

Global Entrepreneurship Monitor



2019/2020 Global Report



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Foreword from the GEM Chair of the Board

Niels Bosma, PhD
Utrecht University



In times of pressing societal challenges such as climate change, migration, inequalities and population growth, we have come to realize that attitudes, skills and behaviour are needed that pursue creative

tasks and provide new solutions to complex, international “wicked” societal problems. This calls for entrepreneurial behaviour and for an entrepreneurial society that nurtures and rewards such behaviour.

The Global Entrepreneurship Monitor (GEM) has, since its first study in 1999, made substantial contributions to our understanding of the phenomenon of entrepreneurship across the globe. Every year, dedicated experts that have formed GEM National Teams in their economies, have come together, exchanged ideas and collected the data required for the GEM study. This involves representative surveys among the adult population as well as surveys among each economy's experts in entrepreneurship. Up to now, the GEM adult population data set has captured over 3 million observations across over 100 economies worldwide. The GEM expert data set includes more than 36,000 expert assessments on the conditions for entrepreneurship.

It is a privilege to be part of the GEM family and to introduce the GEM 2019–2020 Global Report. Before GEM, there was hardly any evidence on cross-national entrepreneurship indicators. For many countries that have joined GEM, there was hardly any information on the state of entrepreneurship in their economy. It was the vision and perseverance of Bill Bygrave of Babson College, Michael Hay of London Business School and Paul Reynolds, as GEM's Principal Investigator during the founding years,

that have made this project the world's foremost encompassing study on entrepreneurship.

As the GEM results clearly show, entrepreneurship comes in many shapes and forms. For example, this year's report again shows the importance of entrepreneurial behaviour developed by employees, often on their own initiative. At the same time, patterns of growth-oriented entrepreneurship, family business and informal investments differ vastly across the globe. Until recently, (policy) recognition for entrepreneurship worldwide had been quite prominent mainly for its asserted contribution to economic growth. For this reason, it has, in many economies, only appealed to some parts of society. Currently, however, we see more and more societies appreciating and embracing the overall benefit of entrepreneurial behaviour, and reorganizing their institutions in such a way that entrepreneurial activity is recognized and rewarded when it adds value to society, both to overall welfare and its distribution across particular groups.

Results based on new questions introduced this year underline that motivations to engage in entrepreneurial behaviour often include contributing to a better world, next to financial aims or continuing a family tradition. This gives hope for the future, but also underlines the urgency to keep improving conditions that lead to those forms of entrepreneurial activity that can be productive for society. In order to facilitate valuable insights as regards entrepreneurial conditions and help to diagnose strengths and weaknesses in national economies' entrepreneurial ecosystems, GEM has further developed the NECI index. Policymakers and other stakeholders can use this diagnostic tool to discern where improvements can be made, so that they can reap even more benefits of entrepreneurship.

As for the 2019 data collection cycle, I would like to thank everyone involved for their

contribution. This includes all GEM National Teams and sponsors, GEM Executive Director Aileen Ionescu-Somers and the GEM Global Coordination Team, GEM's Research and Innovation Advisory Committee and various volunteers. Special thanks to Global Sponsors Babson College and the Korea Entrepreneurship Foundation as supporters of entrepreneurship worldwide.

Over 20 years after its inception, GEM is keen to continue reinventing itself and innovating so that

it can contribute to the grand challenges of our time. The need for harmonized entrepreneurship indicators to inform policymakers and other actors in the entrepreneurial ecosystem appears to be as relevant as when GEM started. We hope this report, as well as the forthcoming GEM National Reports, our databases, and the academic research using GEM data, will be of help in the pursuit of stimulating entrepreneurship towards a better world for everyone.

Note from the Executive Director

Aileen Ionescu-Somers, PhD



In 2019, the Global Entrepreneurship Monitor (GEM) came of age. It is 21 years since London Business School and Babson College formally founded GEM with the idea of creating an index for entrepreneurial competitiveness to emulate the Global Competitiveness Index still published annually by the World Economic Forum. How much we have learned since then and what a rich and fruitful research journey the organization has been on!

When organizations come of age, it behoves them to take stock of their achievements and to also look at the crystal ball for indicators of their likely future trajectory. With a robust consortium of 50 economies participating in this year's research, GEM has massively grown from the initial handful of economies participating in that first year some 21 years ago. Through its research and the increased interest of National Research Teams and sponsoring governments, GEM has proven year on year that entrepreneurship is essential to national economies. It improves standards of living, creates wealth and solves problems, not only for entrepreneurs and their customers but also for a plethora of other stakeholders. Entrepreneurs can drive change through innovation and develop new products and services for new markets. Higher entrepreneurial earnings can boost national income and tax revenue as well as national competitiveness. Entrepreneurs contribute to vibrant and dynamic communities by creating

a domino effect where everyone can benefit if negative externalities are minimized and positive benefits are maximized. By integrating the United Nations Sustainable Development Goals (SDGs) in their business concepts and operations, entrepreneurs the world over can contribute to a greater purpose-driven set of goals, and thus, a better world for us all.

By capitalizing on the academic credentials of its network and ensuring razor-sharp focus on methodological rigour and in-depth analysis — with all of the GEM National Teams “singing from the same song sheet” — GEM is recognized today as a world-class, highly credible reference on the state of the art of entrepreneurship. The 2019/20 results presented in this Global Report — as well as the two decades of annual results in the past — are testament to the power and potential of GEM data to make a difference in better understanding triggers for healthy entrepreneurial ecosystems and to making better decisions so that entrepreneurship can flourish as an engine of growth, well-being and prosperity.

Looking forward, the future of GEM is bright. We have everything to gain from additional economies and high-profile sponsors joining our ranks and we will be focusing on anchoring that growth in 2020 and beyond. High-quality, new National Teams and sponsors are warmly invited to enter into a dialogue with us to expand our network and increase our relevance and global impact. Meanwhile, GEM will continue to track the most prevalent factors that either help or hinder entrepreneurship, serving our stakeholders. We are already looking forward to next year's challenge!

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Be part of future Global Reports, providing a snapshot of entrepreneurial activity across the world. You can contribute towards National Reports that include international benchmarking, local context and national entrepreneurship policy recommendations. GEM members have the opportunity to collaborate with a network of the world's top entrepreneurship researchers.

"GEM offers academics the opportunity to be part of a prestigious network, explore various dimensions of entrepreneurship and gain a full picture about the entrepreneurial activity of a country."

*Virginia Lasio, Team Leader of
GEM Ecuador and Professor at the ESPAE
Graduate School of Management*

"GEM is your one-stop shop for everything you need to know about entrepreneurship in your country. It shows every stakeholder where to invest."

*Iskren Krusteff, Entrepreneur and
Founder of GEM Bulgaria*



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The GEM Story

With thanks to Professors Emeritus Bill Bygrave (Babson College) and Michael Hay (London Business School)

The Global Entrepreneurship Monitor, GEM, is a wonderful example of not-for-profit social entrepreneurship in action. It was founded by London Business School (LBS) and Babson College in the Summer of 1997 at LBS by two Professors of Entrepreneurship, Bill Bygrave (visiting from Babson) and Michael Hay. With prompting from George Bain, who was the Dean of LBS at the time, Michael and Bill brainstormed on what it would take to create an index for entrepreneurial competitiveness similar to the Global Competitiveness Index which was – and still is – published annually by the World Economic Forum.

A few weeks later they sought the advice of Professor of Entrepreneurship Paul Reynolds at Babson College because he was a leading expert in measuring entrepreneurial activity using data generated from Adult Population Surveys. Paul agreed to lead a pilot study of entrepreneurial activity in a handful of nations. Household surveys are costly, and Bill and Michael had no funding specifically for the pilot study, so they bootstrapped it with funds gleaned from other research budgets. By 1998, Paul had data comparing the entrepreneurial competitiveness of five nations – Canada, Finland, Germany, the United Kingdom and the United States – in a first pilot study.

The timing could not have been better. In 1997, Tony Blair was elected UK Prime Minister and was eager to stimulate the nation's economic competitiveness, especially in the area of entrepreneurship. Michael had good contacts with the Blair administration and in 1998 received an invitation for himself, Paul and Bill to make a presentation on the United Kingdom's entrepreneurial activity to a focused competitiveness committee set up by Blair. Three

Government ministers attended a presentation which was based primarily on the results of Paul's five-nation pilot study. It was very well received by the committee and gave the founding team the confidence to push ahead with the research and bring it to the next level.

As the research expanded, the major challenges were to recruit more nations and to fund the study. Recruiting more nations was easier than expected because of the respective personal networks of Michael, Paul and Bill. Each National Team raised funding for its research, and Babson and LBS raised funding to cover the costs of leading and coordinating the research. The Kauffman Foundation generously provided both direct funding and in-kind support such as publishing GEM Global Reports, publicizing GEM, organizing press conferences when Global Reports were released, and designing the GEM logo. (Fun fact: the acronym, GEM, was an inspiration that came to founding team member Erkko Autio when he was inspecting the diamond on his fiancée's engagement ring.)

The initial GEM Global Study comprised researchers from all of the G7 nations – Canada, France, Germany, Italy, Japan, the United Kingdom and the United States – together with Denmark, Finland and Israel. The first annual GEM Global Report was published in 1999. Since then, hundreds of researchers from more than 100 different countries have collaborated with GEM; they have published hundreds of GEM studies – Global, National and Special Topic Reports – which have influenced entrepreneurship policy and impacted multidisciplinary academic research worldwide. It is the dedication of these researchers that has made GEM such a tremendous success.

Presenting the GEM ESI Diagnostic Tool



What makes a city or region attractive to entrepreneurs? Which factors draw creative entrepreneurs to a city or region . . . indeed, to any entrepreneurial ecosystem? What gives them the confidence that they can build successful, value-adding and profitable companies in a nurturing context? How good are cities and regions at building these contexts and nurturing entrepreneurship?

Collaborate with Global Entrepreneurship Monitor (GEM) to find answers to these questions in cities and regions that are of importance to you! Our new Entrepreneurial Ecosystem Quality Composite Index (ESI) is a diagnostic tool that provides frameworks and data to analyse just about any subnational ecosystem.

The ESI is based on a solid theoretical model of entrepreneurial ecosystems developed in 2015 by Erik Stam, the distinguished Professor of Entrepreneurship at Utrecht University. The ESI was transformed into information tools and data by GEM researchers in 2018. It has been carefully designed and has integrated state-of-the-art thinking in entrepreneurial ecosystems.

Using the tool, stakeholders — local government officials, policymakers, business association leaders and researchers — can visualize the many indicators that make up the quality of an entrepreneurial ecosystem. Even more interestingly, they can benchmark with other cities and regions. The ESI tool is flexible; new indicators can be added based on specific interest areas. The ESI was successfully piloted in 2018 in Catalonia and Madrid, Spain as well as Hannover, Germany, under the supervision of the GEM Research and Innovation Advisory Committee (consisting of 12 top researchers on entrepreneurship from different parts of the world). In 2019, a beta version of the ESI was rolled out to 11 additional ecosystems.

ESI can now be carried out by existing GEM National Teams as well as new groups or stakeholders that wish to investigate specific cities and/or regions at any time and for any subnational territory. Learn more at www.gemconsortium.org.



A photograph showing a man with long hair and a beard, wearing a white shirt and blue jeans, standing on a rooftop and looking out over a dense urban skyline at sunset. The city lights are beginning to glow against the orange and yellow sky. In the foreground, a curved highway with traffic is visible.

**Collaborate with
GEM to assess
city and regional
readiness for
entrepreneurship**

To launch your ESI project, set up a discussion with GEM Executive Director
Aileen Ionescu-Somers (asomers@gemconsortium.org)

Executive Summary

Entrepreneurship is an essential driver of societal health and wealth, and a formidable engine of economic growth. It promotes the innovation required not just to exploit new opportunities, promote productivity and create employment, but also to help address some of society's toughest challenges as stated by the United Nations Sustainable Development Goals (SDGs). Many of the world's governments, think tanks, non-governmental and international organizations now look towards entrepreneurship as a key part of the solution to ending poverty and social inequity, promoting women's empowerment, and implementing business solutions to the world's environmental challenges, including climate change.

The Global Entrepreneurship Monitor (GEM)¹ has been keeping its finger on the pulse of the state of entrepreneurship since 1999, both in terms of the state of the entrepreneurial mind-set, motivations, activities and ambition, and the national framework conditions required to allow entrepreneurship to flourish in an economy. In this, GEM's "coming of age" 21st year, entrepreneurship is in the spotlight as never before, with multiple governments increasingly focused on putting into place policy frameworks and mechanisms to drive and promote entrepreneurship.

With over 20 years of data at its disposal, GEM is well positioned to provide a reality check on the current status of entrepreneurship, sometimes with surprising and even counter-intuitive results. In this Executive Summary, selected highlights are taken from the 2019/2020 Global Report.

Fifty economies participated in the GEM 2019 Adult Population Survey (APS), including 11 from the Middle East & Africa, eight from Asia & Pacific, eight from Latin America & Caribbean, and 23 from Europe & North America. Five of these economies are classified as low-income level, 12 as middle-income and the rest as high-income. Over 150,000 individuals participated in extended interviews as part of the GEM research in 2019. This is the solid evidence base for the GEM findings that are presented in this report and summarized here.

Despite this extensive GEM evidence base, there are at least as many questions as answers as a result of this year's analysis. As usual, GEM has a plethora of insights and some of the newest and key findings are listed below. The report also contains a detailed entrepreneurial profile of each participating economy, accompanied by a policy roadmap. Full data tables, showing the value of each GEM entrepreneurial variable in each economy, are also set out in Part 3 of this report.

¹ <http://www.gemconsortium.org>

ARE ENTREPRENEURS BORN OR MADE?

- Access (by entrepreneurs) to a knowledgeable and motivated network of other entrepreneurs is an important promoting factor for the spread of entrepreneurship. Silicon Valley and other high-profile innovation hubs have greatly benefited from this motivating, knowledge-brokering dynamic. The 2019 GEM research found that the proportion of adults (18–64 years old) knowing someone who had started their own business in the past two years varies considerably between countries, from less than one in five in Japan to more than four out of five in Saudi Arabia. While this global variation in part reflects different prevalence rates for entrepreneurship, it also says something about culture and social norms.
- Entrepreneurship largely depends on the fact that would-be entrepreneurs spot the opportunities that may convert to interesting business propositions. Interestingly, the 2019 GEM research shows that Japan also has the lowest share of adults seeing good opportunities to start a business, at around one in 10, perhaps indicating a prevalence towards other forms of income generation. On the other hand, almost nine out of 10 adults in Poland and eight out of 10 in Sweden and India see good opportunities to start a business. Seeing good opportunities is a crucial first step on the entrepreneurial journey. After all, it does not matter how many opportunities there are if they are not recognized as such, and by the right people.
- Self-belief, and confidence in one's ability to succeed, are indicators of one's readiness for entrepreneurship. In 36 of the 50 economies, more than half of the population consider that they have the skills, knowledge and experience to start their own business, while in 42 of the 50 economies, less than half of those who see good opportunities would be deterred by fear of failure.
- In Egypt, India, Madagascar and Guatemala, more than six in 10 adults agree that they rarely see business opportunities, and, in those countries, a similar proportion agree that, even when they see an opportunity, they rarely act on it. Why, in some economies, are people reluctant to act on opportunities? The GEM results point to plenty of opportunities to further empower entrepreneurs, whether through implementing enabling policy changes, or educating more or educating differently.
- Self-belief, in turn, is nurtured by others' belief in one's entrepreneurial potential. The share of adults agreeing that they are thought by others to be highly innovative ranges from less than two in 10 in Japan, to more than seven in 10 in Guatemala, Brazil and Madagascar.

WHERE ARE THE GLOBAL “HIVES” OF ENTREPRENEURSHIP?

- This 2019 GEM research reveals “hives” of entrepreneurial activity by identifying the levels of Total early-stage Entrepreneurial Activity (TEA) and where it is most prevalent. Again, it is a highly variable picture. TEA varies from 5% of adults or less in Italy, Pakistan, Poland and Japan to well over 35% in Chile and Ecuador. Within the 50 economies participating in the 2019 GEM research, the six highest levels of TEA are all in the Latin America & Caribbean region. Based on GEM research on entrepreneurial framework conditions, business conditions can be difficult in many Latin America & Caribbean economies, yet

there is clear evidence that entrepreneurial activity is high. This may seem paradoxical but could be due to factors such as social and cultural norms, the lack of alternative income opportunities and the extent of competition, as well as rapid growth in economies.

- A good indicator of the health of entrepreneurship in an economy is the level of Established Business Ownership (EBO). Two per cent or less of adults are Established Business Owners in Puerto Rico, Egypt, Mexico and Oman, compared to 20% in Madagascar, 16% in Brazil, 15% in Guatemala and Ecuador and 14% in Greece.

In many economies, the proportion of adults starting and running a business exceeds that of those owning established businesses. This could simply be a time lag issue for those economies experiencing a recent increase in entrepreneurship that is not yet reflected in mature activity. However, there can be little doubt that this points to difficulties in some economies in transitioning new starts into established businesses.

- More than seven out of 10 new entrepreneurs in India, Mexico, Puerto Rico, China and

Saudi Arabia are in the consumer services sector, which provides less than four in 10 new entrepreneurs in Croatia, Latvia, North Macedonia and Norway. Consumer services may be relatively low-cost and with low barriers to entry — an “easy win” for new entrepreneurs — but competition is fierce and margins low. Entrepreneurship in sectors with highly differentiated, difficult-to-replicate products and services are desirable since they are highly value-adding to individuals and economies.

IS EMPLOYEE ENTREPRENEURSHIP TAKING HOLD ACROSS THE GLOBE?

- In the current fast-moving, ever-changing business context, heavily influenced by accelerated technological progress, firms are increasingly valuing entrepreneurship skills among employees. In the United Arab Emirates, the United Kingdom and Australia, more than 8% of adults are involved in entrepreneurial activities, such as developing new goods or services, as part of their employment, compared to less than 1% in 16 of the 50 economies. This indicator is weak enough in many economies to infer that employee entrepreneurship has not yet taken hold across the world. Given the changes in organizational and even national culture implied by an employee entrepreneurship imperative, such a transition in the work world may be particularly difficult for

some economies, albeit necessary. These gaps are likely to close into the future, and the employee entrepreneurship trend will probably increase in organizations operating in economies in which this activity is not yet prevalent.

- Building on this, new data from GEM show that, for many people starting or running a new business, ownership is shared with their employer. In 13 of the 50 economies, the level of this sponsored new entrepreneurship exceeds the level of independent entrepreneurship. This may be indicative of increasing interest in more shared, less autocratic business models and/or a balancing of independent startup activity with support from established organizations.

WHAT MOTIVATES ENTREPRENEURS TO START A BUSINESS?

- “Corporate purpose” is a hot topic that hit the mainstream news in 2019 when the US Business Roundtable — an association of chief executive officers of some 200 of America’s most prominent companies — sought to define a new purpose for business, going beyond shareholder value towards a shared-value multi-stakeholder approach. And it was not alone in doing so. Some leading companies had been “repurposing” their business vision and mission well before these events. Companies are increasingly being held

accountable for their environmental and social impacts and for their contribution to achieving the SDGs. New GEM questions in the 2019 research explore the purpose and *raison d'être* of startups and new companies. This found that the proportion of adults engaged in TEA who agree they have started their business to make a difference in the world ranges from less than two in 10 in some economies to more than seven out of 10 in South Africa, Guatemala, Panama and India. This is substantive evidence of “purpose-driven”

entrepreneurship taking hold at the grassroots level, an encouraging sign of a collective will for future business sustainability.

- However, the desire to get rich and create wealth will clearly not go away, nor should it. More than eight out of 10 of those starting a new business in Iran, Qatar, Pakistan, India and Italy agree with the motive to build great wealth or income. However, this compares to less than two in 10 in Norway or Poland. These are indicators that individual wealth creation is by no means the only driver for entrepreneurs. The new generation of entrepreneurs increasingly tend also to be aspirational in other ways.
- Some countries have more entrepreneurs driven by a family business tradition than others. This is very much associated with culture and social mores, but also the nature of the business. Continuing a family tradition is agreed as a motive for starting the business by more than eight out of 10 in Poland and India, but less than one in 10 in the United Kingdom or Republic of Korea.
- The motivations of entrepreneurs may also be indicative of disruption or job insecurity in many economies. In 35 of the 50 economies, over half of adults starting a new business agree with the motive “To earn a living because jobs are scarce”. This is important evidence of the potential and current contribution of entrepreneurship to several of the UN SDGs.
- In general, among the 50 economies participating in the 2019 GEM research, men tend to be more financially motivated in their objectives – and also more likely to be the ones continuing the family business – than women. An interesting finding is that women are generally more purpose-driven than men. Women starting a business are more likely to agree with the motivation of making a difference to the world. If the SDGs are to be tackled through entrepreneurship, then it is surely beneficial to this objective to get more women on board. Furthermore, entrepreneurship is an important way of lifting women out of poverty, since women were also more likely than men to agree that earning a living because jobs are scarce is an important motivation.

ENTREPRENEUR HIGHLIGHT

Unleashing disruption with diverse teams

Name: Jose Carlos Santos (Angola)

Business: Acelera Angola works on entrepreneurship, focusing on community, acceleration of startups and spaces as services.



What does being an entrepreneur mean to you? “We believe in potential changes through the promotion of Angolan talent and the discipline of thought and actions. This will truly expand disruption and the renewal of dreams.” To do this, Santos leverages the talents of a culturally diverse team. “It allows us to accumulate experience in different areas and have a strong multidisciplinary focus with ambitious standards and results, focused on implementing disruptive actions in Angola.”

- Less than one in 10 of those starting a business in Colombia expect to add no new jobs in the next five years, compared to six out of 10 in China or Madagascar. China's result may seem somewhat surprising given the "juggernaut" nature of innovation in that economy, particularly over the last decade. This may be indicative of smaller businesses taking more precedence, but also of new business models, where entrepreneurs can operate within a network of value chain partners, decreasing the need for extensive

internal hiring, or simply of a possible slowdown in growth of new businesses. Meanwhile, the Middle East appears to be coming into its own on entrepreneurship. More than half of those starting a new business in Saudi Arabia, the United Arab Emirates and Qatar expect to add six or more jobs in the next five years. This leaves an interesting, unanswered, question. Do growth ambitions reflect available resources, or are they evidence of a society in transition?

ARE ENTREPRENEURS REALLY INNOVATING?

- One important function of new entrepreneurship can be to introduce new products and services into markets. Answers to new questions in the 2019 GEM research reveal that in seven economies (Canada, Colombia, Guatemala, Ecuador, Panama, Chile and

the United Arab Emirates), more than one in 20 adults are starting or running a new business with products or services that they say are at least new to the local area. This is an encouraging sign that innovation is truly entering the heart of entrepreneurship.

ARE MORE WOMEN COMING ON BOARD AS ENTREPRENEURS?

- Women are taking a stronger and more robust role in some economies, though they still lag significantly behind men in others. While a greater proportion of men than women typically engage in TEA overall, in GEM 2019 there are three economies in which the female rate exceeds the male rate (Saudi Arabia, Qatar and Madagascar). The Saudi Arabia result is of particular note and may be the outcome of recent policy changes

giving women more individual freedoms in Saudi Arabian society. However, women's entrepreneurial battles are far from won. At the other end of the scale, there are more than two male entrepreneurs for every female entrepreneur in Egypt, Norway, North Macedonia, Japan and Pakistan. Gender disparities in entrepreneurship continue to deplete the stock of new businesses and reduce economic potential.

IS AGE A DETERMINING FACTOR FOR ENTREPRENEURS?

- In 38 of the 50 economies participating in the 2019 GEM research, levels of early-stage entrepreneurship generally increase with age and then decline. However, there are

enough exceptions to conclude that, while age matters, other factors such as access to resources, family traditions, migration and immigration, etc. may matter more.

DOES ALL ENTREPRENEURIAL FINANCE COME FROM CAPITAL MARKETS?

- Informal investment happens when an individual invests in someone else's new business. Rates of informal investment are less than 2% of adults in 10 of the 50 economies, but more than 10% in four economies (Chile, Guatemala, Oman and Saudi Arabia). Median investments range from less than US\$500 in four economies, to more than US\$10,000 in eight, including two (Switzerland and the Republic of Korea)

where the median exceeds US\$20,000. While levels of informal investment clearly reflect available resources, they may also point to a failure of the financial system to provide access to entrepreneurial finance. Insufficient access to finance may exclude many would-be entrepreneurs of limited means who do not already have either personal wealth or a wealthy network of informal investors.

DO ALL EXITS MEAN THAT THE END OF A BUSINESS IS NIGH?

- The proportion of adults exiting a business in the past 12 months ranged from less than 2% (five economies) to 10% or more (Oman, Jordan and the United Arab Emirates). However, exiting a business need not imply that a business discontinues. Indeed, exit may be a very healthy indicator of profitability for other individuals or entities

because whether a business continues or not is highly influenced by its profitability (but also its size). In five economies (Switzerland, Sweden, Canada, Portugal and Luxembourg), the proportion of adults exiting a business that continues exceeds the proportion exiting where that business does not continue.

HOW DO NATIONAL FRAMEWORK CONDITIONS AFFECT ENTREPRENEURSHIP?

As part of the GEM National Expert Survey, national experts in 54 economies were asked to assess the national environment for entrepreneurship in terms of 12 GEM-defined framework conditions.

Physical Infrastructure is universally rated the most well developed of the framework conditions that support entrepreneurship, with Entrepreneurship Education at school level universally regarded as the least well-developed, weakest condition.

Last year GEM introduced the National Entrepreneurship Context Index (NECI), a measure of the ease of starting and developing a business. The NECI summarizes the assessment of Entrepreneurship Framework Conditions into a single composite score of the ease of starting and developing a business.

- In 2019, Switzerland tops these rankings, followed closely by the Netherlands and Qatar. Four of the top 10 ranked economies are from Europe & North America, and four are from Asia & Pacific, plus two from Middle East & Africa. This finding indicates that innovation and entrepreneurship are increasingly an important part of the business landscape in a wide diversity of countries apart from the “usual suspects”, such as the United States.
- At the other end of the scale, all four regions are represented in the bottom 10 economies ranked by NECI score. Four are in the Middle East & Africa region, with three from Latin America & Caribbean, two from Europe & North America and one from Asia & Pacific. Iran scores lowest overall, just behind Puerto Rico and Paraguay.

IS INCREASED ENTREPRENEURSHIP A GLOBAL TREND?

- Five economies have consistently participated in GEM over the past 19 years, with no interruption. For four of these (the United States, Netherlands, United Kingdom and Brazil), the average level of both early-stage entrepreneurial activity and established business ownership has trended upwards over the period. Only Spain has experienced little change in TEA, though with some increases in EBO.
- Sixteen economies have participated in GEM over the past 10 years with no interruption. Twelve of these have experienced levels of early-stage entrepreneurial activity that have trended upwards, while nine of these have also experienced increasing EBO. Both Colombia and Greece have had relatively stable levels of TEA, but declining levels of EBO over the period. This may raise questions on the viability of the stock of new businesses in those countries and points to difficulties in turning a new business into an established one.
- For 16 economies GEM data are available for 2001, for 2019 and at the midpoint in between (2010). For each of these, TEA was higher in 2019 than in 2010. However, 2010 was clearly the depth of the global financial crisis – evidenced by 13 of these economies having lower TEA in 2010 than in 2001.
- For 13 of these 16 economies, TEA in 2019 was higher than in 2001: for Spain it was slightly lower but for both Mexico and Italy it was substantially lower.
- Overall, GEM data suggest some increase in entrepreneurship over the past two decades, as measured by either TEA or EBO, for a majority of participating economies. However, given the growing rhetoric about entrepreneurship and its importance worldwide, these findings indicate that entrepreneurship is probably not increasing at the same pace as the rhetoric.

The picture of entrepreneurship worldwide, both in terms of mind-set “readiness” and framework conditions, varies quite considerably depending on national context. In other words, entrepreneurship does not exist in a vacuum: far from it. In this 2019/2020 GEM research, some interesting trends are identified overall and regionally. Key areas deserving of attention by policymakers and other stakeholders are profiled here. Recognizing that success in entrepreneurship depends to a large extent on national context and local conditions, this 2019/20 Global Report will be followed in the course of 2020 by a series of individual country reports produced by the GEM National Teams, which will further scrutinize the data, providing rich pickings for stakeholders and increasing the understanding of entrepreneurship across the globe.

The background of the image features a large, stylized blue gear silhouette against a sunset or sunrise sky. The sky is a gradient of orange, yellow, and blue, with a visible horizon line showing water and a setting sun. The gear is positioned centrally and overlaps the text.

PART 1

Analysis

Introduction

1.1 AN INTRODUCTION TO GEM

Entrepreneurship, broadly defined as “any attempt at new venture or new business creation, such as self-employment, a new business organization or the expansion of an existing business, by an individual, a team of individuals, or an established business”,¹ is a vital ingredient in the economic development mix and an important determinant of present and future incomes and jobs. However, the nature and process of that economic development can vary considerably between economies. While encouraging and developing entrepreneurship is an important policy objective for most national decision makers and politicians, many would also agree that knowledge of the causes and consequences of entrepreneurship is far from complete.

This need for knowledge also includes an understanding of how entrepreneurship should be measured and monitored, which is a challenge, given that the form and organization of businesses can be as varied as the people who start and run them. This challenge needs to be addressed because entrepreneurial activity is crucially important to the achievement of multiple United Nations Sustainable Development Goals (SDGs), including:

- SDG 1: “End poverty in all its forms everywhere”;
- SDG 8: “Promote inclusive and sustainable economic growth, employment and decent work for all”;
- SDG 10: “Reduce inequality within and among countries”.

The Global Entrepreneurship Monitor (GEM) is a large-scale international collaborative research organization that systematically and consistently measures entrepreneurship and its associated characteristics in a manner that is coherent over both time and space. This enables the rate and nature of entrepreneurship to be monitored through direct comparison between economies at the same time, as well as by tracing the evolution of entrepreneurship within the same economy over time. The GEM Consortium consists of National Teams each using the same precise research methodology, sample design and survey tools to collect nationally representative data on entrepreneurship.

This is the 21st GEM Global Report, a “coming of age” for a substantial research programme that has generated almost 700 peer-reviewed scientific publications using GEM data.² This has developed new understandings of the nature and role of entrepreneurship in a variety of different contexts.

Since its inauguration in 1999, GEM data have played a significant role in policy development and policy evaluation for national governments, as well as for international bodies including the World Bank, the European Commission, the World Economic Forum and the United Nations.

Throughout this period, GEM has tracked levels of entrepreneurship across the world. Since 1999 GEM has cumulatively surveyed over 3 million adults in 114 economies across the globe. This makes GEM the world’s largest and most extensive study of entrepreneurial activity. In 2019, 50 countries of all sizes, income levels and stages of development participated in the GEM research.

¹ Reynolds, P. D., Hay, M., & Camp, S. M. (1999). *Global Entrepreneurship Monitor: Executive Report*. Kaufman Centre for Entrepreneurial Leadership, 3.

² <http://www.gemconsortium.org/research-papers>

1.2 THE GEM METHODOLOGY

Each National Team taking part in GEM in a given year commits to undertake two national surveys: the Adult Population Survey (APS) and the National Expert Survey (NES). The APS asks a nationally representative sample of at least 2,000 working-age adults (often more: in 2019, the average sample size was just over 3,000), about their entrepreneurial activities, attitudes, motivations and ambitions, using the same standard GEM questionnaire. Results are then cross-checked and quality-approved by GEM's technical team.

One important characteristic of the GEM APS, and a key difference from most other quantitative entrepreneurial research, is its focus on people. Most available data on enterprise look at the number and size of businesses, using published sources such as company registrations or Value-Added Tax returns. The GEM approach looks instead at individuals, assessing attitudes and perceptions towards entrepreneurship and self-reported involvement in starting and/or owning and managing a business. This allows for a unique profile of entrepreneurship in society. This is important, because the attitudes, activities and ambitions of people heavily influence the entrepreneurial process, and an economy needs individuals at all stages of the process, including those with ambitions and intentions, some of whom have taken action to start a business, and others who have sustained a business into maturity.

The second reason why surveying individuals is important is that this can help to capture information on the “informal” economy, or the diverse set of economic activities, enterprises and jobs that are neither regulated nor protected by the state. Some of those reported as working for themselves may not necessarily register a business, but are simply taking advantage of trading opportunities as and when they arise. This informal activity is obviously not captured by official statistics, but may be a significant part of the national economy.³ Since all GEM respondents

are assured that their individual responses are anonymous, it is easier to capture this activity and monitor its evolution.

A number of economies participating in GEM have taken steps to encourage informal activity to enter the formal economy. Armenia has sought to encourage more businesses into the formal economy by raising tax thresholds, while Brazil has eliminated the need for business licences for most small businesses.⁴ In Guatemala, new laws make it easy to register a business online and to access tax incentives. Morocco has made integrating the informal economy a national priority, and has introduced a “self-entrepreneur” status to help this. Finally, Sweden has introduced tax reductions to small firms offering household services, in order to encourage more informal businesses into the formal sector.

The GEM APS provides detailed information about entrepreneurial activity in a given economy. However, this activity does not take place in isolation, but within an economic, social and political context that may encourage and support entrepreneurial activity, or may constrain or discourage that activity. To understand and delineate the country-specific context for enterprise, the APS in each country is complemented by the GEM NES, which surveys at least 36 carefully selected individuals (often more), each assessed as having specific national expertise and knowledge. Each identified national expert completes the NES questionnaire by providing their perceptions of the national environment for entrepreneurship across a broad range of GEM-defined categories. These categories range from the availability of entrepreneurial finance to government programmes that support enterprise, and from the quality of entrepreneurial education at different levels to the availability and cost of physical infrastructure such as communications and public utilities (see Chapter 8).

³ A recent (October 2019) ILO report estimated that the informal sector constituted up to 60% of total employment across the 99 countries sampled (*Small Matters: Global Evidence on the Contribution to Employment by the Self-employed, Micro-enterprises and SMEs*. Geneva: ILO). Society loses out when informal businesses don't pay taxes or comply with labour laws.

⁴ All of these examples, and many more used in this report, are taken from the individual Economy Profiles in Part 2.

1.3 WHAT IS NEW THIS YEAR?

Careful deliberation and debate is needed before the GEM questionnaires are amended in any way year on year, given the need for comparability between years and the longitudinal empirical perspective this gives on the development of entrepreneurship. At the same time, the world keeps turning, and both the conceptualizations and practices of entrepreneurship evolve. Hence, the GEM questionnaires are continually reviewed, albeit with changes kept to the minimum necessary to ensure continuity and relevance. Careful piloting precedes any major changes. Nevertheless, the 2019 GEM APS questionnaire included some important differences, in order to:

- Better distinguish between different forms of entrepreneurial activity, from independent early-stage entrepreneurial activity, to sponsored early-stage activity (ownership shared with an employer), and employee entrepreneurial activity;

- Improve the ways in which attitudes are measured, adopting a five-point Likert scale from strongly agree to strongly disagree rather than yes/no answers, thereby allowing for greater nuance in responses and substantially reducing the proportions of “Don’t knows”;
- Enhance the understanding and measurement of motivation by providing a much wider choice of reasons for starting or running a new business;
- Introduce wider measures of impact, including geographic scope (now local, national and international), and both product and process innovation.

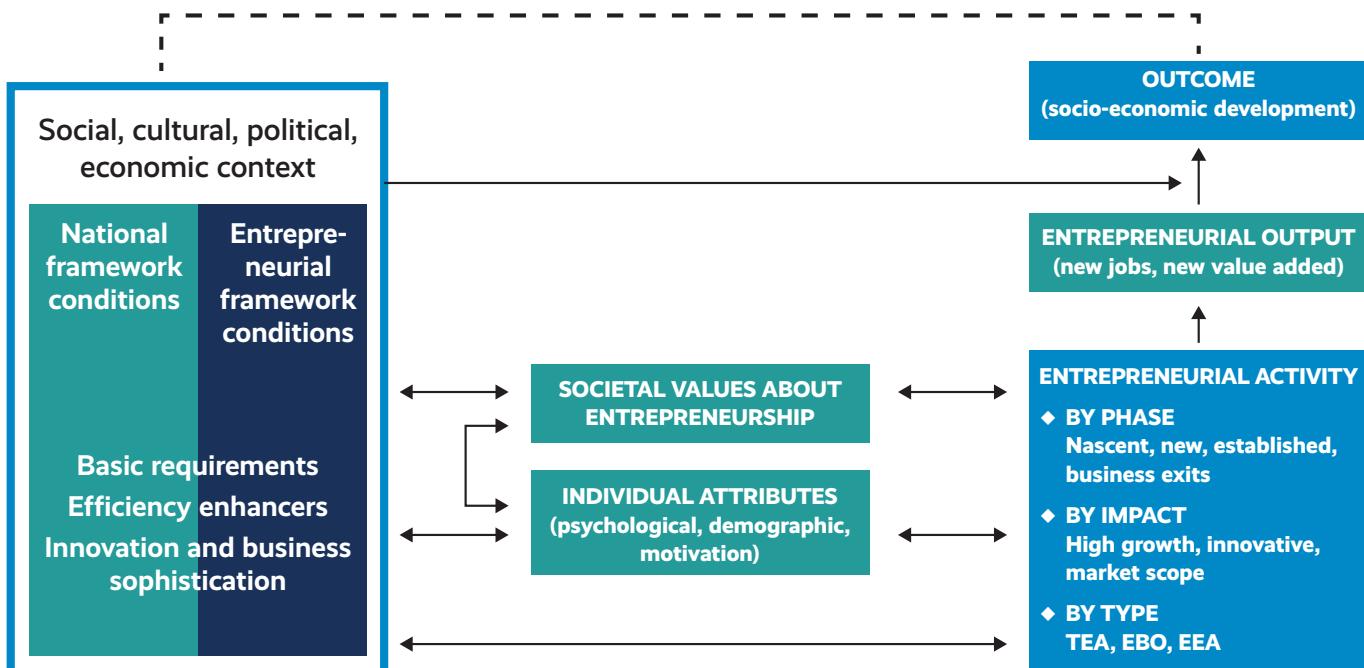
These changes, and their effects, will be set out in greater detail in the corresponding chapters in Part 1 of this report.

1.4 THE GEM CONCEPTUAL FRAMEWORK

National economic growth and prosperity are explained in traditional economics by focusing on the exploitation of natural resources, and the roles of big business and trade. More recent iterations add in factors such as localized agglomeration

economies, innovation and the development of human capital. GEM looks specifically at the role of entrepreneurship – the processes of enterprise creation and business development – in contributing to economic growth. This approach

FIGURE 1.1
The GEM conceptual framework



ENTREPRENEUR HIGHLIGHT

Aligning work to values when starting a business

Name: Milena Glimbovski (Germany)

Business: Original Unverpackt is the first supermarket in Berlin to do away with disposable packaging. Groceries can be bought in bulk to minimize environmental impact.



What does being an entrepreneur mean to you? “It is about working according to my personal values. My decisions, even with whom I work, are based on those values. For me, it also means that I aim to steadily improve my business and that I always strive to learn new things. As an entrepreneur, I continue to develop myself and constantly face new challenges.”

requires a specific conceptual framework, whereby economic development is the result of the ability of enterprising individuals and groups to identify and seize business opportunities.

Entrepreneurial activity takes place within the specific context of a given environment, with its own unique social, cultural and economic characteristics. In other words, place matters. It is then the interaction of an individual's perception of an opportunity, and their perceived ability to act on that opportunity within a specific context, that gives rise to entrepreneurial activity, or the processes of business creation and development.

The GEM conceptual framework is outlined in Figure 1.1. Entrepreneurial activity is jointly determined by social values and individual attributes, and creates added value and jobs. But the framework also accounts for the social, cultural, political and economic context, which both influences and is influenced by this activity. The two GEM Surveys – both the APS and the NES – give substance to the conceptual framework by identifying those factors that influence entrepreneurial activity, providing important policy implications for those policymakers, practitioners and other stakeholders seeking to expand levels of entrepreneurship. The rigorous GEM methodological approach turns survey responses into precise measures of the level of entrepreneurial activity, providing relevant data for policymakers to monitor and evaluate the impacts of policies and initiatives.

1.5 MEASURING ENTREPRENEURIAL ACTIVITY

Figure 1.2 provides GEM’s key indicators of the phases of business development, from conception to starting and running a new business, to the mature phase as fully established business ownership. The figure also shows business exits, after which individuals may start another business or continue to be involved in entrepreneurial activity in other ways. Discontinuing a business can be an important phase of entrepreneurship, providing important learning for the individuals involved (and for the future businesses they may create) and relevant knowledge to other potential and actual entrepreneurs.

One important indicator for GEM research is the level of Total early-stage Entrepreneurial

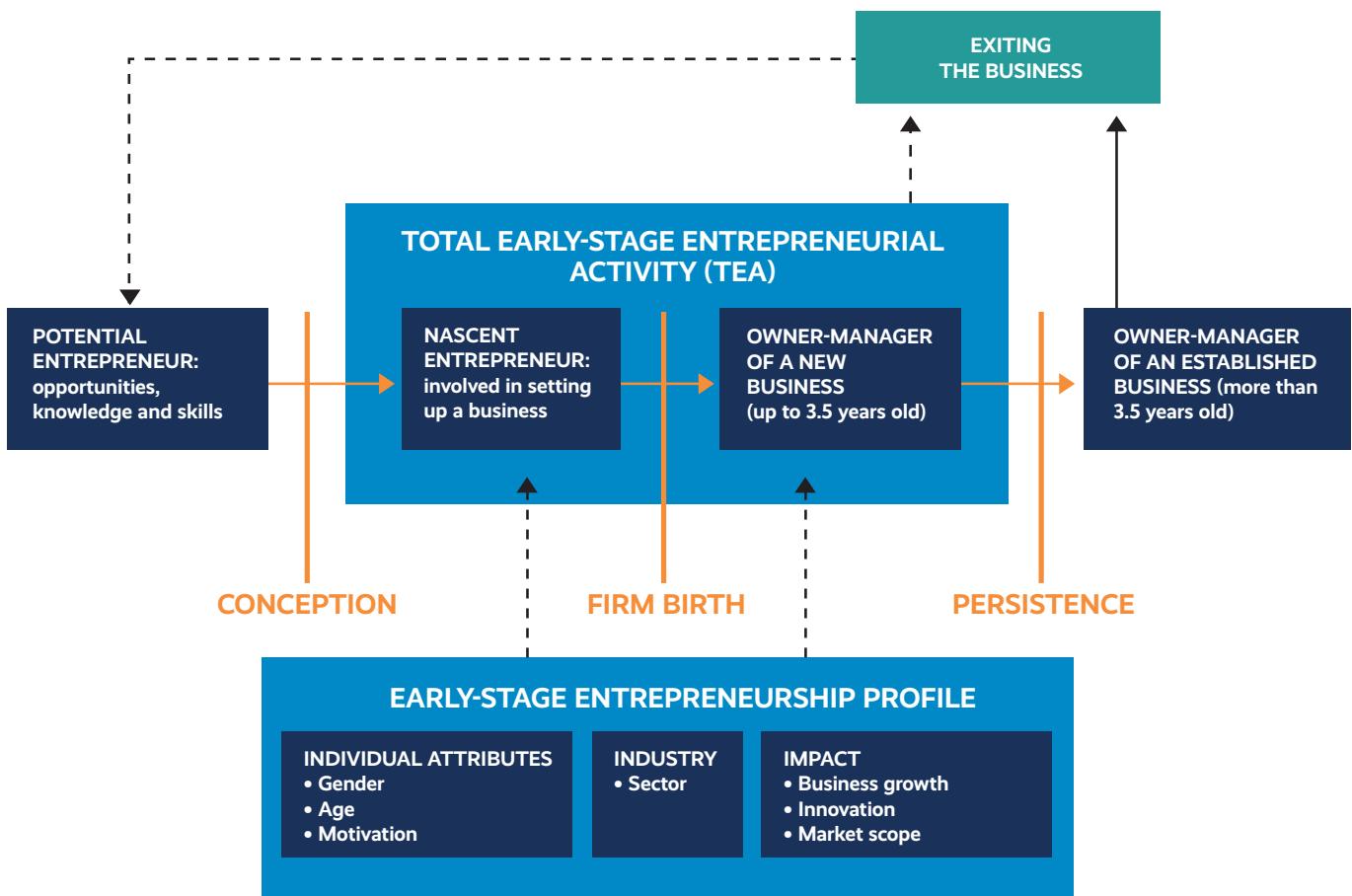


FIGURE 1.2

Entrepreneurial phases and GEM entrepreneurship indicators

Activity (TEA), or the proportion of the working-age adult population actively engaged in starting or running a new business. Specifically, TEA is the sum of those actively starting a new business (but who have not yet paid salaries, or any other payments, including to the founder[s], for three months or more — the Nascent Entrepreneur), plus those already running a

new business (who have paid wages, or other payments, including to the founder[s], for three months or more but for less than 42 months — the New Business Owner), minus any double-counting (those who fall into both categories). Those who are running a business that has paid wages for 42 months or more are categorized as Established Business Owners.

1.6 ECONOMIES PARTICIPATING IN GEM 2019

Some parts of the world have individual economies that may not be classified as separate countries. This report therefore prefers the term “economies” rather than “countries”, but may also refer to countries where that classification is unambiguous.

The 50 economies participating in GEM in 2019 are grouped into four regions, as defined by the World Economic Forum, and into three

income levels,⁵ with results set out in Table 1.1. The Middle East & Africa region includes 11

⁵ Schwab, K. (ed.) (2019). *The Global Competitiveness Report 2019*. Geneva: World Economic Forum. <http://www.weforum.org/gcr> (accessed 16 January 2020). The low-income group contains both those classified by the WEF as low-income, and lower-middle-income. The middle-income group has those that the WEF places as upper-middle. The largest group of GEM economies is those classified by the WEF as high-income.

Regions	Low-income	Middle-income	High-income
Middle East & Africa	Egypt Madagascar Morocco	Iran Jordan South Africa	Israel Oman Qatar Saudi Arabia United Arab Emirates
Asia & Pacific	India Pakistan	Armenia China	Australia Japan Republic of Korea Taiwan
Latin America & Caribbean		Brazil Ecuador Guatemala Mexico Colombia	Chile Panama Puerto Rico
Europe & North America		Belarus North Macedonia Russian Federation	Canada Croatia Cyprus Germany Greece Ireland Italy Latvia Luxembourg Netherlands Norway Poland Portugal Slovak Republic Slovenia Spain Sweden Switzerland United Kingdom United States

economies ranging from low- to high-income, while Asia & Pacific includes eight economies, also ranging from low- to high-income levels. The Latin America & Caribbean region has eight economies in GEM 2019, equally split between middle- and high-income levels. The largest number of GEM-participating economies in 2019 are from Europe & North America (23), just three of which are classed as middle-income, with the rest as high-income.

This chapter has shown how GEM contributes substantially to both the knowledge of entrepreneurship, and the development and monitoring of policies to promote entrepreneurship. Given that the GEM approach is based on people rather than businesses, it therefore helps to capture informal as well as formal economic activity, especially important in low- and middle-income economies. This chapter has also introduced the GEM conceptual framework, the GEM definitions of entrepreneurial activity, and the 50 economies participating in GEM in 2019.

TABLE 1.1

Economies in the 2019/2020 GEM Global Report, by region and income level

The Social and Cultural Foundations of Entrepreneurship

2.1 THE SIGNIFICANCE OF ATTITUDES

The previous chapter noted that the decision to start a new business is the product of an individual's attitudes, perceptions and intentions, set within a social, cultural and political context that could support or constrain that decision. Some societies readily embrace enduring traditions of entrepreneurship and trade, yet others see enterprise as a relatively new characteristic of an economy in transition. Whatever the cultural context, to be successful the entrepreneur must rely on a wide range of stakeholders, including investors, employees, suppliers and customers, as well as the tacit support of family and friends.

Then entrepreneurship is a social and cultural phenomenon that is reflected in the GEM Adult Population Survey (APS) questionnaire by asking whether the individual knows someone who has recently started a new business, whether there are currently good opportunities to start a new business in the local area, and how easy it is to start a business in their country. Knowing someone else who has started their own business can increase awareness of entrepreneurship, as well as heighten appreciation of the associated costs and benefits, and can provide the potential entrepreneur with a benchmark. Knowing other entrepreneurs means exposure to role models and mentors, hardwires the motivating factors or drivers for being successful, and provides connections to relevant stakeholders and advice. Seeing good opportunities to start a business may indicate that innovation potential exists, and also points to an ability to recognize such opportunities. Finally, considering whether or not it is easy to start a business can reflect how people perceive the environment as enabling or constraining to entrepreneurial activity.

ENTREPRENEUR HIGHLIGHT

Identifying opportunities

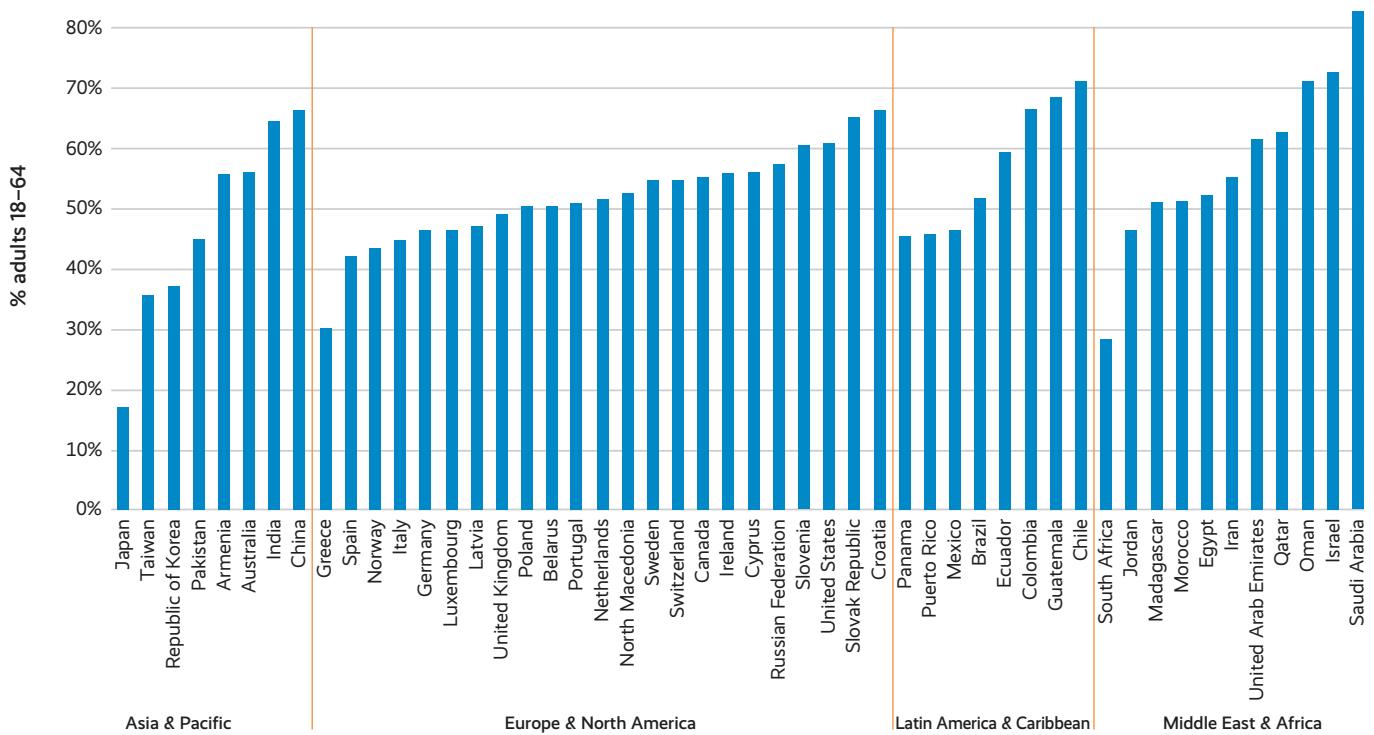
Name: Ahmad Al-Shaabi (Qatar)

Business: Middle East Modified

Bitumen Company (MEMBCO) is one of the leading manufacturers of bituminous products in Qatar. MEMBCO products have been used in Hamad International Airport, Doha Expressway and other local roads.



What does being an entrepreneur mean to you? “As an entrepreneur, you write your own future. The harder you work, the higher the probability of being successful. You need to have passion, be willing to take risks and continuously recognize opportunities.”



This chapter explores how these social and cultural foundations for entrepreneurship vary by global region and according to the economy's income level. It is important, though, to be conscious of fact that, while social attitudes and culture affect levels of entrepreneurship, the opposite is also true

Figure 2.1 shows that the global picture of those knowing someone who has started a business in the past two years is highly variable:¹ from less than two in 10 adults in Japan, to more than eight out of 10 in Saudi Arabia. Both South Africa and Greece have around three in 10 adults who personally know an entrepreneur. Along with Japan, these two economies have, on this indicator, low rates compared to other economies in their regions.

Personal affiliation with someone who has started a business is consistently high in Israel and in the Gulf countries of the Middle East (Qatar, the United Arab Emirates, Oman and Saudi Arabia), as well as in the Latin America & Caribbean region, accounting for around seven out of 10 adults in Colombia, Guatemala and Chile.

¹ The APS question is "How many people do you know personally who have started a business or become self-employed in the past two years?" The chart includes all those who answered one or more.

Obviously, variations in this indicator may overlap with new venture rates, even when accepting that there are substantial differences in networking characteristics between economies.² Knowing someone who recently started a business may also have a negative impact on an individual's propensity towards entrepreneurship, if signals of negative aspects dominate positive ones.

Japan has by far the lowest proportion of adults agreeing³ that they see good opportunities to start a business at just over one in 10, followed by the Russian Federation and Belarus. At the other end of the scale, almost nine out of 10 adults in Poland see good opportunities to start a business, followed by India, Sweden, China, and three Middle Eastern countries: Saudi Arabia, Qatar and Egypt.

There is also substantial variation by economy in the proportion of adults agreeing that it is easy to start a business locally. The lowest levels of

FIGURE 2.1

Knowing someone who has started a business in the past two years (% adults)

Source: GEM Adult Population Survey, 2019

² Wyrwich, M., Sternberg, R., & Stuetzer, M. (2018). Failing role models and the formation of fear of entrepreneurial failure: A study of regional peer effects in German regions. *Journal of Economic Geography*, 19(3), 567–88.

³ Respondents chose from a five-point Likert scale from "strongly agree" to "strongly disagree". This and subsequent charts, and those in Chapter 4, show the proportion choosing "strongly agree" or "somewhat agree", although for brevity this is described as "agree".

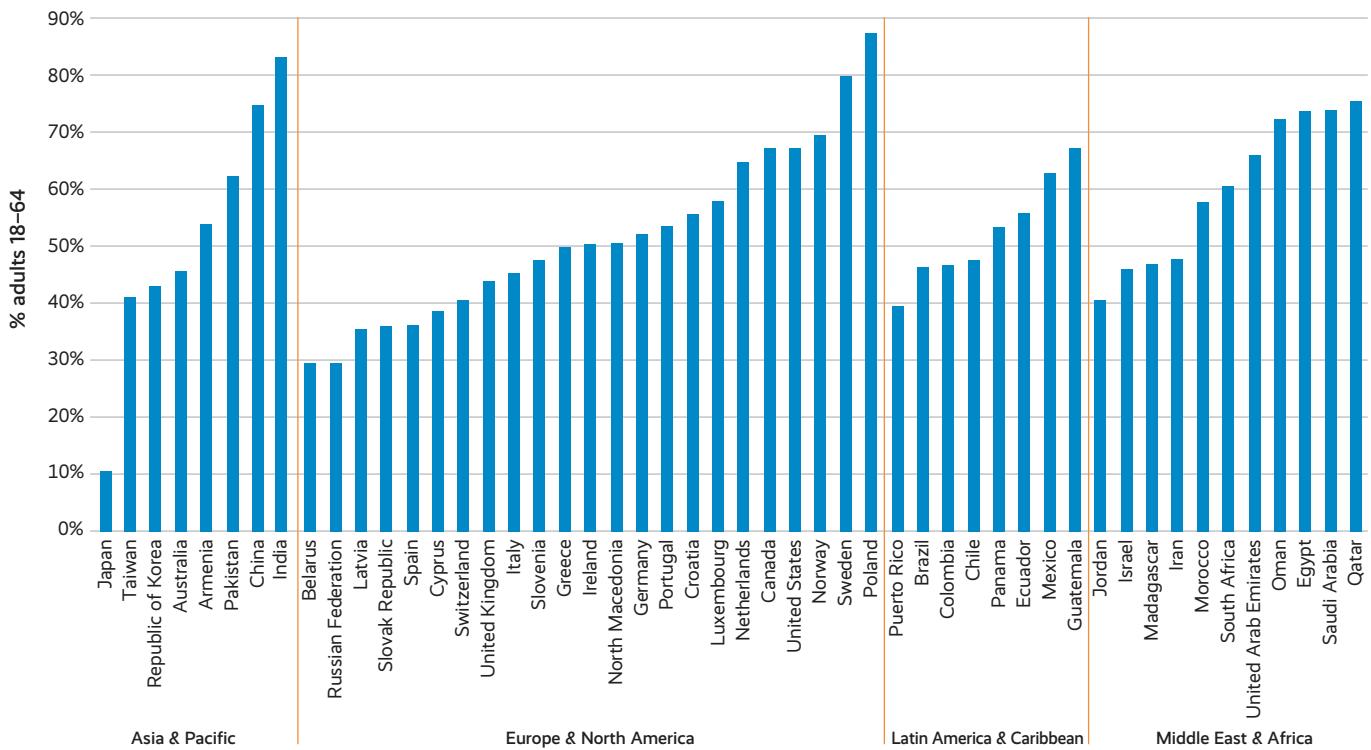


FIGURE 2.2

There are good opportunities to start a new business in my area (% adults)

Source: GEM Adult Population Survey, 2019

agreement are in Israel, Japan and the Slovak Republic, with each having less than one in four adults with this perception. Many parts of Europe are seen as the easiest places to start a business, with more than three out of four adults agreeing it is easy to start a business in Poland, Norway, the Netherlands, the United Kingdom and Sweden.

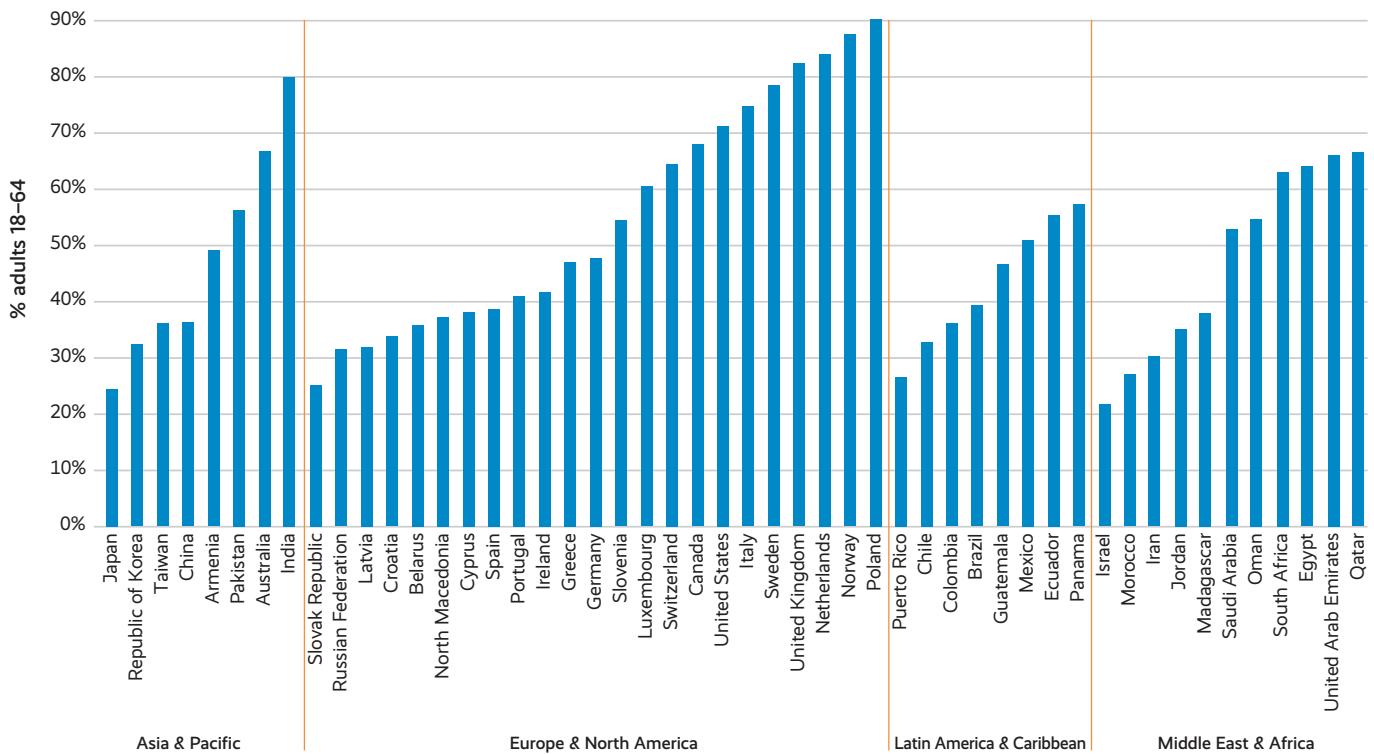
There appears to be little association between social and cultural foundations for entrepreneurship and income levels. Good opportunities to start a business are perceived by high proportions of adults in low-income Pakistan and high-income Qatar, and by low proportions of adults in high-income Japan and low-income Madagascar. Similarly, high shares of adults think it is easy to start a business in high-income Norway, the Netherlands and the United Kingdom, but low shares in high-income Japan, Republic of Korea, Puerto Rico, Chile and Israel.

It may be that some high-income economies have policies and conditions that foster entrepreneurship while others do not, even if the general business environment is highly developed. On the other hand, in some low-income economies there may be few constraints on business activity, while other economies have uncertain operating environments or other challenges, such as a shortage of value chain partners or weak markets

for their products. These aspects will be more fully explored by GEM National Teams in the development of national reports, combining data from this global report with local knowledge.

However, there is clearly some association between perceptions of opportunities and perceived ease of starting a business, with Japan and the Slovak Republic having low shares of adults in each and Poland and India having high shares of adults in each. Together these indicators may show whether people recognize opportunities and are empowered to act on them. Similarly, they also reveal the extent to which people perceive the environment as rich in opportunities, and the conditions that enable their pursuit.

Some economies show contrasting results between these two indicators. In the United Kingdom, for example, fewer than half of adults (44%) perceive good business opportunities, while almost twice as many (82%) believe it is easy to start a business, suggesting a good environment for entrepreneurship but relatively few opportunities. In China, by contrast, more than seven out of 10 adults see good opportunities, but less than half that proportion considers it is easy to start a business there. There may be lots of opportunities, but many hurdles to overcome in pursuing them.



2.2 SELF-PERCEPTIONS AND ENTREPRENEURSHIP

One important determinant of whether or not to start a business, and a significant influence on the success and longevity of that business, may be whether, and to what extent, individuals see themselves as potential entrepreneurs. To assess this, the GEM APS asks whether respondents agree that they personally have the knowledge, skills and experience to start a new business, and whether they see good opportunities but would not start a business for fear it might fail, with results shown in Figure 2.4 and Figure 2.5. In 38 out of the 50 economies, more than half of adults consider they have the skills, knowledge and experience to start a new business. Similarly, in 42 out of the 50 economies, less than half of those who see good opportunities would be deterred by fear of failure. Confidence in the ability to start a business is lowest in Japan and parts of Europe (Norway and the Russian Federation), and highest in India, Saudi Arabia, Ecuador and Guatemala.

The proportion of adults who agree that they see good opportunities, but would not start a business for fear that it might fail, is by far lowest in the Republic of Korea (7%), while the next lowest are in three European countries: Switzerland, the Netherlands and Italy. However, more than half of those who see good opportunities to start a business in India, Egypt, Jordan, Pakistan, Israel, Portugal and Croatia would not do so because of fear of failure. This is also the case in Chile, where capability perceptions run high, with three-quarters of adults reckoning they have the knowledge, skills and experience to start a business, but fear of failure may act as a constraint, given that nearly six out of 10 of those seeing good opportunities agree that they would be deterred by fear of failure.

FIGURE 2.3

In my country, it is easy to start a business (% adults)

Source: GEM Adult Population Survey, 2019

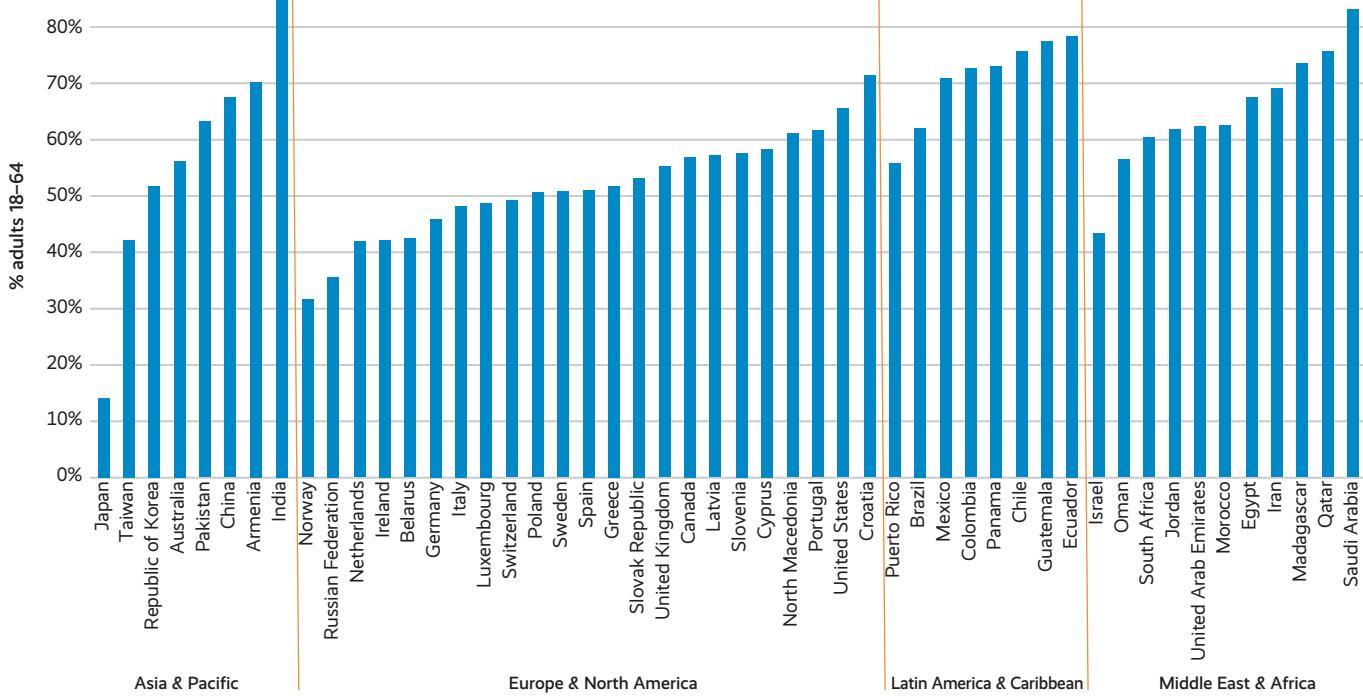


FIGURE 2.4 You personally have the knowledge, skills and experience to start a new business (% adults)

Source: GEM Adult Population Survey, 2019

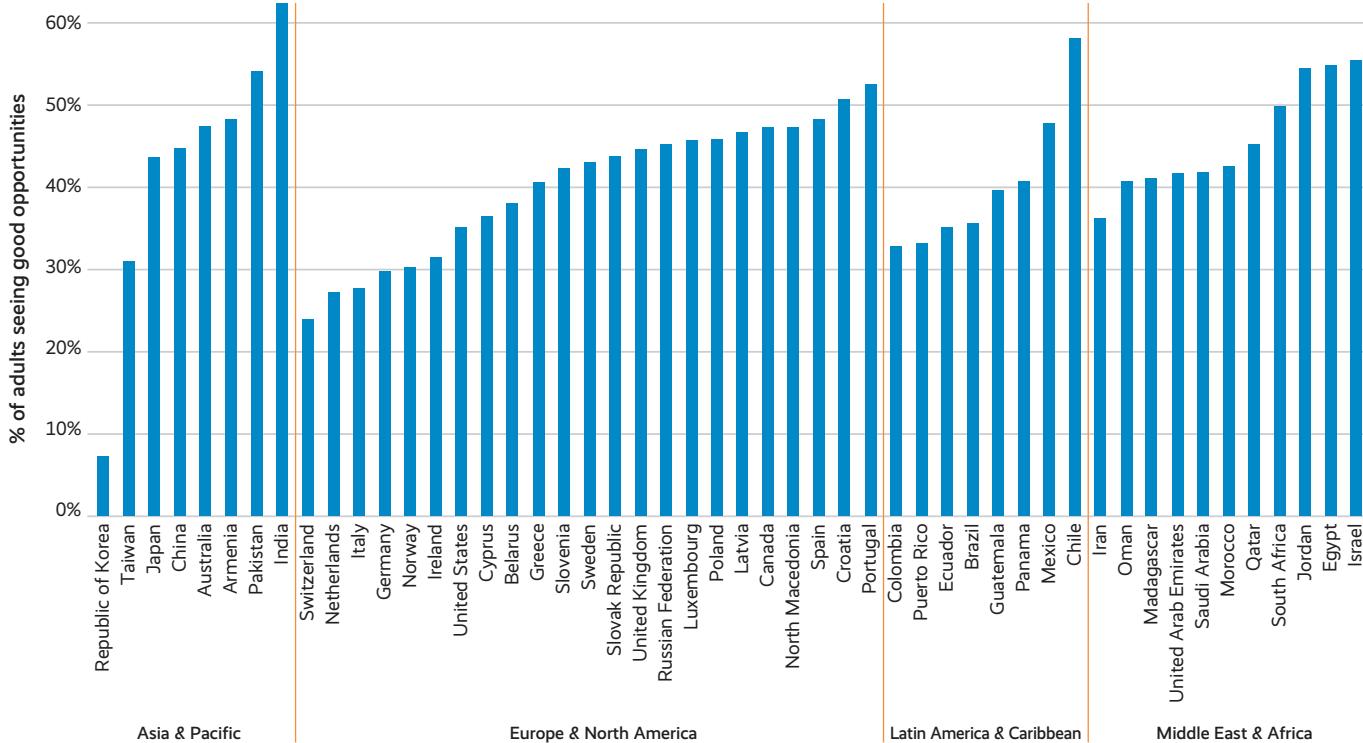


FIGURE 2.5 There are good opportunities, but would not start a business for fear of failure (% adults)

Source: GEM Adult Population Survey, 2019

ENTREPRENEUR HIGHLIGHT



Building a business around previous job experiences

Name: Vu Thuy Duong (Vietnam)

Business: The Amoris Joint Stock Company provides human resource solutions for businesses, including training, coaching and upgrading enterprise human resources.

What does being an entrepreneur mean to you? “Passion for community development. It is the joy of my life. I used to be the Director of HR at a big company, so I understand the personnel concerns of business owners, especially from small and medium-sized enterprises. I want to be part of the work that attracts, recruits and develops their personnel.”

2.3 ENTREPRENEURIAL TALENT

So far, the analysis has looked at social perceptions, including self-perceptions. Another influence on whether or not to start a business, and its prospects for success, may be the individual’s outlook or disposition: whether they are opportunistic, proactive or creative, and whether that individual has, and acts upon, a long-term career plan.

After extensive piloting,⁴ a set of new questions on individual outlook were added to the 2019 APS for the first time, and this section will summarize those first results. These questions invited respondents to agree or disagree with the following set of statements:

- You rarely see business opportunities, even if you are very knowledgeable in the area;
- Even when you spot a profitable opportunity, you rarely act on it;
- Other people think you are highly innovative;
- Every decision you make is part of your long-term career plan.

Questions about whether entrepreneurs see opportunities around them, and whether fear of

failure would prevent them from pursuing them, are more or less indicators of how people perceive their environment. Questions about whether one tends to recognize opportunities, and one’s tendency to act on them, are reflective of the level of positive disposition towards entrepreneurship, and illustrate the entrepreneurial potential of people in a society.

Figure 2.6 shows that fewer than three in 10 adults in Italy and the Netherlands agree⁵ that they rarely see business opportunities, compared to nearly seven out of 10 in four economies in the Middle East & Africa: Jordan, Egypt, Madagascar and Morocco, plus India. The proportion of adults agreeing that even when they spot an opportunity they rarely act was lowest in Ireland and Italy. However, more than seven out of 10 in Guatemala, Egypt and Norway agree that they rarely act when they see profitable opportunities. In general (35 out of the 50 economies), the proportion that rarely acts on profitable opportunities is higher than those who rarely see such opportunities, although with some positive correlation between the two.

⁴ GEM is grateful to Gorkan Ahmetoglu (<http://www.metaprofiling.com>) for assistance with the selection, testing and analysis of these new measures.

⁵ Recall that “agree” includes both “strongly agree” and “somewhat agree”.

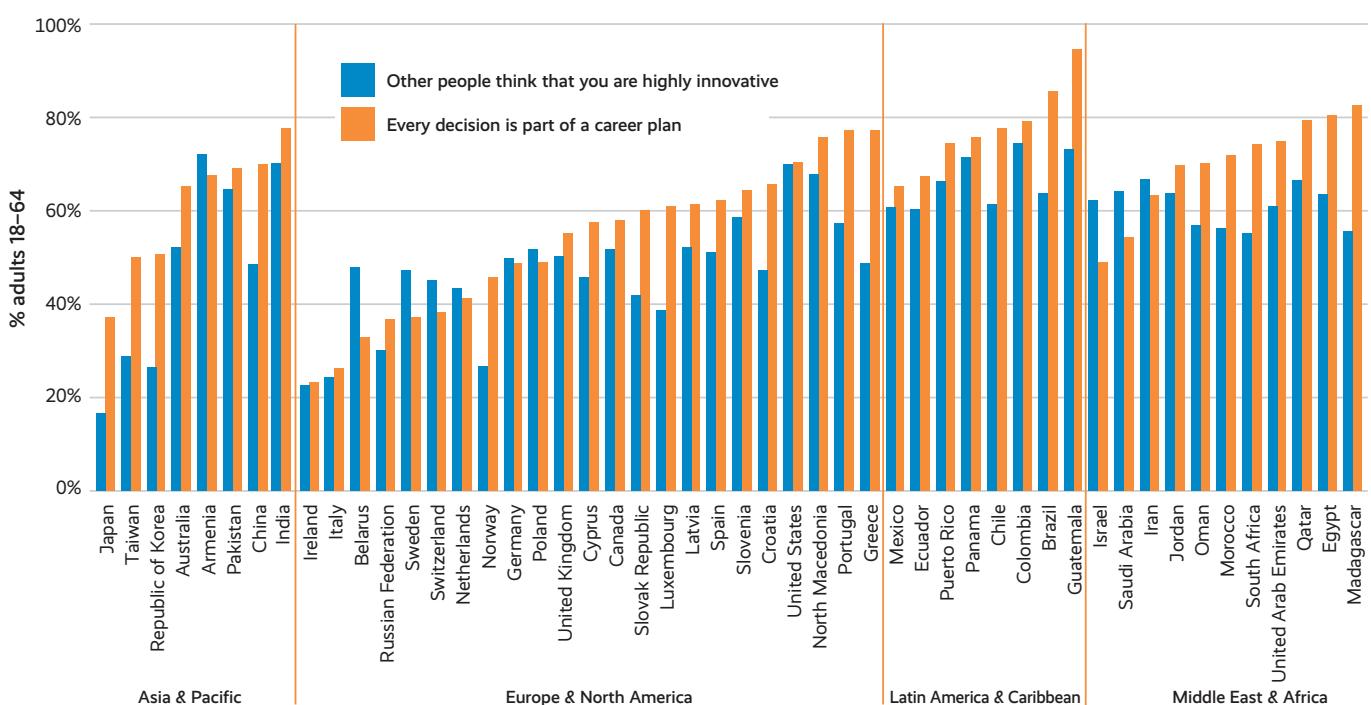
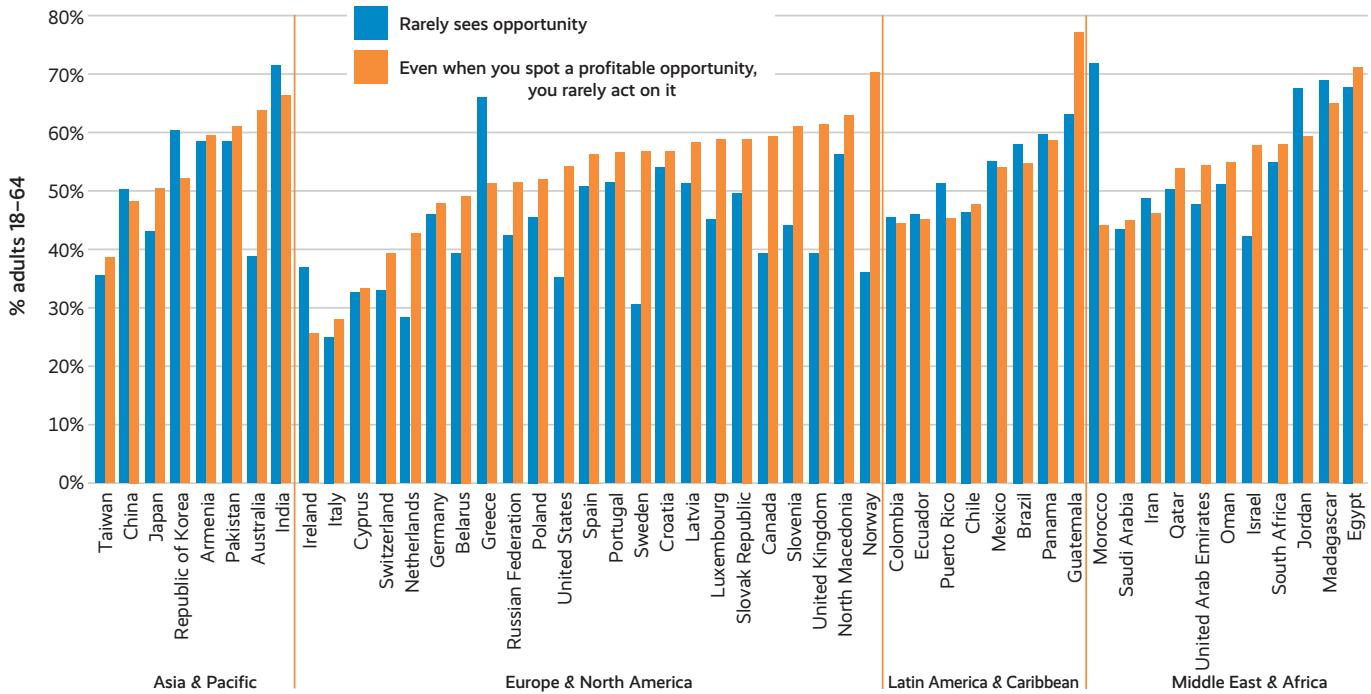


FIGURE 2.7 Innovation and long-term goals: % of adults agreeing that (a) other people think that you are highly innovative, and (b) every decision is part of a career plan

Source: GEM Adult Population Survey, 2019

People often start undifferentiated “me too” businesses, which are difficult to sustain in a competitive environment, and which give customers little compelling reason to buy. More innovative people, on the other hand, create the foundations for a unique, sustainable business, advancing and even transforming the business environment and improving people’s lives. Likewise, a long-term perspective is suggestive of a strategic approach to life, enabling the building of significant value over a career.

The proportion of respondents agreeing that they are thought by other people to be highly innovative ranges from less than one in four in Japan, Ireland and Italy to more than seven out of 10 in Colombia, India, Armenia, Guatemala and Panama. The proportions agreeing that they act according to some long-term career plan are generally higher than the proportions thought to be highly innovative, but range from less than one in four in Ireland and Italy to more than eight out of 10 in Guatemala, Brazil, Madagascar and Egypt. Once more, there is a high degree of correlation between the two.

While there are few people who rarely see opportunity in Italy, Ireland and Taiwan, and few who rarely act when they do see opportunity in the same economies, there are also very few in these economies who consider themselves to be seen by others as highly innovative. It is clear that attitudes and perceptions, including self-perceptions, vary considerably between and across economies, and that some of these differences may have substantial implications for the level and durability of entrepreneurial activity. These levels will be assessed in some detail in the next chapter.

This chapter has looked at attitudes towards entrepreneurship, self-perceptions in terms of capabilities and fear of failure, and disposition, characterized by opportunism and proactivity, as well as innovation and long-term planning. Each of these varies considerably between economies. The proportions of adults personally knowing an entrepreneur are highest in the Middle East & Africa and Latin America & Caribbean regions. Relatively few in Japan, Taiwan and the Republic of Korea see good opportunities to start a business, or consider this easy to do. The opposite is true of Poland and Norway, with high proportions of adults who both see good opportunities and consider it easy to start a business there. In all the sampled economies in the Latin America & Caribbean

ENTREPRENEUR HIGHLIGHT

Accept failure

Name: Carlos Angulo Del Pozo (Chile)

Business: **Skylope Aerial Intelligence Company** captures aerial data for companies in the non-conventional renewable energies, telecommunications and energy industries. The company undertakes analysis and management of big data thanks to its artificial intelligence and machine learning platforms.



What does being an entrepreneur mean to you? “It's more than just creating a successful business and earning money. It is a lifestyle, full of joy, risk, sadness and often times loneliness. But there is always light at the end of the dark tunnel. We are here to make big changes and create new and fair jobs. However, to do this normally means we have to fail first then recover and start over to be the disruptive entrepreneur.”

and Middle East & Africa regions (except Israel), more than half of adults see themselves as having the skills, knowledge and experience to start their own business, although throughout these economies a third or more of adults seeing good opportunities would be deterred by fear of failure. Almost seven out of 10 adults in Jordan, Egypt, Madagascar and Morocco agree that they rarely see business opportunities, compared to less than three out of 10 adults agreeing in the Netherlands and Italy.

Entrepreneurial Activity Across the Globe in 2019

3.1 LEVELS OF ENTREPRENEURIAL ACTIVITY IN 2019

This chapter reports on levels of entrepreneurial activity across the world. Economies differ considerably in terms of their engagement in entrepreneurial activities. Some of these differences reflect the way in which entrepreneurial activity manifests itself: in some economies there are large numbers of self-employed and startup activities; in other economies there are relatively more established and medium-sized firms; while in others entrepreneurial employees (often termed “intrapreneurs”) within existing companies are prevalent. As noted in Chapter 1, GEM takes a broad approach towards entrepreneurship. Accordingly, this chapter includes the following measures:

- The proportion of adults who are actively engaged in starting or running new businesses in each economy (Total early-stage Entrepreneurial Activity [TEA]);
- The proportion of adults owning and managing an established businesses;
- The sector distribution of entrepreneurship;
- The proportion of adults involved in Entrepreneurial Employee Activity (EEA) as part of their role in existing organizations.

These different manifestations of entrepreneurial activity each contribute to a sustainable economy in their own way. While startups mirror dynamism and potentially “creative destruction” (where new businesses challenge and replace obsolete ones), intrapreneurs can ensure continuous innovation in larger organizations. At the same time, owner-managers in established firms (mostly classified as small or medium-sized enterprises) often form an important backbone to an economy and society.

Recall that GEM’s measure of TEA represents the proportion of adults (aged 18–64) in an economy who are either actively engaged in

starting a new business (classed as Nascent Entrepreneur), or who are already running a new business (classed as New Business Owners). Nascent Entrepreneurs are those who have committed resources to starting a business but have not yet paid salaries, or any other payments, including to the founder(s), for three months or more. New Business Owners are those who have paid wages and salaries for three months or more, but not yet for 42 months, after which they are classed by GEM as Established Business Owners (EBOs).

Levels of TEA in the 50 economies participating in GEM 2019 are set out in Figure 3.1 in ascending order by region, together with the corresponding 95% confidence intervals.¹

Levels of TEA are lowest in Italy and Pakistan (with less than 4% of adults starting or running a new business), and in Poland, Belarus and Japan (each with just 5%). As Figure 3.1 shows, the Latin America & Caribbean region has the highest levels of TEA, with the six highest in the sample of 50 countries all from this region, headed by Chile and Ecuador, where more than one in three adults is starting and running a new business.

In a majority of economies, encouraging individuals to start a business is an important, and common, policy objective. However, turning those startups into long-term financially sustainable businesses is also important. The path from startup to maturity is not easy, and not all will make it, but the ones that do contribute to the economy by providing stable jobs and incomes, as well as by producing goods and services that people continue to buy.

¹ GEM data are based on a sample taken from a much larger population. The 95% confidence interval means that there is a 95% chance that the true (unknown) population value lies within this interval. The larger the sample, the narrower the confidence interval.

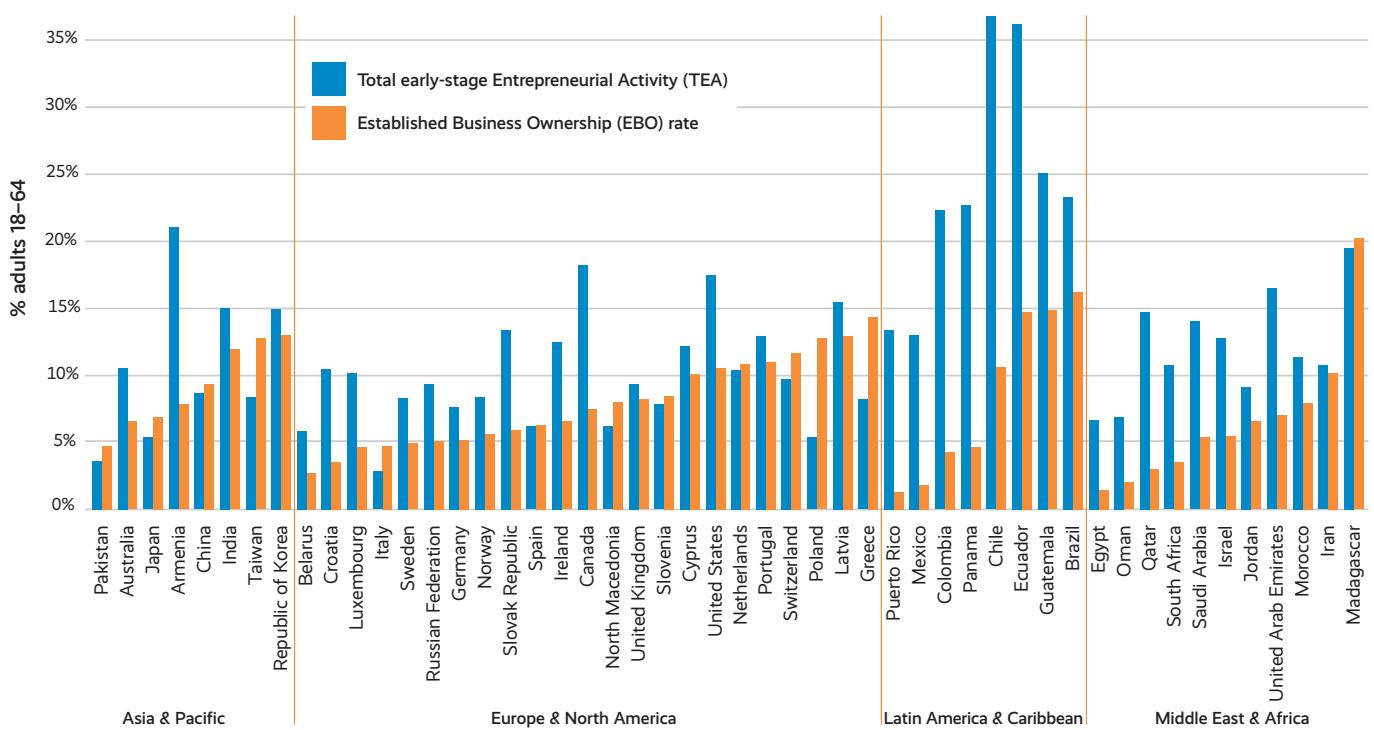
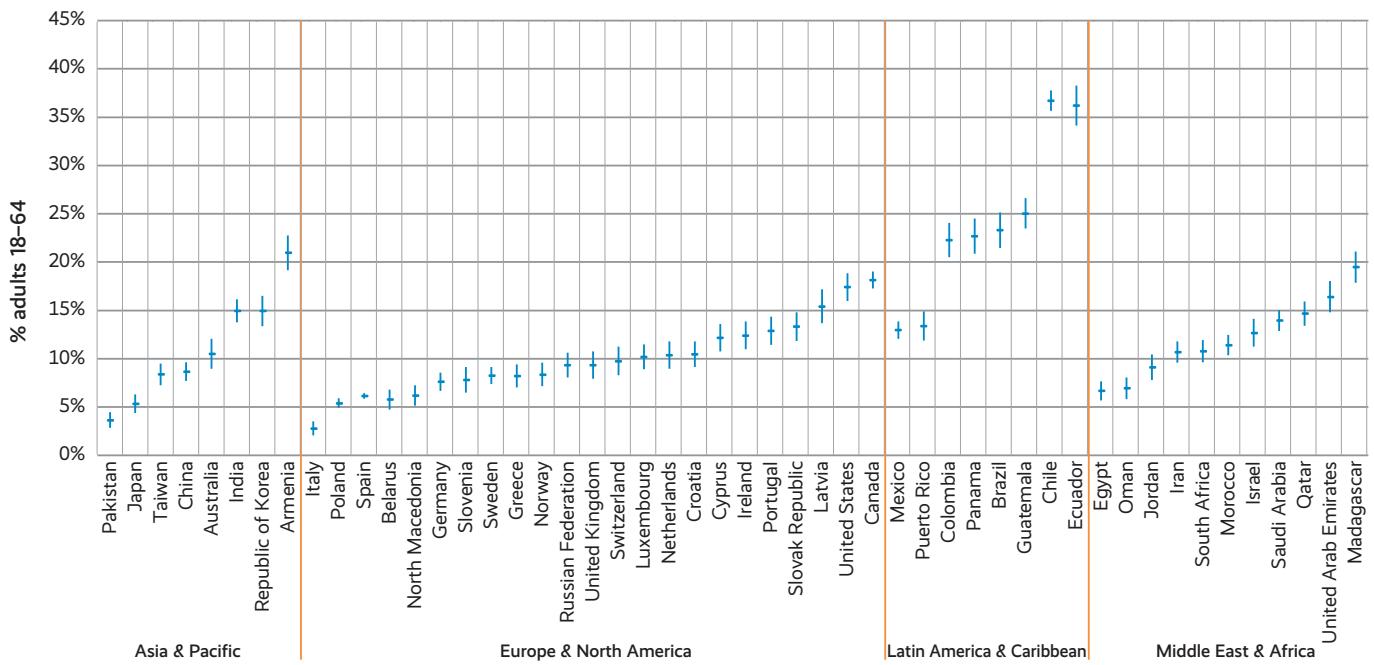


Figure 3.2 shows, for each economy in 2019, both the level of TEA and the level of EBO, each expressed as a percentage of the adult working-age population. A low ratio of early-stage to established business activity might indicate potential difficulties in replenishing an economy's business base in the future. On the other hand, a very high ratio of early-stage to established business activity might indicate interest in starting businesses but difficulties in transitioning these into established businesses. In such cases, people may be starting businesses for short-term financial gain, or as a stopgap pending other options, rather than with the objective of developing them into sustainable businesses. Alternatively, the business environment may simply not be conducive to enabling that development over time. On the other hand, entrepreneurship rates may be on the increase, and these may not yet be reflected in the established business rate.

Figure 3.2 shows that a majority of economies have higher levels of early-stage entrepreneurship than established business ownerships, with a distinct time lag in conversion. In nine economies, the level of TEA is more than three times the level of EBO. This includes four in the Middle East & Africa (Egypt, South Africa, Oman and Qatar) and five in Latin America & Caribbean (Mexico, Puerto Rico, Colombia, Panama and Chile). At the other end of the scale, 12 economies have levels of TEA that are lower than the corresponding level of EBO (including eight from the Europe & North America region: Italy, Poland, Spain, North Macedonia, Slovenia, Greece, Switzerland and the Netherlands, plus Madagascar, Pakistan, Japan and Taiwan).

3.2 ENTREPRENEURIAL ACTIVITY AND INCOME LEVELS

In wealthier economies, individuals are more likely to have access to the resources necessary for successful startup activity. On the other hand, in lower-income economies, individuals may have greater motivation to start a business in the absence of alternative income sources. Additionally, developing economies may have less intensive competition plus growing demand for new products and services in line with the aspirations of the population. One outcome of these complex relationships is that high-income economies tend to have lower levels of TEA,

ENTREPRENEUR HIGHLIGHT

An ongoing journey

Name: Jenny Rahamefy Razanamaholy
(Madagascar)

Business: **Blossomed** is a private school located in Ambohimailala for students from nursery age to twelfth grade. All classes are in English and use an American programme.



What does being an entrepreneur mean to you? Every startup has challenges. Jenny needed to convince parents about the quality education her school could provide students. There are 85 students now in her school and this is just a starting point for her. To aspiring entrepreneurs, she advises: "When you have a project, start it. Don't procrastinate. Start with what you can, but have a huge vision."

while lower-income economies may have levels anywhere from very low to very high, which may be dependent on the ease of starting and developing businesses in that economy.

Both of these assertions find some support in GEM data for 2019. Figure 3.3 shows the level of TEA for each economy in ascending order by

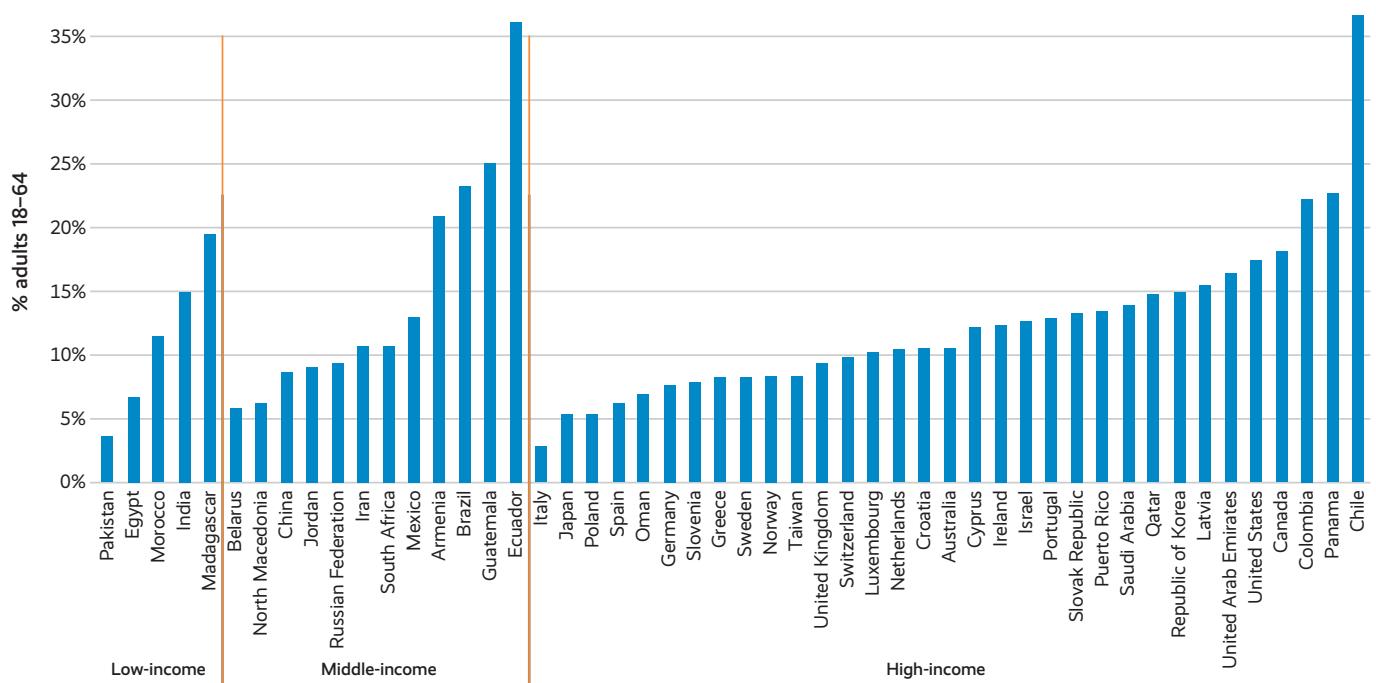


FIGURE 3.3 Total early-stage Entrepreneurial Activity (% adults 18–64), grouped by income level

Source: GEM Adult Population Survey, 2019

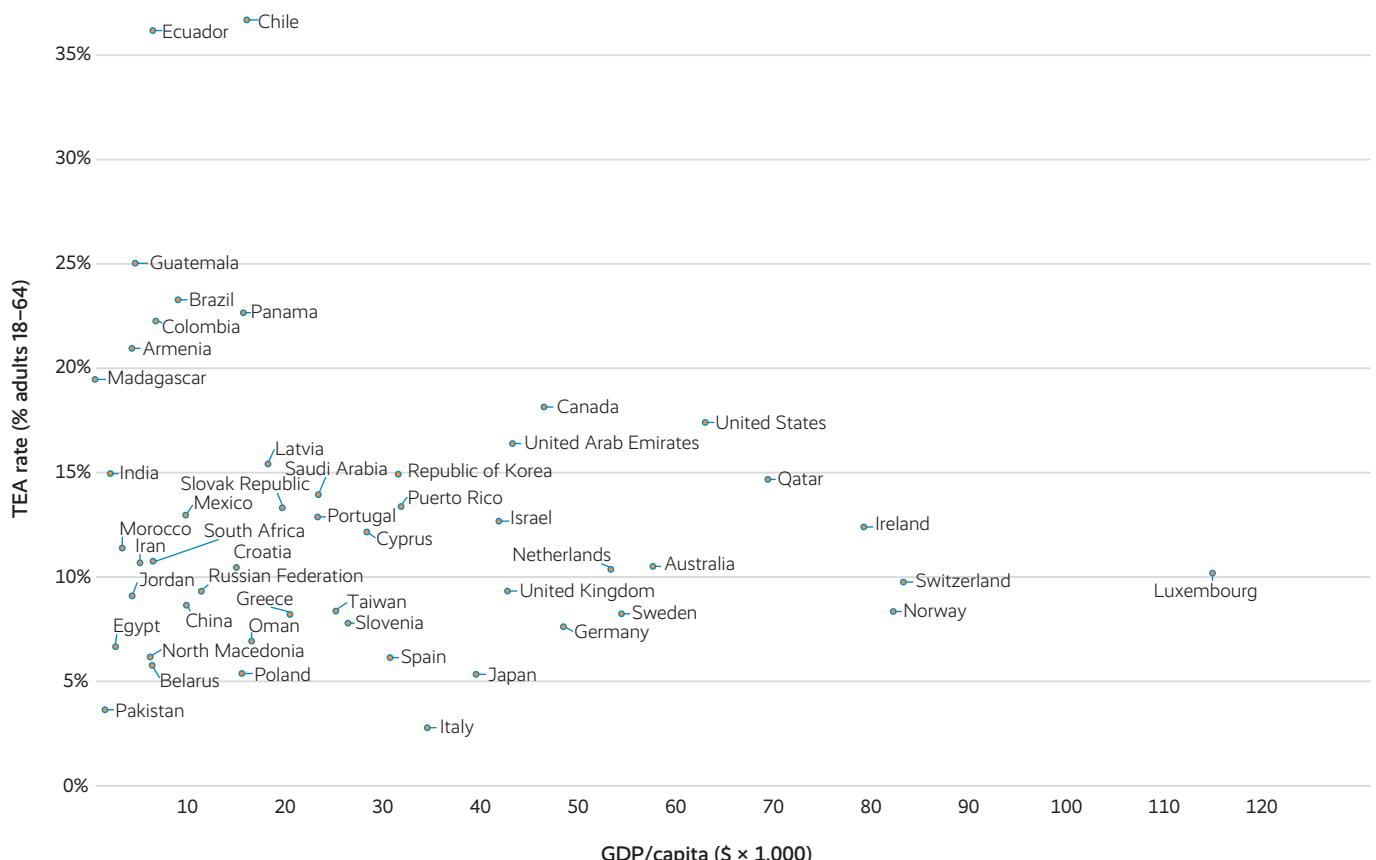


FIGURE 3.4 TEA rates and GDP/capita

Source: GEM Adult Population Survey, 2019 and World Economic Forum www.weforum.org/gcr

the three income groups introduced in Chapter 1. Recall that in 2019 there are five GEM-participating economies rated as low-income, 12 classed as middle-income, and 33 as high-income.

As anticipated, the level of TEA is highly variable in the low- and middle-income economies (from 4% in Pakistan to 19% in Madagascar in the former, and from 6% in Belarus to 36% in Ecuador in the latter). It is also more stable (and usually lower), in the high-income

group, with the notable exception of Chile, which is in the high-income group but with very high levels of TEA. Of the 33 economies in the high-income group, 26 have a TEA rate that is less than 15%.

The complex relationship between levels of national income and entrepreneurship is confirmed in Figure 3.4, which simply plots gross domestic product (GDP) per capita (using WEF data) in the 50 economies against levels of TEA.

3.3 THE SECTOR DISTRIBUTION OF ENTREPRENEURIAL ACTIVITY

Economies vary considerably in their sector composition, and this is reflected in distribution of new entrepreneurship. More importantly, the sector distribution of new businesses may signal change in the overall economy, as new sectors emerge and grow and older ones stagnate or decline. Starting a business in a new and growing sector will enhance that business's ability to grow and prosper. People may be influenced to start their businesses in sectors with abundant natural resources, human and financial capital, growing markets, low entry barriers, government support and other factors that can enable them to thrive.

The GEM Adult Population Survey (APS) classifies new entrepreneurial activity into four

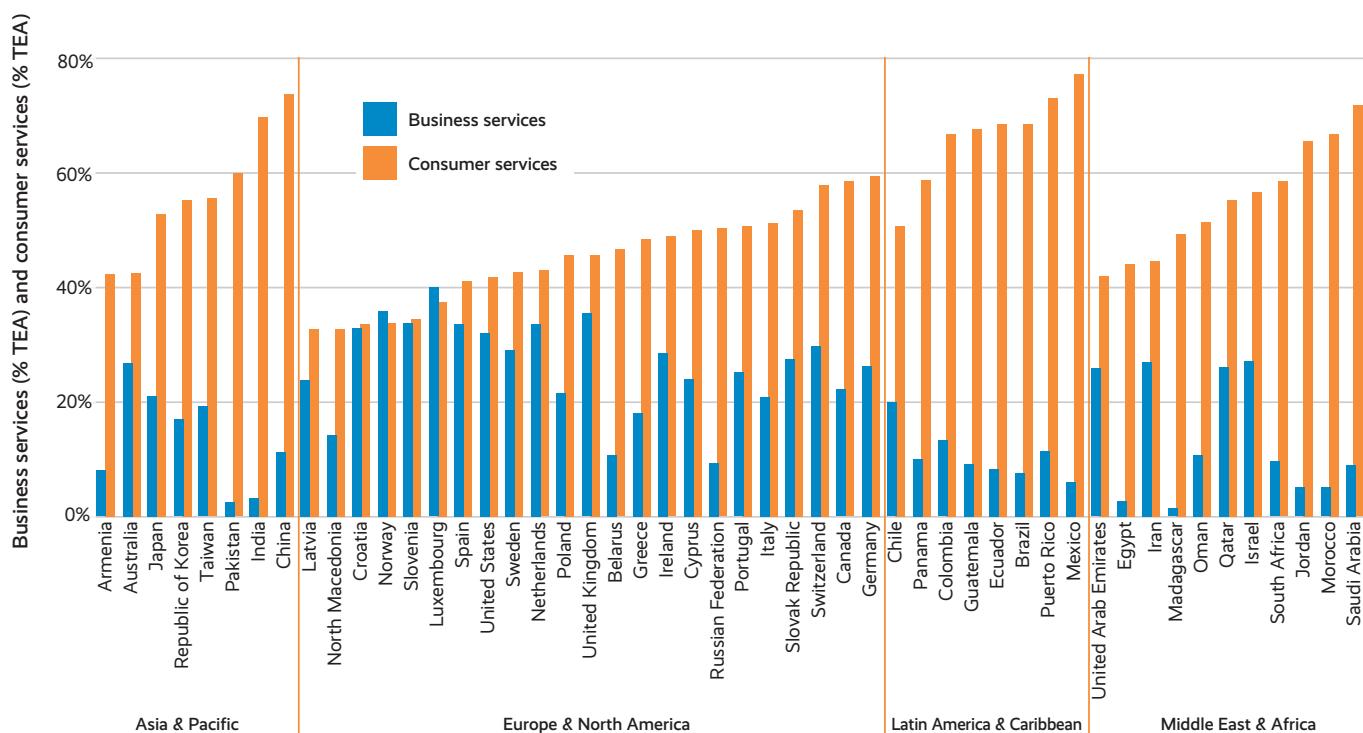
broad sectors: Extractive, including agriculture and mining; Transformative, including manufacturing and logistics; Business Services, including ICT and professional services; and finally Consumer Services, including retailing, restaurants and personal services.

Of the 50 economies surveyed in 2019, 29 have less than 5% of their new entrepreneurs in the Extractive sector, including six with less than one in a hundred. For a small number of individual economies, Extractive sector entrepreneurs are important, representing one in four or more in Madagascar and Armenia. Results for the Transformative sector are more varied, from around one in 10 in Switzerland

FIGURE 3.5

Business services and consumer services as % TEA

Source: GEM Adult Population Survey, 2019



and Germany to one in four in Latvia and Egypt.

The distinction between Business and Consumer Services is an important one in the analysis of new entrepreneurial activity. Many Consumer Services are relatively low-cost, with low entry barriers (such as coffee shops, taxi services, hairdressing, tailoring, etc.) but can therefore be fiercely competitive, with low margins and considerable churn (high rates of entry and exit). Business Services entrepreneurial activities tend to be more technology- or knowledge-intensive and more difficult to replicate, also leading to more durability. One of the key transformations in developed economies in past decades has been the growth of Business Services and the (relative) decline of Consumer Services. Of course, any economy always has room for a better coffee shop, but this is likely to be at the expense of existing providers.

Emerging economies tend to have low proportions of Business Services entrepreneurs, and this is clear in Figure 3.5, with less than one in 10 in Business Services in the five African countries (Madagascar, Egypt, Jordan, Morocco and South Africa), in Armenia, Pakistan, Mexico, Brazil, Ecuador, Guatemala and the Russian Federation, but also in Saudi Arabia. Economies with more than two in 10 new entrepreneurs in Business Services include Japan, the United Arab Emirates, Qatar, Australia, Iran and Israel, as well as the whole of Europe & North America except the Russian Federation, Belarus, North Macedonia and Greece.

Consumer Services paint a very different picture, providing seven out of 10 new entrepreneurs or more in India, China, Puerto Rico and Mexico, but also in Saudi Arabia. The lowest proportions of Consumer Services among new entrepreneurs are in Norway, Latvia, Croatia and North Macedonia.

ENTREPRENEUR HIGHLIGHT

The power of perseverance

Name: Luka Topolovec (Slovenia and the UK)

Business: Equaleyes Solutions is an award-winning software development company with core areas of expertise in web and mobile development and UX/UI design. Equaleyes Solutions builds mobile digital products, and develops, manages and maintains web systems with millions of monthly users.



What does being an entrepreneur mean to you? “It means hard work, perseverance, boldness, constant firefighting and motivation. It’s a carrot that dangles in front of you, especially when you imagine the company’s bright future. It pushes you out of your comfort zone and gives you a feeling of progress and excitement.”

3.4 ENTREPRENEURIAL EMPLOYEE ACTIVITY AND SPONSORED ENTREPRENEURSHIP

Although entrepreneurship is often seen as a solitary activity, in practice much entrepreneurial activity is conducted with, and for, others. One example of this is the entrepreneurial employee (“intrapreneur”), who identifies, develops and pursues new business activities as part of their job. The GEM APS asks whether individuals are developing new activities for their employer, such as developing or launching new goods or services, or setting up a new business unit (Entrepreneurial Employee Activity: EEA). Figure 3.6 reports the results, with those developing new activities as part of their job ranging from less than 1% of adults in 16 of the 50 economies (at least two from each region), up to 5% of adults or more in 15 economies, mainly from Europe.

The GEM APS in 2019 introduced a new question which asked, “Are you, alone or with others, currently the owner of a business you help manage for your employer as part of your main employment?” Combined with existing questions, this enables identification of nascent, new and established business owner-managers

whose business is autonomous or independent of a larger business, and those whose business is sponsored through shared ownership with the individual’s employer. One intention of this question is to enable levels of entrepreneurship to be balanced against levels of intrapreneurship in a more informed way.

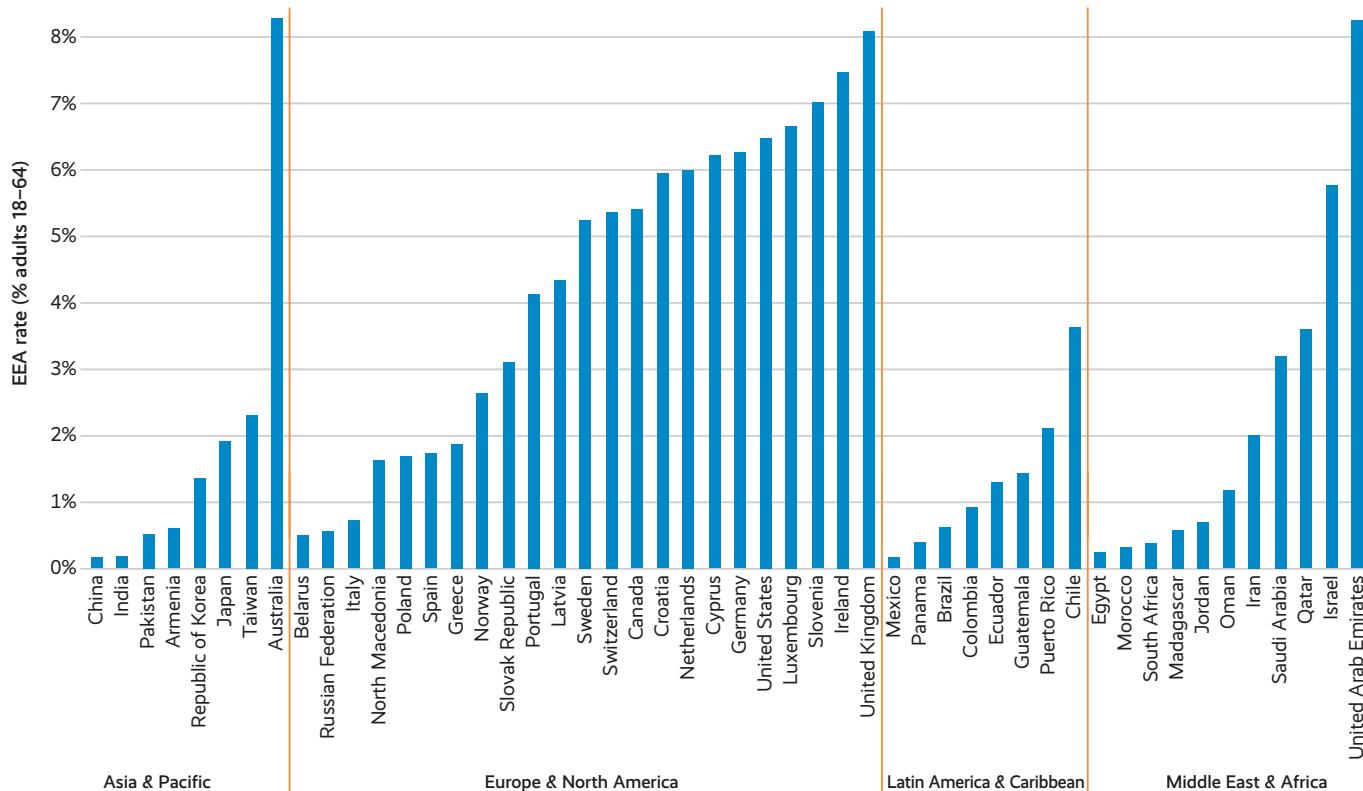
The proportion of sponsored TEA varies from just under 6% in Brazil to more than 98% in Oman (where a local partner is required for any new business). In 13 out of the 50 economies, more than half of those who are starting or running a new business are sponsored by their employer.

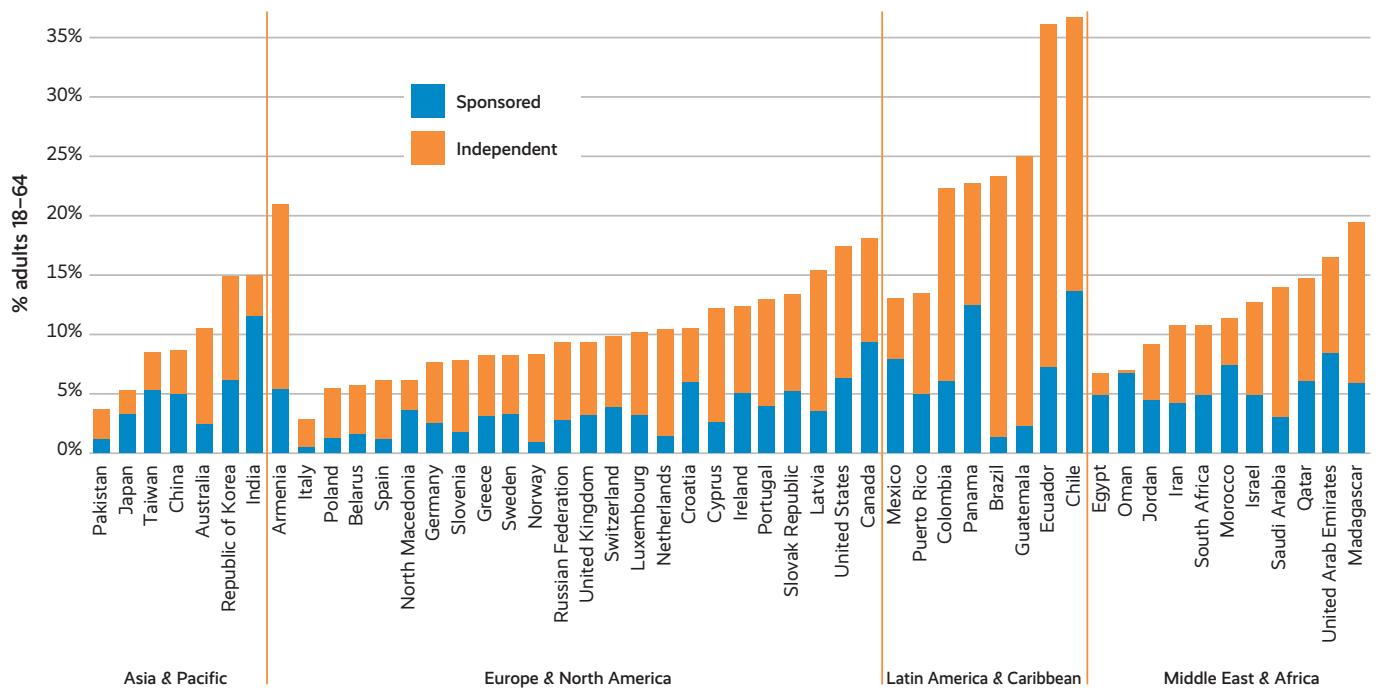
Full results for the 50 economies are exhibited in Figure 3.7, showing both the levels of sponsored TEA and independent TEA in each economy. Economies with the highest levels of independent entrepreneurial activity, as a percentage of adults, are all in the Latin America & Caribbean region (Ecuador 29%, Chile and Guatemala both 23%, and Brazil 22%). The lowest levels of independent entrepreneurship are in Oman, Egypt and Japan (all 2% or less).

FIGURE 3.6

Employee
Entrepreneurial
Activity (% adults)

Source: GEM Adult
Population Survey, 2019





This chapter has used the APS results to describe levels of entrepreneurial activity at economy level across the globe, and the relationship between this activity and an economy's level of income. The Latin America & Caribbean region had the highest levels of TEA in the GEM sample of 50 economies, with the lowest levels being in Pakistan and in Italy. The association between new entrepreneurship and established business ownership, both of which are essential to a vibrant economy, was explored via evidence, as was the sector distribution of entrepreneurship. Established business ownership involved less than 2% of adults in

Puerto Rico and Mexico, but around one in five adults in Madagascar and Brazil. Consumer Services was the sector of choice for seven out of 10 entrepreneurs in India, China, Puerto Rico, Mexico and Saudi Arabia. Finally, levels of employee entrepreneurial activity and sponsored entrepreneurial activity were measured and assessed. Levels of intrapreneurship were highest in Australia, the United Kingdom and the United Arab Emirates, but lowest in China, India, Mexico and Egypt. Independent (not sponsored) TEA was highest in the Latin America & Caribbean region, but less than 2% of TEA in Oman, Egypt and Japan.

FIGURE 3.7
Sponsored and independent TEA (% adults)
Source: GEM Adult Population Survey, 2019

Motivations and Aspirations: Why Do People Start or Run a Business?

4.1 INTRODUCTION AND SOME CHANGES

As noted earlier, there may be almost as many reasons for starting a business as there are people willing to start them. These can include striving to make a difference, seeking higher income and wealth, the desire for independence and autonomy, continuing a family tradition, or simply the lack of alternative job options. These reasons matter, and illustrate the overall socio-economic conditions in which individuals operate: for example, if there is a strong desire for independence or if jobs are seen as scarce. Similarly, the expectations and aspirations of those starting a business are important, including how many people they expect to employ, the anticipated scope of the customer base (e.g. the local area, rest of country, abroad), the proportion of revenue expected from international sales and, finally, the novelty of the business's products or services, and the technology and processes it uses. All of these dimensions will be considered in this chapter.

Since its inception, GEM has distinguished between opportunity and necessity as primary motivations for entrepreneurial activity. However, there has been growing recognition that this dichotomy may not fully reflect the nuances in motivations for founding contemporary startups. Following extensive debate, review and piloting, some significant changes were incorporated into the 2019 GEM Adult Population Survey (APS) to allow a more nuanced approach.

This 2019 Global Report delivers the first results of this major revision in GEM's approach to motivation. In the 2019 GEM APS, respondents actively engaged in starting or running a business were asked to assess the following statements

concerning their motives for starting their business:¹

- To make a difference in the world;
- To build great wealth or very high income;
- To continue a family tradition;
- To earn a living because jobs are scarce.

Interviewees could choose on a five-point Likert scale from strongly agree, somewhat agree, neither agree nor disagree, somewhat disagree and strongly disagree. In the charts that follow, those choosing somewhat agree/strongly agree are shown as a proportion of Total early-stage Entrepreneurial Activity (TEA) in each economy. Note that respondents were able to somewhat agree/strongly agree with as many motives as they chose. In Figure 4.1 economies are arranged by region in alphabetical order — the same order is maintained in the other three charts to enable visual comparison for each economy.

The proportion of those engaged in TEA who agree² with the motive "To make a difference in the world" is highly variable, from less than one in 10 in some economies, but more than seven out of 10 in South Africa, India, Guatemala and Panama. This is tangible evidence of the emergence of purpose-driven businesses. "To build great wealth or very high income" is still a very common motivation, agreed with by more than eight out of 10 of those starting or running a new business in Iran, Qatar, Pakistan, India and Italy, but by less than two in 10 in Norway and

¹ Autonomy and independence were not included as a motive, because pre-testing showed that this was a universal motivation common to virtually all early-stage entrepreneurs.

² In the text that follows, "agree" includes "somewhat agree" and "strongly agree".

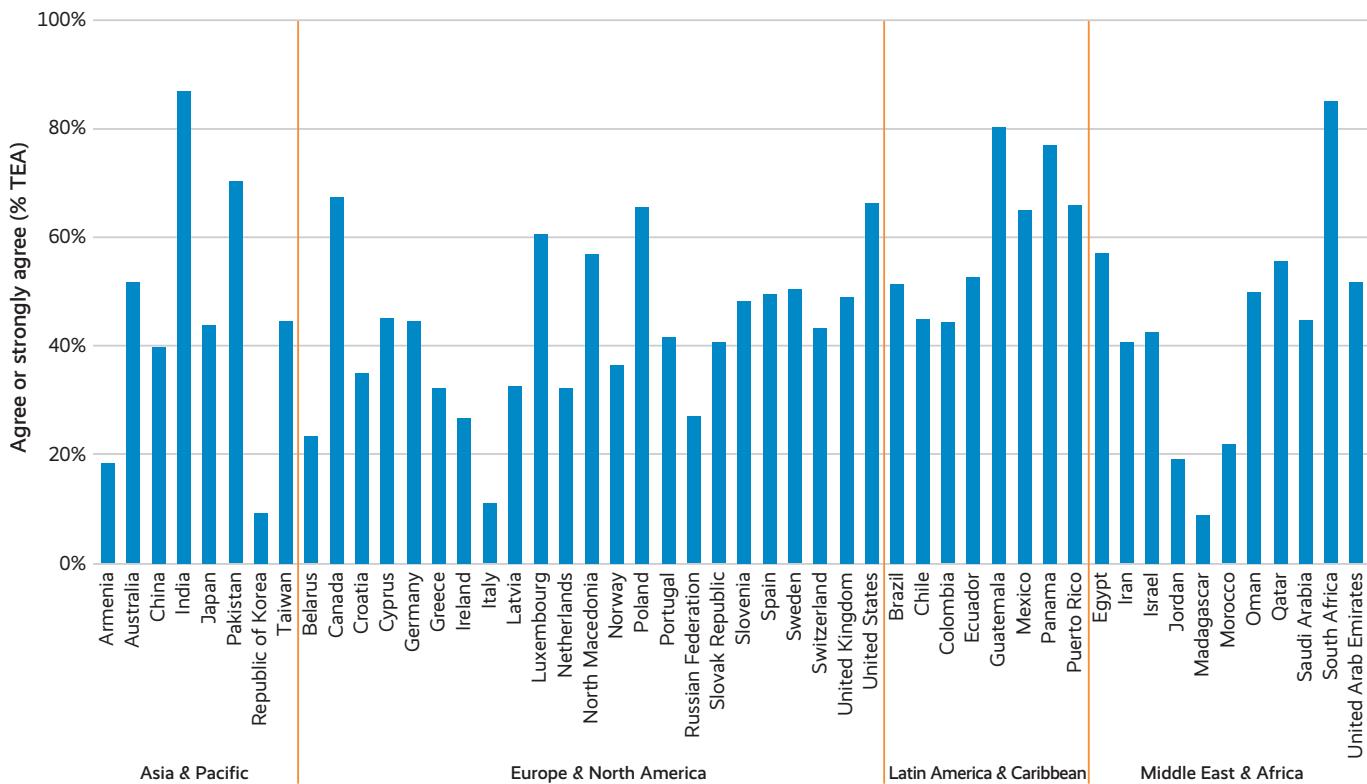


FIGURE 4.1 “Motivation to make a difference in the world”: somewhat/strongly agree as % TEA

Source: GEM Adult Population Survey, 2019

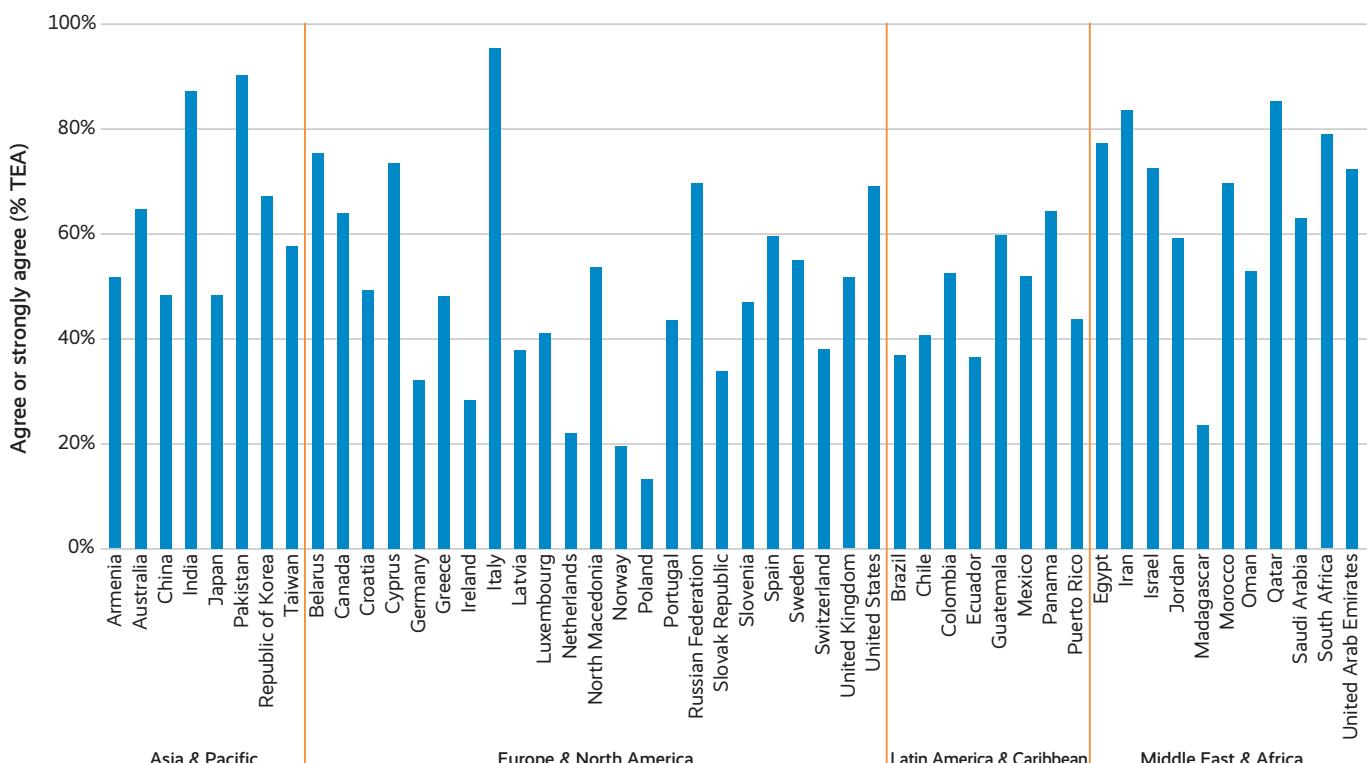


FIGURE 4.2 “Motivation to build great wealth or very high income”: somewhat/strongly agree as % TEA

Source: GEM Adult Population Survey, 2019

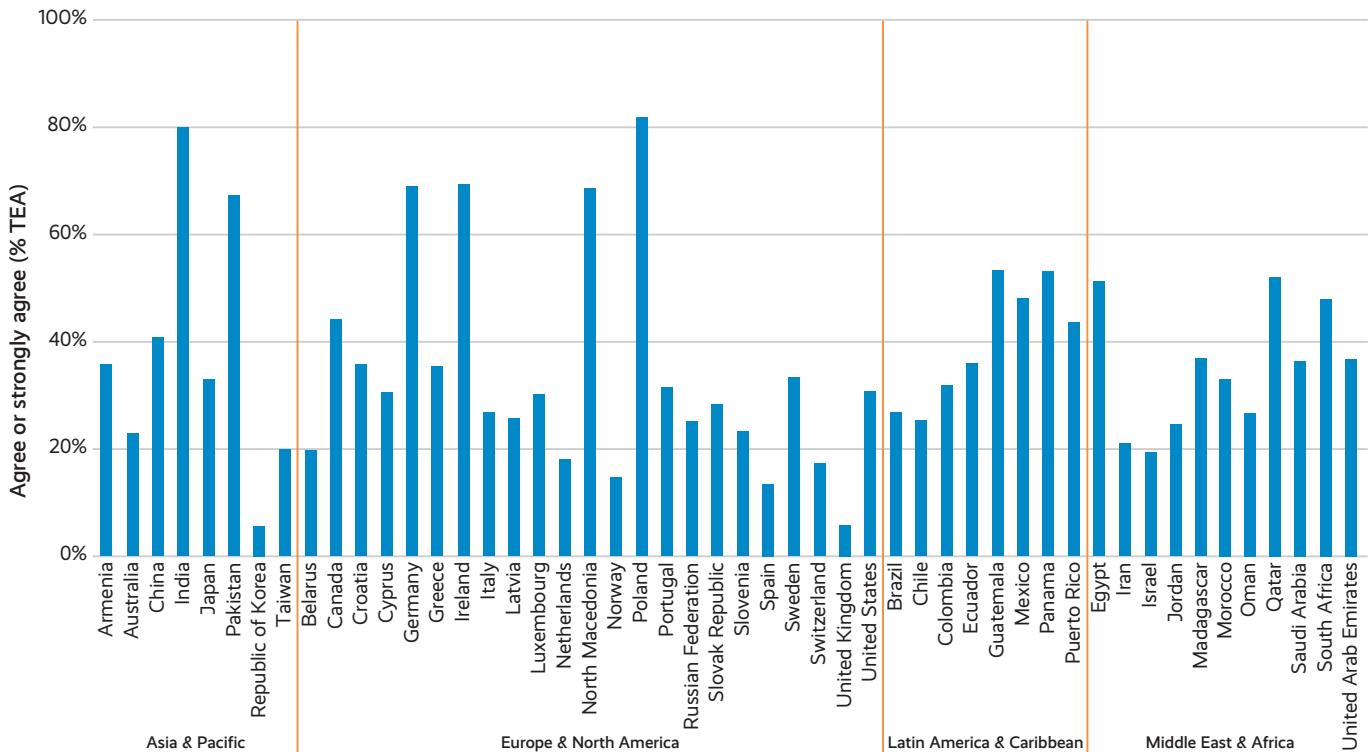


FIGURE 4.3 “Motivation to continue a family tradition”: somewhat/strongly agree as % TEA

Source: GEM Adult Population Survey, 2019

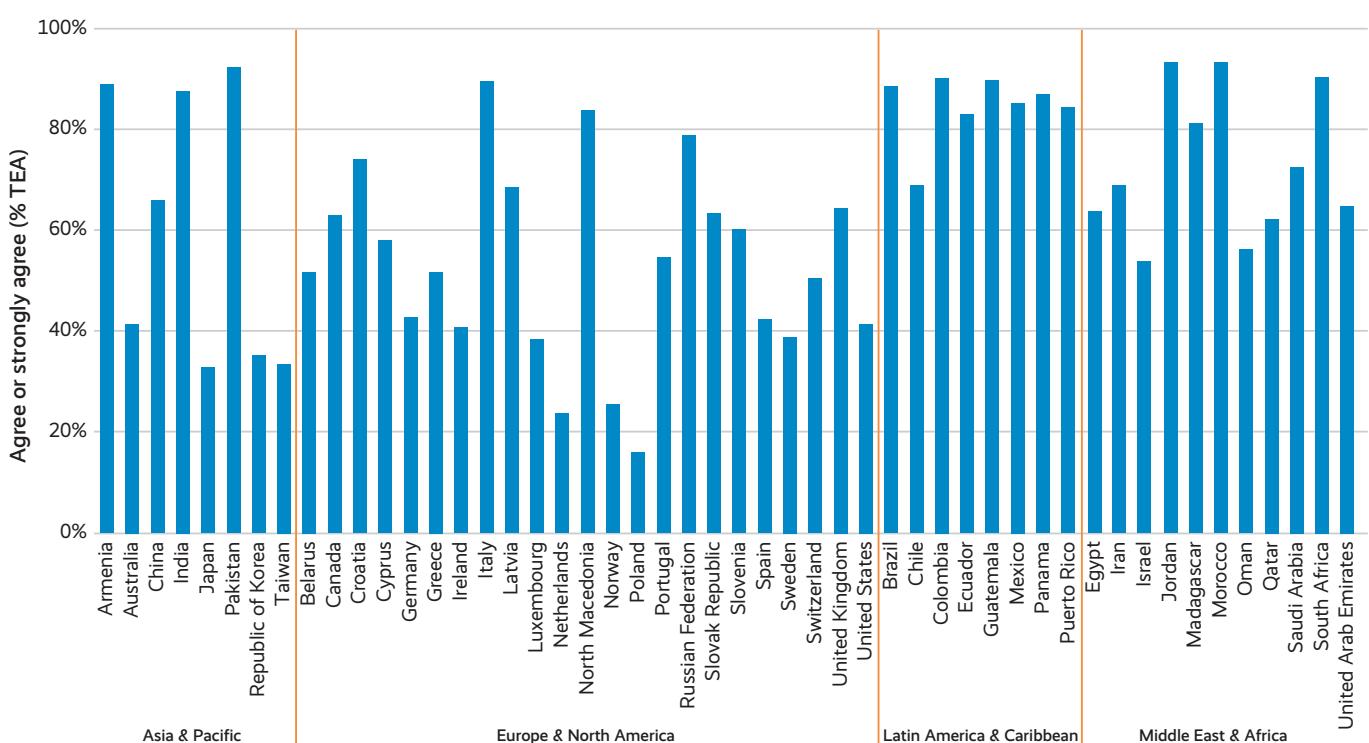


FIGURE 4.4 “Motivation to earn a living because jobs are scarce”: somewhat/strongly agree as % TEA

Source: GEM Adult Population Survey, 2019

Poland. This motive has the highest share of TEA for 15 of the economies.

Responses to the motive “To continue a family tradition” also vary considerably, with the proportion of entrepreneurs agreeing with this motive at less than one in 10 in both the Republic of Korea and the United Kingdom, but around eight out of 10 in Poland and India. This motive has the highest share in TEA in three economies: Poland, Germany and Ireland. The final motive, “To earn a living because jobs are scarce”, is agreed with by less than two in 10 of those engaged in TEA in Poland. Elsewhere this is a frequent choice, with over half of entrepreneurs agreeing in 35 of the economies, but it is especially common in the Latin America & Caribbean region, where no country has less than two out of three agreeing with this motive.

There is substantial variation in motivations across economies, sometimes between neighbours, and some commonalities between vastly different economies. For example, consider the United States compared to Italy and the Republic of Korea. Both the Republic of Korea and Italy have just one in 10 entrepreneurs agreeing they started the business to make a difference, compared to two out of three in the United States. At the same time, three out of 10 in the United States and Italy agree they are continuing a family tradition, compared to just one in 20 in the Republic of Korea. Finally, four out of 10 entrepreneurs in both the United States and the Republic of Korea agree that they have started the business because jobs are scarce, compared to nine out of 10 in Italy.

Taking all this data together, different economies tend to have unique profiles of motivations, though there are some weak regional differences, such as the high prevalence in Latin America & Caribbean of the motive “To earn a living because jobs are scarce”, noted above. The relationship with income level is also weak, with the need to earn a living appearing as a frequent motivation in some high-income as well as middle-income economies. However, the motive “To build great wealth or very high income” has the highest share of agreement among those

ENTREPRENEUR HIGHLIGHT

Social responsibility

Name: Lydia Leu-Sarritzu (Luxembourg)

Business: **BLANLAC** is a fashionable and ethical shoe brand. Lydia Leu-Sarritzu and her sister Sophia create stylish animal-free shoes that combine elegance, quality and comfort. Their models are carefully hand-crafted in Italy using local, innovative, high-quality fabrics that are plant-based and manufactured with the highest respect for the environment.



What does being an entrepreneur mean to you?

“I didn’t start the business to be an entrepreneur. I really just wanted better shoes!”

starting or running a new business in a majority of the economies in the Asia & Pacific and Middle East & Africa regions, but none of the economies in Latin America & Caribbean. Four of the five economies with highest shares of agreement for the motive “To continue a family tradition”, and none of the five economies with highest share for “To make a difference in the world”, are from Europe.

4.2 GENDER AND MOTIVATION

Are there gender differences in the motivation for starting or running a new business? If there are, this may suggest differences in the nature or sustainability of these businesses. Are men likely to be more motivated by financial gain, or “To build great wealth or very high income”, and are women more interested in non-financial matters or “To make a difference in the world”, or does simply posing these questions reflect an inherent gender bias?

Data from the 2019 GEM APS also allow us to see the proportion of men and women starting or running a new business who agree with the four statements on motivation outlined in the previous section. To assess any gender differences in motivation, for each of the four motives the proportion of women starting a business that agree with each in a particular economy was deducted from the corresponding proportion of men. A positive result shows that the proportion of men starting a business and agreeing with that motive is higher than that of women, implying that that motive is more important to men than to women. Figure 4.5 provides details concerning the first motive “To make a difference in the world” for each economy participating in the GEM 2019 research.

The figure shows that for 14 of the economies, the proportion of men involved in TEA who agree with the motive “To make a difference in the world” exceeds that of women, but for the other 36 economies the proportion is less. So, in the majority of these economies, women more often than men agree that they started a business because they want to make a difference in the world. On this evidence, women entrepreneurs appear more purpose-driven than men.

The process was repeated for the other three motives, with results for all four set out in Table 4.1, simply counting the number of economies for which this gender difference is positive or negative.

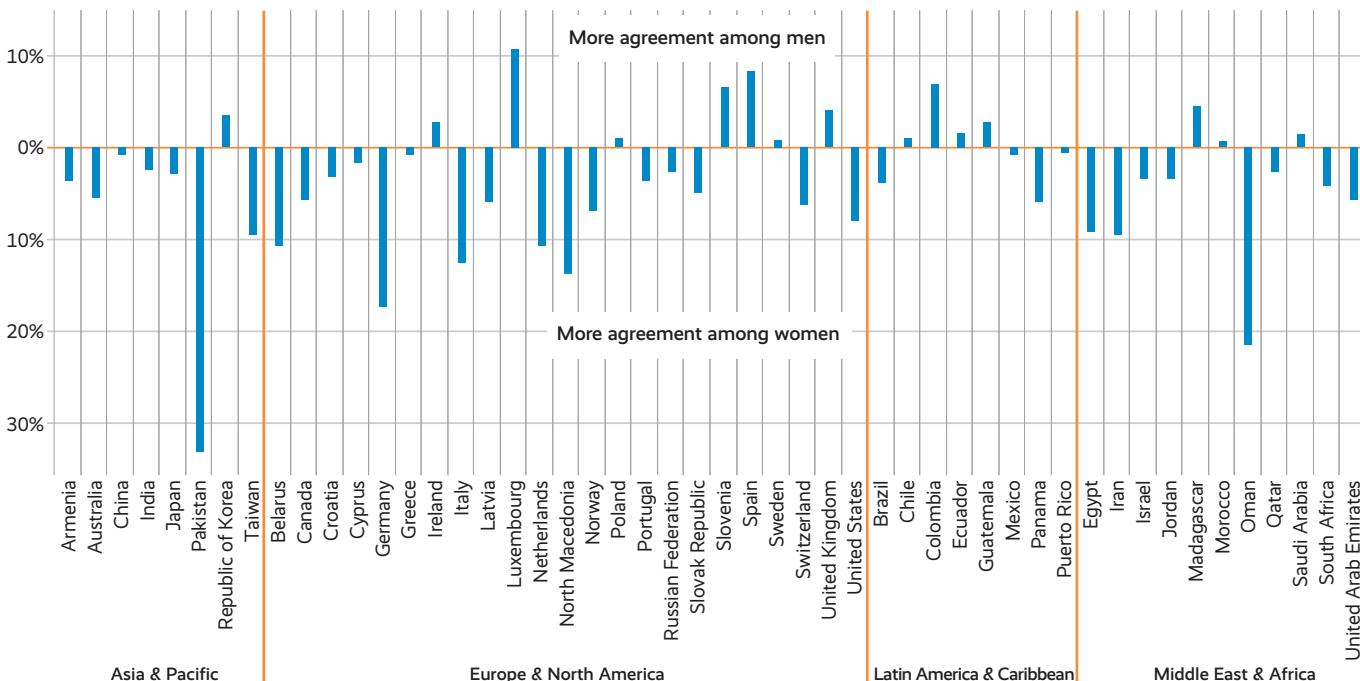
The table suggests that in three-fifths of the economies in the GEM sample, men starting businesses are more likely to agree with the motive “To build great wealth or very high income”, and with the motive “To continue a family tradition”, than women. In almost three-quarters of economies, women are more likely to agree with the motive “To make a difference in the world” and with the motive “To earn a living because jobs are scarce”.

FIGURE 4.5

Gender differences in proportions of those engaged in TEA who somewhat/strongly agree with the motive “To make a difference in the world”.

Above the bar means relatively more men agree; below the bar means relatively more women agree.

Source: GEM Adult Population Survey, 2019



Motivation	Out of 50	
	Male > Female	Male < Female
To make a difference in the world	14	36
To build great wealth or very high income	30	20
To continue a family tradition	31	19
To earn a living because jobs are scarce	14	36

TABLE 4.1

Gender differences in proportions of those engaged in TEA who somewhat/strongly agree with different motivations

Source: GEM Adult Population Survey, 2019

4.3 ACTIVITIES AND ASPIRATIONS

For any new venture the future is uncertain, but there are some expectations and activities that can influence the likelihood of success. This section will look briefly at the geographical scope of the entrepreneur's startup, whether they have customers beyond their local area, innovation levels in terms of new products and technologies, as well as at job and export expectations. All of these are important because they influence the likely impacts of the new business, not just in terms of new jobs and incomes, but also in the likely long-term sustainability of that new business as well as its potential growth path.

Figure 4.6 shows the proportion of entrepreneurs in each economy expecting to add no new jobs in five years' time, alongside the

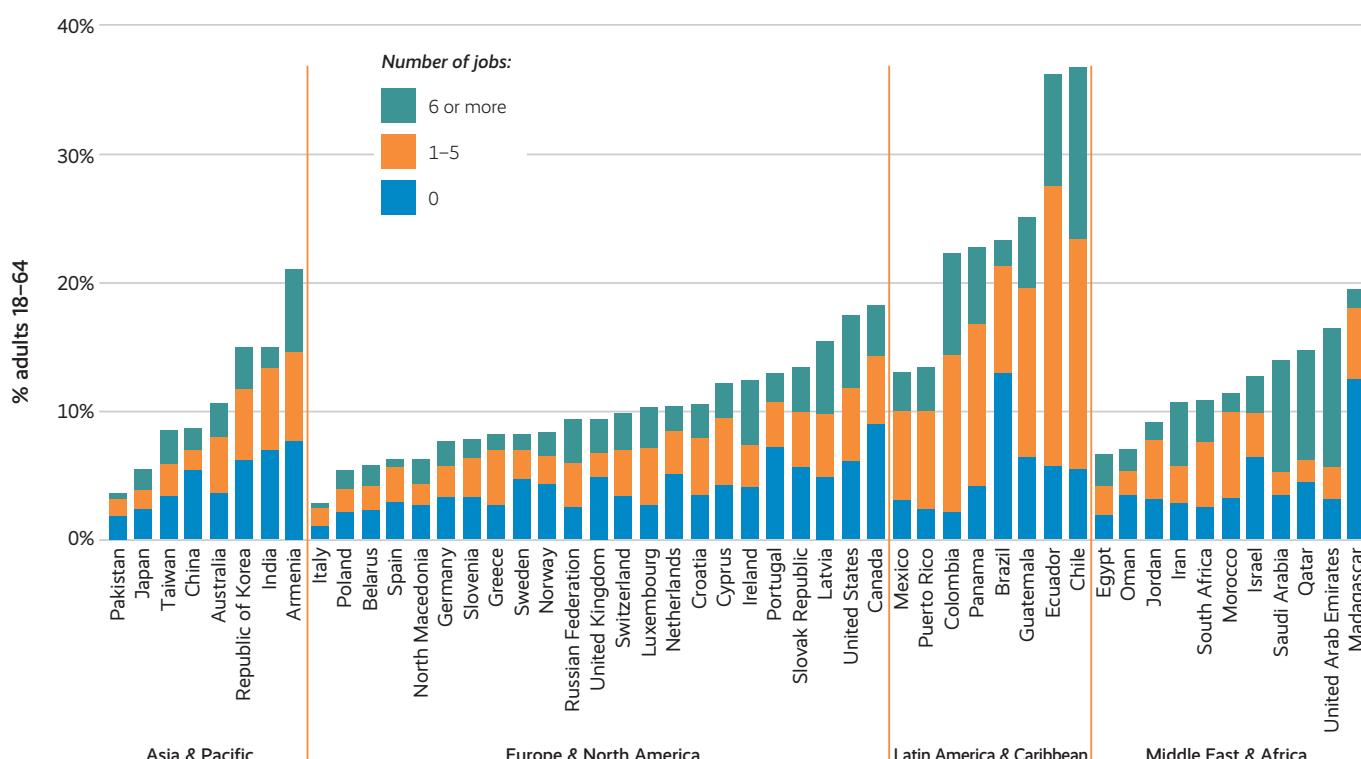
proportions expecting to employ an additional one to five, or to add six jobs or more.

The proportion of those starting or running a new business that expect to add no new jobs in five years' time varies from less than one in 10 in Colombia to more than six out of 10 in China and Madagascar. Conversely, in most countries a majority of new entrepreneurs expected their businesses to grow, in the sense of employing one or more additional people in future. In fact, job expectations are much higher in a number of other economies, especially in parts of the Middle East & Africa, with well over half of those starting or running a new business in Saudi Arabia, the United Arab Emirates and Qatar expecting to add six or more jobs in the next five years.

FIGURE 4.6

Job growth expectations among early-stage entrepreneurs expecting to employ an additional 0, 1–5 or 6 or more people in five years' time

Source: GEM Adult Population Survey, 2019



ENTREPRENEUR HIGHLIGHT

Finding solutions through orange peels

Name: Giselle Mendoza Rocha (Mexico)

Business: The vision of **GECO** is to be a world leader in the innovation of sustainable processes. The company has invented a way to make bioplastics from orange peels.



What does being an entrepreneur mean to you?

"Within every problem is an opportunity to create innovative business solutions."

In 19 of the 50 economies (including 11 in Europe), less than 2% of adults are both starting or running a new business *and* expecting to employ an extra six or more people in five years' time. This low entrepreneurship rate combined with low growth aspirations greatly diminishes the employment potential of early-stage entrepreneurship. This may be a reflection of the types of business being started or a preference for working on one's own or as a small business. The latter may be enabled by technology and access to other value-chain players. It may also be influenced by constraints such as labour laws or non-wage labour costs, which can pose difficulties for prospective employers. In some

economies, it may also reflect positive conditions for entrepreneurial employees in established organizations, raising the opportunity cost of independent or even sponsored early-stage entrepreneurship.

On the other hand, 13 economies have 5% or more of adults starting or running a new business and expecting to employ an extra six or more people in five years' time, including two with over 10% in this position. These are Chile with 13% and the United Arab Emirates with 11%.

GEM considers entrepreneurs to have a strong international orientation if a quarter or more of their revenue comes from customers outside their own economy.³ Exporting is made easier by positive trade policies, effective low-cost logistics, low duties or tariffs, as well as by common languages and cultures. Figure 4.7 illustrates the proportion of adults starting or running a new business *and* expecting exports to be 25% or more of revenues. Not surprisingly, export-oriented entrepreneurs are more prevalent in smaller economies; this is most obvious in Europe.

More than one in four starting or running a new business in six economies in Europe & North America (Switzerland, Sweden, Canada, Luxembourg, Croatia and Ireland) and two in the Middle East (Saudi Arabia and the United Arab Emirates) expect sales outside of their country to generate 25% of their revenue or more. All of these can be classified as strongly export-oriented economies. However, relatively low levels of TEA in most of these economies mean that only Canada, Armenia and the United Arab Emirates have 4% or more of their adults both starting or running a new business and expect more than a quarter of revenue to come from outside their country.

New questions in the GEM 2019 APS enquired about the scope of the new business (whether they had local, national or global customers); the scope of their new products/services (whether they were new to customers locally, nationally or globally); and whether technologies/procedures were new locally, nationally or globally.

Figure 4.8 demonstrates the local nature of much new entrepreneurship, with six out of 10 entrepreneurs in Ecuador, Morocco, Madagascar

³ While most of this will be export earnings, some may come from international customers in the home economy, such as tourists.

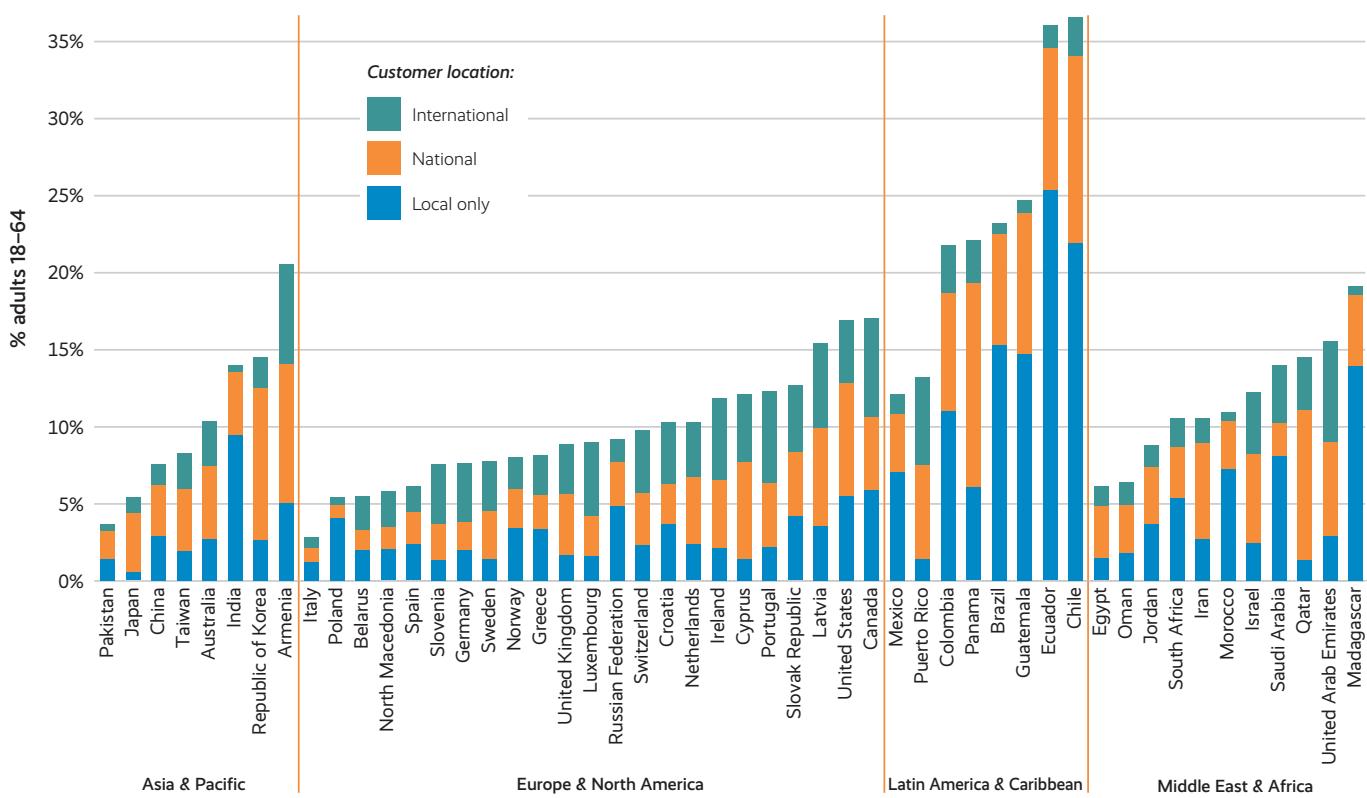
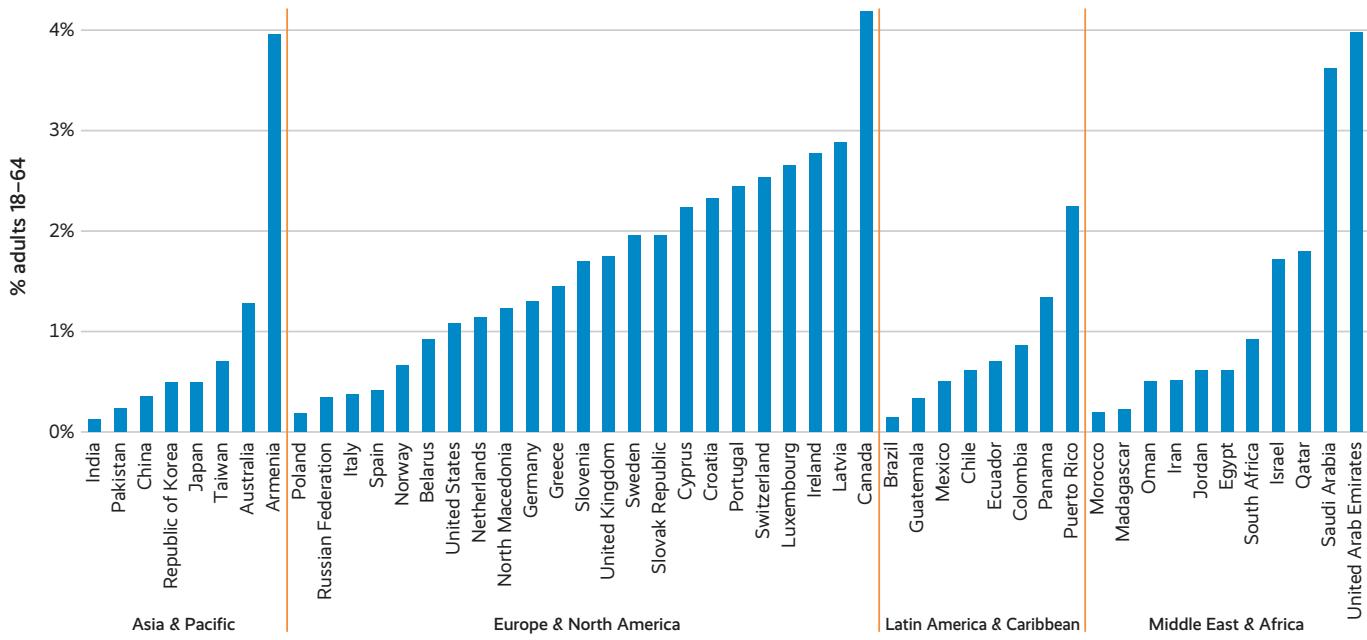


FIGURE 4.8 The level of TEA and those within this having customers only within their local area, only within their country, and those having international customers (all % adults)

Source: GEM Adult Population Survey, 2019

and India having only local customers (where local is defined as the area where the entrepreneur lives), compared to around one in 10 in Japan, Qatar and Cyprus. However, in nine economies, more than four out of 10 entrepreneurs have customers outside their own country. Seven of these are in Europe (Germany, Slovenia, Ireland, Luxembourg, Portugal, Switzerland and Sweden), plus Puerto Rico and the United Arab Emirates. At the same time, four countries have just 3% of their entrepreneurs with customers outside of their country (India, Brazil, Guatemala and Madagascar).

Product and service novelty is a very important characteristic of much new entrepreneurship. Figure 4.9 shows the proportion of the adult population who were starting a new business and whose product or service is either:

- New to the area in which they live;
- New to their country;
- New to the world.

The share of entrepreneurs introducing products or services at least novel to the area in which they live is just one in 20 in Madagascar, but more than four out of 10 in Italy, Sweden and Canada.

Introducing products or services that are new to the world is a rare phenomenon. While levels

of TEA have already been seen to vary widely across the globe, the proportion of adults starting a new business that is introducing new products or services to the world appears remarkably consistent at just over 1% of adults in seven economies: Canada, the United States, Panama, Germany, Ireland, Cyprus and Puerto Rico. Six economies reported no one in their sample of entrepreneurs that was starting a business and introducing products or services that are new to the world: Brazil, India, Pakistan, Oman, Belarus and Morocco.

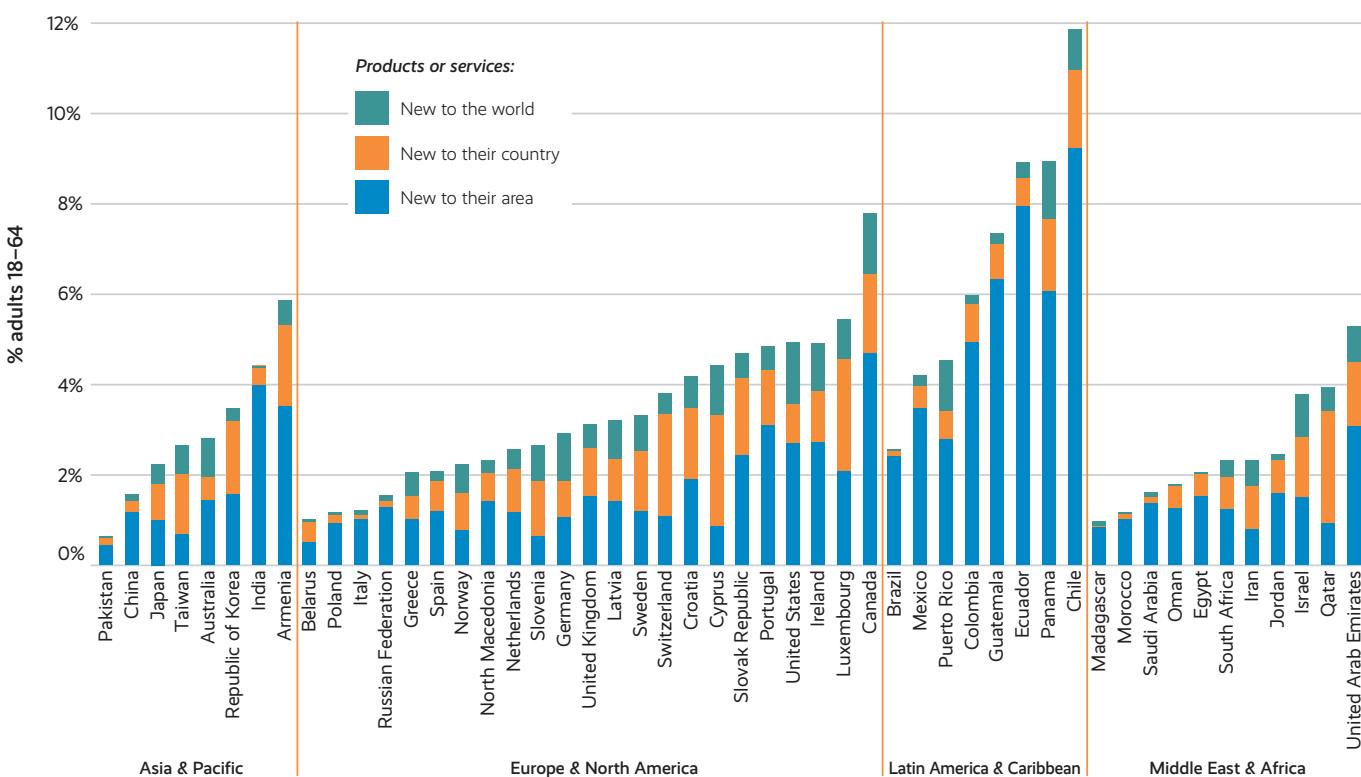
These responses from entrepreneurs were also combined into two new measures of potential impact: the prevalence in the population of those starting or running a new business with at least national scope for both their customers and national novelty for their new products or processes, and the prevalence of early-stage entrepreneurs with international scope for their customers and international novelty for their products or processes.

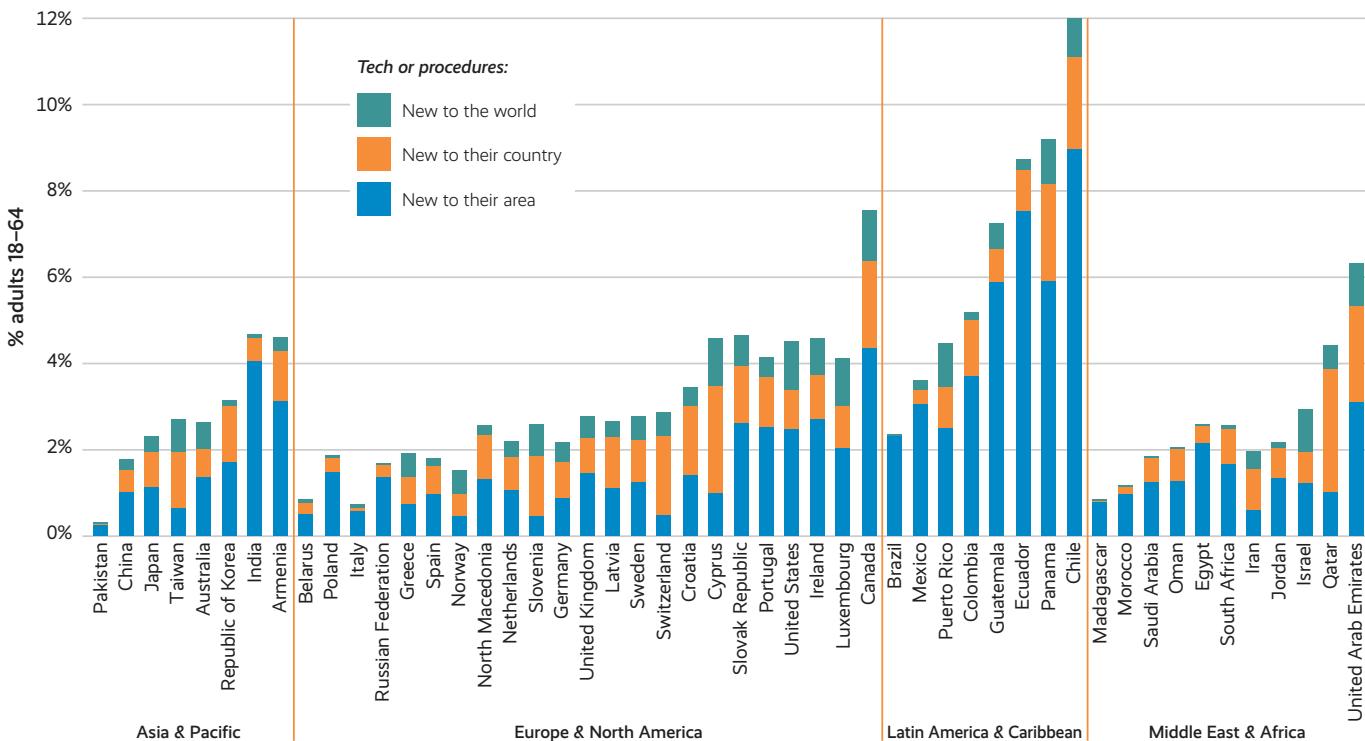
Unsurprisingly, the levels of each are generally low, meaning that the scope and novelty (if any) of most entrepreneurial offerings is largely local. But the prevalence of entrepreneurs with potential high impact varies considerably across the world. Figure 4.10 shows the prevalence of

FIGURE 4.9

The proportion of adults starting a new business with products or services that are either new to their area, new to their country or new to the world

Source: GEM Adult Population Survey, 2019





potentially impactful TEA in national and global terms.

Nationally impactful entrepreneurs, as measured in this way, are extremely rare in Saudi Arabia, Madagascar and Brazil. They are more frequent in most European and North American economies, but even here they are notably rare in Poland, Italy, the Russian Federation and Belarus. Smaller economies tend to have higher prevalence rates, which is not surprising: it is easier to be potentially nationally impactful in Luxembourg than in India or China.

The proportion of TEA with potential global impact — that is, global scope for both customers and products or processes — is substantially lower, with the highest levels being just one in 100 individuals in Ireland, Israel, Puerto Rico and the United States. These potentially highly impactful entrepreneurs, while rare, seem to be more frequent in European and North American economies than in other regions.

In almost every economy, there is a strong relationship between the level of expected impact in terms of market scope and product or process novelty and the job expectations of the entrepreneur. This is especially noticeable in the difference between entrepreneurs with at least national scope and novelty, and other entrepreneurs. For example, in the United

Arab Emirates, the prevalence of entrepreneurs expecting to create at least 20 jobs in five years' time was 10 times higher among entrepreneurs who had potential impact at the national or global level for scope and novelty than among those without this level of potential impact.

A number of the economies participating in GEM devote resources to encouraging innovation among entrepreneurs. Germany has its Digital Hub Initiative (<http://www.de-hub.de/en>), while Iran offers tax exemptions for knowledge-based and innovative businesses. Jordan has a cabinet committee to promote digitalization, while both Oman (Oman Technology Fund) and Morocco (InnovInvest) have government-backed funds to support innovation and technology. These new measures of the prevalence of potentially impactful entrepreneurship provide a benchmark for governments who wish to assess the level of innovative entrepreneurship in their economies.

This chapter has drawn on APS results to consider regional and gender differences in the motivation for starting a new business. This is particularly important in the context of the UN Sustainable Development Goals (SDGs), including especially Goal 1, “End poverty in all its forms everywhere”, and Goal 8, “Promote inclusive and sustainable economic growth, employment and decent work for all”. In 16 of the 50 economies,

FIGURE 4.10

The proportion of adults starting a new business with technologies or procedures that are either new to their area, new to their country or new to the world
Source: GEM Adult Population Survey, 2019

more than seven out of 10 entrepreneurs agree with the motive that they are starting a business “To earn a living because jobs are scarce”. Entrepreneurship is therefore a significant response to economic hardship in many countries, especially among women. The motive “To make a difference in the world” was agreed with by more than eight out of 10 adults in India, Guatemala and South Africa: solid evidence of the significance of “purposive entrepreneurship”.

The chapter also looks at evidence related to the aspirations of entrepreneurs, including the number of additional jobs they expect to create in the next five years, their scope in terms of local, national and global customers, and their novelty in products and processes in their local area, nationally and globally. In two of the 50 economies (Chile and the United Arab Emirates), more than one in 10 adults were starting or running a new business and expecting to create six or more new jobs in the next five years. More than 4% of adults in eight economies, including five in the Latin America & Caribbean region, plus Canada, India and the United Arab Emirates, were starting or running a new business producing goods and services that were novel at least to their area.

This evidence shows that the prevalence of entrepreneurs with the potential for high impact on their economies varies very considerably, while those entrepreneurs introducing new products or services to the world are rare everywhere.

ENTREPRENEUR HIGHLIGHT

Identifying solutions to problems for positive impact

Name: Faizan Aslam (Pakistan)

Business: Bookme.pk is Pakistan's leading online ticketing platform, covering transport, cinema and events.



What does being an entrepreneur mean to you? Digitizing the bus companies was the biggest challenge as the bus owners were wary of technology and reluctant to change the way they do business. “Bringing a positive impact to people around you gives you satisfaction,” says Aslam. “Nothing feels better than identifying a problem and then developing a solution that everyone starts using in their daily life.”

Demography is Not Destiny: Age, Gender and Entrepreneurial Activity

5.1 INTRODUCTION

In each of the economies participating in the GEM research, the sample of adults interviewed in the Adult Population Survey (APS) is carefully structured to reflect the age, gender and locational distribution of the overall population of the specific economy, so that the sample is as representative as possible.

This chapter considers two key characteristics of any given population that may have a significant influence on the level of entrepreneurial activity: gender and age. This

chapter will show that, in most economies, the oldest age group (55–64) has the lowest levels of Total early-stage Entrepreneurial Activity (TEA). But there are five economies where the youngest age group (18–24) has the lowest levels of TEA, as well as four economies where this youngest age group has the highest level of TEA. Overall, in many economies the propensity to be involved in starting or running a new business first increases and then decreases with age.

5.2 GENDER AND ENTREPRENEURIAL ACTIVITY

While men have traditionally been more likely than women to start new businesses, increasing female participation in entrepreneurship is an important policy objective in many countries. Examples include the adoption of policies to support women entrepreneurs in Canada, and a focused women's entrepreneurship initiative in Germany. In Ireland, the OECD review of SME and Entrepreneurship Policy noted the untapped potential of women entrepreneurs, while the government in North Macedonia has recently adopted the Strategy and Action Plan for Women Entrepreneurs 2019–2023. Madagascar has a new gender-based policy to support women entrepreneurs (the Fiharianna Policy Initiative).¹

The levels of TEA by gender for the 50 economies participating in GEM in 2019 are illustrated in Figure 5.1.

Male rates for early-stage entrepreneurial activity are highest in Chile (41%) and Ecuador (39%), and lowest in Italy (4%), Pakistan and Poland (both 6%). Female rates are highest in the same two countries, although their positions were reversed, with Ecuador at 34% and Chile at 32%. The Latin America & Caribbean region has the five highest rates of early-stage female entrepreneurship in the sample. The level of early-stage entrepreneurial activity exceeds 10% of the female adult population in 21 of the 50 economies in GEM 2019.

While there is a positive correlation between male and female levels of early-stage entrepreneurial activity, and while the majority of countries continue to have male levels of entrepreneurial activity in excess of that of females, in 2019 there are three GEM-participating economies where the female rate exceeds the male rate (Saudi Arabia, Qatar and Madagascar).

The absolute gender gap is the difference between male and female levels of TEA. While

¹ Policy roadmaps are included in each of the individual Economy Profiles in Part 2 of this report.

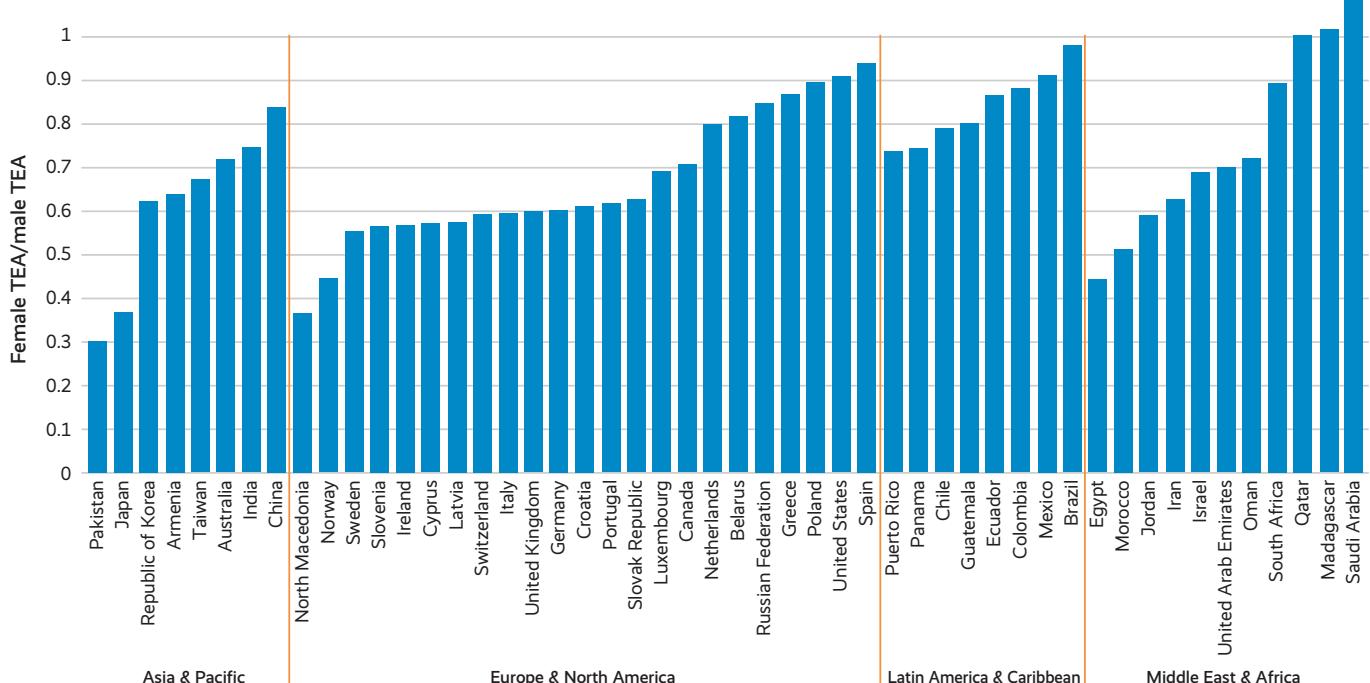
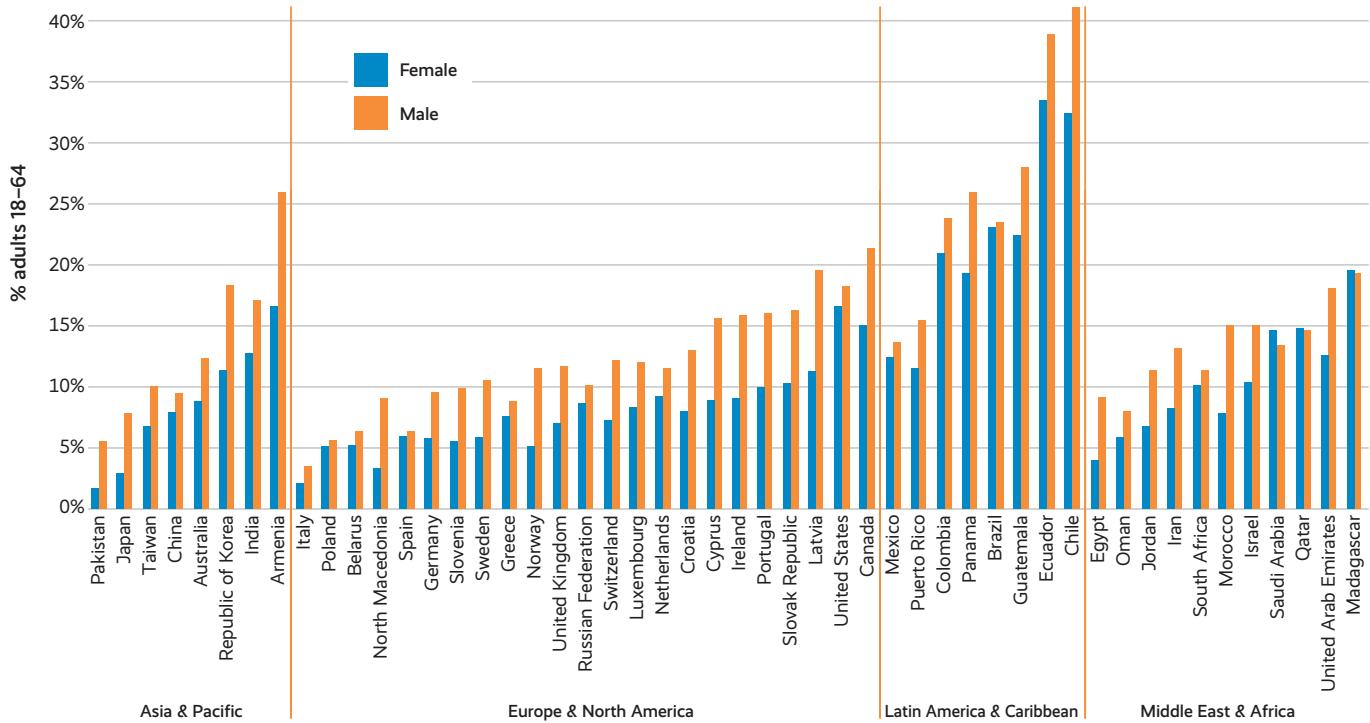


FIGURE 5.2 The relative gender gap: female TEA (% women) divided by male TEA (% men)

Source: GEM Adult Population Survey, 2019

this is useful, it is clearly dependent on the scale of entrepreneurial activity in each country. A complementary measure is the relative gender gap, calculated here as the female rate divided by the male rate. Given that the male and female adult populations are roughly equal in size, this can be interpreted as the number of female early-stage entrepreneurs for each male early-stage entrepreneur.

Figure 5.2 shows seven economies with a ratio of female to male early-stage entrepreneurial activity that is 0.9 or more, meaning that women are at least nine-tenths as active as men in terms of starting their own businesses. These include economies from three of the four defined regions, including Madagascar, Saudi Arabia and Qatar (Middle East & Africa), Mexico and Brazil (Latin America & Caribbean) and Spain and the United States (Europe & North America). In these economies, high female participation boosts the overall TEA rate.

At the other end of the spectrum, there are five economies (Egypt, Norway, Japan, North Macedonia and Pakistan), with more than two early-stage male entrepreneurs for each early-stage female entrepreneur. Here, low participation by women drags down overall entrepreneurial activity, highlighting the importance of supporting women entrepreneurs in these economies.

5.3 AGE AND ENTREPRENEURIAL ACTIVITY

Are young people more likely or less likely to start a new business than older people? A number of the economies participating in GEM research in 2019 have various policies to encourage young people towards entrepreneurship, including Canada, India and Madagascar.² Younger people may have less access to resources, including capital, knowledge and experience, but may also have fewer responsibilities, including dependent family and mortgages, and are less likely to be giving up high salaries early in their careers. Because of this, younger people may also be more willing to take risks. They may be more

² See the corresponding Economy Profiles in Part 2 for more details.

ENTREPRENEUR HIGHLIGHT

Entrepreneurs: engines of the sustainable economy

Name: Haide Shirzady (Iran)

Business: The Recycling and Composting Kermanshah

Company undertakes waste processing and recycling planning in the Iranian city of Kermanshah.



What does being an entrepreneur mean to you?

“Entrepreneurs can provide job opportunities and value for both themselves and others with their ideas, creativity, risk-taking and diligence. Entrepreneurs are the engines of society’s sustainable economy. For me as an entrepreneur in the social space, I see my work as a mission to create value for the present and the future.”

aware of the latest technologies, trends and ideas, and have more energy and enthusiasm to put into a new venture. If these ventures are not successful, they still have long careers ahead of them to generate income. In some countries, a high proportion of young people may be in college or in military service.

However, older people may have more available resources, including a well-developed network, and be better placed or better able to spot and evaluate new business opportunities.

ENTREPRENEUR HIGHLIGHT

Love the risk

Name: Benoît Goncerut and Arnaud Cottet (Switzerland)

Business: Glacier Optics makes sunglasses for climbers and mountaineers as well as for the modern urban fashion market.



What does being an entrepreneur mean to you? Benoît and Arnaud had to transform a successful Kickstarter campaign into a growing business. The poor amount of data available in such a niche industry has been a challenge. In their opinion, the key to overcoming such hurdles is “being passionate, loving risk and excitement, being able to face problems during the stressful periods and keeping a cool head in heated situations.”

They may have track records that lend credibility and connections they can leverage. More knowledge and experience, of course, can work both ways: a deeper awareness of pitfalls can lead to risk aversion and an unwillingness to make the bold moves necessary to start a new venture, particularly if people already hold prestigious or well-paid positions.

Figures 5.3–5.6 show the level of TEA in each of five age ranges.³ Given the detail included, there are separate charts for each of the four regions defined earlier.

Taken together, entrepreneurial activity in Asia & Pacific generally increases with age and then declines, a pattern that has become familiar in successive GEM Global Reports.

Europe & North America provides the highest representation of economies of any region in GEM 2019, and the least variation in terms of the age profile of entrepreneurs, although with one or two surprises. In 18 of the 22 economies, the level of TEA first increases with age and then declines. The exceptions are Greece, the United Kingdom, Switzerland and Sweden. In the latter two countries, TEA declines continuously with age, and in all four the youngest age group has the highest level of TEA.

In each of the Latin America & Caribbean economies in the GEM sample, the level of TEA increases and then declines with age group, though the variation by age group is much higher in the relatively enterprise-intensive economies of Chile and Ecuador than in the relatively less enterprise-intensive economies of Panama and Mexico.

The 11 economies of the Middle East & Africa present a much more variable picture. In eight of these economies, the level of TEA first increases with age and then declines. South Africa has a mixed picture, but Egypt has a very different age profile. In Egypt, levels of TEA decline continuously with age, implying that a 55- to 64-year-old is less than half as likely to be starting or running a new business as an 18- to 24-year-old in that country.

Taken together, data from these 50 countries allow some generalizations. Typically, levels of early-stage entrepreneurship increase with age and then decline (as seen in 38 of the 50 economies). So, on the whole, very young adults are less likely to be starting their own businesses. However, there are sufficient exceptions to conclude that age matters, but not always: other things may matter more, such as the availability of startup finance, outward and inward migration, social and cultural factors, alternative job opportunities or the lack of them, levels of human capital, and access to social security.

³ The APS categorizes individuals into five age groups: 18–24 years, 25–34, 35–44, 45–54 and 55–64.

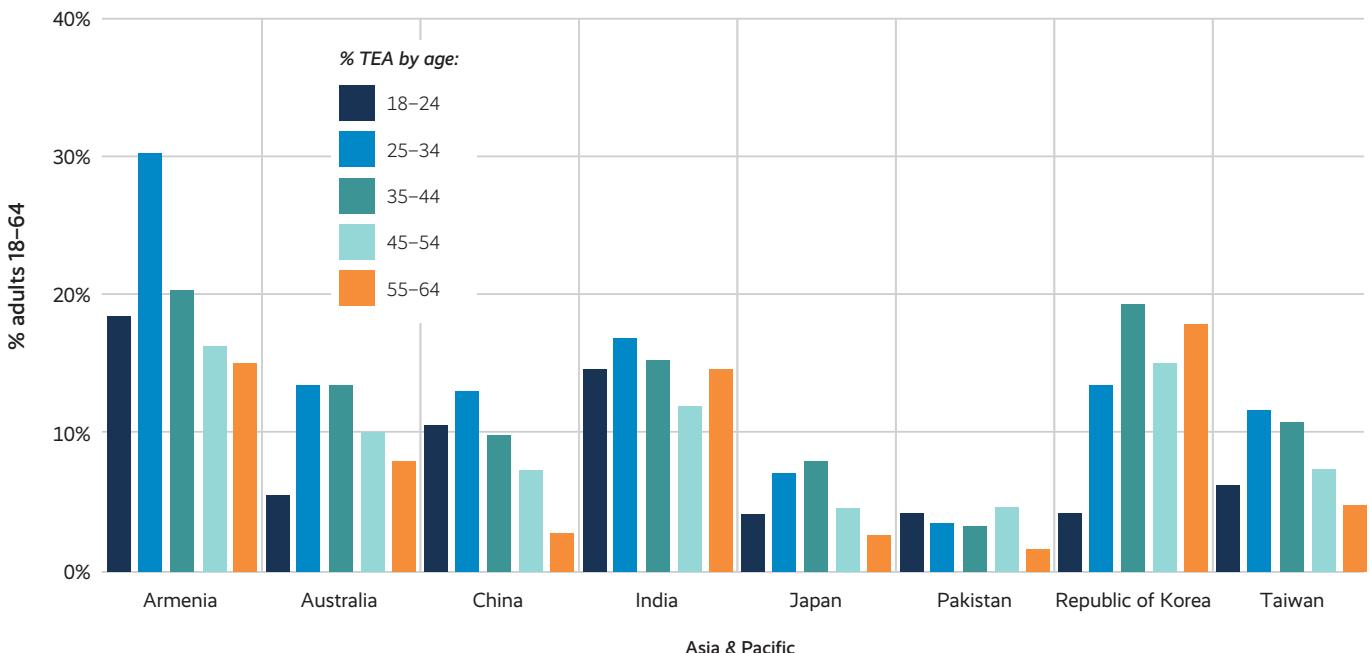


FIGURE 5.3 The age profile of TEA (% adults): Asia & Pacific

Source: GEM Adult Population Survey, 2019

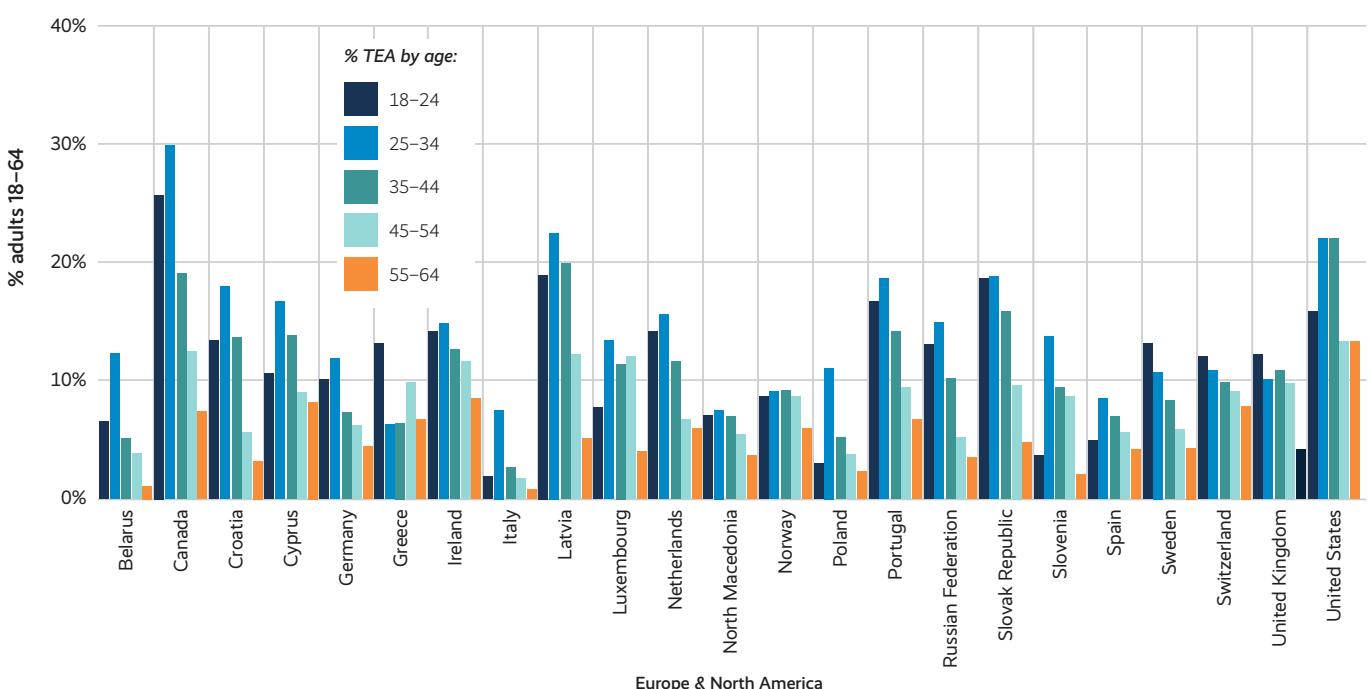


FIGURE 5.4 The age profile of TEA (% adults): Europe & North America

Source: GEM Adult Population Survey, 2019

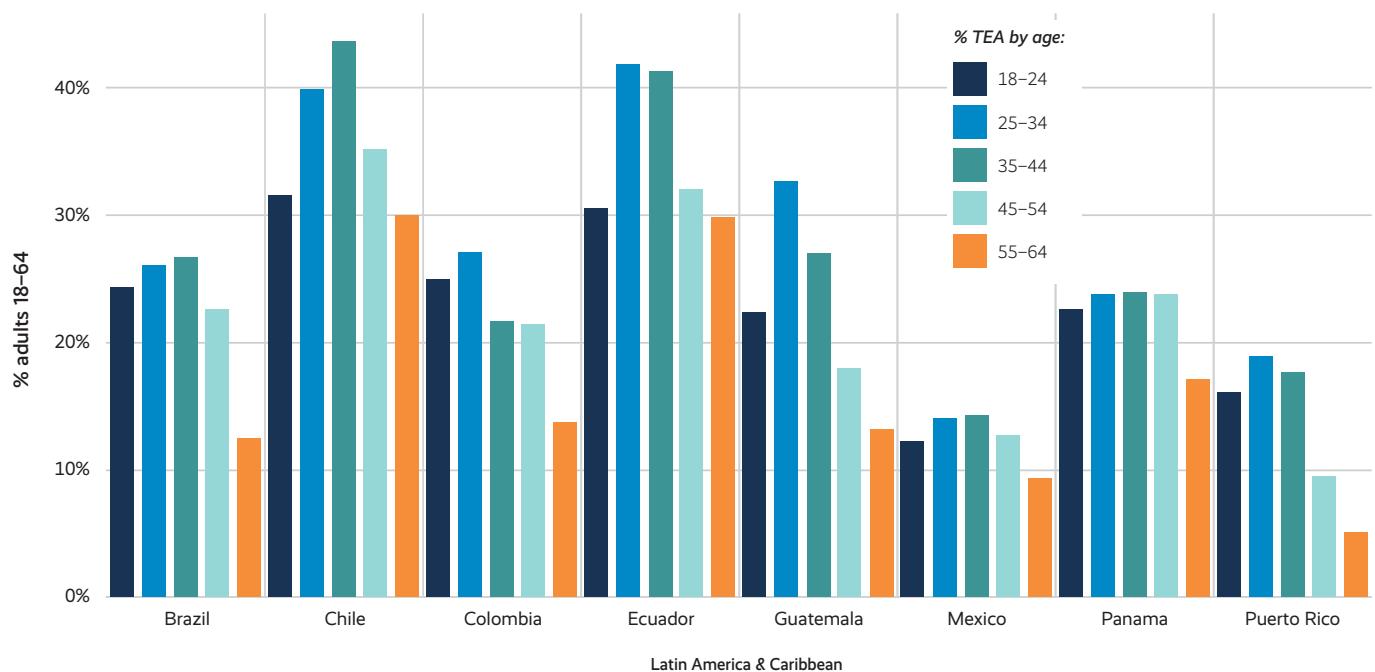


FIGURE 5.5 The age profile of TEA (% adults): Latin America & Caribbean

Source: GEM Adult Population Survey, 2019

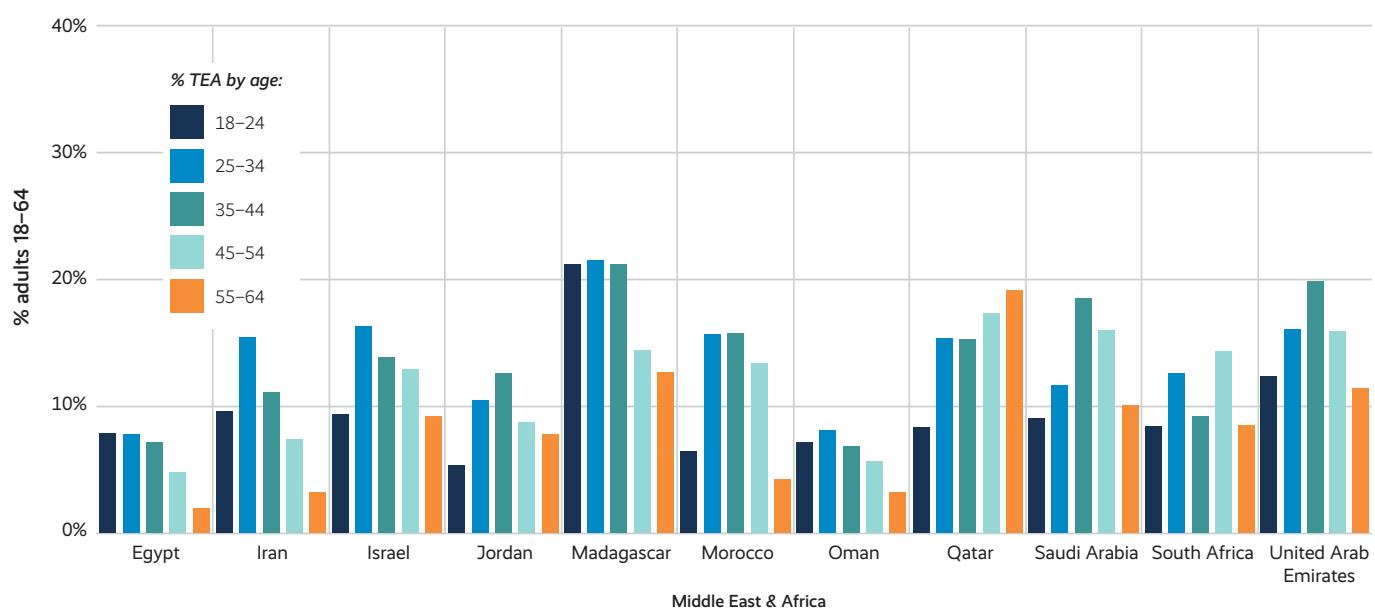


FIGURE 5.6 The age profile of TEA (% adults): Middle East & Africa

Source: GEM Adult Population Survey, 2019

This chapter has also shown that, while men are generally more likely to be starting a new business than women, this is far from a universal truth. More than three in 10 adult women in Ecuador and Chile are starting or running their own businesses. The lowest levels of female entrepreneurship are in Pakistan, Japan, Italy and North Macedonia. Pakistan, Japan and North Macedonia also have the lowest relative female

entrepreneurship, with more than two male entrepreneurs for every female entrepreneur. Three economies (Saudi Arabia, Madagascar and Qatar) have at least as many female as male entrepreneurs.

Although there is a clear relationship between age and the propensity to be starting a business, evidence suggests that the nature of that relationship varies considerably, both within and between regions.

Informal Investment

6.1 INTRODUCTION

The act of starting a new business requires resources, including access to finance. Many news sources, particularly in developed economies, characterize those starting new businesses as building smartphone applications using high technology in open-plan offices, presenting pitches to venture capitalists, in a world of high finance and initial public

offerings. In practice, new businesses are more likely to be started with the entrepreneur's savings, credit cards or overdrafts, or with loans from family and friends. Informal investment is when an individual provides funds for a new business started by someone else, and is typically from family, or friends and other acquaintances.

6.2 LEVELS OF INFORMAL INVESTMENT

In its 2019 Adult Population Survey (APS), GEM asks individuals if they have invested in a new business started by someone else, and if so how much they invested, and what is the relationship to that person. Figure 6.1 shows the proportion of adults in each economy that, in 2019, have both invested in someone else's new business at any time in the past three years and stated how much they provided.

The proportion of adults investing in someone else's new business is less than 2% in 10 of the 50 economies, but more than 5% in 17 of those 50. Rates of informal investment are highest in Latin America & Caribbean (more than two in 10 in Chile; more than one in 10 adults in Guatemala), in the Middle East & Africa (around one in 10 or more in Qatar, Oman and Saudi Arabia), and in Europe (just under one in 10 in Switzerland). These figures show Chile as a dynamic entrepreneurial economy, both in the process of starting businesses (almost four in 10 adults), and in investing in other people's enterprises (two in 10 adults).

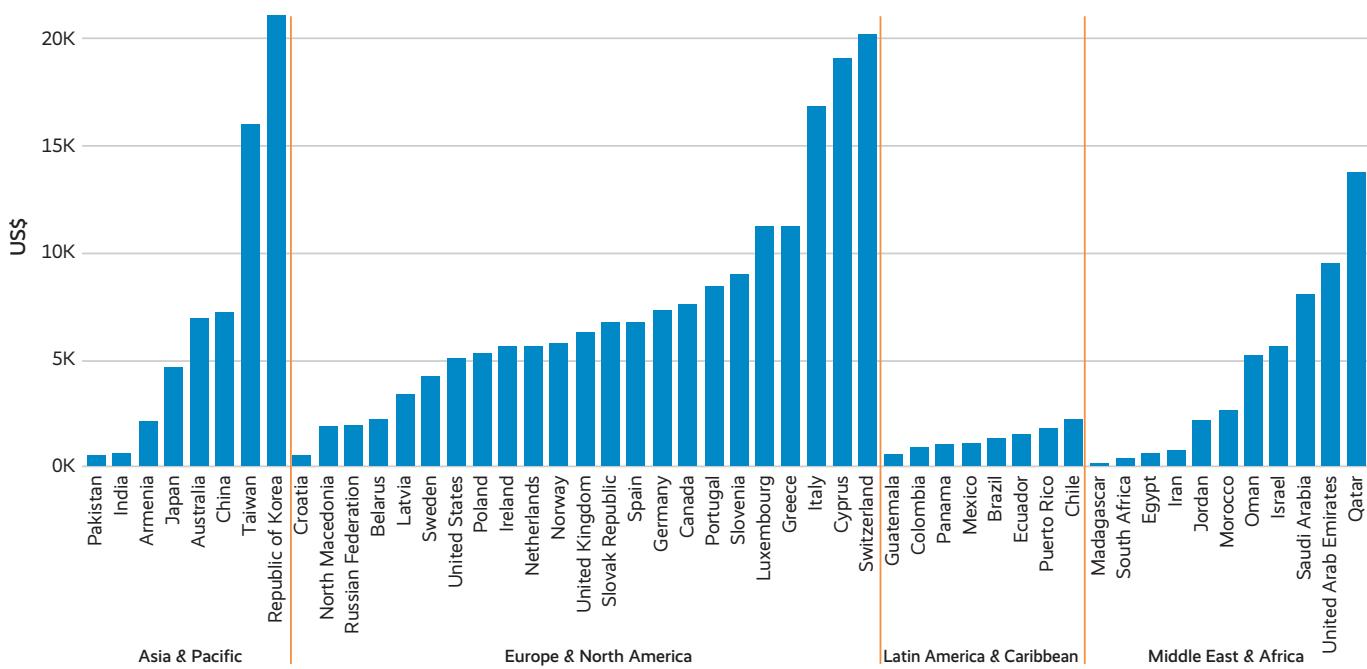
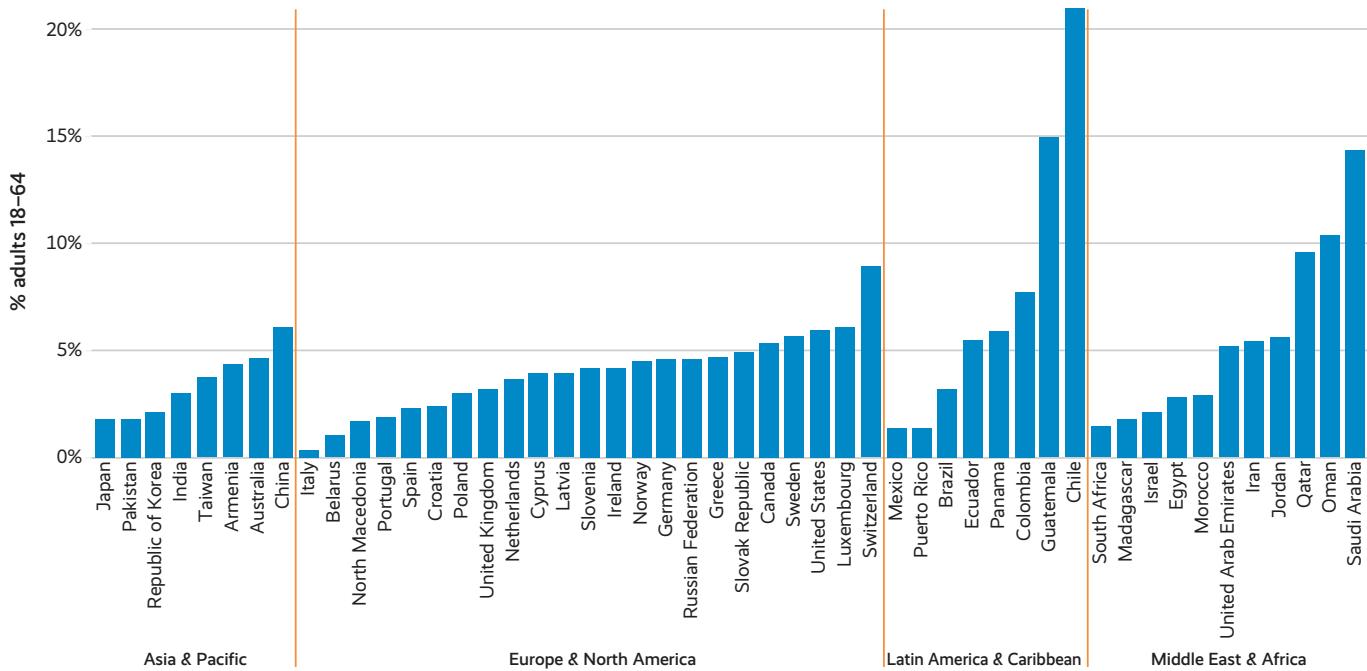
In the GEM APS, those who say they have invested in a new business started by someone else are asked how much they have invested, with the responses shown in Figure 6.2 in terms of the median¹ amount invested (in US\$). The

median was less than \$1,000 in nine economies, including less than \$500 in four (Madagascar, South Africa, Pakistan and Croatia). At the other end of the scale, the median was greater than \$10,000 in eight economies, including more than \$20,000 in two (Switzerland and Republic of Korea). Obviously, the median level of informal investment is partly dependent on the overall income level of the national economy.

Finally, the GEM APS asks those investing in someone else's new business what their relationship with that person is, for the last investment they made. The most common relationships are either to invest in a close relative, or a friend or neighbour. Together these account for more than six out of 10 investor relationships in 46 out of 50 economies, and more than eight out of 10 in 17 of those economies.

This chapter has looked at a different form of entrepreneurial activity – informal investment, or the act of investing in someone else's new business. The proportion of adults investing in someone else's new business is less than 5% in two-thirds of the 50 economies, but more than 10% in four economies: Guatemala, Chile, Oman and Saudi Arabia. Not surprisingly, the typical amount invested also varied considerably, with a median less than \$1,000 in nine economies but more than \$10,000 in eight other economies. Informal investment is certainly a minority activity, but can be very important in particular economies.

¹ If the investment per adult were arranged in order of magnitude, the median would be the midpoint. The median can be a better measure of central tendency as the average may be misleading because of a small number of large investments.





Exiting a Business

7.1 INTRODUCTION

In any dynamic entrepreneurial society it is inevitable, in order to promote and benefit from entrepreneurship, that some of these ventures will fail. Few or no business exits may therefore indicate low startup activity. Moreover, perceptions about starting a business may also be directly related to how easy it is seen to be to end a business. If ending a business is expensive and difficult, or even socially or culturally unacceptable, this may act as a strong barrier to starting a business in the first place.

It was noted in Chapter 2 that entrepreneurs contribute to or even lead structural change in an economy, since their new ventures reflect changing tastes, disruptions, new technologies and processes as new sectors are born and grow. The converse of this is the closure of businesses that no longer produce or provide what people are prepared to buy, or in the way that they want to buy it. When this happens, startups and closures become important components in the process of structural change, which (eventually) improves

productivity and living standards, by releasing resources from the production of goods and services that no longer have a market in favour of those that do. Entrepreneurs may then apply this experience to a new venture or new employment opportunities, while continuing as a stakeholder in entrepreneurship — if not as entrepreneurs then perhaps as advisors, investors or customers.

Reasons for ending involvement in a business can be positive or negative. Positive reasons can include the chance to sell the business, the lure of a job or other opportunities elsewhere, planned exit or retirement. Negative reasons can include a lack of profitability, failure to access finance, or the burden of taxation or bureaucracy, or simply human factors such as changing personal circumstances. Exiting a business does not mean that businesses do not continue. Indeed, evidence from the GEM Adult Population Survey (APS) shows that, in some economies, more than half of businesses continue after the individual has exited.

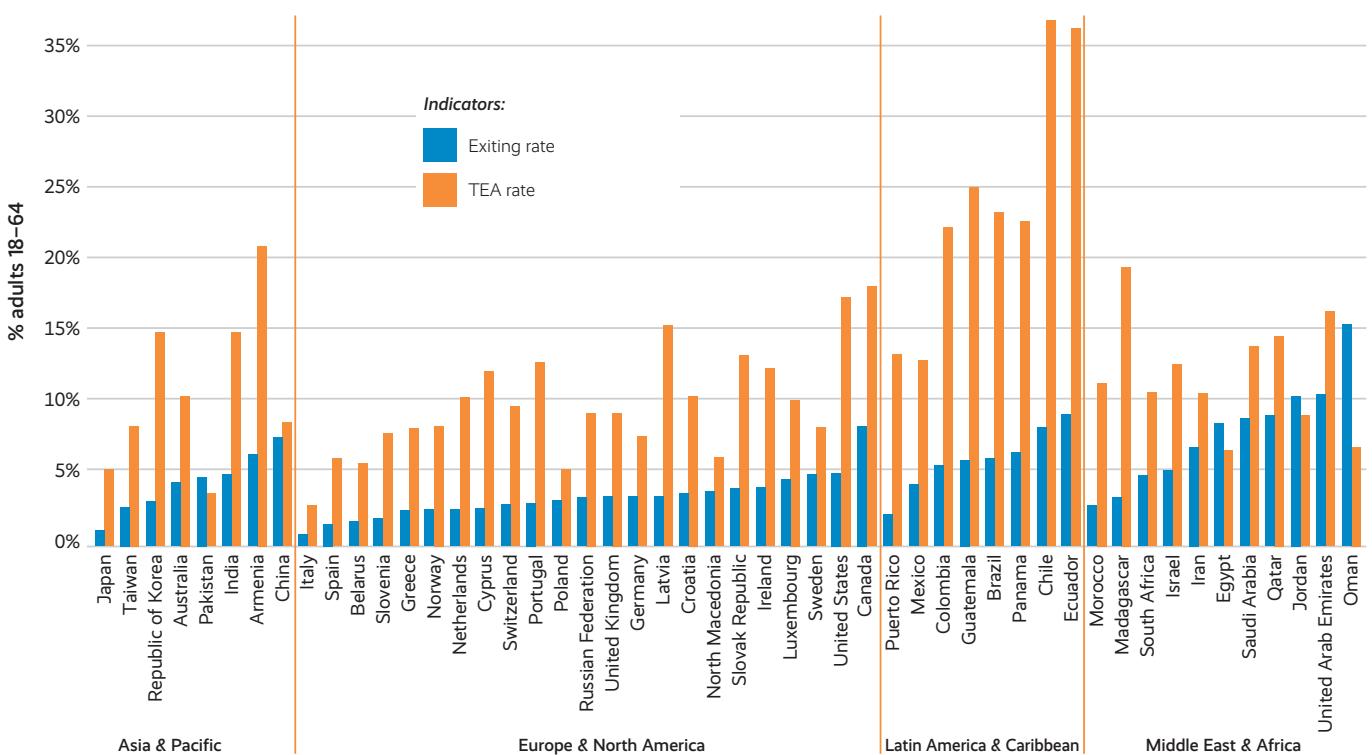
7.2 EXITING A BUSINESS IN 2019

The GEM APS asks whether the individual has, within the past 12 months, sold, shut down or quit a business they owned and managed. Subsequent questions enquired whether that business then continued after they quit, and for what reason they quit.

The expectation was that rates of exiting would be closely correlated with levels of Total early-stage Entrepreneurial Activity (TEA), and indeed there was some evidence of this in 2019.¹ Figure 7.1 shows the level of exits, alongside the rate of TEA, for economies in GEM 2019. The figure demonstrates that low exits typically occur alongside low TEA, and high exits alongside high TEA.

Taken together, for five of these 50 economies, the proportion of adults who discontinued, sold or quit a business they had owned and managed is less than 2%, or one in 50. Four of these five are from Europe & North America (Spain, Italy, Belarus and Slovenia, plus Japan). However, for nine of these 50 economies, the proportion of adults who had quit a business was 8% or more, including six economies in the Middle East & Africa (Qatar, the United Arab Emirates, Oman, Jordan and Saudi Arabia) and two from Latin America & Caribbean (Ecuador and Chile) plus Canada.

¹ The correlation coefficient between exiting and TEA is 0.37.



ENTREPRENEUR HIGHLIGHT

Be brave!

Name: Jia-Fen Tsai (Taiwan)

Business: Zoetek develops vital-sign measurement technologies in wearable devices and combines this with a care cloud system to achieve digital health promotion solutions.



What does being an entrepreneur mean to you? "As an entrepreneur, all we can do is to bravely and fearlessly embark on this unexplored new path."

7.3 EXITING AND DISCONTINUANCE

As noted in Chapter 1, an individual exiting a business as owner-manager does not necessarily mean that that business discontinues. That business may be sold or passed along to someone else, could be merged or taken over, or continued in some other form. The GEM APS asks those individuals who reported exiting a business whether that business continued after they left, or not, with the results shown in Figure 7.2.

The level of continuation as a proportion of exits varies from less than two in 10 in Morocco, South Africa, Egypt, Belarus and Greece, to more than a half in Switzerland, Portugal, Luxembourg, Sweden and Canada. The highest rate of continuation is in Switzerland, where more than six out of 10 of those exiting a business reported that the business continued. This variation may reflect the nature and size of the business, or the ease of transferring the business to someone else.

FIGURE 7.1
Exiting rates
(% adults) and TEA
Source: GEM Adult
Population Survey, 2019

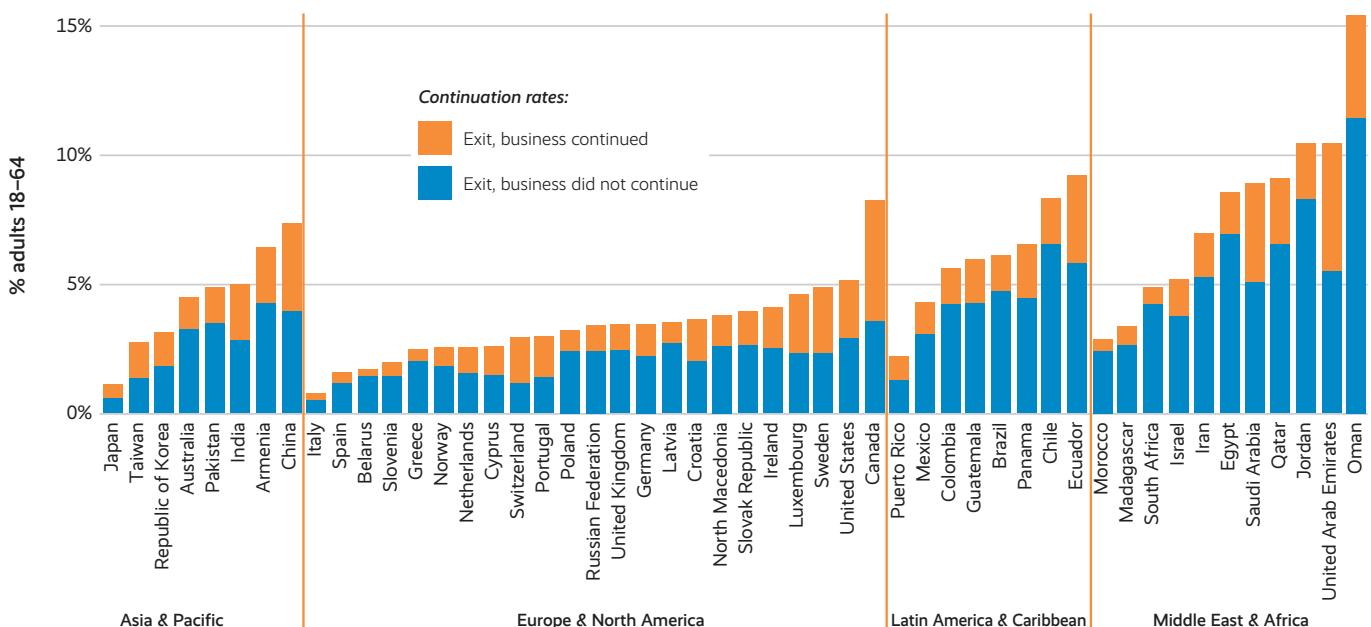


FIGURE 7.2

Proportion of adults exiting a business, and those within that reporting that the business did, or did not, continue (both % adults)

Source: GEM Adult Population Survey, 2019

7.4 REASONS FOR EXITING A BUSINESS

There are many reasons for exiting a business as owner-manager, from seizing the opportunity to sell the business, or retirement, or the lack of profits, to having had enough of taxes and government bureaucracy. Respondents in the GEM APS who had exited a business as owner-manager in the last 12 months were asked to choose the most important from a list of reasons, or to provide their own. These are summarized in Table 7.1, grouped as positive or negative.²

Figure 7.3 summarizes reasons given by respondents for exiting their business into positive and negative for the 50 economies in GEM

2019. Less than one in 10 exited a business for reasons categorized as positive in Jordan, Morocco or Pakistan. However, many did have positive reasons to exit, including more than one in two in Sweden and Norway. Apart from these latter two countries, the majority of business exits were for negative reasons.

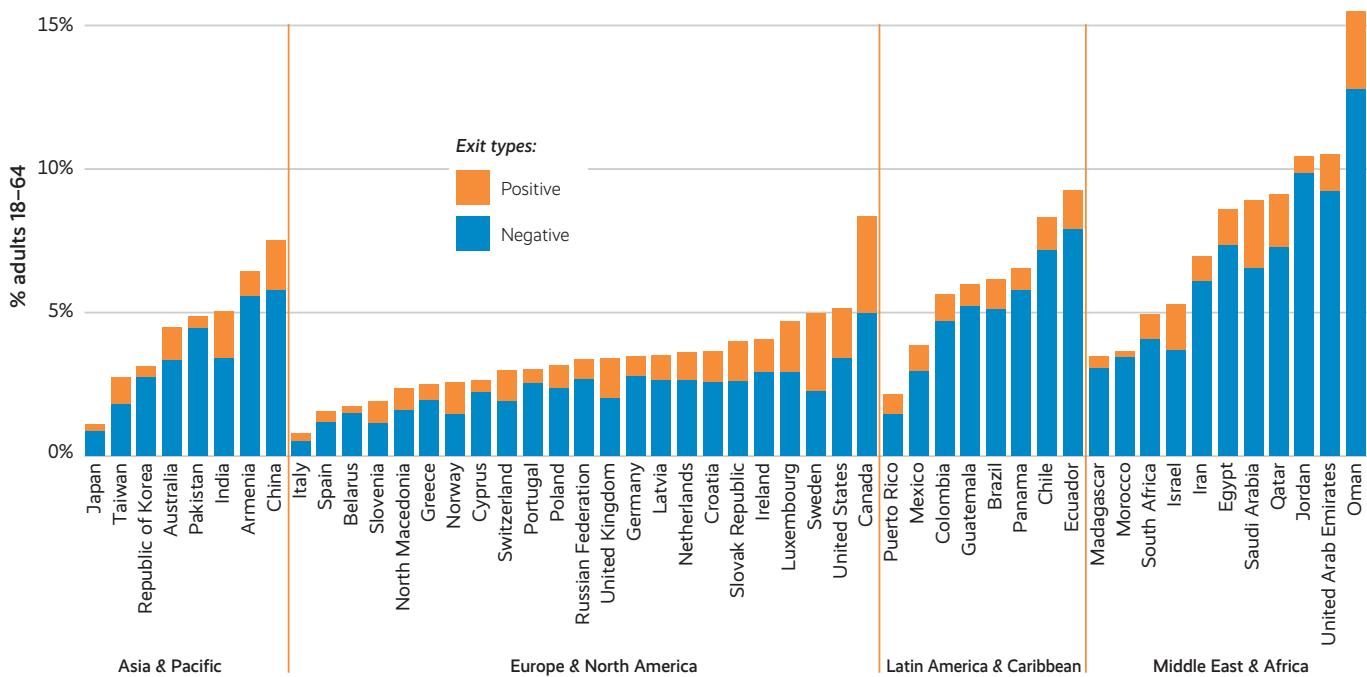
While understanding the factors involved in starting and running a business is the primary focus of GEM's research, the reasons for exiting a business can also be an important indicator of the health of entrepreneurship within economies. The relative ease of exiting a business may also be an

Positive	Negative
Opportunity to sell	Not profitable
Another job or business opportunity	Financial problems
Planned exit	Family/personal reasons
Retirement	Incident
	Taxes/government bureaucracy
	Don't know/no reply

TABLE 7.1

Reasons given for exiting a business

² Of course, this categorization may be ambiguous: for example, retirement may be a negative reason if forced by circumstances, or family reasons may be positive if it is to spend more time with them.



important influence on the level of new starts in individual economies.

This chapter has shown considerable variation in the level of exits among economies, closely related to the level of starts. While less than 2% of adults had exited a business in five of the 50 economies, exits reached 8% or more in nine economies, including six from the Middle East & Africa region, two from the Latin

America & Caribbean region, plus Canada. Although a majority of exits were for what was classed as negative reasons, in many economies a significant proportion (and, in five economies, a majority), of businesses continue after the individual has exited. There are two economies (Sweden and Norway) where more people exited a business for positive than for negative reasons.

FIGURE 7.3

Positive or negative exits within total business exits (both % adults)

Source: GEM Adult Population Survey, 2019

The Entrepreneurship Context

8.1 INTRODUCTION

Previous chapters have detailed the rich tapestry of entrepreneurial activity across the globe in its many forms, shapes and sizes, by reporting the results of more than 150,000 nationally representative interviews in 50 economies. This level of detail has allowed the estimation of a range of key entrepreneurship indicators, while the careful adoption of the same methodological approach in each economy has enabled comparisons across those economies.

However, any decision to start and run a new venture will be taken in a specific context, encompassing a wide range of local and national conditions that may facilitate or hinder that new venture. For example, a city or

region may encourage entrepreneurial activity by providing quality education in schools and colleges, including entrepreneurship training, or may discourage that same activity by having exorbitant business registration fees or a heavy burden of local regulation and bureaucracy. Each national context is different, and while entrepreneurial activity can persist in the most difficult of circumstances, it can also fail to flourish even in the most favourable conditions. However, there is likely to be a positive relationship between the quality of entrepreneurship-specific conditions and the frequency and nature of entrepreneurial activity.

8.2 THE GEM ENTREPRENEURSHIP FRAMEWORK CONDITIONS

GEM assesses the environment for enterprise by defining a number of specific Entrepreneurship Framework Conditions, as set out in Table 8.1. These conditions, taken together, specify a local environment for enterprise that, for the person trying to start a new venture, will be supportive in some ways and constraining in others. Individually and collectively, these conditions influence how easy, or how difficult, it is to start a new business and then develop that new venture into a sustainable established business.

No single person has a full understanding of the status of each of these conditions in any national economy. Instead, GEM identifies at least 36 national experts in each economy, carefully selected according to their knowledge and experience. These experts, of whom no more than a quarter participated in the same survey the previous year (to reduce bias and ensure objectivity), answer common questions about how they rate the sufficiency or otherwise of these framework conditions, in the GEM National Expert Survey (NES). By asking the same questions of

all experts, responses can be compared between economies. Given that these are opinions and perceptions, care must be taken in making comparisons between what are effectively self-assessments within a particular economy. For example, the national expert's collective view of the sufficiency or otherwise of an economy's physical infrastructure may differ according to that economy's level of development.

For every economy in GEM, each of the 36 (or more) national experts scored the sufficiency of each framework condition.¹ The summarized variables are then averaged across all the experts. The Economy Profiles in Part 2 of this report

¹ Each item in the form of a statement is rated by each national expert on a scale from 0 (completely false) to 10 (completely true). GEM then harmonizes and weights the data, calculating a rating for every framework condition by applying a principal component analysis to each section of the questionnaire.

TABLE 8.1
GEM's entrepreneurship context: national Entrepreneurship Framework Conditions

1. **ACCESS TO ENTREPRENEURIAL FINANCE.** Are there sufficient funds available to new startups, from informal investment and bank loans to government grants and venture capital?
2. a) **GOVERNMENT POLICY: SUPPORT AND RELEVANCE.** Do government policies promote entrepreneurship and support those starting a new business venture?
b) **GOVERNMENT POLICY: TAXES AND BUREAUCRACY.** Are business taxes and fees affordable for the new enterprise? Are rules and regulations easy to manage, or an undue burden on the new business?
3. **GOVERNMENT ENTREPRENEURSHIP PROGRAMMES.** Are quality support programmes available to the new entrepreneur at local, regional and national levels?
4. a) **ENTREPRENEURSHIP EDUCATION AT SCHOOL.** Are schools introducing ideas of entrepreneurship, and instilling students with entrepreneurial values such as enquiry, opportunity recognition and creativity?
b) **ENTREPRENEURSHIP EDUCATION POST-SCHOOL.** Do colleges, universities and business schools offer effective courses in entrepreneurial subjects, alongside practical training in how to start a business?
5. **RESEARCH AND DEVELOPMENT TRANSFERS.** To what extent can research findings, including from universities and research centres, be translated into commercial ventures?
6. **COMMERCIAL AND PROFESSIONAL INFRASTRUCTURE.** Does access to affordable professional services such as lawyers and accountants support the new venture, within a framework of property rights?
7. a) **EASE OF ENTRY: MARKET DYNAMICS.** Are there free, open and growing markets where no large businesses control entry or prices?
b) **EASE OF ENTRY: MARKET BURDENS AND REGULATIONS.** Do regulations facilitate, rather than restrict, entry?
8. **PHYSICAL INFRASTRUCTURE.** To what extent are physical infrastructures, such as roads, Internet access and speed, the cost and availability of physical spaces and such like, adequate and accessible to entrepreneurs?
9. **SOCIAL AND CULTURAL NORMS.** Does national culture stifle or encourage and celebrate entrepreneurship, including through the provision of role models and mentors, as well as social support for risk-taking?

provide details of these scores for each individual economy.

Results show that Physical Infrastructure is widely regarded as supporting entrepreneurship, followed by Market Dynamics, Cultural Norms, and Access to Professional Services. Those framework conditions needing most attention or development are: Entrepreneurship Education at School level; R&D Transfers; and Government Policy: taxes and bureaucracy.

Latin America & Caribbean is a region where the state of entrepreneurial framework conditions implies a challenging environment in which to start a successful new venture. Yet this region hosts the highest levels of Total early-stage

Entrepreneurial Activity (TEA) of all the 50 economies in the 2019 GEM research.

One of the key characteristics of the entrepreneur is the willingness (and ability) to find ways of overcoming barriers, perhaps by drawing on the support of social networks or by operating in the informal sector. However, this may also explain why levels of TEA are much higher than levels of Established Business Ownership (EBO) in many of these Latin America & Caribbean economies. In an unsupportive environment, starting a new business may be a much easier proposition than transitioning that new venture into a sustainable established business.

8.3 CONSTRAINTS, SUPPORTS AND RECOMMENDATIONS

Each national expert was asked to outline up to three factors that most constrain entrepreneurial activity in that economy, up to three factors that most support this activity, and to make up to three recommendations to enhance entrepreneurial activity. While details for each economy will be given in individual National Reports, some generalizations are possible. For example, the nature of government policies, or the lack thereof, was the most frequently mentioned constraint on the environment for entrepreneurship, while financial support was the most mentioned enabler in the Middle East & Africa economies.

There was some agreement among national experts from different economies about recommendations to enhance entrepreneurship, with more/better government policies to support enterprise being the most frequently mentioned across all economies. Some limited information of the policy environment in each economy is provided in the Economy Profiles of Part 2, but much more detail will be provided in the individual National Reports to be published during 2020, and made available on the GEM website (<http://www.gemconsortium.org>).

8.4 THE NATIONAL ENTREPRENEURSHIP CONTEXT INDEX (NECI)

The 2018 Global Report marked the introduction of the GEM National Entrepreneurship Context Index (NECI), a composite index representing in one figure the weighted average state of the set of national Entrepreneurship Framework Conditions. Last year, this composite index was derived from the ratings given to each framework condition by the national experts, as well as the relative importance they attached to each condition. However, for 2019, GEM implemented a refined methodological approach.² Table 8.4 gives the resultant overall NECI rankings and scores out of 10 points for this updated measure of the NECI, for the 54 economies³ completing the 2019 GEM National Expert Survey (NES).⁴

Of the top 10 ranked economies, four are from Europe & North America, four from Asia & Pacific, and two from Middle East & Africa. While seven are in the high-income category, two are from the low-income group (India and Indonesia), and one from the middle-income group (China). Of the bottom 10, four are from Middle East & Africa, three from Latin

America & Caribbean, two from Europe and North America, and one from Asia & Pacific. Four are from the middle-income group, and there are three each from the high-income and low-income groups.

It is clear that the efficacy of framework conditions is only partly determined by wealth levels, and some may be the focus of development efforts by governments and aid agencies. A similar picture emerges when the NECI rankings are compared to the level of TEA, set out for each economy in Chapter 3. Five of the top 10 economies ranked by NECI have levels of TEA below 10%, while six of the lowest 10 economies ranked by NECI have levels of TEA above 10%. These figures may reflect the overall business environment. Where conditions are good, there is competition for entrepreneurs, and better job options.

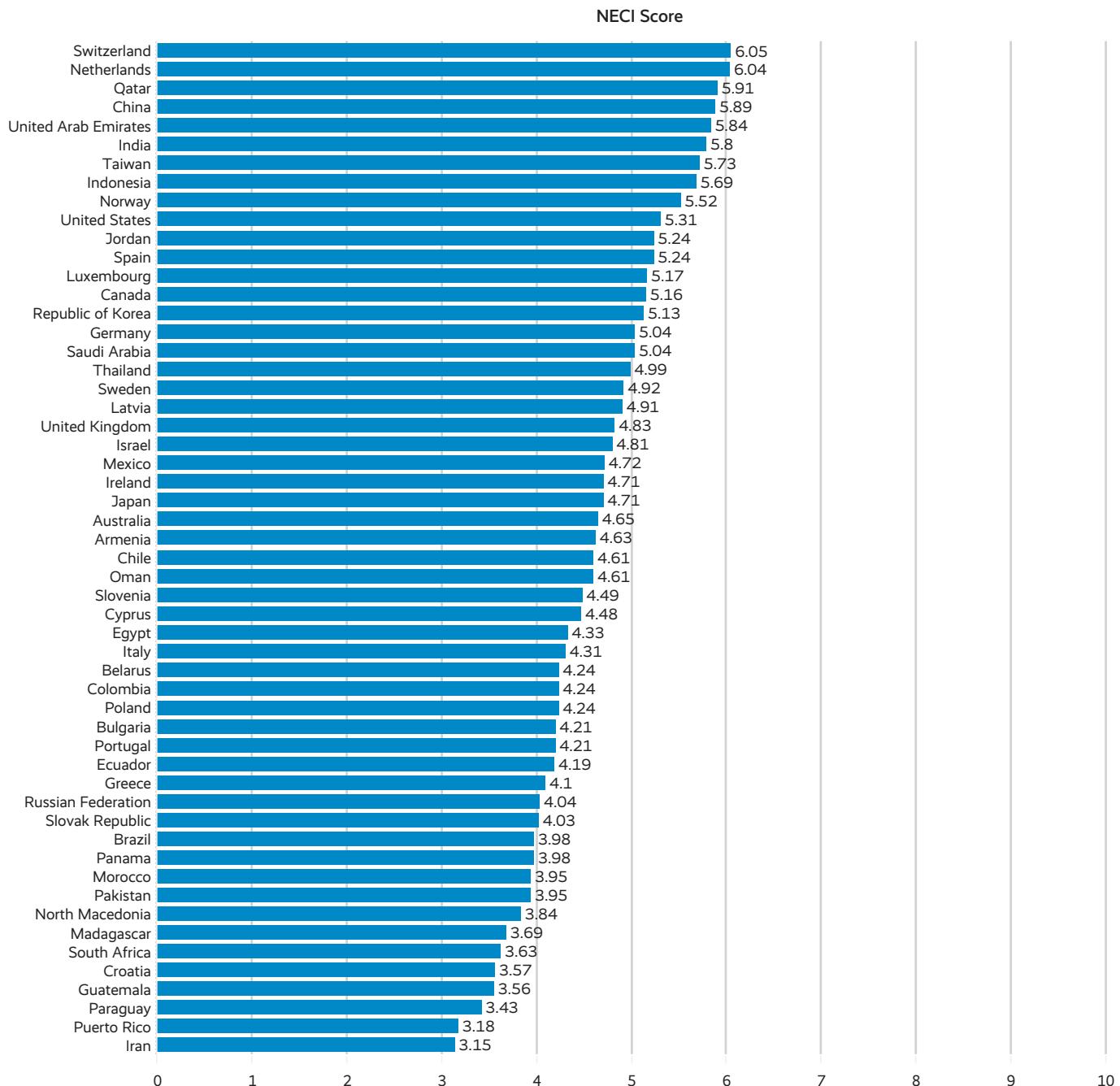
This complex relationship between NECI scores or rankings, income group and entrepreneurial activity may prove a fertile area for future business research. Low incomes can be both a cause and effect of high levels of entrepreneurial activity, whereby that activity may be little more than low-growth-oriented self-employment, typically informal, usually involving just buying and selling with little additional value-added. This can be referred to as subsistence entrepreneurship, motivated by little more than the lack of alternative income opportunities.

In these circumstances, an unsupportive environment for enterprise makes it even harder to transition informal entrepreneurial activity into business registration and development

2 National experts score the many different components of each framework condition (as set out in Table 8.1). A principal components analysis then defines key constructs and transforms them into 12 weighted pillars, which are then used to calculate a simple average which constitutes the NECI.

3 The 50 economies completing the 2019 GEM Adult Population Survey (APS) were joined by Bulgaria, Paraguay, Thailand and Indonesia in completing the National Expert Survey.

4 Table A8 in Part 3 of this report gives average scores for each framework condition in each economy.



(i.e. the formal sector), paying taxes and employing others. Hence the entrepreneurial activity may make little contribution to the economy, so incomes stay low. Similarly, the owner of a new business venture in a high-income, highly supportive environment for entrepreneurial activity may find it much easier to realize growth ambitions and transition into an established business.

Chapter 3 showed that 12 of the 50 economies participating in the 2019 GEM APS had levels

of TEA that were lower than their level of EBO. Four of these economies (the Netherlands, Switzerland, Taiwan and China) are among the top 10 ranked in terms of the NECI. Four of the economies in the bottom 10 had ratios of levels of TEA that were around one-and-a-half or more times the corresponding levels of EBO, including Puerto Rico with more than 10 people starting or running a new business for every person running an established business. So good conditions may make it much easier to sustain a new venture

FIGURE 8.1
National
Entrepreneurship
Context Index (NECI)
for 54 economies
Source: GEM Adult
Population Survey, 2019

ENTREPRENEUR HIGHLIGHT

Solving social problems

Name: Philip Wilson (Guatemala)

Business: **Ecofiltro** is a social enterprise that aims to reach 1 million Guatemalan families in rural areas with clean water by 2020.



What does being an entrepreneur mean to you?

Ecofiltro uses only financially sustainable methods to solve social challenges. To date, the company has distributed over 500,000 water filters throughout Guatemala. Ecofiltro is open to sharing its production process and marketing tactics with any outside group that wants to solve the water challenge. For Wilson, being an entrepreneur is about “creating and building”.

into an established business, while in difficult conditions it may be easier to close a business and restart as a new venture than to sustain a new business over time.

This chapter has explored the importance of context in entrepreneurial activity: whether the entrepreneurial environment encourages or discourages entrepreneurship and its transition into established businesses. In an unsupportive environment, it may be easier to start a new business than to transition a business into sustained established business ownership. The results of the NES in each economy can be used to summarize the strengths and weaknesses of that economy in terms of defined entrepreneurial framework conditions — average scores for each framework condition in each economy are set out in Table A8 of Part 3. These results are also used to construct the NECI, a composite number to measure and rank the ease of starting and developing a business in each economy. Switzerland is ranked strongest in terms of the NECI, or the ease of starting and developing a business, closely followed by the Netherlands and Qatar. The lowest NECI scores are for Iran, Puerto Rico and Paraguay.

The Evolution of Entrepreneurship Over Time

9.1 INTRODUCTION

A major strength of GEM research has been its consistency: by asking the same specific questions within the same carefully designed methodological framework over the past 20 years, responses can be compared. This allows the evolution of entrepreneurship over these two decades to be traced. GEM defines entrepreneurship clearly and unambiguously, as set out in Chapter 3: the entrepreneur is the individual who is starting or running a new business. So has global entrepreneurship been increasing or decreasing over time? As for any good question, the answer is not straightforward.

This chapter addresses the question of whether entrepreneurship is increasing over time in three ways. The first, and most obvious, is to focus on only those economies that have participated in GEM every year since 2001, two years after the programme was launched and when regular indices such as Total early-stage Entrepreneurial Activity (TEA) and Established Business Ownership (EBO) had been developed. There are five economies in this category, and the answer to whether entrepreneurship has been

increasing in these economies is revealed below. Yet five economies – however important or large – represent but a small fraction of the global economy, so no attempt will be made to generalize beyond these specific experiences.

The second approach is to take a shorter time span, during which many more National Teams have participated annually in GEM. In the decade to 2019, 16 countries, from all regions of the world, participated in GEM in each and every year. This larger sample is more useful in assessing whether entrepreneurship has increased over the past decade.

The final approach is to take three snapshots of entrepreneurship over the period, looking only at 2001, 2010 and 2019. Data for 16 countries are available for each of these three years. Of course, this analysis can say nothing about what happened to entrepreneurship between these dates, and any of these three years may be outliers. None of these three years can necessarily be considered representative of these two decades. Nevertheless, something can be said about how entrepreneurship changed in these countries between these dates.

9.2 FIVE COUNTRIES OVER 19 YEARS

The United States, the Netherlands, the United Kingdom, Brazil and Spain are the five countries that have participated in GEM in every year from 2001 to 2019. The levels of TEA and EBO are set out in Figures 9.1 and 9.2, together with the simple linear trend line for each.

Figure 9.1 is especially interesting. There is no doubt that each of these five economies had a considerably higher income level in 2019 than in

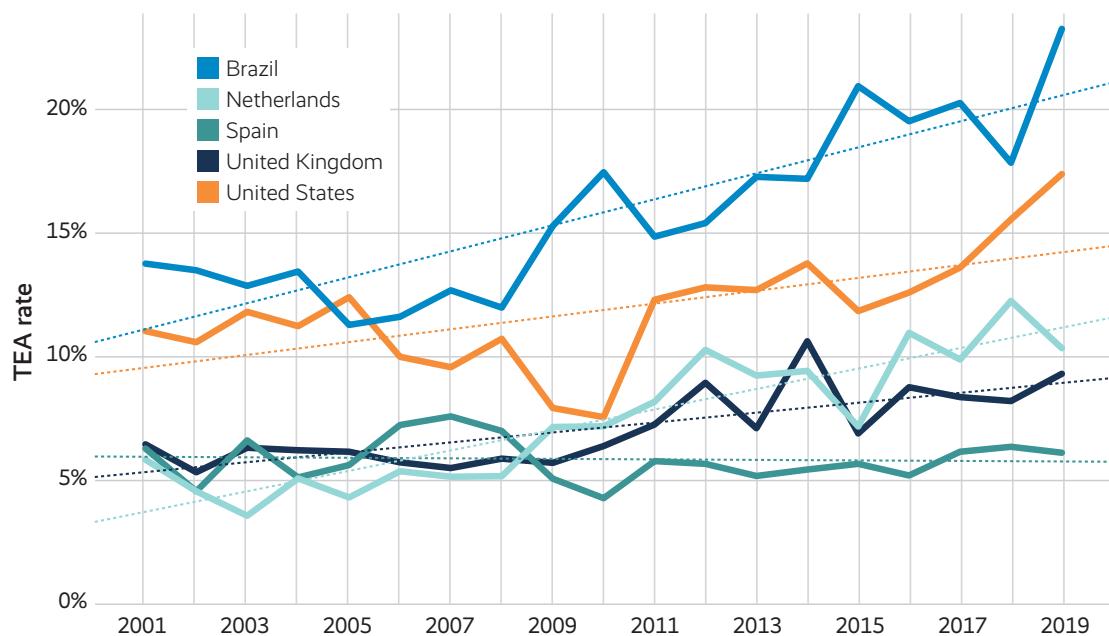
2001.¹ In the analysis of Chapter 3, high-income economies tend to have lower levels of TEA (though less so than previous years). Yet for four of these five major economies, give or take annual fluctuations, levels of TEA had increased substantially. For Brazil, TEA had increased from

¹ According to World Bank data, the percentage increases in GDP per capita (in constant 2010 dollars) over the period 2001–18 were: Brazil, 25%; United States, 22%; United Kingdom, 18%; Netherlands, 17%; and Spain, 12%. <https://data.worldbank.org> (accessed 16 January 2020).

FIGURE 9.1

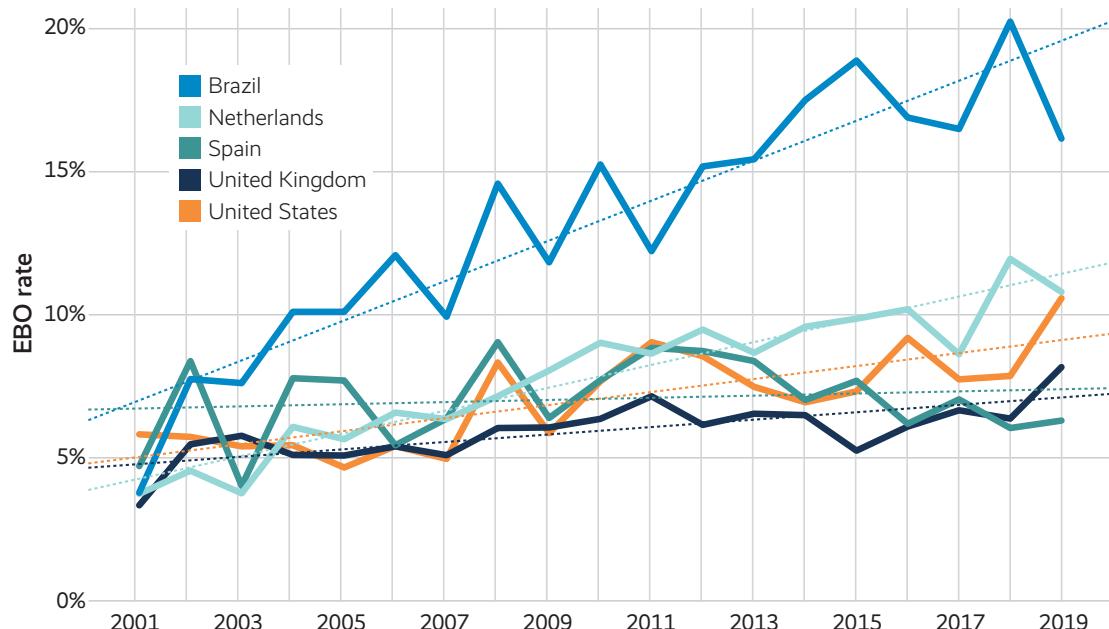
Levels of TEA
(% adults): five economies 2001–19

Source: GEM Adult Population Survey, 2019

**FIGURE 9.2**

Levels of established business ownership
(% adults): five economies 2001–19

Source: GEM Adult Population Survey, 2019



14% in 2001 to 23% in 2019, for the United States from 11% to 17%, for the United Kingdom from 6% to 9% and for the Netherlands from 6% to 10%. Only Spain has failed to experience an increase in TEA over the period.

Instead of focusing on an economy's income and entrepreneurship levels, it may be more pertinent to look at changes in income levels and changes in entrepreneurship. Figure 9.1 suggests that, in four of these five economies, entrepreneurship levels have been increasing, in

a period when incomes have been rising. A very interesting but as yet unanswered question is: which variable is driving the other?²

Figure 9.2 tells a very similar story to Figure 9.1, except that this time levels of EBO have increased in each of the economies, again

² See Bosma, N., Content, J., Sanders, M., & Stam, E. (2018). Institutions, entrepreneurship, and economic growth in Europe. *Small Business Economics*, 51 (2), 483–99.

with annual fluctuations around the upward trend. EBO has almost doubled in the United States, more than doubled in the Netherlands and the United Kingdom, and increased more than four times in Brazil. Spain recorded the smallest increase. These figures suggest that these economies have had some success in transforming the growth in entrepreneurial activity levels into an increase in sustainable established businesses. Four of these five countries are in the top half of economies ranked by National Entrepreneurship Context Index (NECI) scores, well above the GEM average, with only Brazil in the bottom half.

9.3 SIXTEEN ECONOMIES OVER 10 YEARS

In this section the time period under review is reduced to the past decade. Then, the number of economies participating in GEM each and every year increases to 16, substantially enhancing representation.

Figures 9.3a–9.3d show levels of TEA for these 16 economies, and the corresponding linear trend lines over the past 10 years, divided, almost arbitrarily, into groups of four. When comparing, note that the axis for TEA is very much wider in the first figure than for the other three.

For 12 of these 16 economies, the trend line clearly slopes up, though with some year-by-year fluctuations around it. In nine of the 10 economies from Europe and in three of the four economies in the Americas, TEA has, on average, been increasing over the past decade. The exceptions are Colombia, Taiwan and Greece, where entrepreneurship levels have changed little over the decade, and Iran, where entrepreneurship levels have fallen.

So to what extent have these economies translated rising trends in levels of entrepreneurial activity into sustainable established businesses? The next set of figures show the levels of EBO in each of these 16 economies over the past 10 years, together with the associated trend lines.

Twelve of the 16 economies had levels of early-stage entrepreneurial activity that were trending upwards over the past decade. Figures 9.4a–9.4d illustrate that nine of those economies also had rising levels of EBO. Of these nine

ENTREPRENEUR HIGHLIGHT

Patience is a virtue!

Name: Thanasis Vratimos (Greece)

Business: Over 2 million people in Greece live below the poverty line, while 34 million unused medicines expire and are thrown away every year. **GIVMED** is a network that aims to bridge this gap through medicine donations.



What does being an entrepreneur mean to you? “You need to believe in your vision and have the patience and passion to achieve it. Entrepreneurs need to lead teams and have the ability to adjust to new conditions.”

economies, seven were in the top half of the NECI ranking in 2019, while two (Brazil and Croatia) were in the lower half. Three economies (Ireland, Sweden and Spain) have had rising average levels of TEA over the past decade, but declining levels of EBO. Finally, both Colombia and Greece have had fairly stable levels of TEA but declining levels of EBO over the past 10 years. Both scored in the lower half of the NECI ranking in 2019.

Taiwan has had stable TEA and increasing EBO over the last decade, with perhaps its relatively high NECI ranking reflecting an environment for

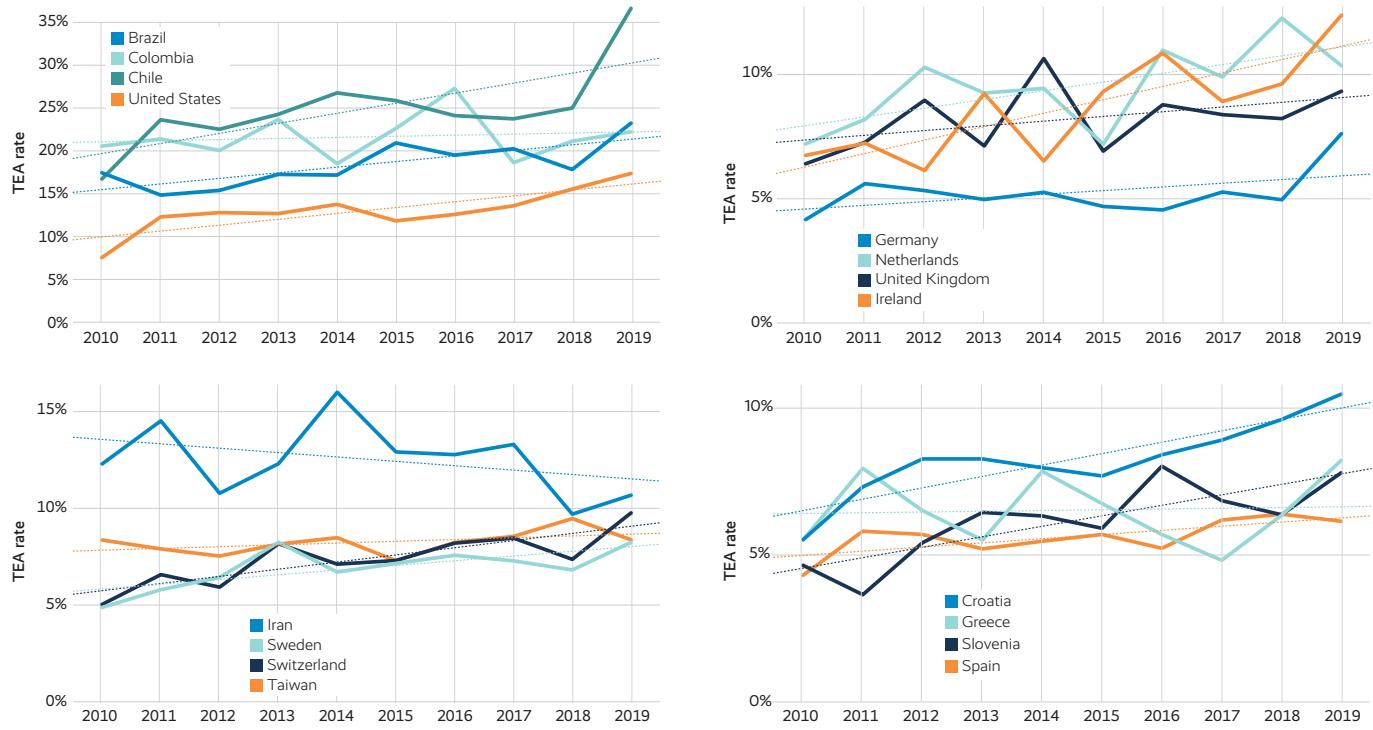


FIGURE 9.3 Levels of TEA (% adults), 2010–19: (a) USA, Brazil, Chile and Colombia; (b) Germany, Ireland, Netherlands and UK; (c) Iran, Sweden, Switzerland and Taiwan; (d) Croatia, Greece, Slovenia and Spain
Source: GEM Adult Population Survey, 2019

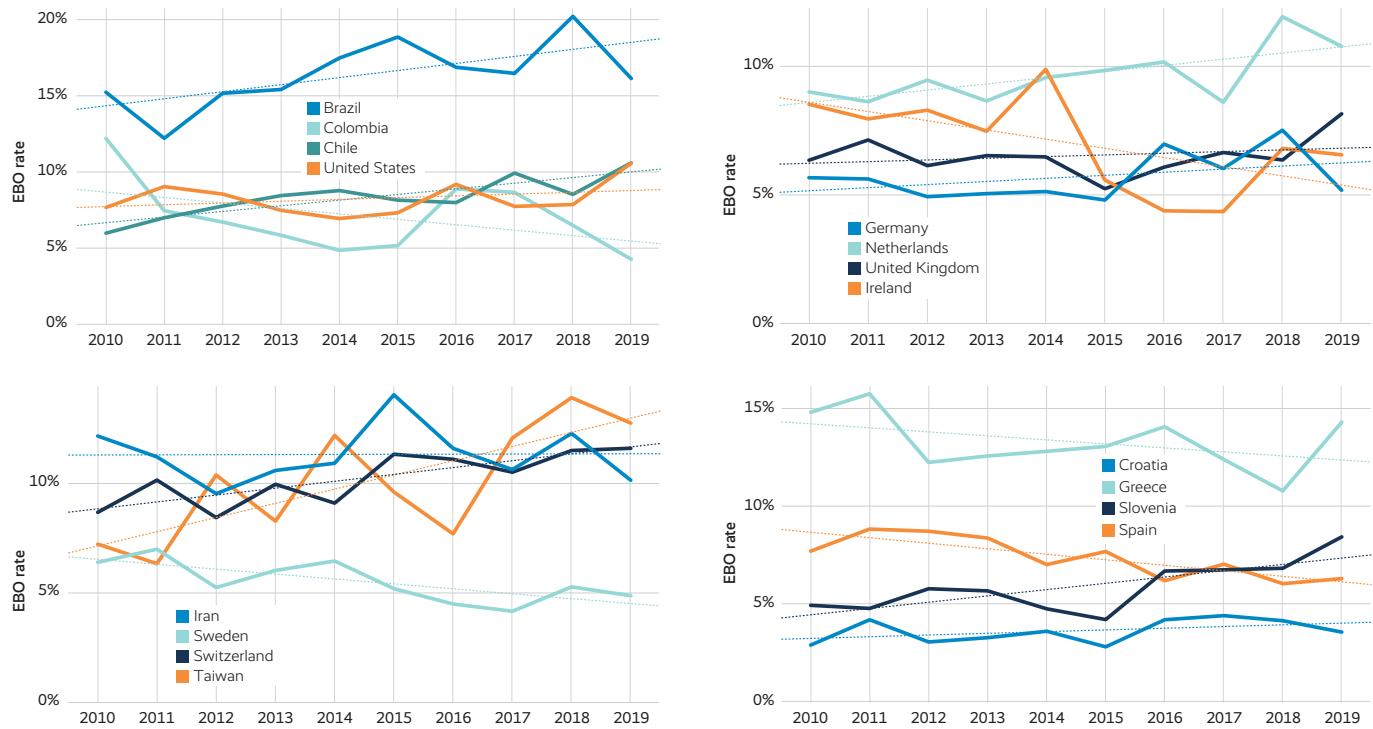


FIGURE 9.4 Levels of established business ownership (% adults), 2010–19: (a) USA, Brazil, Chile and Colombia; (b) Germany, Ireland, Netherlands and UK; (c) Iran, Sweden, Switzerland and Taiwan; (d) Croatia, Greece, Slovenia and Spain
Source: GEM Adult Population Survey, 2019

entrepreneurship in which there is ongoing space for new entrepreneurs while businesses can also be sustained. Levels of TEA in Iran were relatively high in the first half of the past decade, but have

declined recently. Levels of EBO have fluctuated almost as much as levels of TEA in this past decade but remain relatively high at just over 10% in 2019.

9.5 SIXTEEN ECONOMIES AT NINE-YEAR INTERVALS

The final part of this exploration considers those economies participating in GEM in three specific years: 2001, 2010 and 2019. The dates chosen are: the first year that GEM used the now familiar indicators, and had more than 20 economies involved in the research; 2019; and the midpoint between the two. As noted earlier, there are no claims that these years are more important than others, nor any definitive picture of how entrepreneurship changed in the period between these years.

Data are available for 16 economies that participated in GEM in each of these three years. Results for TEA and EBO are set out in Figures 9.5 and 9.6.

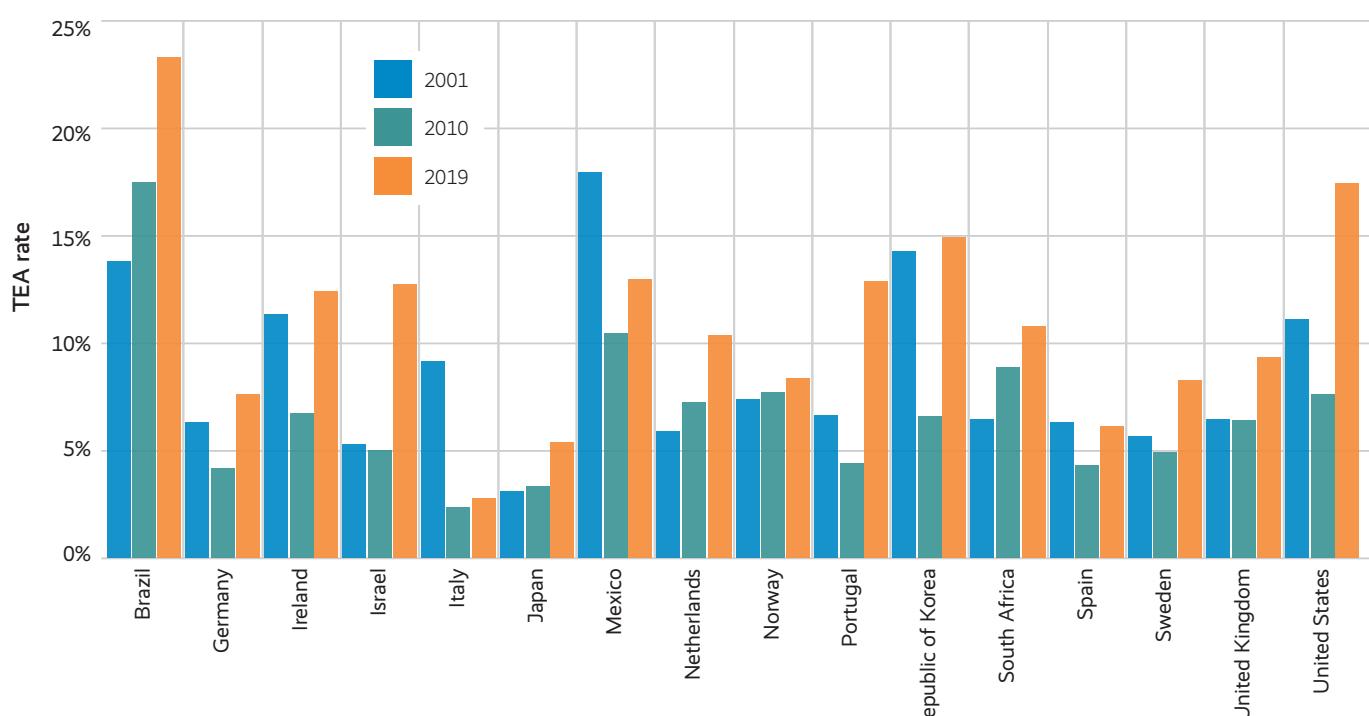
In each and every one of these 16 economies, levels of entrepreneurial activity were higher in 2019 than they had been in 2010. However, 2010 was at the height of the global financial crisis, and may have been a poor year for entrepreneurship across the world. The fact that, for 13 of these

16 economies, TEA was lower in 2010 than in 2001 supports this notion. When levels of entrepreneurial activity in 2019 are compared to those of 2001, for 13 of these 16 economies levels of TEA had increased. TEA in Spain in 2019 was slightly lower than it had been in 2001, but TEA had fallen substantially in both Mexico and Italy.

Levels of EBO tell a similar story. In nine of the 16 economies, EBO increased in both periods (from 2001 to 2010, and from 2010 to 2019). In five economies, EBO rose in the first period and then fell in the second. For both Mexico and Israel, EBO fell in the first period and then rose in the second. Comparing 2001 to 2019, EBO rose in 12 economies and fell in four.

Finally, considering changes in both TEA and EBO, for 10 of the 16 economies both TEA and EBO increased from 2001 to 2019, three saw TEA increase and EBO fall, while two had TEA fall and EBO increase and one saw both TEA and EBO fall.

FIGURE 9.5
Levels of TEA
(% adults): 16
economies in 2001,
2010 and 2019
Source: GEM Adult
Population Survey, 2019



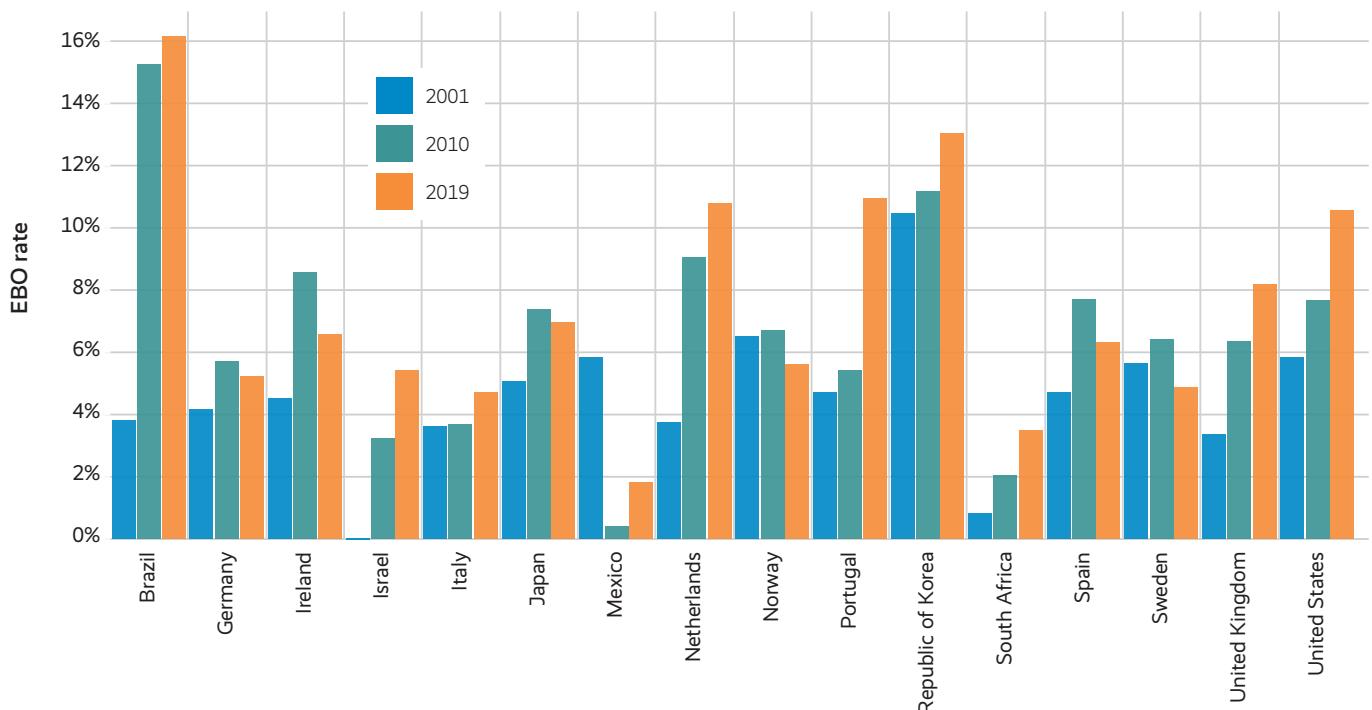


FIGURE 9.6

Levels of established business ownership (% adults): 16 economies in 2001, 2010 and 2019
Source: GEM Adult Population Survey, 2019

Over the period from 2001 to 2019, there is evidence of an increase in levels of entrepreneurial activity in a majority (10) of these economies, but one economy where both TEA and

EBO both fell (Mexico) and five economies where the evidence was mixed (TEA rose but EBO fell or vice versa: Sweden, Norway, Israel, Spain and Italy).

9.6 CONCLUSION: ENTREPRENEURSHIP ON THE RISE OVER THE PAST TWO DECADES

This chapter has examined evidence from 25 different economies over the past two decades, to conclude that there has been some increase in levels of entrepreneurial activity, as measured by either TEA or EBO or both, in a majority of these countries. Since higher income levels are generally associated with lower levels of entrepreneurial activity, this evidence may be counter-intuitive given that income levels have risen steadily across economies over these decades. This association is clear when examining entrepreneurial activity in economies of different income levels at the same time. However, the same association may be less clear when looking at one economy over time.

Of course, the conclusion that there are increasing levels of entrepreneurial activity only applies to the specific economies

considered in this chapter. Exceptions suggest that it would be unwise to infer any wider conclusions for the global economy. Indeed, every economy has its own cultural, legal, political and economic legacy. Therefore, expert GEM researchers in these economies conduct in-depth analysis for each individual economy. See the individual Economy Profiles in Part 2 for details, including key characteristics for each economy, an entrepreneurship policy roadmap, and information about the organizations and individuals involved in this GEM research for that economy. GEM National Reports for previous years are freely available on the GEM website (<http://www.gemconsortium.org>). GEM National Reports based on research in this Global Report will be posted during 2020 on the GEM website.

Conclusion

10.1 ENTREPRENEURSHIP AS AN ENGINE FOR CHANGE . . .

The 2019/20 GEM Global Report has provided a wealth of detail on entrepreneurial attitudes, perceptions and activities across 50 economies in 2019. This detail is the product of over 150,000 survey responses, each within a large, nationally representative sample of respondents, all answering a common, carefully structured questionnaire.

New questions introduced in 2019 have delivered rich and fresh detail on the motivations of new entrepreneurs, including the emergence

of “purpose-driven” entrepreneurship alongside more traditional motivations of generating income or wealth, or just making a living because jobs are scarce. Other new questions have enquired about self-perceptions, including opportunism and proactivity, as well as long-term plans and whether individuals consider themselves to be seen by others as innovative. The association between these self-perceptions and the various dimensions of entrepreneurial activity will provide fertile ground for new research.

10.2 . . . ECONOMIC IMPACT AND SOCIAL DEVELOPMENT

This 2019/20 GEM Global Report also introduced new questions designed to assess the potential impacts of the new entrepreneur, enquiring about the local, national and international market scope of customers, as well as the relative novelty of new products or processes on local, national and global stages. Not surprisingly, the entrepreneur with new products or processes on a global stage is a rare phenomenon. Introducing products or services that are new to the local area, or to the country as a whole, was much more frequent.

The Executive Summary to this 2019/20 GEM Global Report has already described notable results from the Adult Population Survey (APS) and the National Expert Survey (NES). These

results will not be repeated here, other than to note that these findings have multiple important policy implications, not least to the achievement of the United Nations Sustainable Development Goals as set out in Chapter 1.

Entrepreneurship is a uniquely powerful mechanism for economic and social development, generating incomes and jobs while enabling and enriching individuals and communities. Truly, an engine for change.

Table 10.1 provides a summary of different dimensions of entrepreneurship, and highlights the strength of the role of each (high or low prevalence) in different economies, as well as overall findings.

	Role	High in ...	Low in ...	Overall finding
Early-stage Entrepreneurship	Create own job, incomes	Chile, Ecuador, Madagascar, Brazil	Italy, Pakistan, Japan, Belarus, Poland	Rates highest in Latin America & Caribbean. Low in many high-income economies.
Established Business Ownership	Social and economic stability, local anchors	Madagascar, Brazil, Guatemala, Ecuador	Puerto Rico, Egypt, Oman, Mexico	Imbalance with TEA suggests an unfavourable entrepreneurial environment overall.
Entrepreneurial employee activity	Innovation inside organizations	United Arab Emirates, Australia, United Kingdom	China, India, Mexico, Egypt	Developed economies value employee entrepreneurship.
Female entrepreneurship relative to male	Gender equality, local incomes	Saudi Arabia, Madagascar, Qatar, Brazil	Pakistan, Japan, North Macedonia, Norway	High potential for new businesses and increased empowerment.
Motivated "to make a difference in the world"	Social/community/personal objectives	South Africa, India, Pakistan, Panama	Republic of Korea, Italy, Madagascar, Jordan	Rise of "purpose-driven" entrepreneurship.
Independent entrepreneurship	Realized autonomy	Ecuador, Chile, Guatemala, Brazil	Oman, Egypt, Japan, Taiwan	Highly variable globally, but dominant in Latin America & Caribbean.
High job-growth-oriented entrepreneurship	Anticipated scaling	Chile, Qatar, United Arab Emirates, Saudi Arabia	Italy, Spain, Pakistan, Jordan	High TEA and high job growth ambitions are ideal conditions for generating employment.
National scope	Ambition beyond local area	Qatar, Cyprus, Panama, Luxembourg	Brazil, Pakistan, Morocco, Saudi Arabia	In many economies, few entrepreneurs trade beyond their local areas.
Products/services new to world	Innovation, product development	Israel, Ireland, United States, Puerto Rico	Brazil, India, Oman, Morocco	High potential for high-impact entrepreneurship.

TABLE 10.1

Entrepreneurship of all kinds

The background of the page features a stylized illustration of a ship's steering wheel and several interlocking gears in shades of blue and orange. These mechanical elements are set against a backdrop of a sunset or sunrise over a body of water, with a small sun visible on the horizon. The overall aesthetic is industrial and nautical.

PART 2

Economy Profiles

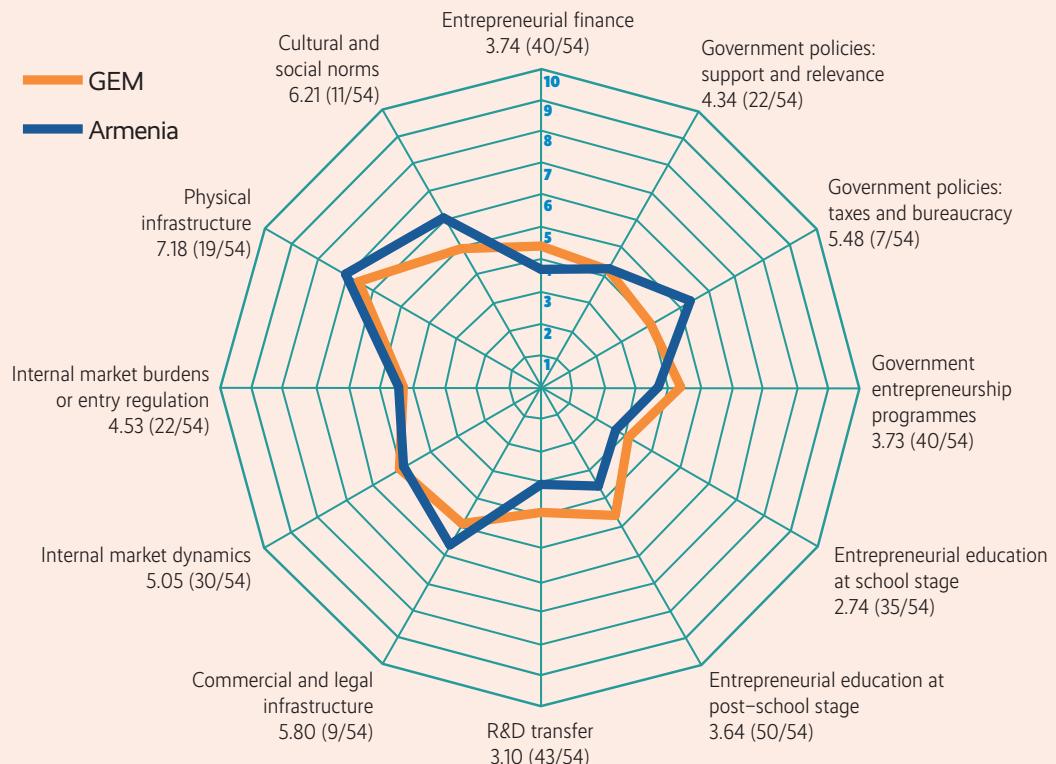


Armenia

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female TEA	% Male TEA	
3 million				Know someone who has started a new business	55.6	20		
GDP growth (2018, annual % change) (IMF)	5.2%			Good opportunities to start a business in my area	53.9	22	To make a difference 18.4 47 20.3 17.0	
GDP per capita (2018; PPP, international \$) (IMF)	10.27 thousand			It is easy to start a business	49.2	24	Build great wealth 51.5 30 48.7 53.6	
World Bank Ease of Doing Business Rating (2019)	74.5/100 Rank: 47/190			Personally have the skills and knowledge	70.0	12	Continue family tradition 35.5 21 32.1 38.0	
				Fear of failure (opportunity)	48.2	=10	To earn a living 88.8 8 90.9 87.3	
				Entrepreneurial intentions	32.2	15		
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
96.1/100	Rank: 10/190	% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
World Economic Forum Global Competitiveness Rank (2019)	69/141	Total early-stage Entrepreneurial Activity	21.0	7	16.6 26.0	Job expectations (6+)	6.4 7	
		Established Business Ownership rate	7.8	23	4.8 11.3	International (25%+ revenue)	4.0 =2	
		Entrepreneurial Employee Activity	0.6	=38	0.2 1.0	National scope (customers and products/process)	2.5 =10	
						Global scope (customers and products/process)	0.4 =25	
						Industry (% TEA in business services)	8.0 42	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

Armenia implemented several reforms related to entrepreneurship during 2019. One key change was the adoption of a tax reform package, which will be enacted in January 2020. A major component of this tax reform is the doubling of the allowed turnover tax threshold — which will increase to a total of 115 million Armenian drams (AMD). Additionally, micro-businesses with an annual turnover of up to 24 million AMD are exempt from taxation starting in January 2020. Additionally, tax rates will transition from their current tiered system to a flat income tax rate of 23%, also effective January 1, 2020.

Another key policy change, which was enacted following the Velvet Revolution of April–May 2019 that resulted in a new government regime, is the guaranteeing of equal market access for all people. This will create a more favourable business environment and is expected to boost overall economic activity in the country.

The new government has declared that ending corruption is one of its main policy goals. The hope is that trust in government will be restored when businesses stop hiding their employment and financial numbers. These policies will also increase tax collections. Some small businesses were impacted by this policy as they had to pay higher taxes, but this is expected to be a short-term issue. Small trading businesses, which represent a large segment of Armenian businesses, were particularly affected. We believe this to be a temporary negative effect. In time, these policies should result in a more transparent business environment and will improve the entrepreneurial environment.

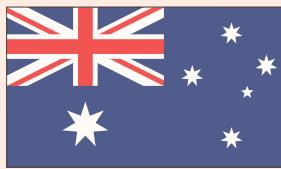
Because Armenia's economic policy, as a result of the changing political scene, is in flux, there is a need to monitor all economic developments, particularly those related to entrepreneurship.

Tax reforms adopted during 2019 will contribute to the sustainable development of Armenia, aligning the country with the aims of UN Sustainable Development Goal 8 (Decent work and economic growth). Additionally, an industrial development strategy aimed at improving productivity and promoting innovation was expanded to align with Goal 9 (Industry, innovation and infrastructure). However, considering that both reforms are being planned and yet to be fully enacted, there is no evidence of their impact in the GEM 2019 results.

Institution	Team	Funders	APS vendor	Contact
Lead institution Ameria	Team leader Tigran Jrbashyan, PhD	Ameria CJSC	IPM-Research Armenia	mas@ameria.am
Type of institution Consultancy	Team members Artashes Shaboyan Arman Porsughyan, MBA			
Website https://www.ameriaadvisory.am	Karine Nikoghosyan Tatevik Mkrtchyan Hakob Tarpushyan			



when
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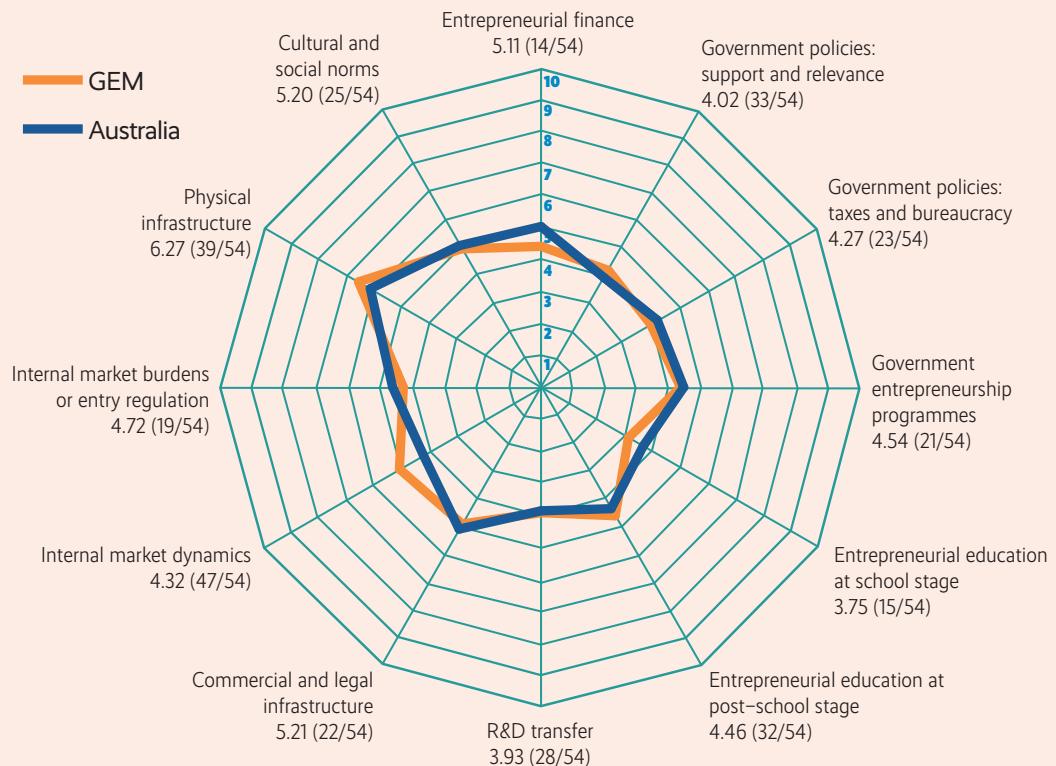


Australia

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
25.2 million								
GDP growth (2018, annual % change) (IMF)	2.7%	Know someone who has started a new business	55.9	18	To make a difference	51.7	=16	
		Good opportunities to start a business in my area	45.7	36	Build great wealth	64.5	16	
GDP per capita (2018; PPP, international \$) (IMF)	52.38 thousand	It is easy to start a business	66.8	10	Continue family tradition	22.7	40	
		Personally have the skills and knowledge	56.0	30	To earn a living	41.4	=40	
World Bank Ease of Doing Business Rating (2019)	81.2/100 Rank: 14/190	Fear of failure (opportunity)	47.4	13				
		Entrepreneurial intentions	13.0	34				
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	10.5	=27		8.8	12.3	Job expectations (6+)	2.6	
Established Business Ownership rate	6.5	29		5.8	7.3	International (25%+ revenue)	1.3	
Entrepreneurial Employee Activity	8.3	1		7.4	9.2	National scope (customers and products/process)	1.7	
						Global scope (customers and products/process)	0.5	
						Industry (% TEA in business services)	26.7	
							15	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

Entrepreneurship has been an important focus for national, state and local governments in Australia for over a decade. There is an increasing focus on a coordinated “Team Australia” approach to entrepreneurship, leading to national discussions surrounding policy and metrics. Through maturing ecosystems and governance in Australia, we are seeing the emergence of more sophisticated startups with greater capacity for impact.

In Australia, there is a trend towards increasing companies’ social impact. Indeed, Australia was ranked by Thomson Reuters Foundation as the second-best country in the world in which to be a social entrepreneur. GEM results show an increase (from 25% in 2016 to 30% in 2019) in the number of respondents reporting that it is common to see businesses that primarily solve social problems.

In 2019, the following four factors were identified by our national experts as constraining Australian entrepreneurs: financial support, government policies, market openness, and the capacity for entrepreneurship. Australia’s National Experts identified government policy both as an essential fostering factor, as well as a dominant constraining factor. This reflects the complexity of navigating Australia’s current entrepreneur support landscape.

The country’s R&D transfer capacity was also identified as both a fostering and constraining factor. This may be due to the National Expert Survey (NES) being distributed prior to the country’s R&D review and completion of the resulting tax incentive reform. Other policies involving technology, overseas talent and human resources were identified by our national experts as challenges to be addressed through policy. Capacity for entrepreneurship, while often viewed as a key positive trend, could also be seen as a negative trend, demonstrating that while capacity has improved, more development is needed.

The national experts suggest that improving government policies, facilitating entrepreneurs’ access to financial support and accelerating R&D transfer would improve Australian entrepreneurship. One of the primary recommendations for government policy focused on offering tax breaks for R&D spending and startup investment.

There are several UN Sustainable Development Goals that affect entrepreneurship in Australia, specifically: Goal 4 (Quality education), Goal 5 (Gender equality), Goal 8 (Decent work and economic growth), Goal 9 (Industry, innovation and infrastructure) and Goal 17 (Partnerships for the goals). With Australia slipping in the World Economic Forum’s recent Global Gender Gap Report, gender remains an important policy issue. Entrepreneurship is one way to improve equality. Female Total Early-stage Entrepreneurship Activity (TEA) in Australia continues to be below male rates, but the GEM 2019 results suggest that this gender gap may be narrowing.

The Australian Federal, Queensland and South Australian Governments use GEM as a tool for monitoring entrepreneurship activity, specifically through tools such as the Australian Innovation System Monitor and the Queensland Connects Report. Given the lack of innovation metrics at the state level, the Queensland and South Australian Governments use GEM as an important tool for benchmarking and analysing entrepreneurial trends.

Institution	Team	Funders	APS vendor	Contact
Lead institution	Team leader	Australian Centre for Entrepreneurship Research (ACE), Queensland University of Technology (QUT)	Q&A Market Research (CATI) and Dynata (Online)	ace@qut.edu.au
Australian Centre for Entrepreneurship Research (ACE), Queensland University of Technology (QUT)	Dr Char-lee Moyle, PhD	(QUT)		
Type of institution	Team members	Professor Per Davidsson, PhD Professor Paul Davidson Reynolds, PhD Karen Taylor Chad Renando	Department of Innovation and Tourism Industry Development (DITID), Queensland Government	
University				
Website				
https://research.qut.edu.au/ace				



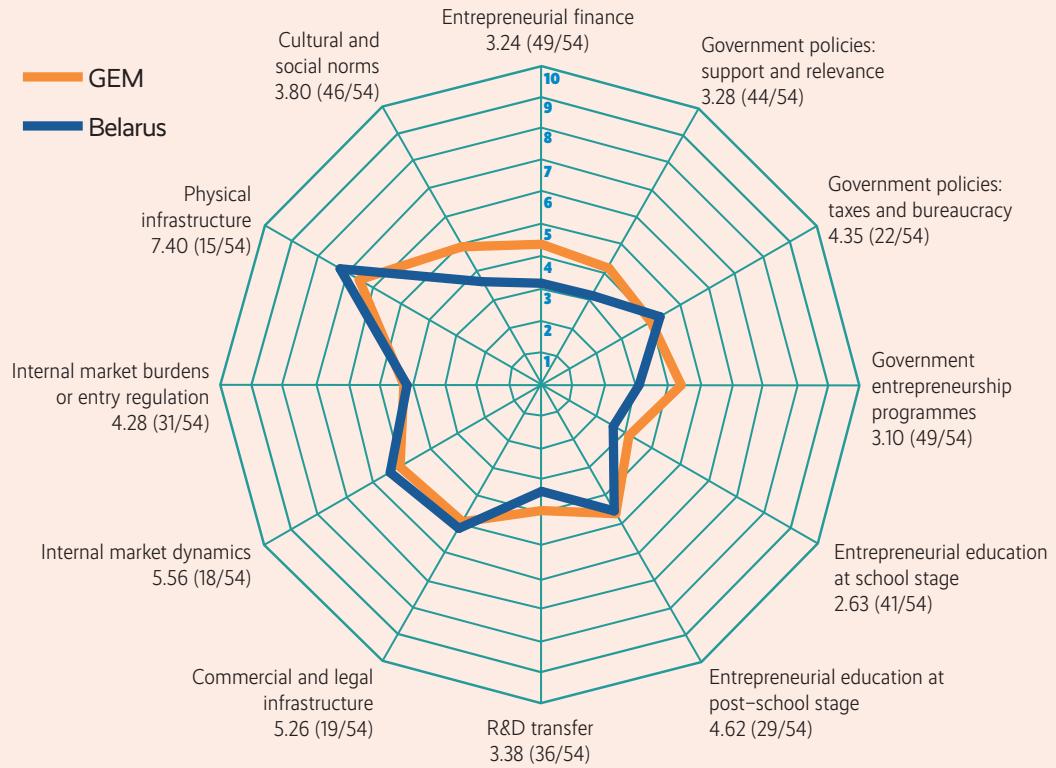


Belarus

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
9.4 million								
GDP growth (2018, annual % change) (IMF)	3%	Know someone who has started a new business	50.4	32	To make a difference	23.4	44	
GDP per capita (2018; PPP, international \$) (IMF)	19.94 thousand	Good opportunities to start a business in my area	29.5	49	Build great wealth	75.3	8	
World Bank Ease of Doing Business Rating (2019)	74.3/100 Rank: 49/190	It is easy to start a business	35.9	38	Continue family tradition	19.6	43	
World Bank Starting a Business Rating (2019)	93.5/100 Rank: 30/190	Personally have the skills and knowledge	42.3	44	To earn a living	51.7	35	
World Economic Forum Global Competitiveness Rank (2019)	n/a	Fear of failure (opportunity)	38.0	35				
World Economic Forum Income Group Average (2019)	Upper-middle	Entrepreneurial intentions	6.6	46				
Activity		Entrepreneurship impact				% Adults	Rank/50	
		% Adults	Rank/50	% Female	% Male			
Total early-stage Entrepreneurial Activity	5.8	46		5.2	6.4	Job expectations (6+)	=38	
Established Business Ownership rate	2.7	46		2.0	3.5	International (25%+ revenue)	=26	
Entrepreneurial Employee Activity	0.5	=42		0.8	0.1	National scope (customers and products/process)	=40	
						Global scope (customers and products/process)	=34	
						Industry (% TEA in business services)	=34	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In September 2019, the Belarus government introduced uniform rules for the country's Regional Entrepreneurship Development Councils. Previously, Regional Development Councils had been governed by the authorities and, as a result, the Councils' goals varied among regions. These new national rules will hopefully improve the Regional Development Councils' efficiency. Among their goals are the resolution of problems faced by regional businesses, the creation of conditions for business-to-business interactions as well as between businesses and the national government in supporting and developing entrepreneurship. Additionally, local entrepreneurs and self-employed individuals will be allowed to become Council members.

In Belarus, societal attitudes towards business are rather ambiguous. On the one hand, the role of entrepreneurship in economic growth is recognized by many Belarusians. On the other hand, the national culture still undervalues the importance of creativity, individualism, innovativeness and personal initiative. Thus, the business community must work to improve societal attitudes to accelerate the development of the Belarusian private sector.

This is the first time Belarus has participated in GEM's surveys, so we can expect more information about the role of entrepreneurship in the economy to be revealed over time.

Institution	Team	Funders	APS vendor	Contact
Lead institution Belarusian Economic Research and Outreach Center (BEROC)	Team leader Maryia Akulava, MA, PhD Candidate	Belarusian Economic Research and Outreach Center (BEROC) International Finance Corporation (IFC)	MIA Research	beroc@beroc.by
Type of institution Research Institute	Team members Radzivon Marozau, PhD			
Website www.beroc.by		Aliaksandr Abrashkevich, MA		
Other institutions involved International Finance Corporation (IFC)				

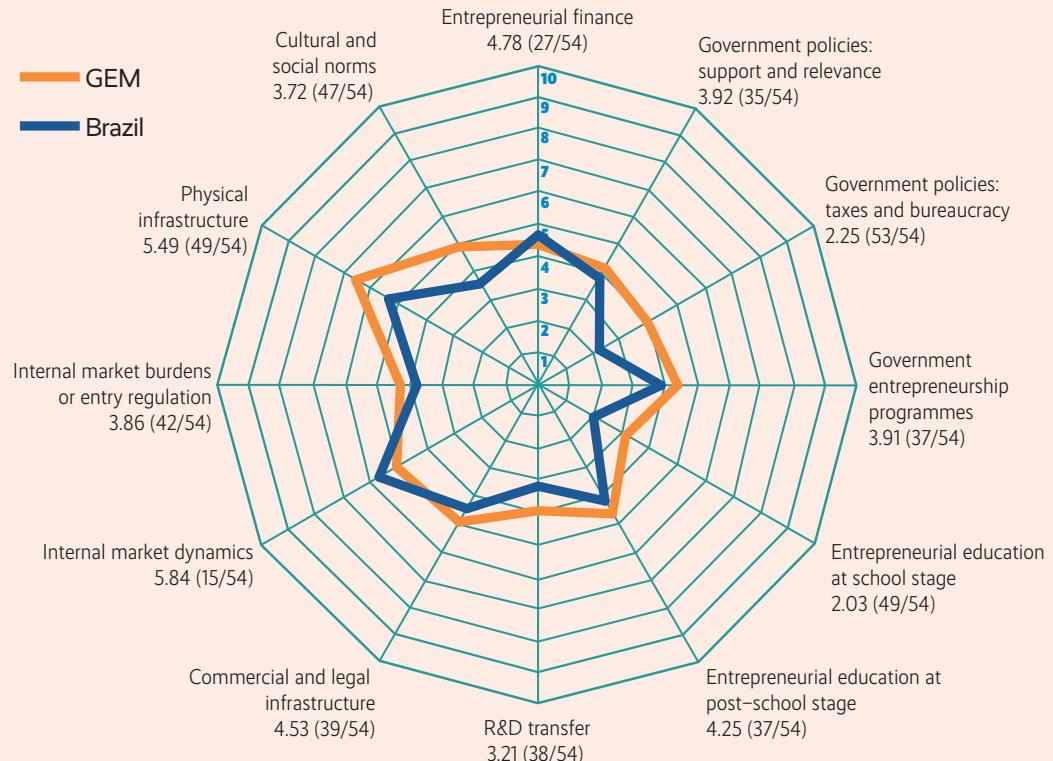




Brazil

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female TEA	% Male TEA	
208.3 million				Know someone who has started a new business	51.6	27		
GDP growth (2018, annual % change) (IMF)	1.1%			Good opportunities to start a business in my area	46.4	34	To make a difference	
GDP per capita (2018; PPP, international \$) (IMF)	16.15 thousand			It is easy to start a business	39.4	30	Build great wealth	
World Bank Ease of Doing Business Rating (2019)	59.1/100 Rank: 124/190			Personally have the skills and knowledge	62.0	20	Continue family tradition	
World Bank Starting a Business Rating (2019)	81.3/100 Rank: 138/190			Fear of failure (opportunity)	35.6	38	To earn a living	
World Economic Forum Global Competitiveness Rank (2019)	71/141			Entrepreneurial intentions	30.2	16		
World Economic Forum Income Group Average (2019)		Activity			Entrepreneurship impact			
		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Total early-stage Entrepreneurial Activity		23.3	4	23.1	23.5	Job expectations (6+)	2.1	
Established Business Ownership rate		16.2	2	13.9	18.5	International (25%+ revenue)	0.1	
Entrepreneurial Employee Activity		0.6	=38	0.4	0.9	National scope (customers and products/process)	0.1	
						Global scope (customers and products/process)	0.0	
						Industry (% TEA in business services)	7.6	
An equals sign (=) indicates that the ranking position is tied with another economy or economies								

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

2019 saw both the introduction of new entrepreneurial polices in Brazil as well as the successful continuation of recently enacted reforms. For example, the country's labour reform bills, effective since November 2017, have brought greater flexibility in employment contracts. Other policies have likewise been passed to make entrepreneurship easier, including approval of the provisional Measure of Economic Freedom, an act that includes policies such as the cessation of business licences for low-risk small business activities, in addition to the simplification of the national digital bookkeeping system for collecting taxes and social security obligations.

In the financial realm, the 2019 Empresa Simples de Crédito (ESC) act aims to increase access to finance for micro and small enterprises, while the Micro Empreendedor Individual (MEI) aims to formalize the microfinance system already adopted by 9.2 million micro entrepreneurs. Complementary to these policies, the Cadastro Positivo, effective July 2019, makes information on individuals' defaults and payments easier to access for loan-granting organizations. This will improve trust and transparency among business owners.

Factors that have negatively affected entrepreneurship in Brazil include low economic growth and political turbulence. Although the country continues to show positive signs of recovery, in 2019 low levels of economic growth were still in evidence — a cycle dating back to 2015. This scenario leads to lower consumer activity and reduced investor confidence. The recent turbulent election cycle has also shaken confidence among investors.

Moving forward, Brazil should aim to speed its tax reforms and further simplify the current tax system, which currently costs taxpayers countless working hours every year to fulfil all obligations. Administrative reforms are needed to improve the hiring and remuneration of quality civil servants. Bureaucracy should be reduced to ease the costs and burdens of licensing and access to credit. Other improvements the government could make include instituting entrepreneurial training as a government policy and implementing long-term financial support for research and development.

With regard to the UN's Sustainable Development Goals, Brazil's entrepreneurial polices can assist in addressing Goals 1 (No poverty) and 5 (Gender equality). In Brazil, about 57% of Brazilian entrepreneurs say they were unemployed or looking for a job for three months before starting their business, reflecting the ability of entrepreneurship to improve an individual's prospects. In 2019, the rates of initial entrepreneurs by gender were very close: 23.1% for women and 23.5% for men. Over time, this will hopefully help equalize the gender balances of established businesses, in which the involvement of 13.9% of total Brazilian adult females compares with 18.4% of males.

Institution	Team	Funders	APS vendor	Contact
Lead institution Instituto Brasileiro da Qualidade e Produtividade (IBQP)	Team leader Simara Greco Team members Erika Onozato, MSc Paulo Bastos, MA Vinicius Larangeiras de Souza	Serviço Brasileiro de Apoio às Micro e Pequenas Empresas (SEBRAE)	ZOOM — Agência de Pesquisas	simaragreco@yahoo.com.br
Type of institution Non-governmental Organization				
Website http://www.ibqp.org.br				
Other institutions involved Serviço Brasileiro de Apoio às Micro e Pequenas Empresas (SEBRAE)				



The logo for IBQP (Instituto Brasileiro da Qualidade e Produtividade) features a stylized blue and dark blue circular graphic on the left, followed by the acronym 'IBQP' in a large, bold, serif font. Below the acronym, the full name 'Instituto Brasileiro da Qualidade e Produtividade' is written in a smaller, italicized serif font.



Bulgaria

Population (2019) (WEF)

7.0 million

GDP growth (2018, annual % change) (IMF)

3.1%

GDP per capita (2018; PPP, international \$) (IMF)

23.17 thousand

World Bank Ease of Doing Business Rating (2019)

72.0/100

Rank: 61/190
World Bank Starting a Business Rating (2019)

85.4/100

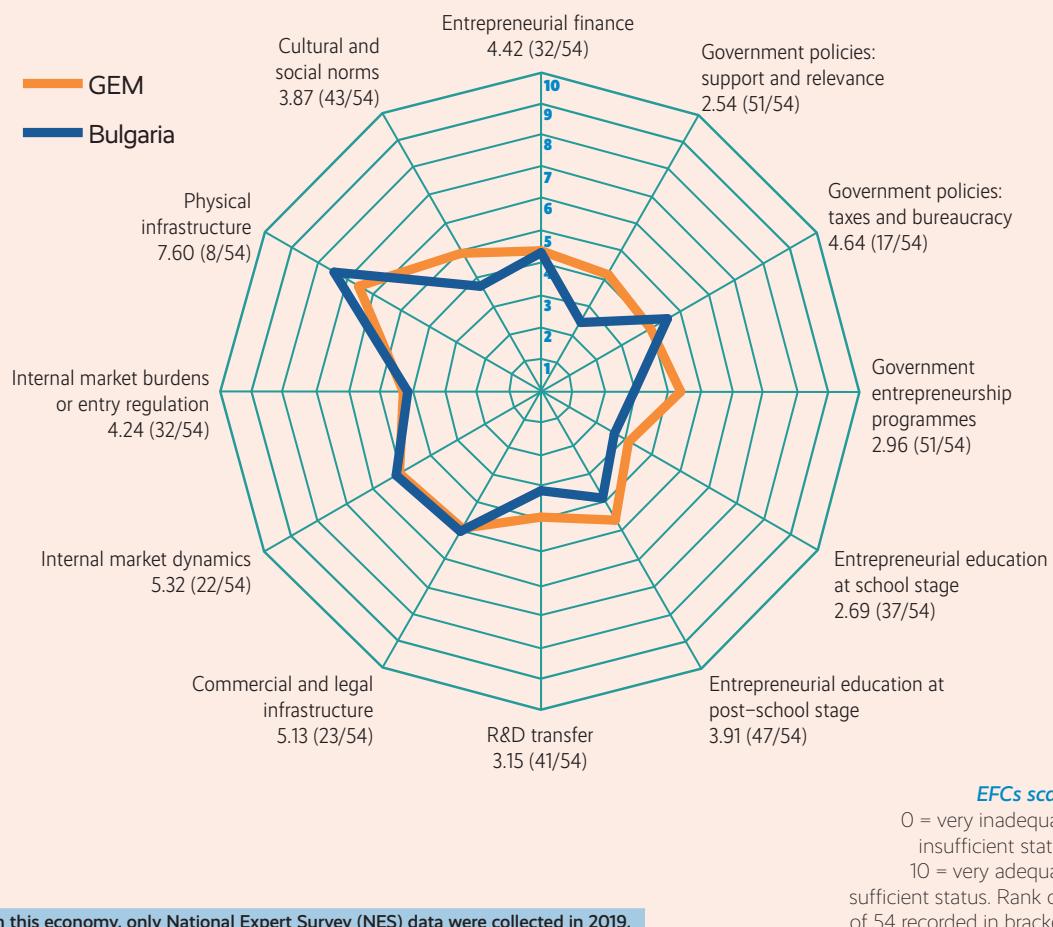
Rank: 113/190
World Economic Forum Global Competitiveness Rank (2019)

49/141

World Economic Forum Income Group Average (2019)

Upper-middle

Expert ratings of the entrepreneurial framework conditions



Institution	Team	Funders	APS vendor	Contact
Lead institution Global Entrepreneurship Monitor Bulgaria (GEM Bulgaria)	Team leader Iskren Krusteff	Interculture Foundation Inc. Superhosting.bg	n/a	office@GEMorg.bg
Type of institution Non-governmental Organization	Team members Adriana Popova George Chisuse Malina Kroumova Milena Nikolova, PhD Mira Krusteff Petar Sharkov Svetozar Georgiev Veneta Andonova, PhD	JEREMIE Bulgaria Iskren Krusteff		
Website https://gemorg.bg				



Global
Entrepreneurship
Monitor
Bulgaria

POLICY ROADMAP

The Bulgarian entrepreneurship ecosystem continues to demonstrate the two-track model observed in the past few years — a majority of wholesale/retail businesses with limited export/innovation orientation; and a minority of world-class mostly ICT internationalized businesses with growth potential. The Ministry of Economy is preparing the country's SME 2021–2027 Strategy — a process that has incorporated findings from GEM Bulgaria data and analysis.

In 2019, the public Registry agency, which keeps the records of all Bulgarian companies and NGOs, was offline for several weeks due to technical issues. This created uncertainty among companies, affecting trust in this key institution. The controversial new “Naredba 18” regulation developed by the National Revenue Agency targets all businesses accepting cash payments and using integrated sales software, affecting tens of thousands of businesses. GEM Bulgaria suspects that a proper impact assessment was not performed before its passage, as many companies are struggling to comply due to complexity, financial burdens and bureaucracy — forcing companies to amend their business models. The purpose of this regulation is to bring more business transactions into the formal economy, but it is unclear to what extent it will achieve this goal, and at what cost.

The areas requiring most attention in Bulgaria's entrepreneurial ecosystem continue to be the quality of school/university education, the lack of skilled labour and the rule of law, which all affect entrepreneurial intention, the level of early-stage entrepreneurial activity, the availability of skilled labour for established businesses to scale up, capacity to innovate/internationalize, the consistency and predictability of policy changes and incentives, and the presence of internal market barriers. All of these issues must be addressed for entrepreneurs to gain confidence and succeed in their ventures.

In Bulgaria, private educational institutions such as Telerik Academy and SoftUni, among others, as well as the increasing number of schools with an “innovative status”, demonstrate a small but growing trend in the educational sector of developing entrepreneurial mind-set and skills.

Bulgaria's entrepreneurial ecosystem is becoming more organized. New overseas partnerships are emerging, despite the country's consistently low levels of Total early-stage Entrepreneurial Activity (TEA). A good example is the opening of the Bulgarian Innovation Hub in San Francisco.

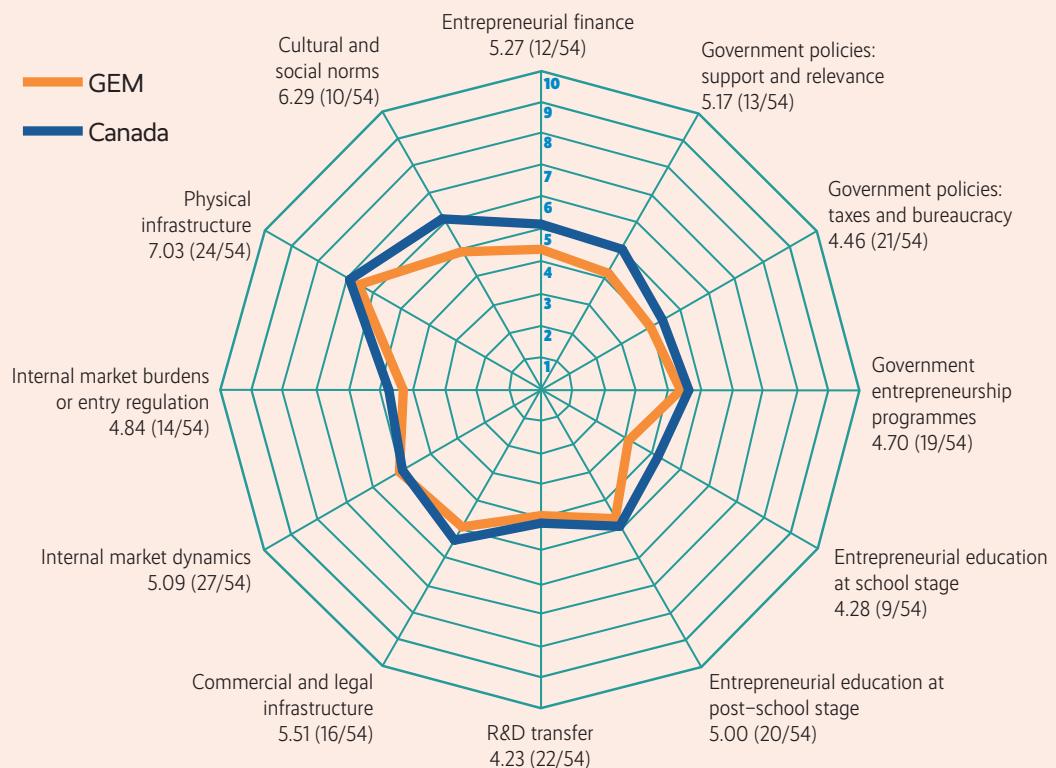
Another good example of the improving environment within Bulgaria is the active role of BESCO, the Bulgarian Startup Association, in initiating discussions and sharing practical recommendations with stakeholders, including parliament, ministries and agencies. This is a positive development for the ecosystem, as it is important for entrepreneurial stakeholders to communicate and collaborate. Most recently, there were discussions around regulating Airbnb activities in Bulgaria. This is important for some businesses, mostly nascent ones, as BESCO's input is aiming to deflect a more restrictive regulation in favour of a less cumbersome one.



Canada

Population (2019) (WEF)	Attitudes and perceptions			Motivational			
	% Adults	Rank/50	(somewhat or strongly agree)	% TEA	Rank/50	% Female TEA	% Male TEA
37 million							
GDP growth (2018, annual % change) (IMF)	55.1	=22	To make a difference	67.3	6	70.7	64.8
1.9%	67.1	12	Build great wealth	64.0	18	63.9	64.1
GDP per capita (2018; PPP, international \$) (IMF)	68.0	9	Continue family tradition	44.0	13	41.6	45.6
49.69 thousand	56.8	28	To earn a living	62.8	28	63.8	62.1
World Bank Ease of Doing Business Rating (2019)	47.2	=14					
79.6/100	11.9	=37					
Rank: 23/190							
World Bank Starting a Business Rating (2019)							
98.2/100							
Rank: 3/190							
World Economic Forum Global Competitiveness Rank (2019)							
14/141							
World Economic Forum Income Group Average (2019)							
High							
Activity			Entrepreneurship impact			An equals sign (=) indicates that the ranking position is tied with another economy or economies	
Total early-stage Entrepreneurial Activity	18.2	9	% Adults	Job expectations (6+)	3.8	14	
Established Business Ownership rate	7.4	24	Rank/50	International (25%+ revenue)	4.2	1	
Entrepreneurial Employee Activity	5.4	=13	% Female	National scope (customers and products/process)	3.1	7	
			% Male	Global scope (customers and products/process)	0.9	=6	
				Industry (% TEA in business services)	22.2	22	

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

At the highest policy level, Canada's priority continues to be the creation of a fair, modern and competitive marketplace. This includes policies and regulations for the digital economy, which is transforming the competitive advantage of economies. This is particularly important today as new advancements (e.g. forthcoming 5G, the internet of things, cybersecurity and various multi-sided electronic platforms) will reshape the economy and society.

With this in mind, in its last Speech of the Throne (December 5, 2019), the minority Government of Canada reiterated its commitment to remove barriers to domestic and international trade for entrepreneurs and "reduce red tape so that it is easier to create and run a start-up or small business" (p. 8). Additionally, in its last Budget in 2019, the Government of Canada expanded its support for inclusive entrepreneurship for women, youth, seniors and indigenous people. This commitment is reflected in its allocation of up to CAN\$100 million to create a new Indigenous Growth Fund as well as CAN\$17 million to expand the Aboriginal Entrepreneurship Program over three years. Further, the federal government allocated CAN\$3 million to Futurpreneur Canada over five years to support youth entrepreneurs.

However, challenges persist. Given that Canada is a small and open economy where a large share of entrepreneurs rely substantially on exports, the fragmentation of existing international global value chains and other geopolitical factors are causing an increasingly complex and fractured global marketplace for emerging and established entrepreneurs. An accelerated ageing society is tightening the labour market and pressuring the entrepreneurial ecosystem. A trend in Canada of increasing part-time or hybrid entrepreneurs and retiring established entrepreneurs raises concerns about the erosion of the entrepreneurial ecosystem. Improving the integration of immigrants into the labour market and entrepreneurial ecosystem also remains a challenge despite the proven success of economic-class immigrants in entrepreneurial activities.

Looking to meet the UN's Sustainable Development Goals, recent entrepreneurship policy trends in Canada have emphasized the growing importance of inclusive entrepreneurship programmes for women, youth, seniors and indigenous people, which relates among others to SDG Goal 5 (Gender equality).

GEM's Canadian surveys have been instrumental in influencing public policy towards the issue of the sustainability of the entrepreneurial ecosystem through inclusive entrepreneurship initiatives, programmes and policies, especially targeted at women and youth entrepreneurship, and business transfers in Quebec. Additionally, over the last three years, the *GEM Canada: Rapport du Québec* has highlighted these issues using GEM data. These findings have been used by provincial ministers to support entrepreneurship policy development. For example, in May 2019, Marie-Ève Proulx, Associate Minister of Economic Development, cited GEM findings in a speech at an international conference on business transfers, and Pierre Fitzgibbon, Minister of the Economy and Innovation, in a national media interview cited GEM findings to support new policy initiatives to tackle entrepreneurship relief and business transfers.

Institution	Team	Funders		
Lead institution	Team leader	Howard Lin	Government of Alberta	Social Sciences and Humanities Research Council
The Centre for Innovation Studies (THECIS)	Peter Josty, PhD	Nathan Greidanus	Government of Canada	
Type of institution	Team members	Chris Street	Government of Ontario	University of Manitoba
Research Institute	Adam Holbrook	Chad Saunders	Government of the Yukon	
Website	Geoff Gregson	Richard Hawkins	Western Economic Diversification Canada	APS vendor
http://thecis.ca	Blair Winsor	Amanda Williams		Elemental Data Collection Inc.
Other institutions involved	Jacqueline S. Walsh	Karen Hughes	Women's Economic Knowledge Hub (Ryerson University)	
Centre for Policy Research on Science and Technology (CPROST), Simon Fraser University, Vancouver	Harvey Johnstone	Murat Erogul		Contact
Memorial University, St John's, Newfoundland	Kevin McKague	Brian Wixted		p.josty@thecis.ca
Memorial University, Corner Brook, Newfoundland	Yves Bourgeois			
	Matthew Pauley			
	Étienne St-Jean			
	Marc Duhamel			
	Sandra Schillo			
	Charles Davis			
	Dave Valliere			

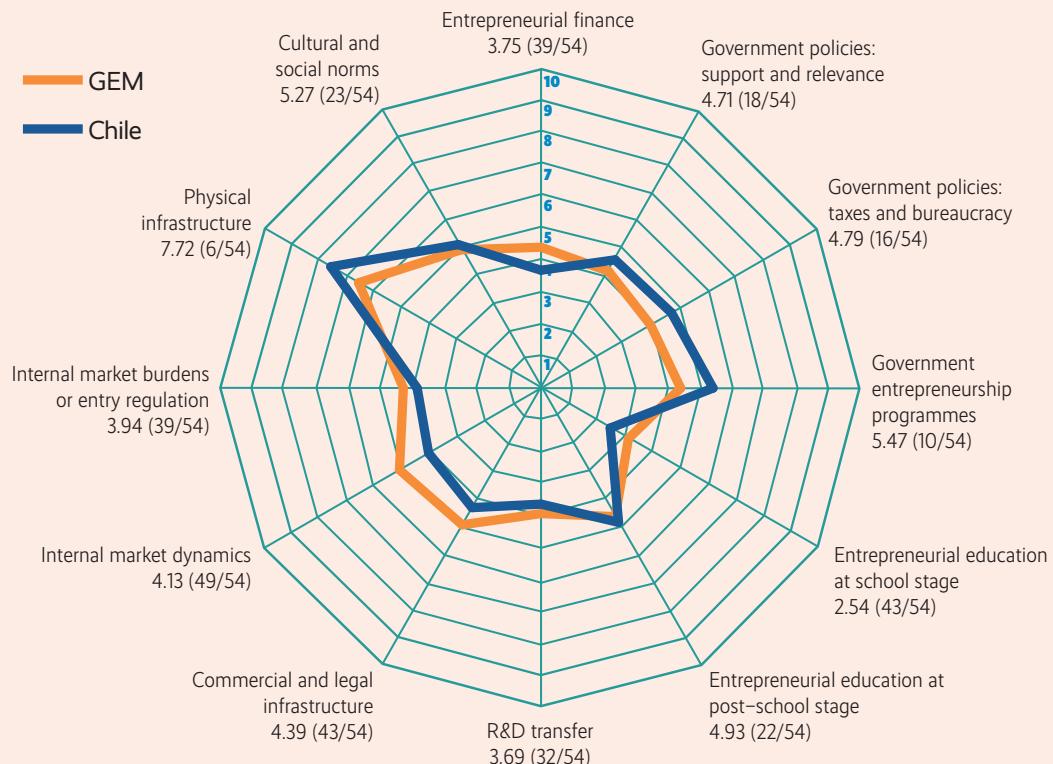


The Centre for Innovation Studies



Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
18.5 million								
GDP growth (2018, annual % change) (IMF)	4%	Know someone who has started a new business	71.0	4	To make a difference	44.9	25	
		Good opportunities to start a business in my area	47.6	=30	Build great wealth	40.6	39	
GDP per capita (2018; PPP, international \$) (IMF)	25.7 thousand	It is easy to start a business	32.9	41	Continue family tradition	25.2	36	
World Bank Ease of Doing Business Rating (2019)	72.6/100 Rank: 59/190	Personally have the skills and knowledge	75.5	=5	To earn a living	68.7	=20	
		Fear of failure (opportunity)	58.1	2				
		Entrepreneurial intentions	57.6	3				
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	36.7	1	32.4	41.1	Job expectations (6+)	13.3	1	
Established Business Ownership rate	10.6	=14	9.5	11.8	International (25%+ revenue)	0.6	33	
Entrepreneurial Employee Activity	3.6	=18	2.2	5.1	National scope (customers and products/process)	2.5	=10	
					Global scope (customers and products/process)	0.4	=25	
					Industry (% TEA in business services)	19.9	26	
An equals sign (=) indicates that the ranking position is tied with another economy or economies								
World Economic Forum Global Competitiveness Rank (2019)								
91.4/100 Rank: 57/190								
World Economic Forum Income Group Average (2019)								
33/141								
High								

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In 2019, promoted by the Chilean Entrepreneurship Association (ASECH in Spanish), the Chilean Parliament approved the called “30-Days Payment Law”. This policy guarantees the payment of services/products offered by small and medium firms to any public or private organization in less than 30 days. The policy has been well received by diverse stakeholders, which is understandable given its benefits of: (a) the regulation of debits' payments and times, (b) the definition of fair terms and abusive clauses, and (c) the introduction of compensation rights. As a result, both new and established SMEs can more easily be assured of liquidity and working capital. In a complementary measure, the Economic Development Agency (Corfo in Spanish) launched a platform (elviajedelemprendedor.cl) on which entrepreneurs can find learning tools, financial aids and various mechanisms to interact with multiple actors involved in the Chilean entrepreneurial ecosystem.

Based on information gathered during GEM Chile's 2019 cycle, there is an apparent negative perception of existing public and private financing mechanisms for entrepreneurship. Although experts and entrepreneurs receive some subsidies, the primary constraint on Chilean entrepreneurs remains a lack of private financial support. The diversity of public, private and public-private options for accessing finance is restricted to a few venture capitalists. Entrepreneurial trends in Chile therefore reflect the lack of an investment culture as well as the typical difficulties in raising funds during the more advanced phases (specifically, B and C series).

Nonetheless, Chile's Total early-stage Entrepreneurial Activity (TEA) has growth from 24% in 2018 to 37% in 2019. This increase can be attributed to nascent entrepreneurs transitioning to their next entrepreneurial stage: new and/or established ventures. This dynamic reflects Chile's support for early-stage entrepreneurs, evident in the country's policies supporting the growth of these entrepreneurs (e.g. through digital transformation, fostering international expansion, as well as technological transformation).

According to the UN Sustainable Development Goals, the quality of education is one of the most critical challenges for any country. This is indeed the case in Chile where GEM's Nation Expert Survey for 2019 identified entrepreneurial education at school stage as the biggest barrier to the fostering of entrepreneurship in the country. It is essential that Chile addresses this challenge, as the quality and diversity of entrepreneurial activities is positively associated with the skills, technical knowledge and experience of entrepreneurs. Therefore, education generates positive externalities for social progress and the reduction of inequality.

Over the years, GEM Chile's report has been used by Corfo during the design and implementation of its public programmes oriented towards fostering entrepreneurship. ASECH has also used GEM data to evaluate the country's entrepreneurial ecosystem.

Institution	Team	Funders	APS vendor	Contact
Lead institution Universidad del Desarrollo	Team leader Maribel Guerrero, PhD	Universidad del Desarrollo	Questio Estudios de Mercado y Opinión	tserey@udd.cl
Type of institution University	Team members Tomás Serey, MSc			
Website https://www.udd.cl				
Other institutions involved (From north to south)				
Universidad Arturo Prat				
Universidad Católica del Norte				
Universidad Técnica Federico Santa María				
Universidad Tecnológica de Chile — Inacap				
Universidad Católica de la Santísima Concepción				
Universidad de la Frontera				

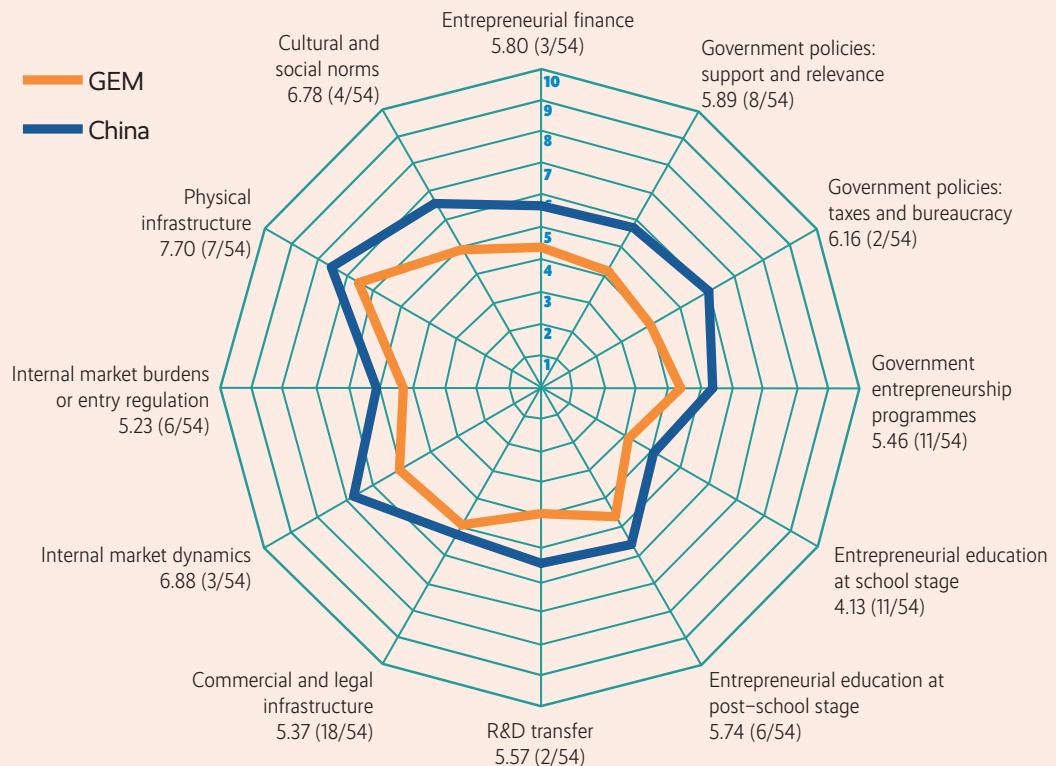


China

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
1,395.4 million								
GDP growth (2018, annual % change) (IMF)	6.6%	Know someone who has started a new business	66.2	=7	To make a difference	39.7	36	
		Good opportunities to start a business in my area	74.9	5	Build great wealth	48.4	33	
GDP per capita (2018; PPP, international \$) (IMF)	18,12 thousand	It is easy to start a business	36.2	35	Continue family tradition	40.6	15	
World Bank Ease of Doing Business Rating (2019)	77.9/100 Rank: 31/190	Personally have the skills and knowledge	67.4	14	To earn a living	65.8	23	
		Fear of failure (opportunity)	44.7	21				
		Entrepreneurial intentions	21.4	22				
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	8.7	35	7.9	9.4	Job expectations (6+)	1.7	=36	
Established Business Ownership rate	9.3	18	8.2	10.4	International (25%+ revenue)	0.4	=40	
Entrepreneurial Employee Activity	0.2	=47	0.1	0.2	National scope (customers and products/process)	0.3	=42	
					Global scope (customers and products/process)	0.1	=34	
					Industry (% TEA in business services)	11.1	33	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In September 2019, the Chinese government issued a guideline for enhancing IPR (intellectual property rights) protection, which further strengthens the institutional environment of entrepreneurship in the country. Moreover, the Chinese government is pushing its mass entrepreneurship and innovation strategy, especially around promoting the business environment as well as job creation driven by entrepreneurship.

According to GEM China's National Expert Survey (NES) results, entrepreneurship education at school stage, R&D transfer, and commercial and legal infrastructure are the three lowest-rated framework conditions. Policies focused on promoting entrepreneurial education in schools, the commercialization of technology and the development of professional services will help address these deficits.

Decent work and economic growth (Goal 8) and Industry, innovation and infrastructure (Goal 9) are among the UN Sustainable Development Goals being addressed by Chinese entrepreneurial policy. During the 2016 G20 Hangzhou summit, China and the other G20 members proposed the G20 entrepreneurship action plan. This resulted in the Entrepreneurship Research Center, which aims to promote decent work and economic growth through entrepreneurship. In addition, China has consistently promoted the development of innovation and entrepreneurship since the country's entrepreneurship and innovation strategy was launched in 2015.

GEM data have been used by Chinese leaders to inform entrepreneurial policies. For example, Total early-stage Entrepreneurial Activity (TEA) is one of the core indicators used by the Chinese government to monitor the country's skills development.

Institution	Team	Funders	APS vendor	Contact
Lead institution Tsinghua University	Team leader Professor Gao Jian	Hopefound Group	Horizon Research Consultancy Group	mur@sem.tsinghua.edu.cn
Type of institution University	Team members Rui Mu			
Website https://www.tsinghua.edu.cn				



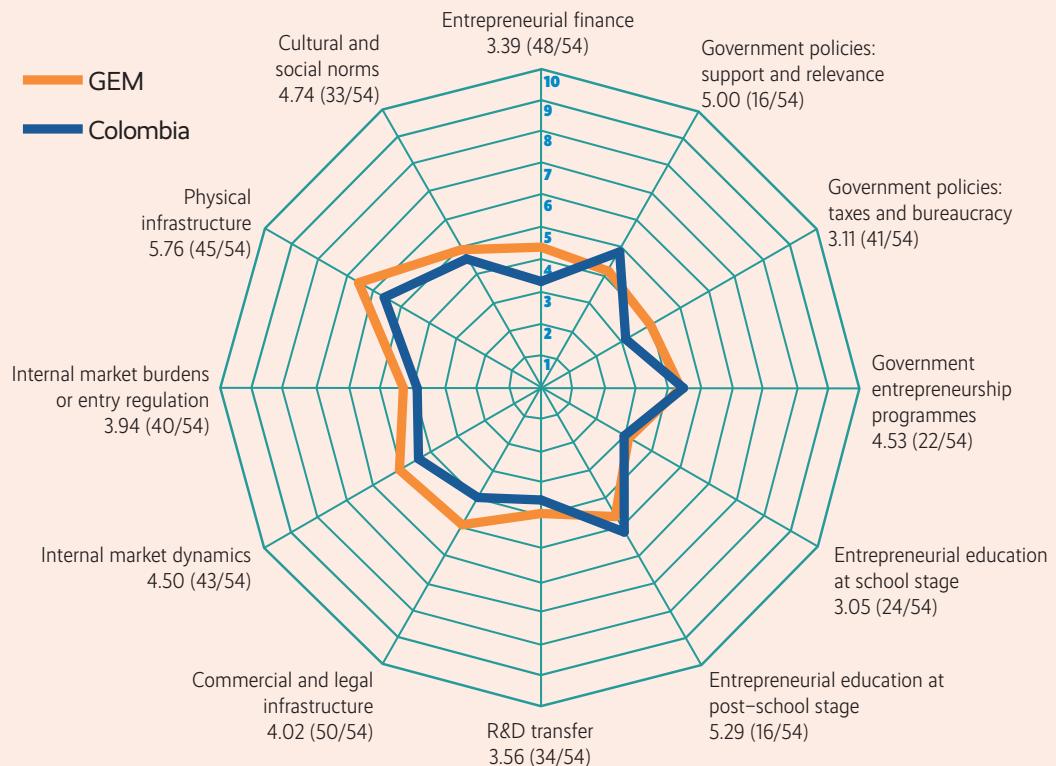
清华大学
Tsinghua University



Colombia

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
49.8 million								
GDP growth (2018, annual % change) (IMF)	2.6%	Know someone who has started a new business	66.5	6	To make a difference	44.4	=28	
		Good opportunities to start a business in my area	46.7	33	Build great wealth	52.5	27	
GDP per capita (2018; PPP, international \$) (IMF)	14.94 thousand	It is easy to start a business	36.0	37	Continue family tradition	31.7	26	
		Personally have the skills and knowledge	72.4	9	To earn a living	90.1	5	
World Bank Ease of Doing Business Rating (2019)	70.1/100 Rank: 67/190	Fear of failure (opportunity)	32.7	42				
		Entrepreneurial intentions	35.5	12				
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	22.3	6	20.9	23.8	Job expectations (6+)	7.9	6	
Established Business Ownership rate	4.3	42	4.0	4.6	International (25%+ revenue)	0.9	=26	
Entrepreneurial Employee Activity	0.9	35	0.6	1.2	National scope (customers and products/process)	1.5	28	
					Global scope (customers and products/process)	0.2	=29	
					Industry (% TEA in business services)	13.2	31	
An equals sign (=) indicates that the ranking position is tied with another economy or economies								

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In Colombia, entrepreneurship has taken a front seat in the government's economic development strategy. Specifically, entrepreneurship was named one of the new government's three pillars of development. This will be accomplished through the strengthening of government institutions, including: iNNpulsa, SENA, Aldea, Apps.co, SBDC SENA and Fondo Emprender. Additionally, in the country's major cities, entrepreneurial ecosystems will be supported by regional chamber of commerce organizations, universities and municipalities in conjunction with startup incubators, venture capital firms, angel investors and innovation labs.

Even though 2019 was a strong economic year for Colombia, still there are challenges constraining entrepreneurial activity. These challenges include burdensome and expensive regulatory procedures, high taxes, and a lack of financial institutions for new entrepreneurs.

To meet these challenges, Colombia needs to: develop better financial options for entrepreneurs; adjust tax incentives for new entrepreneurs; review legal procedures required to operate a new business; develop institutional support for early-stage entrepreneurs; and improve the quality of entrepreneurial education.

Over the years, several Colombian governmental offices have used GEM indicators to develop new entrepreneurial programmes.

Institution	Team	Funders	APS vendor	Contact
Lead institution Consorcio GEM: Universidad Icesi, Universidad Javeriana de Cali, Universidad del Norte	Team leader Rodrigo Varela Villegas, PhD Team members Jhon Moreno Juan David Soler Manoj Bayan Fernando Pereira Fabian Osorio Eduardo Gomez Oscar Suarez Liyis Gomez Alba Corredor Moises Galvis Leon Dario Parra Jairo Orozco Francisco Matiz Jose David Peñuela Flor Alba Rueda Piedad Buelvas	Universidad Icesi Universidad Javeriana de Cali Universidad del Norte, Universidad EAN	INFO Investigaciones S.A.S.	rvarela@icesi.edu.co
Type of institution Universities		Universidad Cooperativa de Colombia-Bucaramanga		
Website https://www.icesi.edu.co https://www.javerianacali.edu.co https://www.uninorte.edu.co		Corporación Universitaria Americana Corporación Universitaria del Caribe		
Other institutions involved Universidad EAN Universidad Cooperativa de Colombia-Bucaramanga Corporación Universitaria Americana Corporación Universitaria del Caribe				



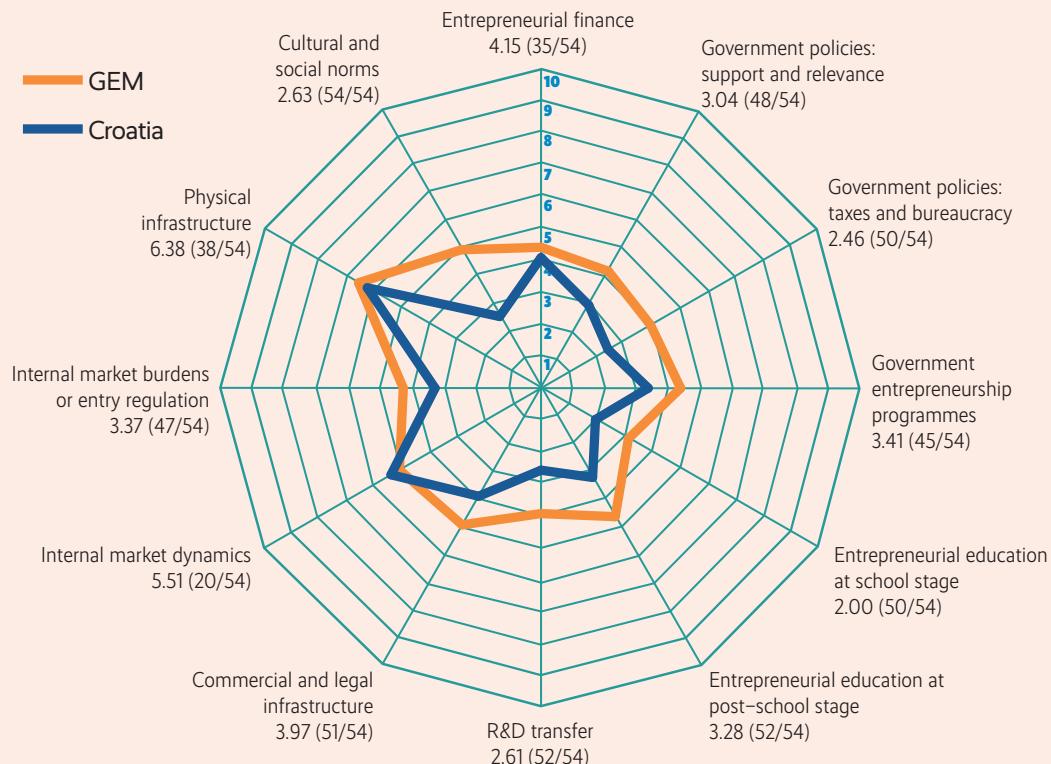


Croatia

Population (2019) (WEF)	Attitudes and perceptions			Motivational			
	% Adults	Rank/50	(somewhat or strongly agree)	% TEA	Rank/50	% Female TEA	% Male TEA
4.1 million							
GDP growth (2018, annual % change) (IMF)	66.2	=7	To make a difference	35.1	38	37.1	33.9
2.6%	55.7	21	Build great wealth	49.1	31	40.3	54.6
GDP per capita (2018; PPP, international \$) (IMF)	33.8	40	Continue family tradition	35.6	20	30.0	39.1
26.26 thousand	71.2	10	To earn a living	74.0	18	72.8	74.7
World Bank Ease of Doing Business Rating (2019)	50.7	8					
73.6/100	20.6	25					
Rank: 51/190							
World Bank Starting a Business Rating (2019)							
85.3/100							
Rank: 114/190							
World Economic Forum Global Competitiveness Rank (2019)							
63/141							
World Economic Forum Income Group Average (2019)							
High							
Activity				Entrepreneurship impact			
	% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	10.5	=27	8.0	13.0	Job expectations (6+)	2.6	=26
Established Business Ownership rate	3.6	43	2.5	4.7	International (25%+ revenue)	2.3	=10
Entrepreneurial Employee Activity	5.9	11	5.4	6.4	National scope (customers and products/process)	2.5	=10
					Global scope (customers and products/process)	0.5	=16
					Industry (% TEA in business services)	33.1	7

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In 2019, Croatia lowered tax burdens on businesses, especially on contributions paid on salaries to young people. This has encouraged many businesses to re-evaluate their growth path and expand their operations. However, the country has struggled to attract investment. This has been documented over the years in GEM Croatia's surveys.

Changes introduced in 2019 to Croatia's educational system at the primary and secondary level are addressing some of the issues of inadequate entrepreneurial educational system. This change is related to UN Sustainable Development Goal 4 (Quality education). Additionally, the country's continuing environmental policy (energy production from renewable sources, decarbonization) corresponds to Goal 7 (Affordable and clean energy), and to Goal 13 (Climate action).

Based on GEM's Croatia survey results, the low innovative capacity of national SMEs has been identified as a long-term issue diminishing the country's competitiveness in international markets. The problem has been made more stark because, whereas the technological readiness of Croatian businesses is about average compared to other European countries involved in GEM, the share of new products produced by Croatia are much lower than those countries. The GEM survey highlighted this discrepancy and was recommended to the Ministry of Economy, Entrepreneurship and Crafts so that they could introduce new methods for supporting collaboration between research institutions and SMEs. In 2018, this effort resulted in an entrepreneurial voucher system introduced by the Croatian Agency for SMEs, Innovations and Investments (HAMAG-BICRO).

Institution	Team	Funders	APS vendor	Contact
Lead institution J.J. Strossmayer University in Osijek, Faculty of Economics (EFOS)	Team leader Professor Slavica Singer, PhD Team members Professor Nataša Šarlija, PhD Professor Sanja Pfeifer, PhD Sunčica Oberman Peterka, PhD	Ministry of Economy, Entrepreneurship and Crafts Croatian Association of Banks CEPOR — SMEs and Entrepreneurship Policy Centre J.J. Strossmayer University in Osijek, Faculty of Economics	Puls d.o.o., Zagreb	singer@efos.hr
Type of institution University				
Website http://www.efos.unios.hr http://www.ices.hr/en/gem				
Other institutions involved CEPOR — SMEs and Entrepreneurship Policy Centre				





Cyprus

Population (2019) (WEF)

0.9 million

GDP growth (2018, annual % change) (IMF)

3.9%

GDP per capita (2018; PPP, international \$) (IMF)

39.39 thousand

World Bank Ease of Doing Business Rating (2019)

73.4/100

Rank: 54/190
World Bank Starting a Business Rating (2019)

92/100

Rank: 50/190
World Economic Forum Global Competitiveness Rank (2019)

44/141

World Economic Forum Income Group Average (2019)

High

Attitudes and perceptions

% Adults

Rank/50

- Know someone who has started a new business
- Good opportunities to start a business in my area
- It is easy to start a business
- Personally have the skills and knowledge
- Fear of failure (opportunity)
- Entrepreneurial intentions

Motivational

(somewhat or strongly agree)

% TEA

Rank/50

TEA

TEA

- | | % TEA | Rank/50 | % Female TEA | % Male TEA |
|---------------------------|-------|---------|--------------|------------|
| To make a difference | 45.1 | 24 | 46.1 | 44.4 |
| Build great wealth | 73.5 | 9 | 68.1 | 76.8 |
| Continue family tradition | 30.3 | 29 | 26.7 | 32.5 |
| To earn a living | 58.0 | 31 | 63.0 | 54.8 |

Activity

% Adults

Rank/50

% Female

% Male

- | | % Adults | Rank/50 | % Female | % Male |
|--|----------|---------|----------|--------|
| Total early-stage Entrepreneurial Activity | 12.2 | 23 | 8.9 | 15.6 |
| Established Business Ownership rate | 10.1 | 17 | 6.7 | 13.8 |
| Entrepreneurial Employee Activity | 6.2 | 9 | 5.3 | 7.2 |

Entrepreneurship impact

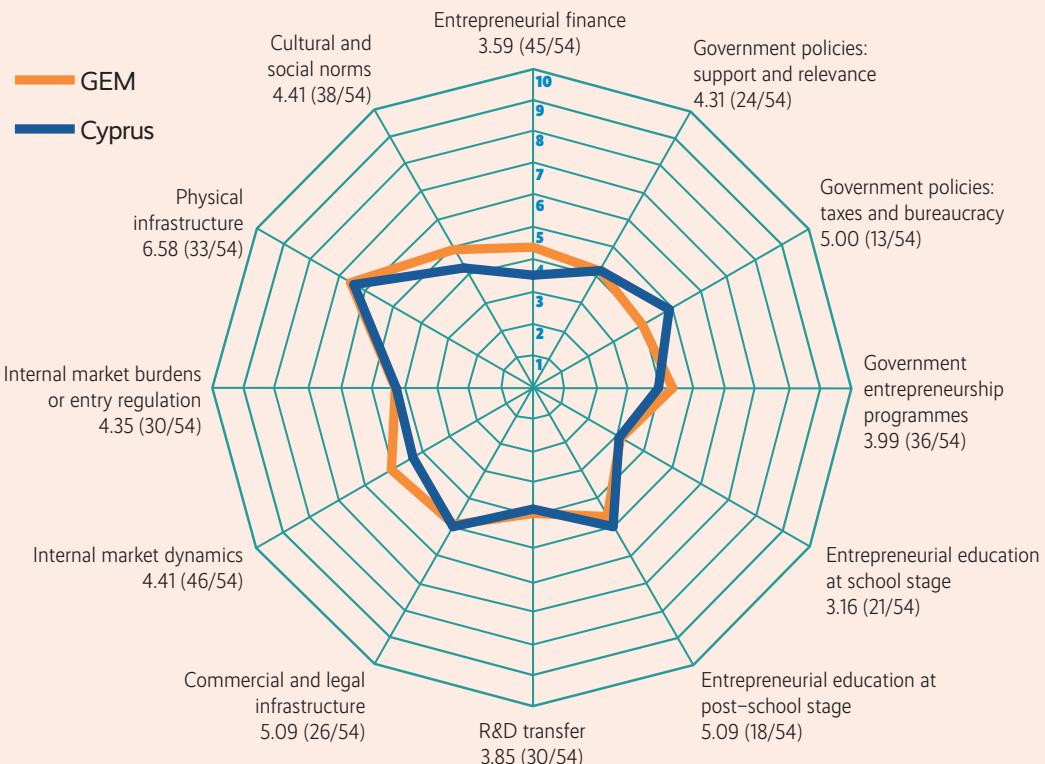
% Adults

Rank/50

- | | % Adults | Rank/50 |
|---|----------|---------|
| Job expectations (6+) | 2.7 | =24 |
| International (25%+ revenue) | 2.2 | 12 |
| National scope (customers and products/process) | 4.6 | 1 |
| Global scope (customers and products/process) | 0.9 | =6 |
| Industry (% TEA in business services) | 23.9 | =20 |

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

The Republic of Cyprus regards entrepreneurship and innovation as major factors influencing economic growth, and which also have a huge social impact. To demonstrate its commitment to entrepreneurship, Cyprus has initiated several actions over the last few years to boost and support the entrepreneurial ecosystem. These include the National Policy Statement for the Entrepreneurial Ecosystem, enacted in 2016. This is a multi-year plan with multiple goals (e.g. promoting entrepreneurship among younger generations, facilitating transactions, creating a friendlier business and legal environment, and attracting more funding for new enterprises). Other actions include: the “Startup Visa” scheme, which encourages talented entrepreneurs from countries outside the EU and the European Economic Area to reside and work in Cyprus; the promotion of entrepreneurial education at all levels of schooling, introducing tools for creative thinking, innovative ideas, cooperation and self-confidence; the implementation of an e-government strategy simplifying the legal procedures required to register a company; and the formulation of research and innovation funding schemes to increase financial access for startups. These actions are evaluated on an annual basis, with corrective actions or updates being implemented in the country’s National Statement. Moreover, a new Research and Innovation Governance System has been established, informing the National Strategy of research and innovation, in addition to the creation, in January 2019, of a new position of Chief Scientist for Research and Innovation heading up the National Board of Research and Innovation.

Although the results of GEM Cyprus 2019 show an overall improvement in the country’s entrepreneurial ecosystem, the areas of education and culture merit additional policymaking and action. For example, enhancing entrepreneurial education at school level could greatly increase adolescents’ capacity to identify their talents from an early stage. It will also assist them in boosting their creativity, self-confidence and risk-taking competences.

The Smart Specialization Strategy of Cyprus encapsulates some of the UN Sustainable Development Goals (SDGs), including Affordable and clean energy (Goal 7), Good health and well-being (Goal 3), and agriculture and environment (Goals 13–15). The purpose of the strategy is to identify the economic strengths of Cyprus that could best meet the SDGs.

The participation of Cyprus in GEM is aligned with the government’s commitment to promoting entrepreneurship. Each year, the results of GEM Cyprus serve as a tool for evaluating current performance and comparing the country with similar economies around the world. Cyprus’s participation in GEM, as well as the GEM Cyprus National Team, are, for the most part, financially supported by the Ministry of Energy, Commerce and Industry. Aiming to ensure a direct link between GEM results and policymaking, the GEM Cyprus advisory board was formed, which includes key stakeholders from the public and private sectors.

Institution	Team	Funders	APS vendor	Contact
Lead institution University of Cyprus (UCY), Centre for Entrepreneurship (C4E)	Team leader Professor Marios Dikaiakos Team members Associate Professor George Kassinis Dr Ariana Polyviou Dr Pantelitsa Eteokleous	Ministry of Energy, Commerce and Industry	RAI Consultants Ltd	c4e@ucy.ac.cy
Type of institution University				
Website http://www.ucy.ac.cy/en https://www.c4e.org.cy				
Other institutions involved Ministry of Energy, Commerce and Industry				



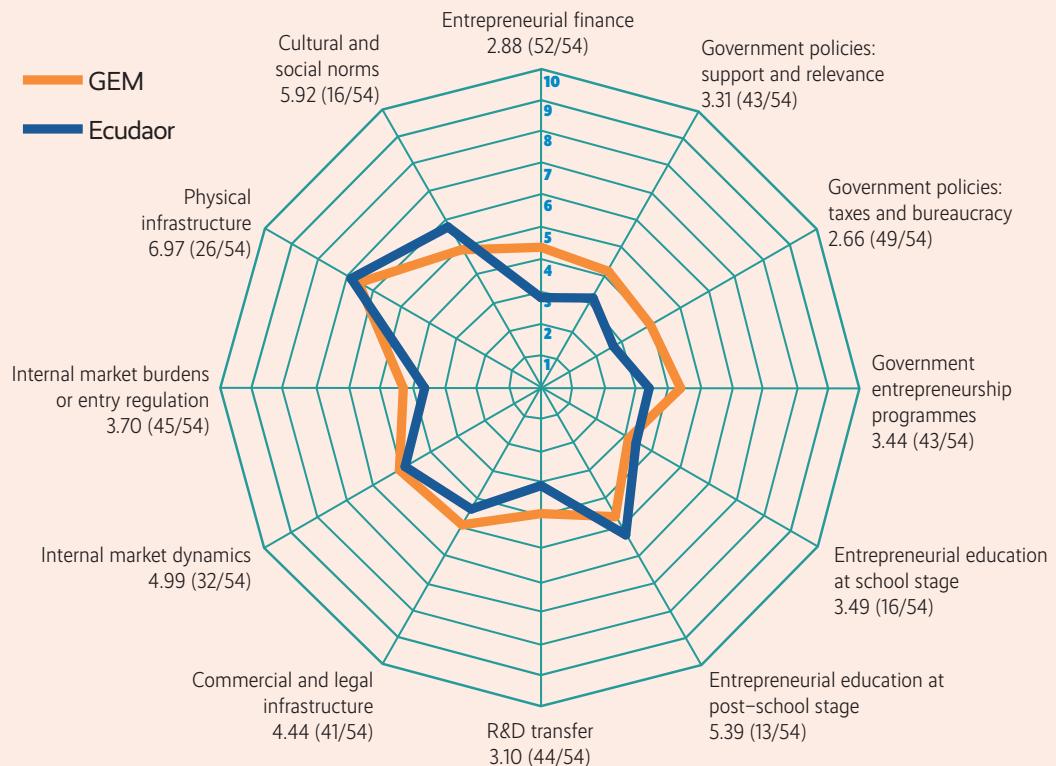


Ecuador

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
17 million								
GDP growth (2018, annual % change) (IMF)	1.4%	Know someone who has started a new business	59.2	15	To make a difference	52.7	15	
GDP per capita (2018; PPP, international \$) (IMF)	11.76 thousand	Good opportunities to start a business in my area	55.9	20	Build great wealth	36.5	43	
World Bank Ease of Doing Business Rating (2019)	57.7/100 Rank: 129/190	It is easy to start a business	55.3	19	Continue family tradition	35.7	19	
World Bank Starting a Business Rating (2019)	60.1/100 Rank: 177/190	Personally have the skills and knowledge	78.3	3	To earn a living	82.7	15	
World Economic Forum Global Competitiveness Rank (2019)	90/141	Fear of failure (opportunity)	35.1	=39				
World Economic Forum Income Group Average (2019)	Upper-middle	Entrepreneurial intentions	42.5	7				
Activity		Entrepreneurship impact				% Adults	Rank/50	
		% Adults	Rank/50	% Female	% Male			
Total early-stage Entrepreneurial Activity	36.2	2	33.6	38.8	Job expectations (6+)	8.6	=3	
Established Business Ownership rate	14.7	4	11.1	18.3	International (25%+ revenue)	0.7	=29	
Entrepreneurial Employee Activity	1.3	33	0.7	1.9	National scope (customers and products/process)	1.2	=32	
					Global scope (customers and products/process)	0.1	=34	
					Industry (% TEA in business services)	8.1	41	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

Towards the end of 2018, the Ecuadorian government passed a bill (Ley de Fomento Productivo) which established several tax incentives for new businesses and SMEs. More recently (November 2019), the government opened a centre for entrepreneurs (Centro de Atención al Emprendedor), offering valuable services such as training in entrepreneurial skills, information on how to legally form a business, and support in developing a business plan. The centre also provides financing and aims to support necessity-driven entrepreneurs, maximizing their potential impact on the economy.

According to the World Bank Group's *Doing Business 2020* report, Ecuador is among the lowest-ranked countries in terms of the cost (time and money) of starting a business. And while there have been some recent reductions, import tariffs are still relatively high compared to neighbouring countries. This may translate into higher production costs, limiting the competitiveness of Ecuadorian products in the international market. Furthermore, foreign direct investment is much lower than in neighbouring countries and is currently trending towards a much lower figure than the official expected number for this year. Policies aimed at boosting foreign investment are not having the anticipated impact.

Additionally, in October 2019, the government implemented several austerity measures to reduce the country's fiscal gap, which included cutting fuel subsidies. A national strike ensued, which lasted 11 days and paralysed most business activity in the country, ending only after the government revoked its measures.

A continuing trend in Ecuador has been that the high Total early-stage Entrepreneurial Activity (TEA) rate is composed of many low-impact, necessity-driven businesses. In 2019, around 82.7% of early-stage entrepreneurs reported that they started a business because of a lack of better options. There is a lot of discussion around how labour market legislation (considerable fringe benefits and severance payments) and performance (informality, unemployment and underemployment) could be pressuring people into low-impact entrepreneurship.

There are several trends related to the UN's Sustainable Development Goal 8 (Decent work and economic growth) indicating a slowdown of the national economy. GDP per capita (an indicator used to measure Goal 8.1.1) has recently slowed to a rate of near 0%, or has even decreased. Labour productivity (an indicator used to measure Goal 8.2.1) is expected to remain stagnant during 2019. At first glance, these results are not reflected in GEM Ecuador's survey results. In fact, the country's TEA rate has risen 24% in two years; however, 82% of these respondents report that they are acting entrepreneurially because jobs are scarce, this being by far the most common motivation for starting a business.

The Ecuadorian legislative body is currently discussing a bill on entrepreneurship and innovation (Ley Orgánica de Emprendimiento e Innovación), supported, in part, by previous GEM Ecuador results. Its main objective is to build an ecosystem supportive of innovation in Ecuador. The bill attempts to accomplish this via a series of reforms to legal procedures, bureaucracy, incentives to entrepreneurs and innovators, and financing.

Institution	Team	Funders	APS vendor	Contact
Lead institution ESPAE, la Escuela de Negocios de la ESPOL	Team leader Professor Virginia Lasio, PhD Team members Xavier Ordeñana, PhD Professor Guido Caicedo, MSc Jack Zambrano Tania Tenesaca Assistant Professor Adriana Amaya, PhD	ESPAE, la Escuela de Negocios de la ESPOL	SurveyData	mlasio@espol.edu.ec
Type of institution Business School				
Website https://www.espae.espol.edu.ec				

**ESPAE**
Escuela de Negocios

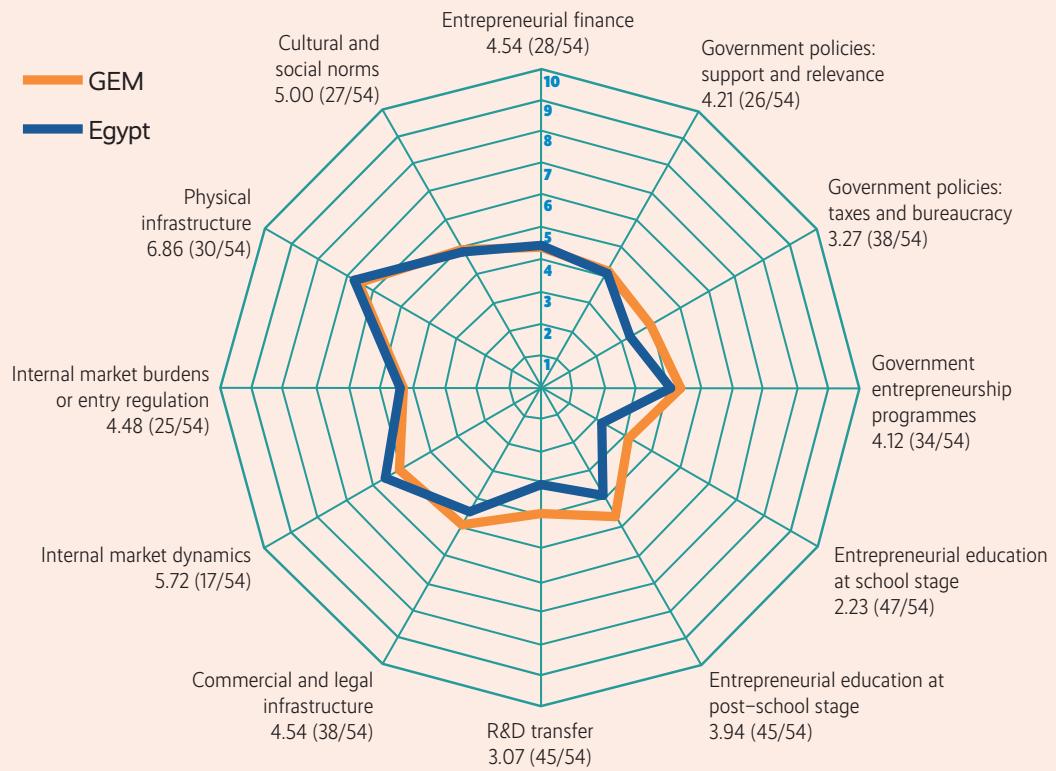


Egypt

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
97 million								
GDP growth (2018, annual % change) (IMF)	5.3%	Know someone who has started a new business	52.0	26	To make a difference	57.0	12	
		Good opportunities to start a business in my area	73.5	7	Build great wealth	77.3	7	
GDP per capita (2018; PPP, international \$) (IMF)	13.36 thousand	It is easy to start a business	64.0	14	Continue family tradition	51.1	10	
World Bank Ease of Doing Business Rating (2019)	60.1/100 Rank: 114/190	Personally have the skills and knowledge	67.3	15	To earn a living	63.6	26	
		Fear of failure (opportunity)	54.8	4				
		Entrepreneurial intentions	61.6	2				
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
87.8/100	Rank: 90/190	Total early-stage Entrepreneurial Activity	6.7	43	% Adults	% Adults	Rank/50	
World Economic Forum Global Competitiveness Rank (2019)	93/141	Established Business Ownership rate	1.5	49	Job expectations (6+)	2.5	=28	
		Entrepreneurial Employee Activity	0.2	=47	International (25%+ revenue)	0.6	=32	
					National scope (customers and products/process)	0.8	=37	
					Global scope (customers and products/process)	0.1	=34	
					Industry (% TEA in business services)	2.8	48	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In 2019, Egypt and the World Bank signed a \$200 million agreement to support entrepreneurs and small and medium enterprises. The World Bank Minister of Investment and International Cooperation Sahar Nasr stated that the agreement will focus on increasing the volume of credit available to SMEs, enhancing their access to credit. This “Motivating Entrepreneurship for Employment” project also aims to remove obstacles faced by young Egyptian men and women when starting a business. The UN Development Programme also continues its support of the Egyptian Micro, Small and Medium Enterprises Development Agency (MSMEDA) in its development of the MSME sector directly or through the coordination of entrepreneurial stakeholders. MSMEs directly empower women and youth. Through the UNDP–MSMEDA partnership, MSMEDA has disbursed over 11.2 billion Egyptian pounds (EGP) as loans to MSMEs, reaching 526,858 micro and small enterprises and creating over 800,000 jobs. Women particularly benefit from this financial support, making up 48% of the beneficiaries. Moreover, 45% of the total were aged between 20 and 35, which implies the basis of a strong future for entrepreneurship.

Egyptian President Abdel-Fattah El-Sisi has promised a five-year tax exemption for SMEs that register their business in the formal economy. This summer 2019 announcement by El-Sisi comes two years after he introduced an initiative to provide EGP200 billion in loans over four years to SMEs through the Central Bank. Financing for SMEs in Egypt has ramped up to reach EGP8.5 billion at the end of March 2018, compared to EGP4.9 billion in 2017: a rise of 91.5%.

According to the UN’s study, Egypt is performing better than expected on nine of the 15 UN Sustainable Development Goals (SDGs). In Goal 1 (No poverty), Egypt is performing well relative to its peers with respect to the percentage of the population living below the international poverty line (in 2011, \$1.9 per day in purchasing-power parity [PPP] dollars). Nonetheless, the study notes that overall national poverty rates increased from 16.7% in 1999/2000 to 27.8% in 2015. However, it is said that the statistics show that *extreme* poverty in Egypt had been eradicated.

Egypt has been also been performing well in education — at least with respect to quantitative measures, according to the UN study; however, it is underperforming in the provision of quality education. Nonetheless, the GEM Egypt National Expert Survey (NES) numbers show a noticeable increase in the education sector for both school and post-school stages.

Several regulatory reforms and support programmes have been implemented in Egypt over the past three years and should be recognized — especially in areas of investment and business law, industrial licensing, and bankruptcy law. However, most of these reforms were focused less on startups, micro and small enterprises and more on larger companies. Major administrative reforms are needed to reduce red tape and improve the operating environment for startups and micro and small enterprises.

Institution	Team	Funders	APS vendor	Contact
Lead institution The American University in Cairo – School of Business	Team leader Professor Ayman Ismail, PhD Team members Professor Ahmed Tolba Dr Shima Barakat, PhD Dr Hakim Adel Hakim Meshreki, PhD Seham Ghalwash, MSc	Drosos Foundation Oxfam Novib (Danish Arab Partnership Program — DAPP) Hivos	PHI Knowledge	aymanism@aucegypt.edu
Type of institution Business School				
Website https://business.aucegypt.edu				



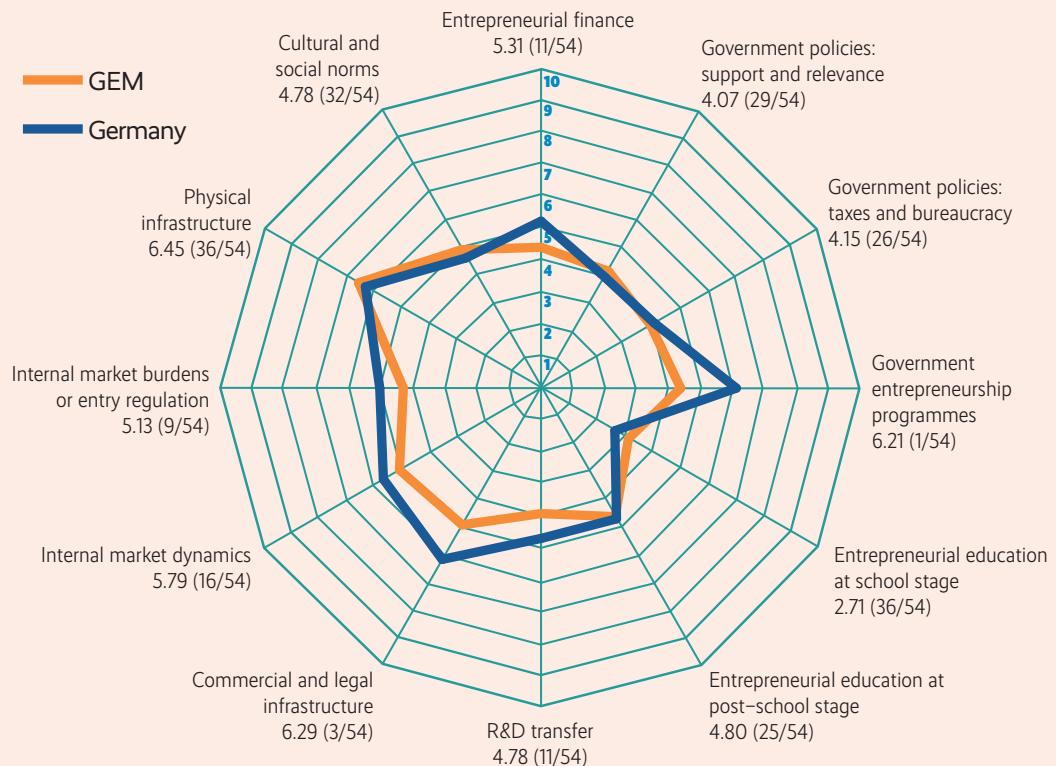


Germany

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female TEA	% Male TEA	
82.9 million				Know someone who has started a new business	46.4	=37		
GDP growth (2018, annual % change) (IMF)	1.5%			Good opportunities to start a business in my area	52.2	25	To make a difference 44.4 =28 55.4 38.0	
GDP per capita (2018; PPP, international \$) (IMF)	52.39 thousand			It is easy to start a business	47.6	25	Build great wealth 32.0 45 37.6 28.9	
World Bank Ease of Doing Business Rating (2019)	79.7/100 Rank: 22/190			Personally have the skills and knowledge	45.8	42	Continue family tradition 68.7 4 80.0 62.1	
				Fear of failure (opportunity)	29.7	46	To earn a living 42.6 38 48.5 39.2	
				Entrepreneurial intentions	9.1	43		
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
83.7/100	Rank: 125/190	% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
World Economic Forum Global Competitiveness Rank (2019)	7/141	Total early-stage Entrepreneurial Activity	7.6	41	5.7	9.5	Job expectations (6+)	1.9 =32
		Established Business Ownership rate	5.2	35	3.8	6.6	International (25%+ revenue)	1.3 =20
		Entrepreneurial Employee Activity	6.3	8	4.4	8.1	National scope (customers and products/process)	2.0 21
						Global scope (customers and products/process)	0.9 =6	
						Industry (% TEA in business services)	26.2 16	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

The German government aims to move the country's economy into the digital age with the adoption in November 2018 of a new national digital strategy. The Federal Ministry for Economic Affairs and Energy is supporting digitization within the skilled crafts sector by running 25 centres of excellence throughout Germany. The Digital Hub Initiative is also driving Germany's transformation into a leading digital technology base by supporting the establishment and networking of 12 digital hubs — each covering a specific field. Additionally, the Law for the Improvement of Online Access to Administration Services requires all federal, state and local governments to provide administrative services online through a central portal that can be accessed via a single user account. This includes the process of registering new businesses.

Germany is also promoting entrepreneurship at universities through scholarships for young science startups. The government is offering a wide range of financial services to support SMEs, potential entrepreneurs and innovative startups. Lastly, the startup campaign "GO!" aims to promote business startups, strengthen the culture of entrepreneurship in Germany, and encourage people to identify opportunities to start a business and put their own ideas into practice.

Entrepreneurship growth in Germany has been negatively impacted by a lack of skilled labour in some regions, sectors and professions, as well as the underdevelopment of economic and entrepreneurship-related education. Young companies in Germany also tend not to attract capital from international investors.

Germany must reduce the burden of regulation and taxation in order to spur entrepreneurship. The "2016 Work Programme on Better Regulation" contains more than 30 concrete steps and projects aimed at reducing compliance costs for the general public and businesses and improving legislative procedures. Another area meriting examination is that of under-represented entrepreneurs, including women and immigrants. Germany also needs to address its lack of an entrepreneurial culture.

The UN Sustainable Development Goals that align with Germany's entrepreneurial targets include ensuring inclusivity and equitable quality education (Goal 4) and promoting lifelong learning opportunities, as well as achieving gender equality and empowering all women and girls (Goal 5). In relation to climate action (Goal 13), Germany is committed to supporting the development of new fields of business deriving from the transition to green energy and implementing digitization as a sustainable way of doing business and supplying energy.

GEM has been instrumental in establishing the GO! startup campaign, which seeks to stimulate a spirit of entrepreneurship in Germany, especially among groups that have so far been under-represented in the startup scene, such as women (through an initiative for women entrepreneurs) and potential entrepreneurs with a migrant background (through a mentoring programme). It has also established a corporate succession exchange to bring together company owners who want to hand over their businesses to potential takers and has encouraged connections between emerging startups and existing SMEs.

Institution	Team	Funders	APS vendor	Contact
Lead institution Leibniz University Hannover — Institute of Economic and Cultural Geography	Team leader Professor Dr Rolf Sternberg Team members Armin Baharian Johannes von Bloh, MA Dr Natalia Gorynia Pfeffer Lennard Stoltz, MA Dr Matthias Wallisch	RKW Competence Centre	uzbonn — Gesellschaft für empirische Sozialforschung und Evaluation	sternberg@wigeo.uni-hannover.de
Type of institution University				
Website https://www.wigeo.uni-hannover.de				



Leibniz
Universität
Hannover

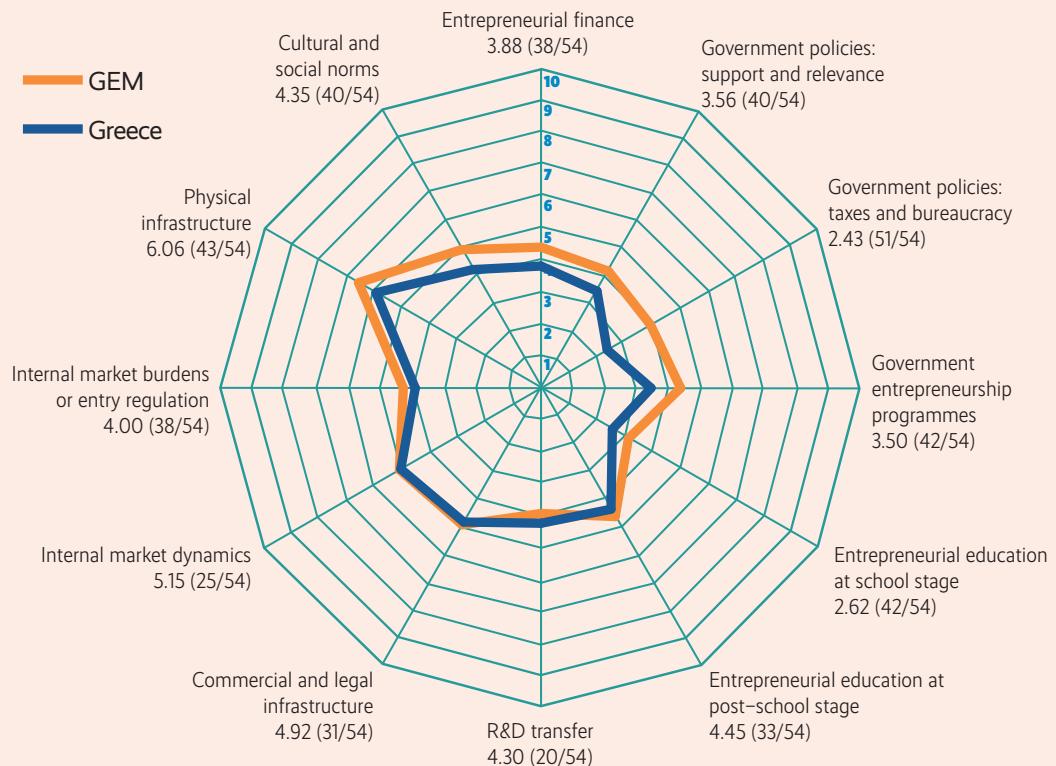


Greece

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
10.7 million								
GDP growth (2018, annual % change) (IMF)	1.9%	Know someone who has started a new business	30.1	48	To make a difference	32.3	=40	
GDP per capita (2018; PPP, international \$) (IMF)	29.07 thousand	Good opportunities to start a business in my area	49.9	28	Build great wealth	48.2	34	
World Bank Ease of Doing Business Rating (2019)	68.4/100 Rank: 79/190	It is easy to start a business	46.9	26	Continue family tradition	35.3	22	
World Bank Starting a Business Rating (2019)	96/100 Rank: 11/190	Personally have the skills and knowledge	51.6	35	To earn a living	51.6	36	
World Economic Forum Global Competitiveness Rank (2019)	59/141	Fear of failure (opportunity)	40.6	33				
World Economic Forum Income Group Average (2019)	High	Entrepreneurial intentions	12.4	36				
Activity		Entrepreneurship impact				% Adults	Rank/50	
		% Adults	Rank/50	% Female	% Male			
Total early-stage Entrepreneurial Activity	8.2	39		7.6	8.8	Job expectations (6+)	1.2	
Established Business Ownership rate	14.3	5		10.2	18.4	International (25%+ revenue)	1.4	
Entrepreneurial Employee Activity	1.9	=26		1.8	2.0	National scope (customers and products/process)	1.3	
						Global scope (customers and products/process)	0.5	
						Industry (% TEA in business services)	18.1	
							28	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In 2019, Greece lowered corporate tax from 29% to 24% and the country's dividend tax was also reduced. Furthermore, new legislation has been passed to simplify business licensing procedures, digital platforms in public administration services, and land registry. Additionally, the government has introduced a single regulatory framework for industrial zones and science technology parks. However, in Greece, credit expansion is still negative. The banking sector is not currently working effectively, although consumer and business demand is still scarce.

The GEM results currently meriting the most attention include funding mechanisms, such as crowdfunding, informal investors, digital platforms and business angel funding.

The UN Sustainable Development Goal most related to Greece's entrepreneurial targets is Goal 5 (Gender equality), with the country currently identifying ways to address it. According to GEM Greece's 2019 results, the TEA rate shows almost parity between men and women, while the corresponding female TEA rate for 2018 was only 30%.

In 2019, the Greek government introduced a new legislation framework focusing on enhancing the business environment. More specifically, the new framework introduced a single digital map (also known as the One Click Land Information System) to facilitate investments, lowering bureaucratic hurdles and providing electronic platforms for approving building permits. Lingering procedural difficulties for starting a business and acquiring licences in Greece, as mentioned by the National Expert Survey (NES), significantly impede investment. The hope is that, soon, every investor will be able to identify land investment opportunities across the country.

Finally, according to the NES Greece, a significant obstacle to improving the business environment is high taxation. Greece's new legislation framework reduces the corporate tax rate, facilitating entrepreneurship by providing liquidity and enhancing new investment opportunities.

Institution	Team	Funders	APS vendor	Contact
Lead institution Foundation for Economic & Industrial Research (FEIR/IOBE)	Team leader Associate Professor Aggelos Tsakanikas	RAYCAP S.A.	Datapower SA	atsakanikas@iobe.gr
Type of institution Research Institute	Team members Sofia Stavraki, MPhil, PhD Candidate Evangelia Valavanioti, MSc Assistant Professor Ioannis Giotopoulos			
Website http://iobe.gr				
Other institutions involved Laboratory of Industrial and Energy Economics at the National Technical University of Athens Department of Economics, University of Peloponnese				 FOUNDATION FOR ECONOMIC & INDUSTRIAL RESEARCH

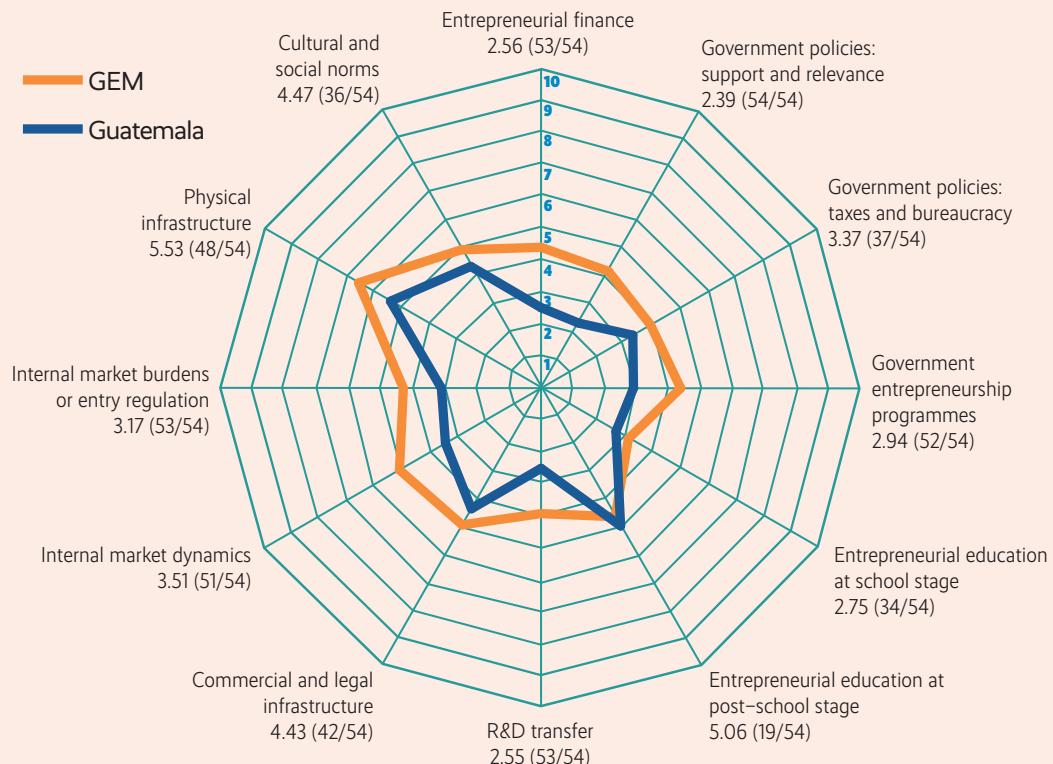


Guatemala

	Population (2019) (WEF)			Attitudes and perceptions			Motivational					
	17.3 million	% Adults	Rank/50	(somewhat or strongly agree)	% TEA	Rank/50	% Female TEA	% Male TEA				
GDP growth (2018, annual % change) (IMF)	3.1%	Know someone who has started a new business	68.4	5	To make a difference	80.2	3	78.7	81.5			
GDP per capita (2018; PPP, international \$) (IMF)	8.44 thousand	Good opportunities to start a business in my area	67.3	10	Build great wealth	59.8	20	59.8	59.9			
World Bank Ease of Doing Business Rating (2019)	62.6/100 Rank: 96/190	It is easy to start a business	46.6	27	Continue family tradition	53.2	7	54.2	52.3			
World Bank Starting a Business Rating (2019)	86.8/100 Rank: 99/190	Personally have the skills and knowledge	77.4	4	To earn a living	89.7	6	96.1	84.0			
World Economic Forum Global Competitiveness Rank (2019)	98/141	Fear of failure (opportunity)	39.6	34	Entrepreneurship impact			% Adults		Rank/50		
World Economic Forum Income Group Average (2019)	Upper-middle	Entrepreneurial intentions	52.2	4	Total early-stage Entrepreneurial Activity	25.1	3	22.4	28.0	Job expectations (6+)	5.5	11
		Established Business Ownership rate	14.8	3	12.1	17.8	International (25%+ revenue)	0.3	=43	National scope (customers and products/process)	1.2	=32
		Entrepreneurial Employee Activity	1.4	=31	0.6	2.3	Global scope (customers and products/process)	0.2	=29	Industry (% TEA in business services)	9.1	39

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In 2018, the Legislative Branch of Guatemala issued laws intending to ease the registration procedures for starting a new business. These laws also aimed at providing alternatives for introducing new liquidity in the financial market. A new method for registering small businesses was created through the Ley de Fortalecimiento al Emprendimiento, allowing businesses to register for tax incentives and investments online. Through the Ley de Factoraje, entrepreneurs can acquire cash using commercial invoices. In 2019, the Guatemalan institutions affected by these laws worked on refining the processes to operationalize them.

The main challenges to Guatemala in 2019 were related to political uncertainty stemming from the electoral process. The country continues to face structural challenges related to the rule of law, insecurity and extortions, and the high costs of running formal businesses (taxes, and import and export processes).

Since 2015, Guatemala has experienced a positive trend in Total early-stage Entrepreneurial Activity (TEA) and the rate of established business, and in 2019 the country reached its highest rate of established businesses. Although the rate of entrepreneurial activity keeps growing, the business scale remains low in terms of initial investment and job creation. On the other hand, many Guatemalans continue to migrate to the United States and the remittances received are growing at a double-digit rate. There are limited formal employment opportunities, so entrepreneurship and migration have become alternatives for generating income for those who cannot find opportunities in the formal labour market. Initiatives must be undertaken to address the high costs of running formal businesses, insecurity, infrastructure and the associated procedural hurdles.

Entrepreneurship has become a popular subject in Guatemala, even in the public sector and on NGOs' agendas. However, some of the efforts to help entrepreneurs could have unintended consequences. For example, laws such as the Ley de Fortalecimiento al Emprendimiento and initiatives such as Ley para el Fomento y Desarrollo de la Micro, Pequeña y Mediana Empresa try to promote entrepreneurial activity in different ways by using public funds to provide seed capital for entrepreneurs' projects. The problem is that this entrepreneurial activity has a high risk of failure and therefore money could be misallocated. These laws and initiatives also establish interest rate caps to provide "low-cost financing" for entrepreneurs, leading to a big distortion in the financial market.

Public financing of entrepreneurial activities may generate incentives that may not be oriented towards growth. One of the main concerns is corruption. The GEM Guatemala team has participated in several meetings with politicians in which discussions were held on reducing the costs, procedures and complexity behind formally running a business. We pointed out the side effects of some initiatives and showed the main challenges faced by entrepreneurs as reflected in GEM data.

Institution	Team	Funders	APS vendor	Contact
Lead institution Kirzner Entrepreneurship Center at Francisco Marroquín University	Team leader Mónica Río-Nevado de Zelaya, PhD	Francisco Marroquín University — UFM	Khanti, S.A.	jdcasasola@ufm.edu curibe@ufm.edu zelaya@ufm.edu
Type of institution University	Team members Carolina Uribe, MBA David Casasola, MA			
Website www.kec.ufm.edu https://gem.ufm.edu	Josías López, BS Estefanía Vizcaíno, BS			

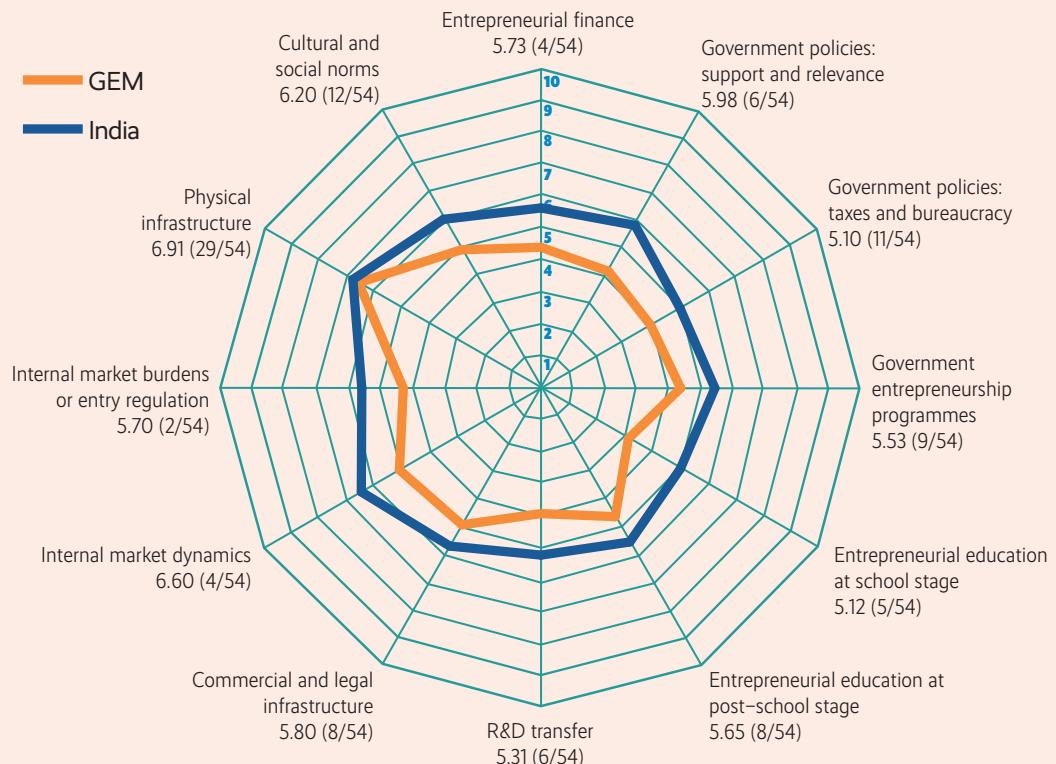




India

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
1,334.2 million								
GDP growth (2018, annual % change) (IMF)	6.8%	Know someone who has started a new business	64.4	10	To make a difference	86.8	1	
		Good opportunities to start a business in my area	83.1	2	Build great wealth	87.2	3	
GDP per capita (2018; PPP, international \$) (IMF)	7.86 thousand	It is easy to start a business	80.0	5	Continue family tradition	79.8	2	
		Personally have the skills and knowledge	85.2	1	To earn a living	87.5	10	
World Bank Ease of Doing Business Rating (2019)	71.0/100 Rank: 63/190	Fear of failure (opportunity)	62.4	1				
		Entrepreneurial intentions	33.3	13				
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	15.0	13	12.7	17.1	Job expectations (6+)	1.6	=38	
Established Business Ownership rate	11.9	10	9.1	14.6	International (25%+ revenue)	0.1	=49	
Entrepreneurial Employee Activity	0.2	=47	0.0	0.3	National scope (customers and products/process)	0.3	=42	
					Global scope (customers and products/process)	0.0	=45	
					Industry (% TEA in business services)	3.3	47	
World Economic Forum Global Competitiveness Rank (2019)		An equals sign (=) indicates that the ranking position is tied with another economy or economies						
	68/141							
World Economic Forum Income Group Average (2019)								
	Lower-middle							

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

India's Ministry of Human Resources Development (MHRD) Innovation Cell of Government has launched "The National Innovation and Startup Policy 2019" for students and faculty of Higher Education Institutions (HEIs). This policy is a guiding framework to enable educational institutions to actively engage students, faculties and staff in innovation and entrepreneurship-related activities. This will foster India's already improving entrepreneurial sector, which currently faces little negative regulation.

Entrepreneurship education at both levels (secondary and higher) requires additional attention from policymakers. As of now, only a few Senior Secondary Boards offer entrepreneurial education, which means that there is a role for more Indian universities to include entrepreneurship courses in their offerings to foster entrepreneurship in the country.

The UN Sustainable Development Goals have played a positive role in increasing entrepreneurship at every societal level. In its proactive efforts to meet the SDGs, the Government of India has attempted to spur entrepreneurship among lower-income citizens to help bring them out of poverty.

As of now, no known policy has been explicitly shaped by GEM data. Nonetheless, several policy documents have been drafted which have made use of GEM data, although these policies are yet to be released. In the future, GEM India will be tracking how these policies impact entrepreneurship in the country.

Institution	Team	Funders	APS vendor	Contact
Lead institution Entrepreneurship Development Institute of India (EDII)	Team leader Dr Sunil Shukla, PhD Team members Dr Amit Kumar Dwivedi, PhD Dr Pankaj Bharti, PhD	Centre for Research in Entrepreneurship Education and Development (CREED), EDII — Ahmedabad	IMRB	akdwivedi@ediindia.org
Type of institution Research Institute				
Website https://www.ediindia.org				



**Entrepreneurship
Development
Institute of India,
Ahmedabad**



Indonesia

Population (2019) (WEF)

264.2 million

GDP growth (2018, annual % change) (IMF)

5.2%

GDP per capita (2018; PPP, international \$) (IMF)

13.23 thousand

World Bank Ease of Doing Business Rating (2019)

69.6/100

Rank: 73/190

World Bank Starting a Business Rating (2019)

81.2/100

Rank: 140/190

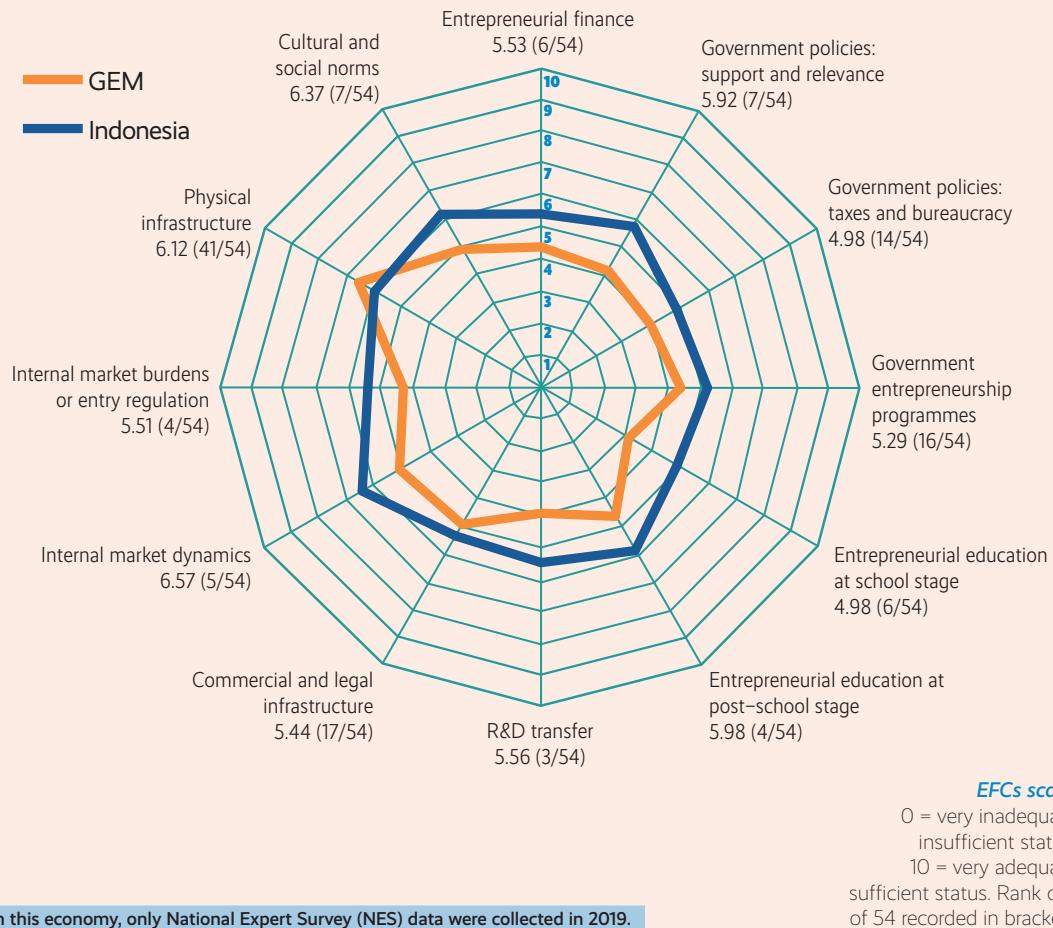
World Economic Forum Global Competitiveness Rank (2019)

50/141

World Economic Forum Income Group Average (2019)

Lower-middle

Expert ratings of the entrepreneurial framework conditions



Institution	Team	Funders	APS vendor	Contact
Lead institution Parahyangan Catholic University	Team leader Gandhi Pawitan, PhD	Parahyangan Catholic University Ministry of Research, Technology, and Higher Education of the Republic of Indonesia (under Applied Research – Higher Education Excellence Grant Scheme)	Sapa Institute	gandhi_p@unpar.ac.id katrin@unpar.ac.id
Type of institution University	Team members Catharina B. Nawangpalupi, PhD Dr Maria Widyarini Dr Agus Gunawan			
Website http://unpar.ac.id				



POLICY ROADMAP

There are several policies related to entrepreneurship in Indonesia. Law No. 20/2008 concerning Small and Medium Enterprises (SMEs) regulates small businesses. Considering that SMEs are the majority of the country's businesses, this law has the most significant impact on Indonesia's entrepreneurship regulation. This regulation encourages business development of SMEs and partnerships between SMEs and large enterprises. Another regulation is Government Regulation (GR) No. 23/2018, the Income Tax for Income Received or Earned by Taxpayers with Certain Gross Income, which discounts 0.5% tax of revenue for SMEs. In 2019, more partnership opportunities have developed through e-commerce unicorns in Indonesia, especially in digitizing SMEs and strengthening their business capabilities.

The positive impact of GR No. 23/2018 in 2019 is to increase the financial literacy of SMEs so that they can carefully choose how they should file their income tax, either by using the SMEs tax income based on their revenue or through regular income tax policy (based on Law No. 9/2009) if they have a proper income statement.

A recent regulation, Government Regulation (GR) No. 80/2019 on Trading Through Electronic System (E-commerce) which implements Article No. 66 of Trade Law (Law No. 7/2014) has become law. While the regulation aims to provide a comprehensive framework for the regulation of e-commerce and allowing equal treatment of e-commerce operators in Indonesia, there is a criticism of this regulation as it requires a lengthy list of business licences. Indonesia has a low ranking in its Ease of Doing Business score (73rd out of 190 countries), and a low score for starting a business.

A consistent GEM survey trend shows that entrepreneurship in Indonesia suffers from a lack of internationalization and of use of medium-to-high technology in business applications. A policy related to research and development and intellectual property rights (IPR) should be prioritized. The policy should not only provide subsidies for IPR applications but also create a supporting ecosystem between stakeholders that can help SMEs be more adaptive to relevant medium-high technologies. It can include knowledge transfer obligations from large enterprises, spin-off requirements for high-tech companies as well as stronger partnership for research and development (R&D) transfer.

GEM's Motivational Index (percentage of those involved in Total early-stage Entrepreneurial Activity [TEA] that are improvement-driven opportunity motivated [IDO], divided by the percentage of TEA that are necessity-motivated) can be predictive of the intention to grow a nascent or new business. Having a high number of IDO-motivated businesses is likely to grow the country's overall business aspirations. Although GEM data are only used in the relevant secondary documents, the Motivational Index has been proposed for Indonesia's Mid-term Development Plan 2020–2024. Statistics Indonesia data will be then used with a similar approach to GEM's Motivational Index.

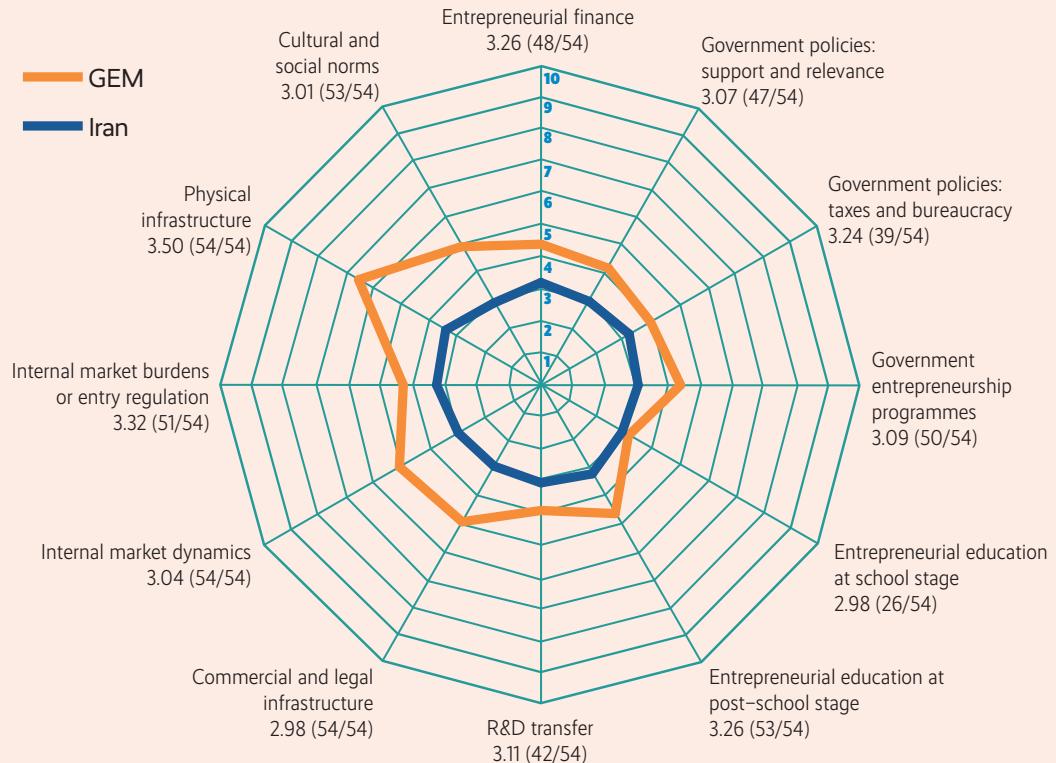


Iran

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
82.4 million								
GDP growth (2018, annual % change) (IMF)	-4.8%	Know someone who has started a new business	55.1	=21	To make a difference	40.6	35	
		Good opportunities to start a business in my area	47.7	29	Build great wealth	83.5	5	
GDP per capita (2018; PPP, international \$) (IMF)	19.38 thousand	It is easy to start a business	30.1	45	Continue family tradition	20.9	41	
World Bank Ease of Doing Business Rating (2019)	58.5/100 Rank: 127/190	Personally have the skills and knowledge	68.9	13	To earn a living	68.7	=20	
		Fear of failure (opportunity)	36.2	37				
		Entrepreneurial intentions	37.9	11				
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	10.7	26	8.2	13.1	Job expectations (6+)	5.0	13	
Established Business Ownership rate	10.2	16	6.1	14.2	International (25%+ revenue)	0.5	=35	
Entrepreneurial Employee Activity	2.0	25	1.7	2.3	National scope (customers and products/process)	1.7	=24	
					Global scope (customers and products/process)	0.2	=29	
					Industry (% TEA in business services)	26.9	14	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

Iranian government policies encouraging knowledge-based businesses have been very effective, so the rate of improvement-motivated entrepreneurship has shown a steady increase through 2019. However, government policies related to taxes, especially those on Value-Added Tax (VAT), have negatively impacted entrepreneurship, with established small businesses particularly affected.

Given GEM Iran's 2019 survey results, it seems clear that knowledge-based businesses and innovation centres need to be developed in the country's universities.

According to recent reporting regarding the UN Sustainable Development Goals (SDGs), Iran's social entrepreneurship sector has improved, especially with regard to green entrepreneurship in pursuit of Goal 12 (Responsible production and consumption). The number of Iranian startups contributing to UN SDGs has increased in recent years, examples being sustainable tourism startups.

Recently, the Iranian government has been focusing on developing knowledge-based and innovative businesses. Informed by GEM Iran survey results, the Islamic Republic of Iran's Vice-presidency for Science and Technology has offered tax exemptions up to 15 years for knowledge-based and innovative businesses. Furthermore, based on the GEM Iran team's recommendation and suggestions, the Ministry of Education has offered youth entrepreneurship education programmes aimed at both primary and high-school students.

Institution	Team	Funders	APS vendor	Contact
Lead institution Faculty of Entrepreneurship, University of Tehran	Team leader Professor Abbas Bazargan Team members Professor Nezameddin Faghah Professor Ali Rezaeian Professor Abbas Bazargan Dr Mohammad Reza Zali Dr Jahangir Yadollahi Farsi Dr Seyed Mostafa Razavi Leyla Sarfaraz	Faculty of Entrepreneurship, University of Tehran	Faculty of Entrepreneurship	mrzali@ut.ac.ir
Type of institution University				
Website http://ent.ut.ac.ir/en				



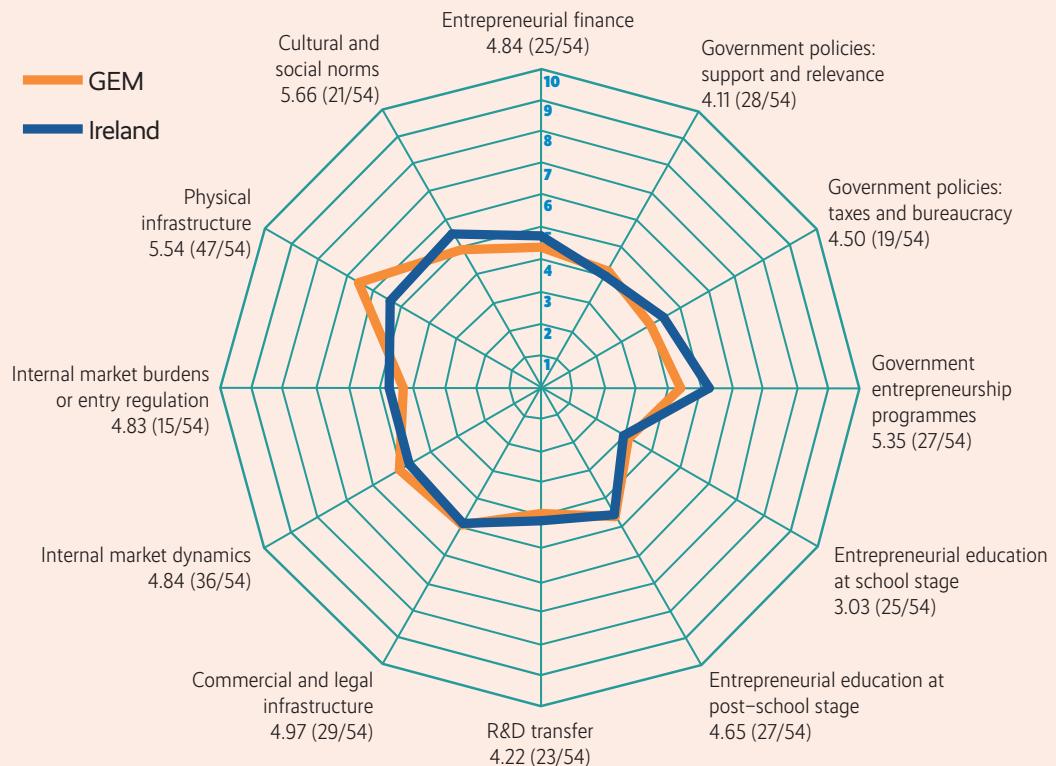


Ireland

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
4.9 million								
GDP growth (2018, annual % change) (IMF)	8.3%	Know someone who has started a new business	55.8	19	To make a difference	26.9	43	
GDP per capita (2018; PPP, international \$) (IMF)	79.62 thousand	Good opportunities to start a business in my area	50.2	27	Build great wealth	28.3	46	
World Bank Ease of Doing Business Rating (2019)	79.6/100 Rank: 24/190	It is easy to start a business	41.8	28	Continue family tradition	69.2	3	
World Bank Starting a Business Rating (2019)	94.4/100 Rank: 23/190	Personally have the skills and knowledge	42.0	=45	To earn a living	40.7	42	
World Economic Forum Global Competitiveness Rank (2019)	24/141	Fear of failure (opportunity)	31.4	43				
World Economic Forum Income Group Average (2019)	High	Entrepreneurial intentions	14.6	30				
Activity		Entrepreneurship impact				% Adults	Rank/50	
		% Adults	Rank/50	% Female	% Male			
Total early-stage Entrepreneurial Activity	12.4	22	9.0	15.9		Job expectations (6+)	5.1	12
Established Business Ownership rate	6.6	=27	3.9	9.3		International (25%+ revenue)	2.8	6
Entrepreneurial Employee Activity	7.5	4	6.6	8.3		National scope (customers and products/process)	2.5	=10
						Global scope (customers and products/process)	1.0	=2
						Industry (% TEA in business services)	28.6	11

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

Rates of entrepreneurship in Ireland increased in 2019 against a backdrop of an economy that continues to perform well, both in terms of outputs and employment. The economy is forecast to continue to grow in 2020, though some commentators have argued that, in the event of an orderly Brexit, there is a material risk that continued strong expansion of the Irish economy could give rise to its overheating.

Issues such as high costs (e.g. accommodation, childcare and insurance), access to broadband in some regions, competition for staff, and access to finance are issues concerning entrepreneurs. Entrepreneurial rates increased in 2019, although the UK's exit from the European Union, depending on the form it takes, poses a significant threat to the Irish economy. Some commentators argue that in the event of a no-deal Brexit (a "disorderly exit"), growth in the Irish economy could be significantly weaker in 2020, with the possibility of job losses.

The recent OECD review of SME and Entrepreneurship Policy in Ireland, which was commissioned by the Department of Business, Enterprise and Innovation, noted that, while entrepreneurial attitudes are generally positive, involvement in entrepreneurship varies across different parts of the population, suggesting areas of untapped potential. They also noted spatial (urban versus regional) differences in entrepreneurship within Ireland. Recommendations include the need to ensure equal opportunities for entrepreneurship across the population, with the need to address gaps in entrepreneurship activity rates of women.

The Irish GEM 2018/19 Report noted continued growth in the numbers of women involved in entrepreneurship. Heather Humphreys, TD Minister for Business, Enterprise and Innovation, recognized this, stating in her foreword to the report: "Having placed a spotlight on female entrepreneurs for many years, it is heartening to see that the entrepreneurial activity among women in Ireland has increased." However, she also recognized that "the challenge for policy makers is to maximise the entrepreneurial potential of all our people, men and women, regardless of age or sectoral focus, whether they were born in Ireland or not, whether they live in urban or rural environments." This reflects the gender gap evident in entrepreneurship in Ireland, with women and men differing across a range of factors including self-confidence in the skills required to start a business, the aspiration to do so, entrepreneurial activity, growth aspirations, and investing in new businesses.

The 2018 and 2019 GEM results informed the OECD review of SME and Entrepreneurship Policy in Ireland. Members of the Irish GEM provided GEM data to the OECD team, being consulted as experts during the review process, and their insights informed the analysis and recommendations. GEM data are cited in the final OECD report.

Institution	Team	Funders	APS vendor	Contact
Lead institution Fitzsimons Consulting	Team leader Paula Fitzsimons, MBA	Enterprise Ireland supported by Department of Business, Enterprise and Innovation	BMG Research	paula@fitzsimons-consulting.com
Type of institution Consultancy	Team members Professor Colm O'Gorman, PhD			
Website https://www.fitzsimons-consulting.com				
Other institutions involved Dublin City University				

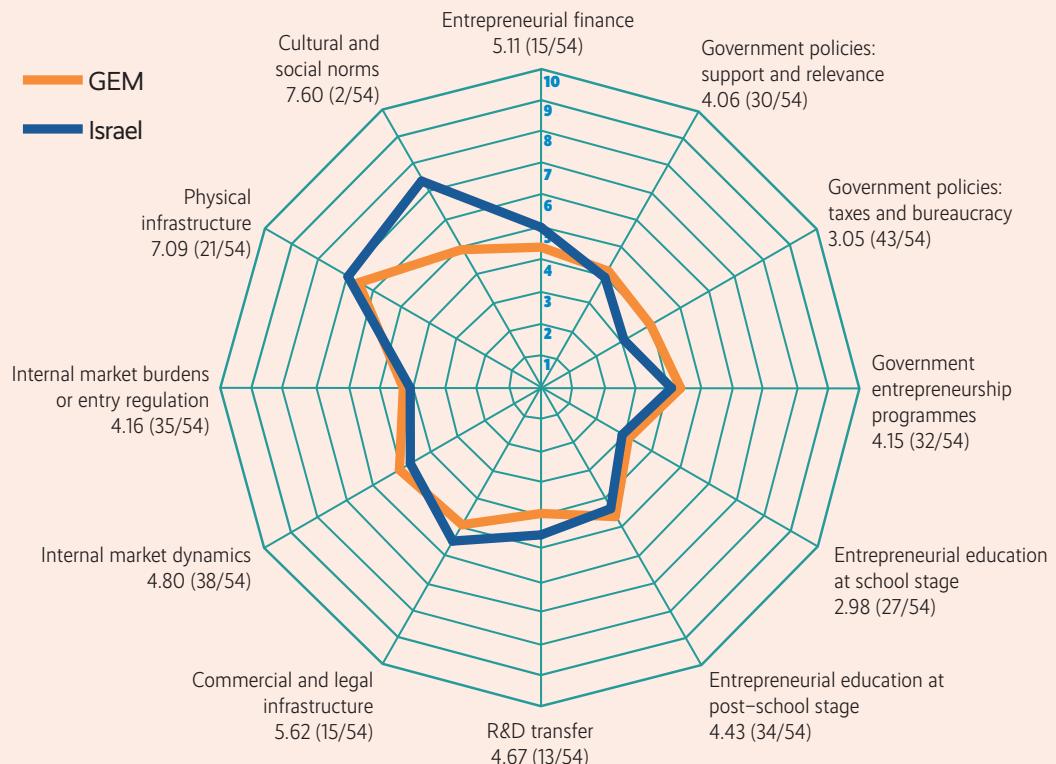


fitzsimons consulting
SPECIALISING IN ENTREPRENEURSHIP AND GROWTH



Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
8.9 million								
GDP growth (2018, annual % change) (IMF)	3.4%	Know someone who has started a new business	72.6	2	To make a difference	42.7	32	
		Good opportunities to start a business in my area	46.0	35	Build great wealth	72.4	10	
GDP per capita (2018; PPP, international \$) (IMF)	37.99 thousand	It is easy to start a business	21.6	50	Continue family tradition	19.2	44	
		Personally have the skills and knowledge	43.3	43	To earn a living	53.9	34	
World Bank Ease of Doing Business Rating (2019)	76.7/100 Rank: 35/190	Fear of failure (opportunity)	55.4	3				
		Entrepreneurial intentions	21.2	=23				
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	12.7	21	10.4	15.1	Job expectations (6+)	2.8	=22	
Established Business Ownership rate	5.5	33	3.6	7.3	International (25%+ revenue)	1.7	=16	
Entrepreneurial Employee Activity	5.8	12	4.9	6.6	National scope (customers and products/process)	2.4	=15	
					Global scope (customers and products/process)	1.0	=2	
					Industry (% TEA in business services)	27.3	13	
World Economic Forum Global Competitiveness Rank (2019)		An equals sign (=) indicates that the ranking position is tied with another economy or economies						
	20/141							
World Economic Forum Income Group Average (2019)								
	High							

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

During 2019, in line with the last decade, the rate of SME growth has continued in Israel. The availability of financing for startups, as well as the availability of IP and R&D transfer working in concert with government policy and regulations, have positively supported entrepreneurial growth. For 2019, 61% of the Israeli workforce was employed by SMEs, and 50.1% of the country's industrial and technology-oriented ventures demonstrated highest resilience. However, bureaucracy and taxation still seem to negatively affect entrepreneurship, as this trend continued into 2019.

Areas where Israel could improve in supporting entrepreneurship include: reducing government bureaucracy; reducing taxation rates; improving access for small businesses to large government contracts; and entrepreneurial education in secondary and higher educational institutions.

Quality education and science literacy is a national priority in Israel, supporting the UN Sustainable Development Goal 4.

In 2019, GEM's Israel team focused on bringing the issue of SMEs and the entrepreneurial gender gap to the attention of policy decision makers. Also discussed was the need to reduce bureaucracy and taxes.

Institution	Team	Funders	APS vendor	Contact
Lead institution Ira Center of Business, Technology & Society, Ben Gurion University	Team leader Professor Emeritus Ehud Menipaz, PhD	Ministry of Economics and Industry, Government of Israel Ira Foundation of Business, Technology and Society	Brandman Institute	ehudm@bgu.ac.il yoashav@013net.net
Type of institution University	Team members Yoash Avrahami, MSc			
Website https://in.bgu.ac.il/en				
Other institutions involved Ministry of Economics and Industry, Government of Israel				

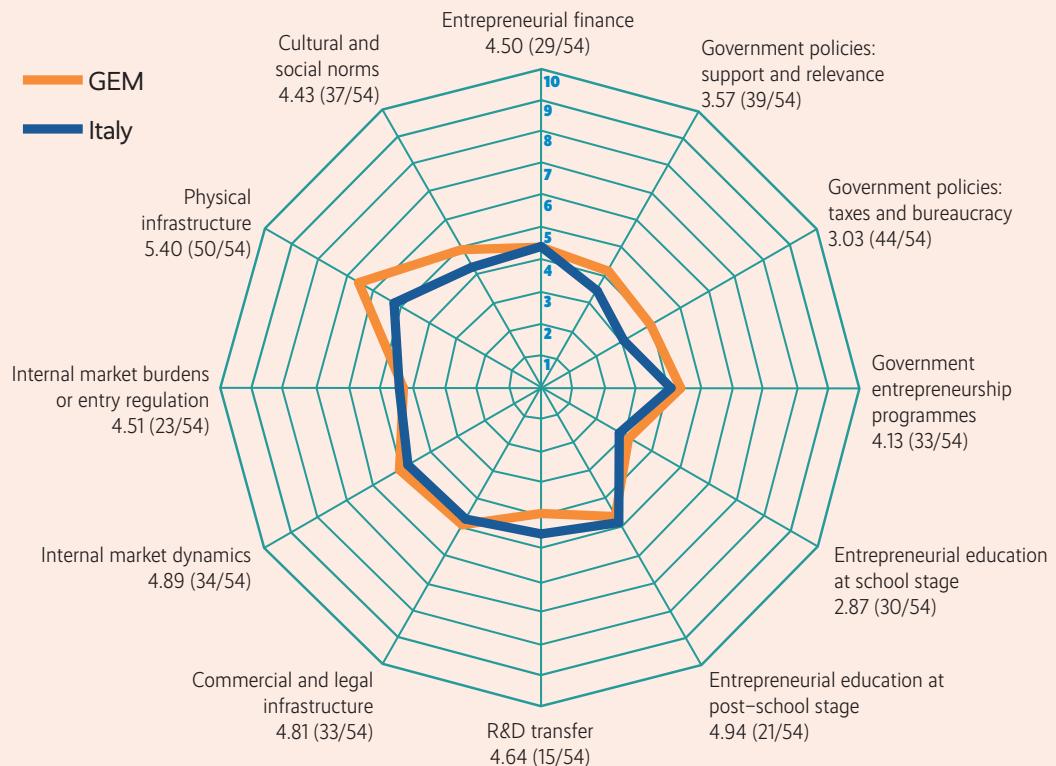




Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female TEA	% Male TEA	
60.5 million				Know someone who has started a new business	44.8	=42		
GDP growth (2018, annual % change) (IMF)	0.9%			Good opportunities to start a business in my area	45.1	37	To make a difference 11.0 48 18.6 6.3	
GDP per capita (2018; PPP, international \$) (IMF)	39.68 thousand			It is easy to start a business	74.6	7	Build great wealth 95.5 1 87.8 100.0	
World Bank Ease of Doing Business Rating (2019)	72.9/100 Rank: 58/190			Personally have the skills and knowledge	48.1	41	Continue family tradition 26.7 32 16.2 33.0	
				Fear of failure (opportunity)	27.6	47	To earn a living 89.5 7 96.5 85.3	
				Entrepreneurial intentions	5.4	49		
Activity		Entrepreneurship impact				% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	2.8	50	2.1	3.5	Job expectations (6+)	0.3	50	
Established Business Ownership rate	4.7	=38	2.6	6.9	International (25%+ revenue)	0.4	=40	
Entrepreneurial Employee Activity	0.7	=36	0.6	0.9	National scope (customers and products/process)	0.2	=44	
					Global scope (customers and products/process)	0.1	=34	
					Industry (% TEA in business services)	20.9	25	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

Since the “Startup Act” introduced in late 2012, Italy has not implemented any other important measures aimed at sustaining new business creation. And in 2019 neither were there any relevant policy or regulation changes to positively affect entrepreneurship. However, some measures have been implemented at regional level aimed at fostering startups and sustaining the growth of businesses.

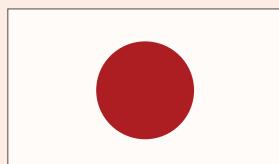
Macro trends continue to impede small business creation in Italy. In particular, economic stagnation and the recent changes of government have discouraged risk and innovation. Additionally, high uncertainty about the general political climate and industrial policy exacerbate these negative trends.

Italy remains a country with one of the lowest values of Total early-stage Entrepreneurial Activity (TEA) in the GEM survey. At a general level, the heavy burden of administrative procedures and the difficulty in raising external capital remain the main impediments to entrepreneurial activity. At individual level, the lack of entrepreneurial competencies and risk aversion are the main factors constraining entrepreneurship in the country. Entrepreneurship education needs to be introduced or strengthened at all levels, from primary schools to universities.

Italy suffers from a widespread gender gap in all aspects of the economy and society. Reducing the gender gap in entrepreneurship may greatly contribute to fulfilling UN Sustainable Development Goal 5 (Gender equality). A slight increase in Italy’s high-tech entrepreneurship is expected to make a contribution to Goal 9 (Industry, innovation and infrastructure) as well as to Goal 11 (Sustainable cities and communities).

Despite low and declining rates of entrepreneurial activity, promoting entrepreneurship is not seen as a relevant priority in the Italian policy debate. GEM data are widely used in academic research and often reported and commented in the media. Nevertheless, GEM Italy results have garnered little attention from policymakers.

Institution	Team	Funders	APS vendor	Contact
Lead institution Università Politecnica delle Marche	Team leader Professor Donato Iacobucci, PhD	Fondazione Aristide Merloni Università Politecnica delle Marche	DOXA Spa	d.iacobucci@staff.univpm.it
Type of institution University	Team members Assistant Professor Diego D'Adda, PhD Assistant Professor Alessandra Micozzi, PhD Francesca Micozzi, PhD			
Website https://www.univpm.it				UNIVERSITÀ POLITECNICA DELLE MARCHE

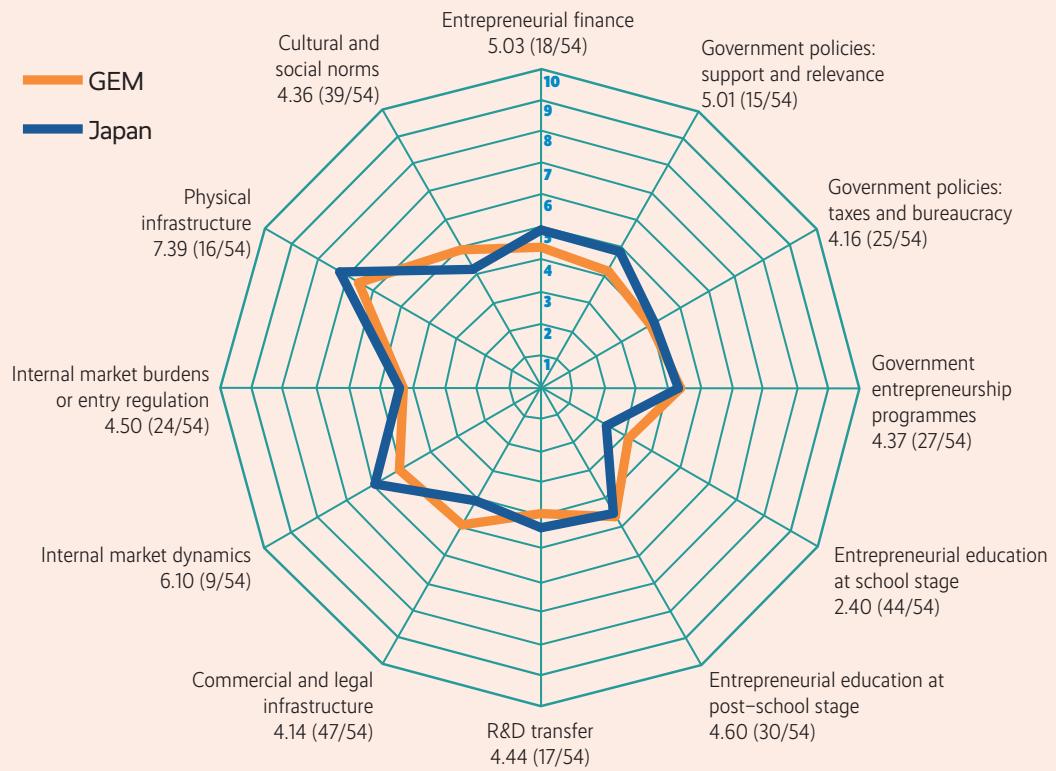


Japan

Population (2019) (WEF)		Attitudes and perceptions			Motivational				
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male		
		% TEA	Rank/50	TEA	TEA	TEA	TEA		
126.5 million									
GDP growth (2018, annual % change) (IMF)	0.8%	Know someone who has started a new business	17.1	50	To make a difference	43.9	30		
		Good opportunities to start a business in my area	10.6	50	Build great wealth	48.5	32		
GDP per capita (2018; PPP, international \$) (IMF)	44.25 thousand	It is easy to start a business	24.3	49	Continue family tradition	32.8	25		
		Personally have the skills and knowledge	14.0	50	To earn a living	32.7	47		
World Bank Ease of Doing Business Rating (2019)	78.0/100 Rank: 29/190	Fear of failure (opportunity)	43.5	24					
		Entrepreneurial intentions	4.3	50					
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact				
86.1/100		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50		
Rank: 106/190		Total early-stage Entrepreneurial Activity	5.4	=47	2.9	7.8	Job expectations (6+)	1.5	=41
World Economic Forum Global Competitiveness Rank (2019)	6/141	Established Business Ownership rate	7.0	=25	4.0	9.8	International (25%+ revenue)	0.5	=35
		Entrepreneurial Employee Activity	1.9	=26	0.4	3.3	National scope (customers and products/process)	1.3	=29
							Global scope (customers and products/process)	0.2	=29
							Industry (% TEA in business services)	21.1	24

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In Japan, a continued policy of low Interest rates and excessive liquidity allowed potential entrepreneurs to easily raise their startup funds in 2019. However, the country's consumption tax was raised to 10% from 8%, shrinking the real income of most Japanese households.

In 2019, a new programme started to focus on the country's entrepreneurial attitudes, something that is considerably low in Japan relative to other advanced countries. This new programme has not yet had much influence on Total early-stage Entrepreneurial Activity (TEA) in Japan, but improvements are expected over time.

Japanese entrepreneurial policy has failed to take the UN Sustainable Development Goals (SDGs) into account. Some entrepreneurs have developed carbon offset programmes, but these remain rare in Japan.

The entrepreneurial attitudes programme described above was born of the GEM Japan team's research. In fiscal 2019, the budget for the programme was around US\$5 million.

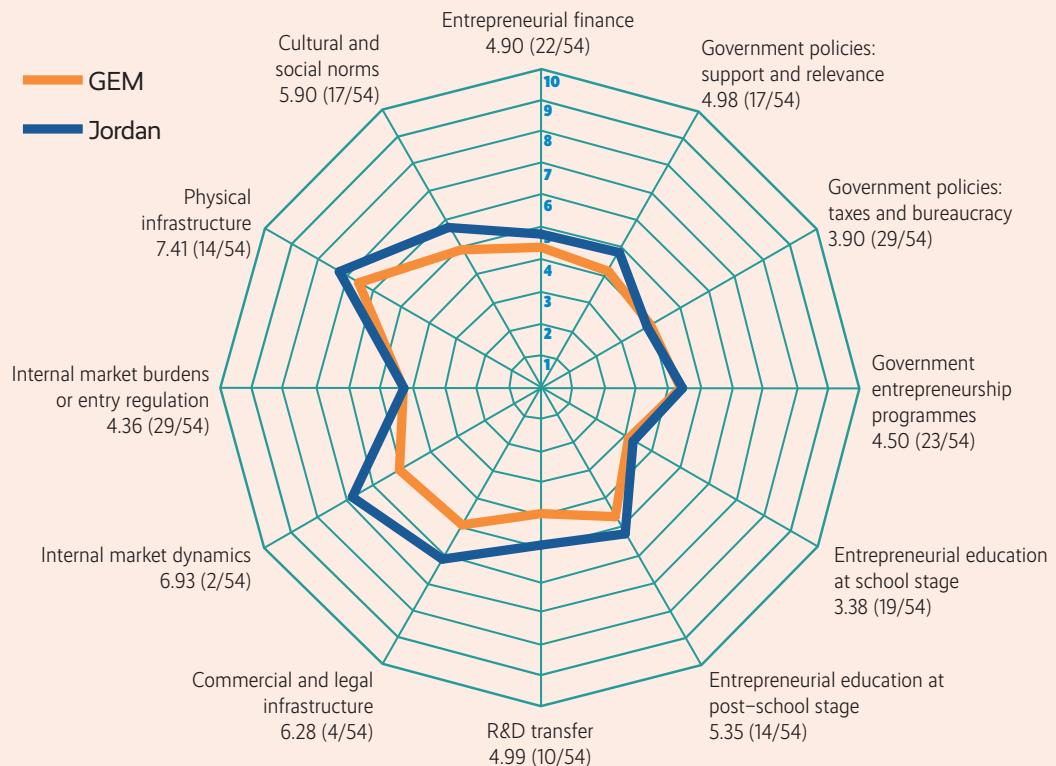
Institution	Team	Funders	APS vendor	Contact
Lead institution Musashi University	Team leader Professor Noriyuki Takahashi	Ministry of Economy, Trade and Industry (METI)	Social Survey Research Information Co. Ltd (SSRI)	noriyuki@cc.musashi.ac.jp
Type of institution University	Team members Professor Masaaki Suzuki Professor Yuji Honjo Professor Takehiko Yasuda Professor Takehiko Isobe			
Website https://www.musashi.ac.jp/english				
Other institutions involved Nihon University Chuo University Toyo University Keio University				 The logo of Musashi University features a shield divided into four quadrants. The top-left quadrant contains a white bird, likely a crane or heron, standing on a small mound. The other three quadrants are filled with orange and green foliage. Below the shield, the words "MUSASHI UNIVERSITY" are written in a bold, sans-serif font, with "MUSASHI" on the first line and "UNIVERSITY" on the second line.



Jordan

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
9.9 million								
GDP growth (2018, annual % change) (IMF)	1.9%	Know someone who has started a new business	46.5	36	To make a difference	19.2	46	
		Good opportunities to start a business in my area	40.6	42	Build great wealth	59.2	22	
GDP per capita (2018; PPP, international \$) (IMF)	9.43 thousand	It is easy to start a business	35.1	39	Continue family tradition	24.5	38	
		Personally have the skills and knowledge	61.7	21	To earn a living	93.1	2	
World Bank Ease of Doing Business Rating (2019)	69.0/100 Rank: 75/190	Fear of failure (opportunity)	54.4	5				
		Entrepreneurial intentions	29.1	17				
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
84.5/100		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Rank: 120/190		Total early-stage Entrepreneurial Activity	9.1	34	6.8	11.4	Job expectations (6+)	1.4
		Established Business Ownership rate	6.6	=27	3.1	10.0	International (25%+ revenue)	0.6
World Economic Forum Global Competitiveness Rank (2019)	70/141	Entrepreneurial Employee Activity	0.7	=36	0.2	1.2	National scope (customers and products/process)	0.9
							Global scope (customers and products/process)	0.1
							Industry (% TEA in business services)	5.1
World Economic Forum Income Group Average (2019)		An equals sign (=) indicates that the ranking position is tied with another economy or economies						

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In 2019, the Jordanian government continued its long-term plan to shift away from traditional sectors linked to job creation and growth in response to new technological drivers. In May, the Jordanian government established the new cabinet, “Digital Economy and Entrepreneurship”, expanding the remit of the former Ministry of Information and Communication and Technology. This policy attempts to stimulate digital entrepreneurship. Furthermore, the government has established a public–private partnership (PPP) model that has expanded the broadband network in key sectors. This policy stems from Jordan’s initiative to create a more business-friendly environment. A consultative ecosystem, facilitated by the World Bank and Jordan Strategy Forum, combines research and policy to increase entrepreneurship, and recommend reforms to the Cabinet of Ministers.

International policy has aided innovation and entrepreneurship in Jordan. For example, the USAID Jordan Competitiveness Program established a centre at the King Hussein Business Park in Amman. This project has positively impacted entrepreneurship through links with Jordanian universities and pressuring regulation relating to venture capital acquisition and funding.

As a result of these initiatives, the World Economic Forum included 27 Jordanian startups among the top 100 in the Arab world; there were 14 leading entrepreneurs at the 2019 London Initiative; and Jordan’s ranking in the Global Entrepreneurship Index rose 23 places, outperforming the region in relation to product innovation, technology absorption, competition, startup skills and cultural support indicators.

According to a 2019 World Bank survey, taxes remain the predominant barrier to entrepreneurship in Jordan, followed by the laws governing investment in startups, excessive government formalities, obstacles relating to customs laws, and social security. Given these barriers, startup creation is relatively low. For every 10,000 working-age individuals, only seven new limited-liability firms are created annually. Furthermore, restrictions persist on establishing investment funds. This, in a context of perceived public misallocation of funds and minimal capital, negatively affects the motivation of both entrepreneurs and investors seeking a sound legal and regulatory structure and the protection of their rights. Therefore, solving issues related to the ease of starting a business, as well as drawing more media attention to entrepreneurship, are the areas most in need of examination at this time.

Three trends relating to the UN Sustainable Development Goals (SDGs) that affect entrepreneurship in Jordan include Quality education (Goal 4), Gender equality (Goal 5), and Industry, innovation and infrastructure (Goal 9). Since most of Jordan’s issues stem from the relationship between the public and private sectors, the pressing need is to solve overarching socio-economic problems along with creating a less restrictive institutional framework.

To date, GEM has had only a limited influence on policy and regulation. However, there has been an interest in GEM’s prioritization of a hybrid approach to dismantling the “old dichotomy” of employment: i.e. necessity versus opportunity entrepreneurship. Jordan, as explained above, has adopted this by investing in digital platforms, responding to the repercussions of the Fourth Industrial Revolution.

Institution	Team	Funders	APS vendor	Contact
Lead institution Jordan Enterprise Development Corporation (JEDCO)	Team leader Eng. Ma'moun Abu Shawar, MBA Team members Dr Walid Al-Khatib Ahmad Saadeldeen Dr Amin Shammout	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	Center for Strategic Studies	Mamoun.shawar@JEDCO.gov.jo
Type of institution Public Body				
Website http://www.jedco.gov.jo				
Other institutions involved Center for Strategic Studies				



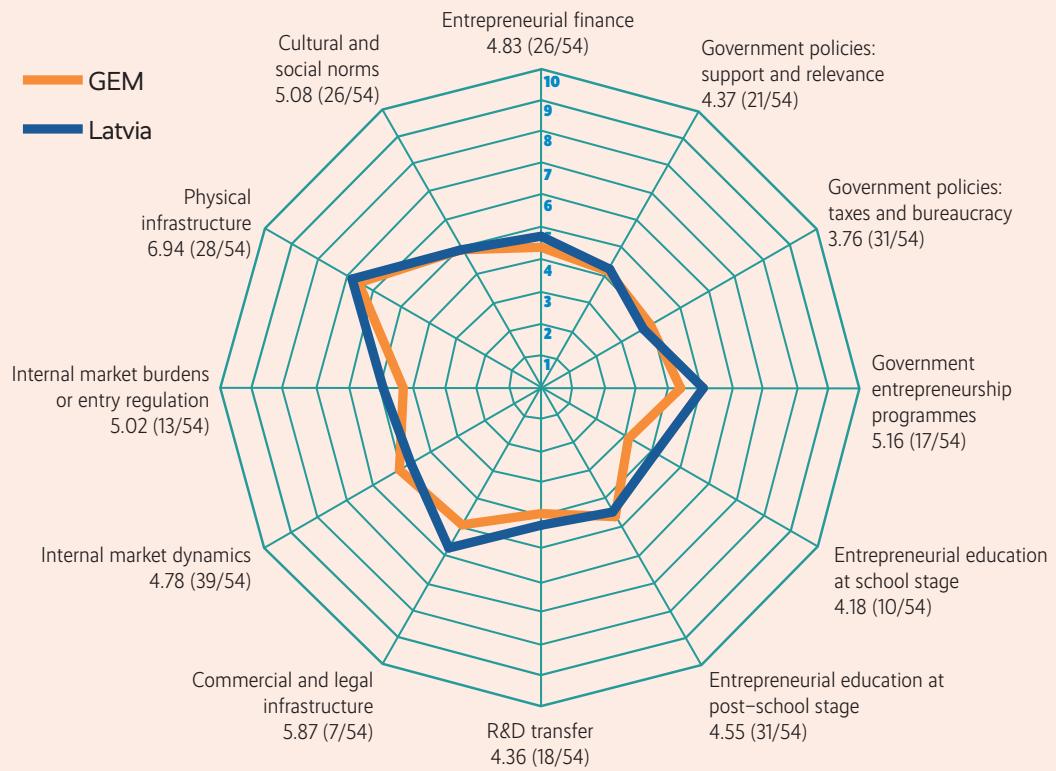


Latvia

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
1.9 million								
GDP growth (2018, annual % change) (IMF)	4.8%	Know someone who has started a new business	47.0	35	To make a difference	32.5	39	
GDP per capita (2018; PPP, international \$) (IMF)	29.91 thousand	Good opportunities to start a business in my area	35.6	47	Build great wealth	37.9	41	
World Bank Ease of Doing Business Rating (2019)	80.3/100 Rank: 19/190	It is easy to start a business	31.8	43	Continue family tradition	25.6	35	
World Bank Starting a Business Rating (2019)	94.1/100 Rank: 26/190	Personally have the skills and knowledge	57.0	27	To earn a living	68.3	22	
World Economic Forum Global Competitiveness Rank (2019)	41/141	Fear of failure (opportunity)	46.6	16				
World Economic Forum Income Group Average (2019)	High	Entrepreneurial intentions	23.2	21				
Activity		Entrepreneurship impact				% Adults	Rank/50	
		% Adults	Rank/50	% Female	% Male			
Total early-stage Entrepreneurial Activity	15.4	12	11.3	19.6		Job expectations (6+)	5.6	10
Established Business Ownership rate	12.9	7	9.2	16.7		International (25%+ revenue)	2.9	5
Entrepreneurial Employee Activity	4.3	16	3.4	5.3		National scope (customers and products/process)	2.2	=17
						Global scope (customers and products/process)	0.9	=6
						Industry (% TEA in business services)	23.9	=20

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

The Latvian startup law was enacted in 2017, the first legislation aimed at startups in the country's history. It significantly reduces the financial burdens on startups by reducing their tax obligations. Initial problems emerged regarding the application criteria; however, work is ongoing to make the application process simpler.

Latvia's acceleration programme has been operational since 2018. Support for entrepreneurs is provided in two phases. The first is pre-seed funding for startup establishment, advice and product development (up to €50,000), the second being more seed financing for further growth and product and business model development (up to €250,000). In total, for the 2014–2020 programming period, the three acceleration funds (BuildIT Latvia, the Commercialization Reactor Fund and Overkill Ventures) amounted to €15 million in investments (€13 million comes from the European Regional Development Fund and €2 million from Latvian public funds).

However, recent changes in the country's micro-enterprise tax regime have negatively impacted entrepreneurship.

The challenge for Latvia lies also in the skills and innovation of the workforce. Competition for a limited labour force in the most in-demand professions (for example, IT) has become increasingly tough. This is particularly true for startups. Better employee stock option policies in Latvia may help to solve the problem. Another way of addressing the shortage of qualified labour is vocational training that matches the skills currently required by new Latvian companies. The lack of private investment in research and development is also retarding economic development.

Institution	Team	Funders	APS vendor	Contact
Lead institution Stockholm School of Economics in Riga (SSE Riga)	Team leader Marija Krumina, MSc, PhD candidate	Stockholm School of Economics in Riga (SSE Riga)	SKDS	marija@biceps.org
Type of institution Business School	Team members Anders Paalzow, PhD			
Website https://www.sseriga.edu				
Other institutions involved Baltic International Centre for Economic Policy Studies (BICEPS)				 The logo of Stockholm School of Economics in Riga (SSE Riga) features a circular emblem with a stylized 'S' and 'E' intertwined, surrounded by a wreath of leaves. The text "STOCKHOLM SCHOOL OF ECONOMICS" is written in a circular arrangement around the emblem, with "SSE RIGA" at the bottom.

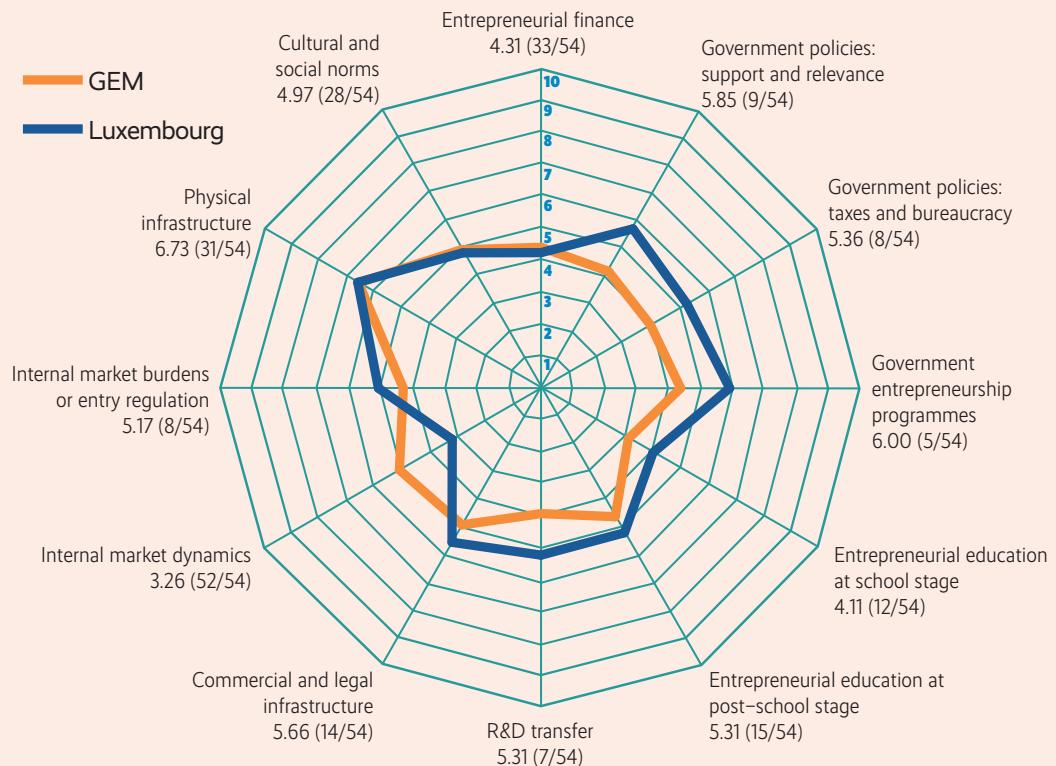


Luxembourg

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female TEA	% Male TEA	
0.6 million				Know someone who has started a new business	46.4	=37		
GDP growth (2018, annual % change) (IMF)	2.6%			Good opportunities to start a business in my area	58.0	18	To make a difference 60.5 11 53.8 64.9	
GDP per capita (2018; PPP, international \$) (IMF)	106.37 thousand			It is easy to start a business	60.5	16	Build great wealth 41.2 38 38.1 43.2	
World Bank Ease of Doing Business Rating (2019)	69.6/100 Rank: 72/190			Personally have the skills and knowledge	48.5	40	Continue family tradition 30.0 30 32.9 28.1	
				Fear of failure (opportunity)	45.7	18	To earn a living 38.3 44 37.4 38.9	
				Entrepreneurial intentions	12.9	35		
Activity		Entrepreneurship impact				% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	10.2	30	8.3	12.0	Job expectations (6+)	3.1	20	
Established Business Ownership rate	4.7	=38	3.4	5.9	International (25%+ revenue)	2.7	7	
Entrepreneurial Employee Activity	6.7	6	5.0	8.2	National scope (customers and products/process)	3.5	4	
					Global scope (customers and products/process)	1.0	=2	
					Industry (% TEA in business services)	40.1	1	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In Luxembourg, initiatives aimed at nurturing the country's aerospace startup ecosystem, as well as startup competitions such as FIT4START, positively impacted entrepreneurship in 2019.

The country's discussions on new legislation regarding insolvency (also known as "second-chance") is still ongoing. This new legislation aims to implement the EU Commission Recommendation (2014/135/EU) on a new approach to business failure and insolvency. The main objective of the legislation is to rescue viable businesses in distress and give entrepreneurs a second chance.

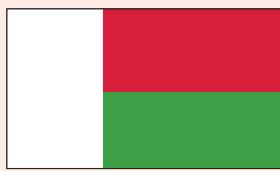
According to GEM Luxembourg's recent survey results, the policy areas requiring additional attention if the country's entrepreneurial performance is to improve are: the administrative burden of starting a business; addressing the fear of failure, which prevents people from starting a business; the desirability of entrepreneurial career; and access to finance.

There is no UN Sustainable Development Goal with a direct bearing on entrepreneurship in Luxembourg. However, the country has continued to focus on its entrepreneurial gender gap.

The main results of the 2018/2019 GEM report for Luxembourg were presented during a press conference held at the Ministry of the Economy, in the context of an overall evaluation of Luxembourg's competitiveness. The Minister for Small and Medium Enterprises and Tourism chaired the conference and stated that the high level of fear of failure points to a need to accelerate the reform of insolvency legislation in Luxembourg.

Institution	Team	Funders	APS vendor	Contact
Lead institution STATEC Research	Team leader Dr Cesare A.F. Riillo, PhD	Ministry of the Economy of the Grand Duchy of Luxembourg House of Entrepreneurship (an initiative of the Chamber of Commerce and the Ministry of the Economy of the Grand Duchy of Luxembourg)	TNS ILRES	cesare.riillo@statec.etat.lu
Type of institution Public Body	Team members Dr Chiara Peroni, PhD Steinn Steinsson, MSc			
Website https://statistiques.public.lu/en/actors/statec/organisation/red/index.html				

STATEC
RESEARCH

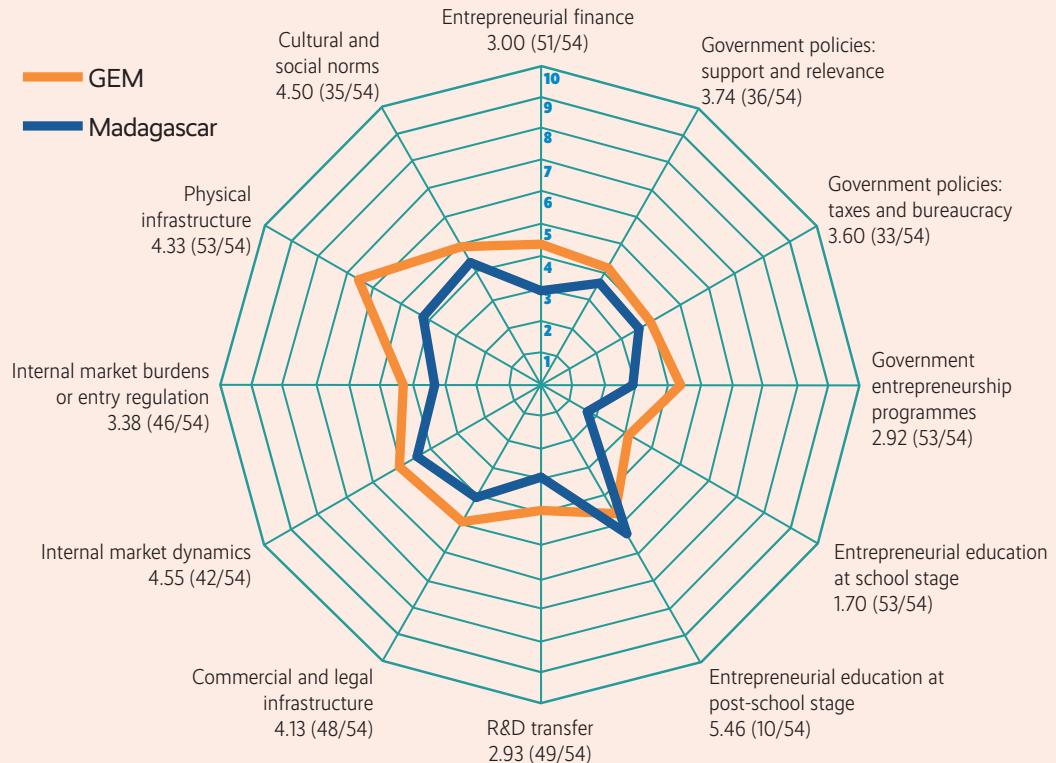


Madagascar

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
26.3 million								
GDP growth (2018, annual % change) (IMF)	5.2%	Know someone who has started a new business	51.0	30	To make a difference	8.8	50	
GDP per capita (2018; PPP, international \$) (IMF)	1.63 thousand	Good opportunities to start a business in my area	46.8	32	Build great wealth	23.5	47	
World Bank Ease of Doing Business Rating (2019)	47.7/100 Rank: 161/190	It is easy to start a business	38.0	33	Continue family tradition	36.8	16	
World Bank Starting a Business Rating (2019)	88.5/100 Rank: 80/190	Personally have the skills and knowledge	73.5	7	To earn a living	81.1	16	
World Economic Forum Global Competitiveness Rank (2019)	132/141	Fear of failure (opportunity)	41.0	30				
World Economic Forum Income Group Average (2019)	Low	Entrepreneurial intentions	44.5	6				
Activity		Entrepreneurship impact				% Adults	Rank/50	
		% Adults	Rank/50	% Female	% Male			
Total early-stage Entrepreneurial Activity	19.5	8	19.6	19.3		Job expectations (6+)	1.5	
Established Business Ownership rate	20.2	1	20.4	20.0		International (25%+ revenue)	0.2	
Entrepreneurial Employee Activity	0.6	=38	0.5	0.7		National scope (customers and products/process)	0.1	
						Global scope (customers and products/process)	0.1	
						Industry (% TEA in business services)	1.3	
							50	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

Madagascar's development strategy on rural entrepreneurship was broadened, resulting in the creation of 1,287 formal enterprises in 2018. The strategy focuses on encouraging women's participation in business, through a gender-based policy for women in entrepreneurship, and the Fihariana Programme Initiative, which provides entrepreneurship and entrepreneurial culture training to women. Madagascar is also targeting young people, with a trophy competition for young entrepreneurs and "Thursday entrepreneurial platforms" a round table in which the student entrepreneurs' club shares knowledge about Madagascar's entrepreneurship world.

However, access to finance continues to slow entrepreneurship development, as does a lack of supervision, training, resources, and knowledge for startups. According to the *Doing Business 2019* report, major changes in investment conditions have contributed to these obstacles. To address these challenges, an assessment system for borrowers will be established through a credit bureau.

As far as the results of GEM 2019 are concerned, areas deserving special attention include government policies considering a gender approach, youth empowerment, rural areas, and the social domain; financing entrepreneurship; good governance; and education and entrepreneurship training. Regarding financing entrepreneurship, the fear of failure among those surveyed was higher in 2019 (41% compared to 36.6% in 2018). Among nascent and new entrepreneurs only 5.4% of those surveyed are undertaking social activities.

Success in meeting the UN Sustainable Development Goals (SDGs) depends on enterprise creation and the innovations it brings. Job creation (Goal 8: Decent work and economic growth) is at the core of the Madagascar's goals. In 2019, expert recommendations focused on the workforce, including the development of entrepreneurship in Madagascar, with a relatively stable Total early-stage Entrepreneurial Activity (TEA) rate over the last three years: 21.8% in 2017, 20.7% in 2018, and 19.5% in 2019.

Arrangements are under way to facilitate young people's access to finance, this having been identified as an area for improvement in encouraging entrepreneurship development. The Central Bank of Madagascar has created a credit information bureau, the Bureau d'Information sur le Crédit (BIC), to address the asymmetry of information between lenders and borrowers. This tool allows creditors to respond positively to potential borrowers' credit applications based on the reputation guarantee from scoring. Training and entrepreneurial education are also helping to reduce risk and fear of failure.

The Fihariana Programme remains relevant, as the GEM results show gender equity in the business community. Of the 1,287 formal enterprises created in 2018, 83% were from the primary sector where women are most numerous. With its continued focus on encouraging individuals of 18 and older to pursue entrepreneurship, the youth incentive policy is expected to achieve the targets set in SDG Goal 8b by 2020.

Institution	Team	Funders	APS vendor	Contact
Lead institution Institut National des Sciences Comptables et de l'Administration d'Entreprises (INSCAE)	Team leader Professor Claudine Ratsimbazafy, PhD	Centre de Recherche pour le Développement International du Canada (CRDI)	Institut National de la Statistique (INSTAT)	cratsimbazafy@gmail.com
Type of institution Business School	Team members Professor Ida Clément Rajaonera, PhD Professor Harimino Oliarilanto Rakoto, PhD Professor Gilde Paul Ralandison, PhD Professor Félix Rasoloarijona, PhD Professor Mamy Tiana Rasolofoson, PhD Professor Faly Hery Rakotomanana, PhD Andriamahery Ferdinand Rasolonjatovo			
Website http://www.inscae.mg				
Other institutions involved Université du Québec à Trois-Rivières (UQTR)				

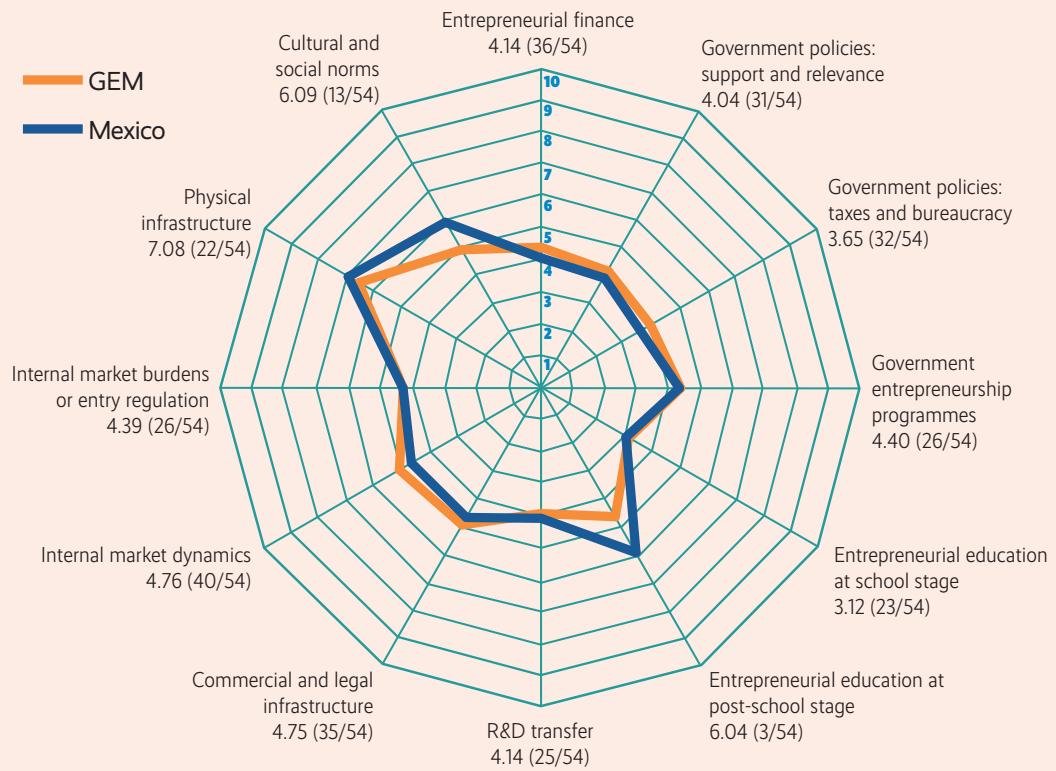


Mexico

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female TEA	% Male TEA	
124.7 million				Know someone who has started a new business	46.4	=37		
GDP growth (2018, annual % change) (IMF)	2%			Good opportunities to start a business in my area	62.8	15	To make a difference	
GDP per capita (2018; PPP, international \$) (IMF)	20.62 thousand			It is easy to start a business	50.9	23	Build great wealth	
World Bank Ease of Doing Business Rating (2019)	72.4/100 Rank: 60/190			Personally have the skills and knowledge	70.7	11	Continue family tradition	
World Bank Starting a Business Rating (2019)	86.1/100 Rank: 107/190			Fear of failure (opportunity)	47.7	12	To earn a living	
World Economic Forum Global Competitiveness Rank (2019)	48/141			Entrepreneurial intentions	16.3	28		
Activity		Entrepreneurship impact				% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	13.0	19	12.4	13.6	Job expectations (6+)	3.0	21	
Established Business Ownership rate	1.8	48	1.4	2.3	International (25%+ revenue)	0.5	=35	
Entrepreneurial Employee Activity	0.2	=47	0.1	0.2	National scope (customers and products/process)	0.7	39	
					Global scope (customers and products/process)	0.1	=34	
					Industry (% TEA in business services)	6.0	44	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

After the presidential elections of 2018, Mexico now has the first leftist president in its modern history. The new government has a mandate to change politics and policies in the country, and calls their movement “the fourth transformation” of Mexico.

As a result, social and economic policies, including entrepreneurship policies, are being redirected to the poorest and most marginalized among the population. One of the most important programmes, “Microcredit for well-being”, is aimed at highly marginalized communities to help entrepreneurs build enough credit history to grow their business. The programme tackles the challenges people face in accessing finance from formal institutions, i.e. low income and a lack of credit history. In Mexico, there are around 8.6 million people self-employed or working in microbusinesses, of which 60% require financing.

As part of the political change, the National Institute of the Entrepreneur (INADEM), which was responsible for entrepreneurship programmes and policies over the last six years, was closed in the first quarter of 2019. The newly redesigned entrepreneurial policies are now being deployed and implemented, so there is an uncertainty gap which is affecting entrepreneurs. Despite the urgency and importance of supporting traditional activities and self-employment, it seems that high-growth entrepreneurship is currently being neglected.

Expert opinions about Mexico's entrepreneurial ecosystem make it clear that there are two main areas requiring improvement. One is related to education and R&D, and the other is related to government policies around bureaucracy and tax. Both areas are of particular interest as they attracted the highest scores for importance but the lowest scores for the country. The government's austerity policies that are currently under way represent an additional challenge because less personnel in government agencies means slower bureaucratic processes. Furthermore, increasing the education budget (or any other objective) is not plausible without a fiscal reform to increase tax revenue for the government.

The UN Sustainable Development Goal (SDG) most directly affecting entrepreneurship is Goal 8 (Decent work and economic growth). As global economic growth continues to slow, and zero growth in 2019 seems plausible for Mexico, conditions for entrepreneurship worsen, necessity entrepreneurship increases, and this results in low-quality jobs. The SDGs promote sustained economic growth and higher levels of productivity and technological innovation; these are prerequisites for achieving entrepreneurship outcomes that promote growth and create more and better jobs.

The main influence of GEM on Mexican policy is in the gathering and analysis of entrepreneurship data at the regional level. It is difficult to exert a strong influence on national policy, but regional entrepreneurship data allow relevant stakeholders to evaluate the impact of entrepreneurial policy implementation. This explains why many Mexican subnational governments participate in and sponsor GEM regional studies.

Institution	Team	Funders	APS vendor	Contact
Lead institution	Team leader			
Instituto Tecnológico y de Estudios Superiores de Monterrey (ITESM) (aka Tecnológico de Monterrey)	Hugo Garza Medina, MSc José Ernesto Amorós, PhD	Instituto Tecnológico y de Estudios Superiores de Monterrey (ITESM) (aka Tecnológico de Monterrey)	Berumen y Asociados S.A. de C.V.	jmaguirre@tec.mx
Type of institution	Team members			
University	Elvira Naranjo, PhD José Manuel Aguirre, MSc, PhD Candidate			
Website	Marcia Campos, MSc Rafaela Bueckmann Diegoli, PhD Ján Rehák, PhD Patricia Esther Alonso Galicia, PhD Edgar Muñiz Ávila, PhD Lucía Rodríguez Aceves, PhD José Manuel Saiz Álvarez Margarita Herrera Avilés Lizbeth González Tamayo Rafael A. Tristán			



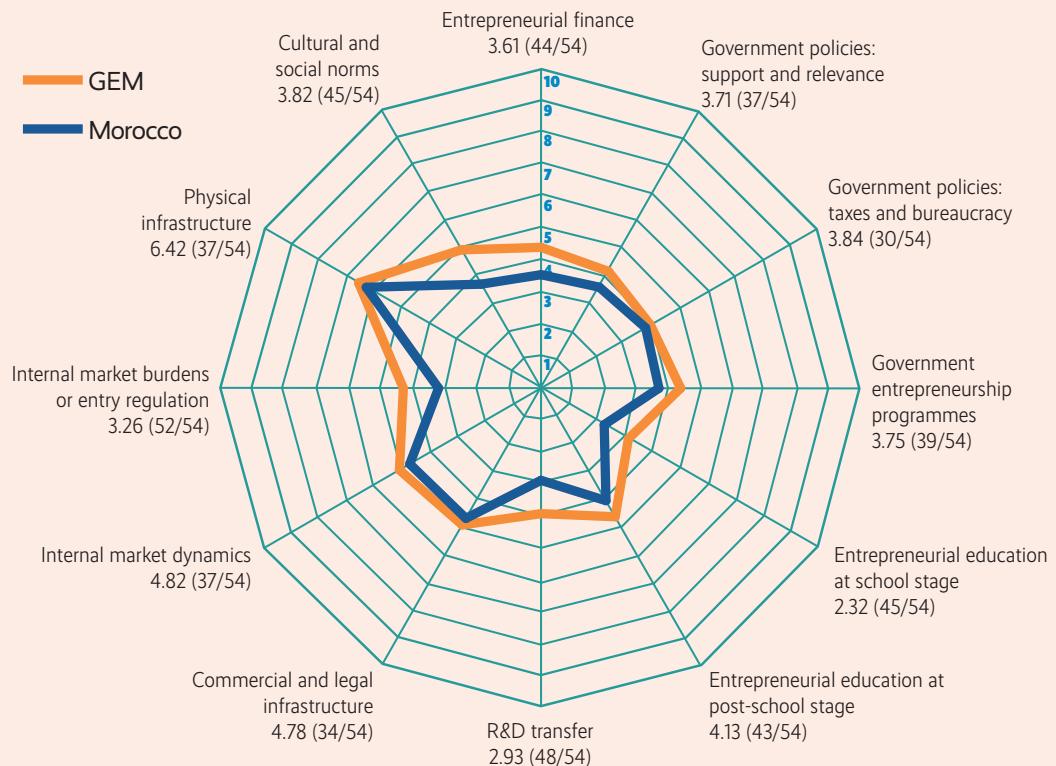


Morocco

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
35.2 million								
GDP growth (2018, annual % change) (IMF)	3%	Know someone who has started a new business	51.2	29	To make a difference	21.8	45	
GDP per capita (2018; PPP, international \$) (IMF)	8.93 thousand	Good opportunities to start a business in my area	57.7	19	Build great wealth	69.8	12	
World Bank Ease of Doing Business Rating (2019)	73.4/100 Rank: 53/190	It is easy to start a business	27.0	46	Continue family tradition	33.1	24	
World Bank Starting a Business Rating (2019)	93/100 Rank: 43/190	Personally have the skills and knowledge	62.4	18	To earn a living	93.3	1	
World Economic Forum Global Competitiveness Rank (2019)	75/141	Fear of failure (opportunity)	42.5	26				
World Economic Forum Income Group Average (2019)	Lower-middle	Entrepreneurial intentions	41.9	8				
Activity		Entrepreneurship impact				% Adults	Rank/50	
		% Adults	Rank/50	% Female	% Male			
Total early-stage Entrepreneurial Activity	11.4	24	7.8	15.1		Job expectations (6+)	=41	
Established Business Ownership rate	7.9	22	4.4	11.5		International (25%+ revenue)	=45	
Entrepreneurial Employee Activity	0.3	46	0.3	0.3		National scope (customers and products/process)	=44	
						Global scope (customers and products/process)	=45	
						Industry (% TEA in business services)	=45	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

The Moroccan economy is currently characterized by macroeconomic stability and low levels of inflation. As of 2019, the Moroccan economy remains solid, relying on exports, tourism, and a boom in private investment. Also in 2019, Morocco launched the third phase of the National Initiative for Human Development (INDH), which aims to build human capital and enhance youth inclusion, with a wide financing envelope. Significant foreign direct investments (FDIs) continue to flow into logistics, trade services and the automotive industry.

The entrepreneurial ecosystem is improving and almost all GEM indicators have increased. The implementation of targeted measurements like Innov Invest and the establishment of the “Self-entrepreneur” status have contributed to this improvement. Integrating the informal economy is a national priority, representing a flagship project of the Industrial Acceleration Plan, which aims to encourage actors in the informal sector to join the entrepreneurial ecosystem.

However, 2018/2019 marked a deceleration from economic growth. A medium-term upward trajectory of national GDP is needed to overcome entrenched socio-economic problems. Insufficient job creation is increasing Morocco's unemployment rate. Despite recent efforts to introduce more dynamism into the territories, interregional disparities in terms of growth also persist.

The government is creating a new economic development model based on enhanced education and vocational training programmes, and bolder policies to boost job creation and promote inclusive growth through a modernized social protection system. Moroccan youth are expected to play a priority role in achieving the goals of the 2030 Agenda for Sustainable Development.

Morocco displays a positive attitude towards entrepreneurship, and boasts healthy pools of nascent entrepreneurs, but there is a marked disparity between nascent and active entrepreneurs. The relatively low levels of entrepreneurial activity among the youth is concerning in the context of the high level of underemployment among this age group.

Early exposure to entrepreneurship training, and increased investment in human and immaterial capital, could help address this imbalance. Early-stage startups in knowledge and technology fields usually struggle to secure equity investments, so more initiatives are needed to encourage crowdfunding and venture capital funds. A number of other regulations, including education, R&D incentives and the Small Business Act, must be implemented.

Development agencies indicate that Morocco has made significant improvement in gender equality — although much still remains to be done. There is near parity in girls' and boys' enrolment in school, with resultant improvements in literacy rates, although this hasn't yet translated into increased labour force participation for women.

Since it joined the GEM Consortium in 2014, the data Morocco have collected have been used by academics, government policy agencies and entrepreneurship support institutions. Public stakeholders who create strategies and programmes have yet to fully recognize the value and relevance of these data, although evidence suggests that this information could have indirectly influenced certain policy decisions.

Institution	Team	Funders	APS vendor	Contact
Lead institution	Team leader	University of Hassan II Casablanca	ClaireVision	elouazzanik@gmail.com
Entrepreneurship Research Laboratory, Faculty of Law, Economics and Social Sciences, University of Hassan II Casablanca	Professor Khalid El Ouazzani, PhD			
Type of institution	Team members			
University	Professor Abdellatif Komat, PhD Professor Salah Koubaa, PhD Professor Fatima Boutaleb, PhD Professor Hind Malainine, PhD Professor Sara Yassine, PhD			
Website				
http://www.entrepreneurship.univcasa.ma				



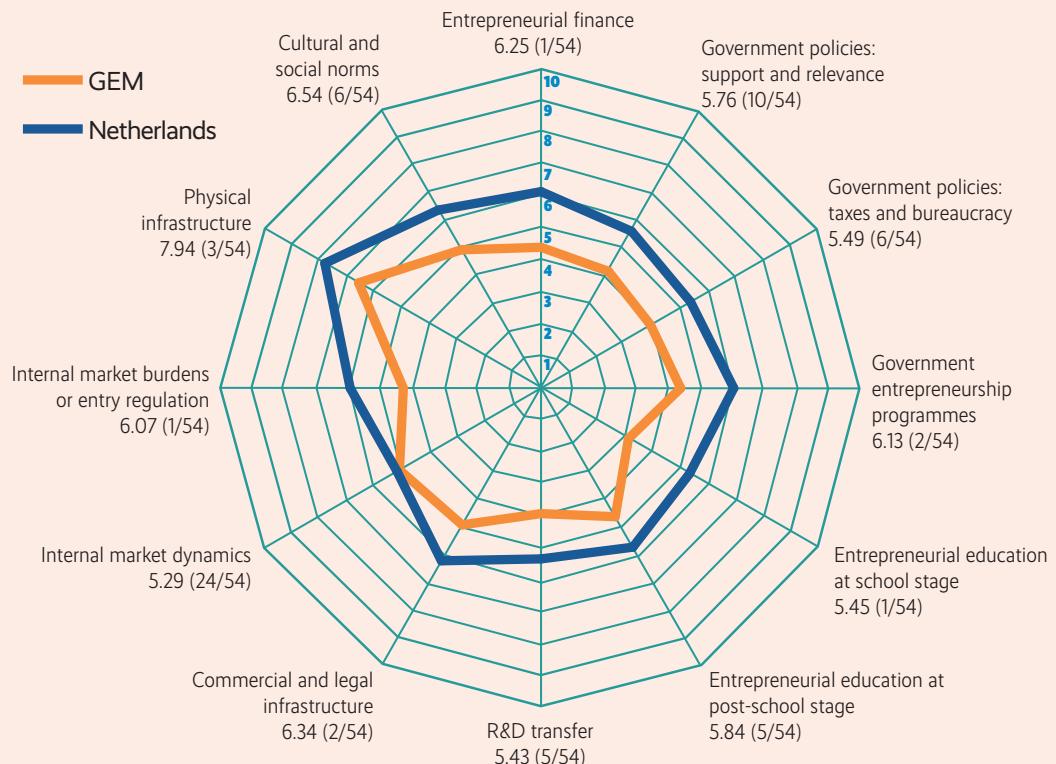


Netherlands

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female TEA	% Male TEA	
17.2 million				Know someone who has started a new business	51.5	28		
GDP growth (2018, annual % change) (IMF)	2.6%			Good opportunities to start a business in my area	64.6	14	To make a difference 32.3 =40 38.7 27.2	
GDP per capita (2018; PPP, international \$) (IMF)	56.49 thousand			It is easy to start a business	84.1	3	Build great wealth 22.0 48 12.9 29.1	
World Bank Ease of Doing Business Rating (2019)	76.1/100 Rank: 42/190			Personally have the skills and knowledge	41.9	47	Continue family tradition 18.0 45 15.2 20.2	
World Bank Starting a Business Rating (2019)	94.3/100 Rank: 24/190			Fear of failure (opportunity)	27.1	48	To earn a living 23.6 49 31.9 17.0	
World Economic Forum Global Competitiveness Rank (2019)	4/141			Entrepreneurial intentions	9.2	42		
World Economic Forum Income Group Average (2019)		Activity			Entrepreneurship impact			
		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Total early-stage Entrepreneurial Activity		10.4	29	9.2	11.5	Job expectations (6+)	1.9 =32	
Established Business Ownership rate		10.8	13	8.0	13.6	International (25%+ revenue)	1.1 =24	
Entrepreneurial Employee Activity		6.0	10	4.2	7.7	National scope (customers and products/process)	1.7 =24	
						Global scope (customers and products/process)	0.5 =16	
						Industry (% TEA in business services)	33.5 6	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In the Netherlands, entrepreneurship policies have been on the government agenda for over 25 years. The government's objective is to guarantee good preconditions for entrepreneurship and innovation, including low administrative burdens, and an innovation-friendly legal and regulatory framework, with adequate government services for entrepreneurs. A variety of financial support systems exist for startups, scale-ups and innovative entrepreneurs. The SME Action Plan includes policies that enable SMEs to cope with challenges and continue to do business successfully. These policies cover human capital, financing, digitization, application innovations, internationalism, regulation and taxation. To limit administrative burdens, the impact on SMEs is assessed for all new regulations (the SME test).

One of the current major policy issues is the possible introduction of a minimum hourly rate for self-employed persons in 2021. In anticipation of this, some sectors have already agreed on such a rate. The Dutch competition authority has indicated that, in some cases, self-employed persons can jointly make agreements about their rates.

The Netherlands is one of the few European countries to develop and accept a national, cross-sectoral Climate Accord. The Dutch National Climate Accord aims to reduce CO₂ emissions from 85% to 95% by 2050. Another key priority is addressing the high levels of nitrogen and poly- and perfluoroalkyl substances (PFASs) in the soil. Achieving these goals will require a nationwide cross-sectoral and societal approach. These measures will impact the business, entrepreneurial, construction and agricultural sectors, in both positive and negative ways. While adherence to these measures may inhibit business development in some areas, there will be new opportunities for entrepreneurs delivering innovative solutions to reduce CO₂ emissions. In this context, Sustainable Development Goal (SDG) 13 (Climate action) indirectly gains more prominence.

While the Climate Accord is a good step in addressing the SDGs due to its cross-sectoral nature, the accord still needs further operationalization. Until changes are finalized and implemented, the business sector and entrepreneurs face insecurity about what sort of environmental requirements and regulations they will be subject to in the future. However, as of this time, GEM data do not point to trends directly affecting entrepreneurship.

Based on the GEM 2019 results, other policy areas meriting examination include: education and training, including entrepreneurship education; R&D transfer; and access to finance. These results point to a conclusion that entrepreneurial framework conditions in the Netherlands are relatively good, including the circumstances to start a business.

The Dutch government uses GEM results to monitor these aspects. According to the National Entrepreneurship Context Index (NECI) of the Global Entrepreneurship Monitor 2018/2019, which measures a country's entrepreneur-friendliness, the Netherlands ranks third among the 54 participating countries. Of the participating European and North American countries, the Netherlands comes first.

Institution	Team	Funders	APS vendor	Contact
Lead institution Panteia	Team leader Dr Jacqueline Snijders, PhD	The Ministry of Economic Affairs and Climate Policy of the Netherlands	Panteia	j.snijders@panteia.nl
Type of institution Research Institute	Team members Dr Paul van der Zeijden, PhD Dr Jan de Kok, PhD Amber van der Graaf, MSc Ton Geerts			
Website https://www.panteia.com				



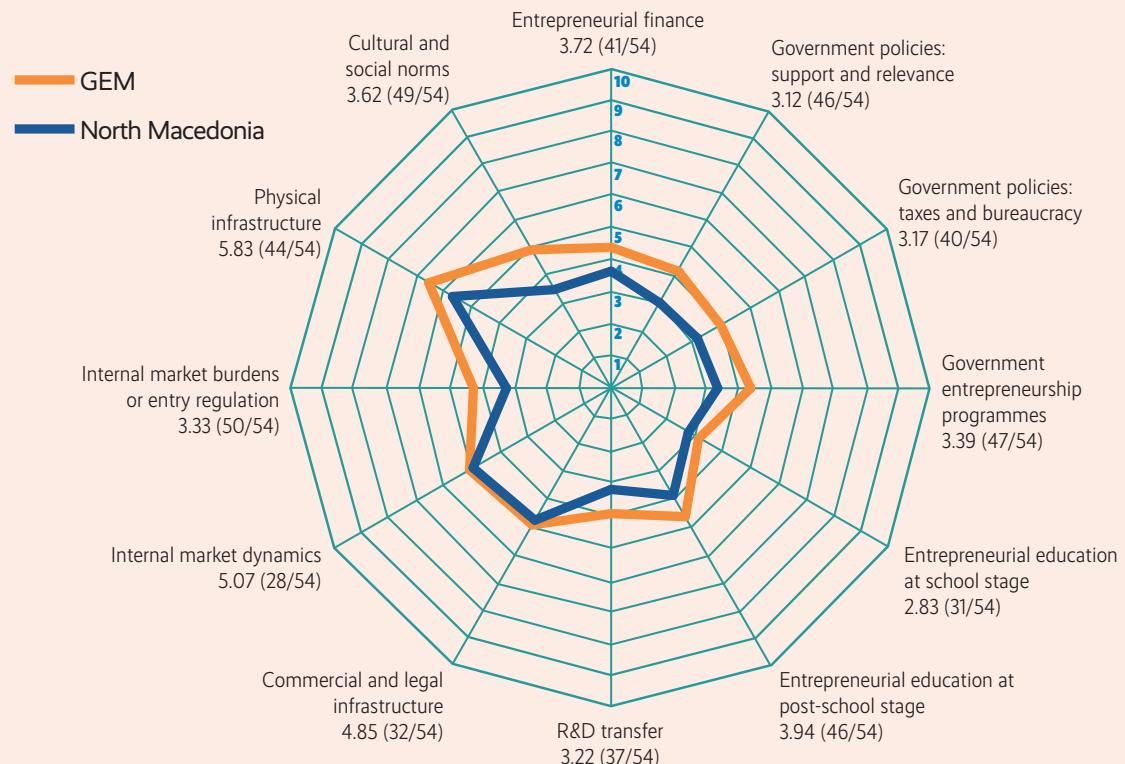


North Macedonia

Population (2019) (WEF)	Attitudes and perceptions			Motivational				
	% Adults	Rank/50	(somewhat or strongly agree)	% TEA	Rank/50	% Female TEA	% Male TEA	
2.1 million								
GDP growth (2018, annual % change) (IMF)	52.4	25	To make a difference	56.9	13	66.7	53.4	
2.7%	50.5	26	Build great wealth	53.7	25	45.8	56.5	
GDP per capita (2018; PPP, international \$) (IMF)	37.2	34	Continue family tradition	68.4	5	48.0	75.5	
15.71 thousand	60.9	23	To earn a living	83.6	14	91.1	81.0	
World Bank Ease of Doing Business Rating (2019)	47.2	=14						
80.7/100	20.3	26						
Rank: 17/190								
World Bank Starting a Business Rating (2019)	Activity			Entrepreneurship impact				
88.6/100	% Adults	Rank/50	% Female	% Male	% Adults	Rank/50		
Rank: 78/190	Total early-stage Entrepreneurial Activity	6.2	=44	3.3	9.0	Job expectations (6+)	1.9	=32
World Economic Forum Global Competitiveness Rank (2019)	Established Business Ownership rate	8.0	21	4.8	11.1	International (25%+ revenue)	1.2	23
82/141	Entrepreneurial Employee Activity	1.6	30	1.2	2.1	National scope (customers and products/process)	1.3	=29
World Economic Forum Income Group Average (2019)						Global scope (customers and products/process)	0.3	=27
Upper-middle						Industry (% TEA in business services)	14.3	30

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In 2019, the Macedonian entrepreneurial ecosystem received a funding increase from the country's Fund for Innovations and Technology Development. This positively impacted entrepreneurship through initiatives such as co-financed grants for commercialization and for technological development. The government also implemented: the National Strategy for Small and Medium Enterprises (2018–2023) including the Third Pillar for Dynamic Ecosystem for Entrepreneurship and Innovation; and the National Operation Plan for Active Programmes and Measures for Employment and Services on the Labour Market in 2019.

This year also saw the development of the Strategy and Action Plan for Development of Women Entrepreneurship in Macedonia (2019–2023). One significant change was a decrease in the National Bank's key interest rate, which positively affected access to finance. Another was the amendment to the Law on Personal Income Tax which abandoned the flat tax rate and introduced progressive taxation, negatively impacting entrepreneurial development.

The lowest scores in North Macedonia's GEM National Expert Survey (NES), and therefore those that merit the most attention, include: government policies that consistently favour new firms; the availability of funding from venture capitalists for new and growing firms; government assistance for new and growing firms obtained through contact with a single agency; the prioritization of support for new and growing firms at local government level; and primary and secondary education that encourages creativity, self-sufficiency and personal initiative.

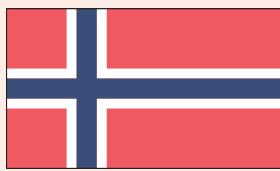
The National Council for Sustainable Development has adopted a rulebook and procedures for ensuring consistency in the implementation and monitoring of the strategic document *National Strategy for Sustainable Development*, as well as the implementation of the UN Sustainable Development Goals (SDGs). The Council has determined five priority goals for 2019 and 2020 (Goals 1, 4, 8, 13 and 16). However, it is too early to see whether there is a marked increase in North Macedonia's performance in GEM's surveys.

GEM results have been used as a source of information in the preparation of the National Strategy and Action Plan for development of women entrepreneurship in the Republic of Macedonia. GEM results have also been used for the publication *The Enabling Environment for Sustainable Enterprises in North Macedonia: Update of the Report on the Key Constraints on the Business Environment*, 2019, prepared by International Labour Organization, and to be presented to the National Economic and Social Council with a view to shaping the national economic and social reform agenda.

Institution	Team	Funders	APS vendor	Contact
Lead institution Macedonian Enterprise Development Foundation (MEDF)	Team leader Professor Dr Radmil Polenakovik Team members Tetjana Lazarevska Lazar Nedanovski Dimitar Smiljanovski, MA Svetlana Boshkoska Marina Jonoska, MA Vladimir Marinkovski	Macedonian Enterprise Development Foundation (MEDF) Alliance of Microfinance Organizations Skopje (MFO)	M-Prospect	radmil.polenakovik@mf.edu.mk
Type of institution Foundation				
Website https://www.mrfp.mk				
Other institutions involved Business Startup Center (BSC), Faculty of Mechanical Engineering, St Cyril and Methodius University, Skopje				



**MACEDONIAN ENTERPRISE
DEVELOPMENT FOUNDATION**

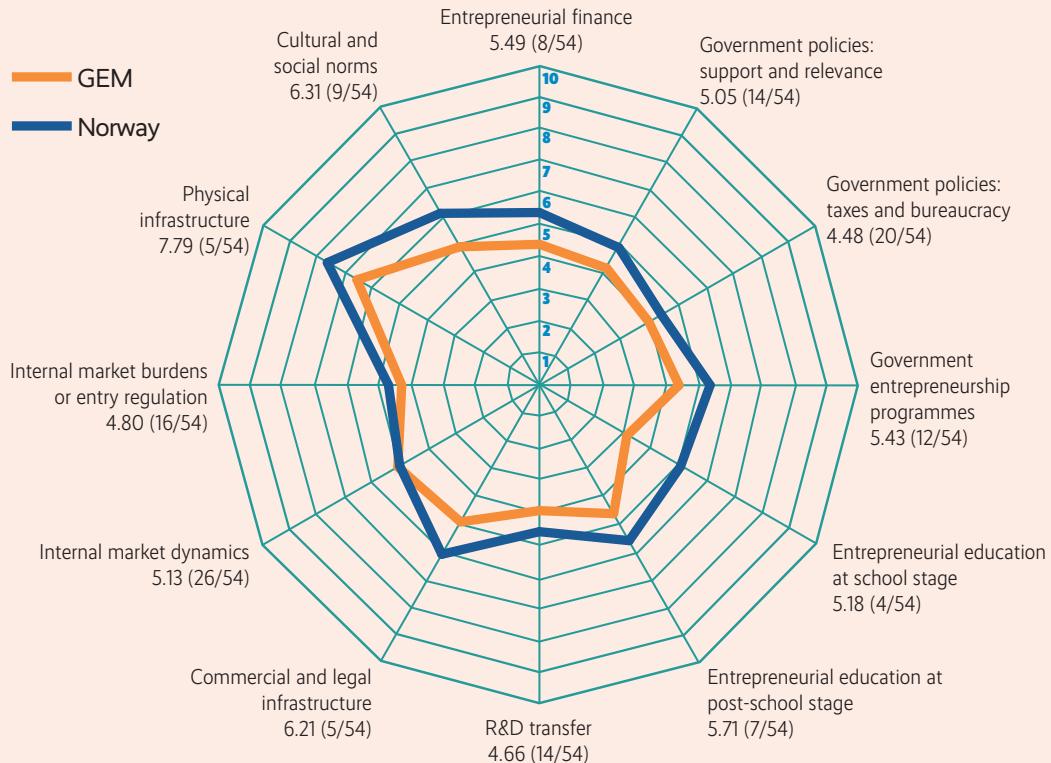


Norway

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female TEA	% Male TEA	
5.3 million				Know someone who has started a new business	43.3	44		
GDP growth (2018, annual % change) (IMF)	1.3%			Good opportunities to start a business in my area	69.5	9	To make a difference 36.6 37 42.0 34.3	
GDP per capita (2018; PPP, international \$) (IMF)	74.36 thousand			It is easy to start a business	87.4	2	Build great wealth 19.5 49 18.0 20.1	
World Bank Ease of Doing Business Rating (2019)	82.6/100 Rank: 9/190			Personally have the skills and knowledge	31.5	49	Continue family tradition 14.5 47 15.9 13.9	
				Fear of failure (opportunity)	30.2	45	To earn a living 25.6 48 21.6 27.2	
				Entrepreneurial intentions	5.7	48		
Activity								
World Bank Starting a Business Rating (2019)	94.3/100 Rank: 25/190	% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	8.4	=36		5.1	11.5	Job expectations (6+)	1.9 =32	
Established Business Ownership rate	5.6	32		3.1	8.0	International (25%+ revenue)	0.7 =29	
Entrepreneurial Employee Activity	2.6	22		1.5	3.7	National scope (customers and products/process)	1.7 =24	
						Global scope (customers and products/process)	0.6 =14	
						Industry (% TEA in business services)	36.0 2	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In 2019, the Norwegian authorities continued their efforts to digitize and simplify interactions between business and government, seeking to reduce bureaucratic burdens. This makes it easier and less expensive for new and small businesses to both meet reporting requirements and find necessary information. Electronic invoicing has now been fully introduced as a requirement for all public purchasers. Initiatives to simplify public procurement routines will also help new and small businesses. Furthermore, the Norwegian authorities have increased their policing of workplace crime as well as undeclared work and social dumping. This will ensure equal competitive conditions across companies.

New regulations related to crowdfunding, particularly crowd lending, will make this type of financing more predictable for lenders and borrowers, boosting the market. Furthermore, the government continues its support of entrepreneurial financing by adding new funds to its offering of partial publicly funded seed funds.

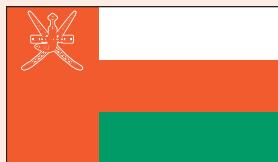
Access to skilled labour is a challenge for many Norwegian businesses. Further restrictions on immigration worsen this situation, particularly for industries dependent on foreign labour. The Norwegian economy is small and open and therefore negatively impacted by international trade disputes that lead to market restrictions and increased costs. Additionally, a weak national currency, and somewhat rising (although still low) interest rates, represent a challenge to some industries, particularly importing businesses.

Norway still displays a strong gender imbalance in its Total early-stage Entrepreneurial Activity (TEA) rate, despite a generally egalitarian society and economy. The government recently launched a plan to increase women's entrepreneurship, focusing on diverse policy areas. To help reduce the gender imbalance, several areas need to be reformed, including industrial policy, family policy, education and social policy.

Despite a generally well-educated population, GEM Norway results nonetheless show that many do not perceive that they have the necessary skills to start a business. Entrepreneurial education focused on strengthening entrepreneurial skills and mind-set would improve this reticence over time.

The Norwegian government is working towards joint fulfilment of its Paris commitment together with the European Union. In 2017, it introduced a strategy to achieve the 2030 reduction target for emissions, mainly through domestic emission reductions, and with the use of EU flexible mechanisms where necessary. The main sources of non-ETS (emissions trading system) emissions are transportation, agriculture, buildings and waste, as well as manufacturing and the petroleum sector. The government's strategy for 2030 is intended to open the way for substantial domestic emission reductions. The UN Sustainable Development Goals (SDGs) have been widely adopted by private businesses as well as public organizations, and by all levels of the Norwegian education system.

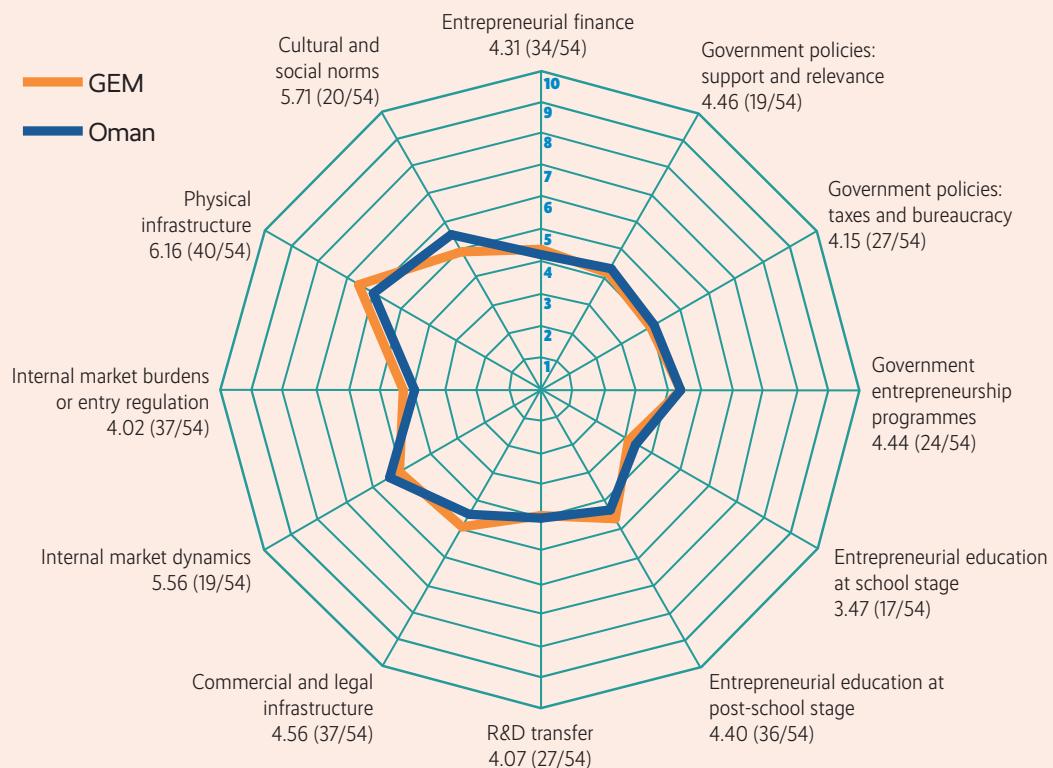
Institution	Team	Funders	APS vendor	Contact
Lead institution Nord University Business School	Team leader Professor Gry Agnetha Alsol, PhD	Innovation Norway The Norwegian Ministry of Trade, Industry, and Fisheries	Polarfakta AS	gry.a.also@nord.no
Type of institution University	Team members Professor Bjørn Willy Åmo, PhD Professor Tommy Høyvarde Clausen, PhD Are Jensen, PhD Associate Professor Espen Isaksen, PhD Iselin Kristine Mauseth Steira			
Website https://www.nord.no				 The logo for NORD University Business School features a stylized graphic of overlapping colored shapes (blue, green, yellow, red) resembling a rising sun or a map. To the right of the graphic, the word "NORD" is written in large, bold, uppercase letters, with "University" in smaller letters below it, separated by a diagonal line.



Oman

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
4.3 million								
GDP growth (2018, annual % change) (IMF)	1.8%	Know someone who has started a new business	71.1	3	To make a difference	49.9	20	
		Good opportunities to start a business in my area	72.3	8	Build great wealth	53.0	26	
GDP per capita (2018; PPP, international \$) (IMF)	47.93 thousand	It is easy to start a business	54.7	20	Continue family tradition	26.6	=33	
		Personally have the skills and knowledge	56.3	29	To earn a living	56.2	32	
World Bank Ease of Doing Business Rating (2019)	70.0/100 Rank: 68/190	Fear of failure (opportunity)	40.8	=31				
		Entrepreneurial intentions	62.9	1				
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	6.9	42	5.8	8.1	Job expectations (6+)	1.7	=36	
Established Business Ownership rate	2.0	47	1.2	2.8	International (25%+ revenue)	0.5	=35	
Entrepreneurial Employee Activity	1.2	34	0.8	1.5	National scope (customers and products/process)	0.8	=37	
					Global scope (customers and products/process)	0.0	=45	
					Industry (% TEA in business services)	10.7	=34	
						An equals sign (=) indicates that the ranking position is tied with another economy or economies		

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In 2019, Oman's Ministry of Higher Education (MOHE) requested that all High Education Institutions (HEIs) include entrepreneurship as a mandatory course in diploma programmes. The government and public sector are also increasing the number of incubators and mentorship programmes they offer. Other government initiatives include the introduction of new financing methods to support technology startups through the Oman Technology Fund, and the establishment of government blogs and platforms to communicate with entrepreneurs. Additionally, government procurement consistently favours new firms.

Policy and regulation trends that negatively impact entrepreneurship in Oman include differences in insurance systems between those working in the public and private sectors. The government has requested that entrepreneurs provide insurance benefits to staff similar to those available to public-sector workers. In addition, government bureaucracy delays the establishment of startups, and there are no policies to help students transform their business ideas into prototypes, or to help them commercialize them. Lastly, the government and private sector have failed to develop any sophisticated, creative or intelligent ways of funding.

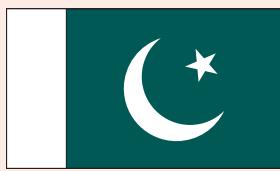
According to the GEM 2019 results, the policy areas in Oman needing the most examination include education and training programmes that promote a culture of entrepreneurship; support programmes funded by the government and private sector; the country's many incubators and mentorship programmes; and the physical infrastructure that provides support.

The level of involvement in entrepreneurial activities among adults in Oman in 2019 is moderately high, with the country's Total early-stage Entrepreneurial Activity (TEA) ranking moderately high at an international level. Business activity in Oman for 2019 indicates a steady growth in all phases. Because of Oman's strong social perceptions of entrepreneurship, it is not surprising to see similar entrepreneurial activity rates regardless of gender, age and education. Differences along these categories are only observed when looking at involvement in the business sector, and potential entrepreneurship. People involved in the business sector and potential entrepreneurs (individuals who affirm they will start up a business within the next three years) are significantly more likely to agree with media support for successful entrepreneurs.

GEM was instrumental in increasing the number of established firms supported by the Education and Training policy to promote the cultural and social norms of entrepreneurship. For instance, in Oman in 2019, all indicators on business activity are gradually increasing in all phases.

Institution	Team	Funders	APS vendor	Contact
Lead institution University of Nizwa	Team leader Assistant Professor Abdallah Mohammed Alshukaili, PhD	University of Nizwa	Horizons Statistical Consulting	a.alshukaili@unizwa.edu.om nkassim@unizwa.edu.om
Type of institution University	Team members Bader Alsuleimani Professor Norizan Mohd Kassim, PhD			
Website http://www.unizwa.edu.om				
Other institutions involved Public Authority of Small and Medium Enterprise Development (Riyada)	Assistant Professor Zunaith Ahmed, PhD Assistant Professor Swadhin Kumar Mondal, PhD Assistant Professor Yasmeen Kausar, PhD			



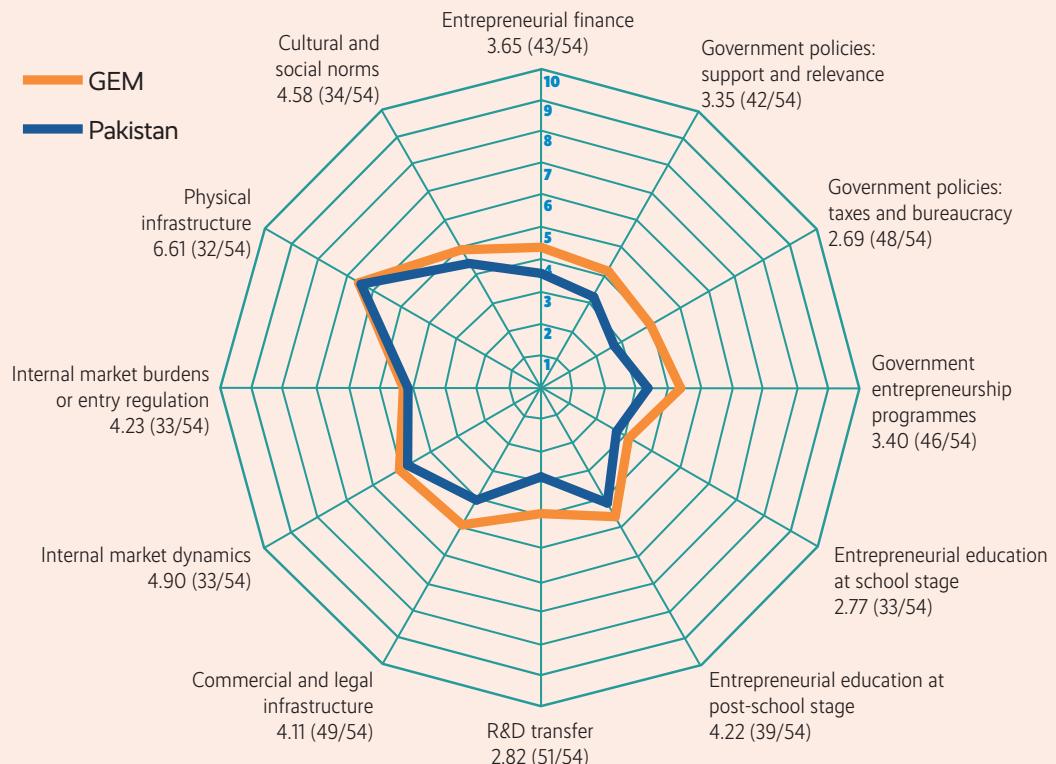


Pakistan

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
201 million								
GDP growth (2018, annual % change) (IMF)	5.5%	Know someone who has started a new business	44.8 =42	To make a difference	70.3 5	95.1	63.2	
GDP per capita (2018; PPP, international \$) (IMF)	5.69 thousand	Good opportunities to start a business in my area	62.3 16	Build great wealth	90.3 2	100.0	87.5	
World Bank Ease of Doing Business Rating (2019)	61.0/100 Rank: 108/190	It is easy to start a business	56.4 18	Continue family tradition	67.1 6	54.5	70.8	
		Personally have the skills and knowledge	63.0 17	To earn a living	92.1 3	100.0	89.8	
		Fear of failure (opportunity)	54.2 6					
		Entrepreneurial intentions	27.9 18					
Activity								
		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
World Bank Starting a Business Rating (2019)	89.3/100 Rank: 72/190	Total early-stage Entrepreneurial Activity	3.7 49	1.7	5.5	Job expectations (6+)	0.5 49	
World Economic Forum Global Competitiveness Rank (2019)	110/141	Established Business Ownership rate	4.7 =38	2.7	6.6	International (25%+ revenue)	0.2 =45	
		Entrepreneurial Employee Activity	0.5 =42	0.9	0.2	National scope (customers and products/process)	0.2 =44	
						Global scope (customers and products/process)	0.0 =45	
						Industry (% TEA in business services)	2.6 49	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In 2019, Pakistan's government enacted policies facilitating entrepreneurship development and, on the back of its recently implemented, business-friendly initiatives, the country climbed 28 points on the World Bank's Ease of Doing Business Index. According to the *Pakistan Startup Ecosystem Report 2019*, the time required to start a business in Pakistan was reduced by three days, while the time required to register a property was reduced by 13 days.

One prominent plan is the Youth Entrepreneurship Scheme (YES), through which the government focuses on developing a national startup ecosystem for youth entrepreneurial activity by promoting conventional and technical startups at universities and technology institutes. The government offers low-cost business loans (up to PKR5 million) to young adults to help them take full advantage of their entrepreneurial potential.

Meanwhile, Pakistan's e-commerce policy framework seeks to provide economic incentives to boost the sector, while safeguarding consumers and e-commerce business owners and minimizing paperwork in importing and exporting. Pakistan's government has also adopted a policy of e-readiness, aspiring to increase digitalization, expand the knowledge-based economy, and enhance socio-economic growth. This ongoing programme also focuses on equipping youth with the skills necessary to take advantage of local and international opportunities. Prime Minister Imran Khan's poverty alleviation scheme aims to economically empower the poor, which is in line with the UN's Sustainable Development Goals (SDGs). Such a scheme should also positively impact the national entrepreneurial environment.

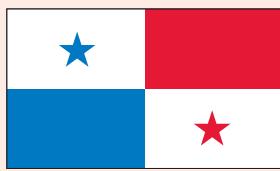
Tax policies represent the biggest obstacles to entrepreneurial development. A recent federal tax exemption for tech startups is only applicable at the federal level, meaning that startups in different provinces pay other taxes, and at different rates. Additionally, transaction and service taxes negatively impact business-to-business trade, as well as the liquidity of small businesses. Due to foreign exchange control regulations, businesses cannot easily take money out of Pakistan at the current time. Finally, as the Pakistani justice system takes a long time to reach decisions, investors and entrepreneurs cannot be confident that contracts will be enforced, creating an environment of low trust and market instability.

Therefore, the areas meriting the most examination include financial constraints pertaining to crowdfunding, subsidies, the level of tax levied by the government, and the amount of time it takes to obtain relevant permits and licences. However, 55% of survey respondents agreed that there are good opportunities for starting a business in the area where they live, an 11% increase since 2010. Furthermore, 56% of respondents believe that they have the knowledge, skills and experience required to start a new business.

As Pakistan has only recently rejoined the GEM research group after a seven-year gap, it is as yet difficult to establish any instances in which GEM has influenced policy or regulation in the country.

Institution	Team	Funders	APS vendor	Contact
Lead institution World Bank	Team leader Sarmad Ahmed Shaikh, MPA, CFA	World Bank	Gallup Pakistan	sshaikh@worldbank.org bilal.gilani@gallup.com.pk
Type of institution International Financial Institution	Team members Meenah Tariq, MBA Bilal I Gilani, MSc Amnah Imtiaz Noor Un Nisa Shahid Tahmina Shoaib Malik, MPhil			
Website https://www.worldbank.org				
Other institutions involved Gallup Pakistan				



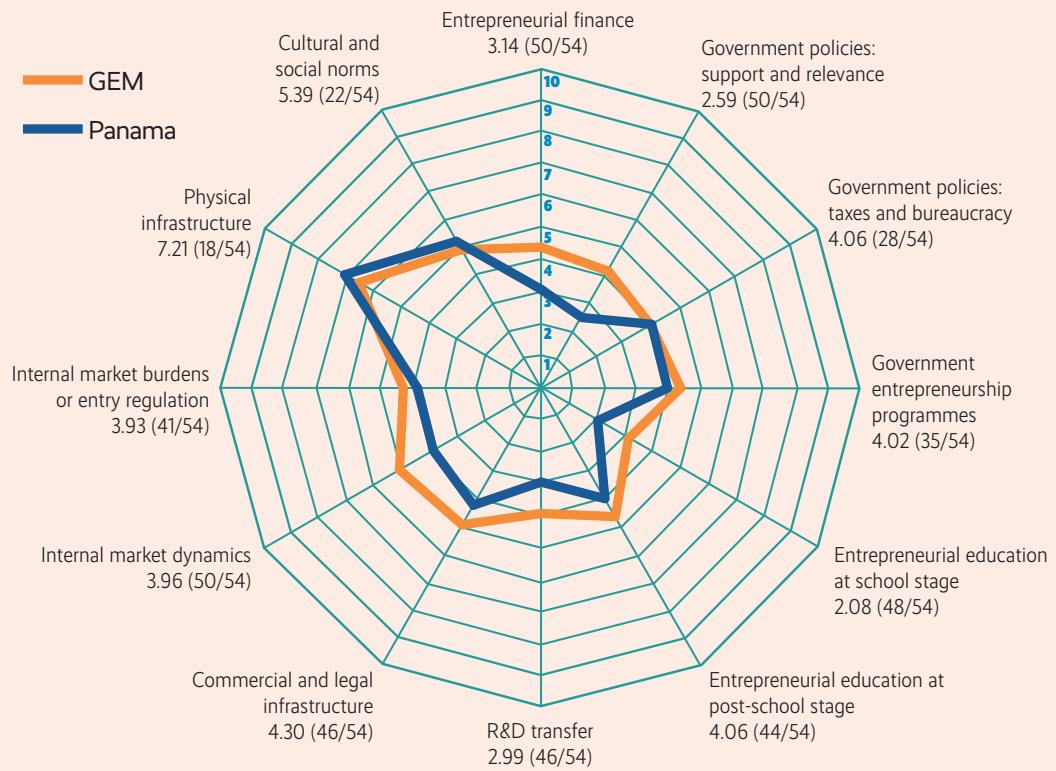


Panama

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female TEA	% Male TEA	
4.2 million				Know someone who has started a new business	45.4	41		
GDP growth (2018, annual % change) (IMF)	3.7%			Good opportunities to start a business in my area	53.4	24	To make a difference	
GDP per capita (2018; PPP, international \$) (IMF)	25.63 thousand			It is easy to start a business	57.2	17	Build great wealth	
World Bank Ease of Doing Business Rating (2019)	66.6/100 Rank: 86/190			Personally have the skills and knowledge	72.9	8	Continue family tradition	
				Fear of failure (opportunity)	40.8	=31	To earn a living	
				Entrepreneurial intentions	40.8	9		
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	92/100 Rank: 51/190	22.7	5	19.3	26.0	Job expectations (6+)	5.9 8	
Established Business Ownership rate	66/141	4.7	=38	3.1	6.2	International (25%+ revenue)	1.3 =20	
Entrepreneurial Employee Activity		0.4	=44	0.3	0.5	National scope (customers and products/process)	3.7 3	
						Global scope (customers and products/process)	0.5 =16	
						Industry (% TEA in business services)	10.1 36	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In 2019, Panama made a significant improvement in several key aspects of its entrepreneurial activity, reaching its highest Total early-stage Entrepreneurial Activity (TEA) to date of 23% (a 9% growth in comparison to 2018) and a positive improvement in metrics related to how entrepreneurship is perceived by society (e.g. company creation as a desirable career option grew from 45% in 2018 to 70% in 2019). Regarding job creation in the next five years, 22% of TEA and 24% of established business respondents plan to grow their teams to the extent of between six and 19 people in 2019, compared to just 8% and 3%, respectively, in 2018. Efforts to boost female entrepreneurial participation look promising: in 2019, female participation in TEA rose to 19% from 14% in 2018, putting it in third position in the high-income South American economies behind Chile (32%) and Colombia (21%). Despite this progress, Panama's entrepreneurial sector still faces the same fundamental economic, political and social challenges that have continually stymied its potential. A lack of quality education and training, an insufficient supply of venture capital and financial support, low R&D investment, and corruption: these challenges will all continue to hinder entrepreneurs from making progress in Panama.

Recent strategies to boost entrepreneurship developed by the public, private and academic sectors are being run, as before, through the National Entrepreneurship Board, a public initiative gathering fifty-plus national institutions and entrepreneurs who share the goal of developing Panamanian entrepreneurship. Through this collaboration, local services aimed at helping entrepreneurs can be better orchestrated and measured (using GEM data) by the entire Panamanian entrepreneurial community.

The focus of 2019 was Panama's presidential election and its new government's transition to office. Although it is too soon to judge the impact of the new government's initiatives, its interest in placing entrepreneurship high on the national agenda is already apparent. A new bill was passed through the national assembly which establishes entrepreneurship education as a mandatory subject in all curricula of the Panamanian education system. Furthermore, an upcoming public initiative will help entrepreneurs get better access to financial services at rates that are more appropriately aligned with their current business stage. Several other preliminary entrepreneurship bills are still being debated in the national assembly. One is the Limited Liability Companies Bill which creates a new type of legal entity. Already successfully implemented in other countries, this bill will establish a special form of business organization for the benefit of entrepreneurs, offering, among other benefits, rapid business registration, mechanisms for expediting permits, and incentives until a business stabilizes. Another bill seeks to modernize and formalize opportunities for remote work within companies. Not only could this bill help entrepreneurs better leverage remote teams, but for those entrepreneurs who are starting their businesses while still working for a company it can help them better balance their resources.

Institution	Team	Funders	APS vendor	Contact
Lead institution City of Knowledge Foundation	Team leader Carla Donalicio	AMPYME (Micro, Small and Medium Enterprise Authority of Panama)	IPSOS	cdonalicio@cdspanama.org
Type of institution Foundation	Team members Alejandro Carbonell, MBA			
Website https://ciudaddelsaber.org/en				
Other institutions involved IESA Management School (Panama Campus)				





Paraguay

Population (2019) (WEF)

7.1 million

GDP growth (2018, annual % change) (IMF)

3.7%

GDP per capita (2018; PPP, international \$) (IMF)

19.48 thousand

World Bank Ease of Doing Business Rating (2019)

59.1/100

Rank: 125/190

World Bank Starting a Business Rating (2019)

76.0/100

Rank: 160/190

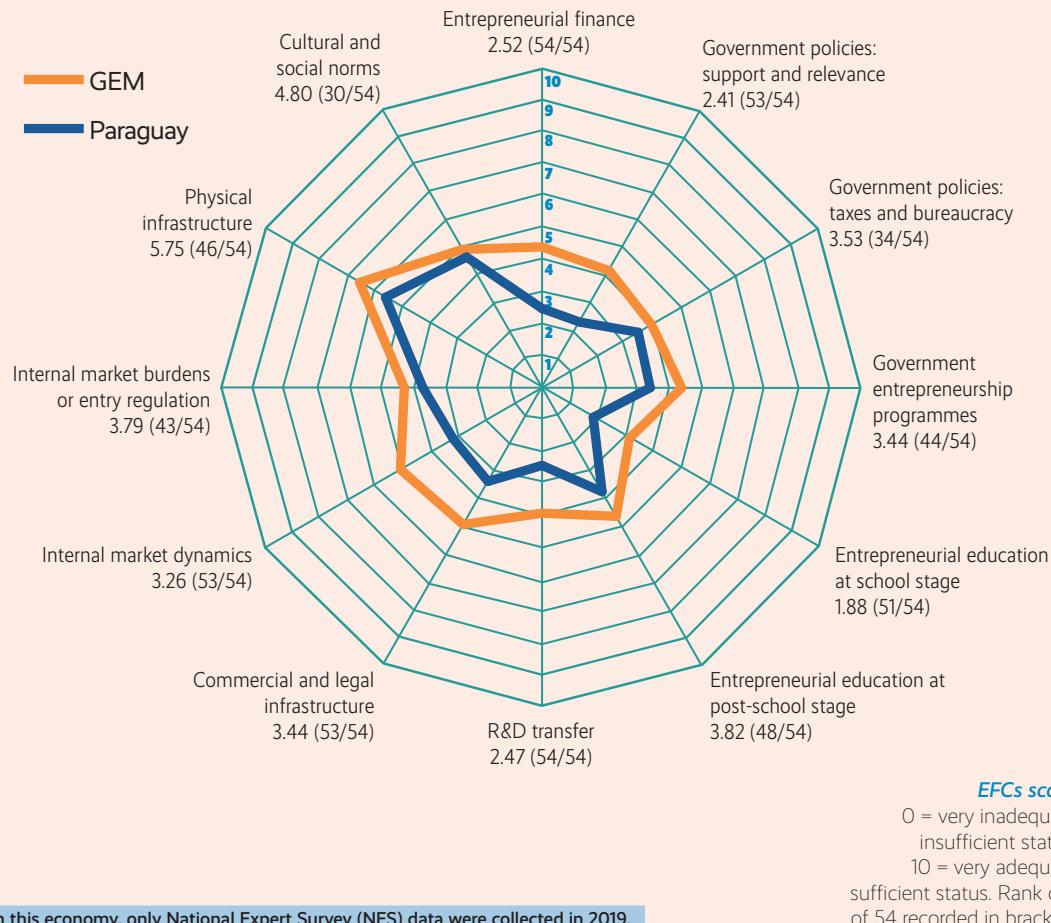
World Economic Forum Global Competitiveness Rank (2019)

97/141

World Economic Forum Income Group Average (2019)

Upper-middle

Expert ratings of the entrepreneurial framework conditions



Institution	Team	Funders	APS vendor	Contact
Lead institution	Team leader	Koga Impact Lab	n/a	cristian@asepy.org
Asociación de Emprendedores de Paraguay (ASEPY)	Cristian Sosa	BID Lab		
Type of institution	Team members			
Association	Professor Dr Stijn van der Krogt Cristina Fernández, MA			
Website	Marta del Castillo, MBA Carolina Luzardi			
http://asepy.org	Cecilia López			
Other institutions involved	Juan Paredes Edgar Colmán			
Karaku Entrepreneur Asociación de Emprendedores de Paraguay (ASEPY) Koga Impact Lab, Global Entrepreneurship Network (GEN) Ministry of Industry and Commerce (MIC) Universidad Paraguayo Alemana (UPA)				



POLICY ROADMAP

The Paraguayan National Entrepreneurship Directorate (DINAEM) at the Ministry of Industry and Commerce began operating in 2019, and, thanks to its support, the Paraguayan National Congress passed the Law of Simplified Stock Companies, which allows the rapid, simple, digital and free establishment of new companies. In addition, restructuring the country's investment and export network has allowed entrepreneurs access to international market opportunities, facilitating participation in overseas trade missions.

2019 also marked the first full year of operations for the Entrepreneurs Training Center (CEE), which centralizes the resources offered to entrepreneurs by labour training organizations, and connects entrepreneurs with tools, information and support for starting and growing new businesses. The National Council for Science and Technology launched a new programme in 2019, designed to stimulate innovative and technology-based entrepreneurship. The online Entrepreneur Portal was also launched as a way for organizations and citizens to find and share information and resources for entrepreneurs.

The modernization of the national tax system is another major entrepreneurial breakthrough. With these reforms, the government aims to promote entrepreneurship as well as improve small and medium-sized enterprises' opportunities under an overall fairer tax system.

According to a survey conducted by ASEPY and Nauta in 2019, almost 30% of entrepreneurs consider bureaucracy to be one of the main barriers to starting or managing their business ventures in Paraguay. This, along with the high costs of enrolment of employees in the social security system, reflect the primarily informal economy of the region.

According to GEM 2019, access to funding is the greatest challenge facing Paraguay's entrepreneurs. There is insufficient availability of regular bank credits, despite the liquidity in the Paraguayan banking system. Also, access to government subsidies to support new firms or growth of SMEs is insufficient. Alternative financing such as venture capital, initial public offerings (IPOs) and crowdfunding are the least developed financial resources available in Paraguay. Other areas noted that need improvement include: government support, regulations, education and R&D.

Paraguay was selected in 2019 as one of the locations for the UN Development Programme (UNDP)'s Acceleration Labs, which will work with all sectors to seek new approaches to address the challenges of sustainable human development. The key mission is to accelerate the progress of the Sustainable Development Goals (SDGs) as well as to foster solutions as a result of collective intelligence between UNDP, governments, the private sector, academia, civil society and local communities.

It is difficult to determine a direct influence of GEM on local public policies as this was Paraguay's first year of participation. That said, the participation in itself was a milestone for the entrepreneurial ecosystem, consolidating years of articulated and collaborative work between public- and private-sector entities, as well as NGOs and universities.

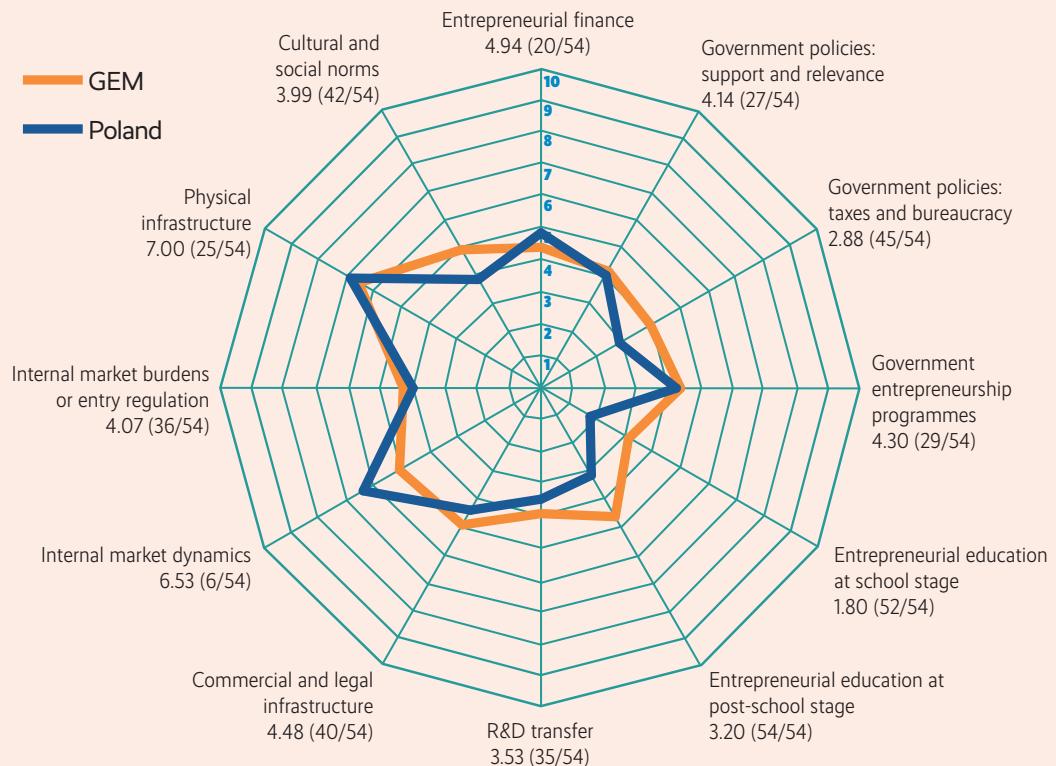


Poland

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
38 million								
GDP growth (2018, annual % change) (IMF)	5.1%	Know someone who has started a new business	50.3	33	To make a difference	65.4	9	
		Good opportunities to start a business in my area	87.3	1	Build great wealth	13.3	50	
GDP per capita (2018; PPP, international \$) (IMF)	32.01 thousand	It is easy to start a business	90.2	1	Continue family tradition	81.6	1	
World Bank Ease of Doing Business Rating (2019)	76.4/100 Rank: 40/190	Personally have the skills and knowledge	50.4	38	To earn a living	15.8	50	
		Fear of failure (opportunity)	45.9	17				
		Entrepreneurial intentions	6.0	47				
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	5.4	=47		5.1	5.7	Job expectations (6+)	=44	
Established Business Ownership rate	12.8	=8		12.5	13.0	International (25%+ revenue)	=45	
Entrepreneurial Employee Activity	1.7	=28		2.0	1.4	National scope (customers and products/process)	=44	
						Global scope (customers and products/process)	=34	
						Industry (% TEA in business services)	21.5 23	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

According to the 2019 National Expert Survey (NES) in Poland, the country is experiencing: easier access to financing; the development of new telecommunications infrastructure; further digitalization of the economy; and the addition of public programmes to support new companies. The survey also found that Polish society's creative mind-set enhances entrepreneurship.

Poland saw several improvements in 2019 conducive to the development of entrepreneurship. To help both new and active entrepreneurs, the owners of the smallest enterprises pay lower social insurance contributions, proportional to their income. Tax rates were lowered for new and small businesses with profits of under PLN 1.2 million, as well as for entrepreneurs who conduct R&D, protect qualified IP, or draw income from the certified IP Registry. Starting this year, startups can run their businesses utilizing the new modern legal form of a simple joint stock company.

However, there are certain framework conditions that need improvement to facilitate further growth. These include addressing bureaucracy, regulations, and licensing requirements that are unduly difficult for new and growing firms. Experts also pointed to the lack of time for public consultations in newly adopted laws and regulations. Educational improvements are also needed: the survey found that primary and secondary education fails to properly encourage creativity, self-sufficiency and personal initiative. Additionally, vocational, professional and continuing education systems do not provide adequate preparation for starting and growing new firms. Experts also stressed the difficulties in finding competent employees. For newly established enterprises, as well as small and medium-sized businesses, the minimum wage increase implemented in 2019 might constitute a barrier for creating new workplaces.

Based on the GEM survey findings, the areas requiring most attention include: additional entrepreneurship education; an emphasis on vocational and lifelong learning; the reduction of legal regulations; and the stabilization of the legal process. The survey also calls for more activities supporting the internationalization of businesses, and increased cooperation between institutions and organizations supporting businesses.

The labour market is favourable, with the rate of registered unemployment at 5.3%. This may account for slow entrepreneurial growth in Poland in 2019. While half of Poles said they have sufficient qualifications and experience to run a business, and 90% agreed that it was easy to start a business, only about 8% intended to do so. Those who decided to engage in entrepreneurial activity did so because they wanted to continue a family tradition or make a difference in the world, not because jobs were scarce.

Poland's annual national GEM report is presented to ministries, the Polish parliament, the Polish Bank Association and other organizations. GEM survey data are also used to prepare motions and recommendations intended to stimulate the growth of the SME sector. However, it is difficult to pinpoint a specific policy or regulation influenced by these data.

Institution	Team	Funders	APS vendor	Contact
Lead institution Polish Agency for Enterprise Development (PARP)	Team leader Anna Tarnawa Team members Melania Nieć, PhD Joanna Orłowska Anna Skowrońska Paulina Zadura Robert Zakrzewski Przemysław Zbierowski, PhD	Ministry of Economic Development University of Economics in Katowice	Centrum Badań Marketingowych INDICATOR Sp. z o.o.	anna_tarnawa@parp.gov.pl
Type of institution Public Body				
Website https://en.parp.gov.pl				
Other institutions involved University of Economics in Katowice				 PARP PFR Group



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of Economics
in Katowice

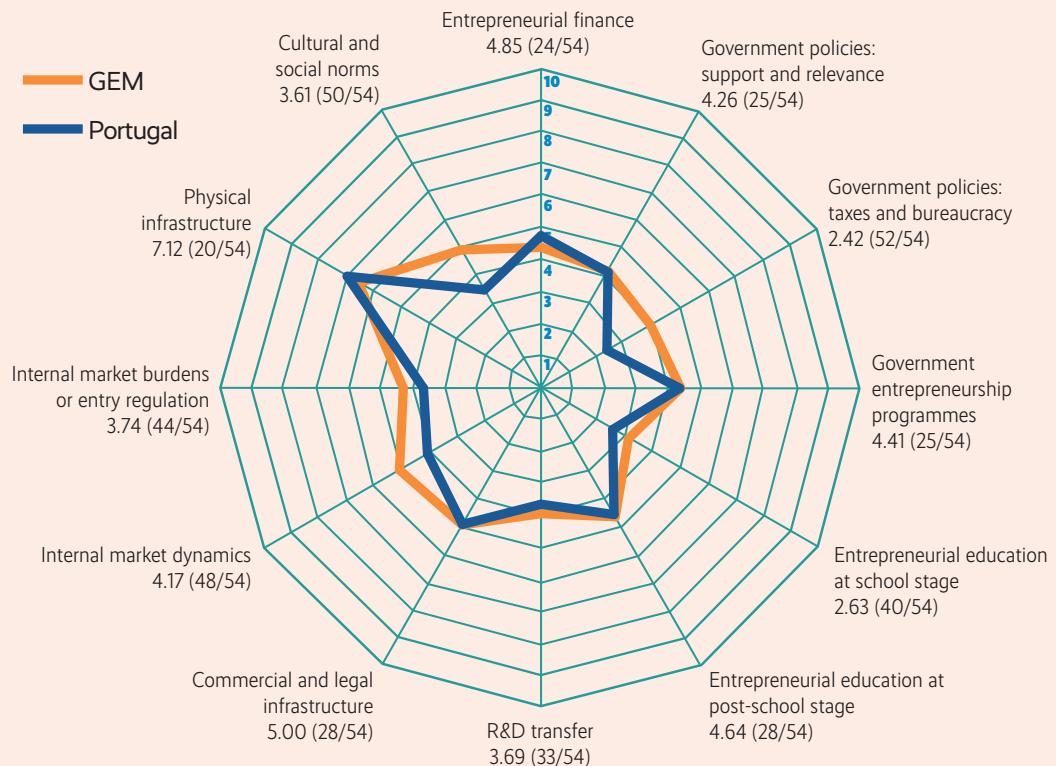


Portugal

Population (2019) (WEF)	Attitudes and perceptions			Motivational				
	% Adults	Rank/50	(somewhat or strongly agree)	% Female TEA	% Male TEA			
10.3 million								
GDP growth (2018, annual % change) (IMF)	50.7	31	To make a difference	41.7	33	44.0		
2.4%	53.5	23	Build great wealth	43.6	37	32.7		
GDP per capita (2018; PPP, international \$) (IMF)	41.1	29	Continue family tradition	31.4	27	50.7		
32.41 thousand	61.4	22	To earn a living	54.4	33	29.7		
World Bank Ease of Doing Business Rating (2019)	52.6	7						
76.5/100	19.8	27						
Rank: 39/190								
World Bank Starting a Business Rating (2019)	Activity			Entrepreneurship impact				
90.9/100	% Adults	Rank/50	% Female	% Male	% Adults	Rank/50		
Rank: 63/190	Total early-stage Entrepreneurial Activity	12.9	20	9.9	16.1	Job expectations (6+)	2.2	30
World Economic Forum Global Competitiveness Rank (2019)	Established Business Ownership rate	11.0	12	7.9	14.2	International (25%+ revenue)	2.4	9
34/141	Entrepreneurial Employee Activity	4.1	17	3.2	5.2	National scope (customers and products/process)	2.1	20
World Economic Forum Income Group Average (2019)						Global scope (customers and products/process)	0.5	=16
High						Industry (% TEA in business services)	25.2	19

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In Portugal, entrepreneurship has been encouraged by the Portuguese government, as well as actors in the entrepreneurial ecosystem, with a range of policy actions and regulations having been implemented. In 2016, the government launched the StartUp Portugal programme, which aims to create and support a new entrepreneurial ecosystem in the country, attracting new national and foreign investors to co-fund startups and to promote them in international markets. With a number of initiatives to encourage entrepreneurial behaviour, the programme has given an important boost to the entrepreneurial ecosystem, helping drive an increase in the number of startups and incubators, and promoting international visibility. Recently, the government announced new supportive actions for entrepreneurship under the programme that are valued at around €300 million.

Entrepreneurship has become deeply ingrained in the vocabulary of Portuguese policymakers as a way of solving unemployment issues, promoting innovation and driving SME development. There have been several government measures aimed at promoting the development of entrepreneurship and directly supporting companies and startups in their market development. Overall, this has had a positive impact on the Portuguese entrepreneurship ecosystem. However, according to feedback received from experts, there are recurring issues of inefficiency due to bureaucracy and high taxes, which act as a barrier for the further development of entrepreneurship.

In the GEM 2019 survey results, a series of policy areas was highlighted by participating national experts, issues related to bureaucracy and high taxes being considered the most important. Furthermore, experts pointed to lack of available funding as a frequent barrier for entrepreneurs. It should be noted, however, that the number of public and private initiatives addressing entrepreneurship are increasing in Portugal, leading to new funding opportunities and programmes that support the development of new businesses.

The UN Sustainable Development Goals (SDGs) have had an impact on several Portuguese institutions, encouraging the development of new supporting programmes and actions. For example, BCSD (Business Council for Sustainable Development) Portugal, which is a nonprofit association aimed at promoting sustainability in companies, supports the strategic implementation of the UN SDGs through its members and the business community. Furthermore, a new Fund for Social Innovation (FIS) was recently launched, which aligns innovation and social entrepreneurship investments with the SDGs. In addition, other platforms and initiatives are being created in Portugal (including the Platform for Sustainable Growth through the Portugal for SDGs 2030) with the objective of supporting the country to achieve the 17 SDGs.

Institution	Team	Funders	APS vendor	Contact
Lead institution Sociedade Portuguesa de Inovação (SPI)	Team leader Professor Augusto Medina, PhD Team members Douglas Thompson, MSc Francisco Rocha, MSc	Instituto de Apoio às Pequenas e Médias Empresas e à Inovação (IAPMEI)	GfK Metris	douglasthompson@spi.pt
Type of institution Consultancy				
Website http://www.spieurope.eu				
Other institutions involved Universidade de Évora, Parque do Alentejo de Ciência e Tecnologia (PACT)				

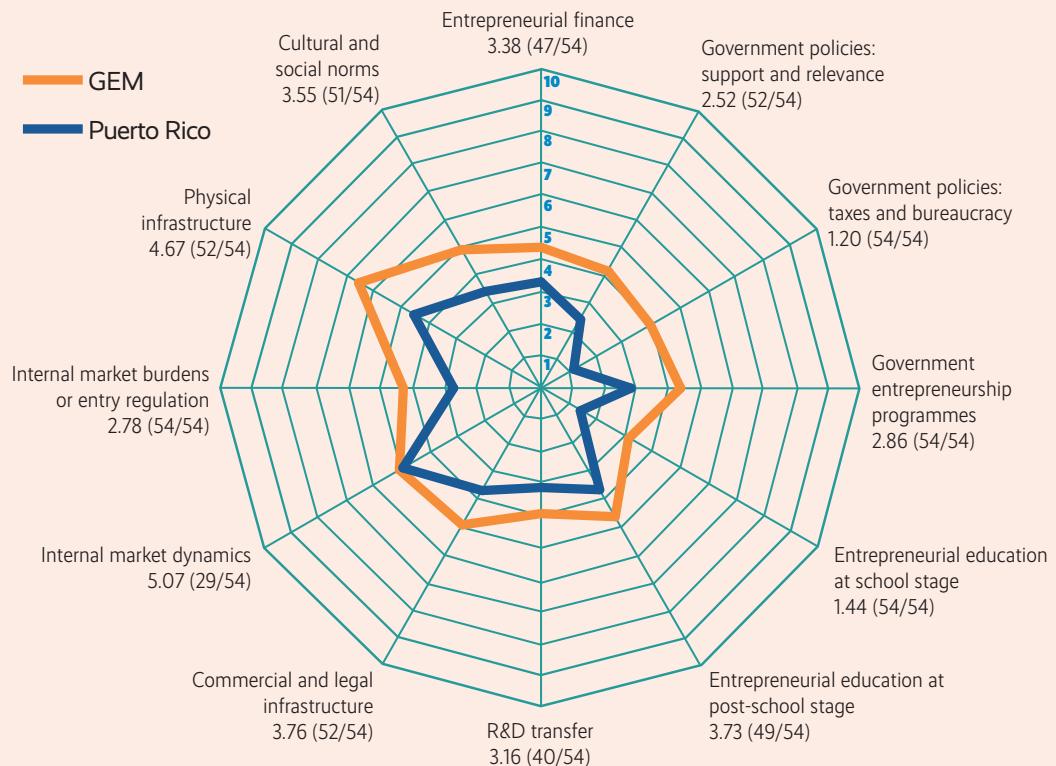




Puerto Rico

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
2.9 million								
GDP growth (2018, annual % change) (IMF)	-4.9%	Know someone who has started a new business	45.7	40	To make a difference	65.9	8	
		Good opportunities to start a business in my area	39.4	43	Build great wealth	43.7	36	
GDP per capita (2018; PPP, international \$) (IMF)	39.42 thousand	It is easy to start a business	26.5	47	Continue family tradition	43.5	14	
		Personally have the skills and knowledge	55.7	31	To earn a living	84.3	13	
World Bank Ease of Doing Business Rating (2019)	70.1/100 Rank: 65/190	Fear of failure (opportunity)	33.2	41				
		Entrepreneurial intentions	23.9	20				
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	13.4	17	11.5	15.5	Job expectations (6+)	3.4	16	
Established Business Ownership rate	1.3	50	1.0	1.6	International (25%+ revenue)	2.3	=10	
Entrepreneurial Employee Activity	2.1	24	1.8	2.4	National scope (customers and products/process)	2.7	8	
					Global scope (customers and products/process)	1.1	1	
					Industry (% TEA in business services)	11.5	32	
World Economic Forum Global Competitiveness Rank (2019)		An equals sign (=) indicates that the ranking position is tied with another economy or economies						
n/a								
World Economic Forum Income Group Average (2019)								
High								

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

Early-stage entrepreneurial activity in Puerto Rico has steadily increased since 2016, from 10.3% to 13.4% in 2019, even with a stagnant economy (in recession since 2006) and the aftermath of a strong hurricane.

A positive step for Puerto Rico businesses was taken in 2019 when the Puerto Rico Incentive Code (Act 60 of 2019) was approved. This law establishes a new transparent and efficient process for all business incentives granted by the government and unifies existing incentive laws and programmes under a single law. Implementation is expected in 2020.

Over the years, with 2019 being no exception, Puerto Rican experts have consistently named bureaucracy, permits, taxes and regulations as the main factor hindering entrepreneurial activity in the country. In the 2019 National Expert Survey (NES) results, the mean score for that factor was 1.20 on a 10-point Likert scale, the lowest score of all the factors considered.

In 2019, the government passed a new set of regulations for Law 161 of 2009, known as the Puerto Rico Permit Process Reform Act, creating a new integrated permit system. The purpose was to curtail bureaucracy and improve the process of obtaining the permits to operate a business. However, several entrepreneurial organizations claim that this legislation worsens bureaucracy and makes the process more expensive.

2019 saw a familiar paradox in Puerto Rico: nascent entrepreneurial activity was among the highest for all GEM participants (11.3%), while the new entrepreneurial rate (2.2%) was among the lowest. The gap between nascent and new entrepreneurs has been observed for years now, and immediate examination and public policy action is required. It must be noted that new entrepreneurial activities in Puerto Rico almost doubled the year after Hurricane María struck the island, jumping from 1.4% in 2017 to 2.6% in 2018, although it still remained low in comparison to other countries. The rate stepped back in 2019 to 2.2%.

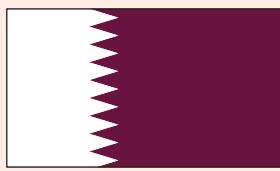
Puerto Rico is currently targeting two major UN Sustainable Development Goals (SDGs): Goal 7 (Affordable and clean energy) and Goal 13 (Climate action). In 2019, renewable energy policy was promoted through a new law (Law 33 of 2019, Puerto Rico Climate Change Mitigation, Adaptation and Resilience Act) and by the implementation of Law 58 of 2018 (Puerto Rico Energy Cooperatives Act).

The results and recommendations from GEM Puerto Rico reports have significantly impacted the country's entrepreneurial ecosystem. For example, the Bravo Family Foundation committed \$100 million in 2019 to promote entrepreneurship and used GEM data as a main reference when designing the programme.

Post-secondary education programmes have also been influenced by GEM data. The University of Puerto Rico, the University of Sacred Heart and others have revised their curricula to incorporate entrepreneurship. GEM Puerto Rico presented its most recent results and recommendations to the presidents of these respective universities, in a panel organized by Echar P'alante (Banco Popular). Organizations such as Puerto Rico Chamber of Commerce and Manufacturers Association have cited GEM in their 2019 resolutions and proposed bills.

Institution	Team	Funders	APS vendor	Contact
Lead institution University of Puerto Rico (UPR)	Team leader Marinés Aponte, PhD	University of Puerto Rico (UPR)	Gaither International, Inc.	marines.aponte@upr.edu
Type of institution University	Team members Marta Álvarez, PhD Manuel Lobato, PhD			
Website https://gem.uprr.edu				



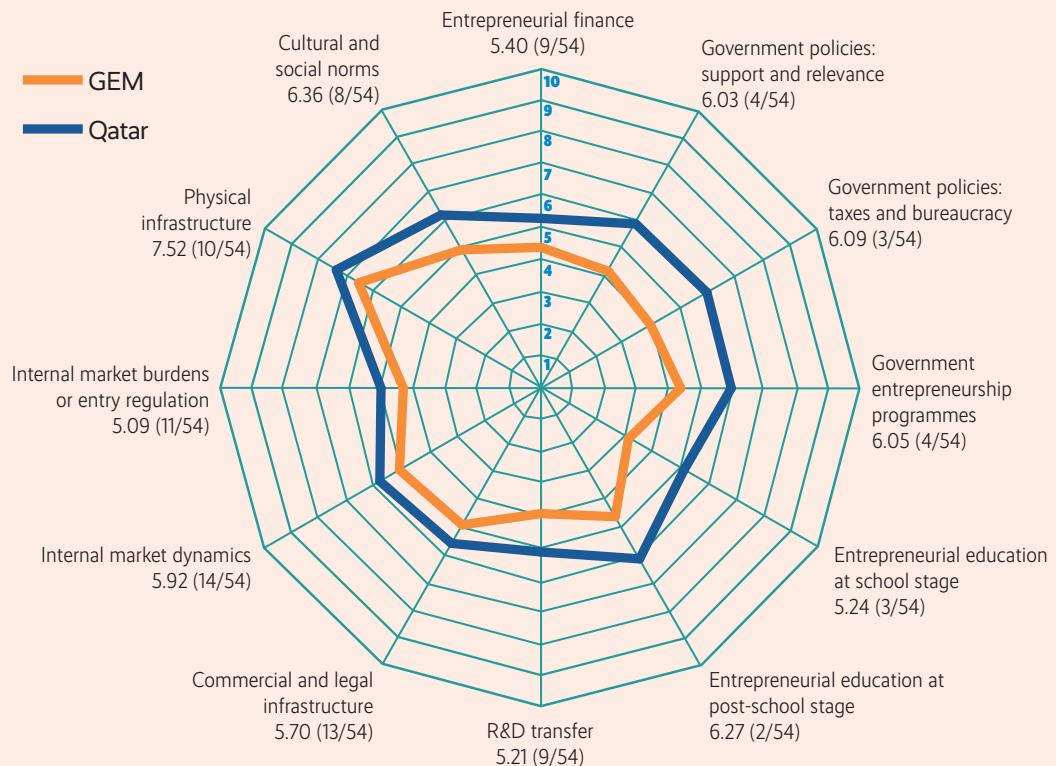


Qatar

Population (2019) (WEF)	Attitudes and perceptions			Motivational		
	% Adults	Rank/50	(somewhat or strongly agree)	% Female TEA	% Male TEA	
2.7 million						
GDP growth (2018, annual % change) (IMF)	62.4	11	To make a difference	55.5	14	57.3 55.0
1.5%	75.6	4	Build great wealth	85.3	4	80.7 86.4
GDP per capita (2018; PPP, international \$) (IMF)	66.6	11	Continue family tradition	52.1	9	52.6 51.9
129.64 thousand	75.5	=5	To earn a living	62.2	29	66.0 61.3
World Bank Ease of Doing Business Rating (2019)	45.2	=19				
68.7/100	45.3	5				
Rank: 77/190						
World Bank Starting a Business Rating (2019)	Activity			Entrepreneurship impact		
86.1/100	% Adults	Rank/50	% Female	% Male	% Adults	Rank/50
Rank: 108/190	Total early-stage Entrepreneurial Activity	14.7	15	14.7	Job expectations (6+)	8.6 =3
	Established Business Ownership rate	3.0	45	0.3	International (25%+ revenue)	1.8 15
World Economic Forum Global Competitiveness Rank (2019)	Entrepreneurial Employee Activity	3.6	=18	2.0	National scope (customers and products/process)	4.2 2
29/141					Global scope (customers and products/process)	0.5 =16
World Economic Forum Income Group Average (2019)					Industry (% TEA in business services)	26.1 17
High						

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

Since 2017, the Government of Qatar has gradually introduced new regulations and initiatives to promote and expand the role of the private sector in the economy, including investing approximately US\$29 billion into the various initiatives.

Based on the results of the GEM National Expert Survey (NES) 2019, the policy areas currently meriting the most attention include bureaucracy in business processes, cost of market entry and access to finance. Bureaucratic processes related to regulations and licensing requirements are impeding new business development; therefore, improving these processes is critical to achieving the objectives of diversifying the economy enshrined in the Qatar National Vision 2030. Another key challenge facing early-stage entrepreneurs is access to funding to establish and grow their businesses.

According to the GEM National Expert Survey (NES), Qatar has the lowest Entrepreneurial Framework Condition (EFC) rating for availability of private lender funding for startups and mature SMEs. Funding is also generally not available through initial public offerings (IPOs) for these businesses.

According to the Planning and Statistics Authority, more females than males complete higher education in Qatar. During academic year 2016–2017, female students represented 68.8% of the 310,000 students enrolled in university education. Labour force participation rates for Qatari women is above the world average and among the highest in the Arab world. This has become possible thanks to various initiatives, including a joint initiative by Qatar Foundation and Qatar University aimed at closing the gender gap by supporting Qatari women's engagement in action-oriented entrepreneurial activities. These trends, which are related to the UN Sustainability Development Goal (SDG) 4 (Quality education), have also had an impact on overall entrepreneurship in Qatar, which is ranked in the top three in the categories of entrepreneurial education and training at school as well as entrepreneurial education and training at the post-school stage.

One of the pillars of the Qatar National Vision 2030 is the development of a knowledge-based economy. In 2017–2018, there were 20 public and private universities in Qatar, which represents a 43% increase since 1989–1990. Having reached a total of 6,040 graduates in 2017–2018, which is more than four times higher than in 1989–1990, the number of university graduates is also increasing.

GEM has been instrumental in the development of initiatives designed to localize the supply chain and expand the SME base, alongside the Qatar Development Bank's Entrepreneurship Leave Program, which offers talented Qatari nationals an opportunity to take a conditional career break in order to focus full-time on their business.

Institution	Team	Funders	APS vendor	Contact
Lead institution Qatar Development Bank (QDB)	Team leader Farha Al Kuwari, MPhil, MSc	Qatar Development Bank (QDB)	Intelligence Qatar	falkuwari@qdb.qa a.hawi@qdb.qd
Type of institution Public Body	Team members Ahmad Hawi, MSc, DBA candidate			
Website https://www.qdb.qa/en				



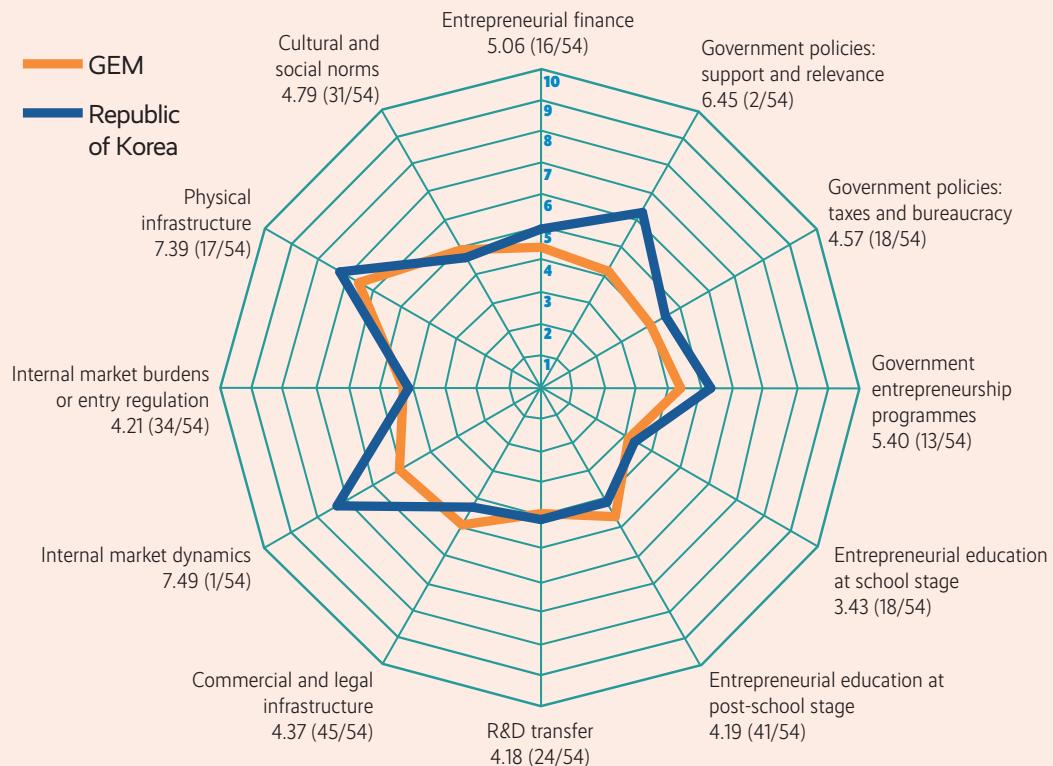


Republic of Korea

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female TEA	% Male TEA	
51.7 million				Know someone who has started a new business	37.1	46		
GDP growth (2018, annual % change) (IMF)	2.7%			Good opportunities to start a business in my area	42.9	39	To make a difference 9.4 49 7.1 10.7	
GDP per capita (2018; PPP, international \$) (IMF)	43.29 thousand			It is easy to start a business	32.4	42	Build great wealth 67.3 15 58.9 72.4	
World Bank Ease of Doing Business Rating (2019)	84.0/100 Rank: 55/190			Personally have the skills and knowledge	51.7	34	Continue family tradition 5.6 50 6.3 5.2	
				Fear of failure (opportunity)	7.1	50	To earn a living 35.1 45 40.6 31.7	
				Entrepreneurial intentions	25.7	19		
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	14.9	14		11.4	18.3	Job expectations (6+)	3.2 19	
Established Business Ownership rate	13.0	6		8.7	17.2	International (25%+ revenue)	0.5 =35	
Entrepreneurial Employee Activity	1.4	=31		0.9	1.8	National scope (customers and products/process)	1.8 23	
						Global scope (customers and products/process)	0.3 =27	
						Industry (% TEA in business services)	17.0 29	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In South Korea, several policies have been implemented in recent years to enhance economic vitality and improve the entrepreneurial infrastructure. As a result, the number of startups and new ventures receiving investment hit a new high in 2019. The number of unicorn firms reached 11, up from two in 2016. The South Korean government is taking expert opinion on board with a view to implementing various policies in 2020 to keep these positive trends continuing.

However, there has been a recent trend of rising real estate prices due to low interest rates, a trend that implies the possibility of startups struggling to attract investment, with a lot of funds being channelled into profitable real estate ventures, such as housing and retail property.

The 2019 South Korean survey results show that fears of failure among the adult population have abated considerably. This is welcome news, as such fears have typically been cited in South Korea as the main factor deterring business startup. However, there may be some questions about the reliability of these results, given that the five-point scale was newly introduced this year and converted into a binary variable for time series analysis.

The government has recently shown interest in social ventures as a new driver for the economy. Social ventures are expected to offer creative solutions to social problems in a variety of fields in a similar way to social enterprises, but there is a lack of relevant research data. For this reason, the Ministry of SMEs and Startups (MSS) launched a survey on social ventures in 2019, the results of which may well be used as evidence for the need to continually fund and establish supportive policies for social ventures.

The results of the GEM survey are being utilized in the field of entrepreneurship research. Also, media and government attention to GEM South Korea results appears to be growing, being the only entrepreneurship-related survey data available for national comparisons.

Institution	Team	Funders	APS vendor	Contact
Lead institution Korea Entrepreneurship Foundation (KoEF)	Team leader Gihyun Kum Team members Professor Dohyeon Kim, PhD Professor Chaewon Lee, PhD Professor Byungheon Lee, PhD Professor Choonwoo Lee, PhD Yunsoo Choi, PhD Myoung-jong Lee, PhD	Ministry of SMEs and Startups	Max Research	choi.ys@koef.or.kr
Type of institution Foundation				
Website http://www.koef.or.kr				
Other institutions involved Korea Institute of Startup & Entrepreneurship Development (KISED)				



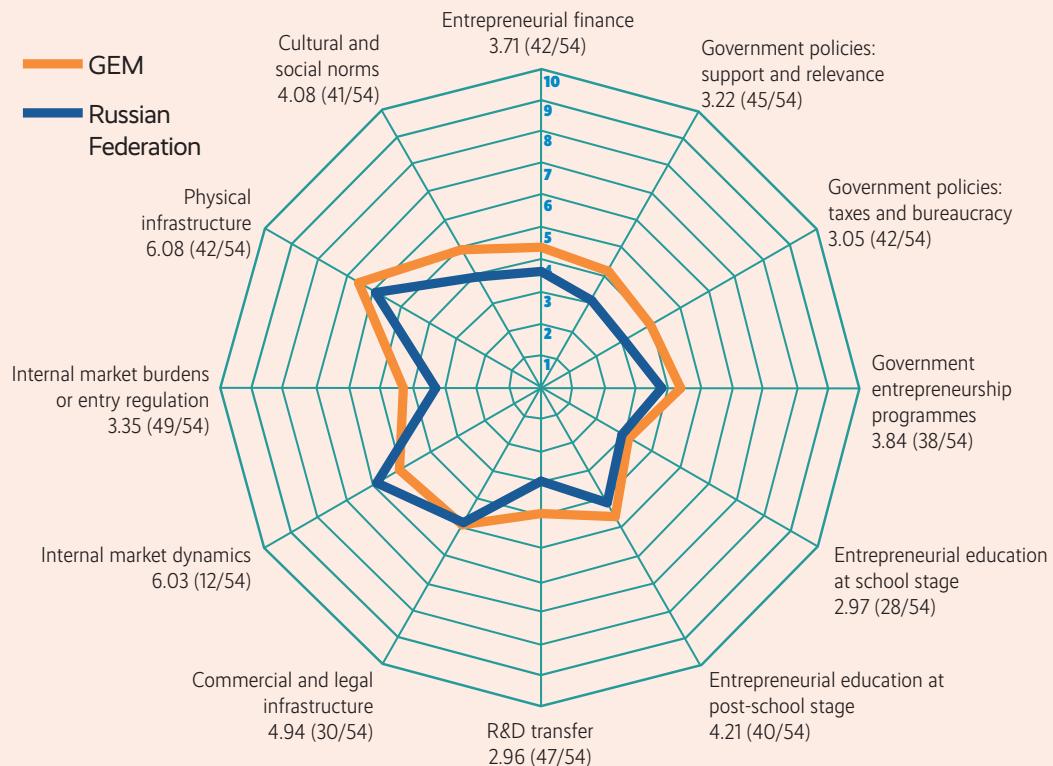


Russian Federation

	Population (2019) (WEF)			Attitudes and perceptions			Motivational		
	144 million	% Adults	Rank/50	(somewhat or strongly agree)	% Female	% Male			
GDP growth (2018, annual % change) (IMF)	2.3%	57.2	16	To make a difference	27.1	42	28.7	25.6	
GDP per capita (2018; PPP, international \$) (IMF)	28.8 thousand	29.6	48	Build great wealth	69.7	13	68.5	70.8	
World Bank Ease of Doing Business Rating (2019)	78.2/100 Rank: 28/190	31.4	44	Continue family tradition	24.9	37	23.3	26.4	
World Bank Starting a Business Rating (2019)	93.1/100 Rank: 40/190	35.6	48	To earn a living	78.8	17	81.7	76.0	
World Economic Forum Global Competitiveness Rank (2019)	43/141	45.2	=19						
World Economic Forum Income Group Average (2019)	Upper-middle	9.8	41						
Activity									
Total early-stage Entrepreneurial Activity	9.3	=32	8.6	10.2	Job expectations (6+)	3.3	=17		
Established Business Ownership rate	5.1	36	3.7	6.6	International (25%+ revenue)	0.3	=43		
Entrepreneurial Employee Activity	0.6	=38	0.3	0.8	National scope (customers and products/process)	0.4	=40		
					Global scope (customers and products/process)	0.1	=34		
					Industry (% TEA in business services)	9.4	38		

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In Russia, a programme of preferential loans to entrepreneurs at a rate not exceeding 8.5% was launched in 2019: entrepreneurs can now get a loan from 90 authorized banks. Mechanisms have also been created for SMEs to enter the stock market. Additionally, preferential access was provided for new companies to production facilities for the creation and development of new manufacturing and innovative products. A pilot project for the self-employed has been launched in four regions, a project that also involves a special tax regime.

There were also negative developments affecting Russian entrepreneurship. SME enterprises were affected by an increase in Value-Added Tax (VAT) from 18% to 20%, with the result that some had to close. Additionally, the abolition of a reduced rate of insurance premium for enterprises impacted many smaller companies. The general business climate was also negatively affected by the obligatory introduction of cash registers.

The 2019 GEM Russia survey identified a major area constraining the country's entrepreneurial sector to be access of small enterprises (startups) to traditional sources of financing and pointed to the consequent need to provide alternative sources of financing for such companies. Additionally evident in the survey results was the need to improve the financial literacy of SMEs as well as their awareness of modern financial products and services.

Representatives from various Russian organizations and agencies referred to GEM Russia's annual report during the recent World Economic Forum meeting. On 2 July 2019, together with Sberbank, GEM Russia presented an online educational seminar for regional state and private agencies responsible for entrepreneurship support, an event promoted by the Ministry of Economic Development of Russia. The team described the analytical possibilities contained in the GEM methodology and data set, with a focus on what can be used by regional policymakers and entrepreneurial support agencies in their work. The team also presented on best practices for policymakers using GEM data, showcasing Spain and China, and citing the GEM report *The Influence of GEM on Policy 2017–2018*. During the online seminar, questions were taken and responses given to different regions of Russia regarding the GEM project and data set.

Institution	Team	Funders	APS vendor	Contact
Lead institution Graduate School of Management, St Petersburg University	Team leader Associate Professor Olga R. Verkhovskaya, PhD candidate	Sberbank	Levada-Center	e.v.shmeleva@gsom.spbu.ru
Type of institution Business School	Team members Assistant Professor Karina A. Bogatyreva, PhD candidate			
Website https://gsom.spbu.ru	Assistant Professor Dmitri Knatko, PhD candidate Maria V. Dorokhina, PhD candidate Eleonora V. Shmeleva, MA			



**Graduate School
of Management**
St. Petersburg University



Saudi Arabia

Population (2019) (WEF)

33.2 million

GDP growth (2018, annual % change) (IMF)

2.4%

GDP per capita (2018; PPP, international \$) (IMF)

55.73 thousand

World Bank Ease of Doing Business Rating (2019)

71.6/100

Rank: 62/190
World Bank Starting a Business Rating (2019)

93.1/100

Rank: 38/190
World Economic Forum Global Competitiveness Rank (2019)

36/141

World Economic Forum Income Group Average (2019)

High

Attitudes and perceptions

% Adults

Rank/50

- Know someone who has started a new business
- Good opportunities to start a business in my area
- It is easy to start a business
- Personally have the skills and knowledge
- Fear of failure (opportunity)
- Entrepreneurial intentions

Motivational

(somewhat or strongly agree)

% TEA

Rank/50

TEA

TEA

- | | % TEA | Rank/50 | % Female TEA | % Male TEA |
|---------------------------|-------|---------|--------------|------------|
| To make a difference | 44.6 | 26 | 43.6 | 45.5 |
| Build great wealth | 63.1 | 19 | 56.0 | 68.9 |
| Continue family tradition | 36.4 | 18 | 34.7 | 37.7 |
| To earn a living | 72.4 | 19 | 68.5 | 75.5 |

Activity

% Adults

Rank/50

% Female

% Male

- | | % Adults | Rank/50 | % Female | % Male |
|--|----------|---------|----------|--------|
| Total early-stage Entrepreneurial Activity | 14.0 | 16 | 14.7 | 13.4 |
| Established Business Ownership rate | 5.4 | 34 | 3.7 | 6.6 |
| Entrepreneurial Employee Activity | 3.2 | 20 | 3.8 | 2.8 |

Entrepreneurship impact

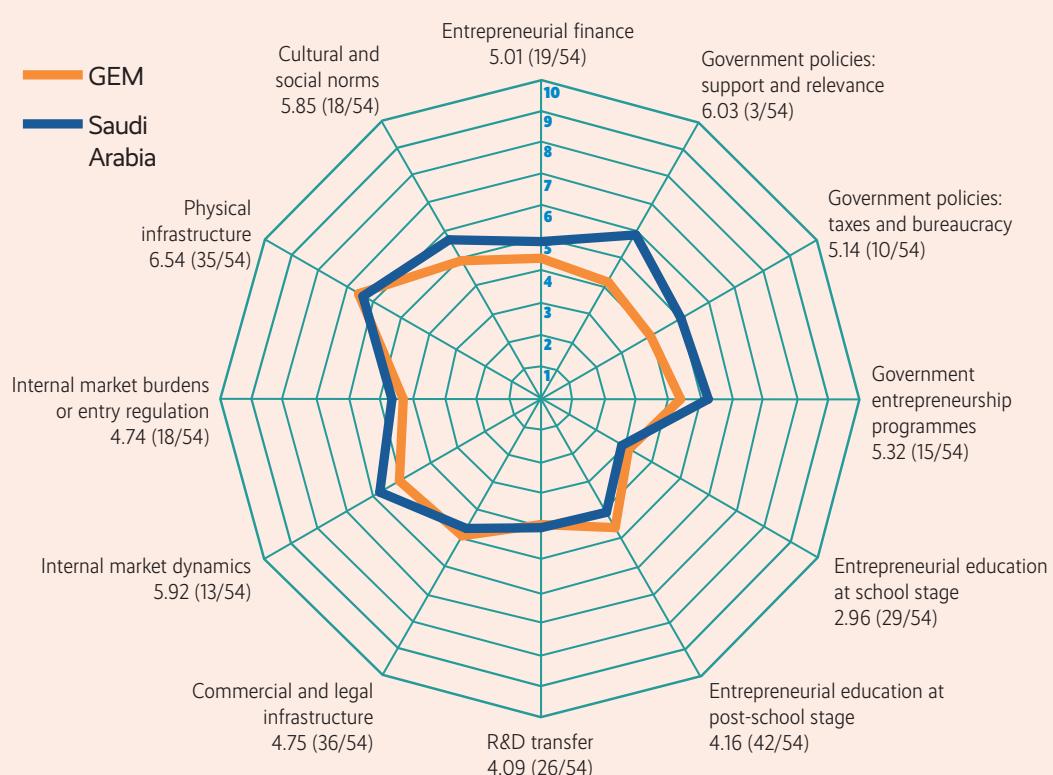
% Adults

Rank/50

- | | % Adults | Rank/50 |
|---|----------|---------|
| Job expectations (6+) | 8.6 | =3 |
| International (25%+ revenue) | 3.6 | 4 |
| National scope (customers and products/process) | 0.1 | =48 |
| Global scope (customers and products/process) | 0.0 | =45 |
| Industry (% TEA in business services) | 8.9 | 40 |

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions


EFCs scale:

0 = very inadequate insufficient status,
10 = very adequate sufficient status. Rank out of 54 recorded in brackets

POLICY ROADMAP

Several initiatives and policies have been developed and implemented in Saudi Arabia during the past year. In May 2019, the government approved a new residency scheme to attract skilled foreign labour which is aimed at reducing Saudi Arabia's dependence on oil and attracting innovators from around the world.

In August 2019, the Ministry of Labor and Social Development revised regulations to raise the accountability and competitiveness of private enterprises. Along with these reforms, the Ministry recently launched an instant labour visa service for private firms with high Saudization rates.

At the 2019 G20 meeting, Saudi Arabia participated in the initiative on women's empowerment, which aims at reducing the gender pay gap and supporting women's participation in small business. Reforms include enabling women to travel without a male relative's permission, enabling women to launch their own businesses and benefit from (governmental) e-services without having to prove consent, and ensuring equal treatment of women in the workplace.

Trends in policy and regulation have had positive impacts on entrepreneurship in Saudi Arabia. Entrepreneurship development is one of the top priorities in the Saudi Arabia Vision 2030 reforms. Hence, entrepreneurship in Saudi Arabia is benefiting from support at the highest levels of government. According to the latest Doing Business (DB) report, Saudi Arabia is ranked 62nd globally having jumped 30 places since last year.

An analysis of the 2019 GEM Saudi Arabia National Expert Survey (NES) reveals a more positive overview compared to previous years. The National Entrepreneurship Context Index (NECI) scored an average of 5.04 points out of 10. Experts' evaluations indicated that most entrepreneurial framework conditions improved in 2019. The 2019 GEM Saudi Arabia National Report shows the impact of governmental efforts on several indicators, the Total early-stage Entrepreneurial Activity (TEA) rate being the most evident, with an increment of 15.4% — an increment also partly due to a significant increase in female entrepreneurial activity, and less volatility in newly created businesses.

Recently, Abdallah Al-Mouallimi, Saudi Arabia's permanent representative to the UN, stated: "Saudi Arabia is committed to achieving sustainable development, and the Kingdom's Vision 2030 plans fall in line with the economic, social, and environmental dimensions of sustainable development". He also stressed Saudi Arabia's continuous efforts to create jobs through strategic initiatives and giant projects, and in integrating its financial market within the indexes of international emerging markets, and to the UN initiatives for sustainable markets.

Since its revival in 2016–17, the Saudi Arabia GEM Report has proposed suggestions for policymakers. In line with these suggestions, enterprise development agencies and institutions, such as Monsha'at, have embarked on numerous initiatives, a sample of which include: Esterdad, University Startups, Tomoh, Startup Saudi Arabia, Saudi Venture Capital Company (SVC), the Saudi Franchise Law, and new e-commerce laws.

Institution	Team	Funders	APS vendor	Contact
Lead institution Prince Mohammad Bin Salman College of Business and Entrepreneurship (MBSC) Babson Global Center for Entrepreneurial Leadership (BGCEL)	Team leader Professor Muhammad Azam Roomi, PhD Team members Professor Alicia Coduras Martínez, PhD Professor Donna Kelley, PhD	Babson Global Center for Entrepreneurial Leadership (BGCEL)	Field Interactive MR	acoduras@gemconsortium.org mroomi@mbsc.edu.sa
Type of institution Business School				 <p>كلية الامير محمد بن سلمان لقيادة وريادة الاعمال Prince Mohammad Bin Salman College Business & Entrepreneurship</p>
Website https://www.mbsc.edu.sa				 <p>BABSON GLOBAL INC. CENTER FOR ENTREPRENEURIAL LEADERSHIP</p>
Other institutions involved Emaar The Economic City				

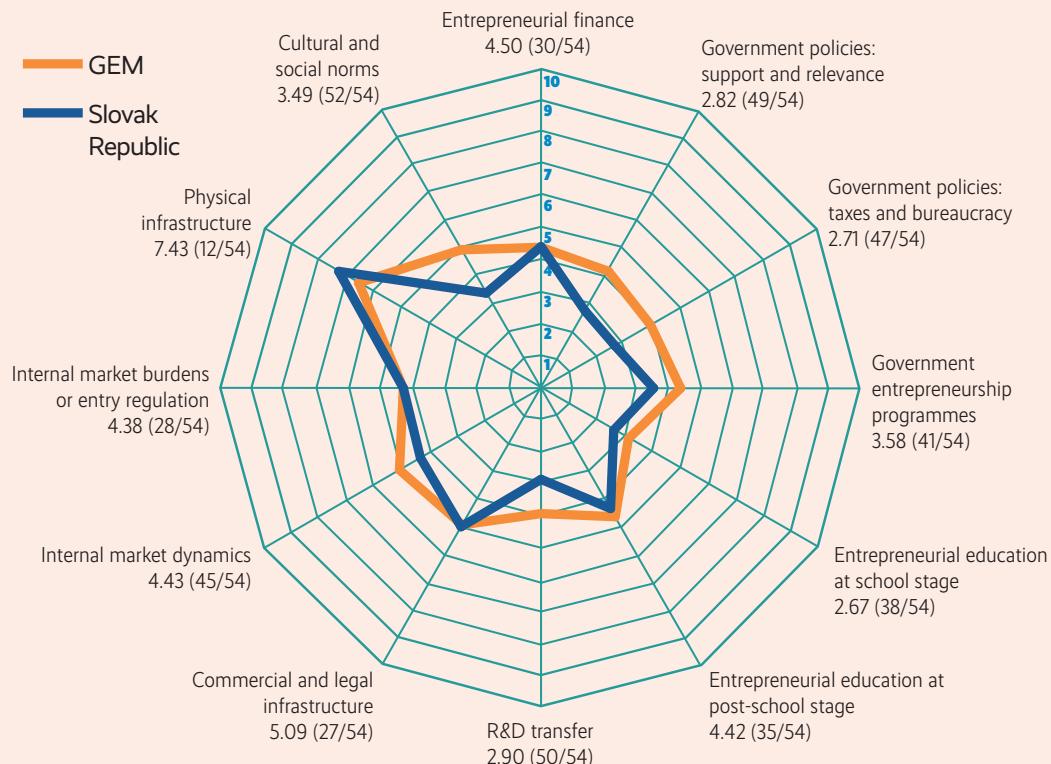


Slovak Republic

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female TEA	% Male TEA	
5.4 million				Know someone who has started a new business	65.2	9		
GDP growth (2018, annual % change) (IMF)	4.1%			Good opportunities to start a business in my area	36.0	46	To make a difference 40.7 34 43.8 38.8	
GDP per capita (2018; PPP, international \$) (IMF)	35.14 thousand			It is easy to start a business	25.2	48	Build great wealth 33.9 44 32.0 35.0	
World Bank Ease of Doing Business Rating (2019)	75.6/100 Rank: 45/190			Personally have the skills and knowledge	53.1	33	Continue family tradition 28.1 31 27.9 28.2	
				Fear of failure (opportunity)	43.7	23	To earn a living 63.3 27 62.1 64.0	
				Entrepreneurial intentions	13.6	33		
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	13.3	18	10.2	16.4		Job expectations (6+)	3.5 15	
Established Business Ownership rate	5.9	31	4.1	7.6		International (25%+ revenue)	1.9 =13	
Entrepreneurial Employee Activity	3.1	21	2.7	3.5		National scope (customers and products/process)	2.4 =15	
						Global scope (customers and products/process)	0.7 =12	
						Industry (% TEA in business services)	27.4 12	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In 2019, the Slovak Republic passed the third package of the Ministry of Economy, which consisted of 36 measures that aim to eliminate redundant bureaucracy. Other measures are focusing on digitizing entrepreneurial services provided by the state and making registration procedures more efficient. These represent various sets of regulations that should simplify the early-stage entrepreneurial process, saving entrepreneurs an estimated €50 million annually.

Over the past several years, the Slovak entrepreneurial environment has been very weak compared to similar benchmark countries. In 2019, this trend continued, underscored by: an unstable legal environment; labour market obstacles, including extra tariffs for overtime, holidays and nights; recreational vouchers and new special tax tariffs; and so on.

In Slovakia, the level of Total early-stage Entrepreneurial Activity (TEA) is high, but its quality and sustainability have been long-term problems which continue into 2019, with a particularly high percentage of nascent entrepreneurs failing to become new entrepreneurs who actually run a business. Additionally, low rates of recognizing opportunities to start a business as well as low social attitudes towards entrepreneurship continue to discourage Slovak entrepreneurs. All these issues merit attention from Slovak policymakers concerned with entrepreneurship.

The Slovak Republic has worked toward implementing UN Sustainable Development Goals (SDGs) 12, 13 and 14 — those aimed at improving the environment. Measures related to waste management were built into a 2019 amendment, the Act of Parliament on Waste, which should reduce waste, especially from single-use plastic packaging.

In 2019, the Faculty of Management at Comenius University in Bratislava, along with the Slovak Business Agency, completed a four-year research project developing inclusive entrepreneurship processes for selected disadvantaged groups in Slovakia. Throughout the process, GEM data on the entrepreneurial activities of women, youth and seniors were studied. The GEM survey results made a significant contribution to the analysis of the strengths and weaknesses of each group. The project eventually developed a methodology for increasing entrepreneurship among women, youth, seniors and migrants, which will be used by the main coordinator of the Slovak Business Agency to formulate and implement relevant strategies, policies and programmes for improving inclusiveness of entrepreneurship in Slovakia.

Institution	Team	Funders	APS vendor	Contact
Lead institution Comenius University in Bratislava, Faculty of Management (UNIBA SK)	Team leader Professor Ing. Anna Pilková, PhD, MBA	Comenius University in Bratislava, Faculty of Management (UNIBA SK) Slovak Business Agency (SBA)	Crystal Research, a.s.	anna.pilkova@fm.uniba.sk
Type of institution University	Team members Doc. PhDr Marian Holienka, PhD RNDr Zuzana Kovačičová, PhD			
Website https://www.fm.uniba.sk/en				
Other institutions involved Slovak Business Agency (SBA)				



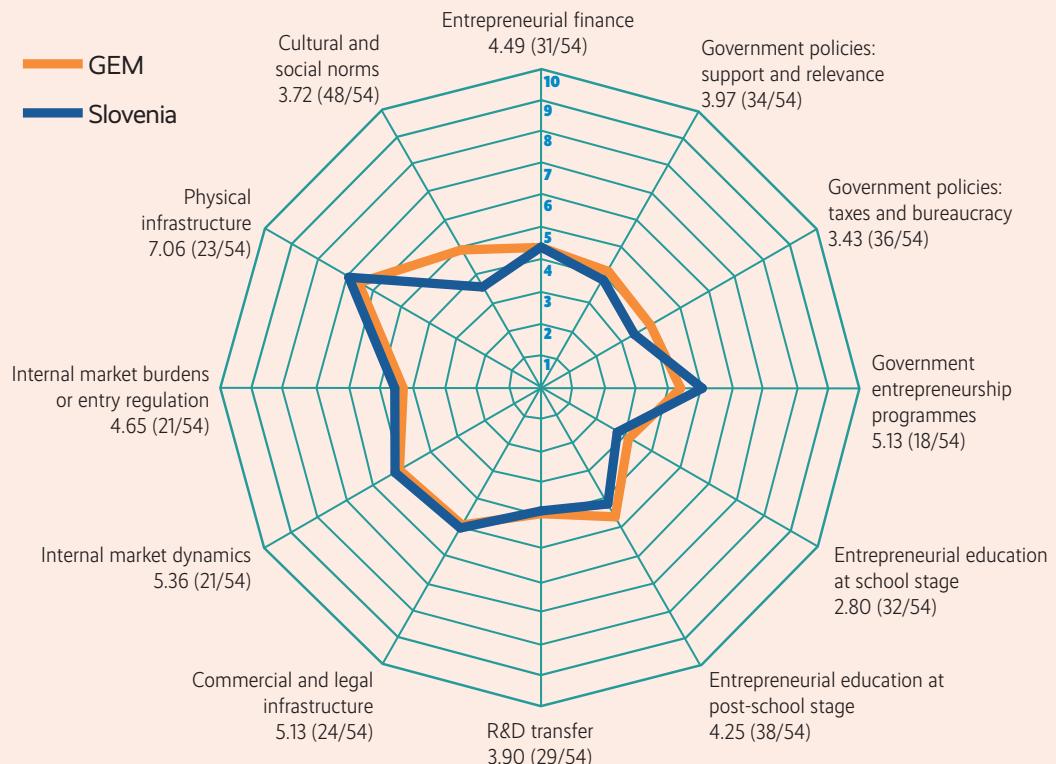


Slovenia

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
2.1 million								
GDP growth (2018, annual % change) (IMF)	4.1%	Know someone who has started a new business	60.4	14	To make a difference	48.2	23	
		Good opportunities to start a business in my area	47.6	=30	Build great wealth	47.1	35	
GDP per capita (2018; PPP, international \$) (IMF)	36.74 thousand	It is easy to start a business	54.3	21	Continue family tradition	23.2	39	
World Bank Ease of Doing Business Rating (2019)	76.5/100 Rank: 37/190	Personally have the skills and knowledge	57.5	26	To earn a living	60.1	30	
		Fear of failure (opportunity)	42.2	27				
		Entrepreneurial intentions	15.0	29				
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	93/100 Rank: 41/190	7.8	40	5.6	9.9	Job expectations (6+)	1.6	
Established Business Ownership rate	8.5	19		5.6	11.1	International (25%+ revenue)	1.7	
Entrepreneurial Employee Activity	7.0	5		5.9	8.0	National scope (customers and products/process)	2.2	
						Global scope (customers and products/process)	0.8	
						Industry (% TEA in business services)	33.9	
							4	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

Slovenia entrepreneurship rates increased in 2019, rebounding from a decrease the previous year. Additionally, Slovenia's business discontinuation rates decreased in 2019, meaning there were fewer types of business closure. The national economy performed well in 2019, increasing its productivity and internationalization while unemployment rates decreased.

At a national level, several financial measures directed at the employment of youth and long-term unemployed were implemented. Consequently, unemployment rates are currently low. Measures were also passed to support SME innovation, particularly for companies looking to increase their digital capacity.

Slovenia still lags in productivity relative to the EU. The country's education system also needs improvement, particularly when it comes to building the necessary skills for rapid technological change. Additionally, organizations involved in the entrepreneurial ecosystem (e.g. Chamber of Commerce and Industry of Slovenia) warn about excessive bureaucracy and unpredictable legislation for SMEs.

According to the GEM Slovenia's National Expert Survey (NES) results, education in primary and secondary school remains the biggest constraint on Slovenian entrepreneurs. Additionally, government regulatory policy remains a problem. In this area, Slovenian experts identified the permits and licences process along with the tax and bureaucracy burdens as particularly onerous. Experts also believe that Slovenian culture does not encourage entrepreneurial values such as risk-taking, creativity, innovativeness or individual responsibility.

Slovenia improved its environmental legislation in 2019 with new laws to incentivize companies to set up shorter supply chains, as well as to develop more eco-friendly products. One of the priorities of the Slovenian government is the transition to a circular economy, in pursuit of which a pilot project in cooperation with two European public bodies outlines a comprehensive decarbonization strategy for Slovenia.

In 2019, GEM Slovenia results were used in the OECD review *Inclusive Entrepreneurship Policies: Country Assessment Notes, Slovenia*. A member of the Slovenian GEM team also participated as an expert in this process, providing data analysis and preparing a country note for the OECD. SPIRIT Slovenia, the Ministry of Economic Development and Technology, along with other ministries and public bodies, consistently use GEM data.

Starting in 2002, GEM Slovenia has been sponsored by the Ministry of Economic Development and Technology and SPIRIT Slovenia. The GEM research team supports Slovenian policy discussions with current insights about entrepreneurship. Today, some of the country's most important policy documents either reference GEM data or use GEM indicators to evaluate policy measures. Recently, GEM results were used to prepare the Slovene Enterprise Fund's Strategic Program 2018–2023 initiative, which will provide approximately €629 million in financial incentives to around 6,200 micro, small and medium-sized enterprises.

Finally, in related news, a new Startup Registry established by the Investment Promotion Act of 2019 not only offers a single overview of the startup ecosystem but also certifies qualified new companies as startups. Innovative startup companies can benefit from inclusion in the Registry by showing their status when competing for various offers and tenders.

Institution	Team	Funders	APS vendor	Contact
Lead institution University of Maribor, Faculty of Economics and Business, Institute for Entrepreneurship and Small Business Management	Team leader Professor Miroslav Rebernik, PhD Team members Professor Karin Širec, PhD Professor Polona Tominc, PhD Associate Professor Barbara Bradač Hojnik, PhD Assistant Professor Katja Crnogaj, PhD Matej Rus, MSc	MGRT — Ministry of Economic Development and Technology SPIRIT Slovenia — Public Agency for Entrepreneurship, Internationalization, Foreign Investments and Technology Slovenian Research Agency	Mediana	miroslav.rebernik@um.si
Type of institution University			 University of Maribor	
Website https://www.um.si/en			 Faculty of Economics and Business	

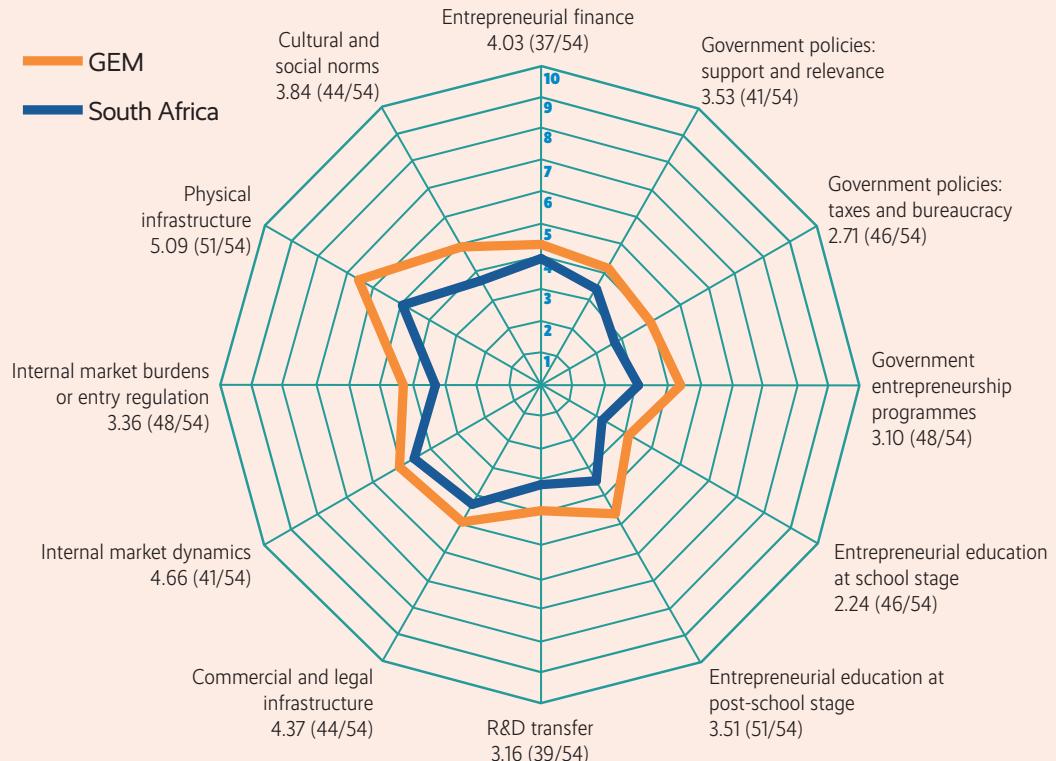


South Africa

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female TEA	% Male TEA	
57.7 million				Know someone who has started a new business	28.3	49		
GDP growth (2018, annual % change) (IMF)	0.8%			Good opportunities to start a business in my area	60.4	17	To make a difference 85.0 2 87.1 82.9	
GDP per capita (2018; PPP, international \$) (IMF)	13.63 thousand			It is easy to start a business	63.0	15	Build great wealth 78.9 6 74.0 83.6	
World Bank Ease of Doing Business Rating (2019)	67.0/100 Rank: 84/190			Personally have the skills and knowledge	60.4	24	Continue family tradition 48.0 =11 52.5 43.7	
				Fear of failure (opportunity)	49.8	9	To earn a living 90.3 4 91.2 89.4	
				Entrepreneurial intentions	11.9	=37		
Activity		Entrepreneurship impact				% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	10.8	25	10.2	11.4	Job expectations (6+)	3.3	=17	
Established Business Ownership rate	3.5	44	2.6	4.5	International (25%+ revenue)	0.9	=26	
Entrepreneurial Employee Activity	0.4	=44	0.1	0.7	National scope (customers and products/process)	0.9	=34	
					Global scope (customers and products/process)	0.1	=34	
					Industry (% TEA in business services)	9.7	37	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

The South African economy remains sluggish, with real gross domestic product (GDP) per capita declining since 2011. The full-year 2019 GDP growth forecasts are around 0.8%, and economic growth forecasts for 2020 (1.0–1.2%) and 2021 (1.7%) remain low and below population growth. This low growth will result in low job creation and could translate into further unemployment and inequality.

South Africa's unemployment rate, now at 29.1%, is at its highest level in 11 years (38.5% using the expanded definition of unemployment which includes people who have stopped looking for work). The youth (aged between 15 and 24 years) remain the most vulnerable, with an unemployment rate of 58.2%. The South African government increasingly acknowledges the importance of entrepreneurs and small businesses in achieving sustainable and inclusive economic growth, as well as the need to urgently implement a series of policy reforms to support this goal.

In 2019, the Minister of Small Business Development announced new measures to make funding more accessible and affordable for small businesses. These include: (1) making funding available through all its centres, with commitments to radically improve funding turnaround times; (2) introducing common templates for funding applications across all South African development finance institutions; (3) the Small Business Innovation Fund, which will provide a blended finance model in a mixture of grants and loans with a range of financial instruments with the aim of lowering costs of finance for entrepreneurs; and (4) provisions to fund partner organizations (incubators) under certain conditions.

There are several other challenges faced by South African entrepreneurs. Data costs remain comparatively high in South Africa, and this is an important market issue to address given that the digital economy is where many entrepreneurial opportunities lie. Additionally, the education system is highly unequal and not delivering skills for the digital economy; there is significant over-regulation of small businesses with unnecessary bureaucratic burdens; and various labour market rigidities remain.

South Africa is striving to make progress on several UN Sustainable Development Goals (SDGs). Goal 1 (No poverty) and Goal 10 (Reduced inequalities) are major challenges given the country's low economic growth. Unemployment trends are likely to increase poverty and create further reliance on government grants. Likewise, without robust economic growth inequality will persist in preventing the achievement of a more inclusive society.

South Africa has one of the highest education budgets by population among developing countries, yet the education system continues to underperform. This relates to SDG Goal 4 (Quality education). Key trends in this area are school dropout rates, with just over half of all learners failing to complete their high-school education, as well as poor-quality mathematics education and pass rates. Both of these trends are likely to exacerbate unemployment and create barriers to youth's full participation in economic development opportunities in South Africa.

Institution	Team	Funders	APS vendor	Contact
Lead institution University of Stellenbosch Business School (USB)	Team leader Angus Bowmaker-Falconer, MBA	Small Enterprise Development Agency (Seda)	Nielsen South Africa	abf@sun.ac.za
Type of institution University	Team members Dr Mike Herrington, PhD			
Website https://www.usb.ac.za				
Other institutions involved Small Enterprise Development Agency (Seda)				



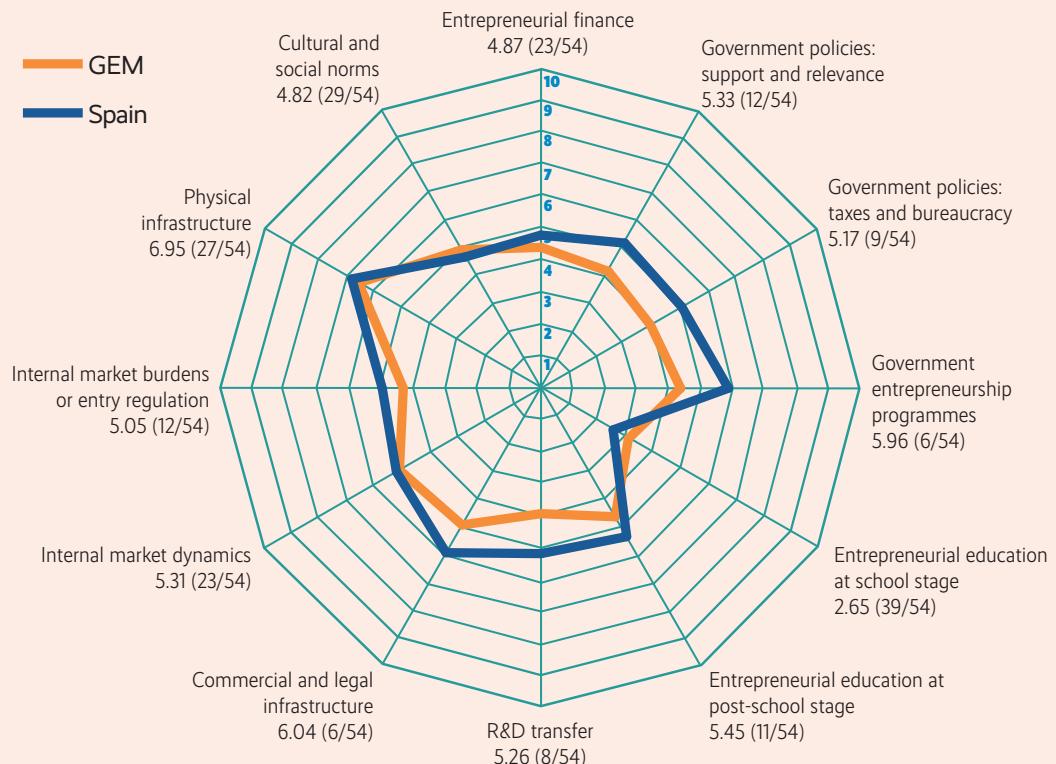


Spain

Population (2019) (WEF)		Attitudes and perceptions			Motivational				
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male		
		% TEA	Rank/50	TEA	TEA	TEA	TEA		
46.4 million									
GDP growth (2018, annual % change) (IMF)	2.6%	Know someone who has started a new business	42.1	45	To make a difference	49.4	21		
		Good opportunities to start a business in my area	36.1	45	Build great wealth	59.5	21		
GDP per capita (2018; PPP, international \$) (IMF)	40.17 thousand	It is easy to start a business	38.5	31	Continue family tradition	13.4	48		
		Personally have the skills and knowledge	50.8	36	To earn a living	42.3	39		
World Bank Ease of Doing Business Rating (2019)	77.9/100 Rank: 30/190	Fear of failure (opportunity)	48.2	=10					
		Entrepreneurial intentions	7.4	45					
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact				
86.9/100 Rank: 97/190		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50		
World Economic Forum Global Competitiveness Rank (2019)	23/141	Total early-stage Entrepreneurial Activity	6.2	=44	6.0	6.3	Job expectations (6+)	0.6	48
		Established Business Ownership rate	6.3	30	5.6	7.0	International (25%+ revenue)	0.4	=40
		Entrepreneurial Employee Activity	1.7	=28	1.3	2.2	National scope (customers and products/process)	0.9	=34
							Global scope (customers and products/process)	0.2	=29
							Industry (% TEA in business services)	33.6	5

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

The Spanish government's commitment, at the institutional and business level, to the UN Sustainable Development Goals (SDGs), as well as to the strategic promotion of SMEs and entrepreneurship, is aligned with the policies of the European Union and regional governments, such as strategic entrepreneurship, female entrepreneurship, self-employability, business management and talent, regulatory frameworks, financing, innovation and digitalization, sustainability and internationalization.

The uncertainty of the international political environment (the threat of Brexit and the tensions between the US and China mainly), as well as domestic political instability caused by the inability to form a government, represent major challenges to Spanish entrepreneurs. Additionally, the country's job creation policies have not improved the direct labour situation.

Special attention should be given to high-potential entrepreneurship in Spain. To this end, programmes related to improving the country's education system, as well as to facilitating innovation and knowledge transfers, should be prioritized by policymakers. Addressing social and regional inequalities (the depopulation of "the emptied Spain") should also be viewed from an entrepreneurial ecosystem perspective.

Several SDGs have been integrated into government policy as well as the business institutions responsible for applying them. Entrepreneurial initiatives undertaken in response to the SDGs include those related to the circular economy, transportation, social entrepreneurship, energy efficiency and recycling. There is little evidence of this activity so far in GEM survey results, as further detailed data collection is needed; however, this trend is visible in media and case studies.

GEM data have been used in the design and evaluation of entrepreneurship policies both at the national and regional level. A clear example is ENISA's sponsorship of GEM's Spanish team. GEM Spain is also closing an agreement with a Spanish government agency specializing in digital transformation, a partnership that will measure how potential entrepreneurs and new businesses are using ITC as a key resource in building competitive business models. GEM Spain will contribute by designing a scorecard of digital entrepreneurship as part of Spanish official business activity indicators.

Institution	Team	Funders
Lead institution	Team leader	APS vendor
Observatorio del Emprendimiento de España (OEE) (formerly Asociación RED GEM España)	Ana Fernández Laviada, PhD	Opinometre
Type of institution	Team members	Contact
Association	Iñaki Peña, PhD Maribel Guerrero, PhD José Luis González, PhD Javier Montero, PhD	ana.fernandez@unican.es
Website	National Team	
http://www.gem-spain.com	José Ruiz Navarro, PhD (Director GEM Andalucía) Lucio Fuentelsaz Lamata, PhD (Director GEM Aragón) Jesús Ángel del Brío González, PhD (Director GEM Asturias) Julio Batle Lorente, PhD (Director GEM Baleares) Rosa M. Batista Canino, PhD (Director GEM Canarias) Ana Fernández-Laviada, PhD (Director GEM Cantabria) Carlos Guallarte, PhD (Director GEM Cataluña) Juan José Jiménez Moreno, PhD (Director GEM Castilla La Mancha) Mariano Nieto Antolín, PhD (Co-direktor GEM Castilla y León) Nuria González Álvarez, PhD (Co-direktor GEM Castilla y León)	
Other institutions involved	Regional Teams	
National Team Centro Internacional Santander Emprendimiento (CISE) Empresa Nacional de Innovación, SA (ENISA)	Lázaro Rodríguez Ariza, PhD (Director GEM Ceuta) Isidro de Pablo Lopez, PhD (Director GEM Madrid) José María Gómez Gras, PhD (Director GEM Comunidad Valenciana) Ricardo Hernández Mogollón, PhD (Co-direktor GEM Extremadura) J. Carlos Díaz Casero, PhD (Co-direktor GEM Extremadura) Loreto Fernández Fernández, PhD (Director GEM Galicia). Luis Alberto Ruano Marrón, PhD (Director GEM La Rioja) María del Mar Fuentes Fuentes, PhD (Director GEM Melilla) Antonio Aragón Sánchez, PhD (Co-direktor GEM Murcia) Alicia Rubio Bañón, PhD (Co-direktor GEM Murcia) Ignacio Contin Pilart, PhD (Co-direktor GEM Navarra) Martin Larraza Kintana, PhD (Co-direktor GEM Navarra) María Saiz Santos, PhD (Director GEM País Vasco)	
Regional Teams		
Universidad de Cadiz (GEM Andalucía) Universidad de Zaragoza (GEM Aragón) Universidad de Oviedo (GEM Asturias) Universidad de las Islas Baleares (GEM Baleares) Universidad de las Palmas de Gran Canaria (GEM Canarias)		



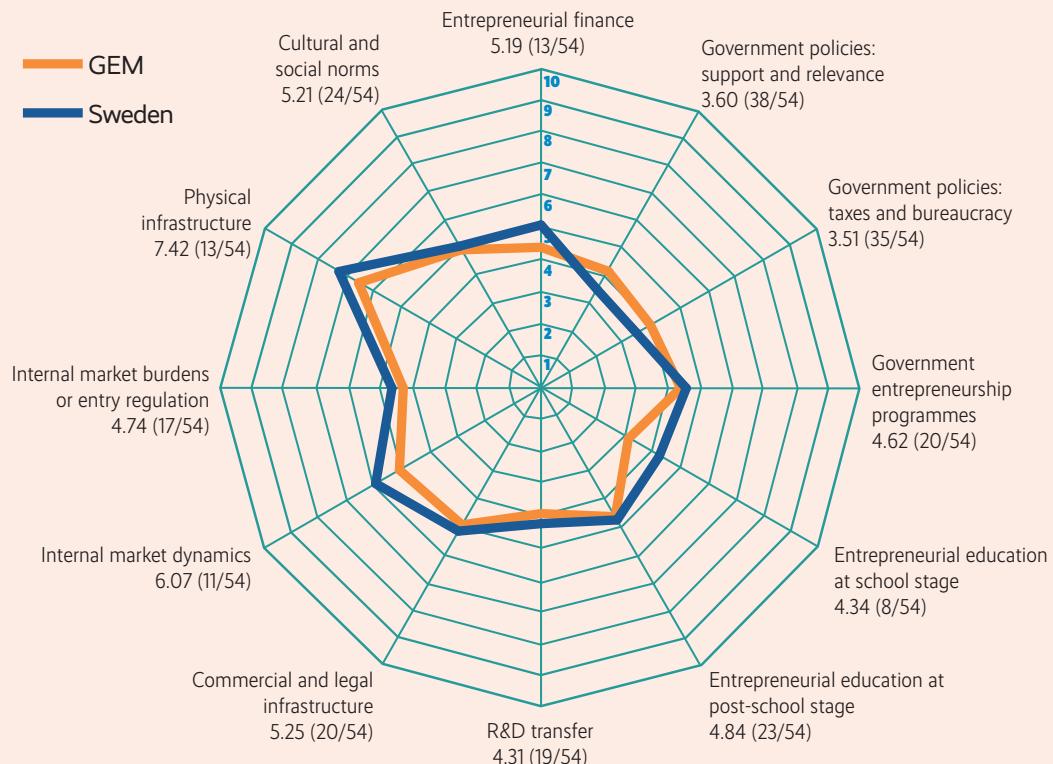


Sweden

Population (2019) (WEF)	Attitudes and perceptions			Motivational			
	% Adults	Rank/50	(somewhat or strongly agree)	% Female TEA	% Male TEA		
10.2 million							
GDP growth (2018, annual % change) (IMF)	54.6	24	To make a difference	50.3	19	49.3 50.8	
2.3%	79.8	3	Build great wealth	55.0	24	43.8 61.0	
GDP per capita (2018; PPP, international \$) (IMF)	78.3	6	Continue family tradition	33.2	23	25.9 37.0	
53.65 thousand	50.7	37	To earn a living	38.8	43	33.0 41.8	
World Bank Ease of Doing Business Rating (2019)	42.9	25					
82.0/100	10.9	39					
Rank: 10/190							
World Bank Starting a Business Rating (2019)	Activity			Entrepreneurship impact			
93.1/100	% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Rank: 39/190	Total early-stage Entrepreneurial Activity	8.3	38	5.8	10.6	Job expectations (6+)	1.2 =46
	Established Business Ownership rate	4.9	37	1.8	7.9	International (25%+ revenue)	1.9 =13
World Economic Forum Global Competitiveness Rank (2019)	Entrepreneurial Employee Activity	5.2	15	4.1	6.4	National scope (customers and products/process)	2.2 =17
8/141						Global scope (customers and products/process)	0.7 =12
World Economic Forum Income Group Average (2019)						Industry (% TEA in business services)	29.0 10
High							

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In early 2019, a new Swedish government was formed by Social Democrats and the Green Party, with the support of centre-oriented political parties. One pillar of this government's three-year economic policy plan concerns improved conditions for businesses and entrepreneurship.

Thus far, reforms include abolishing taxes on the highest income bracket as of 1 January 2020. Overall, there is a trend towards lowering taxes in Sweden, which could help businesses survive, and make it more lucrative to start and run a business. Sweden also extended tax reductions for users of firms offering household services. There has also been an extension of earned income tax credits which has an indirect effect on entrepreneurship.

Policy and regulation trends that have had a negative impact on entrepreneurship include a price hike on traditional fossil fuels. Sweden is also facing a highly regulated labour market characterized by a mismatch between competence supplied and competence demanded. Regulations related to hiring and firing are ample, and hinder labour mobility. There is a lack of incentive to engage in higher education. An over-regulated building and construction market makes it difficult to reside in the most entrepreneurially vibrant places in Sweden.

Policymakers are also failing to show sufficient interest in the changes that digitalization is expected to bring to the emerging gig and sharing economy, adopting a "wait and see" attitude, which may lead to lost opportunities and lower economic growth. The policy area requiring the most examination is related to the 30% drop in women's entrepreneurship between 2017 and 2018. The disturbing decline in female entrepreneurship coincided with a tense policy discussion on profit restrictions in private welfare sectors such as healthcare and school, industries in which Swedish women tend to be well represented. The political uncertainty that these sectors face likely reduced the number of women who started businesses in 2018.

An important component of an entrepreneurial economy is access to venture capital and there is a need to look further into directing more venture capital directly to women's enterprises. There is a substantial increase in social entrepreneurship where at least one of the UN Sustainable Development Goals (SDGs) is addressed. Additionally, there is a considerable activity among entrepreneurs related to clean-tech, alternative energy sources and energy efficiency (Goal 7).

GEM has been instrumental in promoting changes in women entrepreneurship and the importance of stable and predictable business conditions. During the 2014 and 2018 elections, women's entrepreneurship in welfare sectors was threatened due to the proposed ban on profits. By demonstrating the rapid and extensive fall in women's entrepreneurship, GEM has helped remove this threat. The severe dips in women entrepreneurial activity that paralleled these threats received significant mass media attention.

Institution	Team	Funders	APS vendor	Contact
Lead institution Swedish Entrepreneurship Forum (Entreprenörskapsforum)	Team leader Professor Pontus Braunerhjelm	Confederation of Swedish Enterprise (Svenskt Näringsliv) Swedish Agency for Economic and Regional Growth (Tillväxtverket)	AskSweden	pontus.braunerhjelm@entreprenorskapsforum.se
Type of institution Research Institute	Team members Per Thulin, PhD Associate Professor Martin Svensson			
Website https://entreprenorskapsforum.se	Marcus Larsson Postdoctoral Researcher Claire Ingram Bogusz			



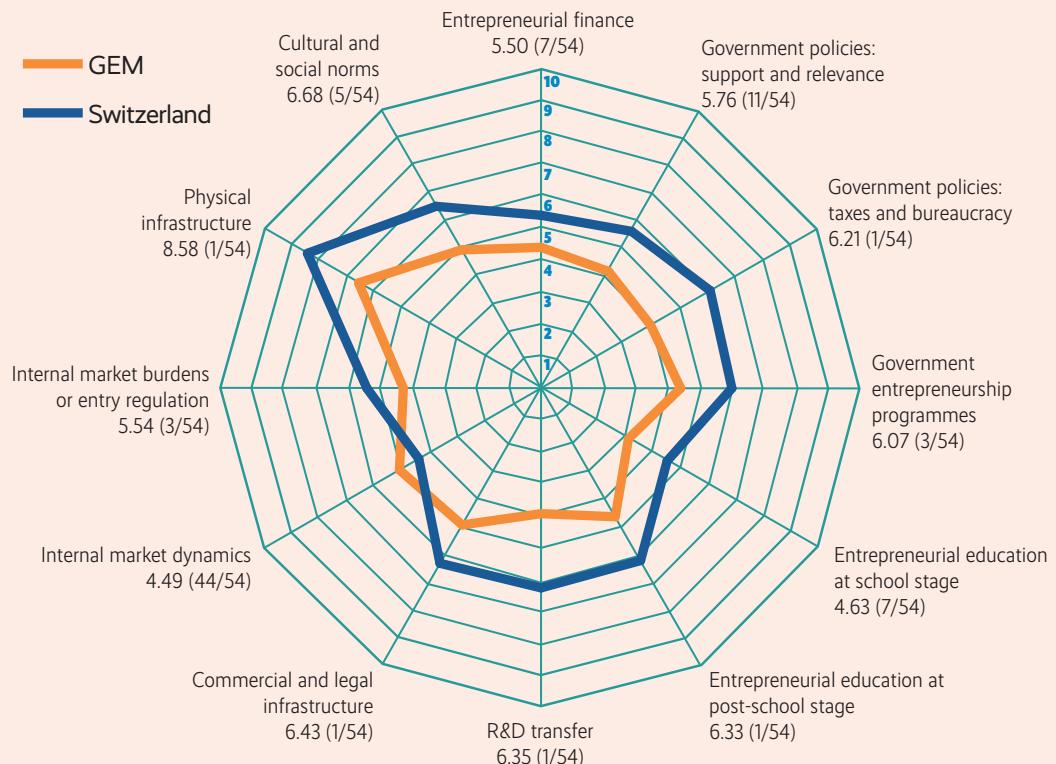


Switzerland

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female TEA	% Male TEA	
8.5 million				Know someone who has started a new business	54.7	23		
GDP growth (2018, annual % change) (IMF)	2.8%			Good opportunities to start a business in my area	40.7	41	To make a difference 43.2 31 46.9 41.0	
GDP per capita (2018; PPP, international \$) (IMF)	65.01 thousand			It is easy to start a business	64.5	13	Build great wealth 38.1 40 23.5 46.6	
World Bank Ease of Doing Business Rating (2019)	76.6/100 Rank: 36/190			Personally have the skills and knowledge	49.2	39	Continue family tradition 17.1 46 11.8 20.2	
				Fear of failure (opportunity)	23.9	49	To earn a living 50.4 37 55.4 47.4	
				Entrepreneurial intentions	10.7	40		
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	9.8	31		7.3	12.3	Job expectations (6+)	2.8 =22	
Established Business Ownership rate	11.6	11		9.1	14.1	International (25%+ revenue)	2.5 8	
Entrepreneurial Employee Activity	5.4	=13		3.4	7.3	National scope (customers and products/process)	3.2 6	
						Global scope (customers and products/process)	0.5 =16	
						Industry (% TEA in business services)	29.8 9	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In 2019, Switzerland undertook several policies to promote entrepreneurship. Specifically, these include the promotion of intrapreneurial activities, as well as encouraging new startup creation. However, taxation of startup investment has discouraged some entrepreneurial activity.

According to 2019 GEM survey results, Switzerland could improve its entrepreneurial sector by investing in policies that encourage women entrepreneurship as well as by growing the country's entrepreneurial mid- to low-technology sector.

Switzerland continues to see an increasing number of venture funds related to the UN Sustainable Development Goals (SDGs). Additionally, in universities, entrepreneurship programmes with a focus on the SDGs are proliferating; an example is the “Venture in Action” programme at the School of Management in Fribourg.

Institution	Team	Funders	APS vendor	Contact
Lead institution School of Management (HEG-FR)	Team leader Professor Rico Baldegger, PhD	School of Management (HEG-FR) University of Applied Sciences and Arts Fribourg (HES-FR)	Gfs Bern	rico.baldegger@hefr.ch
University of Applied Sciences and Arts Western Switzerland (HES-SO)	Team members Assistant Professor Raphael Gaudart Assistant Professor Pascal Wild Gabriel Simonet, MSc			
Type of institution Business School				
Website https://www.heg-fr.ch/en				
Other institutions involved Swiss Start-up Factory Swiss Economic Forum				



HAUTE ÉCOLE DE GESTION
HOCHSCHULE FÜR WIRTSCHAFT
SCHOOL OF MANAGEMENT

Fribourg
Freiburg

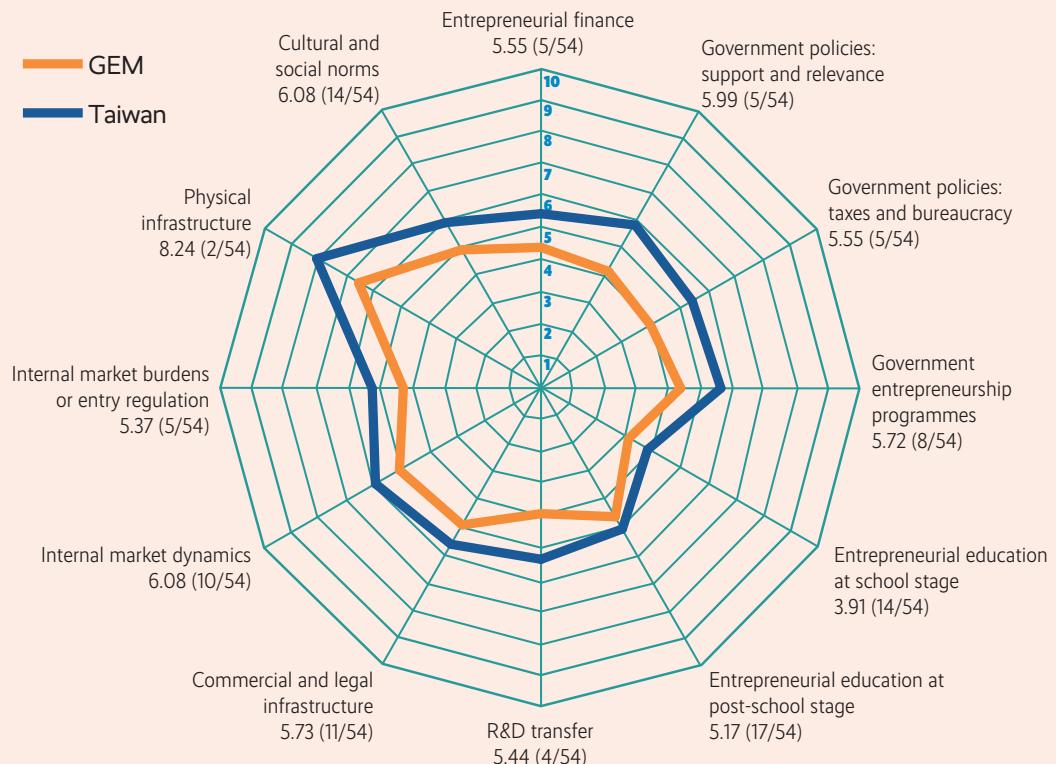


Taiwan

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female	% Male	
		% TEA	Rank/50	TEA	TEA	TEA	TEA	
23.6 million								
GDP growth (2018, annual % change) (IMF)	2.6%	Know someone who has started a new business	35.6	47	To make a difference	44.5	27	
		Good opportunities to start a business in my area	41.2	40	Build great wealth	57.5	23	
GDP per capita (2018; PPP, international \$) (IMF)	53.07 thousand	It is easy to start a business	36.1	36	Continue family tradition	19.7	42	
World Bank Ease of Doing Business Rating (2019)	80.9/100 Rank: 15/190	Personally have the skills and knowledge	42.0	=45	To earn a living	33.4	46	
		Fear of failure (opportunity)	31.0	44				
		Entrepreneurial intentions	14.4	31				
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
Total early-stage Entrepreneurial Activity	8.4	=36	6.8	10.0	Job expectations (6+)	2.5	=28	
Established Business Ownership rate	12.8	=8	8.2	17.4	International (25%+ revenue)	0.7	=29	
Entrepreneurial Employee Activity	2.3	23	1.2	3.4	National scope (customers and products/process)	2.5	=10	
					Global scope (customers and products/process)	0.6	=14	
					Industry (% TEA in business services)	19.2	27	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

A major development in Taiwan's 2019 entrepreneurial environment was the government's easing of the restrictions on innovation, increasing flexibility in business operations, and also energizing the domestic funding environment to create a friendly environment for innovation and entrepreneurship.

The government has proposed another round of the Statute for Industrial Innovation to extend the tax deduction period by 10 years and provide additional tax incentives, which will help to stimulate investment and promote innovative growth in Taiwan. Meanwhile, the National Development Fund has allocated NT\$2 billion to co-invest in startups registered in Taiwan, or overseas startups with main business operations in Taiwan. The amended Company Act has also expanded the types of equity shares that may be issued for private and non-public companies.

This year also saw the establishment of Startup Terrace, the largest startup village in Taiwan. It is also an experimental site for innovative applications. With its connections to the local entrepreneurial ecosystem, industries and the global market, Startup Terrace has attracted at least 132 domestic and foreign accelerators and startup teams, helping to bridge Taiwan's industries with the world.

Taiwan is the first economy in Asia to adopt a financial regulatory sandbox system using a special law, allowing startups to test new products or services more quickly. Also, Taiwan is promoting startup procurement by opening the government market to offer startups trial opportunities. Recent changes to labour regulations aimed at balancing employer and employee needs have had a somewhat negative impact on entrepreneurship. These changes have increased adjustment costs for employers, which impact the entrepreneurial and operational costs of startups.

According to GEM 2019 National Expert Survey (NES) results, experts in Taiwan have put greater emphasis on the effects of capital on startups. They have made it easier to raise funds through public offerings or by applying for government grants. However, the development of financing and professional angel capital is not as mature.

The direction of the entrepreneurial environment in Taiwan is consistent with the UN's Sustainable Development Goal (SDG) to "promote sustained, inclusive and sustainable economic growth, full and proactive employment and decent work for all" (Goal 8).

This year's NES ranking reflects the technology transfer capacity of Taiwan's academic and research institutes. According to the E06 indicator: "In Taiwan, there is good support available for engineers and scientists to have their ideas commercialized through new and growing firms." Taiwan ranks second in the world in this indicator.

For years, Taiwan had fallen behind other countries in two GEM indicators: "perceived opportunities" and "perceived capabilities". In response, the government has integrated entrepreneurial resources and offered more comprehensive startup supports to enhance Taiwan's perceived opportunities and entrepreneurial skills. This year, Taiwan has performed impressively in "perceived opportunities", "perceived capabilities" and "fear of failure rate", achieving its best results since 2010.

Institution	Team	Funders	APS vendor	Contact
Lead institution Taiwan Institute of Economic Research (TIER)	Team leader Xin-Wu Lin, PhD	Small and Medium Enterprise Administration (SEMA)	China Credit Information Service	d32562@tier.org.tw
Type of institution Research Institute	Team members Ju-Yin Tang, PhD Jia-Jing Lin, PhD			
Website https://english.tier.org.tw				



台灣經濟研究院
Taiwan Institute of Economic Research



Thailand

Population (2019) (WEF)

67.8 million

GDP growth (2018, annual % change) (IMF)

4.1%

GDP per capita (2018; PPP, international \$) (IMF)

7.45 thousand

World Bank Ease of Doing Business Rating (2019)

80.1/100
Rank: 21/190

World Bank Starting a Business Rating (2019)

92.4/100
Rank: 47/190

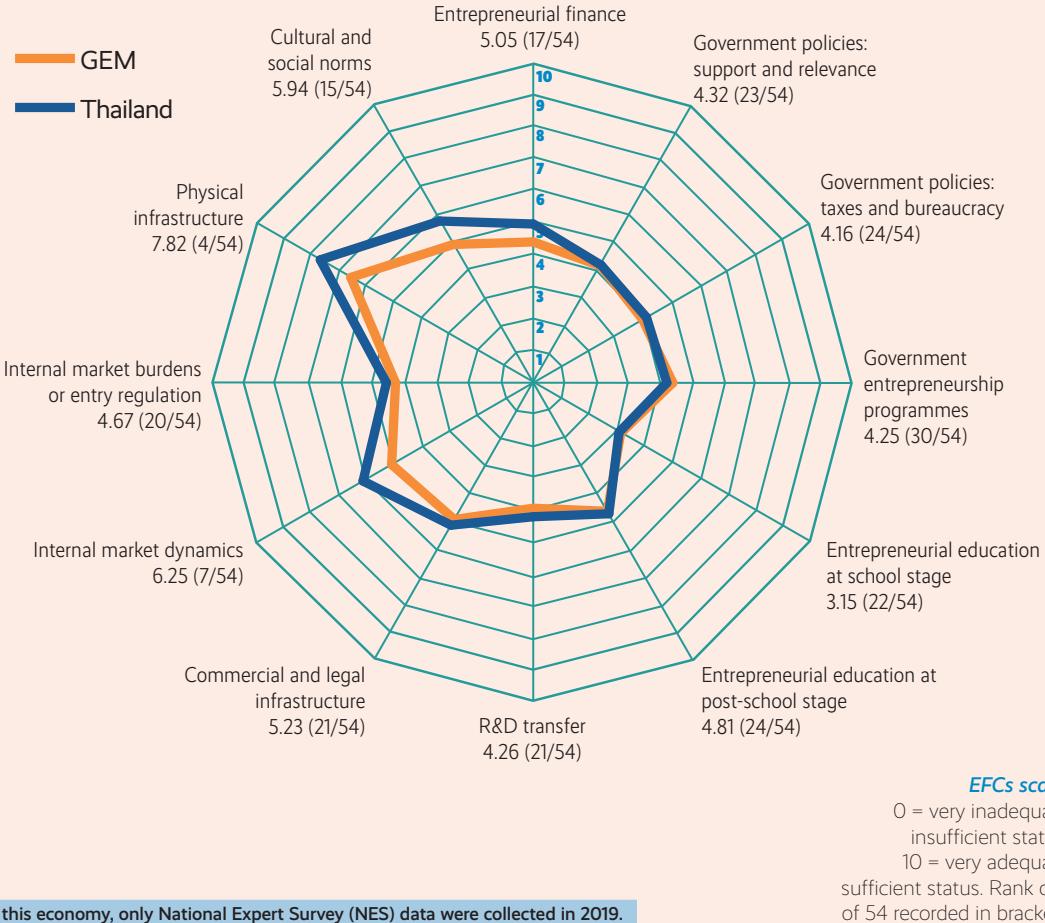
World Economic Forum Global Competitiveness Rank (2019)

40/141

World Economic Forum Income Group Average (2019)

Upper-middle

Expert ratings of the entrepreneurial framework conditions



Institution	Team	Funders	APS vendor	Contact
Lead institution	Team leader	Bangkok University	n/a	gem_thailand@bu.ac.th
Bangkok University	Assistant Professor Ulrike Guelich, PhD			
Type of institution				
University				
Website				
https://www.bu.ac.th/en/international-programs				



BANGKOK
UNIVERSITY
THE CREATIVE UNIVERSITY

POLICY ROADMAP

The government of Thailand is actively promoting Thailand as a startup nation. Via its National Innovation Agency (NIA) and related government alliances, as well as the private and education sectors, it hosts the Startup Thailand event — the largest tech conference in Southeast Asia. In 2019, the conference was titled “Startup Nation”, and the event brought together large Thai companies to invest in startups.

With the goal of expanding Thailand's Internet of Things (IoT) capacity, the Digital Economy Promotion Agency (Depa) opened a government startup centre in Bangkok to grow local. This startup centre will partially operate as a pioneer unit of the IoT Institute, located in the Eastern Economic Corridor (EEC). Depa expects to have at least 60% of all Thai startups in the field of innovative connectivity, such as IoT, by 2037.

In 2019, Thailand's economy gave out contradictory signals. On the one hand, GDP grew in the 3% range — a strong trend by international standards. However, evidence suggests the Thai economy is mired in a prolonged malaise, which is attributed to the country's large business conglomerates' ability to gain political support, often at the expense of small and medium-sized enterprises (SMEs). Indicators released by Siam Commercial Bank show a strong decline in SME loan performance in 2019 compared to 2016. The rate of non-performing SME loans almost doubled over this period.

The Thai National Expert Survey (NES) results indicate the following areas for improvement in order to spur stronger entrepreneurial growth: access to finance, education in entrepreneurial capabilities, and better government policies for micro, small and medium-sized businesses.

Thailand has been emphasizing sustainable development for some time; it is an attitude that has taken hold in the country. This is demonstrated by the Sufficiency Economy Philosophy (SEP), conceived by His Majesty the Late King Bhumibol Adulyadej. SEP has been the core principle of the National Economic and Social Development Plan since 2002, with the country's current constitution having integrated SEP and sustainable development into its charter. The SEP development approach aligns with the 2030 UN Sustainable Development Goals (SDGs), and in 2016 the Thai cabinet declared the SEP as being crucial in meeting the country's SDGs.

GEM Thailand has been working with the government agency OSMEP (Office of Small and Medium Enterprise Promotion). The GEM Thailand results consistently show most of the country's businesses to have no or few employees. However, Thailand had no definition for micro-enterprises until, in 2019, OSMEP revised its definition of SMEs to allow the government to implement more supportive measures for micro-SMEs. This new definition includes manufacturing, services, and wholesale and retail enterprises employing no more than five workers and earning no more than 1.8 million baht (US\$60,000) in revenue annually. The Office intends to implement a project for micro-SMEs, while similar assistance is expected from related agencies.

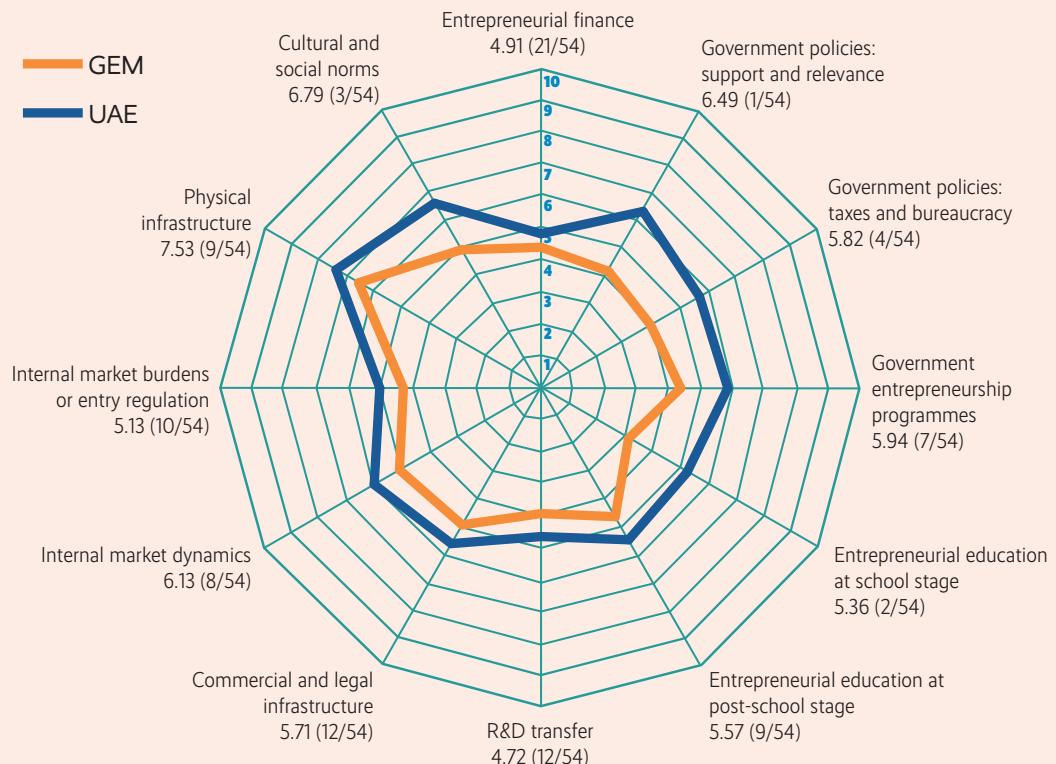


United Arab Emirates

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female TEA	% Male TEA	
10.4 million				Know someone who has started a new business	61.5	12		
GDP growth (2018, annual % change) (IMF)	1.7%			Good opportunities to start a business in my area	66.1	13	To make a difference 51.7 =16 55.9 50.4	
GDP per capita (2018; PPP, international \$) (IMF)	69.22 thousand			It is easy to start a business	66.1	12	Build great wealth 72.3 11 73.4 72.0	
World Bank Ease of Doing Business Rating (2019)	80.9/100 Rank: 16/190			Personally have the skills and knowledge	62.2	19	Continue family tradition 36.6 17 32.2 37.9	
				Fear of failure (opportunity)	41.7	29	To earn a living 64.9 24 71.4 62.8	
				Entrepreneurial intentions	38.5	10		
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
94.8/100	Rank: 17/190	% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
World Economic Forum Global Competitiveness Rank (2019)	25/141	Total early-stage Entrepreneurial Activity	16.4	11	12.6	18.0	Job expectations (6+)	10.8 2
		Established Business Ownership rate	7.0	=25	4.5	8.0	International (25%+ revenue)	4.0 =2
		Entrepreneurial Employee Activity	8.2	2	5.5	9.4	National scope (customers and products/process)	3.3 5
						Global scope (customers and products/process)	0.9 =6	
						Industry (% TEA in business services)	25.8 18	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In the UAE, several recent policies have improved the entrepreneurial sector. These include allowing 100% foreign-owned businesses to compete in specific sectors, offering extended visas for entrepreneurs and investors, attracting tech businesses to the UAE through tax and investment policies and providing additional funding and support for smaller businesses. More initiatives supporting the UAE ecosystem include Ghadan 21 (“Tomorrow 21”) in Abu Dhabi, as well as the recently formed Dubai Future Council on Entrepreneurship and Innovation Ecosystem. Finally, the government is leveraging Expo 2020, a major campaign promoting the UAE, to support SMEs and boost entrepreneurial activity.

The UAE is one of the world's biggest donors in support of the implementation of the UN Sustainable Development Goals (SDGs). Sustainability is at the core of the government's strategy to build a sustainable economy and well-being for its citizens and residents.

The UAE government has been using GEM indicators since 2017 as a benchmark for measuring entrepreneurial progress as part its broader National Agenda goals. Currently, the government is partnering with GEM Global to explore the possible launch of a GEM Comparative Index Accelerator Project.

Institution	Team	Funders	APS vendor	Contact
Lead institution United Arab Emirates University (UAEU)	Team leader Professor Nihel Chabrik	Khalifa Fund	Kantar	gemuae@uaeu.ac.ae
Type of institution University	Team members Dr Elif Bascavusoglu Dr Chafik Bouhaddiou			
Website https://www.uaeu.ac.ae/en		Dr Llewellyn D. W. Thomas		
Other institutions involved Dubai SME Al Tamimi & Co. Sandoq Al Watan Tawazun				



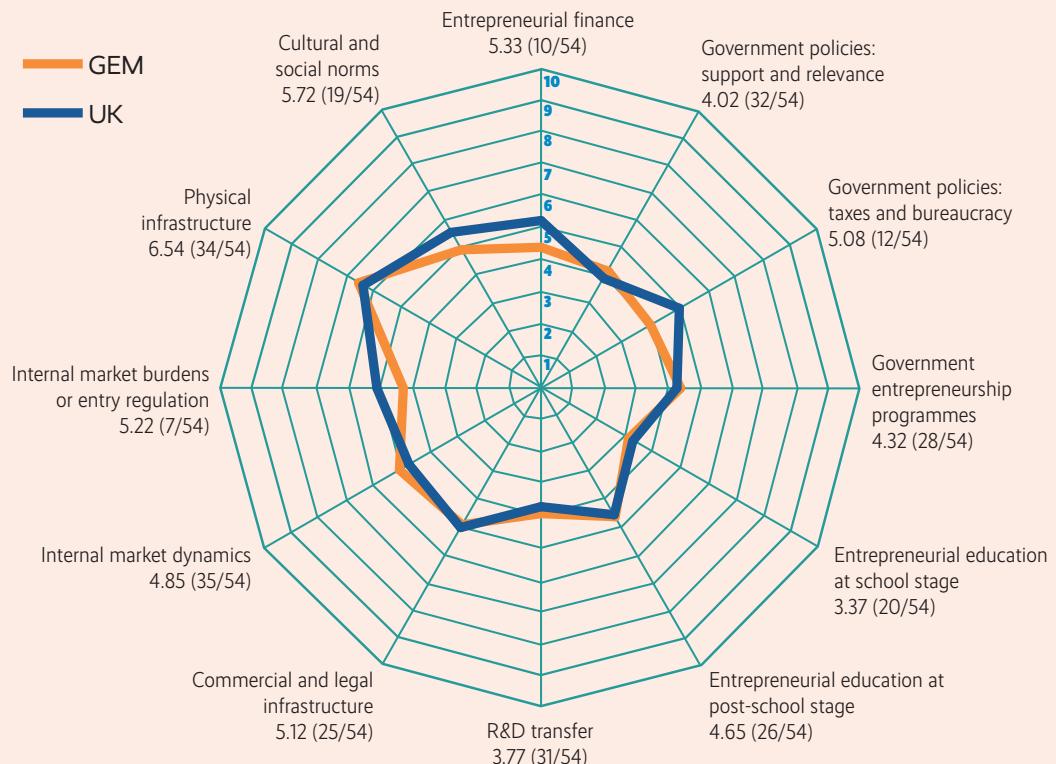


United Kingdom

Population (2019) (WEF)	Attitudes and perceptions			Motivational				
	% Adults	Rank/50	(somewhat or strongly agree)	% TEA	Rank/50	% Female TEA	% Male TEA	
66.5 million								
GDP growth (2018, annual % change) (IMF)	49.1	34	To make a difference	49.0	22	46.1	50.8	
1.4%	43.8	38	Build great wealth	51.6	29	44.3	55.9	
GDP per capita (2018; PPP, international \$) (IMF)	82.4	4	Continue family tradition	5.8	49	7.8	4.6	
45.74 thousand	55.2	32	To earn a living	64.4	25	69.5	61.3	
World Bank Ease of Doing Business Rating (2019)	44.5	22						
83.5/100	7.6	44						
Rank: 8/190								
World Bank Starting a Business Rating (2019)	Activity			Entrepreneurship impact				
94.6/100	% Adults	Rank/50	% Female	% Male	% Adults	Rank/50		
Rank: 18/190	Total early-stage Entrepreneurial Activity	9.3	=32	7.0	11.7	Job expectations (6+)	2.7	=24
World Economic Forum Global Competitiveness Rank (2019)	Established Business Ownership rate	8.2	20	3.4	13.0	International (25%+ revenue)	1.7	=16
9/141	Entrepreneurial Employee Activity	8.1	3	5.7	10.4	National scope (customers and products/process)	1.9	22
World Economic Forum Income Group Average (2019)						Global scope (customers and products/process)	0.5	=16
High						Industry (% TEA in business services)	35.5	3

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In the UK, there is a range of public and private sector initiatives at the national and local levels designed to boost entrepreneurship and business growth for future economic growth. This is a core component of the government's industrial strategy and is integrated into many aspects of policy, such as productivity, scaling firm growth and access to finance. The British Business Bank, set up in 2011, is a key government organization under the auspices of the Department for Business, Energy and Industrial Strategy, tasked with leading an increased awareness of available funding options for UK startups. It has emphasized making equity funds available outside London and the South East.

The effects of the Brexit vote in 2016 and the withdrawal negotiations thereafter have had a dampening effect on entrepreneurial attitudes, activity and aspiration in 2019. This is reflected in a range of data on startups and firm growth and obviously in the GEM data. The 2018 GEM data saw a dramatic fall in immigrant/ethnic minority entrepreneurial activity which was perhaps an early-warning signal of the negative effects of the UK's withdrawal from the EU.

The negotiations over the UK's future relationship with the EU will have a major bearing on what will be the policy priorities with respect to entrepreneurship. Immigrants have historically been a major driver of entrepreneurial activity in the UK. The potential stagnation of the UK economy in the short term might make the UK less attractive to these more mobile individuals.

There is now a major focus on women in business following the Rose Review of Female Entrepreneurship for government in March 2019. Additionally, youth entrepreneurship is currently subject to a government review. The scaling of existing businesses continues to be a major policy concern, particularly with overall levels of startups plateauing in 2019.

The UN Sustainable Development Goals (SDGs) are frequently discussed in the UK but rarely in the context of entrepreneurship. However, there are notable exceptions such as the 2019 Goldman Sachs 10,000 Small Businesses survey on "Business 2030". This survey highlighted the importance of "embracing digital" and "thinking green" among a group of business leaders of fast-growing firms in the UK.

GEM data have been used in many recent high-profile instances, including extensively by Alison Rose (CEO of NatWest Bank) in her review of female entrepreneurship, demonstrating yet again that GEM is the only robust source of data on women-led businesses in the UK. Additionally, a government youth entrepreneurship review undertaken by the Prince's Trust, to be published in early 2019, heavily cites GEM UK data. Finally, NatWest Ltd is now a core funder of the GEM UK project and the results are fed directly into the bank's strategic thinking and their development of startup initiatives.

Institution	Team	Funders	APS vendor	Contact
Lead institution Aston Business School, Aston University	Team leader Professor Mark Hart, PhD	Department of Business, Energy and Industrial Strategy (UK Government) (BEIS)	BMG Ltd, Birmingham, UK	w.ferris@aston.ac.uk mark.hart@aston.ac.uk
Type of institution University	Team members Dr Karen Bonner, PhD Dr Neha Prashar, PhD	Department for the Economy (Northern Ireland Government) (DfE) Welsh Government		
Website https://www2 aston.ac.uk	Professor Jonathan Levie, PhD	NatWest Bank Ltd		
Other institutions involved Queen's University Management School, Queen's University Belfast	Professor Tomasz Mickiewicz, PhD Professor Niels Bosma, PhD	Hunter Centre of Entrepreneurship, Strathclyde Business School		



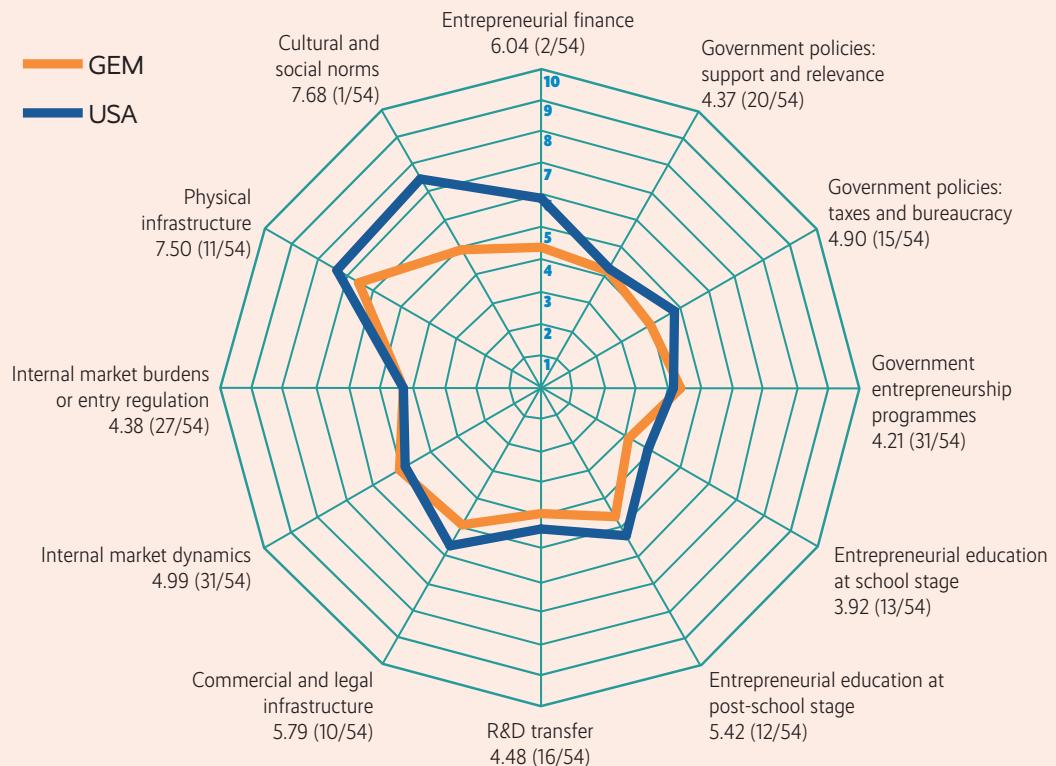


United States

Population (2019) (WEF)		Attitudes and perceptions			Motivational			
		% Adults	Rank/50	(somewhat or strongly agree)		% Female TEA	% Male TEA	
327.4 million				Know someone who has started a new business	60.9	13		
GDP growth (2018, annual % change) (IMF)	2.9%			Good opportunities to start a business in my area	67.2	11	To make a difference 66.4 7 70.5 62.5	
GDP per capita (2018; PPP, international \$) (IMF)	62.87 thousand			It is easy to start a business	71.2	8	Build great wealth 69.0 14 64.9 72.8	
World Bank Ease of Doing Business Rating (2019)	84.0/100 Rank: 6/190			Personally have the skills and knowledge	65.5	16	Continue family tradition 30.6 28 29.1 32.0	
				Fear of failure (opportunity)	35.1	=39	To earn a living 41.4 =40 45.2 37.8	
				Entrepreneurial intentions	13.7	32		
World Bank Starting a Business Rating (2019)		Activity			Entrepreneurship impact			
		% Adults	Rank/50	% Female	% Male	% Adults	Rank/50	
91.6/100		Total early-stage Entrepreneurial Activity	17.4	10	16.6	18.3	Job expectations (6+)	5.7 9
Rank: 55/190		Established Business Ownership rate	10.6	=14	9.3	11.9	International (25%+ revenue)	1.1 =24
World Economic Forum Global Competitiveness Rank (2019)	2/141	Entrepreneurial Employee Activity	6.5	7	4.8	8.1	National scope (customers and products/process)	2.6 9
						Global scope (customers and products/process)	1.0 =2	
						Industry (% TEA in business services)	32.0 8	

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Expert ratings of the entrepreneurial framework conditions



POLICY ROADMAP

In the US, government policies continued to be supportive of entrepreneurial activity. Previous years' tax cuts and ongoing deregulation at the federal level continue to encourage business growth and entrepreneurship. However, escalating tariffs and uncertain near-term trade policies complicate the otherwise strong business environment. These developments also increase business costs, making entrepreneurship less appealing.

GEM USA's 2019 results warrant further study in sustainability, focusing on the ways new companies can remain viable and grow. This is particularly true in the technology sector, where new technology can both improve existing entrepreneurship as well as by becoming a thriving sector in itself.

GEM USA continues to educate scholars and policymakers. In its reports and consulting, the GEM USA team regularly promotes the general principle of decreasing regulatory red tape and administrative costs.

Institution	Team	Funders	APS vendor	Contact
Lead institution Babson College	Team leader Professor Julian Lange, PhD	Babson College	Qualtrix	langej@babson.edu dscibeck@babson.edu
Type of institution Business School	Team members Professor Candida Brush, PhD Professor Andrew Corbett, PhD Professor Donna Kelley, PhD Professor Phillip Kim, PhD Associate Professor Mahdi Majbouri, PhD Assistant Professor Sid Vedula, PhD Doug Scibeck, MA, MSc			
Website https://www.babson.edu				

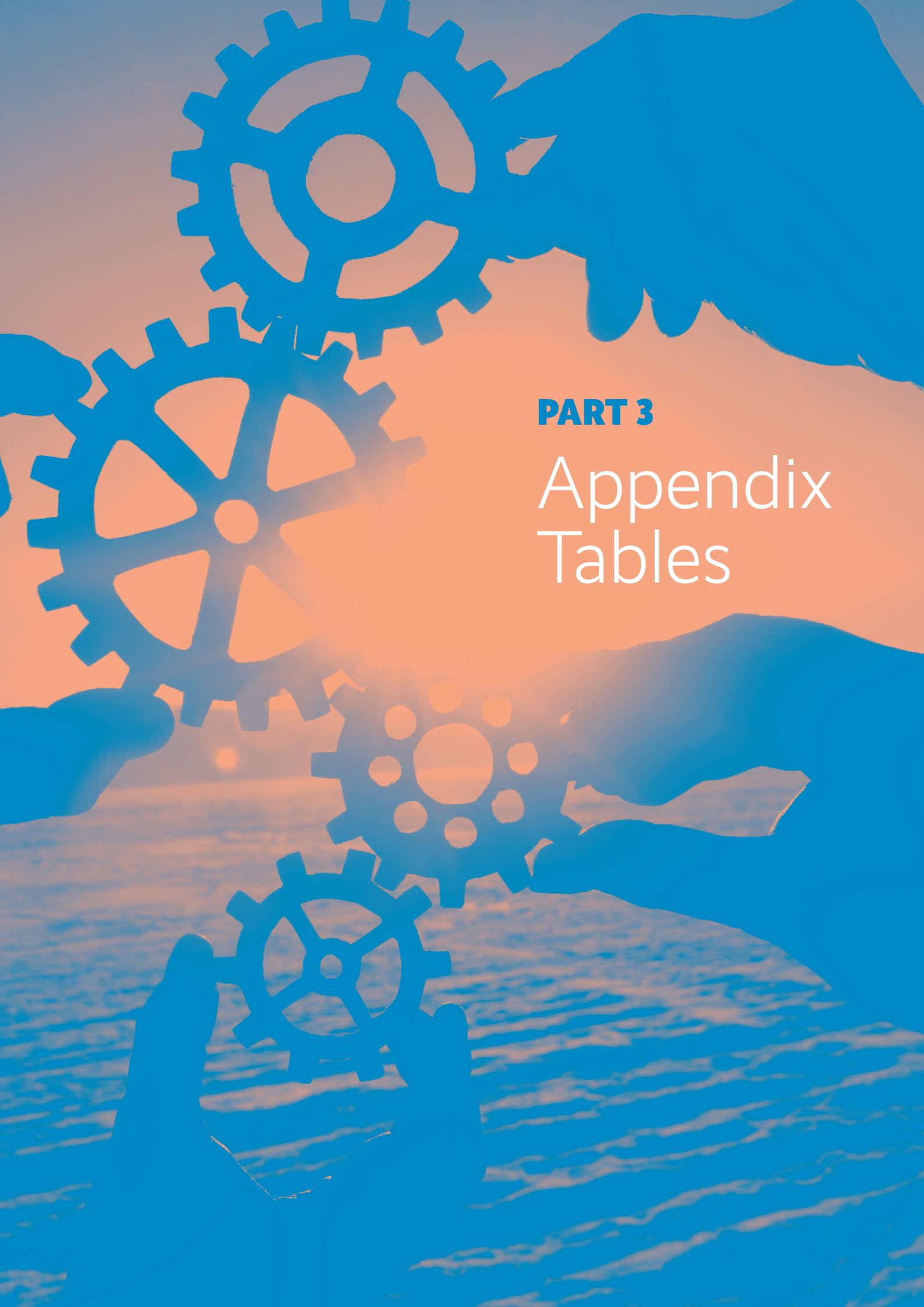


BABSON

SOURCES FOR DATA ON THE ECONOMIES

- Population data. World Economic Forum (WEF):
http://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf
- GDP growth. International Monetary Fund (IMF):
https://www.imf.org/external/datamapper/NGDP_RPCH@WEO/OEMDC/ADVEC/WEOWORLD
- GDP per capita. International Monetary Fund (IMF):
<https://www.imf.org/external/datamapper/PPPPC@WEO/OEMDC/ADVEC/WEOWORLD/ARG>
- World Bank Ease of Doing Business Rating:
<https://openknowledge.worldbank.org/bitstream/handle/10986/32436/9781464814402.pdf>
- World Bank Starting a Business Rating:
<https://www.doingbusiness.org/en/data/exploretopics/starting-a-business>
- World Economic Forum Global Competitiveness Rank:
http://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf
- World Economic Forum Income Group Average:
http://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf

All accessed January 2020

The background of the page features a stylized illustration of a ship's steering wheel and several interlocking gears. The entire scene is set against a warm, orange and yellow sunset or sunrise sky. The water in the foreground is depicted with soft, blue-tinted ripples.

PART 3

Appendix Tables

List of GEM Indicators

Knowing a Startup Entrepreneur	Percentage of the 18–64 population who personally know someone who has started a business in the past two years.
Perceived Opportunities	Percentage of the 18–64 population who agree that they see good opportunities to start a business in the area where they live.
Ease of Starting a Business	Percentage of the 18–64 population who agree that it is easy to start a business in their country.
Perceived Capabilities	Percentage of the 18–64 population who agree that they have the required knowledge, skills and experience to start a business.
Fear of Failure Rate	Percentage of the 18–64 population who agree that they see good opportunities but would not start a business for fear it might fail.
Opportunism	Percentage of the 18–64 population who agree that they rarely see business opportunities.
Proactivity	Percentage of the 18–64 population who agree that even when they spot a profitable opportunity, they rarely act on it.
Innovative Capacity	Percentage of the 18–64 population who agree that other people think they are highly innovative.
Vision	Percentage of the 18–64 population who agree that every decision they make is part of their long-term career plan.
Nascent Entrepreneurship Rate	Percentage of the 18–64 population who are currently nascent entrepreneurs, i.e. actively involved in setting up a business they will own or co-own; this business has not yet paid salaries, wages, or any other payments to the owners for more than three months.
New Business Ownership Rate	Percentage of the 18–64 population who are currently owner-manager of a new business, i.e. who own and manage a running business that has paid salaries, wages, or any other payments to the owners for more than three months, but not more than 42 months.
Total early-stage Entrepreneurial Activity (TEA)	Percentage of the 18–64 population who are either a nascent entrepreneur or are owner-manager of a new business, i.e. the proportion of the adult population who are either starting or running a new business.
Established Business Ownership Rate (EBO)	Percentage of the 18–64 population who are currently owner-manager of an established business, i.e. who are owning and managing a running business that has paid salaries, wages, or any other payments to the owners for more than 42 months.
Business Services	Percentage of TEA respondents involved in business services.
Consumer Services	Percentage of TEA respondents involved in consumer services.

Entrepreneurial Employee Activity (EEA)	Percentage of the 18–64 population who, as employees, have been involved in entrepreneurial activities such as developing or launching new goods or services, or setting up a new business unit, a new establishment, or a subsidiary, in the last three years.
Sponsored	Percentage of the 18–64 population who are involved in TEA and the business is part-owned with their employer.
Independent	Percentage of 18–64 population who are involved in TEA with an independent business.
Motive for Starting business: To make a difference in the world	Percentage of TEA who agree that a reason for starting their business is “to make a difference in the world”.
Motive for Starting business: To build great wealth or very high income	Percentage TEA who agree that a reason for starting their business is “to build great wealth or a very high income”.
Motive for Starting business: To continue Family tradition	Percentage of TEA who agree that a reason for starting their business is “to continue a family tradition”.
Motive for Starting business: To earn a living because jobs are scarce	Percentage of TEA who agree that a reason for starting their business is “to earn a living because jobs are scarce”.
Growth Expectation Entrepreneurial Activity	Percentage the 18–64 population involved in TEA who expect to employ a particular additional number of employees five years from now.
International Oriented Entrepreneurial Activity	Percentage of the 18–64 population involved in TEA who anticipate 25% or more revenue coming from outside their country.
Scope (local/national/international)	Percentage of the 18–64 population involved in TEA having customers only within their local area, only within their country, or those having international customers.
Product/Services Impact (local/national/global)	Percentage the 18–64 population involved in TEA having products or services that are either new to the area, new to their country, or new to the world.
Technology/Procedures Impact (local/national/global)	Percentage of the 18–64 population involved in TEA having technology or procedures that are either new to the area, new to their country or new to the world.
Informal Investment	Percentage of the 18–64 population investing in someone else’s new business in the last three years.
Business Exit Rate	Percentage of the 18–64 population who have exited a business in the past 12 months, either by selling, shutting down or otherwise discontinuing an owner/management relationship with that business.
Exit, Business Continues	Percentage of the 18–64 population who have exited a business in the past 12 months and that business has continued.
Exit, Business Does Not Continue	Percentage of the 18–64 population who have exited a business in the past 12 months and that business has not continued.

Table A1. Entrepreneurial activity, GEM 2019: percentage of population aged 18–64

An equals sign (=) indicates that the ranking position is tied with another economy or economies

Region	Average income level	Nascent entrepreneurship rate	
		Score	Rank/50
Armenia	Middle	14.1	5
Australia	High	5.8	30
Belarus	Middle	3.0	46
Brazil	Middle	8.1	19
Canada	High	10.8	10
Chile	High	26.9	=1
China	Middle	5.3	=34
Colombia	Middle	15.3	4
Croatia	High	7.0	25
Cyprus	High	7.9	20
Ecuador	Middle	26.9	=1
Egypt	Low	5.0	37
Germany	High	5.3	=34
Greece	High	4.6	=39
Guatemala	Middle	11.2	8
India	Low	9.4	14
Iran	Middle	6.9	=26
Ireland	High	8.4	=17
Israel	High	8.8	16
Italy	High	1.2	49
Japan	High	3.3	45
Jordan	Middle	5.7	31
Latvia	High	10.5	11
Luxembourg	High	7.2	23
Madagascar	Low	8.4	=17
Mexico	Middle	9.8	=12
Morocco	Low	7.3	=21
Netherlands	High	5.6	32
North Macedonia	Middle	2.1	48
Norway	High	4.9	38
Oman	High	3.9	42
Pakistan	Low	1.1	50

New business ownership rate		Early-stage Entrepreneurial Activity (TEA)		Established Business Ownership (EBO) rate		Employee Entrepreneurial Activity (EEA)	
Score	Rank/50	Score	Rank/50	Score	Rank/50	Score	Rank/50
7.4	10	21.0	7	7.8	23	0.6	=38
5.1	17	10.5	=27	6.5	29	8.3	1
2.8	43	5.8	46	2.7	46	0.5	=42
15.8	1	23.3	4	16.2	2	0.6	=38
8.0	8	18.2	9	7.4	24	5.4	=13
11.0	4	36.7	1	10.6	=14	3.6	=18
3.6	=33	8.7	35	9.3	18	0.2	=47
7.3	11	22.3	6	4.3	42	0.9	35
3.5	=36	10.5	=27	3.6	43	5.9	11
4.6	21	12.2	23	10.1	17	6.2	9
10.8	5	36.2	2	14.7	4	1.3	33
1.8	=48	6.7	43	1.5	49	0.2	=47
2.6	44	7.6	41	5.2	35	6.3	8
3.8	=29	8.2	39	14.3	5	1.9	=26
14.6	2	25.1	3	14.8	3	1.4	=31
5.9	=14	15.0	13	11.9	10	0.2	=47
4.1	=27	10.7	26	10.2	16	2.0	25
4.3	=23	12.4	22	6.6	=27	7.5	4
4.2	=25	12.7	21	5.5	33	5.8	12
1.6	50	2.8	50	4.7	=38	0.7	=36
2.1	47	5.4	=47	7.0	=25	1.9	=26
3.5	=36	9.1	34	6.6	=27	0.7	=36
5.3	16	15.4	12	12.9	7	4.3	16
3.4	=38	10.2	30	4.7	=38	6.7	6
11.4	3	19.5	8	20.2	1	0.6	=38
3.4	=38	13.0	19	1.8	48	0.2	=47
4.4	22	11.4	24	7.9	22	0.3	46
4.8	=19	10.4	29	10.8	13	6.0	10
4.3	=23	6.2	=44	8.0	21	1.6	30
3.6	=33	8.4	=36	5.6	32	2.6	22
3.1	=41	6.9	42	2.0	47	1.2	34
2.5	45	3.7	49	4.7	=38	0.5	=42

Table A1 (continued)

Region	Average income level	Nascent entrepreneurship rate	
		Score	Rank/50
Panama	Latin America & Caribbean	High	15.5 3
Poland	Europe & North America	High	3.6 =43
Portugal	Europe & North America	High	6.9 =26
Puerto Rico	Latin America & Caribbean	High	11.3 7
Qatar	Middle East & Africa	High	10.9 9
Republic of Korea	Asia & Pacific	High	7.1 24
Russian Federation	Europe & North America	Middle	4.6 =39
Saudi Arabia	Middle East & Africa	High	5.4 33
Slovak Republic	Europe & North America	High	9.2 15
Slovenia	Europe & North America	High	4.4 41
South Africa	Middle East & Africa	Middle	7.3 =21
Spain	Europe & North America	High	2.4 47
Sweden	Europe & North America	High	5.1 36
Switzerland	Europe & North America	High	6.2 29
Taiwan	Asia & Pacific	High	3.6 =43
United Arab Emirates	Middle East & Africa	High	9.8 =12
United Kingdom	Europe & North America	High	6.5 28
United States	Europe & North America	High	11.8 6

New business ownership rate		Early-stage Entrepreneurial Activity (TEA)		Established Business Ownership (EBO) rate		Employee Entrepreneurial Activity (EEA)	
Score	Rank/50	Score	Rank/50	Score	Rank/50	Score	Rank/50
7.5	9	22.7	5	4.7	=38	0.4	=44
1.8	=48	5.4	=47	12.8	=8	1.7	=28
6.0	13	12.9	20	11.0	12	4.1	17
2.2	46	13.4	17	1.3	50	2.1	24
4.1	=27	14.7	15	3.0	45	3.6	=18
8.2	7	14.9	14	13.0	6	1.4	=31
4.8	=19	9.3	=32	5.1	36	0.6	=38
8.6	6	14.0	16	5.4	34	3.2	20
4.2	=25	13.3	18	5.9	31	3.1	21
3.6	=33	7.8	40	8.5	19	7.0	5
3.7	=31	10.8	25	3.5	44	0.4	=44
3.8	=29	6.2	=44	6.3	30	1.7	=28
3.3	40	8.3	38	4.9	37	5.2	15
3.7	=31	9.8	31	11.6	11	5.4	=13
4.9	18	8.4	=36	12.8	=8	2.3	23
7.1	12	16.4	11	7.0	=25	8.2	2
3.1	=41	9.3	=32	8.2	20	8.1	3
5.9	=14	17.4	10	10.6	=14	6.5	7

Table A2. Attitudes and perceptions, GEM 2019: percentage of population aged 18–64

An equals sign (=) indicates that the ranking position is tied with another economy or economies

	Personally know an entrepreneur		Perceived opportunities		Perceived ease of starting a business		Perceived capabilities	
	Score	Rank/50	Score	Rank/50	Score	Rank/50	Score	Rank/50
Armenia	55.6	20	53.9	22	49.2	24	70.0	12
Australia	55.9	18	45.7	36	66.8	10	56.0	30
Belarus	50.4	32	29.5	49	35.9	38	42.3	44
Brazil	51.6	27	46.4	34	39.4	30	62.0	20
Canada	55.1	=22	67.1	12	68.0	9	56.8	28
Chile	71.0	4	47.6	=30	32.9	41	75.5	=5
China	66.2	=7	74.9	5	36.2	35	67.4	14
Colombia	66.5	6	46.7	33	36.0	37	72.4	9
Croatia	66.2	=7	55.7	21	33.8	40	71.2	10
Cyprus	56.0	17	38.5	44	38.2	32	58.2	25
Ecuador	59.2	15	55.9	20	55.3	19	78.3	3
Egypt	52.0	26	73.5	7	64.0	14	67.3	15
Germany	46.4	=37	52.2	25	47.6	25	45.8	42
Greece	30.1	48	49.9	28	46.9	26	51.6	35
Guatemala	68.4	5	67.3	10	46.6	27	77.4	4
India	64.4	10	83.1	2	80.0	5	85.2	1
Iran	55.1	=21	47.7	29	30.1	45	68.9	13
Ireland	55.8	19	50.2	27	41.8	28	42.0	=45
Israel	72.6	2	46.0	35	21.6	50	43.3	43
Italy	44.8	=42	45.1	37	74.6	7	48.1	41
Japan	17.1	50	10.6	50	24.3	49	14.0	50
Jordan	46.5	36	40.6	42	35.1	39	61.7	21
Latvia	47.0	35	35.6	47	31.8	43	57.0	27
Luxembourg	46.4	=37	58.0	18	60.5	16	48.5	40
Madagascar	51.0	30	46.8	32	38.0	33	73.5	7
Mexico	46.4	=37	62.8	15	50.9	23	70.7	11
Morocco	51.2	29	57.7	19	27.0	46	62.4	18
Netherlands	51.5	28	64.6	14	84.1	3	41.9	47
North Macedonia	52.4	25	50.5	26	37.2	34	60.9	23
Norway	43.3	44	69.5	9	87.4	2	31.5	49
Oman	71.1	3	72.3	8	54.7	20	56.3	29

Fear of failure, % of 18–64 seeing opportunities		Rarely see business opportunities		Even when you spot a profitable opportunity, you rarely act on it		Other people think you are highly innovative		Every decision you make is part of your long-term career plan	
Score	Rank/50	Score	Rank/50	Score	Rank/50	Score	Rank/50	Score	Rank/50
48.2	=10	58.4	10	59.4	=11	71.9	3	67.4	22
47.4	13	38.6	41	63.7	6	52.2	27	65.0	=25
38.0	35	39.3	=39	49.1	35	48.0	36	32.7	48
35.6	38	58.0	12	54.6	25	63.7	14	85.4	2
47.2	=14	39.4	38	59.4	=11	51.5	=29	58.0	33
58.1	2	46.4	27	47.7	38	61.5	17	77.6	8
44.7	21	50.1	23	48.2	36	48.5	35	69.9	19
32.7	42	45.5	=30	44.6	43	74.4	1	79.2	6
50.7	8	53.9	16	56.7	20	47.2	=37	65.6	24
36.4	36	32.6	47	33.2	48	45.9	39	57.3	34
35.1	=39	45.9	=28	45.1	41	60.4	20	67.2	23
54.8	4	67.8	4	71.0	2	63.6	15	80.5	4
29.7	46	45.9	=28	47.8	37	49.7	33	48.6	41
40.6	33	66.0	6	51.2	33	48.6	34	77.2	9
39.6	34	63.0	7	77.0	1	73.0	2	94.5	1
62.4	1	71.6	2	66.2	4	70.3	5	77.8	7
36.2	37	48.6	25	46.1	39	66.6	8	63.4	28
31.4	43	36.7	42	25.5	50	22.4	49	23.4	50
55.4	3	42.2	37	57.7	19	62.1	16	48.9	39
27.6	47	25.0	50	27.9	49	24.4	48	26.1	49
43.5	24	42.9	35	50.4	34	16.8	50	37.1	=45
54.4	5	67.6	5	59.4	=11	63.8	13	69.6	20
46.6	16	51.2	19	58.3	17	52.0	28	61.3	30
45.7	18	45.1	32	58.9	=14	38.6	43	60.9	31
41.0	30	68.7	3	65.0	5	55.5	25	82.6	3
47.7	12	55.0	14	54.0	28	60.6	19	65.0	=25
42.5	26	71.7	1	44.0	44	56.2	24	71.6	16
27.1	48	28.5	49	42.7	45	43.4	41	41.3	43
47.2	=14	56.2	13	62.8	7	67.7	7	75.8	=11
30.2	45	36.0	43	70.2	3	26.7	46	45.8	42
40.8	=31	51.0	20	54.8	24	56.9	23	70.2	18

Table A2 (continued)

	Personally know an entrepreneur		Perceived opportunities		Perceived ease of starting a business		Perceived capabilities	
	Score	Rank/50	Score	Rank/50	Score	Rank/50	Score	Rank/50
Pakistan	44.8	=42	62.3	16	56.4	18	63.0	17
Panama	45.4	41	53.4	24	57.2	17	72.9	8
Poland	50.3	33	87.3	1	90.2	1	50.4	38
Portugal	50.7	31	53.5	23	41.1	29	61.4	22
Puerto Rico	45.7	40	39.4	43	26.5	47	55.7	31
Qatar	62.4	11	75.6	4	66.6	11	75.5	=5
Republic of Korea	37.1	46	42.9	39	32.4	42	51.7	34
Russian Federation	57.2	16	29.6	48	31.4	44	35.6	48
Saudi Arabia	82.6	1	73.8	6	52.9	22	83.0	2
Slovak Republic	65.2	9	36.0	46	25.2	48	53.1	33
Slovenia	60.4	14	47.6	=30	54.3	21	57.5	26
South Africa	28.3	49	60.4	17	63.0	15	60.4	24
Spain	42.1	45	36.1	45	38.5	31	50.8	36
Sweden	54.6	24	79.8	3	78.3	6	50.7	37
Switzerland	54.7	23	40.7	41	64.5	13	49.2	39
Taiwan	35.6	47	41.2	40	36.1	36	42.0	=45
United Arab Emirates	61.5	12	66.1	13	66.1	12	62.2	19
United Kingdom	49.1	34	43.8	38	82.4	4	55.2	32
United States	60.9	13	67.2	11	71.2	8	65.5	16

Fear of failure, % of 18–64 seeing opportunities		Rarely see business opportunities		Even when you spot a profitable opportunity, you rarely act on it		Other people think you are highly innovative		Every decision you make is part of your long-term career plan	
Score	Rank/50	Score	Rank/50	Score	Rank/50	Score	Rank/50	Score	Rank/50
54.2	6	58.3	11	61.0	=9	64.6	11	69.0	21
40.8	=31	59.6	9	58.7	16	71.5	4	75.8	=11
45.9	17	45.5	=30	51.8	31	51.5	=29	48.8	40
52.6	7	51.3	=17	56.5	22	57.0	22	77.1	10
33.2	41	51.3	=17	45.4	40	66.2	10	74.2	14
45.2	=19	50.2	22	53.9	29	66.5	9	79.4	5
7.1	50	60.4	8	52.0	30	26.5	47	50.6	37
45.2	=19	42.3	36	51.3	32	30.2	44	36.7	47
41.8	28	43.4	34	44.9	42	63.9	12	54.3	36
43.7	23	49.5	24	58.9	=14	41.8	42	60.0	32
42.2	27	44.0	33	61.0	=9	58.6	21	64.3	27
49.8	9	54.9	15	58.0	18	55.0	26	74.1	15
48.2	=10	50.9	21	56.3	23	50.9	31	62.1	29
42.9	25	30.6	48	56.6	21	47.2	=37	37.1	=45
23.9	49	33.1	46	39.4	46	44.9	40	38.2	44
31.0	44	35.6	44	38.6	47	28.8	45	50.0	38
41.7	29	47.6	26	54.5	26	60.9	18	74.8	13
44.5	22	39.3	=39	61.3	8	50.3	32	54.9	35
35.1	=39	35.2	45	54.1	27	69.9	6	70.3	17

Table A3. Gender, sponsorship and informal investment, GEM 2019

An equals sign (=) indicates that the ranking position is tied with another economy or economies

	Male TEA, % of adult male population		Female TEA, % of adult female population		Early-stage entrepreneur with sponsored business (part-owned with employer), % of adult population	
	Score	Rank/50	Score	Rank/50	Score	Rank/50
Armenia	26.0	=4	16.6	=8	5.4	=16
Australia	12.3	=27	8.8	26	2.5	=39
Belarus	6.4	46	5.2	43	1.7	=42
Brazil	23.5	7	23.1	3	1.3	=45
Canada	21.4	8	15.1	10	9.4	4
Chile	41.1	1	32.4	2	13.6	1
China	9.4	40	7.9	31	5.1	=19
Colombia	23.8	6	20.9	5	6.0	=12
Croatia	13.0	26	8.0	30	6.0	=12
Cyprus	15.6	18	8.9	25	2.6	38
Ecuador	38.8	2	33.6	1	7.3	8
Egypt	9.2	41	4.1	46	4.9	=22
Germany	9.5	39	5.7	41	2.5	=39
Greece	8.8	43	7.6	33	3.2	=33
Guatemala	28.0	3	22.4	4	2.3	41
India	17.1	14	12.7	13	11.6	3
Iran	13.1	25	8.2	29	4.2	26
Ireland	15.9	17	9.0	24	5.1	=19
Israel	15.1	=20	10.4	19	4.9	=22
Italy	3.5	50	2.1	49	0.5	50
Japan	7.8	45	2.9	48	3.3	=31
Jordan	11.4	=33	6.8	=36	4.5	25
Latvia	19.6	9	11.3	18	3.6	=29
Luxembourg	12.0	29	8.3	28	3.2	=33
Madagascar	19.3	10	19.6	6	5.9	15
Mexico	13.6	23	12.4	15	7.9	6
Morocco	15.1	=20	7.8	32	7.4	7
Netherlands	11.5	=31	9.2	23	1.4	44
North Macedonia	9.0	42	3.3	47	3.6	=29
Norway	11.5	=31	5.1	=44	0.9	49
Oman	8.1	44	5.8	=39	6.8	9

Early-stage entrepreneur with independent business, % of adult population		Informal investment, % of adult population		Median amount invested (US\$) by those investing in someone else's startup and saying how much	
Score	Rank/50	Score	Rank/50	US\$	Rank/50
15.6	6	4.4	24	\$2,093	34
8.0	20	4.7	=19	\$6,913	16
4.1	=39	1.0	49	\$2,182	31
22.0	4	3.2	=31	\$1,278	39
8.8	=15	5.4	=15	\$7,533	13
23.1	2	20.9	1	\$2,156	32
3.6	42	6.1	=8	\$7,225	15
16.2	5	7.7	7	\$911	42
4.5	38	2.4	37	\$454	47
9.6	12	3.9	=27	\$19,050	3
28.9	1	5.5	14	\$1,500	38
1.8	49	2.8	36	\$598	44
5.1	=32	4.6	=21	\$7,284	14
5.1	=32	4.7	=19	\$11,206	=7
22.8	3	14.9	2	\$521	46
3.4	43	3.0	=33	\$574	45
6.5	=26	5.4	=15	\$720	43
7.3	24	4.2	25	\$5,603	=22
7.8	22	2.1	=39	\$5,618	21
2.3	47	0.4	50	\$16,809	4
2.0	48	1.8	=42	\$4,625	27
4.6	37	5.6	=12	\$2,116	33
11.9	8	3.9	=27	\$3,362	29
7.0	25	6.1	=8	\$11,206	=7
13.6	7	1.8	=42	\$104	50
5.1	=32	1.4	=46	\$1,038	40
4.0	41	2.9	35	\$2,600	30
9.0	13	3.7	30	\$5,603	=22
2.5	=45	1.7	45	\$1,822	36
7.4	23	4.5	23	\$5,726	20
0.1	50	10.4	4	\$5,195	25

Table A3 (continued)

	Male TEA, % of adult male population		Female TEA, % of adult female population		Early-stage entrepreneur with sponsored business (part-owned with employer), % of adult population	
	Score	Rank/50	Score	Rank/50	Score	Rank/50
Pakistan	5.5	49	1.7	50	1.2	=47
Panama	26.0	=4	19.3	7	12.6	2
Poland	5.7	48	5.1	=44	1.3	=45
Portugal	16.1	16	9.9	22	4.0	27
Puerto Rico	15.5	19	11.5	16	5.0	21
Qatar	14.7	22	14.7	=11	6.0	=12
Republic of Korea	18.3	=11	11.4	17	6.1	11
Russian Federation	10.2	36	8.6	27	2.9	37
Saudi Arabia	13.4	24	14.7	=11	3.1	36
Slovak Republic	16.4	15	10.2	=20	5.2	18
Slovenia	9.9	38	5.6	42	1.7	=42
South Africa	11.4	=33	10.2	=20	4.9	=22
Spain	6.3	47	6.0	38	1.2	=47
Sweden	10.6	35	5.8	=39	3.3	=31
Switzerland	12.3	=27	7.3	34	3.9	28
Taiwan	10.0	37	6.8	=36	5.4	=16
United Arab Emirates	18.0	13	12.6	14	8.5	5
United Kingdom	11.7	30	7.0	35	3.2	=33
United States	18.3	=11	16.6	=8	6.4	10

Early-stage entrepreneur with independent business, % of adult population		Informal investment, % of adult population		Median amount invested (US\$) by those investing in someone else's startup and saying how much	
Score	Rank/50	Score	Rank/50	US\$	Rank/50
2.5	=45	1.8	=42	\$453	48
10.1	11	5.9	11	\$1,000	41
4.1	=39	3.0	=33	\$5,224	24
8.9	14	1.9	41	\$8,404	11
8.4	18	1.4	=46	\$1,750	37
8.7	17	9.6	5	\$13,733	6
8.8	=15	2.1	=39	\$21,081	1
6.5	=26	4.6	=21	\$1,860	35
10.9	10	14.3	3	\$7,999	12
8.1	19	4.9	18	\$6,723	=17
6.1	29	4.1	26	\$8,965	10
5.8	31	1.4	=46	\$344	49
4.9	36	2.3	38	\$6,723	=17
5.0	35	5.6	=12	\$4,205	28
5.9	30	8.9	6	\$20,176	2
3.0	44	3.8	29	\$16,006	5
7.9	21	5.2	17	\$9,529	9
6.2	28	3.2	=31	\$6,272	19
11.0	9	6.0	10	\$5,000	26

Table A4. The age profile of new entrepreneurs and business exits, GEM 2019: percentage of population aged 18–64

An equals sign (=) indicates that the ranking position is tied with another economy or economies

	Age profile of Total early-stage Entrepreneurial Activity, % of adult population					Exited a business in past year, % of adult population	
	18–24	25–34	35–44	45–54	55–64	Score	Rank/50
	Score	Score	Score	Score	Score	Score	Rank/50
Armenia	18.4	30.2	20.4	16.3	15.0	6.4	13
Australia	5.5	13.4	13.5	10.0	8.0	4.5	24
Belarus	6.5	12.3	5.1	3.8	1.1	1.7	47
Brazil	24.3	26.1	26.7	22.6	12.4	6.1	14
Canada	25.7	29.9	19.1	12.5	7.4	8.4	8
Chile	31.6	40.0	43.7	35.2	30.0	8.3	9
China	10.6	13.1	9.9	7.4	2.8	7.5	10
Colombia	25.0	27.1	21.7	21.4	13.7	5.6	16
Croatia	13.5	18.0	13.6	5.7	3.2	3.6	29
Cyprus	10.6	16.8	13.9	9.0	8.3	2.6	=41
Ecuador	30.6	41.9	41.3	32.1	29.9	9.2	4
Egypt	7.9	7.8	7.1	4.8	1.9	8.6	7
Germany	10.1	11.8	7.3	6.3	4.4	3.4	=31
Greece	13.2	6.3	6.5	9.9	6.7	2.5	44
Guatemala	22.3	32.7	27.0	18.0	13.1	6.0	15
India	14.6	16.9	15.3	11.9	14.7	5.0	=19
Iran	9.6	15.4	11.1	7.4	3.2	7.0	11
Ireland	14.2	14.9	12.6	11.6	8.6	4.1	26
Israel	9.3	16.2	13.8	12.8	9.2	5.3	17
Italy	1.9	7.6	2.7	1.8	0.7	0.8	50
Japan	4.1	7.1	8.0	4.6	2.6	1.1	49
Jordan	5.3	10.4	12.6	8.7	7.8	10.5	3
Latvia	18.9	22.5	19.9	12.2	5.1	3.5	30
Luxembourg	7.8	13.4	11.4	12.1	4.0	4.7	23
Madagascar	21.2	21.4	21.1	14.4	12.7	3.4	=31
Mexico	12.2	14.1	14.3	12.7	9.3	4.3	25
Morocco	6.5	15.7	15.7	13.4	4.2	2.8	39
Netherlands	14.2	15.6	11.6	6.7	6.0	2.6	=41
North Macedonia	7.0	7.6	7.0	5.5	3.7	3.8	28
Norway	8.6	9.1	9.2	8.7	6.0	2.6	=41
Oman	7.2	8.1	6.9	5.6	3.2	15.5	1

Exited a business in past year, business continued, % of adult population		Exited a business in past year, business did not continue, % of adult population		Reason for exit, % of business exits	
Score	Rank/50	Score	Rank/50	Positive	Negative
2.1	=11	4.3	=12	0.8	5.6
1.3	=28	3.2	20	1.2	3.3
0.3	=49	1.4	=43	0.2	1.5
1.4	=24	4.8	10	1.0	5.1
4.7	2	3.6	18	3.3	5.0
1.8	=15	6.6	=4	1.2	7.2
3.4	=5	4.0	16	1.7	5.8
1.4	=24	4.2	=14	0.9	4.7
1.6	=19	2.0	=36	1.1	2.6
1.1	34	1.5	=41	0.4	2.2
3.4	=5	5.9	6	1.3	7.9
1.6	=19	7.0	3	1.2	7.4
1.2	=31	2.2	35	0.6	2.8
0.5	=44	2.0	=36	0.6	1.9
1.7	=17	4.3	=12	0.7	5.2
2.1	=11	2.9	=22	1.6	3.4
1.7	=17	5.2	8	0.9	6.1
1.5	=22	2.5	=28	1.1	2.9
1.5	=22	3.8	17	1.6	3.7
0.3	=49	0.5	50	0.3	0.5
0.5	=44	0.6	49	0.2	0.9
2.1	=11	8.3	2	0.6	9.9
0.8	39	2.8	24	0.8	2.7
2.3	9	2.3	=33	1.8	2.9
0.7	=40	2.6	=26	0.8	3.0
1.2	=31	3.1	21	0.4	3.0
0.4	=47	2.4	=30	0.9	3.4
1.0	35	1.6	40	0.2	2.6
1.2	=31	2.6	=26	1.0	1.6
0.7	=40	1.9	=38	1.1	1.5
4.0	3	11.5	1	2.7	12.8

Table A4 (continued)

	Age profile of Total early-stage Entrepreneurial Activity, % of adult population					Exited a business in past year, % of adult population	
	18–24	25–34	35–44	45–54	55–64		
	Score	Score	Score	Score	Score	Score	Rank/50
Pakistan	4.2	3.5	3.3	4.7	1.6	4.9	=21
Panama	22.7	23.7	24.0	23.7	17.1	6.5	12
Poland	3.0	11.1	5.2	3.7	2.3	3.2	35
Portugal	16.7	18.7	14.2	9.4	6.8	3.0	=37
Puerto Rico	16.1	18.9	17.7	9.5	5.0	2.2	45
Qatar	8.2	15.3	15.3	17.3	19.1	9.1	5
Republic of Korea	4.3	13.4	19.3	15.1	17.9	3.1	36
Russian Federation	13.1	15.0	10.3	5.2	3.6	3.4	=31
Saudi Arabia	9.0	11.6	18.5	16.0	10.0	8.9	6
Slovak Republic	18.6	18.9	15.9	9.7	4.7	4.0	27
Slovenia	3.6	13.8	9.5	8.6	2.1	1.9	46
South Africa	8.4	12.6	9.2	14.3	8.5	4.9	=21
Spain	5.0	8.5	6.9	5.7	4.2	1.6	48
Sweden	13.2	10.8	8.3	5.9	4.4	5.0	=19
Switzerland	12.1	10.8	9.9	9.1	7.8	3.0	=37
Taiwan	6.3	11.7	10.9	7.4	4.8	2.7	40
United Arab Emirates	12.4	16.1	19.8	15.9	11.3	10.6	2
United Kingdom	12.2	10.0	10.9	9.8	4.2	3.4	=31
United States	15.8	22.1	22.1	13.3	13.4	5.1	18

Exited a business in past year, business continued, % of adult population		Exited a business in past year, business did not continue, % of adult population		Reason for exit, % of business exits	
Score	Rank/50	Score	Rank/50	Positive	Negative
1.4	=24	3.5	19	0.4	4.5
2.0	14	4.5	11	0.7	5.8
0.7	=40	2.4	=30	0.8	2.4
1.6	=19	1.5	=41	0.5	2.5
0.9	=36	1.3	46	0.7	1.5
2.5	8	6.6	=4	1.8	7.3
1.3	=28	1.9	=38	0.4	2.8
0.9	=36	2.4	=30	0.7	2.7
3.8	4	5.1	9	2.4	6.6
1.3	=28	2.7	25	1.4	2.6
0.5	=44	1.4	=43	0.8	1.1
0.7	=40	4.2	=14	0.9	4.1
0.4	=47	1.2	=47	0.4	1.2
2.6	7	2.3	=33	2.7	2.3
1.8	=15	1.2	=47	1.0	1.9
1.4	=24	1.4	=43	0.9	1.8
5.0	1	5.5	7	1.3	9.2
0.9	=36	2.5	=28	1.4	2.0
2.2	10	2.9	=22	1.7	3.4

Table A5. Sector distribution of new entrepreneurial activity, GEM 2019: percentage of TEA

	Agriculture	Mining	Manufacturing	Transportation	Wholesale/ retail
Armenia	30.5	2.2	9.2	1.1	38.4
Australia	4.8	12.9	6.2	2.8	24.8
Belarus	3.5	7.0	11.0	9.6	31.6
Brazil	0.8	5.3	10.9	5.4	49.0
Canada	5.7	6.1	5.8	2.2	35.6
Chile	5.5	6.6	10.2	5.9	40.5
China	1.7	1.0	6.8	2.7	55.0
Colombia	0.9	2.7	11.3	3.2	55.2
Croatia	10.3	7.4	6.9	3.2	24.7
Cyprus	2.7	6.0	5.7	5.4	34.4
Ecuador	5.6	2.0	6.2	5.0	64.6
Egypt	8.6	6.5	17.0	1.7	58.0
Germany	3.8	2.4	5.7	1.3	20.5
Greece	6.4	3.2	10.1	4.7	42.1
Guatemala	2.4	1.8	13.1	1.8	65.5
India	4.6	3.8	11.9	3.1	61.9
Iran	6.3	6.7	11.1	2.0	28.0
Ireland	4.1	6.7	4.3	2.4	29.2
Israel	0.4	4.2	6.7	2.3	29.9
Italy	8.9	8.5	4.4	3.4	41.2
Japan	7.9	3.9	4.9	6.4	29.1
Jordan	3.0	2.6	9.7	4.2	59.2
Latvia	7.7	6.7	15.8	5.5	24.4
Luxembourg	6.7	7.1	4.5	1.5	21.0
Madagascar	17.5	8.4	12.6	6.2	33.9
Mexico	22.1	4.0	16.1	2.7	51.3
Morocco	1.1	2.0	9.4	2.0	68.6
Netherlands	0.5	3.3	15.8	3.2	59.7
North Macedonia	3.5	5.3	7.9	3.9	21.7
Norway	7.2	8.6	2.6	5.3	19.9
Oman	1.5	7.1	8.5	4.4	44.1
Pakistan	11.7	0.0	14.5	4.0	53.4

Information/ communications technology	Finance	Professional services	Administrative services	Health, education, government and social services	Personal/ consumer services
2.6	0.9	2.5	1.9	9.4	1.2
6.5	3.0	11.1	6.2	19.0	2.7
2.0	0.7	6.0	2.0	21.8	4.7
1.7	0.6	3.3	1.9	16.7	4.4
5.6	5.3	8.0	4.6	13.9	7.2
1.9	1.6	8.5	7.8	10.3	1.1
2.9	1.5	2.3	4.4	20.3	1.4
3.0	3.2	4.2	2.9	11.4	2.2
5.2	5.5	11.6	10.7	13.3	1.1
5.5	5.6	8.3	4.6	17.4	4.4
2.4	1.5	3.1	1.1	7.1	1.3
0.0	0.0	2.1	0.6	2.5	2.9
9.6	4.4	9.5	2.7	29.0	11.0
4.1	2.6	6.2	5.2	14.1	1.3
3.8	1.2	2.7	1.3	5.3	1.0
0.4	0.4	1.0	1.4	11.0	0.4
10.2	1.9	10.6	4.3	17.0	2.0
7.5	3.5	12.7	4.8	20.3	4.4
8.9	3.1	9.7	5.6	25.7	3.5
3.7	1.7	11.8	3.6	11.2	1.5
5.9	4.7	6.7	3.8	24.7	1.9
0.5	1.3	1.5	1.8	12.8	3.6
5.6	4.3	9.1	4.9	11.9	4.2
10.1	11.6	13.2	5.2	18.1	1.0
0.0	0.0	11.8	2.4	7.1	0.0
1.3	0.0	0.0	0.0	2.5	0.1
0.4	0.6	3.4	1.6	8.5	2.3
0.2	1.5	0.8	2.5	10.5	1.8
5.9	4.6	10.4	12.6	19.2	5.0
10.0	6.4	12.4	7.2	17.1	3.3
1.0	3.6	3.3	2.9	20.4	3.4
0.0	0.0	0.0	2.6	13.8	0.0

Table A5 (continued)

	Agriculture	Mining	Manufacturing	Transportation	Wholesale/ retail
Panama	2.7	9.8	9.4	6.0	51.0
Poland	4.7	11.0	8.6	3.5	27.0
Portugal	3.5	5.9	7.4	2.3	35.8
Puerto Rico	3.7	2.8	5.7	2.4	52.3
Qatar	0.8	1.6	5.3	1.8	54.9
Republic of Korea	3.3	3.3	13.5	2.3	48.7
Russian Federation	3.0	6.1	14.9	3.8	41.9
Saudi Arabia	0.9	3.3	5.3	1.1	58.8
Slovak Republic	3.2	8.9	4.5	2.1	20.7
Slovenia	2.5	9.4	14.5	2.5	18.4
South Africa	4.2	4.9	13.1	4.7	46.1
Spain	4.7	3.6	7.3	4.4	29.9
Sweden	8.6	6.7	8.6	2.4	27.3
Switzerland	2.0	0.3	3.4	4.4	21.8
Taiwan	0.5	2.6	11.7	3.5	52.0
United Arab Emirates	0.0	3.0	6.8	3.6	48.5
United Kingdom	0.2	8.8	7.6	0.2	20.4
United States	3.5	6.7	10.5	4.8	24.6

Information/ communications technology	Finance	Professional services	Administrative services	Health, education, government and social services	Personal/ consumer services
1.6	2.5	2.9	3.1	9.6	1.3
2.8	5.4	10.3	3.0	22.1	1.6
2.0	2.9	12.6	7.7	15.5	4.3
0.8	0.9	3.2	6.6	18.4	3.2
2.5	6.4	6.9	10.3	9.0	0.6
5.7	4.3	3.3	3.7	8.1	3.7
2.4	0.6	3.6	2.7	20.3	0.6
1.3	0.5	5.1	2.0	19.9	1.8
4.5	6.4	12.1	4.5	29.5	3.7
6.9	5.8	15.6	5.7	13.2	5.6
2.9	1.7	1.2	3.9	16.2	1.3
7.3	4.1	17.1	5.1	14.8	1.7
10.8	1.9	12.5	3.8	14.5	2.8
8.4	4.8	12.8	3.8	33.5	4.8
4.0	5.0	8.3	1.9	8.9	1.5
3.6	4.0	9.8	8.4	10.6	1.6
4.9	3.9	19.7	7.0	23.1	4.2
5.4	11.0	11.5	4.0	15.4	2.6

Table A6. The motivation to start a business, GEM 2019

	To make a difference in the world			To build great wealth or very high income		
	% of TEA	% of male TEA	% of female TEA	% of TEA	% of male TEA	% of female TEA
Armenia	18.4	17.0	20.3	51.5	53.6	48.7
Australia	51.7	49.4	54.9	64.5	73.6	52.1
Belarus	23.4	18.8	28.3	75.3	72.6	78.5
Brazil	51.4	49.6	53.2	36.9	41.9	31.8
Canada	67.3	64.8	70.7	64.0	64.1	63.9
Chile	44.9	45.3	44.4	40.6	43.4	37.1
China	39.7	36.7	43.9	48.4	54.0	40.8
Colombia	44.4	47.8	40.8	52.5	54.6	50.4
Croatia	35.1	33.9	37.1	49.1	54.6	40.3
Cyprus	45.1	44.4	46.1	73.5	76.8	68.1
Ecuador	52.7	53.4	51.8	36.5	37.5	35.4
Egypt	57.0	54.5	63.0	77.3	77.3	77.4
Germany	44.4	38.0	55.4	32.0	28.9	37.6
Greece	32.3	32.1	32.5	48.2	52.0	43.8
Guatemala	80.2	81.5	78.7	59.8	59.9	59.8
India	86.8	85.7	88.5	87.2	90.1	83.1
Iran	40.6	36.8	46.9	83.5	83.1	84.2
Ireland	26.9	27.8	25.2	28.3	22.3	38.5
Israel	42.7	41.4	44.5	72.4	72.1	72.9
Italy	11.0	6.3	18.6	95.5	100.0	87.8
Japan	43.9	42.7	47.4	48.5	48.5	48.3
Jordan	19.2	18.0	21.4	59.2	55.9	65.0
Latvia	32.5	30.5	36.1	37.9	43.8	27.8
Luxembourg	60.5	64.9	53.8	41.2	43.2	38.1
Madagascar	8.8	11.6	6.3	23.5	25.0	22.1
Mexico	65.1	64.7	65.5	51.9	56.8	46.9
Morocco	21.8	21.9	21.4	69.8	72.7	64.3
Netherlands	32.3	27.2	38.7	22.0	29.1	12.9
North Macedonia	56.9	53.4	66.7	53.7	56.5	45.8
Norway	36.6	34.3	42.0	19.5	20.1	18.0
Oman	49.9	38.7	65.9	53.0	49.0	58.7
Pakistan	70.3	63.2	95.1	90.3	87.5	100.0

To continue a family tradition			To earn a living because jobs are scarce		
% of TEA	% of male TEA	% of female TEA	% of TEA	% of male TEA	% of female TEA
35.5	38.0	32.1	88.8	87.3	90.9
22.7	21.5	24.4	41.4	43.9	37.8
19.6	23.6	14.9	51.7	46.5	57.5
26.6	28.8	24.4	88.4	86.0	90.8
44.0	45.6	41.6	62.8	62.1	63.8
25.2	23.7	27.0	68.7	64.1	74.4
40.6	33.8	50.0	65.8	64.2	68.0
31.7	28.4	35.2	90.1	89.2	91.0
35.6	39.1	30.0	74.0	74.7	72.8
30.3	32.5	26.7	58.0	54.8	63.0
35.7	34.7	36.9	82.7	79.6	86.3
51.1	54.2	43.7	63.6	58.8	74.9
68.7	62.1	80.0	42.6	39.2	48.5
35.3	38.0	32.1	51.6	53.0	49.9
53.2	52.3	54.2	89.7	84.0	96.1
79.8	78.9	81.0	87.5	89.9	84.1
20.9	21.2	20.3	68.7	66.4	72.4
69.2	63.8	78.4	40.7	38.3	44.8
19.2	22.8	14.2	53.9	58.4	47.3
26.7	33.0	16.2	89.5	85.3	96.5
32.8	33.0	32.2	32.7	30.3	40.0
24.5	25.3	23.0	93.1	92.5	94.2
25.6	26.8	23.5	68.3	63.4	76.7
30.0	28.1	32.9	38.3	38.9	37.4
36.8	38.9	34.8	81.1	79.4	82.7
48.0	50.6	45.3	85.0	81.3	88.8
33.1	32.0	35.0	93.3	92.7	94.5
18.0	20.2	15.2	23.6	17.0	31.9
68.4	75.5	48.0	83.6	81.0	91.1
14.5	13.9	15.9	25.6	27.2	21.6
26.6	29.3	22.7	56.2	50.4	64.7
67.1	70.8	54.5	92.1	89.8	100.0

Table A6 (continued)

	To make a difference in the world			To build great wealth or very high income		
	% of TEA	% of male TEA	% of female TEA	% of TEA	% of male TEA	% of female TEA
Panama	76.8	74.5	80.0	64.3	67.0	60.6
Poland	65.4	65.9	64.7	13.3	14.6	11.8
Portugal	41.7	40.1	44.0	43.6	50.7	32.7
Puerto Rico	65.9	66.3	65.4	43.7	43.0	44.4
Qatar	55.5	55.0	57.3	85.3	86.4	80.7
Republic of Korea	9.4	10.7	7.1	67.3	72.4	58.9
Russian Federation	27.1	25.6	28.7	69.7	70.8	68.5
Saudi Arabia	44.6	45.5	43.6	63.1	68.9	56.0
Slovak Republic	40.7	38.8	43.8	33.9	35.0	32.0
Slovenia	48.2	50.7	43.5	47.1	59.3	24.4
South Africa	85.0	82.9	87.1	78.9	83.6	74.0
Spain	49.4	53.8	44.9	59.5	64.8	53.9
Sweden	50.3	50.8	49.3	55.0	61.0	43.8
Switzerland	43.2	41.0	46.9	38.1	46.6	23.5
Taiwan	44.5	40.6	50.4	57.5	61.2	52.1
United Arab Emirates	51.7	50.4	55.9	72.3	72.0	73.4
United Kingdom	49.0	50.8	46.1	51.6	55.9	44.3
United States	66.4	62.5	70.5	69.0	72.8	64.9

To continue a family tradition			To earn a living because jobs are scarce		
% of TEA	% of male TEA	% of female TEA	% of TEA	% of male TEA	% of female TEA
52.9	49.1	58.0	86.9	84.9	89.7
81.6	81.0	82.4	15.8	15.9	15.7
31.4	29.7	34.0	54.4	51.4	58.9
43.5	45.9	40.5	84.3	81.1	88.2
52.1	51.9	52.6	62.2	61.3	66.0
5.6	5.2	6.3	35.1	31.7	40.6
24.9	26.4	23.3	78.8	76.0	81.7
36.4	37.7	34.7	72.4	75.5	68.5
28.1	28.2	27.9	63.3	64.0	62.1
23.2	25.8	18.2	60.1	58.3	63.6
48.0	43.7	52.5	90.3	89.4	91.2
13.4	14.5	12.1	42.3	37.8	47.0
33.2	37.0	25.9	38.8	41.8	33.0
17.1	20.2	11.8	50.4	47.4	55.4
19.7	18.1	21.9	33.4	30.5	37.7
36.6	37.9	32.2	64.9	62.8	71.4
5.8	4.6	7.8	64.4	61.3	69.5
30.6	32.0	29.1	41.4	37.8	45.2

Table A7. Expectations and scope, GEM 2019: percentage of population aged 18–64

An equals sign (=) indicates that the ranking position is tied with another economy or economies

	Job creation expectations					
	0 jobs		1–5 jobs		6 or more jobs	
	Score	Rank/50	Score	Rank/50	Score	Rank/50
Armenia	7.7	4	6.9	=8	6.4	7
Australia	3.6	24	4.3	=21	2.6	=26
Belarus	2.2	=45	1.9	=40	1.6	=38
Brazil	13.0	1	8.3	6	2.1	31
Canada	9.0	3	5.3	15	3.8	14
Chile	5.6	=12	17.8	2	13.3	1
China	5.4	14	1.6	=45	1.7	=36
Colombia	2.2	=45	12.2	5	7.9	6
Croatia	3.5	=25	4.3	=21	2.6	=26
Cyprus	4.2	=21	5.2	16	2.7	=24
Ecuador	5.7	11	21.8	1	8.6	=3
Egypt	1.9	48	2.3	=37	2.5	=28
Germany	3.3	=29	2.5	=34	1.9	=32
Greece	2.7	=38	4.3	=21	1.2	=46
Guatemala	6.4	=7	13.2	3	5.5	11
India	6.9	6	6.4	11	1.6	=38
Iran	2.8	37	2.9	32	5.0	13
Ireland	4.1	23	3.3	30	5.1	12
Israel	6.4	=7	3.6	26	2.8	=22
Italy	1.0	50	1.4	=49	0.3	50
Japan	2.4	=42	1.5	48	1.5	=41
Jordan	3.2	=31	4.6	19	1.4	=44
Latvia	4.8	=16	5.0	=17	5.6	10
Luxembourg	2.7	=38	4.4	20	3.1	20
Madagascar	12.5	2	5.5	14	1.5	=41
Mexico	3.1	=34	6.9	=8	3.0	21
Morocco	3.2	=31	6.7	10	1.5	=41
Netherlands	5.1	15	3.4	29	1.9	=32
North Macedonia	2.7	=38	1.6	=45	1.9	=32
Norway	4.3	20	2.2	39	1.9	=32
Oman	3.5	=25	1.8	=42	1.7	=36
Pakistan	1.8	49	1.4	=49	0.5	49

At least national scope for its customers and new products or processes		Global scope for its customers and new products or processes		Expecting 25% or more of revenue from customers outside own economy	
Score	Rank/50	Score	Rank/50	Score	Rank/50
2.5	=10	0.4	=25	4.0	=2
1.7	=24	0.5	=16	1.3	=20
0.4	=40	0.1	=34	0.9	=26
0.1	=48	0.0	=45	0.1	=49
3.1	7	0.9	=6	4.2	1
2.5	=10	0.4	=16	0.6	33
0.3	=42	0.1	=34	0.4	=40
1.5	28	0.2	=29	0.9	=26
2.5	=10	0.5	=16	2.3	=10
4.6	1	0.9	=6	2.2	12
1.2	=32	0.1	=34	0.7	=29
0.8	=37	0.1	=34	0.6	=32
2.0	21	0.9	=6	1.3	=20
1.3	=29	0.5	=16	1.4	19
1.2	=32	0.2	=29	0.3	=43
0.3	=42	0.0	=45	0.1	=49
1.7	=24	0.2	=29	0.5	=35
2.5	=10	1.0	=2	2.8	6
2.4	=15	1.0	=2	1.7	=16
0.2	=44	0.1	=34	0.4	=40
1.3	=29	0.2	=29	0.5	=35
0.9	=34	0.1	=34	0.6	=32
2.2	=17	0.9	=6	2.9	5
3.5	4	1.0	=2	2.7	7
0.1	=48	0.1	=34	0.2	=45
0.7	39	0.1	=34	0.5	=35
0.2	=44	0.0	=45	0.2	=45
1.7	=24	0.5	=16	1.1	=24
1.3	=29	0.3	=27	1.2	23
1.7	=24	0.6	=14	0.7	=29
0.8	=37	0.0	=45	0.5	=35
0.2	=44	0.0	=45	0.2	=45

Table A7 (continued)

	Job creation expectations					
	0 jobs		1–5 jobs		6 or more jobs	
	Score	Rank/50	Score	Rank/50	Score	Rank/50
Panama	4.2	=21	12.5	4	5.9	8
Poland	2.2	=45	1.8	=42	1.4	=44
Portugal	7.2	5	3.5	=27	2.2	30
Puerto Rico	2.3	44	7.7	7	3.4	16
Qatar	4.5	19	1.6	=45	8.6	=3
Republic of Korea	6.1	=9	5.6	13	3.2	19
Russian Federation	2.5	41	3.5	=27	3.3	=17
Saudi Arabia	3.5	=25	1.8	=42	8.6	=3
Slovak Republic	5.6	=12	4.3	=21	3.5	15
Slovenia	3.2	=31	3.0	31	1.6	=38
South Africa	2.4	=42	5.0	=17	3.3	=17
Spain	2.9	36	2.7	33	0.6	48
Sweden	4.8	=16	2.3	=37	1.2	=46
Switzerland	3.3	=29	3.7	25	2.8	=22
Taiwan	3.4	28	2.4	36	2.5	=28
United Arab Emirates	3.1	=34	2.5	=34	10.8	2
United Kingdom	4.8	=16	1.9	=40	2.7	=24
United States	6.1	=9	5.7	12	5.7	9

At least national scope for its customers and new products or processes		Global scope for its customers and new products or processes		Expecting 25% or more of revenue from customers outside own economy	
Score	Rank/50	Score	Rank/50	Score	Rank/50
3.7	3	0.5	=16	1.3	=20
0.2	=44	0.1	=34	0.2	=45
2.1	20	0.5	=16	2.4	9
2.7	8	1.1	1	2.3	=10
4.2	2	0.5	=16	1.8	15
1.8	23	0.3	=27	0.5	=35
0.4	=40	0.1	=34	0.3	=43
0.1	=48	0.0	=45	3.6	4
2.4	=15	0.7	=12	1.9	=13
2.2	=17	0.8	11	1.7	=16
0.9	=34	0.1	=34	0.9	=26
0.9	=34	0.2	=29	0.4	=40
2.2	=17	0.7	=12	1.9	=13
3.2	6	0.5	=16	2.5	8
2.5	=10	0.6	=14	0.7	=29
3.3	5	0.9	=6	4.0	=2
1.9	22	0.5	=16	1.7	=16
2.6	9	1.0	=2	1.1	=24

Table A8. National Entrepreneurship Context Index (NECI) and its 12 components: average scores for 54 economies

	NECI		Entrepreneurial finance	Government policy: support & relevance	Government policy: taxes & bureaucracy	Government programmes for entrepreneurs
	Score	Rank				
Armenia	4.63	27	3.74	4.34	5.48	3.73
Australia	4.65	26	5.11	4.02	4.27	4.54
Belarus	4.24	34	3.24	3.28	4.35	3.10
Brazil	3.98	43	4.78	3.92	2.25	3.91
Bulgaria	4.21	37	4.42	2.54	4.64	2.96
Canada	5.16	14	5.28	5.17	4.46	4.70
Chile	4.61	28	3.75	4.71	4.79	5.47
China	5.89	4	5.80	5.89	6.16	5.46
Colombia	4.24	35	3.39	5.00	3.11	4.53
Croatia	3.57	50	4.15	3.04	2.46	3.41
Cyprus	4.48	31	3.59	4.31	5.00	3.99
Ecuador	4.19	39	2.88	3.31	2.66	3.44
Egypt	4.33	32	4.54	4.21	3.27	4.12
Germany	5.04	16	5.31	4.07	4.15	6.21
Greece	4.10	40	3.88	3.56	2.43	3.50
Guatemala	3.56	51	2.56	2.39	3.37	2.94
India	5.80	6	5.73	5.98	5.10	5.53
Indonesia	5.69	8	5.53	5.92	4.98	5.29
Iran	3.15	54	3.26	3.07	3.24	3.09
Ireland	4.71	24	4.84	4.11	4.50	5.35
Israel	4.81	22	5.11	4.06	3.05	4.15
Italy	4.31	33	4.50	3.57	3.03	4.13
Japan	4.71	25	5.03	5.01	4.16	4.37
Jordan	5.24	11	4.90	4.98	3.90	4.50
Latvia	4.91	20	4.83	4.37	3.76	5.16
Luxembourg	5.17	13	4.31	5.85	5.36	6.00
Madagascar	3.69	48	3.00	3.74	3.60	2.92
Mexico	4.72	23	4.14	4.04	3.65	4.40
Morocco	3.95	45	3.61	3.71	3.84	3.75

Entrepreneurial education at school stage	Entrepreneurial education at post-school stage	R&D transfer	Commercial and legal infrastructure	Internal market dynamics	Internal market burdens	Physical infrastructure	Cultural and social norms
2.74	3.64	3.10	5.80	5.05	4.53	7.18	6.21
3.75	4.46	3.93	5.21	4.32	4.72	6.27	5.20
2.63	4.62	3.38	5.26	5.56	4.28	7.40	3.80
2.03	4.25	3.21	4.53	5.84	3.86	5.49	3.72
2.69	3.91	3.15	5.13	5.32	4.24	7.60	3.87
4.28	5.00	4.23	5.51	5.09	4.84	7.03	6.29
2.54	4.93	3.69	4.39	4.13	3.94	7.72	5.27
4.13	5.74	5.57	5.37	6.88	5.23	7.70	6.78
3.05	5.29	3.56	4.02	4.50	3.94	5.76	4.74
2.00	3.28	2.61	3.97	5.51	3.37	6.38	2.63
3.16	5.09	3.85	5.09	4.41	4.35	6.58	4.41
3.49	5.39	3.10	4.44	4.99	3.70	6.97	5.92
2.23	3.94	3.07	4.54	5.72	4.48	6.86	5.00
2.71	4.80	4.78	6.29	5.79	5.13	6.45	4.78
2.62	4.45	4.30	4.92	5.15	4.00	6.06	4.35
2.75	5.06	2.55	4.43	3.51	3.17	5.53	4.47
5.12	5.65	5.31	5.80	6.60	5.70	6.91	6.20
4.98	5.98	5.56	5.44	6.57	5.51	6.12	6.37
2.98	3.26	3.11	2.98	3.04	3.32	3.50	3.01
3.03	4.65	4.22	4.97	4.84	4.83	5.54	5.66
2.98	4.43	4.67	5.62	4.80	4.16	7.09	7.60
2.87	4.94	4.64	4.81	4.89	4.51	5.40	4.43
2.40	4.60	4.44	4.14	6.10	4.50	7.39	4.36
3.38	5.35	4.99	6.28	6.93	4.36	7.41	5.90
4.18	4.55	4.36	5.87	4.78	5.02	6.94	5.08
4.11	5.31	5.31	5.66	3.26	5.17	6.73	4.97
1.70	5.46	2.93	4.13	4.55	3.38	4.33	4.50
3.12	6.04	4.14	4.75	4.76	4.39	7.08	6.09
2.32	4.13	2.93	4.78	4.82	3.26	6.42	3.82

Table A8 (continued)

	NECI		Entrepreneurial finance	Government policy: support & relevance	Government policy: taxes & bureaucracy	Government programmes for entrepreneurs
	Score	Rank				
Netherlands	6.04	2	6.25	5.76	5.49	6.13
North Macedonia	3.84	47	3.72	3.12	3.17	3.39
Norway	5.52	9	5.49	5.05	4.48	5.43
Oman	4.61	29	4.31	4.46	4.15	4.44
Pakistan	3.95	46	3.65	3.35	2.69	3.40
Panama	3.98	44	3.14	2.59	4.06	4.02
Paraguay	3.43	52	2.52	2.41	3.53	3.44
Poland	4.24	36	4.94	4.14	2.88	4.30
Portugal	4.21	38	4.85	4.26	2.42	4.41
Puerto Rico	3.18	53	3.38	2.52	1.20	2.86
Qatar	5.91	3	5.40	6.03	6.09	6.05
Republic of Korea	5.13	15	5.06	6.45	4.57	5.40
Russian Federation	4.04	41	3.71	3.22	3.05	3.84
Saudi Arabia	5.04	17	5.01	6.03	5.14	5.32
Slovak Republic	4.03	42	4.50	2.82	2.71	3.58
Slovenia	4.49	30	4.49	3.97	3.43	5.13
South Africa	3.63	49	4.03	3.53	2.71	3.10
Spain	5.24	12	4.87	5.33	5.17	5.96
Sweden	4.92	19	5.19	3.60	3.51	4.62
Switzerland	6.05	1	5.50	5.76	6.21	6.07
Taiwan	5.73	7	5.55	5.99	5.55	5.72
Thailand	4.99	18	5.05	4.32	4.16	4.25
United Arab Emirates	5.84	5	4.91	6.49	5.82	5.94
United Kingdom	4.83	21	5.33	4.02	5.08	4.32
United States	5.31	10	6.04	4.37	4.90	4.21

Entrepreneurial education at school stage	Entrepreneurial education at post-school stage	R&D transfer	Commercial and legal infrastructure	Internal market dynamics	Internal market burdens	Physical infrastructure	Cultural and social norms
5.45	5.84	5.43	6.34	5.29	6.07	7.94	6.54
2.83	3.94	3.22	4.85	5.07	3.33	5.83	3.62
5.18	5.71	4.66	6.21	5.13	4.80	7.79	6.31
3.47	4.40	4.07	4.56	5.56	4.02	6.16	5.71
2.77	4.22	2.82	4.11	4.90	4.23	6.61	4.58
2.08	4.06	2.99	4.30	3.96	3.93	7.21	5.39
1.88	3.82	2.47	3.44	3.26	3.79	5.75	4.80
1.80	3.20	3.53	4.48	6.53	4.07	7.00	3.99
2.63	4.64	3.69	5.00	4.17	3.74	7.12	3.61
1.44	3.73	3.16	3.76	5.07	2.78	4.67	3.55
5.24	6.27	5.21	5.70	5.92	5.09	7.52	6.36
3.43	4.19	4.18	4.37	7.49	4.21	7.39	4.79
2.97	4.21	2.96	4.94	6.03	3.35	6.08	4.08
2.96	4.16	4.09	4.75	5.92	4.74	6.54	5.85
2.67	4.42	2.90	5.09	4.43	4.38	7.43	3.49
2.80	4.25	3.90	5.13	5.36	4.65	7.06	3.72
2.24	3.51	3.16	4.37	4.66	3.36	5.09	3.84
2.65	5.45	5.26	6.04	5.31	5.05	6.95	4.82
4.34	4.84	4.31	5.25	6.07	4.74	7.42	5.21
4.63	6.33	6.35	6.43	4.49	5.54	8.58	6.68
3.91	5.17	5.44	5.73	6.08	5.37	8.24	6.08
3.15	4.81	4.26	5.23	6.25	4.67	7.82	5.94
5.36	5.57	4.72	5.71	6.13	5.13	7.53	6.79
3.37	4.65	3.77	5.12	4.85	5.22	6.54	5.72
3.92	5.42	4.48	5.79	4.99	4.38	7.50	7.68

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Babson College (a Global Sponsor of GEM), member of
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