

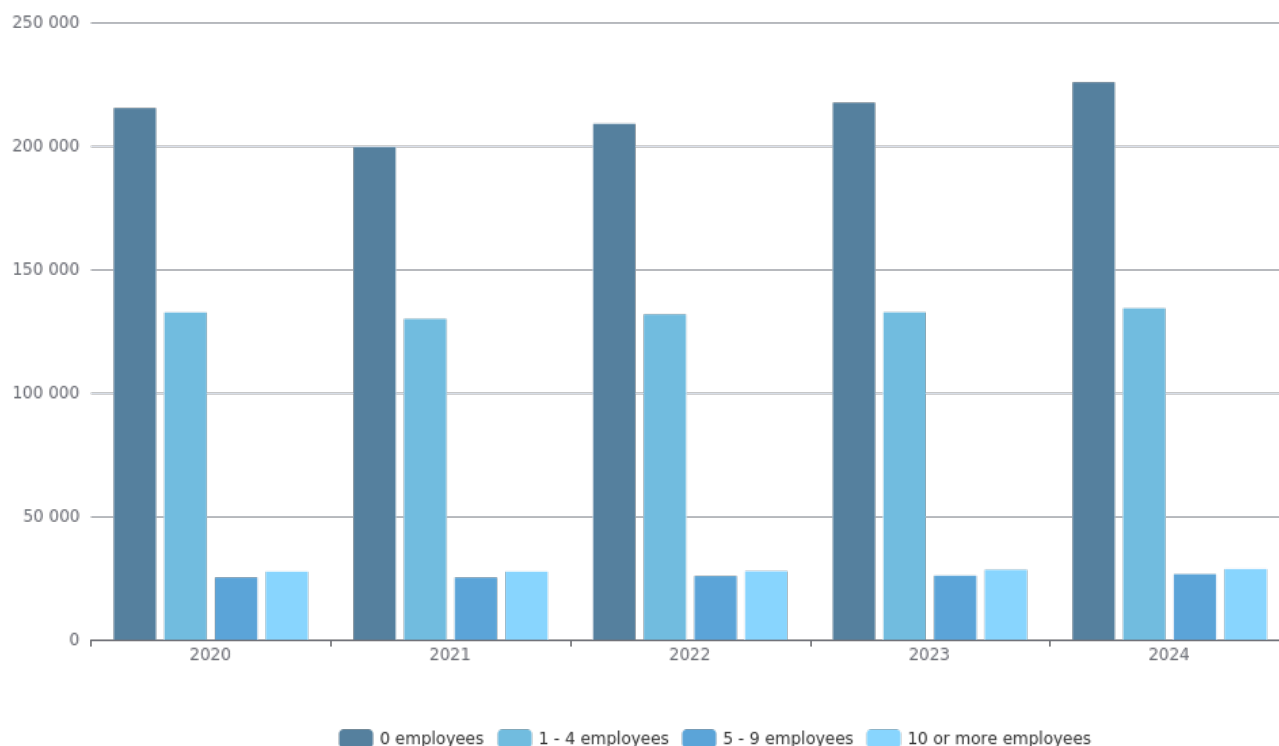


BUSINESS DEMOGRAPHY - 2024

Active enterprises and employment

In 2024, the number of active enterprises in Bulgaria is 415 087, which is 2.7% more compared to the previous year 2023.

Figure 1. Active enterprises by number of employees



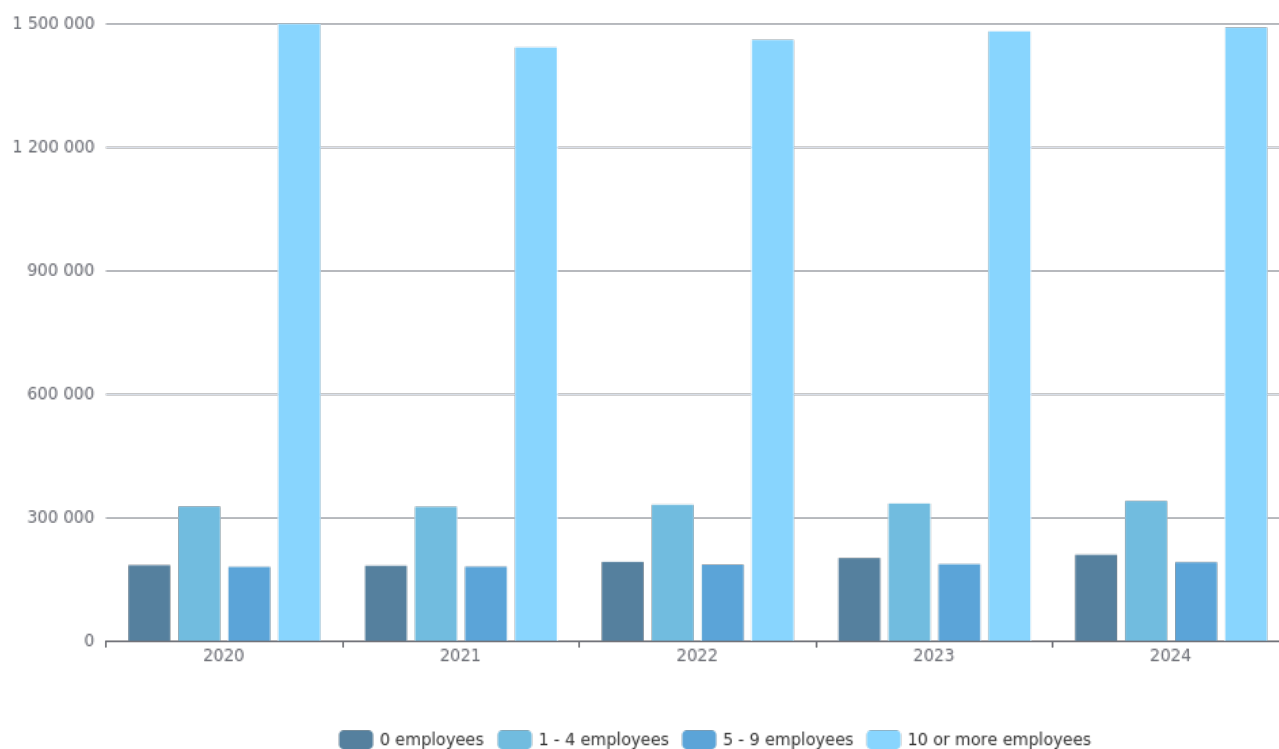
During the period 2020 - 2024, active enterprises with no employees¹ (Figure 1) accounted for the largest share of all active enterprises. In 2024, they represented 54.4% of all active enterprises, followed by enterprises with 1 - 4 employees - 32.3%. The smallest share was recorded for enterprises with 5 - 9 employees - 6.4%.

Persons employed² in enterprises with 10 or more employees accounted for 67.6% of the total number of persons employed during the period, while these enterprises represented only 7.1% of all active enterprises. At the same time, enterprises with no employees, despite accounting for the largest share of active enterprises, represented only 8.9% of the total number of persons employed in the country (Figure 2).

¹ Employees are those who work for an employer on the basis of an employment contract and receive compensation in the form of wages, salaries, fees or remuneration in kind.

² Persons employed in an enterprise include all persons employed as well as working owners.

Figure 2. Employed in active enterprises by number of employees



Newborn enterprises³

The number of newborn enterprises in 2024 in the selected economic sectors was 43 315, representing 10.4% of the total number of enterprises. During the period 2020 - 2024, the annual average share of newborn enterprises was 10.0% of the active enterprises during this period.

The structure of newborn enterprises by economic sector remained relatively stable over the past five years, and this trend continued in 2024 (Figure 3). The highest relative share of newborn enterprises was recorded in section G 'Wholesale and retail trade; repair of motor vehicles and motorcycles' - 30.6%, while the lowest was recorded in section B 'Mining and quarrying' - below 0.1%.

³ Newborn enterprises comprise all newly established active economic entities during the reference period. These enterprises were active during the reference year (t), but were not active in either year (t-1) or year (t-2).

Figure 3. Structure of enterprises born in 2024 by economic sectors

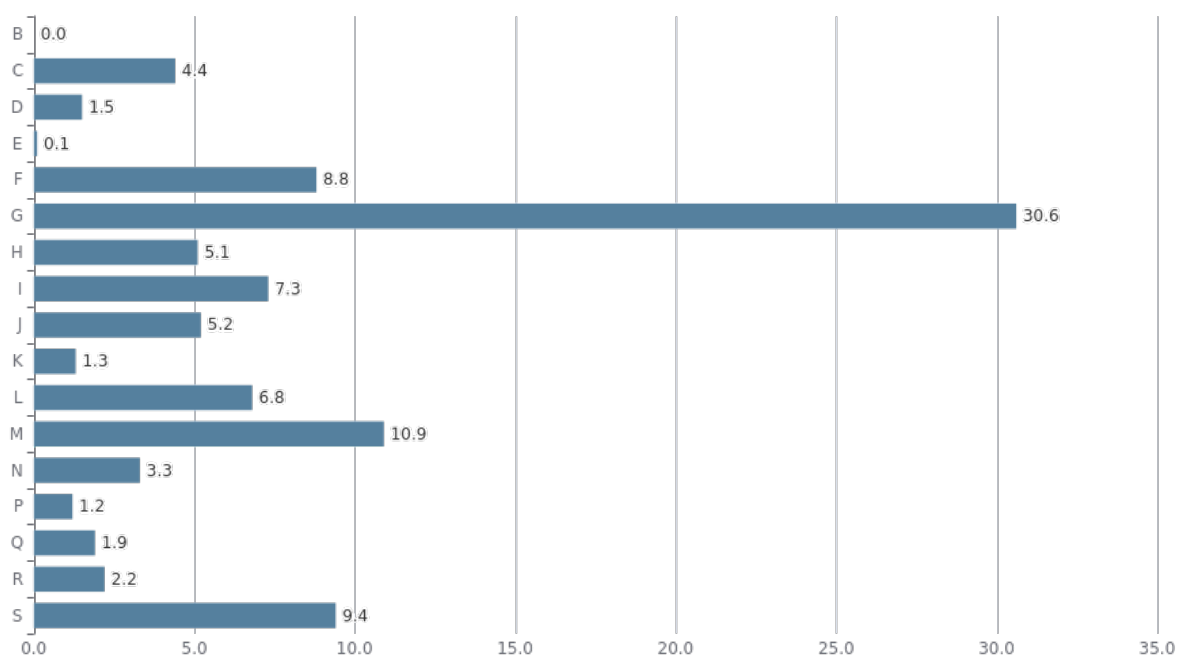
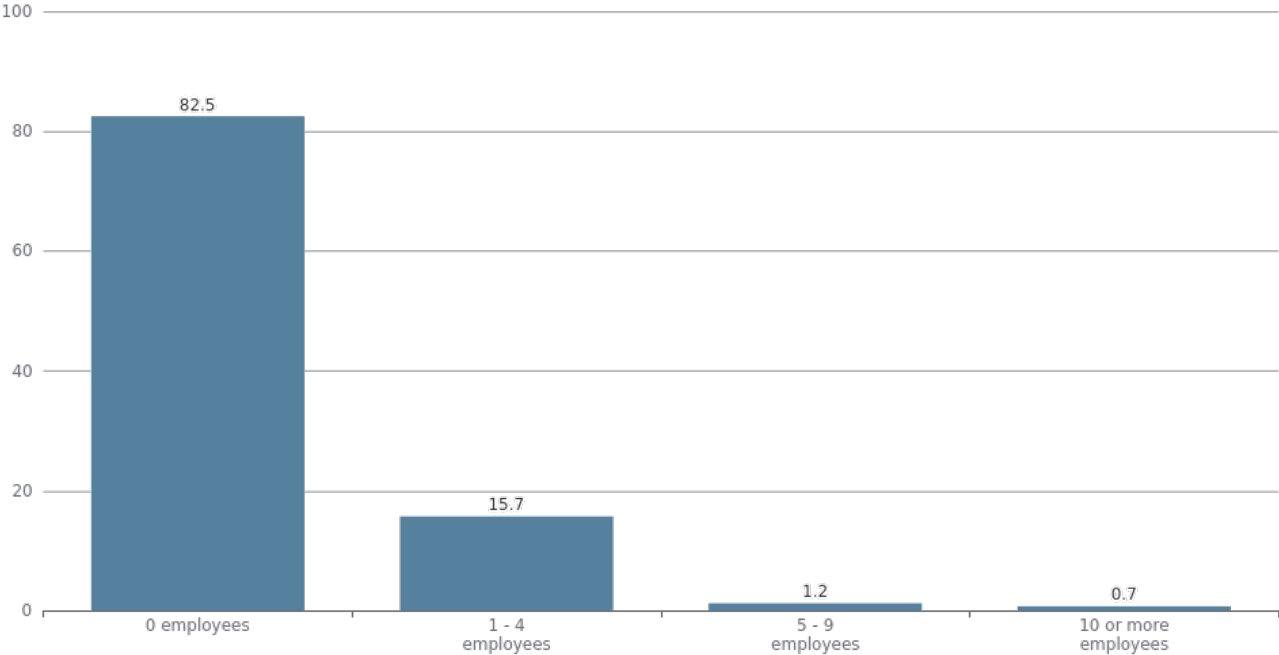


Table1. NACE Rev. 2 - Statistical classification of economic activities

Code	Name
B	MINING AND QUARRYING
C	MANUFACTURING
D	ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY
E	WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES
F	CONSTRUCTION
G	WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES
H	TRANSPORTATION AND STORAGE
I	ACCOMMODATION AND FOOD SERVICE ACTIVITIES
J	INFORMATION AND COMMUNICATION
K	FINANCIAL AND INSURANCE ACTIVITIES
L	REAL ESTATE ACTIVITIES
M	PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES
N	ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES
P	EDUCATION
Q	HUMAN HEALTH AND SOCIAL WORK ACTIVITIES
R	ARTS, ENTERTAINMENT AND RECREATION
S	OTHER SERVICE ACTIVITIES

In 2024, 35 717 newly born enterprises fell into the '0 employees' group, followed by the '1 - 4 employees' group with 6 781 enterprises. The group with 10 or more employees included just 284 enterprises (Figure 4).

Figure 4. Structure of enterprises born in 2024 by number of employees



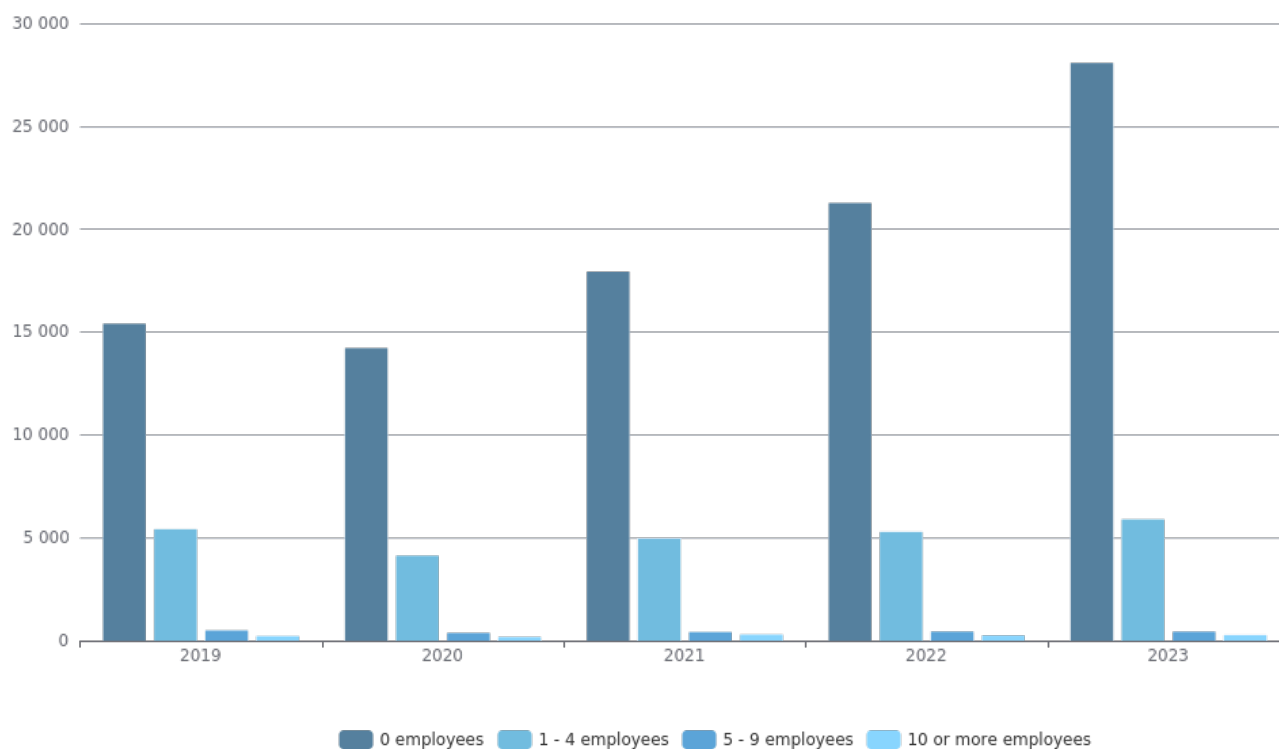
Survived enterprises⁴

A total of 34 676 enterprises successfully survived in 2024, representing 80.0% of all newly born enterprises in 2023. The highest survival rate was observed among enterprises with 10 or more employees - 93.1%.

Since 2019, the year-on-year survival rate has shown a gradual decline across all four enterprise groups classified by the number of employees. The share of enterprises born in 2019 that remained active five years later was 5.2%, while the share of enterprises born in 2023 that remained active in 2024 was 8.4% of the total number of active enterprises in 2024 (Figure 5).

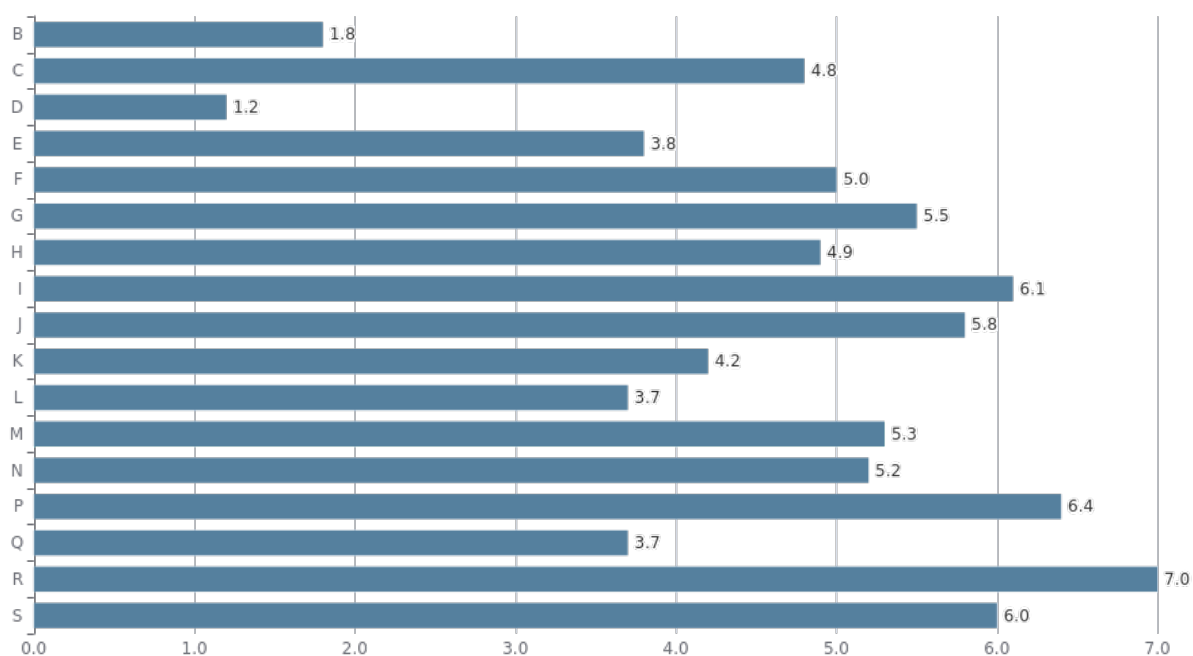
⁴ Surviving enterprises are those businesses that are active both before and after a certain business demographic event. The enterprise may change in some way, for example, in terms of economic activity, size, ownership or place of business, but it continues to be active.

Figure 5. Enterprises born during the period 2019 - 2023 and survived in 2024



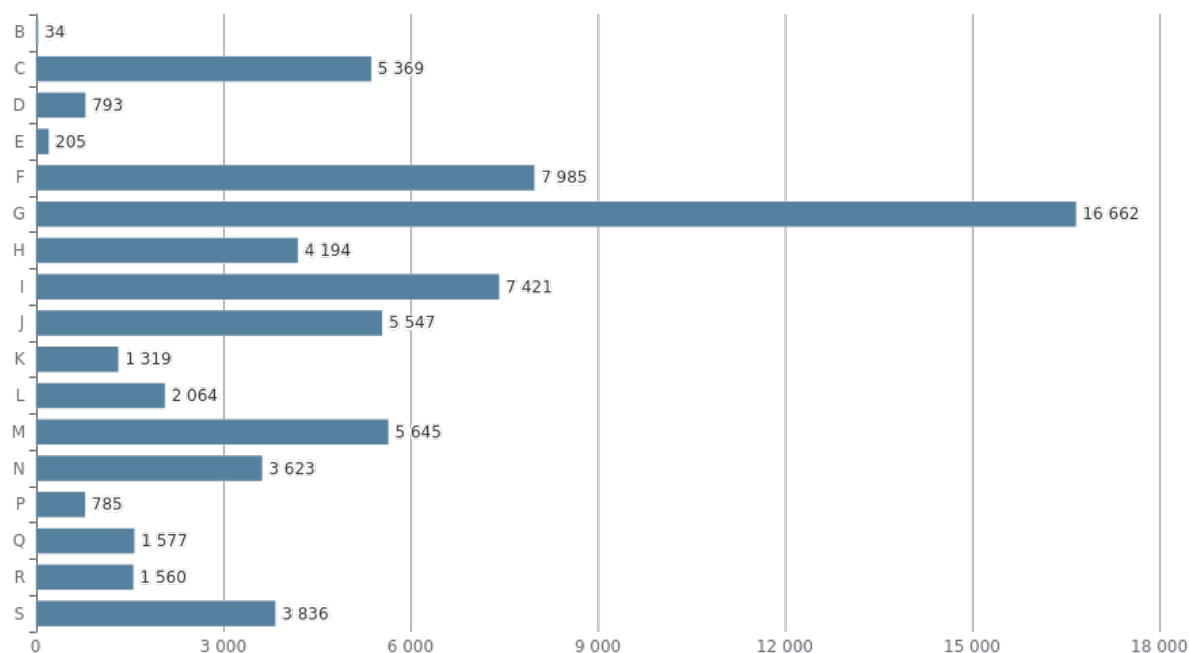
The highest five-year survival rate was recorded among enterprises in section R - 'Arts, entertainment and recreation', where 7.0% of enterprises successfully survived the five-year period. The lowest survival rate was observed among enterprises in section D 'Electricity, gas, steam and air conditioning supply' - 1.2% (Figure 6).

Figure 6. Share of enterprises born in 2019 and survived in 2024 by economic sectors



The total number of persons employed in enterprises born in 2023 and surviving in 2024 was 69 173. Almost 54.5% of employed persons were concentrated in the following four sections: G 'Wholesale and retail trade; repair of motor vehicles and motorcycles' - 24.1%, F 'Construction' - 11.5%, I 'Accommodation and food service activities' - 10.7%, and M 'Professional, scientific and technical activities' - 8.2% (Figure 7).

Figure 7. Employed persons in enterprises born in 2023 and survived in 2024 by economic sectors



The distribution of employment in enterprises born in 2023 and surviving in 2024, by groups of employed persons, was as follows:

- 0 employees - 50.3%;
- 1 - 4 employees - 28.2%;
- 5 - 9 employees - 7.0%;
- 10 and more employees - 14.5%.

Dead enterprises⁵

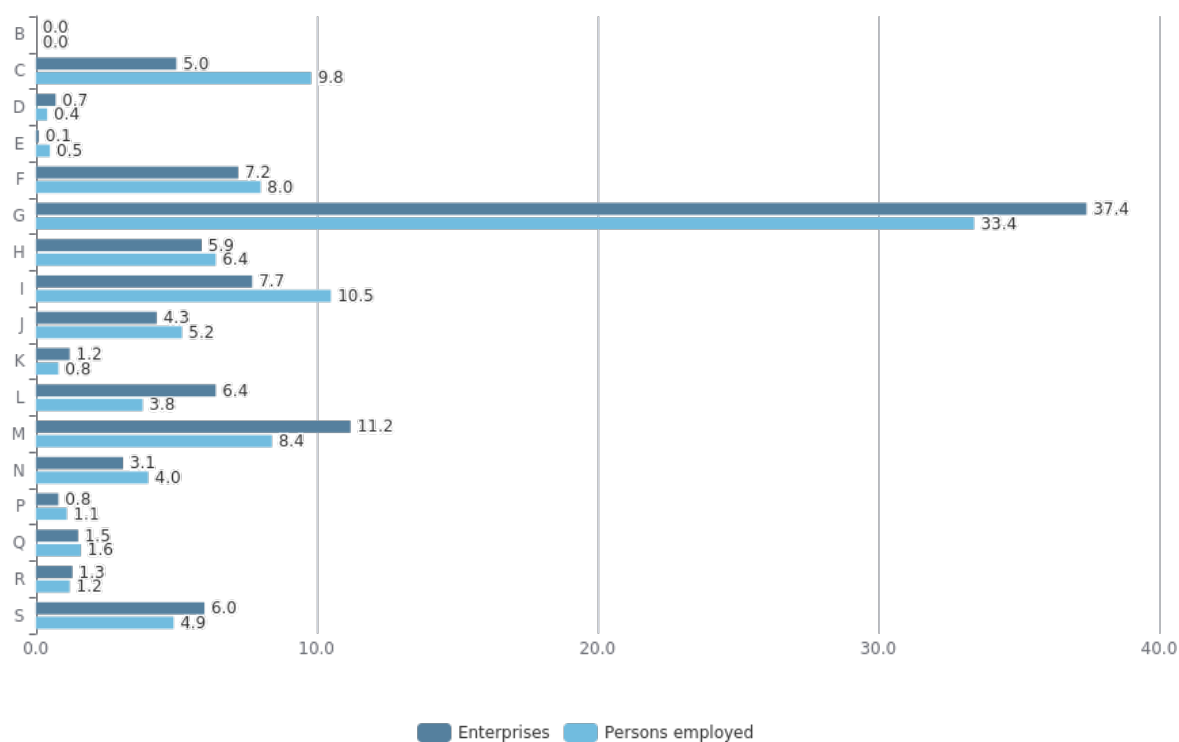
In 2023, 32 125 enterprises died⁶, representing 7.9% of the active enterprises that year. These enterprises accounted for 1.9% of total employment during the year. The largest share of enterprise deaths - 37.4%, was recorded in section G 'Wholesale and retail trade; repair of motor vehicles and motorcycles'.

The lowest share of enterprise deaths was observed in section B 'Mining and quarrying', where the proportion of enterprises that ceased activity was less than 0.1% (Figure 8).

⁵ Dead enterprises cover all economic entities that ceased activity during the reference period. These enterprises were active in year (t) and were not active in either year (t+1) or year (t+2).

⁶ The data on dead enterprises in 2023 are second preliminary.

Figure 8. Enterprise deaths and associated employment by economic sectors in 2023



Methodological notes

Similar to statistics of the human population, business demography describes the life cycle of enterprises - their birth, survival and development until death. More specifically, business demography supplies data on active enterprises, newborn enterprises, the proportion of survived enterprises, dead enterprises and data on changes in employment figures.

Regulation (EU) No. 2019/2152 of European parliament and of the council of 27 November 2019 on European business statistics and Implementing Regulation No. 2020/1197 of the EC establishes the common framework for collection, coverage, production, provision and evaluation of harmonized statistics for all areas of business statistics, including the demography of EU enterprises.

The National Statistical Institute participates in the harmonized European business demography statistics compiled under the European Commission framework. Since 2010, all indicators have been calculated in accordance with the Statistical Classification of Economic Activities in the European Community (NACE Rev. 2).

The scope of the survey covers NACE Rev. 2 sections B 'Mining and quarrying' to N 'Administrative and support service activities' and sections P 'Education' to S 'Other service activities', excluding division 94 'Activities of membership organizations'.

This press release presents information on business demographic events among enterprises in Bulgaria for 2024 and their developments over a five-year period (2020 - 2024).

Study objective

The object of the study is the statistical unit '*enterprise*', defined in Regulation of the EP and of the Council No. 696/93 of March 15, 1993, as '*... the smallest association of legal persons which is an organizational unit producing goods or services and enjoying a certain level of decision-making autonomy, especially in the allocation of its current resources...*'.

Study goal

The main objective of the study on business demography is to estimate the number of active enterprises and employment them. This provides valuable information on business life expectancy by type and size, number and type of businesses that have died, growth rates, annual business survival rates. These data complement structural business statistics and form the basis for weighting and derivation of other statistics studying enterprises.

Scope of the study

Business demography data are based on data from the Business register maintained by the Bulgarian NSI. The Register includes all active enterprises on the territory of the Republic of Bulgaria. There were no limitations for inclusion in the study, including no limitations for the number of employees or turnover. The demographic data in the study are based solely on enterprises, which were registered and active at least in one year of the study period.

Classifications used**NACE Rev. 2 - Statistical classification of economic activities**

Code	Name
B	MINING AND QUARRYING
C	MANUFACTURING
D	ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY
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Groupings of enterprises according to the number of persons employed in them

E0	Enterprises with 0 employees
E1T4	Enterprises with 1 to 4 employees
E5T9	Enterprises with 5 to 9 employees
EGE10	Enterprises with 10 or more employees