

Final results on structural survey of enterprises, 2016

Tirana, February 16, 2018: In 2016, refers to the final results of structural survey of economic enterprises, turnover for producers of goods and services reached 1,882 billion ALL, increased by 4.4 % compared with 2015. Investments reached 221 billion ALL from 208 billion ALL in 2015, marking an increase of 6.3 %. In this period, the total number of employed increased by 7.9 %. In the goods and services producers operate 108,526 active enterprises. The number of enterprises increased by 3.8 % compared with 2015.

Tab.1 Main indicators by economic activities, 2016

Economic activity	Enterprises		Employed		Turnover		Investments	
	no.	%	no.	%	mIn ALL	%	mIn ALL	%
Total	108,526	100	469,665	100	1,881,662	100	221,404	100
Goods producers	13,875	12.8	167,464	35.7	625,700	33.3	158,739	71.7
Mining and Quarrying	498	0.5	11,120	2.4	63,362	3.4	6,188	2.8
Manufacturing	9,337	8.6	95,562	20.3	214,186	11.4	38,866	17.6
Electricity and Water Supply*	656	0.6	20,571	4.4	132,454	7.0	93,872	42.4
Construction	3,384	3.1	40,210	8.6	215,698	11.5	19,812	8.9
Service producers	94,650	87.2	302,202	64.3	1,255,962	66.7	62,665	28.3
Trade	45,041	41.5	113,957	24.3	904,992	48.1	28,825	13.0
Accommodation and Restaurants	20,043	18.5	52,141	11.1	43,503	2.3	4,979	2.2
Transport and Communication	7,838	7.2	34,256	7.3	140,171	7.4	14,567	6.6
Other Services	21,729	20.0	101,848	21.7	167,296	8.9	14,295	6.5

* Energy production enterprises that have invested for studies and construction and have not started working yet are classified in energy production section.

Comments on main indicators

Based on the Final results of the Structural Business Survey, the largest contribution to the **turnover** growth rate by 4.4 %, was provided by producers of services with +3.7 p.p, followed by producers of goods with +0.7 p.p. During 2016, the trade sector marked the highest percentage of turnover, 48.1 %, followed by the construction sector with 11.5 % and manufacturing sector with 11.4 %. The sectors with the lowest percentage of turnover were the accommodation and restaurants sector (2.3 %) and the mining and

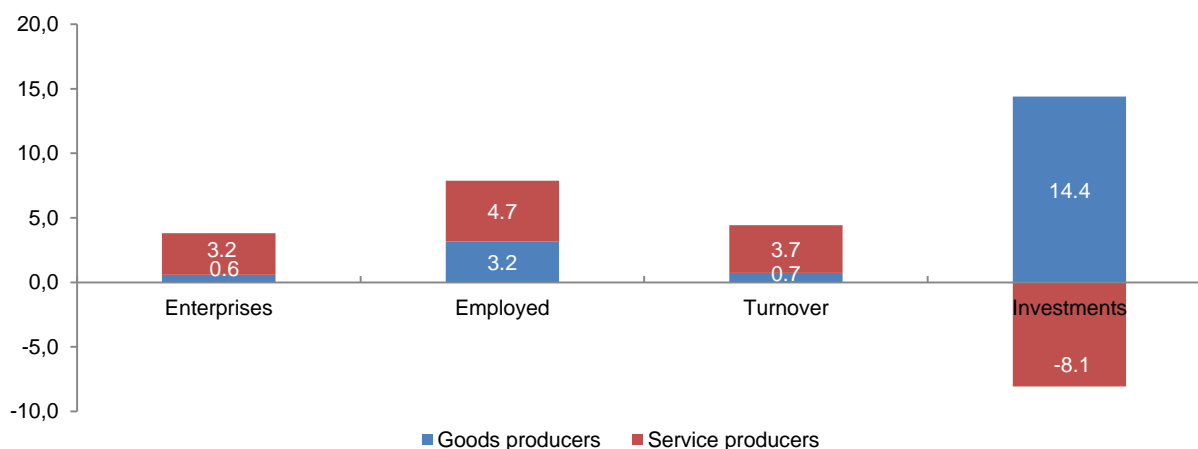
quarrying sector (3.4 %). Mining and quarrying is the only sector with a decrease of turnover for 2016, realizing 63 billion ALL from 82 billion ALL compared with 2015.

For the **employment** indicator, the producer of services had the largest contribution on the increase, by +4.7 p.p, while producers of goods contributed +3.2 p.p. The two sectors with the highest percentage of number of employed, in 2016, were trade sector with 24.3 % of employed and other services sector (private health and education, administrative services, professional, scientific and technical services, etc.) with 21.7 %, followed by manufacturing sector with 20.3 % of the total employed.

During 2016, **investments** marked an increase of 6.3 %, where contribution of goods producers was +14.4 p.p, while producers of services contributed negatively by 8.1 p.p. The producers of services constituted 28.3 % of investments compared with 38.2 %, in the previous year. The sector with the highest value of investments realized was electricity and water sector, which invested 94 billion ALL and constituted 42.4 % of total investments during 2016. The sectors with the lowest value of investments realized were the accommodation and restaurants sector (2.2 %) and the mining and quarrying sector (2.8 %).

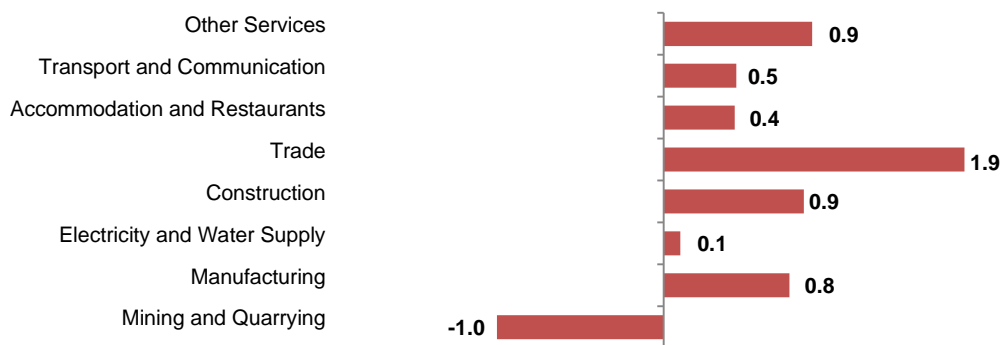
The number of **active enterprises** increased with 3.8 % during 2016. The producers of services contributed by +3.2 p.p while the producers of goods by +0.6 p.p . The sector with the largest number of active enterprises was trade sector (41.5 %), followed by other services sector (20.0 %) and accommodation and restaurant sector (18.5 %). During 2016, mining and quarrying sector had the lowest number of active enterprises, which constituted 0.5 % of the total.

Fig.1 Contribution of goods and services producers in the annual growth rate of main indicators, 2016/2015



The turnover growth rate has a positive trend for goods and services producers. The mining and quarrying sector is the only sector that has a decrease on turnover by 22.9 %. This sector had a negative contribution on the total turnover growth (4.4 %), by -1.0 p.p.

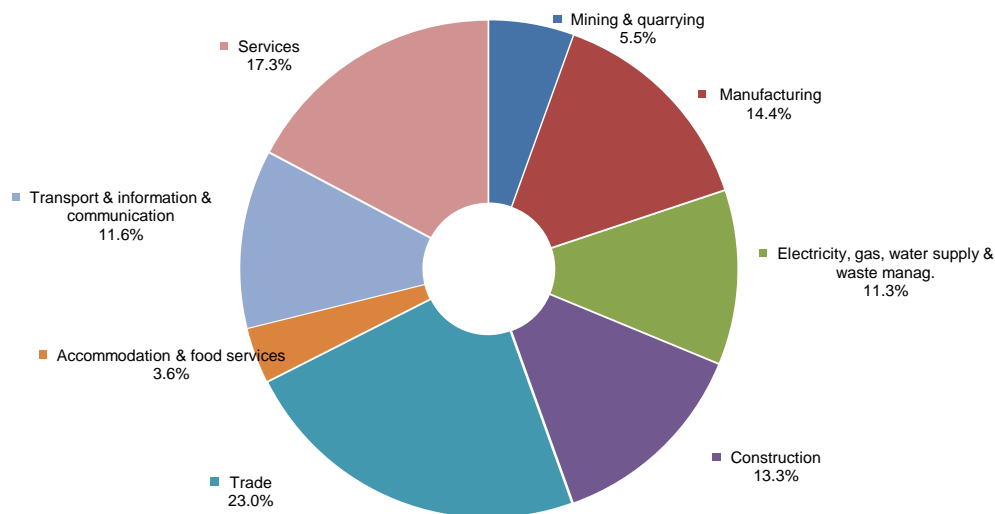
Fig.2 Economic activities contribution in turnover growth rate, 2016/2015



p.p

From the sectorial analysis of the value added, the trade sector comprises 23.0 % of this indicator. The sector with the largest percentage of value added in the producers of goods is the manufacturing industry with 14.4 %.

Fig. 3 Value added structure by economic activities, 2016



Comments by size class of enterprises

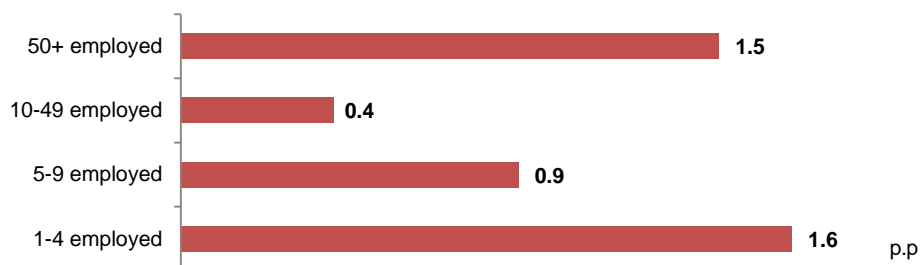
During 2016, analyzing of indicators *by size class of enterprises* showed that *enterprises with 50 or more employed* constituted 1.1 % of active enterprises, realized 44.5 % of turnover, engaged 40.0 % of the total number of employed and represented 47.3 % of the total investments. *Enterprises with 1-4 employed* are those which prevail with 89.0% of total number of active enterprises. These enterprises engaged 32.7% of the total employed and realized 15.2% of total turnover.

Tab. 2 Main indicators by size class of enterprises, 2016

	Enterprises		Employed		Turnover		Investments	
	no.	%	no.	%	mIn Lek	%	mIn Lek	%
Total	108,526	100	469,665	100	1,881,662	100	221,404	100
1-4 employed	96,614	89.0	153,785	32.7	286,686	15.2	16,249	7.3
5-9 employed	6,351	5.9	40,230	8.6	194,305	10.3	14,148	6.4
10-49 employed	4,413	4.1	87,796	18.7	563,124	29.9	86,318	39.0
50+ employed	1,148	1.1	187,854	40.0	837,547	44.5	104,689	47.3

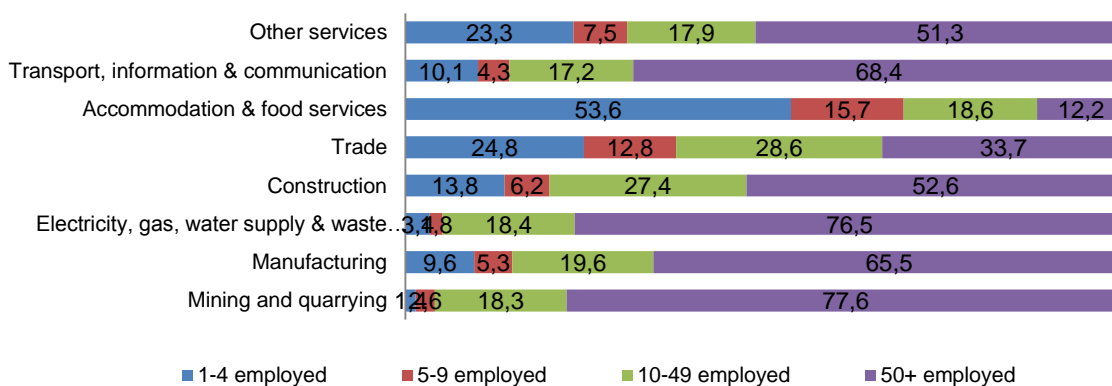
Based on the results of structural survey 2016, enterprises with 1-4 employed have the largest contribution to the total annual growth rate of turnover with +1.6 p.p, followed by enterprises with 50 or more employed, with +1.5 p.p.

Fig. 4 Contributions of enterprises by size class, in turnover growth rate, 2016/2015



Accommodation and food services sector is the only sector where enterprises with 1-4 employed generate the major percentage of total value added (53.6 %). In all other sectors, the major percentage of the total value added is generated by enterprises with 50 and more employed.

Fig.5 Main indicators structure by size class of enterprises, 2016



Methodology

The main aim of structural business statistics is to show the structure of the business sector with regard to economic data. Data are presented for the total business sector by economic activities and by size class of enterprises. Statistics comprise all enterprises that produce goods or services for the market in Albania, for all legal forms (there are not included financial, agricultural and fishing activities). Population consists of all enterprises that according to statistical register were active in December of the reference year. Classification of enterprises is done according to Classification of Economic Activities, NACE Rev.2. Data are collected for calendar year. The fiscal year always corresponds to the calendar year. Enterprises are classified on size classes by number of employed (measured as employed on a full-time basis). Enterprises with 1-9 employed are surveyed by sample survey. Enterprises with 10 and more employed are surveyed exhaustively. The data are collected directly from enterprises. Results of Structural Business Statistics, 2015 are published for the first time according to NACE Rev.2. For more information related to the methodology used, please refer to the following link:

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

Review of data

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

Final data are revised when:

- New classification is implemented
- Any change in methodology
- Weights review

SBS try to follow the standard guidelines and principles on revisions made in collaboration with the technical assistance received from the best practices of EU countries. SBS review policies are made in accordance with the review of policies imposed by INSTAT. For more refer to the link:

http://www.instat.gov.al/media/2940/revision_policy_2016.pdf

Definitions of basic variables

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

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

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

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

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

The value of production is based on:

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

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

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

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