



# Inclusive Entrepreneurship Policies: Country Assessment Notes

Greece, 2018



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## FOREWORD

Inclusive entrepreneurship policies aim to offer all people an equal opportunity to create a sustainable business, whatever their social group. This is an important requirement for achieving the goal of smart, sustainable and inclusive growth set out in the Europe 2020 strategy. It is also a means to respond to new economic challenges, to create jobs and to fight social and financial exclusion. Among the key targets of inclusive entrepreneurship policies and programmes are women, youth, older people, the unemployed, migrants and people with disabilities, who all continue to face challenges in the labour market and are under-represented or disadvantaged in entrepreneurship activities. ‘The Missing Entrepreneurs’ series of publications of the Organisation for Economic Co-operation and Development (OECD) and the European Union discuss how public policies and programmes can support inclusive entrepreneurship. This includes refining regulatory and welfare institutions, facilitating access to finance, building entrepreneurship skills through training, coaching and mentoring, strengthening entrepreneurial culture and networks for target groups, and putting strategies and actions together for inclusive entrepreneurship in a co-ordinated and targeted way. Governments are increasingly recognising the challenge of inclusive entrepreneurship, but there is still much to do to spread good practice.

Over the period 2013-17, women were as likely as the EU average to be involved in starting a business or managing one that is less than 42 months old (4.8% vs. 4.9%). Youth, however, were slightly less likely (6.4% vs. 7.7 %). However, both women and youth entrepreneurs were much more likely than the EU average to be starting businesses because they did not have any other opportunities in the labour market. Given the difficult economic and labour market conditions following the economic crisis in 2008, the government launched a wide range of training and labour market measures to create employment and upgrade the skills of the labour market. Several inclusive entrepreneurship initiatives were launched, notably for young unemployed people and women. However, there is scope to strengthen tailored entrepreneurship support for disadvantaged groups, including by providing more support for high potential women entrepreneurs and by offering greater support to migrant entrepreneurs.

This note is the third country assessment note prepared by the OECD in collaboration with the Directorate-General for Employment, Social Affairs and Inclusion of the European Commission on the state of inclusive entrepreneurship policies and programmes in each European Union Member State. Each note provides an overview and assessment of policies and programmes that support people from under-represented and disadvantaged groups in business creation and self-employment and suggests policy actions to address gaps in the support system and to improve the quality of available support offers. The notes cover national-level policies and programmes and, where relevant, sub-national initiatives and actions by the non-governmental sector. The 2018 notes include an additional section on female entrepreneurship support, which provides an overview of the entrepreneurship activity levels, obstacles faced and policy responses.

The notes are part of a wider programme of work by the OECD and the European Commission that includes “The Missing Entrepreneurs” publications, the Better Entrepreneurship Policy Tool ([www.betterentrepreneurship.eu](http://www.betterentrepreneurship.eu)), a series of Policy Briefs on specific target groups, policies and issues, and country reviews of youth entrepreneurship and women entrepreneurship. For more information please refer to: [www.oecd.org/employment/leed/inclusive-entrepreneurship.htm](http://www.oecd.org/employment/leed/inclusive-entrepreneurship.htm).

## **ACKNOWLEDGEMENTS**

This note is part of a series of notes on country-level inclusive entrepreneurship policies and programmes prepared by the Organisation for Economic Co-operation and Development (OECD) for the European Commission. These notes were prepared as part of the programme of work of the OECD Local Economic and Employment Development (LEED) Programme of the Centre for Entrepreneurship, SMEs, Regions and Cities (CFE) led by Lamia Kamal-Chaoui, Director. They provide an overview of current and planned policy actions and identify some actions that could be implemented to address gaps in the current support offering, or improve current offerings.

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## KEY MESSAGES

- Inclusive entrepreneurship policies and programmes have been developed in Greece, particularly covering unemployed youth and women. Persons from other vulnerable population groups have been targeted to a smaller extent, including migrants and seniors. Most, if not all of the initiatives implemented in the recent past and those that are in place today, are being realised within the European Social Fund (ESF).
- Self-employment is strongly pronounced in Greece and Greeks are twice as likely to be self-employed as other EU citizens (29.4% vs. 13.7%). Seniors and youth, the most affected by the crisis, exhibit high self-employment rates. Many young people expect to start a business over the next three years. One particular group of young people in need of assistance are those not in employment, training or education. The NEETs have practically doubled in size during the crisis (2008-14), and currently constitute 15.3% of those in the 15-24 age category.
- The following measures are recommended to strengthen inclusive entrepreneurship in Greece:
  - (i) provide tailored assistance to women in supporting them on the path to innovative entrepreneurship;
  - (ii) strengthen entrepreneurship support for migrants;
  - (iii) increase tailored entrepreneurship support for older people;
  - (iv) further develop entrepreneurship education and training in secondary and tertiary level education curriculums, including in vocational education and training.

## 1. INCLUSIVE ENTREPRENEURSHIP OBJECTIVES AND TARGETS

As Greece was hit severely by the financial and economic crises, employment and social affairs reforms have been high on the political agenda of the succeeding governments since then. The reforms were mostly targeted at introducing higher flexibility in the labour market and making the pension system more effective. A preliminary assessment of the labour market reforms undertaken indicates however that most reforms had little, if any, effect on labour market performance up to now (Karantinos, 2014).

In the context of the Europe 2020 Strategy, Greece defined a number of employment and social targets in late 2010. In the area of employment, Greece set as goal an employment rate of 70% for those aged 20-64 by 2020. The achievement of this target seems increasingly unrealistic as it would presume growth rates of 5% and higher annually until 2020, which would even be beyond pre-crisis rates. The unemployment rate in 2017 stood at 21.7%, thereby being the highest in EU28 (7.8%).

In an attempt to address high unemployment and low participation rates, the latest National Reform Programmes (NRP, 2015; NRP, 2016) put a strong emphasis on employment programmes. Two points are particularly highlighted: The first is to improve the effectiveness of employment and training programmes, especially workplace training programmes. The second point is to strengthen labour demand. Given the economic situation, it is difficult for the private sector to create a sufficient number of jobs for the high number of unemployed. While active labour market policies can be used to improve the skills of the workforce, the problem of unemployment in Greece is mainly found in the lack of labour demand. There is an effort to address this problem through the implementation of public works scheme.

Greece is currently facing a dual challenge. It must ensure that the burden of the austerity measures are shared fairly, protect the most vulnerable and strengthen social cohesion. At the same time, Greece must increase job creation in order to put people back to work and achieve a sustainable jobs expansion. A starting point for such a “social recovery plan” will be to take stock of social developments, evaluate the impact of the reforms with a view to correct imbalances and tackle the most acute of problems as a matter of urgency. In designing proper remedies, authorities must seek the involvement of social partners. Any recovery strategy has the best chance of working if it is supported by social dialogue. It is also essential to search for policies that can reconcile social conditions and economic performance. Social inclusion policies and economic development policies strongly reinforce each other when developed in partnership.

In dealing with the situation, all policies and policy instruments have a role to play. Greece has introduced a plethora of reforms since 2010, the progress in boosting job creation and reducing unemployment has been very limited. Traditionally, active labour market measures have relied upon a combination of hiring subsidies, start-up incentives and training or work experience programmes. Schemes providing financial support and counselling to unemployed people wishing to start their own business have been available since the 1980’s in Greece, through OAED (the Manpower Employment Organisation), the main employment agency in Greece. During the last decade, such schemes were used in order to limit unemployment, especially among the long-term unemployed, the young and women. Start-up schemes have also been available to people from the so-called “vulnerable” population groups (e.g. people with disabilities, the elderly). In the case of people with disabilities, the grants provided were generally more generous and successful applicants could also claim grants for adapting their workplace for up to 90% of the cost of modifying the workplace. These schemes are

usually funded by the European Social Fund (ESF) (up to 75%) with matching funds from the national government (25%).

Business creation schemes have also proved to be very popular, which is often attributed to strong sentiment towards self-employment among Greeks. With very high unemployment and salaried employment under pressure, the option of self-employment has come to the forefront for most categories of the labour force as an option to counter-balance the negative effects of the crisis.

Current efforts to improve the design, efficiency and impact of the start-up schemes focus on innovation and also on the development of social enterprises. Grants have also been adjusted downwards since the start of the crisis and eligibility rules have been tightened in an effort to limit deadweight and substitution effects. Prior to the crisis, the start-up schemes were modelled on the basis of various target groups rather than on the basis of promising sectors and potential areas for job growth. The crisis has shifted the public perception of entrepreneurship, by revealing or highlighting business opportunities. In an environment of record level unemployment levels and almost complete lack of job vacancies, innovative entrepreneurship gained prominence as a forward looking method of recovery. In contrast to business creation schemes, public policies and practices for supporting social economy and social entrepreneurship have been rather limited so far. This situation is expected to change in the coming years, as Greece has adopted a new legal framework for social entrepreneurship (Law 4019/2011) with a view to facilitate the formation of social cooperative enterprises.



## 2. KEY INCLUSIVE ENTREPRENEURSHIP INDICATORS

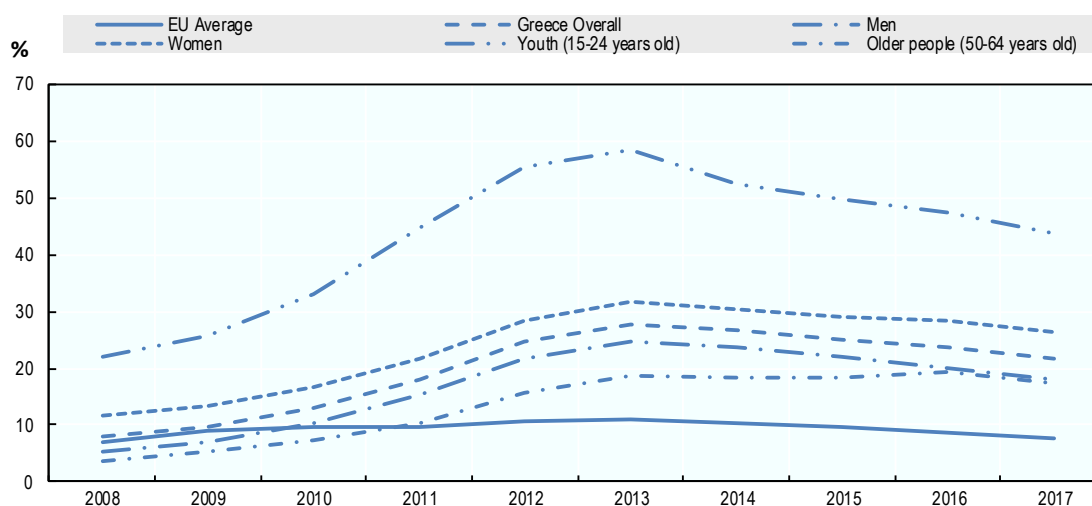
### 2.1. Labour market context

Greece continues to face severe economic conditions. Following strong growth rates between 2000 and 2007, GDP growth dropped in 2008 and has yet to recover. Since 2010, Greece has adopted three internationally co-ordinated Economic Adjustment Programmes (Memoranda), with the aim to bring its public finances on a sustainable track. With the support of international lenders (the IMF, the EC, the ECB and more recently, the ESM), the Economic Adjustment Programmes implemented an internal devaluation policy in the hope that austerity measures and increased flexibility in the labour market will lead to a sustainable growth path. Nevertheless, the economy has yet to recover and the Greek economic and social context remains highly challenging.

As expected, the economic recession has had a major impact upon the Greek labour market. Employment rates have fallen and unemployment rose to record levels (Figure 1). Furthermore, poverty has increased and there are signs of growing polarisation among the various socio-economic groups of the labour force.

The overall unemployment rate (15-64 years old) increased sharply during the crisis, increasing from just 7.9% in 2008 to 27.7% in 2013 (an increase of almost 20 percentage points). It has since declined to 21.7% in 2017, nearly three times the EU average (7.8 %). This four year decline in the unemployment rate suggests that Greece is gradually coming out of the crisis. However, the burden of unemployment is unequally shared among the demographic groups of the labour force. The highest of the unemployment rates were observed among youth (15-24 years old) (43.6% in 2017), and women (26.3%). The extreme unemployment rates faced by the young has been a significant concern for policy makers as initial difficulties in entering the labour market are usually followed by persistent difficulties in terms of employment and earnings over the whole of the career.

Figure 1. Unemployment rate, 2008-17



Source: Eurostat (2018), Labour Force Survey.

## 2.2. Self-employment and entrepreneurship rates

Self-employment is quite common in Greece and Greeks are much more likely than other EU citizens to be self-employed. In 2017, the proportion of those in employment who were self-employed was 29.4%, more than double the EU average (13.7%). Several long-term factors must be noted when looking at self-employment in Greece. First, Greece still has a large agricultural sector where self-employment is the norm. Second, strict employment protection legislation, especially prior to the economic crisis, made the entry into wage employment difficult for the “periphery” of the labour force, i.e. youth and women. For these groups, self-employment constitutes an alternative to unemployment and/or inactivity. Third, during the last fifteen years, successive governments have invested heavily on incentives to move young persons and women out of unemployment and into self-employment. Finally, changes in the organisation of work have inflated the numbers of the self-employed. Outsourcing of secondary activities, for example, is certain to have increased the amount of work sub-contracted to the self-employed. On top of these, cultural factors (tradition and family values) may also be at work. According to the results of the most recent Eurobarometer survey, the majority of Greeks (50%) prefer to be self-employed in contrast to being an employee (43%) (EC, 2012).

The overall self-employment rate masks variations between the various demographic groups comprising the labour force (Figure 2a). The highest of the self-employment rates are exhibited by the older people (41.6% in 2017), and by men (34.4%). In contrast, young people exhibit a relatively low self-employment rate (9.9%), whereas for women the rate is clearly below the national average (22.4%).

Conventionally, self-employment is used as a proxy for entrepreneurship, mainly because detailed data are commonly available. Direct statistical evidence on the various aspects and dimensions of entrepreneurship is provided, among other sources, by the Global Entrepreneurship Monitor (GEM).

According to the GEM results for Greece, the Total early-stage Entrepreneurial Activities (TEA) Rate for 2013-17 indicates that adults were as less likely to be active in starting a business or operating a new business (less than 42 months old) as adults across the European Union (6.0% vs. 6.7%) (Figure 2b).

This result roughly holds for both men and women. Furthermore, recent results of the GEM survey indicate that in 2015, female early stage entrepreneurship, contrary to male entrepreneurship, was increasing (IOBE, 2016). The high male unemployment rates prevailing in the labour market may have prompted several women to seek additional income through entrepreneurship and self-employment. Still, necessity driven entrepreneurship was higher for women than it was for men over the 2013-17 period – 31.8 % of women started a business because they could not find employment relative to 25.7% of men (Figure 2c).

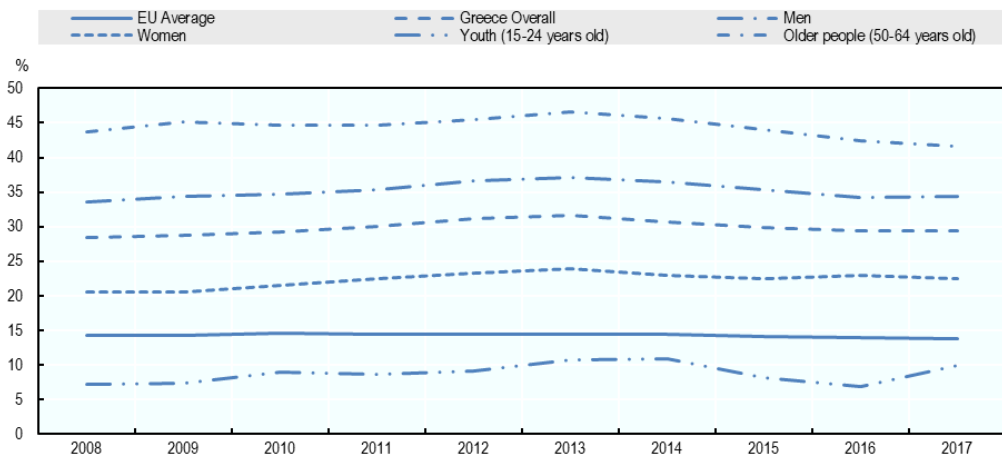
Regarding the age distribution of the early-stage entrepreneurs their relative majority (two out of three) were over 35 years old, suggesting lower participation levels by young people. Over the 2013-17 period, 6.4% of youth between 18 and 30 years old were active in starting a business or managing a new business. This was above the national average (6%), but below the EU average for youth over this period (7.7%). About one-quarter of youth entrepreneurs reported that they started their business because they could not find employment (21.6%).

Approximately 9% of adults in Greece expected to create a business within the next three years during the 2013-17 period (Figure 2d). This was lower than the rate for the EU (12.6%), which is

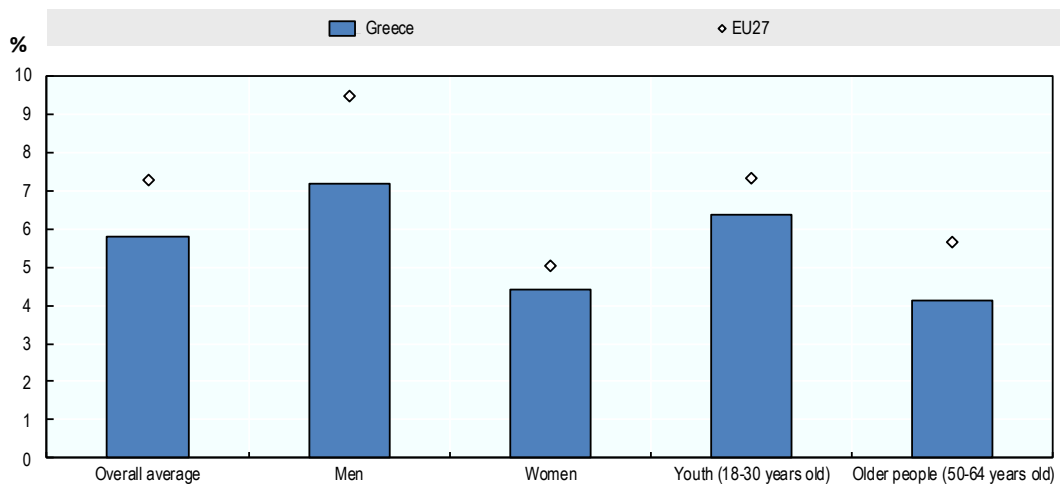
somewhat surprising given the high levels of unemployment and necessity entrepreneurship. Men and youth were the most likely to report during this period that they expected to create a business in the next three years (11.5% for both). Women were about half as likely as men to indicate that they expected to create a business (6.6%).

**Figure 2. Entrepreneurship rates by target group**

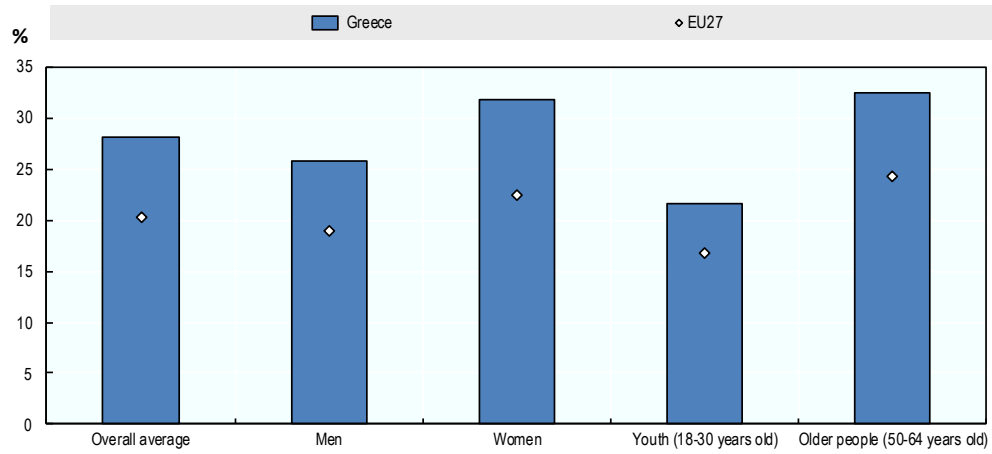
a. Self-employment rate, 2008-17



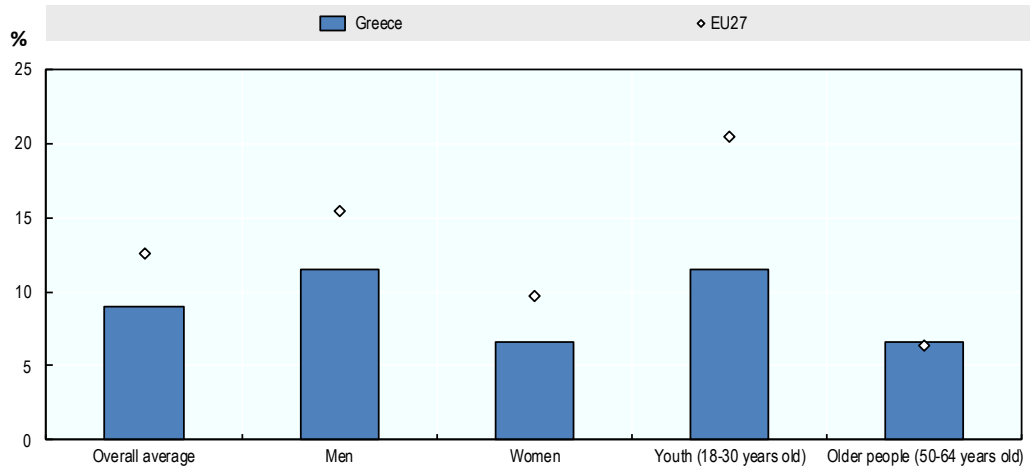
b. TEA-Rate, 2013-17



c. Proportion of TEA that is necessity entrepreneurship, 2013-17



d. Proportion who expect to start a business in the next 3 years, 2013-17



Note: The self-employment rate is defined as the proportion of those in employment who are self-employed. The TEA rate is the Total early-stage Entrepreneurial Activity rate, which is defined as the proportion of the population actively involved in pre-start-up activities and those who have started a new business within the last 42 months. The proportion of TEA that is necessity entrepreneurship is the proportion of entrepreneurs involved in setting-up a new business or operating a business that is less than 42 months old, who were motivated to start their business because they had no better options for work. Data for panels b, c, and d were pooled for the period 2013-17, producing an unweighted average. The EU27 average in panels b, c, and d covers all EU Member States except Malta because it is not covered by the GEM survey.

Source: Panel a contains data from Eurostat (2018), Labour Force Survey; Panels b, c, and d contain data from the 2013 to 2017 Global Entrepreneurship Monitor household surveys that were tabulated for the OECD (2018).

### 2.3. A profile of the self-employed

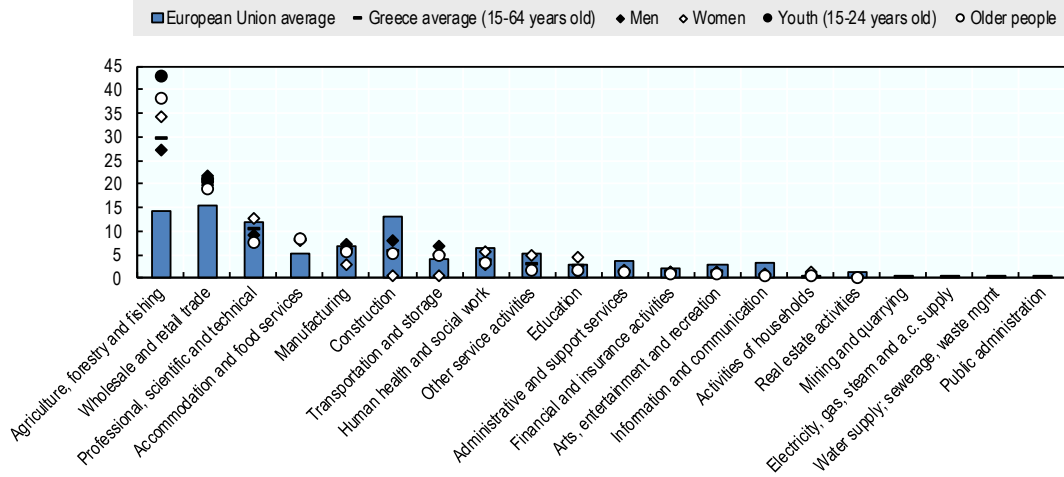
The distribution of the self-employed by sector of economic activity shows substantial variation across both the EU and Greece (Figure 3a). In Greece, the largest proportion worked in the agriculture, forestry and fishing industries in 2017 (29.6%), followed by the Wholesale and retail trade (21.0%). A sizable segment of the self-employed work in Professional, scientific and technical activities (10.4%), whereas fewer self-employed are to be found in the Hospitality sector (8.2%), Manufacturing (5.9%), Construction (5.5%), Transportation and storage (4.9%), and Health and social work (3.8%). In relation to the distribution of the self-employed in the EU, the self-employed in Greece are over-represented in agriculture, the distributive trades, the hospitality sector and storage and communication. In contrast, they are under-represented in the various service activities (arts and entertainment, education, health, administration), as well as in construction, information and communication, manufacturing and in financial activities and real estate activities.

The structure of the self-employed workers by sector reflects partly the distribution by educational category (Figure 3b). In relation to the average for the EU, Greece exhibits a higher proportion of self-employed people with lower secondary education or lower (ISCED 0–2, 33.4% in 2017 as opposed to 20.1%), and lower proportions of self-employed people with upper secondary and post-secondary non-tertiary education (ISCED3–4, 39.5% in relation to 44.6%), as well as self-employed people with short-cycle tertiary, bachelor's degree or equivalent, master's degree or equivalent and doctoral degree or equivalent (ISCED 5–8, 27.1% as opposed to 35.1%).

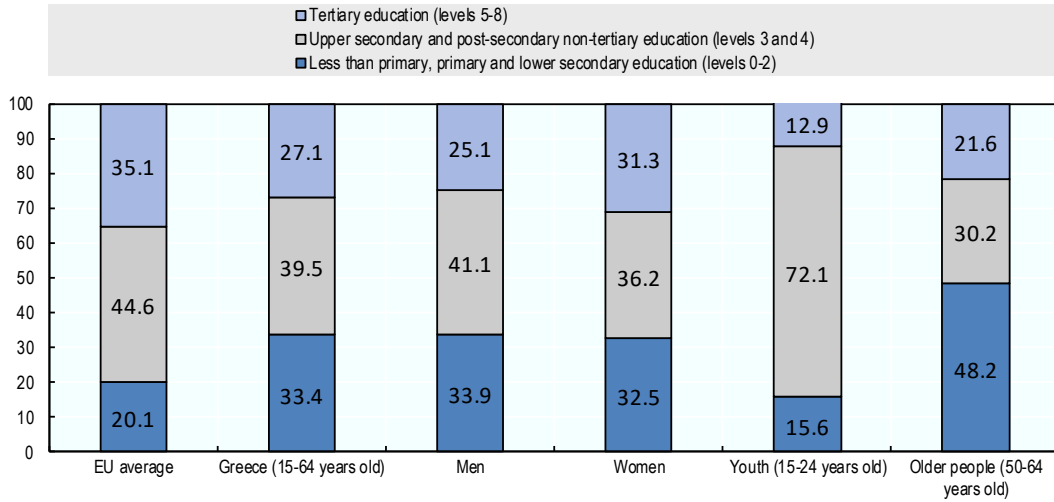
The breakdown of the self-employed by occupational category reveals also some important dissimilarities between Greece and the EU (Figure 3c). More concretely, the largest occupational group in Greece in 2017 was Skilled agricultural, forestry and fishery workers (29.8%), followed by Service and sale workers (29.5%). In contrast, the largest occupational group in the EU is Professionals (21.0%), followed by Service and sales workers (16.5%). Conventionally the structure of the working population in terms of occupations is thought to reflect the level of skills prevailing in a country. In this respect, three skill groups are distinguished, as follows: a high-skill group (comprising of managers, professionals, and technicians and associate professionals), a mid-skill group (clerical workers, agricultural, forestry and fishery workers, craft and related trades workers and plant and machine operators, and assemblers), and a low-skill group (service and sales workers and elementary occupations). In Greece, approximately 27% of self-employed workers belonged to a highly skilled occupation in 2017, while almost half of the self-employed were mid-skilled and the remaining were in low-skilled occupations. By comparison, the EU countries tend to have a higher proportion of highly skilled self-employed workers and smaller proportions of mid-skilled and low skilled self-employed workers.

**Figure 3. Characteristics of self-employed workers by target group**

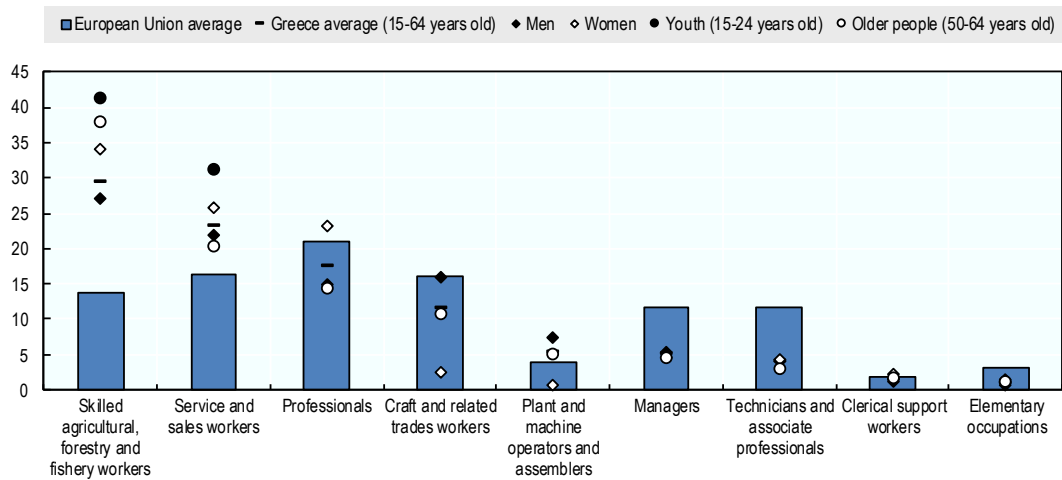
a. Proportion of self-employed by economic activity, 2017



b. Proportion of self-employed by educational attainment, 2017



c. Proportion of self-employed by occupation, 2017



Note: The self-employment rate is defined as the proportion of those in employment who are self-employed.

Source: Eurostat (2018), Labour Force Survey.

Concerning gender considerations, as elsewhere, there is a gender bias reflected in a higher presence of men in comparison to women self-employed. Still, the female self-employment rate in Greece was higher than the overall self-employment rate for EU, indicating the significance of this form of employment for Greece. Examining self-employment across by gender and sector, self-employed females are more likely than self-employed men to be working in Agriculture, forestry and fishing (34.4% vs. 27.3%), Professional, scientific and technical activities (12.7% vs. 9.3%), and in the various services sectors (education, health and social work, arts and entertainment and miscellaneous services). In contrast, men self-employed outnumber women self-employed in Manufacturing, Construction, Transportation and storage, and Administration. There is strong presence of women self-employed in the distributive trades sector, whereas very few women self-employed are to be found in information and communication and in real estate activities. In terms of occupational categories, women self-employed outnumber men when active as Professionals (23.3% vs. 15.1%), Skilled agricultural, forestry and fishery workers (34.3% vs. 27.2%), and Service and sales workers (25.9% vs. 22.0%). A higher proportion of women self-employed, relative to men, are also engaged as clerical support workers and in elementary occupations. In terms of education, women self-employed are more likely than men to have acquired tertiary education (31.3% vs. 25.1%), and less likely to have achieved medium or basic education only.

The large proportion of women self-employed active in agriculture is suggestive of low-value, traditional self-employment through family work. The data also reveal strong female presence in sectors characterised by low barriers to entry and traditionally dominated by women, such as housecleaners, hairdressers, child minders and related personal services. The significant presence of women self-employed in professional, scientific and technical activities requires further explanation. It should be noted that this category is termed “independent self-employment” or “liberal professions” in Greece in order to differentiate it from other categories of the self-employed such as sole traders (freelancers) or farmers. It comprises professions such as those of a doctor, veterinarian, pharmacist, lawyer, notary, architect, engineer, topographer, journalist, etc., which were, until recently insured under various social insurance funds. It is difficult to determine whether the drivers behind this are the state of the economy or social values, although it is likely that both factors play a role. The increased presence of self-employed women among professionals may reflect preference for flexible work hours,

necessitated by childcare responsibilities, etc. On the other hand, it may reflect necessity, i.e., the lack of wage employment options. By far, the largest employer of highly educated women has traditionally been the state. Since 2010 however, public sector hiring has been severely restricted because of the Economic Adjustment Programmes.

Self-employment is not very common among young people (15-24 years old) in relation to other demographic groups, reflecting lower levels of physical capital and possibly greater difficulties in accessing credit with which to start a business. The largest proportion of self-employed young people work in agriculture, forestry and fishing sector (42.9% in 2017), followed by wholesale and retail trade and repair of motor vehicles and motorcycles (20.4%). Young self-employed people are particularly under-represented in the sectors of professionals, human health activities and manufacturing. Self-employment among young people appears thus to be concentrated in low- or mid-skilled occupations. This is an indication that self-employment attracts young people for whom labour market entry is difficult, especially under the difficult conditions currently prevailing in the Greek labour market.

Older workers exhibit higher rates of self-employment in relation to the general population, reflecting, as elsewhere, higher levels of experience and capital reserves and possibly better access to credit. The distribution of older self-employed workers by sector of economic activity generally follows the equivalent distribution for the whole population in self-employment and thus the structure of occupations prevailing in the labour market. In this respect, older self-employed workers are to be found in all sectors and especially in agriculture (38.1% in 2017) and in wholesale and retail trades (19.1%). Lower proportions work in professional activities (7.8%), the hospitality sector (8.3%) and manufacturing (5.6%). Fewer self-employed older people work in construction (5.2%), transportation and storage (4.7%) and health and social work (3.3%). Self-employment in Greece may also involve substantial numbers of very old workers who, prompted by the crisis, are either delaying retirement, or moving into self-employment after retiring from an employee job.

Lastly, as regards self-employment among migrants, nearly all of the self-employed in Greece (96.3%) are native-born. Third country nationals and foreigners from EU countries complete the picture with very small shares. This pattern holds irrespective of age and gender, and is indicative of the difficulties that foreign born individuals face in entering self-employment.

#### **2.4. Barriers to business creation**

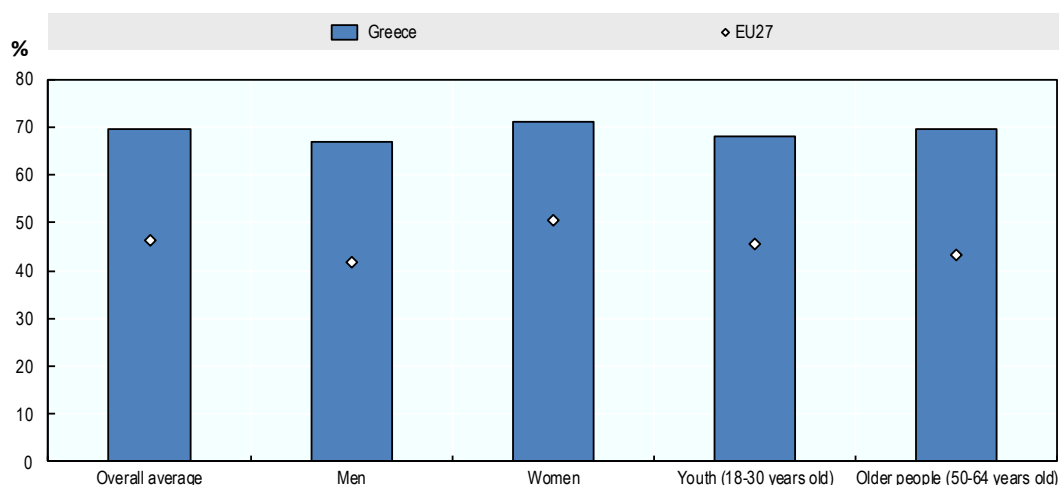
Fear of failure appeared to be a high barrier to business creation in Greece in comparison to other EU countries in the 2013-17 period (Figure 4a). Nearly seven-out-of-ten people (69.4%) cited this barrier relative to 46.2% of people in the EU. Women (71.1%) and older people (69.4%) were the most likely to report a fear of failure as a barrier to business creation. It should be noted that since the start of the GEM survey, Greece consistently exhibits one of the highest rates of fear of failure. The deep economic crisis has, as expected, aggravated this factor.

People in Greece were slightly more likely to believe that they had the skills to start a business than in the European Union (45.1% vs. 41.9 %) (Figure 4b). This holds, irrespective of gender or age, but gender differences in the case of Greece, are noteworthy. While 51.7% of men felt that they had suitable skills, only 38.4% of women did.

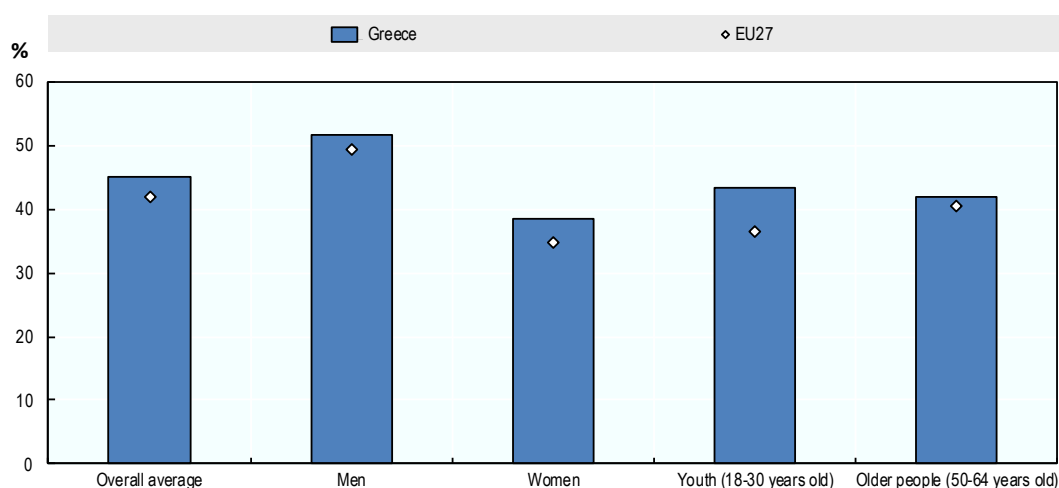


**Figure 4. Barriers to entrepreneurship by target group**

a. Proportion who report that a fear of failure prevents them from starting a business, 2013-17



b. Proportion who perceive that they have the skills to start a business, 2013-17



Note: Data were pooled for the period 2013-17. Responses were weighted to reflect the population in each year, but no weighting was used when pooling the time series data, i.e. all years have the same weight regardless of the sample size in each year. The EU27 average covers all EU Member States except Malta because it is not covered by the GEM survey.

Source: GEM (2018), special tabulations of the Global Entrepreneurship Monitor's household surveys from the 2013 to 2017.

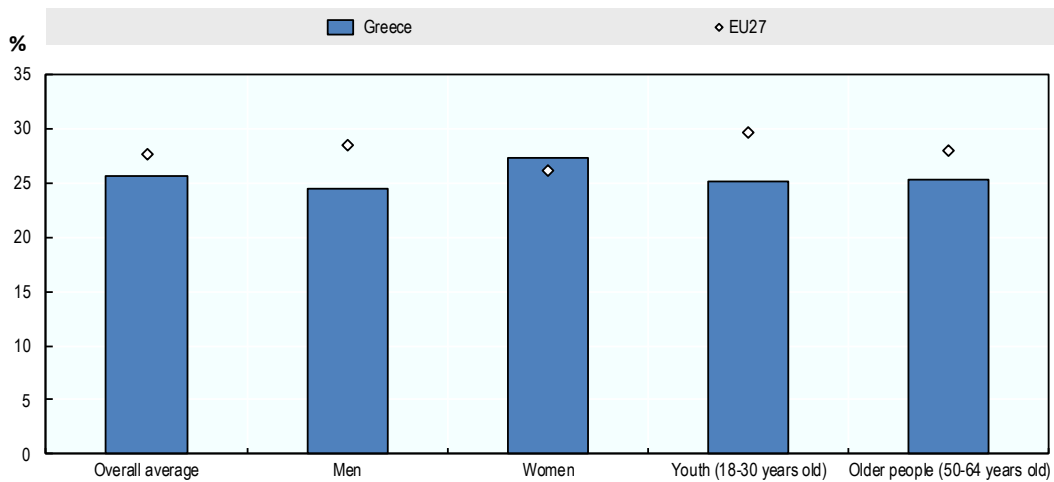
## 2.5. Entrepreneurship performance

Entrepreneurs in Greece were less likely than the EU average to offer new products and services over the 2013-17 period (25.5% vs. 27.6 %) (Figure 5a). This gap can partially be explained by a lag in technology adoption. National GEM survey results show that completely new technologies are used in the production process by only a minority of the early-stage entrepreneurs (12.3%), with the absolute majority (60%) utilising conventional technologies. Interpreting these findings, the authors of the survey conclude that new businesses created in Greece are mainly active in markets with strong completion, rather than in new market niches. On the other side, the 2013-17 results of the GEM

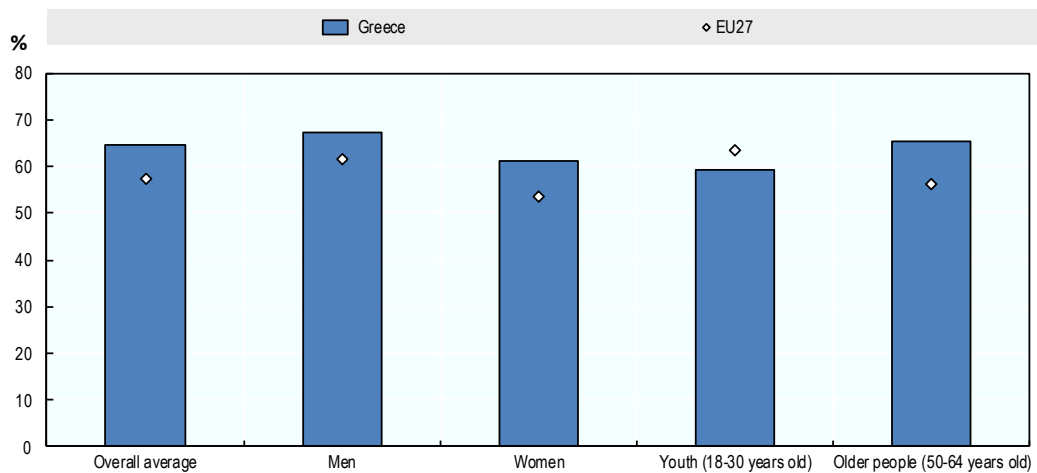
survey indicate a positive development in relation to extroversion. A sizeable segment of the early-stage entrepreneurs (64.8%) stated having sales to foreign customers during the period 2013-17, which was above the EU average (Figure 5b). While there was little difference across the proportions of new entrepreneurs from the different social target groups who sold to foreign customers, youth were less likely than the EU average for youth to sell to customers in other countries (59.2% vs. 63.6%).

**Figure 5. Self-employment and entrepreneurship activities by target group**

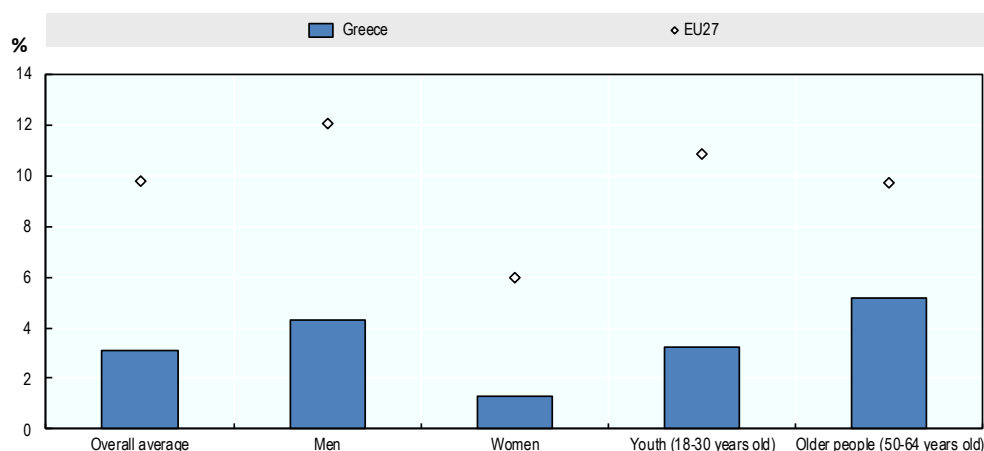
a. Proportion of new entrepreneurs whose products or services are new to all or some customers, 2013-17



b. Proportion who sell to customers in another country, 2013-17



c. Proportion of early-stage entrepreneurs who expect to create more than 19 jobs in 5 years, 2013-17



Note: Data were pooled for the period 2013-17. Responses were weighted to reflect the population in each year, but no weighting was used when pooling the time series data, i.e. all years have the same weight regardless of the sample size in each year. The EU27 average covers all EU Member States except Malta because it is not covered by the GEM survey.

Source: GEM (2018), special tabulations of the Global Entrepreneurship Monitor's household surveys from the 2013 to 2017.

Finally, Greek entrepreneurs were much less likely to expect to create more than 19 jobs with their business in the next five years than those in the European Union (3.1% vs. 9.7%) (Figure 5c). In Greece, older entrepreneurs were the most optimistic (5.1%), while women were the least (1.3%). According to the results of the GEM survey, nearly 62% of early-stage entrepreneurs stated that they intent to employ some 1-5 people. Together, these results suggest that although entrepreneurial activity rates are comparable to those prevailing in the EU, new entrepreneurship in Greece is largely comprised of micro-firms, the majority of which will be unable to grow significantly and create employment.

The economic crisis appears to have taken a disproportionately high toll on employment in micro firms (NBG 2014). These firms have, in general, limited capacity to absorb adverse shocks on their turnover, simultaneously facing severe liquidity problems due to high uncertainty and rapidly falling collateral values. In this environment, the share of wage costs in the aggregate business cost structure of a typical micro firm is relatively small compared with other aspects of operating costs (e.g. energy, social security contributions, rental, real estate tax or financial costs). In this context, a significant number of micro-business owners have chosen to close their firms and become self-employed. This strategy could partially explain the relative stability in the number of self-employed.

More concretely, the sharp drop in domestic demand since 2008 led to a once-in-a-generation contraction in business activity -- especially as regards micro businesses -- which is reflected in the closure of about 220 000 micro and small firms or almost 30% of the existing micro and small enterprise population of 2008. The closure of these firms translated into a cumulative loss of 470 000 jobs (56% of employment losses in the private sector between 2009 and 2013). Taking into account the layoffs from micro and small firms as well, the total contribution of micro and small firm segment in total employment contraction in the economy reaches 730 000 jobs, or 67% of the total employment contraction during 2009-13 (NBG, 2014).

The implications are that there are considerable needs for re-skilling and rebalancing of the labour force. Large numbers of unemployed workers will have to be trained in skills that are in demand in the growing sectors, if they are to secure a post. The record level of unemployment faced by youth has prompted various studies exploring the issue of school to work transition. One such study (ENDEAVOR, 2014) examined the prospects for young people by using statistical data and through the execution of two sample surveys. The study estimates that the vast majority of existing companies, either small or large cannot create the high-quality jobs needed. There is a minority of about 3 000 high growth existing companies (2 900 SMEs and 100 large) that have the fundamentals to rapidly scale-up and create meaningful jobs. Collectively they could create up to 200 000 new jobs, most of them for youth. The remaining 800 000 jobs need to be created by new companies. The study concluded that Greece needs approximately 10 000 new high-growth companies with the appropriate extrovert focus and high impact mentality.

The continuing economic crisis has increased the risks related to entrepreneurship. Lower public spending has resulted in falling incomes and a consequent drop in consumer spending. This has led to higher unemployment with microenterprises having been the most badly affected.

### 3. ASSESSMENT OF CURRENT AND PLANNED INCLUSIVE ENTREPRENEURSHIP POLICIES AND PROGRAMMES

#### 3.1. Policy framework

The Greek Government has developed a relatively large number of initiatives focusing directly on strengthening entrepreneurship, including for some tailored policies and programmes for the target groups of inclusive entrepreneurship. The European Social Fund (ESF) has proven as helpful in implementing inclusive entrepreneurship policies and programmes. Over the period 2007-13, ESF investments in Greece focused on promoting employment, lifelong learning and social inclusion. The objective of access to employment has been particularly strengthened after the economic crisis. Resources devoted to placing the unemployed got further increased and active labour market policies (ALMPs) were diversified and increasingly diverted towards supporting the young unemployed and people at risk of exclusion from the labour market. In this context, the schemes providing financial support and counselling to unemployed people wishing to start their own business have also been strengthened. In total, 35 895 persons have been assisted to start their own business and become self-employed (own account workers) or employers (self-employed with employees) at a total cost of EUR 637.3 million.<sup>1</sup>

An evaluation study of the start-up schemes implemented since the start of the crisis reveals a mixed picture (Gruber et al., 2014). Although most of the businesses created through subsidies have exhibited exceptionally long survival rates, their contribution to employment generation was generally modest. In terms of growth, approximately 20% of the beneficiaries have employed at least one more worker for the needs of their businesses, thus contributing to employment generation. In the case of the schemes focusing on young people, such as the “Youth entrepreneurship” scheme, employment gains appear to be more substantial, as on out of four of the young entrepreneurs created at least one more work post. In terms of survival, the vast majority of the new businesses (almost 90%) were still active several years after formation. Higher than average survival rates were reported for the “Young scientists” and the “Female entrepreneurship” schemes. Further, the evaluation study recorded strong undesired effects, namely deadweight and substitution effects. These however may partially be explained by the economic situation rather than with the design features of the schemes. In addition, the evaluation study noted that excessive red tape hindered participation and brought to the forefront the need for wider support of the unemployed wishing to become self-employed and start their own small business (e.g. entrepreneurship training, mentoring). A central evaluation conclusion (Gruber et al., 2014) was that helping create more traditional (subsistence) self-employment would not seem prudent, given that Greece already exhibits one of the highest incidences of non-agricultural self-employment in the EU and also because in times of inadequate demand for goods and services, traditional self-employment can only lead to substitution effects.

Within the new programming period (2014-20), there are currently two programmes running: (i) Start-Up Entrepreneurship, and (ii) Fostering Self-Employment among Tertiary Education Graduates. The Start-Up Entrepreneurship Programme aims to support sound start-ups that will be directly linked with the creation of new jobs. For this reason this programme aims at creating micro and small, sustainable businesses focusing on innovative plans, as well as fostering employment. The Programme Fostering Self-Employment among Tertiary Education Graduates aims at benefiting

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<sup>1</sup> Ministry of Labour, Social Security and Welfare, Action Plan of Targeted Interventions to Strengthen Youth Employment and Entrepreneurship, December 2012, Athens.

university graduates so as to start and sustain a professional activity related to their field of specialisation and organise their own independent professional premises. These programmes are co-financed by the ESF in the framework of the Competitiveness, Entrepreneurship and Innovation (EPAnEK) Operational Programme of PA 2014-20 and with the application of the flexibility clause for financing interventions that fall within the scope of aid under the European Regional Development Fund (ERDF).

Relative to the previous programming period (2007-13), the priorities for entrepreneurship have shifted in the current programming period (2014-20). This has been prompted by the impact of the economic crisis, current interventions focus on the promotion of innovation, supported by research and technological development and to the strengthening of extroversion. The new priorities are perhaps best exemplified in the new Operational Programme Competitiveness, Entrepreneurship and Innovation (EPAnEK), which is one of the five sectoral operational programmes of the Partnership and Co-operation Agreement (the new NSRF) for the period 2010-20.

### **3.2. Government regulations**

In order to facilitate access to legal and regulatory information on starting a business, the Greek government has launched the online platform “Start-up Greece”, which aims to support new entrepreneurs in Greece. Start-up Greece is an information, networking and collaboration space supported by the Ministry for Development and the Greek Government in collaboration with communities of young entrepreneurs. It provides entrepreneurs with the information necessary to start their own business (e.g. funding options, legal framework), and supports networks to bring together people, ideas, businesses, and universities, with the purpose of exploring partnerships and investment opportunities.

### **3.3. Financing entrepreneurship**

Access to finance for entrepreneurs and SMEs remains a major problem in Greece, and it is even more so for the target groups of inclusive entrepreneurship. Reluctance persists among banks to offer loans if the necessary collaterals cannot be provided, which is often the case for start-up and SMEs. Capital is equally scarce for financing investments as venture capital is still at an embryonic stage. Some efforts have been undertaken during the past years to improve the situation for SME access to finance. Dedicated programmes for the target groups of inclusive entrepreneurship exist however only for youth.

The main instrument for offering guarantees and thus facilitating the access of start-ups and SMEs to bank-financing is the National Fund of Entrepreneurship and Development (ETEAN S.A.) which was created as a wholly owned state corporation in 2011 with a start-up capital of EUR 1.7 billion. ETEAN is Greece’s national fund to support access of finance for SMEs and start-ups. ETEAN operates as a *Société Anonyme* in order to provide leverage financing through revolving debt, bank guarantees and counter guarantees, joint ventures and equity participation. This project is co-funded by the Operational Programme Competitiveness and Entrepreneurship and other NSRF programmes supported by the ERDF and the European Fisheries Fund. By July 2016, approximately EUR 200 million has been disbursed to cover the approved loans to SMEs. It should be noted however that no special programmes have been created for entrepreneurs who are under-represented or disadvantaged on the labour market.

An important development in the area of financing entrepreneurship was the establishment of the Institution for Growth (IfG), which was designed in 2012 by a European-level working party composed of representatives of the European Investment Bank (EIB), the European Commission, the

French Ministry for Finance and the German Investment Bank KfW. In February 2013, the Greek authorities approved the proposed concept for an IfG umbrella fund with three different sub-funds providing each long-term debt and equity capital for dedicated purposes: one sub-fund was meant to provide borrowed funds to Greek SMEs, one sub-fund that would provide equity capital to Greek SMEs and one sub-fund would finance infrastructure projects.

The IfG was finally launched at the initiative of the Hellenic Republic, with the guidance and support of KfW Development Bank of Germany, the EIB Group and other investors. Greece has committed EUR 350 million to the IfG, and other national and international partners have also made substantial contributions to the IfG's equity. As of May 2015, 291 contracts of up to EUR 78.7 million have been signed and EUR 64.2 million disbursed to cover 238 approved loans (SBA, 2015). The first of three planned IfG sub-funds was found on 7 May 2014 in Luxembourg. The Hellenic Republic and KfW have each contributed EUR 100 million in funding debt to this sub-fund. These funds will be lent to small and medium-sized enterprises in Greece in the form of loans from Greek on-lending banks. The IfG will thus make it easier for Greek SMEs to access investment loans and working capital, thereby contributing towards the recovery of the Greek economy. The establishment of the first sub-fund is thought to be an important milestone, as it was a key prerequisite for the start of the operational phase of this project, which is supported by the German Federal Ministry of Finance.

It should be noted that the EIB Group has been part of the efforts to establish the IfG since first receiving the proposal of the Hellenic authorities in 2012. EIB activity in Greece has remained high with a total of EUR 9 billion since the start of the crisis in 2008. With an exposure of almost EUR 17 billion corresponding to around 9% of Greek GDP the overall engagement of the EIB remains outstanding. Investments into infrastructure alone in Greece amount to around EUR 14 billion. Furthermore, the EIB has consistently supported a greater share of investments in Greece than on average in the EU, with qualitative reach to decisive sectors such as SMEs. To assist Greek SMEs, EIB funding has enabled EUR 700 million to be allocated to SMEs during the crisis period, to the benefit of a total of some 5 000 SMEs in a variety of economic sectors in metropolitan areas as well as the periphery. EIB's steady and broad support in Greece is demonstrated by the provision of a higher volume of finance (in 2013 lending tripled to a total of EUR 1.47 billion, from EUR 550 million in 2012), and also by introducing new products such as the new Trade Finance Facility, the SME Guarantee Fund, the provision of funds to SMEs for "Skills and Jobs – Investing for Youth", as well as by the EIB's contribution for the establishment of the "Institution for Growth in Greece".

In May 2016, the European Investment Fund (EIF) and the Cooperative Bank of Karditsa signed the first guarantee agreement aimed at supporting micro-enterprises in Greece under the EU Programme for Employment and Social Innovation (EaSI). The EaSI agreement signed with Cooperative Bank of Karditsa will cover a loan portfolio of EUR 5 million for over 300 micro-borrowers targeting mainly farmers, young unemployed borrowers, co-operatives and social enterprises, as well as micro businesses active in the green economy.

In the field of venture capital, Greece has established a government-sponsored Greek venture capital fund of funds – The New Economy Development Fund S.A. (TANEO) – through Art. 28 of Law 2843/2000 (as amended by Art. 8 of Law 2992/2002, article 26(4) of Law 3091/2002 and article 84(3) of Law 3606/2007). According to the Law, the investment vehicles in which TANEO can participate must be investing in shares, interests in companies, convertible bonds or "equity loans", which are issued by small or medium-sized enterprises. Areas of assistance cover enterprises in the seed stage (when they are using the capital to finance the study, assessment and development of a business concept), in the start-up stage (when they have not sold their product or service commercially and have not yet generated a profit, and they are using the capital for product development and initial

marketing), and enterprises is in the expansion stage (when they are using the capital for the purposes of increasing production capacity, market or product development, or the provision of additional working capital).

Despite the government's efforts to introduce equity and debt capital, no dedicated measures have been introduced to support the target groups of inclusive entrepreneurship in access to finance with dedicated schemes for women, youth, migrants or seniors.

### **3.4. Entrepreneurship skills**

The Greek government has been very active in strengthening entrepreneurship skills since the economic crisis. Within the frame of the Operational Programme "Education and Lifelong Learning 2007-13", Youth Innovation and Entrepreneurship Units were established in tertiary education institutions, including both universities (AEIs) and TEIs (tertiary, non-university). This action aimed at expanding, enhancing and qualitatively upgrading the interventions for the development of innovation and entrepreneurship by students attending the country's universities, as an integral part of the strategy for the connection of higher education to the labour market. It is estimated that 45 534 university students and 17 901 TEI students have benefited from the actions of the Innovation and Entrepreneurship Unit during 2012-15.

The main action however relating to skills formation, implemented since 2013, is the Voucher for the entrance of unemployed young people to the labour market according to their formal skills. The programme aims to provide job experience opportunities to new labour market entrants and achieving a structured entrance of new young unemployed into the labour market, that will eventually result into their recruitment by private sector enterprises. It is estimated that the first round of the programme, implemented in 2013, benefited approximately 45 000 individuals. The Voucher scheme has been recently re-launched as part of the Youth Guarantee Plan. The new round of the Voucher scheme (late 2014) covers 12 000 young people aged 18-24 years old (3 000 tertiary education graduates and 9 000 compulsory, secondary and post-secondary education graduates) at a cost of EUR 43.2 million.

In addition, some of the other key initiatives include (i) Grants Programme to Enterprises for the Recruitment of Unemployed University Graduates up to the age of 35, which aimed at creating 5 000 new full-time jobs for dependent employees, by hiring, in private enterprises, unemployed graduates up to 35 years of age from Greek Higher Education Institutions, holders of the first degree or a postgraduate title or a PhD or an equivalent title; (ii) Grants Programme to Enterprises for Work Experience Acquisition by the unemployed aged 16-24 years old. This programme aimed at improving the skills and enriching the work experience of 5 000 unemployed people aged 16 to 24 years old who are newcomers in the labour market, by working in private enterprises and by being employed by private sector employers, through subsidising insurance contributions for 12 months (stage a), and the possible provision of grants for another 12 months, on condition that the stage has shifted to an employment contract (stage b); (iii) various traineeships for tertiary students and students of secondary and postsecondary vocational education. These interventions were implemented since 2012 with the assistance of the ESF.

Two newer measures promoting skills development are currently being implemented: (i) Upgrading of micro and small enterprises by developing their skills in new markets, and (ii) Aid to tourism SMEs for their modernisation and upgrading the quality of services provided. The first is financed by the Operational Programme Competitiveness, Entrepreneurship, Innovation (EPAnEK) of PA 2014-20 and primarily aims to upgrade the level of business organisation and operation of SMEs, in eight strategic sectors of the country, so as to harness their competitive edges, improving their position in the national and international markets. The programme Aid to Tourism SMEs for their



modernisation and upgrading the quality of services provided is also financed by the Operational Programme Competitiveness, Entrepreneurship and Innovation (EPAnEK) of PA 2014–20. Its main objective is to strengthen existing micro, small and medium sized enterprises in Tourism, which is a strategic intervention sector of EPAnEK, in order to modernise them, upgrade their quality and enhance their offering in terms of products and services, enabling them to improve their position on the domestic and international tourism market. This Programme is financed with the total amount of EUR 70 million (Public Expenditure).

### **3.5. Entrepreneurial culture and social capital**

A number of competitions and awards have been developed to promote digital innovation and entrepreneurship by the E-business Research Centre (ELTRUN) of the Department of Management Science and Technology of the Athens University of Economics and Business (AUEB).<sup>2</sup>

There are also a number of targeted actions to promote entrepreneurship to different population groups. For example, the National Plan for Youth Employment (NPYE) will create “Entrepreneurship Cells”, which promote entrepreneurship and also offer small grants, co-working spaces, mentors and business advisors.

In addition, the non-governmental sector has also launched several initiatives. This includes, for example, the Business and Innovation Centre of Attika (BIC). Although it does not offer tailored support for any specific target group, many of the people using the business development services, technical support, access start-up financing, networking support, and training are unemployed.<sup>3</sup> BIC of Attika has recently created a business incubator in the Technological and Cultural Park of Lavrion. It offers basic advisory services and networking opportunities, including with investors and professional business advisors.

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<sup>2</sup> Please see: <http://www.eltrun.gr/e-shops-seal/?lang=en>

<sup>3</sup> Please see: <http://www.bicofattika.gr/default.aspx>

#### 4. OVERVIEW OF WOMEN'S ENTREPRENEURSHIP

The promotion of female entrepreneurship is clearly of importance for Greece, because, among other, the severe impact of the economic crisis and the record level unemployment rates. Regarding self-employment, women exhibit rates below these of men (22.4% vs. 34.4% in 2017). During the years since the start of the economic crisis the self-employment rate for women increased, suggesting the need for supporting the family income.

Women have higher self-employment rates than men in a number of industries, namely in agriculture, forestry and fishing (34.4% vs. 27.3%), in professional, scientific and technical activities (12.7% vs. 9.3%), in accommodation and food services (8.4% vs. 8.1%), in health (5.6% vs. 3.0%), in education (4.7% vs. 1.8%), in other service activities (4.7% vs. 1.8%) and in household activities. The self-employment rates for women and men were essentially the same in administrative and support services, in financial and insurance activities and in arts, entertainment and recreation. In contrast, women are less likely than men to be self-employed in manufacturing, construction, and in transportation and storage.

Self-employed women are more likely to have acquired tertiary education than men (31.3% vs. 25.1%) and conversely, less likely to have only basic education. In terms of occupation, women are more likely than men to be self-employed as skilled agricultural, forestry and fishery workers (34.3% vs. 27.2%), as service workers (25.9% vs. 22.0%), and as professionals (23.3% vs. 15.1%). Women are also more likely than men to be self-employed as clerical support workers, as technicians and associate professionals, and in elementary occupations. Conversely, men are more likely than women to be self-employed as craft and related trades workers, as plant and machine operators and assemblers, and as managers.

Statistical evidence on the various aspects and dimensions of entrepreneurship is provided, among other sources, by the "Global Entrepreneurship Monitor" (GEM), an international study of entrepreneurship using a common household survey. This survey suggests that over the period 2013-17, women were less likely than men to start a business or operate a new business that is less than 42 months old (4.8% vs. 7.3%). Further, more women relative to men report starting a business out of necessity (31.8% vs. 25.7%). Similarly, less women than men were expected to create a business within the next three years during the 2013-17 period (6.6% vs. 11.5%). Women in Greece are more likely to report that fear of failure is a barrier to business creation. Over the 2013-17 period, 71.1% of women reported this barrier. Over the same period, 66.9% of men indicated that a fear of failure prevented them from starting a business.

A lack of entrepreneurship skills appears to be a greater barrier for women than for men. Over the 2013-17 period, only 38.4% of women felt that they have the knowledge and skills to start a business. Approximately half of men (51.7%) felt that they had the necessary knowledge and skills. No gender gap however appear to exist when examining the proportion of men and women entrepreneurs who offer products or services that are new and unfamiliar to potential customers over the 2013-17 period. Women entrepreneurs are more likely to offer new products and services (27.3 %) and men are less likely than women to report this (24.4%). In contrast, women entrepreneurs are less likely than men to report that they are exporting their products or services (61.0% compared to 67.2%). Lastly, women entrepreneurs are less likely than men entrepreneurs to expect that their business would generate a substantial amount of new jobs over the next five years. More concretely, just 1.3% of women

entrepreneurs report in the 2013-17 period that they expected to create at least 19 jobs over the next five years. This share is much less than the equivalent for men (4.3%).

The available evidence suggests that women are under-represented in entrepreneurship, and that they tend to create and operate smaller and more traditional businesses than men. Most female run businesses are concentrated in a limited number of sectors, and notably in agriculture, distributive trades and in the hospitality sector. These sectors are generally characterised by low turnover and little use of innovation.

The main barriers women face with respect to entrepreneurship include lack of entrepreneurial skills, especially a lack of management, marketing, ICT and financial planning skills, and the fear of failure. Regarding business skills, Greece is currently in the process of integrating entrepreneurship education at all levels of the education spectrum, and entrepreneurship training programmes are offered regularly, as part of ALMPs. Little is known however on the quality and impact of these initiatives. Another, often mentioned factor hindering female entrepreneurship, namely traditional stereotypes concerning roles, appears to constitute less of a problem currently in relation to the past. Self-employed women in Greece are increasingly engaged in professional, scientific and technical activities, outpacing men in this respect. It should be noted that females in Greece have largely improved their professional qualifications during the recent years, by acquiring university degrees. Still, the GEM study revealed that more women, relative to men, are driven out of necessity rather than opportunity. This however could be one of the impacts of the economic crisis. The latter has impacted the male labour force more than the female one, driving females to engage in entrepreneurial activities in order to supplement the family income. Other than these, gender-specific factors, problems such as bureaucracy and access to finance affect both males and female entrepreneurs.

The promotion of female entrepreneurship is a policy priority in Greece and the authorities have invested a lot of effort and resources during recent years in simplifying and constantly improving the legal framework surrounding business start-ups. They have also invested heavily in improving the social infrastructure enabling women participate in the labour market (childcare facilities, care centres for older people, etc.), and have regularly targeted women through ALMPs. In relation to the latter, the Manpower Employment Organization (OAED) has designed and implemented several integrated actions, combining start-up subsidies with entrepreneurship basic training and advisory services. Support to female entrepreneurs is also provided by the Research Centre for Equality Issues (KETHI) of the General Secretariat for Equality, and by other specialized NGOs, such as the Greek Association of Women Entrepreneurs (SEGE).

Further promoting female entrepreneurship needs specific actions to be undertaken. First, traditional segregation of professions should be confronted through specific policies and measures. Young women should be encouraged to pursue studies in innovative fields and acquire qualifications in entrepreneurial skills, and in particular, in management. Second, aid to business start-ups should give priority to innovative plans and include support services (mentoring) and especially improved access to finance. Third, the continuing effort to simplify administrative regulations can also exercise a positive influence. In general the focus of policies should emphasise the creation of businesses with a high potential, based on innovation and knowledge.

## 5. POLICY RECOMMENDATIONS

Entrepreneurship and in particular inclusive entrepreneurship have a role to play in facilitating the return to growth and to a sustainable recovery. Taking in account the state of the economy and of the labour market, the entrepreneurship actions launched for youth and women have been adequate and strengthened due to the crisis. There has also been a recent effort to strengthen entrepreneurial skills among the population. Nevertheless, there is still ample room for improving the inclusive entrepreneurship support system:

1. *Provide tailored assistance to women in supporting them on the path to innovative entrepreneurship.* The drive towards innovation is expected to benefit women aspiring to become entrepreneurs, especially those with higher education qualifications. However, women entrepreneurs are currently concentrated in a limited number of traditional economic activities, typically with low growth potential. There is a need to encourage women to towards modern and innovative sectors and activities, including through the business development support services offered but also through the education system by ensuring that women have opportunities to study in all fields, including STEM (Science, Technology, Engineering, and Mathematics) fields.
2. *Strengthen entrepreneurship support for migrants.* Legal migrants, refugees and asylum seekers should be encouraged to participate in entrepreneurship schemes by national bodies (notably by OAED, the Greek PES). In addressing the issue of self-employment among migrants, the authorities should also take measures to encourage undeclared (i.e. informal) self-employment into legitimate business activity.
3. *Increase tailored entrepreneurship support for senior entrepreneurship.* There are currently no schemes providing start-up assistance tailored to the needs of older workers. Offering tailored entrepreneurship training and support could help older people remain attached to the labour market for longer and help transfer their knowledge and expertise to younger workers.
4. *Integrate entrepreneurship education and training in secondary and tertiary level education curriculums, including vocational education and training.* Entrepreneurship education should be strengthened within the formal curricula in order to build an entrepreneurial mindset among students at all age. Schools should further be used to increase entrepreneurship promotion, e.g. by extra-curricular activities or entrepreneurs visiting schools. There is also a need to strengthen entrepreneurship training for teachers so that they can effectively deliver entrepreneurship education.

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## ANNEX: METHODOLOGY

Each note was prepared by a national expert in co-operation with the OECD Secretariat. Information was collected through desk research and interviews (i.e. telephone, face-to-face, email) with key stakeholders and government representatives. The information was then verified with government partners, programme managers and other inclusive entrepreneurship stakeholders groups through email exchanges and one-day seminars in selected countries.

The notes are based on an assessment framework that was developed by the OECD Secretariat. The assessment framework provided a common analytical framework and report structure for the 28 notes that are in this series.

The framework contains five pillars:

### 1. Policy framework

- a. Is there an entrepreneurship strategy or action plan that explicitly covers the promotion and support of entrepreneurship for people in under-represented and disadvantaged groups?
- b. Is there a mechanism for co-ordinating inclusive entrepreneurship policy actions across relevant national ministries, and with regional and local governments and civil society organisations?
- c. Is there a systematic monitoring and evaluation process for the policies, programmes and schemes that promote and support entrepreneurship for people in under-represented and disadvantaged groups?

### 2. Government regulations

- a. To what extent are entrepreneurs from under-represented and disadvantaged groups treated equally with employees by social security schemes?
- b. Do measures exist that temporarily cover the loss of state income supports (e.g. unemployment benefits, disability allowances) for entrepreneurs amongst the following under-represented and disadvantaged groups when they start a business?
- c. Do measures exist to support under-represented and disadvantaged entrepreneurs in dealing with administrative procedures for entrepreneurship amongst the following under-represented and disadvantaged groups (e.g. information provision, support with administrative requirements)?
- d. Are there any entrepreneurship policy initiatives or schemes to address group-specific institutional challenges related to dependents (e.g. childcare, eldercare)?

### 3. Financing entrepreneurship

- a. Are there grants for business creation offered to support entrepreneurs from under-represented and disadvantaged groups?
- b. Is microcredit for business creation available to support entrepreneurs from under-represented and disadvantaged groups?
- c. Are there loan guarantee schemes for business creation to support entrepreneurs from under-represented and disadvantaged groups?
- d. Are there self-financing groups for business creation to support entrepreneurs from under-represented and disadvantaged groups?
- e. Are there public policy schemes that encourage and support business angel networks to support entrepreneurs from under-represented and disadvantaged groups?

- f. Are there schemes that encourage and support crowdfunding and peer-to-peer lending to support entrepreneurs from under-represented and disadvantaged groups?
  - g. Is financial literacy training offered to support entrepreneurs from under-represented and disadvantaged groups?
- 4. Entrepreneurship skills**
- a. Are there entrepreneurship training initiatives for entrepreneurs from under-represented and disadvantaged groups?
  - b. Do high potential entrepreneurs from under-represented and disadvantaged groups have access to one-to-one or group coaching and mentoring?
  - c. Are there public initiatives that provide information on available support programmes or on business start-up procedures for entrepreneurs from under-represented and disadvantaged groups?
  - d. Are there business consultancy and advisory services for entrepreneurs from under-represented and disadvantaged groups?
  - e. Are there business incubators for entrepreneurs from under-represented and disadvantaged groups?
- 5. Entrepreneurial culture and social capital**
- a. Is entrepreneurship actively promoted as an employment opportunity amongst the following under-represented and disadvantaged groups through the education system, media, role models, etc.?
  - b. Are there public policy actions that attempt to build specific business networks for entrepreneurs amongst the following under-represented and disadvantaged groups?

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