



**United
Nations**

Department of
Economic and
Social Affairs

Progress on the Measurement of Entrepreneurship

Session 3: Task Team on Business Dynamics, Demography and Entrepreneurship
UN Committee of Experts on Business and Trade Statistics

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Outline

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Background

- Entrepreneurship is included in the current and past workplan of the TT on BDDE as one of the main priorities. The activities on this issue is constantly revised and updated based on the discussion of the new areas of interest
- The first background is the Concept Note of the Task Team on Business Dynamics, Demography and Entrepreneurship (Feb 2020) which is based on the OECD-Eurostat Entrepreneurship Indicators Programme (EIP)
- Afterwards, the TT on BDDE hold meetings with the entrepreneurship team from UNCTAD, where it was discussed the relevance of analyzing the entrepreneurial activities in the Micro, Small and Medium Enterprises (SMEs)
- Based on these discussions, UNSD has prepared the Draft Note on Measuring Entrepreneurship (Nov 2021) for contributing with the activities of the TT on BDDE which is aligned with their previous Works (such as the EIP), and includes the relevance of analyzing the Micro and SMEs

Note on entrepreneurship (1 of 3)

- This note aims to highlight the main determinants of entrepreneurship and the highlight different characteristics of entrepreneurs, and it is based on the EIP conceptual framework
- It acknowledges that Micro and SMEs have different dynamics, effects on local economic development, and face different levels of risk, particularly when it comes to bringing untried innovations to the market, and in consequence, it is required to produce more granular data for policy-making purposes

Note on entrepreneurship (2 of 3)

- The note also includes an identification of some determinants of entrepreneurship, as well as a proposal of a potential set of variables from the Business Demography such as:
 - Age, size and ownership/legal form of firm (i.e., sole proprietorships)
 - Demographics (age, gender) of business owners
 - Turnover and growth of micro-enterprises
 - Survival rates of micro-enterprises
- Additionally, it includes certain thresholds of interest for policymaking:
 - Micro-size entrepreneurial firms (1-5 total employees and self-employed persons)
 - Entrepreneurial firms that are young (up to 20 years old)
 - Micro firms with quick growth (TBD)

Note on entrepreneurship (3 of 3)

- As part of the determinants, the Note also contemplates Innovation as an important variable to be considered in the measuring of entrepreneurship. In this sense, its measurement may prove challenging to business statisticians using traditional data sources to compile business statistics
- The note acknowledges the importance of measuring entrepreneurial determinants¹:
 - Regulatory Framework
 - Market Conditions (e.g., access to foreign markets, buyer sophistication)
 - Access to finance
 - Creation and diffusion of knowledge (e.g., cooperation among firms or technological take-up)
 - Entrepreneurial capabilities (e.g., education)
 - Entrepreneurial culture

¹ OECD-Eurostat Entrepreneurship Programme

Next steps (1 of 2)

- Once, the TT on BDDE has an updated version of the *Note on Measuring Entrepreneurship*, the team will start the discussion for elaborating a questionnaire on a broad profile of entrepreneurship in businesses
- This questionnaire will include some aspects such as ICT usage, innovation, training, digitalization, and other key determinants that foster entrepreneurial activities in Micro, Small and Medium Enterprises
- In this regard, TT on BDDE is looking for cooperation and assistance with experts from other UNCEBTS Task Teams

Next steps (2 of 2)

- In the case of the analysis of digitalization and ICT, the TT on BDDE started coordinating with the TT on G&D which has been supported with comments and suggestions to the Note on Measuring Entrepreneurship
- Additionally, the TT on BDDE is also looking to include a gender perspective for measuring entrepreneurship based on the Evidence and Data for Gender Equality (EDGE) project.
- For the activities related to gender and entrepreneurship, it is expected to liaise with the Inter-Agency Expert Group in Gender Statistics (IAEG-GS)

Deliverables of TT on BDDE regarding the measurement of entrepreneurship

Proposed deliverables	Collaboration with	Date
Entrepreneurship		
Comments and update of the Draft Note on Measuring Entrepreneurship	- TT on G&D - IAEG-GS	Mid-2024
Repository of country experiences for measuring Entrepreneurship (in the Wiki of the TT on BDDE)		Late-2024
A questionnaire with a set of suggested questions for inquiring on some determinants and other variables related to entrepreneurship in businesses	- UNCEBTS Bureau	2025
Report on the results and main findings	- UNCEBTS Bureau	2025
- List of additional indicators - Methodological sheets	- TT on BDDE	2025

Call to action

- UNCEBTS members are cordially invited to share their experiences on measuring entrepreneurship, in order to be included it in the TT on BDDE repository
- Also, members are invited to share any experience on measuring ICT-usage and digitalization in businesses that can contribute to analyze entrepreneurial activities (e.g., digital trade, Digital Intermediate Platforms, innovation, etc.), particularly in Micro and SMEs
- The note will be circulated in due time among the UNCEBTS members for its revision and approval

Thank You!

Gerardo Durand

Deputy Director General of Economic Administrative Records
National Institute of Statistics and Geography (INEGI-Mexico)

gerardo.durand@inegi.org.mx

Ilaria Di Matteo

Chief of the Business Statistics Section
United Nations Statistics Division

dimatteo@un.org