

SAFE

**Annual Survey on the Access
to Finance of Enterprises 2020**

Main results



Providing the most accurate data for evidence-based policy making

The survey, carried out in cooperation with the European Central Bank, samples almost **17,000 companies in Europe** for the period **of April to September 2020**. It covers micro, small, medium-sized and large firms and was conducted between 7 September and 16 October 2020.

KEY INSIGHTS

The survey shows how **SME financing conditions were affected** by the spread of the coronavirus (COVID-19) pandemic across Europe and indicates the associated disruption in the business activity of many companies. The survey provides some key insights into the sources and magnitude of the **inflationary pressures perceived** by EU SMEs.

QUALITATIVE SURVEY

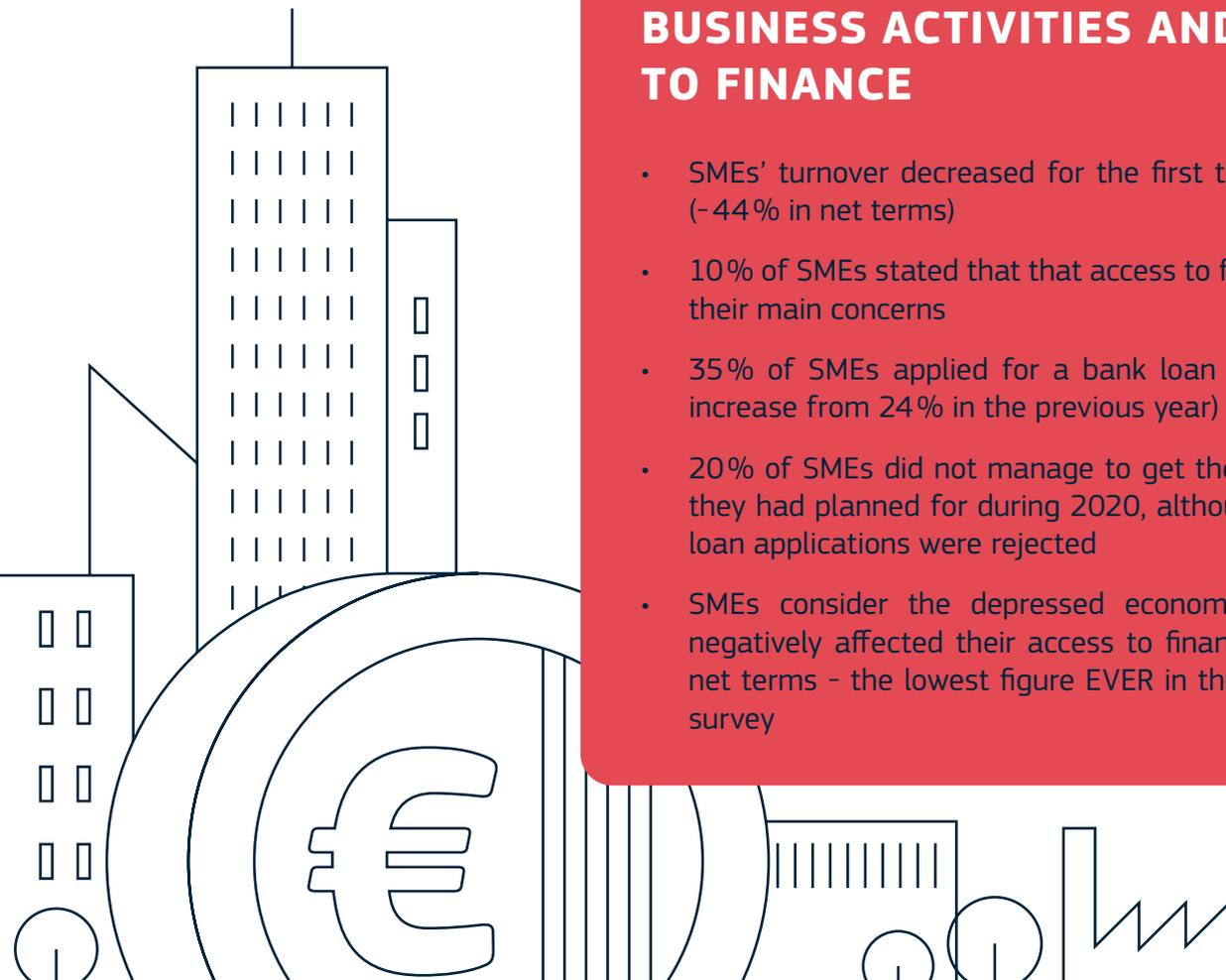
The survey results reflect the opinions of SMEs, based on their experiences over the last six months (April to September 2020). They were asked about the importance of various issues affecting access to finance: uses and relevant sources of funding, application and outcome, needs and availability, purpose and expectations.

NET RESULTS

For some factors, companies were able to confirm whether the situation had improved, remained unchanged or deteriorated. The results are expressed in net terms: the net result is the difference between the percentage of enterprises reporting that a given factor has increased and the percentage reporting that it has declined.

COVID-19 IS AFFECTING SMEs' BUSINESS ACTIVITIES AND ACCESS TO FINANCE

- SMEs' turnover decreased for the first time since 2014 (-44% in net terms)
- 10% of SMEs stated that that access to finance is one of their main concerns
- 35% of SMEs applied for a bank loan (a considerable increase from 24% in the previous year)
- 20% of SMEs did not manage to get the full bank loan they had planned for during 2020, although only 6% of loan applications were rejected
- SMEs consider the depressed economic outlook has negatively affected their access to finance by -40% in net terms - the lowest figure EVER in the history of the survey



SURVEY HIGHLIGHTS

DOWN

Economic activity:

Sharp deterioration reported in turnover, profits, employment and outlook



Number of employees
- 10%



Sales/Profit outlook
- 29%



Turnover
- 44%



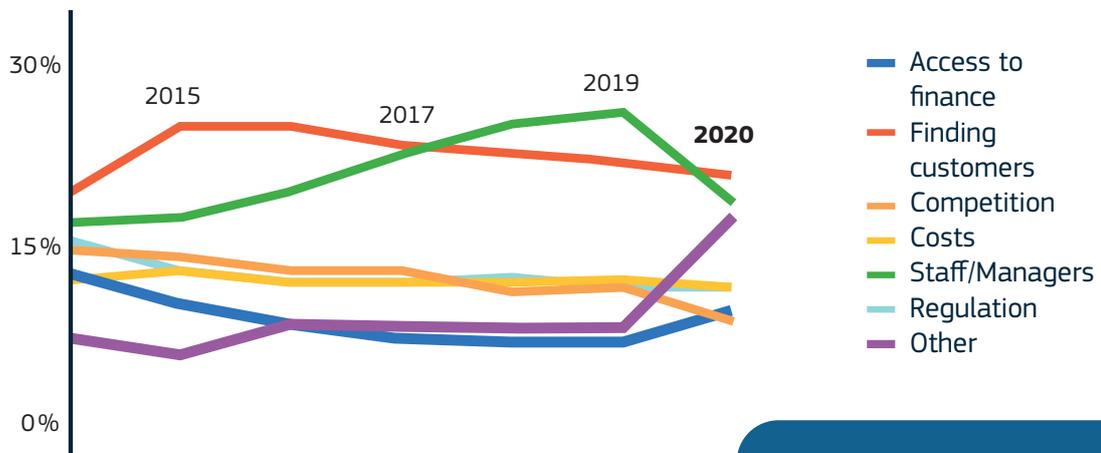
Profits
- 45%

Net results: more companies reported a decrease than an increase

CHANGING

Main concerns/problems:

Main concerns and demand for financial support



UP

ACCESS TO FINANCE
10% UP FROM 7%

OTHER PROBLEMS
which in 2020 included
COVID-19 issues
18% UP FROM 8%

DOWN

STAFF/MANAGERS
Availability of skilled staff
or experienced managers
19% DOWN
FROM 26%

INCREASE IN DEMAND FOR FINANCIAL SUPPORT

More companies indicated that their needs increased, rather than decreased



Bank loans



Credit lines

STEADY

RESPONSE FROM CREDIT PROVIDERS AND AUTHORITIES

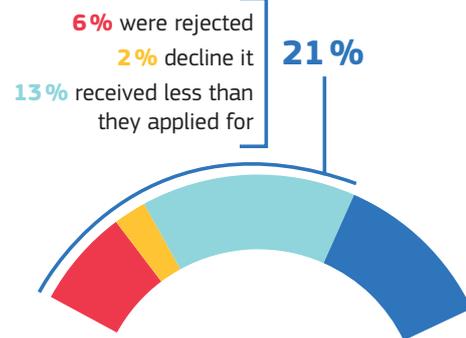
AVAILABILITY OF LOANS

4% Credit lines **4%** Bank loan

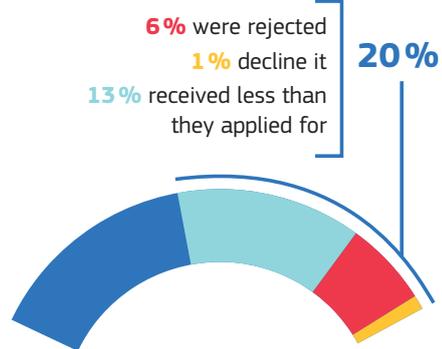
Still more enterprises said that availability had improved, rather than deteriorated, but those indicators are lower than the last year

OUTCOME OF APPLICATIONS

31% of SMEs applied for a credit line, and out of those, 21% did not manage to get the full credit line planned:

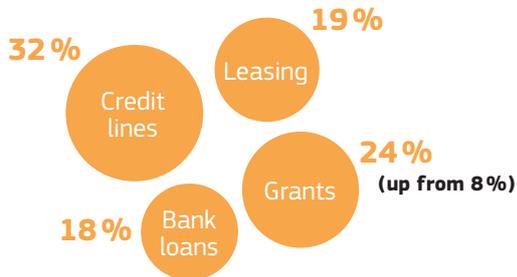


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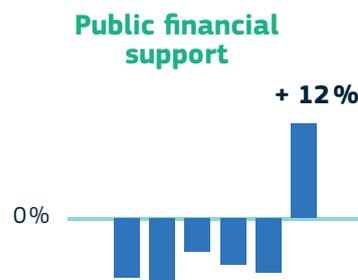
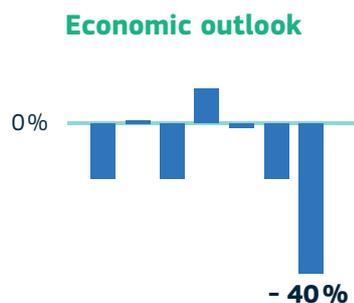


Sources of financing

Credit lines remained the most popular but grants increased considerably



SMEs consider the depressed economic outlook has negatively affected their access to finance **the lowest figure EVER** in the history of the survey. But access to public financial support, including guarantees, was reported as improved, in net terms.



Access to finance is critical for European SMEs: it is essential to combat the adverse effects of COVID-19 and to support business growth, innovation, digitalisation and sustainability.



**SCAN THE CODE TO DOWNLOAD
THE FULL REPORT**

General economic environment

Company situation

**Financial market
condition**

Needs (demand)

**Availability
(supply)**

**Application / discouragement
Outcome of application**

**Sources of financing
Purposes of financing**

<https://ec.europa.eu/growth/safe>

European Commission
Directorate-General for Internal Market, Industry,
Entrepreneurship and SMEs (DG GROW)