

»» SMEs' value chains are becoming more international – Europe remains key

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SMEs are today integrated in global value chains – almost 90 % of small and medium-sized manufacturing enterprises are exporting, either directly or indirectly, via their German customers. For business service providers, this figure amounts to no less than 53 %. Many German SMEs do not only sell, but also buy and, somewhat less frequently, produce goods and services abroad nowadays.

All of SMEs' international activities have a clear focus on Europe. Around two thirds of foreign sales, foreign purchases and foreign production capacities are located there. In the companies' view this is also unlikely to alter much in the future, although the particular locations within Europe may change. Sales markets and particularly procurement markets in Central and Eastern European are likely to gain more in importance than those in Southern Europe. Economic growth, comparatively low production costs and the availability of skilled workers make many of the new EU member countries attractive foreign markets. The outcome of Britain's referendum on EU membership will also have an impact on SMEs' international activities. On the whole, however, small and medium-sized companies are likely to suffer only a small reduction in sales as a result.

Most SMEs have a positive view of the ongoing process of digitalisation; almost 70 % expect their company to benefit from it. However, nearly as many expect competitive pressure to increase. Digitalisation can make it easier to integrate foreign customers and suppliers into SMEs' own value chains, and hence accelerate the process of internationalisation.

Even so, in order to give as many small and medium-sized companies access to the untapped potential of European markets, there needs to be a determined effort to remove key obstacles. Especially bureaucratic hurdles, but also a lack of information on foreign target markets and legal systems are still preventing many SMEs from expanding into European markets. Particularly with respect to foreign market knowledge, many companies would also like to see support from their financing partners.

SMEs are becoming more and more integrated in global value chains

Since 1990, production of goods worldwide has roughly tripled. Global exports and foreign direct investment have more than quintupled over the same period.¹ Increasing internationalisation of the economy has long made its presence felt among German SMEs. Many small and medium-sized industrial companies and business service providers now form part of global value chains, as both suppliers and consumers. These are the findings of a study carried out by IW Consult GmbH on behalf of the KfW Group. The study is based on a representative telephone survey of 600 small and medium-sized industrial and service companies, along with a special analysis of the *IW Zukunftspanel* database. The study focuses on larger SMEs with 20 to 499 employees.²

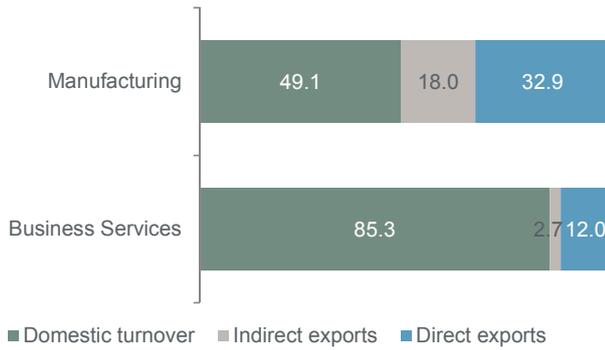
More than half of manufacturing SMEs' turnover is driven by foreign markets

In 2014, more than three quarters of all manufacturing companies with 20 to 499 employees exported directly to foreign markets. Their direct exports contributed around a third of manufacturing SMEs' total turnover (Figure 1). In addition, many companies are indirect exporters. The proportion of manufacturing SMEs whose products finish up as part of their customers' exports is close to 70 %. Indirect exports account for a further 18 % of total turnover in this sector and size class (Figure 1). As a result, more than half of manufacturing SMEs' total turnover derives from foreign sales. Fully 89 % of manufacturing SMEs sell into foreign markets, either directly or via their exporting customers.

More than half of business service providers are at least indirectly involved in exports

Integration into international production networks is also increasingly important for small and medium-sized business service providers. In 2014, 44 % of them exported directly, and around 30 % provided their services indirectly to foreign customers. At just under 15 %, the contribution of foreign sales to total turnover is considerably lower in the business service sector than in manufacturing (Figure 1). However, 53 % – more than half – of small and medium-sized business service providers are involved in export activities, either directly or indirectly.

Figure 1: Turnover of manufacturing SMEs heavily depends on foreign trade



Note: Share of direct and indirect exports in total turnover of all enterprises with 20 to 499 employees. Figures in per cent for 2014.

Source: IW Zukunftspanel (26th wave), German Federal Statistical Office

Internationalisation is also occurring in SMEs’ procurement ...

Many SMEs are active abroad not only in terms of sales, but procurement too. In 2012 around 66 % of small and medium-sized industrial companies in Germany imported goods and services. Foreign procurement accounted for almost a fifth of all purchases by manufacturing SMEs. Once again, business service providers focus more strongly on the domestic market. Nonetheless, in 2012 around 30 % of them sourced inputs from abroad. Their imports accounted for nearly an eighth of total purchases of small and medium-sized business service providers.

... but hardly at all in production

In contrast, the level of internationalisation in production remains low. In 2014 only around 6 % of the total production capacities of manufacturing SMEs were located abroad. This is primarily due to the high volume of investment required to establish a production site abroad. Dividing production between sites in Germany and abroad does not make economic sense for many SMEs because of their limited size. During the period between 2012 and 2015, not even one in ten SMEs made foreign direct investments, and fewer than one in twenty plans to do so in the future.

Europe is the main destination for SMEs’ exports

All of SMEs’ international activities have a clear focus on Europe. Around two thirds of export revenues of small and medium-sized industrial companies and business service providers are generated here (Table 1).

Table 1: Regional distribution of direct exports

	Manufacturing	Business Services
Europe	65.5	65.9
EU-28	57.2	55.0
Rest of Europe	8.3	10.9
NAFTA	8.3	8.1
China	6.9	4.8
Rest of the World	19.3	21.2

Note: Share of different target regions in total turnover from direct exports of all enterprises with 20 to 499 employees. Figures in per cent for 2013.

Source: IW Zukunftspanel (24th wave)

Within Europe, the key foreign markets are located in Western Europe. Around 72 % of manufacturing SMEs and 40 % of business service providers indicate that they have important customers here. This reflects Germany’s strong trade relationships with France and the Netherlands. Along with the USA and China, these countries are Germany’s largest trading partners.

All the same, just under 46 % of industrial companies and 20 % of business service providers have major customers in Central and Eastern Europe. In particular neighbouring Poland is likely to be an attractive foreign market. With a population of 38 million, it is the most highly populated country in Central and Eastern Europe and has achieved positive economic growth for more than ten years in a row.

Key foreign suppliers mostly in Western Europe

The procurement situation is similar. The largest proportion of SMEs’ foreign purchases originates from Europe – 68 % for manufacturing enterprises and 62 % for business service providers. Foreign suppliers of German SMEs are mostly located in Western Europe. Among all small and medium-sized manufacturing companies, 53 % indicate this to be the case, while for business service providers, the corresponding figure is 26 %. Almost one in three manufacturers, but only one in seven business service providers has key suppliers in Central and Eastern Europe.

Production in Central and Eastern Europe mainly to reduce costs

Europe is also the main destination for foreign direct investment of small and medium-sized industrial companies. Around two thirds of their foreign production capacities are located here (Table 2).

Table 2: Regional distribution of foreign production capacities

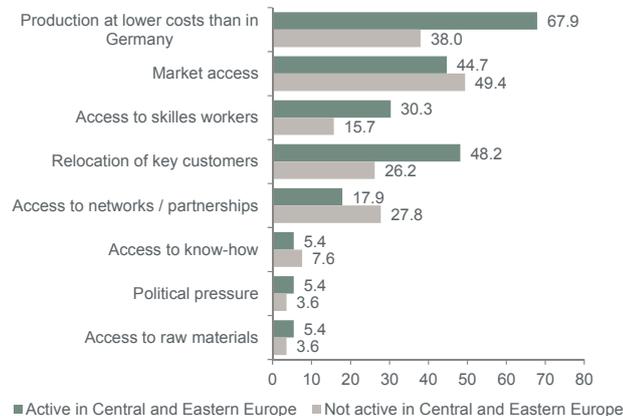
	Manufacturing
Europe	66.4
EU-15	51.6
New EU member countries	12.2
Rest of Europe	2.7
NAFTA	3.6
China	10.5
Rest of the World	19.5

Note: Share of different target regions in total foreign production capacities of all enterprises with 20 to 499 employees. Figures in per cent for 2014. Data for business service providers not available.

Source: IW Zukunftspanel (24th wave)

The largest part of European production capacities is located in the EU-15 countries. While small and medium-sized companies hope to achieve better market access in these countries, their motivation for establishing production sites in the new EU member states is primarily to reduce production costs (Figure 2). More than two thirds of companies with a production site in Central and Eastern Europe cite lower costs as an important reason. In contrast, fewer than 40% of companies with a production site in other regions of Europe give this as their motivation.

Figure 2: Lower costs and relocation of customers motivate investments in Central and Eastern Europe



Note: Share of SMEs with foreign production capacities in Europe for whom this motivation (fully) applies. Figures in per cent for 2014.

Source: IW Zukunftspanel (24th wave)

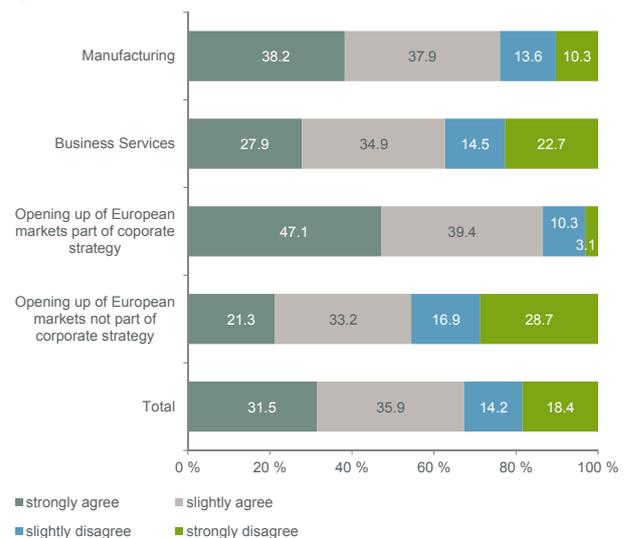
Wages in Central and Eastern Europe have risen sharply in the past. Nonetheless, labour costs here remain up to 88% lower than in Germany.³ In addition, many countries have a highly skilled workforce. In the Baltic states as well as in Poland and Slovenia, the proportion of 30–34-year-olds with a university education was substantially higher than 39% – the EU average for 2015.⁴ This also explains why the availability of qualified employees is cited relatively frequently as a reason for setting up a production site in this region.

Disproportionately often, investment in Central and Eastern Europe is also motivated by the fact that key customers have turned to these markets. This underlines that fact that a number of small and medium-sized intermediate input suppliers are highly dependent on their customers.

SMEs focused on Europe benefit from the euro

The regional focus of SMEs’ international activities is a result of their physical and cultural proximity to neighbouring European countries, and above all the rules relating to the free movement of goods, services, people and capital within the EU Single Market. Another key driver of European value chains is the euro as the common European currency. Around 87% of the small and medium-sized industrial and service companies for whom entry into European sales and procurement markets is an integral part of their corporate strategy indicate that they benefit from the euro. Companies for whom Europe is of no strategic relevance are much less likely to consider the common currency to be an advantage (Figure 3).

Figure 3: Do SMEs benefit from the euro?



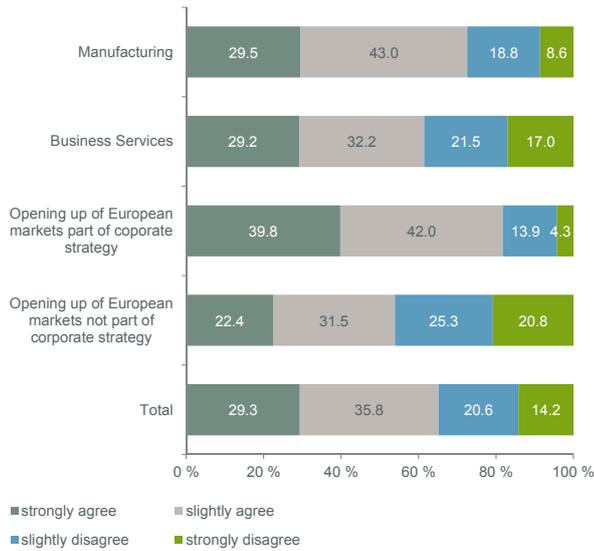
Note: Share of SMEs that agree with the statement “Our company benefits from the euro as a common European currency”, depending on whether entry into European sales and procurement markets is an integral part of their corporate strategy. Figures in per cent for 2015.

Source: IW Consult (2015)

Internationalisation of SMEs will continue ...

SMEs believe their cross-border interdependencies to increase further in the future. Virtually three quarters of all SMEs expect their value chains to become more international in the coming three to five years (Figure 4). Companies with a strategic focus on Europe are particularly likely to hold this view. Nevertheless, also the majority of companies that have not yet considered entry into European markets expect their customer and supplier relationships to become more international.

Figure 4: SMEs expect their value chains to become more international



Note: Share of SMEs that agree with the statement “The value chains that our company is part of are becoming more international”. Figures in per cent for 2015.

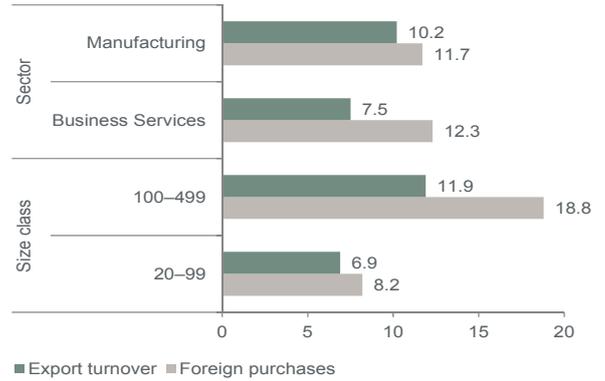
Source: IW Consult (2015)

... at all stages of the value chain

Further internationalisation is likely to affect all stages of SMEs value chains, as they expect additional growth in both foreign sales and purchases. Companies estimate that, between 2014 and 2019, export turnover could grow by more than 10 % overall in the manufacturing sector, and by just under 8 % in the service sector. Over the same period, foreign purchases could increase by roughly 12 % in both sectors (Figure 5).

The importance of SMEs’ cross-border relationships is likely to rise more on the procurement than on the sales side. At the same time, existing differences in the degree of internationalisation between SMEs of different sectors and size classes will intensify, if the higher growth expectations of larger SMEs and manufacturing SMEs are actually fulfilled.

Figure 5: SMEs expect exports and foreign purchases to increase further



Note: Growth in export turnover/foreign purchases expected for the period 2014-2019 by enterprises that are already exporting/importing. Figures in per cent.

Source: IW Future Panel (24th and 26th wave)

Foreign production capacities, too, are likely to become more significant in future. Manufacturing SMEs anticipate that, as a proportion of their overall production capacities, they could increase from 6 % in 2014 to 9 % in 2019. Once again, there are substantial differences depending on the size of the company. Smaller SMEs expect to see the proportion of their production capacities that is located abroad rise from 5.3 to 8.1 %, while the larger SMEs anticipate a somewhat larger increase, from 7.5 to 11.2 %. Overall, foreign direct investment is likely to remain a form of internationalisation that is used relatively rarely by SMEs.

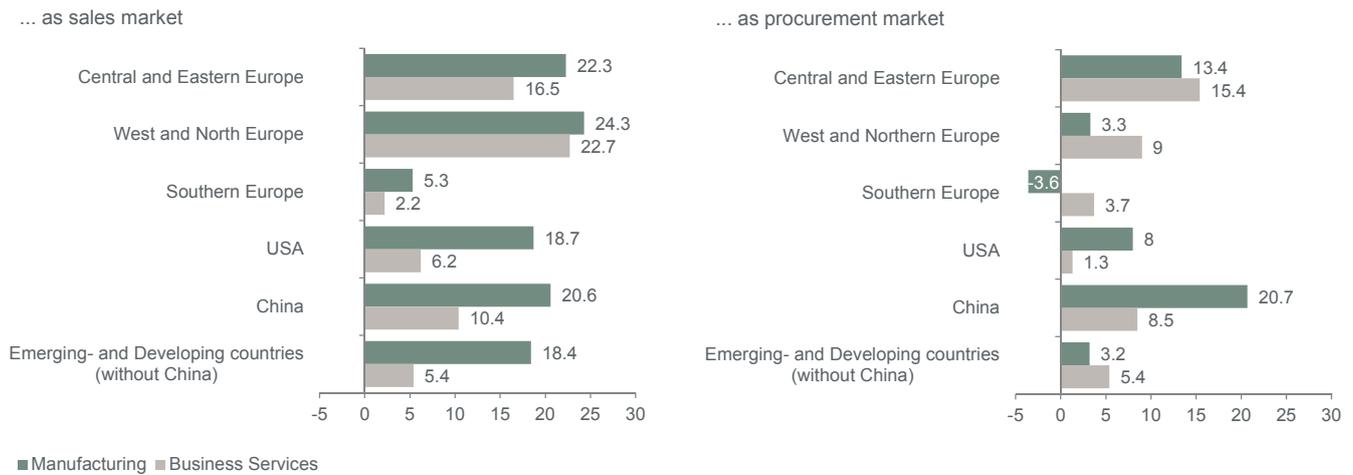
Europe will remain important in the future

The geographic profile of German SMEs’ international activities will shift only slightly in the medium term. For each of the various regions covered by the survey, more than half of companies expect that the importance of that particular region to their sales or procurement will not change in the next three to five years. Most of the remaining companies expect the importance of almost every region to increase (Figure 6).

In terms of manufacturing SMEs’ sales expectations, this is particularly true for Western and Northern Europe. Just under 58 % of companies anticipate this region’s importance for their sales to remain unchanged. More than 38 % of companies judge that this region will become more important. In contrast, only around 9 % expect it to become a less attractive sales market. On balance, therefore, more than 24 % of small and medium-sized manufacturing SMEs anticipate the importance of Northern and Western Europe to grow (Figure 6, left-hand side). As a market for procurement, this region still has opportunities to offer for business service providers in particular.

Figure 6: Southern Europe is falling behind the rest of Europe

Changes in the significance of different regions...



Note: Balance of SMEs that responded 'strongly/slightly increase' and 'strongly/slightly decrease' to the question "How do you think will the importance of the following regions for your company's sales/procurement develop in the coming 3–5 years?". Figures in per cent for 2015.

Source: IW Consult (2015)

Impact of Brexit on SMEs

The British people's recent vote for the United Kingdom to leave the EU may have somewhat dampened this optimism. In the short term, the main effect is likely to be that the weak pound will have a negative impact on demand for imports in Britain, and hence also on German SMEs' foreign sales. A slower rate of growth in the British economy and ongoing uncertainty about the future shape of Britain's relationship with the EU may well amplify this effect further. In the long term, much will depend on the trade rules between the EU and the United Kingdom, which must now be reformulated. Since more than two thirds of exporting SMEs sell into just one country, and are therefore significantly less diversified than large companies in terms of their foreign activities⁵, any restriction on free trade with the United Kingdom could hit some of them hard. However, for SMEs on the whole the consequences of Brexit are likely to be manageable.

In 2015, Germany exported goods with a value of EUR 89.3 billion to the United Kingdom, which represents close to 7.5% of the total value of German exports of goods. If we assume that this also applies to the regional distribution of SMEs' direct and indirect exports, just under 3.8% of manufacturing SMEs' total turnover can be attributed to the United Kingdom. A 10% decline in British demand for imports would therefore reduce manufacturing SMEs' revenues by a little under 0.4%. By way of comparison, SMEs' turnover fell by 6.2% in 2009 as a result of the financial crisis.⁶

Business service providers, too, are likely to feel relatively little effect from Brexit. German exports of services to the United Kingdom as a proportion of the total came to 9.9%, or EUR 20.6 billion, in 2014. Assuming that this regional profile can be applied to the small and medium-sized services companies under consideration in this paper, a 10% decline in Britain's imports of services would equate to a decrease in turnover of less than 0.15%.

This calculation does not take account of the effects on exports to third countries or on imports from the United Kingdom. It also does not consider the impact on SMEs' investment behaviour. Equally, assessments of future developments are subject to a high degree of uncertainty. Nevertheless, these figures should make clear that SMEs on the whole will likely be able to cope with Brexit.⁷

It will also be quite some time until the process of leaving the EU is complete and trade with the United Kingdom is subject to new regulations. This gives SMEs the chance to compensate for any potential loss of sales by entering into alternative foreign markets. Central and eastern Europe, especially, will play an important role in this.

Central and Eastern Europe are becoming more attractive

From the point of view of SMEs, Central and Eastern European sales and procurement markets are becoming more attractive. On balance, around a fifth of manufacturing companies and a sixth of service providers anticipate that sales in this region will become more significant in future. Regarding procurement, the number of companies expecting Central and Eastern Europe to become more important exceeds the number of companies that anticipate its significance to decline, by more than 13 and 15 percentage points respectively (Figure 6, right-hand side). Not only the low labour cost, but also the geographical proximity of suppliers is likely to play a decisive role here.

Southern Europe is falling behind other European regions

In contrast, the development in Southern Europe will be rather weak. Only 23% of manufacturing expect this region to grow as a sales market. A good 18% expect its significance to lessen. This gives a net figure of 5.3%, which is positive but very far behind industrial companies' optimistic expecta-

tions for other sales regions. This is also the case for business service providers, of whom a net 2.2% anticipate the importance of Southern Europe as a sales market to increase (Figure 6, left-hand side).

Manufacturing companies are even more pessimistic when it comes to the future role of Southern Europe as a market for procurement. In fact the majority expect this region to become less significant, with a net negative figure overall (Figure 6, right-hand side). This result corresponds with Spanish and Italian SMEs' own negative view – political instability, corruption and financing difficulties mean they see themselves lagging far behind in terms of global competition.⁸

Appeal of the USA mainly as a sales market

The USA could also become more significant – primarily as a sales market for manufacturing SMEs. On balance, a fifth of the German companies surveyed expect sales in the world's largest economy, as measured by gross domestic product, to play a greater role in future (Figure 6, left-hand side). The degree to which the USA's importance will grow will depend not least on the outcome of the negotiations on a transatlantic free trade agreement.⁹

Procurement from China increasingly attractive

The importance of China from the point of view of SMEs will also increase, in terms of both sales and procurement. This is particularly true for SMEs in manufacturing, although the turbulence in the Chinese stock markets and the uncertain economic outlook have somewhat put this optimistic assessment into perspective of late.

Internationalisation brings opportunities for many small and medium-sized companies ...

Foreign markets are set to become more important for SMEs. This is true of the USA and China, but particularly Europe. Although there may be regional differences, for example between Southern and Eastern Europe, overall the continent still has many unexploited opportunities to offer to small and medium-sized companies.

Of SMEs that have so far not been active in European sales markets, 13% consider opening up such markets to be a crucial factor for the future growth of their companies. And more than 44% of small and medium-sized manufacturing and service companies that have hitherto not utilised European procurement markets see potential here, to procure both inexpensive and highly specialised goods and services.

... but presents some with new challenges

However, there is some scepticism with regard to increasing internationalisation. Some small and medium-sized enterprises whose products or services feed into the exports of other German companies feel threatened by the possibility that their key customers relocate abroad. Around 23% of manufacturers and 29% of business service providers exporting indirectly fear that this implies a loss of customers for them over the next three to five years. Even so, SMEs' intentions to expand their foreign direct investment only slightly in

the coming years may go some way to putting these fears in context.

In addition, close to 24% of industrial companies that are indirect exporters are concerned that their customers may be able to buy what they need more cheaply abroad in future, and hence will stop using them as a supplier. This fear is not quite as pronounced among business service providers. Once again, this reflects the lower tradability of services in comparison to goods. Many services require personal contact and are based on trust. A number of business service providers, such as auditors or tax advisers, must also have extensive knowledge of national regulations. Furthermore, differences in language and culture can make it harder to assess the quality of a service.

Table 3: Indirect exporters see themselves under threat from offshoring by their customers

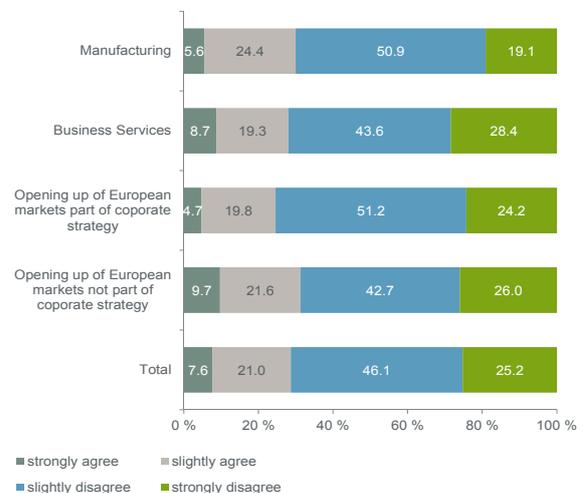
	Manufacturing	Business Services
Loss of customer because he relocates abroad	23.4	29.0
Loss of customer because he procures on foreign markets	23.5	16.7
Expectation of at least one of these difficulties	33.4	38.2

Note: Share of SMEs exporting indirectly that agree with the statements "We expect our customer to relocate production abroad. We will not follow and will therefore lose this customer" or "We expect our customer to purchase the goods or services we offer more cheaply abroad. We will then cease to be a supplier to this customer". Figures in per cent for 2015.

Source: IW Consult (2015)

Overall, around a third of manufacturers and two fifths of business service providers that export indirectly anticipate difficulties that can be traced back to increasing internationalisation on the part of their customers.

Figure 7: Almost one SME in three is concerned about their value chain's stability



Note: Share of SMEs that agree with the statement "The value chains that our company is part of are becoming more unstable. Figures in per cent for 2015.

Source: IW Consult (2015)

Growing instability of SMEs’ value chains

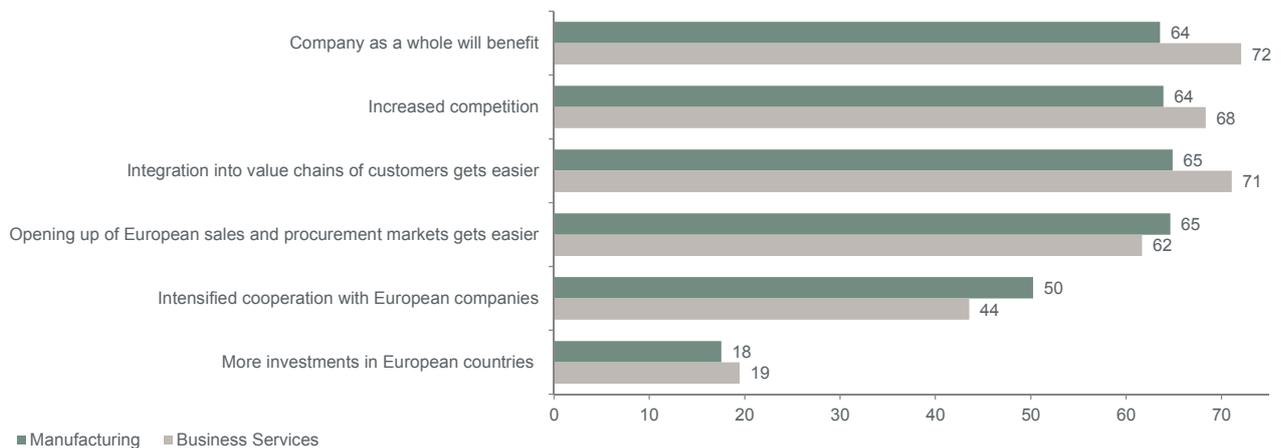
Another issue that concerns SMEs with regard to the future of their value chains is the growing instability of their relationships with customers and suppliers. Interestingly, fewer than 25 % of companies who see European sales and procurement markets as an integral part of their corporate strategy are worried about the stability of their value chains, compared with more than 31 % in the comparative group (Figure 7). This could be an indication that companies focused on Europe are more competitive and hence more optimistic about the future. However, it also shows that cross-border relationships with customers and suppliers do not have to go along with unstable value chains. Instead, these relationships can open up new opportunities to actively shape and hence strengthen their own value chains.

Digitalisation will further accelerate SMEs’ internationalisation

Along with growing internationalisation, advancing digitalisation will also leave its mark on German SMEs’ value chains. However, the majority of small and medium-sized companies view this as positive – just under 64 % of manufacturers and 72 % of business service providers judge that they will benefit from digitalisation overall, though many companies are also concerned about fiercer competition (Figure 8).

Most companies expect that digitalisation will make it easier for them to become integrated into their customers’ value chains. This is particularly true of business service providers, who are more often able to deliver their services in electronic form and are less dependent on the physical transport of their products. About 71 % of them expect integration into the value chains of their customers to become easier, compared with 65 % of manufacturing enterprises (Figure 8).

Figure 8: What does your company believe will be the impact of digitalisation on your business?



Note: Share of SMEs that agree with the respective statement on the consequences of digitalisation over the next 3-5 years. Figures in per cent for 2015.

Source: IW Consult (2015)

The advantage of being able to integrate customers or suppliers more easily is not restricted to domestic value chains. Close to two thirds of SMEs anticipate that digitalisation will make it easier for them to enter European sales and procurement markets. In addition, around 50 % of manufacturing companies and 44 % of service companies expect increasing cooperation with other companies in Europe. A few SMEs even expect digitalisation to provide incentives for them to invest abroad. Therefore, the ongoing digitalisation is likely to accelerate the process of internationalisation further.

Obstacles must be removed to better take advantage of European markets’ potential

Whether digitalisation can accelerate internationalisation, and SMEs can make better use of the potential of European markets in the future, will depend very much on whether key obstacles to cross-border business operations can be further reduced.

When it comes to expanding foreign activities in Europe, it is bureaucratic obstacles that present the largest problem. It is not only companies that have so far had little presence in Europe that feel this – SMEs whose strategy includes Europe take the same view (Figure 9). Legal uncertainties abroad are also seen as a serious obstacle, particularly by companies that have so far not been very active in Europe. For 22 % of them, what they see as their low level of competitiveness on the international stage is also an important reason not to expand their foreign activities in Europe.

Reducing bureaucracy, providing support in the form of information on the legal and economic frameworks in the target countries and measures to improve SMEs’ competitiveness should therefore be part of any political agenda that seeks to ensure that SMEs, too, can access the opportunities offered by European markets.

With regard to information in particular, many SMEs also seek support from their financing partners. For almost 43 % extensive knowledge of the target markets is an important criterion when choosing a financing partner. In contrast,

favourable terms and conditions are the decisive factor for only a third of companies, and long-standing business relationships are key for as few as one in five.

Figure 9: Bureaucratic obstacles particularly onerous



Note: Share of SMEs that judge a particular factor to be a (very) serious obstacle to expanding their foreign activities abroad. Figures in per cent 2015.

Source: IW Consult (2015)

Conclusion

Small and medium-sized manufacturers and service companies are already part of global value chains. The internationalisation of SMEs will continue in future, at all stages of the value chain.

Europe will play a key role in this process. It is already the main destination for all of SMEs' international activities. This will remain the case in the coming years, although some European regions will gain more importance as sales and procurement markets than others. This is in no small part also due to the recent British vote to leave the EU. Overall, Europe still has a great deal of unexploited potential – to market goods and services, source inexpensive or highly specialised

intermediate inputs or produce goods and services at lower costs.

To some extent, increasing internationalisation presents domestic value chains with new challenges. Some SMEs that export indirectly fear losing major German customers when the latter move their production or procurement abroad. Such concerns should be taken seriously. However, the appropriate response to this is not to impede the globalisation of SMEs' value chains. Rather, SMEs' competitiveness needs to be improved, and a determined effort must be made to remove obstacles so that the broadest possible range of companies can access the opportunities presented by internationalisation. ■

¹ Source: United Nations Conference on Trade and Development (UNCTAD).

² See IW Consult (2016): *Mittelständische Unternehmen in europäischen Wertschöpfungsketten* (SMEs in European value chains), a study on behalf of the KfW Group, Cologne. For the purposes of this study, manufacturing companies correspond to sections 10-33 of the 2008 classification of economic activities (WZ 2008), while business service providers fall into sections 46, 49-53, 58-63, 69-74 and 77-82. The study focuses on companies in these sectors with 20 to 499 employees because the level of internationalisation is greatest here. Consequently, the set of companies considered in the study differs from the broader definition of SMEs analysed in the KfW SME Panel. The latter includes private companies from all sectors in Germany (except banks and not-for-profit organisations), with an annual turnover below EUR 500 million including companies with fewer than five employees. See Schwartz, M. (2015): KfW SME Panel 2015 – Growing optimism is overcoming weak investment trend, KfW Research, Frankfurt am Main.

³ Federal Statistical Office (2015): Labour cost comparison across EU countries for 2014: Germany ranking eighth, press release 160/15, 4 May 2015.

⁴ Source: Eurostat.

⁵ See Söllner, R. (2016): *Der deutsche Mittelstand im Zeichen der Globalisierung* (German SMEs in the context of globalisation), WISTA 2/2016, Federal Statistical Office, Wiesbaden.

⁶ See Schwartz, M. (2015): KfW SME Panel 2015 – Growing optimism is overcoming weak investment trend, KfW Research, Frankfurt am Main.

⁷ For more on the impact of Brexit on the German economy overall, see also Borger, Klaus, Ehmer, P. and S. Schönwald (2016): Germany and the euro area after Brexit – expected upturn will not now occur, KfW Business Cycle Compass Brexit Update, KfW Research, Frankfurt am Main.

⁸ See Abel-Koch, J. and J. Gerstenberger (2014): KfW Competitiveness Indicator 2014, KfW Research, Frankfurt am Main.

⁹ On the potential for German SMEs of a transatlantic free trade agreement, see also Abel-Koch, J. and J.-F. Schneider (2016): TTIP – an opportunity for European SMEs, KfW Research, Frankfurt am Main.