Business Demography and Dynamics in Egypt

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Egypt Current Progress of SBR

- CAPMAS held Memorandum of understanding with the social security Authority and received the framework updated each three months since 2016 up till now.

- Classified this data according to (ISIC Rev.4)

- CAPMAS built database using oracle tool
We have the data for 2016, 2017 and first quarter of 2018.

### The Framework contains several items:

<table>
<thead>
<tr>
<th>Establishment Name</th>
<th>The insurance number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establishment Address</td>
<td>The Economic Activity</td>
</tr>
<tr>
<td>Legal Entity</td>
<td>The number of the employees who have insurance</td>
</tr>
<tr>
<td>The commercial registration number</td>
<td>The date of startup the activity</td>
</tr>
</tbody>
</table>
CAPMAS conducts business statistics using paper based questionnaire which covers industry, construction, retail trade and other services.

Output data have many establishment characteristics:
- employees number and their salaries
- active establishments number according to the economic activity
- Gross and net value added.
- Sector (private, public)
Business Demography

Covers events in the life cycle of an enterprise such as births and other creations of enterprises, deaths, and their ratio to the business population

- The active population of enterprises;
- their birth;
- survival (followed up to five years after birth), and;
- death.
Business Demography of the Social Security Authority Data
Birth and Death of establishments

According to Economic Activity of the third Quarter 2017

- Mining and quarrying: Birth 90, Death 0
- Electricity, gas, steam and air...: Birth 3, Death 10
- Water supply, sewerage, waste...: Birth 8, Death 41
- Financial and insurance activities: Birth 15, Death 22
- Education: Birth 28, Death 86
- Activities of households as...: Birth 4, Death 11
Birth and Death of establishments

According to Economic Activity of the third Quarter 2017 (cont.,)

<table>
<thead>
<tr>
<th>Economic Activity</th>
<th>Birth</th>
<th>Death</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information and communication</td>
<td>351</td>
<td>263</td>
</tr>
<tr>
<td>Real estate activities</td>
<td>206</td>
<td>90</td>
</tr>
<tr>
<td>Professional, scientific and technical activities</td>
<td>499</td>
<td>333</td>
</tr>
<tr>
<td>Human health and social work activities</td>
<td>376</td>
<td>78</td>
</tr>
<tr>
<td>Arts, entertainment and recreation</td>
<td>546</td>
<td>44</td>
</tr>
</tbody>
</table>
Birth and Death of establishments

According to Economic Activity of the third Quarter 2017 (cont.,)

- Wholesale and retail trade; repair of motor vehicles and motorcycles
  - Birth: 17788
  - Death: 14007

- Manufacturing
  - Birth: 4140
  - Death: 3827

- Agriculture, forestry and fishing
  - Birth: 5094
  - Death: 665
Birth and Death of establishments

According to Economic Activity of the third Quarter 2017 (cont.,)

<table>
<thead>
<tr>
<th>Service Activities</th>
<th>Birth</th>
<th>Death</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other service activities</td>
<td>1006</td>
<td>1230</td>
</tr>
<tr>
<td>Administrative and support service activities</td>
<td>1222</td>
<td>453</td>
</tr>
<tr>
<td>Accommodation and food service activities</td>
<td>1247</td>
<td>1294</td>
</tr>
<tr>
<td>Transportation and storage activities</td>
<td>2200</td>
<td>942</td>
</tr>
<tr>
<td>Construction</td>
<td>1865</td>
<td>805</td>
</tr>
</tbody>
</table>
Number of employees during 2nd and 3rd quarter 2017 according to the economic activity

<table>
<thead>
<tr>
<th>Industry</th>
<th>2nd Quarter 2017</th>
<th>3rd Quarter 2017</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>1697254</td>
<td>1693914</td>
<td>0.2%</td>
</tr>
<tr>
<td>Construction</td>
<td>408507</td>
<td>416350</td>
<td>2.0%</td>
</tr>
<tr>
<td>Wholesale and retail trade; repair of motor vehicles and motorcycles</td>
<td>1683502</td>
<td>1693281</td>
<td>0.6%</td>
</tr>
</tbody>
</table>
Number of employees during 2nd and 3rd quarter 2017 according to the economic activity (cont.)

- **Transportation and storage**: 347597 (2nd Quarter 2017) to 348760 (3rd Quarter 2017), increase of 0.3%
- **Accommodation and food service activities**: 295155 (2nd Quarter 2017) to 301129 (3rd Quarter 2017), increase of 2.0%
- **Education**: 220777 (2nd Quarter 2017) to 228566 (3rd Quarter 2017), increase of 3.5%
Future plans of business demography

- We have to generalize the business demography statistics in all surveys.
- Calculate the survival rate of the establishments according to the economic activity in order to expect the life period of the economic activity.
Future Plans of SBR

- CAPMAS is working now with Egyptian tax authority to hold memorandum of understanding (MOU).

- We have written the MOU and now it is under revision.

- The main goal of MOU is to supply CAPMAS with the main data of taxpayers, mainly their activities, tax identification numbers, and their address to build an integrated SBR.
Future Plans of SBR (cont.,)

- We are preparing now to work with the Egyptian Tax Authority to unify the classifications of the establishments according to (ISIC Rev.4) as a beginning step for building an integrated SBR.
THANK YOU