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Inclusive entrepreneurship policies aim to offer all people an equal opportunity to create a sustainable business, whatever their social group. This is an important requirement for achieving the goal of smart, sustainable and inclusive growth set out in the Europe 2020 strategy. It is also a means to respond to new economic challenges, to create jobs and to fight social and financial exclusion. Among the key targets of inclusive entrepreneurship policies and programmes are women, youth, older people, the unemployed, migrants and people with disabilities, who all continue to face challenges in the labour market and are under-represented or disadvantaged in entrepreneurship activities. ‘The Missing Entrepreneurs’ series of publications of the Organisation for Economic Co-operation and Development (OECD) and the European Union discuss how public policies and programmes can support inclusive entrepreneurship. This includes refining regulatory and welfare institutions, facilitating access to finance, building entrepreneurship skills through training, coaching and mentoring, strengthening entrepreneurial culture and networks for target groups, and putting strategies and actions together for inclusive entrepreneurship in a co-ordinated and targeted way. Governments are increasingly recognising the challenge of inclusive entrepreneurship, but there is still much to do to spread good practice.

The self-employment rate in Spain was slightly above the European Union (EU) average in 2017 (15.7% vs. 13.7%), and this was true for women, men, and seniors. Spanish people were more likely than the EU average to believe that they had the capabilities and skills to create a business over the 2013-17 period (45.9% vs. 41.9%), particularly women (41.8% vs. 34.6%). Many inclusive entrepreneurship policies and programmes have been implemented in recent years, especially for the unemployed, youth and women. These actions have been designed and implemented under the guidance of employment strategies and objectives. Nonetheless, there is scope to strengthen inclusive entrepreneurship in Spain, including developing more tailored entrepreneurship support for seniors and migrants and through further development of the microfinance sector.

This note is the third country assessment note prepared by the OECD in collaboration with the Directorate-General for Employment, Social Affairs and Inclusion of the European Commission on the state of inclusive entrepreneurship policies and programmes in each European Union Member State. Each note provides an overview and assessment of policies and programmes that support people from under-represented and disadvantaged groups in business creation and self-employment and suggests policy actions to address gaps in the support system and to improve the quality of available support offers. The notes cover national-level policies and programmes and, where relevant, sub-national initiatives and actions by the non-governmental sector. The 2018 notes include an additional section on female entrepreneurship support, which provides an overview of the entrepreneurship activity levels, obstacles faced and policy responses.

The notes are part of a wider programme of work by the OECD and the European Commission that includes ‘The Missing Entrepreneurs’ publications, the Better Entrepreneurship Policy Tool (www.betterentrepreneurship.eu), a series of Policy Briefs on specific target groups, policies and issues, and country reviews of youth entrepreneurship and women entrepreneurship. For more information please refer to: www.oecd.org/employment/leed/inclusive-entrepreneurship.htm.
ACKNOWLEDGEMENTS

This note is part of a series of notes on country-level inclusive entrepreneurship policies and programmes prepared by the Organisation for Economic Co-operation and Development (OECD) for the European Commission. These notes were prepared as part of the programme of work of the OECD Local Economic and Employment Development (LEED) Programme of the Centre for Entrepreneurship, SMEs, Regions and Cities (CFE) led by Lamia Kamal-Chaoui, Director. They provide an overview of current and planned policy actions and identify some actions that could be implemented to address gaps in the current support offering, or improve current offerings.

This note was prepared by Dr. Francisco Liñán of the University of Seville. David Halabisky and Cynthia Lavison of the CFE undertook additional drafting and editing of the note under the direction of Dr. Jonathan Potter, also of the CFE. A steering group was consulted during the preparation of this note. The steering group was co-led by the OECD and Guzmán García González-Posada of the Ministry of Labour, Migrations and Social Security. Much of the data contained in this note was prepared under the direction of Dr. Jonathan Levie of the Global Entrepreneurship Monitor. This note benefited from feedback and suggestions provided by Guy Lejeune of the Directorate-General for Employment, Social Affairs and Inclusion of the European Commission.
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KEY MESSAGES

- Inclusive entrepreneurship policies and programmes are increasingly viewed as a tool to support under-represented and disadvantaged groups in the labour market in Spain. Many policy actions have been implemented in recent years, especially for the unemployed, youth and women. These actions have been designed and implemented under the guidance of employment strategies and objectives.

- The self-employment rate was slightly higher in Spain than in the European Union (EU) in 2017 (15.7% vs. 13.7%), and this was true across all social target groups. Spanish people were more likely than the EU average to believe that they had the capabilities and skills to create a business (45.9% vs. 41.9% over 2013-17), especially women (41.8% vs. 34.6%). However, Spanish entrepreneurs were less likely than the EU average to offer new products and services to their customers (22.9% vs 27.6% over 2013-17) and very few of them had significant growth expectations (3.4% vs. 9.7%). These trends held for women, men, youth and older people.

- Key recommendations for strengthening inclusive entrepreneurship support are to: (i) develop integrated entrepreneurship support programmes for older people, immigrants and persons with disabilities; (ii) increase access to microfinance for under-represented and disadvantaged groups; (iii) enhance the implementation of entrepreneurship education within the formal education system, including financial literacy training; (iv) further streamline regulations and procedures related to business start-up; and (v) increased visibility of diverse entrepreneurship role models, in particular women.
1. INCLUSIVE ENTREPRENEURSHIP OBJECTIVES AND TARGETS

The number of firms began to rise again in Spain in 2015 as more new ventures were created than closed for the first time in six consecutive years. In 2017, there were 3.28 million firms, a number close to the 2010 level, but still far from the 3.42 million that existed in 2008. Economic growth has led to the creation of 660,000 new jobs in 2017, and to an unemployment rate of 17.3%, nine percentage points lower than in 2013. This improved economic situation favours the development of inclusive entrepreneurship in the country, but some action is still needed.

Despite several recent reforms and increased action in promoting entrepreneurship, there is currently no overarching national plan to promote entrepreneurship in Spain. As a consequence, there are neither general entrepreneurship objectives, nor a clearly defined set of inclusive entrepreneurship targets against which national progress may be measured. However, the government has implemented a reform programme to recover competitiveness and consolidate lasting growth and job creation. These guidelines stress the importance of improving the employability of some disadvantaged groups to facilitate their insertion in the job market. Thus, a number of actions have been proposed to foster youth and women entrepreneurship and, to a lesser extent, to promote entrepreneurship by people with disabilities.

More broadly, the Spanish targets for inclusive entrepreneurship policy actions may be set against European strategies. The Europe 2020 strategy includes lines of action that may be linked to inclusive entrepreneurship, namely an employment target (74%) and an objective to reduce the population at risk of poverty by 1.4-1.5 million people (EC, 2010). In this sense, the 2018 National Reform Programme (NRP) identifies three main areas of further reforms, including the support of entrepreneurship and business growth within its first priority area (competitiveness and productivity). The NRP considers it necessary to improve the environment for entrepreneurial investment, facilitating the starting of new ventures, their survival and growth.

A Strategic Plan for Equal Opportunities between Men and Women is in place. It operates as an instrument setting priority goals and outlining measures to eliminate any gender discrimination that may persist and to achieve equal opportunities for men and women. The Strategic Plan contains specific measures to ensure a greater number of women in work and in positions of responsibility, to improve the possibilities of reconciling family and personal life and to reduce the wage gap. The Action Plan on Disability Strategy 2014-20 established measures to foster entrepreneurship in this group. There are currently no specific targets for youth entrepreneurship.

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2 The Youth Entrepreneurship and Employment Strategy (EEEJ) was initially approved for the period 2013-16. It provided some objectives, but lacked specific targets for youth entrepreneurship. In January 2017, the Minister for Employment announced its extension for 2017-20, but the details of this extension have not been published so far (http://prensa.de emploi.gob.es/WebPrensa/noticias/ministro/detalle/2958).
2. KEY INCLUSIVE ENTREPRENEURSHIP INDICATORS

2.1. Labour market context

The unemployment rate increased substantially in the context of the economic crisis, rising from a 30-year low at 8.2% in 2007 to 26.2% in 2013. This affected all segments of the population (Figure 1). Since then, the economic situation has been slowly improving and unemployment has been decreasing since 2014. Nevertheless, the rate was still the second highest in the EU in 2017 (17.3%). The construction sector (a male-dominated activity) was one of the hardest hit sectors during the crisis. As a result the gap between the unemployment rates for men and women essentially closed between 2006 and 2009, re-emerging from 2014 onwards. Youth unemployment was particularly affected by the crisis; it peaked at 55.5% on 2013, more than twice the 2008 level. Youth also suffered from relatively high school-dropout rates (one of the Europe 2020 targets) and a high share of young adults were Not in Employment, Education or Training (NEET). Older people had lower unemployment rates than other groups due to high levels of inactivity and early retirement (even at the expense of reduced pensions). Nonetheless, Spanish seniors still had the second highest unemployment rate in the EU in 2017.

**Figure 1. Unemployment rate, 2008-17**

![Unemployment Rate Graph](source: Eurostat (2018), Labour Force Survey)

Similarly, the unemployment rate of foreign-born people more than tripled between 2007 and 2013. Consequently, more than one million foreigners left the country between 2009 and 2016. The magnitude of the outflow differed between those born in other EU countries and those born outside of the EU. While the total number of people born in non-EU countries declined after 2010 (with a reduction of more than 600 000 by 2016), the number of people born in other EU countries increased until 2012, but then declined by 25% by 2016. This points to a segmentation of the labour market for immigrants, whereby non-EU citizens tend to hold less qualified and less stable positions and suffered the crisis more quickly. By contrast, immigrants who were born in other EU countries tend to hold highly qualified and stable positions, and took longer to be impacted by the economic crisis. Moreover, this delayed impact was likely less severe as they had earned longer-period unemployment benefits.
2.2. Self-employment and entrepreneurship rates

Self-employment rates have been stable over the last decade (Figure 2a), although a slight increase could be observed between 2011 and 2013, followed by a slight downward trend from 2013 onward. The overall self-employment rate was slightly above the overall EU average in 2017 (15.7% vs. 13.7%). Of all of the inclusive entrepreneurship target groups, older people have had the highest self-employment rate over the last decade. However, this rate has been declining slowly. A gender gap in self-employment can also be observed – the proportion of working men who were self-employed was nearly double the proportion of women in 2017 (19.3% vs. 11.4%).

A similar trend is observed in the Total early-stage Entrepreneurial Activity (TEA) rate, which measures the proportion of the population involved in creating and managing new businesses (Figure 2b). Overall, the TEA rate has remained slightly below the EU average, which is in contrast to the self-employment rates. This can be explained by differences in the two measures. The TEA rate estimates pre-start-up activities and new business ownership, but does not pick up the stock of entrepreneurs in an economy. The difficulties in the Spanish labour market and the small average firm-size explain a high self-employment rate despite the low entrepreneurial activity. The TEA rate for men was higher than the rate for women (5.8% vs. 4.4%) and youth were more active than older people in business creation (4.5% vs. 3.1%). While a notable share of the older population remains self-employed, few of them are creating new businesses.

A relatively high proportion of new entrepreneurship activity (i.e. TEA) over the 2013-17 period was driven by people who did not have other employment opportunities (29% vs. 20.3% for the EU) (Figure 2c). While this is true for all key social target groups, about one-third of women and older entrepreneurs active in pre start-up activities or managing a new business were driven by necessity (respectively 33.0% and 36.0%). These figures remain high and no downward trend has been observed yet, indicating the persistence of considerable difficulties to find employee positions for these groups. Necessity entrepreneurship is strongly associated with the creation of small subsistence non-innovative non-exporting businesses. Therefore, the high proportion of necessity entrepreneurs (especially among women and older people) may affect the competitiveness of the small business segment.

Similarly, potential entrepreneurs (those expecting to start a new venture in the next three years) are relatively scarce in Spain when compared to the EU average (6.9% vs. 12.6%) (Figure 2d). This holds for all the target groups, although the difference is smaller for women (6.7% vs. 9.8%) and older people (4.0% vs. 6.4%), while it is really high for youth who are half as likely as their EU counterparts to expect to become entrepreneurs (10.2% vs. 20.4%).
Figure 2. Entrepreneurship rates by target group

a. Self-employment rate, 2008-17

b. TEA-Rate, 2013-17
c. Proportion of TEA that is necessity entrepreneurship, 2013-17

![Graph showing the proportion of necessity entrepreneurship by gender and age group in Spain and EU27]

d. Proportion who expect to start a business in the next 3 years, 2013-17

![Graph showing the proportion of those expecting to start a business in the next 3 years by gender and age group in Spain and EU27]

Note: The self-employment rate is defined as the proportion of those in employment who are self-employed. The TEA rate is the Total early-stage Entrepreneurial Activity rate, which is defined as the proportion of the population actively involved in pre-start-up activities and those who have started a new business within the last 42 months. The proportion of TEA that is necessity entrepreneurship is the proportion of entrepreneurs involved in setting-up a new business or operating a business that is less than 42 months old, who were motivated to start their business because they had no better options for work. Data for panels b, c, and d were pooled for the period 2013-17, producing an unweighted average. The EU27 average in panels b, c, and d covers all EU Member States except Malta because it is not covered by the GEM survey.

Source: Panel a contains data from Eurostat (2018), Labour Force Survey; Panels b, c, and d contain data from the 2013 to 2017 Global Entrepreneurship Monitor household surveys that were tabulated for the OECD (2018).

2.3. A profile of the self-employed

In terms of sectors, Spanish self-employed workers are particularly active in Wholesale and retail trade activities (23.5% vs. 15.4% in the EU) (Figure 3a). Professional, scientific and technical activities come next (11.7%), followed by Construction (10.6%), in line with the EU averages for these sectors. Accommodation and food service activities also stand out as an important sector (9.9%), with significantly more self-employed workers than the EU average (5.2%). The over representation of
Wholesale and retail trade and Accommodation and food service sectors among the self-employed in Spain may be related to the presence of a large number of small tourism-related businesses. This is more pronounced among women (41.4% of self-employed women are concentrated in these two sectors).

The proportion of self-employed workers with low educational attainments (i.e. up to lower secondary education) was substantially higher (38.5%) than the EU average (20.1%) in 2017 (Figure 3b). However, the proportion with intermediate educational attainment (i.e. secondary and post-secondary) was markedly lower than the EU average (23.7% vs. 44.6% in the EU). Finally, 37.8% of the self-employed had completed tertiary education, close to the EU average (35.1%). Two differentiated patterns emerge within the target groups. Approximately half of youth and older self-employed workers had low educational attainments, while only around a fourth were highly educated (23.1% and 30.3%, respectively). Self-employed women, in contrast, were relatively better educated than men. Only 32.2% of self-employed women had low educational attainments, while 44% had completed higher education. Although these patterns are in line with what is observed at the EU level, they are more pronounced in Spain.

Figure 3. Characteristics of self-employed workers by target group

a. Proportion of self-employed by economic activity, 2017
b. Proportion of self-employed by educational attainment, 2017

Note: The self-employment rate is defined as the proportion of those in employment who are self-employed.


Consistent with the importance of trade and tourism, 27% of the self-employed are Service and sales workers, a much higher rate than the OECD average (16.5%) (Figure 3c). The second most frequent occupation is Professionals (17%), under the EU average (21% in the EU). The pattern is even more pronounced in the case of self-employed women and youth: 42.8% of self-employed women and 40.8% of the self-employed youth are Service and sales workers.

2.4. Barriers to business creation

Despite the low share of aspiring entrepreneurs, people in Spain were as likely as the EU average to cite a fear of failure as an obstacle to business creation over the period 2013-17 (Figure 4a). Youth, however, were slightly more likely to report a fear of failure in Spain than in the EU overall (48.1% vs. 45.5%). Women were moderately more likely than men to cite this barrier (49.2% vs. 42.6%).
Spanish adults were more likely than the EU average to report that they had the skills and experience to start a business between 2013 and 2017 (Figure 4b). This was true for women, youth and older people. Men were around the EU average. It is to be noted that even though Spanish women were notably more confident in their skills than the EU average for women (41.8% vs. 34.6%), they were significantly less confident than Spanish men (50.0%).

Figure 4. Barriers to entrepreneurship by target group

a. Proportion who report that a fear of failure prevents them from starting a business, 2013-17

b. Proportion who perceive that they have the skills to start a business, 2013-17

Note: Data were pooled for the period 2013-17. Responses were weighted to reflect the population in each year, but no weighting was used when pooling the time series data, i.e. all years have the same weight regardless of the sample size in each year. The EU27 average covers all EU Member States except Malta because it is not covered by the GEM survey.

2.5. Entrepreneurship performance

In 2017, Spanish entrepreneurs from all groups were less likely to exploit new products and services in their businesses (22.9%) than the EU average (27.6%) (Figure 5a). Men and women reported similar levels of innovativeness (respectively 23.0 and 22.9%). Youth were slightly more innovative (26.3%) while the opposite was true for older people (20.9%).

The Spanish entrepreneurs surveyed tended to create locally-oriented businesses to a greater extent than their EU counterparts over 2013-17 (Figure 5b). Only one in four (25.7%) exported a share of their sales. This is in high contrast with the EU average, where 57.4% of entrepreneurs were export oriented. The proportion was very similar across the different demographic groups.

Similar results hold regarding entrepreneurs’ expectations to create a substantial number of jobs from their new business (Figure 5c). Spanish entrepreneurs were consistently less growth-oriented than their European counterparts across all demographic groups. The average EU entrepreneur was around two to three times as likely as the average Spanish entrepreneurs to have ambitious growth expectations depending on the target group. Growth expectations were especially low for women (only 1.8% of them expected to create substantial employment), but this is consistent with what is observed across the EU where women entrepreneurs also had lower growth expectations than other groups (5.9% expected substantial job growth, as compared to the 9.7% overall EU average).

Figure 5. Self-employment and entrepreneurship activities by target group

<table>
<thead>
<tr>
<th>%</th>
<th>Overall average</th>
<th>Men</th>
<th>Women</th>
<th>Youth (18-30 years old)</th>
<th>Older people (50-64 years old)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spain</td>
<td></td>
<td>20</td>
<td>22</td>
<td>25</td>
<td>18</td>
</tr>
<tr>
<td>EU27</td>
<td></td>
<td>27</td>
<td>25</td>
<td>30</td>
<td>28</td>
</tr>
</tbody>
</table>

a. Proportion of new entrepreneurs whose products or services are new to all or some customers, 2013-17
b. Proportion who sell to customers in another country, 2013-17

![Bar chart showing the proportion of early-stage entrepreneurs who expect to create more than 19 jobs in 5 years, 2013-17](chart_b.png)

<table>
<thead>
<tr>
<th>Category</th>
<th>Spain</th>
<th>EU27</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall average</td>
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<td>Men</td>
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<td>Women</td>
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<td>Youth (18-30 years old)</td>
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<td>Older people (50-64 years old)</td>
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Note: Data were pooled for the period 2013-17. Responses were weighted to reflect the population in each year, but no weighting was used when pooling the time series data, i.e. all years have the same weight regardless of the sample size in each year. The EU27 average covers all EU Member States except Malta because it is not covered by the GEM survey.


c. Proportion of early-stage entrepreneurs who expect to create more than 19 jobs in 5 years, 2013-17

![Bar chart showing the proportion of early-stage entrepreneurs who expect to create more than 19 jobs in 5 years, 2013-17](chart_c.png)
3. ASSESSMENT OF CURRENT AND PLANNED INCLUSIVE ENTREPRENEURSHIP POLICIES AND PROGRAMMES

3.1. Policy framework

Legal reforms to promote and foster entrepreneurship are relatively recent in Spain. There have been a number of efforts to simplify the business creation process over the past decade. The last of these changes is the 2017 Law on Urgent Self-employment Work Reforms. The trend towards simplification started in 1999 with the creation of one-stop shops for aspiring or nascent entrepreneurs, called Ventanilla Única Empresarial (VUE). In 2003, the process of creating limited liability companies (LLC) was simplified by establishing a specific “fast-track” modality: Sociedad Limitada Nueva Empresa (SLNE, New Enterprise LLC), and since 2007 it has been possible to create a standard LLC through the online service CIRCE.5

Many policies in that regards were approved in 2013, including the Programa de Estabilidad y Plan Nacional de Reformas (Stability Programme and National Reforms Plan). This programme contained measures related to the promotion and support of entrepreneurship, including entrepreneurship education, the promotion of business creation, self-employment support and measures to simplify the start-up procedures and requirements. Within this general framework of structural reforms, new laws and strategies have been subsequently developed, including for example: the Entrepreneurs’ Law (2013), the Law to support entrepreneurs and their internationalisation 2013, Promoting Business Financing (2015) or the Law to update regulations on self-employment (2015).

In particular, the “Entrepreneurs’ Law” includes a set of measures grouped into five categories: (a) Creating entrepreneurial motivations (including entrepreneurship training in the educational system, new legal business forms, and a network of Entrepreneur Assistance Points – Puntos de Atención al Emprendedor, PAE); (b) Tax and social security incentives (deductions for investment, etc.).

3 “One-stop shop” created by an agreement between the Ministry for Economic Affairs and the Chambers of Commerce.
4 Created by Law 7/2003.
5 Centro de Información y Red de Creación de Empresas (Information Centre and Business Creation Network): www.circe.es. CIRCE belongs to the Direction for Industry and SMEs (Dirección General de Industria y de la Pequeña y Mediana Empresa, (DGIPYME). It has allowed the creation of SLNEs online since 2003, standard LLCs since 2007, and the registration of self-employed workers since 2010. The creation of firms using additional legal forms has been made possible by the Royal Decree 44/2015.
6 Law 11/2013 (26th July 2013)
7 Law 14/2013 (27th September 2013)
9 Law 31/2015 (9th September 2015).
11 They include the Emprendedor de Responsabilidad Limitada (limited liability entrepreneur/self-employed whose home is not liable for business debts), and the Sociedad Limitada de Formación Sucesiva (Successive Formation LLC, with no minimum social capital).
12 They are now connected to CIRCE online system and manage new-venture registration applications through this online portal.
Several complementary policy actions have also been launched to provide tailored support to groups that face greater barriers to business creation and self-employment, especially youth and women. The Youth Guarantee (Garantía Juvenil) programme includes the promotion of youth entrepreneurship. The Government published a Youth Guarantee (YG) Implementation Plan following the recommendations of the European Council. This YG National Plan benefits from European funding, notably the Youth Employment Initiative and the European Social Fund (Cabasés et al., 2016). In the case of women, the Equal Opportunities Strategic Plan 2014-16 (Plan Estratégico de Igualdad de Oportunidades) was approved in March 2014, including “foster[ing] female entrepreneurship, supporting business creation and self-employment” as one of its objectives. The development of this line of action will be implemented through specific measures to support female entrepreneurs in the different phases of their project.

The Spanish Employment Activation Strategy 2014-16 (Estrategia Española de Activación para el Empleo 2014-2016) is relevant for the unemployed. It was approved in September 2014, following the recommendations of the EU Council for Spain. The Strategy constitutes a multi-year framework for programming and co-ordinating active labour market policies (ALMPs) nationwide. One of its strategic objectives is to promote entrepreneurship.

There is no specific legislation or action plan to promote entrepreneurship among people with disabilities, older people, or immigrants. Only a small number of initiatives have been launched. These actions are frequently disconnected from support available to other groups (e.g. youth, women, the unemployed). However, the General Law for Persons with Disabilities and their Social Inclusion\(^\text{13}\) calls for the introduction of policies to promote self-employment among persons with disabilities, focusing on social economy initiatives. The Action Plan on Disability Strategy 2014-20 consequently established measures to foster entrepreneurship from this group. In addition, the National Strategy for the Social Inclusion of Gypsies in Spain 2012-20 includes the fostering of self-employment in Roma people among its targets.

A complex political situation during 2016 has brought inclusive entrepreneurial policies to a halt. Very little progress has been made during 2016-17 in this area. One of the few steps taken has been the renewal of the Spanish Employment Activation Strategy for 2017-20\(^\text{14}\), the Youth Strategy Second Action Plan 2017-20\(^\text{15}\) and the Equal Opportunities Strategy Plan 2018-21\(^\text{16}\). A notable reform entering into force in 2018 is the new Law on Urgent Self-employment Work Reforms approved in October 2017\(^\text{17}\). The law aims to improve self-employed workers’ conditions. It increases flexibility by allowing several entries and exits into self-employment during the year, reduces initial social security costs, tax incentives to business angels or reductions in social security contributions); (c) Financial support (more flexible mechanisms for refinancing agreements); (d) Support for the growth and development of entrepreneurial projects (e.g. reducing administrative burden and simplifying accountancy, facilitating SME participation in public contracts); and (e) International mobility (i.e. easier establishment of business start-ups by foreign entrepreneurs in Spain).

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\(^\text{13}\) Royal-Decree 1/2013 (November 29\(^\text{th}\)) approved the consolidated text of this law.

\(^\text{14}\) Royal-Decree 1032/2017 (December 15\(^\text{th}\)).

\(^\text{15}\) In February 2017, the Secretary of State for Social Services and Equality announced the preparation of the Second Action Plan of the Youth Strategy 2017-20.

\(^\text{16}\) In discussion in the Parliament since March 2018.

\(^\text{17}\) Law 6/2017 (October 24\(^\text{th}\)), Ley de Reformas Urgentes del Trabajo Autónomo.
increases social protection (e.g. for women re-entering the labour market after maternity and improvements for entrepreneurs with disabilities), and clarifies the applicability of some tax deductions.

Overall, despite advances in entrepreneurship policies, the inclusive entrepreneurship institutional support framework has been largely developed on an ad hoc basis. The main objectives of most of the institutions are not directly related to entrepreneurship, which is only incorporated as a complementary goal. This is the case, for instance, of INJUVE (Young Persons’ Institute, Instituto de la Juventud) and the Women Institute. Similarly, the public financial institution Instituto de Crédito Oficial (ICO) has several funding programmes, and only one of them (the ICO SMEs and Entrepreneurs Facility) is focused on entrepreneurs. Furthermore, ENISA (Empresa Nacional de Innovación, another publicly supported financial institution) originally focused on the expansion of existing companies has been offering financial assistance for entrepreneurship (one specific programme for the youth) since 2012.

Monitoring and evaluation of initiatives is still scarce and partial. Examples of evaluation exercises include the Equal Opportunities Strategic Plan 2014-16, the evaluation of the Youth Employment Initiative, and the evaluation of Spanish Employment Activation plans. The first evaluation of the Youth Employment Initiative was carried out with data up to the end of 2015. More than 325 000 young had participated in YG actions by 2016, but only 2% of the budget was dedicated to entrepreneurship measures, while the measures towards employee insertion represented 58% of the funding (UAFSE, 2016). The share of self-employment among the working young has fallen in recent years, going from 10.2% in 2014 to 8.9% in 2016. Concerning the Employment Activation Plan, the percentage of jobseekers who have engaged in self-employment activities in the six months after having received advisory services and support for entrepreneurship has substantially increased, from 5.6% (18 690) in 2014 to 9.3% (21 895) in 2016. There have also been specific projects, for which some results have been published. This is the case of the EEA Grants project implemented by the INCYDE on women entrepreneurship. 656 women took part in the 31 entrepreneurial awareness programmes and 31 formative programmes in 31 different towns. The results indicate that 45% of them have set up their businesses and another 11% were still starting-up. The proportion of total new firms registered with the online procedure is growing quickly and represented around 10% of all new start-ups (both limited companies and self-employed workers) in 2017. CIRCE also allows registering the discontinuation of activities online since the last quarter of 2016. In this context, the CIRCE system for online registration of new businesses seems satisfactory.

3.2. Government regulations

Changes to regulatory measures to encourage or facilitate business creation and self-employment have been recently introduced. One of the first was the introduction of an unemployment insurance

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18 Sepe 2017: informe del Mercado de trabajo de los jóvenes. Observatorio de las Ocupaciones.

19 http://eeagrandets/Who-we-are/EEA-Grants.

20 The INCYDE Foundation (Instituto para la Creación y Desarrollo de la Empresa, Institute for Enterprise Creation and Development) is an Initiative of the Spanish Chambers of Commerce.

21 “Emprendimiento de mujeres en sectores económicos emergentes y nuevas oportunidades de mercado” [women entrepreneurship in emerging economic sectors and new market opportunities].

22 Estimations based on DIRCE (http://www.ine.es/) data for total venture creation and CIRCE (http://portal.circe.es/) data for online venture creation.
scheme for self-employed workers in 2010.\textsuperscript{23} It provides a limited amount of coverage when business activities are ceased. However, implementation has been slow.

The pensions of self-employed retirees are 41\% lower to those of employee retirees.\textsuperscript{24} Pensions are granted based on social security contributions during one’s working life and self-employed workers are able to freely choose their contribution level, provided it is above the minimum legal level. The vast majority (82\%) opt to pay this minimum legal level, leading to a substantially lower retirement pension. The Association of Professionals and Self-Employed Workers (Unión de Profesionales y Trabajadores Autónomo” – UPTA) reports that in 2018 almost one million self-employed retirees will receive a pension which is lower than the legal minimum wage (EUR 735.90 per month).\textsuperscript{25} This situation is more common among people with disabilities: while early retirement is possible at 52 years old for traditional employees (depending on the number of years worked), this option is not available for the self-employed. A notable change in the retirement system for the self-employed was introduced in 2018: self-employed workers who reach retirement age and have employees will be entitled to receive the pension while still self-employed.

Since January 2018, Social Security contributions have been set at a flat EUR 50 rate for new self-employed workers during the first 12 months of operations. After that, a 50\% reduction from the normal contribution applies for months 13-18, and a 30\% reduction for months 18-24. This initiative was originally started as a targeted action focused on young entrepreneurs, with a gender equality component (eligible entrepreneurs were men under 30 years old and women under 35). The measure has been extended to all new entrepreneurs but youth and women benefit from an extended applicability of the 30\% reduction up to the 36\textsuperscript{th} month. Self-employed workers with a disability benefit from a 50\% bonus on the normal contribution until their fifth year.

Immigrants may benefit from the new residence visa for entrepreneurial activity created in 2013,\textsuperscript{26} upon submission of a “general interest” business or entrepreneurial project to be carried out in Spain. However, the use of this provision has been limited: although Spain had granted 14 343 express residence visas between 2013 and July 2017,\textsuperscript{27} only 321 of them were specifically to start a venture.

A 2015 reform created a welfare bridge scheme for the unemployed that allows them to continue receiving unemployment benefits for 270 days after creating a business (subject to some restrictions).\textsuperscript{28} The reform also allows beneficiaries to interrupt their benefits and resume them if the business activity is ceased (up to five years after initially starting the self-employment activity).

There have been some recent efforts to simplify the business start-up and registration procedures for all users. For example, electronic filing systems have been introduced for social security contributions (making paying taxes easier) and for court users (facilitating the enforcement of contracts). There are, however, no specific measures to streamline procedures further for specific groups or to provide them with support in complying with regulatory obligations. The World Bank Doing Business Report places Spain 86\textsuperscript{th} out of 190 countries in the ease of starting a business category (World Bank, Approved by Law 32/2010 (August 5\textsuperscript{th}) establishing a specific protection system for the discontinuation of activities of self-employed workers.

\textsuperscript{23} http://cincodias.com/cincodias/2017/01/09/autonomos/1483975875_024177.html

\textsuperscript{24} Upta.es/noticias 09 02 2018

\textsuperscript{25} Approved by Law 14/2013 to Support Entrepreneurs and their Internationalisation.

\textsuperscript{26} https://elpais.com/economia/2017/07/17/actualidad/1500309975_903663.html

\textsuperscript{27} Law 31/2015.
The report identifies several areas that could be improved such as the complexity and cost of the start-up procedures: for example, seven procedures are needed to start a business in Spain, while the average across all countries is 4.9.

3.3. Financing entrepreneurship

Financing a new venture is frequently cited as a major challenge faced by new entrepreneurs in Spain (Kelley et al., 2016), especially during the financial crisis. As a response, some public institutions offer direct financial support (subsidies or loans with preferential conditions) for business creation, usually open to all entrepreneurs. For example, the Ministry for Employment and Social Security offers grants to new entrepreneurs.\(^{29}\) Regarding loans, the ICO offers a credit line for all entrepreneurs and SMEs, while ENISA offers participative loans and a specific line of credit for young entrepreneurs under the age of 40.

For the unemployed, the most important support measure is the possibility to “capitalise” unemployment benefits to invest in the new venture.\(^{30}\) That is, the full pending amount of unemployment benefits can be received in a lump sum for the purpose of starting a business. 121 000 unemployed people made use of this option in 2016, 92.7% of which established themselves as self-employed (112 000). The scheme benefitted more new self-employed workers in previous years, respectively 147 000 and 136 000 in 2014 and 2015.\(^{31}\)

Fewer grants are available to other groups. There are no additional subsidies specific for women at the national level, although there are some regional and local subsidies. For youth, there is a grant for young artists offered by INJUVE. Finally, FSC Inserta (part of the ONCE Foundation, supported by the European Social Fund) offers grants for business creation by people with disabilities.

The private sector also supports access to start-up financing for under-represented and disadvantaged groups in a limited way. For example, MicroBank (a subsidiary of CaixaBank) offers microcredit programmes for business projects. Similarly, a couple of local financial institutions (Laboral Kutxa and Caixa Pollença) offer microcredits to new ventures and micro-enterprises for vulnerable groups through participation in the EaSI programme.\(^{32}\) The development of the microcredit sector has been slow due to a lack of a specific regulation for microcredits,\(^{33}\) but sub-national governments are beginning to launch schemes (some of them are to be co-financed by the European Social Fund).

At the same time, there are 18 Reciprocal Loan Guarantee Societies (SGR, Sociedades de Garantía Recíproca),\(^{34}\) operating at the regional level. Since 2010, the government has also been promoting networks of business angels with an annual call.\(^{35}\) The aim is to expand this source of funding and

\(^{29}\) Initially regulated by Order TAS/1622/2007, modified by Law 18/2014.

\(^{30}\) These measures have been updated by Law 31/2015

\(^{31}\) SEPE statistic yearbook (Anuario estadístico de SEPE), several years.


\(^{33}\) The regulation applicable is that of consumer credit: Law 16/2011 (June 24th) on consumer credit contracts.

\(^{34}\) See [www.cesgar.es/sgr-3/](http://www.cesgar.es/sgr-3/)

\(^{35}\) Offered by the Ministry for Industry, Energy and Tourism: [www.minetur.gob.es/portalayudas/business/Paginas/Index.aspx](http://www.minetur.gob.es/portalayudas/business/Paginas/Index.aspx)
facilitating access to it by SMEs without any focus on specific target groups. Since 2015 crowdfunding is regulated as a new form of access to credit configured as participative investments. an online support platform focused on technology training and crowdfunding campaigns for women, FutureFunded, was created at the end of 2017.

To complement the provision of finance, there is a need for a greater financial literacy among entrepreneurs. Following the guidelines and principles of the European Commission and the OECD, the Spanish National Stock Exchange Commission (CNMV) and the Banco de España have renewed the Second Financial Literacy Plan for the period 2018-20. This aims at improving financial education by providing the tools, skills and knowledge to adopt informed and appropriate financial decisions. This agreement improves on the programme “Finanzas para todos” (“Finance for everyone”) introducing web-tools and making it more accessible. It also strengthens the network of collaborators of the Financial Literacy Plan.

Overall, public policy actions to facilitate access to finance for entrepreneurs tend to favour mainstream approaches; limited tailoring for under-represented or disadvantage groups is made. While implementing tailored programmes is costly, there is scope to increase the extent to which these mainstream offers are targeted to different groups. There is also a need to build stronger linkages between financial supports and entrepreneurship training, coaching and mentoring support to increase the chances of success of entrepreneurs who receive funding. There are some gaps in the range of financial instruments used to support entrepreneurs from under-represented and disadvantaged groups. The most significant one is an almost non-existent microcredit sector. There is also little support for self-financing groups despite their prevalence in large cities. Some of these gaps will be addressed in the Equal Opportunities Strategic Plan 2018-21. The draft Strategic Plan includes targets to improve financial and microfinance tools to the start-up and consolidation of women-owned firms. It also promotes the creation of a Network of Business Angels especially committed to women’s entrepreneurial initiatives.

3.4. Entrepreneurship skills

The promotion of entrepreneurship has been increasingly accompanied with training measures. A recent legal reform to reinforce the development of entrepreneurial skills in the education system has been approved, following the European Strategic Framework for Education and Training (ET2020). This reform aims to improve competences and skills (the ability to recognise available opportunities, analysis, planning, decision making, etc.) and the development of attitudes and values (a creative predisposition, self-esteem, independence, etc.) for entrepreneurship. The Organic Law for the Improvement of Educational Quality (LOMCE) includes “Sense of initiative and entrepreneurial spirit” as a core competence to turn ideas into action. Despite these ambitious objectives, the implementation

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36 Law 5/2015 (April 27th) on the Promotion of Entrepreneurial Finance.
37 https://futurefunded.co/
40 http://finanzasparatodos.es/
41 Law 8/2013 (December 9th) for the improvement of the quality of education (LOMCE).
of specific changes in the curriculum is still in its early stages. In February 2017, a parliamentary commission was set up to study a reform in the Law of Education. Among the lines of reform, a strengthening of entrepreneurial competences is expected. It should be noted that the work of this commission has been suspended after several parties abandoned it.

In addition, the Directorate General for SME Policy (DGPYME) of the Ministry of Industry, Tourism and Trade is working with the EOI Business School (a public postgraduate business school) to strengthen the provision of entrepreneurship training for post-graduate university students, as well as making additional training resources available to any entrepreneur. The Entrepreneurs Assistance Points (PAEs) also offer training and basic consultancy services to entrepreneurs. The Public Employment Service (SEPE) offers a wide training and coaching service for the unemployed, including support for potential entrepreneurs. The INCYDE offers training to young entrepreneurs but is more focused on business consolidation. The Instituto de la Mujer and the Business Support Programme for Women (Programa de Apoyo Empresarial a las Mujeres, PAEM), offer information, support and coaching to women, but few women-specific entrepreneurship training initiatives exist overall.

Complementary actions are undertaken by the non-governmental sector. For example, *Lanzaderas de Empleo y Emprendimiento*,43 provides training and coaching to unemployed people for employment and entrepreneurship. Similarly, the association of Young Entrepreneurs (CEAJE) implements *AJEimpulsa*,44 which includes training on business plans and related topics for young entrepreneurs.

There has recently been a substantial increase in the availability of business incubators for all entrepreneurs. While none is dedicated to entrepreneurs from under-represented or disadvantaged groups, they are used heavily by young entrepreneurs. This is not surprising given that many of the new incubators are managed by universities. In addition, there are several recent private initiatives that support young entrepreneurs with innovative projects, including Explorer (*Banco Santander*), Open Future (*Telefónica*) or INNprende (*Fundación Cruzcampo*).

There are no national public programmes that aim to build entrepreneurship skills for older people, immigrants, and persons with disabilities. There are some local initiatives, such as EGESocial.45 Some non-governmental organisations offer short training courses for immigrants in collaboration with the EEEJ initiative: e.g., *Acción contra el Hambre*,46 *Movimiento por la Paz*.47 For entrepreneurs with a disability, the *Programa Emprendedores*48 is one example of available tailored support.

There is room to develop more support for older people, immigrants and persons with disabilities to raise awareness develop entrepreneurship skills. This need is likely to become more pressing due to several demographic trends, including population aging, the integration of migrants and an increasing participation of people with disabilities in the labour market. More generally, training programmes

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44 www.ajeimpulsa.es
45 Private association linked to San Antonio Catholic University, www.escuelaegesocial.es/
46 www.luisvivesces.org
47 http://wapa.mpdl.org/
should have stronger links with other business development services and financing. These other types of support could be offered conditionally on participation in a basic entrepreneurship training course.

### 3.5. Entrepreneurial culture and social capital

In recent years, a significant cultural change has been taking place towards entrepreneurship. First, large-scale programmes have been launched that promote entrepreneurship (the aforementioned YG, EEEJ or Activación para el Empleo), as well as more specific initiatives such as the PAEM and INJUVE. Second, the amount of resources devoted to entrepreneurship has increased, both in terms of funds (e.g. loans, subsidies, microcredit) and facilities (e.g. incubators). Third, in the education system, the Law on the Improvement of the Quality of Education has set the pace for a much larger presence and importance of entrepreneurship-related contents in primary and secondary schools and most universities are organising Business Proposal Contests and offering specific entrepreneurship education. Finally, increased media attention and actions to give visibility to entrepreneurs are also evident (e.g. several TV and radio stations are including entrepreneurship-related content and private firms such as La Caixa and the magazine Emprendedores give annual entrepreneurship awards).

However, all these actions are addressed mainly to the general public, with very little specifically aimed at under-represented and disadvantaged groups except for youth, and to a lesser extent for women. In the case of youth, national entrepreneur competitions are taking place and receive wide attention. This includes the annual National Young Entrepreneur Award (granted by the Confederation of Young Employers) or the Young Entrepreneurs National Contest (INJUVE). As mentioned above, there are also several university-level programmes and private initiatives (e.g., Explorer, Open future, Educaixa, Red INNprende) that aim to promote youth entrepreneurship. More recently, the South Summit has become the leading entrepreneurship event in Spain. This three-day event includes a start-up competition, guest speakers and opportunities for aspiring entrepreneurs to meet with investors. The next edition is to be held in October 2018. There are also some public initiatives for women, such as the Instituto de la Mujer (Women Institute), which has elaborated didactic materials on Emprender y Educar en igualdad (starting-up and educating in equality) for use in high schools and vocational education and training (VET). There are no public initiatives to promote entrepreneurship to older people, the unemployed, immigrants or persons with disabilities. In the private sector, however, FSC Inserta’s Programa Emprendedores promotes entrepreneurship culture, by giving support and visibility to entrepreneurs with a disability. Within the Emprendedores magazine awards, a special prize is awarded to entrepreneurs with disabilities with the support of FSC Inserta.

Regarding social capital and the promotion of networks of entrepreneurs, there are two main professional associations of self-employed workers in Spain, which both offer services to their members, but limited networking and interaction activities. On the public side, few actions exist, aside from ENISA Be to Biz (a collaborative platform to facilitate the connexion between the members of the ENISA community) and Red Emprende verde (a Green Start-Up network supported by the Ministry

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49 www.educaixa.com/es/-/kitcaixa-juvenes-emprendedores
50 https://fundacioncruzcampo.com/redinnprende/
51 www.southsummit.co/
53 http://www.betobiz.enisa.es/
for Agriculture, Food and Environment to act as a meeting point for these entrepreneurs and to offer a set of free services for them). Both are for all entrepreneurs.

These mainstream initiatives are complemented by a small number of networks for youth and women entrepreneurs. For example, the PAEM includes a network of women-led businesses.\(^5^4\) Aside from these, a few private sector initiatives exist, such as the Confederation of Young Employers and the Spanish Association of Women Entrepreneurs (Asociación Española de Mujeres Empresarias). The National Federation of Self-employed Workers has a special section for immigrant members, but it focuses mainly on disseminating information rather than facilitating interaction. Finally, only the Spanish Association of Entrepreneurs with Disabilities\(^5^5\) aims at supporting entrepreneurs with a disability to develop their activities.

To further build an entrepreneurship culture, there is a need to strengthen the presence of entrepreneurship in the education system (Barba-Sánchez and Atienza-Sahuquillo, 2016). This process has started, but more training and support (e.g. learning materials, good practice exchange platforms) for educators is needed. The promotion of networks of entrepreneurs is another important gap. Supporting entrepreneurs from under-represented and disadvantaged groups in building networks allows members to access resources and ideas that they would not otherwise have. It is, however, important to ensure that these networks do not reinforce the separation between these groups and the mainstream.

\(^{54}\) http://empresarias.camara.es/tu-espacio/empresas-paem/

\(^{55}\) http://www.emprendedorescondiscapacidad.com/
4. OVERVIEW OF WOMEN ENTREPRENEURSHIP

In recent years, the Spanish economy has increasingly recognised female entrepreneurship, in line with the evolution of the role assigned to women in society. Yet, there is still a considerable gender gap in women’s participation in the labour market in general and in entrepreneurship in particular.

Regarding female participation in the labour market, Spanish indicators show a favourable evolution in the last five years. In 2017, the activity rate of women was 53.2%, 11 percentage points below that of men (64.7%). In the period 2013-17, this activity rate has decreased less for women than for men, both in absolute (-50 000 vs -255 800) and relative (-1.3% vs -2.5%) terms. The women’s employment rate has also evolved positively in the period 2013-17, reaching 43.1% in 2017 (3.55% higher than in 2013). The unemployment rate for women at the end of 2017 was 18.4%, while it was 26.7% in 2013. Despite this reduction of 8.3 percentage points during the period 2013-17, it is still higher than that of men (15%). The gender pay gap is a persistent and structural phenomenon in Spain, although it has slightly narrowed in recent years. The pay gap indicator has decreased by 3.6 points, between 2012 and 2016, from 17.8% to 14.2%.

There is also a gender gap between women in entrepreneurial activities. Only one third of the self-employed are women. In December 2017, there were 1.04 million self-employed women, representing 34% of the total self-employed people in Spain, 30 900 more than in 2012 (an increase of 3%).

According to the Women’s Entrepreneurship 2016/2017 Report by the GEM consortium, the female TEA in Spain is below the European average (4.7% versus 6.3%), although it is above other innovation-driven economies such as France (3.4%) or Italy (3.3%). In 2017, the TEA index was still characterised by a higher male (55.1%) participation. The difference is smaller in the case of potential entrepreneurs (50.9% male vs. 49.1% female). Similarly, it is also true with regard to the entrepreneurial motivations: in 2016, nearly 70% of both men and women nascent entrepreneurs reported they had an opportunity-driven motivation. The TEA gender gap has been decreasing over the last few years although the TEA rate is still higher for the male population (6.8%) than is the case for females (5.6%). The gender gap is still notable among established entrepreneurs, since only 40% were women in 2017. However, the proportion of men whose relationship with a business is discontinued (closing, selling, etc.) is higher than that of women (52.6% versus 47.4%, respectively).

The latest GEM report finds that women identify more barriers to entrepreneurship than men. Women score lower on those perceptions that foster entrepreneurship (perceived entrepreneurial opportunities, self-perceived capabilities and role models) and higher on those that inhibit entrepreneurial behaviour (“fear of failure”). This situation is generally similar to that observed in previous years and likely contributes to discouraging women from engaging in entrepreneurial activities. It may also possibly contribute to deterring investors from providing growth capital for their business projects. In this respect, there is evidence that social recognition and networks can improve the entrepreneurship-related perceptions of women (Noguera et al. 2015).

It is also worth highlighting the amount of time devoted by women to household chores. According to the latest available data from the 2009-10 Time Use Survey, women generally spend more than

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56 Eurostat defined the unadjusted gender pay gap as the difference between the average gross hourly earnings of men and women expressed as a percentage of the average gross hourly earnings of men.

twice as much time caring for the home and family daily than men (4 hours vs less than 2 hours) and have less free time (50 minutes less than men). Coincidentally, domestic time amounts to a responsibility to be juggled with professional activities for women entrepreneurs while men tend to see family time as leisure time (Ortiz 2017; Peris-Ortiz et al. 2014).

Policy actions have been introduced to provide tailored support to women and encourage their self-employment and entrepreneurship. As mentioned earlier, the Strategic Plan for Equal Opportunities between Men and Women (2013-16, renewed for the period 2018-21), contains specific measures to ensure a greater number of women in work and in positions of responsibility, to improve the possibilities of reconciling family and personal life and to reduce the wage gap. In this context, entrepreneurship is a priority goal; Objective 4 is “to foster female entrepreneurship, supporting business creation and self-employment”. All the ministerial departments of the National Government are involved in the implementation of this Strategic Plan. The Institute for Women and Equal Opportunities, as an autonomous body under the authority of the Ministry of Health, Social Services and Equality, has a particularly important role to play. Entrepreneurship is a subject area of this Institute. Some measures and programmes, in collaboration with the Institute, have been implemented, for example:

- **INNOVATIA 8.3 programme**,⁵⁸ which is operated collaboratively by the Women’s Institute and the University of Santiago de Compostela (since 2011). It aims at promoting women's entrepreneurship in science and technology. To do so, it has created an intervention model for entrepreneurship assistance at universities that integrates a gender perspective in both the processes of knowledge transfer and of technology-based business creation. It is also a place where participants can reflect on issues related to technology-based entrepreneurship by women. The programme is part of a wider women’s entrepreneurship programme (Woman Emprende [www.womanemprende.org/](http://www.womanemprende.org/)) which offers information on programmes developed by prominent women-led business organisations at a national level, such as the "Business creation game simulation" and the national “On-line Network of Women Entrepreneurs”.

- **The Rural Challenge Project** (Proyecto Desafío Rural) was developed in collaboration with the EOI Foundation and co-financed by the European Social Fund. Its objective is to promote the innovation and competitiveness of women entrepreneurs in rural areas by supporting them throughout the development of their entrepreneurial projects. Actions include the “Rural Women’s Challenge” competition, training, mentoring, coaching and a website for women entrepreneurs ([http://desafiomujerrural.es/](http://desafiomujerrural.es/)).

- **The PAEM programme** is an initiative supported by the Spanish Chambers of Commerce and the European Social Fund. It aims to develop a national network promoting and supporting female entrepreneurship by targeting women who are either interested in entrepreneurship, have a business idea, or want to expand an already-existing business. The PAEM offers such candidates business advice, support in strategic development, and information on funding opportunities and eligibility for microcredit, support for guarantees, etc.

Specific programmes are being implemented to support women in difficult situation and enable them to re-integrate into society and the labour market as appropriate. This includes a programme aimed at women who have survived gender violence (a Business Network for a Society Free of Gender Violence), the Sara Programme (for immigrants, people over 45 and/or Roma women) and the Aurora Programme (for women in the rural environment).

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⁵⁸ [http://innovatia83.es/](http://innovatia83.es/)
As noted in section 3.2, the Law on Urgent Self-employment Work Reforms includes new bonuses for the self-employed women. For example, they benefit from a reduction in their social security contributions until they turn 35 years old (higher than the age threshold for men). There are also reductions applicable in the case of maternity leave, difficult pregnancy or breastfeeding. Finally, new bonuses were introduced to support self-employed women who return to work after a discontinuation of their activity due to maternity, adoption or guardianship.

Overall, although a number of programmes are being implemented and some nationwide coordination exists, women still perceive higher barriers and less facilitating resources than men. There is also a persistent stereotype of the typical entrepreneur being a man (Santos et al., 2016). More needs to be done to change this perception so that more entrepreneurial women realise their potential.
5. POLICY RECOMMENDATIONS

Inclusive entrepreneurship policies in Spain have undergone a remarkable development in the last few years. This has been part of the implementation of an ambitious policy to facilitate and promote entrepreneurship in general. While much has been achieved, there is a need to continue with policy development in this area. In particular, the specific political situation has implied an impasse in measures and initiatives during most of 2016 and 2017. At the same time, the substantial rise in unemployment because of the recent crisis increased the need for policy responses aimed at specific disadvantaged groups, notably youth, older people, people with disabilities and migrants. Therefore, the following actions are recommended:

1. **Develop integrated entrepreneurship support programmes for older people, immigrants and persons with disabilities.** While a number of measures are addressed to youth, women and the unemployed (though not always forming a coherent programme), few public initiatives address the challenges faced by older people, immigrants and people with disabilities. In the design of such initiatives, alternative forms of provision may be considered. In cases when the potential target group is large enough, specific programmes could be implemented. However, if the scale of potential beneficiaries is small (e.g. people with disabilities), or a risk of “stigma” effect is present, facilitated access for disadvantaged groups into general programmes could be considered.

2. **Increase access to microfinance for under-represented and disadvantaged groups.** The development of the microcredit sector is limited by banking regulations that prevent non-bank institutions from granting and collecting loans. Recent regulatory changes have led to the creation of a small number of microfinance programmes and there is a need to scale-up these initiatives. Although support from the EU is being used, these recently launched initiatives are quite small-scale operations. Therefore, both the national and regional governments should support microfinance institutions in accessing EU support through The Employment and Social Innovation (EaSI) programme.

3. **Enhance the implementation of entrepreneurship education within the formal education system, including expanded financial literacy training.** There is a need to provide more intensive training for teachers on entrepreneurship so that they are equipped to deliver entrepreneurship education. This should include both training as part of professional development and initial training. This could be complemented with good practice exchange networks in entrepreneurship education for schools. In addition, the recent impetus towards financial literacy education in secondary schools could be broadened to go beyond household financial management and include business and start-up financing.

4. **Further streamline regulations and procedures related to business start-up.** Despite important changes already implemented, the environment for new business creation remains relatively cumbersome compared to other international standards. Simpler and easier regulation would benefit all entrepreneurs, especially those from under-represented and disadvantaged groups, and would contribute to generating a more favourable entrepreneurial culture.

5. **Increase the presence and visibility of diverse entrepreneurship role models, in particular women.** The traditional image of entrepreneurs needs to be updated to include other profiles besides men. To this aim, public media attention to women entrepreneurship could be enhanced. In the education system, introducing specific entrepreneurship content that
showcase women and other groups would be important. This would allow fostering a set of attitudes and values that encourage positive perceptions about women’s entrepreneurship and business creation by other groups. Promoting networking between women entrepreneurs could also be valuable.
6. REFERENCES


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ANNEX: METHODOLOGY

Each note was prepared by a national expert in co-operation with the OECD Secretariat. Information was collected through desk research and interviews (i.e. telephone, face-to-face, email) with key stakeholders and government representatives. The information was then verified by government partners, programme managers and other inclusive entrepreneurship stakeholder groups through email exchanges and one-day seminars in selected countries.

The notes are based on an assessment framework that was developed by the OECD Secretariat. The assessment framework provided a common analytical framework and report structure for the 28 notes that are in this series.

The framework contains five pillars:

1. **Policy framework**
   - Is there an entrepreneurship strategy or action plan that explicitly covers the promotion and support of entrepreneurship for people in under-represented and disadvantaged groups?
   - Is there a mechanism for co-ordinating inclusive entrepreneurship policy actions across relevant national ministries, and with regional and local governments and civil society organisations?
   - Is there a systematic monitoring and evaluation process for the policies, programmes and schemes that promote and support entrepreneurship for people in under-represented and disadvantaged groups?

2. **Government regulations**
   - To what extent are entrepreneurs from under-represented and disadvantaged groups treated equally with employees by social security schemes?
   - Do measures exist that temporarily cover the loss of state income supports (e.g. unemployment benefits, disability allowances) for entrepreneurs amongst under-represented and disadvantaged groups when they start a business?
   - Do measures exist to support under-represented and disadvantaged entrepreneurs in dealing with administrative procedures for entrepreneurship amongst under-represented and disadvantaged groups (e.g. information provision, support with administrative requirements)?
   - Are there any entrepreneurship policy initiatives or schemes to address group-specific institutional challenges related to dependents (e.g. childcare, eldercare)?

3. **Financing entrepreneurship**
   - Are there grants for business creation offered to support entrepreneurs from under-represented and disadvantaged groups?
   - Is microcredit for business creation available to support entrepreneurs from under-represented and disadvantaged groups?
   - Are there loan guarantee schemes for business creation to support entrepreneurs from under-represented and disadvantaged groups?
   - Are there self-financing groups for business creation to support entrepreneurs from under-represented and disadvantaged groups?
− Are there public policy schemes that encourage and support business angel networks to support entrepreneurs from under-represented and disadvantaged groups?
− Are there schemes that encourage and support crowdfunding and peer-to-peer lending to support entrepreneurs from under-represented and disadvantaged groups?
− Is financial literacy training offered to support entrepreneurs from under-represented and disadvantaged groups?

4. **Entrepreneurship skills**
− Are there entrepreneurship training initiatives for entrepreneurs from under-represented and disadvantaged groups?
− Do high potential entrepreneurs from under-represented and disadvantaged groups have access to one-to-one or group coaching and mentoring?
− Are there public initiatives that provide information on available support programmes or on business start-up procedures for entrepreneurs from under-represented and disadvantaged groups?
− Are there business consultancy and advisory services for entrepreneurs from under-represented and disadvantaged groups?
− Are there business incubators for entrepreneurs from under-represented and disadvantaged groups?

5. **Entrepreneurial culture and social capital**
− Is entrepreneurship actively promoted as an employment opportunity amongst under-represented and disadvantaged groups through the education system, media, role models, etc.?
− Are there public policy actions that attempt to build specific business networks for entrepreneurs amongst under-represented and disadvantaged groups?
This note was prepared by the LEED (Local Economic and Employment Development) Programme of the OECD (Organisation for Economic Co-operation and Development) with the financial support of the European Commission, Directorate-General for Employment, Social Affairs and Inclusion.