

Inclusive Entrepreneurship Policies,
Country Assessment Notes

Slovenia

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 EU Member State. Each note provides an overview of the entrepreneurship activities by women, youth, seniors, immigrants and the unemployed. It also provides an assessment of policies and programmes that support people from under-represented and disadvantaged groups in business creation and self-employment, and suggests policy actions to address gaps in the support system and to improve the quality of available support offers. The notes cover national-level policies and programmes and, where relevant, sub-national initiatives and actions by the non-governmental sector.

The 2020 notes include a special section on entrepreneurship support for people who experience disability. This section provides an overview of the entrepreneurship activity levels, obstacles faced and policy responses. It also contains a new section on entrepreneurship framework conditions to provide additional context for interpreting the tailored policies and programmes.

These country-specific notes are part of a wider programme of work by the OECD and the European Commission that includes “The Missing Entrepreneurs” publications, the Better Entrepreneurship Policy Tool (www.betterentrepreneurship.eu), a series of Policy Briefs on specific target groups, policies and issues, and national policy reviews of youth entrepreneurship and women entrepreneurship. This work stream examines how public policies and programmes can support inclusive entrepreneurship. This includes refining regulatory and welfare institutions, facilitating access to finance, building entrepreneurship skills through training, coaching and mentoring, strengthening entrepreneurial culture and networks for target groups, and putting strategies and actions together for inclusive entrepreneurship in a co-ordinated and targeted way. Governments are increasingly recognising the challenge of inclusive entrepreneurship, but there is still much to do to spread good practice. For more information please refer to: www.oecd.org/employment/leed/inclusive-entrepreneurship.htm.

Acknowledgements

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

This note was prepared by Professor Katja Crnogaj of the University of Maribor. David Halabisky of the OECD CFE edited the note under the direction of Dr. Jonathan Potter, also of the OECD CFE.

A draft of this report was reviewed by representatives of Ministry of Economic Development and Technology.

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

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

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Key messages

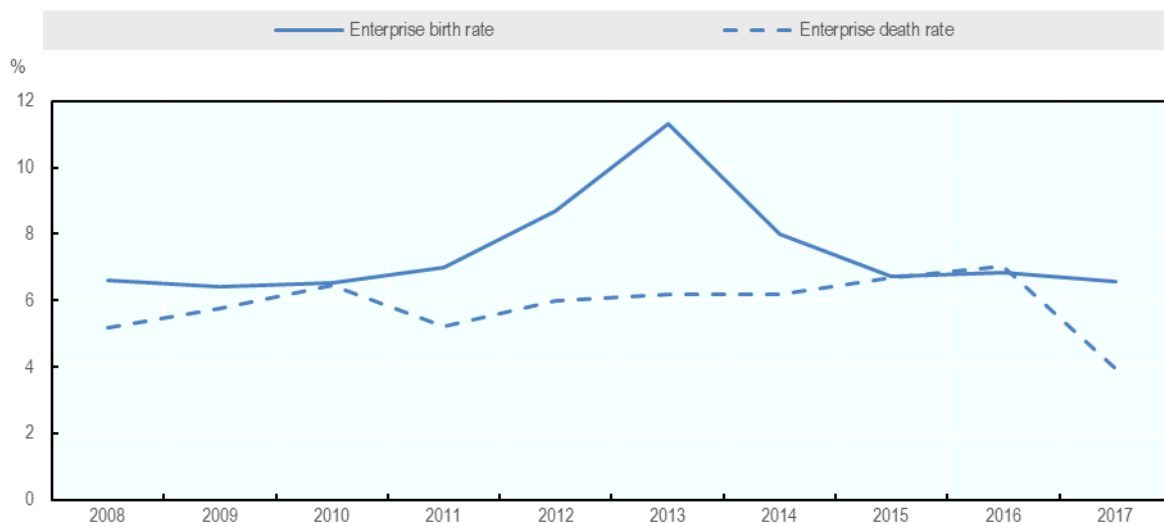
- The overall conditions for entrepreneurship are relatively strong. The level of administrative burden on start-ups is more favourable than the European Union (EU) median and a high share of the population self-reports having entrepreneurship skills.
- The share of self-employed in total employment has increased slightly over the past decade to 11.3% in 2019, but this remained below the EU average (12.5%). One reason for this growth in self-employment is changing employer practices, which has led to a greater outsourcing of work to self-employed contractors. There gender gap in self-employment is slightly larger than the gap at the EU level, and there are also relatively fewer self-employed seniors.
- In 2019, there were about 93 500 early-stage entrepreneurs, which includes those people working towards launching a new business as well as those managing a business that is less than 42 months old. The number of people involved in early-stage entrepreneurship has grown over the past decade, especially among women and seniors. However, a relatively high share of these activities are driven by “necessity”, i.e. the person could not secure employment.
- Eliminating the gaps in early-stage entrepreneurship rates across groups such as men, women, youth and seniors would result in about 59 000 additional early-stage entrepreneurs. About three-quarters of these would be female and 60% would be between 50 and 64 years old.
- Most entrepreneurship training and coaching programmes for those from under-represented and disadvantaged groups are provided by SPIRIT Slovenia and the Employment Service of Slovenia (ESS). These schemes are often developed and delivered in co-operation with other government and non-government organisations. The majority of the tailored initiatives are targeted to youth and women and often focus on developing the skills for business creation.
- Much progress has been made in making entrepreneurship more inclusive over the past decade but there is a risk that this will erode in the coming years because some notable programmes and initiatives have expired and have recently been abolished. This includes the start-up subsidy for the unemployed who were able to sustain self-employment for at least two years.
- The following actions are recommended to strengthen inclusive entrepreneurship support:
 - Increase tailored entrepreneurship support for seniors, immigrants and the unemployed, notably by introducing more tailored coaching and mentoring and business counselling;
 - Strengthen the microfinance system to improve access to finance for people from under-represented and disadvantaged groups;
 - Continue to create an entrepreneurship friendly culture; and
 - Strengthen monitoring and evaluation practices of entrepreneurial programmes and initiatives.

1 Inclusive entrepreneurship trends

Conditions for entrepreneurship

Business entry and exit rates are approximately equal to the median rates for the European Union (EU). The business population has grown every year over the past decade, despite the financial crisis (Figure 1.1). The entry rate increase dramatically between 2011 and 2013, which was a return to pre-crisis entry rates (OECD, 2019).

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 business start-up procedures and costs are among the most favourable in the EU. The World Bank Doing Business Survey finds that the administrative burden on new start-ups is nearly in the top five in the EU (Figure 1.2) and the costs associated with business start-up are among the lowest (OECD, 2019). This is the result of actions such as update of the national online business portal e-VEM to simplify the procedures and reduce the costs of starting a business. Simplifications were also introduced in the tax system for the self-employed, with the creation in 2016 of pre-filled social-security contributions accounts in electronic format (OECD, 2019).

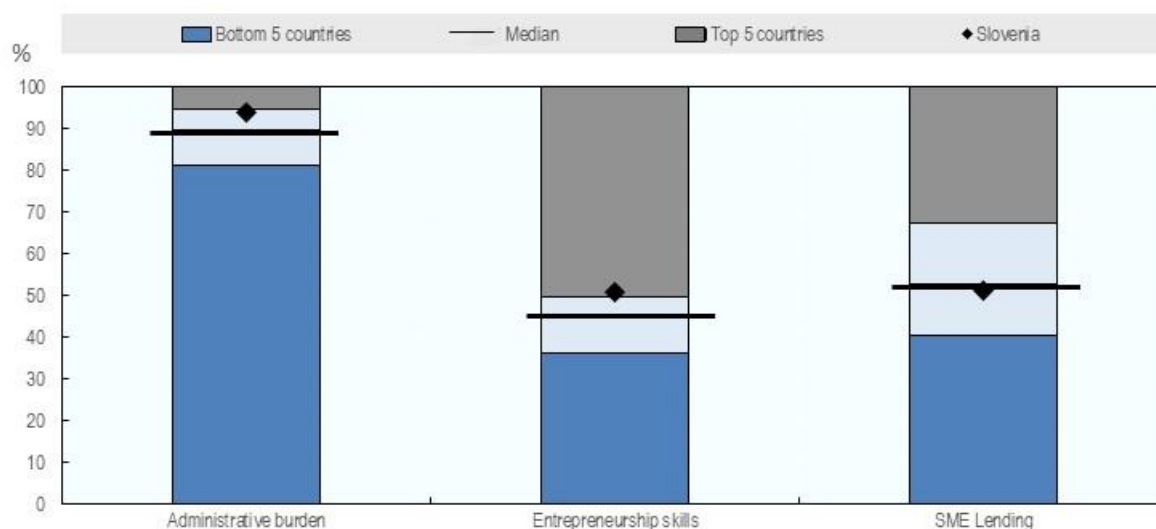
The share of the population who indicate that they have the skills and knowledge to start a business is in the top five among EU Member States (Figure 1.2). This is likely one of the results with the significant

progress made in educational attainment and workforce upskilling that has been ongoing since the 1990s (OECD, 2019).

However, access to finance appears to be a challenge for many entrepreneurs and SMEs. SME lending has halved between 2011 and 2016 while interest rates have declined and the amount of SME loans relative to all business loans is now below the median for the EU (Figure 1.2). The government has introduced several measures to improve access to finance for entrepreneurs and SMEs, including multiple instruments that are offered through the Slovene Enterprise Fund.

Figure 1.2. Conditions for business creation, 2019

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

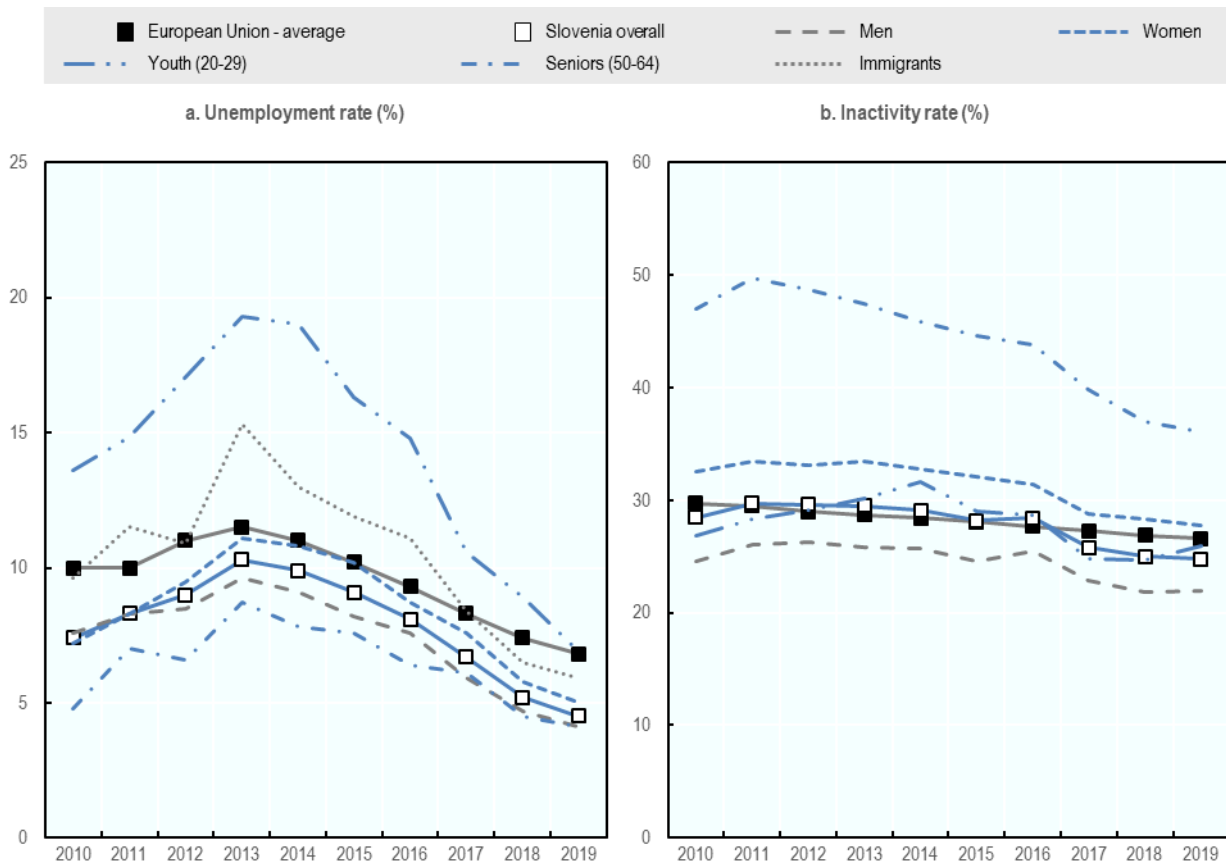
The labour market continues to improve with rising employment and falling unemployment (European Commission, 2020). The unemployment rate fell for the six consecutive year and remain under the European Union average (Figure 1.3). Since its peak in 2013 (10.3%) it dropped to 4.5% of registered unemployment in 2019. According to the IMAD (2020a) the number of persons employed increased year-over-year (mostly in construction, transportation and storage, and accommodation and food service activities). Employment growth was largely based on the hiring of foreigners (their contribution to total employment growth exceeding 70%), which is a consequence of demographic change and the shortage of domestic labour.

Despite improved labour market conditions, structural challenges are still a concern. Youth unemployment rate remains the highest, although improvements are evident as it dropped significantly from 19.3% in 2013 to 4.5% in 2019. The employment recovery led to the creation of many permanent jobs, but young people are still more likely than other age groups to be employed in non-standard types of works. Both men, as well as women unemployment rates decreased in 2019, whereas senior's unemployment rates hardly

changed in last two years. According to the European Commission (2020) the long-term unemployment rate of older workers remains a concern, and at the same time certain sectors face labour market shortage. The unemployment rate of immigrants dropped from 15.3% in 2013 to 5.9% in 2019. Employment growth, although slowing, remains strong. Owing to a significant shortage of workers with appropriate skills, it is mainly based on the hiring of foreigners.

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>.

The youth inactivity rate remains the highest among main population groups, and together with the inactivity rate of seniors and women, it is above the EU (Figure 1.3). The government focused its efforts on reducing the low employment rate of workers in the age categories 45-54 years old and 55-64 years old, by imposing stricter eligibility conditions for receiving unemployment benefits. The inactivity of people in these age categories has a direct negative impact on the sustainability of the pension and health systems. One of the remedial measures taken to tackle this issue was the introduction of a subsidy for employers that hire people older than 58 years old on a permanent basis, with priority given to the employment of recipients of unemployment benefits and cash social assistance. The measure is co-financed by the European Social Fund (European Commission, 2019). However, the country is moving away from the SDG target to close the gender gap in the inactivity rate due to caring responsibilities. Furthermore, as a result of the ageing population, challenges, in terms of labour market participation, still persist for older workers (European Commission, 2020).

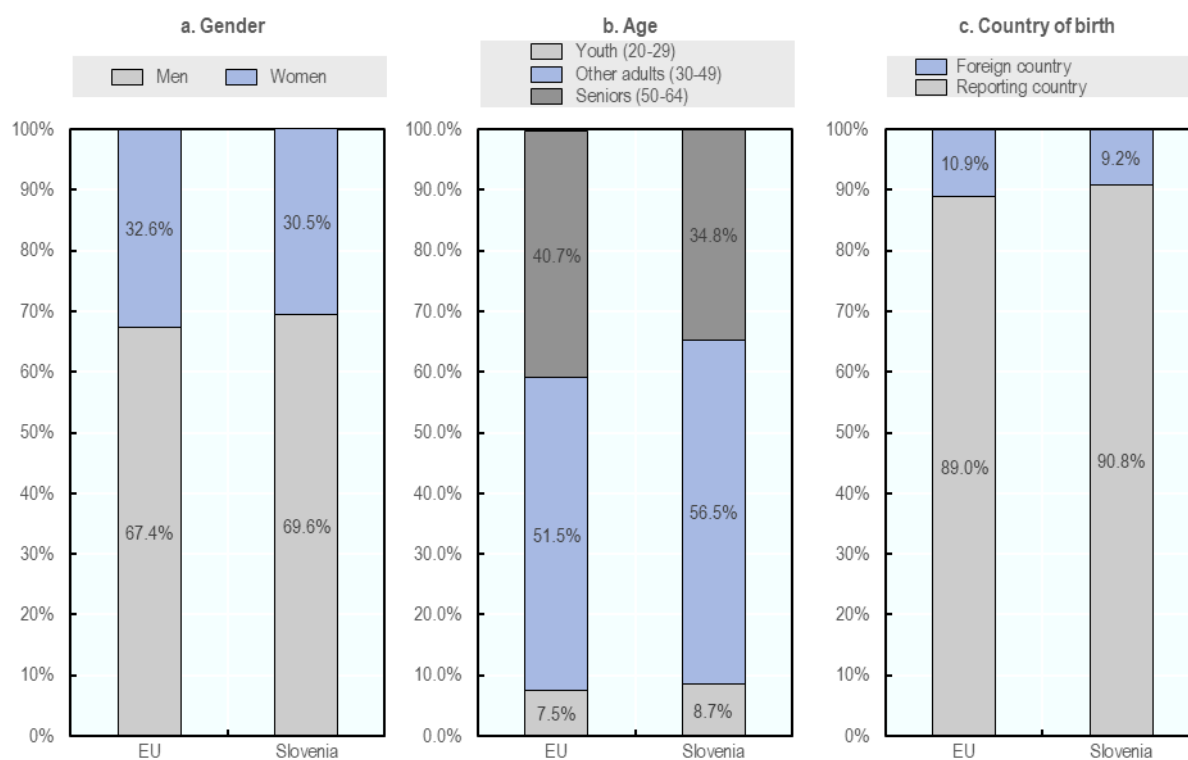
With the onset of the coronavirus epidemic, unemployment is expected to increase according. In the first two months of 2020, the number of persons in employment was still rising, as there was a shortage of domestic workers. However, unemployment data already point to a turnaround in labour market conditions due to the epidemic. While the number of unemployed persons in the first two months was still similar to that at the end of last year, it started to increase rapidly in the middle of March. At the end of April, 88 648 persons were registered as unemployed, one-fifth more than in the same period last year and 14.4% more than in February, i.e. before the epidemic (IMAD, 2020b).

Self-employment activities

In 2019, the working population consisted of 848 000 employees, 118 000 self-employed and 16 000 unpaid family workers. Compared to 2018, there were 2% more employees, 3.5% fewer self-employed and 39.4% fewer unpaid family workers (SORS, 2020). As in other countries the notion of self-employment covers different groups of persons in employment and covers a wide range of statuses, working conditions and opportunities in the labour market. The highest share of self-employed represents the group of individual private entrepreneurs followed by farmers and own-account workers. More men than women are self-employed (69.6% of men and 30.5% of women in 2019) (Figure 1.4). The share of female self-employment was slightly lower than the share of female self-employment in the EU. Among self-employed workers in 2019 there were 56.5% of adults (in the 30-49 age group), followed by the 34.8% of seniors (50-64 age group) and 8.7% of youth (20-29 years old). Majority of all self-employed workers was born in Slovenia (90.8%).

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>.

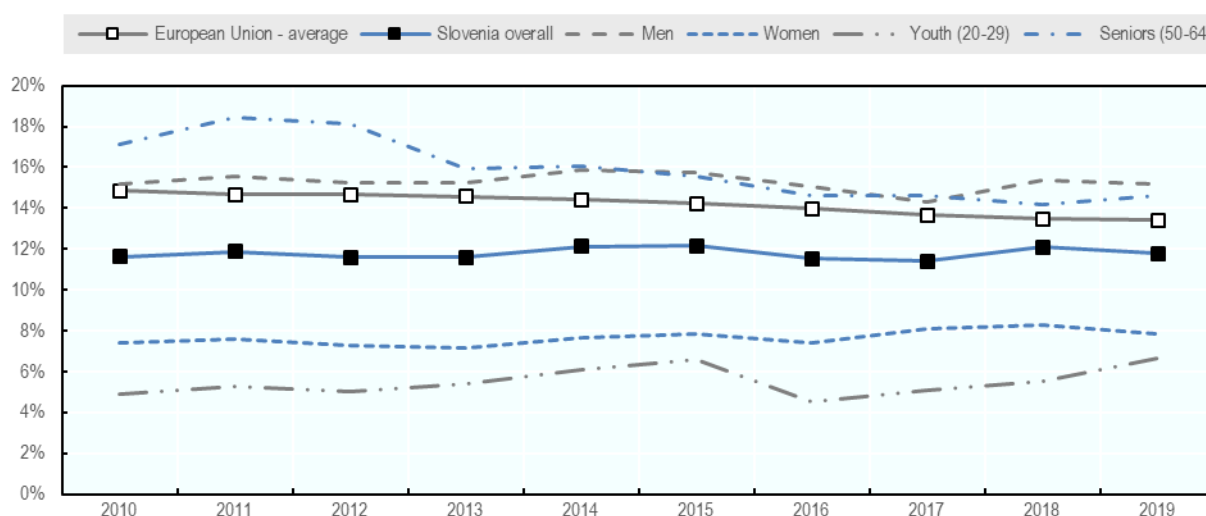
The share of self-employed in total employment has increased from 10.4% in 2013 to 11.3% in 2019 (Figure 1.5), which remained below the EU average (12.5%). During the last two years however, the rate has followed a slightly decreasing trend. One of the reasons behind the growth of self-employed since the end of the twentieth century been an active labour market policy measure of the Employment Service of Slovenia that offered a subsidy to those who moved back into work through self-employed and maintained this activity for at least two years. However, this practice was abolished in 2014. Another reason for the growing number of self-employed is new employer practices. Instead of entering an employment relationship with the employee, the employer rather convinces a worker to formally establish self-employed status and to enter into a contractual agreement with the employer. A third reason that could at least partly explain the growth of the self-employed in Slovenia is the (rather favourable) taxation policy of sole proprietors enacted from 1 January 2015 (Širok, 2019).

According to the Labour Force Survey Results, 19.4% of the self-employed stated that the most important problem of being self-employed was lack of income when ill, while for 14.9% the most important problem was lack of influence on setting the price of their work. 13.8% of the self-employed perceived clients paying late or not at all as their main problem in self-employment. 28.1% of the self-employed had no major problems (SORS, 2018).

The highest self-employment rates in 2019 were among men (15.2%) and seniors (14.6%). As already stated, there is a gender bias reflected in a higher presence of men in comparison to women self-employed. Young people exhibit the lowest self-employment rate (6.6%). The reasons may lie in the lack of experience and skills, low level of human as well as physical capital and greater difficulties in obtaining finances needed to start a business. Only one group that recorded growth in the past four years are youth (from 4.5% in 2016 to 6.6% in 2019). The reason for decline can lie in the 2013 labour market reform and targeted active labour market policies that somewhat increased employment opportunities for older workers. However, self-employment remains important means for seniors to stay in employment. The changing age structure of the population, which will result in the proportion of the elderly almost doubling in the next 30 years, presents a challenge for the government policy makers. Because people in this age group have a lot of experience, resources, and networks of connections, it would be wise to support them via relevant policies so that they would exploit these advantages as entrepreneurs.

Figure 1.5. Self-employment rate

Proportion of employment that is self-employed

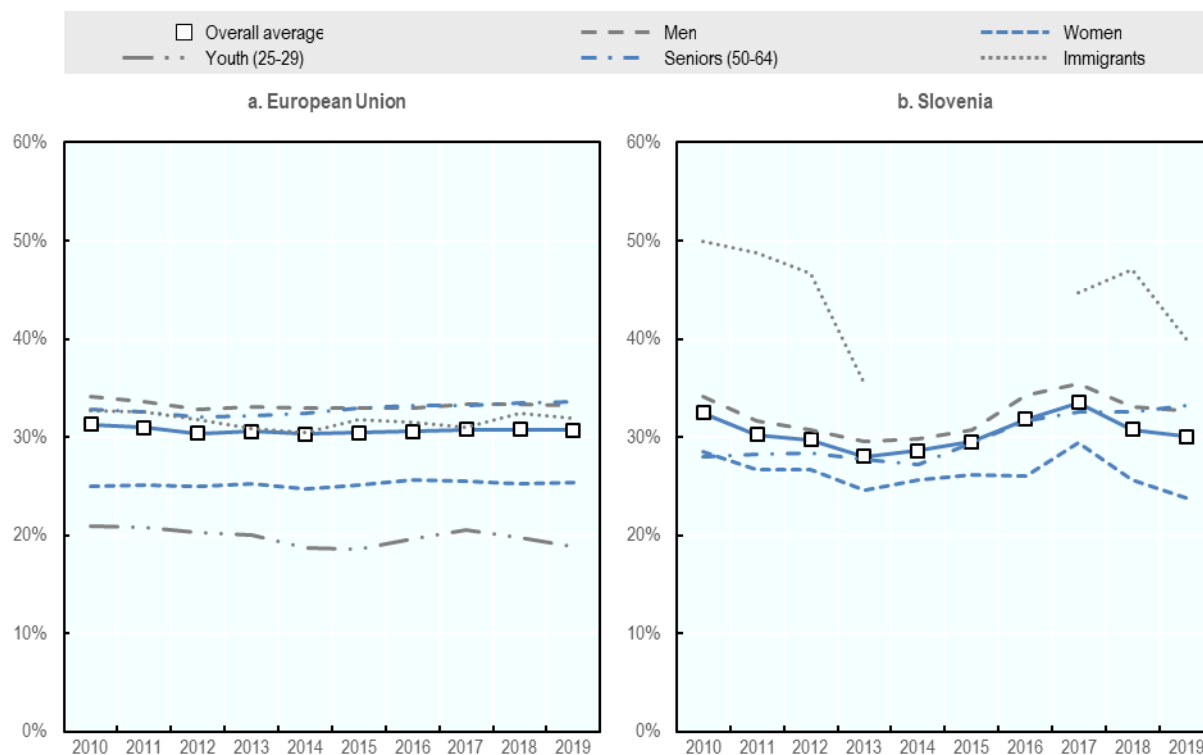


Source: Eurostat (2020), Labour Force Survey, <https://ec.europa.eu/eurostat/web/lfs>.

About 30% of the self-employed had employees (Figure 1.6), which is slightly below the EU average (30.7%). The share of male self-employed with employees is higher than the share of female self-employed with employees, similar to other EU countries. The highest proportion of self-employed with employees in Slovenia among all groups represented was that of immigrants (40.0% in 2019) and was the most above the EU average (31.9%).

Figure 1.6. Self-employed as employers

Proportion of the self-employed who employ others



Note: Reliable data for youth are not available, and reliable data for immigrants is not available for 2014-16.

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

Self-employed who were born outside of Slovenia were more likely to have employees than those who were born in Slovenia. Although many immigrants come from entrepreneurial cultures, this finding can be somewhat surprising as immigrant entrepreneurs typically face greater barriers to entrepreneurship than the mainstream population because they face a number of additional challenges when settling in their new country. This includes understanding the culture of their new country, the new institutional environment, as well as potentially learning a new language. These obstacles compound the typical barriers to business start-up because awareness of available support (e.g. entrepreneurship training programmes, grant schemes) is typically low and may not be accessible (OECD/European Union, 2017).

The distribution of the self-employed by sector of economic activity shows some variation across both EU and Slovenia (Figure 1.7). Between the five largest sectors per population group in 2019, the largest proportion of self-employed was engaged in agriculture, forestry and fishing (15.5%) followed by the professional, scientific and technical activities (14.7%), construction (12.2%) and wholesale and retail trade; repair of motor vehicles (12.0%). This does not reflect the share of overall economic activity, where

almost one fifth (19.7%) of all entrepreneurs are engaged in wholesale and retail trade; repair of motor vehicles, 16.7% in the professional, scientific and technical activities and 13.7% in construction (Močnik et al., 2019). In relation to the distribution of the self-employed in the EU, the self-employed in Slovenia are over-represented in all largest sectors except in wholesale and retail trade; repair of motor vehicles.

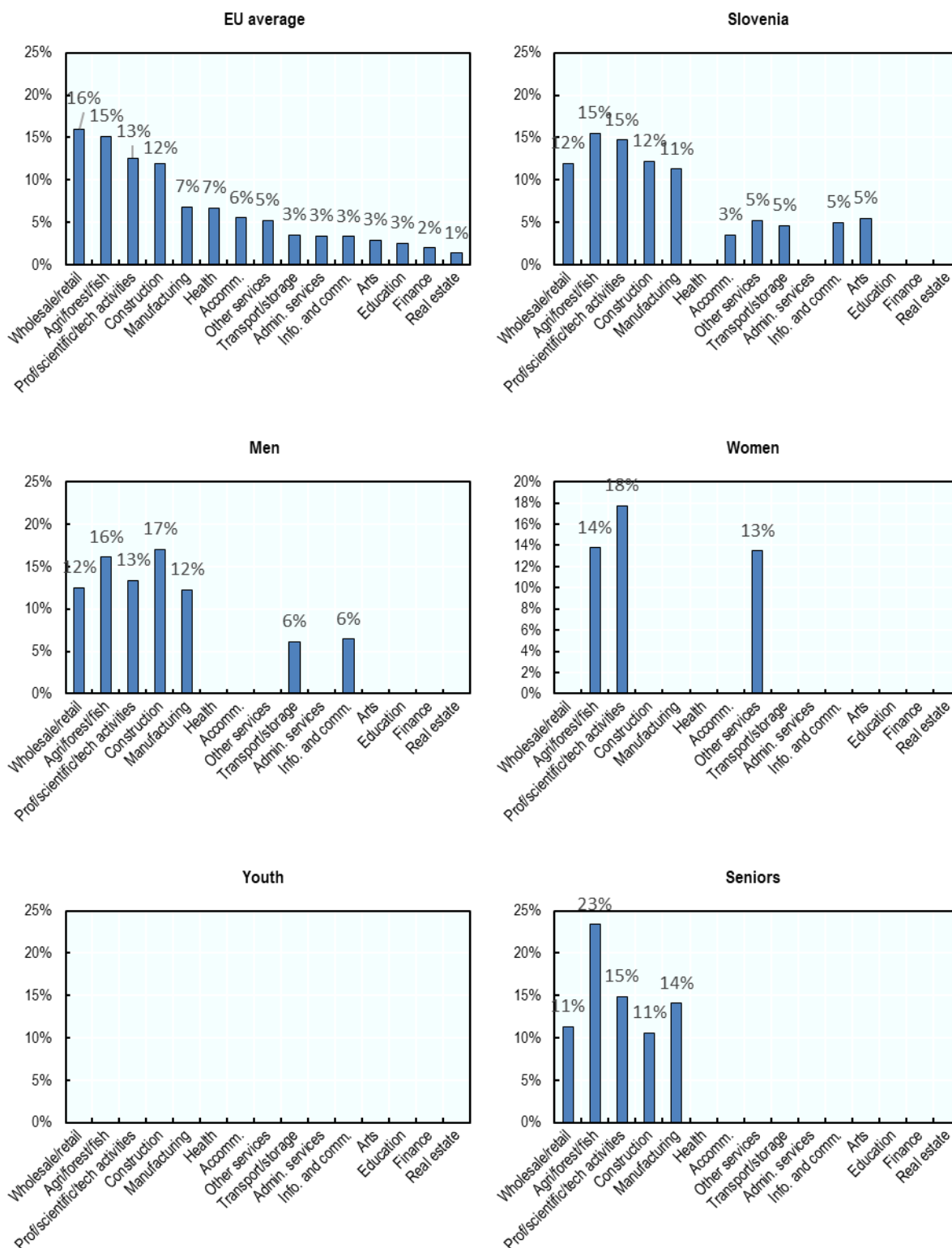
Examining self-employment across a gender and sector nexus, self-employed women are most likely to be working in professional, scientific and technical sector (17.8%). Women over represent men also in other service activities (13.6%). Seniors are most active in agriculture, forestry and fishing (23.4%), followed by professional, scientific and technical activities (14.8%) and manufacturing (14.1%).

The breakdown of the self-employed by occupational category also reveals some interesting similarities and dissimilarities between Slovenia and the EU (Figure 1.8). The largest occupational group between self-employed in Slovenia are professionals (22.0%), followed by managers (20.6%) and craft and related trades workers (15.9%). The largest occupational group in the EU is the same (professionals 21.6%), followed by service and sales workers (16.6%) and craft and related trades workers (15.1%). Data by gender and age are limited due to low quality of the Labour Force Survey estimates.

The high-skilled (i.e. managers, professionals, and technician and associate professionals) account for 52.8% of all self-employed workers, which is above EU average (45.9%). A low-skill group (i.e. clerical support workers, skilled agricultural, forestry and fishery workers, craft and related trades workers and plant and machine operators and assemblers) represents 43.6% of self-employed workers in Slovenia and 51.5% in the EU. Thus there is a slightly lower share of low-skilled self-employed workers in Slovenia. Women are significantly over represented as professionals (29.0% vs. 18.5% of self-employed men) and service and sales workers. The larger occupational group of senior self-employed (50-64 years old) is represented by skilled agricultural, forestry and fishery workers.

Figure 1.7. Self-employment by economic activity

Distribution of the self-employed by sector, 2019

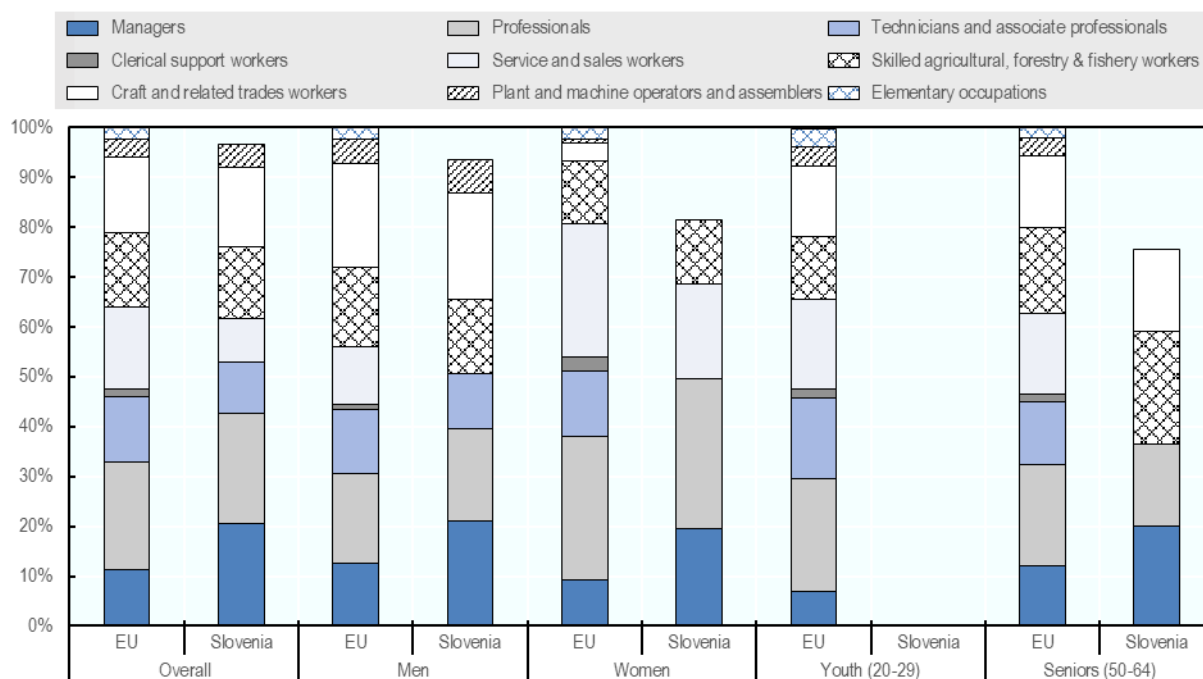


Note: Reliable data for youth are not available data for men, women and seniors are limited due to the quality of the estimates..

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

Figure 1.8. Self-employment by occupation

Distribution of the self-employed by occupation, 2019



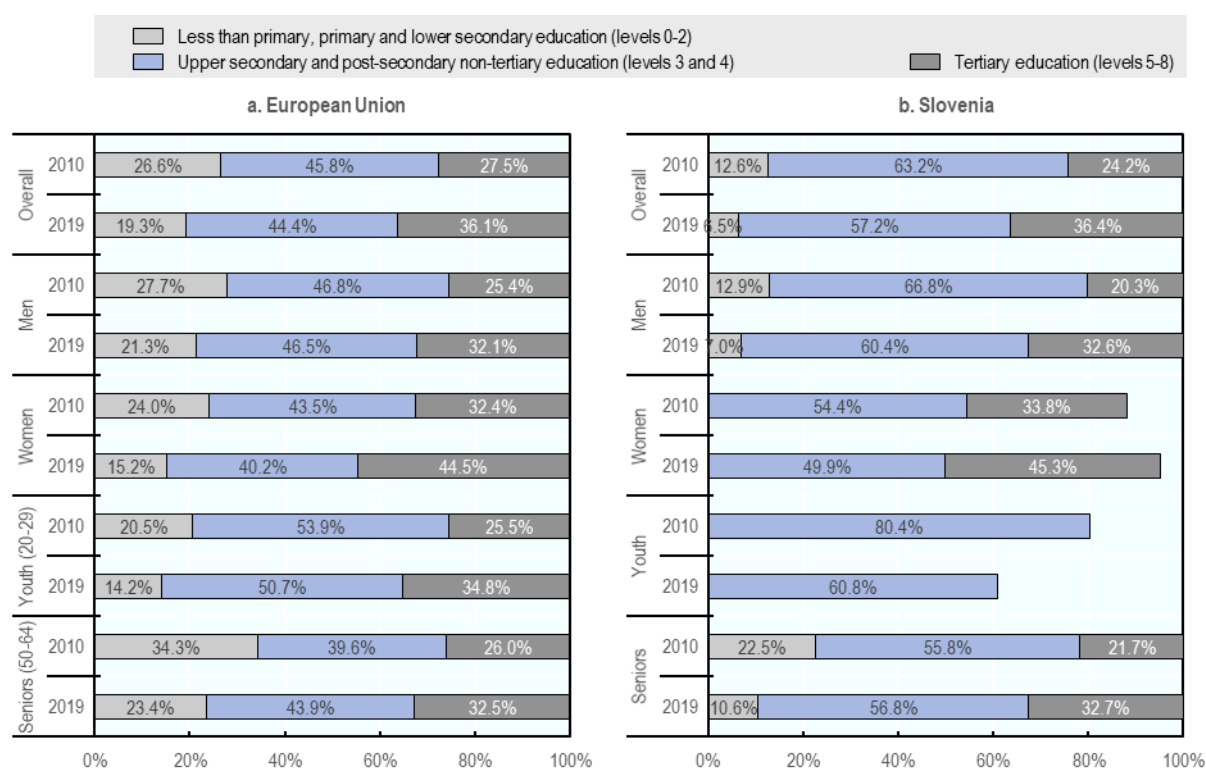
Note: Reliable data for youth are not available. Reliable data for men is only available for 6 ISCO08 occupations out of 10. Reliable data for women is only available for 4 ISCO08 occupations out of 10. Reliable data for seniors is only available for 4 ISCO08 occupations out of 10.
Source: Eurostat (2020), Labour Force Survey, <https://ec.europa.eu/eurostat/web/lfs>.

The structure of the self-employed workers educational level (Figure 1.9) reveals that there was a high proportion of self-employed people with upper secondary and post-secondary non-tertiary education in 2019 (levels 3 and 4; 42.5% in relation to 44.4% in EU) and high proportion of self-employed with tertiary education (levels 5-8; 49.5% in relation to 36.1% in EU). Generally, the educational structure of persons in employment is improving every year. At the end of 2019, 8.8% of them had basic education or less and on the other hand, the share of persons in employment with tertiary education is higher (35.1% at the end of 2019) (SORS, 2019).

In terms of gender, self-employed women are more likely than men have acquired tertiary education (45.3% in relation to 32.6% in 2019), and less likely to have achieved medium or basic education only. The educational structure of self-employed seniors is very similar in Slovenia with prevailing level of upper secondary and post-secondary non-tertiary education. According to IMAD (2019), Slovenia has long had a high rate of youth participation in education, resulting in a relatively high share of the population with upper secondary and tertiary education by international standards. However, the overall number of students has been declining due to demographic change, with knowledge and skills mismatch additionally affecting the availability of skilled labour. The mismatch is associated both with the low interest of youths in certain professions and with the slow reaction of the educational system to the demands of the economy and society.

Figure 1.9. Self-employment by education level

Distribution of the self-employed by educational attainment



Note: Data is only available for level 3-4 for youth and contain data that is unreliable for some types of employment.

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

Entrepreneurship activities

Global Entrepreneurship Monitor (GEM) research offers another lens to assess entrepreneurship and specific characteristics of individuals, e.g. the perception of their own abilities for entrepreneurial activities, the ability to perceive opportunities, entrepreneurial intentions and fear of failure. As GEM monitors entrepreneurial activity throughout the phases of the life cycle (nascent, new businesses and established businesses, discontinuation), according to impact (high growth, innovation, internalisation) and type (early-stage entrepreneurship activity, employee entrepreneurship activity), the picture offers additional insights that complement the labour force survey.

Overall, people in Slovenia are slightly less likely to be actively involved in setting up a business they will own or co-own than people in the EU (Figure 1.10). The nascent entrepreneurship rate was 3.8% in the period 2015-19, relative to 4.0% in the EU. There was a slight increase in the nascent entrepreneurship rate over the past decade (i.e. 3.8% in the 2015-19 period compared to 2.8% in the 2010-14 period). In entrepreneurial processes there is a noticeable decrease in activities when the next stage is entered, with a share of nascent entrepreneurs never to become new business owners. Nevertheless, the new business ownership rate was increased from 2.4% in the 2010-14 period to 3.2% in the 2015-19 period and was slightly above EU average (2.7%).

The entry stage into entrepreneurial activity is measured by the rate of nascent entrepreneurs, i.e. the individuals who are at present involved in setting up a business but this business has not yet paid salaries for more than three months. Together with owner-managers of a new business, i.e. individuals who own

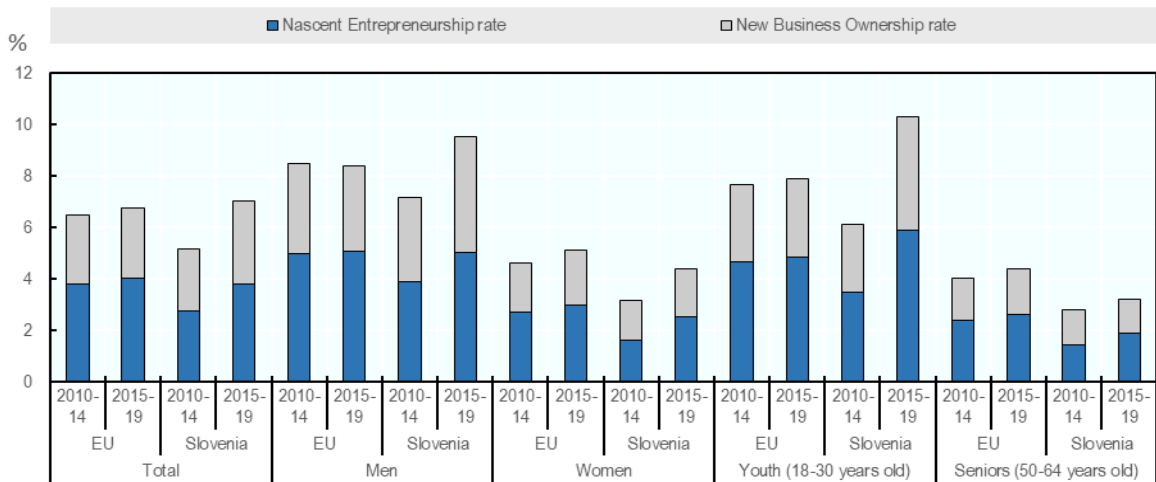
and manage a running business that has paid salaries for more than three months, but not for more than 42 months, they comprise the TEA index, which is the core measure of total early-stage entrepreneurial activity in GEM research. Although TEA index increased from 6.37% in 2018 to 7.8% in 2019, Slovenia do not reach the EU average of 9.2% (Rebernik et al., 2020).

Slovenian youth were the only population group that had a higher nascent entrepreneurship rate than the EU average (Figure 1.10). This means that other vulnerable groups (especially seniors and women) still present an important entrepreneurial potential which has not yet been fully exploited. According to the GEM survey, the biggest discrepancy in the negative sense is observed for the youngest cohort of youth (i.e. 18-24 years old) – in Slovenia, the representation of this group in entrepreneurship is, on average, still almost three times lower than in the other comparable groups of economies with this rate being on the decrease since 2016.

The latest GEM results also revealed that the age profile of entrepreneurs and entrepreneurial activities is varied. The highest level of total entrepreneurial activity (nascent and new entrepreneurs) is found in the 25-34 age group, followed by the 35-44 age group. These two groups comprise individuals who have already acquired adequate knowledge and skills and probably also have sufficient financial basis to pursue their own entrepreneurial career. Opportunity costs of individuals who decide to enter entrepreneurship play a certain role in this regard as they differ among given age groups. The entrepreneurial gender gap can mainly be ascribed to the middle-aged women (35-44 age group) as their entrepreneurial activity in 2019 was almost three times lower than that of men in the same age group. It is evident that the measures supporting female entrepreneurship have produced good results among the younger population. Now, additional incentives are needed for the middle-aged group to intensify their involvement in entrepreneurial activity (Rebernik et al., 2020).

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 93 500 early-stage entrepreneurs in Slovenia (i.e. those starting or managing a business that is less than 42 months old) and this number would increase by about 59 000 if the early-stage entrepreneurship rate for core-age males (30-49 years old) was applied to the whole population.

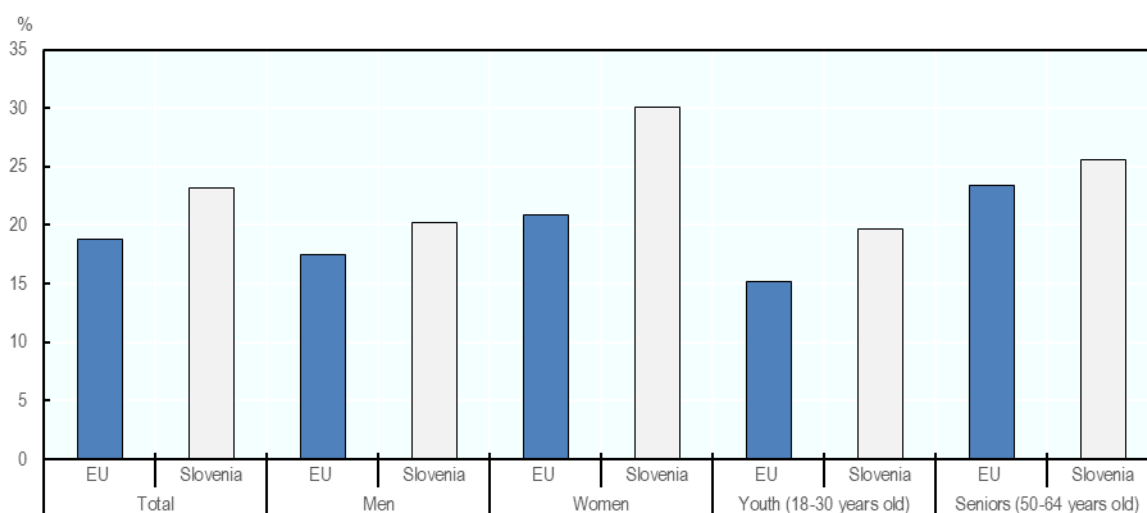
A similar exercise can be done for each population group by applying the rate for core-age males to each group (i.e. women, youth, seniors, immigrants). This shows that about three-quarters of these “missing” entrepreneurs are female and 60% are between 50 and 64 years old.

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.

Not all entrepreneurial activities are of equal quality. Therefore, it is essential to determine the motives why individuals take advantage of entrepreneurial opportunities. The proportion of necessity-driven entrepreneurial activity within nascent entrepreneurs and new business owners’ group is higher in Slovenia than the EU average (23.2% vs. 18.8% in 2015-19) (Figure 1.11).

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).

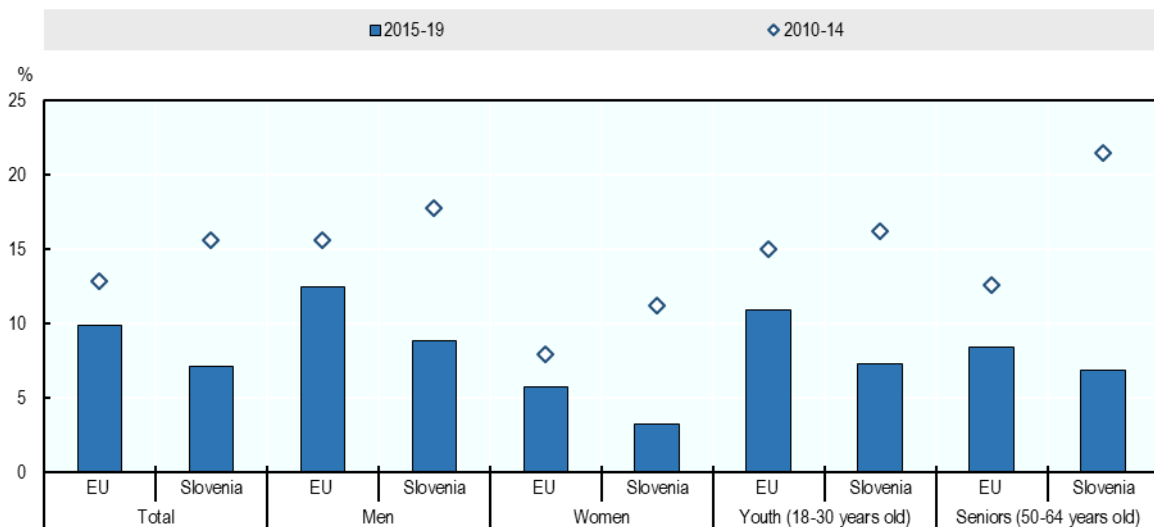
Source: GEM (2020), Special tabulations of the Global Entrepreneurship Monitor Survey, prepared for the OECD.

The highest proportion of early-stage entrepreneurs that self-report that their entrepreneurship is “necessity-driven” has been noticed among women (28.9%), followed by the seniors (28.5%) in the 2015-19 period. The lowest level of early stage entrepreneurial activity out of necessity can be found in the youth group (18-30 years old; 19.8%). However, it is somewhat concerning that many people between the ages of 35 and 64 years old state that they most frequently enter entrepreneurship because they need to earn a living and because jobs are scarce (Rebernik et al. 2020). Younger individuals are bolder in their entrepreneurial ambitions and they are the most likely to be seeking to build great wealth or very high income. It also needs to be emphasised that continuing a family tradition is the prevalent motivation for entrepreneurship in the 35-44 and 45-54 age groups.

Ambitious entrepreneurs and their fast-growing, innovative and internationally-oriented businesses create above-average value-added and, relatively, the highest number of new jobs. That is why it is essential for every economy to have a large share of these motivated and growth-oriented businesses and entrepreneurs. However, such businesses are very scarce and they present only a very small share in the total number of businesses. Overall, about 10% of early-stage entrepreneurs in EU expected to create at least 19 new jobs in five years from launching their business (in 2015-19) (Figure 1.12). In Slovenia, this rate was slightly lower over the same period (7.1%).

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.

Men were the most likely to expect to create a high number of jobs (10.6%), while women were least optimistic (4.3%) with result under EU average (5.5%). The highest 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 was among youth (8.9% versus 11.1% in EU in 2015-19) followed by seniors (7.2% vs. 8.9% in EU). Confidence and self-belief in one’s ability are important elements of entrepreneurship. In Slovenia, this self-belief in one’s entrepreneurial capabilities is relatively high (57.46% in 2019), which is just above the EU average (Rebernik et al., 2020). However, growth expectations are a subjective assessment that can

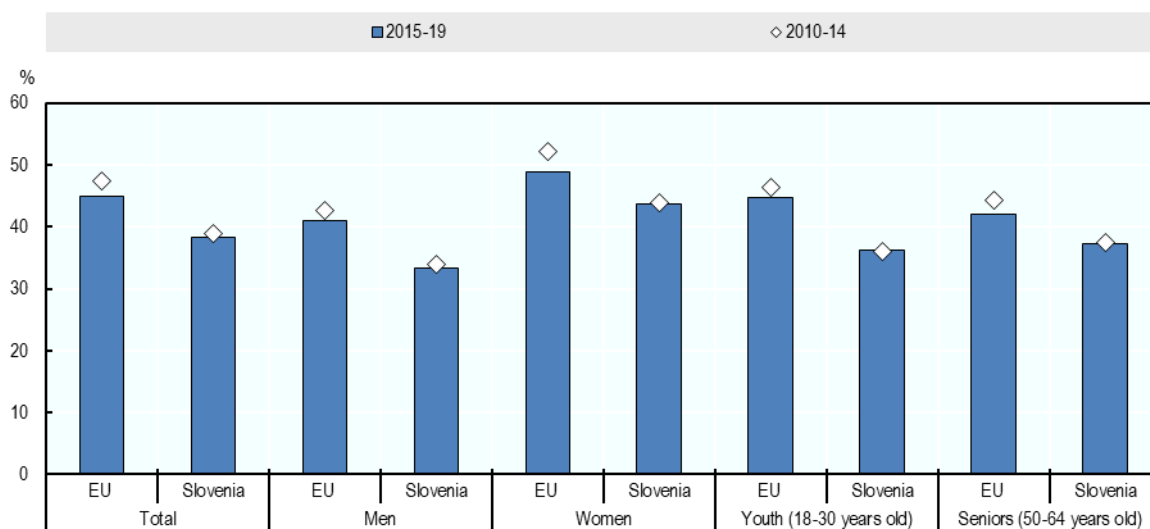
be based on their respondents' professional estimates regarding the growth potential of their businesses, but also on their wishful thinking about growth lacking a firm foundation. Therefore there are limitations when researching entrepreneurial growth aspirations, because entrepreneurs very often do not have realistic expectations about the future growth of their businesses when they set foot on the entrepreneurial path. Often, growth expectations are not met in practice, but it certainly matters that entrepreneurs exhibit growth aspirations, because the lack of growth aspirations often results in poor company growth. It can thus be concluded that in countries with considerably higher level of entrepreneurial growth aspiration more new jobs are likely to be created (Rebernik et al., 2018).

Barriers to business creation

Fear of failure can be a strong deterrent when deciding to enter entrepreneurship. However, evidence on the "fear of failure" suggests that this is less of a barrier to business creation in Slovenia than in other EU countries (Figure 1.13). Women were the most likely group to report this barrier (42.4% in 2015-19). According to a national expert survey, failing to exploit business opportunities is still major constraint on Slovenian entrepreneurship. This is due people's unwillingness to take responsibility or to their fear of failure as failure is still burdened in our society by a big stigma (Rebernik et al., 2020).

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



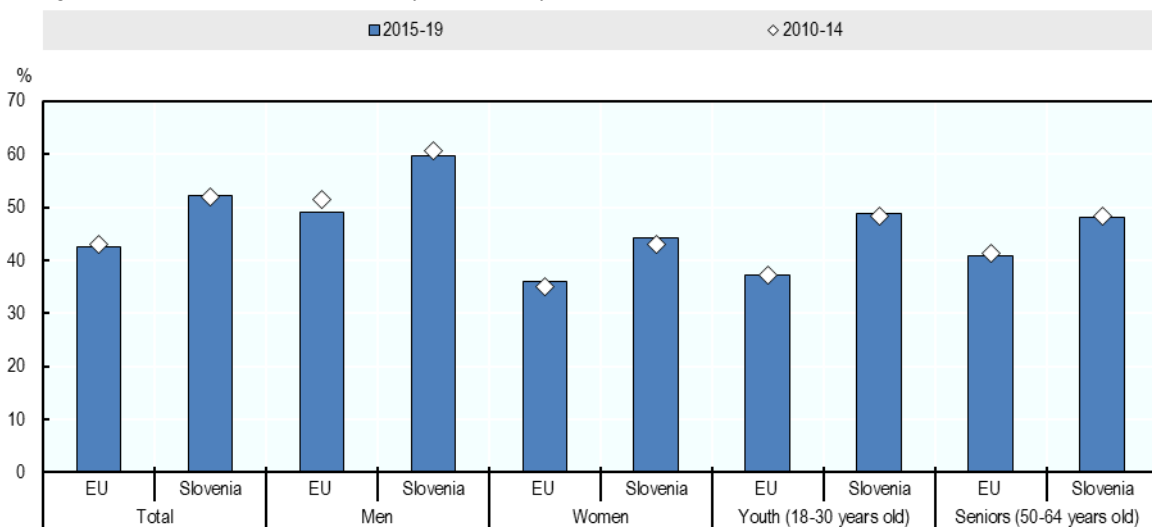
Note: All EU countries participated in the GEM survey between 2015 and 2019 except the Czech Republic, Denmark, Lithuania and Malta. Several countries did not participate in the survey in every year (missing years noted): Austria (2015, 2017), Belgium (2016-19) Bulgaria (2014), Cyprus (2015), Denmark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

The individuals' perception of business opportunities is also connected to their belief in having the required knowledge or skills and experience for entrepreneurship. Concerning the European context, Slovenia has traditionally ranked high with respect to the percentage of adults who believe to have these competences. Slovenians were more likely than the EU average to report that they had the skills to start a business (52.1% vs. 42.5% in 2015-19) (Figure 1.14). Men were the most confident in their entrepreneurship skills since 59.6% reported that they had the knowledge and skills to start a business. Seniors were also confident relative to other population groups (48.0%).

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.

In 2019, about 58% of people self-reported having entrepreneurship skills, which was above the EU average (51%) and also up from 51% in 2018. Although many entrepreneurial intentions never become realised, there is a positive correlation between these intentions and people's later entrepreneurial activity within a new or existing business (Rebernik et al., 2020). Individuals who believe to have knowledge, capabilities and skills for entrepreneurship more often become involved in entrepreneurial activity than those individuals who do not have this self-belief. Although the European Commission, already in 2013, set policy to reignite entrepreneurship in Europe and enhance creativity, innovation and entrepreneurship via entrepreneurship education as a key priority for accomplishing the EU's strategic objectives, GEM research still finds that entrepreneurship education remains one of the least developed areas of education at all levels.

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

There are a range of policies and programmes under the auspices of different ministries and agencies aimed at ensuring that women, youth, seniors, unemployed, immigrants and people with disabilities have equal opportunities to contribute into the labour market and society. The responsibility for their implementation fall under several ministries (e.g. **Ministry of Economic Development and Technology, Ministry of Labour, Family, Social Affairs and Equal Opportunities, Ministry for Education, Science and Sport, Ministry of Public Administration, Ministry of Agriculture, Forestry and Food**) or directorates and national agencies. These actions are also complemented by the non-governmental sector.

The Internationalisation, Entrepreneurship and Technology Directorate under the **Ministry of Economic Development and Technology** (MEDT) aims to increase the competitiveness and faster growth of companies, their development orientation and access to finance, the internationalisation of the economy and an effective business support environment. In implementing the measures, the directorate cooperates with implementing institutions such as the **Public Agency for Entrepreneurship, Internationalisation, Foreign Investments and Technology (SPIRIT Slovenia)**, the Public Scholarship, Development, Disability and Maintenance Fund, the Slovene Enterprise Fund, SID Bank, and with the European Space Agency. SPIRIT supports entrepreneurship in most broad sense in line with the implementation of Slovenian Development Strategy 2030 (Government Office for Development and European Cohesion

Policy, 2017). Financed by the Ministry for Economic Development and Technology, SPIRIT is an entrepreneur-friendly institution for both potential and existing investors, which provides adequate support to companies in their start-up, growth and development phases. The activities for potential entrepreneurs and companies are carried out indirectly through two support networks. The SPOT support services (Slovenian Business Point) are intended for all potential entrepreneurs and companies, while the SIO services (Innovative Environment Entities) are primarily intended for new innovative companies.

The policy frameworks for disadvantaged target groups have diverse. There are well-defined entrepreneurship policies and programmes for youth and women in particular, while for others there is no specific focus on entrepreneurial inclusion.

Overall, **SPIRIT** Slovenia provides practical information and advice on various business opportunities, including investment locations, suppliers, industries and markets. They prepare and implement programmes to facilitate the development of entrepreneurship and measure the results of the programmes. Some of their programmes are specifically address two disadvantaged target groups, namely **youth** and **women**, where they also co-operate with the non-governmental sector in the implementation and organisational part of the programmes. Their programme to support female entrepreneurship involves mentoring and experts' support from universities, business and society. With their practical knowledge and experience, they contribute to the implementation of the programme and the achievement of the objectives set. They also work with the non-governmental sector within the programmes to promote creativity, entrepreneurship and innovation among young people by involving mentors from institutes, research centres and professors. Representatives of the local business environment are also involved in working with students in various activities at primary and secondary school level.

Youth policy in Slovenia is defined in the Act on Public Interest in the Youth Sector, as a “harmonised set of measures of various sectoral public policies aimed at promoting and facilitating the integration of youth into the economic, cultural and political life of the community and appropriate support mechanisms for the development of youth work and the activities of youth organisations, carried out in cooperation with autonomous and democratic representatives of youth organisations as well as professional and other organisations”. The measures for implementing youth policy are taken by the State or local communities. In principle, youth policy is part of other sectoral policies (e.g. education, health, employment) and therefore falls under the responsibility of different ministries, e.g. the Ministry of Education, Science and Sport, the Ministry of Labour, Family, Social Affairs and Equal Opportunities, the Ministry of Health, the Ministry of Culture ...). The Office of the Republic of Slovenia for Youth within the Ministry for Education, Science and Sport has been responsible for the youth sector since 1991. The Youth Office focuses mainly on the promotion of youth work, the coordination of measures within youth policy and ensuring an adequate social dialogue with young people (Eacea national policies platform, 2019).

The Labour Market and Employment Directorate under Ministry of Labour, Family Affairs and Equal Opportunities is responsible for domestic and foreign employment policy, unemployment insurance, active employment policy programmes, enforcement of occupational standards, certification systems, free movement of workers and adult education. One of the priorities of the Directorate is to pursue the objectives of labour market development and employment policy development on the basis of the European Employment Strategy. Each year, priorities are defined on the basis of the analyses carried out in order to address the most pressing problems related to employment. Active employment policy measures and programmes are the key instrument for reducing unemployment.

Inclusive entrepreneurship strategies and objectives

There are several group specific strategies that aim to help disadvantaged groups in the labour market. The current strategic document **Resolution on the National Programme for Equal Opportunities for Women and Men, 2015-20** (ReNPEMZM15-2, 2015) outlines an approach to gender mainstreaming and 15-includes a measure to promote women's entrepreneurship. This strategy is under the responsibility of

the Ministry of Labour, Family, Social Affairs and Equal Opportunities and the Ministry of Economic Development and Technology, which implements programmes to promote new employment opportunities by encouraging self-employment and female entrepreneurship (e.g. a programme for the promotion of women's career advancement and other programmes to develop equal employment opportunities funded by the European Social Fund). Despite the progress made in certain areas and at legislative level, as shown in the reports on the implementation and evaluation of the first National Programme for Equal Opportunities for Women and Men 2005–13, gender equality has not been fully implemented in practise.

Slovenia has a national youth strategy. The **Resolution on the National Youth Programme 2013–22** (ReNPM13-22, 2013) was adopted by the National Assembly of the Republic of Slovenia on 24 October 2013 for the period 2013–22. It serves as an overarching strategic public document or action plan that integrates the main directions to be followed in policy making in youth matters at national level. In essence, it is the thematic guide for youth policies and programmes; it defines the priorities and measures of public interest in the youth field and is not part of any general overarching development strategy. It is a horizontal programming document combining measures in areas that fall under the jurisdiction of different ministries, with the aim of creating new quality standards and ensuring their consistency and visibility. The Resolution focuses on six key areas: Education; Employment & Entrepreneurship; Housing; Health and Well-being; Youth and Society; Culture and creativity. It was adopted by the National Assembly of the Republic of Slovenia on a proposal from the Government. The relevant ministries are responsible for implementing the national programme, but the Office of the Republic of Slovenia for Youth (Urad RS za mladino) is responsible for coordinating the implementation of the programme through action plans.

Slovenia presented a **Youth Guarantee Implementation Plan** (YGIP) in January 2014. In May 2016, a new YGIP for 2016-20 was adopted to provide every young person with training, traineeships or employment within four months of becoming unemployed or entering the labour market. Within the Youth Guarantee, various measures are being implemented to facilitate the transition from education to the labour market in the short and long term. One of the early intervention and activation measures refers to promotion of creativity, entrepreneurship and innovativeness among young people, university incubator services and provision of support to innovative social companies. Within measures to activate young people in the labour market is also systemic measure "Support for youth entrepreneurship" which include provision of training to unemployed young people for business start-ups, assistance in drafting an entrepreneurial plan, provision of services to potential entrepreneurs and entrepreneurs at the beginning of their business career; incentives for young enterprises, promotion of business cooperation and employment of young people in youth co-operatives, etc. under the responsibility of MEDT and MLFSAEO. Slovenia is eligible for the Youth Employment Initiative. The Ministry of Labour, Family, Social Affairs and Equal Opportunities is in charge of establishing, managing and coordinating the Youth Guarantee, while the Employment Service of Slovenia (i.e. the PES) is the main implementing institution although some other organisations are also involved in providing services (European Commission, 2020). A special webpage of the Employment Service of Slovenia (<http://www.ess.gov.si/mladi>), offers young people the opportunity to find out about the Youth Guarantee (YG) and to register with it. Based on the YGIP for 2016-20, it is expected that around EUR 300 million will be earmarked for measures in this period (European Commission, 2017). Between 2014 and 2018, more than 94 500 young people have been included in the initiative, of which more than 29 200 have been employed through subsidies, and the total number of youth jobs exceeded 114 000 (MLFSAEO, 2020a).

In July 2017, the Slovenian Government introduced an Active Ageing Strategy, to ensure income and material security for the younger and middle generations as they themselves grow old and to equip them with the knowledge and skills for this transition; to ensure quality ageing for older people who should remain independent for as long as possible; to apply intergenerational cooperation to harness the enormous potential of knowledge and experience of all generations, which is the essential framework for implementing the necessary change. It is based on four pillars: (i) employment/activity; (ii) independent,

healthy and safe life of all generations; (iii) social inclusion, and; (iv) creating an environment to foster activity throughout life (IMAD, 2018).

Active employment policy (AEP) is one of the strategic documents with which Slovenia increases employment and thus reduces unemployment in the labour market. The **Labour Market Regulation Act** (LMRA) provides guidelines for the implementation of active employment policy measures. The AEP's priority guidelines for the period 2016-20 include reducing long-term unemployment, activating the most vulnerable groups (i.e. youth, older people and people with low skills levels) and reducing structural unemployment (MLFSAEO, 2016, 2020). Responsible institutions are the Ministry of Labour, Family, Social Affairs and Equal Opportunities and Employment Service of Slovenia.

In 2010, Slovenia adopted the **Strategy of Economic Migration 2010-20** (MLFSAEO, 2010). This document contains an analysis of the situation in different contexts of economic migration and thus lists ten guidelines for managing economic migration. The second guideline is "The promotion of immigrants' entrepreneurship". This guideline encourages the immigration of migrants with financial capital or investors who would encourage development investments with the effect of creating new jobs or transferring technology and innovative skills. The guideline also encourages entrepreneurship among immigrants and migrants. Actions to be taken include improving information on migrant entrepreneurship opportunities, developing measures for growth-oriented migrant entrepreneurship and strengthening support for business development. The responsible institutions are Ministry of Labour, Family, Social Affairs and Equal Opportunities, Ministry of Economic Development and Technology, SPIRIT Slovenia, and other ministries within its jurisdiction.

Monitoring and evaluation practices

The **Act on Public Interest** in the Youth Sector designates the Office of the Republic of Slovenia for Youth as the public authority responsible in the youth field. In co-operation with state authorities and local communities, the Office monitors the status of youth and the impact of all measures taken to increase the inclusion of youth needs and interests in the shaping of policies. The Office, which has been operating as an autonomous authority within the Ministry of Education, Science and Sport since 1991, is a state authority in the field of youth work and shapes youth policy in a relatively independent manner. This include the provision of financial support for youth programmes and promotion of research on youth. It is an active member of the relevant EU bodies, the Council of Europe and other international organisations dealing with the status of youth, thus ensuring a strong youth sector in Slovenia through international cooperation in order to achieve the youth policy objectives also at European level (Office of the Republic of Slovenia for Youth, 2020).

SPIRIT Slovenia, public agency, monitors the number of active women entrepreneurs who have established their businesses through its programmes and initiatives. It also monitors the satisfaction of participants in its training courses, the number of students involved in school and extracurricular activities in the field of promoting creativity, entrepreneurship and innovation among young people, and the satisfaction of participants in these activities. The results of programmes and measures provided by SPIRIT are published and easily available in their annual reports (SPIRIT 2019).

Together with the Ministry of Economic Development and Technology, SPIRIT also funded the Global Entrepreneurship Monitor survey in Slovenia (GEM Slovenia) in order to uncover factors that encourage or hinder entrepreneurial activities, especially related to societal values, personal attributes and the entrepreneurship ecosystem, and uncover policy measures for the purpose of enhancing entrepreneurial capacity in an economy. GEM monitors entrepreneurial activity also by age and gender, which provide a basis for policy measures monitoring.

Indicators for monitoring and evaluating the effectiveness of active employment policy measures are provided in the Active Employment Policy guidelines for the period 2016-20 (MLFSAEO, 2016). An

overview of the implemented labour market measures, can be found in the published annual reports (e.g. MLFSAEO, 2018).

Recent developments

Most programmes on entrepreneurial inclusion of disadvantaged target groups are no longer operational. However, the Ministry of Economic Development and Technology still allocates the funds for employment according to its competencies within the implementation of an active employment policy and formulate instruments and measures which also involves vulnerable target groups (defined in the Labour Market Regulation Act), mainly to women and young people. The majority of entrepreneurial measures implemented by the Ministry of Economic Development and Technology in the context of the recent economic situation are therefore not exclusively tied to the specific target groups, but include all those who decide to take an entrepreneurial path. For example, they can benefit from the services of the business support environment. Those with innovative ideas are also offered the services of innovative support environment (technology parks, incubators) and can also apply for incentives from the Slovene Enterprise Fund.

Youth entrepreneurship continues to receive the most targeted attention among vulnerable target groups. **Resolution of the National Youth Programme 2013-22 (ReNPM13–22)** implementation plan adopted by the Government, set out the general objectives and guidelines of these resolutions, which will be implemented through specific measures (recently for 2018-19 and for 2020-21). Implementation plan consists of measures, the financing and implementation that are regulated within the Budget of the Republic of Slovenia (within European Structural Funds) for the financial period 2014-20 and with systemic measures that not necessarily have financial implications (e.g. amending of preparing regulations, introducing new issues into the political discourse, etc.). In addition, measures financed from other sources – e.g. Erasmus + Programme - are also listed.

In the period 2017-19, the Ministry of Labour, Family, Social Affairs and Equal Opportunities within the Youth Guarantee scheme implemented programme **Promoting Entrepreneurship among Young People** (co-financed by European Social Funds 2014-20). The aim of the tender was to promote the entrepreneurial activity of young unemployed people up to and including 28 years of age, to make the most of their skills and to support their innovation and creativity in order to achieve greater employment. After the training and the approved business plan, the applicant could receive a financial subsidy. The aim of the public tender was to involve 260 unemployed young people from the East and 390 young people from the West. After successful approval of the business plan and employment in the newly established company, they had the opportunity to receive a subsidy of EUR 5 000 in the related operation “Incentives for Youth Employment”.

The Employment Service, together with the SPIRIT Slovenia, implemented the programme “**Promotion of Women Entrepreneurship**” (*Podjetnost je ženskega spola*) for unemployed women with tertiary education in the period 2016-18. The aim of the programme, which was also recognised as good practice in Europe, was to focus on a specific group (unemployed women with tertiary education) and to promote entrepreneurial careers in the form of subsidies for self-employed who had previously completed appropriate training. During this period, the Ministry of Labour, Family, Social Affairs and Equal Opportunities, the Employment Service of the Republic of Slovenia and the Ministry of Economic Development and Technology, supported 1 261 unemployed women with tertiary education through entrepreneurship training programmes and assigned EUR 5 000 subsidy for female entrepreneurs. About 90% of women entrepreneurs had an active business for at least two years after starting up, and the programme was also well received by participants. It was a partnership between several institutions that proved to be very effective and served as a good example for other programmes throughout Slovenia

(SPIRIT Business portal – women, 2020). In 2019, the Ministry of Labour, Family, Social Affairs and Equal Opportunities.

Policy measures in response to COVID-19 to support entrepreneurs and the self-employed¹

Since the COVID-19 outbreak, the government has been closely monitoring the situation at national, EU and global levels. In order to control the situation and to mitigate the adverse consequences for the economy and the population in the long-term, it has adopted a two-stage system consisting of two packages of intervention measures applicable in the short term, followed by the proposed third package outlining the foundations of an exit strategy (as of July 2020).

An advisory group has been established to assist ministries in the preparation of the first legislative package with following orientations that are part of the #ACP1 (Anti Corona Package 1) guidelines:

1. Measures to preserve jobs – a new scheme for co-financing wage compensations, providing for the rewarding of persons employed and activated in critical sectors, sick pay and additional funds for already subsidised employment;
2. Measures to improve the social situation of people – the status of employees who are unable to work due to *force majeure*, unemployment benefit from the first day of unemployment, waiving the payment of fees for public services that are not provided, solidarity bonus for pensioners;
3. Measures to provide emergency assistance to self-employed persons - emergency assistance, basic monthly income amounting to 70% of net minimum wage, writing off contributions while maintaining rights, suspending the prepayment of income tax;
4. Measures to keep businesses in operation - all contributions for pension insurance of employees who work to be covered by the state;
5. Measures to improve the liquidity of businesses and provide assistance to scientific research projects aimed at fighting the epidemic - purchasing claims against Slovenian companies, suspending the prepayment of corporate income tax and the payment of self-employment income tax, reducing deadlines for payments to private suppliers in the public sector, redirecting unused ESF funds;
6. The reduction of meeting fees and wages and exemption from paying fees for distribution services;
7. Providing aid to agriculture; and
8. Measures related to public procurement (GOV, COVID-19 measures, 2020).

The second legislative package #ACP2, includes measures to ensure the liquidity of the economy and adjustments to first package. The Government adopted also the third package of measures to mitigate the consequences of the pandemic for citizens and the economy (#PKP3). It introduces provisional measures in the areas of labour, public finance, the economy, agriculture, forestry and food, scholarships, subsidised student meals, higher education, infrastructure, and public procurement (Government of the RS, 2020).

¹ The text was drafted in June 2020. Policy actions implemented after this date are not covered in this report.

3 Assessment of current and planned inclusive entrepreneurship policies and programmes

Developing entrepreneurship skills

Overview and assessment of policies and programmes

Table 3.1. Characterisation of schemes for developing entrepreneurship skills

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

Most entrepreneurship training and coaching support for those from under-represented and disadvantaged groups is provided by SPIRIT Slovenia and Employment Service of Slovenia (ESS), often in co-operation with other governmental and non-governmental organisations. The majority of the tailored initiatives are targeted to youth and women. For entrepreneurs from other groups, such as seniors, immigrants and unemployed, there are no tailored public training or coaching supports but they can benefit from “generic” entrepreneurship programmes.

The core of the SPIRIT public programme is based on the public network of supportive environments, under the framework of the Innovative Environment Entities (SIO) programme, which supports entrepreneurs during the conceptual, start-up and growth phases. In 12 Slovenian regions, they enable the provision of SPOT consulting services (Slovenian Business Points at regional level), where potential and existing entrepreneurs have access to free information on setting up new enterprise and other areas of business activity. The entities of the innovative environment are technology parks as well as university and business incubators, which create a stimulating environment for the creation and development of innovative companies. This is particularly important for those with greater competitiveness, higher value added and a more balanced regional development of entrepreneurship.

In addition to these programmes, there are also other forms of public support that are available free of charge. These are implemented by various actors in local entrepreneurship ecosystems, including non-public actors. The most prominent representatives of private support programmes are Business Accelerators, ABC Accelerator and Catapult, which offer consulting and infrastructure support to promising companies as well as financial investments. Entrepreneurial activities are also supported by private consulting and networking organisations, among them Slovenian Business Club and CEED Slovenia. The latter is the largest Slovenian entrepreneurial community, connecting more than 1 000 entrepreneurs in Slovenia and 20 000 internationally with the aim of mutual exchange of experience and cooperation (Start-up Slovenia, 2020). The Start-up Plus programme, implemented by the Slovene Enterprise Fund (SEF) in 2019, brings together all the key support that innovative start-up enterprises need for rapid global growth. In addition to the financial incentives offered by the SEF (grants, convertible loans, equity investments), it also includes an intensive mentoring programme and training in several different high-quality and specialised content-based support programmes (SEF, Start-up Plus, 2019).

One of the overall challenges facing the entrepreneurial skills support system is that most of the available services focus only on business creation. There is a need to pay more attention to the sustainability and growth of companies, particularly for entrepreneurs from under-represented and disadvantaged groups, namely immigrants, seniors and unemployed.

Women

In 2019, SPIRIT Slovenia, public agency and the DOBA faculty start an online entrepreneurship training programme for female entrepreneurs in the early stage of entrepreneurial activity. The purpose of the “ABC Entrepreneurship” programme is to provide women the opportunity to develop entrepreneurial competences (SPIRIT Business portal, 2020). In 2020 and 2021 SPIRIT will support at least 50 women entrepreneurs in business creation. Through SPOT points, SPIRIT will organise ABC entrepreneurship training, a competition to provide financial incentives, networking activities, and the exchange of practices between new in established women entrepreneurs (SPIRIT Financial plan 2020-2021). In 2020, the entrepreneurship training ABC Entrepreneurship will take place at five SPOT points. All entrepreneurs who successfully complete the training, can apply for the competition to award financial incentives for the best business model (SPIRIT Business portal, 2020).

Immigrants

There are currently no provided tailored public measures to develop entrepreneurial skills among immigrants. However, Slovenia is a partner in several recent international projects within social economy,

dealing with the integration of migrants into the labour market and boosting their entrepreneurial skills. For example the SEE ME IN project “Social Entrepreneurship as Enabling environment for Migrants’ Employment and Integration 2019-22”, which deals with strengthening entrepreneurship among migrants in central Europe. The project analyse enterprises already established by migrants, identify their needs in terms of running a business or their integration into the urban or local environment. The SEE ME IN project is supported by the Interreg Central Europe programme founded under the European Regional Development Fund (www.interreg-central.eu/SEE-ME-IN). The Slovenian partners in the project are Association Social Economy Slovenia, Municipality of Nova Gorica and School of Advanced Social Studies in Nova Gorica.

In addition to this, Project “BEST – Boosting Entrepreneurial Skills as Toll of Integration of Migrants to Labour Market 2019-2021” includes seven partners from Austria, Slovenia (Research Centre of the Slovenian Academy of Sciences and Arts), Croatia and Italy, who have the common motivation to improve the effective integration of third countries nations into the labour market through cooperation between public and private institutions. The special focus is on self-employment as one of the most successful tools for creating long-term labour integration. The project is funded by the European Union's Asylum, Migration and Integration Fund (AMIF) (European Commission – Funding and tender opportunities, 2019).

Youth

Entrepreneurship education is mainly regulated by two policy documents, the Slovenian Development Strategy 2030 and the Basic School Act. There is currently no national strategy addressing entrepreneurship education, but one is under development and a strategic group has been established. Meanwhile, entrepreneurship education has been included in the National Programme for Youth 2013-2022 (European Commission/EACEA/Eurydice, 2016), where one of the six key areas emphasises the importance of understanding entrepreneurship education and its relation to social responsibility and the development of social enterprises. In terms of specific objectives, the importance of promoting entrepreneurship education in school curricula is mentioned.

In the GEM 2019 report, entrepreneurship education in Slovenia scored below the EU average. Items related to the entrepreneurial education at tertiary level were rated higher. The highest score was given to the statement that business and management education in Slovenia provides graduates with adequate knowledge and skills for setting up new enterprises and ensure their growth. The experts rated entrepreneurial education at primary and secondary level as “very low”, which is also common in other EU countries. The Slovenian experts consider that entrepreneurship is not given the necessary attention in primary and secondary schools and that teaching at this level does not encourage creativity, independence and personal initiative (Rebernik et al., 2020).

However, among all target groups, tailored entrepreneurship training and coaching in Slovenia are most strongly represented among young people, including, for example, the programmes of the business accelerator programme *Ustvarjalnik* (<http://scale.ustvarjalnik.com/>). Training and coaching for youth are also offered by SPIRIT Slovenia, which also provides training and support for teachers and professors, provides incentives to schools to carry out activities with youth, encourages development of young people’s ideas with the support of mentors and funds for the further development of business ideas in cooperation with support institutions at national, regional and local level, and is a co-organiser of the POPRI competition for the best entrepreneurial ideas of young people.

Further, the YGIP is an important programme for youth entrepreneurship training and coaching. In the period between 2014 and 2018, more than 94 500 young people participated in YGIP offers. However, much of this support aims to support youth in finding employment. More than 29 200 of these participants were employed through subsidies and the total number of youth jobs created exceed 114 000. Around EUR 253.4 million has been spent on the Youth Guarantee measures over this period.

Other ministries also contribute with their measures for youth, such as the Ministry of Education, Science and Sport, which supports career centres at universities. In addition the Ministry of Agriculture, Forestry and Food offers support programmes for young farmers and supports entrepreneurship in rural areas. The Ministry of Culture offers some financial incentives for young “creatives” to support them in their projects.

Seniors

In the past, there have been some project approaches to strength entrepreneurial skills among seniors, including the European project Senior Capital that ended in 2014. Based on the outcomes of the market needs analysis, the Prizma foundation and the Municipality of Maribor in co-operation with the Regional Strategic Stakeholder Group, developed their pilot project action “PRIZMA 50+, intergenerational, development, business and training centre in Podravje region”. The aim of PRIZMA 50+ Center was to activate the potential of individual and the society, to increase work opportunities and work ability and to improve services for those over 50 years old in the local community (Fundacija Prizma, 2014).

Currently there are no tailored measures for the development of entrepreneurial skills among seniors by the State. But at the regional level, some initiatives to promote entrepreneurship among seniors are in place. For example, the first festival of entrepreneurship, that was organized in 2019 by the Regional Chamber of Crafts and Entrepreneurship Domžale. It hosted 20 Slovenian entrepreneurial mentors, with whom they looked for solutions and models of how to help seniors to live an entrepreneurial life. They also prepared a workshop on how to earn extra in retirement. Almost 70 participants listened to advices on how to become entrepreneurs in the third period of life (STA, 2019).

The unemployed

The Employment Service of Slovenia (ESS) provides formal and informal training, but this is largely aimed at moving people back into employment. The purpose of informal education is to increase employment opportunities by acquiring new knowledge and competencies for entering the labour market and successful career development. The purpose of formal education is to increase employment opportunities by acquiring a higher level of education. As part of training programmes, an individual can also gain practical work experience to facilitate the path to employment. Unemployed can as well benefit from the services of the business support environment and innovative support environment (in programmes tailored for women and youth).

Recent policy developments

Several new initiatives have been launched to support youth entrepreneurs. The SPOT Consulting network provides comprehensive free support services for entrepreneurship throughout country, aimed at young people who are deciding or starting their own business, as well as those who have already established their own company. The financial resources provided for this support are EUR 600 000 in 2020 and EUR 600 000 in 2021 (Implementation plan of the Resolution of the National Youth Programme 2013-22 for 2020-21). The implementation plan also provides incentives for the creation of social enterprises and youth cooperatives (which are intended for all and also especially for the youth population) and assistance for young farmers in the start-up phase.

The Municipality of Domžale and the local Chamber of Craft have ambitious plans to promote entrepreneurship among seniors. In June 2021, they plan to organise a Slovenian entrepreneurship festival with an intergenerational focus (STA, 2019). The project is co-financed with the help of the European Regional Development Fund, the Ministry of Economic Development and Technology and SPIRIT Slovenia.

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 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.

Access to finance for entrepreneurship is broadly in line with the EU average, and some progress has been made in recent years. However, SMEs still tend to finance themselves mainly from their own resources (i.e. from saved earnings and sales of assets). In a context of very low interest rates, bank loans, credit lines and leasing are the most common source of SMEs external financing (SBA FS Slovenia, 2019). Slovenia’s banking sector has improved significantly, showing better profitability, better asset quality and strong liquidity. The return on equity has increased and the ratio of non-performing loans has declined, reaching 4.5% in June 2019 (from 22.8% in 2014). Banks also enjoy a relatively stable funding basis and

abundant liquidity. Despite the privatisation of a number of its bank holdings, the Slovenian state still plays a substantial role in the financial sector (European Commission, 2020). According to the latest GEM results (Rebernik et al., 2020), government subsidies and debt funding in Slovenia are available for new and growing companies. The experts highlighted in particular the availability of favourable sources of financing for SMEs and start-ups provided by the Slovenian Export and Development Bank (SID Bank) and the Slovenian Enterprise Fund (SEF). However, according to the joint European Commission and European Central Bank Survey on access to finance of enterprises in 2019, bank loans remain the relevant form of external financing for 52% of SMEs in Slovenia (compared to 45% at EU level). Between April and September 2019, 24% of SMEs actually applied for a bank loan (SAFE, 2019). According to the survey, difficulties in accessing to finance remain particularly important for micro-enterprises and other microfinance target groups.

The state supports growth and development of SMEs through financial incentives provided by the Ministry of Economic Development and Technology and institutions specialising in financial support to companies: The Slovenian Entrepreneurship Fund (SEF) and SID Bank. Support is also provided by SPIRIT Slovenia, where entrepreneurs can also obtain various information on the SPOT portal.

SID Bank is a national development bank authorised to render long-term financial services that complement the market in various areas as laid down by the Slovene export and Development Bank Act (ZSIRB), which are important for Slovenia's sustainable development. The fundamental activity pursued by SID Bank is funding market gaps, such as development of small and medium-sized enterprises and entrepreneurship.

The financing activities of the SID Bank are complemented by the SEF funds SMEs and entrepreneurs. The SEF aims to improve access to favourable financial resources on the market and its main instruments are (SEF, 2020):

- Start-up incentives for start-ups less than 12 months old;
- Seed capital to enterprises that are less than five years old;
- Venture capital (including capital investments and mezzanine loans together with private investors through venture capital companies) for fast-growing innovative enterprises;
- Microcredits at low interest rates;
- Guarantees as collateral for bank loans with an interest rate subsidy that represent the largest share of the approved funds of SEF; and
- Special Incentives for specific target groups of companies or specific purposes, e.g. development of the timber industry, digital transformation of SMEs.

All of these offers are open to everyone but monitoring activities do not distinguish between different population groups (e.g. women, immigrants youth, seniors, people who experience disability) so it is not known whether these instruments are effective for everyone.

Many of the entrepreneurial financial incentives focus on youth and innovative, high-potential start-ups, but they are not specially customised for other disadvantaged individuals. There is also a need to work with entrepreneurs and to help them become investment ready. This is particularly true for underrepresented and disadvantaged groups of entrepreneurs. Their access to finance is also hindered by their lack of financial literacy and the lack of business finance advice that could help them to deal with highly complex procedures for obtaining bank loans and emerging financial sources, and to benefit from the various public financial incentives.

Women

In 2019 SPIRIT Slovenia began with the financial incentives for the best business model of women entrepreneurs and its presentation. The aim of the 2020 competition is to award the best 35 presented business models of women entrepreneurs in 2019 and 2020, who have successfully completed the entire ABC entrepreneurship training organized by SPOT points, and encourage them to start their own companies. The indicative amount of funds in 2020 is about EUR 105 000 (SPIRIT Entrepreneurship portal, women, 2020).

Youth

One of the main financial support for youth entrepreneurs is the YOUTH Programme of the SEF. It supports young entrepreneurs who operate businesses that are less than five years old and have difficulties obtaining finance in the private market. The programme is relatively effective but the support could be scaled up to reach more young entrepreneurs.

Financial support is also offered through the YGIP. However, the focus is largely on supporting unemployed youth into employment so that entrepreneurship offers are only a small part of the package.

The unemployed

Active employment policy programmes under the Ministry of Labour, Family, Social Affairs and Equal Opportunities play an increasingly prominent role in the development of labour market, with substantial benefits not only for the general population, but also for business sector. These programmes help the unemployed to enter the labour market and thus contribute to social and labour market inclusion. At the Employment Service of Slovenia (ESS), development projects are implemented independently, as a partner in a consortium or as strategic associate partner without financial participation. The main ongoing projects fall under the OP ECP for the period 2014-20 and are co-financed with funds from the European Social Fund and/or the EU Cohesion Fund (CF) and from the national budget of the Republic of Slovenia (ESS, 2020).

The ESS has, with some adjustments, promoted self-employment of unemployed since 1991. From 2004, the programme was co-financed by EU funds. In the 2007-13 financial perspective, with the help of European Social Fund, individuals were enabled to prepare for self-employment. A subsidy for self-employment was an incentive for unemployed to select an independent entrepreneurial path and not start-up capital for setting up a business. From 2014, incentives for self-employment were no longer operational. The reason for the termination was mainly the desire for substantial improvements (greater emphasis on entrepreneurial knowledge) and adjustments to the needs on the labour market. During the conjuncture and economic growth in Slovenia, the structure of unemployed in the ESS records has changed. In the register of unemployed persons, there are mostly other groups that are more difficult to employ due to certain restrictions or are employable with additional and more in-depth support (often older persons lacking adequate qualifications and first-time job-seekers). These groups need a different approach and according to the competent ministry, subsidies for self-employment have not been the right answer to the needs in the labour market. By promoting self-employment within the active employment policy, the intention is to continue with a more systemic approach and primarily focus on a specific target group (a narrower group of unemployed people, e.g. only young people, women).

The Pension and Disability Insurance Act (ZPIZ-2) in 2013 introduced the possibility of a partial exemption from the payment of contributions for new self-employed persons. When self-employed person register their services in the national registry for the first time, they can claim a partial exemption from payment for Pension and Disability insurance. In the first year in the amount of 50% of contributions and in the next year in the amount of 30% of contributions, calculated from the insurance base (ESS, n.d.).

Recent policy developments

One of the main schemes of entrepreneurial financial support is the Strategic Programme of the Slovenian Enterprise Fund 2018-23. The main strategic goal for 2018-23, according to the main strategic documents (e.g. Operational Programme for the Implementation of European Cohesion Policy 2014-20, Programme for the Financial Incentives Implementation of the Ministry of Economic Development and Technology, Development Strategy of Slovenia 2030), is to offer approximately EUR 629 million financial incentives and to support about 6 200 micro, small and medium-sized projects by specific groups of companies. Results of financial incentives 2007-17 are: EUR 1.1 million in various financial incentives (guarantees, grants, loans, seed capital, equity financing, etc.) were allocated to 7 237 supported projects, including 862 start-up projects (11.9 % of all supported projects, with a survival rate of 85%). A further EUR 2.1 million were granted through various financial incentives to 6 712 projects (SEF, 2018).

Slovenia is actively strengthening its equity markets with the help of EU funds. The government supports the development of the capital market in particular through studies and pilot projects aimed at improving capital market conditions for SMEs. In August 2019, the Slovene Enterprise Fund (SEF) launched a public call "Seed Capital – Co-investment with private investors", aimed at supporting innovative start-ups with high-growth potential for equity capital, and at encouraging private investors to invest into the seed stage of company development. After favourable first experiences, the government plans to increase the scope of this investment fund in the coming years, mainly by using the EU cohesion policy funds. Furthermore, in 2018, the SEF invested EUR 8 million in the Central European Fund of Funds with the aim of raising equity investment in SMEs. Slovenia's development bank (SID Bank) and the European Investment Fund (EIF) with EU guarantee (EFSI) back the Slovene Equity Growth Investment Programme, each providing EUR 50 million. The programme supports Slovenian SMEs and midcaps (i.e. companies employing up to 3 000 employees), with equity investments aiming to support business growth and expansion, including internationalisation (European Commission, 2020).

Efforts of the Ministry of Labour, Family, Social Affairs and Equal Opportunities are currently at the forefront of measures to mitigate the effects of the COVID-19 pandemic, particularly in terms of job retention and unemployment prevention. In any case, the MLFSAEO will take appropriate actions in the future. If necessary also in the field of promoting self-employment for the unemployed. The social partners will certainly play a decisive role in planning incentives for self-employment (documents relating to the implementation of active employment policy will be discussed with the social partners within the Economic and Social Council).

Entrepreneurship culture and social capital

Overview and assessment policies and programmes

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

| | | Tailored: Are public programmes tailored for the target group (i.e. dedicated)? | Consultation: Are the targeted entrepreneurs consulted during the design of programmes? | Outreach: Are appropriate outreach methods used for different target groups? | Delivery: Are specialist organisations used to deliver programmes? | Take-up: Does the support have high take-up among target group? | Scale: Is the scale of available support sufficient? | Impact: Does evaluation evidence show a positive impact? | Integrated: Is the programme delivered linked other related supports? | Links: Do tailored programmes link to mainstream support programmes? |
|-----------------|---|--|--|---|---|--|---|---|--|---|
| Women | 1. Entrepreneurship campaigns, including role model initiatives | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | 2. Networking initiatives | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Immigrants | 1. Entrepreneurship campaigns, including role model initiatives | | | | ✓ | | | | ✓ | |
| | 2. Networking initiatives | | | | ✓ | | | | ✓ | |
| Youth | 1. Entrepreneurship campaigns, including role model initiatives | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | 2. Networking initiatives | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Seniors | 1. Entrepreneurship campaigns, including role model initiatives | | | | ✓ | | | | ✓ | |
| | 2. Networking initiatives | | | | ✓ | | | | ✓ | |
| The 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.

Relative to other EU Member States, a high proportion of the population hold a positive perception of entrepreneurship as a career. The 2019 GEM survey shows that successful entrepreneurs are respected in society, ranking 2nd in the EU. Furthermore, the percentage of people who believe that entrepreneurship is a good career choice increased slightly between 2018 and 2019 (from 58.4% to 63.4%), which ranks Slovenia 9th among 21 European countries.

Slovenians perceive a positive media attention for entrepreneurship – more than 80% of adults believe that stories about successful entrepreneurs are often found in media, which ranked Slovenia near the top of the EU. Media have only a limited influence on values, because the transformation of entrepreneurial values – just like any other value – is an extremely long process. The state should contribute to the largest

share through appropriate governance of economic policies, enforcement of the rule of law and by creating favourable conditions for business operations that encourage rather than hinder entrepreneurship (Rebernik et al., 2020).

The creation of an “entrepreneurship-friendly” culture is possible through intensive awareness-raising and the spreading of positive entrepreneurship stories in the media. Entrepreneurship-related events and informal meetings are also an important factor, and these are frequently held in Slovenia. Another way to build an entrepreneurial culture is to build entrepreneurial networks of people who can support each other and promote entrepreneurship. For example, Slovenia is a vibrant place when speaking about possibilities to work within co-working spaces. There are many places ensuring optimal conditions for this segment of professionals to effectively exploit their potential and actively contribute to the economic upswing in Slovenia. Such incentives are mainly intended to all entrepreneurs, regardless of age, gender, employment/unemployment status.

In recent years there has also been increased attention to entrepreneurship among immigrants and seniors through international projects. But in the future, it would be beneficial to strengthen entrepreneurial measures to promote an entrepreneurial culture for vulnerable target groups at national level. There is a lack of similar entrepreneurship campaigns and networks for some disadvantaged groups (e.g. seniors, immigrants and unemployed). However, entrepreneurship campaigns, role model initiatives and networking initiatives aimed to boost entrepreneurial culture are intended to all interested parties, including also immigrants, seniors and unemployed. Such initiatives are not tailored, but disadvantaged groups can nevertheless benefit from the mainstream initiatives of entrepreneurship networks and training programmes.

Women

The integration of women entrepreneurs increased in recent years. There are numerous associations, councils, societies and groups organised within different organisations and institutions. There are also an increasing number events that are specifically aimed at women in entrepreneurship. These include, for example, Community of Slovenian women entrepreneurs (<http://skupnost-podjetnic.si/?lang=en>), the 500 Female Entrepreneurs event, the Female entrepreneurial conference of the Styrian Regional Women's Council, and many others.

The Community of Slovenian women entrepreneurs brings together innovative women in the community, society and environment. They create a network of knowledge, partnerships and thus contribute to the well-being of society. They gather all passionate women, ownership of the company is not a prerequisite for cooperation. The mentioned community is supported by SPIRIT Slovenia, Ministry of Economic Development and Technology, Chamber of Commerce and Industry and Association of Organisations of Mediterranean Businesswomen.

Youth

The Start:up Slovenia Initiative (<https://www.startup.si/en-us>) is one of the founders of the rapidly developing regional community Start:up Alpe Adria and a member of the esteemed European Start-up Network. The Start:up Slovenia Initiative, which dates back to 2004, is managed by the Venture Factory, with the Slovene Enterprise Fund and the Ministry of Economic Development and Technology. Members of the start-up community and other public and private partners are intensively involved in the activities. It aims to recognise best Slovenian innovative start-up companies at the earliest development stages and to expertly support them and promote them to the public. The Initiative includes the Start:up Slovenia Contest, which started in 2018. To date, nearly 1 000 start-ups have participated. The Initiative also promotes entrepreneurship widely, including through road shows (Start:up Slovenia Project, 2020).

Entrepreneurship awards can also be an effective tool for promoting entrepreneurship for youth. Podim, for example, is a non-profit platform founded in 1980 and it organises a large, influential conference in the Alps-Adriatic region (<https://podim.org/>). The “Slovenian Start:up of the Year” is awarded at this conference annually to recognise the best business teams and start-up companies and to introduce them to potential investors and partners. Other significant awards include the national secondary school competition “Young Entrepreneur”, which is organised by a private business school Gea College, and “POPRI” (<http://popri.si/english/>) (the acronym means “The Company for the Future”) is a Slovenian entrepreneurial competition for young people with courageous ideas and entrepreneurial spirit. This annual competition has been taking place since 2005.

The most important business fair in Slovenia is the International Trade and Business Fair (*MOS – mednarodni sejem obrti in podjetnosti*) in Celje. At this fair the coordinators open a tender for youth entrepreneurs, titled MOS’s Enterprising Talents (*MOSovi podjetni talenti*). This allows young entrepreneurs to obtain their first business contacts and begin successful businesses abroad. In addition, the entrepreneurship fair *Sejem Informativa* is held each year. The purpose of the fair is to inform youth about educational possibilities and offer information about jobs and related topics. Exhibitors include educational institutions, employers, non-governmental organisations, organisations operating in the youth sector, coordinators of governmental programmes and banks.

These are complemented by many actions in the NGO sector. Examples include the Young Entrepreneur Institute (*Zavod Mladi podjetnik*). The activities of other actors are generally viewed as being complementary to those undertaken by the public sector.

Recent policy developments

In 2018, Venture Factory the University of Maribor’s business incubator obtained the status of an ambassador of the Start-up Europe programme, led by the European Commission. Start:up Slovenia programme has the ambition to become the central platform of the Slovenian start-up ecosystem and a window to the Slovenian start-up ecosystem for all those who want to work in or cooperate with it. The Start-up Initiative implements national programmes for the promotion of entrepreneurship and entrepreneurial activity, intended for entrepreneurial teams in the phase of creating an entrepreneurial idea, start-up companies and companies with rapid growth potential on the global market.

Regulatory measures

Overview and assessment of regulatory environment

Table 3.4. Characterisation of regulatory measures used to support entrepreneurship

| | | | Tailored: Are public programmes tailored for the target group (i.e. dedicated)? | Consultation: Are the targeted entrepreneurs consulted during the design of programmes? | Outreach: Are appropriate outreach methods used for different target groups? | Delivery: Are specialist organisations used to deliver programmes? | Take-up: Does the support have high take-up among target group? | Scale: Is the scale of available support sufficient? | Impact: Does evaluation evidence show a positive impact? | Integrated: Is the programme delivered linked other related supports? | Links: Do tailored programmes link to mainstream support programmes? |
|----------------|--|---|---|---|--|--|---|--|--|---|--|
| Women | 1. Support with understanding and complying with administrative procedures | | | | | ✓ | ✓ | ✓ | ✓ | | |
| | 2. Measures to address group-specific regulatory challenges | Maternity leave and benefits for the self-employed Access to childcare | | | | | ✓ | ✓ | ✓ | | |
| Immigrants | 1. Support with understanding and complying with administrative procedures | | | | | ✓ | | | | | |
| | 2. Measures to address group-specific regulatory challenges | Entrepreneurship visa Administrative and tax obligations can be met in several languages | ✓ | | ✓ | | ✓ | | | | |
| Youth | 1. Support with understanding and complying with administrative procedures | | | | ✓ | | | | | | |
| | 2. Measures to address group-specific regulatory challenges | Student business legal form Reduced tax and/or social security contributions for new graduates | | | | | | | | | |
| Seniors | 1. Support with understanding and complying with administrative procedures | | | | ✓ | | | | | | |
| | 2. Measures to address group-specific regulatory challenges | Medical leave schemes for the self-employed | | | | | | | | | |
| The unemployed | 1. Support with understanding and complying with administrative procedures | | | | ✓ | | | | | | |
| | 2. Measures to address group-specific regulatory challenges | Welfare bridge to support those moving into self-employment Mechanisms for regaining access to unemployment benefits if business is not successful | | | | | | | | | |

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

The national government has launched several initiatives to improve the business environment and address high levels of administrative burden for entrepreneurs. These actions are not targeted to any particular group but people from under-represented and disadvantaged groups stand to gain disproportionately because they often have lower levels of skills. These initiatives include SPOT – Slovenian Business Points (offering services related to business creation and registration), *E-davki* (e-tax portal enables convenient, easy and secure completion and submission of tax forms from the user's computer at home or in the office) and “*Stop birokraciji*” website (“Stop bureaucracy” is intended for all entrepreneurs and citizens who have contact with administrative procedures where they encounter obligations they have to fulfil to meet the requirements of legislation).

Slovenia has reduced the number of regulated professions significantly, but progress has slowed down in recent years (European Commission, 2020). Government regulatory policy is viewed as a significant hindrance on the development of entrepreneurship and entrepreneurship experts continue to stress that administrative obstacles are still enormous (Rebernik et al., 2020).

Recent policy developments

In 2018, SPIRIT introduced the network of Slovenian Business Points - SPOT Point. The aim of the project is to increase the co-ordination and the quality of the supportive environment measures, to improve the transparency of support services and communication to users through the national portal, and to enrich existing ones as well as to introduce new programmes. The project is funded with EUR 11.8 million over five years, employing 21 experts. SPOT Points offer the free information, training and counselling services to potential entrepreneurs and established entrepreneurs. There are 12 regional SPOT Points (SPIRIT, 2018).

Another area where the regulatory environment could be improved is the dissemination of information about business creation and self-employment for disadvantaged groups. For the unemployed, youth, woman, seniors and immigrants, various service officers can play a significant role in informing clients about the potential of entrepreneurship and direct them to where they can obtain support in starting and developing a business. Several portals have been developed to make information more easily accessible, including, for example, Slovenia Business Point (<http://eugo.gov.si/>), the Entrepreneurship Portal (*Podjetniški* portal, <https://www.podjetniski-portal.si/>), the portal Start:up Slovenia Initiative (<http://www.startup.si/>), the portal Young Entrepreneur (Mladi podjetnik; <https://mladipodjetnik.si/>), web portal Mlad.si (www.mlad.si). The Entrepreneurship Portal managed by SPIRIT provides the latest information concerning the entrepreneurial path from the idea of entrepreneurial activity to the operation of a healthy and stable business. The portal has over 300 000 visits annually. Through the portal users also can access the weekly My Online Manual, which reaches over 80 000 users. Nevertheless, all those websites contain general information and are not always relevant for inclusive entrepreneurship target groups.

4 Supporting people who experience disability in entrepreneurship

Self-employment and entrepreneurship activities

It is estimated that about 12% of the population experiences some form of disability, which is slightly below estimates for the EU overall (approximately 15%). Of these, 60% of persons who experience disability were issued disability decisions under relevant Acts. About 6% of those working are working as self-employed (Table 4.1). Similar to the overall population, women are about half as likely as men to be self-employed.

Table 4.1. Number of working people who experience disability (excluding farmers)

| | 2016 | | | 2017 | | | 2018 | | |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | Total | Men | Women | Total | Men | Women | Total | Men | Women |
| Working active disabled people | 32 205 | 16 338 | 15 867 | 33 290 | 16 560 | 16 730 | 34 349 | 16 950 | 17 399 |
| Employed | 30 364 | 15 131 | 15 233 | 31 270 | 15 272 | 15 998 | 32 165 | 15 562 | 16 603 |
| Self-employed | 1 841 | 1 207 | 634 | 2 020 | 1 288 | 732 | 2 184 | 1 388 | 796 |

Source: Republic of Slovenia Statistical Office.

Policy framework

Table 4.2. 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.

Slovenia pursues an active policy in the field of employment of people with disabilities. It was one of the first countries that ratified the UN Convention on the Rights of Persons with Disabilities and adopted first and second Action programme for Persons with Disabilities. There are a series of measures aimed at creating better opportunities for disabled in the field of rehabilitation and financial incentives for employers and disabled people. The main legislation to support employers and workers with disabilities is **Vocational Rehabilitation and Employment of Persons with Disabilities Act**. Persons who experience disability can get employment at the open labour market, in the supported employment, or in sheltered employment. They are provided with necessary equipment, adaptation of premises, training, counselling, adjustments and arrangements in their working hours and shifts. Also, they are entitled to early retirement with a status of worker with disability (MLFSAEO, 2020b).

At the national level the key institution responsible for persons with disabilities is **Ministry of Labour, Family, Social Affairs and Equal Opportunities**. The Ministry is responsible for many policy areas impacting those who experience disability, notably the status, rights and obligations of workers arising from labour as well as the pension and disability insurance scheme. It also monitors the implementation of the national programmes of disability protection, social assistance, and employment. They produce analyses, reports, instructions, expert opinions and other materials associated with disability, and work with the Council for Persons with Disabilities of the Republic of Slovenia.

Many of the programmes are implemented by the **Employment Service of Slovenia**. One of its functions is to deliver measures for active employment policy that are designed for people who experience disability. Moreover, many of the monitoring activities are undertaken by the **Public Scholarship, Development, Disability and Maintenance Fund of the Republic of Slovenia** (<http://www.jpi-sklad.si/skladi/invalidski-sklad/>), including decisions related to the rights of disabled people and their employers and on the obligations of employers.

Legal grounds for vocational rehabilitation is provided by the **Vocational Rehabilitation and Employment of Persons with Disabilities Act** and its implementing regulations. Vocational rehabilitation is defined as the right of the persons with disabilities to certain vocational rehabilitation services specified in a rehabilitation plan. All persons with disabilities can receive vocational rehabilitation and training. However, candidates must be under 50 years old when referred by the Pension and Disability Insurance Institute of Slovenia. In order to empower and prepare candidates for most suitable work they receive various types of workshops in different organisations, depending on what is most suitable for them. Vocational rehabilitation in Slovenia shall be carried out as a public service within the network of public and private providers of vocational rehabilitation. All providers must conduct services according to the national recognised and verified program. Candidates are referred by the ESS and can stay in programme between three months up to two years. They could be also referred by employers or by the Pension and Disability Insurance Institute of Slovenia or in some case by third party. Only when the referee is Employment Service of Slovenia cost of vocational rehabilitation and training are covered directly from the budget of the Republic of Slovenia.

By the end of 2018, 1 722 new inclusions in vocational rehabilitation services had been realised. The provision of vocational rehabilitation services ends with an assessment of the person's employment opportunities, which must show, in particular, whether the disabled person is employable in a normal working environment, in supportive or protective employment, what work the candidate is qualified for and what support services or adaptations are needed in the workplace. In 2018, 126 decisions on supportive employment, 144 decisions on protective employment and 545 decisions on unemployment were adopted (ESS, 2019). According to the Ministry, in Slovenia, about 1 400 sole proprietors receiving state aid under the *deminimis* scheme, which is approximately about EUR 9.5 million per year.

Overview and assessment of policies and programmes

Table 4.3. Characterisation of entrepreneurship schemes for people who experience disability

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

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

The majority of self-employed disabled people were registered as job-seekers are supported by the Employment Service of Slovenia (ESS). When appropriate, they are informed by employment advisors about the possibility of becoming self-employed. However, counsellors are often unaware of the specific issues associated with the different type of disability and are often not able to provide suitable services for them. Moreover, many of the existing support programmes are inaccessible for people who experience disability since the schemes tend to favour innovative and high-potential projects. Moreover, the support is not ways appropriate in terms of its content or delivery methods.

Nonetheless, people who experience disability can benefit from a number of regulatory measures that support labour market activity. In accordance with the Vocational Rehabilitation and Employment of Persons with Disabilities Act, a self-employed disabled person has then right to access all legal incentives.

These supports can be applied to themselves or an employee, and include wage subsidies of up to 70%, compensation for adapting workplaces, purchase of equipment training. They are also exempt from some contributions towards pension and disability insurance schemes (EU Pathways Project, 2018).

There are a small number of projects to support specific groups who experience disability. For example, the Ministry of Labour, Family, Social Affairs and Equal Opportunities announced a public call for co-financing projects in 2017 to develop and implement the transition of young people with special needs to the labour market, which aims to tackle the problem of a high proportion of unemployed persons in the group of young people with special needs and help with their transition from school to the labour market. On the basis of the call, contracts were signed on the co-financing of projects "Youth Transition" (*Prehod mladih*) with fifteen partners of the National Project Partnership. The selected projects are evenly geographically dispersed across the country and it is expected to support the inclusion of 2 100 young people with special needs under 29 years old. Funding for the project is partly provided from the state budget as well as European Social Fund. The total available amount of funds for co-financing the national project partnership amounts to EUR 4.2 million for the years 2018 to 2022 (MLFSAEO, 2019b).

Issues related to persons with disabilities are regulated systemically. Monitoring is being carried out on the implementation of the Action programme for Persons with Disabilities. National programme for social assistance and employment policies for persons with disabilities and in relation to societies that operate in the public interest.

5 Policy recommendations

Much progress has been made in making entrepreneurship more inclusive over the past decade but there is a risk that this will erode in the coming years because some notable programmes and initiatives have expired and have recently been abolished. This includes the start-up subsidy for the unemployed who were able to sustain self-employment for at least two years. The following recommendations are made to strengthen inclusive entrepreneurship policy in Slovenia:

1. **Increase tailor-made support to attract disadvantaged groups (especially seniors, immigrants, unemployed and people with disabilities) into self-employment and help them develop their businesses.** Disadvantaged target groups have diverse policy frameworks. There are well-defined entrepreneurship policies and programmes for youth and women in particular, while for others there is no specific focus on entrepreneurial inclusion. More tailored support should be established, such as coaching and mentoring programmes and business advisory services, to help entrepreneurs from under-represented and disadvantaged groups enter the mainstream business support system with some support that is tailored to their needs.
2. **Strengthen the microfinance system to improve access to finance for people from under-represented and disadvantaged groups.** Slovenia has favourable sources of finance for SMEs and business start-ups, but the microfinance sector is under-developed. This should be complemented with greater efforts to boost financial literacy levels so that entrepreneurs can make more informed decisions about debt and equity options for financing their business.
3. **Continue to create an entrepreneurship-friendly culture.** Increase efforts to create a positive image of entrepreneurship, including through the promotion of success stories and role models that reflect diversity in entrepreneurship. Efforts to organise events, awards programmes and business competitions should continue and can be scale-up. It is important to also reflect diversity in their actions.
4. **Strengthen monitoring and evaluation practices of entrepreneurial programmes and initiatives.** Introduce a reporting and evaluation system on entrepreneurship programmes and initiatives, the availability of quality and reliable data, efficient co-ordination at all levels and the dynamic nature of the system which enables many variations in responding to changing needs.

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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.