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MARKET EXITS DURING THE PANDEMIC

Policy brief

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CONTENTS

ABSTRACT	3
1. HOW DIFFERENT IS ONGOING CRISIS FROM PREVIOUS ONES.....	4
2. ACCELERATION OF MARKET EXITS AND SLOWDOWN OF ENTRIES	6
3. ONGOING CRISIS – A BLOW TO ALL GROUPS OF FIRMS	10
4. CONCLUSION	14
LITERATURE	15
APPENDIX	16
DATA.....	16
MARKET EXITS BY SECTOR AND REGION	18
MARKET EXITS BY SECTOR	20
MARKET ENTRIES BY SECTOR.....	27

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ABSTRACT

The coronavirus pandemic has hit economies across the globe, Russia being no exception. The crisis which broke out in 2020 is different from all of the previous ones. First, it is highly heterogeneous: in a number of industries, part of businesses had to suspend their operations altogether, whereas some industries benefitted from increased demand for their products. Second, the brunt of the crisis was very concentrated in time. A revenue decline which companies encounter during crises is usually gradual in nature, allowing them time to find ways of adaptation. In 2020, companies from many industries suffered a much more abrupt income contraction, because their operations were suspended after restrictions aiming to contain the spread of the pandemic were put in place. As companies' revenues plummeted, far from all of them were able to stay in business.

This note analyses how the number of liquidations, i.e., market exits, has changed amid restrictions put in place to contain the spread of new coronavirus contagions. The most stringent restrictions were imposed in April and May 2020, when the "day-off" regime was effective in Russia. Bearing this in mind, the surge of liquidations in July was an implication of restrictions imposed in the second quarter. At the same time, the negative effect on the number of new companies (market entries) became evident in the most acute phase of the first crisis wave: amid economic activity suspension, the number of newly registered enterprises fell sharply. Although market entries rose in the subsequent months as the economy started to recover gradually, they have so far failed to make up for the spring fall, remaining below the February 2020 level in some industries or close to it in others.

As the number of market exits increases, the number of firms operating in the economy declines. The most vulnerable to the first wave of exits were the least productive companies. One can therefore claim that the crisis has a cleansing effect, bringing down the number of troubled firms and allowing workforce thus made redundant to be used in more productive companies. This process should generally help productivity enhancement in the economy, thereby providing more potential for its growth in the medium and long term.

But as the number of companies falls a question arises whether the current economic and institutional environment, as well as the structural specifics of the labour market, really help the efficient reallocation of labour to more productive companies. First, the scarring effect of recessions (see Ouyang, 2009) reduces the number of potentially efficient new market entrants. Second, even highly productive firms operating in the market face constraints on their business expansion. This curtails the opportunities for the employees of companies exiting the market to get a new job matching their qualification, making them work in less productive positions. This may offset the beneficial cleansing effect of the crisis.

Thus, in order to overcome the implications of the ongoing crisis and help the economy move onto a sustainable growth path, incentives should be provided to new market entries, along with support for efficient young companies with considerable market potential.¹ Stimulation of an increase in the number of productive companies should be accompanied by the creation of conditions for new companies' rapid development,

¹ For details of young companies' importance and their contribution to industry-specific productivity, see policy brief by E. Bessonova and A. Tsvetkova [Pulling out of the crisis: why are young companies so important?](#)

expansion, and productivity enhancement. This is what should give employees made redundant in liquidations more opportunities to get a job at enterprises with a strong potential for productivity growth and, as a consequence, a rise in wages. This should help growth of the economy and people's wealth in general.

1. HOW DIFFERENT IS ONGOING CRISIS FROM PREVIOUS ONES

To gain an insight into the specifics of the ongoing crisis, it would make sense to compare it with the previous crisis and its implications. Because of changes in Federal Tax Service procedures for registering liquidated firms, data for the 2008–2009 crisis period is not comparable with that for recent years. We, therefore, look into changes of the number of exits versus relatively stable periods rather than provide the absolute number of liquidations (Figure 1 – Figure 8). Comparison of the above two episodes allows identifying the key differences between the ongoing and the 2008–2009 crises in terms of the rate of market exits and entries.

First, one specific feature of the ongoing, unprecedented, crisis arising from the implications of the pandemic is, above all, a more significant industry-specific differentiation compared with the 2008–2009 developments. For example, the July 2020 number of liquidated firms in the construction industry (F) and administrative activity (N) exceeded the average 2017–2019 level by 88% and 81%, respectively. We, however, note that, in addition to the crisis, the construction industry was affected by the adoption of a new banking scheme for financing housing construction using escrow accounts. In this sector, changes in the number of liquidations largely reflect the exit of companies which are not viable enough to operate under the new system. Mining and quarrying (B) posted 19% more exits, with a 32% greater number registered in the agricultural sector (A). The 2009 crisis, by contrast, approximately equally affected all industries.

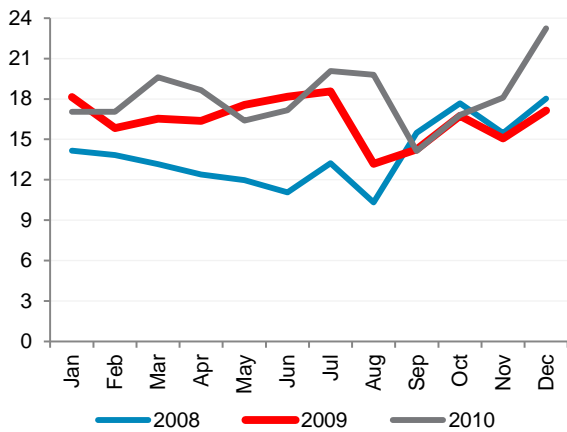
Second, it is obvious that the causes of a rise in the number of exits in 2020 are also different from those in the 2008–2009 crisis. The 2008–2019 liquidations stemmed from income contraction due to a general worsening of the economic situation (Figure 1). The first surge of company exits in July 2020 resulted from a deferred effect: firms adjourned liquidations until after restrictions aiming to combat the spread of the coronavirus were lifted.

But apart from a sharp short-term surge of exits in July 2020, long-term implications of the ongoing crisis are also to be expected, resulting from lagged secondary effects hampering the recovery of the economy. It is worth noting that, given the current bankruptcy moratorium, a surge of liquidations seen in July reflects only market exits of companies' own accord. The lifting of the moratorium may become an additional factor accelerating a rise in company closures, because, in addition to voluntary exits, deferred liquidations initiated by companies' counter-agents will then follow. As a result, the year 2021 may see a more sustainable and long-lasting liquidation growth trend than in 2020, as was the case in 2008–2009.

Third, the impact of the crisis' onset in 2020 was more concentrated in time. A significant reduction in the number of market entries occurred during the two months of economic activity suspension, while a strong surge of exits followed several months later. In

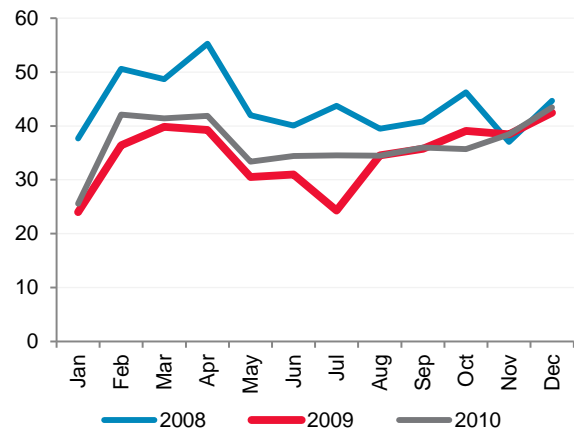
2008–2009, the impact of the crisis was more evenly distributed over time as the worsening of external economic conditions along with a demand and income decline occurred gradually. A slow rise in exits and a fall in entries continued in the second half of 2008 – the first half of 2009, with no peaks of exits or falls in entries as steep as in 2020.

Figure 1. Overall number of officially liquidated organisations in the Russian economy in 2008–2010, thousand



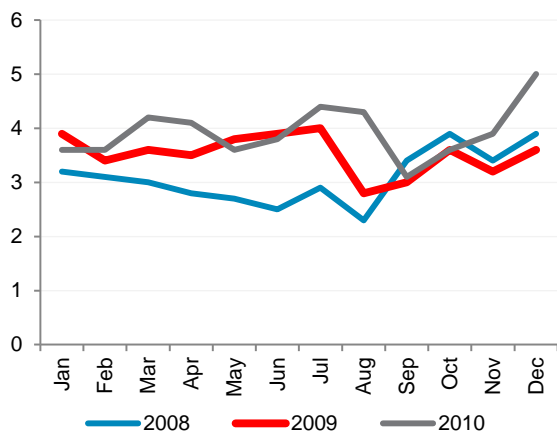
Source: Rosstat

Figure 2. Overall number of officially registered organisations in the Russian economy in 2008–2010, thousand



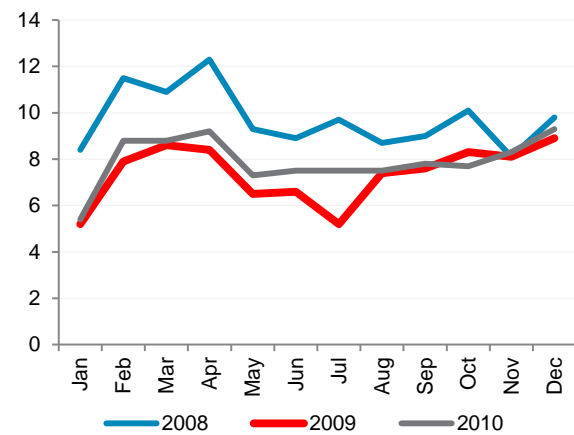
Source: Rosstat

Figure 3. Liquidation rate (per 1,000 organisations) in the whole of the Russian economy in 2008–2010, ‰



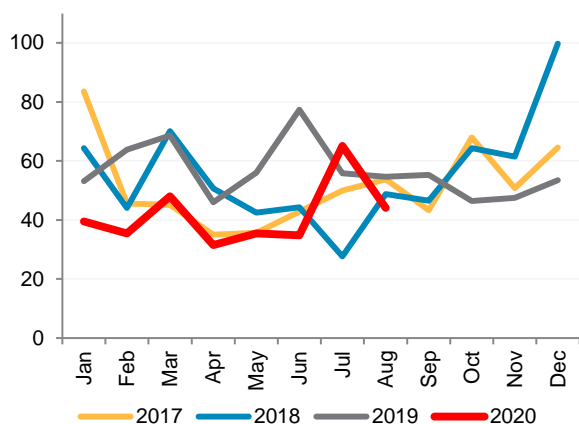
Source: Rosstat

Figure 4. Overall birth rate (per 1,000 organisations) in the Russian economy in 2008–2010, ‰



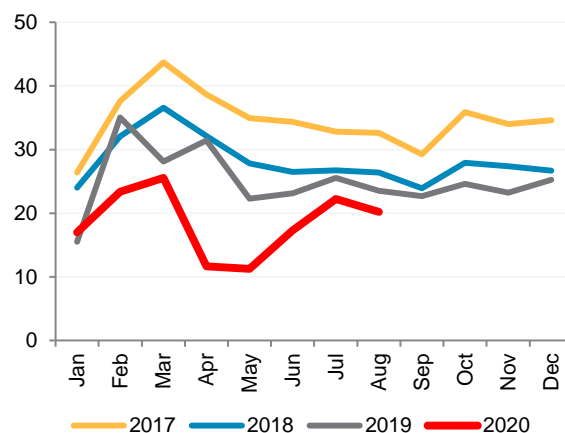
Source: Rosstat

Figure 5. Overall number of officially liquidated organisations in the Russian economy in 2017–2020, thousand



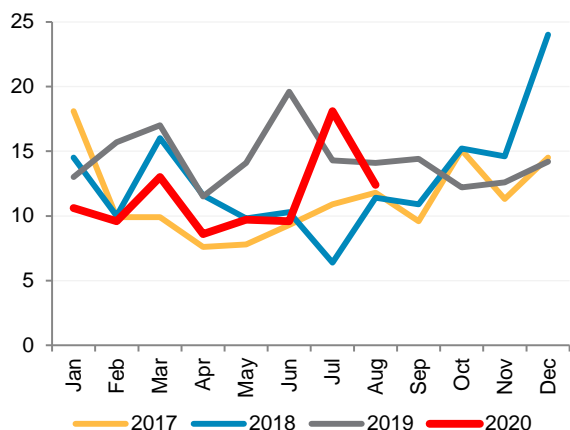
Source: Rosstat

Figure 6. Overall number of officially registered organisations in the Russian economy in 2017–2020, thousand



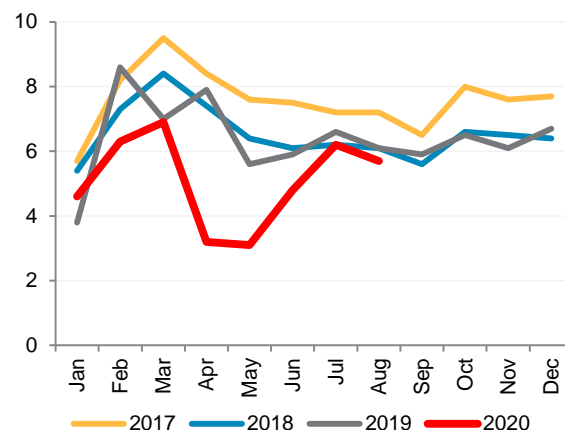
Source: Rosstat

Figure 7. Liquidation rate (per 1,000 organisations) in the whole of the Russian economy in 2017–2020, ‰



Source: Rosstat

Figure 8. Birth rate (per 1,000 organisations) in the whole of the Russian economy in 2017–2020, ‰



Source: Rosstat

2. ACCELERATION OF MARKET EXITS AND SLOWDOWN OF ENTRIES

Restrictions imposed to counter Russia’s grave epidemic situation were effective as of March 2020. The most stringent restrictions were in effect in April–May, when the national “day-off” regime was put in place (30 March – 11 May). There were no instantaneous effects on market exits in that period (Figure 9). According to Rosstat data, the number of firms liquidated in the first six months of 2020 stood below the average 2017–2019 level.

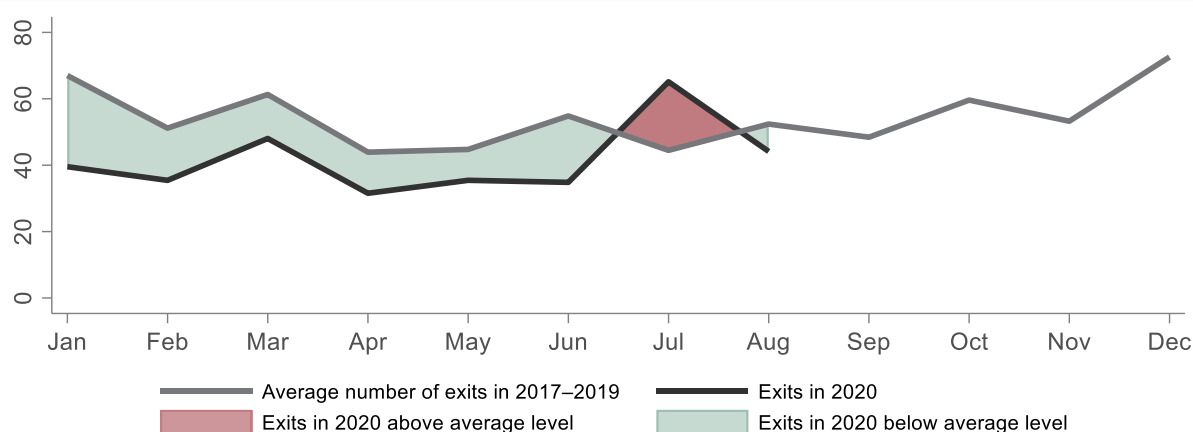
The relatively low level of exits at the start of 2020 (prior to the coronavirus crisis) may be owed to the fact that the previous years, especially the end of 2018 – the start of 2019, saw a strong rise in exits, largely for technical reasons. This exit growth most probably came on the back of registering authorities’ drive to cleanse registers from firms which had long been out of operation. Therefore, the average level of exits in the 2017–2019 may be overstated.

The April–June restrictions did not change the exit trend significantly, even relative to the depressed levels of the start of 2020. First, the registering authorities were unable to operate as efficiently as previously in April–June, therefore many firms postponed the registration of closures until later. Second, government support measures could have kept part of companies, at least for a while, from deciding to close right then.

The number of market exits soared in July, rising 46% above the average 2017–2019 level, which stemmed from the above deferred effect owed to the suspension of registering authorities' operation in the second quarter. Thus, companies which decided for some reason to postpone the liquidation or were unable to carry it out when the “day-off” regime was in place, formalized their exit in July, when most of the regions lifted restrictions. Meanwhile, the number of market exits corrected down as early as August, remaining, however, elevated relative to the pre-coronavirus level. That said, one should bear in mind that a bankruptcy moratorium was imposed for systemically important companies and organisations and sole proprietorships in industries hit the hardest. We therefore see only voluntary bankruptcies in these industries, suggesting that an additional deferred effect of registered new bankruptcies may emerge after the moratorium has been lifted.

The economy's restructuring as part of the ongoing crisis may spur potentially efficient companies' market exits over a long horizon. Given the importance of stimulating sustainable long-term growth, emphasis should be placed on the need to identify and support firms which are facing difficulties due to the impact of the crisis on their industries but are able to show high productivity over a longer horizon, acting as engines of economic growth (Bessonova, Tsvetkova, 2020).

Figure 9. Number of liquidated companies, thousand



Source: Rosstat, Bank of Russia estimates

Figure 10. Number of liquidated companies, Unified State Register of Legal Entities data, thousand

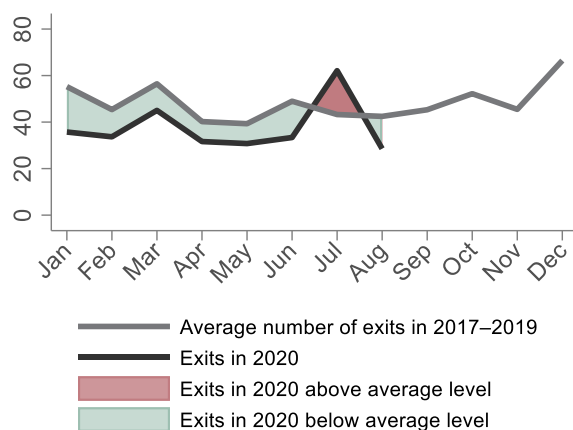
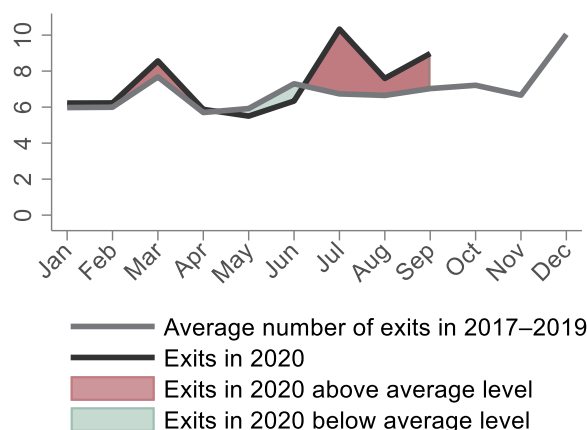


Figure 11. Number of liquidated companies, sample data, thousand



Source: Unified State Register of Legal Entities, Bank of Russia estimates

Source: RUSLANA, Bank of Russia estimates

In addition to Rosstat, we use alternative data sources to analyze the rate of market exits: the Unified State Register of Legal Entities (USRLE) and sample data (for details of data sources, see APPENDIX). USRLE data shows the rate of exits similar to what provides Rosstat (Figure 9) and a comparable surge of exits in July, up 44% (Figure 10). According to sample data, the rate of exits at the start of 2020 was similar to the 2017–2019 average (Figure 11). The difference in trends which can be seen from Figure 9 (Rosstat data) and Figure 11 (sample data) may be due to the fact that the average rate of exits based on sample data was not overstated as a result of cleansing registers from companies which had long been out of operation. At the same time, sample data did not include new firms entering the market in 2019–2020, whose exit rate is as a rule higher. Still, sample data also shows soaring liquidations in July 2020, up 53%. Therefore, data from Rosstat and other sources do not disagree. This allows using alternative data sources for fairly accurate assessment of differences in the rates of exits in a breakdown for which Rosstat data is insufficient.

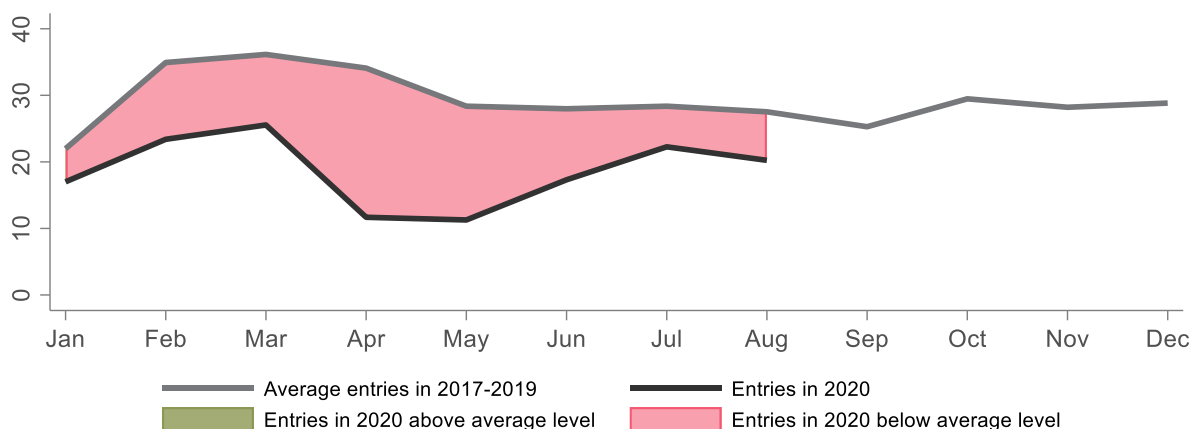
While restrictions had a deferred effects on market exits, market entries were very immediately affected by economic activity suspension. In the first months of 2020, the number of entries was 30% below the average 2017–2019 level, with the gap reaching 60–65% in April–May (Figure 12). Registrations were suspended in all sectors, especially, in the area of arts, sports, recreation and entertainment (sector R), where entries contraction relative to the average level stood at 78% in May (Figure 57): this sector was among those hit the hardest by restrictions.

According to [OECD estimates](#), other countries saw a comparable fall in new market entries in April: by 70% YoY in Portugal, 54% YoY in France, and 58% YoY in Turkey.

Meanwhile, the number of entrants rose in June–July, but this growth came to a halt as early as August, reflecting a slowdown in lagged entries. As a result, a substantial lag of

the number of entries from the average 2017–2019 number came back to the level of the start of the year.

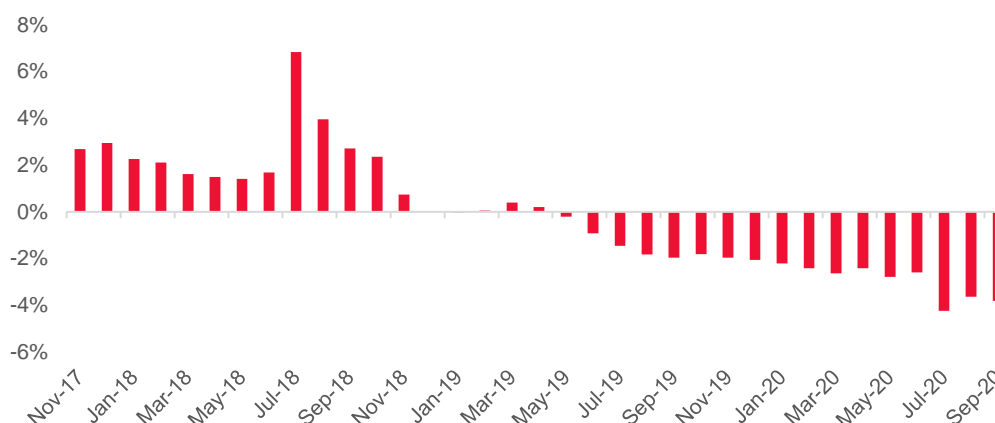
Figure 12. Number of newly registered companies, thousand



Source: Rosstat, Bank of Russia estimates

Acceleration of market exits and a slowdown of entries should bring down the number of operating firms (if the numbers of entries and exits are roughly equal). Data on the number of firms in the Unified Register of Small and Medium-sized Enterprises (SME)² confirms this (for details, see APPENDIX). It shows an acceleration in the contraction of operating SMEs’ number in July (Figure 13). The number of SMEs declined at an average rate of 2.4% YoY in the first half of the year, with the fall reaching 4.2% YoY in July. The pace of decline slowed to 3.6%–3.8% in August–September but remained above the pre-coronavirus levels.

Figure 13. Rate of increase in the number of small and medium-sized enterprises, % YoY



Source: Unified Register of Small and Medium-sized Enterprises, Bank of Russia estimates

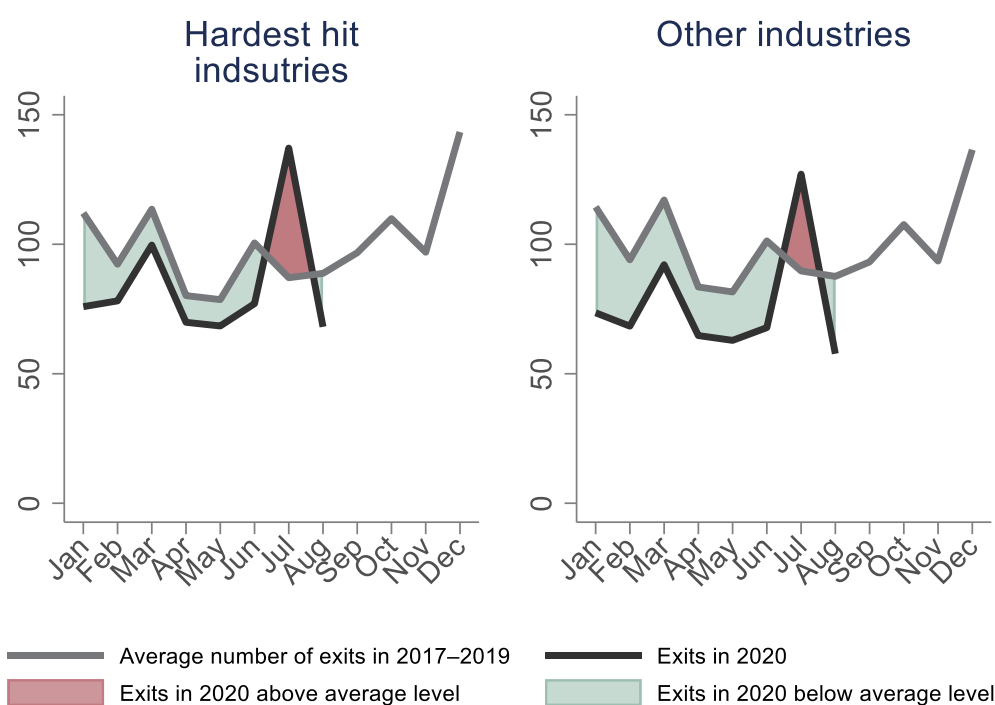
² The data is released on the 10th day of the month following the reporting months. The [SME Register](#) is fully updated based on July data; thus changes in July may reflect not only the July performance but also revisions over the past year.

3. ONGOING CRISIS – A BLOW TO ALL GROUPS OF FIRMS

The start of 2020 saw a low rate of market exits in all groups of the economy, excluding public administration (sector O), compared with the average 2017–2019 level (Figure 21 – Figure 39). But a sharp rise in exits in July affected almost all sectors (Figure 18).

USRLE data allows a detailed analysis of firm liquidations across sectors and identification of industries hit the hardest as defined in RF government decree No. 434 of 03.04.2020. Whereas the overall number of exits, according to USRLE data, stood 44% above the average level for this month of 2017–2019, it was 57% higher in the group of the hardest hit industries (Figure 14). Other industries post a smaller but also significant deviation from the average number (a 41% increase in the number of exits). Overall, exit rates in the hardest hit and other industries look similar on a qualitative level. The July surge proved to be temporary in all industries.

Figure 14. Number of liquidated enterprises across industries, USRLE data, 2017–2019 period = 100



The USRLE data also allows the age structure of firms exiting the market to be estimated. July 2020 saw the strongest surge of exits in the group of young companies (1–2 years of age): the number of liquidated firms exceeded the average 2017–2019 number by 71% (Figure 15). Young firms often represent one of the most vulnerable groups in terms of exit rates. On the one hand, such firms rely on riskier strategies of capturing a market niche/share. On the other hand, establishment of strong ties with suppliers as well as a pool of loyal consumers/customers may take time. While possessing a strong potential for productivity growth, many young firms may encounter relatively high-amplitude cost and demand shocks in the periods of supply disruptions and a fall in demand.

The oldest firms, those aged more than 15 years, showed exit growth comparable with that for young firms, up 61% relative to the average level in July. This may have arisen from a high share of low-efficiency firms highly vulnerable to the adverse impact of the crisis in this group. The strongest resistance to the ongoing crisis was shown by well-established companies, operating in the market for 4–15 years (up 36% relative to the average level).

Figure 15. Number of liquidated firms, by age group, USRLE data, 2017–2019 average = 100

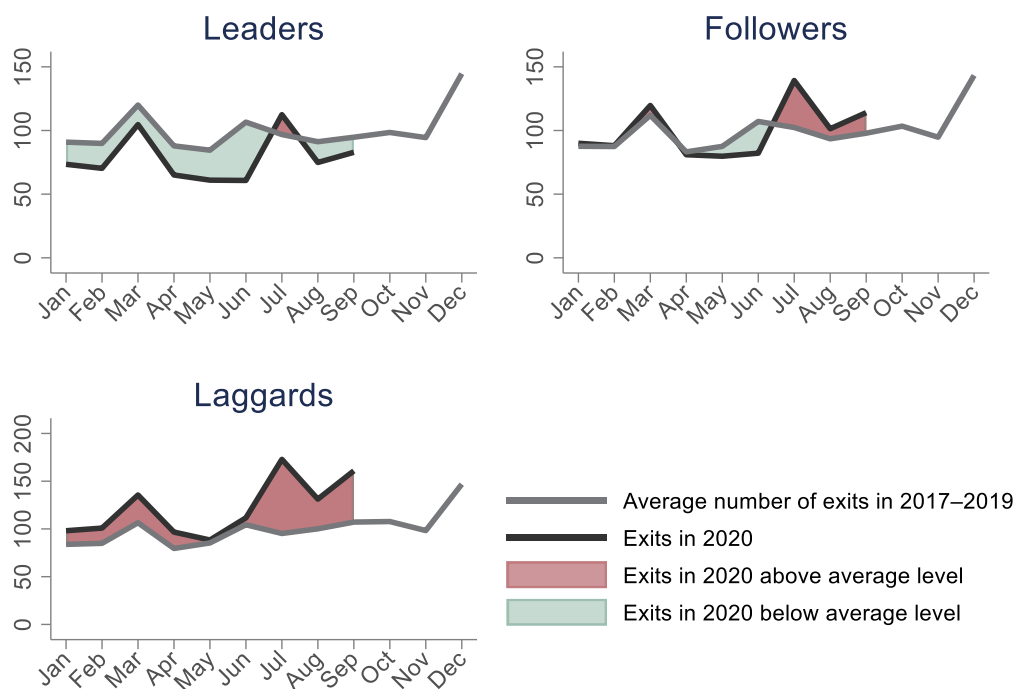


Source: USRLE, Bank of Russia estimates

Sample data allows estimating how the number of exits in 2020 differs from the average 2017–2019 level within productivity groups. We assigned each firm to one of the three groups: productivity leaders, followers, and laggards, based on labour productivity data of the last year in which this firm appeared in the sample. Since productivity distribution is fairly stable in time, it can be assumed that the retrospective estimation of labour productivity is a rather close approximation of the current level of productivity.

The number of companies from the group of productivity leaders which exited the market in 2020 was below the average 2017–2019 level. But in July, a rise in liquidations also affected this group, despite the high level of productivity of its firms. Number of exits among leaders increased sharply, exceeding the average figure by 16%. Still, a rise in exits was expectedly the lowest in this group compared with other groups. Moreover, the number of exits from the group of leaders again fell below the average level in August–September, while remaining elevated in the other groups (Figure 16).

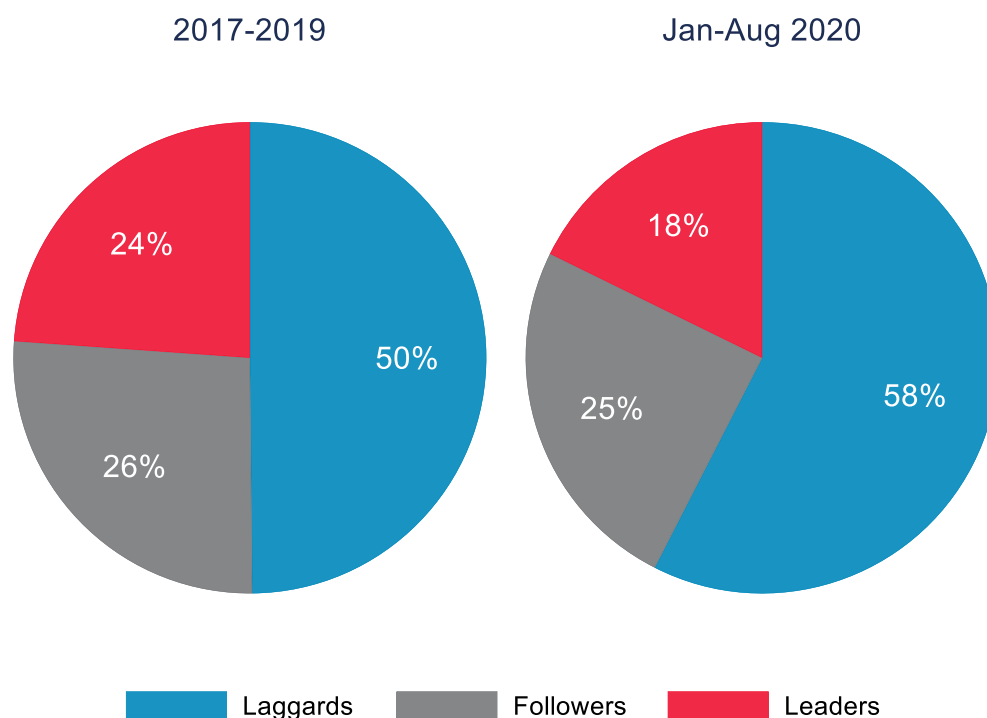
Figure 16. The number of liquidated companies, by productivity, sample data, 2017– 2019 average level = 100



Source: RUSLANA, Bank of Russia estimates

The number of exits from the followers’ group in the first months of 2020 was on the average 2017–2019 level, but in July their number rose 36% above the average figure. July’s difference was the highest in the laggards’ group, with exits exceeding the average July 2017–2019 figure by 81%. It is worth noting that the rate of exits from the lowest-production group remained elevated in August, rising further in September to exceed the average 2017–2019 level by 50%.

An acceleration of laggards’ exits in the middle of 2020 changed the distribution of liquidated entities by productivity group relative to the 2017–2019. The share of leaders declined, whereas the share of laggards, by contrast, expanded (Figure 17).

Figure 17. Structure of liquidated firms, by productivity group, sample data, %

* Companies were assigned to productivity groups based on data for the last year in which a company appeared in the sample.

Source: RUSLANA, Bank of Russia estimate

We note that the share of productivity leaders among liquidated companies was higher in 2017–2019 than their share among all firms (20%). The picture changed in 2020: the share of leaders among liquidated entities dropped below their share in the economy.

Therefore, on the one hand, the first wave of liquidations hit all companies, even the most productive ones. On the other hand, one can also see signs of the cleansing effect, since the group of the lowest-productivity companies started to show the highest rate of market exits. As a result, workers employed by these companies lose their jobs, which is reflected in an unemployment rise and an employment decline. The opportunity for workforce thus made redundant to get a new job becomes a key issue in this situation, especially amid a sharp decline in new market entries.

To improve the Russian economy's overall productivity in the current situation, it is not enough to support a rise in just the number of new companies. It is extremely important for new enterprises not only to enter the market but also to expand, enhancing their labour productivity (Bessonova et al., 2020). Then workforce made redundant upon the closure of inefficient companies will have the opportunity to find a more productive employment, thereby making a positive contribution to labour productivity improvement across the economy.

4. CONCLUSION

The ongoing crisis is different from what we used to see previously. On the one hand, the blow it has delivered is heterogeneous across individual industries. In some industries, companies had to suspend their operations, while in others they benefitted from increased demand. On the other hand, with business activity staying below the pre-coronavirus level, a sustainable and long-lasting liquidation growth trend may emerge in 2021, given time lags and a temporary bankruptcy moratorium for systemically important companies.

Our analysis suggests that the hardest hit industries as listed in RF Government decree No. 434 of 03.04.2020, have shown to be the most vulnerable in terms of liquidations, but other areas of activity also saw a strong surge of market exits. The ongoing crisis expectedly dealt a heavy blow to young companies. They are usually not yet mature enough to adapt to changes and may be more severely exposed to the shocks of costs/supplies and demand.

But the rising rate of market exits against the background of the ongoing crisis involves not only risks to but also potential positive effects for medium- and long-term economic growth. The cleansing effect of the crisis is evidenced by, among other things, a soaring rate of market exits among the lowest-productivity companies, whereas productivity leaders were the least affected by the first wave of exits. The productivity profile of firms staying on in the market is improving as a result.

Meanwhile, as the number of organisations contracts, their former employees, who not even always registered as unemployed, encounter a problem of getting a job amid the crisis, which dramatically heightens social tension. What makes getting another job even harder for the employees of liquidated companies is that the scarring effect of the crisis slows new market entries. On top of that, even high-productivity firms face constraints on growth.

Therefore, the crisis triggered by the pandemic and imposition of restrictions has not only produced immediate adverse effects but also implies more enduring and extended over time risks to the economy. Implications, such as a rise in the number of liquidated organisations, a slowdown in new market entries, constraints on high-productivity companies' growth, a rise in unemployment, limited opportunities for redundant workforce to get a new job, may be more severe than in the previous crisis periods.

To overcome long-term adverse implications of the crisis and move onto a sustainable growth path, a complex of measures is required aiming to foster competition helping efficient reallocation of resources and the highest-productivity companies' growth. At the same time, market exit procedures need to be simplified, including the development of the bankruptcy system. Also, improvements in labour mobility and employee retraining programmes along with an easier access to them would help the employees of companies under liquidation move to more advanced companies with growth potential.

Labour productivity enhancement requires a policy which would create incentives for companies to grow and expand their business. One important factor is reducing uncertainty related to non-market aspects of companies' operation. This would, among other things, help them exit the informal sector and enhance investment. For companies to expand

beyond local markets, this movement into adjacent regions' and national markets should be attractive to them. This requires improvement in the connectivity of regions, including a reduction in their economic heterogeneity and modernization of their transport infrastructure.

Support for companies' expansion into export markets also encourages them to further scale up their operations. In addition, integration into global value chains not only heightens demand for domestic companies' products but also helps replicate best business practices and technologies. In this context, it is very important to conduct an innovation policy stimulating adaptation and introduction of advanced technologies helping improve labour productivity and employees' qualification.

LITERATURE

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APPENDIX

DATA

The analysis of market exits uses the following data sources: Rosstat data aggregated by industry, Unified State Register of Legal Entities (USRLE) data for individual firms, balance sheet accounting data from the RUSLANA dataset, as well as data from the Unified Register of Small and Medium-sized Enterprises (SME).

1. Rosstat data includes the following aggregated indicators: [the absolute number of liquidated companies, the rate of liquidations per 1,000 companies, the absolute number of registered firms, the birth rate per 1,000 companies](#). These indicators are estimated based on Federal Tax Service (FTS) data. The FTS system for recording officially liquidated and registered organisations has undergone a number of changes³ which disrupt the comparability of data recorded prior to and after 2017. Because of it, in analyzing market exits in 2020 we use data from January 2017 to August 2020 further on. Rosstat indicators allow estimating exit rate changes in time, along with differences among sectors and regions. Data for the latest months is not available for some sectors.

2. In addition to aggregated Rosstat data, we use the USRLE database. The uploaded data from USRLE contains information about 1,371, 480 enterprises which exited the market from January 2017 to August 2020. The data provides a firm's registration and exit dates, and the type of activity under the National Classifier of Economic Activity (OKVED2) code. The availability of information about each company allows estimating exit differences between the hardest hit and other industries. For the purposes of our study, the hardest hit industries are those included in the list approved by [RF Government decree No. 434 of 03.04.2020](#). Also, USRLE data allows estimating exit rate differences among companies from various age groups.

3. Sample data contains information about 314,352 market exits from January 207 to September 2020. Our sample based on the RUSLANA database includes firms information on whose balance sheets appeared in the database at least in one of the periods from 2011 to 2018. The sample includes only firms employing 10 or more personnel. The sample is somewhat biased towards larger companies, with smaller firms represented to a lesser degree. Unlike Rosstat and USRLE data, firms entering the market in 2019–2020 were not added to the sample. As a result, the sample does not include young companies, whose exit rate is usually higher.

The sample data allows estimating labour productivity level as a ratio of a company's revenue to the number of employees. The sample is split into 290 industries, mostly on the three- or four-digit level of the OKVED 2 code. As Aghion et al. (2009), we assume that there are three groups of companies in each industry:

The first group – productivity leaders operating at the production frontier. We assigned 20% of the highest-productivity firms in each industry to this group.

³ Including those associated with amendments to Federal Law No. 209-FZ of 24.07.2007 On Development of Small and Medium-size Businesses in the Russian Federation, under which the Federal Tax Service was required to keep the Unified Register of Small and Medium-sized Businesses..

The second group (followers) – comprised of firms which are one step behind the production frontier. Firms whose productivity is below that of the leaders but above median are assigned to this group.

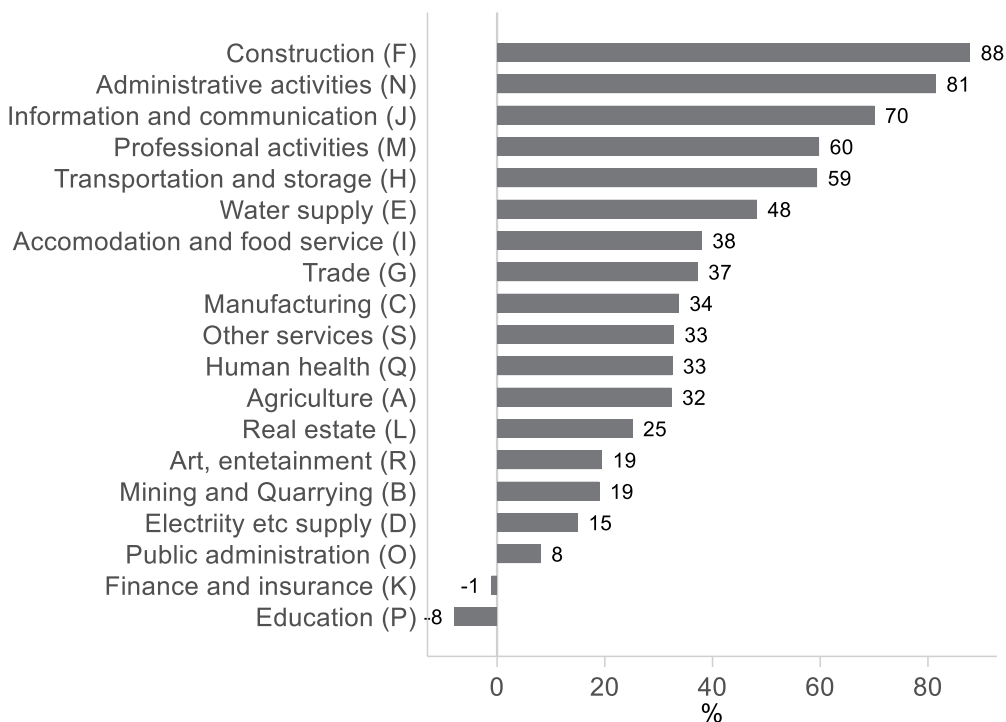
Third group (laggards) – comprised of firms operating two steps behind the production frontier (see Aghion et al., 2009). Firms whose productivity is below median were assigned to this group.

Productivity distribution in Russian industries strongly tends towards low levels. Therefore, the group of companies whose productivity shows the greatest difference from all others are deemed to be leaders. The group of companies whose productivity is below median is, as a rule, more uniform than that of higher-productivity companies. For the purposes of this analysis, we assigned individual companies to a particular productivity group based on their productivity for the last year in which they were represented in the sample.

4. Register of Medium-sized and Small Enterprises (SME) data includes an aggregated indicator of the number of operating SME from January 2018 to September 2020. Part of Register data is updated on a monthly basis. Full annual updating of the Register is conducted in August based on July data. Therefore, changes which occurred during the year may be reflected in July statistics rather than in the relevant month.

MARKET EXITS BY SECTOR AND REGION

Figure 18. Deviation of the number of firms liquidated in July 2020 from the July 2017–2019 average, Rosstat data, %



Symbol in parenthesis is the sector code under OKVED 2

Source: Rosstat, Bank of Russia estimates

MARKET EXITS BY SECTOR

Number of liquidated enterprises, Rosstat data, thousand

Liquidation rate per 1,000 organisations, Rosstat data, per mille

Figure 20. Overall for the economy

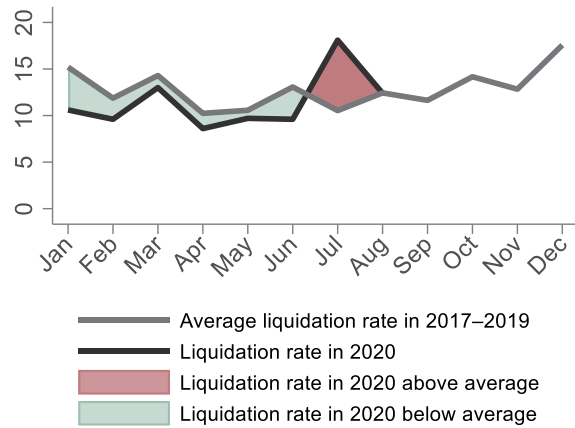
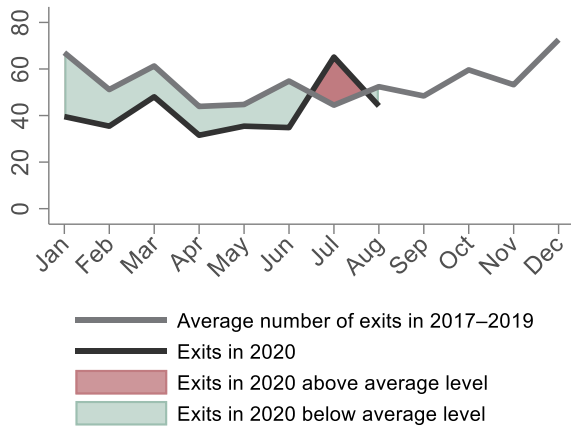


Figure 21. Agricultural industry, forestry, hunting, fishery and fish farming (sector A)

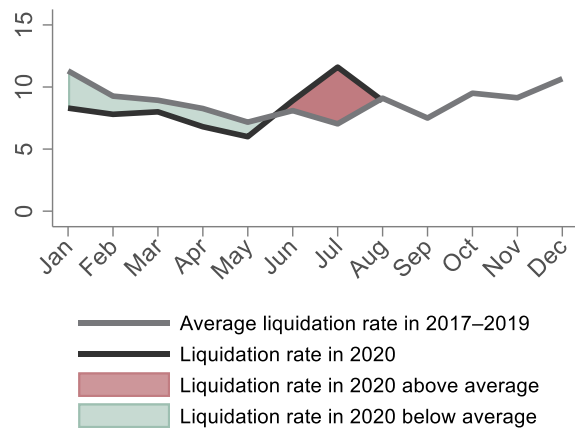
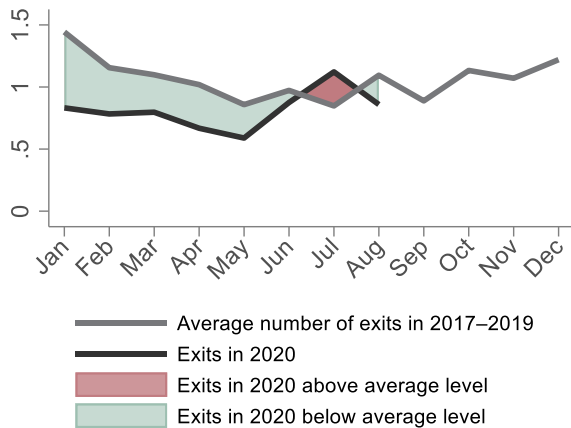
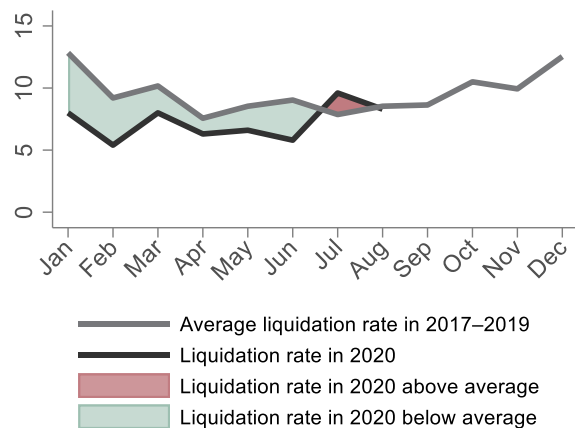
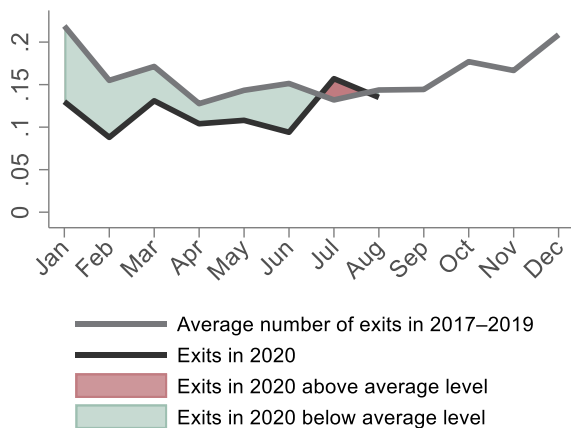


Figure 22. Mining and quarrying (sector B)



Number of liquidated enterprises, Rosstat data, thousand

Liquidation rate per 1,000 organisations, Rosstat data, per mille

Figure 23. Manufacturing (sector C)

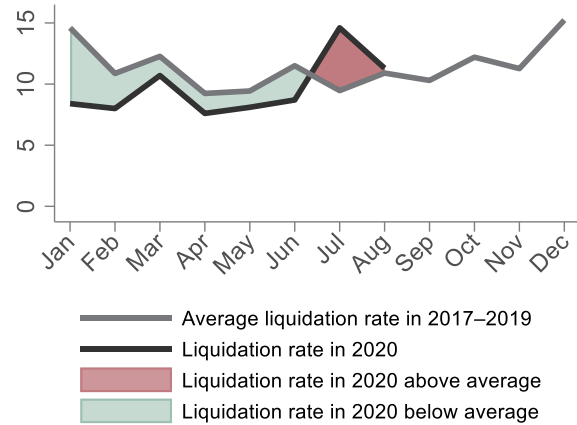
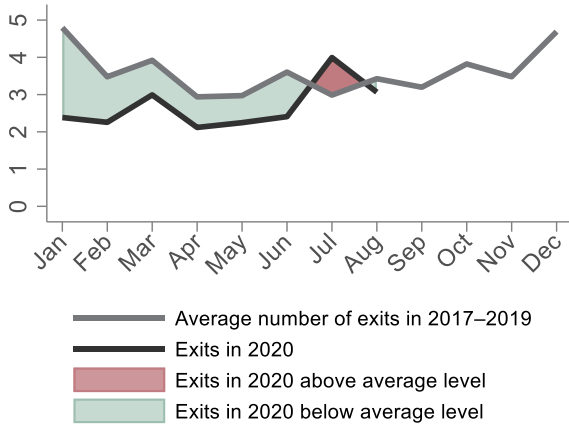


Figure 24. Electricity, gas and steam supply; air conditioning (sector D)

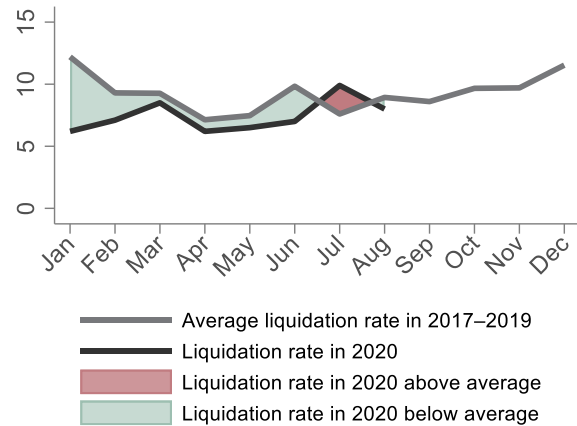
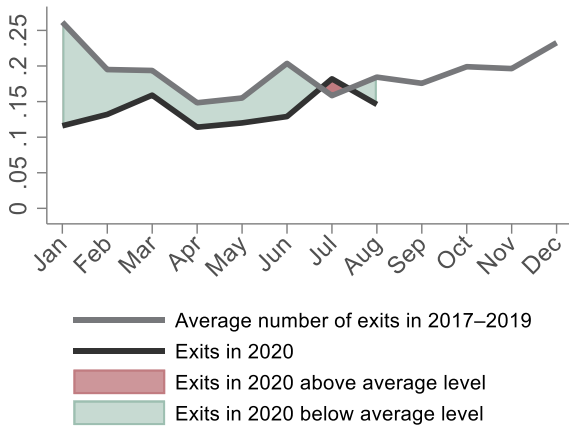
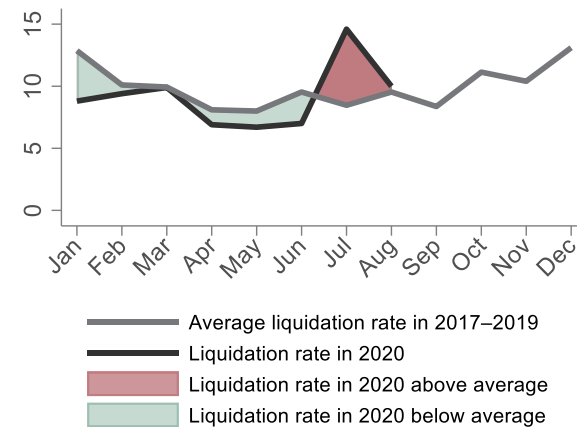
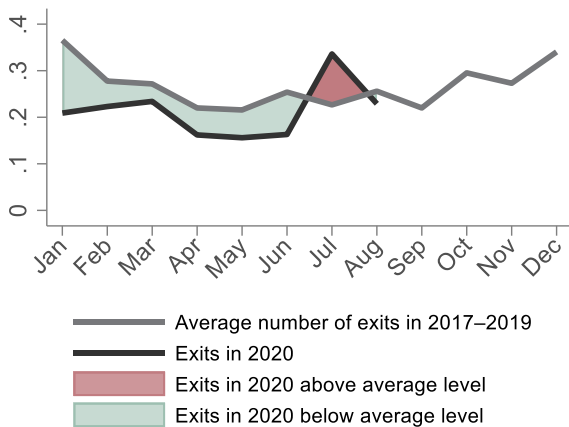


Figure 25. Water supply; sewerage; waste management and remediation activities (sector E)



Number of liquidated enterprises, Rosstat data, thousand

Liquidation rate per 1,000 organisations, Rosstat data, per mille

Figure 26. Construction (sector F)

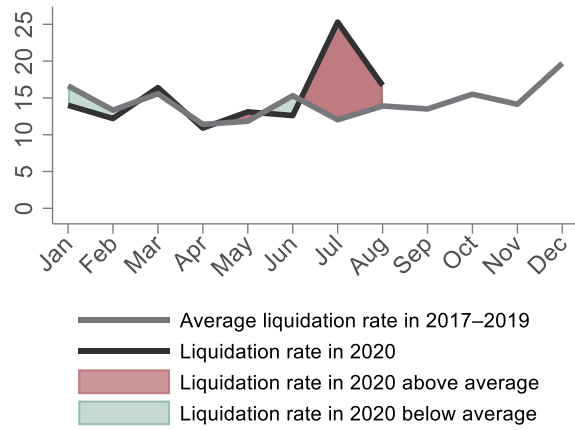
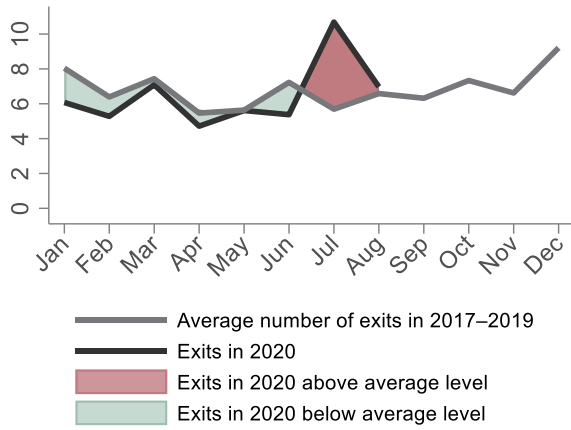


Figure 27. Wholesale and retail trade, repair of motor vehicles and motorcycles (sector G)

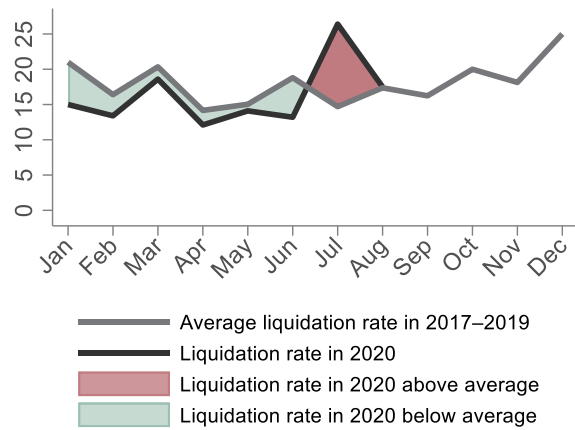
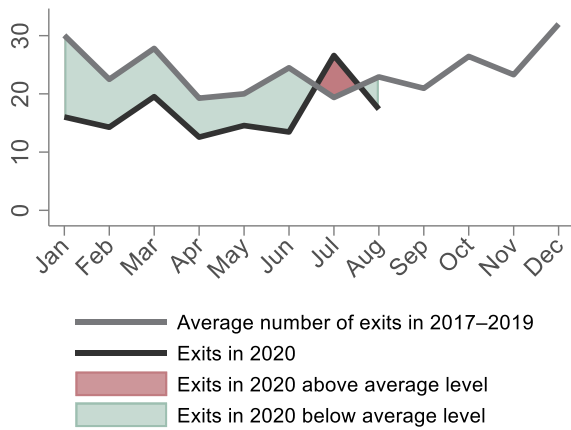
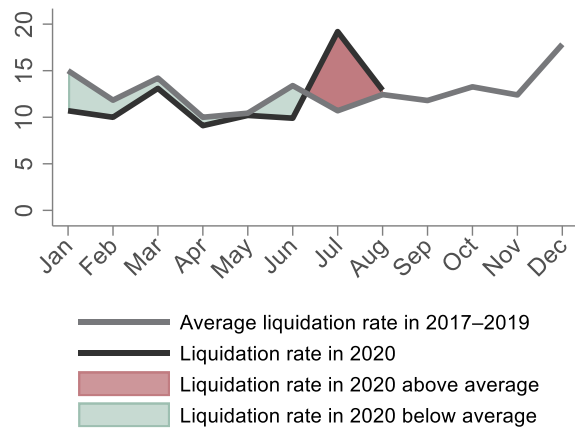
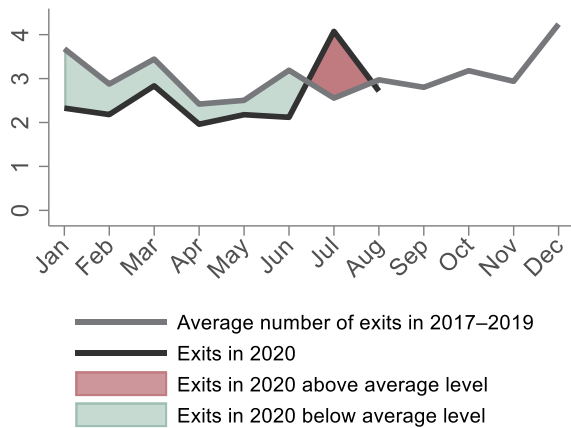


Figure 28. Transportation and storage (sector H)



Number of liquidated enterprises, Rosstat data, thousand

Liquidation rate per 1,000 organisations, Rosstat data, per mille

Figure 29. Hotels and food service activities (sector I)

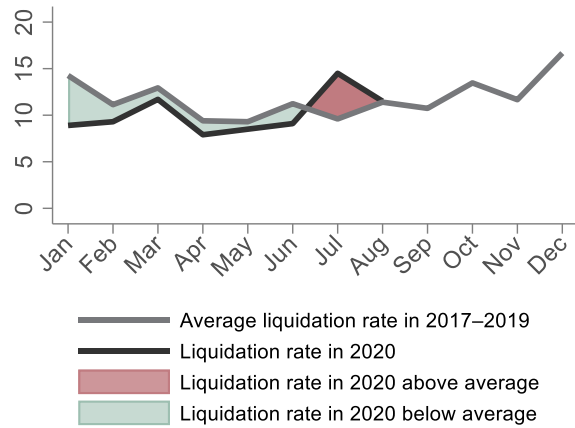
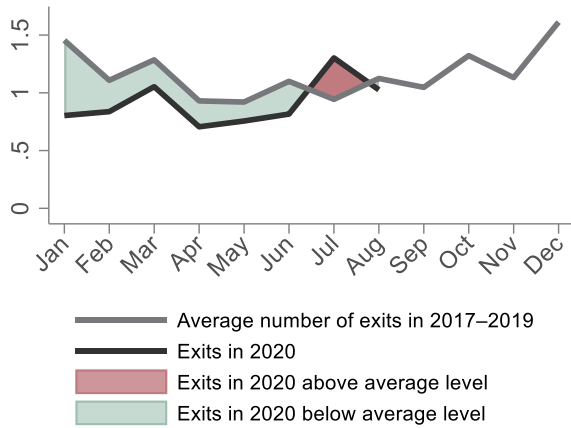


Figure 30. Information and communications (sector J)

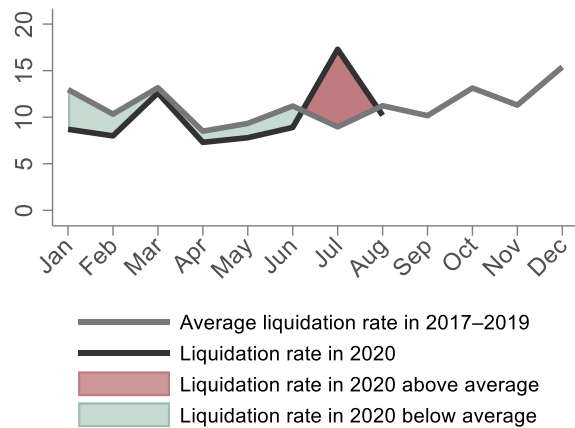
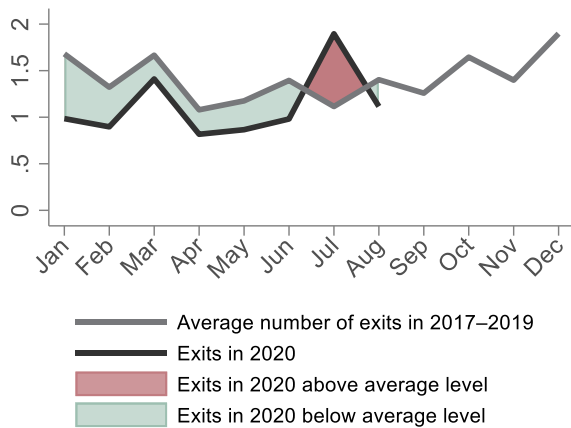
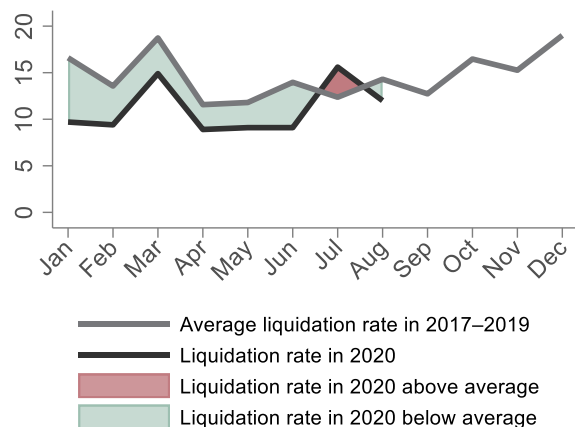
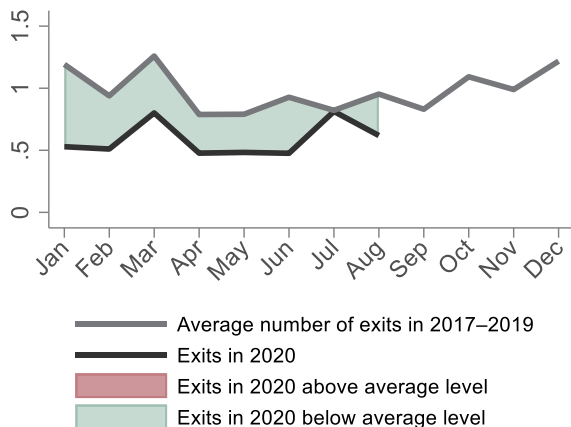


Figure 31. Financial and insurance activities (sector K)



Number of liquidated enterprises, Rosstat data, thousand

Liquidation rate per 1,000 organisations, Rosstat data, per mille

Figure 32. Real estate activities (sector L)

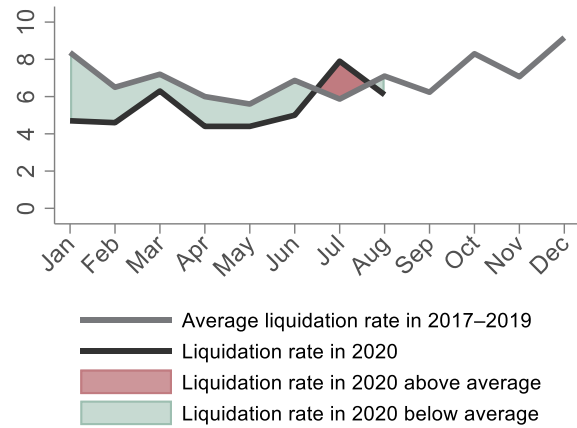
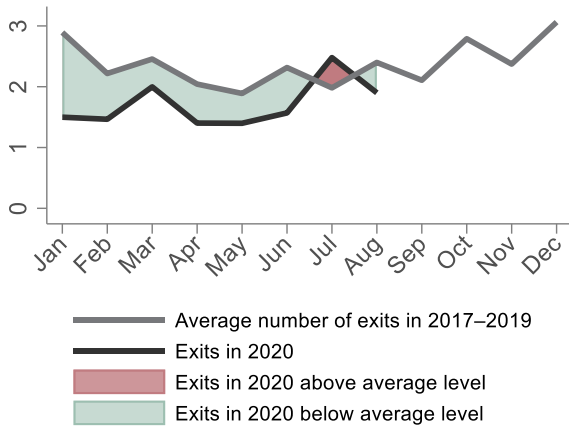


Figure 33. Professional, scientific and technical activities (sector M)

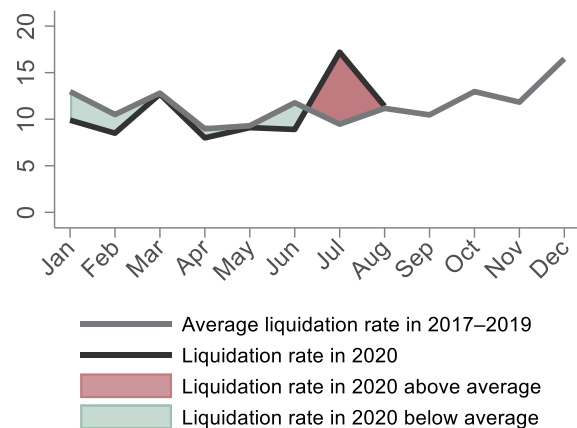
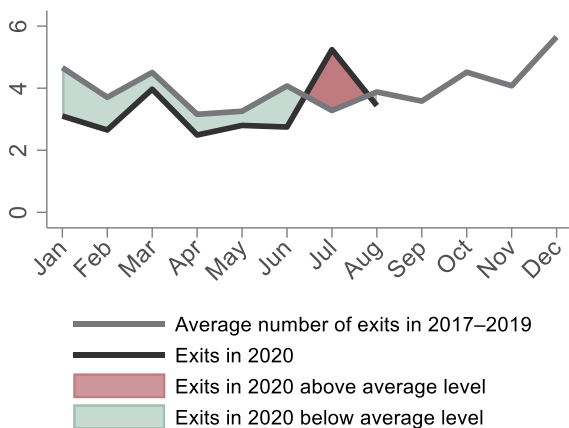
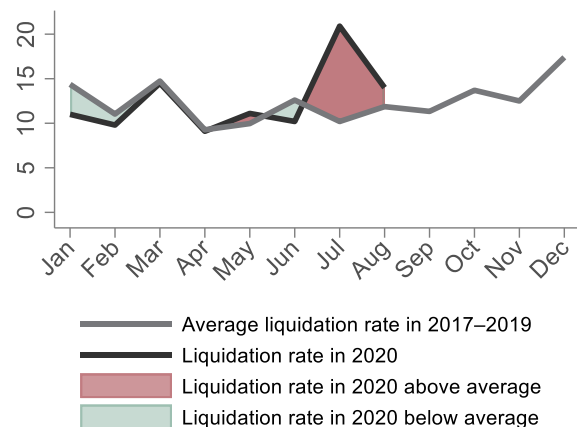
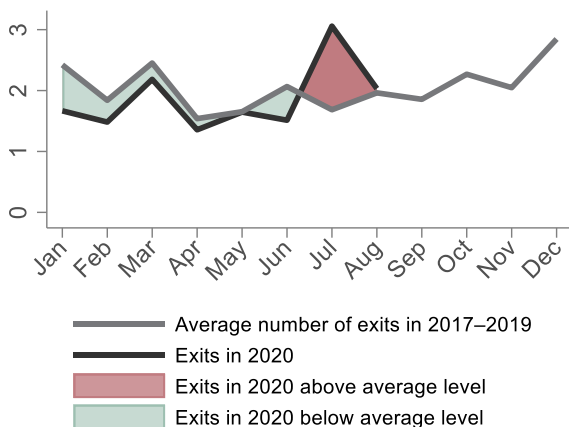


Figure 34. Administrative and auxiliary services (sector N)



Number of liquidated enterprises, Rosstat data, thousand

Liquidation rate per 1,000 organisations, Rosstat data, per mille

Figure 35. Public administration and defense, compulsory social security (sector O)

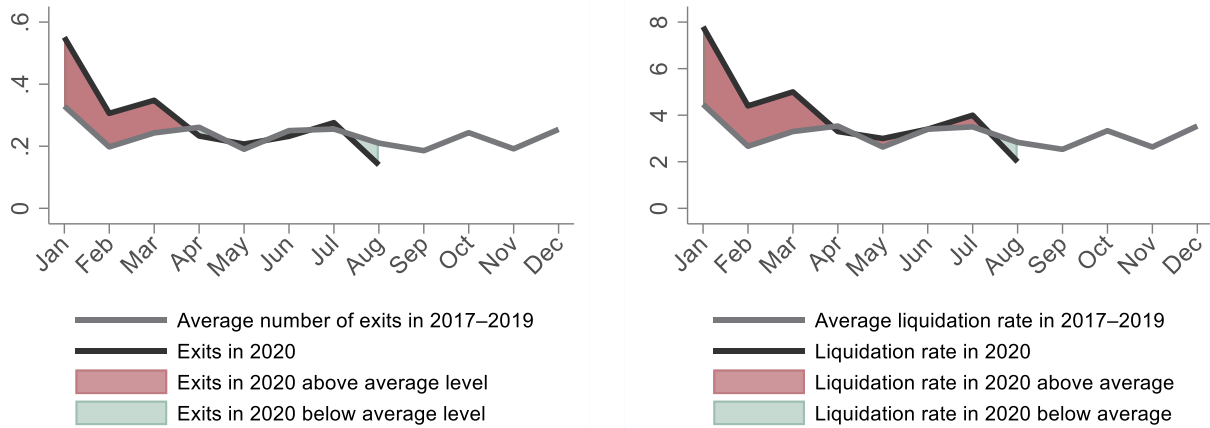


Figure 36. Education (sector P)

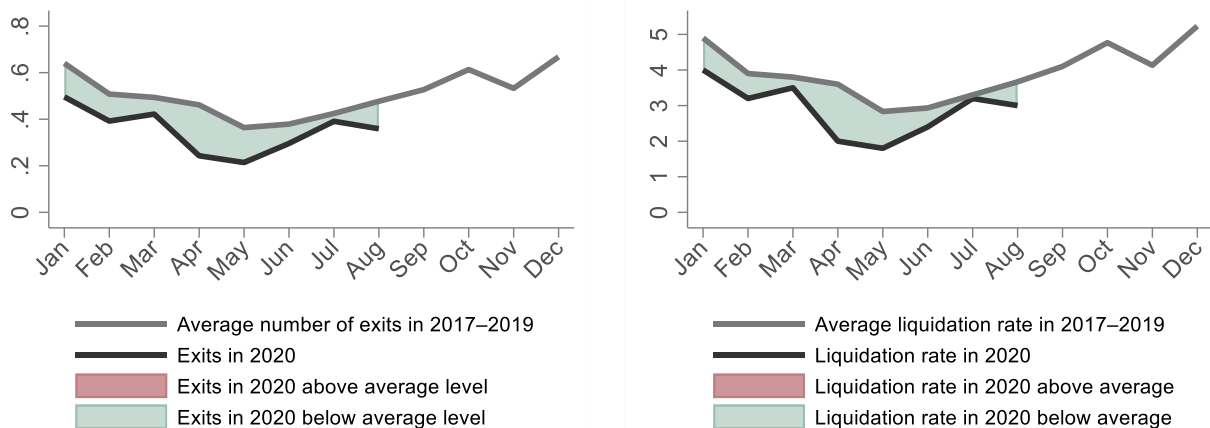
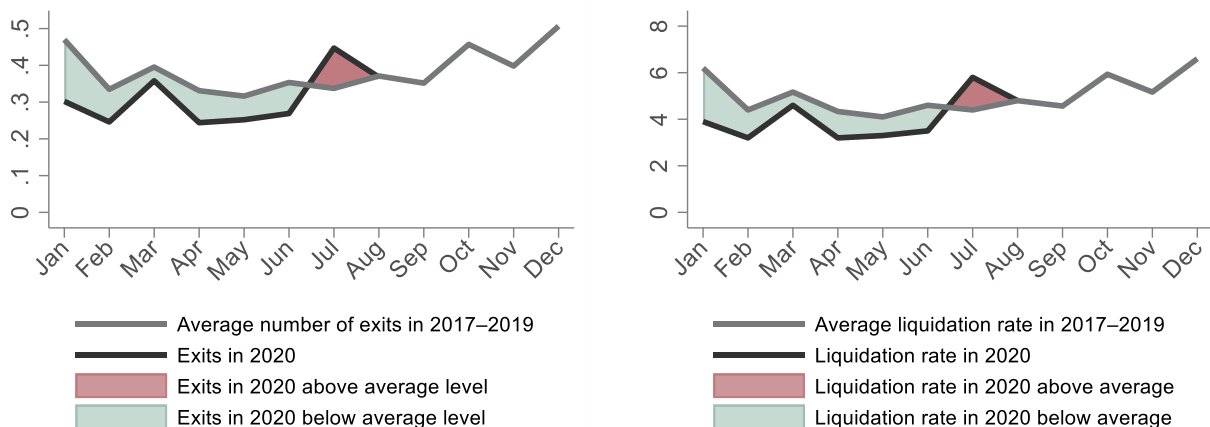


Figure 37. Human health and social work activities (sector Q)



Number of liquidated enterprises, Rosstat data, thousand

Liquidation rate per 1,000 organisations, Rosstat data, per mille

Figure 38. Arts, entertainment and recreation (sector R)

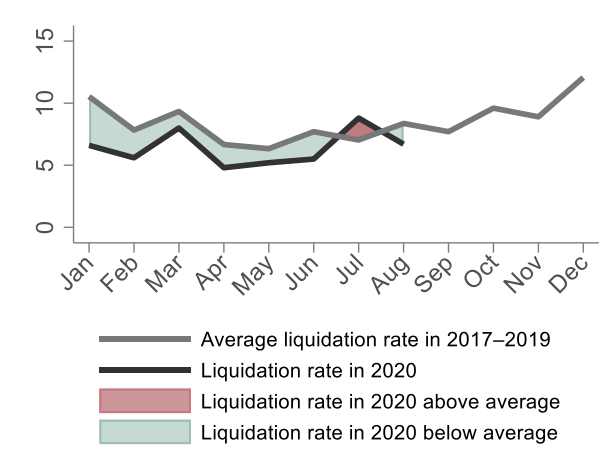
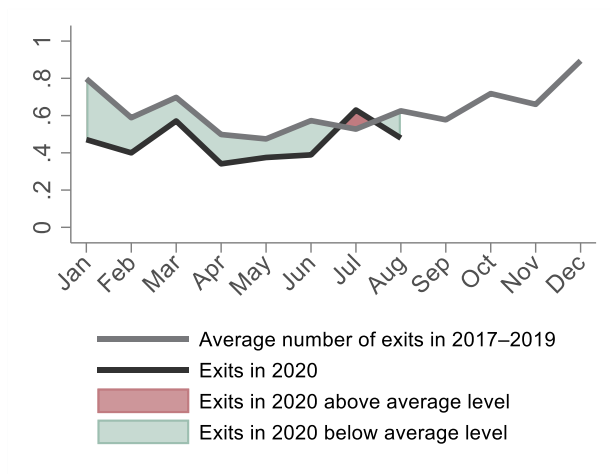
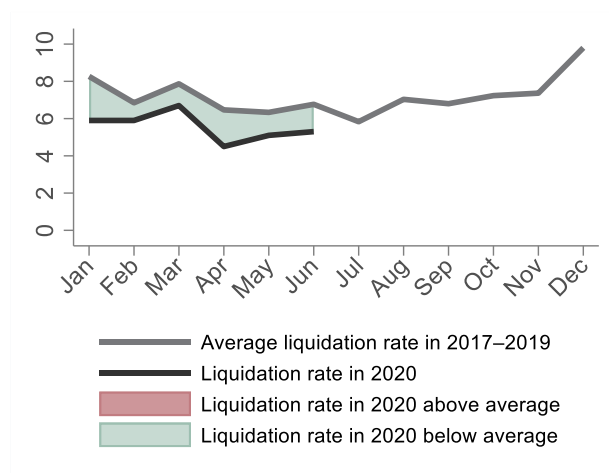
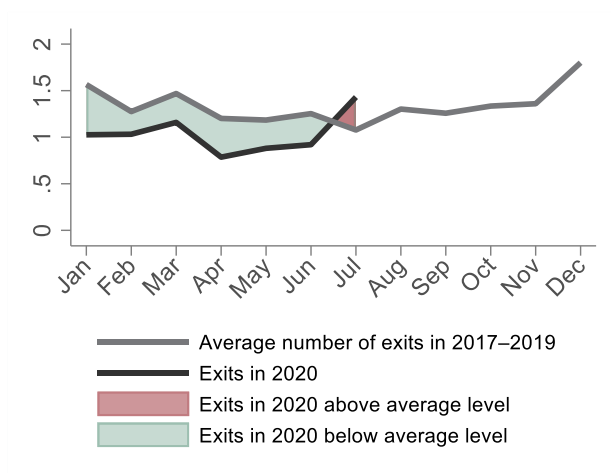


Figure 39. Other services activities (sector S)



MARKET ENTRIES BY SECTOR

Number of newly registered enterprises, Rosstat data, thousand

Birth rate of organisations per 1,000 organisations, Rosstat data, ‰

Figure 40. Overall for the economy

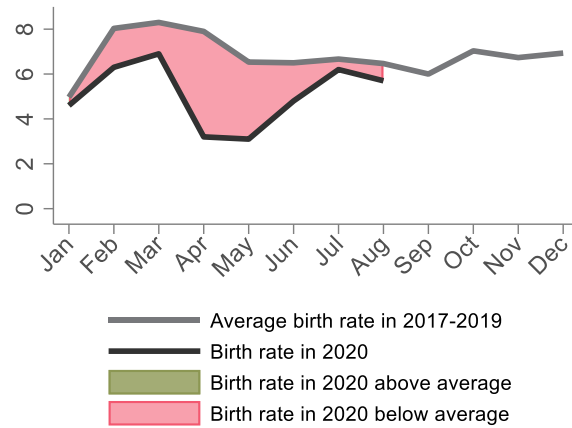
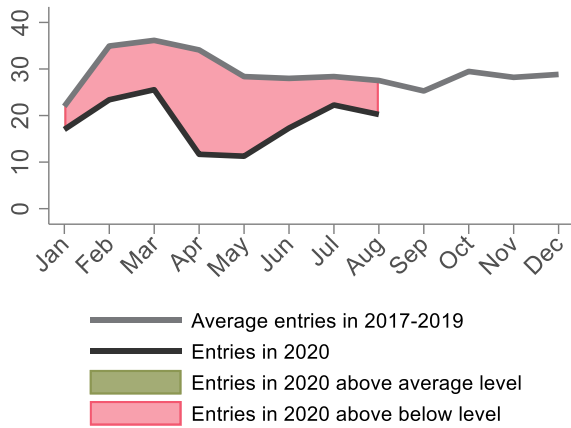


Figure 41. Agriculture, forestry and fishing (sector A)

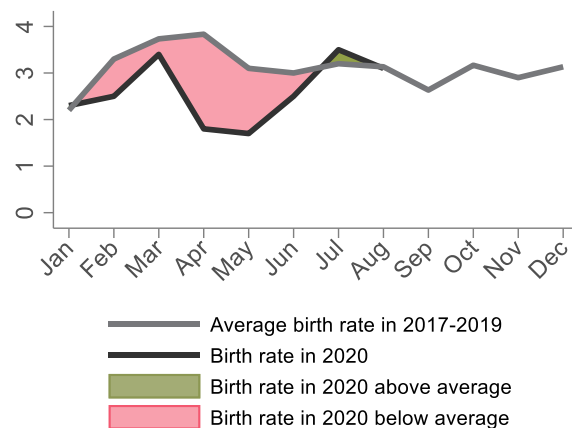
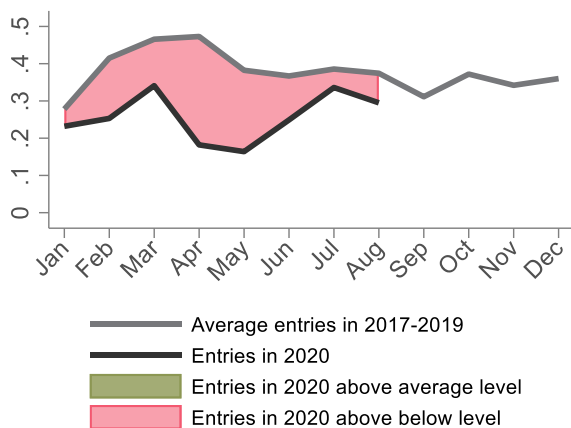
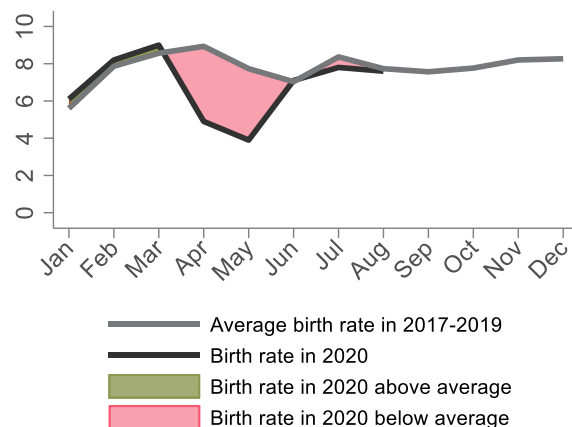
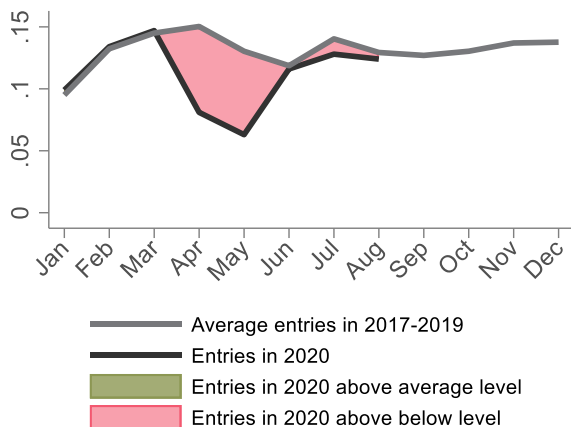


Figure 42. Mining and quarrying (sector B)



Number of newly registered enterprises, Rosstat data, thousand

Birth rate of organisations per 1,000 organisations, Rosstat data, %

Figure 43. Manufacturing (sector C)

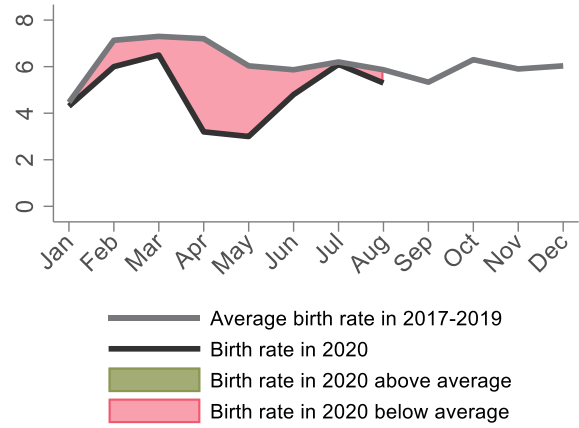
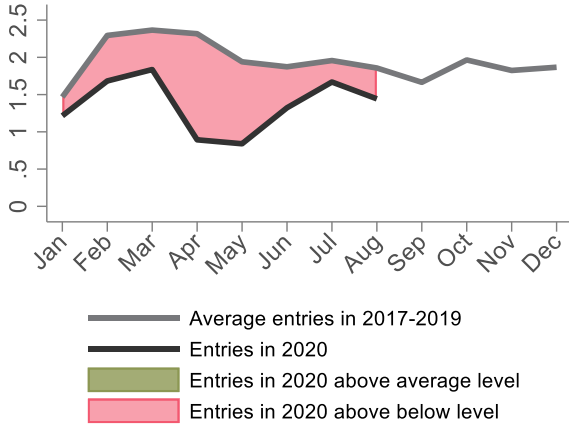


Figure 44. Electricity, gas, steam and air conditioning supply (sector D)

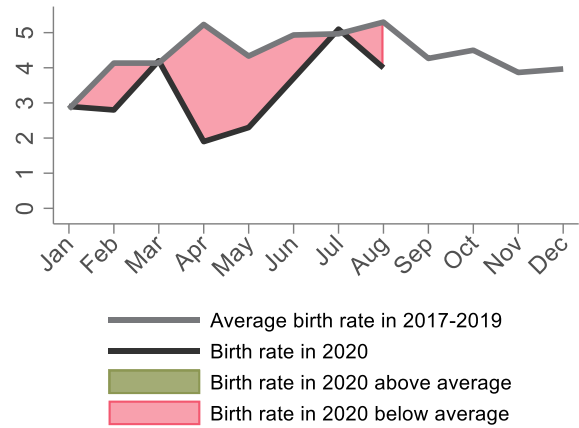
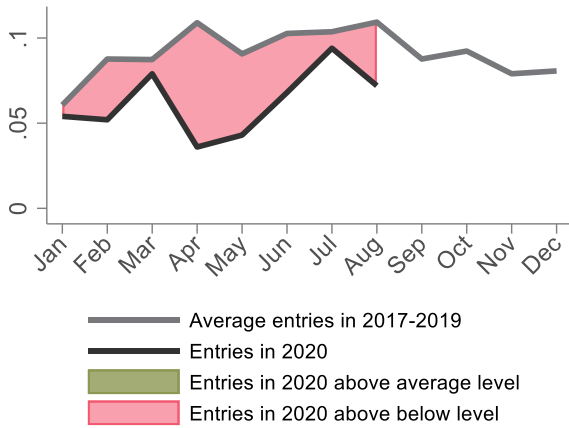
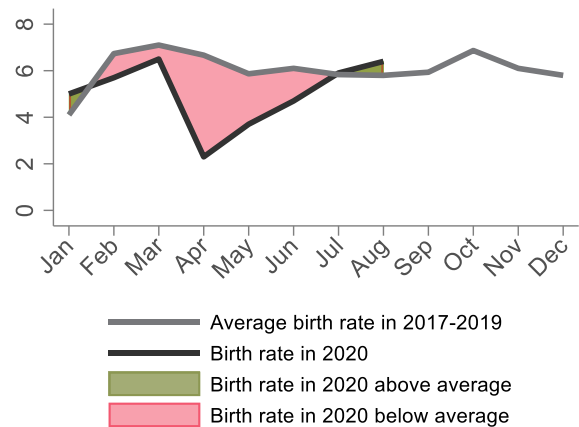
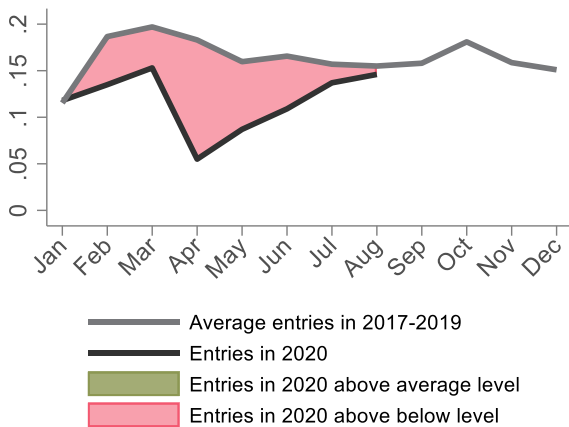


Figure 45. Water supply; sewerage; waste management and remediation activities (sector E)



Number of newly registered enterprises, Rosstat data, thousand

Birth rate of organisations per 1,000 organisations, Rosstat data, %

Figure 46. Construction (sector F)

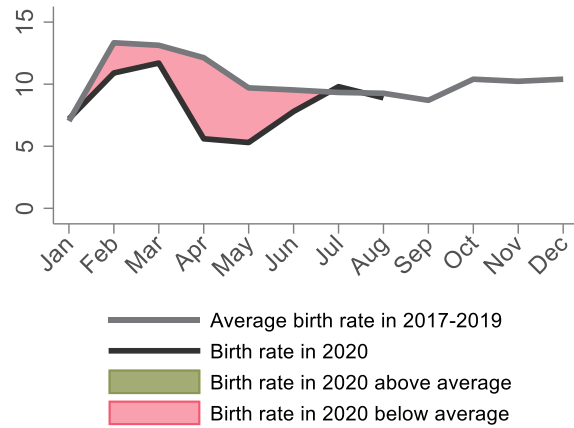
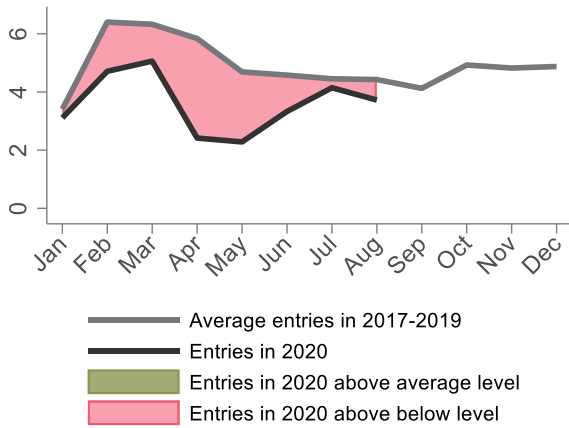


Figure 47. Wholesale and retail trade; repair of motor vehicles and motorcycles (sector G)

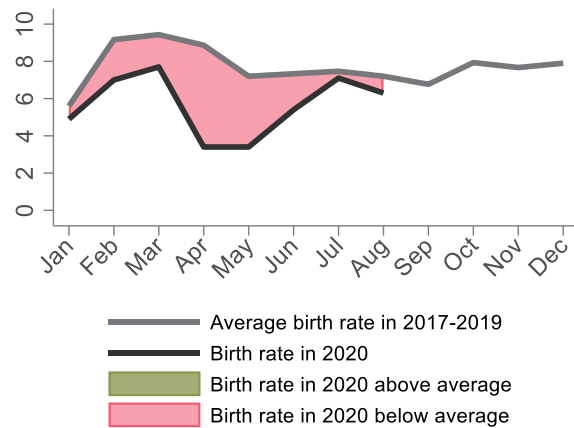
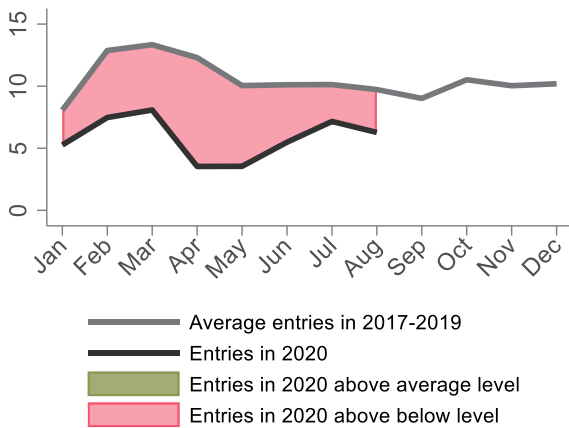
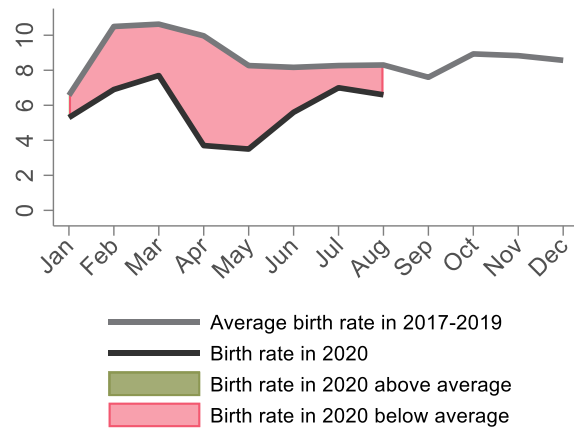
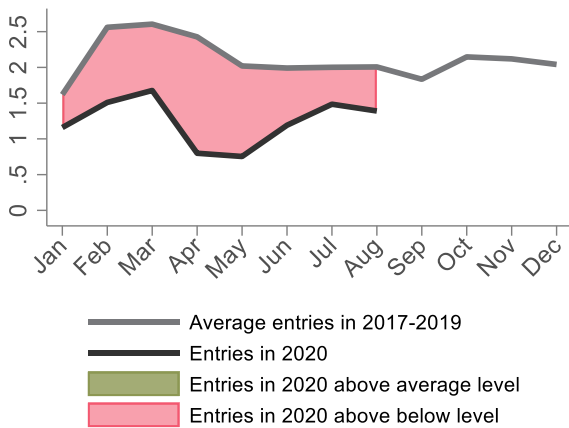


Figure 48. Transportation and storage (sector H)



Number of newly registered enterprises, Rosstat data, thousand

Birth rate of organisations per 1,000 organisations, Rosstat data, %

Figure 49. Hotels and food services (sector I)

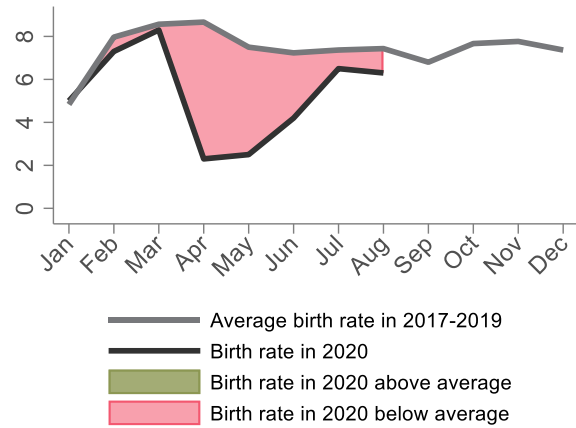
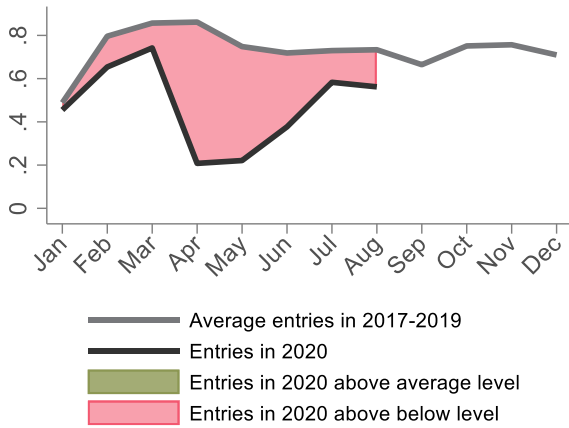


Figure 50. Information and communication (sector J)

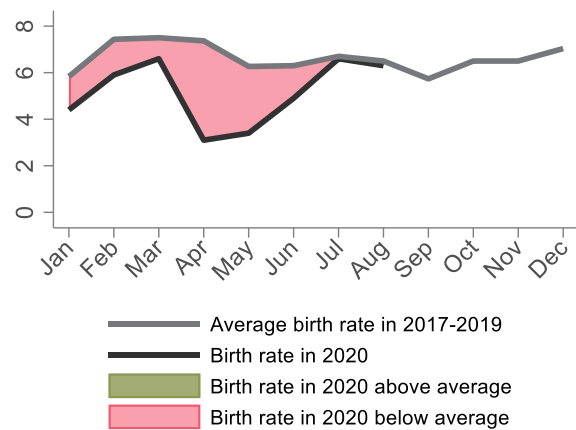
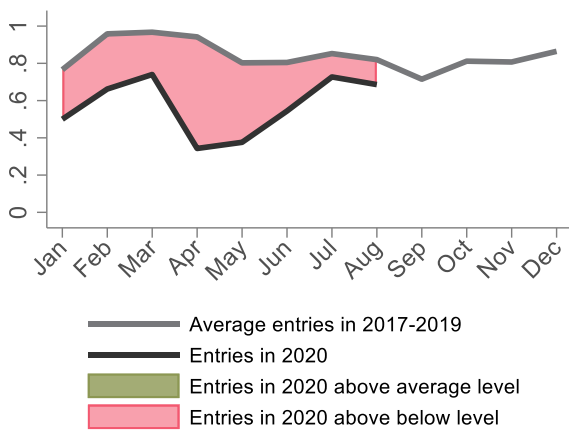
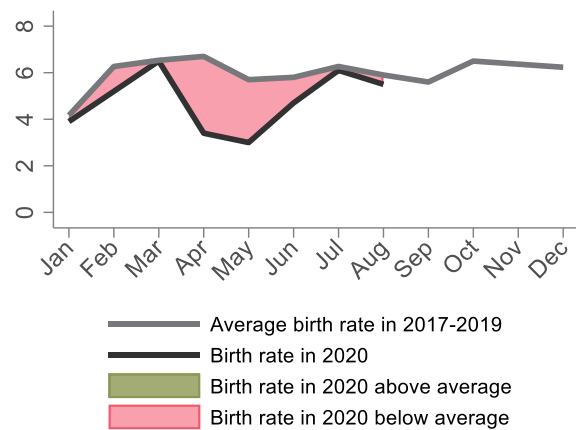
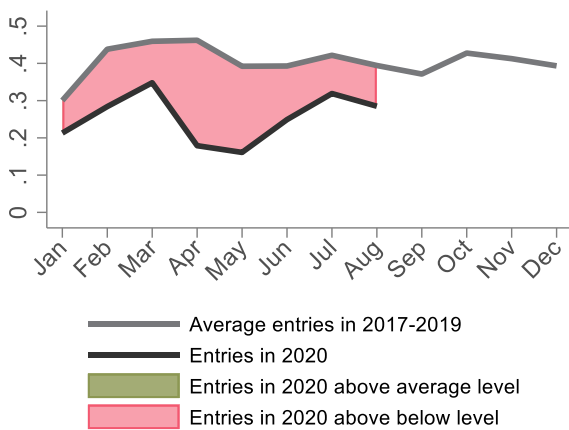


Figure 51. Financial and insurance activities (sector K)



Number of newly registered enterprises, Rosstat data, thousand

Birth rate of organisations per 1,000 organisations, Rosstat data, %

Figure 52. Real estate activities (sector L)

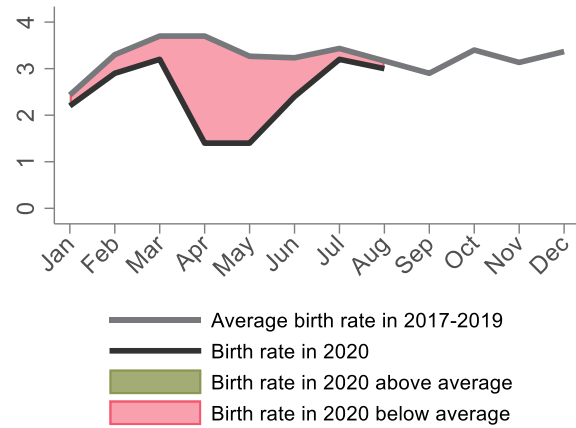
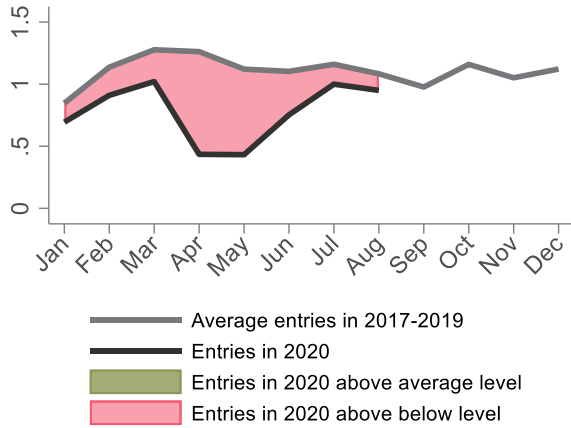


Figure 53. Professional, scientific and technical activities (sector M)

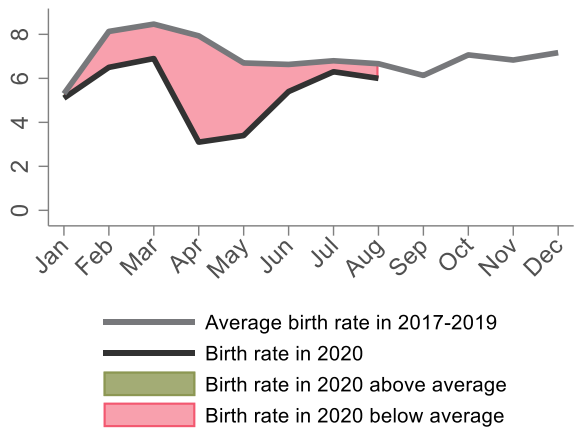
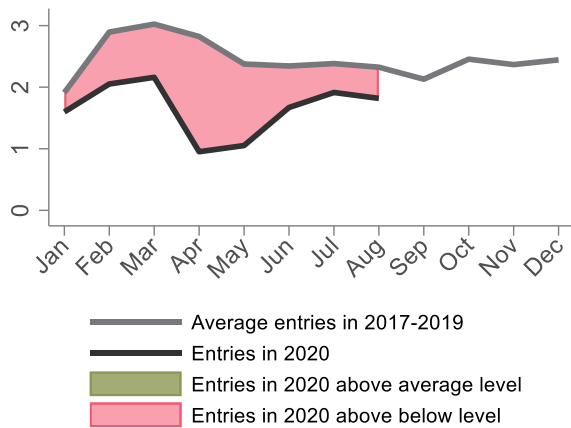
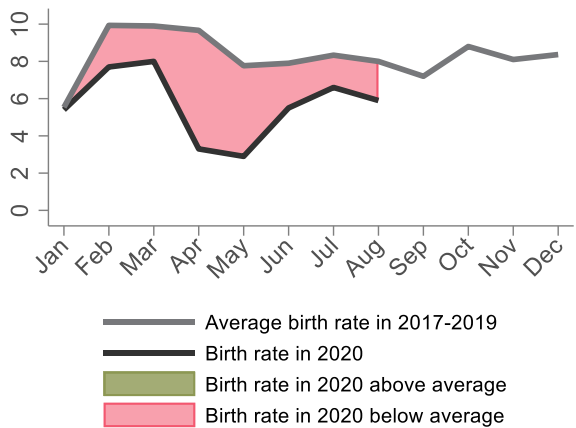
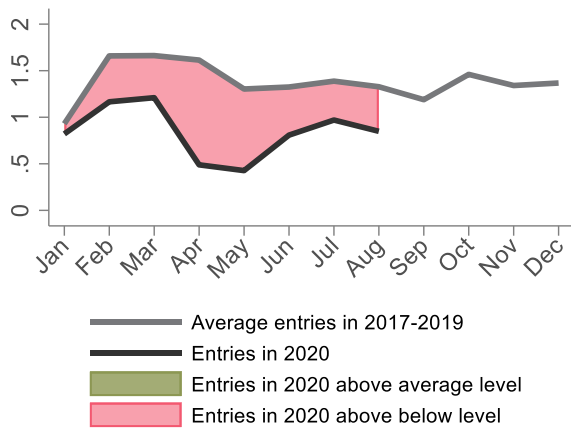


Figure 54. Administrative and support service activities (sector N)



Number of newly registered enterprises, Rosstat data, thousand

Birth rate of organisations per 1,000 organisations, Rosstat data, ‰

Figure 55. Public administration and defense, compulsory social security (sector O)

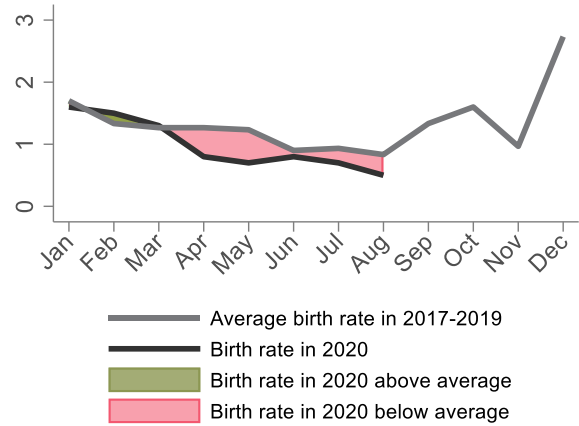
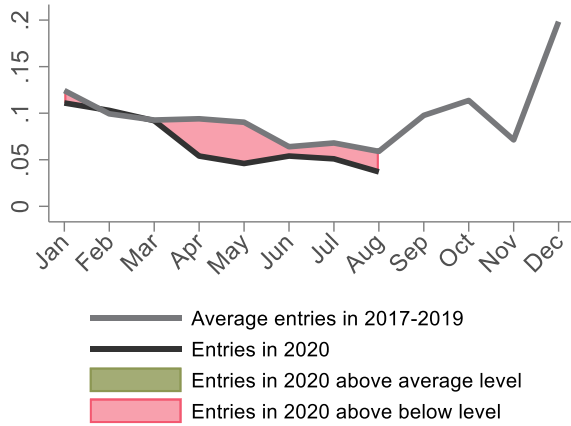


Figure 56. Education (sector P)

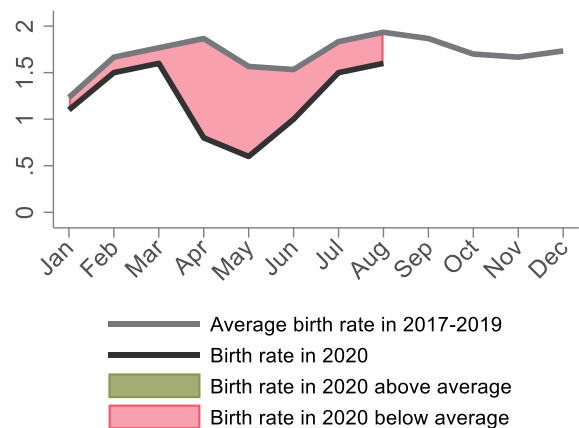
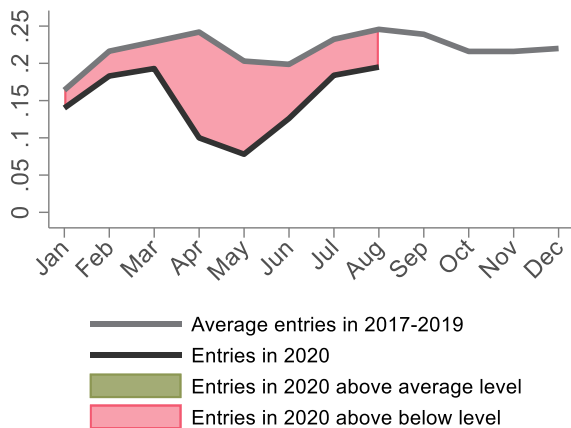
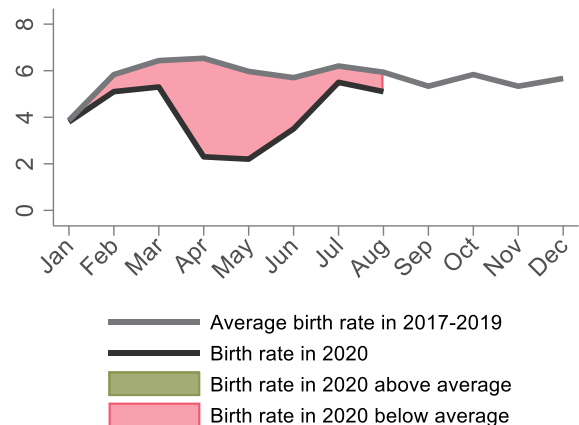
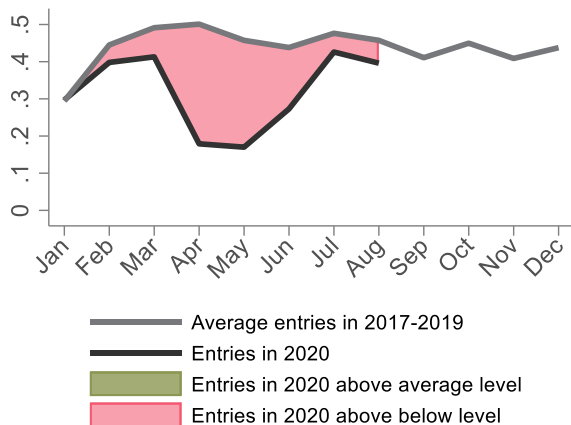


Figure 57. Human health and social work activities (sector Q)



Number of newly registered enterprises, Rosstat data, thousand

Birth rate of organisations per 1,000 organisations, Rosstat data, %

Figure 58. Arts, sport activities, entertainment and recreation (cekrop R)

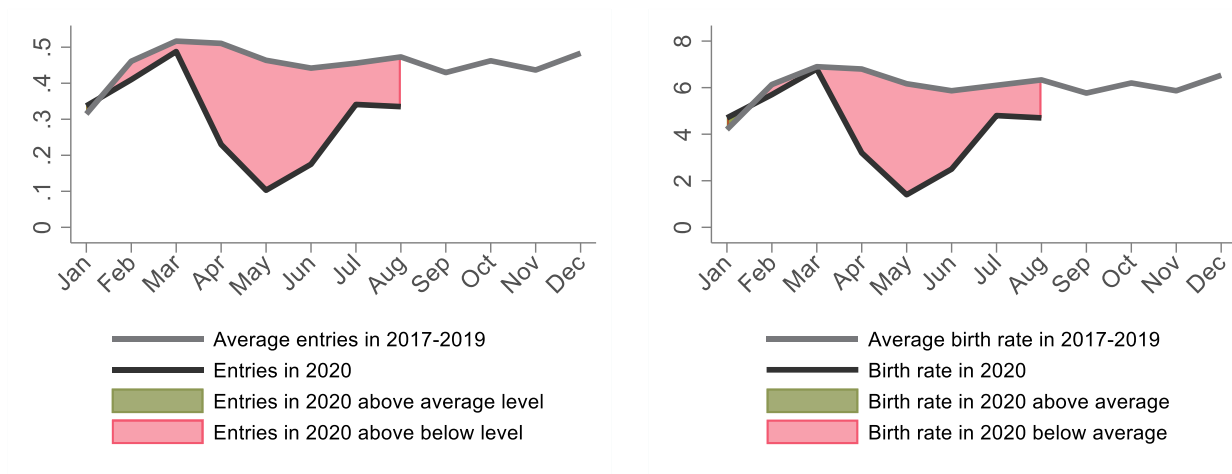


Figure 59. Other services activities (sector S)

