ESPON SME
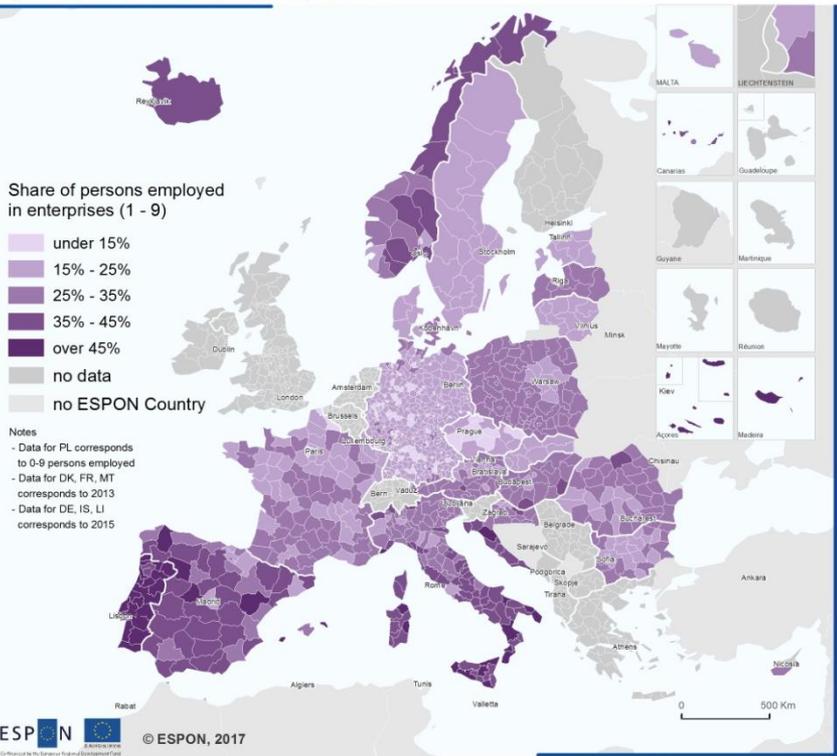
Inspire policy making by territorial evidence

ESPON SME project

- ESPON SME project deals with
  - Knowledge on the distribution patterns of SMEs across European regions
  - The extent and the ways SMEs contribute to business development, job creation and innovation
  - Policy support options for SME development – to come
- Small and medium-sized enterprises (SMEs) are often referred to as the backbone of the European economy, providing a potential source for jobs and economic growth
  - micro enterprises: with less than 10 persons employed;
  - small enterprises: with 10-49 persons employed;
  - medium-sized enterprises: with 50-249 persons employed;
  - small and medium sized enterprises (SMEs): with 1-249 persons employed;
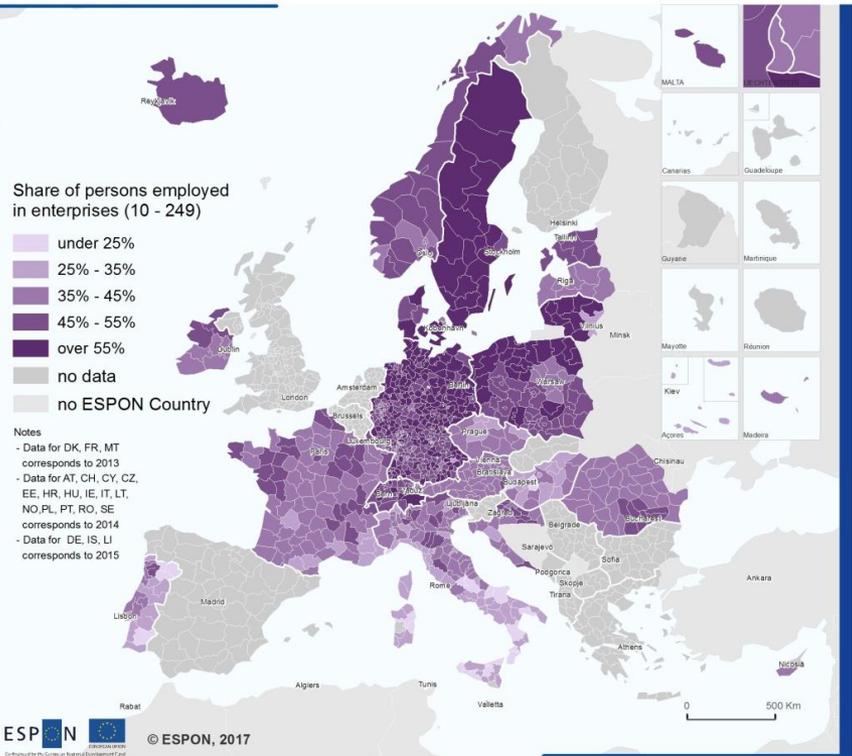 - large enterprises: with 250 or more persons employed.

Territorial structures of the labor market and economic relevance of different enterprise size-classes

Share of persons employed in micro enterprises
(1 - 9 persons employed), 2014

Share of persons employed
in enterprises (1 - 9)

- under 15%
- 15% - 25%
- 25% - 35%
- 35% - 45%
- over 45%
- no data
- no ESPON Country

Notes
- Data for PL corresponds
  to 0-9 persons employed
- Data for DK, FR, MT
  corresponds to 2013
- Data for DE, IS, LI
  corresponds to 2015

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Regional level: NUTS 3 / NUTS 2 / NUTS 0 (version 2013 / 2010 / 2006)
Source: ESPON SME, 2017
Origin of data: Eurostat Business demography, national statistical offices
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Share of persons employed in small and medium enterprises
(10 - 249), 2014

Share of persons employed
in enterprises (10 - 249)

- under 25%
- 25% - 35%
- 35% - 45%
- 45% - 55%
- over 55%
- no data
- no ESPON Country

Notes
- Data for DK, FR, MT
  corresponds to 2013
- Data for AT, CH, CY, CZ,
  EE, HR, HU, IE, IT, LT,
  NO, PL, PT, RO, SE
  corresponds to 2014
- Data for DE, IS, LI
  corresponds to 2015

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Regional level: NUTS 3 / NUTS 2 / NUTS 0 (version 2013 / 2010 / 2006)
Source: ESPON SME, 2017
Origin of data: Eurostat Business demography, national statistical offices
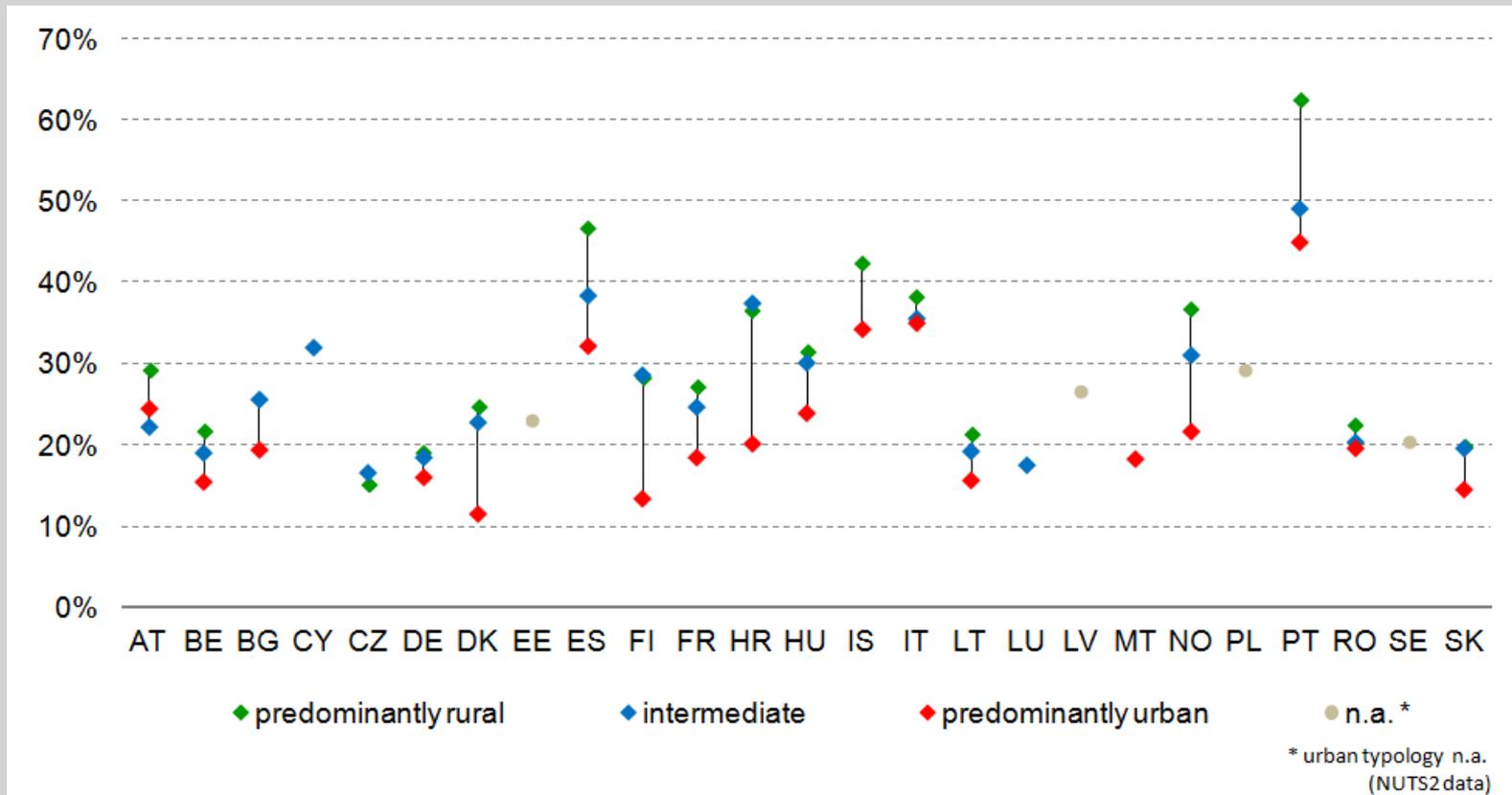CC - UMS RIATE for administrative boundaries

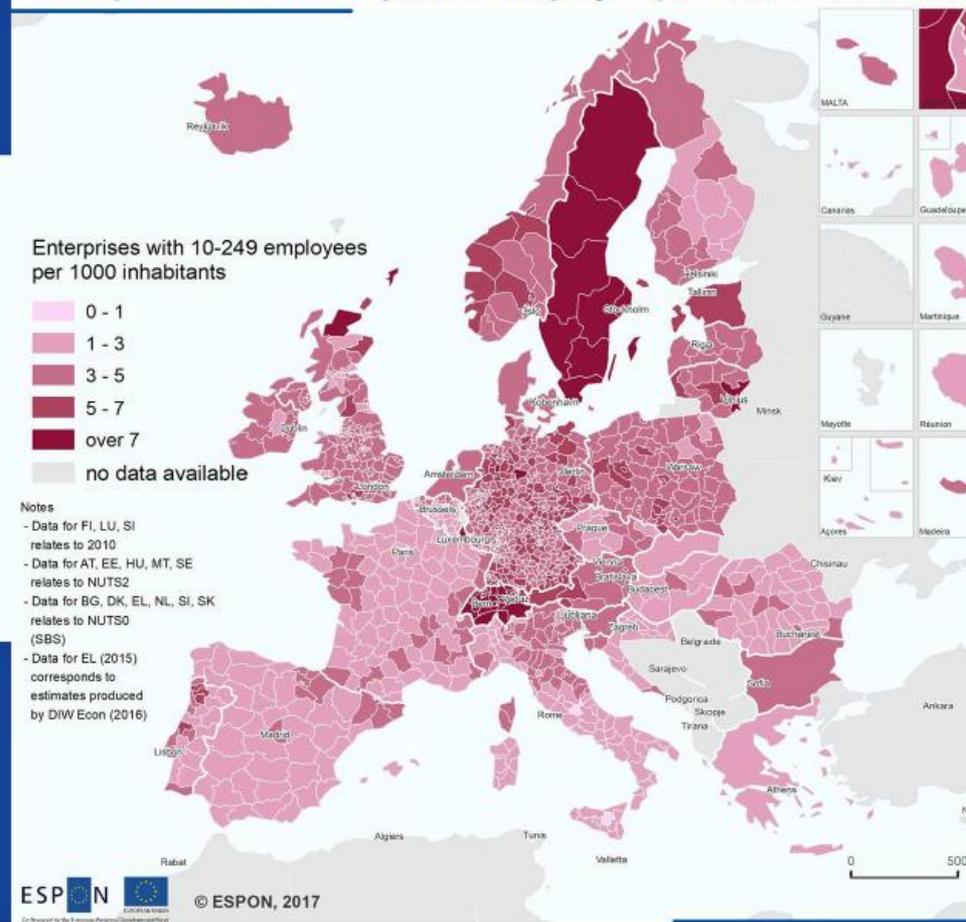# Territorial structures of the labor market and economic relevance of different enterprise size-classes

Share of persons employed in micro enterprises in % of all employment, 2014 ; Average by urban rural typology
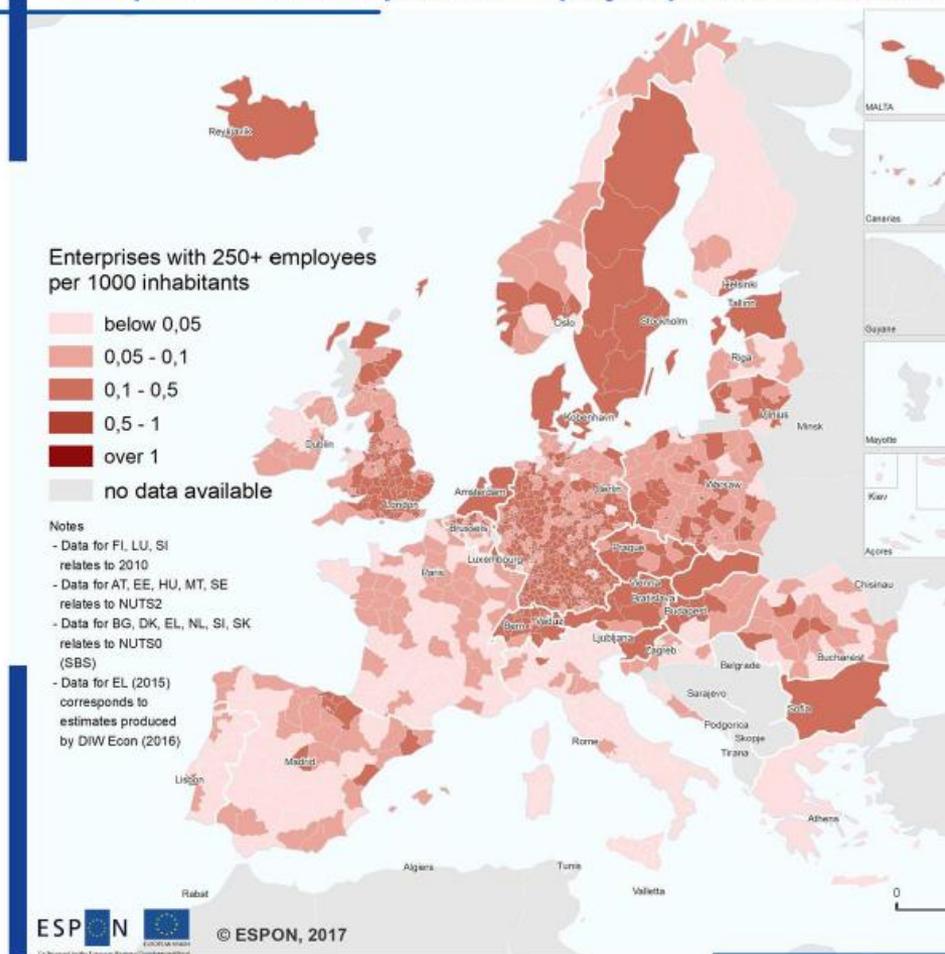
Map 3.3: Number of S&M enterprises per 1,000 inhabitants (10-249 persons employed) 2014.

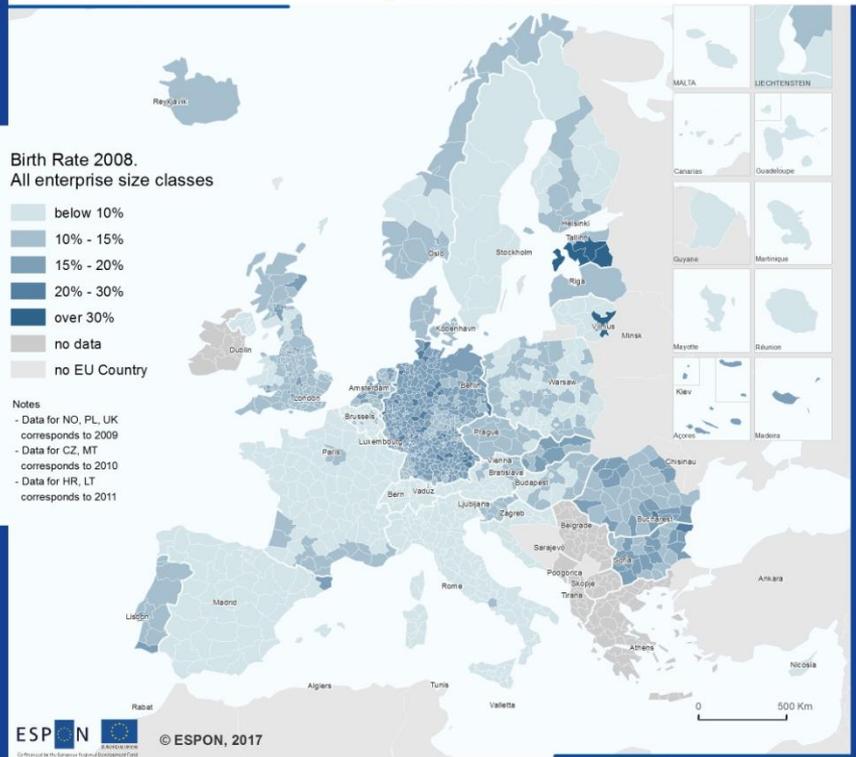**Enterprises with 10-249 persons employed per 1000 inhabitants,**

Enterprises with 10-249 employees per 1000 inhabitants

- 0 - 1
- 1 - 3
- 3 - 5
- 5 - 7
- over 7
- no data available

Notes
- Data for FI, LU, SI relates to 2010
- Data for AT, EE, HU, MT, SE relates to NUTS2
- Data for BG, DK, EL, NL, SI, SK relates to NUTS0 (SBS)
- Data for EL (2015) corresponds to estimates produced by DIW Econ (2016)

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Regional level: NUTS 3 / NUTS 2 / NUTS 0 (ver
Source: ESPON S
Origin of data: Eurostat Business demography, Structural Business Statistics, Statistics Austria national SBS, Statistics Belgium Demografie Onder
ORBIS, Beschäftigtenstatistik Bundesagentur, national SBS, Statistics Finland national BD, Insee. Directio des statistiques démographiques et sociale
Financial Agency, Central Statistics Office (CSO) national BD, Statistics Iceland national BD, Amt für Statistik Fürstentum Liechtenstein - Beschäftigu
stics Norway national BD, Central Statistical Office Poland national BD, Statistics Portugal Integrated Business Accounts System, National Statistics Institute Romania na
Statistics Sweden Business Register, Bundesamt für Statistik Schweiz, SBA Factsheet Gr
CG - UMS RIATE for administrative b

Map 3.4: Number of large enterprises per 1,000 inhabitants (250+ persons employed) 2014.

Enterprises with 250+ persons employed per 1000 inhabitant

Enterprises with 250+ employees per 1000 inhabitants

- below 0,05
- 0,05 - 0,1
- 0,1 - 0,5
- 0,5 - 1
- over 1
- no data available

Notes
- Data for FI, LU, SI relates to 2010
- Data for AT, EE, HU, MT, SE relates to NUTS2
- Data for BG, DK, EL, NL, SI, SK relates to NUTS0 (SBS)
- Data for EL (2015) corresponds to estimates produced by DIW Econ (2016)

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Regional level: NUTS 3 / N
Sour
Origin of data: Eurostat Business demography, Structural Business Statistics, Statistics Austria national SBS, Statistics Belgium Demog
ORBIS, Beschäftigtenstatistik Bundesagentur, national SBS, Statistics Finland national BD, Insee. Direction des statistiques- démographique
Financial Agency, Central Statistics Office (CSO) national BD, Statistics Iceland national BD, Amt für Statistik Fürstentum Liechtenstein - B
Statistics Norway national BD, Central Statistical Office Poland national BD, Statistics Portugal Integrated Business Accounts System, National Statistics Institute F
Statistics Sweden Business Register, Bundesamt für Statistik Schweiz, SBA F
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Development of the number of enterprises: births - entrepreneurship

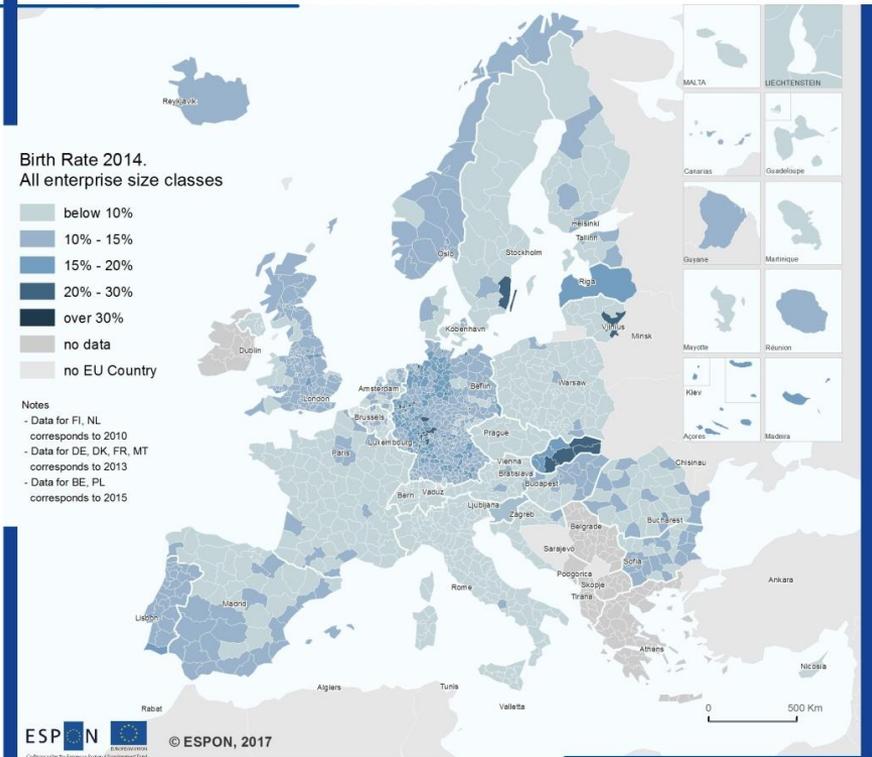Birth Rate 2008. Number of enterprise births divided by the number of enterprises active in 2008

Birth Rate 2008. All enterprise size classes
- below 10%
- 10% - 15%
- 15% - 20%
- 20% - 30%
- over 30%
- no data
- no EU Country

Notes
- Data for NO, PL, UK corresponds to 2009
- Data for CZ, MT corresponds to 2010
- Data for HR, LT corresponds to 2011

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Regional level: NUTS 3 / NUTS 2 / NUTS 0 (version 2013 / 2010 / 2006)
Source: ESPON SME, 2017
Origin of data: Eurostat Business demography, national statistical offices (BE, CH, DE, EE, IS, NO, PL, SE, SI, UK), 2008
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Birth Rate 2014. Number of enterprise births divided by the number of enterprises active in 2014

Birth Rate 2014. All enterprise size classes
- below 10%
- 10% - 15%
- 15% - 20%
- 20% - 30%
- over 30%
- no data
- no EU Country

Notes
- Data for FI, NL corresponds to 2010
- Data for DE, DK, FR, MT corresponds to 2013
- Data for BE, PL corresponds to 2015

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Regional level: NUTS 3 / NUTS 2 / NUTS 0 (version 2013 / 2010 / 2006)
Source: ESPON SME, 2017
Origin of data: Eurostat Business demography, national statistical offices (BE, CH, DE, EE, IS, NO, PL, SE, SI, UK), 2014
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Development of the number of enterprises: births - entrepreneurship

- Birth rates are slightly higher in predominantly urban regions (13% in 2014) than in intermediate regions (11% in 2014) or predominantly rural regions (10% in 2014)

- Birth rates were higher six years ago than in most recent years.

- Death rates are also higher in predominantly urban areas, but the net rate (births – deaths) is highest in predominantly urban areas, i.e. there is a net surplus of enterprises rather in predominantly urban or intermediate than predominantly rural regions

- Judging from the whole period 2008 – 2014 the annual net rate change was negative in all types

- Metropolitan regions show a smaller decline than all other types of regions.

Relevant determinants/explanatory factors for SME patterns, growth and performance

- Must be addressed EU/national/regional/local level:
  - Accessibility of the region (international) by road and other means
  - Availability of financing, investment and capital stock
  - Education and skills of the regional workforce
  - Governance quality including e.g. development strategies in place, regulation, e.g. for business start-up, labour regulations
  - Knowledge and innovation production
  - Population and workforce density and mass (urbanisation)
  - Regional income, Regional purchasing power
  - Sectoral specialisation versus sectoral diversity of the region
  - Existence of large lead companies (including multinationals)
  - Density of inter-firm linkages, Business clusters, Quality of business networks and associations

Case studies

Which successful and innovative solutions can be pointed out?

- Cluster analysis on determinants/explanatory factors for SME patterns:
  - A: High density, highly accessible regions
  - B: Cities and agglomerations performing above average
  - C: Economically successful cities and regions
  - D: Rural and intermediate regions with lower accessibility and economic performance
  - E: Rural or peripheral regions with disadvantages regarding accessibility and economy
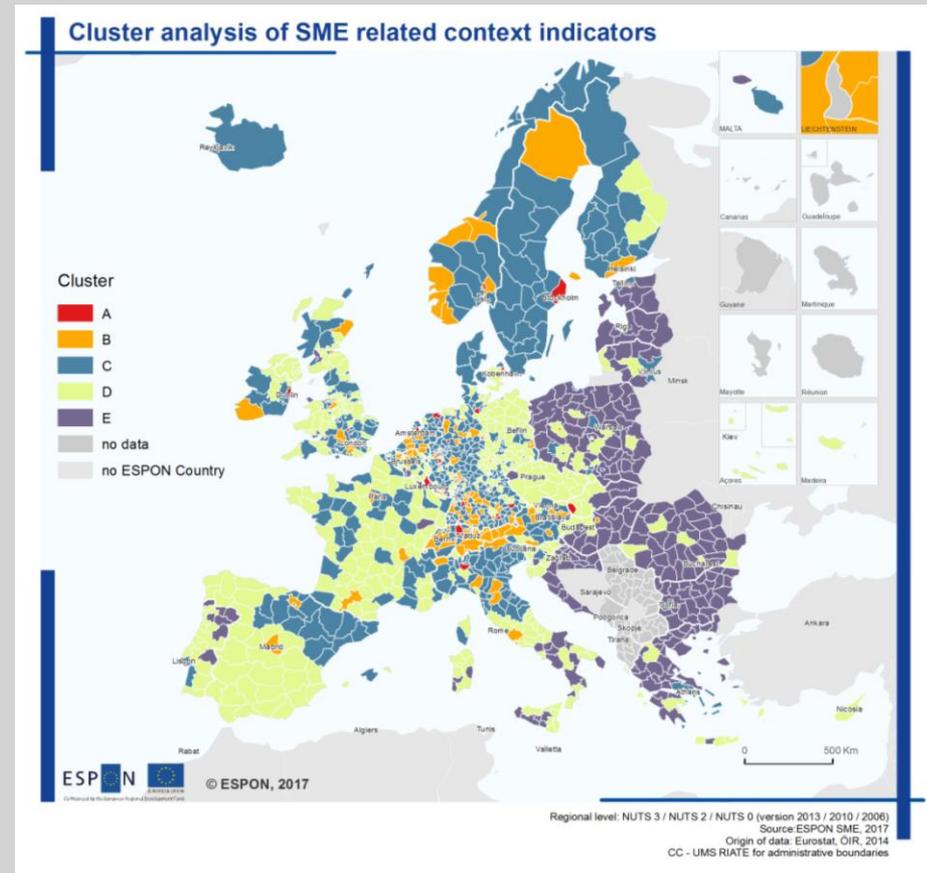
Cluster analysis of SME related context indicators

Cluster
- A
- B
- C
- D
- E
- no data
- no ESPON Country

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Regional level: NUTS 3 / NUTS 2 / NUTS 0 (version 2013 / 2010 / 2006)
Source: ESPON SME, 2017
Origin of data: Eurostat, ÖIR, 2014
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The ESPON SME regional typoligy
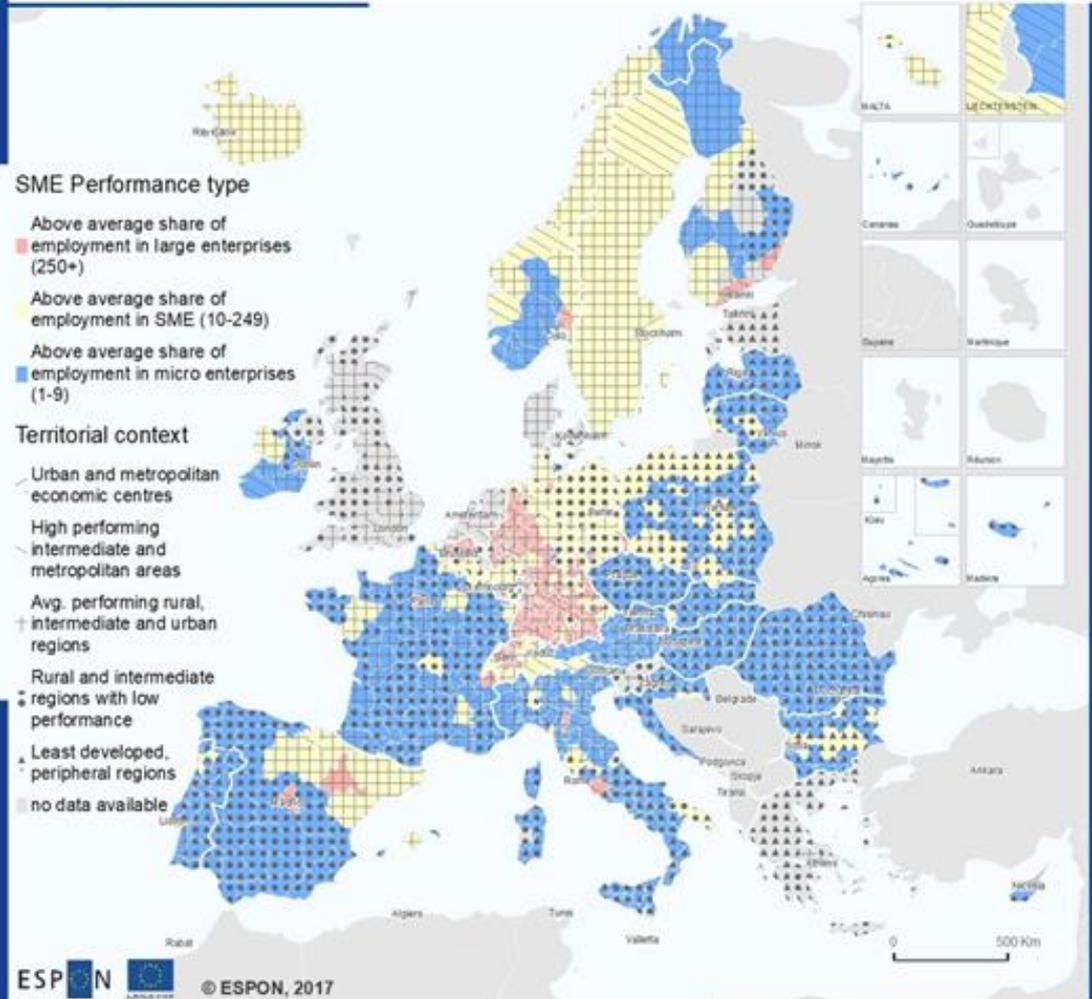
Map 3.13: Share of SME employment crossed with the share of employment in carbon-intensive economy, 2014

Share of SME employment and share of employment in carbon-intensive economy, 2014

Map 3.9: Share of SME employment 2014 crossed with the share of employment in the knowledge and creative economy, 2014.

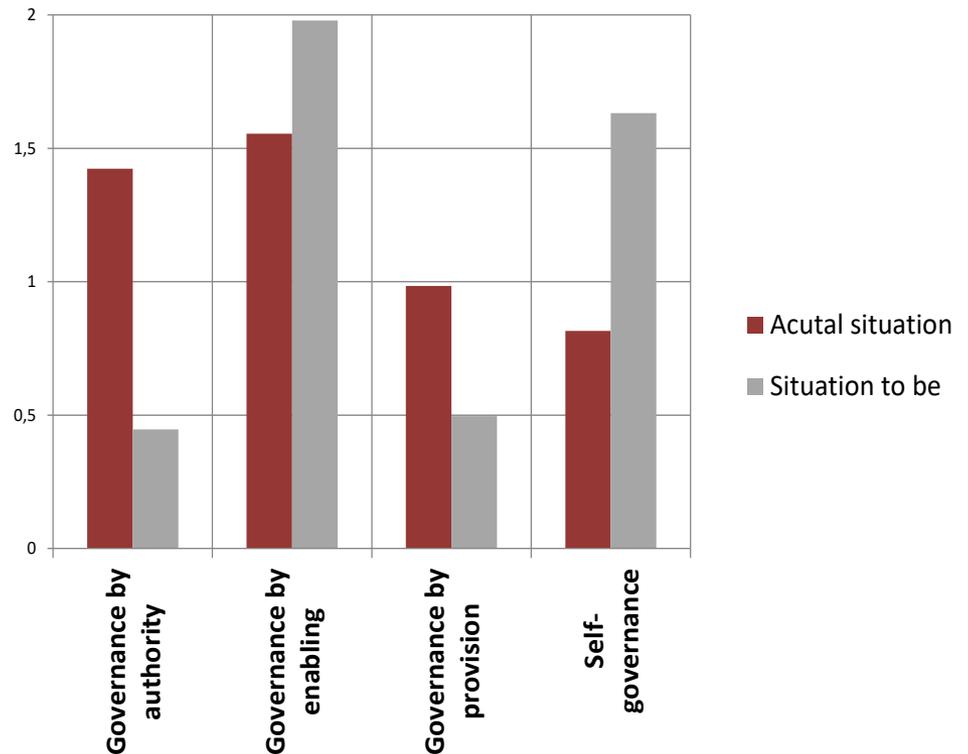## Share of SME employment crossed with the share of employment in the knowledge and creative economy, 2014

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FOG test results of all regions: comparison actual situation and situation as it should be

Preliminary results of the FOG test - average

Issues/challenges, solutions and innovative approaches

- ## Data collection activities (challenge!)
  - SME data collection: Ideally NUTS 3 regions, otherwise NUTS 2 regions; Enterprise size categories: 0, 1-9, 10-49, 50-249, 250+ employees; NACE sector/industry: ideally NACE divisions i.e. 2-digit-level
  - Harmonization of data

- ## Data analysis activities
  - PCA and Cluster analysis to identify different types of regions regarding territorial context and SME performance
  - Selection of case study regions

- ## Case studies
  - Focus groups
  - FOG test: investigating governance structures

Cluster analysis of SME related context indicators

Cluster
A
B
C
D
E
no data
no ESPON Country

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Regional level: NUTS 3 / NUTS 2 / NUTS 0 (version 2013 / 2010 / 2006)
Source: ESPON SME, 2017
Origin of data: Eurostat, ÖIR, 2014
CC - UMS RIATE for administrative boundaries