The use of surveys for monetary and economic policy

Policy panel – the experience of the EIB

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Why the EIB Investment Survey (EIBIS)

**Why?** Need to understand investment dynamics in Europe, in a **consistent way across EU countries**
- Combines qualitative information to balance sheet data
- Regular tool allows comparison overtime, but some flexibility in the questionnaire allows to respond to pressing policy needs

**What is EIBIS**
- Seven survey waves since 2016
- Over **12,500** firms surveyed in each wave with panel components
- 27 EU member states, the UK until 2021 and the US since 2019
- Four firm size classes based on number of employees, four sector groupings (manufacturing, services, construction, infrastructure)
- Sampling frame: BvD ORBIS

A tool in our hands (offering flexibility), and well known / recognised
- Work with academics and dissemination at country level with Ministries and Central Banks
Insights to dynamics and expectations

Evolution of investment expectations and realisations – share of firms to raise investments minus those that expect to reduce

- Realised change
- Expected change


Firms have recovered from the pandemic – Share of firms by post-pandemic recovery (%)

- Winners
- Expected to recover
- Unaffected
- Newly hit
- Not yet recovered

EU
Long-term barriers to investment

Reported barriers to investment (% of firms and min-max country)

Source: EIBIS 2022
Barriers - evolution overtime

- In 2022, 85% of firms report lack of skills as a barrier to investments (influence capacity to invest, but also return from investment)

- Loss of corporate investment due to uncertainty is estimated at 1.2% of GDP

- Energy costs are a concern across Europe, incentivising energy efficiency investment, but less of a driver for climate action
Shocks and recent challenges

➤ **Digitalisation as a key response to the Covid-19**
  • 53% of firms report becoming more digital

➤ **Investments to tackle climate change**
  • 57% report that physical risk impacts their business
  • 33% of EU firms already invested in building resilience
  • 90% of EU firms have taken action to reduce greenhouse gas emissions.
  • Uncertainty is affects less energy efficiency investments

➤ **Supply chain disruptions** and firm’s reaction
  • 87% of EU reported disruptions
  • 57% took actions to mitigate negative effects (especially the more innovative, digital firms)
For more information

EIBIS Data download, charting tool, methodology:
  ➢ www.eib.org/eibis

Representativeness study:
  ➢ EIB Working Paper 2020/08
    EIB Group Survey on Investment and Investment Finance

Further research:
  ➢ Our research (eib.org)

Other surveys at EIB:
  ➢ ETS and supply chains
  ➢ Survey of EU municipalities about their investment needs and gaps
  ➢ Enterprise Survey (EIB-EBRD-WB) for East and MENA
  ➢ Bank lending survey for CESEE economies
  ➢ Finance in Africa