

Entrepreneurship - statistical indicators

Statistics Explained

*Data extracted in February 2020
Planned article update: 26 June 2025*

Highlights

" In 2018, the majority of enterprises in the EU were small enterprises, with shares of 97 % or above among the EU countries. "

This article highlights aspects of entrepreneurship in the [European Union \(EU\)](#) using data from [structural business statistics \(SBS\)](#), [business demography \(BD\)](#), and [international trade in goods statistics by enterprise characteristics \(TEC\)](#).

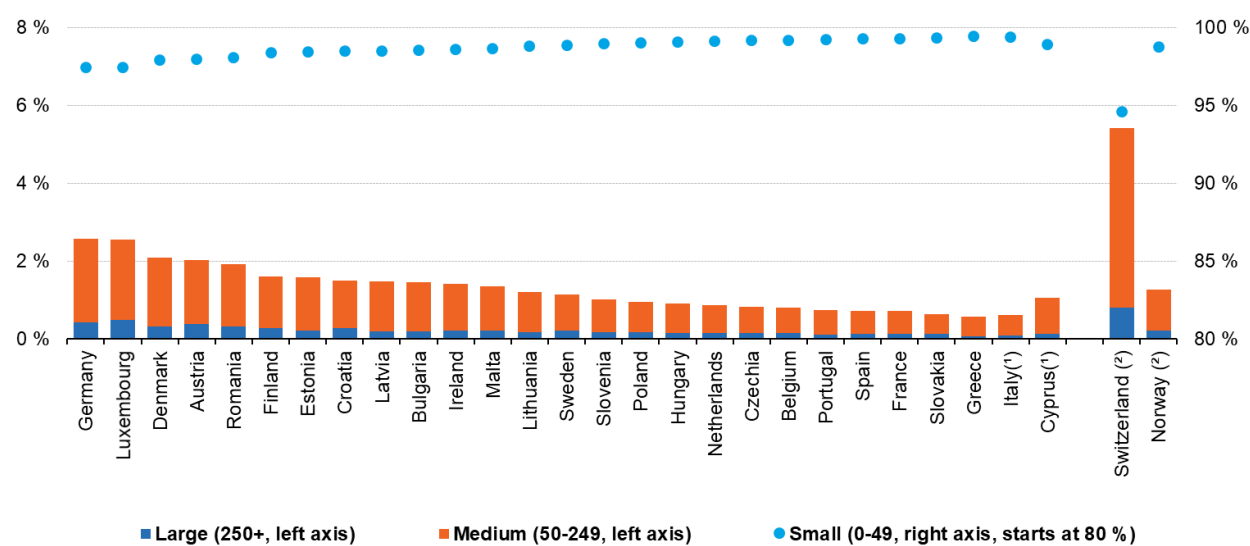
Small, medium-sized and large enterprises

Small enterprises make up vast majority of enterprises

[Small enterprises](#) are defined as having fewer than 50 persons employed. Figure 1 shows that in 2018 they made up the vast majority of enterprises in the [EU](#), ranging from 97 % in Germany and Luxembourg, 95 % in the [EFTA](#) country Switzerland, to 98 % and above in the remaining EU Member States (only countries for which data are available are shown in the figures in this article). By contrast, [large enterprises](#), with 250 or more persons employed account for 0.5 % or less of all enterprises in all EU Member States. [Medium-sized enterprises](#), which employ between 50 and 249 persons, are generally more predominant in countries with a greater proportion of large enterprises.

Distribution of number of enterprises by size class, 2018

(persons employed)



(^(*)) Data for 2018 was replaced by 2016 data

(^(?)) Data for 2018 was replaced by 2015 data

Source: Eurostat (online data code: sbs_sc_sca_r2)

eurostat

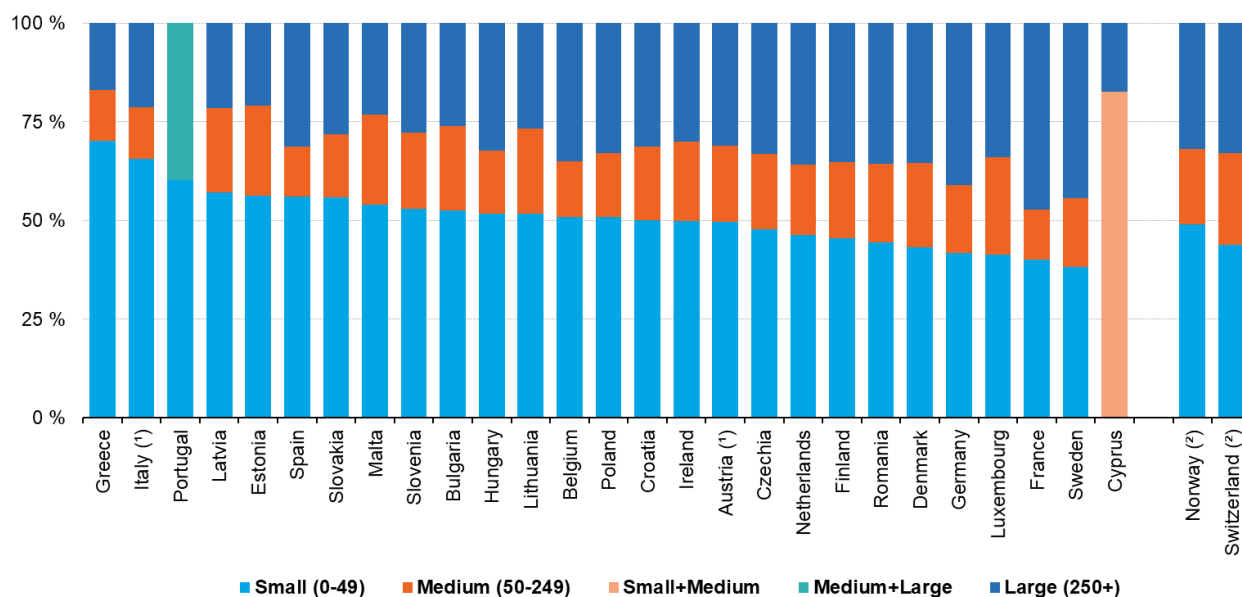
Figure 1: Distribution of number of enterprises by size class, 2018 (persons employed) Source: Eurostat (sbs_sc_sca_r2)

Small enterprises account for about half of employment

The distribution of total employment across small, medium-sized and large enterprises is shown in Figure 2. In 2018, small enterprises typically accounted for between 40 % and 60 % of total employment. Greece, at the higher end, had 70 % of employment in small enterprises, while the same share in Sweden, at the lower end, was 38 %. Looking at Figures 1 and 2 together, small and medium-sized enterprises typically account for 99.5 % or more of enterprises but account for approximately two thirds of total employment.

Distribution of employment by enterprise size class, 2018

(%)



(1) Data for 2018 was replaced by 2016 data

(2) Data for 2018 was replaced by 2015 data

Source: Eurostat (online data code: sbs_sc_sca_r2)

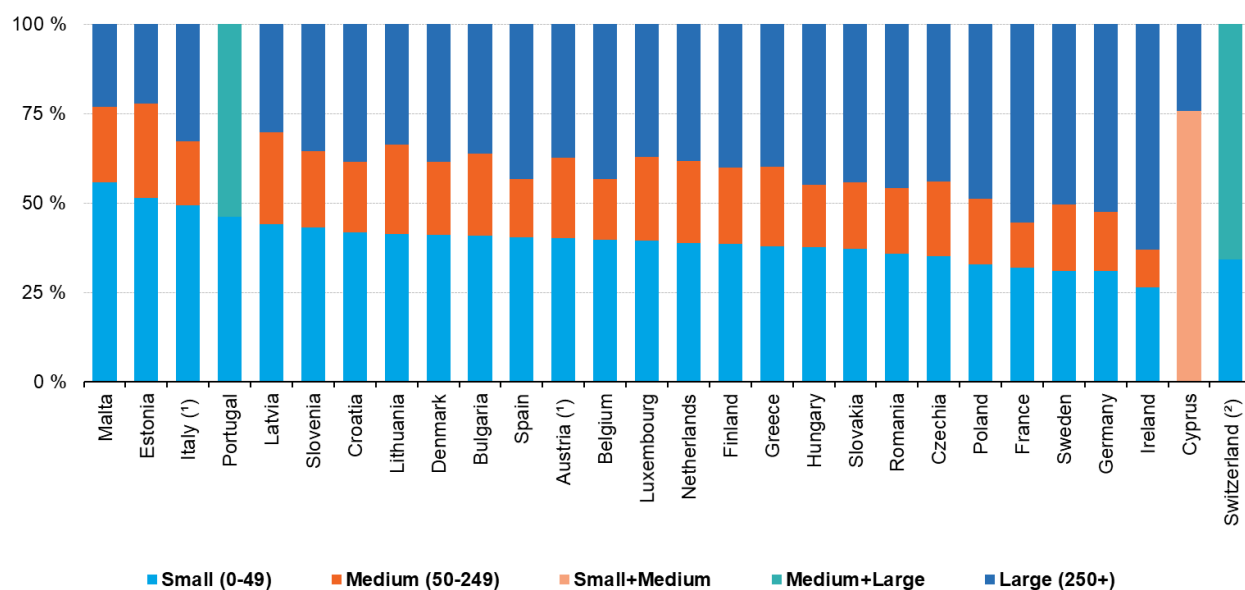
eurostat

Figure 2: Distribution of employment by enterprise size class, 2018 (%) Source: Eurostat (sbs_sc_sca_r2)

The distribution of [value added](#) by size class in 2018 is shown in Figure 3. Small enterprises generally account for around 35 % to 50 % of the total value added. However, the lowest shares of value added by small enterprises are found in Ireland (26 %), Germany (31 %), Sweden (31 %), France (32 %) and Poland (33 %); the highest share is found in Malta (56 %).

Distribution of value added by enterprise size class, 2018

(%)



(¹) Data for 2018 was replaced by 2016 data

(²) Data for 2018 was replaced by 2015 data

Note: Data for Norway not available

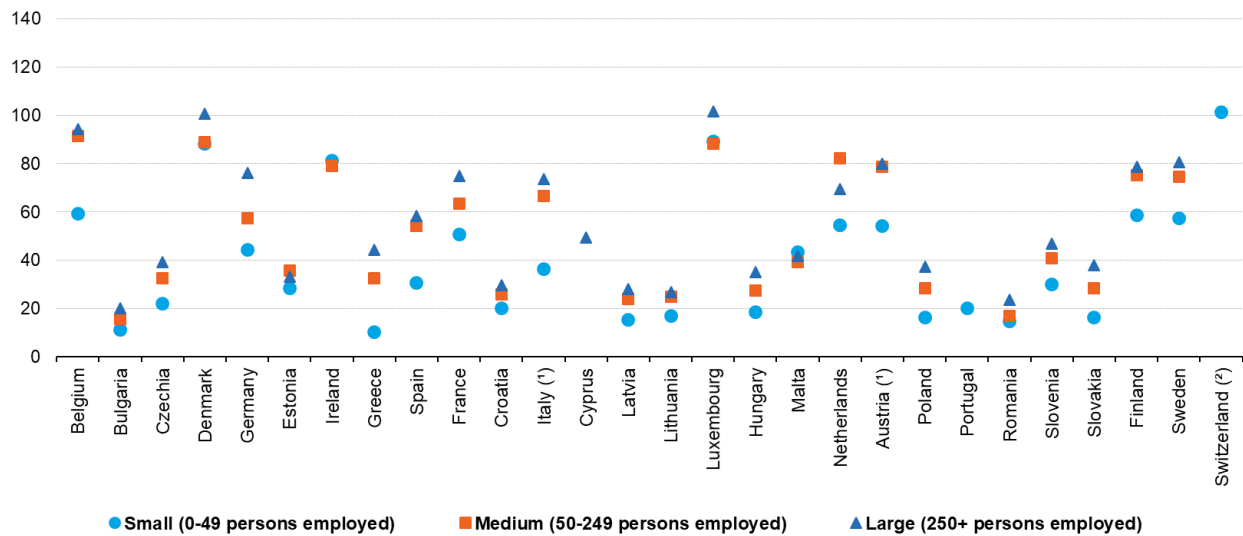
Source: Eurostat (online data code: sbs_sc_sca_r2)



Figure 3: Distribution of value added by enterprise size class, 2018 (%) Source: Eurostat (sbs_sc_sca_r2)

Due to economies of scale, value added per employed person is generally higher in large enterprises than in small enterprises (see Figure 4). However, in several countries value added per person appears to be the same in medium-sized and large enterprises, while small enterprises show somewhat lower value added per employed person.

Value added per person employed by enterprise size class, 2018 (EUR 1 000)



(*) Data for 2018 was replaced by 2016 data

(?) Data for 2018 was replaced by 2015 data

Note: Data for Norway not available

Source: Eurostat (online data code: sbs_sc_sca_r2)

eurostat

Figure 4: Value added per person employed by enterprise size class, 2018 (EUR 1 000) Source: Eurostat (sbs_sc_sca_r2)

Business Demography

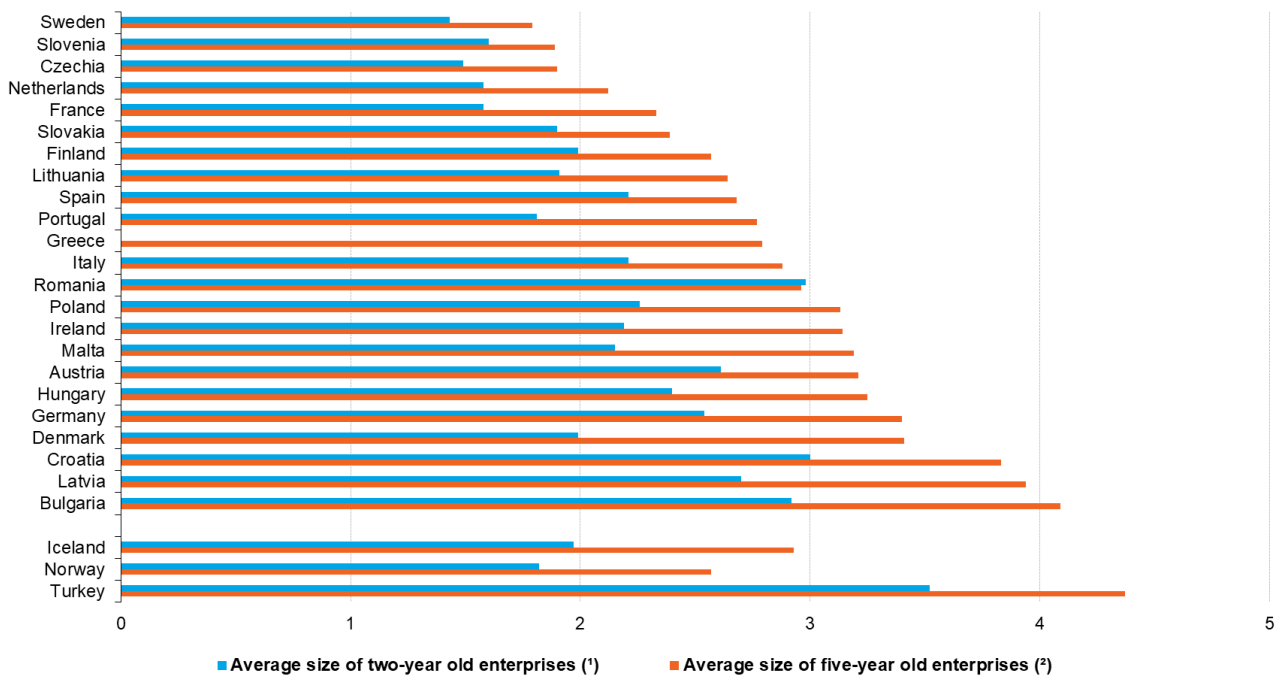
Enterprises average size tends to grow with age

Business demography tracks employment in enterprises that are established in a certain year and survive for between 1 to 5 years. Based on these statistics, Figure 5 shows the average size of enterprises in terms of employment. The data points to two-year-old enterprises and five-year-old enterprises in reference year 2018. It clearly indicates that the five-year-old enterprises operating in 2018 had a substantially higher average employment than the two-year-old enterprises of the same year. This growth in the average size of enterprises is probably intensified due to the fact that a number of poorly performing enterprises established 5 years previously have more frequently ceased their operation compared to the two-year-old enterprise population. This observed pattern is valid for all countries except for Romania.

The average employment of the population of five-year-old enterprises still operating in 2018 was the lowest (fewer than 2 persons) in Sweden Slovenia and Czechia. On the other hand, the highest average employment of five-year-old enterprises was recorded for Bulgaria and Latvia, where these enterprises accounted for an average of 4 persons employed in the business sector.

Average persons employed in the enterprises survived the past 2 and 5 years, 2018

(persons employed)



Note: data for Germany and Ireland estimated; Austria, Greece and Iceland provisional data; Poland break in time series.

(1) number of persons employed in the reference period (t) among enterprises newly born in t-2 having survived to t divided by the number of enterprises in t newly born in t-2 having survived to t - number

(2) number of persons employed in the reference period (t) among enterprises newly born in t-5 having survived to t divided by the number of enterprises in t newly born in t-5 having survived to t - number

Source: Eurostat (online data code: bd_9bd_sz_cl_r2)

eurostat

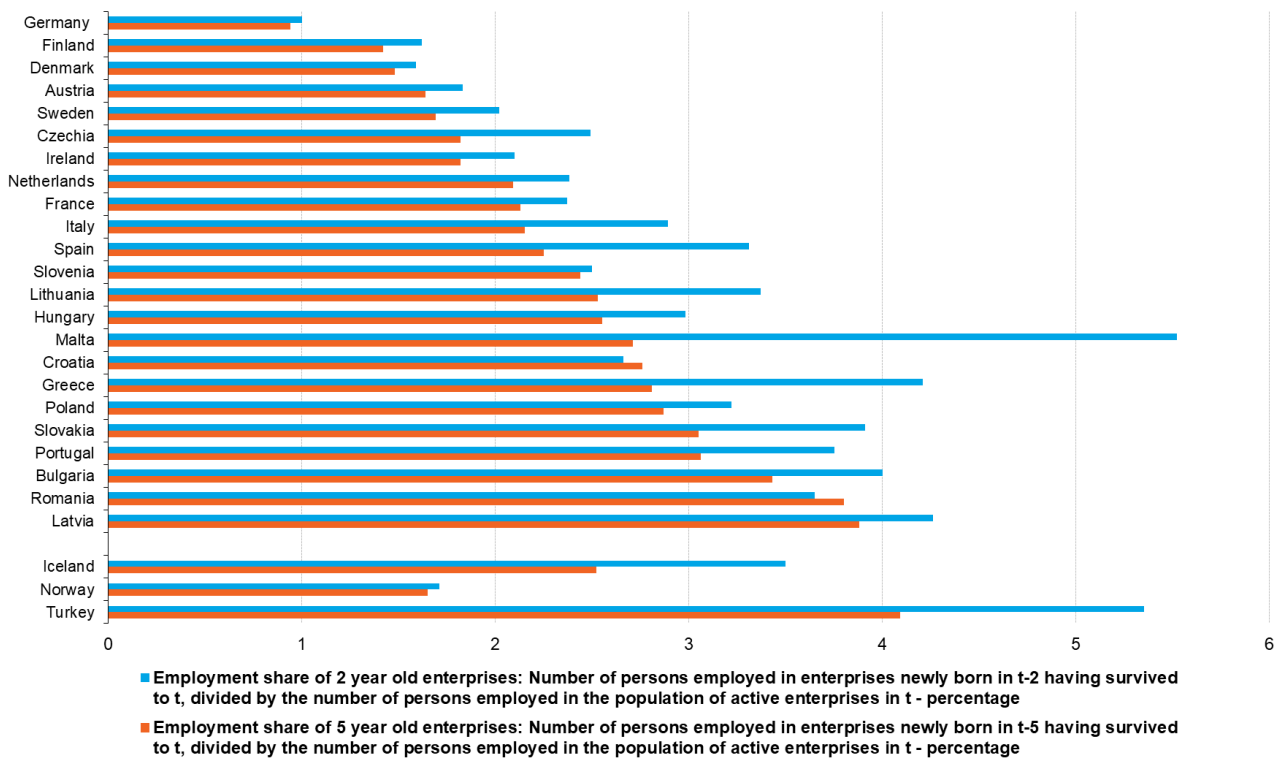
Figure 5: Average persons employed in the enterprises survived the past 2 and 5 years (persons employed), 2018 Source: Eurostat (bd_9bd_sz_cl_r2)

Employment contribution of two-year-old enterprises dominant over five-year-old enterprise population

An analysis of the role of the two-year-old and five-year-old survivor enterprises results in a different outcome if looking at the absolute employment contribution of these enterprises instead of the growth in average size. Based on Figure 6, it is quite clear that in all countries - except in Romania and Croatia - the employment share of the two-year-old enterprise population is dominant over the population of five-year-old enterprises. This can be partly explained by the fact that the population of five-year-old enterprises has been reduced every year, since not all enterprises that started up 5 years previously have survived during the period. However, typically in half of the countries the employment shares of two-year-old and five-year-old enterprises are quite close, while the other half of the countries show a considerable dominance in employment of two-year-old enterprises over the five-year-old ones.

The employment contribution of two-year-old and five-year-old enterprises is generally between 1 % to 4 % of all persons employed in the business sector. The lowest share for these young enterprise groups was recorded for Germany, followed by Finland, Denmark and Austria as well as the EFTA country Norway, where these enterprises accounted for a share of between 1 % and 2 %. At the other end, Latvia and Romania recorded the highest employment contribution of these groups, around 4 %.

Persons employed as a share of all persons employed in the business sector, 2018
(persons employed)



Note: data for Germany, Ireland estimated; Austria, Greece and Iceland provisional; Poland break in time series; data for Belgium, Estonia, Cyprus and Luxembourg not available.

(*) Number of persons employed in enterprises newly born in t-2 having survived to t, divided by the number of persons employed in the population of active enterprises in t - percentage

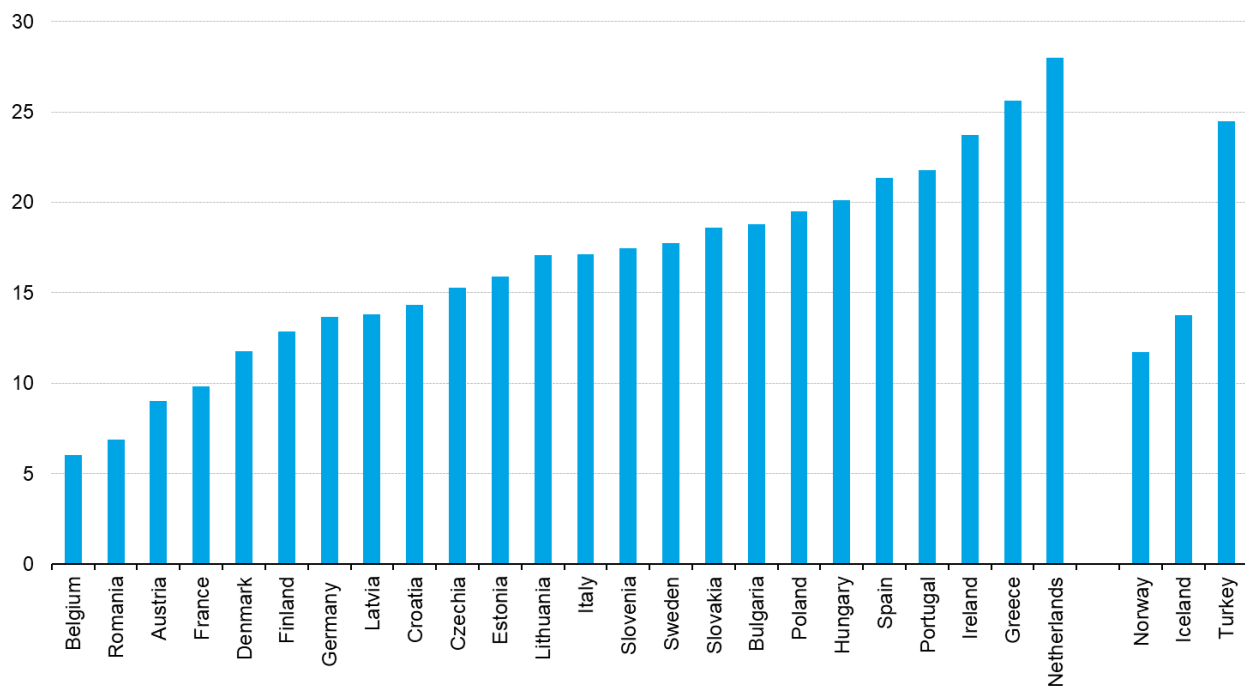
(?) Number of persons employed in enterprises newly born in t-5 having survived to t, divided by the number of persons employed in the population of active enterprises in t - percentage

Figure 6: Persons employed as a share of all persons employed in the business sector (persons employed), 2018 Source: Eurostat (bd_9bd_sz_cl_r2)

High-Growth enterprises connected to entrepreneurship

High-growth enterprises are often considered to have a key role for economic growth. Very often these enterprises are **micro** or small enterprises and therefore close to the concept of entrepreneurship. High-growth enterprises are defined as having an average annualised growth in employment greater than 10 % over a three-year period. An additional condition is that they employ a minimum of ten persons at the beginning of the growth.

The employment share of high growth enterprises in 2018 (%)



Note: Provisional data for Austria, Greece, Iceland; data not available for Cyprus, Malta and Luxembourg; break in time series for Belgium and Poland, data for Ireland estimated.

Source: Eurostat (online data code: bd_9pm_r2)

eurostat

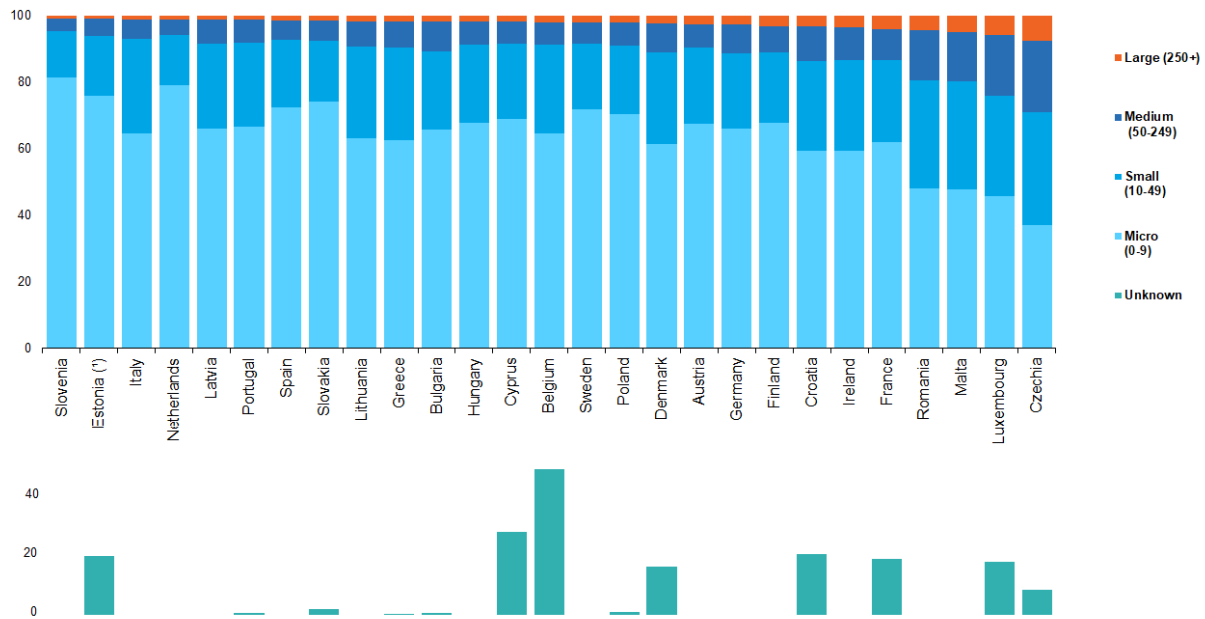
Figure 7: The employment share of high-growth enterprises in 2018 (%) Source: Eurostat (bd_9pm_r2)

The overall contribution of high-growth enterprises to employment is considerable, as shown in Figure 7. The range varies from as low as 6 % in Belgium to as high as 28 % in the Netherlands. The central role of high-growth enterprises is emphasised as these enterprises typically account for around 15 % of the total persons employed in the business sector. More information on high-growth enterprises can be found in the recent news item on [high-growth enterprises in the EU](#) .

Exports of goods by enterprise size class

Figure 8 shows the share of exports by enterprise size class. For many countries, the enterprise size class for a relatively large share of exports is unknown (represented by the green bar at the bottom of the graph), impacting somewhat the country comparisons. An overall conclusion is that, in terms of the number of enterprises, the micro enterprises with less than 10 persons employed dominate the exports of goods. Typically, these micro enterprises represent around 60 % to 70 % of all exporting enterprises, although Sweden, Spain, Estonia, the Netherlands, Slovenia, Slovakia and Poland are above this, and Croatia, Romania, Luxembourg, Czechia, Malta and Ireland are below. Small enterprises with 10 to 49 employees, together with micro enterprises, generally account for around 90 % of the exporting enterprises. The highest shares of these enterprises were recorded in Slovenia (95 %), followed by the Netherlands and Estonia (each 94 %), while the lowest shares were recorded in Luxembourg ((76 %) and Czechia (71 %).

Number of exporting (goods) enterprises, broken down by size class, 2018



(*) data from 2017
 Source: Eurostat (online data code: ext_tec01)

eurostat

Figure 8: Number of exporting (goods) enterprises, broken down by size class, 2018 Source: Eurostat (ext_tec01)

Even though small and micro enterprises are dominant when measured by the number of enterprises, they generally account for a rather modest share of the exports value. Micro enterprises employing less than 10 persons is obviously the most relevant size class when dealing with entrepreneurship. Figure 9 shows the share micro enterprises have in exports of goods, but note that in some countries the share of unknown enterprise size was significant. The export share of micro enterprises in the majority of the countries is between 5 % and 18 %. The exceptions to this are Cyprus, with shares of around 45 %; at the other end, Finland, Romania and Czechia showed a low export share of less than 4 % for micro enterprises.

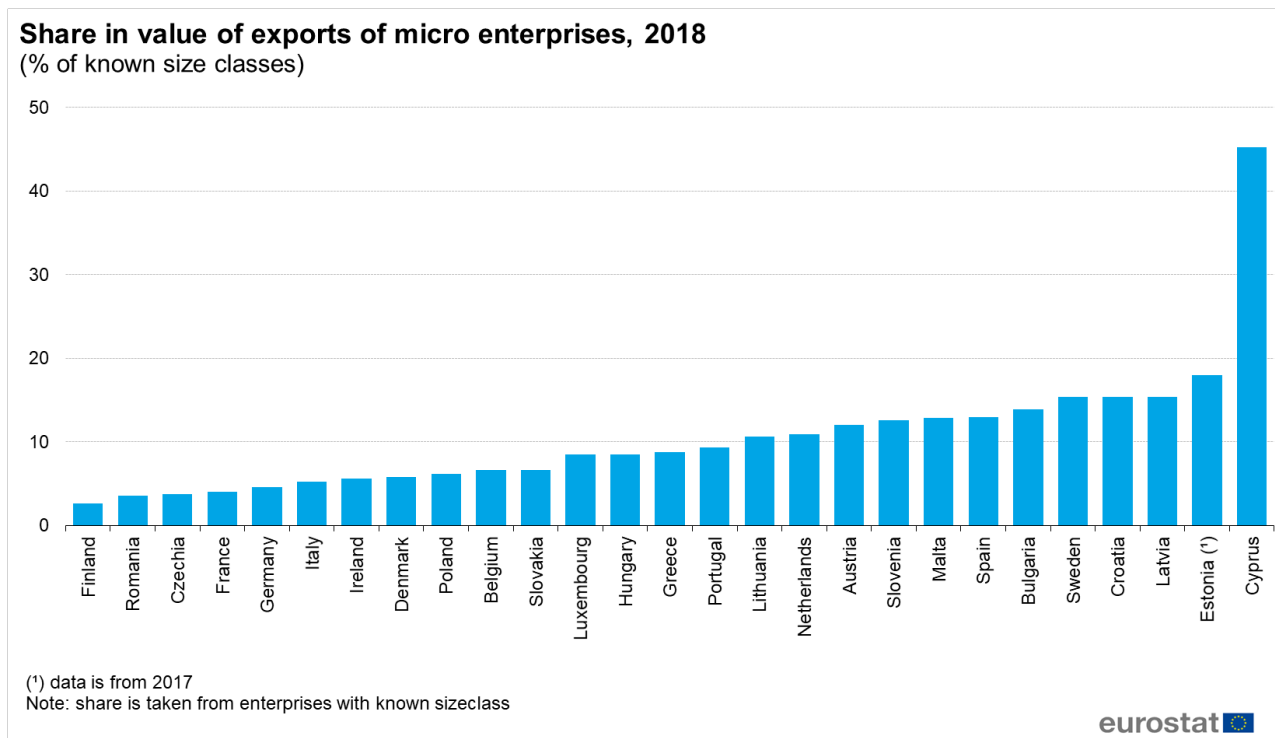


Figure 9: Share in value of exports of micro enterprises, 2017 (% of known size classes) Source: Eurostat (ext_tec01)

Source data for tables and graphs

- [Download Excel file](#)

Data sources

The data used in this article comes from five different sources:

1. [Structural Business Statistics \(SBS\)](#) ,
2. [Business demography \(BD\)](#) ,
3. [International trade in goods by enterprise characteristics \(TEC\)](#) .

Data for some countries are missing due to data not being available or confidentiality reasons. Only countries for which data are available are shown in the figures of the article.

Context

[Small and medium-sized enterprises \(SMEs\)](#) are the backbone of Europe's economy, providing the majority of all new jobs. The [European Commission](#) aims to promote entrepreneurship and improve the business environment for SMEs to allow them to realise their full potential in today's global economy. COSME, the [EU](#) programme for the [Competitiveness of Small and Medium-sized Enterprises](#) is running from 2014 to 2020, with a planned budget of EUR 2.3 billion.

In recognition of the importance of the issue, the [Organisation for economic co-operation and development \(OECD\)](#) and Eurostat are collaborating in the joint [Entrepreneurship Indicators Programme \(EIP\)](#) and, in this context, have taken steps to improve policy-relevant measurement of entrepreneurial activity.

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