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2023

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**Eurochambres Economic
Survey**

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**30th anniversary edition
#EES2023**
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Foreword

Over the last three decades, the Eurochambres Economic Survey has provided evidence-based in-depth analysis of business sentiment across Europe. The survey demonstrates the unique connectivity of the European chamber network with the business community. The 30th consecutive annual Eurochambres Economic Survey is based on feedback received from over 42.000 entrepreneurs in 25 European countries. While it would be pleasing to present an optimistic outlook for the year ahead in this milestone edition, the results highlight the challenging and uncertain economic context resulting from the Covid pandemic, the impact of the ongoing war in Ukraine, and the rising energy prices.

Businesses across Europe highlight strong concerns regarding in particular access to affordable energy and raw materials and a shortage of skilled workers. The two challenges affect businesses both in the short-term through disruptions to production, and in the long-term with the increasing need to maintain competitiveness vis-à-vis foreign companies.

The Eurochambres Economic Survey provides policy-makers with a clear impression of the business community's expectations for the year ahead. It is crucial to strive for a stable European business environment, not only to avoid repercussion on daily operations of our companies, but also to lay the foundations for a sustainable economic recovery after several difficult years. Chambers are committed to work together with policy-makers at EU and national level in seeking to alleviate the many challenges that undermine businesses' confidence for 2023.



Luc Frieden
President of Eurochambres

Acknowledgements

We would like to warmly thank colleagues from the chamber network who actively contributed to the preparation of EES2023 – please find a full list of EES2023 national coordinators in annex.

Eurochambres would like to extend its gratitude also to the 42.211 entrepreneurs that responded to the EES2023 questionnaire and recognize their unique role in driving the European economy, especially in such challenging circumstances.

Executive summary

2021 ended with a glimmer of hope for the gradual upturn in Europe's national and international economic activities after two years of restrictions due to the pandemic. However, Russia's unprovoked invasion of Ukraine in February 2022 and the consequent energy crisis and extensive supply chain disruption saw Europe's economy take a further turn for the worse. The ongoing impact of this is reflected in the expectations of EES2023 respondents, with unprecedentedly negative results. Compared to last year, where a mild sense of confidence for the economic recovery was perceptible across Europe, EES2023 reveals an underlying pessimism among entrepreneurs for the next 12 months. It is clear that the focus for many businesses on coping with pressing short-term challenges; investing in growth and the pursuit of longer-term objectives relating to the digital and green transition will necessarily be put on hold for the coming months.

Introduction

The Eurochambres Economic Survey 2023 is unique at European level in being based on responses to a common survey from over 42.000 European companies on their expectations for next year. Over the years, the EES has cemented its importance for European policymakers for its capacity to accurately reflect businesses' mood and shed light on the challenges for our entrepreneurs.

The survey at the basis of the report was structured according to a set of six questions in the form of multiple choices. Questions 1 to 5 relate to key business indicators (domestic sales, exports, employment, investments and business confidence level). Respondents were asked to indicate if an “*Increase*”, “*Decrease*” or “*Constant*” level is expected for next year with respect to the five indicators. Question 6 addresses the main challenges for companies next year with respondents asked to provide a maximum of three answers among the seven options, which reflect the current economic and political framework for businesses.

Good policy-making strongly depends on evidence-based input from stakeholders, not least businesses. It is with this aim that Eurochambres considers the EES2023 an important source of information for European and national policymakers for the substantiation and calibration of their decisions and actions.

Expectations for 2023: things will get worse before they can get better

Despite the unprecedented recovery effort from the Covid pandemic, the outlook for next year remains highly uncertain, if not pessimistic. The energy crisis started in December 2021, and the beginning of the war in Ukraine in February 2022 impose extreme carefulness in predicting economic performances. As a result, the European Commission had to review its economic forecasts as the impact of the war, of the sanctions and of reduced gas supplies from Russia became clearer.

The Autumn 2022 Economic Forecast of the European Commission envisage mild signs of recovery next year, although the compounded impact of last three years will limit the growth potential of the Euro area. Indeed, in 2022 the Euro area will – according to the forecast – register a 3.2% GDP growth and a moderate additional 0.3% in 2023. The results of EES2023 corroborate the Commission's forecast, with a sharp decline in the overall business confidence dominating European companies' expectations. The national-level indicators complete the picture for next year, leaving no doubt of the difficulties to be faced.

Box 1. Interpreting the EES Index

The initial national index is calculated for each country simply as the percentage of “Increase” minus the percentage of “Decrease”, all divided by the percentage of “Constant”. Afterwards, the EES Index is computed by weighing the results according to the country economic dimension, their contribution to the share in the total GDP of selected economies, and the number of businesses surveyed. The EES Index is interpreted as follows:

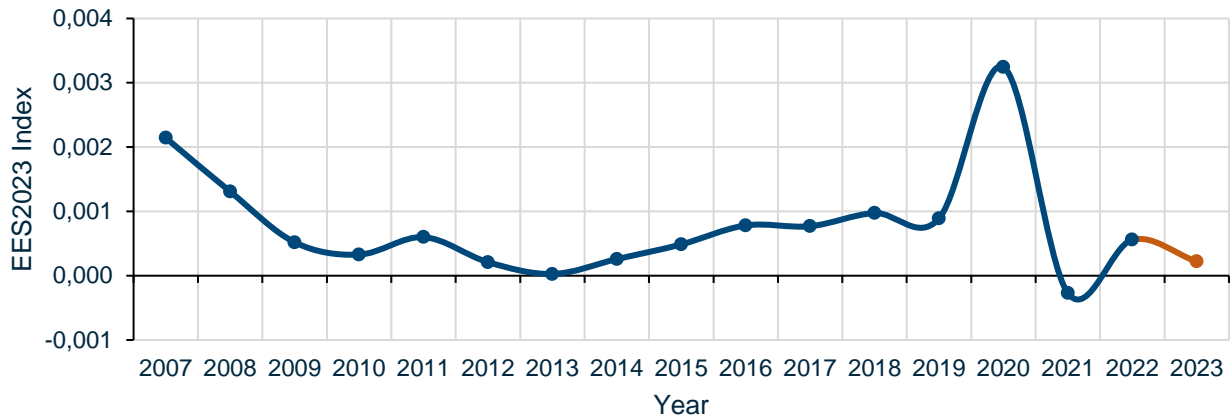
- **EES Index > 0** - *Participants expect the trend to increase in comparison with the current year*
- **EES Index = 0** - *Participants expect the trend to be the same as the current year*
- **EES Index < 0** - *Participants expect the trend to decrease in comparison with the current year*

The EES Index, as a pure value, does not represent a percentage of respondents. Instead, it is interpreted as the following: if the grade is higher than a given year, it means that more people believe that results for next year will increase and vice-versa. The variation of the index across the years therefore provides a clearer understanding of the businesses' sentiment direction for 2023. Find more information in the “Methodology” section at the end of the report.

1. A cautious outlook for national sales

National sales in Europe are expected to increase slightly in 2023, but at a slower pace than last year. The huge drop registered during the first year of pandemic is still limiting the expectations companies. This is the only index that is positive - and only just – for EES2023. Increasing energy costs, rising inflation and consequent tight monetary policy of the European Central Bank (ECB) are among the main factors negatively impacting the spending plans of private households and the aggregate demand for goods and services.

Figure 1. Trend of expected Revenue from National Sales Index

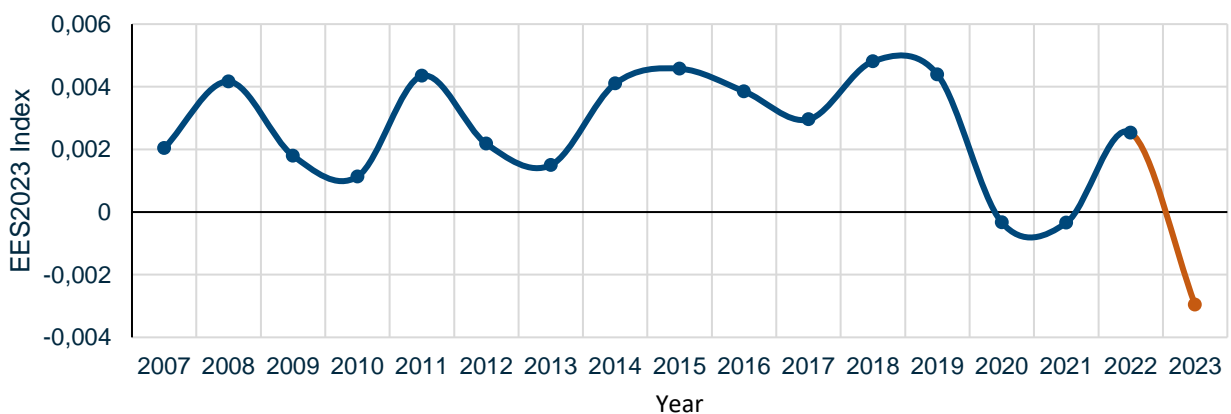


2. Exports sales predicted to drop sharply

The widespread slowdown registered on the global stage is hindering the capacity of European businesses to export abroad. As a result, export levels among surveyed businesses are expected to strongly decrease in 2023, replacing the mildly positive expectations registered last year. This unprecedented drop is considerably sharper than the one registered during the pandemic period. The result is attributable to the persisting Covid measures applied to the movement of goods and people in some economies¹, supply chain disruption, difficulties in accessing affordable energy and the spike in commodities prices.

While the demand for global commodities registered in recent years continues to grow, external factors determining their prices have an opposite, hampering effect. Moreover, transferring goods abroad may today result in unexpected costs due to freight transport and insurance fees. Lastly, decisions of the central banks globally lead to further uncertainty among businesses: while the depreciation of the euro against foreign currencies makes European goods and services more competitive in foreign markets, importing from abroad became more expensive. This is evident when considering sectors relying on specific imported goods such as raw materials.

Figure 2. Trend of expected Revenue from Export Sales Index

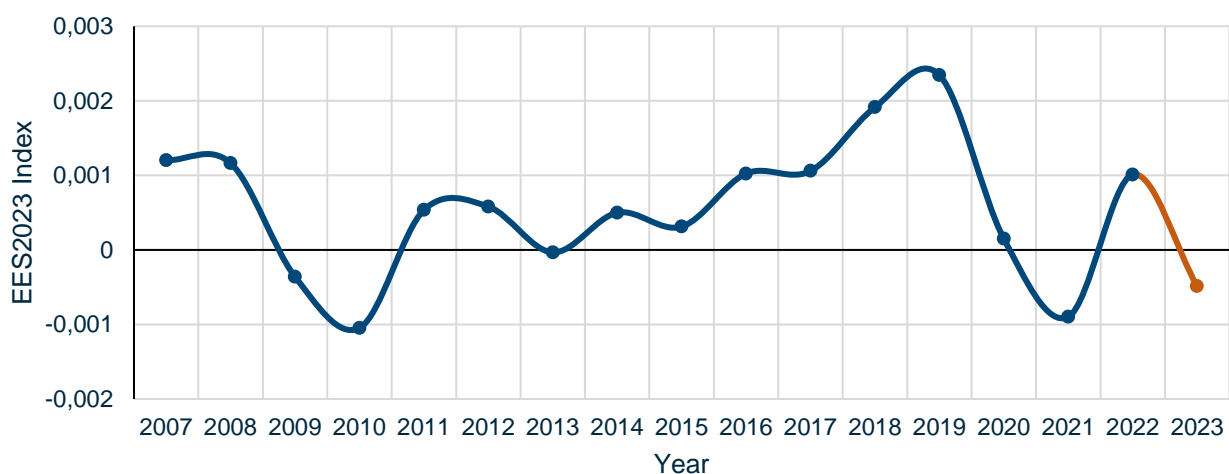


¹ In 2021, China was the third largest partner for EU exports of goods (10.2 %) and the largest partner for EU imports of goods (22.4 %).

3. Jobs in jeopardy

The gloomy outlook is also reflected in the EES2023 employment expectations, with respondents predicting a reduction the coming year. Temporary supportive measures put in place over the last two years allowed businesses to avoid the downsizing of their workforce, but this appears not to be sustainable for 2023 according to respondents as companies absorb the impact of an economic recession and inflationary pressure of salaries. These demand side employment factors are coupled with ongoing concerns about the availability of staff with the skills needed by businesses (see *Chapter 6 for more information on the main challenges for 2023*).

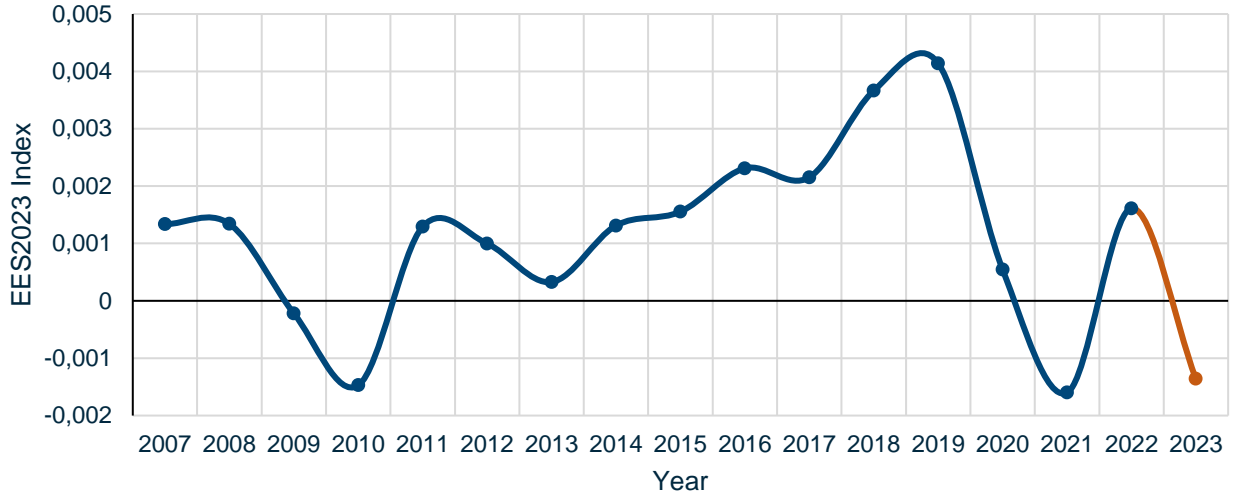
Figure 3. Trend of expected Employment Index



4. Triple blow to investments set to take its toll

Businesses expect investments to follow the same downward trajectory as the other indicators. Investments are by nature conceived for the expansion and modernization of companies and are necessary to drive medium-to-long term competitiveness. The severe triple blow caused by the pandemic, the energy crisis and the ongoing war in Ukraine has resulted in reduced purchasing power, not only in Europe. The reduced propensity of businesses to invest comes therefore from a widespread loss of confidence in businesses' capacity to operate according to pre-pandemic volumes, a weaker foreign demand and potential liquidity shortages due to the increase cost of borrowing money. Considering the overall dark outlook, European companies will likely put on hold planned investments and prioritise the need for savings. This is an alarming signal for the post pandemic recovery, hampering the path towards a more digital and greener Europe.

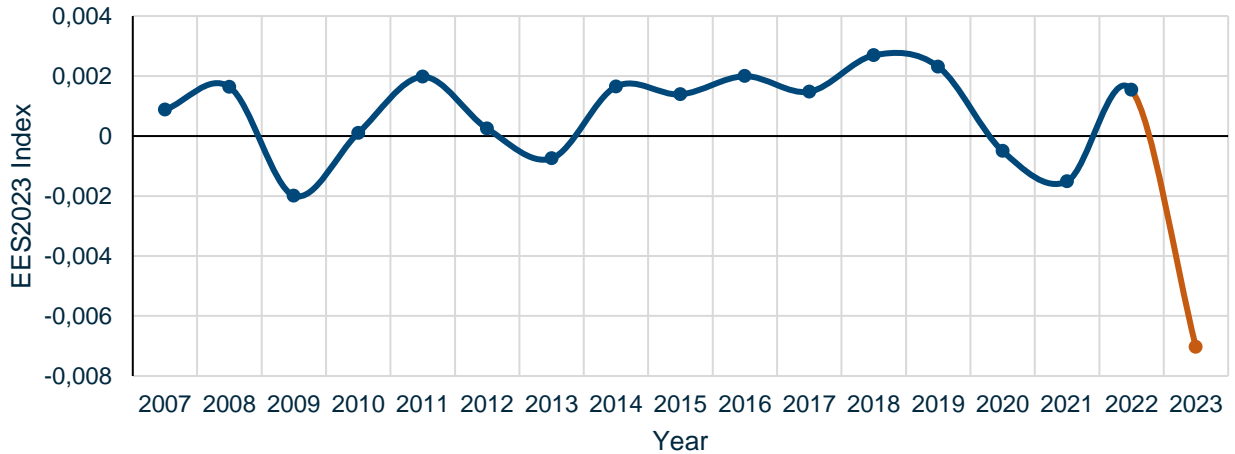
Figure 4. Trend of expected Investments Index



5. Business confidence at its lowest

Last year the “*Business Confidence*” index suggested that businesses were optimistic for a prompt recovery during 2022. These expectations did not materialize and EES2023 responses reveal a dramatic drop in confidence for the year ahead. Business confidence, as a general result of the previous EES Indexes, is in line with the results presented so far, reflecting the extremely challenging environment that entrepreneurs are preparing for hostile framework for next year.

Figure 5. Trend of expected Business Confidence Index



Box 2. The inflation that will be

One of the main challenges for European households during the pandemic was the unusual price increase for a wide range of goods. The same applied to businesses with the disruption of international supply chains and the rise in the cost of raw materials and intermediate goods. Recent decisions on expansive fiscal and monetary policy from governments and central banks contributed to the upward pressure on prices. As in a chain reaction, consumer prices increased dramatically, and inflation rates reached historical levels. In September 2021, headline inflation in the Euro area stood at 3.4%, which represented a 13-year high. However, the rapidly changing geopolitical context led inflation to a historic high of 10.7% last month, way above the ECB's 2% target.

As a result, the ECB had to intervene on its key interest rates which influences the costs of the loans private banks give to businesses and private households. In an attempt to fight inflationary pressures back, the interest rates were increased by further 0.75 p.p. at the beginning of November, with new rate hikes on the horizon. While this is seen by the ECB as a necessary action, governments have repercussions in their capacity to borrow money to support citizens financially or make investments, for example, in strategic sectors such as energy infrastructure. This is also having an immense impact on the spending capacity of businesses and private households limiting their consumption, willingness to invest, eventually halting future growth prospects. Energy-intensive companies have been significantly affected by the crisis, with the immediate need to reduce their reliance on gas consumption. This is inevitably also affecting the volumes of production, putting consumer-related sectors under additional pressure.

6. Challenges: new year, but similar problems for businesses

Considering the overall negative picture resulting from the previous analysis, the challenges for next year provide additional insights into the expectations for 2023. Not surprisingly, and in line with the results already registered in last year's edition of the EES, respondents broadly agree that **affordable access to energy and raw materials** will represent the main challenge for next year.

The network of chambers of commerce and industry is in close contact with businesses across Europe trying to absorb the impact of spiralling energy costs. It is clear that the ongoing crisis situation and the associated developments on the energy markets continue to put European businesses under considerable pressure, with the growing possibility of production cuts and significant job loss. There is a real risk that companies, especially in energy-intensive industries, will relocate permanently outside Europe, which would lead to a loss of competitiveness and undermine the objectives of European strategic autonomy.

As already stressed, the concern comes after the surge of energy and commodities prices started already at the end of 2021. The fear among businesses that Europe could suffer an energy shortage due to Russia tightening the valves on natural gas shipments, initiated a

rush among member states to secure gas supplies from alternative partners. In this sense, the EU set a target for members to fill 80% of their gas storage by November 2022. The target was largely surpassed with stores now 95% full on average and prices and temporarily alleviating the pressure on the astronomical prices reached in August. However, facing this challenging winter is only an inevitable step for European economies which, in turn, will have to deal with a contraction of production levels due to increasing operational costs. Businesses involved in energy-intensive sectors and in the production of intermediate goods are particularly exposed to these factors.

Similarly, the prolonged difficulties in the supply of specific goods experienced in the last two years due to the pandemic, together with the fear of renewed disruption in supply chains increased the perceived instability of the market capacity to avoid bottlenecks. This sentiment led to stockpiling actions both in the European market as well as on global scale. In the current situation, it is essential to generate growth impetus through all channels. To achieve this goal, however, it is necessary to have unhindered access to essential raw materials both within the EU and in foreign markets.

For the second consecutive edition of the EES, the number two challenge for the year ahead next year is the **lack of skilled workers**. Companies' negative expectations over the levels of employment for 2023 are heightened by growing skill mismatches and becomes clearer when companies embark on green and digital projects.

Two years after the European Skills Agenda was reintroduced, it is time to assess its impact on the recovery from covid and war in Ukraine and determine what needs to be done to face new challenges. During this time, European chambers and businesses have worked tirelessly to secure jobs and develop new solutions to better reflect the rapidly changing labour market needs.

The return on investment in education must be reassessed throughout Europe. Currently high levels of spending are not preventing growing skills mismatches in the labour market. Indeed, the results of Eurochambres Twin Transition survey in September 2022, based on responses from chambers of commerce and industry in 19 countries, emphasized the importance to businesses of securing adequate access to finance and the need of investing in the labour market for upskilling and reskilling. This reflects the importance of updating school programmes, advisory programmes for companies, and the need of upskilling programmes for adults to reduce the existing skills gap in the labour market.

New education and up-skilling programmes should aim at lasting excellence and wider participation in the labour force. Accordingly, skills intelligence tools should be used more effectively and consistently to update curricula and design policies.

The need in Europe for migrants may increase as a response to projected labour and skills shortage. Many chambers are attempting to facilitate the reception of Ukrainian refugees in order to aid their integration into local labour markets.

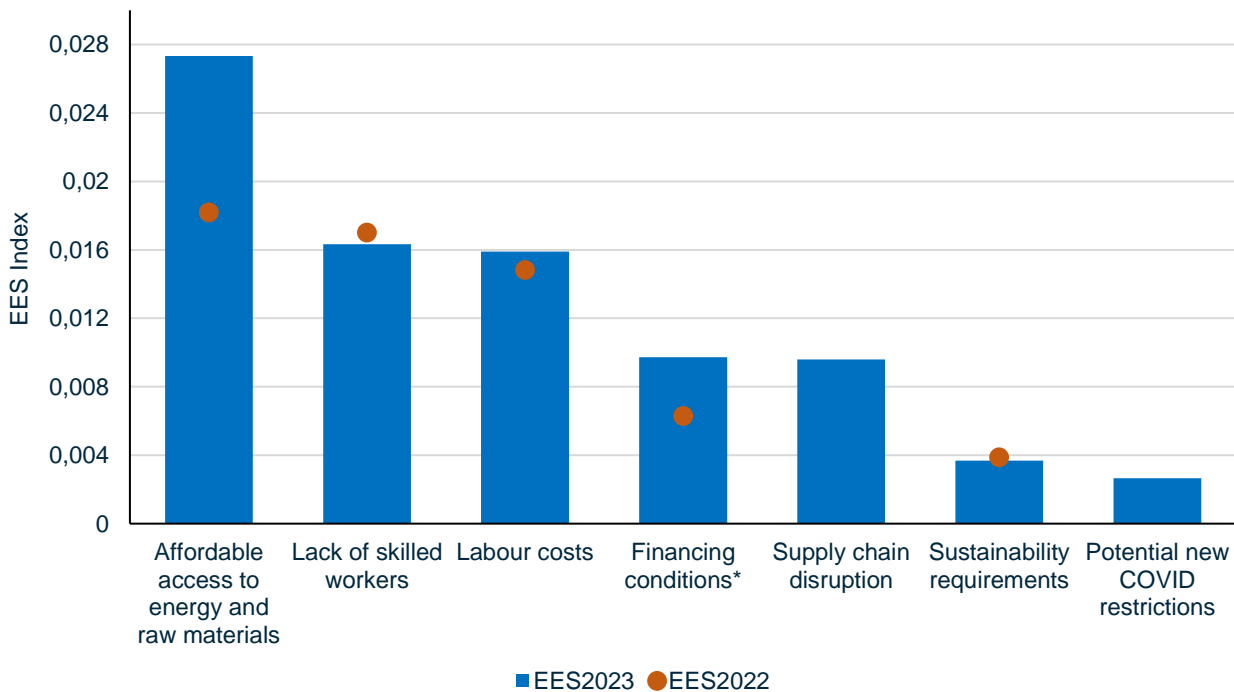
Labour costs have skyrocketed in 2022, which is why this challenge is also in the top 3 for next year. Indeed, the risk of a disruptive "*wage-price spiral*" weighs heavily on employers

across Europe.

The gradual but constant roll out of the Recovery and Resilience Facility (RRF) funds has contributed, thus far, to mitigate the deterioration in businesses’ financial conditions. However, the economic uncertainty surrounding the tighten monetary policy from the ECB and future interest rate hikes imposes necessary prudence among businesses especially in the planning of future investments and financial operations. We are pleased to see that REPowerEU chapters have been incorporated into EU member states’ national recovery and resilience plans (RRPs) under NextGenerationEU in order to finance key investments and reforms which will help achieve the businesses at risk.

Compared to the short-term challenges for 2023, the need for businesses to comply with **sustainability requirements** represents a minor issue. However, evidence from Eurochambres previous studies highlight this issue as a recurring one especially in the context of the twin transition. The rapid evolution of environmental standards and policies as a result of unclear regulations and guidelines does not guarantee enough flexibility to smaller companies in adapting to new regulatory frameworks.

Figure 6. Challenges – EES2023



Source: Eurochambres calculation, based on data from the EES2023, Question 6. **Note:** “Supply chain disruption” and “Potential new COVID restrictions” were not identified as challenges in the EES2022. Hence, the corresponding values are not displayed. Financing conditions* includes interest rates, access to finance, and late payments.

POLICY RECOMMENDATIONS

#EntrepreneursSay they need...

A boost to their competitiveness from a better regulatory framework

- The competitiveness of European businesses strongly depends on the accessibility to affordable energy. Well-targeted measures such as increasing the ceiling for state aids to support energy intensive companies are fundamental to guarantee economic stability. In addition, fiscal relief measures must be implemented to shield vulnerable households and businesses from surging energy and commodity prices and allow them to navigate the difficult year ahead. Credit tightening conditions should be alleviated to guarantee a more affordable access to financing to fund short-term needs, as well as long-term investment projects.
- The review of the Late Payment Directive is a step in the right direction to avoid unnecessary delays in outstanding payment. This assumes renewed importance in the current context, dominated by inflationary pressures and the consequent devaluing of delayed payments.
- EU laws must be well drafted, coherent and fit for purpose, also focusing on mitigating unnecessary administrative and regulatory burdens. With this aim, the EU better regulation agenda should guarantee a thorough and coherent assessment of the administrative burdens for companies, especially SMEs. A more substantive approach to reducing compliance and reporting costs from both existing and future EU legislations is needed.

Concrete actions during the 2023 European Year of Skills

- The 2023 European Year of Skills is a timely opportunity to work on key instruments to respond to labour market needs, such as mobility schemes, upgrading vocational education and training and forecasting tools. Well-targeted EU funding can also add considerable value.
- A real change in the labour market necessitates an effort on the part of formal education providers. The curricula of school, university, and vocational training programmes must be reviewed to reflect the most recent findings of regional skills intelligence tools. Accordingly, skills intelligence tools should be used more effectively and consistently to update curricula and design policies.
- Europe must prepare the younger entrepreneurial class for the challenges and opportunities of the future. Relevant education and training programmes strongly factor in the green and digital transitions.
- The need in Europe for migrants may increase as a response to projected labour and skills shortages. EU migration policies should co-exist with national migration schemes in order to allow maximum flexibility for both workers and employers. Furthermore, we see a need for streamlined procedures for those wishing to enter the European labour market. Connecting incoming talents with employers should be made easier through instruments such as the EU Talent Pool, which should prioritise

the needs of SMEs. Many chambers are also attempting to facilitate the reception of Ukrainian refugees in order to aid their integration into local labour markets.

Measures to cope with the energy crisis and improve energy efficiency and sustainability standards

- In order to prevent irreversible damage to the economy, there is a need for a mechanism to help businesses cope with high energy prices and a balanced energy saving strategy. However, all measures must be carefully considered given the negative economic effects that interventions in the market may cause.
- For a fast transition, it is important to boost businesses access to affordable and reliable renewable energy. This requires the urgent facilitation of the installation of renewable energy systems, delivery of relevant infrastructure, accelerated permitting procedures, reductions in administrative burden and a favourable and safe investment environment . Plans to introduce mandatory corporate due diligence at EU level should not cause or create additional burdens/costs for companies, especially those that are part of large undertakings' supply chains such as SMEs.
- Joint action is needed to realize the full potential of the EU market power. A fragmented response to the energy crisis would likely lead to sub-optimal results domestically, both in terms of energy security and competitiveness. Therefore, a common effort to reduce energy demand and to jointly purchase energy is urgently needed.
- In addition to increased cooperation among member states, we need to significantly expand cross-border cooperation with third countries in the area of renewable energy in order to exploit the most cost-efficient projects.

A stronger single market to boost growth opportunities

- The single market is a crucial tool in Europe's recovery. Eurochambres calls for a robust political engagement to guarantee the four freedoms, reduce market fragmentation and remove obstacles to enable the creation of new opportunities for business of all sizes and in all sectors.
- Europe's industrial leadership depends on the existence of an enabling environment in which start-ups and scale-ups can thrive. EU policy makers must provide the right legal framework and incentives for companies to drive value, innovate more quickly and develop new products and services more efficiently.
- While legislators are firmly engaged in building European digital sovereignty and setting standards for a level playing field in the digital sphere, they must beware of potential unintended consequences for competitiveness. Unilateral measures need very careful consideration, especially where they bear a risk of overburdening SMEs or putting European businesses at a disadvantage vis-à-vis global competitors.

A stepped-up EU trade agenda

- International trade must continue to play a significant role in the economic recovery in terms of guaranteeing free, fair and reciprocal trade relations with our partners.
- The European trade agenda should be revitalized in light of decreasing export expectations by concluding new trade agreements with countries/regions where the bulk of future global growth is expected.
- Securing access to raw materials must be a focus of EU trade negotiations with third countries. This is not only indispensable to preserve the European business environment and thus European production, but also to achieve a green and digital transition.
- The intention of the European Commission to identify strategic projects along the entire supply chain and to build up strategic reserves where supply is at risk through a European Critical Raw Materials Act is welcomed.

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ANNEX

Participating Chambers of Commerce and Industry

Austria

Austrian Federal Economic Chamber
Claudia Huber

Bulgaria

Bulgarian Chamber of Commerce and Industry
Gabriela Dimitrova and Lyubomir Levicharov

Croatia

Croatian Chamber of Economy
Dubravka Zubak and Zvonimir Savić

Cyprus

Cyprus Chamber of Commerce and Industry
Menelaos Xenophontos

Czech Republic

Czech Chamber of Commerce
Renée Smyčková

Estonia

Estonian Chamber of Commerce and Industry
Marko Udras

France

French Chamber of Commerce and Industry
Patrick Brière

Germany

Association of German Chambers of Industry and
Commerce
Dr. Jupp Zenzen and Sebastian Titze

Greece

Union of Hellenic Chambers of Commerce
Vassilis Apostolopoulos and George Assonitis

Hungary

Hungarian Chamber of Commerce and Industry
Ágoston Horváth

Ireland

Chambers Ireland
Shane Conneely

Italy

Union of Italian Chambers of Commerce, Industry,
Craft and Agriculture
Debora Giannini

Latvia

Latvian Chamber of Commerce and Industry
Krišs Zvirbulis and Katrīna Zariņa

Lithuania

Lithuanian Chambers of Commerce, Industry and
Crafts Association
Gediminas Rainys

Luxembourg

Chamber of Commerce of the Grand Duchy of
Luxembourg
Sidonie Paris and Christel Chatelain

Malta

The Malta Chamber of Commerce, Enterprise and
Industry
Daniel Debono

Poland

Polish Chamber of Commerce
Monika Sasiak and Piotr Lipiec

Portugal

Portuguese Chamber of Commerce and Industry
João Paes Cabral

Romania

Chamber of Commerce and Industry of Romania
Sabina Strîmbovschi

Serbia

Chamber of Commerce and Industry of Serbia
Milica Selakovic & Jovana Majstorović

Slovakia

Slovak Chamber of Commerce and Industry
Daniela Širáňová

Slovenia

Chamber of Commerce and Industry of Slovenia
Bojan Ivanc and Darja Močnik

Spain

Chamber of Commerce of Spain
Manuel Valero

Sweden

Sweden Chamber of Commerce
Per Tryding

Türkiye

Union of Chambers and Commodity Exchanges of
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EES2023 Questionnaire

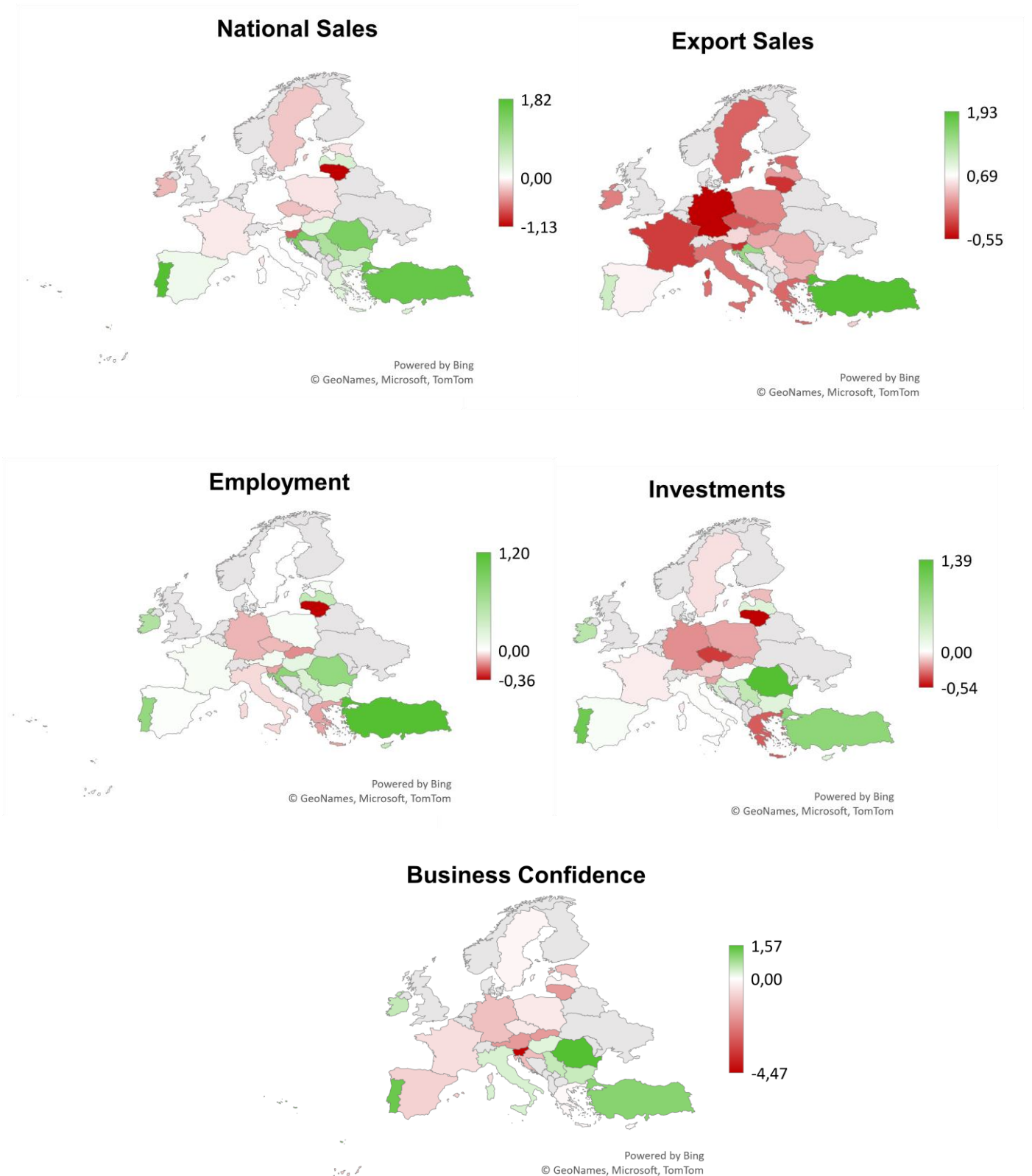
NATIONAL SALES	EXPORT SALES
<p><u>Q.1 We expect that our revenue from national sales in 2023 will:</u></p> <p>Increase <input type="checkbox"/></p> <p>Remain constant <input type="checkbox"/></p> <p>Decrease <input type="checkbox"/></p>	<p><u>Q.2 We expect that our revenue from export sales in 2023 will:</u></p> <p>Increase <input type="checkbox"/></p> <p>Remain constant <input type="checkbox"/></p> <p>Decrease <input type="checkbox"/></p>
LABOUR	INVESTMENTS
<p><u>Q.3 We expect that during 2023 the size of our workforce will:</u></p> <p>Increase <input type="checkbox"/></p> <p>Remain constant <input type="checkbox"/></p> <p>Decrease <input type="checkbox"/></p>	<p><u>Q.4 We expect that during 2023 our level of investments will:</u></p> <p>Increase <input type="checkbox"/></p> <p>Remain constant <input type="checkbox"/></p> <p>Decrease <input type="checkbox"/></p>
BUSINESS CONFIDENCE	
<p><u>Q.5 We expect that during 2023, overall developments for our business will be:</u></p> <p>Favourable <input type="checkbox"/></p> <p>Remain constant <input type="checkbox"/></p> <p>Unfavourable <input type="checkbox"/></p>	
CHALLENGES	
<p><u>Q.6 We expect that the biggest challenge(s) for the economic development of our company in 2023 will be (max. 3 answers possible):</u></p> <p>Affordable access to energy and raw materials <input type="checkbox"/></p> <p>Financing conditions (e.g., interest rates, access to finance, late payments, etc.) <input type="checkbox"/></p> <p>Labour costs <input type="checkbox"/> Lack of skilled workers <input type="checkbox"/></p> <p>Potential new COVID restrictions <input type="checkbox"/></p> <p>Supply chain disruption <input type="checkbox"/></p> <p>Sustainability requirements <input type="checkbox"/></p>	

Table 1. Raw results and EES2023 Indexes

	National Sales				Export Sales				Employment				Investments				Business Confidence			
	Increase	Constant	Decrease	Index	Increase	Constant	Decrease	Index	Increase	Constant	Decrease	Index	Increase	Constant	Decrease	Index	Increase	Constant	Decrease	Index
Austria	28,30	42,70	29,00	-0,02	40,50	38,00	21,50	0,50	21,80	60,20	18,00	0,06	22,60	49,50	27,90	-0,11	8,00	30,40	61,60	-1,76
Bulgaria	38,80	41,20	20,00	0,46	36,80	39,20	24,00	0,33	23,20	63,20	13,60	0,15	33,20	44,30	22,50	0,24	41,00	36,30	22,70	0,50
Croatia	57,00	35,00	8,00	1,40	57,00	33,00	10,00	1,42	45,00	47,00	8,00	0,79	33,00	49,00	18,00	0,31	18,00	30,00	52,00	-1,13
Cyprus	34,90	44,30	20,80	0,32	40,70	35,60	23,70	0,48	32,30	59,40	8,30	0,40	28,30	56,10	15,60	0,23	26,20	44,50	29,30	-0,07
Czech Rep.	15,10	54,70	30,20	-0,28	6,40	78,10	15,50	-0,12	7,50	77,60	14,90	-0,10	14,70	49,90	35,40	-0,41	21,50	41,00	37,50	-0,39
Estonia	26,20	42,60	31,20	-0,12	24,40	48,70	26,90	-0,05	21,00	60,50	18,50	0,04	26,40	41,30	32,30	-0,14	18,00	30,50	51,50	-1,10
France	12,00	54,00	17,00	-0,09	1,00	4,00	2,00	-0,25	8,00	89,00	3,00	0,06	10,00	77,00	13,00	-0,04	13,00	43,00	38,00	-0,58
Germany	0,00	0,00	0,00		16,00	44,00	40,00	-0,55	13,00	67,00	20,00	-0,10	24,00	42,00	34,00	-0,24	8,00	40,00	52,00	-1,10
Greece	33,00	48,00	19,00	0,29	20,00	58,00	22,00	-0,03	19,00	55,00	26,00	-0,13	13,00	55,00	32,00	-0,35	21,00	52,00	27,00	-0,12
Hungary	30,20	54,40	15,40	0,27	30,20	54,40	15,40	0,27	20,40	71,20	8,40	0,17	29,90	42,00	28,10	0,04	30,10	55,20	14,70	0,28
Ireland	25,00	38,00	37,00	-0,32	19,00	67,00	14,00	0,07	38,00	53,00	9,00	0,55	39,00	50,00	11,00	0,56	41,00	40,00	19,00	0,55
Italy	23,40	54,10	22,50	0,02	19,10	62,60	18,30	0,01	9,90	76,30	13,80	-0,05	16,20	68,80	15,00	0,02	34,20	49,10	16,70	0,36
Latvia	38,40	38,70	22,90	0,40	29,20	53,50	17,30	0,22	32,40	61,30	6,30	0,43	32,00	48,70	19,30	0,26	12,90	61,90	25,20	-0,20
Lithuania	18,00	30,00	52,00	-1,13	24,00	40,00	36,00	-0,30	16,00	50,00	34,00	-0,36	23,00	35,00	42,00	-0,54	14,00	26,00	60,00	-1,77
Luxembourg	26,70	47,50	25,90	0,02	28,80	43,20	28,00	0,02	24,40	65,50	10,10	0,22	20,80	60,50	18,70	0,03	7,90	46,10	46,00	-0,83
Malta	39,00	44,00	17,00	0,50	28,00	59,00	13,00	0,25	44,00	49,00	7,00	0,76	41,00	43,00	16,00	0,58	36,00	41,00	23,00	0,32
Poland	32,10	32,10	35,80	-0,12	32,10	40,70	27,20	0,12	24,70	53,10	22,20	0,05	27,20	38,30	34,50	-0,19	32,10	25,90	42,00	-0,38
Portugal	60,90	26,50	12,60	1,82	50,90	38,50	10,60	1,05	44,20	46,20	9,60	0,75	52,90	34,50	12,60	1,17	55,50	30,30	14,20	1,36
Romania	55,40	26,90	17,70	1,40	32,30	48,50	19,20	0,27	44,70	41,50	13,80	0,74	54,60	23,80	21,60	1,39	57,70	26,90	15,40	1,57
Serbia	47,60	38,10	14,30	0,87	38,10	52,40	9,50	0,55	28,60	57,10	14,30	0,25	38,10	47,60	14,30	0,50	38,10	52,40	9,50	0,55
Slovakia	29,10	36,70	34,20	-0,14	30,40	40,50	29,10	0,03	17,70	55,70	26,60	-0,16	21,60	46,80	31,60	-0,21	2,50	34,20	63,30	-1,78
Slovenia	16,00	40,00	44,00	-0,70	16,00	52,00	32,00	-0,31	14,00	64,00	22,00	-0,13	22,00	47,00	31,00	-0,19	9,00	15,00	76,00	-4,47
Spain	32,60	41,90	25,50	0,17	43,80	34,10	22,10	0,64	19,20	62,90	17,90	0,02	24,00	54,50	21,50	0,05	20,00	33,50	46,50	-0,79
Sweden	27,00	37,00	36,00	-0,24	24,00	49,00	27,00	-0,06	26,00	48,00	26,00	0,00	26,00	45,00	29,00	-0,07	29,00	36,00	35,00	-0,17
Türkiye	61,00	35,00	4,00	1,63	63,00	28,00	9,00	1,93	54,00	41,00	5,00	1,20	48,00	45,00	7,00	0,91	52,00	42,00	6,00	1,10

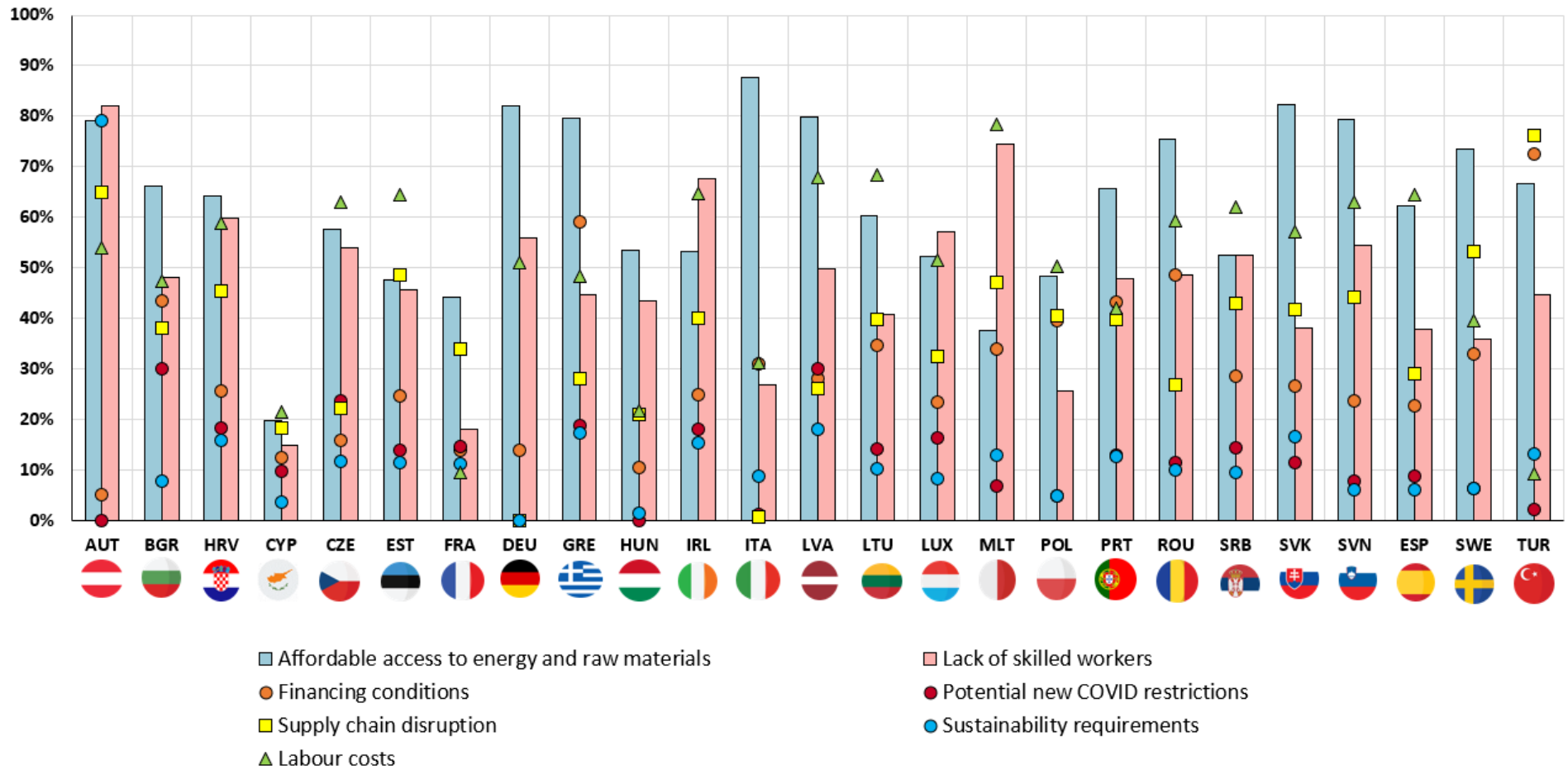
Note: The table includes the raw data as received from the National Chambers of Commerce. In addition, the national EES Indexes are reported. The EES Indexes are computed as the percentage of “Increase” minus the percentage of “Decrease”, all divided by the percentage of “Constant”. A positive/negative EES Index implies that participants expect the trend to increase/decrease in comparison to the current year.

Figure 7. Country-level Expectations – EES2023 Indexes



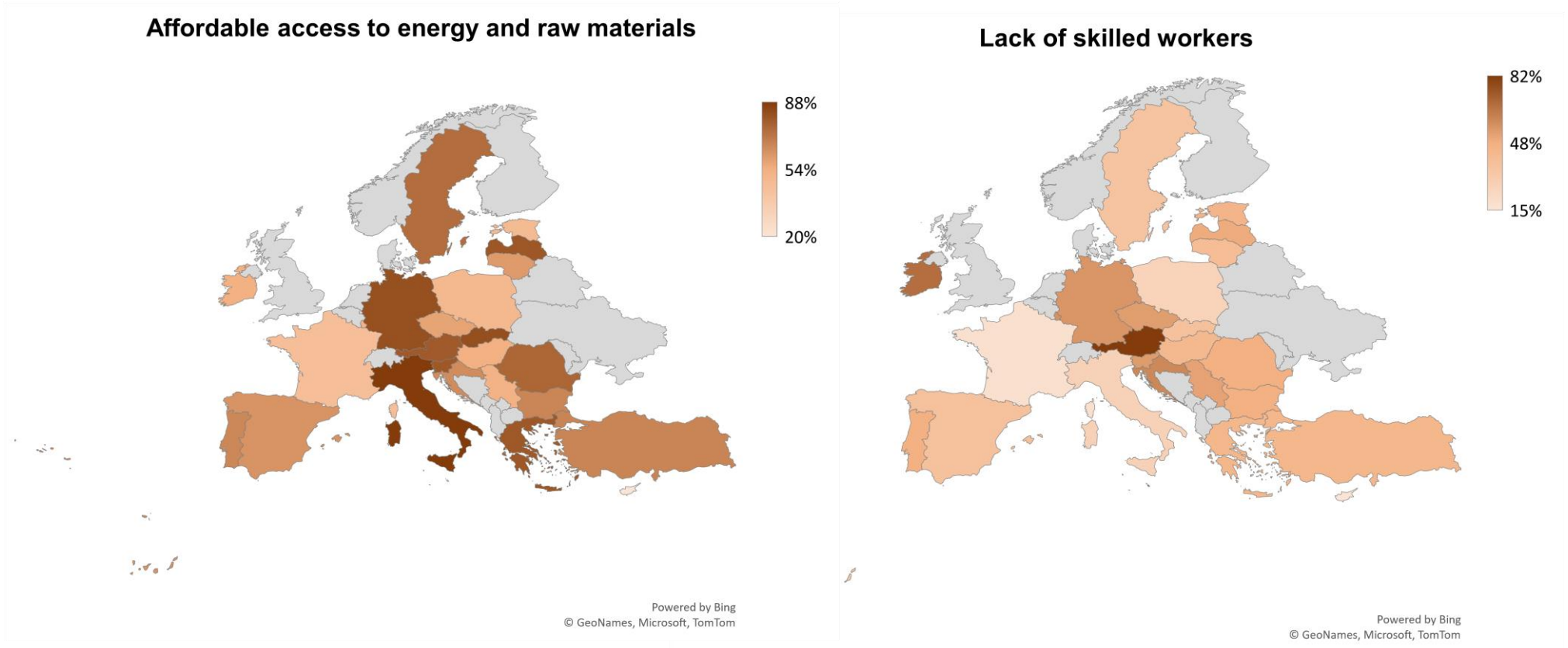
Note: The EES2023 Indexes at the country-level are presented. According to the legend, green corresponds to a positive national expectation, while the red colour signals an expected decrease in the 2023 levels with respect to 2022.

Figure 8. Main Challenges by country – EES2023



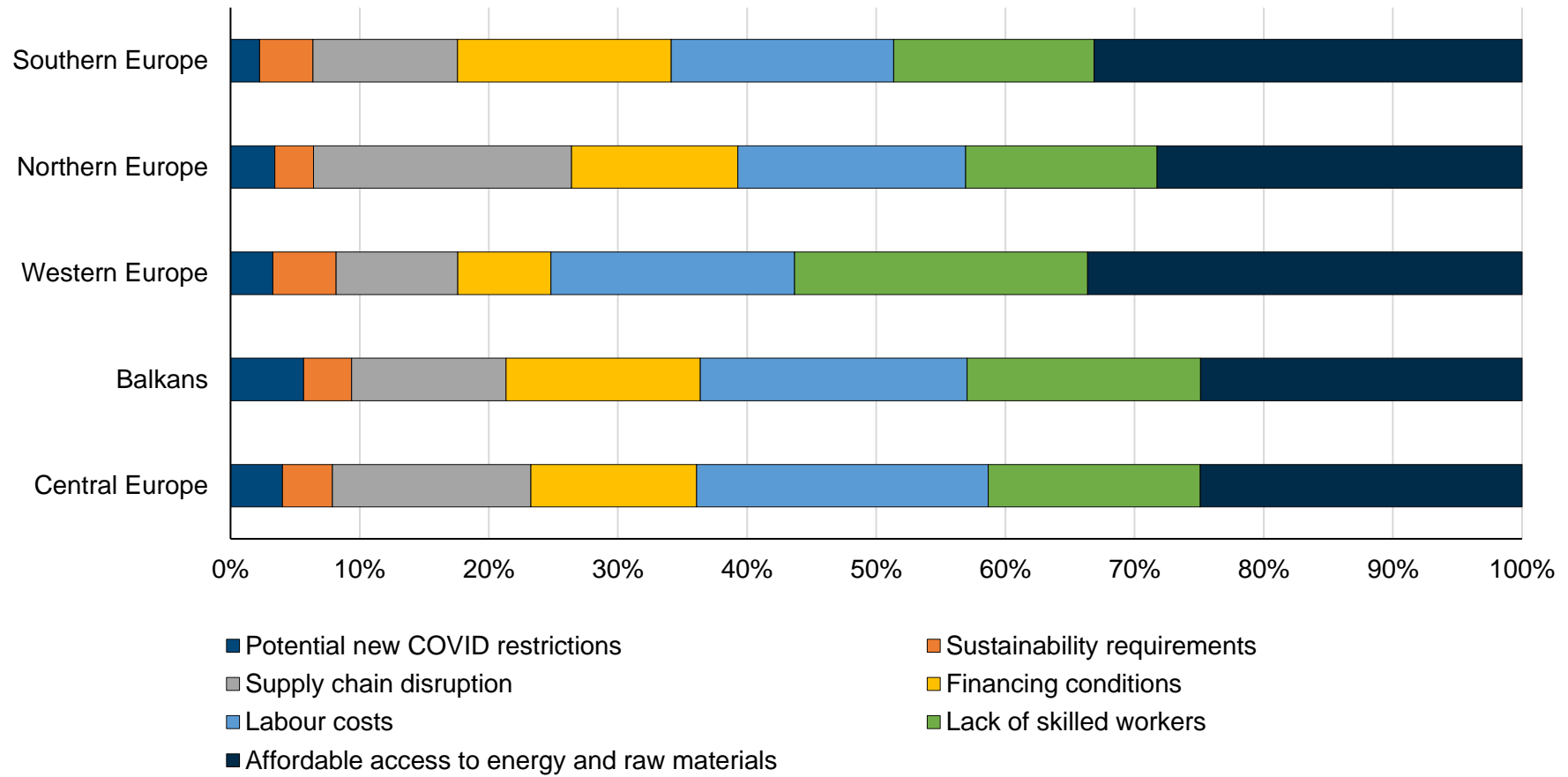
Note: Companies were asked – in Question 6 – to select up to three challenges that they expect to deal with in 2023. The percentage of companies – at the national level – selecting one of the six challenges, are presented.

Figure 9. Top 2 Challenges by country – EES2023



Note: Map of the two main challenges for companies in 2023 by country. The national mapping allows to visualize the countries with a higher degree of exposure (dark) to the factor considered and the ones relatively less affected by the same factor (light).

Figure 10. Challenges by region – EES2023



Note: Distribution of challenges by geographical region. The graph allows for the identification of regional trends with respect to the challenges identified in the EES2023 questionnaire.

Methodology

The EES2023 is the result of a coordinated effort involving Eurochambres and 25 national Chambers of Commerce and Industry. As a preliminary step, a standardised questionnaire is elaborated by Eurochambres, and sent to the national coordinators representing Chambers, who select a representative sample of enterprises within the national territory according to criteria such as the geographic location, company size and sector.

Once the answers are aggregated at the national level by each Chamber, they are sent to Eurochambres for processing. Eurochambres collects for each question the percentages of responses per option, that is the percentage of businesses answering "*Increase*", "*Decrease*" or "*Constant*".

As a next step, the Eurochambres Economic Survey Index (EES Index) is created, allowing the reader to gain a clear interpretation of the input received by Chambers. The measure used to control for the country economic dimension is the Real GDP per capita as provided by Eurostat. A parallel analysis, performed by considering the geographic position of the surveyed businesses, provides a closer look to common regional trends.

More on the Survey.

For Questions 1 to 5, Eurochambres collected the percentages of companies expecting an increase, decrease, or constant levels on five key economic factors. The percentages are then aggregated and converted into the EES Index as explained in Box 1. Question 6 aims at investigating the challenges European businesses will face next year from a broad perspective and according to the latest economic developments and changes in structural economic variables. Companies were asked to provide a maximum of three answers in order to create a consistent rank of the challenges. The procedure followed in the analysis of the national results ensures that the final interpretation of the EES Indexes reflects Europe's business structure and dimension by outlying the percentage of times each factor or challenge was selected by respondents. Hence, the EES Index is used as a measure to take into account the economic dimension of the countries and the number of businesses taking part in the survey.