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For scientists, scientists, students, graduate students, representatives of business and public organizations and higher education institutions and a wide range of readers.

THE IMPORTANCE OF SMES IN TERMS OF SUSTAINABLE DEVELOPMENT GOALS

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Small and medium enterprises (SMEs) are seen as key players in national and regional development in many countries and play a vital role in the EU economy. Moreover, the EU countries see SMEs as an important factor in achieving sustainable development goals, such as poverty reduction. SMEs account for an average of 95% of private enterprises, providing 60-70% of jobs in most OECD countries (2018), which is an extremely important factor in the economy. Moreover, SMEs are not only an important source of employment, they can also be a source of innovation and productivity, as SMEs are the easiest to innovate [5,6,7,8,9,10,13,15,17,20,21].

World business experience shows that small, medium and large enterprises are not mutually exclusive, but complementary. In 2020, the number of small enterprises in Ukraine was 1,955,119, medium - 17,946, and large - only 512. So there were 97.4% of SMEs in 2020 in Ukraine. In this year, in most EU countries, the percentage of SMEs ranges from 99.5% (Germany, Luxembourg) to 99.9% (Hungary, Italy, the Netherlands, Spain,). Therefore, the contribution of SMEs to the development of the state economy and socio-economic indicators should not be underestimated.

Proving the importance of SMEs for the economic and social development of the country, consider the employment rate in Ukraine and EU countries on SME in 2020 (see Figure 1)

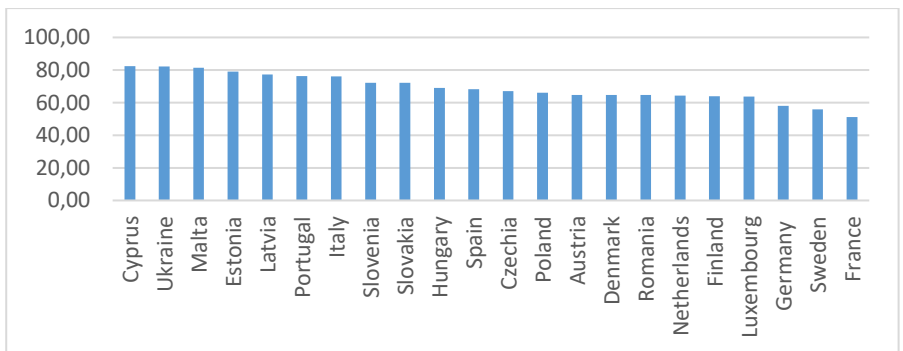


Fig. 1 - "Percentage of employed population on SMEs in Ukraine and EU countries in 2020"

Created by the author based on [2,3]

As we can see, Ukraine ranks second in terms of employment of SMEs. In contrast, developed economies such as Austria, Denmark, Finland, Germany, Sweden and France have the lowest employment rates for SMEs, due to fewer SMEs in these countries according to high market competition and the difficulty in starting a business in developed economies. Nevertheless, even in France, employment for SMEs exceeds 50%. Therefore, it can be concluded that it is SMEs that provide more jobs, which, in turn, makes a great contribution to the state economy.

Successful development of entrepreneurship is possible only in conditions of healthy competition, creating a favorable climate and rational support from the state, the effective operation of market mechanisms [4].

Therefore, for the effective functioning of small and medium enterprises it is necessary to create a favorable business environment for their successful development [11,12,14,16,18,19,22]. One of the effective factors of support is governmental support, especially for small enterprises. If the county chooses to pursue sustainable development goals, then investing in SMEs is a key factor in achieving such goals as: overcoming poverty; overcoming hunger; full and productive employment, promoting innovation and economic growth.

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