Global Entrepreneurship Monitor

QATAR NATIONAL REPORT 2019

Qatar Development Bank

FOREWORD

Qatar's entrepreneurs play an influential role in the economic growth of the country in a sustainable and inclusive manner. Our entrepreneurs are often the source of innovative ICT-enabled solutions that make a long-lasting impact on our economy, and they are an essential source of new job growth, especially for our youth. To foster an entrepreneurial society, we must understand the attitudes, skills, and behavior that drive creativity and innovative thinking among our citizens and residents so that we can nurture, support, and empower our entrepreneurs.

The Global Entrepreneurship Monitor (GEM) plays a vital role in providing insight into the level of entrepreneurial activity in Qatar and how we compare as a nation to regional and global economies. Over the course of two decades, GEM has made substantial contributions to the understanding of entrepreneurship across the globe. Each year, experts across economies come together, share ideas, and collect 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. In 2019, Qatar is among 50 world economies completing the Adult Population Survey (APS) and 54 participating in the National Expert Survey (NES).

Qatar Development Bank (QDB) has been at the forefront of developing and empowering Qatari entrepreneurs and innovators to contribute to the diversification of the Qatar economy through successful small and medium enterprises. The team at QDB is privileged to have been the lead institution responsible for Qatar's participation in GEM 2019. The results of our hard work and dedication in coordinating, collecting, and analysing 3,063 surveys with residents of Qatar and 54 interviews with 'entrepreneur experts' is evident in the GEM Qatar National Report 2019, which tracks results over four consecutive years starting from 2016.

The GEM 2019 results clearly show there is a strong entrepreneurial spirit in the population, with three in every four Qatar residents seeing good opportunities to start a business. Seeing good opportunities is a crucial first step on the entrepreneurial journey. Three in four Qatar adults also believe they have the skills, knowledge, and experience to start their own business, and two in three adults believe it is easy to start a business in the area where they live. One in every two adults expects to start a business within the next three years. Among those who have started a business, more than half expect to contribute to economic growth by adding six or more jobs in the next five years.

This entrepreneurial potential in the population is equally strong among men and women. While women lag significantly behind men in other economies in their involvement in entrepreneurial activity, in Qatar, the TEA (Total early-stage Entrepreneurial Activity) rates are equal between men and women. This demonstrates that the efforts made to achieve gender equality within the country have been successful, and women have a strong and robust role in our economy.

Qatar is also ranked in the third position on the National Entrepreneurship Context Index (NECI) and performs well on the 12 framework conditions. Recent economic reforms related to labour laws, privatization, special economic zones, and higher foreign ownership limits have made it easier to invest and operate in the country and has stimulated entrepreneurship activity. An example of a successful economic reform is the Entrepreneurship Leave Program (ELP) led by QDB in cooperation with the Ministry of Administrative Development, Labour and Social Affairs. The Program aims to foster a culture of entrepreneurship among Qatari government employees and stimulates an entrepreneurial climate in the country.

Many organizations, public and private, are working towards creating an ecosystem where young people are supported and motivated to channel their innovation and creativity into building a sustainable society by transforming business ideas into successful enterprises. The focus is directed towards encouraging young people to think creatively and to transform their ideas and concepts into viable businesses. The initiatives are designed to provide youth with the necessary support and skills required to help them incubate their ideas and ultimately contribute to economic diversification through the growth of the private sector.

"I would like to thank everyone involved in GEM 2019 for their invaluable contribution. QDB is committed to continuing to understand the social, cultural, and political context of entrepreneurship in Qatar and the extent to which our entrepreneurs are accepted and supported so that we can inform policies and develop a robust entrepreneurship ecosystem. I invite readers to go through the report and learn more about how we, as a nation, can stimulate entrepreneurial activity."

Abdulaziz Bin Nasser Al-Khalifa
Chief Executive Officer

CONTENTS

LIST OF FIGURES

LIST OF TABLES

EXECUTIVE SUMMARY

1999
beginning

The Global Entrepreneurship Monitor (GEM) has tracked levels of entrepreneurship across the world for 21 years. Since GEM first began in 1999, over 3 million adults in 114 economies across the globe have been surveyed. This makes GEM the world's largest and most extensive study of entrepreneurial activity. Countries of all sizes, income levels, and stages of development participated in the GEM research.

21 years

3M adults

114 economies

In 2019, the GEM research has been conducted in Qatar by the Qatar Development Bank for the fourth consecutive time. The GEM Qatar National Report 2019 measures entrepreneurial attitudes, activity, and aspirations in Qatar. It provides a comparison to the 2016, 2017, and 2018 results; the Middle East and North Africa economies; and the 50 participating economies.

This report draws on the findings from two studies:

Adult Population Survey (APS):
Results are drawn from a random, representative sample of **3,063** surveys of Qatar residents aged between **18 and 64 years**.

National Expert Survey (NES):
Comprises of surveys conducted with **57** carefully chosen Qatar' entrepreneur experts' across the **12** framework categories.

KEY FINDINGS FROM THE 2019 APS

TOTAL EARLY-STAGE ENTREPRENEURIAL ACTIVITY (TEA)

	2016		2017		2018		2019	
	Score	Rank	Score	Rank	Score	Rank	Score	Rank
	7.8%	50/65	7.4%	42/54	8.5%	33/48	14.7%	15/50

TEA BY GENDER AND NATIONALITY

	MALE	FEMALE	QATARI	EXPAT
2018	8.6	8.4	11.6	7.2
2019	14.7	14.7	10.3	16.8

TEA BY AGE GROUP

	18-24	25-34	35-44	45-54	55-64
2018	6.7%	8.0%	9.3%	11.6%	6.0%
2019	8.2%	15.3%	15.3%	17.3%	19.1%

TEA RATE BY AGE GROUP AND NATIONALITY, 2019

	18-24	25-34	35-44	45-54	55-64
Qatari	6.3	9.9	11.2	11.9	21.6
Expat	9.7	18.0	16.9	19.7	17.9

TEA BY EDUCATION LEVEL

	UP TO HIGH SCHOOL	DIPLOMA	UNIVERSITY	MASTERS & PHD
2018	5.6	8.2	9.9	6.7
2019	13.2	17.6	13.9	19.1

PHASE AND TYPES OF ENTREPRENEURSHIP ACTIVITY (% ADULTS)

	2018 Score	2018 Rank	2019 Score	2019 Rank
Nascent Entrepreneurship Rate	5.0	26/48	10.9	9/50
New Business Ownership Rate	3.6	=32/48	4.1	=27/50
Total early-stage Entrepreneurial Activity (TEA)	8.5	33/48	14.7	15/50
Employee Entrepreneurial Activity (EEA)	6.3	=10/48	3.6	=18/50
Established Business Ownership Rate (EBO)	4.2	=40/48	3.0	45/50
Business Discontinuance Rate	3.0	33/48	6.6	=4/50

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

PHASE AND TYPES OF ENTREPRENEURSHIP ACTIVITY BY GENDER AND NATIONALITY, 2019 (% ADULTS)

	Male	Female	Qatari	Expat
Nascent Entrepreneurship Rate	10.8	11.3	6.5	13.0
New Business Ownership Rate	4.2	3.6	4.4	4.0
Total early-stage Entrepreneurial Activity (TEA)	14.7	14.7	10.3	16.8
Employee Entrepreneurial Activity (EEA)	4.0	2.0	1.7	4.6
Established Business Ownership Rate (EBO)	3.6	0.3	2.5	3.2
Business Discontinuance Rate	6.7	6.0	10.1	4.9

SOCIETAL VALUES ABOUT ENTREPRENEURSHIP (% ADULTS)

	2018 Score	2018 Rank	2019 Score	2019 Rank
Entrepreneurship is a good career choice	68.2	15/47	82.1	5/50
High status and respect for successful entrepreneurs	76.7	12/47	87.1	4/50
Entrepreneurs garner substantial media attention	64.2	19/47	82.7	2/50
Prefer an equal standard of living	65.7	18/43	71.7	17/50
Often see businesses whose primary objective is solving social problems	46.2	8/42	60.7	9/50

SOCIETAL VALUES ABOUT ENTREPRENEURSHIP BY GENDER AND NATIONALITY, 2019 (% ADULTS)

	Male	Female	Qatari	Expat
Entrepreneurship is a good career choice	81.3	85.3	81.4	82.4
High status and respect for successful entrepreneurs	86.1	90.9	86.4	87.4
Entrepreneurs garner substantial media attention	81.2	88.3	79.4	84.2
Prefer an equal standard of living	70.5	76.3	78.4	68.8
Often see businesses whose primary objective is solving social problems	59.7	65.0	56.7	62.5

SELF-PERCEPTIONS ABOUT ENTREPRENEURSHIP (% ADULTS)

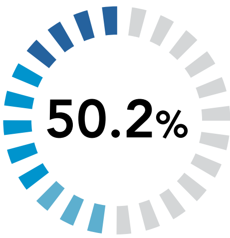
	2018 Score	2018 Rank	2019 Score	2019 Rank
Personally, know an entrepreneur	44.9	11/49	52.4	11/50
Perceived opportunities	54.2	17/49	75.6	4/50
Perceived ease of starting a business	51.1	16/43	66.6	11/50
Perceived capabilities	52.3	=18/49	75.5	=5/50
Fear of failure (% of 18-64 seeing opportunities)	31.1	=29/49	45.2	=19/50
Entrepreneurial intentions	31.1	=15/48	45.3	5/50

SELF-PERCEPTIONS ABOUT ENTREPRENEURSHIP BY GENDER AND NATIONALITY, 2019 (% ADULTS)

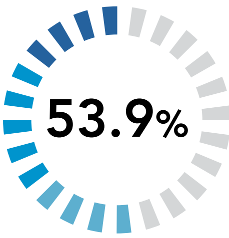
	Male	Female	Qatari	Expat
Personally, know an entrepreneur	65.5	49.8	73.3	57.0
Perceived opportunities	75.7	75.1	81.1	73.0
Perceived ease of starting a business	66.5	67.1	71.5	64.4
Perceived capabilities	77.8	66.0	76.5	75.0
Fear of failure (% of 18-64 seeing opportunities)	46.0	41.8	46.8	44.3
Entrepreneurial intentions	43.4	52.8	33.6	51.8

ENTREPRENEURIAL TALENT, 2019

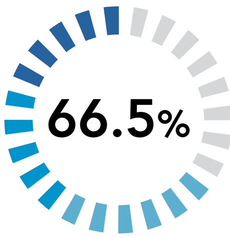
The GEM survey measures entrepreneurial talent using four indicators:



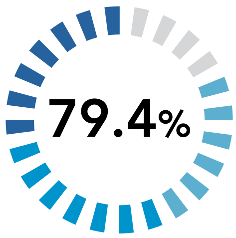
Rarely see business opportunities



Even when you see 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

ENTREPRENEURIAL TALENT BY GENDER AND NATIONALITY, 2019 (% ADULTS)

	Male	Female	Qatari	Expat
Rarely see business opportunities	51.5	44.4	35.4	57.4
Even when you see a profitable opportunity, you rarely act on it	53.4	48.0	40.2	58.4
Other people think you are highly innovative	62.7	69.5	54.0	69.0
Every decision you make is part of your long-term career plan	77.8	83.7	66.3	85.2

ENTREPRENEURSHIP IMPACT

	% Adults	Rank/50
Job expectations (6+)	8.6	=3
International (25% + revenue)	1.8	15
National scope (customers and products/process)	4.2	2
Global scope (customers and products/process)	0.5	=16
Industry (% TEA in business services)	26.1	17

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

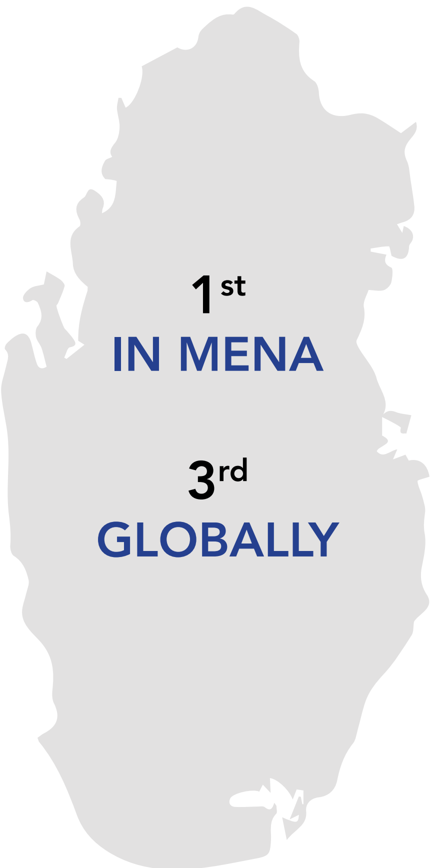
MOTIVATIONS BY GENDER AND NATIONALITY, 2019 (% ADULTS)

	Qatar Score	Qatar Rank	Male	Female	Qatari	Expat
To make a difference in the world	55.5	14/50	55.0	57.3	49.0	57.5
To build great wealth or a very high income	85.3	4/50	86.4	80.7	80.6	86.8
To continue a family tradition	52.1	9/50	51.9	52.6	46.1	53.8
To earn a living because jobs are scarce	62.2	29/50	61.3	66.0	41.6	68.3

THE ENTREPRENEURIAL FRAMEWORK CONDITIONS

NECI 5.9

QATAR IS RANKED **3/54**



Qatar records the highest NECI of all benchmarked countries in the MENA region.

Qatar is ranked 3rd on the NECI indicator compared to all 54 participating countries.

The National Expert Survey (NES) focuses on the environmental features that are expected to have an impact on entrepreneurial attitudes and activities. The NES results for Qatar for the 12 framework conditions are shown below.

	2018		2019	
	Score	Rank/54	Score	Rank/54
Entrepreneurial finance	5.2	12	5.4	9
Government policies: support and relevance	6.2	4	6.0	4
Government policies: taxes and bureaucracy	5.8	1	6.1	3
Government entrepreneurship programs	5.9	3	6.0	4
Entrepreneurship education and training at school stage	6.1	1	5.2	3
Entrepreneurial education and training at post-school stage	6.6	1	6.3	2
Research and development (R and D) transfer	5.8	1	5.2	9
Commercial and legal infrastructure	5.7	12	5.7	13
Internal market dynamics	6.4	8	5.9	14
Internal market burdens or entry regulations	5.3	5	5.1	11
Physical infrastructure	7.2	10	7.5	10
Cultural and social norms	6.1	7	6.4	8

INTRODUCTION

Most policymakers and academics agree that entrepreneurship is critical to the development and well-being of society. Entrepreneurs create new businesses, and new businesses create jobs, provide people with a variety of products and services, intensify competition, increase productivity through technological change, and positively impact individual lives on multiple levels. Entrepreneurship is a catalyst for economic growth and national competitiveness. In 2019, the Global Entrepreneurship Monitor (GEM) conducted its 21st annual survey of the rate and profile of entrepreneurial activity around the globe. GEM interviewed **164,269 adults** aged between 18 and 64 years in 50 economies, spanning diverse geographies and a range of development levels.

This report marks the fourth year since Qatar Development Bank (QDB) has participated as the Qatar GEM partner, surveying **3,063 adults** who reside in Qatar through the Adult Population Survey (APS). This report provides a summary of entrepreneurship in Qatar as measured by GEM, and benchmarks Qatar against the other 49 countries participating in GEM 2019. We compare the level of entrepreneurship in the population across different phases of the entrepreneurial process and provide a profile of key characteristics of entrepreneurs and the businesses they are starting. We also report the results of **57 expert opinions** on the institutional and framework conditions that support entrepreneurship through the National Expert Survey (NES).

The GEM Qatar National Report 2019 highlights the progress Qatar has made towards building a dynamic entrepreneurship ecosystem. The findings also provide insights into how Qatar can maintain its competitiveness as a country and support entrepreneurs and the ongoing influx of innovative business ideas that have the potential to carry national, regional, and international relevance.

Strategies have been implemented by public and private institutions to have more high ambition start-ups, grow small and medium enterprises (SMEs), and drive entrepreneurship within the country. In particular, the universities in Qatar (Qatar University and Education City) are driving entrepreneurship values among the youth sector. They are actively raising awareness of the importance of entrepreneurship in the community and involving students in the process of transforming their ideas into sound business plans and successful enterprises.

The training and support of entrepreneurs are stipulated in the **Qatar National Vision 2030** as the basic pre-condition for enabling the private sector to carry out its essential role, besides providing financial and non-financial support mechanisms to help incubate and grow small and medium scale enterprises.

Qatar is striving to transform the country into a modern world-class educational system that provides students with a first-rate education and excellent training and opportunities to develop their full potential. The system encourages analytical and critical thinking, as well as creativity and innovation. An economy's entrepreneurial capacity requires individuals to have the ability and motivation to start a business and requires positive societal perceptions about entrepreneurship.

Qatar's higher education institutes are focused on achieving these objectives.

• **The College of North Atlantic,**
for example, has introduced Business Gateway, a program designed as a pre-incubation hub aimed at encouraging and supporting entrepreneurship. The College works with its partners to serve the university community to accelerate bringing innovative research, and promising ideas to the marketplace, as well as assisting all entrepreneurial students, faculty, staff, and alumni to tap into the "innovation ecosystem."

• **Carnegie Mellon University in Qatar**
has initiated Quick Start-Up, a training program for budding entrepreneurs who are mentored by seasoned professionals. Students begin the program with nothing more than a concept and end with a business plan and investor pitch.

• **Qatar Science and Technology Park (QSTP)**, in partnership with the European Innovation Academy (EIA), has developed the Arab Innovation Academy (AIA), the first and largest entrepreneurship program of its kind in the region. This unique program is aimed at equipping entrepreneurs in the Arab region and global community with the skillset to build their start-up in just ten days.

During the AIA, participants are introduced to an accelerated mode of experiential learning, including how to develop and launch new tech ventures in a real marketplace, with genuine customer feedback.

Such programs help to identify talented Arab youth who have the drive to find innovative tech-based solutions to the shared challenges the region is facing, as well as become an integrated component of the rapidly developing entrepreneurship ecosystem and knowledge economy in Qatar.

• **Qatar University**
has also recently launched (June 2019) the Qatar chapter of the International Council for Small Business (ICSB), which is devoted to the interests and advancement of small businesses globally.

The Qatar Chapter was launched with a focus on communicating with international collaborators of entrepreneurship and offering training and conferences to bring entrepreneurs and stakeholders together. It is considered one of the most important platforms for disseminating new information on small business management and enterprise development. The ICSB-Qatar branch will serve as a link between the entrepreneurial community at Qatar University and connect Qatar with the international community for small businesses and enterprises.

The GEM Qatar National Report 2019 report also comes at a time when Qatar is very focused on developing a political and organizational climate that supports the local business sector. It is now two years since the State of Qatar has been faced with air, land, and sea blockades along with the severance of the economic and financial ties that were imposed by some neighbouring countries.

The Qatari government has actively adopted several policies and structural reforms to help stimulate the economy and face the consequences of the illegal blockade, the foremost of which are: initiatives to improve the investment environment; strategies to encourage local manufacturing industries to achieve self-sufficiency and food security; the expansion of new air and sea shipping lines and launching the operation of Hamad Port; allowing visa-free entry for citizens of 80 countries; policies to strengthen ties with Qatar's import and export partners; measures to achieve macroeconomic stability; and the effectiveness of public investments in infrastructure and social services, especially in education and health[1].

[1] Qatar Economic Outlook Report 2018-2020

Qatar is also working towards enabling the private sector to play an essential role in achieving sustainable development. The country's localization efforts have been supported by public procurement policies and by incubating and accelerating entrepreneurs and local SMEs through institutions such as the Qatar Business Incubation Center (QBIC), QSTP, Digital Incubation Center (DIC) and NAMA Center.

The localization drive has also been boosted by the Qatar Petroleum-led TAWTEEN initiative, which was launched in February 2019. The initiative was designed to enhance localizing the sector's supply chain and expand the SME base. The program is reported to provide local alternatives to exports, with a value of between 8 and 9 billion Qatari Riyals a year. Now more than ever, the focus on entrepreneurship is deemed critical to the development and well-being of Qatar's society and to achieving diversification and sustainability of the economy. This report identifies the policy implications for enhancing entrepreneurship in an economy and benchmarks Qatar's performance on the 12 framework conditions.

“Qatar is advancing towards building a dynamic entrepreneurship sector. The 2019 GEM Qatar National Report provides a comprehensive review of Qatar's entrepreneurship profile, highlighting areas of strength and identifying opportunities for greater enhancement of entrepreneurial initiatives. This report guides policymakers and stakeholders in their continual efforts to foster an entrepreneurial spirit among the people of Qatar and help drive economic growth and diversification.”

ABOUT THIS REPORT

This report compares GEM measures of entrepreneurial attitudes, activity, and aspirations in Qatar for 2019, 2018, 2017, and 2016, drawing on the findings from two studies:

Adult Population Survey (APS):
Results are drawn from a random, representative sample of 3,063 telephone and face-to-face surveys with Qatar residents, aged between 18 and 64 years.

National Expert Survey (NES):
Comprises of 57 surveys conducted with pre-approved entrepreneurship and government experts in Qatar. National experts provided their qualitative and quantitative feedback on 12 principal components of the Entrepreneurial Framework conditions.

“In 2019, 50 economies, including Qatar, participated in the GEM APS and 54 in the NES. The economies that participated in the 2019 GEM edition are presented in the figure shown opposite, grouped according to geographic region and low, middle, and high-income level. Qatar's results in this report are compared with other participating countries in MENA, including Egypt, Iran, the Kingdom of Saudi Arabia (KSA), Jordan, Morocco, Oman, and the United Arab Emirates (UAE).

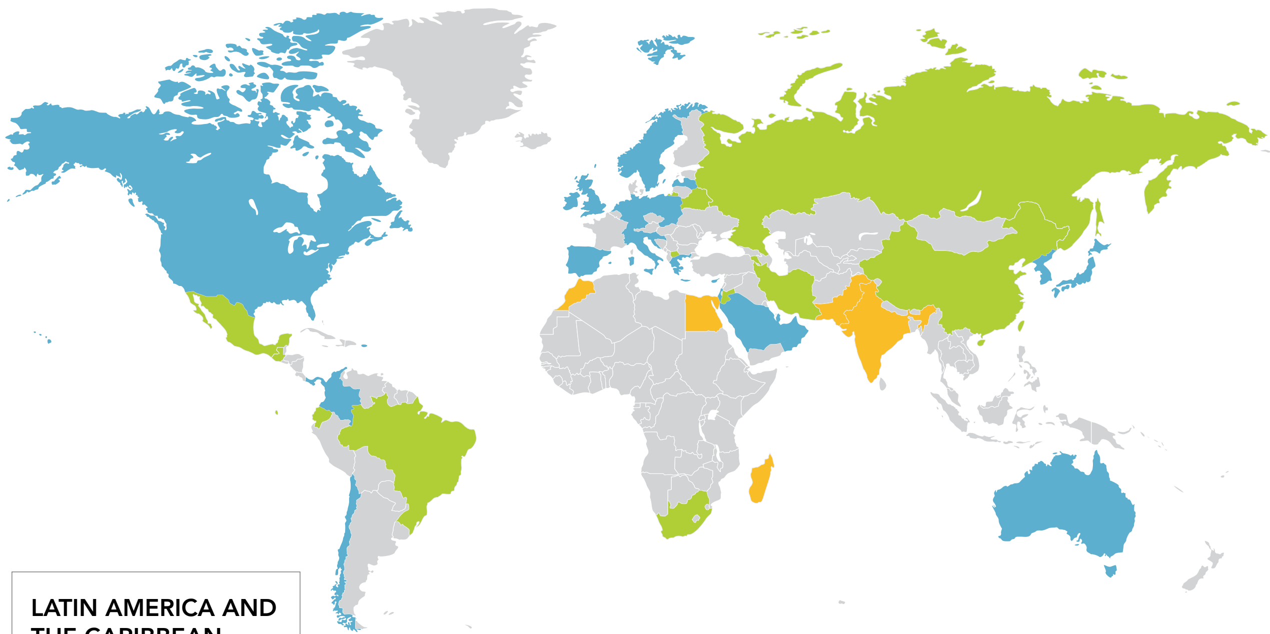
Information on the methodology and conceptual framework of GEM can be found in **Chapter 12: Methodology and Definitions** of this report.”

GEM ECONOMIES BY GEOGRAPHIC REGION AND INCOME LEVEL, 2019

EUROPE AND NORTH AMERICA

MIDDLE-INCOME
Belarus
North Macedonia
Russian Federation

HIGH-INCOME
Canada
Croatia
Cyprus
Germany
Greece
Ireland
Italy
Latvia
Luxembourg
Netherlands
Norway
Poland
Portugal
Slovak Republic
Slovenia
Spain
Sweden
Switzerland
United Kingdom
United States



LATIN AMERICA AND THE CARIBBEAN

MIDDLE-INCOME
Brazil
Ecuador
Guatemala
Mexico

HIGH-INCOME
Chile
Colombia
Panama
Puerto Rico

MIDDLE EAST AND AFRICA

LOW-INCOME
Egypt
Madagascar
Morocco

MIDDLE-INCOME
Iran
Jordan
South Africa

HIGH-INCOME
Oman
Qatar
Saudi Arabia
United Arab Emirates
Israel

ASIA AND PACIFIC

LOW-INCOME
India
Pakistan

MIDDLE-INCOME
Armenia
China

HIGH-INCOME
Australia
Japan
Republic of Korea
Taiwan

Source: Global Entrepreneurship Monitor, 2019/2020 Global Report

SECTION 1.
SOCIETAL VALUES ABOUT ENTREPRENEURSHIP IN QATAR

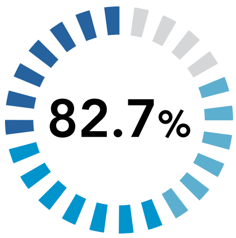
1.1 SOCIETAL ATTITUDES
TOWARDS ENTREPRENEURSHIP IN QATAR

Entrepreneurial attitudes play an essential part in creating an entrepreneurial culture. Societal attitudes can have an important influence on entrepreneurial intent in an economy. Societal attitudes include whether people consider entrepreneurship to be a good career choice, whether they believe successful entrepreneurs are conferred with high status, and the extent to which entrepreneurs receive media attention. Also reported is whether people believe everyone should have a similar standard of living, whether they feel it is easy to start a business in the area where they live and the extent to which they think businesses strive to solve social problems as their primary objective.

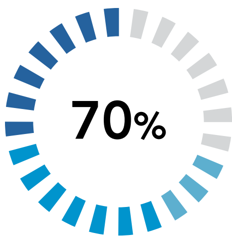
The 2019 results indicate a positive societal attitude towards entrepreneurship in Qatar.

More than **80%** of the adult population in Qatar (18 to 64 years) consider entrepreneurship as a **good career choice** and believe that entrepreneurs are well regarded and enjoy a high level of social status and respect.

The proportion of adults that consider entrepreneurship as a desirable career pathway trended upwards following a **substantial decline in 2017** to reach levels equivalent to those recorded in 2016 (see Figure 1.1). The considerable decline in attitude from 2016 to 2017 was most likely due to a public reaction to the severing of diplomatic trade and transportation ties with Qatar by Saudi Arabia, the United Arab Emirates, Egypt, and Bahrain in June 2017. The societal attitudes towards entrepreneurship have continued to improve since 2017 and are reflective of national initiatives aimed at fostering entrepreneurship and achieving self-sufficiency.

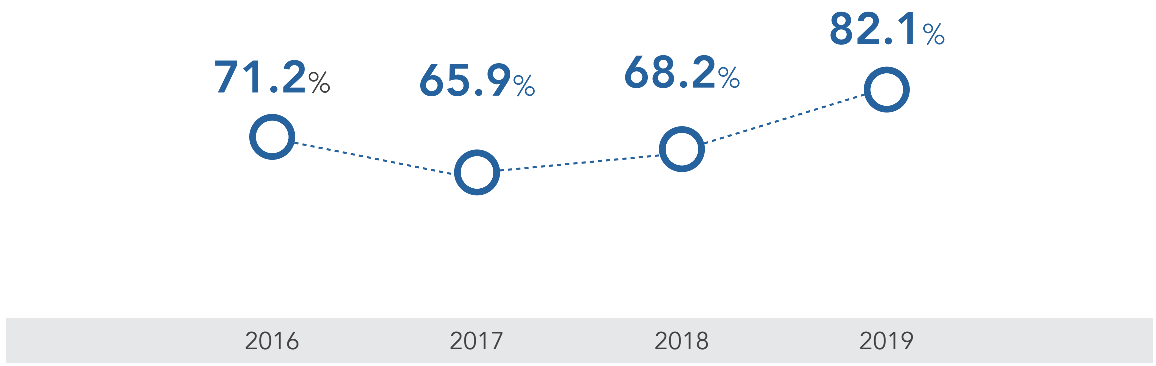


Much of the Qatar adult population (**82.7%**) agree that public media and the Internet provide good coverage of successful new businesses. The proportion of the adult population who believe that you often see stories in the public media and/or Internet about successful new businesses has continued to trend upwards from 2017 (see Figure 1.3).



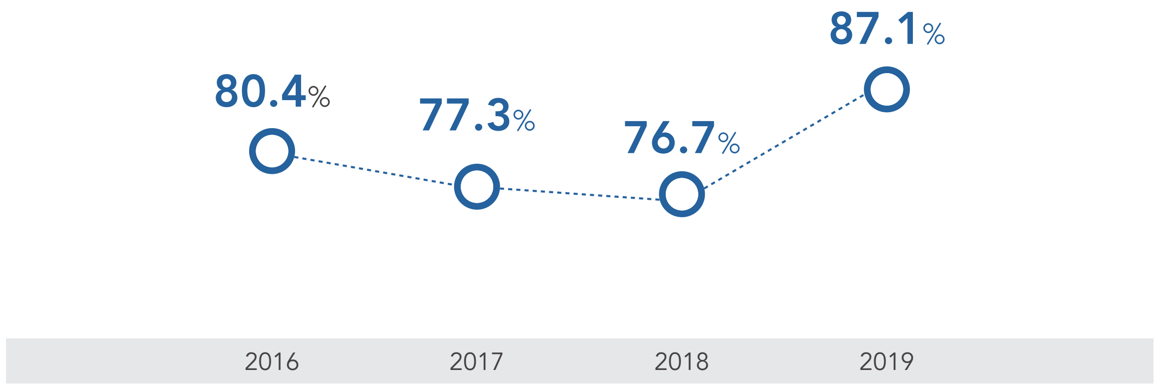
More than **70%** of Qatar's adult population believe that most people would prefer that everyone in their society had a similar standard of living. Six in ten adults believe that you often see businesses that primarily aim to solve social problems. Both societal indicators towards entrepreneurship have reached the highest level since 2017 (see Figures 1.4 and 1.5).

FIGURE 1.1: MOST PEOPLE CONSIDER STARTING A NEW BUSINESS A DESIRABLE CAREER CHOICE, 2016-2019



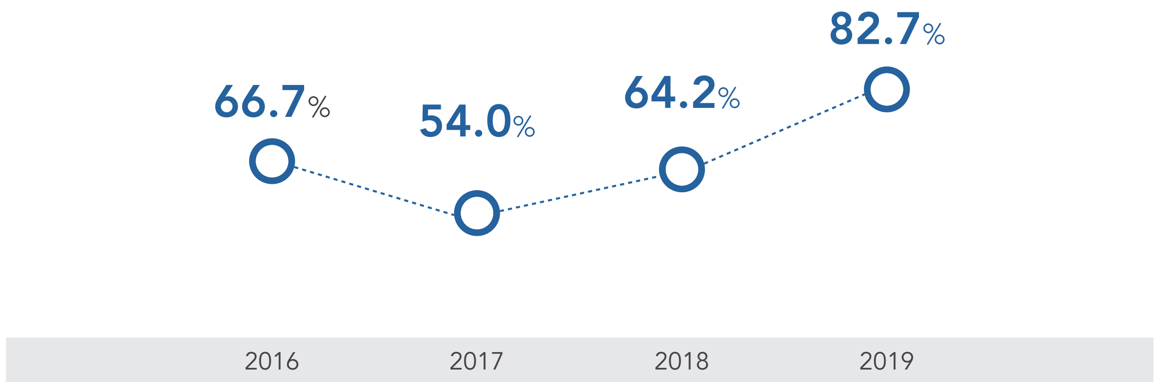
Source: Qatar Adult Population Survey, 2016, 2017, 2018, and 2019

FIGURE 1.2: THOSE SUCCESSFUL AT STARTING A NEW BUSINESS HAVE A HIGH LEVEL OF STATUS AND RESPECT, 2016-2019



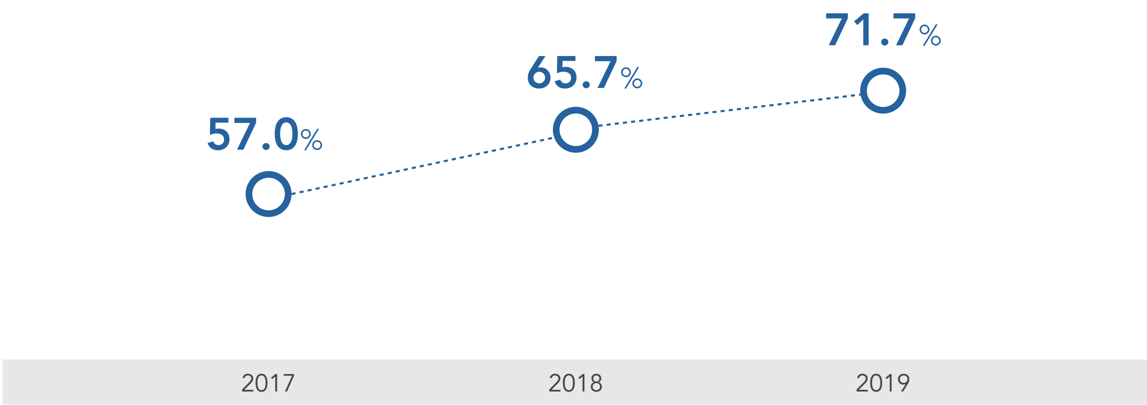
Source: Qatar Adult Population Survey, 2016, 2017, 2018, and 2019

FIGURE 1.3: YOU OFTEN SEE STORIES IN THE PUBLIC MEDIA AND/OR INTERNET ABOUT SUCCESSFUL NEW BUSINESSES, 2016-2019



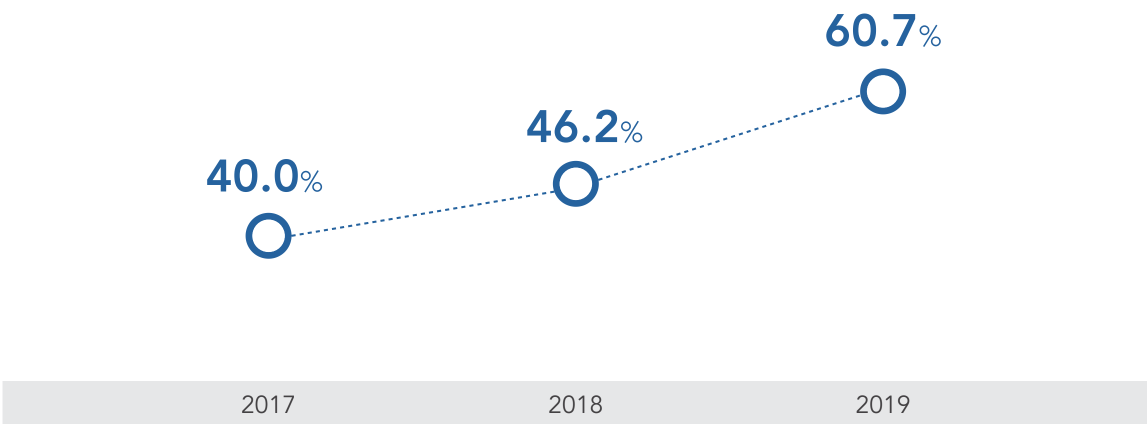
Source: Qatar Adult Population Survey, 2016, 2017, 2018, and 2019

FIGURE 1.4: MOST PEOPLE WOULD PREFER THAT EVERYONE HAD A SIMILAR STANDARD OF LIVING, 2017-2019



Source: Qatar Adult Population Survey, 2017, 2018, and 2019
Note: indicator not reported on in 2016

FIGURE 1.5: YOU OFTEN SEE BUSINESSES WHOSE PRIMARY OBJECTIVE IS SOLVING SOCIAL PROBLEMS, 2017-2019



Source: Qatar Adult Population Survey, 2017, 2018, and 2019
Note: indicator not reported on in 2016

1.2 SOCIETAL ATTITUDES TOWARDS ENTREPRENEURSHIP ACROSS MENA

Table 1.1 compares the societal attitudes towards entrepreneurship indicators in Qatar with other MENA countries participating in GEM APS 2019. Societal attitudes towards entrepreneurship are **highest** in Qatar, Egypt, Oman, and the UAE and **lowest** in Iran and Morocco.

Qatar records the most significant percentage of the adult population who believe that entrepreneurs are admired in society and that they garner substantial media attention.

The adult population in Oman are most likely to consider entrepreneurship as a good career choice, whereas Iran is least likely to hold this view. Egyptians are most likely to prefer equal standards of living for all, and to believe that many businesses primarily aim to solve social problems.

TABLE 1.1: SOCIETAL VALUES ABOUT ENTREPRENEURSHIP IN MENA COUNTRIES, 2019

	Good career choice		High status to successful entrepreneurs		Media attention for entrepreneurship		People prefer an equal standard of living for all		Often see businesses that aim to solve social problems	
	Score	Rank/50	Score	Rank/50	Score	Rank/50	Score	Rank/50	Score	Rank/50
Qatar	**82.1**	**5**	**87.1**	**4**	**82.7**	**2**	**71.7**	**17**	**60.7**	**9**
Egypt	80.0	8	86.2	6	75.9	11	79.0	6	64.1	7
Iran	45.3	42	86.6	5	69.1	23	47.9	43	46.6	19
Morocco	81.5	6	68.4	35	60.8	33	73.1	15	20.9	46
Jordan	76.3	12	85.2	9	70.0	22	63.7	30	49.9	15
Saudi Arabia	69.7	22	79.3	18	71.8	18	73.8	13	57.3	10
Oman	85.3	4	85.7	8	75.1	13	55.1	37	39.8	27
UAE	70.3	19	79.0	19	78.4	7	67.1	26	63.3	8

Source: GEM Adult Population Survey 2019
(=) indicates that the ranking is the same for two or more countries

SECTION 2.
SELF-PERCEPTIONS ABOUT ENTREPRENEURSHIP IN QATAR

For individual self-perceptions about entrepreneurship, GEM also asks people about entrepreneurial affiliations in terms of whether they personally know someone who started a business or became self-employed in the past two years. Affiliations with entrepreneurs can provide role models by encouraging potential entrepreneurs to pursue their ambitions by starting a business and can offer mentorship.

GEM also asks people whether they see opportunities around them, which is an indication as to whether there are favourable conditions in an environment to start new business ventures.

GEM also asks people whether they feel it is easy to start a business in the area where they live and whether they believe they have the necessary knowledge, skills, and experience required to start a new business. This helps to determine the level of self-confidence people have in their abilities and the extent to which they feel they have the education and training required to transform a creative idea into a viable business.

Another indicator of self-perceptions centres on a fear of failure. This is measured according to those individuals who see opportunities in an environment but choose not to pursue the opportunity because they fear they may fail.

THE INDIVIDUAL SELF-PERCEPTIONS INDICATORS ARE SUMMARIZED BELOW:

Entrepreneurial affiliation:
Personally, know someone who started a business or became self-employed in the past two years?

Perceived opportunities:
In the next six months, will there be good opportunities for starting a business in the area where you live?

Perceived ease of starting a business:
In Qatar, is it easy to start a business?

Perceived capabilities:
Do you have the knowledge, skills, and experience required to start a new business?

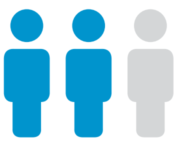
Fear of failure:
Would fear of failure prevent you from starting a business?

Entrepreneurial intention:
Are you, alone or with others, expecting to start a new business, including any type of self-employment, within the next three years?

2.1 SELF-PERCEPTIONS ABOUT ENTREPRENEURSHIP IN QATAR

In 2019, nearly two-thirds of adults in Qatar personally know someone who started a business or became self-employed in the last two years. Half of the respondents (50.6%) know at least two or more people who have recently started their own business. Many adults in Qatar have access to a knowledgeable and motivated network of entrepreneurs, which is an important promoting factor for the spread of entrepreneurship. The percentage of adults in Qatar who personally know an entrepreneur has increased from **44.9%** in **2018** to **62.4%** in **2019** (see Figure 2.1).

Three in four adults in Qatar see good opportunities for starting a business within the next six months and believe they have the knowledge, skills, and experience required to start a business. The number of people in Qatar who see good opportunities for starting a business within the next six months, and feel they have the capabilities to do so, has continued to **increase** since 2017. The most substantial increase can be observed between the 2018 and 2019 results, with the indicators for perceived opportunities and perceived capabilities rising at least 20 percentage points since the previous year (see Figure 2.2). This increase corresponds with the rise in positive societal attitudes toward entrepreneurship in Qatar since the previous year.

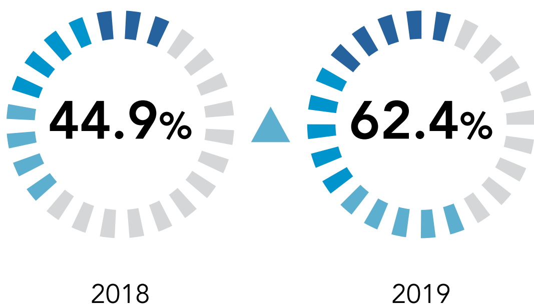


Two-thirds of adults believe that it is **easy to start a business in Qatar**. The proportion of adults who hold this opinion have nearly doubled since 2017 (39.4% up to 66.6%) (see Figure 2.3).

Whilst the adult population in Qatar holds an optimistic view of entrepreneurship, **fear of failure continues to be a barrier** that prevents many from starting a business. Just under half of the adults who see good opportunities for entrepreneurship state that fear of failure would prevent them from starting a business. The number of respondents who see opportunities to start a business who fear failure has **increased** by **12.6** percentage points since 2018 (see Figure 2.4).

Qatar's entrepreneurial intentions rate is relatively high with just under half of the adult population who are currently not involved in entrepreneurial activity (**45.3%**) stating that they **expect to start a business within the next three years**. The proportion of the adult population in Qatar who are not involved in entrepreneurial activity, and intend to start a business, has risen substantially from **15.7%** in **2017** to **29.1%** in **2018** up to **45.3%** in **2019** (see Figure 2.4). These results are reflective of the Government's efforts to drive entrepreneurship in the country and to diversify the economy through the stimulation of private enterprise.

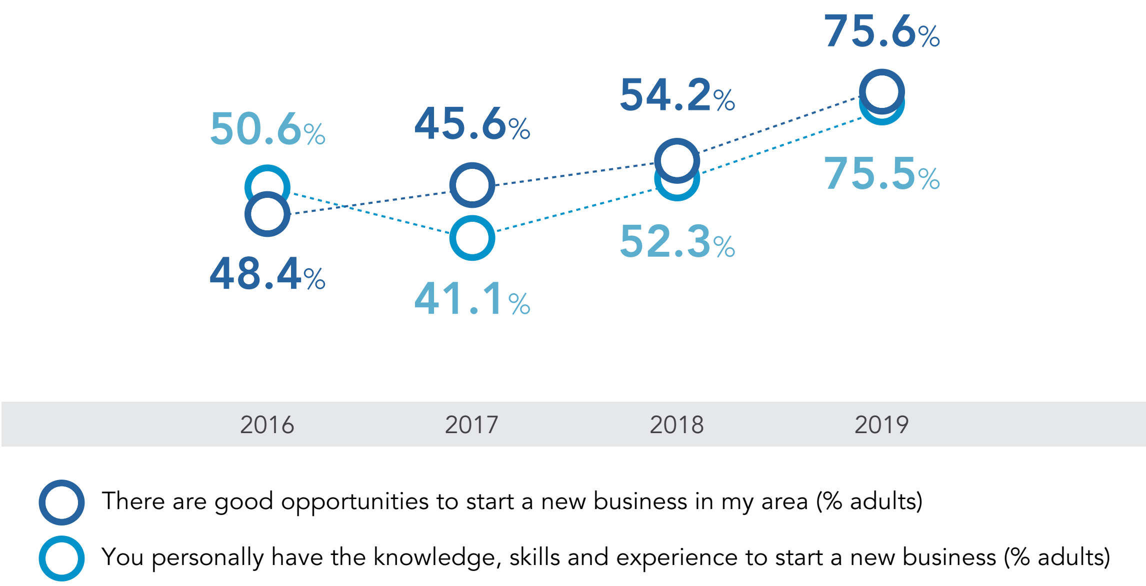
FIGURE 2.1: ENTREPRENEURIAL AFFILIATIONS, 2016-2019



Knowing someone who has started a business in the past 2 years (% adults)

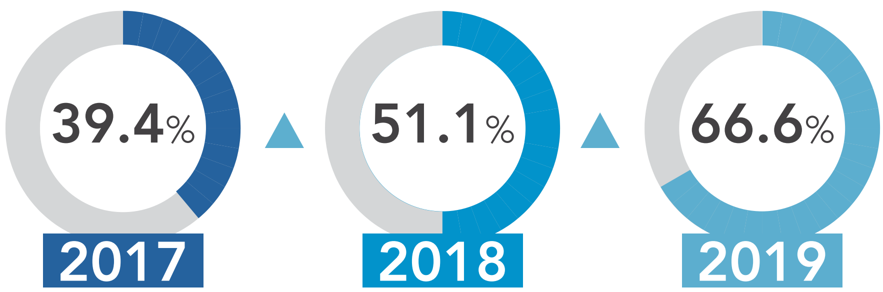
Source: Qatar Adult Population Survey 2018 and 2019

FIGURE 2.2: PERCEIVED OPPORTUNITIES AND CAPABILITIES, 2016-2019



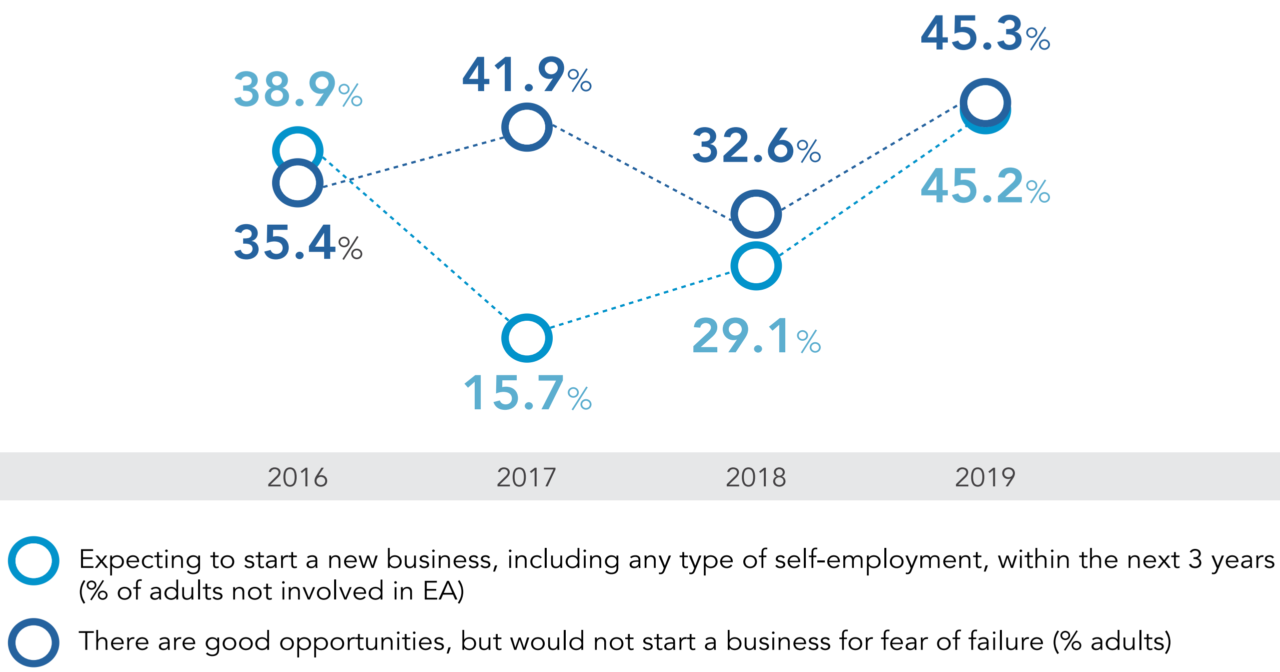
Source: Qatar Adult Population Survey, 2016, 2017, 2018, and 2019

FIGURE 2.3: PERCEIVED EASE OF STARTING A BUSINESS, 2017-2019



Source: Qatar Adult Population Survey, 2017, 2018, and 2019. **Note:** indicator not reported on in 2016

FIGURE 2.4: ENTREPRENEURIAL INTENTIONS AND FEAR OF FAILURE (THOSE WHO SEE OPPORTUNITIES), 2016-2019



Source: Qatar Adult Population Survey, 2016, 2017, 2018, and 2019

2.2 SELF-PERCEPTIONS ABOUT ENTREPRENEURSHIP ACROSS MENA

Table 2.1 compares the self-perception about entrepreneurship values in Qatar with other MENA countries participating in GEM APS 2019.

The adult population in **Saudi Arabia** is the most likely of all participating countries in the APS to personally know someone who has started a business within the past two years.
Oman is ranked in 3rd position overall on the indicator for entrepreneurial affiliations, and **Qatar** is ranked in **11th position**.

> “The adult population in **Qatar** and **Saudi Arabia** are most likely of the MENA benchmarked countries to feel that there are good opportunities for starting a business in the area where they live and to believe they have the capabilities to start an enterprise (both countries are ranked within the top five economies on these indicators). Within the region, **Jordan** is ranked lowest on perceived opportunities, and **Oman** falls behind its neighbours on perceived capabilities.”

The adult population in **Qatar** are also more likely than the benchmarked MENA countries to believe it is easy to start a business, whereas adults in **Morocco** are least likely to hold this opinion.

Egyptians and **Jordanians** are least likely to state that fear of failure would prevent them from starting a business, whereas the adult population in **Iran** is most likely to make this claim. **Qatar** is ranked in **19th position** on the fear of failure indicator out of the 50 participating countries in the APS.

The adult population in **Oman** and **Egypt** who are currently not involved in entrepreneurial activity are the most likely of all countries participating in the APS to have intentions to start a new business within the next three years. **Oman** is also the most likely of the MENA countries to consider entrepreneurship as a good career choice. **Qatar** is ranked **5th** overall on the indicator for entrepreneurial intentions.

TABLE 2.1: SELF-PERCEPTIONS ABOUT ENTREPRENEURSHIP IN MENA COUNTRIES, 2019

	Entrepreneurial affiliations		Perceived opportunities		Perceived ease of starting a business		Perceived capabilities		Fear of failure (opportunity)		Entrepreneurial intentions	
	Score%	Rank/50	Score%	Rank/50	Score%	Rank/50	Score%	Rank/50	Score%	Rank/50	Score%	Rank/50
Qatar	**62.4**	**11**	**75.6**	**4**	**66.6**	**11**	**75.5**	**=5**	**45.2**	**=19**	**45.3**	**5**
Egypt	52.0	26	73.5	7	64.0	14	67.3	15	54.8	4	61.6	2
Iran	55.1	=21	47.7	29	30.1	45	68.9	13	36.2	37	37.9	11
Morocco	51.2	29	57.7	19	27.0	46	62.4	18	42.5	26	41.9	8
Jordan	46.5	36	40.6	42	35.1	38	61.7	21	54.4	5	29.1	17
Saudi Arabia	82.6	1	73.8	6	52.9	22	83.0	2	41.8	28	32.3	14
Oman	71.1	3	72.3	8	54.7	20	56.3	29	40.8	=31	62.9	1
UAE	61.5	12	66.1	13	66.1	12	62.2	19	41.7	29	38.5	10

Source: GEM Adult Population Survey 2019
Note: Fear of Failure (based on those who see opportunities), Entrepreneurial Intentions (based on those not involved in EA)
(=) indicates that the ranking is the same for two or more countries

SECTION 3.
ENTREPRENEURIAL TALENT IN QATAR

For the 2019 GEM study, a new set of indicators has been included in the APS to measure the entrepreneurial potential of people in a society. The respondents were asked the extent to which they agree or disagree with the following 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

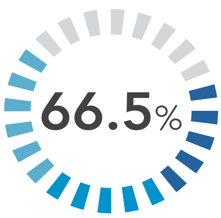
GEM considers that a person's decision to start a business is influenced by their individual disposition towards entrepreneurship. The new set of questions enables GEM to measure how likely people in a society are to have a positive disposition towards entrepreneurship by determining whether they are **opportunistic**, **proactive**, or **creative**, and whether they have a **vision** in terms of their career plan.

3.1 ENTREPRENEURIAL TALENT
IN QATAR

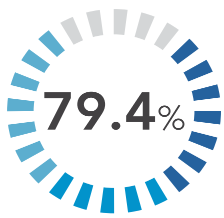
Most adults in Qatar agree[2] that they have a long-term career plan, and each decision they make is directed towards achieving this plan. **Two-thirds** of adults believe other people view them as highly innovative (see figure 3.1).

Half of the adult population in Qatar indicate that they do not have a positive disposition towards entrepreneurship. **One in two** adults surveyed agrees with the statement that they rarely see business opportunities even if they are very knowledgeable in the area. The same proportion of adults also agree that even when they do see a profitable opportunity, they rarely act on it (see figure 3.2).

FIGURE 3.1: INNOVATION AND LONG-TERM GOALS, 2019



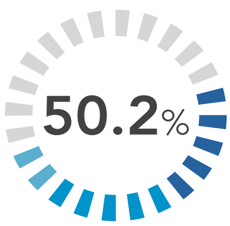
Other people think that you are
highly innovative
(% adults who agree)



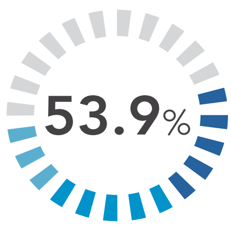
Every decision you make
is part of your long-term career plan
(% adults who agree)

Note: % of adults agreeing that (a) other people think that you are highly innovative, and (b) every decision is part of a career plan
Source: Qatar Adult Population Survey 2019

FIGURE 3.2: OPPORTUNISM AND PROACTIVITY, 2019



Rarely sees opportunities
(% adults who agree)



Even when you spot a profitable
opportunity, you rarely act on it
(% adults who agree)

Note: % of adults agreeing that (a) they rarely see business opportunities, and (b) even if they see an opportunity they rarely act on it
Source: Qatar Adult Population Survey 2019

[2] Agree includes both "somewhat agree" and "strongly agree"

3.2 ENTREPRENEURIAL TALENT
ACROSS MENA

Table 3.1 compares the entrepreneurial talent indicators in **Qatar** with other **MENA** countries participating in **GEM APS 2019**.

The adult population in **Qatar** and **Egypt** are most likely of the MENA benchmarked countries to have and make decisions based on their career plan. **Qatar** is also ranked **high** compared to most of the other MENA countries who participated in GEM APS 2019 for the **creativity indicator**, and **Iran** registers the highest score.

Most adults in Morocco, Egypt, and Jordan have a negative disposition towards entrepreneurship and rarely see business opportunities even if they are very knowledgeable in the area. These countries are positioned in the top five global rankings for this indicator. In comparison, Saudi Arabia, UAE, and Iran record the lowest percentage of adults in the MENA region who agree with this statement, indicating a more positive societal disposition towards entrepreneurship in these countries.

The adult population in **Iran** and **Qatar** are the most likely of the benchmarked MENA countries to believe that **other people see them as innovative**. Seven in ten adults in Egypt rarely act on opportunities, which ranks the country in second place globally and first place within the MENA region for this indicator.

TABLE 3.1: ENTREPRENEURIAL TALENT IN MENA COUNTRIES, 2019

	Rarely see business opportunities		Even if you see an opportunity, they rarely act on it		Other people think that 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
Qatar	**50.2**	**22**	**53.9**	**29**	**66.5**	**9**	**79.4**	**5**
Egypt	67.8	4	71.0	2	63.6	15	80.5	4
Iran	48.6	25	46.1	39	66.6	8	63.4	28
Morocco	71.7	1	44.0	44	56.2	24	71.6	16
Jordan	67.6	5	59.4	=11	63.8	13	69.6	20
Saudi Arabia	43.4	34	44.9	42	63.9	12	54.3	36
Oman	51.0	20	54.8	24	56.9	23	70.2	18
UAE	47.6	26	54.5	26	60.9	18	74.8	13

Note: % of adults agreeing that (a) other people think that you are highly innovative, (b) every decision is part of a career plan, (c) they rarely see business opportunities, and (d) even if they see an opportunity they rarely act on it
Source: GEM Adult Population Survey 2019
(=) indicates that the ranking is the same for two or more countries

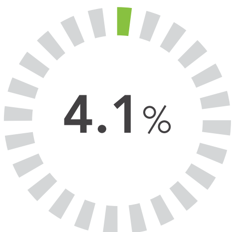
SECTION 4.
ENTREPRENEURIAL ACTIVITY IN QATAR

4.1 EARLY-STAGE ENTREPRENEURIAL ACTIVITY IN QATAR

GEM conceptualizes entrepreneurship as a continuous process that includes nascent entrepreneurs involved in setting up a business, entrepreneurs who own and manage a new business, and entrepreneurs who own and manage an established business. In addition, **GEM** assesses the rate and nature of business discontinuations.

The central indicator of GEM is the Total Early-stage Entrepreneurial Activity (**TEA**) rate, which is the percentage of the adult population between the ages of 18 and 64 years who are in the process of starting a business or have already started a business which is less than 42 months old. The TEA Index consists of two groups of entrepreneurs: nascent entrepreneurs and new business owners. **Nascent entrepreneurs** are at a **very early stage** of starting a new business that is less than four months old and have not paid salaries. **New business owners** have started a new business **since January 2016** and have paid salaries for at least three months. These entrepreneurs at least part own and manage the new business. Measuring these two types of entrepreneurs is important, as it provides the level of early-stage activity that will be transformed into established businesses.

In **2019**, **10.9%** of the adult population in Qatar report to be in the early stages of starting a business that is less than four months old (**nascent entrepreneurs**)

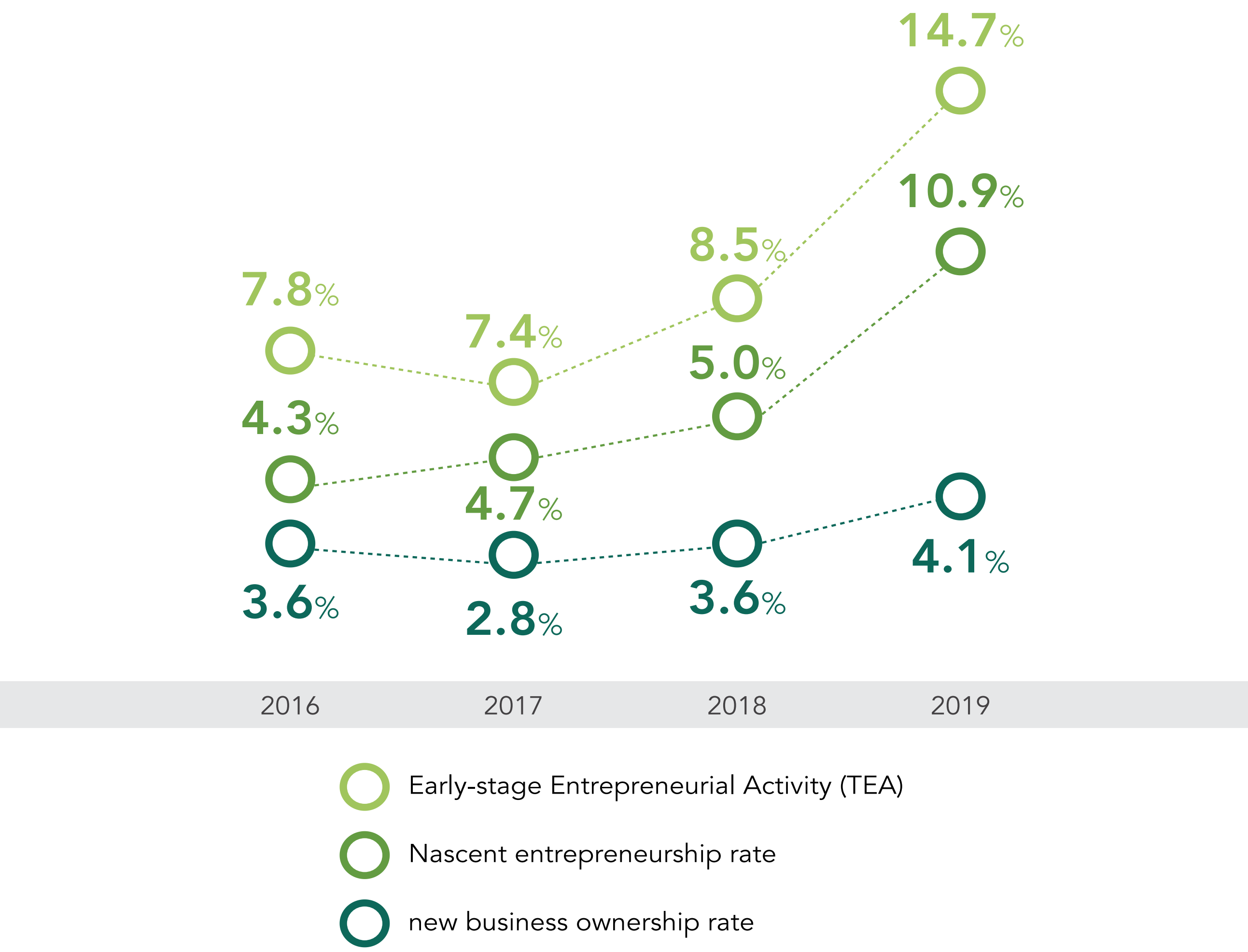


and **4.1%** report to be **operating a new business**.

The proportion of adults involved in the nascent and new business stages shows that a total of **14.7%** of Qatar's adult population is involved in early-stage entrepreneurial activity in 2019. The main reason motivating adults to start a new business is **to generate great wealth or a high income** (mentioned by 85.3% of early-stage entrepreneurs).

Figure 4.1 shows that Qatar has experienced an **increase** in the rate of early-stage entrepreneurship **from 2016 to 2019**. The **nascent entrepreneurship** rate has **increased** steadily over the four years. Figure 4.1 also shows how Qatar ranks on the TEA Index's performance over the past four years, from 2016 to 2019. In 2019, Qatar's overall ranking for TEA is above the median for GEM (**12.8%**), and nearly double the ranking for 2018.

FIGURE 4.1: EARLY-STAGE ENTREPRENEURIAL ACTIVITY IN QATAR, 2016-2019



Source: Qatar Adult Population Survey, 2016, 2017, 2018, and 2019

4.2 ESTABLISHED BUSINESSES
IN QATAR

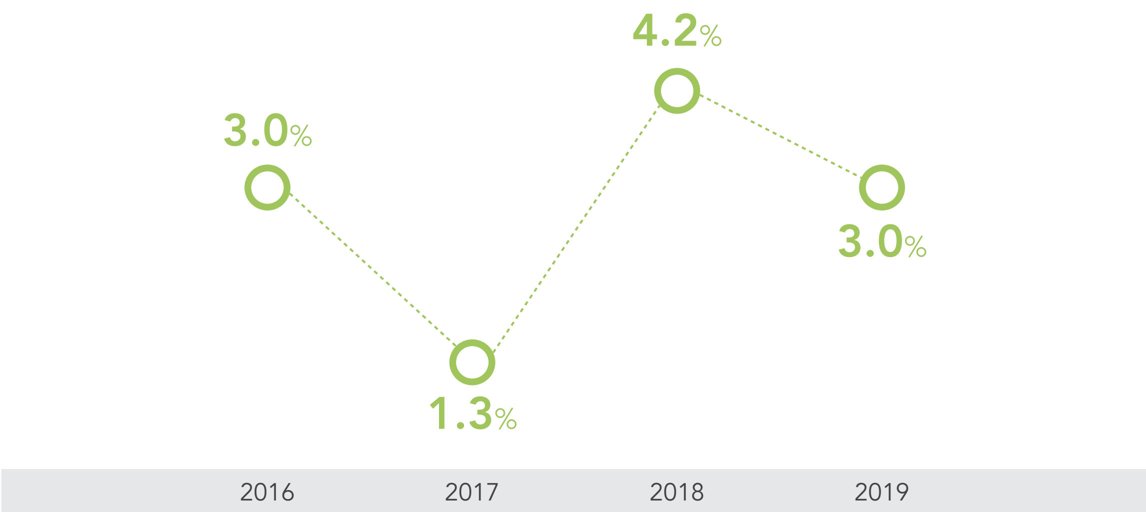
Information on the level of established businesses is important, as it provides some indication of the sustainability of entrepreneurship in an economy. These businesses have moved beyond the nascent and new business phases and contribute to a country's economy through the ongoing **introduction of new products and processes and a more stable base of employment.**

The **GEM** survey is a point-in-time snapshot of entrepreneurial and business activity around the world. It provides a means through which the level of mature business activity relative to start-up activity can be examined. Information on the rate of business discontinuance is another indicator of the sustainability of entrepreneurship in an economy.

> **GEM** defines established businesses as those that have been in operation for more than **42 months**.
>
> In **2019**, **3.0%** of the adult population report to be operating an established business in Qatar.

Figure 4.2 shows the established business ownership rates from 2016 to 2019. After a considerable decline in the established business ownership rate from 2016 to 2017 (3.0% down to 1.3%), the rate tripled to reach a high of 4.2% in 2018 and has since declined in 2019 to reach the same level as in 2016.

FIGURE 4.2: ESTABLISHED BUSINESS OWNERSHIP RATE IN QATAR (MORE THAN 42 MONTHS IN THE MARKET), 2016-2019



Source: Qatar Adult Population Survey, 2016, 2017, 2018, and 2019

4.3 SECTOR DISTRIBUTION OF ENTREPRENEURIAL ACTIVITY

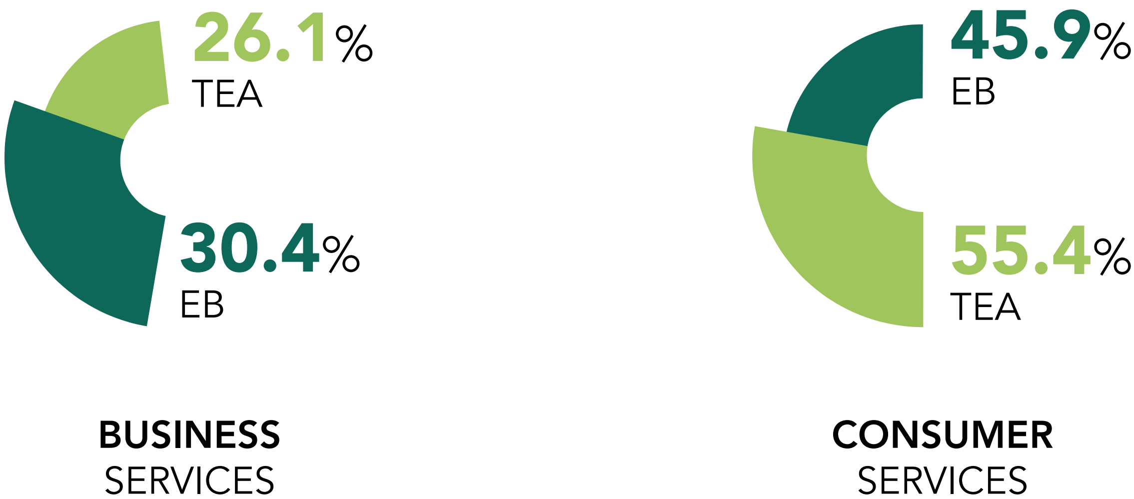
The **GEM** APS classifies entrepreneurial activity into four broad sectors:

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

In 2019, over half of TEA in Qatar (**55.4**%) is in the consumer services sector, and **26.1**% of the start-up activity is in business services. A lower **17.7**% of start-up activity is in the transformative sector and **0.8**% in the extractive sector. In 2019, most of the established businesses are within the consumer services and business services sectors (**45.9**% and **30.4**%, respectively) (see Figure 4.3).

Egypt records the **highest** percentage of TEA in the **extractive and transformative** sectors in the MENA region and has the **lowest** TEA percentage in the **business services** sector. **Qatar** has an **above-average** percentage of TEA in the **business services** sector when compared to the MENA benchmarked countries and is **below the average** in the **remaining three** industry sectors.

FIGURE 4.3: BUSINESS SERVICES AND CONSUMER SERVICES AS % TEA AND EB IN QATAR, 2019



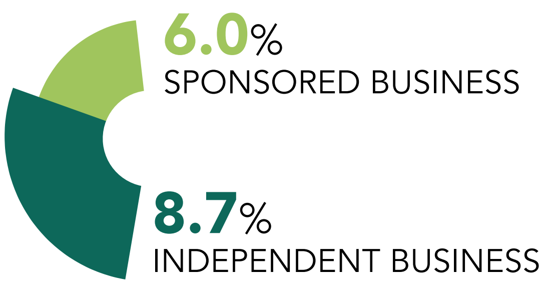
Source: Qatar Adult Population Survey 2019

4.4 BUSINESS OWNERSHIP

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?" The new question is combined with existing questions about business ownership to identify whether enterprises have been established autonomously or independently of a larger business or sponsored through shared ownership with the individual's employer. Figure 4.4 shows that the proportion of sponsored TEA in Qatar is **6**%. This means **one in every 16** entrepreneurs who are starting or running a new business are **sponsored by their employer.** The level of independent entrepreneurship in Qatar is slightly higher, at **8.7**%.

In **Qatar**, most entrepreneurs operate their business in a **partnership**. Those who have recently started a business are more likely to be part-owners than those who have been in business for a longer period (**74.7**% and **65.1**%, respectively). In 2019, most business owners who are in a commercial partnership hold between 25% to 49% share of their enterprise. A quarter of early-stage entrepreneurs and 30.1% of established business owners report having full ownership of their business.

FIGURE 4.4: SPONSORED AND INDEPENDENT TEA IN QATAR, 2019



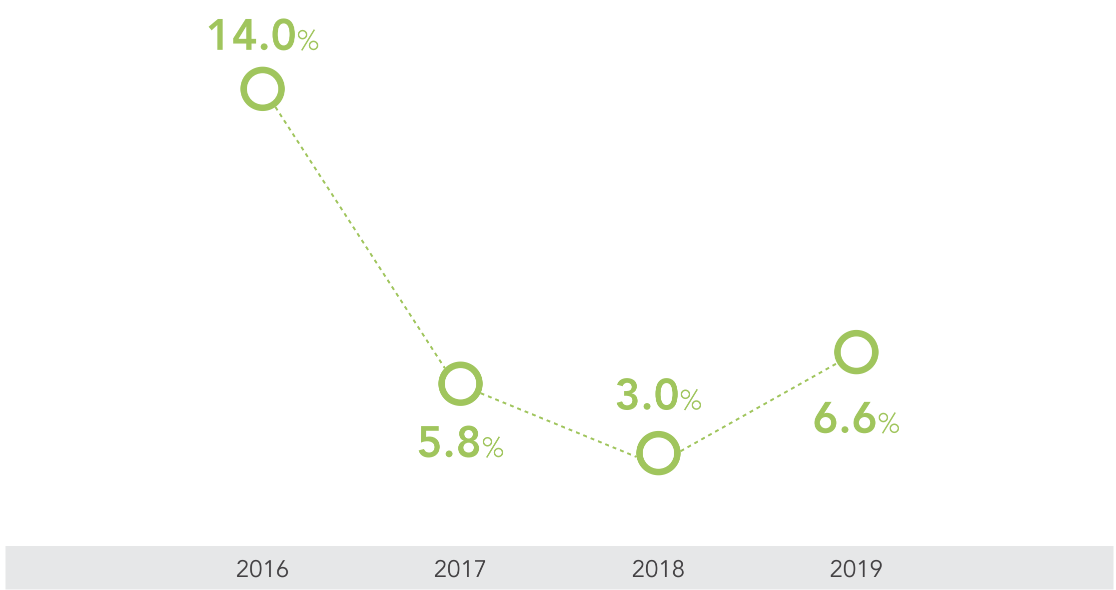
Source: Qatar Adult Population Survey 2019

4.5 BUSINESS DISCONTINUANCE IN QATAR

As well as high levels of entrepreneurship in Qatar, many owner-managers also exit a business each year. These businesses may continue, for example, when a business is sold or when it is passed on to a family member, or they may discontinue. Information on the rate of business discontinuance is another indicator of the sustainability of entrepreneurship in an economy. In Qatar, **6.6**% of the adult population report they have recently exited a business that was **discontinued**. In three-quarters of cases, the business activities stopped completely. Among reasons cited for discontinuing a business, the most common is a **lack of profitability**, accounting for **33.9**% of exits.

Figure 4.5 shows a steady decline in the proportion of businesses that have been discontinued from 2016 to 2019. The rate of business discontinuance **more than halved** from 2016 to 2017 (**14.0** down to **5.8**) and continued a steady decline to reach a low of **3.0** in 2018. In 2019, the discontinuance rate has more than doubled since the previous year (**6.6**%), indicating a negative trend rather than positive.

FIGURE 4.5: DISCONTINUATION OF BUSINESSES IN QATAR, 2016-2019

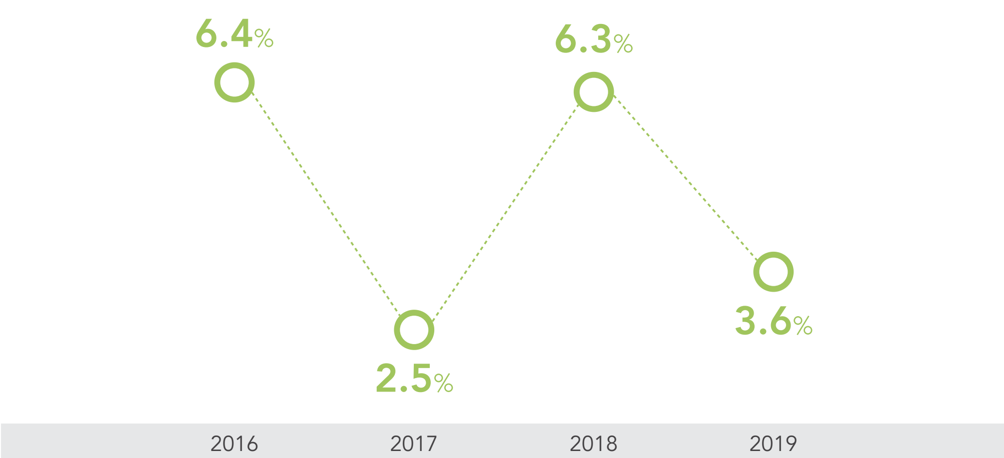


Source: Qatar Adult Population Survey, 2016, 2017, 2018, and 2019

4.6 ENTREPRENEURIAL EMPLOYEE ACTIVITY IN QATAR

A total of **3.6**% of employees report they have been involved in the development of new activities for their primary employer, such as launching new goods or services, setting up a new business unit, establishment or subsidiary within the past three years. **GEM** considers that Entrepreneurial Employee Activity (EEA) accounts for a substantial portion of entrepreneurial activity within innovative-driven economies such as Qatar. Figure 4.6 shows the trend data for EEA. Entrepreneurial employee activity continued to increase from **2.5**% in 2017 up to **6.3**% in 2018 and then declined in 2019 to **3.6**%.

FIGURE 4.6: ENTREPRENEURIAL EMPLOYEE ACTIVITY (EEA) IN QATAR, 2016-2019



Source: Qatar Adult Population Survey, 2016, 2017, 2018, and 2019

4.7 ENTREPRENEURIAL AND BUSINESS ACTIVITY ACROSS MENA

Table 4.1 shows the entrepreneurial and business activity by each phase across the MENA region and compares Qatar to other MENA countries participating in GEM APS 2019.

The **highest** TEA rates in the MENA region can be found in the high-income economies of the **UAE, Qatar, and Saudi Arabia**. **Qatar** is ranked in **15th** position overall on the TEA out of the 50 countries participating in the 2019 APS. Egypt and Oman report the lowest rates of early-stage entrepreneurship in the region.

> **Qatar** reports the **highest nascent entrepreneurship rate** of the MENA countries, which indicates the country has taken new initiatives to encourage its residents to start businesses. Qatar is ranked in **9th** position overall on this indicator. In comparison, Qatar is ranked in **4th** position on the new business ownership rate when benchmarked against the selected MENA countries.

Iran has the highest rate of businesses that have been operating for more than 42 months in the region, followed by Morocco (ranked 16th and 22nd position overall). Qatar lags many of its neighbouring countries on the established business ownership indicator with a rate of 3.0% and is ranked in **45th** position overall.

The rate of **business discontinuation** in the region is high, with nearly all benchmarked countries in MENA excluding Morocco, ranked in the top ten economies overall on this indicator. Oman, Egypt, and Qatar report the highest rates of business discontinuation out of the 50 countries participating in the APS.

Entrepreneurship among employees of existing organizations in the MENA region is most prevalent in the UAE. In the UAE, high levels of employee entrepreneurship complement high TEA rates. In the MENA region, entrepreneurship is less likely to occur in organizations as it is in independent start-ups. Qatar is ranked in the 18th position overall on the EEA indicator and has the **second-highest** level of employee entrepreneurship activity in the region.

TABLE 4.1: RATES OF ENTREPRENEURSHIP ACTIVITY IN MENA COUNTRIES, 2019

	Nascent entrepreneurship rate		New business ownership rate		Early-stage entrepreneurial activity (TEA)		Established business ownership rate		Entrepreneurial employee activity (EEA)		Discontinuation of businesses	
	Score%	Rank/50	Score%	Rank/50	Score%	Rank/50	Score%	Rank/50	Score%	Rank/50	Score%	Rank/50
Qatar	**10.9**	**9**	**4.1**	**=27**	**14.7**	**15**	**3.0**	**45**	**3.6**	**=18**	**6.6**	**=4**
Egypt	5.0	37	1.8	=48	6.7	43	1.5	49	0.2	=47	7.0	3
Iran	6.9	=26	4.1	=27	10.7	26	10.2	16	2.0	25	5.2	8
Morocco	7.3	=21	4.4	22	11.4	24	7.9	22	0.3	46	2.4	=30
Jordan	5.7	31	3.5	=36	9.1	34	6.6	=27	0.7	=36	2.8	24
Saudi Arabia	5.4	33	8.6	6	14.0	16	5.4	34	3.2	20	5.1	9
Oman	3.9	42	3.1	=41	6.9	42	2.0	47	1.2	34	11.5	1
UAE	9.8	=12	7.1	12	16.4	11	7.0	=25	8.2	2	5.5	7

Source: GEM Adult Population Survey 2019
(=) indicates that the ranking is the same for two or more countries

SECTION 5.
MOTIVATIONS AND ASPIRATIONS: WHY DO PEOPLE START A BUSINESS IN QATAR

There are many reasons motivating entrepreneurs to start a business. Some of these reasons include striving to make a difference, seeking higher income and wealth, achieving greater flexibility and work-life balance, continuing a family tradition, or seeking alternative job options.

In the 2019 GEM APS, respondents actively engaged in starting or running a business were asked the extent to which they agree or disagree with the following statements regarding their motivations for starting a business:

- 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

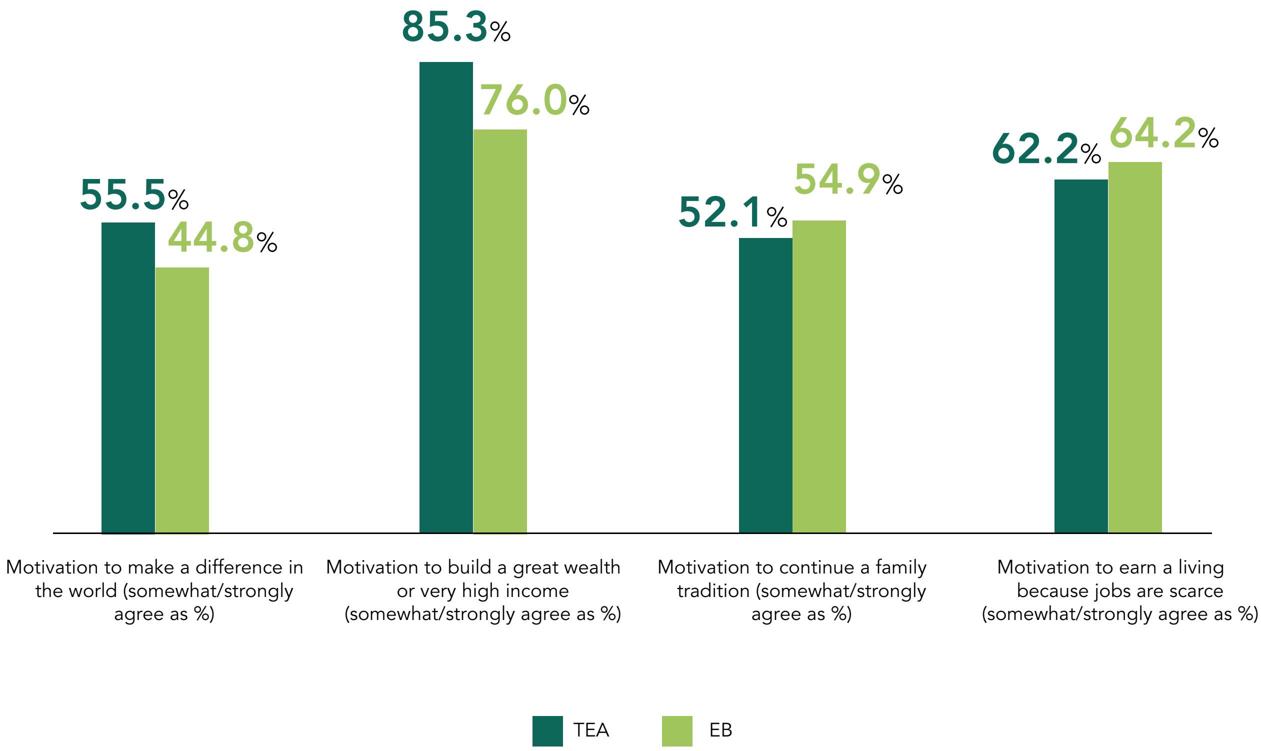
5.1 MOTIVATIONS AND ASPIRATIONS IN QATAR

Early-staged entrepreneurs in Qatar are more motivated to start a business to make a difference in the world than entrepreneurs who have an established business. Over half of those engaged in TEA (**55.5**%) agree[3] with the motivational statement "To make a difference in the world" compared to a lower **44.8**% of those involved in EBs.

Many of Qatar's entrepreneurs start purpose-driven businesses to build great wealth or a very high income. More than three in four entrepreneurs in Qatar (**85.3**% TEA and **76.0**% EB) agree with the motivational statement, "To build great wealth or very high income." This motivation has the highest share of TEA and EB in Qatar.

Over half of those engaged in TEA and EB agree with the motive "To continue a family tradition" (**52.1**% and **54.9**% respectively). Around two-thirds of early-stage entrepreneurs and established business owners in Qatar agree they started a business to earn a living because jobs are scarce (see Figure 5.1).

FIGURE 5.1: MOTIVATIONS AND ASPIRATIONS OF TEA AND EB IN QATAR, 2019



Note: somewhat agree/strongly agree as % TEA and EA) that (a) motivation to make a difference in the world, (b) motivation to build great wealth or very high income, (c) motivation to continue a family tradition, and (d) motivation to earn a living because jobs are scarce
Source: Qatar Adult Population Survey 2019

[3] Agree includes both "somewhat agree" and "strongly agree"

5.2 MOTIVATIONS AND ASPIRATIONS ACROSS MENA

The proportion of those engaged in TEA who agree with the motive **"To make a difference in the world"** varies across MENA countries. Half of early-stage entrepreneurs in Egypt, Qatar, UAE, and Oman agree they were motivated to start a business to make a difference in the world, compared to only one in five in Jordan and Morocco. Most early-stage entrepreneurs in Jordan (93.1%) and Morocco (93.3%) agree they were motivated to start a business to earn a living because **jobs are scarce**. This motivation has the highest share of TEA in Jordan, Morocco, Saudi Arabia, and Oman.

Many early-stage entrepreneurs in the MENA region start purpose-driven businesses to **build great wealth or a very high income**. This motivation has the highest share of TEA in Qatar, Egypt, Iran, and the UAE.

Responses to the motive **"To continue a family tradition"** also vary considerably, with the proportion of entrepreneurs agreeing with this motive at one in five in Iran, but around one in two in Qatar and Egypt (see Table 5.1).

TABLE 5.1: MOTIVATIONS AND ASPIRATIONS OF TEA IN MENA, 2019

	To make a difference in the world		To build great wealth or a very high income		To continue a family tradition		To earn a living because jobs are scarce	
	Score%	Rank/50	Score%	Rank/50	Score%	Rank/50	Score%	Rank/50
Qatar	**55.5**	**14**	**85.3**	**4**	**52.1**	**9**	**62.2**	**29**
Egypt	57.0	12	77.3	7	51.1	10	63.6	26
Iran	40.6	35	83.5	5	20.9	41	68.7	=20
Morocco	21.8	45	69.8	12	33.1	24	93.3	1
Jordan	19.2	46	59.2	22	24.5	38	93.1	2
Saudi Arabia	44.6	26	63.1	19	36.4	18	72.4	19
Oman	49.9	20	53	26	26.6	=33	56.2	32
UAE	51.7	=16	72.3	11	36.6	17	64.9	24

Note: somewhat agree/strongly agree as % TEA that (a) motivation to make a difference in the world, (b) motivation to build great wealth or very high income, (c) motivation to continue a family tradition, and (d) motivation to earn a living because jobs are scarce
Source: GEM Adult Population Survey 2019
(=) indicates that the ranking is the same for two or more countries


BUSINESS
START
PARTNER SHIP

SECTION 6.
IMPACT CHARACTERISTICS OF ENTREPRENEURSHIP IN QATAR

GEM provides a comprehensive set of indicators that characterize entrepreneurship and how entrepreneurs influence society. Section 6 reviews the impact entrepreneurs have by introducing innovations into their societies, creating jobs, competing internationally, contributing to the growth of industries and financing businesses.

6.1 JOB GROWTH EXPECTATIONS

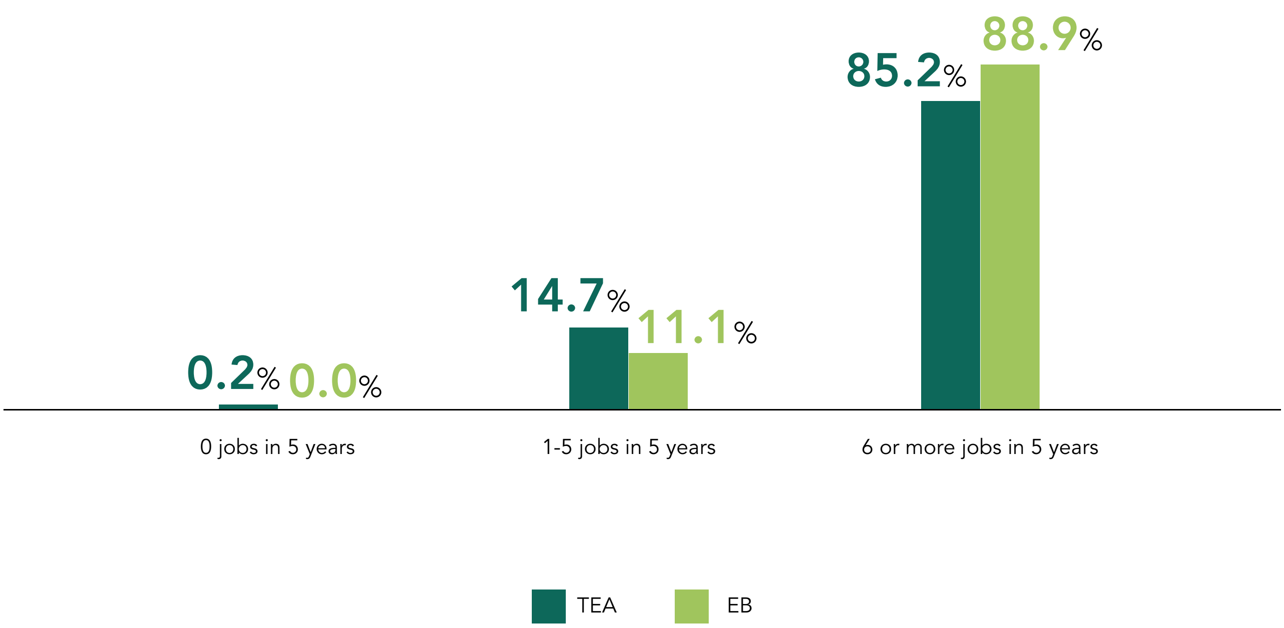
To the extent entrepreneurs create jobs, they can contribute to the economic development of the country. **GEM** measures job-creation forecasts by asking early-stage entrepreneurs and established business owners how many employees (excluding partners and owners) they currently employ, and how many they expect to employ over the next five years. The difference between current and expected employees indicates growth expectations. Entrepreneurs who are expecting to employ six or more people are considered medium to high-growth-orientated entrepreneurs.

Entrepreneurial activity comprises businesses ranging from those with no employees or just a few employees to those employing hundreds of people. In 2019, nascent entrepreneurs and **new business** owners employ an average of **6.5** people to help operate their business. **Established business** owners in Qatar employ an average of **29.5** employees.

Many nascent entrepreneurs and new business owners in Qatar expect to become an employer within the next five years, with **14.7**% of early-stage entrepreneurs projecting to create between one and five jobs in the next five years. This compares to **11.1**% of established business owners. In 2019, over eighty percent of early-stage entrepreneurs and established businesses expect to experience high-growth and create more than five job positions in the future (see Figure 6.1).

In the **MENA** region, Saudi Arabia, UAE, and Qatar have the highest percentage of medium to high-growth-orientated entrepreneurs who anticipate **six or more hires** within the next five years. **Qatar** performs **above** the MENA average on this indicator for TEA.

FIGURE 6.1: JOB GROWTH EXPECTATIONS AMONG EARLY-STAGE ENTREPRENEURS AND ESTABLISHED BUSINESSES, 2019



Source: Qatar Adult Population Survey 2019

6.2 INTERNATIONALIZATION

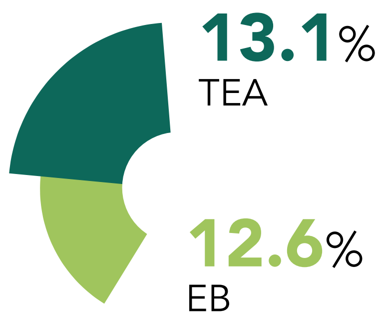
> Entrepreneurs are considered 'international' by GEM when **25**% or more of their sales are from customers outside of their economies. Economies rely on entrepreneurs who have the ambition and capabilities to sell internationally.

In 2019, most nascent entrepreneurs and new business owners in Qatar have a domestic orientation in that they expect revenues to come from local customers rather than international customers. Eight in ten entrepreneurs expect not to receive any revenue from customers located outside of Qatar. Qatar's entrepreneurs display low levels of strong international orientation, with **13.1**% of early-stage entrepreneurs and **12.6**% of established businesses reporting that **25**% or more of their revenue is from **international sales** (see Figure 6.2).

This is a shift from the **previous two years** when Qatar had among the highest levels of internationalization, with four in ten early-stage entrepreneurs reporting to have achieved **25**% or more of their sales from customers **outside the economy.** This shift towards the domestic market may be a result of the **severing of diplomatic and economic ties with Qatar** by neighbouring countries, Saudi Arabia, UAE, and Bahrain in June 2017. The unjust siege on Qatar has accelerated the pace of self-sufficiency, particularly within the agriculture sector, and has encouraged entrepreneurs to start businesses that focus on supplying the local market as a priority.

The MENA region contains economies with high levels of international entrepreneurship among early-stage entrepreneurs, where a quarter of TEA in the **UAE** and **Saudi Arabia** state that **25**% or more of their sales are to international customers. While Qatar has experienced a decline in its international orientation, the country performs above the MENA average on this indicator.

FIGURE 6.2: INTERNATIONAL ORIENTATION OF TEA AND EB, 2019



Anticipating 25% or more revenue from outside the country

Note: The percentage of early-stage entrepreneurs and established business owners anticipating 25% or more of revenue from outside their country
Source: Qatar Adult Population Survey 2019

New questions in the **GEM 2019 APS** enquired about the scope of the new business in terms of whether they had local, national, or global customers. Figure 6.3 shows that most entrepreneurs in Qatar have only local or national customers. One in five early-stage entrepreneurs (**23.9**%) and established business owners (**19.9**%) have customers outside Qatar (see Figure 6.3).

FIGURE 6.3: BUSINESS SCOPE OF TEA AND EB, 2019

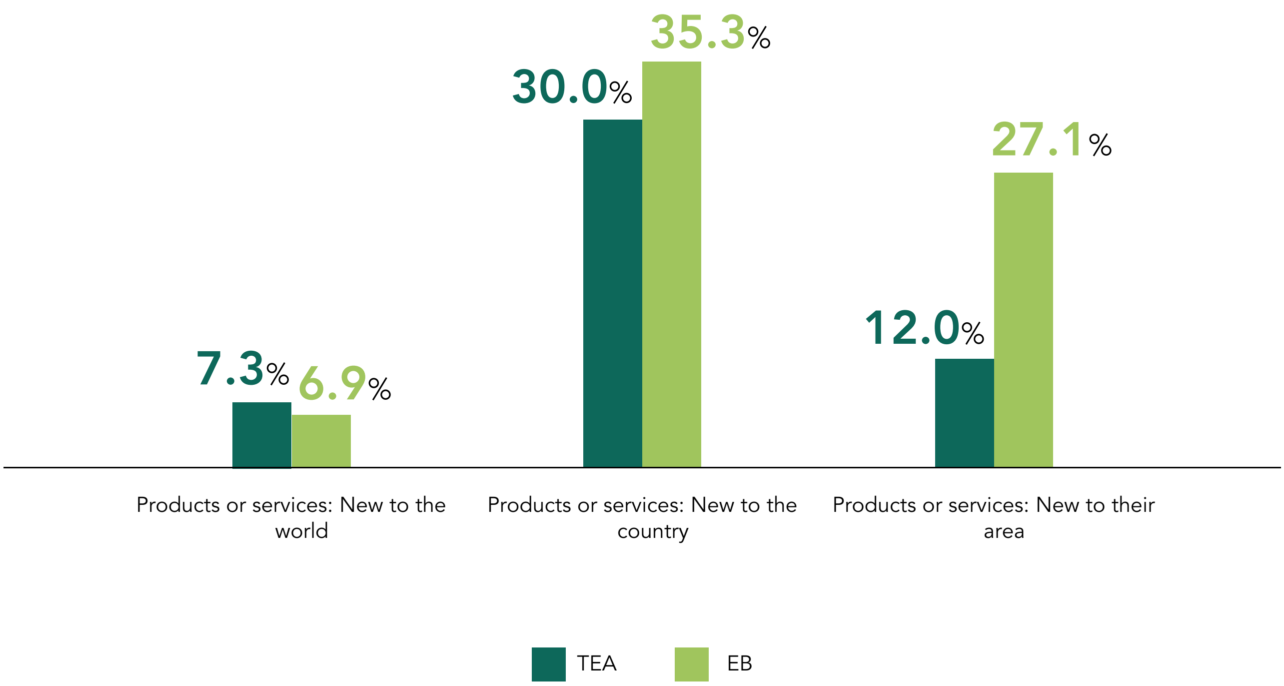
Note: The level of TEA and EB having customers only within their local area, only within their country, and those having international customers (all % adults)
Source: Qatar Adult Population Survey 2019

6.3 PRODUCTS OR SERVICES

In the **GEM APS 2019**, new questions were also added to assess the geographic reach of new businesses. The surveyed owners of new businesses were asked to specify whether their **products/services** are **new** to the customers **locally, nationally, or globally** and whether the technologies/procedures they use are new locally, nationally, or globally.

Figure 6.4 shows the proportion of early-stage entrepreneurs and established business owners whose product or service is either new to the area in which they live, new to their country, or new to the world. Most new and established business owners in Qatar state that their product or service is new to the country (**30.0**% and **35.3**%, respectively). A small proportion of business owners (new and established) report that their products/services and are new to customers outside the country (see Figure 6.4).

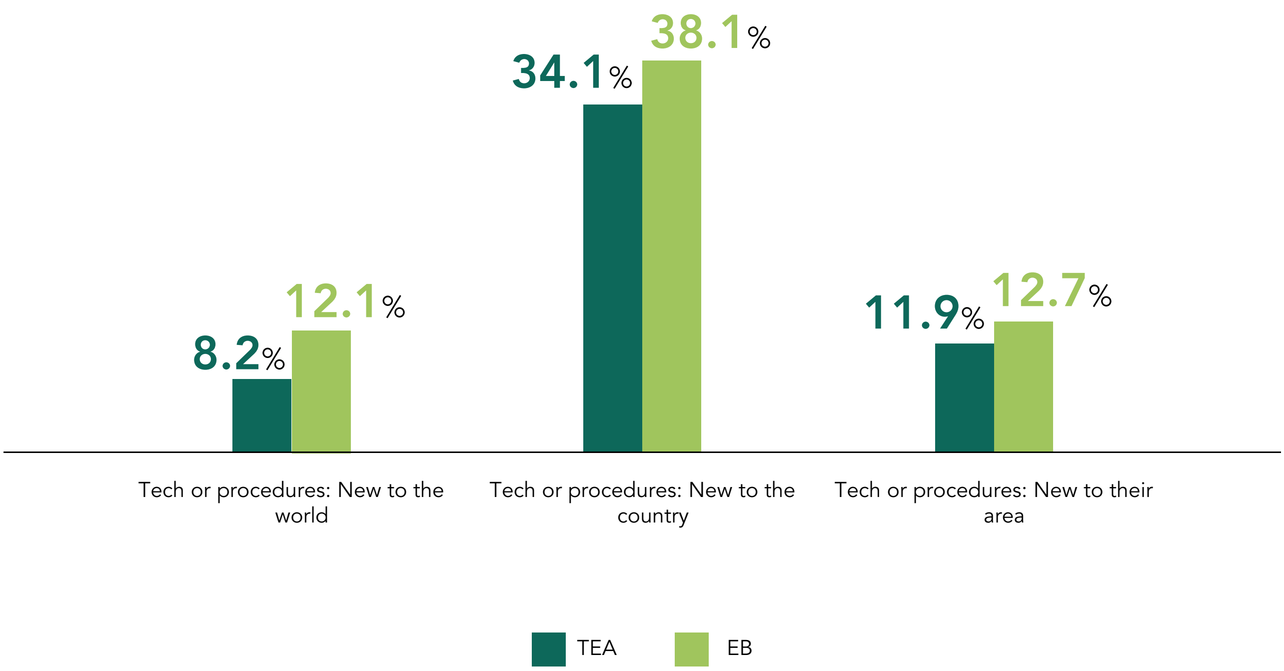
FIGURE 6.4: PRODUCTS/SERVICES IMPACT, 2019



Note: 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: Qatar Adult Population Survey 2019

Figure 6.5 shows the proportion of early-stage entrepreneurs and established business owners whose technology or processes is either **new** to the **area** in which they live, new to their **country**, or new to the **world**. Most new and established business owners in Qatar state that their technology or processes are new to the country (**34.1**% and **38.1**%, respectively). One in eight established business owners (**12.1**%) report that their technology/processes are new to customers outside the country, and a lower **8.2**% of early-stage entrepreneurs indicate that they have the latest technology/processes worldwide.

FIGURE 6.5: TECHNOLOGY/PROCEDURES IMPACT, 2019



Note: The proportion of early-stage entrepreneurs and established business owners starting a new business with technologies or procedures that are either new to their area, new to their country or new to the world (TEA and EB)

Source: Qatar Adult Population Survey 2019

SECTION 7.
WHO ARE QATAR'S ENTREPRENEURS?

7.1 GENDER PROFILE

In Qatar, **men** and **women** are **equally** likely to be an entrepreneur (nascent entrepreneurs and new business owners). In 2019, Qatar is the only country that has **equal TEA rates** between men and women. This "gap" between men and women is the lowest of all participating countries in GEM. The rate of early-stage entrepreneurship (nascent entrepreneurs and new business owners) for **women in Qatar** is the **highest in MENA**. The rate for **men** is **4th highest in MENA.**

Women
Highest in MENA

Men
4th Highest in MENA

Men and women **differ** in terms of their **perceptions** of entrepreneurial opportunities and their **self-belief** that they have the skills and knowledge required to start a business. There are several differences in societal attitudes and perceptions about entrepreneurship based on gender. Adult **females** surveyed in the APS are more likely than male counterparts to have a **positive attitude toward entrepreneurship in Qatar**, with scores higher for all six indicators related to societal values towards entrepreneurship.

Men and women also **differ** in terms of **disposition** towards entrepreneurship. **Men** are more likely than women to agree that they **rarely see business opportunities** even if they are very knowledgeable in the area, and seldom act on those opportunities. On the contrary, **women** are more likely than men to hold a **positive opinion of themselves** by believing that other people think they are highly innovative. Women are also more likely than men to have a **career plan in place**.

Men and women hold a **similar** view towards the **ease of starting a business** in Qatar, and three-quarters of both men and women see good opportunities to do so within the area that they live. While **men** are more likely than women to **feel they have the knowledge, skills, and experience to start a business**, the intention to start a business is higher among the female population. A higher proportion of men than women seeing opportunities state that fear of failure would prevent them from starting a business. Men are substantially more likely than women to personally know an entrepreneur (**65.5**% and **49.8**%, respectively).

Men are twice as likely as females to be employees involved in entrepreneurial activity and are 12 times more likely than their female counterparts to have an established business. Men also have a slightly higher discontinuance rate of businesses than women.

Male early-stage entrepreneurs agree they are **more motivated** than female early-stage entrepreneurs to start a new business to build great wealth or a very high income. **Female** early-stage entrepreneurs are more likely to agree than their male counterparts to the statements that they are motivated to start a new business to **make a difference in the world, to continue a family tradition, or earn a living because jobs are scarce**.

TABLE 7.1: ENTREPRENEURSHIP CHARACTERISTICS BY GENDER IN QATAR, 2019

	Qatar Overall	Male	Female
Societal Values about Entrepreneurship			
Entrepreneurship as a good career choice	82.1%	81.3%	85.3%
High status to successful entrepreneurs	87.1%	86.1%	90.9%
Media attention for entrepreneurship	82.7%	81.2%	88.3%
Similar standard of living	71.7%	70.5%	76.3%
Businesses that primarily aim to solve social problems	60.7%	59.7%	65.0%
Self-Perceptions about Entrepreneurship			
Personally know an entrepreneur	62.4%	65.5%	49.8%
Perceived opportunities	75.6%	75.7%	75.1%
Perceived ease of starting a business	66.6%	66.5%	67.1%
Perceived capabilities	75.5%	77.8%	66.0%
Fear of failure (% of 18-64 seeing opportunities)	45.2%	46.0%	41.8%
Entrepreneurial intentions	45.3%	43.4%	52.8%
Entrepreneurial Talent			
Rarely see business opportunities	50.2%	51.5%	44.4%
Even when you spot a profitable opportunity, you rarely act on it	53.9%	53.4%	48.0%
Other people think that you are highly innovative	66.5%	62.7%	69.5%
Every decision is part of a career plan	79.4%	77.8%	83.7%
Entrepreneurial Activity			
Nascent entrepreneurship rate	10.9%	10.8%	11.3%
New business ownership rate	4.1%	4.2%	3.6%
Early-stage entrepreneurial activity (TEA)	14.7%	14.7%	14.7%
Entrepreneurial employee activity (EEA)	3.6%	4.0%	2.0%
Established business ownership rate (EB)	3.0%	3.6%	0.3%
Discontinuation of businesses	6.6%	6.7%	6.0%
Motivations and Aspirations of Early-stage Entrepreneurs			
To make a difference in the world	55.5%	55.0%	57.3%
To build great wealth or a very high income	85.3%	86.4%	80.7%
To continue a family tradition	52.1%	51.9%	52.6%
To earn a living because jobs are scarce	62.2%	61.3%	66.0%

Source: Qatar Adult Population Survey 2019

7.2 NATIONALITY PROFILE

In 2019, the TEA rate of entrepreneurship (nascent entrepreneurs and new business owners) for **expatriates** (**16.8**%) in Qatar is **higher** than for Qatari nationals (**10.3**%). The proportion of expatriates surveyed that are nascent entrepreneurs is **double** that of Qatari nationals (**13.0**% and **6.5**%, respectively). **Qatari nationals** are slightly more likely than expatriates to be **new business owners** (**4.4**% and **4.0**%, respectively).

10.3%
Qatari

16.8%
Expats

Expatriates are nearly three times more likely as Qatari nationals to be an employee involved in entrepreneurial activity and are more likely than nationals to have an established business. Qatari nationals also have a much higher discontinuance rate of businesses than expatriates (see Table 7.2).

When comparing the results based on nationality, the rate of perceived opportunities is higher for Qatari nationals than for expatriates. Nationals are also slightly more likely than expatriates to feel they have the capabilities to start a business. Entrepreneurial intentions are higher among the expatriate population than among nationals. Half of the foreigners surveyed who are currently not involved in entrepreneurial activity state their intention to start a business in the next three years compared to a third of Qatari nationals.

Expatriates and nationals hold a **similar** view towards thinking entrepreneurship is a **good career choice** and that entrepreneurs have high status. A high **71.5**% of Qatari nationals state it is easy to start a business in Qatar, compared to a slightly lower **64.4**% of expatriates. A slightly higher proportion of nationals than expatriates seeing opportunities state that **fear of failure** would prevent them from starting a business. Nationals are, however, substantially more likely than expatriates to personally know an entrepreneur (**73.3**% and **57.0**%, respectively).

Qatari nationals are **more** likely than expatriates to **see business opportunities and to act on them**. Only a third of Qatari nationals (**35.4**%) compared to over half of expatriates (**57.4**%) agree[4] to rarely seeing business opportunities. Four in ten Qatari nationals (**40.2**%) compared to **58.4**% of expatriates agree if they **spot a profitable opportunity that they rarely act on it.** Qatari nationals are **less** likely than expatriates to agree that **other people think that they are highly innovative** (**54.0**% and **69.0**%, respectively). Over eighty percent of the surveyed expatriates agree that every decision they make is part of a career plan compared to only a third of Qatari nationals.

While two-thirds of **expatriate** early-stage entrepreneurs (68.3%) are **motivated to start a business to earn a living because jobs are scarce**, only 41.6% of Qatari nationals are motivated by the same factor. Table 6.2 shows that expatriate entrepreneurs are more likely to start a business to make a difference in the world when compared to Qatari national entrepreneurs.

[4] Agree includes both "somewhat agree" and "strongly agree"

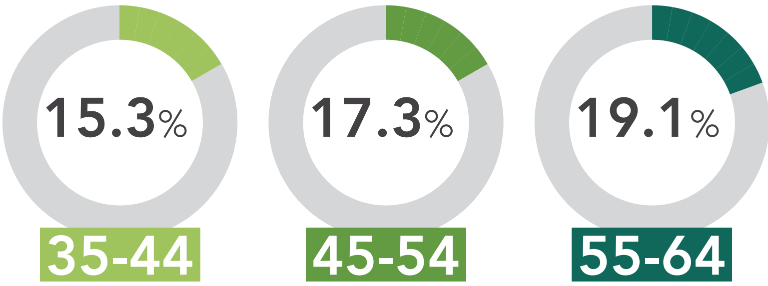
TABLE 7.2: ENTREPRENEURSHIP CHARACTERISTICS BY NATIONALITY IN QATAR, 2019

	Qatar Overall	Qatari Nationals	Expats
Societal Values about Entrepreneurship			
Entrepreneurship as a good career choice	82.1%	81.4%	82.4%
High status to successful entrepreneurs	87.1%	86.4%	87.4%
Media attention for entrepreneurship	82.7%	79.4%	84.2%
Similar standard of living	71.7%	78.4%	68.8%
Businesses that primarily aim to solve social problems	60.7%	56.7%	62.5%
Self-Perceptions about Entrepreneurship			
Personally know an entrepreneur	62.4%	73.3%	57.0%
Perceived opportunities	75.6%	81.1%	73.0%
Perceived ease of starting a business	66.6%	71.5%	64.4%
Perceived capabilities	75.5%	76.5%	75.0%
Fear of failure (% of 18-64 seeing opportunities)	45.2%	46.8%	44.3%
Entrepreneurial intentions	45.3%	33.6%	51.8%
Entrepreneurial Talent			
Rarely see business opportunities	50.2%	35.4%	57.4%
Even when you spot a profitable opportunity, you rarely act on it	53.9%	40.2%	58.4%
Other people think that you are highly innovative	66.5%	54.0%	69.0%
Every decision is part of a career plan	79.4%	66.3%	85.2%
Entrepreneurial Activity			
Nascent entrepreneurship rate	10.9%	6.5%	13.0%
New business ownership rate	4.1%	4.4%	4.0%
Early-stage entrepreneurial activity (TEA)	14.7%	10.3%	16.8%
Entrepreneurial employee activity (EEA)	3.6%	1.7%	4.6%
Established business ownership rate (EB)	3.0%	2.5%	3.2%
Discontinuation of businesses	6.6%	10.1%	4.9%
Motivations and Aspirations of Early-stage Entrepreneurs			
To make a difference in the world	55.5%	49.0%	57.5%
To build great wealth or a very high income	85.3%	80.6%	86.8%
To continue a family tradition	52.1%	46.1%	53.8%
To earn a living because jobs are scarce	62.2%	41.6%	68.3%

Source: Qatar Adult Population Survey 2019

7.3 AGE PROFILE

The influence of age on entrepreneurial activity is relatively consistent throughout GEM. In many economies, the most **prevalent age group for starting businesses** is either the **25-34** or **35-44** age range. This differs from **Qatar** as the TEA rate for the 35-44 years old is lower in comparison to other age groups. The 2019 survey found that **15.3%** of residents surveyed between the ages of **35-44** are involved in TEA, compared to **17.3%** aged **45-54** and **19.1%** aged **55-64**. In Qatar, the highest entrepreneurship rates occur among those in late careers or retirement. This age group may have strengths to leverage, such as experience, access to resources, and networks. Those aged 55 years and older are most likely to think it is easy to start a business in Qatar and are least likely to fear failure.



Entrepreneurial intentions are **higher** among the younger age group of **25-44** years when compared to those aged 45 years and older. This indicates that entrepreneurship rates in the future may shift towards a younger demographic as young people consider entrepreneurship as a viable career pathway.

The adult population aged between **18 and 24 years old** are **less** likely than older age groups to rarely see business opportunities, to believe that others think they are highly innovative, and to make every decision based on their career plan. On the contrary, surveyed adults within the **35-44** age range are **more** likely to believe that others think they are highly innovative and that every decision they make is part of a career plan. Respondents who fall within the **45-54** age group are **less** likely to act on **opportunities**.

Younger early-stage entrepreneurs aged between **18 and 24** years are more likely to be motivated to start a new business to **build great wealth or a very high income, or to continue a family tradition** than early-stage entrepreneurs aged 25 years and older. A higher proportion of early-stage entrepreneurs aged **55 years and older** are motivated to start a business to **make a difference in the world** compared to their younger counterparts. Early-staged entrepreneurs aged between **35 and 44** years are among those most motivated to start a business to earn a living because **jobs are scarce.**

TABLE 7.3: ENTREPRENEURSHIP CHARACTERISTICS BY AGE IN QATAR, 2019

	Qatar Overall	18-24	25-34	35-44	45-54	55-64
Societal Values about Entrepreneurship						
Entrepreneurship as a good career choice	82.1%	82.7%	81.0%	83.6%	81.4%	83.8%
High status to successful entrepreneurs	87.1%	87.0%	86.5%	89.2%	85.0%	86.8%
Media attention for entrepreneurship	82.7%	81.7%	82.7%	82.4%	84.3%	82.7%
Similar standard of living	71.7%	74.1%	72.5%	70.6%	66.5%	79.5%
Businesses that primarily aim to solve social problems	60.7%	65.3%	59.4%	60.8%	57.5%	65.5%
Self-Perceptions about Entrepreneurship						
Personally know an entrepreneur	62.4%	58.7%	63.0%	63.9%	62.8%	59.5%
Perceived opportunities	75.6%	73.9%	75.7%	76.4%	77.1%	70.2%
Perceived ease of starting a business	66.6%	59.6%	64.6%	70.1%	69.7%	77.1%
Perceived capabilities	75.5%	70.1%	76.3%	77.2%	76.9%	70.2%
Fear of failure (% of 18-64 seeing opportunities)	45.2%	47.6%	45.1%	46.0%	43.0%	39.1%
Entrepreneurial intentions	45.3%	39.7%	49.4%	44.1%	42.6%	40.9%
Entrepreneurial Talent						
Rarely see business opportunities	50.2%	46.3%	51.3%	49.6%	50.9%	53.5%
Even when you spot a profitable opportunity, you rarely act on it	53.9%	52.7%	53.7%	52.3%	48.0%	52.6%
Other people think that you are highly innovative	66.5%	56.8%	64.0%	70.0%	61.0%	61.5%
Every decision is part of a career plan	79.4%	71.5%	79.5%	83.4%	77.3%	75.6%
Entrepreneurial Activity						
Nascent entrepreneurship rate	10.9%	6.7%	10.8%	11.7%	13.2%	13.2%
New business ownership rate	4.1%	1.6%	4.7%	3.8%	4.1%	8.1%
Early-stage entrepreneurial activity (TEA)	14.7%	8.2%	15.3%	15.3%	17.3%	19.1%
Entrepreneurial employee activity (EEA)	3.6%	1.3%	3.4%	4.4%	3.8%	7.4%
Established business ownership rate	3.0%	0.8%	2.8%	3.2%	5.2%	3.8%
Discontinuation of businesses	6.6%	4.9%	6.4%	6.8%	9.0%	6.0%
Motivations and Aspirations of Early-stage Entrepreneurs						
To make a difference in the world	55.5%	52.8%	56.9%	59.7%	44.1%	60.0%
To build great wealth or a very high income	85.3%	97.2%	88.4%	80.0%	82.4%	84.0%
To continue a family tradition	52.1%	63.9%	50.3%	50.4%	55.9%	46.2%
To earn a living because jobs are scarce	62.2%	60.0%	60.5%	68.8%	58.0%	57.7%

Source: Qatar Adult Population Survey 2019

7.4 EDUCATION PROFILE

Table 7.4 shows entrepreneurs in Qatar by education level, highlighting that most of TEA is carried out by those who have a **university education** with a master's degree and/or Ph.D. (**19.1**%). Established business ownership and employee entrepreneurial activity are highest among the most educated segment. Perceived capabilities (skills) are also highest among those who are university educated, and affiliation with entrepreneurs also increases with education level. Those who are educated up to **high school** level are most likely to see good opportunities to start a business **within the area where they live**.

19.1%
Have a university education with a Master's degree or PH.D

University graduates and those who have achieved **higher education** levels (i.e., masters and Ph.D.) are more likely to **see business opportunities and are less likely to act on the opportunity** compared to those with a lower education level. Those who are university qualified are also most likely to believe that other people think they are highly innovative and that every decision they make is part of a career plan.

Early-stage entrepreneurs who have achieved up to **high school** level are most motivated to start a business to **continue a family tradition**. Early-stage entrepreneurs who have obtained a **higher education** are more likely to be motivated to **make a change in the world or to earn a living because jobs are scarce**.

TABLE 7.4: ENTREPRENEURSHIP ACTIVITY BY EDUCATION LEVEL, 2019

	Qatar Overall	Up to high School	Community College/ Diploma	University Graduate	Masters and Ph.D.
Societal Values about Entrepreneurship					
Entrepreneurship as a good career choice	82.1%	83.2%	79.4%	82.6%	80.5%
High status to successful entrepreneurs	87.1%	86.5%	86.5%	88.1%	85.4%
Media attention for entrepreneurship	82.7%	82.7%	80.4%	84.1%	77.8%
Similar standard of living	71.7%	74.3%	70.8%	71.4%	68.3%
Businesses that primarily aim to solve social problems	60.7%	64.3%	66.5%	57.5%	59.2%
Self-Perceptions about Entrepreneurship					
Personally know an entrepreneur	62.4%	57.2%	62.3%	64.1%	69.4%
Perceived opportunities	75.6%	78.7%	78.6%	73.4%	73.8%
Perceived ease of starting a business	66.6%	71.6%	63.7%	65.5%	60.6%
Perceived capabilities	75.5%	71.5%	74.2%	77.5%	76.1%
Fear of failure (% of 18-64 seeing opportunities)	45.2%	45.5%	44.6%	45.1%	47.7%
Entrepreneurial intentions	45.3%	44.5%	46.5%	46.7%	37.3%
Entrepreneurial Talent					
Rarely see business opportunities	50.2%	50.4%	51.2%	49.8%	49.8%
Even when you spot a profitable opportunity, you rarely act on it	53.9%	50.7%	52.4%	52.7%	55.1%
Other people think that you are highly innovative	66.5%	60.6%	60.7%	66.1%	66.8%
Every decision is part of a career plan	79.4%	71.7%	76.5%	83.0%	81.3%
Entrepreneurial Activity					
Nascent entrepreneurship rate	10.9%	9.4%	13.8%	10.4%	13.1%
New business ownership rate	4.1%	3.8%	4.3%	3.7%	7.2%
Early-stage entrepreneurial activity (TEA)	14.7%	13.2%	17.6%	13.9%	19.1%
Entrepreneurial employee activity (EEA)	3.6%	0.6%	2.9%	4.4%	8.9%
Established business ownership rate	3.0%	2.8%	3.3%	2.9%	3.6%
Discontinuation of businesses	6.6%	8.5%	7.0%	5.7%	6.0%
Motivations and Aspirations of Early-stage Entrepreneurs					
To make a difference in the world	55.5%	52.5%	62.0%	54.3%	56.9%
To build great wealth or a very high income	85.3%	86.3%	90.5%	83.3%	83.1%
To continue a family tradition	52.1%	63.1%	56.3%	47.1%	43.1%
To earn a living because jobs are scarce	62.2%	57.8%	66.7%	65.1%	51.7%

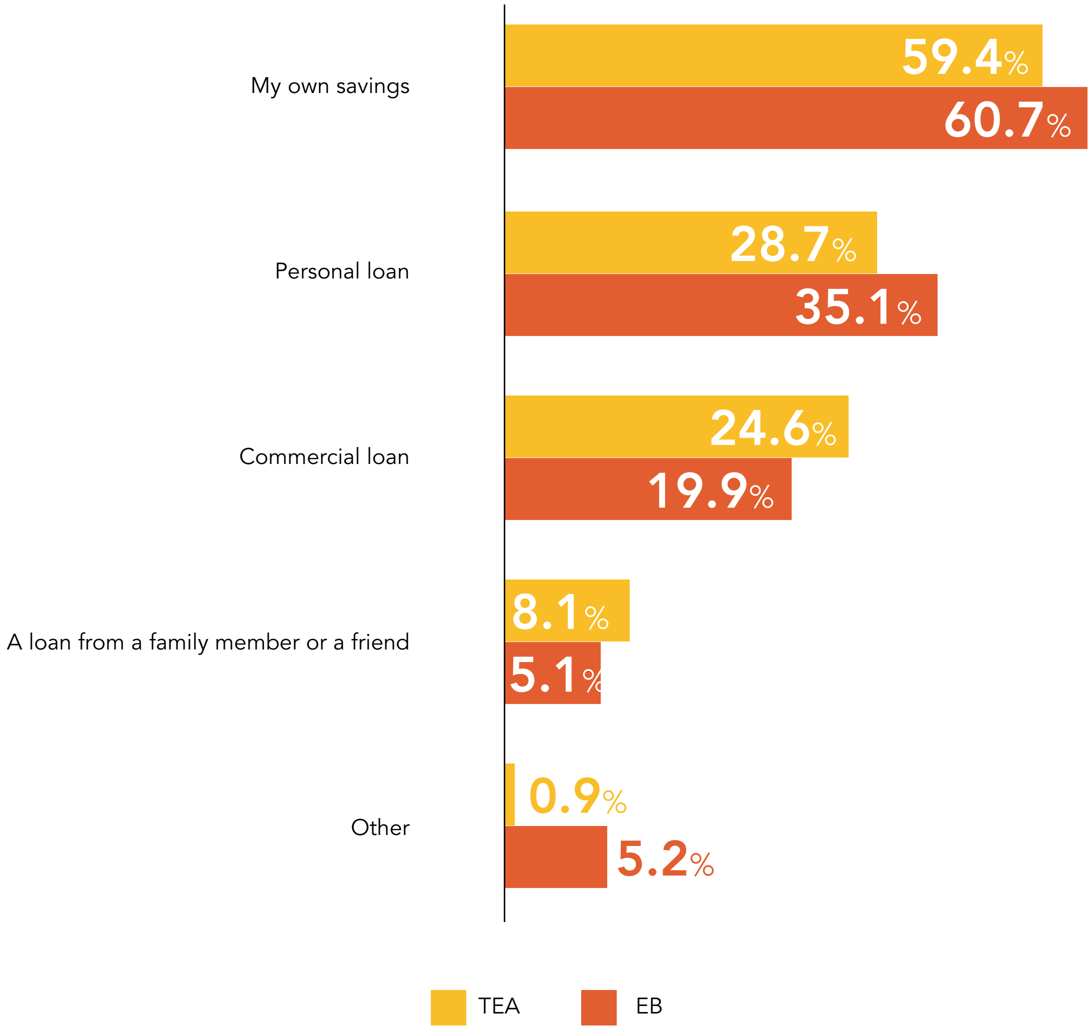
Source: Qatar Adult Population Survey 2019

SECTION 8.
FORMAL AND INFORMAL INVESTMENT

8.1 FINANCING OF BUSINESS

Figure 8.1 shows the break-down of how early-stage entrepreneurs and established business owners finance their businesses. In 2019, around six in ten early-stage entrepreneurs and established business owners use their own **personal savings** to finance their business. One in five established business owners and a quarter of early-stage entrepreneurs finance their operations through **commercial loans**. Over a quarter of entrepreneurs have a **personal loan** (28.7% TEA and 35.1% Established Businesses).

FIGURE 8.1: FINANCING OF BUSINESSES IN QATAR, 2019



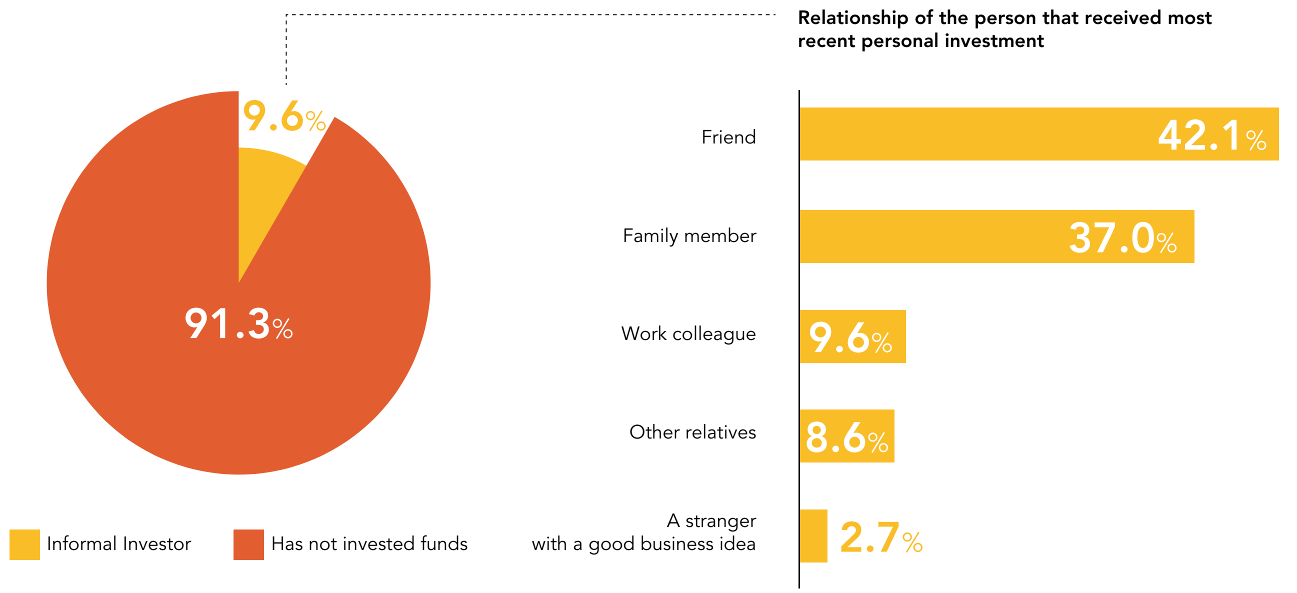
Source: Qatar Adult Population Survey 2019

8.2 INFORMAL INVESTMENT ACTIVITY

GEM generates data on "informal" investment; that is, **the provision of funds to entrepreneurs by family, relatives, friends, work colleagues, neighbours, strangers, or via any other informal financing channel.** These sources of financing are critical for entrepreneurs at the start-up stage, enabling them to get their ventures up and running, either to the point where their businesses can sustain themselves or when they can attract growth capital.

In 2019, **9.6**% of the adult population in Qatar are **informal investors**, meaning they have personally provided funds, excluding any purchases of stocks or mutual funds, for a new business started by someone else in the past three years. The median amount of investment is **$13,733**. The most frequent type of relationship between informal investors and beneficiaries is "a friend or neighbour" or "close family member" (see Figure 8.2).

FIGURE 8.2: INFORMAL INVESTMENT ACTIVITY IN QATAR, 2019



Source: Qatar Adult Population Survey 2019

SECTION 9.
QATAR'S ENTREPRENEURSHIP FRAMEWORK CONDITIONS

Annually, each economy participating in the GEM cycle surveys key experts or informants as part of the NES. The NES focuses on the environmental features that are expected to have a significant impact on the entrepreneurial sector, which are captured in the nine Entrepreneurial Framework Conditions (EFCs). These EFCs have been outlined in Chapter 12 under 'Methodology and Definitions'. The NES questionnaire is standardized for all countries and has been designed to capture informed judgments of national experts in each country, who are specially selected based on their reputation and experience. These experts are asked to express their views about the most important conditions and whether they foster or constrain entrepreneurial activity and development in their country.

When all the data is collected, the files are harmonized centrally by the GEM Data Team, which includes an internal quality audit and the calculation of site variables that summarize each block of questions designed to measure certain aspects of the EFCs.

“The NES provides insights into how the EFCs shape Qatar’s entrepreneurial ecosystem. In Qatar, **57** experts were **interviewed** using both a semi-structured and structured questionnaire. The closed questionnaire consisted of several statements relating to the national conditions influencing entrepreneurial activity in the country, and the responses were measured using a Likert scale of 0 (completely false) to 10 (completely true). The data obtained from these respondents has been analysed to determine the score for each category of questions.”

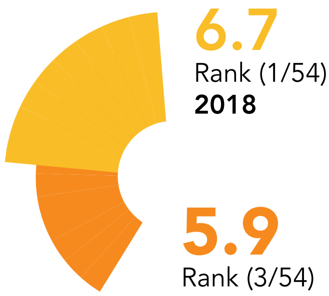
9.1 NATIONAL ENTREPRENEURSHIP CONTEXT INDEX (NECI)

In 2018 GEM introduced a composite index, the National Entrepreneurship Context Index (NECI), which assesses the environment for entrepreneurship in an economy. The NECI is derived from the 12 framework conditions and weights the ratings on these conditions by the importance experts place on them. The NECI represents an inaugural effort to inform policy, practitioner, and other key stakeholder audiences about the strength of the overall environment for entrepreneurship.

In 2019, **Qatar** performs **third-highest** on the NECI (**5.9**) and is ranked below Switzerland (6.1) in first position and the Netherlands (6.0) in second position.

Figure 9.1 shows how Qatar performs on the NECI in 2018 and 2019. In 2019, Qatar's overall ranking for the NECI is above the median for GEM and is slightly lower than the ranking for 2018. The equal TEA rates between men and women especially benefit the strong entrepreneurship context.

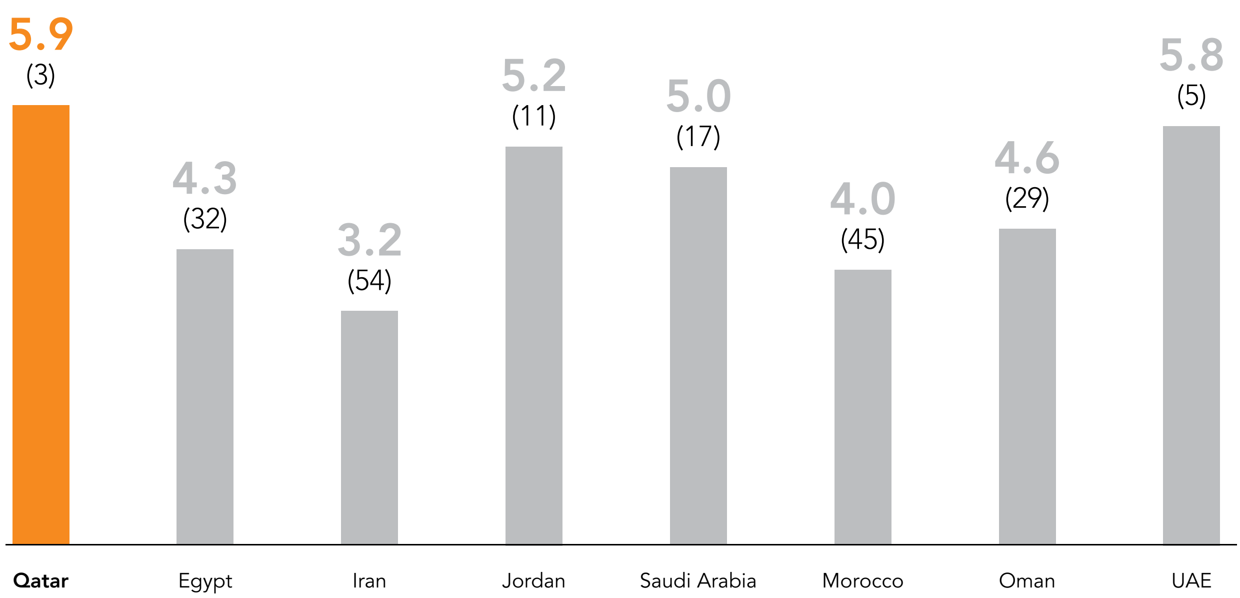
FIGURE 9.1: NATIONAL ENTREPRENEURSHIP CONTEXT INDEX (NECI) IN QATAR, 2018-2019



Source: Qatar National Experts Survey 2019

Qatar also records the highest NECI of all benchmarked countries in the MENA region and is ranked slightly above the UAE, which is ranked in fifth position (5.8). In comparison, Iran and Morocco record the lowest NECI at 3.2 and 4.0 respectively and are ranked 54 and 45 out of the 54 participating countries in the NES (see Figure 9.2).

FIGURE 9.2: NATIONAL ENTREPRENEURSHIP CONTEXT INDEX (NECI) IN QATAR AND MENA COUNTRIES, 2019



Source: GEM National Experts Survey 2019
Between brackets: Rank out of 54

9.2 ENTREPRENEURSHIP FRAMEWORK CONDITIONS (EFCS)

Figure 9.3 illustrates how Qatar performs in relation to the GEM average on each of the 12 framework conditions. **Qatar** achieves **high ratings** on each condition and performs well above the GEM average.

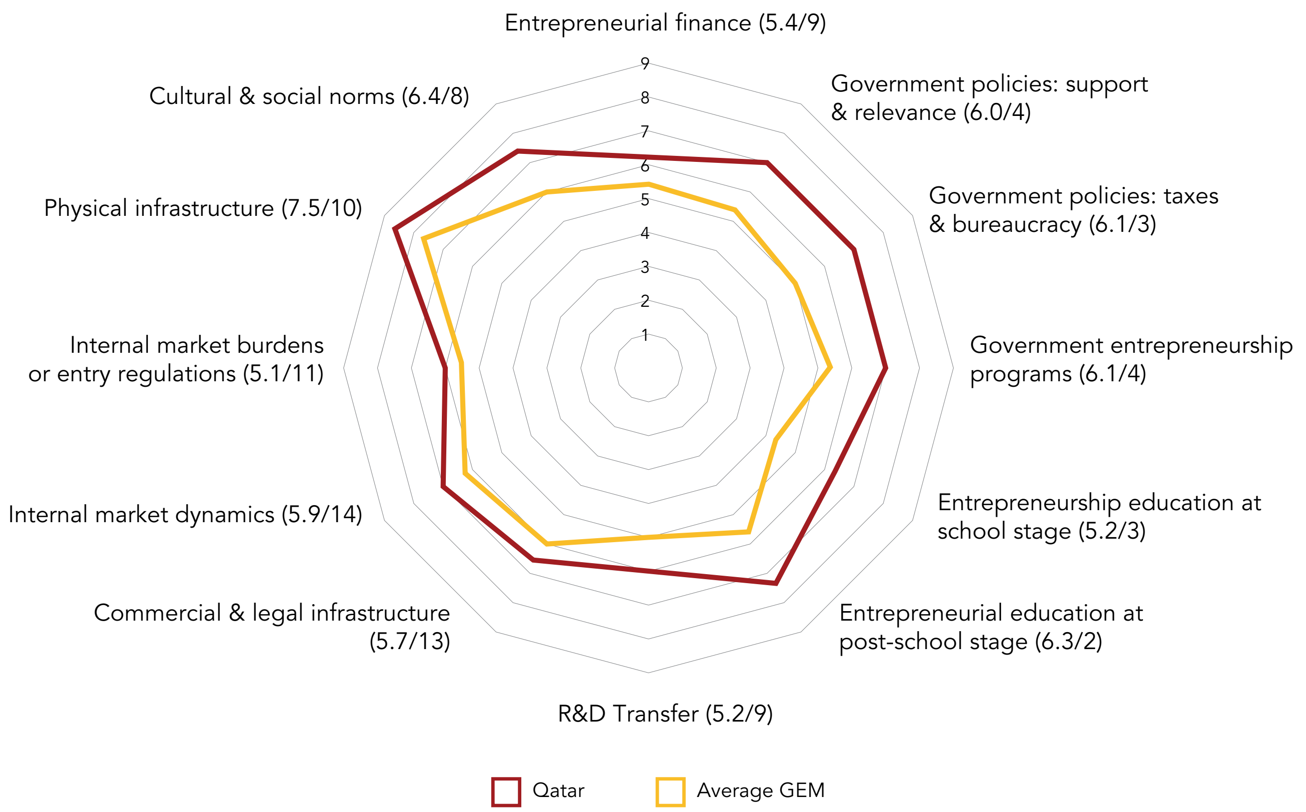
In 2019, overall Qatar achieves a high ranked position in the NES for framework conditions: Entrepreneurial education at post-school stage (**6.3**), Government policies: taxes and bureaucracy (**6.1**), Government entrepreneurship programs (**6.0**), Government policies: support and relevance (**6.0**), Entrepreneurship education at school stage (**5.2**). Qatar is ranked within the top five countries out of the 54 participating economies on these framework conditions.

Table 9.1 shows the longitudinal patterns across the two consecutive years from 2018 and 2019 for the twelve framework condition scores. In 2019, Qatar records higher scores for six of the framework conditions when compared to the previous year. The most significant improvement can be observed with the Physical infrastructure, with a score of **6.4** in 2018 increased to a high of **7.5** in 2019.

6.4 2018 ▲ **7.5** 2019

The framework conditions where the least amount of change is observed over the two-year period are Commercial and legal infrastructure, Government entrepreneurship programs, Entrepreneurial finance, and Government policies: support and relevance.

FIGURE 9.3: EXPERT RATING OF THE ENTREPRENEURSHIP FRAMEWORK CONDITIONS, 2019



EFCs Scale: 1= completely false, 10= completely true
Between brackets: (Score/Rank out of 54)

TABLE 9.1: RATINGS OF THE 12 NATIONAL ENTREPRENEURIAL FRAMEWORK CONDITIONS (NECI PILLARS) 2018-2019

	2018	2019
Entrepreneurial finance	5.2	5.4
Government policies: support and relevance	6.2	6.0
Government policies: taxes and bureaucracy	5.8	6.1
Government entrepreneurship programs	5.9	6.1
Entrepreneurship education and training at school stage	6.1	5.2
Entrepreneurial education and training at post-school stage	6.6	6.3
Research and development (R and D) transfer	5.8	5.2
Commercial and legal infrastructure	5.7	5.7
Internal market dynamics	5.3	5.9
Internal market burdens or entry regulations	7.2	5.1
Physical infrastructure	6.4	7.5
Cultural and social norms	6.1	6.4

Source: Qatar National Experts Survey, 2016, 2017, 2018, and 2019
EFCs scale: 1=completely false, 10=completely true

TABLE 9.2: RATINGS OF THE 12 NATIONAL ENTREPRENEURIAL FRAMEWORK CONDITIONS (NECI PILLARS) MENA REGION, 2019

	Global	Qatar	Egypt	Iran	Morocco	Jordan	KSA	Oman	UAE
Entrepreneurial finance	**4.5**	5.4	4.5	3.3	3.6	4.9	5.0	4.3	4.9
Government policies: support and relevance	**4.3**	6.0	4.2	3.1	3.7	5.0	6.0	4.5	6.5
Government policies: taxes and bureaucracy	**4.0**	6.1	3.3	3.2	3.8	3.9	5.1	4.2	5.8
Government entrepreneurship programs	**4.4**	6.1	4.1	3.1	3.8	4.5	5.3	4.4	5.9
Entrepreneurship education and training at school stage	**3.2**	5.2	2.2	3.0	2.3	3.4	3.0	3.5	5.4
Entrepreneurial education and training at post-school stage	**4.7**	6.3	3.9	3.3	4.1	5.4	4.2	4.4	5.6
Research and development (RandD) transfer	**4.0**	5.2	3.1	3.1	2.9	5.0	4.1	4.1	4.7
Commercial and legal infrastructure	**5.0**	5.7	4.5	3.0	4.8	6.3	4.8	4.6	5.7
Internal market dynamics	**5.2**	5.9	5.7	3.0	4.8	6.9	5.9	5.6	6.1
Internal market burdens or entry regulations	**4.4**	5.1	4.5	3.3	3.3	4.4	4.7	4.0	5.1
Physical infrastructure	**6.7**	7.5	6.9	3.5	6.4	7.4	6.5	6.2	7.5
Cultural and social norms	**5.1**	6.4	5.0	3.0	3.8	5.9	5.9	5.7	6.8

Source: Qatar National Experts Survey, 2016, 2017, 2018, and 2019
EFCs scale: 1=completely false, 10=completely true

9.2.1 ENTREPRENEURIAL FINANCE

The entrepreneurial finance framework condition describes the availability of financial resources – equity and debt – for new and growing firms. Experts evaluate **Qatar's** financial environment for entrepreneurs (**5.4**), **higher** than the global average (4.5). Overall, Qatar is ranked **9th** out of the 54 participating economies in the NES and is ranked highest when compared to the benchmarked MENA countries.

The entrepreneurial finance framework condition has steadily improved over the previous two years showing a positive longitudinal trend in terms of experts perceiving there to be enough equity and debt funding available for entrepreneurs in Qatar (**5.2** in 2018 to **5.4** in 2019).

“Experts strongly emphasize the areas of further improvement in early-stage funding in terms of access to seed and venture capital. While early-stage funding has been identified as an improvement opportunity, the country is taking steps to make more seed funding options available to entrepreneurs. **QDB**, for example, has introduced Ithmar, an equity financing program that provides Qatari entrepreneurs with the required funds to establish a business in Qatar. The program promotes economic diversification in Qatar, enabling robust private sector business opportunities for Qataris. QDB will finance up to **90**% of the project (10% financed by the entrepreneur) with a maximum investment limit of **900**K QAR per start-up[5].”

[5] https://www.qdb.qa/en/Pages/seed-funding.aspx

9.2.2 GOVERNMENT POLICIES
SUPPORT AND RELEVANCE

Government policy conditions have two components:

Support and relevance which evaluates the extent to which experts believe their national governments demonstrate support for entrepreneurs (**6.0** well above the global average of 4.3)

Taxes and bureaucracy, which measures the extent to which experts think current taxes are affordable and balanced for entrepreneurs and the level of bureaucracy in business processes and in facilities for funding entrepreneurial activities (**6.1** – also significantly above the global average of 4.02).

Experts interviewed for the NECI identified that while the amount of taxes is not a burden for new and growing firms in Qatar, taxes are often not perceived to be applied in a predictable and consistent way.

Experts also reveal that the process for new firms to get most of the required permits and licenses generally takes longer than a week and that it can be difficult for new and growing firms to cope with government bureaucracy, regulations, and licensing requirements, suggesting that there is an opportunity for improvement with easing bureaucratic procedures for newly established ventures.

9.2.3 GOVERNMENT PROGRAM CONDITIONS

The government entrepreneurship program condition relates to the provision of specific programs for entrepreneurs by public agencies. This includes subsidies, incubators, and agencies that assess and advise entrepreneurs. Experts in Qatar rate governmental programs to support new and growing firms positively (**6.0**). Ratings have steadily **improved** over the previous two years showing a positive longitudinal trend (5.9 in 2018 and 6.0 in 2019).

5.9	▲	6.0
2018		2019

Experts reveal there is an adequate number of government programs available for new and growing firms and that science parks and incubators such as Qatar Business Incubation Centre (QBIC), Qatar Science Technology Park (QSTP), and the Digital Incubation Centre (DIC) provide effective support to entrepreneurs in Qatar. While government programs are readily available in Qatar, experts indicate that not all entrepreneurs who need help from a government organization and can always find what they need. This may suggest there is a need to better promote government programs to generate greater awareness among the community of the different types of government enterprise programs available that support entrepreneurs in the country.

9.2.4 ENTREPRENEURIAL
EDUCATION & TRAINING CONDITIONS

The entrepreneurship education and training conditions relate to the extent to which entrepreneurship and entrepreneurial qualities receive attention in all phases of the educational and training system from primary school through to post-graduate level. Entrepreneurial education at **primary and secondary levels** in Qatar (**5.2**) is **above** the global average (3.2). Qatar is ranked **2nd** out of the 54 participating economies with the neighbouring UAE ranked highest.

Qatar experts evaluate **post-secondary education and training** (college, university, and professional education) more positively at **6.3**. Overall, Qatar is ranked in **3rd** position on the education and training at the post-school stage pillar. When compared to the MENA benchmarked countries, Qatar is ranked **highest** on this framework condition.

Entrepreneurship education and training is one of the EFCs where experts see the potential for improvement to be at similar levels to the previous year. The ratings for these conditions have declined since the previous year, with the largest drop in rating observed within the school-age category (**6.1** in 2018 down to **5.2** in 2019). Experts indicate that improvements can be made by focusing attention on entrepreneurship and new firm creation at primary and secondary education levels and providing instruction in market economic principles.

The highest expert rating for entrepreneurship education and training conditions is for the level of business and management education, providing good and adequate preparation for starting-up and growing new firms. Experts also indicate that colleagues and universities in Qatar are providing adequate incubation and acceleration programs.

The universities in Education City work in collaboration with **QSTP** to deliver enterprise initiatives and programs such as the European Innovation Academy (EIA), QSTP XLR8, MENA Dojo, and student innovation trips. The EIA summer program aims to develop a new venture to the market within 15 days of its course duration. Participants go through the entire milestones chart of creating a start-up, from idea to launch, providing a real-life experience of establishing their own start-up company.

> **Qatar University** is home to the Center for Entrepreneurship, which aims to create business ideas and innovation that will directly benefit the economy of Qatar and assist in building a knowledge-based economy. Through the Center for Entrepreneurship, Qatar University spreads awareness of the importance of entrepreneurship and triggers entrepreneurial skills of university students by involving them in the process of developing sound business plans.

9.2.5 RandD TRANSFER CONDITIONS

The RandD transfer condition refers to the extent to which national research and development will lead to new commercial opportunities and whether these are available for new, small, and growing firms. Overall, the RandD transfer condition is the equally second-lowest ranked pillar by Qatar experts (**5.2**). Despite its relatively low ranking for Qatar, the country is ranked highest out of the benchmarked MENA countries and is ranked in **9**th position overall (global average 4.0).

5.8 2018 ▼ 5.2 2019 9

The overall rating for the pillar by experts has **declined** from 5.8 in 2018 to **5.2** in 2019. The most significant issue is the affordability of the latest technology by new and growing firms, with experts suggesting many early-stage entrepreneurs cannot afford to invest in new research and technology to the same extent as established firms.

Experts indicate the need for Qatar to invest in RandD knowledge transfer from universities and public research centers to new and growing firms. In addition, greater support could be provided to engineers and scientists to have their ideas commercialized through new enterprises. The Ministry of Transport and Communications (MOTC) has recently announced the digital accelerator program, which is the next phase of its digital transformation objectives of transforming businesses in Qatar. The initiative falls under the Digital Transformation for Small and Medium Business Enterprises (DTSME) program which focuses on business establishment segments and technology domains and aims to increase the overall ranking of the country in utilizing emerging technologies, such as the **Internet of Things, Virtual Reality, Augmented Reality, and Artificial Intelligence.** The program will commence in early 2020 with a niche focus on business maturity levels and approaching the transformation of SMEs in Qatar through both physical in-site transformations as well as online.

9.2.6 COMMERCIAL INFRASTRUCTURE AND PROFESSIONAL SERVICES CONDITIONS

The commercial infrastructure and professional services condition receive a moderate rating on the NECI pillars for Qatar and has remained at a constant level since 2018 (**5.7**). Qatar is ranked in **13th** position globally and sits behind neighbouring Jordan (6.3) and on par with the UAE (5.7).

Experts indicate that it is relatively easy for new and growing firms to get good banking, professional, legal, and accounting services, and there has been a significant **improvement** in this aspect when compared to the previous year (5.5 in 2018 to **6.7** in 2019). Experts also suggest there are enough subcontractors, suppliers, and consultants to support new and growing firms in Qatar.

5.5 ▲ **6.7**
2018 2019

Experts identify the challenges with new and growing firms being able to access and afford the cost of good subcontractors, suppliers, and consultants, with the expert scores for these aspects declining since 2018.

9.2.7 INTERNAL MARKET
DYNAMICS AND BURDENS CONDITIONS

The Entry regulation framework condition has two components: **internal market dynamics** and **internal market burdens**.

Internal market dynamics: This factor analyses whether there is a free and open market where no entity exerts power to influence or set prices, and where changes in demand are met with changes in supply, and vice versa. Overall, Qatar is ranked in **14th** position out of the 54 participating economies in the NES on the internal market dynamics pillar (**5.9**). In 2019, Qatar is ranked below Jordan (6.9) and the UAE (6.1) and is on par with Saudi Arabia (5.9).

5.3
2018
▲
5.9
2019

14

The local experts' rating for this framework condition has **increased** from the previous year from 5.3 in 2018 to 5.9 in 2019. As this pillar has an inverse scaling, the smaller the value, the more positive the result. Therefore, according to local experts, Qatar's business environment has become less stable with more changes in markets when compared to the previous year.

Internal market burdens or entry regulation: This summarizes the overall state of a market in terms of the absence of burdens entrepreneurs encounter upon entering markets, and regulations that can facilitate, rather than undermine, these efforts. Overall, Qatar is ranked in **11th** position on the internal market burdens or entry regulation pillar (**5.1**). In 2019, Qatar is ranked on par with the UAE (5.1) and performs better on this framework condition when compared to other MENA benchmarked countries.

11

[6] The Oil & Gas Year Qatar 2019 Report, Qatar Chamber of Commerce

Experts identify an improvement since the previous year in new and growing firms' ability to enter new markets. Qatar has paved the way for the private sector to play a greater role in the national economy by adopting government-led initiatives to further develop the sector and to diversify the economy. The government has introduced several new regulations to help promote the private sector's role in the economy including the reduction of rental value by **50**% for all investors in the logistics areas of the Economic Zones Corporation in south Qatar during 2018 and 2019, as well as an increase in the percentage of purchasing local products from **30**% to **100**% if the local product meets Qatari specifications and standards, and financial facilitation provided by **QDB**[6].

Qatar is also looking at ways it can support SMEs to participate in government tenders and procurement processes. The Government Procurement and Contracting Conference and Exhibition (Moushtarayat 2019) hosted by QDB, Ministry of Finance, Ministry of Commerce and Industry, and the Public Works Authority (Ashgal) is an important platform for SMEs to communicate with government agencies and to identify tenders and contracts. The initiative provided more than **2,600** business opportunities worth QR**5.8 billion** to local businesses[7].

Qatar Petroleum (QP) has also introduced a 'Localization Program for Services and Industries in the Energy Sector' (Tawteen). Tawteen is an initiative designed to develop the energy sector in Qatar and to promote self-reliance, as well as to localize supporting industries in the SME sector. The program provides local alternatives to exports, with a value of between QR8 and QR9bn a year, which is estimated to raise GDP by approximately 1.6 percent. Tawteen is made up of two parts: the first is creating 100 new investment opportunities within the energy sector, and the second part is an In-Country Value policy that rewards suppliers and contractors who execute their contracts and agreements by maximizing local content[8].

[7] Oxford Business Group, 'Qatar's economy thrives despite the blockade'

[8] https://www.thepeninsulaqatar.com/article/19/02/2019/Tawteen-initiative-to-enhance-localisation,-expand-SME-sector

9.2.8 PHYSICAL INFRASTRUCTURE AND SERVICES CONDITIONS

The Physical Infrastructure framework condition refers to presence and access to **available physical resources** including:

- communication
- transportation

and **business operations** nationally and internationally through aspects such as:

- high-speed Internet and cell phone service
- real estate (land, buildings)
- reliable utilities
- and advanced highways
- railways
- ports
- and airports

Physical infrastructure and service conditions is the highest rated NECI pillar for Qatar and has been consistently rated highly by experts over the previous three years. The pillar has steadily **increased** since the previous year showing a positive longitudinal trend from 6.4 in 2018 and **7.5** in 2019. Overall, Qatar is ranked in **10th** position on the physical infrastructure pillar (7.5). When compared to the MENA benchmarked countries, Qatar is ranked equal highest on this framework condition alongside the UAE.

6.4 ▲ 7.5

2018 2019

Experts indicate that Qatar offers a strong physical infrastructure in which to conduct new business activities, including good access to affordable communication and utility services. In 2018, Qatar's telecommunication providers, Ooredoo and Vodafone Qatar, rolled-out **5G network coverage**, which is refining connectivity and communication, as well as enhancing people's way of life and conduct of business in the country.

9.2.9 CULTURAL AND SOCIAL NORMS CONDITIONS

The Cultural and Social Norms framework condition shows whether and how society exhibits an entrepreneurship focus within the culture through **behaviour, beliefs, language, and customs**. This can encourage entrepreneurs by demonstrating acceptance, support, and high regard for their activity. In this EFC, Qatar (**6.4**) is above the average (5.1) and is positioned in **8th** place overall. Qatar is ranked in second position when compared to the neighbouring countries and falls slightly behind the UAE (6.8).

Experts reveal an increasingly positive national culture that supports entrepreneurship and individual success through one’s personal efforts. This is also reflected in an improvement in the indicators for societal values and self-perception attitudes toward entrepreneurship when compared to the previous year. Experts identify a community that emphasizes self-sufficiency, autonomy, and personal initiative. Experts indicate a moderate level of concern about whether the national culture encourages entrepreneurial risk-taking and whether there is adequate encouragement for creativity and innovativeness.

SECTION 10.
CONCLUSION

The **GEM 2019** results highlight that **Qatar** has a positive societal attitude towards entrepreneurship and hold entrepreneurs in high regard. Qatar reports the **highest societal attitudes** towards entrepreneurs and entrepreneurship in the MENA region. In 2019, more adults consider entrepreneurship as a desirable career choice and believe it is easy to start a business when compared to the previous year. Media exposure has contributed to this positive community sentiment towards entrepreneurship with the results indicating that a large proportion of adults in Qatar often seeing stories in the public domain about successful new businesses. The positive results for the societal indicators suggest that national initiatives aimed at encouraging entrepreneurship in their country are achieving their objectives.

A large proportion of adult men and women in Qatar also see good opportunities for starting a business within the next six months and feel they have the capabilities to do so. With nearly **half of the adult population** in Qatar who are not currently involved in entrepreneurial activity expecting to start a business in the next three years, the results suggest Qatar is on the pathway to achieving a robust entrepreneurial ecosystem and diversification of the economy through the many start-ups that are expected to emerge in the coming years.

Fear of failure continues to be a major barrier that may subdue the country's optimism towards entrepreneurship. Just under half of the adults who see good opportunities to start a business are risk-averse and state that fear of failure would prevent them from moving forward. A society's negative posture with respect to creativity, innovation, and change reduces the number of people engaged in starting new firms and a culture that rewards risk-taking is more inclined to support higher levels of entrepreneurial activity. Willingness to accept failure also tends to be associated with greater levels of risk-taking. Removing impediments to entrepreneurship should continue to be a focus for the Qatar government and business sector if the nation is to grow its national competitiveness and diversify its economy.

In 2019, Qatar saw a decline in the established business rate, which coincided with an increase in business discontinuance. While the TEA rate improved, primarily due to a rise in nascent entrepreneurs, the gap between new and established businesses widened. The 2019 **GEM** results indicate that efforts taken by the government to foster entrepreneurship in the country have been effective. However, the results also indicate that there is a need for more initiatives, programs, and support services to be focused on ensuring the long-term sustainability of businesses in the country. With the rise of nascent entrepreneurs in the country, the focus may need to shift towards new and established businesses.

“Qatar performs well on the NECI and is positioned in third place overall on this indicator. To further strengthen the overall environment for entrepreneurship, the focus should remain on creating an enabling business environment: one that is conducive to starting and sustaining a new business. Lack of public policy on entrepreneurship, bureaucratic processes, government regulations, and complicated licensing and business registration processes are key constraints on entrepreneurial ventures. The Qatar government has taken significant steps to make it easier to do business in Qatar and introduced new policies to facilitate the growth of the private sector. Further advancements in this area will help residents make the transition from intentional to active entrepreneurs, as well as enhance the sustainability of the SME sector.”

SECTION 11.
COMPARATIVE INTERNATIONAL DATA

TABLE 11.1: TYPE OF ENTREPRENEURIAL ACTIVITY, GEM 2019

Region	Economy	Nascent entrepreneurship rate		New business ownership rate		Early-stage entrepreneurial activity (TEA)	
		Score	Rank/50	Score	Rank/50	Score	Rank/50
MIDDLE EAST AND AFRICA	Egypt	5.0	37	1.8	=48	6.7	43
	Iran	6.9	=26	4.1	=27	10.7	26
	Israel	8.8	16	4.2	=25	12.7	21
	Jordan	5.7	31	3.5	=36	9.1	34
	Madagascar	8.4	=17	11.4	3	19.5	8
	Morocco	7.3	=21	4.4	22	11.4	24
	Oman	3.9	42	3.1	=41	6.9	42
	Qatar	**10.9**	**9**	**4.1**	**=27**	**14.7**	**15**
	Saudi Arabia	5.4	33	8.6	6	14.0	16
	South Africa	7.3	=21	3.7	=31	10.8	25
	United Arab Emirates	9.8	=12	7.1	12	16.4	11
	AVERAGE	7.2		5.1		12.1	
EAST ASIA AND PACIFIC	Armenia	14.1	5	7.4	10	21.0	7
	Australia	5.8	30	5.1	17	10.5	=27
	China	5.3	=34	3.6	=33	8.7	35
	India	9.4	14	5.9	=14	15.0	13
	Japan	3.3	45	2.1	47	5.4	=47
	Pakistan	1.1	50	2.5	45	3.7	49
	Republic of Korea	7.1	24	8.2	7	14.9	14
	Taiwan	3.6	=43	4.9	18	8.4	=36
	AVERAGE	6.2		5.0		11.0	
LATIN AMERICA AND THE CARIBBEAN	Brazil	8.1	19	15.8	1	23.3	4
	Chile	26.9	=1	11.0	4	36.7	1
	Colombia	15.3	4	7.3	11	22.3	6
	Ecuador	26.9	=1	10.8	5	36.2	2
	Guatemala	11.2	8	14.6	2	25.1	3
	Mexico	9.8	=12	3.4	=38	13.0	19
	Panama	15.5	3	7.5	9	22.7	5
	Puerto Rico	11.3	7	2.2	46	13.4	17
	AVERAGE	15.6		9.1		24.1	
EUROPE AND NORTH AMERICA	Belarus	3.0	46	2.8	43	5.8	46
	Canada	10.8	10	8.0	8	18.2	9
	Croatia	7.0	25	3.5	=36	10.5	=27
	Cyprus	7.9	20	4.6	21	12.2	23
	Germany	5.3	=34	2.6	44	7.6	41
	Greece	4.6	=39	3.8	=29	8.2	39
	Ireland	8.4	=17	4.3	=23	12.4	22
	Italy	1.2	49	1.6	50	2.8	50
	Latvia	10.5	11	5.3	16	15.4	12
	Luxembourg	7.2	23	3.4	=38	10.2	30
	Netherlands	5.6	32	4.8	=19	10.4	29
	North Macedonia	2.1	48	4.3	=23	6.2	=44
	Norway	4.9	38	3.6	=33	8.4	=36
	Poland	3.6	=43	1.8	=48	5.4	=47
	Portugal	6.9	=26	6.0	13	12.9	20
	Russian Federation	4.6	=39	4.8	=19	9.3	=32
	Slovak Republic	9.2	15	4.2	=25	13.3	18
	Slovenia	4.4	41	3.6	=33	7.8	40
	Spain	2.4	47	3.8	=29	6.2	=44
	Sweden	5.1	36	3.3	40	8.3	38
	Switzerland	6.2	29	3.7	=31	9.8	31
	United Kingdom	6.5	28	3.1	=41	9.3	=32
	United States	11.8	6	5.9	=14	17.4	10
	AVERAGE	6.1		4.0		9.9	

(=) – indicates that the ranking is the same for two or more economies.

TABLE 11.2: TYPE OF ENTREPRENEURIAL ACTIVITY (CONT'D), GEM 2019

Region	Economy	Established business ownership rate (EBO)		Entrepreneurial Employee Activity (EEA)		Discontinuation of businesses (business did not continue)	
		Score	Rank/50	Score	Rank/50	Score	Rank/50
MIDDLE EAST AND AFRICA	Egypt	1.5	49	0.2	=47	7.0	3
	Iran	10.2	16	2.0	25	5.2	8
	Israel	5.5	33	5.8	12	3.8	17
	Jordan	6.6	=27	0.7	=36	8.3	2
	Madagascar	20.2	1	0.6	=38	2.6	=26
	Morocco	7.9	22	0.3	46	2.4	=30
	Oman	2.0	47	1.2	34	11.5	1
	Qatar	**3.0**	**45**	**3.6**	**=18**	**6.6**	**=4**
	Saudi Arabia	5.4	34	3.2	20	5.1	9
	South Africa	3.5	44	0.4	=44	4.2	=14
	United Arab Emirates	7.0	=25	8.2	2	5.5	7
	AVERAGE	6.6		2.4		5.7	
EAST ASIA AND PACIFIC	Armenia	7.8	23	0.6	=38	4.3	=12
	Australia	6.5	29	8.3	1	3.2	20
	China	9.3	18	0.2	=47	4.0	16
	India	11.9	10	0.2	=47	2.9	=22
	Japan	7.0	=25	1.9	=26	0.6	49
	Pakistan	4.7	=38	0.5	=42	3.5	19
	Republic of Korea	13.0	6	1.4	=31	1.9	=38
	Taiwan	12.8	=8	2.3	23	1.4	=43
	AVERAGE	9.1		1.9		2.7	
LATIN AMERICA AND THE CARIBBEAN	Brazil	16.2	2	0.6	=38	4.8	10
	Chile	10.6	=14	3.6	=18	6.6	=4
	Colombia	4.3	42	0.9	35	4.2	=14
	Ecuador	14.7	4	1.3	33	5.9	6
	Guatemala	14.8	3	1.4	=31	4.3	=12
	Mexico	1.8	48	0.2	=47	3.1	21
	Panama	4.7	=38	0.4	=44	4.5	11
	Puerto Rico	1.3	50	2.1	24	1.3	46
	AVERAGE	8.6		1.3		4.3	
EUROPE AND NORTH AMERICA	Belarus	2.7	46	0.5	=42	1.4	=43
	Canada	7.4	24	5.4	=13	3.6	18
	Croatia	3.6	43	5.9	11	2.0	=36
	Cyprus	10.1	17	6.2	9	1.5	=41
	Germany	5.2	35	6.3	8	2.2	35
	Greece	14.3	5	1.9	=26	2.0	=36
	Ireland	6.6	=27	7.5	4	2.5	=28
	Italy	4.7	=38	0.7	=36	0.5	50
	Latvia	12.9	7	4.3	16	2.8	24
	Luxembourg	4.7	=38	6.7	6	2.3	=33
	Netherlands	10.8	13	6.0	10	1.6	40
	North Macedonia	8.0	21	1.6	30	2.6	=26
	Norway	5.6	32	2.6	22	1.9	=38
	Poland	12.8	=8	1.7	=28	2.4	=30
	Portugal	11.0	12	4.1	17	1.5	=41
	Russian Federation	5.1	36	0.6	=38	2.4	=30
	Slovak Republic	5.9	31	3.1	21	2.7	25
	Slovenia	8.5	19	7.0	5	1.4	=43
	Spain	6.3	30	1.7	=28	1.2	=47
	Sweden	4.9	37	5.2	15	2.3	=33
	Switzerland	11.6	11	5.4	=13	1.2	=47
	United Kingdom	8.2	20	8.1	3	2.5	=28
	United States	10.6	=14	6.5	7	2.9	=22
	AVERAGE	7.9		4.3		2.1	

(=) – indicates that the ranking is the same for two or more economies.

TABLE 11.3: ATTITUDES AND PERCEPTION, GEM 2019

Region	Economy	Personally, know an entrepreneur		Perceived opportunities		Perceived ease of starting a business		Perceived capabilities		Fear of failure (opportunities)	
		Score	Rank/50	Score	Rank/50	Score	Rank/50	Score	Rank/50	Score	Rank/50
MIDDLE EAST AND AFRICA	Egypt	52.0	26	73.5	7	64.0	14	67.3	15	54.8	4
	Iran	55.1	=21	47.7	29	30.1	45	68.9	13	36.2	37
	Israel	72.6	2	46.0	35	21.6	50	43.3	43	55.4	3
	Jordan	46.5	36	40.6	42	35.1	39	61.7	21	54.4	5
	Madagascar	51.0	30	46.8	32	38.0	33	73.5	7	41.0	30
	Morocco	51.2	29	57.7	19	27.0	46	62.4	18	42.5	26
	Oman	71.1	3	72.3	8	54.7	20	56.3	29	40.8	=31
	Qatar	62.4	11	75.6	4	66.6	11	75.5	=5	45.2	=19
	Saudi Arabia	82.6	1	73.8	6	52.9	22	83.0	2	41.8	28
	South Africa	28.3	49	60.4	17	63.0	15	60.4	24	49.8	9
	United Arab Emirates	61.5	12	66.1	13	66.1	12	62.2	19	41.7	29
	AVERAGE	57.7		60.0		47.2		65.0		45.8	
EAST ASIA AND PACIFIC	Armenia	55.6	20	53.9	22	49.2	24	70.0	12	48.2	=10
	Australia	55.9	18	45.7	36	66.8	10	56.0	30	47.4	13
	China	66.2	=7	74.9	5	36.2	35	67.4	14	44.7	21
	India	64.4	10	83.1	2	80.0	5	85.2	1	62.4	1
	Japan	17.1	50	10.6	50	24.3	49	14.0	50	43.5	24
	Pakistan	44.8	42	62.3	16	56.4	18	63.0	17	54.2	6
	Republic of Korea	37.1	46	42.9	39	32.4	42	51.7	34	7.1	50
	Taiwan	35.6	47	41.2	40	36.1	36	42.0	=45	31.0	44
	AVERAGE	47.1		51.8		47.7		56.2		42.3	
LATIN AMERICA AND THE CARIBBEAN	Brazil	51.6	27	46.4	34	39.4	30	62.0	20	35.6	38
	Chile	71.0	4	47.6	=30	32.9	41	75.5	=5	58.1	2
	Colombia	66.5	6	46.7	33	36.0	37	72.4	9	32.7	42
	Ecuador	59.2	15	55.9	20	55.3	19	78.3	2	35.1	=39
	Guatemala	68.4	5	67.3	10	46.6	27	77.4	4	39.6	34
	Mexico	46.4	=37	62.8	15	50.9	23	70.7	11	47.7	12
	Panama	45.4	41	53.4	24	57.2	17	72.9	8	40.8	=31
	Puerto Rico	45.7	40	39.4	43	26.5	47	55.7	31	33.2	41
	AVERAGE	56.8		52.4		43.1		70.6		40.4	
EUROPE AND NORTH AMERICA	Belarus	50.4	32	29.5	49	35.9	38	42.3	44	38.0	35
	Canada	55.1	=22	67.1	12	68.0	9	56.8	28	47.2	=14
	Croatia	66.2	=7	55.7	21	33.8	40	71.2	10	50.7	8
	Cyprus	56.0	17	38.5	44	38.2	32	58.2	25	36.4	36
	Germany	46.4	=37	52.2	25	47.6	25	45.8	42	29.7	46
	Greece	30.1	48	49.9	28	46.9	26	51.6	35	40.6	33
	Ireland	55.8	19	50.2	27	41.8	28	42.0	=45	31.4	43
	Italy	44.8	=42	45.1	37	74.6	7	48.1	41	27.6	47
	Latvia	47.0	35	35.6	47	31.8	43	57.0	27	46.6	16
	Luxembourg	46.4	=37	58.0	18	60.5	16	48.5	40	45.7	18
	Netherlands	51.5	28	64.6	14	84.1	3	41.9	47	27.1	48
	North Macedonia	52.4	25	50.5	26	37.2	34	60.9	23	47.2	=14
	Norway	43.3	44	69.5	9	87.4	2	31.5	49	30.2	45
	Poland	50.3	33	87.3	1	90.2	1	50.4	38	45.9	17
	Portugal	50.7	31	53.5	23	41.1	29	61.4	22	52.6	7
	Russian Federation	57.2	16	29.6	48	31.4	44	35.6	48	45.2	=19
	Slovak Republic	65.2	9	36.0	46	25.2	48	53.1	33	43.7	23
	Slovenia	60.4	14	47.6	=30	54.3	21	57.5	26	42.2	27
	Spain	42.1	45	36.1	45	38.5	31	50.8	36	48.2	=10
	Sweden	54.6	24	79.8	3	78.3	6	50.7	37	42.9	25
	Switzerland	54.7	23	40.7	41	64.5	13	49.2	39	23.9	49
	United Kingdom	49.1	34	43.8	38	82.4	4	55.2	32	44.5	22
	United States	60.9	13	67.2	11	71.2	8	65.5	16	35.1	=39
	AVERAGE	51.8		51.7		55.0		51.5		40.1	

(=) – indicates that the ranking is the same for two or more economies.

TABLE 11.4: ENTREPRENEURIAL TALENT, GEM 2019

Region	Economy	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
MIDDLE EAST AND AFRICA	Egypt	67.8	4	71.0	2	63.6	15	80.5	4
	Iran	48.6	25	46.1	39	66.6	8	63.4	28
	Israel	42.2	37	57.7	19	62.1	16	48.9	39
	Jordan	67.6	5	59.4	=11	63.8	13	69.6	20
	Madagascar	68.7	3	65.0	5	55.5	25	82.6	3
	Morocco	71.7	1	44.0	44	56.2	24	71.6	16
	Oman	51.0	20	54.8	24	56.9	23	70.2	18
	Qatar	50.2	22	53.9	29	66.5	9	79.4	5
	Saudi Arabia	43.4	34	44.9	42	63.9	12	54.3	36
	South Africa	54.9	15	58.0	18	55.0	26	74.1	15
	United Arab Emirates	47.6	26	54.5	26	60.9	18	74.8	13
	AVERAGE	55.8		55.4		61.0		69.9	
EAST ASIA AND PACIFIC	Armenia	58.4	10	59.4	=11	71.9	3	67.4	22
	Australia	38.6	41	63.7	6	52.2	27	65.0	=25
	China	50.1	23	48.2	36	48.5	35	69.9	19
	India	71.6	2	66.2	4	70.3	5	77.8	7
	Japan	42.9	35	50.4	34	16.8	50	37.1	=45
	Pakistan	58.3	10	61.0	=8	64.6	10	69.0	20
	Republic of Korea	60.4	8	52.0	30	26.5	47	50.6	37
	Taiwan	35.6	44	38.6	47	28.8	45	50.0	38
	AVERAGE	52.0		54.9		47.5		60.9	
LATIN AMERICA AND THE CARIBBEAN	Brazil	58.0	12	54.6	25	63.7	14	85.4	2
	Chile	46.4	27	47.7	38	61.5	17	77.6	8
	Colombia	45.5	=30	44.6	43	74.4	1	79.2	6
	Ecuador	45.9	=28	45.1	41	60.4	20	67.2	23
	Guatemala	63.0	7	77.0	1	73.0	2	94.5	1
	Mexico	55.0	14	54.0	28	60.6	19	65.0	=25
	Panama	59.6	9	58.7	16	71.5	4	75.8	=11
	Puerto Rico	51.3	=17	45.4	40	66.2	10	74.2	14
	AVERAGE	53.1		53.4		66.4		77.4	
EUROPE AND NORTH AMERICA	Belarus	39.3	=39	49.1	35	48.0	36	32.7	48
	Canada	39.4	38	59.4	=11	51.5	=29	58.0	33
	Croatia	53.9	16	56.7	20	47.2	=37	65.6	24
	Cyprus	32.6	47	33.2	48	45.9	39	57.3	34
	Germany	45.9	=28	47.8	37	49.7	33	48.6	41
	Greece	66.0	6	51.2	33	48.6	34	77.2	9
	Ireland	36.7	42	25.5	50	22.4	49	23.4	50
	Italy	25.0	50	27.9	49	24.4	48	26.1	49
	Latvia	51.2	19	58.3	17	52.0	28	61.3	30
	Luxembourg	45.1	32	58.9	=14	38.6	43	60.9	31
	Netherlands	28.5	49	42.7	45	43.4	41	41.3	43
	North Macedonia	56.2	13	62.8	7	67.7	7	75.8	=11
	Norway	36.0	43	70.2	3	26.7	46	45.8	42
	Poland	45.5	=30	51.8	31	51.5	=29	48.8	40
	Portugal	51.3	=17	56.5	22	57.0	22	77.1	10
	Russian Federation	42.3	36	51.3	32	30.2	44	36.7	47
	Slovak Republic	49.5	24	58.9	=14	41.8	42	60.0	32
	Slovenia	44.0	33	61.0	=9	58.6	21	64.3	27
	Spain	50.9	21	56.3	23	50.9	31	62.1	29
	Sweden	30.6	48	56.6	21	47.2	=37	37.1	=45
	Switzerland	33.1	46	39.4	46	44.9	40	38.2	44
	United Kingdom	39.3	=39	61.3	8	50.3	32	54.9	35
	United States	35.2	45	54.1	27	69.9	6	70.3	17
	AVERAGE	42.5		51.8		46.5		53.2	

(=) – indicates that the ranking is the same for two or more economies.

TABLE 11.5: MOTIVATIONS TO START A BUSINESS, GEM 2019

Region	Economy	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
MIDDLE EAST AND AFRICA	Egypt	57.0	54.5	63.0	77.3	77.3	77.4
	Iran	40.6	36.8	46.9	83.5	83.1	84.2
	Israel	42.7	41.4	44.5	72.4	72.1	72.9
	Jordan	19.2	18.0	21.4	59.2	55.9	65.0
	Madagascar	8.8	11.6	6.3	23.5	25.0	22.1
	Morocco	21.8	21.9	21.4	69.8	72.7	64.3
	Oman	49.9	38.7	65.9	53.0	49.0	58.7
	Qatar	**55.5**	**55.0**	**57.3**	**85.3**	**86.4**	**80.7**
	Saudi Arabia	44.6	45.5	43.6	63.1	68.9	56.0
	South Africa	85.0	82.9	87.1	78.9	83.6	74.0
	United Arab Emirates	51.7	50.4	55.9	72.3	72.0	73.4
	AVERAGE	43.3	41.5	46.7	67.1	67.8	66.2
EAST ASIA AND PACIFIC	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
	China	39.7	36.7	43.9	48.4	54.0	40.8
	India	86.8	85.7	88.5	87.2	90.1	83.1
	Japan	43.9	42.7	47.4	48.5	48.5	48.3
	Pakistan	70.3	63.2	95.1	90.3	87.5	100.0
	Republic of Korea	9.4	10.7	7.1	67.3	72.4	58.9
	Taiwan	44.5	40.6	50.4	57.5	61.2	52.1
	AVERAGE	45.6	43.3	51.0	64.4	67.6	60.5
LATIN AMERICA AND THE CARIBBEAN	Brazil	51.4	49.6	53.2	36.9	41.9	31.8
	Chile	44.9	45.3	44.4	40.6	43.4	37.1
	Colombia	44.4	47.8	40.8	52.5	54.6	50.4
	Ecuador	52.7	53.4	51.8	36.5	37.5	35.4
	Guatemala	80.2	81.5	78.7	59.8	59.9	59.8
	Mexico	65.1	64.7	65.5	51.9	56.8	46.9
	Panama	76.8	74.5	80.0	64.3	67.0	60.6
	Puerto Rico	65.9	66.3	65.4	43.7	43.0	44.4
	AVERAGE	60.2	60.4	60.0	48.3	50.5	45.8
EUROPE AND NORTH AMERICA	Belarus	23.4	18.8	28.3	75.3	72.6	78.5
	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
	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
	Ireland	26.9	27.8	25.2	28.3	22.3	38.5
	Italy	11.0	6.3	18.6	95.5	100.0	87.8
	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
	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
	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
	Russian Federation	27.1	25.6	28.7	69.7	70.8	68.5
	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
	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
	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
	AVERAGE	41.7	40.5	43.8	48.0	51.4	42.6

(=) – indicates that the ranking is the same for two or more economies.

TABLE 11.6: MOTIVATIONS TO START A BUSINESS (CONT'D), GEM 2019

Region	Economy	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
MIDDLE EAST AND AFRICA	Egypt	51.1	54.2	43.7	63.6	58.8	74.9
	Iran	20.9	21.2	20.3	68.7	66.4	72.4
	Israel	19.2	22.8	14.2	53.9	58.4	47.3
	Jordan	24.5	25.3	23.0	93.1	92.5	94.2
	Madagascar	36.8	38.9	34.8	81.1	79.4	82.7
	Morocco	33.1	32.0	35.0	93.3	92.7	94.5
	Oman	26.6	29.3	22.7	56.2	50.4	64.7
	Qatar	**52.1**	**51.9**	**52.6**	**62.2**	**61.3**	**66.0**
	Saudi Arabia	36.4	37.7	34.7	72.4	75.5	68.5
	South Africa	48.0	43.7	52.5	90.3	89.4	91.2
	United Arab Emirates	36.6	37.9	32.2	64.9	62.8	71.4
	AVERAGE	35.0	35.9	33.2	72.7	71.6	75.3
EAST ASIA AND PACIFIC	Armenia	35.5	38.0	32.1	88.8	87.3	90.9
	Australia	22.7	21.5	24.4	41.4	43.9	37.8
	China	40.6	33.8	50.0	65.8	64.2	68.0
	India	79.8	78.9	81.0	87.5	89.9	84.1
	Japan	32.8	33.0	32.2	32.7	30.3	40.0
	Pakistan	67.1	70.8	54.5	92.1	89.8	100.0
	Republic of Korea	5.6	5.2	6.3	35.1	31.7	40.6
	Taiwan	19.7	18.1	21.9	33.4	30.5	37.7
	AVERAGE	38.0	37.4	37.8	59.6	58.5	62.4
LATIN AMERICA AND THE CARIBBEAN	Brazil	26.6	28.8	24.4	88.4	86.0	90.8
	Chile	25.2	23.7	27.0	68.7	64.1	74.4
	Colombia	31.7	28.4	35.2	90.1	89.2	91.0
	Ecuador	35.7	34.7	36.9	82.7	79.6	86.3
	Guatemala	53.2	52.3	54.2	89.7	74.0	96.1
	Mexico	48.0	50.6	45.3	85.0	81.3	88.8
	Panama	52.9	49.1	58.0	86.9	84.9	89.7
	Puerto Rico	43.5	45.9	40.5	84.3	81.1	88.2
	AVERAGE	39.6	39.2	40.2	84.5	80.0	88.2
EUROPE AND NORTH AMERICA	Belarus	19.6	23.6	14.9	51.7	46.5	57.5
	Croatia	35.6	39.1	30.0	74.0	74.7	72.8
	Cyprus	30.3	32.5	26.7	58.0	54.8	63.0
	Germany	68.7	62.1	80.0	42.6	39.2	48.5
	Greece	35.3	38.0	32.1	51.6	53.0	49.9
	Ireland	69.2	63.8	78.4	40.7	38.3	44.8
	Italy	26.7	33.0	16.2	89.5	85.3	96.5
	Latvia	25.6	26.8	23.5	68.3	63.4	76.7
	Luxembourg	30.0	28.1	32.9	38.3	38.9	37.4
	Netherlands	18.0	20.2	15.2	23.6	17.0	31.9
	North Macedonia	68.4	75.5	48.0	83.6	81.0	91.1
	Norway	14.5	13.9	15.9	25.6	27.2	21.6
	Poland	81.6	81.0	82.4	15.8	15.9	15.7
	Portugal	31.4	29.7	34.0	54.4	51.4	58.9
	Russian Federation	24.9	26.4	23.3	78.8	76.0	81.7
	Slovak Republic	28.1	28.2	27.9	63.3	64.0	62.1
	Slovenia	23.2	25.8	18.2	60.1	58.3	63.6
	Spain	13.4	14.5	12.1	42.3	37.8	47.0
	Sweden	33.2	37.0	25.9	38.8	41.8	33.0
	Switzerland	17.1	20.2	11.8	50.4	47.4	55.4
	United Kingdom	5.8	4.6	7.8	64.4	61.3	69.5
	United States	30.6	32.0	29.1	41.4	37.8	45.2
	AVERAGE	33.2	34.4	31.2	52.6	50.5	55.6

(=) – indicates that the ranking is the same for two or more economies.

TABLE 11.7: NATIONAL AND GLOBAL SCOPE FOR NEW BUSINESSES, GEM 2019

Region	Economy	At least national scope for its customers and new products or processes: Score	At least national scope for its customers and new products or processes: Rank/50	Global scope for its customers and new: Score	Global scope for its customers and new: Rank/50
MIDDLE EAST AND AFRICA	Egypt	0.8	=37	0.1	=34
	Iran	1.7	=24	0.2	=29
	Israel	2.4	=15	1.0	=2
	Jordan	0.9	=34	0.1	=34
	Madagascar	0.1	=48	0.1	=34
	Morocco	0.2	=44	0.0	=45
	Oman	0.8	=37	0.0	=45
	Qatar	**4.2**	**2**	**0.5**	**=16**
	Saudi Arabia	0.1	=48	0.0	=45
	South Africa	0.9	=34	0.1	=34
	United Arab Emirates	3.3	5	0.9	=6
	AVERAGE	1.4		0.3	
EAST ASIA AND PACIFIC	Armenia	2.5	=10	0.4	=25
	Australia	1.7	=24	0.5	=16
	China	0.3	=42	0.1	=34
	India	0.3	=42	0.0	=45
	Japan	1.3	=29	0.2	=29
	Pakistan	0.2	=44	0.0	=45
	Republic of Korea	1.8	23	0.3	=27
	Taiwan	2.5	=10	0.6	=14
	AVERAGE	1.3		0.3	
LATIN AMERICA AND THE CARIBBEAN	Brazil	0.1	=48	0.0	=45
	Chile	2.5	=10	0.4	=16
	Colombia	1.5	28	0.2	=29
	Ecuador	1.2	=32	0.1	=34
	Guatemala	1.2	=32	0.2	=29
	Mexico	0.7	39	0.1	=34
	Panama	3.7	3	0.5	=16
	Puerto Rico	2.7	8	1.1	1
	AVERAGE	1.7		0.3	
EUROPE AND NORTH AMERICA	Belarus	0.4	=40	0.1	=34
	Croatia	2.5	=10	0.5	=16
	Cyprus	4.6	1	0.9	=6
	Germany	2.0	21	0.9	=6
	Greece	1.3	=29	0.5	=16
	Ireland	2.5	=10	1.0	=2
	Italy	0.2	=44	0.1	=34
	Latvia	2.2	=17	0.9	=6
	Luxembourg	3.5	4	1.0	=2
	Netherlands	1.7	=24	0.5	=16
	North Macedonia	1.3	=29	0.3	=27
	Norway	1.7	=24	0.6	=14
	Poland	0.2	=44	0.1	=34
	Portugal	2.1	20	0.5	=16
	Russian Federation	0.4	=40	0.1	=34
	Slovak Republic	2.4	=15	0.7	=12
	Slovenia	2.2	=17	0.8	11
	Spain	0.9	=34	0.2	=29
	Sweden	2.2	=17	0.7	=12
	Switzerland	3.2	6	0.5	=16
	United Kingdom	1.9	22	0.5	=16
	United States	2.6	9	1.0	=2
	AVERAGE	1.9		0.6	

(=) – indicates that the ranking is the same for two or more economies.

TABLE 11.8: GENDER DISTRIBUTION OF TEA, GEM 2019

Region	Economy	Male TEA (% of adult male population) Score	Male TEA Rank/50	Female TEA (% of female adult population) Score	Female TEA Rank/50
MIDDLE EAST AND AFRICA	Egypt	9.2	41	4.1	46
	Iran	13.1	25	8.2	29
	Israel	15.1	=20	10.4	19
	Jordan	11.4	=33	6.8	=36
	Madagascar	19.3	10	19.6	6
	Morocco	15.1	=20	7.8	32
	Oman	8.1	44	5.8	=39
	Qatar	14.7	22	14.7	=11
	Saudi Arabia	13.4	24	14.7	=11
	South Africa	11.4	=33	10.2	=20
	United Arab Emirates	18.0	13	12.6	14
	AVERAGE	13.5		10.4	
EAST ASIA AND PACIFIC	Armenia	26.0	=4	16.6	=8
	Australia	12.3	=27	8.8	26
	China	9.4	40	7.9	31
	India	17.1	14	12.7	13
	Japan	7.8	45	2.9	48
	Pakistan	5.5	49	1.7	50
	Republic of Korea	18.3	=11	11.4	17
	Taiwan	10.0	37	6.8	=36
	AVERAGE	13.3		8.6	
LATIN AMERICA AND THE CARIBBEAN	Brazil	23.5	7	23.1	3
	Chile	41.1	1	32.4	2
	Colombia	23.8	6	20.9	5
	Ecuador	38.8	2	33.6	1
	Guatemala	28.0	3	22.4	4
	Mexico	13.6	23	12.4	15
	Panama	26.0	=4	19.3	7
	Puerto Rico	15.5	19	11.5	16
	AVERAGE	26.3		22.0	
EUROPE AND NORTH AMERICA	Belarus	6.4	46	5.2	43
	Croatia	13.0	26	8.0	30
	Cyprus	15.6	18	8.9	25
	Germany	9.5	39	5.7	41
	Greece	8.8	43	7.6	33
	Ireland	15.9	17	9.0	24
	Italy	3.5	50	2.1	49
	Latvia	19.6	9	11.3	18
	Luxembourg	12.0	29	8.3	28
	Netherlands	11.5	=31	9.2	23
	North Macedonia	9.0	42	3.3	47
	Norway	11.5	=31	5.1	=44
	Poland	5.7	48	5.1	=44
	Portugal	16.1	16	9.9	22
	Russian Federation	10.2	36	8.6	27
	Slovak Republic	16.4	15	10.2	=20
	Slovenia	9.9	38	5.6	42
	Spain	6.3	47	6.0	38
	Sweden	10.6	35	5.8	=39
	Switzerland	12.3	=27	7.3	34
	United Kingdom	11.7	30	7.0	35
	United States	18.3	=11	16.6	=8
	AVERAGE	11.5		7.5	

(=) – indicates that the ranking is the same for two or more economies.

TABLE 11.9: AGE GROUP DISTRIBUTION OF TEA, GEM 2019

Region	Economy	18-24 Score	25-34 Score	35-44 Score	45-54 Score	55-64 Score
MIDDLE EAST AND AFRICA	Egypt	7.9	7.8	7.1	4.8	1.9
	Iran	9.6	15.4	11.1	7.4	3.2
	Israel	9.3	16.2	13.8	12.8	9.2
	Jordan	5.3	10.4	12.6	8.7	7.8
	Madagascar	21.2	21.4	21.1	14.4	12.7
	Morocco	6.5	15.7	15.7	13.4	4.2
	Oman	7.2	8.1	6.9	5.6	3.2
	Qatar	**8.2**	**15.3**	**15.3**	**17.3**	**19.1**
	Saudi Arabia	9.0	11.6	18.5	16.0	10.0
	South Africa	8.4	12.6	9.2	14.3	8.5
	United Arab Emirates	12.4	16.1	19.8	15.9	11.3
	AVERAGE	9.5	13.7	13.7	11.9	8.3
EAST ASIA AND PACIFIC	Armenia	18.4	30.2	20.4	16.3	15.0
	Australia	5.5	13.4	13.5	10.0	8.0
	China	10.6	13.1	9.9	7.4	2.8
	India	14.6	16.9	15.3	11.9	14.7
	Japan	4.1	7.1	8.0	4.6	2.6
	Pakistan	4.2	3.5	3.3	4.7	1.6
	Republic of Korea	4.3	13.4	19.3	15.1	17.9
	Taiwan	6.3	11.7	10.9	7.4	4.8
	AVERAGE	8.5	13.7	12.6	9.7	8.4
LATIN AMERICA AND THE CARIBBEAN	Brazil	24.3	26.1	26.7	22.6	12.4
	Chile	31.6	40.0	43.7	35.2	30.0
	Colombia	25.0	27.1	21.7	21.4	13.7
	Ecuador	30.6	41.9	41.3	32.1	29.9
	Guatemala	22.3	32.7	27.0	18.0	13.1
	Mexico	12.2	14.1	14.3	12.7	9.3
	Panama	22.7	23.7	24.0	23.7	17.1
	Puerto Rico	16.1	18.9	17.7	9.5	5.0
	AVERAGE	23.1	28.1	27.1	21.9	16.3
EUROPE AND NORTH AMERICA	Belarus	6.5	12.3	5.1	3.8	1.1
	Croatia	13.5	18.0	13.6	5.7	3.2
	Cyprus	10.6	16.8	13.9	9.0	8.3
	Germany	10.1	11.8	7.3	6.3	4.4
	Greece	13.2	6.3	6.5	9.9	6.7
	Ireland	14.2	14.9	12.6	11.6	8.6
	Italy	1.9	7.6	2.7	1.8	0.7
	Latvia	18.9	22.5	19.9	12.2	5.1
	Luxembourg	7.8	13.4	11.4	12.1	4.0
	Netherlands	14.2	15.6	11.6	6.7	6.0
	North Macedonia	7.0	7.6	7.0	5.5	3.7
	Norway	8.6	9.1	9.2	8.7	6.0
	Poland	3.0	11.1	5.2	3.7	2.3
	Portugal	16.7	18.7	14.2	9.4	6.8
	Russian Federation	13.1	15.0	10.3	5.2	3.6
	Slovak Republic	18.6	18.9	15.9	9.7	4.7
	Slovenia	3.6	13.8	9.5	8.6	2.1
	Spain	5.0	8.5	6.9	5.7	4.2
	Sweden	13.2	10.8	8.3	5.9	4.4
	Switzerland	12.1	10.8	9.9	9.1	7.8
	United Kingdom	12.2	10.0	10.9	9.8	4.2
	United States	15.8	22.1	22.1	13.3	13.4
	AVERAGE	10.9	13.4	10.6	7.9	5.1

(=) – indicates that the ranking is the same for two or more economies.

TABLE 11.10: SECTOR DISTRIBUTION OF NEW ENTREPRENEURIAL ACTIVITY (% OF TEA), GEM 2019

Region	Economy	Agriculture	Mining	Manufacturing	Transportation	Wholesale/ Retail
MIDDLE EAST AND AFRICA	Egypt	8.6	6.5	17.0	1.7	58.0
	Iran	6.3	6.7	11.1	2.0	28.0
	Israel	0.4	4.2	6.7	2.3	29.9
	Jordan	3.0	2.6	9.7	4.2	59.2
	Madagascar	17.5	8.4	12.6	6.2	33.9
	Morocco	1.1	2.0	9.4	2.0	68.6
	Oman	1.5	7.1	8.5	4.4	44.1
	Qatar	**0.8**	**1.6**	**5.3**	**1.8**	**54.9**
	Saudi Arabia	0.9	3.3	5.3	1.1	58.8
	South Africa	4.2	4.9	13.1	4.7	46.1
	United Arab Emirates	0.0	3.0	6.8	3.6	48.5
	AVERAGE	4.0	4.6	9.6	3.1	48.2
EAST ASIA AND PACIFIC	Armenia	30.5	2.2	9.2	1.1	38.4
	Australia	4.8	12.9	6.2	2.8	24.8
	China	1.7	1.0	6.8	2.7	55.0
	India	4.6	3.8	11.9	3.1	61.9
	Japan	7.9	3.9	4.9	6.4	29.1
	Pakistan	11.7	0.0	14.5	4.0	53.4
	Republic of Korea	3.3	3.3	13.5	2.3	48.7
	Taiwan	0.5	2.6	11.7	3.5	52.0
	AVERAGE	8.1	3.7	9.8	3.2	45.4
LATIN AMERICA AND THE CARIBBEAN	Brazil	0.8	5.3	10.9	5.4	49.0
	Chile	5.5	6.6	10.2	5.9	40.5
	Colombia	0.9	2.7	11.3	3.2	55.2
	Ecuador	5.6	2.0	6.2	5.0	64.6
	Guatemala	2.4	1.8	13.1	1.8	65.5
	Mexico	22.1	4.0	16.1	2.7	51.3
	Panama	2.7	9.8	9.4	6.0	51.0
	Puerto Rico	3.7	2.8	5.7	2.4	52.3
	AVERAGE	5.5	4.4	10.4	4.1	53.7
EUROPE AND NORTH AMERICA	Belarus	3.5	7.0	11.0	9.6	31.6
	Croatia	10.3	7.4	6.9	3.2	24.7
	Cyprus	2.7	6.0	5.7	5.4	34.4
	Germany	3.8	2.4	5.7	1.3	20.5
	Greece	6.4	3.2	10.1	4.7	42.1
	Ireland	4.1	6.7	4.3	2.4	29.2
	Italy	8.9	8.5	4.4	3.4	41.2
	Latvia	7.7	6.7	15.8	5.5	24.4
	Luxembourg	6.7	7.1	4.5	1.5	21.0
	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
	Poland	4.7	11.0	8.6	3.5	27.0
	Portugal	3.5	5.9	7.4	2.3	35.8
	Russian Federation	3.0	6.1	14.9	3.8	41.9
	Slovak Republic	3.2	8.9	4.5	2.1	20.7
	Slovenia	2.5	9.4	14.5	2.5	18.4
	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
	United Kingdom	0.2	8.8	7.6	0.2	20.4
	United States	3.5	6.7	10.5	4.8	24.6
	AVERAGE	4.6	6.3	8.3	3.6	29.0

(=) – indicates that the ranking is the same for two or more economies.

TABLE 11.11: SECTOR DISTRIBUTION OF NEW ENTREPRENEURIAL ACTIVITY (% OF TEA) (CONT'D), GEM 2019

Region	Economy	Information/ communications technology	Finance	Professional services	Administrative services	Health, education, government, and social services	Personal / consumer services
MIDDLE EAST AND AFRICA	Egypt	0.0	0.0	2.1	0.6	2.5	2.9
	Iran	10.2	1.9	10.6	4.3	17.0	2.0
	Israel	8.9	3.1	9.7	5.6	25.7	3.5
	Jordan	0.5	1.3	1.5	1.8	12.8	3.6
	Madagascar	0.0	0.0	11.8	2.4	7.1	0.0
	Morocco	0.4	0.6	3.4	1.6	8.5	2.3
	Oman	1.0	3.6	3.3	2.9	20.4	3.4
	Qatar	**2.5**	**6.4**	**6.9**	**10.3**	**9.0**	**0.6**
	Saudi Arabia	1.3	0.5	5.1	2.0	19.9	1.8
	South Africa	2.9	1.7	1.2	3.9	16.2	1.3
	United Arab Emirates	3.6	4.0	9.8	8.4	10.6	1.6
	AVERAGE	2.8	2.1	5.9	4.0	13.6	2.1
EAST ASIA AND PACIFIC	Armenia	2.6	0.9	2.5	1.9	9.4	1.2
	Australia	6.5	3.0	11.1	6.2	19.0	2.7
	China	2.9	1.5	2.3	4.4	20.3	1.4
	India	0.4	0.4	1.0	1.4	11.0	0.4
	Japan	5.9	4.7	6.7	3.8	24.7	1.9
	Pakistan	0.0	0.0	0.0	2.6	13.8	0.0
	Republic of Korea	5.7	4.3	3.3	3.7	8.1	3.7
	Taiwan	4.0	5.0	8.3	1.9	8.9	1.5
	AVERAGE	3.5	2.5	4.4	3.2	14.4	1.6
LATIN AMERICA AND THE CARIBBEAN	Brazil	1.7	0.6	3.3	1.9	16.7	4.4
	Chile	1.9	1.6	8.5	7.8	10.3	1.1
	Colombia	3.0	3.2	4.2	2.9	11.4	2.2
	Ecuador	2.4	1.5	3.1	1.1	7.1	1.3
	Guatemala	3.8	1.2	2.7	1.3	5.3	1.0
	Mexico	1.3	0.0	0.0	0.0	2.5	0.1
	Panama	1.6	2.5	2.9	3.1	9.6	1.3
	Puerto Rico	0.8	0.9	3.2	6.6	18.4	3.2
	AVERAGE	2.1	1.4	3.5	3.1	10.2	1.8
EUROPE AND NORTH AMERICA	Belarus	2.0	0.7	6.0	2.0	21.8	4.7
	Croatia	5.2	5.5	11.6	10.7	13.3	1.1
	Cyprus	5.5	5.6	8.3	4.6	17.4	4.4
	Germany	9.6	4.4	9.5	2.7	29.0	11.0
	Greece	4.1	2.6	6.2	5.2	14.1	1.3
	Ireland	7.5	3.5	12.7	4.8	20.3	4.4
	Italy	3.7	1.7	11.8	3.6	11.2	1.5
	Latvia	5.6	4.3	9.1	4.9	11.9	4.2
	Luxembourg	10.1	11.6	13.2	5.2	18.1	1.0
	Netherlands	0.2	1.5	0.8	2.5	10.5	1.8
	North Macedonia	5.9	4.6	10.4	12.6	19.2	5.0
	Norway	10.0	6.4	12.4	7.2	17.1	3.3
	Poland	2.8	5.4	10.3	3.0	22.1	1.6
	Portugal	2.0	2.9	12.6	7.7	15.5	4.3
	Russian Federation	2.4	0.6	3.6	2.7	20.3	0.6
	Slovak Republic	4.5	6.4	12.1	4.5	29.5	3.7
	Slovenia	6.9	5.8	15.6	5.7	13.2	5.6
	Spain	7.3	4.1	17.1	5.1	14.8	1.7
	Sweden	10.8	1.9	12.5	3.8	14.5	2.8
	Switzerland	8.4	4.8	12.8	3.8	33.5	4.8
	United Kingdom	4.9	3.9	19.7	7.0	23.1	4.2
	United States	5.4	11.0	11.5	4.0	15.4	2.6
	AVERAGE	5.7	4.5	10.9	5.2	18.4	3.4

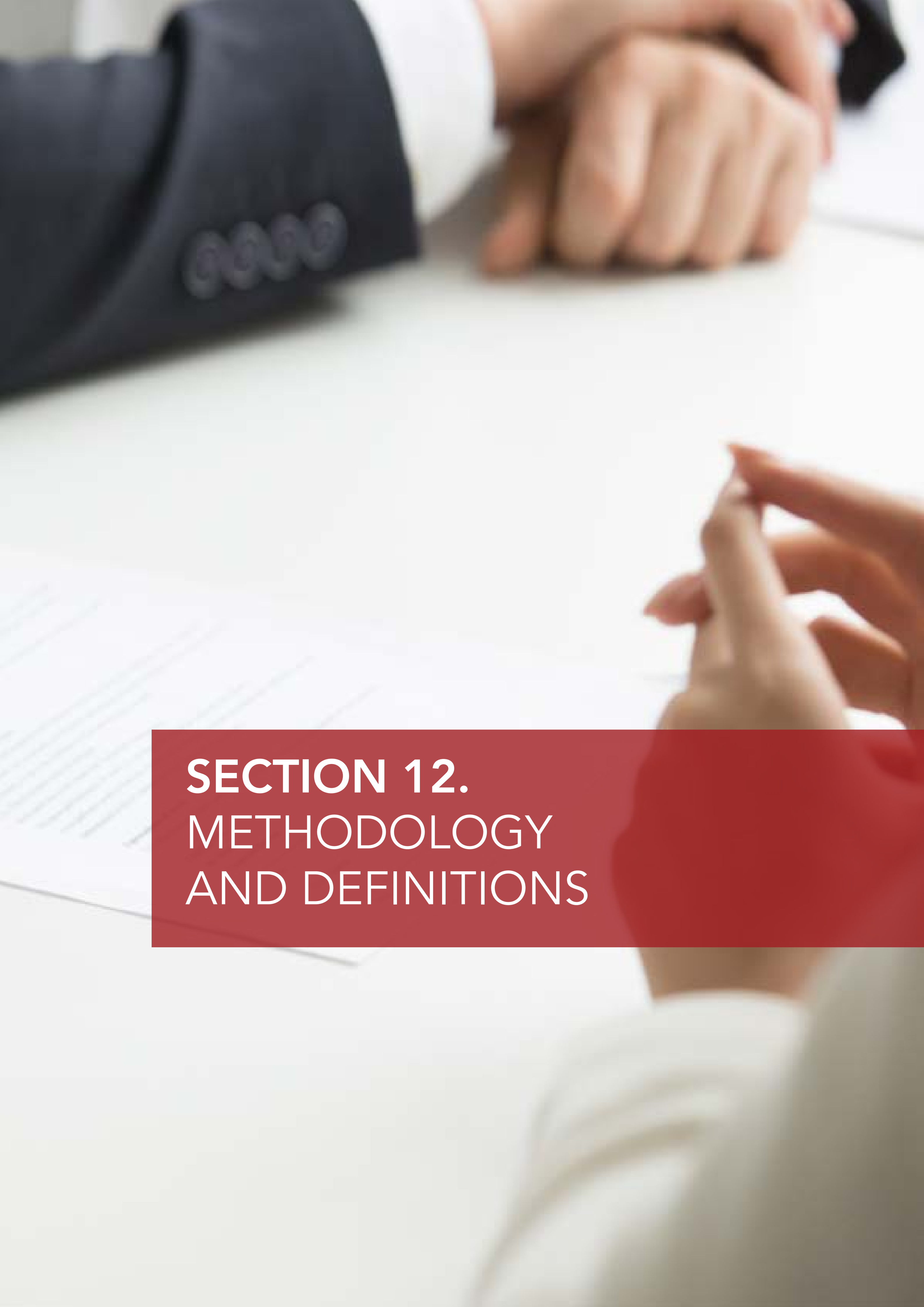
(=) – indicates that the ranking is the same for two or more economies.

TABLE 11.12: NATIONAL ENTREPRENEURSHIP CONTEXT INDEX (NECI) AND ITS 12 COMPONENTS, GEM 2019

	NECI													
	Score	Rank	1	2	3	4	5	6	7	8	9	10	11	12
Egypt	4.33	32	4.54	4.21	3.27	4.12	2.23	3.94	3.07	4.54	5.72	4.48	6.86	5.00
Iran	3.15	54	3.26	3.07	3.24	3.09	2.98	3.26	3.11	2.98	3.04	3.32	3.50	3.01
Israel	4.81	22	5.11	4.06	3.05	4.15	2.98	4.43	4.67	5.62	4.80	4.16	7.09	7.60
Jordan	5.24	11	4.90	4.98	3.90	4.50	3.38	5.35	4.99	6.28	6.93	4.36	7.41	5.90
Madagascar	3.69	48	3.00	3.74	3.60	2.92	1.70	5.46	2.93	4.13	4.55	3.38	4.33	4.50
Morocco	3.95	45	3.61	3.71	3.84	3.75	2.32	4.13	2.93	4.78	4.82	3.26	6.42	3.82
Oman	4.61	29	4.31	4.46	4.15	4.44	3.47	4.40	4.07	4.56	5.56	4.02	6.16	5.71
Qatar	5.91	3	5.40	6.03	6.09	6.05	5.24	6.27	5.21	5.70	5.92	5.09	7.52	6.36
Saudi Arabia	5.04	17	5.01	6.03	5.14	5.32	2.96	4.16	4.09	4.75	5.92	4.74	6.54	5.85
South Africa	3.63	49	4.03	3.53	2.71	3.10	2.24	3.51	3.16	4.37	4.66	3.36	5.09	3.84
United Arab Emirates	5.84	5	4.91	6.49	5.82	5.94	5.36	5.57	4.72	5.71	6.13	5.13	7.53	6.79
AVERAGE	4.56		4.37	4.57	4.07	4.31	3.17	4.59	3.90	4.86	5.28	4.12	6.22	5.31
Armenia	4.63	27	3.74	4.34	5.48	3.73	2.74	3.64	3.10	5.80	5.05	4.53	7.18	6.21
Australia	4.65	26	5.11	4.02	4.27	4.54	3.75	4.46	3.93	5.21	4.32	4.72	6.27	5.20
China	5.89	4	5.80	5.89	6.16	5.46	4.13	5.74	5.57	5.37	6.88	5.23	7.70	6.78
India	5.80	6	5.73	5.98	5.10	5.53	5.12	5.65	5.31	5.80	6.60	5.70	6.91	6.20
Indonesia	5.69	8	5.53	5.92	4.98	5.29	4.98	5.98	5.56	5.44	6.57	5.51	6.12	6.37
Japan	4.71	25	5.03	5.01	4.16	4.37	2.40	4.60	4.44	4.14	6.10	4.50	7.39	4.36
Pakistan	3.95	46	3.65	3.35	2.69	3.40	2.77	4.22	2.82	4.11	4.90	4.23	6.61	4.58
Republic of Korea	5.13	15	5.06	6.45	4.57	5.40	3.43	4.19	4.18	4.37	7.49	4.21	7.39	4.79
Taiwan	5.73	7	5.55	5.99	5.55	5.72	3.91	5.17	5.44	5.73	6.08	5.37	8.24	6.08
Thailand	4.99	18	5.05	4.32	4.16	4.25	3.15	4.81	4.26	5.23	6.25	4.67	7.82	5.94
AVERAGE	5.12		5.03	5.13	4.71	4.77	3.64	4.85	4.46	5.12	6.02	4.87	7.16	5.65
Brazil	3.98	43	4.37	3.92	2.25	3.91	2.03	4.25	3.21	4.53	5.84	3.86	5.49	3.72
Chile	4.61	28	3.75	4.71	4.79	5.47	5.54	4.93	3.69	4.39	4.13	3.94	7.72	5.27
Colombia	4.24	35	3.39	5.00	3.11	4.53	3.05	5.29	3.56	4.02	4.50	3.94	5.76	4.74
Ecuador	4.19	39	2.88	3.31	2.66	3.44	3.49	5.39	3.10	4.44	4.99	3.70	6.97	5.92
Guatemala	3.56	51	2.56	2.39	3.37	2.94	2.75	5.06	2.55	4.43	3.51	3.17	5.53	4.47
Mexico	4.72	23	4.14	4.04	3.65	4.40	3.12	6.04	4.14	4.75	4.76	4.39	7.08	6.09
Panama	3.98	44	3.14	2.59	4.06	4.02	2.08	4.06	2.99	4.30	3.96	3.93	7.21	5.39
Paraguay	3.43	52	2.52	2.41	3.53	3.44	1.88	3.82	2.47	3.44	3.26	3.79	5.75	4.80
Puerto Rico	3.18	53	3.38	2.52	1.20	2.86	1.44	3.73	3.16	3.76	5.07	2.78	4.67	3.55
AVERAGE	3.99		3.35	3.43	3.18	3.89	2.82	4.73	3.21	4.23	4.45	3.72	6.24	4.88
Belarus	4.24	34	3.24	3.28	4.35	3.10	2.63	4.62	3.38	5.26	5.56	4.28	7.40	3.80
Bulgaria	4.21	37	4.42	2.54	4.64	2.96	2.69	3.91	3.15	5.13	5.32	4.24	7.60	3.87
Canada	5.16	14	5.28	5.17	4.46	4.70	4.28	5.00	4.23	5.51	5.09	4.84	7.03	6.29
Croatia	3.57	50	4.15	3.04	2.46	3.41	2.00	3.28	2.61	3.97	5.51	3.37	6.38	2.63
Cyprus	4.48	31	3.59	4.31	5.00	3.99	3.16	5.09	3.85	5.09	4.41	4.35	6.58	4.41
Germany	5.04	16	5.31	4.07	4.15	6.21	2.71	4.80	4.78	6.29	5.79	5.13	6.45	4.78
Greece	4.10	40	3.88	3.56	2.43	3.50	2.62	4.45	4.30	4.92	5.15	4.00	6.06	4.35
Ireland	4.71	24	4.84	4.11	4.50	5.35	3.03	4.65	4.22	4.97	4.84	4.83	5.54	5.66
Italy	4.31	33	4.50	3.57	3.03	4.13	2.87	4.94	4.64	4.81	4.89	4.51	5.40	4.43
Latvia	4.91	20	4.83	4.37	3.76	5.16	4.18	4.55	4.36	5.87	4.78	5.02	6.94	5.08
Luxembourg	5.17	13	4.31	5.85	5.36	6.00	4.11	5.31	5.31	5.66	3.26	5.17	6.73	4.97
Netherlands	6.04	2	6.25	5.76	5.49	6.13	5.45	5.84	5.43	6.34	5.29	6.07	7.94	6.54
North Macedonia	3.84	47	3.72	3.12	3.17	3.39	2.83	3.94	3.22	4.85	5.07	3.33	5.83	3.62
Norway	5.52	9	5.49	5.05	4.48	5.43	5.18	5.71	4.66	6.21	5.13	4.80	7.79	6.31
Poland	4.24	36	4.94	4.14	2.88	4.30	1.80	3.20	3.53	4.48	6.53	4.07	7.00	3.99
Portugal	4.21	38	4.85	4.26	2.42	4.41	2.63	4.64	3.69	5.00	4.17	3.74	7.12	3.61
Russian Federation	4.04	41	3.71	3.22	3.05	3.84	2.97	4.21	2.96	4.94	6.03	3.35	6.08	4.08
Slovak Republic	4.03	42	4.50	2.82	2.71	3.58	2.67	4.42	2.90	5.09	4.43	4.38	7.43	3.49
Slovenia	4.49	30	4.49	3.97	3.43	5.13	2.80	4.25	3.90	5.13	5.36	4.65	7.06	3.72
Spain	5.24	12	4.87	5.33	5.17	5.96	2.65	5.45	5.26	6.04	5.31	5.05	6.95	4.82
Sweden	4.92	19	5.19	3.60	3.51	4.62	4.34	4.84	4.31	5.25	6.07	4.74	7.42	5.21
Switzerland	6.05	1	5.50	5.76	6.21	6.07	4.63	6.33	6.35	6.43	4.49	5.54	8.58	6.68
United Kingdom	4.83	21	5.33	4.02	5.08	4.32	3.37	4.65	3.77	5.12	4.85	5.22	6.54	5.72
United States	5.31	10	6.04	4.37	4.90	4.21	3.92	5.42	4.48	5.79	4.99	4.38	7.50	7.68
AVERAGE	4.69		4.72	4.14	4.03	4.58	3.31	4.73	4.14	5.34	5.10	4.54	6.89	4.82

(=) – indicates that the ranking is the same for two or more economies.

1	Entrepreneurial finance
2	Government policy: support and relevance
3	Government policy: taxes and bureaucracy
4	Government entrepreneurship programs
5	Entrepreneurship education at school stage
6	Entrepreneurial education at post-school stage
7	R and D Transfer
8	Commercial and legal infrastructure
9	Internal market dynamics
10	Internal market burdens or entry regulations
11	Physical infrastructure
12	Cultural and social norms
NECI	Calculated on a 10-point scale (1=very bad e-ship context, 10=very good e-ship context)
EFCs	Average scores – assessed in National Expert Survey in 9 Likert scale (1=highly insufficient; 9=highly sufficient) were re-scaled to 10 points for the purpose of NECI



SECTION 12.
METHODOLOGY AND DEFINITIONS

ABOUT GEM

There is widespread agreement amongst academics and policymakers that entrepreneurs, and the new businesses they establish, play a critical role in economic prosperity. They support and promote entrepreneurship, business growth, and innovation in geographic regions. The Global Entrepreneurship Monitor (GEM) contributes to this recognition with longitudinal studies and comprehensive analyses of entrepreneurial attitudes and activities across the globe.

The GEM survey was conceptualized regarding the interdependency between entrepreneurship and economic development to:

- uncover factors that encourage or hinder entrepreneurial activity, especially those related to societal values, personal attributes, and the entrepreneurship ecosystem;
- provide a platform for assessing the extent to which entrepreneurial activity influences economic growth within individual economies; and
- uncover policy implications for enhancing entrepreneurial capacity in an economy.

Since its inception in 1997 by scholars at Babson College and London Business School, GEM has developed into one of the world's leading research consortia concerned with improving one's understanding of the relationship between entrepreneurship and national development. In the twenty-one years since its inception, GEM has measured entrepreneurship in over **100** countries, covering all geographic regions and economic levels.

1997
inception

100+
countries

GEM produces data on rates of entrepreneurship across multiple phases of the process, profiles of entrepreneurs, including demographics, motivations, and ambitions, as well as characteristics of their businesses, such as level of innovativeness and industry participation. Additionally, GEM uncovers a range of insights across the adult populations of the economies it has studied with multiple measures of societal attitudes, self-perceptions, and affiliations relative to entrepreneurship. GEM provides a comprehensive set of indicators on entrepreneurship, allowing for the construction of detailed profiles of entrepreneurship in each economy studied. GEM's Adult Population Survey (APS) captures both informal and formal activity, moving beyond a reliance on business registrations, which explain only a small proportion of entrepreneurship in many societies. And while firm-level studies can offer useful information, GEM's focus is on the people who start and run businesses. GEM represents a primary source of data, generated through an APS of at least 2,000 randomly selected adults (aged 18 to 64 years) in each economy. In addition, national teams collect expert opinions about components of the external entrepreneurship context through a National Expert Survey (NES). With a rigorous methodology, consistently followed by all GEM national teams and meticulously supervised and processed by a central data team, GEM enables cross-national comparisons.

HOW GEM MEASURES ENTREPRENEURSHIP:
THE DASHBOARD OF GEM INDICATORS

GEM looks at several indicators which may be viewed as a dashboard representing a comprehensive set of measures that collectively contribute toward the impact entrepreneurship has on a society, and the extent society supports this activity. Key entrepreneurship indicators are defined below:

ENTREPRENEURIAL ACTIVITY INDICATORS

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 adult population aged 18 to 64 years who are currently an owner-manager of an established business, i.e., owning and managing an operating business that has paid salaries, wages or any other payments to the owners for more than 42 months.

Business discontinuation rate:
Percentage of the adult population aged 18 to 64 years (who are either a nascent entrepreneur or an owner-manager of a new business) who have, in the past 12 months, discontinued a business, either by selling, shutting down or otherwise discontinuing an owner/management relationship with the business.

Entrepreneurial employee activity (EEA):
Percentage of the adult population aged 18 to 64 years 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, establishment or subsidiary.

SOCIETAL VALUES AND PERCEPTIONS

Good career choice:
Percentage of the adult population between the ages of 18 and 64 years who believe that entrepreneurship is a good career choice.

High status to successful entrepreneurs:
Percentage of the adult population between the ages of 18 and 64 years who believe that high status is afforded to successful entrepreneurs.

Media attention for entrepreneurship:
Percentage of the adult population between the ages of 18 and 64 years who believe there is a lot of positive media attention for entrepreneurship in their country.

SELF-PERCEPTIONS ABOUT ENTREPRENEURSHIP

Entrepreneurial Affiliations:
Percentage of the population aged 18 to 64 years who knows someone personally who started a business in the past two years.

Perceived opportunities:
Percentage of the population aged 18 to 64 years who see good opportunities to start a firm in the area where they live.

Ease of starting a business:
Percentage of the adult population between the ages of 18 and 64 years who believe it is easy to start a business.

Perceived capabilities:
Percentage of the population aged 18 to 64 years who believe they have the required skills and knowledge to start a business.

Fear of failure:
Percentage of the population aged 18 to 64 years perceiving good opportunities who indicate that fear of failure would prevent them from setting up a business.

Entrepreneurial intentions:
Percentage of the population aged 18 to 64 years (individuals involved in any stage of entrepreneurial activity excluded) who are latent entrepreneurs and who intend to start a business within three years.

ENTREPRENEURIAL TALENT

Rarely see business opportunities:
Percentage of the 18-64 population who agree that they rarely see business opportunities.

Even when you see a profitable opportunity, you rarely act on it:
Percentage of the 18-64 population who agree that even when they spot a profitable opportunity, they rarely act on it.

Other people think you are highly innovative:
Percentage of the 18-64 population who agree that other people think they are highly innovative.

Every decision you make is part of your long-term career plan:
Percentage of the 18-64 population who agree that every decision they make is part of their long-term career plan.

MOTIVATIONS AND ASPIRATIONS

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."

To build great wealth or very high income:
Percentage of TEA who agree that a reason for starting their business is "to build great wealth or a very high income."

To continue Family tradition:
Percentage of TEA who agree that a reason for starting their business is "to continue a family tradition."

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."

ENTREPRENEURSHIP IMPACT

Business Services:
Percentage of entrepreneurs involved in business services.

Consumer Services:
Percentage of entrepreneurs involved in consumer services.

Job Growth Expectations:
The percentage of entrepreneurs projecting to create six or more jobs in the next five years.

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.

Internationalization:
The percentage of entrepreneurs who state that 25% or more of their sales are to 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.

ENTREPRENEURIAL FRAMEWORK CONDITIONS (EFC)

The quality of the EFC is based on the average value of experts' perceptions, using a Likert scale of 1 (highly insufficient) to 10 (highly sufficient), for the following Entrepreneurial Framework conditions:

National Entrepreneurship Context Index (NECI):
Assesses the environment for entrepreneurship in an economy and is derived from the **12 framework conditions** and weights the ratings on these conditions by the importance experts place on them.

The 12 Entrepreneurial Framework conditions are outlined below:

Entrepreneurial finance:
Describes the extent to which experts perceive there are enough funds for current and potential entrepreneurs. Experts evaluate the accessibility and efficient functioning of equity markets and the availability of typical financing channels for entrepreneurs. This includes informal investment, professional business angels, venture capitalists, banks, government loans, grants, and subsidies, as well as crowdfunding.

Government policies support and relevance:
Determines whether experts believe their national governments demonstrate support for entrepreneurs.

Government policies, taxes, and bureaucracy:
Reflects the degree to which experts think current taxes are affordable and balanced for entrepreneurs, or whether they constitute a burden to starting and growing businesses. This factor evaluates bureaucracy in business processes and in facilities for funding entrepreneurial activities.

Government entrepreneurship programs:
This factor evaluates whether and how public agencies are providing specific programs for entrepreneurs. This includes subsidies, incubators, and agencies that assess and advise entrepreneurs.

Entrepreneurship education at school stage:
This factor includes expert evaluation of the degree to which entrepreneurship subjects are included in school programs, and whether schools are instilling students with entrepreneurial values.

Entrepreneurial education at post-school stage:
This factor measures the inclusion of entrepreneurship subjects in post-school programs, such as colleges, business schools, and vocational centres.

Research and development (RandD) transfer:
This synthesizes expert evaluation of RandD transfer from universities and research centres to the business sector and to what degree engineers and scientists can commercialize research findings and bring them to the market.

Commercial and professional infrastructure:
This factor represents the supply and affordability of professionals and firms providing services to entrepreneurs, including accountants, lawyers, and consultants, to help them start and manage new businesses.

Entry regulation:
This has two components:

- **Internal market dynamics:**
  This factor analyses whether there is a free and open market where no entity exerts power to influence or set prices, and where changes in demand are met with changes in supply, and vice versa.

- **Internal market burdens or entry regulations:**
  This factor analyses whether there is a free and open market where no entity exerts power to influence or set prices, and where changes in demand are met with changes in supply, and vice versa.

Physical Infrastructure:
This facilitates communication, transportation, and business operations nationally and internationally through aspects such as high-speed Internet and cell phone service, real estate (land, buildings), reliable utilities, and advanced highways, railways, ports, and airports.

Cultural and social norms:
This factor shows whether and how society exhibits an entrepreneurship focus within the culture through behaviour, beliefs, language, and customs. This can encourage entrepreneurs by demonstrating acceptance, support, and high regard for their activity.

GEM CONCEPTUAL FRAMEWORK

Since its inception, the GEM survey has been conceptualized to explore the interdependency between entrepreneurship and economic development to:

Determine the extent that entrepreneurial activity influences economic growth within individual economies

Identify factors which encourage and/or hinder entrepreneurial activity (especially relationships between national entrepreneurship conditions, social values, personal attributes, and entrepreneurial activity)

Guide the formulation of effective and targeted policies aimed at enhancing entrepreneurial capacity within individual countries.

To explore the interdependency between entrepreneurship and economic development, the GEM developed a Conceptual Framework focused on enterprise creation, development, and growth. This framework has evolved since its inception in 1999. As shown in Figure 12.1, the GEM Conceptual Framework is centered on the assumption that a nation's economic growth is directly impacted by the personal capability of its individuals to identify and seek opportunities to start a business. This process is affected by environmental factors that influence individual decisions to pursue entrepreneurial activities.

The social, economic, cultural, and political context is represented through the National Framework Conditions (NFCs) and the EFCs. The NFCs reflect the stages of economic development and the progress between them. The EFCs relate to the quality of the entrepreneurial ecosystem, including entrepreneurial finance, government programs, entrepreneurship education, RandD transfer, market dynamics and regulation, physical infrastructure, and cultural and social norms.

The GEM Conceptual Framework recognizes that entrepreneurship is part of a complex feedback system, and makes explicit the relationships between social values, personal attributes, and various forms of entrepreneurial activity. It also recognizes that entrepreneurship can mediate the effect of the NFCs on new job creation and new economic or social value creation. Entrepreneurial activity is, therefore, an output of the interaction of an individual's perception of an opportunity and capabilities (motivation and skills) to act on this, and the distinct conditions of the respective environment where they are located. While entrepreneurial activity is influenced by the EFCs where it takes place, it ultimately benefits this environment through social value and economic development.

Social values toward entrepreneurship:

This includes aspects such as the extent that society values entrepreneurship as a good career choice; whether entrepreneurs have a high societal status; and the extent that media attention on entrepreneurship is contributing to the development of a positive entrepreneurial culture.

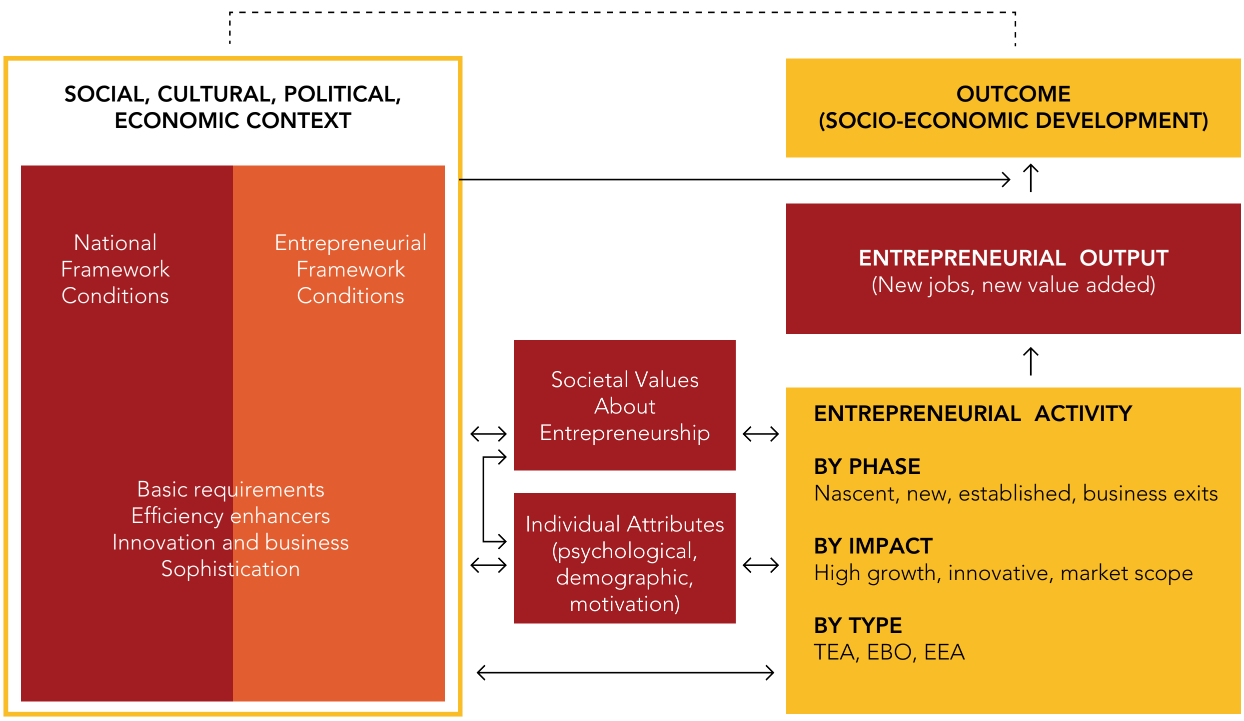
Individual attributes:

This includes different demographic factors such as gender, age, geographic location, psychological factors including perceived capabilities, perceived opportunities, fear of failure, and motivational aspects.

Entrepreneurship activity:

This is defined according to the phases of the lifecycle of entrepreneurial ventures (nascent, new business, established business, discontinuation), according to impact (high growth, innovation, internationalization), and by type (TEA, EBO, EEA).

FIGURE 12.1: THE GEM CONCEPTUAL FRAMEWORK



Source: GEM Global Report 2019/2020

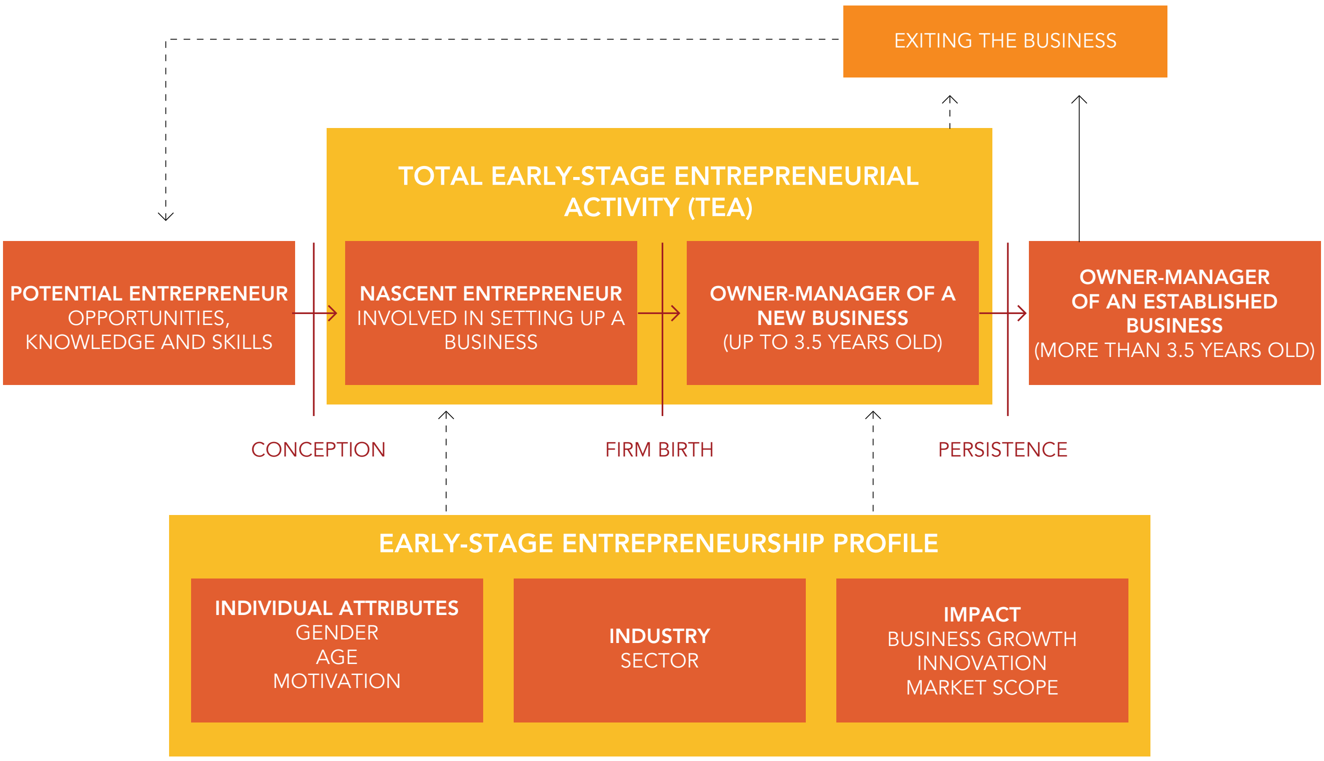
HOW GEM MEASURES
ENTREPRENEURSHIP

The GEM measures individual participation across multiple phases of the entrepreneurial process, providing insights into the level of engagement at each stage. This is important because societies may have varying levels of participation at different points in this process. A **healthy entrepreneurial society** requires people to be active in all phases of the entrepreneurial process. For example, to have start-ups in a society, there must be potential entrepreneurs. Later in the process, people that have started a business must have the capability to sustain their business into maturity. Figure 12.2 presents an overview of the entrepreneurial process and the GEM operational definitions.

The GEM provides a comprehensive account of both informal and formal business activity. This is important because, in many societies, entrepreneurs operate in the informal sphere. The GEM's emphasis on individuals provides insight into whom these entrepreneurs are, including their demographic profiles; their motivations for starting a new venture; and the vision they have for their businesses. It also assesses broader societal attitudes about entrepreneurship, which can indicate the extent that people are engaged in or willing to participate in entrepreneurial activity and the level of societal support for entrepreneurs.

> Every individual engaged in behaviour related to new business creation, whether it is at the initial concept stage or the established business stage, contributes to the national level of entrepreneurship. The GEM not only considers the number of entrepreneurs in an economy but takes into consideration other aspects such as the level of employment they create, their growth ambitions, and the extent that segments such as women are participating in entrepreneurial activity.

FIGURE 12.2: ENTREPRENEURIAL PHASES AND GEM ENTREPRENEURSHIP INDICATORS



Source: GEM Global Report 2019/2020

GEM METHODOLOGY

To provide reliable comparisons across countries, GEM data are obtained using a research design that is harmonized across participating countries. The GEM data are gathered on an annual basis from two main sources:

ADULT POPULATION SURVEY (APS)

At the heart of the GEM methodology is the APS. This GEM survey of entrepreneurship provides primary data on a random representative sample of at least **2,000** adults between the ages of **18 and 64 years**. The surveys are conducted at the same time every year (between May and June) using a standardized questionnaire provided by the GEM Global Data Team. The questionnaire is translated into local languages and back-translated for a validity check. In Qatar, the APS questionnaire was translated from English into Arabic.

In 2019, the APS conducted in Qatar included a total of 3,063 interviews, with a random selection of the adult population between the ages of 18 and 64 years, covering **all nationalities and gender**. Interviews were conducted using a structured questionnaire in the preferred language of the respondent (Arabic or English).

To maximize the representation of the population, a multi-channel methodology was used: **50**% of data was collected via telephone surveys on respondents' mobile phones using random digit dialing (RDD); the remaining 50% of data was collected using a computer-assisted personal interviewing (CAPI) methodology, where respondents were randomly approached in public spaces across Qatar and invited to participate. The sample for the telephone surveys was developed by randomly generating thousands of mobile phone numbers, based on two root phone numbers from telecommunication providers Ooredoo and Vodafone. The APS sample was stratified by age, gender, and municipality of residence.

“The individual countries only gain access to the data once it has been analyzed by experts at London Business School for quality assurance, checking, and uniform statistical calculations. As the GEM research design harmonizes the data, it is possible to conduct reliable cross-national and intra-country comparisons over time.”

NATIONAL EXPERTS SURVEY (NES)

The NES comprises at least **45** interviews with selected and pre-approved government and industry experts from across nine frameworks in each participating economy. These frameworks include entrepreneurial financing, government policy, government entrepreneurship programs, entrepreneurial education, RandD transfer, commercial and legal infrastructure, internal market dynamics and market burdens or entry, physical infrastructure, and cultural and social norms.

National experts are selected for participation in the NES in accordance with the international GEM selection criteria, to ensure each country's selection is balanced, relevant, and representative – allowing for global data harmonization and consistent comparisons between the participating countries. It is therefore required that each participating country includes at least four experts from each of the nine NES entrepreneurial framework categories.

In general, experts are carefully chosen based on their level of knowledge and experience of each of the EFCs. In Qatar, a total of **57** interviews with national experts were conducted via an online link to the survey, distributed via email. All countries participating in the NES are required to use a standardized NES questionnaire, which is translated locally into additional languages (such as Arabic for Qatar).

HOW THE NECI IS CALCULATED

The National Entrepreneurship Context Index (NECI) assesses the environment for entrepreneurship across the **12 framework conditions**. The NECI weighs ratings for these conditions by the extent experts agree on a nine-point Likert scale. They also provide importance scores for each statement, representing the extent this aspect plays a key role in stimulating and supporting entrepreneurship in their economy. Each expert's ratings for the statements (re-scaled to 10 points) are multiplied by their importance values. The results for all statements on each framework condition are then summed and divided by the sum of the importance values to generate an individual weighted NECI score. These scores are then averaged over all experts in the economy to arrive at the NECI value for each framework condition. The overall NECI value represents the average of the 12 factors, which is used to rank the economies.