-exporting</b>				
Exporters	62	19	15	4
Non-exporters	57	21	18	4

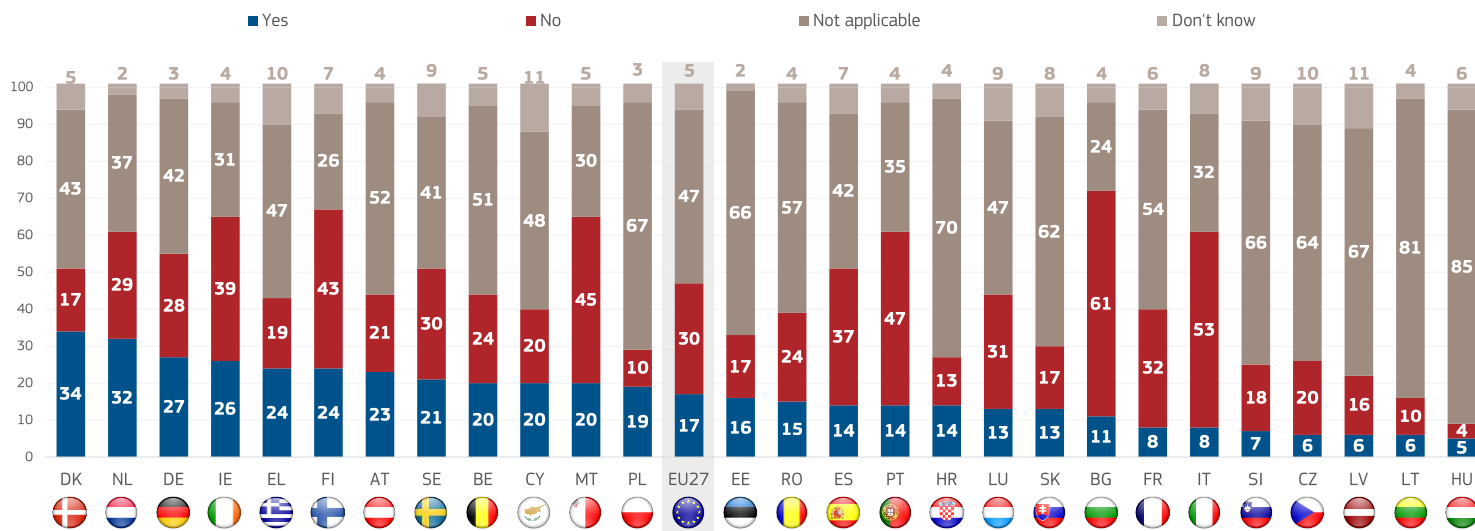
Confidence in the results of talks with equity investors and venture capital enterprises has decreased. 17% of SMEs answer this question positively, compared with 21% of those surveyed in December 2022. Indeed, this is the first time in this series of surveys that fewer than a fifth (20%) of SMEs have expressed confidence in the outcome of these conversations. At the same time, the proportion of SMEs who are not confident has fallen by 2 percentage points, from 32% in 2022 to 30% in the current survey. At the same time, there has been a six percentage point increase in the proportion of SMEs which say this question does not apply to them (47%).

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



There is substantial variation on this question at the country level. In all countries, only a minority of SMEs express confidence, ranging from around a third in Denmark (34%) and the Netherlands (32%) to a small proportion of those surveyed in Hungary (5%), Lithuania (6%), Latvia (6%) and Czechia (6%). There are much greater differences when it comes to the proportion of those who anticipate a negative response from equity investors and venture capital enterprises. This is strongly determined by the significant differences in the proportions of SMEs which say this question does not apply to them, so there is no clear correlation between positive and negative responses. In Hungary, where levels of confidence are lowest, there is also the smallest proportion of SMEs expressing a lack of confidence (4%), as most such companies do not consider this question relevant to them. In most cases, less than half express pessimism about obtaining funding from these sources, but a substantial minority of respondents give this answer in Portugal (47%), Malta (45%) and Finland (43%), while over half do in Bulgaria (61%) and Italy (53%)<sup>26</sup>.

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



<sup>26</sup> Results for Cyprus, Estonia, Luxembourg, Malta and Slovenia should be interpreted with caution due to low base size (<99)

As in the case of bank financing, SMEs in the industry sector (19%) are the most confident of gaining financing, particularly when compared with those in the construction sector (16%) and trade (16%). There is also a clear relationship with the size of companies: only 14% of companies with 1 – 9 employees think there is a good chance of obtaining financing from equity investors and venture capital enterprises, compared with a quarter (24%) of those with 250 or more employees. Innovative SMEs are more likely than non-innovative ones to express confidence, and the same is true for exporters when compared with non-exporters (19% vs 16% in both cases). Gazelles (34%) are twice as likely as the average SME (17%) to feel confident, but the low base means these results should be treated with caution.

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

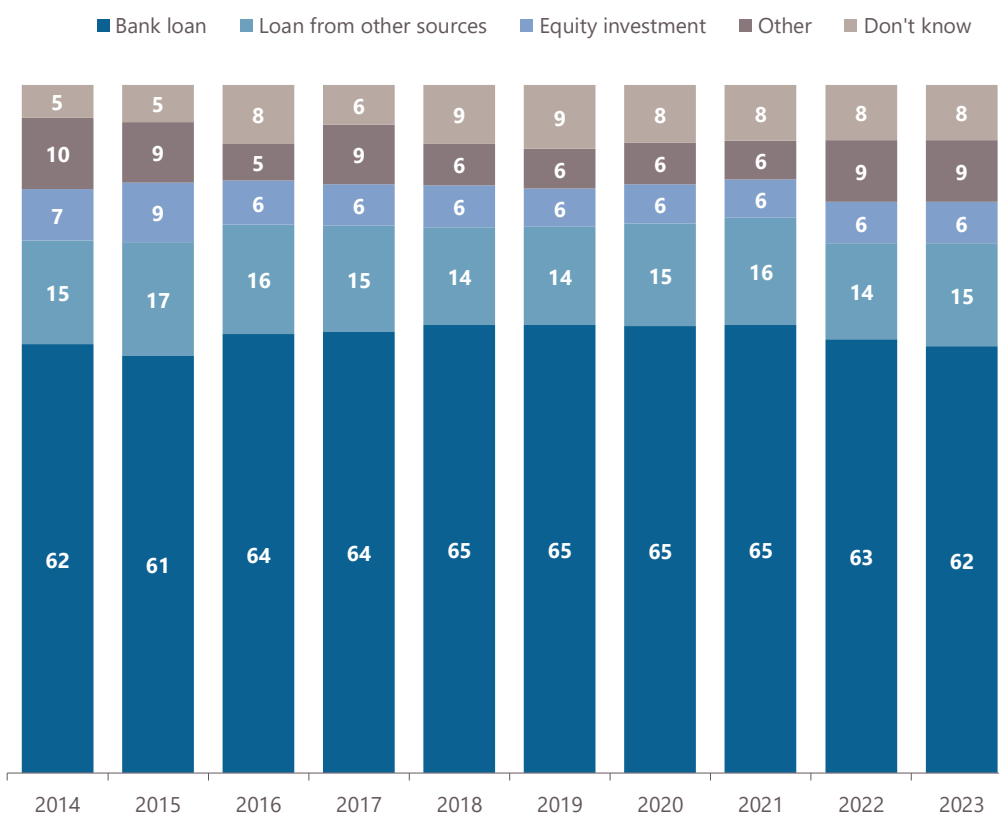
	Yes	No	Not applicable	Don't know
EU27	17	30	47	5
<b>Sector</b>				
Industry	19	29	45	6
Construction	16	33	45	5
Trade	16	29	50	6
Services	17	31	47	5
<b>Size: employees</b>				
1--9	14	34	47	5
10--49	19	29	46	6
50--249	21	26	48	5
250+	24	21	49	5
<b>Innovativeness</b>				
Innovative	19	31	44	5
Non-innovative	16	30	49	5
<b>Growth</b>				
Gazelle	34	29	35	2
High-growth	20	34	42	4
<b>Exporting vs. non-exporting</b>				
Exporters	19	28	47	6
Non-exporters	16	32	47	5

## External financing in the future

### Preferred type of financing

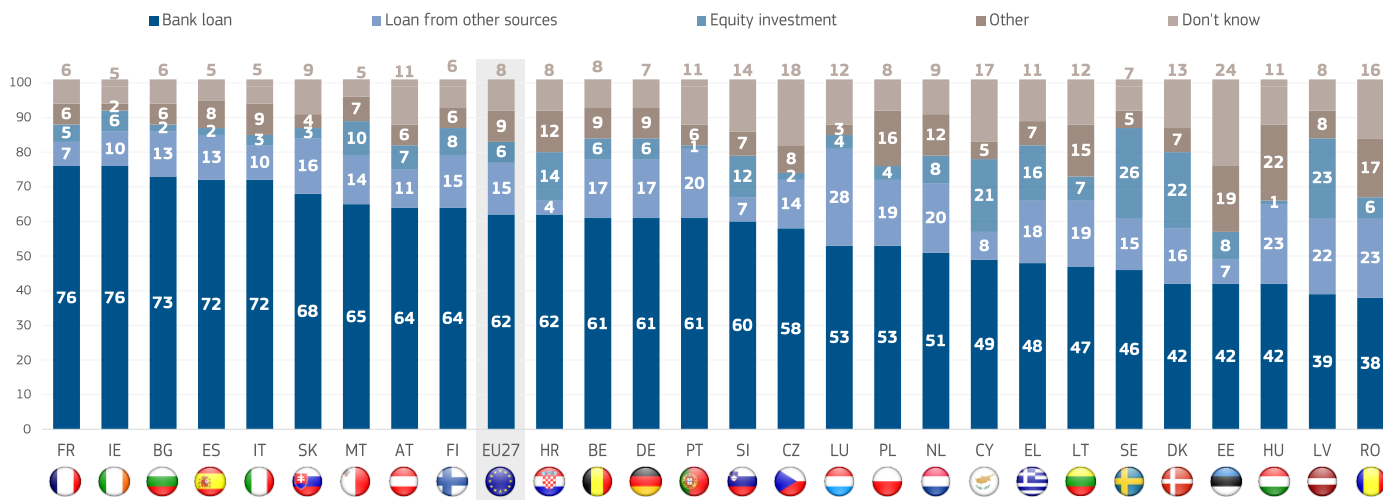
SMEs were asked which source of external financing they would prefer if they needed such financing to realise growth ambitions. Bank loans remain by far the most popular source of financing, although preference for it has declined by 1 percentage point since the last survey to 62% of those polled, meaning it is at its lowest level of popularity since 2015. There has been no significant change in the case of loans from other sources (15%). Equity investment is consistently much less popular than debt financing: since 2016 the proportion of respondents preferring this form of investment has remained static at 6% of SMEs, and the current survey is consistent with this trend. Almost one in ten (9%) SMEs express a preference for other, unspecified forms of financing.

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



While a majority of SMEs in all countries express a preference for debt financing as the means of financing their growth ambitions, there are some significant differences with respect to type. In France (76%) and Ireland (76%) over three quarters of respondents express a preference for bank loans, as do over half of SMEs in a further 16 countries. At the other end of the scale, only around four in ten SMEs in Romania (38%) and Latvia (39%) prefer bank loans. Where other loans are concerned, preference varies from 4% in Croatia to 28% in Luxembourg. In almost all cases less than a quarter (25%) of SMEs prefer equity investment, but this ranges from 1% in Hungary to 23% in Latvia, while in Sweden over a quarter (26%) prefer this form of financing<sup>27</sup>.

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



Companies in the construction sector (68%) are the most likely to prefer bank loans over other sources of financing, particularly when compared with those in the service sector (60%). Where company size is concerned, the most significant differences concern other sources of loans, with 20% of the largest companies preferring this option compared with 13% of the smallest companies, and other, unspecified sources of funding, which the smallest companies are twice as likely as the largest to choose (12% vs 6%). Innovative SMEs are more likely than non-innovative ones to choose non-bank loans (17% vs 12%), but less likely to opt for bank loans (58% vs 66%). The same relationship is observed in the case of exporters and non-exporters, with fewer exporters choosing bank loans (58% vs 64%) but more of these enterprises choosing other kinds of loan (18% vs 13%). Both gazelles (56%) and other high-growth companies (57%) are less likely than the average SME (62%) to opt for bank loans.

**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	62	15	6	9	8
<b>Sector</b>					
Industry	63	16	6	8	7
Construction	68	12	5	8	7
Trade	62	15	5	9	9
Services	60	15	7	10	8
<b>Size: employees</b>					
1--9	60	13	7	12	8
10--49	62	15	6	9	8
50--249	64	17	5	6	8
250+	64	20	4	6	6
<b>Innovativeness</b>					
Innovative	58	17	7	10	7
Non-innovative	66	12	4	8	9
<b>Growth</b>					
Gazelle	56	13	8	15	8
High-growth	57	18	7	10	7
<b>Exporting vs. non-exporting</b>					
Exporters	58	18	7	9	8
Non-exporters	64	13	5	10	8

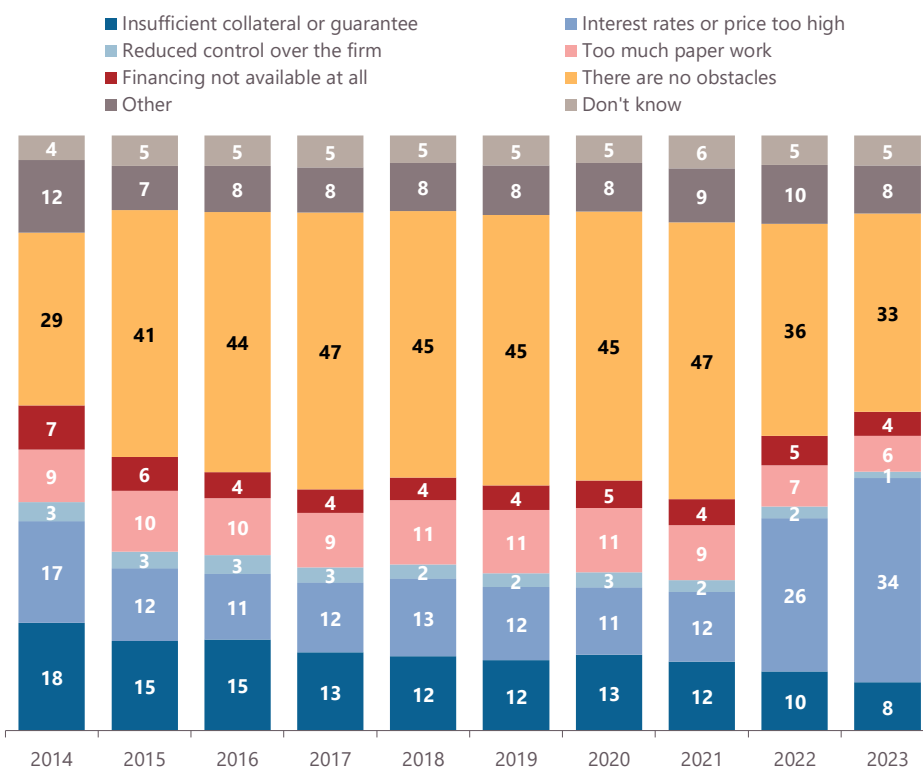
<sup>27</sup> Results for Cyprus, Estonia, Luxembourg, Malta and Slovenia should be interpreted with caution due to low base size (<99)



## Perceived limiting factors to obtaining financing

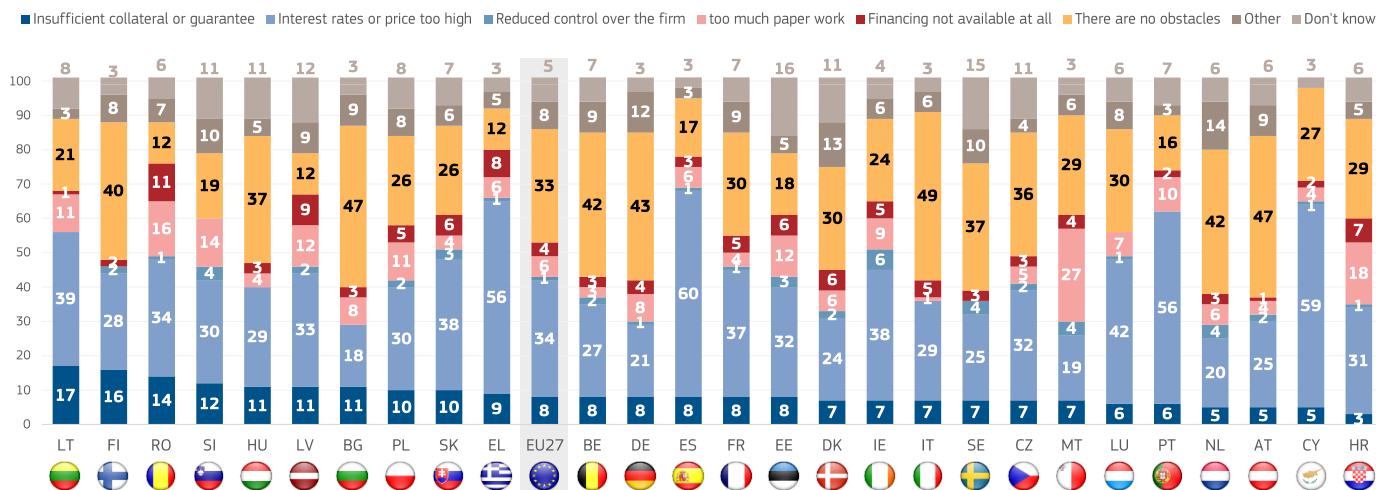
Over a third (34%) of SMEs with plans to grow in the next two to three years see interest rates or prices being too high as the most important limitation to accessing finance in the future. While until 2021 this response was given by just over one in ten (10%) SMEs, in 2022 the percentage mentioning this factor increased to 26%, and the current results confirm that a significant change has occurred. Less than one in ten mention any of the other factors, with 8% (-2 pp) citing insufficient collateral or guarantee, 6% (-1 pp) too much paperwork, and only 1% (-1 pp) mentioning reduced control over the firm. These figures have remained comparatively stable since the first survey in 2014, while the proportion of respondents saying that there are no obstacles to obtaining financing has fallen from nearly half (47%) of SMEs in 2021 to only a third (33%) in the current survey.

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



There are significant differences at the country level, although the low base rate in some countries means the extent of these differences should be treated with caution. Over half of SMEs in Spain (60%), Cyprus (59%), Portugal (56%) and Greece (56%) say that interest rates or prices constitute a barrier to obtaining financing. In all other countries less than half give this response, but this varies from over four in ten (42%) in Luxembourg to less than a fifth in Bulgaria (18%). In all cases less than a fifth (20%) mention insufficient collateral as a reason, varying from 17% in Lithuania and 16% in Finland to only 3% in Croatia. There is little variation when it comes to reduced control over the firm, but more in the case of perceptions that there is too much paperwork involved in securing financing. This is not regarded as a significant problem in Finland (0%), Sweden (0%) or Italy (1%), but in Croatia nearly a fifth (18%) see it as an issue.<sup>28</sup> There are also significant differences in the case of those seeing no obstacles to financing. Nearly half of those polled in Italy (49%), Bulgaria (47%) and Austria (47%) see no obstacles, compared with just over one in ten in Greece (12%), Romania (12%) and Latvia (12%).

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



The results broken down by country characteristics show in most cases only moderate differences. SMEs in the trade sector (36%) and construction sector (35%) are slightly more likely than those in the services (33%) and industry (33%) sectors to mention interest rates or price increases as the most important limiting factor, while those in the construction sector (29%) are less likely than those in other sectors to perceive no obstacles (29% vs 33-34%). In the case of company size, the main difference lies in the perception that any kind of obstacle exists: while 45% of those with 250 or more employees say that there are no obstacles, less than a third (31%) of those with between 1 and 9 employees give this response. Innovative SMEs are also less likely than their non-innovative counterparts to see no obstacles (30% vs 36%). Gazelles (23%) are much less likely than the average SME (34%) to say that interest rates and prices are an obstacle to securing financing, but this figure should be treated with caution due to the low base.

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

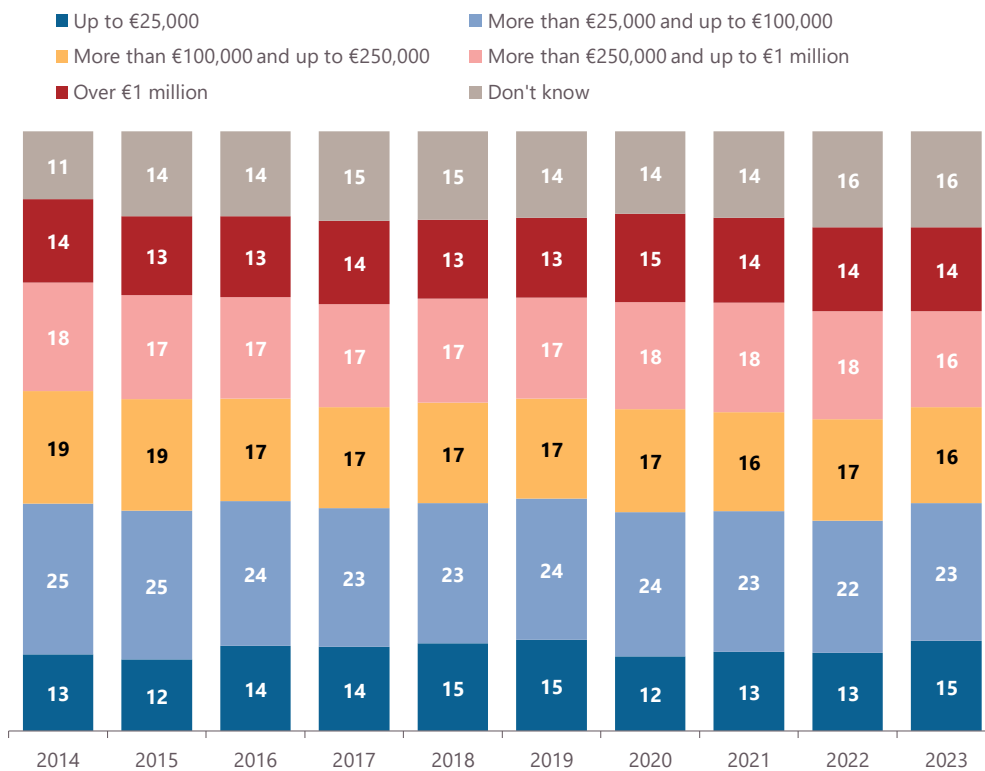
	Insufficient collateral or guarantee	Interest rates or price too high	Reduced control over the firm	Financing not available at all	Other	too much paperwork	There are no obstacles	Don't Know
EU27	8	34	1	4	8	6	33	5
<b>Sector</b>								
Industry	10	33	1	4	9	5	34	4
Construction	10	35	1	5	6	7	29	6
Trade	7	36	1	3	8	6	34	5
Services	8	33	1	5	8	7	33	6
<b>Size: employees</b>								
1--9	8	34	1	5	8	7	31	5
10--49	8	34	1	5	8	7	32	6
50--249	8	35	1	3	8	4	36	5
250+	5	33	1	3	6	2	45	4
<b>Innovativeness</b>								
Innovative	9	36	2	5	8	7	30	5
Non-innovative	7	32	1	4	7	6	36	6
<b>Growth</b>								
Gazelle	12	23	5	5	9	11	31	4
High-growth	9	33	2	5	8	10	28	6
<b>Exporting vs. non-exporting</b>								
Exporters	8	34	2	4	7	7	33	5
Non-exporters	8	34	1	5	8	6	33	5

<sup>28</sup> Results for Cyprus, Estonia, Luxembourg, Malta and Slovenia should be interpreted with caution due to low base size (<99)

## Amount of financing

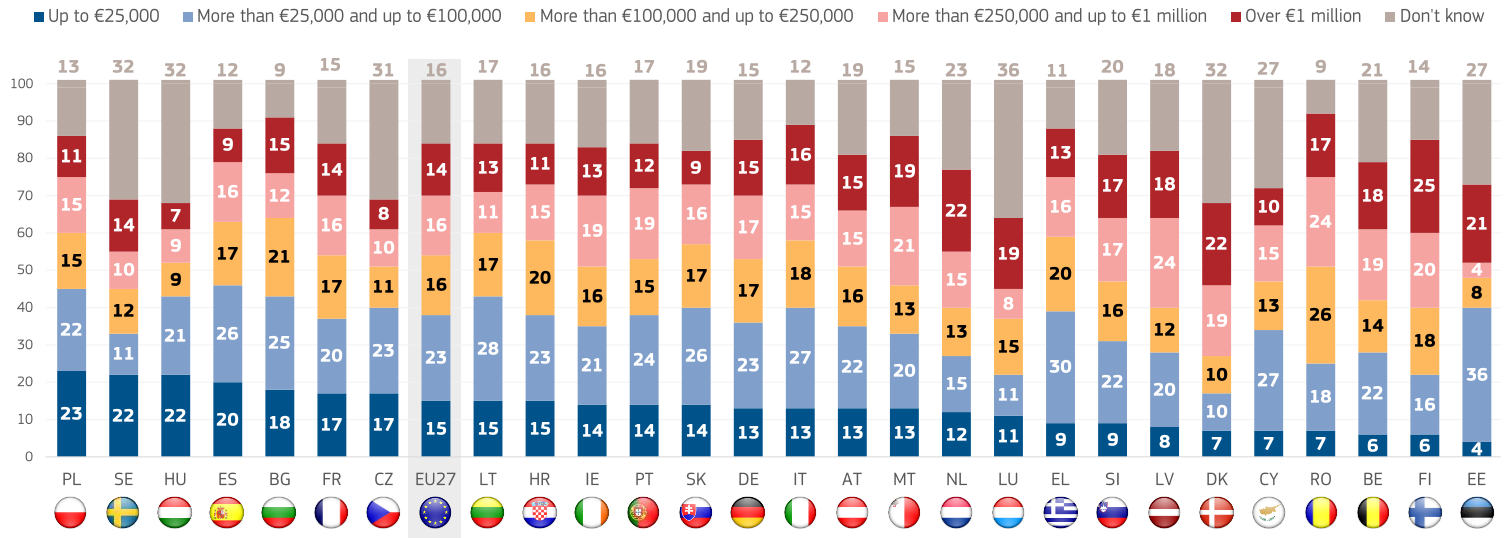
SMEs that required external financing were asked what amount of financing they would aim to obtain. Answers to this question have remained quite stable over time, and the current survey continues this tendency. Over a fifth (23%, +1 pp) of SMEs would aim to obtain between 25,000 and 100,000 EUR. Other options are chosen by less than a fifth of respondents: 15% (+2 pp) of SMEs would aim to obtain up to 25,000 EUR, 16% (-1 pp) would seek between 100,000 EUR and 250,000 EUR or between 250,000 EUR and 1 million EUR, while 14% (no change) would aim to obtain more than 1 million EUR in financing.

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



There are some significant differences at the country level. In the case of the most frequently chosen option at the EU27 level (25,000 EUR – 100,000 EUR), the spread of responses ranges from only one in ten (10%) in Denmark to over a third (36%) in Estonia.<sup>29</sup> There is also a wide spread in the case of the lowest category (up to 25,000 EUR), with only 4% of respondents in Estonia giving this figure compared with nearly a quarter (23%) in Poland. In the case of sums between 100,000 and 250,000 EUR, Romania (26%) stands out, followed by Bulgaria (21%), Greece (20%) and Croatia (20%), but in Hungary and Denmark only one in ten (9%, 10%) would hope to obtain this figure. Romania (24%) – along with Latvia (24%) – also has the highest proportion of SMEs that would attempt to obtain between 250,000 EUR and 1 million EUR. Finland (25%) has the highest proportion of SMEs that would attempt to obtain upwards of 1 million EUR in financing, followed by Denmark and the Netherlands (both 22%). At the other end of the scale, less than one in ten of those surveyed in Hungary (7%), Czechia (8%), Spain (9%) or Slovakia (9%) would aim for this level of financing.

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



<sup>29</sup> Results for Cyprus, Estonia, Luxembourg, and Malta should be interpreted with caution due to low base size (<99)

The breakdown by company type yields some clear differences. Where sector is concerned, SMEs in the industry sector are more likely to seek larger amounts of financing than others. Only 6% would aim for up to 25,000 EUR, compared with 18% of those in the services sector, while a quarter (24%) would aim to obtain 1 million EUR or more, compared with 11–12% of those in other sectors. Unsurprisingly, size of company is also highly relevant, particularly with respect to the difference between micro SMEs and the rest. While over a quarter (26%) of those with 1 – 9 employees would aim for up to 25,000 EUR, only 3% would try to obtain upwards of 1 million EUR. Conversely, only 2% of companies with 250+ employees would aim for the lowest amount, over six in ten (61%) would aim for 1 million EUR or more. There is a similar pattern in the case of companies with between 50 and 249 employees (4% and 34% respectively).

Innovative SMEs are more likely than non-innovative ones to aim for greater financing: 12% of the former would seek up to 25,000 EUR and 16% 1 million or more, compared with 19% and 12% respectively among the latter. Exporters are significantly more likely to seek higher amounts. Only 8% would aim for less than 25,000, while a fifth (20%) would seek 1 million EUR or more. Among non-exporters the figures are 20% and 9% respectively.

**Q21** If you need external financing to realise your growth ambitions, what amount of financing would you aim to obtain?  
(% - 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 million	Over €1 million	Don't Know
EU27	15	23	16	16	14	16
<b>Sector</b>						
Industry	6	16	15	25	24	14
Construction	15	24	19	16	12	15
Trade	15	23	16	16	12	16
Services	18	24	16	13	11	17
<b>Size: employees</b>						
1--9	26	33	15	7	3	15
10--49	9	21	21	21	11	17
50--249	4	8	12	24	34	17
250+	2	3	4	14	61	16
<b>Innovativeness</b>						
Innovative	12	22	18	18	16	14
Non-innovative	19	23	14	14	12	18
<b>Growth</b>						
Gazelle	27	12	23	19	11	8
High-growth	11	21	19	18	17	14
<b>Exporting vs. non-exporting</b>						
Exporters	8	18	17	21	20	16
Non-exporters	20	26	16	13	9	16

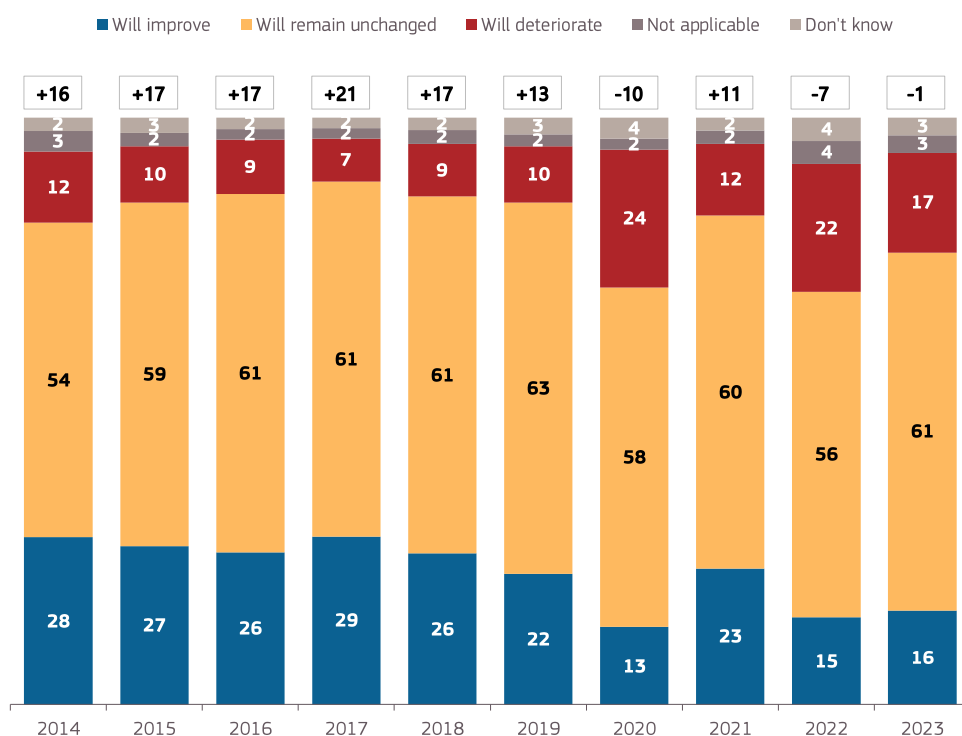
## Expected availability of internal funds and external financing

The following charts illustrate the expectations of SMEs 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 asked only about finance types relevant to their enterprise. Net changes were calculated by subtracting the proportion of SMEs who think availability will improve from the proportion who expect it to deteriorate.

With the exception of equity capital, which has a net improvement score of +3pp, responses follow the tendency established in the previous survey of net deterioration in expectations, although not quite to the same dramatic extent as previously, suggesting fluctuation over time rather than a consistent downward trend. The most significant net deteriorations are seen in the cases of bank loans (-16%) and credit line, bank overdraft and credit cards overdraft (-13%).

SMEs are expecting a slight net deterioration in the availability of internal funds (-1%), with 16% thinking availability will improve and 17% expecting it to deteriorate. This is less of a deterioration than in 2022 (-7%) and 2020 (-10%), but still far off the figure of +11% in 2021.

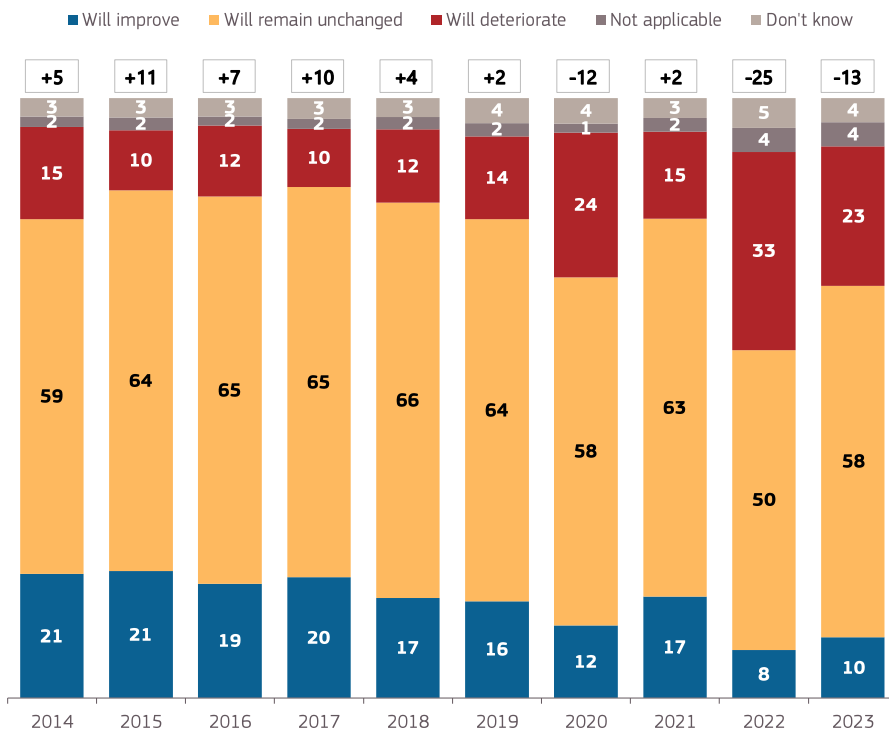
**Q23\_a** Looking ahead, for each of the following types of financing available to your enterprise, could you please indicate whether you think their availability will improve, deteriorate or remain unchanged over the next 6 months?  
**Internal funds**  
 (% - EU)



There is a much more substantial deterioration in the case of credit line, bank overdraft or credit card overdraft (-13%), although again this is not as large as the deterioration observed in 2022 (-25%). 10% of SMEs expect the availability of these forms of financing to improve, while 23% expect their availability to deteriorate.

**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?

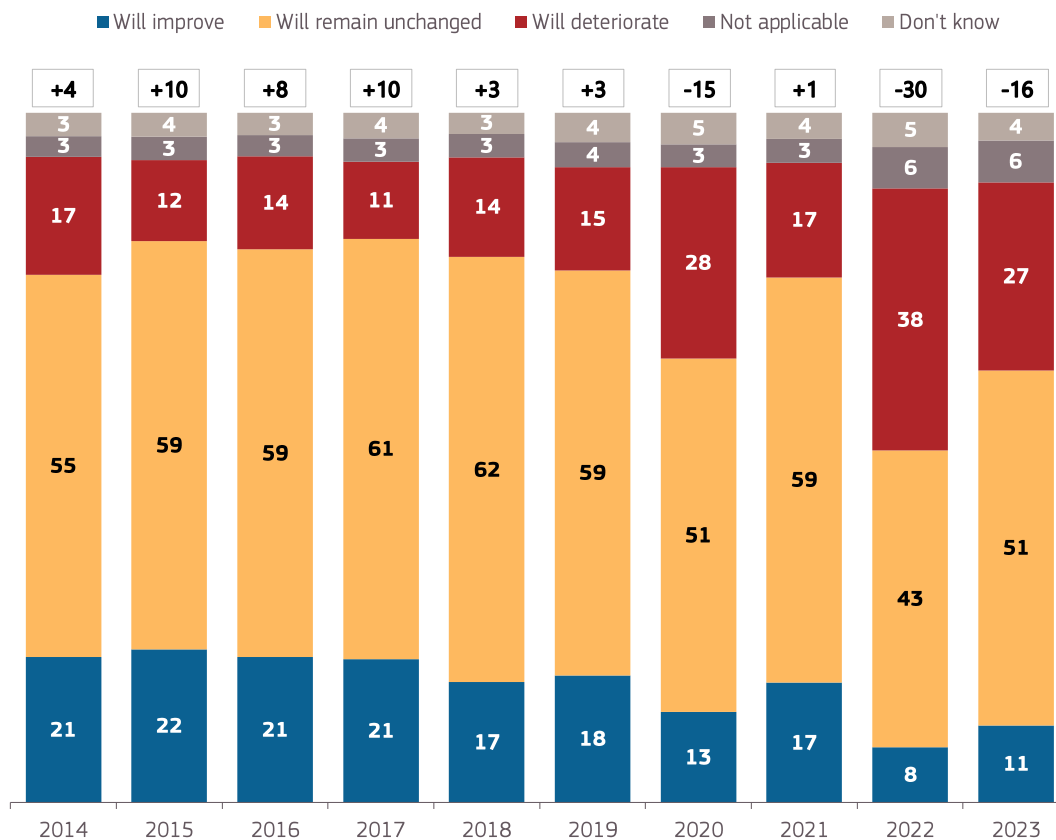
**Credit line, bank overdraft or credit cards overdraft (% - EU)**



There is a similar net expectation of deterioration in the case of bank loans (-16%). Only 11% think that their availability will improve, while 27% believe it will deteriorate. The net deterioration is lower than in 2022 (-30%) but comparable to that observed in 2020 (-15%).

**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?

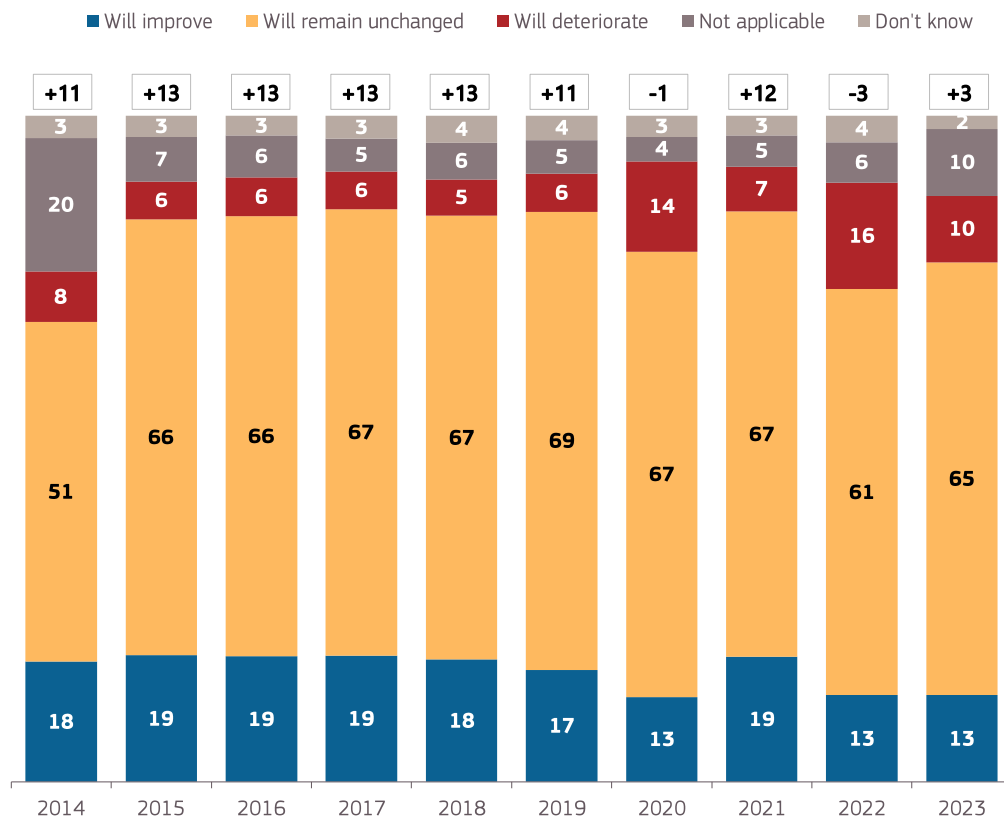
**Bank loans (% - EU)**





Where equity capital is concerned, a net improvement of 3% is expected, cancelling out the -3% net deterioration observed in 2022 but significantly lower than the +12% observed in 2021 and the 11-13% observed in the period 2014 to 2019. However, only 13% expect to see improvement, while 65% think availability will remain the same.

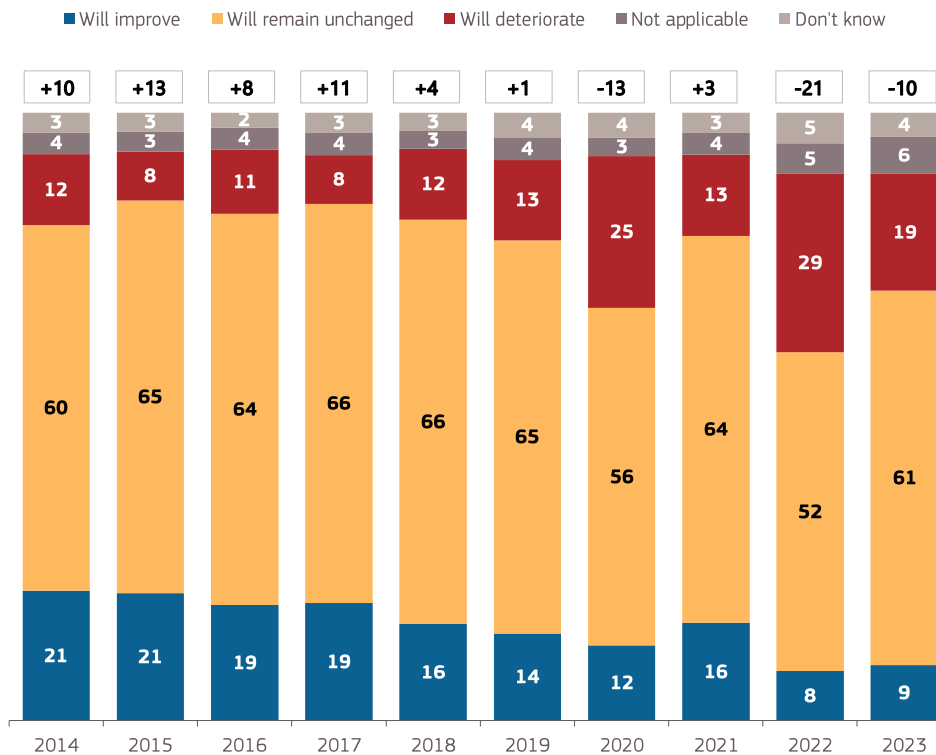
**Q23\_c** Looking ahead, for each of the following types of financing available to your enterprise, could you please indicate whether you think their availability will improve, deteriorate or remain unchanged over the next 6 months?  
**Equity capital (% - EU)**



SMEs remain pessimistic about the availability of trade credit (-10%), but to a lesser extent than in 2022 (-21%). While 9% think the situation will improve, 19% see it deteriorating. Again, net deterioration is similar to that observed in 2020 (-13%), while in other cases the proportion expecting improvements outweighs the proportion expecting availability to 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?

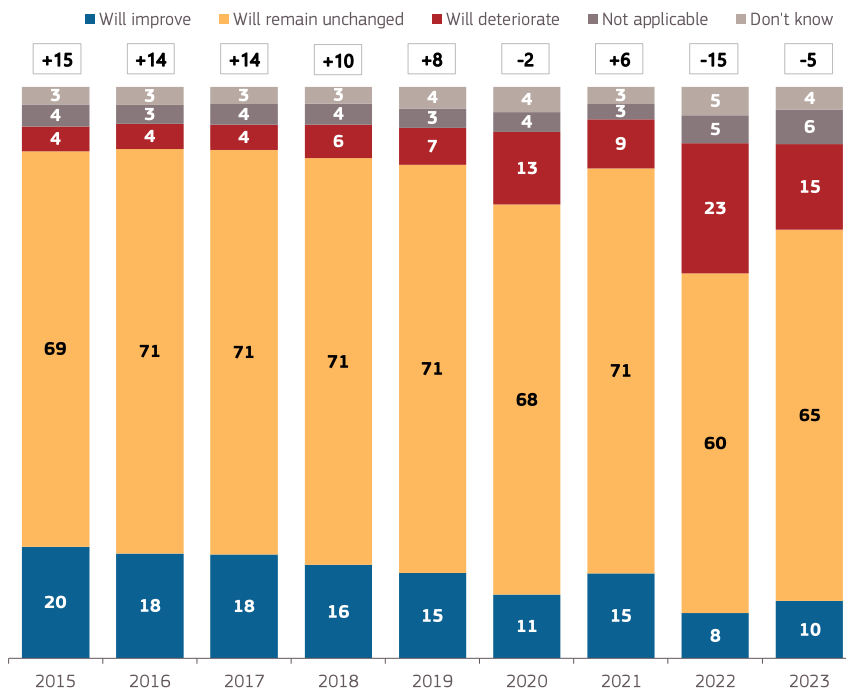
**Trade credit (% - EU)**



In the case of leasing or hire-purchase, 10% of SMEs think the situation will improve and 15% expect it to deteriorate, meaning a net deterioration of -5%. This is lower than in 2022 (-15%) but still more of a deterioration than in 2020 (-2%). SMEs also expect a deterioration in the availability of debt securities issued (-9%), although this is lower than in both 2020 and 2022, when the net deterioration was -13%.

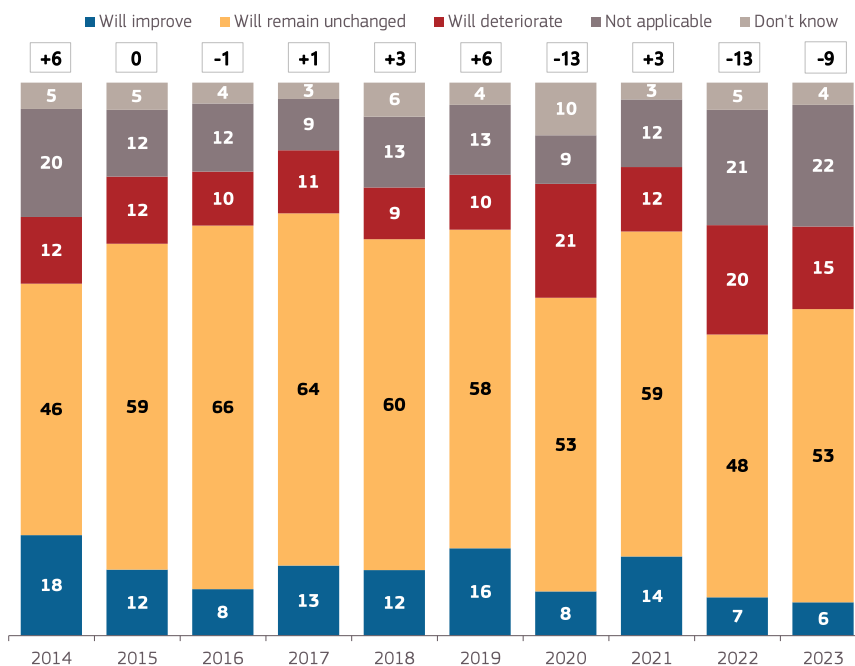
**Q23\_i** Looking ahead, for each of the following types of financing available to your enterprise, could you please indicate whether you think their availability will improve, deteriorate or remain unchanged over the next 6 months?

**Leasing or hire-purchase (% - EU)**



**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?

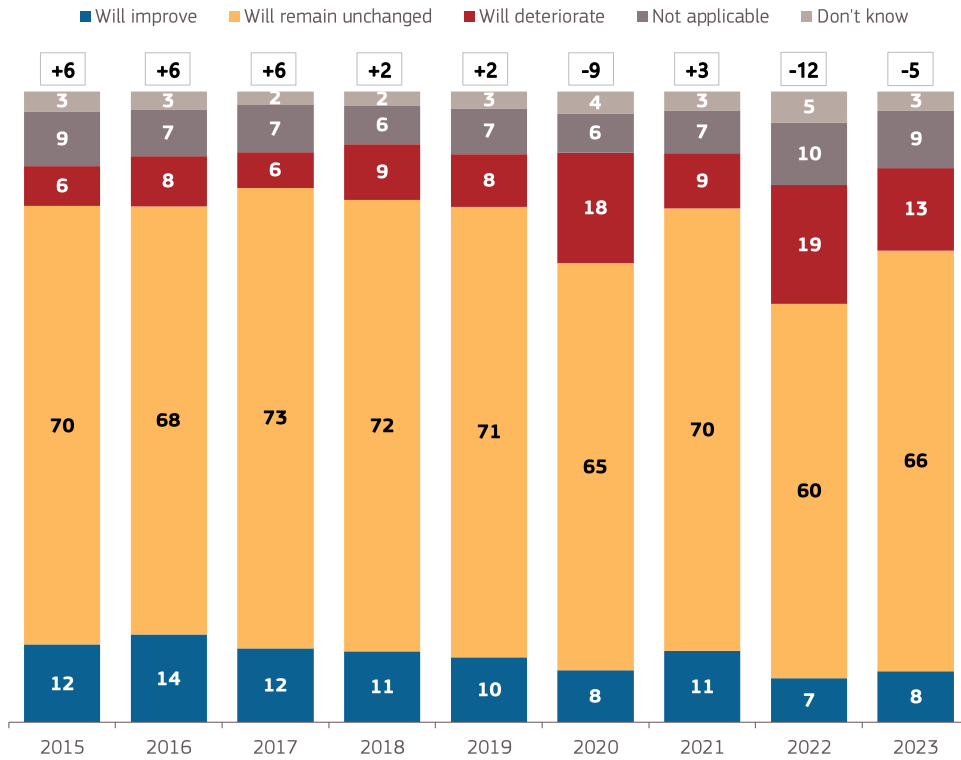
**Debt securities issued (% - EU)**



Finally, where other loan sources are concerned, SMEs anticipate a net deterioration of -5%, which is lower than that observed in 2020 (-9%) and 2022 (-12%).

**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)**



# IV. CHARACTERISTICS AND CURRENT STATE OF ENTERPRISES



## Key findings

Over the last six months, 36% of SMEs in the EU27 report increased turnover, a 4-point drop since December 2022, with 26% reporting a decrease and an overall net increase of 10%. This rate is lower than previous years, except for 2020. Country-specific data show Greece, the Netherlands, and Romania at the higher end, with increases up to 50%, while Estonia, Hungary, and Poland are at the lower end, with net decreases in turnover. Sector-wise, the services sector reports the largest net increase (+18%). Larger firms and innovative SMEs are more likely to see turnover increases, with high-growth companies significantly outperforming the average.

Labour costs for SMEs are rising, with 73% reporting increases in the last six months, up from 70% in 2022. The net increase in labour costs varies slightly across sectors and company sizes, with larger and innovative SMEs experiencing higher increases. The average net increase is at a record high of 70%. 80% of SMEs report rising costs for materials and energy, a decrease from the +91% peak in December 2022, but still above pre-2020 levels. The current net increase is +77%, with the majority of EU countries witnessing significant hikes. Industry SMEs show a lower net increase compared to others, and smaller companies report higher cost increases than larger ones.

Over four in ten (41%) SMEs report increased interest expenses, a net increase of +38%, surpassing the +28% recorded in 2022 and significantly higher than previous figures. Industry sector SMEs, larger companies, innovative firms, and exporters report higher net increases than their counterparts. Less than a quarter (22%) of SMEs see rising profits, resulting in a -19% net decrease overall. The trend suggests stabilisation from previous declines, with most EU countries experiencing net decreases.

The primary issues for SMEs are skilled staff shortages (29%), rising production and operational costs (20%), and finding customers (16%). Larger, innovative companies and exporters are more likely to see competition and access to finance as significant. Nearly half (47%) of EU27 SMEs report late payment issues in the past six months, a slight rise from December 2022. Late payments have an impact on supplier payments (31%), investments and recruitment (21%), production or operations (20%), and loan repayments or additional financing (17%). Construction SMEs and innovative companies are most affected by these problems.

In 2023, 46% of EU SMEs are innovative, slightly declining from previous years, with significant country variation. Industry SMEs and larger companies are more likely to be innovative, as are exporters and high-growth firms like gazelles. High-growth SMEs have dropped to 9% (-1 pp), with Romania leading and Germany, Luxembourg, and Austria having the fewest. 39% of SMEs are exporters, with industry SMEs, and larger and innovative companies most likely to export. Export destinations are mainly within the Euro area (89%), with North America (60%) remaining the top non-European export destination.

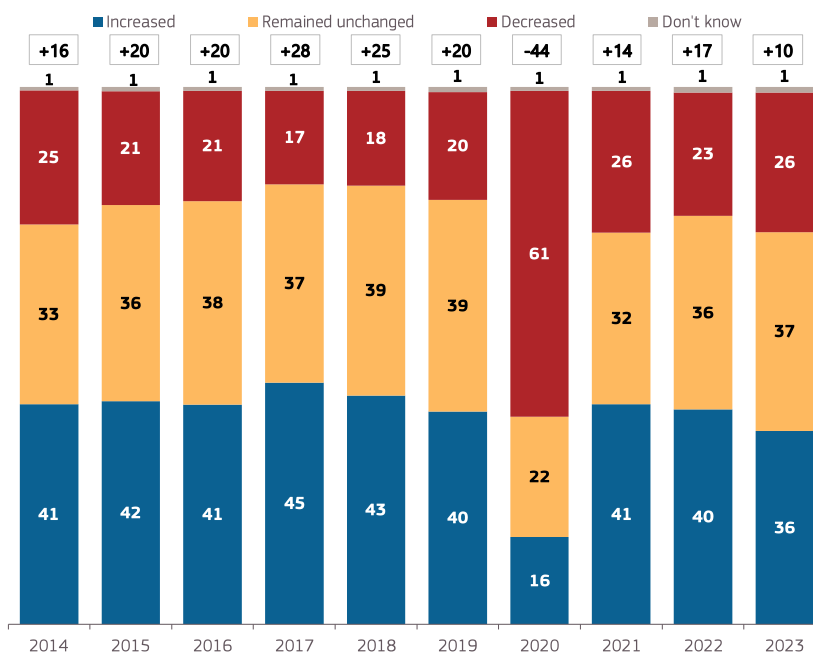
## The financial state of enterprises

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

### Turnover

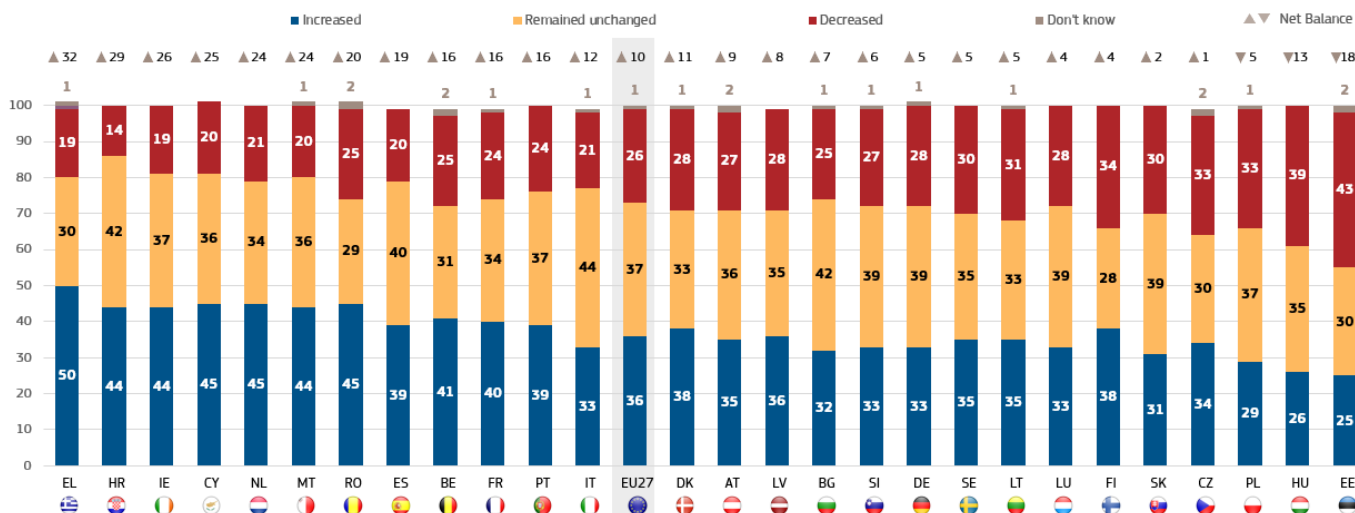
Across all EU27 countries, 36% of SMEs say their turnover has increased over the last six months, down 4 percentage points since December 2022. Almost the same proportion (37%) say that turnover has not changed, while just over a quarter (26%) say it has decreased. This gives a net increase of 10%, which is lower than that observed in 2021 (+14%) and 2022 (+17%), and indeed lower than every year in which this survey has been carried out excepting 2020, when the pandemic saw a net 44% decrease in turnover.

Q2\_a Have the following company indicators decreased, remained unchanged or increased over the past 6 months?  
Turnover (% - EU)



There is significant variation at the country level. Half (50%) of SMEs in Greece have seen an increase, as have 45% in the Netherlands, Cyprus and Romania. At the other end of the scale, less than three in ten SMEs in Estonia (25%), Hungary (26%) and Poland (29%) report an increase. In these three countries there was a net decrease in turnover of -18%, -13% and -5% respectively. In all other countries there was a net increase, ranging from +1% in Czechia to +32% in Greece<sup>30</sup>.

Q2\_a Have the following company indicators decreased, remained unchanged or increased over the past 6 months?  
(% - Turnover)



<sup>30</sup> Results for Cyprus, Estonia, Luxembourg, and Malta should be interpreted with caution due to low base size (<99)

All categories of company report a net increase in turnover, although this varies substantially. By far the largest net increase is in the services sector (+18%), compared with between +3% and +5% in other sectors. There is a strong positive correlation between size and turnover. Companies with only 1 – 9 employees have seen a mere 4% net increase, compared with +29% among those with 250 employees or more. Innovative SMEs are significantly more likely than non-innovative SMEs to report a net increase in turnover (+18% vs +4%), while the figure for non-exporters is higher than that of exporters (+8% vs 12%). Both gazelles (+33%) and other high-growth companies (+41%) have a net increase much higher than that of the average SME (+11%).

**Q2\_a** Have the following company indicators decreased, remained unchanged or increased over the past 6 months? - Turnover (% - EU)

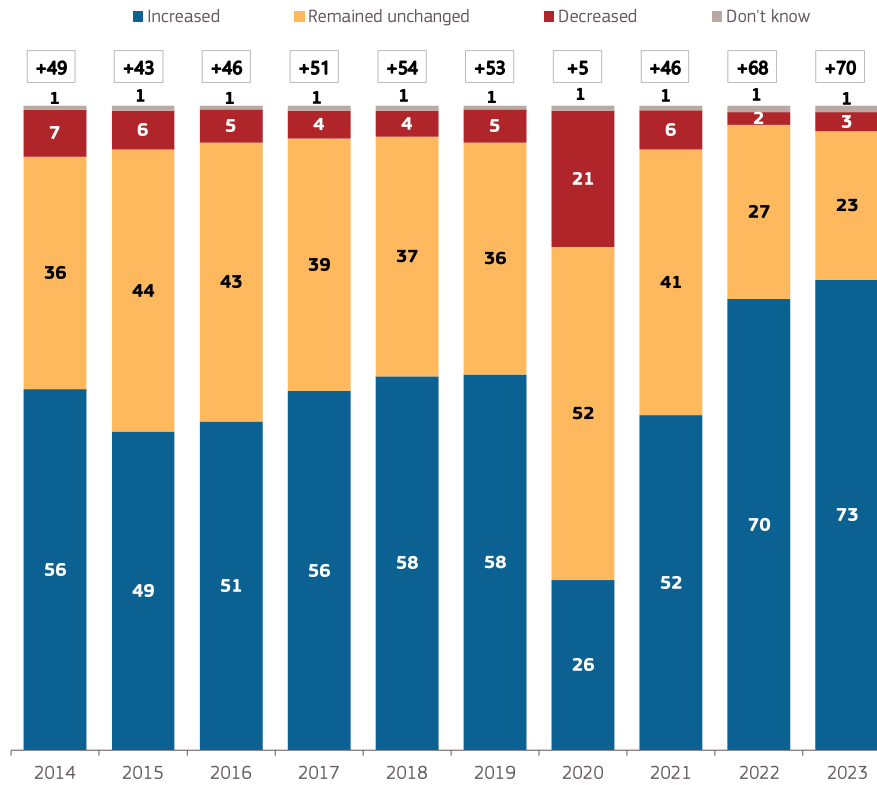
	Increased	Remained unchanged	Decreased	Don't Know	Net balance
EU27	36	37	26	1	10
<b>Sector</b>					
Industry	35	33	32	1	3
Construction	30	43	25	1	5
Trade	34	34	31	1	3
Services	39	39	21	1	18
<b>Size: employees</b>					
1--9	31	42	27	1	4
10--49	38	36	25	1	14
50--249	44	30	25	1	20
250+	52	25	23	1	29
<b>Innovativeness</b>					
Innovative	43	31	25	1	18
Non-innovative	31	42	26	1	4
<b>Growth</b>					
Gazelle	54	24	21	1	33
High-growth	57	26	16	1	41
<b>Exporting vs. non-exporting</b>					
Exporters	38	32	30	1	8
Non-exporters	35	41	23	1	12



## Labour costs

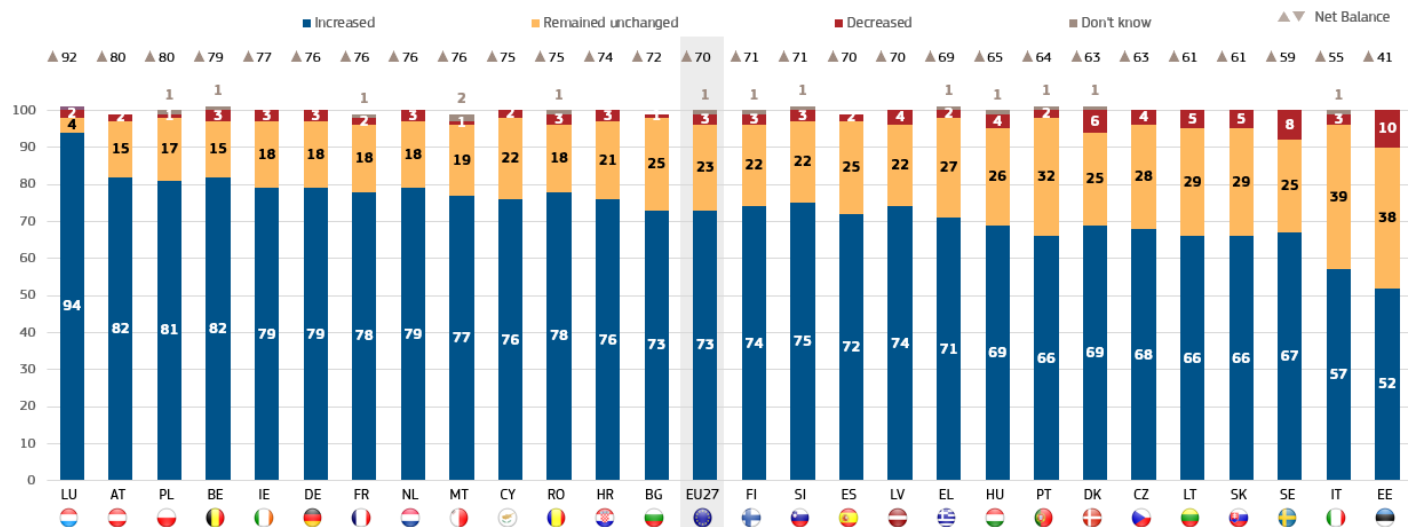
Labour costs for SMEs continue to rise, with 73% saying they have experienced an increase in these costs over the last six months and only 3% noting a decrease. In 2022 the respective figures were 70% and 2%. With the exception of 2020, the year of the pandemic, in previous surveys the proportion of countries noting an increase fluctuated between 49% and 58%. In the current survey, SMEs report a net increase of 70%, the highest figure yet recorded.

**Q2\_b** Have the following company indicators decreased, remained unchanged or increased over the past 6 months?  
Labour cost (including social contributions) (% - EU)



In all countries at least half of SMEs have experienced an increase in labour costs, ranging from just over half in Estonia (52%) to over nine in ten (94%) of those polled in Luxembourg. Only in Estonia does the proportion of those seeing a decrease in labour costs reach double figures. There is thus a net increase in all countries, but one which ranges from +41% in Estonia to +92% in Luxembourg<sup>31</sup>.

**Q2\_b** Have the following company indicators decreased, remained unchanged or increased over the past 6 months?  
(% - Labour cost (including social contributions))



<sup>31</sup> Results for Cyprus, Estonia, Luxembourg, and Malta should be interpreted with caution due to low base size (<99)

There is very little variation in net increases in labour costs among different sectors of industry. However, there is a clear increase as companies get larger. For companies of 1 – 9 employees, the net increase is +63%, while for companies of 250 employees or more it is +81%. Innovative companies (+74%) have a slightly larger net increase than non-innovative ones (68%), but there is no significant difference in the case of exporters versus non-exporters. Gazelles (+67%) have a lower net increase than the average SME (+70%) and other high-growth enterprises (+77%).

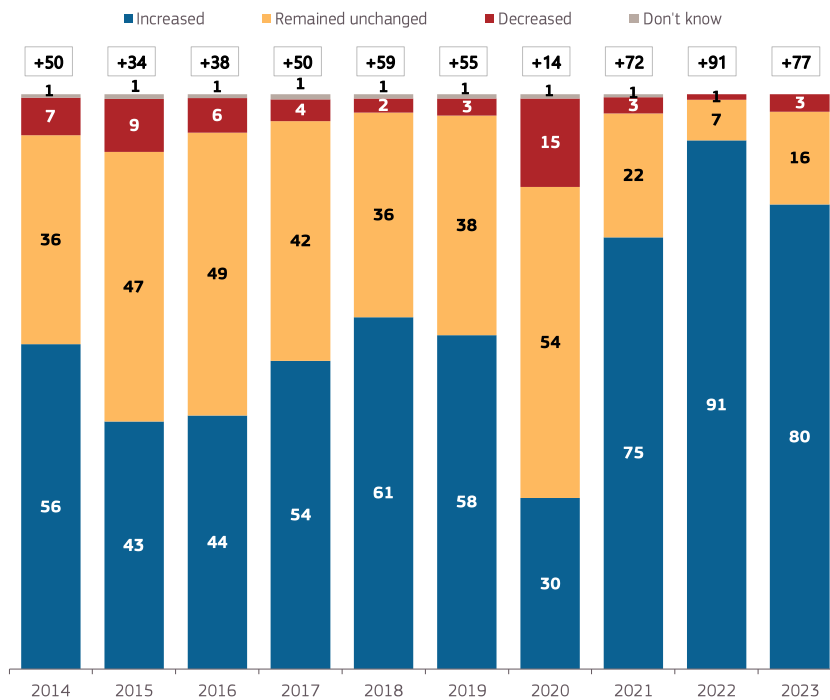
**Q2\_b** Have the following company indicators decreased, remained unchanged or increased over the past 6 months? - Labour cost (including social contributions)  
(% - EU)

	Increased	Remained unchanged	Decreased	Don't Know	Net balance
EU27	73	23	3	1	70
<b>Sector</b>					
Industry	74	22	3	1	71
Construction	73	24	2	0	71
Trade	74	24	2	0	71
Services	73	23	3	1	70
<b>Size: employees</b>					
1--9	67	29	3	1	63
10--49	78	19	2	0	76
50--249	80	17	2	0	78
250+	83	14	2	1	81
<b>Innovativeness</b>					
Innovative	77	20	3	0	74
Non-innovative	71	26	3	1	68
<b>Growth</b>					
Gazelle	70	27	3	0	67
High-growth	79	19	2	0	77
<b>Exporting vs. non-exporting</b>					
Exporters	74	22	3	0	72
Non-exporters	73	24	3	1	70

## Other costs

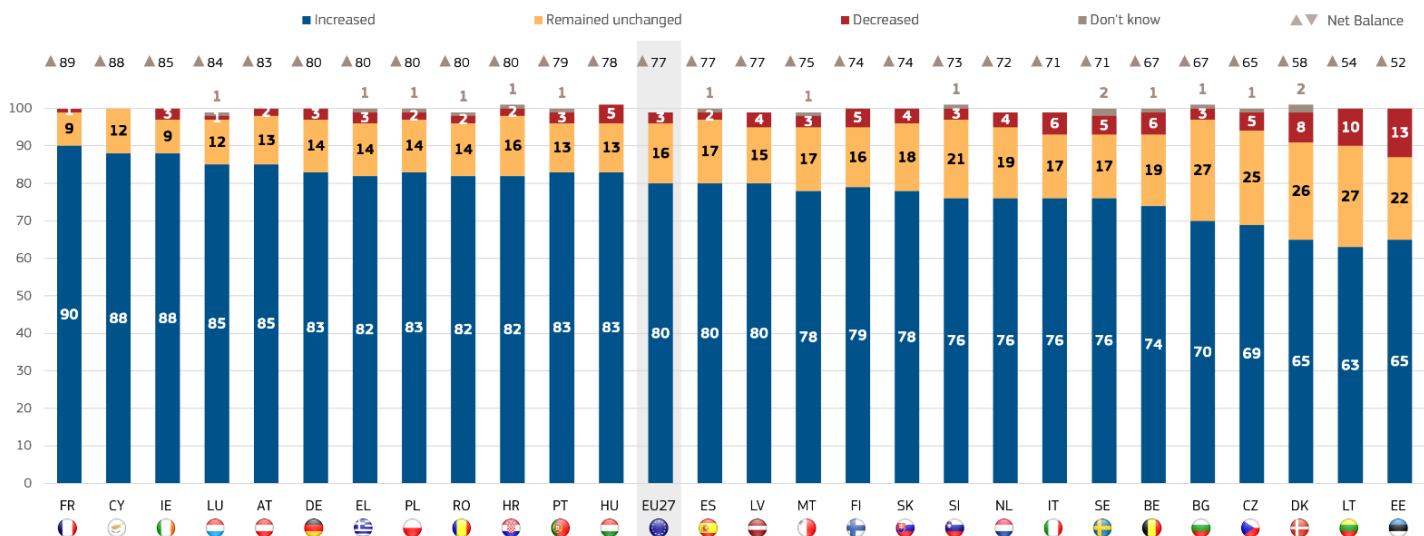
80% of SMEs have experienced an increase in other costs such as materials and energy, while only 3% say there has been a decrease in these costs, giving a net increase of 77%. This is significantly lower than the +91% recorded in December 2022, and more comparable to the 72% noted in 2021. However, it is still considerably higher than the increases recorded prior to the pandemic year of 2020, when the net increase varied between +43% and +61%.

Q2\_c Have the following company indicators decreased, remained unchanged or increased over the past 6 months?  
Other cost (materials, energy, other) (% - EU)



In all countries a significant majority of SMEs have seen an increase in other costs, from 63% in Lithuania to 90% in France. Only in Estonia (13%) and Lithuania (10%) is the proportion of SMEs reporting a decrease higher than in single figures. The net increase ranges from +52% in Estonia to +89% in France<sup>32</sup>.

Q2\_c Have the following company indicators decreased, remained unchanged or increased over the past 6 months?  
(% - Other cost (materials, energy, other))



<sup>32</sup> Results for Cyprus, Estonia, Luxembourg, and Malta should be interpreted with caution due to low base size (<99)

When companies are broken down by sector, those in the industry sector (+62%) stand out for a lower net increase than those in other sectors (+78% - +81%). Smaller companies are more likely to report net increases in other costs, with a +78% net increase for companies with between 1 and 9 employees compared with a +70% increase among companies with 250+ employees. There is no significant difference in the case of innovative versus non-innovative companies, but exporters (+73%) report lower net increases than non-exporters (+80%).

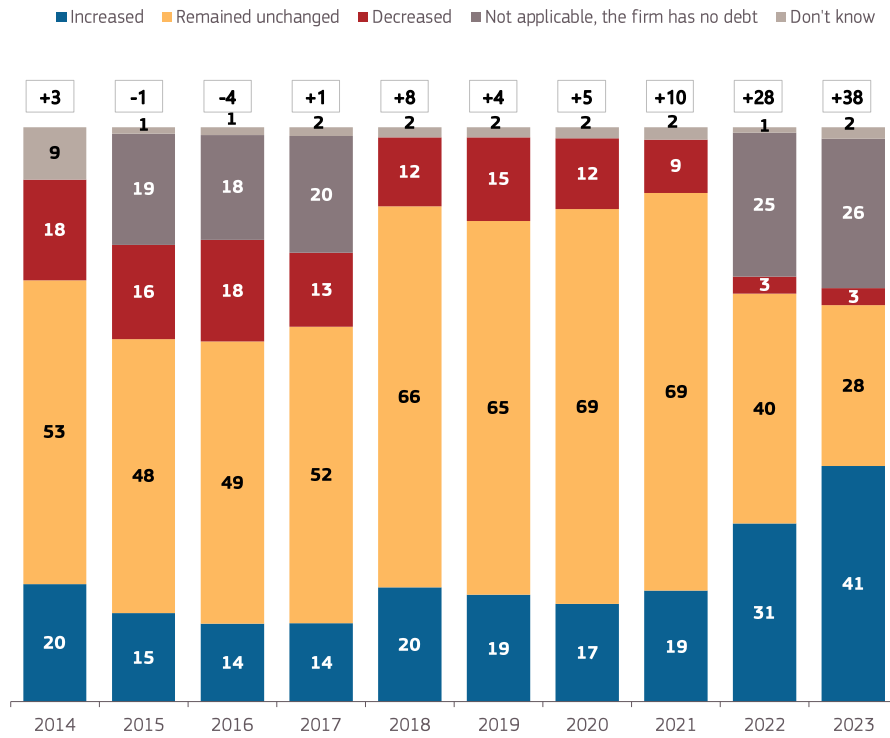
**Q2\_c** Have the following company indicators decreased, remained unchanged or increased over the past 6 months? - Other cost (materials, energy, other) (% - EU)

	Increased	Remained unchanged	Decreased	Don't Know	Net balance
EU27	80	16	3	0	77
<b>Sector</b>					
Industry	71	19	10	1	62
Construction	81	16	3	1	78
Trade	83	14	3	0	81
Services	82	16	2	0	80
<b>Size: employees</b>					
1--9	81	16	3	1	78
10--49	82	15	3	0	79
50--249	78	16	6	0	71
250+	77	16	7	0	70
<b>Innovativeness</b>					
Innovative	81	14	4	0	78
Non-innovative	79	17	3	0	76
<b>Growth</b>					
Gazelle	82	13	5	0	76
High-growth	82	16	2	0	79
<b>Exporting vs. non-exporting</b>					
Exporters	78	16	5	0	73
Non-exporters	82	15	2	0	80

## Interest expenses

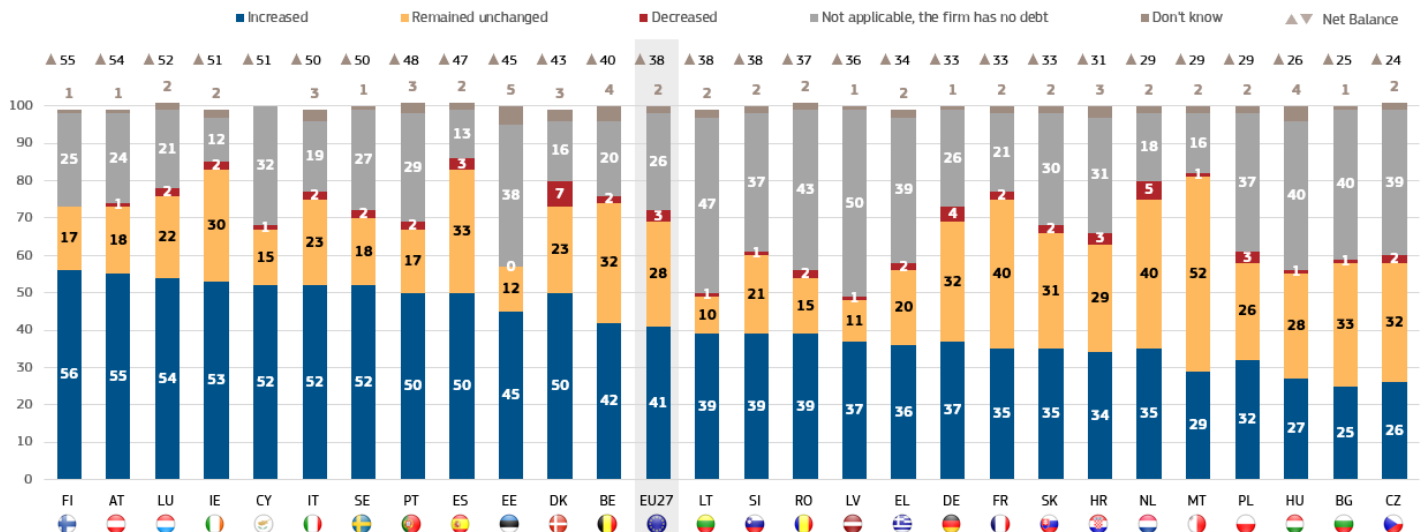
Over four in ten (41%) SMEs say that their interest expenses have increased over the past six months, with 28% saying there has been no change and only 3% noting a decrease. A further 26% say that this question does not apply to them as their firm does not have debt. The net increase is thus +38%. This is higher than in 2022, when the corresponding figure was +28%, and much higher than in all surveys prior to 2022, when it ranged between -4 and +10%.

**Q2\_d** Have the following company indicators decreased, remained unchanged or increased over the past 6 months?  
Interest expenses (% - EU)



There is significant country-level variation. In 10 Member States at least half (50%) of SMEs have seen an increase, with the highest figures recorded in Finland (56%) and Austria (55%). At the other end of the scale, in Czechia and Bulgaria only just over a quarter (26%) of those polled say interest expenses have increased. In all cases there is a net increase, from +24% in Czechia to +56% in Finland. In all cases no more than a small minority say that interest expenses have decreased, with the highest proportion in Denmark (+7%)<sup>33</sup>.

**Q2\_d** Have the following company indicators decreased, remained unchanged or increased over the past 6 months?  
(% - Interest expenses)



<sup>33</sup> Results for Cyprus, Estonia, Luxembourg, and Malta should be interpreted with caution due to low base size (<99)

At the level of company characteristics there are some significant differences. In the services sector the net increase in interest expenses is 34%, compared with +40% in the case of trade SMEs, +41% for construction SMEs and +46% in the case of SMEs in the industry sector. Company size also matters: in companies of between 1 and 9 employees the net increase is 32%, compared with +54% for companies of 250 employees or more. Innovative SMEs (+42%) and exporters (+44%) have larger net increases than non-innovative (+35%) and non-exporting (+34%) enterprises, while gazelles (+37%) do not differ much from the EU average (38%).

**Q2\_d** Have the following company indicators decreased, remained unchanged or increased over the past 6 months? - Interest expenses (% - EU)

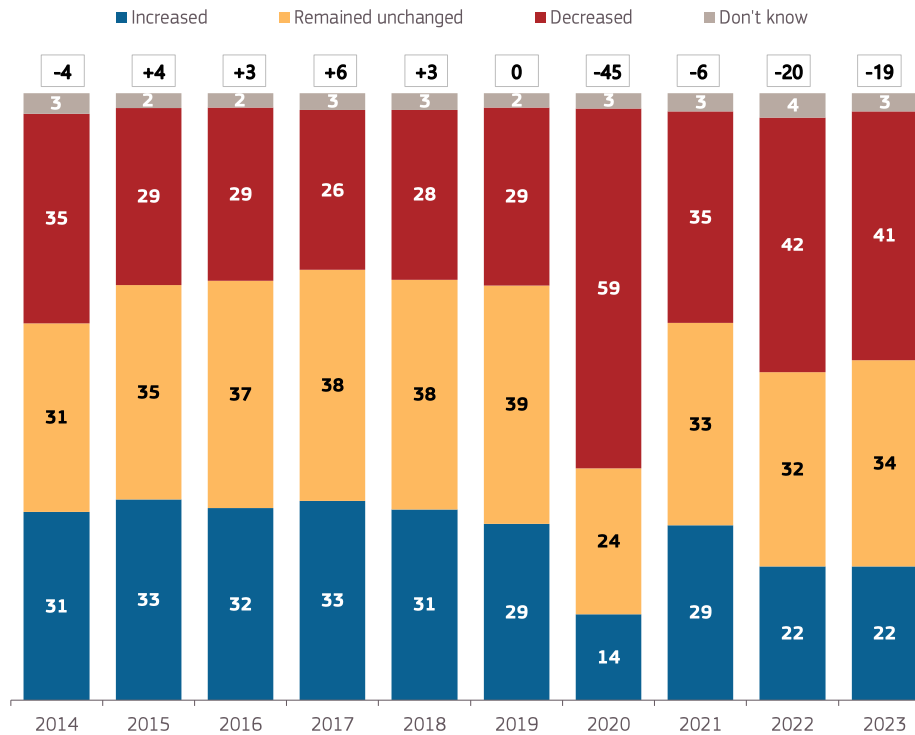
	Increased	Remained unchanged	Decreased	Not applicable, the firm has no debt	Don't Know	Net balance
EU27	41	28	3	26	2	38
<b>Sector</b>						
Industry	49	26	3	20	2	46
Construction	44	28	3	23	3	41
Trade	43	26	3	26	2	40
Services	37	30	3	28	2	34
<b>Size: employees</b>						
1--9	34	30	2	32	2	32
10--49	44	28	3	23	2	41
50--249	52	26	3	17	1	49
250+	58	20	4	15	2	54
<b>Innovativeness</b>						
Innovative	45	26	3	25	2	42
Non-innovative	38	31	3	27	2	35
<b>Growth</b>						
Gazelle	43	21	6	31	0	37
High-growth	46	26	3	24	1	43
<b>Exporting vs. non-exporting</b>						
Exporters	47	25	3	23	2	44
Non-exporters	37	31	3	28	2	34

## Profit

Less than a quarter (22%) of SMEs report increasing profits, with 41% saying that profits have decreased and 34% noting no change. This results in a net decrease of -19%. After a decline between 2021 and 2022, these figures indicate a stabilisation, with very similar results to those obtained in the last survey.

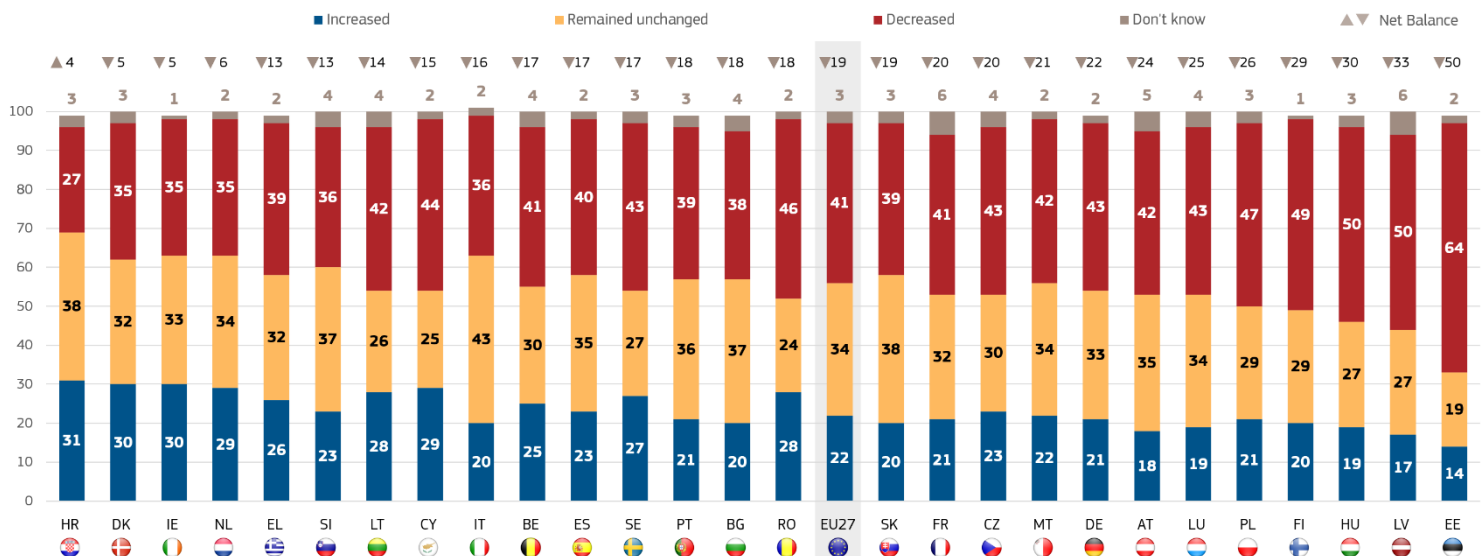
**Q2\_e** Have the following company indicators decreased, remained unchanged or increased over the past 6 months?

**Profit**  
(% - EU)



In all but one of the 27 Member States there is a net decrease, ranging from -5% in Denmark and Ireland to -50% in Estonia, although the latter figure should be treated with caution due to a low base size. The only country which has seen a net increase is Croatia (+4)<sup>34</sup>.

**Q2\_e** Have the following company indicators decreased, remained unchanged or increased over the past 6 months?  
(% - Profit)



<sup>34</sup> Results for Cyprus, Estonia, Luxembourg, and Malta should be interpreted with caution due to low base size (<99)

At the level of company characteristics there is a net decrease in almost all cases, but to varying extents. Among SMEs in the services sector, the figure is -13%, compared with -22% in construction, -24% in industry and -25% in trade. The largest companies by employee number have a lower net decrease of only -9%, compared with -19% among the smallest companies. Innovative SMEs have a slightly lower net decrease at -17% compared with -20% for non-innovative companies, but there is no significant difference in the case of exporters and non-exporters. Finally, gazelles (-13%) have a lower net decrease than the average SME (-19%), while other high-growth enterprises report a slight net increase (+2%).

**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	34	41	3	-19
<b>Sector</b>					
Industry	22	29	46	3	-24
Construction	19	37	41	3	-22
Trade	20	31	46	3	-25
Services	24	36	37	3	-13
<b>Size: employees</b>					
1--9	21	36	40	3	-19
10--49	21	32	43	3	-22
50--249	26	30	41	3	-15
250+	29	30	38	3	-9
<b>Innovativeness</b>					
Innovative	25	30	42	3	-17
Non-innovative	20	37	40	3	-20
<b>Growth</b>					
Gazelle	30	23	43	4	-13
High-growth	34	31	32	3	2
<b>Exporting vs. non-exporting</b>					
Exporters	24	30	43	3	-19
Non-exporters	21	36	40	2	-19



## The most important problems

This section discusses the most important problems facing SMEs over the last six months. It mentions the following: finding customers, the availability of skilled staff, competition, regulation, costs of production or labour, and access to finance. Firms were asked to rate the importance of each problem for their enterprise in the last six months on a scale of 1 to 10. Their responses were then translated into rankings of the percentage of firms that saw a specific problem as the most important<sup>35</sup>.

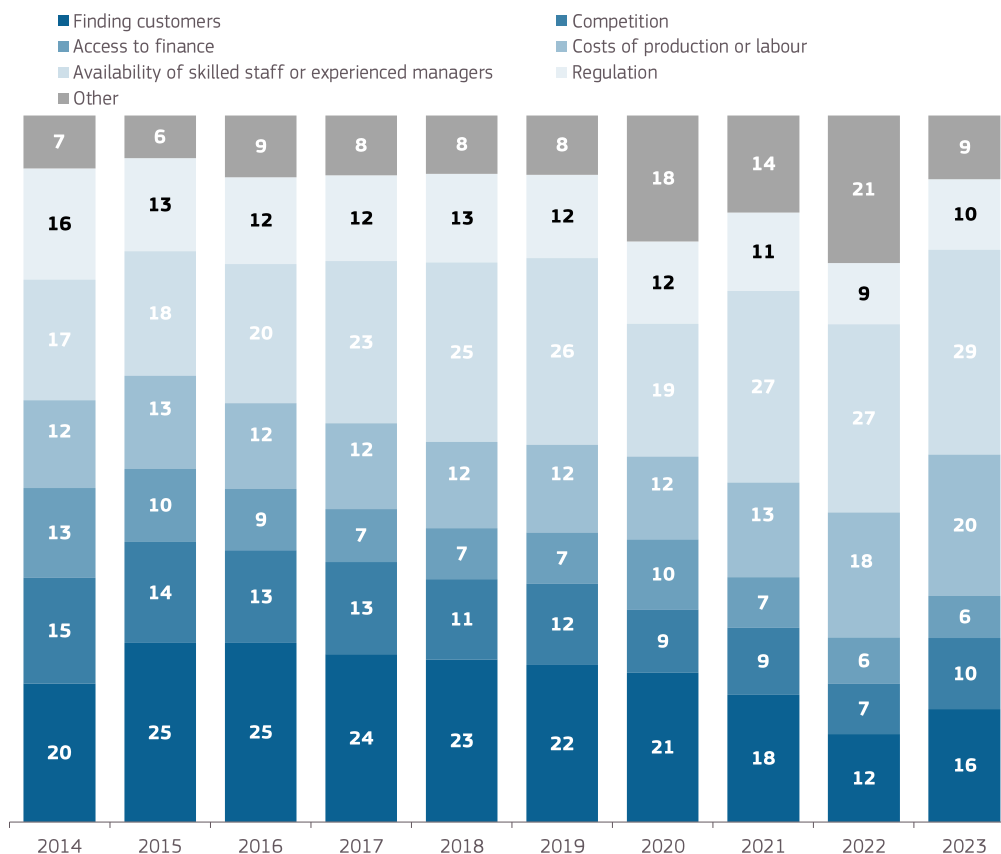
The availability of skilled staff or experienced managers is the most important problem for 29% of SMEs, an increase of 2 percentage points since the last survey. This problem was also the most important in the previous two surveys.

A fifth (20%) mention costs of production or labour. The importance of this issue has risen in each survey since 2020, prior to which it was mentioned by no more than 13% of SMEs.

The third most important problem is finding customers, mentioned by 16% of SMEs. This is a four percentage point increase over the figure in the preceding survey, but is still lower than the 18% recorded in 2021, suggesting that 2022 might have been an outlier in an otherwise steady decline in the proportion of companies giving this answer.

Regulation and competition are mentioned as the most important by one in ten (10%) SMEs. In the case of regulation, the proportion mentioning this has increased by one percentage point since the last survey, and in the case of competition by three percentage points. In both cases figures have tended to fluctuate in recent surveys rather than trend up or down. The least frequently mentioned primary problem is access to finance (6%). There has been no change in this figure since the last survey, but over the course of the surveys as a whole, the proportion of SMEs seeing this as the most significant problem has steadily decreased from a high of 13% in the first survey of 2014.

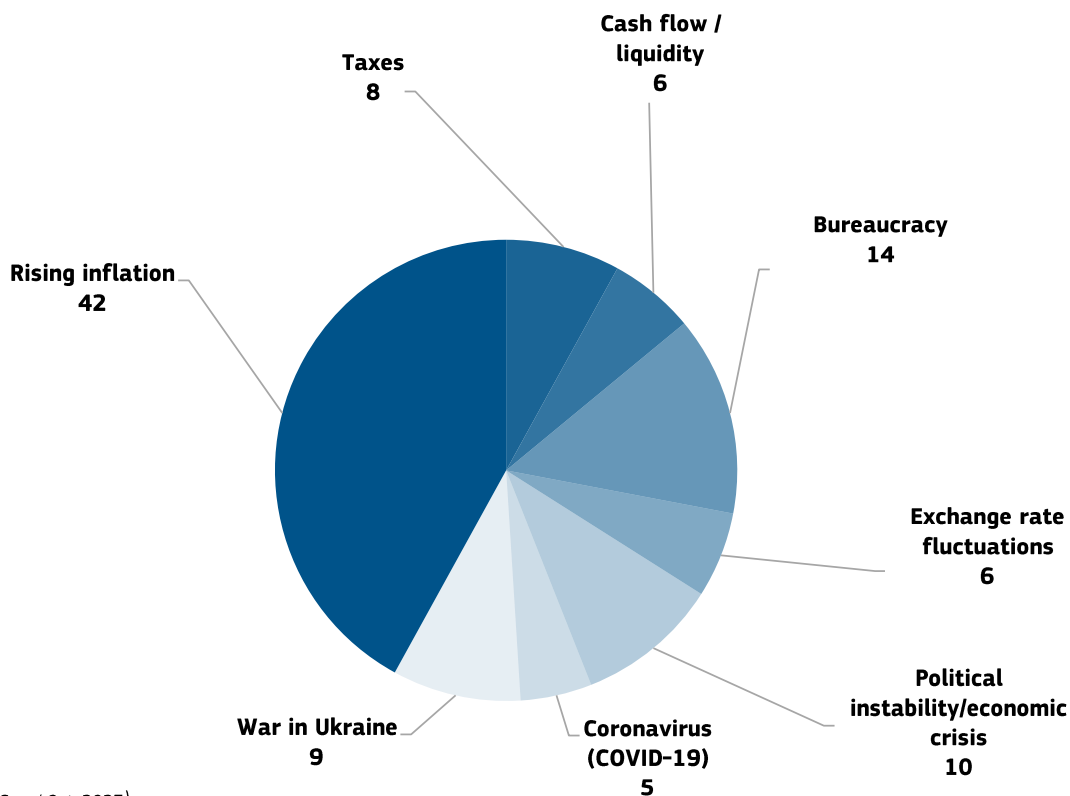
**Q0b** How important have the following problems been for your enterprise in the past six months? Please answer on a scale of 1-10, where 1 means not it is not at all important and 10 means it is extremely important. - Share of firms ranking each problem as the most important one for them (% - EU)



<sup>35</sup> For both Q0b and Q0b\_Other, for each participant only the option or options with the highest score were considered and aggregated at national and EU level.

Other problems are ranked as most important by 9%, a significant decrease from the 21% recorded in 2022. 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 (42%) came largely first. This is followed by bureaucracy (14%), and political instability or economic crisis (10%), the War in Ukraine (9%) of those who chose other problems. The war in Ukraine (9%), taxes (8%), exchange rate fluctuations and cash flow/liquidity (both 6%) and Coronavirus (5%) 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 at all important and 10 means it is extremely important. - Other, please specify - Share of firms ranking each problem as the most important one for them. (EU - %)**



There is much variation at the country level, although in all cases none of the specific problems is seen as the most important by more than half of SMEs. In all but four countries the most important problem is the availability of skilled staff or experienced managers. Where this is the most common response, proportions range from just over a fifth of those surveyed in Romania (22%) and Finland (23%) to over four in ten (43%) SMEs in Croatia.

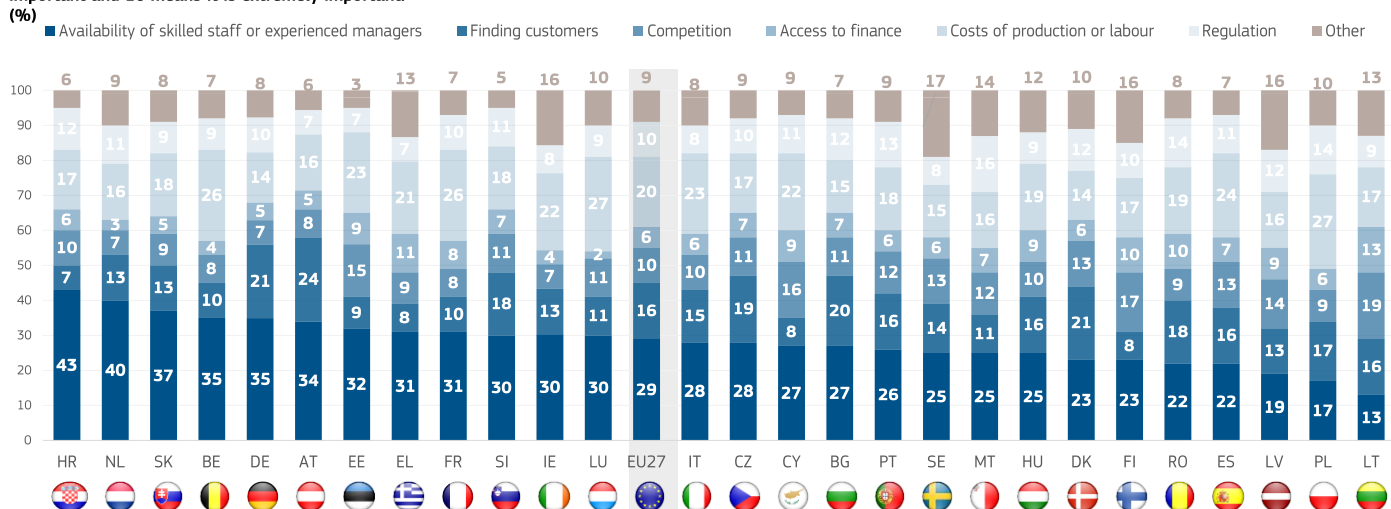
In Poland, the problem most commonly identified as the most important is the costs of production or labour, mentioned by over a quarter (27%) of SMEs. The same proportion mention this as the most important problem in Luxembourg (27%), as do over a quarter of SMEs in Belgium and France (26%). No country has a particularly low proportion of SMEs giving this answer, with 14% doing so in Denmark and Germany.

In none of the countries is finding customers the most important problem for the largest proportion of SMEs. Responses vary significantly, from nearly a quarter (24%) in Austria to only 7% in Croatia. Lithuania (19%) is the only country in which the highest number of SMEs see competition as the most important problem. The proportion of SMEs mentioning this is also high in Finland (17%) and Cyprus (16%), and lowest in Ireland (7%).

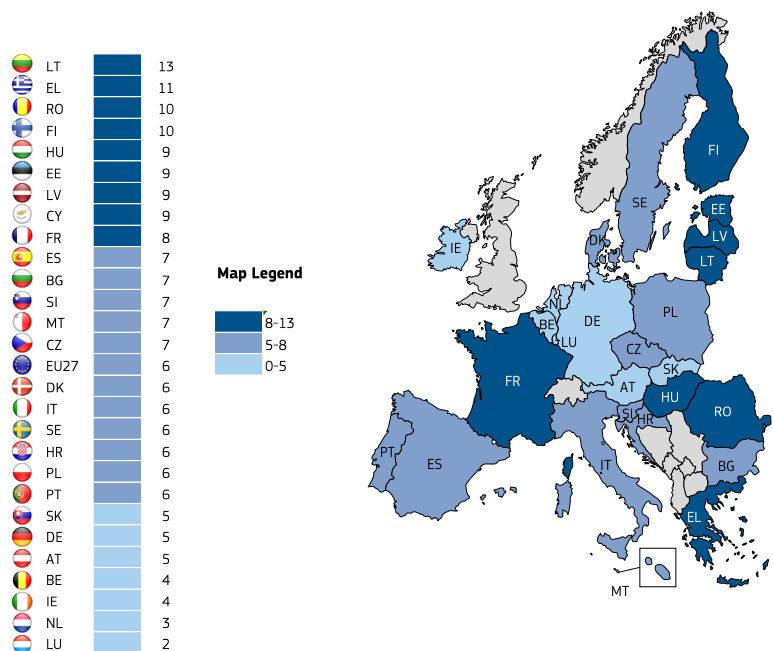
In four countries at least one in ten (10%) SMEs see access to finance as the most important problem, with the highest figure 13% in Lithuania, whereas in Luxembourg only 2% see this as the most important problem. In the case of regulation the responses range from 16% of SMEs in Malta to only 7% in Estonia, Austria and Greece.

Finally, in 16 countries less than one in ten (10%) mention other problems as the most important. Four countries stand out for significantly larger than average proportions of SMEs which give this answer: Sweden (17%), Finland (16%), Ireland (16%) and Latvia (16%).

**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.**



**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. - Access to finance**



The following analysis examines the mean value of points assigned to each problem for each type of business. Where different sectors are concerned, companies in the trade sector are more likely than those in other sectors to say that competition (6.3) is an important problem, while companies in the industry sector are more likely than others to mention costs of production or labour (7.4) and access to finance (4.6). Availability of skilled staff or experienced managers is less of a problem for those in the trade sector (6.4) than it is for others.

The larger the company, the more likely it is to see the following as an important recent problem: competition (6.3 for companies with 250 employees, compared with 5.3 for those with 1 – 9 employees), costs of production or labour (7.4 vs 6.4), availability of skilled staff or experienced managers (7.5 vs 6.2) and regulation (6.0 vs 5.4). Innovative SMEs are more likely than their non-innovative counterparts to see each of the factors as a problem, particularly in the case of access to finance (4.6 vs 3.9). The same goes for exporters compared with non-exporters, particularly in the cases of finding customers (6.4 vs 5.7) and competition (6.0 vs 5.4). In most cases gazelle SMEs are more likely to see these factors as a problem, particularly so in the case of access to finance (5.1 vs 4.2 among SMEs on average). However, gazelles are slightly less likely to see costs of production or labour as a problem (6.7 vs 6.8).

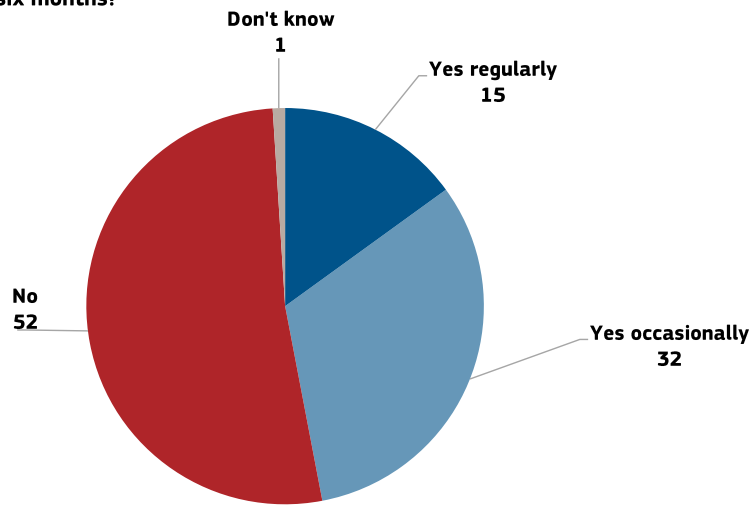
**Q0b** How important have the following problems been for your enterprise in the past six months? Please answer on a scale of 1-10, where 1 means not it is not at all important and 10 means it is extremely important.  
(% - EU)

	Finding customers	Competition	Access to finance	Costs of production or labour	Availability of skilled staff or experienced managers	Regulation	Other
EU27	6.0	5.6	4.2	6.8	6.9	5.6	8.5
<b>Sector</b>							
Industry	6.3	5.9	4.6	7.4	7.1	5.8	8.5
Construction	5.3	5.3	4.2	6.8	7.3	5.4	8.3
Trade	6.5	6.3	4.2	6.7	6.4	5.7	8.5
Services	5.8	5.3	4.1	6.6	6.9	5.5	8.5
<b>Size: employees</b>							
1--9	5.8	5.3	4.0	6.4	6.2	5.4	8.4
10--49	6.1	5.8	4.3	7.0	7.3	5.6	8.6
50--249	6.3	6.1	4.5	7.3	7.5	5.8	8.4
250+	6.2	6.3	4.3	7.4	7.5	6.0	8.4
<b>Innovativeness</b>							
Innovative	6.3	5.8	4.6	7.1	7.1	5.8	8.7
Non-innovative	5.7	5.5	3.9	6.5	6.6	5.3	8.3
<b>Growth</b>							
Gazelle	6.7	5.8	5.1	6.7	7.3	5.8	8.6
High-growth	5.8	5.4	4.6	6.9	7.2	5.6	8.4
<b>Exporting vs. non-exporting</b>							
Exporters	6.4	6.0	4.4	7.0	7.0	5.7	8.5
Non-exporters	5.7	5.4	4.1	6.7	6.8	5.4	8.4

## Late payments

Over four in ten (47%) SMEs in EU27 say they experienced problems due to late payment in the last six months. This figure has risen compared with the December 2022 survey, when 43% mentioned this problem. Nearly a third (32%) say that this is an occasional problem, but for over one in ten SMEs (15%) late payment is a regular problem.

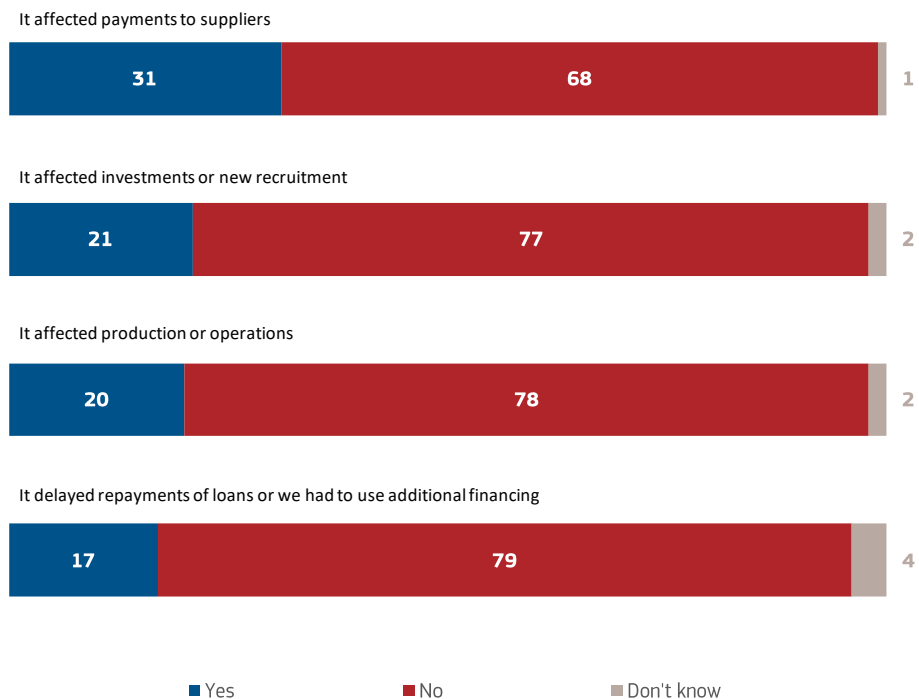
**QA2 Has your company experienced problems due to late payments from any private or public entities in the past six months? (% - EU27)**



(Sep. / Oct. 2023)

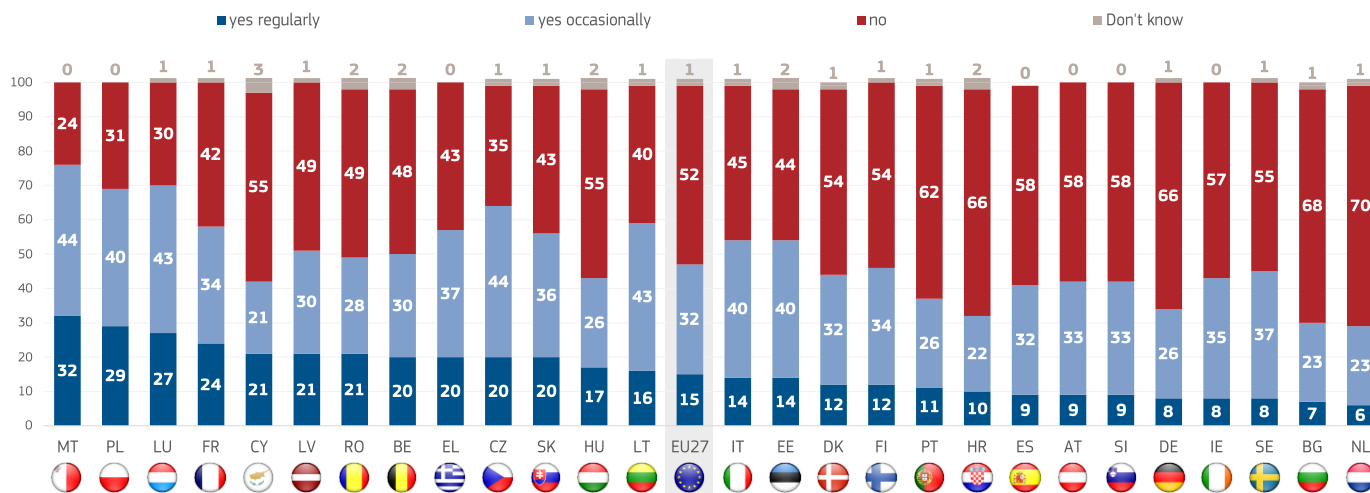
Among SMEs that reported problems, nearly a third (31%, -1 pp) say late payments affected payments to suppliers, just over a fifth (21%, -1 pp) say it affected investments or new recruitment, a fifth (20%, -1 pp.) say it affected production or operations, and less than a fifth (17%, +2 pp) say it delayed repayments of loans or required the use of additional financing.

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



There are significant differences at the country level in the proportions of SMEs who experienced problems due to late payments in the last six months. In 15 Member States less than half experienced problems, with only 29% of enterprises in the Netherlands giving this answer. In the remaining countries at least half (50%) experienced problems, with the highest levels seen in Malta (76%), Luxembourg (70%) and Poland (69%)<sup>36</sup>.

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



SMEs in construction (55%) are more likely than those in other sectors, particularly services (44%), to have experienced problems as a result of late payments, and also more likely to have experienced regular problems (18%, compared with 13-14%). Less than half (44%) of companies with between 1 and 9 employees have experienced problems related to late payment, compared with over half (52%) of those with 250 or more employees. However, there is no significant difference in the case of regular problems.

Innovative companies are significantly more likely than their non-innovative counterparts both to have experienced problems as a result of late payments (53% vs 40%) and to have experienced those problems on a regular basis (18% vs 11%). Exporters are more likely than non-exporters to have experienced problems (50% vs 44%). Gazelles are significantly less likely than the average SME (33% vs 46%) to have experienced problems as the result of late payments, but this result should be treated with caution due to a low base.

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

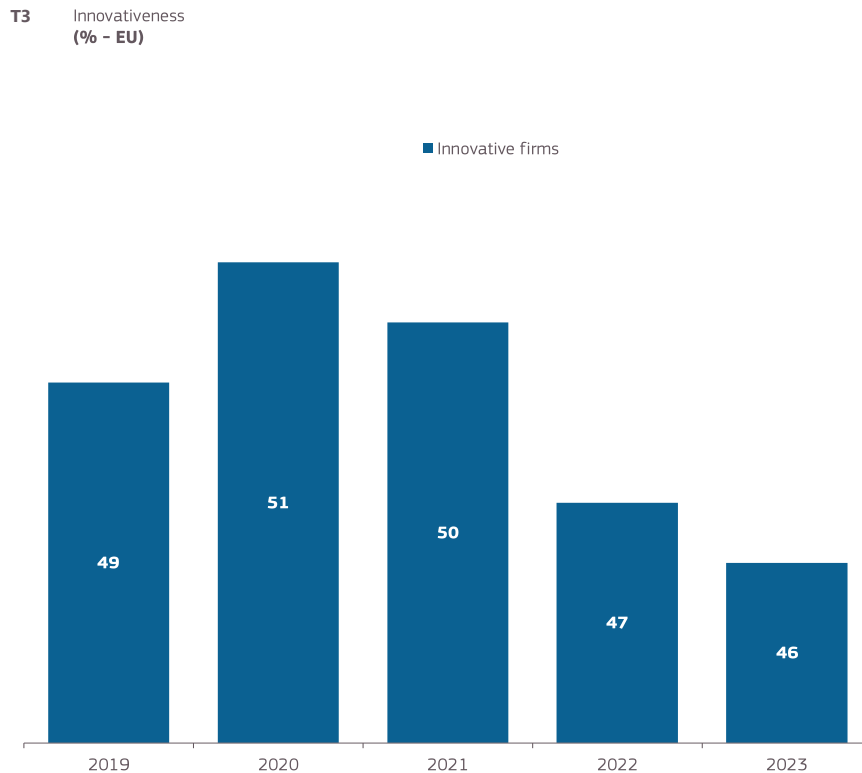
	yes regularly	yes occasionally	no	Don't Know
EU27	15	32	52	1
<b>Sector</b>				
Industry	13	37	49	1
Construction	18	37	44	1
Trade	14	32	53	1
Services	14	30	55	1
<b>Size: employees</b>				
1--9	14	30	55	1
10--49	15	34	50	1
50--249	14	36	49	1
250+	15	39	45	1
<b>Innovativeness</b>				
Innovative	18	36	46	1
Non-innovative	11	30	58	0
<b>Growth</b>				
Gazelle	17	18	65	0
High-growth	18	31	51	0
<b>Exporting vs. non-exporting</b>				
Exporters	15	36	48	1
Non-exporters	14	30	55	1

<sup>36</sup> Results for Cyprus, Estonia, Luxembourg, and Malta should be interpreted with caution due to low base size (<99)

## Innovativeness

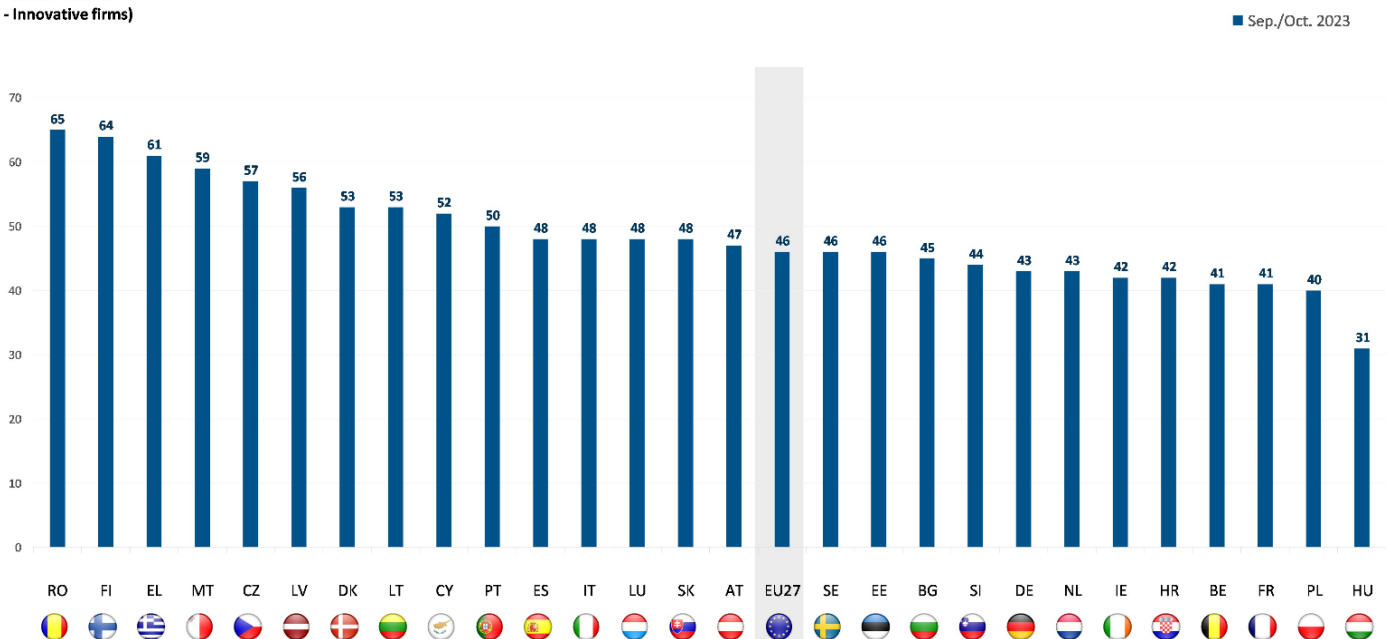
An enterprise is considered innovative when it has introduced a new or significantly improved product or service to the market, a new or significantly improved production process or method, a new organisation of management, or a new way of selling goods or services.

In 2023 46% of SMEs are classed as innovative, a slight decline (-1 pp.) since 2022 and the third consecutive decline since 2020<sup>37</sup>.



At the country level, there is considerable variation<sup>38</sup>. In 10 of the 27 Member States at least half of the SMEs surveyed are innovative, ranging from half (50%) in Portugal to nearly two thirds in Romania (65%) and Finland (64%). In all but one of the remaining countries, at least four in ten (40%) are innovative. The exception is Hungary, where less than a third (31%) of SMEs are innovative.

**T3 Innovativeness (% - Innovative firms)**



<sup>37</sup> Due to the limited prior data on this specific question, this historical analysis is limited to 2019.

<sup>38</sup> Results for Cyprus, Estonia, Luxembourg, and Malta should be interpreted with caution due to low base size (<99)

The breakdown by company type shows that industry SMEs (56%) are the most likely to be classified as innovative, followed by trade (46%) and services (46%). Construction SMEs (34%) are much less likely to be innovative. Only 43% of the smallest companies are innovative, while over half (53%) of those with 250 or more employees fall into this category. Exporters (54%) are much more likely than non-exporters (41%) to be innovative, while both gazelles (66%) and other high-growth SMEs (62%) are considerably more likely than the average SME (46%) to have innovative characteristics.

**T3** Innovativeness  
(% - EU)

	Innovative firms
EU27	46
<b>Sector</b>	
Industry	56
Construction	34
Trade	46
Services	46
<b>Size: employees</b>	
1--9	43
10--49	48
50--249	51
250+	53
<b>Innovativeness</b>	
Innovative	100
Non-innovative	0
<b>Growth</b>	
Gazelle	66
High-growth	62
<b>Exporting vs. non-exporting</b>	
Exporters	54
Non-exporters	41

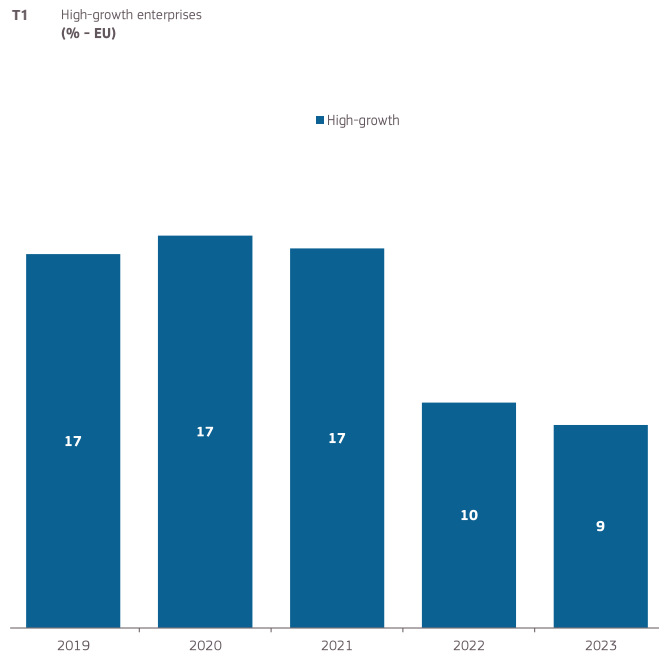


# High-growth enterprises and gazelles

## High-growth enterprises

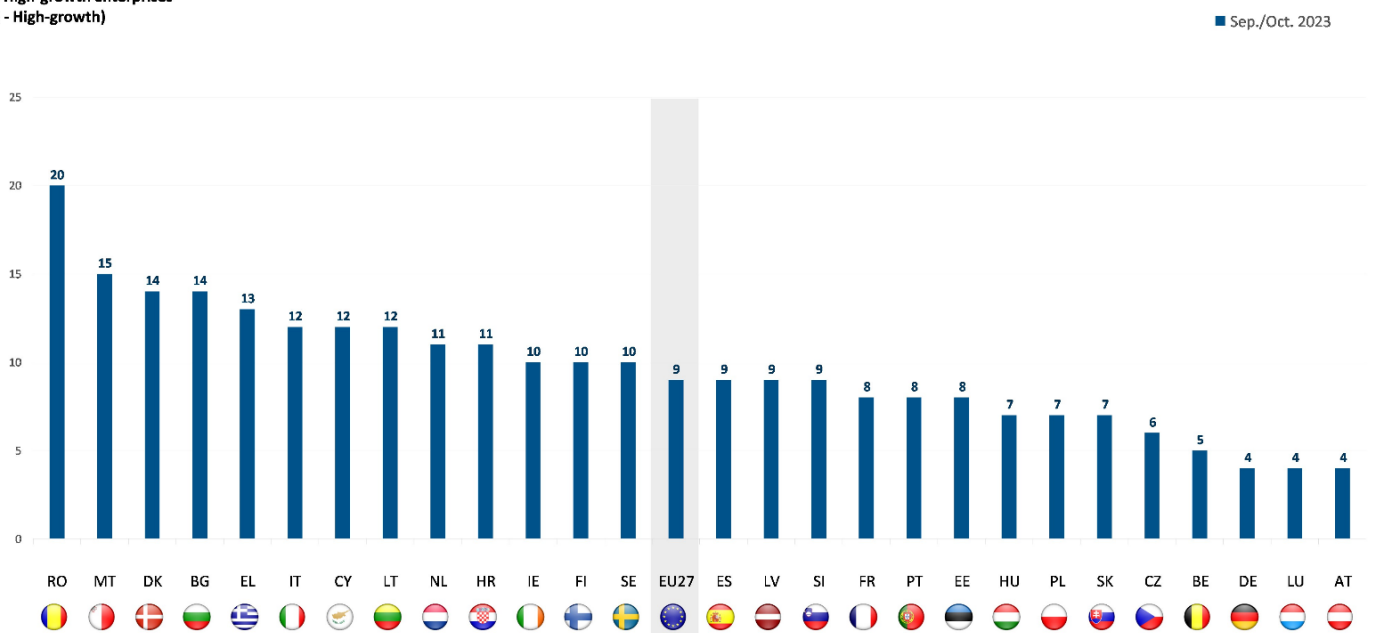
An SME is categorised as a high-growth enterprise when it has experienced an average annualised growth of 20% per annum over a three-year period. These enterprises are of particular interest both because they are an important source of employment growth, but also because they have specific needs to support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

In 2023, 9% of SMEs in EU27 are classified as high growth, a one percentage point decline since 2022 and significantly lower than the 17% figure noted in 2019, 2020 and 2021<sup>39</sup>.



Breaking down responses by country shows that while there are differences, in most cases only a small minority of SMEs can be classified as high growth enterprises. The most significant difference is Romania, where 20% of SMEs are classified as such. In Germany, Luxembourg and Austria (all 4%) very few SMEs fall into this category<sup>40</sup>.

T1 High-growth enterprises (% - High-growth)



<sup>39</sup> Due to the limited prior data on this specific question, this historical analysis is limited to 2019.

<sup>40</sup> Results for Cyprus, Estonia, Luxembourg, and Malta should be interpreted with caution due to low base size (<99)

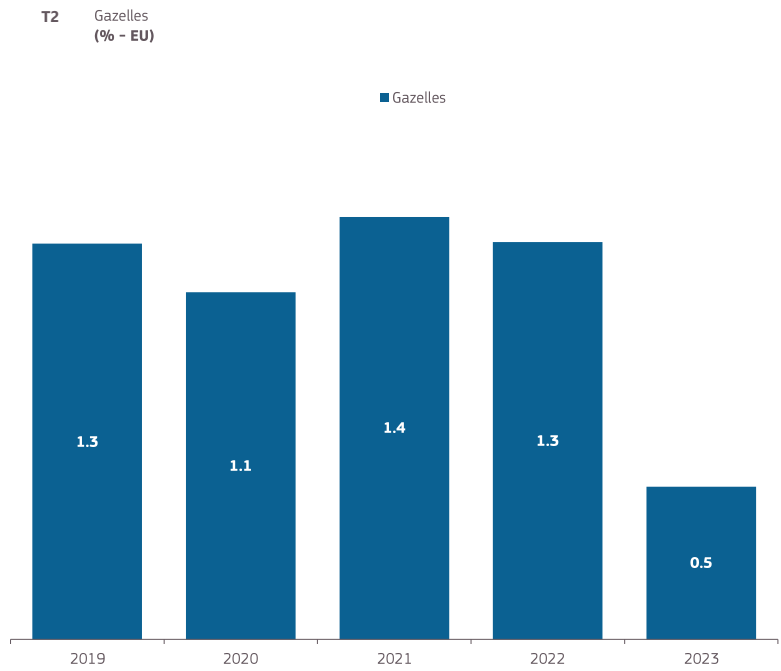
There are few differences at the level of company types. Innovative SMEs (12%) are more likely than non-innovative ones (6%) to be high growth enterprises, while those in the services and construction sector (9%) are more likely than those in industry or trade (both 7%) to be classified in this way.

**T1** High-growth enterprises  
(% - EU)

Category	High-growth (%)
EU27	9
<b>Sector</b>	
Industry	7
Construction	9
Trade	7
Services	9
<b>Size: employees</b>	
1--9	8
10--49	10
50--249	8
250+	8
<b>Innovativeness</b>	
Innovative	12
Non-innovative	6
<b>Growth</b>	
Gazelle	100
High-growth	100
<b>Exporting vs. non-exporting</b>	
Exporters	9
Non-exporters	8

# Gazelles

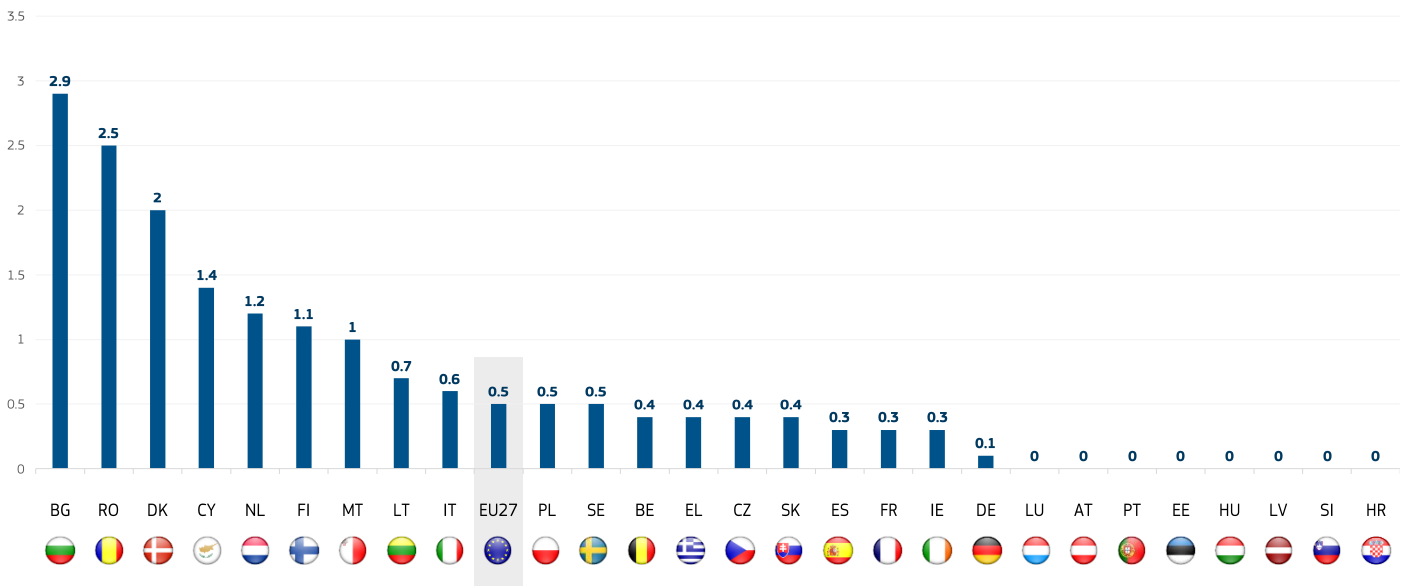
Gazelles are a subset of high-growth enterprises: in addition to having high growth, gazelles are also less than five years old. Across all SMEs 0.5% are gazelles. This is a decline since 2022, when the percentage was 1.3%.<sup>41</sup>



Bulgaria and Romania have the highest proportions of gazelles (2.9% and 2.5% respectively) and there are only other five countries where the proportion is at least 1%: Denmark (2%), Cyprus (1.4%), the Netherlands (1.2%), Finland (1.1%) and Malta (1%).<sup>42</sup>

T2 Gazelles (% - Gazelles)

Sep./Oct. 2023



<sup>41</sup> Due to the limited prior data on this specific question, this historical analysis is limited to 2019.

<sup>42</sup> Results for Croatia, Cyprus, Estonia, Luxembourg, and Malta should be interpreted with caution due to low base size (<99).

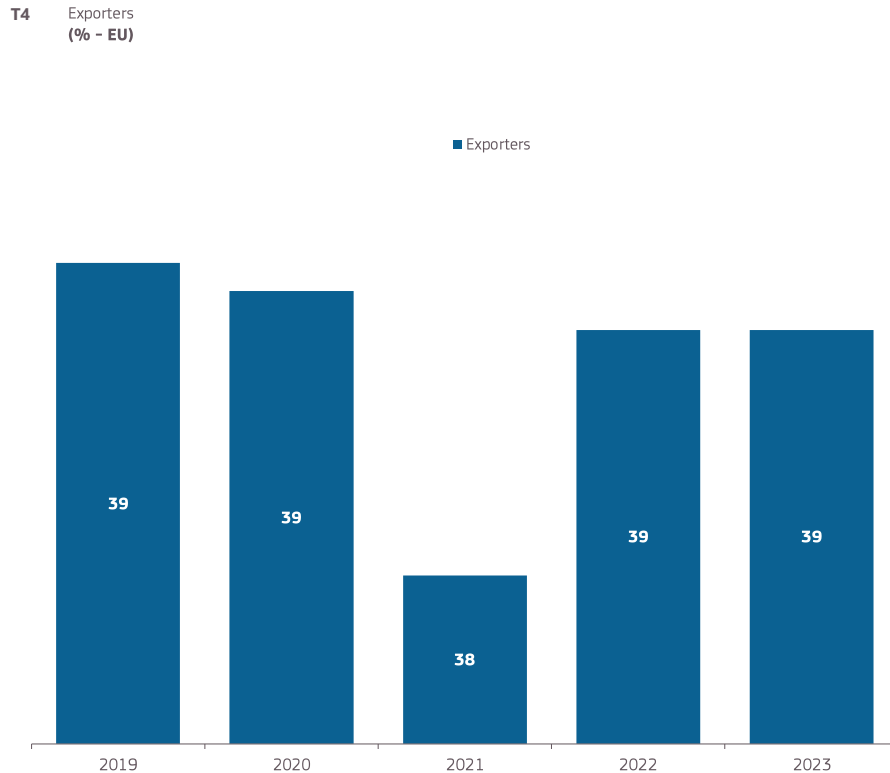
Gazelles make up a larger share of services SMEs (0.6%) than they do in other sectors, and particularly in trade and industry (0.4%). They also make up a larger share of micro (0.7%) SMEs than of larger enterprises (0.3-0.4%). Innovative SMEs have a larger share of gazelles than non-innovators (0.7% vs 0.3%), while non-exporting SMEs have a larger share of gazelles than exporters (0.6% vs 0.3%).

**T2**      **Gazelles**  
(% - EU)

Category	Gazelles (%)
EU27	0.5
<b>Sector</b>	
Industry	0.4
Construction	0.5
Trade	0.4
Services	0.6
<b>Size: employees</b>	
1--9	0.7
10--49	0.4
50--249	0.3
250+	0.3
<b>Innovativeness</b>	
Innovative	0.7
Non-innovative	0.3
<b>Exporting vs. non-exporting</b>	
Exporters	0.3
Non-exporters	0.6

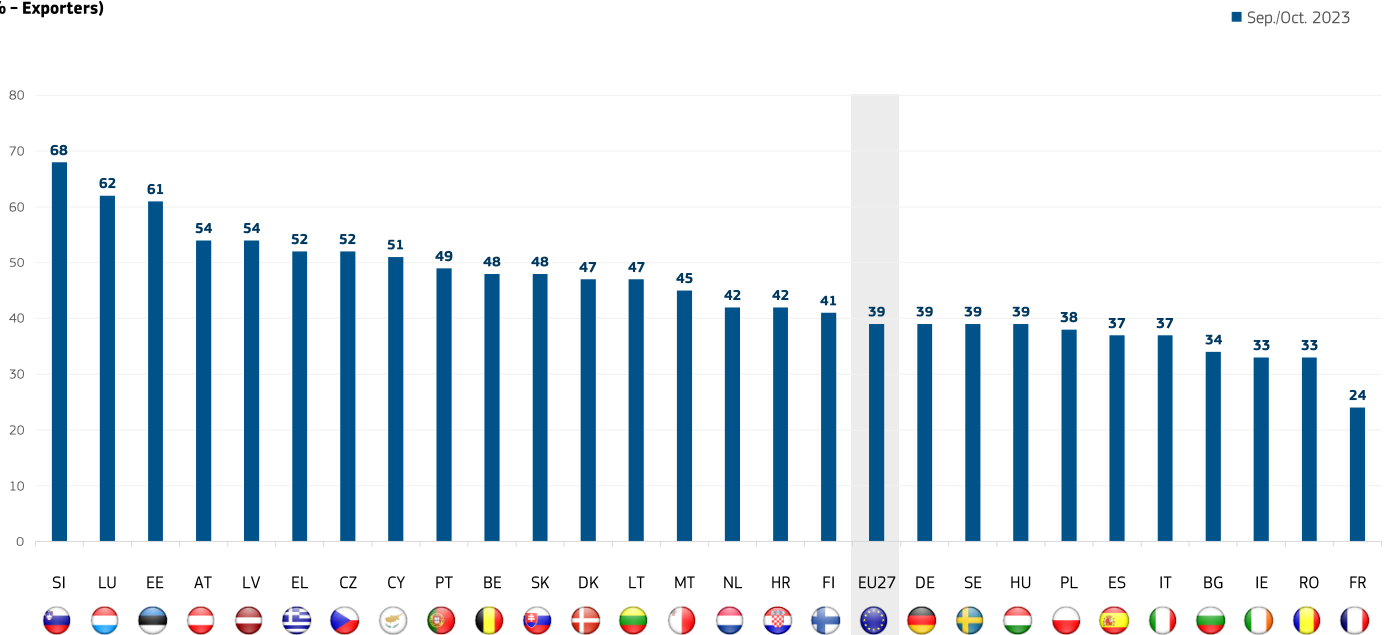
## Exporters

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 2023 39% of SMEs were classified as exporters, the same percentage as 2022<sup>43</sup>.



There are substantial differences at the country level when it comes to the proportion of SMEs which are exporters. In eight of the 27 Member States over half (50%) of SMEs are exporters, ranging from just over half in Cyprus (51%) to nearly seven in ten (68%) of those polled in Slovenia. In all other countries at least a third (33%) of SMEs are classified as exporters, with the exception of France, where less than a quarter (24%) are classified as such<sup>44</sup>.

**T4 Exporter or non-exporter (% - Exporters)**



<sup>43</sup> Due to the limited prior data on this specific question, this historical analysis is limited to 2019.

<sup>44</sup> Results for Croatia, Cyprus, Estonia, Luxembourg, and Malta should be interpreted with caution due to low base size (<99).

Enterprises in the industry sector (75%) are by far more likely than those in other sectors to be exporters. In all other cases only a minority are exporters. In the case of the trade sector (44%), the proportion of exporters is higher than among SMEs as a whole (39%), but in services (30%) and construction (17%) the proportion of exporters is considerably lower than average.

The proportion of SMEs which are exporters increases with company size. Just over a quarter of SMEs with 1 – 9 employees are exporters (27%), compared with nearly two thirds (63%) of those with more than 250 employees. Innovative SMEs (46%) are considerably more likely than non-innovative ones (33%) to be exporters. Gazelles (23%) are much less likely than the average SME (39%) to be exporters, but other high-growth enterprises are slightly more likely (41%).

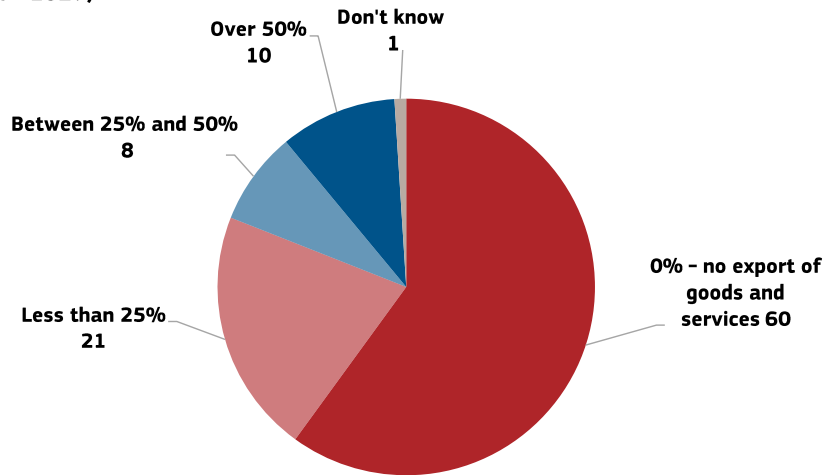
**T4** Exporter or non-exporter  
(% - EU)

Category	Percentage (%)
EU27	39
<b>Sector</b>	
Industry	75
Construction	17
Trade	44
Services	30
<b>Size: employees</b>	
1--9	27
10--49	42
50--249	59
250+	63
<b>Innovativeness</b>	
Innovative	46
Non-innovative	33
<b>Growth</b>	
Gazelle	23
High-growth	41
<b>Exporting vs. non-exporting</b>	
Exporters	100
Non-exporters	0

## Export markets

Exports account for less than 25% of total turnover for 21% of SMEs. For 8% of SMEs exports constitute between 25% and 50% of turnover, and for 10% of SMEs over 50% of turnover. These figures are almost exactly the same as those recorded in 2022.

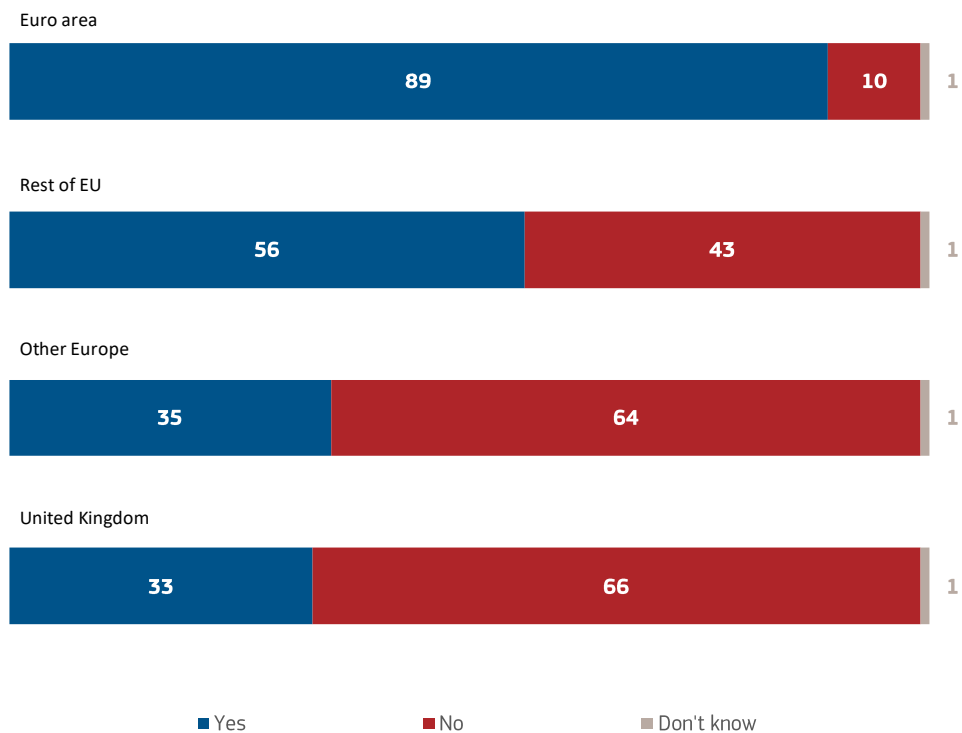
### D7 What percentage of your company's total turnover in 2022 is accounted for by exports of goods and services? (% - EU27)



(Sep. / Oct. 2023)

Nearly nine in ten (89%) exporters exported goods and services to the Euro area in 2022 an increase of two percentage points since the previous survey. 56% (+4 pp) exported to the rest of the EU, while 35% (no change) exported to other European countries aside from the UK, and 33% (+1 pp) exported to the UK.

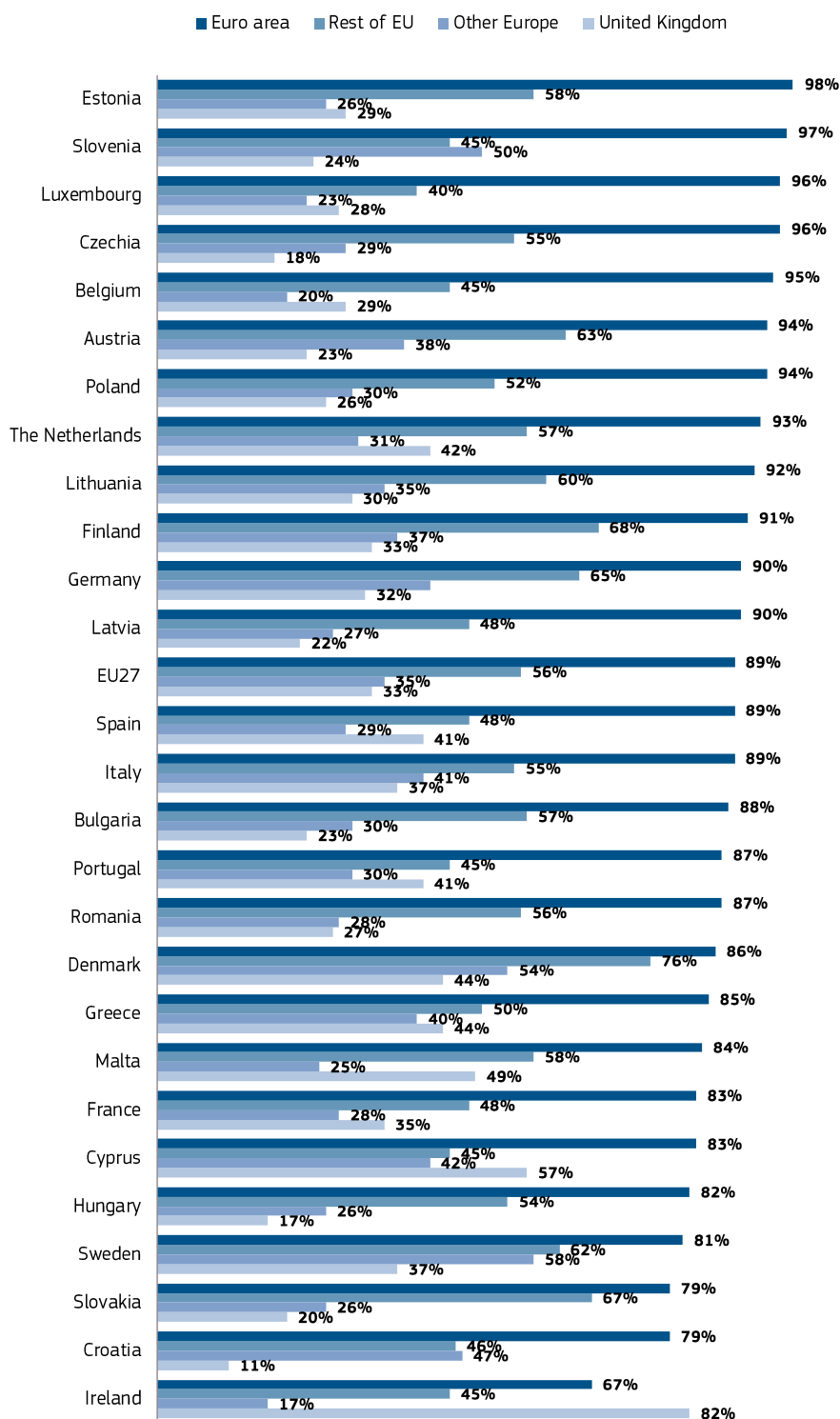
### QA1A. To which markets did your company export goods or services in 2022? Did you export to a country in Europe? (% - EU)



At the national level, a large majority of SMEs export to the Euro area<sup>45</sup>. The only country that stands out for a lower figure is Ireland, but even in this case over two thirds (67%) export to the Euro area, as do almost all exporters in Estonia (98%), Slovenia (97%), Czechia (96%) and Luxembourg (96%).

There is greater variation when it comes to exporting to other EU countries. In 10 of the 27 EU countries a minority of exporters give this answer, ranging from 40% in Luxembourg to 48% in France, Latvia and Spain. Denmark (76%) stands out for a particularly high proportion of exporters which export to other EU countries, with over two thirds also giving this answer in Finland (68%) and Slovakia (67%).

**QA1A** To which markets did your company export goods or services in 2022? Did you export to a country in Europe?  
(% - Yes)



<sup>45</sup> Results for Croatia, Cyprus, Estonia, Luxembourg, and Malta should be interpreted with caution due to low base size (<99).



There is also much variation in the case of SMEs which export to non-EU European countries other than the UK. In Ireland less than a fifth (17%) export to these countries, compared with at least half of those polled in Sweden (58%), Denmark (54%) and Slovenia (50%).

On the other hand, Ireland (82%) stands out for a particularly large proportion of exporters who send their goods and services to the UK market, with Cyprus (57%) the only other country in which more than half of exporting SMEs give this answer. However, there is considerable variation in those remaining cases: nearly half (49%) of exporting SMEs in Malta export to the UK, compared with a fifth or less in Hungary (17%), Czechia (18%) and Slovakia (20%), and only just over one in ten (11%) in Croatia.

Exporting SMEs in the industry sector are more likely than other enterprises to export to each market, while construction enterprises are less likely to. For example, nearly two thirds (64%) of exporting SMEs in the industry sector export to the rest of the EU, compared with only just over a third (34%) of those in construction.

There is a consistent correlation between size of company and the proportion of exporting SMEs that export to these markets. The differences are particularly significant in the case of exports beyond the euro area: for example, less than half (44%) of those with between 1 and 9 employees export to the rest of the EU, compared with nearly three quarters (73%) of those with 250+ employees.

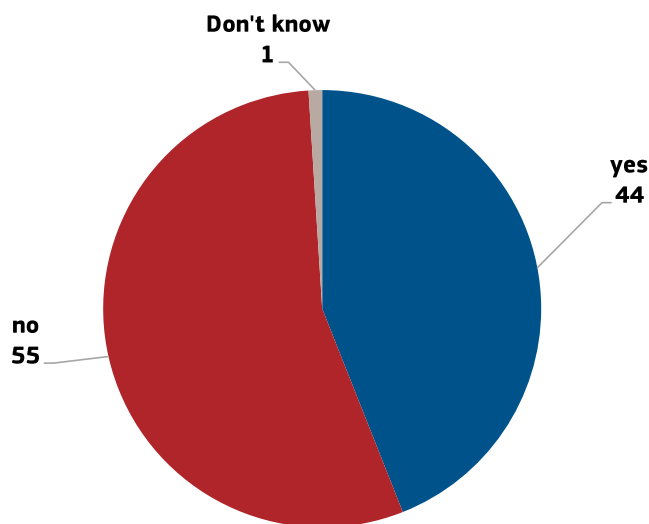
Innovative SMEs are more likely than non-innovative SMEs to export to the various markets mentioned, although this difference is not as large as in the preceding cases, ranging from a two percentage point difference in the case of the Euro area to a seven percentage point difference when it comes to other European Union countries.

**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	89	10	1	56	43	1	35	64	1	33	66	1
<b>Sector</b>												
Industry	94	6	0	64	35	1	42	57	1	38	61	1
Construction	77	22	1	34	64	1	22	78	0	16	84	0
Trade	90	10	1	53	46	1	32	67	1	26	73	1
Services	85	13	1	53	45	2	32	66	2	37	62	1
<b>Size: employees</b>												
1--9	83	16	1	44	54	1	27	72	1	26	73	1
10--49	89	11	0	56	43	1	32	67	1	30	69	1
50--249	94	5	1	66	33	1	44	54	1	43	56	1
250+	96	4	1	73	25	2	54	43	3	57	41	2
<b>Innovativeness</b>												
Innovative	90	9	1	59	40	1	37	61	1	36	64	1
Non-innovative	88	11	1	52	46	1	32	67	1	31	68	1
<b>Growth</b>												
Gazelle	77	23	0	34	66	0	35	65	0	32	60	8
High-growth	88	12	0	54	45	0	31	67	1	36	63	1
<b>Exporting vs. non-exporting</b>												
Exporters	89	10	1	56	43	1	35	64	1	33	66	1
Non-exporters	0	0	0	0	0	0	0	0	0	0	0	0

The proportion of SMEs which exported to countries outside of Europe in 2022 has increased since the last survey, with 44% giving this response compared with 42% previously.

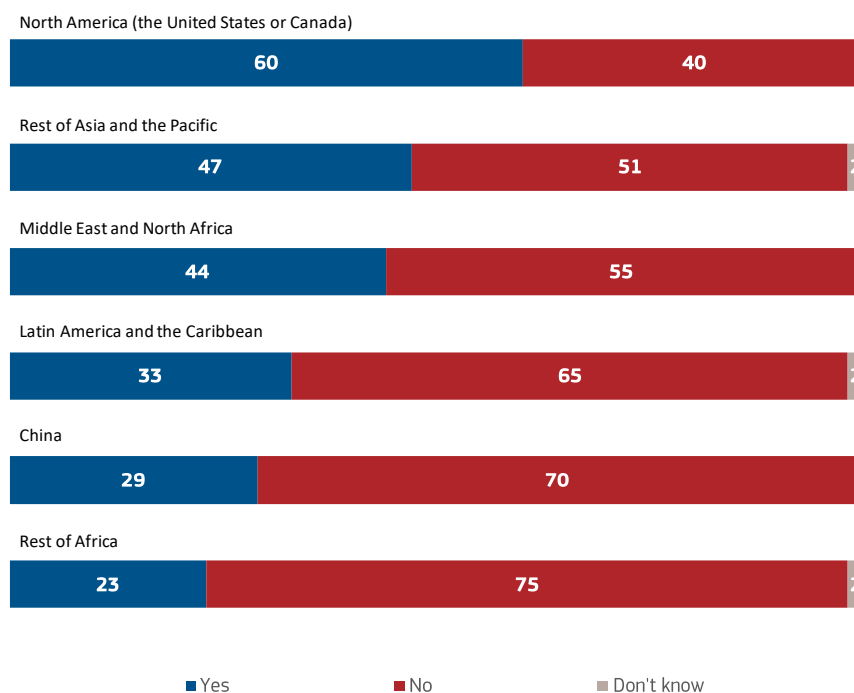
**QA1B To which markets did your company export goods or services in 2022? Did you export to markets outside of Europe? (% - EU27)**



(Sep. / Oct. 2023)

The proportions of SMEs exporting to specific non-European markets have remained essentially the same since the last survey. The largest market for SMEs which exported outside of Europe is North America, with 60% (-1 pp) giving this answer. Nearly half (47%, no change) export to the rest of Asia (excluding China) and the Pacific, and over four in ten (44%, no change) export to the Middle East and North Africa. A third (33%, no change) export to Latin America and the Caribbean, with slightly fewer exporting to China (29%, -1 pp). Just under a quarter (23%, +1 pp) export to the rest of Africa.

**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) shows that the challenging environment revealed by the previous survey continues to affect the operation and prospects of SMEs, nearly four years after the onset of the pandemic and 18 months after the start of Russia's full invasion of Ukraine.

Debt financing continues to be a crucial resource for the majority of EU27 SMEs, with leasing, credit lines, and bank loans being the most common forms. The successful acquisition of finance by those who apply suggests a moderately favourable lending environment for those who do seek financing. However, the use of external financing for fixed investments and working capital varies at the country level, pointing to diverse financial management strategies across member states and a diversity in the conditions SMEs face that is at odds with the generally positive picture.

SMEs are increasingly feeling the pressure of a deteriorating economic climate, with concerns about the declining availability of finance, alongside rising interest rates and collateral requirements. At the same time, there is an increased demand for external finance in the form of bank loans or leasing or hire-purchase. Yet the trend of rising interest rates signals a tightening financial landscape, which could challenge future borrowing prospects. SMEs are aware of their need for more financing but continue to be lower in confidence that they can secure the financing they need.

While SMEs show some recovery in their growth outlook, the overall expectation for substantial growth remains low. Confidence in securing financing varies, with more confidence in discussions with banks than in negotiations with equity investors. The preference for debt financing, especially bank loans, continues, albeit with decreasing enthusiasm. High interest rates and related costs are increasingly seen as barriers to growth. The anticipation of a net deterioration in the availability of most financing types, except for a slight improvement in equity capital, suggests a cautious outlook for SME financing options.

The varied increase in turnover among SMEs, with some countries showing growth and others experiencing declines, reveals an uneven economic landscape across the EU27. Rising labour and material costs are widespread challenges, albeit ones which affect different sectors and company sizes in varying degrees. The increase in interest expenses and the overall decrease in profitability indicate a potentially constrained financial environment for SMEs. Primary operational challenges, such as skilled staff shortages and finding customers, are compounded by late payment issues, which affect the ability of a significant proportion of SMEs to pay suppliers, make investments, recruit new staff, and fund their operations. Construction companies and innovative SMEs are particularly affected by these problems.




While the slight decline in the proportion of innovative SMEs suggests a somewhat less dynamic business environment than in previous years, the stable presence of exporting SMEs in established markets suggests that the sector remains resilient, even if it is beset by concerned about present challenges and likely future trends.

# 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? (%)

	Internal funds (retained earnings or sale of assets)	Grants or subsidised bank loans	Credit line, bank overdraft or credit cards overdraft	Bank loan	Trade credit	Other loan	Debt securities issued	Equity	Leasing or hire-purchase	Other types of financing n.e.i.	Factoring	Debt financing
IS 	44	21	63	47	56	24	4	42	23	10	6	84
NO 	14	26	31	40	35	20	3	34	46	5	15	79
LI 	9	3	25	20	6	25	0	9	21	5	0	43




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

	Insufficient collateral or guarantee	Interest rates or price too high	Reduced control over the enterprise	No bank loans are available	Too much paperwork is involved	I do not need this type of financing	Other	Don't know
IS 	1	5	0	6	0	84	4	0
NO 	1	7	1	5	0	82	5	0
LI 	0	3	0	7	0	79	10	0




Q4\_c 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 (%)

		Source of financing relevant to my firm	Source of financing not relevant to my firm	Don't know
IS		63	29	8
NO		31	67	2
LI		25	75	0




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

		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
IS		43	21	29	8	0
NO		18	13	67	2	0
LI		13	9	75	0	3

Q4\_d 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 (%)




		Source of financing relevant to my firm	Source of financing not relevant to my firm	Don't know
IS		47	49	5
NO		40	59	1
LI		20	77	3

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




		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
IS		12	34	49	5	0
NO		11	30	59	1	0
LI		1	19	77	3	0






Q4\_m 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 (%)

		Source of financing relevant to my firm	Source of financing not relevant to my firm	Don't know
IS		23	73	4
NO		46	54	0
LI		21	79	0




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

		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
IS		9	14	73	4	0
NO		24	21	54	0	1
LI		11	10	79	0	0




Q4\_e 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 (%)

		Source of financing relevant to my firm	Source of financing not relevant to my firm	Don't know
IS		56	43	*
NO		35	65	1
LI		6	94	0




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

		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
IS		43	12	43	*	1
NO		20	14	65	1	0
LI		2	4	94	0	0




Q4\_b 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 loans (%)

		Source of financing relevant to my firm	Source of financing not relevant to my firm	Don't know
IS		21	74	5
NO		26	73	2
LI		3	97	0

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

		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
IS		4	17	74	5	0
NO		4	22	73	2	0
LI		0	3	97	0	0




Q4\_a 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) (%)

		Source of financing relevant to my firm	Source of financing not relevant to my firm	Don't know
IS		44	53	3
NO		14	83	3
LI		9	90	1

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

		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
IS		23	20	53	3	0
NO		10	5	83	3	0
LI		8	1	90	1	0




Q4\_f 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 (%)

		Source of financing relevant to my firm	Source of financing not relevant to my firm	Don't know
IS		24	72	3
NO		20	80	1
LI		25	75	0


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

		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
IS		7	17	72	3	0
NO		6	14	80	1	0
LI		7	17	75	0	0




Q4\_j 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 (%)

		Source of financing relevant to my firm	Source of financing not relevant to my firm	Don't know
IS		42	55	3
NO		34	64	2
LI		9	91	0

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

		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
IS		12	29	55	3	1
NO		4	30	64	2	0
LI		0	8	91	0	1




Q4\_r 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 (%)

		Source of financing relevant to my firm	Source of financing not relevant to my firm	Don't know
IS		6	94	1
NO		15	83	2
LI		0	100	0

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

		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
IS		1	4	94	1	0
NO		8	7	83	2	1
LI		0	0	100	0	0




Q7A\_d Have you applied for the following types of financing in the past 6 months? - Credit line, bank overdraft or credit cards overdraft (%)

		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
IS		39	2	32	18	8
NO		10	0	54	31	5
LI		64	0	15	21	0

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 (%)

		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
IS		86	11	0	0	0	0	3
NO		63	0	0	0	22	15	0
LI		86	0	0	0	14	0	0

Q7A\_a Have you applied for the following types of financing in the past 6 months? - Bank loan (%)

		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
IS		17	5	44	27	7
NO		14	4	45	32	5
LI		12	23	62	4	0

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 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
IS		65	0	22	0	0	0	13
NO		72	0	0	0	10	18	0
LI		0	0	0	0	100	0	0



Q7A\_b Have you applied for the following types of financing in the past 6 months? - Trade credit (%)

		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
IS		32	0	24	18	27
NO		18	0	50	24	7
LI		0	38	50	12	0

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 (%)

		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
IS		84	14	2	0	0	0	0
NO		57	0	25	0	9	9	0
LI		0	0	0	0	0	0	0




Q7A\_c Have you applied for the following types of financing in the past 6 months? - Other external financing (%)

		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
IS		12	0	49	29	10
NO		10	2	44	35	8
LI		5	0	61	29	5




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 (%)

		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
IS		47	40	7	0	0	0	7
NO		49	17	10	0	7	8	9
LI		0	0	0	0	0	100	0

Q6A\_1 For what purpose was external financing used by your enterprise during the past 6 months? - Fixed investment (%)

		Yes	No	Don't know
IS		36	51	14
NO		26	70	4
LI		38	62	0




Q6A\_2 For what purpose was external financing used by your enterprise during the past 6 months? - Inventory and other working capital (%)

		Yes	No	Don't know
IS		40	39	20
NO		40	55	4
LI		56	44	0






## Access to external sources of finance




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  
(%)

		Improved	Remained unchanged	Deteriorated	Don't know	Net balance
IS		6	27	52	15	-46
NO		4	54	37	5	-33
LI		20	63	18	0	2




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  
(%)

		Improved	Remained unchanged	Deteriorated	Not applicable	Don't know	Net balance
IS		20	58	7	13	2	14
NO		11	57	22	5	5	-10
LI		9	65	27	0	0	-18




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 (%)

		Improved	Remained unchanged	Deteriorated	Not applicable	Don't know
IS		20	72	5	3	0
NO		6	77	11	2	4
LI		0	69	21	0	9




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 (%)

		Improved	Remained unchanged	Deteriorated	Not applicable	Don't know
IS		10	63	13	12	1
NO		7	68	15	6	4
LI		0	58	30	0	12




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 (%)

		Improved	Remained unchanged	Deteriorated	Not applicable	Don't know
IS		21	64	5	7	3
NO		2	75	16	7	0
LI		0	50	50	0	0




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 (%)

		Improved	Remained unchanged	Deteriorated	Not applicable	Don't know
IS		33	42	10	9	6
NO		5	75	16	4	0
LI		0	100	0	0	0




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 (%)

		Increased	Remained unchanged	Decreased	Not applicable	Don't know	Net balance
IS		17	45	30	8	0	-12
NO		26	54	15	4	1	11
LI		12	66	12	11	0	0




Q5\_c 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	Net balance
IS		35	51	10	1	2	25
NO		24	60	16	0	0	7
LI		0	100	0	0	0	0




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 (%)

		Increased	Remained unchanged	Decreased	Not applicable	Don't know	Net balance
IS		25	57	2	12	3	23
NO		33	63	3	0	0	30
LI		52	34	14	0	0	38

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 (%)

		Was increased by the bank	Remained unchanged	Was decreased by the bank	Don't know
IS		80	10	0	10
NO		88	5	7	0
LI		86	14	0	0




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 (%)

		Was increased by the bank	Remained unchanged	Was decreased by the bank	Don't know
IS		10	76	0	14
NO		19	75	6	0
LI		19	81	0	0

## 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?

(%)




		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
IS		13	50	32	4	2
NO		17	56	20	7	1
LI		0	72	20	8	0

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

(%)

		Yes	No	Not applicable	Don't know
IS		57	16	18	8
NO		71	12	17	1
LI		71	15	13	1




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

		Yes	No	Not applicable	Don't know
IS		24	22	46	8
NO		38	23	36	3
LI		39	19	41	1




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

		Bank loan	Loan from other sources	Equity investment	Other	Don't know
IS		51	11	25	3	10
NO		52	16	16	8	8
LI		64	14	0	14	7




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

		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
IS		2	51	2	4	7	0	31	4
NO		9	26	9	5	13	0	33	5
LI		9	34	0	4	16	0	37	0




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

		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 million	Over €1 million	Don't know
IS		2	20	20	15	25	17
NO		12	17	14	10	18	29
LI		7	26	10	12	33	11




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  
(%)

		Will improve	Will remain unchanged	Will deteriorate	Not applicable	Don't know
IS		23	59	11	6	1
NO		15	44	37	4	0
LI		0	100	0	0	0




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 (%)

		Will improve	Will remain unchanged	Will deteriorate	Not applicable	Don't know
IS		14	66	18	2	1
NO		12	54	26	4	4
LI		0	76	24	0	0




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 (%)

		Will improve	Will remain unchanged	Will deteriorate	Not applicable	Don't know
IS		13	66	11	10	1
NO		8	48	39	2	3
LI		0	70	30	0	0

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 (%)




		Will improve	Will remain unchanged	Will deteriorate	Not applicable	Don't know
IS		24	58	12	6	0
NO		7	47	37	7	2
LI		8	92	0	0	0

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 (%)




		Will improve	Will remain unchanged	Will deteriorate	Not applicable	Don't know
IS		15	60	17	5	3
NO		7	67	22	4	0
LI		0	62	38	0	0






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 (%)

		Will improve	Will remain unchanged	Will deteriorate	Not applicable	Don't know
IS		11	77	11	2	0
NO		11	70	16	2	1
LI		3	66	31	0	0

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 (%)




		Will improve	Will remain unchanged	Will deteriorate	Not applicable	Don't know
IS		0	100	0	0	0
NO		0	32	49	19	0
LI		0	0	0	0	0

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 (%)




		Will improve	Will remain unchanged	Will deteriorate	Not applicable	Don't know
IS		0	86	12	2	0
NO		10	52	30	5	3
LI		0	91	9	0	0

## Characteristics and current state of enterprises




Q2\_a Have the following company indicators decreased, remained unchanged or increased over the past 6 months? - Turnover (%)

		Increased	Remained unchanged	Decreased	Don't know	Net balance
IS		57	33	10	0	48
NO		32	36	32	0	*
LI		46	44	9	1	37




Q2\_b Have the following company indicators decreased, remained unchanged or increased over the past 6 months? - Labour cost (including social contributions) (%)

		Increased	Remained unchanged	Decreased	Don't know	Net balance
IS		79	20	1	0	78
NO		77	18	5	0	71
LI		56	39	5	0	51




Q2\_c Have the following company indicators decreased, remained unchanged or increased over the past 6 months? - Other cost (materials, energy, other) (%)

		Increased	Remained unchanged	Decreased	Don't know	Net balance
IS		79	17	*	3	79
NO		78	16	5	1	74
LI		70	30	0	0	70




Q2\_d Have the following company indicators decreased, remained unchanged or increased over the past 6 months? - Interest expenses (%)

		Increased	Remained unchanged	Decreased	Not applicable, the firm has no debt	Don't know	Net balance
IS		71	10	*	18	*	71
NO		62	15	2	20	1	60
LI		50	17	0	33	0	50




Q2\_e Have the following company indicators decreased, remained unchanged or increased over the past 6 months? - Profit (%)

		Increased	Remained unchanged	Decreased	Don't know	Net balance
IS		42	24	32	2	9
NO		28	28	41	2	-13
LI		16	64	17	3	-1

Q16A Over the past three years (2020-2022), how much did your enterprise grow on average per year in terms of employment regarding the number of full-time or full-time equivalent employees?  
(%)



		Over 20 per year	Less than 20 per year	No growth	Got smaller	Not applicable, the firm is too recent	Don't know
IS		18	35	33	9	2	2
NO		17	37	35	9	0	1
LI		8	62	23	7	0	1

Q16B Over the past three years (2019-2021), how much did your enterprise grow on average per year in terms of turnover?  
(%)

		Over 20 per year	Less than 20 per year	No growth	Got smaller	Not applicable, the firm is too recent	Don't know
IS		37	41	12	5	2	2
NO		23	48	15	11	0	2
LI		12	65	18	5	0	1




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.

(%)




		Finding customers	Competition	Access to finance	Costs of production or labour	Availability of skilled staff or experienced managers	Regulation	Other
IS		9	7	11	22	24	13	14
NO		15	13	9	15	25	8	14
LI		23	8	3	13	44	7	2

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




(%)

		yes regularly	yes occasionally	no	Don't know
IS		3	37	58	2
NO		12	35	52	1
LI		5	21	74	0




QA3\_1 What were the consequences of those late payments? - It affected payments to suppliers (%)

		yes	no	Don't know
IS		42	58	0
NO		28	72	0
LI		43	57	0




QA3\_2 What were the consequences of those late payments? - It affected investments or new recruitment (%)

		yes	no	Don't know
IS		13	82	6
NO		17	83	0
LI		14	86	0




QA3\_3 What were the consequences of those late payments? - It delayed repayments of loans or we had to use additional financing (%)

		yes	no	Don't know
IS		15	74	10
NO		11	85	4
LI		32	66	2




QA3\_4 What were the consequences of those late payments? - It affected production or operations (%)

		yes	no	Don't know
IS		17	76	8
NO		14	84	1
LI		29	71	0




T3 Innovativeness (%)

		Innovative firms	Not innovative firms
IS		60	40
NO		53	47
LI		54	46




T1 High-growth enterprises (%)

		High-growth	Non high-growth
IS		19	81
NO		17	83
LI		8	92




T2 Gazelles (%)

		Gazelles	Non-gazelles
IS		2	98
NO		5	95
LI		0	100




T4 Exporter or non-exporter (%)

		Exporters	Non-exporters
IS		30	70
NO		37	63
LI		50	50




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

		0 - no export of goods and services	Less than 25	Between 25 and 50	Over 50	Don't know
IS		70	7	5	17	0
NO		63	21	4	12	0
LI		50	13	5	33	0




QA1A\_1 To which markets did your company export goods or services in 2021? Did you export to a country in Europe? - Euro area (%)

		yes	no	Don't know
IS		65	35	0
NO		86	14	0
LI		85	15	0




QA1A\_2 To which markets did your company export goods or services in 2021? Did you export to a country in Europe? - Rest of EU (%)

		yes	no	Don't know
IS		62	38	0
NO		68	32	0
LI		48	52	0




QA1A\_3 To which markets did your company export goods or services in 2021? Did you export to a country in Europe? - Other Europe (%)

		yes	no	Don't know
IS		60	37	2
NO		25	74	1
LI		46	54	0

QA1A\_10 To which markets did your company export goods or services in 2021? Did you export to a country in Europe? - United Kingdom (%)




		yes	no	Don't know
IS		49	48	2
NO		46	54	0
LI		36	64	0

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




		yes	no	Don't know
IS		79	18	2
NO		54	45	1
LI		36	64	0






QA1C\_4 To which of the following markets outside Europe did you export? - North America (the United States or Canada) (%)

		yes	no	Don't know
IS		78	22	0
NO		77	23	0
LI		88	12	0




QA1C\_5 To which of the following markets outside Europe did you export? - Latin America and the Caribbean (%)

		yes	no	Don't know
IS		34	66	0
NO		24	76	0
LI		0	100	0




QA1C\_6 To which of the following markets outside Europe did you export? - China (%)

		yes	no	Don't know
IS		25	75	0
NO		29	71	0
LI		71	29	0




QA1C\_7 To which of the following markets outside Europe did you export? - Rest of Asia and the Pacific (%)

		yes	no	Don't know
IS		45	55	0
NO		60	37	3
LI		71	29	0

QA1C\_8 To which of the following markets outside Europe did you export? - Middle East and North Africa (%)

		yes	no	Don't know
IS		12	88	0
NO		27	73	0
LI		12	88	0

QA1C\_9 To which of the following markets outside Europe did you export? - Rest of Africa (%)

		yes	no	Don't know
IS		26	74	0
NO		25	75	0
LI		0	100	0

# Appendix II: QUESTIONNAIRE

**European Commission and European Central Bank**

**Survey on the access to finance of enterprises,**

**March to October 2023**

## **[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	CZ	Czechia	BA	Bosnia and Herzegovina
HR	Croatia	DK	Denmark	CN	China
CY	Cyprus	HU	Hungary	MK	North Macedonia
EE	Estonia	PL	Poland	IS	Iceland
FI	Finland	RO	Romania	JP	Japan
FR	France	SE	Sweden	ME	Montenegro
DE	Germany			NO	Norway
GR	Greece			RS	Serbia
IE	Ireland			RU	Russian Federation
IT	Italy			CH	Switzerland
LV	Latvia			TR	Turkey
LT	Lithuania			US	United States
LU	Luxembourg			XK	Kosovo
MT	Malta			UK	United Kingdom
NL	Netherlands				
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 (not including accounting, auditing, and bookkeeping services)

[STOP INTERVIEW → INTERVIEW NOT VALID] 10

- other services to businesses or persons

[READ IF NECESSARY: for example, hotels and restaurants, IT services services and including accounting, auditing, and bookkeeping 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 2022?

[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 2022 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 2022? 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, Croatia, 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, Czechia, 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 [1700-2023] <FOUR DIGITS, LESS OR EQUAL THAN YEAR OF SURVEY>

[DK/NA]

[THE AGE OF THE ENTERPRISE IS CALCULATED AS 2023 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 2023 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?"]

[DO NOT READ OUT THE FOLLOWING CODES BUT USE THEM TO CLASSIFY THE ANSWER IN ONE OF THEM IF POSSIBLE. OTHERWISE WRITE DOWN THE VERBATIM ANSWER: 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: 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: ALL ENTERPRISES]

(i) Your willingness to extend credit to your customers (accounts receivable) 1 2 3 7 9

[READ IF NECESSARY: this means money that customers owe to you for goods or services that they have received but not yet paid for.]

[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 the following 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

(a) Your company's turnover 1 2 3 9

(b) Investments in property, plant or equipment 1 2 3 9

[READ IF NECESSARY: fixed investment]

[FILTER: Euro area countries]

Q34. Looking ahead, by how much do you expect the following to increase or decrease over the next 12 months? Please provide your answer as a percentage change.

[UP TO ONE DECIMAL PLACE, SEPARATED BY A DECIMAL POINT, FOR EXAMPLE: 4.0%. -0.5%]

[DO NOT READ OUT, CODE THE DIRECTION AND WRITE DOWN THE NUMERICAL VALUE] <sup>46</sup>

Increase 1

Decrease 3

[DO NOT READ OUT, if "no change" write down 0.0]

[...]. [...]%

[DK:-9999]

- a) The average selling price of your products or services in your main markets

[READ IF NECESSARY: IF Q34\_a IS MORE THAN 50.0%, THEN READ: The expected change in your average selling price is relatively large. Could you please confirm that your answer is <STATE ANSWER OF THE RESPONDENT>%?]

- b) The average prices of production inputs (non-labour costs such as materials and energy)

[READ IF NECESSARY: IF Q34\_b IS MORE THAN 50.0%, THEN READ: The expected change in the average prices of production inputs is relatively large. Could you please confirm that your answer is <STATE ANSWER OF THE RESPONDENT>%?]

- c) The average wage of your current employees

[READ IF NECESSARY: Please refer to the wage before tax, excluding bonuses and overtime, for full-time equivalent employees.]

READ IF NECESSARY: IF Q34\_c IS MORE THAN 50.0%, THEN READ: The expected change in the average wage of your current employees is relatively large. Could you please confirm that your answer is <STATE ANSWER OF THE RESPONDENT>%?]

- d) Your number of employees

READ IF NECESSARY: IF Q34\_d IS HIGHER THAN 50.0%, THEN READ: The expected change in the number of employees is relatively high. Could you please confirm that your answer is <STATE ANSWER OF THE RESPONDENT>%?]

[FILTER: ALL ENTERPRISES]

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

<sup>46</sup>Scripting instruction: please include a checkbox for marking increase or decrease first. Then show 2 boxes with a decimal point in between. Range for 1st box: 0-999; range for 2nd box: 0-9.

[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

Finally, we would like to ask you a few questions about 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 (2020-2022), 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 2020 (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 (2023-2025), 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, 2023 to 2025], 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]

[MOTIVATION QUESTIONS]

Thank you for participating in the SAFE survey. We are at the very end of the interview and only have a couple more questions to ask.

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 to survey respondents only.]

[SINGLE CODE]

Yes 1

READ: Please provide your email address and we will send you a link to the reports.

[WRITE DOWN THE EMAIL ADDRESS. CONFIRM THE EMAIL ADDRESS.]

No 2

C3/ This survey will be repeated in around [FOR EA12 COUNTRIES-> three months FOR ALL OTHER COUNTRIES-> one year] from now. Your input constitutes an important part of the findings that the European Central Bank and the European Commission use to inform their policies aimed at smoothing businesses' access to finance. Are you happy to be contacted about this again?

[MULTIPLE ANSWERS ARE POSSIBLE (NOT IN COMBINATION WITH CODE 2)]

Yes, by phone [ CONFIRM AND WRITE DOWN THE RESPONDENT'S FULL NAME] 3

Yes, by email (for web-based survey) [ CONFIRM AND WRITE DOWN THE RESPONDENT'S FULL NAME AND EMAIL ADDRESS] 4

No 2

[FILTER IF C3) FEATURES CODE 3 OR 4 ]

QM1. Thank you very much for agreeing to take part in our future surveys. Could you please tell us why you chose to do so? Your answers would help us improve your future survey experience.

(multiple answers possible)

- Knowing you have helped to improve various economic policies 1
- Curiosity about the survey 2
- Gaining insights and information as a follow-up to the survey 3
- Other reasons, please specify 4

[WRITE DOWN THE VERBATIM ANSWER]

- [DK] -99

[FILTER IF C3) FEATURES CODE 2]

QM2. Could you please tell us the reasons why you are not willing to participate in future studies? Your answers would help us improve our future surveys.

(multiple answers possible)

- Lack of time 1
- Lack of interest in the topic 2
- Questionnaire too long 3

- Repetitive questions 4
- Complex questions and terminology 5
- Other reasons, please specify 6

[WRITE DOWN THE VERBATIM ANSWER]

- [DK] -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.

Those are all of the questions. Thank you for your time.

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- at the following standard number: +32 22999696,
- via the following form: [european-union.europa.eu/contact-eu/write-us\\_en](https://european-union.europa.eu/contact-eu/write-us_en).

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