

LAUNCH EVENT NOTE



Youth Entrepreneurship Policy Academy

Launch event | 9-10 March
Brussels, Belgium



The urgency of supporting youth

The OECD–EU Youth Entrepreneurship Policy Academy was launched by **Commissioner Nicolas Schmit of the European Commission** and **Deputy–Secretary General Yoshiki Takeuchi of the OECD**. Both stressed that youth are the key to solving the problems of today and tomorrow. They highlighted the enormous potential of youth today as they are the most educated generation in history. Young people are leading innovative practices in the digital and green transitions and are at the forefront of addressing social challenges and rising inequalities.

Yet, both noted that young people face many challenges in 2023. The COVID–19 pandemic interrupted their education, their work and their businesses. The cost-of-living crisis has left many struggling to make ends meet and their businesses under renewed pressure. And of course, the climate crisis will change the way we live and work.

Therefore, they called on governments and other actors to do more to help young people realise their potential, including in entrepreneurship. Governments have individually and collectively renewed their commitments to support young people through instruments such as the European Skills Agenda, EU Youth Employment Initiative, EU Social Economy Action Plan and OECD Recommendations on Creating Better Opportunities for Young People, SME and Entrepreneurship Policy and Social and Solidarity Economy and Social Innovation.

Entrepreneurship holds promise for helping some youth achieve their dreams but there is a substantial gap between entrepreneurial ambitions and action. The new Eurobarometer survey shows that 39% of youth would prefer being self-employed to working as an employee (55%).^[1] However, **less than 5% of youth in the EU and only 8% in OECD countries** are actively working on a start-up.



[1] European Commission (2023), "Social Entrepreneurship and Youth", Flash Eurobarometer #513, <https://europa.eu/eurobarometer/surveys/detail/2670>.

What is it like to be a young entrepreneur in 2023?

Three young entrepreneurs – **Ahmed Hadi** (Co-Founder of MIMIR, Finland), **Charlotte Piessevaux** (Co-founder of BETREE, Belgium), and **Henrike Schlottmann** (Managing Director of ProjectTogether, Germany) – shared their journey to entrepreneurship and their experiences as young (social) entrepreneurs. **Karen Maguire** (OECD CFE) and **Brigitte Fellahi-Brognaux** (DG EMPL) steered the discussion and drew out anecdotes on their motivations, challenges and triumphs.

The discussion underlined that many young entrepreneurs are drawn to entrepreneurship out of curiosity and passion for their idea. The panel highlighted that many young people pursue entrepreneurship to enact change yet often have a lack of understanding of what entrepreneurship entails and the practical steps needed to turn an idea into a viable and operational business. The panel highlighted the value of mentorship and coaching for young entrepreneurs but also pointed to the difficulties in identifying who can offer support due to limited professional networks and limited time to navigate available entrepreneurial supports.



What challenges do young entrepreneurs *face*?

Max Uebe (DG EMPL) led a panel discussion with **Toby Gazeley** (Euclid Network, Netherlands), **Joni Rakipi** (ETH Entrepreneur Club, Switzerland) and **Flavia Santia** (Ente Nazionale per il Microcredito, Italy) that pointed to the challenges and surprises faced by many young entrepreneurs in creating and growing their businesses. The conversation picked up on a similar thread from the first panel session on the gap between what young entrepreneurs learn in school and expect from entrepreneurship relative to what they have to do in reality to start and grow their businesses. The panel explored the necessity of practical and experiential entrepreneurship learning and not relying solely on theory to prepare potential youth for their entrepreneurial experiences.

The panel also highlighted the intersectionality of young entrepreneurs. Panellists noted the importance of adapting and tailoring support to various profiles of youth entrepreneurs, including young entrepreneurs who are not in education or employment (NEETs), young women entrepreneurs, young rural entrepreneurs, social entrepreneurs, etc.





The state of youth entrepreneurship policy

The need to untap entrepreneurial potential

David Halabisky (OECD CFE) made a presentation on the state of youth entrepreneurship policy in the EU. Governments currently use a variety of youth entrepreneurship supports, including entrepreneurship education, training, coaching and mentoring, grants, microfinance, incubators, networks and more. Policy evaluation evidence highlights some overarching key messages for governments:

- Use tailored support schemes to support young entrepreneurs, including young social entrepreneurs
- Avoid selecting “winners” for support and instead deliver support using a phased approach
- Effectiveness of support tends to be greater when measures are delivered in cohesive packages
- Partner with other stakeholders for outreach and delivery

A new policy response - the YEPA

Julien De Beys (DG EMPL) provided an overview of the YEPA network and the work to come. The policy-learning network aims to strengthen youth entrepreneurship policies and programmes by bringing together 150 participants including policymakers, young entrepreneurs, entrepreneurship networks, experts, and practitioners. YEPA participants will exchange and provide concrete feedback on existing policies and what is needed to boost the quality of entrepreneurship support offered to help young entrepreneurs reach their potential.

What is new in youth entrepreneurship support?

A panel discussion chaired by **Céline Kauffmann** (OECD CFE) featured **Karen Greve Young** (Futurpreneur, Canada), **Alexandre Laurent** (Ministry of Economy and Finance, France), **Solène Le Coz Fortis** (Ministry of Economy and Finance, France), and **Ieva Žaunierienė** (Ministry of the Economy and Innovation, Lithuania) shone the spotlight on new developments in support for young entrepreneurs.

Going digital...

The COVID-19 pandemic moved nearly all support programmes online, accelerating an existing trend. This created opportunities for more young people to participate in support schemes but also risks excluding those with poor internet access or low levels of digital skills. The panelists noted the important role digitalization has played in facilitating business creation through the simplification of procedures and regulations by moving online as well as making information more accessible through digital one stop shops.



...bringing together digital and entrepreneurship skills

The digital transition calls for a reinforcement of digital and entrepreneurship skills to equip young people with the needed skillset of tomorrow. Several panelists highlighted new approaches to developing entrepreneurship and digital skills in tandem through entrepreneurship education and integrating these into the curriculum at younger ages. It was noted that this also requires investing in training for teachers.

...and leveraging partnerships

The panel noted a trend towards delivering youth entrepreneurship schemes through partnerships between governments and non-government organisations. This approach can leverage the experience and expertise of a range of actors and help to tailor support to the different needs of different youth entrepreneurs, which also boosts the credibility of programmes.

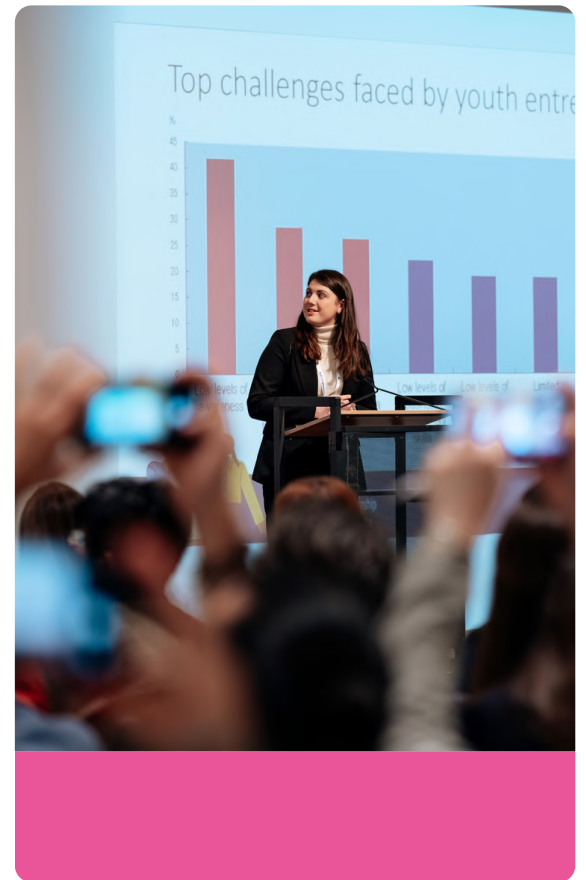


Presentation of survey results

YEPA participant survey

Helen Shymanski (OECD CFE) presented results from the survey on the country context for entrepreneurship and desired outcomes of the YEPA. Respondents identified the top challenges for young entrepreneurs as a lack of entrepreneurial awareness, limited start-up finance and difficulties in presenting a viable business model.

Participants indicated that about half of youth entrepreneurship supports in their countries are dedicated measures for either young job seekers (i.e. unemployed, NEETs) or young innovative and growth-oriented entrepreneurs. Participants also indicated that the most commonly introduced or significantly expanded national youth entrepreneurship supports include grants for business creation, microfinance and repayable loans for business creation and development as well as dedicated business incubation or acceleration programmes for young entrepreneurs. Respondents demonstrated an interest in exploring workshop topics innovative and growth-oriented entrepreneurship, green entrepreneurship by young entrepreneurs and young female entrepreneurship in the workshop series.



Eurobarometer survey on social entrepreneurship and youth

Miia Rossi-Gray (DG EMPL) presented some highlights from the new Flash Eurobarometer survey. The results show enthusiasm for entrepreneurship among young people (15–30 years old) with 9% of young people currently running their own business and an additional 14% taking steps to start a business. Moreover, there is even more entrepreneurial interest and ambition with nearly half (46%) of youth indicating that they would consider setting up their own business. The survey also showed that 1 in 3 young people are familiar with social entrepreneurship.



Digging deeper

Participants got together into three groups led by **Karen Maguire** (OECD CFE), **Margit Perko** (DG EMPL) and **Mathilde Prilleux** (DG EMPL) to exchange on the experiences in their countries, focussing on three questions:

- What are the main obstacles for young entrepreneurs in your country?
- What have been the most significant developments in youth entrepreneurship support in recent years?
- What more do governments need to do, and how can other actors help?

Participants reported back similar obstacles to entrepreneurship for young people, including high levels of risk and uncertainty surrounding entrepreneurship, including the loss of social benefits, limited access to finance, and limited professional networks. Participants identified a lack of awareness of available entrepreneurship supports as a key barrier that governments need to do more to address. It was highlighted that the approach of opening the doors to entrepreneurship for everyone only works if people know the doors are there.



Group discussions highlighted that youth entrepreneurship support cannot employ a one size fits all approach as entrepreneurship is not limited to start-ups but encompasses a wide range of activities. Participants highlighted the importance of offering more tailored entrepreneurship policy and programmes to better support young entrepreneurs and their unique needs as they develop their entrepreneurial ideas and launch and grow their activities.

The report-back identified a common thread throughout the group discussions – a need to shift the mindset around entrepreneurship. The challenges of tomorrow will not be solved with the solutions of the past. Participants called for more collaboration across policymakers, entrepreneurship support providers, teachers and researchers to provide more cohesive support and to create a more conducive entrepreneurial environment for youth entrepreneurs to flourish. This includes finding a common language across entrepreneurship ecosystem actors. Participants highlighted the differences in how entrepreneurship is defined and who youth entrepreneurs are considered to be as both entrepreneurship and youth are often understood differently across countries and across stakeholders.

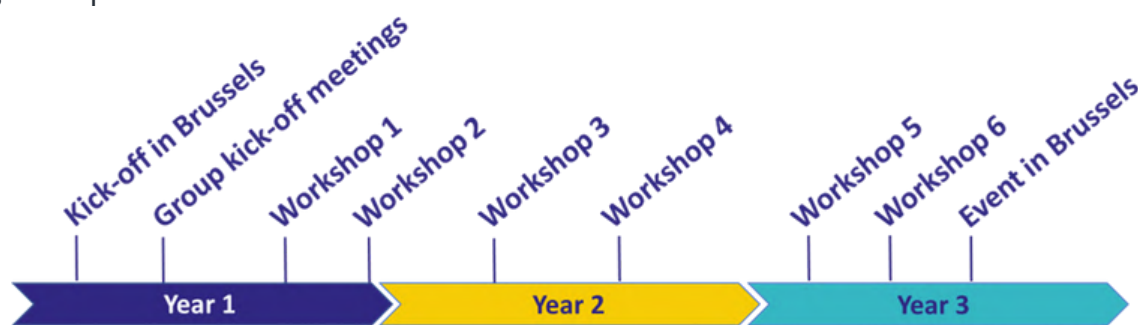


A call to action...

Joost Korte (Director-General of DG EMPL) and **Lamia Kamal-Chaoui** (Director of the OECD CFE) called on YEPA participants to contribute their knowledge and expertise over the next three years and to dig deeper into the many issues facing youth entrepreneurs. Participants are encouraged not only to discuss what needs to be done but also to take the lessons and new ideas learned through the discussions back to their countries and push for change.

...next steps

A kick-off meeting for the country groups will be held in May 2023 to go over the organisational details of the workshops. Briefly, each workshop will have a host country that will help to set the agenda and make a presentation on the domestic context and issues related to the topic of the workshop. Each workshop will also feature expert presentations, moderated discussions, and debates, as well as opportunities to work together with others in your group. The first workshop will be held in June 2023 and cover the topic of finance for young entrepreneurs.



About the OECD Centre for Entrepreneurship, SMEs, Regions and Cities

The OECD Centre for Entrepreneurship, SMEs, Regions and Cities provides comparative statistics, analysis and capacity building for local and national actors to work together to unleash the potential of entrepreneurs and small and medium-sized enterprises, promote inclusive and sustainable regions and cities, boost local job creation, and support sound tourism policies.

For more information on OECD work on inclusive entrepreneurship, please visit website: <https://www.oecd.org/cfe/smes/inclusive-entrepreneurship/>. If you are interested to learn more inclusive entrepreneurship, please contact Jonathan Potter, Head of the Entrepreneurship Policy and Analysis Unit (Jonathan.Potter@oecd.org), David Halabisky, Project Co-ordinator, Inclusive and Sustainable Entrepreneurship (David.Halabisky@oecd.org) or Helen Shymanski, Junior Policy Analyst (Helen.Shymanski@oecd.org).

For more information on OECD work on social entrepreneurship, please visit website: <https://www.oecd.org/cfe/leed/social-economy/social-entrepreneurship.htm>. If you are interested to learn more social entrepreneurship, please contact Antonella Noya, Head of the Social Economy and Innovation Unit (Antonella.Noya@oecd.org) or Amal Chevreau, Policy Analyst (Amal.Chevreau@oecd.org).

About the European Union's Directorate-General for Employment, Social Affairs and Inclusion

DG Employment, Social Affairs and Inclusion develops and carries out the European Commission's policies on employment and social affairs, education and training. This includes, for example, support for more and better jobs through the European Employment Strategy, free movement of workers and coordination of social security schemes, and supporting social inclusion by supporting efforts to combat poverty and social exclusion, reform social protection systems, assess new demographic and social developments.

For more information on the Directorate-General for Employment, Social Affairs and Inclusion, please visit: https://ec.europa.eu/info/departments/employment-social-affairs-and-inclusion_en.

