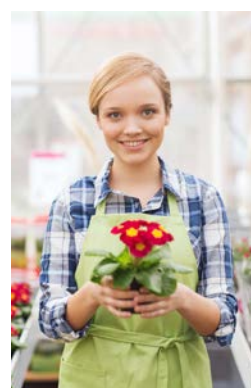


EMPLOYMENT AND SOCIAL AFFAIRS

THE AVAILABILITY AND USE OF ASSISTANCE FOR ENTREPRENEURSHIP TO YOUNG PEOPLE

BACKGROUND

In recent years, the European Union emphasised the importance of promoting entrepreneurship (i.e. self-employment and business creation) as a measure for improving young people's employability, their professional and socio-economic prospects. In accordance with the aims of the Europe 2020 Strategy and in particular the 'Education and Training 2020' (ET2020) strategic framework, youth entrepreneurship is considered as an important step towards creating more and better quality jobs. The European Parliament has adopted a number of resolutions underlining the importance of investing in entrepreneurship of young people, such as the Resolution of 11 September 2013 on *Tackling youth unemployment: possible ways out* and the Resolution of 22 October 2013 on *Rethinking Education*. The Council of the European Union adopted [Conclusions](#) on the topic in May 2014.



FOCUS OF THE STUDY

The study on **The Availability and Use of Assistance for Entrepreneurship to Young People**, produced at the request of the **Employment and Social Affairs Committee**, provides a typology of EU-level and national initiatives, of the use of these measures and initiatives by young people and any barriers impeding their take-up, and also analyses the outcomes of these measures.

KEY FINDINGS

1. Interest in entrepreneurship

Surveys show a **discrepancy between interest and implementation**: While nearly one in two young people (41 % of those aged 15-24) thinks that self-employment is feasible and would like to set up their own business, only 4 % of 15-24 year-olds and 9 % of 25-20 year olds in the EU were self-employed in 2011. **Lack of funds and access to finance**, appropriate **education and training offers** have been identified as main reasons.

2. Types of support and good practices

- Entrepreneurship education (formal and non-formal)
- Career guidance and counselling
- Targeted resources and services to budding entrepreneurs ('business incubators')
- Administrative simplification
- Access to finance
- Labour market activation (e.g. capitalisation of unemployment benefits)

The study presents selected good practices from CZ, DK, EE, FR, DE, EL, IE, IT, PL, PT, ES.

3. EU initiatives

Developments at **EU level** suggest an **overall improvement in terms of the availability of support**. A number of dedicated EU programmes and initiatives, such as **'Erasmus for Young Entrepreneurs'** and the **'Small Business Act for Europe'** (2008) include measures to facilitate young entrepreneurs' access to finance as well as to integrate entrepreneurship into secondary school curricula. Further direct financial support at EU level also comes through the **European Progress Microfinance Facility** which enables young entrepreneurs to apply for micro-loans of up to EUR 25,000. The **European Social Fund (ESF)** supports innovative youth entrepreneurship projects across the Member States and promotes the transnational exchange of good practice, particularly through its Learning Network COPIE (Community of Practice on Inclusive Entrepreneurship).

4. Developments in the Member States

According to the study, there is sufficient **evidence that EU-level initiatives have had a positive impact on national policy activity** comprising growth and diversification of support. Nearly all Member States have stepped up measures to include entrepreneurship in education and training including in response to EU-level communications and policy priorities. Member States have been active in **simplifying administrative rules** for enterprise start-ups since the Small Business Act for Europe. Furthermore, additional policies and schemes to offer **financial support** to young entrepreneurs have been developed since the crisis of the banking sector.

Labour market activation policies, particularly those developed in the context of the Council Recommendation on a [Youth Guarantee](#), tend to include a comprehensive set of approaches to support entrepreneurship. However, it is still too early in most cases to measure the impacts.

Entrepreneurship education in schools and vocational education and training (VET) tends to be developed separately from other types of support. These most often combine counselling and mentoring with mechanisms to ease access to finance.

RECOMMENDATIONS

- **Cross-cutting or comprehensive strategies** combining different types of support are more effective.
- Further encouraging the **transnational exchange of good practice** as national differences in scope and approaches remain, with entrepreneurship education having been fully implemented in Northern Europe only.
- **Consistent data monitoring** across the Member States is needed so as to identify and further develop the most effective policies.



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