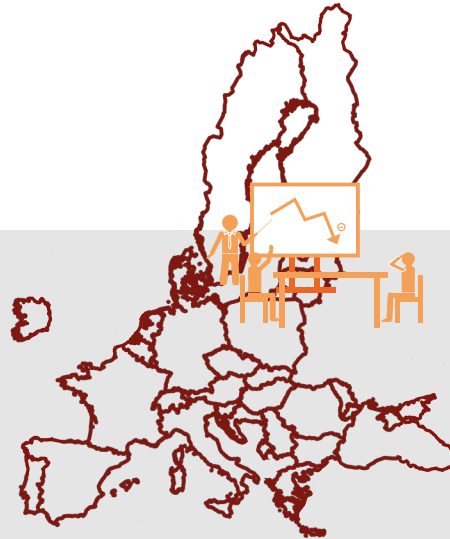
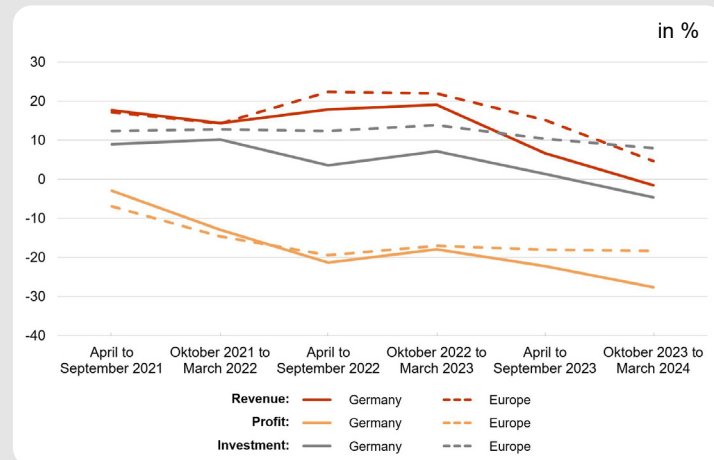


Current SME Development Indicator of the IfM Bonn

The economic situation of small and medium-sized Enterprises (SMEs) in Germany has developed significantly more negatively since the spring of 2023 compared to other European countries. By the beginning of 2024, the proportion of SMEs with declines in revenue, profit, and investments was considerably higher than the proportion of SMEs with increases in these three indicators.

SMEs in neighbouring European countries also experienced this negative trend; but their overall economic situation developed more favorably than in Germany.

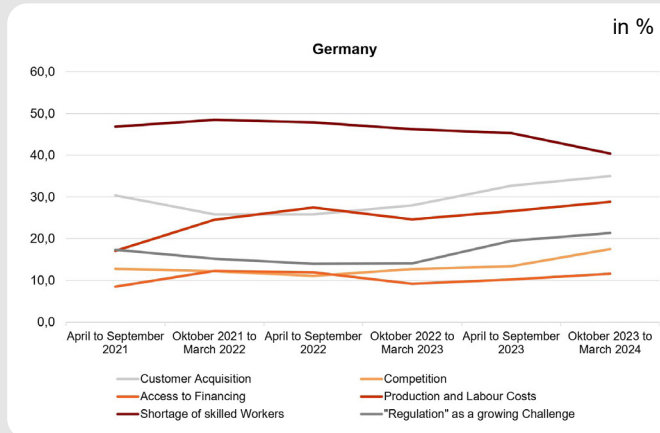
Difference in the proportion of SMEs with increased or decreased revenue, profit, and investments over the past 6 months



Problems are more significant in Germany than in other EU Countries

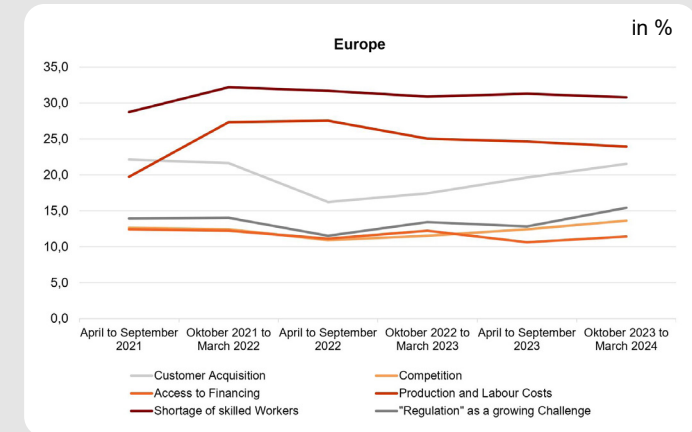
The shortage of skilled Workers is the most significant issue for SMEs in Germany, followed by the challenges of "customer acquisition" and "production and labor costs". Additionally, SMEs increasingly perceive "regulation" as a growing challenge.

Highly significant issues in Germany (2021-2024)



SMEs in neighbouring European countries also face these problems, but they are perceived as less significant than in Germany. In contrast, access to financing does not appear to be a major issue either in Germany or in the EU countries.

Highly significant issues in the EU region (2021-2024)



IfM Bonn uses the "Survey on the Access to Finance of Enterprises" (SAFE), which has been conducted since 2009 on behalf of the European Commission and the European Central Bank, to report semi-annually on the current economic situation and challenges faced by SMEs in Germany and selected EU countries.