

10 November 2022

Business Demography Indicators
Year 2020

3,704,082 enterprises were active in Spain in 2020

278,525 were created whereas 311,259 disappeared, meaning a net rate of -0.9%

45.1% of the enterprises born in 2015 are surviving after five years under observation

Stock of enterprises

The *stock* of enterprises operating in Spain over the year 2020 was 3,704,082. It is understood that *stock* is the population of enterprises that were active at any time during the reference period.

A 60.6% of this *stock* of enterprises belonged to the sector of *Rest of the services*, a 21.3% to *Trade*, a 12.5% to *Construction* and the remaining 5.6% to *Industry*.

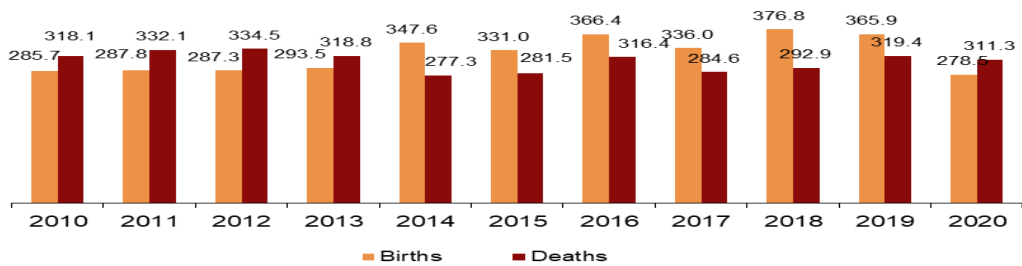
Stock, enterprise births and deaths by economic sectors. 2020

	Total	Industry	Construction	Trade	Rest of the services
Stock	3,704,082	206,898	463,176	787,719	2,246,289
Enterprise births	278,525	9,538	36,766	54,611	177,610
Enterprise deaths	311,259	12,041	38,651	66,613	193,954
Net balance	-32,734	-2,503	-1,885	-12,002	-16,344
Birth rates (%)	7.5	4.6	7.9	6.9	7.9
Death rates (%)	8.4	5.8	8.3	8.5	8.6
Net rates (%)	-0.9	-1.2	-0.4	-1.5	-0.7

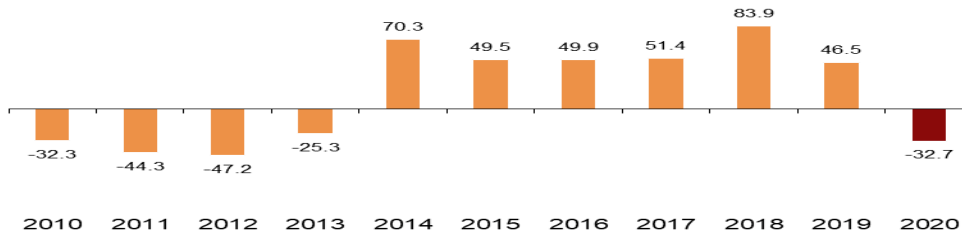
In 2020, 278,525 enterprises were created and 311,259 disappeared. As a result, the net balance was negative of 32,734 units.

From 2014, it is the first time where the number of enterprise deaths is higher than the number of enterprise births.

Enterprise births and deaths (thousands)

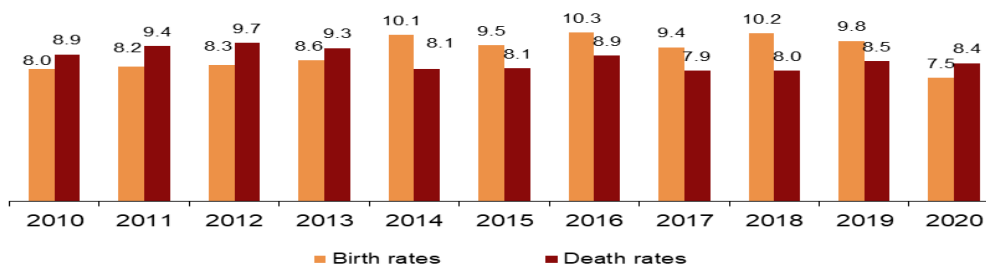


Net balance of enterprise births and deaths (thousands)

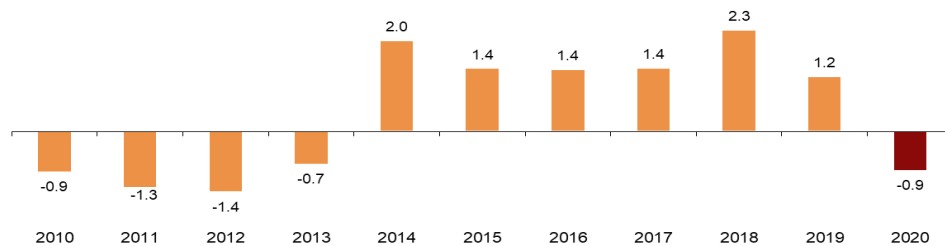


Enterprise birth rate (births as a percentage of the population of active enterprises) was 7.5%. On the other hand, enterprise death rate was 8.4%. As a result, the net rate was -0.9%.

Enterprise births and deaths rates (%)



Enterprise births and deaths net rates (%)



All sectors had negative net rates. Trade showed the worst demographic balance (–1.5%).

Results by economic activities

The economic activities having a better demographic balance in 2020 (identified by their higher net rate or difference between births and deaths) were *Post and courier activities* (21.6%), *Remediation activities and other waste management services* (6.4%) and *Motion picture, video and television programme production, sound recording and music publishing activities* (3.4%).

Activities with higher net rate. 2020

NACE Rev. 2 Divisions	Births	Deaths	Net rates (%)
Postal and courier activities	11,759	4,766	21.6
Remediation activities and other waste management services	51	25	6.4
Motion picture, video and television programme production, sound recording and music publishing activities	1,037	719	3.4
Financial service activities, except insurance and pension funding	181	103	3.3
Water transport	104	75	3.2
Advertising and market research	7,216	5,571	3.0
Services to buildings and landscape activities	6,350	5,349	1.7
Computer programming, consultancy and related activities	4,189	3,649	1.4

On the other hand, the activities having the worst demographic balance were *Travel agency, tour operator reservation service and related activities* (–7.5%), *Manufacture of leather and related products* (–4.2%) and *Other mining and quarrying*. (–3.8%).

Activities with lower net rate. 2020

NACE Rev. 2 Divisions	Births	Deaths	Net rates (%)
Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	362	622	-2.5
Rental and leasing activities	1,760	2,443	-2.8
Creative, arts and entertainment activities	5,258	6,727	-2.9
Food and beverage service activities	22,080	30,204	-2.9
Gambling and betting activities	378	728	-3.0
Programming and broadcasting activities	71	123	-3.3
Manufacture of paper and paper products	44	100	-3.4
Other mining and quarrying	35	104	-3.8
Manufacture of leather and related products	264	461	-4.2
Travel agency, tour operator and other reservation service and related activities	840	2,031	-7.5

Results by size classes (number of employees)

In 2020, a 97.9% of enterprise births and a 97.4% of enterprise deaths had four or less employees.

Specifically, an 83.2% of enterprise births and a 75.9% of enterprise deaths had no employees.

Enterprises having from 1 to 4 employees showed the highest negative difference between enterprise births and deaths, reaching a net rate of -2.1%. The rest of size classes also have had negative net rates.

Stock, enterprise births and deaths by size classes. 2020

	Total	Without employees	1 to 4 employees	5 to 9 employees	10 or more employees
Stock	3,704,082	2,148,997	1,224,109	192,121	138,855
Enterprise births	278,525	231,633	41,150	4,367	1,375
Enterprise deaths	311,259	236,090	66,927	6,246	1,996
Net balance	-32,734	-4,457	-25,777	-1,879	-621
Birth rates (%)	7.5	10.8	3.4	2.3	1.0
Death rates (%)	8.4	11.0	5.5	3.3	1.4
Net rates (%)	-0.9	-0.2	-2.1	-1.0	-0.4

Survivals of enterprise births

The first year of life is when producing the highest fall of enterprise units, having survival rates of 78.6% or lower.

It can be highlighted that the members making up the population of births in 2015 are reduced to less than the half after five years.

The following data table has been obtained from a time monitoring of enterprises born in a given year. Survival indicators have been calculated for a maximum period of five years.

Survivals of enterprises born from 2015 (%)

Year of birth	Year observed					
	2015	2016	2017	2018	2019	2020
2015	100.0	77.3	65.0	56.3	50.1	45.1
2016		100.0	76.5	64.1	56.0	49.9
2017			100.0	75.5	63.1	54.9
2018				100.0	77.0	63.6
2019					100.0	78.6

Disappearances of enterprises in the first years of life

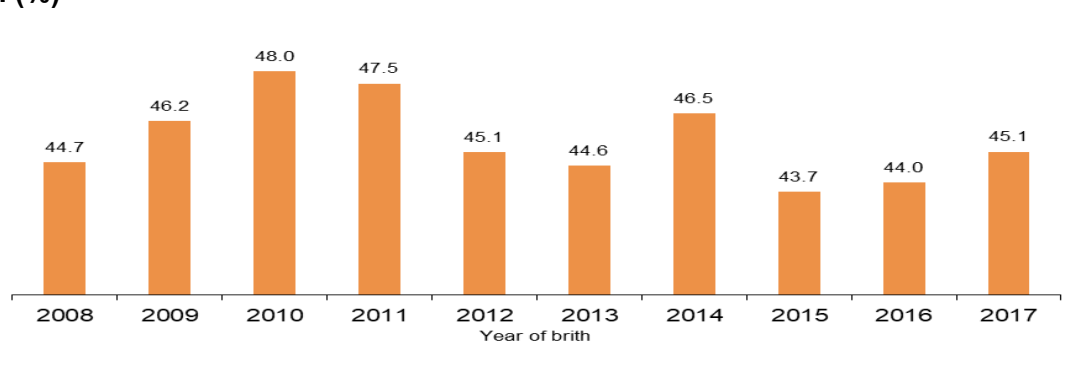
Going for a dipper analysis of members' losses in different cohorts, the following data table shows the disappearances of enterprises in their first three years of life, taking the cohorts of enterprises born in 12 consecutive years.

Disappearances of enterprises in the first three years of life (%)

Cohorts	1st year of life	2nd year of life	3rd year of life	Accumulated
2019	21.4			
2018	23.0	13.4		
2017	24.5	12.4	8.2	45.1
2016	23.5	12.4	8.1	44.0
2015	22.7	12.3	8.7	43.7
2014	23.5	14.2	8.8	46.5
2013	22.6	12.3	9.8	44.6
2012	24.0	12.5	8.5	45.1
2011	24.2	14.0	9.4	47.5
2010	23.5	14.1	10.4	48.0
2009	20.1	14.7	11.5	46.2
2008	20.8	13.2	10.8	44.7
Average	22.9	13.2	9.4	45.5

As regards the accumulated disappearances in the first three years of enterprises' life, it can be pointed out that the mortality reached the highest level in 2010.

Accumulated disappearances of enterprises in the first three years of life, by year of birth (%)



Results by Autonomous Communities and Cities

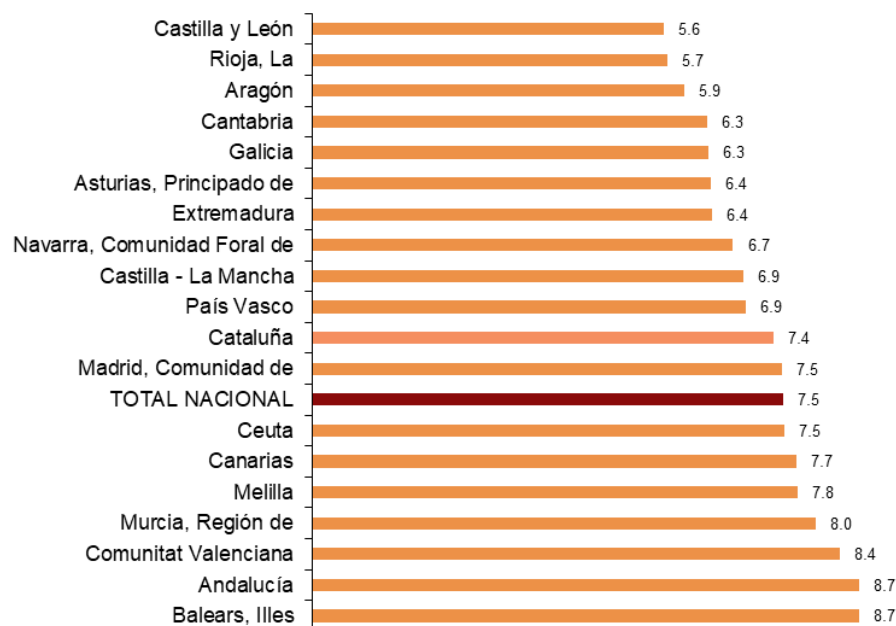
Regarding the territory where enterprises had their head offices, Illes Balears and Andalucía (both 8.7%) and Comunitat Valenciana (8.4%) showed the highest birth rates in 2020.

On the other hand, the lowest rates happened in Castilla y León (5.5%), La Rioja (5.7%) and Aragón (5.9%).

Stock, enterprise births and deaths by Autonomous Communities. 2020

	Stock	Births	Deaths	Net balance	Birth rates (%)	Death rates (%)	Net rates (%)
TOTAL NACIONAL	3,704,082	278,525	311,259	-32,734	7.5	8.4	-0.9
Andalucía	586,985	51,269	50,887	382	8.7	8.7	0.1
Aragón	96,377	5,733	7,445	-1,712	5.9	7.7	-1.8
Asturias, Principado de	73,422	4,674	5,489	-815	6.4	7.5	-1.1
Balears, Illes	110,593	9,662	11,184	-1,522	8.7	10.1	-1.4
Canarias	166,843	12,901	17,223	-4,322	7.7	10.3	-2.6
Cantabria	41,791	2,635	2,943	-308	6.3	7.0	-0.7
Castilla y León	170,227	9,581	12,532	-2,951	5.6	7.4	-1.7
Castilla - La Mancha	138,929	9,583	10,521	-938	6.9	7.6	-0.7
Cataluña	683,623	50,406	56,284	-5,878	7.4	8.2	-0.9
Comunitat Valenciana	407,253	34,343	36,691	-2,348	8.4	9.0	-0.6
Extremadura	72,313	4,616	5,641	-1,025	6.4	7.8	-1.4
Galicia	212,157	13,439	16,588	-3,149	6.3	7.8	-1.5
Madrid, Comunidad de	602,004	45,152	49,097	-3,945	7.5	8.2	-0.7
Murcia, Región de	106,170	8,545	9,805	-1,260	8.0	9.2	-1.2
Navarra, Comunidad Foral de	47,673	3,207	3,174	33	6.7	6.7	0.1
País Vasco	153,792	10,658	13,043	-2,385	6.9	8.5	-1.6
Rioja, La	24,096	1,367	1,675	-308	5.7	7.0	-1.3
Ceuta	4,149	313	400	-87	7.5	9.6	-2.1
Melilla	5,685	441	637	-196	7.8	11.2	-3.4

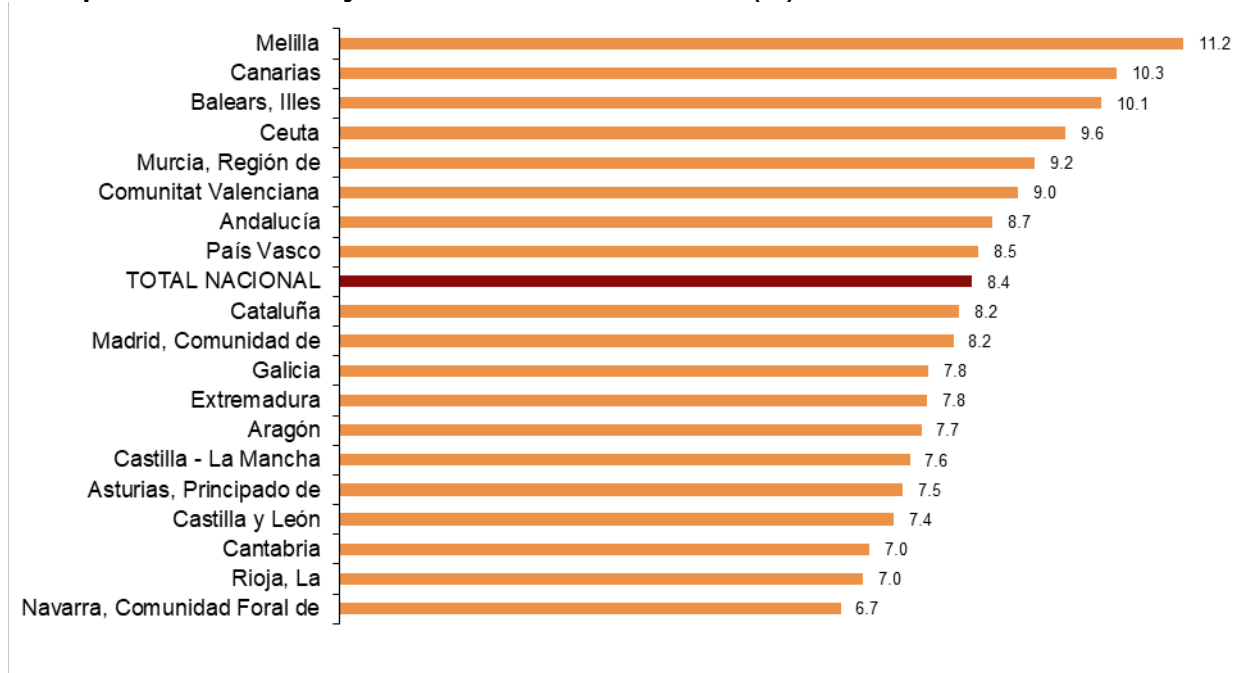
Enterprise birth rates by Autonomous Communities (%)



The highest death rates were recorded in the autonomous city of Melilla (11.2%), Canarias (10.3%) and Illes Balears (10.1%).

Moreover, the lowest were in La Rioja and Cantabria (both 7.0%) and Comunidad Foral de Navarra (6.7%).

Enterprise death rates by Autonomous Communities (%)



Nevertheless, it should be pointed out that the *stock* of enterprises is subjected to changes, which are not completely determined by the demographic events. Other phenomena should be considered, like entries/leavings of units to/from the scope of economic activities, territorial movements or restructurings in enterprise groups.

Data updating and revisions

There is no data revision, although data relative to enterprise deaths are provisional, since those deaths are considered definitive after two years from the reference period. It is necessary to exclude enterprises that reactivate in the two years following the year when they die.

The data appearing in tables are estimated by taking enterprise deaths detected in 2020 and that have not been reactivated in 2021. On that base population, a random exclusion of a small percentage of units is performed, in accordance with the experience of previous years on reactivations in the second year. The results show differences between final and provisional data, which are irrelevant.

Data now presented are comparable with those published the two last years, because it is used the same concept of enterprise adapted which was implemented for the reference year 2018. More details about this issue in the following link:

https://www.ine.es/en/prensa/nueva_definicion_empresa_en.pdf

Methodological Note

Business Demography Indicators provide aggregated information regarding the population of enterprises located in the national territory, considering the aspects linked to business dynamism and applying a methodology as agreed within the scope of the European Union.

The delimitation of populations of interest is carried out by means of an ordered set of procedures varying in nature, designed in accordance with the harmonized methodology principles. Basically, the work is geared to identify the following aggregates:

- Stock of enterprises: Set of units that have been active during all or part of the reference year.
- Enterprise births: Set of units that, throughout the reference year, have created a combination of new production factors.
- Enterprise deaths: Set of units that, throughout the reference year, have dissolved all of their production factors.
- Surviving enterprises: Restricted to each cohort of births, this corresponds to the set of units that continue to be economically active in each of the five years following that of birth. For this aggregate, the new definition of the statistical unit enterprise has been possible to apply to the cohorts of enterprises born in 2018 and 2019, which are the first followed according to the new definition.

Business Demography analysis is not limited to just quantify the flows obtained during the processes of updating the Statistical Business Register (see *CBR movements* disseminated in the statistical operation *Statistical use of CBR*), since although movements of administrative sources offer a first approach to units renewal processes, the statistical work to be carried out for obtaining Business Demographic Indicators demands an additional effort, contributing added value to the administrative information.

The indicators proposed in the methodology quantify the relative relevance of events of creating and dissolving enterprises within the Spanish entrepreneurial frame. The survival event is similar, but takes as reference the population of enterprise births detected in the initial observation period.

More information about general methodology is available here:

http://www.ine.es/en/metodologia/t37/t373020420_en.pdf

Additionally, the standardized methodological report is available here:

<http://www.ine.es/dynt3/metadatos/en/RespuestaDatos.html?oe=30204>

INE statistics are produced in accordance with the Code of Good Practice for European Statistics, which is the basis for the institution's quality policy and strategy. For more information see the section on Quality at INE and the Code of Best Practices on the INE website.

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