



# 2016 SBA Fact Sheet

Spain

## Key points

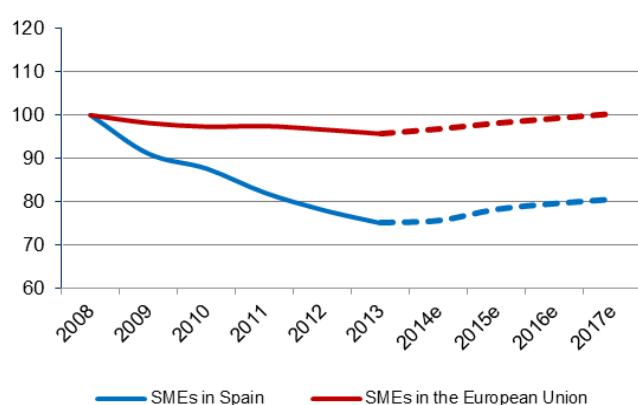
**Past & future SME performance<sup>1</sup>:** Despite recent improvements, Spanish SMEs in the non-financial business economy have not yet recovered from the crisis. SME value added and employment in 2015 are still 28 % and 22 % respectively below their 2008 levels. However, Spain came out of recession in 2014 and the SME sector experienced growth for the first time since 2008. Value added in 2015 was 3 % higher than in 2013, while employment increased by 5 % during the same period. SMEs are expected to grow by 5 % in value added and 3 % in employment between 2015 and 2017, creating around 240 000 new SME jobs.

**Implementing the Small Business Act for Europe (SBA):** 'Second chance' is the only SBA area for which Spain remains above the EU average. There are three areas in which Spain performs in line with the EU average: Skills & innovation, 'Responsible administration' and Internationalisation. Spain's weakest performances were for State aid & public procurement and Environment. Its performance on 'Responsible administration' improved on the previous year.

**SME policy priorities:** While a multitude of crucial SBA-related policy measures have been adopted in the past several years, it is essential that these measures are implemented properly. Spain needs to still put into force a law adopted in 2015 introducing the 'SME test' and regulatory impact assessments (RIAs). Moreover, given the poor performance of Spanish SMEs in innovation, new support measures need to be implemented. These measures should boost innovative products and services, taking into account the need for improvement in infrastructure and resources, while also providing incentives for cooperation between universities, firms and research. There is still room for improvement on Access to finance and particularly on late payments. In addition, control mechanisms for public procurement and coordination of procurement policies across the different levels of government also need to be improved.

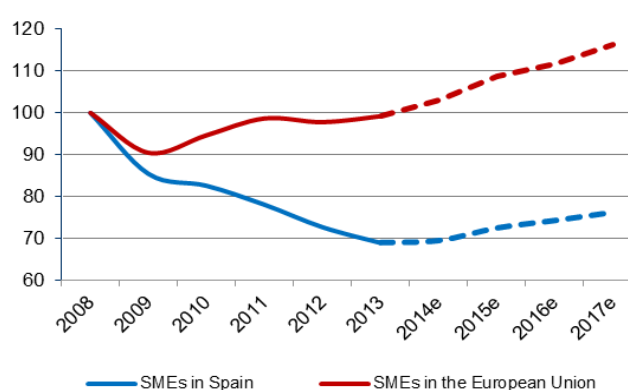
### Number of persons employed in SMEs

(Index: 2008=100, estimates as from 2014 onwards)



### Value added of SMEs

(Index: 2008=100, estimates as from 2014 onwards)



## About the SBA fact sheets

The Small Business Act for Europe (SBA) is the EU's flagship policy initiative to support small and medium-sized enterprises (SMEs). It comprises a set of policy measures organised around 10 principles ranging from Entrepreneurship and 'Responsive administration' to Internationalisation. To improve the governance of the SBA, the 2011 review of it called for better monitoring. Published annually, the SBA fact sheets aim to improve the understanding of recent trends and national policies affecting SMEs. Since 2011, each EU Member State has appointed a high-ranking government official as its national SME envoy. SME envoys spearhead the implementation of the SBA agenda in their countries.

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## 1. SMEs — basic figures

Class size	Number of enterprises			Number of persons employed			Value added		
	Spain		EU28	Spain		EU28	Spain		EU28
	Number	Share	Share	Number	Share	Share	Billion €	Share	Share
Micro	2 333 211	94.8 %	92.8 %	4 526 489	41.1 %	29.5 %	113.0	25.5 %	21.2 %
Small	110 314	4.5 %	6.0 %	2 057 974	18.7 %	20.2 %	81.0	18.3 %	18.0 %
Medium-sized	14 799	0.6 %	1.0 %	1 454 824	13.2 %	17.0 %	77.5	17.5 %	18.2 %
<b>SMEs</b>	<b>2 458 324</b>	<b>99.9 %</b>	<b>99.8 %</b>	<b>8 039 287</b>	<b>73.0 %</b>	<b>66.8 %</b>	<b>271.5</b>	<b>61.4 %</b>	<b>57.4 %</b>
Large	2 820	0.1 %	0.2 %	2 979 207	27.0 %	33.2 %	171.0	38.6 %	42.6 %
Total	<b>2 461 144</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>11 018 494</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>442.6</b>	<b>100.0 %</b>	<b>100.0 %</b>

*These are estimates for 2015 produced by DIW Econ, based on 2008-2013 figures from the Structural Business Statistics Database (Eurostat). The data cover the 'non-financial business economy', which includes industry, construction, trade, and services (NACE Rev. 2 sections B to J, L, M and N), but not enterprises in agriculture, forestry and fisheries and the largely non-market service sectors such as education and health. The advantage of using Eurostat data is that the statistics are harmonised and comparable across countries. The disadvantage is that for some countries the data may be different from those published by national authorities.*

SMEs play an important role in Spain's non-financial business economy. More than 60 % of value added and almost three quarters of employment is provided by SMEs, a figure higher than the EU average. Micro-firms are particularly important as they account for a quarter of value added and 41 % of employment in the non-financial business economy. By contrast, the EU averages for these two statistics are only one fifth and 30 % respectively. As in the rest of the EU, *wholesale and retail trade* and *manufacturing* are the most important SME sectors, with value added shares of 24 % and 21 % respectively. The *accommodation and food services* sector accounts for 14 % of total SME employment, which is four percentage points above the EU average.

As with the Spanish non-financial business economy as a whole, SMEs in Spain have not yet recovered from the crisis. SME value added and employment in 2015 are still 28 % and 22 % respectively below their 2008 levels. However, Spain came out of recession in 2014 and for the first time since 2008 the SME sector experienced growth. Value added in 2015 was 3 % higher than in 2013, while employment increased by 5 % during the same period.

This recent SME growth mirrors the overall economic recovery in Spain.<sup>2</sup> Reforms focused on business creation and access to finance may have positively influenced SME performance<sup>3,4,5</sup>. In particular, the 2014 Entrepreneur Act provides a comprehensive set of measures targeting SMEs, including a change to the VAT regime to allow the payment of VAT to be deferred.<sup>6</sup> Additionally,

labour market reforms have introduced more flexibility in collective bargaining.<sup>7</sup> Policies such as the Market Unity Act, which aims to reduce bureaucracy between regional administrations, have also improved the legal environment for SMEs.<sup>8</sup>

The *manufacturing* sector has benefited greatly from rising exports since 2013<sup>9</sup>. SMEs have participated in this upswing, increasing their value added by 5 % in 2013-2015. However, employment has stagnated. Despite the recent upswing, SMEs in this sector continue to struggle with the consequences of the crisis: employment in 2015 was still 29 % below its 2008 level and value added was still 25 % lower than in 2008.

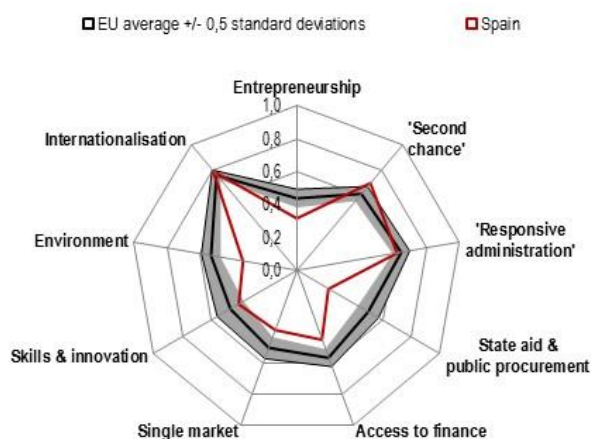
SMEs performed particularly well in the *accommodation and food service* sector. In 2013-2015, SME value added grew by 7 % and employment by 6 %. While value added remained 5 % lower than in 2008, SME employment reached its pre-crisis level in 2015. This positive development can be attributed to the rising number of visitors to Spain. In 2014, the total number of

foreign visitors was more than 107 million, 4 % more than in 2013. Of these visitors, 65 million were tourists, an increase of 7 % on 2013 and representing 14 % cumulative growth since 2008<sup>10</sup>.

Spain's economic recovery is also evident in recent business demographics. According to the Spanish National Statistical Institute, 399 458 new companies were registered in 2015, an increase of 16 % on the previous year<sup>11</sup>. At the same time 329 304 companies were deregistered, a fall of 13 %<sup>12</sup>. An even sharper fall can be observed in the number of bankruptcies, which is a quarter lower than in 2014<sup>13</sup>. This is likely to be the result of a reform of the bankruptcy law in 2014 aimed at helping companies in financial difficulty to avoid liquidation<sup>14</sup>.

The positive trend for SMEs which started in 2014 is predicted to continue into 2015 and beyond. In 2015-2017, SMEs are expected to grow by 5 % in value added and 3 % in employment, creating around 240 000 new SME jobs.

## 2. SBA profile<sup>15</sup>



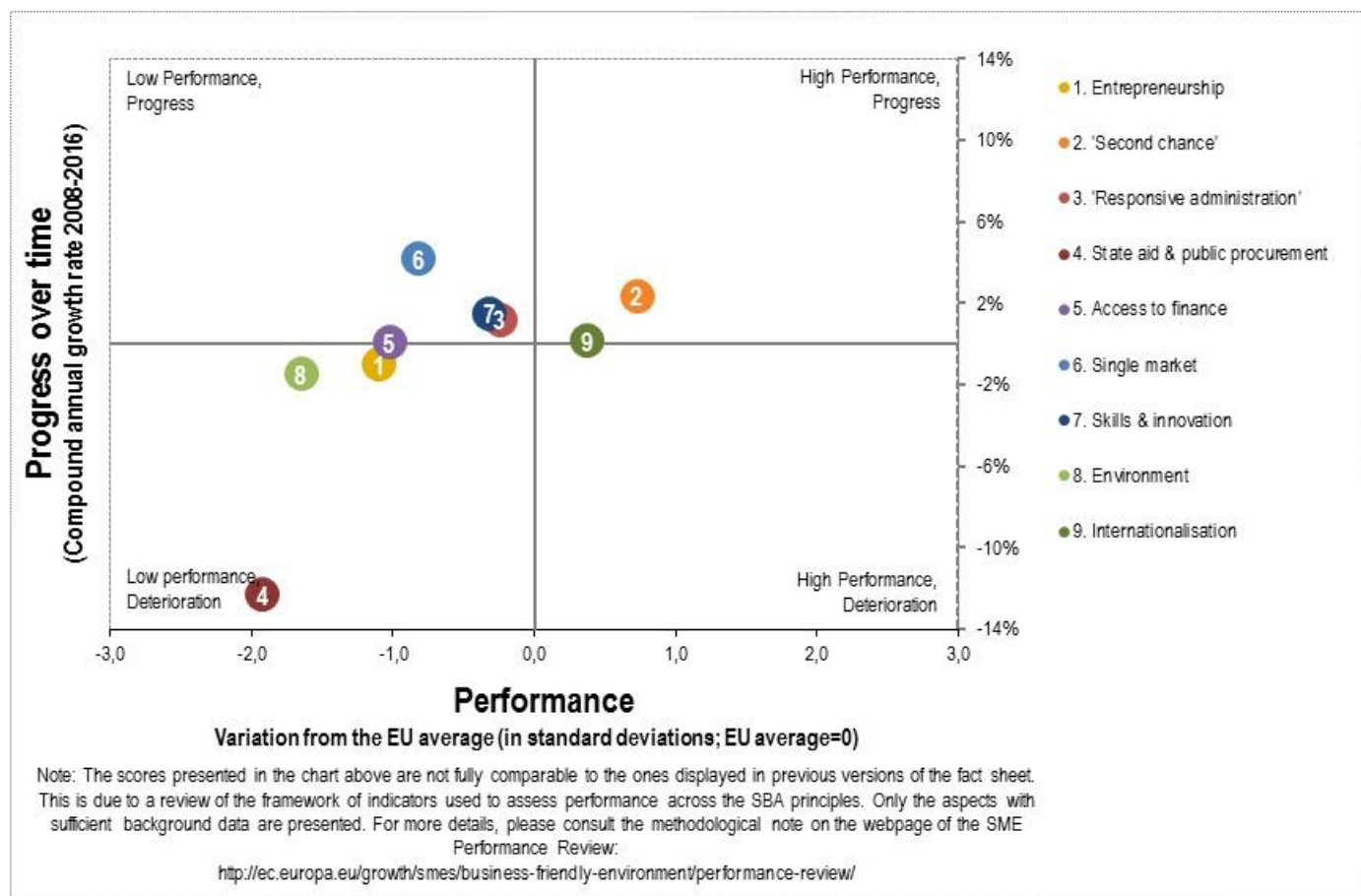
'Second chance' is the only SBA principle for which Spain remains above the EU average. There are three SBA areas in which Spain performs in line with the EU average: Skills & innovation, 'Responsible administration' and Internationalisation. Spain's weakest performances were in State aid & public procurement and in Environment. Spain's performance in 'Responsible administration' improved on the previous year.

Spain has focused most policy efforts in recent years on Access to finance, 'Second chance' and Internationalisation.

Spain implemented a substantial number of new SBA-related policy measures during 2015 and the first quarter of 2016, the reference period for this fact sheet. Specifically, 17 measures were implemented or announced, covering six SBA areas.

While a multitude of crucial policy measures related to SBA have been adopted in the past several years, it is essential that these measures are implemented properly. Spain needs to still put into force a law adopted in 2015 introducing the 'SME test' and regulatory impact assessments (RIAs). Moreover, given the poor performance of Spanish SMEs in innovation, new support measures also need to be implemented in that area. These measures should boost innovative products and services, taking into account the need for better infrastructure and resources while also providing incentives for cooperation between universities, firms and research. There is still room for improvement on Access to finance and particularly on late payments. In addition, control mechanisms for public procurement and coordination of procurement policies across the different levels of government need to be improved.

## SBA performance of Spain: state of play and development from 2008 to 2016<sup>16</sup>



## 3. SBA principles<sup>17</sup>

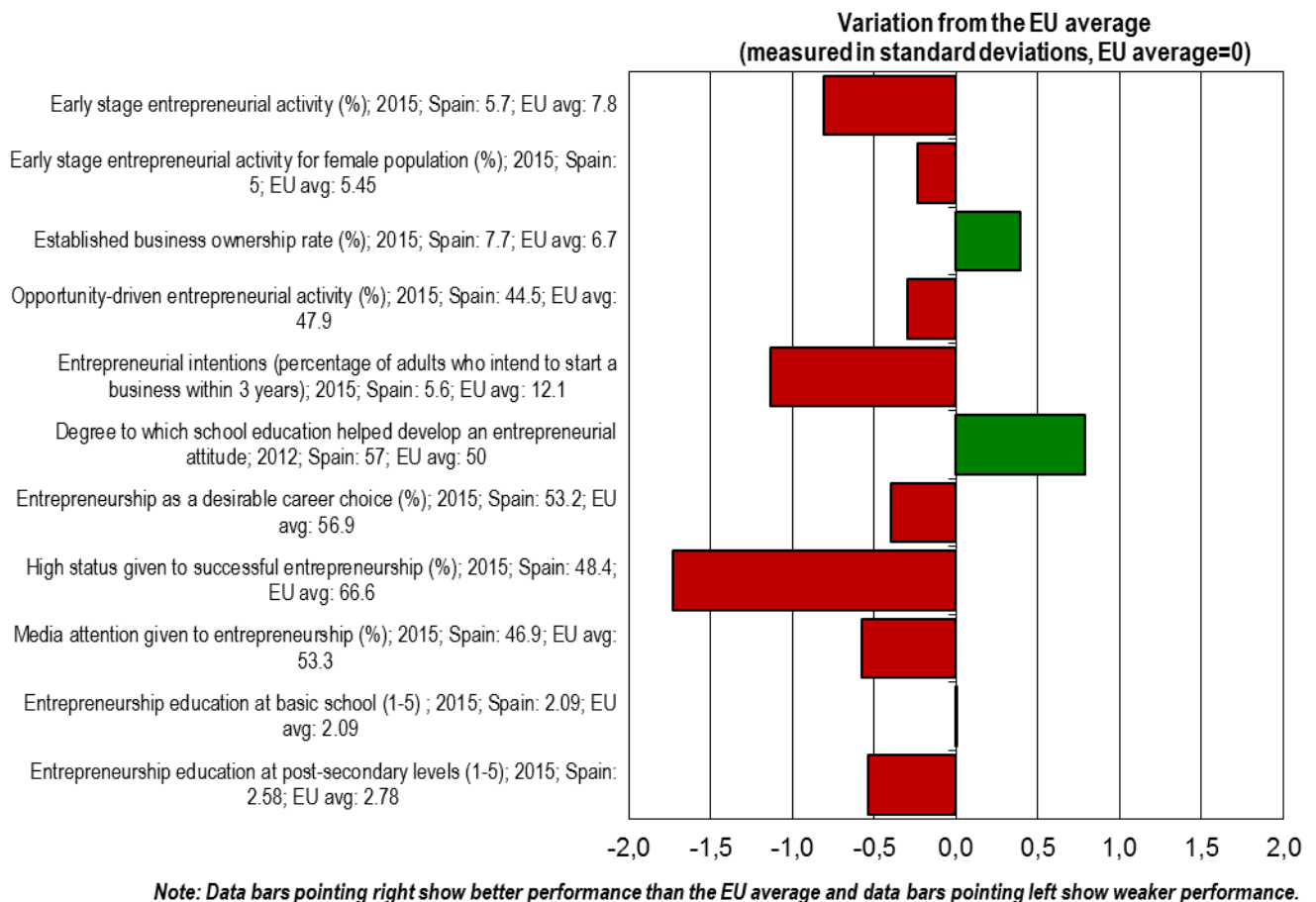
### 3.0 'Think Small First'

The 'Think Small First' principle is intended as a guiding principle for all policy- and law-making activities. It requires policymakers to take SME interests into account at the early stages of the policy-making process. The principle also calls for newly designed legislation, administrative rules and procedures to be made simple and easy to apply.

Since 2008, Spain has made some progress in this area. For example, to reduce administrative burdens, a 'Manual of administrative simplification and burden reduction for the General State Administration' has been published. The government also took steps to simplify administrative procedures and strengthen the role of business organisations in

consultations on the legal environment. Furthermore, Law 40/2015 on the legal regime of the public sector introduced a requirement to carry out an assessment of the impact of new regulations on SMEs, including the 'SME test' and the analysis of impacts on competitiveness. This adoption of the 'SME test' represents significant progress: it is a step forward that has been awaited for years. However, since the Law only applies as of October 2016, its overall implementation is yet to be evaluated. Public consultations with stakeholders are planned on the drafting of new regulations and common commencement dates are to be established for new legislation.

### 3.1 Entrepreneurship



On Entrepreneurship, Spain's performance is below the EU average. The country has the fourth lowest score in the EU but has made some progress since last year on the individual indicators. For example, early stage entrepreneurial activity, which includes those who are about to start an entrepreneurial activity or who started it no more than 42 months ago, has slightly improved, in particular among women. Entrepreneurial activity driven by opportunity (as opposed to not finding another option for work) rose from less than 34 % in 2014 to over 44 % in 2015. The established business ownership rate — the percentage of the population that owns an operating business — has increased as well, but a lower share of adults (5.6 % in 2015 against 7.1 % in 2014) is intending to start a business within the next three years.

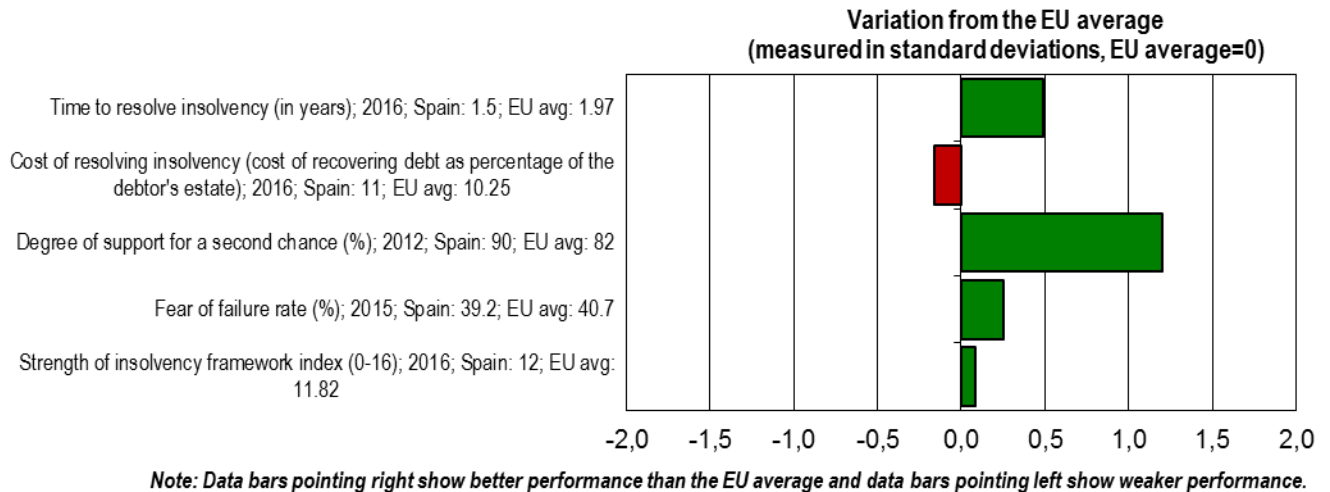
In recent years, Spain has stepped up policy efforts to boost entrepreneurship, including through support programmes for female entrepreneurs and young entrepreneurs. These programmes were complemented by tax incentives for entrepreneurs. Other measures include strengthening of

entrepreneurship education in basic schools, introduction of start-up grants and lower taxation on business transfers, although the impact of these measures on increasing of entrepreneurial activity has been limited.

The key measures taken during the reference period were those introduced by Law 31/2015, which fosters self-employment and the social economy. In addition, under the Resolution of 17 April 2015 that established an Institute for Women and Equal Opportunities, grants are provided to SMEs to address gender equality.

The 'University entrepreneurship programme' (*Programa de emprendimiento universitario*) was announced. The aim of the programme is to encourage students to start a business and to provide them with the necessary tools to assess the viability of their business ideas. Successful implementation of this programme would help improve entrepreneurship education at post-secondary levels.

### 3.2 ‘Second chance’



‘Second chance’ means ensuring that honest entrepreneurs who have gone bankrupt get a second chance quickly. This is the only area in which Spain performs above the EU average: its score is the seventh best in the EU. Since the adoption of the SBA, Spain has made progress at a rate substantially higher than in the rest of the EU. However, there were no significant changes in Spain’s performance under the individual indicators compared with the previous year.

Over the past years, the government has taken steps to reform bankruptcy legislation and to introduce a new legal status of ‘entrepreneur with limited liability’, protecting an individual’s personal assets.

Royal Decree-Law 4/2014 contains measures to make it easier to refinance and restructure companies’ long-term debt. The Decree-Law was converted into ‘Law 9/2015 of 25 May on urgent bankruptcy measures’ (*Ley 9/2015, de 25 de mayo, de*

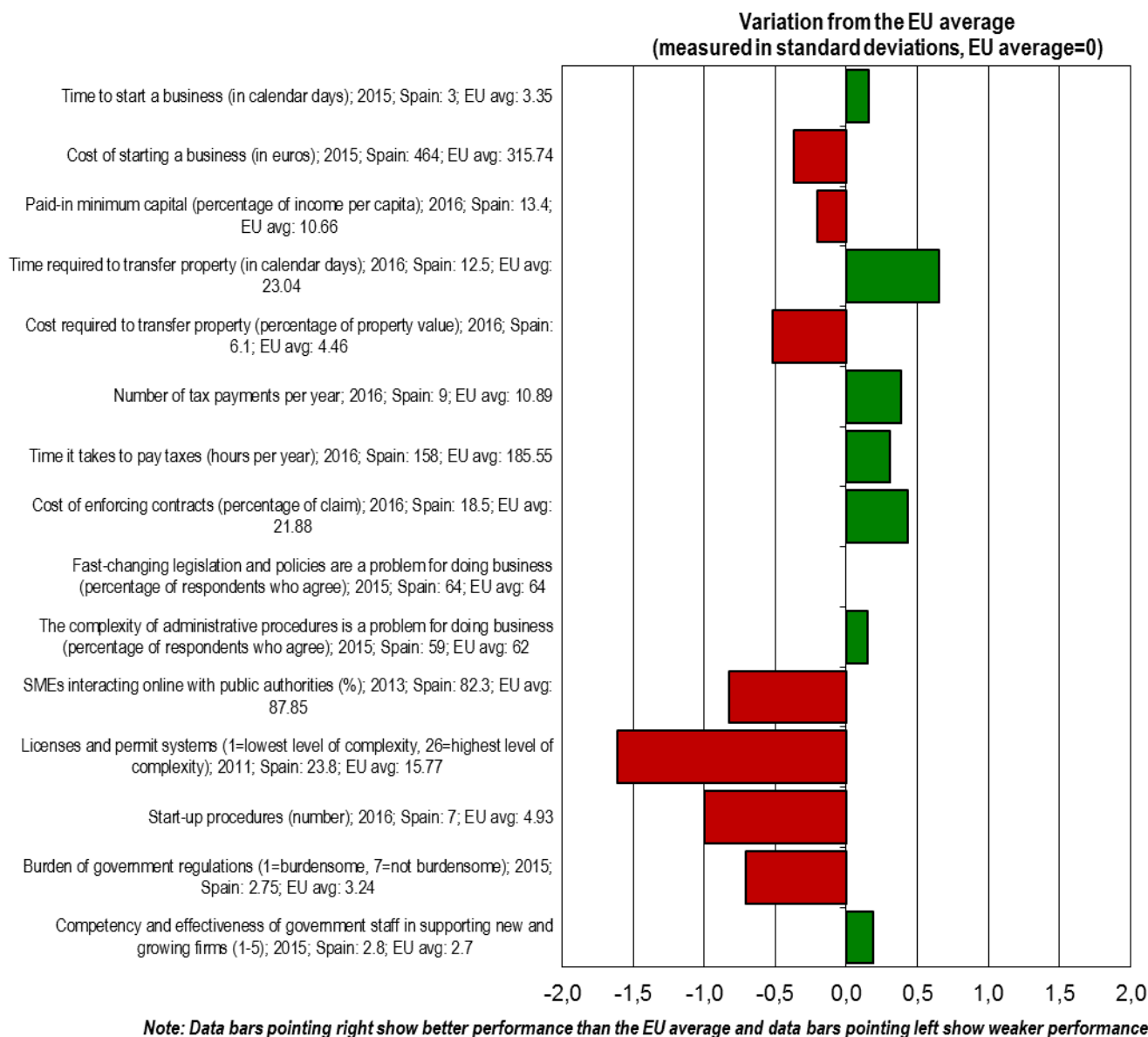
*medidas urgentes en materia concursal*). The new law also changed the creditor settlement procedure to avoid unnecessary liquidation of companies.

Royal Decree-Law 1/2015 addresses the problems faced by heavily indebted SMEs by facilitating out-of-court agreements with creditors (if creditors are willing to cooperate in such procedures) and provides for debt relief benefits. The Decree-Law was converted into ‘Law 21/2015 of 28 July on the second chance mechanism, reduction of financial burden and other social support measures’ (*Ley 25/2015, de 28 de julio, de mecanismo de segunda oportunidad, reducción de la carga financiera y otras medidas de orden social*). However, there is still no full and automatic discharge for sole traders, which is hindering many entrepreneurs willing to re-start.

During the reference period, no significant additional measures were adopted or announced.



### 3.3 'Responsive administration'



'Responsive administration' means public administration being responsive to the needs of SMEs. Spain has improved in this area since the launch of the SBA in 2008 and its overall score is now in line with the EU average. Spain has made progress since the previous year on the complexity of administrative procedures: in 2015 this posed a problem to 59 % of businesses, down from 66 % in 2014. In another improvement, 64 % of respondents in 2015 found fast-changing legislation and policies to be a problem, down from 76 % in 2013.

In recent years the government has made some progress in this area:

- The 'Market Unity Act' (*Ley de Garantía de la unidad de mercado*), adopted in 2013, simplified licencing

procedures and provided uniform access to the domestic market by eliminating regional obstacles.

- The 'Law on entrepreneurship and internationalisation' (*Ley de apoyo a los emprendedores y su internacionalización*) introduced the 'one-in, one-out' principle.
- The 'Entrepreneur Act' laid down the VAT regime under which payment of this tax can now be deferred.
- To address some shortfalls in e-government services, the '*Emprende en 3*' platform was set up and connected with the '*CIRCE*' platform, enabling entrepreneurs to communicate with public

administrations online. This made it possible for entrepreneurs to obtain local permits from a single electronic point of contact.

- Royal Decree 44/2015 simplified start-up procedures and administration through the internet.

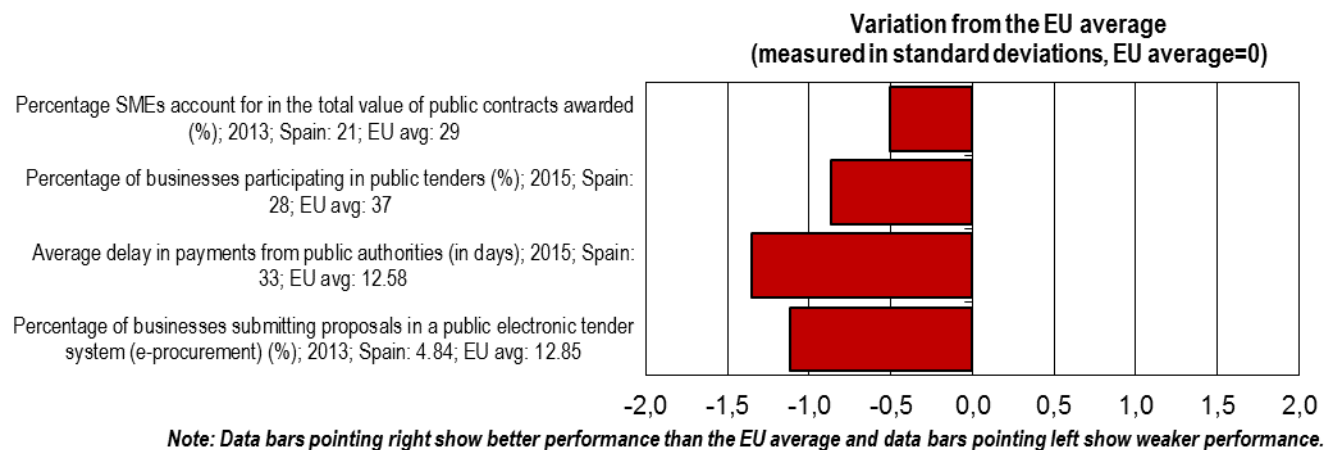
During 2015 and the first quarter of 2016, several policy measures were adopted to further simplify administrative procedures:

- Law 39/2015 on the common administrative procedure of the public administration addresses interaction between the public administration, the public and entrepreneurs. It seeks to establish a fully electronic, interconnected and

transparent administration, improving the flexibility of administrative procedures and reducing processing times.

- Royal Decree 127/2015 integrates and unifies all existing one-stop shop networks and the single contact point into one network, the network of 'Entrepreneur Attention Points'. The aim is to ease administrative procedures for entrepreneurs.
- Royal Decree 867/2015 regulates the use of the single electronic document for the cessation of business activities.
- Royal Decree 421/2015 makes it possible to grant public deeds in 12 working hours and to reserve a company name instantaneously.

### 3.4 State aid & public procurement



State aid & public procurement remains the country's most problematic area. Despite recent improvements, such as in the increased percentages of businesses participating in public tenders (28 % in 2015 against 13 % in 2013), Spain's overall score in this SBA area is the second lowest in the EU. Payment delays from public authorities still remain higher than the EU average and this is severely affecting self-employed people who work directly with public authorities.

The use of e-procurement remains quite limited in Spain as it has only recently been implemented. Nevertheless, the Ministry of Finance announced in March 2015 the development of a public procurement electronic portal allowing for full e-procurement by the central administration.

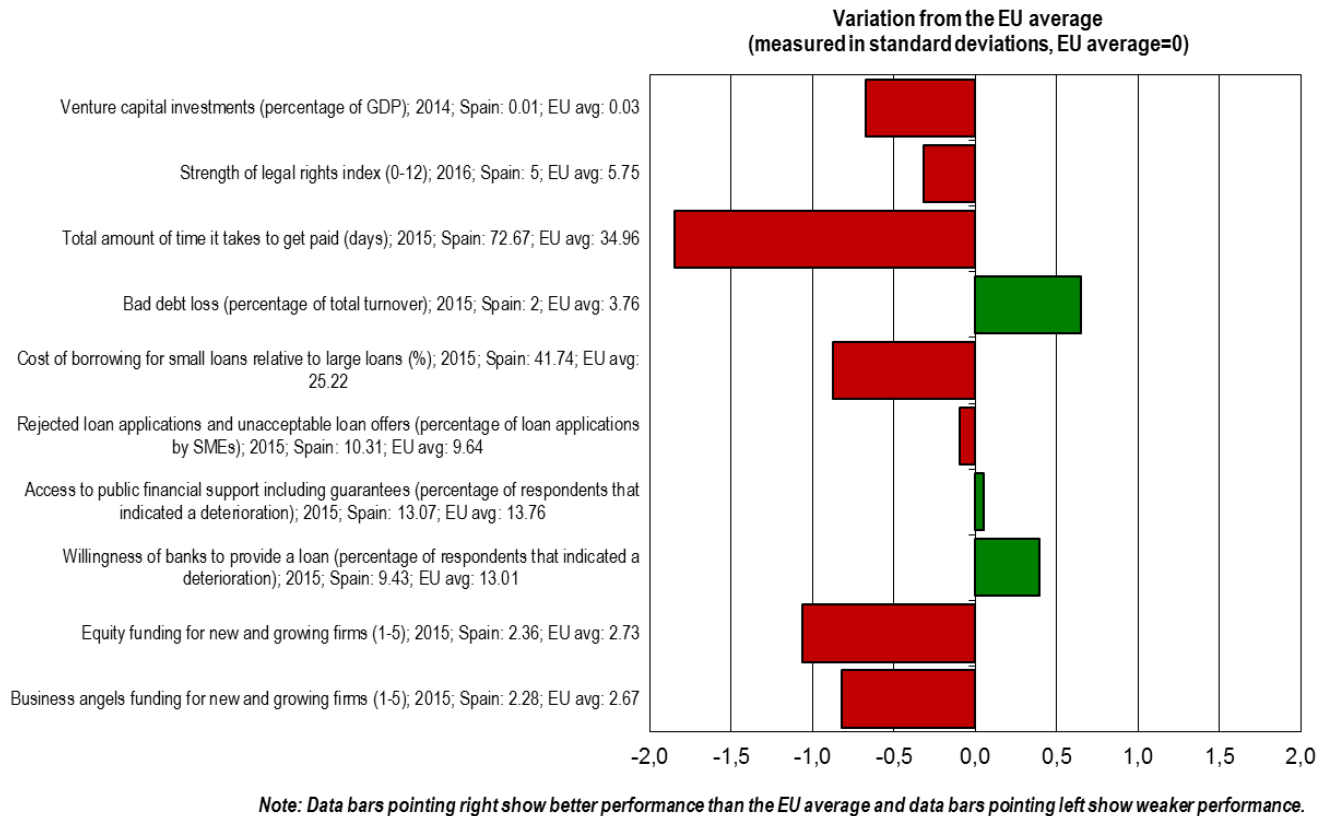
Spain implemented only a few policy measures to address this SBA area over the past years. For example, in 2013 the EU Late Payment Directive was transposed, bringing in an official maximum time permitted for public authorities to pay due amounts.

There are still no proportionate requirements for qualifications and no financial requirements are set according to the size of the companies. It is not common to divide large contracts into smaller lots. An e-Procurement portal is available.

During the reference period, no significant new measures were adopted in this SBA area.



### 3.5 Access to finance



On Access to finance, Spain's performance is well below the EU average, despite some recent improvements. In fact, the country has the fourth lowest score in the EU in this SBA area. The biggest concern is late payments: despite improvements over the last year, Spain's results are still far below the EU average. Equity and business angels funding for new and growing firms also trail the EU average. On the positive side, Spain improved its scores on the willingness of banks to provide a loan and on access to public financial support, including guarantees. The SME Initiative, a programme co-financed by EU funds, should help further improve SMEs' access to finance.

Significant policy efforts have been made in this area since 2008. To improve bank lending to SMEs, measures such as public guarantee schemes and the recapitalisation of regional savings banks have been implemented. Law 22/2014 enabled the creation of SME venture capital entities that can invest 70 % of their assets in SMEs' equity and participate in their management and advisory tasks.

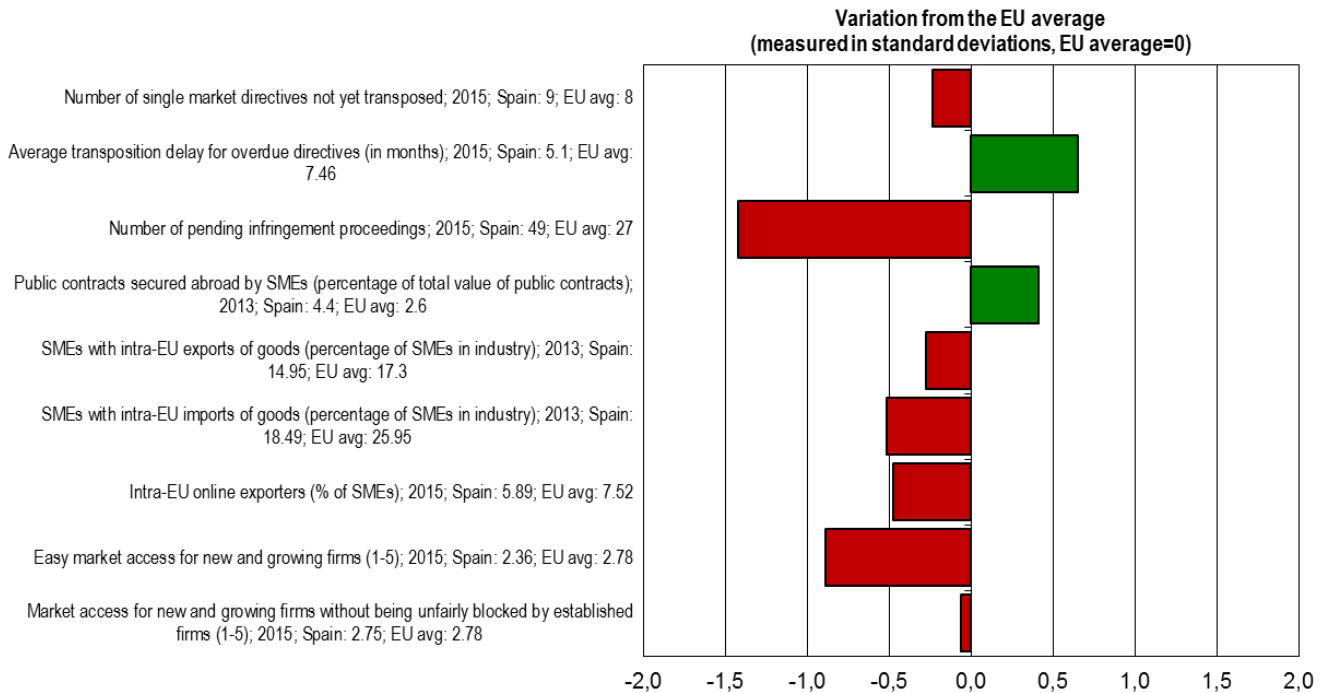
Law 5/2015 on the promotion of corporate finance introduced measures to stimulate bank lending to SMEs. To complement traditional financing and grants to support start-ups, policy

efforts have also started to focus on alternative sources of financing. Law 5/2015 also laid down rules on crowd-funding.

The Centre for the Development of Industry and Technology (CDTI) provided funds for seed capital in 2015, also making it easier for mid-caps to access private equity. CDTI further mobilised EUR 345 million in public-private venture capital under the INNVIETE programme, while the Ministry of Industry provided EUR 758 million in loans to industrial companies (SMEs and large companies).

The 'Institute of Official Credit' (ICO — *Instituto de Crédito Oficial*) — the state-owned bank attached to the Ministry of Economic Affairs and Competitiveness — established a mechanism through which Spanish companies can apply for loans of amounts equal to clients' unpaid invoices, provided that the debtors are domiciled in Spain. The FOND ICO Global, the ICO's venture capital and private equity fund of funds, has awarded EUR 755 million to 29 private funds that have signed investment commitments in Spain worth a total of EUR 2.5 billion.

### 3.6 Single market



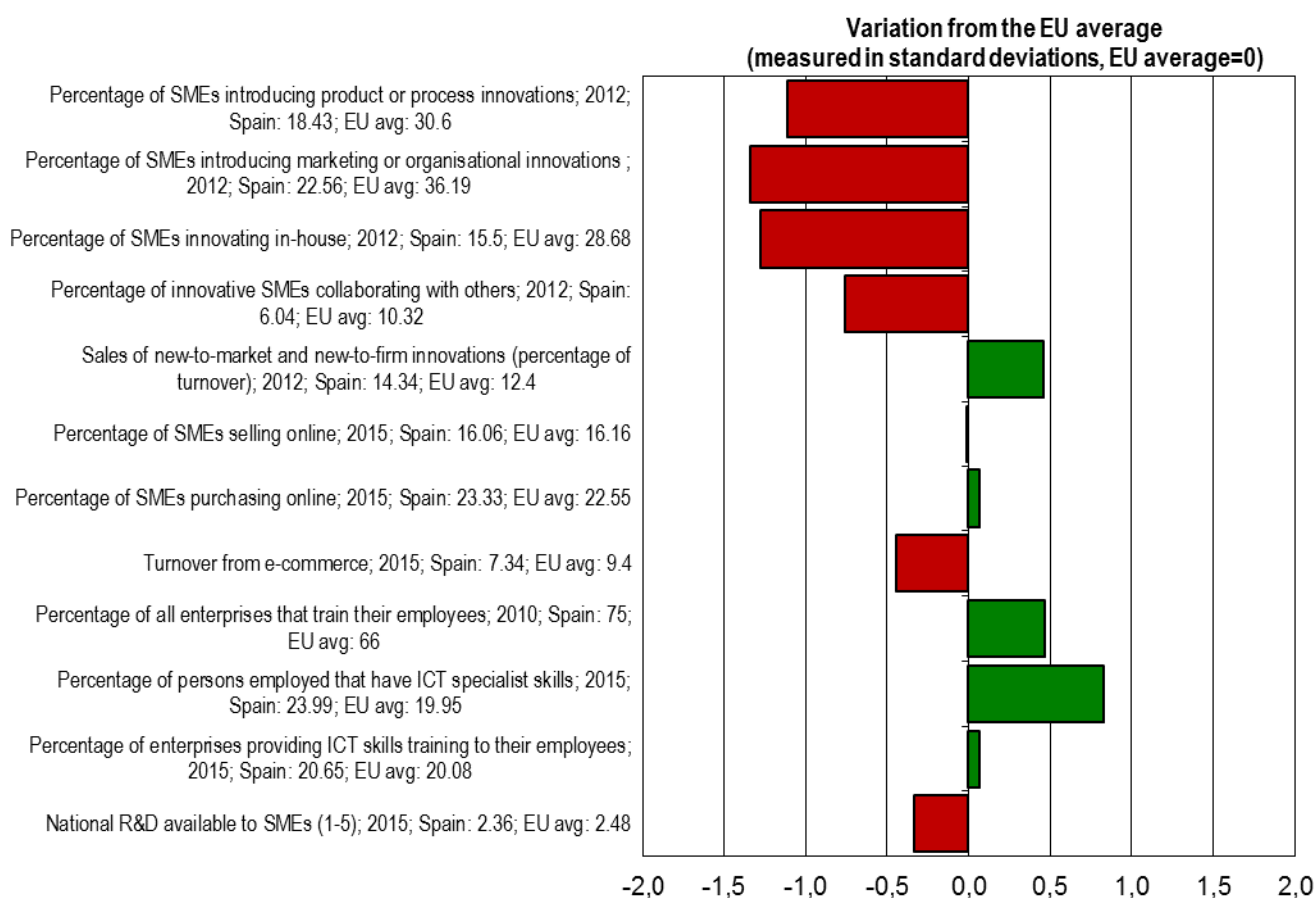
**Note:** Data bars pointing right show better performance than the EU average and data bars pointing left show weaker performance.

On the Single market, Spain performs below the EU average, with one of the seven lowest scores in the EU. Nevertheless, it has steadily been improving its overall score in this area since the adoption of the SBA in 2008. For example, as compared to the preceding year, the country has increased its intra-EU exports and imports. The number of pending infringement

proceedings decreased from 57 in 2014 to 49 in 2015. However, as with most of the scores on the individual indicators under this principle, Spain has not yet caught up to the EU average.

This SBA area has not been among the country's policy priorities over the past years. No significant new measures were adopted or announced during 2015 and the first quarter of 2016.

### 3.7 Skills & innovation



**Note:** Data bars pointing right show better performance than the EU average and data bars pointing left show weaker performance.

Spain's performance on Skills & innovation is broadly in line with the EU average. As compared to the preceding year, not much has changed in the individual indicators under this principle. The percentage of SMEs selling and purchasing online has slightly decreased. However, the new indicator on the percentage of employed persons with ICT specialist skills puts Spain among the best performers in the EU.

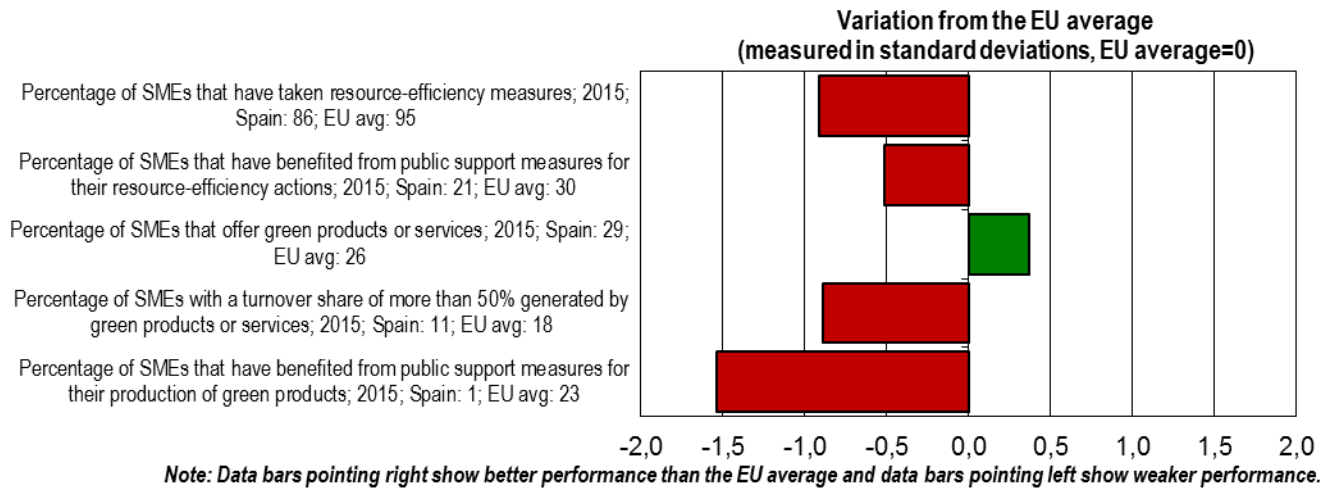
In the past, budget cuts have been a characteristic of policies in this SBA area. However, Spain's recent economic recovery is steadily boosting investment in R&D projects. The CDTI invested EUR 170 million in 2014 to stimulate cooperation between research centres and technological firms in the form of 'collaboration networks' (*Retos Colaboración*). The CDTI also committed to invest EUR 900 million in innovation activities, with a focus primarily on SMEs. Furthermore, the 'Direct line for innovation' (*Línea Directa de Innovación*), managed by the CDTI, allocated EUR 150 million, using EU structural funds, to SMEs to support their adoption of new technologies and innovative procedures.

New measures during the reference period:

- in September 2015 the CDTI adopted a Resolution which addresses the direct grants for the development of industrial technology;
- the measure of July 2015 by 'Red.es' is the resolution aimed to encourage SMEs to adopt cloud-based solutions;
- in November 2015, the State Agency for Research was incorporated. The Agency aims to ensure efficient management of public R&D and innovation funding.

Overall, the 2015 EU Innovation Scoreboard classifies Spain among the moderate innovators. On skills, the country's high level of qualifications is an asset, but its persistent skills mismatch remains a significant obstacle.

## 3.8 Environment



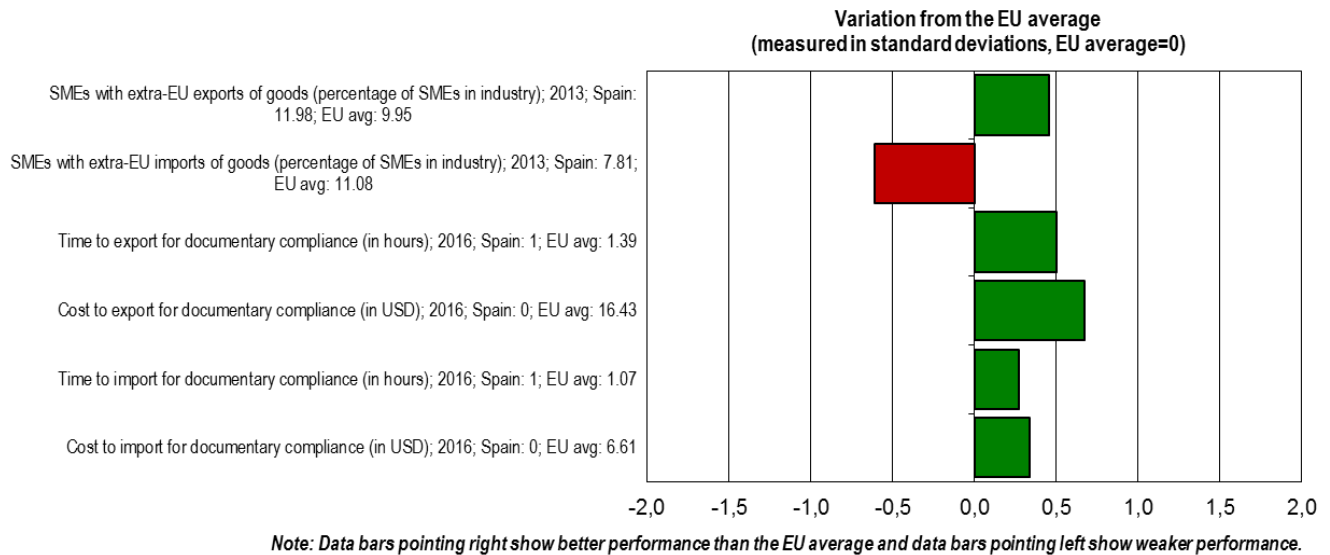
On the SBA area Environment, Spain's performance is below the EU average, with its overall score in this area among the three lowest in the EU. The percentage of SMEs that offer green products or services increased from 21 % in 2013 to 29 % in 2015, but on most of the other individual indicators the scores decreased. For example, compared to 2013, in 2015 there was a significant drop in the share of SMEs that benefited from public support measures for their production of green products.

Policy efforts under this SBA principle have been very limited over the past years. As a result, many of the SBA-related recommendations have not yet been put in place.

The 'Programme to support the energy efficiency of SMEs in the industrial sector' (*Programa de ayuda de Eficiencia Energetica a las PYMES del sector industrial*), funded from the National Energy Efficiency Fund, created by Law 18/2014, provides funding to industrial SMEs to improve their energy efficiency and implement energy management systems.

Royal Decree 1078/2015, known as the 'MOVEA Plan', was announced during the reference period of 2015 and the first quarter of 2016. The plan envisages support for the direct purchase or acquisition of new alternative and sustainable eco-efficient energy vehicles through financing or operating leases.

### 3.9 Internationalisation



On Internationalisation, the indicators show that Spain performs in line with the EU average. Since the previous reporting period, there has been an increase in the share of SMEs exporting goods to countries outside the EU.

Over the past years, the government has implemented a range of SBA measures in this area, including incentives for stimulating external trade and providing direct financial support (e.g. in the form of loans, grants and export credit insurance). A number of trade missions have also been carried out. The 'Spanish Institute for Foreign Business' (ICEX — *Instituto Español de Comercio Exterior*) is an umbrella organisation that provides operational and financial support to help SMEs reach international markets.

Recent measures to promote exports and access to foreign markets include:

- the 2014-2015 strategic plan on internationalisation;
- the 'Law on entrepreneurship and internationalisation' (*Ley de Emprendedores e Internationalisation*);
- the 'Global Window' (*Ventana Global*) platform created by ICEX, which provides information on international markets.

During the reference period, the following new measures were put in place to further support SME internationalisation:

- ICEX established subsidies to help Spanish SMEs cover up to 50 % of the cost (up to EUR 20 000 per year) for setting up subsidiaries or branches in countries outside the EU.
- The second tranche of the 'ICO International 2016' (*Línea ICO Internacional 2016*) credit facility aims to encourage the acquisition of goods and the provision of services on a cross-border basis.
- The 'ICEX-NEXT' is a programme created to support the internationalisation of Spanish SMEs with less experience in exports. The programme provides a total of 60 hours of personalised advice delivered by experts in various fields to help companies to undertake internationalisation projects.

## 4. Interesting initiative

Below is an example of an interesting initiative from Spain to show what governments can do to support SMEs:

### Law 31/2015 amending the legislation on self-employment

Law 31/2015 of 9 September 2015 amends and updates the legislation on self-employment, with the specific aim of fostering and promoting self-employment. The new law updates various incentives, some of which were already available but were scattered across various acts. The law also expands certain existing incentives to cover additional groups of beneficiaries and launches new measures to boost self-employment.

The following are some of the more noteworthy measures included in Law 31/2015:

- introduction of flat-rate contributions by self-employed people into the social security system;
- establishment of mechanisms to benefit from unemployment benefits to fund start-ups;
- introducing the possibility for economically-dependent self-employed people (i.e. who receive at least 75 % of their revenue from a single customer or company) to hire an employee under particularly beneficial terms.

References:

<https://www.boe.es/boe/dias/2015/09/10/pdfs/BOE-A-2015-9735.pdf>



## Important remarks

The European Commission Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs (DG GROW) produces the SBA fact sheets as part of the SME Performance Review (SPR), its main vehicle for economic analysis of SME issues. They combine the latest available statistical and policy information. Produced annually, the fact sheets help to organise the available information to facilitate SME policy assessments and monitor SBA implementation. They take stock and record progress. They are not an assessment of Member State policies. Rather, they should be regarded as an additional source of information to improve evidence-based policy-making. For example, they cite only policy measures national SME policy experts consider relevant. They do not and cannot reflect all measures the government has taken over the reference period. There is more policy information on a database accessible from the SPR website.

SME Performance Review:

[http://ec.europa.eu/growth/smes/business-friendly-environment/performance-review/index\\_en.htm](http://ec.europa.eu/growth/smes/business-friendly-environment/performance-review/index_en.htm)

[grow-spr@ec.europa.eu](mailto:grow-spr@ec.europa.eu)

Small Business Act:

[http://ec.europa.eu/growth/smes/business-friendly-environment/small-business-act/index\\_en.htm](http://ec.europa.eu/growth/smes/business-friendly-environment/small-business-act/index_en.htm)

European Small Business Portal:

[http://ec.europa.eu/small-business/index\\_en.htm](http://ec.europa.eu/small-business/index_en.htm)

## Endnotes

<sup>1</sup> The two graphs below present the trend over time for the variables. They consist of index values for the years since 2008, with the base year 2008 set at a value of 100. As from 2014, the graphs show estimates of the development over time, produced by DIW Econ on the basis of 2008-2013 figures from Eurostat's Structural Business Statistics Database. The data cover the non-financial business economy, which includes industry, construction, trade and services (NACE Rev. 2 sections B to J, L, M and N). They do not cover enterprises in agriculture, forestry and fisheries or largely non-market service sectors such as education and health. A detailed methodology can be consulted at: [http://ec.europa.eu/growth/smes/business-friendly-environment/performance-review/index\\_en.htm](http://ec.europa.eu/growth/smes/business-friendly-environment/performance-review/index_en.htm)

<sup>2</sup> <http://fortune.com/2015/05/11/spain-economic-recovery/>, last accessed: 22.3.2016.

<sup>3</sup> Calderón Patier, C. And González Lorente, Á.: Políticas públicas para incentivar el acceso a la financiación de las pymes en España: el mercado alternativo bursátil (MAB): <http://pendientedemigracion.ucm.es/info/revesco/txt/REVESCO%20N%20109.3%20Carmen%20CALDERON%20y%20Alvaro%20GONZALEZ.htm>, last accessed: 17.3.2015

<sup>4</sup> <http://www.tas-consultoria.com/blog-en/measure-entrepreneurship-spain/>, last accessed: 22.3.2016.

<sup>5</sup> The SME Initiative Spain: [http://www.eif.org/what\\_we\\_do/guarantees/sme\\_initiative/smei\\_spain/index.htm](http://www.eif.org/what_we_do/guarantees/sme_initiative/smei_spain/index.htm), last accessed: 22.3.2016.

<sup>6</sup> <http://www.tas-consultoria.com/blog-en/payment-vat-spain/>, last accessed: 22.3.2016.

<sup>7</sup> <https://www.kfw.de/PDF/Download-Center/Konzernthemen/Research/PDF-Dokumente-Studien-und-Materialien/SME-Investment-and-Innovation-October-2015.pdf>, last accessed: 22.3.2016.

<sup>8</sup> Ibid.

<sup>9</sup> Ibid.

<sup>10</sup> Cambios y desafíos en el sector de la hotelería y el turismo Documento temático para el debate en el Foro de diálogo mundial para el sector de la hotelería, la restauración y el turismo. [http://www.ilo.org/wcmsp5/groups/public/---ed\\_dialogue/---sector/documents/meetingdocument/wcms\\_162207.pdf](http://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---sector/documents/meetingdocument/wcms_162207.pdf), last accessed: 22.03.2016.

<sup>11</sup> Instituto Nacional de Estadística, <http://www.ine.es/jaxiT3/Datos.htm?t=289>, last accessed: 22.03.2016.

<sup>12</sup> Instituto Nacional de Estadística, <http://www.ine.es/jaxiT3/Datos.htm?t=290>, last accessed: 22.03.2016.

<sup>13</sup> Instituto Nacional de Estadística, <http://www.ine.es/jaxiT3/Datos.htm?t=3169>, last accessed: 22.03.2016.

<sup>14</sup> <http://www.bloomberg.com/news/articles/2014-03-07/spain-changes-bankruptcy-law-to-ease-company-debt-restructuring>, last accessed: 22.03.2016.

<sup>15</sup> The 2016 SBA fact sheets benefited substantially from input from the European Commission's Joint Research Centre (JRC) in Ispra, Italy. The JRC made major improvements to the methodological approach, statistical work on the dataset and the visual presentation of the data.

<sup>16</sup> The quadrant chart combines two sets of information. Firstly, it shows current performance based on data for the latest available years. This information is plotted along the X-axis, measured in standard deviations of the simple, non-weighted arithmetical average for the EU-28. Secondly, it shows progress over time, i.e. the average annual growth rates from 2008 to 2016. These are measured against the individual indicators which make up the SBA area averages. This means that the location of a particular SBA area average in any of the four quadrants provides information not only about where the country is located in this SBA area relative to the EU average at a given point in time, but also about the extent of progress made between 2008 and 2016. All SBA principles, with the exception of the 'Think Small First' principle for which there is not enough statistical data available, are calculated as composite indicators following the OECD/JRC Handbook guide. A detailed methodology can be consulted at: [http://ec.europa.eu/growth/smes/business-friendly-environment/performance-review/index\\_en.htm](http://ec.europa.eu/growth/smes/business-friendly-environment/performance-review/index_en.htm)

<sup>17</sup> The policy measures presented in this SBA fact sheet are only a selection of the measures the government took in 2015 and the first quarter of 2016. The national SME policy expert that CARSA Spain (DG GROW's lead contractor for the 2016 SBA fact sheets) contracted made the selection. The experts were asked to select only the measures they considered the most important, i.e. the ones expected to have the highest impact in the SBA area in question. The complete range of measures the experts compiled in producing this year's fact sheets will be published alongside the fact sheets in a policy database on the DG GROW website.