

Inclusive Entrepreneurship Policies,
Country Assessment Notes

LUXEMBOURG

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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 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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Foreword

Inclusive entrepreneurship policies seek to ensure that everyone has an opportunity to create a sustainable business for those with realistic potential, regardless of their background. Business creation by people from under-represented and disadvantaged groups (e.g. women, youth, seniors, immigrants, the unemployed, people who experience disability) helps generate jobs, thereby fighting social and financial exclusion while stimulating economic growth.

These policies have become much more relevant with the COVID-19 pandemic, which has led to rapidly increasing unemployment and inactivity. Addressing this jobs crisis is one of the top policy priorities in European Union and OECD countries and inclusive entrepreneurship schemes have strong potential for moving some unemployed people back into work. Moreover, these policies can be leveraged to help re-boot economies as there is untapped growth potential among some of the target groups.

This note is the fourth country assessment note prepared by the Organisation for Economic Co-operation and Development (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 of the entrepreneurship activities by women, youth, seniors, immigrants and the unemployed. It also provides an 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 2020 notes include a special section on entrepreneurship support for people who experience disability. This section provides an overview of the entrepreneurship activity levels, obstacles faced and policy responses. It also contains a new section on entrepreneurship framework conditions to provide additional context for interpreting the tailored policies and programmes.

These country-specific 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), 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 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. For more information please refer to: 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 by the OECD Centre for Entrepreneurship, SMEs, Regions and Cities (CFE) led by Lamia Kamal-Chaoui, Director, as part of the programme of work of the OECD Local Economic and Employment Development (LEED) Programme, led by Karen Maguire, Head of Division. 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.

This note was prepared by Prof. Denise Fletcher of University of Luxembourg (Luxembourg). Cynthia Lavison of the OECD CFE edited the note under the direction of Dr. Jonathan Potter, also of the OECD CFE.

An online seminar was organised to review a draft of the report on 3 September 2020. Suggestions and inputs were received from representatives of the Chamber of Commerce, the House of Entrepreneurship, WIDE, Nyuko, the Ministry of Labour, Employment and the Social and Solidarity Economy, ULESS (Luxembourgish Union of the Social and Solidarity Economy), and STATEC.

Much of the data contained in this note were prepared under the direction of Dr. Jonathan Levie of the Global Entrepreneurship Monitor.

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

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Key messages

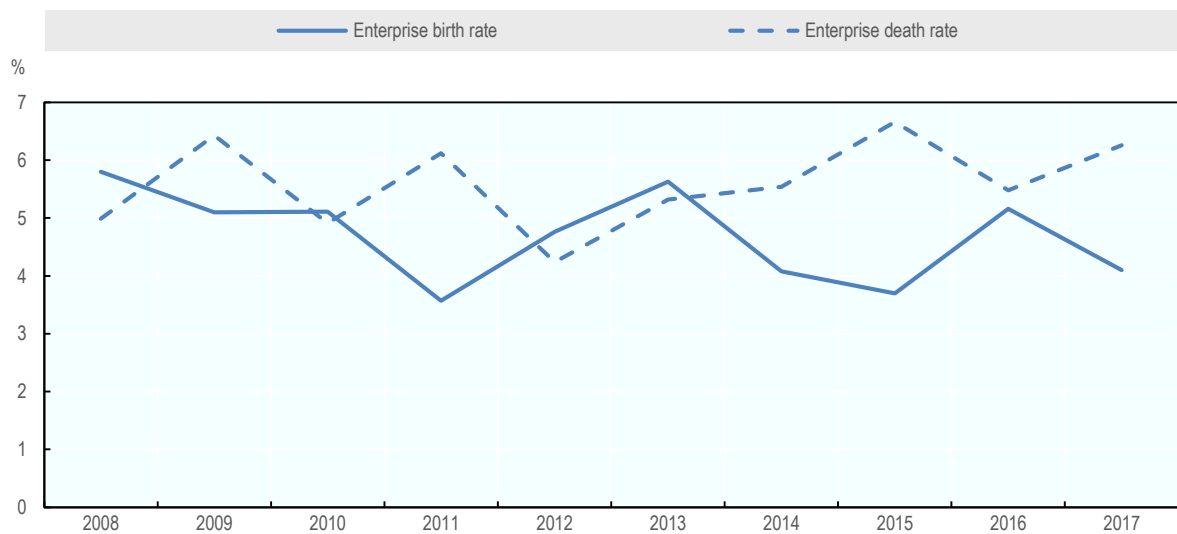
- The framework conditions for entrepreneurship are quite strong. Assessments often rank the level of administrative burden and entrepreneurship skills as about equal to the European Union (EU) median.
- About 7% of those in employment are self-employed, which is significantly under the EU average (13.4%). The self-employment rate was highest among seniors (10.4%) and lowest among women (6.4%), which was also under the EU average for women (9.5%). More than half (54.2%) of the self-employed are immigrants, well above the EU average (10.9%). This is consistent with the broader labour market composition (47% of the active population is non-native).
- Self-employed workers are significantly more likely than the EU average to employ others (43%, above the 30.9% EU average). While self-employed women were less likely than self-employed men to be employers in 2019 (29.8% vs. 50.0%), the share of female self-employed who were employers was above the EU average for women (25.3%).
- Data from the Global Entrepreneurship Monitor indicate that the share of the population involved in early-stage entrepreneurship (i.e. starting a business or managing one that is less than 42 months old) was above the EU average for women, youth and seniors between 2015 and 2019. Women were about half as likely as men to be involved in early-stage entrepreneurship, but the difference across age groups was not very pronounced.
- Eliminating all of the gaps in early-stage entrepreneurship activity rates across population groups would result in an additional 9 500 entrepreneurs. Virtually all of these “missing” entrepreneurs are female and about two-thirds are over 50 years old.
- Early-stage entrepreneurs are slightly less likely to be growth-orientated than the EU average. About 6% of early-stage entrepreneurs expect to create at least 19 new jobs over the next five years relative to an EU average of 10%.
- Entrepreneurship policy generally seeks to support all entrepreneurs equally; there are no clear policy objectives related to inclusive entrepreneurship. However, tailored support schemes are offered by the non-governmental sector, often with some public financial support. These initiatives tend to focus on developing entrepreneurship skills, building entrepreneurship networks and promoting an inclusive entrepreneurship culture. The non-governmental sector is particularly active in providing tailored support to women and youth.
- While inclusive entrepreneurship support is reasonably developed, there is room to strengthen it. The following key recommendations are offered:
 - Improve data collection for public (general) entrepreneurship programmes so that the relevance and effectiveness of policy implementation can be assessed for different groups;
 - Introduce group-specific modules or adaptations in general entrepreneurship programmes and increased tailored outreach; and
 - Strengthen support for business growth across all groups of entrepreneurs, particularly women and youth.

1 Inclusive entrepreneurship trends

Conditions for entrepreneurship

The enterprise birth rate in Luxembourg was around the EU median in 2008 but has been diverging somewhat since, staying under the EU median for the past decade. It has also been quite variable: it started recovering from the aftermath of the financial crisis in 2012, but dipped again in 2014 and in 2017 (Figure 1.1). The enterprise death rate has also been somewhat volatile over the past decade, but has been on an upwards trajectory since 2012 (Figure 1.1). The enterprise death rate was under the EU median for most of the decade, but converged with it and surpassed it slightly in 2017.

Figure 1.1. Business entry and exit rates



Note: Enterprise birth rate is the share enterprise births in the reference period (t) divided by the number of enterprises active in t. Enterprise death rate is the share enterprise deaths in the reference period (t) divided by the number of enterprises active in t. The construction sector is excluded from these rates.

Source: Eurostat (2020), Business demography statistics, <https://ec.europa.eu/eurostat/web/structural-business-statistics/data/main-tables>.

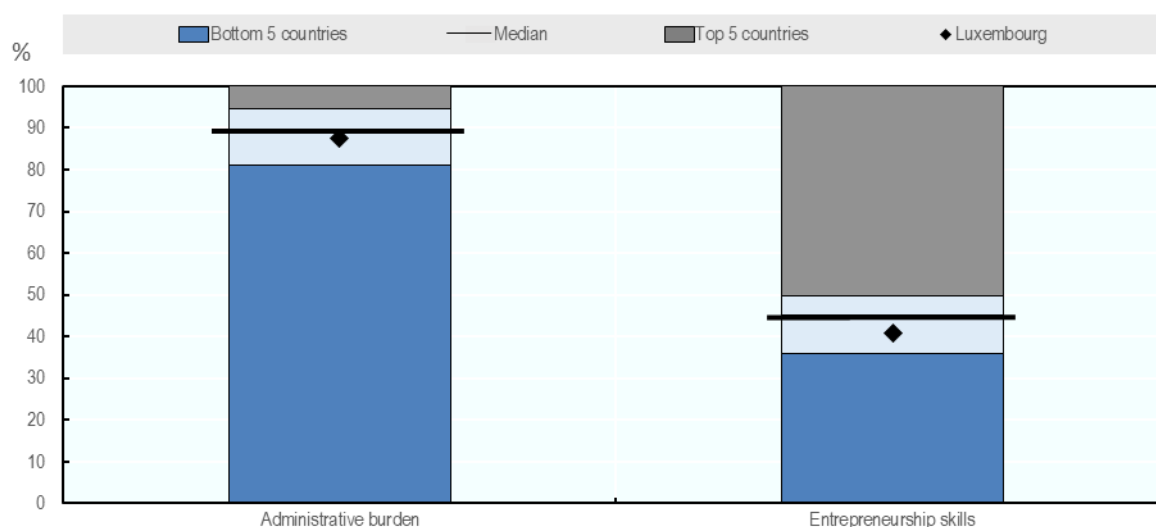
Administrative burden for new start-ups in Luxembourg is on par with the EU median (Figure 1.2). Business procedures are of low complexity, costs for enforcing contracts are low, business contracts can be drafted in English, and complying with taxation requires limited time investment. However, the procedures for bankruptcy are long. There are also notable barriers to entry in service and network sectors, although some regulations were eased in recent years (e.g. abolition of fixed tariffs for services of architects and engineers). A new simplified limited liability company form was also introduced to facilitate business creation, the *société à responsabilité limitée* ("S.à r.l.-S") or "1-1-1 company" (one person, one euro, in one day) (OECD, 2019).

Overall, the workforce in Luxembourg is highly educated. The government is working to boost digital skills among the workforce, including through the Digital Skills Bridge launched in 2018 to help firms upskill their workers when faced with technological disruption. In terms of entrepreneurship skills, the proportion of adults who are confident they have the skills and knowledge to start a business is slightly under the EU median (Figure 1.2).

While recent information on SME lending in Luxembourg is not available, new lending to SMEs went up in 2017 after six years of decline. Luxembourg introduced the Luxembourg Future Fund (LFF) in 2015 to increase financing to innovative start-ups and SMEs. The LFF was co-founded by the European Investment Fund and the *Société Nationale de Crédit et d'Investissement*. A specialised public/private fund supporting ICT start-ups, the Digital Tech Fund was created in 2016 (OECD, 2019).

Figure 1.2. Conditions for business creation

Ranking relative to other European Union Member States, 2019



Note: The median score reported represents the median among EU Member States. Administrative burden is a score of 1 to 6 given to a country to reflect the relative scale of the administrative burden that new start-ups face. Entrepreneurship skills is the share of the population who report that they have the skills and knowledge to start a business. This indicator is an average of the period 2015-19. SME lending is share of loans to SMEs as a percentage of total outstanding business bank loans.

Source: World Bank (2019), Ease of Doing Business Survey; GEM (2020), Special tabulations of the Global Entrepreneurship Monitor Survey, prepared for the OECD.

Recent labour market trends

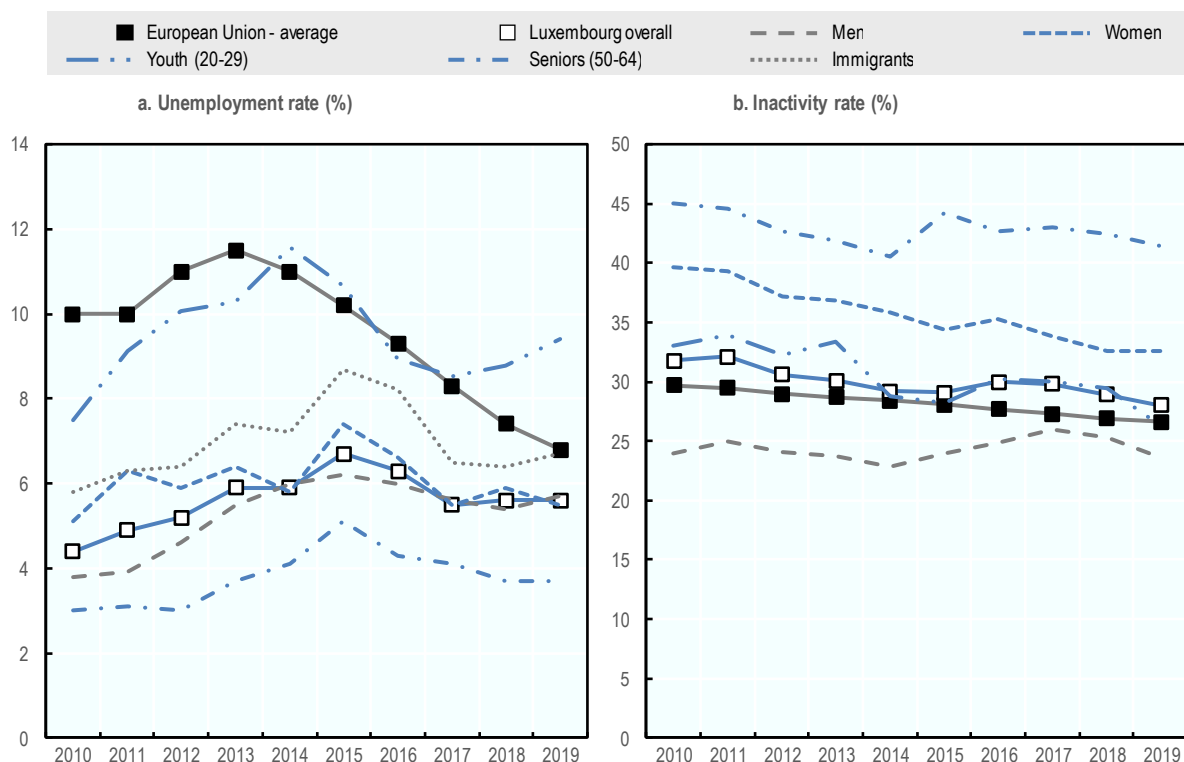
Luxembourg's population is composed of 329 643 Luxembourgers (53%) and 296 465 foreigners (47%). Foreigners primarily come from EU member States (247 878 persons) and other European countries (13 246 persons), with a high proportion of highly skilled people coming to work or enrol in education. Around 2 600 persons have also been granted refugee status in Luxembourg since 2017. Additionally, a significant number of non-resident workers cross the border for employment purposes (202 756 in 2020, among which 105 000 from France, 48 000 from Belgium, and 47 000 from Germany).

About 6% of the active population was registered as unemployed in 2019 in Luxembourg (Figure 1.3). This figure was slightly lower than the EU average (6.8%). Unemployment has been on a downward trend following a peak at 6.7% in 2015. In 2019, unemployment was highest amongst youth (9.4%), followed by immigrants (6.7%), women (5.5%) and seniors who showed the lowest levels of unemployment (3.7%). Due to the COVID-19 crisis, unemployment had increased to 7.0% by June 2020.

In line with EU averages, in 2019, 30% of people were inactive in the labour market, with seniors showing the highest inactivity rates in 2019 (41.5%), followed by women (32.6%) and youth (26.3%). Inactivity rate has been on a downward trend for women and youth for the past decade, but men and seniors have seen their inactivity rate increase over 2015-17.

Figure 1.3. Unemployment and inactivity

Proportion of the labour force that is unemployed and proportion of the working age population that is inactive



Note: Break in time series for unemployment and inactivity in 2014.

Source: Eurostat (2020), Labour Force Survey, <https://ec.europa.eu/eurostat/web/lfs>.

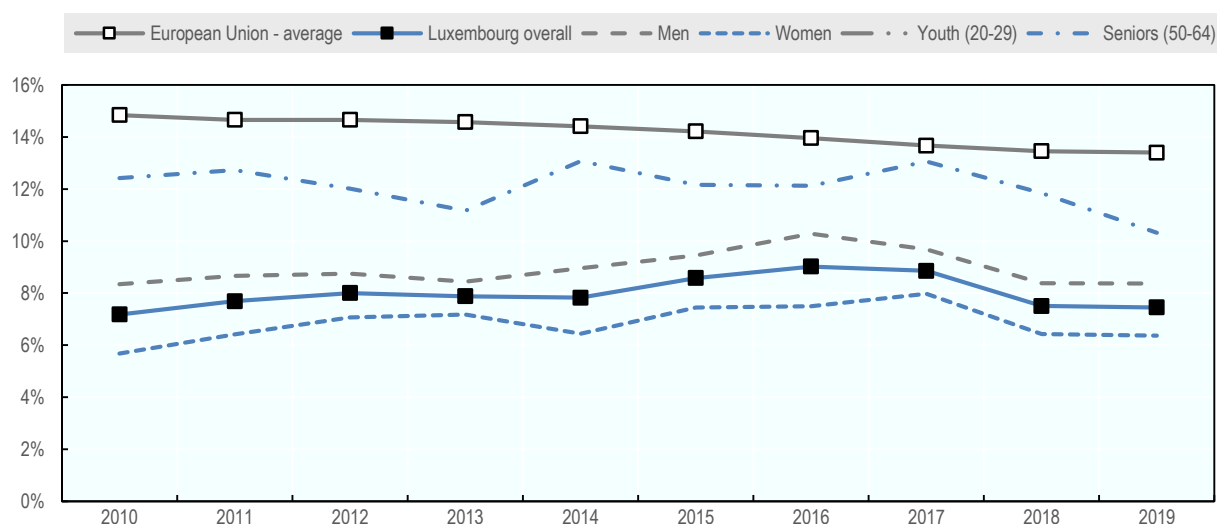
Self-employment activities

28 115 persons were self-employed in Luxembourg as of December 2019. Nearly 23 000 were residents and the remainder were cross-border workers registered as self-employed in Luxembourg rather than their home countries. In total, 7.4% of the active labour force were self-employed in 2019 (Figure 1.4). This rate has been consistently under the EU average (13.4% in 2019) over 2010-19, despite a relatively favourable ecosystem for self-employed persons and start-ups.

The self-employment rate was highest among seniors over the period, reaching 13.1% in 2014 and 2017, dipping slightly to 10.3% in 2019. This high involvement may be explained by high social capital and networks accumulated during their careers, facilitating self-employed activity. Research also indicates that lifestyle issues can precipitate career changes and preferences for the autonomy and flexibility which self-employment brings (Singh and DeNoble, 2003; Lévesque and Minniti, 2006). Similarly, research suggests that some women opt for self-employment in order to balance family, home or caring roles (Lombard, 2001; Fenwick, 2003). In Luxembourg, women's self-employment rate has remained between 5% and 6% for the last 10 years (6.4% in 2019) which is below the EU average (9.5% for women) (Eurostat, 2020).

Figure 1.4. Self-employment rate

Proportion of employment that is self-employed



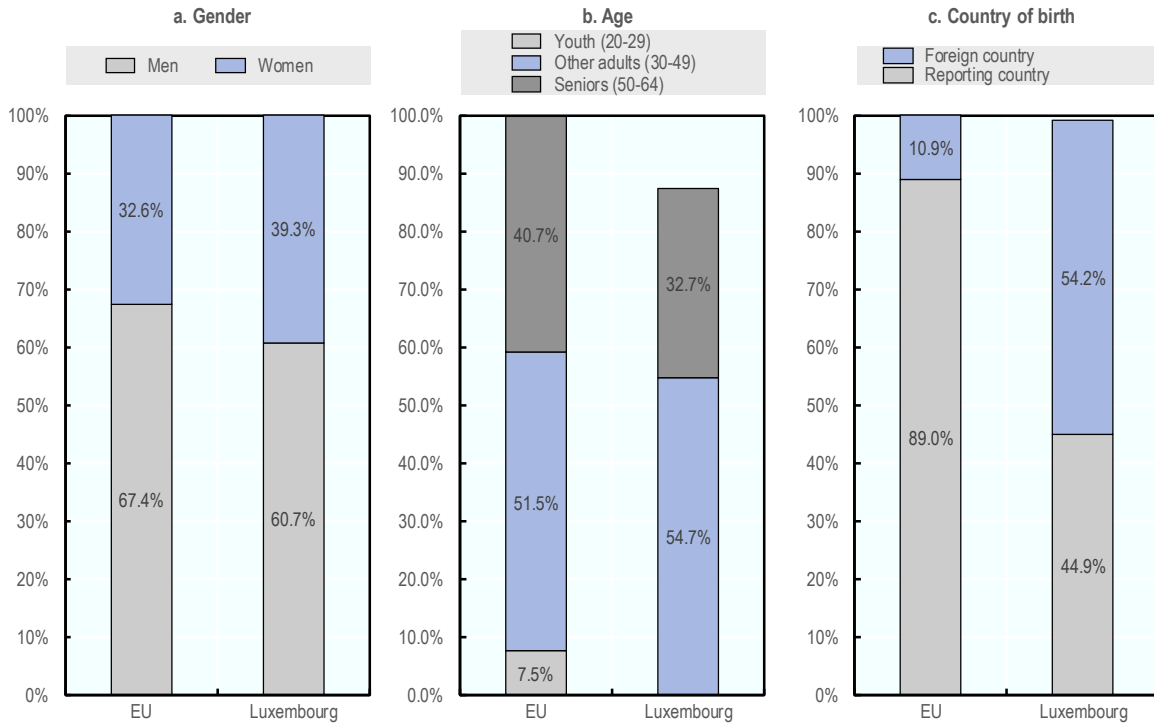
Note: break in time series in 2015. Data for youth for 2015 and 2017 includes data of low reliability for the age group 20-24. Reliable data is not available for youth for other years.

Source: Eurostat (2020), Labour Force Survey, <https://ec.europa.eu/eurostat/web/lfs>.

In 2019, almost 40% of self-employed workers were women which was slightly higher than the EU average (33%) (Figure 1.5). The majority of self-employed persons (55%) are in the age category of 30-49, whilst one-third are seniors. 54% of self-employed persons are foreigners. This high representation of non-nationals in self-employment, which is much higher than the EU average (11%), could be explained by the fact that 47% of Luxembourg's population are non-Luxembourgish.

Figure 1.5. Composition of the self-employed

Proportion of self-employed workers, 2019



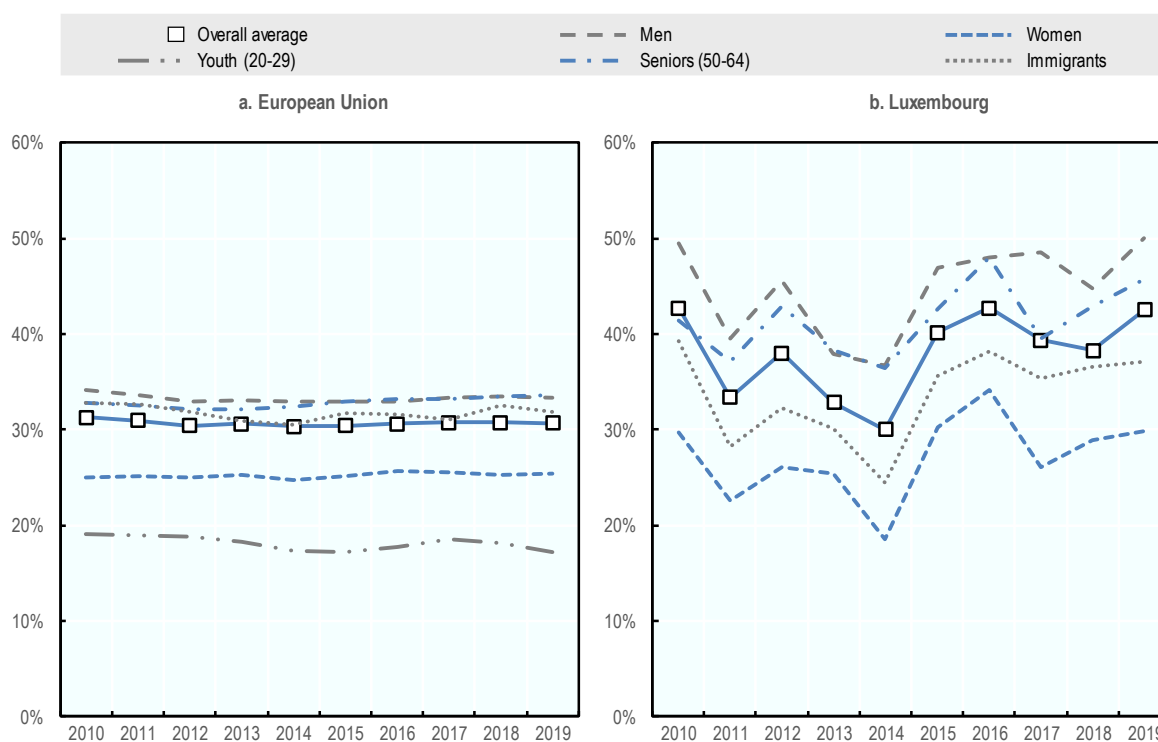
Note: Data for youth is not available.

Source: Eurostat (2020), Labour Force Survey, <https://ec.europa.eu/eurostat/web/lfs>.

In the EU in 2019, 30.9% of self-employed persons employed others. This share was much higher in Luxembourg (42.5%), as it had been most of the decade. Men were the most likely to employ others over the decade (50.0% in 2019), followed by seniors, who surpassed the EU average for this age group by over 12 percentage points (45.7% vs. 33.5% in 2019) (Figure 1.6). 37.1% of immigrants reported employing others in 2019, significantly over the EU average (31.9%). This level has been consistent for the last five years. Women were the demographic group that was least likely to employ others (29.8% in 2019) in Luxembourg. However, this rate was still significantly higher than the EU average for women (25.3%).

Figure 1.6. Self-employed as employers

Proportion of the self-employed who employ others



Note: Break in time series in 2015. Reliable data for youth is not available.

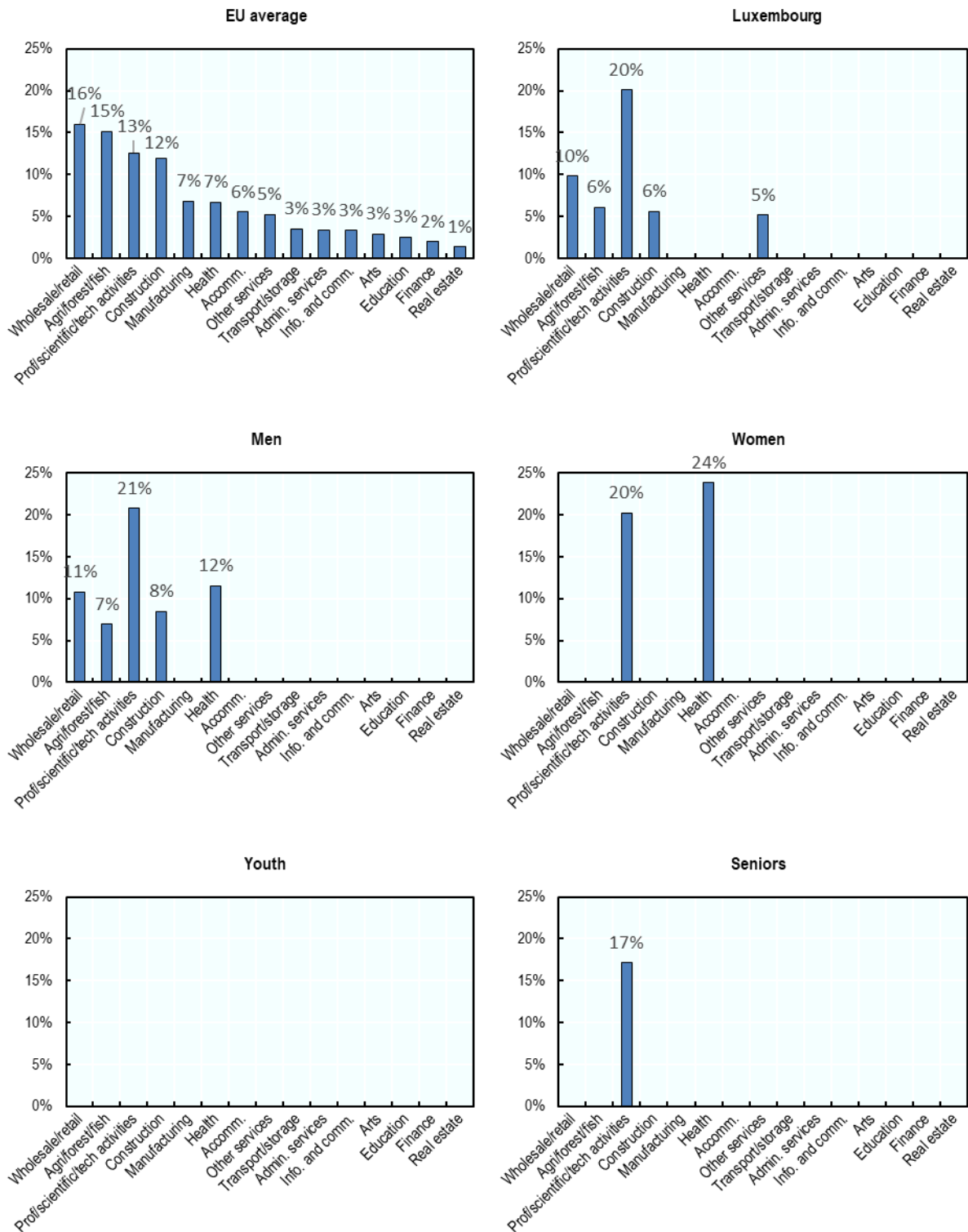
Source: Eurostat (2020), Labour Force Survey, <https://ec.europa.eu/eurostat/web/lfs>.

The sector that concentrated the highest share of self-employed workers in Luxembourg in 2019 was “Professional, scientific and technical activities”: 20.1% of self-employed workers were active in this sector, a much higher share than the EU average (12.6%) (Figure 1.7). This sector concentrates 20.8% of self-employed men, 20.2% of women and 17.1% of seniors. This is consistent with the importance of service and knowledge-based sectors in the overall economy. “Wholesale and retail trade, repair of motor vehicles” was the second largest sector, concentrating 9.8% self-employed persons. This figure is lower than the EU average at 16.9%. This sector is also where the highest number of business creations, but also voluntary and involuntary closures occur in Luxembourg (OECD, 2016).

The available data suggests some significant gender differences in sectoral make-up of self-employed workers. Self-employed women are highly concentrated in two sectors: 44% of self-employed women work in the “Human health and social” sector or “Professional, scientific and technical activities”. The former is not part of the top five most common sectors for men. Self-employed men are also fairly active in the construction sector (8.5%) and agriculture, forestry and fishing (7%).

Figure 1.7. Self-employment by economic activity

Distribution of the self-employed by sector, 2019

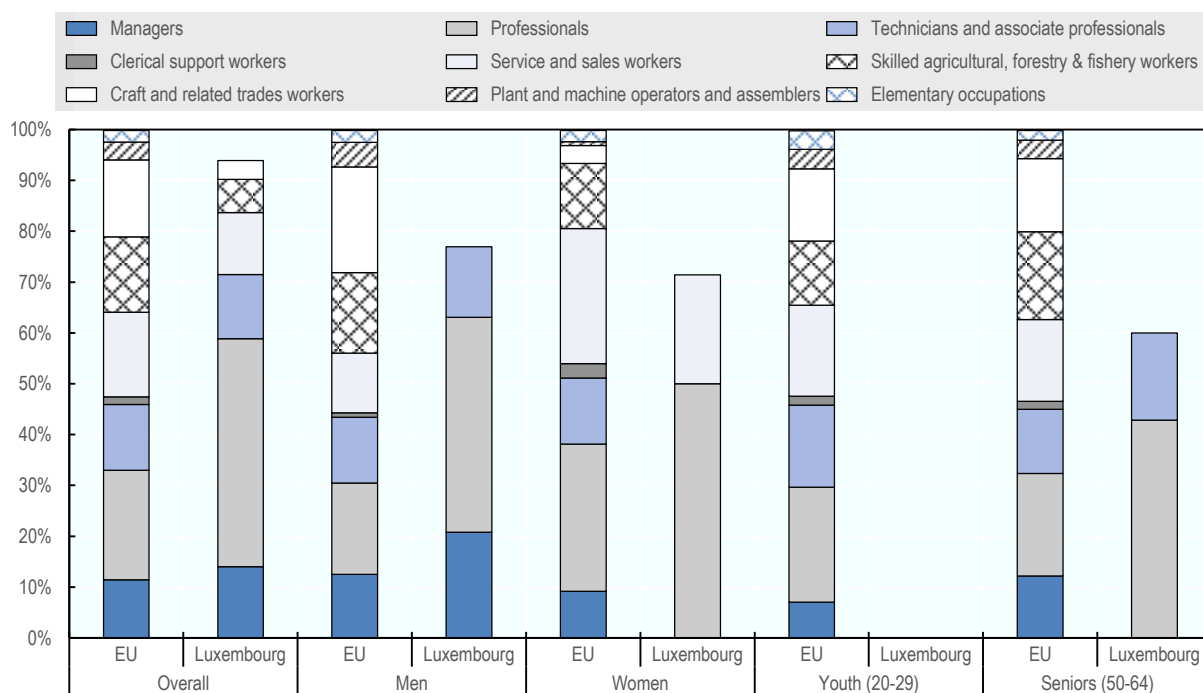


Note: Data for youth are not available. Some data for men, women and seniors are suppressed due to the quality of the estimates.
 Source: (Eurostat, 2020_[1])

Compared to the EU, there is relatively less diversity in Luxembourg in the occupations of self-employed workers (Figure 1.8). Professionals is the most common occupation category, representing 44.9% of the self-employed. This is much higher than the overall EU average (21.6%). This prominence is consistent across all target groups for which data is available: women (42.3% vs. 29.0% EU average), and seniors (42.9% vs. 20.2%). Conversely, self-employment in agriculture, forestry and fisheries, and plant and machinery is much lower than the EU average across demographic groups. This is consistent with the service and knowledge-based economic structure of Luxembourg.

Figure 1.8. Self-employment by occupation

Distribution of the self-employed by occupation

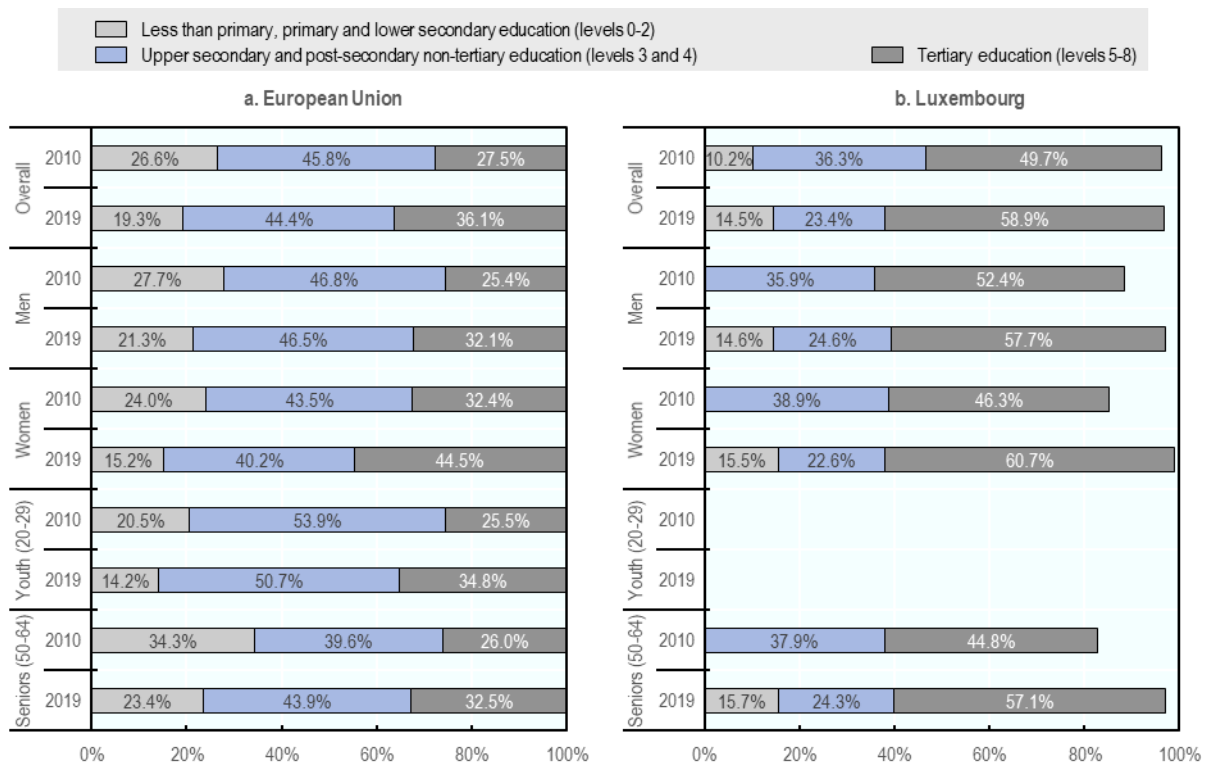


Note: Reliable data for the national average are only available for 6 ARECO08 occupation out of 10. Reliable data for youth are not available. Reliable data for women are only available for 2 ARECO08 occupation out of 10. Reliable data for men are only available for 3 ARECO08 occupation out of 10. Reliable data for seniors are only available for 2 ARECO08 occupation out of 10.
 Source: Eurostat (2020), Labour Force Survey, <https://ec.europa.eu/eurostat/web/lfs>.

Nearly 60% of self-employed persons had tertiary education in Luxembourg in 2019, above the 36.1% EU average and up 10 percentage points since 2010 (Figure 1.9). The high level of tertiary education is observed across all demographic groups. However, women had the highest levels (60.7%), slightly higher than men (57.7%), and much higher than the 2010 level for women (46.3%). While there is no available data for youth, the share of senior self-employed workers with a tertiary education is also increasing (57.1% in 2019, compared to 44.8% in 2010). The high share of self-employed workers having completed tertiary education is consistent with the economic structure of Luxembourg and the high representation of professionals with technical and/or knowledge-based occupations in self-employment.

Figure 1.9. Self-employment by education level

Distribution of the self-employed by educational attainment



Note: Reliable data are not available for level 0-2 for men, women, and seniors for 2010 and for all levels for youth. Break in time series in 2015 and 2014.

Source: Eurostat (2020), Labour Force Survey, <https://ec.europa.eu/eurostat/web/lfs>.

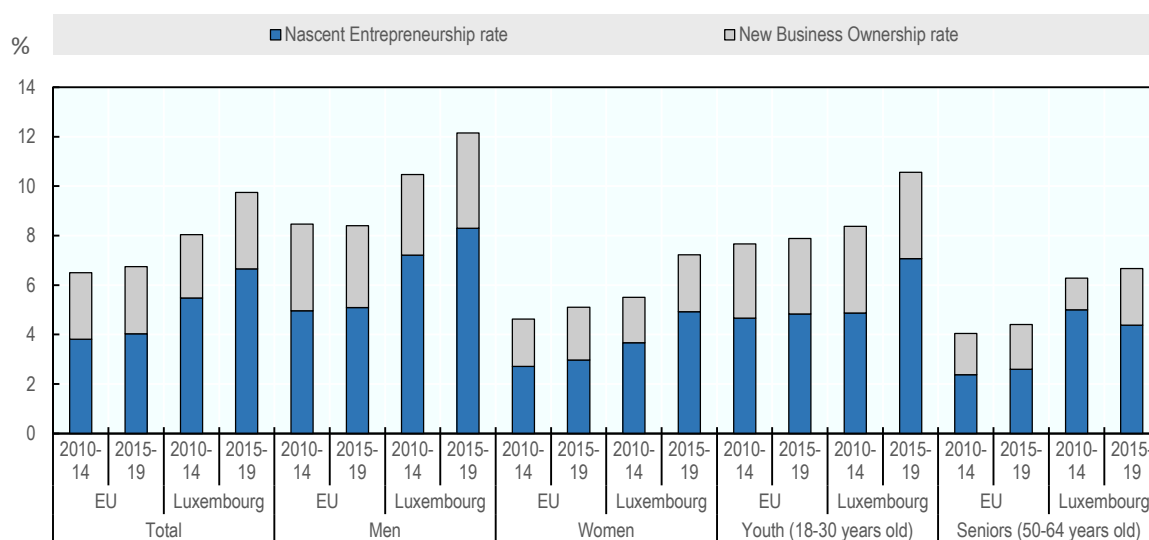
Entrepreneurship activities

Luxembourg residents were slightly more active in starting and managing early-stage businesses than the EU average in the periods 2010-14 and 2015-19 (Figure 1.10). While the average nascent entrepreneurship rate was 4.0% in the EU over 2015-19, it was 6.6% in Luxembourg (up from 5.5% over 2010-14). Youth had the highest nascent entrepreneurship rate (7.1% over 2015-19), a slight increase from the earlier reporting period (4.9%) and slightly higher than the EU average for youth (4.8%). Women were also slightly more likely than the EU average to be involved in starting a business over 2015-19 (4.9% vs. 3.7%). The nascent entrepreneurship rate increased slightly for all group between the two reporting periods, with the exception of seniors, which was 4.4% in 2015-19, down from 5.0% over the previous period, but still above the EU average for this group (2.6%).

The percentage of new business owners in the active population over 2015-19 in Luxembourg was on par with the EU average (3.1% vs. 2.7%). This is observed across all the target groups. As is observed at the EU level, men were the most likely to be new business owners (3.9%) followed by youth (3.5%) seniors and women (both 2.3%).

Figure 1.10. Nascent entrepreneurship and new business owners

Proportion of the population (18-64 years old) that self-report being engaged in nascent entrepreneurship activities or new business owners



Note: The nascent entrepreneurship rate is defined as the proportion of the adult population (18-64 years old) that is actively involved in setting up a business they will own or co-own; this business has not paid salaries, wages or any other payments to the owners for more than three months. The new business ownership rate measures the proportion of the population (18-64 years old) that is currently the owner-manager of a new business that has paid salaries, wages or any other payments to the owners for more than three months, but not more than 42 months. All EU countries participated in the GEM survey between 2015 and 2019 except the Czech Republic, Denmark, Lithuania and Malta. Several countries did not participate in the survey in every year (missing years noted): Austria (2015, 2017), Belgium (2016-19), Bulgaria (2014), Cyprus (2015), Denmark (2015-18), Estonia (2018-19), Finland (2017-19), France (2015, 2019), Hungary (2017-19), Latvia (2018), Lithuania (2015-18), Portugal (2017-18), Romania (2016-19).

Source: GEM (2020), Special tabulations of the Global Entrepreneurship Monitor Survey, prepared for the OECD.

How many “missing” entrepreneurs are there?

The gaps in early-stage entrepreneurship rates across population groups suggest that there are many “missing” entrepreneurs. There are currently about 41 000 early-stage entrepreneurs in Luxembourg (i.e. those starting or managing a business that is less than 42 months old) and this number would increase by about 9 500 if the early-stage entrepreneurship rate for core-age males (30-49 years old) was applied to the whole population.

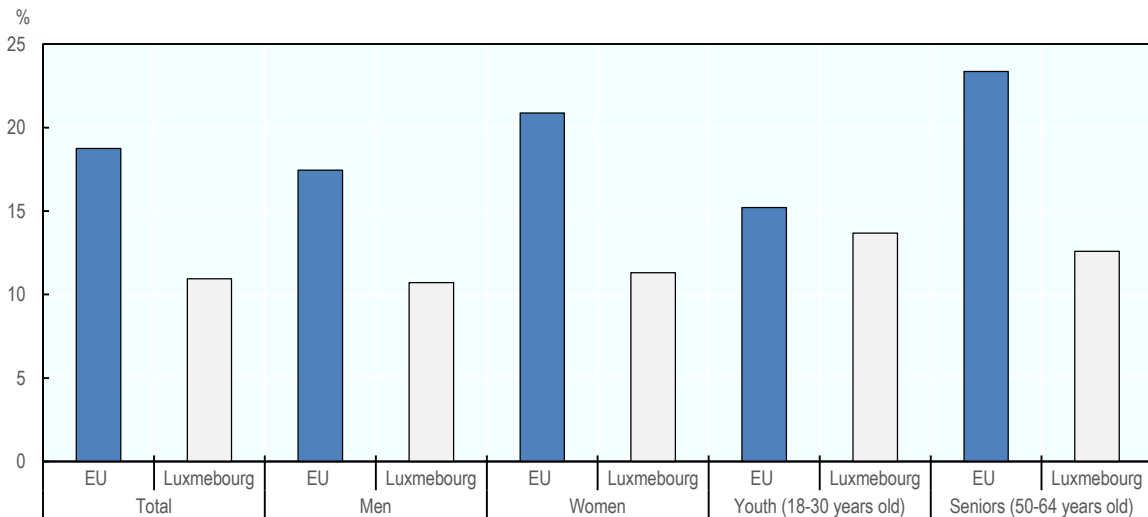
A similar exercise can be done for each population group by applying the rate for core-age males to each group (i.e. women, youth, seniors, immigrants). Virtually all of these “missing” entrepreneurs are female and about two-thirds are over 50 years old.

Public policy should not seek to convert all of these “missing” entrepreneurs into actual entrepreneurs. Entrepreneurship is a labour market activity that involves risk and it is not suitable for everyone. Nonetheless, the exercise of estimating the number of “missing” entrepreneurs can illustrate the scale of entrepreneurship gaps and the potential benefits if some of the gaps in activity rates were reduced.

Over 2015-19, Luxembourg residents were significantly less likely than the EU average to report having started their business out of necessity (10.9% vs. 18.8%) (Figure 1.11). This difference may be partly explained by the low unemployment rates and high GDP. Among all groups, youth were the most likely to report being necessity-driven entrepreneurs (13.7% vs. 15.2% at the EU level, the closest to the EU average) while seniors were the least likely to report this motivation (12.6% vs. 23.4% at the EU level).

Figure 1.11. Necessity entrepreneurship

Proportion of nascent entrepreneurs and new business owners (18-64 years old) that self-report that their entrepreneurship is necessity-driven, 2015-19



Note: Necessity entrepreneurship is defined as entrepreneurship activities that were launched because there were no other options in the labour market. All EU countries participated in the GEM survey between 2015 and 2019 except the Czech Republic, Denmark, Lithuania and Malta. Several countries did not participate in the survey in every year (missing years noted): Austria (2015, 2017), Belgium (2016-19), Bulgaria (2014), Cyprus (2015), Denmark (2015-18), Estonia (2018-19), Finland (2017-19), France (2015, 2019), Hungary (2017-19), Latvia (2018), Lithuania (2015-18), Portugal (2017-18), Romania (2016-19).

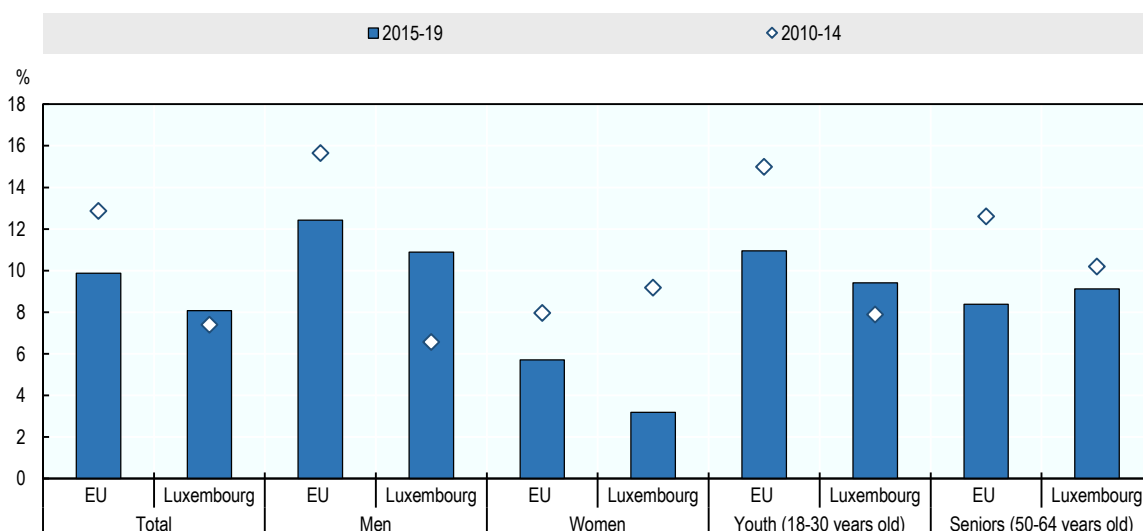
Source: GEM (2020), Special tabulations of the Global Entrepreneurship Monitor Survey, prepared for the OECD.

Conversely, entrepreneurs in Luxembourg were significantly less likely than the EU average to be growth-oriented. About 8% of nascent entrepreneurs and new business owners in Luxembourg reported an expectation to create at least 19 new jobs over the next five years over 2015-19 (Figure 1.12). This was significantly lower than the EU average (9.9%) and was true across all groups. Several factors may partly explain this observation. First, there is a high share of professional and service businesses in Luxembourg often focused around high added-value activities that are knowledge- rather than labour-intensive. They may focus on growth through a value-added rather than employment growth lens. Second, many new ventures may choose to stay small, especially in professional services related to law, consultancy, education, health and social services.

Women were the least likely to report employment growth intentions over 2015-19 (3.2%), although they were much more likely to do so over 2010-14 (9.2%), over the EU average for women at the time (8.0%), and second only to seniors in Luxembourg (10.2%).

Figure 1.12. Growth-oriented entrepreneurship

Proportion of nascent entrepreneurs and new business owners (18-64 years old) that expect to create at least 19 new jobs over the next five years



Note: All EU countries participated in the GEM survey between 2015 and 2019 except the Czech Republic, Denmark, Lithuania and Malta. Several countries did not participate in the survey in every year (missing years noted): Austria (2015, 2017), Belgium (2016-19), Bulgaria (2014), Cyprus (2015), Denmark (2015-18), Estonia (2018-19), Finland (2017-19), France (2015, 2019), Hungary (2017-19), Latvia (2018), Lithuania (2015-18), Portugal (2017-18), Romania (2016-19).

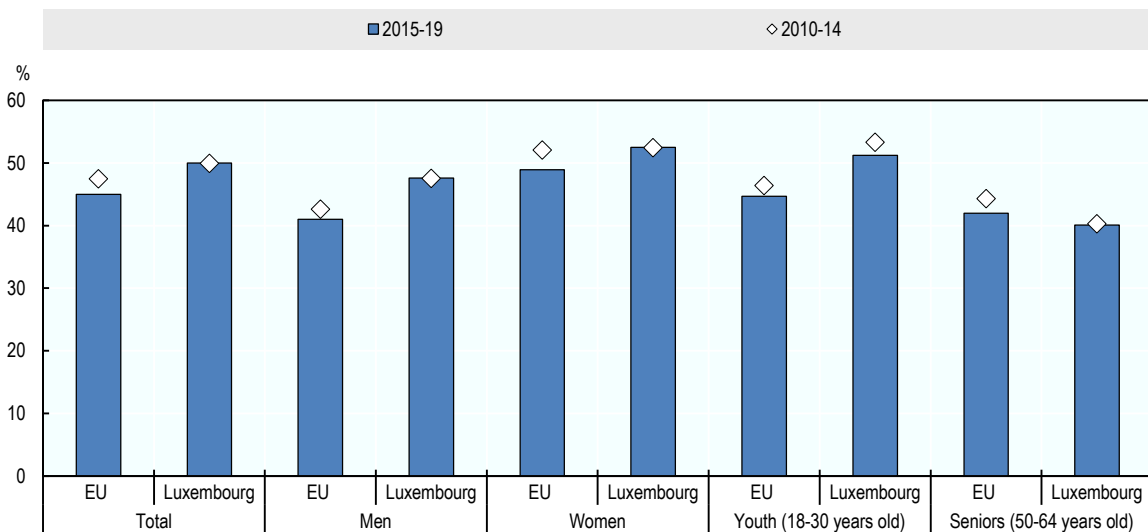
Source: GEM (2020), Special tabulations of the Global Entrepreneurship Monitor Survey, prepared for the OECD.

Barriers to business creation

Half of adults in Luxembourg reported that a fear of failure prevented them from starting a business over 2015-19, slightly over the 45.0% EU average (Figure 1.13). This finding was consistent across all the target groups with women and youth around 50% (52.5% and 51.2% respectively) and seniors reporting lower rates of fear of failure at 40.1%. The figures were close to the EU average for women and seniors, whereas for youth and men, fear of failure was more noticeably higher in Luxembourg.

Figure 1.13. Fear of failure

“Does a fear of failure prevent you from starting a business?”
Percentage of population who responded “yes”, 18-64 years’ old



Note: All EU countries participated in the GEM survey between 2015 and 2019 except the Czech Republic, Denmark, Lithuania and Malta. Several countries did not participate in the survey in every year (missing years noted): Austria (2015, 2017), Belgium (2016-19), Bulgaria (2014), Cyprus (2015), Denmark (2015-18), Estonia (2018-19), Finland (2017-19), France (2015, 2019), Hungary (2017-19), Latvia (2018), Lithuania (2015-18), Portugal (2017-18), Romania (2016-19).

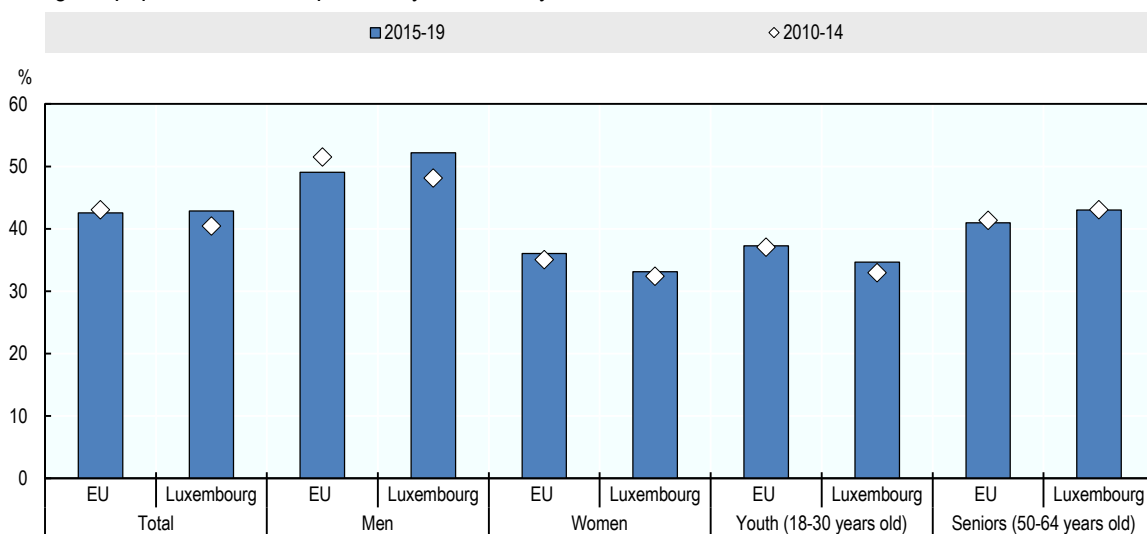
Source: GEM (2020), Special tabulations of the Global Entrepreneurship Monitor Survey, prepared for the OECD.

When asked whether they believe they hold the knowledge and skills necessary to start a business, Luxembourg respondents were as likely to respond positively (42.9%) as the EU average (42.5%) over 2015-19 (Figure 1.14). Women and youth were slightly less confident than the EU average (33.1% vs. 36.0% and 34.7% vs. 36.2% respectively). Seniors and men, in contrast, were more confident than the EU average (43.0% vs. 40.9% and 52.2% vs. 49.1% respectively).

Figure 1.14. Entrepreneurship skills

“Do you have the knowledge and skills to start a business?”

Percentage of population who responded “yes”, 18-64 years old



Note: All EU countries participated in the GEM survey between 2015 and 2019 except the Czech Republic, Denmark, Lithuania and Malta. Several countries did not participate in the survey in every year (missing years noted): Austria (2015, 2017), Belgium (2016-19), Bulgaria (2014), Cyprus (2015), Denmark (2015-18), Estonia (2018-19), Finland (2017-19), France (2015, 2019), Hungary (2017-19), Latvia (2018), Lithuania (2015-18), Portugal (2017-18), Romania (2016-19).

Source: GEM (2020), Special tabulations of the Global Entrepreneurship Monitor Survey, prepared for the OECD.

2 Inclusive entrepreneurship policy framework

Overview and assessment

Table 2.1. Characterisation of the inclusive entrepreneurship policy context

		Women	Immigrants	Youth	Seniors	Unemployed
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.

Policy responsibility

The Ministry of the Economy is responsible for entrepreneurship and innovation policy as part of its mandate for economic policy. Within the Ministry, the General Directorate for SMEs and Entrepreneurship is mainly responsible for developing broad measures to promote innovation and entrepreneurship. This work is directed and co-ordinated by the Minister for Small and Medium-Sized Enterprises and the High Committee for the Support of SMEs. The Committee seeks to improve the business environment for entrepreneurship and SMEs through four main areas: (i) right of establishment; (ii) assistance to medium-sized businesses; (iii) commercial practices; and (iv) simplifying administrative processes for businesses. While there is no co-ordinated inclusive entrepreneurship policy and the focus is no improving the environment for all entrepreneurs, the Ministry of the Economy co-ordinates with other ministries in developing a supportive environment for entrepreneurship, including:

- **The Ministry of Equal Opportunities** on aspects of gender equality at work. The Ministry of Equal Opportunities provides support to a range of associations and networks supporting women entrepreneurs;
- **The Ministry of Labour, Employment, the Social and Solidarity Economy** and the **Ministry of Family Affairs and Integration** to broadly promote work associated with women and equality, disabilities and initiatives to enhance social cohesion and reduce inequalities;

- **The Ministry of Foreign Affairs** on aspects related to immigration. The Ministry of Foreign Affairs co-ordinates policies associated with immigrants and asylum-seekers focusing on mainstreaming integration through the National Reception Office.

The Ministry of Economy develops its initiatives in consultation with industry associations and employer representatives such as FEDIL (a federation of businesses and entrepreneurs), *Confédération Luxembourgeoise du Commerce*, member organisations such as the Chamber of Commerce and union or civil society bodies. The government implement its actions through a range of public and private actors and industry associations, including:

- The national innovation agency, **LuxInnovation**, which promotes research, development and innovation (RDI). LuxInnovation provides financial aids, RDI and innovation support, programmes related to the industry clusters, start-up services, feasibility studies, and a digital innovation hub;
- The **House of Entrepreneurship**, launched by the **Chamber of Commerce** in October 2016, which acts as a one-stop shop and national point of contact for entrepreneurship. It brings together institutional and semi-public players involved in the business creation support system and offers a consolidated range of services for new or future entrepreneurs;
- The **House of Start-Ups** provides a shared workspace for up to 200 innovative starts ups in 6 000 square metres of space. Launched by the Chamber of Commerce, it also hosts various key actors in the ecosystem (i.e. new start-ups and consulting services and business mentoring services);
- The **Mutualité des Cautionnement** facilitates SMEs access to bank financing by granting partial guarantees;
- **ADEM**, the National Employment agency, provides business creation aids to the unemployed and directs them to the “Fit4Entrepreneurship” training programme.

Non-governmental actors including incubators, private support services, such as training, consulting, mentoring and business associations, are an important part of the delivery system for entrepreneurship support and this market is well developed. An important actor to mention in that regard is **Nyuko**, a non-profit based at the House of Entrepreneurship that provide support to all entrepreneurs since 2018¹. Private associations are able to apply for public funding for relevant projects and this funding support is well utilised.

While the majority of support services offered in the entrepreneurship ecosystem are generic in design, there are some initiatives tailored for women and youth (and, to a smaller extent, immigrants). Support for women entrepreneurship is well developed in the non-governmental sector, and many initiatives receive public funding. Youth entrepreneurship initiatives are primarily implemented through two local non-profit organisations: *Jonk Entrepreneuren* (Young Entrepreneurs) and the Junior Chamber International (JCIL). *Jonk Entrepreneuren* is part of an international non-profit organisation offering entrepreneurship education for youths aged 16-24. It holds the patronage of the Grand-Duc of Luxembourg and is funded at 30% by public funds. JCIL is a membership-based non-profit organisation which provides young people (members are aged 18-40 years old) with development opportunities through various projects, including entrepreneurial projects. It receives some public funding. The Chamber of Commerce is also active in raising awareness of entrepreneurship and business in general in schools. Beyond the language training and integration support offered by the National Reception Office, nationality-based social and cultural associations offer substantial support to immigrants, although few focus on entrepreneurship. For seniors, there is no direct support for entrepreneurship and business creation but specific schemes allow seniors to work after retiring without losing their pension. The main employment agency provides entrepreneurship

¹ Prior to 2018, Nyuko focused primarily on innovative entrepreneurship.

support to the unemployed as part of broader efforts to enhance the labour market integration of vulnerable population groups.

Inclusive entrepreneurship strategies and objectives

Inclusive entrepreneurship is not explicitly part of the national objectives for entrepreneurship. Most entrepreneurship initiatives are generic programmes not tailored to specific population groups. These policies focus on improving the overall business, innovation and entrepreneurial environment and on promoting the economic benefits of entrepreneurship for society. Measures include tax incentives, fostering investment opportunities, direct support for start-ups, and support to access to finance – all of which are open to all.

While some tailored programmes exist for specific groups in the non-governmental sector, often supported with public funding, these actions are not associated with explicit objectives in Government policy or the National Reform Programme (2020). There are no specific objectives for the target groups beyond general policy commitments to “strengthen social cohesion through the active inclusion of the largest number of citizens” (National Reform Programme, 2020), and policies aimed at reducing poverty, unemployment and advancing the tertiary training of young people. There is an overall policy objective (co-ordinated by the Ministry of Equal Opportunities) to make gender equality “an everyday reality”, although there are no targets focused on entrepreneurship. For youth, there are some general employment policy objectives to improve youth employment and skills-levels, but no explicit strategic objectives related to entrepreneurship. There are no explicit objectives concerning entrepreneurship participation among immigrants, likely, in part, because their involvement in business creations is higher than this of natives. For seniors, the main strategic document is the Age Policy legislation in 2016, which focuses on the participation of older people in the labour market as employees rather than as entrepreneurs, likely in part, due to a lack of perceived need for support.² Overall, the generic approach is partly explained by the size of the country and the small numbers that would be involved if entrepreneurship strategies were segmented into demographic groups.

Monitoring and evaluation practices

Overall, monitoring and evaluation efforts related to inclusive entrepreneurship policies and programmes take place at the programme-level. These are typically undertaken by the organisation that delivers the scheme, but the results are generally not published. There are no explicit governmental efforts to monitor and evaluate practices related to inclusive entrepreneurship.

More generally, some evaluations are conducted to assess the effectiveness of the entrepreneurship support ecosystem (e.g. access to digitalisation, access to co working spaces through the House of Start-Up, reducing bureaucratic administrative processes at the “Guichet.lu” online platform). However, these evaluations do not usually cover the topic of inclusion.

New developments

The 2019 Government National Reform Plan set priorities for 2020-23. Continuing with the theme of “smart, sustainable and inclusive growth”, the plan aims to improve the overall regulatory and investment environment for all entrepreneurs through three priorities: (i) digitalisation³; (ii) reform of the bankruptcy legislation, with the aim to facilitate “second chance entrepreneurship”; (iii) measures to further stimulate

² Seniors are very active in self-employment in Luxembourg, have a low unemployment rate and a high level of tertiary education. They also report low rates of necessity entrepreneurship.

³ Especially for SMEs, the craft and hospitality sectors, many of whom are self-employed persons, women or micro enterprises.

private investment and a new financial aid scheme that will benefit SMEs, entrepreneurship and start-ups. Measure aim to improve the overall ecosystem, but some specific attention is given to priority sectors. There are no specific objectives targeted at disadvantaged or under-represented groups.

New digitalisation and investment support to SMEs in the craft and hospitality sectors were recently introduced, and an e-commerce platform, "LetzShop.lu" was launched by the Government in collaboration with the Chamber of Commerce, the Luxembourg Confederation of Commerce and the larger municipalities of the country to raise visibility of independent entrepreneurs and micro-businesses. These may be relevant for some entrepreneurs from under-represented or disadvantaged groups but are not specifically tailored or targeted at them.

Policy measures in response to COVID-19 to support entrepreneurs and the self-employed⁴

The government introduced a comprehensive package to support the business environment starting in March 2020. As of July 2020, the Government had issued EUR 795.6 million in support through the short time working scheme (a furlough scheme that covers 80% of wages). Additionally, 43.7 million had been issued in loans (up to EUR 500 000) aimed at stabilising businesses impacted by the lockdown. The Directorate for SMEs had approved 820 loan applications as of July 2020.

Specific measures were introduced to support the self-employed, liberal professions, start-ups, micro enterprises, SMEs and non-profits.⁵ As at June 2020, the Government had paid out EUR 82.4 million in grants to the self-employed and small and medium enterprises (SMEs). Measures specifically targeting the self-employed include administrative tolerance for social security contributions; deferments of tax returns, tax advances and VAT returns; state-backed loan guarantees; extension of residence permits for third-country nationals; liquidity management support and amendments of taxation for cross-border commuters to facilitate teleworking and e-commerce. Direct support grants were also introduced, including a one-time EUR 2 500 grant for self-employed workers with less than 10 employees, and a EUR 5 000 grant for micro-businesses who had been forced to close down and/or incurred major losses in turnover. Notable measures for SMEs include an accelerated procedure for loan and credit guarantees for Covid-19 related requests put in place by the *Mutualité de Cautionnement* in March 2020, and the #ReAct programme. The Chamber of Commerce launched the #ReAct programme in April 2020 to support SMEs in the restart of the economy. The programme offers a check-up meeting, and expert support provided by partners and workshops. SMEs also benefit from measures introduced to support all firms (including administrative tolerance, support to maintaining employment, the promotion of tele-working, additional assistance to exports and investment aid for research into fighting COVID-19). Measures were also introduced to support young start-ups. They focus on addressing financing needs, especially for young innovative enterprises and on short-term measures to enable employment.

Measures are adapted on an ongoing basis. A recovery and solidarity fund for businesses and a start-up aid for the retail trade were recently introduced. In addition, the Government has launched a new strategic innovation programme, entitled Fit4Resilience. Although this programme is designed to provide in-depth support for craft SMEs, businesses, it primarily focuses on large or intermediate traders, wholesalers and manufacturers and the sectors are not necessarily ones where the target groups are very active.

⁴ The text was drafted in July 2020. Policy actions implemented after this date are not covered in this report.

⁵ A detailed and updated list of the full set of measures for all types of businesses can be found at <https://meco.gouvernement.lu/en/dossiers/2020/coronoavirus-entreprises.html>.

3 Assessment of current and planned inclusive entrepreneurship policies and programmes

Developing entrepreneurship skills

Overview and assessment of policies and programmes

Table 3.1. Characterisation of schemes for developing entrepreneurship skills

		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 to other related supports?	Links: Do tailored programmes link to mainstream support programmes?
Women	1. Entrepreneurship training	✓*								
	2. Entrepreneurship coaching and mentoring	✓*								
	3. Business consultancy, including incubators/accelerators									
Immigrants	1. Entrepreneurship training	✓*			✓*					
	2. Entrepreneurship coaching and mentoring									
	3. Business consultancy, including incubators/accelerators									
Youth	1. Entrepreneurship training	✓*								
	2. Entrepreneurship coaching and mentoring									
	3. Business consultancy, including incubators/accelerators									
Seniors	1. Entrepreneurship training									
	2. Entrepreneurship coaching and mentoring									
	3. Business consultancy, including incubators/accelerators									
The unem- ployed	1. Entrepreneurship training	✓		✓	✓	✓				✓
	2. Entrepreneurship coaching and mentoring	✓		✓	✓	✓				✓
	3. Business consultancy, including incubators/accelerators									

Note: This table presents 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.

* These programmes are offered in the non-governmental sector, with many receiving some public funding.

The majority of entrepreneurship training, coaching, mentoring and skills schemes are designed for, and open to, all entrepreneurs. This generic entrepreneurship support is provided by various public and semi-public entities (such as the House of Entrepreneurship, the House of Start-Ups, the Chamber of Commerce, the Luxembourg School for Commerce, LuxInnovation and the Chamber of Crafts) as well as non-governmental associations, networks and agencies that have particular interests (i.e. micro finance, craft industries or the social economy). Non-tailored skills support includes personalised advice for business creation as well as assistance in the application process to obtain a business permit and group advice sessions (i.e. through the House of Entrepreneurship). Overall, the offering is well-developed with clear differentiation of functions between actors and schemes, with the House of Entrepreneurship providing information, consultancy and workshops as well as other services such as mentoring, support for digitalisation and a viability centre which assesses bankruptcy risks. The activities provided by the House of Start-ups is linked to the provision of co working spaces.

A significant generic programme offering coaching and early start-up funding to SMEs is the Fit4Start initiative run by LuxInnovation over a cycle of 16 weeks. The aim is to accelerate start-ups through workshops and individual coaching days, covering subjects such as product development, client identification and company investment and growth. The programme selects 25 start-ups per year chosen by experienced entrepreneurs and investors (Gallo, 2019) but there is no publicly available data on their gender, age or nationality. The Business Mentoring programme⁶ is another programme that provides support for businesses that have moved beyond start up and are seeking growth. Another notable provider of support is Nyuko, which helps entrepreneurs from the ideation phase. A wide range of public and private incubators and co working spaces (i.e. Wishbox, The Office) also contribute extensively to the eco-system providing infrastructure and support for all entrepreneurs. These programmes are open to people of all ages, gender and nationality but none is dedicated to the needs of specific groups. Some support social entrepreneurship projects, however, a domain in which women are very active, whilst others specialise in particular sectors of the economy.

Tailored skills development support is nonetheless available in the non-governmental sector, with many organisations receiving public funding. The non-governmental sector is particularly active in supporting women and youth. The main tailored support options are presented below.

Women

Non-governmental organisations offer skills development for women entrepreneurs and many initiatives are supported, at least in part, by Government funding. The offering is well developed and often paired with efforts to develop entrepreneurship networks and promote women's entrepreneurship (see section on entrepreneurial culture).

Examples of non-governmental organisations that offer entrepreneurship training for women include Women in Digital Empowerment (WIDE). It offers a Start-up Leadership Programme, which provides support to women (future digital and tech entrepreneurs). Another notable programme is the Female Entrepreneurship Ambassadors network of experienced female business owners and managers, which provides coaching and mentoring through the Business Mentoring Programme. Similarly, *Luxembourg Pionnières* provide mentoring and consultancy to early stage female entrepreneurs. The Entrepreneurial Woman Project, organised by the Luxembourg Poland Business Club (LPBC) is another important women's entrepreneurship programme. It targets women in the Greater Region who want to establish a business.

⁶ initially founded by the Chamber of Commerce, the programme is located in the House of Entrepreneurship. A specific Business Mentoring non-profit was launched in January 2020.

Immigrants

The non-governmental sector offers tailored entrepreneurship training for immigrants. One of the main organisations is Sleeves Up, which provides training workshops and individualised coaching for immigrants to enable them to “transfer their talents into self-employment”.⁷ These courses are offered in English and French (with potential translation to other languages) and fill the gap, small as it may be, for tailored training to the need of immigrants in languages beyond the three national languages (Luxembourgish, French, German). Sleeves Up was created in 2016 by the not-for-profit organisation Touchpoints, which facilitates social integration of immigrants.

There are no dedicated government-led training programmes directed at immigrant entrepreneurs in Luxembourg. This does not necessarily reflect a gap in provision as 47% of the labour force and 54% of self-employed persons are non-nationals., and generic programmes designed in this context may be equipped to serve the needs of many immigrants, although no specific information is available on take-up among nationals and non-nationals.

Youth

Youth entrepreneurship is mainly promoted and strengthened by the non-profits Junior Chamber International Luxembourg (JCIL), and *Jonk Entrepreneuren*. *Jonk Entrepreneuren* offers eleven educational and training programmes to students in schools and universities with the objective of developing an entrepreneurial culture and promoting self-employment amongst young people. These programmes serve more than 12 000 students per year⁸. Since 2019, *Jonk Entrepreneuren* also organizes the four “Entrepreneurial Schools”, a programme of entrepreneurship education in secondary schools started in 2016.

The Chamber of Commerce also promotes entrepreneurship and business in schools through its programme *Relation Ecole-Entreprise* (School-Company Relations). Entrepreneurship education is also present in the higher education system. The University of Luxembourg delivers a professional Master of Entrepreneurship and Innovation (50 students per year) and includes an Incubator that supports and mentors students in the development of business ideas. It provides an interactive 72-hour programme and summer school to participants of diverse backgrounds. The University of Luxembourg Incubator has had 800 participants and has supported 40 start-up ideas, incubated 18 start-ups and involved 150 mentors and speakers.⁹ Finally, entrepreneurship education is also available, to a lesser extent, to youth outside of the education system. Some projects co-financed by the ESF, provide incentives and support to become self-employed to disadvantaged youth. This include the Build Up Your Life project.

Unemployed

The main entrepreneurship training programme offered to the unemployed is Fit4Entrepreneurship¹⁰, which supports unemployed people interested in self-employment with training, coaching and mentoring. The programme was developed jointly by the Ministry of Labour and Employment and the Chamber of Commerce with the financial support of the ESF, and is offered in four languages. Trainers come from the House of Entrepreneurship and Nyuko. Job seekers first register at an information session and are later invited to an interview with experts from the National Employment Agency and employers’ organisations who decide whether they qualify for the scheme. Training focuses on self-awareness, business idea development and writing a business plan. Coaching by a company manager takes place in parallel. In a

⁷ www.sleevesup.lu

⁸ Presentation Damge, Stephanie, European Migration Network Conference, 2019.

⁹ Presentation by Pranjul Shah, European Migration Network Conference 2019.

¹⁰ <https://www.fit4entrepreneurship.lu/programme/>

final panel presentation, the programme decides if the candidates will receive post-creation support.¹¹ About 125 jobseekers participated in the first edition of the programme in 2015-16 and 37 companies were created. Since then, the programme has been running over six-month periods, with an average of 35-46 job seekers receiving support for the creation or take-over of a business while receiving unemployment benefit each period.

Recent policy developments

The main tailored entrepreneurship skills programmes have been active for several years. An important development in the generic skills offering was the creation of the House of Start-Ups by the Chamber of Commerce in June 2018 to provide shared workspaces, training programmes, coaching and mentoring support for start-ups “under one roof”. Its training programmes and coaching workshops include pitching classes, investor days and fairs and are open to all.

¹¹ <https://adem.public.lu/en/demandeurs-demploi/Creer-ou-reprendre-une-entreprise/FIT4-Entrepteneurship.html>

Financing entrepreneurship

Overview and assessment of policies and programmes

Table 3.2. Characterisation of schemes for facilitating access to finance

		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 to other related supports?	Links: Do tailored programmes link to mainstream support programmes?
Women	1. Grants for business creation									
	2. Loan guarantees									
	3. Microfinance and loans									
	4. Other instruments (e.g. crowdfunding, risk capital)									
Immigrants	1. Grants for business creation									
	2. Loan guarantees									
	3. Microfinance and loans									
	4. Other instruments (e.g. crowdfunding, risk capital)									
Youth	1. Grants for business creation									
	2. Loan guarantees									
	3. Microfinance and loans									
	4. Other instruments (e.g. crowdfunding, risk capital)									
Seniors	1. Grants for business creation									
	2. Loan guarantees									
	3. Microfinance and loans									
	4. Other instruments (e.g. crowdfunding, risk capital)									
The unem- ployed	1. Grants for business creation	✓			✓					
	2. Loan guarantees									
	3. Microfinance and loans									
	4. Other instruments (e.g. crowdfunding, risk capital)									

Note: This table presents 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.

A wide range of financing measures are available to all entrepreneurs to support the start-up and growth of new businesses. These generic financial support initiatives include subsidies, loan guarantees for SMEs via the *Mutualité de Cautionnement*, support to finance for SMEs via the *Mutualité des PME*, grants, and venture capital and funds (e.g. the Luxembourg Future Fund¹²). Most funding targets high technology

¹² The Fund aims to attract and develop innovative entrepreneurial activities to contribute to the economic diversification and sustainable development of the country. Its funding amounts to EUR 150 million.

businesses and advances the strategic priorities of the country, which may limit access for some of the target groups.

Micro finance is also offered to a limited extent through the small scale financing of craft projects by the Chamber of Crafts (*Chambre des Métiers*) and through MicroLux. MicroLux is the only non-profit microcredit organisation that supports individuals entering into self-employment or business creation. Created in 2016, it is financed by various local actors and is authorised by the Ministry of the Economy and Financial Regulator. No data is publicly available on recipients' characteristics (age, gender, disability etc.). The European Social Fund Programme Guarantee Instrument (EaSI) dedicated to microfinance and social entrepreneurship is active in Luxembourg.

There are no publicly led programmes addressing the financing needs of entrepreneurs from under-represented and disadvantaged groups, with the exception of the unemployed. Nonetheless, it should be noted that Touchpoints collaborates with local microfinance institutions to help immigrants access microfinance. In addition, youth entrepreneurs can access some modest funding through business plan competitions.

The unemployed

For the unemployed, two mechanisms for financing are available. The first is Business Creation Aids, which are provided through the public employment agency and directly target unemployed people. The second is micro financing (via MicroLux), for those unemployed persons who do not have access to the traditional banking system.

Recent policy developments

The National Reform Programme for 2018 and 2020 have emphasised the importance of facilitating access to finance for entrepreneurs, SMEs, the craft and hospitality sector particularly related to skill development concerning digitalisation. However, there are no direct finance measures for under-represented and disadvantaged groups.

Entrepreneurship culture and social capital

Overview and assessment policies and programmes

Table 3.3. Characterisation of public policy actions to promote entrepreneurship and develop networks

		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 to other related supports?	Links: Do tailored programmes link to mainstream support programmes?
Women	1. Entrepreneurship campaigns, including role model initiatives	✓*			✓*					✓*
	2. Networking initiatives	✓*			✓*					✓*
Immigrants	1. Entrepreneurship campaigns, including role model initiatives	✓								✓
	2. Networking initiatives	✓								✓
Youth	1. Entrepreneurship campaigns, including role model initiatives									
	2. Networking initiatives									
Seniors	1. Entrepreneurship campaigns, including role model initiatives									
	2. Networking initiatives									
The unemployed	1. Entrepreneurship campaigns, including role model initiatives									
	2. Networking initiatives									

Note: This table presents 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.

* Several non-governmental organisations promote youth and women’s entrepreneurship. They are not publicly –led but may receive public support.

The promotion of an entrepreneurial culture is well developed and is driven by a high number of Governmental, non-profit and private associations. While many Government-led initiatives are generic in design (e.g. the Social Innovation Tournament, which supports the best European social entrepreneurs), many events, networks and associations promoting entrepreneurship are tailored to women and youth - and also, to a lesser extent, immigrants (run by not for profit organisations, sometimes with public funding, e.g. the European Migration Event promoting “migra-preneurs”). Senior entrepreneurs are featured in many media articles, keynote talks or interviews, but this is less so the case for the unemployed.

The development of an entrepreneurial culture has been aided by the online magazine Silicon Luxembourg, which publishes success stories of start-ups in Luxembourg and includes special features

on entrepreneurial individuals, including women and people with disabilities. It also provides information on jobs in start-ups, entrepreneurship trainings and events. Other media sources with regular articles on entrepreneurship are the *Entreprises*, *Delano* and *Paperjam* magazines.

Media attention to entrepreneurship is generally high and there is a positive discourse about entrepreneurship. More support is needed to build positive role models from (and for) the unemployed group. Many success stories are reported of senior entrepreneurs who have wide networks and experience. Whilst these are useful for showcasing senior people as role models on boards or in entrepreneurial teams, they can seem remote to the experiences of unemployed young people who don't have well-developed networks and social capital. It is also rare to see success stories of unemployed persons have successfully created a business.

Women

There are no government-led initiatives to promote female entrepreneurship, but there are numerous clubs, networks, associations and initiatives related to women in business and in entrepreneurship and some are supported, in part, by public funding from the Ministries of Economy or Equal Opportunities. These initiatives focus on a mix of social capital development, exchange for women only, networking events, information sharing and promotional activities and have been very effective for improving leadership skills or gaining greater visibility for the work of women entrepreneurs. Opportunities for social capital development and exchange for women-only groups are well developed and there is considerable media attention to the activities of women.

Examples of private initiatives and organisations engaging in promotional campaigns and providing role model or success stories are; the Female Board Pool; the “Inspiring Women Business Club” (promoting women’s visibility in the media, providing role models and experience-sharing, conferences and a dining club), and the Women’s Labour Committee, a consultative body promoting governmental activity, training and professional advancement of women. There are also networks to boost female entrepreneurship and business creation (i.e. Lux Pioneers) and a Women’s Entrepreneurship day, which celebrates women start-up leaders that innovate and create jobs. The business and cultural magazine *Delano* regularly feature stories of women, as does HubDot, which provides networking and connections through storytelling. Various Chambers such as the American chamber host network events to promote entrepreneurship and women success stories. The Think Tank *Equilibre*¹³ operates to promote gender complementarity and research on gender equality in work, including mappings of the on start-up ecosystem in Luxembourg and a study on women entrepreneurs. It provides support to women entrepreneurs through the Female Founder Fellowship programme developed in collaboration with the Founder Institute.

In addition to the above, the not-for-profit association *Federation des Femmes Cheffes D’Entreprises* promotes female leaders, training, conferences and support for network expansion. It also seeks to influence those in power to pass laws encouraging female entrepreneurship. Other not-for-profit organisations and informal networks such as *Féminin Pluriel*, the Female Ambassadors grouping, the Nordic Women Entrepreneurship sub unit, and “Mumpreneurs” also provide platforms for networking and knowledge sharing for women entrepreneurs. A number of initiatives also focus on boosting the contribution of women in technology (i.e. the WIDE initiative that supports female entrepreneurs in tech through its start-up leadership programmes and runs a number of other initiatives supporting women and girls in tech and digital activities, including the “girls in digital” programmes). The Geek Girl’s Carrot also

¹³ Equilibre, a think tank dedicated to harnessing the economic potential of diversity in Luxembourg and promote gender equality, was also launched in 2017.

promotes women in IT along with Girls in Tech Luxembourg (Tech, global NGO, engagement, education and empowerment of women in technology).

Immigrants

There are a variety of publicly funded programmes that are dedicated to the support and integration of immigrants, migrants and foreign workers (i.e. the *Association de Soutien aux Travailleurs Immigrés* and the National Reception Centre¹⁴) but they do not focus on entrepreneurship. Their remit is to provide information on immigration legislation and international protection, labour law and residence permits which helps to provide an enabling environment for entrepreneurship and building know-how about the local context. These programmes also assist with language classes and other courses that help with cultural integration. There are no dedicated activities focused on entrepreneurship with the exception of an annual conference in Luxembourg in 2019 funded by the Directorate of Immigration who coordinate with European Migration Network.

Additionally, many networks and clubs run through nationality-oriented associations (i.e. Nordic, American, Italian, Portuguese etc.) help with cultural and social integration as well as social capital within immigrant groups. Immigrants are well represented in the media given that many people starting a business are foreign and mixed nationality entrepreneurial teams are the norm. Success stories are posted on websites of Touchpoints and “Inclusive Finance” and in local business magazines such as Enterprise, Delano and PaperJam. Touchpoints provides points of contact and network events for immigrants with the aim of encouraging inclusion and diversity.

In addition, the European Migration Network has a contact point in Luxembourg and hosts an annual conference to offer a broad overview of several start-up schemes from across and beyond the EU that provide various incentives for start-up entrepreneurs from third countries. The main theme of the 2019 conference in Luxembourg was “attracting start up founders and innovative entrepreneurs from third countries”¹⁵ with various presentations on integrating and accessing business creation and know-how for “migra-preneurs.”¹⁶

Youth

JCIL and *Jonk Entrepreneuren* are the primary bodies for promoting entrepreneurship to youth. JCIL promotes youth entrepreneurship, notably through the yearly Creative Young Entrepreneur Luxembourg Award (CYEL), which rewards new businesses that contribute to the local economy. It also aims to promote an entrepreneurship spirit and support entrepreneurs in their business. In 2017, the government presented, a strategy on entrepreneurship promotion in secondary education to implement entrepreneurial schools, ran by *Jonk Entrepreneuren* with four schools piloting the programme. More broadly, guidance and counselling activities for the young have been set up through the Orientation House (*Maison de l’Orientation*) in the context of the Youth Guarantee that includes representatives from ministerial agencies and the Employment Agency.

Various other organisations are active in promoting youth entrepreneurship. The US Embassy also supports youth entrepreneurship through a Youth Entrepreneurship Contest promoting an entrepreneurial spirit in schools. Within the contest, selected students learn the basics of creating a start-up, from developing an idea to putting together a business plan. Prizes are awarded to the best business pitches. Each year, the top five students are invited to attend the Free Enterprise Leadership Challenge, a one-

¹⁴ The centre organises biannual orientation days providing general information on life in Luxembourg, including information on self-employment as well as employment.

¹⁵ www.emnluxembourg.lu/wp-content/uploads/2019/11/EMN-Conference_agenda_FINAL.pdf (download 24 July 2020).

¹⁶ Presentation Bouquet-Hanus, G. European Migration Network Conference, 2019.

week entrepreneurship camp in the United States. The *Fédération des Jeunes* (youth federation) also promotes a spirit of enterprise and support exchange and reflection. YouthStart is a global network of thought leaders that inspires young people through Entrepreneurship (Ministry of Education, Children and Youth Luxembourg, Department SCRIPT). Finally, the aforementioned Lux Future lab also provides networking opportunities (although this will close in January 2021), and the University of Luxembourg Incubator helps to build networks, linkages, coaching and building of entrepreneurial social capital.

Overall, youth entrepreneurship is widely promoted, particularly among educated youth. Entrepreneurship promotion among unemployed youth is less developed, and could be strengthened to address the high unemployment rate.

Seniors

There is no dedicated programme promoting entrepreneurship among seniors. The Luxembourg Senior Consultants is social capital/network association created in 1998 to provide advice, experience, professional knowledge concerning business, management from senior to young entrepreneurs. As seniors are very active in self-employment, there is not necessarily a need for a dedicated programme.

The unemployed

There are few networks, associations or role models focused on supporting the unemployed. Most activities are channelled through the National Agency for Employment (ADEM) and they centre on skilling and giving work opportunities i.e. through “Job days.” This Fit4Entrepreneurship training programme (discussed in the skills section) has a coaching as well as training element to get in-depth feedback on their business ideas. Jobseekers with entrepreneurial ideas can also access the various incubators and House of Start-Up also for support and guidance. As just noted above, there is also the Youth Guarantee scheme aimed at fighting unemployment amongst young people. ADEM plays the key role in helping jobseekers to create or take over a company in Luxembourg but the numbers are low. More initiatives could be developed to promote success stories about unemployed persons moving out of this into self-employment or business creation.

Regulatory measures

Overview and assessment of regulatory environment

Table 3.4. Characterisation of regulatory measures used to support entrepreneurship

			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?	Links: Do tailored programmes link to mainstream support programmes?
Women	1. Support with understanding and complying with administrative procedures										
	2. Measures to address group-specific regulatory challenges	Maternity leave and benefits for the self-employed	✓								
		Access to childcare	✓								
Immigrants	1. Support with understanding and complying with administrative procedures		✓		✓	✓					
	2. Measures to address group-specific regulatory challenges	Entrepreneurship visa	✓*								
		Administrative and tax obligations can be met in several languages	✓		✓	✓					
Youth	1. Support with understanding and complying with administrative procedures					✓					
	2. Measures to address group-specific regulatory challenges	Student business legal form									
		Reduced tax and/or social security contributions for new graduates									
Seniors	1. Support with understanding and complying with administrative procedures										
	2. Measures to address group-specific regulatory challenges	Medical leave schemes for the self-employed									
The unemployed	1. Support with understanding and complying with administrative procedures					✓					
	2. Measures to address group-specific regulatory challenges	Welfare bridge to support those moving into self-employment	✓			✓					
		Mechanisms for regaining access to unemployment benefits if business is not successful	✓			✓					

Note: This table presents 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.

* There is a “self-employed residence permit”. The House of Entrepreneurship provides support for immigrants on which residence permit they need, the procedures and required documents.

Most regulatory measures are generic in nature and aimed at improving the environment for, and access to, entrepreneurship. Some implications of the general regulatory environment for the different target groups are outlined below.

Women

Maternity leave is available for all pregnant women in a professional occupation with no differentiation for self-employment or business owners. This leave consists of antenatal (8 weeks prior to delivery) and post-natal leave (12 weeks).¹⁷ The requirements for self-employed women is to be registered and have been covered by the sickness and maternity insurance for at least six months in the twelve months preceding the maternity leave. During maternity leave, self-employed women receive an allowance paid by the health service, which corresponds to the contribution base at the time of the leave. Paternal leave is also available for fathers of up to 10 days. It is possible to apply for parental leave at the end of the maternity leave.

Improved capacity and quality of childcare facilities (a priority of the SME Action Plan of 2019) also allows for facilitated reconciliation between work and family life for all. See below “Recent Developments” for further details. These extensive measures are expected to support all the target groups but women, in particular, are a major beneficiary group of childcare support, which allows women with children to return to self-employment and the leadership of business ventures. These measures are part of broader efforts to increase the overall employment rate of women to 73% by 2020,¹⁸ without specific focus on entrepreneurship.

Immigrants

Luxembourg offers a self-employed residence permit. To be eligible, applicants need to submit a business plan that will be evaluated by a commission to assess whether the activity has the potential to succeed. The House of Entrepreneurship offers guidance to entrepreneurs seeking to apply to the residence permit, and more generally, advice on how to obtain the right business permit.

The government implemented a new national strategy in 2019 for attracting, developing and retaining talent, but these measures do not focus on entrepreneurship. Actions included a revision of the regulatory framework for immigration procedures, communication campaigns, participation in specialised recruitment fairs and the creation of the National Reception Centre for immigrants and refugees in January 2020 with multiple language options.

Seniors

Most of the regulatory changes outlined in the 2018 and 2020 National Reform plan focus on increasing the employment rate of older workers by enhancing their job opportunities and employability. There are some mechanisms for combatting unemployment among those over 50 years old, including mechanisms to resume work while keeping one’s pension, but these do not focus on entrepreneurship.

The unemployed

Since April 2018, jobseekers who are in the process of setting up a business continue to receive employment benefits for a period of six months without accepting job offers. The guichet.lu platform offer jobseekers information about becoming self-employed and the Fit4entrepreneurship programme can provide administrative support.

¹⁷ <https://guichet.public.lu/en/citoyens/famille/parents/conges-naissance/conge-maternite.html> [accessed 28 July 2020].

¹⁸ The target is close to being reached (72.5% in 2018).

Recent policy developments

Most recent regulatory changes focus on the general business and economic environment, especially with regard to digitalisation, diversification of the economy, access to support and financial aid for high value adding sectors and companies. General measures that are particularly relevant for the target groups include:

- The abolition of the legal requirement to justify (through qualifications) the right to practice certain kinds of commercial activities in 2018. This reduces the barriers to entry to professional occupations (e.g. for self-employment and for immigrants who might have difficulty proving equivalence of qualifications).
- Changes to bankruptcy laws to facilitate entrepreneurship after a failure (which has relevance for senior people who are more likely to have previously been involved in new venture creation).
- Reform of parental leave in 2017 aimed at helping workers balance private and work life more efficiently (see above). This was further reinforced in the 2019 SME Action Plan.
- Changes in the provision and support of child-care (for children 0-12). This includes state participation in the payment of childcare costs, via the *chèque-service accueil* scheme and a multilingual education programme and 20 hours free multilingual care per week for 46 weeks a year in nursery facilities for children aged between 1 and 4 years old.
- The introduction of a dedicated status for social enterprises and societal impact companies;
- The modernisation of the online platform *Guichet.lu* in 2018 that simplifies administrative procedures on how to start a business (in Luxembourgish, French, German and now English).

4 Supporting people who experience disability in entrepreneurship

Self-employment and entrepreneurship activities

There were approximately 55 000 persons with disabilities in Luxembourg in 2015¹⁹. People with disabilities fall in to three categories regarding their labour market activity:

- workers with a disability (*salarié handicapé*, SH²⁰);
- workers with reduced working capacities by at least 30% (*Capacité travail réduite*, CTR); and
- persons recognised as disabled and benefitting from an “external reclassification scheme”, i.e. they are usually already in employment and find themselves unable to continue in their previous position due to their disability (SH and CTR).

In June 2020, 1 424 persons were recognised as job seekers with a disability (7.2% of the total unemployed persons). In addition, 363 jobseekers were recognised as job seekers with a disability + as CTR (1.83%). The 2021 population census is expected to include a new section on disability that will include a gender and age breakdown. There is no available data regarding the number of persons engaged in self-employment who experience disability.

¹⁹ This includes hearing, cognitive, intellectual, psychological, visual, disease-related, language and communication disabilities and multiple disabilities), https://chartediversite.lu/storage/app/media/Fichiers%20PDF/guide_handicap_final_0.pdf [accessed on 14 July 2020].

²⁰ Adjustment and redefinition of this term is proposed in the 2020 National Action Plan to avoid its stigmatising character.

Policy framework

Table 4.1. Characterisation of the entrepreneurship policy context for people who experience disability

		People who experience disability
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 dedicated 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		

Note: A check-mark indicates the level of policy responsibility for tailored entrepreneurship policy (multiple selections are possible) and characteristics of the entrepreneurship policy framework.

There are currently no strategic objectives to facilitate entry into self-employment or business creation. Most Government policy efforts to support persons with a disability focus on measures that cover three aspects of disability: (i) physical mobility and access to work, places events and services without barriers; (ii) access to assessment, support and training through unemployment status or (iii) integration into employment.

Two ministries have policy responsibility for persons experiencing disabilities: the Ministry of Family and Integration and Greater Region (MFIGR) and the Ministry of Labour, Employment and the Social & Solidarity Economy (MLESSE). These ministries also co-ordinate with others such as the Ministry of Tourism on issues related to physical access and infrastructure issues.

Policies are implemented through multiple public and non-governmental bodies, mostly public-funded. These include the National Agency for the Employed, which provides individualised support to facilitate insertion or reinsertion into the job market (through skills and competency assessment). InfoHandicapp, a national disability information and meeting centre, founded in 1993 by 16 disability organisations also plays an important role. Originating from and supported financially by the Family Affairs Ministry, it is now co-ordinated by the European Concept for Accessibility Network and run by a working group made up of 10 companies and 2 associations. While focusing primarily on employment and integration issues, it provides information and guidance for persons with disabilities on multiple topics (including management of administrative processes and legal assistance) and promotes dialogue between decision-makers and civil society. Other organisations, such as Inspiring More Sustainability (IMS), the national representative for corporate social responsibility, also promote employment of people with disabilities.

Two business-level documents provide guidance to help employers achieve this. The first is the *HandiCap d'Emploi*²¹ directed at informing and helping companies to recruit and employ disabled persons, and highlighting general barriers to engaging this group in the labour market. The second is a Social Barometer produced by Caritas Luxembourg,²² which provides statistic on the overall social environment and includes data on people with disabilities.

²¹ HandiCap d'Emploi

²² Social Barometer, 2019-2020.

Overview and assessment of policies and programmes

Table 4.2. Characterisation of the entrepreneurship schemes for people who experience disability

		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?	Links: Do tailored programmes link to mainstream support programmes?	
Skills	1. Entrepreneurship training										
	2. Entrepreneurship coaching and mentoring										
	3. Business consultancy, including incubators/accelerators										
Finance	1. Grants for business creation										
	2. Loan guarantees										
	3. Microfinance and loans										
	4. Other instruments (e.g. crowdfunding, risk capital)										
Culture	1. Entrepreneurship campaigns, including role models										
	2. Networking initiatives										
Regulations	1. Support with understanding and complying with administrative procedures	✓	✓	✓	✓				✓	✓	
	2. Measures to address group-specific regulatory challenges	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									

Note: This table presents 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.

Luxembourg takes a mainstreaming approach when it comes to disability policies meaning that all measures to foster employment, self-employment and entrepreneurship should be equally accessible to people with and without disabilities.²³ As a result, there are no dedicated entrepreneurship or business creation initiatives focused on the needs of persons experiencing disability.

²³ Isabelle Mousset, Coordination Handicap et Initiatives Sociales, LE GOUVERNEMENT DU GRAND-DUCHÉ DE Luxembourg, personal Interview July 2020).

There are, however, various events and success stories connected to the objectives of The Diversity Charter. In addition, there are anecdotal opportunities for networking and social capital creation (e.g. JobDating events, DuoDays). Although not directly supporting entrepreneurship, InfoHandicap helps by providing information and guidance for persons with disabilities and members of their families, helping them to find their way through complex administrative procedures. They also provide a contact point and also legal assistance and offer support for assisted living, training and awareness-raising events.

The only funding opportunities explicitly aimed at persons with a disability is the Business Creation Aids (which are allocated via the Employment Agency). These take the form of a capital subsidy or interest relief only when an investment programme has been completed and various administrative procedures need to be evidenced. The Diversity Charter also provides some limited funding and success stories related to people with disabilities.

In terms of regulatory support, it should be noted that the state covers the cost of life-long learning for people with disabilities as well as social insurance contributions for people with disabilities working as freelancers. There is also a well formulated (albeit multi-pronged) general assessment process (involving medical reports) for reintegrating disabled persons into disabled unemployment status (with its associated benefits) in the case that self-employment does not work out. These processes follow the same classification steps involved in general assessments for disability status under ADEM's Disability and Redeployment department and are helpful for reducing barriers to entry into self-employment.

Overall, self-employment is not seen as a major pathway into work for people with disabilities, and priority is given to measures facilitating traditional employment (e.g. through awareness raising or support to workplace adaptations for companies).²⁴

Recent policy developments

The National Action Plan (2020-24) was announced in March 2020 as part of a set of policies planned in the implementation of the United Nations Convention on the Rights of Persons with Disabilities (CRDPH²⁵), which Luxembourg signed in 2011. This Action Plan was developed in consultation with the Higher Council for People with Disabilities and the Steering Action Plan Group (composed of people with disabilities and representatives of specialised associations) and focuses on putting in place appropriate measures to promote employment opportunities and the advancement of persons with disabilities in the job market.

The National Action Plan has 8 priorities and 97 concrete actions to be achieved by 2025. The aim of the action plan is “to remove all possible barriers and thus ensure the full participation of people with disabilities in everyday life”²⁶. These objectives relate to awareness, living independently, freedom of expression, education, health, work and employment, participation of persons experiencing disability in political and public life. Entrepreneurship is not a focus of the action plan.

Finally, although not specific to entrepreneurship, the City of Luxembourg has implemented a number of infrastructure changes and equipment to enhance the safety and independence of people with disabilities. Measures include accessible routes around the city and guiding system for visually impaired and a door-to-door public transport service (effective from March 2020) for people with disabilities.

²⁴ Interview with Isabelle Mousset, Coordination Handicap et Initiatives Sociales, Gouvernement du Grand-Duché de Luxembourg, July 2020.

²⁵ United Nations Convention on the Rights of Persons with Disabilities.

²⁶ Comment by Corinne Cahen, Minister for Family and Integration and Patron of the Lëtzebuerg *Diversity* Charter

5 Policy recommendations

Entrepreneurship policies and programmes in Luxembourg focus on a universal approach open to all entrepreneurs. Emphasis is put on innovative and high tech start-ups. With a few exceptions, no group specific support is offered as the country's scale is not necessarily conducive to a multiplicity of separate initiatives. To strengthen inclusive entrepreneurship policies and programmes, the following recommendations are put forward:

1. **Monitor participation of women, youth, people with disabilities, the unemployed, seniors and non-nationals in Government-funded programmes.** As a generic approach to support provision is preferred, data on uptake and impact among different groups is needed to help evaluate the relevance and effectiveness of policy implementation for different groups.
2. **Introduce relevant group-specific adaptations in generic entrepreneurship programmes and increased tailored outreach.** Adaptations in generic support could help improve inclusiveness while maintaining the mainstreaming provision approach. These could include dedicated outreach campaigns, additional training for frontline staff, or additional modules for group-specific roadblocks. Systematic data collection could help identify potential gaps in awareness or in support and design relevant adaptations.
3. **Strengthen support to growth for entrepreneurs of all groups, particularly women and youth.** This could be done by extending the mandate of the House of Entrepreneurship (which currently provides to established companies with financial difficulties) or other ecosystem actors. Special attention should be provided to women entrepreneurs who are less likely to be active in growing their businesses, and youth, who are less likely to be employers.

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Annex A. Methodology

Each country report 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 policy officers, entrepreneurship support organisations and other stakeholders. The information was then verified by government ministries, programme managers and other inclusive entrepreneurship stakeholders, including through the circulation of draft reports for comment and online seminars that were organised between June and September 2020.

The reports are based on a common assessment framework that was developed by the OECD Secretariat. The framework contains five pillars:

1. Policy framework
2. Entrepreneurship skills
3. Financing entrepreneurship
4. Entrepreneurial culture and social capital
5. Government regulations

The reports provide an overview of the current inclusive entrepreneurship policies and programmes. They also notes 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?
- **Links:** Do tailored programmes link to mainstream support programmes?

A focus is placed on the most commonly targeted population groups, namely women, immigrants, youth, seniors and the unemployed. Other groups such as the Roma are covered by the report when relevant. A special thematic section was added on entrepreneurship support for people who experience disability (Section 4) to highlight their potential as entrepreneurs and to showcase the variety of tailored entrepreneurship schemes that are in place around the European Union.