Preliminary results on Structural Survey of Enterprises, 2018
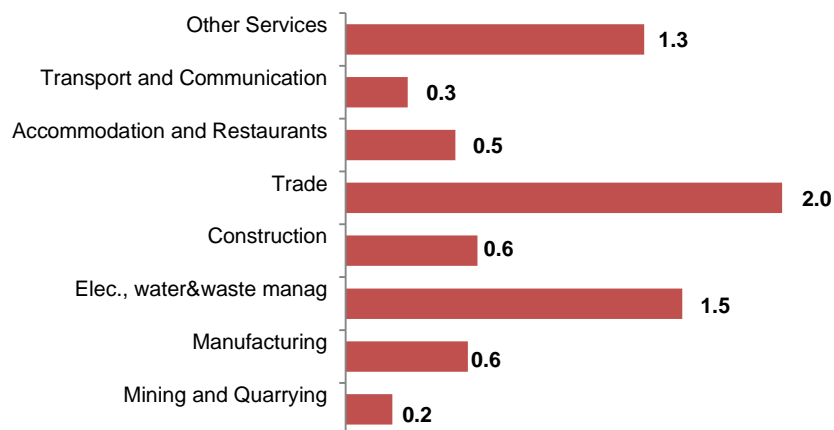
Tirana, November 11, 2019: In 2018, refers to the preliminary results of structural survey of economic enterprises, turnover for producers of goods and services reached 2,179 billion ALL, increased by 7.0 % compared with 2017. Investments reached 238 billion ALL from 232 billion ALL in 2017, marking an increase of 2.8 %. In 2018 operated 107,450 active enterprises, marking a decrease of 0.2 % compared to 2017, while the total number of employees increased by 4.6 %.

Tab.1 Main indicators by economic activities, 2018

Economic activity	Enterprises		Employed		Turnover		Investments	
	no.	Structure in %	no.	Structure in %	mln ALL	Structure in %	mln ALL	Structure in %
Total	**107,450**	**100.0**	**515,727**	**100.0**	**2,179,320**	**100.0**	**238,272**	**100.0**
Goods producers	**13,559**	**12.6**	**184,750**	**35.8**	**738,231**	**33.9**	**148,079**	**62.1**
Mining and Quarrying	646	0.6	11,552	2.2	77,580	3.6	18,494	7.8
Manufacturing	8,668	8.1	106,316	20.6	253,304	11.6	33,131	13.9
Electricity and Water Supply*	637	0.6	21,815	4.2	152,379	7.0	54,626	22.9
Construction	3,608	3.4	45,066	8.7	254,968	11.7	41,829	17.6
Service producers	**93,892**	**87.4**	**330,977**	**64.2**	**1,441,089**	**66.1**	**90,193**	**37.9**
Trade	44,442	41.4	125,350	24.3	986,907	45.3	43,577	18.3
Accommodation and Restaurants	18,966	17.7	56,175	10.9	61,260	2.8	7,311	3.1
Transport and Communication	7,654	7.1	38,236	7.4	155,649	7.1	15,227	6.4
Other Services	22,830	21.2	111,216	21.6	237,273	10.9	24,078	10.1

Comments on main indicators

Based on the preliminary results of the Structural Business Survey, the largest contribution to the **turnover** growth rate by 7.0 % was provided by producers of services with +4.1 p.p, followed by producers of goods with +2.9 p.p. During 2018, the trade sector marked the highest percentage of turnover, 45.3 %, followed by the construction sector with 11.7 %. The sectors with the lowest percentage of turnover were the accommodation and restaurants sector (2.8 %) and the mining and quarrying sector (3.6 %).
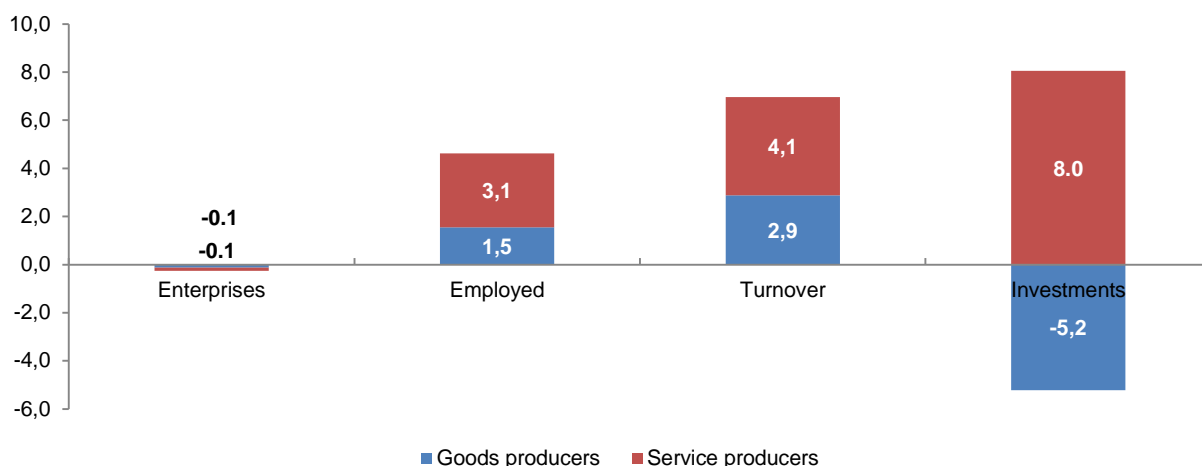
Fig.1 Economic activities contribution in turnover growth rate, 2018/2017 (p.p)

The same situation is presented for the **employment** indicator. Employment increased by 4.6 %, where producers of services had the largest contribution on the increase, by +3.1 p.p, while producers of goods contributed +1.5 p.p. Sectors with the highest percentage of number of employed, in 2018, were trade sector with 24.3 % of employed and other services sector (private health and education, administrative services, professional, scientific and technical services, etc.) with 21.6 %, followed by manufacturing sector with 20.6 % of the total employed.

During 2018, **investments** marked an increase of 2.8 %, where contribution of service producers was +8.0 p.p, and contribution of goods was -5.2 p.p. The producers of services constituted 37.9 % of investments compared with 30.7 %, in the previous year. The sector with the highest value of investments realized was electricity, gas, water supply and waste management, which invested 54 billion ALL and constituted 22.9 % of total investments during 2018. The sectors with the lowest value of investments realized were the accommodation and restaurants sector (3.1 %) and the transport and communication

(6.4 %).

The number of **active enterprises** decreased with 0.2 % during 2018. In the reduction of the number of active enterprises, service and goods producers contributed both negatively by 0.1 percentage points. The sector with the largest number of active enterprises was trade sector (41.4 %), followed by other services sector (21.2 %) and accommodation and restaurant sector (17.7 %). During 2018, mining and quarrying sector had the lowest number of active enterprises, which constituted 0.6 % of the total.

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Fig.2 Contribution of goods and services producers in the annual growth rate of main indicators, 2018/2017 (p.p)
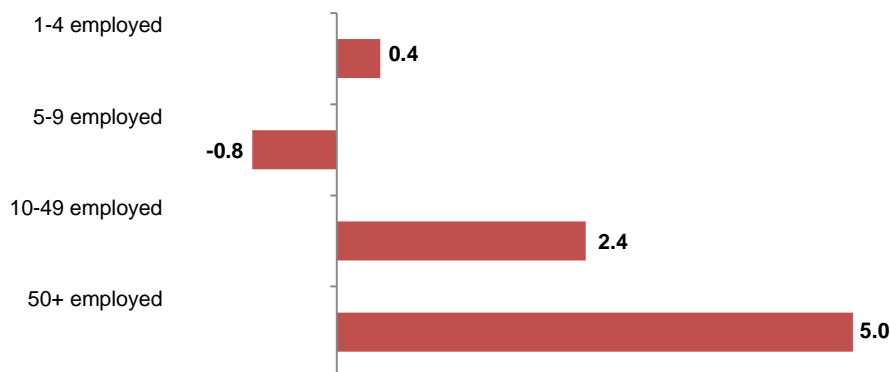

Comments by size class of enterprises

In 2018, the survey shows that enterprises with 50 or more employees make the main contribution to the economy and realized 48.5 % of turnover, 42.2 % of total employees and 60.5 % of investments, although they account for only 1.2 % of active enterprises.

Tab. 2 Main indicators by size class of enterprises, 2018

	Enterprises		Employed		Turnover		Investments	
	no.	%	no.	%	mln Lek	%	mln Lek	%
Total	**107,450**	**100.0**	**515,727**	**100.0**	**2,179,320**	**100.0**	**238,272**	**100.0**
1-4 employed	94,008	87.5	151,831	29.4	248,849	11.4	25,518	10.7
5-9 employed	6,873	6.4	43,247	8.4	158,844	7.3	5,906	2.5
10-49 employed	5,241	4.9	102,849	19.9	714,577	32.8	62,578	26.3
50+ employed	1,328	1.2	217,799	42.2	1,057,051	48.5	144,270	60.5

Based on the preliminary results of the Structural Business Survey 2018, enterprises with 50 or more employed have the largest contribution to the total annual growth rate of turnover with +5.0 p.p, followed by enterprises with 10-49 employed, with +2.4 p.p.

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Fig. 3 Contributions of enterprises by size class, in turnover growth rate, 2018/2017 (p.p)

Comments on economic activities and size class of enterprises

In producers of goods, during 2018, the number of enterprises has decreased by 1.0 % compared to 2017, the number of employees has increased by 4.3 %, turnover has increased by 8.6 % and investments has decreased by 7.6 %.

During 2018, enterprises with 50 and more employed represented 5.3 % of the enterprises of goods producers and realized 67.1 % of turnover. The number of employed in this group constituted 64.0 % of employed, while investments reached 108 billion ALL and represented 72.9 % of investments. Enterprises with 1-4 employed represented 69.3 % of enterprises for goods producers and 9.7 % of employed. This group of enterprises realized 4.5 % of turnover and 3.0 % of investments for producers of goods.

Tab. 3 Main indicators of goods producers by size class of enterprises, 2018

Goods producers	Enterprises		Employed		Turnover		Investments	
	no.	%	no.	%	mln Lek	%	mln Lek	%
Total	**13,559**	**100.0**	**184,750**	**100.0**	**738,231**	**100.0**	**148,079**	**100.0**
1-4 employed	9,400	69.3	17,887	9.7	33,269	4.5	4,501	3.0
5-9 employed	1,624	12.0	10,376	5.6	42,793	5.8	3,591	2.5
10-49 employed	1,815	13.4	38,164	20.7	167,047	22.6	32,011	21.6
50+ employed	720	5.3	118,323	64.0	495,122	67.1	107,977	72.9

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In producers of services, the number of enterprises has decreased by 0.1 % compared to 2017, while other indicators have increased; the number of employees by 4.8 %, turnover by 6.1 % and investments by 26.1 %.

During 2018, enterprises of services producers with 50 and more employed, constituted 0.6 % of enterprises and realized 39.0 % of total turnover for producers of services. They invested 36 billion ALL which represent 40.2 % of investments of services producer's enterprise. Enterprises with 1-4 employed represent 90.1 % of enterprises and engaged 40.5 % of employed for services producers. This group invested the amount of 21 billion ALL, which constitutes 23.3 % of investments in services producers.

Tab. 4 Main indicators of services producers by size class of enterprises, 2018

Service producers	Enterprises		Employed		Turnover		Investments	
	no.	%	no.	%	mln Lek	%	mln Lek	%
Total	**93,892**	**100,0**	**330,977**	**100.0**	**1,441,089**	**100.0**	**90,193**	**100.0**
1-4 employed	84,609	90.1	133,944	40.5	215,580	15.0	21,017	23.3
5-9 employed	5,250	5.6	32,871	9.9	116,051	8.1	2,316	2.6
10-49 employed	3,425	3.6	64,685	19.5	547,529	38.0	30,566	33.9
50+ employed	608	0.6	99,476	30.1	561,929	39.0	36,294	40.2

Methodology

The main aim of structural business statistics is to show the structure of the business sector with regard to economic data. Data are presented for the total business sector by economic activities and by size class of enterprises. Statistics comprise all enterprises that produce goods or services for the market in Albania, for all legal forms (there are not included financial, agricultural and fishing activities). Population consists of all enterprises that according to statistical register were active in December of the reference year. Classification of enterprises is done according to Classification of Economic Activities, NACE Rev.2. Data are collected for calendar year. The fiscal year always corresponds to the calendar year. Enterprises are classified on size classes by number of employed (measured as employed on a full-time basis). Enterprises with 1-9 employed are surveyed by sample survey. Enterprises with 10 and more employed are surveyed exhaustively. The data are collected directly from enterprises. For more information related to the methodology used, please refer to the following link:

http://www.instat.gov.al/en/themes/industry-trade-and-services/structural-business-statistics/

Structural business statistics are published according to the European Commission regulations:
Regulation (EC) No. 1893/2006 for "Implementation of NACE Rev.2 in Structural Business Statistics".
Regulation (EC) No. 295/8 for "Structural Business Statistics".
Regulation (EC) No. 250/2009 for "Definitions used in Structural Business Statistics".

Results of Structural Business Statistics, 2015 are published for the first time according to NACE Rev.2. For more information, please refer to the following link:
http://www.instat.gov.al/en/documentation/classifications/

Structure of Economic Activities according to NACE Rev.2

Section	NACE Rev.2 Description	Economic Activities covered by SBS
A	Agriculture, hunting and fishing	-
B	Mining and quarrying	Mining and Quarrying
C	Manufacturing	Manufacturing
D	Electricity, gas, steam and air conditioning supply	Electricity and Water Supply
E	Water supply, sewerage, waste management and remediation activities	
F	Construction	Construction
G	Wholesale & retail trade; repair of motor vehicles and motorcycles	Trade
I	Accommodation and food service activities	Accommodation and Restaurants
H	Transport and storage	Transport and Communication
J	Information and communication	
K	Financial and insurance activities	-
L	Real estate activities	Other Services
M	Professional, scientific and technical activities	
N	Administrative and support services activities	
O	Public and defense administration; compulsory social security	-
P	Education	Other Services
Q	Human health and social work activities	
R	Art, entertainment and recreation	
S	Other service activities	Other Services (excluding S94)
T	Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use	Other Services
U	Extraterritorial organizations and bodies	-

Review of data

Preliminary results of structural business statistics are published 11 months after the end of reference year. Final results are published 14 months after the end of reference year. These results are published after reviewing the preliminary data. Reviewing means the continuing process for data accuracy. Accuracy of published data can be increased as a consequence of providing new and more complete and quality data that significantly contribute in improving the preliminary results, published according to predefined deadlines in the publications calendar.

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Definitions of basic variables

An enterprise

An enterprise is the smallest combination of legal units that is an organizational unit producing goods or services, which benefits from a certain degree of autonomy in decision - making, especially for the allocation of its current resources. An enterprise carries out one or more activities.

Turnover

Turnover comprises the totals amount invoiced by the observation unit during the reference period, and this corresponds to market sales of goods or services supplied to third parties.

Employed

Employed is defined as the total number of persons who work in the observation unit including proprietors, employees and unpaid family workers.

Investments

Investments during the reference period includes the goods, whether bought from third parties or produced for own use, having a useful life of more than one year including non-produced tangible goods such as land.

For more information, please visit our website: *http://www.instat.gov.al/en/home.aspx*