QDB
بنك قطر للتنمية
QATAR DEVELOPMENT BANK

QATAR NATIONAL REPORT 2021

GEM Global Entrepreneurship Monitor

Acknowledgement

It is with great pleasure that we present the Global Entrepreneurship Monitor Qatar National Report 2021. Our first acknowledgement goes to the Global Entrepreneurship Monitor team for the opportunity to participate in such important and impactful research and for their continuous support and guidance throughout the research stages.

Conducting the Global Entrepreneurship Monitor 2021 would not have been possible without the support of the Planning and Statistics Authority (PSA) of Qatar. Therefore, we extend our thanks to the PSA for their support and granting their approval for conducting the research in Qatar.

We also express our profound gratitude to the national experts who have participated in the National Experts Survey and provided us with their valuable insights into the entrepreneurial ecosystem of Qatar. We also warmly thank all those who have taken part into the Adults Population Survey and helped us comprehend the status of entrepreneurial activity in Qatar.

Qatar Development Bank
Qatar national report 2021

Foreword

The last two years have been among the most turbulent and challenging globally due to the negative impact of the COVID-19 pandemic on the economy, society, and public health system. It is important to understand how the pandemic has impacted levels of entrepreneurial activity within Qatar and across the globe. The Global Entrepreneurship Monitor (GEM) Qatar National Report 2021 is the most comprehensive study of the level of entrepreneurial activity in Qatar. GEM is a consortium of national country teams that carry out survey-based research on entrepreneurship around the world.

The GEM Qatar National Report 2021 monitors the level of entrepreneurial motivation and activity in Qatar and assesses the impact of the COVID-19 pandemic on entrepreneurship. The report compares entrepreneurial activity across regional and global economies. The report consists of two different surveys; the first is GEM's Adult Population Survey (APS) which provides analysis on the characteristics, motivations and ambitions of individuals starting businesses, as well as social attitudes towards entrepreneurship; and the second survey is the National Expert Survey (NES) which looks at the national context in which individuals start businesses. In 2021, Qatar was among 47 world economies participating in the APS and among 50 countries participating in the NES. The Qatar Development Bank (QDB) is the lead institution responsible The last two years have been among the most turbulent and challenging globally due to the negative impact of the COVID-19 pandemic on the economy, society, and public health system. It is important to understand how the pandemic has impacted levels of entrepreneurial activity within Qatar and across the globe. The Global Entrepreneurship Monitor (GEM) Qatar National Report 2021 is the most comprehensive study of the level of entrepreneurial activity in Qatar. GEM is a consortium of national country teams that carry out survey-based research on entrepreneurship around the world. The GEM Qatar National Report 2021 monitors the level of entrepreneurial motivation and activity in Qatar and assesses the impact of the COVID-19 pandemic on entrepreneurship. The report compares entrepreneurial activity across regional and global economies. The report consists of two different surveys; the first is GEM's Adult Population Survey (APS) which provides analysis on the characteristics, motivations and ambitions of individuals starting businesses, as well as social attitudes towards entrepreneurship; and the second survey is the National Expert Survey (NES) which looks at the national context in which individuals start businesses. In 2021, Qatar was among 47 world economies participating in the APS and among 50 countries participating in the NES. The Qatar Development Bank (QDB) is the lead institution responsible for Qatar's participation in GEM 2021. For the year 2021, QDB coordinated, collected and analysed 3,012 surveys with citizens and residents of Qatar (18 to 64 years) and 57 surveys with 'entrepreneur experts'. The results from both APS and NES are reported in the GEM Qatar National Report 2021.

QDB continues to help develop and empower Qatari entrepreneurs and innovators to contribute to the diversification of the Qatari economy through successful start-ups, new businesses, and small and medium enterprises (SMEs). Our role is to nurture, guide and support Qatari entrepreneurs to overcome the obstacles and challenges arising from the economic environment and COVID-19 pandemic. In 2021, QDB in collaboration with M7, launched Scale 7, the first business incubator for creatives in Qatar. Scale 7 is the first and most important platform to enhance the role of entrepreneurs and aspiring Qatari designers in creating and producing Qatari brands in the field of fashion, design, and technology. Scale 7 is one example of the many initiatives QDB has introduced to uplift entrepreneurs with the tools, knowledge, and expertise to develop their ideas from initial concepts to final products that can compete in local, regional, and global markets.

QDB is also committed to working with its partners to make it easier for the individuals to start a new business in Qatar. GEM 2021 report indicates that close to half of total early-stage entrepreneurs (TEAs) in Qatar state that starting a business is more difficult than a year ago. In 2021, the Total Early-stage Entrepreneurial Activity (TEA) rate also declined from 17.2% in 2020 down to 15.9% and the Discontinuation of Businesses rate increased from 6.3% in 2020 up to 8.8% in 2021. These are important entrepreneurial activity considerations for us as we strive to achieve our vision. We will continue to campaign to introduce policy which makes it easier for people to start a business in the future because ultimately our entrepreneurs and innovators create jobs and income and add value to society and strengthen the economy.

On a positive note, the APS findings indicate a surge in creativity. The proportion of adults surveyed in the APS who intend to start a business within the next three years has increased from 45.6% in 2020 up to 50.4% in 2021. Three in four adults surveyed (73.8%) also perceive there to be good opportunities to start a business in the area where they live and 70.9% are confident that they possess the knowledge, skills, and experience to achieve their ambition. In 2021, there are also less adults surveyed who would not start a business because they fear failure (41.3% in 2020 down to 38.2% in 2021). The 'fear factor' is an important indicator limiting entrepreneurial activity for potential and nascent entrepreneurs and shifting people's mindset towards entrepreneurship from negative to positive is critical to growth.

In 2021, many businesses in Qatar have also pivoted to meet new needs for goods or services borne out of the crisis. This is evident in the rise in Entrepreneurial Employee Activity (EEA) from 6.6% in 2020 up to 7.9% in 2021. The COVID-19 pandemic has brought home the importance of digital transactions and using technology to better serve clients and has sped up digital transformation within businesses in Qatar. Three in four early-stage entrepreneurs (63.8%) and over half of established business owners (57.8%) said they have either adopted or enhanced their digital technologies because of the pandemic.

“I would like to express my gratitude to everyone who contributed to the GEM 2021. This is a time of transformation in the Qatar economy, and QDB will need to get ahead of the emerging entrepreneurial trends to help position the country to be increasingly competitive in the post-pandemic world. I invite readers to go through the report and learn how we can shift our focus to the next stage of building the capacity and capability of entrepreneurs in Qatar so we can compete on a local, regional, and global level.”

Abdulrahman Hesham Al-Sowaidi
Acting Chief Executive Officer

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EXECUTIVE SUMMARY

For 23 years, the Global Entrepreneurship Monitor (GEM) has tracked levels of entrepreneurship across the world. In 1999, GEM was initiated as a joint project between Babson College (USA) and London Business School (UK). Over the years, GEM has become one of the global research sources that collect data on entrepreneurship directly from individual entrepreneurs. The GEM model considers that the entrepreneurial activity is dependent on a set of social, cultural, political, and economic factors that are encapsulated in the nine pillars that go into the GEM Entrepreneurial Framework conditions.

2021 represents the sixth consecutive year that Qatar Development Bank (QDB) conducts the GEM research in Qatar. For the GEM 2021, QDB collected and analysed data for the Adult Population Survey (APS) and the National Expert Survey (NES).

QDB reports the findings of the surveys in the GEM Qatar National Report 2021.

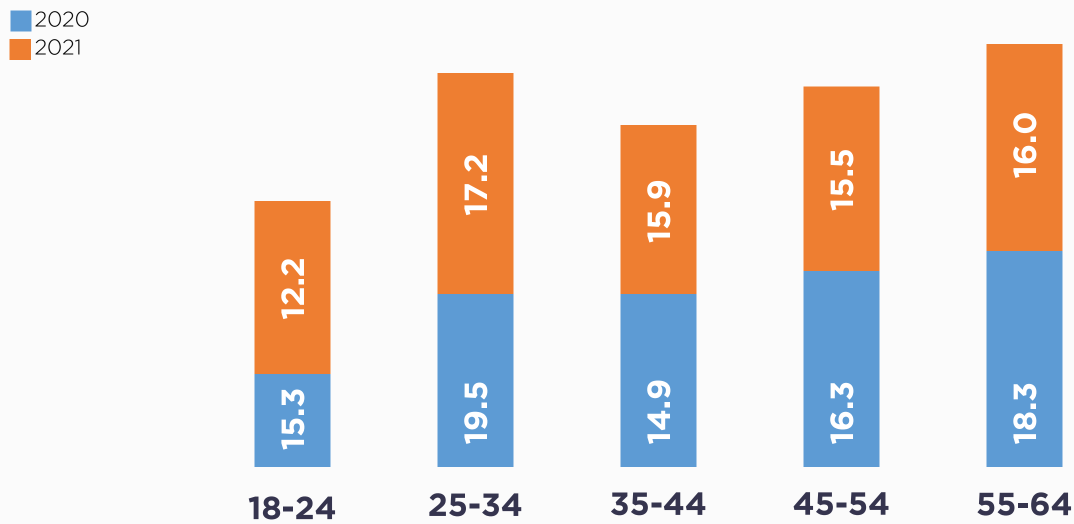
Key findings from the 2021 APS:

Total early-stage Entrepreneurial Activity (TEA)

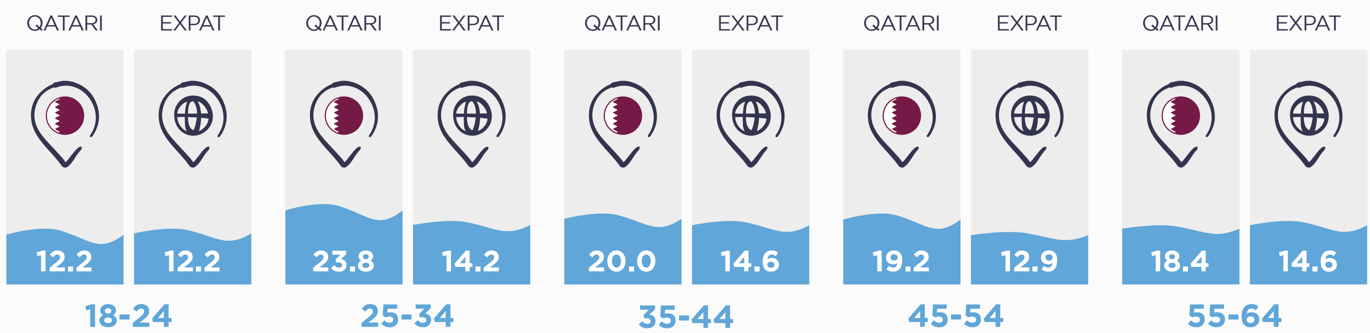
	2016	2017	2018	2019	2020	2021
Score	**7.8%**	**7.4%**	**8.5%**	**14.78%**	**17.2%**	**15.9%**
Rank	**50/65**	**42/54**	**33/48**	**15/50**	**13/43**	**14/47**

TEA BY GENDER AND NATIONALITY (% ADULTS)

TEA BY AGE GROUP (% ADULTS)



TEA RATE BY AGE GROUP AND NATIONALITY, 2021 (% ADULTS)



TEA BY EDUCATION LEVEL (% ADULTS)

	UP TO HIGH SCHOOL	DIPLOMA	UNIVERSITY	MASTERS & PHD
2020	16.8	14.3	17.1	20.8
2021	12.8	10.9	17.8	20.1

PHASE AND TYPES OF ENTREPRENEURSHIP ACTIVITY (% ADULTS)

	2020		2021	
	Score	Rank	Score	Rank
Nascent Entrepreneurship Rate	11.2	11/43	10.1	14/47
New Business Ownership Rate	6.6	16/43	6.0	14/47
Total early-stage Entrepreneurial Activity (TEA)	17.2	13/43	15.9	14/47
Entrepreneurial Employee Activity (EEA)	6.6	1/43	7.9	1/37
Established Business Ownership Rate (EBO)	6.1	=25/43	6.1	25/47
Business Discontinuance Rate	6.3	=11/43	8.8	7/47

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

PHASE AND TYPES OF ENTREPRENEURSHIP ACTIVITY BY GENDER AND NATIONALITY, 2021 (% ADULTS)

Nascent Entrepreneurship Rate	10.7	7.4	12.0	9.1
New Business Ownership Rate	6.7	3.2	8.2	5.0
Total Early-stage Entrepreneurial Activity (TEA)	17.2	10.5	19.9	14.0
Entrepreneurial Employee Activity (EEA)	8.6	4.7	6.7	8.4
Established Business Ownership Rate (EBO)	6.8	3.0	8.4	5.0
Business Discontinuance Rate	8.9	7.9	13.8	6.4

SOCIETAL VALUES ABOUT ENTREPRENEURSHIP (% ADULTS)

	2020		2021	
	Score	Rank	Score	Rank
Entrepreneurship is a good career choice	81.3	8/35	79.5	10/40
High status and respect for successful entrepreneurs	88.3	6/35	87.7	7/39
Entrepreneurs garner substantial media attention	82.0	5/35	80.8	10/38
Prefer an equal standard of living	68.3	12/34	67.9	11/33
Often see businesses whose primary objective is solving social problems	53.5	7/31	50.6	8/32

SOCIETAL VALUES ABOUT ENTREPRENEURSHIP BY GENDER AND NATIONALITY, 2021 (% ADULTS)

Entrepreneurship is a good career choice	79.0	81.5	80.5	78.9
High status and respect for successful entrepreneurs	87.2	89.8	84.4	89.2
Entrepreneurs garner substantial media attention	80.0	83.4	79.7	81.2
Prefer an equal standard of living	67.7	68.6	72.7	65.6
Often see businesses whose primary objective is solving social problems	49.4	55.6	35.1	57.9

SELF-PERCEPTIONS ABOUT ENTREPRENEURSHIP (% ADULTS)

	2020		2021	
	Score	Rank	Score	Rank
Personally, know an entrepreneur	52.6	26/43	55.9	19/47
Perceived opportunities	72.3	8/43	73.8	6/47
Perceived ease of starting a business	67.9	12/43	64.2	17/47
Perceived capabilities	68.2	11/43	70.9	7/47
Fear of failure (% of 18-64 seeing opportunities)	41.3	26/43	38.2	36/47
Entrepreneurial intentions	45.6	13/43	50.4	6/47

SELF-PERCEPTIONS ABOUT ENTREPRENEURSHIP BY GENDER AND NATIONALITY, 2021 (% ADULTS)

Personally, know an entrepreneur	57.2	50.5	64.6	51.7
Perceived opportunities	73.5	75.2	70.2	75.5
Perceived ease of starting a business	65.2	59.7	63.1	64.6
Perceived capabilities	72.9	62.8	66.0	73.1
Fear of failure (% of 18-64 seeing opportunities)	37.3	41.6	40.4	37.2
Entrepreneurial intentions	48.4	57.7	51.2	50.0

ENTREPRENEURIAL TALENT (% ADULTS)

	2020		2021	
	Score	Rank	Socre	Rank
Rarely see business opportunities	50.2	24/30	49.0	27/30
Even when you see a profitable opportunity, you rarely act on it	56.7	22/29	53.5	29/31
Other people think you are highly innovative	77.7	10/29	82.7	4/30
Every decision you make is part of your long-term career plan	86.7	6/29	89.0	4/30

ENTREPRENEURIAL TALENT BY GENDER AND NATIONALITY, 2021 (% ADULTS)

Rarely see business opportunities	48.3	51.7	43.2	51.6
Even when you see a profitable opportunity, you rarely act on it	52.6	57.5	49.7	55.2
Other people think you are highly innovative	81.8	85.8	77.8	84.7
Every decision you make is part of your long-term career plan	89.5	86.6	85.5	90.5

ENTREPRENEURIAL IMPACT (% ADULTS)

	2020		2021	
	Score	Rank	Socre	Rank
Job expectations (6 +)	11.4	4/43	9.8	3/47
International (25% + revenue)	1.8	13/43	1.5	=13/47
Industry (% TEA in business services)	15.0	29/43	17.8	23/47

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

MOTIVATIONS AND ASPIRATIONS OF EARLY-STAGE ENTREPRENEURS (% ADULTS)

	2020		2021	
	Score	Rank	Socre	Rank
To make a difference in the world	37.6	27/43	46.5	23/47
To build great wealth or a very high income	77.5	9/43	77.3	9/47
To continue a family tradition	27.7	21/43	37.4	15/47
To earn a living because jobs are scarce	56.6	=28/43	54.8	33/47

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

MOTIVATIONS AND ASPIRATIONS BY GENDER AND NATIONALITY, 2021 (% ADULTS)

To make a difference in the world	47.2	41.9	43.4	48.6
To build great wealth or a very high income	77.6	74.6	81.3	74.8
To continue a family tradition	39.4	24.2	32.1	41.0
To earn a living because jobs are scarce	53.7	61.9	45.8	60.7

IMPACT OF COVID-19 ON NEW BUSINESS OPERATIONS AND GROWTH IN QATAR (% NASCENT & TEA)

	2020		2021	
	Score	Rank	Score	Rank
Starting a business is somewhat/much more difficult (% TEA)	58.2	27/43	47.0	22/47
Expectations for business growth are somewhat/much lower (% TEA)	56.1	15/43	29.4	29/47
COVID-19 provided new opportunities that you want to pursue with this business (%TEA) *	41.9	19/43	41.5	25/47
Government has effectively responded to the economic consequences of COVID-19 (% TEA) *	83.1	3/43	81.0	2/42

**Somewhat agree & strongly agree*

USAGE OF DIGITAL TECHNOLOGIES FOR SELLING PRODUCTS AND SERVICES (% OF TEA), 2021

43.7 **3/47**

Businesses adopted digital technologies in response to the coronavirus pandemic*

20.1 **15/47**

Businesses enhanced the initial plans they had with new or improved digital technologies*

**Somewhat agree & strongly agree*

IMPACT OF COVID-19 ON ENTREPRENEURIAL EMPLOYEE ACTIVITY IN QATAR (% EEA)

	2020		2021	
	Score	Rank	Score	Rank
COVID-19 provided new opportunities to the business you work for*	49.2	19/43	51.5	24/46
Government has effectively responded to the economic consequences of COVID-19*	91.3	3/43	87.5	2/40

**Somewhat agree & strongly agree*

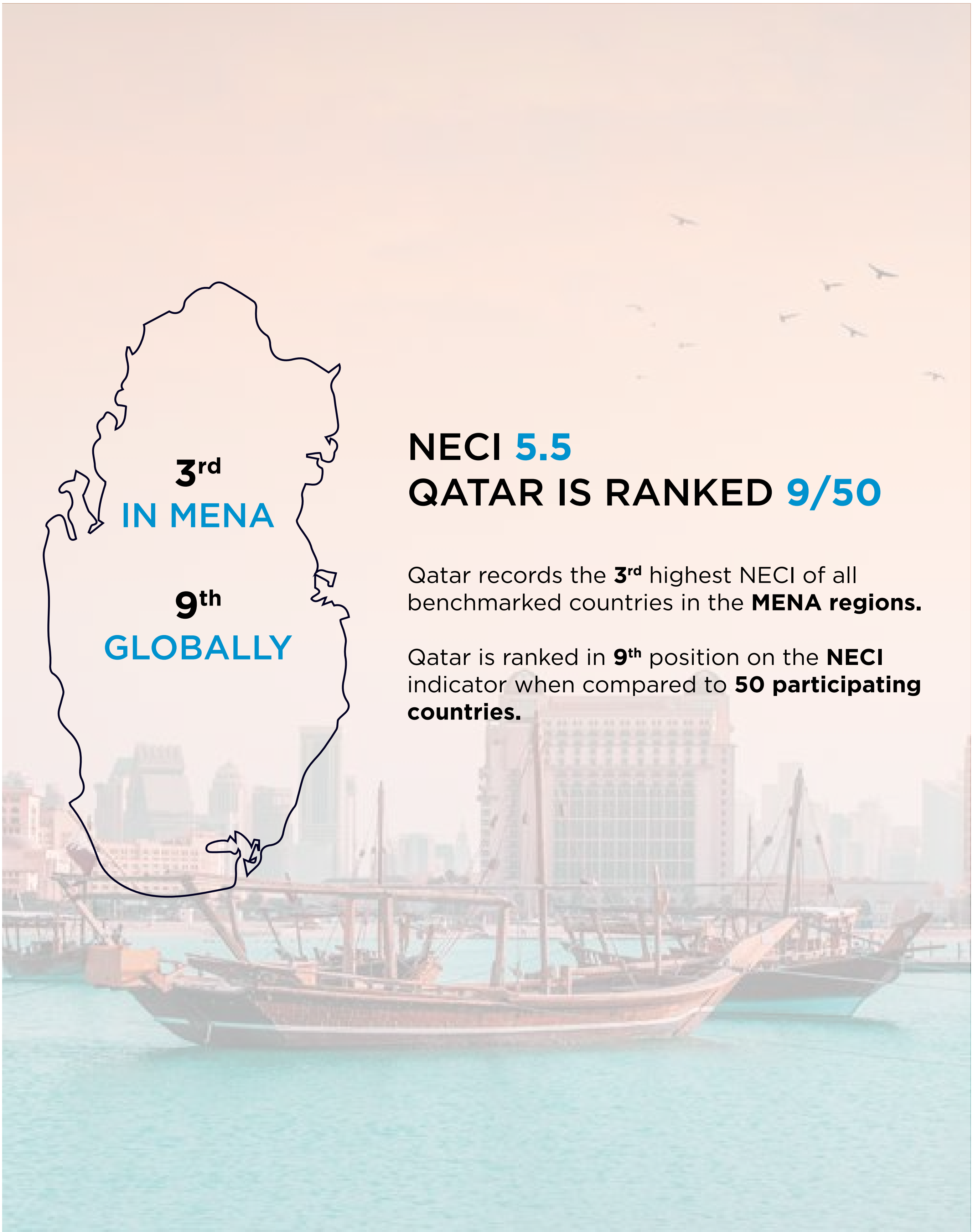
IMPORTANCE OF SOCIAL AND ENVIRONMENTAL VALUES (%TEA), 2021

	Score	Rank
When making decisions about the future of your business, you always consider social implications*	87.5	6/46
When making decisions about the future of your business, you always consider environmental implications*	86.4	9/46
You prioritize the social and/or environmental impact of your business above profitability or growth*	70.3	13/46
Taking any steps to minimize the environmental impact of their business	53.2	23/46
Taking any steps to maximize the social impact of their business	54.3	12/46

**Somewhat agree & strongly agree*

Key findings from the 2021 NES:

The National Entrepreneurship Context Index (NECI)



3rd
IN MENA

9th
GLOBALLY

NECI 5.5
QATAR IS RANKED 9/50

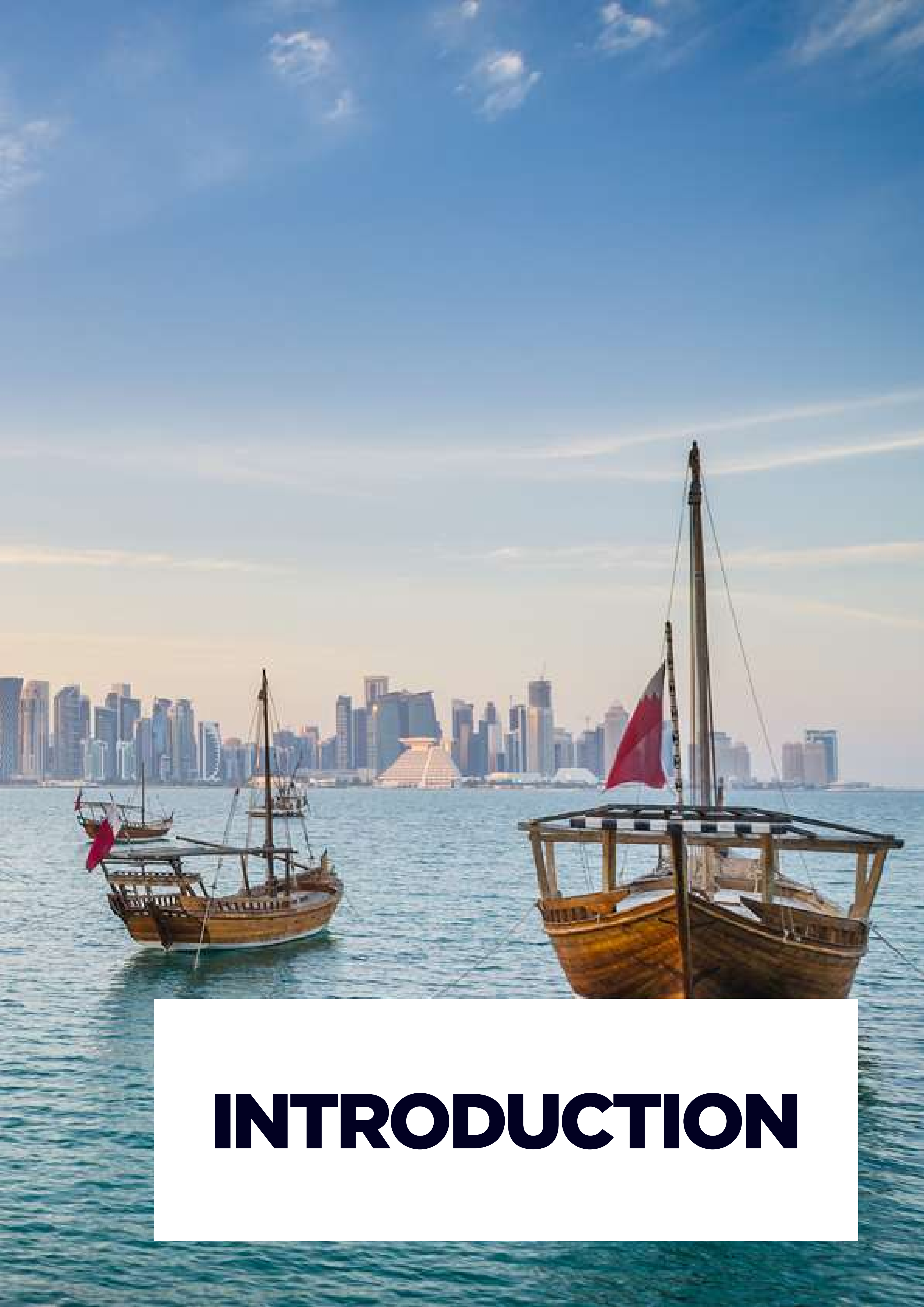
Qatar records the **3rd** highest NECI of all benchmarked countries in the **MENA regions.**

Qatar is ranked in **9th** position on the **NECI** indicator when compared to **50 participating countries.**

The Entrepreneurial Framework Conditions

	2020		2021	
	Score	Rank	Score	Rank
Sufficiency of financing for entrepreneurs	5.1	14	4.6	23
Ease of obtaining finance for entrepreneurs	N/A	N/A	4.7	19
Government policies: support and relevance	5.5	8	5.2	12
Government policies: taxes and bureaucracy	5.8	4	5.3	15
Government entrepreneurship programs	5.7	14	5.6	12
Entrepreneurial education and training at school stage	5.3	4	5.3	5
Entrepreneurial education and training at post-school stage	6	6	6.2	2
Research and development (R and D) transfer	5.4	7	5.2	9
Commercial and services infrastructure	5.8	13	6.0	14
Internal market dynamics	5.8	11	5.5	17
Internal market burdens or entry regulations	4.8	15	5.1	9
Physical infrastructure	7.1	14	6.9	19
Cultural and social norms	5.9	12	6.1	8
Progress and support to digitalization and telework due to the pandemic	N/A	N/A	5.6	29
Increment of gig economy as a start-up driver and business model due to the pandemic	N/A	N/A	5.9	30
Prioritization of environmental protection at companies and governments' impulse of the green agenda due to the pandemic	N/A	N/A	4.8	12
Effectiveness of governments' measures to avoid a significant decline of new businesses and controlling the health crisis while harming the economy as little as possible.	N/A	N/A	6.6	10
Support to women entrepreneurship and conciliation	N/A	N/A	6.0	6

An equal sign (=) indicates that the ranking position is tied with another economy or economies
N/A: Six new frameworks have been added in 2021.



INTRODUCTION

The Global Entrepreneurship Monitor (GEM) is a global research initiative that investigates and analyses the entrepreneurial activity around the world. GEM considers that the entrepreneurial activity is dependent on several kinds of factors including social, cultural, political, and economic factors. Societal values and individual attributes are also believed to be very impactful for entrepreneurship intentions. In 2021, 50 economies participated in the research. This year marks the sixth year since Qatar Development Bank (QDB) has participated as the Qatar GEM partner.

The GEM Qatar National Report 2021 provides a snapshot of the entrepreneurial activity in Qatar and benchmarks Qatar against 47 other countries participating in the GEM Adults Population Survey (APS) and 50 countries participating in the GEM National Experts Survey (NES). In 2021, a total of 3,012 adults aged between 18 and 64 years old have been surveyed as part of the APS and 57 experts have provided their opinions on the entrepreneurship framework conditions as part of the NES. This report presents the findings from both surveys.

The GEM Qatar National Report 2021 profiles Qatar's performance on key entrepreneurial indicators such as Total early-stage Entrepreneurial Activity (TEA - the percentage of adults aged 18–64 actively engaged in starting or running a new business) compared to regional and global economies. The report tracks Qatar's entrepreneurial activities over the past six years from 2016. Ultimately, entrepreneurial activity will drive economic recovery and diversification of the economy. Individuals that make the decision to start and grow a business create jobs and incomes, they add value to society and help to strengthen economies. By tracking the different levels of entrepreneurial activity in Qatar, the contribution of Qatar's entrepreneurs to growing the economy and helping the nation recover from the impact of the coronavirus pandemic is effectively monitored.

QDB plays an important role in supporting entrepreneurs so they can begin the recovery process and take steps to address the disruption caused by COVID-19. QDB's role is not limited to financing enterprises, as it provides entrepreneurs with non-financial support services throughout all the phases of their businesses to empower

Qatar's entrepreneurs and innovators to develop their business ideas or to expand or diversify their existing business so they can contribute to the diversification of the Qatari economy. QDB has also recently introduced several initiatives to encourage an innovative business start-up culture in Qatar. Three examples of these initiatives include:

- **QDB Hackathon** was first introduced in April 2020 as an online portal to register participants in an initiative to develop entrepreneurial ideas to contribute to reducing the repercussions of the coronavirus pandemic. The Hackathon has grown to be Qatar's largest initiative of its kind and is designed to empower the country's brightest thinkers, innovators, entrepreneurs, and professionals to create cutting-edge solutions for a wide range of global challenges across seven industry-specific themes - Sportstech, Fintech, Sustainable mobility with 5G, Digital transformation, Healthtech, Fashiontech, and Manufacturing.

- **Scale 7** was launched by QDB and M7 as the first business incubator for creatives in Qatar. Scale 7 is the first and most important platform to enhance the role of entrepreneurs and aspiring Qatari designers in creating and producing Qatari brands in the field of fashion, design, and technology. Scale 7 aims to support a creative and artistic ecosystem and encourages creativity in all segments of the nation's community via exhibitions, performances, films, educational programs, and engaging public discussions. As part of the Scale 7 initiative, QDB provides training, mentoring, and facilitation of business management seminars and workshops. QDB also matches Scale 7 participants with suitable investors and other strategic partners in Qatar. Scale7 is the fourth incubator that QDB has launched and is the most recent initiative in the bank's efforts of further expanding its support for incubators or accelerators in Qatar.

- **Qatar FinTech Hub** was founded by QDB to support the growth of the FinTech sector in Qatar. Financial Technology (FinTech) firms across the globe are witnessing a surge in funding, new entrepreneurial talent, and policy makers' attention. FinTech has disrupted financial services in an unprecedented way, using technology to offer a seamless experience to retail, SME, and corporate customers. This creates a sound ecosystem for incubating domestic FinTechs and provides an enabling environment for foreign FinTechs to invest and grow in the region. With two flagship Incubator and Accelerator programs, running two waves per year, QFTH has already supported more than 40 FinTechs from across the globe and has been ranked as the second largest FinTech investor in MENA during Q1 2021.

The GEM Qatar National Report 2021 profiles Qatar in terms of entrepreneurial activity and highlights the strengths and improvement areas to enhance the entrepreneurial activity in the country. The report provides a comprehensive analysis of the entrepreneurship context in Qatar that will support key stakeholders in fostering the entrepreneurial initiatives.

ABOUT THIS REPORT

The GEM Qatar National Report 2021 presents the findings from two surveys:

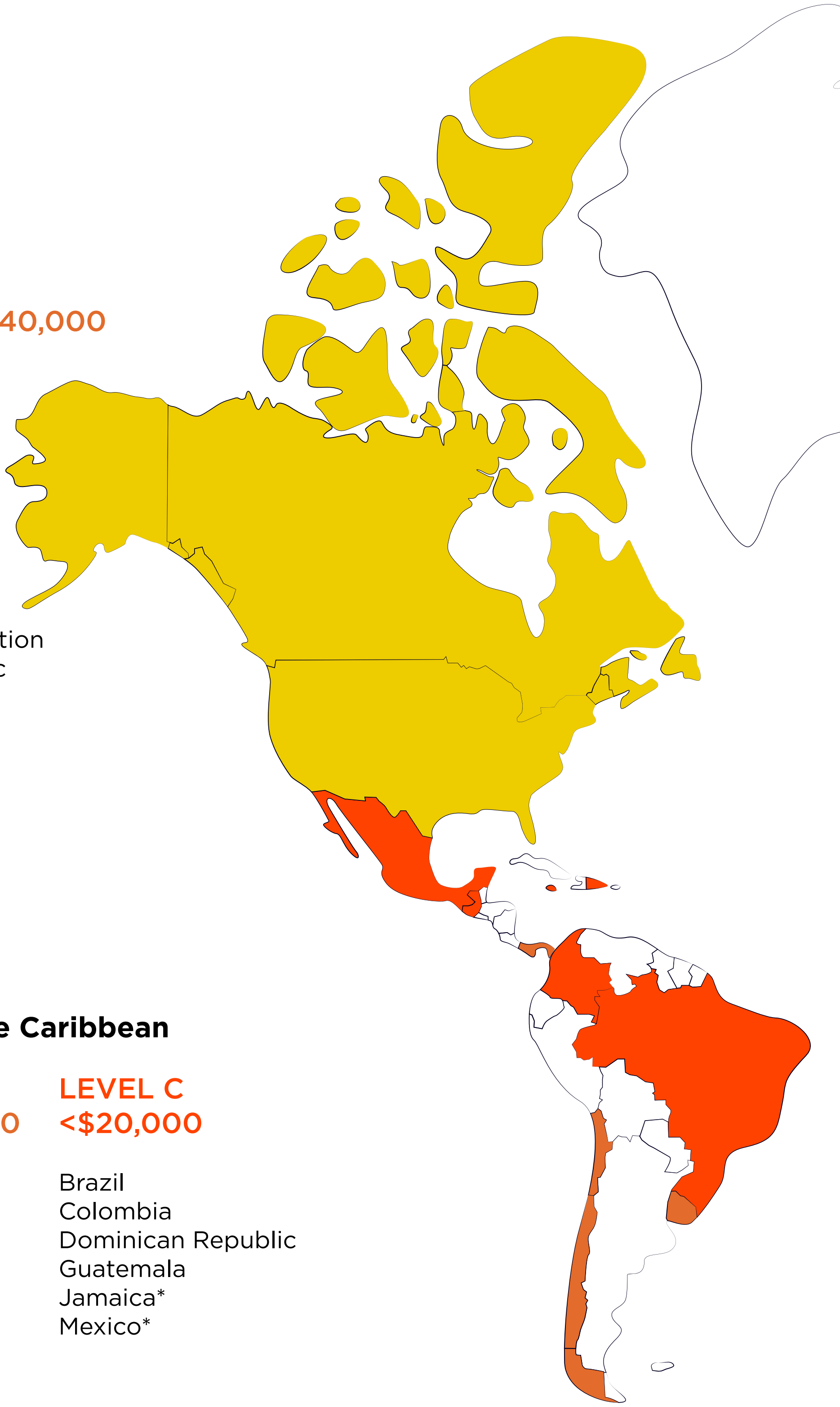
Adult Population Survey (APS):
Results are drawn from a random, representative sample of 3,012 telephone surveys with Qatar residents aged between 18 and 64.

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 18 principal components of the Entrepreneurial Framework conditions.

The report compares the GEM Qatar 2021 results against the previous five years results (2016-2020) and against other countries that participated in the 2021 research. A total of 47 economies, including Qatar, participated in the GEM APS and 50 in the NES. This report also compares Qatar with other participating countries in MENA, including Egypt, Iran, the Kingdom of Saudi Arabia (Saudi Arabia), Morocco, Oman, and the United Arab Emirates (UAE).

Information on the methodology and conceptual framework of GEM can be found in Chapter 14: Methodology and Definitions of this report.

GEM economies by geographic region and income level ($GDP per capita), 2021



Europe and North America

LEVEL A >$40,000	LEVEL B >$20,000<$40,000
Canada	Belarus
Finland	Croatia
France	Cyprus
Germany	Greece
Ireland	Hungary
Italy	Latvia
Luxembourg	Lithuania*
Netherlands	Poland
Norway	Romania
Sweden	Russian Federation
Switzerland	Slovak Republic
United Kingdom	Slovenia
United States	Spain

Latin America and the Caribbean

LEVEL B >$20,000<$40,000	LEVEL C <$20,000
Chile	Brazil
Panama	Colombia
Uruguay	Dominican Republic
	Guatemala
	Jamaica*
	Mexico*

Lithuania, Mexico and Jamaica did not participate in the 2021 APS.

Source: GEM Global Entrepreneurship Monitor, 2021/2022 Global Report

Central and East Asia

LEVEL A
>$40,000

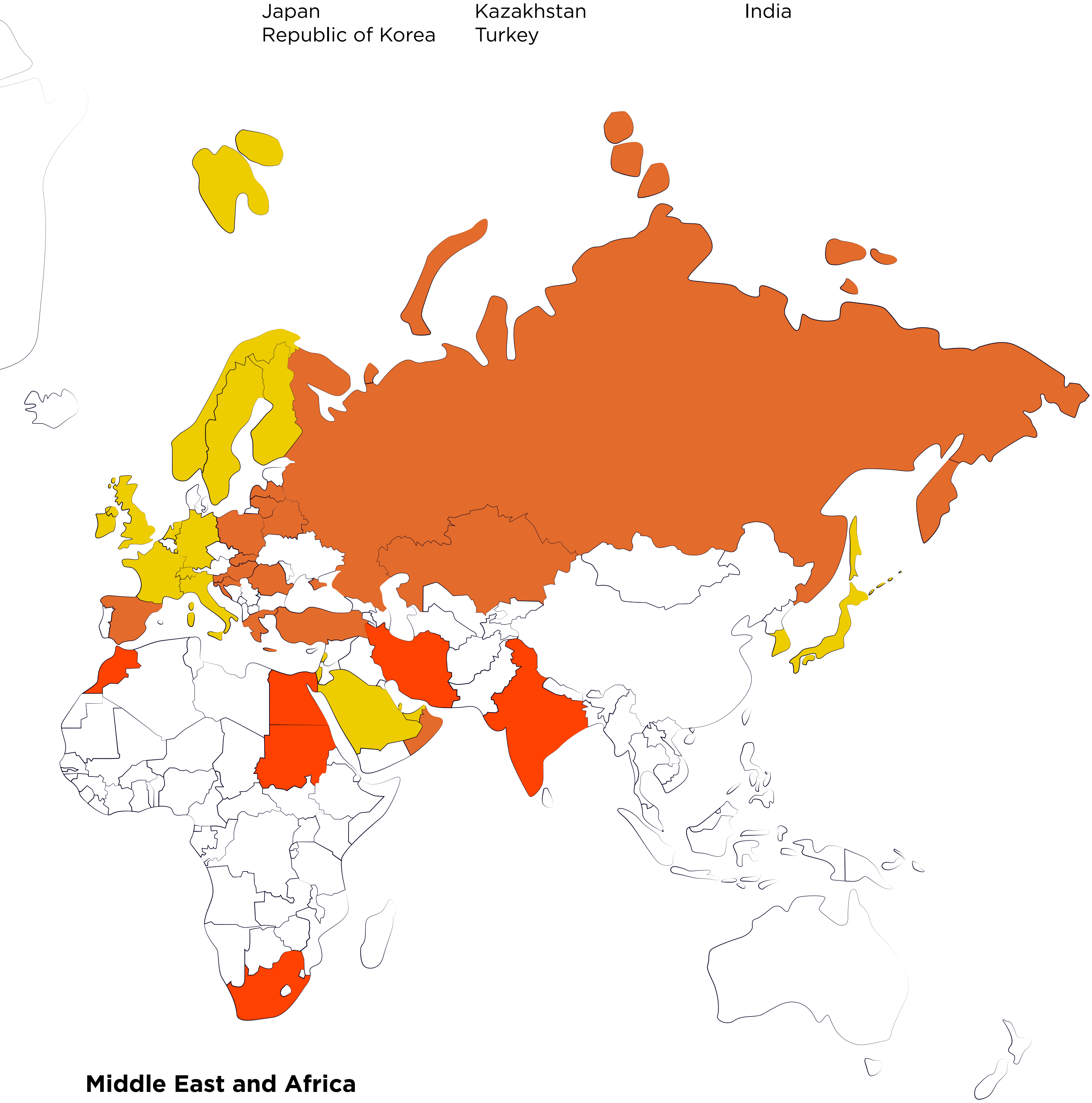
Japan
Republic of Korea

LEVEL B
>$20,000<$40,000

Kazakhstan
Turkey

LEVEL C
<$20,000

India



Middle East and Africa

LEVEL A
>$40,000

Qatar
Saudi Arabia
United Arab Emirates
Israel

LEVEL B
>$20,000<$40,000

Oman

LEVEL C
<$20,000

Egypt
Iran
Morocco
South Africa
Sudan

SECTION 1:
Societal Values about Entrepreneurship in Qatar

Attitudes toward entrepreneurship have a fundamental influence on entrepreneurial intent in an economy.

GEM measures societal attitudes using the following indicators:

Good career choice: Do most people consider starting a new business a desirable career choice ?

High status to successful entrepreneurs: Do you believe that those successful at starting a new business have high level of status and respect?

Media attention for entrepreneurship: Do you often see stories in the media about successful new businesses ?

People prefer an equal standard of living for all: Do most people prefer that everyone had a similar standard of living?

Often see businesses that aim to solve social problems: Do you often see businesses that primarily aim to solve social problems?

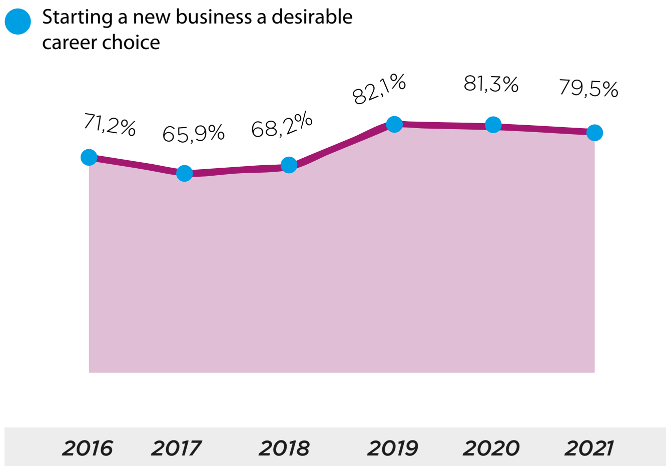
1.1 SOCIETAL ATTITUDES TOWARDS ENTREPRENEURSHIP IN QATAR

The 2021 results indicate a relative stability in the societal attitudes in Qatar compared to the previous year. The proportion of the adult population in Qatar (18 to 64 years) who consider entrepreneurship a desirable career pathway has marginally declined compared to the previous year from 81.3% in 2020 down to 79.5% in 2021 (see Figure 1.1). In 2021, a slightly lower percentage of adults in Qatar compared to 2020 agree successful entrepreneurs receive a high level of status and respect (88.3% in 2020 to 87.7% in 2021) (see Figure 1.2).

Consistent with the previous two years, at least 80% of the Qatar adult population agree that public media and the Internet provide good coverage of successful new businesses. However, 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 also declined compared to the previous year from 82.0% in 2020 to 80.8% in 2021 (see Figure 1.3).

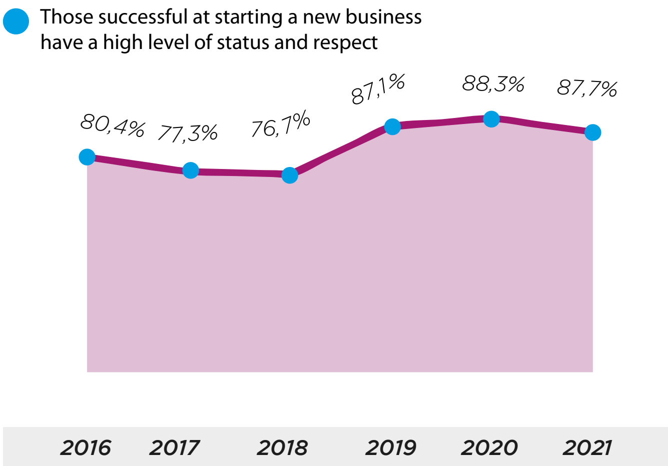
The proportion of Qatar's adult population who believe most people would prefer that everyone in their society had a similar standard of living and that you often see businesses that primarily aim to solve social problems has trended downwards since 2019 (see Figures 1.4 and 1.5).

Figure 1.1: Most people consider starting a new business a desirable career choice, 2016-2021



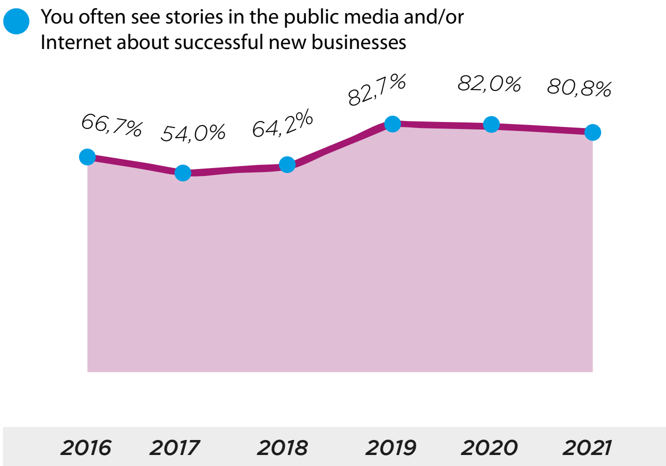
Source : Qatar Adult Population Survey, 2016, 2017, 2018, 2019, 2020, 2021

Figure 1.2: Those successful at starting a new business have a high level of status and respect, 2016-2021



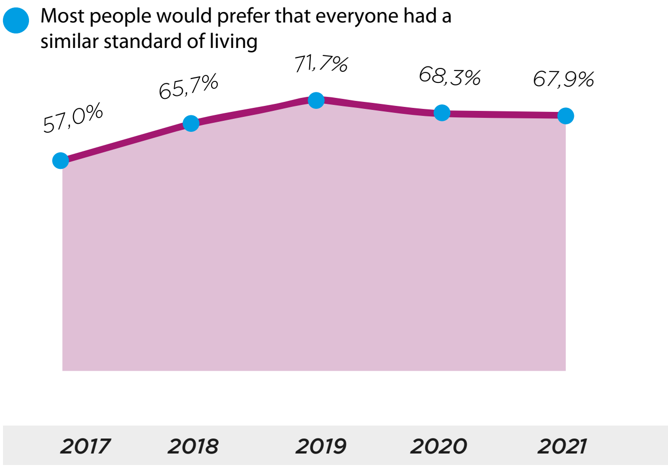
Source : Qatar Adult Population Survey, 2016, 2017, 2018, 2019, 2020, 2021

Figure 1.3: You often see stories in the public media and/or Internet about successful new businesses, 2016-2021



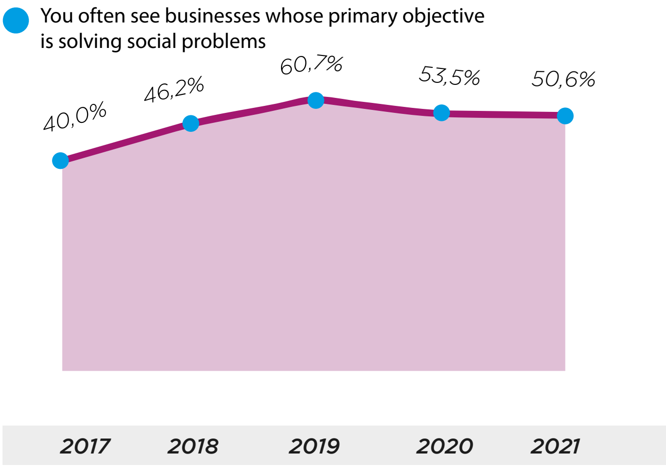
Source : Qatar Adult Population Survey, 2016, 2017, 2018, 2019, 2020, 2021

Figure 1.4: Most people would prefer that everyone had a similar standard of living, 2017-2021



Source : Qatar Adult Population Survey, 2017, 2018, 2019, 2020 and 2021.
Note: indicator not reported on in 2016

Figure 1.5: You often see businesses whose primary objective is solving social problems, 2017-2021



Source : Qatar Adult Population Survey, 2017, 2018, 2019, 2020 and 2021.
Note: indicator not reported on in 2016

1.2 SOCIETAL ATTITUDES TOWARDS ENTREPRENEURSHIP ACROSS MENA

As shown in Table 1.1, societal attitudes towards entrepreneurship vary across the region and within each country. The adult population in Saudi Arabia is the most likely of all participating countries in the APS to have positive societal attitudes towards entrepreneurship and is ranked first globally across the societal indicators. Morocco holds the second position in MENA region for the proportion of adults who consider entrepreneurship a good career choice and for those who believe that people prefer an equal standard of living for all. On a global level, Qatar is ranked in 10th and 11th position respectively on these societal attitude indicators. And within the MENA region, Qatar holds the third position for both indicators

The UAE is ranked 2nd compared to other MENA countries for the proportion of adults who believe that many businesses primarily aim to solve social problems and those who state that they often see stories about successful businesses in the media, whereas Qatar holds the third position for both indicators within the MENA region. Qatar also holds the third position in MENA for the proportion of adults who believe that successful entrepreneurs gain high status and respect, following Saudi Arabia in 1st position and Iran in 2nd position.

Table 1.1: Societal values about entrepreneurship in MENA countries, 2021

	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/40	Score	Rank/39	Score	Rank/38	Score	Rank/33	Score	Rank/32
Qatar	79.5	10	87.7	7	80.8	10	67.9	11	50.6	8
Egypt	75.6	14	82.0	14	78.5	12	-		-	
Iran	54.3	33	88.7	6	50.7	34	61.9	17	29.2	27
Morocco	85.1	7	79.7	18	80.6	11	70.6	8	44.1	13
Saudi Arabia	96.6	1	96.3	1	95.5	1	96.2	1	94.3	1
Oman	77.9	12	75.7	21	71.3	16	60.7	19	36.8	19
UAE	74.3	15	79.1	19	81.6	9	66.1	13	65.9	4

Source: GEM Adult Population Survey 2021
(-) Indicates the country did not include the indicator in the APS 2021

SECTION 2:
Self-perceptions about Entrepreneurship in Qatar

To measure the individual self-perceptions about entrepreneurship, GEM APS Included the following indicators:

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 2021, half of the adults surveyed in the APS personally know someone who started a business or became self-employed in the past two years, while 48.4% know at least two or more people who have recently started their own business. The percentage of adults in Qatar who personally know an entrepreneur has risen from 52.6% in 2020 to 55.9% in 2021 (see Figure 2.1).

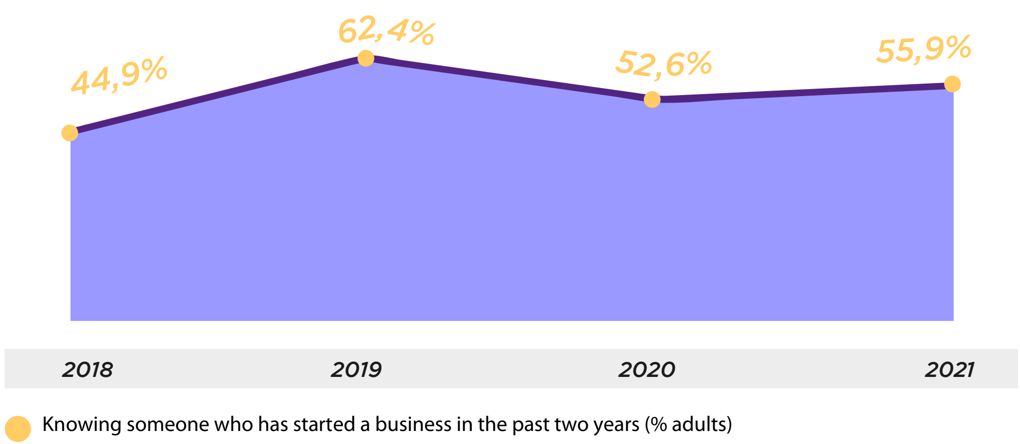
The ability to identify opportunities is an important characteristic of a successful entrepreneur. Close to three quarters of the Qatar's adult population (73.8%) see good opportunities for starting a business in the area where they live within the next six months. A lower proportion of adults (70.9%) believe they have the knowledge, skills, and experience required to start a business. The proportion of adults who see good opportunities for starting a business within the next six months, and feel they have the capabilities to do so, has slightly increased from the previous year (see Figure 2.2).

In 2021, six in ten adults (64.2%) believe it is easy to start a business in Qatar. The proportion of adults who hold this opinion has declined for the first time since the baseline study was conducted in 2017. (see Figure 2.3).

A third of the adults who see good opportunities for entrepreneurship state that fear of failure would prevent them from starting a business. The proportion of adults who state fear of failure as a barrier to starting a business has declined compared to the previous year, from 41.3% in 2020 to 38.2% in 2021 (see Figure 2.4).

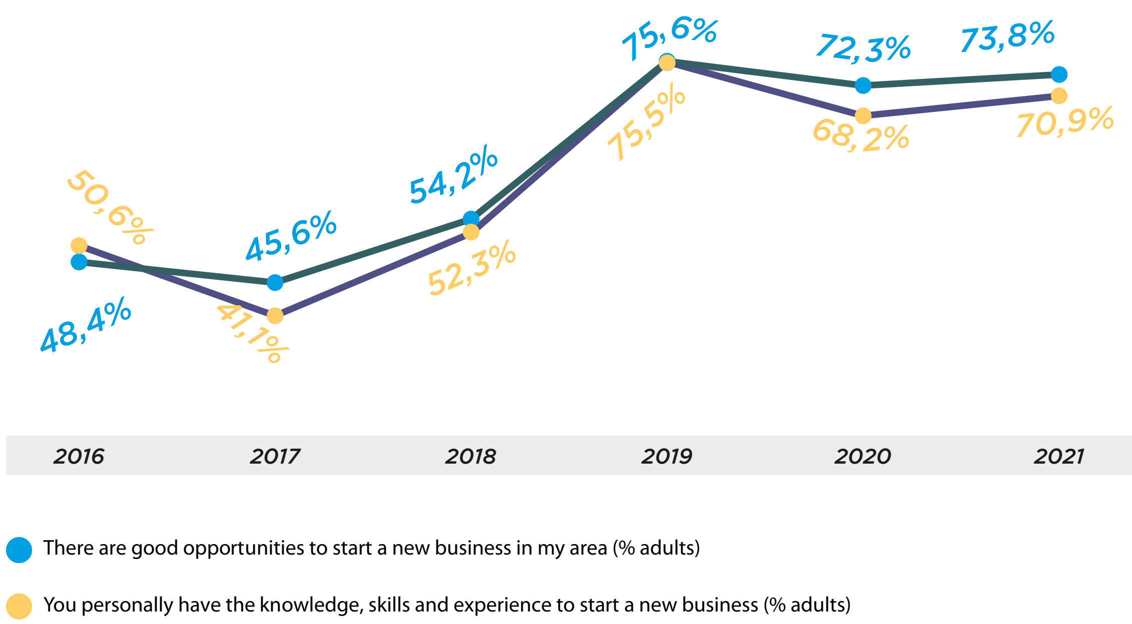
In 2021, Qatar's entrepreneurial intentions rate continues to trend upwards reaching a high of 50.4% of the adult population who are currently not involved in entrepreneurial activity stating they expect to start a new business or be self-employed within the next three years (see Figure 2.4).

Figure 2.1: Entrepreneurial affiliations, 2018-2021



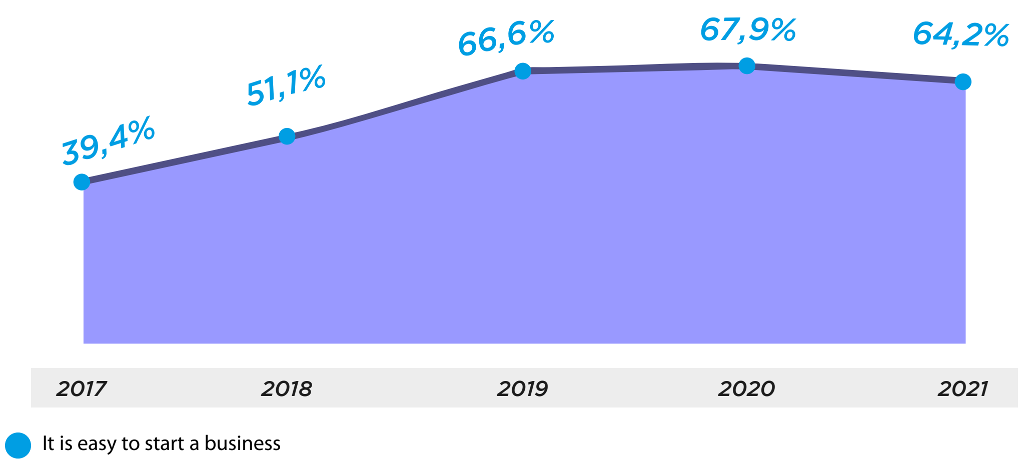
Source : Qatar Adult Population Survey, 2017, 2018, 2019, 2020 and 2021.
Note: Indicator not reported on in 2016

Figure 2.2: Perceived opportunities and capabilities, 2016-2021



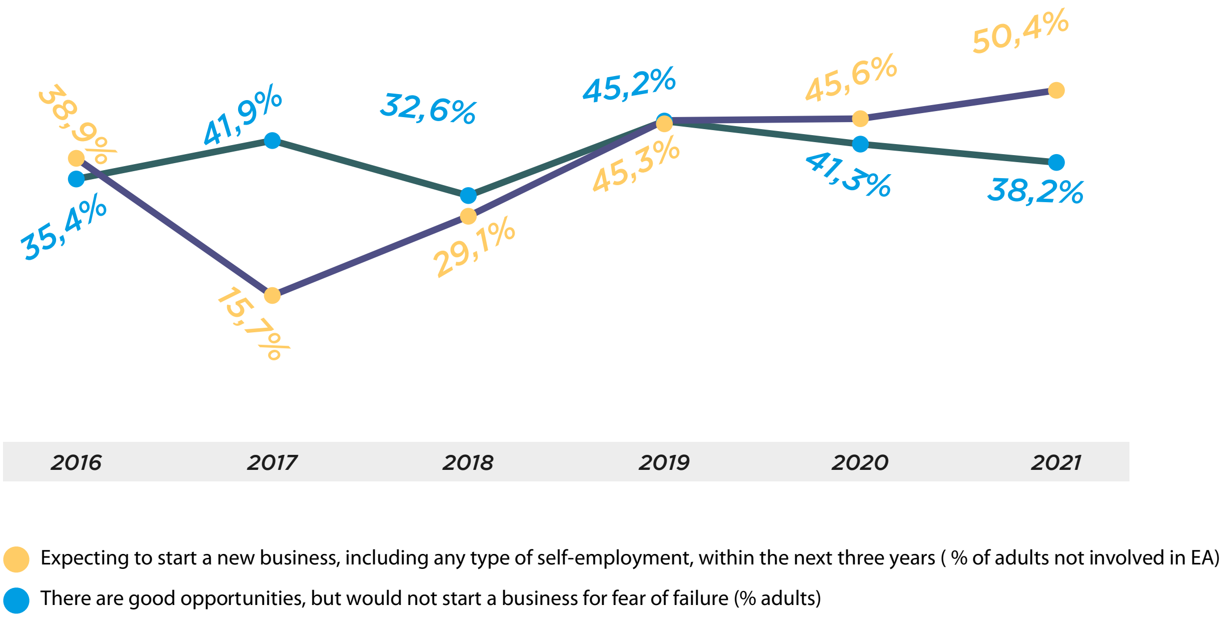
Source : Qatar Adult Population Survey, 2016, 2017, 2018, 2019, 2020, 2021

Figure 2.3: Perceived ease of starting a business, 2017-2021



Source : Qatar Adult Population Survey, 2017, 2018, 2019, 2020 and 2021.
Note: Indicator not reported on in 2016

Figure 2.4: Entrepreneurial Intentions and fear of failure (those who see opportunities), 2016-2021



Source : Qatar Adult Population Survey, 2016, 2017, 2018, 2019, 2020, 2021

2.2 SELF-PERCEPTIONS ABOUT ENTREPRENEURSHIP ACROSS MENA

Consistent with 2020, the adult population in Oman is the most likely of MENA countries to personally know someone who has started a business within the past two years, followed by Saudi Arabia in second position and Qatar in third position (see Table 2.1). On a global level, Qatar is ranked in 19th position on the indicator for entrepreneurial affiliations while Oman and Saudi Arabia are ranked in 6th and 16th positions, respectively.

Across all countries participating in the APS in 2021, the adult population in Saudi Arabia is the most likely to perceive that there are good opportunities for starting a business in the area where they live, that they have the capabilities to start a new business, and that it is easy to start a business. However, Saudi Arabia has a higher proportion of adults when compared to the benchmarked MENA countries who state that fear of failure would prevent them from starting a business. Qatar is ranked in 36th position on the fear of failure indicator out of the 47 participating countries in the APS with 38.2% of adults stating fear of failure as a barrier to starting a new business compared to 53.6% of adults in Saudi Arabia. Compared to the MENA benchmarked countries, Qatar is ranked in second position for perceived opportunities and capabilities. The adult population in Egypt, Oman and Qatar who are currently not involved in any entrepreneurial activity are the most likely of the benchmarked MENA countries to have intentions to start a new business within the next three years.

Consistent with the previous year, Iran is ranked in the lowest position on most self-perception indicators compared to the MENA benchmarked countries. The only exceptions are the perceived capabilities indicator, where Iran is ranked higher than Egypt, UAE, Morocco, and Oman, and the entrepreneurial intentions indicator, where Iran is ranked higher than Saudi Arabia.

Table 2.1: Self-perceptions about entrepreneurship in MENA countries, 2021

	Entrepreneurial affiliations		Perceived opportunities		Perceived ease of starting a business		Perceived capabilities		Fear of failure (opportunity)		Entrepreneurial intentions	
	Score	Rank/47	Score	Rank/47	Score	Rank/47	Score	Rank/47	Score	Rank/47	Score	Rank/47
Qatar	55.9	19	73.8	6	64.2	17	70.9	7	38.2	36	50.4	6
Egypt	30.8	46	73.2	8	72.4	7	65.8	14	53.0	=5	55.3	=1
Iran	41.9	36	17.9	46	17.7	45	66.4	13	20.2	45	26.4	16
Morocco	44.0	=33	64.1	15	56.1	21	61.5	19	35.5	41	43.3	11
Saudi Arabia	58.0	16	95.4	1	93.5	1	90.5	1	53.6	4	18.0	22
Oman	69.4	6	67.7	14	44.5	29	59.2	22	24.6	44	53.2	4
UAE	54.6	=22	73.5	7	74.4	6	65.1	16	49.7	12	35.9	12

Source: GEM Adult Population Survey 2021
Note: Fear of Failure (based on those who see opportunities), Entrepreneurial Intentions (based on those not involved in EA)
An equal sign (=) indicates that the ranking position is tied with another economy or economies

SECTION 3:
Entrepreneurial Talent in Qatar

According to GEM, the individual's disposition towards entrepreneurship influences his or her decision to start a business.

Therefore, GEM measures the entrepreneurial talent of the adult population through a set of indicators as follows:

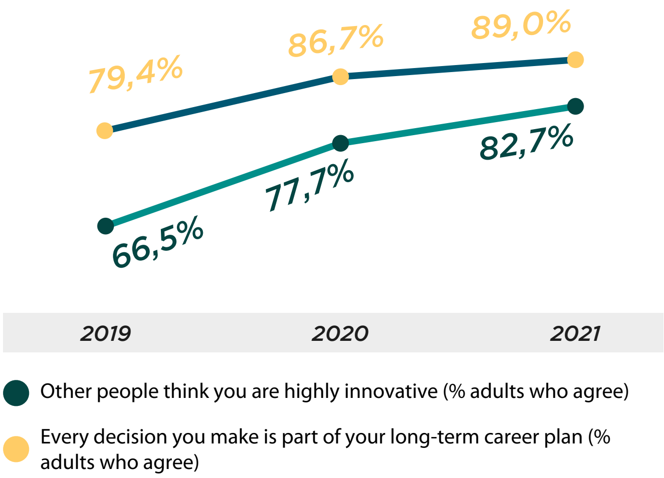
- You rarely see business opportunities, even if you are very knowledgeable in the area.
- Even when you spot a profitable opportunity, you rarely act on it.
- Other people think you are highly innovative.
- Every decision you make is part of your long-term career plan.

3.1 ENTREPRENEURIAL TALENT IN QATAR

In 2021, eight in ten adults believe other people view them as highly innovative. The proportion of adults who perceive that other people consider them highly innovative continues to trend upwards since 2019, reaching a high 82.7% in 2021. A higher proportion of adults in Qatar (89.0%) agree they have a long-term career plan, and each decision they make is directed towards achieving this plan. The proportion of adults who hold this opinion has also increased from the previous year from 86.7% in 2020 up to 89.0% in 2021 (see Figure 3.1).

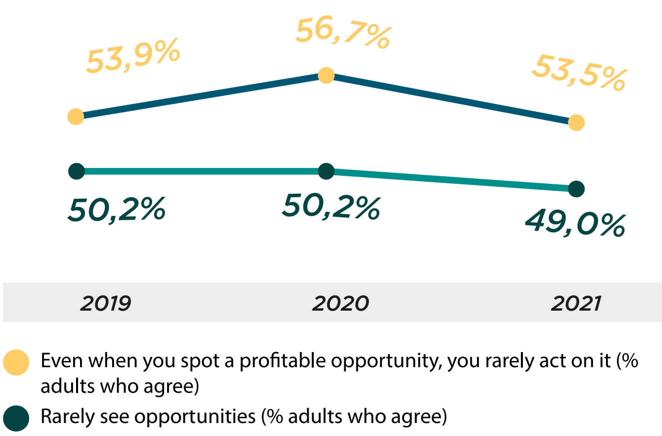
The proportion of the adult population in Qatar who agree with the statement that they rarely see business opportunities has slightly declined compared to the previous year, from 50.2% in 2020 down to 49.0% in 2021. The proportion of adults who agree that they rarely act on it even when they do see a profitable opportunity has also declined compared to the previous year, from 56.7% in 2020 down to 53.5% in 2021 (see Figure 3.2).

Figure 3.1 : Innovation and long-term goals, 2019-2021



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, 2020 and 2021

Figure 3.2 : Opportunism and proactivity, 2019-2021



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, 2020 and 2021

3.2 ENTREPRENEURIAL TALENT ACROSS MENA

Table 3.1 shows that the adult population in Qatar is the most likely of the MENA benchmarked countries to make decisions according to their career plan (1st position in MENA and 4th position on the global ranking).

Over two-thirds of adults in Morocco (67.8%) rarely see business opportunities even if they are very knowledgeable in the area. Morocco is ranked in 2nd position globally on this indicator. In comparison, Qatar records the lowest percentage of adults in the MENA region who agree with this statement, indicating a more positive societal disposition towards entrepreneurship in the country.

The adult population in Qatar and Morocco are the most likely of the benchmarked MENA countries to believe that other people see them as innovative (82.7% and 81.6% respectively). Half of the adult population in Qatar (49.0%) rarely act on opportunities resulting in a global ranking of 29th position and a MENA ranking of 3rd position for this indicator.

Table 3.1: Entrepreneurial talent in MENA countries, 2021

	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/30	Score	Rank/31	Score	Rank/30	Score	Rank/30
Qatar	49.0	27	53.5	29	82.7	4	89.0	4
Egypt	-		-		-		-	
Iran	65.6	8	47.3	30	66.3	18	70.2	18
Morocco	78.5	2	67.8	11	81.6	5	85.7	7
Saudi Arabia	-		-		-		-	
Oman	60.3	19	46.6	31	64.2	19	69.5	20
UAE	61.6	16	65.9	14	76.3	11	81.3	9

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 2021
(-) Indicates the country did not include the indicator in the APS 2021

SECTION 4:
Entrepreneurial Activity in Qatar

GEM conceptualises entrepreneurship as a continuous process that includes nascent entrepreneurs, early-stage entrepreneurs and established business owners.

GEM defines and measures the entrepreneurship process according to the following key measures:

Those starting or running a new business, or Total early-stage Entrepreneurial Activity (TEA), measured as a percentage of the adult population (% adults)

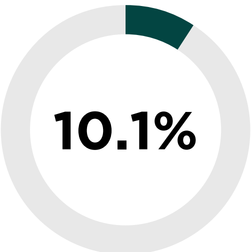
Those running an established business, or Established Business Ownership (EBO) (% adults)

Those starting or running a business on behalf of their employer, or Entrepreneurial Employee Activity (EEA, % adults).

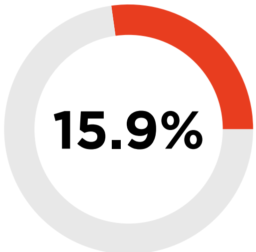
In addition, GEM also considers the distribution of early-stage entrepreneurship by sector and presents results on whether the new business is independent or sponsored through shared ownership with the individual's employer. GEM also assesses recent business exits as an indicator of the sustainability of entrepreneurship in an economy.

4.1 EARLY-STAGE ENTREPRENEURIAL ACTIVITY IN QATAR

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 those who have committed resources to start a business but have not yet paid salaries, or any other payments, including to the founders for three months or more. New business owners have started a new business since January 2018 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.

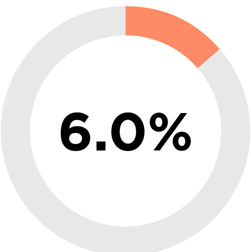


Nascent Entrepreneurs



Total Early-stage Entrepreneurial Activity

In 2021, one in ten adults in Qatar (10.1%) are in the early stages of starting a business that is less than four months old (nascent entrepreneurs), and 6.0% are operating a new business.



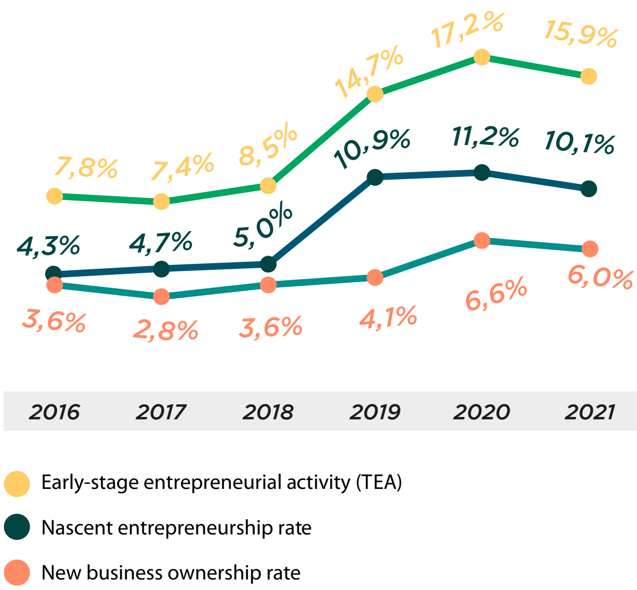
New Business Owners

One in six adults in Qatar (15.9%) are starting or running a new business in 2021, signifying a good level of entrepreneurial culture in the economy and a strong entrepreneurial ecosystem (see Figure 4.1).

Most early-stage entrepreneurs report to be primarily motivated to start a new business to generate great wealth or a high income (77.3% of TEA). Over half of early-stage entrepreneurs (54.8%) also mention job scarcity as a motivation for starting a business.

In 2021, Qatar records its first decline in early-stage entrepreneurship levels since 2017. Whilst the TEA rate has declined from the previous year (17.2%), the level of early-stage entrepreneurship is higher than levels reported in 2019 (see Figure 4.1).

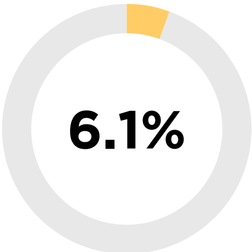
Figure 4.1: Early-stage entrepreneurial activity in Qatar, 2016-2021



Source: *Qatar Adult Population Survey, 2016, 2017, 2018, 2019, 2020 and 2021*

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 services and a more stable base of employment.



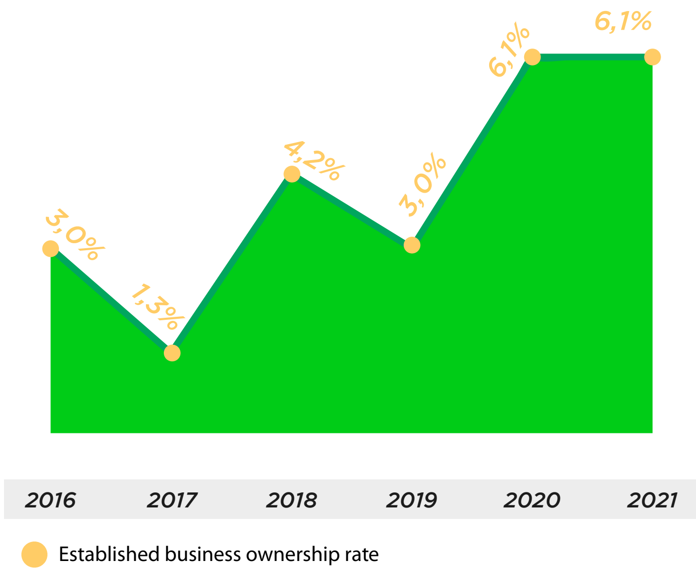
Established Business Owners

In 2021, the level of established business ownership remains consistent with the previous year at 6.1% of the adult population in Qatar (see Figure 4.2).

In Qatar there is a higher proportion of adults starting and running a new business relative to those running an established business. The results may indicate a dynamic, growing economy whereby high levels of new startups have not yet translated into established businesses, or it may suggest there is difficulty in sustaining those new businesses.

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 new business activity can be examined. GEM defines established businesses as those that have been in operation for more than 42 months.

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, 2019, 2020 and 2021*

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.

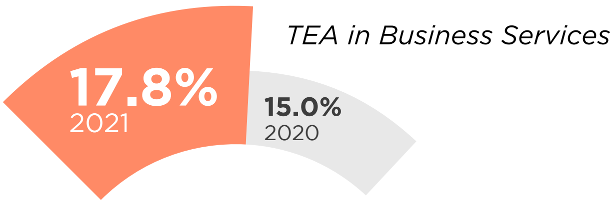
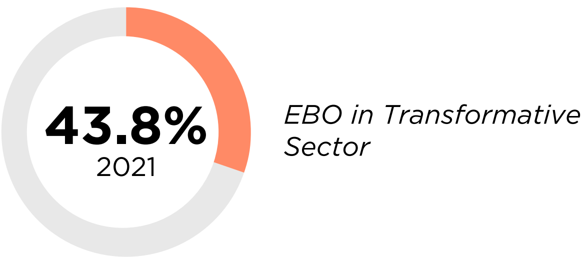


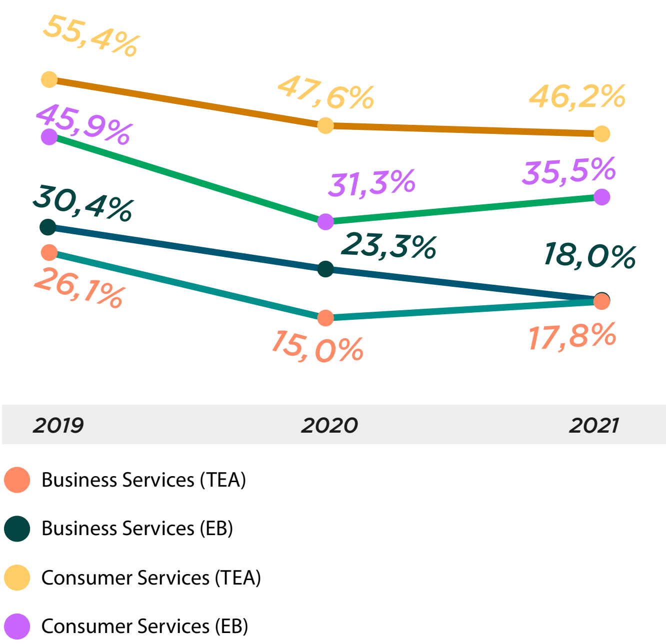
Figure 4.3 shows that in 2021, 17.8% of early-stage entrepreneurs report to operate in the business services sector (up from 15.0% in 2020), and 46.2% operate in the consumer services sector (down from 47.6% in 2020).



In Qatar, most established businesses operate within the transformative sector (43.8% in 2021) (see Figure 4.4).

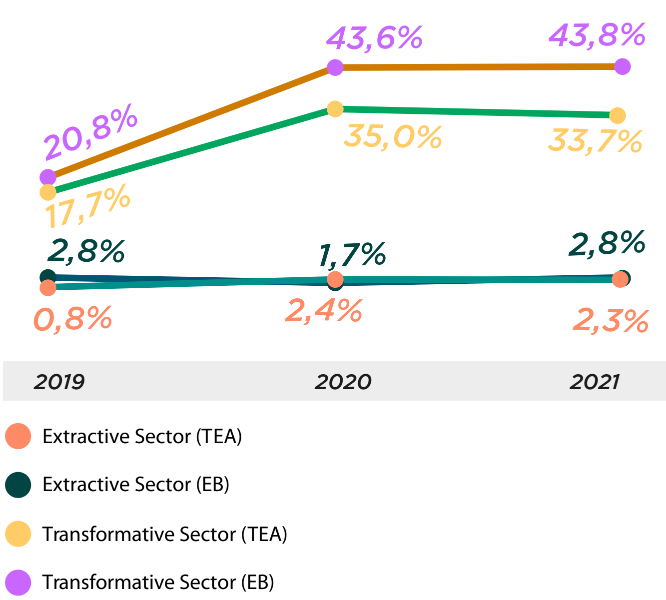
In 2021, 35.5% of established businesses operate within the consumer services sector (up from 31.3% in 2020) and 18.0% operate in the business services sector (down from 23.3% in 2020) (see Figure 4.3).

Figure 4.3: Business Services and Consumer Services as % TEA and EB in Qatar, 2019-2021



Source: *Qatar Adult Population Survey 2019, 2020 and 2021*

Figure 4.4: Transformative and Extractive sectors as % TEA and EB in Qatar, 2019-2021



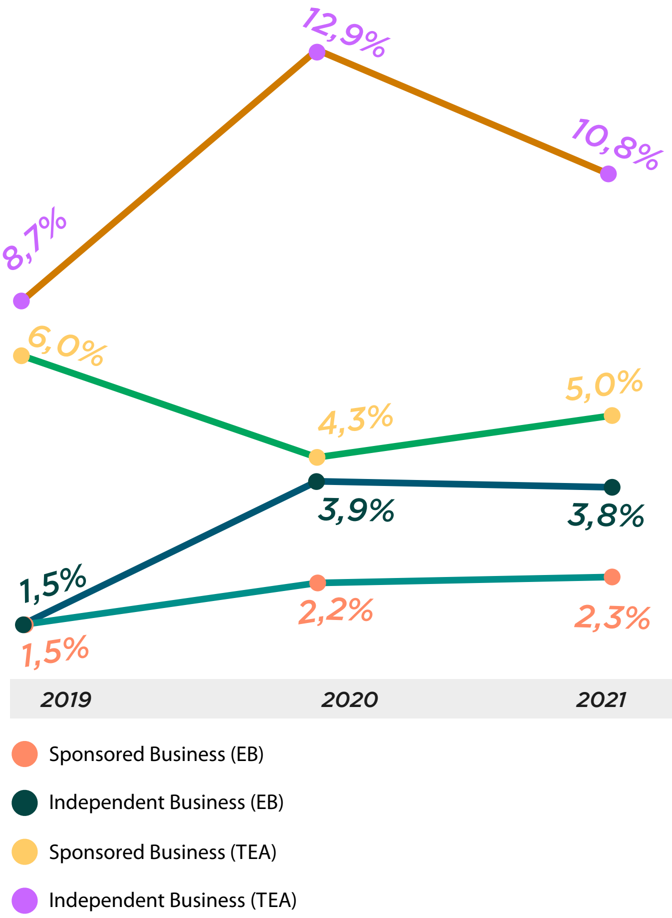
Source: *Qatar Adult Population Survey 2019, 2020 and 2021*

4.4 BUSINESS OWNERSHIP

Through the APS, GEM identifies whether enterprises have been established independently of a larger business or sponsored through shared ownership with the individual's employer. In 2021, 5.0% of early-stage entrepreneurs are sponsored, which means that one in twenty entrepreneurs starting or managing a new business is sponsored by their employer. This compares to a much lower 2.3% of established businesses that are under their employer's sponsorship. The proportion of sponsored TEA has slightly increased from 4.3% in 2020. Although, the level of independent early-stage entrepreneurship in Qatar has declined since 2020, the level is twice that reported for sponsored entrepreneurship at 10.8%. In comparison, 3.8% of established businesses are independent, which remains relatively consistent with 2020 levels (see Figure 4.5).

Consistent with 2020, most of Qatar's 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 (75.1% and 62.1%, respectively). In 2021, most business owners who are in a commercial partnership hold between 25% to 99% share of their enterprise. Three in ten early-stage entrepreneurs (30.7%) and four in ten established business owners (46.7%) report having full ownership of their business.

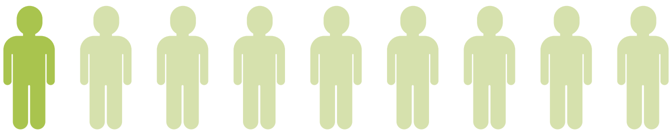
Figure 4.5: Sponsored and Independent % TEA and EB in Qatar, 2019-2021



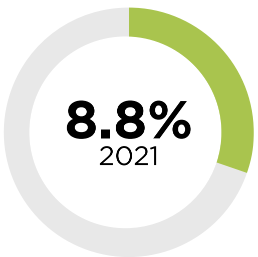
Source: Qatar Adult Population Survey 2019, 2020 and 2021

4.5 BUSINESS DISCONTINUANCE IN QATAR

Information on the rate of business discontinuance is an important indicator of the sustainability of entrepreneurship in an economy.



In 2021, the rate of business exits in Qatar, as a proportion of all adults, is one in nine.

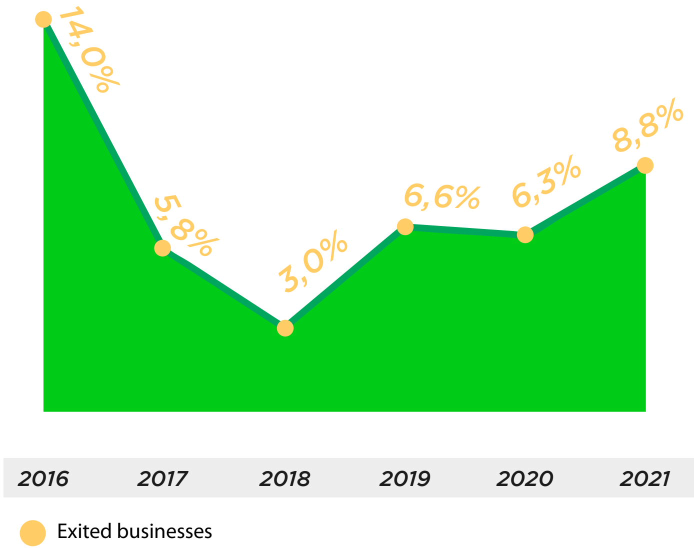


Business Exits

In the past 12 months, 8.8% of Qatar's adult population report to have exited a business that was discontinued and 2.7% report to have exited a business that has continued. In 2021, the rate of business exists has risen from 6.3% in 2020 to 8.8% (see Figure 4.6).

There are many reasons for owners to exit businesses. Positive reasons include selling the business as an ongoing concern, an attractive alternative employment offer or other business opportunity, retirement, or a planned exit. In Qatar, the most prevalent negative reason was lack of profitability and more recently over the past two years the impact of the COVID-19 pandemic is reported to be a driving influence for the discontinuance of businesses as mentioned by over half of adults (57.0%) who have exited a business in the past year. In the contrary, the most prevalent positive reason for business discontinuance was another job or business opportunity (3.6%).

Figure 4.6: Discontinuation of businesses in Qatar, 2016-2021



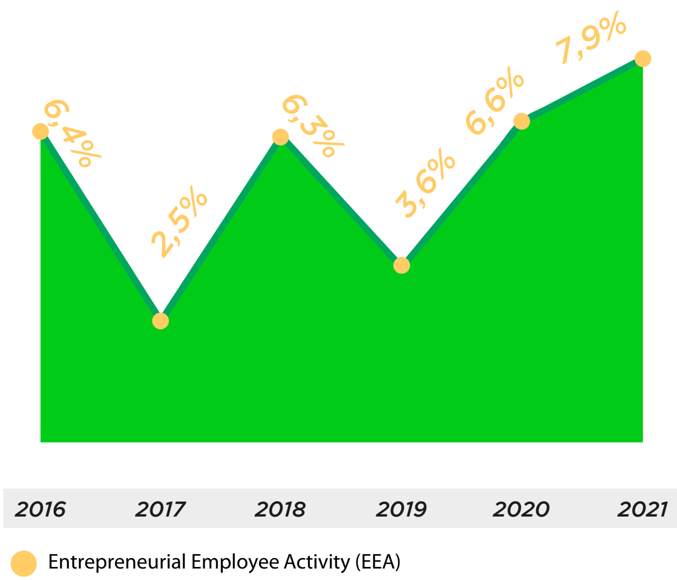
Source: Qatar Adult Population Survey, 2016, 2017, 2018, 2019, 2020 and 2021

4.6 ENTREPRENEURIAL EMPLOYEE ACTIVITY IN QATAR

GEM considers that Entrepreneurial Employee Activity (EEA) accounts for a substantial portion of entrepreneurial activity within innovative-driven economies like Qatar. According to GEM, the entrepreneurial employee, or intrapreneur, is someone who develops new business activities as part of their job. This could involve activities such as creating and launching new products or services, or it could mean establishing a new business entity.

In 2021, 7.9% of the employees in Qatar report to have been involved in developing new activities for their primary employer within the past three years. The level of Entrepreneurial Employee Activity in Qatar has increased from 6.6% in 2020 to 7.9% in 2021, reaching its highest ever recorded rate.

Figure 4.7: Entrepreneurial employee activity (EEA) in Qatar, 2016-2021



Source: Qatar Adult Population Survey, 2016, 2017, 2018, 2019, 2020 and 2021

4.7 ENTREPRENEURIAL AND BUSINESS ACTIVITY ACROSS MENA

In 2021, the highest TEA rates in the MENA region can be found in the high-income economies of Saudi Arabia, UAE and Qatar (see Table 4.1). Qatar is ranked in 14th position overall on the TEA out of the 47 benchmarked countries participating in the 2021 APS. Morocco and Iran report the lowest rates of early-stage entrepreneurship in the region.

In 2021, Qatar reports the highest levels of nascent entrepreneurship of the benchmarked MENA countries and is ranked in 14th position globally. Qatar is also ranked in 14th position globally on the new business ownership rate and is ranked behind Saudi Arabia and the UAE on this indicator.

Consistent with 2020, Iran has the highest rate of businesses that have been operating for more than 42 months in the region and is ranked in 11th position overall. Compared to its neighbouring countries, Qatar performs relatively well on the established business ownership indicator with a rate of 6.1% which ranks the country in the 3rd position within MENA region and in the 25th position on a global level.

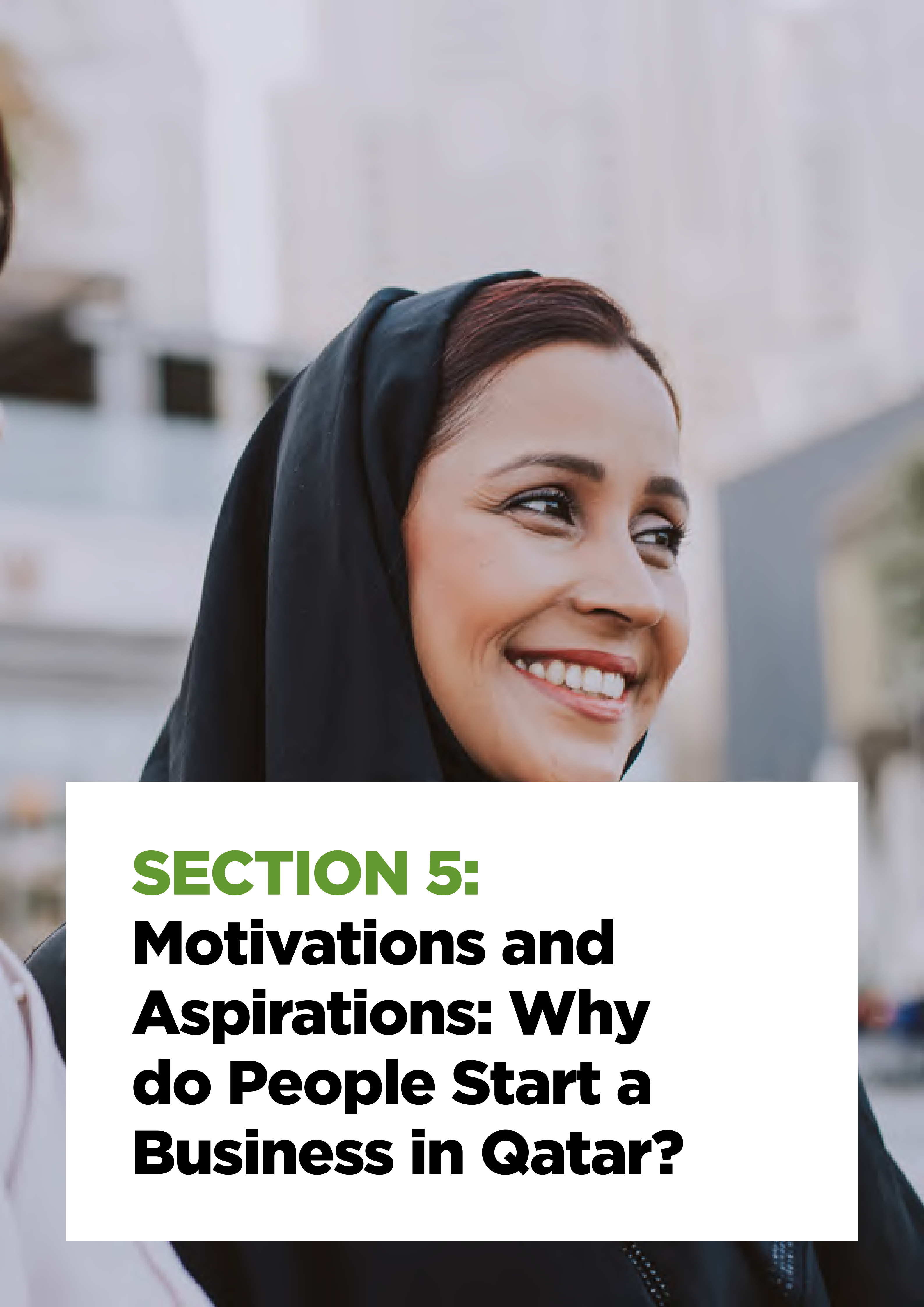
The rate of business discontinuation is high within Oman, Qatar, and Egypt, as all are ranked in the top ten economies overall on the indicator "Discontinuation of businesses". In MENA, Oman holds the first position for the discontinuance of businesses, followed by Qatar in second position and Egypt in third position. Morocco reports the lowest rate of business discontinuation out of the MENA countries participating in the APS (4.2%) and is ranked in 22nd position on this indicator.

In 2021, entrepreneurship among employees of existing organisations is most prevalent in Qatar compared to the 47 countries participating in the APS with a rate of 7.9%. Qatar is ranked in first position on this indicator in the MENA region and globally. The level of Employee Entrepreneurship Activity is lower in Saudi Arabia than most other economies participating in the APS.

Table 4.1: Rates of entrepreneurship activity in MENA countries, 2021

	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/47	Score	Rank/47	Score	Rank/47	Score	Rank/47	Score	Rank/37	Score	Rank/47
Qatar	10.1	14	6.0	14	15.9	14	6.1	25	7.9	1	8.8	7
Egypt	3.9	39	5.4	19	9.2	30	3.6	=40	-		8.7	8
Iran	4.9	34	3.9	28	8.8	32	8.8	11	1.9	=24	4.6	19
Morocco	2.8	44	3.3	35	6.1	42	4.9	31	-		4.2	22
Saudi Arabia	7.9	24	11.8	4	19.6	10	5.3	=27	0.3	=36	5.7	14
Oman	9.1	18	3.7	31	12.7	22	2.8	46	-		10.1	3
UAE	9.4	16	7.6	9	16.5	=12	6.4	=23	7.8	2	6.7	12

Source: GEM Adult Population Survey 2021
An equal sign (=) indicates that the ranking position is tied with another economy or economies
(-) Indicates the country did not include the indicator in the APS 2021



SECTION 5:
Motivations and Aspirations: Why do People Start a Business in Qatar?

GEM considers it is highly important to understand the 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.

Since 2019 and as part of the 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

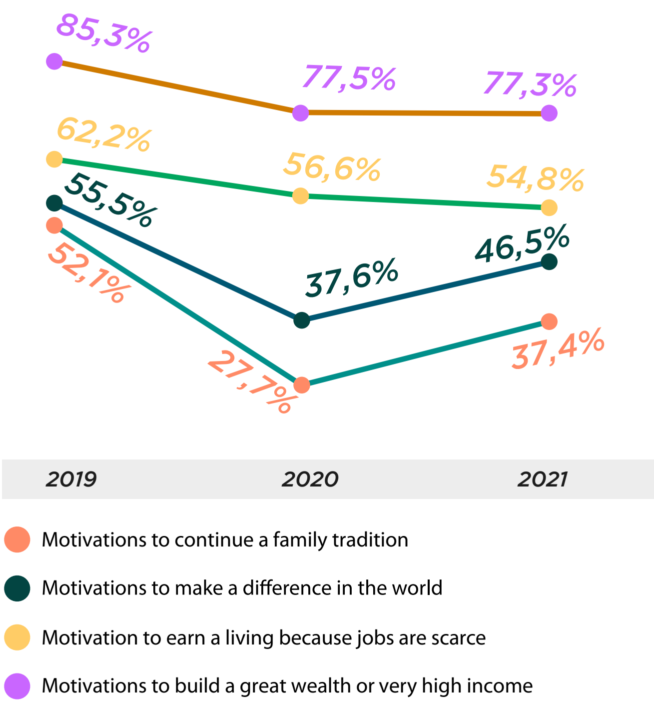
In Qatar, early-stage entrepreneurs are more motivated to start a business to make a difference in the world than entrepreneurs who have an established business. Four in ten adults engaged in TEA (46.5%) agree with the motivational statement “To make a difference in the world” compared to a slightly lower 43.7% of established business entrepreneurs. The proportion of entrepreneurs who are motivated to start a business to make a difference in the world has increased from the previous year, however levels remain lower than in 2019 (see Figures 5.1 and 5.2).

In 2021, the proportion of adults engaged in TEA and EB who agree with the motive “To continue a family tradition” has increased from 2020 (37.4% and 44.3%, respectively).

Three in every four entrepreneurs in Qatar start purpose-driven businesses to build great wealth or a very high income (77.3% of TEA and 78.7% of EB). This motivation continues to hold the highest share of TEA and EB in Qatar.

Over half of early-stage entrepreneurs and established business owners in Qatar agree that they started a business to earn a living because jobs are scarce (54.8% and 53.4%, respectively). The proportion of the established business owners who agree with the motivational statement ‘to earn a living because jobs are scarce’ has significantly increased from 45.0% in 2020 up to 53.4% in 2021 suggesting that the COVID-19 pandemic is a key driver of necessity-driven entrepreneurship.

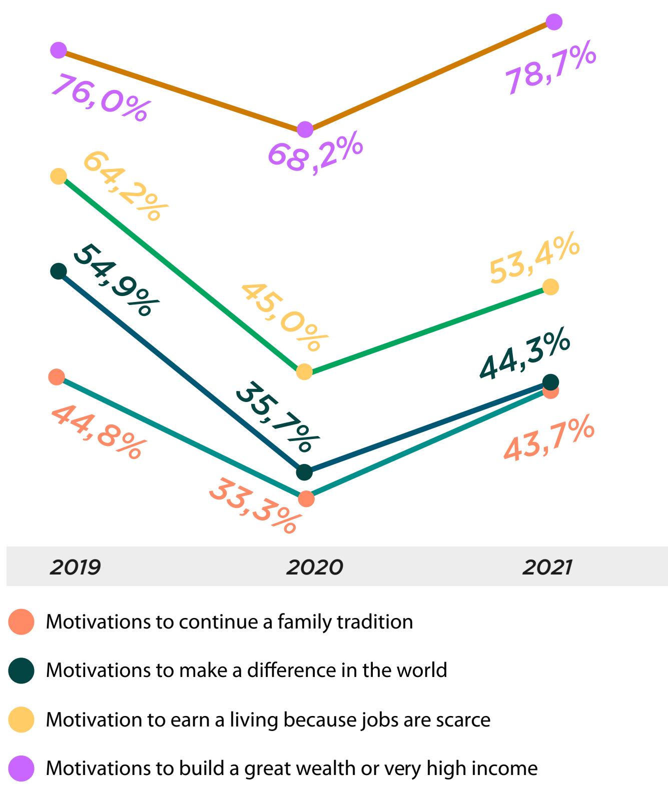
Figure 5.1: Business Services and Consumer Services as % TEA and EB in Qatar, 2019-2021



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: Qatar Adult Population Survey 2019, 2020 and 2021

[2] *Agree includes both “somewhat agree” and “strongly agree”*

Figure 5.2: Motivations and Aspirations of EB in Qatar (somewhat/strongly agree as %), 2019-2021



Note: somewhat agree/strongly agree as % EB 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, 2020 and 2021

5.2 MOTIVATIONS & ASPIRATIONS ACROSS MENA

Table 5.1 shows that the proportion of those engaged in TEA who agree with the motive "To make a difference in the world" varies across MENA countries. Six in ten early-stage entrepreneurs in the UAE, Saudi Arabia and Egypt agree they were motivated to start a business to make a difference in the world, compared to four in ten early-stage entrepreneurs in Qatar and Oman, and one in ten in Morocco. Most early-stage entrepreneurs in Iran (92.9%) start purpose-driven businesses to build great wealth or a very high income. Iran is ranked 1st on this indicator out of all 47 countries participating in the APS, while Qatar is ranked in 9th position.

In 2021, many early-stage entrepreneurs in the MENA region indicate they start a business to earn a living because jobs are scarce. This motivation has the highest share of TEA in Oman, Morocco, Egypt and Saudi Arabia. Responses to the motive "To continue a family tradition" also vary considerably across the MENA region. One in ten early-stage entrepreneurs in Iran, around one in two in Egypt and UAE, and two thirds of TEA in Saudi Arabia agree with this motive (see Table 5.1).

Table 5.1: Motivations and Aspirations of TEA in MENA, 2021

	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/47	Score	Rank/47	Score	Rank/47	Score	Rank/47
Qatar	46.5	23	77.3	9	37.4	15	54.8	33
Egypt	63.4	13	72.4	15	49.5	7	86.9	7
Iran	36.7	35	92.9	1	17.3	40	64.1	26
Morocco	17.6	44	46.5	33	22.3	34	87.1	6
Saudi Arabia	63.7	12	78.6	7	65.5	2	82.8	9
Oman	43.7	25	78.2	8	26.0	24	89.7	4
UAE	66.1	8	78.7	6	49.7	6	68.8	22

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 2021*

SECTION 6:
Impact Characteristics of Entrepreneurship in Qatar

GEM measures the impact entrepreneurs have by introducing innovations into their societies, creating jobs, competing internationally, contributing to the growth of industries and financing businesses.

Job Growth Expectations: How many employees do you currently employ and do you expect to employ over the next five years?

Internationalization: How many businesses anticipate to receive 25% or more of their revenues from outside Qatar?

Innovation: Are any of your products/services or technology/procedures new to the area where you live, new to Qatar, or new to the world?

6.1 JOB GROWTH EXPECTATIONS

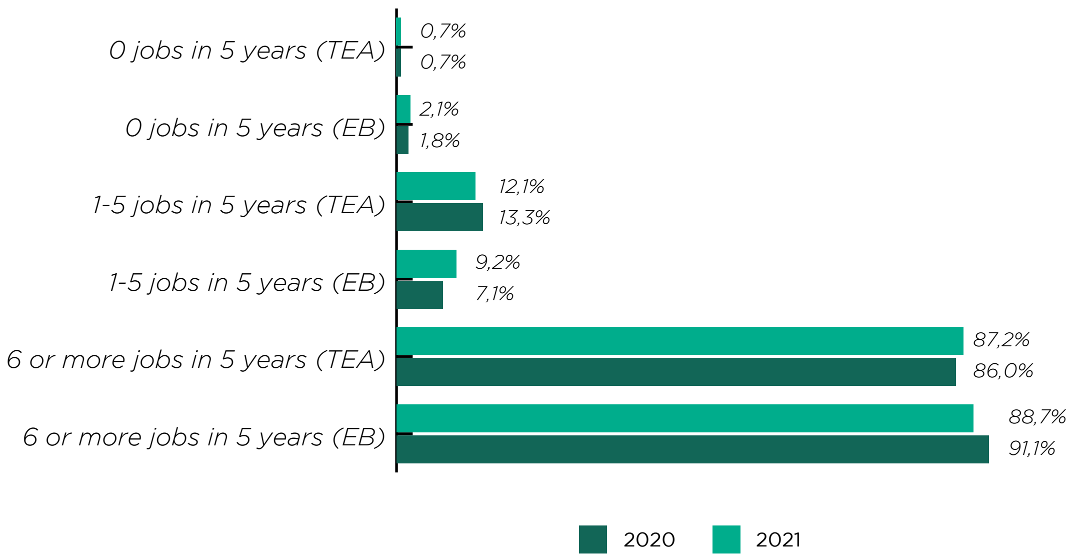
GEM measures job-creation forecasts by asking early-stage entrepreneurs and established business owners how many employees (excluding partners and owners) they currently employ and how many they expect to employ over the next five years. The difference between current and expected employees indicates 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 2021, nascent entrepreneurs employ an average of 1.1 people, and new business owners employ an average of 33.9 people (an increase from 21.8 in 2020) to help operate their business. Established business owners in Qatar employ an average of 93.7 employees, a significant increase from an average of 55.5 employees in 2020.

Consistent with the previous year, the majority of entrepreneurs in Qatar expect to employ six or more people within the next five years (86.0% of TEA and 91.1% of EB). One in ten early-stage entrepreneurs (13.3%) expect to create between one and five jobs in the next five years. This compares to 7.1% of established business owners.

In the MENA region, the UAE, Qatar, and Saudi Arabia report the highest percentage of medium to high-growth-orientated entrepreneurs who anticipate six or more hires within the next five years (77.8%, 68.1% and 46.9%, respectively). Qatar performs above the MENA average on this indicator for TEA.

Figure 6.1: Job growth expectations among early-stage entrepreneurs and established businesses, 2020-2021



Source: *Qatar Adult Population Survey 2020 and 2021*

6.2 INTERNATIONALIZATION

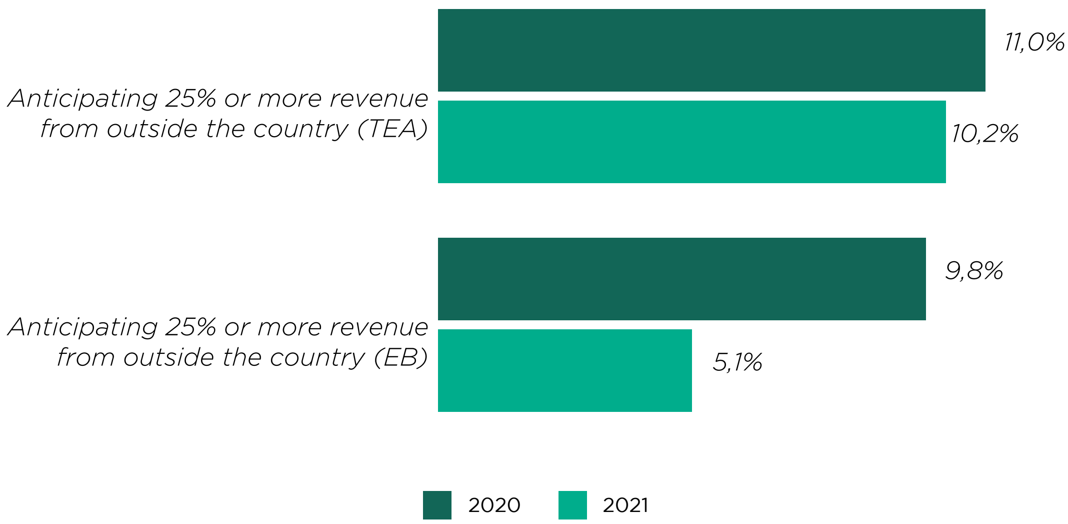
Entrepreneurs are considered to have a strong international orientation by GEM when 25% or more of their sales are from customers outside their economies.

In 2021, most entrepreneurs in Qatar have a domestic orientation in that they expect revenues to come from local customers rather than international customers. Around nine in ten entrepreneurs in Qatar expect to only have local customers. Qatar's entrepreneurs continue to display low levels of international orientation, with 10.2% of early-stage entrepreneurs and 5.1% of established businesses reporting that 25% or more of their revenue is generated from international sales. The proportion of entrepreneurs who anticipate receiving at least a quarter of their revenue from outside of Qatar has decreased since 2020 (see Figure 6.2).

Consistent with the previous year, most entrepreneurs in Qatar have only local or national customers. A quarter of early-stage entrepreneurs (25.6%) have customers outside Qatar, a slight increase compared to 2020 (24.7%). One in five established business owners (21.9%) have customers outside Qatar, a slight decrease since 2020 (24.2%) (see Figure 6.3).

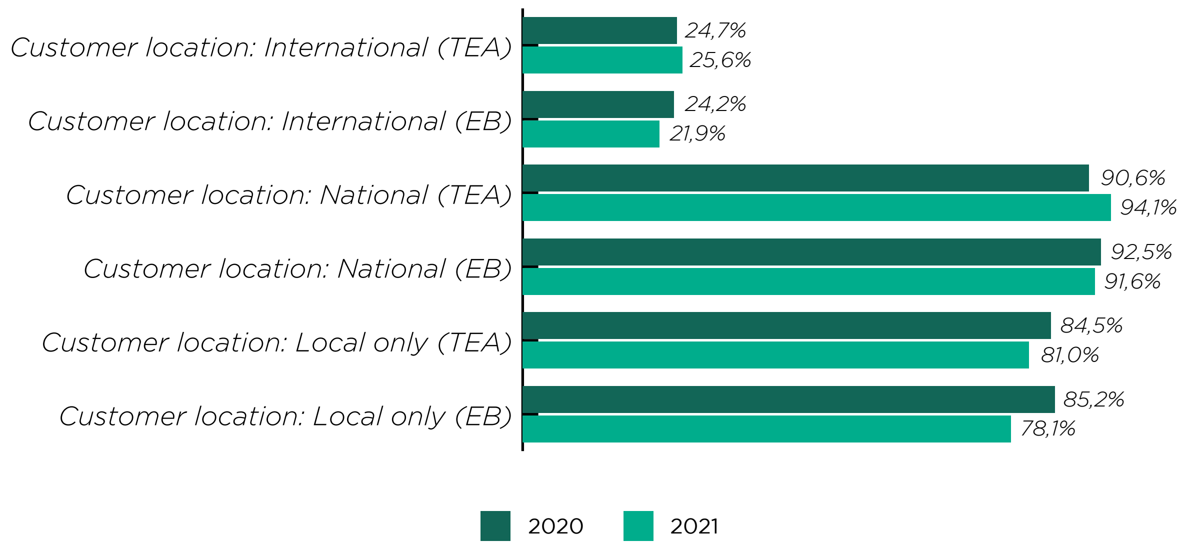
The economies in the MENA region with a high level of international entrepreneurship among early-stage entrepreneurs (25% or more of their sales pipeline is from international customers) are the UAE (27.3%) and Qatar (10.2%). While Qatar has experienced a slight decline in its international orientation, the country performs above the MENA average on this indicator.

Figure 6.2: International Orientation of TEA and EB, 2020-2021



Note: The percentage of early-stage entrepreneurs and established business ownersanticipating 25% or more of revenue from outside their country
Source: Qatar Adult Population Survey 2020 and 2021

Figure 6.3: Business Scope of TEA and EB, 2020-2021

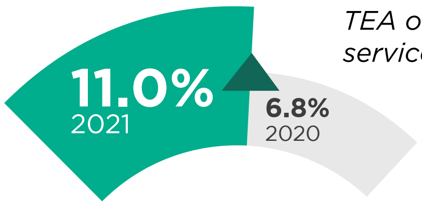


Note: The level of TEA and EB having customers only within their local area, only within their country, and those having international customers (all % adults)
Source: Qatar Adult Population Survey 2020 and 2021

6.3 PRODUCTS OR SERVICES

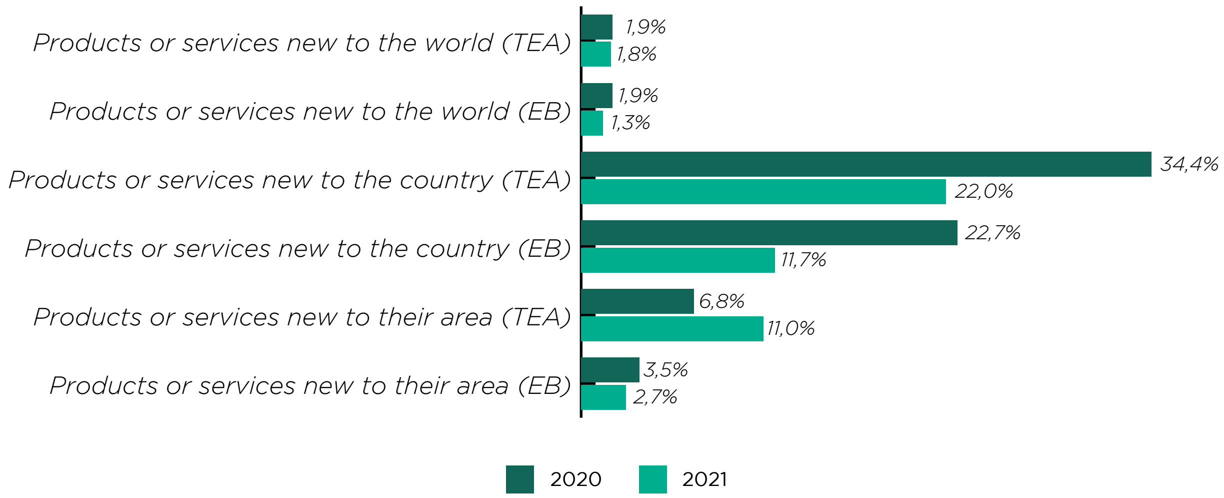
Consistent with 2020, most entrepreneurs (TEA and EB) report to offer products or services that are new to Qatar (22.0% and 11.7% respectively).

The proportion of early-stage entrepreneurs and established business owners in Qatar who report to offer products or services that are new to the country has declined when compared to 2020 results (see Figure 6.4).



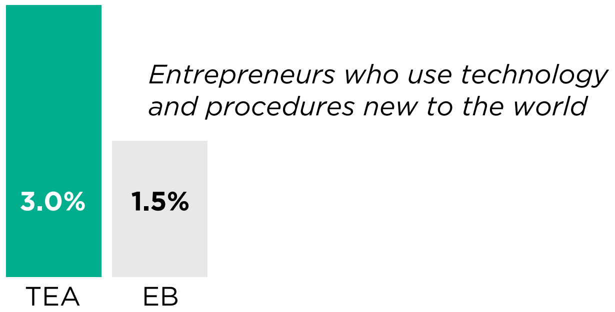
The proportion of early-stage entrepreneurs in Qatar who report that their product or service offering is new to their area has nearly doubled from 6.8% in 2020 to 11.0% in 2021.

Figure 6.4: Products/Services Impact of TEA and EB, 2020-2021



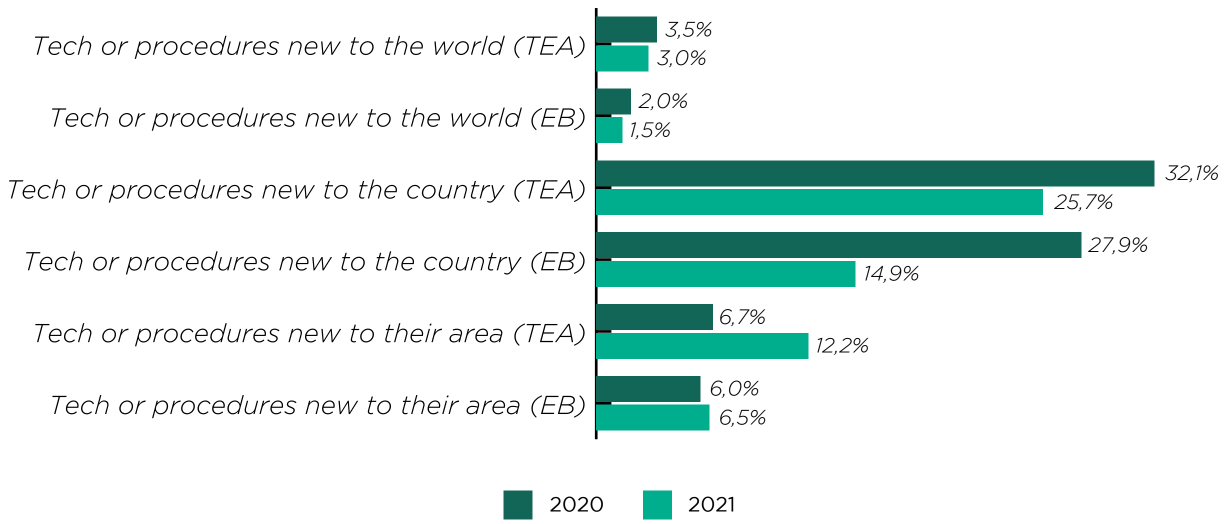
Note: The proportion of adults starting a new business with products or services that are either new to their area, new to their country or new to the world
Source: Qatar Adult Population Survey 2020 and 2021

In 2021, most new and established business owners report to use technology or processes that are new to Qatar, however the level of innovative technologies and procedures to the country has declined from the previous year (see Figure 6.5).



In 2021, the proportion of entrepreneurs who report to use new to the world technology and processes remain low at 3.0% for TEA and 1.5% for EB.

Figure 6.5: Technology/Procedures Impact of TEA and EB, 2020 & 2021



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, 2020 and 2021*

SECTION 7:
Who are Qatar's Entrepreneurs?

7.1 GENDER PROFILE

In 2021, new businesses in Qatar are more likely to be started by men than women (male TEA rate 17.2% and female TEA rate 10.5%). This is a shift from previous years when the level of early-stage entrepreneurship was relatively consistent between males and females and Qatar was one of only a few economies participating in the APS that had equal TEA rates across genders.

Men are also more likely than women in Qatar to be involved in an entrepreneurial employee activity, and to be an established business owner (see Table 7.1). Men in Qatar also report to have a higher business discontinuation rate than women (8.9% and 7.9% respectively).

Whilst the TEA rate is higher among men than women, female adults in Qatar hold a more positive societal attitude towards entrepreneurship than male adults. The largest difference in attitude is observed with 55.6% of women seeing businesses that primarily aim to solve social problems compared to 49.4% of men.

In 2021, men and women in Qatar are relatively similar in terms of their disposition towards entrepreneurship which is evident in the narrow gap between males and females on the Entrepreneurial Talent indicators. However, women are slightly less likely than men to see business opportunities and if they do identify a profitable opportunity, they are less likely than men to act upon it. Men are more likely than women to have a career plan and make decisions according to that plan (see Table 7.1).

Men are more likely than women to believe it is easy to start a business in Qatar (65.2% of males compared to 59.7% of females). Men are also more likely than women to believe they have the capability to start a new business and to personally know an entrepreneur. Women are slightly more likely than men to perceive that within the next six months there will be good opportunities for starting a business in the area where they live and that they expect to start a new business, including any type of self-employment, within the next three years. Women are also more likely than men to state fear of failure as a reason which would prevent them from starting a business. The results indicate the need to build confidence in women, so they believe they have the capability to be entrepreneurs and to help them overcome their fears associated with failure.

Three-quarters of male and female early-stage entrepreneurs in Qatar agree they are motivated to start a new business to build great wealth or a very high income. In 2021, there has been a shift in motivation when compared to the previous year, with more male early-stage entrepreneurs than female early-stage entrepreneurs being motivated to start a new business to make a difference in the world (47.2% and 41.9%, respectively). When comparing genders, male early-stage entrepreneurs in Qatar are more likely to be motivated to start a business because of family tradition), whereas female early-stage entrepreneurs are more likely to be motivated to earn a living because jobs are scarce (see Table 7.1).

Table 7.1: Entrepreneurship characteristics by gender in Qatar, 2021

Societal Values about Entrepreneurship			
Entrepreneurship as a good career choice	79.5%	79.0%	81.5%
High status to successful entrepreneurs	87.7%	87.2%	89.8%
Media attention for entrepreneurship	80.8%	80.0%	83.4%
Similar standard of living	67.9%	67.7%	68.6%
Businesses that primarily aim to solve social problems	50.6%	49.4%	55.6%
Self-Perceptions about Entrepreneurship			
Personally, know an entrepreneur	55.9%	57.2%	50.5%
Perceived opportunities	73.8%	73.5%	75.2%
Perceived ease of starting a business	64.1%	65.2%	59.7%
Perceived capabilities	70.9%	72.9%	62.8%
Fear of failure (% of 18-64 seeing opportunities)	38.2%	37.3%	41.6%
Entrepreneurial intentions	50.4%	48.4%	57.7%
Entrepreneurial Talent			
Rarely see business opportunities	49.0%	48.3%	51.7%
Even when you spot a profitable opportunity, you rarely act on it	53.5%	52.6%	57.5%
Other people think that you are highly innovative	82.7%	81.8%	85.8%
Every decision is part of a career plan	89.0%	89.5%	86.6%
Entrepreneurial Activity			
Nascent entrepreneurship rate	10.1%	10.7%	7.4%
New business ownership rate	6.0%	6.7%	3.2%
Early-stage entrepreneurial activity (TEA)	15.9%	17.2%	10.5%
Entrepreneurial employee activity (EEA)	7.9%	8.6%	4.7%
Established business ownership rate (EB)	6.1%	6.8%	3.0%
Discontinuation of businesses	8.8%	8.9%	7.9%
Motivations and Aspirations of Early-stage Entrepreneurs			
To make a difference in the world	46.5%	47.2%	41.9%
To build great wealth or a very high income	77.3%	77.6%	74.6%
To continue a family tradition	37.4%	39.4%	24.2%
To earn a living because jobs are scarce	54.8%	53.7%	61.9%

Source : Qatar Adult Population Survey 2021

7.2 NATIONALITY PROFILE

Consistent with 2020, new businesses in Qatar are more likely to be started by Qatari nationals than expatriates (Qatari nationals TEA 19.9% and non-Qataris TEA 14.0%). Qatari nationals are also more likely than expatriate residents to own and manage an established business and report a higher business discontinuation rate than non-Qataris (see Table 7.2). However, expatriate residents are more likely than Qatar nationals to be involved in an entrepreneurial employee activity.

In 2021, Qatar nationals are more likely than expatriates to believe entrepreneurship is a good career choice and to personally know an entrepreneur, whereas expatriates are more likely to believe successful entrepreneurs hold a high status in society, that there are often stories in the public media about successful businesses, and that they often seen businesses that primarily aim to solve social problems (57.9% and 35.1%, respectively).

Expatriate residents are more likely than Qatari nationals to believe that others think they are highly innovative and to have a career plan and to make decisions according to that plan. They are however less likely than Qatari nationals to see business opportunities in the area where they live and to act on a profitable opportunity when they spot one (see Table 7.2).

Also similar to the 2020 results, the rate of entrepreneurial intentions and the rate of fear of failure are higher amongst nationals when compared to the rates for expatriates.

However, in 2021, the rate of perceived opportunities and the rate of perceived ease of starting a business are higher for expatriates than for Qataris. Expatriates are also more likely than Qataris to feel they have the capabilities to start a business. Expatriates are slightly more likely than Qatari nationals to believe it is easy to start a business in Qatar (64.6% of expatriates compared to 63.1% of Qataris). Expatriates are also more likely than Qatari nationals to believe they have the capability to start a new business and to perceive that within the next six months there will be good opportunities for starting a business in the area where they live. Entrepreneurial intentions are relatively consistent between Qatari nationals and expatriates with one in two expecting to start a new business within the next three years. Qatari nationals are more likely than expatriates to state fear of failure as a reason which would prevent them from starting a business.

Qatari early-stage entrepreneurs are more motivated than expatriates to start a business to build great wealth or a very high income (81.3% and 74.8%, respectively). Expatriate entrepreneurs are more likely than nationals to be motivated to start a business to make a difference in the world, to continue a family tradition, and to earn a living because jobs are scarce.

Table 7.2: Entrepreneurship characteristics by nationality in Qatar, 2021

Societal Values about Entrepreneurship			
Entrepreneurship as a good career choice	79.5%	80.5%	78.9%
High status to successful entrepreneurs	87.7%	84.4%	89.2%
Media attention for entrepreneurship	80.8%	79.7%	81.2%
Similar standard of living	67.9%	72.7%	65.6%
Businesses that primarily aim to solve social problems	50.6%	35.1%	57.9%
Self-Perceptions about Entrepreneurship			
Personally, know an entrepreneur	55.9%	64.6%	51.7%
Perceived opportunities	73.8%	70.2%	75.5%
Perceived ease of starting a business	64.1%	63.1%	64.6%
Perceived capabilities	70.9%	66.0%	73.1%
Fear of failure (% of 18-64 seeing opportunities)	38.2%	40.4%	37.2%
Entrepreneurial intentions	50.4%	51.2%	50.0%
Entrepreneurial Talent			
Rarely see business opportunities	49.0%	43.2%	51.6%
Even when you spot a profitable opportunity, you rarely act on it	53.5%	49.7%	55.2%
Other people think that you are highly innovative	82.7%	77.8%	84.7%
Every decision is part of a career plan	89.0%	85.5%	90.5%
Entrepreneurial Activity			
Nascent entrepreneurship rate	10.1%	12.0%	9.1%
New business ownership rate	6.0%	8.2%	5.0%
Early-stage entrepreneurial activity (TEA)	15.9%	19.9%	14.0%
Entrepreneurial employee activity (EEA)	7.9%	6.7%	8.4%
Established business ownership rate (EB)	6.1%	8.4%	5.0%
Discontinuation of businesses	8.8%	13.8%	6.4%
Motivations and Aspirations of Early-stage Entrepreneurs			
To make a difference in the world	46.5%	43.4%	48.6%
To build great wealth or a very high income	77.3%	81.3%	74.8%
To continue a family tradition	37.4%	32.1%	41.0%
To earn a living because jobs are scarce	54.8%	45.8%	60.7%

Source : Qatar Adult Population Survey 2021

7.3 AGE PROFILE

Consistent with the previous years, the TEA rate in Qatar is highest among the 25 and 34 years old (17.2%). In Qatar, the second-highest entrepreneurship rate occurs among those in late careers or retirement, aged between 55 and 64 years old (16.0%). The lowest TEA rate is observed for the younger adults aged between 18 and 24 years old (12.2%).

12.2%
Lowest TEA rate
18 - 24

17.2%
Highest TEA rate.
25 - 34

16.0%
Second-highest entrepreneurship rate occurs among those in late careers or retirement
55 - 64

Overall, older adults hold a more positive attitude towards entrepreneurship in Qatar and adults aged 45 years old and above are more likely than younger adults to think it is easy to start a business in Qatar. Adults aged between 55 and 64 years old are least likely to fear failure (16.7%). However, entrepreneurial intentions and entrepreneurial affiliations are higher among the younger age groups of 18 and 24 years old and 25 and 34 years old (see Table 7.3). Adults aged between 55 and 64 years are less likely to state that they rarely see business opportunities, whereas younger adults aged between 18 and 24 years are the most likely to claim that they rarely act on business opportunities even when they spot a profitable opportunity. Adults aged between 18 and 34 years old are most likely to think others see them as highly innovative while they are also the least likely to make decisions as part of their career plan.

18 - 24
more likely to be motivated to start a new business to build great wealth or a very high income

Early-stage entrepreneurs aged between 18 and 24 are more likely to be motivated to start a new business to build great wealth or a very high income, whereas older adults aged 55 years and older are more likely to want to earn a living because jobs are scarce.

Table 7.3: Entrepreneurship characteristics by age in Qatar, 2021

Societal Values about Entrepreneurship		18-24	25-34	35-44	45-54	55-64
Entrepreneurship as a good career choice	79.5%	81.3%	77.5%	80.1%	83.7%	75.5%
High status to successful entrepreneurs	87.7%	85.4%	87.4%	88.1%	89.8%	90.0%
Media attention for entrepreneurship	80.8%	76.7%	80.0%	82.7%	81.4%	88.4%
Similar standard of living	67.9%	68.9%	66.1%	67.6%	72.4%	70.9%
Businesses that primarily aim to solve social problems	50.6%	56.8%	49.6%	51.5%	42.2%	57.9%
Self-Perceptions about Entrepreneurship						
Personally, know an entrepreneur	55.9%	57.4%	57.1%	56.0%	53.1%	47.7%
Perceived opportunities	73.8%	71.8%	75.2%	73.3%	73.0%	72.2%
Perceived ease of starting a business	64.1%	65.7%	60.1%	65.0%	71.1%	71.4%
Perceived capabilities	70.9%	60.8%	71.8%	74.4%	72.5%	67.2%
Fear of failure (% of 18-64 seeing opportunities)	38.2%	35.0%	40.3%	39.5%	38.7%	16.7%
Entrepreneurial intentions	50.4%	51.4%	51.4%	49.9%	48.4%	44.3%
Entrepreneurial Talent						
Rarely see business opportunities	49.0%	47.4%	48.3%	50.8%	49.6%	46.7%
Even when you spot a profitable opportunity, you rarely act on it	53.5%	57.8%	51.2%	55.5%	54.0%	48.2%
Other people think that you are highly innovative	82.7%	83.0%	83.0%	83.1%	81.8%	78.0%
Every decision is part of a career plan	89.0%	83.9%	88.5%	91.0%	90.6%	93.3%
Entrepreneurial Activity						
Nascent entrepreneurship rate	10.1%	9.0%	11.2%	9.8%	7.5%	11.5%
New business ownership rate	6.0%	3.4%	6.3%	6.5%	8.0%	4.6%
Early-stage entrepreneurial activity (TEA)	15.9%	12.2%	17.2%	15.9%	15.5%	16.0%
Entrepreneurial employee activity (EEA)	7.9%	2.5%	6.6%	11.8%	10.1%	7.6%
Established business ownership rate	6.1%	2.3%	4.8%	7.6%	9.8%	10.7%
Discontinuation of businesses	8.8%	7.2%	9.5%	8.3%	9.6%	7.6%
Motivations and Aspirations of Early-stage Entrepreneurs						
To make a difference in the world	46.5%	50.0%	46.3%	49.2%	40.0%	44.4%
To build great wealth or a very high income	77.3%	89.1%	76.7%	77.3%	76.7%	52.4%
To continue a family tradition	37.4%	47.3%	35.0%	42.4%	28.8%	30.0%
To earn a living because jobs are scarce	54.8%	68.5%	51.4%	53.5%	56.7%	57.1%

Source : Qatar Adult Population Survey 2021

7.4 EDUCATION PROFILE

In Qatar, most of the early-stage entrepreneurs have a university education with a master's degree and/or PhD (20.1%). Established business ownership and employee entrepreneurial activity also continue to be highest among the most educated segment. Perceived capabilities and affiliation with entrepreneurs are also highest among those who hold a master's degree and/or PhD. Adults who are educated up to high school level are most likely to perceive opportunities and to believe it is easy to start a business in Qatar. Entrepreneurial intentions are also higher among those who are educated up to high school level (55.9%).

Adults who are educated up to high school level are least likely to claim that they rarely see business opportunities and to state that they rarely act on it even when they spot a profitable opportunity. Those who are university qualified are most likely to believe that other people think they are highly innovative. The higher the education qualifications achieved, the more likely the person is to base every decision they make as part of their career plan (see Table 7.4).

Early-stage entrepreneurs who have achieved up to high school level are most motivated to start a business to build great wealth or a very high income, whereas early-stage entrepreneurs who have obtained a higher education are more likely to be motivated to make a change in the world.

Table 7.4: Entrepreneurship activity by education level, 2021

	Qatar	UP TO HIGH SCHOOL	COMMUNITY COLLEGE/	UNIVERSITY GRADUATE	MASTERS and PhD.
Societal Values about Entrepreneurship					
Entrepreneurship as a good career choice	79.5%	86.9%	81.4%	77.2%	71.5%
High status to successful entrepreneurs	87.7%	88.9%	88.2%	87.9%	82.6%
Media attention for entrepreneurship	80.8%	83.4%	81.5%	79.8%	77.8%
Similar standard of living	67.9%	77.1%	68.1%	65.8%	55.9%
Businesses that primarily aim to solve social problems	50.6%	55.4%	57.1%	48.8%	41.4%
Self-Perceptions about Entrepreneurship					
Personally, know an entrepreneur	55.9%	47.7%	53.6%	59.8%	58.7%
Perceived opportunities	73.8%	76.8%	71.4%	72.8%	75.6%
Perceived ease of starting a business	64.1%	67.9%	64.4%	62.5%	61.2%
Perceived capabilities	70.9%	63.9%	66.3%	73.2%	81.3%
Fear of failure (% 18-64 seeing opportunities)	38.2%	42.8%	35.9%	36.5%	35.8%
Entrepreneurial intentions	50.4%	55.9%	46.6%	49.9%	43.8%
Entrepreneurial Talent					
Rarely see business opportunities	49.0%	46.3%	51.0%	50.1%	48.5%
Even when you spot a profitable opportunity, you rarely act on it	53.5%	51.7%	56.8%	53.4%	55.8%
Other people think that you are highly innovative	82.7%	79.7%	79.3%	83.8%	88.6%
Every decision is part of a career plan	89.0%	86.6%	88.3%	89.9%	91.8%
Entrepreneurial Activity					
Nascent entrepreneurship rate	10.1%	7.8%	7.4%	11.3%	12.9%
New business ownership rate	6.0%	5.1%	4.0%	6.7%	7.4%
Early-stage entrepreneurial activity (TEA)	15.9%	12.8%	10.9%	17.8%	20.1%
Entrepreneurial employee activity (EEA)	7.9%	3.4%	5.9%	8.9%	16.2%
Established business ownership rate	6.1%	4.8%	5.1%	6.8%	7.1%
Discontinuation of businesses	8.8%	6.3%	6.7%	11.1%	6.1%
Motivations and Aspirations of Early-stage Entrepreneurs					
To make a difference in the world	46.5%	46.7%	58.5%	43.8%	50.0%
To build great wealth or a very high income	77.3%	86.3%	75.6%	75.1%	75.8%
To continue a family tradition	37.4%	52.1%	53.7%	31.0%	33.3%
To earn a living because jobs are scarce	54.8%	64.2%	70.7%	51.8%	46.0%

Source : Qatar Adult Population Survey 2021

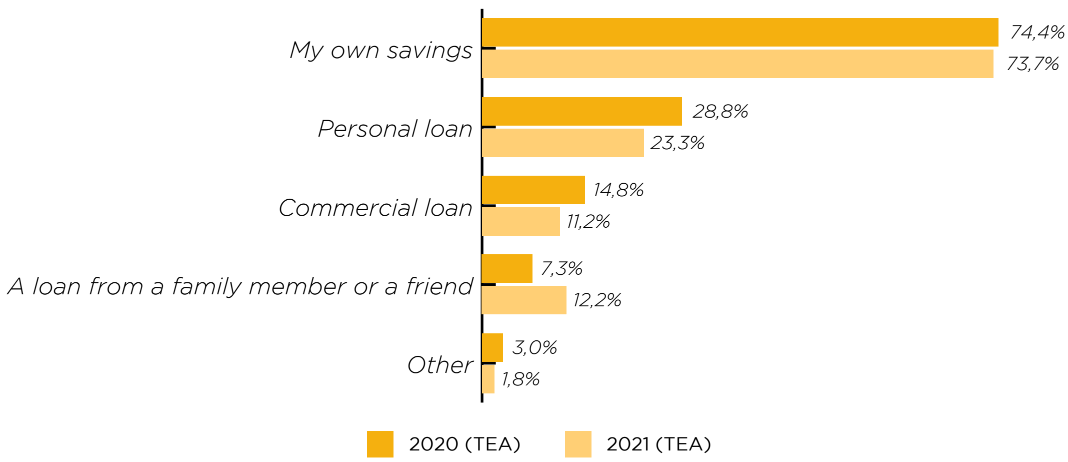
SECTION 8:
Investment

8.1 FINANCING OF BUSINESS

In 2021, three quarters of the early-stage entrepreneurs and two thirds of established business owners use their own personal savings to finance their businesses. The proportion of entrepreneurs who finance their business using their own savings has declined compared to the previous year. There has also been a decline in the proportion of entrepreneurs who rely on personal loans to finance their business in comparison to the previous year (see Figures 8.1 and 8.2).

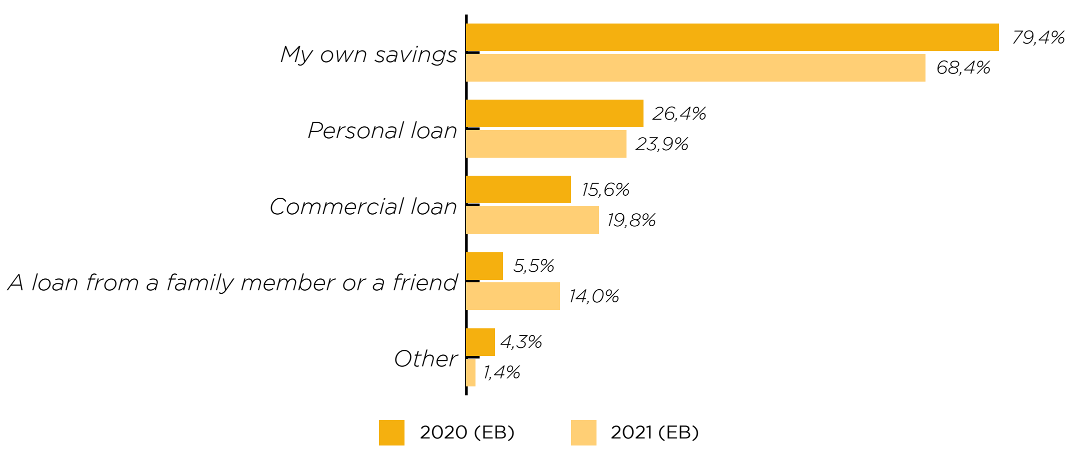
One in ten early-stage entrepreneurs rely on commercial loans to finance their business compared to two in ten established business owners. The reliance on commercial loans to fund businesses has increased among the established business owners compared to the previous year, from 15.6% in 2020 up to 19.8% in 2021. The proportion of entrepreneurs who finance their business using a loan from a family member or a friend has also increased in 2021 (from 7.3% in 2020 up to 12.2% in 2021 for TEA, and from 5.5% in 2020 up to 14.0% in 2021 for EB).

Figure 8.1: Financing of businesses of TEA in Qatar, 2020 & 2021



Source : Qatar Adult Population Survey 2020 and 2021

Figure 8.2: Financing of businesses of EB in Qatar, 2020-2021



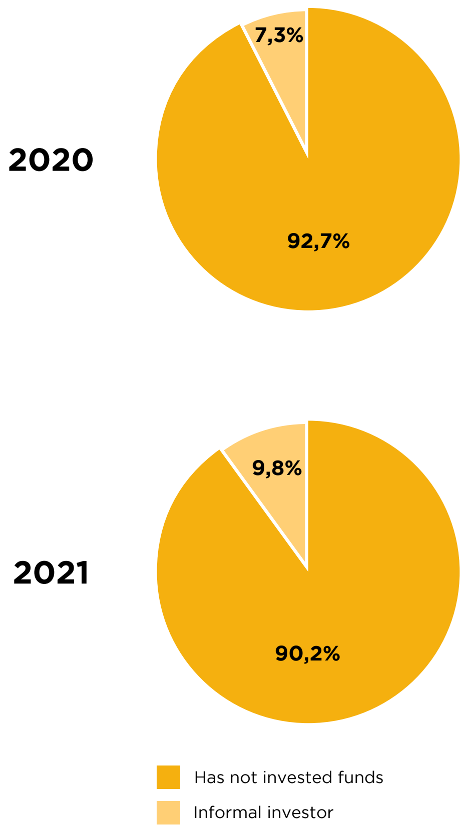
Source : Qatar Adult Population Survey 2020 and 2021

8.2 INFORMAL INVESTMENT ACTIVITY

GEM defines "informal" investment as the provision of funds to entrepreneurs by family, relatives, friends, work colleagues, neighbours, strangers, or via any other informal financing channel. The APS measures this form of investment as 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.

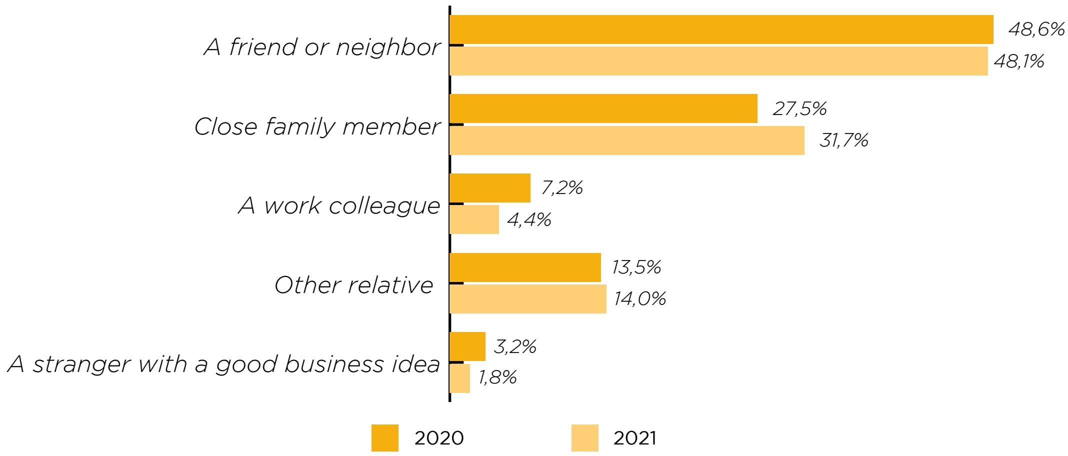
In 2021, one in ten of the adult population in Qatar are informal investors, meaning they have personally provided funds, excluding any purchases of stocks or mutual funds, for a new business started by someone else in the past three years. The proportion of adults who are informal investors has increased from 7.3% in 2020 up to 9.8% in 2021 (see Figure 8.3). The average amount of investment is $132,323.38, a substantial increase from $19,225.95 reported in 2020. Consistent with 2020, the most frequent type of relationship between informal investors and beneficiaries is "a friend or neighbour" or "close family member" (see Figure 8.4).

Figure 8.3: Informal investment activity in Qatar, 2020-2021



Source: Qatar Adult Population Survey 2020 and 2021

Figure 8.4: Relationship of the person that received most recent personal investment , 2020 & 2021



Source : Qatar Adult Population Survey 2020 and 2021

SECTION 9:
Impact of COVID-19 on businesses in Qatar

Since 2020, GEM measures the impact of the coronavirus pandemic on entrepreneurial businesses in Qatar. This section of the report presents the positive and negative impacts of COVID-19 on business start-ups, commercial operations, and expectations. The section covers a key set of questions, including the following:

- **Compared to the previous year, has starting a business become more difficult?**
- **Have expectations for business growth been affected by Covid-19?**
- **Has the coronavirus pandemic provided new opportunities?**
- **Has the Qatar government responded effectively to the economic consequences of the pandemic?**

In 2021, GEM introduced the following new indicators:

- **Has your business resorted more to online selling and related digital technologies due to the coronavirus pandemic?**
- **Do you expect your business will use more digital technologies to sell your product or service in the next six months?**

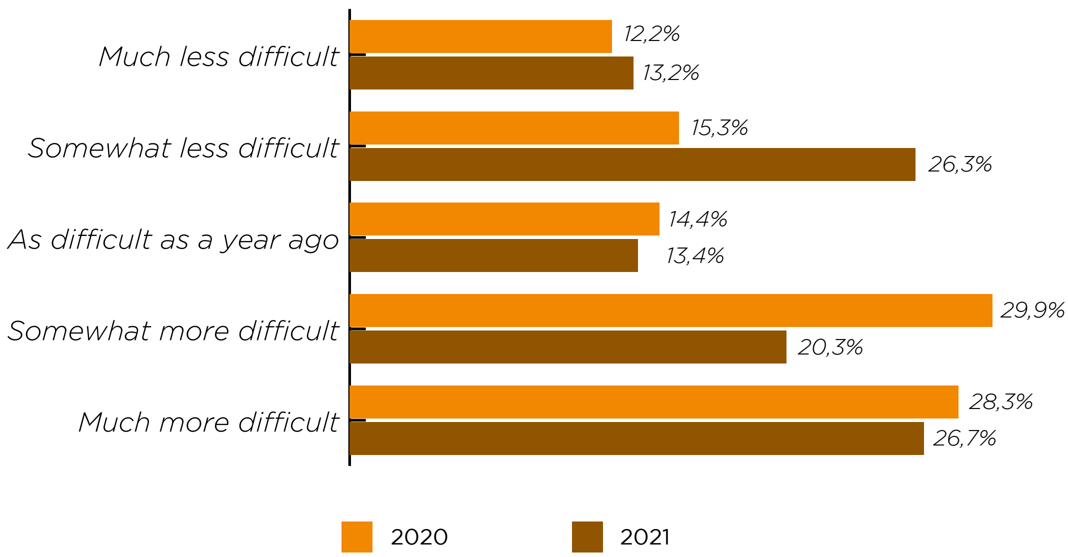
This section covers the results for those indicators, and it also reviews the impact of COVID-19 on household income.

9.1 IMPACT OF COVID-19 ON BUSINESS OPERATIONS AND GROWTH

Figure 9.1 shows how difficult early-stage entrepreneurs believe it is to start a business compared to the previous year. Four in ten early-stage entrepreneurs (47.0%) feel it is either 'somewhat' or 'much' more difficult to start a business (decline from 58.2% in 2020). Over a third of early-stage entrepreneurs (39.5%) hold a different opinion and feel it is either 'somewhat' or 'much' less difficult to start a business in Qatar due to COVID-19 (increase from 27.5% in 2020).

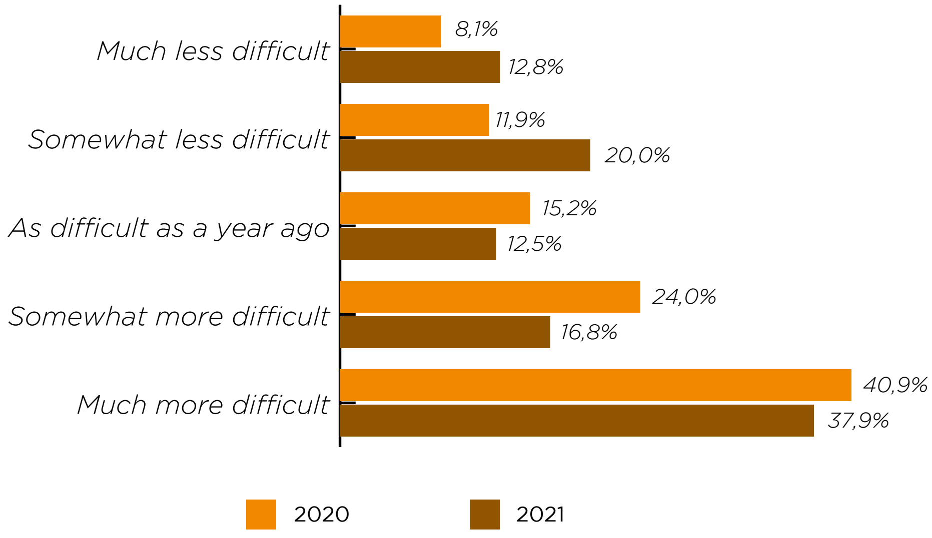
Figure 9.2 shows how difficult established business owners believe it is to start a business compared to the previous year. One in two established business owners in Qatar (54.7%) feel it is either 'somewhat 'or 'much' more difficult to start a business now when compared to before the pandemic (decline from 64.9% in 2020), and a third (32.8%) feel it is less difficult now (increase from 20.0% in 2020).

Figure 9.1: Difficulty in starting a business of TEA in Qatar due to COVID-19, 2020-2021



Source : Qatar Adult Population Survey 2020 and 2021

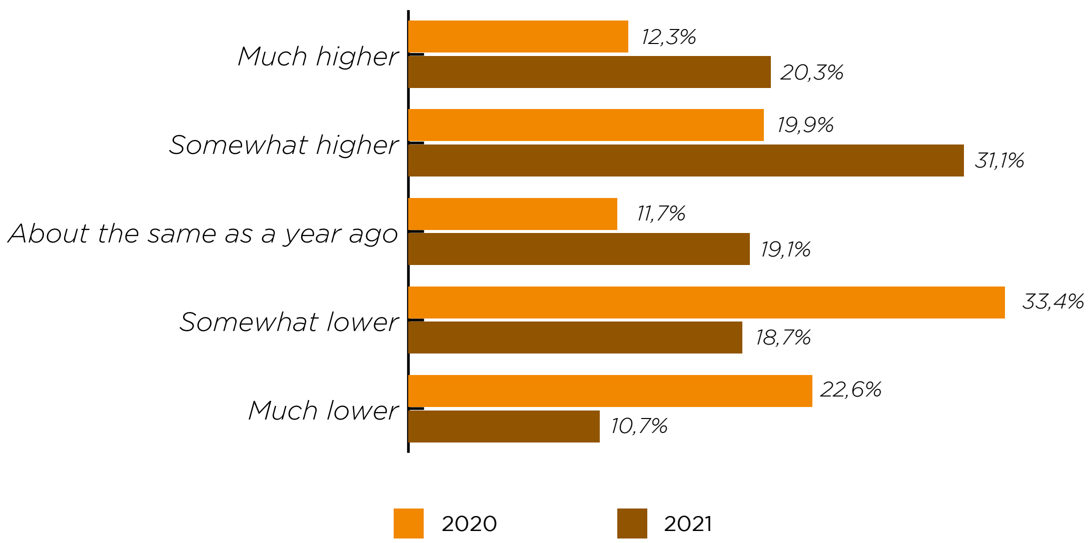
Figure 9.2: Difficulty in starting a business of EB in Qatar due to COVID-19, 2020 & 2021



Source : Qatar Adult Population Survey 2020 and 2021

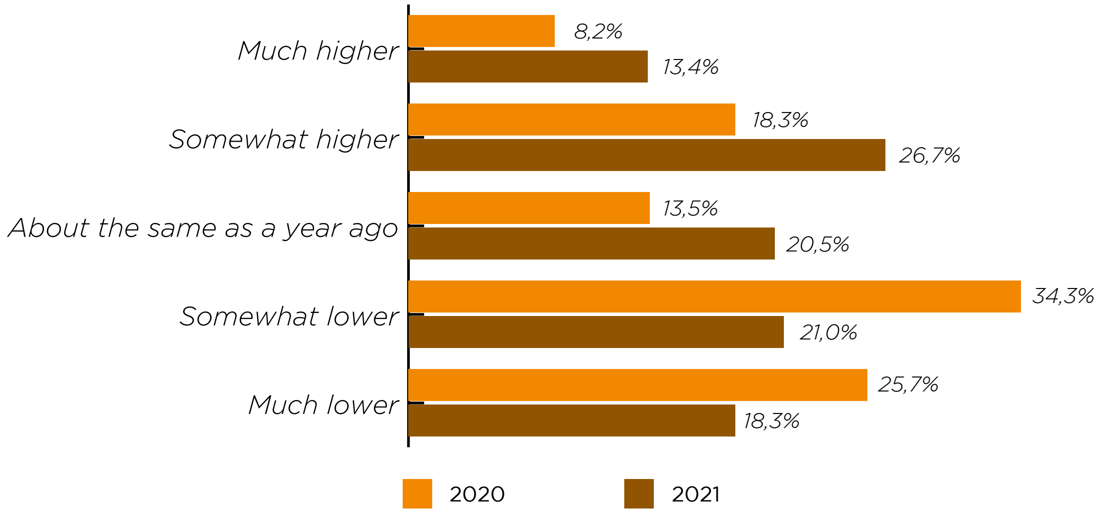
In 2021, most entrepreneurs in Qatar have higher expectations for business growth compared to the previous year. Half of early-stage entrepreneurs (51.4%) and four in ten established business owners (40.1%) have either a 'somewhat' or 'much' higher expectation for their business growth (incline from 33.2% and 26.5%, respectively, compared to the previous year). The proportions of early-stage entrepreneurs and established business owners who report to have either 'somewhat' or 'much' lower expectations regarding their business growth declined considerably compared to 2020 (see Figures 9.3 and 9.4). This is a positive indication that businesses in Qatar are being to adapt to a post-coronavirus economy.

Figure 9.3: Expectations of business growth of TEA in Qatar, 2020-2021



Source : Qatar Adult Population Survey 2020 and 2021

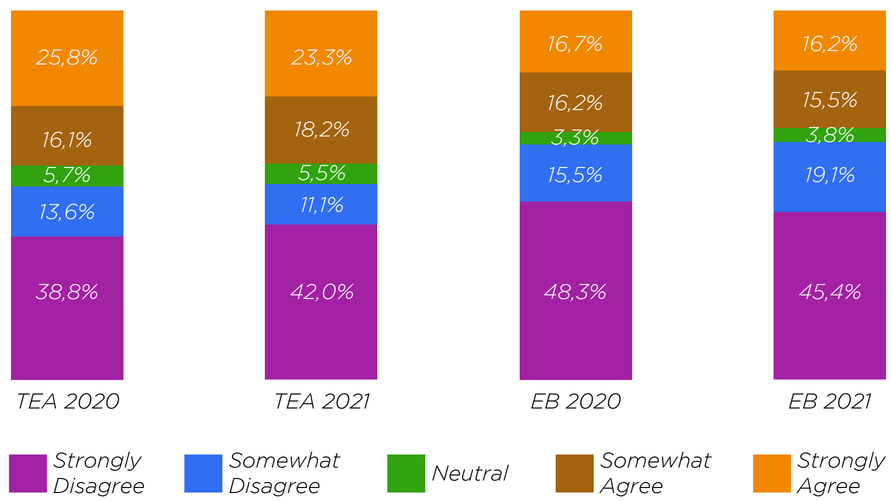
Figure 9.4: Expectation of business growth of EB in Qatar, 2020-2021



Source : Qatar Adult Population Survey 2020 and 2021

Figure 9.5 shows the extent to which early-stage entrepreneurs and established business owners agree or disagree that they see new business opportunities emerging from the consequences of the pandemic. Four in ten early-stage entrepreneurs (41.5%) and three in ten established business owners (31.7%) agree that the coronavirus pandemic has provided new opportunities that they would like to pursue with their business (a slight decline from 41.9% and 32.9%, respectively, from the previous year).

Figure 9.5: Impact of COVID-19 on new business opportunities in Qatar (% TEA and EB), 2020-2021



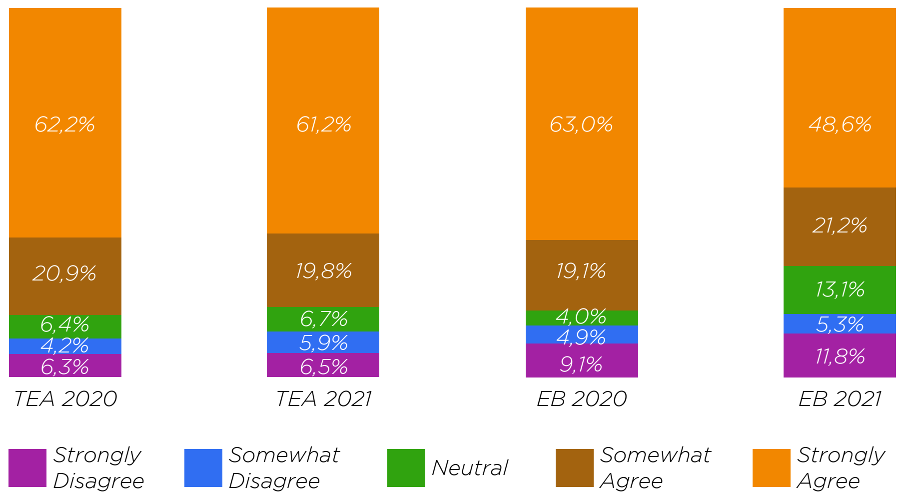
Source : Qatar Adult Population Survey 2020 and 2021

Figure 9.6 shows the extent to which early-stage entrepreneurs and established business owners agree or disagree that the Qatar government has effectively responded to the economic consequences of the coronavirus pandemic.

In 2021, eight in ten early-stage entrepreneurs (81.0%) and seven in ten established business owners (69.8%) either 'somewhat agree' or 'strongly agree' that the Qatar government has responded appropriately (an increase from 83.1% for TEA and 82.1% for EB in 2020).

One in ten entrepreneurs disagree with the statement indicating that they feel the government could have done more to reduce the impact of the coronavirus on the economy.

Figure 9.6: Government response to the economic consequences of COVID-19 in Qatar (% TEA and EB), 2020-2021



Source : Qatar Adult Population Survey 2020 and 2021

9.2 IMPACT OF COVID-19 ON NEW BUSINESS OPERATIONS AND GROWTH ACROSS MENA

Table 9.1 shows the proportion of early-stage entrepreneurs across MENA who state that starting a business is much more difficult than a year ago. Iran has the largest proportion of early-stage entrepreneurs who have found it increasingly difficult to start a business since the coronavirus pandemic (89.3% and ranked 1st overall). In comparison, Saudi Arabia records the lowest proportion of TEA on this indicator (25.0%). Iran also records the largest proportion of early-stage entrepreneurs who have the lowest expectations regarding business growth in MENA – 62.3% expect their business growth to be 'much lower'. In comparison, almost three in ten early-stage entrepreneurs in Qatar (29.4%) have low expectations regarding the growth of their business which positions Qatar in the 5th position compared to the other participating MENA countries.

Table 9.1 also shows the proportion of early-stage entrepreneurs across MENA who either 'somewhat agree' or 'strongly agree' that COVID-19 has provided new opportunities that they want to pursue with their business. The early-stage entrepreneur population in the UAE are the most likely of the MENA benchmarked countries to agree that COVID-19 has provided new opportunities that they want to pursue with their business (59.9%). This compares to 41.5% of early-stage entrepreneurs in Qatar (4th position in MENA).

In 2021, early-stage entrepreneurs in the UAE and Qatar are the most positive about the actions taken by their government in responding to the economic consequences of COVID-19. The countries are ranked in the top three positions overall on this indicator (1st position for the UAE and 2nd position for Qatar). Iran is ranked the lowest on this indicator at the 42nd position globally.

Table 9.1: Impact of COVID-19 on new business operations and growth in MENA, 2021

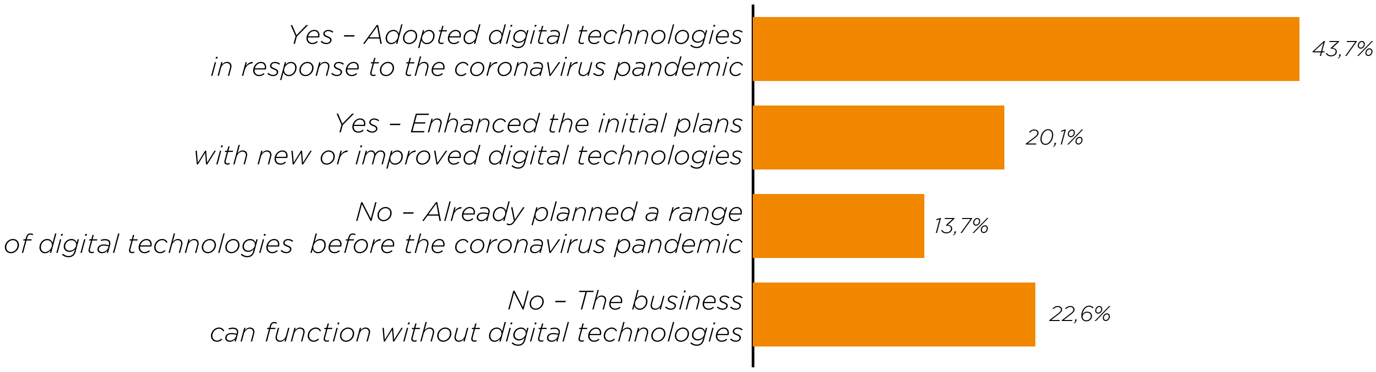
	Starting a business is much more difficult (% TEA)		Expectations for business growth are much lower (%TEA)		COVID-19 provided new opportunities that you want to pursue with this business (% TEA somewhat agree & strongly agree)		Government has so far effectively responded to the economic consequences of COVID-19 (% TEA somewhat agree & strongly agree)	
	Score	Rank/47	Score	Rank/47	Score	Rank/47	Score	Rank/42
Qatar	47.1	22	29.4	29	41.5	25	81.0	2
Egypt	40.7	30	48.1	10	43.5	23	-	
Iran	89.3	1	62.3	6	34.0	34	3.4	42
Morocco	52.0	17	48.6	9	26.3	43	38.5	18
Saudi Arabia	25.0	42	27.1	31	50.3	14	-	
Oman	37.2	33	37.2	16	37.4	30	-	
UAE	32.2	38	27.4	30	59.9	5	85.7	1

Source: GEM Adult Population Survey 2021
(-) Indicates the country did not include the indicator in the APS 2021

9.3 USAGE OF DIGITAL TECHNOLOGIES IN RESPONSE TO THE COVID-19 PANDEMIC

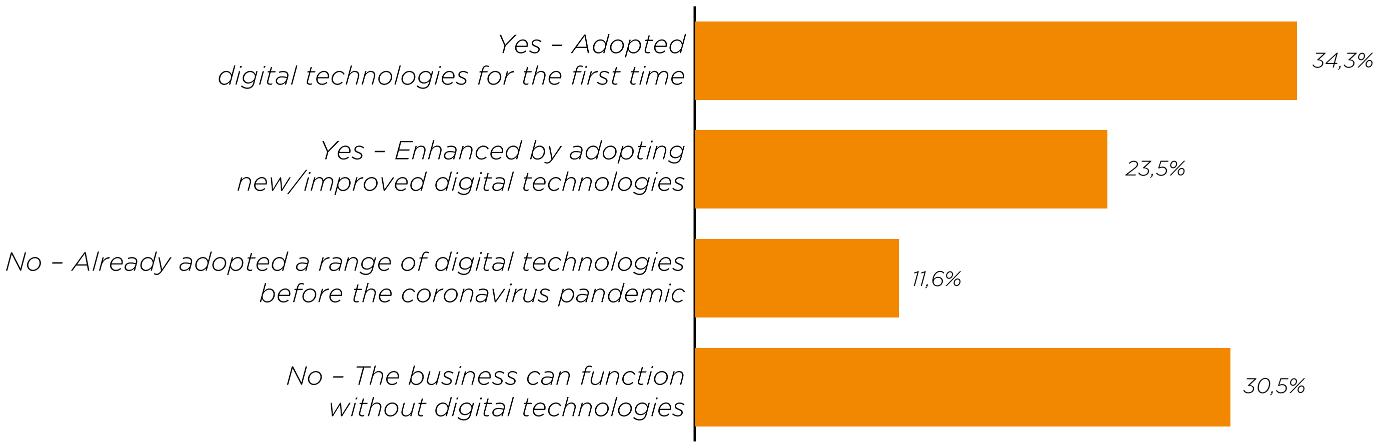
In 2021, GEM measures whether businesses made any changes in their use of digital technologies for selling their products or services. Four in ten early-stage entrepreneurs (43.7%) and a third of the established business owners (34.3%) have adopted digital technologies in response to the coronavirus pandemic. Two in ten entrepreneurs have enhanced their initial plans with new or improved digital technologies (20.1% for TEA and 23.5% for EB) while one in ten early-stage entrepreneurs and established business owners report to have planned a range of digital technologies prior to the coronavirus pandemic (13.7% and 11.6%, respectively). Two in ten early-stage entrepreneurs (22.6%) and three in ten established business owners (30.5%) report to have not made any changes in their use of digital technologies and that their business can function without it (see Figure 9.7).

Figure 9.7: Usage of digital technologies for selling products and services (% of TEA), 2021



Source: GEM Adult Population Survey 2021

Figure 9.8: Usage of digital technologies for selling products and services (% of EB), 2021



Source: GEM Adult Population Survey 2021

9.4 USAGE OF DIGITAL TECHNOLOGIES IN RESPONSE TO THE COVID-19 PANDEMIC ACROSS MENA

Table 9.2 shows the proportion of early-stage entrepreneurs and established business owners across MENA countries who use digital technologies for selling products/services due to the coronavirus pandemic. Qatar records the highest score in the MENA region for the proportion of TEA who adopted digital technologies for the first time for selling their products and services amidst the coronavirus pandemic, followed by the UAE and Saudi Arabia. Qatar is ranked in 3rd position overall out of all 47 countries participating in the APS for the proportion of TEA who adopted digital technologies for the first time for selling their products and services amidst the coronavirus pandemic. The countries recording the highest proportions of early-stage entrepreneurs in MENA who have enhanced their digital technologies for selling their products and services due to the pandemic are the UAE, Iran, and Qatar.

The UAE and Qatar record the highest percentage of established business owners who have adopted digital technologies for the first time to sell their products and services due to the coronavirus pandemic (ranked 5th and 6th, respectively). The UAE and Qatar are therefore ranked in 1st and 2nd positions, respectively, in the MENA region for this indicator. The UAE is also ranked among the top three countries overall for the proportion of established business owners who have enhanced their digital technologies for selling their products and services due to the pandemic.

Table 9.2: Usage of digital technologies in response to the COVID-19 pandemic in MENA, 2021

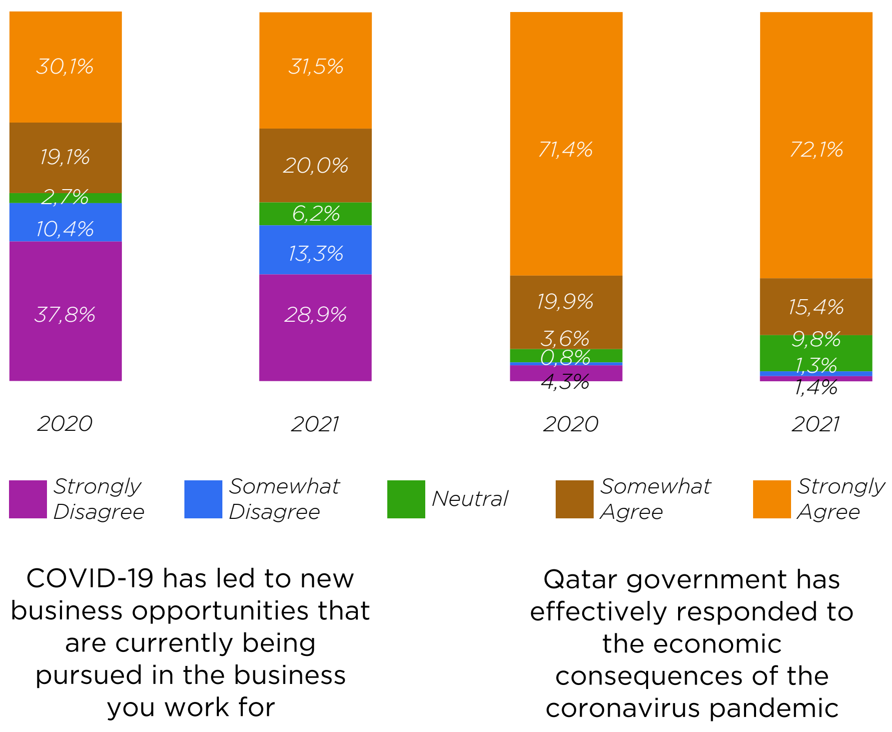
	Percentage of TEA who adopted digital technologies for selling products and services due to the coronavirus pandemic		Percentage of TEA who enhanced their digital technologies for selling products and services due to the coronavirus pandemic		Percentage of EB who adopted digital technologies for selling products and services due to the coronavirus pandemic		Percentage of EB who enhanced their digital technologies for selling products and services due to the coronavirus pandemic	
	Score	Rank/47	Score	Rank/47	Score	Rank/47	Score	Rank/47
Qatar	43.7	3	20.1	15	34.3	6	23.5	10
Egypt	32.7	12	7.3	44	26.4	11	9.4	38
Iran	21.3	27	20.2	14	18.5	19	5.9	43
Morocco	26.8	18	15.1	31	17.7	21	8.6	39
Saudi Arabia	39.2	5	16.5	27	21.7	15	22.2	12
Oman	23.5	21	19.2	19	14.9	25	8.5	40
UAE	43.5	4	25.3	9	35.3	5	30.8	3

Source: *GEM Adult Population Survey 2021*

9.5 IMPACT OF COVID-19 ON ENTREPRENEURIAL EMPLOYEE ACTIVITY

GEM also measures the impact of COVID-19 on entrepreneurial employee activity. In Qatar, 7.9% of employees indicate to be involved in developing new activities for their primary employer within the past three years. Figure 9.9 shows attitudes towards the impact of the coronavirus pandemic on entrepreneurial activity within organizations. In 2021, half of the employees involved in entrepreneurial activities (51.5%) either 'somewhat' or 'strongly' agree that COVID-19 has led the business they work for to pursue new opportunities (an increase from 49.2% in 2020). Most employees involved in entrepreneurial activities within the business they work for feel that the Qatar government has effectively responded to the economic consequences of the coronavirus pandemic (87.5% in 2021 compared to a higher 91.3% in 2020).

Figure 9.9: Impact of COVID-19 on Entrepreneurial employee activity in Qatar, 2020 & 2021



Source: *Qatar Adult Population Survey 2020 and 2021*

9.6 IMPACT OF COVID-19 ON ENTREPRENEURIAL EMPLOYEE ACTIVITY ACROSS MENA

Table 9.3 shows that Saudi Arabia and Iran record the highest proportion of employees involved in entrepreneurial activity who agree with the statement that COVID-19 has led to new business opportunities that are currently being pursued by their employer. Overall, these countries are ranked in 3rd and 11th position respectively on this indicator. Entrepreneurial employees in Egypt are the least likely to agree with the statement. Overall, entrepreneurial employees in the UAE and Qatar are most positive about the actions taken by their government in responding to the economic consequences of COVID-19. The UAE is ranked in 1st position and Qatar in 2nd position overall on this indicator.

Table 9.3: Impact of COVID-19 on entrepreneurial employee activity in MENA, 2021

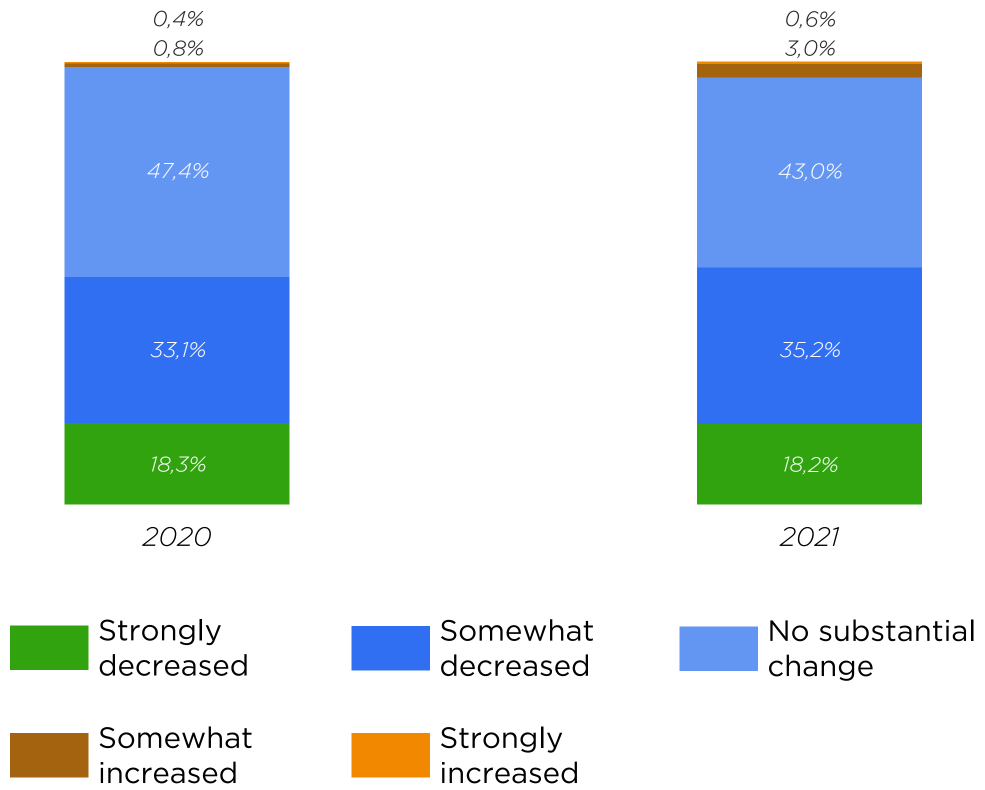
	COVID-19 has led to new business opportunities that are currently being pursued in the business you work for (% EEA somewhat agree & strongly agree)		Government has so far effectively responded to the economic consequences of COVID-19 (% EEA somewhat agree & strongly agree)	
	Score	Rank/46	Score	Rank/40
Qatar	51.5	24	87.5	2
Egypt	0.0	43	-	
Iran	61.9	11	0.0	39
Morocco	-		-	
Saudi Arabia	79.9	3	-	
Oman	28.4	41	-	
UAE	58.7	16	91.2	1

Source: GEM Adult Population Survey 2021
(-) Indicates the country did not include the indicator in the APS 2021

9.7 IMPACT OF COVID-19 ON HOUSEHOLD INCOME

Consistent with 2020, four in ten adults in Qatar report that there has not been a substantial change to their household income due to the coronavirus pandemic. One in two adults surveyed report that their household income has either 'somewhat decreased' or 'strongly decreased' due to the pandemic (see Figure 9.10).

Figure 9.10: Impact of COVID-19 on household income in Qatar, 2020-2021



Source: *GEM Adult Population Survey 2020 and 2021*

SECTION 10:
Social and Environmental Values

In 2021, GEM introduced a new set of indicators to capture the extent to which entrepreneurs aim to achieve social and environmental goals and to the extent they prioritize this over business profitability. GEM also seeks to understand the activities undertaken by early-stage entrepreneurs and established business owners to minimize the environmental impact and to maximize the social impact of business operations.

Measured also in this section is the extent to which entrepreneurs are aware of the United Nations' Sustainable Development Goals and whether entrepreneurs strive to achieve them through their business strategies and daily operations.

When making decisions about the future of your business, do you always consider the social and environmental implications?

Do you prioritize the social and/or environmental impact of your business above profitability or growth?

Have you taken any steps to minimize the environmental impact or to maximize the social impact of your business over the past year?

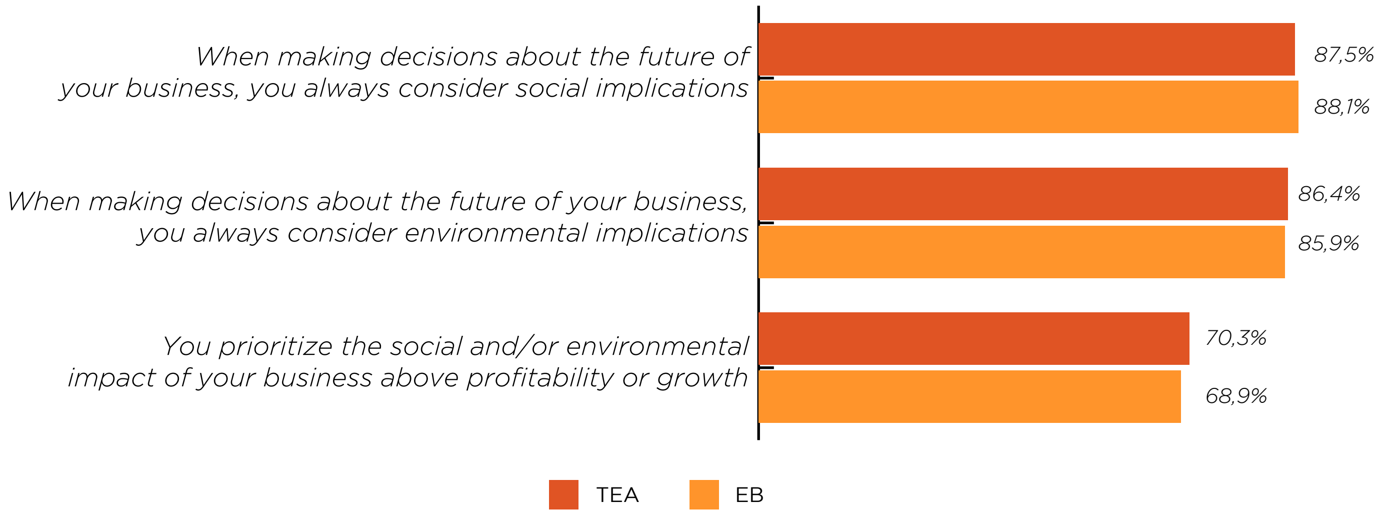
Are you aware of the 17 United Nations Sustainable Development Goals?

Have you identified any of the goals which are a priority for your business and defined a set of clear objectives, actions and Key Performance Indicators?

10.1 IMPORTANCE OF SOCIAL AND ENVIRONMENTAL VALUES

In Qatar, eight in ten early-stage entrepreneurs and established business owners agree[3] that when making decisions about the future of their business they always consider social and environmental implications (see Figure 10.1). Two thirds of entrepreneurs indicate that they prioritize the social and/or environmental impact or their business over profitability or growth (70.3% of TEA and 68.9% of EB).

Figure 10.1 Importance of social and environmental values for TEA and EB in Qatar, 2021

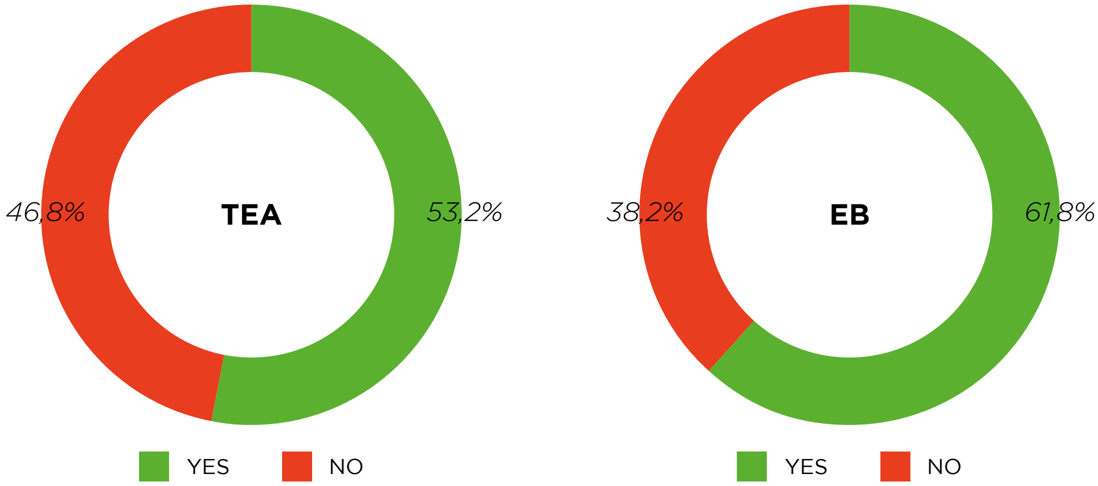


Source: GEM Adult Population Survey 2021
Note: somewhat agree / strongly agree as % for TEA and EB that (a) When making decisions about the future of your business, you always consider social implications, (b) When making decisions about the future of your business, you always consider environmental implications, and (c) You prioritize the social and/or environmental impact of your business above profitability or growth.

Figure 10.2 shows the proportion of early-stage entrepreneurs and established business owners who have taken steps to minimize the environmental impact of their business over the past year. Half of early-stage entrepreneurs (53.2%) and 61.8% of established business owners in Qatar report to have taken steps to minimize the environmental impact of their business over the past year. A similar proportion of early-stage entrepreneurs (54.3%) and established business owners (65.5%) also report to have taken steps to maximize the social impact of their business over the past year (see Figure 10.3).

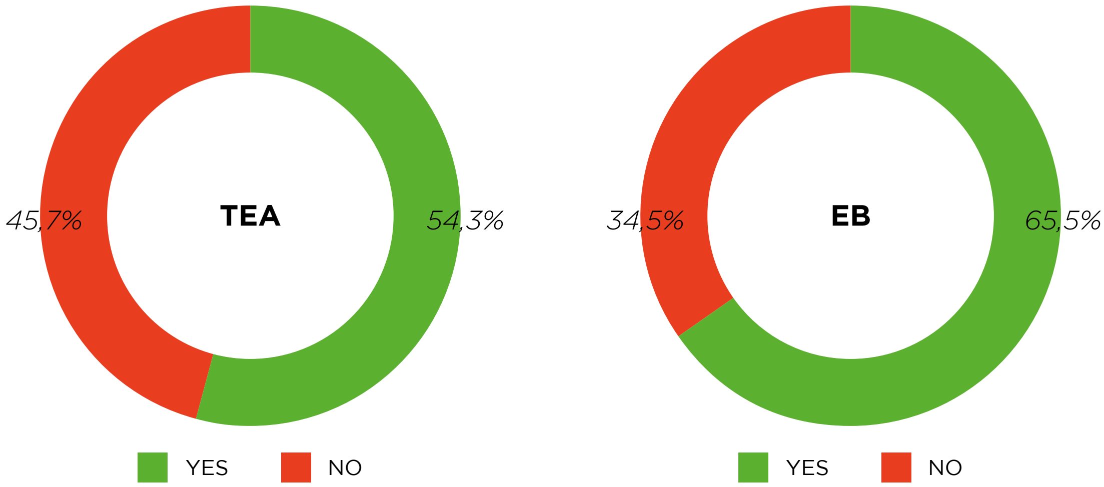
[3] *Agree = somewhat agree and strongly agree*

Figure 10.2: TEA and EB taking any steps to minimize the environmental impact of their business over the past year, 2021



Source: GEM Adult Population Survey 2021

Figure 10.3: TEA and EB taking any steps to maximize the social impact of their business over the past year, 2021



Source: GEM Adult Population Survey 2021

10.2 IMPORTANCE OF SOCIAL AND ENVIRONMENTAL VALUES ACROSS MENA

Table 10.1 shows the proportion of early-stage entrepreneurs across MENA who always consider social and environmental implications when making decisions about the future of their business. The UAE records the highest scores within the MENA region while Qatar is ranked in the top ten countries overall in both indicators. The proportion of early-stage entrepreneurs in the UAE who prioritize the social and/ or environmental impact of their business over profitability or growth is the highest in MENA (ranked 2nd overall), followed by the early-stage entrepreneur population in Egypt (ranked 4th overall). Iran records the lowest scores for these indicators within MENA.

Table 10.1 also shows the proportion of early-stage entrepreneurs who took steps to minimize the environmental impact or to maximize the social impact of their business over the past year. Overall, all MENA countries record low scores compared to the other APS participating countries for early-stage entrepreneurs who took steps to minimize the environmental impact of their business over the past year. The UAE is the only country in the MENA region to be ranked in the top ten countries on this indicator.

Table 10.1: Importance of social and environmental values for TEA in MENA, 2021

	When making decisions about the future of your business, you always consider social implications (% of TEA)		When making decisions about the future of your business, you always consider environmental implications (% of TEA)		You prioritize the social and/ or environmental impact of your business above profitability or growth (% of TEA)		Early-stage business owners and managers who took steps to minimize the environmental impact of their business over the past year		Early-stage business owners and managers who took steps to maximize the social impact of their business over the past year	
	Score	Rank/46	Score	Rank/46	Score	Rank/46	Score	Rank/46	Score	Rank/46
Qatar	87.5	6	86.4	9	70.3	13	53.2	23	54.3	12
Egypt	86.3	9	86.5	8	82.1	4	38.6	38	48.1	19
Iran	69.1	35	60.0	41	48.4	36	53.5	21	31.9	39
Morocco	85.3	12	85.1	12	69.2	15	33.9	43	50.3	14
Saudi Arabia	81.9	16	77.9	23	67.9	19	26.7	45	33.1	36
Oman	81.5	17	78.3	22	68.0	18	48.0	33	44.3	26
UAE	93.3	1	88.9	7	83.8	2	55.9	19	58.8	6

Source: *GEM Adult Population Survey 2021*

10.3 AWARENESS OF THE 17 UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity. The 17 SDGs are integrated; they recognize that action in one area will affect outcomes in others, and that development must balance social, economic, and environmental sustainability . The 17 SDGs are outlined below:

Goal 1: No Poverty
End poverty in all its forms everywhere

Goal 2: Zero Hunger
End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Goal 3: Good Health and Well-being
Ensure healthy lives and promote well-being for all at all ages

Goal 4: Quality Education
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Goal 5: Gender Equality
Achieve gender equality and empower all women and girls

Goal 6: Clean Water and Sanitation
Ensure availability and sustainable management of water and sanitation for all

Goal 7: Affordable and Clean Energy
Ensure access to affordable, reliable, sustainable and modern energy for all

Goal 8: Decent Work and Economic Growth
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

In Qatar, a quarter of nascent and new business owners (26.0%) are aware of the 17 United Nations SDGs. Among the early-stage entrepreneurs who are aware of the United Nations SDGs, seven in ten have identified the goals which are a priority to their business and defined a set of clear objectives, actions and key performance indicators according to those goals (see Figure 10.4). A lower proportion of established business owners (20.5%) are aware of the 17 United Nations SDGs. Amongst them, three quarters have identified the goals which are a priority for their business and defined a set of clear objectives, actions, and key performance indicators according to the goals (see Figure 10.5).

Goal 9: Industry, Innovation and Infrastructure
Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Goal 10: Reduced Inequalities
Reduce inequality within and among countries

Goal 11: Sustainable Cities and Communities
Make cities and human settlements inclusive, safe, resilient and sustainable

Goal 12: Responsible Consumption and Production
Ensure sustainable consumption and production patterns

Goal 13: Climate Action
Take urgent action to combat climate change and its impacts

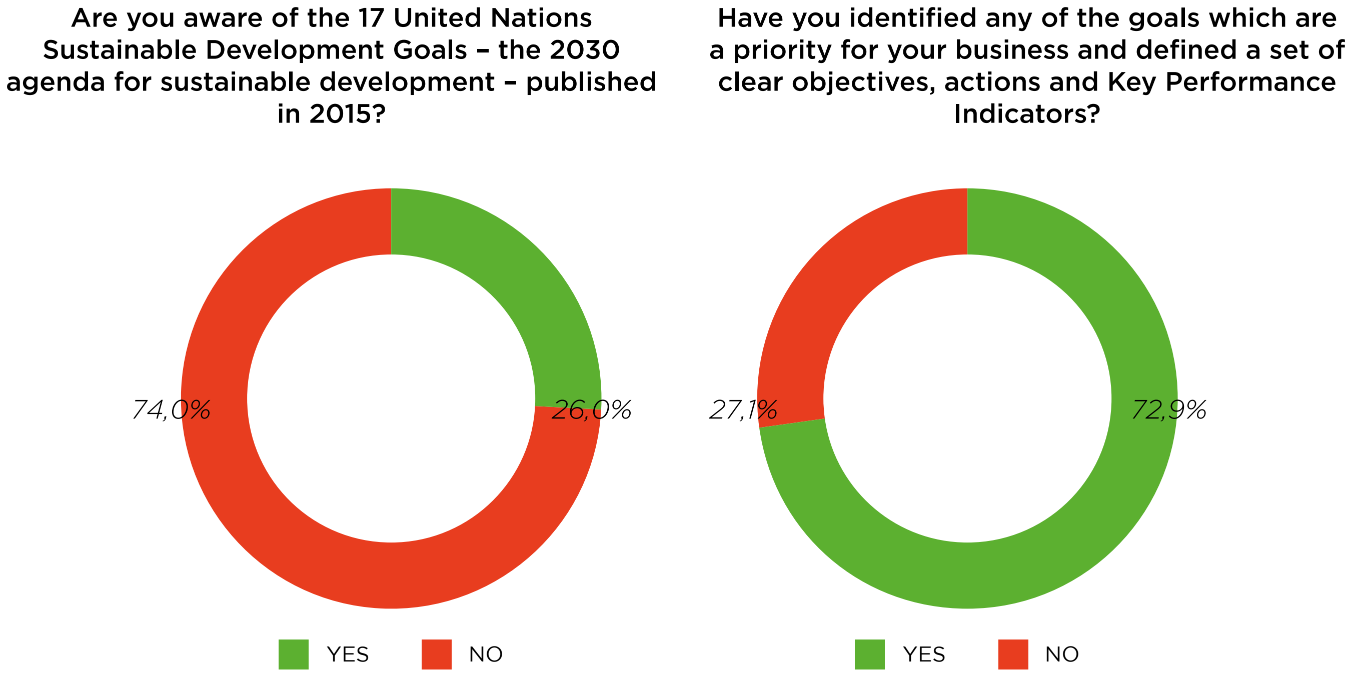
Goal 14: Life Below Water
Conserve and sustainably use the oceans, seas and marine resources for sustainable development

Goal 15: Life on Land
Protect, restore and promote sustainable use of terrestrial eco-systems, sustainably manage forests, com-bat desertification, and halt and reverse land degradation and halt biodiversity loss

Goal 16: Peace, Justice and Strong Institutions
Promote peaceful and inclusive societies for sustainable develop-ment, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

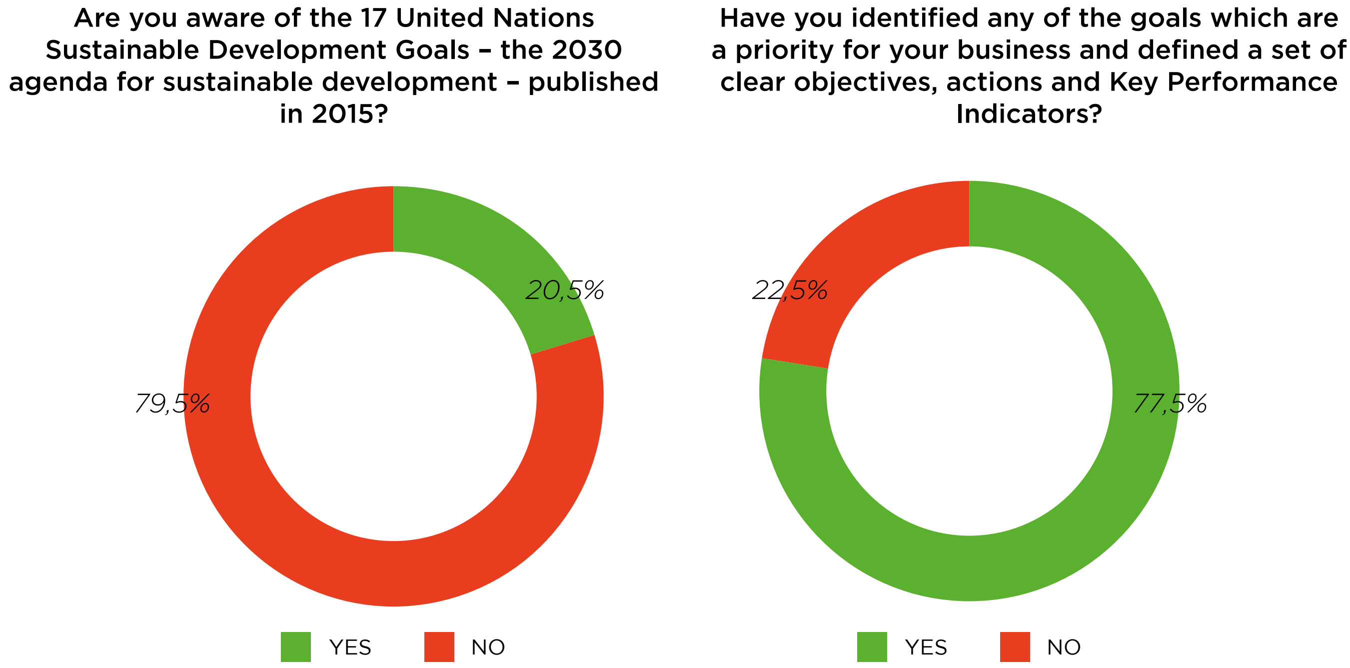
Goal 17: Partnerships for the Goals
Strengthen the means of implementation and revitalize the global partnership for sustainable development

Figure 10.4: Awareness of the 17 United Nations Sustainable Development Goals (% of TEA), 2021



Source: GEM Adult Population Survey 2021

Figure 10.5: Awareness of the 17 United Nations Sustainable Development Goals (% of EB), 2021



Source: *GEM Adult Population Survey 2021*

SECTION 11: Qatar's Entrepreneurship Framework Conditions

For 23 years, GEM has been conducting the National Expert Survey (NES) to capture insights and opinions from around 36 experts on various metrics relating to each country's economic, social, and political environments within the context of entrepreneurship and new business ownership. The NES focuses on the environmental features expected to have a significant impact on the entrepreneurial sector, captured in the Entrepreneurial Framework Conditions (EFCs).

In 2021, GEM added new EFCs to the NES survey to assess the impact of the coronavirus pandemic on entrepreneurship and to assess the support of Female Entrepreneurship.

- National Entrepreneurship Context Index (NECI)
- Commercial Infrastructure and Professional Services Conditions
- Entrepreneurial Finance
- Internal Market Dynamics and Burdens Conditions
- Government Policies
- Physical Infrastructure and Services Conditions
- Government Programs Conditions
- Cultural and Social Norms Conditions
- Entrepreneurial Education and Training Conditions
- Impact of the Pandemic on the Entrepreneurial Context
- R&D Transfer Conditions
- Female Entrepreneurship

The EFCs are outlined in Chapter 14 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. Experts are asked to express their views about the most important conditions and whether they foster 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.

In Qatar, 57 experts were surveyed 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.

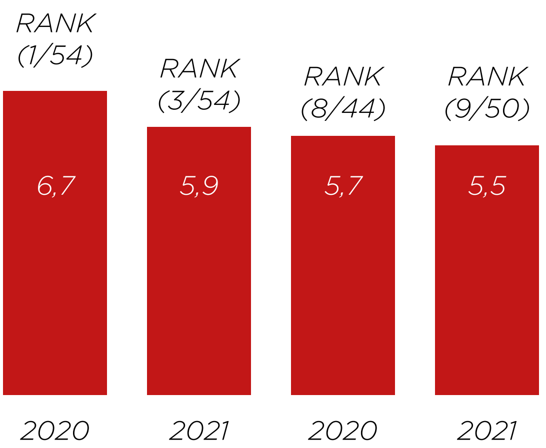
11.1 NATIONAL ENTREPRENEURSHIP CONTEXT INDEX (NECI)

In 2018 GEM introduced the National Entrepreneurship Context Index (NECI), which assesses the environment for entrepreneurship in an economy. The NECI informs policy, practitioner, and other key stakeholder audiences about the strength of the overall environment for entrepreneurship. The NECI is derived from the EFCs and weights the ratings on these conditions by the importance experts place on them.

In 2021, Qatar is ranked in the ninth position on the NECI score (5.5). The United Arab Emirates (6.8) holds the 1st position, followed by the Netherlands (6.3), Finland (6.2), Lithuania (6.1), Saudi Arabia (6.1), South Korea (5.7), Norway (5.7) and Switzerland in eighth place (5.5).

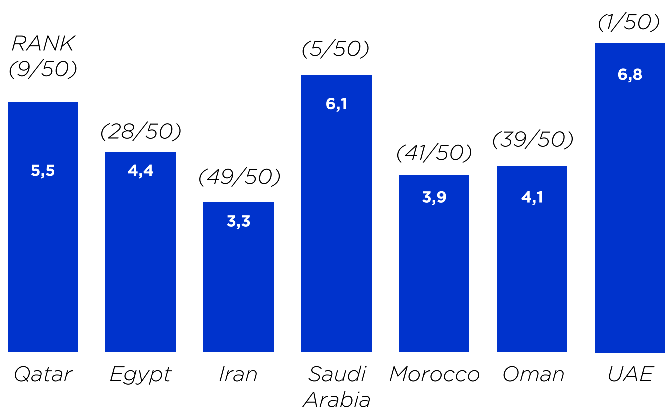
Figure 11.1 shows how Qatar performs on the NECI since 2018. In 2021, Qatar's overall score for the NECI is above the average for the NES and is slightly lower than the 2020 score. Qatar ranking in the NECI has continued to decline over the past four years since 2018 and the global ranking for Qatar has fallen from 1st position in 2018 down to 9th position in 2021. This decline is mainly due to a constant decrease in scores for the framework conditions: "Entrepreneurial finance", "Government policies: support and relevance", and "Internal market burdens or entry regulations".

Figure 11.1: National Entrepreneurship Context Index (NECI) in Qatar, 2018-2021



Source: Qatar National Experts Survey 2018, 2019, 2020 and 2021

Figure 11.2: National Entrepreneurship Context Index (NECI) in Qatar and MENA countries, 2021



Source: GEM National Experts Survey 2021, Rank out of 50 recorded in brackets

Consistent with 2020, Qatar records the third highest NECI of all benchmarked countries in the MENA region and is ranked slightly below the UAE, which is ranked in 1st position globally (6.8) and Saudi Arabia, which is ranked in 5th position overall (6.1).

Iran and Morocco record the lowest NECI at 3.3 and 3.9, respectively and are ranked 49 and 41 out of the 50 participating countries in the NES (see Figure 11.2).

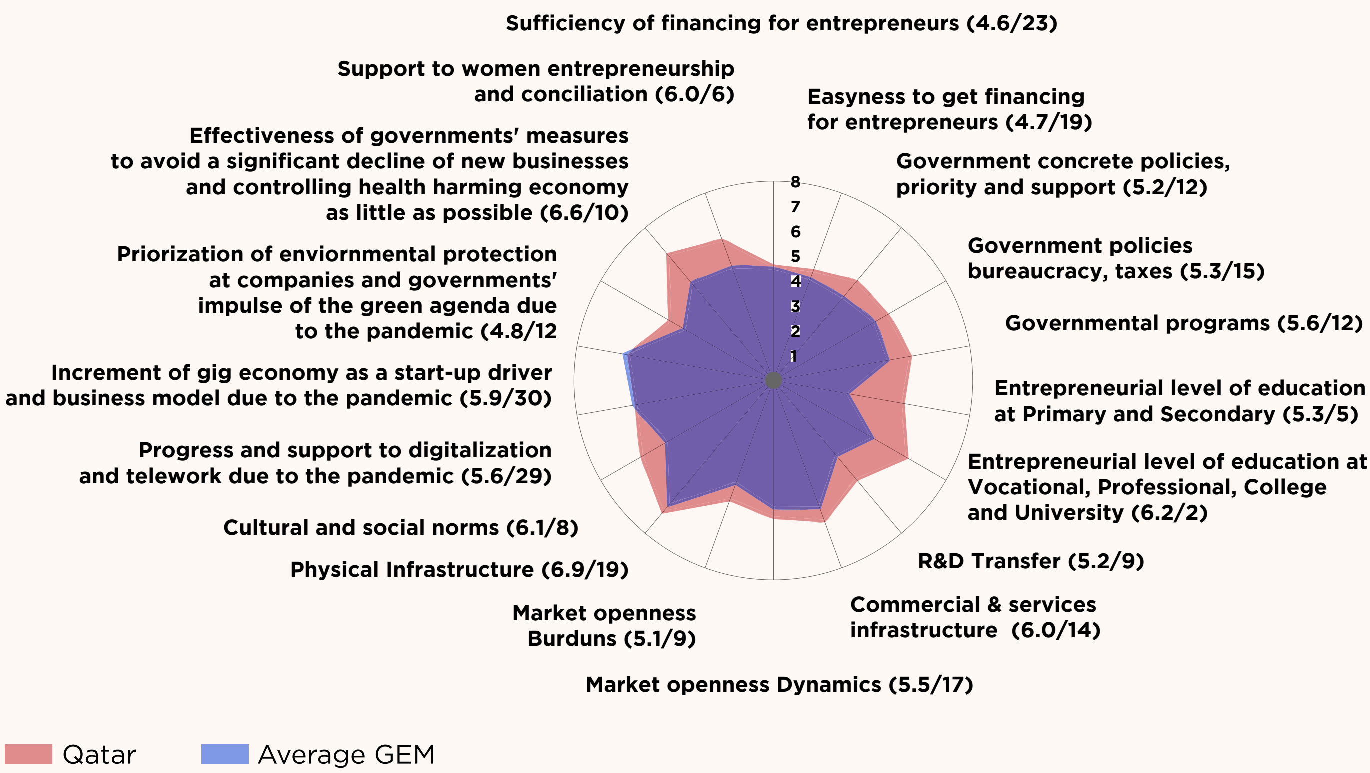
11.2: ENTREPRENEURSHIP FRAMEWORK CONDITIONS (EFCS)

Figure 11.3 shows how Qatar performs in relation to the GEM average on each of the 18 EFCs. Qatar records ratings that are higher than average on each condition and performs well above the GEM average for all EFCs except for 'Progress and support to digitalization and telework due to the pandemic' and 'Increment of gig economy as a start-up driver and business model due to the pandemic'.

In 2021, overall, Qatar records a high ranked position in the NES for framework conditions: Entrepreneurial education at post-school stage (6.2), Entrepreneurial education at primary and secondary school stage (5.3), Support to women entrepreneurship and conciliation (6.0), Cultural and social norms (6.1), Research and Development (R&D) transfer (5.2), and Market Burdens (5.1). Qatar is ranked within the top ten countries out of the 50 participating economies on these framework conditions.

In 2021, Qatar records slightly higher scores for four of the framework conditions when compared to the previous year: Entrepreneurial education at post-school stage, Commercial and services infrastructure, Market burdens, and Cultural and social norms. The largest improvement can be observed with Market Burdens, with a score of 4.8 in 2020, increasing to 5.1 in 2021 (see Table 11.1).

Figure 11.3: Expert rating of the Entrepreneurship Framework Conditions, 2021



EFCs scale: 1=completely false ,
10=completely true
Between brackets: (Score/Rank out of 50)

Table 11.1: Ratings of the 18 national entrepreneurial framework conditions (NECI pillars), 2018-2021

	2018	2019	2020	2021
Sufficiency of financing for entrepreneurs	5.2	5.4	5.1	4.6
Ease of obtaining finance for entrepreneurs	N/A	N/A	N/A	4.7
Government policies: support and relevance	6.2	6.0	5.5	5.2
Government policies: taxes and bureaucracy	5.8	6.1	5.8	5.3
Government entrepreneurship programs	5.9	6.1	5.7	5.6
Entrepreneurial education and training at school stage	6.1	5.2	5.3	5.3
Entrepreneurial education and training at post-school stage	6.6	6.3	6.0	6.2
Research and development (R and D) transfer	5.8	5.2	5.4	5.2
Commercial and services infrastructure	5.7	5.7	5.8	6.0
Internal market dynamics	5.3	5.9	5.8	5.5
Internal market burdens or entry regulations	7.2	5.1	4.8	5.1
Physical infrastructure	6.4	7.5	7.1	6.9
Cultural and social norms	6.1	6.4	5.9	6.1
Progress and support to digitalization and telework due to the pandemic	N/A	N/A	N/A	5.6
Increment of gig economy as a start-up driver and business model due to the pandemic	N/A	N/A	N/A	5.9
Prioritization of environmental protection at companies and governments' impulse of the green agenda due to the pandemic	N/A	N/A	N/A	4.8
Effectiveness of governments' measures to avoid a significant decline of new businesses and controlling the health crisis while harming the economy as little as possible.	N/A	N/A	N/A	6.6
Support to women entrepreneurship and conciliation	N/A	N/A	N/A	6.0

Source: Qatar National Experts Survey, 2018, 2019, 2020 and 2021
EFCs scale: 1=completely false, 10=completely true
N/A: The Frameworks: Ease of obtaining finance for entrepreneurs, Progress and support to digitalization and telework due to the pandemic
Increment of gig economy as a start-up driver and business model due to the pandemic, Prioritization of environmental protection at companies and governments' impulse of the green agenda due to the pandemic, Effectiveness of governments' measures to avoid a significant decline of new businesses and controlling the health crisis while harming the economy as little as possible., and Support to women entrepreneurship and conciliation were added in 2021.

Table 11.2: Ratings of the 18 national entrepreneurial framework conditions (NECI pillars) in MENA region, 2021

	Global	**Qatar**	Egypt	Iran	Morocco	Saudi Arabia	Oman	UAE
Sufficiency of financing for entrepreneurs	4.5	**4.6**	4.3	4.2	3.6	6.7	3.8	6.4
Ease of obtaining finance for entrepreneurs	4.4	**4.7**	4.4	3.4	3.7	5.8	4.0	6.0
Government policies: support and relevance	4.4	**5.2**	4.6	2.3	4.8	6.5	4.8	7.0
Government policies: taxes and bureaucracy	4.7	**5.3**	4.2	2.9	4.5	5.8	3.7	7.5
Government entrepreneurship programs	4.7	**5.6**	4.0	2.5	3.9	6.5	3.8	6.5
Entrepreneurial education and training at school stage	3.0	**5.3**	2.2	0.9	1.9	3.7	2.8	5.7
Entrepreneurial education and training at post-school stage	4.6	**6.2**	3.8	2.9	4.0	5.2	3.9	6.4
Research and development (R and D) transfer	3.9	**5.2**	3.2	2.4	2.3	5.4	3.1	6.2
Commercial and services infrastructure	5.4	**6.0**	5.1	3.9	5.1	6.1	4.2	6.8
Internal market dynamics	5.1	**5.5**	5.6	5.3	4.2	6.8	6.0	7.3
Internal market burdens or entry regulations	4.4	**5.1**	4.8	2.6	3.2	5.9	3.2	6.2
Physical infrastructure	6.6	**6.9**	6.9	5.7	6.3	7.7	4.9	8.1
Cultural and social norms	5.0	**6.1**	4.8	3.7	4.0	6.8	5.4	7.7
Progress and support to digitalization and telework due to the pandemic	5.7	**5.6**	5.3	3.8	4.0	6.7	5.7	7.2
Increment of gig economy as a start-up driver and business model due to the pandemic	6.1	**5.9**	5.9	5.1	4.5	7.4	5.4	8.1
Prioritization of environmental protection at companies and governments' impulse of the green agenda due to the pandemic	4.1	**4.8**	3.6	2.0	3.4	5.8	4.5	7.4
Effectiveness of governments' measures to avoid a significant decline of new businesses and controlling the health crisis while harming the economy as little as possible.	5.1	**6.6**	5.2	1.3	5.4	8.2	4.8	8.0
Support to women entrepreneurship and conciliation	4.9	**6.0**	5.1	2.5	3.9	7.6	6.1	7.9

Source: GEM National Experts Survey, 2021
EFCs scale: 1=completely false, 10= completely true

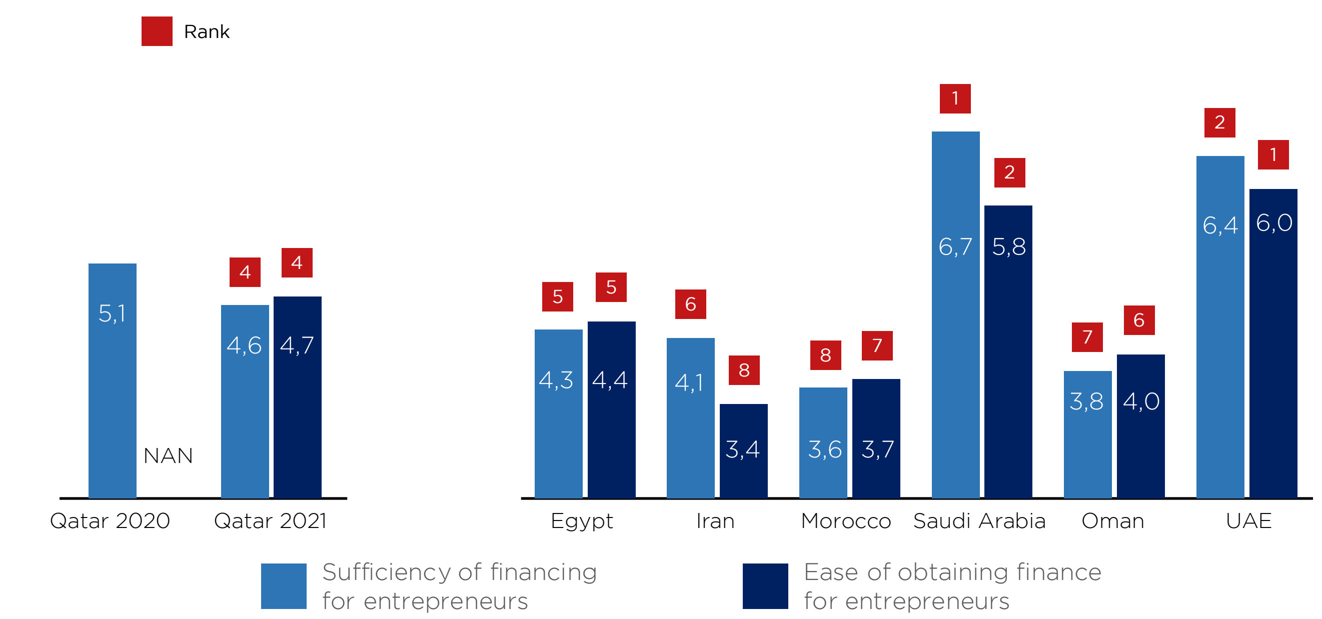
11.2.1 Entrepreneurial Finance

4th in the MENA region

In 2021, in addition to evaluating the sufficiency of financing for entrepreneurs, GEM also measures the ease of obtaining finance for new and growing firms. The rating by national experts for the availability of sufficient financial resources and support for new and growing firms has declined from 5.1 in 2020 to 4.6 in 2021. Qatar is ranked 4th on this condition in the MENA region and 23rd out of the 50 countries participating in the NES which positions the country behind Saudi Arabia (2nd position, globally) and the UAE (4th position, globally) within MENA. Qatar records a substantial decline in ratings for the availability of debt, micro equity and professional business angel funding for new and growing firms.

In 2021, experts also measure the extent to which it is easy for nascent and new businesses to obtain financial support. Qatar is ranked in 19th position overall on this indicator with a rating of 4.7, slightly higher than the global average of 4.4. In MENA, Qatar is ranked behind the UAE (6.0) and Saudi Arabia (5.8). The national experts were asked to rate the ease for new and growing firms to obtain debt funding, to hire financial support services at a reasonable cost, to get enough seed capital to cover start-up and early-stage expenses, and to attract new investors/funds to grow the business. The highest rating is recorded for the ease of hiring financial support services at reasonable costs for new and growing firms (5.1) while the lowest rating is recorded for the ease for nascent entrepreneurs to access enough seed capital to cover expenses.

Figure 11.4: Entrepreneurial Finance in MENA countries



11.2.2 Government policies

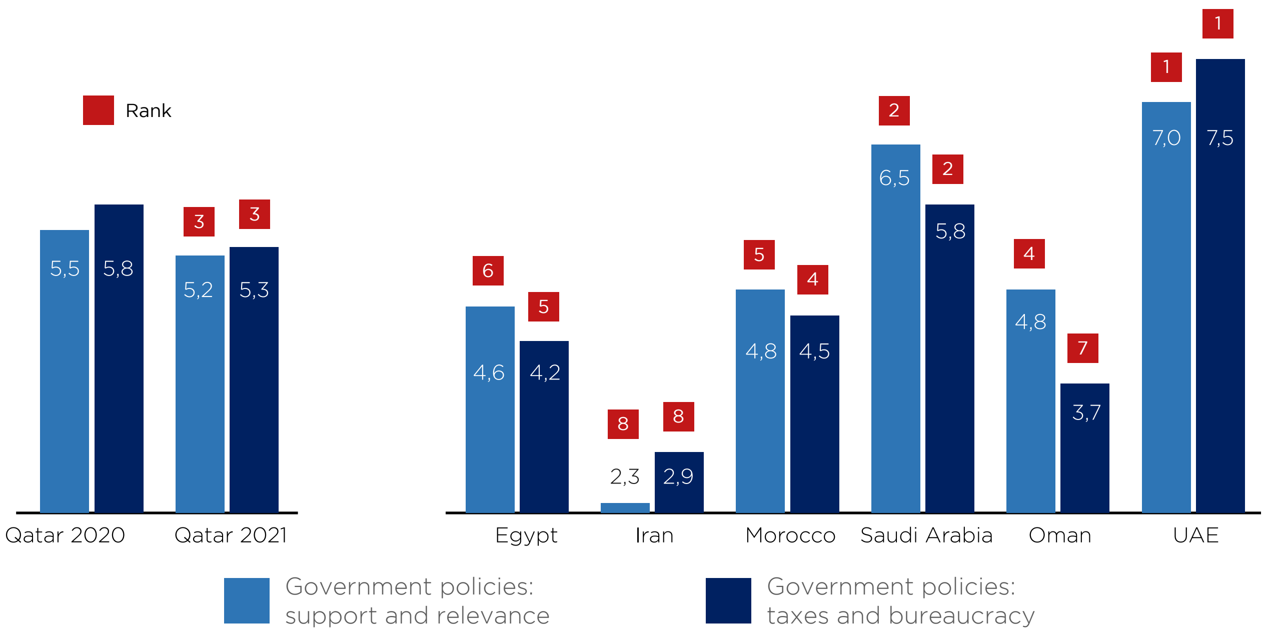
Government policy conditions have two components:

Support and relevance, which evaluates the extent to which experts believe their national governments demonstrate support for entrepreneurs (5.2 above the global average of 4.4).

Taxes and bureaucracy, which measure the extent to which experts think current taxes are affordable and balanced for entrepreneurs and the level of bureaucracy in business processes and facilities for funding entrepreneurial activities (5.3 – also above the global average of 4.7).

Seven in ten experts interviewed for the NES (70%) report that government policies have negatively affected the entrepreneurial activity in Qatar since the start of the pandemic. Consistent with 2020 results, experts give the lowest ratings for the process for new firms to get most of the required permits and licenses within a week (3.6), coping with government bureaucracy, regulations, and licensing requirements is not unduly difficult for new and growing firms (4.3), and government policies such as public procurement, legislation, regulation, licensing, taxation consistently favour new and growing firms (4.6). In comparison, the highest rating is given for taxes not being a burden for new and growing firms (7.4).

Figure 11.5: Government Policies in MENA countries

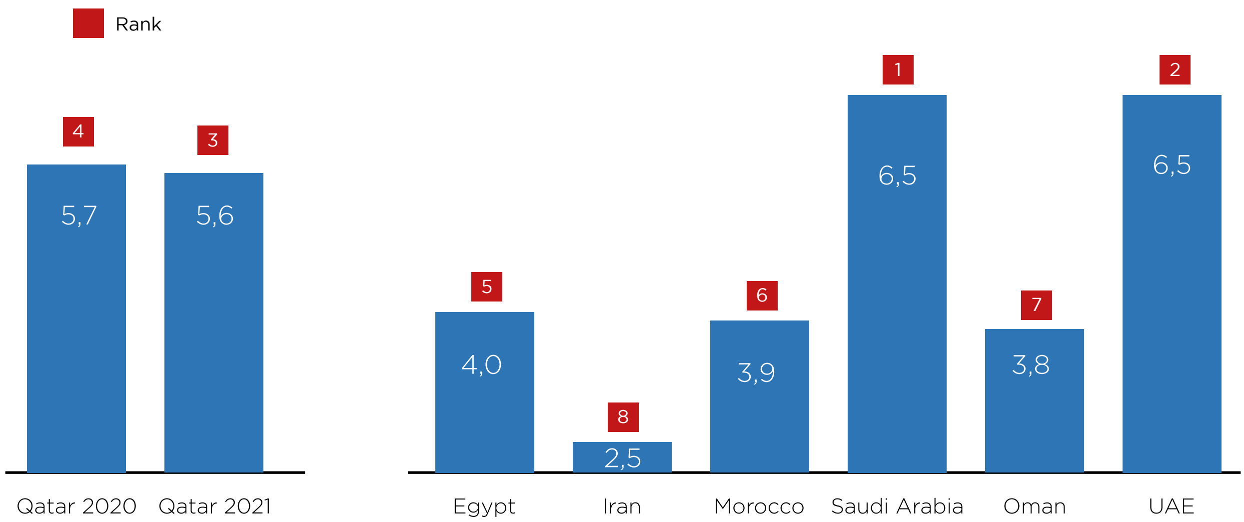


11.2.3 Government program conditions

The government entrepreneurship program conditions relate to the provision of specific programs for entrepreneurs by public agencies. This includes subsidies, incubators, and agencies that assess and advise entrepreneurs. Qatar is ranked 12th out of the 50 participating economies in the NES and is ranked 3rd highest compared to the benchmarked MENA countries behind the UAE (6.5) and Saudi Arabia (6.5). Iran and Oman are the lowest-performing economies in the MENA countries on this entrepreneurial framework (2.4 and 3.8 respectively).

The majority of national experts (93%) believe government programs foster entrepreneurial activity in Qatar. The experts give the highest rating for the availability of business incubators in Qatar and the effective support they provide for new and growing firms (6.6). In comparison, the lowest rating is given for "anyone who needs help from a government program for a new or growing business can find what they need" (4.7). Overall, the rating for government entrepreneurship program conditions has marginally declined since the previous year, from 5.7 in 2020 down to 5.6 in 2021.

Figure 11.6: Government Programs in MENA countries



Source: *GEM National Experts Survey 2020 and 2021*

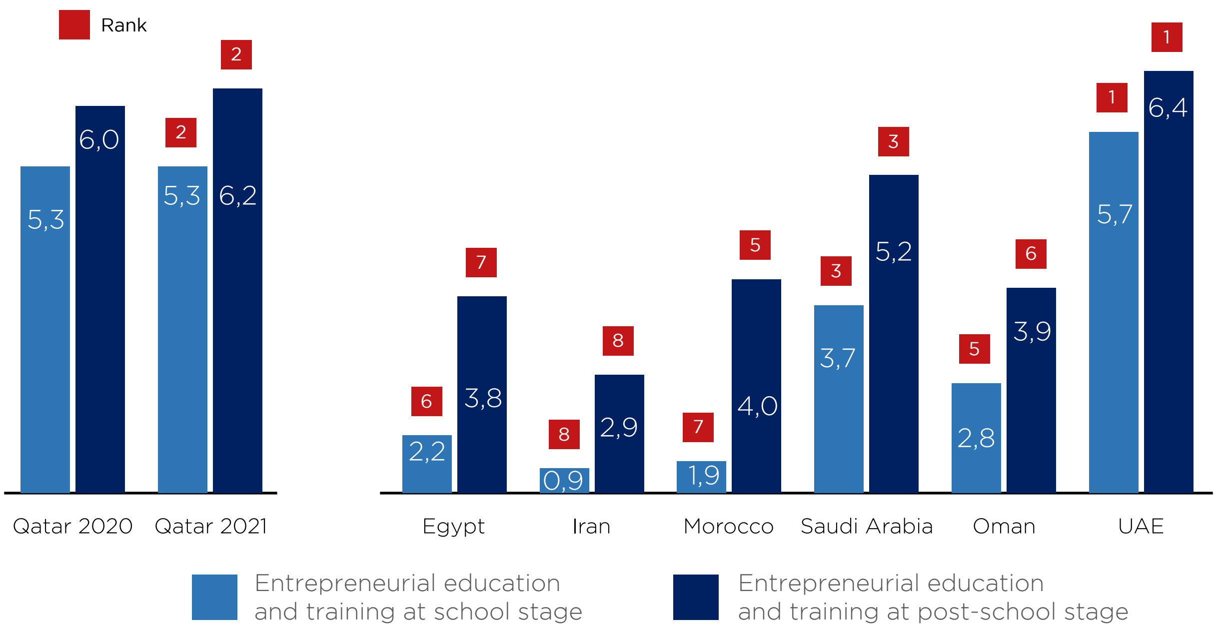
11.2.4 Entrepreneurial education and training conditions

The entrepreneurship education and training conditions relate to how entrepreneurship and entrepreneurial qualities receive attention in all phases of the educational and training system from primary school through to post-graduate level. The rating for the entrepreneurial level of education at primary and secondary school in Qatar (5.3) remains consistent with the previous year and is above the global average for 2021 (3.0). Qatar is ranked in 5th position out of the 50 participating economies and is ranked 2nd highest when compared to the benchmarked MENA countries behind the UAE (5.7).

Consistent with 2020 results, Qatar experts evaluate post-secondary education and training (college, university, and professional education) more positively at 6.2. Overall, Qatar is ranked in 2nd position on the education and training at post-school stage, behind the UAE (6.4).

In 2021, the highest expert rating for entrepreneurship education and training conditions is for the quality of practical business and management education, providing adequate preparation for starting up and growing a new business (6.2). Experts also rate colleges/universities, the vocational, professional, and continuing education systems providing adequate preparation for starting up and growing new firms highly (6.0). Experts give the lowest rating for teaching in primary and secondary education, providing adequate attention to entrepreneurship and new firm creation (5.1).

Figure 11.7: Entrepreneurial Education and Training in MENA countries



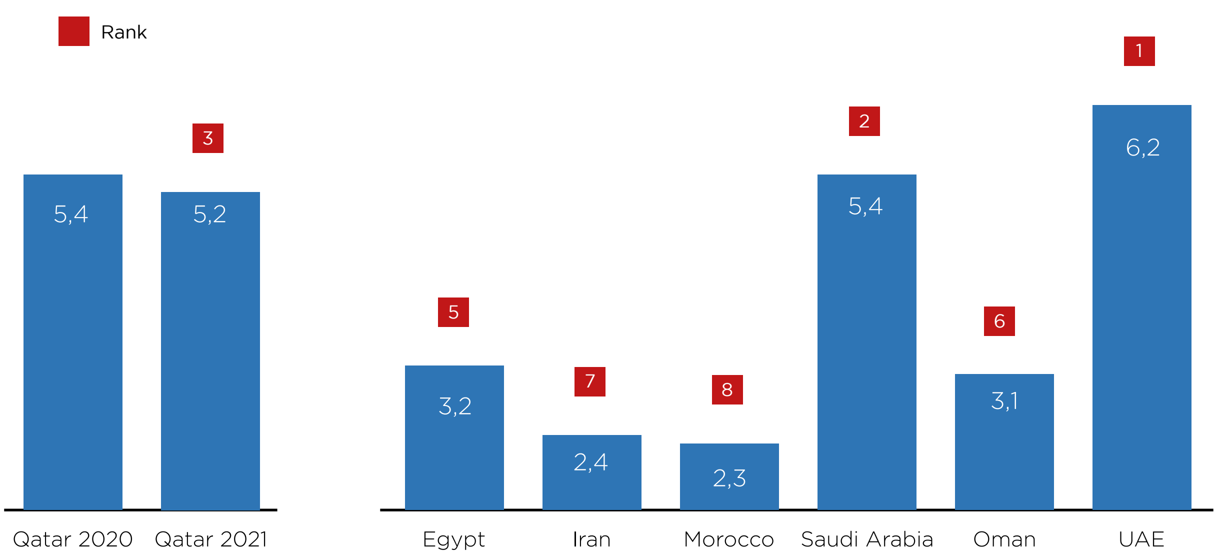
Source: GEM National Experts Survey 2020 and 2021

11.2.5 R&D transfer conditions

The R&D transfer conditions refer 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. In 2021, the rating for R&D transfer conditions in Qatar is 5.2, a slight decline from 5.4 in 2020. The most significant decline is recorded for new and growing firms having just as much access to new research and technology as large, established firms (5.0 down to 4.4). On the contrary, the largest increase in rating from the previous year has occurred for the science and technology base efficiently supporting the creation of world-class new technology-based ventures in at least one area (5.7 up to 6.0).

Qatar is ranked in 9th position out of the 50 participating economies in the NES and is ranked above the global average (3.9). Qatar is ranked in third position compared to the benchmarked MENA countries behind the UAE (6.2) and Saudi Arabia (5.4). Morocco and Iran are the lowest-performing economies in the MENA countries on this entrepreneurial framework (2.3 and 2.4 respectively).

Figure 11.8: R&D Transfer in MENA countries

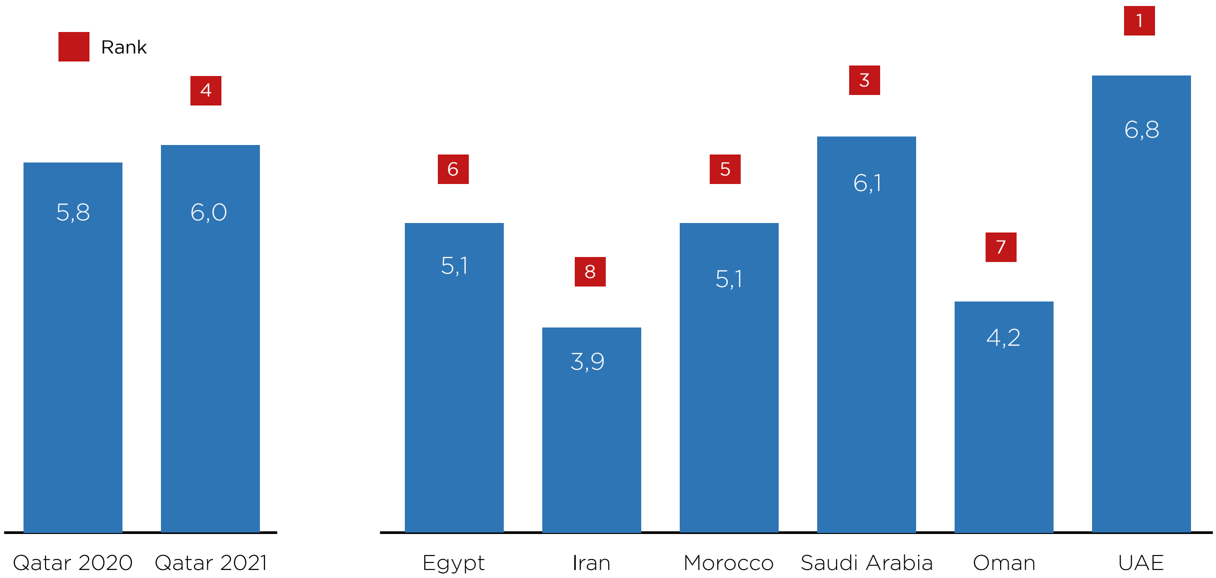


11.2.6 Commercial infrastructure and Professional services conditions

The rating for the commercial infrastructure and professional services condition in Qatar (6.0) increased compared to the previous year (5.8) and is above the global average for 2021 (5.4). Qatar is ranked in 14th position globally and sits behind the UAE (6.8) and Saudi Arabia (6.1) within MENA.

Experts give the highest rating (6.5) for the possibility for new and growing firms to access cloud computing services at affordable prices. The main challenge identified by experts is the ease of access to good subcontractors, suppliers, and consultants for new and growing firms. The increase in the overall rating for the commercial infrastructure and professional services condition in Qatar is mainly due an increase in experts believing that new and growing firms can afford the cost of using subcontractors, suppliers, and consultants when compared to 2020 (4.8 in 2020 up to 5.1 in 2021).

Figure 11.9: Commercial Infrastructure and Professional Services in MENA countries



11.2.7 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.

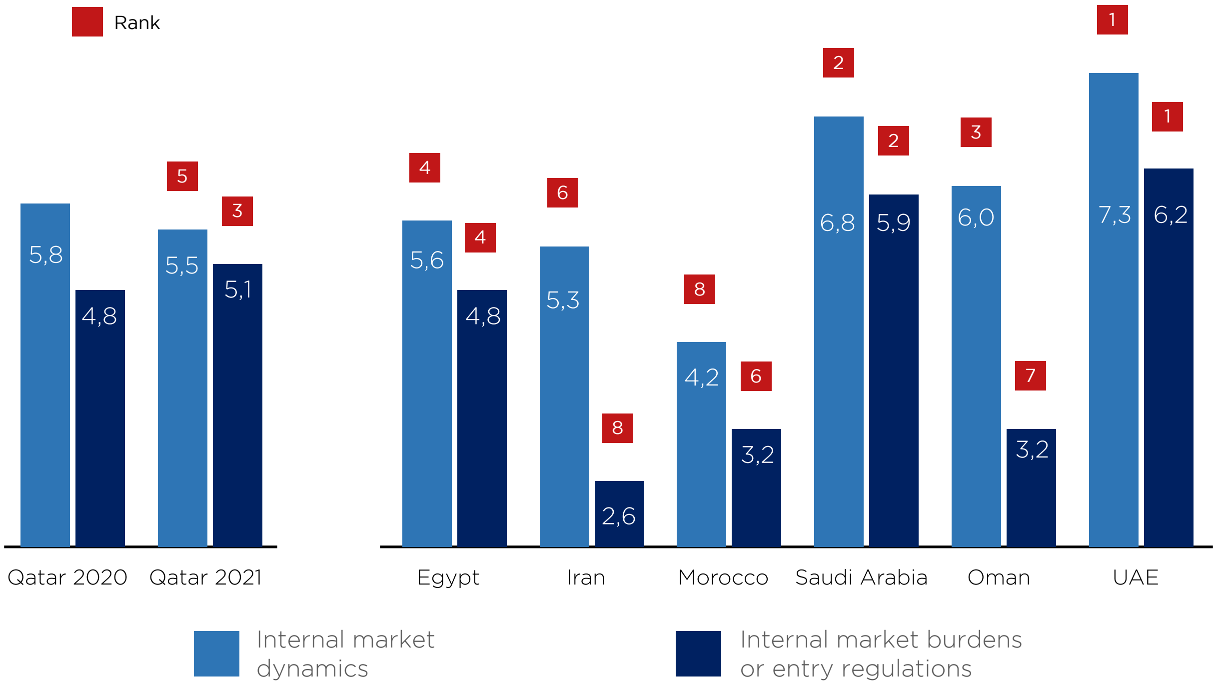
In 2021, Qatar is ranked in 17th position out of the 50 participating economies on the NES on the internal market dynamics pillar (5.5).

The national experts' rating for this framework condition has decreased from the previous year from 5.8 in 2020 to 5.5 in 2021. 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 more stable with fewer changes in markets when compared to the previous year. Compared to the MENA benchmarked countries. Qatar holds the third position on this indicator, following Morocco (4.2) in first position and Iran (5.3) in second position.

Internal market burdens or entry regulation: This factor summarizes the overall state of a market regarding the absence of burdens entrepreneurs encounter upon entering markets and regulations that can facilitate, rather than undermine, these efforts. Qatar is ranked in 9th position on the internal market burdens or entry regulation pillar (5.1). In 2021, Qatar is ranked below the UAE (6.2) and Saudi Arabia (5.9 when comparing the MENA benchmarked countries.

Experts identify an improvement since the previous year regarding new and growing firms entering markets without being unfairly blocked by established firms and the anti-trust legislation being effective and well enforced.

Figure 11.10: Internal Market Dynamics and Burdens in MENA countries



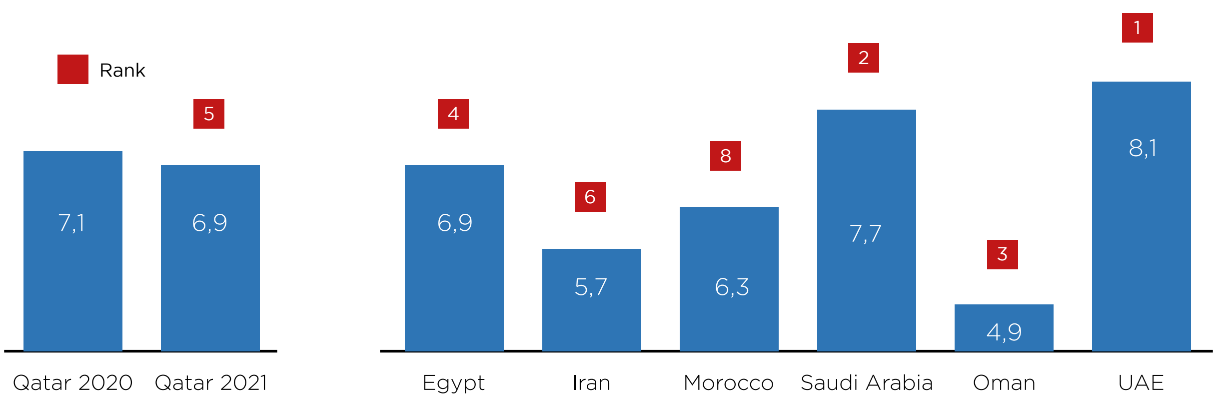
11.2.8 Physical infrastructure and services conditions

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.

Consistent with the previous year, physical infrastructure and service condition is the highest rated NECI pillar for Qatar and has been consistently rated highly by experts over the previous five years. However, the pillar has slightly decreased since the previous year from 7.1 in 2020 down to 6.9 in 2021. Qatar is ranked in 19th position on the physical infrastructure pillar and sits behind the UAE (8.1) and Saudi Arabia (7.7) within MENA region.

The decline recorded this year is mainly due to a lower rating for the physical infrastructure providing good support for new and growing firms, ease of access to communications for new and growing firms, and availability and affordability of basic utilities such as gas, water, electricity, and sewer for new and growing firms. In 2021, experts give higher ratings to the cost of communications and availability and affordability of office spaces and production spaces for new and growing firms when compared to the previous year.

Figure 11.11: Physical Infrastructure in MENA countries

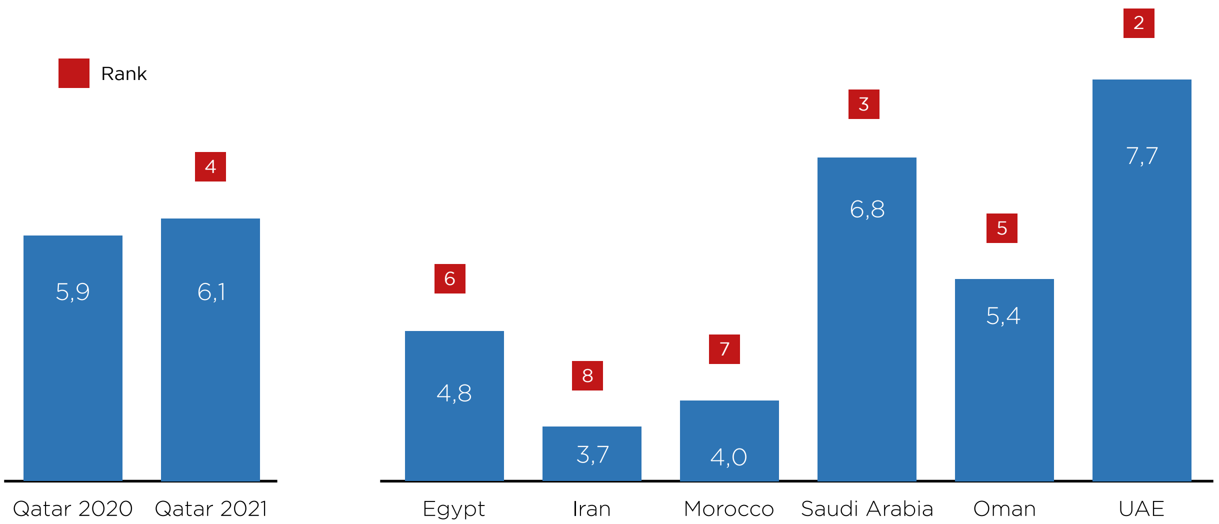


11.2.9 Cultural and social norms conditions

The Cultural and Social Norms framework condition shows how society exhibits an entrepreneurship focus within the culture through behaviour, beliefs, language, and customs. In this EFC, Qatar (6.1) is above the average (5.0) and is in 8th position overall. When compared to other MENA countries, Qatar falls just behind the UAE (7.7) and Saudi Arabia (6.8). The framework condition has increased compared to the previous year from 5.9 in 2020 up to 6.1 in 2021. The largest increase in rating from the previous year is observed with the national culture emphasizing the responsibility individuals have in managing their own lives (5.4 up to 5.8).

Consistent with 2020, experts share that the national culture of Qatar is highly supportive of individual success and encourages creativity and innovativeness as well as self-sufficiency, autonomy and personal initiatives. Experts also rate the national culture encouraging entrepreneurial risk-taking at 5.9 (a slight incline from 5.7 in 2020).

Figure 11.12: Cultural and Social Norms in MENA countries



11.2.10 Impacts of the pandemic on the entrepreneurial context

In 2021, GEM revised the framework condition related to the impact of the coronavirus pandemic on the entrepreneurial context. In 2021, experts were asked to rate how new and growing firms adapt to the changing environment due to COVID-19.

This includes the evaluation of four key components:

The progress and support to digitalization and telework in Qatar,

29th

The progress and support to digitalization and telework in Qatar, experts rate this condition 5.6 which is a slightly lower than the global average of 5.7.

Qatar is ranked 29th out of the 50 countries participating in the NES.

Experts believe that there is a substantial number of new and growing firms who are promoting work from home due to the pandemic but are less likely to believe that most of them can afford the cost of digitalization required to become competitive. Experts are also less likely to believe that there is sufficient government support in the form of specific subsidies, tax benefits or training to help all types of firms in all sectors to implement and/or adopt business digitalization.

The increment of gig economy as a start-up driver and business model:

30th

Qatar also records a low rate (5.9) for this condition compared to the global average (6.1).

Qatar is ranked in 30th position out of the 50 countries participating in the NES.

The experts are equally likely to believe the gig economy has become an important driver for starting up new businesses and that a substantial number of new and growing firms are adopting gig-based businesses models.

12th

The prioritization of environmental protection at companies and governments' impulse of the green agenda:

Experts rate Qatar 4.8 on this condition, which is higher than the global average of 4.1.

Qatar is ranked in 12th position overall and sits behind the UAE (7.4) and Saudi Arabia (5.8) National experts are more likely to think the Qatar government has accelerated the 'green agenda,' or environmental policies and is taking effective measures to promote sustainability and environmental awareness among all firms, than to believe a substantial number of new and growing firms prioritize environmental protection above profitability or growth.

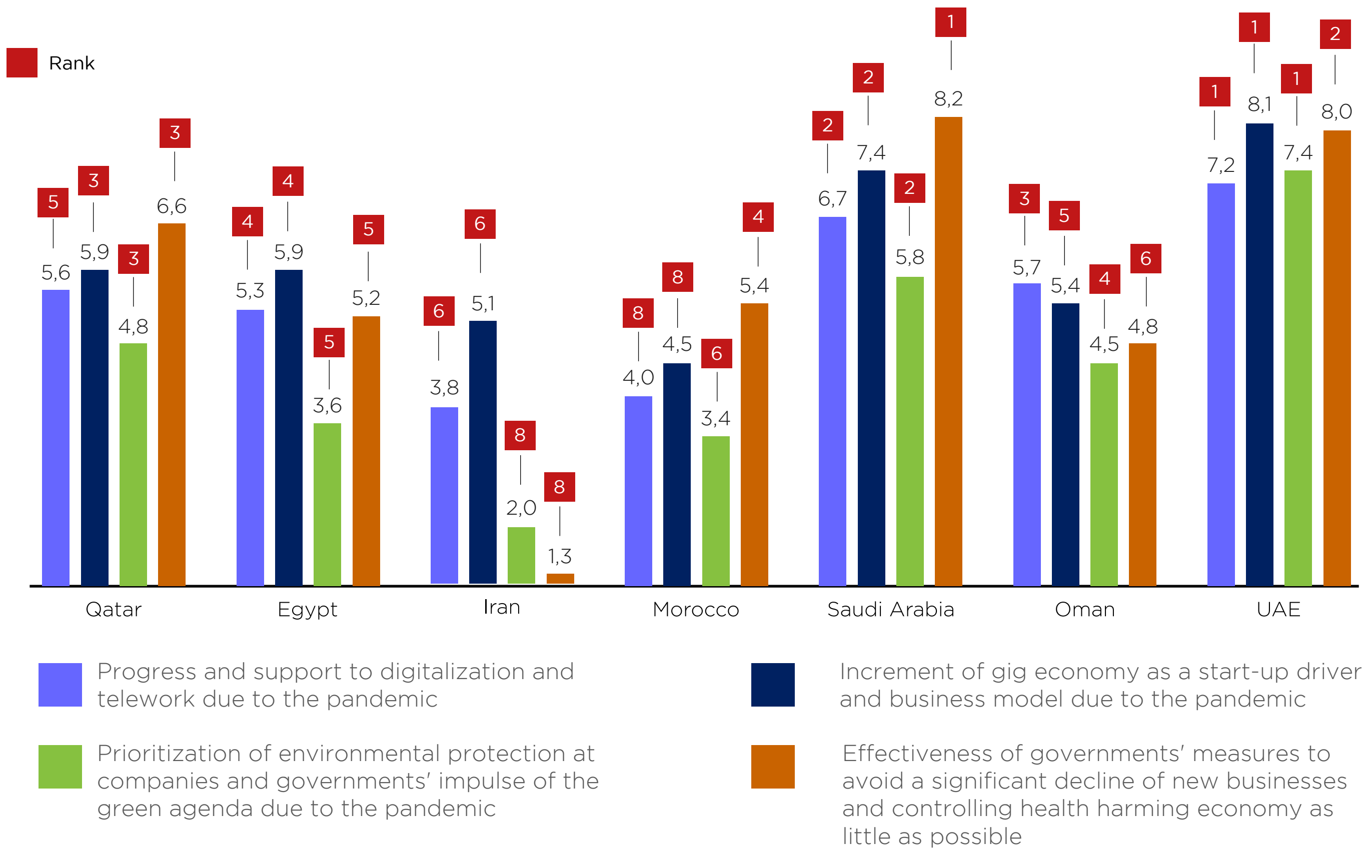
10th

The effectiveness of governments' measures to avoid a significant decline of new businesses and controlling the health crisis while harming the economy as little as possible.:

Qatar records a rate of 6.6 on this condition, a much higher rate than the global average (5.1).

Qatar is ranked in the 10th position overall and in the 3rd position within the MENA region. Experts believe that the measures adopted by the government during the first 12 months of the pandemic has helped avoiding a significant decline in the number of new and growing firms and associated jobs. The experts also believe that the government is making effective decisions to control the health crisis while having less impact on the economy.

Figure 11.13: Impact of the pandemic on the entrepreneurial context in MENA countries

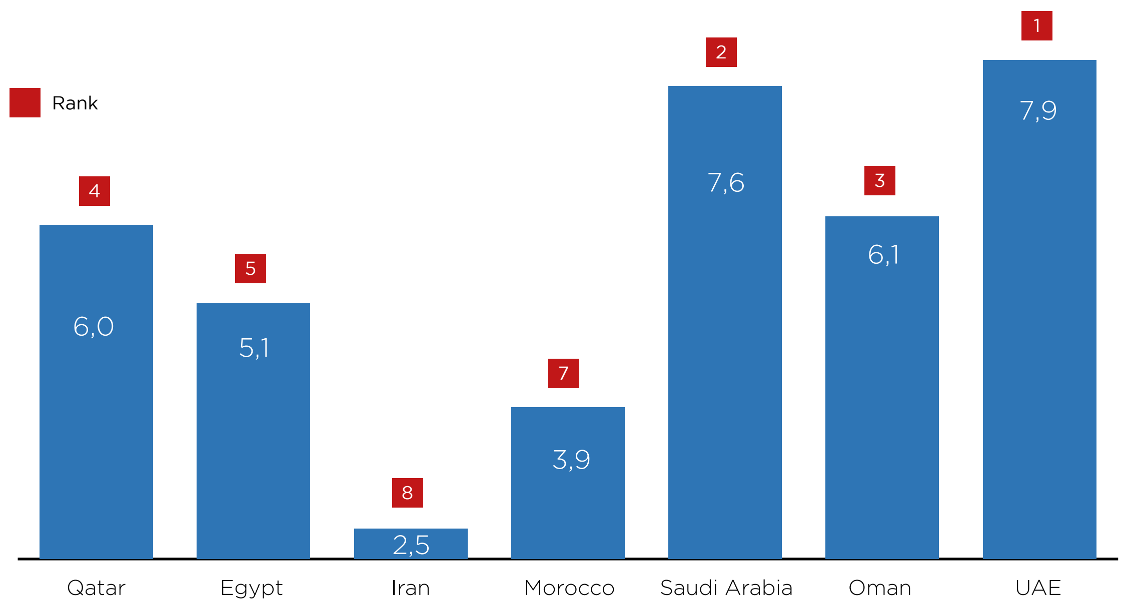


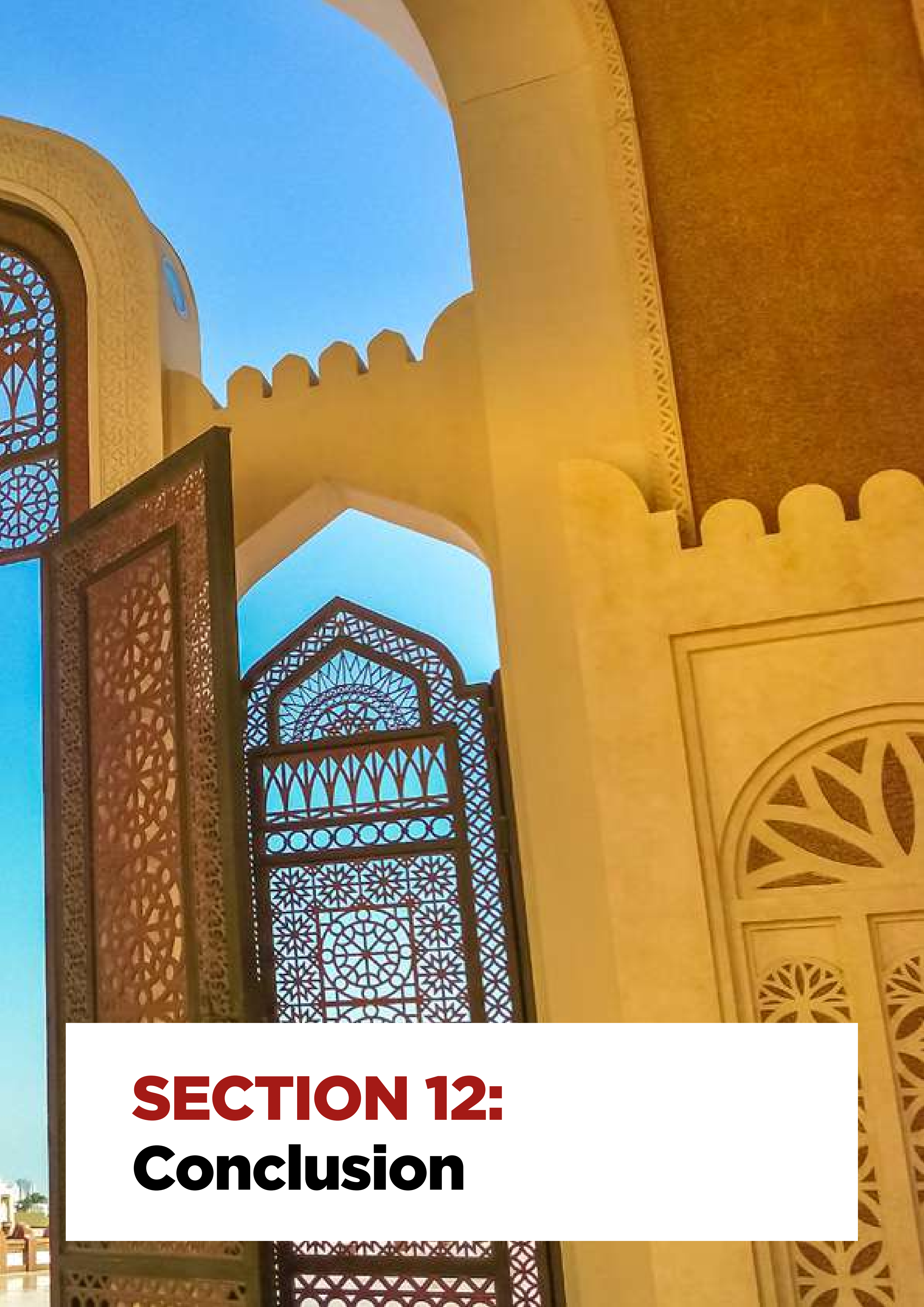
11.2.11 Female Entrepreneurship

The Women's entrepreneurship condition was also added in the NES in 2021. Experts were asked to rate the support services, regulations, culture, market accessibility, access to financing services, and the impact of pandemic with regards to enhancing entrepreneurship amongst women. Qatar records a rate of 6.0 on this condition which is above the global average of 4.9. Qatar is ranked in 6th position compared to all 50 countries participating in the NES and is also ranked in 4th position compared to the other benchmarked MENA countries, with the UAE (7.9) being is first position, followed by Saudi Arabia (7.6) and Oman (6.1).

For the women's entrepreneurship condition, national experts give the highest rating to "access to finance is equally granted for male and female entrepreneurs", whereas the lowest rating is recorded for "the regulations for entrepreneurs are so favourable that women prefer becoming an entrepreneur instead of becoming an employee".

Figure 11.14: Support to women entrepreneurship and conciliation in MENA countries



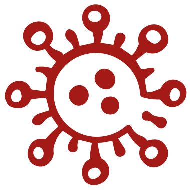


SECTION 12:
Conclusion

In 2021, the GEM results show a decline compared to the previous year on all indicators related to societal attitudes towards entrepreneurship including the proportion of the population who consider entrepreneurship a desirable career choice and believe entrepreneurs are well regarded and enjoy a high level of social status and respect. But overall, the adult population of Qatar continue to show a positive attitude towards entrepreneurship.

Self-perceptions about entrepreneurship have an important impact on the entrepreneurial intentions. In 2021, more adults compared to the previous year declare having the intention to start their own business or become self-employed in the next three years. Although, the proportion of adults who feel it is easy to start a business in Qatar has declined compared to 2020, the proportion of those who state that fear of failure would prevent them from starting their own business has also declined, while there are more adults seeing good opportunities and believing they have the knowledge and skills to start a business. The GEM 2021 results also highlight a change in the early-stage entrepreneurial activity rate between men and women as the gap has increased compared to the previous year. In addition, women are more likely than men to state that fear of failure would prevent them from starting a business and are less likely than the men to feel it is easy to start a business and to believe they have the capabilities to do so. The results indicate that there is a need to take actions to address the issues with females such as building their confidence to help them seek out opportunities and not fearing failure.

In 2021, Qatar has experienced a decline in early-stage entrepreneurial activity while the rate of established business ownership remained constant. In addition, the rate of Entrepreneurial Employee Activity has increased reaching its highest value compared to past five years. As the proportion of adults owning and managing their own business in Qatar is declining, the rate of business discontinuance is increasing with over half of those who discontinued a business stating that it was due to the impact of the coronavirus pandemic.



In fact, the coronavirus pandemic has led to a drastic shift in the entrepreneurship ecosystem since the past two years including the choice of sector of activity for the nascent and new businesses as the proportion of early-stage businesses operating in business services sector has increased. The motivations to start a business have also shifted as there are more entrepreneurs who are driven by the will to make a difference in the world and to continue a family tradition. The coronavirus pandemic has also had an impact on the use of digital technologies by businesses as over a half of the new and established businesses state they have either adopted for the first time or enhanced their digital technologies in response to Covid-19.

The 2021 results also show that most entrepreneurs in Qatar have higher expectations for business growth compared to the previous year and that established business owners feel it is becoming easier to start a business compared to before the pandemic, but still one in two think it is more difficult.

Majority of the entrepreneurs agree that Qatar's government has responded effectively to the economic consequences of the coronavirus pandemic and therefore has taken an active role in providing support to new and established businesses during that period. However, the results highlight a slight decline in the proportion of entrepreneurs who see new business opportunities emerging from the consequences of the pandemic.

In 2021, Qatar records a decline in most of the Entrepreneurial Framework Conditions, which positions the country in the 9th position overall on the NECI (a drop from 8th position in 2020). In the past few years, Qatar government has taken several initiatives to foster entrepreneurship through support programs and education. This reflects in the incline in the entrepreneurial intentions rate. The NES results also show that there has been an inline compared to the previous year on the following framework conditions: the entrepreneurial education and training at post-school stage, internal market burdens and regulations, commercial and services infrastructure, and cultural and social norms. However, Qatar's experts also highlight that there is a need to further strengthen the entrepreneurship ecosystem by focusing on creating initiatives with regards to government policies on entrepreneurship, bureaucratic processes, government regulations, and licensing and business registration processes. Qatar's experts also cite limited access to financial support as a key constraint of entrepreneurship as Qatar records a substantial decline in ratings for the availability of debt, micro equity, and professional business angel funding for new and growing firms.

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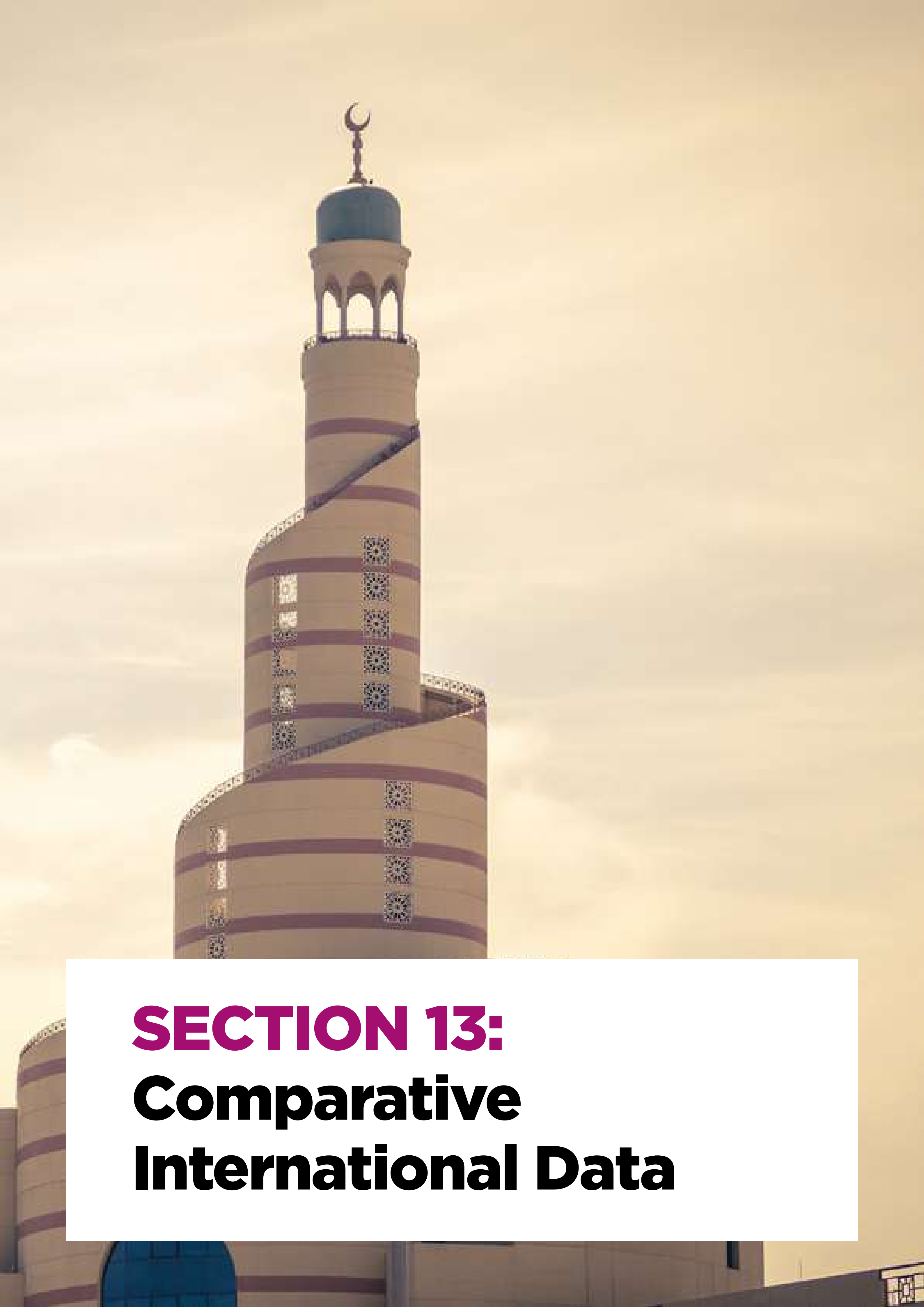


SECTION 13: Comparative International Data

Table 13.1: Entrepreneurial activity (% of adults aged 18-64)

Economy	Total Early-stage Entrepreneurial Activity (TEA)		Established business ownership rate (EBO)		Entrepreneurial Employee Activity (EEA)	
	Score	Rank/47	Score	Rank/47	Score	Rank/37
Belarus	13.5	20	5.5	26	2.4	22=
Brazil	21.0	7	10.0	7	3.3	18
Canada	20.1	8	8.2	16	4.7	10
Chile	29.9	3	7.1	19=	4.0	15
Colombia	15.7	15=	1.8	47	-	-
Croatia	12.4	25	4.0	37	5.7	8=
Cyprus	8.4	33	8.6	12	1.0	32
Dominican Republic	41.9	1	3.8	38	-	-
Egypt	9.2	30	3.6	40=	-	-
Finland	7.9	35	8.9	9=	6.6	4
France	7.7	36	3.6	40=	2.8	21
Germany	6.9	38	5.0	30	3.4	17
Greece	5.5	43=	14.7	2	1.5	28=
Guatemala	28.3	4	12.7	3	1.1	31
Hungary	9.8	26=	8.4	15	3.0	20
India	14.4	18	8.5	13=	0.5	35
Iran	8.8	32	8.8	11	1.9	24=
Ireland	12.5	24	6.9	21	5.7	8=
Israel	9.6	29	3.3	45	5.8	6=
Italy	4.8	45	4.5	33	3.2	19
Japan	6.3	41	4.8	32	1.7	26=
Kazakhstan	19.9	9	12.1	4	-	-
Latvia	15.1	17	9.9	8	4.1	13=
Luxembourg	7.3	37	3.6	40=	4.6	11
Morocco	6.1	42	4.9	31	-	-
Netherlands	14.2	19	6.4	23=	3.5	16
Norway	3.1	46	3.5	43	1.9	24=
Oman	12.7	22	2.8	46	-	-
Panama	21.8	6	3.7	39	1.7	26=
Poland	2.0	47	11.1	5	0.8	33
Qatar	15.9	14	6.1	25	7.9	1
Republic of Korea	13.4	21	16.4	1	1.5	28=
Romania	9.7	28	4.1	35=	2.4	22=
Russian Federation	8.3	34	3.4	44	0.3	36=
Saudi Arabia	19.6	10	5.3	27=	0.3	36=
Slovak Republic	6.4	40	6.5	22	0.6	34
Slovenia	6.7	39	8.5	13=	5.9	5
South Africa	17.5	11	5.2	29	-	-
Spain	5.5	43=	7.2	18	-	-
Sudan	33.6	2	8.1	17	1.4	30
Sweden	9.0	31	4.3	34	5.8	6=
Switzerland	9.8	26=	7.1	19=	7.1	3
Turkey	15.7	15=	11.0	6	-	-
United Arab Emirates	16.5	12=	6.4	23=	7.8	2
United Kingdom	12.6	23	5.3	27=	4.1	13=
United States	16.5	12=	8.9	9=	4.5	12
Uruguay	23.1	5	4.1	35=	-	-
Average	13.5		6.8		3.4	

An equal sign (=) indicates that the ranking position is tied with another economy or economies
Note: the EEA variable is not available for some economies in 2021.

Table 13.2: Public attitudes and perceptions (% of adults aged 18-64 who somewhat or strongly agree)

Economy	Knowing someone who has started a business in the past two years	Perceived opportunities	Perceived ease of starting a business	Fear of failure (% of those seeing good opportunities)	Perceived capabilities	Entrepreneurial intentions
Belarus	61.3	25.0	34.5	56.0	52.0	24.1
Brazil	70.6	54.8	42.0	45.1	66.7	53.0
Canada	51.7	70.5	66.8	53.8	58.9	13.4
Chile	70.7	59.8	48.0	46.8	70.7	50.3
Colombia	58.2	38.1	29.0	48.7	56.2	20.9
Croatia	68.0	58.3	30.9	45.6	71.1	21.7
Cyprus	72.9	50.2	50.9	50.1	64.1	15.1
Dominican Republic	82.7	74.4	66.6	36.7	88.7	54.8
Egypt	30.8	73.2	72.4	53.0	65.8	55.3
Finland	64.1	61.0	69.6	44.5	42.8	9.7
France	46.3	52.1	52.0	44.1	48.6	14.5
Germany	39.9	48.2	38.2	37.9	37.1	5.8
Greece	32.6	48.6	35.1	51.5	53.1	9.6
Guatemala	71.1	69.1	48.8	41.5	76.3	45.0
Hungary	49.7	36.5	49.1	33.7	36.0	8.1
India	63.1	83.4	82.2	54.1	86.0	18.1
Iran	41.9	17.9	17.7	20.2	66.4	26.4
Ireland	57.5	57.3	58.9	49.9	57.8	15.2
Israel	63.5	45.8	13.7	46.6	37.5	17.5
Italy	41.1	34.7	16.6	45.3	44.7	9.4
Japan	20.1	11.7	29.7	47.9	12.3	3.2
Kazakhstan	53.4	51.4	52.4	12.1	65.4	55.3
Latvia	41.1	39.6	29.4	37.3	53.3	17.9
Luxembourg	43.0	54.1	64.1	43.0	52.9	13.2
Morocco	44.0	64.1	56.1	35.5	61.5	43.3
Netherlands	56.8	69.9	85.6	36.8	45.4	17.6
Norway	38.0	74.3	80.3	38.3	42.0	4.9
Oman	69.4	67.7	44.5	24.6	59.2	53.2
Panama	45.3	46.3	49.1	45.6	69.8	44.1
Poland	54.0	72.5	64.3	43.5	60.1	2.9
Qatar	55.9	73.8	64.2	38.2	70.9	50.4
Republic of Korea	40.5	44.0	35.0	14.7	54.0	26.7
Romania	37.7	49.1	27.0	48.3	50.0	9.7
Russian Federation	59.8	33.5	32.5	48.2	34.5	9.7
Saudi Arabia	58.0	95.4	93.5	53.6	90.5	18.0
Slovak Republic	53.9	33.4	25.8	46.0	41.8	5.3
Slovenia	54.6	51.5	61.0	43.0	58.5	15.4
South Africa	37.6	57.9	67.6	53.0	69.7	20.0
Spain	38.1	30.0	35.9	51.0	49.8	7.7
Sudan	66.8	72.1	66.7	40.5	88.1	43.7
Sweden	55.1	79.6	82.6	43.6	49.9	13.1
Switzerland	54.7	54.7	68.9	30.4	49.6	13.4
Turkey	42.8	31.9	25.1	39.8	59.3	31.3
United Arab Emirates	54.6	73.5	74.4	49.7	65.1	35.9
United Kingdom	49.8	61.2	70.7	51.8	51.1	9.3
United States	58.8	63.2	66.9	42.6	64.6	14.8
Uruguay	54.5	58.4	37.7	48.2	69.8	33.0
Average	52.7	54.8	51.4	42.8	57.9	23.4

Table 13.3: Attitudes and perceptions of entrepreneurs (% of TEA, % of EBO, and % of EEA)

Economy	The % of those starting or running a new or established business who agree/strongly agree that pandemic has provided new opportunities that they want to pursue/ are pursuing			The % of those starting or running a new or established business who think starting a business is somewhat or much more difficult as a year ago	
	% TEA	% EBO	% EEA	% TEA	% EBO
Belarus	30.4	19.6	36.1	66.1	58.8
Brazil	53.6	49.7	57.1	60.9	61.9
Canada	67.1	41.9	70.5	52.8	54.9
Chile	65.5	45.0	77.9	66.7	72.4
Colombia	55.9	44.3	-	58.4	78.8
Croatia	32.7	25.7	42.7	27.7	24.7
Cyprus	39.4	19.1	61.0	43.6	36.0
Dominican Republic	52.0	52.7	-	56.5	38.3
Egypt	43.5	34.3	-	40.7	38.0
Finland	28.8	22.4	60.3	13.3	21.0
France	39.9	30.9	54.0	35.2	33.0
Germany	36.5	30.9	30.1	39.0	40.7
Greece	28.9	14.9	39.4	41.1	56.9
Guatemala	51.5	38.7	64.5	58.5	67.7
Hungary	23.4	11.9	28.6	33.9	41.3
India	77.6	68.2	80.6	86.8	83.8
Iran	34.0	8.0	61.9	89.3	88.9
Ireland	60.5	52.6	66.6	51.8	55.3
Israel	50.0	25.9	47.4	40.9	45.9
Italy	46.3	23.4	36.0	47.0	57.6
Japan	28.0	17.4	37.9	49.1	52.3
Kazakhstan	32.5	19.2	-	67.3	75.5
Latvia	35.0	17.2	48.6	9.8	10.1
Luxembourg	46.8	30.7	36.5	38.8	44.2
Morocco	26.3	16.8	-	52.0	59.7
Netherlands	57.4	41.7	58.1	31.7	35.5
Norway	30.5	41.7	48.0	14.5	10.0
Oman	37.4	22.8	-	37.2	37.0
Panama	53.7	44.0	77.8	62.5	62.7
Poland	24.8	21.6	44.2	41.9	23.8
Qatar	41.5	31.6	51.5	47.1	54.7
Republic of Korea	8.2	1.2	0.0	57.9	69.9
Romania	47.0	42.0	48.1	42.2	36.5
Russian Federation	21.0	11.4	0.0	49.6	62.9
Saudi Arabia	50.3	30.1	79.9	25.0	19.2
Slovak Republic	45.1	13.4	71.7	57.5	62.4
Slovenia	44.9	31.5	60.0	23.0	28.2
South Africa	48.9	54.2	-	59.2	56.2
Spain	40.8	24.5	-	48.5	48.3
Sudan	44.7	46.0	44.5	73.1	75.7
Sweden	38.6	26.1	57.4	18.6	15.6
Switzerland	36.6	40.3	55.0	30.6	35.6
Turkey	33.2	38.1	-	62.4	71.3
United Arab Emirates	59.9	63.6	58.7	32.2	29.3
United Kingdom	57.4	38.0	80.0	35.7	40.9
United States	52.6	40.1	55.4	35.4	39.0
Uruguay	42.2	27.1	-	47.0	39.3
Average	42.6	31.8	52.1	46.0	47.9

Note: the EEA variable is not available for some economies in 2021.

Table 13.4: Attitudes and perceptions of entrepreneurs (% of TEA, % of EBO, and % of EEA), cont.

Economy	The % of those starting or running a new or established business who expect to use more digital technologies to sell products or services in the next six months		The % of those starting or running a new or established business who agree/strongly agree that they always consider the social implications of decisions		The % of those starting or running a new or established business who agree/strongly agree that they always consider the environmental implications of decisions	
	% TEA	% EBO	% TEA	% EBO	% TEA	% EBO
Belarus	37.5	25.5	64.3	64.8	67.6	62.1
Brazil	83.6	66.2	89.9	84.5	84.1	85.7
Canada	55.4	38.3	80.3	64.8	72.2	62.6
Chile	77.0	51.0	88.0	87.2	90.9	94.4
Colombia	80.2	62.6	87.2	82.7	89.6	81.2
Croatia	57.3	52.5	78.7	78.7	81.9	85.4
Cyprus	53.1	46.2	68.0	72.3	65.9	72.7
Dominican Republic	74.5	64.4	81.2	73.5	79.7	64.9
Egypt	69.7	58.2	86.3	89.9	86.5	89.0
Finland	32.2	22.4	64.1	71.5	72.7	74.3
France	9.0	25.0	71.5	58.6	69.0	69.2
Germany	41.9	22.1	70.3	55.6	62.6	64.8
Greece	57.4	30.0	76.0	66.6	83.5	77.4
Guatemala	75.3	61.7	92.7	92.9	82.5	92.8
Hungary	28.3	18.0	74.5	60.9	86.3	83.7
India	59.3	48.8	89.6	85.0	81.9	80.5
Iran	54.2	26.9	69.1	51.7	60.0	40.3
Ireland	66.2	56.5	77.5	65.9	76.4	71.7
Israel	46.6	28.3	58.1	55.9	49.2	50.0
Italy	51.4	35.2	86.1	79.1	80.2	77.0
Japan	62.1	46.4	71.6	64.1	66.1	69.4
Kazakhstan	59.1	31.5	51.8	30.4	50.1	32.9
Latvia	49.6	28.8	82.1	75.2	83.1	77.1
Luxembourg	48.8	33.0	72.2	96.3	71.2	78.8
Morocco	66.6	34.8	85.3	73.7	85.1	80.8
Netherlands	41.0	20.5	69.6	68.7	67.9	77.0
Norway	44.7	44.4	40.5	50.7	50.4	61.2
Oman	48.8	13.6	81.5	85.9	78.3	82.2
Panama	74.4	65.3	82.6	74.7	89.0	89.3
Poland	20.1	4.1	44.4	5.1	42.4	4.9
Qatar	70.6	61.9	87.5	88.1	86.4	85.9
Republic of Korea	51.0	62.0	60.5	63.5	57.5	72.9
Romania	28.0	20.1	81.4	71.3	83.9	82.3
Russian Federation	34.6	18.4	63.3	64.5	66.4	69.6
Saudi Arabia	47.7	23.1	81.9	64.3	77.9	59.0
Slovak Republic	17.2	16.7	77.7	76.1	67.3	74.9
Slovenia	45.6	30.9	85.6	82.7	92.0	89.0
South Africa	52.0	62.7	-	-	-	-
Spain	50.3	32.9	67.3	69.9	67.8	75.8
Sudan	59.9	57.3	82.1	85.1	81.0	90.1
Sweden	34.3	26.3	60.1	66.0	60.2	59.7
Switzerland	43.4	35.2	80.3	69.9	73.8	67.9
Turkey	55.2	50.7	79.0	78.9	89.5	89.4
United Arab Emirates	75.9	73.5	93.3	90.7	88.9	86.6
United Kingdom	62.7	43.8	73.3	72.0	72.7	67.8
United States	60.8	34.3	76.0	61.6	75.6	67.0
Uruguay	64.5	31.4	87.2	72.5	85.7	93.5
Average	52.7	39.2	75.5	70.5	74.6	73.1

Table 13.5: Entrepreneurial activity by age, gender and education (% of adults aged 18-64)

Economy	Total early-stage Entrepreneurial Activity (TEA) by gender		Total early-stage Entrepreneurial Activity (TEA) by age group		Total early-stage Entrepreneurial Activity (TEA) for graduates and for non-graduates	
	TEA male	TEA female	18-34	35-64	% TEA graduates	% TEA non-graduates
Belarus	14.2	12.9	17.4	11.6	17.1	9.8
Brazil	23.3	18.7	22.9	19.6	26.5	19.4
Canada	24.4	15.8	31.3	14.1	20.9	17.4
Chile	34.7	25.3	32.9	27.8	31.3	27.3
Colombia	17.4	14.1	16.8	14.8	16.7	14.3
Croatia	15.5	9.2	18.1	9.3	16.3	9.8
Cyprus	10.8	6.1	8.1	8.5	9.7	5.7
Dominican Republic	40.1	43.8	41.6	42.2	42.7	41.0
Egypt	12.5	5.7	10.7	7.4	12.3	8.1
Finland	9.4	6.4	8.4	7.6	8.2	7.6
France	8.4	7.1	9.5	6.8	10.0	4.7
Germany	8.4	5.3	9.4	5.7	8.5	5.6
Greece	6.5	4.6	6.8	4.7	5.7	5.4
Guatemala	32.9	23.9	31.2	24.6	33.7	27.9
Hungary	12.1	7.5	11.7	8.7	10.7	9.3
India	16.3	12.3	14.2	14.5	17.1	9.7
Iran	10.4	7.1	9.2	8.4	9.6	7.6
Ireland	13.7	11.3	16.7	10.2	13.4	10.5
Israel	10.4	8.8	9.3	9.7	9.5	9.8
Italy	6.2	3.5	8.3	3.4	9.7	3.5
Japan	8.5	4.0	6.1	6.4	5.5	7.4
Kazakhstan	18.5	21.3	21.2	19.0	19.7	20.8
Latvia	18.2	12.0	22.0	11.9	12.4	16.2
Luxembourg	9.3	5.1	9.7	5.9	9.6	3.0
Morocco	5.9	6.3	6.3	5.8	5.4	6.6
Netherlands	15.5	13.0	15.6	13.5	17.5	12.6
Norway	4.4	1.8	2.0	3.7	2.7	3.7
Oman	13.5	11.9	15.0	9.4	14.0	11.1
Panama	23.2	20.3	23.1	20.7	23.6	18.9
Poland	2.4	1.7	3.0	1.5	2.1	1.7
Qatar	17.2	10.5	15.9	15.8	17.0	12.6
Republic of Korea	15.9	10.7	10.9	14.5	14.1	12.4
Romania	9.8	9.6	11.3	8.9	10.7	6.0
Russian Federation	10.2	6.6	10.7	7.1	8.7	6.9
Saudi Arabia	20.1	19.0	18.9	20.2	18.9	21.7
Slovak Republic	7.8	5.0	8.4	5.4	7.3	6.0
Slovenia	7.2	6.1	12.3	4.3	8.0	5.5
South Africa	18.8	16.2	19.2	15.3	17.2	17.7
Spain	5.4	5.6	5.3	5.6	7.8	3.8
Sudan	40.8	26.4	33.5	33.7	36.0	32.3
Sweden	11.8	6.0	9.2	8.8	9.4	8.4
Switzerland	12.3	7.2	8.9	10.3	11.7	6.6
Turkey	21.1	10.3	16.3	15.2	15.5	15.7
United Arab Emirates	20.1	8.2	16.1	17.0	16.4	17.1
United Kingdom	14.2	10.9	16.0	10.6	13.3	11.8
United States	17.8	15.2	18.9	15.1	15.9	18.5
Uruguay	25.9	20.2	26.3	20.9	26.2	22.5
Average	15.4	11.5	15.2	12.5	14.8	12.4

Table 13.6: Sector distribution of Total early-stage Entrepreneurial Activity (% of TEA)

Economy	Business oriented services	Consumer oriented services	Extractive sector	Transforming sector
Belarus	20.3	39.0	7.8	33.0
Brazil	12.1	61.4	2.5	24.0
Canada	25.5	51.9	3.4	19.2
Chile	16.3	56.9	4.0	22.8
Colombia	17.0	59.0	0.7	23.3
Croatia	25.6	36.6	11.2	26.6
Cyprus	16.7	58.6	3.2	21.5
Dominican Republic	11.5	75.2	0.8	12.5
Egypt	6.7	44.6	9.5	39.2
Finland	31.6	36.0	12.1	20.3
France	35.9	41.2	4.0	18.9
Germany	29.0	50.4	2.6	18.1
Greece	17.3	42.7	12.4	27.6
Guatemala	5.2	72.9	5.5	16.4
Hungary	16.9	42.9	11.5	28.7
India	1.7	71.3	8.2	18.8
Iran	16.6	44.4	4.8	34.2
Ireland	21.8	54.5	5.1	18.6
Israel	40.4	48.1	0.6	10.9
Italy	36.9	41.0	5.4	16.7
Japan	25.2	56.3	2.8	15.6
Kazakhstan	12.1	56.4	6.0	25.5
Latvia	24.7	36.5	8.4	30.4
Luxembourg	43.8	35.7	2.7	17.8
Morocco	8.5	55.6	5.5	30.4
Netherlands	26.8	57.1	0.5	15.6
Norway	32.6	44.1	7.4	16.0
Oman	14.5	57.8	8.3	19.4
Panama	15.7	61.9	4.6	17.8
Poland	21.5	46.8	8.2	23.4
Qatar	17.8	46.2	2.3	33.7
Republic of Korea	16.6	56.0	3.0	24.4
Romania	14.6	44.1	12.9	28.4
Russian Federation	15.4	42.6	4.9	37.0
Saudi Arabia	3.8	86.9	0.4	8.9
Slovak Republic	17.0	52.1	2.4	28.5
Slovenia	30.0	41.7	2.6	25.7
South Africa	8.8	68.6	4.6	18.1
Spain	34.1	44.4	3.4	18.1
Sudan	4.3	51.1	20.7	23.9
Sweden	34.1	39.3	8.3	18.3
Switzerland	42.2	36.6	2.7	18.5
Turkey	11.4	44.4	12.0	32.2
United Arab Emirates	23.2	45.6	1.3	30.0
United Kingdom	34.5	52.1	1.9	11.5
United States	32.6	44.6	3.9	18.9
Uruguay	15.1	54.9	5.7	24.4
Average	21.0	50.8	5.6	22.6

Table 13.7: Entrepreneurial expectations and scope (% of adults aged 18-64)

Economy	The % of adults (aged 18-64) starting or running a new business and their job expectations in five years' time			The % of adults (aged 18-64) starting or running a new business and anticipating 25% or more revenue from outside their country
	0 jobs	1-5 jobs	6 or more jobs	
Belarus	6.5	3.1	3.9	2.6
Brazil	7.1	7.5	6.4	0.2
Canada	11.6	4.9	3.6	5.9
Chile	4.0	15.8	10.1	0.2
Colombia	1.2	7.3	7.2	0.9
Croatia	4.2	4.4	3.7	2.0
Cyprus	3.1	4.5	0.8	1.2
Dominican Republic	33.8	5.8	2.4	6.1
Egypt	3.5	2.5	3.2	0.6
Finland	4.9	2.2	0.8	0.7
France	3.5	2.4	1.8	1.0
Germany	3.8	2.1	1.0	1.1
Greece	1.8	2.8	1.0	1.4
Guatemala	6.0	14.8	7.5	0.3
Hungary	4.4	4.2	1.2	0.8
India	6.7	6.9	0.7	0.1
Iran	3.1	2.9	2.8	0.2
Ireland	5.0	3.9	3.5	3.0
Israel	5.4	2.6	1.5	1.5
Italy	2.5	1.3	1.0	0.5
Japan	3.0	2.0	1.3	0.5
Kazakhstan	9.6	5.0	5.4	0.2
Latvia	6.1	4.7	4.3	2.8
Luxembourg	1.9	3.4	2.0	1.7
Morocco	1.4	2.7	2.0	0.4
Netherlands	4.4	6.2	3.6	2.9
Norway	1.1	1.3	0.7	0.2
Oman	8.5	1.9	2.3	0.5
Panama	2.4	11.1	8.2	0.7
Poland	0.6	1.0	0.4	0.1
Qatar	4.1	2.0	9.8	1.5
Republic of Korea	3.9	5.4	4.1	0.7
Romania	5.1	3.0	1.6	0.4
Russian Federation	2.7	2.3	3.4	0.3
Saudi Arabia	3.2	11.5	4.9	0.3
Slovak Republic	3.8	2.2	0.4	0.1
Slovenia	2.8	2.6	1.2	1.0
South Africa	7.3	4.9	5.3	1.4
Spain	2.8	2.1	0.6	0.6
Sudan	20.4	7.7	5.5	1.5
Sweden	5.5	2.6	0.8	0.9
Switzerland	4.3	3.3	2.2	2.1
Turkey	3.6	3.4	8.7	2.5
United Arab Emirates	2.1	2.4	12.0	4.4
United Kingdom	5.7	4.5	2.4	2.7
United States	6.0	5.8	4.6	0.9
Uruguay	8.4	9.1	5.6	0.9
Average	5.4	4.6	3.6	1.3

Table 13.8: Entrepreneurial expectations and scope (% of adults aged 18-64), cont.

Economy	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			The proportion of adults starting or running a new business using technology or processes that are either new to their area, new to their country or new to the world		
	New to their area	New to their country	New to the world	New to their area	New to their country	New to the world
Belarus	1.6	0.7	0.2	1.8	0.4	0.4
Brazil	3.8	0.3	0.3	3.0	0.4	0.0
Canada	6.2	2.9	1.3	5.8	2.7	0.9
Chile	10.0	3.1	2.4	8.0	2.3	1.2
Colombia	4.3	1.8	0.5	3.9	1.5	0.5
Croatia	2.2	2.0	0.9	1.5	1.9	0.5
Cyprus	1.3	1.1	0.0	2.0	1.0	0.1
Dominican Republic	7.0	3.6	0.7	6.5	3.2	0.7
Egypt	2.3	0.6	0.1	2.4	0.5	0.0
Finland	0.5	0.8	0.7	0.6	0.8	0.5
France	1.3	0.9	0.4	1.3	0.7	0.4
Germany	1.1	0.7	0.3	0.9	0.5	0.2
Greece	0.8	0.7	0.3	0.7	0.7	0.1
Guatemala	8.7	0.8	0.5	7.0	1.0	0.9
Hungary	1.8	0.6	0.2	1.5	0.7	0.0
India	2.4	0.2	0.1	2.5	0.2	0.1
Iran	1.1	0.5	0.2	0.5	0.4	0.1
Ireland	3.5	1.2	0.7	3.3	1.2	0.6
Israel	1.4	0.7	0.3	0.6	0.4	0.4
Italy	1.1	0.5	0.3	0.8	0.6	0.2
Japan	1.1	1.2	0.4	1.2	1.1	0.6
Kazakhstan	0.4	0.1	0.1	1.0	0.1	0.0
Latvia	1.0	0.8	1.1	0.6	1.1	0.6
Luxembourg	1.0	2.0	0.9	0.4	0.8	1.0
Morocco	0.9	0.2	0.0	0.6	0.2	0.0
Netherlands	2.7	1.6	1.2	2.4	1.8	0.8
Norway	0.6	0.3	0.1	0.2	0.0	0.1
Oman	1.8	0.5	0.1	1.1	0.4	0.0
Panama	5.1	1.5	0.7	6.1	1.5	0.7
Poland	0.2	0.1	0.0	0.3	0.1	0.0
Qatar	1.7	3.4	0.3	1.9	4.0	0.5
Republic of Korea	1.3	1.9	0.4	1.1	1.4	0.3
Romania	1.1	0.8	0.2	1.1	0.8	0.1
Russian Federation	1.0	0.1	0.2	0.9	0.1	0.1
Saudi Arabia	1.8	0.4	0.1	1.7	0.5	0.1
Slovak Republic	1.4	0.2	0.0	0.8	0.3	0.1
Slovenia	1.0	1.0	0.5	1.0	0.8	0.3
South Africa	4.0	0.9	0.3	3.2	0.9	0.3
Spain	0.8	0.4	0.3	0.8	0.5	0.3
Sudan	1.6	0.5	0.0	2.2	0.5	0.0
Sweden	1.0	0.7	0.6	0.9	1.0	0.5
Switzerland	1.6	1.3	1.1	0.8	1.0	0.9
Turkey	3.8	3.4	1.5	4.6	2.4	0.8
United Arab Emirates	3.0	2.7	1.3	3.1	3.1	1.2
United Kingdom	2.1	0.8	1.2	1.6	0.6	0.7
United States	1.9	1.0	1.6	1.7	1.0	1.1
Uruguay	3.5	1.7	0.6	3.8	1.8	1.3
Average	2.3	1.1	0.5	2.1	1.0	0.4

Table 13.9: The motivation to start a business (% of TEA who somewhat or strongly agree)

Economy	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
Belarus	25.5	76.2	15.1	71.5
Brazil	75.7	56.5	32.0	76.8
Canada	70.4	68.4	50.0	70.7
Chile	56.6	53.5	33.6	73.9
Colombia	64.6	64.3	43.6	78.8
Croatia	38.7	51.3	28.5	65.7
Cyprus	32.2	81.3	13.7	72.8
Dominican Republic	72.1	64.4	37.6	72.9
Egypt	63.4	72.4	49.5	86.9
Finland	40.1	33.4	24.3	47.9
France	25.8	39.4	22.9	51.2
Germany	39.4	43.7	24.2	40.9
Greece	29.9	50.4	39.7	63.2
Guatemala	80.7	75.8	49.2	91.7
Hungary	61.7	32.5	21.0	66.8
India	75.9	73.4	74.3	91.5
Iran	36.7	92.9	17.3	64.1
Ireland	57.8	59.0	29.0	56.0
Israel	36.9	74.9	15.0	49.8
Italy	21.5	53.4	22.8	61.4
Japan	37.3	42.1	31.9	40.1
Kazakhstan	0.3	91.3	8.7	39.8
Latvia	36.9	37.1	24.2	65.3
Luxembourg	56.9	38.6	27.7	32.9
Morocco	17.6	46.5	22.3	87.1
Netherlands	52.7	41.8	24.5	44.1
Norway	39.2	37.4	23.0	26.5
Oman	43.7	78.2	26.0	89.7
Panama	65.4	50.1	39.0	78.4
Poland	16.0	62.5	12.5	53.4
Qatar	46.5	77.3	37.4	54.8
Republic of Korea	9.0	71.1	4.1	34.3
Romania	65.9	64.9	31.1	75.0
Russian Federation	27.6	65.3	20.8	68.9
Saudi Arabia	63.7	78.6	65.5	82.8
Slovak Republic	18.7	22.1	25.8	89.8
Slovenia	61.8	42.6	27.4	63.8
South Africa	81.4	83.3	63.2	84.7
Spain	43.2	38.0	19.7	72.4
Sudan	49.3	86.8	56.8	87.7
Sweden	45.3	55.0	20.6	28.0
Switzerland	57.9	51.5	14.1	46.8
Turkey	34.3	39.9	41.7	55.0
United Arab Emirates	66.1	78.7	49.7	68.8
United Kingdom	53.0	55.2	21.7	63.8
United States	71.2	74.1	41.5	45.8
Uruguay	38.7	38.8	25.0	71.3
Average	46.9	58.8	30.8	63.9

Table 13.10: National Entrepreneurship Context Index and number of Entrepreneurial Framework Conditions (EFCs) scored as sufficient or better (score ≥5)

Economy	Number of Entrepreneurial Framework Conditions (EFCs) scored as sufficient or better	NECI score
Belarus	3	3.6
Brazil	2	3.6
Canada	6	5.1
Chile	5	4.5
Colombia	6	4.7
Croatia	2	3.9
Cyprus	3	4.2
Dominican Republic	3	3.7
Egypt	3	4.4
Finland	12	6.2
France	8	5.1
Germany	7	5.1
Greece	2	4.4
Guatemala	4	3.8
Hungary	3	4.5
India	5	5.0
Iran	2	3.3
Ireland	6	4.7
Israel	4	4.9
Italy	3	4.7
Jamaica	2	4.2
Japan	2	4.7
Kazakhstan	7	4.8
Latvia	6	5.0
Lithuania	12	6.1
Luxembourg	7	4.9
Mexico	4	4.3
Morocco	2	3.9
Netherlands	12	6.3
Norway	10	5.7
Oman	2	4.1
Panama	1	3.9
Poland	3	4.2
Qatar	11	5.5
Republic of Korea	8	5.7
Romania	2	4.0
Russian Federation	3	4.1
Saudi Arabia	12	6.1
Slovak Republic	2	4.3
Slovenia	4	4.3
South Africa	0	3.7
Spain	10	5.4
Sudan	1	3.2
Sweden	6	5.3
Switzerland	10	5.5
Turkey	2	4.2
United Arab Emirates	13	6.8
United Kingdom	6	4.9
United States	8	5.3
Uruguay	4	4.3
Average		4.7

SECTION 14: 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.

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 data source, 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 that may be viewed as a dashboard representing a comprehensive set of measures that collectively contribute to the impact entrepreneurship has on society and the extent to which 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

Entrepreneurial Activity Indicators

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 they rarely act on it even when they spot a profitable opportunity.

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 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 of 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.

Pandemic-related Indicators

Household Income Impact: Percentage of adults aged 18–64 who consider that the pandemic has led their household income to somewhat or strongly decrease.

More Difficult to Start a Business: Percentage of TEA who agree that, compared to one year ago, starting a business is somewhat or much more difficult.

Growth Expectations: Percentage of TEA whose growth expectations, compared to a year ago, are somewhat or much lower.

Pandemic Opportunities: Percentage of TEA respondents who agree or strongly agree that the pandemic has provided new opportunities they wish to pursue.

Digitalization Rate: Percentage TEA who expect their business to use more digital technologies to sell their product or service in the next six months.

Social and Environmental Values

Social Impact Rate: Percentage of TEA who agree they always consider social implications when making decisions about the future of their business.

Environmental Impact Rate: Percentage of TEA who agree they always consider environmental implications when making decisions about the future of their business.

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 18 framework conditions and weights the ratings on these conditions by the importance experts place on them.

The 18 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 instil 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 (R&D) transfer: This synthesizes expert evaluation of R&D 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 services 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.

Progress and support to digitalization and telework due to the pandemic: This factor analyses whether new and growing firms can afford the cost of digitalization required by the pandemic to become enough competitive, and whether new and growing firms are promoting working from home. It also identifies whether there is sufficient government support in the form of specific subsidies, tax benefits or training to help all types of firms in all sectors to implement and/or adopt business digitalization.

Increment of gig economy as a start-up driver and business model due to the pandemic: This factor analyses the impact of the pandemic on the gig economy and measures whether there is a substantial number of new and growing firms that are adopting gig-based businesses models

Prioritization of Environmental protection at companies and governments' impulse of the green agenda due to the pandemic: This factor includes experts opinions on whether the covid-19 pandemic had an impact on the number of new and growing firms prioritizing protecting the environment above profitability or growth. The experts also provide their opinion on whether the government has accelerated the 'green agenda,' or specific environmental policy, taking effective measures to promote sustainability and environmental awareness among all firms amid the pandemic.

Effectiveness of governments' measures to avoid a significant decline of new businesses: This factor measures whether the measures adopted by the government during the first 12 months of the pandemic has helped avoid a significant decline in the number of new and growing firms and associated jobs and whether the government is making effective decisions to control the health crisis while harming the economy as little as possible.

Support to women entrepreneurship and conciliation: This factor analyses whether there is sufficient support for female entrepreneurs in terms of finance, support services and access to markets.

GEM CONCEPTUAL FRAMEWORK

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

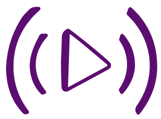
Determine the extent that entrepreneurial activity influences economic growth within individual economies	Identify factors that encourage and/or hinder entrepreneurial activity (especially relationships between national entrepreneurship conditions, social values, personal attributes, and entrepreneurial activity)	Guide the formulation of effective and targeted policies aimed at enhancing entrepreneurial capacity within individual countries.

The GEM developed a Conceptual Framework focused on enterprise creation, development, and growth to explore the interdependency between entrepreneurship and economic development. This framework has evolved since its inception in 1999. As shown in Figure 14.1, the GEM Conceptual Framework is centred 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, R&D 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. Therefore, entrepreneurial activity is 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.

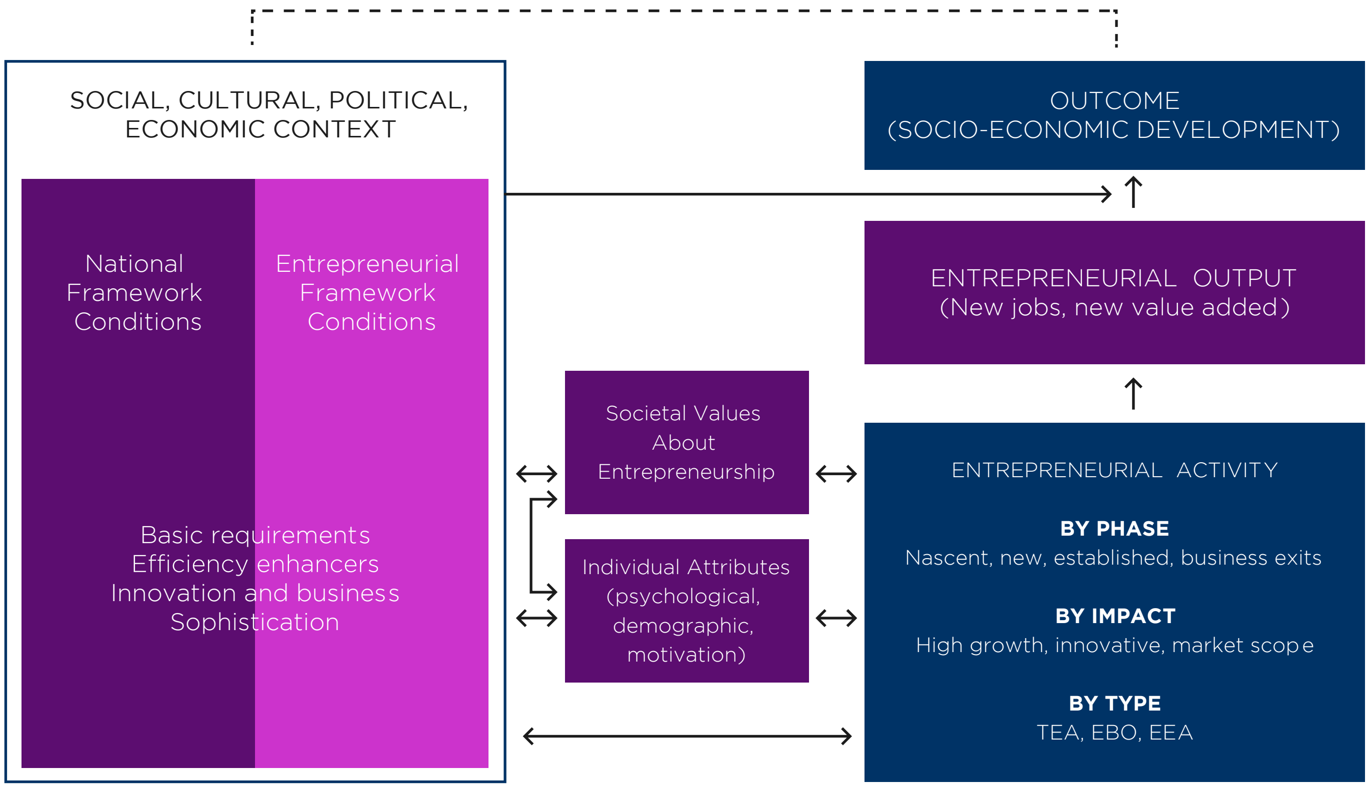
Social values toward entrepreneurship: This includes aspects such as the extent that society values entrepreneurship as a good career choice; whether entrepreneurs have a high societal status; and the extent that media attention on entrepreneurship is contributing to the development of a positive entrepreneurial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

Figure 14.1: The GEM Conceptual Framework



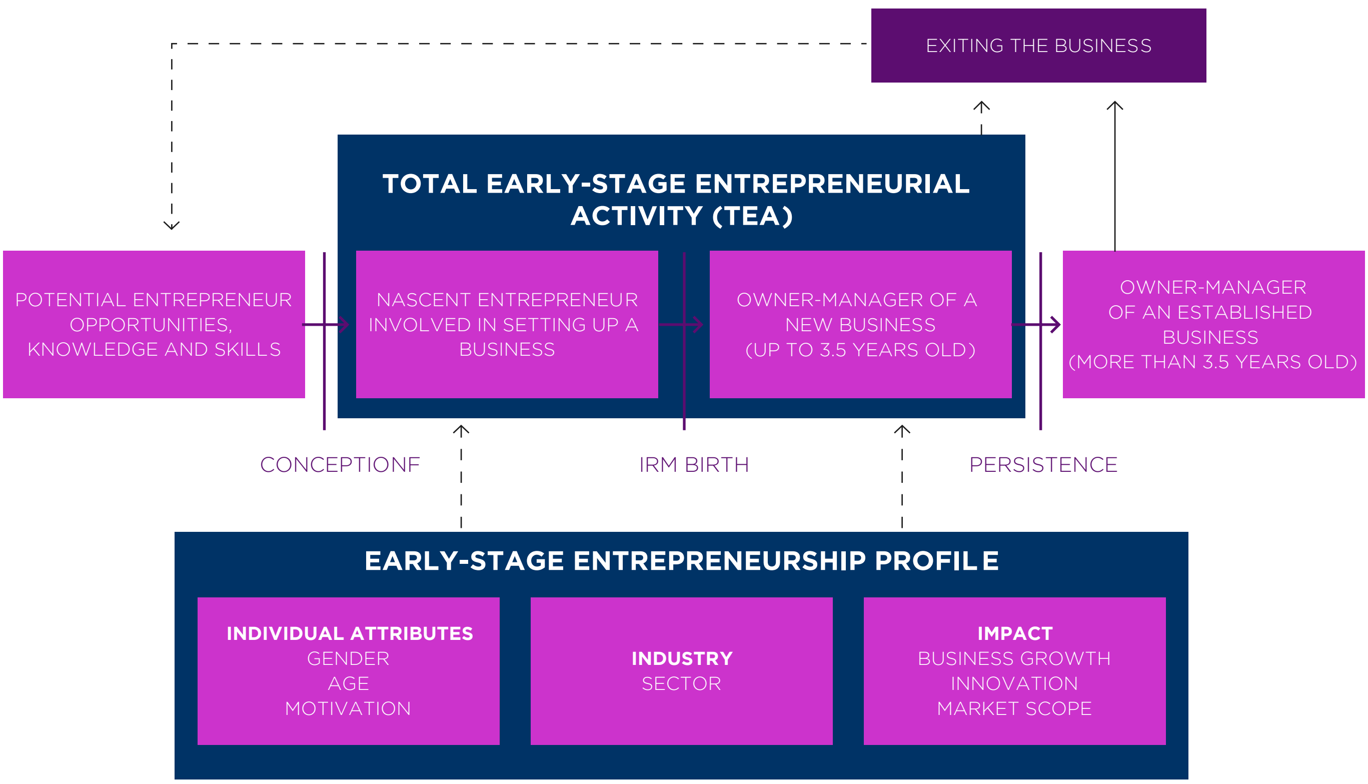
HOW GEM MEASURES ENTREPRENEURSHIP

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 new businesses 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 14.2 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 at the initial concept stage or the established business stage, contributes to the national level of entrepreneurship. The GEM considers the number of entrepreneurs in an economy and considers other aspects such as the level of employment they create, their growth ambitions, and how segments such as women are participating in entrepreneurial activity.

Figure 14.2: Entrepreneurial phases and GEM entrepreneurship indicators



GEM METHODOLOGY

To provide reliable comparisons across countries, GEM data are obtained using a harmonised research design 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 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 2021, the APS conducted in Qatar included a total of 3,012 interviews, with a random selection of the adult population between the ages of 18 and 64 years, covering all nationalities and gender.

Due to the COVID-19 pandemic, the 2021 APS was conducted between June and August. Interviews were conducted using a structured questionnaire in the respondent's preferred language (Arabic or English).

Data was collected via telephone surveys on respondents' mobile phones using random digit dialling (RDD). 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 analysed 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 across nine frameworks in each participating economy. These frameworks include entrepreneurial financing, government policy, government entrepreneurship programs, entrepreneurial education, R&D transfer, commercial and legal infrastructure, internal market dynamics and market burdens or entry, physical infrastructure, cultural and social norms, progress and support to digitalization and telework due to the pandemic, increment of gig economy as a start-up driver and business model due to the pandemic, prioritization of environmental protection at companies and governments' impulse of the green agenda due to the pandemic, effectiveness of governments' measures to avoid a significant decline of new businesses and controlling the health crisis while harming the economy as little as possible., support to women entrepreneurship and conciliation.

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. Therefore, it is 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 must 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 18 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 how 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 18 factors, which is used to rank the economies.