



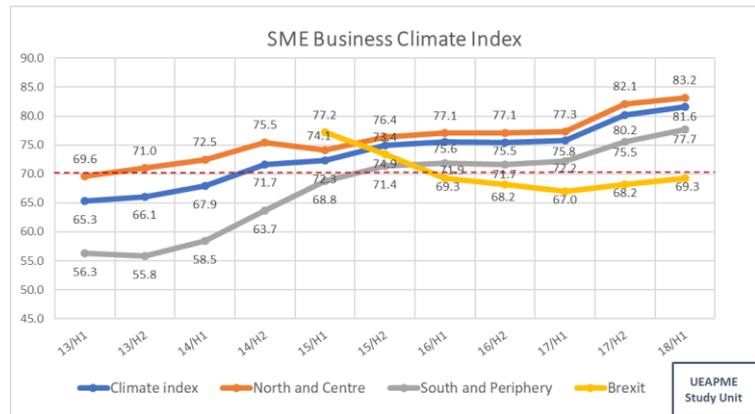
“The voice of crafts and SMEs in Europe”

EU SME Barometer: SMEs growth stabilised at high levels

UEAPME SME Barometer shows record levels of confidence, despite growth losing momentum and Brexit still looming

Brussels, 21st March 2018 – Today, UEAPME President Ulrike Rabmer-Koller presented the latest SME Barometer⁽¹⁾ to the leaders of the European Institutions at the Tripartite Social Summit. Thanks to strong domestic demand, SMEs maintained high levels of confidence towards the current business environment and expect a future of stability. As a result, the SME Climate Index has risen to 81.6 points, the highest level on record. Despite recent improvements in the economic outlook of Southern Europe, the North-South divide still persists, whereas uncertainty over Brexit widens the gap between the UK, its close partners and the rest of Europe. All sectors show stable growth, with positive figures for investment and employment. However, growth lost momentum compared to last semester, especially in construction and personal services, which may be a first sign of labour shortage for some qualifications.

“Our latest SME Barometer⁽¹⁾ shows continued improvements for European SMEs in the second semester of 2017 and conveys encouraging signals of stability for the future” stated **President Ulrike Rabmer-Koller** at the presentation of the SME Barometer 2018/H1. However, “a significant gap in economic sentiment still persists between the north and south of Europe, while the ongoing negotiations about Brexit, with hesitations about their outcome, cast an atmosphere of economic uncertainty and distance the UK and its close partners from the rest of Europe”.



Sectoral results convey a message of stability at high levels of performance, despite the unmet expectations from the previous semester: As Ms Rabmer-Koller explained, “the very positive results obtained in the first half of 2017 sparked overly optimistic expectations for the future. Instead, SMEs have still been able to reach unprecedented results, but their dynamic lost momentum”.

The overall favourable economic conditions have not affected all sectors evenly. In fact, Ms Rabmer-Koller outlined that “the sectors deeply relying on internal demand, namely construction and personal services, have had a more subdued performance compared to the business services and manufacturing sectors, which are more dependent on the global economic situation”. Furthermore, both are rather labour intensive sectors and depend on low to medium qualified workers.

To sustain the ongoing economic recovery and support SME growth and stability, Ms Rabmer-Koller stressed that the next generation of European programmes should focus on growth and competitiveness, where “especially SMEs need support to catch-up with digitalisation and greening of their businesses.” In addition, she underlined the need for further improvements in the regulatory environment, investments to close the skills gap and called on the “European leaders to ensure legal and regulatory clarity on Brexit, in order to end the current uncertainty for businesses”.

(1) http://www.ueapme.com/IMG/pdf/180321_Barometer_18H1.pdf

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EDITORS' NOTES: The European Association of Craft, Small and Medium Sized Enterprises (UEAPME) is a Brussels-based umbrella group for associations of SMEs. It is a European Social Partner that has about 70 member organisations covering more than 12 million enterprises and 55 million employees. For further information please visit <http://www.ueapme.com/> or follow [@UEAPME](https://twitter.com/UEAPME) on Twitter.

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