

The Missing Entrepreneurs

Inclusive Entrepreneurship Policy Country Assessment Notes: Hungary

2022-23



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FOREWORD

Entrepreneurship plays an important role in the economy as it is a driver of innovation and job creation. However, entrepreneurship policies can also help achieve other policy objectives such as strengthening social inclusion and labour market attachment. Inclusive entrepreneurship policies aim to ensure that all people, regardless of their personal characteristics and background, have an opportunity to start and run their own businesses. Governments can do more to unlock the entrepreneurial potential among groups such as women, immigrants, youth, seniors, the unemployed and people with disabilities by using differentiated policies and programmes that respond to specific barriers faced. This includes the use of dedicated measures, as well as reducing negative social attitudes and biases, removing regulatory and institutional obstacles, and improving access to general entrepreneurship measures.

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) as part of a collaboration with the European Commission. These notes provide an overview of current and planned policy actions and identify some actions that could be implemented to strengthen the current support offering. These country-specific notes are part of a wider programme of work on inclusive entrepreneurship policy by the OECD and the European Commission that includes “The Missing Entrepreneurs” publications, the Youth Entrepreneurship Policy Academy (www.yepa-hub.org), the Better Entrepreneurship Policy Tool (www.betterentrepreneurship.eu), a series of Policy Briefs on specific target groups, policies and issues, and national policy reviews of youth entrepreneurship and women entrepreneurship. This work stream examines how public policies and programmes can support inclusion and diversity in entrepreneurship, including through refining regulatory and welfare institutions, facilitating access to finance, building entrepreneurship skills, strengthening entrepreneurial culture and networks for groups that are under-represented in entrepreneurship, 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. For more information, please refer to: <https://www.oecd.org/cfe/smes/inclusive-entrepreneurship/>.

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This report was prepared by Helen Shymanski of the OECD CFE based on inputs prepared by national inclusive entrepreneurship expert Petra Reszkető of the Budapest Institute, under the direction of David Halabisky, Project co-ordinator, and Dr Jonathan Potter, Head of Entrepreneurship Policy and Analysis Unit, both of the OECD CFE. Much of the data contained in this note were prepared by Dr. Jonathan Levie of the Global Entrepreneurship Monitor.

This note benefited from feedback and suggestions provided by Julien De Beys of the Directorate-General for Employment, Social Affairs and Inclusion of the European Commission.

An online seminar was organised to review the draft of the report on 24 May 2023 and inputs were received from representatives from the Ministry for Economic Development, the Ministry of Finance, the Ministry of Culture and Innovation, the Institute of Economics, Magyar Nemzeti Bank, Budapest Institute, and Széchenyi Programiroda. Further written feedback was also provided by the Ministry for Economic Development.

TABLE OF CONTENTS

Inclusive entrepreneurship trends and policies in Hungary	5
Key messages	5
Conditions for entrepreneurship and self-employment	6
Inclusive entrepreneurship trends	6
The missing entrepreneurs	7
Inclusive entrepreneurship policy assessment	8
New policy developments	9
Risk factors for inclusive entrepreneurship	9
Policy recommendations	10
Annex A: Inclusive entrepreneurship policy framework	11
Annex B: Overview and assessment of inclusive entrepreneurship policies and programmes	12
Annex C: Methodology	18

TABLES

Table 1. Conditions for entrepreneurship	6
Table A.1. Characterisation of the inclusive entrepreneurship policy context	11
Table B.1. Inclusive entrepreneurship schemes to support women entrepreneurs	12
Table B.2. Inclusive entrepreneurship schemes to support immigrant entrepreneurs	13
Table B.3. Inclusive entrepreneurship schemes to support youth entrepreneurs	14
Table B.4. Inclusive entrepreneurship schemes to support senior entrepreneurs	15
Table B.5. Inclusive entrepreneurship schemes to support entrepreneurs starting from unemployment	16
Table B.6. Inclusive entrepreneurship schemes to support entrepreneurs with disabilities	17

FIGURES

Figure 1. Inclusive entrepreneurship trends	7
Figure 2. Changes in entrepreneurship gaps, 2020 to 2021	8
Figure 3. Barriers to entrepreneurship, 2017-21	10

INCLUSIVE ENTREPRENEURSHIP TRENDS AND POLICIES IN HUNGARY

KEY MESSAGES

Inclusive entrepreneurship rates and trends

- The total early-stage entrepreneurial activity rate (TEA) was slightly above the EU average between 2016 and 2020 (8% vs. 6%), notably among youth (9% vs. 7%). Moreover, growth-oriented entrepreneurship was double the EU average (20% vs. 10%).
- Eliminating the differences across all population groups would result in 293 000 more entrepreneurs. Of these “missing” entrepreneurs, more than 80% are female, more than half are 50-64 years old and about 14% are between 20 and 29 years old.

Approach to inclusive entrepreneurship

- A wide range of entrepreneurship policies and programmes have been introduced, including some schemes that specifically target inclusive entrepreneurship target population groups.
- There is a national SME Strategy in place, which calls for entrepreneurship support for groups such as women, youth, the unemployed and people with disabilities.

Policy strengths

- The primary entrepreneurship support schemes targeting youth, women and the unemployed often provide a combination of supports, e.g. financial support, entrepreneurship training and mentoring.
- Many entrepreneurship schemes are dedicated to improving access to finance, particularly among standard entrepreneurship programmes.
- Many private and non-governmental organisations offer dedicated entrepreneurship support programmes, notably for youth and women entrepreneurs.

Policy gaps and areas for improvement

- There is a lack of programme monitoring and evaluation, which makes it difficult to determine the impact of the programmes on entrepreneurs.
- There is limited outreach to certain groups of under-represented entrepreneurs, notably among those who are exposed to overlapping forms of marginalisation (e.g. young Roma women with children).
- The regulatory environment remains unstable as there are often unpredictable and ad hoc changes in regulations, lack of a transparent framework for stakeholder engagement, and no publication of regulatory impact assessments.

Main recommendations

- Strengthen monitoring and evaluation measures of entrepreneurship support measures.
- Strengthen partnerships with non-governmental organisations, especially in outreach efforts to entrepreneurs from disadvantaged and under-represented population groups.

CONDITIONS FOR ENTREPRENEURSHIP AND SELF-EMPLOYMENT

Entrepreneurship conditions are generally less favourable than the European Union (EU) average. New start-ups as they often face greater administrative burden than on average in the EU. Nonetheless, the business population has been increasing in recent years with the business entry rate exceeding business exit rates in 2020 (11% vs. 8%). However, both entry and exit rates decline in 2020 compared to 2019, which can be partly explained by the COVID-19 crisis. There is a high rate of growth-oriented entrepreneurship.

Table 1. Conditions for entrepreneurship

Year	Business entry rate	Business exit rate	TEA rate	Necessity-based TEA	Growth-oriented TEA	Self-employment	
						Rate	% employers
	2020	2020	2016-20	2016-20	2016-20	2021	2021
Hungary (%)	11 ▼	8 ▼	8 ↔	20 ▼	20 ▲	12 ▲	35 ▼
EU average (%)	9 ▼	7 ▼	6 ▼	18 ▼	10 ▼	13 ▼	32 ▲

Note: The total early-stage entrepreneurial activity (TEA) rate measures the share of the population starting or managing a new business (less than 42 months old). Up and down arrows indicate an increase or decrease relative to the previous period, i.e. previous year for annual indicators or previous period (2015-19) for indicators based on data from the Global Entrepreneurship Monitor. The left-right arrows indicate no change, i.e. a change of between -1% and 1%. Hungary participated in the GEM survey during the period 2015-20 except for the following years: 2017-20.

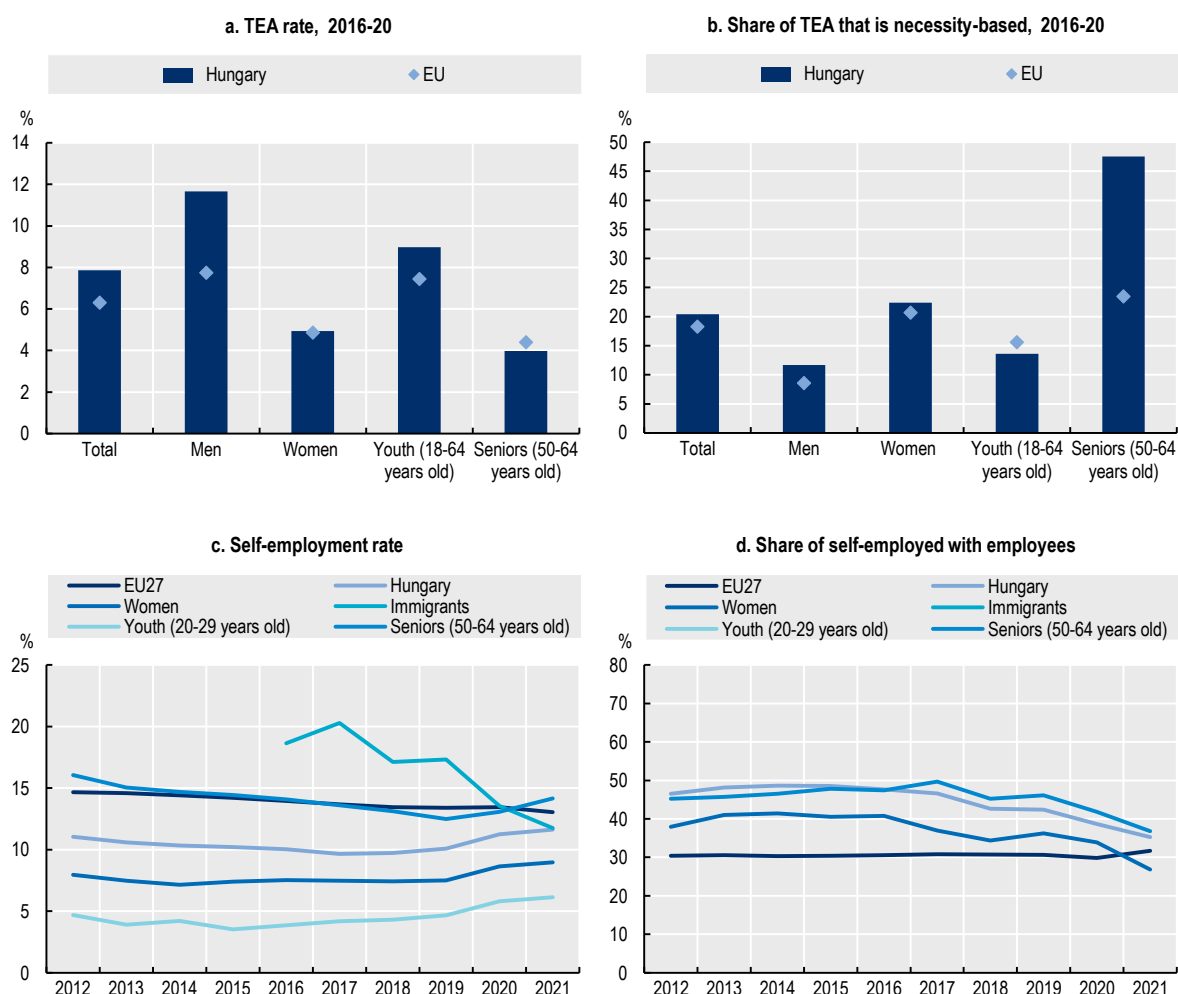
Source: Eurostat (2022), Employment and Unemployment (LFS) Database; GEM (2021), Special tabulations of GEM survey.

INCLUSIVE ENTREPRENEURSHIP TRENDS

There are about 488 000 early-stage entrepreneurs in Hungary (i.e. those starting or managing a business that is less than 42 months old). The share of youth engaged in early-stage entrepreneurship was above the EU average in the period 2016-20 (9% vs. 7%), while women (5%) and seniors (4%) were as active as the EU average (5% vs. 4% respectively) (Figure 1). However, around 20% of entrepreneurial activities were launched out of necessity compared to 18% across the EU. Necessity rates were higher than the EU average for seniors (48% vs. 23%) and women (22% vs. 21%).

The self-employment rate has slightly increased in recent years yet remained below the EU average over the last decade (12% vs. 13% in 2021). The self-employment rates of women (9%) and immigrants (12%) were on par with the EU average in 2021 (9% and 12% respectively), while the self-employment rates for youth (6%) and seniors (14%) were slightly below the EU average (5% and 15% respectively). The self-employed were more likely to have employees relative to the EU average (35% vs. 32%), notably among youth (20% vs. 15%) and immigrants (38% vs. 32%). However, self-employed women (27%) and seniors (37%) were less likely to employ others in 2021 than they were in 2020 (34% and 42% respectively).

Figure 1. Inclusive entrepreneurship trends



Note: The total early-stage entrepreneurial activity (TEA) rate measures the share of the population starting or managing a new business (less than 42 months old). Self-employment rate measures the proportion of those in employment who are self-employed. Hungary participated in the GEM survey in all years during the period 2015-20.

Source: Eurostat (2022), Employment and Unemployment (LFS) Database, GEM (2020), Special tabulations of the Global Entrepreneurship Monitor Survey, prepared for the OECD, and GEM (2021), Special tabulations for the OECD of the Global Entrepreneurship Monitor (GEM) adult population survey for the years 2016 to 2020.

THE MISSING ENTREPRENEURS

The gaps in entrepreneurship rates across population groups suggests that there are many “missing” entrepreneurs. Eliminating all of these gaps in entrepreneurship activity rates across population groups would result in an additional 293 000 entrepreneurs in Hungary (i.e. if all inclusive entrepreneurship population groups participated in early-stage entrepreneurship at the same rate as “core age” men, i.e. 30-49 years old). More than 80% of these “missing” entrepreneurs are women and more than half (54%) are seniors (i.e. over 50 years old). Overall, the entrepreneurship gap decreased between 2020 and 2021, indicating that progress was made, notably among immigrant entrepreneurs (Figure 2). The entrepreneurship gap remained consistent among women, youth and seniors. However, the gap increased among the unemployed.

Figure 2. Changes in entrepreneurship gaps, 2020 to 2021

Overall	Women	Youth	Seniors	Immigrants	Unemployed
					

Note: A down arrow indicates an improvement in the entrepreneurship gap (i.e. the gap has diminished) between 2020 and 2021, whereas an up arrow indicates that the entrepreneurship gap has grown (i.e. the gap has increased). A left/right arrow symbolises no change in the entrepreneurship gap.

Source: OECD calculations

INCLUSIVE ENTREPRENEURSHIP POLICY ASSESSMENT

There is a strong emphasis on providing entrepreneurs financing as there are many entrepreneurship schemes dedicated to improving access to finance. Many of these schemes are operated through the programme – Economic Development and Innovation Operational Programme of Hungary (EDIOP). While there are no specific inclusive entrepreneurship strategies in place, a focus was placed on specific target groups in government action plans and strategies, notably for women and youth. For example, the Government Action Plan on Improving the Role of Women in the Family and Society and the National Youth Strategy 2009-24.

Women entrepreneurs (Table B.1) and **youth** entrepreneurs (Table B.3) are the main target groups of the National Entrepreneurship Mentoring Programme (*Országos Vállalkozói Mentorprogram*). The programme, is managed by the SEED Foundation and the Hungarian Chamber of Commerce and Industry and co-financed from the ESF, provides individual and group mentoring, as well as financial advice. Since the programme launch, 200 entrepreneurs have benefited from the mentoring services – with 25% young and nearly above 60% female entrepreneurs among them. Private and non-governmental organisations are also very active in providing support to women entrepreneurs, including many programmes being delivered through public-private partnerships. For example, the SEED Foundation operates several government initiatives which target women entrepreneurs, including the DoboGO Network (e.g. peer-learning for women entrepreneurs) and the *Dobbantó* programme (e.g. entrepreneurship skills training and entrepreneurship mentoring support). In November 2022, the National Association of Entrepreneurs and Employers (VOSZ) established a women entrepreneur’s section, which is led by the executive director of the SEED foundation. The platform serves to represent the interest of women entrepreneurs.

The largest entrepreneurship support measures have been provided under the Youth Guarantee Scheme which targets **youth** entrepreneurs, notably NEETs (i.e. youth who are not in education, employment or training) in the framework of different initiatives. The entrepreneurship support measures were co-financed by the European Social Fund for the programming period 2014 to 2020. In the new programming period 2017-23, there was a new programme launched, which offers grants to about 5 600 young people (less than 30 years old) and provided support to more than 8 500 registered jobseekers.

Support targeting **senior** entrepreneurs has been growing yet remains limited (Table B.4). A new national programme was launched in 2022 - Start a Business 50+ (*Vállalkozó 50+*) and is delivered through a public-private partnerships. The programme provides in-person and online training on the topics of product and business development, market analysis, financial planning, sales, and marketing. Another recent scheme, Generation Change (*Generációváltás Program*) provides target support to entrepreneurs over the age of 55 years old. The programme offers support services, like data-driven company diagnostics, financial and managerial advisors to deliver tailor-made recommendations on change management, and an automated business valuation tool. As of March 2023, the programme has a 75% completion rate,

among whom 36% are women and 60% are senior entrepreneurs. There is little tailored entrepreneurship support available to **immigrant** entrepreneurs (Table B.2) and **people** (Table B.6) **with disabilities**.

NEW POLICY DEVELOPMENTS

Recent developments in entrepreneurship policy and support include revisions to the strategic policy framework, the introduction of new support schemes, changes to the regulatory and institutional frameworks (e.g. deregulation) and the introduction of an information portal. In December 2022, the Economic Development and Innovation Operational Program Plus for the 2021-27 programming period was adopted. Priority 1 of the Operative Program (Entrepreneurship Development) pays special attention to the provision of services required for special groups of entrepreneurs. Moreover, the revision of the SME Strategy began in 2022 and the revised strategy intends to emphasise women and youth entrepreneurs. In addition to the national strategy, several policy initiatives were also introduced, including new schemes for start-ups by youth entrepreneurs and senior entrepreneurs, networking schemes tailored for women entrepreneurs, and new entrepreneurship finance measures. The Government also introduced measures related to employment and subsidies (Government Decree No 100/2021), which include legal provisions for entrepreneurship support for the unemployed (i.e. jobseekers) in active labour market programmes.

There have also been efforts to introduce regulatory reform, including the creation of a Deregulation Council in December 2022. The Council has been tasked with developing a roadmap for deregulation with the aim of improving the quality of law-making and introduce further administrative simplifications for SMEs and entrepreneurs. In addition, there have been changes to simplify the taxation of SMEs and the self-employed. In January 2022, the government introduced tax relief measures dedicated to specific inclusive entrepreneurship target groups, notably women and youth. Self-employed people younger than 25 years old and self-employed women with more than four children could access the basic flat tax regime (*áttalány adózó*). Moreover, young mothers (i.e. less than 30 years old) also received tax allowances beginning in January 2023. Other tax relief options have been offered to self-employed people with disabilities as of 2019, including a reduction in social taxes beginning introduced in 2022. Additionally, more changes have been introduced related to the small business tax (*KATA*) over the last year (2022-2023).

The IFKA (a government agency engaged in entrepreneurship development) has developed plans to launch a one-stop-shop for SMEs in the near future. In the meantime, an information portal has been established to provide dedicated support and information to entrepreneurs as they create their businesses. This portal includes information on available grants, financial instruments, mentoring opportunities, e-learning platform, entrepreneurship trainings, etc.

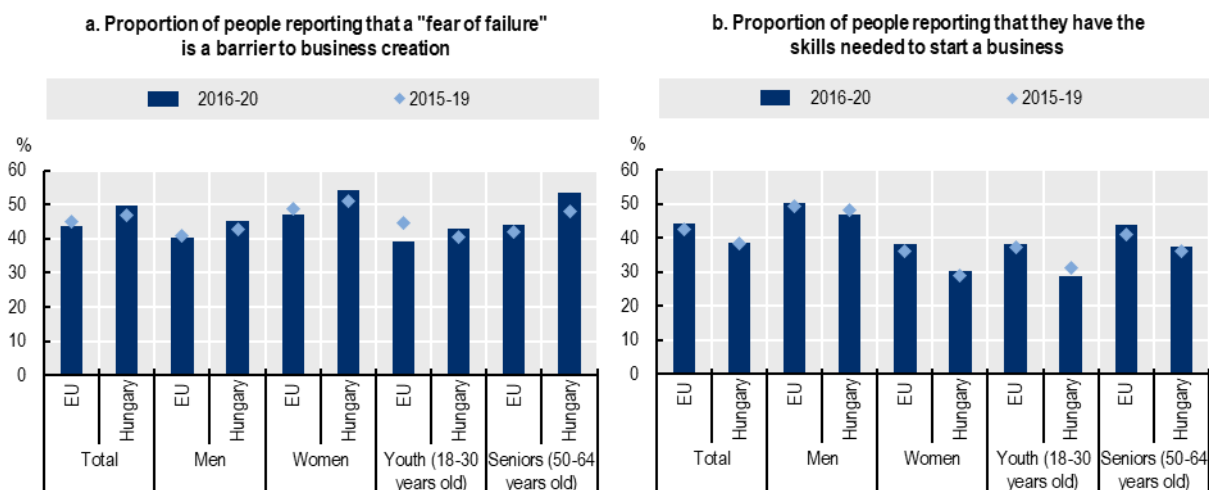
RISK FACTORS FOR INCLUSIVE ENTREPRENEURSHIP

Potential entrepreneurs in Hungary are more likely to report a “fear of failure” as a barrier to business creation than on average in the EU (50% vs. 44%) (Figure 3). Fear of failure is notably a barrier among women (54%) and seniors (54%) who are more likely to report this barrier than the EU average (45% and 44% respectively). Potential entrepreneurs are also more likely to report lacking the necessary entrepreneurship skills and knowledge needed to create a business than on average in the EU (38% vs. 44%), notably among women (30% vs. 38%) and youth (29% vs. 38%).

There are several areas of improvement for inclusive entrepreneurship policies, including improving the quality and cohesion of existing schemes. For example, there are many public and private entrepreneurship support schemes available, yet they often lack synergies. There is also a lack of monitoring and evaluation of existing programmes, which makes it difficult to determine the impact of available support measures. More could be done to reach certain entrepreneurs from disadvantaged and under-represented groups, notably among those who are exposed to overlapping forms of marginalisation (e.g. young Roma women with children), through targeted outreach campaigns.

Despite attempts to improve and simplify the regulatory environment, the regulatory environment remains unstable as there are often unpredictable and *ad hoc* changes in regulations, lack of a transparent framework for stakeholder engagement, and no publication of regulatory impact assessments. There is also opportunity to improve the overall business climate through minimising self-selection and political favouritism.

Figure 3. Barriers to entrepreneurship, 2016-20



Note: Hungary participated in the GEM survey during the period 2015-20 except for the following years: 2017-2020.

Source: Source: GEM (2021), Special tabulations of GEM survey.

POLICY RECOMMENDATIONS

While entrepreneurship support remains relatively high on the political agenda. There is a need to renew strategies dedicated to support women, youth, seniors, immigrants, the unemployed and people with disabilities in the labour market, including through entrepreneurship and self-employment. To further strengthen inclusive entrepreneurship policies in Hungary, it is recommended that the government:

- Strengthens the monitoring and evaluation of existing and future entrepreneurship support programmes and schemes in order to better evaluate and access their progress and impact;
- Continues to make improvements in and simplifications to the broader business and regulatory environment, as well as to assess the expected impacts of potential regulatory changes;
- Strengthens partnerships with non-governmental organisations, particularly in the area of outreach to under-represented and disadvantaged groups in entrepreneurship; and,
- Improves the quality and transparency of the public decision-making process through effective social dialogue and engagement with non-government stakeholders, notably concerning entrepreneurship support initiatives.

ANNEX A: INCLUSIVE ENTREPRENEURSHIP POLICY FRAMEWORK

Table A.1. Characterisation of the inclusive entrepreneurship policy context

		Women	Immigrants	Youth	Seniors	Unemployed	People with disabilities
1. Entrepreneurship policies for each target group are under the responsibility of the following level(s) of government (multiple levels can be checked)	National	✓		✓		✓	✓
	Regional						
	Local						
2. A group-specific entrepreneurship strategy has been developed (either stand-alone or embedded in another strategy)		✓		✓			
3. Clear targets and objectives for entrepreneurship policy have been developed and reported for different target groups		✓*		✓*			
4. Monitoring and evaluation practices for entrepreneurship support are strong and wide-spread							

Note: A check-mark indicates the level policy responsibility for tailored entrepreneurship policy (multiple selections are possible) and characteristics of the entrepreneurship policy framework. An asterisk indicates a lack of quantified target indicators.

ANNEX B: OVERVIEW AND ASSESSMENT OF INCLUSIVE ENTREPRENEURSHIP POLICIES AND PROGRAMMES

The tables present the characteristics of entrepreneurship schemes that are directly offered by national, regional and local governments, as well as those that are financed by the public sector but delivered by other actors. It considers the “typical” entrepreneur in each of the different target groups, in the “typical” region in the country. A check-mark indicates when the characteristic is typically fulfilled.

Table B.1. Inclusive entrepreneurship schemes to support women entrepreneurs

		Tailored: Are public programmes tailored for the target group (i.e. dedicated)?	Consultation: Are the targeted entrepreneurs consulted during the design of programmes?	Outreach: Are appropriate outreach methods used for different target groups?	Delivery: Are specialist organisations used to deliver programmes?	Take-up: Does the support have high take-up among target group?	Scale: Is the scale of available support sufficient?	Impact: Does evaluation evidence show a positive impact?	Integrated: Is the programme delivered linked other related supports?	Follow-up: Do tailored programmes link to mainstream support programmes?
Skills	1. Entrepreneurship training	✓		✓	✓					
	2. Entrepreneurship coaching and mentoring	✓		✓	✓					
	3. Business consultancy, including incubators	✓			✓					
Finance	1. Grants for business creation	✓		✓						
	2. Loan guarantees									
	3. Microfinance and loans									
	4. Other instruments (e.g. crowdfunding, risk capital)									
Culture and networks	1. Entrepreneurship campaigns, including role models									
	2. Networking initiatives	✓		✓	✓					
Regulatory supports	1. Support with understanding and complying with administrative procedures									
	2. Group-specific measures	Maternity leave and benefits for the self-employed	✓							
		Access to childcare								

Table B.2. Inclusive entrepreneurship schemes to support immigrant entrepreneurs

			Tailored: Are public programmes tailored for the target group (i.e. dedicated)?	Consultation: Are the targeted entrepreneurs consulted during the design of programmes?	Outreach: Are appropriate outreach methods used for different target groups?	Delivery: Are specialist organisations used to deliver programmes?	Take-up: Does the support have high take-up among target group?	Scale: Is the scale of available support sufficient?	Impact: Does evaluation evidence show a positive impact?	Integrated: Is the programme delivered linked other related supports?	Follow-up: Do tailored programmes link to mainstream support programmes?
Skills	1. Entrepreneurship training										
	2. Entrepreneurship coaching and mentoring										
	3. Business consultancy, including incubators										
Finance	1. Grants for business creation										
	2. Loan guarantees										
	3. Microfinance and loans										
	4. Other instruments (e.g. crowdfunding, risk capital)										
Culture and networks	1. Entrepreneurship campaigns, including role models										
	2. Networking initiatives										
Regulatory supports	1. Support with understanding and complying with administrative procedures										
	2. Group-specific measures	Entrepreneurship visa									
		Administrative and tax obligations can be met in several languages									

Table B.3. Inclusive entrepreneurship schemes to support youth entrepreneurs

		Tailored: Are public programmes tailored for the target group (i.e. dedicated)?	Consultation: Are the targeted entrepreneurs consulted during the design of programmes?	Outreach: Are appropriate outreach methods used for different target groups?	Delivery: Are specialist organisations used to deliver programmes?	Take-up: Does the support have high take-up among target group?	Scale: Is the scale of available support sufficient?	Impact: Does evaluation evidence show a positive impact?	Integrated: Is the programme delivered linked other related supports?	Follow-up: Do tailored programmes link to mainstream support programmes?
Skills	1. Entrepreneurship training	✓		✓	✓		✓		✓	
	2. Entrepreneurship coaching and mentoring	✓		✓	✓		✓		✓	
	3. Business consultancy, including incubators									
Finance	1. Grants for business creation	✓		✓	✓		✓		✓	
	2. Loan guarantees									
	3. Microfinance and loans									
	4. Other instruments (e.g. crowdfunding, risk capital)									
Culture and networks	1. Entrepreneurship campaigns, including role models									
	2. Networking initiatives									
Regulatory supports	1. Support with understanding and complying with administrative procedures									
	2. Group-specific measures									
		Student business legal form								
		Reduced tax and/or social security contributions for new graduates	✓							

Table B.4. Inclusive entrepreneurship schemes to support senior entrepreneurs

		Tailored: Are public programmes tailored for the target group (i.e. dedicated)?	Consultation: Are the targeted entrepreneurs consulted during the design of programmes?	Outreach: Are appropriate outreach methods used for different target groups?	Delivery: Are specialist organisations used to deliver programmes?	Take-up: Does the support have high take-up among target group?	Scale: Is the scale of available support sufficient?	Impact: Does evaluation evidence show a positive impact?	Integrated: Is the programme delivered linked other related supports?	Follow-up: Do tailored programmes link to mainstream support programmes?
Skills	1. Entrepreneurship training	✓								
	2. Entrepreneurship coaching and mentoring									
	3. Business consultancy, including incubators									
Finance	1. Grants for business creation									
	2. Loan guarantees									
	3. Microfinance and loans									
	4. Other instruments (e.g. crowdfunding, risk capital)									
Culture and networks	1. Entrepreneurship campaigns, including role models									
	2. Networking initiatives									
Regulatory supports	1. Support with understanding and complying with administrative procedures									
	2. Group-specific measures	Pension for self-employed								
		Measures to facilitate business transfer/exit								

Table B.5. Inclusive entrepreneurship schemes to support entrepreneurs starting from unemployment

		Tailored: Are public programmes tailored for the target group (i.e. dedicated)?	Consultation: Are the targeted entrepreneurs consulted during the design of programmes?	Outreach: Are appropriate outreach methods used for different target groups?	Delivery: Are specialist organisations used to deliver programmes?	Take-up: Does the support have high take-up among target group?	Scale: Is the scale of available support sufficient?	Impact: Does evaluation evidence show a positive impact?	Integrated: Is the programme delivered linked other related supports?	Follow-up: Do tailored programmes link to mainstream support programmes?
Skills	1. Entrepreneurship training	✓		✓	✓	✓			✓	
	2. Entrepreneurship coaching and mentoring	✓		✓	✓				✓	
	3. Business consultancy, including incubators									
Finance	1. Grants for business creation	✓		✓	✓	✓			✓	
	2. Loan guarantees									
	3. Microfinance and loans									
	4. Other instruments (e.g. crowdfunding, risk capital)									
Culture and networks	1. Entrepreneurship campaigns, including role models									
	2. Networking initiatives									
Regulatory supports	1. Support with understanding and complying with administrative procedures									
	2. Group-specific measures	Welfare bridge to support those moving into self-employment								
		Mechanisms for regaining access to unemployment benefits if business is not successful								

Table B.6. Inclusive entrepreneurship schemes to support entrepreneurs with disabilities

		Tailored: Are public programmes tailored for the target group (i.e. dedicated)?	Consultation: Are the targeted entrepreneurs consulted during the design of programmes?	Outreach: Are appropriate outreach methods used for different target groups?	Delivery: Are specialist organisations used to deliver programmes?	Take-up: Does the support have high take-up among target group?	Scale: Is the scale of available support sufficient?	Impact: Does evaluation evidence show a positive impact?	Integrated: Is the programme delivered linked other related supports?	Follow-up: Do tailored programmes link to mainstream support programmes?
Skills	1. Entrepreneurship training	✓								
	2. Entrepreneurship coaching and mentoring	✓								
	3. Business consultancy, including incubators									
Finance	1. Grants for business creation	✓								
	2. Loan guarantees									
	3. Microfinance and loans									
	4. Other instruments (e.g. crowdfunding, risk capital)									
Culture and networks	1. Entrepreneurship campaigns, including role models									
	2. Networking initiatives									
Regulatory supports	1. Support with understanding and complying with administrative procedures									
	2. Group-specific measures	Mechanisms to move back into disability benefit system if business is not successful								
		Mechanisms to move regain access to other social security supports (e.g. housing benefits) if business is not successful								
		Medical leave schemes for the self-employed								

ANNEX C: METHODOLOGY

Each country report was prepared by the OECD Secretariat with support from a national inclusive entrepreneurship policy expert. Information was collected through desk research and interviews (i.e. telephone, face-to-face, email) with policy officers, entrepreneurship support organisations and other stakeholders. The information was then verified at an online seminar on 24 May 2023 with government ministries, programme managers and other inclusive entrepreneurship stakeholders.

The notes are based on the framework used in the OECD-EU Better Entrepreneurship Policy Tool, which contains six pillars:

1. Building entrepreneurship skills and capacities for inclusive entrepreneurship;
2. Facilitating access to business finance for inclusive entrepreneurship;
3. Fostering an inclusive entrepreneurial culture;
4. Building a supportive regulatory environment for inclusive entrepreneurship;
5. Expanding networks for inclusive entrepreneurship;
6. Strengthening the design and delivery of inclusive entrepreneurship support.

The notes provide a brief overview of the current inclusive entrepreneurship policies and programmes. They also assess programmes against the following international good practice criteria, considering the “typical” entrepreneur in each of the different target groups (i.e. women, immigrants, seniors, youth, the unemployed, people who experience disability), in the “typical” region in the country. It covers schemes that are directly offered by national, regional and local governments, as well as those that are financed by the public sector but delivered by other actors. The international good practice criteria used in the assessment are:

- **Tailored:** Are public programmes tailored for the target group (i.e. dedicated)?
- **Consultation:** Are the targeted entrepreneurs consulted during the design of programmes?
- **Outreach:** Are appropriate outreach methods used for different target groups?
- **Delivery:** Are specialist organisations used to deliver programmes?
- **Take-up:** Does the support have high take-up among target group?
- **Scale:** Is the scale of available support sufficient?
- **Impact:** Does evaluation evidence show a positive impact?
- **Integrated:** Is the programme delivered linked other related supports?
- **Follow-up:** Do tailored programmes link to mainstream support programmes?

A focus is placed on the most commonly targeted population groups, namely women, immigrants, youth, seniors, the unemployed and people with disabilities.