

SURVEY OF ENTERPRISES AFFECTED BY EARTHQUAKE



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233

Businesses interviewed



Trade

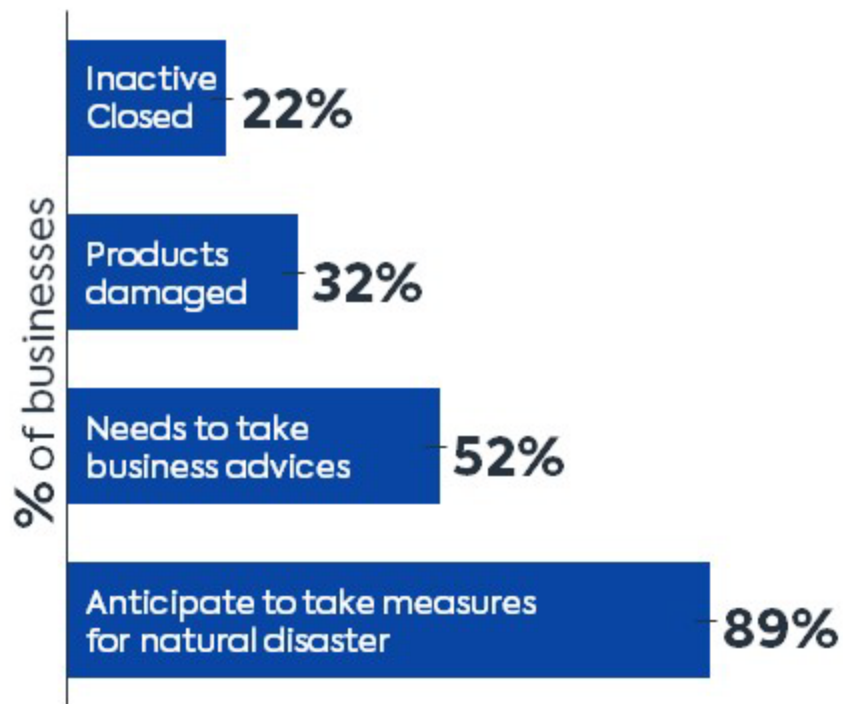
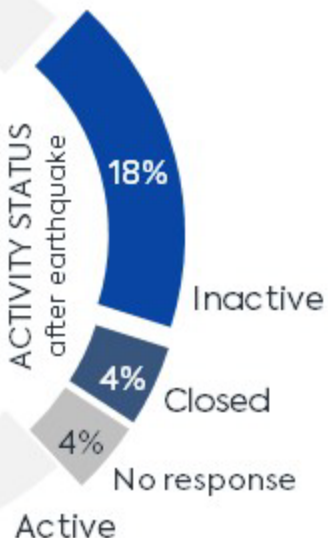


Tourism



Home working

ACTIVITY STATUS
after earthquake



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The purpose of the survey

Following the earthquake of the 26th of November in Albania, UNDP jointly with the Albanian Institute of Statistics, INSTAT, set out to understand the scale of impact of the disaster on the enterprises located in the affected areas. As such, based on the questionnaire utilized for the regular enterprise survey conducted by INSTAT, a team of experts adopted it to the needs of the post disaster event.

Methodological approach and the questionnaire

The adopted Business Survey questionnaire aimed to collect information about the change of the status, location of the business following the earthquake, effects on the turnover and the human resources, the impact on the raw materials, goods, tangible assets of the enterprise and future recovery plans of the business owners. Specific questions were designed to understand the impact on tourism activity, capacity of the accommodation units and changes in the reservations for the tourism season.

233

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Tourism



Manufacturing

Data collection process

From the 26th to the 31st of December 2019, INSTAT mobilized 13 enumerators to conduct the field interviews. Around 233 enterprises were interviewed, operating in the manufacturing, commerce, accommodation and services. The surveyed enterprises were selected out of the list of the enterprises that declared in the General Directorate of Taxes to have been affected by the earthquake.

District	Manufacturing	Commerce	Tourism	TOTAL
Durres	46	94	41	181
Lezhe	3	13	6	22
Tirane	8	16	6	30
Total	57	123	53	233

The data entry and cleaning process was delivered by the INSTAT staff, while the UNDP experts analyzed the databases and produced the results for each sector.

Results

The results of the rapid assessment on the impact on the enterprises showed that the earthquake has had a major impact on most of the enterprises interviewed. Enterprises reported to have closed their businesses (22% of them), damaged products or services (32% of them), and most of them (89%) declared the need to rethink their business model and anticipate taking measures against natural disasters.

18% of the businesses were inactive, while 4% of them had already closed their businesses entirely.

	Manufacturing	Commerce	Tourism	TOTAL
Total number of enterprises	56	124	53	233
Active enterprises	45	91	36	172
Inactive enterprises	6	21	15	42
Closed	0	7	2	9
No response enterprises	5	5	0	10

Furthermore, data collected on the changes in the total number of people employed in the interviewed enterprises show that all businesses have faced reduced number of staff and around 26% report the earthquake being the reason for this change.

	Manufacturing	Commerce	Tourism	TOTAL
Number of employees October 2019	4,758	748	609	6,115
Number of employees December 2019	4,320	669	304	5,293
Change in number of employees	-9%	-11%	-50%	-13%
Reason for change of number of employees due to earthquake <i>(nr. Enterprises)</i>	18	20	19	57

All the interviewed enterprises report loss in the total amount of revenue in the aftermath of the earthquake, and around 35% of them link it directly to the impact of the earthquake.

	Manufacturing	Commerce	Tourism	TOTAL
Total revenue October 2019 <i>(in ALL)</i>	1,190,000,000	595,000,000	112,000,000	1,897,000,000
Total revenue December 2019 <i>(in ALL)</i>	439,000,000	332,000,000	32,200,000	803,200,000
Change in revenue	-63%	-44%	-71%	-58%
Reason for change of revenue due to earthquake <i>(nr. Enterprises)</i>	18	42	21	81

The total value of the damage reported by the interviewed companies is around 157,000,000 ALL, accounting for around 32% of the interviewed businesses.

	Manufacturing	Commerce	Tourism	TOTAL
Damages to products/ goods <i>(nr. Enterprises)</i>	11	39	24	74
Value of damages to products/ goods <i>(in ALL)</i>	108,000,000	48,500,000	727,000	157,227,000

While the earthquake is a natural disaster which can not be predicted, most of the interviewed companies agree that they need to take actions on disaster risk reduction. Additionally, they also agreed that they need additional and specialized businesses advice on recovering and building a resilient business model for the future. Most of the businesses state that it will take on average 4 months to get their businesses to the pre-earthquake status.

	Manufacturing	Commerce	Tourism	TOTAL
Time to get business to pre-earthquake status	3.45 months	4.45 months	4.06 months	4 months
Anticipate taking measures for natural disasters in your business <i>(nr. Enterprises)</i>	49	107	51	207
Need business advice <i>(nr. Enterprises)</i>	29	69	23	121

While this rapid assessment unveiled major impact on the enterprises, which have already declared damages, UNDP conducted a further assessment to understand the level of damage on micro and small enterprises.

How were these results used?

The information produced by this survey served the purpose to analyze the impact of the disaster on the Productive Sector (Manufacturing, Commerce and Tourism). The Post-Disaster Needs Assessment team utilized this information, together with the Survey on Household Damage due to Earthquake, as the basis for calculating the damage and losses in this sector. Additionally, the results will be used as a starting point for putting together municipal programs and projects to benefit the business community.

Timeline and Responsibilities

Task	Start	End	Responsibility
Sampling and Adopting the questionnaire	16 th of December 2019	20 th of December 2019	MoFE, UNDP, INSTAT, GDT
Data collection	26 th of December 2019	31 st of December 2019	INSTAT
Data Cleanup	3 rd of January 2020	8 th of January 2020	INSTAT
Data analysis	9 th of January 2020	11 th of January 2020	UNDP