

10 March 2016

**Business Confidence Index (BCI)
Opinion Module on Business Environment
Year 2015**

The demand for products, the macroeconomic environment and payment defaults are the most important factors for a company's potential for growth, according to their managers

Business managers also emphasise *availability of finance* for the Construction sector, *taxation* for Business and *financial regulation* for Transport and Hotels.

The National Statistics Institute (INE) has undertaken for the third year running an opinion poll about the business environment from a sample of establishments covering the entire country, the different financial sectors and the various sizes of establishments.

The survey was carried out in the last fortnight of 2015 as an extra module in the Business Confidence Index (BCI) survey.

The business environment comprises the political, institutional and social environments in which businesses make their decisions. A suitable business environment is a fundamental aspect to favour business activity and stimulate economic growth.

Importance of business environment in the potential for business growth.

Of the 12 components of business environment analysed, the respondents felt that the most important at the end of 2015 were *demand for their products* (with 54.8% giving it high importance), the *macroeconomic environment* (40.5%) and *payment defaults* (36.4%).

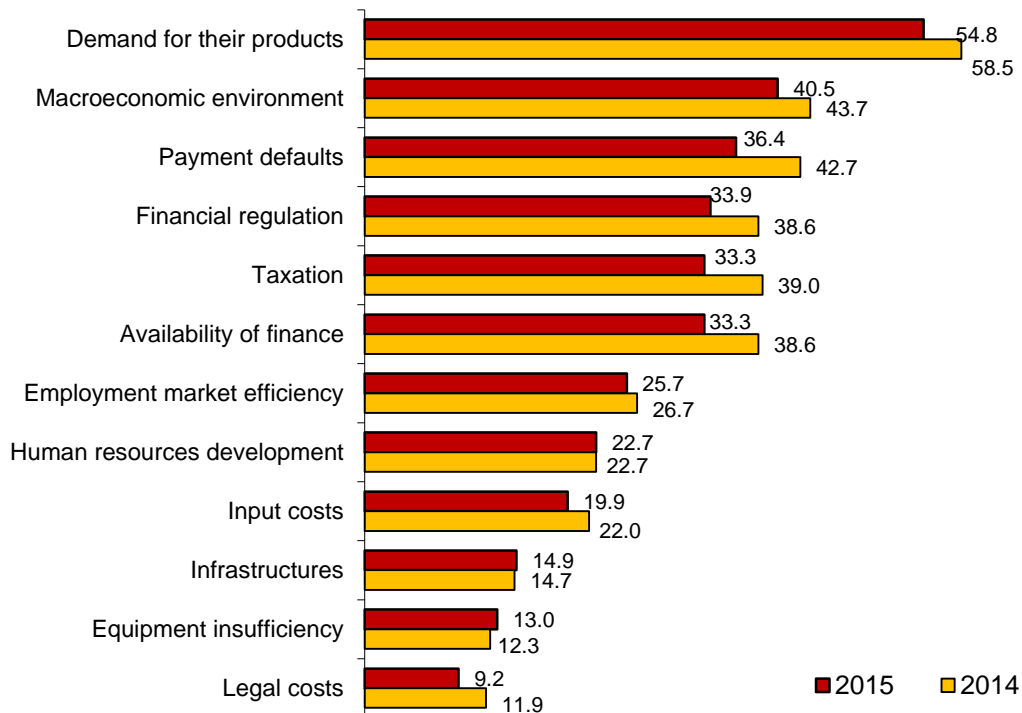
These three components, *demand for their products*, *macroeconomic environment* and *payment defaults* were also felt to be the most important in 2014 with 58.5%, 43.7% and 42.7% of replies marking them of high importance respectively.

At the current time, what importance do you think the following business environment components have on the potential growth of your business?

Components	High (%)	Medium (%)	Low (%)
Business Environment.			
Demand for their products	54.8	34.8	10.4
Macroeconomic environment	40.5	43.4	16.1
Payment defaults	36.4	41.2	22.5
Financial regulation	33.9	51.9	14.2
Taxation	33.3	51.2	15.4
Availability of finance	33.3	46.8	19.9
Employment market efficiency	25.7	56.3	18.1
Human resources development	22.7	55.7	21.6
Input costs	19.9	54.9	25.1
Infrastructures	14.9	58.6	26.5
Equipment insufficiency	13.0	56.8	30.2
Legal costs	9.2	48.3	42.5

Conversely, factors such as *legal costs* (with 42.5% marking it as low), *insufficiency of equipment* (30.2%) and *infrastructure* (26.5%) were thought to be of little importance for potential for business growth at the current time. These were also rated as the least important of the determining factors in 2014.

Components of business environment of high importance to potential growth



By business activity, the *demand for their products* was the first highly important component for growth potential in all of them. The *macroeconomic environment* and *payment defaults* appeared mainly in second or third place.

It is worth noting that *availability of finance* was the second factor in the *Construction* category, *taxation* was the third in *Trade* and *Financial regulation* was the third in *Transport and Hotels*.

Components with greatest percentage of high importance.

Results by activity sector

	First component	Second component	Third component
Industry	Demand for their products (62.6%)	Macroeconomic environment (43.9%)	Payment defaults (35.2%)
Construction	Demand for their products (56.8%)	Availability of finance (45.8%)	Payment defaults (42.7%)
Trade	Demand for their products (53.7%)	Macroeconomic environment (35.2%)	Taxation (32.3%)
Transport and Hotels	Demand for their products (48.2%)	Macroeconomic environment (37%)	Financial regulation (29.2%)
Other Services	Demand for their products (53.6%)	Macroeconomic environment (43.1%)	Payment defaults (42.1%)

By size of establishment, *demand for their products* was the first component in importance for all of them.

In establishments with less than 10 salaried employees *taxation* came in second place, whilst the *macroeconomic environment* occupied second place in all the other size categories.

Components with greatest percentage of high importance.

Results by size of establishment

	First component	Second component	Third component
Fewer than 10 on payroll	Demand for their products (47.6%)	Taxation (37.1%)	Macroeconomic environment (33.9%)
10 to 49 on payroll	Demand for their products (61.6%)	Macroeconomic environment (42.6%)	Payment defaults (42.3%)
50 to 199 on payroll	Demand for their products (62%)	Macroeconomic environment (47.6%)	Payment defaults (37.8%)
200 to 999 on payroll	Demand for their products (56%)	Macroeconomic environment (43.6%)	Payment defaults (33.9%)
Over 1000 on payroll	Demand for their products (57.9%)	Macroeconomic environment (55.3%)	Financial regulation (37.2%)

By Autonomous Community, *demand for their products* was the top most important component for business growth potential during 2015 for all of them.

The second most marked component was the *macroeconomic environment* (in 13 Regions) and *payment defaults* (in four).

Payment defaults and *availability of finance* were deemed to be the third component of high importance in nine and four Regions respectively.

**Components with greatest percentage of high importance for each Autonomous Community
Results by Autonomous Community**

Autonomous Community	First component	Second component	Third component
Andalucía	Demand for their products (51.8%)	Macroeconomic environment (38.6%)	Financial regulation (38.4%)
Aragón	Demand for their products (60.1%)	Macroeconomic environment (41.9%)	Financial regulation (38.3%)
Asturias, Principado de	Demand for their products (53.8%)	Payment defaults (41.2%)	Macroeconomic environment (40.9%)
Balears, Illes	Demand for their products (54.9%)	Macroeconomic environment (35.9%)	Availability of finance (35.5%)
Canarias	Demand for their products (49.8%)	Macroeconomic environment (42.5%)	Payment defaults (40.6%)
Cantabria	Demand for their products (53%)	Macroeconomic environment (42.1%)	Payment defaults (35%)
Castilla y León	Demand for their products (50.2%)	Macroeconomic environment (37.8%)	Payment defaults (36.2%)
Castilla- La Mancha	Demand for their products (50.3%)	Payment defaults (37.6%)	Macroeconomic environment (36.3%)
Cataluña	Demand for their products (58.4%)	Macroeconomic environment (43.2%)	Payment defaults (34.9%)
Comunitat Valenciana	Demand for their products (59%)	Macroeconomic environment (39.3%)	Payment defaults (37.6%)
Extremadura	Demand for their products (48.4%)	Payment defaults (37.9%)	Availability of finance (31.3%)
Galicia	Demand for their products (59.1%)	Payment defaults (46%)	Availability of finance (42.7%)
Madrid, Comunidad de	Demand for their products (53.4%)	Macroeconomic environment (50.1%)	Payment defaults (37.8%)
Murcia, Región de	Demand for their products (56.7%)	Macroeconomic environment (38.6%)	Payment defaults (38.2%)
Navarra, Comunidad Foral de	Demand for their products (56.5%)	Macroeconomic environment (34.5%)	Availability of finance (29.1%)
País Vasco	Demand for their products (58.4%)	Macroeconomic environment (47.2%)	Payment defaults (31.9%)
Rioja, La	Demand for their products (53.9%)	Macroeconomic environment (34.9%)	Payment defaults (32%)

Impact of the evolution of business environment components on businesses.

The BCI module analyses whether the evolution of the business environment components on business has been favourable, unfavourable or neutral, in the opinion of the establishments.

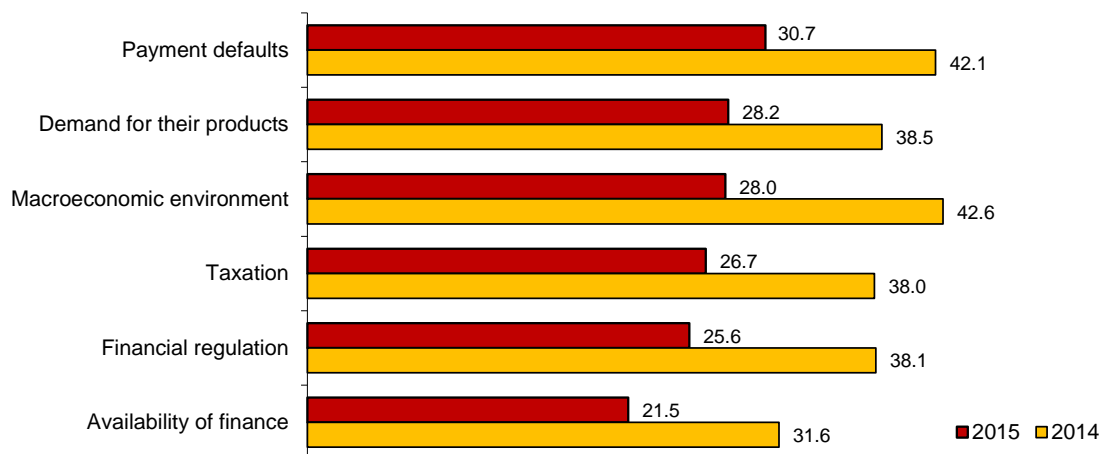
In 2015 in what way has the evolution of the following business environment components affected your business?

Components	Favourable (%)	No change (%)	Unfavourable (%)
Business Environment.			
Payment defaults	6.5	62.8	30.7
Demand for their products	16.3	55.5	28.2
Macroeconomic environment	14.4	57.6	28.0
Taxation	3.4	69.9	26.7
Financial regulation	5.6	68.8	25.6
Availability of finance	11.6	66.9	21.5
Legal costs	1.1	82.9	16.0
Input costs	3.6	82.0	14.3
Employment market efficiency	7.5	79.4	13.1
Infrastructures	5.4	86.3	8.3
Equipment insufficiency	2.1	90.0	7.9
Human resources development	8.8	83.6	7.7

Components with most impact on businesses

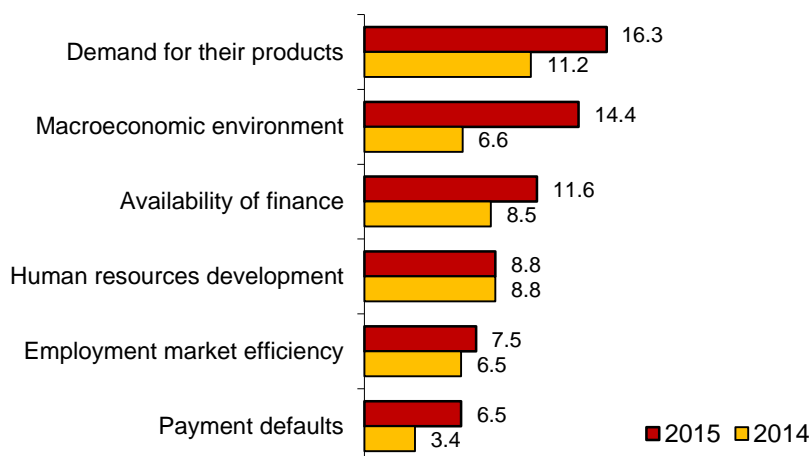
Payment defaults (with 30.7% of unfavourable responses, as against 42.1% for 2014), *demand for their products* (28.2% against 38.5%) and the *macroeconomic environment* (28.0% against 42.6%) were the components whose evolution had the most unfavourable effect on businesses.

Business environment components with greatest unfavourable impact



Demand for their products (at 16.3% of favourable responses as against 11.2% the previous year), the *macroeconomic environment* (14.4% against 6.6%) and the *availability of finance* (11.6% against 8.5%) provided the most favourable impacts.

Business environment components with greatest favourable impact



Components with most impact on businesses. Results by activity sector

The first components with greatest unfavourable impact on the various sectors were *payment defaults* and *taxation*, except for *Industry*, where *demand for their products* occupied that place.

Components with greatest percentage of unfavourable evolution.

Results by activity sector

	First component	Second component	Third component
Industry	Demand for their products (28%)	Macroeconomic environment (27.9%)	Payment defaults (26%)
Construction	Payment defaults (39.8%)	Availability of finance (36.5%)	Demand for their products (35.6%)
Trade	Taxation (28.9%)	Demand for their products (28.9%)	Macroeconomic environment (27.8%)
Transport and Hotels	Taxation (24.5%)	Financial regulation (23.7%)	Payment defaults (23.1%)
Other Services	Payment defaults (34.7%)	Macroeconomic environment (28.6%)	Financial regulation (28.1%)

As for favourable impact, *demand for their products* came out as the top component in three of the five sectors. For the other two the first factor was the *macroeconomic environment*.

Components with greatest percentage of favourable evolution.

Results by activity sector

	First component	Second component	Third component
Industry	Demand for their products (20.3%)	Macroeconomic environment (15.8%)	Availability of finance (12.8%)
Construction	Demand for their products (13.8%)	Macroeconomic environment (10%)	Availability of finance (9.2%)
Trade	Demand for their products (17.3%)	Macroeconomic environment (12.1%)	Availability of finance (11.3%)
Transport and Hotels	Macroeconomic environment (17.5%)	Demand for their products (16.9%)	Availability of finance (11.7%)
Other Services	Macroeconomic environment (15.2%)	Demand for their products (14.5%)	Availability of finance (11.9%)

Components with most impact on businesses. Results by size of establishments

Payment defaults figured as the first component for unfavourable impact in over half of the sizes, except in establishments with less than 10 salaried employees (where the first factor with the most unfavourable impact was *taxation*) and in those of *more than 1,000 salaried employees* (where it was the *macroeconomic environment*).

Components with greatest percentage of unfavourable evolution.

Results by size of establishment

	First component	Second component	Third component
Fewer than 10 on payroll	Taxation (33.9%)	Payment defaults (31.7%)	Demand for their products (30.8%)
10 to 49 on payroll	Payment defaults (34.1%)	Demand for their products (28.4%)	Macroeconomic environment (26.7%)
50 to 199 on payroll	Payment defaults (27.8%)	Demand for their products (25.9%)	Macroeconomic environment (24.5%)
200 to 999 on payroll	Payment defaults (26.8%)	Macroeconomic environment (25.7%)	Demand for their products (23.8%)
Over 1000 on payroll	Macroeconomic environment (29.4%)	Payment defaults (25.1%)	Demand for their products (23.6%)

Demand for their products had the greatest favourable impact in three of the five size bands; in the remainder the first favourable impact component was the *macroeconomic environment*. These same factors constituted the second component for favourable impact. For all sizes, the third component for favourable impact was the *availability of finance*.

Components with greatest percentage of favourable evolution.

Results by size of establishment

	First component	Second component	Third component
Fewer than 10 on payroll	Demand for their products (11.6%)	Macroeconomic environment (9.7%)	Availability of finance (7.9%)
10 to 49 on payroll	Demand for their products (21.5%)	Macroeconomic environment (17.2%)	Availability of finance (14.3%)
50 to 199 on payroll	Macroeconomic environment (20%)	Demand for their products (19.8%)	Availability of finance (15.3%)
200 to 999 on payroll	Demand for their products (17.8%)	Macroeconomic environment (15.1%)	Availability of finance (12.7%)
Over 1000 on payroll	Macroeconomic environment (21%)	Demand for their products (17.6%)	Availability of finance (15.3%)

Components with most impact on businesses. Results by Autonomous Community

Payment defaults and *demand for their products* were the components with most unfavourable impact in the majority of Regions.

In the Balearic Islands the first factor with most unfavourable impact was *taxation*.

Components with greatest percentage of unfavourable evolution.

Results by Autonomous Community

Autonomous Community	First component	Second component	Third component
Andalucía	Payment defaults (31.9%)	Taxation (31.2%)	Financial regulation (29.1%)
Aragón	Payment defaults (31.5%)	Demand for their products (30.8%)	Taxation (29.5%)
Asturias, Principado de	Payment defaults (34.1%)	Macroeconomic environment (29%)	Financial regulation (28.7%)
Balears, Illes	Taxation (31.9%)	Payment defaults (25.6%)	Macroeconomic environment (20.1%)
Canarias	Payment defaults (33%)	Financial regulation (30.8%)	Macroeconomic environment (30.2%)
Cantabria	Demand for their products (33.5%)	Macroeconomic environment (32%)	Payment defaults (30.8%)
Castilla y León	Payment defaults (37.8%)	Demand for their products (36.5%)	Macroeconomic environment (36.2%)
Castilla- La Mancha	Payment defaults (33%)	Demand for their products (28.8%)	Taxation (27.1%)
Cataluña	Payment defaults (27.7%)	Macroeconomic environment (25.9%)	Demand for their products (25.7%)
Comunitat Valenciana	Payment defaults (28.5%)	Macroeconomic environment (27.5%)	Taxation (27%)
Extremadura	Payment defaults (37.1%)	Demand for their products (30.9%)	Taxation (29.3%)
Galicia	Payment defaults (37.8%)	Demand for their products (36.3%)	Taxation (35.7%)
Madrid, Comunidad de	Payment defaults (27.4%)	Macroeconomic environment (24.8%)	Demand for their products (24.6%)
Murcia, Región de	Payment defaults (35.5%)	Taxation (25.6%)	Demand for their products (25.3%)
Navarra, Comunidad Foral de	Demand for their products (29.4%)	Macroeconomic environment (27.6%)	Payment defaults (25.5%)
País Vasco	Demand for their products (35.1%)	Macroeconomic environment (33.3%)	Financial regulation (25.7%)
Rioja, La	Demand for their products (31.7%)	Payment defaults (29.9%)	Financial regulation (29.2%)

As for factors with favourable evolution *demand for their products* was the first in 12 of the 17 Autonomous Communities. In the rest, this position was occupied by the *macroeconomic environment* or the *availability of finance*.

Components with greatest percentage of favourable evolution.

Results by Autonomous Community

Autonomous Community	First component	Second component	Third component
Andalucía	Demand for their products (14.5%)	Macroeconomic environment (11.9%)	Availability of finance (10.9%)
Aragón	Macroeconomic environment (12%)	Demand for their products (11.4%)	Availability of finance (9.4%)
Asturias, Principado de	Demand for their products (18.3%)	Macroeconomic environment (12.5%)	Availability of finance (12.2%)
Balears, Illes	Demand for their products (26%)	Macroeconomic environment (19.4%)	Human resources development (13.6%)
Canarias	Demand for their products (17.1%)	Macroeconomic environment (14.3%)	Availability of finance (13%)
Cantabria	Macroeconomic environment (14.3%)	Demand for their products (11.3%)	Availability of finance (7.1%)
Castilla y León	Macroeconomic environment (11.1%)	Demand for their products (10.8%)	Availability of finance (5.9%)
Castilla- La Mancha	Demand for their products (14.7%)	Macroeconomic environment (13.1%)	Human resources development (11.8%)
Cataluña	Demand for their products (20.6%)	Macroeconomic environment (18.3%)	Availability of finance (12.8%)
Comunitat Valenciana	Demand for their products (19.7%)	Macroeconomic environment (15.7%)	Availability of finance (12.5%)
Extremadura	Demand for their products (15.6%)	Availability of finance (10.5%)	Macroeconomic environment (9.8%)
Galicia	Demand for their products (14.6%)	Availability of finance (12.2%)	Macroeconomic environment (11%)
Madrid, Comunidad de	Macroeconomic environment (17.7%)	Demand for their products (17.2%)	Availability of finance (13.1%)
Murcia, Región de	Demand for their products (17.4%)	Macroeconomic environment (16.7%)	Availability of finance (11.3%)
Navarra, Comunidad Foral de	Demand for their products (15.3%)	Macroeconomic environment (12.6%)	Availability of finance (12%)
País Vasco	Availability of finance (14.2%)	Macroeconomic environment (13.6%)	Demand for their products (12.4%)
Rioja, La	Demand for their products (14.8%)	Macroeconomic environment (13%)	Availability of finance (11.6%)

Perception of the evolution of resources dedicated to the resolution of procedures with administrative departments

Less than a sixth of respondents noticed an increase in resources dedicated to resolving procedures with administrations.

12.5% (as against 14.3% in 2014) indicated an increase in resources dedicated to resolving procedures in local administrations. This percentage rose to 14.4% (as against 16.8% the previous year) in the case of Regional Administration and to 15.6% (against 17.9%) for State Administration.

Conversely, less than 6.0% of those surveyed observed a reduction in resources dedicated to resolving procedures with the different administrative bodies, against around 7.0% for the year 2014.

The remainder, more than 75%, considered that the evolution of these resources remained steady in 2015.

By Autonomous Community, Andalusia presented the highest percentage of responses for an increase in procedures both in state administration (19.1%), and regional (18.4%), whilst for the Balearic Islands it was for local administration (15.8%).

Extremadura registered the highest percentage of responses with a reduction in procedures with regional administration (10.5%) and local (8.6%) whilst for Galicia it was for state administration (10.7%).

During the last year, how do you feel that the resources that your company needs to dedicate to procedures with the various administrative bodies evolved? Results by Autonomous Community.

Autonomous Community	State Administration		Autonomous administration		Local Administration	
	Increased (%)	Reduced (%)	Increased (%)	Reduced (%)	Increased (%)	Reduced (%)
National	15.6	5.6	14.4	5.8	12.5	5.7
Andalucía	19.1	7.3	18.4	7.3	14.9	6.9
Aragón	17.9	4.2	16.9	3.6	14.0	4.9
Asturias, Principado de	15.8	5.4	16.8	5.7	11.5	5.7
Balears, Illes	17.6	4.8	17.2	3.7	15.8	4.4
Canarias	10.8	6.3	11.4	6.3	11.1	7.6
Cantabria	15.4	8.3	12.4	7.5	10.5	8.3
Castilla y León	16.4	6.8	14.9	7.4	13.9	7.1
Castilla- La Mancha	15.7	7.8	14.4	8.8	12.4	8.2
Cataluña	16.1	3.9	13.0	5.1	12.3	4.2
Comunitat Valenciana	10.8	6.4	10.8	6.1	8.8	6.6
Extremadura	14.5	9.0	15.6	10.5	11.3	8.6
Galicia	18.3	10.7	18.0	9.8	15.2	8.2
Madrid, Comunidad de	17.1	3.3	12.4	4.0	12.4	4.3
Murcia, Región de	12.6	6.5	12.6	6.8	14.0	6.8
Navarra, Comunidad Foral de	12.9	3.0	16.5	3.0	10.2	3.6
País Vasco	14.2	2.7	12.4	1.8	9.7	1.8
Rioja, La	17.3	3.9	14.4	3.5	14.1	2.8

Perception of the evolution of added procedures to operate in different territories

12.5% of respondents felt that in 2015 the number of additional procedures needed to work in different Autonomous Communities rose¹ (compared to 13.7% for 2014). 11.5% (as against 12.5% the previous year) noticed an increase to operate in different localities within the same Region.

Around 2.0% noticed a fall (2.2% for operating in different Autonomous Communities and 2.3 % for operating in different localities within the same Region). In 2014 these percentages were around 3.0%.

By autonomous community, Galicia registered the highest percentage of replies of an increase in added procedures to operate both in different Autonomous Communities and in different localities within the same Region.

¹ About a quarter of respondents do not operate in other Autonomous Communities or different localities within the same Community.

In the last year, how do you feel that additional procedures that need to be carried out to operate in different territories evolved? Results by Autonomous Community.

	Different Autonomous Communities			Different locality in the same Community		
	Increased	Stable	Reduced	Increased	Stable	Reduced
	(%)	(%)	(%)	(%)	(%)	(%)
National Total	12.5	58.2	2.2	11.5	62.8	2.3
Andalucía	12.2	57.2	2.9	11.3	63.7	2.9
Aragón	11.4	63.0	1.3	10.7	66.2	1.3
Asturias, Principado de	14.7	54.1	1.1	12.9	58.8	1.1
Balears, Illes	15.0	49.1	1.5	14.7	56.0	2.6
Canarias	12.4	57.1	2.2	12.4	67.3	2.2
Cantabria	9.8	57.1	1.5	10.2	59.8	1.5
Castilla y León	15.8	52.0	2.8	12.7	56.7	2.2
Castilla- La Mancha	12.7	58.5	2.9	11.4	61.4	2.9
Cataluña	11.0	61.3	2.0	11.0	64.2	2.5
Comunitat Valenciana	9.3	64.4	3.2	8.6	67.3	4.4
Extremadura	10.9	58.6	3.9	10.2	62.1	3.9
Galicia	17.7	52.1	4.6	16.2	59.5	3.4
Madrid, Comunidad de	12.0	67.0	1.9	12.5	68.3	1.8
Murcia, Región de	14.3	58.0	3.4	11.9	62.1	3.4
Navarra, Comunidad Foral de	12.6	49.2	0.9	9.6	58.3	1.2
País Vasco	12.1	60.5	0.3	8.6	67.0	0.6
Rioja, La	11.6	52.5	1.4	10.2	56.0	1.1

NOTE: The rest of the respondents to make up the 100% in each Region or the National total are not affected by this situation and chose the N/A option for their reply

Benefit of the replacement of prior authorisations by statements of responsibility

Half those surveyed did not consider themselves to be in a position to assess whether they had noticed a benefit from the replacement of prior authorisations² by statements of responsibility³. Around 7.0% noticed some benefit, with similar percentages for each of the three types of Administration. The perception of this benefit is slightly higher than that recorded last year.

By Autonomous Community, Extremadura was, in general terms the area that registered the greatest percentage of benefit (9.8% in state administration, 12.1% in regional and 10.5% in local, slightly beaten by the Canary Islands in this last category with 11.1%).

Conversely, Aragon was the Region showing the least benefit from the replacement of prior authorisations by statements of responsibility for state administration (46.8%), Andalusia for regional administration (48.4%) and Murcia for local administration (47.8%). These three Regions gave, in general, high percentages of low benefit for the three administrations.

² Prior authorisation: any act, actual or understood, by the authorised body that is required in advance for access to an economic activity or to carry it out through ex-ante control of the activity, e.g.: licences, permissions or registrations in official registries.

³ Statement of responsibility: document submitted to the Administration whereby the business operator declares, under their responsibility, that they meet the requirements established in current legislation to carry on their business, that they have the necessary documentary evidence to demonstrate it, and that they undertake to maintain that compliance for the time necessary. An ex-post control system, whereby control of compliance with requirements and regulations will be based on inspections after the commencement of the business activity.

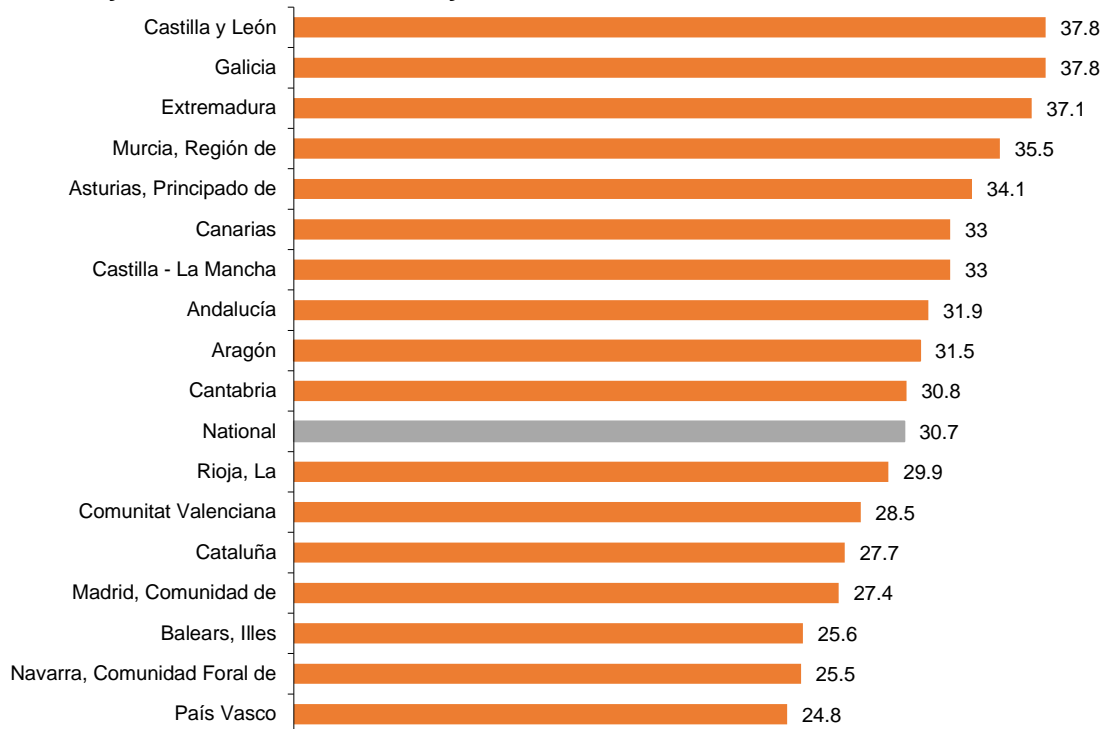
In the last year, did you perceive a benefit due to the replacement of prior authorisations with statements of responsibility? Results by Autonomous Community.

	State Administration		Autonomous administration		Local Administration	
	Yes (%)	No (%)	Yes (%)	No (%)	Yes (%)	No (%)
National Total	6.6	41.4	7.1	43.3	7.3	43.4
Andalucía	6.1	45.1	4.2	48.4	5.7	47.6
Aragón	5.5	46.8	5.8	48.1	6.2	47.7
Asturias, Principado de	6.8	39.8	7.5	41.2	6.8	40.5
Balears, Illes	6.2	41.4	9.2	41.8	10.3	42.9
Canarias	7.3	44.4	9.8	45.7	11.1	46.3
Cantabria	6.0	42.5	5.6	44.7	3.8	44.7
Castilla y León	9.3	37.8	8.4	38.7	9.3	38.7
Castilla- La Mancha	4.6	43.8	5.6	45.1	4.9	45.8
Cataluña	5.2	39.3	6.2	40.1	5.9	41.0
Comunitat Valenciana	4.4	46.7	5.2	47.2	6.4	47.7
Extremadura	9.8	41.8	12.1	43.0	10.5	43.0
Galicia	7.6	41.8	8.8	43.0	9.8	42.1
Madrid, Comunidad de	7.4	36.4	7.8	38.0	8.5	38.4
Murcia, Región de	8.2	43.3	7.2	47.1	8.2	47.8
Navarra, Comunidad Foral de	6.0	38.4	6.9	42.3	6.0	41.7
País Vasco	7.1	42.5	7.4	46.9	6.5	47.2
Rioja, La	6.0	38.7	5.6	40.5	5.6	40.8

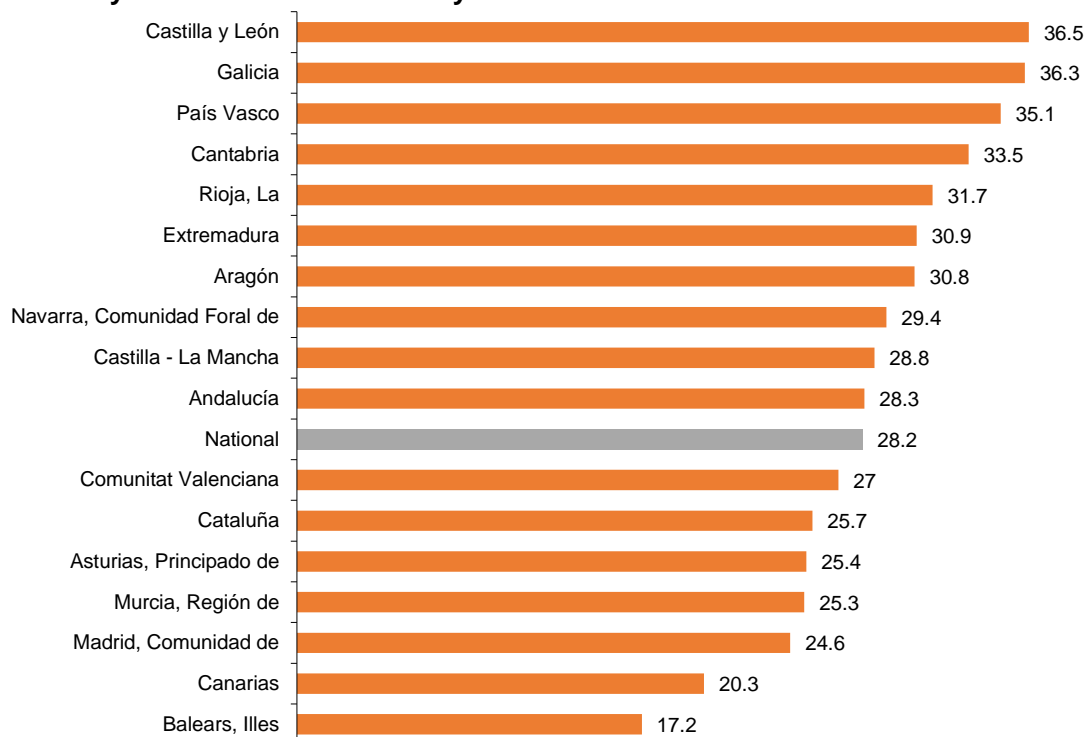
NOTE: The rest of the respondents to make up the 100% in each Region or the National total are not affected by this situation and chose the N/A option for their reply

APPENDIX
Components of business environment with greatest impact.
Results by Autonomous Community

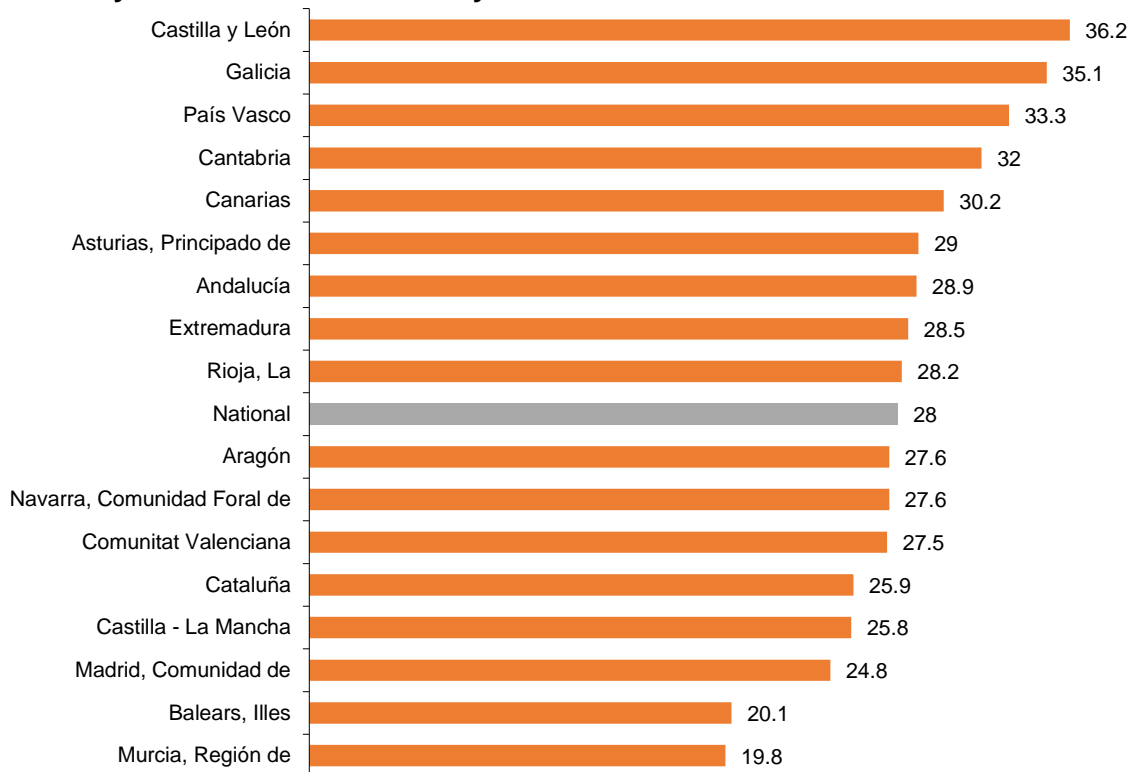
MACROECONOMIC ENVIRONMENT. Unfavourable Evolution.
Results by Autonomous Community



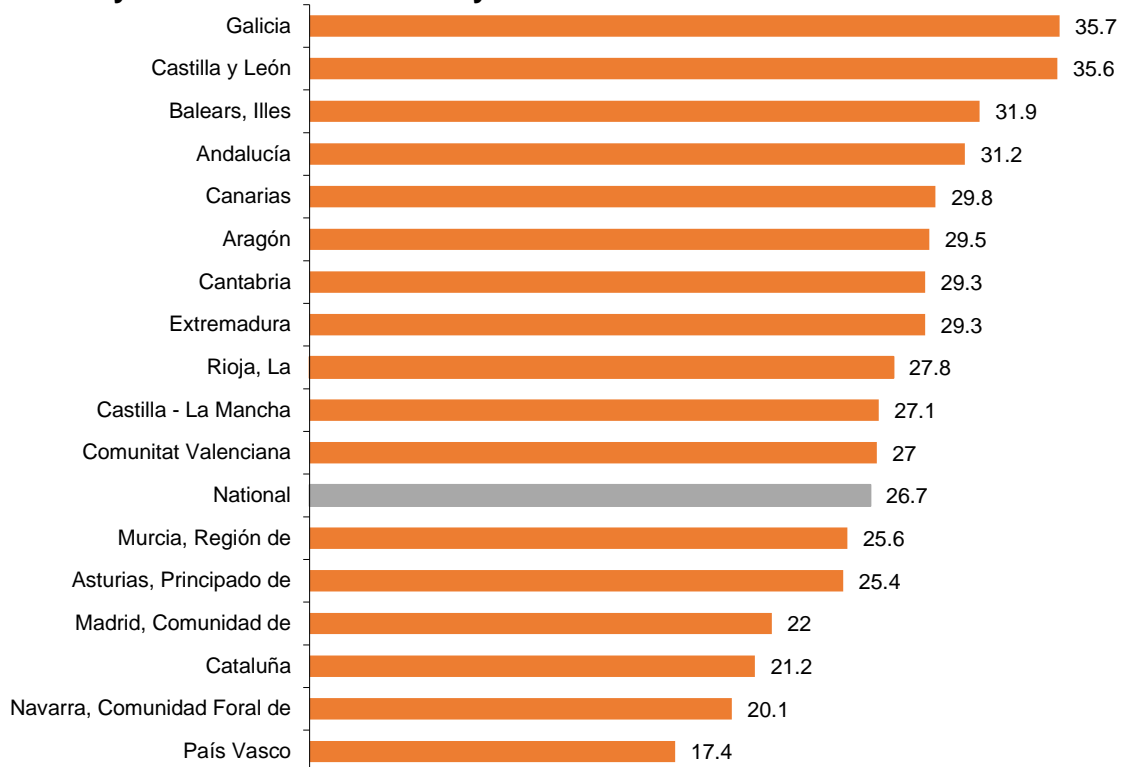
PAYMENT DEFAULTS. Unfavourable Evolution.
Results by Autonomous Community



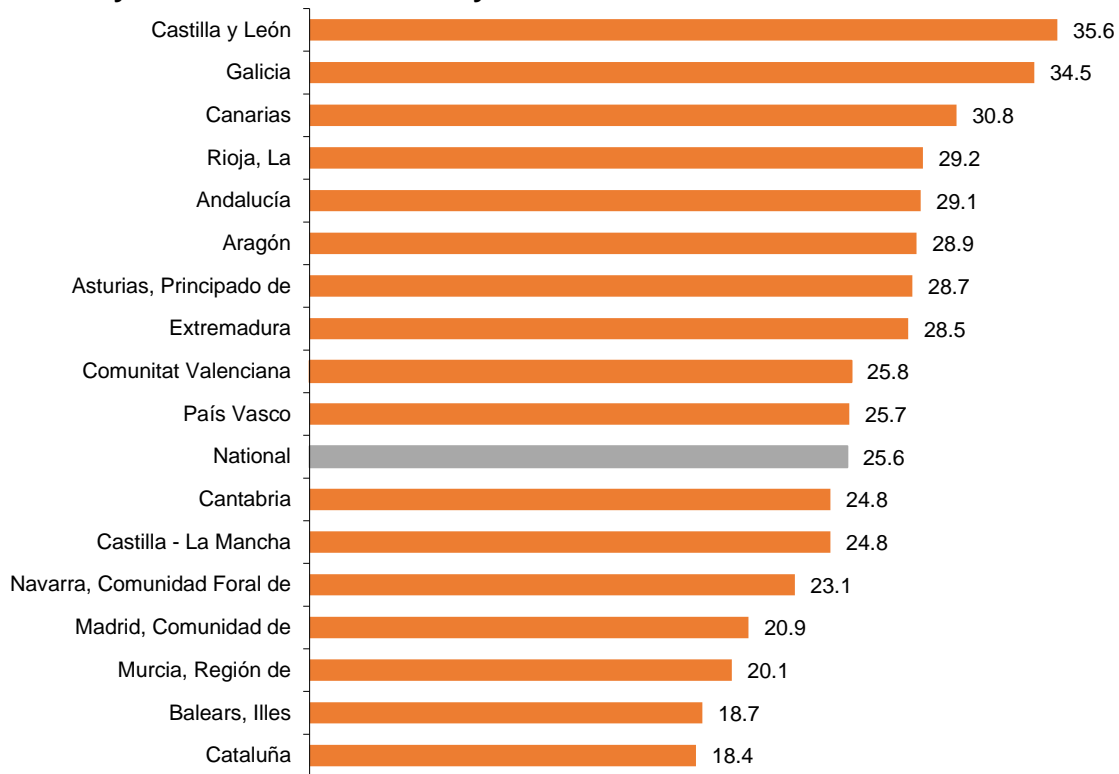
**DEMAND FOR THEIR PRODUCTS. Unfavourable Evolution.
Results by Autonomous Community**



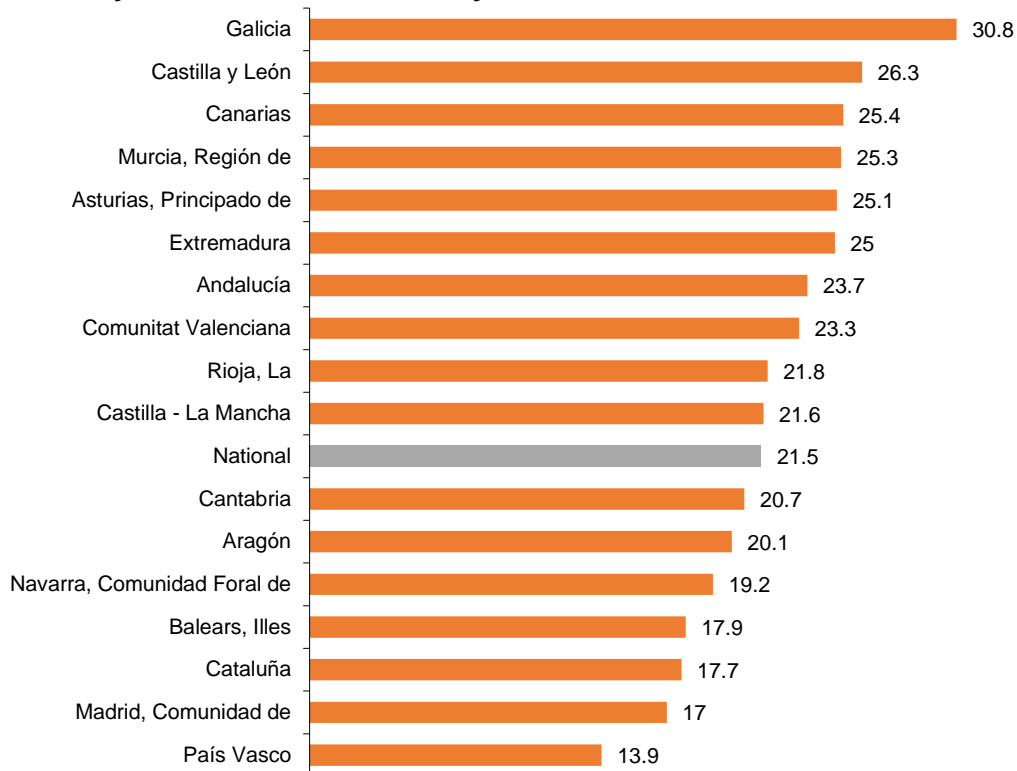
**FINANCIAL REGULATION. Unfavourable Evolution.
Results by Autonomous Community**



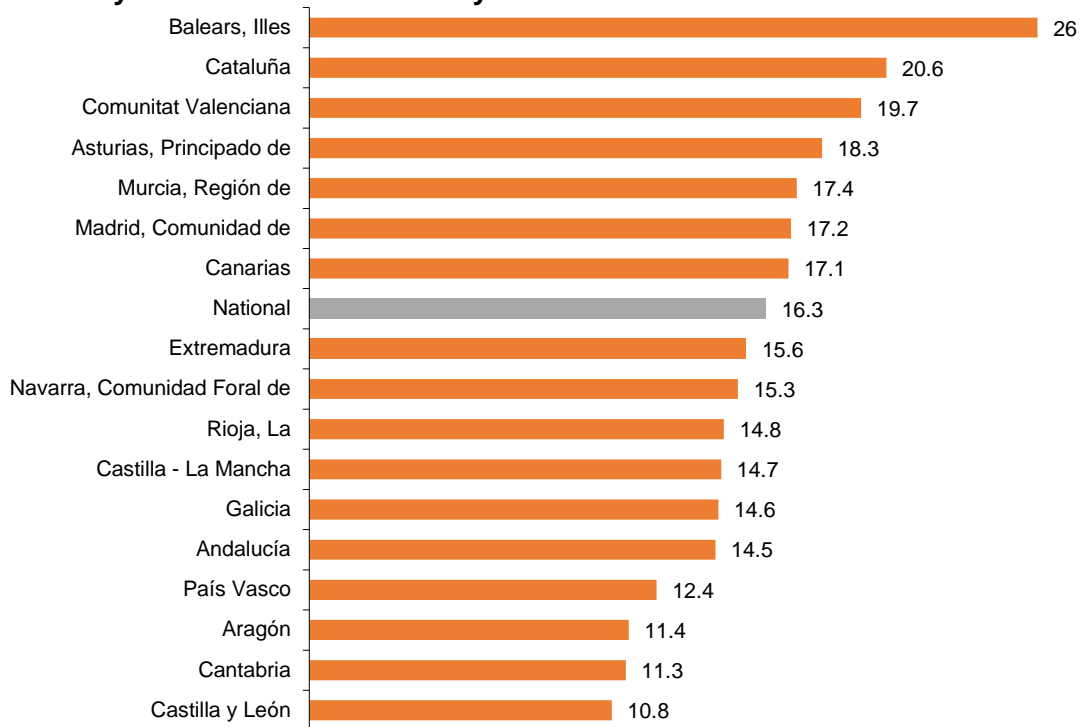
**TAXATION. Unfavourable Evolution.
Results by Autonomous Community**



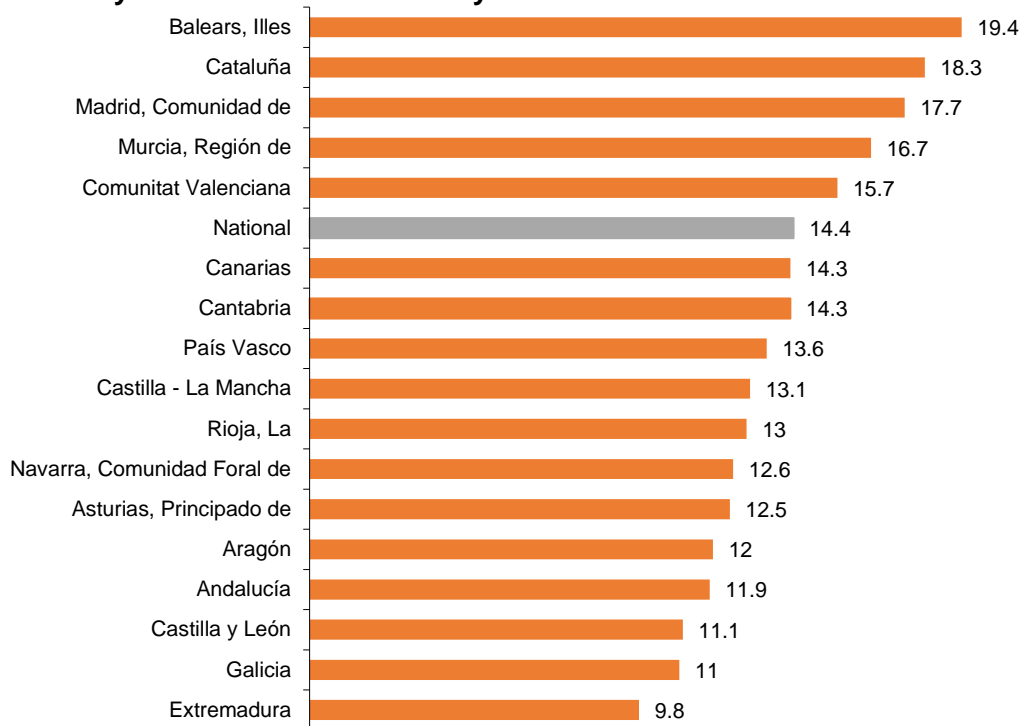
**AVAILABILITY OF FINANCE. Unfavourable Evolution.
Results by Autonomous Community**



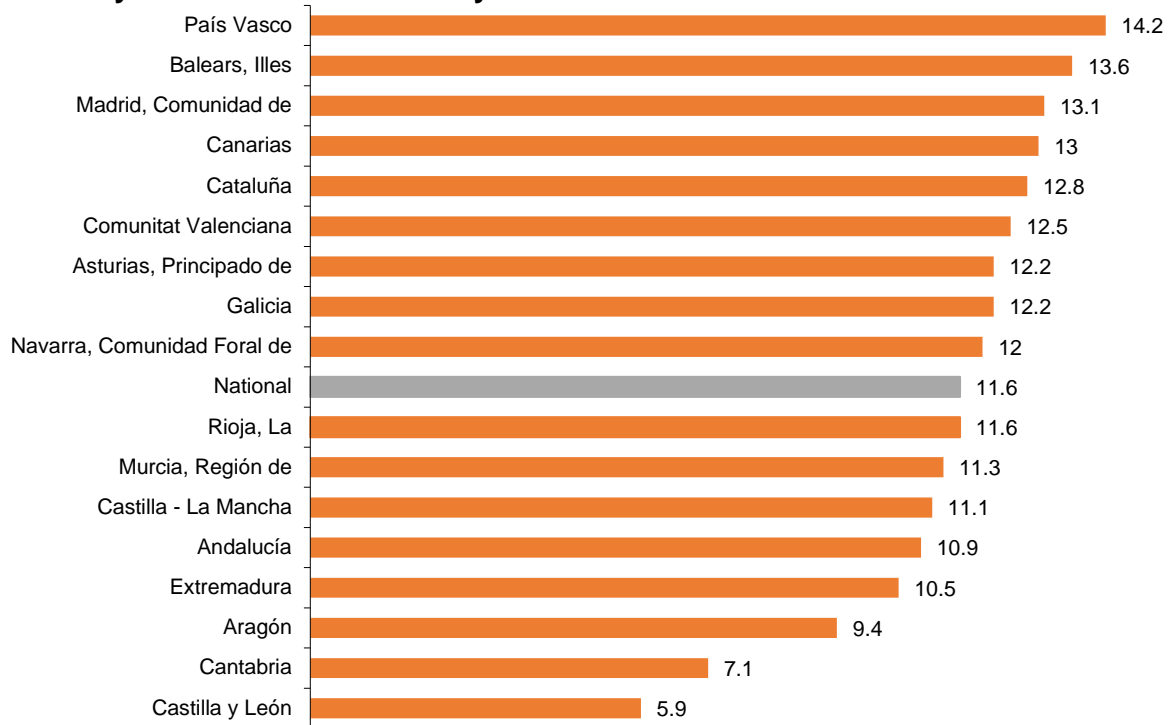
**DEMAND FOR THEIR PRODUCTS. Favourable evolution.
Results by Autonomous Community**



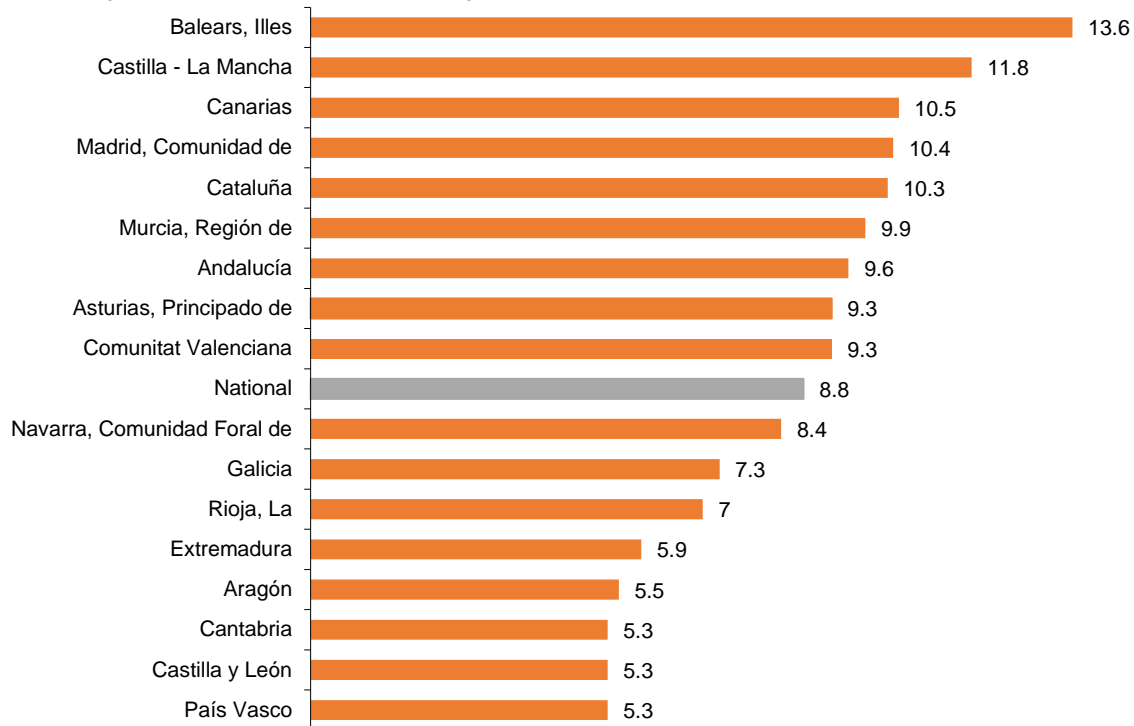
**DEVELOPMENT OF HUMAN RESOURCES. Favourable evolution.
Results by Autonomous Community**



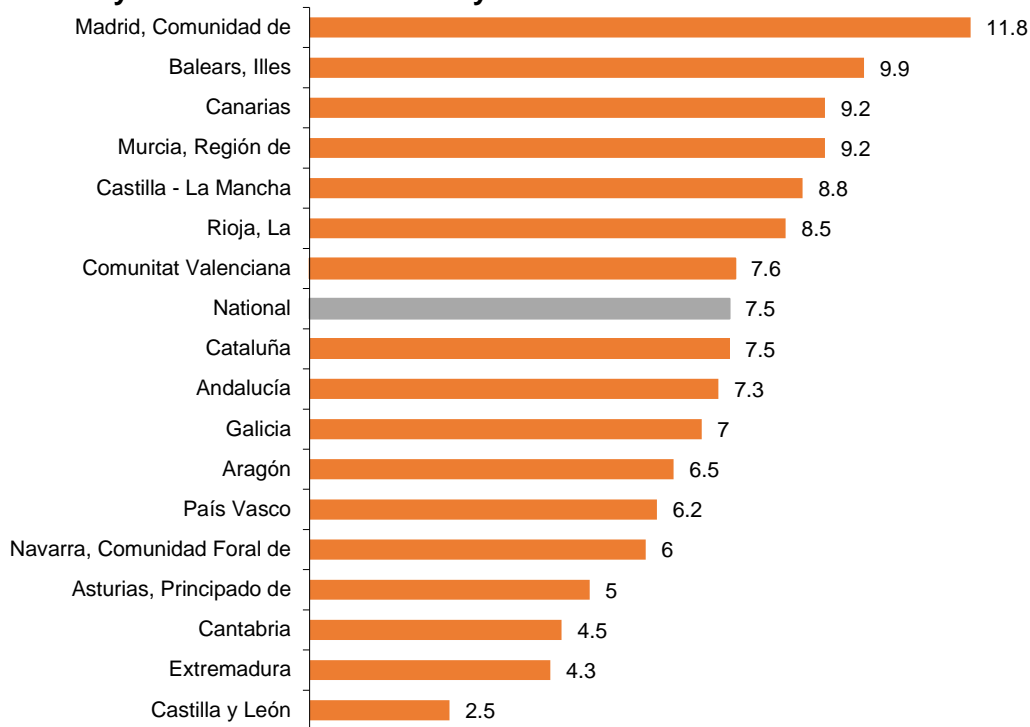
**AVAILABILITY OF FINANCE. Favourable evolution.
Results by Autonomous Community**



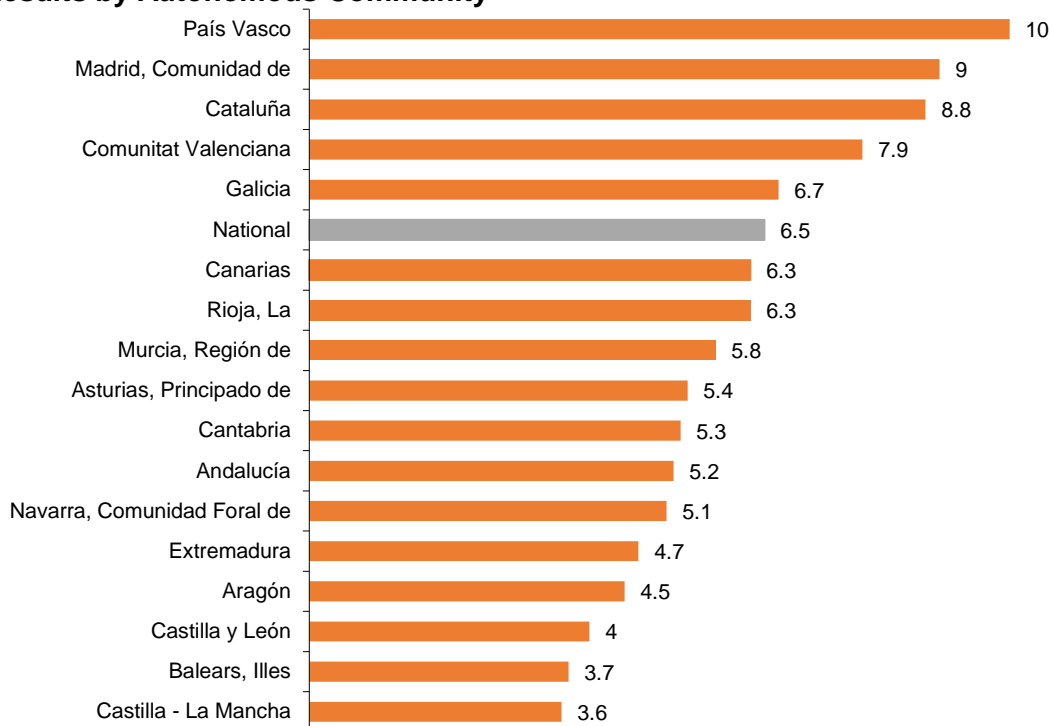
**MACROECONOMIC ENVIRONMENT. Favourable evolution.
Results by Autonomous Community**



**EMPLOYMENT MARKET EFFICIENCY. Favourable evolution.
Results by Autonomous Community**



**INFRASTRUCTURES. Favourable evolution.
Results by Autonomous Community**



Methodological note

The Opinion module about the Business Environment gathers the opinions of establishment managers on different components of the business environment. The methodology, as for the BCI, is based on the Japanese TANKAN index i.e. there is no weighting or elevation depending on the characteristics of the establishment and the opinion of each informant is valued the same.

The business environment comprises the political, institutional and social environments in which businesses make their decisions. In this survey, opinion has been sought on the following components.

- Macroeconomic environment: A group of financial indicators and main macroeconomic priorities: gross domestic product, aggregate demand, consumption, investment, public sector, export sector, assets market, inflation, etc.
- Financial regulation: Regulations that affect the creation and functioning of businesses. Good financial regulation refers to the drawing up of efficient regulations that achieve the same result with the least possible restrictions.
- Efficiency of the employment market: Dynamism, availability of educational recycling; flexibility to take on and lay off company staff.
- Taxation: The package of standards and procedures related to fiscal administration and compliance with tax obligations.
- Payment defaults: Non-compliance of a contracted obligation with a third party.
- Infrastructures: All the buildings, elements and services considered necessary for the development of transportation. This includes the various roads, railways, ports, airports; as well as the associated logistical services necessary for people, animals and vehicles to travel and move around on them.
- Legal costs: Costs imposed by the workings of the legal system on firms that need them.
- Costs of inputs: Price paid for supplies and services contracted by the company.
- Equipment: All the means and facilities necessary for an activity to be carried out.
- Development of human resources: The quality and training necessary for the workforce to carry out the business activity.
- Demand for their products: Size of the market.
- Availability of finance: Access to outside business finance, obtained through banking institutions (principally banks and savings banks) in any form (loans, lines of credit, promissory notes, etc.), and through non-banking entities, such as capital markets, actual persons (business angels), participation loans from public bodies and others.