

5 March 2015

Business Confidence Indicators (BCI)
Opinion Module on the Business Environment. Year 2014

The components for components of the business environment that managers think are the most important for company growth in 2014 have been *product demand*, the *macroeconomic environment* and *default*

For the second subsequent year, the National Statistics Institute (INE) has conducted an opinion survey, regarding the business environment, of a sample of establishments that covers the entire country, the different economic sectors and the different establishment sizes.

The survey was carried out in the last fortnight of the year 2014, as an additional module of the Business Confidence Indicators (BCI) survey.

The business environment includes the political, institutional and social environment in which companies make their decisions. A suitable business environment is a fundamental aspect for encouraging business activity and stimulating economic growth.

Importance of the business environment in business growth capacity

Those surveyed considered that the most important of the 12 business environment components analysed were *product demand* (with 58.5% of the responses with great importance), the *macroeconomic environment* (43.7%) and *default* (42.7%).

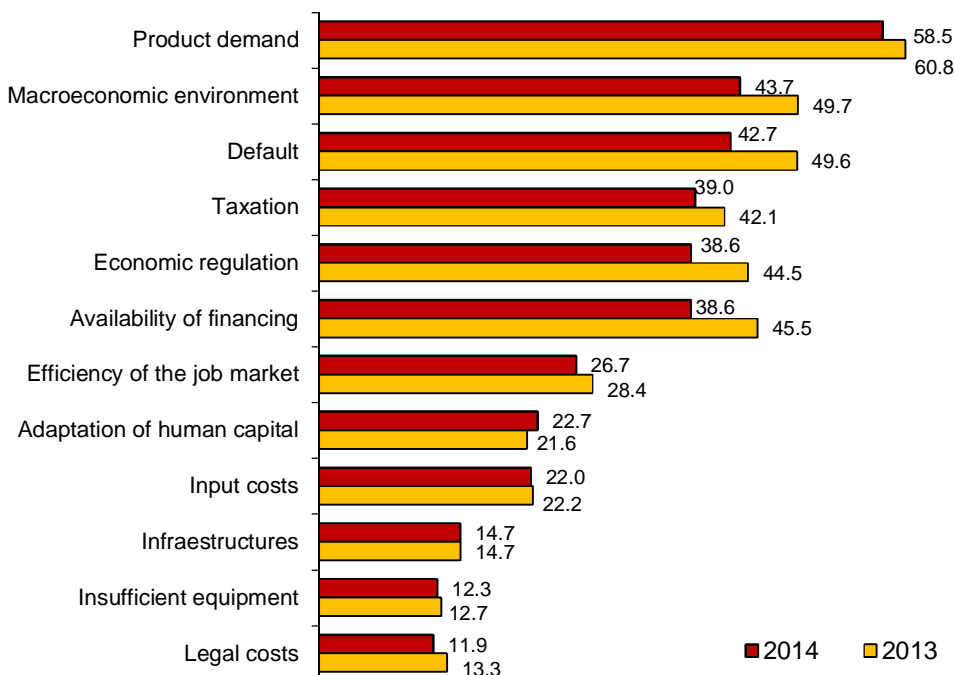
These three components, *product demand*, *macroeconomic environment* and *default* were also considered as the most important in 2013, with 60.8%, 49.7% and 49.6% of the responses with great importance, respectively.

At the current time, what importance do you consider that the following components have in the business growth capacity within the business environment?

Components	Great (%)	Medium (%)	Little (%)
Business Environment			
Product demand	58.5	31.2	10.3
Macroeconomic environment	43.7	40.6	15.7
Default	42.7	37.0	20.3
Taxation	39.0	46.9	14.1
Economic regulation	38.6	47.2	14.2
Availability of financing	38.6	42.5	18.9
Efficiency of the job market	26.7	54.6	18.7
Adaptation of human capital	22.7	53.5	23.8
Input costs	22.0	53.2	24.8
Infrastructures	14.7	57.2	28.2
Insufficient equipment	12.3	55.0	32.7
Legal costs	11.9	45.7	42.4

Conversely, factors such as *legal costs* (with 42.4% of the responses with low importance), *insufficient equipment* (32.7%) or *infrastructures* (28.2%) were considered to be scarcely important in business growth capacity at that point in time. They were the same than last year, when *legal costs* recorded 42.6 of the responses with low importance, *insufficient equipment* registered 34.8% and *infrastructures* 29.5%.

Components of the business environment with great importance in growth capacity



By activity sector, *product demand* topped the list of components with great importance in business growth capacity, in all of them, whereas the *macroeconomic environment* and *default* appeared second and third on the list.

Worth noting was that the *availability of financing* was the second factor in the *Construction* sector and *taxation* was the third in the *Transport and Catering* sector.

Components with the highest percentages of great importance.

Results by activity sector

	First component	Second component	Third component
Industry	Product demand (67%)	Macroeconomic environment (45.1%)	Default (42.1%)
Construction	Product demand (56.8%)	Availability of financing (50%)	Default (49.3%)
Trade	Product demand (59.1%)	Macroeconomic environment (39.8%)	Default (39.4%)
Transport and Catering	Product demand (51.2%)	Macroeconomic environment (40.1%)	Taxation (37.1%)
Other Services	Product demand (57.2%)	Macroeconomic environment (47.4%)	Default (47%)

By establishment size, *product demand* was also the first component in importance in all of them, except for the bigger establishments, where the *macroeconomic environment* stood in that place.

In the smaller establishments, *taxation* took second place for those with fewer than 10 wage earners and *default* in those with 10 to 49 wage earners.

Components with the greatest percentages of great importance.

Results by establishment size

	First component	Second component	Third component
Fewer than 10 wage earners	Product demand (50.9%)	Taxation (42.7%)	Default (39%)
10 to 49 wage earners	Product demand (64.1%)	Default (48.2%)	Macroeconomic environment (45%)
50 to 199 wage earners	Product demand (64.5%)	Macroeconomic environment (49.3%)	Default (44.6%)
200 to 999 wage earners	Product demand (65.2%)	Macroeconomic environment (52.6%)	Default (42.2%)
More than 1000 wage earners	Macroeconomic environment (61.6%)	Product demand (61.6%)	Economic regulation (44.5%)

By Autonomous Communities, it is worth noting that in all them *product demand* was the most important component in business growth capacity in 2014.

The next most-important component was the *macroeconomic environment* in nine Autonomous Communities. Worth noting was the fact that in Analucia *taxation* took second place and in Illes the *availability of financing* did so.

In turn, *default* and the *availability of financing* were considered the third most important components in six and four Autonomous Communities, respectively.

Components with the highest percentages of great importance for each Autonomous Community Results by Autonomous Community

	First component	Second component	Third component
Andalucía	Product demand (55.3%)	Taxation (44.1%)	Macroeconomic environment (43%)
Aragón	Product demand (62.8%)	Default (45.6%)	Macroeconomic environment (43.3%)
Asturias, Principado de	Product demand (61.4%)	Macroeconomic environment (46.1%)	Default (45%)
Baleares, Illes	Product demand (52.1%)	Availability of financing (43.2%)	Taxation (41.6%)
Canarias	Product demand (58.5%)	Macroeconomic environment (46.1%)	Economic regulation (45.4%)
Cantabria	Product demand (62.5%)	Macroeconomic environment (44.4%)	Default (43.3%)
Castilla y León	Product demand (51.5%)	Default (42.7%)	Taxation (39.1%)
Castilla- La Mancha	Product demand (54.6%)	Default (45.8%)	Availability of financing (42%)
Cataluña	Product demand (62%)	Macroeconomic environment (46.3%)	Default (44.8%)
Comunitat Valenciana	Product demand (64.8%)	Default (44.8%)	Availability of financing (43.3%)
Extremadura	Product demand (53.1%)	Default (41.5%)	Availability of financing (40.8%)
Galicia	Product demand (61.2%)	Macroeconomic environment (51%)	Default (47.5%)
Madrid, Comunidad de	Product demand (59.5%)	Macroeconomic environment (53.5%)	Default (43%)
Murcia, Región de	Product demand (56.1%)	Default (46.8%)	Availability of financing (38.6%)
Navarra, Comunidad Foral de	Product demand (57%)	Macroeconomic environment (41.5%)	Taxation (34.5%)
País Vasco	Product demand (62.5%)	Macroeconomic environment (51.3%)	Economic regulation (41.3%)
Rioja, La	Product demand (53.9%)	Macroeconomic environment (38.7%)	Default (37.3%)

Impact of the evolution of the components of the business environment on companies

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

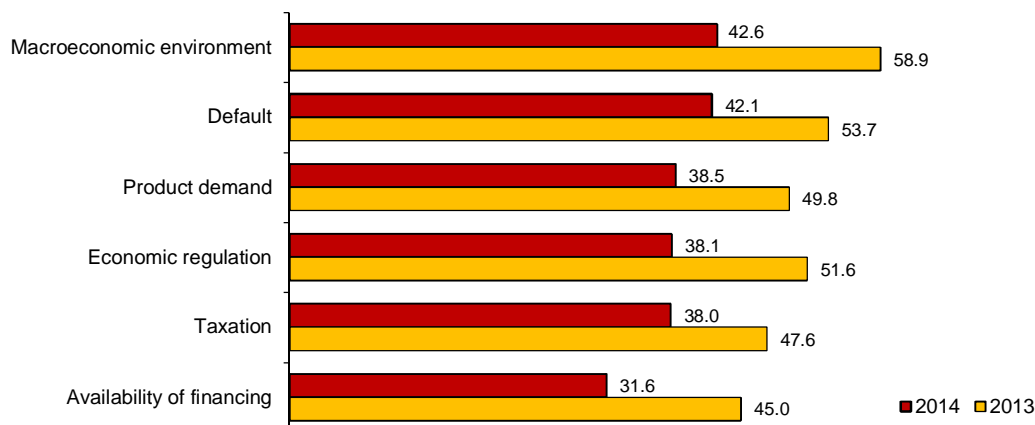
In the year 2014, how has the evolution of the following business environment components affected your business?

Components	Favourable (%)	No variation (%)	Unfavourable (%)
Business Environment.			
Macroeconomic environment	6.6	50.8	42.6
Default	3.4	54.6	42.1
Product demand	11.2	50.3	38.5
Economic regulation	3.3	58.6	38.1
Taxation	1.7	60.3	38.0
Availability of financing	8.5	60.0	31.6
Legal costs	0.5	76.7	22.8
Input costs	2.9	78.4	18.7
Efficiency of the job market	6.5	76.1	17.5
Infrastructures	3.5	85.5	11.0
Insufficient equipment	1.7	89.4	8.9
Adaptation of human capital	8.8	82.2	8.9

Components with the greatest impact on business

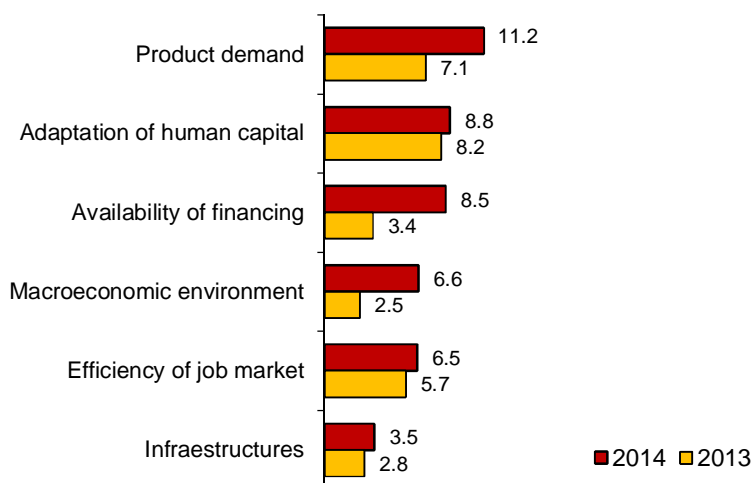
The *macroeconomic environment* (with 42.6% unfavourable responses, against 58.9% in 2013), *default* (42.1% against 53.7% last year) and *product demand* (38.5% against 49.8%) were the components whose evolution had the most unfavourable effect on business.

Components of the business environment with the greatest unfavourable impact



In turn, the *product demand* (with 11.2% of favourable responses against 7.1% last year), *adaptation of human capital* (8.8% against 8.2% in 2013) and the *availability of financing* (8.5% against 3.4%) presented the greatest favourable impact.

Components of the business environment with the greatest favourable impact



Components with the greatest impact on business. Results by activity sector

The first component with the most unfavourable impact on all sectors was the *macroeconomic environment*, except in *Construction* and *Other Services*, where it was the *default*.

Components with the highest percentages of unfavourable evolution.

Results by activity sectors

	First component	Second component	Third component
Industry	Macroeconomic environment (41.1%)	Default (38.2%)	Product demand (37.6%)
Construction	Default (47.9%)	Macroeconomic environment (46.6%)	Availability of financing (46%)
Trade	Macroeconomic environment (43.6%)	Product demand (40.9%)	Taxation (40.6%)
Transport and Catering	Macroeconomic environment (38.3%)	Taxation (37.7%)	Economic regulation (35.6%)
Other Services	Default (46.9%)	Macroeconomic environment (43%)	Economic regulation (40.8%)

Regarding favourable impact, the *product demand* stood as the first component in most sectors. For *Construction*, the first factor was *adaptation of human capital*.

Components with the highest percentages of favourable evolution.

Results by activity sector

	First component	Second component	Third component
Industry	Product demand (15.3%)	Availability of financing (9.9%)	Adaptation of human capital (9.5%)
Construction	Adaptation of human capital (6.8%)	Product demand (6.5%)	Efficiency of job market (5.7%)
Trade	Product demand (12.4%)	Adaptation of human capital (9%)	Availability of financing (8%)
Transport and Catering	Product demand (11.1%)	Adaptation of human capital (8%)	Efficiency of job market (7.8%)
Other Services	Product demand (10.2%)	Availability of financing (9.7%)	Adaptation of human capital (9.4%)

Components with the greatest impact on business. Results by establishment size

The *macroeconomic environment* and *default* stood as the components with the most unfavourable impact for all sizes, except in establishments with fewer than 10 wage earners, where the factor with the first most-unfavourable impact was *taxation*.

Components with the greatest percentages of unfavourable evolution.

Results by establishment size

	First component	Second component	Third component
Fewer than 10 wage earners	Taxation (45.8%)	Macroeconomic environment (43.3%)	Economic regulation (43%)
10 to 49 wage earners	Default (43.3%)	Macroeconomic environment (41.8%)	Product demand (38.1%)
50 to 199 wage earners	Default (41.8%)	Macroeconomic environment (40.7%)	Product demand (35.8%)
200 to 999 wage earners	Macroeconomic environment (42.2%)	Default (37%)	Economic regulation (32.7%)
More than 1000 wage earners	Macroeconomic environment (47%)	Default (40.2%)	Economic regulation (34.9%)

The *product demand* had the greatest favourable impact at all size strata. The second component with favourable impact was *adaptation of human capital* in the smaller section (up to 200 wage earners), whereas in the bigger strata that place was taken *availability of financing*.

Components with the greatest percentages of favourable evolution.

Results by establishment size

	First component	Second component	Third component
Fewer than 10 wage earners	Product demand (7.7%)	Adaptation of human capital (5.7%)	Availability of financing (5%)
10 to 49 wage earners	Product demand (13.3%)	Adaptation of human capital (10.2%)	Availability of financing (10%)
50 to 199 wage earners	Product demand (13.5%)	Adaptation of human capital (11.6%)	Availability of financing (10.9%)
200 to 999 wage earners	Product demand (14.5%)	Availability of financing (13%)	Adaptation of human capital (12.3%)
More than 1000 wage earners	Product demand (17.1%)	Availability of financing (13.2%)	Adaptation of human capital (12.5%)

Components with the greatest impact on business. Results by Autonomous Community

The *default* and the *macroeconomic environment* were the components with the greatest unfavourable impact in most Autonomous Communities.

In Illes Balears, the factor with the first most-unfavourable impact was *taxation*. In Cantabria, and Castilla-La Mancha it was *product demand*.

Components with the highest percentages of unfavourable evolution.

Results by Autonomous Community

	First component	Second component	Third component
Andalucía	Default (44.5%)	Economic regulation (42.1%)	Taxation (41.9%)
Aragón	Default (43.3%)	Product demand (41.8%)	Macroeconomic environment (39.8%)
Asturias, Principado de	Default (42.5%)	Macroeconomic environment (42.1%)	Economic regulation (42.1%)
Balears, Illes	Taxation (43.6%)	Default (36.2%)	Macroeconomic environment (33.1%)
Canarias	Macroeconomic environment (41.8%)	Taxation (37.6%)	Economic regulation (37.3%)
Cantabria	Product demand (46.5%)	Default (44.7%)	Macroeconomic environment (44.4%)
Castilla y León	Default (47.6%)	Macroeconomic environment (43.6%)	Product demand (41.5%)
Castilla- La Mancha	Product demand (45.1%)	Default (44.1%)	Macroeconomic environment (39.3%)
Cataluña	Macroeconomic environment (43.1%)	Default (40.2%)	Product demand (39%)
Comunitat Valenciana	Default (42.2%)	Macroeconomic environment (40.7%)	Taxation (40.4%)
Extremadura	Default (49.2%)	Taxation (47.3%)	Economic regulation (45%)
Galicia	Macroeconomic environment (49%)	Taxation (46.9%)	Default (46.9%)
Madrid, Comunidad de	Default (41.4%)	Macroeconomic environment (41%)	Product demand (37.8%)
Murcia, Región de	Default (40.7%)	Macroeconomic environment (35.4%)	Product demand (35%)
Navarra, Comunidad Foral de	Macroeconomic environment (44.5%)	Economic regulation (39.1%)	Product demand (35.2%)
País Vasco	Macroeconomic environment (53.8%)	Default (43.4%)	Economic regulation (40.6%)
Rioja, La	Macroeconomic environment (47.9%)	Taxation (41.5%)	Default (40.5%)

As for factors with a favourable evolution, *product demand* ranked first in all Autonomous Communities, excepting Región de Murcia, where it was *adapataion of human capital* and in Principado de Asturias and Galicia, where *availability of financing* took that place.

Components with the greatest percentages of favourable evolution.

Results by Autonomous Community

	First component	Second component	Third component
Andalucía	Product demand (10.1%)	Adaptation of human capital (8.8%)	Availability of financing (7.5%)
Aragón	Product demand (9.2%)	Adaptation of human capital (8%)	Macroeconomic environment (6.5%)
Asturias, Principado de	Availability of financing (9.6%)	Product demand (8.2%)	Adaptation of human capital (7.5%)
Balears, Illes	Product demand (14.4%)	Efficiency of job market (10.9%)	Adaptation of human capital (10.9%)
Canarias	Product demand (15.7%)	Adaptation of human capital (11.4%)	Availability of financing (10.8%)
Cantabria	Product demand (7.6%)	Adaptation of human capital (5.8%)	Availability of financing (5.5%)
Castilla y León	Product demand (8.2%)	Macroeconomic environment (6.1%)	Adaptation of human capital (5.5%)
Castilla- La Mancha	Product demand (9.2%)	Adaptation of human capital (8.8%)	Availability of financing (6.4%)
Cataluña	Product demand (12.4%)	Availability of financing (9.8%)	Adaptation of human capital (9.4%)
Comunitat Valenciana	Product demand (11.9%)	Adaptation of human capital (10.6%)	Macroeconomic environment (8.8%)
Extremadura	Product demand (11.2%)	Adaptation of human capital (9.2%)	Availability of financing (5.4%)
Galicia	Availability of financing (9.6%)	Product demand (8.4%)	Adaptation of human capital (6.9%)
Madrid, Comunidad de	Product demand (10.8%)	Efficiency of job market (9.7%)	Adaptation of human capital (8.7%)
Murcia, Región de	Adaptation of human capital (12.5%)	Product demand (11.1%)	Availability of financing (10%)
Navarra, Comunidad Foral de	Product demand (13.3%)	Availability of financing (10.9%)	Adaptation of human capital (8.2%)
País Vasco	Product demand (14.4%)	Availability of financing (11.9%)	Adaptation of human capital (10%)
Rioja, La	Product demand (14.4%)	Availability of financing (9.5%)	Adaptation of human capital (7.7%)

Perception of the evolution of the resources dedicated to resolving paperwork with the administrations

Less than one-fifth of those surveyed observed an increase in the resources dedicated to resolving paperwork with the administrations.

14.3% (against 15.0% in 2013) indicated an increase in the resources dedicated to resolving paperwork in the local administration, this percentage rising to 16.8% (against 18.1% last year) in the case of the Autonomous Community administration and to 17.9% (against 19.9%) in the state administration.

Conversely, nearly 7% of those surveyed observed a decrease in the resources dedicated to resolving paperwork with the different administrations, against around 10% in 2013.

The rest, more than 75% perceived that the evolution of these resources remained stable in the year 2014.

By Autonomous Communities, Illes Balears presented the highest percentage of responses indicating an increase both in the paperwork in the State Administration (24.5%), in the Autonomous Community administration (22.2%) and in the local administration (19.5%).

In turn, Extremadura registered the highest percentage of responses indicating a decrease in the paperwork in the state (13.1%), Autonomous Community (12.7%) and local (13.1%) administrations.

In the last year, how do you perceive the resources that your company dedicates to resolving paperwork with the different administrations to have evolved?

Results by Autonomous Community.

Autonomous Community	State Administration		Autonomous Community Administration		Local Administration	
	It increased (%)	It decreased (%)	It increased (%)	It decreased (%)	It increased (%)	It decreased (%)
National	17.9	7.0	16.8	7.0	14.3	7.3
Andalucía	18.4	7.9	17.3	8.6	14.7	8.6
Aragón	21.8	4.6	15.7	5.0	13.4	5.4
Asturias, Principado de	17.1	6.4	15.7	7.1	14.3	8.2
Balears, Illes	24.5	8.2	22.2	7.0	19.5	7.0
Canarias	18.6	7.5	20.9	6.5	18.3	6.9
Cantabria	14.2	8.0	17.8	8.4	13.1	8.4
Castilla y León	19.1	8.8	19.1	8.2	18.8	9.4
Castilla- La Mancha	14.9	11.2	16.6	12.2	11.9	11.9
Cataluña	18.7	4.6	12.6	5.1	12.7	5.1
Comunitat Valenciana	18.4	5.2	19.4	5.2	15.3	4.7
Extremadura	16.2	13.1	16.9	12.7	13.8	13.1
Galicia	21.2	10.4	17.0	11.3	15.2	11.3
Madrid, Comunidad de	21.0	4.6	16.2	4.3	15.2	5.7
Murcia, Región de	11.1	8.6	12.5	8.6	11.8	9.6
Navarra, Comunidad Foral de	14.5	5.5	16.7	4.8	12.4	4.8
Pais Vasco	16.3	5.6	19.1	4.7	11.6	5.0
Rioja, La	14.8	4.6	13.4	3.9	10.6	4.2

Perception of the evolution of paperwork added for operating in different regions

13.7% of those surveyed perceived that, in 2014, the number of added paperwork that they had to complete in order to operate in different Autonomous Communities¹ perceived an increase (against 15.5% in 2013). Conversely, 12.5% (against 13.7% last year) perceived and increase in order to operate in different municipalities within the same Autonomous Community.

In turn, almost 3.0% observed a decrease (2.9% to operate in different Autonomous Communities and also 2.9% to operate in different municipalities within the same Autonomous Community). In 2013, these percentages stood over 4%.

By Autonomous Communities, Comunitat Valenciana registered the greatest percentage of responses of increase of paperwork for operating in different municipalities within the same Autonomous Communities. And Castilla-La Mancha was the Autonomous Community with the greatest percentage of response of decrease of that paperwork.

¹ Approximately one-fourth of those surveyed did not do paperwork in different Autonomous Communities or different municipalities in the same Autonomous Community.

In the last year, how do you perceive the added paperwork that must be done in order to operate in the different regions to have evolved? Results by Autonomous Community

	Different Autonomous Communities			Different municipality in the same Autonomous Community		
	It increased (%)	It remained stable (%)	It decreased (%)	It increased (%)	It remained stable (%)	It decreased (%)
Total National	13.7	56.5	2.9	12.5	61.5	2.9
Andalucía	15.6	53.7	2.4	13.8	58.3	2.9
Aragón	15.3	52.9	2.3	13.0	58.2	1.9
Asturias, Principado de	9.6	54.3	4.6	11.1	60.4	3.2
Balears, Illes	16.0	51.4	1.6	16.3	56.8	1.9
Canarias	13.7	56.5	3.6	15.4	59.8	3.9
Cantabria	13.1	56.4	2.5	12.4	61.5	1.8
Castilla y León	15.8	51.5	4.2	14.2	57.3	4.5
Castilla- La Mancha	13.9	55.6	6.1	11.9	58.0	6.8
Cataluña	9.1	60.3	2.0	8.8	64.6	1.7
Comunitat Valenciana	17.4	53.6	2.3	16.6	58.5	1.6
Extremadura	15.8	53.8	5.8	13.5	59.6	6.2
Galicia	16.1	51.9	2.7	14.9	56.4	3.6
Madrid, Comunidad de	15.2	62.7	2.7	13.7	65.7	2.4
Murcia, Región de	11.8	58.6	3.6	10.0	62.5	3.6
Navarra, Comunidad For	12.4	54.5	1.2	10.3	62.4	1.2
País Vasco	13.4	63.4	2.5	7.8	73.4	2.5
Rioja, La	10.2	60.9	1.8	10.6	66.2	1.8

NOTE: The remainder of those surveyed, until 100% was completed in each Autonomous Community or the National Total are not affected by this situation, and they chose the Does not apply option in the response

Benefit of substituting prior authorisations for affidavits of liability

Half of those surveyed considered that they were not in a position to evaluate whether they had received a benefit in the substitution of prior authorisations² by affidavits of liability³. Nearly 6% perceived some benefit, with similar percentages for each of the three types of administration. The perception of this benefit was slightly bigger than the one recorded last year.

By Autonomous Community, Extremadura recorded the highest percentage of benefit (10.0% in the state administration, 11.9% in the Autonomous Community administration and 11.9% in the local administration).

In contrast, País Vasco was the Autonomous Community to register the smallest in substituting the prior authorisations for affidavits of liability for the three types of administration.

²Prior authorisation: any expressed or implied act of the responsible authority that is required, to be held previously, for access to an economic activity or to its performance, through the ex ante control of the activity, such as: licenses, permits or registrations in register.

³Affidavit of liability: document submitted to the Administration, where the business person expresses, under her/his responsibility, that s/he meets the requirements established in the regulations in force for the performance of the activity, that s/he has the documentation proving this, and that s/he commits to maintaining this compliance throughout the necessary time period. This is an ex post control regime, where the control of the compliance with the requirements and the regulation is based on inspections subsequent to the beginning of the economic activity.

In the last year, did you perceive a benefit in substituting prior authorisations for affidavits of liability? Results by Autonomous Community

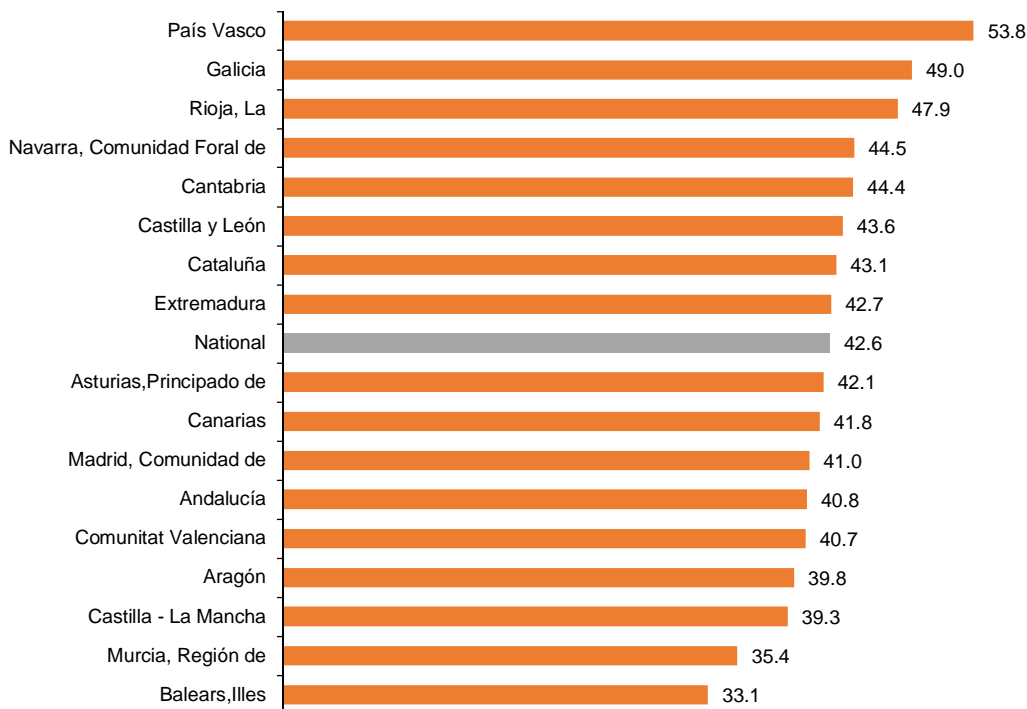
	State Administration		Autonomous Community Administration		Local Administration	
	Yes (%)	No (%)	Yes (%)	No (%)	Yes (%)	No (%)
Total National	5.5	42.8	6.3	44.0	6.5	44.0
Andalucía	7.7	44.5	6.4	46.7	8.1	46.7
Aragón	3.8	45.6	4.6	46.7	5.4	46.0
Asturias, Principado de	5.7	42.5	6.4	43.2	7.9	42.1
Balears, Illes	3.9	45.5	7.0	44.7	8.6	44.0
Canarias	5.2	41.2	6.2	43.8	7.2	44.4
Cantabria	5.8	42.2	6.2	42.5	4.4	43.6
Castilla y León	6.4	41.2	7.6	41.2	6.4	42.1
Castilla- La Mancha	5.1	49.5	6.8	51.2	5.4	50.8
Cataluña	5.3	41.2	5.3	41.0	5.6	40.7
Comunitat Valenciana	4.1	42.7	4.4	45.6	4.9	45.1
Extremadura	10.0	46.9	11.9	48.1	11.9	48.1
Galicia	5.4	44.2	7.5	43.0	7.2	43.6
Madrid, Comunidad de	7.5	44.1	6.5	45.7	6.8	45.9
Murcia, Región de	4.3	44.3	4.3	45.7	4.6	45.4
Navarra, Comunidad Foral	3.6	36.1	7.3	37.6	7.3	38.8
País Vasco	3.4	38.8	3.4	43.1	3.8	42.8
Rioja, La	4.2	39.1	6.3	39.1	6.3	39.8

NOTE: The remainder of those surveyed, until 100% was completed in each Autonomous Community or the National Total are not affected by this situation, and they chose the Does not apply option in the response

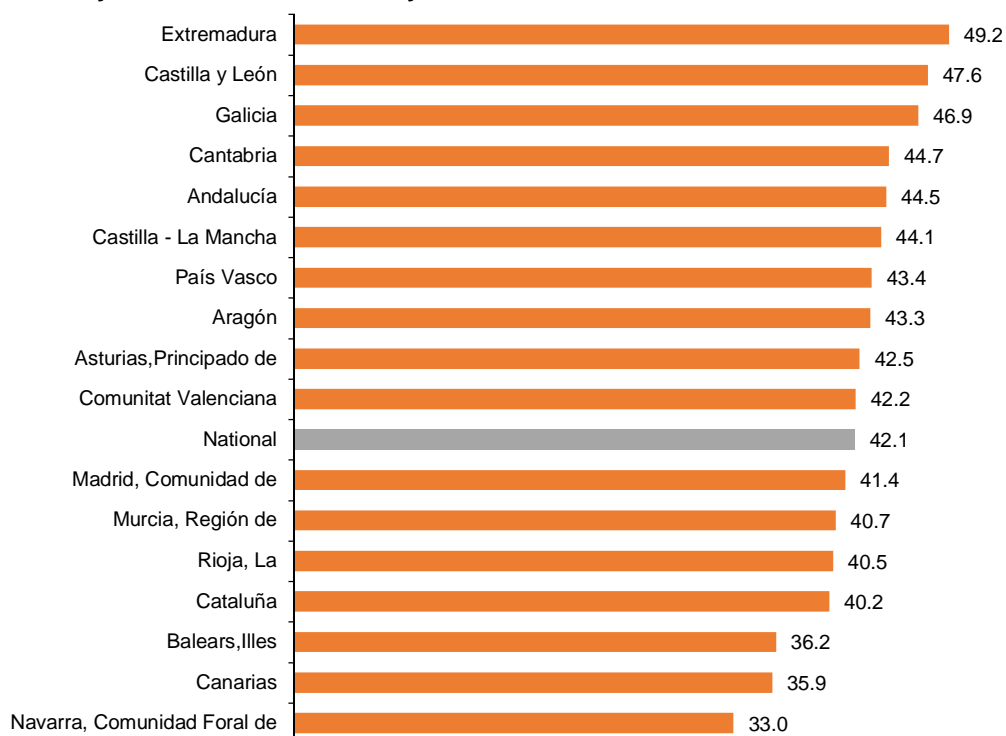
ANNEX

COMPONENTS OF THE BUSINESS ENVIRONMENT WITH THE GREATEST IMPACT. RESULTS BY AUTONOMOUS COMMUNITY

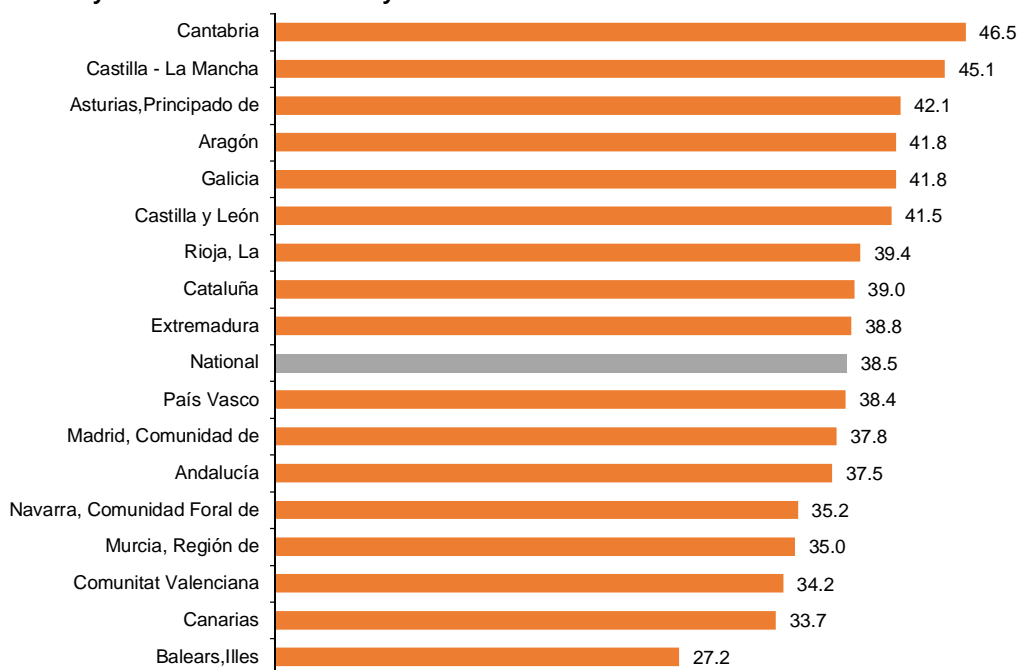
MACROECONOMIC ENVIRONMENT. Unfavourable evolution. Results by Autonomous Community



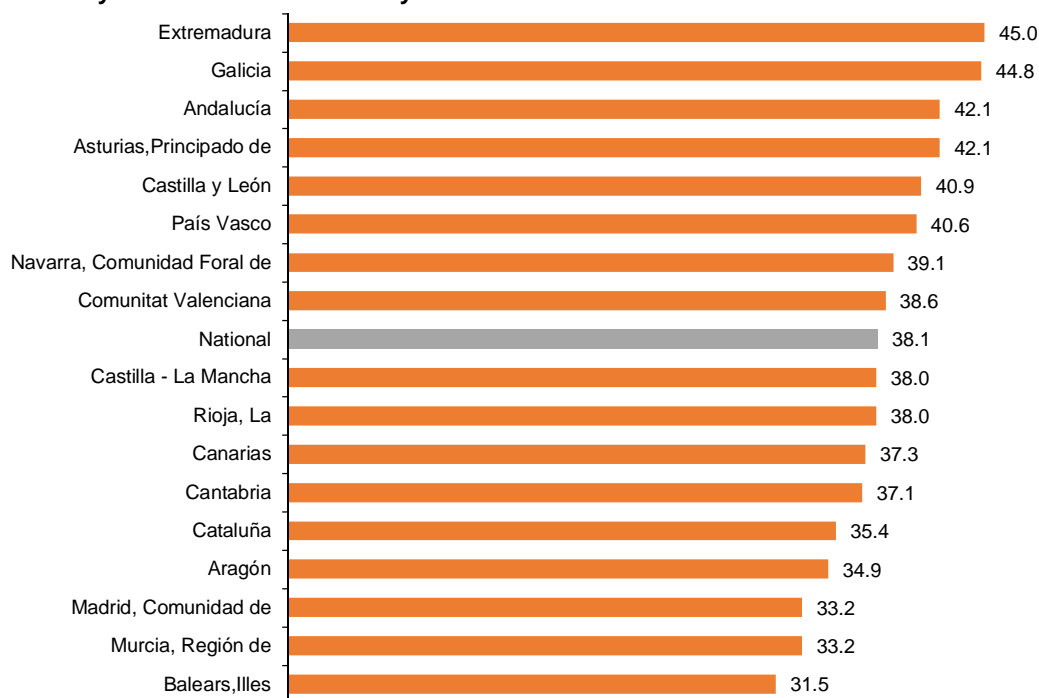
DEFAULT. Unfavourable evolution. Results by Autonomous Community



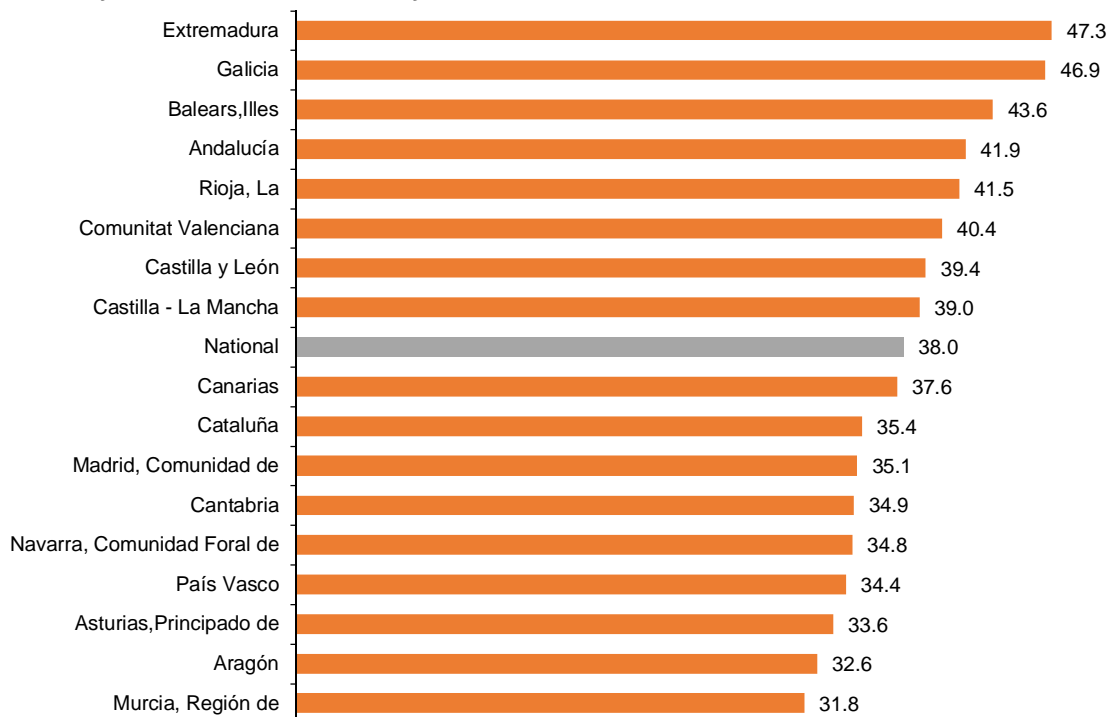
**PRODUCT DEMAND. Unfavourable evolution.
Results by Autonomous Community**



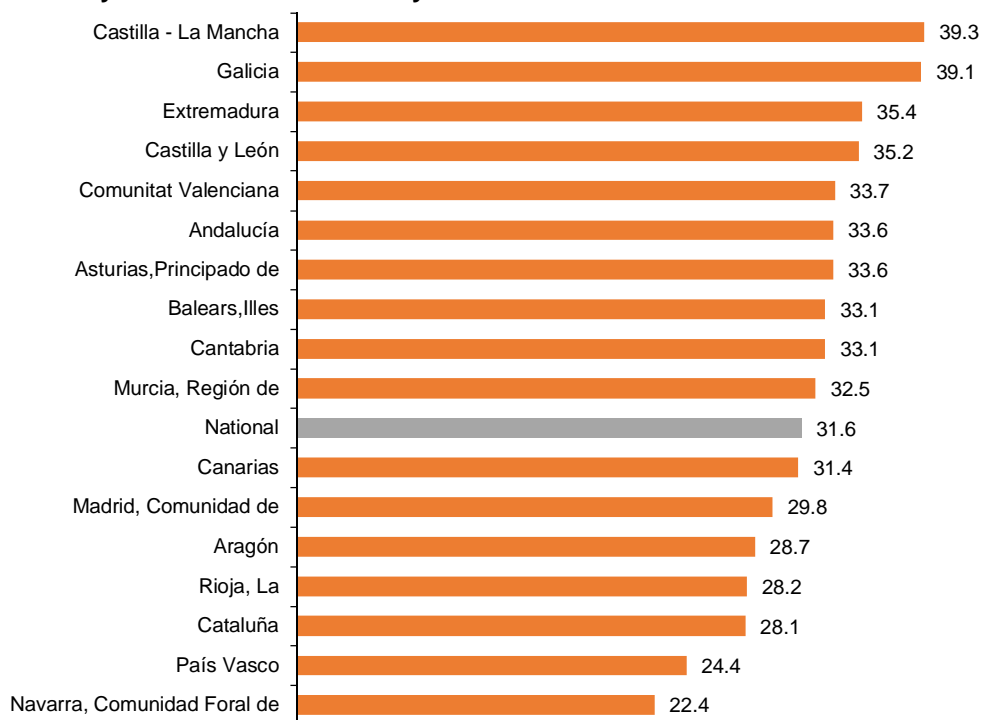
**ECONOMIC REGULATION. Unfavourable evolution.
Results by Autonomous Community**



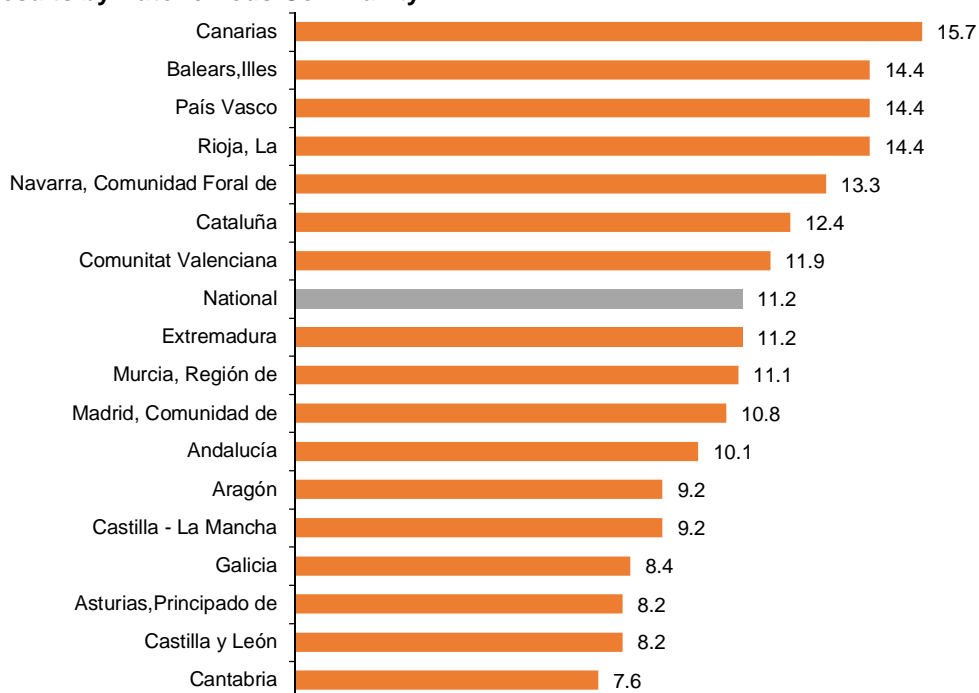
**TAXATION. Unfavourable evolution.
Results by Autonomous Community**



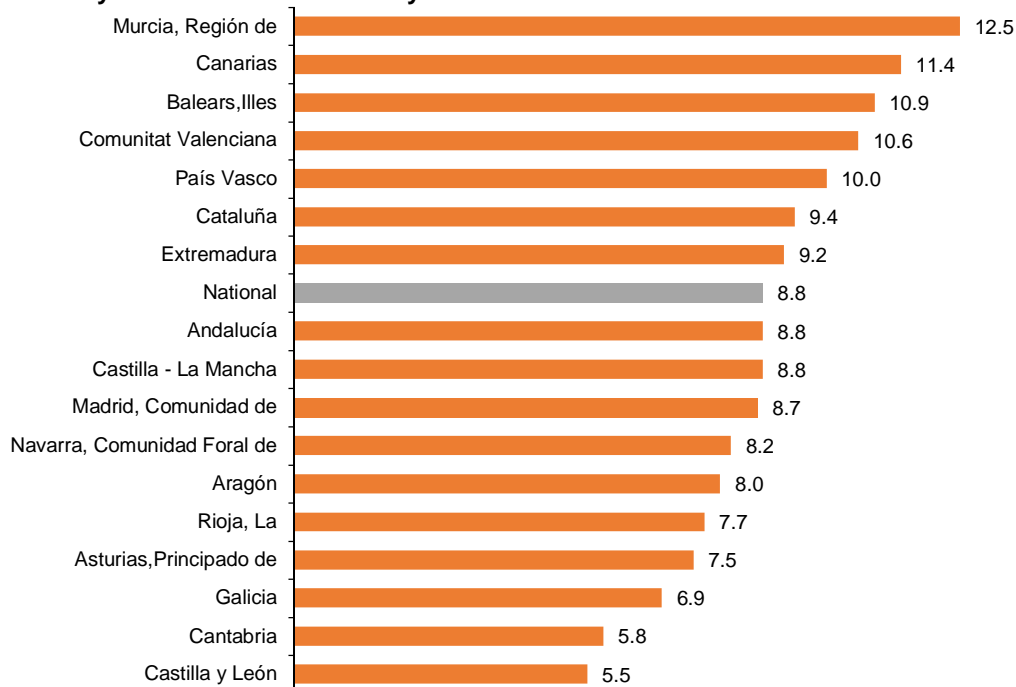
**AVAILABILITY OF FINANCING. Unfavourable evolution.
Results by Autonomous Community**



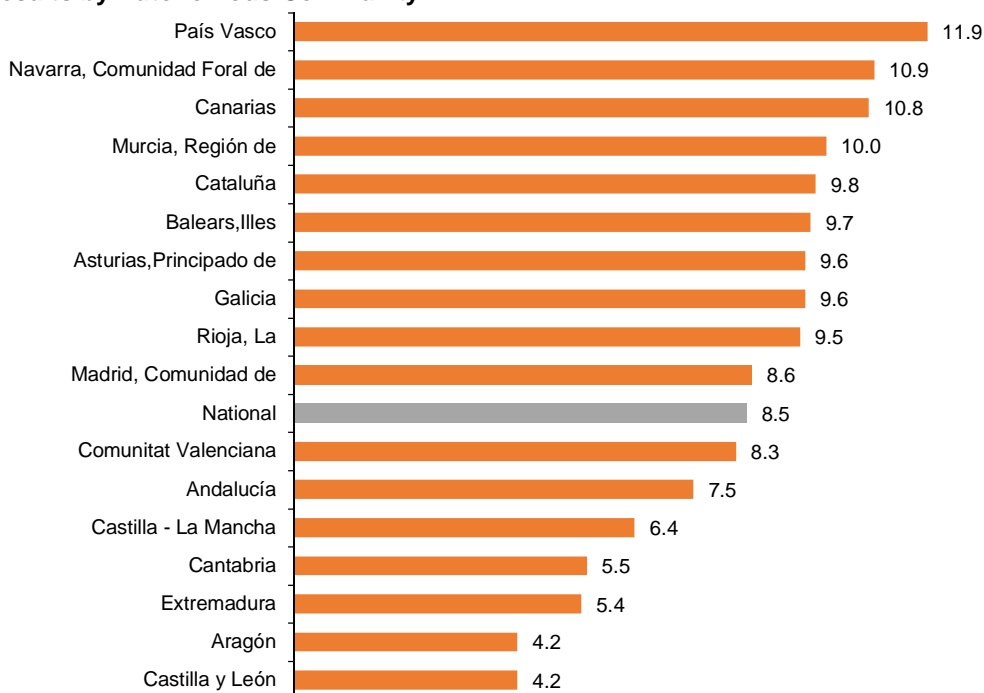
**PRODUCT DEMAND. Favourable evolution.
Results by Autonomous Community**



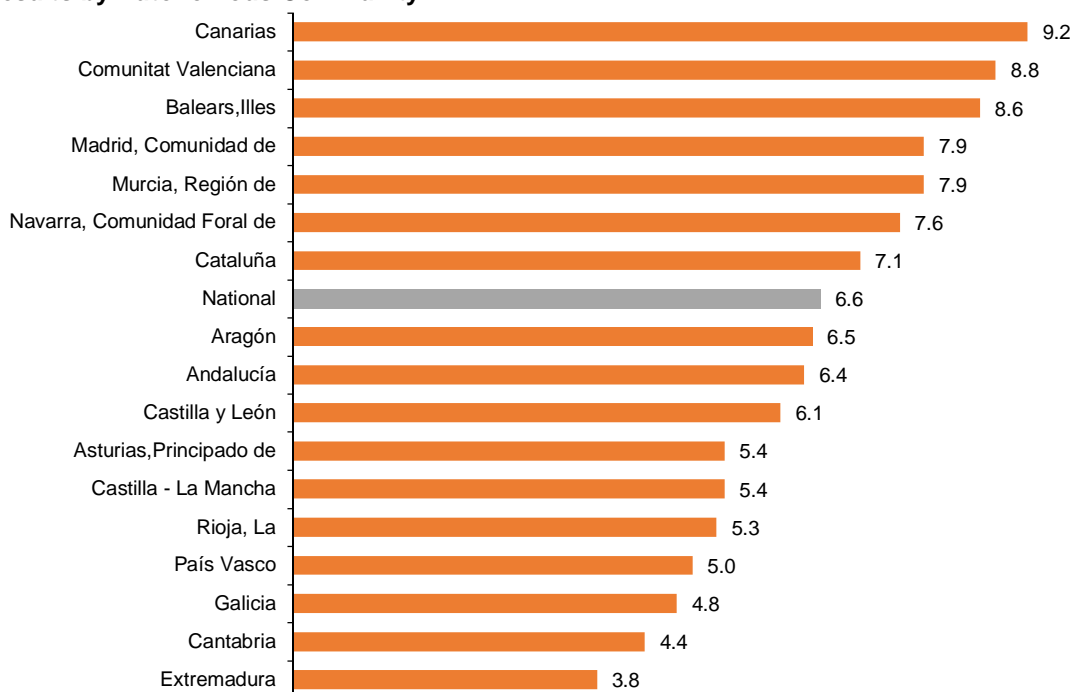
**ADAPTATION OF HUMAN CAPITAL. Favourable evolution.
Results by Autonomous Community**



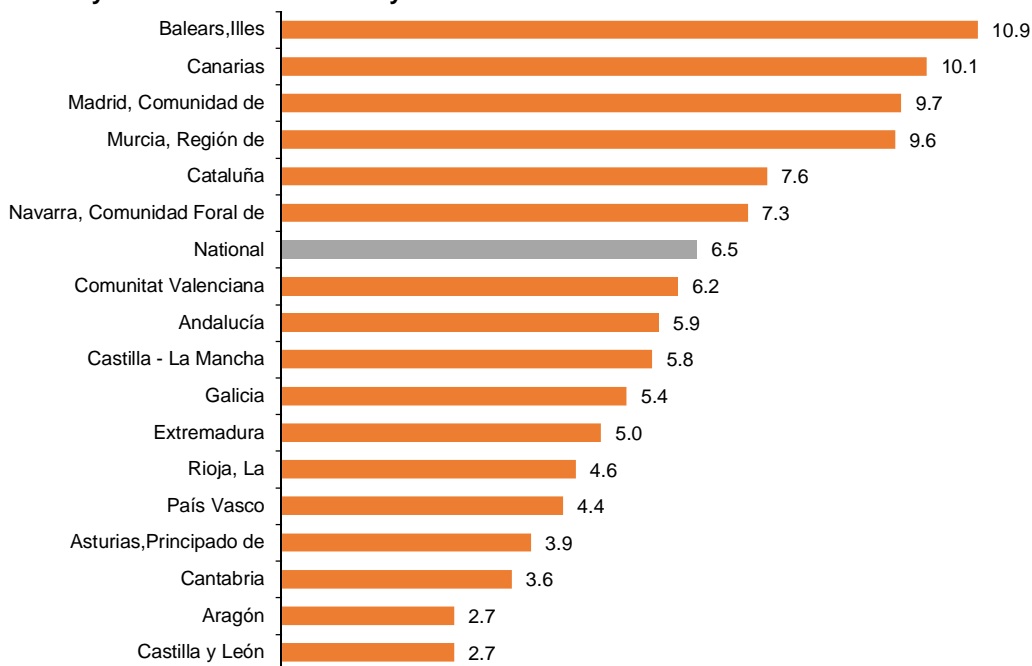
AVAILABILITY OF FINANCING. Favourable evolution.
Results by Autonomous Community



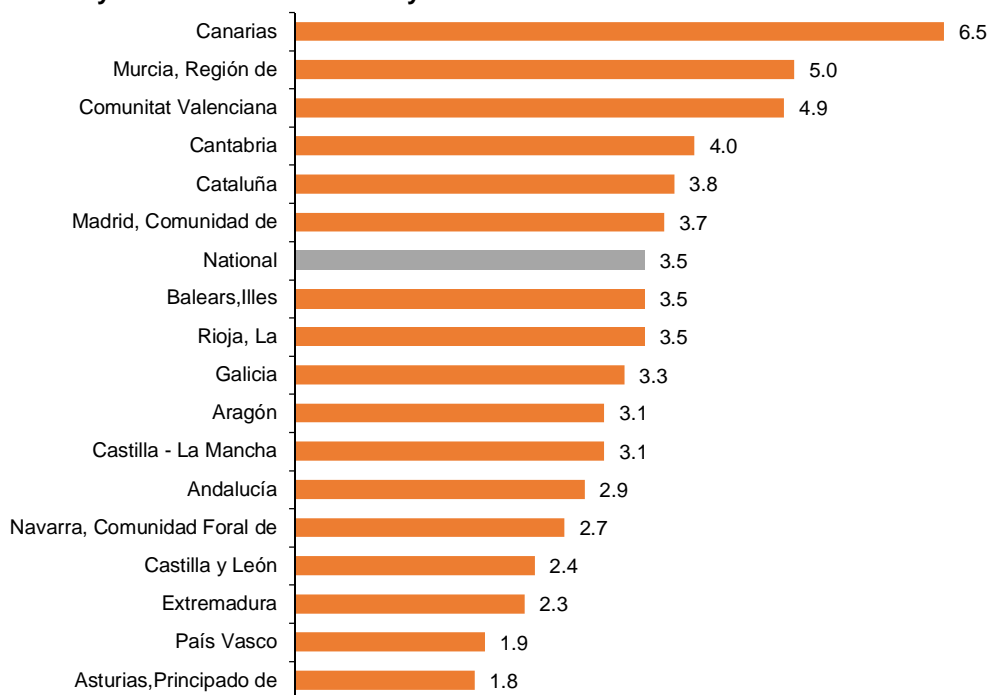
MACROECONOMIC ENVIRONMENT. Favourable evolution.
Results by Autonomous Community



**EFFICIENCY OF JOB MARKET. Favourable evolution.
Results by Autonomous Community**



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



Methodological note

The Opinion module on the Business Environment includes the opinion of the establishment managers about different components of the business environment. The methodology, as well as the one for BCI, is based on the Japanese *TANKAN* index, that is, there is no weighting nor elevation according to establishment characteristics because the opinion of each informant counts the same.

The business environment is made up of the political, institutional and social environments in which the business makes its decisions. In this survey, the opinion of the following components has been requested:

- Macroeconomic environment: Set of economic indicators and main macroeconomic indicators: Gross Domestic Product, aggregate demand, consumption, investment, public sector, foreign sector, asset market, inflation,...
- Economic regulation: Norms that influence the creation and commercial activity of companies. Appropriate economic regulation refers to the creation of efficient norms that achieve the same objective with the fewest restrictions possible.
- Efficiency of the job market: Dynamism, possibility of retraining; flexible hiring and dismissal of employees in the company.
- Taxation: Set of norms and procedures related to tax administration and compliance with tax obligations.
- Default: Breach of an obligation incurred with a third party.
- Infrastructures: Set of constructions, elements and services considered necessary for transport development. They are made up of the different roads, railway tracks, ports and airports; as well as the logistical services associated with them so that persons, animals or vehicles can move on them.
- Legal costs: Court-imposed costs to companies that need it.
- Input costs: Price paid for the inputs and services hired by the company.
- Equipment: Set of necessary means and facilities for the development of an activity.
- Adaptation of human capital: Suitably qualified and trained employees for the development of the commercial activity of the company.
- Product demand: Market size.
- Availability of financing: Access to outside business financing, obtained through banking institutions (mainly banks and savings banks) in any of its ways (loans, lines of credit, promissory notes, etc.), and through non-banking entities such as capital markets, business angels, participation loans of public entities and others.

Other concepts:

- Prior authorisation: any expressed or implied action of the competent authority which is previously required in order to access and carry out an economic activity through the ex-ante control of the activity, such as: licences, permits or registrations.
- Affidavit of liability: document submitted to the Administration in which the entrepreneur manifests under their responsibility that the requirements established in the regulation that is in force for the performance of the activity are met, the documents that prove it are at their disposal and they commit to maintaining its compliance during the necessary time. It is an ex-post control regime, in which control over the compliance of the requirements and regulation will be based on subsequent research at the beginning of the economic activity.