



DISCLAIMER: Please note that SME Fact Sheets are not standalone instruments, do not constitute a comprehensive assessment of Member States' policies and should be regarded as a supplement to, and not a substitute for, available national publications. **Please refer to the methodological note before reading this SME Fact Sheet.**

1. SMEs in the Netherlands – a brief fact check:

There are approximately 30 SMEs per 1000 inhabitants in the Netherlands, which is below the EU-27 average of ca 40. In line with this, the contribution of SMEs to the overall economy compared to that of larger firms is – in EU-terms- not particularly high. This might be partly explained by the fact that the Netherlands play host to a relatively larger number of large multinational firms. The relative share of SMEs in the number of persons employed as well as the total value-added are above the EU-average.

	Number of enterprises			Number of persons employed			Value added (MEUR)		
	Value	%	EU-26 average	Value	%	EU-24 average	Value	%	EU-26 average
Micro	441.585	89,5%	91,8%	1.366.383	29,2%	29,6%	45.385	19,1%	21,1%
Small	43.175	8,7%	6,9%	989.349	21,1%	20,6%	50.380	21,2%	19,0%
Medium	7.480	1,5%	1,1%	794.246	17,0%	16,8%	50.215	21,1%	17,8%
SMEs	492.240	99,7%	99,8%	3.149.978	67,3%	67,1%	145.979	61,3%	57,9%
Large	1.390	0,3%	0,2%	1.529.507	32,7%	32,9%	92.092	38,7%	42,1%

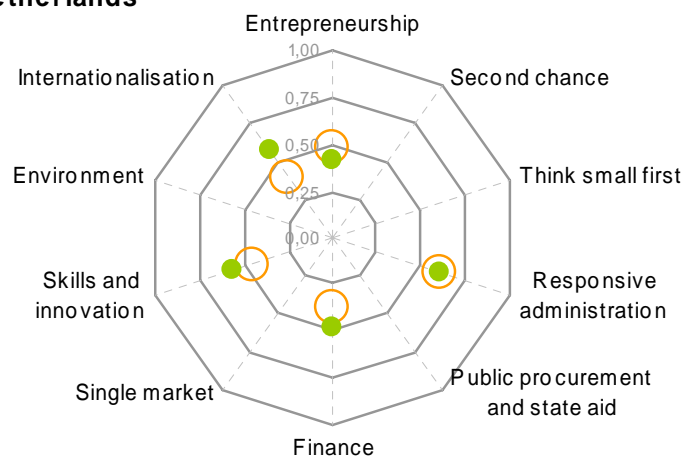
Source: Eurostat SBS data base, 2004 and 2005 data.

2. The Netherlands' SBA profile¹

Overall, the figures for the Netherlands in the different areas of the SBA suggest a rather competitive performance, in the sense that the country keeps up or exceeds in many areas the EU average. "Finance", "Skills and Innovation" and "Internationalisation" are the areas that stand out. "Responsive administration" is in line with the average for the EU. On the downside, the marks on "Entrepreneurship" trail the EU average and among 4 sections where no category-average could be calculated, the Dutch profile hint at room for improvements in the field of "Public procurement and state aids".

○ EU average

● Netherlands



¹ It should be noted that the different dimensions of the radar correspond to the set of 10 principles foreseen in the European Commission's Small Business Act.



I. Entrepreneurship: Overall, the available figures for this category position the Netherlands below the EU average. This is also the case with almost all individual indicators in this section. The notable exception is the result on “entrepreneurship as an opportunity” (73% versus the EU-average of 58%). This result stands squarely against the other indicators, all of which hint at a less favourable attitude towards entrepreneurship as compared to its EU peers. The most notable example is the “desire to become self-employed” for which the figures are considerably lower in the Netherlands than in the EU (21% to 30%). Other available indicators measuring entrepreneurship aspects confirm the overall assessment, as on most of them the Netherlands was barely on a par with the EU average. However one positive indicator stands out “media attention towards new businesses”, which is well above the EU-average.

II. Second chance: For the one available indicator in this category – the degree of support for allowing a second chance – the Dutch performance was almost identical to the EU average.

III. Think small first: The available indicators for this section – the time it takes to comply with administrative obligations and the share of support among SMEs - show the Netherlands more or less in tune with the EU as a whole.

IV. Responsive administration: Also in this category the Netherlands’ results are in line with the EU average. On the level of individual indicators there are, however, substantial oscillations. On the positive side, start-up conditions appear to be comparatively favourable – on both relevant indicators the Netherlands lead the EU average (although similar data sources from Directorate General for Enterprise and Industry, i.e. European Commission, suggest a much less positive picture and point to a potential issue with elevated expenses). The same holds for selected cost items such as the relatively low costs of closing a business – where it tops the EU - and also the lower social security costs incurred by employers. On the other hand indicators on other cost items, trail the EU-average (e.g. costs for enforcing contracts or registering a property). The biggest discrepancy vis-à-vis the EU-average occurs with employment separation conditions where the available information positions the Netherlands the bottom of the list in the EU

(Rating of 70 on a scale 0-100 with an EU-average of 34).

V. Public procurement and State aid: On both indicators in this section, the share of SMEs in public procurement contracts and the proportion of state aid devoted to SMEs, the figures for the Netherlands show values below the EU-average (e.g. 1% to 11% for the EU in terms of the latter).

VI. Finance: The data gathered suggest that the Netherlands are doing well in this category, scoring above the EU average. The indicators with values above-EU-average only by a few outnumber the ones where results are below the EU-level. On the positive side it is worth noting that in the Netherlands far fewer SMEs cited problems to access finance (14% versus 21% on the EU-level). On the downside, there are several important indicators of access to finance where the Netherlands’ score is below the EU average. This includes the planned share of funds dedicated to support business creation and development under the EAFRD (2007-2013), a somewhat longer delay in payments and a slightly more limited availability of venture capital at an early stage.

VII. Single market: The data for this area hint at a good performance of the Netherlands. All three indicators related to the implementation and transposition of EU rules in national law is well above EU average. As regards the number of 2-years-overdue directives (this being actually zero) the Netherlands actually rank at the very top (together with three other Member States).

VIII: Skills and innovation: In this category the indicators for the Netherlands stand well above the EU-level, with some exceptions though. While this result holds true for both policy areas covered in this segment, innovation as well as education and skills) the scores seem to be slightly better for the second one. As regards innovation the best performance (in terms of pulling furthest away from the EU-average) relates to the share of enterprises that have received orders on-line over the last calendar year. In skills and education the share of SMEs offering training in all SMEs stands out (80% versus 67% for the EU). On the other end of the scale, particularly low figures are found with regard to the share of SMEs’ turnover from new or significantly improved products and services and, although to a lesser extent, the participation rate in any learning activities in micro-enterprises. The other two indicators in this



category not considered for the average calculation but available for the Netherlands – enterprises introducing market innovation and SMEs using organisational innovation- show marks below EU-average.

IX: Environment: This category does not allow for a general assessment given that only three indicators are available. It only can be stated that the performance was either on par or slightly below EU-average with the exception of the average expenditures on environmental protection, where Dutch SMEs are found to spend – in absolute terms – substantially more than their

average EU-counterparts, (ca €1.700 as opposed to almost €900) in 2004.

X: Internationalisation: The Netherlands' performance is positive throughout this category and in line with the single market performance. The most positive performance is related to the two indicators measuring the number of days required for importing or exporting, where the Netherlands ranks among the EU- top performers (six days for both procedures, only about half as much as the EU-average). The only indicator with values minimally lower than the EU-average is related to the share of SMEs gaining income from subsidiaries and joint ventures abroad.

Example for a good practice in SME policy

To illustrate the efforts of the Government to promote SMEs, the statistical information of the fact sheet is enriched by an example of a good practice in SME policy - as singled out in the European Commission's Communication on "Think small first – A Small Business Act for Europe":

Title of the Project: Online company counter

The company counter is an initiative of the Ministry of Economic Affairs to improve government services to businesses: www.antwoordvoorbedrijven.nl is a customer-focused, online source of information on laws and regulations aimed at businesses. All levels of government are accessible through this one point of entry: national government, the provinces, municipalities, chambers of commerce and other relevant parties.

Businesses will soon be able to use the site to exchange data and carry out transactions like applying for permits. Government organisations working with the company counter will improve their services to business. They receive fewer phone queries, fewer questions that other organisations should answer, and the queues at their counters will become shorter. In this way, the company counter reduces red tape for both business and government.

The company counter currently offers the following services

Effective (search) structure and navigation

Daily news (RSS) with subscriptions

Current themes with deep links

Themes with deep links

Search engine with advanced search

Links to municipalities' counters from the home page

Business profiles

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