



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 Sweden – a brief fact check:

There are approximately 58 SMEs per 1000 inhabitants in Sweden, which is significantly above the EU-27 average of ca 40. However, given that Sweden is a larger economy with a number of well-established multinational firms, it is not surprising that this figure does not translate into an equally elevated economic importance of the SME sector. Hence, the share of SMEs in the total number of employees as well as in total value-added is slightly lower than 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	493.601	94,2%	91,8%	655.836	24,9%	29,6%	30.267	20,2%	21,1%
Small	24.880	4,7%	6,9%	538.988	20,4%	20,6%	26.089	17,4%	19,0%
Medium	4.414	0,8%	1,1%	472.135	17,9%	16,8%	26.859	17,9%	17,8%
SMEs	522.895	99,8%	99,8%	1.666.959	63,2%	67,1%	83.214	55,5%	57,9%
Large	953	0,2%	0,2%	971.301	36,8%	32,9%	66.552	44,4%	42,1%

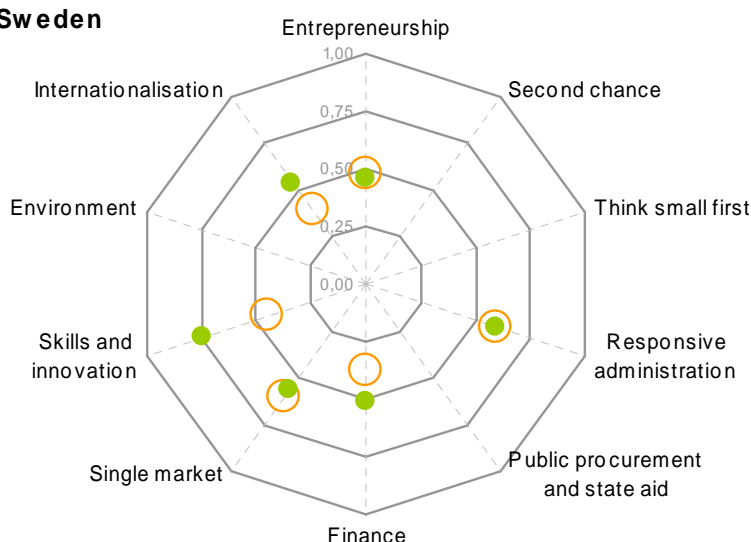
Source: Eurostat SBS data base, 2004 and 2005 data.

2. Sweden's SBA profile¹

Sweden's SBA profile shows figures in all categories that either equal or surpass the EU average. Particular strengths are "Finance", "Skills and innovation" and "Internationalisation". There are also some areas where the country's performance hovers around the EU average. These categories (including "Entrepreneurship", "Public Administration" and "Single market") are areas with some more room for improvement. To complete the positive picture, Sweden also scores above the EU-average for the existing indicators in the four sections where no category-average could be calculated.

○ EU average

● Sweden



Source: European Commission, DG Enterprise

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: Sweden's performance in this category is on level with the EU-average. The number of individual indicators where Sweden beats the EU-average is higher than the number of those in which it is below that average. Therefore the overall average performance is due to the fact that the latter indicators are by a much larger margin off the average than the ones where Sweden performs well. Among the above-average indicators the ones related to the success and survival rate of businesses stand out (almost 86% as compared to 73% for the EU-average). Among the below-average indicators the desire to become self employed is probably the area where the figures for Sweden are furthest away from the EU-average. The status of persons growing a successful business is also below EU-average. Finally, the rate of female entrepreneurial activity is also relatively low (5% to 7%).

II. Second chance: As regards the one available indicator – the degree of support for allowing a second chance – Sweden is ranked in the top group among EU Member States (90% to almost 80%).

III. Think small first: The available indicators hint at a good performance in this area, in particular as regards to the comparatively short time it takes to comply with administrative obligations (6% of total SME working time as opposed to the EU-average of 8%).

IV. Responsive administration: Overall Sweden's performance is the same as the EU average, however there are considerable differences in terms of the individual indicators. Sweden performs well above average on the indicators measuring start-up conditions (although it should be noted that according to data from other Directorate General for Enterprise and Industry's sources, there is an issue with the start-up time). In addition, on some important administrative cost items - registering property and closing a business - Sweden beats the EU average. E-government availability is another strong point. On the down side, there are some cost items in which Sweden's scores less favourably. Examples are the costs for enforcing contracts which add up to almost one-third of the claim (31,3% versus 19,3% for the EU), and in particular social security costs incurred by the employer, - the highest in the EU (31,5% to 22%).

V. Public procurement and State aid: On the indicators in this section (the share of SMEs in public procurement contracts, and the proportion

of state aid devoted to SMEs) results are mixed. For the first indicator Sweden's performance is significantly higher than the EU average. The figures for the the second one are substantially lower than the EU-average (in fact, Sweden ranks last on this indicator: 0% to 11%).

VI. Finance: Sweden is doing well in this category, scoring above the EU average. The group of indicators with an above-EU-average clearly outnumbers the results below the EU-level. Sweden's strength in this area seems to lie in particular with the relatively easy access to venture capital (e.g. 8,6% to 2,7% as regards the ratio of early stage venture capital in relation to GDP) as well as with a good performance on indicators measuring the payment culture (the share of lost payments is low as well as the delay in payments: 28,5% to 50% of the average regular payment time). The only indicator in this category with a value below the EU average is the planned share of EAFRD funds dedicated to support measures for business creation and development (1,9% to 2,7% for the EU-average).

VII. Single market: The available data see Sweden only narrowly missing out on level with the EU average in this area. However, the overall average is based on very diverse performances of the individual indicators. All three indicators related to the implementation and transposition of EU rules into national law is well above the EU average. As regards the number of 2-year-overdue directives, Sweden actually ranks among the top performers in the EU. In contrast to this, the actual performance of Swedish SMEs in terms of their integration into the single market (as measured by the share of SMEs exporting to other EU countries compared to all SMEs), is low (1,1% to 2,8% for the EU-average).

VIII: Skills and innovation: Sweden's performance in this area is very strong, beating the EU average by a considerable margin. This result holds true for both policy areas covered in this segment. It is difficult to point out individual indicators and their positive performance as Sweden outperforms on all accounts equally strong, including the indicators measuring the use of ICT technologies, the cooperation among innovative SMEs as well as those describing the training activities offered by SMEs. The only indicator in which Sweden slightly trails the EU average is the share of SMEs turnover from new or significantly improved products or services (11%, as compared to 12% EU average).



IX: Environment: The share of SMEs having comprehensive systems for energy saving in Sweden is higher than the EU average (7% versus 4%) as well as the share of SMEs that apply at least simple energy saving measures (50% compared 29% for the EU). On the other hand, the average expenditure on environmental protection was lower than the EU-average (ca €773 as opposed to almost €900) in 2004.

X: Internationalisation: This is another area where Sweden beats the EU average by a

relatively large margin. The above-average performance holds true for almost of the indicators. Those indicators measuring the number of days required for exporting and importing showed the clearest distinction vis-à-vis the EU average (8 and 6 days as compared to 12 and 13 days for the EU-average, respectively). The only indicator where Sweden ranked below the EU average is the share of turnover from exports (however, the respective figure is almost up to the one for the EU as a whole).

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: Emax

The purpose of the project is to support a strong business development in the Nordic region.

Every two years 200-225 young entrepreneurs (18-21 years) take part in emax, a week-long event designed to strengthen entrepreneurial skills in the Nordic countries. Each participant is handpicked on the basis of his/her personal entrepreneurial profile. The event brings these young adults forward as role models. There is also an alumni event for previous participants.

For further information: www.emaxevent.com

Contact details:

Entr-Craft-Small-Business@ec.europa.eu

Tel : 0032 (0)2 29 92 639