

SMEs do not recover as expected, and uncertainty is rising

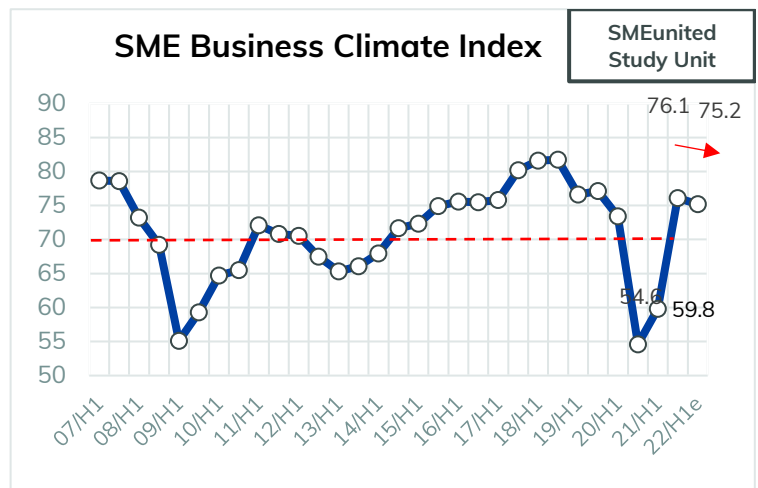
SME Business Climate scores 75.2%, slightly declining by 0.9%

Brussels, 15/03/22 – The SME Business Climate Index presented today shows that the recovery of SMEs came to a hold. Last semester's results lag significantly behind expectations, and uncertainty prevailed in forecasts even before the crisis in Ukraine. President Salminen pointed out that discouraging economic circumstances such as the spread of the new Covid-19 mutations, roaring energy prices and supply chain disruptions, were the main reasons for the weaker business confidence. SMEs in the services sector have been especially impacted by new Covid restrictions in autumn.

Presenting the main findings of the latest SME Barometer developed by the SMEUnited Study Unit, Economic & Fiscal Policy Director Gerhard Huemer showed that results lag far behind expectations, especially for turnover and investments. Furthermore, he pointed out that the survey was conducted before the invasion of Ukraine started, and the real situation for the current semester may be even bleaker than the expectations presented.

Indeed, already before the war, the outlook showed a high level of uncertainty about the future pandemic developments, the inflationary pressure and the possible continuation of the supply frictions.

Therefore, SMEUnited recommends that national and European policy should focus on easing sanctions on SMEs and stabilising energy and product markets to enable SMEs to overcome the high uncertainty caused by the Ukrainian war and the ongoing Covid crisis. This is a prerequisite for investments and reforms aiming to boost the green and digital transition.



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EDITORS' NOTES: SMEUnited is the association of Crafts and SMEs in Europe with 65-member organisations from over 30 European countries. SMEUnited represents national cross-sectoral Craft and SME federations, European SME branch organisations and associate members. Combined, we represent more than 22,5 million enterprises with around 82 million employees across Europe. SMEUnited is a recognised employers' organisation and European Social Partner. SMEUnited was formerly known as UEAPME.

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