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Greece

This country profile presents indicators on entrepreneurship and self-employment by women, youth, seniors, immigrants and people with disabilities in Greece relative to the European Union average. It also highlights recent policy actions and current policy issues related to inclusive entrepreneurship.

Recent trends in inclusive entrepreneurship activities

There are long-standing challenges related to the business environment. Despite continued progress in reform efforts (e.g. digitalising the public administration, reducing administrative burden), these negative conditions lead to low business entry rates and low levels of growth-oriented entrepreneurship. However, survey data suggest that Greek people are nearly as likely as the European Union (EU) average to be starting and managing new businesses (i.e. TEA rate) but a much higher share of these new start-ups has been launched because the person could not find a job (29% vs. 20% in the EU). There is a large gender gap in entrepreneurship, both in terms of quantity (e.g. men are more than 1.5 times more likely than women to be starting and managing new businesses) and quality (e.g. men are nearly three times more likely than women to be starting a growth-oriented business). If everyone was as likely as 30-49 year old men in business creation, there would be an additional 55 000 early-stage entrepreneurs. Of these “missing” entrepreneurs, virtually all would be women. Self-employment rates are very high but declining. For example, nearly 35% of the working population over 50 years old were self-employed in 2022, which is down from more than 45% in 2014.

Recent policy developments

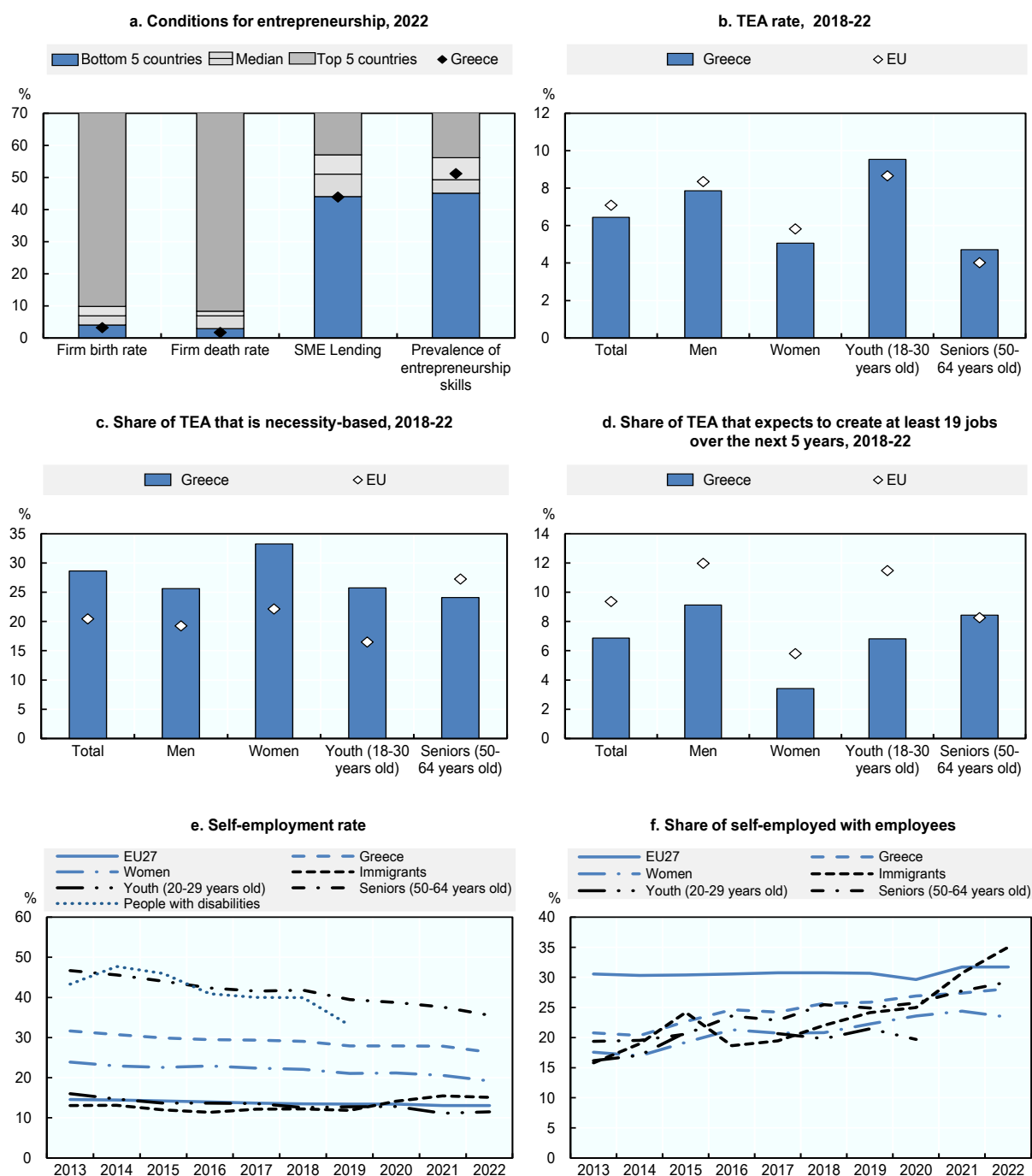
Many new entrepreneurship policies, measures and initiatives have been launched to stimulate economic activity. One of the main initiatives is the Entrepreneurial Discovery Mechanism (EDM), which has been adopted for the implementation of the Entrepreneurial Discovery Process. The initiative seeks to identify opportunities for investment in research and innovation, building on activities where there is a competitive advantage. Moreover, the Innovation Agency was established as an auxiliary arm of the EDM to further improve the research and innovation capacity of the Greek companies, adaptation to the digital and green transition, and access to appropriate skills. This is expected to benefit entrepreneurs broadly but also young entrepreneurs in higher education.

Hot policy issue

There have also been some pension reforms in recent years to improve its sustainability. This includes adjustments for the self-employed. Starting in 2021, the self-employed are required to pay only flat-rate pension contributions, which they can voluntarily top-up. Previously, contributions were based on declared profits from the self-employed activity. The new measure may address the risk of under-reporting income but is not likely to boost low retirement incomes for the self-employed. Auxiliary pensions remain voluntary.

Inclusive entrepreneurship indicators

Figure 22.1. Entrepreneurship and self-employment data for Greece



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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