



**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 Slovakia – a brief fact check:

There are approximately only 8 SMEs per 1000 inhabitants in Slovakia, which is considerably below the EU-27 average of almost 40 and the lowest value of all Member States (although this maybe partly due to the fact that also the overall number of businesses is relatively small). In line with this result, the relative economic importance of the SME sector in Slovakia (measured in terms of employment and value added) is smaller 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	30.703	72,7%	91,8%	120.813	13,0%	29,6%	1.623	10,7%	21,1%
Small	8.857	21,0%	6,9%	162.696	17,5%	20,6%	2.309	15,3%	19,0%
Medium	2.154	5,1%	1,1%	217.926	23,4%	16,8%	2.790	18,5%	17,8%
<b>SMEs</b>	<b>41.714</b>	<b>98,8%</b>	<b>99,8%</b>	<b>501.435</b>	<b>53,9%</b>	<b>67,1%</b>	<b>6.722</b>	<b>44,5%</b>	<b>57,9%</b>
Large	509	1,2%	0,2%	427.934	46,0%	32,9%	8.387	55,5%	42,1%

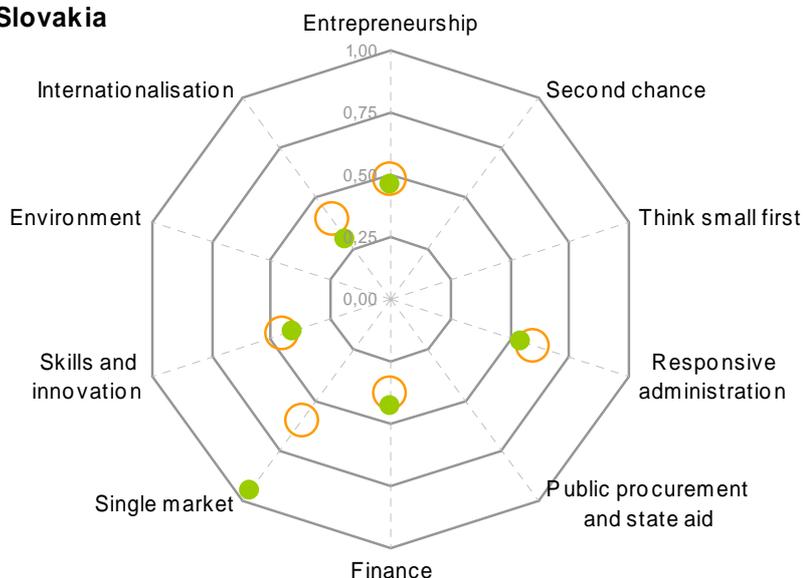
Source: Eurostat SBS data base, 2004 and 2005 data.

## 2. Slovakia's SBA profile<sup>1</sup>

Slovakia's profile is a mixed bag. There are categories in which the data available suggest strong performances (such as "Finance" and "Single market") juxtaposed with areas in which the scores are lower than the EU average (including "Internationalisation"). As for the indicators in the remaining four sections where no category-average could be calculated, Slovakia generally performs above average (for example "Second Chance" and "Public procurement and state aids"), although there is also a notable exception: "Environment".

○ EU average

● Slovakia



Source: European Commission, DG Enterprise

<sup>1</sup> 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:** The figures in this category place Slovakia in line with the EU average, which is mainly composed of underperforming indicators, with only two exceptions. One of them is the “Entrepreneurship rate” including already active or forthcoming entrepreneurs (24% to 23% for the EU-average). The other one is the perception of entrepreneurship as an opportunity (61% versus 58% in the EU).

**II. Second chance:** For the only indicator available in this bracket – the degree of support for allowing a second chance – Slovakia’s performance was slightly above the EU average (81% to almost 80%).

**III. Think small first:** There is not enough information for this section to allow the calculation of an average. The two existing indicators return inconclusive results as Slovakia performs above average regarding support among SMEs for current regulation, while the score for the time it takes to comply with administrative obligations points in the opposite direction (12% of total SME working time as opposed to the EU-average of 8%).

**IV. Responsive administration:** Overall, Slovakia is placed just below EU-average in this category. This rather balanced overall result, however, masks a rather heterogeneous picture when it comes to individual indicators. In a number of areas Slovakia performs quite well, including, for example, 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), hiring and firing conditions as well as the costs for registering property, where the country ranks first. In contrast to this, a number of indicators related to administrative costs show values below the EU-average. There is also a notable gap to the EU average as regards the availability of e-government services.

**V. Public procurement and State aid:** The two indicators in this section yield different results. While for the proportion of state aid devoted to SMEs, figures for Slovakia are slightly lower than the EU-average, the share of public procurement going to SMEs for Slovakia is among the highest within the EU (77% of the contract volume going to SMEs as opposed to 42% for the EU average).

**VI. Finance:** In this category Slovakia beats the EU average. However, this average is based on a somewhat patchier dataset than for most other

Member States. Favourable payment conditions, including a small share of lost payment and relatively short payment delays as well as a strong performance on the strength of legal rights index (9 on a scale from 0 - 10 with the EU-average at 6) help to lift the overall performance above the EU average. As regards the indicators with sub-average results, Slovakia features a relatively low amount of guarantee extensions to SMEs (7% to 18%). The share of Slovakian SMEs claiming to experience access to finance problems is significantly higher than the EU average (27% to 21%).

**VII. Single market:** Slovakia is the top performer in this category. All individual indications are well above the EU average. In fact, for two of them - the number of 2 years overdue directives and the share of SMEs exporting to the single market in all businesses - Slovakia is the top-performer in the EU (for the latter the respective figures are 8,7% for Slovakia and 2,8% for the EU-average) .

**VIII: Skills and innovation:** The available figures in this category for Slovakia are in line with the EU-average. On the level of individual indication, however, the storyline is more subtle. While almost all innovation-related indicators have values lower than the EU-average, the education and skills related ones are thoroughly above it (e.g. “participation rate in any learning activities in micro-enterprises” are almost 64% for Slovakia and 47% for the EU-average).

**IX: Environment:** The information gathered for this section suggests that there is room for improvements in Slovakia, as compared to the average situation in the EU countries. The figures on the share of SMEs applying simple energy saving measures, rank Slovakia lower than the rest of the EU. The average expenditure per Slovakian SME on environmental protection is considerably below the EU average (€777 versus €900).

**X: Internationalisation:** In this category the figures for Slovakia trail the EU-average. In general, most indicators describing its SMEs’ degree of internationalisation are above average (e.g. the average share in turnover from exports is 7% as opposed to 4,6% for the EU-average). These positive performances are, however, counterbalanced by the lower figures of those indicators that describe the administrative processes for exporting or importing (in both instances it takes twice as long in Slovakia, as compared to the EU-average). The somehow less



favourable conditions (as compared to the average situation in the EU) do not impede Slovakia's

SMEs sector to be fairly internationalised.

**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: Central Public administration Portal*

*The purpose of the project is to make both the services and information about services provided by the public administration accessible to citizens, entrepreneurs as well as public administration authorities through the internet and facilitate the provision of such services that way.*

*The portal provides not only electronic services, but also simple information – e.g. up-to-date instructions on how to solve particular situations, contacts to particular institutions. In addition, the goal is that the citizens and entrepreneurs handle their agenda only with a single institution which will obtain all necessary documents from other institutions in electronic form. As regards the public administration, the portal provides technical infrastructure which the public administration authorities may use when developing their e-services and serve as a single point from which they can easily offer their services to citizens.*

*For further information: [www.telecom.gov.sk](http://www.telecom.gov.sk)*

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