

Communication Department

PRESS RELEASE

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Banco de España - European Investment Bank Conference: Recovering swiftly to limit COVID-19 scarring of Spanish corporates

Today, the Banco de España and the European Investment Bank (EIB) hosted the online Conference "Recovering swiftly to limit COVID-19 scarring of Spanish corporates". Present at the event were Banco de España Governor Pablo Hernández de Cos and EIB Vice-President Ricardo Mourinho, along with speakers from public and private institutions and from academia.

The conference was split into two sessions, the first of which focused on the impact of the COVID-19 crisis on the financial vulnerability of Spanish corporates. The second session was a discussion on the policies to limit the scars to the corporate ecosystem and support the economic recovery.

In his opening remarks, Ricardo Mourinho Félix, EIB Vice President responsible for the Bank's operations in Spain, said "The figures are clear. The economic crisis posed by COVID-19 is having a strong impact on Spanish firms, with nearly half of them expecting to invest less due to the pandemic. However, it is encouraging that a large portion of Spanish companies adopted digital technologies and expect greater use of them due to the health crisis. In addition, around two-thirds of companies have already invested or plan to invest in measures to increase their resilience to climate events and to reduce carbon emissions. As the EU climate bank and one of the largest European investors in innovation, the EIB Group stands ready to support, today more than ever, Spanish firms of all sizes to overcome the challenges and barriers to investment".


In his closing remarks, Banco de España Governor Pablo Hernández de Cos said: "Thanks to the economic policies deployed during the COVID-19 crisis, and despite the significant fall in economic activity, we have not so far observed a significant increase in business mortality rates for existing firms. However, the corporate sector faces major challenges down the road. Against a backdrop of lower expected cash flows and higher debt, the solvency position of some firms has worsened, especially in the case of those operating in sectors more adversely affected by the pandemic that are still facing some restrictions. Thus, with the crisis stretching out, concern has now shifted from liquidity risk to the deterioration of the solvency position of firms. Therefore, economic policies should now focus on supporting viable businesses whose solvency has worsened as a result of the COVID-19 shock".

At the conference, the EIB presented the results of its annual EIB Investment Report and Survey (EIBIS) for Europe and Spain, providing insights on investment dynamics and investment needs. This report can be downloaded at https://www.eib.org/attachments/efs/eibis_2020_spain_en.pdf

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