

Inclusive Entrepreneurship Policies,  
Country Assessment Notes

# Portugal

2020



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](http://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](http://www.oecd.org/employment/leed/inclusive-entrepreneurship.htm).

# Acknowledgements

This note is part of a series of notes on country-level inclusive entrepreneurship policies and programmes prepared by the Organisation for Economic Co-operation and Development (OECD) for the European Commission. These notes were prepared 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. Carla Susana da Encarnação Marques of the University of Trás-os-Montes and Alto Douro. David Halabisky 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 the draft note on 22 July 2020. Feedback was received from representatives of the Ministry of Labor, Solidarity and Social Security, Institute for Employment and Vocational Training (*Instituto do Emprego e Formação Profissional* – IEFP) (including regional representatives), Directorate-General for Employment and Labour Relations, SPGM Investment Company, and António Sérgio Co-operative for Social Economy.

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

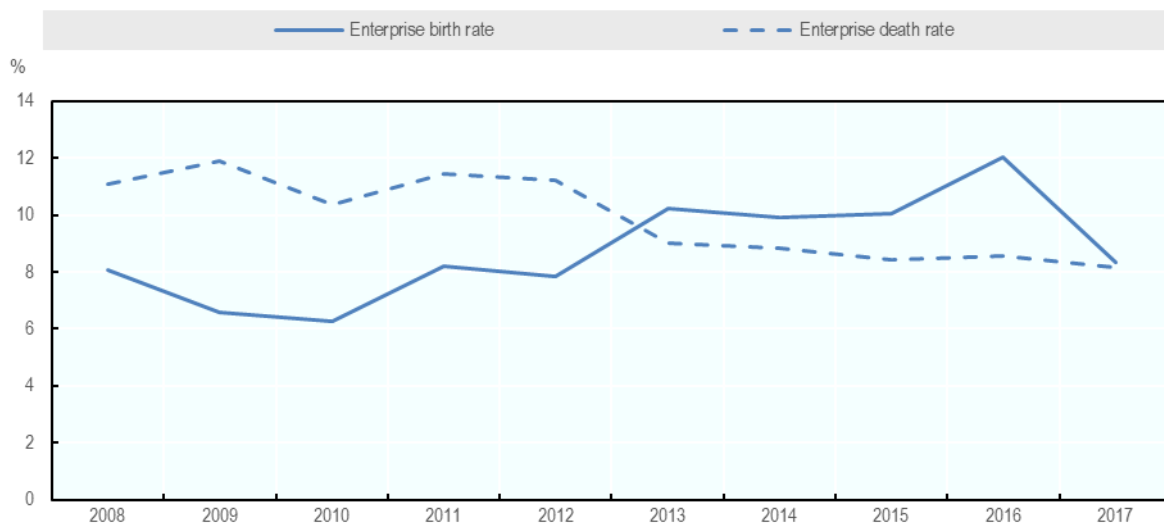
- Conditions for entrepreneurship are fairly strong. The regulatory and administrative environment has become more favourable for business creation following efforts to reduce regulatory burden. Access to finance is not a significant barrier for start-ups overall, and the level of entrepreneurship skills across the population is about equal to the European Union (EU) median.
- The proportion of self-employed workers among those in employment has declined over the last decade. Nonetheless, women, youth and seniors were all more likely than the EU average to be involved in starting a business or managing one that is less than 42 months old between 2015 and 2019. However, this is likely due to above-average rates of “necessity” entrepreneurship.
- There were approximately 680 000 early-stage entrepreneurs over the 2015-19 period. Among these, there was a substantial gender gap – women were half as likely to be early-stage entrepreneurs – and older people (50-64 years old) were about half as likely as the overall population to be starting and managing new businesses.
- Eliminating all of the gaps in entrepreneurship activity rates across population groups (i.e. applying the early-stage entrepreneurship rate of men who are 30-49 years old to the whole population) would result in an additional 280 000 entrepreneurs. About 85% of these “missing” entrepreneurs are women and 60% are over 50 years old.
- Public policies to promote entrepreneurship have gained in importance in recent years, notably through the recently launched StartUp Portugal Strategy includes a range of initiatives to support entrepreneurs (e.g. measures for funding, start-up acceleration), which will strengthen entrepreneurship support overall.
- Tailored policies and programmes are used to support youth in entrepreneurship through the Youth Guarantee. There is also some dedicated support for immigrants. Much of this support is focussed on business creation and much less on business development. Nonetheless, monitoring and evaluation suggest that schemes for youth and immigrants have a positive impact. However, much less tailored public support is available for other groups such as women, seniors and people who experience disability.
- To further develop inclusive entrepreneurship support, the following recommendations are made:
  - Create a good practice observatory of inclusive entrepreneurship initiatives to disseminate knowledge, good practices and evaluation results;
  - Improve business development support services for entrepreneurs from under-represented and disadvantaged groups by offering training for support providers;
  - Provide more training on business development and growth within existing entrepreneurship training programmes for youth and women;
  - Develop a clear strategy and teaching material for entrepreneurship education in schools and vocational education and training institutions; and
  - Create second chance programmes for entrepreneurs.

# 1 Inclusive entrepreneurship trends

## Conditions for entrepreneurship

Business entry rates have exceeded exit rates between 2013 and 2017, indicating a steady growth of the business population after several years of decline (Figure 1.1). However, the gap between entry and exit rates closed in 2017. Overall, both entry and exit rates are slightly above the median for European Union (EU) Member States.

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>.

The regulatory environment has become more favourable for start-ups and SMEs due to strong efforts to simplify administrative and licensing procedures for SMEs (OECD, 2019). The time to start a business and to transfer a property were both brought down to one day and the administrative burden on new start-ups about equal to the EU median (Figure 1.2). Corporate taxes have been cut and SMEs are provided with new tax benefits on land properties, reinvested profits or capital remuneration. However, there is room for further improvements as administrative procedures remain more complex than the OECD median (OECD, 2019).

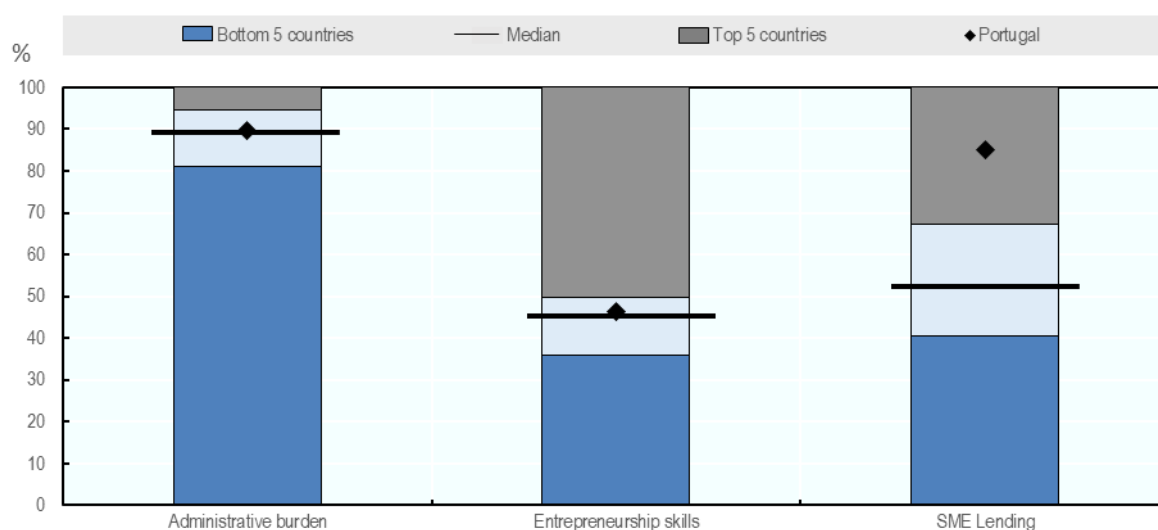
The share of people reporting that they have entrepreneurship skills is slightly above the EU median (Figure 1.2). Between 2015-19, about 46% of the population reported that they had the skills and

knowledge to start a business. This is consistent with other skills indicators. For example, student proficiency in core disciplines and adult entrepreneurial abilities are in line with the OECD median. There is however a large gap in the number of adults who have a tertiary education or who access training (OECD, 2019). This might have a negative effect on the quality of new business start-ups.

Despite decreasing interest rate spread and rejection rates, SMEs face tightening lending conditions. SME lending has decreased over 2009-17, in line with a drop in total business credits and a sharp decline in short-term SME loans (-62% in 2010-17). Nonetheless, the share of loans to SMEs relative to all outstanding business loans is among the highest in the EU (Figure 1.2). The government has put high priority on securing SME access to finance. The share of guaranteed loans grew since 2016 and several programmes such as Capitalise Programme (EUR 1.6 billion) set new credit lines for SMEs.

### 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; OECD (2020), Financing SMEs and Entrepreneurs 2020.

### Recent labour market trends

The labour market was among the hardest hit in the EU during the economic crisis in 2008-09 and the effects were lasting. However, the overall unemployment rate has decreased in recent years, from a peak of 17.0% in 2013 to 6.7% in 2019 (Figure 1.3). Thus, the gap between the unemployment rate and the EU average was eliminated in 2019 and the two rates were equal. The unemployment rate of women was slightly higher than this of men in 2019 (7.3% vs. 6.1%). This slight gap appeared after the unemployment peak in 2013.

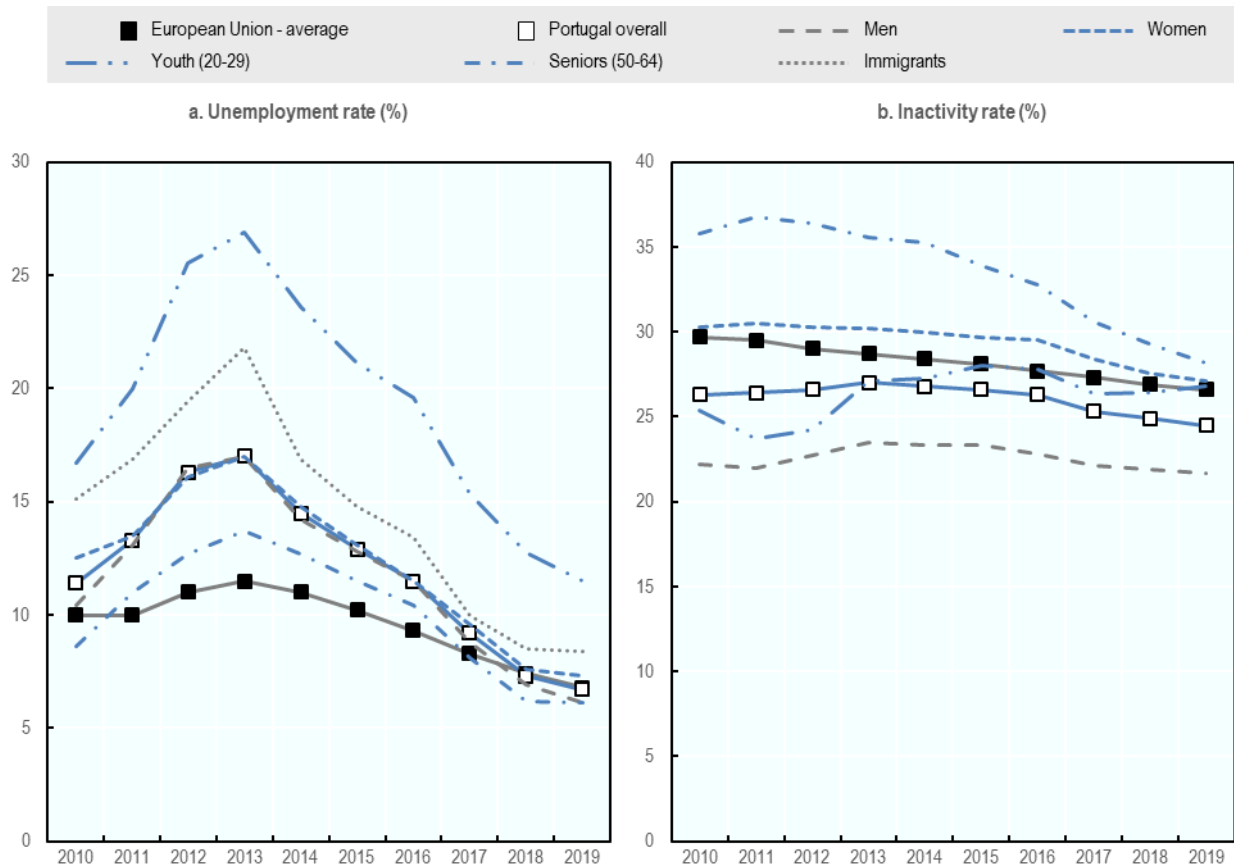
The youth unemployment rate (20-29 years old) has been a central pre-occupation of policy makers in recent years. It peaked at 34.9% in 2013 and has been steadily declining since. Public policies such as youth internship and youth employment programmes may have contributed to this decline. Nonetheless,



the youth unemployment rate was 16.4% in 2019, which was more than double the overall unemployment rate. This gap is slightly larger than in other EU Member States.

### Figure 1.3. Unemployment and inactivity

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



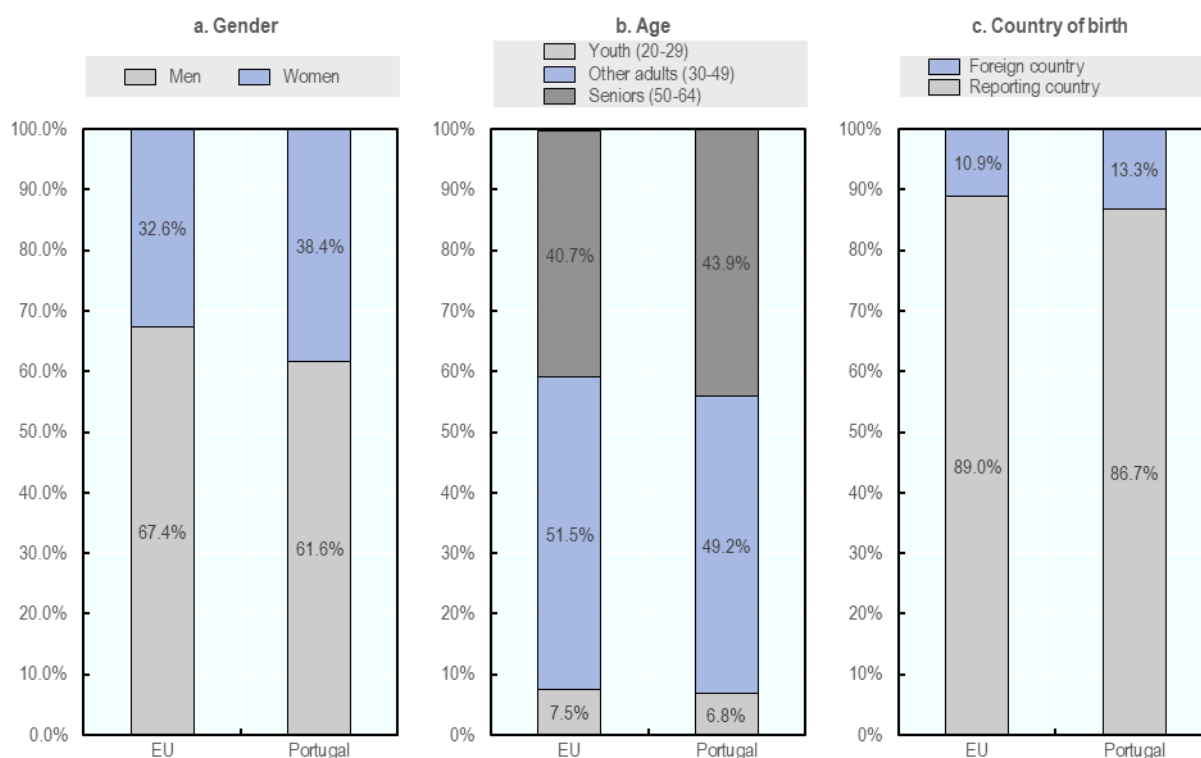
Source: Eurostat (2020), Labour Force Survey, <https://ec.europa.eu/eurostat/web/lfs>.

### Self-employment activities

Self-employed workers have a similar profile as the EU average. About 38% of the self-employed are women, which is a slightly higher proportion than the EU average (Figure 1.4). About half of the self-employed are core-age workers (30-49 years old), and only about 7% are under 30 years old. These shares are the same as the EU average. Similarly, about 13% of the self-employed are immigrants, which is also in line with the EU average.

**Figure 1.4. Composition of the self-employed**

Proportion of self-employed workers, 2019

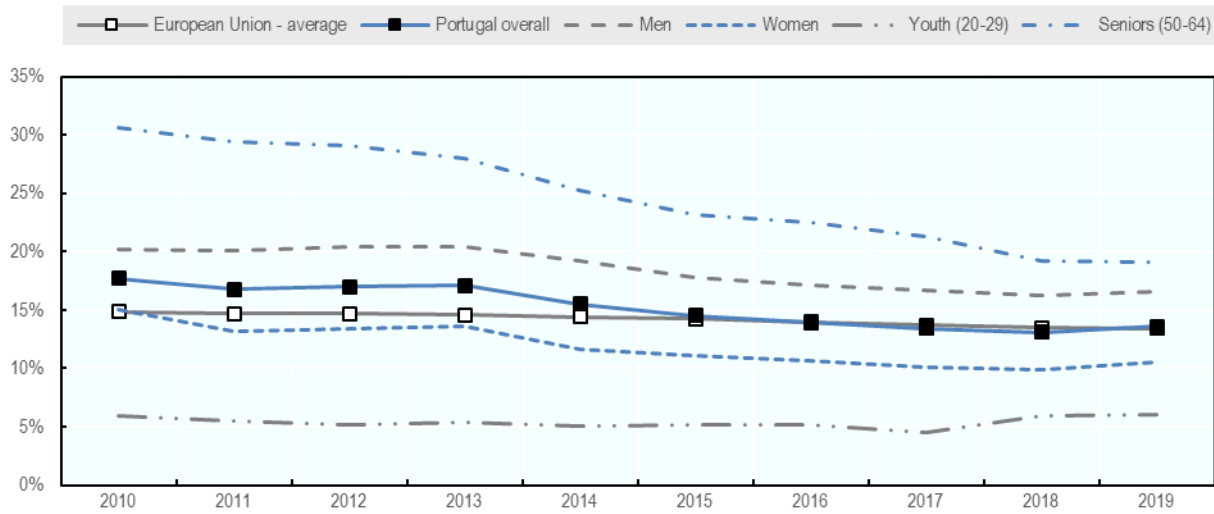


Source: Eurostat (2020), Labour Force Survey, <https://ec.europa.eu/eurostat/web/lfs>.

The proportion of Portuguese workers who are self-employed declined over the past decade, from 17.7% in 2010 to 13.6% in 2019 (Figure 1.5). This rate was approximately equal to the EU average in most years. A gender gap in the self-employment rate was observed over the past decade and it remained constant at about 5 percentage points (p.p.). The youth self-employment rate (6.1%) was equal than the EU average in 2019 (6.2%) but the self-employment rate among seniors (19.1%) was slightly above the EU average (17.4%). The rate for seniors declined slightly over the past decade.

Figure 1.5. Self-employment rate

Proportion of employment that is self-employed

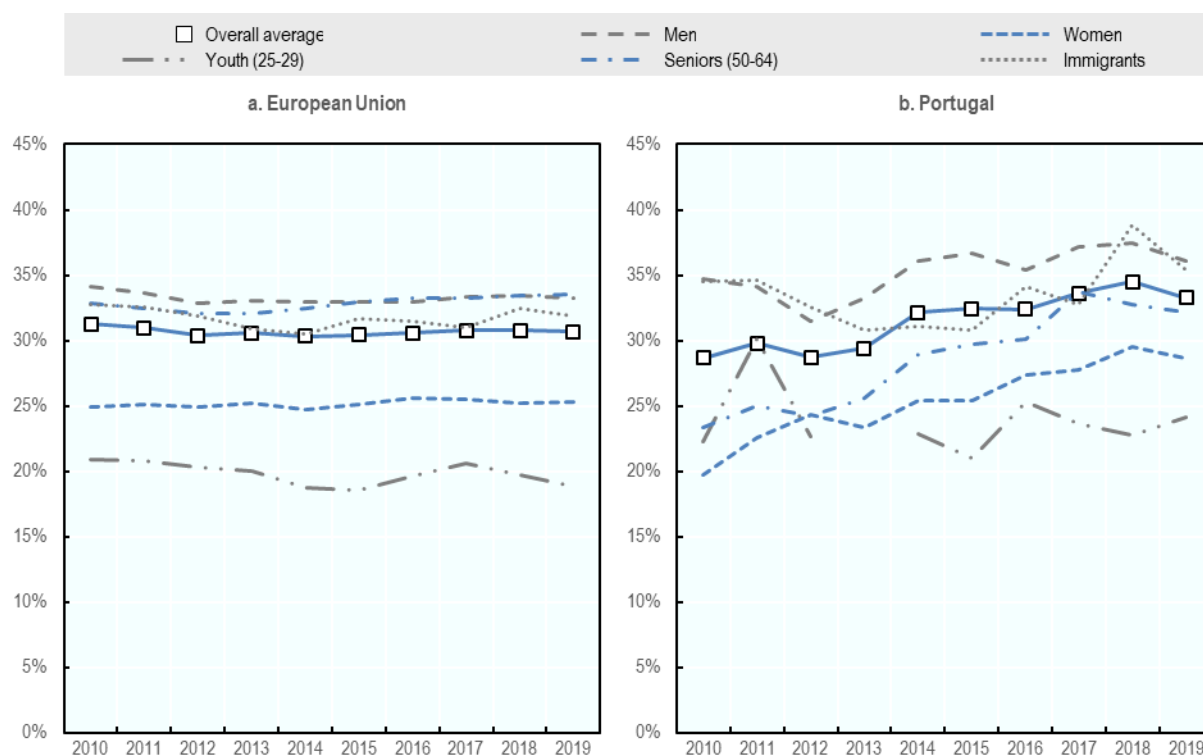


Source: Eurostat (2020), Labour Force Survey, <https://ec.europa.eu/eurostat/web/lfs>.

About one-third of the self-employed employed other people in 2019 (Figure 1.6). This share is now above the EU average after increasing by about 5 p.p. over the past decade. Self-employed women were less likely than men to employ others in 2019 (28.6% vs. 36.1%), but this gap has closed over the past decade. About one-quarter of self-employed youth had at least one employee, which was above the EU average (18.8%). Self-employed immigrants were more likely than non-immigrants to have created jobs for others and older self-employed people were about as likely as the national average to employ others.

**Figure 1.6. Self-employed as employers**

Proportion of the self-employed who employ others



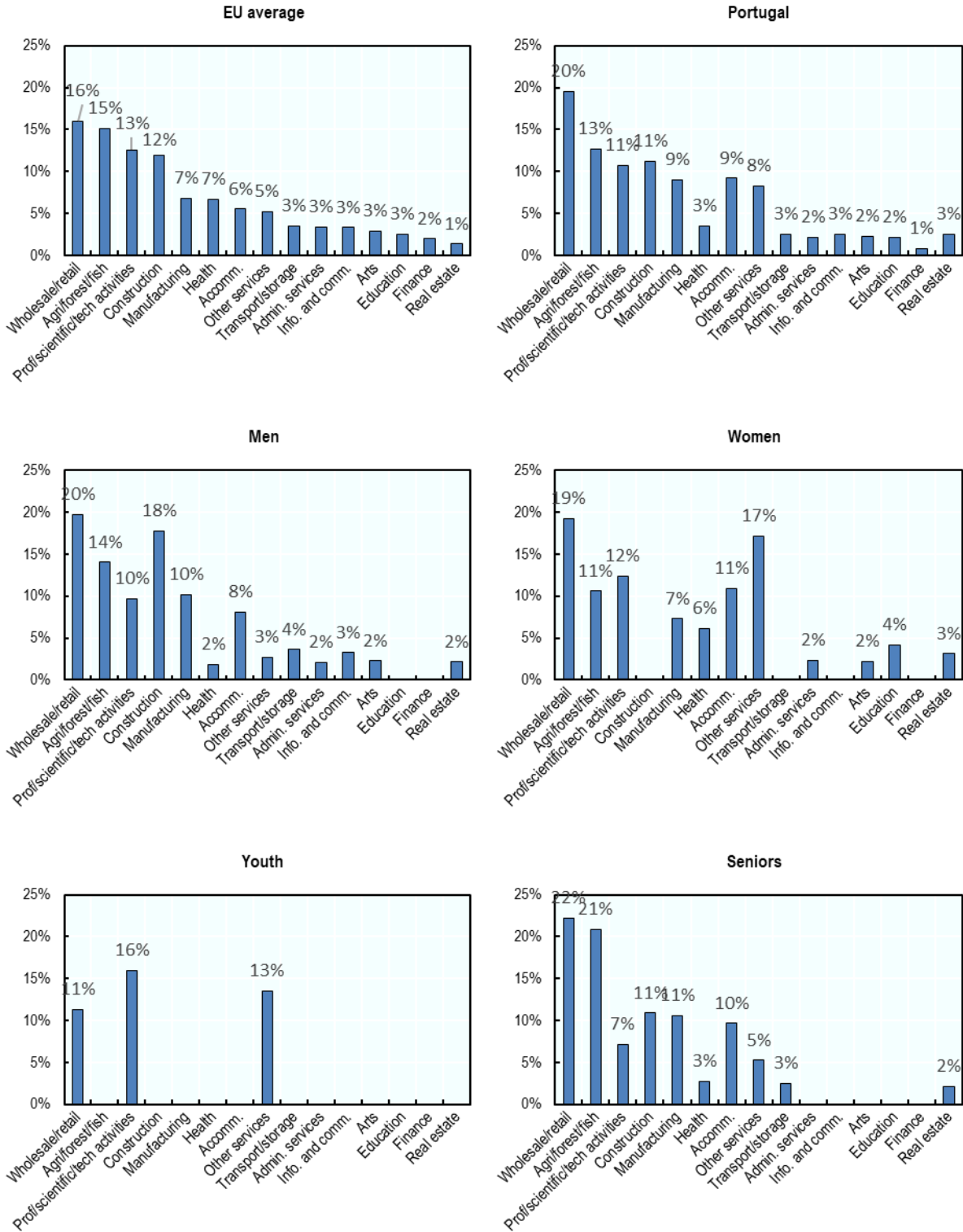
Source: Eurostat (2020), Labour Force Survey, <https://ec.europa.eu/eurostat/web/lfs>.

In 2019, the self-employed were mainly active in wholesale and retail trade (19.5%); agriculture, forestry and fishing (12.7%); construction (11.3%); professional, scientific and technical activities (10.7%); and accommodation and food service activities (9.2%) (Figure 1.7). These are generally in line with the distribution of the self-employed at the EU level, however accommodation and food service activities account for a larger share of the self-employed in Portugal due to the significance of tourism in the economy.

The sectoral distribution of self-employed workers varies by gender. About half of self-employed women were concentrated in wholesale and retail trade (19.2%); other service activities (17.1%); and professional, scientific and technical activities (12.4%). Men, however, were more concentrated in wholesale and retail trade (19.7%); agriculture, forestry and fishing (14.0%); and construction (17.8%).

**Figure 1.7. Self-employment by economic activity**

Distribution of the self-employed by sector, 2019



Note: Some data for men, women, youth and seniors are suppressed due to the quality of the estimates.

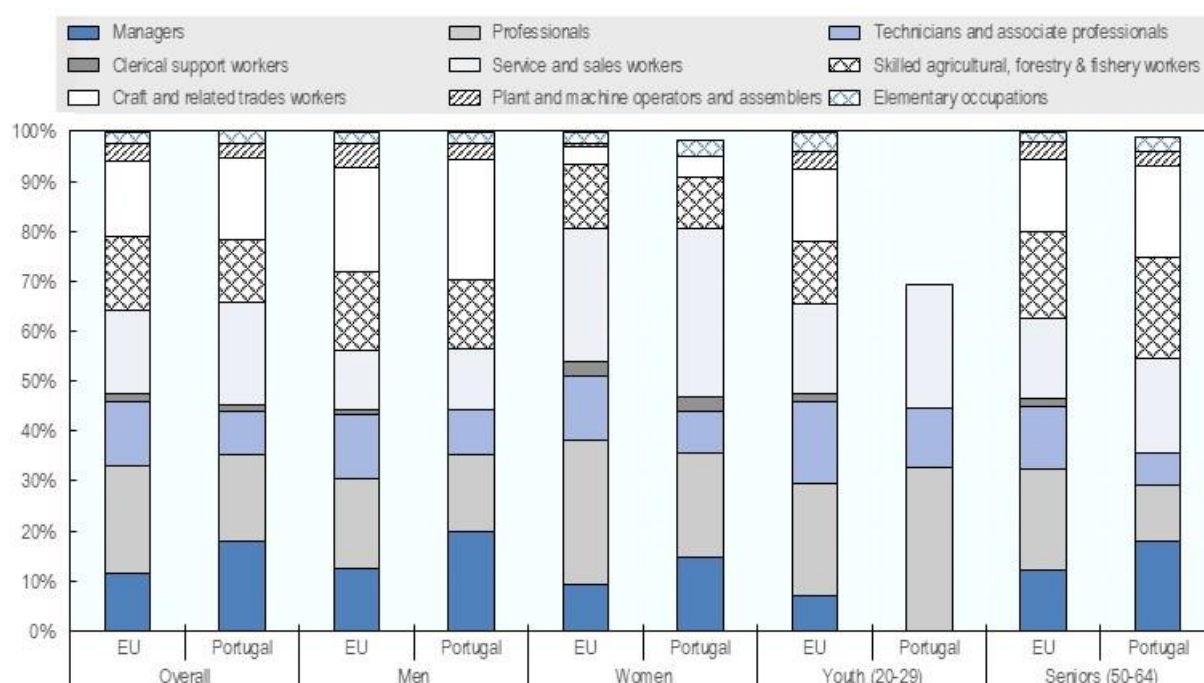
Source: Eurostat (2020), Labour Force Survey, <https://ec.europa.eu/eurostat/web/lfs>.

The most common occupations for the self-employed have been relatively stable in recent years. In 2019, the most common occupations 2019 were service and sales workers (20.5%), managers (17.8%) and professionals (17.5%) (Figure 1.8). Skilled agricultural, forestry and fishery still represented an important but declining share of the self-employed. In 2019, they accounted for 12.3% of the self-employed relative to 16.7% in 2016. This decline mirrors the decline of the agricultural sector in the economy.

The occupational profile of self-employed across different population groups highlights many differences. Self-employed women, for example, were mostly working as service and sales workers (33.8%) or professionals (20.8%). Self-employed youth were also concentrated in these occupations (32.3% and 25.1%) but self-employed seniors were working as skilled agricultural, forestry and fishery workers (20.2%), service and sales workers (18.9%), craft and related trades workers (18.3%) and managers (18.1%). These differences are largely explained by the sectoral distribution of the self-employed.

**Figure 1.8. Self-employment by occupation**

Distribution of the self-employed by occupation



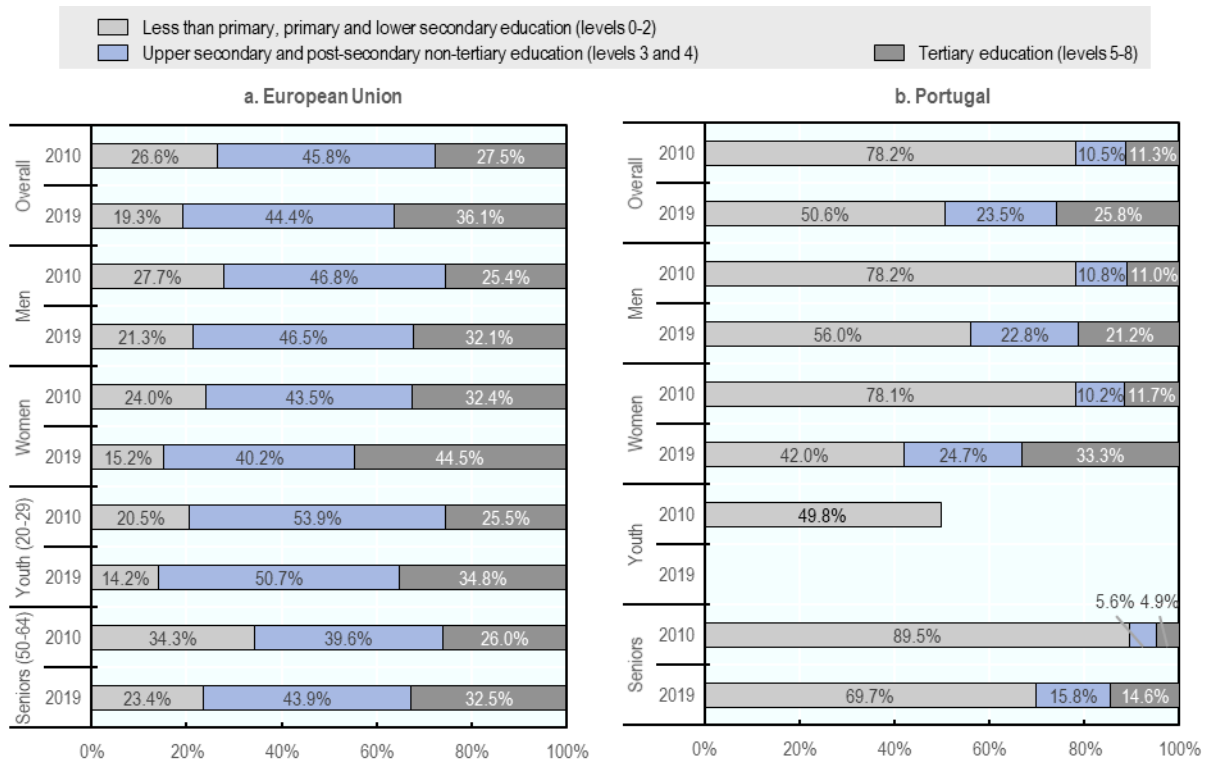
Note: Reliable data for youth is only available for 3 ISCO08 occupations out of 10.

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

The share of the self-employed with a tertiary education has risen rapidly over the past decade. In 2019, 25.8% of the self-employed completed tertiary education relative to 11.3% in 2010 (Figure 1.9). This increase has closed the gap with the EU average to 10.3 p.p. from 16.2 p.p. in 2010. One-third of self-employed women had a tertiary education relative to only one-fifth of self-employed men. This difference between men and women has grown substantially, reflecting the growth in participation of women in higher education. Another striking characteristic of the self-employed in Portugal is that the majority of self-employed workers continue to have a low level of education after 10 years (50.6% in 2019), contrary to the decline for the EU overall (19.3% in 2019).

**Figure 1.9. Self-employment by education level**

Distribution of the self-employed by educational attainment



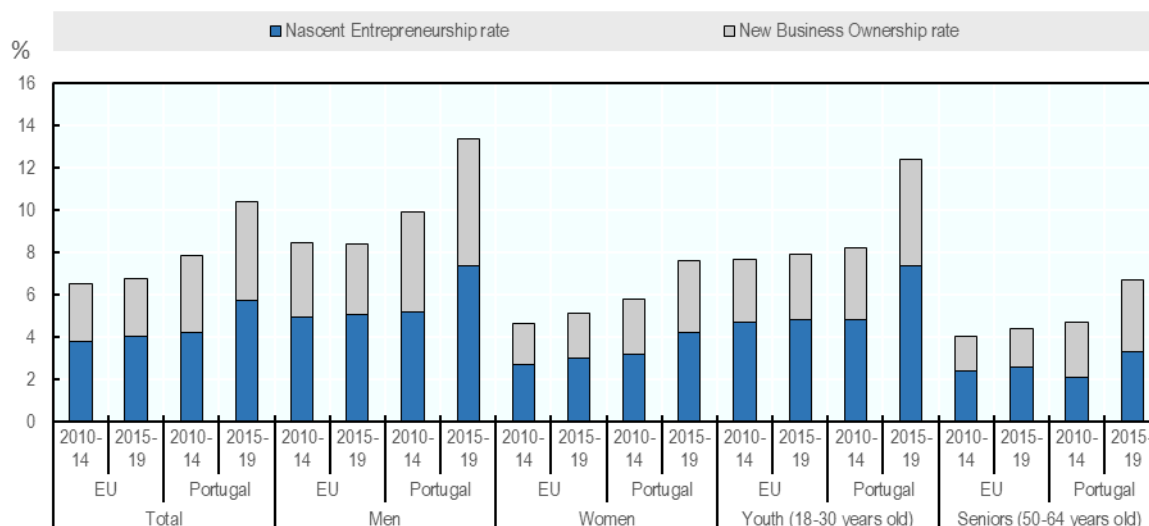
Note: Reliable data is not available for youth except for levels 0-2 in 2010.  
 Source: Eurostat (2020), Labour Force Survey, <https://ec.europa.eu/eurostat/web/lfs>.

### Entrepreneurship activities

Another measure to assess entrepreneurship activity is the Total early-stage Entrepreneurial Activity (TEA) rate, which estimates the share of the population that is involved in starting (i.e. nascent entrepreneurship) or managing a new business (i.e. new business ownership). Overall, the TEA rate was higher than the EU average for the period 2015-19 (10.4% vs. 6.8%) (Figure 1.10). This was also true for several population groups such as women (7.6% vs. 5.1% in the EU), youth (12.4% vs. 7.9%) and older people (6.7% vs. 4.4%) in this period.

**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 680 000 early-stage entrepreneurs in Portugal (i.e. those starting or managing a business that is less than 42 months old) and this number would increase by about 280 000 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). This shows that about 85% of these “missing” entrepreneurs are women and 60% are over 50 years old.

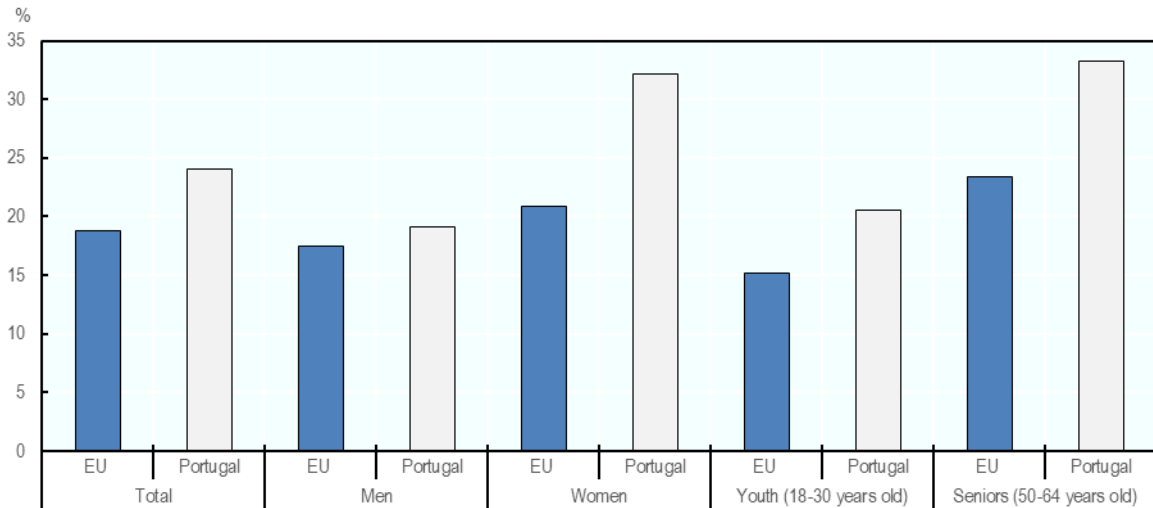
Public policy should not seek to convert all of these “missing” entrepreneurs into actual entrepreneurs. Entrepreneurship is a labour market activity that involves risk and it is not suitable for everyone. Nonetheless, the exercise of estimating the number of “missing” entrepreneurs can illustrate the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



Over 2015-19 period, about one-quarter of new entrepreneurs (24.0%) reported that they started their business because they did not have any other employment opportunities (Figure 1.11). This was above the EU average for this period (18.8%). The higher rates of necessity entrepreneurship (mostly for women and young people) can be explained by the high unemployment rates and difficult labour market conditions relative to other EU Member States. Women were the most likely to start a business out of necessity over this period (32.1%), which was significantly above the proportion of men reporting this motive (19.1%) as well as the EU average for women (20.9%). Youth and older people were also slightly more likely than the EU average to start a business out of necessity (20.5% vs. 15.2% for youth and 33.3% vs. 23.4% for seniors).

**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



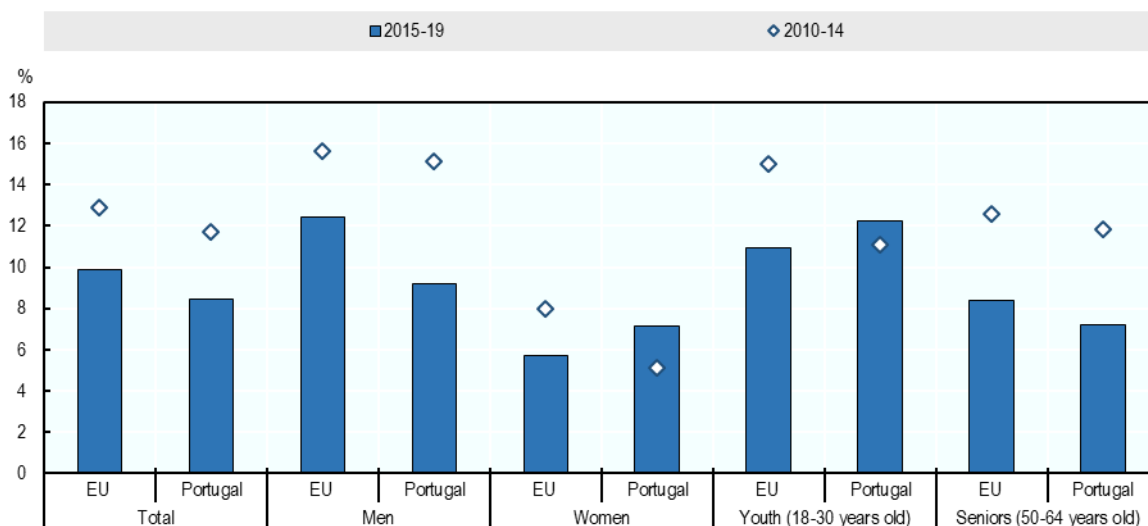
Note: Necessity entrepreneurship is defined as entrepreneurship activities that were launched because there were no other options in the labour market. All EU countries participated in the GEM survey between 2015 and 2019 except the Czech Republic, Denmark, Lithuania and Malta. Several countries did 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.

The percentage of early-stage entrepreneurs that expected to create a substantial number of jobs was lower than the EU average over 2015-19 (8.4 % vs. 9.9%) (Figure 1.12). Female early-stage entrepreneurs were less likely than males to expect high employment growth (7.1% vs. 9.2%). The share of early-stage entrepreneurs expecting high growth has declined for all population groups relative to the period 2010-14.

**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.

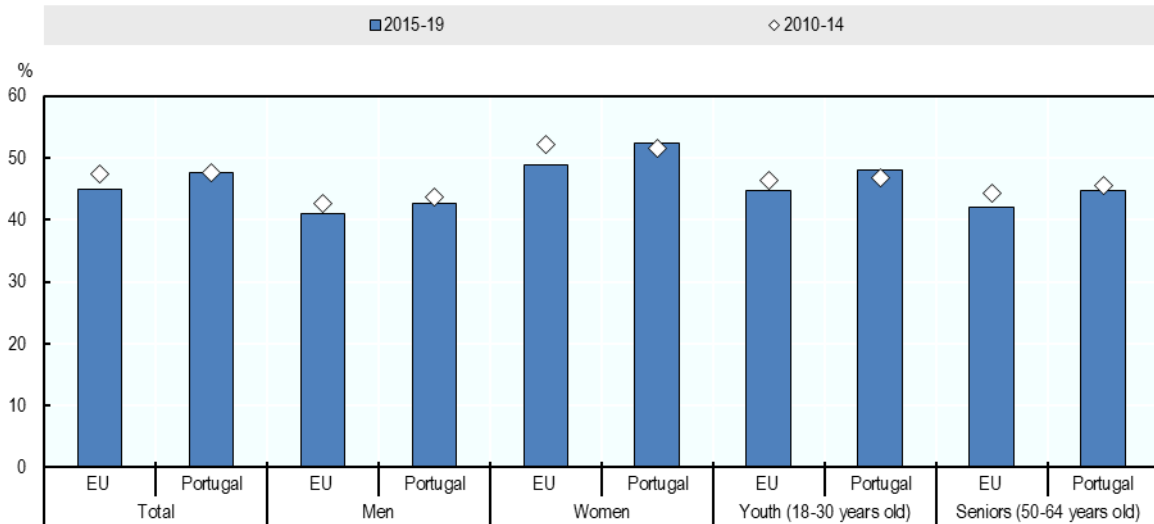
## Barriers to business creation

Barriers to business creation tend to be greater for groups that are under-represented or disadvantaged in the labour market. A frequently cited barrier to business creation is a fear of failure, which was reported by 47.6% of people between 2015 and 2019. This barrier was most often cited by women (52.3%), followed by youth (48.0%) and older people (44.7%) (Figure 1.13). Overall men were slightly less likely to report this barrier relative to other groups – 42.6% reported this barrier – but this about the same as the EU average.

Another significant barrier for many potential entrepreneurs is a lack of entrepreneurship skills. This appeared to be less of a barrier as people were more likely to believe that had the skills and knowledge required to start a business than the EU average over the 2015-19 period (50.8% vs. 42.5%) (Figure 1.14). This was true for all population groups with the exception of older people whose confidence in their skills was similar to the EU average. Comparing the different social target groups, men were the most confident in their perceived entrepreneurship skills (58.3%). Conversely, women and older people were less confident (43.5% for both groups). The relatively lower confidence levels observed among older people is consistent with the higher prevalence of lower levels of education among this group.

**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

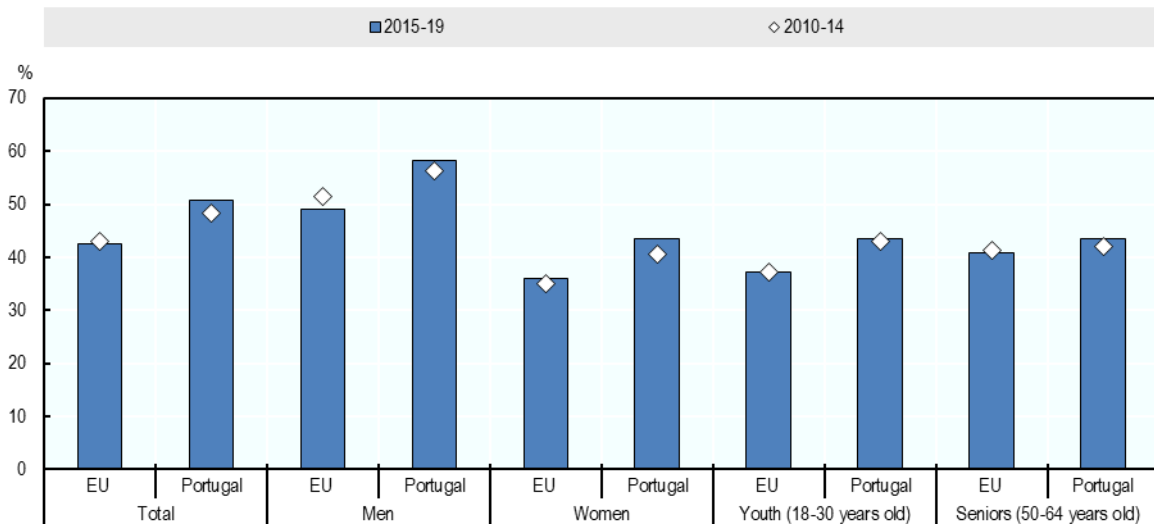


Note: All EU countries participated in the GEM survey between 2015 and 2019 except the Czech Republic, Denmark, Lithuania and Malta. Several countries did not participate in the survey in every year (missing years noted): Austria (2015, 2017), Belgium (2016-19), Bulgaria (2014), Cyprus (2015), Denmark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

**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 **StartUp Portugal strategy** (renewed under the name StartUp Portugal+ in 2018) outlines the Government's priorities for entrepreneurship. The strategy is a four-year plan (2016-20) focused on three areas: i) Ecosystem; ii) Funding and iii) Internationalisation. StartUp Portugal+ comprises 25 measures (e.g. start-up financing, start-up acceleration, support for entrepreneurs, promotion and regulation of the ecosystem).<sup>1</sup> These measures are implemented by several actors, including ministries (Ministries of Economy, Foreign Affairs, Presidency and Administrative Modernisation, and Finance), public agencies and investment companies, universities and local authorities (i.e. municipal authorities in Lisbon).

Inclusive and growth-oriented entrepreneurship is covered in the first area of this strategy (Ecosystem). Actions are implemented by the **Portuguese Public Employment Service**, the **Institute of Employment and Vocational Training** (IEPF, *Instituto do Emprego e Formação Profissional*) through two programmes: the **Programme of Support for Entrepreneurship and Self-employment Creation** (PAECPE, *Programa de Apoio ao Empreendedorismo e à Criação do Próprio Emprego*) and the **Youth Investment Programme** (*Programa Investe Jovem*) as part of the **Youth Guarantee**. These programmes contain several measures and some are delivered in partnership with **non-governmental organisations**, so IEPF both implements

<sup>1</sup> For more information about these measures see <https://startupportugal.com/sp-plus/>

and co-ordinates support. For example, the National Programme of Microcredit (PNM) is delivered in partnership with the *António Sérgio Cooperative for Social Economy* (CASES). Support provided by the IEFP includes both financial and technical assistance to start-ups.

The second area of the StartUp Portugal+ strategy (Funding) includes actions by the **Institute of Financial Development** (IFD) and **PME Investimentos** (a financial company owned by IAPMEI that supports SMEs). It also includes two programmes to support young entrepreneurs. These measures are Start-up Vouchers and the Momentum programme, which are delivered by **Portugal Ventures** (public venture capital company where IAPMEI is the main shareholder), **National Network of Incubators**, and **universities**.

The third area the StartUp Portugal+ strategy (Internationalisation) includes several measures for foreign-born entrepreneurs, many of which are implemented by **AICEP Portugal Global Trade & Investment Agency** (AICEP, *Agência para o Investimento e Comércio Externo de Portugal*). Measures also include “Company space for Startups” and “Tech Visa”, which are implemented by the public **Institute for Support to Small and medium-sized enterprises and to Investment** (IAPMEI, *Instituto de Apoio às pequenas e Médias Empresas e ao Investimento*), as well as **embassies** for the visa programme.

### ***Inclusive entrepreneurship strategies and objectives***

#### *Portugal 2020 strategy*

The **Portugal 2020 strategy**<sup>2</sup> sets out the economic, social and territorial development policy to promote in Portugal over the period 2014-20. These policy principles are aligned with the objective of Intelligent, Sustainable and Inclusive Growth, pursued by the Europe 2020 growth strategy.<sup>3</sup> Among the four thematic areas of actions defined in the Portugal 2020 strategy, the thematic area “employment and social inclusion” is the most closely related to inclusive entrepreneurship. It sets the frame to achieve the objectives of an employment rate of 75% and a reduction of the number of people at risk of poverty and social exclusion by at least 200 000.

To support the Portugal 2020 strategy, the government proposed a **National Programme of Reforms** for the period 2016-21.<sup>4</sup> These reforms – **More Growth. Better Employment. More Equality** (*Mais Crescimento. Melhor Emprego. Maior Igualdade*)<sup>5</sup> – seek to address some of the country’s structural challenges. One of the pillars of these reforms is the national entrepreneurship strategy StartUp Portugal. A budget of EUR 200 million was allocated to this strategy with the aim to support the creation of 1 500 new firms. In 2018, a new version of this strategy, StartUp Portugal+ Programme,<sup>6</sup> was launched to give a new impetus to the initial strategy. The new strategy adds 20 new measures to the five measures of the original programme, expanding the budget by EUR 300 million.

Some of the initiatives under this strategy are extensions of existing programmes that target people with an entrepreneurial profile who have difficulties in accessing the labour market and/or are at risk of social exclusion (e.g., women, people with disabilities). These include the **Programme of Support for Entrepreneurship and Self-employment Creation** (PAECPE) implemented by the IEFP. The schemes Support for the Creation of Own Employment (*Apoios à Criação do Próprio Emprego* – ACPE) and Support

<sup>2</sup> [www.portugal2020.pt/](http://www.portugal2020.pt/)

<sup>3</sup> [https://ec.europa.eu/info/strategy/european-semester/framework/europe-2020-strategy\\_en](https://ec.europa.eu/info/strategy/european-semester/framework/europe-2020-strategy_en)

<sup>4</sup> This programme was updated on April 2017.

<sup>5</sup> [www.portugal2020.pt/Portal2020/apresentacao-do-programa-nacional-de-reformas](http://www.portugal2020.pt/Portal2020/apresentacao-do-programa-nacional-de-reformas)

<sup>6</sup> <http://startupportugal.com/sp-plus/>

for Start-up (*Apoios à Criação de Empresas*– ACE) are part of this programme. The objectives of these measures are presented in Table 2.2 and additional details are provided in Chapter 3.

**Table 2.2. Specific targets and objectives of initiative under the PAECPE implemented by IEFP**

Measure	Target group supported	Objectives 2018 <sup>7</sup>
Support for the Creation of Own Employment (ACPE)	Beneficiaries of unemployment benefits	To support 1 676 projects
Support for Start-up (ACE)	The unemployed	To support 556 projects

Other measures in the StartUp Portugal strategy include two new programmes – **StartUp Voucher** and **Momentum** – to support young entrepreneurs who have graduated from university. The objectives of these programmes are outlined in Table 2.3. Programme documents for Momentum explicitly note the programme’s role in supporting social inclusion.<sup>8</sup>

**Table 2.3. Specific targets and objectives of initiatives targeted to youth in the frame of StartUp Portugal strategy**

Measure	Target	Objective
StartUp Voucher	University graduates	To create 250 companies in 4 years
Momentum Programme	Recent graduates who have benefited from social action grants at the university / polytechnic	To support 50 students / companies per year

StartUp Portugal+ also includes new measures targeted to foreign entrepreneurs, namely the creation of the initiative **Company Space for StartUps** and a **Tech Visa**. The objectives of these two initiatives are outlined in

Table 2.4.

**Table 2.4. Specific targets and objectives of initiatives targeted to foreign entrepreneurs in the frame of StartUp Portugal +**

Measure	Target	Objective
Company space for Start-ups	Foreign entrepreneurs	Creation of a point of service for foreign entrepreneurs with bilingual service (Portuguese and English), ensuring a simple and fast process of company creation. This space acts as a centralized information point on all types of support for the entrepreneurship ecosystem
Tech Visa	Foreign entrepreneurs	Creation of a visa for technological and innovative companies, aimed at the global market, wishing to attract highly qualified staff from countries not included in the Schengen area

<sup>7</sup> Relatório de Execução física e financeira Julho 2018, p.56, [www.iefp.pt/estatisticas](http://www.iefp.pt/estatisticas)

<sup>8</sup> StartUp strategy, [www.iapmei.pt/getattachment/PRODUTOS-E-SERVICOS/Empreendedorismo-Inovacao/Empreendedorismo/Programas-e-iniciativas/Startup-Portugal/Briefing-PM-sobre-Startup-Portugal-\(3\).pdf.aspx](http://www.iapmei.pt/getattachment/PRODUTOS-E-SERVICOS/Empreendedorismo-Inovacao/Empreendedorismo/Programas-e-iniciativas/Startup-Portugal/Briefing-PM-sobre-Startup-Portugal-(3).pdf.aspx)

## Youth Guarantee

The **Youth Guarantee** scheme has been operating since 2014<sup>9</sup> and includes a set of important entrepreneurship support measures for youth entrepreneurs.<sup>10</sup> The National Plan for the Implementation Youth Guarantee follows a European Commission Recommendation for the implementation of initiatives in each Member State to “ensure that all young people receive a quality offer of employment, continued education, an apprenticeship or a traineeship within four months of becoming unemployed or leaving formal education”.<sup>11</sup> This scheme targets youth under 30 years old who are not currently in employment, education or training (NEETs). Overall, EUR 160.77 million have been allocated to Youth Guarantee programmes in Portugal and three programmes have been created to promote and support youth entrepreneurship (

Table 2.5).

**Table 2.5. Specific targets and objectives of initiatives targeted to youth in the frame of Youth Guarantee scheme**

Measure	Target	Objective
<i>Investe Jovem</i> <sup>12</sup> (Youth Investment Programme)	Youth (aged 18 or over but less than 30 years old)	<ul style="list-style-type: none"> <li>To promote youth entrepreneurship.</li> <li>To support 205 projects,<sup>13</sup> with a budget of EUR 5 115 869.</li> </ul>
<i>Empreende já</i> <sup>14</sup> (Network of Perception and Management of Businesses)	NEET Youth (under 30 years old)	<ul style="list-style-type: none"> <li>To support the creation and development of enterprises and entities of the social economy, as well as the creation of jobs for and by young people.</li> <li>To support 370 individuals and support the creation of 90 sustainable jobs.</li> </ul>
<i>CoopJovem</i>	Youth (under 30 years old)	<ul style="list-style-type: none"> <li>To support co-operative entrepreneurship among youth. It aims to support youth in the development of a business idea and creation of their own employment.</li> </ul>

The implementation plan includes a wide and diversified set of active measures, mainly under the responsibility of the public employment service but also other public bodies as Portuguese Youth Institute/IPDJ, Ministry of Foreign Affairs/MNE among others. These are often education and training measures, including:

- Active Youth Employment (*Emprego Jovem Ativo*)
- Invest Youth Programme (*Investe Jovem*)
- Employment Contract measure
- Professional Traineeships (*Estágios Profissionais*)
- Prize for employment (*Prémio ao Emprego*)

<sup>9</sup> Created by the Resolution of the Council of Ministers N° 104/2013, 31 December, 2013.

<sup>10</sup> [www.garantiajovem.pt/](http://www.garantiajovem.pt/)

<sup>11</sup> 2013/C 120/01.

<sup>12</sup> Portaria n.º 151/2014, of July 30th

<sup>13</sup> *Relatório de Execução física e financeira Julho 2018*, p.56, [www.iefp.pt/estatisticas](http://www.iefp.pt/estatisticas)

<sup>14</sup> Created and regulated under the Resolution of the Council of Ministers no. 104/2013 of December 31, which approved the National Plan for the Implementation of a Guarantee for Youth (PNI -GJ), Ordinance No. 308/2015, of September 25 and of Regulation 1022/2016 of November 10 and Regulation n.º 467-A/2017 of 25 August.

- Apprenticeship - Dual Training (*Aprendizagem – Formação Dual*)

There are also several long-standing initiatives such as **Escolhas** (“Choices”), which seeks to strengthen the social inclusion of youth, including through entrepreneurship. It has operated since 2001 and is now in its sixth generation.<sup>15</sup>

### **Monitoring and evaluation practices**

In general, monitoring and evaluation are systematically undertaken for programmes financed through public funds. The results of such processes are usually made available to the general public through programme websites.

Monitoring tends to show that many entrepreneurship programmes such as the ACPE have exceeded their uptake targets in recent years. One of main reasons is that economic recovery since 2014 which created new business opportunities as well as a healthier banking sector who could now lend more to enterprises (new or already existing).

Evaluation evidence also tends to be positive, including recent evaluations of PEI and *Escolhas* (see Chapter 3 for further details). The Youth Guarantee scheme is assessed annually by the European Commission<sup>16</sup> and was evaluated favourably in 2016 due to its approach of building partnerships at the local level to help reach those youth who most need the support.

## Recent developments

### **Policy measures in response to COVID-19 to support entrepreneurs and the self-employed<sup>17</sup>**

The government announced several packages of support for SMEs in March, including measures such as tax deferrals, credit lines and loan guarantees, wage subsidies and training support. For the self-employed, social security contributions were deferred. These measures were complemented by an announcement of deferred rent payments by vulnerable households and small firms.

In late April, the government launched a EUR 25 million support initiative for start-ups, which includes five measures:

- Financial support through an incentive. The value will be equivalent to minimum wage per employee (up to a maximum of 10 employees per start-up);
- Three month extension of the Start-up Voucher scheme (EUR 2 075 per entrepreneur job);
- Support for start-ups with less than five years of business activity, through the contracting of incubation services based on an incentive of EUR 1 500, non-refundable;
- A loan convertible into social capital (supplies), after 12 months, applying a discount rate that allows start-ups to avoid a dilution of investors’ equity. Average investment ticket between EUR 50 000 Euro and EUR 100 000 per start-up;
- Launch of the “Covid-19 — Portugal Ventures instrument” for investments in start-ups, with tickets starting at EUR 50 000.

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<sup>15</sup> [www.programaescolhas.pt/](http://www.programaescolhas.pt/)

<sup>16</sup> <http://ec.europa.eu/social/main.jsp?catId=1161&langId=en&intPagelId=3349>

<sup>17</sup> The text was drafted in September 2020. Policy actions implemented after this date are not covered in this report.



Subsequently, additional support measures were announced for the self-employed including:

- Granting guaranteed treasury loans of 400 million EUR for SMEs.
- Flexible tax payments for companies and the self-employed from Q2 2020 onwards, regarding VAT payments, PIT and CIT;
- For self-employed and companies with a turnover of up to EUR 10 million in fiscal year 2018 or that have started the activity after 1 January 2019, it will be possible to defer the withholding tax payment.
- EUR 400 million in direct state guaranteed credit support to companies that are most affected (increased from initially EUR 200 million): microenterprises in the tourism sector (EUR 60 million) and companies operating in the social economy sector (EUR 165 million)
- State guaranteed credit through the banking system: for restaurants (EUR 600 million, EUR 270 million for SMEs), travel agencies (EUR 200 million), tourism accommodation (EUR 900 million, EUR 300 million for SMEs), industry (EUR 1.3 billion, EUR 400 million for SMEs), fishing and aquaculture sectors (EUR 20 million).
- EUR 25 million fiscal package to support the entrepreneurship ecosystem.

On 7 July 2020, the government announced a further EUR 1 billion support package for SMEs. The extraordinary financial incentive aims to support the normalisation of the company's activity. It amounts to one National Minimum Wage per employee, paid for only one month and aimed at supporting companies, which, although no longer being constrained in their capacity to work, need support in the first phase of normalisation, in order to prevent the risk of unemployment and the maintenance of jobs in companies that have been in a crisis.

Others initiatives have been launched in September 2020, under the Programme ATIVAR.PT.<sup>18</sup> This includes measures to support entrepreneurship.

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<sup>18</sup> <https://pees.gov.pt/emprego/>

# 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

		<b>Tailored:</b> Are public programmes tailored for the target group (i.e. dedicated)?	<b>Consultation:</b> Are the targeted entrepreneurs consulted during the design of programmes?	<b>Outreach:</b> Are appropriate outreach methods used for different target groups?	<b>Delivery:</b> Are specialist organisations used to deliver programmes?	<b>Take-up:</b> Does the support have high take-up among target group?	<b>Scale:</b> Is the scale of available support sufficient?	<b>Impact:</b> Does evaluation evidence show a positive impact?	<b>Integrated:</b> Is the programme delivered linked to other related supports?	<b>Links:</b> Do tailored programmes link to mainstream support programmes?
Women	1. Entrepreneurship training	✓			✓	✓	✓	✓	✓	✓
	2. Entrepreneurship coaching and mentoring	✓			✓	✓		✓	✓	✓
	3. Business consultancy, including incubators/accelerators	✓			✓	✓		✓	✓	✓
Immi-grants	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.

### General programmes

Many entrepreneurship training programmes are available, both as stand-alone offers and as part of integrated support packages. Moreover, the suite of offers includes general schemes that are open to all entrepreneurs as well as schemes that are targeted at specific groups.

The StartUp Portugal strategy includes a range of training offers that are complemented by other supports that support the development of entrepreneurship skills such as coaching and mentoring initiatives and incubator programmes. Notable initiatives include “Momentum” (incubator programme) and StartUp Voucher (allowance and mentoring). Many of these initiatives demonstrate positive results. For example, StartUp Vouchers had approved 226 projects by July 2018, involving 200 mentors, 382 grants and 70 incubations.

The IEFP also operates several entrepreneurship training, coaching and consultancy schemes. These include schemes such as “Technical Support for the Creation and Consolidation of Projects” (consultancy), “Social Economy Support Programme” (training and credit line), “Support for the Creation of Own Employment by Beneficiaries of Unemployment Benefits” (training and converted unemployment benefits) and “SI2E” (tailored support from creating microbusinesses or expanding small firms). The suite of schemes includes many that are tailored for specific groups of entrepreneurs, which are described in more detailed in the following sections.

In addition to these government programmes, a large number of entrepreneurship training offers are available from non-government organisations and private enterprises, mainly directed to youth and women. These offers often include awareness and capacity building sessions, mentoring with business development experts and training courses. The most well-known examples include the Portugal Education Entrepreneurship Platform (PEEP), Junior Achievement and the National Association of Young Entrepreneurs (*Associação Nacional de Jovens Empresários*), which all offer training that is linked to the formal education system.

Overall, an area for improvement is to offer more support post start-up. The majority of these activities support entrepreneurs during the initial phases of their projects. Additional support on business development and growth would also be beneficial

### Women

There are several tailored training programmes available to women entrepreneurs, which are broadly supported by the **National Strategy for Equality and Non-Discrimination 2018-30** (*Estratégia Nacional para a Igualdade e a Não Discriminação 2018-2030* – ENIND<sup>19</sup>). This strategy aims to create incentives and promote investments in projects and incubators to support female entrepreneurship.

A well-known initiative is **FAME**,<sup>20</sup> which offers entrepreneurship and consultancy to support business creation by women. The programme focusses on building, self-confidence, leadership, negotiation and management skills. It is managed by **IFDEP** (*Instituto para o Fomento e Desenvolvimento do Empreendedorismo em Portugal*) and is offered in several regions. In addition to supporting female entrepreneurs, it supports for women’s entrepreneurship networks.

There are also **several women’s entrepreneurship associations** (e.g. the Portuguese Association of Women Entrepreneurs – APME) that provide training and legal support to business projects and protocols signed with banks and business associations. *DoNaEmpresa* is a programme led by the APME, which

<sup>19</sup> <https://www.cig.gov.pt/documentacao-de-referencia/doc/portugal-mais-igual/>

<sup>20</sup> <https://www.ifdep.pt/fame.html>.

<sup>20</sup> <http://www.womenwinwin.com/>

promotes the opportunity for Portuguese women to successfully create their own business or employment. This project begins with a free course that provides women with the knowledge and skills to develop their own business plan. In addition, it provides a grant and a Start-up Support Prize (valued at EUR 5 030), at the beginning of the business activity. Another example is *Ativar o Empreendedorismo Feminino*,<sup>21</sup> created by the Platform for Education for Entrepreneurship in Portugal (PEEP). The Exchange project aims to promote the inclusion of women, namely unemployed and immigrants.

The **non-governmental sector is also active**. Example of female entrepreneurship initiatives include the “Women, Ideas, Business in Action” (MINA) project, which was developed by the Portuguese Red Cross (CVP). The support provided includes training, consulting and a project start-up bonus, in addition to possible initial funding. Another example is “Women winwin”,<sup>22</sup> which is a community (i.e. network) and mentoring programme. The mentoring initiative support entrepreneurs for one year and aims to support the implementation of a business plan. Other platforms and initiatives that promote female entrepreneurship include: *Associação Nacional das Empresárias (ANE)*<sup>23</sup>, *Associação Adoro ser mulher*,<sup>24</sup> *Mulheres à obra*<sup>25</sup> and *Prémio Mulheres Inovadoras, da União Europeia*.<sup>26</sup>

Overall, tailored support for women entrepreneurs is readily available. It is often viewed positively as most initiatives can demonstrate strong take-up of support and a positive impact for participants.

### *Immigrants*

There are several national programmes that support immigrant entrepreneurship. There are two main programmes to support immigrant entrepreneurs – **Escolhas** and the **Promotion of Immigrant Entrepreneurship (PEI)**.

The **Escolhas** Programme promotes the social inclusion of children and youth (under 30 years old) from migrant and ethnic minority groups – including through entrepreneurship training. The most recent evaluation considered the programme to be “a socially relevant programme, responding to the crucial needs of intervention among a vulnerable public and characterised by a strong socio-community action, the result of inter-institutional, inter-professional and interpersonal interactions” (Programa Escolhas, 2014).

The **Project for the Promotion of Immigrant Entrepreneurship (PEI)**<sup>27</sup> was launched in 2009 to help immigrants develop entrepreneurial attitudes and increase their self-esteem and self-confidence through entrepreneurship. The project is managed by the **Office of Support to Migrant Entrepreneurs (GAEM)**, which offers training, workshops, networking sessions and individual supports to develop personal, social and management skills start a sustainable business. One of the key activities is the course “Support to Business Creation”.<sup>28</sup> A recent evaluation of the PEI project<sup>29</sup> concluded that it had contributed to the

<sup>21</sup> <https://gulbenkian.pt/project/exchange-ativar-o-empreendedorismo-feminino/>

<sup>22</sup> [www.womenwinwin.com](http://www.womenwinwin.com)

<sup>23</sup> <https://www.ane.pt/>

<sup>24</sup> <https://adorosermulher.com/gd-home/>

<sup>25</sup> <https://www.mulheresaobra.pt/>

<sup>26</sup> [https://www.compete2020.gov.pt/noticias/detalhe/Premio\\_UE\\_MulheresInovadoras](https://www.compete2020.gov.pt/noticias/detalhe/Premio_UE_MulheresInovadoras)

<sup>27</sup> [www.acm.gov.pt/pt/-/programa-de-empreendedorismo-imigrante-pe-1](http://www.acm.gov.pt/pt/-/programa-de-empreendedorismo-imigrante-pe-1)

<sup>28</sup> Relatório de atividades 2016 [http://www.acm.gov.pt/documents/10181/27754/ACM\\_RA\\_2016\\_int.pdf/23b5460f-ff80-4410-b3d1-657415b968b6](http://www.acm.gov.pt/documents/10181/27754/ACM_RA_2016_int.pdf/23b5460f-ff80-4410-b3d1-657415b968b6)

<sup>29</sup> [www.acm.gov.pt/documents/10181/0/Estudo+de+avalia%C3%A7%C3%A3o+de+impacto+e+resultados+do+PEI\\_junho+2014.pdf/4678f85b-1da9-42f7-8b41-282993bf4b98](http://www.acm.gov.pt/documents/10181/0/Estudo+de+avalia%C3%A7%C3%A3o+de+impacto+e+resultados+do+PEI_junho+2014.pdf/4678f85b-1da9-42f7-8b41-282993bf4b98)

economic integration of the immigrants who participated in the project, although it proved less useful in response to long-term unemployment.

In addition, there are some additional initiatives operated by the **High Commissioner for Migration** (ACM), including the Support Centre for Entrepreneurship, within the framework of the Employment Support Office of the National Immigrant Support Centre (CNAI) in Lisbon and Porto.

### *Youth*

Youth entrepreneurship training is widely available, notably through the Youth Guarantee. The main initiative is the **Investe Jovem** programme, which is operated by the IEFP. The programme provides a combination of training, technical support and financial support to the unemployed, notably NEETs. *Investe Jovem* supported 138 youth entrepreneurs in 2017, less than in 2016 (172), who receive EUR 2 million in financial support. Similarly, the *CoopJovem* programme offers mentoring, training and consultancy in addition to finance (see next section for more information).

Another entrepreneurship training programme under the Youth Guarantee is **Empreende já** (“Enterprise Now”). The programme is managed by the public **Portuguese Institute of Sport and Youth** (IPDJ). It offers training, mentoring, networking support and business competitions. In the first phase (Action 1) participants receive 250 hours of training in entrepreneurship skills and up to 30 hours of personalised technical support for the structuring and sustainability of the project to set up a company or a social economy entity. There were 3 100 applicants for 1 000 spots.

More intensive support is available through entrepreneurship mentoring programmes, notably for youth entrepreneurs. The **National Network of Mentors** is a measure within the +E+I programme, which matches youth entrepreneurs with an experienced entrepreneurs to help them develop their business ideas and projects. The programme is managed by the Agency for Competitiveness and Innovation (*Agência para a Competitividade e Inovação*) and approximately 600 mentors are involved. There are also several private initiatives and projects directed to women entrepreneurs. The Exchange Platform, launched in September 2015 gathers testimonies of women entrepreneurs.

### *The unemployed*

In addition to the schemes that support unemployed youth, there are also a small number of initiatives that aim to empower vulnerable groups such as the unemployed. One example is the **Active Citizens Programme** (*Programa Cidadãos Activ@s*),<sup>30</sup> which aims to strengthen civil society and active citizenship, and to encourage social engagement. The programme was launched in July 2018 and is being implemented over the period 2018-24.<sup>31</sup> It is funded by Iceland, Liechtenstein and Norway, with a budget of EUR 11 million. The programme is organised into four priority axes of intervention, one of which is Empowering Vulnerable Groups (budget: EUR 2.5 million). This axis supports, among other projects, training programmes for the economic empowerment and integration into the labour market of vulnerable groups (including persons with disabilities, youth at risk of social exclusion, victims of domestic and sexual violence; refugees, migrants, Roma and other ethnic minority groups; prisoners, homeless persons, older people).

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<sup>30</sup> <https://gulbenkian.pt/cidadaos-ativos/programa-cidadaos-ativos/>

<sup>31</sup> The programme benefits from the Active Citizens Fund, a component of the EEA Grants specifically designed to support the non-governmental organisations (NGOs). The *Calouste Gulbenkian Foundation* and the *Bissaya Barreto Foundation* are responsible for the implementation of this Programme.

## 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.

There are several programmes that provide start-up funding for entrepreneurs. Many of these schemes are operated by the IEFPP and these typically include entrepreneurship training and/or business counselling in addition to financial support.

#### *National Programme of Microcredit*

Another important initiative for inclusive entrepreneurship is the **National Programme of Microcredit** (*Programa Nacional de Microcrédito – PNM*), a measure developed by IEFPP in partnership with the *António*

*Sérgio Cooperative for Social Economy (CASES)*. This programme facilitates access to credit through small-scale financing, up to EUR 20 000. Investment loans are granted by credit institutions or microcredit financial corporations through the MICROINVEST credit line, benefiting from interest rate and guarantee rebates as part of the mutual guarantee scheme. This programme supports business creation projects by people who have difficulties accessing the labour market and are at risk of social exclusion as well as by micro-entities and co-operatives<sup>32</sup> that have projects with net job creation. It provides access to credit in the form of small investment and financing. According to CASES' Action Plan for 2018,<sup>33</sup> the objectives of this programme (called *Sou Mais* – “I’m more”) included a target of 250 validated projects per year with a bank approval rate of 50%, among which 125 projects to be covered by Technical Support. Monitoring also suggests that several programmes such as the PNM *Sou Mais* have had year-over-year growth in the number of entrepreneurs who have benefited from the support. In 2018, the programme validated 235 processes with a value of EUR 4 080 012.<sup>34</sup>

In addition to this programme, multiple banking institutions offer microcredit, including several (e.g. Millennium BCP, Novo Banco) that are supported by the EU through the Progress Microfinance Facility.

The **Programme of Support for Entrepreneurship and Self-employment Creation (PAECPE)** implemented by the IEFP also contains some financial support measures. An important credit line is Invest+, also part of PAECPE. Invest+ in terms of operations with a higher volume of credit (up to EUR 100 000), has, in absolute terms, greater execution than MICROINVEST.

### *Business angels*

Business angel networks are encouraged and may receive public financial support through the StartUp Portugal initiative launched in March 2016. Previously, the government created several co-investment funding schemes with Business Angels under *Programa Operacional Competitividade e Internacionalização (Compete)/Quadro de Referência Estratégica Nacional (QREN)* that were considered good practices at the European level.

### *Crowdfunding*

There are crowdfunding platforms such as PPL (<http://ppl.com.pt/en>) and Novo Banco Crowdfunding (<https://novobancocrowdfunding.ppl.pt/>). These platforms allow fundraising for a project through an online community that shares the same interests. It essentially offers credit in the form of advanced sales or results. These platforms are emergent ways of financing social entrepreneurship projects and/or entrepreneurial projects of people that do not satisfy the requirements of the public programmes or banking institutions. However, no platform focuses on specific target groups.

### *Financial literacy training*

In addition to these initiatives aimed at improving access to start-up finance, there are efforts to improve financial literacy, which is typically included in all entrepreneurship training programmes. Beyond that, the National Council of Financial Supervisors (CNSF)<sup>35</sup> established the National Plan for Financial Education (*Plano Nacional de Formação Financeira* – PNFF) in 2011, with an initial time horizon of five years. It aims

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<sup>32</sup> Up to 10 workers.

<sup>33</sup> [www.cases.pt/wp-content/uploads/2011/02/PAO-2017.pdf](http://www.cases.pt/wp-content/uploads/2011/02/PAO-2017.pdf)

<sup>34</sup> CASES, Relatório de Gestão e Contas, p. 78, [www.cases.pt/wp-content/uploads/2018/04/RGC-2017-1.pdf](http://www.cases.pt/wp-content/uploads/2018/04/RGC-2017-1.pdf)

<sup>35</sup> The CNSF comprises Banco de Portugal, Portuguese Securities Market Commission (*Comissão do Mercado de Valores Mobiliários* – CMVM) and Insurance and Pension Funds Supervisory Authority (*Autoridade de Supervisão de Seguros e Fundos de Pensões* – ASF).



to contribute to improving the knowledge and financial behaviour of the population in general, considering the specific needs of diverse segments of the population, namely the most vulnerable ones such as the unemployed, immigrants, the retired with low income levels, young people without compulsory education and those with special needs. Various initiatives were developed for these groups in the first years of implementing the Plan. The initiatives for these target groups were essentially organised by stakeholders with the support of the Plan. For example, a financial education initiatives for foreigners living in Portugal was promoted by the High Commission for Migration (ACM). The plan for the period 2016-20<sup>36</sup> intends to reinforce the initiatives targeting this groups. The Agency for Competiveness and Innovation (*Agência para a Competitividade e Inovação*, I.P.) developed guidelines for financial literacy to be integrated in the school curricula as well as for training to micro companies and entrepreneurs. These guidelines were developed in partnership between the Agency and *Banco de Portugal*.

### Women

Female entrepreneurs are an important target group of many of the schemes noted above. In addition, the EU WEgate platform can help to connect women entrepreneurs to the European Business Angels community. This can help women entrepreneurs obtain financing for their projects and also expand their entrepreneurship networks.

### Youth

There are several start-up financing programmes that are tailored for youth. Under the Youth Guarantee scheme, the Programme **Investe Jovem** provides grants and interest-free loans to entrepreneurs who are 18 to 30 years old. It includes financial support for investment and for the creation of one's own employment. Please see previous section for further discussion and information about the scheme's impact.

**CoopJovem** was created in 2015 under YGIP and aims to support young people in setting up co-operatives or creating jobs in existing agricultural co-operatives. The programme has an initial duration of two to six months (project development phase) and extends for a minimum of three years (during which the employment contracts created must be maintained). The support given includes a grant between EUR 421.32 and EUR 695.18 (depending on the qualification level of the beneficiaries) and technical support, during the first phase. For the establishment and installation of the cooperative, projects may receive technical and financial supports for a period of one year. Projects can also benefit from a credit line. The beneficiaries of unemployment benefits can receive the amount in a lump-sum payment. This programme is still ongoing. The *CoopJovem* programme received and analysed 668 applications; the average age of applicants was 26 years old. From those, 356 applications were selected to join the programme.<sup>37</sup>

There are also several financing programmes for young entrepreneurs under the StartUp Portugal strategy. The StartUp Voucher (**Emprende já**<sup>38</sup>), provides different types of support, including a monthly grant for the participant (EUR 691.71) and an award prize of EUR 2 000 for the achievement of the business project and the formation of a company. In addition, the winners of the Momentum programme are granted a EUR 691.70 monthly allowance for a period of 12 months to contribute to their living costs so that they can focus on their business idea.

Other grants are also available for youth in certain industries. For example, the Programme Supporting the Establishment of Young Farmers (*Apoio à instalação de Jovens Agricultores*), under the auspices of the

<sup>36</sup> <http://www.todoscontam.pt/SiteCollectionDocuments/NationalPlanforFinancialEducation2016-2020.pdf>

<sup>37</sup> CASES, Relatório de Gestão e Contas, p. 91, [www.cases.pt/wp-content/uploads/2018/04/RGC-2017-1.pdf](http://www.cases.pt/wp-content/uploads/2018/04/RGC-2017-1.pdf)

<sup>38</sup> <https://eja.juventude.gov.pt/#/>



Ministry of Agriculture, Forestry and Rural Development, provides grants up to EUR 25 000 to young farmers between 18 and 40 years old.

### *The unemployed*

As noted earlier, IEFP provide financial support to people with special difficulties in accessing the labour market and/or at risk of social exclusion through the **Programme of Support for Entrepreneurship and Self-employment Creation**. This programme includes two lines:

- **Support for the Creation of Own Employment by Beneficiaries of Unemployment Benefits** (ACPE), which consists in the payment of a full or partial lump-sum payment of their unemployment benefits to start a business. Access to a credit line with interest rate subsidy and guarantee is also facilitated through the framework of mutual guarantee system (MICROINVEST E INVEST+), granted by banking institutions. In 2017, ACPE supported 1 789 entrepreneurs, representing a rate of physical execution of 119.3%. In July 2018, the rate of physical execution was 54.1%.
- **Support for start-up** (ACE) which provides financial support for the creation of small enterprises, including cooperatives, through access to guaranteed credit lines and interest rate subsidies (MICROINVEST E INVEST+) granted by banking institutions.

### **Recent policy developments**

The +CO3SO *Emprego*<sup>39</sup> initiative was recently launched under the Portugal 2020 strategy. It aims to support employment and entrepreneurship, including social entrepreneurship, by supporting job creation in small and medium-sized enterprises (SMEs) and social economy entities. This programme has three axes:

- CO3SO *Emprego Interior* – Intended for low density territories;
- CO3SO *Emprego Urbano* – dedicated to employment in urban areas;
- CO3SO *Emprego Empreendedorismo Social* – for IPSS and entities comparable to social entrepreneurship projects.

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<sup>39</sup> <https://www.portugal2020.pt/content/co3so-emprego-com-90-milhoes-de-euros-para-apoio-direto-criacao-de-emprego>.

## 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**

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

Entrepreneurship is seen as a method of moving out of unemployment, especially for youth, and is widely promoted in the national media and by a range of public and private institutions. All support programmes have websites and calls for applications are disseminated to the public. For example, StartUp Portugal+ has received a great deal of media attention. However, more awareness-building actions for different target groups are needed to increase awareness about the numerous entrepreneurship supports that are available, as not all benefit from the same coverage.

Portugal has had a growth of several public and private institutions in the promotion of an entrepreneurial culture through education, based on the principle of the existence of an "entrepreneurial school". However, despite of the very important role that universities already play with the introduction of entrepreneurship in

its various aspects in undergraduate and postgraduate degrees, there is room for further developments in the implementation of entrepreneurship education in compulsory schooling.

Entrepreneurial networks are also used to promote and support entrepreneurs from various under-represented and disadvantaged groups. Table 3.4 presents specific business networks available for women, youth, immigrants and seniors. These networks are generally popular but there is a need to strengthen them and to develop the relationships between various support providers. This would facilitate the exchange of good practices and strengthen referrals between different types of support.

**Table 3.4. Business networks and communities**

Target Group	Business networks and communities
General population	Associação Portuguesa para o Empreendedorismo - <a href="http://empreend.pt/web/">http://empreend.pt/web/</a>
	Empreendedor - <a href="http://www.empreendedor.com/">www.empreendedor.com/</a>
	Portugal Education Entrepreneurship Platform - <a href="http://www.peep.pt/">www.peep.pt/</a>
	Portuguese Entrepreneurs - <a href="http://www.entrepreneurs.pt/">www.entrepreneurs.pt/</a>
	Startup Ship - <a href="http://startupship.org/">http://startupship.org/</a>
Women	Associação de Mulheres Empresárias Portuguesas (AMEP)
	Associação Portuguesa de Mulheres Empresárias (APME) - <a href="http://www.apme.pt/">www.apme.pt/</a>
	Associação Nacional de Empresárias - <a href="http://www.ane.pt/">www.ane.pt/</a>
	Connect to Success - <a href="https://www.facebook.com/connecttosuccessportugal">www.facebook.com/connecttosuccessportugal</a>
	Nova Women in Business - <a href="https://www.facebook.com/novawomeninbusiness/">www.facebook.com/novawomeninbusiness/</a>
Women Winwin - <a href="http://www.womenwinwin.com/">www.womenwinwin.com/</a>	
Immigrants	Alto Comissariado das Migrações - <a href="http://www.acm.gov.pt/inicio">www.acm.gov.pt/inicio</a>
Youth	Associação Nacional de Jovens Empresários - <a href="http://www.anje.pt/">www.anje.pt/</a>
Seniors	Associação Cristã de Empresários e Gestores - <a href="http://www.acege.pt/">www.acege.pt/</a>

### *Immigrants*

The **National Diaspora Investment Support Programme** (PNAID) was approved by the Resolution of the Portuguese Council of Ministers no. 64/2020, of 18 August. It is supervised by the Ministry of Foreign Affairs, through the Secretary of State for Portuguese Communities, and by the Ministry of Territorial Cohesion, through the State Secretariat for the Enhancement of the Interior. This programme aims to draw on the enormous potential of Portuguese communities living abroad as a strategic asset to support the internationalisation of the economy and stimulate investment. It also intends to give visibility and creating scale for products and services provided by micro or small companies with origin or destination in the Diaspora. Measures include support for the creation of co-operation networks and knowledge transfers, as well as cross-border projects.

## Regulatory measures

### Overview and assessment of regulatory environment

**Table 3.5. 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 to 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.

In response to recent recommendations from the European Commission (EC, 2016), there are ongoing efforts to improve and accelerate administrative and licensing procedures, accelerate tax litigations and reduce regulatory barriers, especially in business services. For example, the **Entrepreneur's Portal** (*Balcão do Empreendedor*), created in January 2015,<sup>40</sup> is a website that directs entrepreneurs to relevant information about business laws, regulations and start-up procedure and allows entrepreneurs to submit electronic forms and applications to governments. The features of the Entrepreneur's Portal are still being developed.

The self-employed can access social protection in some specific cases (e.g. sickness, parenthood, occupational accidents). Entrepreneurs can also access general unemployment benefits if they are economically dependent on one employer (for at least 80% of their income) or if they operate a limited liability company. A welfare bridge programme (ACPE) is also in place. It allows unemployed people to convert their unemployment benefits into a lump sum grant to start a business.

One important initiative that simplifies regulations and procedures is *StartUp SIMPLEX* launched by the government in 2016.<sup>41</sup> This initiative is a contest to reward innovative ideas that simplify the lives of citizens and businesses in their relationship with public services. Its main objective is to incorporate innovation in public administration and to design the public sector as an area of interest for the development of new product and service ideas by the national entrepreneurial ecosystem.

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<sup>40</sup> Diário da República, 1.ª série — N.º 11 — 16 de janeiro de 2015

<sup>41</sup> SIMPLEX was a government programme aiming the legislative and administrative simplification and the modernisation of public services. It was launched in 2006 and had successfully implemented more than 1 000 simplification measures by 2011. StartUp SIMPLEX is part of SIMPLEX+, the new edition of this programme relaunched in 2016.

# 4 Supporting people who experience disability in entrepreneurship

## Self-employment and entrepreneurship activities

The unemployment data recorded by the IEFP show that, in 2018, of the total number of people registered as unemployed, 3.85% (n=12 135) were disabled (2019a). More than half have been unemployed for more than 12 months and about 10% had less than the first cycle of education, while 23% had completed secondary education and another 6% had completed higher education. About 13% were under 25 years old and 81% had been previously unemployed (IEFP, 2019a).

The proportion of unemployed people with a disability has more than doubled since 2009 (1.71%). However, this increase comes during a period in which unemployment declined (-38% between 2009 and 2018). This increase in unemployment among people with disabilities in the period 2009-18 may be due, at least partially, to the increase in the number of people with disabilities covered by employment and training measures, which require prior registration at the IEFP but do not find employment after the training or internship period (Pinto and Pinto, 2018). Moreover, the gender distribution of the unemployed with a disability has changed greatly over the past decade. Women accounted for 37.9% of the unemployed with a disability in 2009 relative to 45.9% in 2018.

An analysis of employment outcomes of people who experience disability shows that the majority work in manufacturing industries (22%), health services and social support (19%), and in commercial activities (14%) (GEP-MTSSS, 2019). It is important to note the persistence of gender segregation in these occupations, particularly in manufacturing, to which 28% of men with disabilities are employed relative to 17% of women with disabilities. Conversely, women with a disability are much more likely to work in health and social support activities relative to men with a disability (27% vs. 11%), which is similar to the overall population. In the public sector, data from the Directorate-General for Administration and Public Employment show that people who experience disability account for 2.6% of public sector employment.

## 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.

Policies to support people who experience disability are largely under the responsibility of the national government. Most of the vocational training, employment (and self-employment) support offered for people who experience disability is managed by IEFPP. These measures can be divided into two types:

- “specific measures” also called “professional rehabilitation” measures, which are exclusively for this public. This accounts for 84% of the support provided.
- “general measures,” which also cover other audiences and include measures for employment and vocational training. This accounts for 16% of the support provided.

## Overview and assessment of policies and programmes

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

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

Between 2009 and 2018, the number of beneficiaries of specific vocational rehabilitation measures nearly doubled, from 17 103 in 2009 to 32 452 in 2018. However, in the same period, expenditure on these measures fell 59% (from EU 78.78 million to EUR 32.41 million). Relevant measures in a perspective of labour market inclusion, such as Supported Employment in the Open Market, registered a marked growth (+532% of those covered between 2015-18).

There has been a strong increase in relevant measures from an inclusion perspective. This includes the measure Supported Employment in the Open Market, which grew 532% since 2015. In 2018, it reached 1 093 beneficiaries. This is the specific measure that is most relevant for supporting entrepreneurship of people with disabilities.



The Insertion Stage for People with Disabilities and Disability was the specific measure that registered the greatest growth between 2017-18: + 399%, going from 145 to 724 people covered. An analysis of the evolution of this measure since its creation, in 2011, reveals an increase of 524% in this period (n = 116 in 2011) (IEFP, 2019b).

# 5 Policy recommendations

Public policies to promote entrepreneurship have gained in importance in recent years. They have, in particular, been used as a way to increase opportunities for youth to enter the labour market and overcome unemployment. The recently launched StartUp Portugal Strategy includes a range of initiatives to support entrepreneurs (e.g. measures for funding, start-up acceleration and strengthening of the entrepreneurship ecosystem). These efforts will likely improve youth business start-up support but to strengthen inclusive entrepreneurship support, the following actions are recommended:

1. **Create a good practice observatory of inclusive entrepreneurship initiatives to disseminate knowledge, good practices and evaluation results.** Most inclusive entrepreneurship support programmes are small-scale operations. Strengthening linkages between them would increase the potential for sharing knowledge and information across support providers. This would also be expected to improve referrals across the support system.
2. **Improve business development support services for entrepreneurs from under-represented and disadvantaged groups by providing training for support providers.** The quality of support programmes could be improved by providing training to support providers so that they are aware of the different challenges faced by different groups and their unique needs. This also includes training for mainstream business development support providers.
3. **Provide more training on business development and growth within existing entrepreneurship training programmes for youth and women.** Many start-up training programmes are available for women and youth but they are heavily focussed on pre start-up activities. More attention is needed on businesses development and growth through the identification of new markets, customers and potential products and services.
4. **Develop a clear strategy and training material for entrepreneurship education in schools and vocational education.** Entrepreneurship is largely absent in the curricula so learning material needs to be developed at all levels and teachers need to be trained in how to deliver it. It is important to design active learning methods and the most effective approaches tend to use the knowledge and experience of “real” entrepreneurs.
5. **Create second chance programmes for entrepreneurs so that they can exit unsuccessful businesses and try again.** With the COVID-19 pandemic, a reinforcement need to create this type of programs, in order to take more risks and, through this route, there will be more innovation and economic progress and more possibility of creating jobs in the future.

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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.