

Industry, trade and services

7





Introduction

The [European Commission's](#) enterprise policies aim to create a favourable environment for business to thrive within the [European Union \(EU\)](#), thus creating higher [productivity](#), economic growth, jobs and wealth. Policies are aimed at reducing administrative burden, stimulating [innovation](#), encouraging [sustainable](#) production, and ensuring the smooth functioning of the EU's [internal market](#).

European industry contributes to output, jobs, innovation and [exports](#) and is interrelated with service activities. Indeed, many service activities such as transport, information and communication depend on industry to produce the equipment and hardware which they use. The internal market for goods is one of the EU's most important and continuing priorities which aims to create a user-friendly environment for businesses and consumers. Creating a [single market](#) for the service sector – one of the main drivers of the EU's economy – relies largely on the opportunities available for businesses to provide services throughout the EU, and for other businesses and individuals to access such services.

The business environment in which enterprises operate in the EU plays a significant role in their potential success through factors such as access to capital markets (in particular for venture capital), or the openness of markets. Ensuring that businesses can compete openly and fairly is also important with respect to making Europe an attractive place in which to invest and work. Creating a positive climate in which entrepreneurs and businesses can flourish is considered by many as the key to generating growth and jobs within the EU; this is all the more important in a globalised economy, where some businesses have considerable leeway to select where they wish to operate. The regulatory environment in which businesses operate influences their competitiveness and their ability to grow and create jobs. The European Commission is committed to developing a better regulatory environment for businesses; one that is simple, understandable,

effective and enforceable. The better regulation agenda of the Commission aims to:

- implement a strategy to simplify existing legislation through a simplification programme;
- reduce administrative burdens by 25% by 2012;
- place greater emphasis on the use of impact assessments and public consultations when drafting new rules and regulations;
- monitor the application of EU legislation.

The 20.9 million [small and medium-sized enterprises \(SMEs\)](#) in the EU in 2008 represented 99.8% of enterprises in the non-financial business economy, and are regarded as a key driver for economic growth, innovation, [employment](#) and social integration. The European Commission aims to promote successful entrepreneurship and improve the business environment for SMEs, to allow them to realise their full potential in the global economy. In June 2008 the 'Small business act for Europe' (SBA) was adopted by the European Commission and endorsed by the Council in December 2008. This aims to improve the overall approach to entrepreneurship, permanently anchor the 'think small first' principle in policy making and to promote SMEs' growth. The SBA is a set of ten principles which should guide the design and implementation of national and EU policies. The results of a review of the SBA were published in February 2011, providing an overview of the progress achieved in implementing the Act and setting out new actions to respond to challenges resulting from the recent financial and economic crisis. Between 2008 and 2010, the European Commission and the EU Member States took measures to ease the administrative burden on small businesses, to facilitate SMEs' access to funding, and to support their access to global markets.

At a [European Council](#) meeting of 26 March 2010, EU leaders set out their plan for Europe 2020, a strategy to enhance the [competitiveness](#) of the EU and to create more growth and jobs. The latest revision of the integrated economic and employment guidelines (revised as part of the Europe 2020 strategy for



smart, sustainable and inclusive growth) includes a guideline to improve the business and consumer environment and modernise Europe's industrial base. In October 2010 the European Commission presented a Communication on 'An industrial policy for the globalisation era' (COM(2010) 614), which provides a blueprint to put industrial competitiveness and sustainability centre stage. This industrial policy establishes a strategic agenda and proposes some broad cross-sectoral measures, as well as tailor-made actions for specific industries, mainly targeting the so-called 'green innovation'

performance of these sectors. Furthermore, a report on Member States' competitiveness policies and performance will be published annually.

European Commission Communication titled, 'A digital agenda for Europe' (COM(2010) 245) outlines policies and actions aimed at maximising the benefit of the digital era to all sections of society. The agenda outlines seven priority areas for action – see the subchapter on [information society](#) for more detail.

7.1 Structural business statistics

This subchapter presents [structural business statistics \(SBS\)](#); these data describe the structure, main characteristics and performance of economic activities across the [European Union \(EU\)](#). While the statistics presented in this subchapter are generally analysed at the level of [NACE](#) sections readers should note that structural business statistics are available at a much more detailed level (several hundred sectors).

construction, distributive trades and non-financial services) when analysed at the NACE section level: a little under one third (29.3 %) of the 21.0 million enterprises in the non-financial business economy were classified to distributive trades, while just under one in six (16.1 %) were in professional, scientific or technical activities – see Figure 7.1.1. Many of these business services have benefitted from the outsourcing phenomenon, which may explain, in part, the structural shift towards services.

Structural business statistics can provide answers to questions on the wealth creation ([value added](#)), [investment](#) and labour input of different economic activities. The data can be used to analyse structural shifts, for example from industry to services, country specialisations, sectoral [productivity](#) and [profitability](#), as well as a range of other topics. Because they are available broken down by [enterprise size-class](#), structural business statistics also permit a detailed analysis of [small and medium-sized enterprises \(SMEs\)](#), which is of particular use to EU policymakers and analysts wishing to focus on entrepreneurship and the role of SMEs. Furthermore, structural business statistics provide useful background information on which to base an interpretation of [short-term statistics](#) and the [business cycle](#).

In 2008 a total of EUR 6 155 700 million of gross value added was generated in the EU-27's non-financial business economy, which was equivalent to 63.4 % of the whole economy's value added at factor cost. The non-financial business economy workforce reached 136.3 million [persons employed](#), around three fifths (60.2 %) of those employed in the EU-27.

Among the NACE Rev. 2 sections in the non-financial business economy, manufacturing was the largest in terms of [employment](#) and value added. Some 2.1 million manufacturing enterprises generated EUR 1 669 500 million of value added in 2008, whilst providing employment for about 33.0 million persons. Distributive trades enterprises (motor trades, wholesale trade, and retail trade) provided employment for 32.8 million persons and generated a further EUR 1 153 300 million of value added. Construction had the third largest workforce, some 15.0 million persons, and the third highest level of value added, EUR 604 400 million.

Main statistical findings

Sectoral analysis

Services activities accounted for the two largest shares of the [enterprise population](#) within the EU-27's [non-financial business economy](#) (industry,



Figure 7.1.2 contrasts the value added and employment contributions of the various sectors to the non-financial business economy. The industrial activities of mining and quarrying, manufacturing, and electricity, gas, steam and air conditioning supply contributed more in terms of value added than employment to the overall non-financial business economy, indicating an above average **apparent labour productivity**; this was also the case in some of the service activities, namely information and communication services, real estate activities, as well as professional, scientific and technical activities. However, it should be noted that the employment data presented are head counts and not, for example, **full-time equivalents**, and there may be a significant proportion of persons working part-time in some of the activities covered, notably distributive trades activities, accommodation and food services, and administrative and support services (which includes cleaning and security services, as well as employment services such as the provision of temporary personnel).

Varying rates of part-time work also help explain, in part, the considerable differences in average **personnel costs** within the non-financial business economy of the EU-27, as shown in Table 7.1.3. Average personnel costs in the EU-27's information and communication sector and the electricity, gas steam and air conditioning supply sector were around EUR 50 000 per employee in 2008, a level that was around three times that for accommodation and food services and twice that for distributive trades. The variation in average personnel costs was even more marked between Member States. For example, within the manufacturing sector average personnel costs ranged (among those Member States for which data are available) by a factor of 15, from a high of EUR 54 600 per employee in Belgium to a low of EUR 3 700 per employee in Bulgaria.

The influence of part-time employment is largely removed in the **wage adjusted labour productivity ratio**, which shows the relation between average value added per person employed and average personnel costs per employee. This was particularly high for mining and quarrying activities (mainly due to a very high ratio for the extraction of crude petroleum and natural gas); it was also high for the capital-intensive

sector of real estate activities (see Figure 7.1.3). The wage adjusted labour productivity ratio fell below 100 % in the small activity of the repair of computers, personal and household goods, indicating that average personnel costs per employee were higher than average value added per person employed.

The **gross operating rate** shown in Figure 7.1.4 relates the **gross operating surplus** (value added less personnel costs) to the level of **turnover** and in this way indicates the extent to which sales are converted into gross operating profit (operating profit before accounting for depreciation or taxes). Due to the very high level of sales inherent in wholesaling and retailing, the distributive trades sector displayed the lowest gross operating rate. Capital-intensive activities tend to have a high gross operating rate (for example, real estate activities) as the gross operating surplus by definition does not take account of financial or extraordinary costs.

Size class analysis

Structural business statistics can be analysed by enterprise size class (defined in terms of the number of persons employed). The overwhelming majority (99.8 %) of enterprises active within the EU-27's non-financial business economy in 2008 were small and medium-sized enterprises (SMEs) – some 20.9 million – together they generated 58.6 % of value added within the non-financial business economy. More than nine out of ten (92.0 %) enterprises in the EU-27 were **micro enterprises** (employing less than ten persons) and their share of non-financial business economy value added was considerably lower at 21.8 %. The relative importance of SMEs was particularly high in the southern Member States of Italy, Portugal and Spain (no data available for Greece). Some of these differences may be explained by the relative importance of particular sectors in the national economy or by cultural and institutional preferences for self-employment and/or family-run businesses.

Perhaps the most striking phenomenon of SMEs is their contribution to employment. No less than two thirds (66.7 %) of the EU-27's non-financial business economy workforce was active in an SME in 2008. Some 23.3 million persons worked in SMEs in the distributive trades sector, 19.5 million in manufacturing



and 13.2 million in construction; together, these three activities provided work to 61.9% of the non-financial business economy workforce in SMEs. Micro enterprises employed more people than any other size class in a number of service sectors. This pattern was particularly pronounced for the repair of computers, personal and household goods where an absolute majority of the workforce worked in micro enterprises. In contrast, a range of activities characterised by network supply and minimum efficient scales of production (such as mining, air or rail transport, postal and courier services) reported a considerably higher proportion of their respective workforces occupied within **large enterprises**.

The contribution of SMEs to non-financial business economy value added was lower than their contribution to employment, resulting in a lower level of apparent labour productivity. This pattern was particularly prevalent among activities such as manufacturing or information and communication services. However, it was also observed across most other activities and across most Member States. As a result, large enterprises tended to record higher apparent labour productivity ratios than SMEs.

Foreign-controlled enterprises

In general, **foreign-controlled enterprises** are few in number, but due to their larger than average size they have a significant economic impact. In those Member States for which data are available (see Figure 7.1.7), foreign-controlled enterprises generated substantial shares of value added in the non-financial business economy: the highest percentage contribution of foreign-controlled enterprises to non-financial business economy value added in 2008 was registered in Hungary where it reached 47.0%, while shares in excess of 25% were recorded for Poland, Sweden and Bulgaria. Employment shares of foreign-controlled enterprises were generally lower than their value added shares, ranging from 9.1% in Spain to 23.8% in Hungary.

Business demography

Business demography statistics are presented in Table 7.1.10, which shows **enterprise birth** and death rates as well as the average size of newly born

enterprises in terms of their employment. There are significant changes in the stock of enterprises within the business economy from one year to the next, reflecting the level of competition, entrepreneurial spirit and the business environment. Among the countries providing data to Eurostat, enterprise birth rates in 2008 ranged from around 3% in Cyprus to 15% or more in Lithuania, Estonia, Bulgaria and Slovakia. Since most new enterprises are small, the share of newly born enterprises among the whole business enterprise population is much higher than the corresponding proportion of the workforce accounted for by these enterprises. The average employment size ranged from 2.5 persons in Austria to 1.1 in Ireland, with Finland below this range at 0.5.

Data sources and availability

Eurostat's structural business statistics describe the structure, conduct and performance of economic activities, down to the most detailed activity level (several hundred sectors). Without this structural information, short-term data on the economic cycle would lack background and be hard to interpret.

The knowledge-based economy and the demand for intangibles, either for consumption or investment purposes, as well as international **outsourcing**, has led to a major restructuring of many European economies, with a shift away from industrial activities towards services. Traditionally, structural business statistics were concentrated on industrial and construction activities, and to a lesser extent **distributive trades** and services. Since the early 1990s, major developments in official statistics within the EU have seen data collection efforts focus increasingly on services.

As a result, structural business statistics now cover the 'business economy', which includes industry, construction and many services (NACE Rev. 2 Sections B to N and Division 95); financial and insurance activities (NACE Section K) are treated separately within structural business statistics because of their specific nature and the limited availability of most types of standard business statistics in this area. As such, the term 'non-financial business economy' is generally used in business statistics to refer to those



economic activities covered by NACE Rev. 2 Sections B to J and L to N and Division 95 and the units that carry out those activities. Structural business statistics do not cover agriculture, forestry and fishing, nor public administration and (largely) non-market services, such as education or health.

Structural business statistics describe the business economy through the observation of units engaged in an economic activity; the unit in structural business statistics is generally the enterprise. An enterprise carries out one or more activities, at one or more locations, and it may comprise one or more legal units. Enterprises that are active in more than one economic activity (plus the value added and turnover they generate, the people they employ, and so on) are classified under the NACE heading according to their principal activity. This is normally the one which generates the largest amount of value added.

NACE Rev. 2 was adopted at the end of 2006, and implemented in structural business statistics from the 2008 reference year. This allows a broader and more detailed collection of information to be compiled on services, while also updating the classification to identify new areas of activity better.

Structural business statistics are compiled under the legal basis provided by Parliament and Council Regulation 295/2008 on structural business statistics, and in accordance with the definitions, breakdowns, deadlines for data delivery, and various quality aspects specified in the regulations implementing it.

The structural business statistics data collection consists of a common module (Annex 1), including a set of basic statistics for all activities, as well as six sector-specific annexes covering a more extensive list of characteristics. The sector-specific annexes are: industry, trade, construction, insurance services, credit institutions, and pension funds. There were two further annexes added in 2008 covering business services and business demography.

SBS are also available with an analysis by region or by enterprise size class. In structural business statistics, size classes are defined by the number of persons employed, except for specific data series within

retail trade activities where turnover size classes are also used. A limited set of the standard structural business statistics variables (for example, the number of enterprises, turnover, persons employed and value added) is analysed by size class, mostly down to the three-digit (group) level of NACE. For statistical purposes, SMEs are generally defined as those enterprises employing fewer than 250 persons. The number of size classes available varies according to the activity under consideration. However, the main groups used in this publication for presenting the results are:

- small and medium-sized enterprises (SMEs): with 1 to 249 persons employed, further divided into;
 - micro enterprises: with less than 10 persons employed;
 - small enterprises: with 10 to 49 persons employed;
 - medium-sized enterprises: with 50 to 249 persons employed;
- large enterprises: with 250 or more persons employed.

Structural business statistics contain a comprehensive set of basic variables describing business demographics and employment characteristics, as well as monetary variables (mainly concerning operating income and expenditure, or investment). In addition, a set of derived indicators has been compiled: for example, ratios of monetary characteristics or per head values.

Structural business statistics also provide information in relation to business demography, in other words, statistics that relate to the birth, survival (followed up to five years after birth) and death of enterprises within the business population; within this context the following definitions apply.

- An enterprise birth amounts to the creation of a combination of production factors, with the restriction that no other enterprises are involved in the event. Births do not include entries into the business population due to mergers, break-ups, split-offs or restructuring of a set of enterprises, nor do the statistics include entries into a sub-population that only result from a change of activity. The birth rate is the number of births relative to the stock of active enterprises.



- An enterprise death amounts to the dissolution of a combination of production factors, with the restriction that no other enterprises are involved in the event. An enterprise is only included in the count of deaths if it is not reactivated within two years. Equally, a reactivation within two years is not counted as a birth.

Structural business statistics also provide information on certain special topics, such as foreign-controlled enterprises. Statistics on foreign affiliates (FATS) provide information that can be used to assess the impact of foreign-controlled enterprises on the European economy. The data may also be used to monitor the effectiveness of the internal market and the integration of economies within the context of globalisation. A foreign affiliate, as defined in inward FATS statistics, is an enterprise resident in a country which is under the control of an institutional unit not resident in the same country. Control is determined according to the concept of the 'ultimate controlling institutional unit' which is the institutional unit, proceeding up a foreign affiliate's chain of control, which is not controlled by another institutional unit.

Context

In October 2010 the European Commission presented a Communication on a renewed industrial policy. 'An industrial policy for the globalisation era' provides a blueprint that puts industrial competitiveness and sustainability centre stage. It is a flagship initiative that forms part of the Europe 2020 strategy, and sets out a strategy that aims to boost growth and jobs by maintaining and supporting a strong, diversified and competitive industrial base in Europe offering well-paid jobs while becoming less carbon intensive. The initiative establishes a strategic agenda and proposes some broad cross-sectoral measures, as well as tailor-made actions for specific industries, mainly targeting the so-called 'green innovation' performance of these sectors.

The [internal market](#) remains one of the EU's most important priorities. The central principles governing the internal market for services were set out in the [EC Treaty](#). This guarantees EU enterprises the freedom to establish themselves in other Member

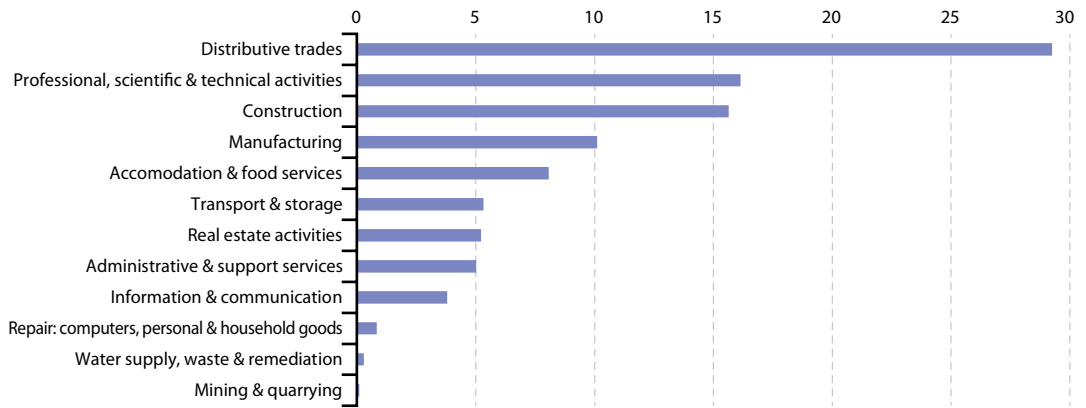
States and the freedom to provide services on the territory of another EU Member State other than the one in which they are established. The objective of the Services Directive 2006/123/EC of 12 December 2006, on services in the internal market, is to eliminate obstacles to trade in services, thus allowing the development of cross-border operations. It is intended to improve [competitiveness](#), not just of service enterprises but also of European industry as a whole. In December 2006, this Directive was adopted by the [European Parliament](#) and the [Council](#) with transposition by the Member States required by the end of 2009. It is hoped that the Directive will help achieve potential economic growth and job creation. By providing for administrative simplification, it also supports the better regulation agenda.

SMEs are often referred to as the backbone of the European economy, providing a potential source for both jobs and economic growth. In June 2008 the European Commission adopted a Communication on SMEs referred to as the 'Small business act for Europe' (SBA). This aims to improve the overall approach to entrepreneurship, to irreversibly anchor the 'think small first' principle in policymaking from regulation to public service, and to promote SMEs' growth by helping them tackle problems which hamper their development. The Communication sets out ten principles which should guide the conception and implementation of policies both at EU and national level to create a level playing field for SMEs throughout the EU and improve the administrative and legal environment to allow these enterprises to release their full potential to create jobs and growth. It also put forward a specific and far reaching package of new measures including four legislative proposals which translate these principles into action both at EU and Member State level.

A review of the SBA was released in February 2011: it highlighted the progress made and set out a range of new actions to respond to challenges resulting from the financial and economic crisis. In doing so, it is hoped that the updated SBA will contribute towards delivering the key objectives of the Europe 2020 strategy – namely, smart, sustainable and inclusive growth.



Figure 7.1.1: Breakdown of number of enterprises within the non-financial business economy, EU-27, 2008 ⁽¹⁾
(%)



⁽¹⁾ The total number of enterprises in the EU-27 non-financial business economy was estimated as 21.0 million in 2008; electricity, gas, steam and air conditioning supply, not available; estimates.

Source: Eurostat (online data codes: [sbs_na_ind_r2](#), [sbs_na_con_r2](#), [sbs_na_dt_r2](#) and [sbs_na_1a_se_r2](#))



Table 7.1.1: Value added, 2008
(EUR 1 000 million)

	Mining & quarrying	Manufacturing	Electricity, gas, steam & air conditioning supply	Water supply, waste & remediation	Construction	Distributive trades	Transport & storage	Accommodation & food services	Information & communication	Real estate activities	Professional, scientific & technical activities	Administrative & support services	Repair: computer, personal & household goods
EU-27	100.0	1 669.5	199.8	:	604.4	1 153.3	476.6	194.1	502.5	220.0	573.1	390.0	10.6
Belgium	:	49.2	:	2.4	14.5	34.9	14.4	4.2	13.1	2.9	13.2	11.8	0.2
Bulgaria	0.5	4.3	1.0	0.4	2.5	3.9	1.5	0.5	1.6	0.6	1.0	0.4	0.0
Czech Republic	2.2	31.7	5.7	1.3	7.5	14.0	6.6	1.6	6.4	2.6	6.3	2.9	0.2
Denmark	8.5	28.7	3.0	1.1	11.1	23.8	11.7	2.7	9.9	5.6	10.0	4.3	0.2
Germany	6.8	453.8	:	:	63.8	216.0	91.5	24.7	96.2	65.4	110.4	75.6	1.3
Estonia	0.1	2.2	0.3	0.1	0.9	1.7	0.9	0.2	0.6	0.3	0.5	0.4	0.0
Ireland	0.6	30.5	2.8	0.5	7.1	17.1	5.5	3.7	10.1	1.0	8.0	5.0	0.1
Greece	:	:	:	:	:	:	:	:	:	:	:	:	:
Spain	2.5	126.7	17.5	6.0	99.3	108.9	43.4	27.0	38.0	13.7	41.1	32.0	1.1
France	2.8	203.3	22.7	9.6	89.2	167.0	75.4	31.0	73.2	32.0	88.7	69.6	2.7
Italy	5.9	211.7	18.9	9.4	81.2	113.7	50.2	25.6	50.6	16.1	58.8	30.3	1.3
Cyprus	0.1	1.2	0.2	0.1	2.2	2.1	0.8	1.0	0.6	0.1	0.7	0.2	0.0
Latvia	0.1	1.9	0.5	0.2	1.3	2.6	1.5	0.3	0.7	0.7	0.6	0.4	0.0
Lithuania	0.1	2.7	0.6	0.2	1.9	3.3	1.5	0.2	0.6	0.5	0.8	0.5	0.0
Luxembourg	0.0	5.4	0.3	0.1	2.0	2.8	1.5	0.5	2.3	:	2.5	:	0.0
Hungary	0.2	19.3	2.5	0.9	3.1	9.2	3.8	0.9	4.0	1.9	3.1	2.2	0.1
Malta	:	:	:	:	:	:	:	:	:	:	:	:	:
Netherlands	8.9	59.3	5.6	3.4	29.2	65.5	26.2	7.4	23.8	10.9	35.1	21.9	0.4
Austria	1.2	46.7	5.3	1.6	15.5	28.2	13.1	6.9	7.7	7.2	11.7	9.0	0.1
Poland	8.7	57.2	9.4	2.9	18.1	40.6	13.1	2.3	12.5	4.2	9.7	5.6	0.4
Portugal	0.5	19.0	3.5	1.2	9.9	17.3	6.7	3.4	5.5	1.9	4.9	4.5	0.1
Romania	4.0	15.5	2.9	0.9	7.3	12.2	4.3	1.1	4.3	1.8	3.1	1.5	0.1
Slovenia	0.1	6.7	0.7	0.3	2.1	3.9	1.5	0.6	1.1	0.3	1.4	0.4	0.0
Slovakia	0.3	8.0	2.7	0.4	1.5	5.1	1.6	0.3	2.1	0.4	1.4	0.9	0.1
Finland	0.4	32.1	3.3	0.8	6.0	14.7	8.0	1.9	7.1	3.7	5.8	4.3	0.1
Sweden	1.9	50.3	7.5	1.2	15.4	30.3	13.1	4.0	14.7	13.1	14.9	8.7	0.2
United Kingdom	44.6	185.2	27.7	18.5	105.8	187.3	73.5	38.0	109.9	32.5	132.3	89.6	1.6
Norway	:	:	:	:	13.7	21.7	13.7	2.9	9.5	6.9	:	7.0	0.1
Croatia	:	6.1	0.7	0.8	3.1	5.2	2.1	1.1	1.8	0.3	1.9	0.6	:

Source: Eurostat (online data codes: [sbs_na_ind_r2](#), [sbs_na_con_r2](#), [sbs_na_dt_r2](#) and [sbs_na_1a_se_r2](#))



Table 7.1.2: Number of persons employed, 2008
(1 000)

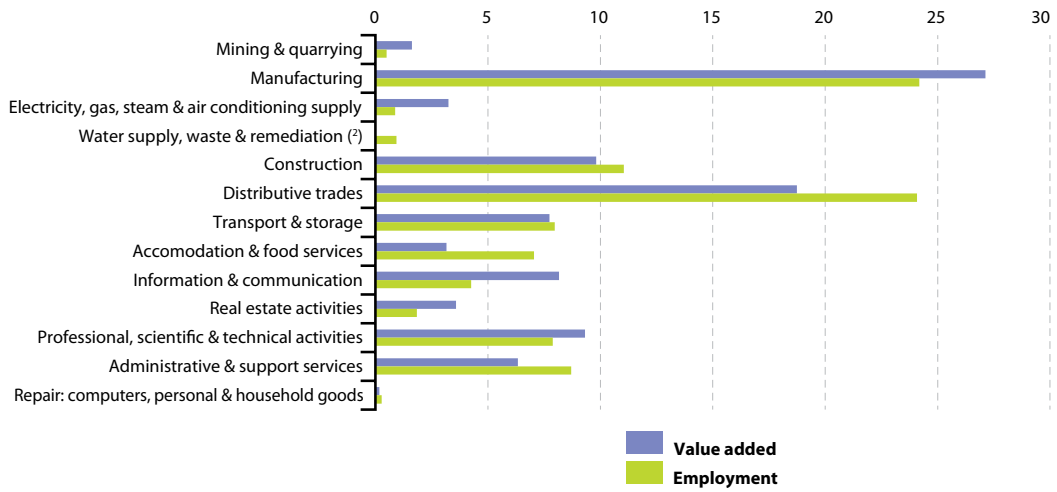
	Mining & quarrying	Manufacturing	Electricity, gas, steam & air conditioning supply	Water supply, waste & remediation	Construction	Distributive trades	Transport & storage	Accommodation & food services	Information & communication	Real estate activities	Professional, scientific & technical activities	Administrative & support services	Repair: computer, personal & household goods
EU-27	670	32 961	1 200	1 266	15 047	32 816	10 863	9 612	5 798	2 500	10 752	11 864	377
Belgium	:	586	:	25	295	636	203	171	121	31	193	275	6
Bulgaria	30	639	36	33	260	504	161	129	61	35	82	90	5
Czech Republic	42	1 366	33	54	413	685	303	164	111	58	232	194	12
Denmark	4	393	13	17	220	529	321	132	108	39	154	132	5
Germany	77	7 103	221	175	1 582	4 954	1 850	1 369	1 026	491	1 906	2 452	37
Estonia	5	121	6	4	57	99	41	21	16	12	25	30	1
Ireland	6	196	9	5	105	369	87	162	70	21	119	112	2
Greece	:	:	:	:	:	:	:	:	:	:	:	:	:
Spain	37	2 408	48	99	2 232	3 348	991	1 279	439	234	1 047	1 298	50
France	:	:	:	:	:	:	:	:	:	:	:	:	:
Italy	38	4 407	84	172	2 011	3 558	1 152	1 264	575	326	1 230	1 133	55
Cyprus	1	36	1	1	40	69	20	42	9	2	15	7	1
Latvia	3	140	12	8	89	189	78	32	22	37	35	31	2
Lithuania	3	233	18	13	142	290	103	42	24	31	47	46	4
Luxembourg	0	36	1	1	40	45	23	16	14	:	25	:	0
Hungary	6	755	27	42	247	603	235	132	107	75	205	204	12
Malta	:	:	:	:	:	:	:	:	:	:	:	:	:
Netherlands	8	753	24	38	513	1 465	427	381	274	86	661	950	13
Austria	6	632	28	18	275	626	218	259	91	42	199	195	4
Poland	184	2 561	153	112	930	2 449	753	271	255	154	475	370	40
Portugal	14	773	10	28	513	830	172	289	78	51	223	320	9
Romania	87	1 403	90	78	565	1 069	349	144	151	50	205	224	13
Slovenia	3	232	8	9	90	120	54	34	22	5	45	27	2
Slovakia	9	440	22	21	84	229	102	26	40	17	51	58	1
Finland	5	422	13	8	128	298	157	63	91	19	105	121	4
Sweden	10	752	31	16	315	630	273	147	199	74	256	259	6
United Kingdom	63	2 795	121	141	1 511	4 829	1 275	1 970	1 125	419	1 937	2 240	31
Norway	:	:	:	:	195	373	156	88	85	27	:	119	3
Croatia	:	317	17	32	163	277	84	97	40	10	77	44	:

Source: Eurostat (online data codes: [sbs_na_ind_r2](#), [sbs_na_con_r2](#), [sbs_na_dt_r2](#) and [sbs_na_1a_se_r2](#))



Figure 7.1.2: Breakdown of non-financial business economy value added and employment, EU-27, 2008 ⁽¹⁾

(% of non-financial business economy value added and employment)



⁽¹⁾ Estimates.

⁽²⁾ Value added, not available.

Source: Eurostat (online data codes: [sbs_na_ind_r2](#), [sbs_na_con_r2](#), [sbs_na_dt_r2](#) and [sbs_na_1a_se_r2](#))



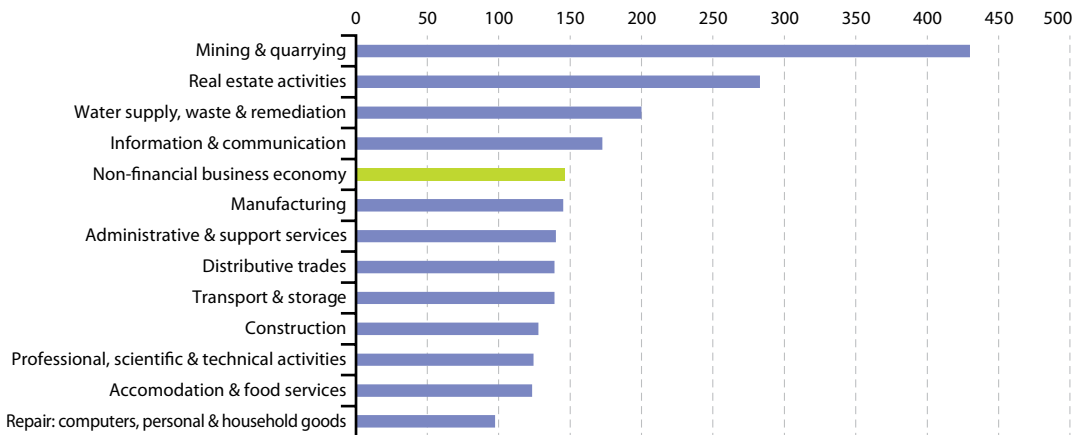
Table 7.1.3: Average personnel costs, 2008
(EUR 1 000 per employee)

	Mining & quarrying	Manufacturing	Electricity, gas, steam & air conditioning supply	Water supply, waste & remediation	Construction	Distributive trades	Transport & storage	Accommodation & food services	Information & communication	Real estate activities	Professional, scientific & technical activities	Administrative & support services	Repair, computer, personal & household goods
EU-27	35.0	34.9	50.0	31.9	31.4	25.3	31.6	16.4	50.2	30.9	42.8	23.5	28.8
Belgium	:	54.6	:	54.4	41.3	42.6	49.2	19.2	67.5	42.6	62.7	32.1	46.6
Bulgaria	7.4	3.7	10.2	4.5	3.6	3.3	5.0	2.3	9.0	5.0	6.7	2.6	2.6
Czech Republic	20.3	14.4	23.8	14.4	14.8	14.1	15.4	8.3	27.8	14.8	21.0	10.6	15.5
Denmark	77.0	50.8	60.8	29.3	43.9	34.2	26.4	16.6	62.6	44.5	56.9	34.4	35.3
Germany	52.4	47.5	71.0	42.0	34.9	27.7	29.9	12.5	52.3	33.1	40.5	18.5	25.2
Estonia	15.0	11.9	16.4	13.5	13.4	11.8	12.9	7.8	19.1	8.7	13.9	10.9	10.6
Ireland	61.8	48.1	96.9	48.6	65.4	33.3	50.9	21.0	61.0	45.5	50.6	31.7	39.3
Greece	:	:	:	:	:	:	:	:	:	:	:	:	:
Spain	37.0	34.4	71.6	34.7	32.6	25.9	33.0	19.5	44.2	28.5	33.9	19.4	25.0
France	:	:	:	:	:	:	:	:	:	:	:	:	:
Italy	57.0	36.9	57.3	39.4	31.6	30.5	37.4	19.9	48.3	34.1	39.5	22.9	30.2
Cyprus	33.5	21.6	51.6	30.7	24.8	21.3	27.3	16.4	32.8	16.9	29.6	18.6	33.3
Latvia	9.2	8.0	14.6	9.6	8.3	7.6	9.6	5.3	14.1	6.7	10.3	8.0	4.6
Lithuania	13.0	8.8	13.6	9.0	10.2	7.8	8.7	4.8	12.3	7.2	10.8	7.7	6.4
Luxembourg	49.7	51.4	78.5	44.2	39.1	39.5	49.6	27.4	66.0	:	73.0	:	30.2
Hungary	15.6	12.7	25.9	13.2	8.9	10.1	13.5	6.4	22.4	9.9	15.9	8.3	12.2
Malta	:	:	:	:	:	:	:	:	:	:	:	:	:
Netherlands	76.6	47.7	56.1	40.5	48.8	28.0	40.7	13.0	53.2	34.9	42.7	15.5	27.5
Austria	58.3	46.7	76.3	41.9	38.9	32.8	41.2	20.6	59.8	36.4	46.9	28.1	32.5
Poland	23.8	11.6	20.7	12.3	10.8	9.2	11.5	6.4	21.3	12.3	14.0	9.5	11.1
Portugal	18.6	15.5	62.2	19.2	13.6	13.9	24.0	9.7	31.8	15.1	13.8	10.2	7.0
Romania	15.7	5.7	13.4	6.4	5.4	4.8	7.0	3.6	12.0	5.4	7.0	3.9	4.0
Slovenia	31.8	19.5	32.8	22.3	16.6	19.7	20.6	14.3	31.9	21.2	24.5	14.7	16.5
Slovakia	13.3	11.6	18.4	11.4	10.6	10.3	11.7	6.7	21.7	11.1	16.7	8.8	13.5
Finland	38.7	46.0	57.1	41.0	37.1	35.1	39.8	26.5	52.0	36.9	47.1	28.1	36.6
Sweden	58.0	53.0	67.5	47.8	45.4	41.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
United Kingdom	74.2	37.5	47.7	41.0	38.5	22.8	37.0	12.9	56.1	33.3	48.1	25.6	36.1
Norway	:	:	:	:	56.7	43.3	54.0	28.2	77.5	58.7	:	45.7	52.0
Croatia	:	12.4	19.1	15.9	11.2	11.2	17.1	8.4	19.4	13.2	15.2	9.9	:

Source: Eurostat (online data codes: [sbs_na_ind_r2](#), [sbs_na_con_r2](#), [sbs_na_dt_r2](#) and [sbs_na_1a_se_r2](#))



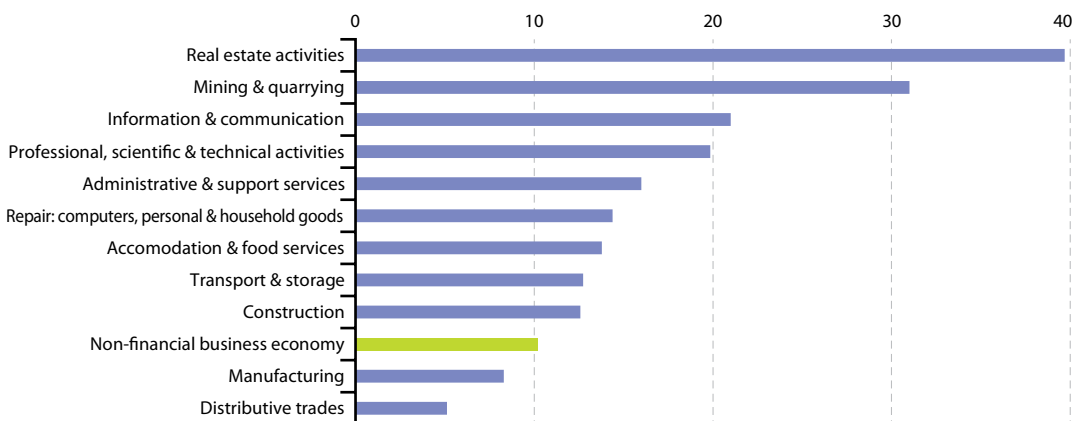
Figure 7.1.3: Wage adjusted labour productivity within the non-financial business economy, EU-27, 2008 ⁽¹⁾ (%)



⁽¹⁾ Electricity, gas, steam and air conditioning supply, not available; estimates.

Source: Eurostat (online data codes: [sbs_na_ind_r2](#), [sbs_na_con_r2](#), [sbs_na_dt_r2](#) and [sbs_na_1a_se_r2](#))

Figure 7.1.4: Gross operating rate within the non-financial business economy, EU-27, 2008 ⁽¹⁾ (%)

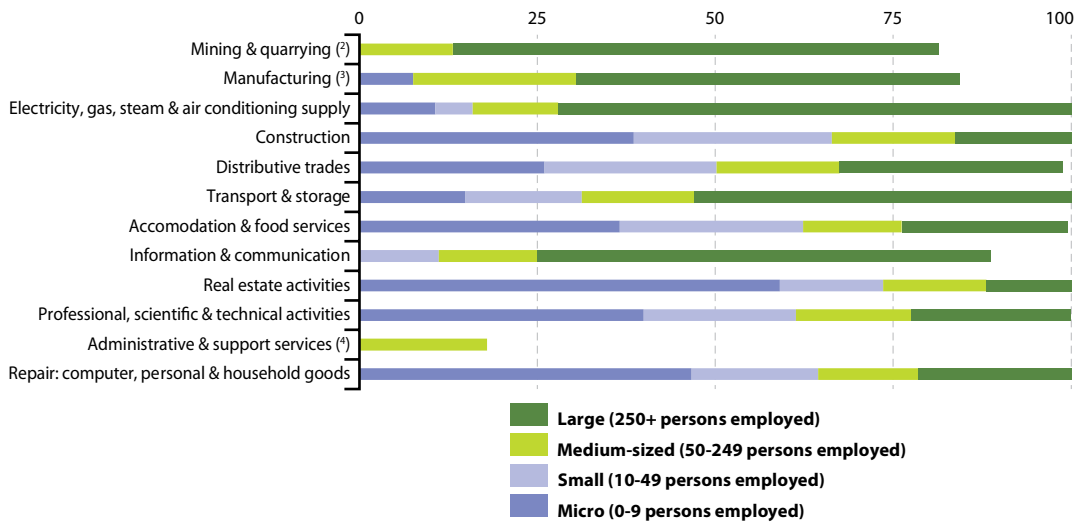


⁽¹⁾ Electricity, gas, steam and air conditioning supply and water supply, waste and remediation, not available; estimates.

Source: Eurostat (online data codes: [sbs_na_ind_r2](#), [sbs_na_con_r2](#), [sbs_na_dt_r2](#) and [sbs_na_1a_se_r2](#))



Figure 7.1.5: Value added breakdown by enterprise size class, EU-27, 2008 ⁽¹⁾
(% of sectoral total)



⁽¹⁾ Water supply, waste and remediation, not available; estimates.

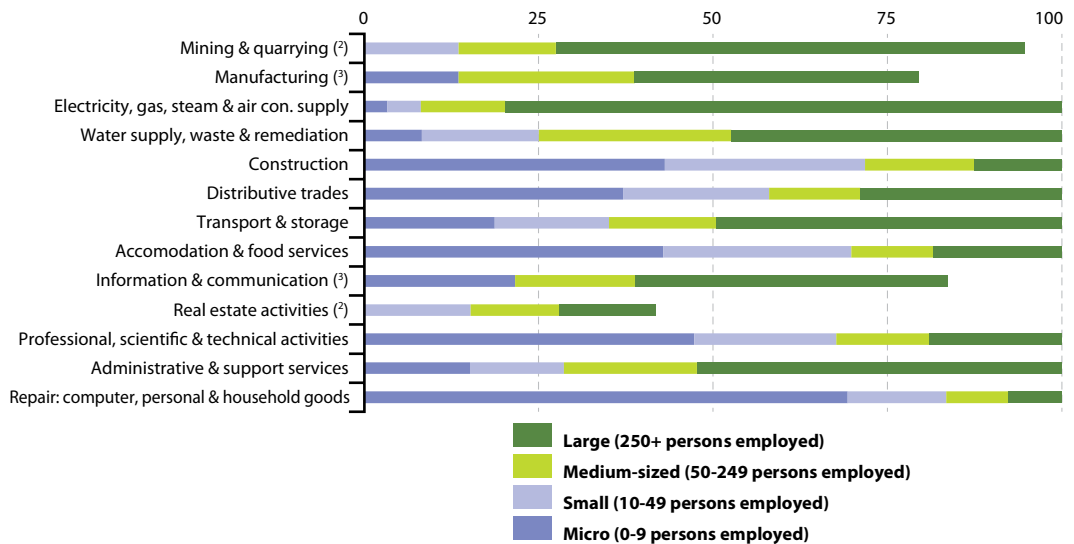
^(?) Micro and small enterprises, not available.

^(*) Small enterprises, not available.

^(*) Micro, small and large enterprises, not available.

Source: Eurostat (online data codes: [sbs_sc_ind_r2](#), [sbs_sc_con_r2](#), [sbs_sc_dt_r2](#) and [sbs_sc_1b_se_r2](#))

Figure 7.1.6: Employment breakdown by enterprise size class, EU-27, 2008 ⁽¹⁾
(% of sectoral total)



⁽¹⁾ Estimates.

^(?) Micro enterprises, not available.

^(?) Small enterprises, not available.

Source: Eurostat (online data codes: [sbs_sc_ind_r2](#), [sbs_sc_con_r2](#), [sbs_sc_dt_r2](#) and [sbs_sc_1b_se_r2](#))



Table 7.1.4: Value added by enterprise size class, mining and quarrying and manufacturing, 2008 ⁽¹⁾
(% share of size class in total sectoral value added)

	Mining & quarrying				Manufacturing			
	Micro	Small	Medium-sized	Large	Micro	Small	Medium-sized	Large
EU-27 ⁽²⁾	:	:	12.5	68.8	7.0	:	23.5	53.8
Belgium	:	:	:	:	6.3	13.5	21.4	58.7
Bulgaria	-7.4	9.2	11.9	86.3	5.9	17.6	34.3	42.1
Czech Republic	1.1	2.6	10.5	85.9	9.1	11.3	24.4	55.1
Denmark	:	:	4.6	:	5.9	15.2	24.5	54.4
Germany	4.7	12.1	11.4	71.8	3.3	10.3	21.5	64.9
Estonia	3.9	21.7	:	:	6.6	20.3	42.7	30.4
Ireland	8.3	18.4	28.6	44.8	2.3	7.3	24.2	66.3
Greece	:	:	:	:	:	:	:	:
Spain	10.1	39.6	26.6	23.7	11.3	25.5	23.6	39.6
France	12.4	34.7	29.6	23.4	10.6	15.7	20.6	53.1
Italy	4.7	13.7	:	:	13.0	27.8	26.5	32.6
Cyprus	6.4	93.4	0.0	0.0	23.4	36.2	23.5	16.9
Latvia	:	:	33.1	:	5.7	20.8	42.0	31.4
Lithuania	8.2	16.7	75.1	0.0	3.4	15.8	37.7	43.2
Luxembourg	:	0.0	:	0.0	1.6	:	:	:
Hungary	9.1	38.5	:	:	4.4	9.4	17.8	68.4
Malta	:	:	:	:	:	:	:	:
Netherlands	8.9	1.5	:	:	7.9	18.9	26.4	46.8
Austria	5.3	13.6	11.3	69.8	4.6	12.0	24.1	59.3
Poland	1.0	1.5	6.1	91.5	7.3	10.0	25.3	57.3
Portugal	:	33.4	13.2	:	9.4	23.6	32.2	34.8
Romania	2.5	2.6	3.5	91.4	4.3	12.7	24.1	58.9
Slovenia	7.4	:	20.4	:	10.2	14.4	25.6	49.7
Slovakia	1.1	13.3	15.2	70.5	3.2	12.7	24.0	60.1
Finland	21.2	:	:	:	5.8	12.1	17.8	64.2
Sweden	7.6	4.7	3.6	84.1	6.3	12.5	19.4	61.6
United Kingdom	7.2	3.4	13.1	76.3	7.6	14.8	22.4	55.2
Croatia	:	:	:	:	8.7	16.0	24.2	51.0

⁽¹⁾ Micro: 0-9 persons employed; small: 10-49 persons employed; medium-sized: 50-249 persons employed; large: 250+ persons employed.

⁽²⁾ Estimates.

Source: Eurostat (online data code: [sbs_sc_ind_r2](#))



Table 7.1.5: Value added by enterprise size-class, electricity, gas, steam and air conditioning supply and water supply, waste and remediation, 2008 ⁽¹⁾
(% share of size class in total sectoral value added)

	Electricity, gas, steam & air conditioning supply				Water supply, waste & remediation			
	Micro	Small	Medium-sized	Large	Micro	Small	Medium-sized	Large
EU-27	7.2	5.8	13.5	73.5	:	:	:	:
Belgium	:	:	:	:	11.2	22.2	18.4	48.2
Bulgaria	1.2	1.2	11.1	86.6	1.9	6.9	15.7	75.5
Czech Republic	0.7	:	15.3	:	9.2	17.1	29.1	44.6
Denmark	47.5	7.3	7.1	38.0	23.9	15.0	:	:
Germany	:	:	:	:	:	:	:	:
Estonia	7.6	7.4	31.9	53.1	5.5	35.7	12.4	46.5
Ireland	:	:	:	:	19.7	42.7	26.3	11.3
Greece	:	:	:	:	:	:	:	:
Spain	13.6	7.3	6.9	72.1	7.7	18.0	20.7	53.6
France	38.3	1.2	1.4	59.0	11.8	15.9	19.6	52.8
Italy	8.3	10.0	6.9	74.8	8.9	25.3	:	:
Cyprus	0.0	0.0	0.0	100.0	9.9	60.4	29.7	0.0
Latvia	3.2	:	4.5	:	:	16.2	41.0	:
Lithuania	1.2	5.2	4.0	89.6	2.4	11.0	57.7	28.9
Luxembourg	:	:	:	:	12.4	:	:	:
Hungary	5.6	7.5	22.7	64.3	5.0	13.2	26.7	55.1
Malta	:	:	:	:	:	:	:	:
Netherlands	:	:	:	61.7	:	:	:	51.2
Austria	8.1	4.4	13.8	73.7	19.0	30.5	16.7	33.8
Poland	0.4	2.5	12.4	84.7	4.9	14.5	41.9	38.7
Portugal	20.9	1.5	8.6	69.1	4.0	13.7	47.5	34.9
Romania	0.7	3.7	5.6	90.0	4.4	10.5	26.8	58.3
Slovenia	3.5	2.4	20.9	73.1	6.3	:	49.5	:
Slovakia	0.5	2.5	21.1	75.9	3.5	14.2	19.6	62.8
Finland	9.2	11.8	22.0	57.0	20.2	:	:	:
Sweden	9.9	10.2	23.7	56.3	10.8	19.0	39.2	30.8
United Kingdom	2.9	1.6	6.3	89.1	6.1	8.5	9.1	76.3
Croatia	:	:	6.1	86.6	:	10.5	32.8	:

⁽¹⁾ Micro: 0-9 persons employed; small: 10-49 persons employed; medium-sized: 50-249 persons employed; large: 250+ persons employed.

Source: Eurostat (online data code: [sbs_sc_ind_r2](#))



Table 7.1.6: Value added by enterprise size-class, construction and distributive trades, 2008 ⁽¹⁾
(% share of size class in total sectoral value added)

	Construction				Distributive trades			
	Micro	Small	Medium-sized	Large	Micro	Small	Medium-sized	Large
EU-27	37.6	27.7	18.2	16.5	:	24.5	:	32.0
Belgium	36.7	29.8	20.4	13.1	27.5	29.3	16.7	26.5
Bulgaria	16.1	29.7	35.0	19.1	26.8	33.4	25.6	14.2
Czech Republic	36.4	22.3	21.0	20.3	25.4	27.9	22.8	24.0
Denmark	27.6	36.8	20.2	15.4	20.1	28.8	23.5	27.5
Germany	28.3	38.6	21.5	11.6	15.8	25.4	20.9	37.9
Estonia	21.2	36.3	33.0	9.5	24.9	33.5	24.4	17.1
Ireland	41.9	18.0	21.8	18.3	17.0	40.4	21.4	21.2
Greece	:	:	:	:	:	:	:	:
Spain	38.5	27.3	18.8	15.4	35.0	24.6	14.3	26.1
France	43.7	28.5	11.9	16.0	31.8	21.4	16.6	30.1
Italy	59.1	26.1	9.3	5.5	47.2	25.3	12.1	15.4
Cyprus	38.2	30.7	16.4	14.7	33.0	31.1	23.8	12.0
Latvia	13.9	28.6	43.7	13.9	21.2	34.2	28.1	16.5
Lithuania	10.3	23.4	40.9	25.4	15.6	30.6	26.1	27.7
Luxembourg	23.7	30.4	31.4	14.5	30.5	29.3	26.0	14.2
Hungary	36.1	29.5	22.8	11.6	27.4	27.1	24.2	21.2
Malta	:	:	:	:	:	:	:	:
Netherlands	30.8	28.0	18.8	22.4	:	27.0	:	24.5
Austria	23.6	30.8	21.2	24.4	21.5	27.1	21.1	30.3
Poland	31.4	20.5	26.5	21.5	26.3	21.8	22.7	29.1
Portugal	30.2	28.7	20.5	20.7	30.8	28.2	19.8	21.3
Romania	18.1	21.8	28.4	31.7	21.1	29.3	26.4	23.2
Slovenia	32.5	27.8	21.7	18.0	25.0	28.4	21.6	25.0
Slovakia	11.9	36.2	28.8	23.1	24.7	40.8	18.0	16.5
Finland	51.5	27.9	8.2	12.3	25.0	24.5	16.6	33.8
Sweden	33.9	28.7	12.7	24.7	24.3	26.2	18.5	31.0
United Kingdom	36.0	22.9	18.3	22.8	17.6	16.6	16.5	49.3
Norway	32.8	32.2	15.8	19.3	24.6	30.5	19.3	25.6
Croatia	21.4	26.6	23.7	28.4	24.3	29.7	20.4	25.7

(¹) Micro: 0-9 persons employed; small: 10-49 persons employed; medium-sized: 50-249 persons employed; large: 250+ persons employed.

Source: Eurostat (online data codes: [sbs_sc_con_r2](#) and [sbs_sc_dt_r2](#))



Table 7.1.7: Value added by enterprise size-class, transport and storage and accommodation and food services, 2008
(% share of size class in total sectoral value added)

	Transport and storage				Accommodation and food services			
	Micro	Small	Medium-sized	Large	Micro	Small	Medium-sized	Large
EU-27	15.4	17.3	16.5	50.9	34.1	26.4	15.3	24.1
Belgium	10.9	30.3	23.9	35.0	47.9	:	10.3	:
Bulgaria	15.1	19.7	17.2	48.0	16.0	27.0	35.2	21.8
Czech Republic	15.7	12.3	13.0	59.0	46.2	22.2	16.5	15.1
Denmark	17.0	16.8	21.0	50.0	23.1	33.0	23.0	20.9
Germany	13.2	20.1	19.5	47.2	30.0	34.8	18.4	16.8
Estonia	18.7	21.7	34.4	25.2	17.4	34.8	32.2	15.5
Ireland	15.1	14.9	11.7	58.4	18.5	32.8	38.9	9.8
Greece	:	:	:	:	:	:	:	:
Spain	28.1	18.8	15.9	37.2	41.5	24.0	16.0	18.5
France	11.7	11.2	12.2	64.9	49.0	24.0	6.6	20.4
Italy	14.6	17.1	13.6	54.7	47.7	29.9	8.7	13.7
Cyprus	20.4	14.2	17.4	48.0	33.0	19.9	29.1	18.0
Latvia	12.8	24.4	16.9	46.0	:	32.1	:	:
Lithuania	9.2	24.0	24.3	42.6	10.7	38.9	29.7	20.8
Luxembourg	7.4	12.4	22.6	57.6	41.4	:	10.9	:
Hungary	17.2	19.1	14.7	49.0	29.1	25.7	21.5	23.8
Malta	:	:	:	:	:	:	:	:
Netherlands	14.7	17.7	19.2	48.4	42.4	26.3	10.0	21.3
Austria	8.2	16.2	21.4	54.2	38.7	34.9	18.4	7.9
Poland	18.5	10.7	14.9	56.0	31.1	20.1	19.2	29.6
Portugal	13.7	22.8	17.8	45.7	34.3	27.0	19.4	19.3
Romania	12.4	15.7	14.3	57.7	16.9	23.3	27.8	31.9
Slovenia	23.4	17.3	14.1	45.1	32.0	22.6	21.5	23.9
Slovakia	5.2	13.9	19.4	61.5	28.2	37.8	:	:
Finland	28.9	16.5	12.2	42.5	32.1	25.0	:	:
Sweden	20.8	18.3	15.7	45.1	37.3	31.7	14.4	16.5
United Kingdom	11.1	11.8	12.2	64.9	21.3	18.0	13.4	47.3
Norway	42.3	11.5	13.5	32.7	21.5	34.4	23.9	20.2
Croatia	13.5	16.6	20.6	49.2	24.0	16.5	24.1	35.4

(¹) Micro: 0-9 persons employed; small: 10-49 persons employed; medium-sized: 50-249 persons employed; large: 250+ persons employed.

Source: Eurostat (online data code: [sbs_sc_1b_se_r2](#))



Table 7.1.8: Value added by enterprise size-class, information and communication and real estate activities, 2008

(% share of size class in total sectoral value added)

	Information and communication				Real estate activities			
	Micro	Small	Medium-sized	Large	Micro	Small	Medium-sized	Large
EU-27	:	11.1	14.1	63.6	58.5	14.8	13.0	:
Belgium	11.0	12.4	15.4	61.1	60.2	:	17.1	:
Bulgaria	7.3	9.7	14.2	68.8	68.8	18.5	:	:
Czech Republic	12.3	10.0	12.2	65.5	75.9	13.6	6.3	4.2
Denmark	12.5	14.0	16.9	56.6	80.9	10.9	4.5	3.7
Germany	9.6	11.9	17.4	61.1	61.5	16.1	12.7	9.7
Estonia	9.1	15.7	25.9	49.3	72.1	22.9	:	:
Ireland	5.7	10.1	:	:	65.6	16.5	:	:
Greece	:	:	:	:	:	:	:	:
Spain	6.8	9.2	11.9	72.1	76.3	14.1	7.2	2.4
France	11.8	11.7	12.8	63.7	46.2	11.6	22.7	19.5
Italy	11.2	10.0	10.9	67.8	85.0	5.3	5.9	3.9
Cyprus	7.2	10.5	20.6	61.7	75.1	:	:	0.0
Latvia	10.3	15.4	24.6	49.6	54.0	24.8	11.4	9.8
Lithuania	7.9	18.1	31.1	42.9	51.5	37.8	:	:
Luxembourg	12.7	:	:	:	:	:	:	:
Hungary	10.7	10.3	15.9	63.1	70.3	17.6	5.8	6.4
Malta	:	:	:	:	:	:	:	:
Netherlands	:	13.1	14.7	60.0	37.7	17.2	26.3	18.8
Austria	14.2	15.2	19.2	51.5	56.0	14.3	18.4	11.3
Poland	7.9	7.6	13.0	71.5	14.3	30.9	41.4	13.4
Portugal	6.5	9.0	16.7	67.8	79.5	14.7	5.7	0.0
Romania	7.9	11.8	10.4	69.9	57.7	23.3	14.3	4.7
Slovenia	14.2	18.3	17.2	50.3	56.5	:	:	0.0
Slovakia	9.8	11.1	19.7	59.4	37.3	42.0	:	:
Finland	9.2	12.3	20.7	57.8	53.6	:	:	:
Sweden	14.0	16.8	18.4	50.7	56.2	14.9	19.0	9.9
United Kingdom	14.3	9.9	11.8	64.1	43.4	13.3	11.4	31.9
Norway	12.7	16.3	22.8	48.3	90.1	6.1	:	:
Croatia	9.0	11.9	8.2	70.8	71.6	23.0	5.4	0.0

(¹) Micro: 0-9 persons employed; small: 10-49 persons employed; medium-sized: 50-249 persons employed; large: 250+ persons employed.

Source: Eurostat (online data code: [sbs_sc_1b_se_r2](#))



Table 7.1.9: Value added by enterprise size-class, professional, scientific and technical activities and administrative and support services, 2008
(% share of size class in total sectoral value added)

	Professional, scientific & technical activities				Administrative & support services			
	Micro	Small	Medium-sized	Large	Micro	Small	Medium-sized	Large
EU-27	39.0	21.1	16.8	22.8	:	:	19.4	:
Belgium	44.0	21.2	19.6	15.2	14.7	12.5	17.3	55.5
Bulgaria	51.3	27.7	15.8	5.2	20.6	23.1	24.1	32.2
Czech Republic	52.5	21.4	19.4	6.7	26.3	17.5	26.1	30.2
Denmark	22.7	22.1	18.3	36.9	1.8	22.6	34.4	41.2
Germany	36.4	23.9	18.1	21.7	18.8	16.0	21.8	43.4
Estonia	41.6	38.1	20.4	0.0	20.3	27.4	23.2	29.1
Ireland	32.3	27.4	16.3	24.0	26.7	23.6	19.8	29.9
Greece	:	:	:	:	:	:	:	:
Spain	45.9	22.2	16.3	15.6	17.7	16.9	17.6	47.7
France	43.0	22.7	13.3	21.0	28.2	15.0	13.2	43.6
Italy	64.3	15.5	10.6	9.6	22.3	19.4	16.4	41.9
Cyprus	36.6	25.3	24.1	14.0	48.1	24.6	16.7	10.8
Latvia	:	35.5	17.4	:	19.7	26.7	27.6	25.9
Lithuania	40.1	30.8	21.9	7.2	21.6	13.6	30.9	33.8
Luxembourg	28.8	26.1	19.8	25.4	:	:	:	:
Hungary	43.9	23.9	19.4	12.8	24.9	23.9	23.4	27.8
Malta	:	:	:	:	:	:	:	:
Netherlands	38.6	23.7	16.5	21.2	15.6	:	:	:
Austria	42.3	28.7	19.3	9.8	25.4	20.6	24.7	29.3
Poland	48.3	14.7	19.4	17.5	19.0	14.2	22.9	43.8
Portugal	47.7	25.7	17.2	9.4	18.1	16.4	21.6	43.9
Romania	43.1	21.6	20.8	14.5	22.3	20.2	24.5	33.0
Slovenia	57.5	:	11.6	:	20.1	:	:	:
Slovakia	35.9	34.6	14.0	15.4	23.7	34.8	24.1	17.4
Finland	36.1	25.6	19.9	18.4	18.9	19.5	20.1	41.5
Sweden	39.1	23.4	17.4	20.0	19.6	18.5	18.3	43.5
United Kingdom	27.3	18.8	17.3	36.5	23.1	15.1	16.7	45.2
Norway	33.4	24.2	18.3	24.1	21.0	18.3	25.2	35.6
Croatia	46.0	30.5	14.8	8.7	23.5	24.0	21.6	30.9

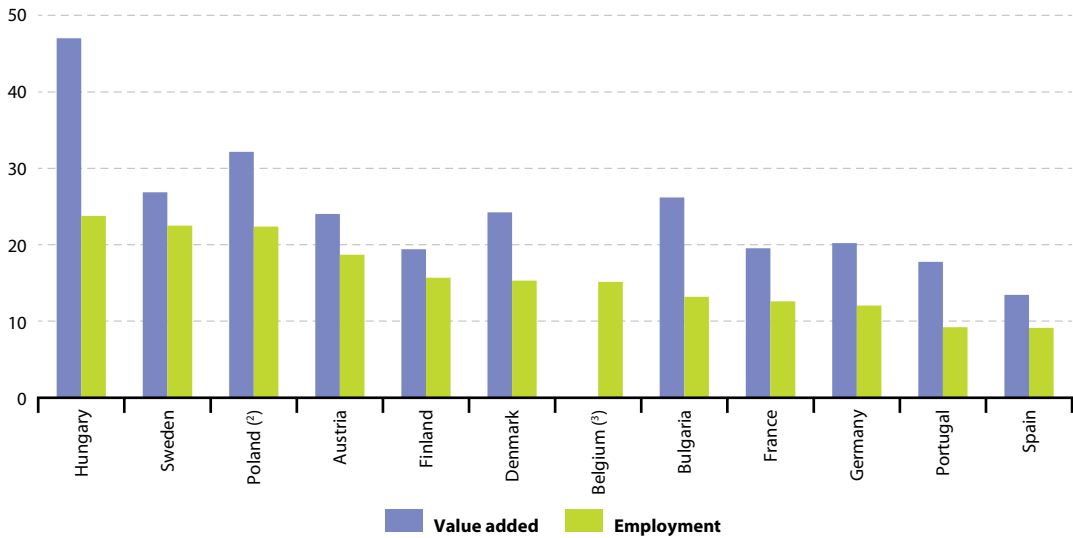
(¹) Micro: 0-9 persons employed; small: 10-49 persons employed; medium-sized: 50-249 persons employed; large: 250+ persons employed.

Source: Eurostat (online data code: [sbs_sc_1b_se_r2](#))



Figure 7.1.7: Share of value added and employment accounted for by foreign-controlled enterprises, non-financial business economy, 2008 ⁽¹⁾

(%)



⁽¹⁾ No data available for Member States not shown.

⁽²⁾ A size threshold is applied excluding enterprises below the threshold.

⁽³⁾ Value added, not available.

Source: Eurostat (online data code: [fats_g1a_08](#))

**Table 7.1.10:** Enterprise demography, business economy, 2008 ⁽¹⁾

	Enterprise birth rates (% of enterprise births among active enterprises)	Enterprise death rates (% of enterprise deaths among active enterprises)	Average employment size of newly born enterprises (number of persons employed)
Belgium	:	:	:
Bulgaria	18.2	:	2.2
Czech Republic	3.8	:	2.2
Denmark	:	:	:
Germany	9.3	:	1.5
Estonia ⁽²⁾	18.2	:	1.5
Ireland	5.9	:	1.1
Greece	:	:	:
Spain	7.5	:	1.6
France	9.7	7.7	1.4
Italy	7.1	7.8	1.7
Cyprus	3.3	:	2.2
Latvia	14.0	:	2.1
Lithuania	20.0	32.1	1.7
Luxembourg	10.1	:	1.9
Hungary	10.2	12.1	1.6
Malta	:	:	:
Netherlands	14.5	:	1.9
Austria ⁽³⁾	7.3	6.1	2.5
Poland	:	:	:
Portugal	10.5	:	1.6
Romania	14.7	:	2.2
Slovenia	11.7	:	1.2
Slovakia	15.5	15.0	1.8
Finland	10.8	:	0.5
Sweden	7.1	:	1.4
United Kingdom	13.0	:	2.2
Norway	9.6	:	0.7
Switzerland	:	:	1.9

⁽¹⁾ Covers the business economy (NACE Rev. 2 Sections B to N) excluding holdings (Group 64.2).

⁽²⁾ Average employment size, 2007.

⁽³⁾ Enterprise death rate, 2007.

Source: Eurostat (online data code: [bd_9a_l_form_r2](#))



7.2 Industrial production

This subchapter examines recent statistics on industrial production in the [European Union \(EU\)](#). [PRODCOM](#) is the name given to the EU's system of industrial production statistics which covers mining and quarrying and manufactured products.

Main statistical findings

PRODCOM covers mining and quarrying as well as manufacturing, in other words, [NACE Rev. 2](#) Sections B and C. PRODCOM statistics are based on a list of products called the PRODCOM List which consists of about 3 900 headings and is revised every year. Products are detailed at an 8-digit level – only information at this detailed level can be found in the PRODCOM database, as production data for different products cannot always be meaningfully aggregated. The purpose of PRODCOM statistics is to report, for each product in the PRODCOM List, how much production has been sold during the reference period. This means that PRODCOM statistics relate to products (not to activities) and are therefore not strictly comparable with activity-based statistics such as structural business statistics.

PRODCOM information is currently requested for each heading in terms of the value of production sold during the survey period. Table 7.2.1 shows the level of production in the EU-27 for a selection of products. As can be seen, transport equipment products (within Divisions 29 and 30) dominated the list of the most sold manufacturing products in the EU-27 in value terms in 2010, occupying the top two places with a number of further products among the top 15 shown, while there were also several manufactured food products (within Division 10) and a couple of fabricated metal products (Division 25).

As well as data by value, information on the physical quantity (also referred to as volume) of production sold during the survey period is also requested. Table 7.2.2 shows the quantity of production sold for a selection of products. In certain circumstances this information can be supplemented by the physical quantity of actual (total) production during the

survey period, including therefore any production which is used (as an intermediate product) by the enterprise in the manufacture of other products in the List.

Data sources and availability

The PRODCOM List is linked to the activity classification [NACE](#) and to the [classification of products by activity \(CPA\)](#): the first four digits of each PRODCOM code refer to a NACE class, the fifth and sixth digits relate to a CPA subcategory, and the seventh and eighth digits are specific to the PRODCOM List. Most headings correspond to one or more [combined nomenclature \(CN\)](#) codes: some headings (mostly industrial services) do not correspond to a CN heading at all. The relationship with CN enables the calculation of apparent consumption by linking production statistics to international trade statistics.

The production surveyed covers only the production actually carried out on the territory of the reporting country. This means that the production of subsidiaries which takes place outside an enterprise's territory is not included in the survey for that country. As a general principle, when a production process takes as an input a material that does not match the description of the product, and produces as an output something that does, then production of the product should be recorded. On the other hand, if the processing merely works on a product without changing the heading under which it is listed, it should not be recorded, since this would result in double-counting. This means that the link to turnover is tenuous, since some activity does not result in new products and should not be recorded in PRODCOM statistics.

PRODCOM data are available for all of the EU Member States, Iceland, Norway and Croatia, and Eurostat produces aggregates for the EU-27 and the EU-25. Data are available during the year following the reference year, with the first release by Eurostat normally in July. As more complete and revised data becomes available updates are released on a monthly basis.



Context

The development of PRODCOM dates back to 1985 when there were the first meetings of a working party on production statistics, whose objective was to harmonise the various ways industrial production statistics were collected in the EU Member States. Although statistics were collected on production in most countries, these covered the national situation, and national classifications were used and different survey methods applied. The basis of PRODCOM is to enable these national statistics to be compared and where

possible aggregated geographically to give a picture relating to the output of a product within the EU context. This aim became more urgent with the creation of the single European market in 1992, such that the statistical system had to adapt.

Production statistics are used by the [European Commission](#) and national administrations for policymaking and by professional/trade associations and their members. The use of the data in climate change statistics is increasing, as well as in other environmental statistics such as the analysis of [material flows](#) or [chemicals management](#).

Table 7.2.1: Production sold in value terms, selected products, EU-27, 2010

PRODCOM code	Product	Value (EUR million)	Rounding base (million) (!)
29.10.22.30	Motor vehicles with a petrol engine > 1 500 cm ³	113 175	
29.10.23.30	Motor vehicles with a diesel or semi-diesel engine > 1 500 cm ³ but ≤ 2 500 cm ³	100 000	20 000
21.20.13.80	Other medicaments of mixed or unmixed products, p.r.s., n.e.c.	75 591	
10.00.00.Z1	Prepared and preserved meat, meat offal or blood, including prepared meat and offal dishes	48 575	
29.32.30.90	Other parts and accessories, n.e.c., for vehicles of HS 87.01 to 87.05; parts thereof	45 000	9 000
10.90.10.Z0	Preparations for animal feeds other than dog and cat food	38 382	
29.10.21.00	New vehicles with spark-ignition engine of a cylinder capacity ≤ 1 500 cm ³	34 024	
11.05.10.00	Beer from malt other than non-alcoholic and low-alcohol beer, excluding alcohol duty	32 000	1 000
25.11.23.60	Other structures of iron or steel	28 274	
29.32.20.90	Parts and accessories of bodies (including cabs), n.e.c.	28 098	
10.71.11.00	Fresh bread	27 691	
30.30.50.90	Parts for all types of aircraft excluding propellers, rotors, under carriages, for civil use	22 995	
25.62.20.00	Metal parts (excluding turned metal parts)	21 062	
10.51.40.50	Grated, powdered, blue-veined and other non-processed cheese	20 000	5 000
17.21.13.00	Cartons, boxes and cases, of corrugated paper or paperboard	19 128	

(!) Indicates the magnitude of the rounding employed to protect confidential cell (in the case of PRODCOM code 29.10.23.30, the confidential value lies within the range +/- EUR 20 000 million of the reported value).

Source: Eurostat, from http://epp.eurostat.ec.europa.eu/portal/page/portal/statistics/search_database go to Data Navigation Tree/ Database by themes/Industry, trade and services/Statistics on the production of manufactured goods (prom)/NACE Rev. 2 (prodcom_n2)/ Prodcom Annual Sold (NACE Rev. 2.) (DS-066341)

**Table 7.2.2:** Quantity of production sold, selected products, EU-27, 2010

PRODCOM code	Product	Quantity (1 000)	Rounding base (1 000) (¹)	Unit
12.00.11.50	Cigarettes containing tobacco or mixtures of tobacco and tobacco substitutes (excluding tobacco duty)	691 236 046		p/st
18.12.14.21	Printed children's picture, drawing or colouring books	40 824		kg
20.11.11.70	Oxygen	30 540 455		m3
23.51.12.10	Portland cement	155 125 428		kg
28.29.22.10	Fire extinguishers	13 314		p/st
29.32.30.40	Road wheels and parts and accessories thereof	1 320 000	30 000	kg
32.50.13.11	Syringes, with or without needles, used in medical, surgical, dental or veterinary sciences	100 920 19		p/st
32.91.12.70	Brushes for the application of cosmetics	1 740 000	30 000	p/st
32.99.12.10	Ball-point pens	1 744 399		p/st
32.99.12.30	Felt-tipped and other porous-tipped pens and markers	1 862 435		p/st

(¹) Indicates the magnitude of the rounding employed to protect confidential cell (in the case of PRODCOM code 29.32.30.40, the confidential value lies within the range +/- 30 million kg of the reported value).

Source: Eurostat, from http://epp.eurostat.ec.europa.eu/portal/page/portal/statistics/search_database go to Data Navigation Tree/ Database by themes/Industry, trade and services/ Statistics on the production of manufactured goods (prom)/NACE Rev. 2 (prodcom_n2)/ Prodcom Annual Sold (NACE Rev. 2.) (DS-066341)

7.3 Industry and construction – short-term developments

This subchapter examines recent statistics in relation to developments for both industry and construction in the European Union (EU). Short-term business statistics (STS) are provided in the form of indices that allow the most rapid assessment of the economic climate within industry and construction, providing a first assessment of recent developments for a range of activities. STS show developments over time, and so may be used to calculate rates of change, typically showing comparisons with the month or quarter before, or the same period of the previous year. As such, STS do not provide information on the level of activity, such as the monetary value of output (value added or turnover), or actual prices.

Main statistical findings

Industry

The impact of the financial and economic crisis and the subsequent recovery of the EU-27's industrial

economy can be clearly seen in two of the main industrial indicators, namely the industrial production index and the index for industrial domestic output prices. Over several years there was relatively stable output and price growth across the EU-27 (see Figure 7.3.1), which was interrupted from the second half of 2007 as price growth accelerated, while industrial output slowed. The EU-27's industrial production index saw its month-on-month rate of change turn negative in February 2008, while the index for domestic output prices peaked six months later in July 2008. The fall in output lasted more than one year, returning to a positive rate of change in April 2009, while domestic output prices started a run of relatively sustained increases from May 2009.

The decline in industrial output in the EU-27 from its relative peak in February 2008 was particularly steep, as the relative trough recorded in March 2009 was the lowest level since January 1998. By contrast, although industrial output prices in July



2009 were 8.1% lower than at their relative peak a year earlier, they remained similar to their level recorded in October 2007 prior to the financial and economic crisis; in part, these developments continued to reflect the relatively high price of oil and associated energy-related and intermediate products.

Industrial **import prices** for the euro area peaked in July 2008, regardless of whether imports were from outside the euro area or from other Member States within the euro area. Thereafter, prices of imports from within the euro area fell for nine consecutive months by a total of 7.4%, whereas the prices of imports from outside the euro area fell for one month longer, and by a total of 14.2%. Since their low point in the spring of 2009 prices for imports from within the euro area had increased by 12.4% (as of June 2011) and from outside the euro area by 22.0% (as of July 2011), in both cases more than 4% above their highest levels prior to the financial and economic crisis (see Figure 7.3.2).

The downturn in industrial activity was widespread across the EU, illustrated by the fact that every Member State recorded lower output in 2009 than in 2008, with falls ranging from -3.7% in Poland to -23.9% in Estonia (see Table 7.3.1). The subsequent recovery was also widespread, as only Cyprus and Greece recorded a further contraction in activity during 2010, with growth rates peaking at 20.3% in Estonia.

The downturn in activity was also spread across almost the full range of industrial activities: in 2009 there was a single industrial activity (at the NACE Rev. 2 division level) that reported continued growth within the EU-27, as the output of pharmaceutical products and preparations rose by 3.4% compared with the year before. The recovery in 2010 was also relatively widespread, as output in 2010 was higher than in 2009 for most industrial activities. There were six exceptions (at the NACE Rev. 2 division level), where output continued to contract in 2010, most notably the manufacture of tobacco products, with a loss of 5.9% (see Figure 7.3.3).

Construction

Although slightly less in magnitude, the downturn in activity for construction within the EU-27 lasted

longer than for industry. Construction output in the EU-27 peaked in March 2007 and fell gradually for five months. This initial downturn was followed by a slight, temporary recovery until January 2008, after which substantial falls were recorded, reaching a low in February 2010, just under three years after the initial downturn. Between January 2008 and February 2010 the index of production for construction in the EU-27 fell by 18.6% overall, deteriorating to a level not seen since June 1998.

The construction of buildings is the dominant part of construction output, and unsurprisingly output for building work followed a similar path to the overall indicator for construction, although the magnitude of the contraction from the end of 2006 to the beginning of 2010 was slightly greater, totalling 20.6% in the EU-27 (see Figure 7.3.4). For civil engineering the developments were less clear cut. From March to November 2008, civil engineering output in the EU-27 fell in a similar manner to the developments seen for building output. However, there followed renewed growth through to April 2009, perhaps reflecting increased public spending in reaction to the financial and economic crisis. Civil engineering output remained stable through much of 2009, before contracting again between November 2009 and March 2010 after which it was relatively unchanged.

The long and deep downturn in construction activity was widespread within the EU-27, illustrated by the fact that every Member State except Poland experienced at least one year of contraction in construction output during the three latest years (2008 to 2010); in ten Member States negative rates of change were recorded for all three years. The ongoing downturn has been particularly long in Denmark, Ireland and Spain where four consecutive negative annual rates of change were recorded, in Hungary where the sequence is now five years, and in Portugal where the last positive annual rate of change was recorded in 2001. Construction output declined by 20% or more in Spain and Latvia in 2010, and by 30% or more in Ireland and Greece. In contrast, seven Member States reported an increase in construction output in 2010, reaching highs of 7.2% in the United Kingdom and 11.8% in Finland.



Data sources and availability

Short-term business statistics (STS) are compiled within the scope of the STS Regulation 1165/98 of 19 May 1998 concerning short-term statistics. The STS Regulation brought major changes and improvements in the availability and timeliness of indicators which followed its implementation. The STS Regulation has been amended and adjusted to meet emerging users' needs – generally in relation to monetary union and more specifically to the specific requirements of the [European Central Bank \(ECB\)](#).

Indicators common to industry and construction include the production index and labour input indicators concerning [employment](#), wages and salaries, and [hours worked](#). For industry there are additional STS indicators concerning turnover, new orders and output prices, all three of which are compiled as a total and also distinguishing between domestic and non-domestic markets, with a further analysis of non-domestic markets between [euro area](#) and non-euro area markets. In a similar manner, there are industrial import prices, with a distinction between imports from euro area and non-euro area markets. For construction activities there is a distinction in the production index between building and civil engineering, while additional indicators are collected on building permits, as well as construction cost and price indices.

The presentation of short-term statistics may take a variety of different forms. Gross or unadjusted indices are the basic form of an index. [Working-day adjustment](#) takes into account the calendar nature of a given month in order to adjust the index. The number of working days for a given month depends on: the timing of certain public holidays (Easter can fall in March or in April depending on the year); the possible overlap of certain public holidays and non-working days (1 May can fall on a Sunday); whether or not a year is a leap year, and other reasons. [Seasonal adjustment](#), or the adjustment of seasonal variations, aims, after adjusting for calendar effects, to take into account the impact of known seasonal factors that have been observed in the past. For example, in the case of the production index, annual summer holidays

have a negative impact on industrial production. The [trend](#) is a slow variation over a long period of years, generally associated with the structural causes of the phenomenon in question. The cycle is a quasi-periodic oscillation. It is characterised by alternating periods of higher and lower rates of change possibly, but not always, involving expansion and contraction. Generally, if this component of the time series is relatively important, the trend cycle series is a better series for the analysis of longer-term past developments. However, this advantage is less clear when analysing very recent developments. This is because trend cycle values for recent periods may have greater revisions than the equivalent seasonally adjusted values. Hence, the latter may be more appropriate for the analysis of very recent developments; this is particularly true around turning points.

Depending on the indicator in question, the EU Member States are required to transmit unadjusted or adjusted data to Eurostat. In the case that Member States transmit unadjusted data, then Eurostat calculates the seasonal adjustment. The Member States' national statistical authorities are responsible for data collection and the calculation of national time series. Eurostat is responsible for the EU-27 and euro area aggregations.

NACE Rev. 2 is the latest version of the statistical classification of economic activities and has been implemented in STS during 2009. This involved not just changing data compilation practices to use NACE Rev. 2 but also recalculating or estimating a time series in NACE Rev. 2, normally back to the year 2000. Simultaneously with the introduction of NACE Rev. 2, a new base year (2005) was adopted for STS indices to better reflect the economic structure; previously indices were presented with 2000 as the base year.

Context

The profile and use of STS is expanding rapidly, as information flows have become global and the latest news release for an indicator may have significant effects on financial markets, or decisions that are taken by central banks and business leaders. STS are

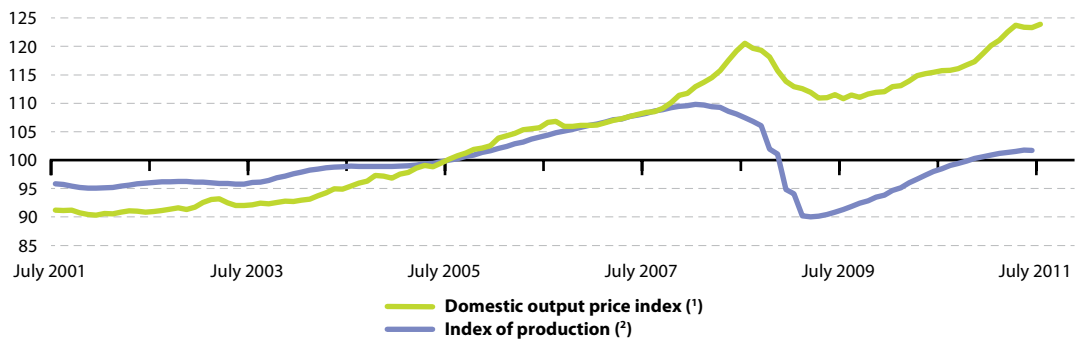


a key resource for those who follow developments in the business cycle, or for those who wish to trace recent developments within a particular industry, construction or service.

Some of the most important STS indicators are a set of **Principal European Economic Indicators (PEEIs)** that are essential to the ECB for conducting

monetary policy within the euro area. Four PEEIs concern industrial short-term business statistics: production, **new orders received**, output prices of the domestic market and import prices. A further two PEEIs concern construction short-term business statistics: **production** and **building permits**.

Figure 7.3.1: Production and domestic output price indices for industry (excluding construction), EU-27, 2001-2011 (2005 = 100)

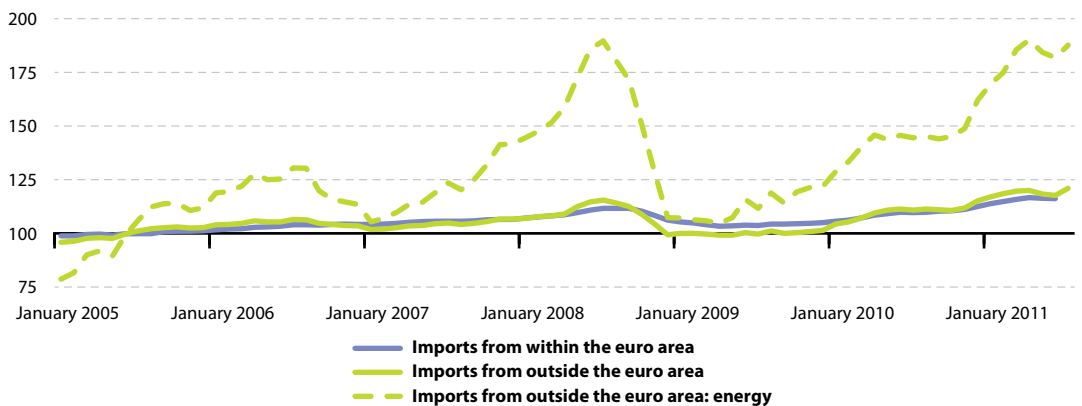


(1) Gross series; estimates, 2001-2004 and July 2011.

(2) Trend cycle; estimates.

Source: Eurostat (online data codes: [sts_inppd_m](#) and [sts_inpr_m](#))

Figure 7.3.2: Industrial import price index, euro area, 2005-2011 (1) (2005 = 100)



(1) Gross series; estimates.

Source: Eurostat (online data code: [sts_inpi_m](#))



Table 7.3.1: Annual growth rates for industry (excluding construction), 2006-2010 (%)

	Index of production ⁽¹⁾					Domestic output price index ⁽²⁾				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
EU-27	4.1	3.7	-1.7	-13.7	6.9	5.6	2.8	7.6	-4.4	3.5
Euro area	4.2	3.9	-1.6	-14.7	7.5	5.1	2.7	6.1	-5.1	2.9
Belgium	4.3	6.4	3.7	-9.4	11.9	5.8	2.1	9.3	-7.2	5.4
Bulgaria	6.1	9.5	0.4	-18.2	2.2	8.7	8.0	13.2	-4.3	7.2
Czech Republic	8.7	10.1	-2.2	-12.9	9.9	1.5	4.1	4.5	-3.2	1.3
Denmark	4.1	-2.1	-1.1	-15.0	1.9	7.9	1.6	13.2	-6.7	6.4
Germany	5.7	6.1	-0.1	-16.3	10.9	5.4	1.3	5.4	-4.1	1.5
Estonia	10.1	6.4	-4.8	-23.9	20.3	4.3	9.6	9.6	-0.3	1.8
Ireland	3.2	5.2	-2.2	-4.5	7.3	3.6	2.3	6.1	-3.6	1.5
Greece	0.8	2.3	-4.2	-9.2	-6.6	7.3	4.1	10.0	-5.8	6.1
Spain	3.9	2.0	-7.3	-15.8	0.9	5.4	3.6	6.5	-3.4	3.2
France	1.1	1.3	-2.8	-12.5	5.2	3.8	2.8	5.6	-6.4	3.5
Italy	3.6	1.8	-3.5	-18.8	6.4	5.2	3.3	5.8	-5.4	3.1
Cyprus	0.6	4.5	4.0	-8.6	-1.8	5.3	3.6	11.7	-1.8	4.1
Latvia	6.5	1.1	-3.3	-17.6	14.5	9.6	18.6	15.7	-1.8	-0.2
Lithuania	6.6	2.5	5.1	-14.6	6.5	6.9	9.4	15.8	-6.6	4.1
Luxembourg	2.5	-0.7	-5.3	-15.8	10.5	12.8	4.4	15.1	-9.2	1.5
Hungary	10.6	8.1	-1.0	-17.4	10.3	8.4	6.4	11.6	1.2	7.3
Malta	8.7	9.1	-9.1	-13.8	7.3	17.9	-3.7	14.8	9.3	11.7
Netherlands	1.5	2.3	1.4	-7.6	7.1	8.6	5.2	8.9	-9.8	4.0
Austria	7.7	5.9	1.2	-11.2	6.6	2.1	4.1	4.8	-1.8	4.0
Poland	12.3	9.2	2.4	-3.7	10.8	3.4	4.0	5.4	2.3	3.7
Portugal	3.2	0.1	-4.1	-8.5	1.6	4.4	2.8	5.2	-3.8	3.7
Romania	9.6	10.5	3.0	-6.4	5.5	10.3	8.4	12.8	2.1	5.8
Slovenia	6.3	7.4	1.6	-17.6	6.4	2.4	5.5	5.6	-0.4	2.1
Slovakia	15.6	16.9	3.2	-13.7	18.9	6.3	1.8	6.2	-2.7	-2.8
Finland	10.1	4.7	1.0	-18.1	5.5	6.3	3.9	8.6	-6.3	6.7
Sweden	3.6	3.9	-2.9	-17.9	8.7	6.1	3.6	6.1	-0.3	3.0
United Kingdom	0.5	0.3	-3.1	-10.0	2.7	8.5	2.0	16.1	-3.0	5.7
Norway	-2.1	-1.3	0.3	-3.6	-5.4	8.6	-0.6	15.2	-1.8	8.5
Switzerland	7.8	9.5	1.2	-7.7	6.1	2.7	2.5	4.1	-2.4	0.6
Croatia	4.3	5.0	0.6	-8.9	-1.5	2.7	3.4	8.3	-0.5	4.3
FYR of Macedonia	:	:	:	:	:	6.8	2.5	10.1	-7.2	8.7
Turkey	7.1	7.5	-0.8	-10.0	13.9	9.8	6.0	13.0	1.0	6.2

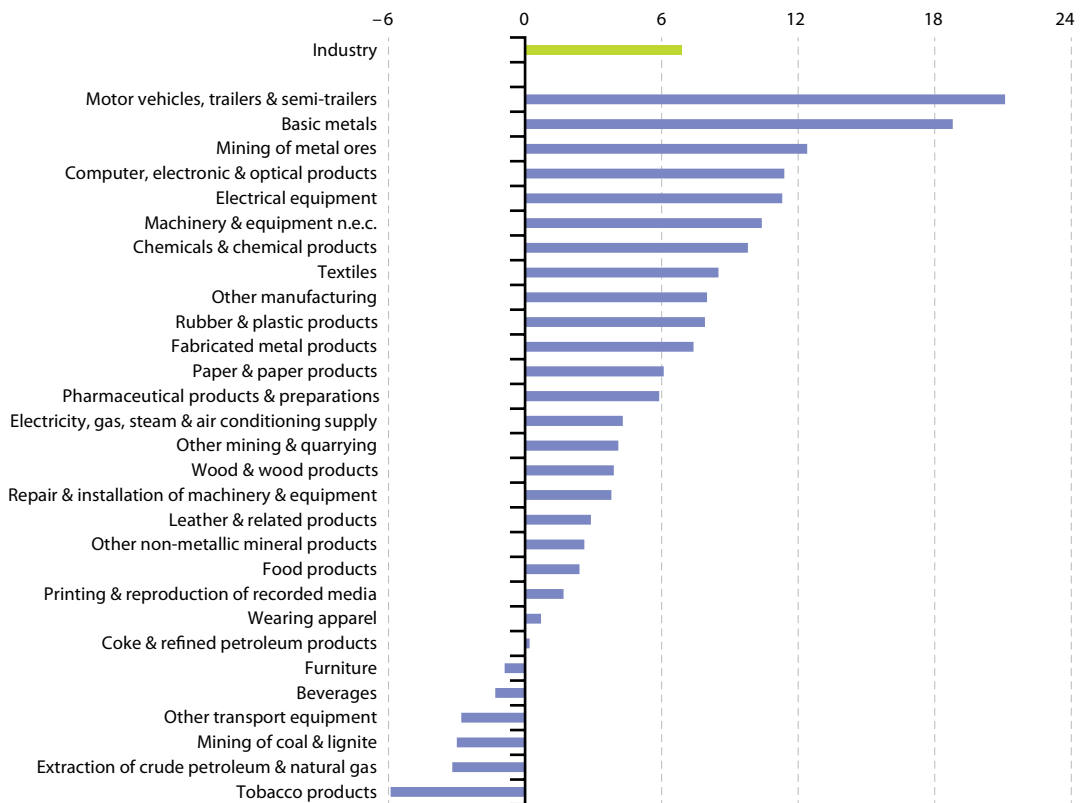
(1) Working day adjusted.

(2) Gross series.

Source: Eurostat (online data codes: [sts_inprgr_a](#) and [sts_inppdgr_a](#))



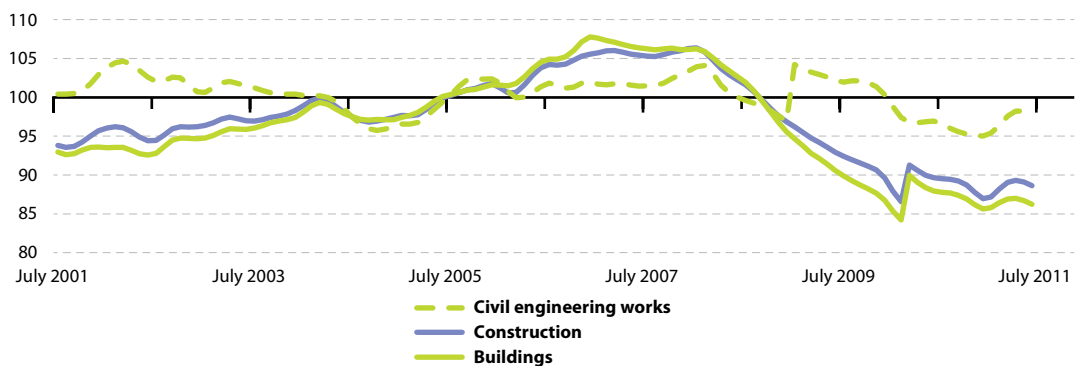
Figure 7.3.3: Annual growth rate for the industrial index of production, EU-27, 2010 ⁽¹⁾ (%)



⁽¹⁾ Working day adjusted; mining support service activities, not available.

Source: Eurostat (online data code: [sts_inprgr_a](#))

Figure 7.3.4: Index of production, construction, EU-27, 2001-2011 ⁽¹⁾ (2005 = 100)



⁽¹⁾ Trend cycle; estimates.

Source: Eurostat (online data code: [sts_copr_m](#))



Table 7.3.2: Annual growth rates for construction, 2006-2010
(%)

	Index of production ⁽¹⁾					Construction costs index ⁽²⁾				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
EU-27	3.7	2.0	-3.8	-8.5	-4.1	4.7	4.5	3.3	-1.5	2.2
Euro area	3.7	1.3	-5.5	-7.9	-7.7	4.7	4.2	3.9	0.1	2.0
Belgium	3.3	1.5	-0.4	-3.3	-2.1	4.9	4.5	2.5	-1.1	0.0
Bulgaria	24.8	26.7	12.6	-14.2	-17.9	5.6	7.7	12.3	10.9	-0.3
Czech Republic	6.3	7.0	-0.5	-0.5	-7.3	2.1	4.8	3.5	-0.3	1.2
Denmark	3.8	-4.2	-5.6	-10.7	-8.5	4.7	6.4	2.9	-0.4	1.1
Germany	6.3	2.9	-0.7	0.1	0.3	2.3	3.2	3.3	0.2	2.2
Estonia	26.9	13.5	-13.3	-29.8	-12.4	10.5	12.7	3.5	-8.5	-2.6
Ireland	3.8	-13.5	-29.2	-36.9	-30.1	9.6	1.7	-7.7	-9.9	0.5
Greece	3.6	14.3	7.7	-17.5	-31.6	4.3	4.6	5.1	-0.3	1.8
Spain	2.2	-4.3	-16.3	-11.3	-20.2	6.9	5.0	4.7	1.0	2.5
France	4.2	2.3	-3.7	-5.9	-3.4	5.3	4.6	5.5	0.4	2.7
Italy	3.8	6.4	-1.1	-11.5	-3.4	2.8	3.6	3.8	:	:
Cyprus	4.1	6.8	2.3	-10.6	-8.0	5.0	5.0	8.0	0.8	3.2
Latvia	13.3	13.6	-3.1	-34.9	-23.4	19.5	31.6	15.6	-6.2	-9.0
Lithuania	21.7	22.2	4.1	-48.5	-7.7	10.7	16.1	9.5	-14.5	-4.8
Luxembourg	2.6	2.6	-1.8	0.8	0.1	2.9	2.9	3.2	1.4	0.8
Hungary	-0.7	-14.0	-5.2	-4.4	-10.4	6.2	7.2	7.5	3.0	-0.4
Malta	4.4	7.2	6.6	-7.9	0.2	:	:	:	:	:
Netherlands	2.3	5.6	3.2	-3.0	-11.0	3.2	4.0	4.3	0.3	0.6
Austria	5.9	3.8	-0.9	-1.6	-4.3	4.6	4.5	5.2	0.6	3.2
Poland	15.6	16.3	10.2	4.5	3.7	1.5	6.6	6.8	0.2	-0.1
Portugal	-6.3	-4.0	-1.2	-6.6	-8.5	3.0	3.4	5.2	-0.6	1.8
Romania	15.6	33.1	26.7	-15.2	-13.4	11.1	10.2	16.2	1.5	1.9
Slovenia	15.7	18.5	15.5	-20.9	-16.9	6.5	6.3	6.3	-2.8	6.6
Slovakia	15.4	5.6	11.4	-11.1	-4.4	4.0	4.1	5.8	2.0	0.0
Finland	7.8	10.2	4.0	-13.1	11.8	3.8	5.9	3.9	-1.1	1.1
Sweden	8.0	6.2	4.2	-3.5	5.9	5.1	6.1	4.9	2.0	2.5
United Kingdom	1.4	2.3	-1.3	-11.6	7.2	4.7	4.7	0.9	-7.1	3.4
Norway	6.0	5.8	1.1	-8.3	-0.1	3.7	7.4	5.7	2.3	3.2
Switzerland	2.0	1.2	2.4	1.4	1.9	:	:	:	:	:
Montenegro	46.1	-1.7	20.7	-19.3	-0.6	:	:	:	:	:
Croatia	9.3	2.6	11.8	-6.9	-15.9	:	:	:	:	:
FYR of Macedonia	-12.3	7.4	25.5	13.7	15.2	:	:	:	:	:
Turkey	18.4	5.5	-7.6	-16.3	17.5	16.0	8.3	13.6	-4.3	5.8

(1) Working day adjusted.

(2) Gross series for new residential buildings.

Source: Eurostat (online data codes: [sts_coprgr_a](#) and [sts_copigr_a](#))



7.4 Services statistics – short-term developments

This subchapter examines recent statistics in relation to developments for service activities in the European Union (EU). Short-term business statistics (STS) are provided in the form of indices that allow the rapid assessment of the economic climate within services, providing a first assessment of recent developments for a range of activities. Traditionally, short-term business statistics were concentrated on industrial and construction activities, and to a lesser extent retail trade. Since the middle of the 1990s, major developments in official statistics within the EU have seen short-term data collection efforts focus increasingly on services.

Main statistical findings

Services turnover fell by 8.5% in the EU-27 in 2009 compared with the year before but rebounded in 2010 increasing by 5.0%. Among service activities (at the NACE Rev. 2 section level), the fastest rates of turnover growth in 2010 were recorded for transportation and storage activities, as well as distributive trades, where turnover grew by around 6% having fallen by more than 9% in 2009.

As can be seen from Figure 7.4.1, despite strong growth in the EU-27, the level of sales for both activities in June 2011 had not quite returned to the respective peaks that had been recorded prior to the effects of the financial and economic crisis being felt; sales remained 2.1% lower for distributive trades and 0.7% lower for transportation and storage.

A similar pattern was observed for accommodation and food services where the June 2011 level of the index for the EU-27 was 1.7% below its February 2008 peak. In information and communication services the level of sales in June 2011 was also very close to its pre-crisis peak, just 0.3% lower, while for professional, scientific and technical activities the level of sales was marginally (0.1%) above its pre-crisis peak. Administrative and support services activities was the only services section where the recent recovery had brought the level of sales clearly back above the

pre-crisis peak, as sales in June 2011 stood 1.5% higher than their February 2008 peak.

While turnover shows sales in current prices, the volume of sales indicates the situation once price changes have been removed. The decline in the volume of sales in retail trade in 2009 reached -1.7% in the EU-27, but this activity rebounded with growth of 0.7% in 2010. A monthly series (see Figure 7.4.2) shows the volume of retail sales peaked in the EU-27 in January 2008 and fell a total of 2.2% through to August 2009; positive rates of change returned with an increase of 1.1% by September 2010, after which there was again a modest decline in the volume of sales. Figure 7.4.2 shows that some parts of retail trade were still experiencing a noticeable decline in their respective volume of sales in the first half of 2011, in particular the large activity of retailing of food, beverages and tobacco, as well as the smaller activity of the retail sale of other household equipment in specialised stores.

Among the services for which an EU-27 price index is shown in Figures 7.4.3a and 7.4.3b two stand out as having atypical developments – telecommunications and sea and coastal water transport. Since 2006 (the beginning of the series) EU-27 output prices for telecommunications have been on a steady downward path and in just over five years they fell by a total of 18.2%. Output prices for sea and coastal water transport are remarkable for their relatively high volatility, although the net impact of these movements was that prices in the first quarter of 2011 were within 0.3% of their level at the beginning of the series. Most of the other services recorded overall price increases in a range of 6% to 12% during the five years shown, with air transport output prices increasing at a faster pace, rising by an amount close to 15%.

The developments for services turnover observed for the EU-27 as a whole in 2009 and 2010 were common across many of the individual EU Member States. Every Member State (Italy, not available) recorded a fall in services turnover in 2009 and all except Bulgaria and Greece recorded an increase in 2010, with growth exceeding 10% in Luxembourg and Belgium.



Table 7.4.1 provides an analysis of the two latest rates of change for each of the services sections covered by short-term business statistics. Growth rates in excess of 20% were recorded in 2010 for distributive trades in Luxembourg, for transportation and storage in Lithuania, and for administrative and supporting activities in Belgium and Poland.

The fall in the volume of sales in retail trade in 2009 and its subsequent (partial) rebound in 2010 observed for the EU-27 was not so regularly reproduced across the EU Member States. Indeed, this pattern was only reproduced in five of the Member States, but this group of five included two of the largest ones, namely Italy and Germany – the others were Cyprus, Malta and Finland. The United Kingdom and Poland were among five Member States that recorded an increase in the volume of sales in retail trade in both 2009 and 2010, while France recorded no growth in 2009 and an increase in 2010. Most Member States, 15 in total, recorded a fall in the volume of sales in retail trade in both 2009 and 2010: for Spain and four other countries, the decline in sales in 2010 was the third consecutive year of contraction for this indicator, and for Denmark and Hungary it was the fourth consecutive year. The situation in Belgium was unique insofar as it was opposed to the overall pattern of developments in the EU-27, as the volume of sales in retail trade increased in 2009 and then subsequently fell in 2010.

Data sources and availability

Short-term business statistics (STS) on services are compiled within the same methodological framework as short-term statistics on industry and construction. The subchapter on [short-term developments in industry and construction](#) provides information on: the STS Regulation; the different forms of presentation of indices, namely gross, working-day adjusted, seasonally adjusted, and trend; the implementation of NACE Rev. 2; and the exercise to rebase STS indices to a new base year of 2005 = 100.

The turnover index and the employment index are compiled for retail trade and for other services. For retail trade one additional indicator is provided, namely the volume index of retail sales, which is effectively a deflated turnover index. Furthermore, service output price indices have been developed for a selection of services in recent years.

The index of turnover shows the evolution of sales in value terms. Note that prices for some services have actually been falling, perhaps due to market liberalisation and increased competition (for example, telecommunications and other technology-related activities). In such cases, the rapid growth rates observed for turnover value indices for some activities would be even greater in volume terms.

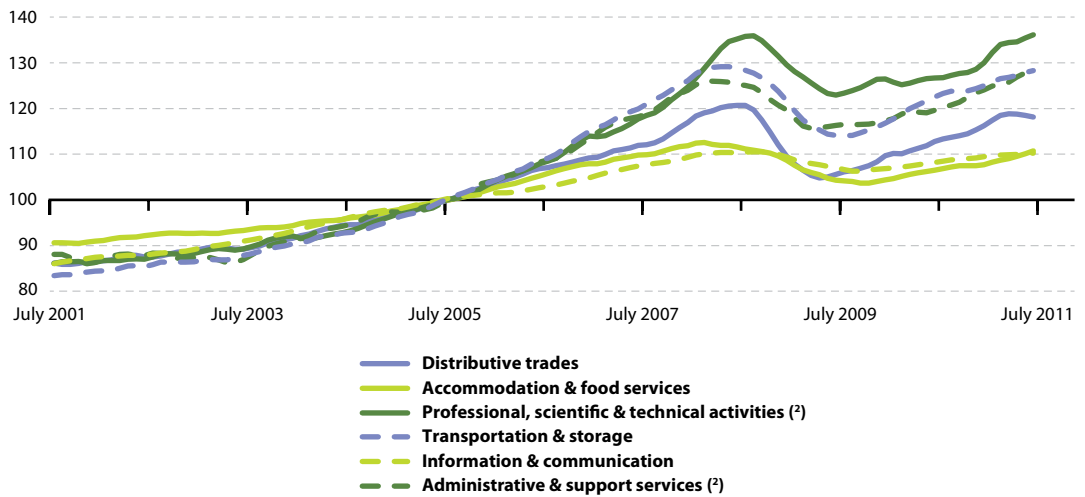
Retail trade indices have particular importance because of the role of retail trade as an interface between producers and final customers, allowing retail sales turnover and volume of sales indices to be used as short-term indicators for final domestic demand by households. The volume measure of the retail trade turnover index is more commonly referred to as the index of the volume of (retail) sales. To eliminate the price effect on turnover in retail trade, a deflator of sales is used. This deflator is an index with a similar methodology to that of an output price index, but it is adapted specifically for retail trade; it reflects price changes in the goods sold rather than those in the retail sales service provided.

Context

Some of the most important STS indicators are a set of [Principal European Economic Indicators \(PEEIs\)](#) that are essential to the [European Central Bank \(ECB\)](#) for conducting monetary policy within the euro area. Three PEEIs concern services short-term business statistics, namely indices covering: the volume of sales in retail trade, turnover in other services, and output prices of other services.



Figure 7.4.1: Index of turnover, selected service activities, EU-27, 2001-2011 ⁽¹⁾
(2005 = 100)

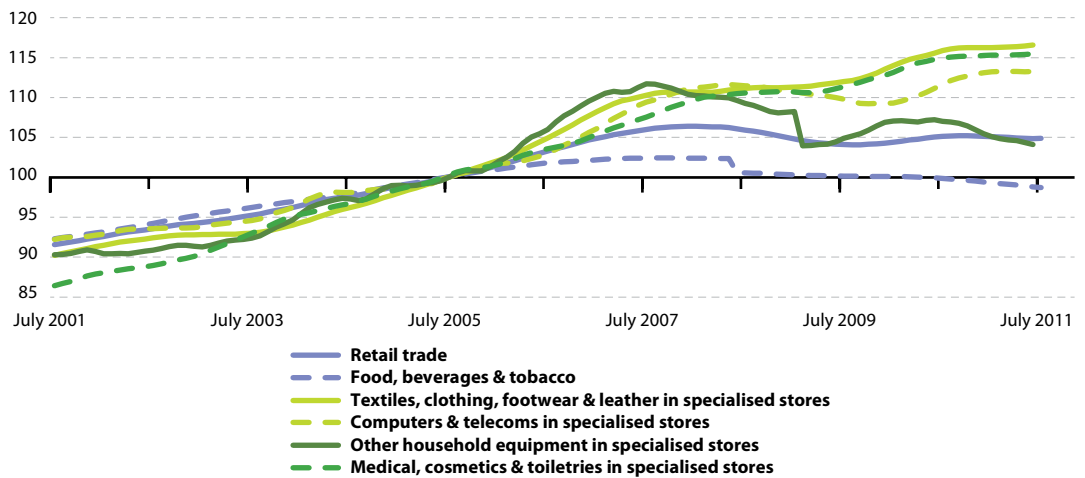


⁽¹⁾ Trend cycle; estimates.

⁽²⁾ As required by the STS Regulation.

Source: Eurostat (online data codes: [sts_trtu_m](#) and [sts_setu_m](#))

Figure 7.4.2: Volume of sales index, selected retail trade activities, EU-27, 2001-2011 ⁽¹⁾
(2005 = 100)

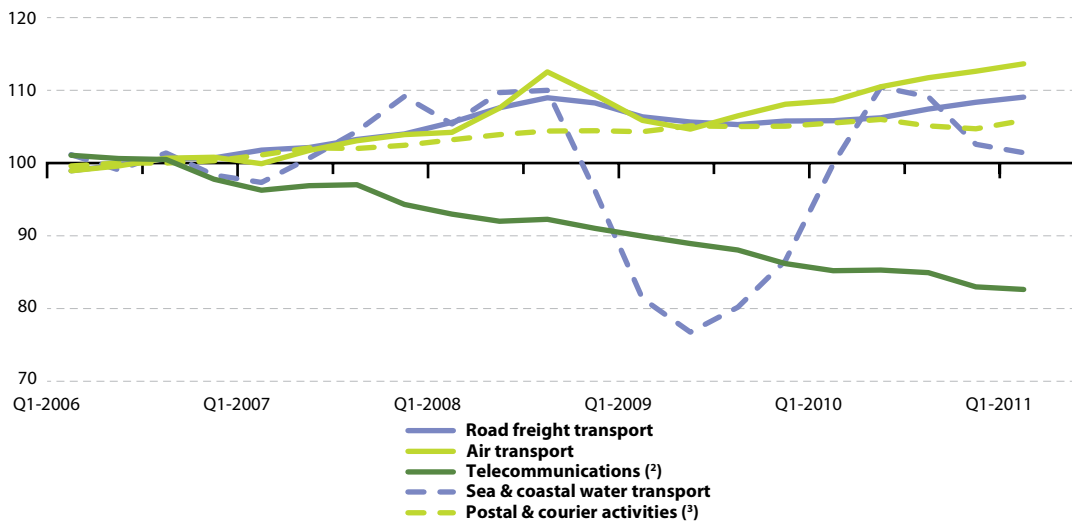


⁽¹⁾ Trend cycle; estimates.

Source: Eurostat (online data code: [sts_trtu_m](#))



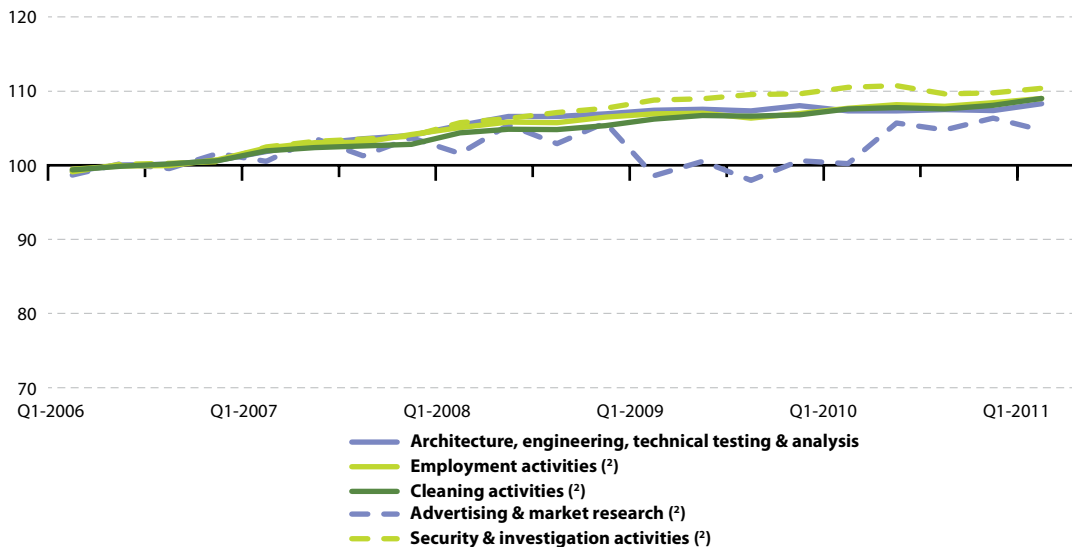
Figure 7.4.3: Output price indices, selected service activities, EU-27, 2006-2011 ⁽¹⁾
(2006 = 100)



⁽¹⁾ Gross series.
⁽²⁾ 2006 to 2008, estimates.
⁽³⁾ 2006 to 2009, estimates.

Source: Eurostat (online data code: [sts_sepp_q](#))

Figure 7.4.4: Output price indices, selected service activities, EU-27, 2006-2011 ⁽¹⁾
(2006 = 100)



⁽¹⁾ Gross series.
⁽²⁾ 2006 to 2009, estimates.

Source: Eurostat (online data code: [sts_sepp_q](#))



Table 7.4.1: Annual growth rates for the index of turnover, selected services, 2009-2010 ⁽¹⁾
(%)

	Distributive trades		Transportation & storage		Accommodation & food services		Information & communication		Professional, scientific & technical activities ⁽²⁾		Administrative & support services ⁽²⁾	
	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010
EU-27	-9.4	5.9	-9.5	6.0	-5.9	1.9	-3.0	1.2	-5.8	1.4	-6.4	3.5
Euro area	-10.2	5.0	-10.9	5.1	-4.6	2.3	-3.3	0.3	-5.2	2.2	-7.2	3.8
Belgium	-10.8	11.9	-15.1	8.9	0.5	6.8	1.7	1.7	-7.3	16.8	-4.0	21.0
Bulgaria	-13.1	-0.6	-16.4	-3.5	-2.7	-6.6	-0.8	-8.2	6.8	-26.2	4.3	-2.9
Czech Republic	-10.4	3.3	-13.9	5.8	-9.4	-3.3	-2.6	-2.6	-13.8	-6.8	-11.4	0.6
Denmark	-15.0	6.2	:	:	:	:	:	:	:	:	:	:
Germany	-10.5	6.3	-11.1	6.7	-5.5	2.1	-3.4	-0.1	-5.4	4.0	-7.3	6.3
Estonia	-23.1	6.2	-10.9	17.8	-20.3	5.2	-15.3	-0.1	-22.7	17.6	-17.3	1.2
Ireland	-12.9	0.2	-7.9	0.7	-18.6	12.9	-15.5	13.8	-17.5	-15.1	-19.2	-10.3
Greece	-9.9	-6.6	-27.3	-12.6	-9.0	-8.3	-8.4	-12.5	-16.9	-19.3	4.4	-8.3
Spain	-15.2	2.1	-13.3	2.8	-8.6	-1.6	-6.0	-4.8	-13.0	-2.9	-9.2	-3.1
France	-8.1	4.3	-6.2	5.4	-0.2	4.4	-0.7	3.0	0.2	0.3	-6.7	4.1
Italy	-7.8	4.4	:	:	:	:	-3.9	0.2	:	:	:	:
Cyprus	-11.0	3.7	-9.0	2.8	-3.6	5.5	-1.9	4.3	0.5	3.1	-12.6	9.7
Latvia	-33.7	13.4	-17.3	10.7	-32.5	-5.2	-15.7	-4.3	-19.6	-6.3	-19.1	5.4
Lithuania	-25.3	4.8	-25.1	27.9	-19.7	-9.6	-16.2	-5.2	-27.7	-4.2	-23.1	-0.3
Luxembourg	-18.9	22.0	-12.9	10.7	-2.7	2.8	1.7	16.9	-2.3	6.6	-8.1	0.9
Hungary	-10.4	3.0	-4.7	9.6	-6.1	1.8	3.7	-4.0	16.5	15.7	10.1	-8.5
Malta	-8.2	1.6	-7.5	4.3	-13.3	0.8	3.6	-2.6	1.1	5.2	8.3	8.9
Netherlands	-9.0	6.7	:	:	-4.8	-0.2	-3.7	0.1	-3.2	-4.3	-6.4	-0.8
Austria	-5.4	7.6	-8.4	3.3	-0.7	4.4	-4.2	-0.8	0.3	4.8	-6.9	7.2
Poland	-2.3	6.6	1.6	10.9	3.7	10.4	-1.5	7.2	5.8	6.5	11.0	22.7
Portugal	-11.5	2.9	:	:	:	:	:	:	:	:	:	:
Romania	-15.6	0.1	-18.4	12.5	-15.4	14.0	-6.9	-4.1	-8.5	-9.4	-4.1	6.8
Slovenia	-19.0	2.4	-18.8	19.8	-7.7	3.1	-6.6	1.5	-10.2	-4.0	-10.1	4.6
Slovakia	-22.4	0.9	-12.7	6.1	-22.8	-6.8	1.9	-7.4	2.5	10.4	-8.5	11.3
Finland	-15.1	8.5	-15.5	8.6	-4.0	3.2	-4.0	2.2	-9.0	2.8	-5.9	6.5
Sweden	-6.6	9.7	-9.3	6.6	-0.9	7.3	-0.5	2.2	-6.5	6.3	-3.1	8.5
United Kingdom	-6.6	9.0	-4.6	4.3	-9.7	-0.1	-2.6	3.0	-8.1	-0.4	-6.3	1.9
Croatia	-15.0	-4.1	:	:	-3.5	1.1	:	:	:	:	:	:
Turkey	:	:	:	:	-7.7	6.6	:	:	:	:	:	:

⁽¹⁾ Working day adjusted.

⁽²⁾ As required by the STS Regulation.

Source: Eurostat (online data codes: [sts_trtu_a](#) and [sts_setu_a](#))



Table 7.4.2: Annual growth rates for the volume of sales index, retail trade, 2000-2010 ⁽¹⁾
(%)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
EU-27	3.3	2.5	2.2	1.8	2.6	2.4	3.2	2.5	0.2	-1.7	0.7
Euro area	2.6	2.1	1.2	0.9	1.5	2.0	2.2	1.6	-0.7	-2.4	0.8
Belgium	5.3	0.2	-0.9	-0.2	1.7	1.3	1.7	1.8	1.2	0.5	-0.6
Bulgaria	:	3.0	5.9	15.5	16.5	14.7	13.0	18.9	8.7	-7.6	-6.9
Czech Republic	-2.9	7.1	1.1	8.0	3.2	6.7	8.7	7.6	3.8	-1.4	-1.2
Denmark	0.8	4.2	3.4	3.3	4.6	8.8	4.6	-1.4	-3.1	-4.3	-1.7
Germany	1.0	0.2	-2.5	-1.0	1.5	1.4	0.4	-1.3	-0.1	-2.7	1.1
Estonia	14.2	13.2	13.0	-0.9	11.0	14.8	17.6	10.5	-4.5	-18.3	-0.3
Ireland	:	9.0	3.6	3.5	5.7	6.7	8.7	8.0	-2.2	-6.2	-0.8
Greece	7.3	3.5	5.1	4.9	4.2	4.7	9.0	2.2	1.3	-11.3	-6.3
Spain	5.8	3.2	3.9	3.0	2.2	1.3	2.3	2.7	-5.4	-5.4	-2.7
France	2.7	3.5	3.3	2.9	3.0	3.5	2.6	4.1	1.2	0.0	3.9
Italy	:	2.0	1.6	-0.1	-1.7	-0.4	1.0	-0.2	-2.6	-1.3	0.4
Cyprus	:	7.8	3.4	-0.9	3.1	4.6	6.8	7.8	5.3	-3.9	1.3
Latvia	20.2	5.7	10.7	12.6	10.2	19.7	19.9	15.5	-7.4	-27.1	-2.1
Lithuania	10.3	3.0	10.1	11.2	9.2	11.8	7.2	13.7	3.7	-21.4	-7.1
Luxembourg	10.3	5.1	5.7	6.9	3.2	1.7	3.4	4.6	1.8	2.2	8.6
Hungary	3.4	1.3	11.2	7.7	6.0	4.3	4.9	-2.0	-1.9	-5.3	-2.2
Malta	:	-3.8	-2.0	3.7	-1.3	-4.8	-3.4	8.2	-1.2	-2.0	2.9
Netherlands	-0.9	2.8	1.2	-1.0	-0.3	1.8	4.6	2.7	-0.1	-4.4	-1.0
Austria	2.0	-1.9	-0.5	-0.1	0.1	1.5	1.8	0.8	-0.8	2.1	2.1
Poland	:	1.6	0.3	5.3	5.6	-0.9	12.5	10.8	4.7	3.3	6.5
Portugal	-2.5	2.3	-0.3	-2.0	2.5	7.8	1.2	0.3	0.0	-1.7	-0.3
Romania	:	0.5	2.2	8.3	15.0	15.7	20.1	21.1	19.4	-9.9	-5.7
Slovenia	30.5	10.6	2.8	3.2	3.0	8.7	2.9	6.2	11.4	-10.5	-0.2
Slovakia	-3.0	7.6	8.3	-2.4	8.2	10.2	8.2	5.5	9.0	-10.2	-2.3
Finland	5.6	5.4	3.5	4.9	4.9	4.8	5.0	5.0	1.2	-2.6	2.8
Sweden	5.7	2.7	3.8	3.9	3.9	5.8	6.2	0.9	0.8	0.7	2.5
United Kingdom	6.1	4.2	6.0	3.3	5.6	2.2	3.9	3.7	2.0	1.3	0.4
Norway	:	1.8	5.2	2.7	3.2	3.4	5.6	6.6	1.5	0.9	1.4
Switzerland	:	2.1	-0.6	-0.2	0.8	2.2	3.4	4.2	3.0	0.6	2.3
Croatia	:	12.4	11.6	10.7	7.4	3.1	4.3	2.8	-0.4	-7.4	-2.6

(1) Working day adjusted.

Source: Eurostat (online data code: [sts_trtu_a](#))



7.5 Tourism

This subchapter provides information on recent statistics in relation to **tourism** in the **European Union (EU)**. Tourism is important because of its economic and employment potential, as well as its social and environmental implications. Tourism statistics are not only used to monitor EU tourism policies but also its regional and **sustainable development** policy.

The role played by tourism, for both businesses and citizens, has grown considerably in recent decades. According to estimates from the European Commission's Directorate-General for Enterprise and Industry, tourism accounts for more than 5% of the **EU-27's gross domestic product (GDP)**. The tourist accommodation sector employs 2.3 million people in the EU-27, and total **employment** within the whole of the EU-27's tourism industry is estimated to be between 12 million and 14 million people (according to preliminary estimates from tourism satellite accounts).

Main statistical findings

Tourism volume – demand and supply

Residents from the EU (excluding Malta) made more than 1 000 million holiday trips in 2010. **Short trips** (of one to three nights) accounted for slightly more than half (55.5%) of the trips made (see Table 7.5.1), while approximately three quarters (76.6%) of the trips made were to domestic destinations, while 23.4% were abroad.

In some Member States, over half of all holidays were spent abroad; this was the case for Luxembourg, Belgium, Slovenia and the Netherlands. However, less than 10% of holiday trips by residents of Romania, Spain, Greece, Bulgaria and Portugal were abroad. These figures appear to be influenced by both the Member State's size and its geographical location (smaller and more northerly countries tend to report a higher propensity for their residents to take holidays abroad).

It is estimated that some 51.5% of the EU-27's population took part in tourism in 2010, in other

words made at least one **trip of at least four overnight stays** during the year. Again, large differences can be observed, as this participation rate ranged from 5.3% in Bulgaria to 87.8% in Cyprus (see Table 7.5.2).

From the supply perspective, it is estimated that nearly 204 000 **hotels and similar establishments** were active within the EU-27 in 2010; there were more than 256 000 other **collective tourist accommodation establishments** (such as campsites and holiday dwellings). Hotels and similar establishments provided more than 12.4 million **bed places**, of which nearly half (46.2%) were in Italy (2.3 million bed places), Spain (1.8 million bed places) or Germany (1.7 million bed places). In 2010, resident and non-resident (foreign) tourists spent over 1 500 million nights in hotels and similar establishments in the EU-27.

Over the past decade, the number of **tourism nights** spent in collective tourist accommodation had generally shown an upward trend. However, a decline in travel after the 2001 terrorist attacks in the United States and the financial and economic crisis caused short-term shocks: the number of tourism nights spent in collective tourist accommodation in the EU-27 fell by 0.6% in 2008 and by 2.8% in 2009. In 2010, however, the number of nights spent in collective tourist accommodation increased by 0.9%, reaching over 2 250 million nights (see Figure 7.5.1).

Top destinations

German residents spent 640.6 million nights in collective accommodation establishments outside of Germany in 2010, while residents of the United Kingdom spent 504.3 million nights abroad; residents of these two Member States accounted for almost half (49.4%) of the total number of nights spent abroad by EU-27 residents. Extending the coverage, the ten Member States whose residents spent the most nights in tourist accommodation establishments abroad made up 87.4% of the 2 315.3 million nights spent abroad in 2010 (see Table 7.5.3).



When taking into account a country's size in terms of population, Luxembourg was the Member State whose residents spent the most nights abroad per inhabitant (an average of 21.2 nights), followed by Cyprus (14.7), Ireland (11.6, data for 2009) and the Netherlands (also 11.6). At the other end of the spectrum, Romanians, Bulgarians and Greeks (data for 2009) spent, on average, less than one holiday night abroad per inhabitant in 2010 (see Figure 7.5.2).

In 2010, Spain was the most common tourism destination in the EU for non-residents (people coming from abroad), with 213.3 million nights spent in collective accommodation, or 23.2% of the EU-27 total. The top three most popular destinations among the Member States for non-residents were Spain, Italy (167.8 million nights) and France (85.2 million nights), which together represented 50.7% of the nights spent by non-residents in the EU-27. The least common destinations were Lithuania, Latvia and Luxembourg (data for 2009); the effect of the size of these Member States should be considered when interpreting these values (see Figure 7.5.3 and Table 7.5.4).

The number of nights spent (by residents and non-residents) can be put into perspective by making a comparison with the size of the country in population terms, providing an indicator of [tourism intensity](#). In 2010, using this measure, the Mediterranean island destinations of Malta and Cyprus, as well as the alpine and city trip destination of Austria were the most popular tourist destinations in the EU-27 (see Figure 7.5.4).

Financial aspects of international tourism

The economic importance of tourism can be measured by looking at the ratio of international tourism receipts relative to GDP. In 2010, this was highest in Malta (13.2%) and Cyprus (9.5%), confirming the importance of tourism to these island nations (see Table 7.5.5); an even higher ratio was observed in Croatia (13.9%, data for 2009). In absolute terms, the highest international tourism receipts in 2010 were recorded in Spain (EUR 39 621 million) and France (EUR 34 939 million), followed by Italy, Germany and the United Kingdom.

Germany recorded the highest level of expenditure on international tourism, totalling EUR 58 596 million in 2010, followed by the United Kingdom (EUR 36 829 million) and France (EUR 29 686 million). When analysing this expenditure relative to the size of population, Luxembourg's residents spent on average EUR 5 374 per inhabitant on travel abroad in 2010, far ahead of the second ranked country, Belgium (EUR 1 305 per inhabitant), which was followed by Ireland, Denmark and Cyprus. Not surprisingly, these five Member States were all relatively small and also among the highest ranked in terms of the share of long (in other words, four nights or more) outbound trips in the total number of holiday trips.

Data sources and availability

Tourism, in a statistical context, refers to the activity of visitors taking a trip to a destination outside their usual environment, for less than a year. It can be for any main purpose, including business, leisure or other personal reasons other than to be employed by a resident person, [household](#) or [enterprise](#) in the place visited. Tourism statistics are currently limited to at least an overnight stay; as of 2014, outbound same-day visits will be covered as well.

A system of tourism statistics was established in Council Directive 95/57/EC of 23 November 1995 on the collection of statistical information in the field of tourism. This legal basis requires Member States to provide a regular set of comparable tourism statistics. Amendments in 2004 and 2006 concerned the [enlargement of the EU](#) and recent changes in the world market for tourism. In July 2011 the [European Parliament](#) and the [Council of the European Union](#) adopted a new Regulation No 692/2011 concerning European statistics on tourism and repealing Council Directive 95/57/EC; this will come into force for reference year 2012 onwards.

Tourism statistics in the EU consist of two main components: statistics relating to capacity and occupancy in collective tourist accommodation; statistics relating to tourism demand. In most Member States, the former are collected via surveys filled in



by accommodation establishments, while the latter are mainly collected via traveller surveys at border crossings or through household surveys.

Statistics on the capacity of collective tourist accommodation include the number of establishments, the number of bedrooms and the number of bed places. These statistics are available by establishment type or by region, and are compiled annually.

Statistics on the occupancy of collective tourist accommodation refer to the number of arrivals (at accommodation establishments) and the number of **nights spent** by residents and non-residents, separated into establishment type or region; annual and monthly statistical series are available. In addition, statistics on the use of bed places (**occupancy rates**) are compiled. Statistics on tourism demand refer to tourist participation, in other words, the number of people who made at least one trip of at least four overnight stays during the reference period (quarter or year). There are statistics in relation to the number of tourism trips made (and the number of nights spent on those trips), separated by:

- destination country;
- departure month;
- length of stay;
- type of organisation for the trip;
- transport mode;
- accommodation type;
- expenditure.

The data may also be analysed by socio-demographic explanatory variables, such as age and sex.

Data from other official sources may also be used to study tourism. These statistics include:

- data on employment in the tourism accommodation sector from the **labour force survey (LFS)**, broken down by working time (full/part-time), working status, age, level of education, sex, permanency and seniority of work with the same employer (annual and quarterly data);
- data on personal travel receipts and expenditure from the **balance of payments**;
- **transport statistics** (for example, air passenger transport);

- **structural business statistics (SBS)** may be used to provide additional information on tourism flows and on the economic performance of certain tourism-related sectors.

Context

The EU is a major tourist destination, with six Member States among the world's top ten destinations for holidaymakers. Tourism is an important activity in the EU which has the potential to contribute towards employment and economic growth, as well as to development in rural, peripheral or less-developed areas. These characteristics drive the demand for reliable and harmonised statistics within this field, as well as within the wider context of regional policy and sustainable development policy areas.

Indeed, tourism can be a significant factor in the development of European regions. Infrastructure created for tourism purposes contributes to local development, while jobs that are created or maintained can help counteract industrial or rural decline. Sustainable tourism involves the preservation and enhancement of cultural and natural heritage, ranging from the arts to local gastronomy or the preservation of **biodiversity**.

In 2006, the **European Commission** adopted a Communication ((2006) 134) titled 'A renewed EU tourism policy: towards a stronger partnership for European tourism'. The document addressed a range of challenges that will shape tourism in the coming years, including Europe's ageing population, growing external competition, consumer demand for more specialised tourism, and the need to develop more sustainable and environmentally friendly tourism practices. It argued that more competitive tourism supply and sustainable destinations would help raise tourist satisfaction and secure Europe's position as the world's leading tourist destination. This was followed by a Communication ((2007) 621) in October 2007 titled, 'Agenda for a sustainable and competitive European tourism', which proposed actions in relation to the sustainable management of destinations, the integration of sustainability concerns by businesses, and the sustainability awareness of tourists.



A Communication ((2010) 352) titled, 'Europe, the world's No. 1 tourist destination – a new political framework for tourism in Europe' was adopted in June 2010. This followed the entry into force of the Lisbon Treaty, which acknowledged the importance of tourism – outlining a specific competence for the EU in this field and allowing for decisions to be taken by qualified majority. A specific Treaty article on tourism specifies that the EU 'shall complement the action of the Member States in the tourism sector, in particular by

promoting the competitiveness of Union undertakings in that sector'. With its Communication in 2010, the European Commission encouraged a coordinated approach for initiatives linked to tourism and defined a new framework for action to increase the competitiveness of tourism and its capacity for sustainable growth. It proposed a number of European or multinational initiatives – including a consolidation of the socio-economic knowledge base for tourism – aimed at achieving these objectives.

**Table 7.5.1:** Holiday trips of residents (aged 15 years or more), 2010

	Number of trips (1 000)			Breakdown of all trips by destination and duration (%)			
	All trips	Short trips (1-3 nights)	Long trips (4+ nights)	Short domestic trips (1-3 nights)	Long domestic trips (4+ nights)	Short outbound trips (1-3 nights)	Long outbound trips (4+ nights)
EU (1)	1 046 804	580 887	465 916	50.2	26.4	5.3	18.1
Belgium	10 746	3 832	6 913	14.0	10.3	21.7	54.0
Bulgaria	6 280	4 189	2 090	63.9	26.7	2.8	6.6
Czech Republic	25 735	15 546	10 189	55.2	22.8	5.2	16.8
Denmark	27 788	20 345	7 443	66.8	11.0	6.4	15.7
Germany	221 407	115 320	106 087	46.0	21.6	6.1	26.4
Estonia	2 630	1 928	702	60.4	8.4	12.8	18.3
Ireland (2)	10 638	5 559	5 079	39.7	11.3	12.6	36.4
Greece	12 159	5 525	6 635	44.2	47.3	1.2	7.3
Spain	118 931	79 804	39 127	65.1	27.3	2.0	5.6
France	197 653	103 744	93 910	50.1	39.3	2.4	8.2
Italy (2)	80 799	41 449	39 349	46.6	35.4	4.7	13.3
Cyprus	1 783	836	946	42.0	11.4	4.9	41.7
Latvia	4 114	3 261	853	72.5	7.3	6.8	13.5
Lithuania	3 270	2 170	1 101	53.8	11.9	12.6	21.7
Luxembourg	1 240	474	766	<1	<1	38.0	61.7
Hungary	18 404	12 507	5 897	60.0	19.5	7.9	12.6
Malta	:	:	:	:	:	:	:
Netherlands	29 580	10 569	19 011	25.3	22.0	10.4	42.3
Austria	16 887	7 800	9 087	31.2	19.1	15.0	34.7
Poland	34 557	18 136	16 421	50.7	35.2	2.4	12.3
Portugal	11 168	7 487	3 681	64.5	25.6	2.6	7.4
Romania	11 163	6 761	4 403	59.9	34.0	<1	5.4
Slovenia	4 244	2 567	1 677	34.3	9.8	26.2	29.7
Slovakia	5 947	2 571	3 375	35.0	25.4	8.3	31.3
Finland	36 125	28 186	7 939	69.9	15.1	8.2	6.9
Sweden	42 041	27 801	14 240	58.5	19.5	7.6	14.4
United Kingdom	111 515	52 521	58 994	41.4	19.9	5.7	33.0
Norway	17 552	9 951	7 601	45.5	20.1	11.1	23.2
Croatia	6 449	2 939	3 509	35.2	40.3	10.4	14.1

(1) Estimate made for the purpose of this publication, compiled using the sum/average of the latest available data for the Member States, excluding Malta.
(2) 2009.

Source: Eurostat (online data code: [tour_dem_ttg](#))



Table 7.5.2: Tourism indicators, 2005-2010

	Hotels & similar establishments (units)		Other collective accommodation establishments (units)		Bed places in hotels & similar establishments (1 000)		Nights spent in hotels & similar establishments (1 000) ⁽¹⁾		Share of the population (aged 15+) taking part in tourism trips of at least 4 nights (%)	
	2005	2010	2005	2010 ⁽²⁾	2005	2010 ⁽³⁾	2005	2010 ⁽⁴⁾	2005 ⁽⁵⁾	2010 ⁽⁶⁾
EU-27 ⁽⁷⁾	194 199	203 854	210 881	256 202	11 198	12 469	1 481 479	1 563 605	55.3	51.5
Euro area ⁽⁷⁾	144 889	143 861	162 666	188 803	8 848	9 511	1 173 090	1 255 826	59.7	55.8
Belgium	1 899	2 088	1 461	1 458	121	128	14 610	17 023	49.8	53.3
Bulgaria	1 230	1 823	325	449	201	245	15 428	15 002	:	5.3
Czech Republic	4 278	4 300	3 327	2 935	232	256	25 209	26 358	55.7	53.7
Denmark	482	482	608	584	70	82	10 100	10 939	64.1	65.6
Germany	36 575	35 867	18 756	17 665	1 621	1 722	200 767	228 302	82.1	65.5
Estonia	317	375	467	766	25	30	3 542	4 028	24.6	39.0
Ireland	4 407	3 451	4 458	4 466	149	152	25 198	23 698	:	:
Greece	9 036	9 732	341	314	682	763	54 017	62 519	47.0	41.2
Spain	17 607	18 635	17 151	23 318	1 580	1 785	245 637	267 147	39.8	41.6
France	18 689	17 506	10 689	11 128	1 266	1 248	198 039	195 906	61.9	64.9
Italy	33 527	33 987	96 409	116 257	2 028	2 253	240 320	254 177	48.7	48.6
Cyprus	785	690	134	149	91	84	14 939	13 599	:	87.8
Latvia	337	495	81	133	19	27	2 303	2 460	19.4	17.8
Lithuania	331	381	193	172	20	24	2 062	2 363	25.6	31.5
Luxembourg	293	285	252	241	14	16	1 360	1 282	:	61.4
Hungary	2 061	2 033	1 056	921	162	161	15 749	15 617	49.8	47.3
Malta	173	153	6	7	37	39	7 464	7 475	:	:
Netherlands	3 135	3 172	4 025	3 782	192	212	29 519	33 708	68.5	70.6
Austria	14 267	13 461	6 281	6 878	571	589	76 073	81 344	54.4	58.6
Poland	2 200	3 223	4 523	3 983	170	241	20 333	27 141	32.8	33.2
Portugal	2 012	2 011	288	307	264	280	35 521	37 391	28.3	22.8
Romania	3 608	4 724	618	498	216	258	17 471	15 418	19.7	23.6
Slovenia	344	647	358	348	30	44	4 975	5 853	59.3	56.6
Slovakia	885	1 322	1 131	1 269	57	75	6 833	6 635	:	52.6
Finland	938	842	459	467	118	121	14 275	15 737	58.1	57.9
Sweden	1 857	1 985	2 089	2 119	197	224	22 900	27 338	:	:
United Kingdom	32 926	40 184	35 395	55 605	1 062	1 411	176 835	165 143	62.5	57.3
Iceland	319	325	294	315	17	20	1 569	2 025	:	:
Liechtenstein	46	40	112	114	1	1	111	115	:	:
Norway	1 136	1 128	1 121	1 165	144	175	17 110	18 377	71.2	72.6
Switzerland	5 836	5 477	:	:	274	275	32 944	36 208	:	72.9
Croatia	1 015	841	515	1 276	203	152	21 277	19 345	38.2	38.1
FYR of Macedonia	:	172	:	221	:	13	:	705	:	:

⁽¹⁾ Nights spent by residents and non-residents.

⁽²⁾ France, 2009.

⁽³⁾ United Kingdom, 2009.

⁽⁴⁾ Ireland, Greece and the United Kingdom, monthly data was used to calculate the annual figure; Ireland and Luxembourg, 2009.

⁽⁵⁾ Croatia, 2004.

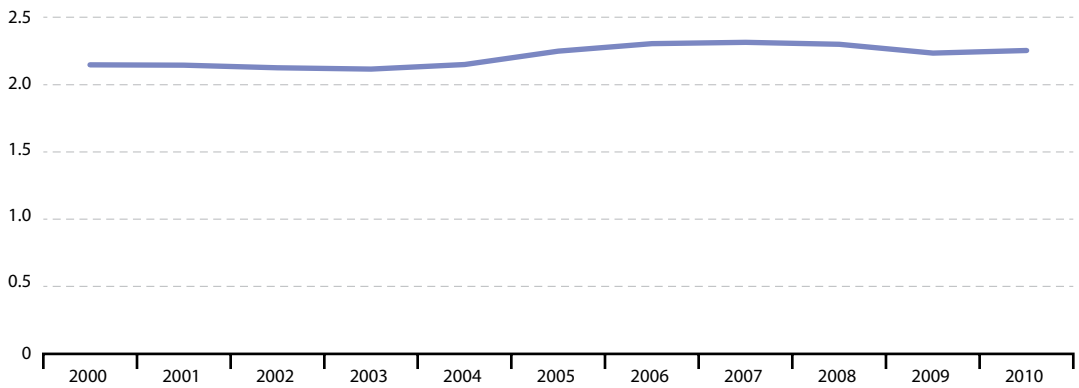
⁽⁶⁾ The Czech Republic, Estonia, Greece, Spain, France, Italy, the United Kingdom, Norway and Switzerland, 2009.

⁽⁷⁾ Data for 2010 (in italics): estimates made for the purpose of this publication, compiled using the sum/average of the latest available data for the Member States.

Source: Eurostat (online data codes: [tin00039](#), [tin00040](#), [tin00041](#), [tin00043](#), [tour_occ_nim](#), [tin00045](#), [tps00001](#) and [tps00010](#))



Figure 7.5.1: Number of nights spent in collective tourist accommodation, EU-27, 2000-2010 ⁽¹⁾
(1 000 million nights)



⁽¹⁾ Nights spent by residents and non-residents; estimates made for the purpose of this publication.

Source: Eurostat (online data codes: [tour_occ_ninat](#) and [tour_occ_nim](#))

Table 7.5.3: Top 10 Member States of origin for outbound holidays, 2010
(1 000 nights spent abroad by residents of the country)

	Nights abroad	Share (%)
EU-27 ⁽¹⁾	2 315 286	100.0
Top 10	2 024 175	87.4
1 Germany	640 570	27.7
2 United Kingdom ⁽²⁾	504 290	21.8
3 France ⁽²⁾	192 575	8.3
4 Italy ⁽²⁾	184 210	8.0
5 Netherlands	158 442	6.8
6 Spain ⁽²⁾	88 028	3.8
7 Belgium	80 395	3.5
8 Sweden ⁽²⁾	67 961	2.9
9 Austria	59 053	2.6
10 Poland	48 649	2.1

⁽¹⁾ Estimate made for the purpose of this publication, based on annual and quarterly data.

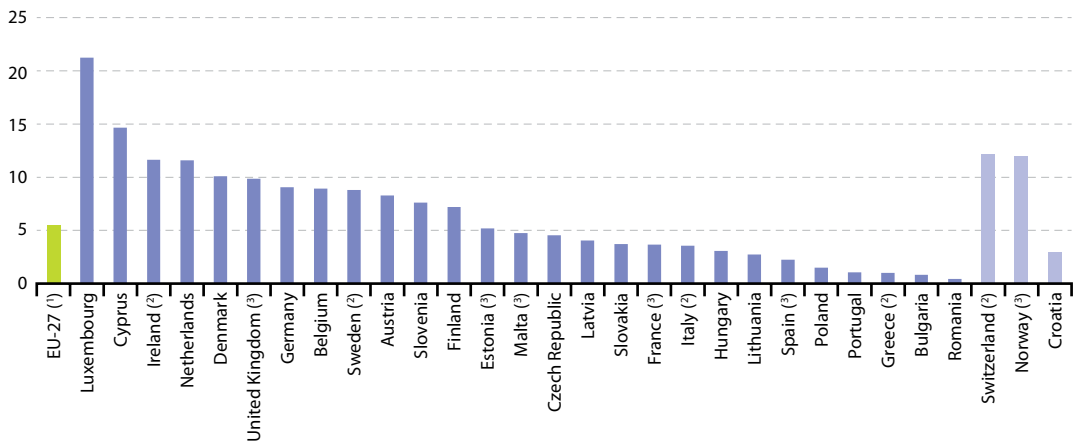
⁽²⁾ Estimate based on quarterly data.

⁽³⁾ 2009.

Source: Eurostat (online data codes: [tour_dem_tnw](#) and [tour_dem_tnq](#))



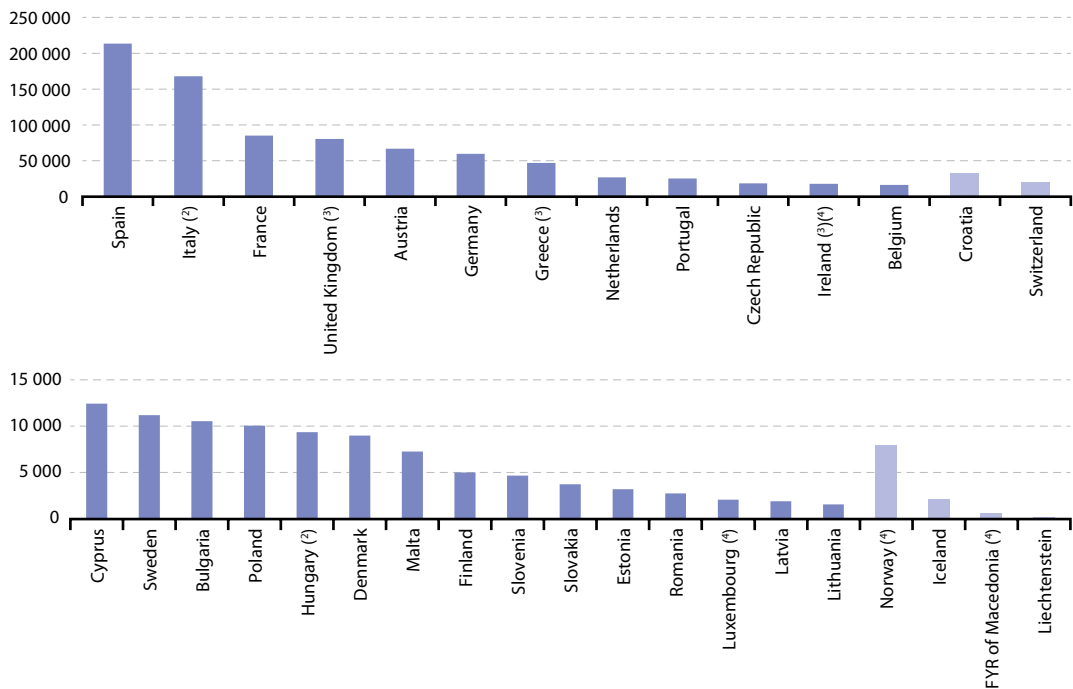
Figure 7.5.2: Country of origin for outbound holidays, 2010
(average nights spent abroad per inhabitant)



(1) Estimate made for the purpose of this publication, using the latest available data for the Member States.
(2) 2009.
(3) Estimate based on quarterly data.

Source: Eurostat (online data codes: [tour_dem_tnw](#), [tour_dem_tnq](#) and [tps00001](#))

Figure 7.5.3: Tourism destinations – nights spent in collective tourist accommodation, 2010 (1)
(1 000 nights spent in the country by non-residents)



(1) Note the differences in the scales employed between the two parts of the figure. (2) Provisional. (3) Estimate based on monthly data. (4) 2009.

Source: Eurostat (online data codes: [tour_occ_ninat](#) and [tour_occ_nim](#))



Table 7.5.4: Top 10 tourism destinations – nights spent in collective tourist accommodation, 2010 (1 000 nights spent in the country by non-residents)

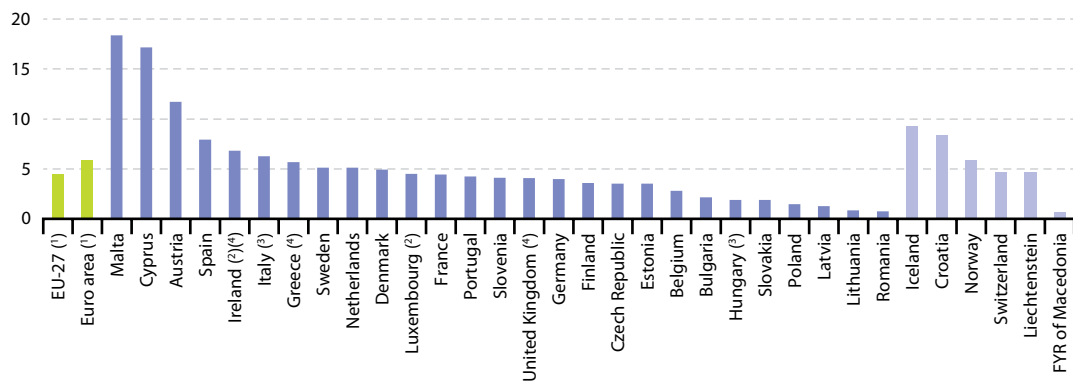
	Nights in country	Share (%)
EU-27⁽¹⁾	919 522	100.0
Top 10	790 808	86.0
1 Spain	213 350	23.2
2 Italy	167 839	18.3
3 France	85 191	9.3
4 United Kingdom ⁽²⁾	80 373	8.7
5 Austria	66 838	7.3
6 Germany	59 659	6.5
7 Greece ⁽²⁾	47 007	5.1
8 Netherlands	26 800	2.9
9 Portugal	25 386	2.8
10 Czech Republic	18 366	2.0

(¹) Estimate made for the purpose of this publication, based on annual and monthly data.

(²) Estimate based on monthly data.

Source: Eurostat (online data codes: [tour_occ_ninat](#) and [tour_occ_nim](#))

Figure 7.5.4: Tourism intensity, 2010
(nights spent by residents and non-residents in collective tourist accommodation per inhabitant)



(¹) Estimate made for the purpose of this publication, based on annual and quarterly data.

(²) 2009.

(³) Provisional.

(⁴) Estimate based on monthly data.

Source: Eurostat (online data codes: [tour_occ_ninat](#), [tour_occ_nim](#) and [tps00001](#))

**Table 7.5.5:** Tourism receipts and expenditure from travel, 2000-2010

	Receipts				Expenditure			
	(EUR million)			Relative to GDP, 2010 (%)	(EUR million)			Relative to GDP, 2010 (%)
	2000	2005	2010 (1)		2000	2005	2010 (1)	
EU-27 (2)	:	65 737	73 028	0.6	:	84 943	87 737	0.7
Belgium	:	7 934	7 761	2.2	:	12 047	14 151	4.0
Bulgaria	1 163	1 956	2 747	7.6	582	1 053	931	2.6
Czech Republic	3 232	3 769	5 043	3.4	1 387	1 940	3 074	2.1
Denmark	4 008	4 248	4 135	1.8	5 076	5 526	6 532	2.8
Germany	20 007	23 449	26 156	1.1	57 427	59 766	58 596	2.4
Estonia	549	784	815	5.7	221	353	460	3.2
Ireland	2 886	3 863	3 075	2.0	2 858	4 898	5 826	3.7
Greece	10 068	11 037	9 611	4.2	4 947	2 446	2 156	0.9
Spain	32 446	38 558	39 621	3.8	6 454	12 125	12 664	1.2
France	33 301	35 385	34 939	1.8	19 227	25 582	29 686	1.5
Italy	29 905	28 400	29 244	1.9	17 010	17 960	20 490	1.3
Cyprus	2 101	1 875	1 655	9.5	448	750	873	5.0
Latvia	143	279	480	2.7	268	475	485	2.7
Lithuania	424	742	778	2.8	274	599	594	2.2
Luxembourg	:	2 904	3 109	7.7	:	2 398	2 698	6.7
Hungary	3 758	3 300	4 049	4.2	1 508	1 908	2 241	2.3
Malta	640	611	813	13.2	218	216	348	5.6
Netherlands (3)	7 813	8 421	9 718	1.7	13 241	12 996	14 807	2.5
Austria	10 593	12 904	14 078	4.9	6 767	7 506	7 717	2.7
Poland	6 183	5 056	7 157	2.0	3 606	4 485	6 181	1.7
Portugal	5 720	6 199	7 610	4.4	2 422	2 454	2 953	1.7
Romania	391	849	859	0.7	463	747	1 239	1.0
Slovenia	1 039	1 451	1 743	4.9	554	708	905	2.6
Slovakia	519	972	1 729	2.6	372	680	1 534	2.3
Finland (3)	1 528	1 757	2 189	1.2	2 009	2 461	3 201	1.8
Sweden	4 414	5 970	8 392	2.4	8 718	8 672	10 149	2.9
United Kingdom	23 702	24 672	23 038	1.4	41 650	47 940	36 829	2.2
Iceland (4)	246	332	402	4.6	509	788	383	4.4
Norway (4)	2 110	2 680	2 909	1.1	4 812	8 187	8 871	3.3
Switzerland (4)	:	8 105	9 937	2.8	:	7 141	7 619	2.1
Croatia (4)	:	5 961	6 367	13.9	:	604	723	1.6
Turkey (3)	8 268	14 591	15 847	2.9	1 855	2 309	3 650	0.7
Japan (4)	3 656	10 018	7 397	0.2	34 548	30 229	18 051	0.5
United States (3)	106 045	82 043	101 907	0.9	72 589	58 934	62 712	0.6

(1) Provisional data.

(2) Extra EU-27 flows.

(3) 2010 estimated using quarterly data.

(4) 2009 instead of 2010.

Source: Eurostat (online data codes: [bop_its_deth](#), [bop_its_det](#), [bop_q_c](#) and [nama_gdp_c](#))



7.6 Information society

This subchapter presents recent statistical data on many different aspects of the information society in the **European Union (EU)**. Progress in the development of the information society is regarded as critical to improve the **competitiveness** of EU industry and, more generally, to meet the demands of society and the EU economy.

Information and communication technologies (ICT) affect people's everyday lives in many ways, both at work and in the home, and EU policies in this area range from regulating entire sectors to trying to protect an individual's privacy.

Main statistical findings

Households and individuals

During the last decade, ICT have become widely available to the general public, both in terms of accessibility as well as cost. A boundary was crossed in 2007, when a majority (54 %) of **households** in the **EU-27** had **internet access**. This proportion continued to increase and in 2010 reached 70 %. The highest proportion (91 %) of households with internet access in 2010 was recorded in the Netherlands, the lowest (33 %) in Bulgaria (see Figure 7.6.1). Widespread and affordable **broadband** access is one of the means of promoting a knowledge-based and informed society. In all Member States broadband was by far the most common form of internet access, used by 61 % of all EU-27 households in 2010, approximately double the share in 2006 – see Figure 7.6.2.

Around seven out of every ten individuals in the EU-27, aged between 16 and 74 years, had used a computer in the first quarter of 2010 while a similar proportion used the internet. The proportion of individuals using a computer and using the internet in 2010 rose to 90 % in Sweden, the Netherlands and Luxembourg, and was around this level in Denmark and Finland. However, less than half of individuals used computers and the internet in Greece, Bulgaria and particularly in Romania. Well over half (56 %) of the individuals in the EU-27 used the internet for finding information on goods or

services in 2010. Large increases of 9 percentage points or more in this type of use of the internet were recorded in 2010 in several Member States that had generally low internet usage, Bulgaria and Romania in particular, and also Slovakia and Poland (see Table 7.6.1).

Among internet users, in other words, those individuals within the EU-27 using the internet in the three months before the **ICT survey**, more than nine in ten (92 %) accessed the internet from home, as shown in Table 7.6.2. By comparison, less than half of this subset of the population accessed the internet at work (41 %), which in turn was around double the proportion accessing the internet from a friend's, neighbour's or relative's house (23 %). Of the 69 % of individuals in the EU-27 that used the internet in 2010, more than three quarters accessed the internet on a daily or almost daily basis.

Two fifths (40 %) of individuals in the EU-27 ordered goods or services over the internet for private use during the year prior to the 2010 survey, an increase of 3 percentage points compared with the year before (see Figure 7.6.4). This proportion was around two thirds in Denmark, the Netherlands, the United Kingdom and Sweden, whereas no more than one in 20 persons made orders over the internet in Bulgaria or Romania.

Figures 7.6.5 to 7.6.7 provide an analysis of security-related issues faced by internet users. More than a half (56 %) of all internet users in the EU-27 in 2010 had (to their knowledge) received spam e-mails, a share that was as low as 18 % in Ireland but as high as 70 % in France; it was higher still (73 %) in Iceland. Nearly one third of users had been confronted by a computer virus (or similar infection), the average across the EU-27 being 31 %. In Bulgaria and Malta did even at least half of all internet users report having experienced such an infection; a much higher proportion (68 %) was reported in the former Yugoslav Republic of Macedonia. More than four fifths (84 %) of internet users in the EU-27 had an IT security software or tool installed, and more than three fifths (63 %) reported that they regularly updated their security products; backing-up data



or making safety copies of files was less common – see Figure 7.6.6. Around half (49%) of all internet users reported having at least once avoided an activity on the internet due to security concerns (see Figure 7.6.7); the most common of these was to avoid providing personal information on social networking sites, followed by e-commerce (buying goods or services over the internet) and e-banking.

Enterprises

Only about one in 20 of all [enterprises](#) in the EU-27 did not have internet access as of the beginning of 2010 (see Figure 7.6.8). Around two thirds (67%) of all enterprises in the EU-27 had their own website and this proportion rose to 92% among [large enterprises](#). By 2010, the proportion of enterprises with internet access exceeded 90% in all Member States except Romania, Bulgaria and Cyprus, while in each of the Member States except Romania, Bulgaria and Latvia more than half of all enterprises had a website (Table 7.6.3).

In total, [e-commerce](#) accounted for around 14% of [turnover](#) among enterprises with at least ten persons employed in the EU-27, a share that ranged from 1% in Cyprus to 24% in Ireland in 2009 (see Figure 7.6.9). Some 13% of enterprises in the EU-27 received orders online during 2009, which was about half the proportion of enterprises (27%) that made purchases online (see Figure 7.6.11). The percentage of enterprises selling online was highest in the accommodation sector (44%), whereas the highest proportion of enterprises making online purchases was recorded for information and communication services (51%).

By January 2010, 26% of enterprises in the EU-27 had a formally defined ICT security policy with a plan for regular review; this share rose to over 50% among those enterprises whose principal activity was information and communication activities. Large enterprises were more than three times as likely to have such a security policy as [small ones](#) – see Figure 7.6.12. Among the Member States, the highest shares of enterprises with a formally defined ICT security policy were recorded in Sweden and Denmark where more than two fifths of enterprises had such policies, as was also the case in Norway.

Enterprises adopt various approaches to raise awareness among employees of ICT security policy and the associated risks – see Figures 7.6.14 and 7.6.15. Voluntary training or use of generally available information was the approach most commonly reported by enterprises and around three quarters of enterprises had adopted this approach in Cyprus and Finland. Around half (48%) of all enterprises in the EU-27 reported having used at least one of the three approaches surveyed with this share ranging from 18% in Poland to 84% in Cyprus.

ICT-related security incidents concern the core elements of information security, integrity, confidentiality and availability of data and IT systems. Type 1 incidents concern the unavailability of ICT services or the destruction or corruption of data due to hardware or software failures. In 2009, 16% of enterprises in the EU-27 had experienced some kind of ICT-related security incident and 12% had experienced a type-1 incident. Enterprises in Portugal were by far the most likely to indicate that they had experienced an ICT-related security incident, this being the case in two fifths of Portuguese enterprises in 2009 – see Figure 7.6.16.

In January 2010, the use of strong password authentication and offsite data backup were the most commonly reported procedures used by enterprises for internal ICT security, with each of these approaches used by 47% of enterprises in the EU-27.

Data sources and availability

Statisticians are well aware of the challenges posed by rapid technological change in areas related to the internet and other new applications of ICTs. As such, there has been a considerable degree of evolution in this area, with statistical tools being adapted to satisfy new demands for data. Statistics within this domain are reassessed on an annual basis in order to meet user needs and reflect the rapid pace of technological change.

This approach is reflected in Eurostat's [survey on ICT usage in households and by individuals](#) and [survey on ICT usage in enterprises](#). These annual surveys are used to benchmark ICT-driven developments, both by following developments for core variables



over time and by looking in greater depth at other aspects at a specific point in time. While the surveys initially concentrated on access and connectivity issues, their scope has subsequently been extended to cover a variety of subjects (for example, **e-government** and e-commerce) and socio-economic breakdowns, such as regional diversity, sex specificity, age, educational differences and the individual's **employment** situation in the household survey, or a breakdown by enterprise size (small, **medium-sized**, large) in the enterprise survey. The scope of the surveys with respect to different technologies is also adapted so as to cover new product groups and means of delivering communication technologies to end-users (enterprises and households).

Households and individuals

The household survey covers those households having at least one member in the age group 16 to 74 years old. Internet access of households refers to the percentage of households that have an internet access, so that anyone in the household could use the internet at home, if so desired, even simply to send an e-mail. **Internet users** are defined as all individuals aged 16-74 who had used the internet in the three months prior to the survey. Regular internet users are individuals who used the internet, on average, at least once a week in the three months prior to the survey. The reference period was the first quarter of 2010; the survey period was the second quarter in most countries.

The technologies most commonly used to access the internet are divided between broadband and dial-up access over a normal or an ISDN telephone line. Broadband includes **digital subscriber lines (DSL)** and uses technology that transports data at high speeds. Broadband lines are defined as having a capacity equal to or higher than 144 kbit/s.

A **computer** is defined as a personal computer powered by one of the major operating systems (Macintosh, Linux or Microsoft); handheld computers or palmtops (PDAs) are also included.

The ordering of goods and services by individuals includes confirmed reservations for accommodation, purchasing financial investments, participation in lotteries and betting, internet auctions, as well

as information services from the internet that are directly paid for. Goods and services that are obtained via the internet for free are excluded. Orders made by manually written e-mails are also excluded.

A special module on internet security was included in the 2010 ICT survey, asking individuals who had used the internet in the previous 12 months about their experience of security threats and their behaviour to avoid security incidences. The latter looked, for example, at viruses (and other infections such as worms or Trojan horses) and unsolicited e-mails (spam). Among other precautions, the use of security software (such as virus checking or anti-spyware programs) was included, as was backing-up by making copies of computer files to an external storage device such as a CD, DVD, external hard disk, USB stick or disk space on a server.

Enterprises

The survey on ICT usage and e-commerce in enterprises covers enterprises that have at least ten persons employed. The activity coverage is restricted to those enterprises whose principal activity is within manufacturing, electricity, gas, steam and water supply, sewerage and waste management, construction, wholesale and retail trade, repair of motor vehicles and motorcycles, transportation and storage, accommodation and food service activities, information and communication, real estate, professional, scientific and technical activities, administrative and support activities and repair of computers and communication equipment (**NACE Rev. 2** Sections C to N excluding Division 75 plus Group 95.1); the financial and insurance activities (Section K) are covered by the survey but are excluded from the analysis presented here. A distinction is made according to the size of enterprises in terms of persons employed into small (10-49 persons employed), medium-sized (50-249) and large (250 or more persons employed) enterprises.

ICT usage data are grouped according to the year in which the survey was conducted; most data refer to the situation in January whereas some others (like e-commerce) refer to the calendar year prior to the survey year.



Context

ICT are considered as critical for improving the competitiveness of European industry and, more generally, to meet the demands of society and the economy. ICT affects many aspects of everyday lives, at both work and in the home, and EU policies in this area range from the regulation of entire sectors to the protection of an individual's privacy.

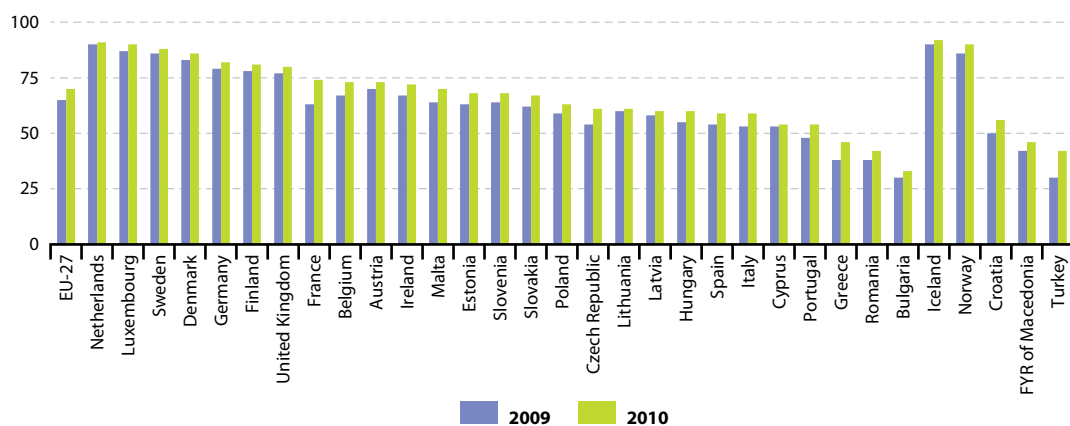
Broadband technologies are considered to be important when measuring access to and use of the internet, as they offer users the possibility to rapidly transfer large volumes of data and keep access lines open. The take-up of broadband is considered to be a key indicator within the domain of ICT policy-making. Widespread access to the internet via broadband is seen as essential for the development of advanced services on the internet, such as e-business, e-government or e-learning. Digital subscriber lines (DSL) remain the main form of delivery for broadband technology, although alternatives, such as the use of cable, satellite, fibre optics and wireless local loops are becoming more widespread.

Until 2010 the EU policy framework for ICT was the i2010 initiative called 'A European information

society for growth and employment' (COM(2005) 229 final) which sought to boost efficiency throughout the EU economy by means of the wider use of ICT. Having undergone a mid-term review, an updated i2010 strategy was presented in April 2008, addressing key challenges for the period 2008-2010.

In May 2010 the European Commission adopted its Communication concerning 'A digital agenda for Europe' (COM(2010) 245 final), a strategy for a flourishing digital economy by 2020. It outlines policies and actions aimed at maximising the benefit of the digital era to all sections of society and economy. The agenda focuses on seven priority areas for action: creating a digital single market, greater interoperability, boosting internet trust and security, providing much faster internet access, encouraging investment in research and development, enhancing digital literacy skills and inclusion, and applying ICT to address challenges facing society like climate change and the ageing population. Examples of benefits include easier electronic payments and invoicing, rapid deployment of telemedicine and energy efficient lighting. The Digital Agenda for Europe is one of the seven flagship initiatives under the Europe 2020 strategy for smart, sustainable and inclusive growth.

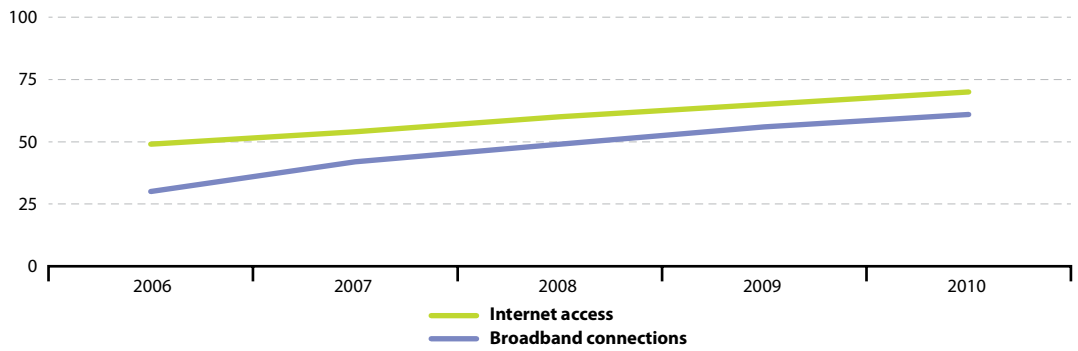
Figure 7.6.1: Internet access of households, 2009-2010
(% of all households)



Source: Eurostat (online data code: [tsiir040](#))



Figure 7.6.2: Internet access and broadband internet connections by households, EU-27, 2006-2010 (% of all households)



Source: Eurostat (online data codes: [isoc_pibi_hiac](#) and [isoc_pibi_hba](#))



Table 7.6.1: Use of ICTs and use of online services, 2008-2010
(% of individuals aged 16 to 74)

	Computer use			Internet use			Used internet for finding information on goods or services		
	2008	2009	2010	2008	2009	2010	2008	2009	2010
EU-27	66	68	71	62	65	69	50	51	56
Euro area (EA-16) (1)	66	68	72	63	65	70	52	55	59
Belgium	71	76	79	69	75	78	58	59	62
Bulgaria	40	44	45	35	42	43	22	17	26
Czech Republic	63	64	69	58	60	66	45	50	53
Denmark	86	87	89	84	86	88	73	74	78
Germany	80	81	83	75	77	80	66	69	72
Estonia	66	71	75	66	71	74	53	54	61
Ireland	67	68	70	63	65	67	46	54	57
Greece	44	47	48	38	42	44	31	33	36
Spain	61	63	67	57	60	64	46	47	54
France	71	72	79	68	69	79	57	60	65
Italy	46	49	53	42	46	51	30	33	35
Cyprus	47	53	57	39	48	52	32	39	47
Latvia	63	65	67	61	64	66	49	50	57
Lithuania	56	60	62	53	58	60	37	44	48
Luxembourg	83	88	90	81	86	90	69	75	78
Hungary	63	63	64	59	59	62	49	48	55
Malta	51	60	64	49	58	62	42	48	52
Netherlands	88	90	91	87	89	90	76	79	82
Austria	76	75	77	71	72	74	51	54	58
Poland	55	59	62	49	56	59	33	29	39
Portugal	46	51	55	42	46	51	34	40	44
Romania	35	42	41	29	33	36	17	12	26
Slovenia	60	65	70	56	62	68	48	49	57
Slovakia	72	74	78	66	70	76	49	50	62
Finland	84	84	88	83	82	86	73	73	74
Sweden	89	91	92	88	90	91	75	77	82
United Kingdom	80	84	86	76	82	83	64	64	63
Iceland	92	93	95	91	93	93	78	80	84
Norway	90	91	93	89	91	93	80	83	82
Croatia	46	50	56	42	47	54	33	33	43
FYR of Macedonia	50	55	56	42	50	52	22	26	30
Turkey	34	36	39	32	34	38	14	18	21

(1) 2008: EA-15 instead of EA-16.

Source: Eurostat (online data codes: [isoc_ci_cfp_cu](#), [isoc_ci_ifp_iu](#) and [isoc_ci_ac_i](#))

**Table 7.6.2:** Place of internet use, 2010

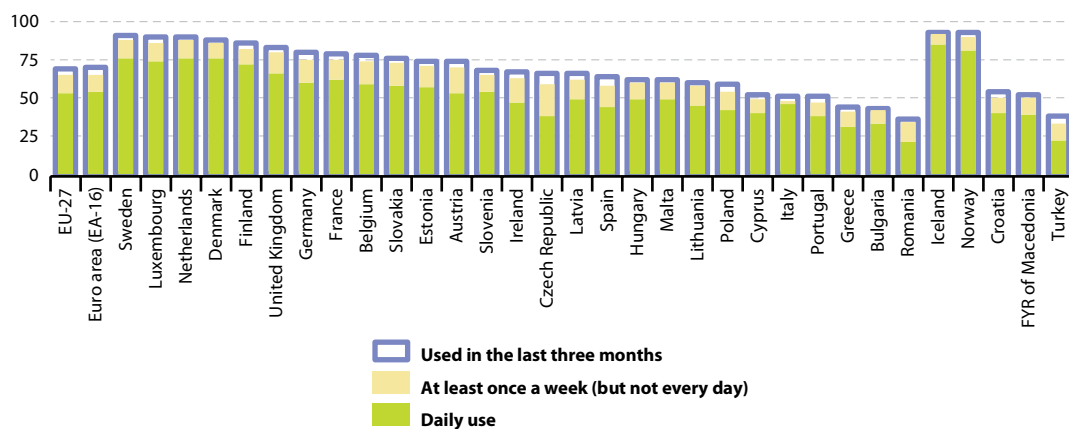
(% of individuals aged 16 to 74 who used the internet in the three months prior to the survey)

	Home	Place of work (other than home)	Place of education	Neighbour, friend or relative's house	Other place
EU-27	92	41	12	23	14
Euro area (EA-16)	92	42	11	25	15
Belgium	94	41	12	20	9
Bulgaria	89	34	14	9	10
Czech Republic	92	40	16	19	3
Denmark	96	52	16	24	16
Germany	94	41	7	21	12
Estonia	92	37	15	17	9
Ireland	91	30	10	4	3
Greece	86	37	9	13	11
Spain	85	41	13	26	24
France	94	40	10	37	13
Italy	87	41	10	22	19
Cyprus	85	44	15	18	13
Latvia	85	31	15	34	21
Lithuania	90	35	19	19	10
Luxembourg	98	49	12	19	23
Hungary	91	35	18	21	10
Malta	95	36	9	9	6
Netherlands	98	52	15	21	8
Austria	92	45	13	15	11
Poland	91	32	16	19	9
Portugal	89	40	17	27	19
Romania	85	31	17	10	5
Slovenia	91	48	16	30	21
Slovakia	89	49	16	20	10
Finland	96	54	21	47	29
Sweden	97	58	14	33	23
United Kingdom	95	42	13	17	12
Iceland	97	58	28	52	15
Norway	97	61	15	28	20
Croatia	89	36	13	18	13
FYR of Macedonia	86	23	17	17	20
Turkey	63	32	7	16	21

Source: Eurostat (online data code: [isoc_pibi_pai](#))

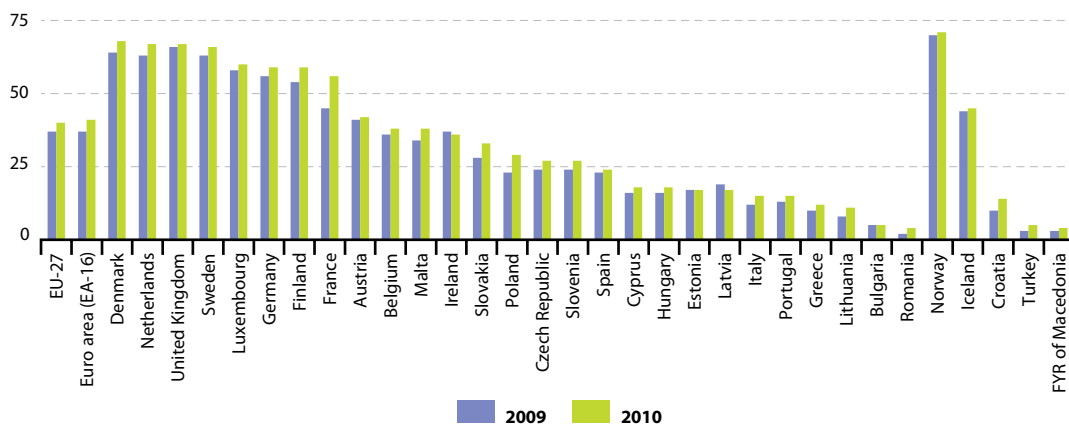


Figure 7.6.3: Frequency of internet use, 2010
(% of individuals aged 16 to 74)



Source: Eurostat (online data codes: [isoc_ci_ifp_iu](#) and [isoc_ci_ifp_fu](#))

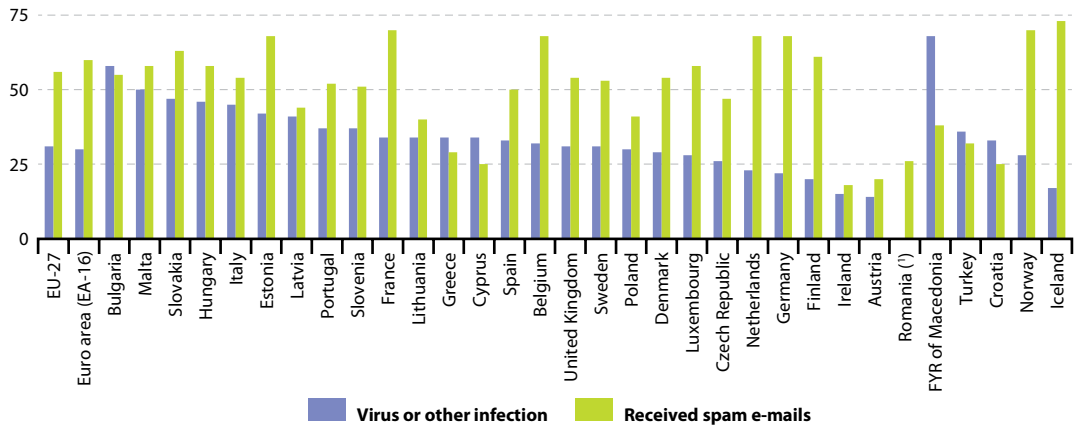
Figure 7.6.4: Individuals who ordered goods or services over the internet for private use in the 12 months prior to the survey, 2009-2010
(% of individuals aged 16 to 74)



Source: Eurostat (online data code: [isoc_ec_ibuy](#))



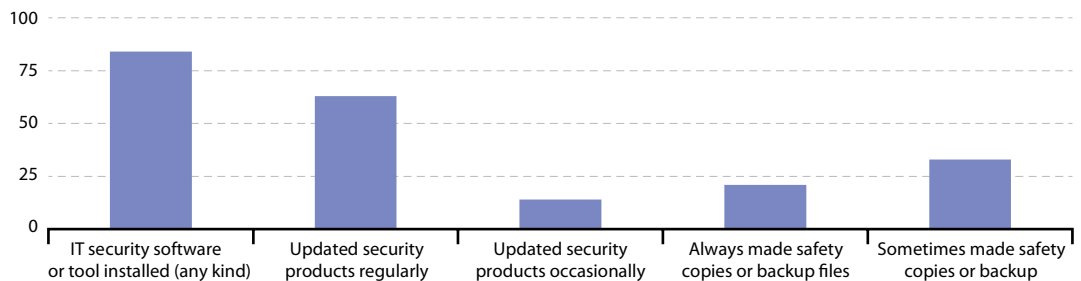
Figure 7.6.5: Security incidences (virus, spam) experienced by internet users in the 12 months prior to the survey, 2010
(% of individuals having used the internet in the 12 months prior to the survey)



(¹) Virus or other infection, not available.

Source: Eurostat (online data code: [isoc_cisci_pb](#))

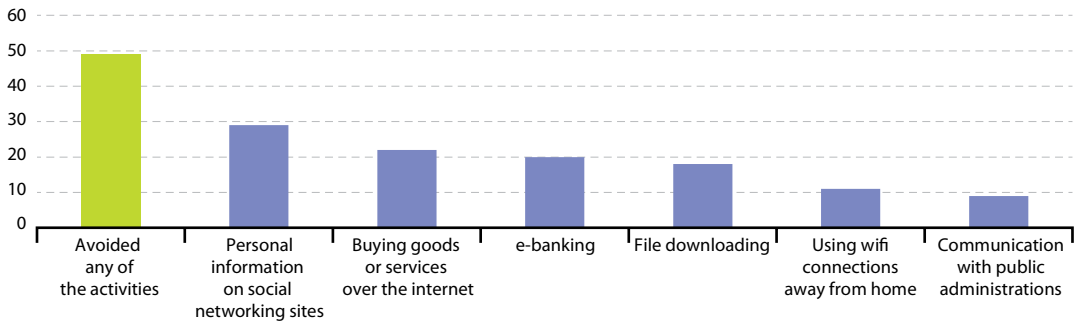
Figure 7.6.6: Precautions taken by internet users to protect private computer and data, EU-27, 2010
(% of individuals having used the internet in the 12 months prior to the survey)



Source: Eurostat (online data codes: [isoc_cisci_sw](#) and [isoc_cisci_f](#))

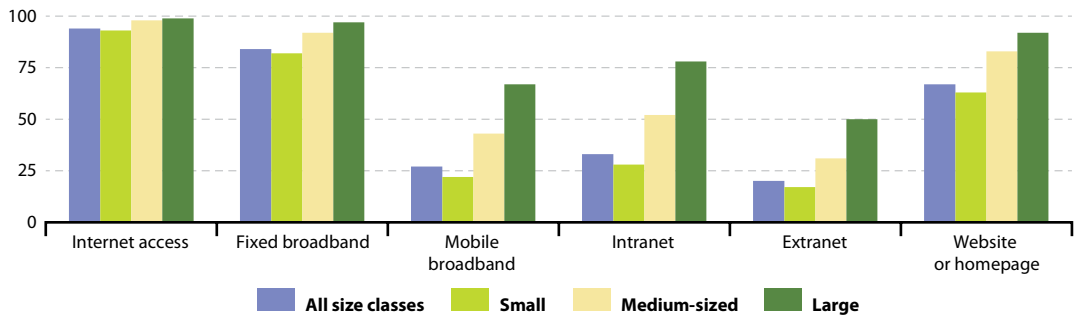


Figure 7.6.7: Activities avoided at least once in the 12 months prior to the survey by internet users due to security concerns, EU-27, 2010
(% of individuals having used the internet in the 12 months prior to the survey)



Source: Eurostat (online data code: [isoc_cisci_ax](#))

Figure 7.6.8: Enterprise use of information technology, by size-class, EU-27, January 2010
(% of enterprises)



Source: Eurostat (online data codes: [isoc_ci_in_en2](#), [isoc_ci_it_en2](#) and [isoc_ci_cd_en2](#))



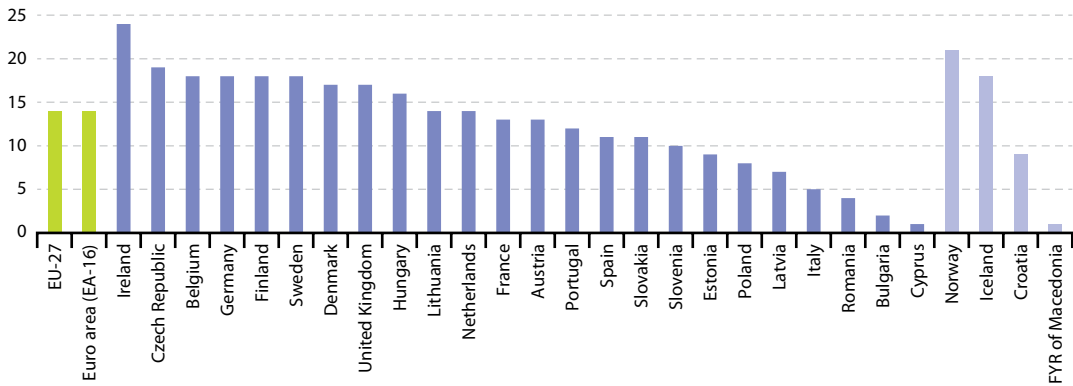
Table 7.6.3: Enterprise use of information technology, January 2010
(% of enterprises)

	Internet access	Fixed broadband connection	Mobile broadband connection				Website or home-page
			All size classes	Small	Medium-sized	Large	
EU-27	94	84	27	22	43	67	67
Euro area (EA-16)	96	88	27	22	45	68	67
Belgium	97	89	29	24	49	70	78
Bulgaria	85	61	9	7	14	34	37
Czech Republic	95	85	18	13	35	51	74
Denmark	97	84	43	39	63	81	88
Germany	97	88	22	16	38	63	81
Estonia	96	87	9	7	13	36	70
Ireland	92	84	36	31	52	73	68
Greece	90	80	6	5	14	20	58
Spain	97	95	35	31	57	75	62
France	97	93	28	23	46	68	58
Italy	94	83	19	16	38	66	61
Cyprus	88	85	11	9	19	39	52
Latvia	91	66	12	10	19	41	48
Lithuania	96	78	20	16	32	62	65
Luxembourg	96	87	20	17	26	57	70
Hungary	90	78	22	18	36	57	57
Malta	94	91	28	24	41	62	66
Netherlands	98	90	28	23	47	68	81
Austria	97	75	46	42	65	91	80
Poland	96	66	21	16	32	64	65
Portugal	94	83	25	20	48	75	52
Romania	79	49	8	6	14	33	35
Slovenia	97	85	31	26	47	73	73
Slovakia	98	71	36	32	46	67	74
Finland	100	93	68	64	88	95	87
Sweden	96	88	55	50	76	91	89
United Kingdom	91	87	36	30	58	79	76
Iceland	98	95	43	36	74	78	77
Norway	97	84	39	35	61	84	78
Croatia	95	76	32	29	41	71	61
FYR of Macedonia	84	76	11	10	17	25	43
Turkey	91	89	16	13	25	41	53

Source: Eurostat (online data codes: [isoc_ci_in_en2](#), [isoc_ci_it_en2](#) and [isoc_ci_cd_en2](#))



Figure 7.6.9: Enterprise turnover from e-commerce, 2009 ⁽¹⁾
(% of total turnover)



⁽¹⁾ Greece, Luxembourg and Malta, not available.

Source: Eurostat (online data code: [isoc_ec_evaln2](#))

Figure 7.6.10: Enterprises selling online (at least 1 % of turnover from electronic sales), EU-27, 2008-2009
(% of enterprises)



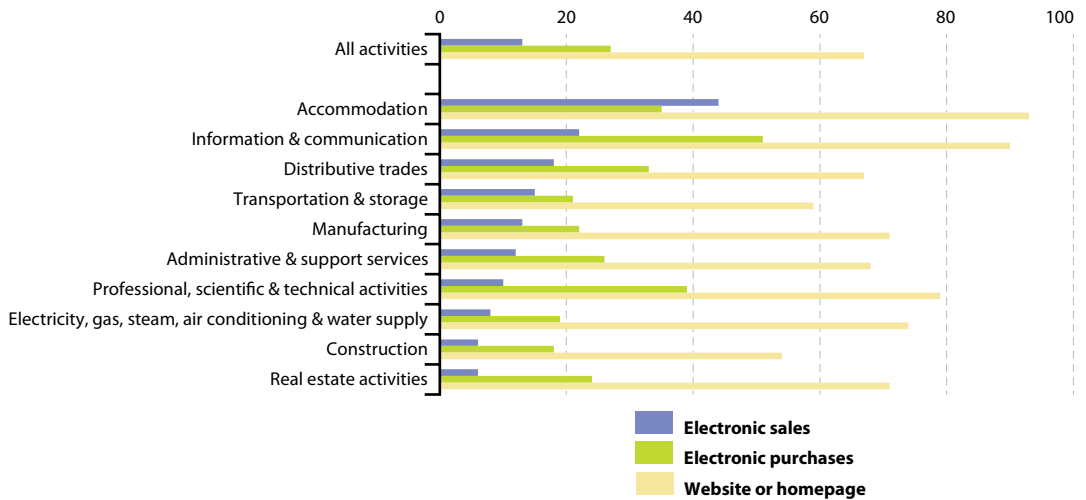
⁽¹⁾ 2008, not available.

⁽²⁾ 2009, not available.

Source: Eurostat (online data code: [isoc_ec_eseln2](#))

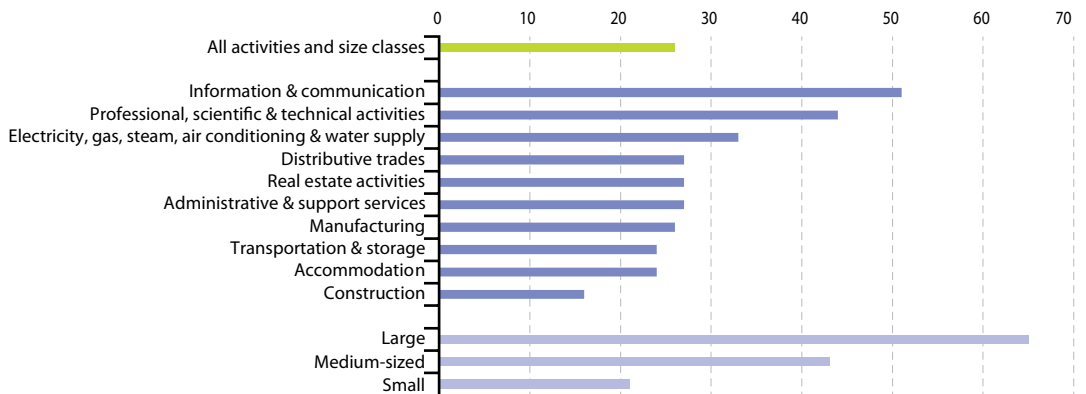


Figure 7.6.11: Enterprises selling and buying online (at least 1 %) or having a website or homepage, EU-27, 2009
(% of enterprises)



Source: Eurostat (online data codes: [isoc_ec_eseln2](#), [isoc_ec_ebuyn2](#) and [isoc_ci_cd_en2](#))

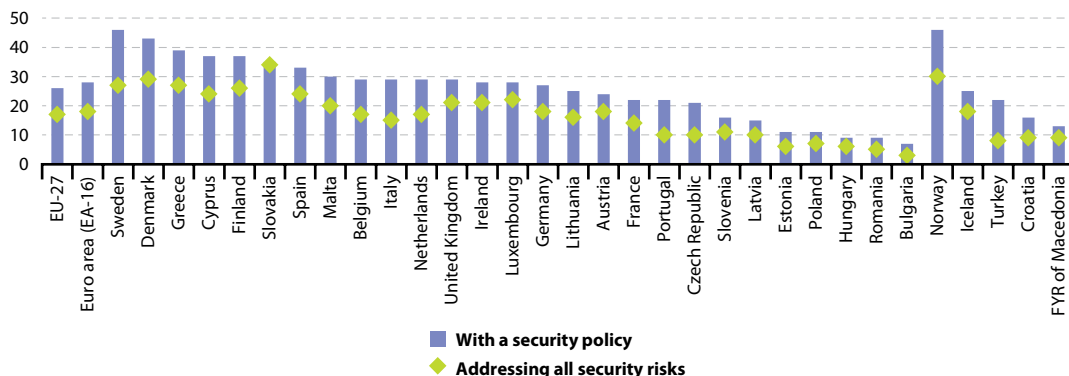
Figure 7.6.12: Enterprises having a formally defined ICT security policy with a plan of regular review, EU-27, January 2010
(% of enterprises)



Source: Eurostat (online data code: [isoc_cisce_ra](#))

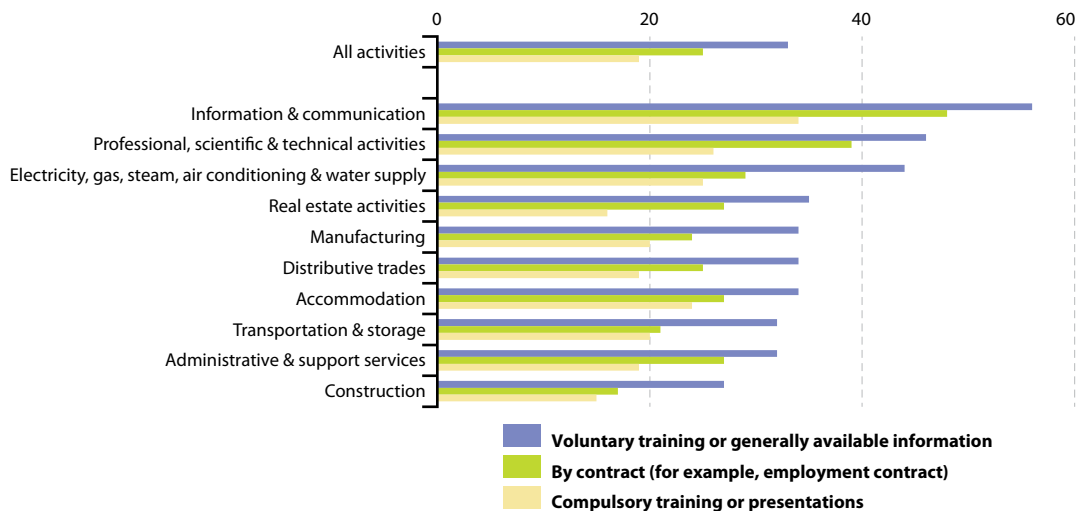


Figure 7.6.13: Enterprises having a formally defined ICT security policy with a plan of regular review and enterprises that addressed all security risks, January 2010
(% of enterprises)



Source: Eurostat (online data code: [isoc_cisce_ra](#))

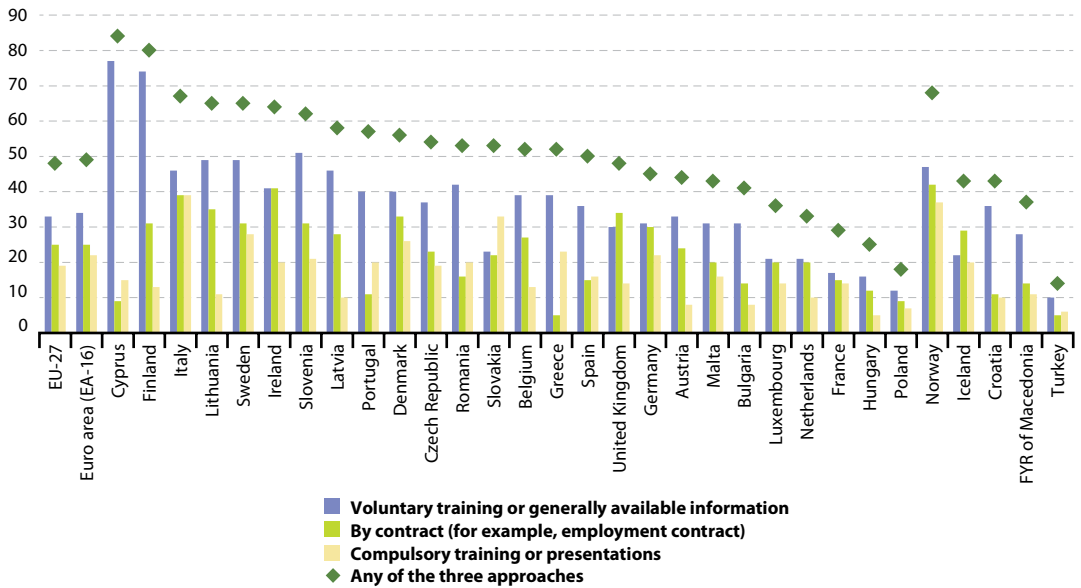
Figure 7.6.14: Enterprises raising awareness among staff of their obligations in ICT security related issues, EU-27, January 2010
(% of enterprises)



Source: Eurostat (online data code: [isoc_cisce_ra](#))



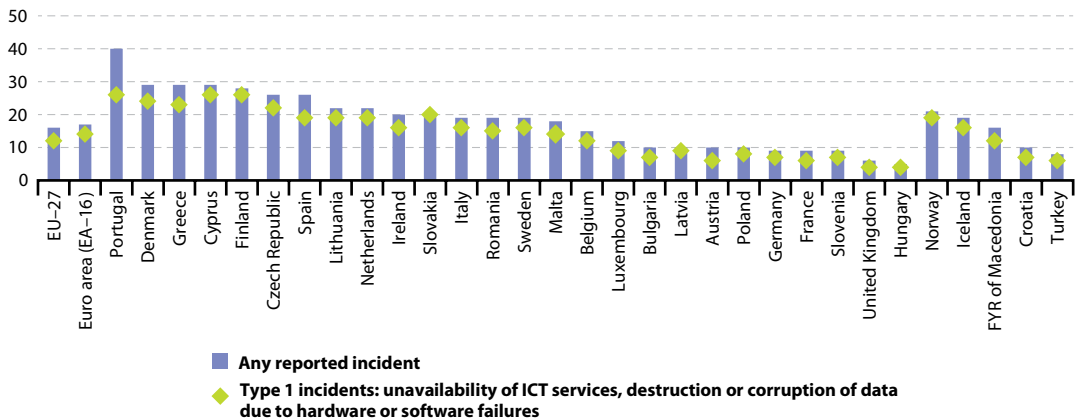
Figure 7.6.15: Approaches adopted by enterprises to raise awareness among staff of their obligations in ICT security related issues, January 2010 ⁽¹⁾
(% of enterprises)



⁽¹⁾ Estonia, not available.

Source: Eurostat (online data code: [isoc_cisce_ra](#))

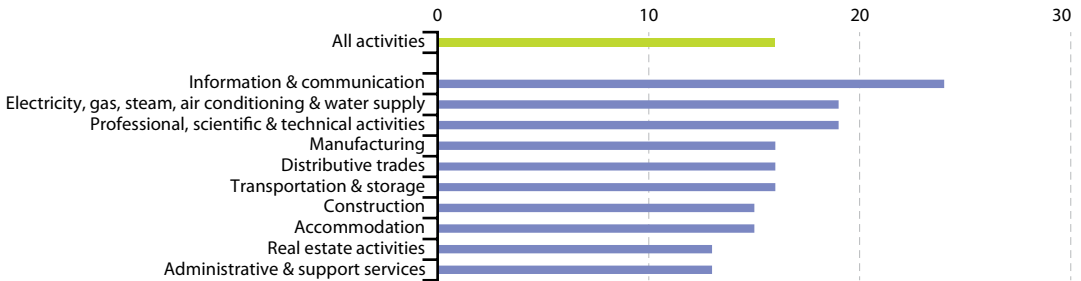
Figure 7.6.16: ICT security incidents affecting the ICT systems of enterprises, 2009 ⁽¹⁾
(% of enterprises)



⁽¹⁾ Estonia, not available.

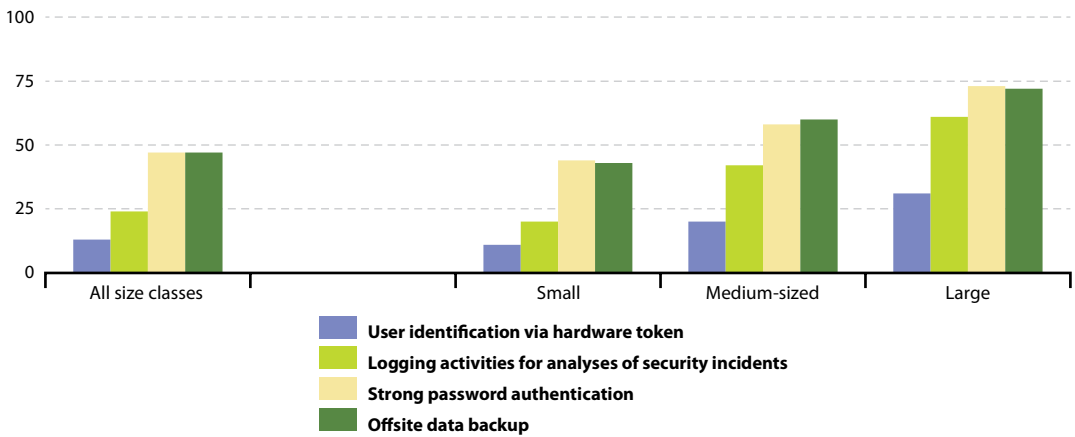
Source: Eurostat (online data code: [isoc_cisce_ic](#))

Figure 7.6.17: Enterprises having experienced at least one ICT related security incident which affected their ICT systems, EU-27, 2009 (% of enterprises)



Source: Eurostat (online data code: [isoc_cisce_ic](#))

Figure 7.6.18: Enterprises using internal security facilities or procedures, EU-27, January 2010 (% of enterprises)



Source: Eurostat (online data code: [isoc_cisce_fp](#))



7.7 Telecommunications

This subchapter presents data on markets and prices for telecommunication services in the [European Union \(EU\)](#). Telecommunication networks and services are the backbone of Europe's developing [information society](#). Individuals, [enterprises](#) and public organisations alike depend increasingly on convenient, reliable telecommunication networks and services. During recent years a shift in the importance of various services can be noted, from wired networks to mobile networks, and from voice services to data services.

Historically, European telecommunications have been characterised by public service monopoly providers, often run in conjunction with postal services. Liberalisation of this market began in the first half of the 1980s and, at first, concerned only value added services or business users, as basic services were left in the hands of monopoly providers. By 1998, telecommunications were, in principle, fully liberalised across the EU leading to considerable reductions in prices. For Member States joining the EU in 2004 and 2007, the liberalisation process was completed at a later date.

Main statistical findings

Telecommunications expenditure accounted for 2.8 % of [gross domestic product \(GDP\)](#) in the EU-27 in 2010, compared with 3.3 % in the United States and 3.5 % in Japan (both 2008) – see Figure 7.7.1. The highest relative levels of expenditure were generally recorded in those [Member States that joined the EU in 2004 or 2007](#) (data for Cyprus and Malta are not available), in particular in Estonia and Bulgaria.

The share of the total telecommunications market accounted for by fixed-line voice operations has shrunk. Growth has been concentrated in mobile telephony markets and other data services. In 2008, the [incumbent](#) ex-monopoly service providers in fixed telecommunications markets accounted for more than two fifths of international calls across those Member States for which data are available (see Table 7.7.1), a share that reached 85 % in Malta.

The share of the leading operator in the mobile market was relatively low at 38 % in the EU-27 in 2010, varying between 31 % in Poland and 76 % in Cyprus.

The average number of [mobile phone subscriptions](#) per 100 inhabitants stood at 125 in the EU-27 in 2009 (see Figure 7.7.2). It surpassed parity (100) in 24 of the Member States, where there were more subscriptions than inhabitants; the Member States where rates were below 100 subscriptions per 100 inhabitants were Austria, France and Latvia.

Total turnover in value terms is based on sales from all telecommunication services, including leased lines, fixed network services, cellular mobile telecommunication services, interconnection services, and internet service provision. In nearly all Member States (for which data are available) turnover from mobile services exceeded that from fixed network services in 2009, the main exception being Belgium (see Table 7.7.2).

The price of telecommunications fell between 2000 and 2010 in many Member States (see Table 7.7.3). Price reductions were most apparent for national [long-distance calls](#) and international calls (represented here by calls to the United States). Across the EU, the average price of a national long-distance call almost halved between 2000 and 2010, with most of this reduction occurring by 2005, as the average price fell 5 % between 2005 and 2010. The price fall between 2005 and 2010 for an international call was larger, down 19 %, whereas the price of local calls increased by 17 %.

The largest increase (in percentage terms) in the price of local calls between 2005 and 2010 was recorded in the United Kingdom, where the price more than doubled, while double-digit percentage increases were also recorded in eight other Member States. In contrast, Denmark recorded the biggest decrease in the price of local calls, down 65 %. In the majority of Member States there was a remarkable decrease of prices for international calls between 2000 and 2010; the decrease was less dynamic during the second half of the decade.



A convergence in prices for local and national long-distance calls between 2000 and 2010 was notable. Between 2000 and 2005 there was strong convergence between Member States in prices for international calls. This was followed by a slight divergence between 2005 and 2010.

Prices of local, national long-distance or international calls varied greatly across the EU Member States in 2010. Local calls were most expensive in the United Kingdom, national long-distance calls in Slovakia and Italy, while the price of international calls was highest in Latvia. The cheapest tariffs for local calls were in Denmark, Bulgaria and Cyprus, while the cheapest national long-distance calls were in Denmark and Cyprus. For international calls (to the United States), the cheapest calls, by far, were from Germany.

Data sources and availability

Data on turnover, mobile phone subscriptions and the average number of SMS come from Eurostat's collection of telecommunications statistics. The data were provided by the national statistical institutes of the EU Member States collecting information from the relevant regulatory authorities.

Indicators presented in relation to market share refer to fixed-line telecommunications and mobile telephony. The incumbent service provider for fixed-line telephony is defined as the enterprise active in the market just before liberalisation.

Indicators relating to the mobile market refer to the number of subscriptions to public cellular mobile telecommunication systems and also include active pre-paid cards. Note that many people have multiple mobile subscriptions, for example, for private and work use, or for use in different countries.

SMS messages are short-message services, traditionally sent between mobile phones, but also between a range of other SMS-enabled devices and online web services.

Data on expenditure for telecommunications cover hardware, equipment, software and other services. The data are not collected by Eurostat; further methodological information is available from the

website of the European Information Technology Observatory (EITO).

Telecommunications prices are based on the price (including VAT) in euro of a 10-minute call at 11 a.m. on a weekday in August up to 2005 and September from 2006 onwards, based on normal rates. Three markets are presented, namely a local call (3 km), a national long-distance call (200 km) and an international call (to the United States). The data are not collected by Eurostat; further methodological information is available from the Teligen website.

Context

Telecommunication networks and services are the backbone of Europe's information society. Individuals, enterprises and public organisations alike have come to depend increasingly on convenient, reliable networks and services.

In recent years, the liberalisation of telecommunication markets has led to considerable reductions in prices and a wider range of services being provided. This may, in part, reflect the introduction of competition into a number of markets that were previously the domain of incumbent monopoly suppliers. In addition, it may also reflect technological change and increased capacity, which have made it possible to communicate not only by voice, but also over the internet or via messaging services. Market regulation has nonetheless continued, and the European Commission oversees this market to ensure that consumers benefit. Regulators continue to monitor the significant market power of former monopoly providers, ensure universal service provision and protect consumers. In particular, the European Commission works to ensure inclusive access to telecommunication services for all social groups.

The regulatory framework for electronic communications in the EU was updated in 2009 to take account of developments in this fast-moving field: major developments since the 2002 framework was agreed include the growth in voice-over-internet (VOIP) telephony and the uptake of television services through broadband lines. The framework covers all forms of fixed and wireless telecoms, data



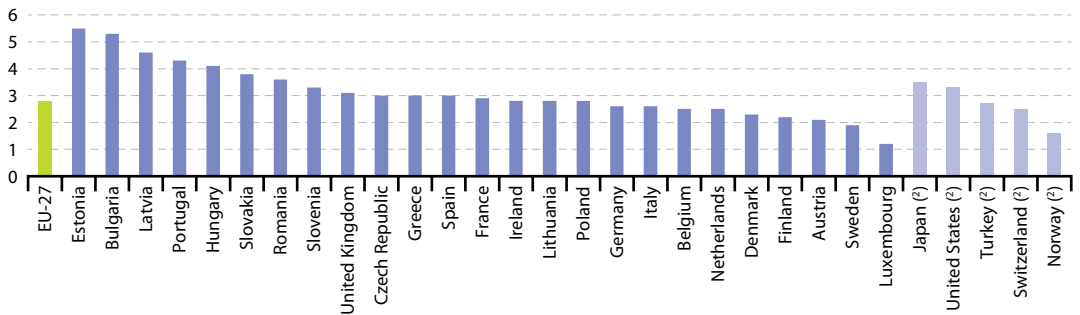
transmission and broadcasting. The revised legislation aims to enable people to benefit from better and cheaper communication services throughout the EU, whether they use mobile phones, fast broadband internet connections or cable-based (television) services. To achieve this, the revised legislation aims to:

- strengthen consumer rights;
- give consumers more choice by reinforcing competition between telecoms operators;
- promote investment in new infrastructure in particular by freeing radio spectrum for wireless broadband services;
- make communication networks more reliable and more secure.

On 30 June 2007, a new set of rules on mobile phone **roaming charges** entered into force. These foresee

that people travelling within the EU are able to make phone calls across borders at more affordable and transparent prices than before. The so-called Roaming Regulation 717/2007 of 27 June 2007 put in place a set of maximum prices for phone calls made and received while abroad (Eurotariff). The European Commission and national regulators have closely monitored price developments for text messages and data services. In July 2009 revised rules were adopted in the Roaming Regulation 544/2009 that cut roaming prices for (voice) phone calls further and introduced new caps on the tariffs for SMS (Euro SMS tariff) that will apply until the end of June 2012. In July 2011 the European Commission proposed a further revision of this legislation which aims to give customers more choice, give alternative operators easier access to the roaming market and generally bring down prices for data roaming.

Figure 7.7.1: Communications expenditure, 2010 ⁽¹⁾
(% of GDP)



⁽¹⁾ Cyprus and Malta, not available.

⁽²⁾ 2008.

Source: Eurostat (online data code: [tsiir090](#)), European Information Technology Observatory (EITO)



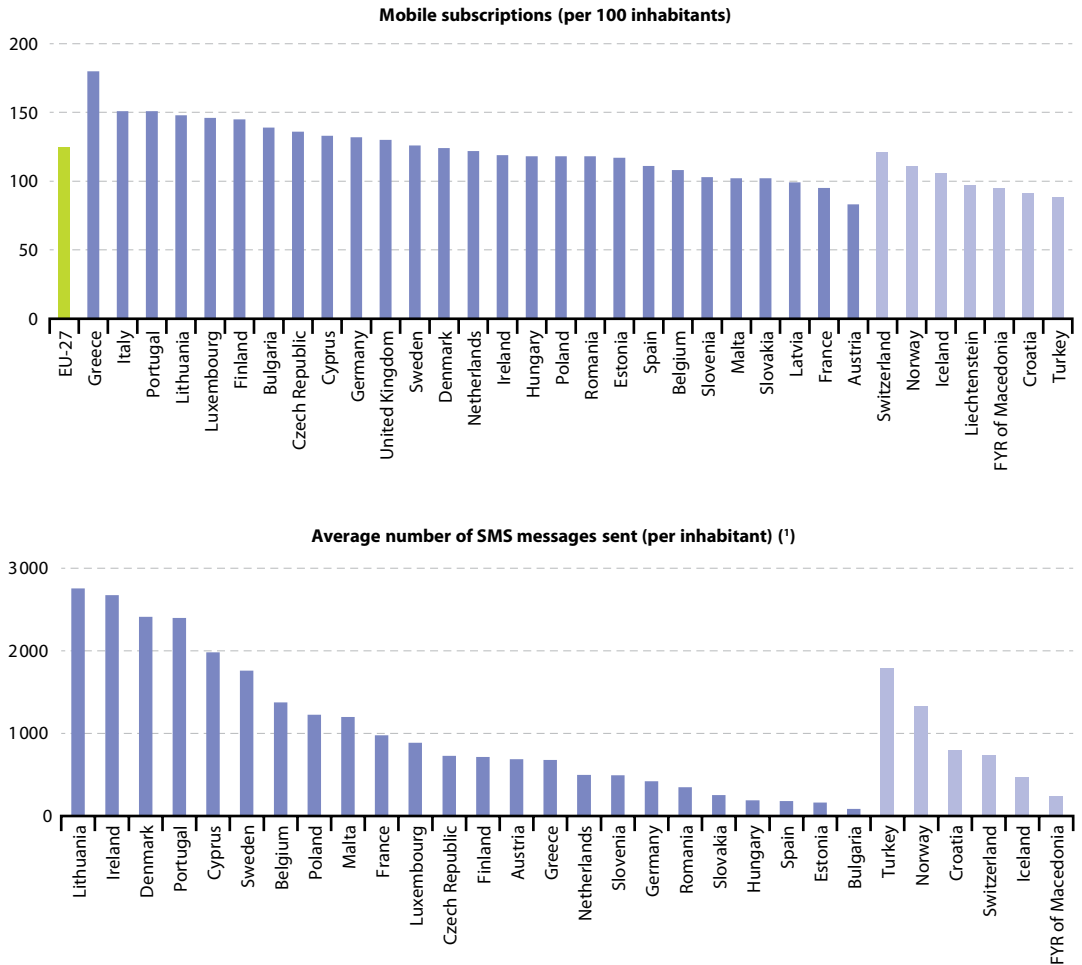
Table 7.7.1: Market share of incumbents in fixed telecommunications and leading operators in mobile telecommunications, 2007-2010
(% of total market)

	Fixed telecommunications: international calls		Leading operator in mobile telecommunications		
	2007	2008	2007	2008	2010
EU-27	:	:	40	39	38
Belgium	62	62	45	43	43
Bulgaria	86	82	53	49	52
Czech Republic	50	52	42	40	38
Denmark	:	:	40	46	41
Germany	:	:	37	36	33
Estonia	:	:	45	47	46
Ireland	56	54	45	42	41
Greece	74	:	38	43	54
Spain	68	55	46	45	44
France	57	56	43	44	41
Italy	44	47	40	39	33
Cyprus	79	69	89	85	76
Latvia	65	69	35	53	49
Lithuania	77	79	41	39	40
Luxembourg	:	:	57	54	51
Hungary	:	:	44	44	45
Malta	92	85	47	53	48
Netherlands	:	:	48	38	39
Austria	58	52	40	42	41
Poland	66	63	36	33	31
Portugal	:	:	46	48	44
Romania	69	62	44	45	43
Slovenia	79	75	67	72	56
Slovakia	89	80	51	55	48
Finland	:	:	41	40	38
Sweden	43	48	43	43	41
United Kingdom	48	44	24	25	34

Source: Eurostat (online data codes: [tsier070](#) and [tsier080](#)), National Regulatory Authorities



Figure 7.7.2: Mobile phone subscriptions and the use of SMS, 2009



(*) Italy, Latvia and the United Kingdom, not available; France, provisional; Norway, 2008.

Source: Eurostat (online data codes: [tin00060](#), [isoc_tc_sms](#) and [tps00001](#))



Table 7.7.2: Turnover from telecommunications, 2009 ⁽¹⁾
(EUR million)

	Total turnover	of which:		
		Fixed network services	Cellular mobile services	Internet service provision
Belgium	10145	6041	4104	:
Bulgaria	1700	235	820	151
Czech Republic ⁽²⁾	5071	1809	3059	739
Denmark	5524	841	2155	1144
Germany	60600	19300	21700	:
Estonia	718	263	262	100
Ireland	4611	1904	2385	482
Greece ⁽³⁾	7805	3469	4336	152
Spain	41765	6485	14453	3932
France	49532	9957	19051	5934
Italy	:	:	:	:
Cyprus ⁽⁴⁾	609	130	279	33
Latvia	:	:	:	:
Lithuania	835	103	326	119
Luxembourg	506	255	251	48
Hungary ⁽⁵⁾	3451	591	1590	506
Malta	249	75	132	0
Netherlands	14013	5109	7176	:
Austria	5300	1062	3286	780
Poland	:	:	:	:
Portugal	:	:	:	:
Romania ⁽⁶⁾	4791	1559	2433	:
Slovenia	1266	154	527	150
Slovakia	2123	264	1354	214
Finland	4730	1690	2100	:
Sweden	8080	1449	2095	954
United Kingdom	:	:	:	:
Iceland	250	75	97	12
Norway ⁽⁷⁾	3852	816	1919	754
Switzerland	11572	3585	3065	:
Croatia	2104	631	1199	142
FYR of Macedonia	408	101	244	34
Turkey	9557	3560	5997	1128

⁽¹⁾ Possibility of double-counting in the breakdown of total turnover.

⁽²⁾ Internet services, 2008.

⁽³⁾ Internet services, 2007.

⁽⁴⁾ Internet services, 2006.

⁽⁵⁾ Fixed network services, 2008.

⁽⁶⁾ Fixed network services, 2007.

⁽⁷⁾ 2008.

Source: Eurostat (online data code: [isoc_tc_tur](#))



Table 7.7.3: Price of fixed telecommunications, 2000-2010 ⁽¹⁾
(EUR per 10-minute call)

	Local calls			National long-distance calls			Calls to the United States		
	2000	2005	2010	2000	2005	2010	2000	2005	2010
EU-27	:	0.35	0.41	1.31	0.76	0.72	:	2.10	1.71
Belgium	0.49	0.57	0.63	1.74	0.57	0.63	5.95	1.98	2.17
Bulgaria	0.06	0.16	0.16	1.41	0.68	0.50	11.29	1.84	0.92
Czech Republic	0.55	0.64	0.65	1.66	1.30	0.65	:	2.36	2.34
Denmark	0.41	0.37	0.13	0.54	0.37	0.13	4.72	2.38	2.72
Germany	0.43	0.39	0.29	1.24	0.49	0.29	2.45	1.23	0.29
Estonia	0.14	0.25	0.25	0.71	0.25	0.25	10.26	2.56	2.31
Ireland	0.51	0.49	0.58	0.94	0.82	0.92	2.92	1.90	1.96
Greece	0.31	0.31	0.32	1.40	0.74	0.76	3.26	2.93	3.03
Spain	0.28	0.28	0.30	1.85	0.84	0.97	4.25	1.53	1.66
France	0.42	0.33	0.36	1.19	0.83	0.77	2.97	2.27	1.96
Italy	0.25	0.22	0.22	1.72	1.15	1.15	2.79	2.12	2.12
Cyprus	0.08	0.21	0.18	0.61	0.21	0.18	3.73	0.65	0.65
Latvia	0.35	0.35	0.36	1.01	1.01	1.04	5.81	5.83	5.98
Lithuania	0.26	0.39	0.39	1.07	0.79	0.79	11.96	4.06	4.12
Luxembourg	0.37	0.31	0.31	–	–	–	2.06	1.37	1.37
Hungary	0.34	0.41	0.46	1.22	1.07	1.12	4.24	2.93	2.40
Malta	:	0.25	0.25	–	–	–	:	1.76	1.90
Netherlands	0.30	0.33	0.60	0.42	0.49	0.60	0.78	0.85	1.82
Austria	0.69	0.49	0.54	2.30	0.59	0.54	4.32	1.90	2.20
Poland	0.36	0.36	0.51	1.49	1.30	1.02	10.72	3.79	1.24
Portugal	0.23	0.37	0.37	1.28	0.65	0.38	3.68	3.11	3.11
Romania	0.23	0.35	0.24	1.37	0.64	0.24	6.91	2.62	1.19
Slovenia	0.17	0.26	0.29	0.17	0.26	0.29	:	1.40	1.40
Slovakia	0.40	0.75	0.75	1.93	1.54	1.15	11.18	3.79	0.75
Finland	0.22	0.24	0.34	0.87	0.94	1.01	5.68	4.90	4.80
Sweden	0.30	0.30	0.29	0.30	0.30	0.29	1.12	1.08	0.89
United Kingdom	0.47	0.36	0.77	0.95	0.36	0.77	2.83	1.67	2.19
Japan	0.41	0.35	0.33	3.07	1.43	1.37	6.14	6.14	5.86
United States	0.09	0.08	0.08	0.43	1.02	0.67	–	–	–

⁽¹⁾ The indicator gives the price in euro of a 10-minute call at 11 am on a weekday (including VAT) for respectively a local call (3 km), a national call (200 km) and an international call to the United States; prices refer to August for 2000 and 2005 and to September for 2010; normal tariffs without special rates are used.

Source: Eurostat (online data code: [tsier030](#)), Teligen



7.8 Postal services of universal service providers

This subchapter takes a look at [European Union \(EU\)](#) postal statistics covering [universal service providers \(USP\)](#), in other words the postal service providers operating under the [universal service obligation](#). Eurostat restarted the collection of data on postal services in 2005.

The main priorities of EU policies on postal services are to complete the [internal market](#) and to ensure efficient, reliable and good quality services at affordable prices for citizens and enterprises. Key elements of these policies include: the gradual opening of the market to competition, guaranteed access to the universal postal service, cost transparency, a reduction of the postal reserved area, setting common quality standards, harmonisation of technical standards, and creating conditions for rapid technological progress.

Main statistical findings

Domestic postal turnover increased strongly between 2004 and 2009 in Latvia and Lithuania, doubling in both of these Member States; large increases were also recorded in Austria, Poland, Hungary and Slovenia. In relative terms, compared with GDP, domestic postal turnover also increased in most of these Member States, the exception being Poland. In contrast, the ratio of turnover to GDP fell between 2004 and 2009 by almost 40% in Bulgaria and by more than 25% in Luxembourg (2004 to 2008) and Estonia. In 2009 Austria had the highest turnover from its domestic postal services in relation to GDP, followed by Sweden, Denmark and Belgium, all with turnover equivalent to 0.6% or more of GDP, as had Finland and France (latest data is from 2007). At the other end of the scale, Greece, Cyprus, Spain, Lithuania and Bulgaria recorded ratios below 0.2%.

The postal sector in the EU-27 (excluding Italy) employed in excess of 1.1 million persons in 2008. In 2009 France had the largest workforce, totalling 242 000, far ahead of the United Kingdom's 179 000 (in 2008) or Germany's 177 000. France's postal workforce was not just large in absolute terms, it also

represented a high share (0.9%) of total employment in relative terms too – see Figure 7.8.2. Between 2004 and 2009 employment in the postal sector decreased in the majority of Member States, while in relative terms (as a share of total employment) there were also decreases in nearly every Member State (subject to data availability): in Hungary and Romania the share of the postal sector in total employment grew, while in Greece and Slovenia it was stable. In contrast, the largest reductions in employment (in relative terms) were recorded in Austria, Sweden and France.

Postal items may be deposited by customers for processing in different physical facilities. These [access points](#) include [post offices, agencies and outlets, mobile post offices, letter boxes, post office boxes and places at which only stamps can be bought](#). Table 7.8.2 provides an overview of the number of post offices, while Figure 7.8.3 gives an indication of the density of the post office network relative to population size. The average number of inhabitants served by a post office in 2009 ranged from 1 500 or less in Sweden, Luxembourg, the Czech Republic or Cyprus to 7 700 in the Netherlands and Belgium.

In 2009, Spain and the Netherlands handled the highest number (around 4 500 million) of letter-post items; note that no recent data are available for any of the four largest Member States – aside from an estimate of 16 000 million items for Germany in 2008 (see Table 7.8.2). Between 2004 and 2009 the number of letter-post items dropped by 20% or more in Denmark, Bulgaria and Malta, and fell in 11 other Member States. In contrast, the number of letter-post items increased in five Member States, generally by less than 10%, although an increase of 28.4% was recorded in Cyprus.

An analysis of postal traffic in relation to population data shows that Finland and Luxembourg recorded the highest number of letter-post items per inhabitant in 2009 (close to 375 items per inhabitant), followed by the Netherlands and Sweden (see Figure 7.8.4). In contrast, 12 Member States distributed less than 100 letter-post items per capita, with Bulgaria, Romania, Latvia, Lithuania and Poland averaging less than 50 items per capita.



Data sources and availability

The data presented in this subchapter cover postal service providers operating under the universal service obligation, known as universal service providers. In this context universal service refers to the set of general interest demands to which services such as the mail should be subject throughout society – the aim of such an obligation is to ensure that all users have access to quality services at an affordable price.

Eurostat restarted collecting data on postal services in 2005. All data presented in this subchapter are based on Eurostat's EU postal survey. The data was provided by the national regulatory authorities in each participating country, including the EU Member States, Iceland, Norway, Croatia and the former Yugoslav Republic of Macedonia.

Context

The purpose of EU policy in the postal sector is to complete the internal market for postal services and to ensure, through an appropriate regulatory framework, that efficient, reliable and good quality postal services are available throughout the EU for all citizens and enterprises at affordable prices. The importance of postal services both for the economic prosperity and social well-being and cohesion of the EU make this a priority area for EU

action. Fundamental aspects of the EU's postal policy include a desire to improve the quality of service made available, in particular in terms of delivery performance and convenient access.

The process of liberalising the postal services market in the EU was initially set in motion by a Green paper on the development of the single market for postal services in 1992. Its aim was to open-up national monopolies to competition in order to make postal services cheaper, faster, more efficient and more innovative, harmonise performance across the EU Member States, and improve the quality of cross border-services. The EU legal framework for postal services is set out in Directive 97/67 and subsequent amendments. The ongoing process of liberalisation has brought about a gradual reduction of reserved postal services. Most of the Member States were due to reach a state of complete liberalisation of their postal sectors as of 1 January 2011 while the remainder have a deadline to do so by 1 January 2013.

The European Regulators Group for Postal Services was established in August 2010 by the European Commission. This group will advise and assist the European Commission, and its establishment is expected to strengthen cooperation between the national regulatory authorities and thereby develop best regulatory practice.

**Table 7.8.1:** Key economic indicators for the postal sector, 2004-2009

	Domestic turnover (EUR million)				Domestic employment (number)			
	2004	2006	2008	2009	2004	2006	2008	2009
Belgium	2001	2092	2 218	2 200	32 311	33 378	30 551	:
Bulgaria	29	25	30	30	9 134	10 501	9 330	8 543
Czech Republic	396	:	:	:	31 681	30 175	29 125	28 431
Denmark ⁽¹⁾	1 482	1 571	1 617	1 511	28 349	26 686	24 000	18 049
Germany ⁽²⁾	14 076	13 300	13 500	12 200	201 541	170 000	175 000	177 000
Estonia ⁽³⁾	42	37	51	42	4 222	4 358	2 910	2 631
Ireland	515	594	630	581	7 502	:	:	:
Greece	402	416	448	448	10 412	11 607	11 294	11 037
Spain	1 855	1 771	1 928	1 833	63 779	65 515	65 924	64 037
France	11 998	12 585	:	:	283 945	269 458	251 955	241 835
Italy	3 973	4 849	:	:	:	:	:	:
Cyprus	30	32	32	31	942	950	944	1 006
Latvia	20	31	38	53	7 080	7 590	7 200	6 600
Lithuania	19	38	43	40	8 164	8 168	8 243	7 744
Luxembourg	146	146	147	:	1 485	1 618	1 554	1 563
Hungary	269	317	390	357	27 713	27 129	32 447	31 987
Malta	:	17	20	20	625	602	570	570
Netherlands	2 660	2 596	2 751	2 658	58 000	56 997	55 648	55 176
Austria	1 668	1 736	:	2 447	26 058	23 509	22 667	21 598
Poland	922	1 207	1 476	1 239	75 986	74 791	80 192	80 977
Portugal	608	622	648	613	14 844	14 134	13 432	13 235
Romania	:	113	198	340	36 073	34 935	35 892	36 525
Slovenia	128	152	174	169	5 645	6 057	5 980	5 941
Slovakia	:	118	192	168	13 990	13 600	13 500	13 500
Finland	1 035	1 157	:	:	22 570	23 744	23 400	22 000
Sweden	2 753	2 670	2 795	2 184	34 299	25 316	28 550	29 242
United Kingdom	9 837	9 957	10 197	:	184 299	167 640	178 622	:
Iceland	53	64	:	:	1 257	1 323	:	:
Norway	1 104	1 164	:	:	19 650	18 300	:	:
Croatia	115	130	141	161	9 838	8 955	9 316	8 515
FYR of Macedonia	:	:	21	22	:	:	2 285	2 215

(1) Employment, break in series, 2009.

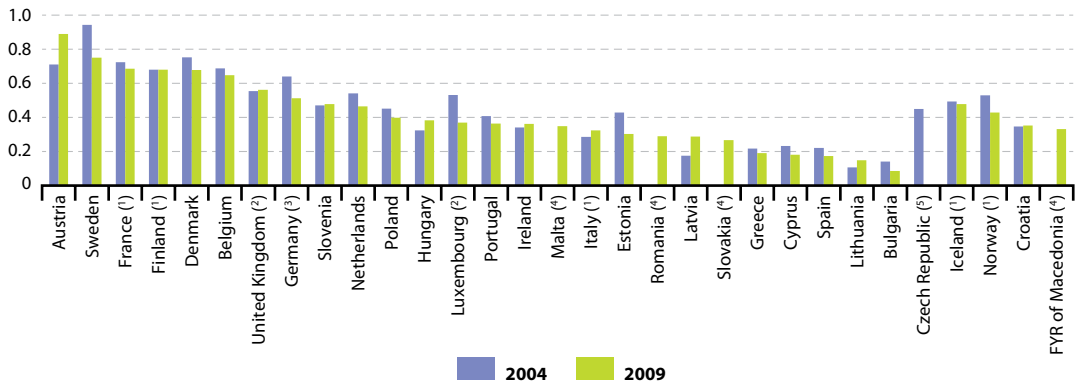
(2) 2009, data relate to the leading operator.

(3) Employment, break in series, 2008.

Source: Eurostat (online data codes: [post_ps_tur](#) and [post_ps_empn](#))



Figure 7.8.1: Turnover from the domestic postal sector relative to GDP, 2004 and 2009 (% of GDP)



(1) 2007 instead of 2009.

(2) 2008 instead of 2009.

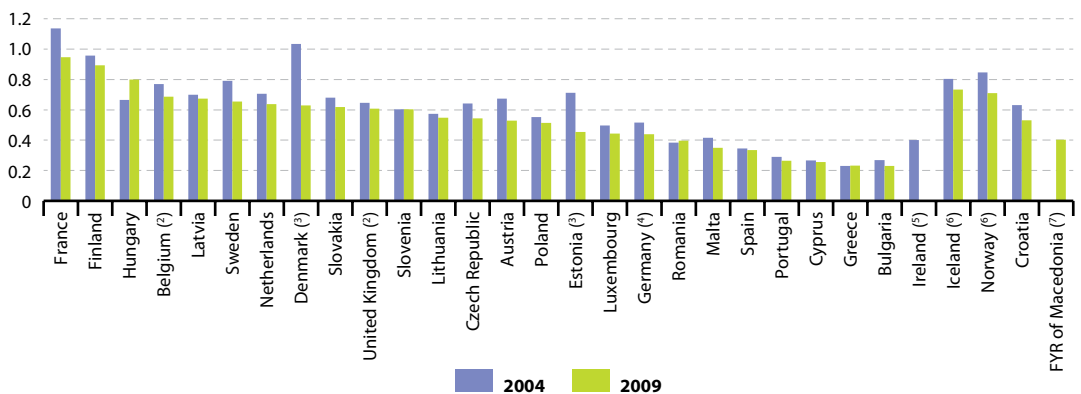
(3) 2009, data relate to the leading operator.

(4) 2004, not available.

(5) 2009, not available.

Source: Eurostat (online data codes: [post_ps_tur](#) and [nama_gdp_c](#))

Figure 7.8.2: Number of persons employed in the domestic postal sector as a share of total employment, 2004 and 2009 (1)



(1) Italy, not available; Germany and Slovakia, estimates.

(2) 2008 instead of 2009.

(3) Break in series.

(4) 2009, data relate to the leading operator.

(5) 2009, not available.

(6) 2007 instead of 2009.

(7) 2004, not available.

Source: Eurostat (online data codes: [post_ps_empn](#) and [nama_aux_pem](#))



Table 7.8.2: Post offices and postal items, 2004-2009

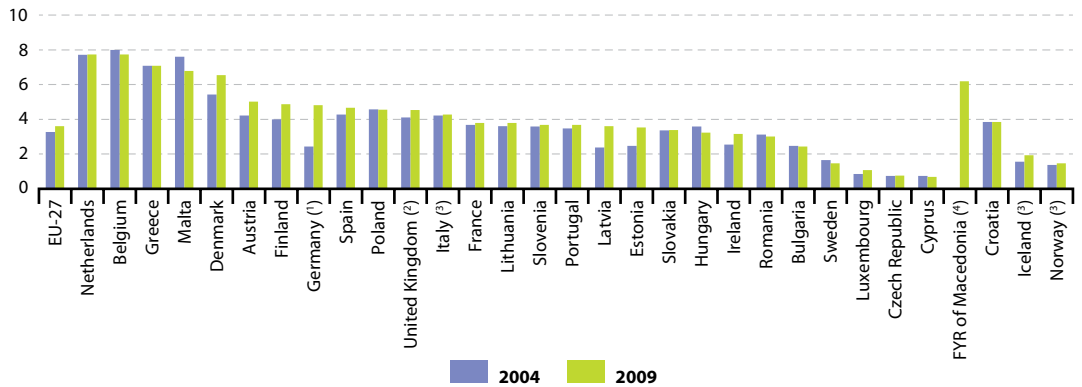
	Post offices (number)				Letter-post items (million)			
	2004	2006	2008	2009	2004	2006	2008	2009
EU-27	150 240	150 660	:	:	:	:	:	:
Belgium	1 308	1 348	1 351	1 403	:	:	:	:
Bulgaria	3 134	3 130	3 122	3 121	81	72	82	62
Czech Republic	13 789	13 871	13 860	13 822	955	930	947	893
Denmark	996	913	865	846	1 454	1 367	1 207	1 096
Germany (1)	34 019	33 600	:	17 000	16 038	17 000	16 000	:
Estonia	545	545	418	380	:	117	115	100
Ireland	1 614	1 532	1 426	1 413	670	710	756	736
Greece	1 565	1 578	1 598	1 594	627	652	674	659
Spain	10 063	10 089	9 926	9 846	4 965	5 078	5 095	4 624
France	17 052	17 066	17 082	17 082	:	:	:	:
Italy	13 855	13 893	:	:	6 213	5 474	:	:
Cyprus	1 011	1 144	1 160	1 163	55	54	73	71
Latvia	967	954	701	625	64	68	79	56
Lithuania	951	940	954	880	:	120	110	94
Luxembourg	543	465	469	469	173	181	195	187
Hungary	2 820	3 197	3 098	3 095	902	824	820	785
Malta	53	53	61	61	56	54	47	44
Netherlands	2 112	2 110	2 116	2 144	5 300	4 918	4 693	4 473
Austria	1 947	1 944	1 842	1 669	:	:	:	:
Poland	8 350	8 553	8 489	8 378	1 914	1 634	1 840	1 787
Portugal	3 037	2 863	2 873	2 891	1 301	1 239	1 193	1 128
Romania	6 955	6 903	6 897	6 891	325	330	622	342
Slovenia	557	558	556	556	398	398	408	378
Slovakia	1 603	1 595	1 594	1 601	407	361	409	401
Finland	1 311	1 232	1 150	1 100	2 145	2 140	2 116	2 008
Sweden	5 474	6 365	6 350	6 410	2 444	2 450	2 350	2 168
United Kingdom	14 609	14 219	13 567	:	:	:	:	:
Iceland	189	174	:	:	:	:	:	:
Norway	3 367	3 249	:	:	1 427	1 247	:	:
Croatia	1 158	1 161	1 147	1 151	255	299	317	292
FYR of Macedonia	:	:	322	332	:	:	37	39

(1) 2009, data relate to the leading operator.

Source: Eurostat (online data codes: [post_ps_ac](#) and [post_ps_let](#))



Figure 7.8.3: Average number of inhabitants served by each post office, 2004 and 2009 (1 000)



(1) 2009, data relate to the leading operator.

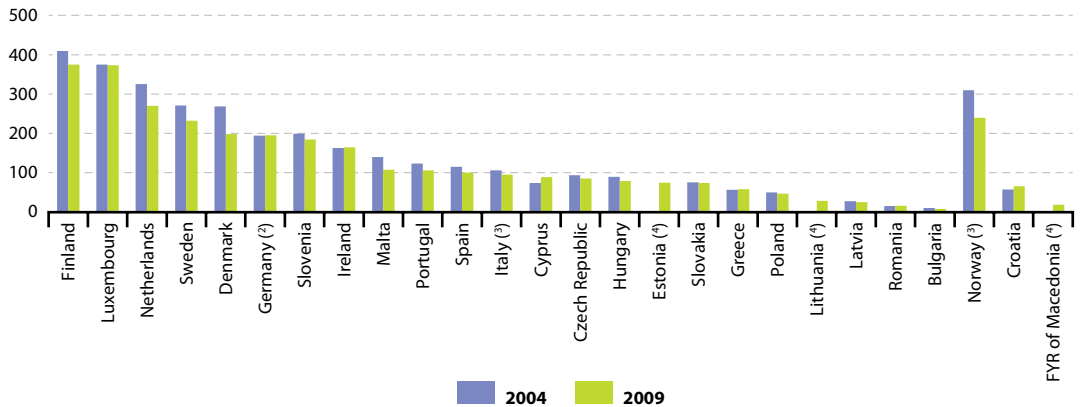
(2) 2008 instead of 2009.

(3) 2007 instead of 2009.

(4) 2004, not available.

Source: Eurostat (online data codes: [post_ps_ac](#) and [demo_gind](#))

Figure 7.8.4: Average number of letter-post items per inhabitant, 2004 and 2009 (1)



(1) Belgium, France, Austria and the United Kingdom, not available.

(2) 2008 instead of 2009.

(3) 2007 instead of 2009.

(4) 2004, not available.

Source: Eurostat (online data codes: [post_ps_let](#) and [demo_gind](#))