

Taking stock of the opportunities and obstacles in the Single Market and beyond

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The presentation will be based on a new study of all small businesses in Sweden. The study shows which countries the small businesses are trading with. These trade patterns differs substantially from the patterns of the larger companies. The small businesses are more inclined to import from and export to countries within close geographical proximity.

This might not be a great surprise, but it serves as evidence of the importance of the single market. The bigger the companies get the higher is the probability that they are trading with countries further away from Sweden. But the first step is to start trading with countries within the EU. And even though there is still room for improving the functioning of the single market. The study shows that it is already doing a lot of good.

Firstly, the number of small companies in Sweden that are doing cross-border business have increased rapidly during the last five years. Secondly, a survey of 2300 companies which we conducted, showed that the small business owners perceived that both the biggest threats and opportunities could be found in countries like China, India and Russia. But when asked where the opportunities for their own companies could be found, they answered other EU-countries.

Therefore, the conclusion is that the single market already is working quite well. Most small businesses believe that it is much easier to do business within the EU. Furthermore, improving the functioning of the single market will also make more companies able to trade with companies outside of the EU. This is because trading within the single market often is the first step towards global trading.