

Statistics

in focus

INDUSTRY, TRADE AND SERVICES

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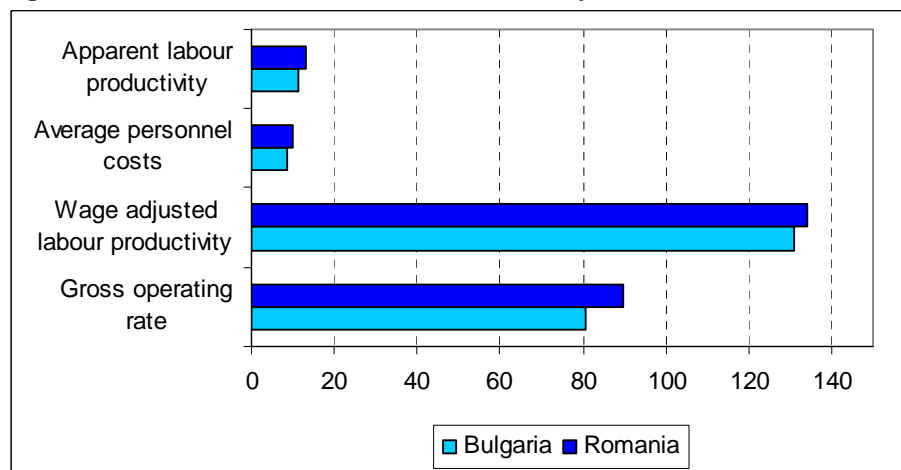
Structure and performance of the business economy in Bulgaria and Romania

Summary of main results

The business economy* in Bulgaria consisted of around 240 000 enterprises in 2004, which generated EUR 52 billion of turnover and employed 1.8 million people. In Romania, there were close to 380 000 enterprises, which generated turnover of EUR 110 billion and employed just over four million people. The size of the business economy in Bulgaria equalled 1.5 % of the EU-25 total in terms of employment, 1.3 % in terms of number of enterprises, but only 0.3 % in terms of turnover. There was a similar trend in Romania, where the corresponding shares were 3.4 % (persons employed), 2.1 % (number of enterprises) and 0.6 % (turnover).

The shares were even lower for value added. The value added generated per person employed (apparent labour productivity) in both Bulgaria (EUR 4 700) and Romania (EUR 5 400) were also around one tenth of the EU-25 average (see Figure 1). However, average personnel costs were even lower (EUR 2 500 in Bulgaria and EUR 2 800 in Romania), which resulted in a wage adjusted labour productivity around 30 % higher than the EU-25 average. As regards profitability, the gross operating surplus was equal to 8.8 % of turnover (gross operating rate) in Bulgaria and 9.7 % in Romania, 20 % and 10 % respectively below the EU-25 average.

Figure 1. Performance of the business economy 2004, EU-25=100*



* EU-25 2003, including rounded estimates based on non-confidential data

The structure of the business economy in Bulgaria and Romania is quite different from the average in the EU-25 (see Table 1). The largest difference is for textiles manufacturing (NACE DB), which employed over 10 % of the business economy workforce in both Bulgaria and Romania, over five times the EU-25 average. Mining and quarrying of energy and non-energy products (NACE CA and CB), electricity, gas, steam and hot water supply (NACE E40) and collection, purification and distribution of water (NACE E41) are other activities which account for a much larger part of the business economy in both Bulgaria and Romania than in the EU-25.

* **The business economy** is here defined as the sum of industry (NACE Section C to E), construction (NACE Section F) and non-financial services (NACE section G to I and K). Excluded are financial services (NACE section J), agriculture, forestry and fishing (NACE section A and B), public administration and (largely) non-market services such as education and health.



Structure of the business economy

Table 1. Structure of the business economy in Bulgaria and Romania 2004

In percent of total business economy and relative to the EU-25 (Index EU-25 = 100)*

NACE	Activities	Number of enterprises				Turnover				Number of persons employed			
		% of total		Index EU-25=100		% of total		Index EU-25=100		% of total		Index EU-25=100	
		BG	RO	BG	RO	BG	RO	BG	RO	BG	RO	BG	RO
C	Mining and quarrying	0.1	0.2	91	157	1.4	3.3	153	374	1.7	3.6	341	705
ca	Energy mining and quarrying	0.0	0.0	109	235	0.5	3.1	79	441	1.0	2.9	308	886
cb	Non-energy mining and quarrying	0.1	0.1	88	146	0.8	0.2	:	:	0.7	0.7	353	348
D	Manufacturing	12.0	14.7	99	122	27.9	30.9	88	97	36.4	42.2	128	149
da	Food products; beverages and tobacco	2.6	2.9	168	183	6.0	6.1	125	126	6.4	5.2	165	134
db	Textiles and textile products	2.2	2.2	:	:	2.4	2.5	226	236	10.6	10.2	524	505
dc	Leather and leather products	0.2	:	81	:	0.2	:	84	:	1.1	:	255	:
dd	Wood and wood products	0.8	1.9	77	186	0.6	1.3	93	213	1.1	2.3	107	223
de	Pulp and paper; publishing and printing	0.8	1.3	65	105	1.1	1.2	52	55	1.6	1.3	72	59
df	Coke, ref. petroleum products and nuclear fuel	0.0	:	128	:	:	:	:	:	:	:	:	:
dg	Chemicals and man-made fibres	0.3	0.3	149	189	1.6	2.3	48	70	1.4	1.4	86	87
dh	Rubber and plastic products	0.5	0.6	154	173	0.7	1.1	59	89	1.1	1.1	76	78
di	Other non-metallic mineral products	0.4	0.6	74	112	1.3	1.4	117	130	1.3	1.8	104	137
dj	Basic metals and fabricated metal products	1.4	1.5	63	68	4.6	4.8	135	141	3.3	4.1	80	100
dk	Machinery and equipment	0.8	0.4	89	44	1.8	1.6	65	59	3.7	3.2	125	108
dl	Electrical and optical equipment	0.8	0.6	71	60	1.2	1.6	35	48	1.8	2.3	60	74
dm	Transport equipment	0.2	0.3	85	116	0.4	2.4	9	49	0.8	3.2	30	123
dn	Manufacturing n.e.c.	0.9	1.5	70	115	:	2.0	:	206	:	3.2	:	197
E	Electricity, gas, water supply	0.1	0.1	74	92	7.5	6.9	238	218	3.4	4.1	281	340
e40	Electricity, gas, steam and hot water supply	0.1	0.1	80	71	7.1	6.6	242	222	2.3	2.9	238	300
e41	Collection, purification and distribution of water	0.0	0.1	67	134	0.4	0.3	166	146	1.0	1.2	409	451
F	Construction	5.9	6.7	41	47	5.5	6.3	84	95	7.6	9.5	72	90
G	Distributive trades	52.2	50.8	160	155	43.8	39.4	119	107	25.0	21.0	102	85
g50	Sale, maintenance and repair of motor vehicles	3.6	3.5	87	83	5.0	5.0	82	81	2.8	2.3	84	69
g51	Wholesale trade	9.6	13.7	110	157	31.9	24.7	160	124	8.0	7.8	106	103
g52	Retail trade	39.0	33.6	197	170	6.9	9.7	64	90	14.2	11.0	103	80
H	Hotels and restaurants	9.6	4.6	111	53	1.5	1.0	73	49	6.0	2.6	85	37
I	Transport, storage, communication	9.5	6.7	149	105	9.2	7.7	119	100	12.1	8.9	129	95
i60	Land transport; transport via pipelines	7.9	5.1	156	101	3.6	3.4	180	173	6.4	5.6	146	128
i61	Water transport	0.0	:	20	:	0.4	:	112	:	0.3	:	224	:
i62	Air transport	0.0	:	46	:	0.5	:	88	:	0.1	:	35	:
i63	Supporting transport activities; travel agencies	1.2	0.9	130	101	1.7	1.3	75	55	2.3	1.0	116	53
i64	Post and telecommunications	0.5	0.6	138	193	3.0	2.6	116	102	3.0	2.1	118	81
K	Real estate, renting, business activities	10.6	16.3	41	63	3.2	4.5	29	42	7.8	8.0	43	44
k70	Real estate activities	1.5	2.2	33	48	0.4	0.5	17	23	0.8	0.8	39	38
k71	Renting and leasing	0.2	0.3	31	39	0.1	0.2	21	24	0.1	0.1	24	18
k72	Computer and related activities	1.1	2.5	41	92	0.4	0.8	24	47	0.7	0.9	32	41
k73	Research and development	0.0	0.1	12	65	0.0	0.2	5	79	0.0	0.6	8	197
k74	Other business activities	7.7	11.1	44	64	2.3	2.9	37	48	6.2	5.6	46	42

* EU-25 2003, including rounded estimates based on non-confidential data.

Performance of the business economy

Table 2. Performance of the business economy in Bulgaria and Romania, main indicators, 2004*

Apparent labour productivity (value added/person employed)		EUR 1000 per person employed		Index EU-25=100	
		BG	RO	BG	RO
C	Mining and quarrying	9.9	12.3	10.5	13.1
D	Manufacturing	4.2	4.6	9.1	10.0
E	Electricity, gas and water supply	15.6	8.8	14.3	8.1
F	Construction	3.5	3.3	10.4	9.9
G	Distributive trades	3.0	4.5	9.2	13.8
H	Hotels and restaurants	2.1	3.0	11.2	16.0
I	Transport, storage and communication	8.2	9.5	15.8	18.3
K	Real estate, renting and business activities	3.7	5.6	8.0	12.1
Average personnel costs		EUR 1000 per employee		Index EU-25=100	
		BG	RO	BG	RO
C	Mining and quarrying	4.7	5.6	15.7	18.7
D	Manufacturing	2.3	2.6	7.1	8.0
E	Electricity, gas and water supply	5.6	4.4	14.0	11.0
F	Construction	2.2	2.4	8.1	8.9
G	Distributive trades	1.7	2.0	7.3	8.5
H	Hotels and restaurants	1.3	1.8	8.8	12.2
I	Transport, storage and communication	3.8	4.0	11.9	12.5
K	Real estate, renting and business activities	2.4	2.7	7.8	8.8
Wage adjusted labour productivity		in %		Index EU-25=100	
		BG	RO	BG	RO
C	Mining and quarrying	209.7	221.2	67.6	71.4
D	Manufacturing	187.2	176.0	130.8	123.0
E	Electricity, gas and water supply	277.9	198.6	102.9	73.6
F	Construction	158.7	136.2	128.1	109.9
G	Distributive trades	175.4	224.7	125.6	161.0
H	Hotels and restaurants	160.3	168.9	127.0	133.8
I	Transport, storage and communication	212.4	235.9	131.9	146.5
K	Real estate, renting and business activities	155.4	205.2	102.9	135.9
Gross operating rate (gross operating surplus/turnover)		in %		Index EU-25=100	
		BG	RO	BG	RO
C	Mining and quarrying	22.8	26.8	91.2	107.2
D	Manufacturing	9.2	10.1	100.8	110.6
E	Electricity, gas and water supply	15.2	9.4	86.4	53.4
F	Construction	7.0	5.0	58.8	42.0
G	Distributive trades	3.5	5.0	58.3	83.3
H	Hotels and restaurants	14.6	12.2	94.8	79.2
I	Transport, storage and communication	23.2	23.3	131.8	132.4
K	Real estate, renting and business activities	14.6	19.1	63.2	82.7

* EU-25 2003, including rounded estimates based on non-confidential data

➤ ESSENTIAL INFORMATION – METHODOLOGICAL NOTES

Structural Business Statistics (SBS) and the series annual enterprise statistics is the data source used for this publication. Variables are defined according to Commission Regulation No 2700/98:

Number of enterprises: The number of enterprises active during at least part of the reference period.

Number of persons employed: The total number of persons who work in the observation unit, as well as persons who work outside the unit who belong to it and are paid by it. It includes working proprietors, unpaid family workers, part-time workers, seasonal workers etc.

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

Value added at factor cost: The gross income from operating activities after adjusting for operating subsidies and indirect taxes.

Apparent labour productivity: This is a simple indicator of productivity calculated as value added divided by persons employed.

Average personnel costs: Personnel costs are the total remuneration, in cash or in kind, payable by an employer to an employee for work carried out. This is divided by the number of employees (paid workers), which includes part-time workers, seasonal workers etc, but excludes persons on long-term leave.

Wage adjusted labour productivity (%): Value added divided by personnel costs, after the latter has been divided by the share of employees (paid workers) in the number of total persons employed. It can also be calculated by dividing apparent labour productivity by average personnel costs.


The gross operating rate (%): This is an indicator of profitability where the gross operating surplus is related to the turnover generated. The gross operating surplus is the surplus generated by operating activities after the labour factor input has been recompensed. It can be calculated from the value-added at factor cost less the personnel costs.

Further information:

Data: [EUROSTAT Website/Home page/Industry, trade and services/Data](#)

 **Industry, trade and services**

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