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Background Note on Work Program for the Task Team on Business Dynamics, Demography and Entrepreneurship

Prepared by the Task Team on Business Dynamics, Demography and Entrepreneurship

Background and purpose

This note is prepared by the Task Team on Business Dynamics, Demography and Entrepreneurship (TT on BDDE) of the United Nations Committee of Experts on Business and Trade Statistics (UNCEBTS) as a background document for Session 2 at the 2022 CEBTS plenary.

The purpose is:

- i) to share the current work plan of the TT on BDDE for the biennium 2022-2023.
- ii) to get the feedback and input of the UNCEBTS members concerning the suggested direction (topics / work areas) and targets (deliverables) for the biennium 2022-2023, as well as ideas and recommendations for further work.
- iii) to identify together with other Task Team leaders potential cross-cutting issues for avoiding overlaps in the activities
- iv) to discuss the participation and level of involvement of the Task Teams in the development of the second volume of the Manual on Principal Indicators for Business and Trade Statistics.

After finalizing the UNCEBTS deliverables for 2022, which were reported in March 2022 to the UN Statistical Commission (UNSC)¹, the TT on BDDE has been working in the work program for the biennium 2022-2023, based on the priority areas that were identified². Moreover, the TT on BDDE, together with the UNCEBTS Bureau, and with the Task Teams on Globalization and Digitalization (TT on G&D) as well as on Wellbeing and Sustainability (TT W&S), have reviewed the comments from the global consultation of the indicators suggested in the draft Manual on Principal Indicators for Business and Trade Statistics. This revision implies the creation of an editorial board for addressing the comments regarding the indicators suggested in the Manual.

Concerning the new TT on BDDE workplan, the members participated in a survey with the aim to identify and prioritize the main topics and activities that the TT should oversee in 2022 and 2023. The results identified the following three main topics as well as some cross-cutting issues:

1. Business and gender
2. Additional characteristics on entrepreneurship in businesses
3. Contribution of enterprises to the economy
4. Cross-cutting issues
 - a. Editorial board for addressing the comments of the global consultation for the draft Manual on Principal Indicators for Business and Trade Statistics
 - b. Capacity building regarding the 16 principal TT on BDDE indicators
 - c. Participation in the 2nd volume of the Manual on Principal Indicators for Business and Trade Statistics
 - d. Contribution to the activities on linking business and trade
 - e. Geospatial information

1. Business and gender

¹ Report of the Committee of Expert son Business and Trade Statistics. Consulted in August 2022 of: <https://unstats.un.org/unsd/statcom/53rd-session/documents/2022-20-BusinessAndTradeStats-E.pdf>

² Position Paper on Emerging Priority Areas of the UNCEBTS. Consulted in August 2022 of: <https://unstats.un.org/unsd/statcom/53rd-session/documents/BG-3p-Position-Paper-UNCEBTS-E.pdf>

There is a need to compile additional breakdowns regarding the composition and diversity of the employees in enterprises in relation to well-being and gender³, among others, according to the 2022 UNCEBTS report to the UNSC.

Therefore, the TT on BDDE requested the collaboration of UNCTAD to profit of the efforts made in the field of gender and trade statistics as a basis to develop business and gender indicators. The following approach to get data on business and gender could be considered: I) Statistical Business Register (SBR), II) Linking the SBR with other data sources, III) Using Structural Business Statics (with dedicated surveys or other conventional surveys).

2. Additional characteristics on entrepreneurship in businesses

In October 2021, the TT on BDDE produced the *Draft Note on Measuring Entrepreneurship* (October 2021) and it is based on the conceptual framework established by the OECD-Eurostat (Entrepreneurship Indicators Programme). The Note aims to get additional insights on the determinants of entrepreneurship, particularly in Micro, Small and Medium Enterprises. Among these determinants are the ICT usage, innovation, skills and capabilities as well as R&D. Additionally, in 2022 the TT on BDDE members have shared their country experiences regarding the compilation of entrepreneurship statistics.

These activities will be the building block to produce a profiling questionnaire on entrepreneurship during 2022-2023 and to carry out a pilot exercise in 2023 for producing additional indicators.

3. Contribution of enterprises to the economy

According with the UNECE (2018), the term business dynamics refers to the analysis of the demography of businesses and their impact on employment and productivity. In this regard, sub-annual business demography data can provide indicators to analyse the dynamism of enterprises⁴ across time. For instance, the employment creation or the productivity of a specific niche of enterprises such as high-growth enterprises or gazelles, thus measuring their impact to the employment growth in an economy. Therefore, the TT on BDDE is looking to develop additional indicators and breakdowns that could be useful for understanding the contribution and impacts of enterprises to the economy, using as a basis the EIP efforts and country examples on the identification of the main topics and enterprise population related to this issue.

4. Cross-cutting issues

The Bureau of the UNCEBTS support the coordination and identification of cross-cutting issues among Task Teams, in order to avoid duplicities and leverage the work and experience of the members. The first three cross-cutting issues envisaged by the TT on BDDE are related to the principal indicators for Business and trade statistics. In this respect, the members and leaders from the Task Teams will contribute to addressing the comments from the global consultation to the 1st volume of the Manual. Additionally, the TT on BDDE will provide support to the TT on Capacity Building for preparing the required materials regarding the 16 principal Business Dynamics, Demography and entrepreneurship indicators identified so far.

On the other hand, the Task Team will also collaborate with the TT-ITS in the revision of the Guidance Note on Linking Trade and Business, as well as in the activities to ensure consistency between the first and second volumes of the Manual. Finally, the TT on BDDE will also collaborate with the TT on Exhaustive Business Registers to support the activities for including geospatial information in the SBR and using it for producing robust statistics.

³ The Addis Ababa Action Agenda (UN, 2015) presents evidence which highlights the role of gender equality, women's empowerment, and women's full and equal participation and leadership in the economy as vital to achieve sustainable development as well as to significantly enhance economic growth and productivity.

⁴ This concept is related to the entrepreneurial performance of enterprises and is based on the OECD-Eurostat Entrepreneurship Indicators Programme (EIP).

Summary

Topics and activities	Proposed deliverable	2022	2023	Lead	Involve
Business and gender					
Revising bibliography and experiences related to business and gender	- List of references	X		TT on BDDE	
Inviting experts/specialist on gender statistics: presentation of UNCTAD on Trade and Gender	- Presentation and contribution from experts	X		TT on BDDE	UNCTAD TT-ITS TT on W&S UNCEBTS
Discussing and sharing country experiences related to the development of business and gender statistics, as well as identifying data sources (SBR, SBS, SBR linked to other sources)	- Notes with country experiences for measuring gender	X	X	TT on BDDE	
Holding bilateral meetings with experts to continue discussing on the business and gender statistics	- Minutes	X	X	TT on BDDE	UNCTAD UNSD
Generating key indicators and breakdowns on the gender topic	- List of indicators - Methodological sheets		X	TT on BDDE	UNCEBTS
Entrepreneurship					
Discussing and share country experiences in the development of entrepreneurship statistics	- Notes with country experiences for measuring Entrepreneurship (available in the Wiki of the TT on BDDE)	X		TT on BDDE members	
Identifying key determinants that allow identifying the entrepreneurial activity	- Comments on the Draft Note on Measuring Entrepreneurship	X			
Elaborating the Profiling questionnaire on entrepreneurship (including R&D, ICT usage, innovation, skills, among others)	- Set of suggested questions for inquiring some determinants and other variables related to entrepreneurship in businesses		X	TT on BDDE	
Developing of a pilot survey for testing the profiling questionnaire	- Report with results and main findings		X	TT on BDDE	UNCEBTS
Exploring the elaboration of new indicators on entrepreneurship	- List of additional indicators - Methodological sheets		X	TT on BDDE	UNSD
Contribution of enterprises to the economy					
Revising of bibliography and experiences	- List of references and notes with country experiences		X	TT on BDDE	
Identifying the main elements and the data sources to get information about the contribution of firms to the economy	- Note with the identification of elements regarding the contribution of firms to the economy		X	TT on BDDE	
Proposing a set of key indicators and breakdowns	- List of additional indicators		X	TT on BDDE	UNSD
Elaborating methodological sheets	- Methodological sheets		X	TT on BDDE	UNSD
Cross-cutting issues					
Editorial Board of the Draft Manual on Principal Indicators for Business and Trade Statistics: Supporting the revision of the 16 BDDE indicators		X		UNSD	UNCEBTS
Capacity building on the 16 BDDE principal indicators: Supporting in the development of documents and training materials		X	X	TT on CB	UNCEBTS
Linking business and trade: the TT on BDDE will support in the revision of the TT-ITS Guidance Note H3 on Linking Trade and Business		X	X	TT-ITS	TT on BDDE
Contributing to the development of the vol. 2 of the Manual on Principal Indicators for Business and Trade Statistics: identifying potential additional indicators and breakdowns and revising the manual	- List of potential indicators - Technical sheets	X	X	UNSD	UNCEBTS
Geospatial information	- Collaboration with the TT on Exhaustive Business Registers		X	TT on ExBR	TT on BDDE

TT on CB: Task Team on Capacity Building

TT-ITS: Task Team on International Trade Statistics

TT on ExBR: Task Team on Exhaustive Business Registers

References

UN. (2015). *Addis Ababa Action Agenda of the Third International Conference on Financing for Development*. Consulted in August 2022 of https://sustainabledevelopment.un.org/content/documents/2051AAAA_Outcome.pdf

UNECE. (2018). *Guidelines on the use of statistical business registers for business demography and entrepreneurship statistics*. Consulted in August 2022 of <https://unece.org/fileadmin/DAM/stats/publications/2018/ECESTAT20185.pdf>