

Statistics on small and medium enterprises, 2020

Year 2020

Tirana, March 11, 2022: Statistics on small and medium enterprises (SMEs) based on the results of Structural Survey of Enterprises, for the year 2020, state that:

- 99.8 % of active enterprises are SMEs, the same percentage as in 2019;
- 81.9 % of total number of employed are employed from SMEs, from 81.6 % in 2019;
- 79.7 % of turnover was realized from SMEs compared with 78.9 % realized in 2019;
- 74.0 % of total investments were realized from SMEs from 68.2 % invested in 2019;
- 74.1 % of value added realized from SMEs compared with 72.4 % that was in 2019 (tab 1).

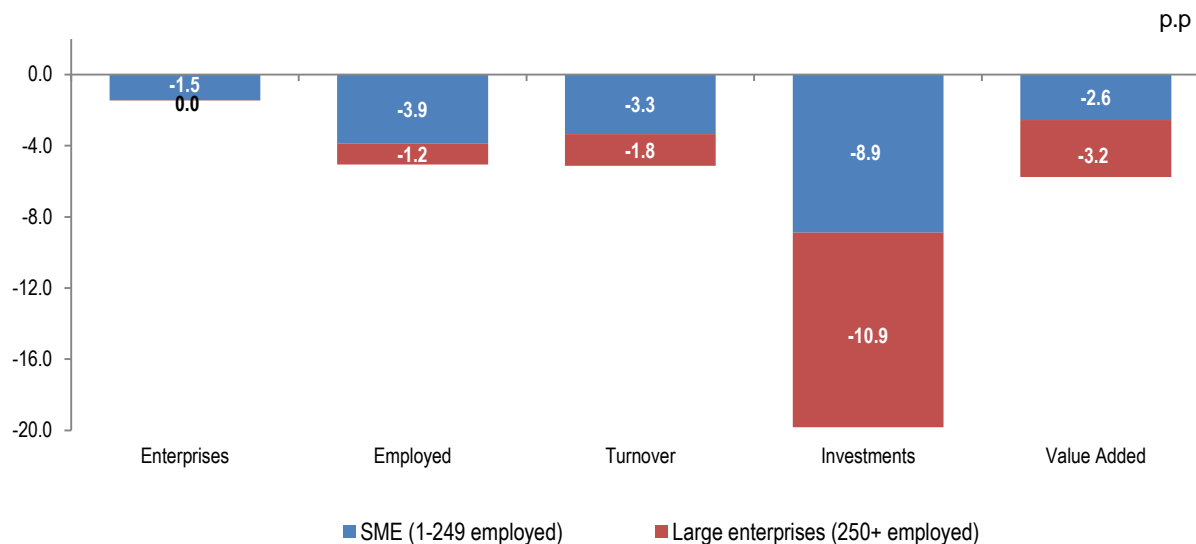
Tab.1 Basic indicators and their structure by size class of enterprises, 2020

Enterprises size class	Enterprises		Employed		Turnover		Investments		Value Added	
	no.	%	no.	%	ALL million	%	ALL million	%	ALL million	%
Total	102,574	100	503,986	100	2,147,799	100	193,880	100	548,580	100
SME (1-249 employed)	102,405	99.8	412,514	81.9	1,711,281	79.7	143,441	74.0	406,554	74.1
Micro enterprises	95,558	93.2	186,400	37.0	481,945	22.4	25,815	13.3	121,554	22.2
Small enterprises	5,674	5.5	111,347	22.1	673,675	31.4	62,475	32.2	142,153	25.9
Medium enterprises	1,173	1.1	114,767	22.8	555,661	25.9	55,151	28.4	142,847	26.0
Large enterprises (250+ employed)	169	0.2	91,472	18.1	436,518	20.3	50,438	26.0	142,026	25.9

SMEs have contributed negatively to all key indicators for 2020, respectively by:

- -1.5 percentage points in the number of enterprises;
- -3.9 percentage points in the number of employed;
- -3.3 percentage points in turnover;
- -8.9 percentage points in total investments;
- -2.6 percentage points in value added (fig 1).

Fig.1 Contribution of SMEs and large enterprises to annual change of main indicators, 2020/2019



The three main indicators of SMEs in Albania compared to the EU are:

- the percentage of SMEs is 99.8 %, the same as in EU;
- the percentage of employed in this group of enterprises is 81.9 % in Albania from 65.0 % in EU;
- the value added realized by SMEs in Albania comprises 74.1 % from 53.0 % in EU (tab. 2).

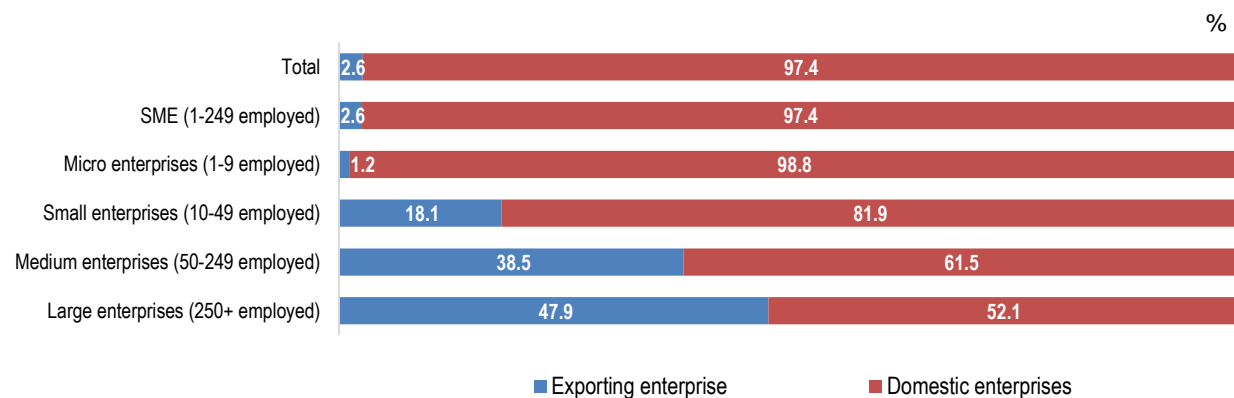
Tab.2 Structure of main indicators by size class of enterprises in Albania and EU, 2020

Enterprises size class	Enterprises (%)		Employed (%)		Value Added (%)	
	Albania	EU*	Albania	EU*	Albania	EU*
Total	100	100	100	100	100	100
SME (1-249 employed)	99.8	99.8	81.9	65.0	74.1	53.0
Micro enterprises	93.2	93.3	37.0	29.2	22.2	18.7
Small enterprises	5.5	5.7	22.1	20.0	25.9	17.0
Medium enterprises	1.1	0.9	22.8	15.9	26.0	17.3
Large enterprises (250+ employed)	0.2	0.2	18.1	35.0	25.9	47.0

* 27 countries

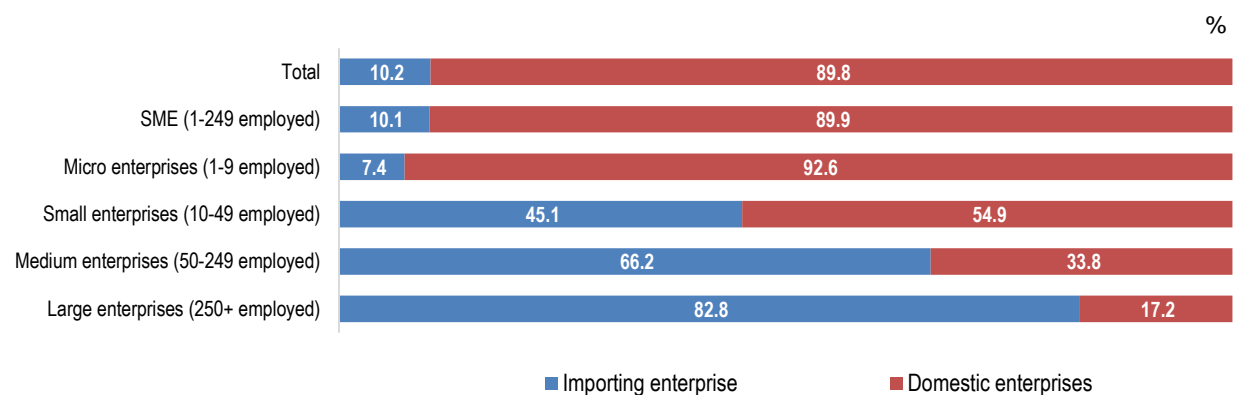
- 2.6 % of SMEs export goods from 3.1% that exported in 2019 (fig.2).

Fig.2 Structure in percentage of exporting enterprises by size of enterprises, 2020



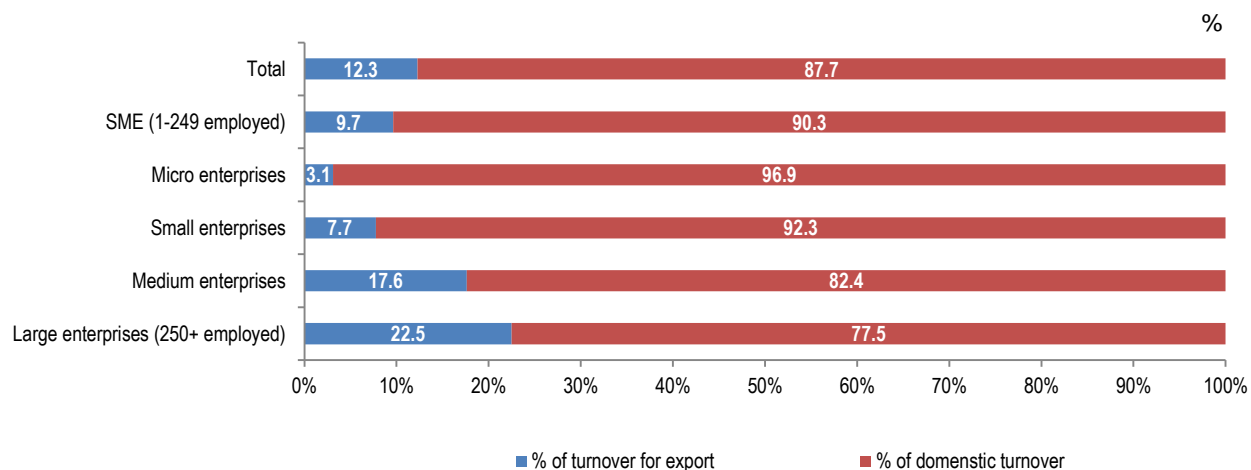
- 10.1 % of SMEs are importers from 10.8 % that were in 2019 (fig.3).

Fig.3 Structure in percentage of importing enterprises by size of enterprises, 2020



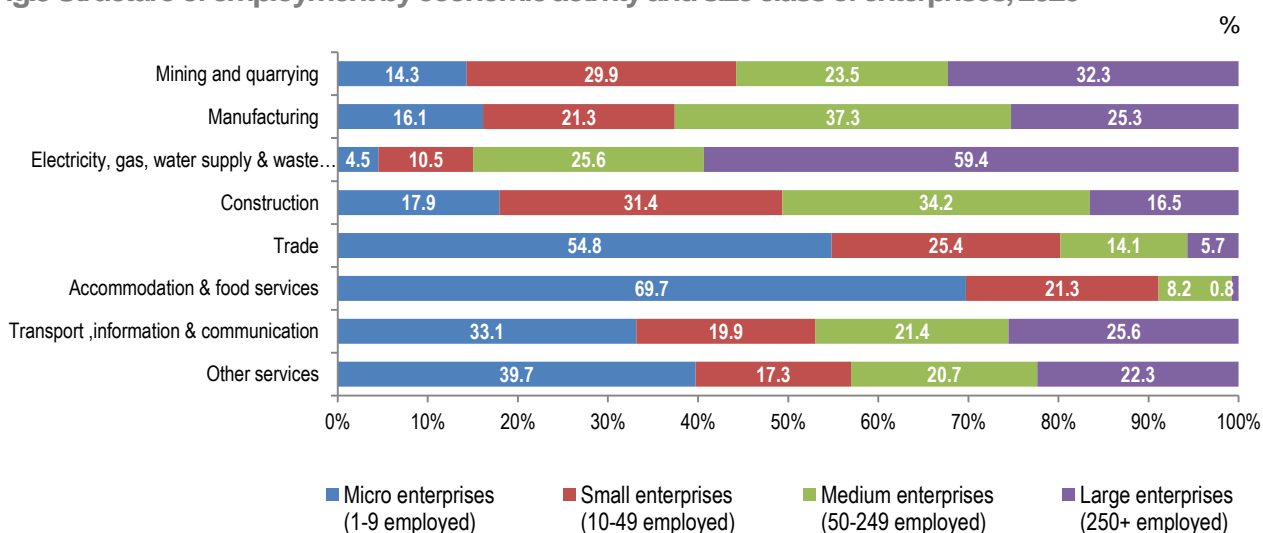
- 9.7 % of turnover was exported from SMEs. Medium sized enterprises account for the highest percentage of exports with 17.6% of the turnover. Micro-enterprises export the lowest value where 3.1 % of turnover is exported (fig. 4).

Fig.4 Percentage of turnover for export and domestic by size class of enterprises, 2020



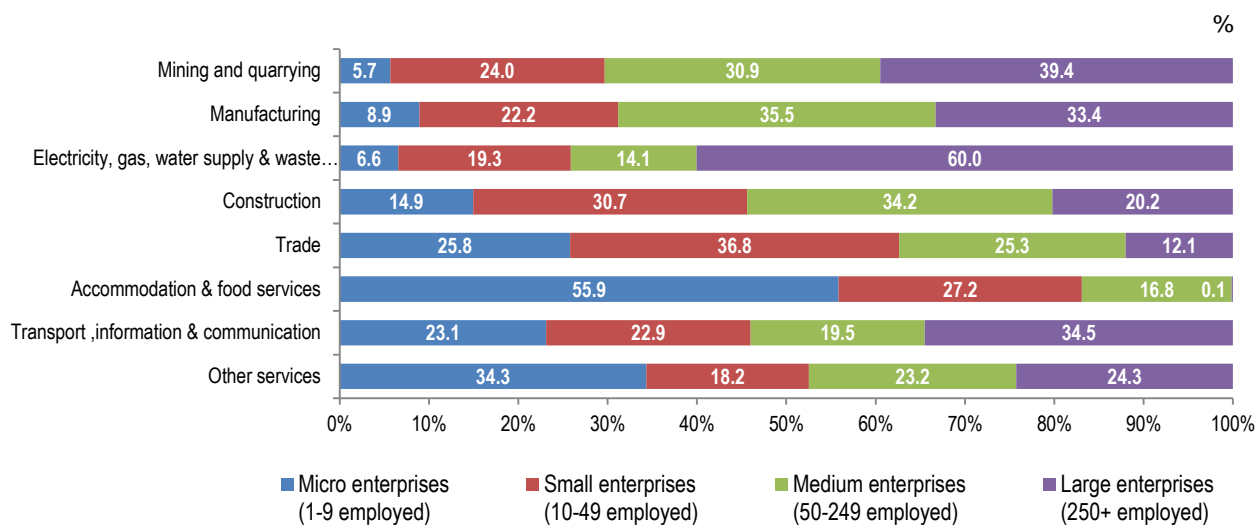
Micro-enterprises have the highest percentage of **employment** rate in accommodation and food services sector by 69.7 %. Small enterprises have the highest percentage of employment rate in construction sector by 31.4 %. Medium-sized enterprises have the highest employment rate in the manufacturing industry sector by 37.3 % (fig 5).

Fig.5 Structure of employment by economic activity and size class of enterprises, 2020



Micro-enterprises have the highest percentage of **value added** in the accommodation and food services sector by 69.7 %. Small enterprises have the highest percentage in trade sector by 36.8 %. Medium enterprises have the highest percentage of value added in manufacturing industry 35.5 % (fig. 6).

Fig.6 Structure of value added by economic activity and size class of enterprises, 2020



Methodology

This publication presents statistics on small and medium enterprises situation (SMEs) based on the results of Structural Survey of Enterprises. Structural Business Survey (SBS) aims to provide information on the structure of the economic, financial and main characteristics of active enterprises in the country according to the economic activity and size class of enterprises.

Based on Law No. 10042, date 22.12.2008, for some changes and additions in Law No. 8957, date 17.10.2002 "For small and medium enterprises", as amended, the enterprises are classified as: micro, small and medium enterprises.

Small and medium enterprises are treated for statistical purposes according to the number of employed (measured as employed on a full-time basis), which are classified as follows:

- micro enterprises: enterprises with 1 to 9 employed.
- small enterprises: enterprises with 10 to 49 employed.
- medium enterprises: enterprises with 50 to 249 employed.

The main aim of structural business statistics is to show the structure of the business sector by economic activity through main indicators. 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.

The classification of enterprises is done according to number of employed (measured as employed on a full-time basis). Based on Law No. 10042, date 22.12.2008, for some changes and additions in Law No. 8957, date 17.10.2002, "For small and medium enterprises", as amended, enterprises are classified in: micro, small and medium enterprises.

- Micro and small and medium category (SMEs) include enterprises where are engaged less than 250 employed and realized turnover and / or annual balance-sheet total not exceeding than 250 million ALL

- Small enterprise is an enterprise which engages less than 50 employed and which has a turnover and / or annual balance sheet total not exceeding 50 million ALL.
- Micro enterprise is an enterprise which engages less than 10 employed and which has a turnover and / or annual balance sheet total not exceeding 10 million ALL.

For more information related to the methodology used in structural business survey on enterprises. please refer to the following link:

<http://www.instat.gov.al/en/themes/industry-trade-and-services/structural-business-statistics/#tab4>

For more information related to the methodology used in external trade in goods statistics. please refer to the following link:

<http://www.instat.gov.al/en/themes/international-trade/international-trade-in-goods/#tab4>

Definition of indicators

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 at one or more locations (local unit)”.

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. This variable can be found in other publication as net sales.

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.

Production

The production is an activity exercised under the control and responsibility of an institutional unit (enterprise), which combines the sources of labor forces, capital and raw materials to produce goods and perform services.

The value of production is based on:

Incomes from the sale of goods and services (turnover) realized by the enterprise:

- (±) Changes in stocks of work in progress, finished goods and work on contract
- (±) Changes in goods and services purchased for resale in the same condition as received
- (–) Purchases of goods and services purchased for resale in the same condition as received
- (+) Capitalized production
- (+) Subsidies.

Intermediate consumption

Intermediate consumption represents the value of products or services transformed or totally consumed during the production process. The uses of fixed assets in work are not taken in consideration.

Value added at basic prices

Value added at basic prices is calculated as difference between production value and intermediate consumption.

Exports

Goods in general are goods destined to be sent to a third country subject to customs regime or outside processing arrangements, or re-exported following inside processing.

Imports

Goods in general are goods coming from a third country and are directly unloaded or placed to a warehouse according to the customs procedures to accomplish free zones processing, active or customs processing.