

# motivaction

research and strategy

Is the current free-trade policy an opportunity or threat to SMEs in Slovenia?



schöpflin stiftung :

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As commissioned by the Schöpflin Stiftung, Motivaction International B.V. has surveyed SMEs on the impact of the forthcoming EU trade agreements on SMEs in France, Belgium, the Netherlands, Lithuania and Slovenia.

The Schöpflin Stiftung is an independent, non-profit foundation, established under German civil law. It is committed to building a better future for the younger and future generations in the areas of education, prevention of drug addiction, and fostering civil society. It develops its own projects in the region of Lörrach and also supports organizations in several European countries as an active grant-making foundation.

As part of its “Fair and Sustainable Economy” programme, the Schöpflin Stiftung supports the Fair Economy Alliance, a European network of SME initiatives concerned about fairness and sustainability in international trade. The Stiftung and the Fair Economy Alliance closely monitor the negotiations of trade agreements between Europe and the USA known as the Transatlantic Trade and Investment Partnership (TTIP) and between Europe and Canada known as the Comprehensive Economic and Trade Agreement (CETA). In principle they are in favour of free trade; the regulations that could emerge from TTIP and CETA might however primarily benefit large multinationals and neither small and medium-sized enterprises (SMEs), nor the environment, nor the consumer.

In 2015, a survey was conducted in Germany amongst German SMEs reviewing the opportunities and the risks that TTIP might mean for SMEs in Germany. A further similar survey of British SMEs followed early in 2016. In order to gain a broader view of the opinion and attitude of SMEs across Europe, this research has been repeated, this time in France, Belgium, the Netherlands, Lithuania and Slovenia.



## **Slovenian SMEs expect relative negative effects of the trade agreements on SMEs as a whole, large countries and the Slovenian economy**

- In general Slovenian SMEs surveyed relatively often expect the TTIP agreement and the CETA agreement to have negative effects on the Slovenian SMEs (23% very and 21% fairly negative for TTIP; 21% very and 22% fairly negative for CETA). Almost one third expect no effects and two out of ten expect a fairly positive effect on Slovenian SMEs. There is hardly any difference on the opinion to these statements when looking at international trade or company size.
- When it comes to the effect of CETA on large companies, 37% expects this to be positive (19% very, 18% fairly), and 37% expects it to be negative (7% very, 30% fairly). The effect of TTIP on the large Slovenian companies are expected to be a bit more negative: 46% thinks these effects will be negative (16% very, 30% fairly) and 31% expects it to be positive (3% very, 28% fairly).
- When looking at the effect on the Slovenian economy, around a quarter of the SMEs surveyed expect no effect of both TTIP and CETA. The effect of TTIP on the Slovenian economy is expected to be slightly more negative than the effects of CETA: 32% expects a positive effect from CETA (2% very, 30% fairly) opposed to 24% from TTIP (0% very, 24% fairly). 37% expects a negative effect from CETA (16% very, 21% fairly) opposed to 44% from TTIP (14% very, 30% fairly).

## **In general, Slovenian SMEs surveyed are divided about the potential impact they expect on their own business**

- Five to six out of ten of the SMEs surveyed do not expect effects from the trade agreements on their own sector and company.
- When presenting different statements about potential impacts of the trade agreements, asking the SMEs to indicate whether this applies to their company around half the Slovenian SMEs surveyed do not expect the positive impacts of TTIP and CETA to apply to their company: 52% of the SMEs surveyed does not expect it would be easier to develop new foreign markets and 58% thinks foreign direct investments would not become more secure. Half of the SMEs surveyed also do not think that the purchasing of intermediate goods would improve (50%). There is hardly any difference on the opinion to these statements when looking at international trade or company size.



## SMEs who expect to benefit from trade agreements, generally also acknowledge the side effects

- Like the presented positive effects, a substantial part of the Slovenian SMEs also do not expect the presented negative impacts of the trade agreements to apply to them: 50% does not believe that competitive pressure in general would noticeably increase (50%) or that there would be a noticeable increase in competition from large, international companies (50%). A majority of 64% does not expect their company to have problems in withstanding the resulting tougher competition. Another large majority of the Slovenian SMEs think the impact of becoming more increasingly dependent on a specific client, production chain or market would not apply to their company (64%).
- The table below compares SMEs who feel the negative effects apply to their company with the SMEs who expect the positive effects. To generate the figures, the answers to the statements concerning positive effects are combined, as well as the answers to the statements concerning the negative effects.

Negative vs positive effects	Expects positive effect (at least 1 out of 3 presented positive effects applies fully to their company) (No.=27)	Expects only fairly positive or less effect of the presented statements (No.=108)	All (No.=135)
Expects negative effect (at least 1 out of 4 negative effects fully applies to their company)	63%	23%	31%
Expects only fairly negative or more effect of the presented statements	32%	79%	69%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



## **Slovenian SMEs surveyed attach great importance to the protection of data, intellectual property and the alignment of technical regulations.**

- The protection of company and customer data (73%) and protection of intellectual property (65%) are regarded as very important aspects to their companies. Slovenian SMEs surveyed also see great importance in the alignment of technical regulations, standards and norms (64%).
- A slight majority of the Slovenian SMEs find access to information about requirements and conditions in foreign markets (60%), competition rules to limit the market power of individual companies (55%) and the protection of regional brand names and product designations (53%) to be important.
- Slovenian companies attach relatively less importance to aspects related to foreign markets. Investor-state arbitration tribunals are only seen as important by 40% of the Slovenian SMEs, 53% does not find these important. A division can be seen regarding the access to public procurement contracts and discriminatory access to public courts in foreign markets. For both aspects about half of the Slovenian SMEs finds these important and the other half does not.



Slovenian SMEs are divided about the consequences concerning the abolition of customs duties, alignment of technical regulations and investor-state arbitration procedures.

## Abolition/reduction of customs duties

- Slovenian companies are divided on whether they will benefit from a possible abolition or reduction of customs duties.
- 46% thinks this would be beneficial for their company, 43% does not.
- At the same time, 35% thinks that an abolition or reduction would pose a threat, 53% does not.

## Alignment of technical regulations, standards and norms

- Again Slovenian SMEs are divided on whether they will benefit from the alignment of technical regulations, standards and norms. 44% expects they will, 44% expects they will not.
- Almost half Slovenian SMEs do not expect the regulatory bodies will help to improve the quality of standards (47%).
- Most importantly, two thirds of the Slovenian companies agree that such technical regulations, standards and norms should not be laid down in bilateral agreements like TTIP and CETA.

## Investor-state arbitration procedures

- 46% of Slovenian SMEs do not consider investor-state arbitration tribunals important instruments for their company.
- A majority of 64% expects such arbitration procedures to favour foreign companies and limit the government.
- 43% expects the extra-judicial bodies such as ISDS or ICS to undermined the rights of their company.



**Trade agreements, like TTIP and CETA, can have an impact on micro- as well as macroeconomic level of the Slovenian economy. In general, Slovenian SMEs surveyed expect rather negative effects on Slovenian SMEs and a national level.**

- Slovenians SMEs expect that TTIP and CETA have mostly negative effects on SMEs like theirs in Slovenia (respectively 44% and 43%). At the same time, a majority of the SMEs surveyed expect no impact on their own company (both 61%). The SMEs also expect no impact of the trade agreements on their own sector (respectively 54% and 65%).
- When it comes to the effect of CETA on the Slovenian country and large Slovenian companies the SMEs surveyed are equally divided: 37% expects the effects on the large Slovenian companies to be positive, and 37% expects it to be negative. The effect of TTIP on the large Slovenian companies are expectedly more negative: 46% thinks these effects will be negative and one-third expects them to be positive.



## Knowledge about TTIP and CETA is poor.

- Most Slovenian SMEs have none or limited knowledge about either the TTIP and CETA (and TiSA) agreement. Almost three-fourths the companies state that they do not feel (very) informed.
- 14% does not feel informed at all about the CETA agreement and 19% about TTIP. For both agreements a quarter feels fairly to very informed.
- Those who have no knowledge about the TTIP agreement also do not feel informed about the CETA agreement, and vice versa.



## An overwhelming majority of Slovenian SMEs surveyed would welcome more information about trade agreements.

- 91% would welcome more information. A mere 9% state that they would not prefer this.
- The most preferred sources of information among Slovenian SMEs surveyed are: business associations (64%), European institutions (41%). They would also quite often welcome information from the Slovenian government (34%).



## More than half of the Slovenian SMEs does not feel sufficiently considered in the negotiation of TTIP and CETA.

- 63% feels the interests of Slovenian SMEs have not been sufficiently considered, at the same time 27% does feel that their interest has been sufficiently considered in such negotiations and in the decision-making processes.



### TTIP



Of SMEs feel  
(very) informed



Of SMEs feel  
(not at all)  
informed

### CETA



Of SMEs feel  
(very) informed



Of SMEs feel  
(not at all)  
informed

## Import:

- 49% of the companies surveyed import goods and/or services from abroad. Due to an oversampling of small and medium-sized companies, this however does not represent the actual number of importing SMEs.\*
- EU member states and EFTA countries are the main suppliers of these goods. 68% of the companies consider these markets important for their trade.
- On average, imports represent 43% of the total costs of surveyed companies.



## Export:

- Exporting goods and/or services is a little less common for Slovenian SMEs than importing. 39% of the companies generate revenue from exports. Due to an oversampling of medium-sized companies, this average does not reflect the actual number of exporting SMEs.\*
- On average, this revenue represents 52% of the total revenue of these companies.
- As with imports, the main foreign markets are: other EU member states and EFTA countries. Half of the exporting Slovenian SMEs consider this region important (51%).

*\* For the exact figures see slide 12*





The main fieldwork was conducted in the period October 24th to November 6th 2016 (panel respondents).

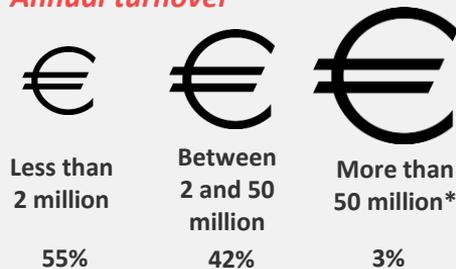
Participation via a generic link was possible into December 2016.

Total number of respondents = 135

## Company size



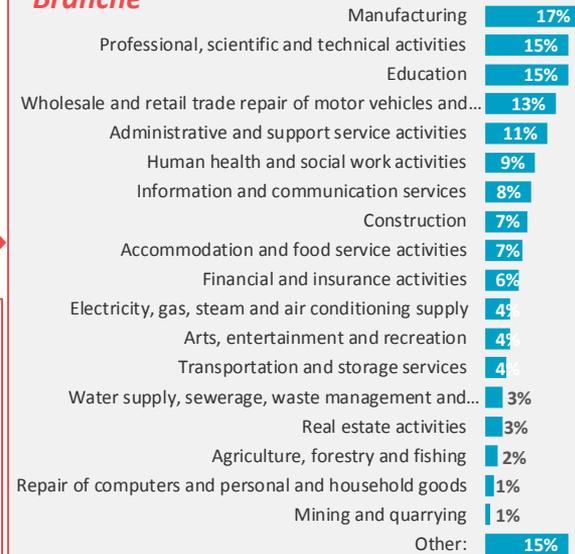
## Annual turnover



\* The definition of SMEs established by the European Commission is 'enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million'. This study limits the definition to 'organisations with up to 250 employees'. Therefore, as shown on this sheet, a small number of companies surveyed do have an annual turnover that exceeds 50 million. This will be further explained in the appendix.

\*\* Due to rounding, the percentages do not always add up to 100%

## Branche



Company size vs. Annual turnover	One sized SMEs	1 to 9	10 to 49	50 to 250	All
Less than €2 million	91%	95%	45%	18%	55%
Between €2 and €50 million	0%	5%	55%	76%	42%
More than €50 million	9%	0%	0%	7%	3%
<b>Total</b>	<b>No. = 11</b>	<b>No. = 41</b>	<b>No. = 38</b>	<b>No. = 45</b>	<b>No. = 135</b>

GREEN = overrepresented  
ORANGE = underrepresented

## Does this study represent the total SME population in Slovenia?

The tables in this sheet show that the SMEs surveyed do not match the SME population concerning class size. In the survey sample the number of micro, small and medium-sized enterprises are practically evenly divided. Therefore the number of micro enterprises in our sample is underrepresented and the numbers of small and medium-sized enterprises overrepresented. This over representation of medium enterprises and SMEs with international profile in the sample, might generate a small pro trade bias in the results. However, because of the even division of the class size in our sample, we are able to explore the results within these different class sizes in this report.

When looking at the sector distribution, the comparison is an indication of the SMEs representation. In the survey sample SMEs could classify themselves into multiple sectors. Also the numbers of the repair of household goods, agriculture, insurance, health, education and arts are not available in our information source.



Class size	Number of SMEs in Slovenia			Survey Sample	
	Slovenia		EU28	Survey	
	Number	Share	Share	Number	Share
Micro (0-9 employees)	124 746	95 %	93%	52	38 %
Small (10-49 employees)	5 482	4 %	6%	38	28 %
Medium-sized (50-250 employees)	1 082	1 %	1 %	45	34 %
<b>Total</b>	<b>131 310</b>	<b>100 %</b>	<b>100 %</b>	<b>135</b>	<b>100 %</b>

Sector	Number of SMEs by sectors, 2015 estimates		Survey Sample	
	Number	Share	Number	Share
Mining & quarrying	97	0,1%	1	0,7%
Manufacturing	18 715	14%	23	17%
Electricity, gas	1 550	1%	6	4%
Water supply, sewerage, waste management	404	0,3%	4	3%
Construction	18 223	14%	10	7%
Distributive trades	26 193	20%	17	13%
Transportation & storage	8 425	6%	5	4%
Accommodation & food services	10 510	8%	9	7%
Information & communication	8 182	6%	11	8%
Real estate	2 459	2%	4	3%
Professional, scientific & technical activities	29 901	23%	20	15%
Administrative & support services	6 651	5%	15	11%
Other (repair, agriculture, insurance, health, education, arts)	n.k	n.k.	167	27%
<b>Total</b>	<b>131 310</b>	<b>100%</b>	<b>135</b>	<b>100%</b>

Source: <http://ec.europa.eu/DocsRoom/documents/20302>

GREEN = overrepresented  
ORANGE = underrepresented



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|--|----------------|
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## **Appendix**

**- Knowledge about TiSA**

## Alignment of technical regulations, standards and norms are important to Slovenian SMEs surveyed



**Both exporting and importing SMEs** relatively often feel these aspects are important to their company:

- The improvement in customs procedures (resp. 72% and 73%, opposed to 38% non-exporting and 33% non-importing SMEs).
- The alignment of technical regulations, standards and norms (resp. 75% and 77%, opposed to 57% non-exporting and 48% non-importing SMEs).

SMEs with an **annual turnover** between 2 and 50 million feel these aspects are relatively more important to their company than SMEs with an annual turnover below 2 million.

- The improvement in customs procedures (67% vs. 45%).
- The elimination of tariffs and quantitative restrictions (63% vs. 39%).
- The alignment of technical regulations, standards and norms (77% vs. 55%).

How important are the following aspects from the perspective of your company?

**Improvement in customs procedures (e.g. border crossing documents, certification, licensing procedures)**

Total (No.=135)



**Elimination of tariffs and quantitative restrictions (e.g. quotas, licenses)**

Total (No.=135)



**Alignment of technical regulations, standards, and norms (e.g. units of measurement, calculation methods)**

Total (No.=135)



■ Not at all important ■ Not very important ■ Fairly important ■ Very important ■ Do not know



## 6 out of 10 Slovenian SMEs surveyed consider access to information about requirements and conditions in foreign markets to be important



**Both exporting and importing SMEs** relatively often feel these aspects are important to their company:

- The access to information about requirements and conditions in foreign markets (resp. 77% and 76%, opposed to 46% non-exporting and 38% non-importing SMEs).
- Access to public procurement contracts in foreign markets (resp. 66% and 59%, opposed to 42% non-exporting and 39% non-importing SMEs).

**Medium-sized companies** relatively often feel that access to public procurement contracts in foreign markets are relatively important to their company (67%, opposed to 44% to smaller companies).

How important are the following aspects from the perspective of your company?

### Access to information about requirements and conditions in foreign markets

Total (No.=135)



### Access to public procurement contracts in foreign markets

Total (No.=135)



### Competition rules to limit the market power of individual companies

Total (No.=135)



■ Not at all important ■ Not very important ■ Fairly important ■ Very important ■ Do not know

Also, companies with an **annual turnover** between 2 and 50 million more often than companies with an annual turnover below 2 million, feel that access to information about requirements and conditions in foreign markets (70% vs. 51%) and access to public procurement contracts in foreign markets (72%, opposed to 35% to smaller companies) are relatively important to their company .

## Slovenian SMEs surveyed attach great importance to protection of data and intellectual property

→ Nine out of ten **exporting SMEs to which foreign regions outside the EU are fairly to very important locations for their products and services** feel the protection of their companies own data and customer data is fairly to very important to their company.

How important are the following aspects from the perspective of your company?

### Protection of regional brand names and product designations



### Protection of intellectual property



### Protection of a company's own data and customer data



■ Not at all important ■ Not very important ■ Fairly important ■ Very important ■ Do not know

## Different views exist regarding the importance of investor-state arbitration tribunals as well as non-discriminatory access to public courts in foreign markets



Two third of the **exporting SMEs to which foreign regions outside the EU are fairly to very important locations for their products and services** feel both investor-state arbitration tribunals for enforcing claims to compensation of foreign companies and national companies abroad and non-discriminatory access to public courts in foreign markets are important to their company

How important are the following aspects from the perspective of your company?

**Investor-state arbitration tribunals for enforcing claims for compensation of foreign companies and national companies abroad**

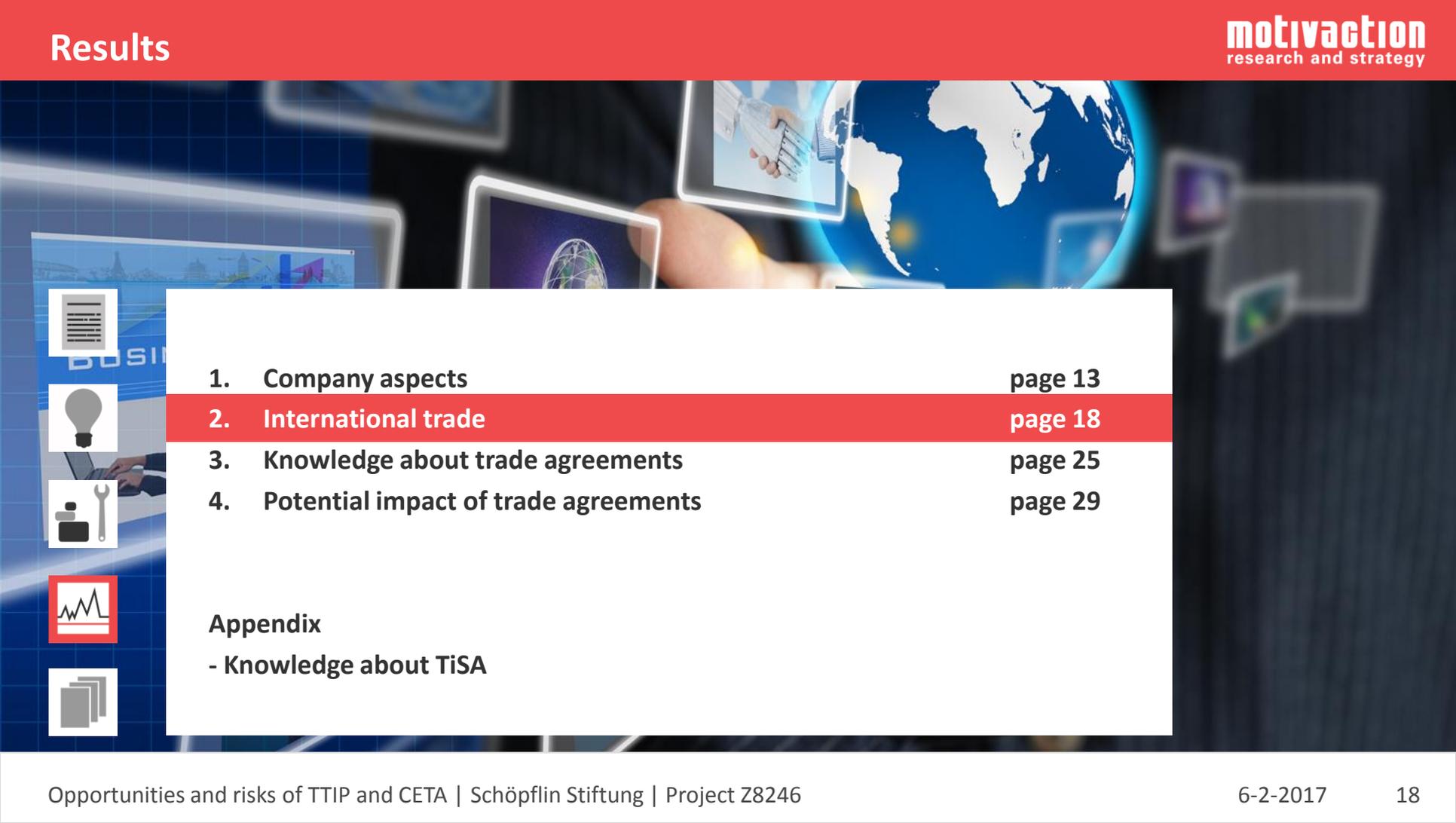


**Non-discriminatory access to public courts in foreign markets**



■ Not at all important ■ Not very important ■ Fairly important ■ Very important ■ Do not know

SMEs with an **annual turnover** between 2 and 50 million relatively often feel that non-discriminatory access to public courts in foreign markets is important to their company: 61% opposed to 39% according to companies with an annual turnover lower than 2 million.

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## Appendix

- Knowledge about TiSA

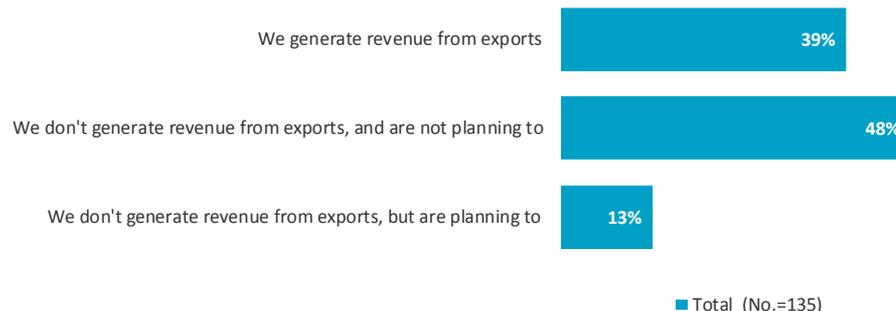
Earlier in this report (sheet 11) we explained that the survey sample contains an overrepresentation of small and medium-sized companies. This overrepresentation also translates into a relatively large amount of exporting SMEs in the survey sample: 39% of Slovenian SMEs surveyed are currently generating revenue from export.

On average, export represent 52% of the total revenue.

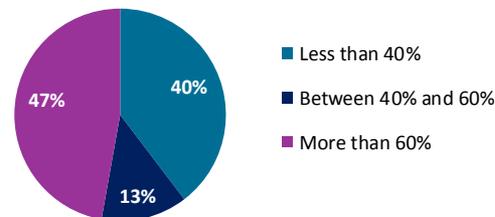
**Medium-sized companies** (53 %, opposed to 32% of smaller companies) and SMEs with an **annual turnover** between 2 and 50 million (60%, opposed to 32% of SMEs with an annual turnover below 2 million) relatively often generate revenue from exports.



What share of the total revenue of your company (goods and services) do exports represent?



What share of the total revenue of your company do exports represent? *Those who generate revenue from export (No.=53)*

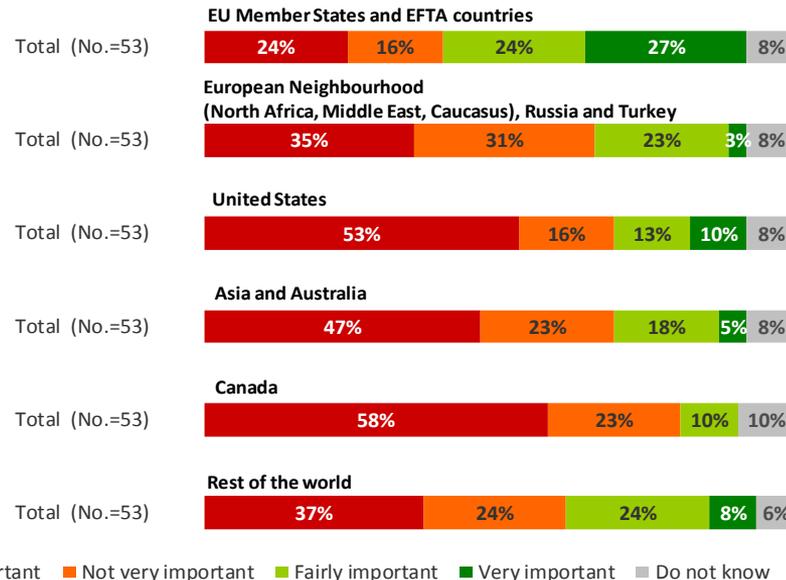


**EU Member States and EFTA countries are the most important markets for Slovenian products and services of the surveyed Slovenian SMEs.**

The 'Rest of the world' (32%) is the second most important selling market, closely followed by the the European Neighbourhood (26%), Asia and Australia (23%), the United States (23%) and Canada (10%).

Canada clearly is the least important export region the surveyed exporting SMEs. None of these company actually identifies Canada as a very important selling market.

What importance do the following regions currently have as markets for your products and/or services? Asked to SMEs who generate revenue from export





The 17 SMEs surveyed who do not generate revenue from export, but are planning to, show a similar interest in geographical markets as surveyed exporting SMEs



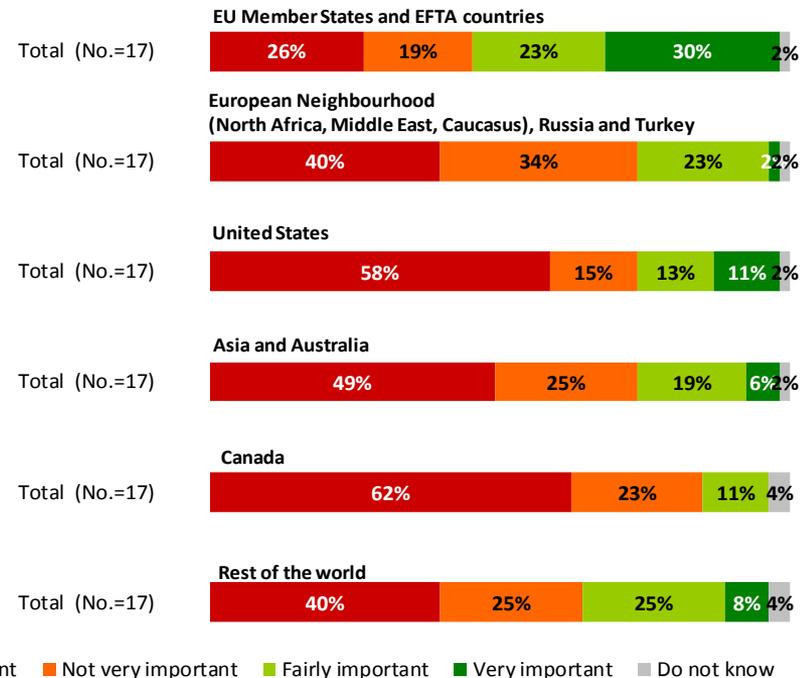
They also expect EU Member States and EFTA countries to have the most importance as locations for their products and/or services in the future (53%), followed by the rest of the world (33%), the European Neighbourhood (25%), Asia and Australia (25%), the United States (24%) and Canada (15%).



***The amount of SMEs surveyed is too small to make reliable statements.***



What importance do you expect the following regions to have as locations for your products and/or services?  
Asked to SMEs who do not generate revenue from export but are planning to





49% of the Slovenian SMEs surveyed have costs from imports. On average, the imports represent 43% of the total revenue.



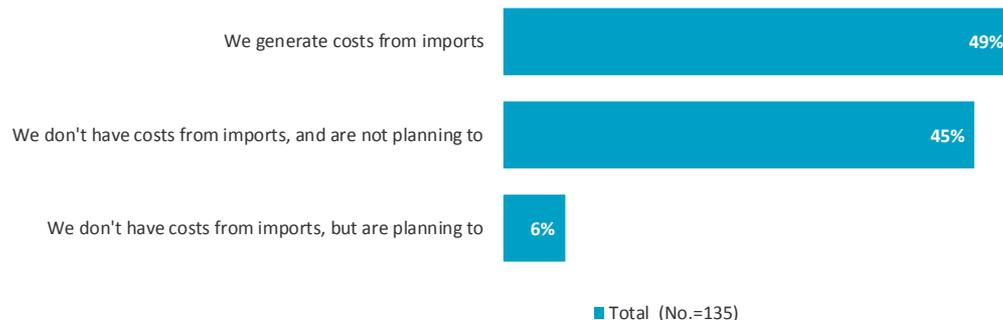
SMEs with an **annual turnover** between 2 and 50 million relatively often have costs from imports: 60%, opposed to 24% of SMEs with an annual turnover below 2 million.



83% of the SMEs surveyed who **generate revenue from export**, also **have costs from import**.

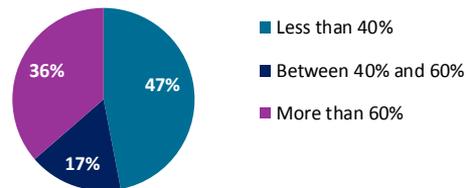


## What share do imports represent in the total costs of your company (goods and services)?



## What share of the total revenue of your company do imports represent?

*Those who have costs from import (No.=66)*

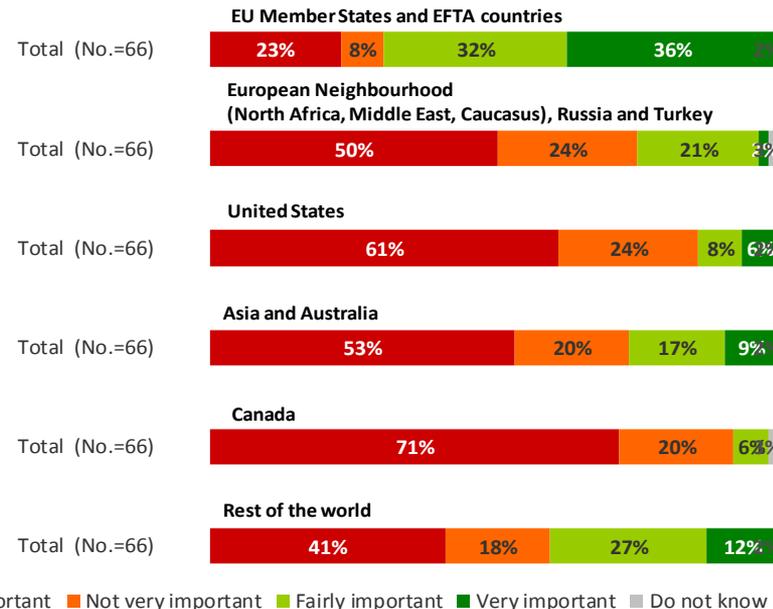


## EU Member States and EFTA countries are the most important suppliers for Slovenian products and services of the surveyed Slovenian SMEs

The 'Rest of the world' is the second most important supplying region (39%), followed by Asia and Australia (26%), the European neighbourhood (23%), the United States (14%) and Canada (6%).

Canada clearly is the least important supplying region to the surveyed importing SMEs. None of these company actually identifies Canada as a very important.

What importance do the regions named below currently have as suppliers for your products and/or services? Asked to SMEs who have costs from import





The 8 SMEs surveyed who do not have costs from import, but are planning to, show a similar importance to the different regions as surveyed importing SMEs.



They also expect EU Member States and EFTA countries to have the most importance as supplying region.



***The amount of SMEs surveyed is too small to make reliable statements***



What importance do you expect the regions named below to have as suppliers for your products and/or services?

Asked to SMEs who do not have costs from import but are planning to

**EU Member States and EFTA countries**



**European Neighbourhood (North Africa, Middle East, Caucasus), Russia and Turkey**



**United States**



**Asia and Australia**



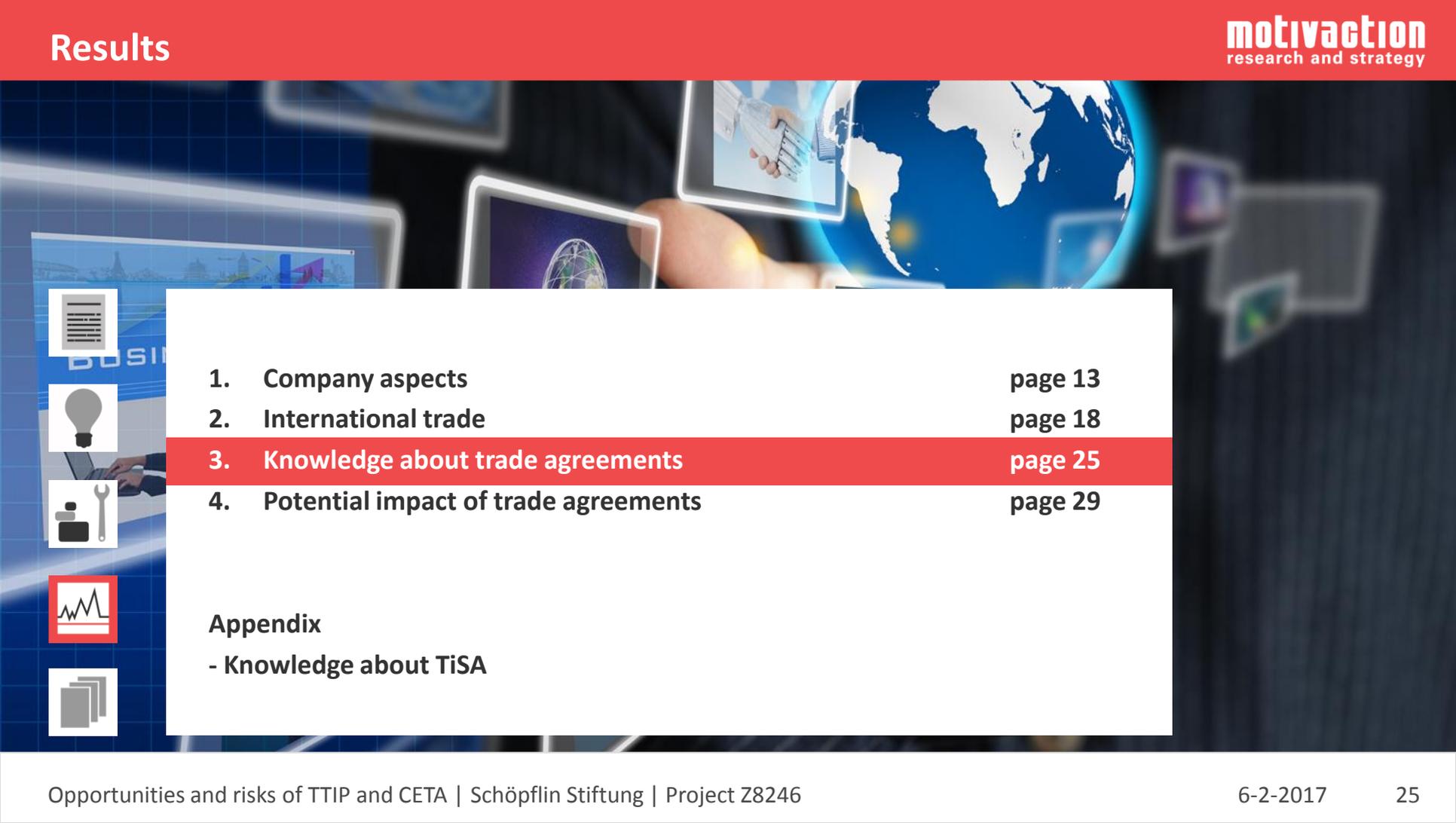
**Canada**



**Rest of the world**



■ Not at all important  
 ■ Not very important  
 ■ Fairly important  
 ■ Very important  
 ■ Do not know

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## Appendix

- Knowledge about TiSA

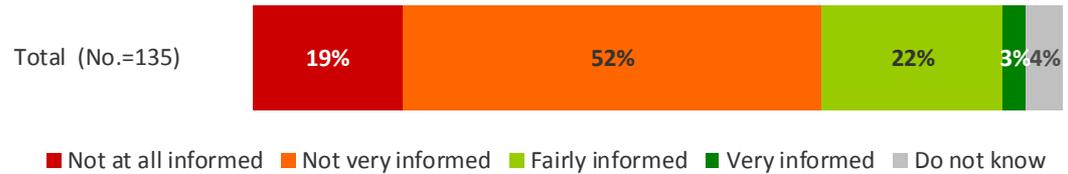
## Slovenian SMEs surveyed do not feel informed about TTIP

52% of the surveyed Slovenian SMEs state they are not very informed about TTIP and 19% state that they are not informed at all.

Only 3% state that they are very informed about TTIP.

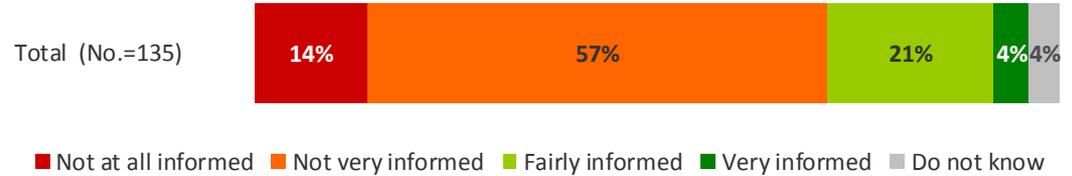
There is hardly any difference in knowledge when looking at international trade or company size.

In general, how informed do you feel you are/ your company is about the EU-United States Transatlantic Trade and Investment Partnership (TTIP)?



## Slovenian SMEs surveyed do not feel informed about CETA

In general, how informed do you feel you are/ your company is about the EU-Canada Comprehensive Economic and Trade Agreement (CETA)?



Of the SMEs surveyed the majority state that they are not very informed about CETA (57%). 14% state that they are not informed at all.

4% feel very informed about CETA.

There is hardly any difference in knowledge when looking at international trade or company size.



Slovenian companies surveyed would welcome information about the agreements the most from business associations (64%) and European Institutions (41%).

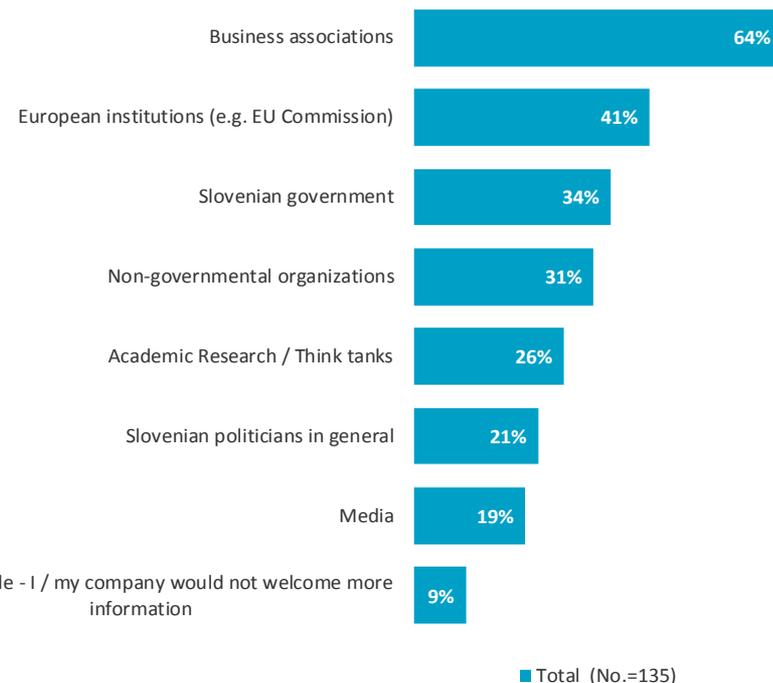
One-third would welcome information from the Slovenian government (34%) or non-governmental organizations (31%).

9% of the companies surveyed would not welcome (more) information about the agreements.

➔ **Non-exporting** SMEs relatively often prefer information from Slovenian politicians (32%, opposed to 13% exporting SMEs).

**Exporting** SMEs on the other hand less often prefer information from non-governmental organisations (19%, opposed to 37% non-exporting SMEs).

From which bodies would your company welcome information?





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## Appendix

- Knowledge about TiSA

## Almost 4 out of 10 Slovenian SMEs surveyed think that trade agreements will have a positive impact on developing foreign markets, purchasing intermediate goods and foreign direct investments



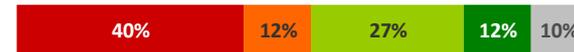
➔ **Both importing and exporting SMEs** tend more often to think there would be a noticeable increase in competition from large international companies (44% and 43%, opposed to 28% non-importing and 29% non-exporting SMEs).

➔ **Importing SMEs** tend to believe the purchasing of intermediate goods would improve (42%, opposed to 28% non-importing SMEs).

Considering the potential impact of these trade agreements, which of the following statements apply to your company?

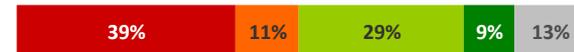
**It would be easier to develop new foreign markets**

Total (No.=135)



**The purchasing of intermediate goods would improve**

Total (No.=135)



**Foreign direct investment would be more secure**

Total (No.=135)



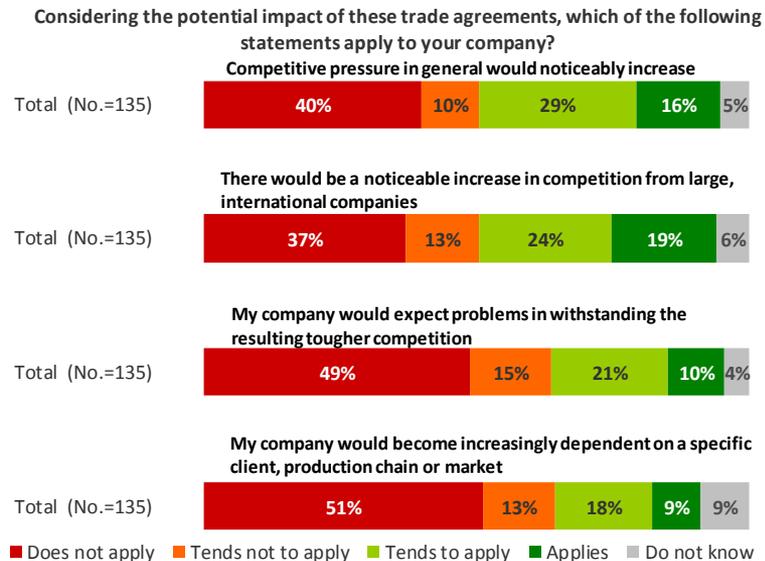
■ Does not apply ■ Tends not to apply ■ Tends to apply ■ Applies ■ Do not know

**Half** Slovenian SMEs surveyed do not think that competitive pressure in general would noticeably increase or that there would be a noticeable increase in competition from large, international companies.

Most SMEs surveyed do not think that their company would expect problems in withstanding the resulting tougher competition (64%) or would become increasingly dependent on a specific client, production chain or market (64%). This might indicate they do not anticipate on these matters to happen and therefore might not be to their concern.

### Importing SMEs less often feel:

- Competitive pressure in general would noticeably increase (30%, opposed to 53% non-importing SMEs).
- There would be a noticeable increase in competition from large, international companies (28%, opposed to 52% non-importing SMEs).
- Their company would expect problems in withstanding the resulting tougher competition (18%, opposed to 38% non-importing SMEs).
- Their company would become increasingly dependent on a specific client, production chain or market (16%, opposed to 32% non-importing SMEs).



## SMEs as a whole are expected to suffer the most negative effects from TTIP

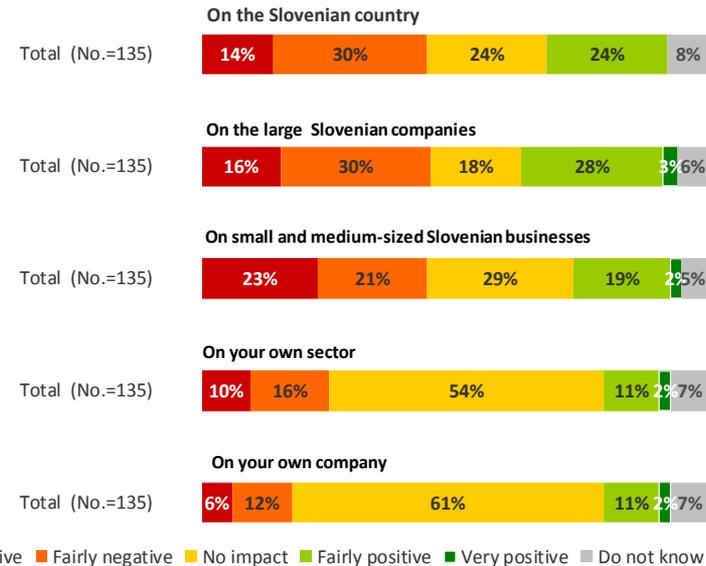
Slovenian SMEs surveyed also the TTIP agreement will have a (fairly) negative effect on the Slovenian economy (34%), large Slovenian companies (36%).

Most do not expect that TTIP will have an impact on their own sector (54%) or on their own company (61%).

**Smaller companies** (0-50 employees) tend to expect more negative effects on SMEs as a whole than medium-sized SMEs. This effect however, can not be statistically underpinned.



What effects do you expect in general from the possible conclusion of the Transatlantic Trade and Investment Partnership (TTIP) between the EU and the United States?



SMEs feel both CETA and TTIP affect the economy and the big companies, but predominantly do not expect an effect on their own sector or company.

SMEs surveyed expect a more negative effect positive effect of CETA on small and medium-sized Slovenian businesses as a whole (43% vs 22%).

SMEs with an **annual turnover** below 2 million expect a more pronounced negative effect of CETA on the Slovenian economy (23% very negative opposed to 9% of companies with a turnover between 2 and 50 million) and on large companies (26% vs. 12%).

➔ **Exporting SMEs** more often expect a positive effect on their own company (25% opposed to 9% non-exporting SMEs).

What effects do you expect in general from the possible conclusion of the Comprehensive Economic and Trade Agreement (CETA) between the EU and Canada?



46% of the SMEs surveyed do not think that their company will benefit from the abolition or reduction of custom duties. This is contrasted to 53% who think it poses a threat.



When looking at **exporting SMEs to which foreign regions outside the EU are fairly to very important selling markets for their products and services**, around two third feel their company would benefit from the abolition or reduction of customs duties and around half feel the abolition or reduction of customs duties in the context of TTIP and/or CETA poses a threat.

What effects do you expect from selected regulations in the context of new possible trade agreements?

**My company will benefit from the abolition or reduction of customs duties**

Total (No.=135)



**The abolition or reduction of customs duties in the context of TTIP and/or CETA poses a threat**

Total (No.=135)



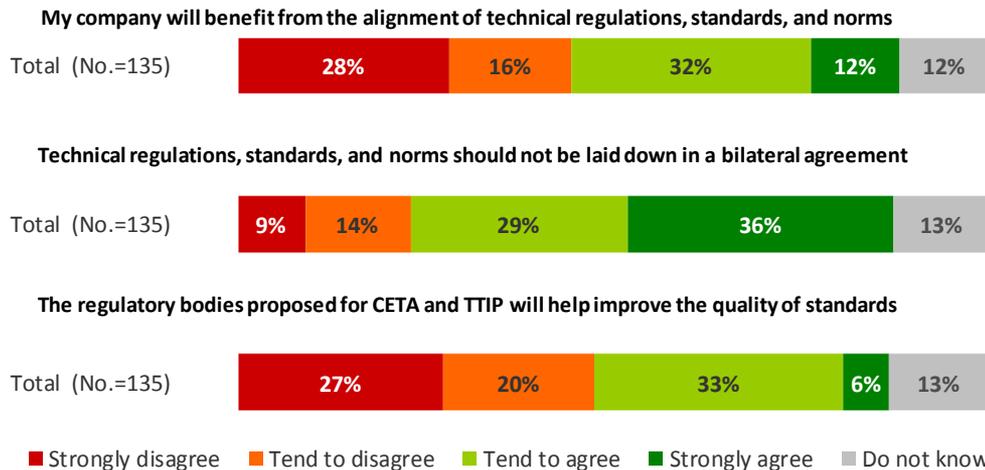
■ Strongly disagree ■ Tend to disagree ■ Tend to agree ■ Strongly agree ■ Do not know

Most companies do feel technical regulations, standards and norms should not be laid down in a bilateral agreement.



**Both exporting and importing SMEs** relatively often feel their company will benefit from the alignment of technical regulations, standards, and norms (resp. 55% and 55%, opposed to 37% non-exporting and 30% non-importing SMEs).

What effects do you expect from selected regulations in the context of new possible trade agreements?



Surveyed Slovenian SMEs believe that investor-state arbitration procedures favor foreign companies and might limit the government.



**Smaller companies** less often feel investor-state arbitration tribunals are important instruments for their company (36% opposed to 51% of medium sized companies)

What effects do you expect from selected regulations in the context of new possible trade agreements?

**Investor-state arbitration tribunals are important instruments for my company**



**Extra-judicial bodies such as ISDS or ICS undermine the rights of my company**



**Investor-state arbitration procedures favour foreign companies and might limit the government**



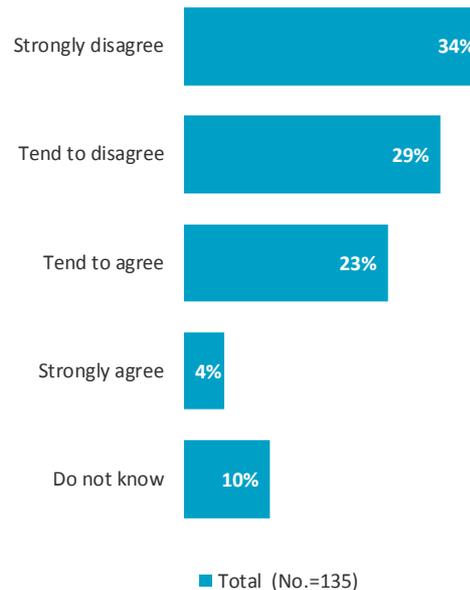
■ Strongly disagree  
 ■ Tend to disagree  
 ■ Tend to agree  
 ■ Strongly agree  
 ■ Do not know

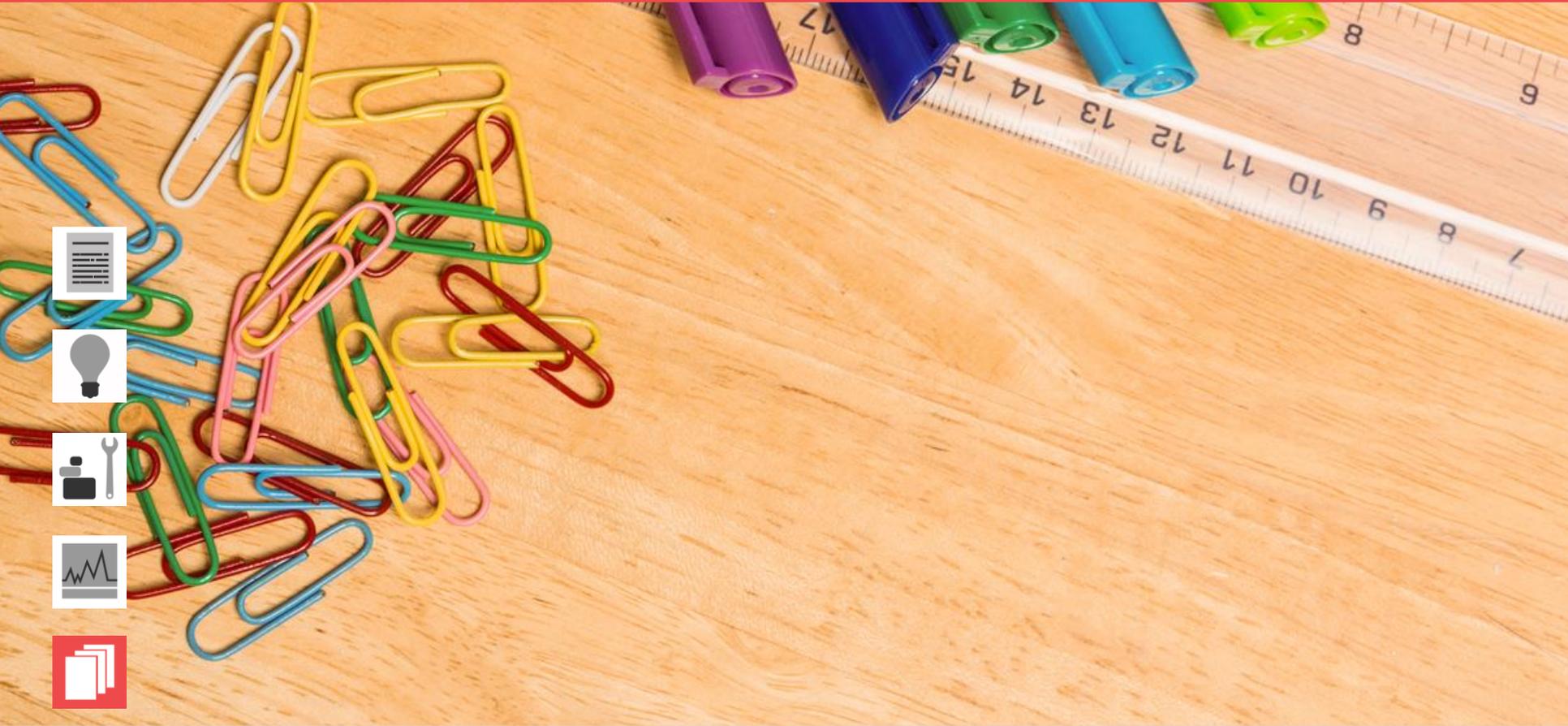
The majority of the SMEs surveyed feel that the interest of Slovenian SMEs in general are not sufficiently considered when international trade deals are negotiated and/or agreed upon (63% disagrees).



Especially **smaller companies** feel the interest of SMEs are not sufficiently considered (70% disagrees opposed to 49% medium-sized companies).

To what extent do you agree or disagree with the following statement?  
I feel the interests of Slovenian SMEs in general are sufficiently considered when international trade deals are negotiated and/or agreed upon





In general, how informed do you feel you are/ your company is about the Trade in Services Agreement (TiSA)?

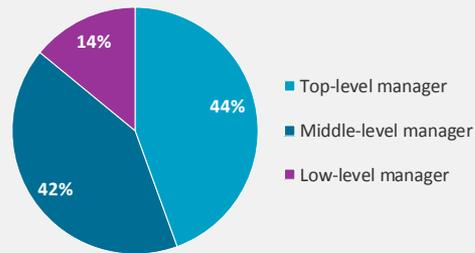


Slovenian SMEs surveyed do not feel well informed about the TiSA. 51% state that they are not very informed and even 25% state that they are not at all informed. Only 4% state that they are very informed.

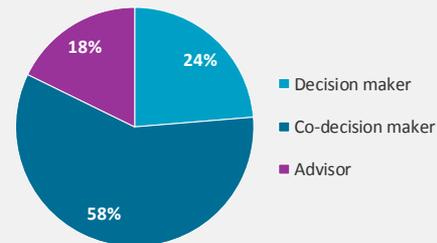


## Who participated in the survey?

### Position in the organisation



### Responsibility for management, finance, purchasing or sales



## SME definition

The EU SME definition is 'enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million'. This SME definition is designed to target particular enterprises in relation to EU funding and state-aid. The SME definition incorporates aspects of linkages, ownership and partnership with larger enterprises as well as a certain degree of flexibility between annual turnover and balance sheet total during different years. This is evidently beyond the scope of the current survey and hence total size remains our most reliable indicator. Further survey could benefit from utilizing the full classifying restrictions on SMEs.

Extensive information on the definition of SMEs is described in the document 'User guide to the SME Definition':

<https://www.rijksoverheid.nl/documenten/brochures/2014/05/01/handleiding-definitie-mkb>

4 of the 135 companies surveyed (3%) have an annual turnover above the SMEs threshold of 50 million Euro. Excluding these companies does not lead to significant different results in the study.



## Practical research details – quantitative

- Fieldwork period
  - The main fieldwork was conducted in the period October 24th to November 6th 2016 (panel respondents). Participation via a generic link was possible into December 2016
- Respondent recruitment method
  - From Motivation's StemPunt-panel and other partner panels
  - From the membership of national SME associations, which have cooperated in the survey
- Incentives
  - The respondents from the StemPunt-panel received points which can be redeemed in our loyalty program as a reward for their participation
- Weighting
  - The research data were not weighted (see also Appendix: weighted and un-weighted data) based on weighting factors determined in the Mentality calibration file. Where the socio-demographic data are concerned, this calibration file is weighted according to the Golden Standard of the CBS (Central Statistical Office)
- Involvement of external suppliers In conducting this study
  - Motivation made use of the services of specialist companies for the following activities: conducting fieldwork in Slovenia, Belgium, France and Lithuania
- Questionnaire
  - The questionnaire was drafted by Schöpflin Stiftung and their partners in the different countries based on the questionnaires designed by BVMW and Business Growth Foundation
- Retention period for primary research files
  - Digital research files will be stored by Motivation for at least 12 months after the study has been completed. Audio- and visual recordings on cd and non-digital research files such as completed written questionnaires will be stored for 12 months after the study has been completed.
- Other practical research details
  - Other practical research details and a copy of the questionnaire/checklist used for this study are available to client on request



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