Businesses in the manufacturing sector

Statistics Explained

Data extracted in December 2025
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Highlights

2.2 million enterprises employed over 30 million persons in the EU's manufacturing sector in 2023.

The manufacturing sector contributed to one quarter of EU business economy's net turnover, with € 9.9 trillion in 2023.

This article presents an overview of statistics for the European Union's (EU) manufacturing sector, as covered by NACE Rev. 2 Section C. It belongs to a set of statistical articles on 'Business economy by sector'.

The manufacturing sector includes a vast range of activities and production techniques, from small-scale enterprises using traditional production techniques, such as the manufacture of musical instruments, to very large enterprises sitting at the top of a high and broad pyramid of parts and components suppliers collectively manufacturing complex products, such as aircraft. The manufacturing sector is one of the most varied activity within the business economy at the NACE section level of detail. An analysis of the manufacturing sector as a whole gives an idea of the scale of this sector. It should be noted, however, that indicators of its inputs, performance, or size structure are effectively an average across very different activities.

Structural profile

6.5 % of all enterprises in the EU 's business economy (Sections B to N and P to R, as well as Divisions S95 and S96) were classified as 'Manufacturing' (Section C) in 2023, a total of close to 2.2 million enterprises.

The manufacturing sector employed around 30.2 million persons in 2023 and generated € 2.5 trillion of value added . By these two measures, manufacturing was the largest of the NACE sections within the EU's business economy in terms of its contribution to
employment (18.5 %), as well as the largest contributor to the business economy value added with share of (23.1 %).

Key indicators, Manufacturing (NACE Section C), EU, 2023

	Value
Main indicators	
Number of enterprises (number)	2 168 163
Number of persons employed (number)	30 286 221
Net turnover (€ million)	9 850 576
Purchases of goods and services (€ million)	7 502 298
Employee benefits expense (€ million)	1 438 088
Value added (€ million)	2 466 454
Gross operating surplus (€ million)	1 028 398
Share in business economy total (%)	
Number of enterprises	6.5
Number of persons employed	18.5
Value added	23.1
Derived indicators	
Apparent labour productivity (thousand € per head)	81.4
Employee benefits expense (thousand € per head)	50.3
Wage-adjusted labour productivity (%)	161.9
Gross operating rate (%)	10.4

Source: Eurostat (online data code: sbs_ovw)

eurostat

Table 1: Key indicators, manufacturing (NACE Section C), EU, 2023 Source: Eurostat (sbs_ovw_act)

In 2023, the EU's manufacturing sector recorded apparent labour productivity and average personnel costs (Average employee benefits expense) above business economy averages. The gross operating rate (the relation between the gross operating surplus and turnover) was 10.4 % for the EU's manufacturing sector in 2023.

Sectoral analysis

At the NACE division level the manufacturing sector is composed of 24 different divisions. Within the divisions for which data is available for the EU in 2023, the largest in terms of value added was the 'manufacture of machinery and equipment' (Division 28), followed by 'manufacture of food products' (Division 10) and 'manufacture of motor vehicles, trailers and semi-trailers' (Division 29). In terms of employment, the largest EU divisions were 'manufacture of food products', 'manufacture of fabricated metal products, except machinery and equipment' (Division 25) and 'manufacture of machinery and equipment'— see Figure 1.

Figure 1: Sectoral analysis of Manufacturing (NACE Section C), EU, 2023

Figure 2a: Sectoral analysis of Manufacturing: Key indicators, EU, 2023

Figure 2b: Sectoral analysis of Manufacturing (NACE Section C), EU, 2023Manufacturing divisions are very diverse, combining activities with very high turnover such as the 'manufacture of motor vehicles, trailers and semi-trailers' and the 'manufacture of food products', with other activities that have lower net turnover, such as 'manufacture of tobacco products' (Division 12) and 'manufacture of leather and related products' (Division 15)— see data browser- turnover [sbs_ovw_act] Enterprises by detailed NACE Rev. 2 activity and special aggregates.

Based on the available data, the 'manufacture of textiles' recorded the lowest average employee benefits expense in the EU's manufacturing sector whereas the highest average employee benefits expense among the manufacturing sector was registered by the division 'manufacture of coke and refined petroleum products'.

Country overview

Because of the tradable (export and import) nature of manufactured goods, the relative importance of manufacturing within the business economy varies greatly between EU countries. Specialisations at the division level are also sometimes very pronounced.

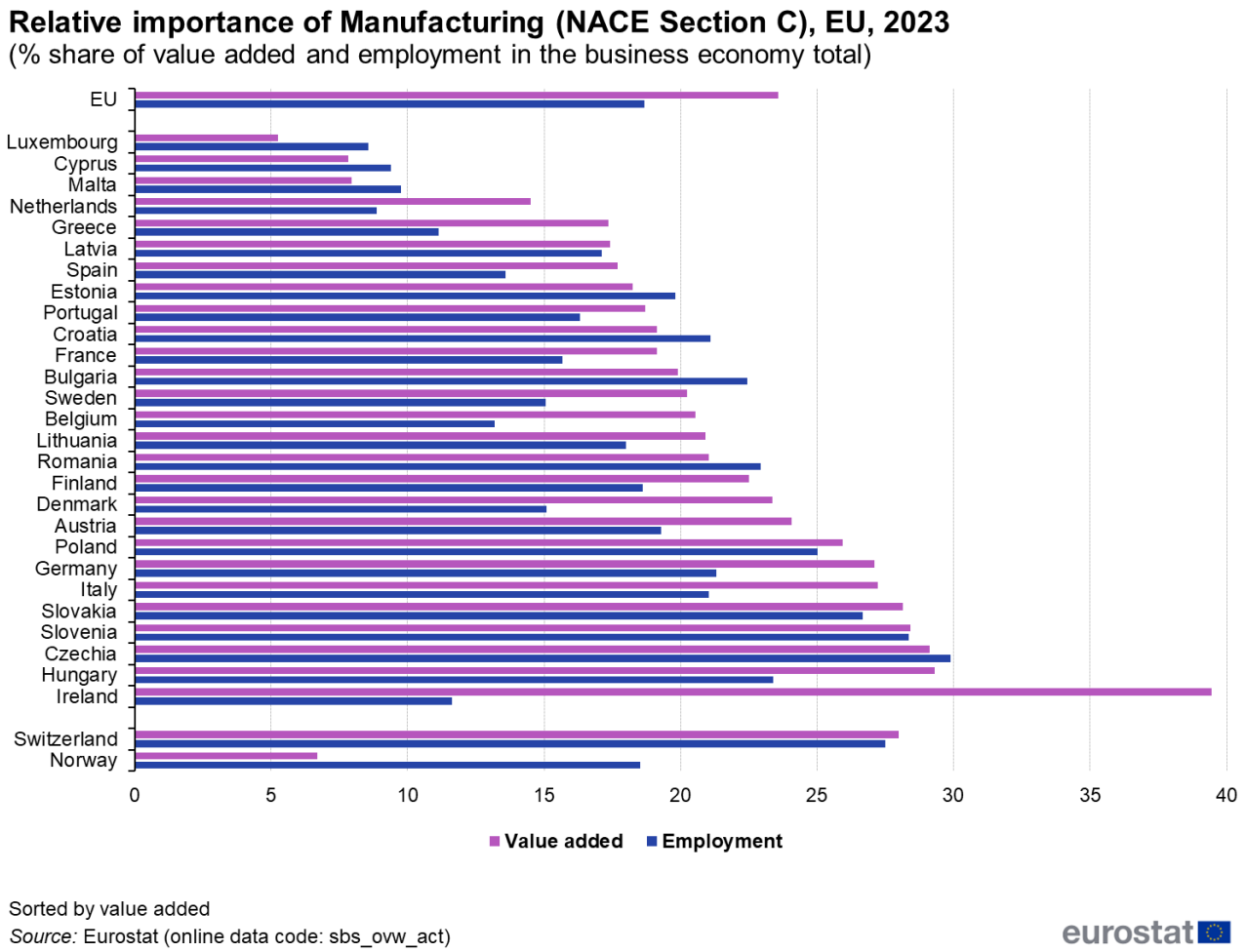

Figure 3: Relative importance of Manufacturing (NACE Section C), EU, 2023 (% share of value added and employment in the business economy total) Source: Eurostat (sbs_ovw_act)

Figure 4a: Manufacturing: Key indicators, EU, 2023

Figure 4b: Manufacturing: Key indicators, EU, 2023For average employee benefits expense within the manufacturing sector in 2023, please consult the data available on this bookmark, where you will also find information on the wage-adjusted labour productivity ratio, which is a measure of labour productivity that takes into account the very different levels of pay and social charges between EU countries and activities. data browser- Average employee benefits expense and wage-adjusted labour productivity [sbs_ovw_act] Enterprises by detailed NACE Rev. 2 activity and special aggregates

Size class analysis

Large enterprises (employing 250 or more persons) contributed more to the EU's manufacturing sector than is typical for the business economy as a whole.

For further information on number of persons employed, value added and number of enterprises according to enterprise size class, please refer to the Eurostat database; see [1] [sbs_ovw_act] Enterprises by detailed NACE Rev. 2 activity and special aggregates.

Key size class indicators, Manufacturing (NACE Section C), EU, 2023

	Number of enterprises (thousands)	Number of persons employed (thousands)	Value added (€ million)	Apparent labour productivity (thousand € per head)
All enterprises	2 168.2	30 286.2	2 466 453.9	81.4
All SMEs	2 151.8	15 354.1	836 235.7	54.5
Micro	1 833.1	3 650.0	127 000.0	34.8
Small	255.6	5 204.9	271 190.3	52.1
Medium-sized	63.1	6 499.2	438 045.4	67.4
Large	16.4	14 930.5	1 630 499.3	109.2

Note: For confidentiality issues rounded or calculated figures have been used. The sum of all categories does not equal the total of all enterprises due to estimated values with lower reliability.

Source: Eurostat (online data code: sbs_sc_ovw)

eurostat

Table 2: Key size class indicators, manufacturing (NACE Section C), EU, 2023 Source: Eurostat (sbs_sc_ovw)

You can also browse variables in Manufacturing - such as Value of output , Purchases of goods and services , or hours worked by employees , - by enterprise size class in the interactive visualisation below.

Regional data: Manufacturing

For Regional data on Manufacturing, such as number of local units or wages and salariesplease refer to the below two interactive regional maps.

Map 1: Manufacturing sector by region, 2023
Source: Eurostat (sbs_r_nuts2021)

Map 2: Manufacturing sector by region, 2023
Source: Eurostat (sbs_r_nuts2021)

Source data for tables and graphs

- Businesses in the manufacturing sector - 2023 data

Data sources

Eurostat's structural business statistics (SBS) describe the structure, conduct and performance of economic activities, down to a detailed activity level (several hundred sectors). Without this structural information, short-term data on the economic cycle would lack context and would be more difficult to interpret. **Coverage** Structural business statistics cover the 'business economy', which includes industry, construction and many services (NACE Rev. 2 sections B to N, P to R as well as division S95 and S96). Structural business statistics do not cover agriculture, forestry and fishing, nor public administration. 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 corresponding to their principal activity; this is normally the one which generates the largest amount of value added.

Manufacturing includes the physical or chemical transformation of materials, substances, or components into new products. The raw materials are products of agriculture, forestry, fishing, mining or quarrying as well as products of other manufacturing activities. Substantial alteration, renovation or reconstruction of goods is generally considered to be manufacturing. Selling to the general public products that have been made on the same premises from which they are sold, such as bakeries and custom tailors, is also included in manufacturing rather than retailing.

Manufacturing units may process their own materials, subcontract a part of the processing of their own materials, own legal rights and concepts of the product but subcontract the whole processing, or carry out the aforementioned subcontracted processes. Assembly of the component parts (whether self-produced or purchased) of manufactured products is also considered manufacturing. The output of a manufacturing process may be finished in the sense that it is ready for use or consumption, or it may be semi-finished in the sense that it is to become an input for further manufacturing.

Specialised installation, maintenance and repair of industrial, commercial and similar machinery and equipment is considered as part of manufacturing, however the repair of computers and personal and household goods is classified as a service (Division 95), while the repair of motor vehicles is classified as part of distributive trades (Section G).

Some transformation processes are not classified as manufacturing: logging is classified in forestry (Section A); materials recovery is considered as primarily waste processing (Section E); on-site construction of structures which is classified as part of construction (Section F); activities of breaking bulk and redistribution (including, for example, packaging, bottling or sorting) are classified to distributive trades.

Data sources

The analysis presented in this article is based on the main dataset for structural business statistics (SBS) , size class data and regional data, all of which are published annually.

The main series provides information for each EU country as well as a number of non-EU member countries at a detailed level according to the activity classification NACE. Data are available for a wide range of variables.

In structural business statistics, size classes are generally defined by the number of persons employed. A limited set of the standard structural business statistics variables (for example, the number of enterprises, turnover, persons employed and value added) are analysed by size class, mostly down to the three-digit (group) level of NACE. The main size classes used in this article 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.

As seen in the figures above, structural business statistics also include regional data. Regional SBS data are available at NUTS levels 1 and 2 for most of the EU countries, Iceland and Norway, mostly down to the two-digit (division) level of NACE. The main variable analysed in this article is the number of persons employed. The type of statistical unit used for regional SBS data is normally the local unit, which is an enterprise or part of an enterprise

situated in a geographically identified place. Local units are classified into sectors (by NACE) normally according to their own main activity, but in some EU countries the activity code is assigned on the basis of the principal activity of the enterprise to which the local unit belongs. The main SBS data series are presented at national level only, and for this national data the statistical unit is the enterprise. It is possible for the principal activity of a local unit to differ from that of the enterprise to which it belongs. Hence, national SBS data from the main series are not necessarily directly comparable with national aggregates compiled from regional SBS.

Context

European enterprise policy is conducted by the Directorate-General (DG) for Internal Market, Industry, Entrepreneurship and SMEs (GROW) The European Commission 's enterprise policies aim to create a favourable environment for business to thrive within the EU, 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.

Explore further

Other articles

- Structural business statistics – overview article
- Structural business statistics at regional level

Database

- Structural business statistics (sbs)

Thematic section

- Structural business statistics webpage

Publications

- Structural business statistics – SBS metadata file

External links

- European Commission – Competition , see:
  - Agriculture, food and fisheries
    - Competition Policy
    - Manufacturing & Basic Industries
    - Pharmaceuticals & Health services
  - European Commission — Directorate-General (DG) for Internal Market, Industry, Entrepreneurship and SMEs (GROWTH) , see:
    - Industrial policy
      - Industry sectors
  - European Commission — Environment , see:

- Chemicals
  - Industry and technology
  - Industrial emissions
  - Sustainable development
  - Waste and recycling

* European Commission — Trade , see:

- Directorate-General for Trade & Economic Security
- European Environment Agency , see:
- Industry

Legislation

- Details on SBS Legislation
- European Business Statistics Regulation