

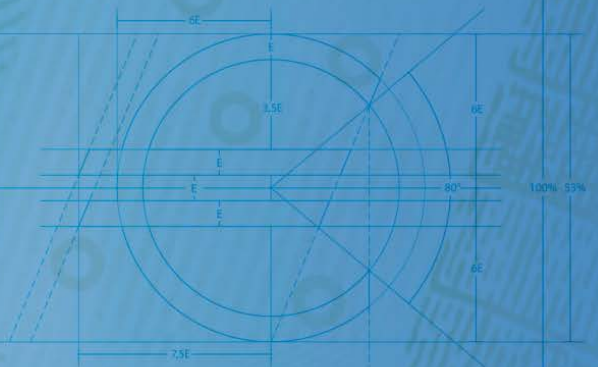


EUROPEAN CENTRAL BANK
EUROSYSTEM

Survey on the Access to Finance of Enterprises in the euro area

April to September 2015

December 2015



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Introduction

This report presents the main results of the 13th round of the Survey on the Access to Finance of Enterprises (SAFE), which was conducted between 21 September and 26 October 2015. The total euro area sample size was 11,226 enterprises, of which 10,238 (91%) had fewer than 250 employees.¹ The report mainly provides evidence on changes in the financial situation, financing needs and access to external financing of small and medium-sized enterprises (SMEs) in the euro area, and compares it with that of large enterprises. In addition, it provides an overview of developments in SMEs' access to finance across euro area countries. The reference period is the period from April to September 2015.

¹ See Annex 3 for details on methodological issues related to the survey set-up.

1 Overview of the results

According to the results from the 13th round of the Survey on the Access to Finance of Enterprises (SAFE), euro area SMEs were less concerned about **access to finance** as an impediment to their business compared with other factors related to their business activity. Indeed, “Access to finance” was considered the least important concern for euro area SMEs (11%) while “Finding customers” remained the dominant one (25%), followed by lack of “Availability of skilled labour”, increases in “Costs of production and labour”, “Competitive pressures” and the presence of “Regulation”.

There is still significant divergence across countries regarding the difficulties in accessing external sources of finance. Some 30% of SMEs in Greece and 13% of SMEs in Ireland and the Netherlands mentioned that access to finance was the most significant problem, compared with around 7% of SMEs in Austria, Finland and Germany.

Euro area SMEs reported, in net terms, an increase in **turnover** (17%) which was widespread across most countries. Only SMEs in Greece were recording declining turnovers. Despite an environment of subdued developments in commodity prices and labour costs, a large proportion of SMEs continued to signal rising **labour** and **other costs** (41% and 34% respectively), but less so than in the previous survey round. In net terms, only 1% of SMEs stated that **profits** have declined, down from 10% in the previous round.

Looking at the need (demand) for external sources of finance, euro area enterprises reported that their need for bank loans and overdrafts had increased, but at a slower pace than in the previous survey round. On balance, 1% of euro area SMEs reported an increase in their **external financing needs for bank loans**, down from 3% in the previous round (see Table A). SMEs in Belgium, Finland, Germany and the Netherlands reported, in net terms, falling needs for external finance amid an environment of strong internal sources of finance.

Fixed investment and **inventory and working capital** remained the two most important purposes for which SMEs used their total (internal and external) financing. The importance of these two purposes increases with firm size.

For the second consecutive time, SMEs reported an increase in the **availability of bank financing** (loans and bank overdrafts) (See Table A). Across firms' size, micro enterprises were the only firm size class to still report a net deterioration, but this was considerably lower than in the previous survey round. Across countries, SMEs in Ireland, Portugal, Slovakia and Spain indicated, on balance, the largest improvement in the availability of bank loans, whereas lower percentages of SMEs in Austria and France reported a net deterioration. Greek SMEs recorded the highest net worsening in the availability of bank loans.

Table A

Latest developments in SAFE country results

(over the preceding six months; net percentage of respondents)

	NEEDS				AVAILABILITY				FINANCING GAP		FINANCING OBSTACLES	
	bank loan		bank overdraft		bank loan		bank overdraft		14H2	15H1	14H2	15H1
euro area	3	1	9	5	7	8	4	6	0	-2	13	12
BE	4	-6	10	3	7	2	8	6	0	-3	8	10
DE	-10	-11	-2	-7	14	11	9	11	-9	-10	8	7
IE	3	-1	13	6	10	19	16	16	-2	-5	16	12
GR	28	35	39	46	-28	-38	-22	-29	28	34	39	43
ES	8	2	8	6	30	30	29	28	-11	-11	15	13
FR	9	8	21	17	0	-2	-7	-8	7	8	10	11
IT	11	9	14	12	-2	5	-8	0	7	3	18	14
NL	-9	-16	7	-5	-7	3	-1	3	-1	-7	19	15
AT	-12	0	2	1	-6	-7	-1	-8	-2	2	9	8
PT	4	1	13	6	15	22	17	19	-3	-8	9	10
SK	15	2	13	2	18	19	22	16	-3	-7	5	7
FI	1	-9	4	0	-2	1	2	0	0	-3	5	3

Note: For needs, see the note to Chart 8, for availability, see the note to Chart 12 and for the financing gap, see the note to Chart 14.

Turning to the **factors affecting the availability** (supply) of external financing for SMEs, this was mainly attributed to increased willingness on the part of banks to provide credit (11%, from 9%). Furthermore, the net percentage of SMEs reporting a negative effect on their finances as a result of the worsening of the general economic outlook has further declined.

In this survey round, the **external financing gap** of euro area SMEs, which measures, at firm level, the perceived difference between the need for external funds and the availability of funds, has become negative at the euro area level for the first time since 2009 (see Table A).

During the period from April to September 2015, 30% of all SMEs applied for a loan. Of these, 66% were fully successful in their loan applications and 9% reported that their application had been rejected. The overall **financing obstacles indicator** has declined slightly to 12%.² SMEs in Italy, the Netherlands and Spain reported values between 13% and 15%, while SMEs in Austria (8%), Germany and Slovakia (both 7%) and Finland (3%) reported the lowest percentages. The highest percentage was recorded in Greece (43%).

On balance, SMEs reported that **terms and conditions** for bank loans had improved, but less than in the previous survey round. In line with the improvement in the availability of bank loans, euro area SMEs reported, on balance, declining interest rates and increases in the available size and maturity of loans. However, a positive, but declining, net percentage of SMEs continued to indicate a tightening in the collateral and other requirements of banks.

The financial situation of **large enterprises** remained better than that of SMEs, as they reported increases in both turnover and profits in the period from April to

² The financing obstacles indicator is the sum of the percentages of SMEs reporting: rejections of loan applications, loan applications for which only a limited amount was granted, and loan applications which resulted in an offer that was rejected by the SMEs because of borrowing costs being too high, as well as the percentage of SMEs which did not apply for a loan for fear of rejection.

September 2015. In addition, although the number of large firms applying for a bank loan (41%) was similar to that of SMEs, their success rate was much higher (83%) and the rejection rate much lower (1%), indicating overall better access to finance of large enterprises compared with SMEs. The interest rate charged to large enterprises on credit lines or bank overdrafts is an estimated 180 basis points lower than that paid by SMEs.

2 The financial situation of SMEs in the euro area

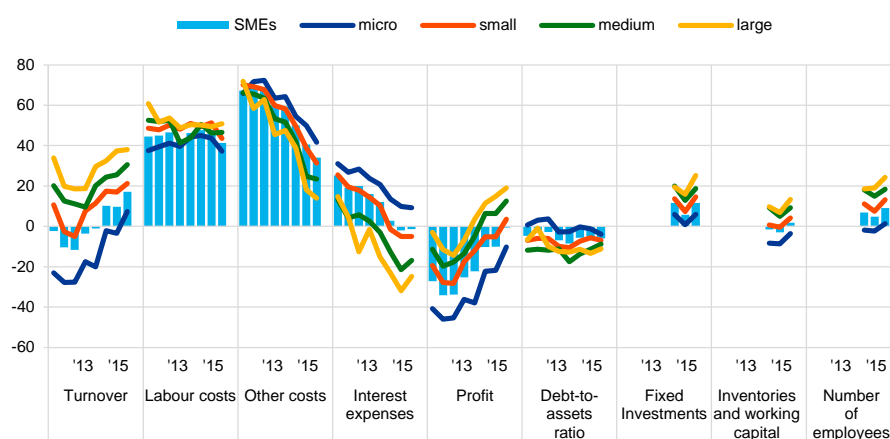
2.1 Some signals of improvements in euro area SMEs' financial situation

In the period between April and September 2015, there were improvements in the financial situation across euro area firm size supported by the ongoing economic recovery and more favourable financing conditions (see Chart 1).

Chart 1

Change in the income and debt situation of euro area enterprises

(over the preceding six months; net percentage of respondents)



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

Base: All enterprises. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey.
 Note: The net percentage is the difference between the percentage of enterprises reporting an increase for a given factor and that reporting a decrease. From round 11 onwards (April-September 2014), the concept of "Net interest expenses (what you pay in interest for your debt minus what you receive in interest for your assets)" was changed to "Interest expenses (what your company pays in interest for its debt)".

Across firms' size, a markedly higher net percentage³ of euro area SMEs⁴ reported an increase in **turnover** (17%, up from 10% in the previous survey period).⁵ This was due mainly to a sizeable positive development in the percentage of micro enterprises signalling for the first time since the beginning of the survey an increase in turnover (7%, up from -3%) and significantly higher percentages of small and medium-sized enterprises continuing to report increases (21% and 31%, up from 17% and 26% respectively). Large enterprises also continued to signal, on balance,

³ Net percentages refer to the difference between the percentage of firms reporting an increase for a given factor and that of those reporting a decrease.

⁴ Micro enterprises are enterprises with 1-9 employees, while small enterprises are those with 10-49 employees, medium-sized enterprises have 50-249 employees and large enterprises have more than 250 employees. SMEs comprise micro, small and medium-sized enterprises.

⁵ The reference period for the previous survey round was October 2014 to March 2015.

an increase in turnover in the period from April to September 2015 (38%, up from 37% in the previous survey round).

The net percentage of euro area SMEs reporting an increase in **labour costs** continued to decline, but remained high (41%, compared with 47% in the previous survey period). The net percentage of SMEs recording an increase in **other costs** also went down to 34% (from 41%). Among SMEs, these developments in labour costs and other costs were mainly evident from sizeable drops in the percentages of micro enterprises (37% and 42%, down from 44% and 50%, respectively) and small enterprises (44% and 31%, down from 51% and 39%, respectively). Medium-sized firms instead signalled slightly larger increases in labour costs (47%, up from 46%) and slightly smaller increases in other costs (23%, down from 25%). For large enterprises, the net percentage reporting an increase in labour costs was also slightly higher at 51%, while the percentage reporting an increase in other costs fell to 14%.

Euro area SMEs reported a markedly smaller decline in **profits** (-1%, from -10% in the previous survey period), reflecting a sizeably lower negative percentage among micro enterprises (-10%, from -22%) and significant positive developments for small enterprises (3%, up from -5%) and medium enterprises (13%, up from 6%). Large enterprises continued to report a larger increase in profit (19%, up from 15%).

Deleveraging in euro area enterprises was reported to have continued. The net percentage of SMEs reporting a decline in their debt-to-total assets ratio was slightly more negative (-6%, from -5%) compared with the previous survey period, while for large enterprises there was a smaller decline (-11%, compared with -13%). Among SMEs, medium enterprises reported lower negative percentages in this survey round (-9%, from -11%).

Interest expenses declined across firm sizes, except in the case of micro enterprises, where 9% reported an increase, down from 10%. Hence, as a whole, 1% of SMEs reported a reduction in interest expenses, compared with 2% in the previous survey period. For large enterprises, 25% indicated declines in interest expenses in net terms.

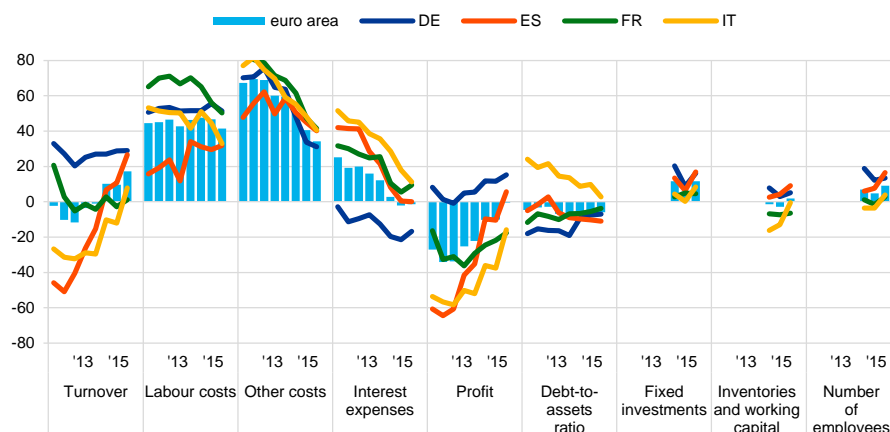
Euro area SMEs reported positive developments in **fixed investments**, with 12% reporting an increase, up from 6%. Moreover the net percentage of SMEs reporting developments in **inventories and working capital** turned positive (2%, up from -3%). Across firms' size, only micro enterprises continued to report a decrease in their inventories and working capital.

Among the largest euro area countries, the survey results confirmed the positive economic developments in Spain, where 27% of SMEs signalled increasing turnover, up from 11% (see Chart 2). Furthermore, for the first time since the beginning of the survey, the percentage of Italian SMEs reporting an increase in turnover was higher than those which reported the opposite (8%, up from -12%). Similar developments were recorded among French SMEs, although with lower percentages (1%, up from -3%), while for German SMEs the positive percentage remained unchanged at high levels (29%). Among other euro area countries, Ireland, the Netherlands, Portugal

and Slovakia recorded the largest increases in turnover (48%, 32%, 28% and 23% respectively) (see Chart 1a in Annex 1). By contrast, SMEs in Greece reported a further strong deterioration in their turnover in net terms (-29%, from -18%).

Chart 2 Change in the income and debt situation of euro area SMEs

(over the preceding six months; net percentage of respondents)



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

Base: All SMEs. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey.
Note: See the note to Chart 1. From round 11 onwards (April-September 2014), the concept of "Net interest expenses (what you pay in interest for your debt minus what you receive in interest for your assets)" was changed to "Interest expenses (what your company pays in interest for its debt)".

In most countries, positive developments were also reported for SMEs' profit dynamics. In particular, more SMEs were signalling rising profits than those signalling declining ones in Austria (4%, up from -2%), Slovakia (10%, up from -4%) and Spain (6%, up from -10%). In the same period SMEs in Italy displayed the biggest changes in net percentages, although they reported still negative figures (-16%, from -37%), while smaller negative percentages were recorded in France and Portugal. In Belgium, Germany, Ireland and the Netherlands, SMEs continued to indicate increases in their profits.

On balance, euro area SMEs reported declines in their debt-to-assets ratio in most countries (see also Chart 2a in Annex 1). Among the largest euro area countries, declines were signalled in Germany, France and Spain, whereas SMEs in Italy stand out as reporting a small increase in net terms (3%, down from 10%). Among other euro area countries, larger negative values were reported in the Netherlands, followed by Finland, Belgium, Ireland and Portugal. By contrast, SMEs in Greece showed the highest increase in their debt-to-total assets ratio (9%, up from 4% in the previous survey round). As for interest expenses on debt, a net majority of SMEs in Austria, Belgium, Finland, Germany and the Netherlands reported a decline.

On balance, SMEs in most euro area countries reported increased fixed investments. Among the largest countries, the positive net percentages increased in Germany, Italy and Spain, whereas SMEs in France recorded an unchanged increase in their fixed investments. Among other euro area countries, larger positive values were registered in Ireland, Portugal and Slovakia. By contrast, SMEs in

Greece reported a further deterioration in their fixed investments (9%, up from 4% in the previous survey period).

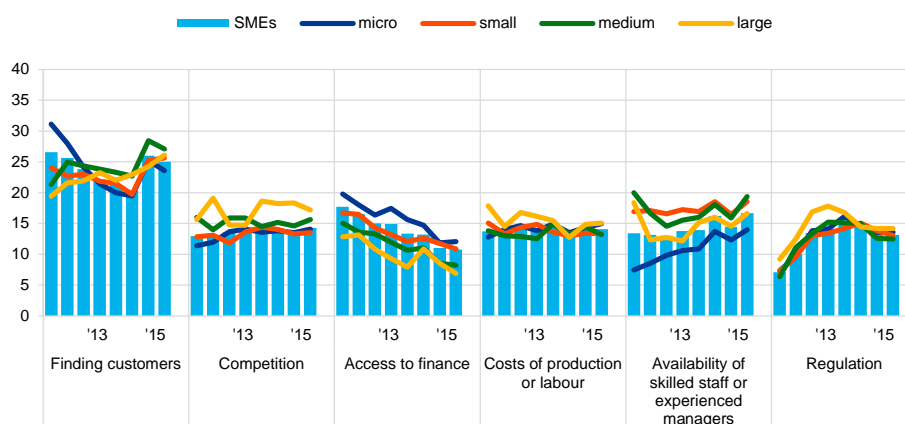
Regarding developments in inventories and working capital, SMEs reported still negative net percentages in France (-6%, from -7%) and to a sizeably greater extent in Greece (-33%, from -27%), while SMEs in Finland also reported a decrease in this survey round (-4%, from 1%). Among the other countries where SMEs recorded increases in their inventories and working capital, marked positive developments were signalled by SMEs in Italy (0%, up from -13%) and Portugal (4%, up from -8% in the previous survey period).

2.2 Access to finance became the least important concern for euro area enterprises

During the period from April to September 2015, fewer SMEs saw access to finance as the main impediment to their business. This suggests an improvement in financing conditions (see Chart 3).

Chart 3
The most important problems faced by euro area enterprises

(percentage of respondents)



Q0. How important have the following problems been for your enterprise in the past six months?

Base: All enterprises. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey. Note: The formulation of the question has changed over the survey rounds. Initially, respondents were asked to select one of the categories as the most pressing problem. From round eight, respondents were asked to indicate how pressing a specific problem was on a scale from 1 (not pressing) to 10 (extremely pressing). In round seven, the formulation of the question followed the initial phrasing for half of the sample and the new phrasing for the other half. Additionally, if two or more items had the highest score in question Q0B on the "pressingness" of the problems, a follow-up question (Q0C) was asked to resolve this, i.e. which of the problems was more pressing, even if only by a small margin. This follow-up question was removed from the questionnaire in round 11. The past results from round seven onwards were recalculated, disregarding the replies to question Q0C. In round 12, the word "pressing" was replaced by the word "important".

"**Finding customers**" remained the dominant concern for euro area SMEs in this survey period, with 25% of euro area SMEs mentioning this as their main problem, slightly down from 26% in the previous survey round. "**Access to finance**" was considered the least important concern (unchanged at 11%), after "Regulation" (13%), "Competition" (14%), "Cost of production" (14%) and "Availability of skilled labour" (17%). Among SMEs, access to finance was a more important problem for

micro enterprises (12%). For large enterprises, “Finding customers” (26%) was reported as the dominant concern, followed by “Availability of skilled labour” (17%) and “Competition” (17%). “Access to finance” was mentioned less frequently as an important problem for large firms (7%, down from 9% in the previous round).

Wide divergences across euro area countries persisted in terms of what was reported by SMEs to be the main problem (see Chart 4).

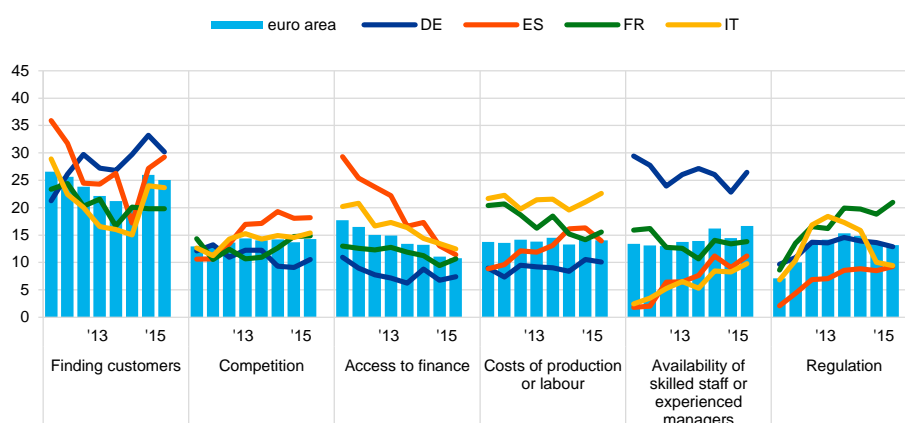
“**Access to finance**” remained the dominant concern for SMEs in Greece (30%, down from 34%), while 13% of SMEs in Ireland and the Netherlands named access to finance as the most important problem, compared with only around 7% of SMEs in Austria, Finland and Germany (see Chart 4 and Chart 3a in Annex 1).

The “**Availability of skilled staff or experienced managers**” (17% at the euro area level) remained a significant concern in countries such as Austria, Belgium, Germany and Slovakia, where the percentages stood at 22%, 23%, 26% and 30% respectively.

Chart 4

The most important problems faced by euro area SMEs

(percentage of respondents)



Q0. How important have the following problems been for your enterprise in the past six months?

Base: All SMEs. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey.
Note: See the note to Chart 3.

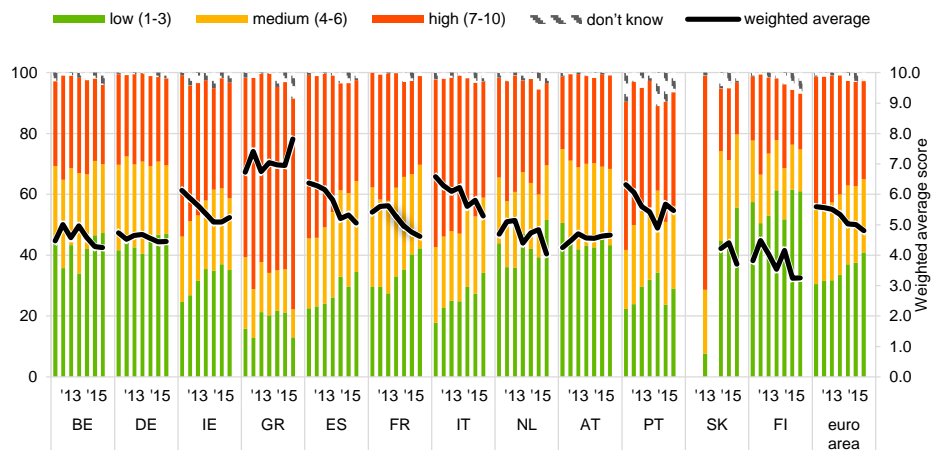
When asked whether “**access to finance**” was as a problem in their current situation,⁶ SMEs in Greece continued to perceive it as a very important problem (rating it at approximately 8 on a scale of 1-10; see Chart 5). In Ireland, Italy, Portugal and Spain, access to finance has become less of a problem than before (falling to or remaining above 5). In Austria, Belgium, France and Germany, the average score was slightly lower (above 4, but below 5), while in Finland, the Netherlands and Slovakia, it remained below 4.

⁶ See the note to Chart 5.

Chart 5

Importance of access to finance as perceived by SMEs across euro area countries

(percentages and weighted averages)



Q0. How important have the following problems been for your enterprise in the past six months?

Base: All SMEs. Figures refer to rounds seven (April-September 2012) to thirteen (April-September 2015) of the survey.
 Note: Enterprises were asked to indicate how important a specific problem was on a scale from 1 (not at all important) to 10 (extremely important). The first observation, referring to round seven (April-September 2012), is based on half of the sample. In the chart, the scale has been divided into three categories: low (1-3), medium (4-6) and high importance (7-10). The weighted average score is an average of the responses using the weighted number of respondents as weight. In Slovakia, the survey was initially conducted every two years (H1 2009, H1 2011 and H1 2013). From 2014 onwards, Slovakia has been included in the sample in each survey round.

3 External sources of financing and needs of SMEs in the euro area

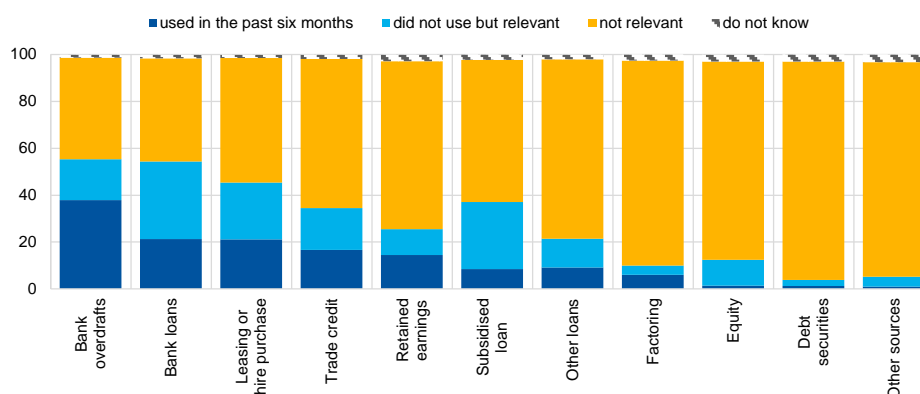
3.1 Use of external finance increases with firm size

Bank-related products remained the most relevant source of finance for SMEs vis-à-vis market-based products and other sources of finance (see Chart 6).

During the period from April to September 2015, 54% of SMEs considered bank loans to be relevant, while 55% included bank overdrafts.⁷ Furthermore, 37% signalled that grants and subsidised loans, which involve support from public sources in the form of guarantees or other interventions, were relevant for their financing. Leasing and trade credit were also relevant for 45% and 34% of SMEs respectively. Other loans, for example from family, friends or related companies, were important sources of financing for 21% of SMEs. Market-based sources of finance, as well as factoring, were reported less often as relevant instruments. Internal funds played an important role as an alternative source of finance, as indicated by 25% of SMEs.

Chart 6
Financing structure of euro area SMEs

(over the preceding six months; percentage of respondents)



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? If 'yes', have you obtained new financing of this type in the past six months?

Base: All SMEs. Figures refer to round 13 (April-September 2015) of the survey.

The survey replies suggest that the use of external finance increases with the size of the firm. In particular, large firms are consistently reporting higher percentages than SMEs across all instruments (see Chart 7). In terms of the type of funding, short-term bank finance (credit line/bank overdraft/credit card), followed by long-term bank

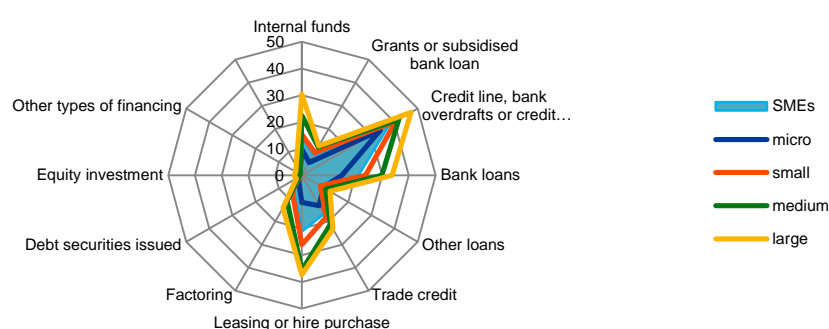
⁷ A new reformulation of the question allows the relevance of a specific financial instrument to be disentangled from its usage. See Annex 3.

loans, trade credit and leasing are the most often used by micro and small firms. Likewise, credit lines are also the most often reported financing instrument for medium and large enterprises, while leasing, followed by bank loans (long-term and short-term) and trade credit, are the other external financing sources most often used by medium and large firms. Issued debt is mainly used by large companies.

Chart 7

Use of internal and external funds by euro area enterprises across firm size

(percentage of respondents that had used the respective instrument in the past six months)



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? If 'yes', have you obtained new financing of this type in the past six months?

Base: All enterprises for which the respective instrument is relevant. Figures refer to round 13 (April-September 2015) of the survey.

3.2 Need for bank-related products increased, but at a slower pace

Looking at the need (demand) for external sources of finance, euro area enterprises reported that their need for bank loans and overdrafts had increased (see Chart 8).

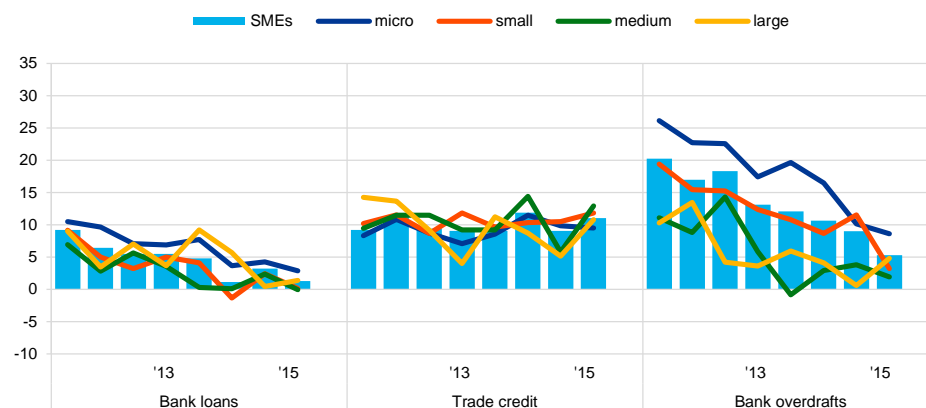
In particular, a net 1% of SMEs signalled an increase in their **need (demand) for bank loans** (down from 3% in the previous survey round) and 5% reported an increased need for **bank overdrafts** (down from 9% in the previous survey round).⁸ On the whole, the picture was similar for all sizes of enterprise, although large firms indicated slightly higher needs for both bank loans and bank overdrafts with respect to the previous survey round. A net 11% of euro area SMEs reported an increased need for **trade credit** (up from 9% in the previous survey period), with increasing percentages for all firm sizes, with the exception of micro enterprises, which remain unchanged.

⁸ See the note to Chart 8. Only survey respondents who report that a particular financing instrument is relevant for their enterprise are asked about their need for this source of financing (i.e. bank loans, bank overdrafts and credit lines, trade credit, equity and debt securities issuance).

Chart 8

Change in external financing needs of euro area enterprises

(over the preceding six months; net percentage of respondents)



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.

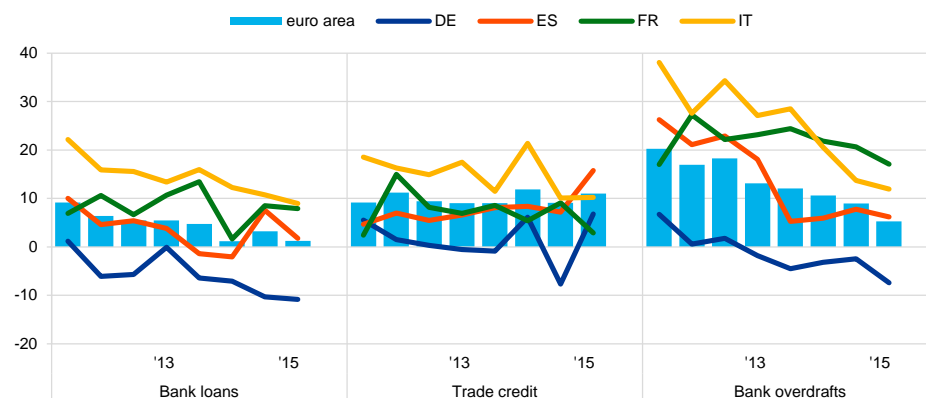
Base: Enterprises for which the respective instrument is relevant. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey.

Note: A financing instrument is "relevant" if the enterprise used the instrument in the past six months or did not use it but has experience of it (for rounds one to ten). From round 11 onwards, the respondents were asked whether the instrument was relevant, i.e. whether the enterprise had used it in the past or considered using it in the future. Given that the current concept of a "relevant" financing instrument differs from in the past, this might have an impact on the comparability over time for the following questions, and caution should be exercised when comparing the recent results with those of the previous rounds.

Chart 9

Change in external financing needs of euro area SMEs

(over the preceding six months; net percentage of respondents)



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.

Base: SMEs for which the respective instrument is relevant. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey.

Note: See the note to Chart 8.

Among the largest countries, SMEs in France, Italy and Spain continued to report increases in their need for bank loans and bank overdrafts albeit with lower net percentages than in the previous survey round (see Chart 9). By contrast, German SMEs indicated a decreasing need both for bank loans and bank overdrafts. In the case of trade credit, SMEs in Germany and Spain signalled strong increases in their

need for this source of financing, followed by French SMEs, although for them the percentage was much smaller than in the previous survey round. At the same time the percentage of Italian SMEs indicating a growing need for trade credit remained unchanged at high levels.

Among other euro area countries, the highest net percentages of SMEs reporting an increase in their need for bank loans were again recorded in Greece (35%), while in most of the remaining countries SMEs indicated either declining needs for bank loans or very small increases (see Chart 5a in Annex 1).

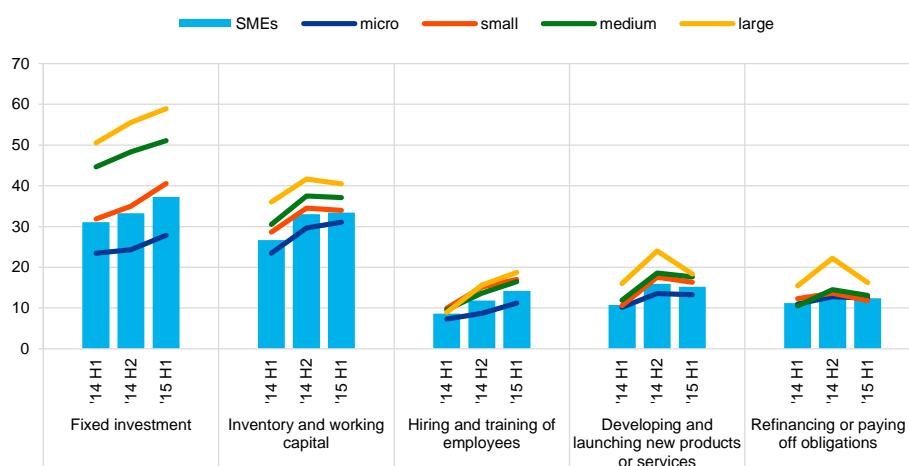
3.3 SMEs used financing mainly for fixed investment and inventory and working capital

Fixed investment with inventory and working capital remained the two most important purposes for which SMEs used their total (internal and external) financing, with their importance increasing with firm size (see Chart 10).

While a net 37% of SMEs signalled **fixed investment** and 33% signalled **inventory and working capital** as the main sources of their financing needs, the percentages were relatively lower for micro enterprises, at 28% and 31% respectively. By contrast, much higher percentages of large enterprises signalled that they financed these two factors (59% and 41% respectively).

Chart 10
Purpose of the external financing as perceived by euro area enterprises

(over the preceding six months; percentage of respondents)



Q6A. For what purpose was financing used by your enterprise during the past six months?

Base: All enterprises. Figures refer to rounds 11 (April-September 2014) to 13 (April-September 2015) of the survey.
Note: The figures are based on the new question introduced in round 11 (April-September 2014).

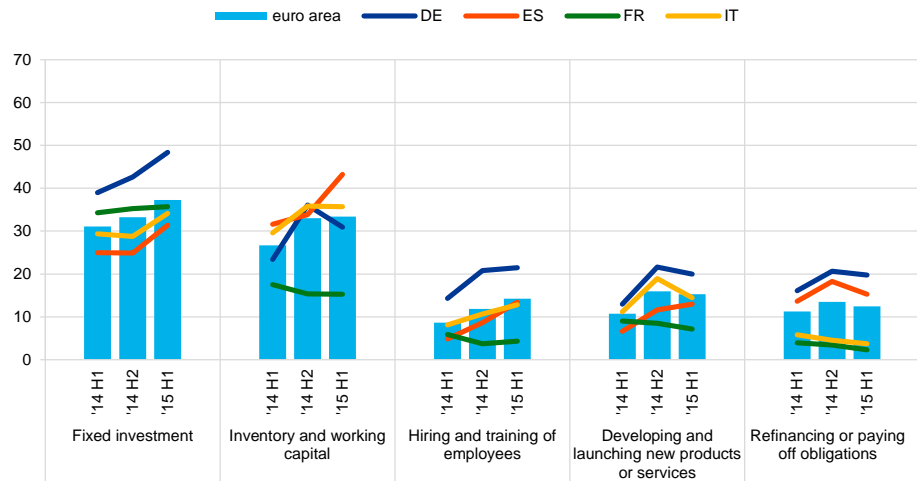
Across large euro area countries, 48% of German and 36% of French SMEs identified fixed investment as the main purpose of their financial needs, followed by inventory and working capital (31% and 15%, respectively). For Spanish and Italian firms, instead, total financing is channelled more to fund inventory and working

capital (43% and 36% respectively) than to investments in property, plant or equipment (31% and 34%), confirming the improvement in the short-term economic outlook of both countries (see Chart 11).

Chart 11

Purpose of the external financing as perceived by SMEs across euro area countries

(over the preceding six months; percentage of respondents)



Q6A. For what purpose was financing used by your enterprise during the past six months?

Base: All SMEs. Figures refer to rounds 11 (April-September 2014) to 13 (April-September 2015) of the survey.
Note: See the note to Chart 10.

4 Availability of external financing for SMEs in the euro area

4.1 Availability of external financing

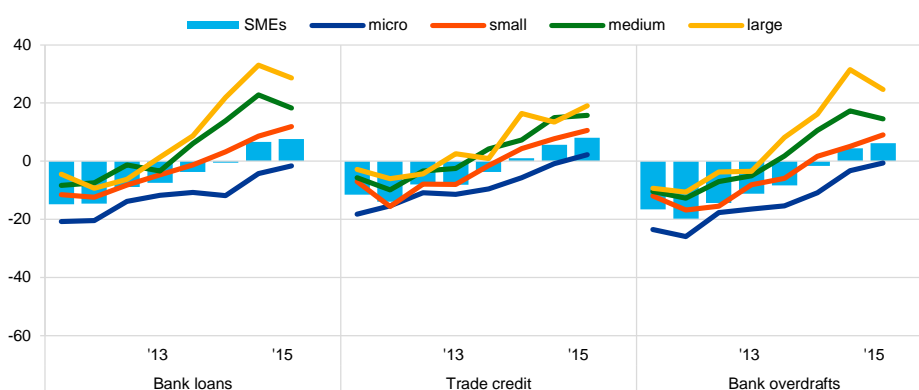
4.1.1 Bank credit became more available across firm sizes and countries

This round of the survey confirmed the improved financing conditions that were signalled in the previous round. Of the size classes, micro enterprises was the only one to continue to report a deterioration, but this was considerably smaller than in the previous survey round (see Chart 12).⁹

Chart 12

Change in the availability of external financing for euro area enterprises

(over the preceding six months; net percentage of respondents)



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?

Base: Enterprises for which the respective instrument is relevant. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey.

With regard to the availability of **bank financing (loans and bank overdrafts)**, in particular small enterprises reported a sizeable improvement in net terms, while for medium-sized enterprises the reported improvement was smaller than in the previous round for both bank instruments. On balance, only 2% of micro enterprises signalled a deterioration in the availability of bank loans and 1% in the case of bank overdrafts, down from 4% and 3% respectively in the previous round. With regard to **trade credit**, an improvement was reported on balance across all size categories.

⁹ See the note to Chart 8. Only survey respondents that report that a particular financing instrument (i.e. bank loans, bank overdrafts and credit lines, trade credit, equity and debt securities issuance) is relevant for their enterprise are asked about the availability of this source of financing. In addition, for equity and debt securities, only enterprises that have applied for external financing are taken into account in the calculation of the aggregated results.

A sizeable improvement in net terms was reported by SMEs in the availability of **leasing or hire purchase** and of **other loans** and large firms in the euro area also mostly reported a large improvement.

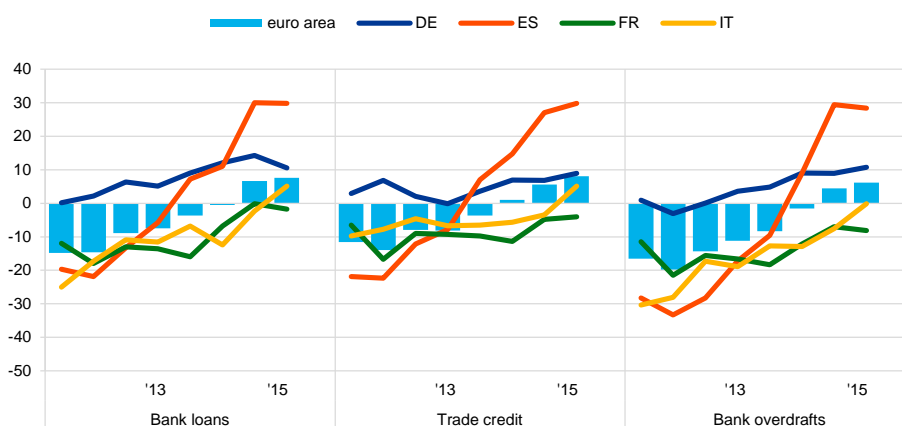
Confirming their generally easier access to external finance, **large enterprises** in the euro area reported, on balance, large positive net percentages for the availability of bank loans (29%, down from 33% in the previous survey round) and bank overdrafts (25%, down from 31%). The net percentage for trade credit increased to 19%.

Among the largest euro area countries, SMEs in Germany and, above all, in Spain signalled an improvement in the availability of bank loans and bank overdrafts. For the first time since the beginning of the survey, Italian SMEs also reported an increase in the availability of bank loans (5%, up from -2%) and an improvement for bank overdrafts (0%, up from -8%). In the same period, French SMEs reported negative net percentages in the availability of both bank loans (-2%) and bank overdrafts (-8%) (see Chart 13).

Chart 13

Change in the availability of external financing for euro area SMEs

(over the preceding six months; net percentage of respondents)



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?

Base: SMEs for which the respective instrument is relevant. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey.

In other euro area countries, there seems to have been a widespread improvement in bank loan availability (see Chart 5a in Annex 1). In Ireland and Portugal, the positive net percentages of SMEs improved further (19% and 22%, up from 10% and 15% respectively in the previous round). In the Netherlands the net percentage turned positive (3%, up from -7%) for the first time since 2009, while it remained negative in Austria (-7%). In Greece, the availability of bank loans has tightened further, as 38% of SMEs (up from 28% in the previous round) signalled the presence of increasing difficulties in accessing bank credit for SMEs, but also for large enterprises. Developments in the availability of bank overdrafts across countries mirrored very closely those in the availability of bank loans.

Difficulties in accessing trade credit eased in Belgium (-1%) and France (-4%), while the remaining countries recorded positive net percentages. In particular, for the first time since the beginning of the survey, Italian SMEs signalled improvements in the availability of trade credit. By contrast, the impediments to accessing trade credit increased further for Greek SMEs (-40%, more than double the percentage reported in the previous survey).

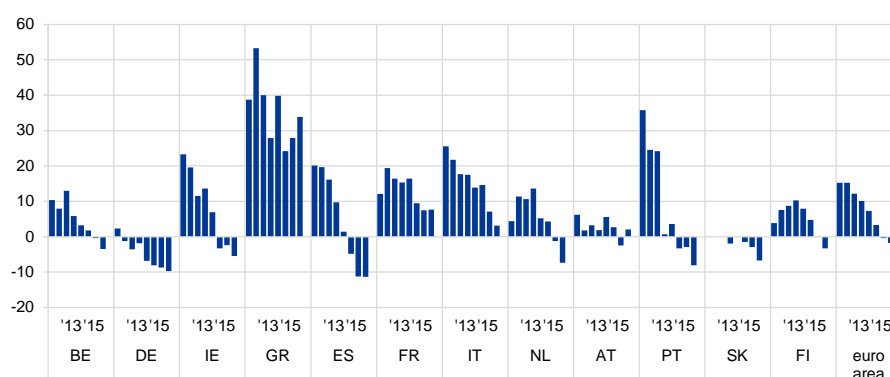
4.1.2 The need for external financing of SMEs was less than the potential supply of external funds

The **external financing gap** of euro area SMEs, which measures the perceived difference at firm level between the need for external funds (across all channels, i.e. bank loans, bank overdrafts, trade credit, equity and debt securities) and the availability of funds, turned negative at the euro area level for the first time since 2009 (see Chart 14).

Chart 14

Change in the external financing gap perceived by SMEs across euro area countries

(over the preceding six months; weighted net balances)



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.

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?

Base: SMEs for which the respective instrument is relevant. "Non-applicable" and "Don't know" answers are excluded. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey.

Note: The financing gap indicator combines both financing needs and availability of bank loans, bank overdrafts, trade credit, and equity and debt securities at firm level. For each of the five financing instruments, an indicator of a perceived financing gap change takes the value of 1 (-1) if the need increases/decreases and availability decreases/increases. If enterprises perceive only a one-sided increase/decrease in the financing gap, the variable is assigned a value of 0.5 (-0.5). The composite indicator is the weighted average of the financing gap related to the five instruments. A positive value of the indicator suggests an increasing financing gap. Values are multiplied by 100 to obtain weighted net balances in percentages. For details, see Ferrando, A., Griesshaber, S., Köhler-Ulbrich, P., Perez-Duarte, S. and Schmitt, N., "Measuring the opinion of enterprises on the supply and demand of external financing in the euro area", in "Proceedings of the Sixth IFC Conference on Statistical Issues and Activities in a Changing Environment", IFC Bulletin, Bank for International Settlements, Basel, 28-29 August 2012, No 36, February 2013.

In Slovakia, the survey was initially conducted every two years (H1 2009, H1 2011 and H1 2013). From 2014 onwards, Slovakia has been included in the sample in each survey round.

The external financing gap indicator for the euro area reached -2%, down from 0% in the previous survey round. A negative financing gap was signalled by SMEs in most countries. By contrast, SMEs in Austria, France and Italy reported a positive

financing gap, while Greek SMEs signalled a sizeable widening in their financing gap compared with the previous survey period (34%, up from 28%).

4.1.3 Willingness of banks to provide credit to SMEs increased across countries

Turning to the **factors** affecting the availability of external financing for SMEs, this survey round clearly confirmed the positive developments in the contributions of all factors recorded in the previous survey round (see Chart 15).

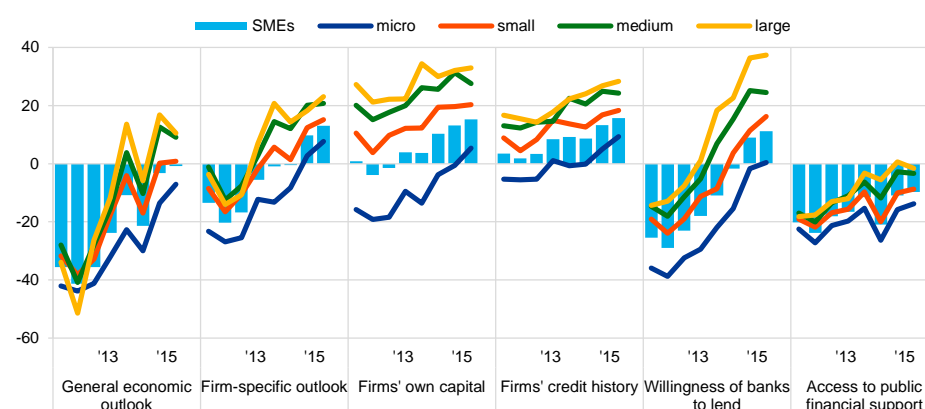
SMEs attributed the positive developments in the availability of external financing to an improvement in the **willingness of banks to provide credit** (11%, from 9%), while for micro firms this indicator turned 0%, up from -2%. Further improvements were recorded by SMEs in the positive contribution of the **firm-specific outlook** (13%), **firms' own capital** (15%) and **credit history** (16%). A less negative contribution was reported for the **general economic outlook** (-1%, up from -3%) and **access to public financial support** (-10%, up from -11%).

Large enterprises also assessed positively the impact of most factors on the availability of external financing. On balance, 37% of them signalled improvements in the willingness of banks to provide credit (up from 36% in the previous survey round). Although the percentages remained much higher than in the case of SMEs, the effect of the general economic outlook on the availability of external financing was considered positive for 11% of large enterprises, down from 17%.

Chart 15

Change in factors having an impact on the availability of external financing to euro area enterprises

(over the preceding six months; net percentage of respondents)



Q11. For each of the following factors, would you say that they have improved, remained unchanged or deteriorated over the past six months?

Base: All enterprises; for the category "Willingness of banks to lend", enterprises for which at least one bank financing instrument (credit line, bank overdraft, credit card overdraft, bank loan, subsidised bank loan) is relevant. Figures refer to rounds six (October 2011-March 2012) to 13 (April-September 2015) of the survey.

Note: From round 11 (April-September 2014), the category "Willingness of banks to provide a loan" was reformulated slightly to "Willingness of banks to provide credit to your enterprise".

Across countries, the less negative contribution of the general economic outlook at the euro area level was driven by the high positive percentages of SMEs in Ireland (46%), Spain (34%), the Netherlands (27%) and Portugal (21%) signalling favourable conditions (see Chart 16 and Chart 6a in Annex 1). Austrian, French and Finnish SMEs reported instead still a strong negative impact of the general economic situation, but the situation has improved in some of these countries compared to the previous wave. In the same period, for Greek SMEs, the general economic outlook was heavily weighing against the availability of external financing (on net 84% reported a deterioration up from 67%).

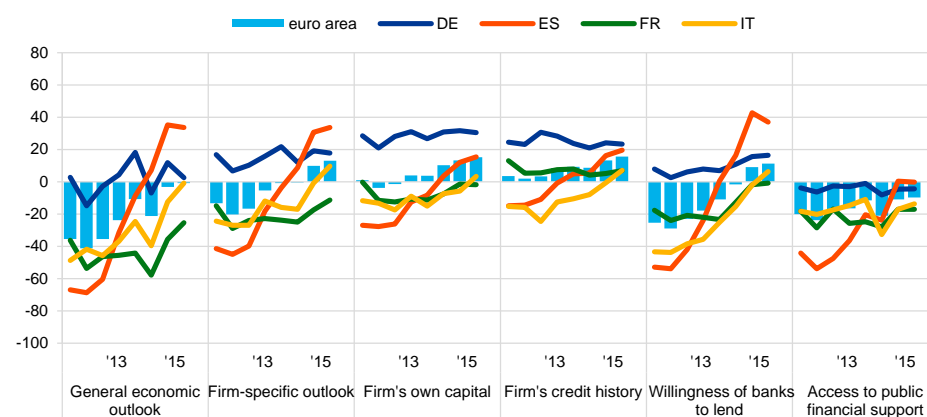
SMEs in most countries signalled an increased positive contribution from firms' own capital and credit history. In particular, the contribution has left the negative territory for Italian SMEs for the first time since the beginning of the survey, while it remained strongly negative for Greek SMEs. Differently from SMEs in other large countries, French SMEs continue to indicate some difficulties related to the provision of capital by owners and shareholders.

From the supply side, SMEs in most countries indicated on balance an improvement in banks' willingness to provide credit in the period from April to September 2015. For Italian (6%) and Dutch SMEs (0%) it was the first time since the beginning of the survey that they did not report a deterioration while, on balance, the indicator is still negative for French and Greek ones (-2% and -43%, respectively). In these two countries, but also marginally in Austria, SMEs reported in addition a deterioration in their outlook in terms of sales or profitability as a factor affecting the availability of external financing.

Chart 16

Change in factors having an impact on the availability of external financing to euro area SMEs

(over the preceding six months; net percentage of respondents)



Q11. For each of the following factors, would you say that they have improved, remained unchanged or deteriorated over the past six months?

Base: All SMEs; for the category "Willingness of banks to lend", SMEs for which at least one bank financing instrument (credit line, bank overdraft, credit card overdraft, bank loan, subsidised bank loan) is relevant. Figures refer to rounds six (October 2011-March 2012) to 13 (April-September 2015) of the survey.
 Note: From round 11 (April-September 2014), the category "Willingness of banks to provide a loan" was reformulated slightly to "Willingness of banks to provide credit to your enterprise".

4.2 Terms and conditions of bank loan financing

4.2.1 Improvement in terms and conditions for bank loans, albeit less than in the previous survey round

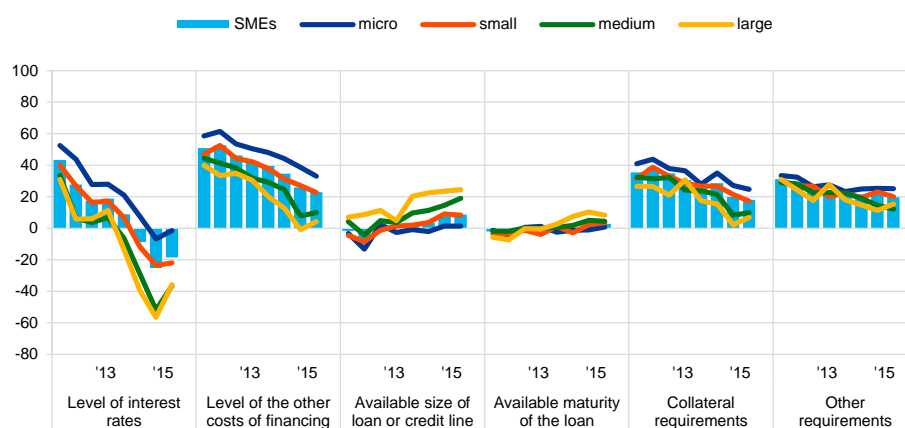
In line with the improvement in the availability of bank loans for all enterprises, euro area SMEs reported, on balance, declining interest rates (-18%, up from -25%) and an increase in the available size (9%, up from 8%) and maturity (3%, up from 2%) of loans and overdrafts (see Chart 20). The large negative net percentages regarding the level of **interest rates** reflect the reduction in aggregate bank lending rates, including those on very small loans (up to EUR 0.25 million) that occurred in the period from April to September 2015; they also confirm the recent results of the euro area bank lending survey, which showed a net easing of credit standards as well as an easing of terms and conditions on new loans to enterprises. A positive net percentage of SMEs continued to indicate a tightening in the collateral and other requirements of banks.

Large enterprises continued to benefit most from the improvement in the terms and conditions of bank loans. Furthermore, in this survey round the percentages of large enterprises reporting a decline in interest rates (-36%) and an increase in the maturity of loans (8%) were higher than SMEs, but slightly lower than those recorded in the previous round (-56% and 10%, respectively). 25% of large firms (up from 23%) signalled, on balance, an increase in the available size of loans or credit lines.

Chart 17

Change in terms and conditions of bank loans granted to euro area enterprises

(over the preceding six months; net percentages of enterprises that had applied for bank loans)



Q10. Please indicate whether the following items increased, remained unchanged or decreased in the past six months.

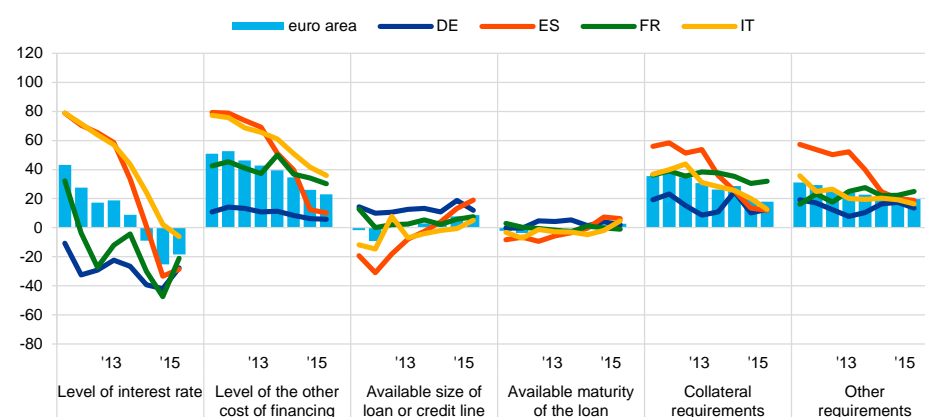
Base: Enterprises that had applied for bank loans (including subsidised bank loans), credit line, bank overdraft or credit card overdraft. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey. Note: See the note to Chart 18.

With regard to the large countries, SMEs in Italy reported a decline in interest rates for the first time since 2009 (-6%, down from 2%), while in France, Germany and Spain the percentages of SMEs indicating declines in interest rates slowed down

with respect to the previous survey round (see Chart 21). As far as the other indicators of price and non-price terms and conditions are concerned, country developments systematically signal a better situation for SMEs located in Germany and in Spain, compared with the other large countries. In line with the reduction in interest rates, Italian SMEs reported a significant decline in collateral (13%, down from 20%).

Chart 18
Change in terms and conditions of bank loans granted to euro area SMEs

(over the preceding six months; net percentages of enterprises that had applied for bank loans)



Q10. Please indicate whether the following items increased, remained unchanged or decreased in the past six months.

Base: SMEs that had applied for bank loans (including subsidised bank loans), credit lines, bank overdrafts or credit card overdrafts. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey. Note: See the note to Chart 1.

In most of the other euro area countries (see Chart 7a in Annex 1), the net percentage of SMEs reporting a decline in bank lending rates was most pronounced in Belgium (-21%), Portugal (-35%) and Slovakia (-27%). By contrast, SMEs in Greece (15%) and Finland (10%) reported, on balance, an increase in bank lending rates.

With respect to non-price terms and conditions, SMEs in Greece (-18%) and the Netherlands (-1%) indicated, on balance, a decrease in the available **size of loans**. SMEs in other euro area countries reported an increase in the available loan size. Most noticeably, net percentages in Finland went up to 14%, from 8% in the previous survey round.

Collateral requirements (see Chart 9a in Annex 1) remain on the high side – but declined since the previous survey round – for SMEs in Austria (33%), Finland (28%) and Greece (31%).

Some of the terms and conditions analysed in the previous charts are also important for explaining **why bank loans were a less relevant source of financing** for euro area SMEs during the period from April to September 2015 (see Chart 22). Although the majority of SMEs, at the euro area level and in each country, reported that they simply do not need bank loans (71%, up from 69% in the previous survey round),

around 5% of SMEs signalled that no bank loans were available to them, ranging from 28% in Greece and 10% in Ireland to 0% in Finland. Among the remaining SMEs answering to this question in the survey, 9% indicated that price conditions are still considered too high, in particular by Greek, Italian, Portuguese, Slovak and Spanish SMEs where the percentages were between 22% and 11%. Finally, 5% of SMES reported insufficient collateral or guarantees as a reason, a factor more often chosen by Finnish and Greek SMEs, while excessive paperwork involved was cited as an important reason by Austrian and Portuguese SMEs.

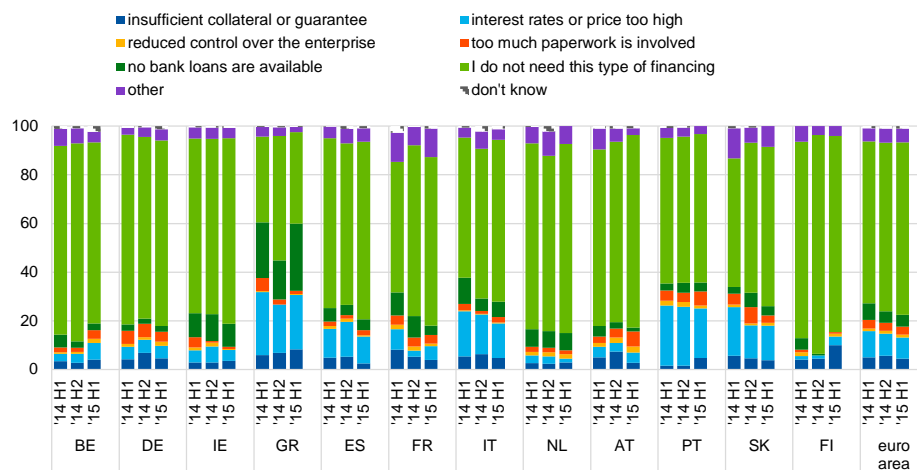
Looking at the percentages according to the size of enterprises, price conditions are important for micro and small enterprises (see Chart 4a in Annex 1). Overall, the larger the enterprise, the more often loans were reported as not being relevant because they were not needed.

SMEs in the euro area were asked about **the size of the last loan** they had obtained or attempted to obtain in the past six months (see Chart 23). The majority applied for small loans: 15% reported that they received a loan of up to EUR 25,000 and 27% reported a loan of between EUR 25,000 and EUR 100,000. Large loans were obtained by 35% of SMEs: 21% reported a loan of between EUR 250,000 and EUR 1 million, and 14% reported a loan that exceeded EUR 1 million.

Chart 19

Reasons why bank loans are not a relevant source of financing for euro area SMEs

(over the preceding six months; percentage of respondents)



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

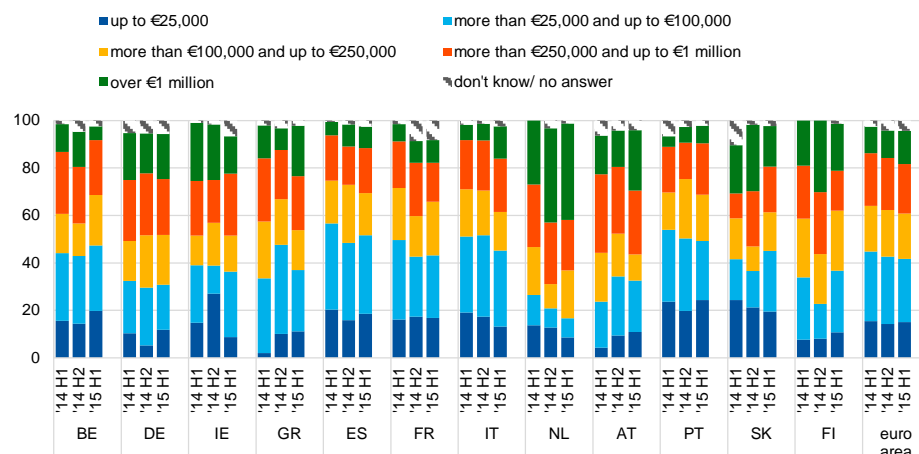
Base: SMEs for which bank loans are not a relevant source of financing. Figures refer to rounds eleven (April-September 2015) to thirteen (April-September 2015) of the survey.

Note: The figures are based on the new question introduced in round eleven (April-September 2014). In Slovakia, the survey was initially conducted every two years (H1 2009, H1 2011 and H1 2013). From 2014 onwards, Slovakia has been included in the sample in each survey round.

Chart 20

Size of the last bank loan of euro area SMEs

(over the preceding six months; percentages of enterprises that had applied for bank loans)



Q8A. What is the size of the last bank loan that your enterprise obtained or attempted to obtain in the past six months?

Base: SMEs that had applied for bank loans (including subsidised bank loans). Figures refer to round thirteen (April-September 2015) of the survey.

Note: The figures are based on the new question introduced in round eleven (April-September 2014).

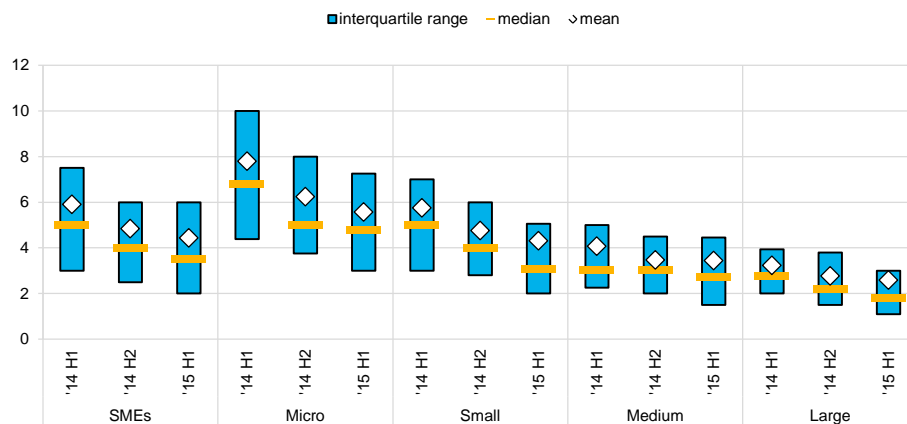
Concerning the price conditions of the loans obtained by SMEs, the survey included a question on the **interest rates charged by banks on credit lines and overdrafts**.¹⁰ Chart 24 indicates a clear effect relative to the size of an enterprise, as interest rates were reported to be consistently higher for smaller-sized enterprises over the period of the survey rounds available. The difference between average interest rates charged to large enterprises and SMEs is approximately 180 basis points when considering average values. It is 10 basis points less if median values are considered instead of averages. However, during the period from April to September 2015, the largest decline in interest rates from the previous survey round concerned micro and small enterprises in particular. On average, they reported a decline of 67 and 45 basis points, while for medium and large enterprises the declines were 2 and 18 basis points, respectively. Across the large euro area countries the decline has affected SMEs in Italy and Spain while they remained almost unchanged in France and Germany (see Chart 25).

¹⁰ From round eleven (April-September 2014), the question regarding the interest rate of the credit line or bank overdraft was added to the questionnaire. The weighted mean reported by euro area enterprises is around 30 basis points higher than the official monetary financial institutions interest rate statistics on bank overdrafts (average in the period from April to September 2015), while the median value is 70 basis points lower. Some caveats apply when comparing the figures quoted in this report with the official bank interest rate statistics: (i) the bank statistics are weighted by the loan volumes, while the survey responses are weighted by the number of employees; and (ii) the bank statistics refer to the full financing granted in the period, while the survey includes all enterprises that had successfully applied for the credit line or bank overdraft or did not apply because the cost was too high.

Chart 21

Interest rate charged for the credit line or bank overdraft to euro area enterprises

(percentages)



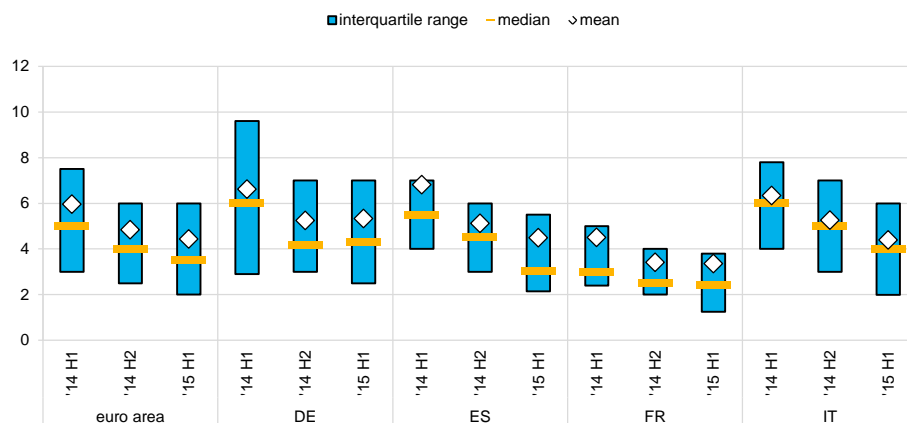
Q8B. What interest rate was charged for the credit line or bank overdraft for which you applied?

Base: Enterprises that had successfully applied for a credit line or bank overdraft or that did not apply because the cost was too high. Figures refer to rounds eleven (April-September 2015) to thirteen (April-September 2015) of the survey.
 Note: The interquartile range is defined as the difference between the 75th percentile and the 25th percentile. The figures are based on the new question introduced in round eleven (April-September 2014).

Chart 22

Interest rate charged for the credit line or bank overdraft to euro area SMEs

(percentages)



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

Base: SMEs that had successfully applied for the credit line or bank overdraft or that did not apply because the cost was too high. Figures refer to rounds eleven (April-September 2015) to thirteen (April-September 2015) of the survey.
 Note: The interquartile range is defined as the difference between the 75th percentile and the 25th percentile. The figures are based on the new question introduced in round eleven (April-September 2014).

5 Expectations regarding access to finance

5.1 Slight change in optimism for future availability of internal and external financing sources

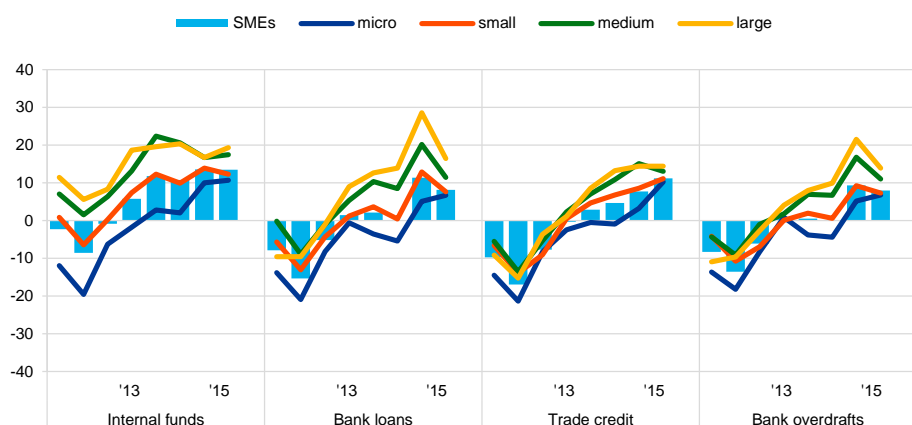
For the coming six-month period (October 2015 to March 2016), euro area SMEs expected, on balance, continued improvements in the availability of external and internal sources of finance (see Chart 26).

Looking ahead, a slightly lower percentage of euro area SMEs reported a net improvement in the **availability of bank loans** (8%, compared with 11% for the period from April to September 2015) (see Chart 26). In addition, they expected a slight improvement in **internal funds** (retained earnings or sale of assets) and **bank overdrafts** (13% and 8% respectively, compared with 14% and 9% respectively in the previous period). Euro area SMEs expected a higher improvement in the availability of **trade credit** for the same period (11%, up from 8%).

Chart 23

Change in euro area enterprises' expectations regarding the availability of financing

(over the preceding six months; net percentage of respondents)



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.

Base: Enterprises for which the respective instrument is relevant. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey.
Note: See the note to Charts 1 and 8.

Among SMEs, micro enterprises were more optimistic about the future availability of external funds, as they expected greater improvements for bank loans, bank overdrafts and trade credit (7%, 7% and 10% respectively, up from 5%, 5% and 3% respectively). They also expected a slightly higher improvement in internal funds (11%, up from 10%).

Large enterprises expected a smaller improvement in the availability of bank loans (16%, down from 29%) and bank overdrafts (14%, down from 21%), while their expectations about trade credit remained unchanged (14%). Large firms expected a larger increase in their internal funds (19%, up from 17%).

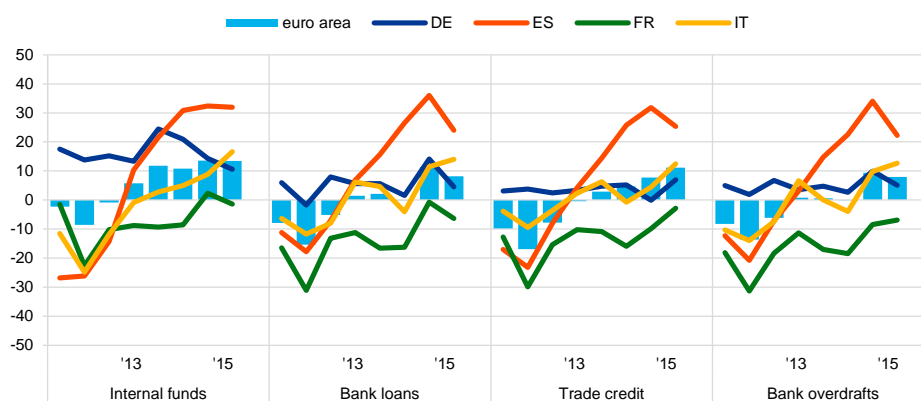
According to information available since the last survey round, euro area enterprises continued to expect positive developments for **other loans** while slightly smaller improvements are expected by SMEs in the availability of **leasing or hire purchase**, for the coming six-month period.

Optimism about further improvements was widespread in most, but not all countries (see Chart 27). In Italy, there was a strong improvement in the outlook of SMEs regarding their access to internal and external financing sources. The outlook of SMEs in France regarding external financing sources was less negative than was previously the case with bank overdrafts and trade credit, but more negative for bank loans. In Spain, SMEs were somewhat less optimistic about the availability of external funds, as they expected lower improvements in bank loans, bank overdrafts and trade credit (24%, 22% and 25%, respectively). By contrast, SMEs in Greece continued to report increasingly pessimistic expectations regarding the availability of internal funds (-30%, from -19%), while expecting a smaller deterioration in bank loans, bank overdrafts and trade credit (-16%, -24% and -21% respectively).

Chart 24

Change in euro area SMEs' expectations regarding the availability of financing

(over the preceding six months; net percentage of respondents)



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.

Base: SMEs for which the respective instrument is relevant. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey.

Note: See the note to Charts 1 and 8.

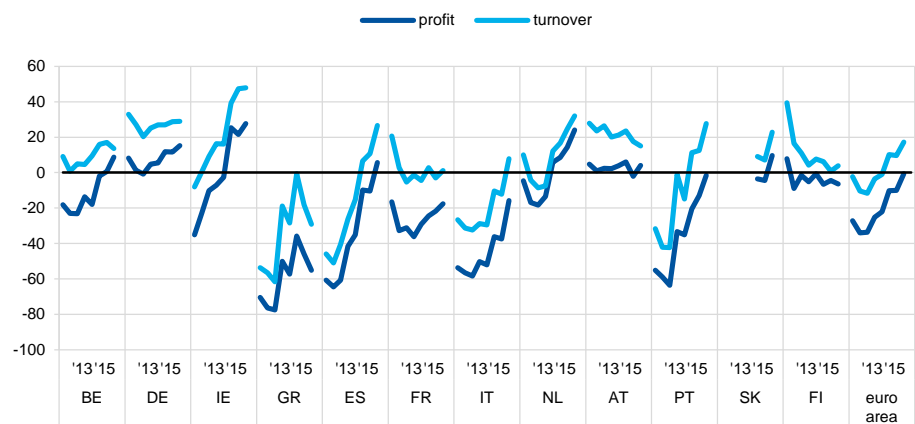
Annex 1

Overview of the survey replies – selected charts

Chart 1a

Change in turnover and profit of SMEs across euro area countries

(over the preceding six months; net percentage of respondents)



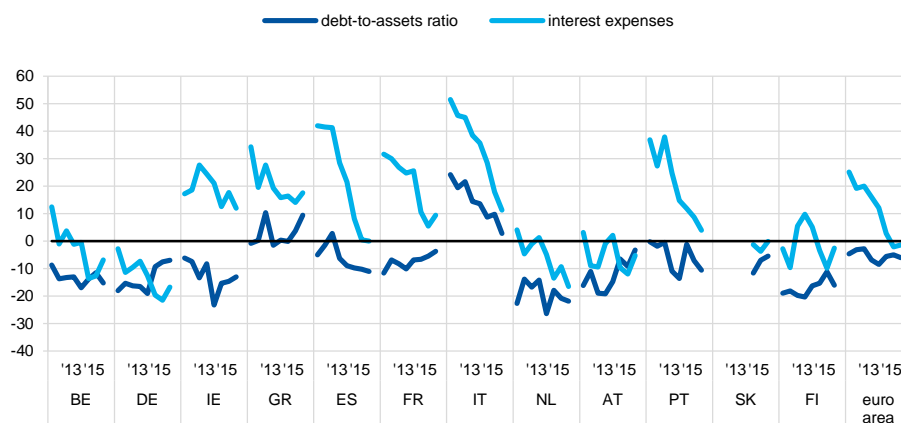
Q2. Have the following company indicators decreased, remained unchanged or increased over the past six months?

Base: All SMEs. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey.
 Note: See the note to Chart 1. In Slovakia, the survey was initially conducted every two years (H1 2009, H1 2011 and H1 2013). From 2014 onwards, Slovakia has been included in the sample in each survey round.

Chart 2a

Change in debt to total assets and interest expenses of SMEs across euro area countries

(over the preceding six months; net percentage of respondents)



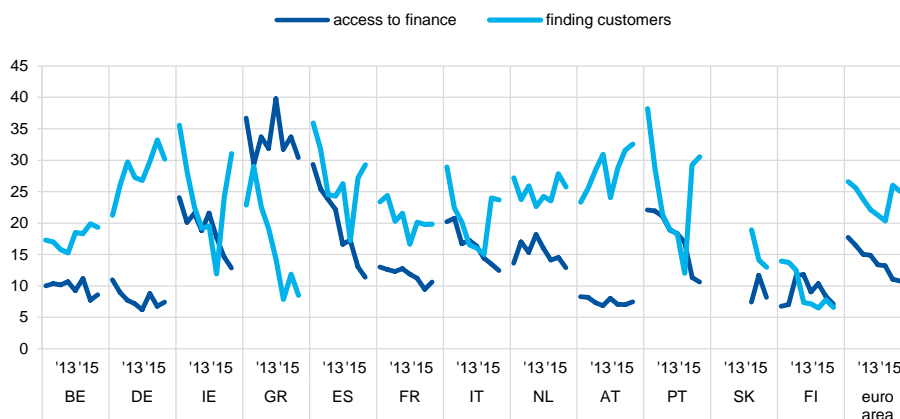
Q2. Have the following company indicators decreased, remained unchanged or increased over the past six months?

Base: All SMEs. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey.
 Note: See the note to Chart 1. From round eleven (April-September 2014), the concept of "Net interest expenses (what you pay in interest for your debt minus what you receive in interest for your assets)" was changed to "Interest expenses (what your company pays in interest for its debt)". The latest results may therefore not be comparable with those of the previous rounds. In Slovakia, the survey was initially conducted every two years (H1 2009, H1 2011 and H1 2013). From 2014 onwards, Slovakia has been included in the sample in each survey round.

Chart 3a

The most important problems faced by euro area SMEs across euro area countries

(percentage of respondents)



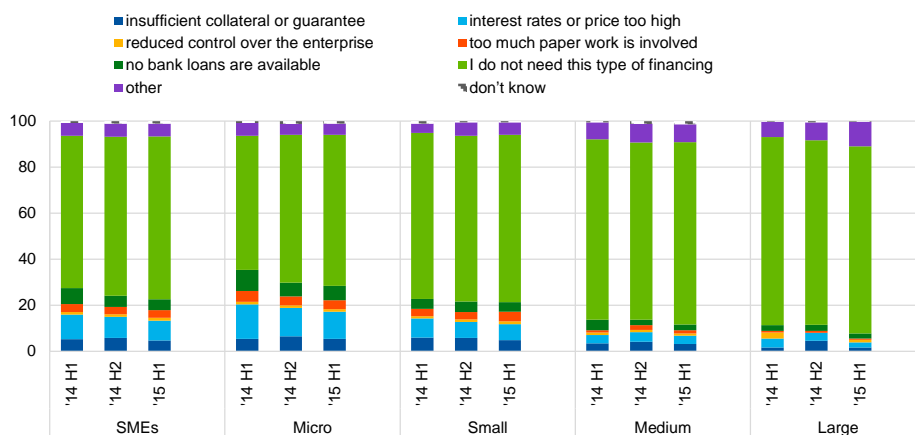
Q0B. How important have the following problems been for your enterprise in the past six months?

Base: All SMEs. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey.
 Note: See the notes to Chart 3. In Slovakia, the survey was initially conducted every two years (H1 2009, H1 2011 and H1 2013). From 2014 onwards, Slovakia has been included in the sample in each survey round.

Chart 4a

Reasons why bank loans are not a relevant source of financing for euro area enterprises

(over the preceding six months; percentage of respondents)



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

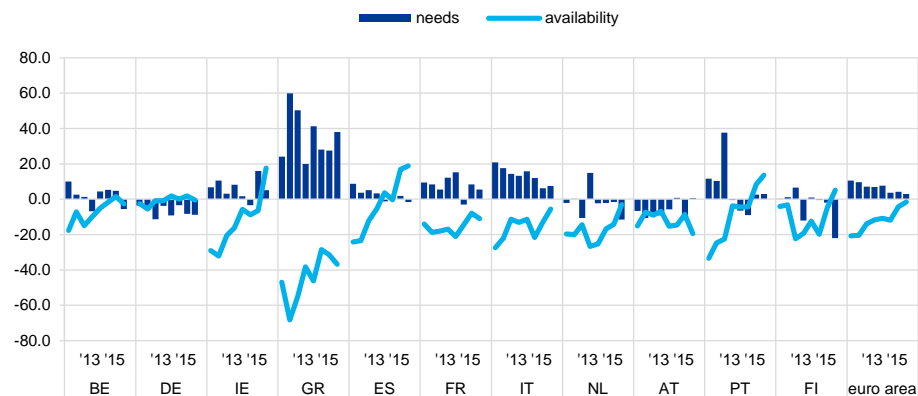
Base: Enterprises for which bank loans are not a relevant source of financing. Figures refer to rounds eleven (April-September 2014) to thirteen (April-September 2015) of the survey.

Note: The figures are based on the new question introduced in round eleven (April-September 2014).

Chart 5a

Change in the availability and needs for bank loans of SMEs across euro area countries

(over the preceding six months; net percentage of respondents)



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.

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?

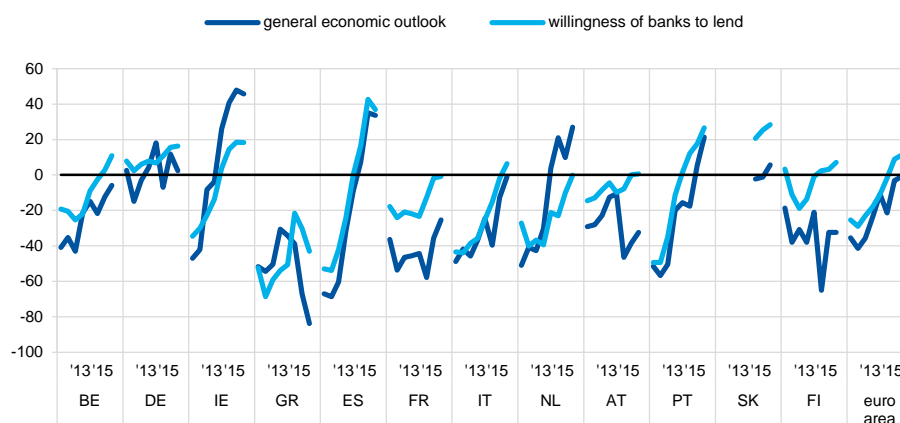
Base: SMEs for which the respective instrument is relevant. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey.

Note: See the note to Charts 1 and 8. In Slovakia, the survey was initially conducted every two years (H1 2009, H1 2011 and H1 2013). From 2014 onwards, Slovakia has been included in the sample in each survey round.

Chart 6a

Change in factors having an impact on the availability of external financing for SMEs across euro area countries

(over the preceding six months; net percentage of respondents)



Q11. For each of the following factors, would you say that they have improved, remained unchanged or deteriorated over the past six months?

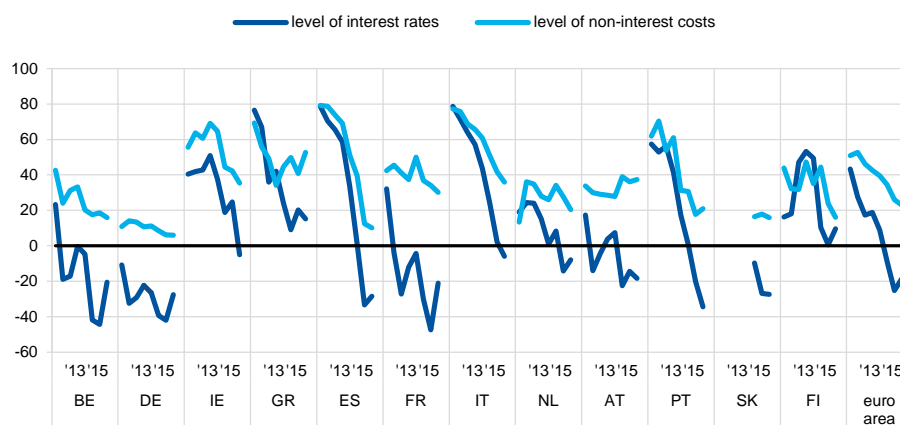
Base: All SMEs; for the category "Willingness of banks to lend", these are SMEs for which at least one bank financing instrument (credit line, bank overdraft, credit card overdraft, bank loan, subsidised bank loan) is relevant. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey.

Note: See the note to Charts 1 and 8. From round eleven (April-September 2014), the category "Willingness of banks to provide a loan" was reformulated slightly to "Willingness of banks to provide credit to your enterprise". In Slovakia, the survey was initially conducted every two years (H1 2009, H1 2011 and H1 2013). From 2014 onwards, Slovakia has been included in the sample in each survey round.

Chart 7a

Change in the cost of bank loans granted to SMEs across euro area countries

(over the preceding six months; net percentages of enterprises that had applied for bank loans)



Q10. Please indicate whether the following items increased, remained unchanged or decreased in the past six months.

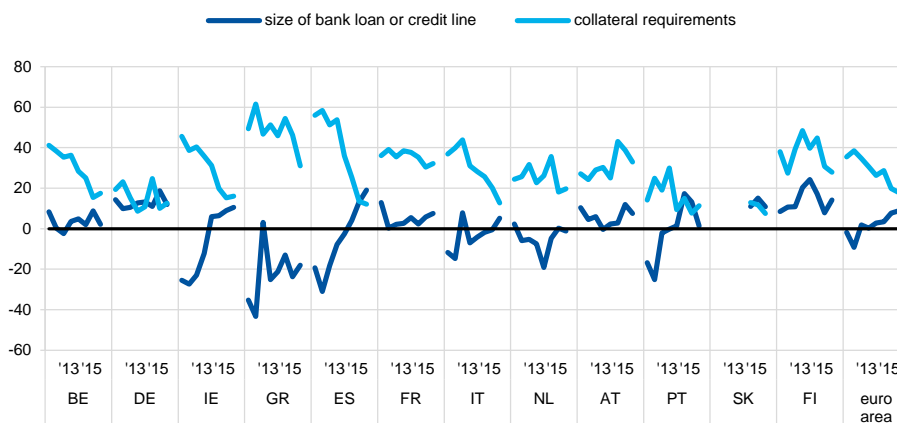
Base: SMEs that had applied for bank loans (including subsidised bank loans), credit lines, bank overdrafts or credit card overdrafts. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey.

Note: See the note to Chart 1. In Slovakia, the survey was initially conducted every two years (H1 2009, H1 2011 and H1 2013). From 2014 onwards, Slovakia has been included in the sample in each survey round.

Chart 8a

Change in non-price terms and conditions of bank loans granted to SMEs across euro area countries

(over the preceding six months; net percentages of enterprises that had applied for bank loans)



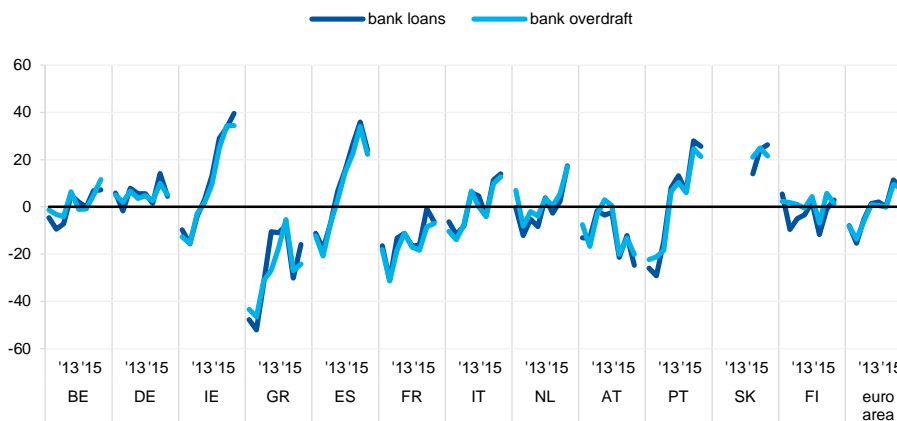
Q10. Please indicate whether the following items increased, remained unchanged or decreased in the past six months.

Base: SMEs that had applied for bank loans (including subsidised bank loans), credit lines, bank overdrafts or credit card overdrafts. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey.
 Note: See the note to Chart 1. In Slovakia, the survey was initially conducted every two years (H1 2009, H1 2011 and H1 2013). From 2014 onwards, Slovakia has been included in the sample in each survey round.

Chart 9a

SMEs' expectations regarding the availability of bank loans and overdrafts across euro area countries

(over the preceding six months; net percentages of respondents)



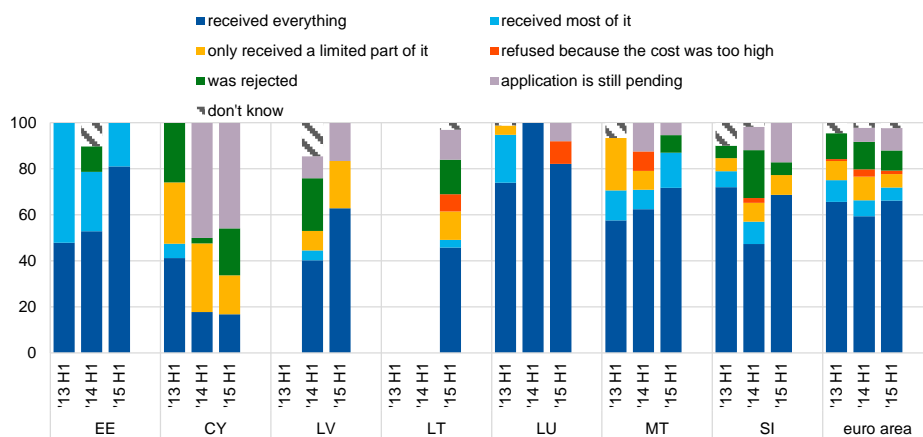
Q23. Looking ahead, for each of the following types of financing available to your enterprise, please indicate whether you think their availability will improve, deteriorate or remain unchanged over the next six months.

Base: SMEs for which the respective instrument is relevant. Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey.
 Note: See the note to Charts 1 and 8. In Slovakia, the survey was initially conducted every two years (H1 2009, H1 2011 and H1 2013). From 2014 onwards, Slovakia has been included in the sample in each survey round.

Chart 10a

Outcome of applications for bank loans by SMEs across the euro area's smallest countries

(over the preceding six months; percentage of enterprises that had applied for bank loans)



Q7B_a. [Bank loan]: If you applied and tried to negotiate for this type of financing over the past six months, what was the outcome?

Base: SMEs that had applied for bank loans (including subsidised bank loans). Figures refer to rounds six (October 2011-March 2012) to thirteen (April-September 2015) of the survey.

Note: Data are available for every year since 2013. It was previously every two years, starting from 2009 (Estonia from H1 2011, Latvia H1 2014, Lithuania H1 2015). The category "Other small euro area countries" comprises Estonia, Cyprus, Luxembourg, Latvia, Lithuania, Malta and Slovenia, taking into account the composition of the euro area at the time to which the statistics relate. The category "Application is still pending" was added in round eleven (April-September 2014).

Table

SMEs that applied for a bank loan (including subsidised bank loans)

(over the preceding six months; percentage of respondents)

	EE	CY	LV	LT	LU	MT	SI	euro area
April-September 2015	18	13	21	32	23	23	22	30

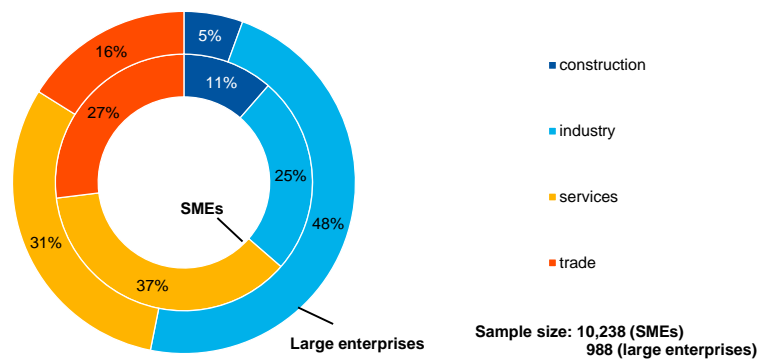
Annex 2

Descriptive statistics for the sample of enterprises

Chart 1b

Breakdown of enterprises across economic activities

(unweighted percentage)

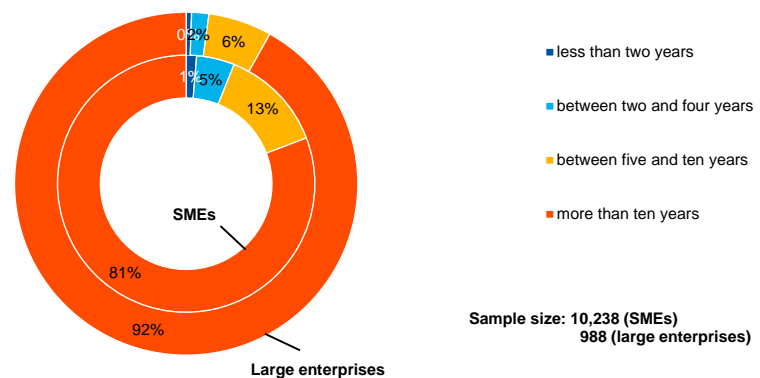


Base: Figures refer to round thirteen (April-September 2015) of the survey.

Chart 2b

Breakdown of enterprises by firm age

(unweighted percentage)

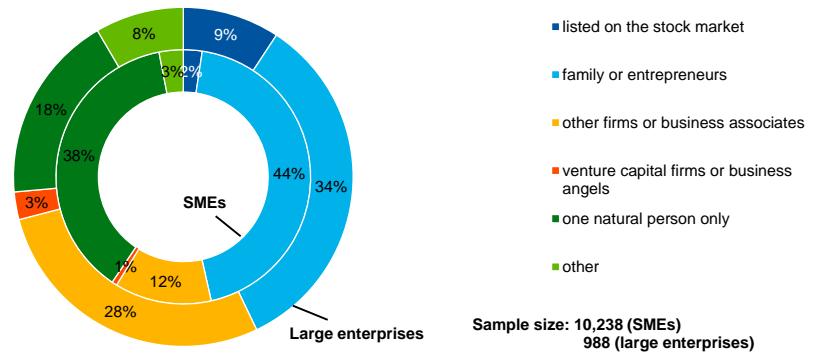


Base: Figures refer to round thirteen (April-September 2015) of the survey.

Chart 3b

Breakdown of enterprises according to ownership

(unweighted percentage)

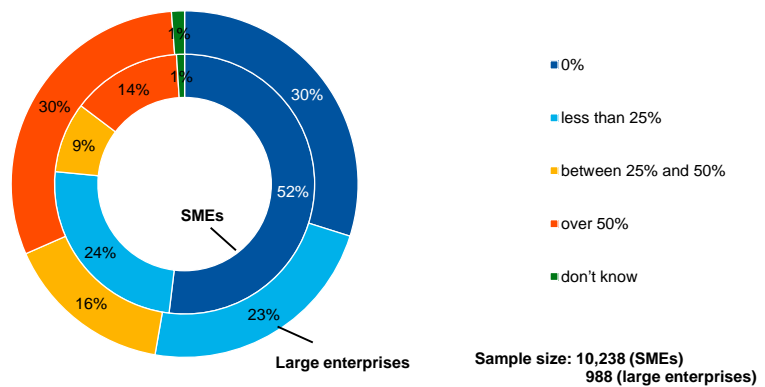


Base: Figures refer to round thirteen (April-September 2015) of the survey.

Chart 4b

Breakdown of enterprises according to exports

(unweighted percentage)



Base: Figures refer to round thirteen (April-September 2015) of the survey.

Annex 3

Methodological information on the survey

This Annex presents the main changes introduced in the latest round of the Survey on the Access to Finance of Enterprises (SAFE). For an overview of how the survey was set up, the general characteristics of the euro area enterprises that participated in the survey and the changes introduced to the methodology and the questionnaire over time, see the “Methodological information on the survey and user guide for the anonymised micro dataset” available on the ECB website.¹¹

Since September 2014 the survey has been carried out by Panteia b.v., in cooperation with the fieldwork provider GDCC. To the best of our knowledge, no breaks in the series are attributable to the change of providers over the life cycle of the survey.

However, some changes in the questionnaire may have caused a break between the round covering the second half of 2013 and that covering the first half of 2014. This stems from the review of various components of the SAFE after ten survey rounds, covering the questionnaire, sample allocation, survey mode and weighting scheme (see Annex 4 in the corresponding report on the ECB’s website for details¹²).

In this survey round no major changes were introduced in the questionnaire¹³, although some questions were slightly rephrased:

- clarifications were added to question D3 category “Other services to businesses or persons” and to questions D4, Q7A, Q8B, Q1, Q20 and Q24;
- “Fixed investment” was replaced by “Investments in property, plant or equipment” to improve understanding of the term as used in questions Q2 and Q6A;
- in question Q0b, the category “Other” was replaced by “Other, please specify”;
- question Q1 was moved to Section 5 of the questionnaire;
- question Q8B_var was added in order to collect information on the variable interest rate;
- in question Q20, the term “equity investment” was replaced by “equity capital” so as to align the use of the term across the questionnaire.

¹¹ http://www.ecb.europa.eu/stats/pdf/surveys/sme/methodological_information_survey_and_user_guide.pdf

¹² <https://www.ecb.europa.eu/pub/pdf/other/accesstofinancesmallmediumsizedenterprises201411.en.pdf>

¹³ The questionnaire is available on the ECB website: http://www.ecb.europa.eu/stats/pdf/surveys/sme/SAFE_Questionnaire_2015H1.pdf. It was translated into the respective languages for the purposes of the survey.

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