

A Panel Data Analysis on Green Growth: Evidence from EU Small and Medium Enterprises

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Abstract

Achieving a green economy during the upcoming 25 years is an important long-term goal of the European Union. Within this context, small and medium enterprises across the continent play a crucial role through the changes implemented in their production processes. This empirical research investigated the impact of green economy-related factors on economic growth for a sample of small and medium enterprises (SMEs) operating in the European Union. By analysing data for the period 2005–2020 with methods such as panel least squares, panel dynamic least squares, generalized linear model, robust least squares and panel EGLS, we showed that environmental technologies, resource-efficiency measures, public support measures for SMEs and R&D transfer have an impact on economic growth across the EU.

Keywords: small and medium enterprises, economic growth, green economy, European Union