

16 Denmark

This country profile benchmarks recent self-employment trends for women, youth, seniors and immigrants against the average for the European Union. It also reports on entrepreneurship conditions and describes recent policy actions related to inclusive entrepreneurship, including the COVID-19 response.

Conditions for inclusive entrepreneurship

The framework conditions for entrepreneurship are strong with respect to regulations and administrative burden on entrepreneurs. However, access to finance and skills are less strong relative to other European Union (EU) Member States and the cost of registering a business remains among the highest in the EU. Entrepreneurship policy is focused on promoting innovation, growth and the digital economy. Consequently, entrepreneurship policies do not aim to address social inclusion and few initiatives support people from under-represented and disadvantaged groups in business creation and self-employment. However, entrepreneurship education and the support infrastructure for youth entrepreneurship is strong. Moreover, there are strong initiatives that support immigrant entrepreneurs, particularly at the local level.

Recent trends

Self-employment rates have been stable over the past decade at about 8%, substantially below the EU average (14% in 2020). These low rates are likely explained, in part, by a healthy labour market with low levels of unemployment and a very strong social security system. Moreover, the public sector employs a relatively high share of the labour force. The proportion of self-employed workers varies across population groups – seniors (10%) were more likely to be self-employed than youth (3%) or women (5%) in 2020. Closing the gaps in self-employment across the population groups (i.e. applying the self-employment rate of men who are 30-49 years old to the whole population) would result in another 52 000 self-employed people. Virtually all of these “missing” entrepreneurs are women and two-thirds are under 30 years old.

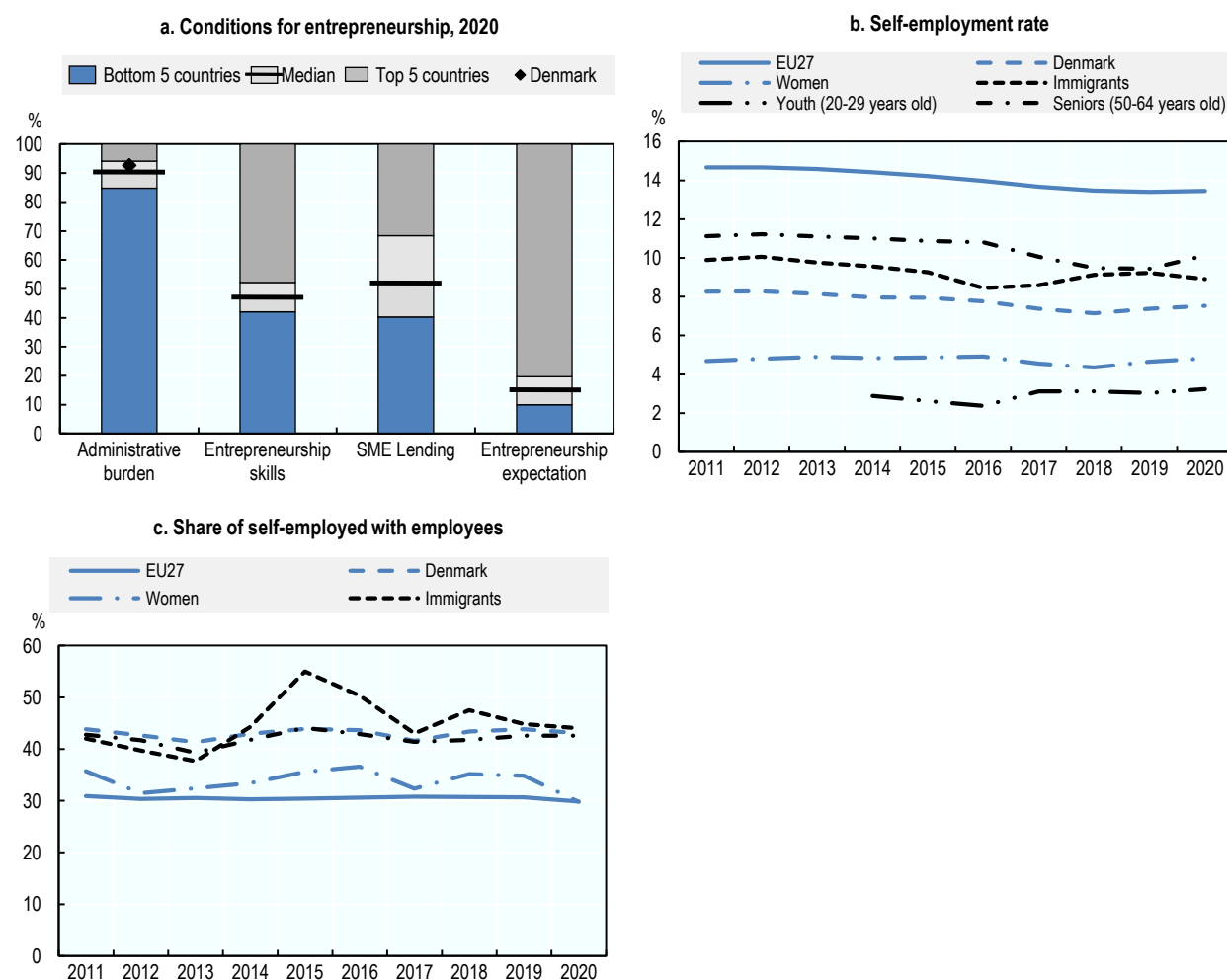
Despite low self-employment rates, a higher proportion of self-employment activities have created employment for others. About 42% self-employed workers have employees, including 44% of self-employed immigrants, 43% of self-employed seniors and 30% of self-employed women.

Hot policy issue

Several measures and programmes were introduced during the COVID-19 pandemic. All businesses, including the self-employed and freelance workers, could receive compensation to cover loss of turnover and fixed costs due to the COVID-19 pandemic. A support fund of DKK 100 million (EUR 13.3 million) was designed to strengthen recovery and innovation for impacted industries and enterprises. As of March 2021, the Danish Business Authority had approved over 150 000 applications (businesses and people) and paid DKK 7 232 million (EUR 985 million) in total compensation. The Innofounder programme for entrepreneurs also provided 12 monthly stipends, which was then extended by six months as was its programme period.

Inclusive entrepreneurship indicators

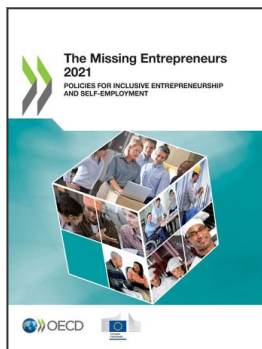
Figure 16.1. Entrepreneurship and self-employment data for Denmark



Note: Please see Chapter 9 for notes on the figures.

Source: Panel a: (World Bank, 2020^[1]; Global Entrepreneurship Monitor (GEM), 2021^[2]; OECD, forthcoming^[3]); Panels b-c: (Eurostat, 2021^[4]). Please see Chapter 9 for the full citations.

StatLink  <https://doi.org/10.1787/888934281391>



From:

The Missing Entrepreneurs 2021

Policies for Inclusive Entrepreneurship and Self-Employment

Access the complete publication at:

<https://doi.org/10.1787/71b7a9bb-en>

Please cite this chapter as:

OECD/European Commission (2021), "Denmark", in *The Missing Entrepreneurs 2021: Policies for Inclusive Entrepreneurship and Self-Employment*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/72ed4ebf-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area. Extracts from publications may be subject to additional disclaimers, which are set out in the complete version of the publication, available at the link provided.

The use of this work, whether digital or print, is governed by the Terms and Conditions to be found at <http://www.oecd.org/termsandconditions>.