

# Business demography statistics

Statistics Explained

*Data from October 2024  
Planned update: October 2025*

## Highlights

**" In 2022, the EU's business economy was made up of over 32 million active enterprises, out of which 11% (3.4 million) were created that year. "**

**" In 2022, 3.7 million jobs were created from 3.4 million newly born enterprises in the EU. "**

### [Country codes](#)

This article presents statistical data on [business demography](#) in the [European Union \(EU\)](#) , treating aspects such as the total number of [active enterprises](#) in the [business economy](#) , their [birth rates](#) , and the [survival rate](#) . Business demography (BD) statistics provide information on the dynamics of the business economy. They capture how the composition of the enterprise population changes over time. They also show how the economic contribution of the business economy in terms of employment develops across a number of enterprise characteristics.

While the statistics presented in this article are generally analysed at the level of [NACE](#) sections, readers should note that business demography statistics are available at a much more detailed level (for several hundred activities). Following the entry into force of the European Business Statistics (EBS) Regulation, Eurostat is publishing, now for the second time, final data on business demography. Several improvements enhance the data's capacity for analysis of the activity of enterprises in the EU, in particular for high-growth and young high-growth enterprises (also known as gazelles). The data now cover more economic activities, e.g. within services (education; human health and social work activities; arts, entertainment and recreation) and financial and insurance activities.

Moreover, regional business demography statistics are now available for all EU countries.

Business demography covers the [business economy](#) (NACE Rev.2 sections B to N, P to R as well as division S95 and S96), which includes: industry, construction and services.

## General overview

In 2022, the [EU](#) 's business economy was made up of over 32 million active enterprises with around 160 million persons employed. The largest active enterprise population was registered in France (5.2 million) and Italy (4.6 million), followed by Spain (3.5 million) and Germany (3.2 million). As in previous years, the services sector was dominant in every country, as measured by the highest proportion of active enterprises.

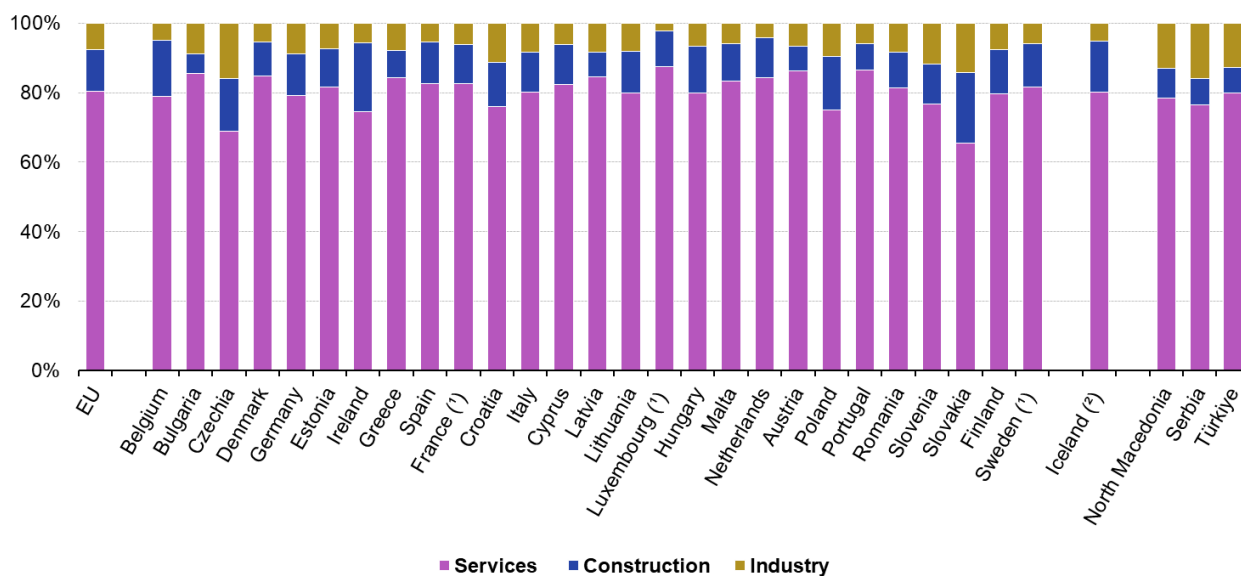
There were about 3.7 million jobs created from 3.4 million newly born enterprises, based on the final 2022 data. Enterprises in "Professional, scientific and technical activities", "Wholesale and retail trade; repair of motor vehicles and motorcycles" and "Construction", contributed the most to the number of newly born enterprises in the business economy and the jobs created. Together, comprising almost half of the enterprise births and their employment.

## Active enterprises in the business economy

This section provides an overview of the business enterprise population. It is based on aggregated data for industry (Sections B to E), construction (Section F) and services (Sections G to N and P to R, as well as S95 and S96),

according to NACE Rev. 2. In 2022, looking at EU level, over three-quarters (80.4%) of all enterprises active in the business economy (NACE Rev. 2 Sections B to R, S95 and S96) were within the services sector, providing work for over two-thirds of the total number of persons employed (see Figures 1 and 2). Services accounted for between 65.5% of the number of all enterprises in the business economy in Slovakia and 87.6% of the total in Luxembourg. In terms of its contribution to employment, the services sector accounted for 57.2% of the workforce in Czechia, while the Netherlands had the highest share at 84.0%.

### Structure of active enterprises by sector, business economy, 2022 (%)



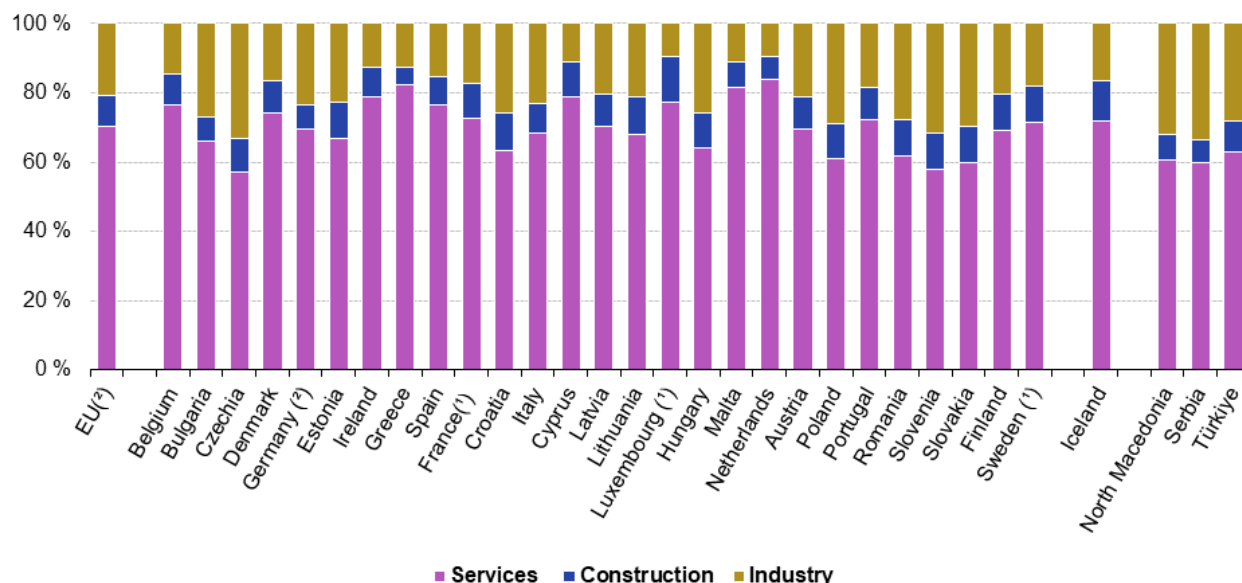
(1) break in time series

(2) estimated



Figure 1: Structure of active enterprises by sector, business economy, 2022 (%) Source: Eurostat (bd\_size)

## Structure of employment by sector, business economy, 2022 (%)



(<sup>1</sup>) break in time series

(<sup>2</sup>) estimated

Source: Eurostat (online data code: bd\_size)

eurostat

**Figure 2: Structure of employment by sector, business economy, 2022 (%) Source: Eurostat (bd\_size)**

By contrast, only 7.5% of active enterprises in the EU were found in industry, even though these enterprises provided work for more than 33.0 million persons (21.0% of the total employment in the business economy). The average size of industrial enterprises (as measured in terms of the number of persons employed) was considerably higher in industry than for services. Indeed, industrial enterprises employed 13 persons on average across the 27 Member States, compared with an average of 4 persons for services. The average number of persons employed in construction was the lowest, with 3 persons per enterprise.

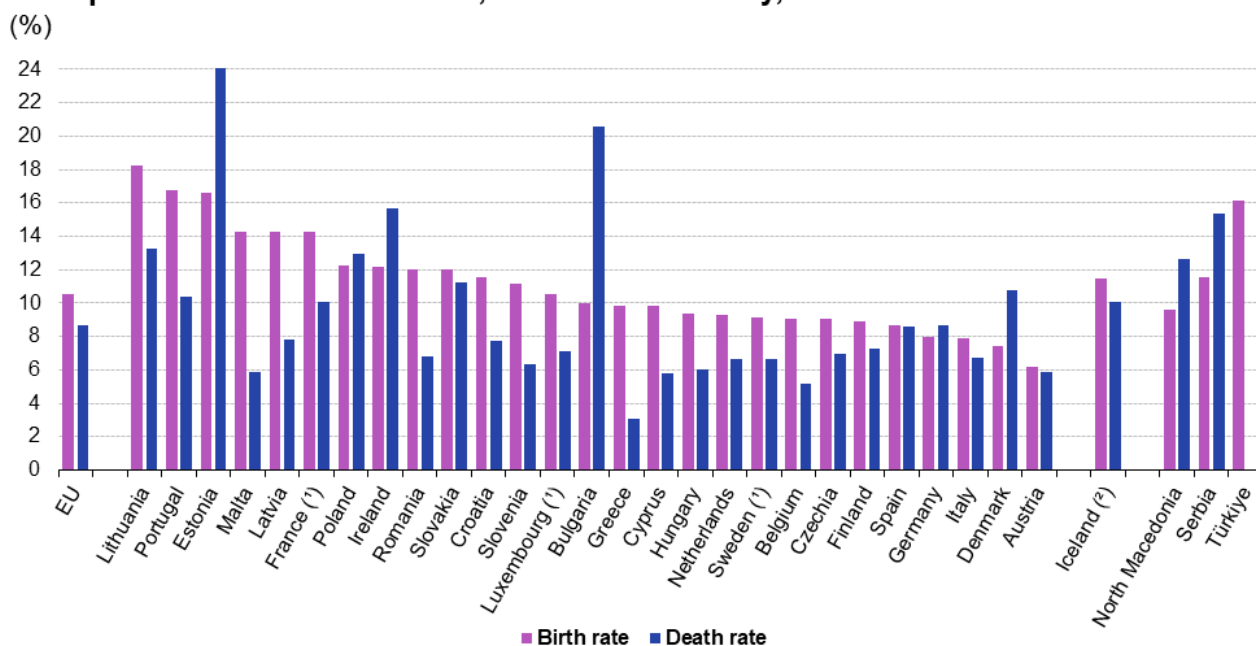
## Birth and death rates

The birth of new enterprises is often seen as 1 of the key determinants of job creation and economic growth. Enterprise births are thought to increase the competitiveness of a country's enterprise population, by obliging them to become more efficient in view of newly emerging competition. As such, they stimulate innovation and facilitate the adoption of new technologies, while helping to increase overall productivity within an economy. Looking at birth rates in the EU, the number of newly born enterprises as a proportion of the total number of active enterprises ranged from 6.2% in Austria to 18.3% in Lithuania in 2022. The birth rate was also low in Denmark, Italy and Germany (each under 8%). At the other end of the scale, high birth rates were recorded in 2022 in Portugal and Estonia (each over 16%) - see Figure 3.

In 2022, the rate of enterprise births in the EU was 10.5% while the preliminary rate of enterprise deaths stood at 8.7%. The enterprise death rates, which are based on provisional data, were particularly low in Greece (3.1%), Belgium (5.2%) and Cyprus (5.8%), ranging up to 20.6% in Bulgaria and 25.1% in Estonia.

In most EU countries more companies were created than dissolved. The exceptions to this were Bulgaria, Denmark, Germany, Estonia, Ireland and Poland, where the number of enterprises dissolved surpassed the number of companies created.

## Enterprise birth and death rates, business economy, 2022



(\*) break in time series

(?) estimated

Death rate: preliminary data

Source: Eurostat (online data code: bd\_size)

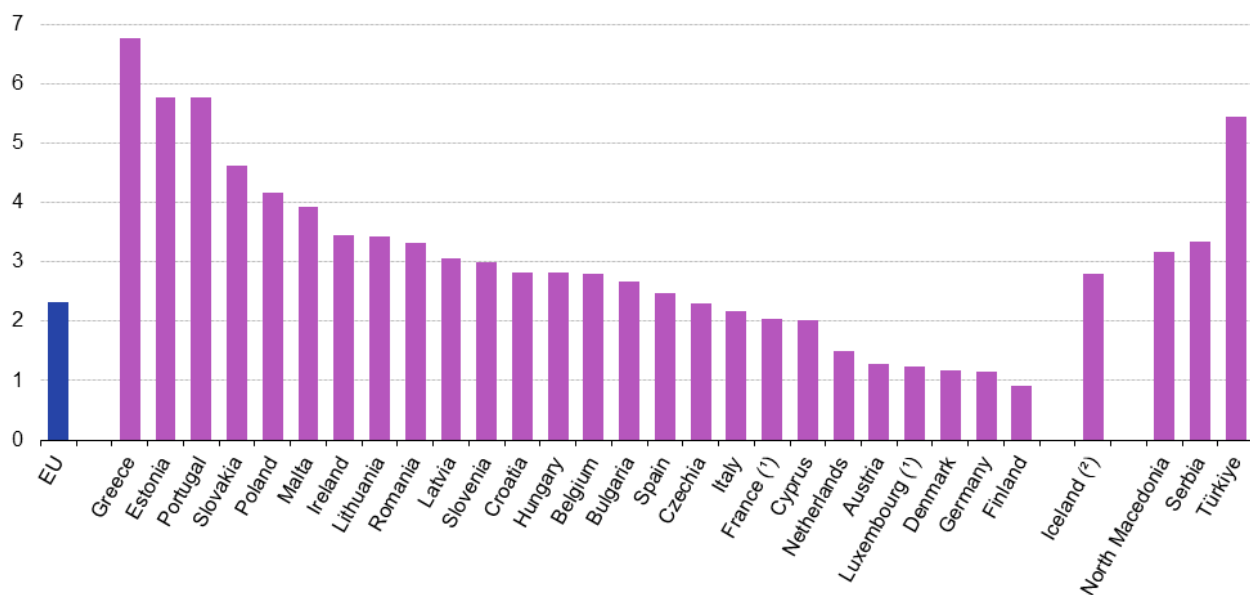
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**Figure 3: Enterprise birth and death rates, business economy, 2022 (%) Source: Eurostat (bd\_size)**

While the study of enterprise birth rates provides useful information on the dynamism in the economy, the effect on the labour market is an important aspect as an indicator of the potential job creations. Figure 4 shows the share of newly born enterprises in total employment of active enterprises, in terms of the number of persons employed. In the total business economy in 2022, the employment share ranges from 0.9% in Finland to 6.8% (Greece). In addition, relatively low shares were recorded in Finland, Germany, Denmark and Luxembourg, while high shares were recorded in Estonia, Portugal, Slovakia and Poland.

## Employment share of enterprise births, business economy, 2022

(%)



(\*) break in time series

(\*) estimated

Source: Eurostat (online data code: bd\_size)

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Figure 4: Employment share of enterprise births, business economy, 2022 (%) Source: Eurostat (bd\_size)

## Enterprise survivals

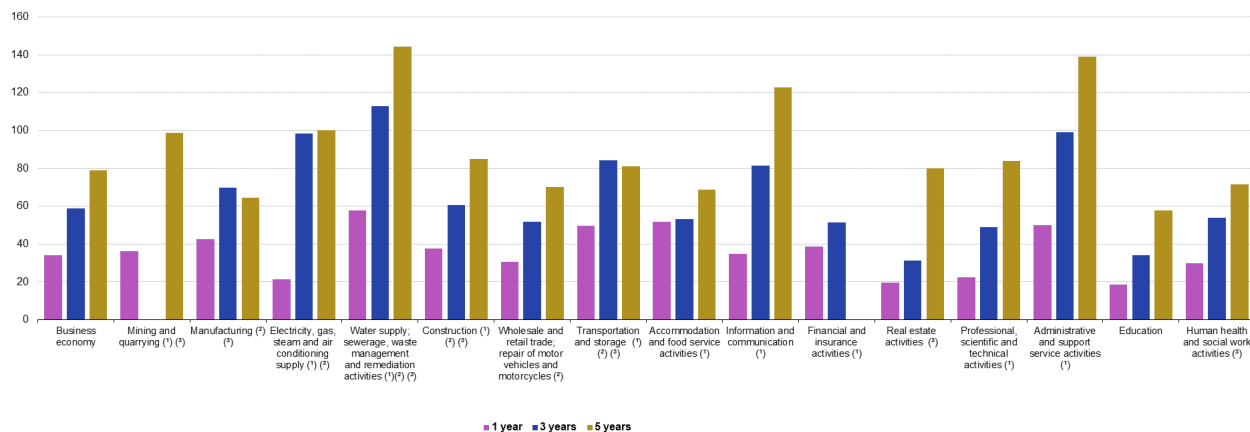
This section presents information about the life cycle of newly born enterprises and their development over 5 years. The business demography data collection enables the tracking of newly born enterprises over a 5 year period, tracing how many of them have survived during that period. Enterprise survival occurs when an enterprise is active and identifiable both before and after a specific (business) demographic event. The enterprise may be changed in some way, e.g. in terms of economic activity, size, ownership or location, but specifically for survival statistics, all criteria are kept from the year of birth. It is possible to observe such enterprises as there is continuity of the enterprise reference number in the statistical business register.

The growth rate of employment in enterprise survivals represents the ratio between the number of persons employed in enterprise survivals and the number of persons employed in the same enterprises in the year of birth. The employment growth rate of the business economy was 79% for 5 year old enterprises, 59% in the case of 3 year old enterprises and 34% for the 1 year old enterprises.

All economic activities had a similar pattern: the older the enterprise, the higher the growth in the employment. Two exceptions were "Manufacturing" and "Transportation and storage", where 5 year old enterprises had lower growth in terms of employment than 3 year old enterprises.

The highest employment growth in employment was observed in 5 year old enterprises, especially in "Water supply; sewerage, waste management" (144%), Administrative and support service activities" (139%), "Information and Communication" (123%). In all these activities, the 5 year old enterprises had a growth rate in employment of over 100%, which means that the employment in the fifth year is more than double compared with the year of birth. This can be explained by the fact that 5 year old enterprises had more years to grow and, if the activity of the enterprises is successful, the enterprise survives and hires more people. In the case of "Water supply; sewerage, waste management", also the 3 year old enterprises had a growth rate higher than 100%.

Growth rate of employment in enterprise survivals, business economy, 2022 (%)



(\*) 1 year survivals: estimated  
 (\*) 3 year survivals: estimated  
 (\*) 5 year survivals: estimated  
 Source: Eurostat (online data code: bd\_size)



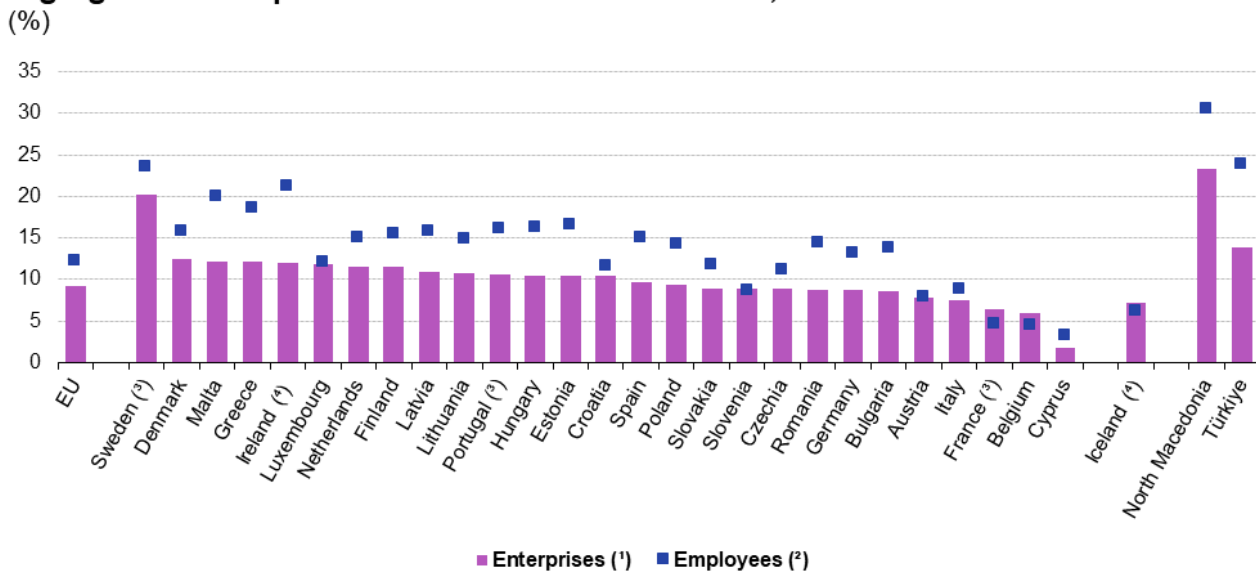
Figure 5: Growth rate of employment in enterprise survivals, business economy, 2022 (%) Source: Eurostat (bd\_size)

## High growth enterprises

High growth enterprises (growth in employment by more than 10%) play an important role in the contribution to economic growth and the creation of jobs. In 2022, around 156 000 companies, or almost a tenth (9.2%) of all active enterprises with at least 10 employees in the EU business economy were recognised as high-growth enterprises, providing work for 13.2 million employees.

In 2022, considerable variations were observed across the EU Member States in the distribution of high-growth enterprises (see Figure 6). The shares ranged from 20.3% in Sweden to less than 1.8% in Cyprus.

## High-growth enterprise shares in EU Member States, 2022 (%)



(\*) % of active enterprises with at least 10 employees in the business economy  
 (\*\*) % of all employees among the stock of active enterprises with at least 10 employees  
 (\*) break in time series  
 (\*) estimate

Source: Eurostat (online data code: bd\_hg)

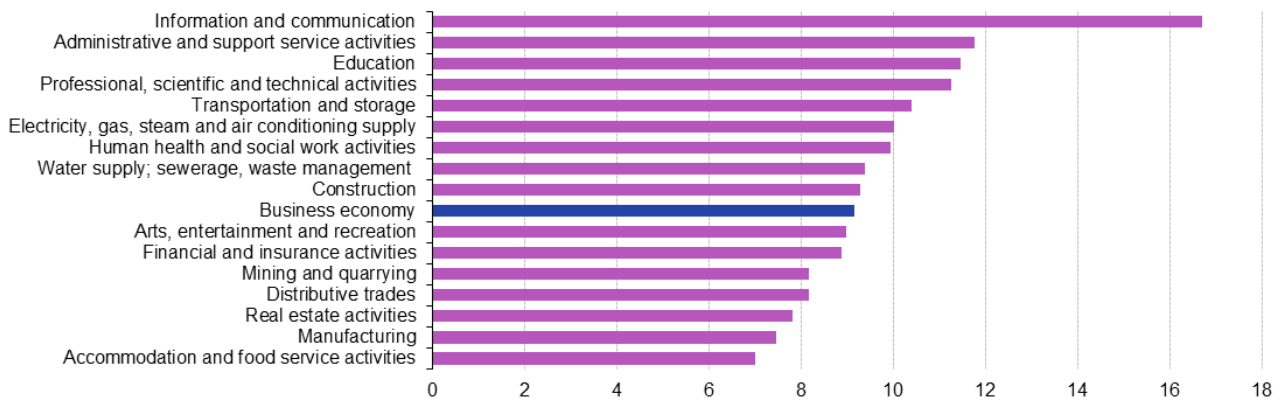
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**Figure 6: High-growth enterprise shares in EU Member States, 2022 (%) Source: Eurostat (bd\_hg)**

High-growth enterprises have a noteworthy impact on employment. In 2022, the highest contributions to the total number of employees with more than 20% were recorded in Sweden and Ireland. By contrast, the lowest shares in 2022 were registered by Cyprus (3.3%), Belgium (4.5%) and France (4.6%).

Although high-growth enterprises operate in all sectors of the business economy across the EU, their share in services is higher in the majority of Member States. Looking at a breakdown by economic activity (see Figure 7), high-growth enterprises in 2022 were more predominant in the service sectors, with the highest proportion in "Information and communication" (16.7%), followed by "Administrative and support service activities" (11.8%), "Education" (11.5%) and "Professional, scientific and technical activities" (11.3%). The first industrial sector in terms of proportions of high-growth enterprises was "Electricity, gas, steam and air conditioning supply" (10.0%). The lowest overall figures were recorded in "Manufacturing" (7.5%) and "Accommodation and food services" (7.0%).

## High-growth enterprise shares by NACE sections in the EU, 2022 (%)



Source: Eurostat (online data code: bd\_hg)

eurostat

Figure 7: High-growth enterprise shares by economic sectors in the EU, 2022 (%) Source: Eurostat (bd\_hg)

## Source data for tables and graphs

- [Business demography statistics: tables and figures](#)

## Data sources

Eurostat's business demography (BD) statistics provide information on the dynamics of the business economy. They capture how the composition of the enterprise population changes over time. They also show how the economic contribution of the business economy in terms of employment develops across a number of enterprise characteristics. Statistical business registers are the main source for BD statistics. Data comes from the national statistical business registers in the EU, EFTA, and enlargement countries. In practice, most of these national statistical business registers are based on a combination of administrative and statistical sources. Business demography statistics cover, amongst other things, the birth, survival (followed up to 5 years after birth) and death of enterprises within the business population. They report changes in the stock of enterprises within the business economy from 1 year to the next, reflecting among other things the level of competition, entrepreneurial spirit and the business environment.

**Coverage, units and classifications** Business demography covers 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). Business demography statistics do not cover agriculture, forestry and fishing, nor public administration.

Starting with the reference year 2021, business demography statistics are compiled under the legal basis of the [EU regulation 2019/2152](#) on European business statistics and its implementing act, [EU regulation 2020/1197](#) on technical specifications and arrangements.

## Context

Business demography is an important subject for policy-maker discussions about increasing the level of employment, since it is 1 of the main priorities of the EU growth strategy.

Enterprise demography reflects, to some degree, the dynamism of the EU economy through the adaptation of



economic structures to changing market conditions. The potential contribution that enterprise creation can make to employment is also 1 of the most important aspects drawing the attention of policy makers to the subject of enterprise demography. In this context, enterprise creation can be seen as an indicator of [competitiveness](#) , as a factor of economic growth and as a vital means of creating jobs.

Business demography provides information for births, deaths and survival rates of enterprises, as well as information on related employment data. The two main measures used for employment are the number of [persons employed](#) and the number of employees.

The demography of the business population is represented by data on:

- the [active population of enterprises](#) ;
- their [birth](#) ;
- their [survival](#) (followed up to 5 years after birth);
- their [death](#) .

Particular attention is paid to the impact that these demographic events have on employment levels. Business demography data can be used to analyse the dynamics and innovation of different markets, such as:

- entrepreneurship in terms of the propensity to start a new business, such as analysed in the joint OECD/Eurostat Entrepreneurship Indicators Programme;
- how newly-born enterprises can contribute to the creation of jobs.

## Explore further

### Other articles

- [High-growth enterprises - statistics](#) – background article on high-growth enterprises and young high-growth enterprises (gazelles)
- [Structural business statistics overview](#) - see chapter "Business demography"
- [Structural business statistics \(SBS\)](#) - theme entry page
- [Structural business statistics at regional level](#) see chapter 'Enterprise demography: births, deaths and survival'
- [Quarterly registrations of new businesses and declarations of bankruptcies - statistics](#)

### Database

- [Business demography \(bd\)](#)

### Thematic section

- [Business demography](#)
- [Structural business statistics](#)

### Publications

- [Recent Eurostat publications on BD](#)
- [News Release BD2021 final data](#)
- [Recent Eurostat publications on SBS](#)
- [News Release SBS 2021 final data](#)

## Selected datasets

- [Business demography \(bd\)](#)

## Methodology

- [Business demography metadata](#)
- [Eurostat-OECD Manual on Business Demography Statistics](#)

## External links

- [European Commission - Enterprise and Industry - Small and medium-sized enterprises \(SMEs\) - Promoting Entrepreneurship](#)