

27. Luxembourg

This country profile presents self-employment and entrepreneurship data for women, youth, seniors and immigrants in Luxembourg and benchmarks these indicators against the European Union average. It also highlights current inclusive entrepreneurship policy issues and recent policy actions.

Key trends

The self-employment rate remained fairly constant over the past decade (7.4% in 2009 and 7.5% in 2018) but remained below the European Union (EU) average in 2018 (13.5%). Similarly, the self-employment rates for women, youth, seniors and immigrants were all slightly below the EU average in 2018. However, women, youth and seniors were more likely than the EU average between 2014 and 2018 to be involved in starting or managing a new business. However, these new entrepreneurs were less likely than the EU average to expect to create at least 19 jobs over the next five years.

Hot issue

The 2018 National Reform Programme (NRP) outlines a series of measures that aim to enable long-term “smart, sustainable and inclusive growth.” These measures support key policy priorities in the areas of: (i) education and training; (ii) R&D and innovation, (iii) efficient use of resources; and (iv) social cohesion and inclusion, including gender equality as a cross-disciplinary objective. These government priorities are implemented through a range of measures and initiatives, including the establishment of a new legal framework for business creation, measures to attract immigrant investors, and activities to promote and support self-employment (e.g. provision of training and business counselling). The NPR also includes activities to support disadvantaged population groups in society, including the transversal objective to foster inclusive entrepreneurship as a mechanism to increase employment rates and reduce crisis-related unemployment.

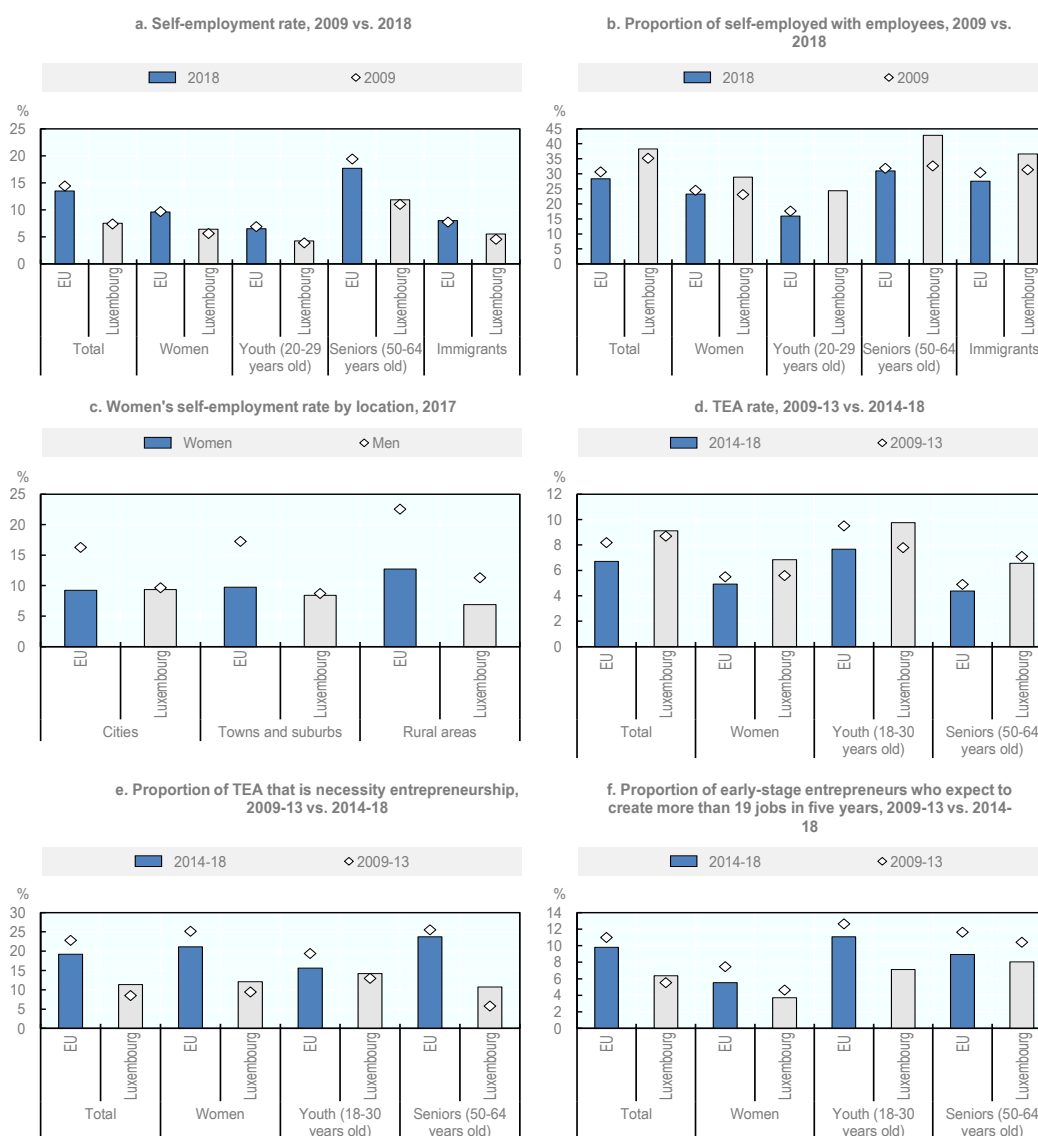
Recent policy developments

Although Luxembourg is a small country, a number of tailored and targeted entrepreneurship supports have been introduced in recent years. New legislation was introduced in April 2018 to allow jobseekers who are in the process of creating business to continue receiving employment benefits for a period of six months without accepting job offers. In addition, entrepreneurship support is included in the “Connections” project for refugees. This initiative is led by the *Association de Soutien aux Travailleurs Immigrés*, with support from the Chamber of Crafts, the Public Employment Service.

This profile is based on a recent country assessment report, which can be found at: www.oecd.org/cfe/leed/inclusive-entrepreneurship.htm.

Key inclusive entrepreneurship data

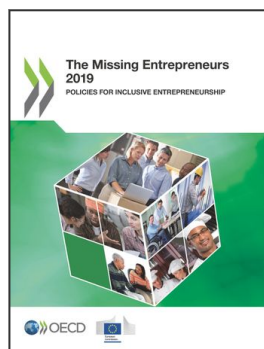
Figure 27.1. Entrepreneurship and self-employment data for Luxembourg



Notes: The self-employment rate is defined as the number of self-employed people (15-64 years old) divided by the number of people in employment. The TEA rate is the proportion of adults (18-64 years old) involved in setting up a business or managing a business that is less than 42 months old. Necessity entrepreneurship is defined as entrepreneurship activities that were launched because there were no other options in the labour market. Early-stage entrepreneurs are those who are in the process of setting up a business or managing a business that is less than 42 months old. The EU average in Panels D-F excludes Czech Republic and Malta for the period 2014-18 and Malta for the period 2009-13.

Sources: Panels A and B: Eurostat (2019), Labour Force Survey, <https://ec.europa.eu/eurostat/web/lfs/data/database>; Panel C: Eurostat (2018), Self-employment, Labour Force Survey ad-hoc module, <https://ec.europa.eu/eurostat/web/lfs/data/database>; Panels D-F: Global Entrepreneurship Monitor (2019), *Special tabulations of the GEM survey 2014-18*.

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