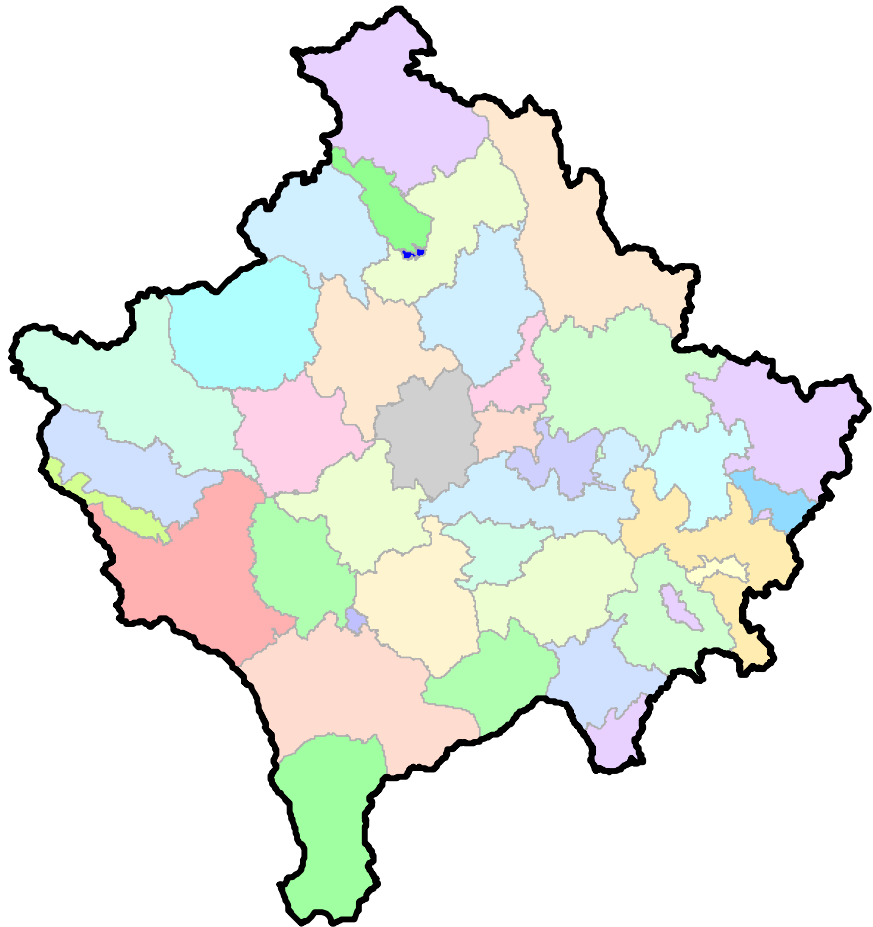




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Series 3: Economic Statistics

Enterprise Investment Statistics 2018





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AGJENCIA E STATISTIKAVE TË KOSOVËS
AGENCIJA ZA STATISTIKE KOSOVA
KOSOVO AGENCY OF STATISTICS

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F o r e w o r d

The Kosovo Agency of Statistics (KAS) for the first time has compiled the data on the enterprise investment statistics in Kosovo in 2018.

The investment survey in the enterprise was conducted in 2019 for the reference year 2018. The sampling frame for this survey includes all enterprises that have declared investment purchases in 2018. Investment statistics in Kosovo will be part of the KAS programme. This format of publication will change in the next publication with the results of 2019. Based on the work programme, investment statistics will be expanded with other sectors.

Your comments, remarks, suggestions and proposals regarding this publication are welcome and they can be sent to the email address: economic@rks-gov.net

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February, 2020

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1 Methodology and definitions

1.1. Methodology

The survey was conducted in the territory of Kosovo, in enterprises that have declared that they have had investment purchases in 2018. For the purposes of this survey, "Investment purchases" means the purchase of capital goods: tangible (buildings and structures, machinery and equipment, agricultural plantations and greenhouses, animals, land ownership, etc.) and intangible (licenses, patents, software, etc.) which have a value greater than € 1000, lifespan more than one year and are used to create wealth or generate income.

The sampling frame consists of the list of enterprises that have declared investment purchases in VAT in 2018 in one of these categories:

- [32] Investment purchases and imports without VAT,
- [34] Investment purchases and imports with VAT
- [39] Domestic investment imports at 18% rate
- [41] Domestic investment imports at 8% rate
- [47] Domestic investment purchases at 18% rate
- [49] Domestic investment purchases at 8% rate

According to these statements, the size of the sampling frame was 2,346 enterprises. The selection of the sample was made based on the criterion "Purchase of annual investment in the amount of over 20,000 euros". The sampling size according to this criterion was 1,257 enterprises.

The data were collected through questionnaires through direct enterprise interview. Out of a total of 1,257 enterprises selected to be surveyed, 951 enterprises responded to the survey, resulting in a response rate of 75.66%.

1.2. Coverage

The annual databases that have been used for publication are for 2018. In the survey were selected the enterprises selected by the Statistical Business Register classified according to the Nomenclature of Economic Activities, NACE Rev.2, at the sector level:

	DESCRIPTION OF SECTORS
A	Agriculture, forestry and fishing
B	Mining and quarrying
C	Manufacturing
D	Electricity, steam, gas and air conditioning supply
E	Water supply, sewerage, waste management and land revitalization activities
F	Construction
G	Wholesale and retail trade, repair of motor vehicles, 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 activities
O	Public administration and safety
P	Education
Q	Human health and social work activities
R	Art, entertainment and recreation
S	Other service activities

Investments in the survey are divided into five categories:

1. Investments in construction (buildings and other construction structures)
2. Investments in machinery and equipment
3. Investments in intellectual property products and valuable assets
4. Cultivated biological investments and greenhouses in agriculture
5. Other investments in tangible (non-manufactured) assets

The investments in this survey are divided according to the type of purchases:

1. New investment purchases - not previously used (domestic)
2. Old investment purchases - previously used (domestic)
3. The ongoing investment purchases - that are not in use until 31.12.2018 (domestic)
4. Imported investment purchases

1.3. Definitions

New investment purchases (not used before) - means all investments that have not been previously used (exploited) by other enterprises in Kosovo.

Old investment purchases (previously used) - means all investments that before the purchase were in function (in use) of any other enterprise in Kosovo. These purchases are not considered investments at the national level.

The ongoing investment purchases (not in use until 31.12.2018) - means unfinished investments which have not been in operation (use) by the enterprise during the year.

Imported - means all investments in machinery and equipment, which the enterprise has purchased abroad during 2018.

1.3.1. Investments in construction (buildings and other construction structures) include:

Residential buildings and spaces - includes a residential building with one, two, three or more apartments and houses for housing.

Non-residential buildings and spaces - include hotels and similar buildings, office buildings, buildings for transport and communication, industrial and warehouse buildings, hospitals and health buildings, educational and training buildings, buildings for cultural, artistic and sports activities.

Metal constructions - includes various constructions from metals such as; sports halls, warehouses, electric poles, stalls, billboards and the like.

Transport infrastructure - includes highways, roads, railways, airport trails, bridges, tunnels, dams, river banks and the like.

Pipes, communication and electrical lines - includes water supply pipes, sewer pipes, telecommunication lines and electric transmission.

Complex industrial construction - includes power plants, mining buildings and the like.

Soil improvement - includes protection from floods, canals, hydrotechnical measures, land reclamation and the like.

Other buildings – not mentioned - include sports and recreation buildings, military facilities, landfills and the like.

1.3.2. Investments in machinery and equipment

Passenger vehicles - includes cars, vans, buses, motorcycles and other similar for passenger transport.

Freight vehicles - includes freight trucks (up to 5 tons; from 5 tons to 20 tons and over 20 tons) and trailers.

Vehicles and other means - includes all motor vehicles for special purposes (eg trucks, crane trucks, fire extinguishers, auto-concrete mixers, concrete pumping vehicles, vehicles

for clearing snow from the road, road washing machines, mobile offices, mobile radiological units).

Metal products - includes metal structures, tankers (tanks), tanks, containers, boilers and central heating equipment and the like.

Other general purpose machinery - includes machines for the production and use of mechanical energy (motors, turbines, pumps, compressors), machine tools (for lifting, transport, cooling, ventilation), scales and the like.

Other machinery for special purposes - includes metallurgical machinery, machinery for mining and construction, machinery for processing industry (wheat mill, food, textile, metal processing, wood, stone, etc.) and the like.

Machinery and other electrical equipment - includes electric motors, generators, transformers, power distribution equipment, street and outdoor lighting systems, steam generators and the like.

Agricultural machinery - includes tractors, combines and other agricultural and forestry machinery.

Computers and computer equipment-peripherals - includes computers, laptops, printers, scanners, photocopiers, tablets and the like.

Communication devices and electronic devices - includes equipment and devices of radio, television and communication, (radio transmitter, telephone, fax) and the like.

Medical devices and instruments - includes devices and instruments for medical purposes (ultrasound, CT, magnetic resonance, X-ray, laparoscope, laboratory apparatus, microscope, otoscope), instruments used in dentistry, optical devices and the like.

Other equipment and instruments - includes musical and sports equipment and instruments, for various games and the like.

1.3.3. Investments in intellectual property products and valuable assets

Purchases of patents, licenses and copyrights - includes purchases made under patents, licenses and copyrights for the purpose of producing material goods and services.

Research and development for the needs of the enterprise - includes expenditures made on research and development carried out by the enterprise itself for its needs.

Geological exploration (mining and mineral exploration) - includes expenditures incurred for geological research (ores, decorative and building stone, limestone, gypsum, chalk and slabs, chemical minerals, etc.).

Purchased software (software licenses) - means a software license which is a document that provides legally binding guidelines for the use and distribution of software.

Software developed for business needs - means software that has been mastered or developed to meet the internal needs of a business.

Purchased databases - means purchasing ready-made databases.

Databases produced - means the creation of a database that is created by the business itself only for the internal needs of that business.

Original artistic and literary creations - includes movies, radio and television programs, music and more.

Concessions, licenses, other work permits and similar rights not mentioned above - include an act or invention that is the result of creativity, such as a manuscript or a model for which someone has rights and for him which may require a patent, copyright, trademark, etc.

1.3.4. Cultivated biological investments and greenhouses in agriculture include

Primary (animal) flocks that provide repetitive products - includes the purchase of animals (cows, sheep, goats, buffalo, horses and the like) for breeding purposes and the production of repetitive products (milk, wool, etc.) excluding animals for slaughter.

Long-term plantations (more than a year) - includes expenditures occurred for planting the land or the land for apple, walnut, grape, plum, pear, peach, raspberry, cherry and other similar areas for fruit production purposes that have a lifespan of two or more years.

Greenhouses - includes the costs incurred for the construction or purchase of greenhouses (as construction) for the cultivation of various agricultural products.

1.3.5. Other investments in tangible (non-manufactured) assets include

Buying land - includes the purchase of land, underground deposits, forests and water.

Land ownership transfer costs - include the cost of land ownership transfer made by the buyer including notarial expenses (land purchase not included).

Purchase of precious products - includes the purchase of precious products (precious stones and metals such as diamonds, non-monetary gold, platinum, and silverware), old works of art (paintings, sculptures and other similar).

1.4. Population, sampling and response rate

The population of the enterprises, from which the sample for the survey was selected, counts 2,346 enterprises, obtained from the Statistical Business Register (SBR). The number of sample selected enterprises is 1,257, of which 951, or 75.66%, responded to the survey.

Degree of responds to investment statistics		2018
1	Number of enterprises in population	2346
2	Number of enterprises selected in the sampling	1257
3	Number of questionnaires distributed in the enterprise	1080
4	Number of questionnaires used in data analysis	951
5	Number of cases classified as unrespond, this includes refusals, cases where there was no respond or any communication	96
6	Not available	25
7	Passive / Terminated Enterprises	8
8	Të pakontaktuara	177
The rate of responses in%		75.66%

2 Results of the survey "Investment Statistics 2018"

According to the results at the survey level, the total investment value in 2018 is € 248,772,419. Old purchases have not been considered as investments at the national level that have been in function (used) of any other enterprise in Kosovo. Investments in construction occupy the main share, with 68.73% of investments in the total investment of enterprises included in the survey. Other investments that occupy a significant share are those in machinery and equipment with 21.32%, while investments in intellectual property products, cultivated biological investments and greenhouses in agriculture, as well as investments in tangible assets range from 1% to 5%. (see Graph1).

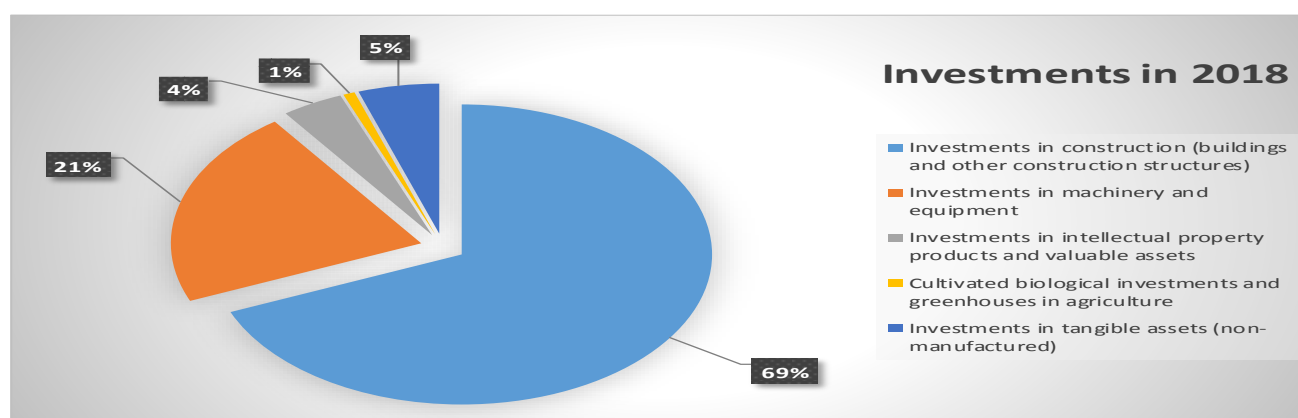
Table 1: Value of investments by categories

in Euro

Investments by category	New purchases	Old purchases	Imported	Ongoing investment	Total
	a	b	c	d	e=a-b+c+d
Investime në Ndërtim	139.249.936	31.624.328	:	31.724.375	170.974.311
Investments in machinery and equipment	36.808.318	17.675.419	16.239.343	:	53.047.661
Investments in intellectual property products	3.908.263	:	5.968.644	12.700	9.889.607
Biological investments in agriculture	1.859.199	125.000	0	:	1.859.199
Investments in tangible assets	12.568.404	534.300	4.204	429.033	13.001.641
Total investments in 2018	194.394.120	49.959.047	22.212.191	32.166.108	248.772.419

Graph 1: Investments by category

in %



- The sign (:)- indicates that the category is not available

2.1. Investments by economic activity

If we look at investments by economic activity, the activities with the most investments are: construction with 44.55%; wholesale and retail trade, repair of motor vehicles, motorcycles by 22.27% and manufacturing by 9.83%.

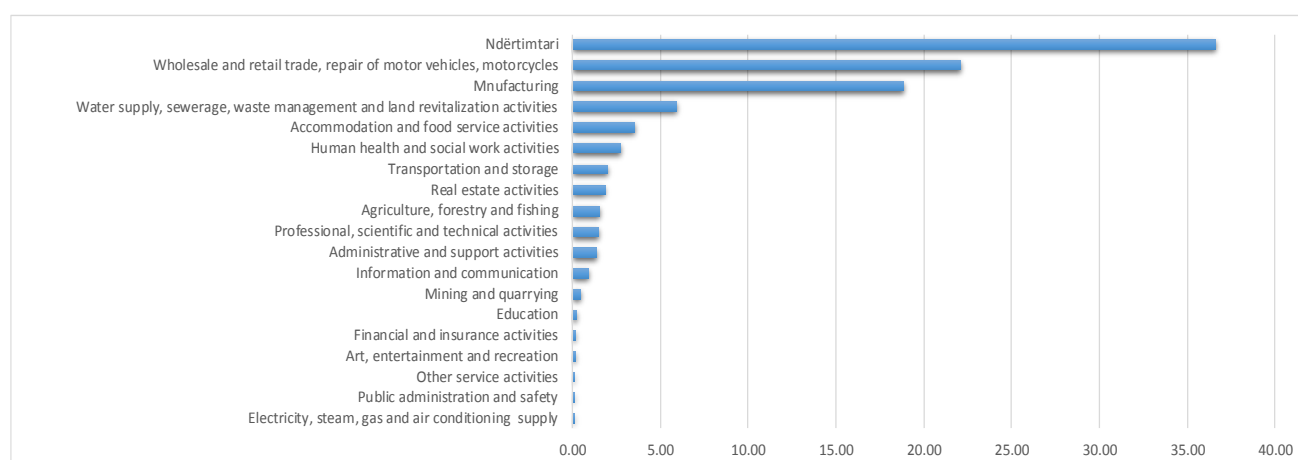
Table 2: Investments by economic activity

in %

Sector	Investments in construction (buildings and other construction structures)	Investments in machinery and equipment	Investments in intellectual property products and valuable assets	Cultivated biological investments and greenhouses in agriculture	Investments in tangible assets (non-manufactured)	Total investments in 2018
A	0.42	0.51	0.00	6.10	0.50	0.47
B	0.30	0.25	0.00	0.00	0.00	0.26
C	6.37	21.52	17.51	18.74	8.01	9.83
D	3.15	0.07	0.00	0.00	0.00	2.25
E	6.49	6.59	0.11	0.00	1.88	5.95
F	54.77	11.33	3.87	3.77	61.46	44.55
G	15.70	34.84	71.26	60.48	22.49	22.27
H	0.41	4.27	0.43	0.00	0.00	1.11
I	4.20	3.30	1.36	9.57	0.29	3.75
J	0.79	4.05	0.55	0.00	0.14	1.35
K	0.00	0.59	3.80	0.00	0.00	0.27
L	1.22	4.05	0.00	0.00	3.85	1.83
M	1.39	2.80	0.50	1.34	0.00	1.54
N	1.34	1.72	0.35	0.00	1.38	1.36
O	0.00	0.09	0.00	0.00	0.00	0.02
P	0.24	0.45	0.12	0.00	0.00	0.26
Q	3.18	2.36	0.13	0.00	0.00	2.71
R	0.03	0.35	0.01	0.00	0.00	0.09
S	0.00	0.87	0.00	0.00	0.00	0.16
Total	100.00	100.00	100.00	100.00	100.00	100.00

Graph 2: Investments by economic activity

in %



2.2. Investments by the size of enterprise

As can be seen in Graph 3, over 72% of the investments of the enterprises included in the survey were realized by micro enterprises (1-9 workers) and small ones (10-49 workers). While medium enterprises (50-249 workers) and large ones (250 +), participate with about 28% of total investments.

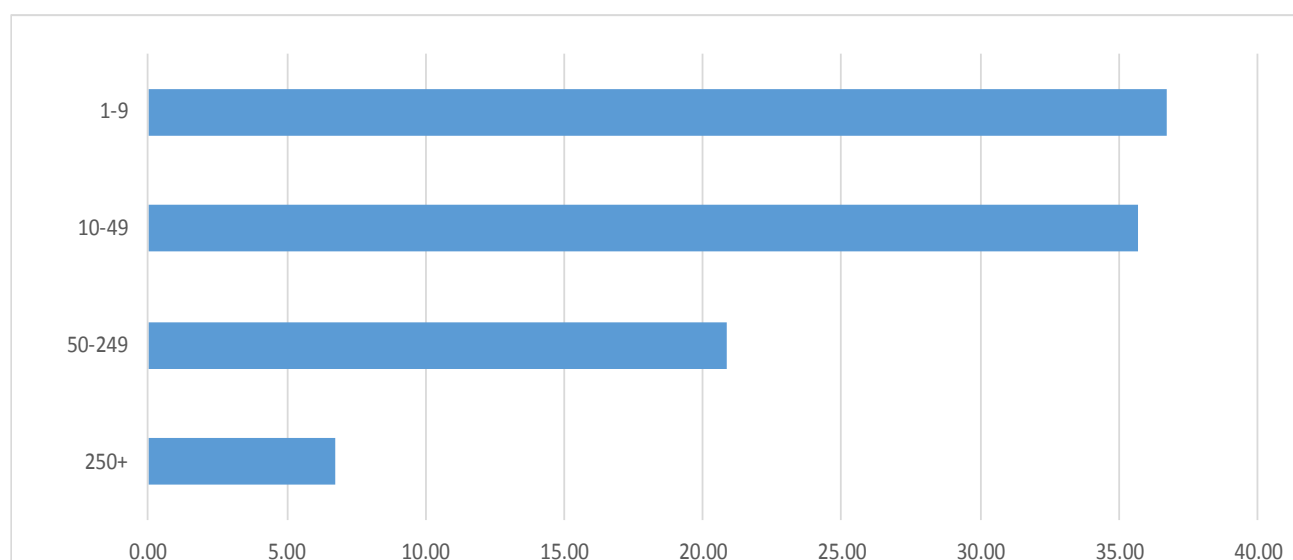
Table 3: Investments by the size of enterprise

in %

Enterprise size by number of employees	Investment in Construction	Investments in machinery and equipment	Investments in intellectual property products	Biological investments in agriculture	Investments in tangible assets	Total investments in 2018
1-9	38.30	39.13	23.26	31.69	18.56	36.72
10-49	34.33	35.52	65.46	68.31	26.93	35.70
50-249	20.43	18.02	2.01	0.00	53.60	20.86
250+	6.93	7.33	9.27	0.00	0.92	6.72
Total	100.00	100.00	100.00	100.00	100.00	100.00

Graph 3: Investments by the size of enterprise

in %



2.3. Investments by regions

According to the results at the survey level, enterprises which are concentrated in the Prishtina Region, have realized the highest percentage of investments 44.38% during 2018. After the region of Prishtina, follows the region of Ferizaj with 16.52%, Peja with 13.97%, Prizren with 12.59% and so on (Table 4).

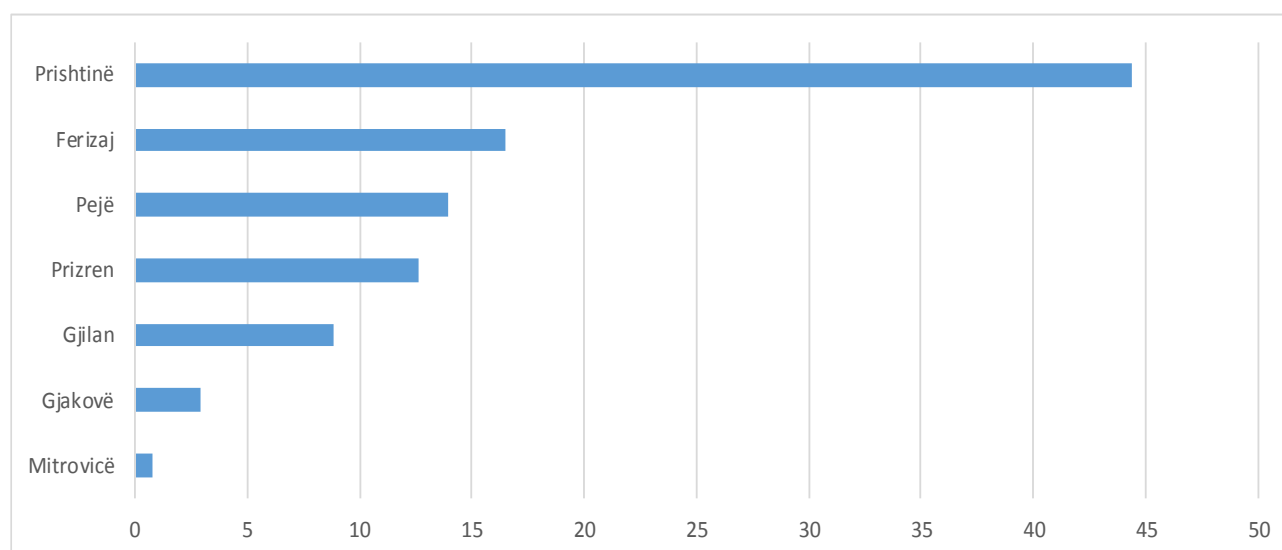
Table 4: Investments by regions and investment category

in %

Region	Investment in Construction	Investments in machinery and equipment	Investments in intellectual property products	Biological investments in agriculture	Investments in tangible assets	Total investments in 2018
Gjakovë	3.45	2.01	2.19	1.61	0.00	2.93
Gjilan	9.53	8.88	0.15	0.00	6.95	8.81
Mitrovicë	0.18	2.19	0.01	0.00	4.54	0.78
Pejë	15.46	9.93	0.27	13.64	18.85	13.97
Prizren	8.79	18.68	22.47	0.19	35.88	12.59
Prishtinë	41.73	50.40	72.43	84.56	31.47	44.38
Ferizaj	20.86	7.92	2.47	0.00	2.31	16.52
Total	100.00	100.00	100.00	100.00	100.00	100.00

Graph 4: Investments by regions and investment category

in %



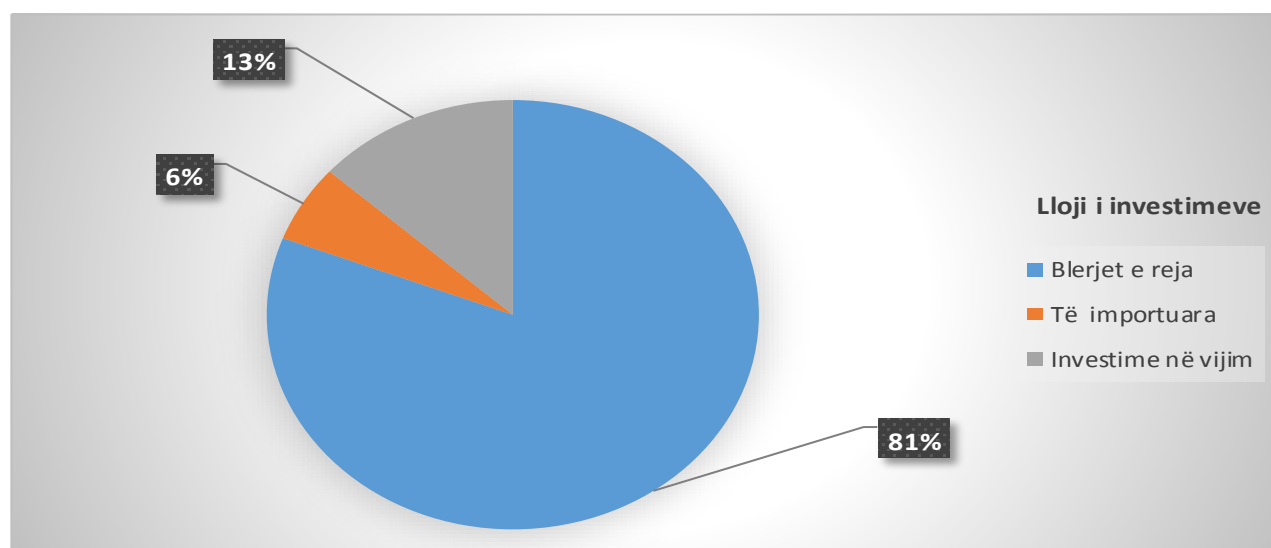
2.4. New, imported purchases and ongoing investments

Table 5: New, imported purchases, ongoing investments

in %

Sector	New purchases	Imported	Ongoing investments	Total investments in 2018
A	1.89	0.00	0.01	1.53
B	0.55	0.59	0.00	0.48
C	19.26	18.72	16.05	18.80
D	0.02	0.00	0.00	0.01
E	7.28	0.00	0.28	5.92
F	34.11	9.90	63.44	36.62
G	21.55	57.59	10.24	22.14
H	2.06	5.25	0.00	1.97
I	4.29	0.38	0.41	3.54
J	1.03	0.82	0.00	0.88
K	0.09	1.99	0.00	0.19
L	2.27	0.00	0.00	1.83
M	1.83	0.68	0.00	1.51
N	1.58	1.42	0.00	1.36
O	0.02	0.00	0.00	0.02
P	0.25	0.79	0.00	0.25
Q	1.72	0.37	9.59	2.69
R	0.10	1.50	0.00	0.17
S	0.10	0.00	0.00	0.08
Total	100.00	100.00	100.00	100.00

Graph 5: New, imported purchases, ongoing investments in %



2.5. Sources of funds for investment financing

Regarding the source of investments, as can be seen in the table, 51.54% of the investment value of enterprises is realized by its own funds, 21.62% by local banks and 19.15% by domestic co-investors.

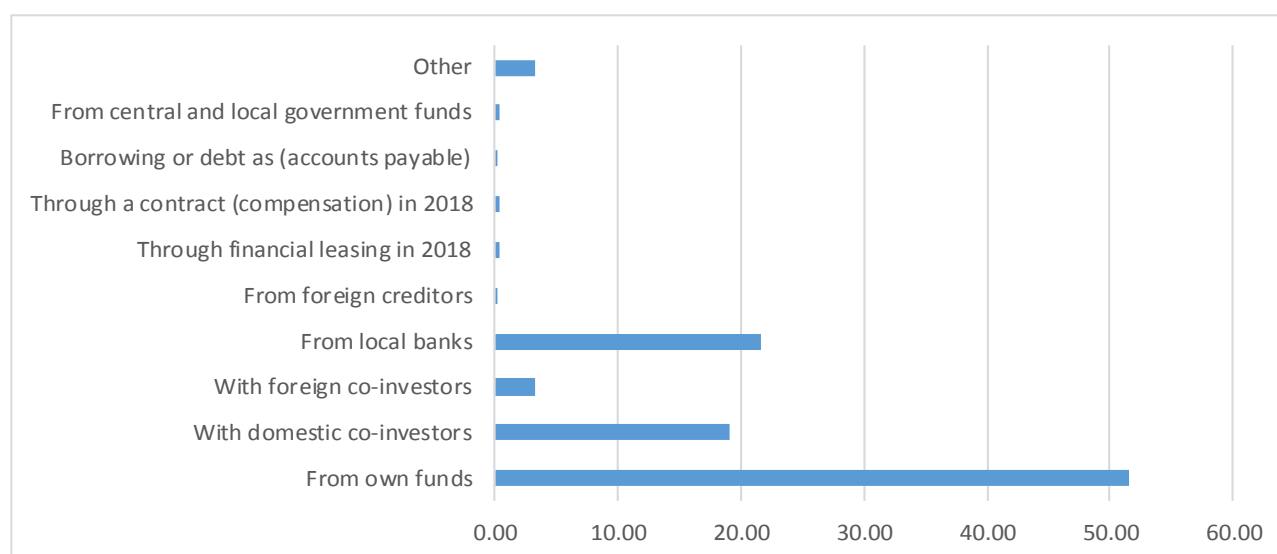
Table 6: Sources of investment

in %

Sources of investment	Investments in 2018
From own funds	51.54
With domestic co-investors	19.15
With foreign co-investors	3.18
From local banks	21.62
From foreign creditors	0.01
Through financial leasing in 2018	0.33
Through a contract (compensation) in 2018	0.31
Borrowing or debt as (accounts payable)	0.14
From central and local government funds	0.41
Other	3.30
Total	100.00

Graph 6: Sources of investment

in %



3 Investments by category

Table 7: Investments in construction (buildings and other construction structures)

in %

Description	Total
The value of construction investments	100.00
Construction work	81.46
Buildings and living spaces	42.46
Non-residential buildings and spaces	33.05
Metal constructions	5.94
Other construction structures	18.54
Transport infrastructure	6.01
Pipes, communication lines and electrical lines	8.56
Complex industrial constructions	3.01
Land improvement	0.07
Other buildings - not stated	0.89

Table 8: Investments in machinery and equipment

in %

Description	Total
Machinery and equipment	100.00
Transportation equipment	38.71
Passenger vehicles	13.82
Vehicles of goods	7.94
Vehicles and other equipment	16.95
Machinery and other equipment	61.29
Metal products	3.12
Other machinery for general purposes	8.30
Other machinery for special purposes	28.26
Machinery and other electrical equipment	3.77
Agricultural machinery	2.01
Computers and computer-peripheral devices	9.15
Communication devices and electronic devices	0.75
Medical equipment and instruments	1.61
Equipment and other instruments	4.32

Table 9: Investments in intellectual property products and valuable assets

in %

Description	Total
The value of investments in 2018	100.00
Intellectual property products	24.93
Purchases of patents, licenses and copyrights	11.26
Research and development for the needs of the enterprise	10.63
Geological exploration (mining and mineral exploration)	3.03
Computer software and databases	75.07
Purchased software (software licenses)	1.91
Software developed for business needs	5.76
Databases purchased	1.63
Databases produced	0.70
Other original artistic and literary creations	0.17
Concessions, licenses, other work permits and similar rights not stated above	0.17
Other intellectual property products not stated above	64.72

Table 10: Cultivated biological investments and greenhouses in agriculture

in %

Description	Total
Cultivated biological assets and greenhouses in agriculture	100.00
Cultivated biological assets	94.41
Primary (animal) flocks that give repetitive products	68.71
Long-term plantations (more than a year)	25.70
Greenhouses	5.59

Table 11: Other investments in tangible assets (non-manufactured)

in %

Description	Total
The value of investments in tangible assets not produced for 2018	100.00
Buying land	99.31
Land ownership transfer costs	0.49
Purchase of precious products	0.20

