

28 Luxembourg

This country profile benchmarks recent trends in entrepreneurship and self-employment for women, youth, seniors, immigrants and people with disabilities in Luxembourg relative to the European Union average. It also describes recent policy developments and current policy issues related to inclusive entrepreneurship.

Recent trends in inclusive entrepreneurship activities

In the period 2018-22, people in Luxembourg were more likely to be starting a business than the European Union (EU) average (9% vs. 7%). There are gender gaps in the proportion of people who report starting or managing a new business (i.e. TEA rate), e.g. 6% of women compared to 11% of men. If all of the entrepreneurship gaps across the population were closed and everyone was starting and managing new businesses at the same rate as 30-49 year old men, there would be an additional 10 000 early-stage entrepreneurs. This represents about 30% of the actual number of people starting and managing new businesses. Of these “missing” entrepreneurs, nearly all would be women.

The self-employment rate was below the EU average over the past decade (e.g. 9% vs. 13% in 2022). Seniors (50-64 years old) were the most active in self-employment (12%), while youth (20-29 years old) were the least active (6%). Moreover, the share of self-employed people who employ others (36%) is slightly higher than the EU average (32%).

Recent policy developments

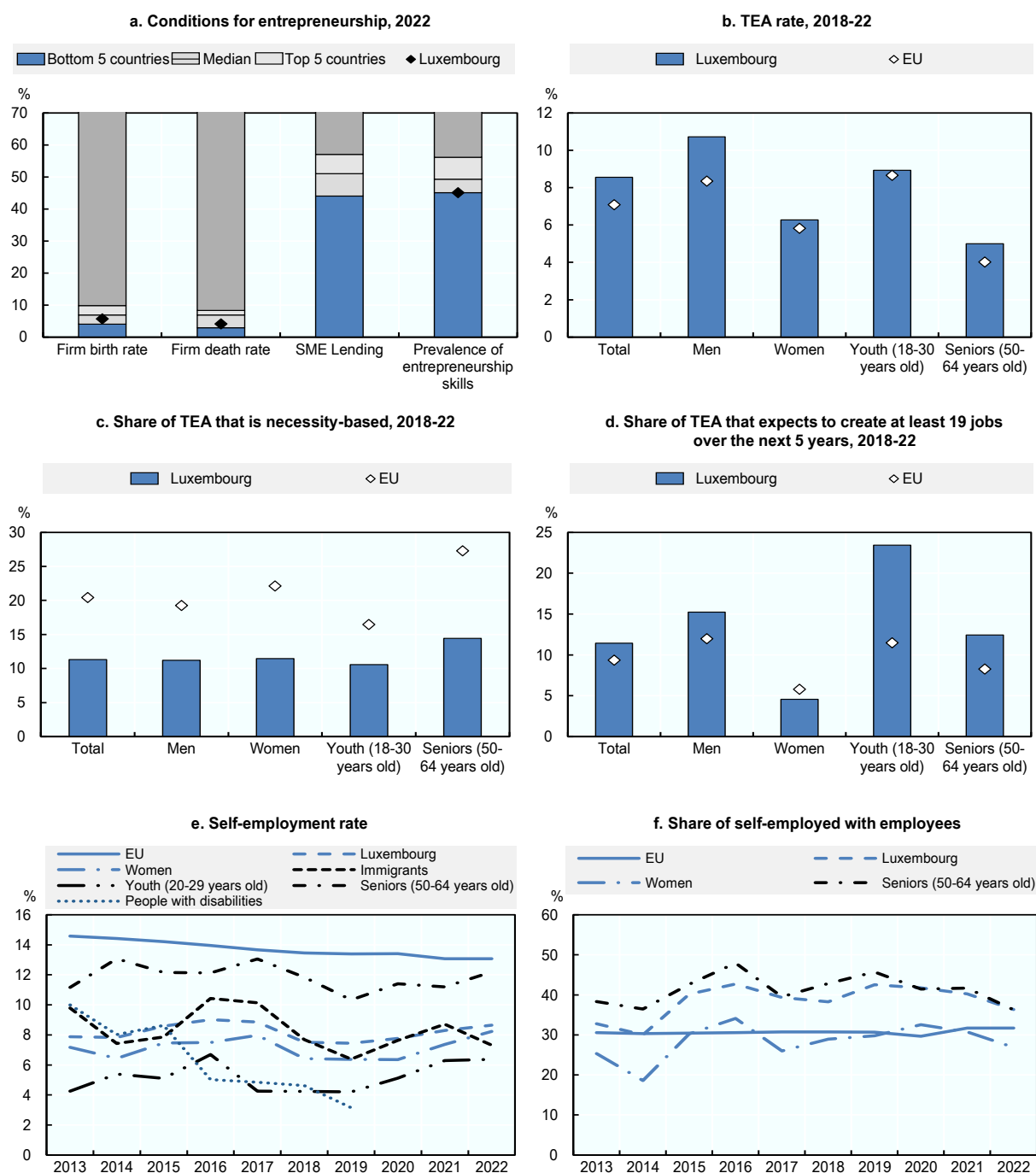
Several new entrepreneurship initiatives have been launched, particularly for those starting from unemployment. The National Employment Agency ADEM has launched the training scheme “Start Your Business”. The training is a free support scheme for potential entrepreneurs registered at ADEM and focuses on the training and coaching of job seekers.

Hot policy issue

There is a strong emphasis on supporting young people in pursuing entrepreneurship, notably through dedicated training schemes that complement the other mainstream support schemes available. Entrepreneurship schemes tailored to students often focus on niche and new economic sectors, such as the spatial and green sectors in addition to more traditional sectors (e.g. finance, construction). Moreover, there are many private-public partnerships that provide entrepreneurship support to young people, including the House of Entrepreneurship. Additionally, the University of Luxembourg has launched several new programmes, including “Entrepreneurship and Incubation Programme” (*Programme Entrepreneuriat et Incubateur*), which aims to support (potential) youth entrepreneurs by providing entrepreneurship training to help students develop their start-ups. In addition to the programmes, the university also publishes HIVE magazine, which highlights current initiatives and courses related to entrepreneurship and showcases start-ups in the incubator programme.

Inclusive entrepreneurship indicators

Figure 28.1. Entrepreneurship and self-employment data for Luxembourg



Note: In Panel a, the data for the EU median for SME lending excludes the following countries: Austria, Bulgaria, Croatia, Cyprus, Denmark, Finland, Germany, Luxembourg, Malta and Romania. The EU median for the entrepreneurship skills indicator excludes: Belgium, the Czech Republic, Denmark, Estonia and Malta. In Panels b-d, the data for the EU average refers to a population-weighted average and excludes Belgium, the Czech Republic, Denmark, Estonia and Malta. Please see Chapter 10 for detailed notes on the figures.

Source: (Eurostat, 2023; GEM, 2023; OECD, 2023). Please see Chapter 10 for full citations.



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