KEY FIGURES ON EUROPEAN BUSINESS 2024 EDITION

eurostat

KEY FIGURES

List of EU and EFTA countries

BE	Belgium	ES	Spain	HU	Hungary	SK	Slovakia
BG	Bulgaria	FR	France	MT	Malta	FI	Finland
CZ	Czechia	HR	Croatia	NL	Netherlands	SE	Sweden
DK	Denmark	IT	Italy	AT	Austria		
DE	Germany	CY	Cyprus	PL	Poland	*IS*	*Iceland*
EE	Estonia	LV	Latvia	PT	Portugal	*LI*	*Liechtenstein*
IE	Ireland	LT	Lithuania	RO	Romania	*NO*	*Norway*
EL	Greece	LU	Luxembourg	SI	Slovenia	*CH*	*Switzerland*

KEY FIGURES ON EUROPEAN BUSINESS

2024 EDITION

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Foreword

Key figures on European business presents a selection of business statistics for the European Union (EU), EU countries and European Free Trade Association (EFTA) countries, drawing from the rich collection of data that are available at Eurostat. Business statistics can be used to describe the structure, conduct and performance of businesses in the EU at a detailed sectoral level. They can also be used to identify emerging trends within the EU's business economy, tracing monthly or quarterly developments for indicators such as output, output prices or labour input.

Key figures on European business offers a balanced set of indicators. It starts with an overview of the business economy and is followed by more detailed presentations of its 4 specific parts – industry, construction, distributive trades and other market services. The publication closes with a chapter on tourism. Each of the chapters focusing on different parts of the business economy starts with an overview of the economic structure (in terms of value added and employment) and then shows developments through to 2023. The 2024 edition is enhanced with data on multinational enterprise groups as well as on electric and hybrid cars.

Several issues have impacted businesses across the EU in recent years. These include the COVID-19 pandemic, its related restrictions and its longer-term disruption of supply chains, as well as higher levels of inflation and the Russian military aggression against Ukraine and the related sanctions.

Eurostat's most up-to-date statistics showing the economic and social impacts of various recent events can be found online in the European Statistical Monitor and the Euro indicators dashboard.

I hope that you find this publication interesting and useful.

Petra Sneijers

Acting Director of Business and Trade Statistics, Eurostat

Abstract

Key figures on European business presents a selection of business statistics for the European Union (EU), EU countries and EFTA countries. For some readers, this publication may offer an introduction to European business statistics, while others can use it as a starting point to explore further a wide range of data and information. These are freely available on Eurostat's website and in *Statistics Explained* articles.

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For more information

Eurostat's website: https://ec.europa.eu/eurostat
Statistics Explained: https://ec.europa.eu/eurostat/statistics-explained

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Contents

Introduction

Eurostat is the statistical office of the European Union (EU). Our mission is to provide high-quality statistics on Europe, offering both citizens and decision-makers key information on the EU's economy, society and environment.

Key figures on European business describes the current business economy of the EU and the European Free Trade Association (EFTA) countries. Short-term business statistics and tourism statistics are generally presented until the end of 2023, revealing the impact of recent higher levels of inflation. Structural business statistics are now available for the 2021 reference year, still reflecting the impact of the COVID-19 pandemic and containment measures.

Structure of the publication

Key figures on European business provides an overview of the wealth of information about the business economy, which is available on Eurostat's website and in its online database.

The publication is divided into an overview of the whole business economy, a presentation of the business economy's structure, 4 chapters focusing on different parts of the business economy (industry, construction, distributive trades and other market services), and a final chapter focusing on tourism.

Each of the 4 chapters focusing on parts of the business economy starts with an overview of their structure. They continue with information on annual developments from 2015 until 2023 (the latest year for which annual indices are available at the time of writing); some quarterly data are available for the first quarter of 2024. In 3 of these chapters, readers can find information on a particular aspect: high-tech sectors and products for industry, buildings for construction, and information and communication services for other market services.

The tourism chapter first presents a structural overview, then looks at information on nights spent in tourist accommodation and nights booked through main booking platforms.

Data extraction and coverage

Data extraction

The statistical data presented in this publication were extracted in April or May 2024. Eurostat's online database may contain revised data.

Spatial data coverage

This publication presents information for the EU (a sum/average covering the 27 EU countries), its individual countries (Member States) and EFTA countries.

The countries in the figures are usually ranked according to the values for the indicator(s) illustrated.

References in the publication to northern, eastern, southern or western Europe are based on groupings in EU vocabularies.

The map on the inside cover page shows the EU and EFTA countries, pinpointing their capital cities.

Country codes and names

BE	Belgium	HU	Hungary
BG	Bulgaria	MT	Malta
CZ	Czechia	NL	Netherlands
DK	Denmark	AT	Austria
DE	Germany	PL	Poland
EE	Estonia	PT	Portugal
IE	Ireland	RO	Romania
EL	Greece	SI	Slovenia
ES	Spain	SK	Slovakia
FR	France	FI	Finland
HR	Croatia	SE	Sweden
IT	Italy		
CY	Cyprus	IS	Iceland
LV	Latvia	LI	Liechtenstein
LT	Lithuania	NO	Norway
LU	Luxembourg	CH	Switzerland

Temporal data coverage

If data for a reference year (or reference period) aren't available for a country, the authors made efforts to complete the coverage with data for the next most recent reference year. These exceptions are footnoted. Readers should pay particular attention to these deviations when the standard reference year is 2020 or 2021: for some indicators – particularly those impacted by the COVID-19 crisis – large changes in 2020 and/or 2021 mean that earlier data may not be a good proxy for missing 2020 or 2021 data.

Time series from short-term business statistics are presented in most chapters of this publication: the entrepreneurship part of Chapter 1; the developments parts of Chapters 3 to 6; and the focus parts of Chapters 4 (focus on building construction) and 6 (focus on information and communication services). The indices presented in these time series were compiled with 2021 as their base year. Reflecting the fact that time series in this publication are presented from 2015, these time series have been re-referenced to 2015 = 100.

Economic activity coverage

The statistical classification of economic activities in the European Community (NACE Rev. 2) is used to define economic activities. Within this publication, the following terms for ranges of economic activities are applied – all based on the NACE Rev. 2 classification.

- All economic activities / whole economy – Sections A to U.
- Business economy – covers industry, construction, distributive trades and other market services (as defined by Sections B to S excluding Section O and Division 94). This coverage is used for structural business statistics, business demography, and business registrations and bankruptcies.
- Core innovation activities – covers industry; transportation and storage services; information and communication services; financial and insurance activities; wholesale trade; architectural and engineering activities, technical testing and analysis; scientific research and development; advertising and market research (as defined by Sections B to E, H, J, K and Divisions 46 and 71 to 73).
- Industry – covers mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply, sewerage, waste management and remediation activities (as defined by Sections B to E). For the industrial production index as used in Chapter 3 (section on 'Developments'), industry excludes water supply, sewerage, waste management and remediation activities (as defined by Section E).

- Manufacturing – Section C.
- High-tech manufacturing – covers the manufacture of basic pharmaceutical products and pharmaceutical preparations; the manufacture of computer, electronic and optical products; the manufacture of air and spacecraft and related machinery (as defined by Divisions 21 and 26 and Group 30.3).
- Construction – covers the construction of buildings; civil engineering; specialised construction activities (as defined by Section F).
- Non-financial services as used for short-term business statistics in Chapter 6 (section on 'Developments') – generally covers Sections H to J and L to N. Some activities aren't covered, such as activities of head offices, scientific research and development, and veterinary activities.
- Other market services – covers market services outside of distributive trades (as defined by Sections H to S excluding Section O and Division 94).
- Core innovation services – covers transportation and storage services; information and communication services; financial and insurance activities; wholesale trade; architectural and engineering activities, technical testing and analysis; scientific research and development; advertising and market research (as defined by Sections H, J, K and Divisions 46 and 71 to 73).
- Distributive trades – covers wholesale and retail trade; repair of motor vehicles and motorcycles (as defined by Section G).
- Information and communication services – covers publishing activities; motion picture, video and television programme production, sound recording and music publishing activities; programming and broadcasting activities; telecommunications; computer programming, consultancy and related activities; information service activities (as defined by Section J).
- Tourist accommodation – covers hotels and similar accommodation; holiday and other short-stay accommodation; camping grounds, recreational vehicle parks and trailer parks (as defined by Groups 55.1 to 55.3).

For more information about the NACE Rev. 2 classification, please refer to Eurostat's dedicated section on NACE.

Notes and flags

Notes and flags are used to explain and define specific characteristics of data. In this publication, these have been restricted as far as possible in order to allow more space for illustrating the data. This publication includes only the main notes needed to interpret the data and to highlight when data for 1 year have been replaced by data for another. Data not shown in individual figures may simply not be available or may be confidential. The full set of notes and flags is available on Eurostat's website via the online data code(s) presented for each map or figure.

Accessing European statistics

The simplest way to access Eurostat's wide range of statistical information is through Eurostat's website. Eurostat provides users with free access to its database and publications. The website is updated daily and presents the latest and most comprehensive statistical information available on the EU as well as individual EU, EFTA and enlargement countries (for some datasets, information may be provided for a wider range of non-EU countries).

You can use online data codes, such as sbs_ovw_act, to find the most recent data in Eurostat's online database or using the Eurostat website's search function. These data codes are included in the source below each map or figure.

Some of the indicators presented in this publication can be complex. The *Statistics Explained* website provides a comprehensive online glossary containing definitions of a broad range of statistical indicators, concepts and terms. Whenever a specialist term is used in the text, it's linked to its glossary definition.

1

Business dynamics

Size of businesses

Business statistics cover industry, construction, distributive trades and other market services. They exclude some economic activities, such as agriculture, forestry and fishing as well as public administration.

Key business statistics for the business economy

(EU, 2021)

In 2021, there were 31.0 million enterprises in the EU's business economy. Together they employed 156.1 million persons and created €9.4 trillion of wealth as measured by value added.

Note: the business economy covers industry, construction, distributive trades and other market services.

Source: Eurostat (online data code: sbs_ovw_act)

Key business statistics in the business economy

(%, share for each enterprise size class, EU, 2021)

Note: enterprises, estimates made for the purpose of this publication. Some shares do not sum to 100.0% for reasons of rounding.

Source: Eurostat (online data code: sbs_sc_ovw)

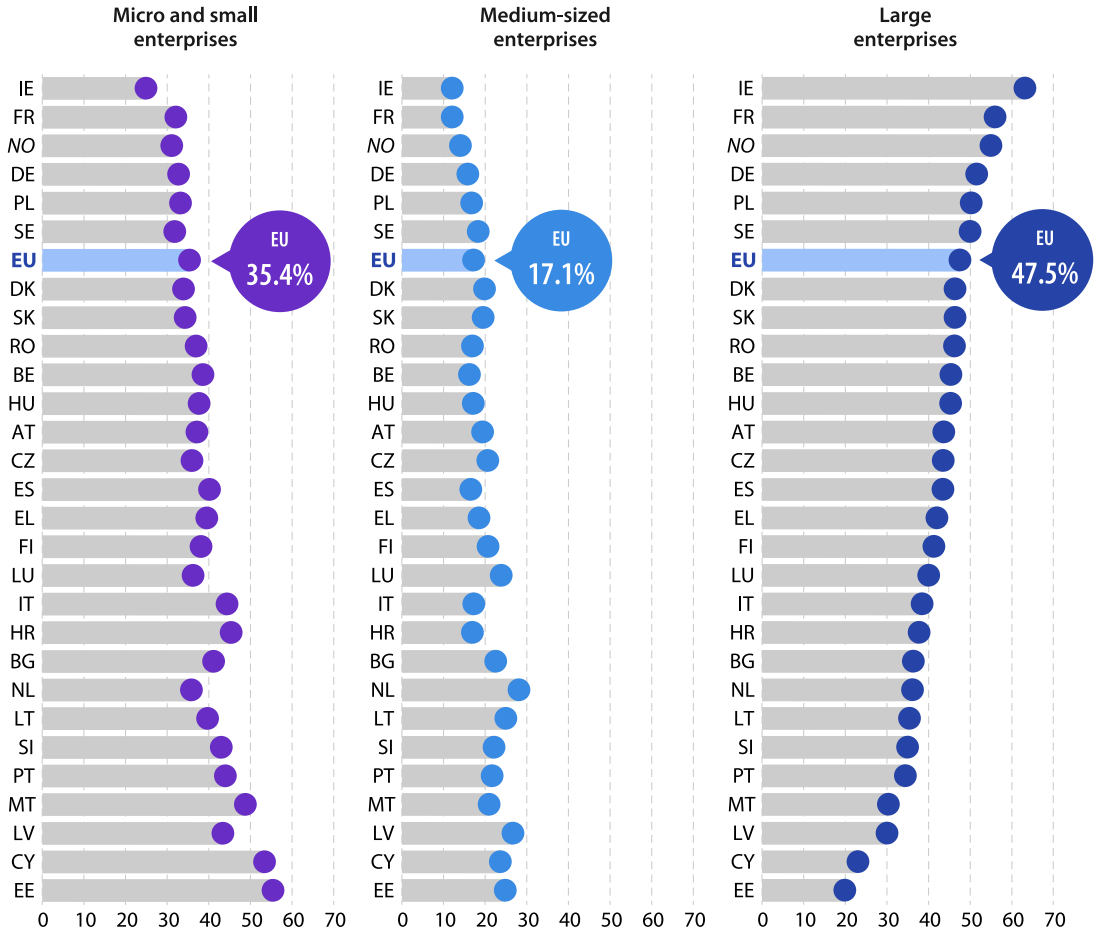
In 2021, the overwhelming majority (99.1%) of active EU businesses were micro or small enterprises employing fewer than 50 persons. Their economic weight was lower in terms of their contribution to employment or value added: micro and small enterprises employed just under half (49.0%) of the EU's business economy workforce, while they contributed just over one third (35.4%) of the value added.

In 2021, there were 51 000 large enterprises (with 250 or more persons employed ([1])) in the EU's business economy. These large enterprises represented less than 1% (just 0.2%) of the total number of enterprises. However, their economic weight was considerably greater: large enterprises employed more than one third (35.6%) of the EU's business economy workforce and generated an even higher share of its wealth (47.5% of value added).

([1]) Employees and self-employed persons.

Value added in the business economy

(%, share of the total value added for each enterprise size class, 2021)



Note: ranked on the share for large. PT: excluding real estate activities. CY: excluding mining and quarrying; electricity, gas, steam and air conditioning supply; real estate activities; arts, entertainment and recreation.

Source: Eurostat (online data code: sbs_sc_ovw)

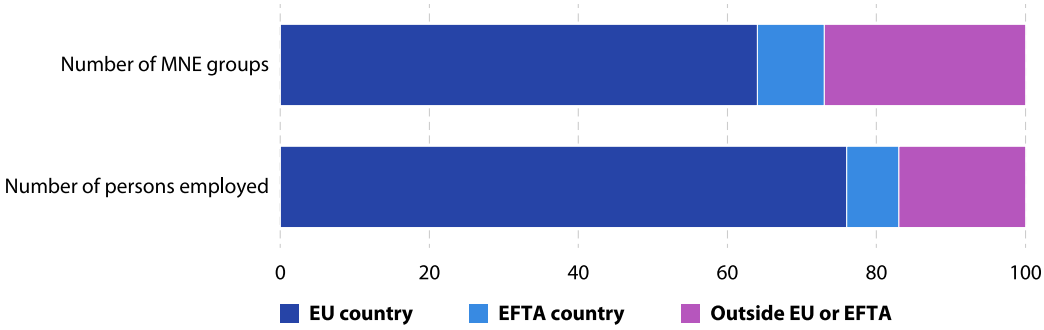
Overall, large enterprises contributed the most value added in the EU's business economy in 2021 (47.5%), followed by micro and small enterprises (35.4%).

In 2021, micro and small enterprises contributed more than half of the value added in the business economies of Estonia and Cyprus. By contrast, large enterprises were responsible for approximately half of value added in the business economies of Sweden and Poland, 51.5% in Germany and 55.9% in France; this share peaked at 63.1% in Ireland.

Multinational enterprise groups

Multinational enterprise groups

(%, share for aggregated countries of control, EU and EFTA, 2022)



Source: Eurostat (online data codes: egr_mne and egr_mne_empw)

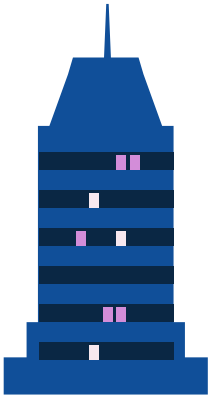
There were 146 000 multinational enterprise (MNE) groups operating in EU and/or EFTA (hereafter EU-EFTA) countries in 2022. Nearly two thirds (64%) of these MNE groups were controlled from EU countries, 9% from EFTA countries and 27% from countries outside of EU-EFTA. In 2022, more than 130 countries outside EU-EFTA controlled at least 1 MNE group operating in EU-EFTA. Among them, the countries that controlled the largest numbers of these MNE groups were the United Kingdom, the United States and China (including Hong Kong).

Employment in MNE groups operating in EU-EFTA totalled 48 million: 76% of persons worked in groups controlled from an EU country, 7% in groups controlled from EFTA countries and 17% in groups controlled from countries outside these areas.

MNE groups have a significant impact on employment: 28% of the total number of persons employed in the EU business economy in 2022 worked for MNE groups.

In 2022, around a fifth of MNE groups in EU-EFTA countries were involved in distributive trades (19.1%). The next largest shares were in manufacturing (18.2%), scientific and technical activities (13.3%), and financial and insurance activities (10.5%).

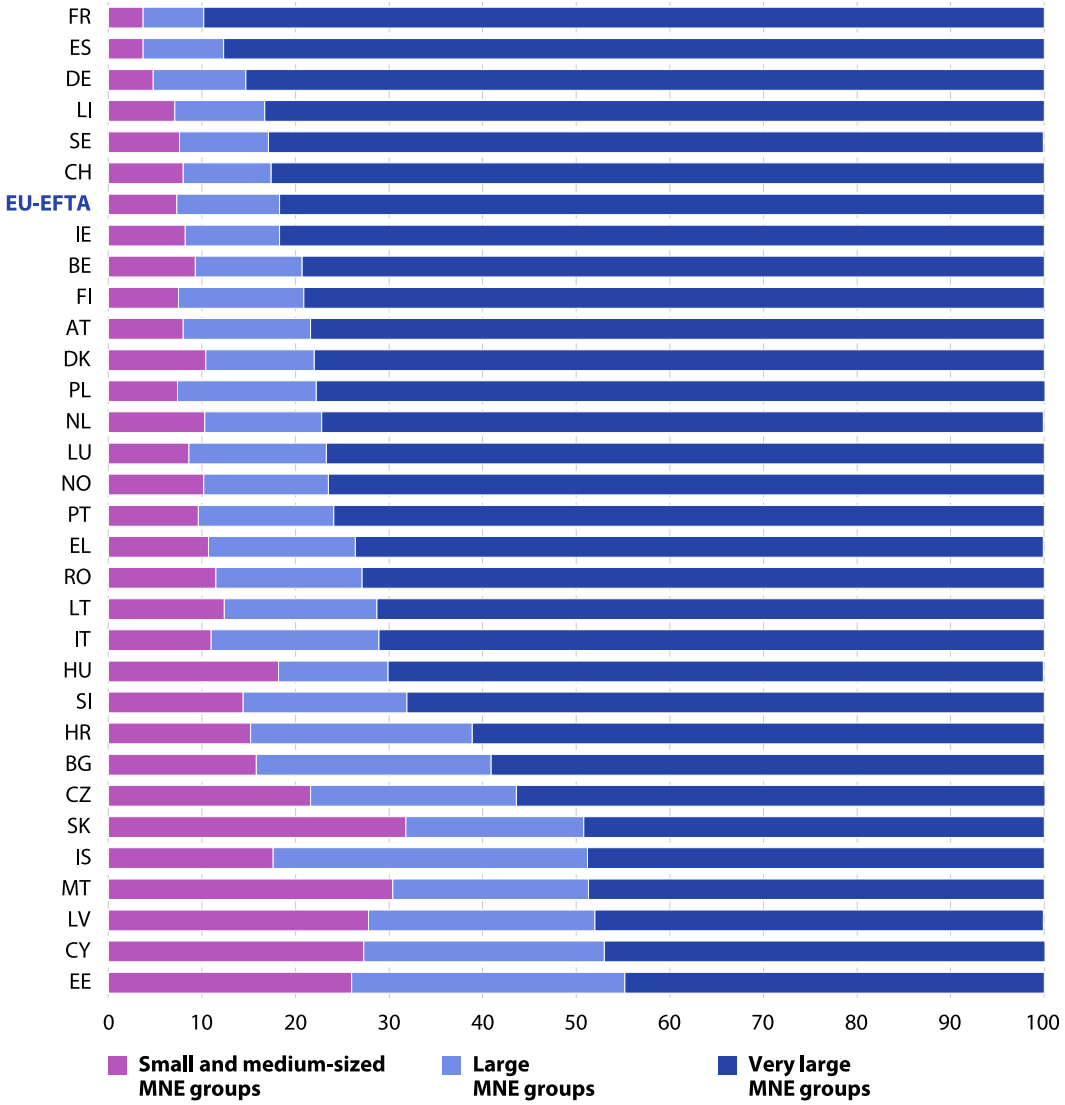
However, in terms of employment, manufacturing had the largest share, employing 33.5% of the persons working in MNE groups in EU-EFTA, followed by distributive trades with 16.7%.



146 000
multinational enterprise groups in EU-EFTA employed
48 million
persons

Persons employed in multinational enterprise groups

(%, share for each multinational enterprise group size class, 2022)



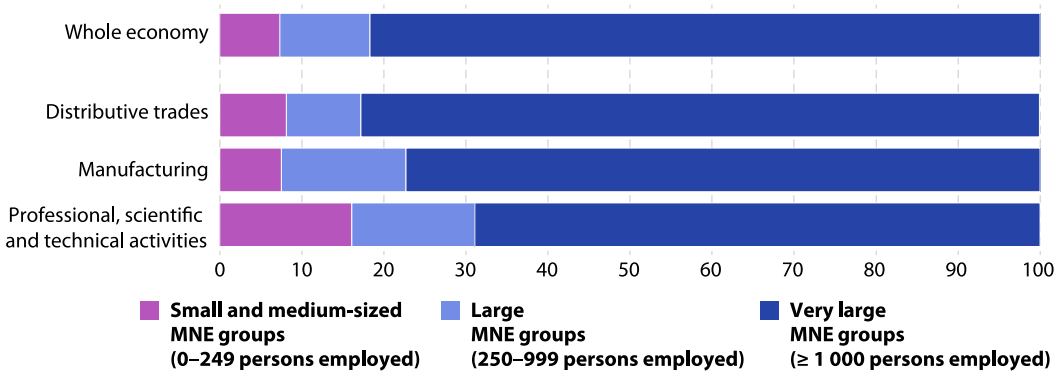
Source: Eurostat (online data code: egr_mne_empw)

Across the whole economy, MNE groups operating in EU-EFTA countries are very polarised in terms of size, with a relatively small number of them being large or very large and economically relevant. In 2022, 86% of the MNE groups were small or medium-sized (fewer than 250 persons) and employed only 7% of the total number of persons employed by MNE groups in EU-EFTA. By contrast, the 8% of large MNE groups (250 to 999 persons) and the 6% of very large ones (at least 1 000 persons) accounted for 82% and 11% respectively of the total number of persons employed by MNE groups in EU-EFTA.

The share of persons who worked for very large MNE groups was highest in France (90%), Spain (88%) and Germany (85%). By contrast, this share was lowest in several of the smaller EU countries, and was below 50% in Estonia, Cyprus, Latvia, Malta and Slovakia.

Persons employed in multinational enterprise groups

(%, share for each multinational enterprise group size class, EU and EFTA, 2022)

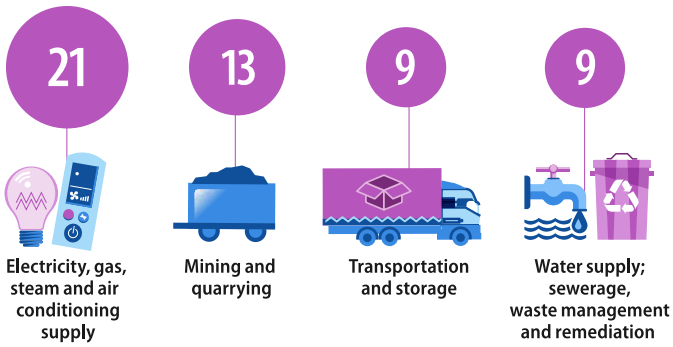


Source: Eurostat (online data code: egr_mne_empw)

Among the 3 activities with the largest numbers of MNE groups, 83% of persons employed in MNE groups in distributive trades worked in large MNE groups (250 to 999 persons). For manufacturing, this share was 77%, while for professional, scientific and technical activities it was 69%. Both manufacturing as well as professional, scientific and technical activities had above average shares of employment in large (rather than very large) MNE groups. The share of persons employed in small or medium-sized MNE groups (fewer than 250 persons) was 16% in professional, scientific and technical activities, just over double the average share for the whole economy (7%).

Employment concentration in the 4 largest multinational enterprise groups

(%, EU, 2022)



Source: Eurostat (online data code: egr_conc)

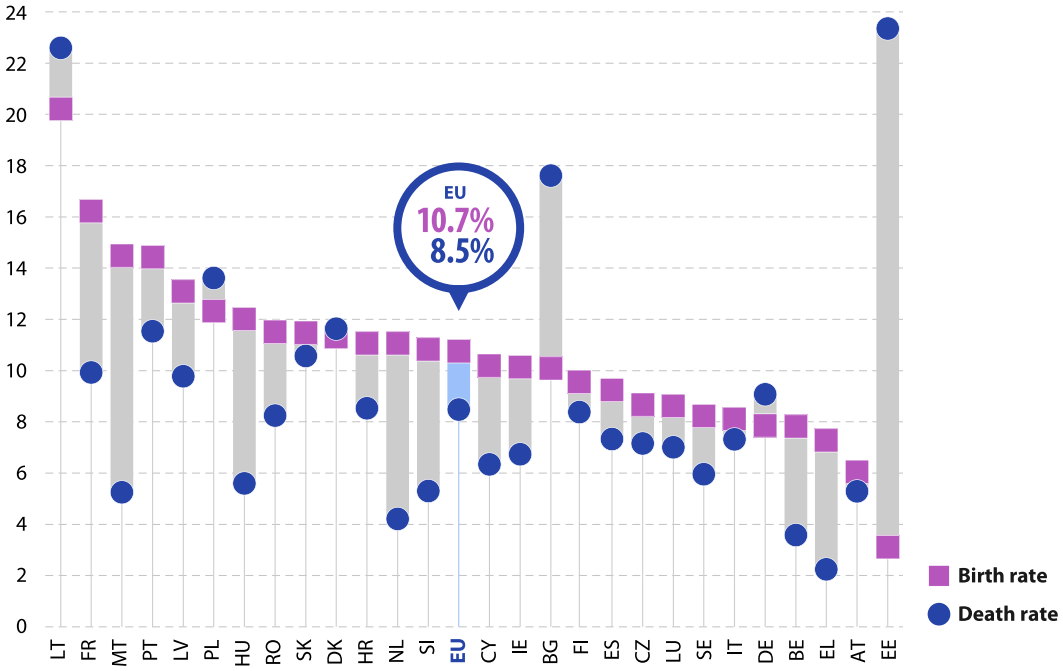
In 2022, the highest concentration ratio in the EU was in electricity, gas, steam and air conditioning supply activities: 21% of all persons employed in this activity were employed in enterprises belonging to 4 MNE groups. The next highest concentration ratios were recorded for mining and quarrying (13%), transportation and storage (9%), and water supply, sewerage, waste management and remediation activities (also 9%).

The industry concentration is defined as a measure of the extent to which industry sales are dominated by 1 or more businesses. Using the employment of enterprises within the MNE groups, and aggregating it by activity, one can measure the share of the total employment concentrated in the largest 4 MNE groups. In this way, a proxy for the industry concentration is obtained.

Entrepreneurship

Enterprise birth and death rates in the business economy

(%, 2021)



Source: Eurostat (online data codes: bd_l_form)

Business demography is a term used for studying the characteristics of the population of enterprises. The creation (or birth) of new enterprises and the closure (or death) of enterprises are important indicators for business dynamics.

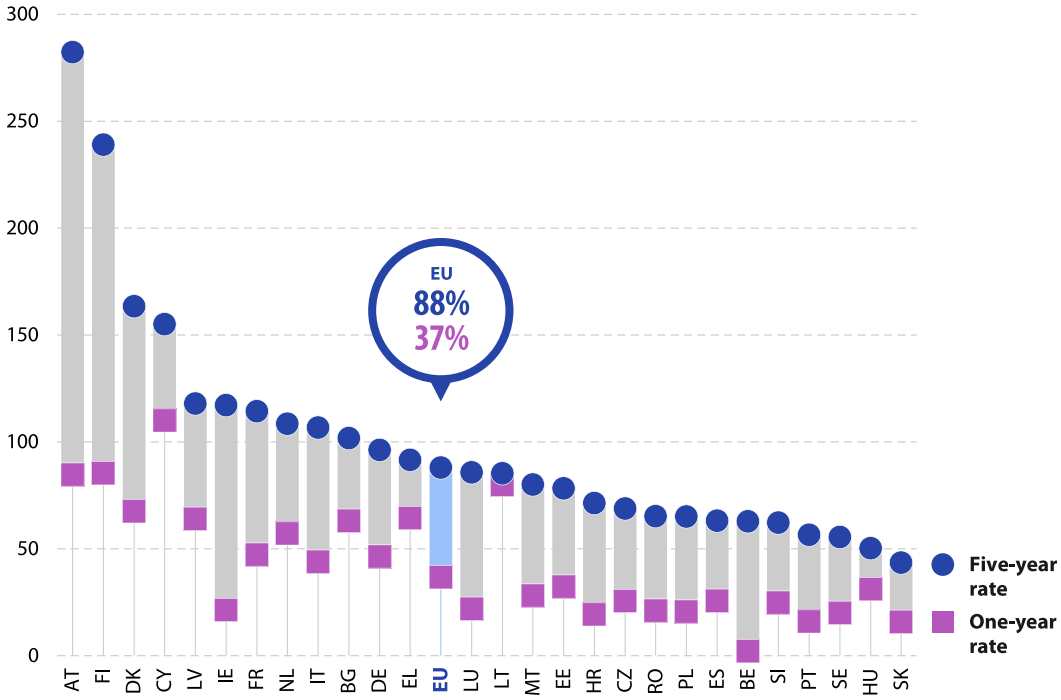
In 2021, the EU enterprise birth rate (the number of births as a percentage of the number of active enterprises) in the business economy was 10.7%. This ratio ranged from a high of 20.2% in Lithuania down to 3.1% in Estonia.

Enterprise deaths concern the permanent closure of an enterprise. In 2021, the preliminary enterprise death rate in the EU's business economy was 8.5%, ranging from highs of 23.4% and 22.6% in Estonia and Lithuania, respectively, down to a low of 2.2% in Greece.

By far the largest difference between the enterprise birth and death rates in 2021 was in Estonia, with the death rate 20.3 percentage points above the birth rate. By contrast, in Malta the enterprise birth rate was 9.2 points above the death rate.

Employment growth rate for surviving enterprises in the business economy

(%, 2021)



Source: Eurostat (online data code: bd_size)

While business dynamics are relevant for the overall performance of an economy, a crucial aspect for individual entrepreneurs and employees is the survival and development of their business.

The number of persons employed in 1-year-old enterprises in the EU in 2021 was 37% higher than in the same enterprises in the year of their birth. For enterprises that were 5 years old in 2021, the employment increase was 88%.

Among the EU countries, the 5-year growth rate of the number of persons employed for surviving enterprises in 2021 was highest in Austria (up 282%) and Finland (up 239%).

High-growth enterprises

(%, share of the total number of enterprises in each activity, EU, 2021)

Note: mining and quarrying and electricity, gas, steam and air conditioning supply, not available.

Source: Eurostat (online data code: bd_hg)

High-growth enterprises in the EU business economy

9.2

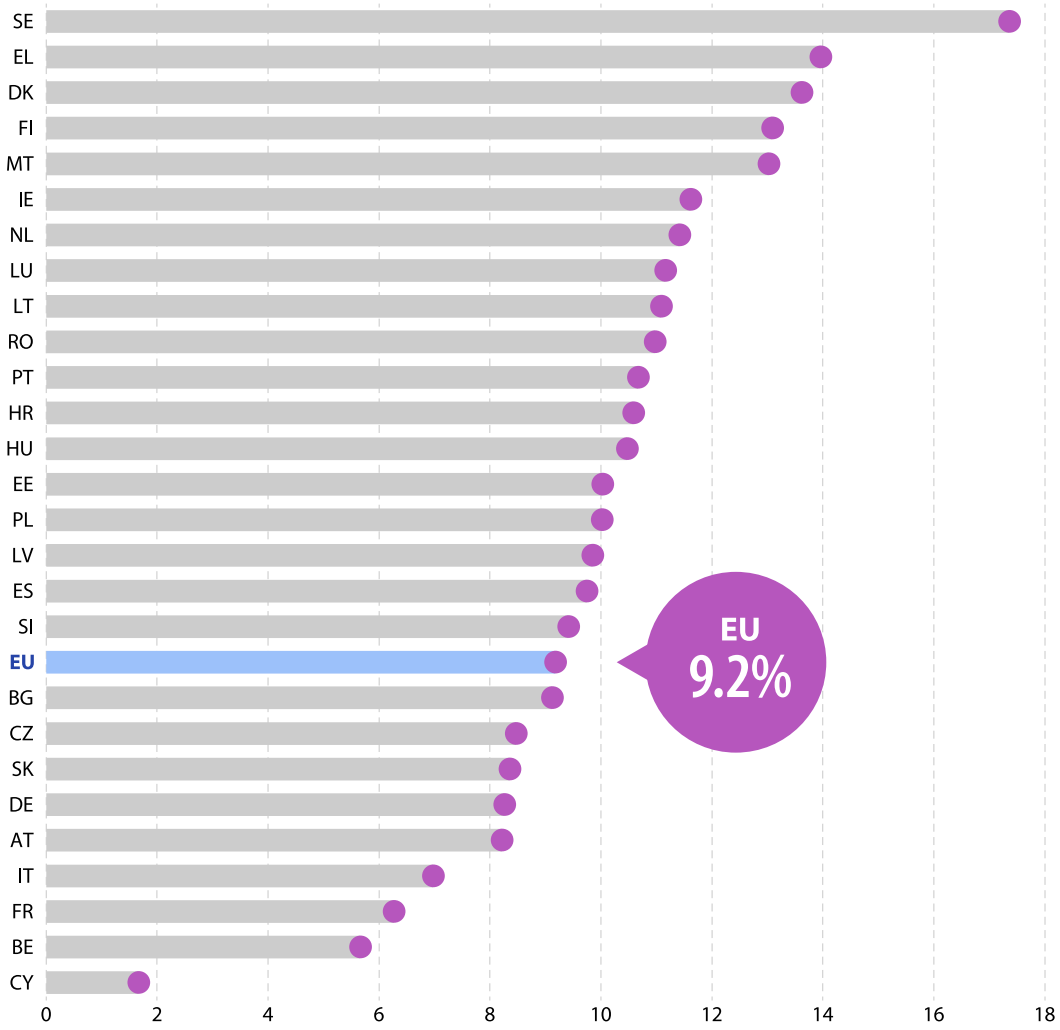
Enterprise creation and subsequent business growth can have a considerable impact on employment.

In 2021, high-growth enterprises accounted for 9.2% of all enterprises with 10 or more employees in the EU's business economy. These enterprises were particularly common in the information and communication sector (16.4%), while at the other end of the range, other service activities (except activities of membership organisations) had the lowest share (4.5%).

A high-growth enterprise is defined within business demography statistics as one that had at least 10 employees at the beginning of the period studied and whose number of employees grew, on average, by more than 10% per year over a 3-year period.

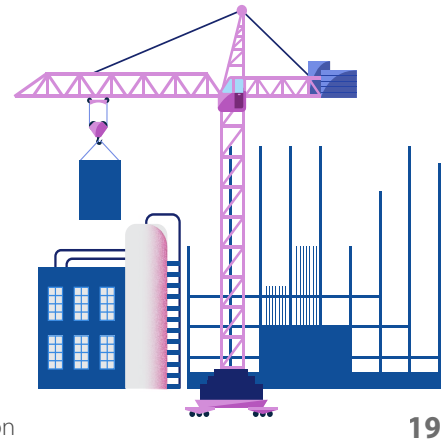
High-growth enterprises

(%, share of the total number of enterprises in the business economy, 2021)



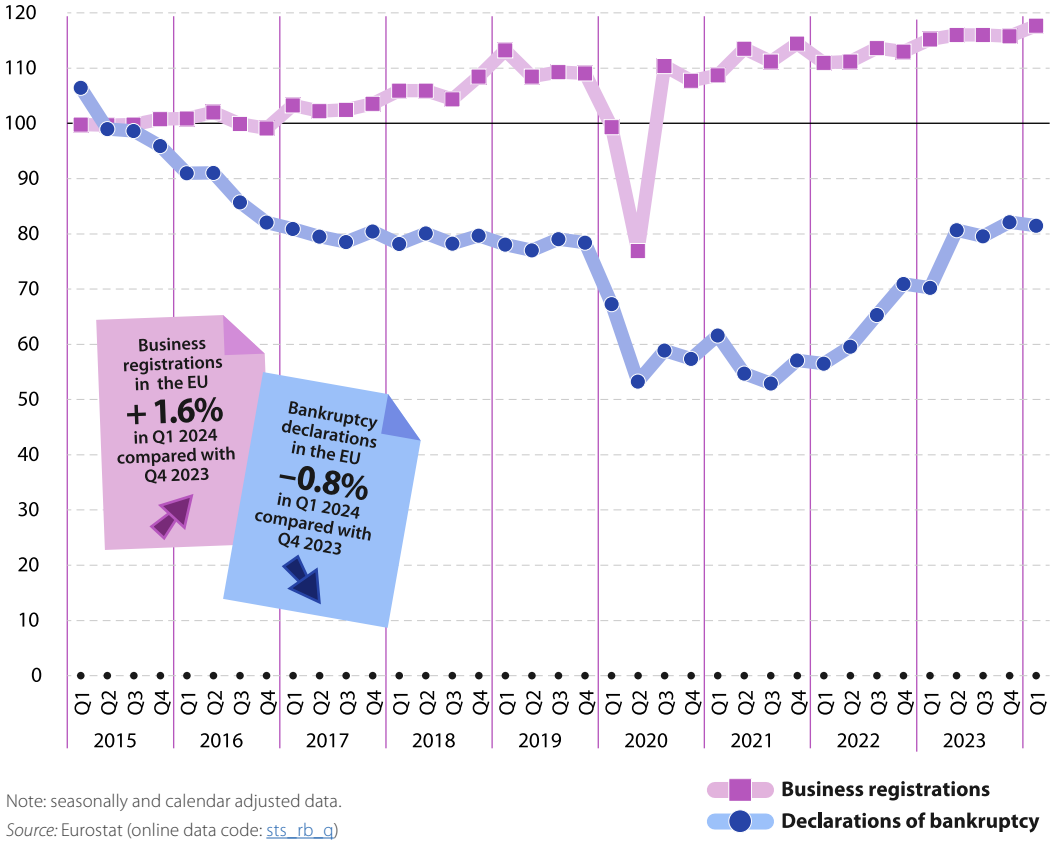
Note: see earlier for the definition of a high-growth enterprise.
Source: Eurostat (online data code: bd_hg)

In 2021, high-growth enterprises accounted for around 1 in 6 of all enterprises with 10 or more employees in the Swedish business economy. There were 12 EU countries where high-growth enterprises accounted for fewer than 1 in 10 enterprises, with a particularly low share observed in Cyprus (1.7%).



Business registrations and declarations of bankruptcy in the business economy

(2015 = 100, EU, Q1 2015–Q1 2024)



Note: seasonally and calendar adjusted data.

Source: Eurostat (online data code: sts_rb_q)

In contrast to enterprise births, a business registration is an administrative procedure that may be considered as a declaration of intent.

Between the start of 2015 and the end of 2019, there was a relatively stable upward trend for the number of business registrations in the EU. This was followed by 2 sharp falls in the first two quarters of 2020 due to the COVID-19 pandemic and related containment measures. In the third quarter of 2020, the number of business registrations increased to a level above that recorded at the end of 2019. Since then, the development through to the first quarter of 2024 has been quite stable, similar to that before the crisis.

Bankruptcy declarations provide an early signal of the direction the economy may take. Some businesses that file for bankruptcy may be sold off, meaning that they don't necessarily close permanently; filing for bankruptcy isn't synonymous with an enterprise death.

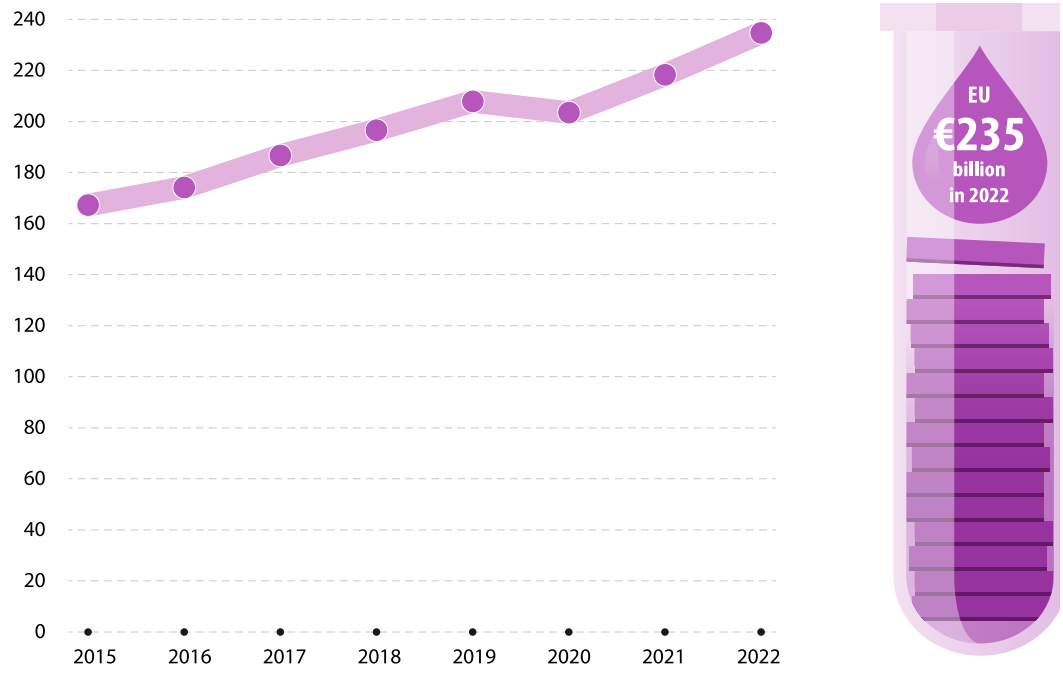
Having fallen between the start of 2015 and the beginning of 2018, the number of bankruptcy declarations in the EU stabilised for 2 years. In the first and second quarters of 2020, the pandemic and containment measures brought a fairly sharp decline in the number of bankruptcy declarations. The development was quite irregular for several quarters until hitting a low point in the third quarter of 2021. The number of bankruptcy declarations was mainly on an upward trend from the second quarter of 2022 until the end of 2023, reaching a new peak in the fourth quarter of 2023, slightly above the level before the pandemic.

Read more in a quarterly article about registrations and declarations of bankruptcies.

Research and development

Business expenditure on R&D

(€ billion, EU, 2015–22)



Note: business expenditure across all economic activities.

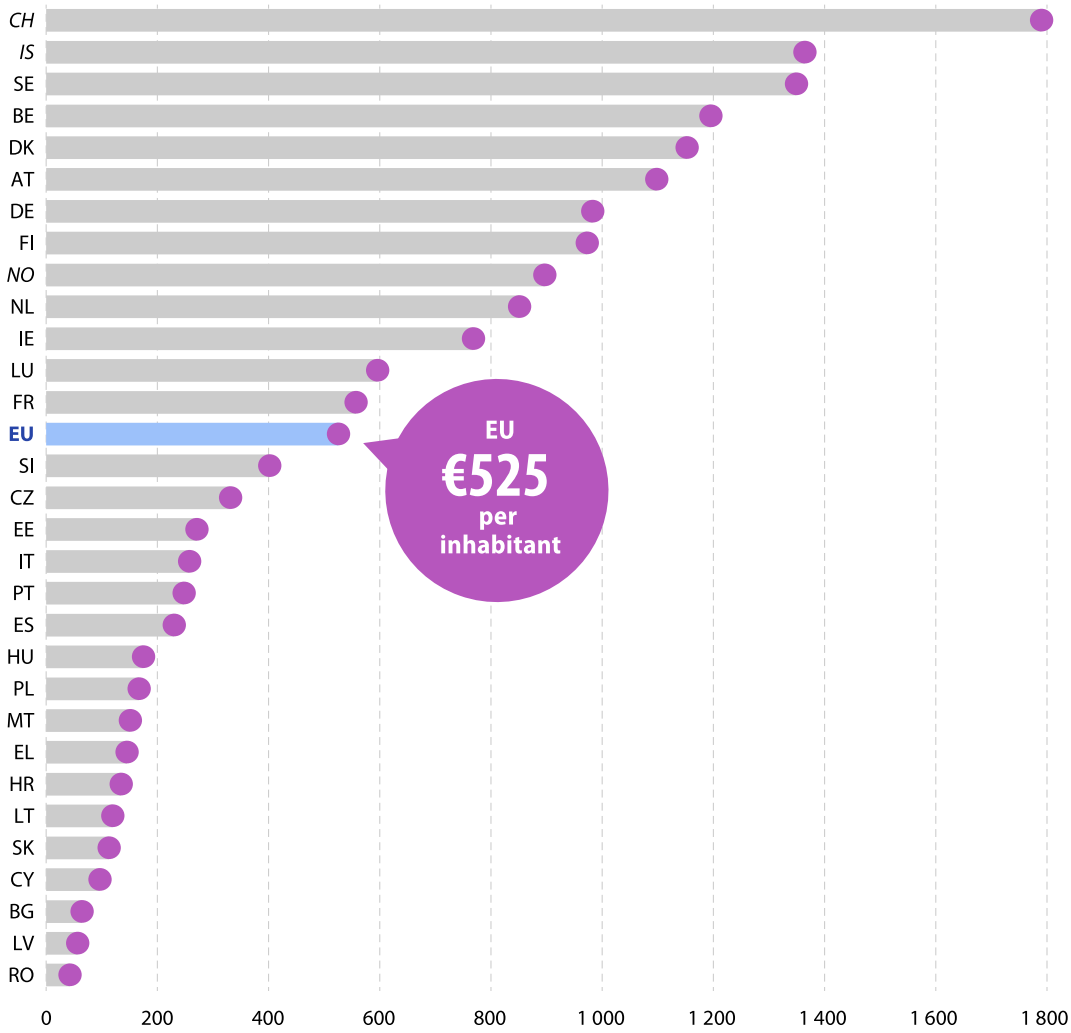
Source: Eurostat (online data code: rd_e_berdindr2)

Business expenditure on research and development (R&D) constitutes an important part of intramural R&D. In contrast to global competitors such as Japan or the United States, business expenditure on R&D is relatively low in the EU. That said, the business enterprise sector usually accounts for the highest share of gross domestic expenditure on R&D when compared with the higher education, government and private non-profit sectors.

Other than a slight reduction in 2020, EU business expenditure on R&D rose consistently (in current price terms) between 2015 and 2022. Overall, business expenditure on R&D increased by 40.3% during the period under consideration, reaching €235 billion.

Business expenditure on R&D

(€ per inhabitant, 2022)



Note: business expenditure across all economic activities. CH: 2021.

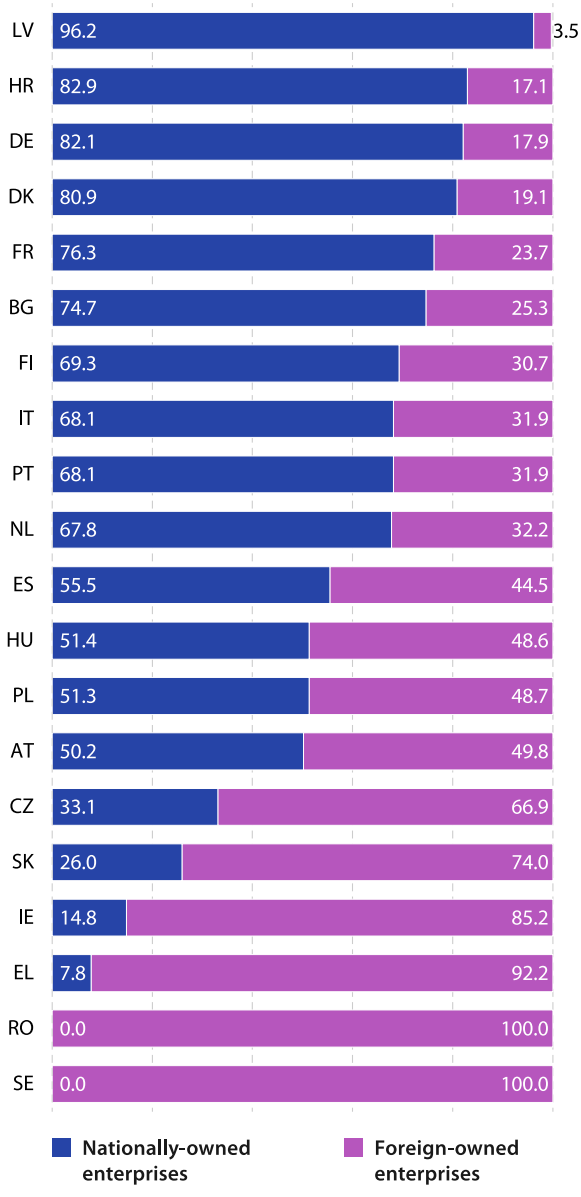
Source: Eurostat (online data code: rd_e_berdindr2)

Among EU countries, businesses in Sweden, Belgium, Denmark, Austria, Germany and Finland spent the highest amount per inhabitant on R&D in 2022; they also had the highest overall levels of R&D intensity (R&D expenditure relative to GDP).

Business enterprise expenditure on R&D in the EU averaged €525 per inhabitant in 2022. This ratio stood at €1 349 per inhabitant in Sweden but was less than €200 per inhabitant in 11 EU countries; the lowest ratios were in Romania, Latvia and Bulgaria.

Intramural R&D expenditure in industry and construction

(%, share of the total intramural expenditure according to the control of the enterprise, 2021)

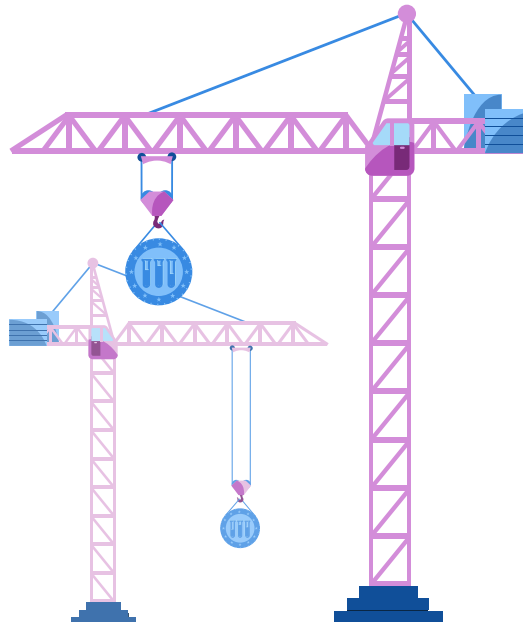


Note: intramural R&D expenditures are all current expenditures plus gross fixed expenditure for R&D performed within an enterprise. BE, EE, CY, LT, LU, MT and SI: not available.

Source: Eurostat (online data code: fats_ctrl_rd)

In recent decades, R&D expenditure has become more and more internationalised, due to globalisation. This can have benefits for host economies as well as for multinational enterprises that perform research abroad, especially in terms of knowledge transfer.

Within industry and construction, foreign-owned enterprises accounted for more than half of all intramural R&D expenditure in 2021 in 6 EU countries, namely, Sweden, Romania, Greece, Ireland, Slovakia and Czechia. At the other end of the range, in industry and construction nationally owned enterprises carried out a little over four fifths of intramural R&D expenditure in Denmark, Germany and Croatia, with a notably higher share in Latvia (96.2%).



Innovation

Innovation active enterprises

(EU, 2020)

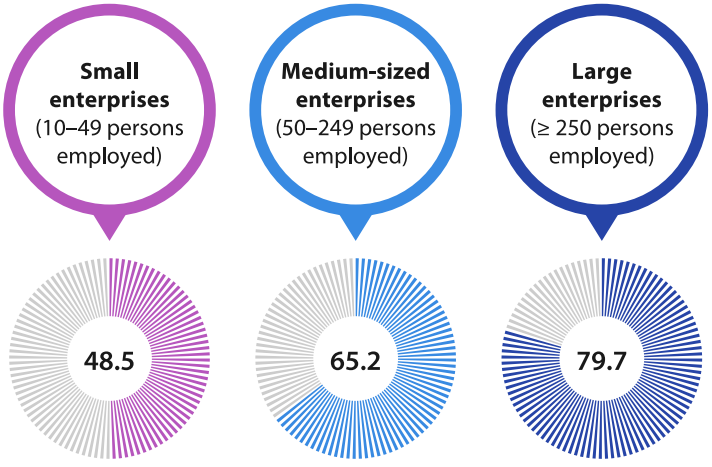
Note for all indicators on pages 24 to 26: based on core innovation activities; covers enterprises with 10 or more persons employed; innovation active enterprises include those with on-going and abandoned innovative activities, regardless of whether or not the activity results in the implementation of an innovation.

Source: Eurostat (online data code: inn_cis12_bas)

The community innovation survey (CIS) concentrates on a set of core innovation activities of enterprises, covering only enterprises with 10 or more persons employed. In 2020, there were 732 600 such enterprises across the EU, of which just over half (385 900) were innovation active.

Innovation active enterprises

(%, share of enterprises that are innovation active for each enterprise size class, EU, 2020)



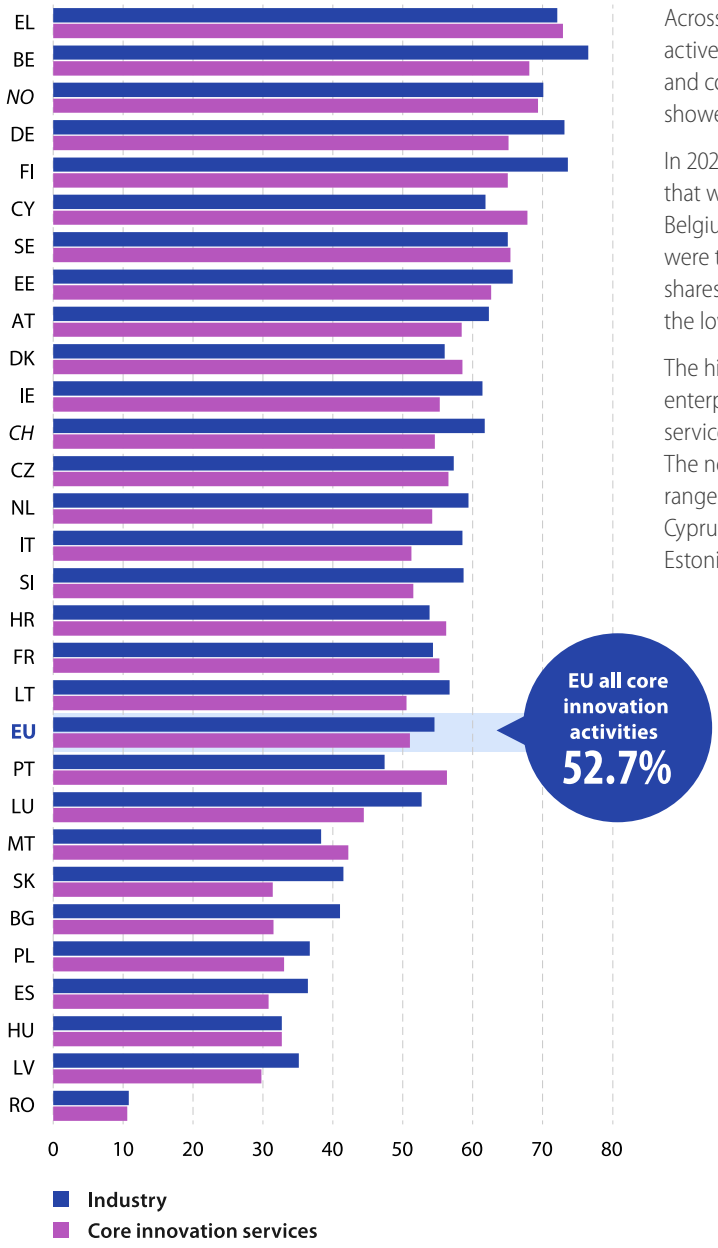
In 2020, around 80% of all large enterprises (with 250 or more persons employed) in the EU engaged in some form of innovative activity. By contrast, just under half of all small enterprises (with 10–49 persons employed) were engaged in some form of innovation.

Note: see the note at the top of this page.

Source: Eurostat (online data code: inn_cis12_bas)

Innovation active enterprises

(%, share of enterprises that are innovation active for each activity, 2020)



Note: see the note at the top of page 24. Ranked on the share for industry and core innovation services together.

Source: Eurostat (online data code: inn_cis12_inact)

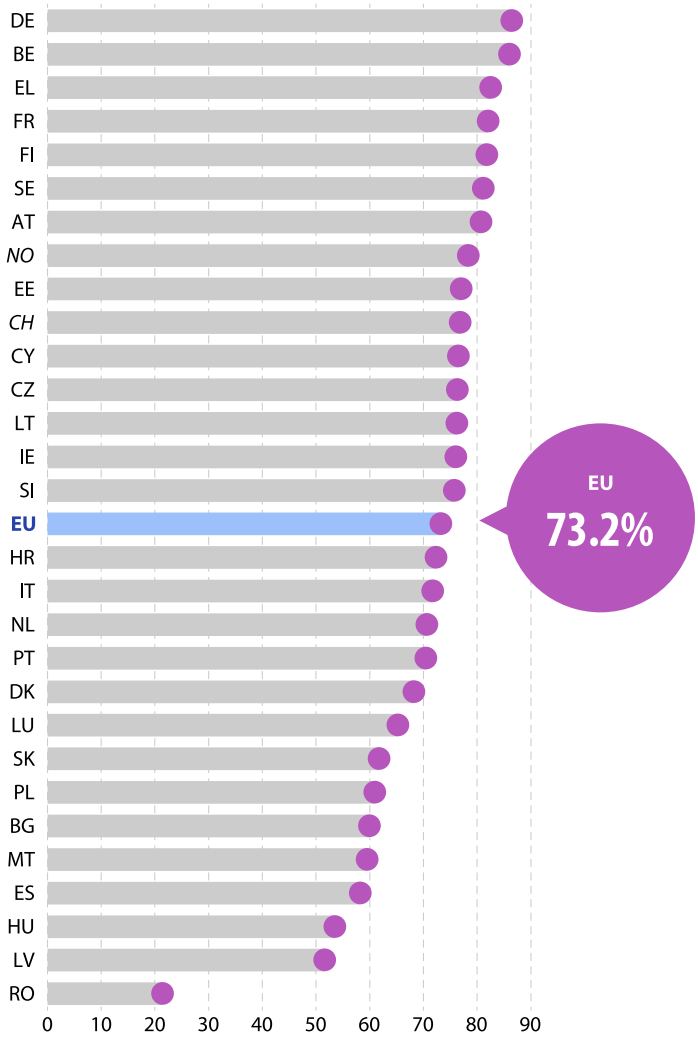
Across the EU, the share of innovation active enterprises within industry (54.5%) and core innovation services (51.0%) showed little difference in 2020.

In 2020, the share of industrial enterprises that were innovators peaked at 76.5% in Belgium. Finland, Germany and Greece were the only other EU countries to record shares of more than two thirds. By contrast, the lowest share was in Romania (10.8%).

The highest share of innovators among enterprises classified to core innovation services in 2020 was in Greece, at 72.9%. The next highest shares – all within the range of 63% to 68% – were in Belgium, Cyprus, Sweden, Germany, Finland and Estonia.

Persons employed in innovation active enterprises

(%, share of all persons employed, 2020)

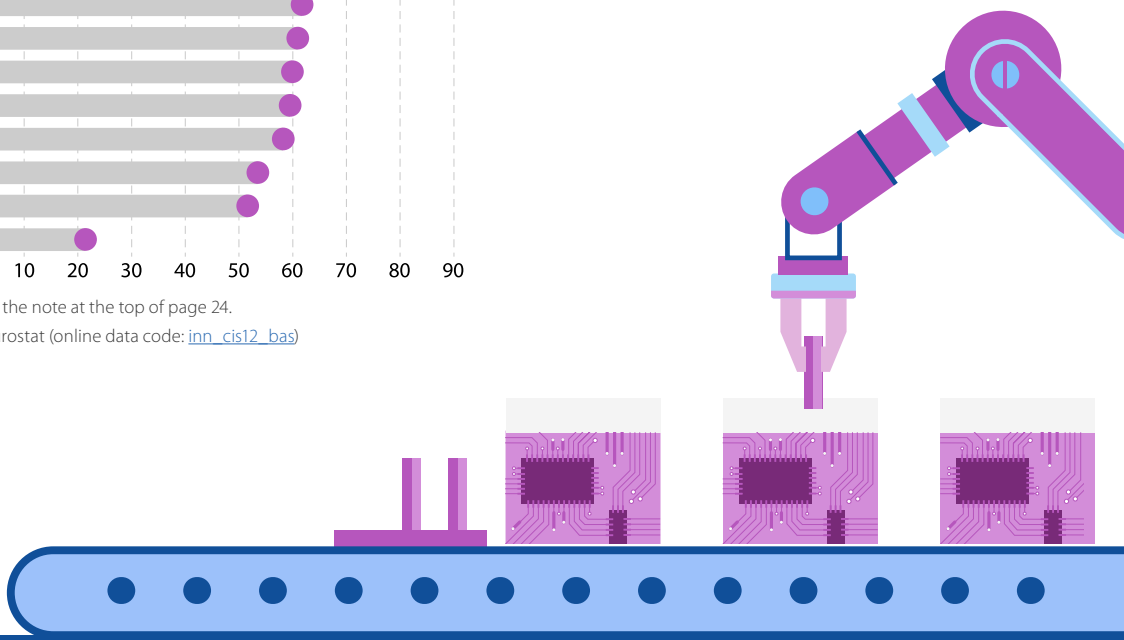


Note: see the note at the top of page 24.

Source: Eurostat (online data code: inn_cis12_bas)

The share of persons employed in innovative enterprises reflects, at least to some degree, the specialisation and concentration of particular economic activities and the size structure of enterprises within each economy: larger enterprises are generally more likely to be innovators.

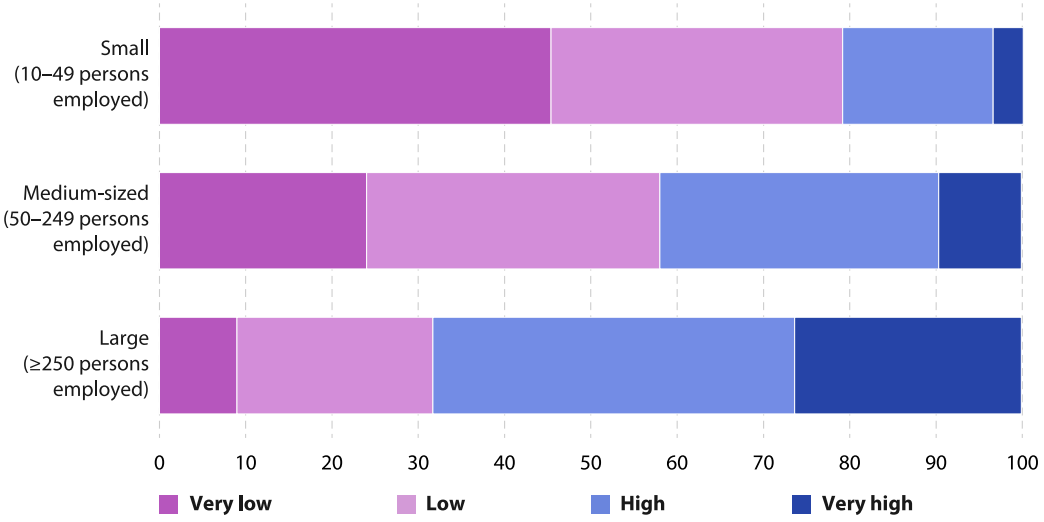
Across core innovation activities, more than 80.0% of persons employed in 2020 in Germany, Belgium, Greece, France, Finland, Sweden and Austria worked for an enterprise engaged in some form of innovation activity. In almost all of the remaining EU countries, more than half of all persons employed worked for an innovative enterprise. The exception was Romania, where just over one fifth of all persons employed worked in innovative enterprises.



Digital transformation

Digital intensity of enterprises

(%, share within each enterprise size class, EU, 2023)



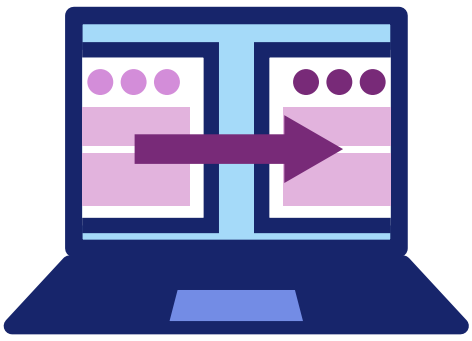
Note: covers enterprises with 10 or more persons employed in NACE Rev. 2 Sections C to J and L to N and Group 95.1.

Source: Eurostat (online data code: isco_e_dii)

The digital intensity index is a composite indicator based on 12 variables, each having a score of 1 point. This index is used to distinguish 4 levels of digital intensity for each enterprise: very low, low, high and very high. The 12 variables relate to using information and communication technologies (ICT) and include, for example, using enterprise resource planning (ERP) to share information between different functional areas, using social media and using artificial intelligence (AI) technologies.

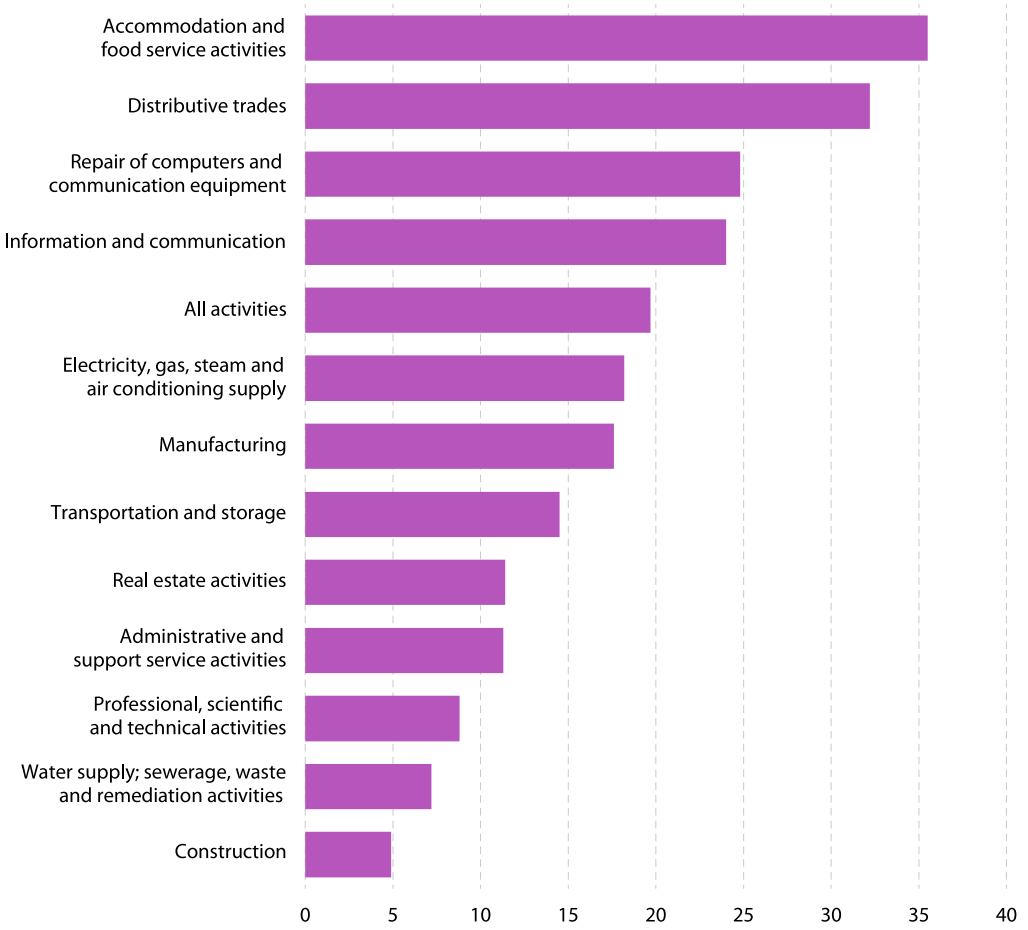
In 2023, the level of digital intensity in the EU was higher in large enterprises (250 or more persons employed) than in small enterprises (10–49 persons employed).

Close to half (45.4%) of small enterprises in the EU had a very low digital intensity in 2023, compared with 9.0% of large enterprises. By contrast, 26.3% of large enterprises had a very high digital intensity, compared with 9.6% of medium-sized enterprises (50–249 persons employed) and 3.5% of small enterprises.



Enterprises with e-commerce sales of at least 1% of their turnover

(%, share within each economic activity, EU, 2023)



Note: covers enterprises with 10 or more persons employed in NACE Rev. 2 Sections C to J and L to N and Group 95.1.

Source: Eurostat (online data code: isoc_ec_eseln2)

In 2023, one fifth (19.7%) of enterprises (with at least 10 persons employed) in the EU reported e-sales of at least 1% of their turnover. The highest share of enterprises with e-commerce sales was in accommodation and food service activities, at 35.5%. Distributive trades (32.2%), repair of computers and communication equipment (24.8%), and information and communication services (24.0%) recorded the next highest shares of enterprises making e-commerce sales. The lowest share was for construction (4.9%).

E-commerce offers enterprises the possibility to sell their goods or services via the internet to reach online customers. It covers orders of products placed over computer networks other than by manually typed e-mails; the payment and delivery of the products may be either on- or off-line.

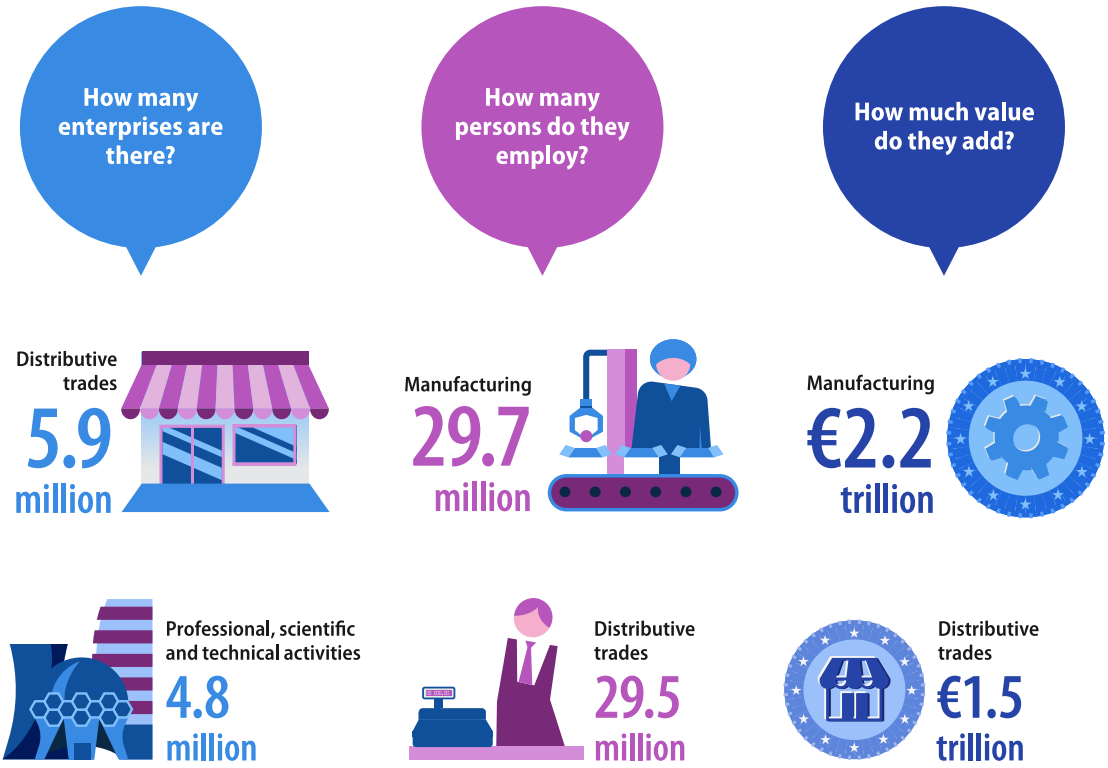
2

Sectoral overview

This chapter presents an overview of the structure and performance of the EU's business economy.
The subsequent chapters present specific activities in more detail.

Largest and second largest activities within the business economy

(EU, 2021)

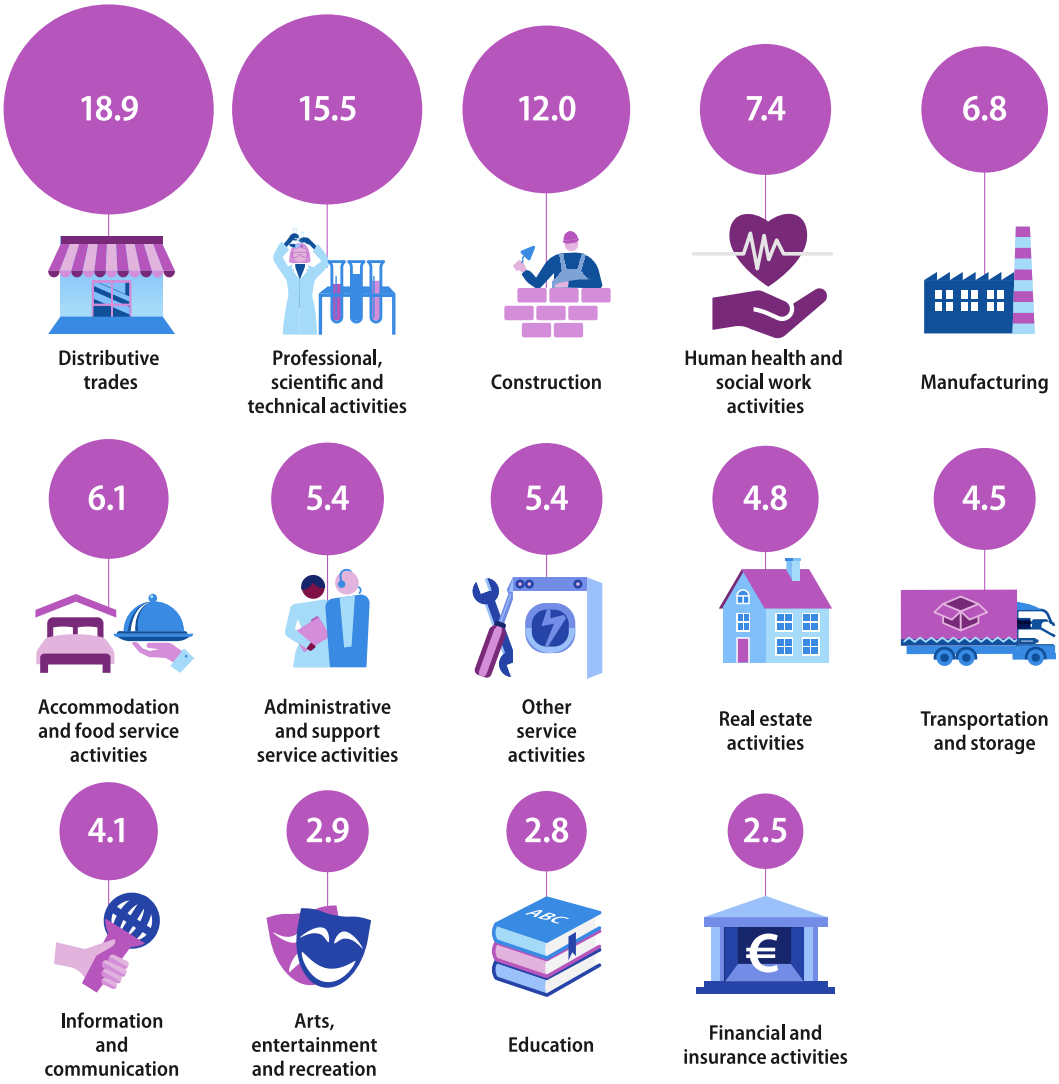


Note: the largest and second largest activities are based on NACE Rev. 2 sections.
Source: Eurostat (online data code: sbs_ovw_act)

In 2021, the largest number of enterprises in the EU business economy was within the economic activity of distributive trades (5.9 million): approximately 1 in 5 enterprises had a distributive trade as their principal activity. Distributive trades employed 29.5 million persons and recorded €1.5 trillion of value added; these were the second highest values behind manufacturing, which had 29.7 million persons in employment and €2.2 trillion of value added.

Distribution of enterprises within the business economy

(%, share of the total number of enterprises, EU, 2021)



Note: activities with shares below 1.0% aren't shown.

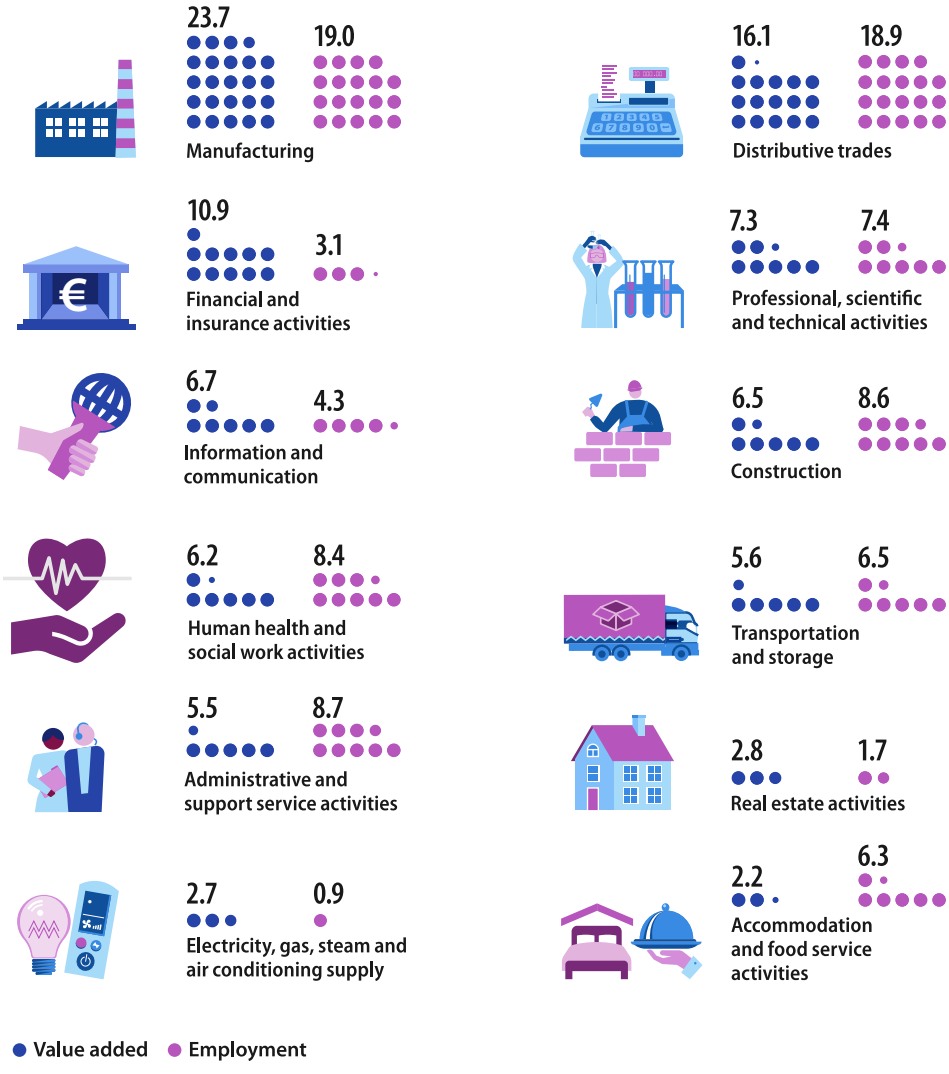
Source: Eurostat (online data code: sbs_ovw_act)

There were considerably more enterprises active within distributive trades (18.9% of the total) in 2021 than within any other sector of the EU's business economy. Indeed, there were only 2 other sectors that recorded shares above one tenth: professional, scientific and technical activities (15.5%) and construction (12.0%).

At the other end of the range, there were 3 activities which each contributed between 2.5% and 3.0% of the total number of enterprises in the EU's business economy in 2021: arts, entertainment and recreation; education; and financial and insurance activities.

Value added and employment in the business economy

(%, share of total value added and the total number of persons employed, EU, 2021)



Note: activities with shares of 2.0% or lower for both indicators aren't shown.

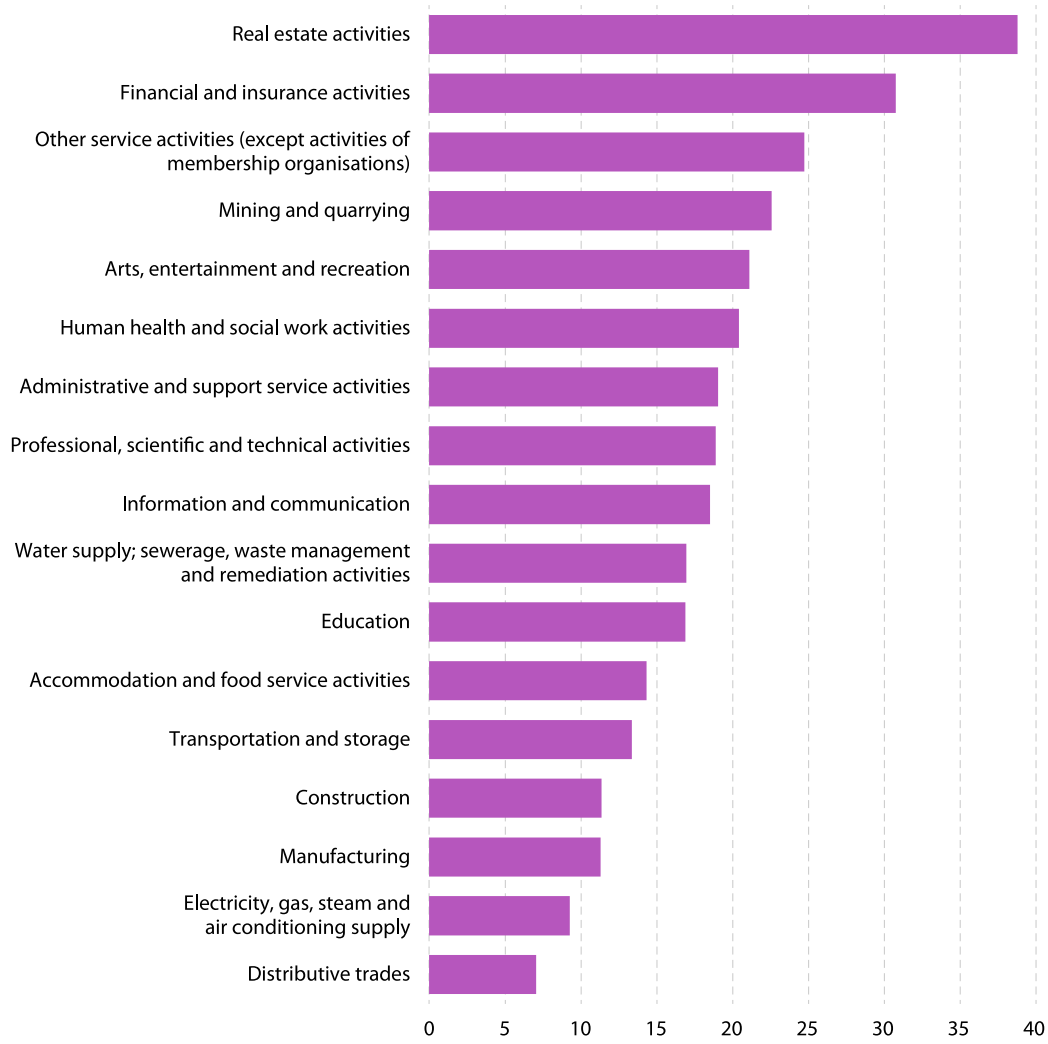
Source: Eurostat (online data code: sbs_ovw_act)

In 2021, the manufacturing sector accounted for 23.7% (or €2.2 trillion) of the value added in the EU's business economy. This was considerably more than the next largest sector, distributive trades, which accounted for 16.1% of the total. In turn, this was much more than the share registered for the third largest sector, financial and insurance activities (10.9% of the total).

Close to two fifths of all persons employed in the EU's business economy in 2021 worked in manufacturing (19.0% of the total) or distributive trades (18.9%) together. The next 3 largest activities were relatively labour intensive: administrative and support service activities, construction, and human health and social work; they each employed 8.4% to 8.7% of the total business economy workforce.

Gross operating rate within the business economy

(%, EU, 2021)



Source: Eurostat (online data code: sbs_ovw_act)

The highest gross operating rates in the EU's business economy in 2021 were for real estate activities (38.8%) and for financial and insurance activities (30.8%). The lowest rate was for distributive trades (7.1%), reflecting the high levels of turnover inherent in most distributive trade activities, particularly wholesale trade.

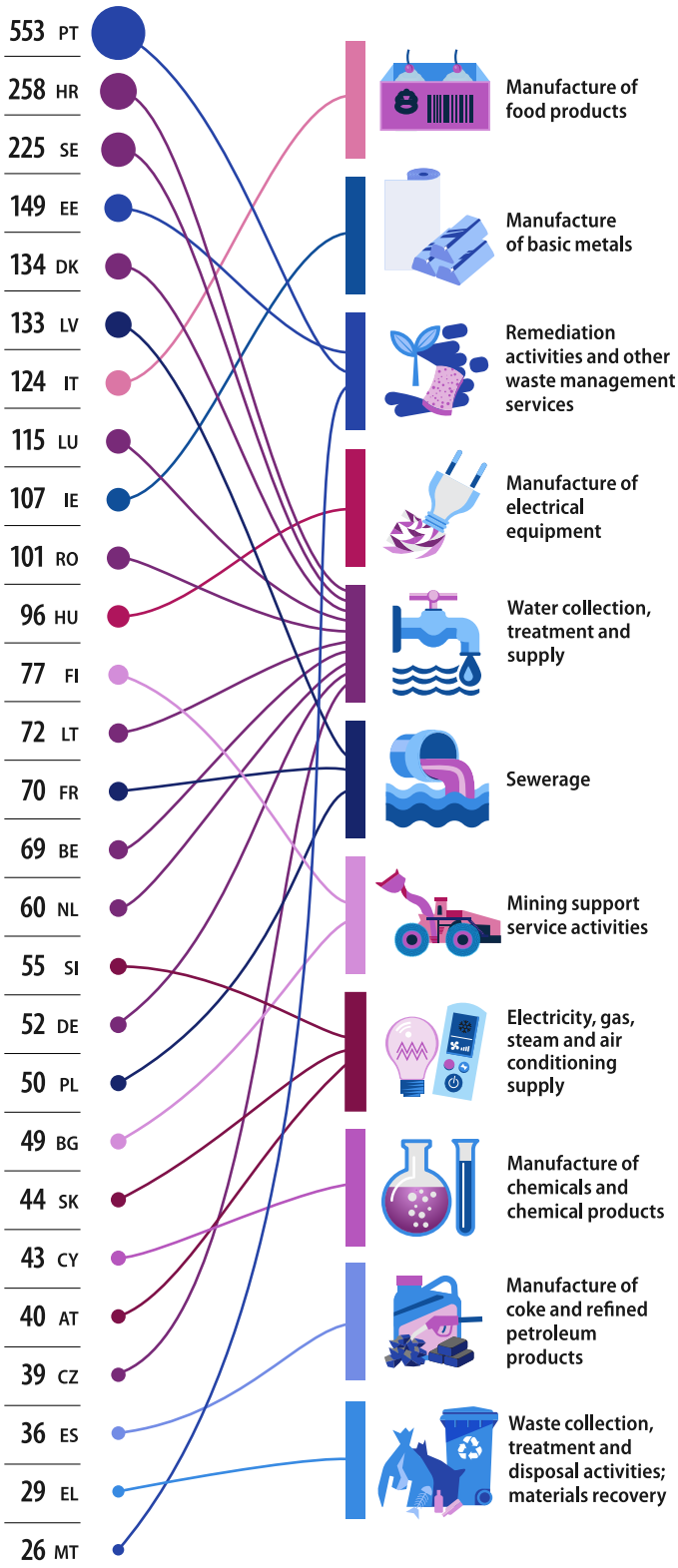
The gross operating rate is a measure of profitability. It's defined as the gross operating surplus divided by total turnover.

Industrial activities in which EU countries recorded their highest investment rates

(%, 2021)

The investment rate is the ratio of gross investment in tangible non-current assets to the value added. It relates the investment of businesses in tangible assets like machinery to the value added that is created during the businesses' production processes. A high investment rate can indicate that businesses aim to enlarge and/or modernise their production facilities. Some of the highest investment rates in 2021 were for capital-intensive activities. This was particularly the case for remediation activities and other waste management services; water collection, treatment and supply; and sewerage.

Across the EU countries, Portugal had the highest investment rate among industrial activities in 2021, at 553% for remediation activities and other waste management services. Croatia (258%) and Sweden (225%) followed with the next highest rates, in each case for water collection, treatment and supply.



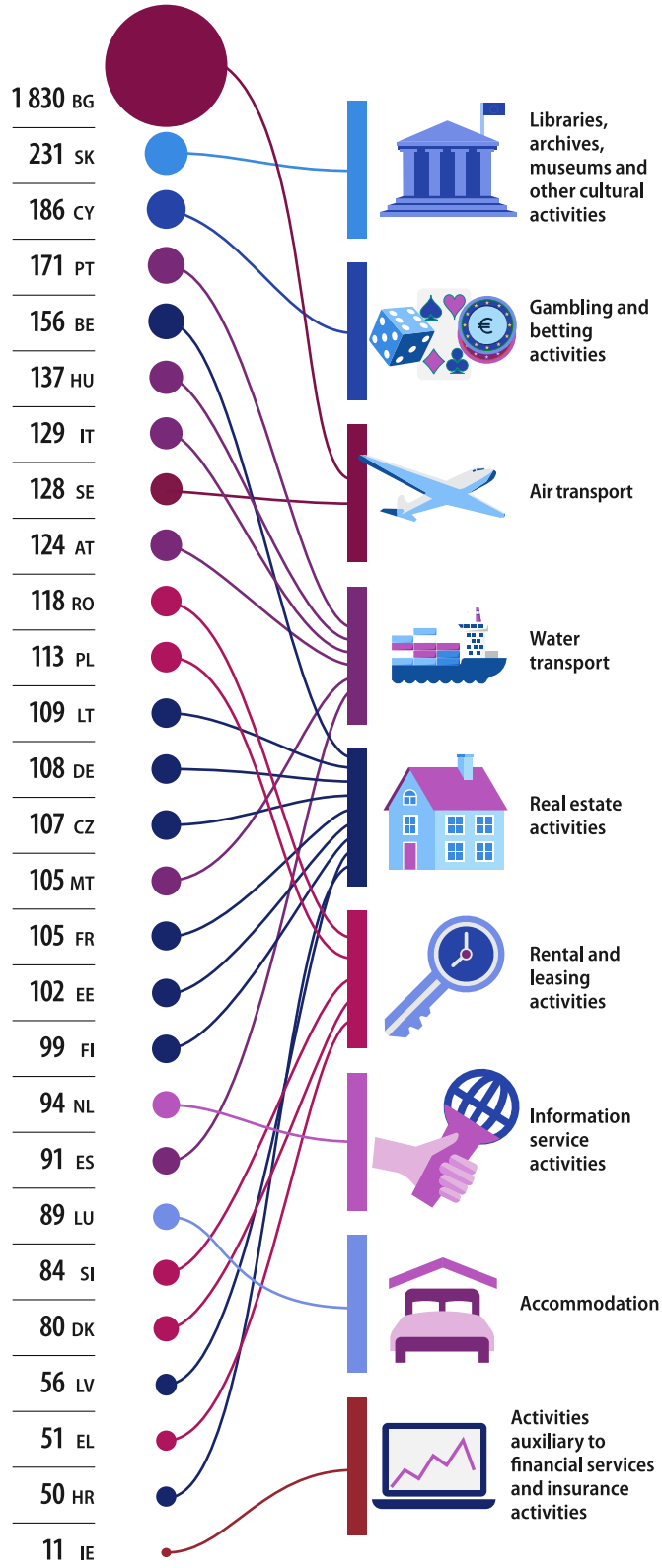
Note: the highest investment rates for industrial activities are based on NACE Rev. 2 divisions. For nearly all EU countries, some NACE Rev. 2 divisions are missing.

Source: Eurostat (online data code: sbs_ovw_act)

Market service activities in which EU countries recorded their highest investment rates

(%, 2021)

Among the divisions that compose distributive trades and other market services, more than a third of EU countries recorded their highest investment rate in 2021 for real estate activities. However, Bulgaria had the highest investment rate among these services, at 1 830% for air transport.



Note: the highest investment rates for market service activities are based on NACE Rev. 2 divisions. For nearly all EU countries, some NACE Rev. 2 divisions are missing.

Source: Eurostat (online data code: sbs_ovw_act)

3

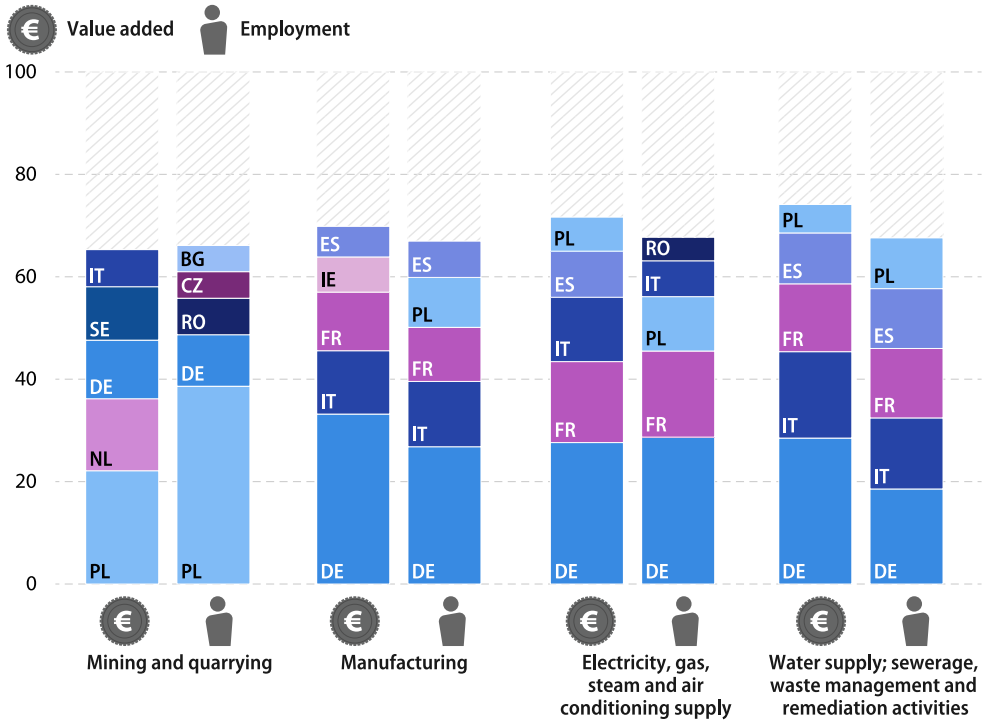
Industry

Structure

The EU's industrial economy consists of 4 economic activities: mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; and water supply, sewerage, waste management and remediation activities. In 2021, manufacturing was by far the largest of these: it accounted for more than four fifths (84.7%) of industrial value added and for an even higher share of industrial employment (90.1%).

Concentration of industrial activity – top 5 EU countries

(%, share of EU employment and value added for each activity, 2021)



EU industrial activities in 2021

2.4 million enterprises

33.0 million persons employed

€2.6 trillion of added value

Note: mining and quarrying and electricity, gas, steam and air conditioning supply, employment, MT not available.

Source: Eurostat (online data code: sbs_ovw_act)

In 2021, Germany had the highest share of EU value added for the manufacturing sector (33.2%). It also had the highest shares for water supply, sewerage, waste management and remediation activities (28.5%) and for electricity, gas, steam and air conditioning supply (27.6%).

Poland contributed the largest share of value added to the EU's mining and quarrying sector (22.2%). Germany also recorded the highest shares of EU employment for the same 3 industrial activities as for value added, with shares of 26.8%, 18.6% and 28.7%, respectively. Poland also had the largest employment share within the EU's mining and quarrying sector, at 38.6%.

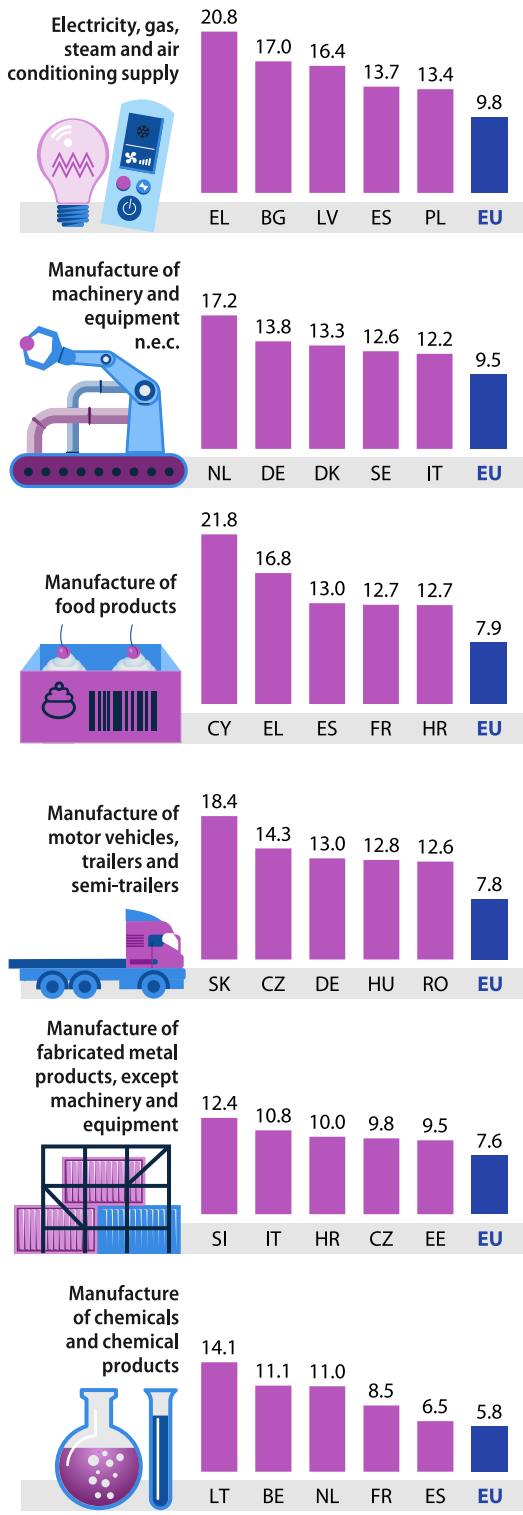
Value added specialisation – top 5 EU countries

(%, share of industrial value added, 2021)

In 2021, the 6 largest activities (based on NACE Rev. 2 divisions) within the EU's industrial economy when measured by value added were: electricity, gas, steam and air conditioning supply (9.8% of industrial value added); the manufacture of machinery and equipment not elsewhere classified (9.5%); the manufacture of food products (7.9%); the manufacture of motor vehicles, trailers and semi-trailers (7.8%); the manufacture of fabricated metal products, except machinery and equipment (7.6%); and the manufacture of chemicals and chemical products (5.8%).

Among the EU countries, Greece (20.8%) had the highest share of its industrial value added within electricity, gas, steam and air conditioning in 2021, followed by Bulgaria (17.0%) and Latvia (16.4%). For the manufacture of machinery and equipment, the highest share was in the Netherlands (17.2%), while for the manufacture of food products the highest shares were in Cyprus (21.8%) and Greece (16.8%).

In Slovakia, the manufacture of motor vehicles, trailers and semi-trailers accounted for 18.4% of industrial value added in 2021. In Slovenia, the manufacture of fabricated metal products except machinery and equipment contributed 12.4% of industrial value added. Lithuania had the highest degree of relative specialisation across the EU countries for the manufacture of chemicals and chemical products, with 14.1% of its industrial value added being generated in this subsector, ahead of Belgium (11.1%) and the Netherlands (11.0%).

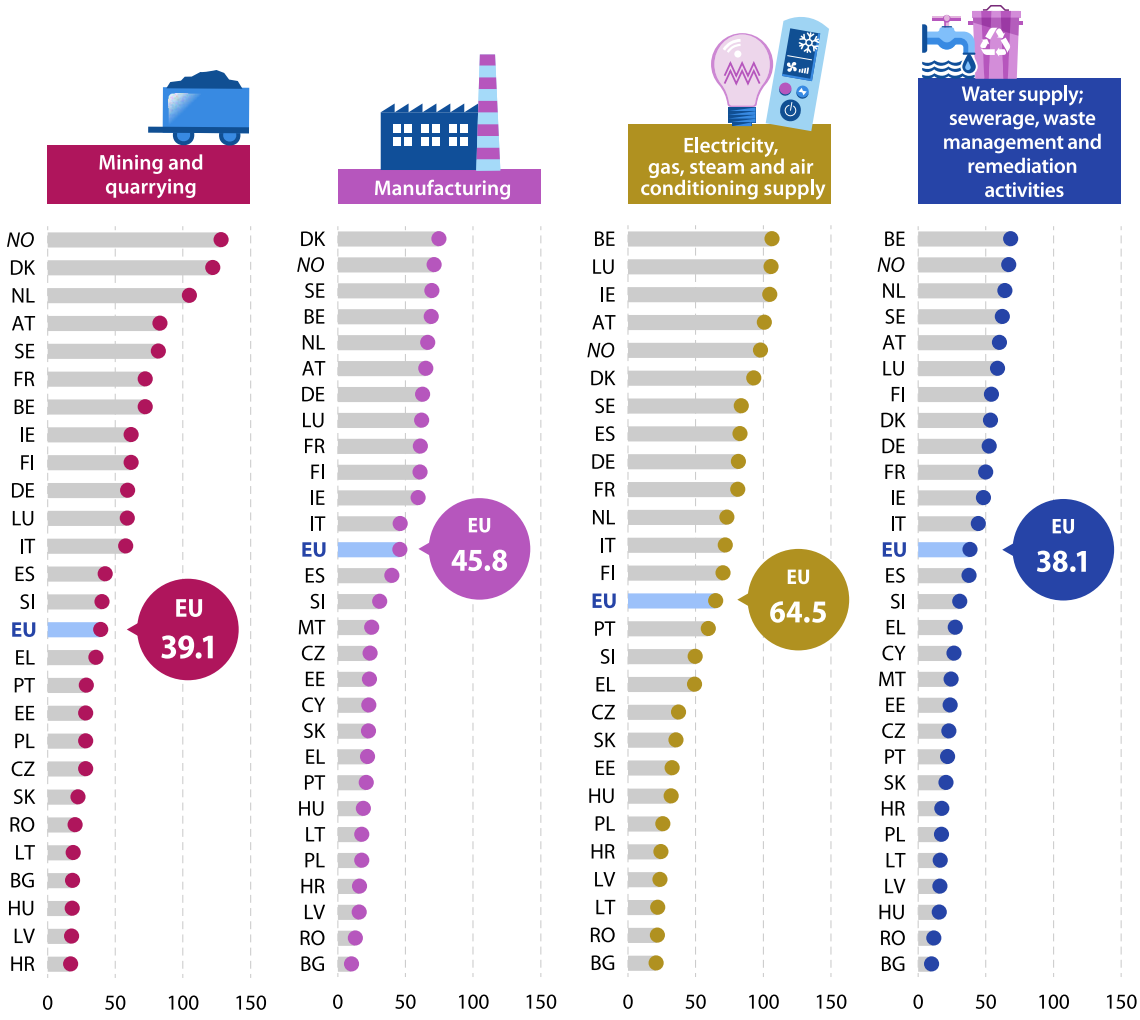


Note: data are shown for the 6 largest activities based on EU value added for NACE Rev. 2 industrial divisions. Manufacture of machinery and equipment n.e.c.: IE not available. Manufacture of food products: MT not available. Manufacture of motor vehicles, trailers and semi-trailers: LU not available. Manufacture of chemicals and chemical products: EU, excluding IE and MT; IE and MT not available.

Source: Eurostat (online data code: sbs_ovw_act)

Average personnel costs per employee within industrial sections

(€1 000, 2021)



Note: mining and quarrying and electricity, gas, steam and air conditioning supply, CY and MT not available.

Source: Eurostat (online data code: sbs_ovw_act)

In 2021, average personnel costs per employee across the 4 sections within the EU's industrial economy ranged from a high of €64 500 per employee for electricity, gas, steam and air conditioning supply down to €38 100 per employee for water supply, sewerage, waste management and remediation activities.

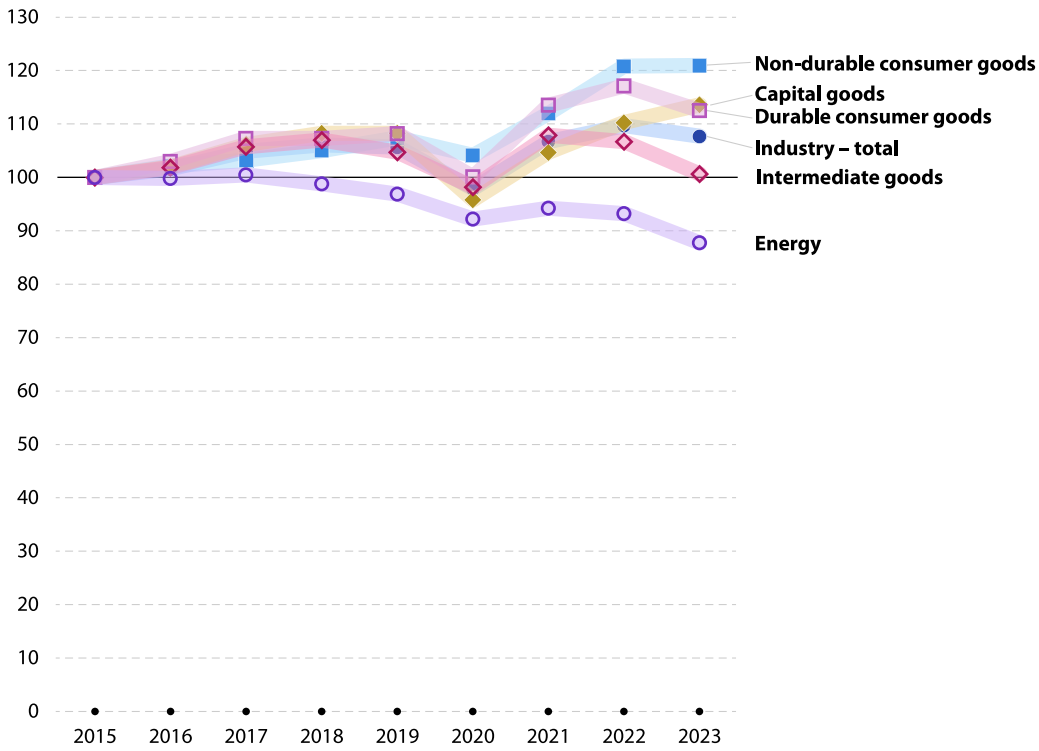
In the vast majority of EU countries, the highest average personnel costs per employee across industrial activities were registered for electricity, gas, steam and air conditioning supply. The only exceptions in 2021 were Denmark, the Netherlands and Poland: in all 3 cases, average personnel costs per employee were higher for mining and quarrying.

By contrast, the lowest average personnel costs per employee were often recorded for water supply, sewerage, waste management and remediation activities. Estonia, Greece, Croatia, Latvia and Portugal were exceptions as average personnel costs per employee were lower in manufacturing; in Croatia, these average costs were also lower in mining and quarrying.

Developments

Industrial production index

(2015 = 100, EU, 2015–23)



Note: industry covers NACE Rev. 2 Sections B to D.
Annual aggregates are based on calendar adjusted data.

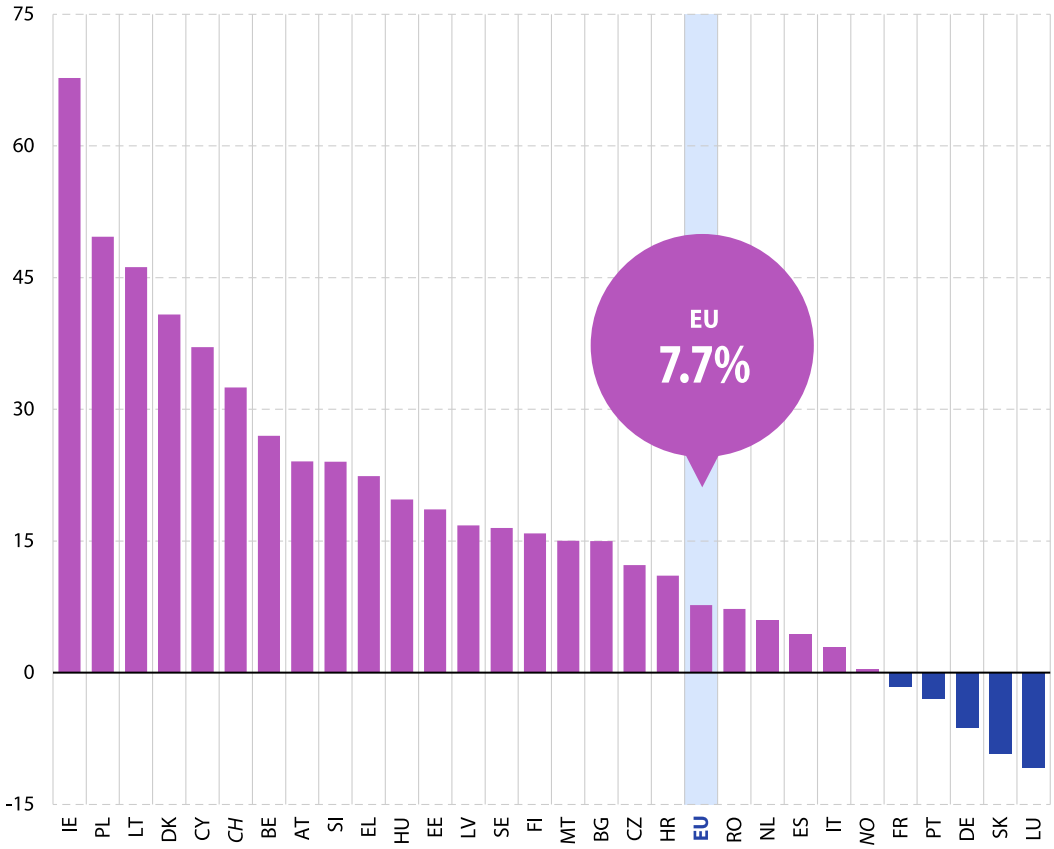
Source: Eurostat (online data code: sts_inpr_a)

The industrial production index is an important indicator to monitor the business cycle; it's a volume index that reflects real changes (after removing the impact of price changes) in industrial value added.

Industrial output in the EU grew each year from 2015 to 2018. In 2019, there was a 0.4% decline for the EU's industrial production index, followed by a considerable fall in 2020 (down 7.4%). This more recent decline was driven by falling output for all types of manufacturing, most notably for capital goods (down 11.5% in 2020), reflecting the impact of the COVID-19 pandemic. Industrial output rebounded in 2021 and 2022, recording growth of 9.1% and 2.8%, respectively. In 2023, output fell 1.8% but remained 1.9% above the level from 2019.

Overall change in the industrial production index

(%, 2015–23)



Note: industry covers NACE Rev. 2 Sections B to D.

Source: Eurostat (online data code: sts_inpr_a)

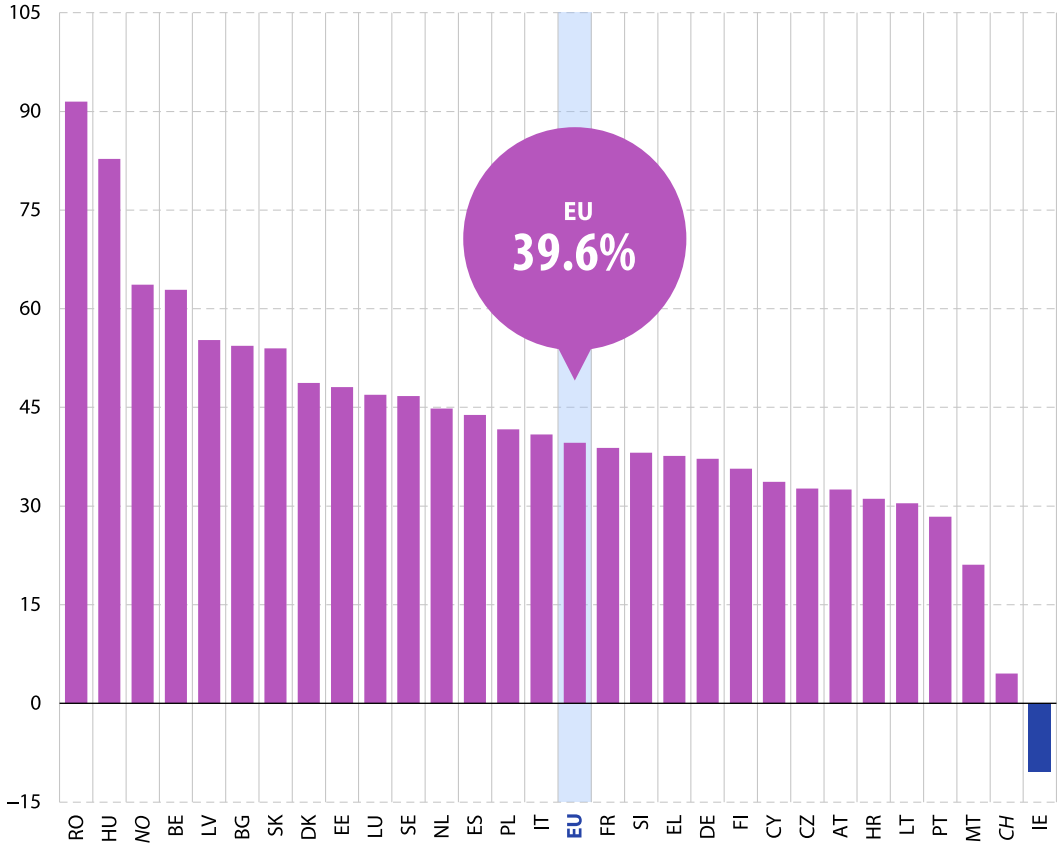
When reading the text on this and the following page, bear in mind that the period covered (2015–23) was strongly impacted by a number of major events, such as the COVID-19 crisis, the Russian military aggression against Ukraine (and its related sanctions) and particularly high increases in the cost of living.

EU industrial production was 7.7% higher in 2023 than it had been in 2015. Ireland recorded the highest growth rate among the EU countries during this period: its level of industrial output in 2023 was more than two thirds (67.7%) above its 2015 level.

Five EU countries recorded lower levels of industrial production in 2023 than in 2015. The largest contraction during this period was in Luxembourg (down 10.9%).

Overall change in industrial producer prices

(%, 2015–23)



Note: industry covers NACE Rev. 2 Sections B to D and Division 36.

Source: Eurostat (online data code: sts_inpp_a)

Selling prices which producers report form the basis of the industrial producer price index. Experts use this indicator to monitor price developments at various stages of industrial processes; changes in producer prices can be an early indicator of inflationary pressures within an economy.

The overall increase of the industrial producer prices in the EU from 2015 to 2023 hides the significant change in pace over the most recent 3 years. Following a relatively subdued pace of increase between 2015 and 2020 (up 1.9% overall), prices rose 9.5% in 2021 and 25.9% in 2022. In 2023, industrial producer prices declined 0.6%.

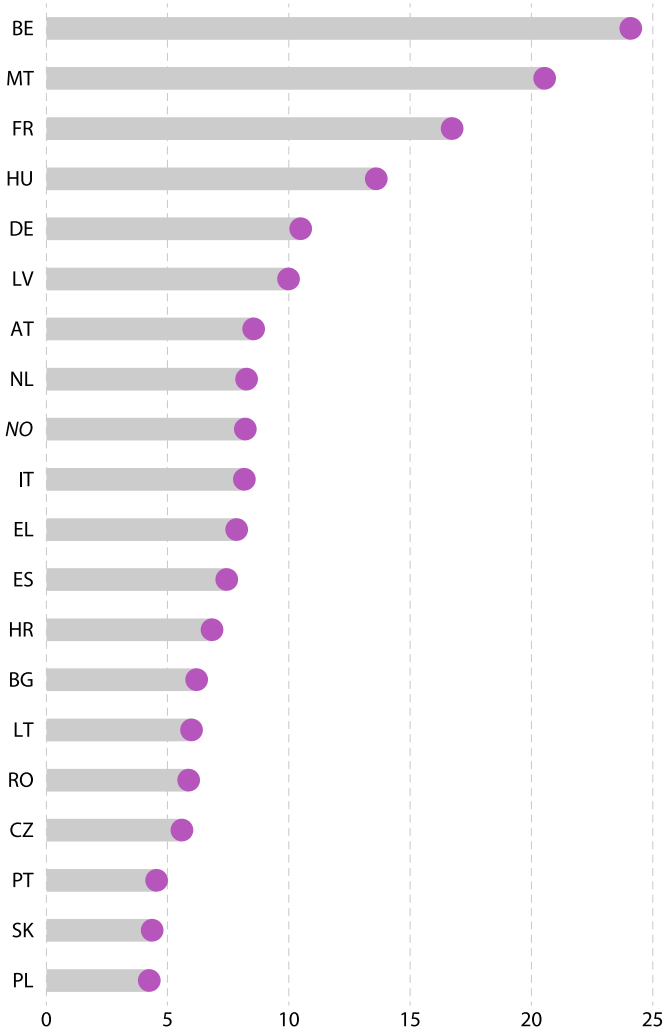
Industrial producer prices increased between 2015 and 2023 in all EU countries except for Ireland, where prices went down 10.3%. Romania (up 91.5% overall) and Hungary (82.8%) recorded the largest increases.

For continuously updated visualisations containing time series for industry, please refer to the European Statistical Monitor or the Euro indicators dashboard.

Focus on high-tech industry

High-tech manufacturing activities

(%, share of manufacturing value added, 2021)



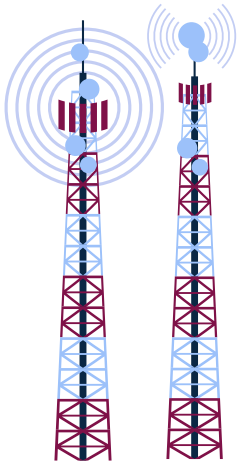
Note: DK, EE, IE, CY, LU, SI, FI and SE, not available.

Source: Eurostat (online data code: sbs_ovw_act)

High-tech industries cover the manufacture of pharmaceuticals; computer, electronic and optical products; air and spacecraft and related machinery.

In 2021, high-tech industries provided work to 2.0 million persons in the EU (approximately 6.8% of manufacturing employment).

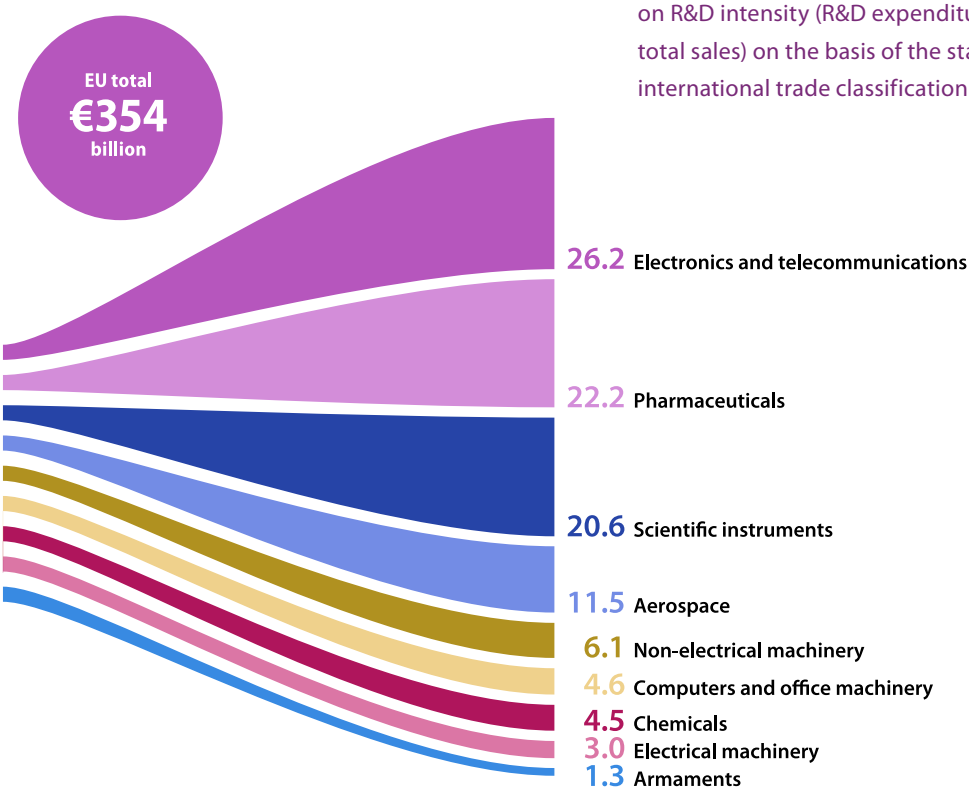
In 2021, high-tech industries accounted for 24.1% of manufacturing value added in Belgium and 20.5% in Malta. France (16.7%) and Hungary (13.6%) recorded the next largest shares. In a majority of EU countries, high-tech industries contributed less than 10.0% of manufacturing value added. Poland had the lowest share (4.2%).



Sold production of high-tech products

(%, share of all high-tech products, EU, 2022)

High-tech products are defined based on R&D intensity (R&D expenditure / total sales) on the basis of the standard international trade classification (SITC).



Note: data for the high-tech aggregates calculated for the purpose of this publication. Based on information in value terms.

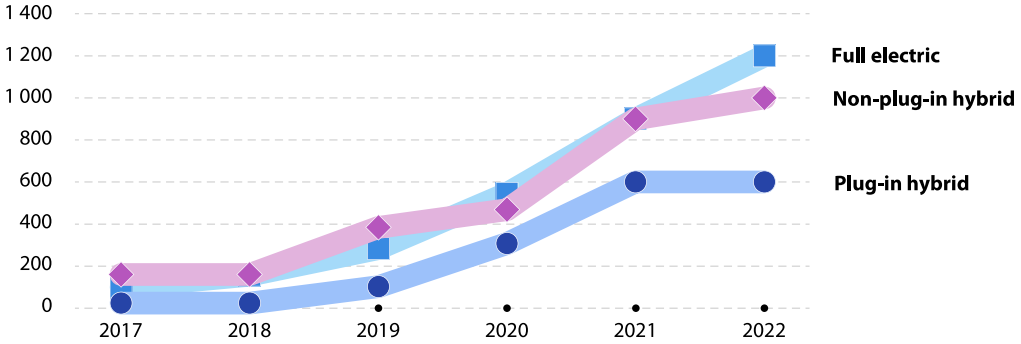
Source: Eurostat (online article)

In 2022, electronics and telecommunications made up 26.2% of the EU's sold production of high-tech products. Pharmaceuticals (22.2%) also contributed a high share, as did scientific instruments (20.6%). Aerospace (11.5%) was the only other category to record a share above one tenth. The smallest category was armaments with a 1.3% share of the sold production of high-tech products in the EU.

Focus on hybrid and electric cars

Production of hybrid and electric cars

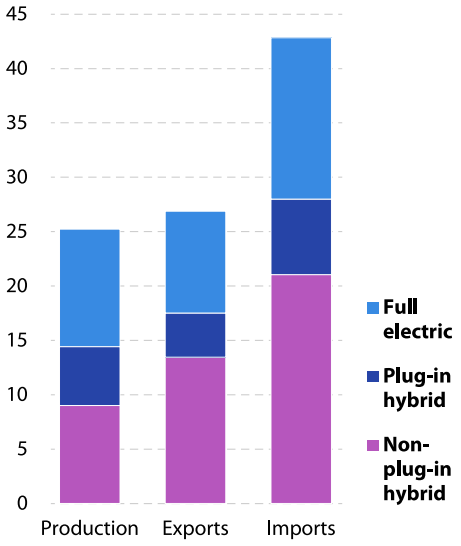
(1 000, EU, 2017–22)



Source: Eurostat (online data code: ds-056120)

Production and trade in hybrid and electric cars as a share of all cars

(%, share based on number of vehicles, EU, 2022)



Source: Eurostat (online data codes: ds-056120 and ds-045409)

Between 2017 and 2022, the production of electric and hybrid passenger cars in the EU increased greatly. The production of non-plug-in hybrids increased from 160 000 cars in 2017 to 1.0 million by 2022. During the same time period, the production of full electric cars increased even more, from 100 000 to 1.2 million. The production of plug-in hybrids remained the smallest of these 3 vehicle types. Nevertheless, output increased from 24 000 in 2017 to 600 000 by 2022.

In 2022, 25% of passenger cars produced in the EU were hybrid or electric powered. This share was similar to those of such vehicles in the EU's exports (27%) of all passenger cars, but below the share in imports (43%).

Full electric cars accounted for 11% of the total production of cars in the EU, compared with 9% of car exports and 15% of car imports. For plug-in hybrid cars, the share of production was 5%, just above the share of exports (4%) but below the share of imports (7%).

By contrast, while the production share of non-plug-in hybrid cars was 9%, these vehicles accounted for not only a larger share of imports of cars (21%) but also of exports (13%).

4

Construction

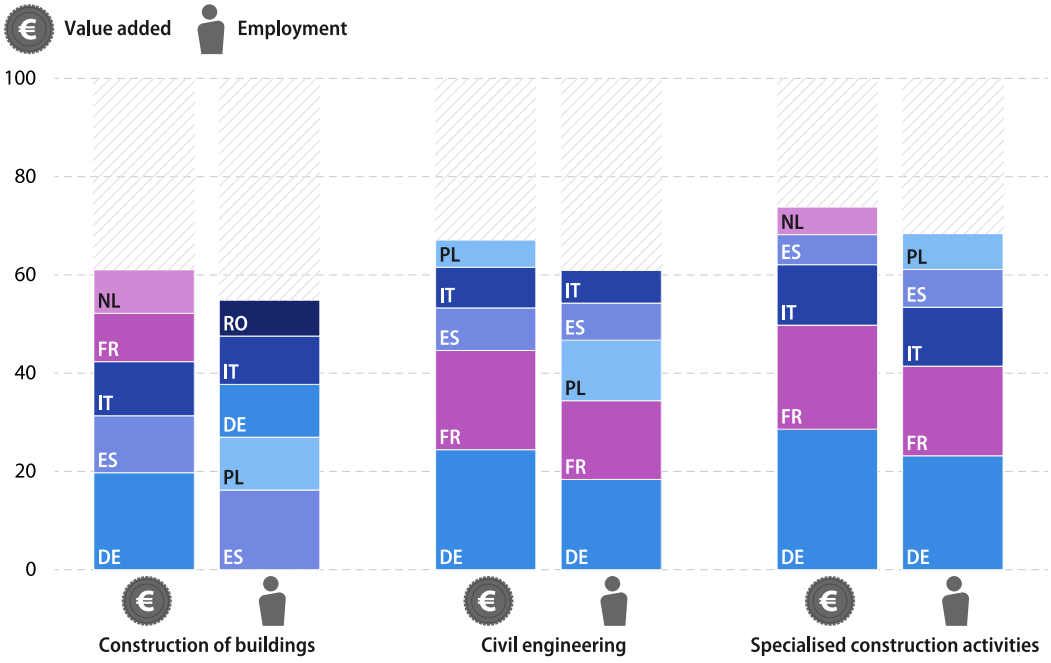
Structure

Construction activities include the construction of buildings, civil engineering and specialised construction activities. Specialised construction activities include demolition, preparation, installation, completion and finishing works.

Across the EU, by far the largest of these 3 divisions in 2021 was specialised construction activities: these activities accounted for nearly three fifths (59.2%) of construction value added and for an even higher share of construction employment (63.5%).

Concentration of construction activity – top 5 EU countries

(%, share of EU employment and value added for each activity, 2021)



EU construction sector in 2021

3.7 million enterprises

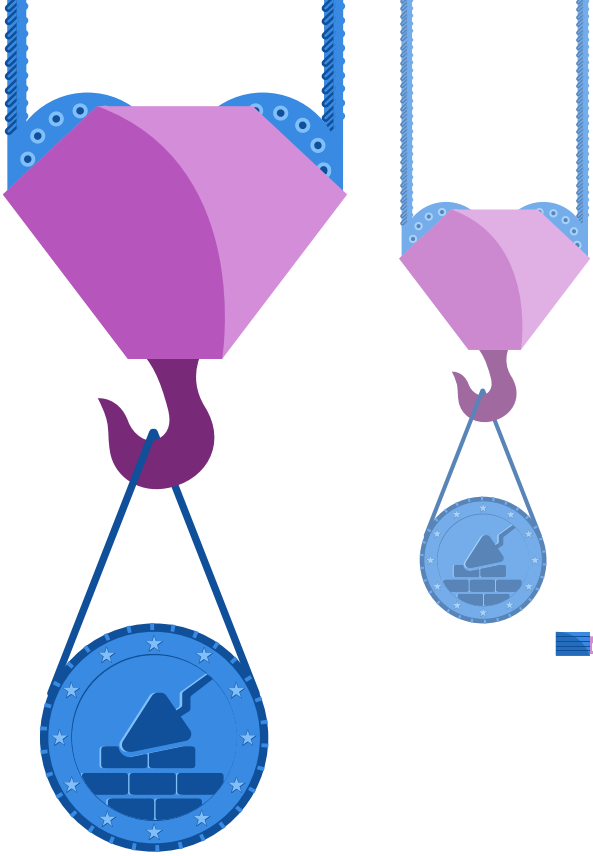
13.4 million persons employed

€615 billion of added value

Source: Eurostat (online data code: sbs_ovw_act)

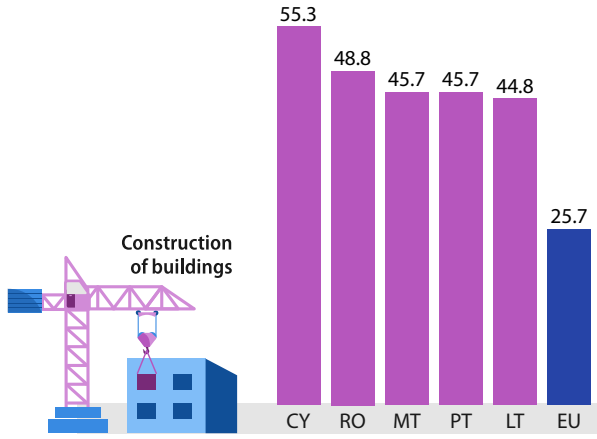
In 2021, in all 3 of the construction divisions Germany was the largest EU country in terms of value added, followed in various orders by France, Italy and Spain. For civil engineering, Poland was the fifth largest country whereas the Netherlands held this place for the construction of buildings and for specialised construction activities.

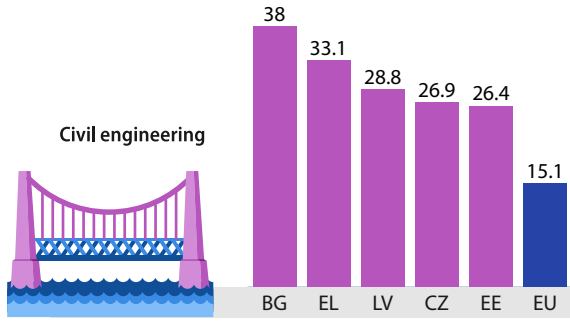
The number of persons employed in civil engineering and in specialised construction activities was highest in Germany and France in 2021; they were followed by Italy, Spain and Poland in different orders for these 2 activities. Spain had the largest workforce for the construction of buildings, followed by Poland, Germany, Italy and Romania.

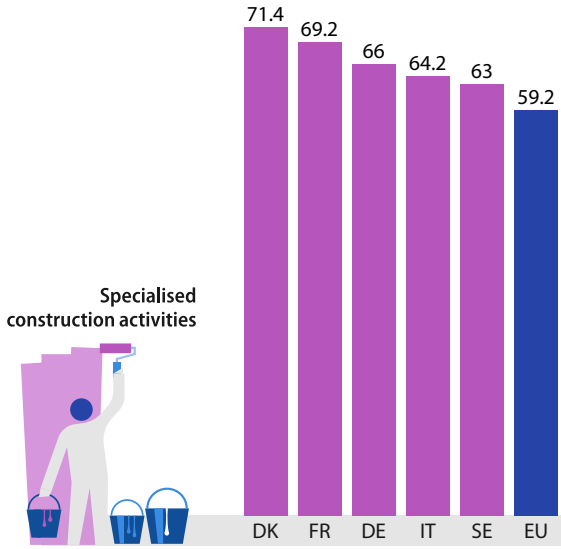


Value added specialisation – top 5 EU countries

(%, share of construction value added, 2021)







A lot of construction is done by enterprises serving a relatively small geographical market, with little international trade compared with many industrial activities. As such, specialisations between the 3 construction divisions reflect less the dependency on imports or opportunities for exports and more the organisation of construction between general builders and specialists as well as the relative importance of building or civil engineering projects.

In 2021, the construction of buildings made up over half (55.3%) of construction value added in Cyprus, more than double the average for the EU (25.7%). In Bulgaria, civil engineering contributed close to two fifths (38.0%) of the construction total while in Greece the share was just under one third (33.1%); both had shares more than double the average for the EU (15.1%).

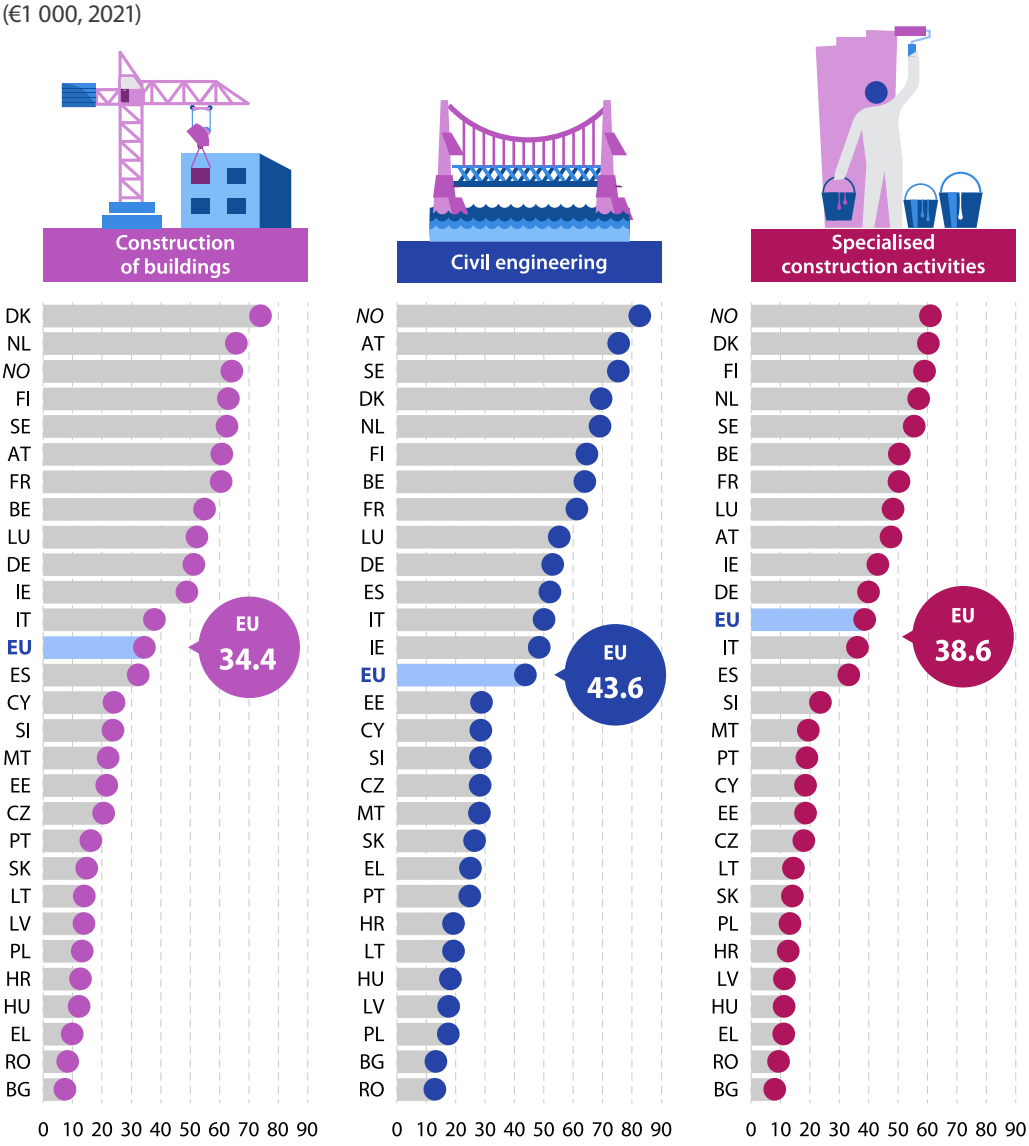
Specialised construction activities often accounted for more than half of construction value added: the EU average share in 2021 was 59.2%, while in France (69.2%) and Denmark (71.4%) this share was over two thirds.

Note: data are shown for the 3 NACE Rev. 2 construction divisions.

Source: Eurostat (online data code: sbs_ovw_act)

Average personnel costs per employee within construction divisions

(€1 000, 2021)



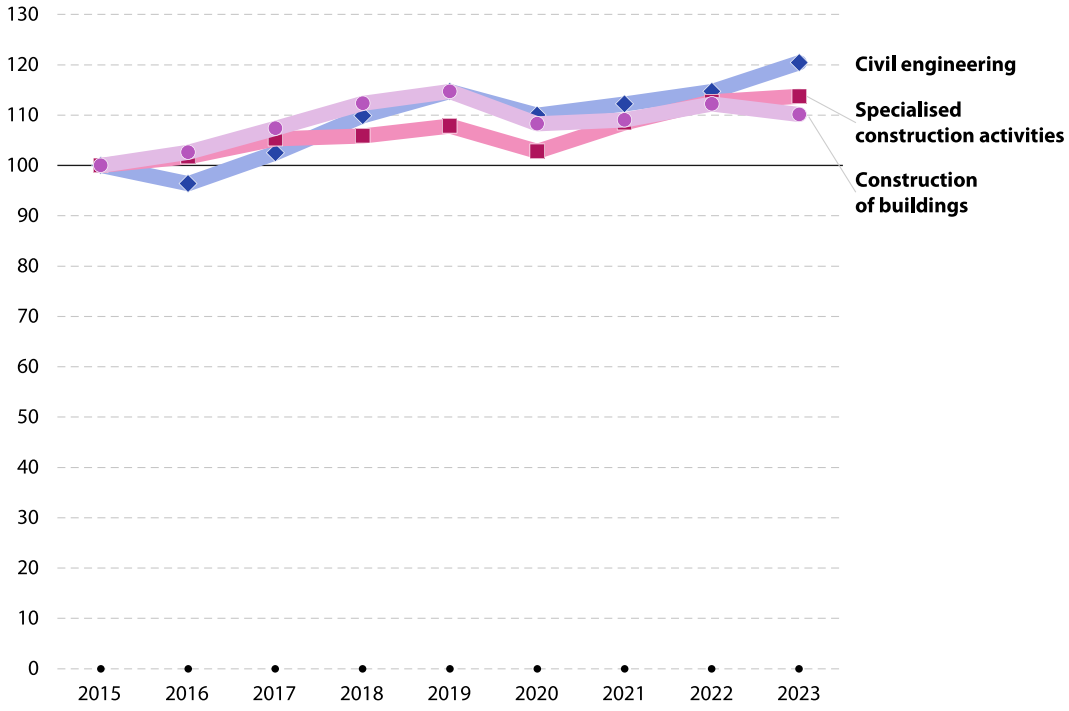
Source: Eurostat (online data code: sbs_ovw_act)

In 2021, average personnel costs per employee across the 3 divisions of the EU's construction sector ranged from a high of €43 600 per employee for civil engineering down to €34 400 per employee for the construction of buildings. In the EU, average personnel costs per employee were lower for the construction of buildings than for the other 2 construction divisions. However, this situation was only observed in 6 EU countries. In the remaining 21 countries, the lowest average personnel costs per employee were observed for specialised construction activities (which dominate the construction sector in the largest EU countries). In almost all EU countries, the highest average personnel costs per employee were for civil engineering. Denmark and Ireland were the exceptions, with their highest average personnel costs per employee recorded for the construction of buildings.

Developments

Construction production index

(2015 = 100, EU, 2015–23)



Note: annual aggregates are based on calendar adjusted data.

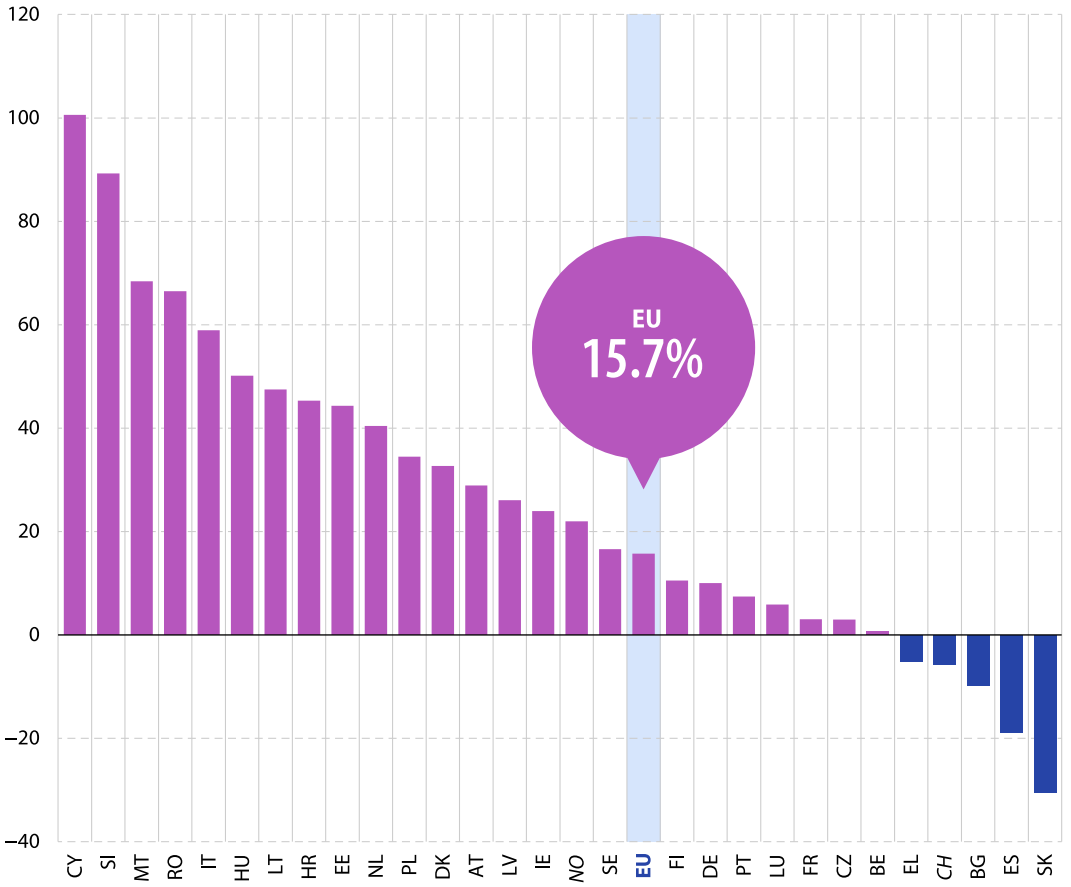
Source: Eurostat (online data code: sts_copr_a)

The construction production index reflects value added developments for the construction activity in real terms (in other words, deflated). Construction output in the EU went up 10.9% between 2015 and 2019. In 2020, it fell 5.0%, reflecting the impact of the COVID-19 pandemic. In 2021, output rebounded, increasing 5.2% to a level slightly below that observed in 2019. In 2022 and 2023, it expanded again, up 3.1% and 1.4%, respectively.

In 2023, the output level of civil engineering was 20.4% above its 2015 level, while for specialised construction activities it was up 13.8% and for the construction of buildings it was up 10.1%.

Overall change in the construction production index

(%, 2015–23)



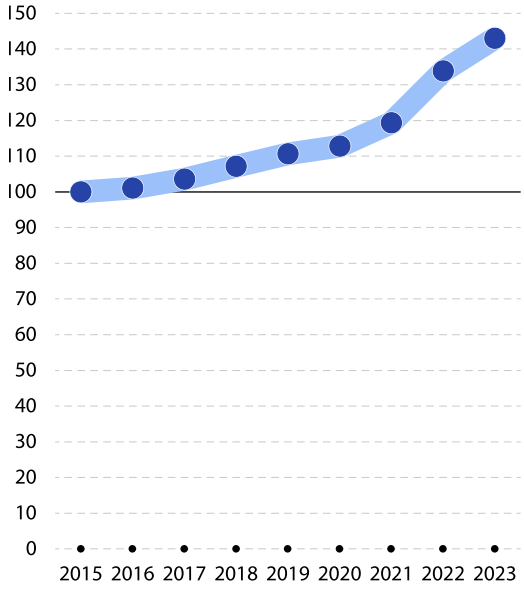
Source: Eurostat (online data code: sts_copr_a)

Developments between 2015 and 2023 in construction output varied greatly between the EU countries. Slovakia's construction output in 2023 was 30.5% below its 2015 level, while contractions were also recorded in Spain (down 18.9%), Bulgaria (down 9.7%) and Greece (down 5.1%). Elsewhere, construction output was higher in 2023 than it had been in 2015. The largest increases were in Cyprus (up 100.6%) and Slovenia (up 89.2%).

For continuously updated visualisations containing time series for construction, please refer to the European Statistical Monitor or the Euro indicators dashboard.

Construction output prices for new residential buildings, EU

(2015 = 100, 2015–23)



Note: the indices for new residential buildings exclude residencies for communities.

Source: Eurostat (online data code: sts_copi_a)

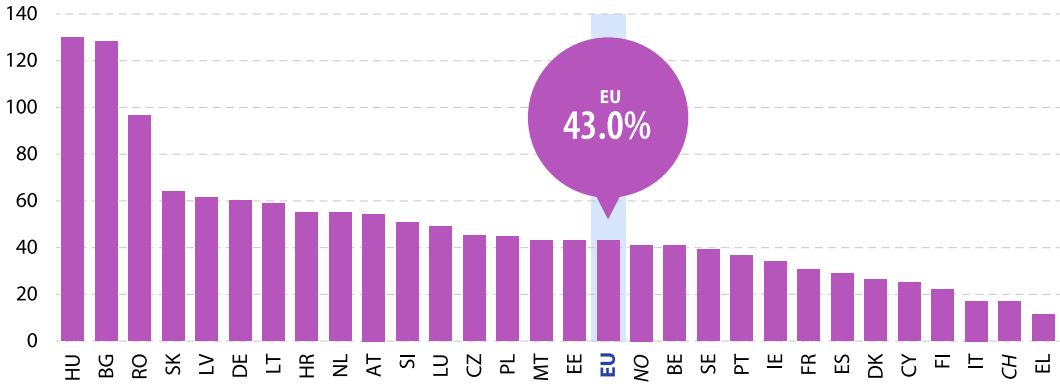
The output prices index for the construction of new residential buildings (excluding residences for communities) measures the prices of construction activities from the point of view of the building constructor. It reflects the prices that clients pay to contractors.

Between 2015 and 2023, construction prices for this type of building work increased 43.0% within the EU. Much of this increase was recent, as the annual increases in 2021 (up 5.8%), 2022 (up 12.2%) and 2023 (up 6.8%) were each larger than in any other year during the period under consideration.

Prices increased particularly strongly in Hungary and Bulgaria, where they were more than twice as high in 2023 as they had been in 2015 (up 129.9% and 128.1%, respectively); prices also increased by almost 100.0% in Romania. The smallest increase for construction output prices of new residential buildings was in Greece (up 11.4%).

Overall change in construction output prices for new residential buildings

(%, 2015–23)



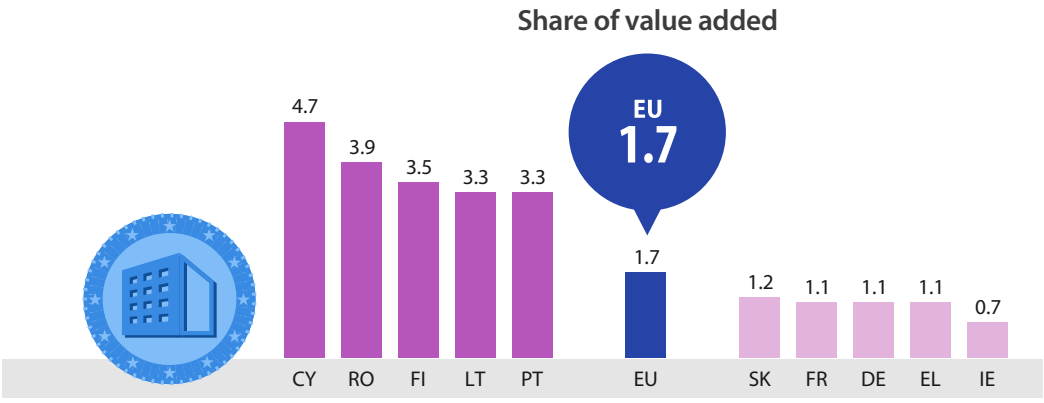
Note: the index for new residential buildings excludes residencies for communities. BG: 2003-2022. CY, HU, MT and RO: 2000-2021. BE, IE, FR, HR, LU, PL and SK: not available.

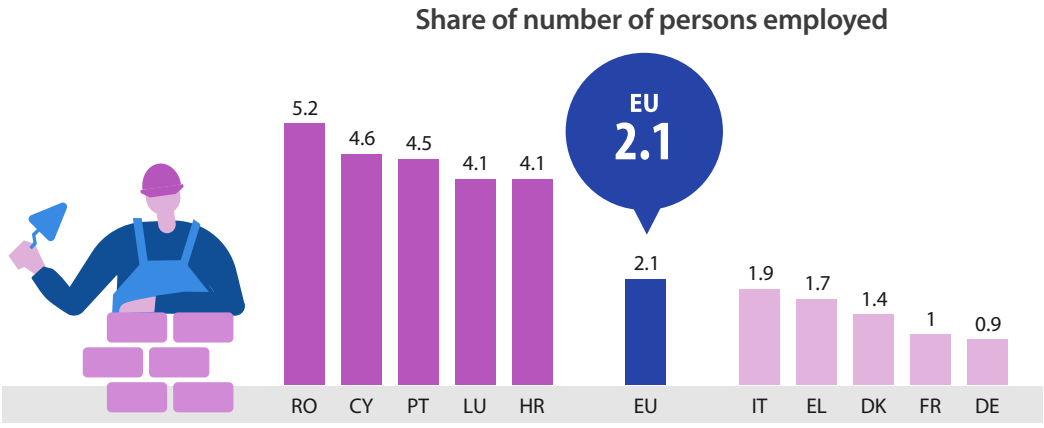
Source: Eurostat (online data code: sts_copi_a)

Focus on building construction

Construction of buildings – top 5 and bottom 5 EU countries

(%, share in the business economy, 2021)





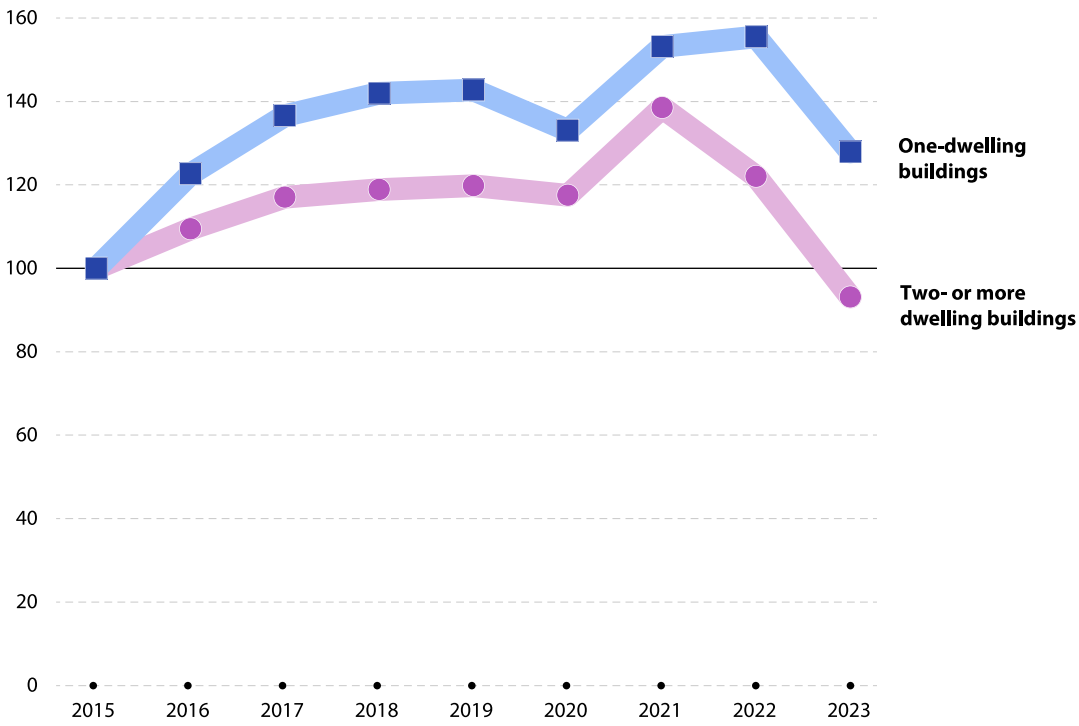
Note: the construction of buildings covers NACE Rev. 2 Division 41.

Source: Eurostat (online data code: sbs_ovw_act)

The construction of buildings contributed 1.7% of value added in the EU's business economy in 2021 and employed 2.1% of the workforce. Compared with the EU average, this activity accounted for more than double the business economy share in terms of value added in Cyprus, Romania and Finland. It also accounted for more than double the share in terms of employment in Romania, Cyprus and Portugal. These relatively high shares reflect a number of factors driving demand (such as overall population growth or tourism-related construction activity), as well as how the construction sector is structured between general builders and specialists.

Building permit index

(2005 = 100, EU, 2005–23)



Note: a building permit is an authorisation to start work on a building project; the index is based on the number of dwellings for which a permit has been granted. Annual aggregates are based on calendar adjusted data.

Source: Eurostat (online data code: sts_cobp_a)

The index of building permits reflects the number of permits granted and helps anticipate expected demand for building activity in the near future. The index is available for 2 types of buildings: single-dwelling residential buildings and residential buildings with 2 or more dwellings (but not residential buildings for communities).

Across the EU, permits for both types of residential dwellings increased in number between 2015 and 2019. The number fell in 2020, impacted by the COVID-19 pandemic, much more notably for buildings with 2 or more dwellings. In 2021, the number of permits for both types of dwellings increased sharply, more than recovering the fall recorded in 2020. In 2022, the number of permits for residential buildings with 2 or more dwellings continued to increase, while the number for single-dwelling residential buildings fell back somewhat. In 2023, the indices for both types of buildings declined even more strongly than in 2020.

The index for single-dwelling residential buildings in 2023 was 6.9% below its 2015 level, while for residential buildings with 2 or more dwellings the index had increased by 27.9% during the same period.

5

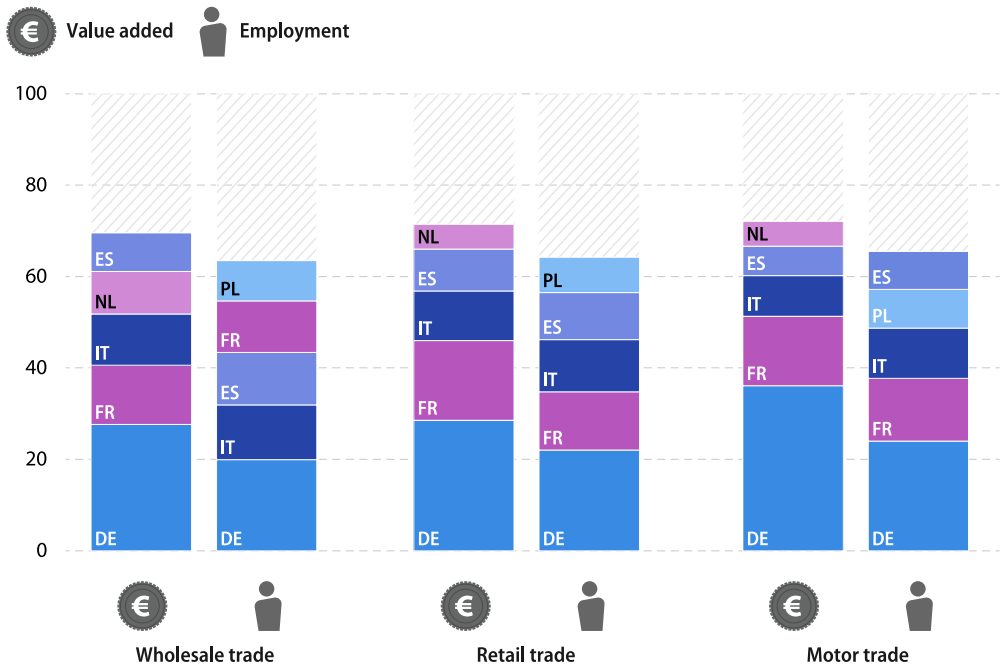
Distributive trades

Structure

Distributive trades cover 3 economic activities: motor, wholesale and retail trades. In 2021, wholesale trade was the largest of these 3 divisions in the EU in terms of value added, with 50.9% of the distributive trades total compared with 37.1% for retail trade. In terms of employment, the situation was reversed, with retail trade contributing 55.4% compared with 32.5% for wholesale trade.

Concentration of distributive trades activity – top 5 EU countries

(%, share of EU employment and value added for each activity, 2021)



EU distributive trades in 2021

5.9 million enterprises

29.5 million persons employed

€1.5 trillion of value added

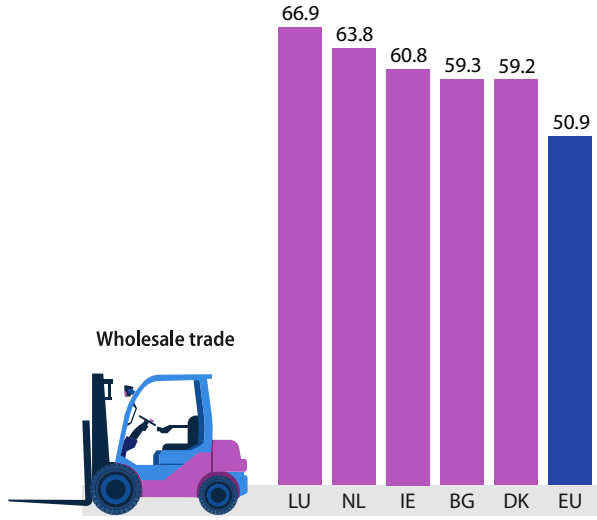
Source: Eurostat (online data code: sbs_ovw_act)

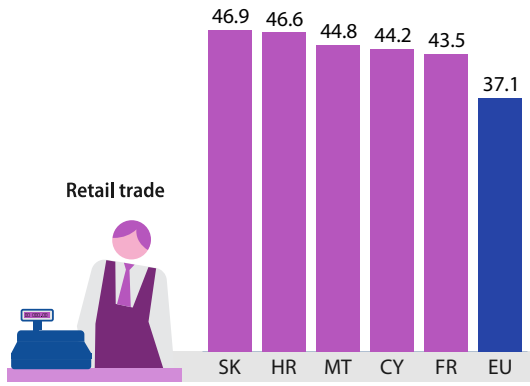
Germany had the largest share of EU value added across all 3 distributive trades divisions in 2021, followed by France and Italy. In wholesale trade, the Netherlands had the fourth largest share, followed by Spain, whereas for retail and motor trades these positions were reversed.

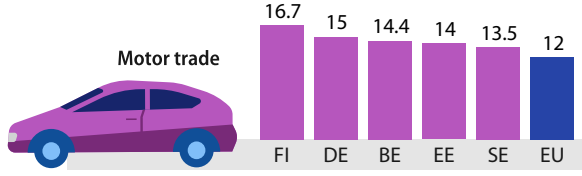
In terms of employment, Germany also had the largest share of the EU total across all 3 distributive trades divisions in 2021. For wholesale trade, Italy and Spain reported the second and third largest workforces, ahead of France and Poland. France and Italy were second and third largest for retail and motor trades, with Spain and Poland completing the top 5.

Value added specialisation – top 5 EU countries

(%, share of distributive trades value added, 2021)







Note: data are shown for the 3 NACE Rev. 2 distributive trades divisions.

Source: Eurostat (online data code: sbs_ovw_act)

Given the essentially local nature of many distributive trade activities, they tend to be less specialised geographically than many industrial or other service activities.

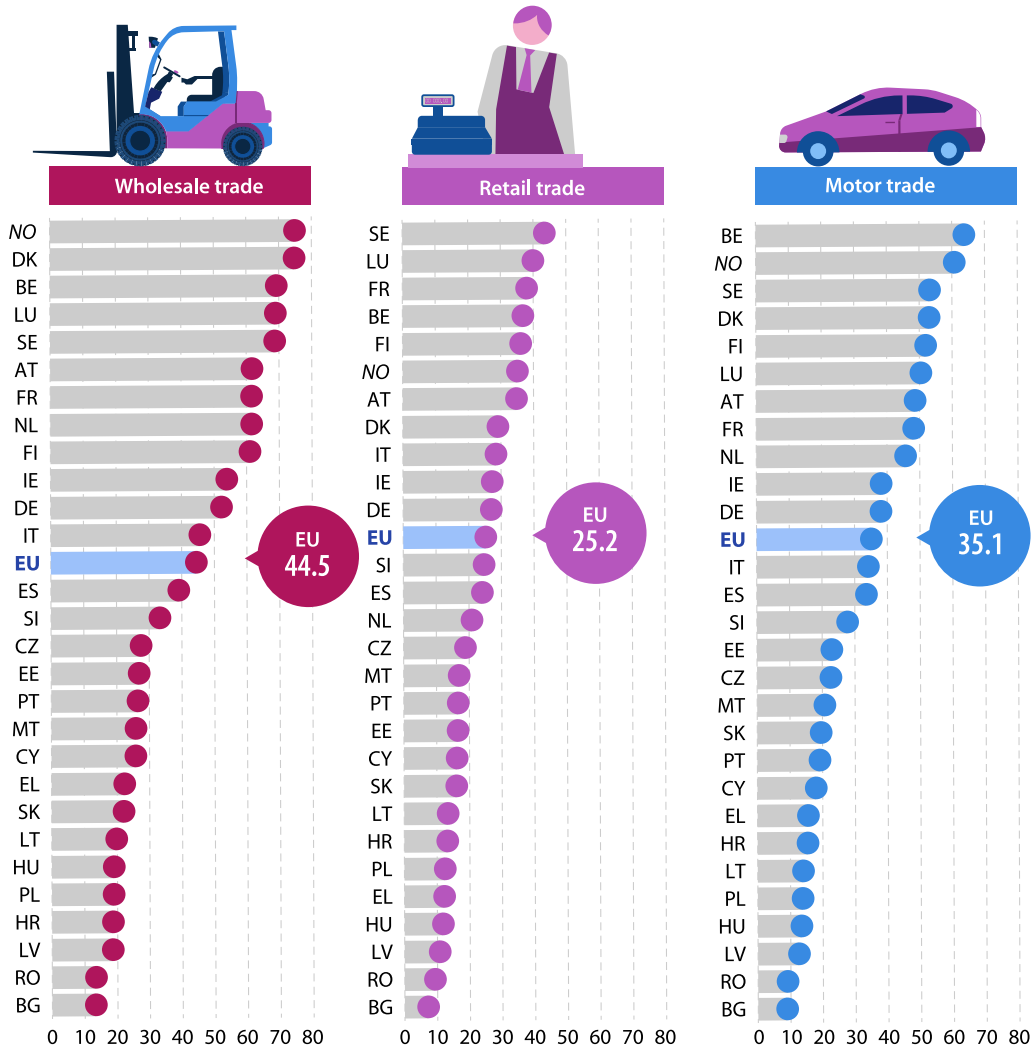
Luxembourg (66.9%) and the Netherlands (63.8%) recorded the largest contributions of wholesale trade to distributive trades' value added in 2021.

Croatia, Malta, Cyprus and France – all of which host large numbers of tourists – were among the 5 EU countries with the highest contributions of retail trade to distributive trades' value added in 2021. However, Slovakia (46.9%) recorded the highest share of retail trade within distributive trades' value added.

In Finland, 16.7% of distributive trades value added was in motor trades in 2021, with the next highest share recorded in Germany (15.0%).

Average personnel costs per employee within distributive trades divisions

(€1 000, 2021)



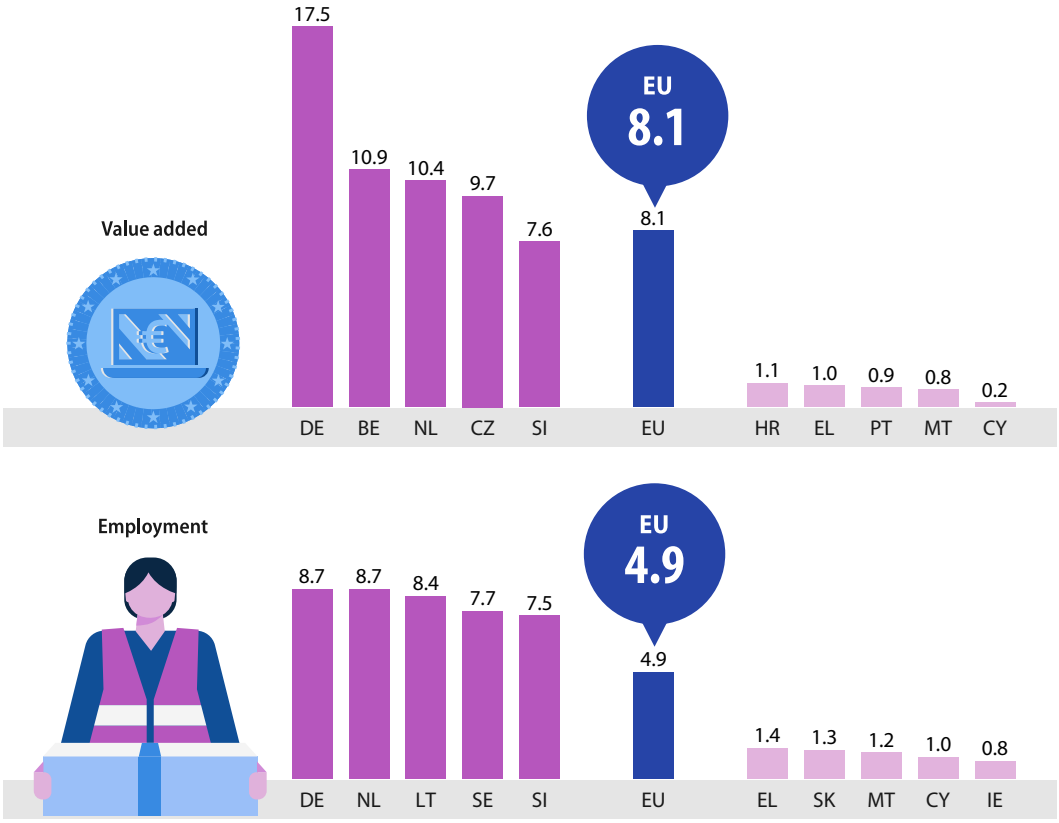
Source: Eurostat (online data code: sbs_ovw_act)

Typically, the lowest average personnel costs per employee can often be observed in sectors with a high incidence of part-time and seasonal work, such as retail trade. Across the EU's distributive trades' sector, average personnel costs per employee in 2021 ranged from a high of €44 500 per employee for wholesale trade down to a low of €25 200 per employee for retail trade.

Among EU countries, Denmark recorded the highest average personnel costs per employee for wholesale trade (€74 700 per employee) in 2021. Belgium had the highest average personnel costs per employee for motor trade (€63 700 per employee) and Sweden for retail trade (€43 400 per employee). At the other end of the scale, Bulgaria recorded the lowest average personnel costs per employee for all 3 distributive trades divisions.

Retail sale via mail order houses or via internet – top 5 and bottom 5 EU countries

(%, share in retail trade, 2021)



Note: retail trade covers NACE Rev. 2 Division 47 and retail sale via mail order houses or via internet covers NACE Rev. 2 Class 47.91. LU: not available.

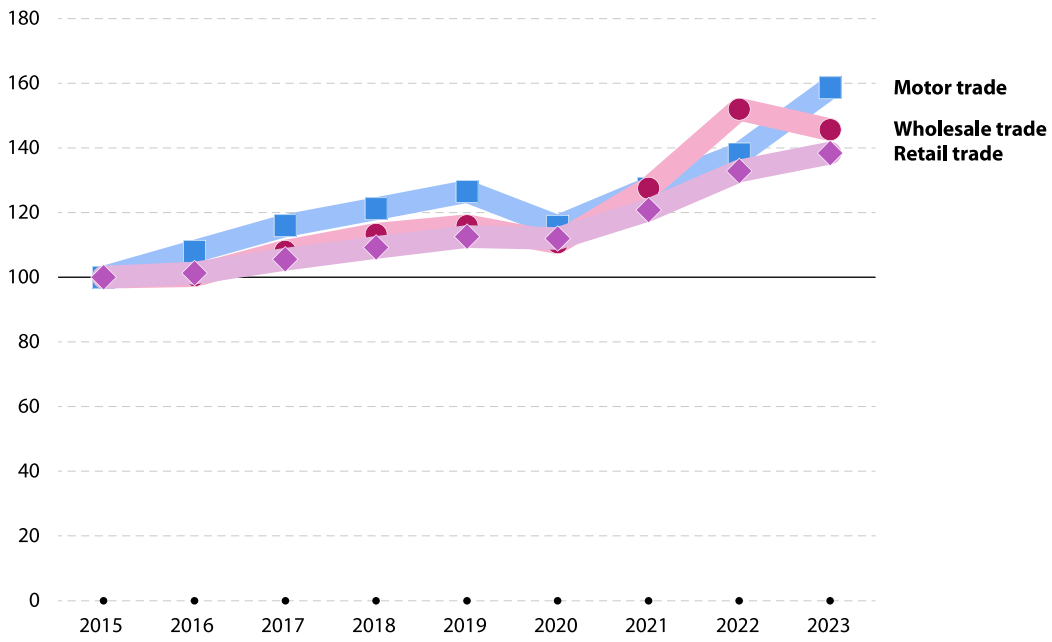
Source: Eurostat (online data code: sbs_ovw_act)

Internet retailing became more important over many years and expanded further in 2021. In the EU, the subsector covering enterprises whose main activity is retail sale via mail order houses or via internet accounted for 8.1% of retailing value added in 2021 and 4.9% of retailing employment. These shares were higher than in 2020 when they were 6.7% and 4.4%, respectively. In terms of value added, Germany was clearly the most specialised EU country in these forms of remote trading, while Cyprus was the least specialised.

Developments

Distributive trades turnover index

(2015 = 100, EU, 2015–23)



Note: turnover value indices. Annual aggregates are based on calendar adjusted data.

Source: Eurostat (online data code: sts_trtu_a)

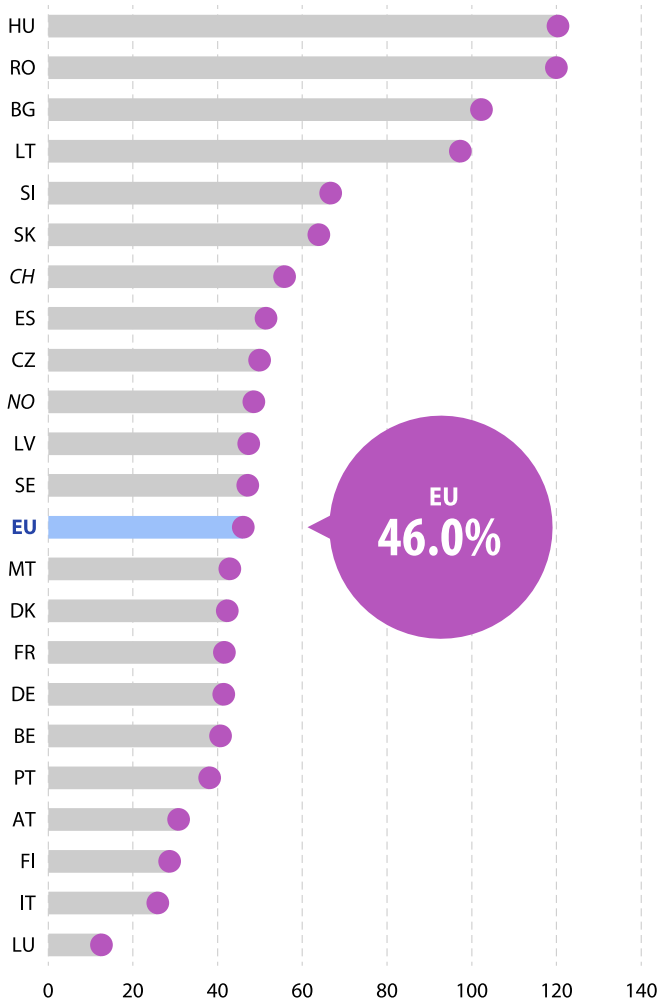
The turnover index illustrates the development of sales in current prices; in other words, this index hasn't been adjusted to remove the effects of price changes. Between 2015 and 2023, the EU turnover index for distributive trades increased 46.0% overall.

After relatively slow growth in 2015 and 2016, the EU's turnover index for distributive trades grew faster from 2017 to 2019. It then fell 3.9% in 2020, reflecting the impact of the COVID-19 pandemic and rebounded 12.5% in 2021. Due in large part to a high inflation rate, it grew even faster in 2022 (up 15.2%). In 2023, growth slowed to 0.3%.

In terms of turnover, the fastest growing distributive trades activity in the EU was motor trade; its turnover was 58.5% higher in 2023 than in 2015, an average annual increase of 5.9%. For wholesale and retail trades, turnover increased slightly less, up 45.7% and 38.4% overall between 2015 and 2023.

Overall change in the distributive trades turnover index

(%, 2015–23)



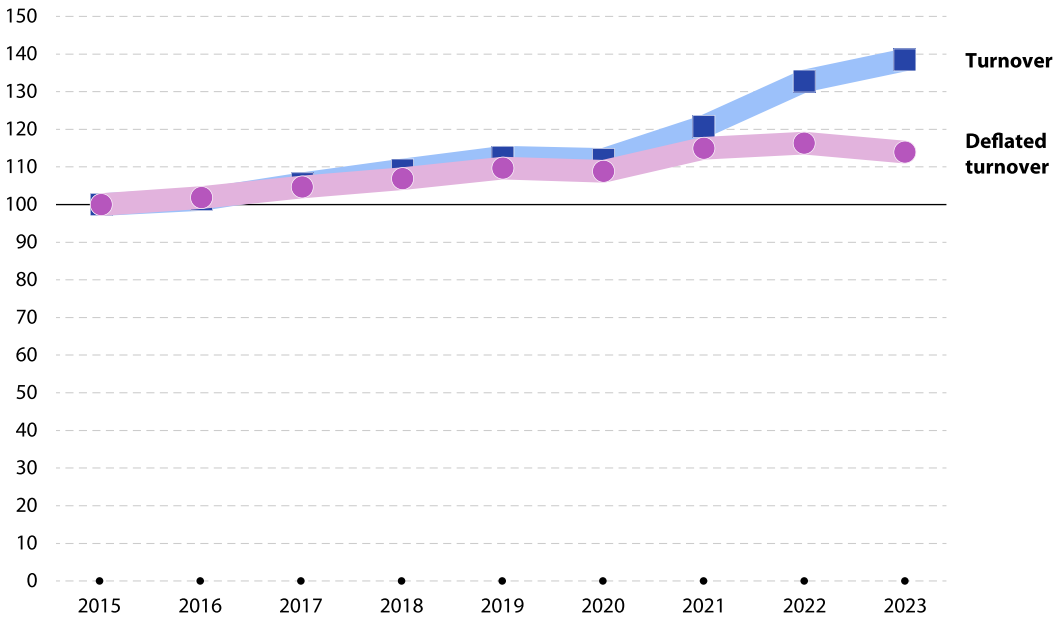
Note: based on turnover value indices. EE, IE, EL, HR, CY, NL and PL: not available. CH: 2015–22.

Source: Eurostat (online data code: sts_trtu_a)

Developments in distributive trades turnover between 2015 and 2023 varied enormously between the EU countries, reflecting differences in price changes as well as underlying real changes. During this period, 10 countries recorded a lower overall change than the EU as a whole (up 46.0%); among these were 3 of the largest: Italy, Germany and France. Overall, distributive trades turnover increased most in Hungary (120.3%), Romania (up 119.9%) and Bulgaria (102.2%), followed by Lithuania where turnover almost doubled (up 97.2%).

Retail trade turnover and deflated turnover indices

(2015 = 100, EU, 2015–23)



Note: annual aggregates are based on calendar adjusted data.

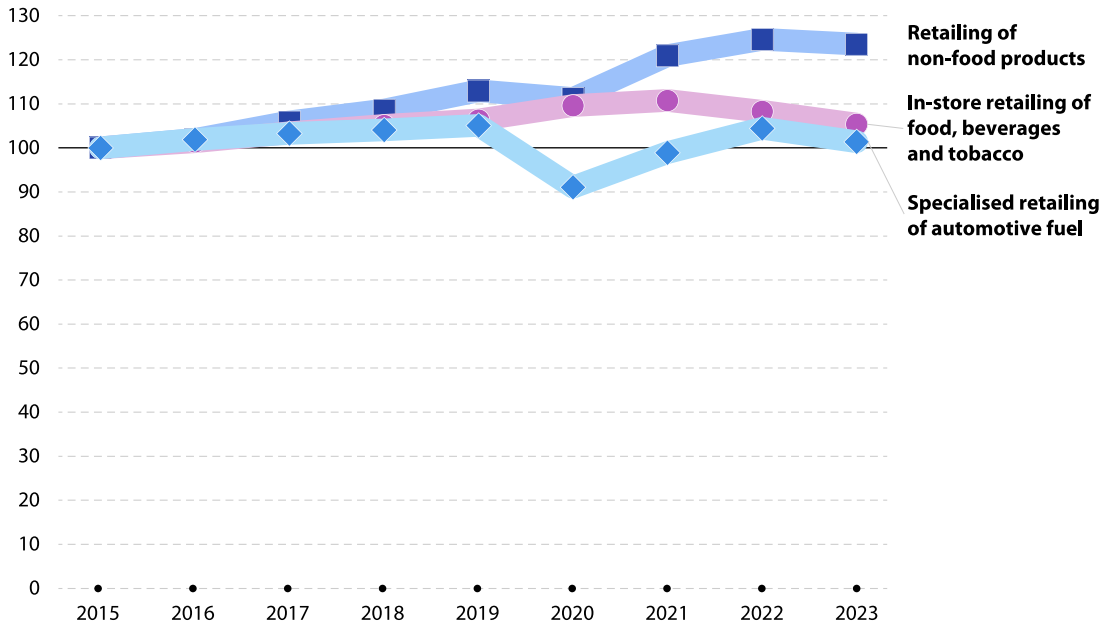
Source: Eurostat (online data code: sts_trtu_a)

The deflated turnover index for retail trade (also known as the volume of sales index) is adjusted for price changes in the goods that are sold. This means it isn't affected by high inflation rates, such as are visible in the high growth rates for the retail turnover index in 2022 and 2023. Between 2015 and 2023, the deflated turnover index increased 13.9% overall in the EU. This can be compared with an increase of 38.4% for the retail trade turnover index (in current price terms).

For continuously updated visualisations containing time series for retail trade, please refer to the European Statistical Monitor or the Euro indicators dashboard.

Retail trade deflated turnover index

(2015 = 100, EU, 2015–23)

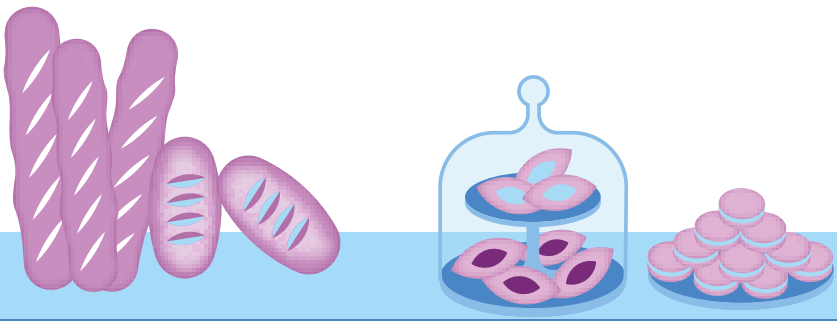


Note: deflated turnover indices. Retailing of non-food products also includes all retail trade not in stores. Annual aggregates are based on calendar adjusted data.

Source: Eurostat (online data code: sts_trtu_a)

There was an overall increase in the deflated turnover index for retail trade between 2015 and 2023 for 3 types of retailing. Non-food retailing increased the most, up 23.6% overall, while food retailing increased 5.4% and automotive fuel retailing 1.4%.

The volume of sales index for food fell 2.2% in 2022 and 2.7% in 2023. At least partially, this reflects changes in consumer spending in the face of the cost-of-living crisis. Sales within non-food retailing grew 3.1% in 2022 but fell 0.9% in 2023. Growth for the retailing of automotive fuel was 5.6% in 2022 but also fell in 2023, down 2.9%.



6

Other market services

Structure

Other market services include 11 economic activities which are presented on the facing page. In terms of value added, the largest of these activities in the EU in 2021 was financial and insurance activities, with a 22.1% share of the total.

In 2021, Germany had the largest share of EU value added for 10 of the 11 activities within other market services while the Netherlands had the highest share for financial and insurance activities. France had the second highest value-added share for 8 of the 11 activities; Spain had the second highest share for education and for arts, entertainment and recreation; Germany had the second highest share for financial and insurance activities.

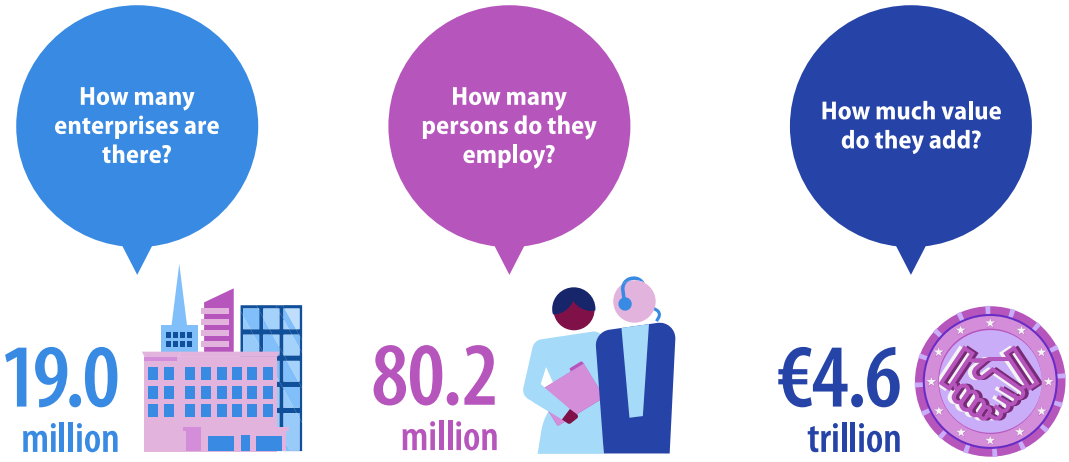
Germany, France, Spain, Italy and the Netherlands figured among the top 5 in terms of value added for 6 of the 11 activities in 2021. However, Ireland was third largest for information and communication; Sweden was fourth largest for financial and insurance activities, real estate activities, and education; and Belgium was fifth largest for human health and social work activities.

In terms of employment, Germany also had the largest share of the EU total for 10 of the 11 activities in 2021, with Spain larger for education.

In 2021, Germany, France, Italy, Spain and Poland were generally among the 5 largest in terms of employment. However, the Netherlands figured in the top 5 in 3 activities: fifth for administrative and support service activities; second for human health and social work activities; and fourth for arts, entertainment and recreation. In 2 further exceptions, Greece had the fifth largest workforce for accommodation and food service activities and for education.

Key business statistics for other market services

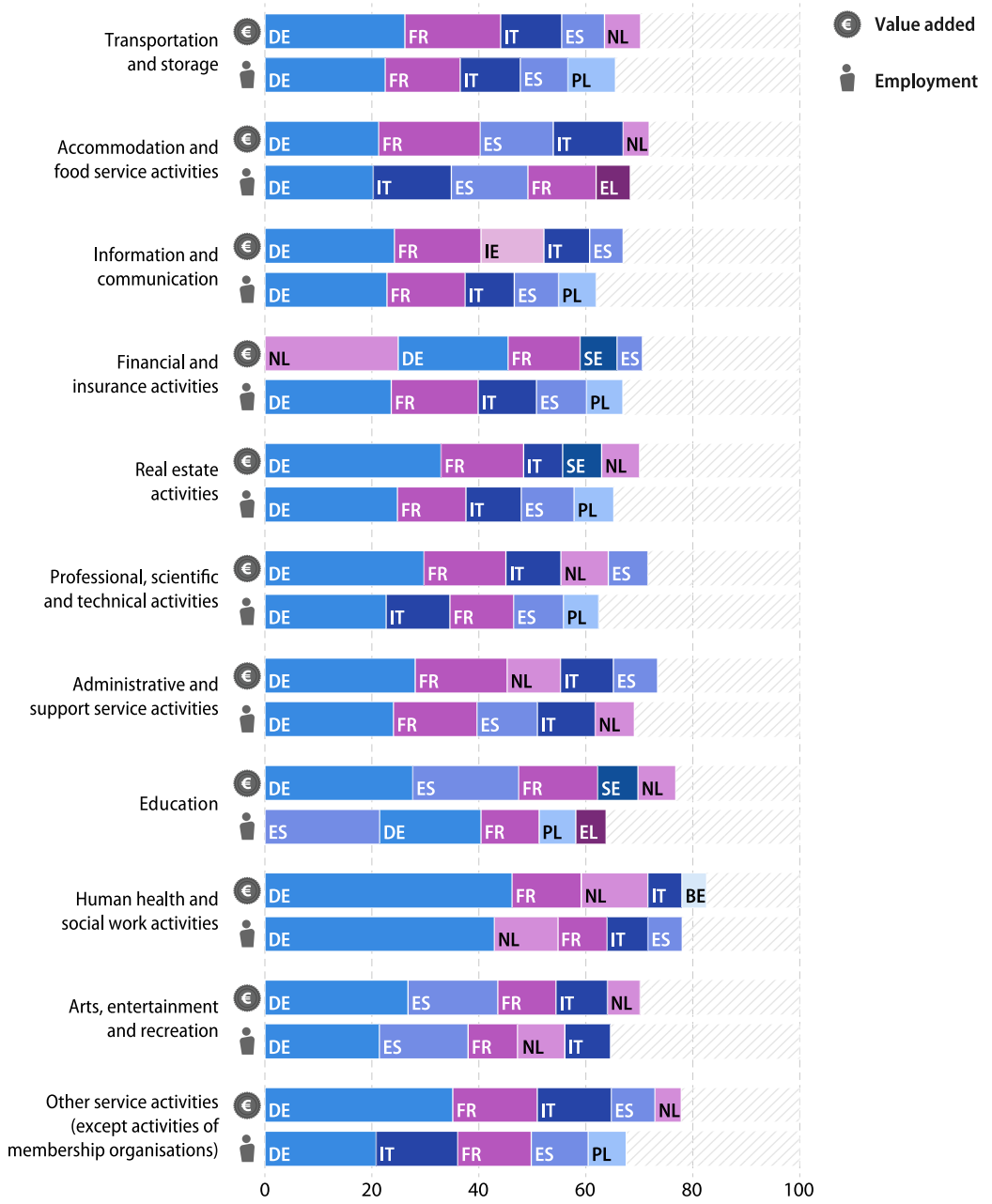
(EU, 2021)



Source: Eurostat (online data code: sbs_ovw_act)

Concentration of other market services activity – top 5 EU countries

(% share of EU employment and value added for each activity, 2021)

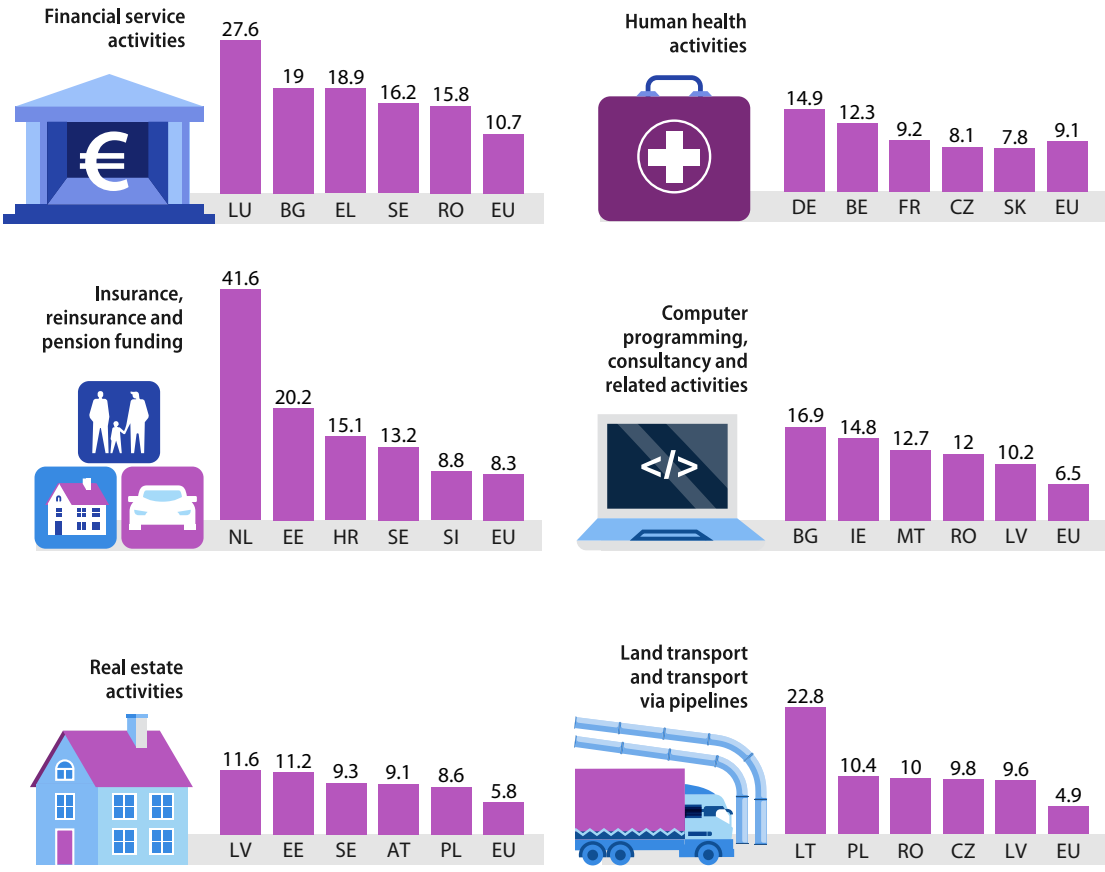


Note: financial and insurance activities, EE and IT not available.

Source: Eurostat (online data code: sbs_ovw_act)

Value added specialisation – top 5 EU countries

(% share of other market services value added, 2021)



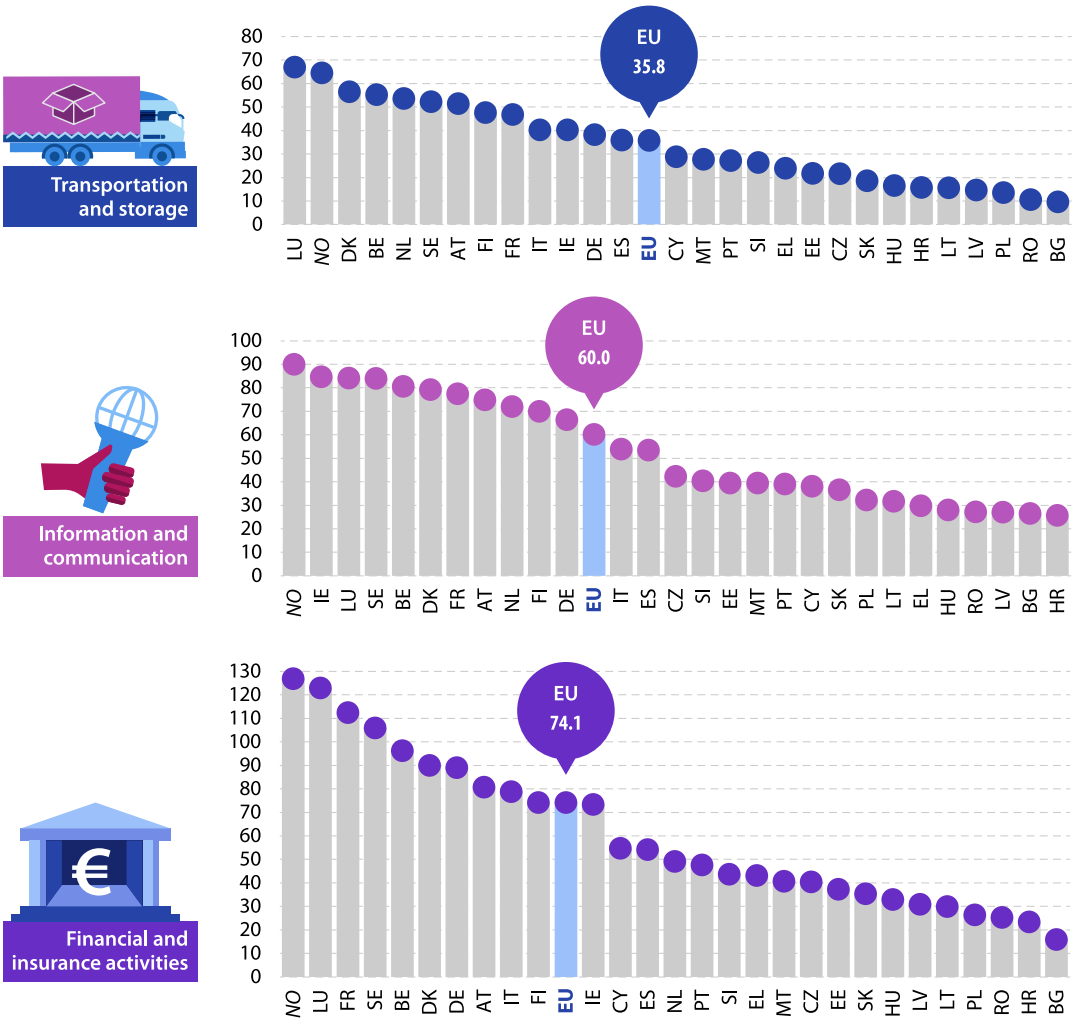
Note: data are shown for the largest other market services based on EU value added for NACE Rev. 2 other market service divisions. Financial service activities: IT not available. Computer programming, consultancy and related activities: LU not available.

Source: Eurostat (online data code: sbs_ovw_act)

The 11 market services activities are further divided into 40 market service divisions. The largest of them in terms of value added in the EU in 2021 were financial service activities (10.7% of the EU total); human health activities (9.1%); insurance, reinsurance and pension funding (8.3%); computer programming, consultancy and related activities (6.5%); real estate activities (5.8%); and land transport and transport via pipelines (4.9%). Together, these 6 divisions accounted for 45.2% of value added within other market services.

Average personnel costs per employee within other market services sections

(€1 000, 2021)

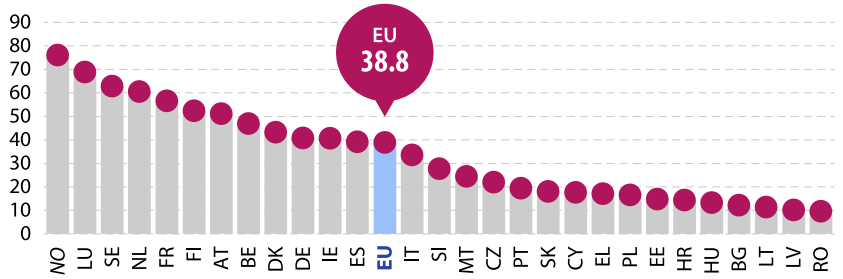


Source: Eurostat (online data code: sbs_ovw_act)

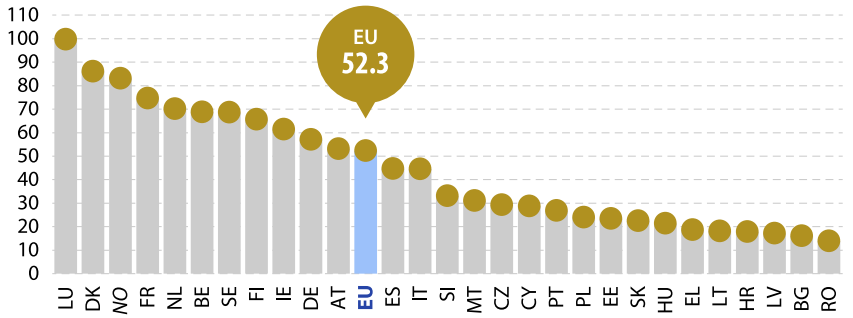
Typically, activities with a high incidence of part-time and seasonal work have the lowest average personnel costs per employee in the EU. In 2021, these included accommodation and food services (€17 000 per employee) and administrative and support service activities (€27 500 per employee). Other services except activities of membership organisations (€20 800 per employee) and education (€27 300 per employee) also had relatively low ratios.

The highest ratios across the EU in 2021 were for financial and insurance activities (€74 100 per employee), information and communication services (€60 000 per employee) and professional, scientific and technical activities (€52 300 per employee).

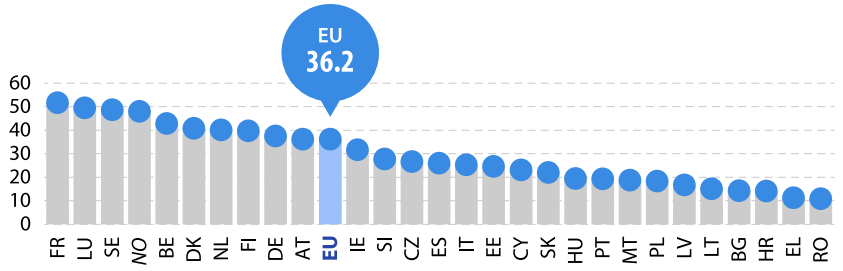
Real estate activities



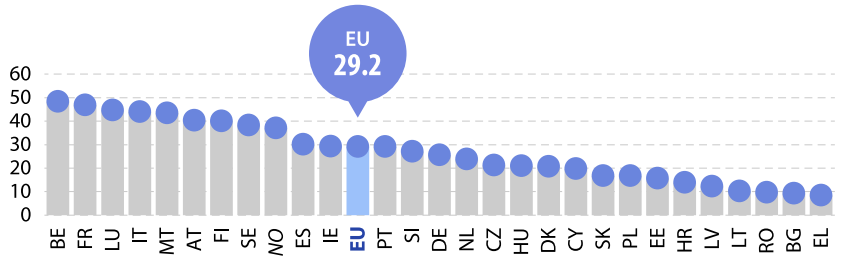
Professional, scientific and technical activities



Human health and social work activities



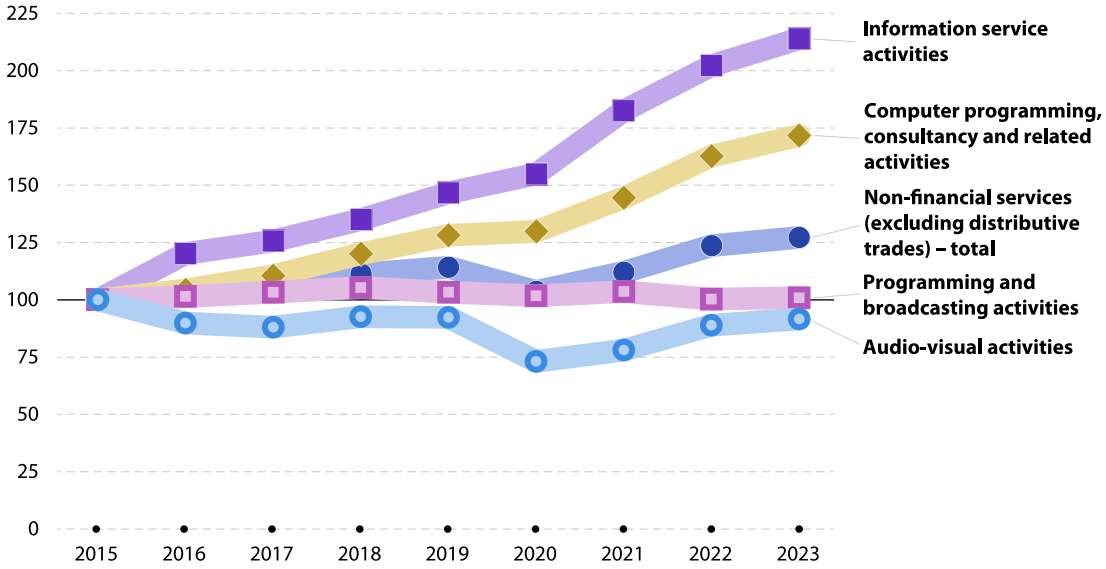
Arts, entertainment and recreation



Developments

Production index for non-financial services

(2015 = 100, EU, 2015–23)



Note: shows the non-financial services (excluding distributive trades) total and the 4 divisions for which data are available with the 2 highest and 2 lowest rates of change for the EU during the period 2015–23. Annual aggregates are based on calendar adjusted data.

Source: Eurostat (online data code: sts_sepr_a)

The production index illustrates the development of output in volume; in other words, this index has been adjusted to remove the effects of price changes.

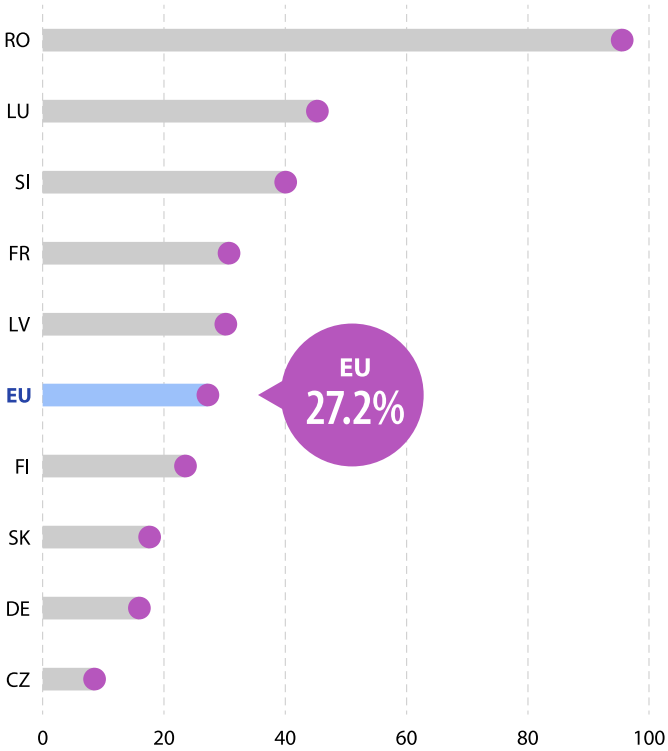
Between 2015 and 2023, the EU production index for non-financial services (excluding distributive trades) increased 27.2% overall, equivalent to an average of 3.1% per year. Between 2016 and 2019, it grew annually between 2.6% and 4.0%. In 2020, the EU production index for non-financial services fell 9.2%, reflecting the impact of the COVID-19 pandemic. It rebounded 8.1% the following year and increased 10.3% in 2022 and 2.9% in 2023.

In terms of output, the fastest growing non-financial service within the EU was information service activities: its production index was 113.9% higher in 2023 than in 2015, an annual average increase of 10.0%. Output for computer programming, consultancy and related activities also increased strongly, 71.7% higher in 2023 than in 2015.

For audio-visual activities (such as film and television production and music publishing), the EU's output was 8.4% lower in 2023 than in 2015; no other services had lower output in this period. However, overall output growth across the EU was less than 10.0% between 2015 and 2023 in 5 non-financial service activities: programming and broadcasting activities; air transport; postal and courier activities; accommodation; warehousing and support activities for transportation.

Overall change in the non-financial services (excluding distributive trades) production index

(%, 2015–23)



Note: annual aggregates are based on calendar adjusted data. Other EU countries: not available.

Source: Eurostat (online data code: sts_sepr_a)

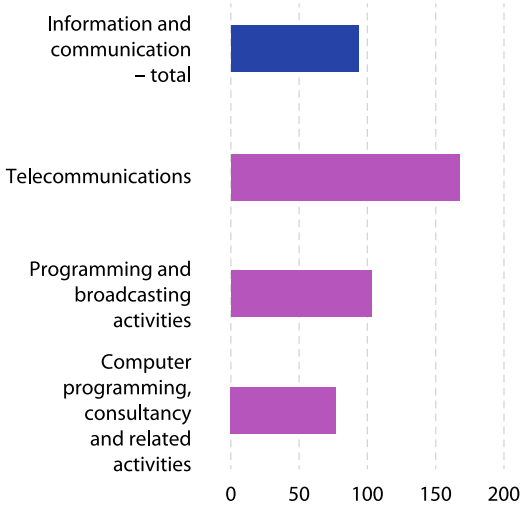
Among the EU countries for which data are available, all reported a higher production index for non-financial services in 2023 than in 2015. Romania recorded the highest growth, as its output was 95.5% higher in 2023 than in 2015. By contrast, output from non-financial services activities was up 8.6% in Czechia.

For continuously updated visualisations containing time series for services, please refer to the European Statistical Monitor or the Euro indicators dashboard.

Focus on information and communication services

Apparent labour productivity for information and communication services

(€1 000 per person employed, EU, 2021)



Source: Eurostat (online data code: sbs_ovw_act)

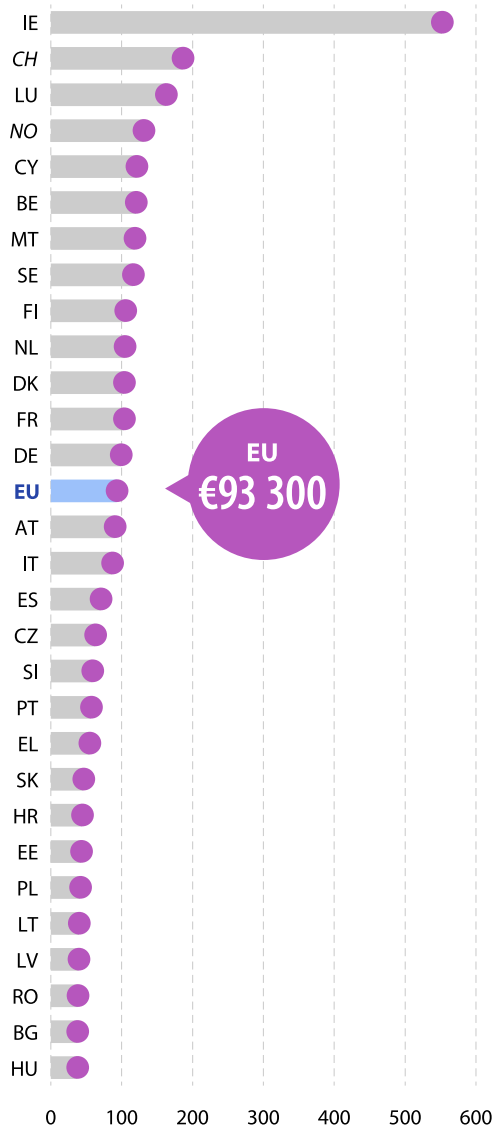
Apparent labour productivity is calculated from value added divided by the number of persons employed.

The EU's information and communication services had the third highest apparent labour productivity (€93 300 per person employed) of all other market services sections in 2021. It was lower only than financial and insurance activities and real estate activities. Within information and communication services, the apparent labour productivity was above average for telecommunications (€167 500 per person employed) as well as for programming and broadcasting activities (€102 800).

Among the EU countries, Ireland had by far the highest apparent labour productivity for information and communication services, at €552 100 per person employed. This was 3.4 times as high as the next highest value, €162 700 per person employed in these activities in Luxembourg.

Apparent labour productivity for information and communication services

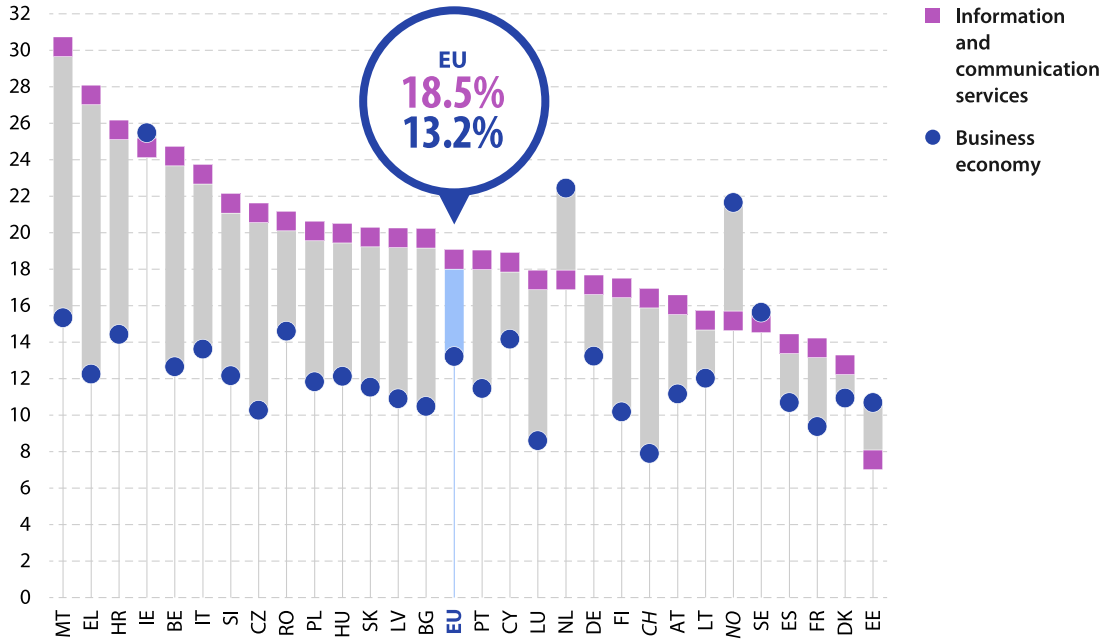
(€1 000 per person employed, 2021)



Source: Eurostat (online data code: sbs_ovw_act)

Gross operating rate for information and communication services

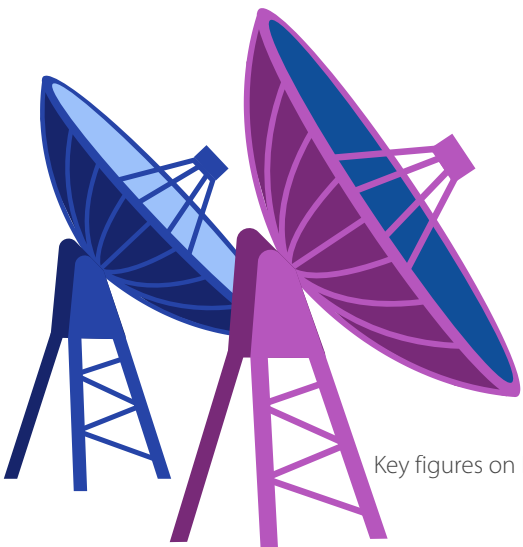
(%, 2021)



Source: Eurostat (online data code: sbs_ovw_act)

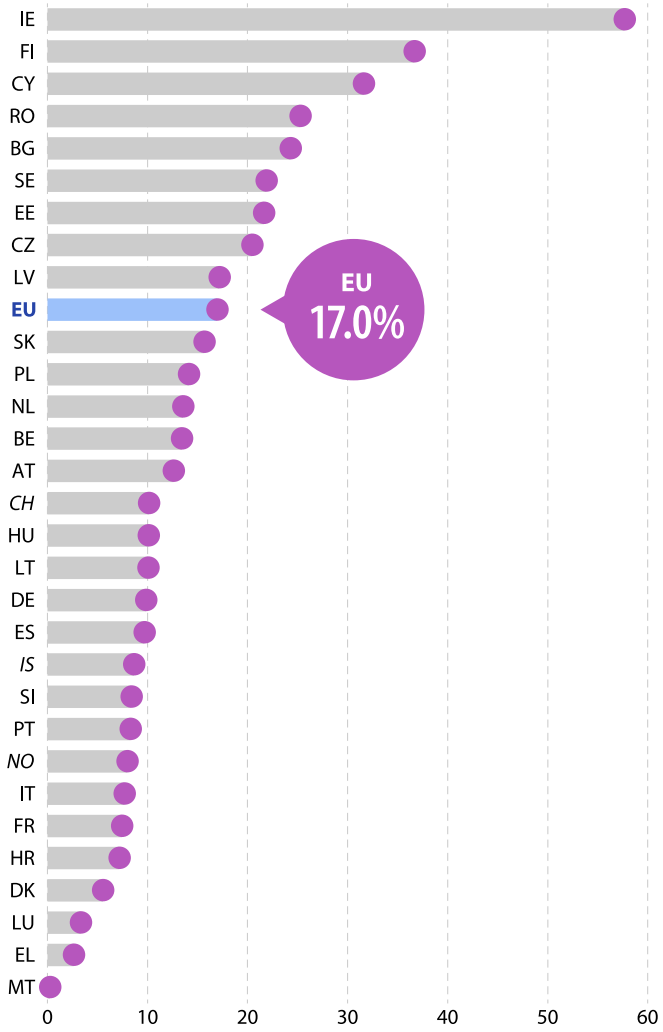
The gross operating rate is a measure of profitability. It is defined as value added minus personnel costs (which is the gross operating surplus) divided by total turnover.

In nearly all EU countries, information and communication services recorded a gross operating rate in 2021 above the business economy average; the Netherlands, Estonia, Ireland and Sweden were the only exceptions. Greece and Malta had particularly high rates for information and communication services compared with their business economy averages, 15.3 and 14.9 percentage points higher. In relative terms, the difference was greatest in Greece, as the gross operating rate for information and communication services was 27.5%, 2.2 times as high as the business economy average of 12.3%.



Exports of telecommunications, computer and information services

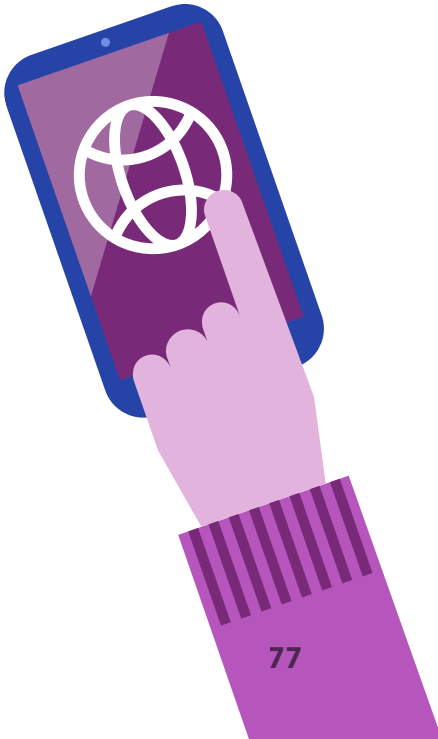
(%, share of total exports of services, 2022)



Note: telecommunications, computer and information services form part of the services account. The data presented cover total exports of services, in other words, exports to (other) EU countries and to non-EU countries.

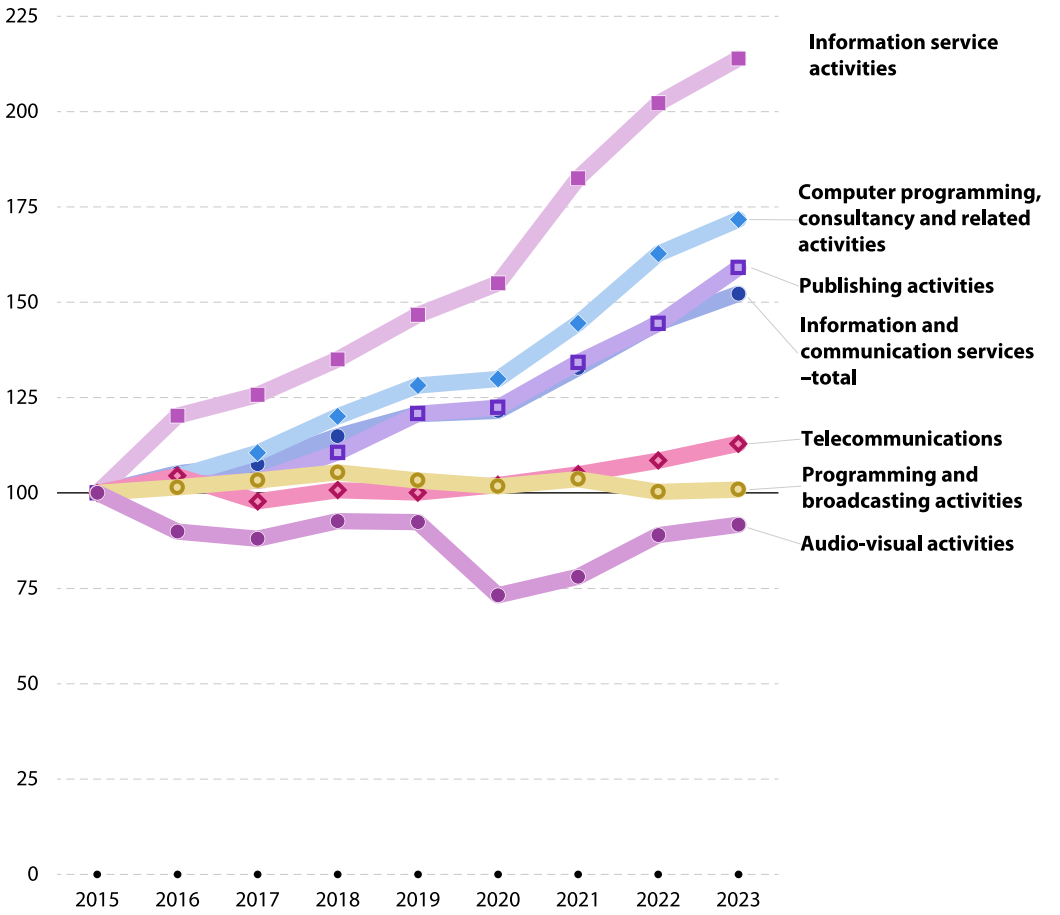
Source: Eurostat (online data code: bop_its6_det)

Telecommunications, computer and information services had a 17.0% share of total exports of services from the EU to all countries of the world in 2022. In Ireland, exports of telecommunications, computer and information services contributed 57.7% of all services exports, by far the highest share among EU countries. These services contributed 36.7% of all services exports in Finland and 31.6% in Cyprus. By contrast, telecommunications, computer, and information services contributed 3.3% and 2.6% of all services exports in Luxembourg and Greece, respectively, while in Malta the share was 0.2%.



Production index for information and communication services

(2015 = 100, EU, 2015–23)



Note: annual aggregates are based on calendar adjusted data.

Source: Eurostat (online data code: sts_sepr_a)

Between 2015 and 2023, the EU production index for information and communication services increased 52.2% overall. Between 2016 and 2019, the index grew annually between 2.3% and 6.8%. In 2020, growth slowed to 0.7%, reflecting the impact of the COVID-19 pandemic. Strong growth returned in 2021, up 9.3%, continued in 2022 (up 8.9%) and then moderated in 2023 (up 5.2%).

In terms of output, the fastest growing non-financial service within the EU was information service activities: the production index was 113.9% higher in 2023 than it had been in 2015. Output for computer programming, consultancy and related activities also increased strongly, up 71.7%, as did output for publishing activities, up 59.1%.

By contrast, the output level of audio-visual activities in the EU was 8.4% lower in 2023 than in 2015. Programming and broadcasting activities (up 0.9%) and telecommunications (up 12.9%) also recorded a relatively low overall output growth.

7

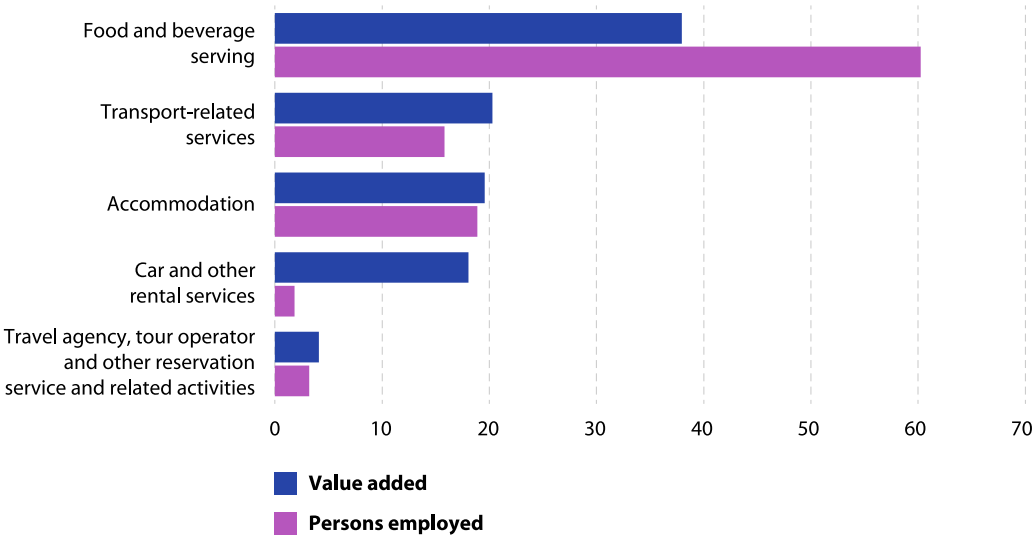
Tourism

Structure

Tourism is travel to a destination away from home for less than 1 year, for pleasure, business or other personal reason.

Structure of tourism-characteristic activities

(%, share of total, 2021)



Source: Eurostat (online data code: sbs_ovw_act)

Tourism supply statistics traditionally focus on the accommodation sector and relate mainly to physical flows (arrivals or nights spent at tourist accommodation). A more complete economic picture of tourism can be drawn from looking at a wider range of tourism-characteristic activities. These may be mainly or partially tourism activities.

In 2021, there were 2.4 million enterprises in tourism-characteristic activities across the EU, employing 11.3 million persons and adding €319 billion of value. Note that in 2021 the performance indicators of the tourism sector were still heavily impacted by the COVID-19 pandemic. More than half (59.6%) of these enterprises were active in food and beverage services, and they employed 60.2% of persons working in tourism-characteristic activities and contributed 38.0% of value added.

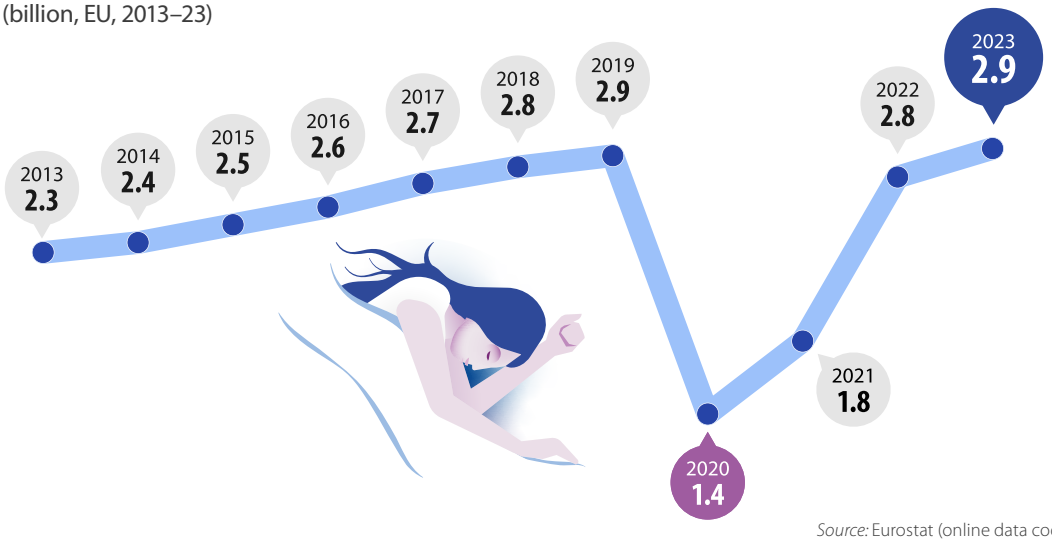
Accommodation services, the focus of traditional tourism statistics, contributed 19.6% of value added and 18.9% of employment. By contrast, transport-related services had a larger share of value added (20.3%) but a smaller share of employment (15.8%). Car and other rental services had a much larger share of value added (18.1%) than it did of employment (1.8%), while travel agency, tour operator, and other reservation service and related activities had relatively small shares of both indicators.

Read more in an article about the tourism industries.

Tourism flows

Nights spent in tourism accommodation

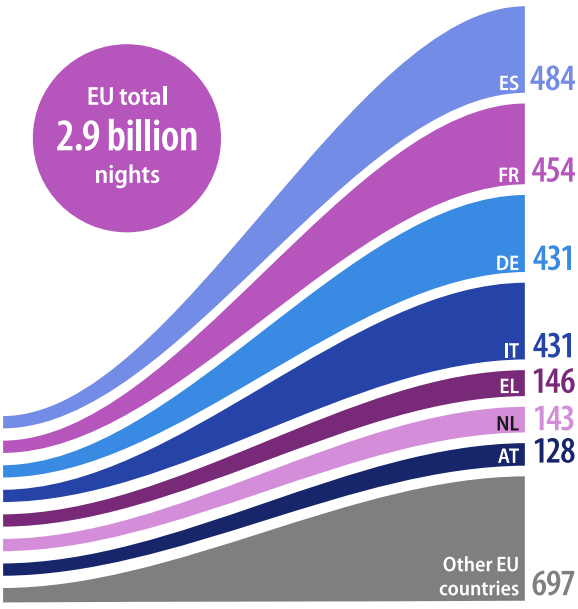
(billion, EU, 2013–23)



Source: Eurostat (online data codes: tour_occ_ninat and tour_occ_nim)

Number of nights in tourist accommodation

(million nights spent, 2023)



Source: Eurostat (online data code: tour_occ_nim)

Between 2013 and 2019, the number of nights which tourists spent in tourist accommodation in the EU increased at an average rate of 3.6% per year. This sustained period of growth was followed by a sharp contraction (down 50.5%) in 2020, as the COVID-19 crisis started. A partial rebound in 2021 (up 28.8%), stronger growth in 2022 (up 50.4%) and growth of 5.8% in 2023 followed. The number of nights spent by tourists in tourist accommodation in 2023 was 1.4% above the peak in 2019.

In 2023, tourists spent 2.9 billion nights in tourist accommodation across the EU. This overall figure includes nights spent by domestic tourists and inbound international tourists (either from other EU countries or from non-EU countries). The largest markets in the EU were Spain, France, Germany and Italy, collectively recording 1.8 billion nights in tourist accommodation.

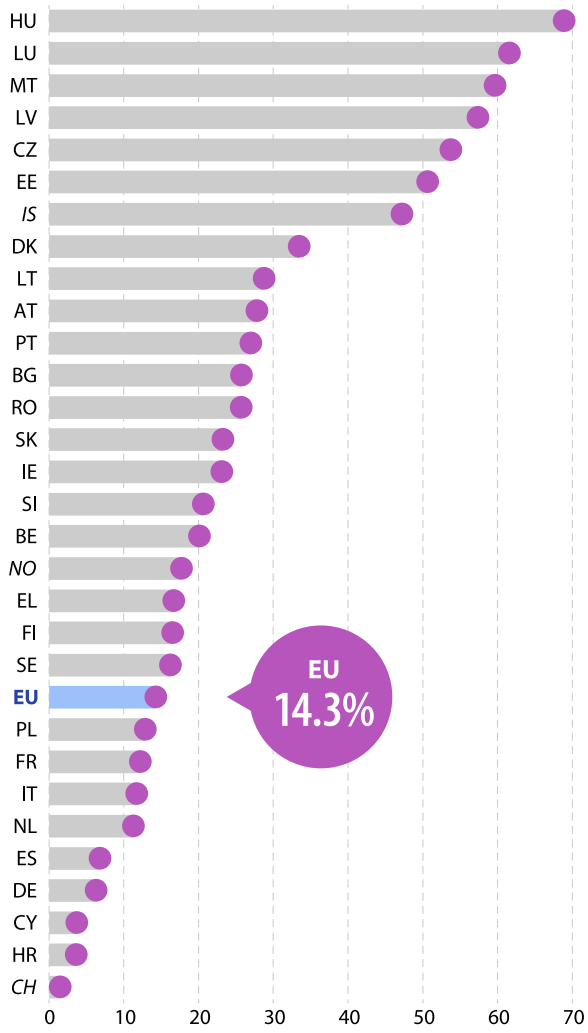
Data on short-stay accommodation rentals are available from Airbnb, Booking, Tripadvisor and Expedia Group. In 2023, 679 million guest nights were spent in the EU in holiday rentals booked through 1 of these 4 platforms. This was 13.8% more than in the previous year.

In 2023, capital cities accounted for more than half of the nights which tourists spent in accommodation booked through these platforms in Hungary, Luxembourg, Malta, Latvia, Czechia and Estonia. By contrast, this share was below 10.0% in 2 of the larger EU countries (Germany and Spain) and was under 5.0% in Croatia and Cyprus, reflecting the coastal domination of their tourism supply.

In 2023, capital cities accounted for 14.3% of the nights which tourists spent in the EU in accommodation booked through Airbnb, Booking, Tripadvisor and Expedia Group

Capital city share of nights booked through booking platforms

(%, 2023)

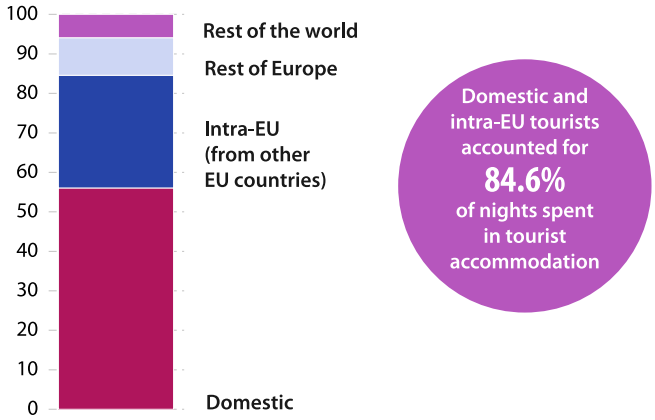


Source: Eurostat (online data codes: tour_ce_oarc and tour_ce_omr)

Read more in an article about short-stay accommodation offered via online collaborative economy platforms or an article on seasonality.

Nights spent in tourist accommodation according to the residence of tourists

(%, share of all tourist nights, EU, 2022)

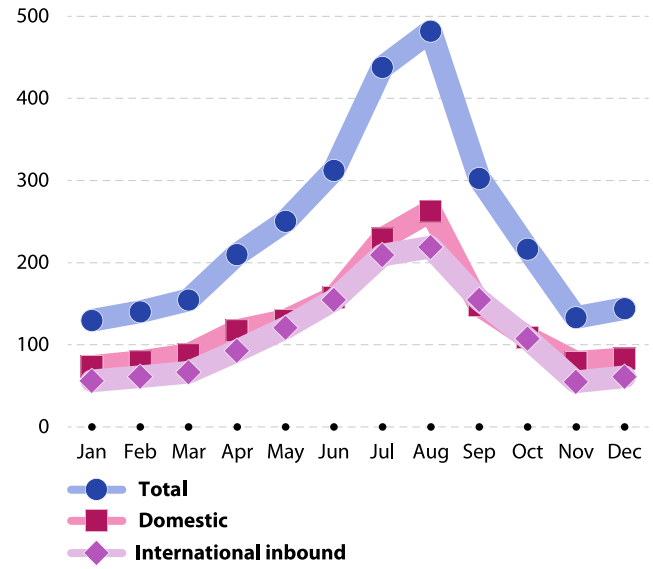


Source: Eurostat (online data code: tour_occ_ninraw)

Domestic tourists accounted for more than half of nights spent in tourist accommodation across the EU in 2022. Tourists from other EU countries accounted for more than one quarter of the total. Together, domestic and international tourists from within the EU accounted for 84.6% of all nights spent in 2022. International tourists from non-EU countries constituted the remaining 15.4%. Among the nights spent by tourists from non-EU countries, by far the largest share was from the rest of Europe.

Monthly nights spent in tourist accommodation

(million nights, EU, January–December 2023)



Source: Eurostat (online data code: tour_occ_nim)

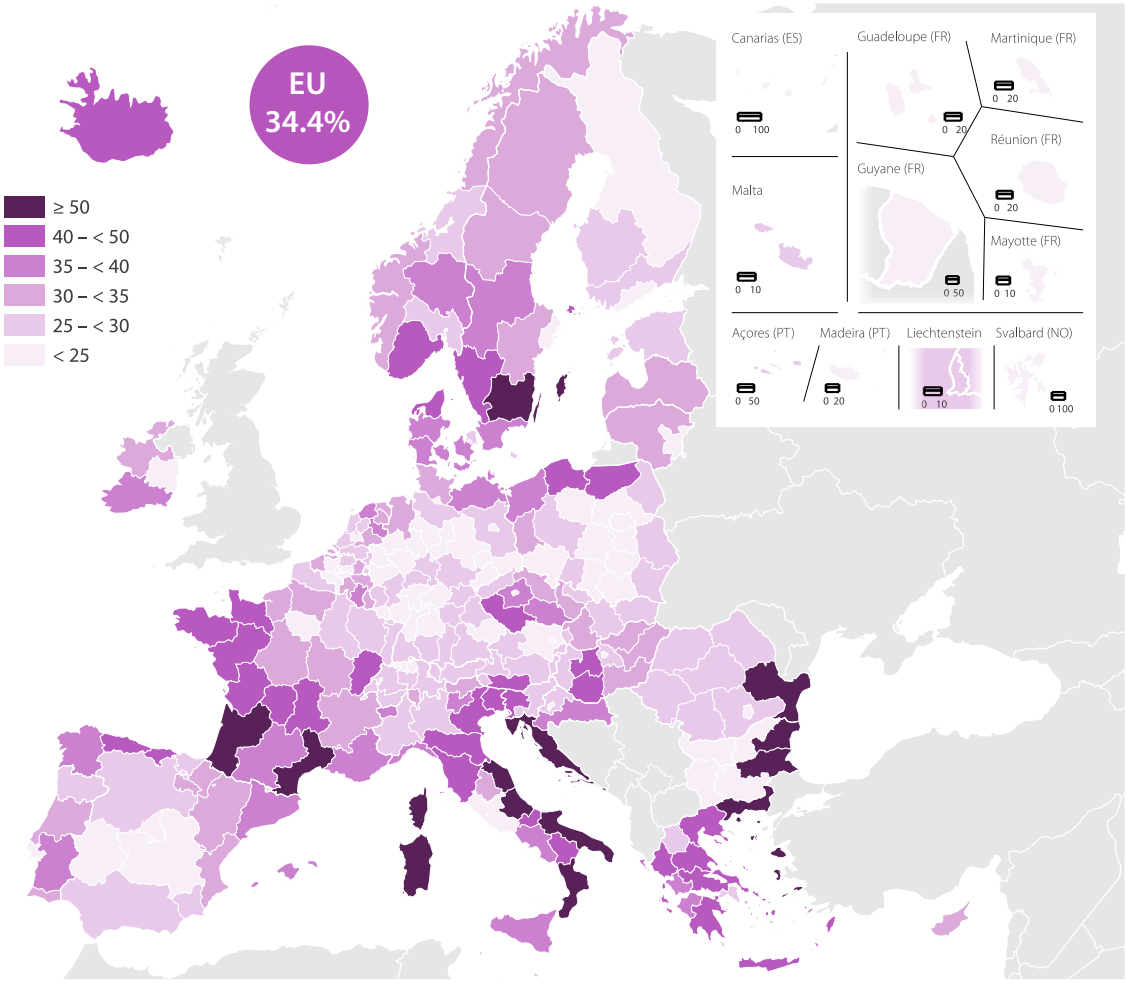
Monthly data for nights spent in tourist accommodation is a key measure of tourism seasonality. In 2023, the seasonality of tourism by domestic and international tourists showed a rather traditional pattern: July and August dominated, with nearly 1 in 3 nights recorded during these 2 summer months.

In 2023, the ratio between the number of domestic and international tourists returned to the 2019 level. Domestic tourists accounted for 49% to 59% of the total nights spent, depending on the month. September was the only month when there were more nights spent by inbound international tourists than by domestic tourists.

Read more in a quarterly updated article on tourism.

Seasonality in tourist accommodation

(%, share of the top 2 months in the annual total of nights spent, NUTS level 2 regions, 2022)



Note: IS and LI, 2021.

Source: Eurostat (online data code: tour_occ_nin2m)

Administrative boundaries: © EuroGeographics © UN–FAO © Turkstat
Cartography: Eurostat – IMAGE, 05/2024

In some regions of the EU, tourism is particularly concentrated within certain months of the year, typically summer months. This pattern was particularly notable in coastal regions. The highest concentration ratios were recorded in coastal regions, mainly on the Mediterranean or Black Sea coasts, but also including 1 region on the French Atlantic coast and 1 in Sweden. Within some countries, there is a difference in seasonal concentration patterns for different coastlines, for example between North and Baltic Sea regions in Germany, between Atlantic and Mediterranean regions in Spain, or between English Channel coastal regions in France and other metropolitan French coastal regions (the rest of the Atlantic coastline and the Mediterranean).

By contrast, the lowest concentration shares – suggesting that tourism nights were more evenly spread throughout the year – were observed in several outermost regions, such as Mayotte (France), as well as in many urban regions, such as Warszawski stołeczny in Poland and Düsseldorf in Germany.

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KEY FIGURES ON EUROPEAN BUSINESS

2024 EDITION

Key figures on European business presents a selection of business statistics for the European Union (EU), EU countries and EFTA countries. For some readers, this publication may offer an introduction to European business statistics, while others can use it as a starting point to explore further a wide range of data and information. These are freely available on Eurostat's website and in *Statistics Explained* articles.

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