

Enterprise births

Objectives

The statistics on enterprise births track the evolution of enterprise births in the main sectors of activity. As such, they provide useful information to monitor the business cycle, at national level as well as at regional and departmental level.

Starting with the release of the *Informations Rapides* outlining the results for January 2022, enterprise births have been calculated according to a revised scheme. This new method of calculation broadens the scope of companies taken into account, with the aim of better covering the scope of business statistics (see the methodological note on this change, in French, in the Documentation tab of the January 2022 *Informations Rapides* on enterprise births, published on 23 February 2022).

Scope

From the publication of the *Informations Rapides* on the results for January 2022, enterprise births have been calculated on the scope of “market producers”, that is legal units that produce goods and services and belong to the market sector (excluding general government, non profit institutions, and so on). Previously, “non-operational” units – that make means of production available to another unit – were excluded.

These legal units belong to the following sectors:

- Industry (BE);
- Construction (FZ);
- Trade, transports, accommodation and catering (GI);
- Information and communication (JZ);
- Financial activities (KZ);
- Real-estate activities (LZ);
- Service activities (MN);
- Education, health, social action (OQ);
- Other service activities (RU).

The agriculture, forestry and fishing sector (divisions “01” to “03” of the French classification of activities NAF rev.2) is therefore not covered by the statistics on business births.

Since data relative to January 2009, following the enforcement of “*auto-entrepreneur*” status (renamed “micro-entrepreneur” since 19 December 2014), enterprise birth statistics include the registrations in the business register identification system Sirene under this status. This counting does not include the entrepreneurs already active before 1 January 2009 who requested, by way of derogation by 31 March 2009 at the latest, to benefit from the micro-social system and from the fiscal payment in full discharge for 2009. The new denomination “microentrepreneur” is used from December 2014 business start-ups data onward. This status must be distinguished from both simplified tax scheme (sometimes called tax regime of micro-enterprise) and category of microenterprises defined under Article 51 of the law on the modernization of the economy (LME) and specified by Decree No. 2008-1354. entrepreneurs.

Since this date, we use the term “conventional sole proprietorships” to refer to the self proprietorships excluding self-managed micro-entrepreneurs and the term “conventional businesses” to refer to the enterprises excluding self-managed micro-entrepreneurs.

Sources

The business births data are build from the Register of Enterprises and Establishments (REE). This register is itself supplied with data from Sirene and enriched with elements from the Sirius statistical register.

Definition

The enterprise birth series is based on data from the SIRENE register. Any company, natural person or legal entity is registered in the register when they first make a declaration of starting up a business and receives a unique identification number.

Since 1 January 2007, the definition of enterprise births adopted by INSEE has referred to the concept defined by Eurostat, with the aim of harmonising and comparing European data. According to Eurostat, an enterprise birth corresponds to the creation of a combination of production factors with the restriction that no other enterprises are involved in the event. With regard to registration with SIRENE, start-ups are understood as:

- enterprise births corresponding to the creation of new means of production (there is a new registration with SIRENE);
- cases where the entrepreneur (who is in general an individual entrepreneur) resumes an activity after a break of more than a year (there is no new registration with SIRENE and he takes the former SIRENE number);
- cases where the entrepreneur resumes an activity after an interruption less than one year but with a change of activity;
- when a new enterprise takes over all or part of the activity and means of production of another enterprise (there is a new registration with SIRENE) if there is no continuity of the enterprise which is taken over.

It is assumed that there is no continuity of the enterprise if, of the following three elements regarding the headquarters of the enterprise, two are changed after the takeover: the legal entity controlling the enterprise, economic activity or location.

Dissemination

Following the redesign of enterprise birth calculation in 2022, all the series were recalculated on the new scope from January 2012. In addition, the national series by sector were backcast from 2000: the level of enterprise births estimated using the previous method was raised based on the revision observed in 2012 between the former and the new scope.

The enterprise births series are released in the month following the month under review, according to a pre-announced release schedule.

In the *Informations Rapides*, the indices are disseminated by major sectors (A10 or A21 of the Aggregate Nomenclature) and by category of enterprise (company, conventional sole proprietorship and micro-entrepreneurs). The main sectors of dissemination are specified in the table below.

Departmental and regional series are also published on the INSEE website, under the heading "Services – Search for indices and time series".

Aggregated sectors Short title	Aggregated sectors Long title	NA aggregation level		Corresponding NAF rev2 division codes
		A10	A21	
Industry	Manufacturing industry, extractive industries and others	BE		05 to 39
<i>Including manufacturing industry</i>	<i>including: manufacturing industry</i>		C	10 to 33
Construction	Construction	FZ		41 to 43
Trade, transports, accommodation and catering	Wholesale and retail trade, transports, accommodation and catering	GI		45 to 56
<i>Trade</i>			G	45 to 47
<i>Transports</i>	<i>Transports and warehousing</i>		H	49 to 53
<i>Accommodation and catering</i>	<i>Accommodation and catering</i>		I	55 and 56

Information and communication	Information and communication	JZ		58 to 63
Financial activities	Financial and insurance activities	KZ		64 to 66
Real-estate activities	Real-estate activities	LZ		68
Service activities	Specialized, scientific and technical activities, and administrative and support service activities	MN		69 to 82
Education, health, social action	Public administration, education, human health and social action	OQ		84 to 88
Other service activities	Other service activities	RU		90 to 99

Adjustment of seasonal variations (SA) and working days (WDA)

The raw data are the observed data. Those of a given month are likely to be modified slightly when the following month or two months are processed (duplicates, cancellations, etc.). The data are “definitive” when published for the third time.

These raw data are subject to regular movements within a year (seasonal variations). Quarterly and year-on-year changes (value of a period compared to the same period one year earlier) are calculated from the raw data. The same applies to cumulative results.

To be able to compare the number of start-ups between different months, the number of enterprise births in each month is adjusted for seasonal variations (SA) and working days (WDA). WDA data (integrating the national calendar) and SA data are calculated via the X13-Arima procedure in the JDemetra+ software.

Business start-up series (excluding microentrepreneurs and micro-entrepreneurs registration series) are seasonally adjusted independently, for each sector. The SA-WDA “total” series is the sum of SA-WDA sectoral series.