

- Over 136,000 individuals replied to APS questions about their attitudes, perceptions and activities related to entrepreneurship.
- An additional 2,000 experts from 49 economies offered their assessments for the NES.

2023/2024 GLOBAL REPORT FINDINGS

In 2023, global GDP was expected to grow by just 3%, and world inflation fall to 7%.¹ Despite this global GDP growth, all 46 economies in the GEM APS have a significant number of adults reporting that their household income has fallen in 2023. In the context of this environment, the following are five salient and noteworthy themes from the 2023 GEM surveys.

1. Schools continue to get low marks

- Despite incremental improvement in some cases, **entrepreneurial education at school** in most economies **continues to be assessed as poor**, and was rated as weakest of all 13 Entrepreneurial Framework Conditions in 31 out of 49 economies. Each year, GEM has profiled this framework condition as a general problem across economies.
- In the 2023 survey, entrepreneurial education at school was assessed by national experts as satisfactory or better in just five out of 49 economies. **Yet change is possible:** between 2021 and 2023, both Qatar and the United Arab Emirates showed substantially improved ratings for this framework condition. Do you have to be high-income to do this? **India had the most improved ratings over the same period**, from less than satisfactory to much better than satisfactory.

2. Entrepreneurial activity rates are highly variable

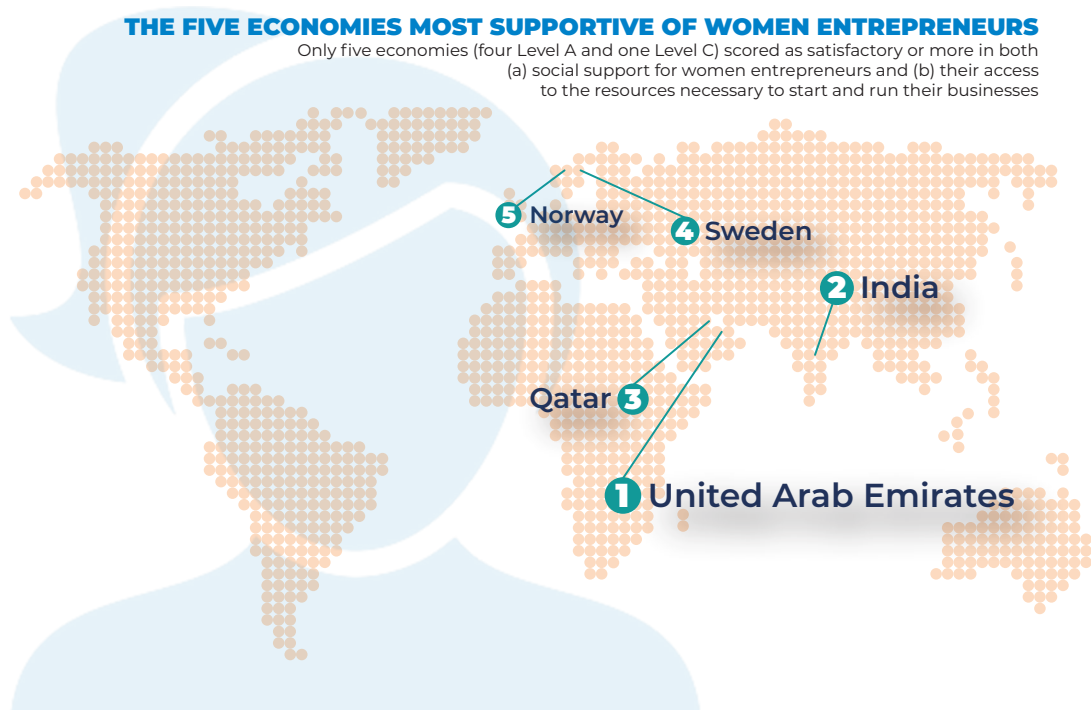
- **The highest levels of entrepreneurial activity are in the Latin America & Caribbean region**, with all five highest rates of adults starting and running new businesses coming from this region. However, **levels of new entrepreneurial activity are highly variable, across all regions and all income groups**. For example, in the Latin America & Caribbean region the level varied from 17% in Mexico to 31% in Panama, while in the low-income Level C group it varied from 6% in Morocco to (again) 31% in Panama. Other regions and income groups display similar variability. Established Business Ownership is typically both lower and less variable.

¹ World Bank data.

- **Among the different sectors, lower-income economies tend to have much higher proportions of new startups, specifically in the consumer services sector**, where entry-requirements are typically less demanding. Ten economies out of 14 from the lowest income group (Level C) had two out of three of their new startups in consumer services, compared to just one economy in the middle- and higher-income groups combined (Levels A and B).
- Among new entrepreneurs, **job creation expectations are generally higher in the Latin America & Caribbean** region than in other regions. Puerto Rico, Chile, Brazil and Mexico each had more than three in 10 of those starting and running new businesses expecting to employ at least another six people over the next five years. New entrepreneurs in European economies tend to have much lower job creation expectations, perhaps reflecting higher add-on costs of hiring people, and a more cautionary approach.

3. Women entrepreneurs deserve more support

- **Experts in most economies (37 out of 49) rated social support for women as unsatisfactory.** However, in a majority of economies (27 out of 49), women entrepreneurs' access to resources, as compared to that of men, rated as satisfactory or better. In only five economies did experts assess both social support for women entrepreneurs and their resource access compared to men as satisfactory or better: India, Qatar, Norway, Sweden and the United Arab Emirates.



- **Fear of failure remains a formidable obstacle to new startups, especially for women.** At least two in five adults seeing good opportunities would not start a business for fear it might fail in 35 of the 45 participating economies. In 37 of these economies, a higher proportion of women than men seeing good opportunities would not start a business for fear it might fail. Interestingly, the biggest perception gap was in the United Kingdom, where 63% of those women seeing good opportunities would not start a business for fear it might fail, compared to just 44% of men.

4. Entrepreneurs are facing the future

- **Good news: many new and established entrepreneurs are contributing to a range of Sustainable Development Goals (SDGs).** At least one in two new entrepreneurs identified an SDG as a priority in 25 of 33 economies (these APS questions were optional). However, actions speak louder than words, and entrepreneurs are stepping up to the plate and walking the talk. More than one in two new entrepreneurs had taken concrete steps to minimize the environmental impact of their new business in 28 of 45 economies. Established Business Owners were even more active, with at least one in two taking steps to minimize environmental impacts in 36 of 45 economies.
- Intriguingly, in many economies, regardless of income level, **new entrepreneurs are assessed by experts as prioritizing good environmental or sustainability practices above economic performance**, indicating a considerable shift in mindset among those creating new businesses in today's challenged world. Of 48 economies,² 39 were assessed as satisfactory or better for prioritizing good sustainability practices, 36 for prioritizing good environmental practices and just 27 for prioritizing economic performance.
- **Notwithstanding the much-touted increasing availability of emerging technologies, many new businesses are simply replicating existing goods and services, using familiar processes and technologies.** Only seven economies had two in five or more of their entrepreneurs introducing new products or services: Chile, Guatemala, Italy, Luxembourg, Mexico, Panama and Sweden.

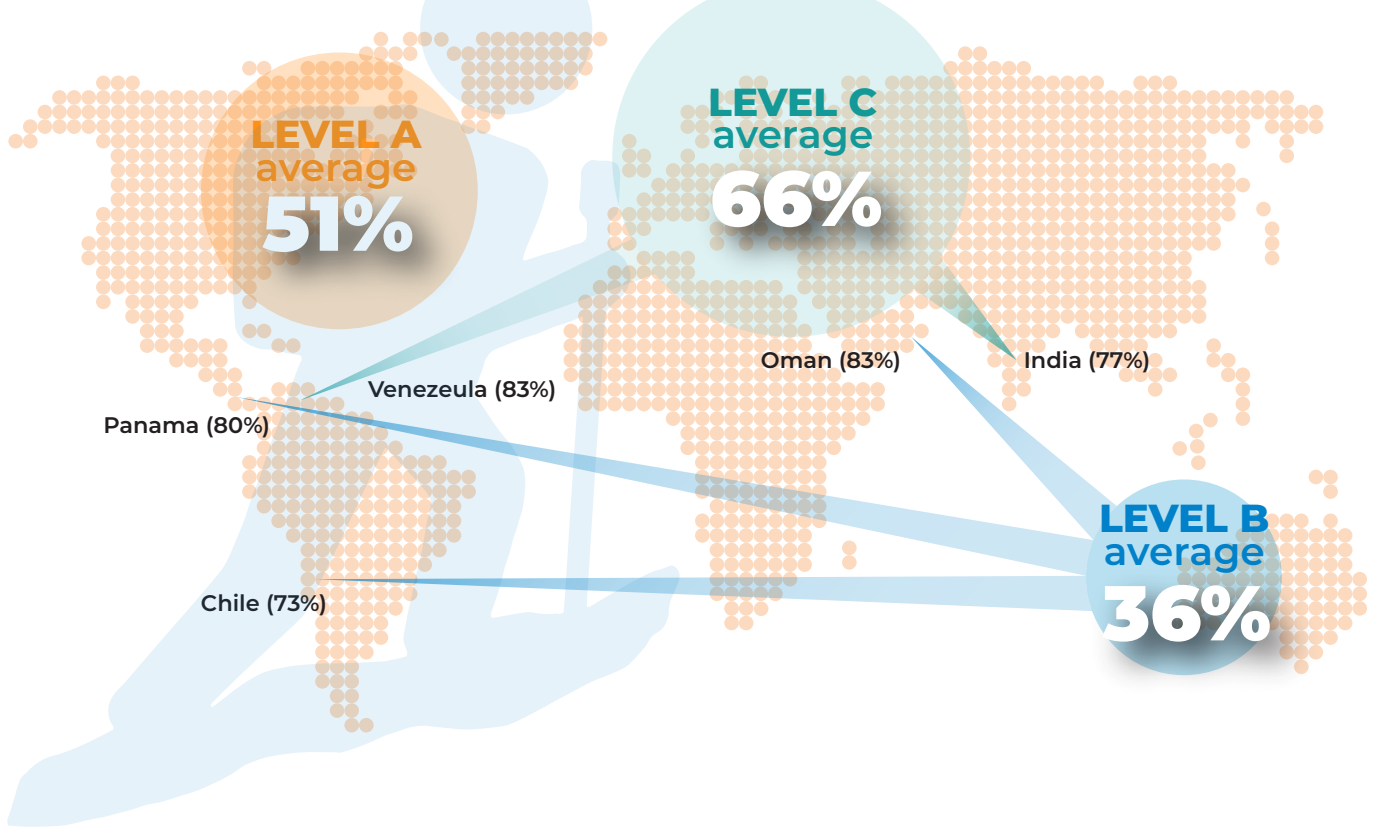
5. Entrepreneurs are resilient

- **Entrepreneurs have a high level of resilience.** Those adults exiting a business in the past 12 months are much more likely to expect to start a new business in the upcoming three years. In 32 of 46 economies, those exiting a business were more

² Guatemalan experts were not asked these questions.

RESILIENCE LEVELS GLOBALLY

Measured as the percentage of those adults who have exited a business in the last 12 months who intend to start another business in the next three years. The (population-weighted) average across the three income levels along with the five highest-scoring economies.



than twice as likely to be expecting to start a new business in the next three years than the general public.

- **Economies can have an excellent entrepreneurial environment regardless of income level.** Examples include India and China, both in the lower-income group (Level C) but both in the top 10 scores out of all countries included in the GEM National Entrepreneurial Context Index (NECI; a score that is allocated based on assessment of each economy's Entrepreneurial Framework Conditions). Conversely, GEM data shows that being a country in the higher-income category does not guarantee an excellent entrepreneurial environment. Government priorities greatly influence outcomes and may matter as much as resources.
- But a small group of high-income economies in Europe and North America, since the pandemic, **have seen the assessed quality of their overall entrepreneurial environment slip into the “less than sufficient” category.** These include Canada, Sweden, Norway, Germany and even the United States, with France and Latvia close behind.

- As we look back over the last few years, there is evidence to support the notion that **entrepreneurship levels fell in the early days of the pandemic but have largely recovered in many countries since the pandemic abated** (end of 2021). Of the 32 economies participating in GEM in 2019, 2021 and 2023, there are 14 in which levels of early-stage entrepreneurial activity both fell 2019–2021, and then increased 2021–2023.

The chapters that follow will present much more details about entrepreneurial activity across the world in 2023. Within this rich tapestry will be more evidence that supports the key findings outlined above, as well as a host of other findings with important policy implications.

Entrepreneurship continues to be a key driver of prosperity and social and economic development. That is why the Global Entrepreneurship Monitor looks forward to the next 25 years of surveys, measurement and analysis.