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Pocketbooks

Key figures on European business
with a special feature on the recession

2010 edition

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Key figures on European business

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Christine Gerstberger (Unit C2: National accounts - production), *Brian Williams* (Unit G2: Structural business statistics), *Digna Amil*, *Sarmite Visocka* and *Anastassios Giannoplidis* (Unit G3: Short-term statistics), *Gilberto Gambini* (Unit G5: International trade - production).

Editor and project co-ordinator:

Aleksandra Stawińska
Eurostat, Statistical office of the European Union
Unit G2 – structural business statistics
Bâtiment Joseph Bech
5, rue Alphonse Weicker
2721, Luxembourg

Production:

Data processing, analysis, design and desktop publishing:
INFORMA sàrl (informa@informa.lu)
Giovanni Albertone, Simon Allen, Andrew Redpath

For more information:

The structural business statistics (SBS) dedicated section provides access to a selection of publications, data and background information describing European business, compiled by Eurostat's structural business statistics unit. In particular, the dedicated section provides information on development projects under a heading 'special topics'. This dedicated section is located directly under the theme 'Industry, trade and services' on the 'Statistics' tab of the Eurostat website or from the following link:
<http://ec.europa.eu/eurostat/europeanbusiness>

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Introduction

This publication aims to illustrate the wide range of business statistics available from Eurostat, in particular structural business statistics (SBS). The statistics presented cover SBS that are published on a regular, annual basis (where breakdowns are available by region and by enterprise size class), as well as more specific information from a range of development projects.

SBS describe the structure, conduct and performance of businesses within their economic activities, down to a very detailed activity level (several hundred sectors). In this publication, due to space limitations, data are presented for a set of around 40 activities, generally NACE divisions.

The publication summarises the main features of the European business economy and its different activities in a concise and simple manner. It consists of three main chapters:

- a feature on the global financial and economic crisis;
- an overview of the EU's business economy, and;
- a more detailed sectoral analysis.

The first chapter presents a special feature on the global financial and economic crisis, looking at how the recession affected the EU's business economy. The information presented is largely based upon short-term (business) statistics, which are used to detail recent developments for a range of economic indicators through to the end of 2009, by when GDP had returned to an upward path after a sustained period of contraction.

The second chapter presents an overview of the EU's business economy based on structural business statistics (SBS). It provides details concerning the relative importance of the business economy within the whole economy: note that agriculture, forestry and fisheries, as well as public services – covering areas such as defence, education, health and social security – are not covered by SBS. Having delineated the boundaries of the business economy and an introduction to its structure, it then provides results from a number of SBS development projects, for example, statistics relating to business demography, or the role of foreign-controlled enterprises within the EU's business economy, before detailing patterns of specialisation and concentration. The former measures the share (in employment or value added) of a particular sector in the whole business economy within a country or a region – for

example, Germany is relatively specialised in the manufacture of motor vehicles, while Luxembourg and the United Kingdom are specialised in financial services and business services. Concentration is a distribution measure based on country (or regional) shares, for example, a sector is said to be concentrated if relatively few countries (or regions) produce a high overall share of the total value added in the EU-27: this is the case for example in aerospace and pharmaceuticals. The second chapter closes with information from SBS broken down by enterprise size class (looking at the relative importance of small and medium-sized enterprises (SMEs) in relation to that of large enterprises), while data are also presented for the production of industrial products (PRODCOM), and for the external trade of goods.

The third chapter presents a sectoral analysis looking in more detail at specific sectors within the EU business economy. For each of these, it provides a comprehensive set of key variables, describing monetary and employment characteristics, as well as a set of derived indicators, for example, productivity and profitability measures; these indicators are presented at a more detailed activity level, as well as by Member State.

This publication presents only a small selection of the SBS data available. Readers who are interested in knowing more about SBS, who would like to download the latest publications free-of-charge, or who would like to access the most recent data, are encouraged to consult the structural business statistics dedicated section. Data codes presented as part of the source under each table/figure can be used within the search facility provided at the top of the data navigation tree on Eurostat's website to gain access to the freshest statistics available.

<http://ec.europa.eu/eurostat/europeanbusiness>



SOLD

**HOUSE
FOR
SALE**

A large, bold, blue number '1' is positioned on the left side of the page. The background is white, and a blue curved shape, resembling a wave or a stylized horizon, is at the bottom. The number '1' is the primary focus of the image.

1

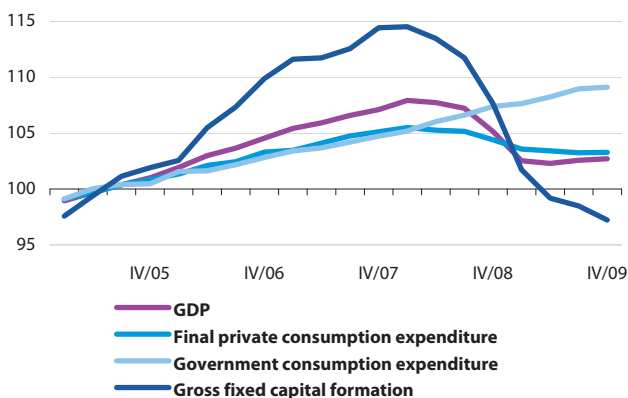
**Special feature
on the recession**

Economy: output and expenditure

Structural business statistics (SBS) provide very detailed data for hundreds of activities across the business economy. This rich source of information is generally available within 18 to 24 months from the end of a reference year. At the time of writing (first quarter 2010), SBS are generally available for reference year 2007. As such, this data source cannot yet be used to measure the extraordinary events that took place during 2008 and 2009 when the global economy faced its largest slowdown since the 1930's. This chapter therefore uses a number of alternative sources to analyse the impact of the recession on the EU's business economy, while SBS will in the future, offer the possibility to make a more profound analysis of the structural changes that took place during the recession.

The most frequently used measure for the overall size of an economy is the national accounting measure of gross domestic product (GDP). From a relative high in the first quarter of 2008 through to the second quarter of 2009 (low-point of the recession), EU-27 GDP fell by 5.2 % (see Figure 1.1); there was a slight increase in the second half of 2009. This slight recovery may be attributed in part to government spending, which rose continuously during 2008 and

Figure 1.1: Key macro-economic indicators in volume terms, seasonally adjusted, EU-27 (2005=100)



Source: Eurostat ([namq_gdp_k](#))

2009 (up 4.2 % between the final quarters of 2007 and 2009), while private final consumption expenditure stopped falling in the second half of 2009 (having declined by 2.0 % between the first quarter of 2008 and the second quarter of 2009). Gross capital formation (investment) continued to fall through to the end of 2009, when it stood 15.1 % below its level from the first quarter of 2008.

Table 1.1: GDP in volume terms, seasonally adjusted, quarter on quarter rates of change (%)

	2008				2009			
	I	II	III	IV	I	II	III	IV
EU-27	0.8	-0.2	-0.5	-1.9	-2.5	-0.2	0.3	0.1
BE	0.5	0.4	-0.2	-2.1	-1.7	-0.1	0.7	:
BG	:	:	:	:	:	:	:	:
CZ	0.3	0.7	0.2	-0.7	-4.4	0.2	0.8	:
DK	-1.4	1.3	-1.3	-2.2	-2.0	-1.8	0.3	0.2
DE	1.6	-0.6	-0.3	-2.4	-3.5	0.4	0.7	0.0
EE	-1.1	-1.5	-3.0	-4.5	-6.0	-3.4	-3.0	:
IE	-1.0	-2.0	0.2	-5.4	-2.1	-0.6	0.3	:
EL	0.7	0.6	0.1	-0.7	-0.5	-0.1	-0.4	:
ES	0.4	0.0	-0.6	-1.1	-1.7	-1.0	-0.3	-0.1
FR	0.5	-0.4	-0.2	-1.5	-1.4	0.3	0.2	0.6
IT	0.5	-0.6	-0.8	-2.1	-2.7	-0.5	0.6	-0.2
CY	1.2	0.7	0.2	0.1	-0.7	-1.0	-0.8	-0.3
LV	-2.7	-1.9	-1.6	-5.0	-11.4	-0.2	-4.0	:
LT	0.2	0.5	-1.2	-1.2	-13.7	-1.0	1.0	0.5
LU	0.8	-1.6	-0.8	-3.1	-0.9	-2.7	4.2	:
HU	1.0	-0.2	-0.9	-2.3	-2.3	-1.4	-1.2	-0.4
MT	0.8	1.0	-0.3	-1.0	-0.8	-0.7	0.4	:
NL	1.0	0.0	-0.7	-1.2	-2.3	-1.1	0.5	0.3
AT	1.2	0.2	-0.6	-1.3	-2.2	-0.5	0.5	0.4
PL	1.2	0.8	0.8	-0.3	0.3	0.7	0.6	1.2
PT	0.2	0.1	-0.5	-1.7	-2.0	0.5	0.7	:
RO	3.8	1.5	-0.4	-2.2	-4.1	-1.5	0.1	-1.5
SI	1.6	0.7	0.3	-3.0	-6.8	0.3	0.6	0.1
SK	-2.0	1.6	1.2	0.6	-8.1	1.2	1.6	2.0
FI	0.2	0.9	0.1	-3.9	-5.2	-0.3	0.3	0.0
SE	0.3	-0.3	-0.6	-4.4	-0.9	0.0	-0.1	-0.6
UK	0.7	-0.1	-0.9	-1.8	-2.6	-0.6	-0.3	0.3
IS	2.9	-6.0	1.8	3.2	-5.1	-0.4	-5.7	:
NO	0.5	0.2	-0.7	0.0	-0.7	-0.9	0.9	:

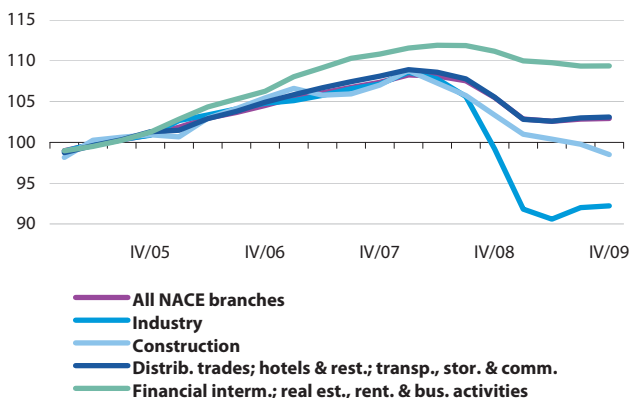
Source: Eurostat (namq_gdp_k)

Business economy: output

At the most aggregated level within national accounts there are six NACE Rev. 1.1 headings identified (of which four approximately cover the business economy – as defined by NACE Sections C to K). The most common indicator for measuring economic output is gross value added, defined as final output minus intermediate consumption (the former in basic prices, the latter in purchaser's prices) – therefore, it does not include taxes less subsidies on products.

Having grown at a steady pace for several years, EU-27 value added generally peaked in the first quarter of 2008 (see Figure 1.2); financial intermediation and business services recorded a relative high in the second quarter of 2008. However, the development in value added in each of these activities followed a markedly different path from the start of 2008 onwards. Output fell by 16.6 % for industry to reach a low in the second quarter of 2009 (with modest signs of a recovery thereafter in the second half of 2009). EU-27 construction activity fell by 9.5 % through to the final quarter of 2009, output falling for seven consecutive quarters.

Figure 1.2: Gross value added in volume terms, seasonally adjusted, EU-27
(2005=100)



Source: Eurostat (namq_nace06_k)

Among the services activities the recession generally had less of an impact: this was particularly the case for financial intermediation and business services, where output fell by 2.3 % from its relative high in the second quarter of 2008 through to a low five quarters later.

Table 1.2: Gross value added in volume terms, business economy, seasonally adjusted, quarter on quarter rates of change (%)

	2008				2009			
	I	II	III	IV	I	II	III	IV
EU-27	0.9	-0.3	-0.9	-2.7	-3.3	-0.5	0.3	0.0
BE	0.7	0.5	-0.3	-2.8	-2.5	-0.3	0.6	:
BG	:	:	:	:	:	:	:	:
CZ	0.5	0.9	-0.5	0.4	-7.5	0.0	1.0	:
DK	-1.6	2.1	-1.9	-2.7	-2.8	-2.8	0.6	-0.1
DE	1.6	-0.6	-0.9	-3.3	-4.8	-0.1	0.6	-0.3
EE	0.2	-1.8	-3.6	-5.1	-9.2	-4.3	1.5	:
IE	0.8	-1.6	-1.0	-6.2	0.5	-1.8	0.7	:
EL	0.0	0.2	-0.2	-1.1	0.0	-0.7	-0.2	:
ES	0.6	-0.4	-1.0	-1.7	-2.2	-1.7	-0.4	-0.2
FR	0.6	-0.7	-0.4	-2.2	-2.2	0.4	0.3	0.7
IT	0.6	-0.6	-1.0	-2.7	-3.5	-0.7	0.9	:
CY	1.1	1.0	0.0	-0.3	-1.2	-1.1	-1.0	:
LV	-0.7	-2.5	-2.9	-5.3	-7.1	-4.3	-4.2	:
LT	0.8	1.1	-2.3	-3.3	-13.7	-4.7	2.8	0.2
LU	1.6	-1.6	-1.3	-4.9	-1.3	-1.8	3.9	:
HU	1.1	-1.2	-2.0	-3.9	-3.6	-1.2	0.2	:
MT	:	:	:	:	:	:	:	:
NL	0.6	0.0	-1.0	-1.2	-3.6	-1.6	1.4	:
AT	1.3	0.4	-0.9	-2.0	-3.4	-0.8	0.3	0.3
PL	2.5	-0.6	1.7	-0.5	0.6	0.3	-0.1	1.0
PT	-0.5	0.2	-0.6	-1.2	-3.0	1.0	0.3	:
RO	3.9	1.2	-1.0	-3.3	-2.8	-1.3	-0.7	-3.2
SI	2.1	-0.1	-0.2	-3.8	-8.3	-0.1	0.4	:
SK	3.4	0.4	-0.1	0.1	-9.2	2.1	1.2	:
FI	-0.5	1.6	-0.1	-6.1	-7.5	-1.1	0.4	0.2
SE	0.4	-0.3	-1.0	-6.7	-1.4	-0.5	-0.3	-0.8
UK	0.8	-0.2	-1.4	-2.5	-3.3	-0.9	-0.2	:
NO	0.2	0.4	-0.9	0.3	-1.3	-1.4	0.5	:

Source: Eurostat (namq_nace06_k)

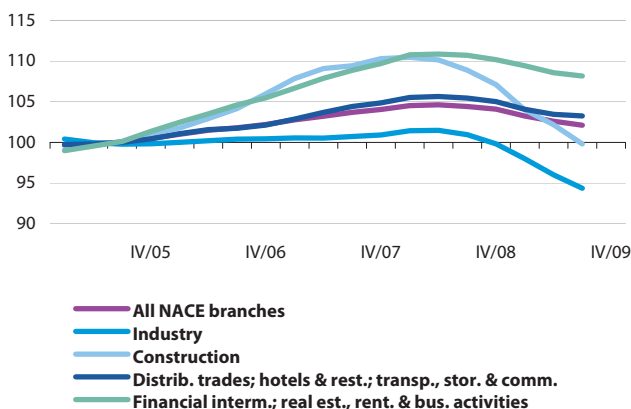
Business economy: employment

The employment data presented here cover all persons engaged in an activity within the production boundary of the national accounts (the national territory); this may be contrasted with resident persons in employment, which can be quite different, especially in regions with large cross-border flows of labour.

Total employment peaked in the EU-27 in the second quarter of 2008 (see Figure 1.3), after which there was a regular reduction in the number of persons employed through to the third quarter of 2009 (-2.4 %). The largest job losses were reported for construction and the industrial economy, where by the third quarter of 2009 the workforce had shrunk by 9.4 % and 7.0 % respectively (in comparison with relative highs in the first and second quarters of 2008); reductions in the services' workforce were considerably less significant, with employment falling by no more than 2.4 % between the second quarter of 2008 and third quarter of 2009.

Among the Member States (see Table 1.3), Poland (4.2 %) and Luxembourg (2.9 %) were the only countries to record an increase in their business economy workforces between the start of 2008 and the third quarter of 2009. Poland recorded one negative quarter-on-quarter rate during this period, whereas the workforce declined in each of the first three quarters of 2009 in Luxembourg. The Baltic States, as well as Spain and Ireland, shed in excess of 10 % of their business economy employment between the start of 2008 and the third quarter of 2009, Latvia registering the largest contraction (-23.3 %).

Figure 1.3: Employment, seasonally adjusted, EU-27
(2005=100)



Source: Eurostat (namq_nace06_e)

Table 1.3: Employment, business economy, seasonally adjusted, quarter on quarter rates of change (%)

	2008				2009			
	I	II	III	IV	I	II	III	IV
EU-27	0.6	0.0	-0.4	-0.8	-1.3	-1.1	-0.9	:
BE	0.6	0.3	0.3	0.1	-0.9	-0.8	-0.7	:
BG	:	:	:	:	:	:	:	:
CZ	-0.4	0.5	0.4	0.6	-1.8	-0.9	-0.7	:
DK	1.1	-0.4	0.8	-0.5	-3.1	-1.6	-2.5	-1.9
DE	0.6	0.2	0.1	-0.1	-0.3	-0.5	-0.5	-0.2
EE	1.6	-0.6	-1.1	1.8	-8.3	-4.3	-1.2	:
IE	-0.3	-1.8	-1.9	-4.0	-3.4	-2.8	-2.4	:
EL	0.0	-0.2	0.4	-0.3	-1.4	-0.6	-0.7	:
ES	1.4	-1.3	-2.2	-3.4	-3.5	-2.1	-2.3	-1.5
FR	0.2	-0.1	-0.3	-0.4	-0.9	-0.9	-0.6	:
IT	0.3	0.0	-0.4	-0.8	-0.8	-0.5	-0.3	:
CY	:	:	:	:	:	:	:	:
LV	-0.1	0.3	-1.8	-4.2	-5.7	-6.8	-7.2	:
LT	0.3	0.9	-1.9	-0.2	-6.2	-3.5	-2.0	:
LU	1.8	1.0	1.1	0.3	-0.6	-0.5	-0.2	:
HU	:	:	:	:	:	:	:	:
MT	:	:	:	:	:	:	:	:
NL	0.2	0.7	0.2	-0.1	-0.8	-1.3	-0.8	:
AT	1.0	0.8	0.3	-0.5	-1.3	-1.1	-0.3	-0.1
PL	2.2	0.2	0.9	1.0	-0.8	0.6	0.0	:
PT	0.0	0.1	-0.5	-0.1	-0.9	-0.9	-1.9	:
RO	:	:	:	:	:	:	:	:
SI	1.0	0.9	0.6	0.0	-1.4	-2.0	-1.6	:
SK	1.5	0.9	1.1	-0.4	-1.9	-1.4	-1.1	-0.5
FI	1.4	0.4	-0.9	-1.2	-1.2	-2.4	-1.4	-1.0
SE	:	:	:	:	:	:	:	:
UK	:	:	:	:	:	:	:	:
NO	0.8	0.8	1.0	-0.7	-1.1	-1.0	-1.0	-0.3

Source: Eurostat (namq_nace06_e)

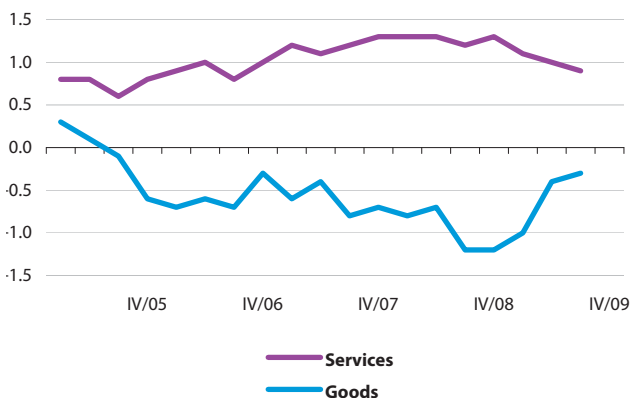
External trade

For external trade statistics, EU-27 data is presented in relation to extra-EU (non-member country) partners, whereas the data for individual Member States is presented with the rest of the world as the partner (including other Member States); more definitions relating to external trade indicators are provided in Chapter 2 (page 62). Movements in trade balances are likely to reflect, to some degree, shifts in currency exchange rates.

While exports and imports of goods and services each account for more than one third of the EU-27's GDP, the external trade balance (exports – imports) represents a relatively small proportion of GDP (see Figure 1.4). During the period 2005 to 2009, the EU-27 consistently registered a trade surplus for services, while for goods the balance turned negative as of the third quarter of 2005 and remained so thereafter, although it was reduced between the final quarter of 2008 and the third quarter of 2009. At the end of the period under review, the goods deficit for the EU-27 equated to 0.3 % of GDP, while the services surplus was 0.9 % of GDP.

The openness and/or import dependency of some of the smaller and medium-sized Member State economies (in particular, the Netherlands, Malta, the Czech Republic, Slovakia, Belgium, Hungary, Ireland and Luxembourg) is evident by the relative

Figure 1.4: Trade balance, seasonally adjusted, EU-27
(% of GDP)



Source: Eurostat ([namq_gdp_c](#))

weight of their exports (or imports) in relation to GDP (see Table 1.4); however, this ratio generally fell between 2008 and 2009 as economic activity waned; Ireland and Romania were the only Member States where the share of exports in GDP rose.

Table 1.4: External trade in goods and services
(% of GDP)

	Exports			Imports		
	2007	2008	2009	2007	2008	2009
EU-27	40.2	41.2	36.5	39.6	40.9	35.5
BE	83.4	85.8	72.4	79.6	84.9	71.1
BG	63.4	60.5	48.6	85.5	83.3	61.0
CZ	80.1	77.1	68.6	75.1	72.5	63.4
DK	52.4	55.0	48.2	50.0	52.3	45.1
DE	46.9	47.3	40.8	39.9	41.0	36.2
EE	72.8	75.6	65.9	84.1	79.8	59.8
IE	80.9	83.5	90.3	70.7	73.2	74.5
EL	22.7	23.2	20.3	33.8	33.5	25.1
ES	26.9	26.5	23.7	33.7	32.4	25.7
FR	26.5	26.4	22.9	28.4	28.9	24.1
IT	29.0	28.8	23.5	29.2	29.3	23.8
CY	47.9	44.8	37.5	54.2	56.2	44.1
LV	42.2	41.7	39.8	62.4	54.8	41.6
LT	54.1	60.2	50.3	67.4	71.7	50.2
LU	177.3	172.8	154.6	143.8	140.3	123.5
HU	80.5	82.1	79.4	78.9	81.2	74.8
MT	89.6	81.5	68.4	92.5	84.7	69.7
NL	74.8	76.8	67.7	66.1	68.4	60.2
AT	59.7	59.4	51.3	53.9	53.6	47.9
PL	40.8	40.0	39.2	43.6	44.0	40.7
PT	32.8	33.0	27.7	40.3	42.5	35.2
RO	29.3	30.4	31.5	43.2	43.5	38.1
SI	69.5	67.7	57.0	71.3	70.7	54.7
SK	86.7	83.0	72.4	87.8	85.3	73.5
FI	45.9	47.1	36.2	40.6	43.1	33.4
SE	52.6	54.3	49.2	44.9	46.8	41.8
UK	26.6	29.2	27.7	29.8	31.8	30.1
HR	42.8	41.9	38.6	50.4	50.3	42.0
MK	53.4	52.6	37.8	72.3	78.6	60.5
TR	22.3	23.9	21.8	27.5	28.4	22.6
IS	34.8	44.6	45.9	45.6	47.3	28.9
NO	45.8	48.1	41.8	30.4	28.9	27.3
CH	56.2	56.4	50.2	45.9	45.2	40.3

Source: Eurostat (nama_gdp_c)

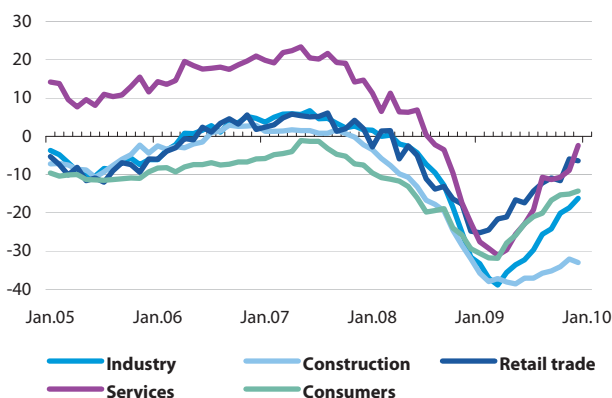
Business and consumer confidence

Economic confidence indicators are designed to anticipate changes in the business cycle; these indicators are in the form of balances of positive and negative opinions. The data come from surveys conducted on behalf of the European Commission's Directorate-General for Economic and Financial Affairs.

EU-27 business and consumer confidence started to fall in advance of GDP (which peaked in the first quarter of 2008); this was particularly the case among construction enterprises where confidence peaked in December 2006 (see Figure 1.5). More generally confidence waned during the second half of 2007 and the whole of 2008, reaching a low-point during the first half of 2009. Thereafter, there was a mixed, but generally upward development, with the biggest increases in confidence recorded among services and industrial enterprises. The main exception was construction enterprises, where confidence only slightly increased, and the balance remained below -30.

The balance of confidence among industrial enterprises fell by more than 50 points for ten of the Member States (see Table 1.5) indicating that, net, more than half the respondents switched from a favourable assessment of the economic situation to a negative one.

Figure 1.5: Confidence indicators, seasonally adjusted, EU-27 (balance)



Source: Directorate-General for Economic and Financial Affairs, available at Eurostat ([bssi_m](#))

Table 1.5: Confidence indicators, industry, seasonally adjusted, EU-27 (1)
(balance)

	Pre-recession peak		Trough		From peak to trough	
					Change (points)	No. of months
	Value	Date	Value	Date		
EU-27	6.7	Jun.07	-38.9	Mar.09	-45.6	21
BE	6.6	Jun.07	-33.8	Mar.09	-40.4	21
BG	13.8	May.07	-14.9	Aug.09	-28.7	27
CZ	18.1	Jun.07	-35.1	Feb.09	-53.2	20
DK	13.3	Jan.07	-34.6	Feb.09	-47.9	25
DE	9.4	Jun.07	-41.4	Mar.09	-50.8	21
EE	25.9	Feb.07	-39.1	Mar.09	-65.0	25
IE (2)	:	-	:	-	-	-
EL	9.0	Apr.07	-36.6	Mar.09	-45.6	23
ES	3.1	Mar.07	-40.0	Mar.09	-43.1	24
FR	3.6	Nov.07	-39.0	Dec.08	-42.6	13
IT	7.7	Apr.07	-34.7	Mar.09	-42.4	23
CY	19.4	Apr.08	-20.2	Aug.09	-39.6	16
LV	10.9	Feb.07	-36.7	Feb.09	-47.6	24
LT	9.6	Jun.07	-41.5	Apr.09	-51.1	22
LU	8.9	Apr.07	-59.3	Mar.09	-68.2	23
HU	3.8	May.07	-35.1	Mar.09	-38.9	22
MT	17.7	Mar.08	-29.2	Mar.09	-46.9	12
NL	6.6	May.07	-25.6	Feb.09	-32.2	21
AT	6.5	Mar.07	-35.0	Mar.09	-41.5	24
PL	-0.1	Jun.07	-28.4	Mar.09	-28.3	21
PT	0.3	May.07	-37.7	Apr.09	-38.0	23
RO	4.5	May.07	-16.7	Mar.09	-21.2	22
SI	17.2	May.07	-35.2	Jan.09	-52.4	20
SK	23.6	May.07	-32.3	Jan.09	-55.9	20
FI	23.8	Mar.07	-37.3	Mar.09	-61.1	24
SE	10.3	Jul.07	-42.2	Mar.09	-52.5	20
UK	10.1	Jun.07	-49.7	Mar.09	-59.8	21

(1) Based on information from January 2007 to December 2009.

(2) Information only available through to April 2008.

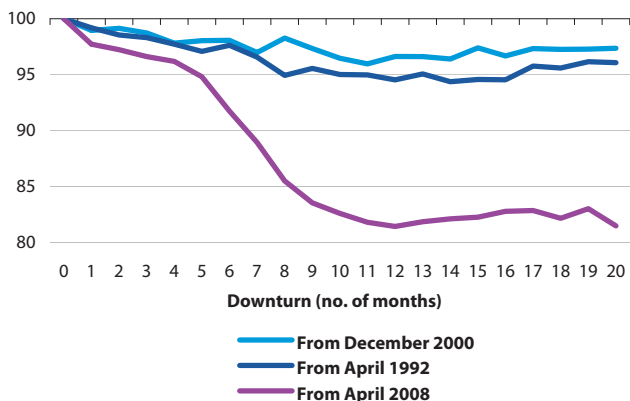
Source: Directorate-General for Economic and Financial Affairs, available at Eurostat ([bssi_m](#))

Industrial developments

The remainder of the indicators presented in this chapter are derived from short-term statistics (STS). Within the industrial economy, the production index is the leading measure of output; it should show the evolution of value added at constant prices and take account of: variations in the type and quality of commodities and input materials; changes in stocks of finished goods and work in progress; changes in processing techniques, and services such as the assembling of production units, mounting, installations, repairs, planning, engineering, creation of software.

The scale of the recent recession within the EU-27 industrial economy was considerably bigger than, for example, the downturns in activity that started in April 1992 or December 2000 (see Figure 1.6). During each of these two periods, industrial output fell by no more than 5.6 % overall, in contrast to the losses during the recent crisis which were more than three times as high (18.6 %). From its pre-recession high to the bottom of the trough, the EU-27 index of production fell for 12 consecutive months between April 2008 and April 2009. The downturn lasted considerably longer in some Member States (see Figure 1.7) – for example, upwards of two years in Denmark, Greece, Ireland, Luxembourg, Latvia, Portugal and Cyprus; note, this does not mean these countries experienced the largest declines in industrial output.

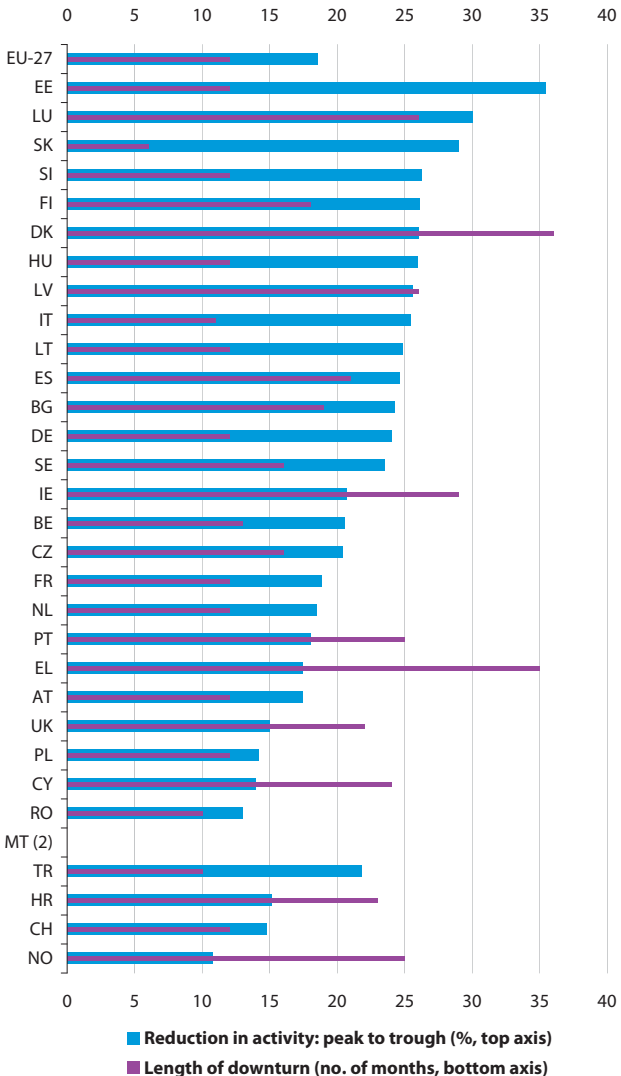
Figure 1.6: Comparison of recent downturns in industrial output, index of production, seasonally adjusted, EU-27 (1)
(starting month=100)



(1) Estimates.

Source: Eurostat (sts_inpr_m)

Figure 1.7: Characteristics of the downturn for the index of industrial production, seasonally adjusted (1)



(1) Ranked on reduction in activity; generally based on information from January 2007 to December 2009; Switzerland to June 2009; EU-27, Belgium, Bulgaria, Greece, Spain, Cyprus, Luxembourg, Turkey and Switzerland, estimates; the Czech Republic, Ireland, the Netherlands, Austria, Romania and Slovenia, provisional.

(2) Not available.

Source: Eurostat ([sts_inpr_m](#))

From pre-recession highs to the bottom of the trough, industrial output fell by at least 25 % in Estonia, Luxembourg, Slovakia, Slovenia, Finland, Denmark, Hungary, Latvia and Italy; all Member States saw industrial production fall by more than 10 %.

Among the main industrial groupings (MIGs), the biggest reductions in EU-27 output were registered for the manufacture of capital goods, intermediate goods and consumer durables, while those activities often characterised as producing ‘necessity’ goods, including the manufacture of non-durable consumer goods and energy, tended to be much less affected (see Table 1.6). This was confirmed at the level of NACE Rev. 2 divisions (see Figure 1.8), with the manufacture of food, beverages or energy-related activities less affected by the crisis – a 5.1 % reduction in output for the manufacture of food products in the EU-27 was the smallest decline among industrial divisions (other than for the manufacture of basic pharmaceuticals, where there was no discernable downturn in production). In contrast, output fell by 72 % for mining support services (a small activity), while the next biggest reductions were for the manufacture of motor vehicles and basic metals (-42.0 % and -38.1 %). The length of the economic downturn varied considerably between industrial activities in the EU-27, from less than a year for the manufacture of chemicals and other non-metallic minerals, to more than two years for the manufacture of tobacco products, textiles, and wearing apparel; these latter activities have generally been in decline during a far lengthier period than the most recent crisis.

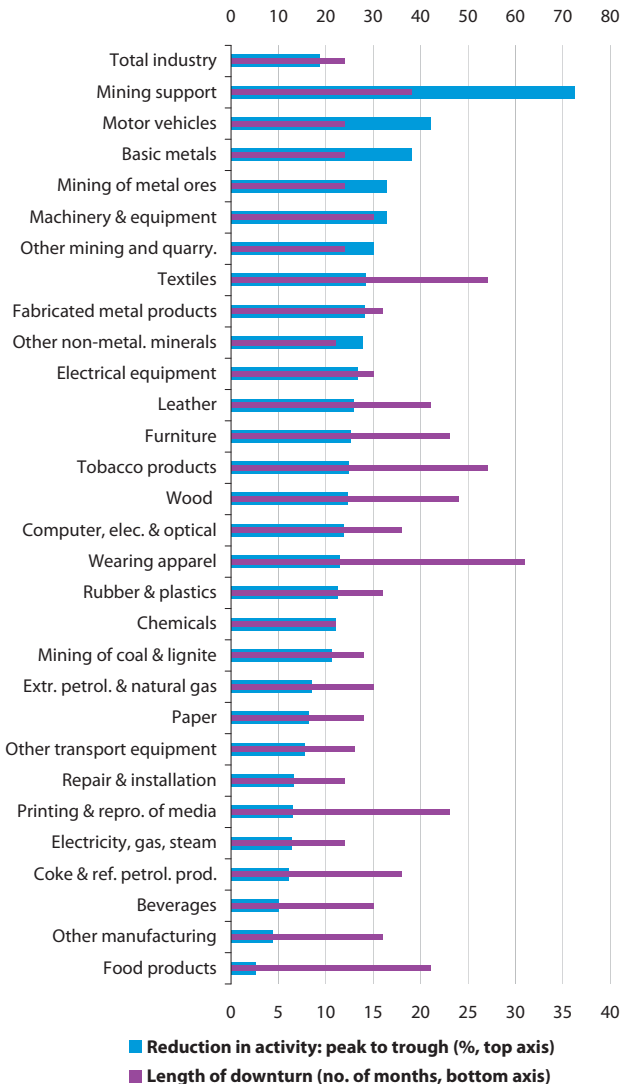
Table 1.6: Characteristics of the downturn for the index of industrial production, seasonally adjusted, EU-27 (1) (2005=100)

	Pre-recession peak		Trough		From peak to trough	
	Value	Date	Value	Date	Change (%)	No. of months
Industry	110.9	Apr.08	90.3	Apr.09	-18.6	12
Intermediate goods	111.9	Feb.08	83.5	Apr.09	-25.4	14
Capital goods	122.4	Jan.08	89.5	Jul.09	-26.9	18
Consumer durables	111.8	Oct.07	85.0	Jun.09	-24.0	20
Consumer non-durables	105.7	Mar.07	99.4	Oct.09	-6.0	31
Energy	101.1	Apr.08	89.1	Apr.09	-11.9	12

(1) Based on information from January 2007 to December 2009.

Source: Eurostat (sts_inpr_m)

Figure 1.8: Characteristics of the downturn for the index of industrial production, seasonally adjusted, EU-27 (1)



(1) Ranked on reduction in activity; generally based on information from January 2007 to December 2009; mining support service activities to November 2009; manufacture of basic pharmaceuticals, no discernable downturn in production; estimates.

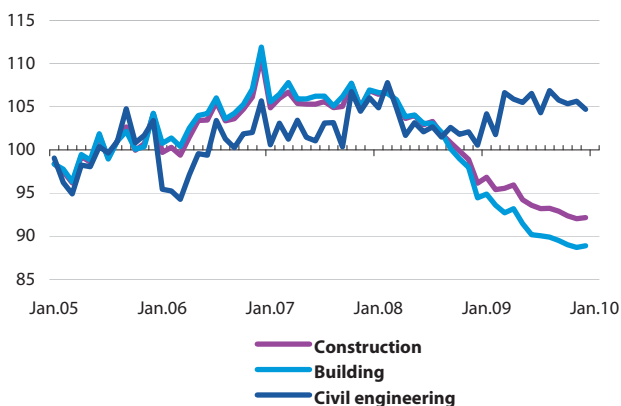
Source: Eurostat ([sts_inpr_m](#))

Construction developments

Indices of production for building and civil engineering diverged considerably from February 2008 onwards, as EU-27 civil engineering output was largely maintained (and even rose for a few months at the start of 2009), in contrast to the production index for building which fell by 16.6 % between February 2008 and December 2009 (see Figure 1.9). The relative stability of civil engineering output may reflect infrastructure projects having considerable lead-in times (with the work spread over many years), as well as these projects being largely financed by the public sector (where spending was often maintained or increased during the recession). The slowdown in building activity may reflect a downturn in property markets and house buyer confidence, as well as a change in the attitude of banks and other lenders, such that they were less willing to lend capital without more stringent conditions on making credit available.

A complete set of country data is only available for a quarterly reference period (see Figure 1.10). From pre-recession highs to the bottom of the trough, construction output fell by 60.7 % in Ireland, 55.8 % in Lithuania and upwards of 40 % in the other two Baltic States and Slovenia. According to SBS, Spain was the EU-27's second largest construction sector in value added terms in 2007 and the largest in employment terms; its output fell by 30.2 % during ten quarters through to the end of 2009.

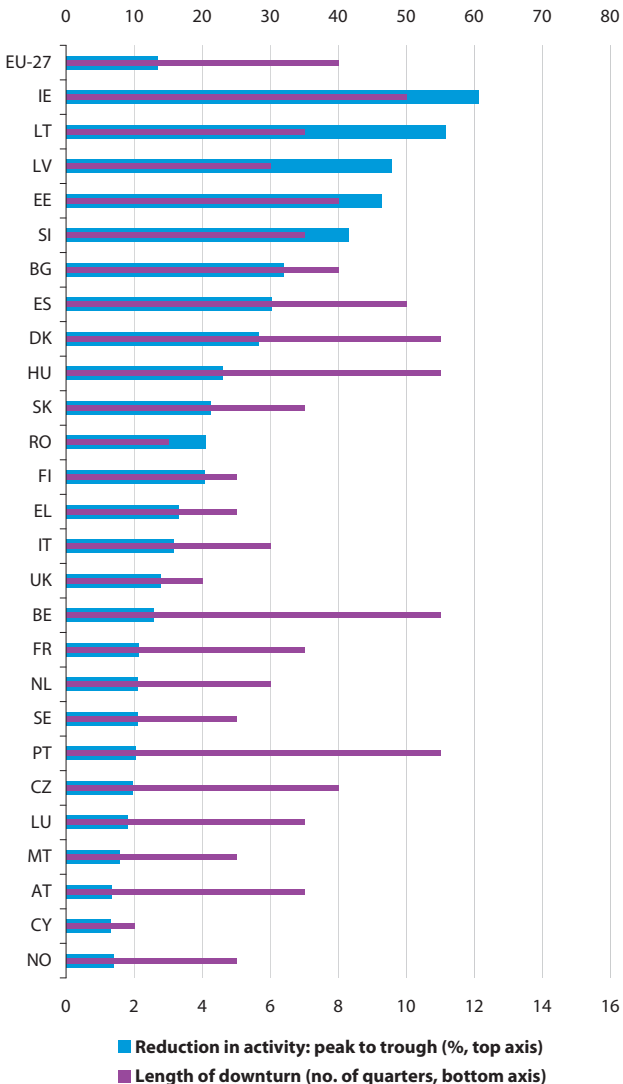
Figure 1.9: Index of production, seasonally adjusted, EU-27 (1)
(2005=100)



(1) Estimates.

Source: Eurostat (sts_copr_m)

Figure 1.10: Characteristics of the downturn for the index of production for construction, seasonally adjusted (1)



(1) Ranked on reduction in activity; generally based on information from the first quarter of 2007 to the fourth quarter of 2009; Estonia, Ireland, Greece, Italy, Cyprus, Finland and Croatia to the third quarter of 2009; Germany, Poland and Croatia, no discernable downturn in construction activity; EU-27, Bulgaria, Denmark, Estonia, Ireland, Greece, Cyprus, Luxembourg, Malta, the Netherlands, Finland, Sweden and Croatia, estimates; Austria, Romania and Slovenia, fourth quarter of 2009, provisional; the United Kingdom, second to fourth quarters of 2009, provisional.

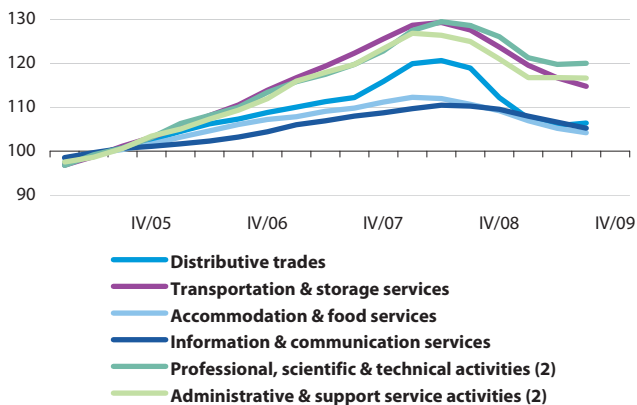
Source: Eurostat ([sts_copr_q](#))

Services developments

The turnover index reflects the totals invoiced by the observation unit during the reference period, corresponding to market sales of goods or services to third parties (in current prices). It includes all duties and taxes on the services invoiced with the exception of VAT (and other similar deductible taxes) invoiced by the unit vis-à-vis its customer. Demand for many of these services is split between businesses and consumers, for example, holiday-makers and business clientele staying in hotels, or personal and work-use of telecommunications.

Across NACE Rev. 2 divisions, the largest contraction in turnover during the recession was recorded for employment activities (-23.0 %), as the recession likely resulted in enterprises having to make less recourse to temporary workers (see Figure 1.12). Other areas of the services economy that faced a sizeable reduction in sales included motor and wholesale trade, advertising and market research, as well as air transport (most of these may be viewed as either discretionary or major purchases that may be deferred). In contrast, there was little change in the level of sales within retail trade, cleaning, telecommunication or security services (where some items may be considered as necessities).

Figure 1.11: Index of turnover, seasonally adjusted, EU-27 (1)
(2005=100)

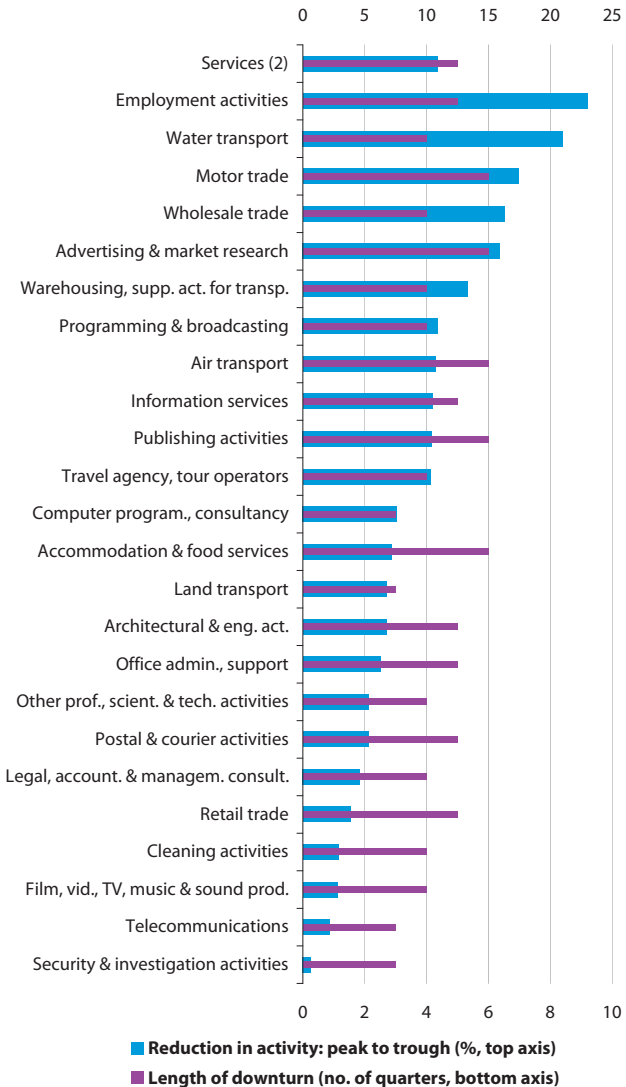


(1) Estimates.

(2) As required by the STS Regulation.

Source: Eurostat (sts_trtu_q, sts_setu_q)

Figure 1.12: Characteristics of the downturn for the index of turnover, seasonally adjusted, EU-27 (1)



(1) Ranked on reduction in activity; based on information from the first quarter of 2007 to the third quarter of 2009; estimates.

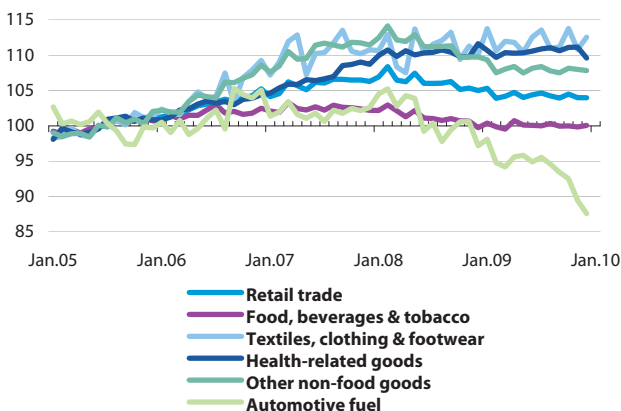
(2) As required by the STS Regulation.

Source: Eurostat ([sts_trtu_q](#), [sts_setu_q](#))

The services covered by STS saw their sales decline in the EU-27 by 10.9 % between the second quarter of 2008 and the third quarter of 2009. Among the Member States (see Figure 1.14), the biggest contractions were recorded in the Baltic States (sales down approximately one third from peak to trough), while the larger Member States (other than Spain) reported generally modest reductions in turnover across their respective service sectors.

The index of the volume of (retail) sales is a short-term indicator for final domestic demand; it is a deflated version of the turnover index. Economic theory suggests that during a recession, rising unemployment and reductions in working hours, coupled with the scarcity of credit, among other reasons, may result in a downturn in consumer confidence and retail sales. Within the EU-27, the volume of sales peaked in February 2008, before contracting at a modest pace (4.1 % overall) through to a relative low in September 2009 (see Figure 1.13). The downturn was less pronounced for necessity items such as food, beverages and tobacco, for textiles, clothing and footwear and for health-related goods, while the demand for automotive fuel fell rapidly (this may reflect a reduction in road freight transport on Europe's roads, as well as consumers changing their patterns of car use).

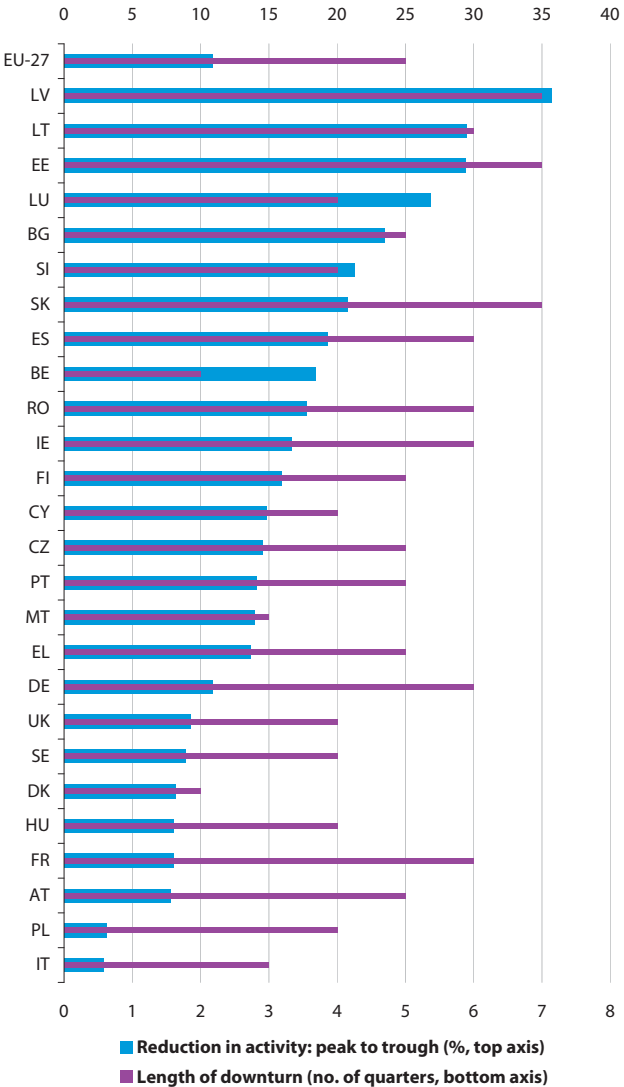
Figure 1.13: Volume of sales for retail trade, seasonally adjusted, EU-27 (1)
(2005=100)



(1) Estimates.

Source: Eurostat (sts_trtu_m)

Figure 1.14: Characteristics of the downturn for the index of turnover for services, seasonally adjusted (1)



(1) Ranked on reduction in activity; generally based on information from the first quarter of 2007 to the third quarter of 2009; Denmark, Italy and the Netherlands to August 2009; Belgium to September 2009; Ireland to October 2009; Bulgaria, Spain, Malta, Portugal, Romania, Slovakia, Finland and Sweden to December 2009; the Netherlands, no discernable downturn in services turnover; EU-27, Bulgaria, Estonia, Greece, Spain, France, Italy, Cyprus, Luxembourg, Hungary, Poland, Portugal, Romania, Slovenia, Slovakia, Finland, Sweden and the United Kingdom, estimates.

Source: Eurostat (sts_trtu_q)



2

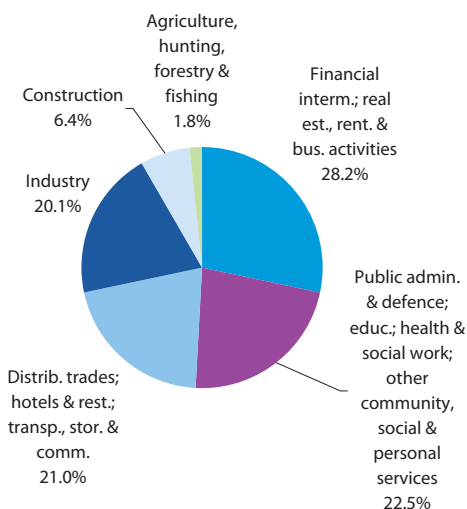
Structural overview of the business economy

Structure of the EU economy – macro-economic

In 2008 a total of EUR 11 192.7 billion of gross value added was generated in the EU-27. The business economy (industry, construction and services) contributed three quarters (75.7 %) of this total (see Figure 2.1). The contribution of services was 49.2 %, more than double that of industry (20.1 %), with construction accounting for 6.4 %.

The proportion of total value added accounted for by the business economy ranged from just under 70 % in Malta to over 80 % in Luxembourg, Slovakia and the Czech Republic (see Figure 2.2). The importance of industry was particularly high in the Czech Republic, Slovakia, Romania, Germany, Slovenia and Finland, where it accounted for one quarter or more of the value added in the whole economy; the share in Norway was even higher, at 41.2 %. Luxembourg was clearly most focused on business economy services as these activities accounted for 69.1 % of the total value added in the Luxembourg economy. Among the larger Member States, business economy services generated more than half of the economy's value added in the United Kingdom, France and Italy. The importance of construction was particularly high in Romania, Spain and Lithuania accounting for more than 10 % of the economy's total value added.

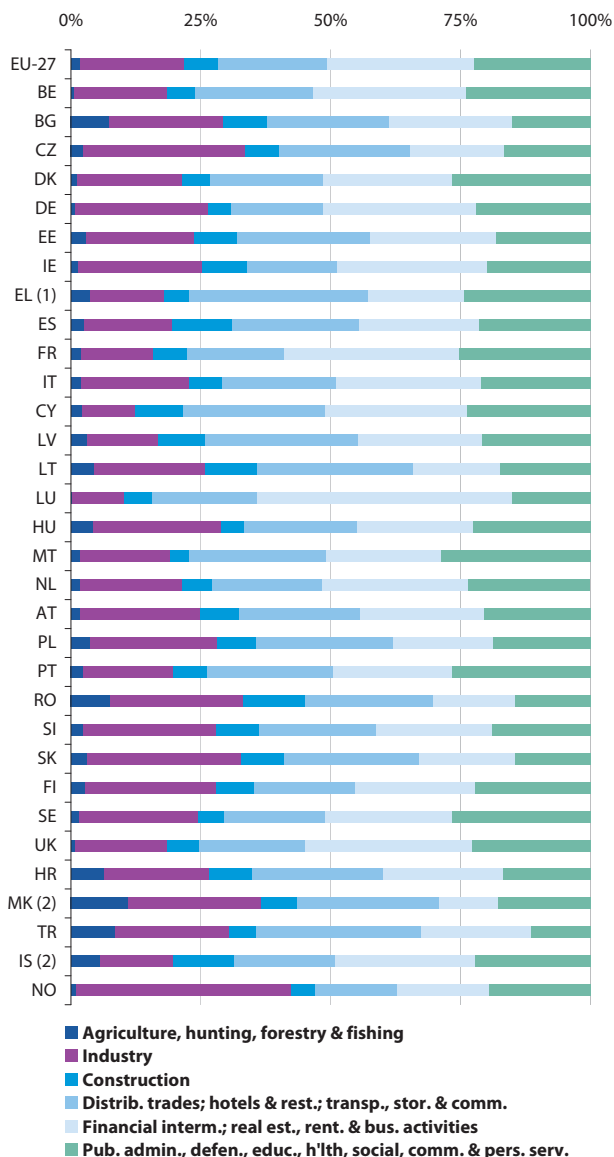
Figure 2.1: Breakdown of value added, EU-27, 2008
(% share of total value added)



Source: Eurostat (nama_nace06_c)

Figure 2.2: Breakdown of value added, 2008

(% share of total value added)



(1) Provisional.

(2) 2007.

Source: Eurostat (namq_nace06_c)

Size and structure of the non-financial business economy

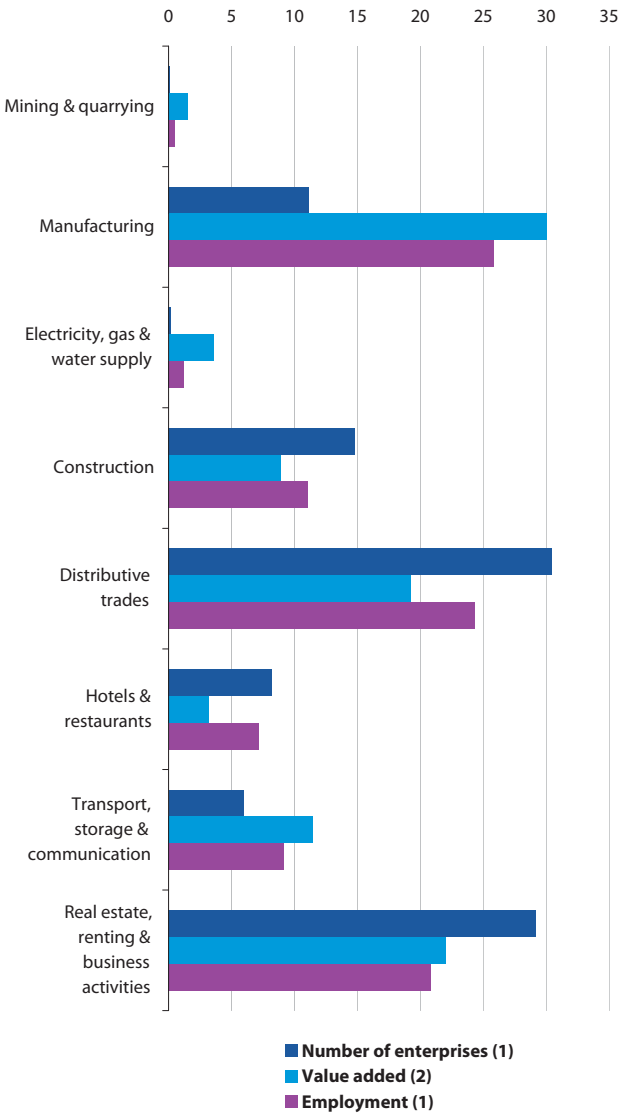
Close to 21 million enterprises made up the EU-27 non-financial business economy (NACE Rev. 1.1 Sections C to I and K) in 2007, employing 133.8 million persons, and generating EUR 5 705 billion of value added (see Table 2.1). In broad terms manufacturing, distributive trades, and real estate, renting and business activities were the three largest of the eight NACE sections (see Figure 2.3); together they accounted for more than 70 % of employment and value added in the non-financial business economy. In contrast, mining and quarrying, as well as electricity, gas and water supply were the two smallest NACE sections, with a combined 5.1 % share of value added in 2006 and 1.7 % share of employment in 2007.

Figure 2.4 provides a more detailed analysis of the structure of the EU-27 non-financial business economy, based on employment. It should be noted that the employment data used here is a head-count of the persons employed, without a distinction between full-time and part-time workers. Partly because of this, those activities with a large part-time workforce, such as other business activities (which among other activities includes cleaning, security and personnel services), retail trade and hotels and restaurants, recorded high levels and shares of employment.

Germany and the United Kingdom had the largest and second largest workforces and output (turnover and value added) among the Member States. The five largest Member States (Germany, Spain, France, Italy and the United Kingdom) collectively generated 73.4 % of the EU-27 value added in the non-financial business economy in 2006 and employed 63.8 % of the workforce in 2007. Figure 2.5 shows that there are wide variations within Member States in relation to their respective shares of EU-27 value added and employment in the non-financial business economy: Bulgaria, Romania, the Baltic Member States, Poland and Hungary all recorded a contribution to EU-27 non-financial business economy employment that was at least two and a half times as high as their contribution in terms of value added. Among the largest Member States, Italy and Spain also had higher shares of the EU-27 workforce than value added – indicating below average apparent labour productivity, while Germany, the United Kingdom and France recorded higher shares of value added and therefore above average apparent labour productivity. A more detailed picture of the structure of the non-financial business economies of each Member State is provided in Table 2.3.

Figure 2.3: Key indicators, EU-27, 2007

(% share of non-financial business economy)



(1) Including rounded estimates based on non-confidential data.

(2) 2006.

Source: Eurostat ([ebd_all](#))

Table 2.1: Key indicators, EU-27, 2007

	No. of enterprises (1 000)	Turn-over (EUR billion)	Value added (EUR billion)	Employment (1 000)
Non-fin. business economy (1)	20 875.8	24 011.4	5 705.3	133 751
Mining & quarrying	21.4	233.8	92.5	702
Food & beverages	310.3	934.5	198.6	4 647
Tobacco	0.3	60.5	8.5	55
Textiles & leather	261.6	250.3	66.8	2 838
Wood & wood products	195.0	147.0	41.0	1 270
Pulp & paper products	19.2	170.0	42.0	696
Publishing & printing	224.8	260.0	100.0	1 840
Coke, petroleum & nuclear fuel	1.3	488.8	29.8	165
Chemicals & man-made fibres	33.6	745.7	193.8	1 861
Rubber & plastics	66.1	291.2	82.8	1 776
Other non-metallic minerals	106.1	261.3	85.4	1 602
Basic metals	17.1	442.1	88.6	1 104
Fabricated metal products	405.8	520.9	176.8	4 080
Machinery & equipment n.e.c.	176.9	687.0	210.9	3 757
Office machinery & computers	:	59.5	10.0	159
Electrical machinery	70.2	300.0	86.0	1 690
Radio, TV & telecoms equip.	29.5	224.8	53.3	:
Instruments, watches & clocks	90.0	:	60.0	1 070
Motor vehicles	18.9	848.0	155.4	2 254
Other transport equipment	29.2	180.0	55.8	949
Manufacturing n.e.c.	253.1	237.7	66.9	1 977
Electricity, gas & steam	26.8	939.9	200.0	1 219
Water supply (2)	9.0	50.0	23.3	3.7
Construction	3 090.1	1 667.0	562.0	14 788
Motor trades	820.8	1 425.2	170.8	4 306
Wholesale trade	1 752.2	4 974.3	570.6	10 266
Retail trade	3 784.5	2 367.3	442.1	17 971
Hotels & restaurants	1 720.8	459.0	195.4	9 545
Land transport; pipelines	946.3	485.8	201.4	5 772
Water transport	20.0	111.4	26.3	226
Air transport	3.8	128.5	31.3	408
Support. transp.; travel ag. (3)	200.0	600.0	170.0	2 671
Communications (4)	80.0	532.3	250.0	3 000
Real estate	1 254.1	600.0	290.0	3 070
Renting (5)	150.2	155.4	79.8	653
Computer services	580.4	407.7	199.3	3 012
R&D (3)	41.0	:	:	400
Other business activities	4 064.2	1 546.5	801.0	20 665

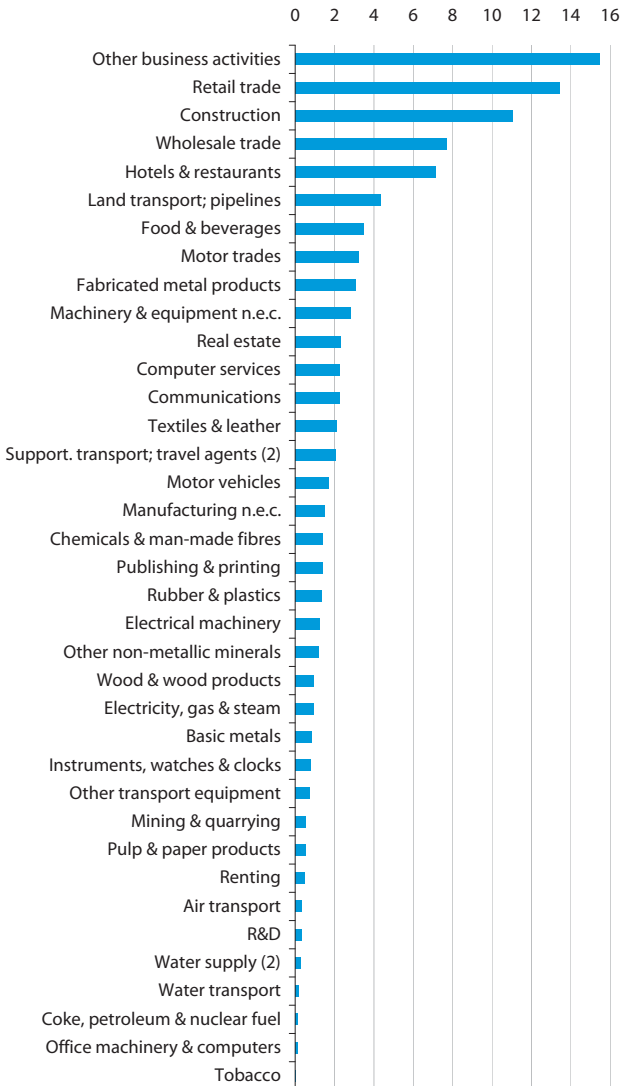
(1) Value added, 2006. (2) Value added and employment, 2006. (3) Employment, 2006.

(4) Turnover, 2006. (5) Number of enterprises, 2006.

Source: Eurostat (e**bd_all**)

Figure 2.4: Structure of the non-financial business economy, EU-27, 2007 (1)

(% share of non-financial business economy)



(1) Including rounded estimates based on non-confidential data; manufacture of radio, TV and telecommunications equipment, not available.

(2) 2006.

Source: Eurostat (ebd_all)

Table 2.2: Key indicators for the non-financial business economy, 2007

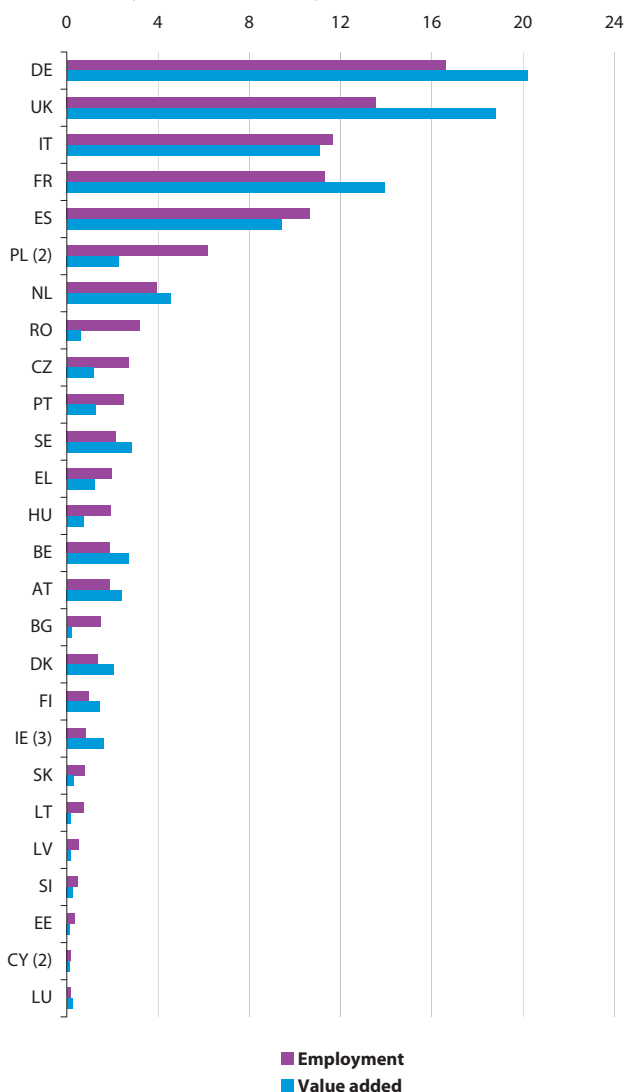
	No. of enterprises (1 000)	Turn-over (EUR billion)	Value added (EUR billion)	Employment (1 000)
EU-27 (1)	20 875.8	24 011.4	5 705.3	133 751
BE	424.6	850.6	163.7	2 541
BG	258.0	89.1	15.6	1 960
CZ	881.9	366.4	76.0	3 613
DK	212.1	463.4	122.6	1 822
DE	1 818.9	4 543.1	1 226.5	22 199
EE	48.1	42.9	8.5	444
IE (2)	92.7	330.5	90.9	1 089
EL	829.7	314.3	75.9	2 637
ES	2 712.4	2 187.8	575.3	14 261
FR	2 569.1	3 378.2	841.0	15 105
IT	3 905.8	2 864.9	673.7	15 589
CY	44.5	25.3	8.5	230
LV	71.3	47.5	10.9	669
LT	138.8	58.8	12.8	983
LU	24.4	86.3	17.3	218
HU	548.7	272.4	48.0	2 589
MT	:	:	:	:
NL	540.3	1 243.2	282.3	5 254
AT	287.4	541.4	147.5	2 489
PL	1 484.2	698.7	159.5	8 248
PT	867.0	339.3	76.8	3 362
RO	474.3	228.1	46.4	4 290
SI	100.3	78.1	18.2	623
SK	59.8	114.7	22.4	1 023
FI	213.8	368.2	89.9	1 312
SE	560.8	659.0	179.5	2 874
UK	1 670.6	3 777.0	1 149.0	18 137
NO	253.9	528.6	173.1	1 413

(1) Value added, 2006.

(2) 2006.

Source: Eurostat (ebd_all)

Figure 2.5: Share of value added and employment, non-financial business economy, 2007 (1)
(% share of EU-27 total)



(1) Malta, not available; value added, 2006.

(2) Provisional.

(3) 2006.

Source: Eurostat (ebd_all)

Table 2.3a: Breakdown of value added in the non-financial business economy, 2007 (1)
(% share of non-financial business economy)

	Mining & quarrying	Food & beverages	Tobacco	Textiles & leather	Wood & wood products	Pulp & paper products	Publishing & printing	Coke, petroleum & nuclear fuel	Chemicals & man-made fibres	Rubber & plastics
EU-27	1.6	3.3	0.1	1.1	0.7	0.7	1.7	:	3.3	1.4
BE	0.2	3.8	0.1	1.2	0.7	0.7	1.4	1.4	6.6	1.4
BG	3.9	4.5	0.6	:	0.6	0.4	1.0	:	2.1	1.0
CZ	2.0	:	:	1.3	1.2	0.7	1.1	0.2	1.9	2.8
DK	5.8	:	:	:	0.7	0.4	1.5	:	2.9	1.3
DE	0.5	2.8	0.1	0.6	0.5	0.8	1.6	0.4	4.0	1.8
EE	1.5	3.3	0.0	2.3	3.7	0.6	1.5	0.5	1.1	1.0
IE	1.3	:	:	0.1	0.4	0.2	5.3	:	12.8	0.6
EL	1.3	4.5	0.3	1.7	0.4	0.4	2.5	1.4	1.4	0.7
ES	0.5	3.5	0.1	1.0	0.6	0.6	1.3	0.9	2.0	1.0
FR	0.5	:	:	0.9	0.5	0.5	1.3	0.2	3.5	1.4
IT	1.1	:	:	3.5	0.8	0.7	1.4	0.4	2.4	1.6
CY	0.5	4.2	:	0.4	1.0	0.3	1.0	:	0.9	0.5
LV	0.5	3.9	:	:	3.7	0.3	1.3	:	0.7	0.7
LT	0.8	5.5	:	2.3	1.8	0.3	1.0	:	2.2	1.2
LU	0.2	:	:	:	0.3	:	:	0.0	0.3	2.8
HU	0.1	:	:	1.1	0.6	0.6	1.4	2.3	3.9	1.8
MT	:	:	:	:	:	:	:	:	:	:
NL	2.4	3.5	0.8	0.4	0.4	0.6	1.8	0.8	3.2	0.8
AT	0.6	:	:	:	1.6	1.1	1.3	:	2.3	1.3
PL	4.3	5.3	0.3	1.4	1.2	0.8	1.4	0.6	2.7	2.1
PT	0.9	3.5	0.3	:	1.2	1.1	1.3	:	1.6	1.1
RO	6.5	4.5	0.1	3.6	1.1	0.3	0.9	0.2	1.4	1.2
SI	0.7	2.8	0.0	:	1.3	0.9	1.6	:	5.4	2.4
SK	1.1	:	:	:	0.7	1.2	1.0	:	1.3	2.0
FI	0.5	:	:	0.6	2.0	2.8	2.0	1.0	2.4	1.3
SE	1.0	:	:	0.3	1.6	2.0	1.4	0.3	3.6	0.9
UK	3.4	2.7	0.2	0.5	0.4	0.4	1.9	0.4	2.3	1.0
NO	34.1	:	:	0.2	0.6	0.3	1.3	0.2	1.5	0.2

(1) EU-27 includes rounded estimates based on non-confidential data; shares for 2006 have been used to improve the coverage for several country-activity combinations; Cyprus and Poland, provisional; EU-27 and Ireland, 2006.

Source: Eurostat (ebd_all)

Table 2.3b: Breakdown of value added in the non-financial business economy, 2007 (1)

(% share of non-financial business economy)

	Other non-metallic minerals	Basic metals	Fabricated metal products	Machinery & equipment n.e.c.	Office machinery & computers	Electrical machinery	Radio, TV & telecoms equip.	Instruments, watches & clocks	Motor vehicles
EU-27	1.4	1.4	2.9	3.4	0.2	1.5	0.9	1.1	2.5
BE	1.6	2.5	2.5	2.2	0.0	0.8	0.9	0.4	1.9
BG	3.1	3.1	1.7	3.1	0.2	1.0	0.3	0.4	0.1
CZ	2.8	2.6	4.1	4.5	0.1	2.8	1.0	0.8	5.7
DK	1.2	0.4	2.3	3.6	0.1	1.5	0.4	1.3	0.3
DE	1.2	2.0	3.6	6.4	0.3	2.6	1.1	1.7	6.0
EE	2.6	0.2	3.0	1.2	0.1	1.5	0.9	0.4	0.6
IE	1.1	0.2	0.7	1.0	2.2	0.8	2.9	3.1	0.2
EL	1.7	1.2	2.4	0.9	0.0	0.5	0.3	0.1	0.1
ES	2.1	1.3	2.8	1.7	0.0	1.0	0.2	0.3	1.7
FR	1.1	1.0	2.6	2.4	0.0	1.1	0.8	1.1	2.1
IT	2.0	1.8	4.9	5.0	0.1	1.5	0.6	1.0	1.5
CY	2.4	0.4	1.4	0.4	0.0	0.2	0.0	0.1	0.1
LV	1.4	0.9	1.4	0.8	0.1	0.6	0.1	0.3	0.2
LT	1.9	0.1	1.7	1.0	0.1	0.4	0.2	0.5	0.2
LU	2.1	7.2	1.7	1.2	0.0	:	:	0.9	:
HU	1.9	1.4	2.5	2.9	0.4	4.1	2.4	0.7	5.6
MT	:	:	:	:	:	:	:	:	:
NL	0.8	0.8	2.2	2.6	0.1	0.6	0.3	:	1.0
AT	1.9	2.7	3.1	4.9	0.1	2.1	1.0	0.9	2.2
PL	2.7	1.9	3.2	2.7	0.1	1.4	0.4	0.6	2.5
PT	2.3	0.7	2.4	1.6	:	0.8	:	:	:
RO	2.4	2.3	2.1	1.6	0.1	1.6	0.4	0.4	2.6
SI	1.8	2.1	5.3	4.4	0.1	2.5	0.6	1.0	2.1
SK	2.5	5.4	2.6	3.2	0.1	2.8	2.2	0.7	5.8
FI	1.5	2.8	3.2	5.0	0.0	1.6	8.6	1.0	0.5
SE	0.7	2.0	2.8	4.5	0.1	1.0	2.2	1.2	3.5
UK	0.8	0.6	1.6	1.7	0.2	0.6	0.5	0.7	1.1
NO	0.6	1.3	1.0	1.6	0.0	0.4	0.3	0.6	0.2

(1) EU-27 includes rounded estimates based on non-confidential data; shares for 2006 have been used to improve the coverage for several country-activity combinations; Cyprus and Poland, provisional; EU-27 and Ireland, 2006.

Source: Eurostat ([ebd_all](#))

Table 2.3c: Breakdown of value added in the non-financial business economy, 2007 (1)
(% share of non-financial business economy)

	Other transport equipment	Manufacturing n.e.c.	Electricity, gas & steam	Water supply	Construction	Motor trades	Wholesale trade	Retail trade	Hotels & restaurants	Land transport; pipelines
EU-27	0.9	1.1	3.2	0.4	8.9	2.8	9.1	7.3	3.2	:
BE	0.4	0.9	3.3	0.5	7.5	3.1	11.8	6.8	2.3	3.1
BG	0.6	1.5	6.3	0.8	11.2	3.6	11.0	5.0	2.6	3.9
CZ	0.6	1.4	6.6	0.7	8.0	2.0	9.5	5.6	1.7	5.0
DK	0.3	1.4	1.9	0.1	9.0	2.6	11.2	5.9	2.1	3.4
DE	0.9	1.0	3.4	0.4	4.7	3.1	8.0	6.5	2.0	2.3
EE	0.7	1.7	3.7	0.7	13.1	3.7	12.3	7.3	2.2	4.3
IE	-0.3	:	:	:	10.1	1.9	9.3	6.8	3.7	1.3
EL	1.0	:	:	:	8.2	3.8	16.7	12.3	5.1	3.4
ES	0.6	0.9	2.7	0.4	17.6	2.8	9.2	7.7	4.6	3.9
FR	1.4	0.9	2.8	0.3	9.0	2.4	8.5	8.2	3.6	4.1
IT	0.8	1.7	2.9	0.3	10.5	2.3	9.0	6.8	3.8	3.4
CY	0.1	0.8	:	:	16.2	3.1	9.6	10.4	11.8	1.3
LV	0.7	1.0	4.4	0.3	13.2	3.6	13.1	8.9	2.2	7.4
LT	0.9	2.3	4.7	0.6	14.2	3.9	12.5	8.8	1.7	7.7
LU	:	0.2	1.5	0.1	9.8	2.5	7.5	6.3	2.9	4.9
HU	0.4	0.7	4.4	0.8	5.5	2.8	10.5	5.9	1.8	5.2
MT	:	:	:	:	:	:	:	:	:	:
NL	0.7	0.7	1.9	0.3	9.2	2.4	13.9	6.6	2.5	3.6
AT	0.6	1.8	3.6	0.2	9.3	2.4	10.3	6.6	4.5	4.0
PL	0.8	1.7	5.3	0.8	8.0	2.4	11.8	6.8	1.2	4.8
PT	0.3	1.2	4.2	0.8	12.3	3.1	10.9	8.1	4.4	3.5
RO	1.3	1.6	4.9	0.7	11.3	3.8	11.0	6.1	1.6	4.7
SI	0.4	1.8	3.3	0.7	9.7	3.6	10.2	7.0	3.0	3.9
SK	0.3	1.1	11.1	0.9	5.2	1.7	11.8	6.4	1.0	4.0
FI	0.5	0.8	3.4	0.4	8.9	2.4	7.4	6.2	2.1	4.4
SE	0.8	0.9	3.8	0.1	8.3	2.5	9.4	5.9	2.2	3.7
UK	1.3	1.0	2.7	0.5	9.4	3.2	8.4	7.8	3.7	2.6
NO	1.9	0.5	2.9	0.0	6.9	2.0	6.4	4.5	1.6	3.6

(1) EU-27 includes rounded estimates based on non-confidential data; shares for 2006 have been used to improve the coverage for several country-activity combinations; Cyprus and Poland, provisional; EU-27 and Ireland, 2006.

Source: Eurostat (ebd_all)

Table 2.3d: Breakdown of value added in the non-financial business economy, 2007 (1)
(% share of non-financial business economy)

	Water transport	Air transport	Support. transport; travel agents	Communications	Real estate	Renting	Computer services	R&D	Other business activities
EU-27	0.4	0.5	2.8	4.4	4.7	1.2	3.2	:	12.5
BE	0.3	0.6	3.1	5.1	2.1	1.5	2.8	0.3	14.1
BG	0.6	0.3	2.7	6.6	3.3	0.3	1.4	0.0	5.9
CZ	0.0	:	1.4	4.5	2.6	0.5	2.6	0.2	8.3
DK	2.5	0.5	2.6	3.4	10.0	0.8	3.8	0.2	10.1
DE	0.6	-0.1	3.4	3.7	5.6	1.6	2.8	0.5	11.4
EE	-0.4	0.1	4.5	4.0	5.0	1.1	1.8	0.1	8.4
IE	:	:	1.7	3.1	2.4	1.6	4.3	-0.3	9.6
EL	1.4	0.2	2.0	5.6	0.3	0.9	1.3	0.6	11.1
ES	0.1	0.5	2.7	3.7	6.3	1.1	2.0	0.2	10.4
FR	0.2	0.8	2.4	4.4	4.9	1.3	3.2	0.4	16.4
IT	0.4	0.4	2.7	4.5	2.6	0.6	2.8	0.2	11.2
CY	1.6	1.3	5.1	4.7	7.3	0.7	1.2	:	7.3
LV	0.2	0.8	4.1	4.1	8.3	1.1	1.5	0.1	6.8
LT	0.6	0.0	2.7	3.7	5.7	0.7	1.1	0.1	6.0
LU	0.0	2.8	1.0	7.7	:	1.6	2.8	:	21.2
HU	0.0	0.2	2.6	5.6	3.9	0.9	2.3	0.2	8.5
MT	:	:	:	:	:	:	:	:	:
NL	1.0	1.1	2.8	3.9	4.7	1.6	3.5	0.7	14.9
AT	0.0	0.4	3.4	3.0	4.8	1.8	2.1	0.2	10.0
PL	0.1	0.2	1.3	4.4	6.3	0.5	1.4	0.1	6.5
PT	0.2	1.0	3.6	4.7	3.2	1.0	1.9	0.0	10.2
RO	0.1	0.2	2.0	5.8	2.3	0.3	1.9	0.5	6.4
SI	0.1	0.3	2.2	4.2	1.8	0.1	2.0	0.5	8.2
SK	0.0	0.0	1.6	5.0	1.8	0.6	2.6	0.3	7.1
FI	0.9	0.8	2.0	3.3	4.3	0.6	3.6	0.2	8.6
SE	0.6	0.3	2.1	3.3	7.5	:	4.4	:	11.0
UK	0.3	0.8	3.2	4.3	4.1	1.8	5.3	0.7	18.1
NO	2.6	0.5	2.0	2.3	4.6	0.7	2.3	0.3	8.1

(1) EU-27 includes rounded estimates based on non-confidential data; shares for 2006 have been used to improve the coverage for several country-activity combinations; Cyprus and Poland, provisional; EU-27 and Ireland, 2006.

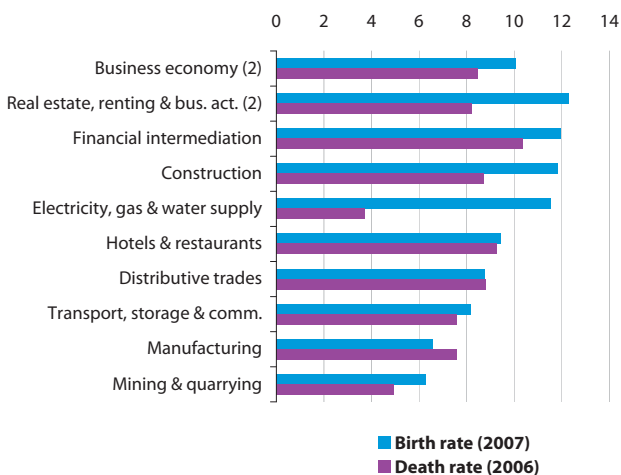
Source: Eurostat ([ebd_all](#))

Business demography

An enterprise birth occurs when an enterprise starts an activity from scratch. An enterprise death amounts to the dissolution of a combination of production factors with no other enterprises involved in the event. Enterprise birth and death rates are compiled by comparison with the total number of active enterprises. Electricity, gas and water supply recorded the largest difference between enterprise birth and death rates in 2006/2007, while manufacturing and distributive trades were the only NACE sections where enterprise death rates exceeded birth rates. The employment impact of such events in financial intermediation was relatively low despite the high enterprise birth and death rates, whereas the reverse was true for hotels and restaurants. The net impact on employment from enterprise births and deaths combined was negative in four NACE sections, manufacturing and distributive trades (which had higher enterprise death rates) but also mining and quarrying, as well as transport, storage and communication.

Figure 2.8 shows the number of enterprises that were born in 2001/2002 that had survived until 2006/2007: all three sectors presented had similar developments, with just under half of the enterprises surviving these five years.

Figure 2.6: Enterprise birth and death rates, EU (1)
(% of active enterprises)

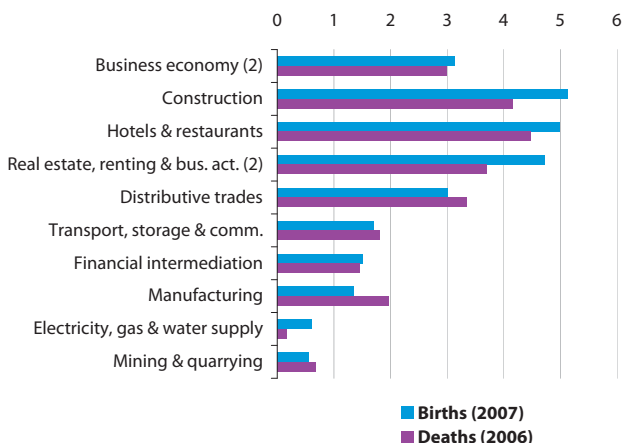


(1) Average of countries for which data are available; Germany, Lithuania and Malta, not available; the Netherlands and Finland, not available for enterprise deaths; reference years 2005 and 2006 have been used for some countries to improve the coverage.

(2) Excluding management activities of holding companies (NACE Rev. 1.1 Class 74.15).

Source: Eurostat ([bd_9b_size_cl](#))

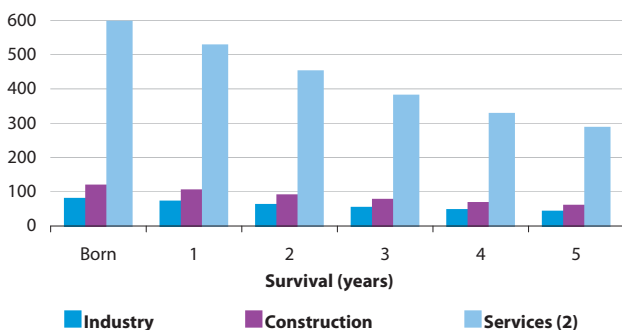
Figure 2.7: Employment change resulting from births and deaths of enterprises, EU (1)
(%)



(1) Average of countries for which data are available; Germany, Lithuania and Malta, not available; the Netherlands and Finland, not available for enterprise deaths; reference years 2005 and 2006 have been used for some countries to improve the coverage.
(2) Excluding management activities of holding companies (NACE Rev. 1.1 Class 74.15).

Source: Eurostat ([bd_9b_size_cl](#))

Figure 2.8: Enterprise survival, EU (1)
(1 000 enterprises born in 2001 or 2002 surviving)



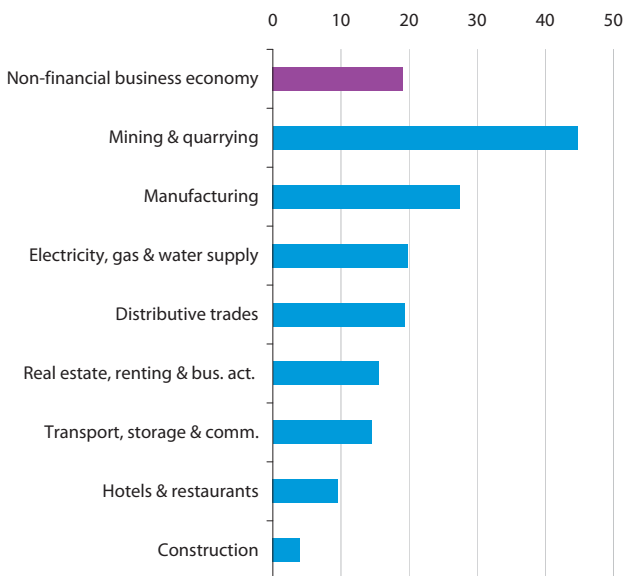
(1) Sum of countries for which data are available: Czech Republic, Italy, Luxembourg, Hungary, Slovenia, Sweden and the United Kingdom, all based on enterprise births in 2001; Spain, Latvia, Romania and Slovakia, all based on enterprise births in 2002.
(2) Excluding management activities of holding companies (NACE Rev. 1.1 Class 74.15).

Source: Eurostat ([bd_9b_size_cl](#))

Foreign affiliates trade statistics (FATS)

Inward foreign affiliates statistics (inward FATS) describe the activity of foreign-controlled enterprises in an economy: in practice, the share of ownership is often used as a proxy for control. Foreign-controlled enterprises are generally few in number, but have a significant economic impact: Figure 2.9 shows that such enterprises generated close to one fifth of non-financial business economy value added. Only in construction was the value added share of foreign-controlled enterprises less than 5%. More than 55% of the value added generated by foreign-controlled enterprises in the EU was generated by enterprises controlled from other EU Member States. By far the largest share of the value added generated by enterprises controlled from outside of the EU came from enterprises whose controlling interest was in the United States. The economic performance of foreign-controlled enterprises is quite different from nationally-controlled enterprises as can be seen from Figure 2.11, but this may be influenced by factors such as differences in average size or specialisation in certain activities, rather than simply the question of control.

Figure 2.9: Share of sectoral value added from foreign controlled enterprises, EU, latest year available (1)
(% share of total value added)

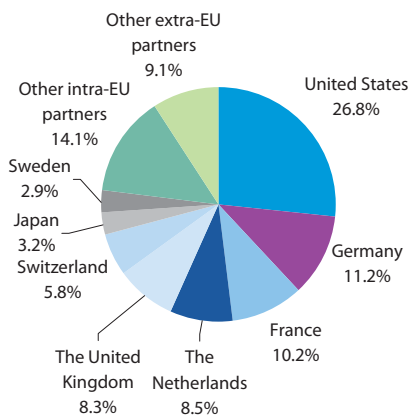


(1) Average of countries for which data are available; Belgium, Ireland, Greece, Luxembourg, Austria, Poland and Slovenia, not available; mixed reference years from 2005 to 2007 have been used in order to improve the coverage.

Source: Eurostat ([fats_g1a_03](#))

Figure 2.10: Breakdown of value added from foreign controlled enterprises, non-financial business economy, EU, latest year available (1)

(% share of total value added from foreign controlled enterprises)

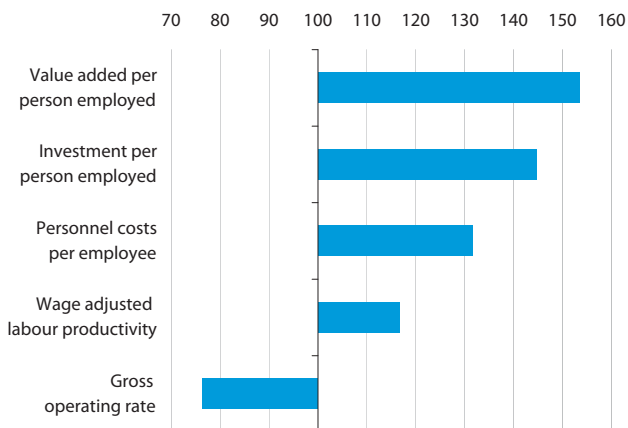


(1) Average of countries for which data are available; Belgium, Ireland, Greece, Luxembourg, Austria, Poland and Slovenia, not available; mixed reference years from 2005 to 2007 have been used in order to improve the coverage.

Source: Eurostat ([fats_g1b_03](#))

Figure 2.11: Economic performance of foreign controlled enterprises compared with nationally controlled enterprises, non-financial business economy, EU, latest year available (1)

(nationally controlled enterprises=100)



(1) Average of countries for which data are available; Belgium, Ireland, Greece, Luxembourg, Austria, Poland and Slovenia, not available; mixed reference years from 2005 to 2007 have been used in order to improve the coverage.

Source: Eurostat ([fats_g1a_03](#))

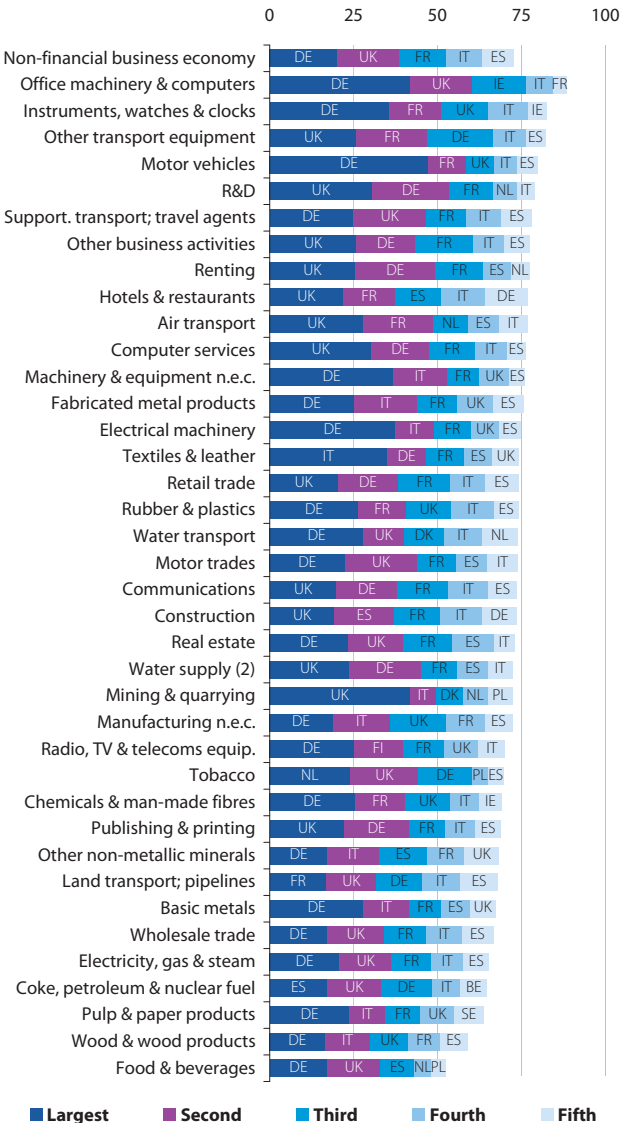
National specialisation and concentration

An analysis of the importance of various activities in the Member States can give an idea of concentration of some activities in a few, larger Member States, and also the degree of specialisation across the Member States in particular activities.

The share of the five largest Member States in the EU-27 value added gives a first idea of geographical concentration; the average share for the non-financial business economy as a whole reached 72.8 % in 2007. An analysis at the level of detail shown in Figure 2.12 indicates that the highest concentration was for the manufacture of office machinery and computers, and the lowest for the manufacture of food and beverages. These concentration measures generally highlight the larger Member States, with occasional contributions from the Netherlands, Poland, Ireland, Denmark, Belgium, Finland or Sweden. The most specialised country in an activity is the one where that activity's share of the non-financial business economy is highest: the share can be calculated based on any size measure, and in the analysis here value added has been used. The most specialised Member States are often identified as smaller or medium-sized Member States: in only six of the 38 activities presented in Table 2.4 were large Member States the most specialised, Spain in construction, France in one and Germany in two manufacturing activities, and the United Kingdom twice in services. Some specialisations are due to the availability of natural resources, such as mining and quarrying in Romania, or wood and wood products manufacturing, as well as pulp, paper, publishing and printing in densely forested Latvia and Finland.

Table 2.5 shows the activities in which each of the Member States are the most specialised, relative to the EU-27 as a whole, based on value added shares in the non-financial business economy. Some activities are relatively small across the EU, which means that even in a Member State with a high specialisation relative to the EU-27 average this activity may in fact only contribute a small proportion of non-financial business economy value added, for example tobacco manufacturing in Bulgaria. Most Member States were specialised in one of the industrial activities (reflecting the more easily tradable nature of goods than services), with construction in Spain, air transport in Luxembourg and Portugal, and water transport in Denmark, Greece and Cyprus the exceptions.

Figure 2.12: Cumulative share of value added for the five largest contributors among EU Member States, 2007 (1)
(% share of value added)



(1) Malta, not available; reference years 2005 and 2006 have been used for some country-activity pairings in order to improve the coverage.

(2) 2006.

Source: Eurostat (ebd_all)

Table 2.4: Relative specialisation by activity in terms of value added, 2007 (1)

	Most specialised Member State	Share of sectoral value added in the national non-financial business economy (%)
Mining & quarrying	RO	6.5
Food & beverages	LT	5.5
Tobacco (2)	NL	0.8
Textiles & leather	RO	3.6
Wood & wood products	LV	3.7
Pulp & paper products	FI	2.8
Publishing & printing	IE	4.0
Coke, petroleum & nuclear fuel	HU	2.3
Chemicals & man-made fibres	IE	13.8
Rubber & plastics	CZ	2.8
Other non-metallic minerals	BG	3.1
Basic metals	LU	7.2
Fabricated metal products	SI	5.3
Machinery & equipment n.e.c.	DE	6.4
Office machinery & computers	IE	1.7
Electrical machinery	HU	4.1
Radio, TV & telecoms equip.	FI	8.6
Instruments, watches & clocks	IE	3.5
Motor vehicles	DE	6.0
Other transport equipment	FR	1.4
Manufacturing n.e.c.	LT	2.3
Electricity, gas & steam	SK	11.1
Water supply (2)	SK	0.9
Construction	ES	17.6
Motor trades	LT	3.9
Wholesale trade	EL	16.7
Retail trade	EL	12.3
Hotels & restaurants	CY	11.8
Land transport; pipelines	LT	7.7
Water transport	DK	2.5
Air transport	LU	2.8
Support. transport; travel agents	CY	5.1
Communications	LU	7.7
Real estate	DK	10.0
Renting	IE	2.0
Computer services	UK	5.3
R&D	UK	0.7
Other business activities	LU	21.2

(1) Malta, not available; reference years 2005 and 2006 have been used for some country-activity pairings in order to improve the coverage.

(2) 2006.

Source: Eurostat (ebd_all)

Table 2.5: Relative specialisation by Member State in terms of value added, 2007 (1)

	Most specialised activity within the non-financial business economy	Share of activity value added in the non-financial business economy total (%)
BE	Coke, petroleum & nuclear fuel	1.4
BG	Tobacco	0.6
CZ	Motor vehicles	5.7
DK	Water transport	2.5
DE	Motor vehicles	6.0
EE	Wood & wood products	3.7
IE	Office machinery & computers	1.7
EL	Water transport	1.4
ES	Construction	17.6
FR	Other transport equipment	1.4
IT	Textiles & leather	3.5
CY (2)	Water transport	1.6
LV	Wood & wood products	3.7
LT	Wood & wood products	1.8
LU	Air transport	2.8
HU	Coke, petroleum & nuclear fuel	2.3
MT	:	:
NL (3)	Tobacco	0.8
AT	Wood & wood products	1.6
PL (2)	Mining & quarrying	4.3
PT	Air transport	1.0
RO	Mining & quarrying	6.5
SI	Wood & wood products	1.3
SK	Basic metals	5.4
FI	Radio, TV & telecoms equip.	8.6
SE	Pulp & paper products	2.0
UK	Mining & quarrying	3.4

(1) Reference years 2005 and 2006 have been used for some country-activity pairings in order to improve the coverage.

(2) Provisional.

(3) 2006.

Source: Eurostat ([ebd_all](#))

Regional specialisation and concentration

The reasons for the relative specialisation of a region in an activity are varied and include, among others, the availability of natural resources (for example, for mining and quarrying activities and forest-based manufacturing activities), the availability of skilled employees, costs, infrastructure, legislation, climatic and topographic conditions (particularly regarding tourism-related activities) and proximity to markets.

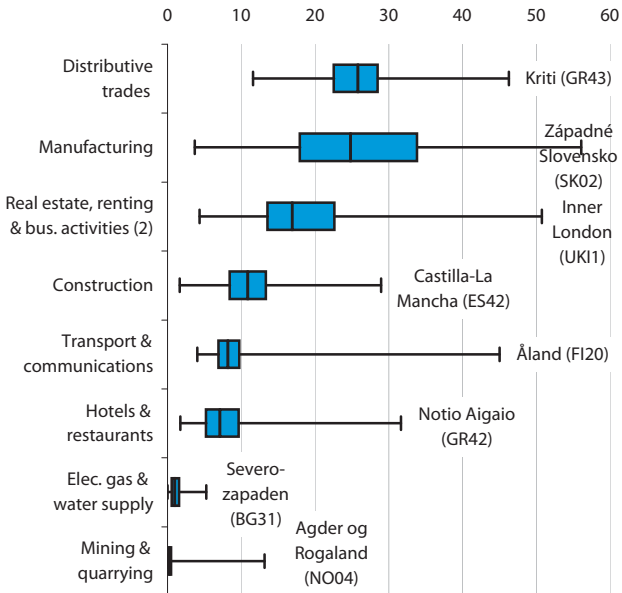
Figure 2.13 indicates that the widest spread (from lowest to highest) in the share of an activity in each region's non-financial business economy workforce concerned manufacturing activities. In contrast, the employment spread for activities like construction and distributive trades, which tend to serve more local clients and are basic activities present in each region, were much narrower.

The shares of the non-financial business economy workforce occupied within the industrial sector and in the non-financial services sector in 2007 are shown in Maps 2.1 and 2.2. High shares of industrial employment were mostly found in regions within Bulgaria, the Czech Republic, Germany, Hungary, Poland, Romania and Slovakia, with the Slovakian region of *Západné Slovensko* recording the highest share at 61.6 %. Non-financial services employment was over 80 % of the non-financial business economy total workforce in at least ten regions, mainly in or bordering major urban areas such as Brussels, Berlin, Hamburg, Amsterdam and London, but also including two tourism focused island regions in Greece. The highest share of non-financial business economy employment recorded for non-financial services was 90.3 % in inner London.

Map 2.3 is based on the aggregate employment share of the five largest NACE divisions in each region, providing an analysis of activity concentration by region. It shows that the most concentrated regions – by this measure – were generally in regions of Spain, Greece, France and Portugal traditionally associated with tourism (underlining the importance of construction, retail trade, hotels and restaurants, and transport services for tourism supply) or in urban areas like Brussels and London.

The most specialised region in the EU-27 and Norway for each of the main activities within the non-financial business economy is shown in Table 2.6.

Figure 2.13: Degree of regional specialisation by activity (NACE Sections), by NUTS 2 regions, EU-27 and Norway, 2007 (1)
(% share of non-financial business economy employment)

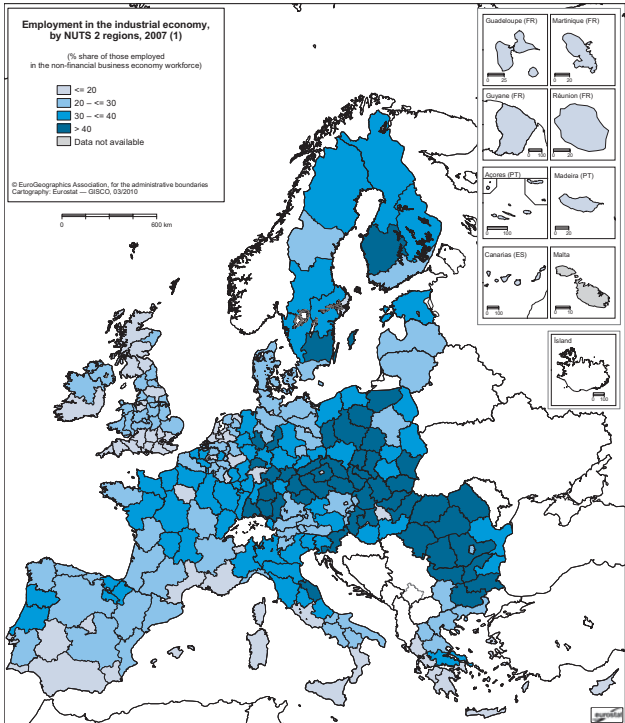


(1) Minimum to maximum share (horizontal line), inter-quartile range covering half of all regions (box), median share (vertical line in box); Denmark, national level; Malta, not available; Poland, provisional data; Spain, provisional data for construction.

(2) Cyprus, excluding research and development.

Source: Eurostat (sbs_r_nuts03)

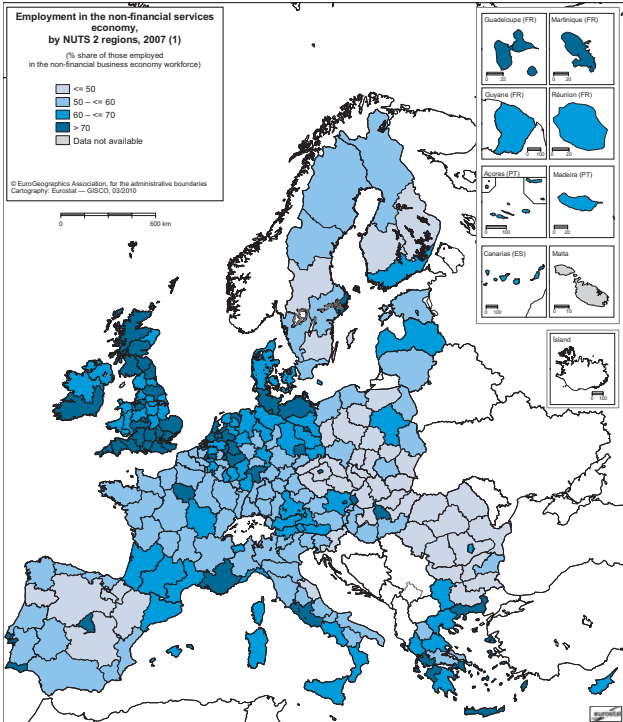
Map 2.1: Employment in the industrial economy, by NUTS 2 regions, 2007 (1)
 (% share of those employed in the non-financial business economy workforce)



(1) Denmark, national level; Cyprus, excluding research and development; Poland, provisional data; Spain, provisional data for construction.

Source: Eurostat (sbs_r_nuts03)

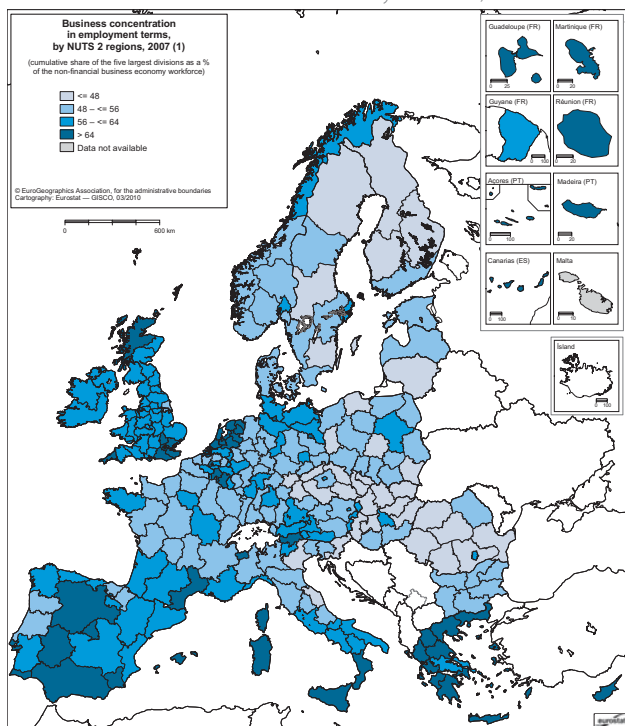
Map 2.2: Employment in the non-financial services economy, by NUTS 2 regions, 2007 (1)
(% share of those employed in the non-financial business economy workforce)



(1) Denmark, national level; Cyprus, excluding research and development; Poland, provisional data; Spain, provisional data for construction.

Source: Eurostat ([sbs_r_nuts03](#))

Map 2.3: Business concentration in employment terms, by NUTS 2 regions, 2007 (1)
 (cumulative share of the five largest divisions as a % of the non-financial business economy workforce)



(1) Denmark, national level; Cyprus, excluding research and development; Poland, provisional data; Spain, provisional data for construction.

Source: Eurostat (sbs_r_nuts03)

Table 2.6: Regional specialisation in employment terms, by NUTS 2 regions, 2007 (1)
(% share of non-financial business economy workforce)

	Most specialised region	(%)
Mining & quarrying	Agder og Rogaland (NO04)	13.1
Food & beverages	Bretagne (FR52)	10.9
Tobacco	Trier (DEB2)	c
Textiles & leather	Norte (PT11)	c
Wood & wood products	Itä-Suomi (FI13)	5.7
Pulp & paper products	Norra Mellansverige (SE31)	4.5
Publishing & printing	Inner London (UKI1)	4.0
Coke/petrol./nuclear fuel	Cumbria (UKD1)	c
Chem., man-made fibres	Rheinhessen-Pfalz (DEB3)	10.9
Rubber & plastics	Auvergne (FR72)	6.3
Other non-metal. minerals	Świętokrzyskie (PL33)	5.4
Basic metals	Východné Slovensko (SK04)	8.3
Fabricated metal products	Arnsberg (DEA5)	8.8
Machinery & equipment	Unterfranken (DE26)	12.3
Office machinery & computers	Southern and Eastern (IE02)	1.3
Electrical machinery	Západné Slovensko (SK02)	10.2
Radio, TV & telecom equip.	Pohjois-Suomi (FI1A)	5.9
Instruments, watches & clocks	Border, Midland & Western (IE01)	5.5
Motor vehicles	Braunschweig (DE91)	c
Other transport equip.	Sud-Est (RO22)	6.1
Manufacturing n.e.c.	Warmińsko-mazurskie (PL62)	8.0
Electricity, gas & steam	Sud-Vest Oltenia (RO41)	4.4
Water supply	Východné Slovensko (SK04)	1.8
Construction	Castilla-La Mancha (ES42)	29.0
Motor trades	Brandenburg-Südwest (DE42)	7.0
Wholesale trade	Peloponnisos (GR25)	16.1
Retail trade	Kriti (GR43)	31.3
Hotels & restaurants	Notio Aigaio (GR42)	31.6
Land transport; pipelines	Bourgogne (FR26)	20.6
Water transport	Åland (FI20)	35.7
Air transport	Outer London (UKI2)	3.7
Support. transp.; travel agents	Bremen (DE50)	13.1
Communications	Köln (DEA2)	23.2
Real estate	Latvija (LV00)	5.7
Renting	NE Scotland (UKM5)	1.7
Computer services	Berkshire, Buckinghamshire and Oxfordshire (UKJ1)	8.1
R&D	Oberbayern (DE21)	2.1
Other business activities	Inner London (UKI1)	39.8

(1) Denmark, national level; Cyprus, excluding research and development; Poland, provisional data; Spain, provisional data for construction; Malta, not available.

Source: Eurostat (sbs_r_nuts03)

Size class analysis

For the purposes of SBS size class data the following size classes are used:

- **large enterprises** with 250 or more persons employed;
- **medium-sized enterprises** with 50 to 249 persons employed;
- **small enterprises** with 10 to 49 persons employed;
- **micro enterprises** with less than 10 persons employed.

Micro, small and medium-sized enterprises are collectively referred to as SMEs.

The EU-27 non-financial business population in 2007 comprised around 20.9 million enterprises, of which just 43 800 (0.2 %) were large enterprises. As can be seen from Figure 2.14 these large enterprises provided approximately one third of the employment in the non-financial business economy, and they also generated in excess of two fifths of value added. Table 2.7 shows that SMEs accounted for a relatively large proportion of value added in real estate and construction, in excess of 80 % in both cases. Among industrial activities, the highest contributions of SMEs to value added were for fabricated metal products (2006 data), and the manufacture of wood and wood products. SMEs' contribution in value added terms was less than 10 % for tobacco manufacturing as well as for post and telecommunications.

Large enterprises generally contribute a higher share of sectoral value added than employment, while the reverse is true for micro enterprises. This indicates a relatively high apparent labour productivity (value added per person employed) among large enterprises and a low level among micro enterprises. This can be seen in Table 2.8 where apparent labour productivity increased across the size classes shown for most of the activities within the EU-27 non-financial business economy in 2007. For mining and quarrying, electricity, gas and steam supply, water supply, as well as for water transport, micro enterprises had the highest apparent labour productivity among the size classes shown. The only activity where small enterprises recorded the highest apparent labour productivity was other business activities, while apparent labour productivity peaked among medium-sized enterprises for air transport and real estate.

Table 2.7: Share of SMEs among all enterprises, EU-27, 2007
(%)

	No. of enterprises	Value added	Persons employed
Mining & quarrying (1)	98.9	34.6	33.8
Food & beverages	99.1	47.7	62.8
Tobacco (1)	79.4	6.2	15.5
Textiles & leather	99.5	73.9	76.2
Wood & wood products	99.8	76.2	84.1
Pulp & paper products (2)	97.1	41.1	54.1
Publishing & printing (3)	99.7	61.9	72.5
Coke, petroleum & nuclear fuel	91.5	10.0	15.3
Chemicals & man-made fibres	95.7	26.2	35.5
Rubber & plastics	98.5	57.3	63.8
Other non-metallic minerals	99.1	52.0	62.6
Basic metals (1)	95.3	24.7	33.2
Fabricated metal products (2)	99.7	78.2	82.8
Machinery & equipment n.e.c.	98.7	49.7	56.4
Office machinery & computers	:	32.5	47.4
Electrical machinery (2)	98.4	36.9	43.2
Radio, TV & telecoms equip.	98.5	24.3	:
Instruments, watches & clocks (1)	99.4	48.8	63.9
Motor vehicles	93.9	11.6	18.1
Other transport equipment	98.3	20.4	28.6
Manufacturing n.e.c.	99.6	74.8	76.7
Electricity, gas & steam	97.6	23.9	18.6
Water supply (2, 3)	96.6	33.6	37.5
Construction	99.9	82.8	88.0
Motor trades	99.9	78.9	87.5
Wholesale trade	99.8	76.8	81.3
Retail trade	99.9	55.2	63.7
Hotels & restaurants	99.9	75.9	82.2
Land transport; pipelines	99.9	60.2	65.1
Water transport (1)	99.4	65.2	58.2
Air transport	96.2	18.1	8.9
Support. trans.; travel agents (3)	99.4	43.7	54.2
Communications	99.2	6.9	12.8
Real estate (1)	99.9	87.7	86.4
Renting (1)	99.9	74.9	:
Computer services (3)	99.8	58.5	69.0
R&D (2, 3)	99.4	43.1	54.2
Other business activities	99.8	69.3	62.8

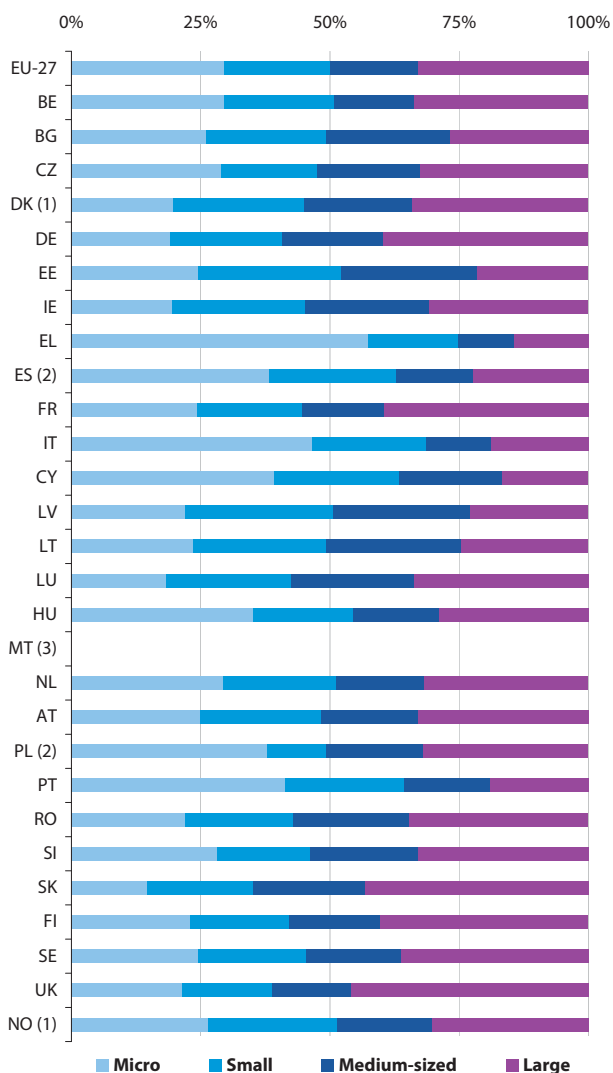
(1) Number of enterprises, 2006.

(2) Value added, 2006.

(3) Persons employed, 2006.

Source: Eurostat (sbs_sc_2d_mi02, sbs_sc_2d_dade02, sbs_sc_2d_dfdn02, sbs_sc_2d_el95, sbs_sc_4d_co02, sbs_sc_3ce_tr02, sbs_sc_1b_se02)

Figure 2.14: Employment breakdown by enterprise size class, non-financial business economy, 2007 (1)
(%)



(1) 2006.
(2) Provisional.
(3) Not available.

Source: Eurostat (sbs_sc_2d_mi02, sbs_sc_2d_dade02, sbs_sc_2d_el95, sbs_sc_4d_co02, sbs_sc_3ce_tr02, sbs_sc_1b_se02)

Table 2.8: Apparent labour productivity by enterprise size class, EU-27, 2007
(EUR 1 000 per person employed)

	Micro	Small	Medium-sized	All SMEs	Large enterprises
Mining & quarrying (1)	257.0	85.3	125.7	134.8	130.2
Food & beverages	24.1	30.4	39.7	32.5	60.0
Tobacco	10.3	80.2	62.7	61.7	172.1
Textiles & leather (2)	17.2	25.2	24.2	23.0	26.1
Wood & wood products	21.7	31.4	36.5	29.3	48.5
Pulp & paper products (3, 4)	28.3	:	51.9	43.9	73.3
Publishing & printing (4)	34.2	45.7	54.2	44.8	80.0
Coke, petroleum & nuclear fuel	58.0	134.3	120.1	117.9	191.7
Chemicals & man-made fibres	75.4	61.5	83.5	77.0	119.1
Rubber & plastics	32.3	39.8	45.3	41.9	54.9
Other non-metallic minerals	26.2	44.1	52.6	43.7	68.3
Basic metals (2)	31.6	54.9	65.2	59.8	90.4
Fabricated metal products (4)	31.5	43.2	46.4	41.3	53.0
Machinery & equipment n.e.c.	35.7	48.5	54.2	49.3	64.6
Office machinery & computers (1)	36.8	47.7	54.2	43.3	80.8
Electrical machinery (4)	31.1	44.0	48.9	44.5	53.0
Radio, TV & telecoms equip.	35.7	54.4	50.0	48.7	83.3
Instruments, watches & clocks	31.1	47.8	58.7	47.1	79.6
Motor vehicles	34.1	44.8	45.3	44.2	74.4
Other transport equipment (2)	29.3	42.5	45.3	41.9	65.6
Manufacturing n.e.c. (2)	22.9	35.1	37.4	34.1	37.9
Electricity, gas & steam (1)	327.0	152.6	142.9	211.1	153.4
Water supply (1, 3)	87.0	67.0	48.3	56.1	72.5
Construction	30.2	39.4	43.9	35.8	54.4
Motor trades	26.9	38.4	52.9	35.6	66.7
Wholesale trade	39.2	57.1	67.6	52.5	68.8
Retail trade	18.1	26.9	27.8	21.3	30.4
Hotels & restaurants	16.3	20.7	25.7	19.0	27.8
Land transport; pipelines	27.2	36.2	37.3	32.4	39.8
Water transport	135.1	133.7	123.6	130.4	96.7
Air transport (1, 5)	:	151.5	198.0	155.4	68.8
Support. transport; travel agents	45.6	53.1	56.0	52.2	75.0
Communications (2)	42.8	53.3	52.5	44.5	89.0
Real estate	96.8	86.6	103.7	95.8	86.0
Renting (1)	110.6	93.2	162.3	:	:
Computer services (4)	43.8	60.6	73.2	56.6	92.5
R&D (2, 3, 4)	34.1	:	59.9	41.7	65.2
Other business activities	40.3	50.4	39.9	42.8	32.0

(1) Small, 2006. (2) Micro, 2006. (3) All SMEs, 2006. (4) Large, 2006. (5) Medium-sized, 2006.

Source: Eurostat (sbs_sc_2d_mi02, sbs_sc_2d_dade02, sbs_sc_2d_el95, sbs_sc_4d_co02, sbs_sc_3ce_tr02, sbs_sc_1b_se02)

Production data

PRODCOM provides information on the value and quantity of sold production: the measurement is done at the time of sale by the producer, and so the sale may be to an intermediary (distributor) or to a consumer, and as such may be destined for domestic or export markets. Commodities are specified in the PRODCOM list, which includes around 3 900 products and which is updated each year. Production sold is the production carried out which has been sold (invoiced) during the reference period. The value of production sold should be calculated on the basis of the ex-works selling price obtained/obtainable during the reporting period. The following are not included: VAT and consumer taxes; separately charged freight costs; discounts granted to customers.

Table 2.9 illustrates the information that is available in quantity terms, where the measurement unit used varies depending on the nature of the product. For example, EU-27 producers sold around 40 500 million litres of beer in 2008.

Table 2.9: Production sold in quantity terms, selected products, EU-27, 2008

PRODCOM code	Product	Quantity (million)	Rounding base (million) (1)	Unit
15.11.11.90	Fresh or chilled cuts of beef and veal	2 292	-	kg
25.11.11.00	New pneumatic rubber tyres for motor cars (including for racing cars)	283	-	p/st
15.96.10.00	Beer made from malt (excluding non-alcoholic beer, beer containing ≤ 0.5% by volume of alcohol, alcohol duty)	40 500	500	l
16.00.11.50	Cigarettes containing tobacco or mixtures of tobacco and tobacco substitutes (excluding tobacco duty)	762 435	-	p/st
26.63.10.00	Ready-mixed concrete	883 093	-	kg
34.30.20.20	Brakes and servo-brakes and their parts (excluding unmounted linings or pads)	3 193	-	kg
34.30.20.33	Gear boxes and their parts	75	-	p/st
15.61.21.00	Wheat or meslin flour	31 500	500	kg

(1) Indicates the magnitude of the rounding employed to protect confidential cell (in the case of PRODCOM code 15.96.10.00, the confidential value lies within the range +/- 500 million litres of the reported value).

Source: Eurostat (Prodcom)

Table 2.10 shows a selection of products with high values of production sold in the EU-27 in 2008. This list includes several products from food processing and motor vehicle manufacturing activities.

Table 2.10: Production sold in value terms, selected products, EU-27, 2008 (1)

PRODCOM code	Product	Value (EUR million)	Rounding base (million) (2)
34.10.22.30	Motor vehicles with a petrol engine > 1500 cm ³ (including motor caravans of a capacity > 3000 cm ³) (excl. vehicles for transporting >= 10 persons, snowmobiles, golf cars and similar vehicles)	111 332	
34.10.23.30	Motor vehicles with a diesel or semi-diesel engine > 1500 cm ³ but <= 2500 cm ³ (excl. vehicles for transporting >= 10 persons, motor caravans, snowmobiles, golf cars and similar vehicles)	90 339	
21.25.12.35	Self-adhesive printed labels of paper or paperboard	52 435	
15.70.10.Z3	Preparations for animal feeds (excluding dog or cat food)	43 037	
15.96.10.00	Beer made from malt (excluding non-alcoholic beer, beer containing <= 0.5% by volume of alcohol, alcohol duty)	30 923	
15.81.11.00	Fresh bread containing by weight in the dry matter state <= 5% of sugars and <= 5% of fat (excluding with added honey; eggs; cheese or fruit)	27 955	
21.21.13.00	Cartons, boxes and cases, of corrugated paper or paperboard	27 523	
26.63.10.00	Ready-mixed concrete	27 222	
15.51.40.50	Grated, powdered, blue-veined and other non-processed cheese (excluding fresh cheese, whey cheese and curd)	25 800	60
34.10.12.00	Vehicle reciprocating piston engines of a cylinder capacity > 1 000 cm ³	25 443	90
34.10.41.10	Goods vehicles with a diesel or semi-diesel engine, of a gross vehicle weight <= 5 tonnes (excluding dumpers for off-highway use)	24 223	
15.81.12.00	Cake and pastry products; other baker's wares with added sweetening matter	21 000	30

(1) Excludes a few products of a generic nature ("other") as well as products whose production value is confidential; includes estimates.

(2) Indicates the magnitude of the rounding employed to protect confidential cell (in the case of PRODCOM code 15.51.40.50, the confidential value lies within the range +/- EUR 60 million of the reported value).

Source: Eurostat (Prodcom)

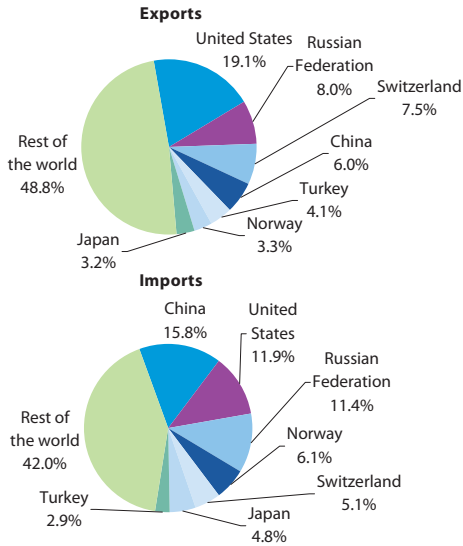
External trade

External trade data are based upon the special trade system and include all the exchanges of goods between the reporting country and other countries having as object: imports of goods for free circulation, imported goods taken out of customs warehouses or free zones, export of national products, as well as export of previously imported goods. Also included are: temporary exports/imports of goods for processing outside/inside the country and imports/exports of compensatory goods after processing as well as imports/exports of goods under financial leasing arrangements. Exports and imports do not include transit goods, temporary exported and imported goods, goods purchased by international organisations and territorial enclaves of other countries, and goods for repairs.

EU-27 exports of goods were valued at EUR 1 307 billion in 2008, and imports at EUR 1 565 billion. This resulted in a cover ratio (calculated as the value of exports divided by the value of imports, expressed as a percentage) of 83.5 %. The United States remained the EU-27's largest single export market for goods, accounting for just under one fifth (19.1 %) of the EU-27's exports; the Russian Federation and Switzerland were the next largest markets. The origin of EU-27 imports of goods has been transformed in recent years, with a marked increase in imports from China being the most notable change, reaching a 15.8 % share by 2008, pulling away from the United States and the Russian Federation. Aside from China, the largest increases in imports between 2003 and 2008 were associated with oil and gas producing countries.

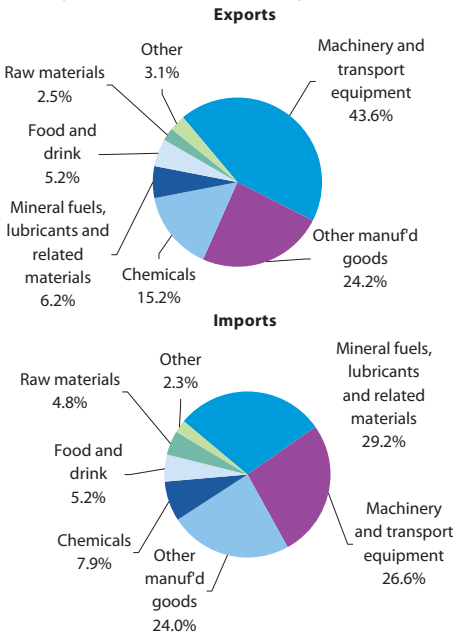
Machinery and transport equipment accounted for more than two fifths of all EU-27 exported goods in 2008 – see Figure 2.16. Mineral fuels and related products, as well as machinery and transport equipment and other manufactured goods each accounted for around one quarter of EU-27 imports.

Figure 2.15: Trade in goods by main trading partner, EU-27, 2008
(% share of extra EU-27 trade)



Source: Eurostat ([ext_lt_maineu](#))

Figure 2.16: Trade in goods by SITC, EU-27, 2008
(% share of extra EU-27 trade)



Source: Eurostat ([ext_lt_intertrd](#))

Note that for the EU-27 external trade is measured with the rest of the world whereas for Member States the trade statistics that are presented include trade carried out between the Member States (intra-EU) as well as that carried out with non-member countries (extra-EU). Denmark, Germany and Ireland were the only Member States to record a cover ratio above 100 % in both intra- and extra-EU trade, indicating a trade surplus in both markets.

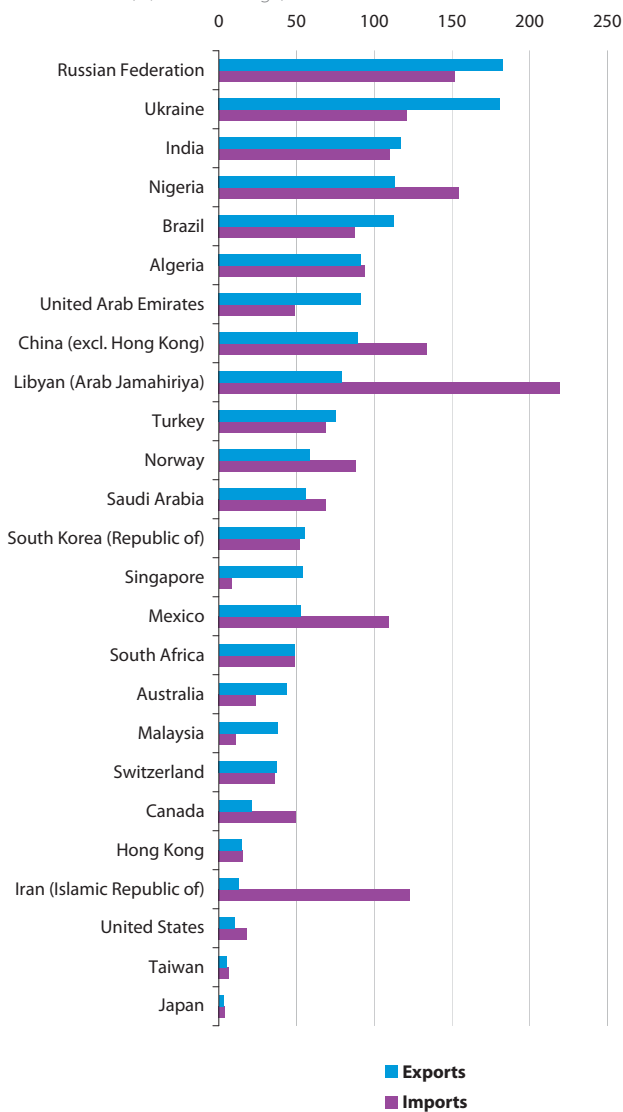
Table 2.11: Key indicators for external trade in goods, 2008

	Intra-EU			Extra-EU		
	Exports (% share of EU total)	Imports (% share of EU total)	Cover ratio (%)	Exports (% share of EU total)	Imports (% share of EU total)	Cover ratio (%)
EU-27	-	-	-	100.0	100.0	83.5
BE	9.1	8.4	111.3	5.7	6.1	77.7
BG	0.3	0.5	64.1	0.5	0.7	56.0
CZ	3.1	2.8	114.2	1.2	1.4	67.4
DK	2.0	2.0	102.9	1.8	1.3	113.8
DE	23.0	19.5	121.4	27.6	18.7	123.1
EE	0.2	0.3	68.2	0.2	0.1	115.5
IE	2.0	1.5	134.6	2.4	1.1	184.9
EL	0.4	1.3	33.2	0.5	1.7	22.8
ES	4.9	6.5	78.5	4.5	7.4	50.0
FR	9.6	12.3	80.3	11.4	9.9	96.2
IT	7.9	7.8	104.9	11.6	11.1	87.6
CY	0.0	0.2	15.7	0.0	0.1	14.7
LV	0.2	0.3	57.1	0.2	0.2	80.7
LT	0.4	0.5	79.6	0.5	0.6	71.0
LU	0.6	0.6	95.4	0.1	0.3	35.0
HU	2.1	1.9	114.2	1.2	1.5	68.4
MT	0.0	0.1	37.7	0.1	0.1	123.8
NL	12.7	7.2	180.2	7.0	13.1	44.6
AT	3.3	3.7	91.1	2.6	1.8	124.3
PL	3.3	3.9	88.4	2.0	2.6	64.4
PT	1.0	1.7	62.3	0.8	1.0	61.4
RO	0.9	1.5	60.8	0.8	1.1	57.3
SI	0.6	0.7	88.1	0.6	0.5	102.2
SK	1.5	1.4	113.2	0.5	0.9	52.4
FI	1.4	1.5	94.7	2.2	1.5	122.0
SE	2.8	3.0	95.6	3.8	2.3	140.8
UK	6.6	8.7	77.7	10.3	12.8	66.9

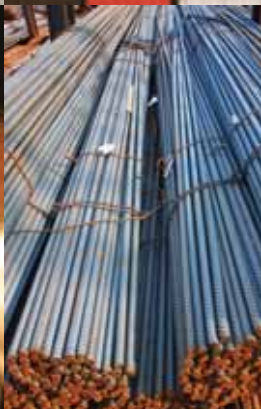
Source: Eurostat (ext_lt_intratrd)

Figure 2.17: Development of trade in goods with selected partners, EU-27, 2003-2008

(%, overall change)



Source: Eurostat ([ext_lt_maineu](#))



3

Sectoral analysis

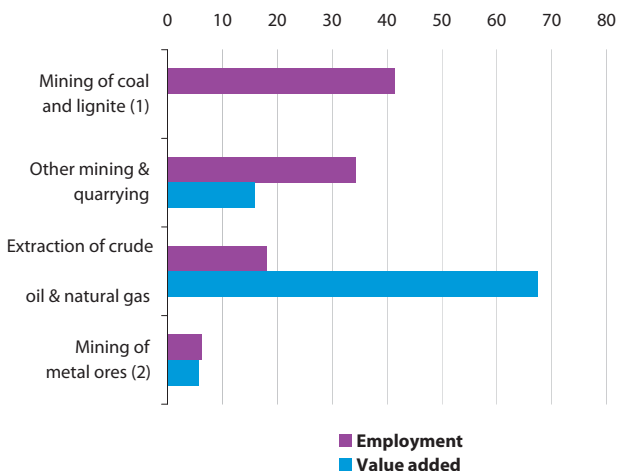
Mining and quarrying

Alongside a small number of large-scale producers active in global markets this sector includes a large number of smaller enterprises typically serving a local market in low value, widely available products often for use in construction.

Around 702 000 persons were employed in 21 000 mining and quarrying enterprises in the EU-27 in 2007. Together they generated EUR 92.5 billion of value added, resulting in an apparent labour productivity of EUR 131 700 per person employed, the highest of all NACE sections. Two fifths (41.3 %) of the EU-27 mining and quarrying workforce worked in the extraction of coal and lignite. The importance of the extraction of crude oil and natural gas was far greater in value added terms (67.5 % of sectoral value added) than employment (18.0 %) indicating an exceptionally high apparent labour productivity.

The location of this activity reflects the distribution of deposits. The United Kingdom (oil and gas fields) recorded the highest share (41.7 %) of EU-27 value added in this sector. Denmark and the Netherlands (predominantly natural gas), Italy (crude petroleum and natural gas) and Poland (coal and lignite) were also relatively important producers.

Figure 3.1: Sectoral analysis, mining and quarrying, EU-27, 2007 (%)



(1) Value added, not available.

(2) 2006.

Source: Eurostat (sbs_na_2a_mi)

Table 3.1: Key indicators, mining and quarrying, EU-27, 2007

Indicator	Units	Value
Number of enterprises	thousands	21
Persons employed	thousands	702
Turnover	EUR million	233 776
Value added	EUR million	92 489
Gross operating surplus	EUR million	69 254
Investment	EUR million	22 551
Share of non-financial business economy:		
Employment	%	0.5
Value added (1)	%	1.6
Investment	%	1.9
Apparent labour productivity	EUR 1 000/person	131.7
Average personnel costs	EUR 1 000/person	33.9
Gross operating rate	%	29.6
SME share of value added	%	34.6
SME share of employment	%	33.8

(1) 2006.

Source: Eurostat ([ebd_all](#), [sbs_sc_indic](#))**Table 3.2:** Concentration and specialisation, mining and quarrying, 2007

Value added		Persons employed (1)	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
United Kingdom	41.7	Poland	2.2
Italy	8.0	Romania	2.2
Denmark	7.7	Bulgaria	1.5
Netherlands	7.4	Estonia	1.2
Poland	7.3	Czech Republic	1.2

(1) Ireland, 2006; Malta, not available; Cyprus and Poland, provisional.

Source: Eurostat ([ebd_all](#))

Manufacturing

Manufacturing was the largest of the eight NACE sections within the EU-27 non-financial business economy, and contributed 25.8 % of the workforce in 2007 and 30.0 % of value added in 2006. The manufacture of machinery and equipment, as well as food and beverages, both accounted for more than 10 % of EU-27 manufacturing value added and employment in 2007, while the manufacture of chemicals and chemical products also generated more than 10 % of value added and the manufacture of metal products employed more than 10 % of the workforce.

Figure 3.3 shows that the share of manufacturing within the non-financial business economy's value added varied in 2007 from 14.1 % in Cyprus to 40.0 % in Finland. The range in employment terms was similar, from 14.8 % in the Netherlands to 41.5 % in Slovakia. In the majority of Member States this sector contributed more to non-financial business economy output than to the workforce, with the most notable exceptions being Latvia and Romania.

From Figures 3.4 and 3.8 it can be seen that the sector is very diverse, combining activities with low apparent labour productivity, average personnel costs and rates of investment, such as the manufacture of textiles, leather and wearing apparel, with those with high values for the same indicators, such as the processing of coke, petroleum and nuclear fuel.

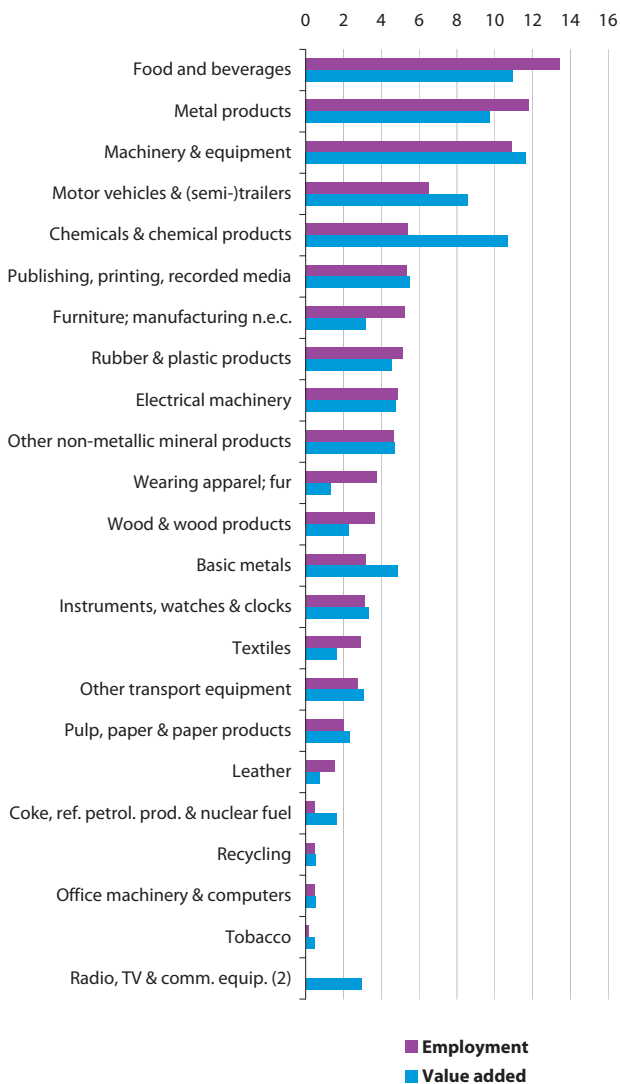
Table 3.3: Key indicators, manufacturing, EU-27, 2007

Indicator	Units	Value
Number of enterprises	thousands	2 323
Persons employed	thousands	34 541
Turnover	EUR million	7 273 512
Value added	EUR million	1 812 963
Gross operating surplus	EUR million	694 282
Investment	EUR million	262 448
Share of non-financial business economy:		
Employment	%	25.8
Value added (1)	%	30.0
Investment	%	22.2
Apparent labour productivity	EUR 1 000/person	52.5
Average personnel costs	EUR 1 000/person	34.4
Gross operating rate	%	9.6
SME share of value added	%	44.8
SME share of employment	%	59.3

(1) 2006.

Source: Eurostat (ebd_all, sbs_sc_indic)

Figure 3.2: Sectoral analysis, manufacturing, EU-27, 2007 (1)
(%)

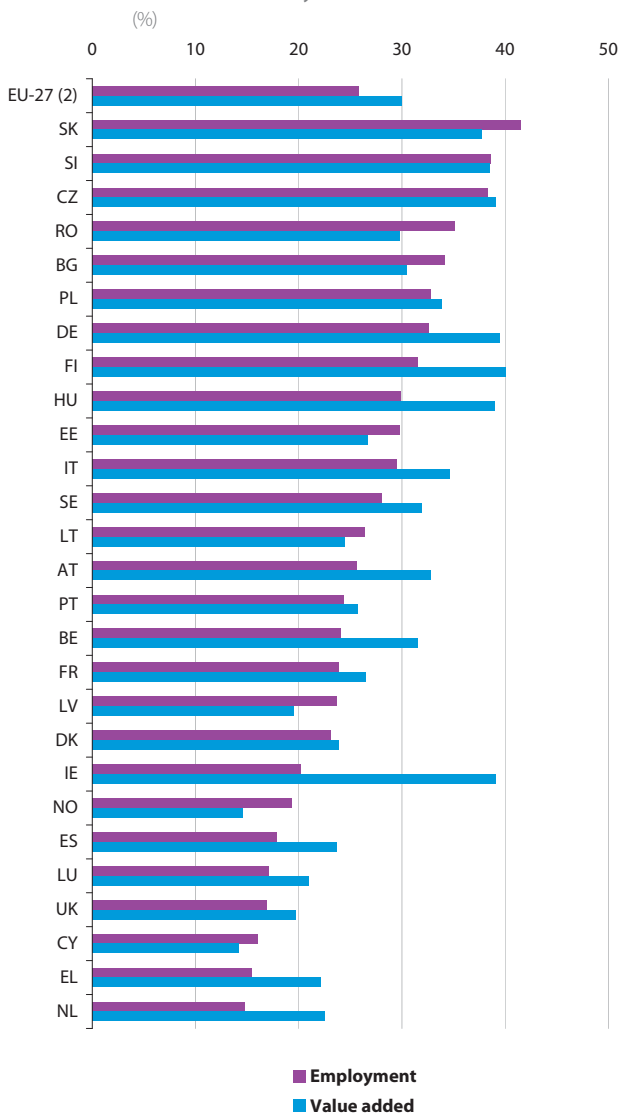


(1) Includes rounded estimates based on non-confidential data.

(2) Employment, not available.

Source: Eurostat ([ebd_all](#))

Figure 3.3: Share of manufacturing in the non-financial business economy, 2007 (1)



(1) Malta, not available; Ireland, 2006; Poland and Cyprus, provisional.
(2) Value added, 2006.

Source: Eurostat (ebd_all)

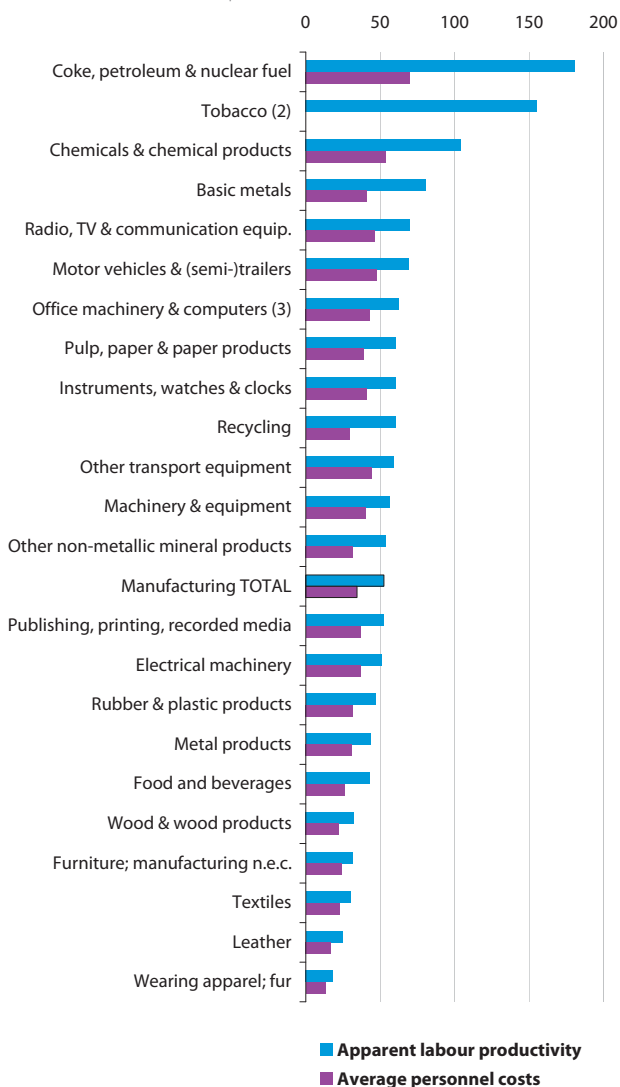
Table 3.4: Highest employment specialisation ratios (relative to EU-27) within manufacturing NACE divisions, 2007 (1)
(%)

	1st	2nd
BE	Chemicals	Tobacco
BG	Wearing apparel	Tobacco
CZ	Electrical machinery	Office machinery
DK	Tobacco	Publishing & printing
DE	Motor vehicles	Machinery & equipment
EE	Wood & wood products	Textiles
IE	Office machinery	Medical, optical, precision Instruments
EL	Tobacco	Wearing apparel
ES	Non-metallic mineral products	Fabricated metal products
FR	Recycling	Other transport equipment
IT	Leather	Textiles
CY	Food & beverages	Wood & wood products
LV	Wood & wood products	Wearing apparel
LT	Wood & wood products	Wearing apparel
LU	Tobacco	Basic metals
HU	Office machinery	Radio, TV & communication equip.
MT	:	:
NL	Tobacco	Publishing & printing
AT	Wood & wood products	Basic metals
PL	Tobacco	Furniture; other manufacturing n.e.c.
PT	Leather	Wearing apparel
RO	Wearing apparel	Leather
SI	Textiles	Wood & wood products
SK	Electrical machinery	Basic metals
FI	Radio, TV & communication equip.	Pulp, paper & paperboard
SE	Pulp, paper & paperboard	Motor vehicles & (semi-)trailers
UK	Publishing and printing	Other transport equipment
NO	Other transport equipment	Publishing and printing

(1) Ireland, 2006; Cyprus and Poland, provisional.

Source: Eurostat ([ebd_all](#))

Figure 3.4: Productivity and personnel costs, EU-27, 2007 (1)
(EUR 1 000/person)



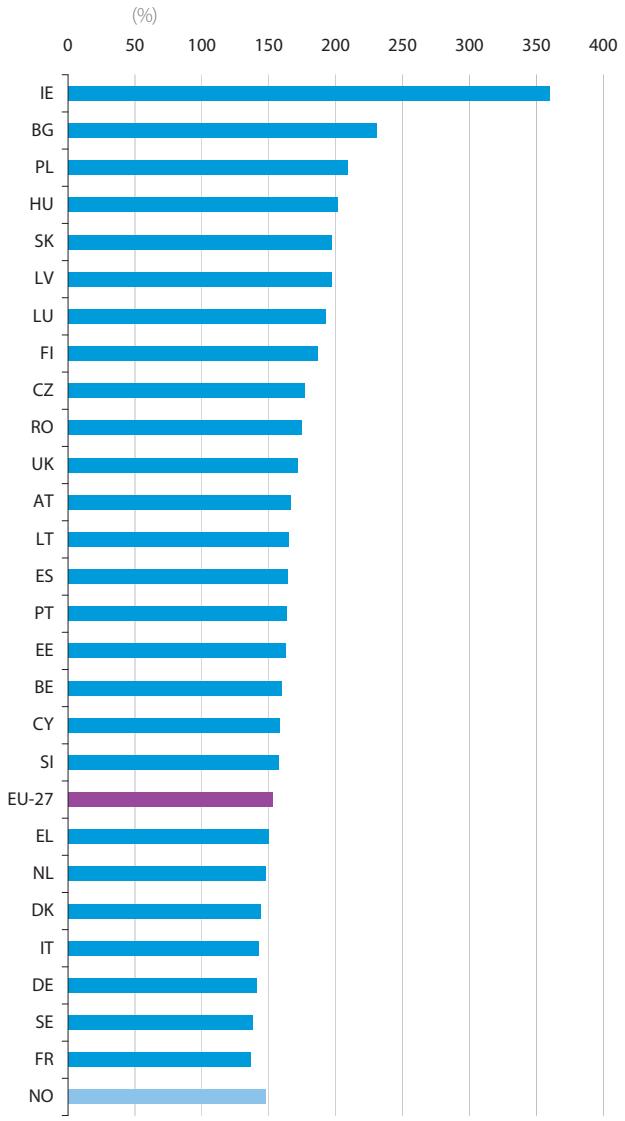
(1) Includes rounded estimates based on non-confidential data.

(2) Average personnel costs, not available.

(3) Apparent labour productivity, 2006.

Source: Eurostat ([ebd_all](#))

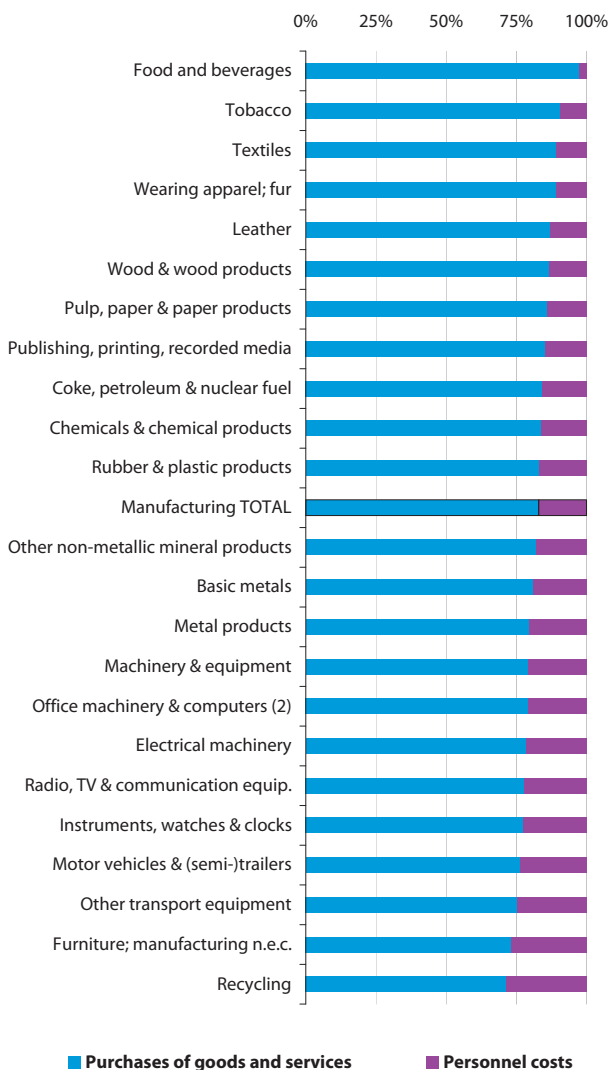
Figure 3.5: Wage adjusted labour productivity, manufacturing, 2007 (1)



(1) Malta, not available.

Source: Eurostat (ebd_all)

Figure 3.6: Share of operating expenditure, EU-27, 2007 (1)
(%)

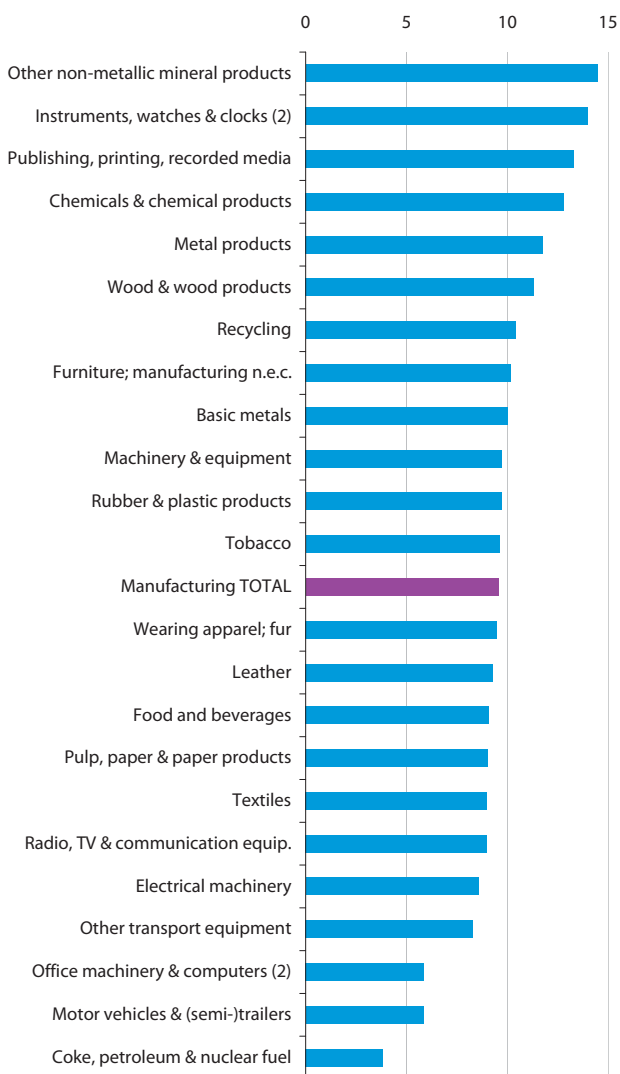


(1) Includes rounded estimates based on non-confidential data.

(2) 2006.

Source: Eurostat ([ebd_all](#))

Figure 3.7: Gross operating rate, EU-27, 2007 (1)
(%)

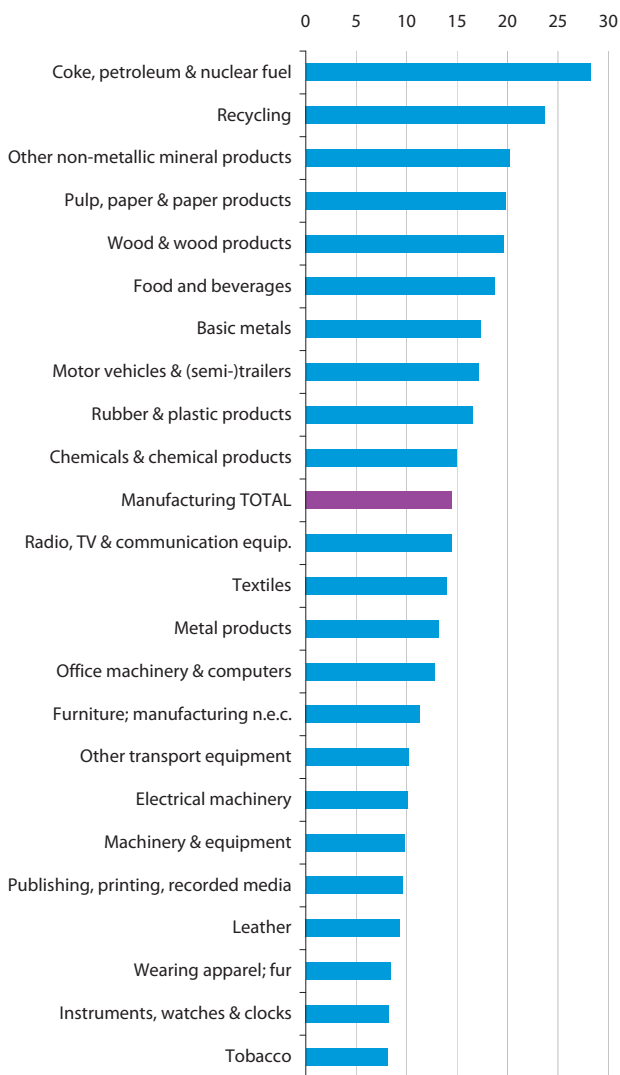


(1) Includes rounded estimates based on non-confidential data.

(2) 2006.

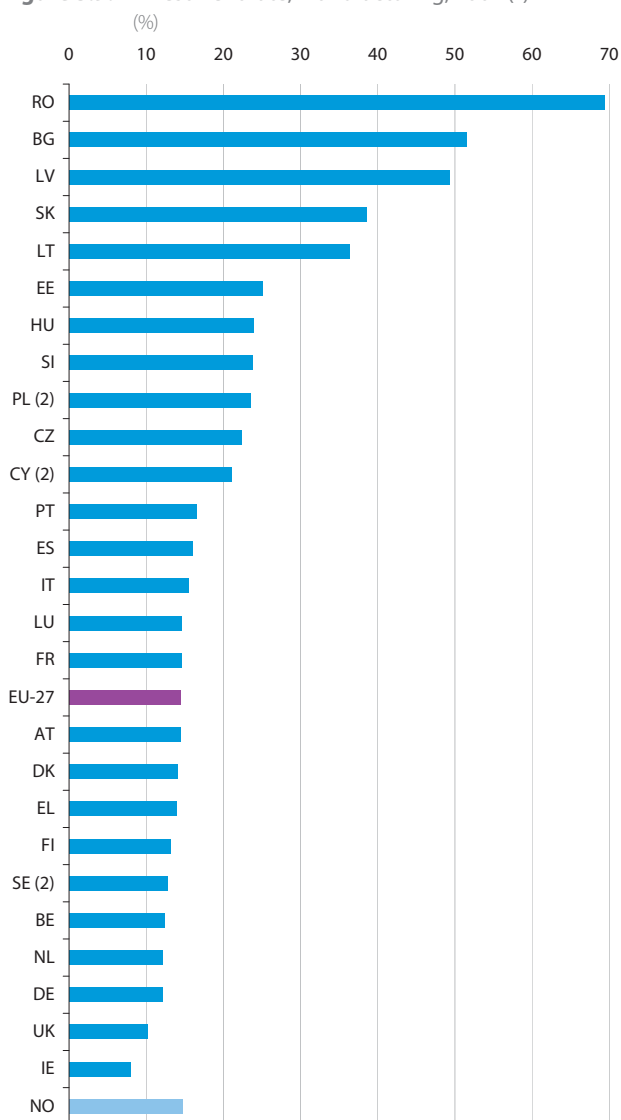
Source: Eurostat ([ebd_all](#))

Figure 3.8: Investment rate, EU-27, 2007 (1)
(%)



(1) Includes rounded estimates based on non-confidential data.

Source: Eurostat (ebd_all)

Figure 3.9: Investment rate, manufacturing, 2007 (1)

(1) Malta, not available.

(2) 2006.

Source: Eurostat (ebd_all)

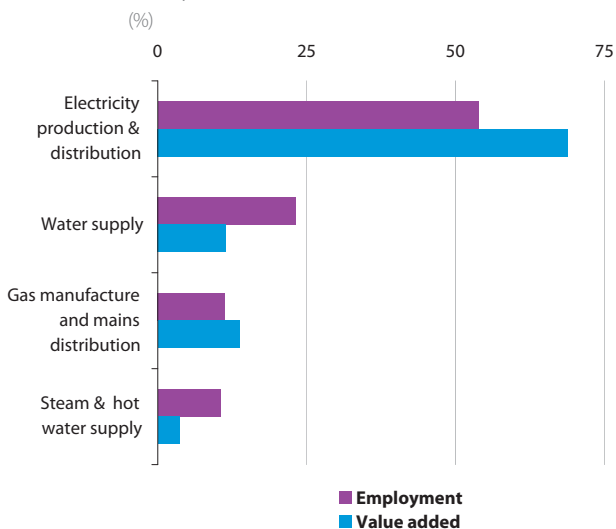
Electricity, gas and water supply

There were 36 000 enterprises in the electricity, gas and water supply sector across the EU-27 in 2007 which employed 1.6 million persons. Together these enterprises generated EUR 203.7 billion of value added. The production and distribution of electricity contributed more than two thirds of the sector's value added and more than half of the workforce.

This sector clearly benefitted from a very high level of labour productivity, as it contributed far more to the non-financial business economy in terms of value added (3.6 %, 2006) than in terms of employment (1.2 %). The high labour productivity of EUR 127 400 per person employed can be linked to the average personnel costs of EUR 43 000 per employee which were the highest of all NACE sections in the non-financial business economy and also to high levels of investment; this sector accounted for 8.4 % of all investment in the non-financial business economy in the EU-27 in 2007.

In a number of central and eastern European Member States this sector was particularly important in terms of its contribution to employment within the non-financial business economy, most notably Slovakia where the share was 3.6 % in 2007.

Figure 3.10: Sectoral analysis, electricity, gas and water supply, EU-27, 2006



Source: Eurostat (sbs_na_2a_el)

Table 3.5: Key indicators, electricity, gas and water supply, EU-27, 2007

Indicator	Units	Value
Number of enterprises	thousands	36
Persons employed	thousands	1 590
Turnover	EUR million	1 000 000
Value added (1)	EUR million	203 656
Gross operating surplus	EUR million	150 000
Investment	EUR million	100 000
Share of non-financial business economy:		
Employment	%	1.2
Value added (1)	%	3.6
Investment	%	8.4
Apparent labour prod. (1)	EUR 1 000/person	127.4
Average personnel costs	EUR 1 000/person	43.0
Gross operating rate	%	15.0
SME share of value added (1)	%	21.4
SME share of employment	%	22.8

(1) 2006.

Source: Eurostat ([ebd_all](#), [sbs_sc_indic](#))**Table 3.6:** Concentration and specialisation, electricity, gas and water supply, 2007

Value added (1)		Persons employed (2)	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
Germany	21.7	Slovakia	3.6
United Kingdom	17.5	Romania	3.0
France	12.7	Bulgaria	2.7
Italy	9.7	Lithuania	2.5
Spain	7.4	Poland	2.5

(1) 2006.

(2) Ireland, 2006; Malta, not available; Cyprus and Poland, provisional.

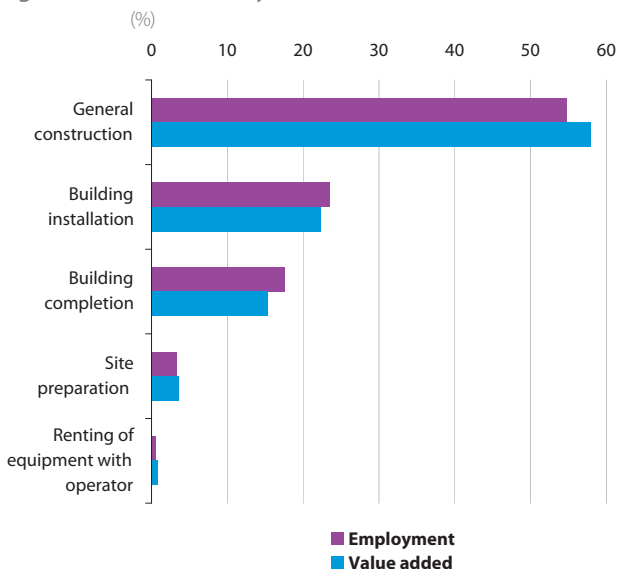
Source: Eurostat ([ebd_all](#))

Construction

Construction activity is particularly cyclical, influenced by business and consumer confidence, interest rates and government programmes. During the recent economic crisis major public sector funding for infrastructure projects has been implemented by several governments, and the structural impact of the crisis and the ensuing policy responses will become clearer when analysed through SBS in the next few years.

The EU-27 construction sector had around 3.1 million enterprises in 2007 that together generated a combined value added of EUR 562.0 billion and employed 14.8 million persons. Construction is dominated by SMEs: these generated 82.8 % of the sector's value added and employed 88.0 % of its workforce in 2007, in both cases the highest shares of any NACE section in the non-financial business economy. The largest subsector was general construction (building of complete constructions or parts thereof and civil engineering) which accounted for more than half of the sector's value added and employment in the EU. The construction sector contributed just 5.7 % of investment in the EU-27 non-financial business economy, giving it the lowest ratio of investment to value added (12.0 %) among the non-financial business economy's NACE sections.

Figure 3.11: Sectoral analysis, construction, EU-27, 2007 (1)



(1) Includes rounded estimates based on non-confidential data.

Source: Eurostat (sbs_na_4a_co)

Table 3.7: Key indicators, construction, EU-27, 2007

Indicator	Units	Value
Number of enterprises	thousands	3 090
Persons employed	thousands	14 788
Turnover	EUR million	1 666 950
Value added	EUR million	561 992
Gross operating surplus	EUR million	209 216
Investment	EUR million	67 358
Share of non-financial business economy:		
Employment	%	11.1
Value added (1)	%	8.9
Investment	%	5.7
Apparent labour productivity	EUR 1 000/person	38.0
Average personnel costs	EUR 1 000/person	29.2
Gross operating rate	%	12.6
SME share of value added	%	82.8
SME share of employment	%	88.0

(1) 2006.

Source: Eurostat (ebd_all, sbs_sc_indic)

Table 3.8: Concentration and specialisation, construction, 2007 (1)

Value added		Persons employed (2)	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
United Kingdom	19.2	Spain	20.2
Spain	18.0	Luxembourg	17.3
France	13.5	Cyprus	16.0
Italy	12.6	Portugal	15.3
Germany	10.3	Lithuania	14.2

(1) Cyprus and Poland, provisional; Malta, not available.

(2) Ireland, 2006.

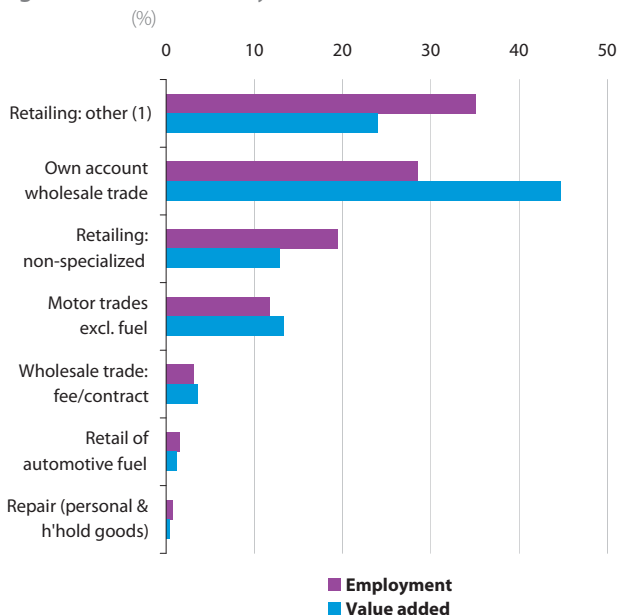
Source: Eurostat (ebd_all)

Distributive trades

Most activities in this sector involve the purchase and resale of goods in the same condition and as a consequence turnover is typically high: this sector generated 36.5 % of non-financial business economy turnover in the EU-27 in 2007, which can be contrasted with a 19.3 % share of value added in 2006. The substantial difference in these two output shares was reflected in the 5.9 % gross operating rate recorded for this sector, which was by far the lowest of the NACE sections in the non-financial business economy. Distributive trades is characterised by high levels of part-time employment, and this sector's workforce of 32.5 million was second in size only to that of manufacturing, equivalent to 24.3 % of the entire workforce in the non-financial business economy.

Among the 6.4 million enterprises classified to distributive trades are a small number of large national and international groups and a very high number of SMEs often providing proximity services: SMEs generated 69.1 % of this sector's value added in 2007, and employed 72.4 % of its workforce.

Figure 3.12: Sectoral analysis, distributive trades, EU-27, 2007



(1) Includes rounded estimates based on non-confidential data.

Source: Eurostat (sbs_na_3b_tr)

In Greece the distributive trades workforce was equivalent to more than one third of the national non-financial business economy workforce in 2007; in contrast, it was under 20 % in Luxembourg, the Czech Republic and Slovenia.

Table 3.9: Key indicators, distributive trades, EU-27, 2007

Indicator	Units	Value
Number of enterprises	thousands	6 357
Persons employed	thousands	32 542
Turnover	EUR million	8 766 778
Value added	EUR million	1 183 563
Gross operating surplus	EUR million	515 077
Investment	EUR million	152 013
Share of non-financial business economy:		
Employment	%	24.3
Value added (1)	%	19.3
Investment	%	12.8
Apparent labour productivity	EUR 1 000/person	36.4
Average personnel costs	EUR 1 000/person	24.7
Gross operating rate	%	5.9
SME share of value added	%	69.1
SME share of employment	%	72.4

(1) 2006.

Source: Eurostat (ebd_all, sbs_sc_indic)

Table 3.10: Concentration and specialisation, distributive trades, 2007

Value added		Persons employed (1)	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
United Kingdom	18.9	Greece	37.6
Germany	18.3	Lithuania	29.4
France	13.5	Ireland	29.2
Italy	10.2	Cyprus	29.1
Spain	9.6	Latvia	28.6

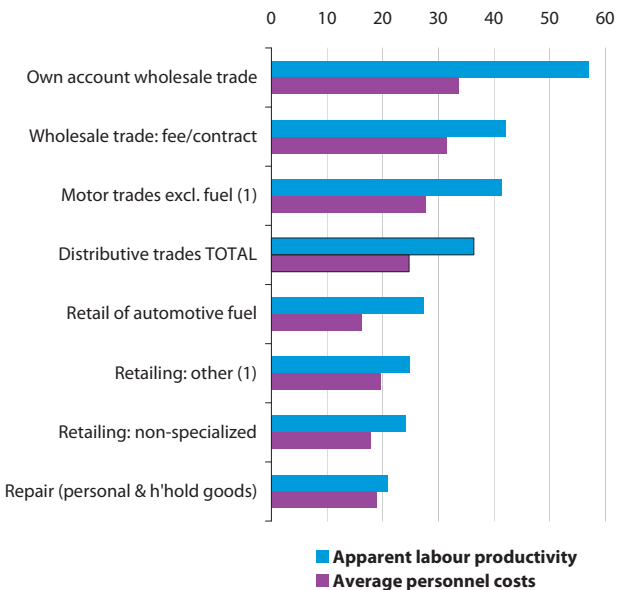
(1) Ireland, 2006; Malta, not available; Cyprus and Poland, provisional.

Source: Eurostat (ebd_all)

The distributive trades sector can be subdivided in many ways: the analysis presented here identifies seven subsectors (see Figure 3.12), among which the largest in value added terms was own account wholesale trade and the biggest in employment terms was retail trade other than non-specialised retailing.

Generally, wholesale trade activities recorded higher shares of the sector's value added than its workforce, indicating above average apparent labour productivity, particularly in own account wholesale trade. The two motor trade subsectors recorded apparent labour productivity above that of the two retail subsectors, while the lowest productivity by this measure was recorded for the repair of personal and household goods. Despite relatively low values, apparent labour productivity in all of the subsectors exceeded average personnel costs. The same was true for all of the Member States for distributive trades as a whole, as wage adjusted labour productivity (which shows as a percentage the ratio between apparent labour productivity and average personnel costs) exceeded 100 %.

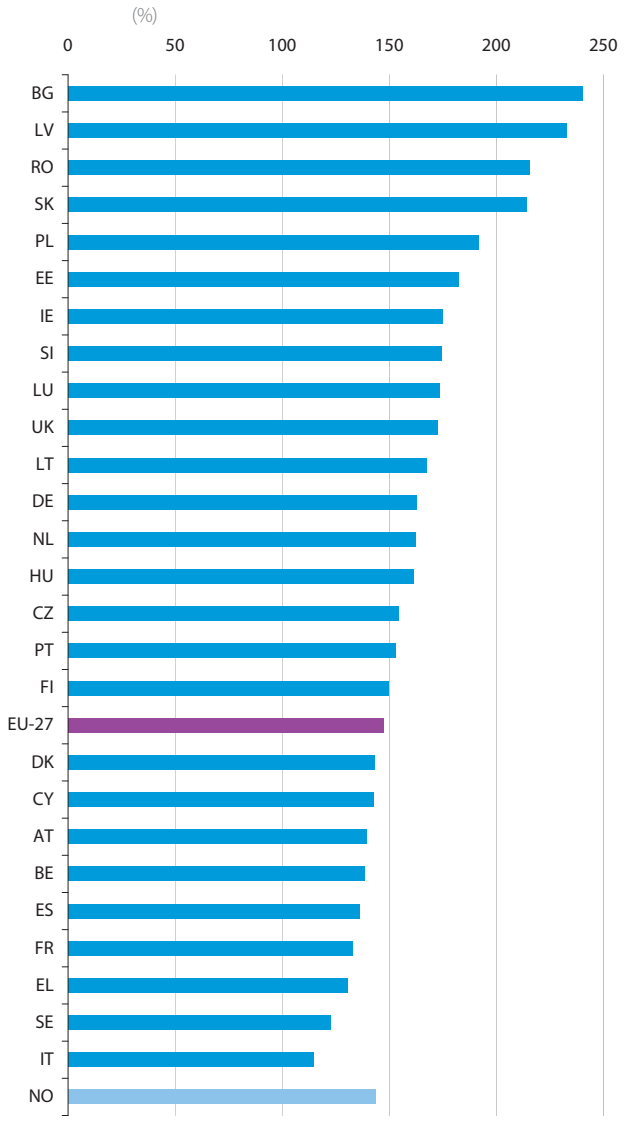
Figure 3.13: Productivity and personnel costs, EU-27, 2007
(EUR 1 000/person)



(1) Includes rounded estimates based on non-confidential data.

Source: Eurostat (sbs_na_3b_tr)

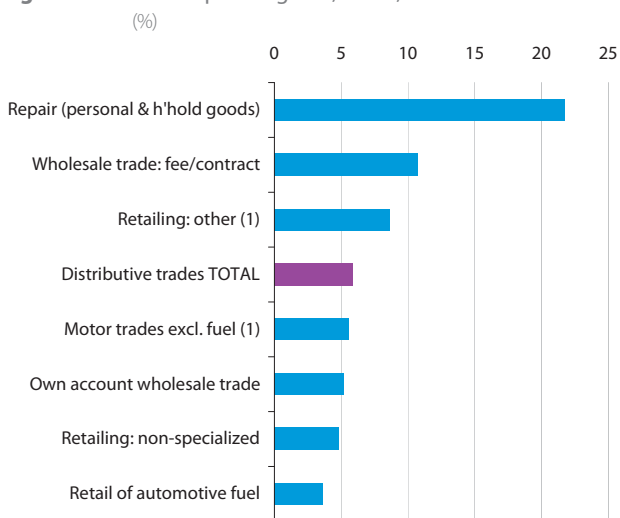
Figure 3.14: Wage adjusted labour productivity, distributive trades, 2007 (1)



(1) Malta, not available; Poland, provisional.

Source: Eurostat (ebd_all)

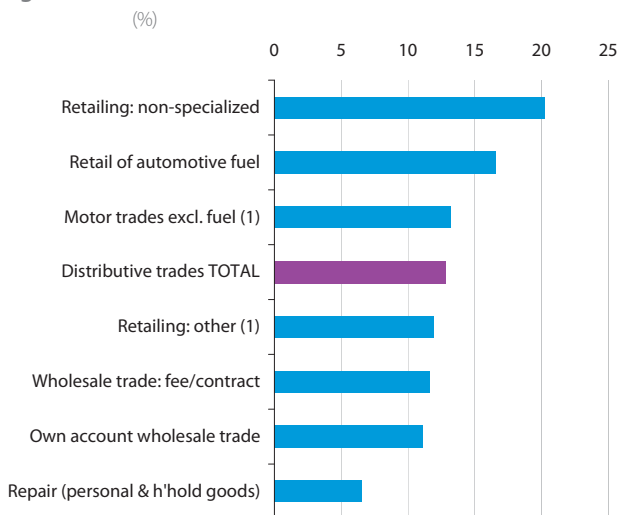
Figure 3.15: Gross operating rate, EU-27, 2007



(1) Includes rounded estimates based on non-confidential data.

Source: Eurostat (sbs_na_3b_tr)

Figure 3.16: Investment rate, EU-27, 2007



(1) Includes rounded estimates based on non-confidential data.

Source: Eurostat (sbs_na_3b_tr)

Table 3.11: Concentration and specialisation, 2007 (1)

Value added		Persons employed (2)	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
Motor trades (50)			
Germany	22.4	Lithuania	5.0
United Kingdom	21.4	Greece	4.2
France	11.6	Cyprus	4.1
Spain	9.4	Luxembourg	3.9
Italy	9.0	Portugal	3.9
Wholesale trade (51)			
Germany	17.2	Greece	12.9
United Kingdom	17.0	Slovakia	9.8
France	12.5	Denmark	9.7
Italy	10.6	Poland	9.4
Spain	9.3	Belgium	9.4
Retail trade in non-specialised stores (52.1)			
United Kingdom	22.5	Ireland	7.6
Germany	18.8	United Kingdom	7.5
France	15.3	Latvia	6.9
Spain	9.3	Romania	6.8
Italy	8.9	Lithuania	6.3
Other retail trade (52.2 to 52.6)			
United Kingdom	19.0	Greece	15.5
Germany	17.7	Cyprus	10.5
France	15.7	Netherlands	9.7
Italy	11.0	Portugal	9.6
Spain	10.5	Ireland	9.5
Repair of personal and household goods (52.7)			
United Kingdom	22.8	Greece	0.6
Germany	15.3	Cyprus	0.4
France	13.5	Hungary	0.4
Italy	11.0	Portugal	0.3
Spain	8.7	Latvia	0.2

(1) Malta, not available; Cyprus and Poland, provisional.

(2) Ireland, 2006.

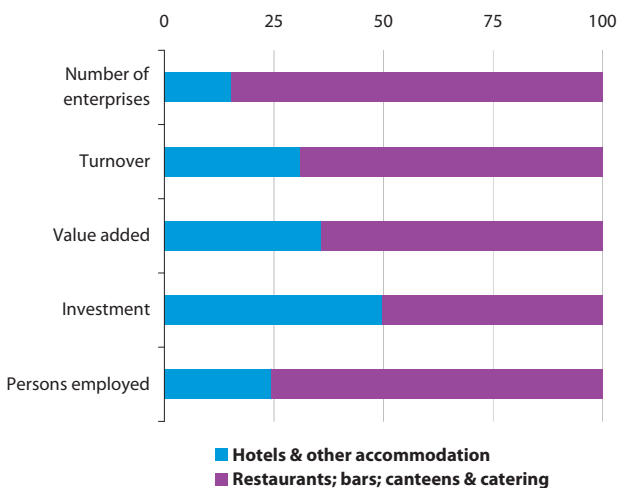
Source: Eurostat (sbs_na_3b_tr, ebd_all)

Hotels and restaurants

This sector, which forms part of tourism supply, generally faces decreased spending by consumers during times of economic slow-down, coupled with reduced business activity also reducing business trips and corporate entertainment. Exchange rate changes can also impact on this sector through shifts between outbound and domestic tourism.

The hotels and restaurants sector recorded value added of EUR 195.4 billion in the EU-27 in 2007 and employed 9.5 million persons, many of them part-time and including a large number of working proprietors and unpaid family workers. This sector contributed 3.2 % of EU-27 value added in the non-financial business economy in 2006 while occupying 7.1 % of the workforce in 2007. Apparent labour productivity of EUR 20 500 per person employed was recorded in 2007 alongside average personnel costs of EUR 16 200 per employee, in both cases the lowest among the NACE sections in the non-financial business economy. Around one in ten of the non-financial business economy workforce were employed in this sector in Austria and the United Kingdom, with even higher shares in Greece and Ireland, and the highest share of all Member States recorded in Cyprus at 17.8 %; no recent data is available for Malta which traditionally is highly specialised in this sector.

Figure 3.17: Sectoral analysis, hotels and restaurants, EU-27, 2007 (%)



Source: Eurostat (sbs_na_1a_se)

Table 3.12: Key indicators, hotels and restaurants, EU-27, 2007

Indicator	Units	Value
Number of enterprises	thousands	1 721
Persons employed	thousands	9 545
Turnover	EUR million	458 955
Value added	EUR million	195 449
Gross operating surplus	EUR million	67 467
Investment	EUR million	36 441
Share of non-financial business economy:		
Employment	%	7.1
Value added (1)	%	3.2
Investment	%	3.1
Apparent labour productivity	EUR 1 000/person	20.5
Average personnel costs	EUR 1 000/person	16.2
Gross operating rate	%	14.7
SME share of value added	%	75.9
SME share of employment	%	82.2

(1) 2006.

Source: Eurostat (ebd_all, sbs_sc_indic)

Table 3.13: Concentration and specialisation, hotels and restaurants, 2007 (1)

Value added		Persons employed (2)	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
United Kingdom	21.9	Cyprus	17.8
France	15.4	Ireland	13.7
Spain	13.6	Greece	11.3
Italy	13.0	United Kingdom	10.6
Germany	12.8	Austria	9.9

(1) Malta, not available; Cyprus and Poland, provisional.

(2) Ireland, 2006.

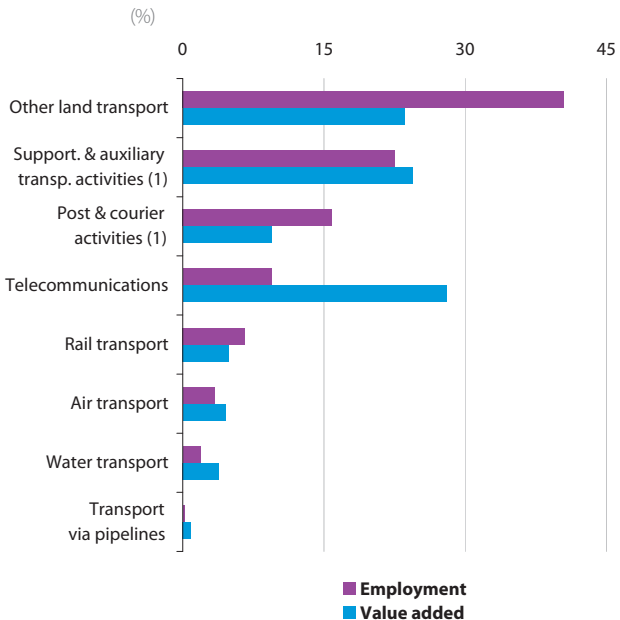
Source: Eurostat (ebd_all)

Transport, storage and communication

In 2007 there were in excess of 1.2 million enterprises in the transport, storage and communication sector in the EU-27. The sector employed 12.2 million persons which represented 9.1 % of those working in the non-financial business economy, while its value added was EUR 687.3 billion in 2007; contributing 11.4 % of the non-financial business economy’s value added in 2006. Investment for the EU-27 transport, storage and communication sector reached EUR 174.9 billion in 2007, equivalent to 14.8 % of the non-financial business economy total.

The share of SMEs within the transport, storage and communication sector was the lowest among the four non-financial services NACE sections, and also lower than in manufacturing. For the sector as a whole, 35.5 % of value added was generated by SMEs and these enterprises employed 47.8 % of the workforce. These averages result from large enterprises having a particularly high share of network transport services such as rail and air transport, as well as post and telecommunications, whereas SMEs predominate within road transport of goods and passengers.

Figure 3.18: Sectoral analysis, transport, storage and communication, EU-27, 2007



(1) 2006.

Source: Eurostat (sbs_na_1a_se)

In 2007 the United Kingdom had the largest transport, storage and communications sector in value added terms, while in employment terms Latvia and Finland were the most specialised in this sector, followed by Luxembourg.

Table 3.14: Key indicators, transport, storage and communication, EU-27, 2007

Indicator	Units	Value
Number of enterprises	thousands	1 240
Persons employed	thousands	12 212
Turnover	EUR million	1 844 222
Value added	EUR million	687 260
Gross operating surplus	EUR million	315 363
Investment	EUR million	174 923
Share of non-financial business economy:		
Employment	%	9.1
Value added (1)	%	11.4
Investment	%	14.8
Apparent labour productivity	EUR 1 000/person	56.3
Average personnel costs	EUR 1 000/person	33.6
Gross operating rate	%	17.1
SME share of value added	%	35.5
SME share of employment	%	47.8

(1) 2006.

Source: Eurostat ([ebd_all](#), [sbs_sc_indic](#))

Table 3.15: Concentration and specialisation, transport, storage and communication, 2007 (1)

Value added		Persons employed (2)	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
United Kingdom	18.6	Latvia	12.6
Germany	17.8	Finland	12.5
France	14.6	Luxembourg	11.9
Italy	11.1	Lithuania	11.2
Spain	9.1	Sweden	11.0

(1) Malta, not available; Cyprus and Poland, provisional.

(2) Ireland, 2006.

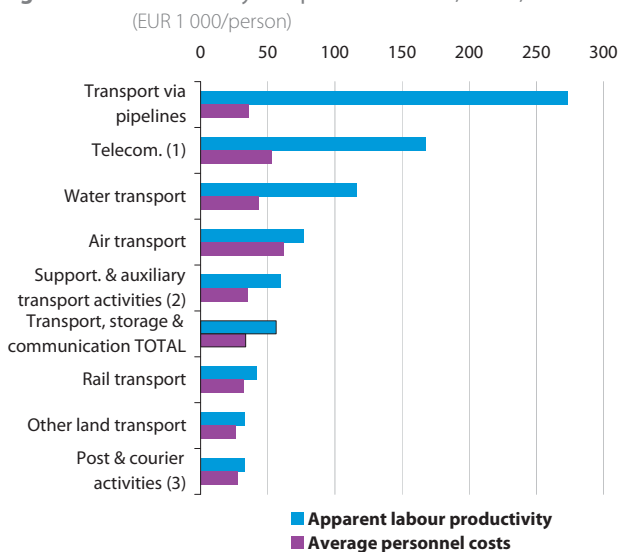
Source: Eurostat ([ebd_all](#))

In value added terms the largest subsectors were other land transport (mainly road transport of goods and passengers), supporting and auxiliary transport activities (such as warehousing, operation of terminals, and travel agents), and telecommunications (see Figure 3.18). The subsectors recorded very different levels of apparent labour productivity in the EU-27, with productivity particularly high for transport via pipelines and for telecommunications. Average personnel costs ranged from EUR 26 200 per employee for other land transport to EUR 61 900 per employee for air transport.

The EU-27 gross operating rate (see Figure 3.21) shows a wide diversity between subsectors, with particularly high values for transport via pipelines and telecommunications. In 2007 only three transport, storage and communication subsectors recorded a gross operating rate below the non-financial business economy average (11.1 %), with air transport the lowest at just 4.8 %.

Generally, the level of investment in the transport, storage and communication sector is high, with an overall investment rate for the EU-27 of 25.5 % in 2007 (see Figure 3.22) well above the non-financial business economy average in 2006 of 18.2 %. The water transport subsector had the highest rate, with tangible investment equivalent to more than half its value added.

Figure 3.19: Productivity and personnel costs, EU-27, 2006



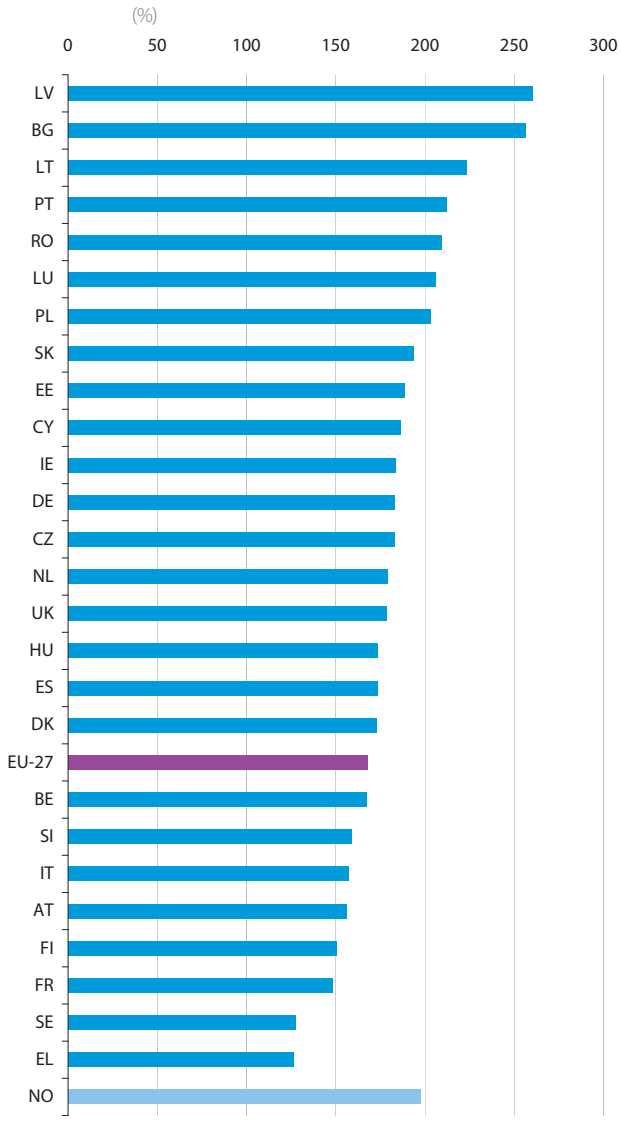
(1) Average personnel costs, 2006.

(2) Includes rounded estimates based on non-confidential data.

(3) 2006.

Source: Eurostat ([sbs_na_1a_se](#))

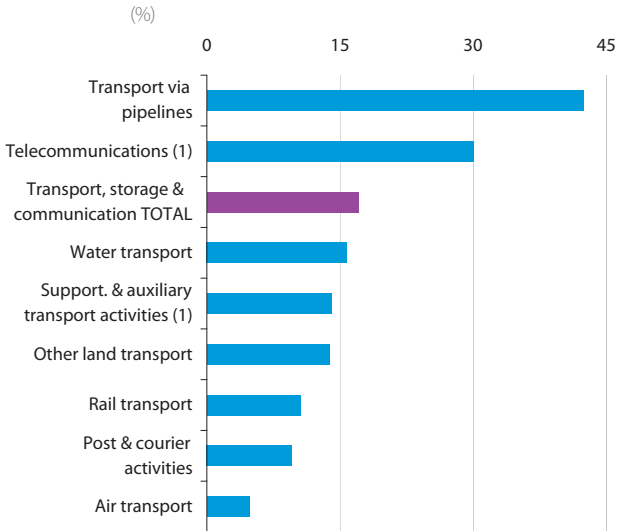
Figure 3.20: Wage adjusted labour productivity, transport, storage and communication, 2007 (1)



(1) Malta, not available; Poland, provisional.

Source: Eurostat (ebd_all)

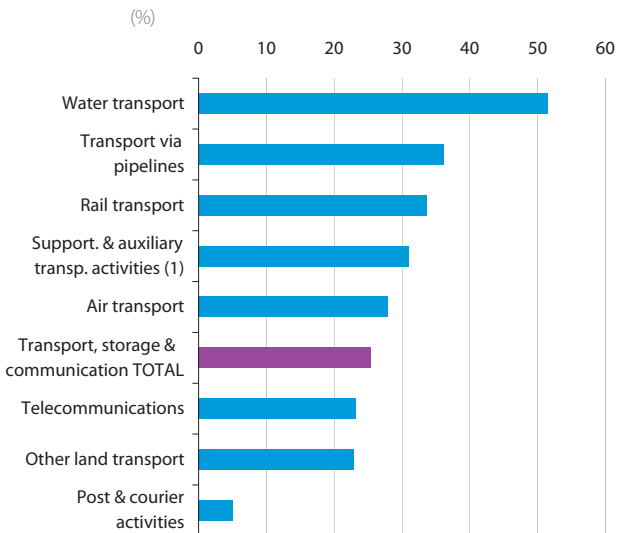
Figure 3.21: Gross operating rate, EU-27, 2007



(1) Includes rounded estimates based on non-confidential data.

Source: Eurostat (sbs_na_1a_se)

Figure 3.22: Investment rate, EU-27, 2007



(1) Includes rounded estimates based on non-confidential data.

Source: Eurostat (sbs_na_1a_se)

Table 3.16: Concentration and specialisation, 2007 (1)

Value added		Persons employed (2)	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
Land transport (60)			
France	16.9	Latvia	7.4
United Kingdom	14.7	Lithuania	7.3
Germany	13.8	Luxembourg	6.6
Italy	11.3	Slovakia	6.4
Spain	11.2	Poland	6.3
Water transport (61)			
Germany	28.0	Cyprus	2.2
United Kingdom	12.0	Denmark	0.7
Denmark	11.8	Finland	0.7
Italy	11.5	Greece	0.7
Netherlands	10.5	Sweden	0.6
Air transport (62)			
United Kingdom	27.7	Luxembourg	1.8
France	21.1	Cyprus	1.0
Netherlands	10.3	Finland	0.5
Spain	9.1	United Kingdom	0.5
Italy	8.6	France	0.5
Support. & auxiliary transp. activities (63)			
Germany	24.9	Cyprus	3.3
United Kingdom	21.8	Latvia	2.9
France	11.9	Estonia	2.8
Italy	10.5	Germany	2.6
Spain	9.0	Austria	2.5
Post & telecommunications (64)			
United Kingdom	19.8	Finland	3.1
Germany	18.3	Belgium	3.1
France	15.0	Germany	2.9
Italy	12.0	Denmark	2.8
Spain	8.5	Sweden	2.8

(1) Malta, not available; Cyprus and Poland, provisional.

(2) Land transport: Ireland, 2006. Water transport: Portugal, Slovakia and Slovenia, 2006; Ireland and the Netherlands, not available. Air transport: Portugal, Slovakia and Slovenia, 2006; Czech Republic, Ireland and the Netherlands, not available. Supporting and auxiliary transport activities, and post and telecommunications: Ireland and Czech Republic, 2006.

Source: Eurostat (ebd_all)

Financial intermediation

SBS in the area of financial intermediation differ from those for the non-financial business economy. Credit institutions are undertakings whose business is to receive deposits or other repayable funds from the public and grant credits for their own account. Net interest (the interest margin) is compiled from interest and similar income less interest payable and similar charges. Net commissions are compiled from commissions receivable less commissions payable. The balance sheet total shown in Table 3.17 represents the total assets or the total liabilities as recorded on the balance sheet. Capital and reserves in EU-27 credit institutions exceeded EUR 2.2 thousand billion in 2007.

Insurance cover can be distinguished between life and non-life; in some Member States composite insurance enterprises are common, providing both life and non-life cover. One measure often used to indicate the size of insurance activity is the value of gross premiums written: this comprises all amounts due during the financial year in respect of insurance contracts regardless of the fact that such amounts may relate in whole or in part to a later financial year. Relative to population, the level of gross premiums written was highest in Luxembourg both for life and non-life insurance (see Table 3.18).

In the frame of prudential supervision, pension funds are obliged to submit comprehensive sets of data to the supervisory authorities and SBS on pension funds are to a large extent based on this information; official statistics on autonomous pension funds are currently only available for a limited set of countries (see Table 3.19). The information presented indicates that the United Kingdom, Greece, the Netherlands and Spain were among the Member States where this activity was most important; no recent data are available for a number of countries known to be particularly specialised in this activity, for example, Ireland. The number of active members includes persons whose pension schemes are under the administration of pension funds; this excludes the number of deferred members and retired persons. Pension contributions receivable are those due during the financial year, regardless of nature. Total expenditure on pensions includes all kinds of expenditure to the members of the pension scheme and their dependants, outgoing transfers, etc.

Table 3.17: Credit institutions (banks): key indicators, 2007 (1)
(EUR billion)

	Net interest	Net commissions	Total of capital & reserves	Balance sheet total (CI)	
				(EUR billion)	(% of GDP)
BE	7.4	3.0	45.4	1 297.1	387
BG	1.1	0.3	4.0	30.2	105
CZ	3.1	1.3	9.3	130.6	103
DK	7.7	2.6	51.2	930.5	410
DE	63.4	28.3	276.3	7 760.8	320
EE	0.4	0.1	2.7	20.7	132
IE	12.8	3.3	74.4	1 337.4	705
EL	8.5	1.8	23.5	383.5	169
ES	33.7	14.0	206.3	2 945.3	280
FR	19.8	23.9	284.1	6 352.1	335
IT	32.8	19.9	276.6	2 679.9	187
CY	1.2	0.3	7.4	75.0	511
LV	0.7	0.2	2.8	30.6	145
LT	0.5	0.2	2.3	23.7	83
LU	3.4	3.1	38.3	915.4	2 444
HU	2.9	0.9	7.9	79.9	90
MT	:	:	:	:	:
NL	14.7	5.6	176.8	2 204.2	388
AT	7.3	4.2	61.1	882.4	326
PL	6.1	2.7	21.5	210.2	68
PT	6.0	2.3	35.4	440.0	270
RO	2.1	1.2	7.5	74.8	60
SI	0.6	0.3	2.7	29.3	102
SK	0.9	0.3	:	37.8	85
FI	3.6	1.1	22.4	287.8	160
SE	6.0	3.1	71.9	821.9	248
UK	61.0	38.7	559.0	10 503.6	514
NO	5.9	1.4	30.1	510.3	180
CH	0.6	12.6	87.5	1 307.7	419

(1) Slovakia and Switzerland, 2006; Italy, Hungary and Slovenia, 2005; Cyprus, excluding other credit granting; Luxembourg, excluding other monetary intermediation.

Source: Eurostat ([sbs_cre_tent](#), [nama_gdp_c](#))

Table 3.18: Insurance gross premiums written, 2007 (1)

	Life insurance		Non-life insurance	
	(EUR million)	(EUR/ inhabitant)	(EUR million)	(EUR/ inhabitant)
BE	20 859	1 984.4	10 630	1 011.3
BG	120	15.7	649	84.5
CZ	1 940	188.6	2 836	275.7
DK	12 101	2 229.6	6 008	1 107.0
DE	75 170	913.2	92 228	1 120.4
EE	180	134.3	238	177.1
IE	:	:	:	:
EL	2 251	202.3	1 851	166.4
ES	23 704	533.0	31 955	718.5
FR	:	:	:	:
IT	63 588	1 075.4	38 568	652.2
CY	405	519.7	381	489.3
LV	52	23.0	381	167.1
LT	204	60.3	357	105.4
LU	11 575	24 675.6	1 372	2 924.8
HU	2 009	199.5	1 605	159.5
MT	:	:	:	:
NL	25 758	1 576.9	20 033	1 226.4
AT	7 136	864.5	8 550	1 035.8
PL	5 418	142.0	4 216	110.5
PT	13 081	1 234.1	6 216	586.5
RO	328	15.2	1 825	84.6
SI	:	:	1 283	638.3
SK	619	114.9	759	140.8
FI	2 784	527.6	3 272	620.1
SE	9 519	1 044.5	10 698	1 173.9
UK	:	:	:	:
IS	33	111.0	337	1 124.1
NO	8 405	1 796	3 827	817.6

(1) Including life and non-life business of composites; Belgium, Denmark, Greece, Luxembourg, Netherlands, Austria, Poland, Slovakia and Iceland, 2006.

Source: Eurostat (sbs_ins_5a, demo_ppavg)

Table 3.19: Autonomous pension funds, key indicators, 2007 (1)
(EUR million)

	Pension contributions receivable		Total expenditure on pensions	Number of members (1 000) (2)
	From members	From employers		
BE	119	619	1 097	374
BG	55	24	27	595
CZ	971	185	511	3 971
DK	:	:	:	:
DE	:	:	:	:
EE	64	0	12	554
IE	:	:	:	:
EL	15 504	14 874	33 330	20
ES	5 612	1 482	11 750	10 725
FR	:	:	:	:
IT	2	2	3	3 497
CY	:	:	:	:
LV	12	16	4	143
LT	222	0	20	881
LU	:	:	:	:
HU	955	239	416	4 173
MT	:	:	:	:
NL	7 727	17 298	23 363	17 436
AT	80	523	782	542
PL	2	44	9	62
PT	111	869	1 162	422
RO	:	:	:	:
SI	0	0	4	197
SK	247	615	68	2 466
FI	2	35	333	116
SE	:	:	:	:
UK	8 773	50 791	71 778	:
IS	242	492	435	269
NO	70	975	1 389	280
CH	10 687	13 270	30 740	4 362

(1) Slovenia, United Kingdom, Iceland and Switzerland, 2006; Belgium, 2005.

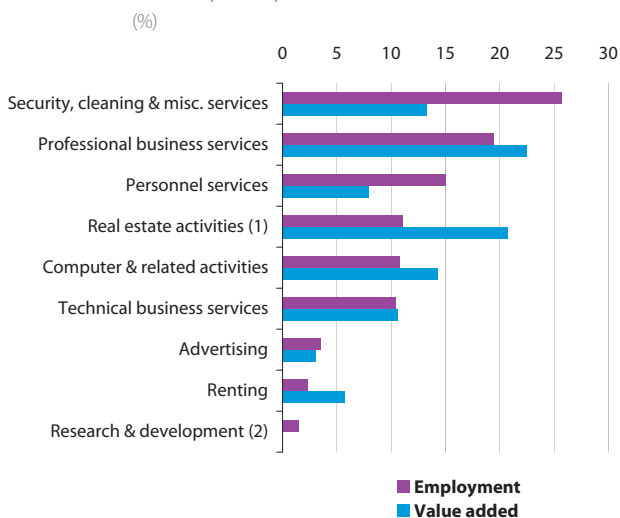
(2) Poland, 2006.

Source: Eurostat ([sbs_pen_7a](#))

Real estate, renting and business services

In 2007 there were around 6.1 million enterprises in the real estate, renting and business services sector, which was the second largest enterprise population among the non-financial business economy NACE sections. This sector generated EUR 1 396.6 billion of value added in the EU-27, and employed 27.8 million persons, and thereby accounted for just over one fifth of non-financial business economy employment and value added, while it accounted for a larger share (31.1 %) of investment than any other non-financial business economy NACE section. The share of SMEs within the real estate, renting and business activities sector was greater in terms of value added than in terms of employment. This indicates that SMEs had a higher apparent labour productivity than large enterprises, a situation found only in one other non-financial business economy NACE section, namely mining and quarrying. This situation may result from large enterprises in this sector being concentrated in subsectors with a low apparent labour productivity, such as security, cleaning and miscellaneous services.

Figure 3.23: Sectoral analysis, real estate, renting and business services, EU-27, 2007



(1) Includes rounded estimates based on non-confidential data.

(2) Employment, 2006, includes rounded estimates based on non-confidential data; value added, not available.

Source: Eurostat (sbs_na_1a_se)

In value added terms, the real estate, renting and business activities sector in the EU-27 was dominated by the United Kingdom, which accounted for one quarter of the EU total. Along with Luxembourg and the Netherlands, the United Kingdom was also one of the three most specialised Member States in this sector in employment terms, as all three of these Member States had more than one quarter of their non-financial business economy workforce in this sector.

Table 3.20: Key indicators, real estate, renting and business services, EU-27, 2007

Indicator	Units	Value
Number of enterprises	thousands	6 087
Persons employed	thousands	27 831
Turnover	EUR million	2 767 209
Value added	EUR million	1 396 599
Gross operating surplus	EUR million	652 247
Investment	EUR million	368 792
Share of non-financial business economy:		
Employment	%	20.8
Value added (1)	%	22.0
Investment	%	31.1
Apparent labour productivity	EUR 1 000/person	50.2
Average personnel costs	EUR 1 000/person	32.2
Gross operating rate	%	23.6
SME share of value added	%	71.4
SME share of employment	%	66.2

(1) 2006.

Source: Eurostat ([ebd_all](#), [sbs_sc_indic](#))

Table 3.21: Concentration and specialisation, real estate, renting and business services, 2007 (1)

Value added		Persons employed (2)	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
United Kingdom	24.6	Netherlands	32.1
Germany	19.1	United Kingdom	27.5
France	15.9	Luxembourg	26.1
Italy	8.4	France	24.0
Spain	8.2	Belgium	22.4

(1) Malta, not available; Cyprus and Poland, provisional.

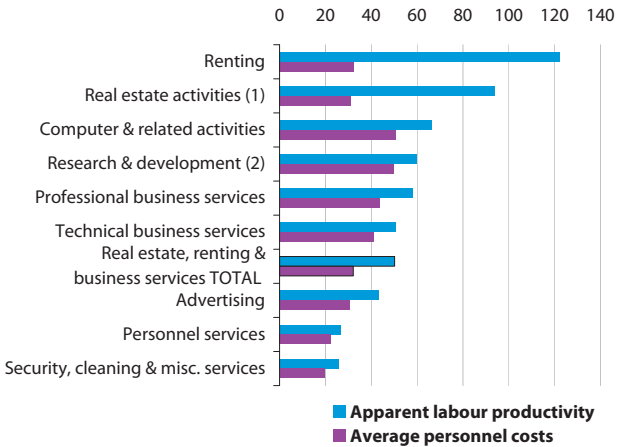
(2) Ireland, 2006.

Source: Eurostat ([ebd_all](#))

Figure 3.23 presents an analysis of nine subsectors within the EU-27 real estate, renting and business activities sector. Security, cleaning and miscellaneous services as well as personnel services generated a far smaller proportion of sectoral value added than their equivalent share of the workforce, reflecting, at least in part, the high proportion of part-time employment typical in these activities. In contrast, the capital-intensive activities of real estate activities and of renting displayed the counter position, with higher value added shares.

The highest levels of apparent labour productivity were recorded for renting and for real estate activities, both of which often involve purchasing capital assets and generating operating income there from: they typically have very low operating costs and high financial or extraordinary costs, neither of which is taken into account in the calculation of value added. As can be seen these activities also had relatively low average personnel costs and very high investment rates (Figure 3.27).

Figure 3.24: Productivity and personnel costs, EU-27, 2007
(EUR 1 000/person)

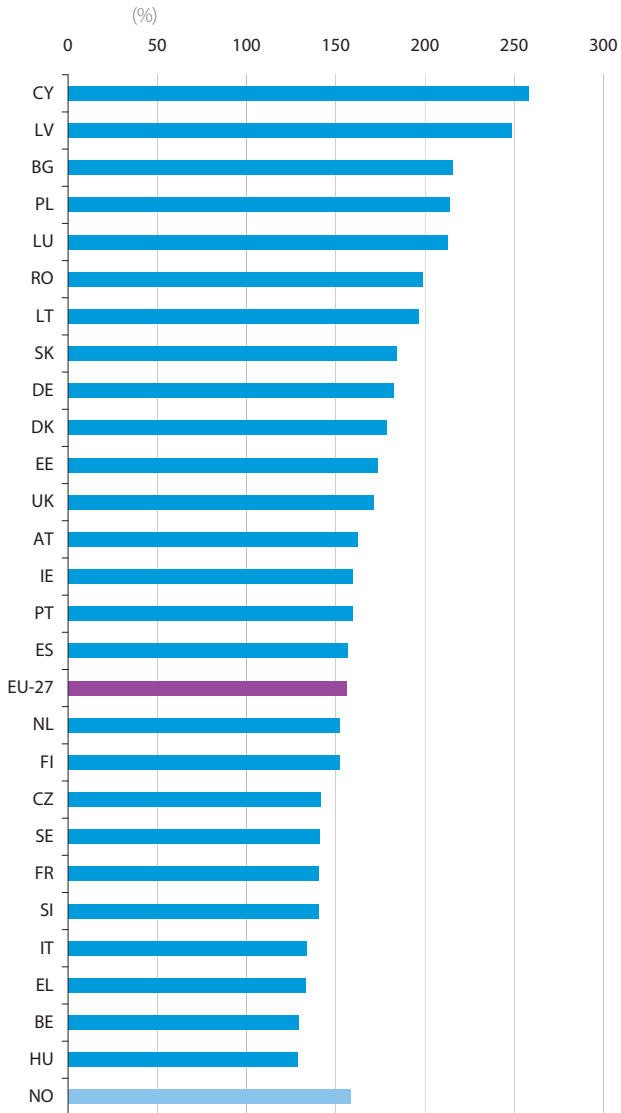


(1) Includes rounded estimates based on non-confidential data.

(2) Average personnel costs, 2006, includes rounded estimates based on non-confidential data.

Source: Eurostat ([sbs_na_1a_se](#))

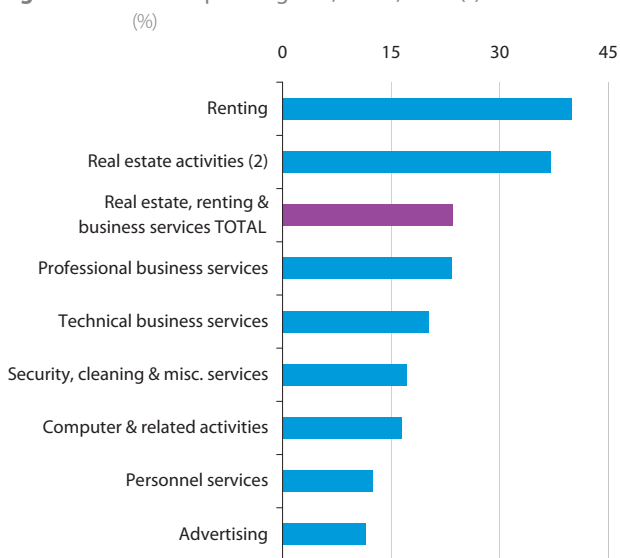
Figure 3.25: Wage adjusted labour productivity, real estate, renting and business services, 2007 (1)



(1) Malta, not available; Cyprus and Poland, not available.

Source: Eurostat (ebd_all)

Figure 3.26: Gross operating rate, EU-27, 2007 (1)

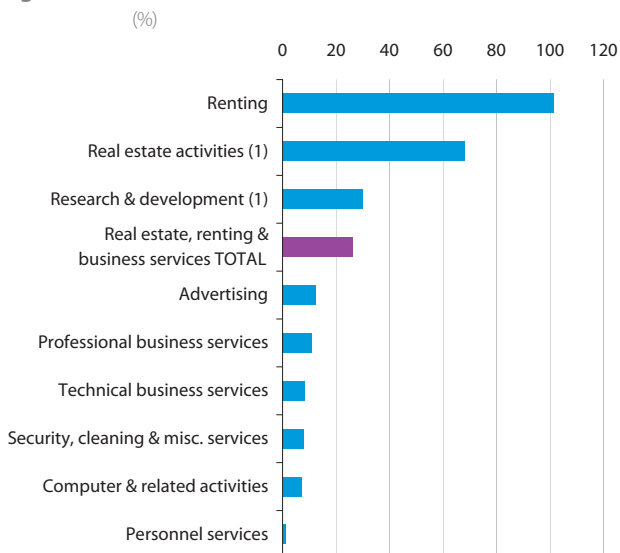


(1) Research & development, not available.

(2) Includes rounded estimates based on non-confidential data.

Source: Eurostat (sbs_na_1a_se)

Figure 3.27: Investment rate, EU-27, 2007



(1) Includes rounded estimates based on non-confidential data.

Source: Eurostat (sbs_na_1a_se)

Table 3.22: Concentration and specialisation, 2007 (1)

Value added (2)		Persons employed (3)	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
Real estate (70)			
Germany	23.5	Latvia	5.7
United Kingdom	16.4	Lithuania	3.6
France	14.3	Estonia	3.3
Spain	12.5	Spain	3.3
Italy	6.1	Denmark	3.2
Renting and leasing (71)			
United Kingdom	25.4	Ireland	1.1
Germany	23.9	United Kingdom	0.9
France	14.2	Cyprus	0.7
Spain	8.1	Spain	0.6
Netherlands	5.7	France	0.6
Computer and related activities (72)			
United Kingdom	30.4	Sweden	4.0
Germany	17.1	Finland	3.3
France	13.7	United Kingdom	3.3
Italy	9.5	Ireland	3.2
Spain	5.6	Luxembourg	3.1
Research and development (73)			
United Kingdom	31.6	Netherlands	0.6
Germany	24.5	United Kingdom	0.6
France	12.4	Romania	0.5
Netherlands	8.5	Germany	0.5
Italy	5.5	Slovenia	0.5
Other business activities (74)			
United Kingdom	25.9	Netherlands	26.4
Germany	17.4	Luxembourg	20.8
France	17.3	United Kingdom	19.8
Italy	9.4	Belgium	18.1
Spain	7.5	France	17.9

(1) Malta, not available; Cyprus and Poland, provisional.

(2) Research and development, 2004.

(3) Real estate: Ireland, 2006; Luxembourg, not available.

Renting and leasing: Czech Republic and Ireland, 2006; Sweden, not available.

Computer and related activities, and other business activities: Ireland, 2006.

Research and development: Czech Republic and Ireland, 2006; Cyprus, Luxembourg and Sweden, not available.

Source: Eurostat (ebd_all)

Methodological notes

Dedicated section and access to data

The structural business statistics (SBS) dedicated section provides access to a selection of publications, data and background information describing European business, compiled by Eurostat's structural business statistics unit. In particular, the dedicated section provides information on development projects under a heading 'special topics'. This dedicated section is located directly under the theme Industry, trade and services on the Statistics tab of the Eurostat website or from the following link:

<http://ec.europa.eu/eurostat/europeanbusiness>

The latest SBS data can be accessed through the headings Main tables or Database in the left-hand menu within the dedicated section. Workbooks containing a selection of key indicators are also available under the heading Introduction in the same left-hand menu.

Data sources

The vast majority of the data used in this pocketbook come from SBS. SBS comprise the main annual data by country providing a detailed activity analysis, as well as regional data, data analysed by enterprise size class, and a host of data collections related to specific topics, such as business demography.

In this publication a number of other Eurostat sources are used to complement these, namely short-term statistics (STS), national accounts, external trade and PRODCOM; furthermore economic sentiment indicators from the Directorate-General for Economic and Financial Affairs are also presented. All sources are detailed under each table or figure.

The data presented were extracted from a wide variety of Eurostat databases in March 2010 and the text that accompanies the tables and figures was also drafted during March 2010. Most data sources are continuously updated and revised where necessary. The freshest data are available within Eurostat's freely available dissemination database.

Key SBS definitions

Turnover corresponds to market sales of goods or services supplied to third parties. **Value added at factor cost** can be calculated from turnover, plus capitalised production, plus other operating income, plus or minus the changes in stocks, minus the purchases of goods and services.

The **number of persons employed** is defined as the total number of persons who work in the observation unit (paid or unpaid), as well as persons who work outside the unit who belong to it and are paid by it (e.g. sales representatives). It includes apprentices, part-time, seasonal workers, and home workers on the pay-roll. **Employees** are persons working for an employer with a contract of employment and receiving compensation.

Personnel costs are defined as the total remuneration, including taxes and social security contributions. **Purchases of goods and services** include the value of all goods and services purchased during the accounting period for resale or consumption in the production process.

Gross tangible investment includes new and existing tangible capital goods, whether bought from third parties or produced for own use having a useful life of more than one year including non-produced tangible goods such as land.

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

Average personnel costs are calculated as personnel costs divided by the number of employees.

The **wage adjusted labour productivity ratio** can be calculated as apparent labour productivity divided by average personnel costs, expressed as a percentage.

The **gross operating rate** is defined as the gross operating surplus (value added minus personnel costs) divided by turnover, expressed as a percentage.

EU-27 data

Unless otherwise stated, data for the EU-27 are the sum/average of the 27 Member States as appropriate or include estimates to cover missing data.

Statistical units; NACE Rev. 1.1 and Rev. 2

The main type of statistical unit used for SBS is the enterprise: an enterprise carries out one or more activities at one or more locations. Enterprises are classified into sectors according to their main activity. The local unit is an enterprise or part thereof at one location, and is the most commonly used type of statistical unit for regional SBS.

European statistics are currently migrating to a revised version of the statistical classification of economic activities in the European Community, namely NACE Rev. 2. Throughout this publication SBS and national accounts data are presented using NACE Rev. 1.1. Short-term statistics (STS) have completed this migration, and the STS data presented in Chapter 1 use the NACE Rev. 2 classification. At the present time PRODCOM data are available using two coding systems, one based on CPA 2002 (linked to NACE Rev. 1.1) and the other on CPA 2008 (linked to NACE Rev. 2); in this publication the data is presented using the PRODCOM code linked to CPA 2002.

The diagram below shows the relationship between the aggregates most commonly used in this publication and the NACE Rev. 1.1 sections that make-up the business economy as defined for this publication. In this publication, data are presented for a standard set of activities, mainly NACE divisions with a few aggregations because of space constraints.

Business economy (C to K)			
Non-financial business economy (C to I and K)			
Industry (C to E)	Construction (F)	Services (G to K)	
		Non-financial services (G to I and K)	Financial services (J)
Mining and quarrying (C); manufacturing (D); electricity, gas and water supply (E)		Distributive trades (G); hotels and restaurants (H); transport, storage and communication (I); real estate, renting and business activities (K)	

The following short labels are used in tables and figures:

Professional business services: legal, accounting, book-keeping and auditing activities, tax consultancy; market research and public opinion polling, business and management consultancy and holdings;

Technical business services: architectural and engineering activities, related technical consultancy, technical testing and analysis.

Signs and abbreviations

EU-27		27 Member States of the European Union	
BE	Belgium	NL	Netherlands
BG	Bulgaria	AT	Austria
CZ	Czech Republic	PL	Poland
DK	Denmark	PT	Portugal
DE	Germany	RO	Romania
EE	Estonia	SI	Slovenia
IE	Ireland	SK	Slovakia
EL	Greece	FI	Finland
ES	Spain	SE	Sweden
FR	France	UK	United Kingdom
IT	Italy		
CY	Cyprus	HR	Croatia
LV	Latvia	MK	the former Yugoslav Republic of Macedonia
LT	Lithuania	TR	Turkey
LU	Luxembourg	IS	Iceland
HU	Hungary	LI	Liechtenstein
MT	Malta	NO	Norway
NL	Netherlands	CH	Switzerland

Abbreviations

CPA	statistical classification of products by activity in the European Economic Community
FATS	foreign affiliates statistics
GDP	gross domestic product
NACE	statistical classification of economic activities in the European Community
NUTS	classification of territorial units for statistics
SBS	structural business statistics
SITC	standard international trade classification
SME	small and medium-sized enterprise
STS	short-term statistics
VAT	value added tax

Units and measures

billion	thousand million
EUR	euro
kg	kilogramme
l	litre
p/st.	pieces

-	not applicable
:	not available
%	percent
0.0	real zero or < 0.05

European Commission

Key figures on European business - with a special feature on the recession

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Key figures on European business with a special feature on the recession

This publication summarises the main features of European business and its different activities in a concise and simple manner. It consists of three main parts. The first chapter presents a special feature on the global financial and economic crisis, looking at how the recession affected the EU's business economy. The second presents an overview of the EU's business economy based on structural business statistics (SBS). It provides details concerning the relative importance of the business economy and results from a number of SBS development projects, for example, statistics relating to business demography, or the role of foreign-controlled enterprises within the EU's business economy, before detailing patterns of specialisation and concentration. The third chapter presents a sectoral analysis looking in more detail at specific sectors within the EU's business economy on the basis of a comprehensive set of key variables, describing monetary and employment characteristics, as well as a set of derived indicators, for example, productivity and profitability measures, also at a more detailed activity level, as well as by Member States.

This publication presents only a small selection of the SBS data available. Readers who are interested in knowing more about SBS, who would like to download the latest publications free-of-charge, or who would like to access the most recent data, are encouraged to consult the structural business statistics dedicated section. Data codes presented as part of the source under each table/figure can be used within the search facility provided at the top of the data navigation tree on Eurostat's website to gain access to the freshest statistics available.

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