



Inclusive Entrepreneurship Policies, Country Assessment Notes

Lithuania, 2016



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 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.

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FOREWORD

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 proportion of adults involved in starting a business in Lithuania was among the highest in the European Union average over the 2010-14 period. Youth, in particular, were very active in starting businesses and managing new businesses relative to the European Union average over this period (16.7% vs. 7.7%). Policy support for entrepreneurship typically uses mainstream instruments due to the small population, but there are some tailored entrepreneurship initiatives for youth, women and the unemployed. The entrepreneurship support system can be strengthened by better aligning support offers with the needs of entrepreneurs, particularly for youth, and increasing awareness about existing entrepreneurship support programmes.

This note is part of a series of annual country assessments 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 notes are part of a wider programme of work by the OECD and the European Commission that includes ‘The Missing Entrepreneurs’ publications, a series of Policy Briefs on specific target groups, policies and issues, country reviews of youth entrepreneurship and women entrepreneurship, and the production of online policy guidance. For more information please refer to: <http://www.oecd.org/employment/leed/inclusive-entrepreneurship.htm>.

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KEY MESSAGES

- Despite the inclusion of entrepreneurship promotion into a number of national programmes and action plans, entrepreneurship support is often delivered through generalised measures. However, there are a growing number of tailored entrepreneurship initiatives for youth, and to a lesser extent, women and the unemployed.
- The self-employment rate in Lithuania was slightly lower than the European Union average in 2015 (11.6% vs. 14.1%). However, the proportion of adults involved in starting a business in Lithuania was among the highest in the European Union average over the 2010-14 period (11.9% vs. 6.5%) and youth, in particular, were very active in starting businesses and managing new businesses (16.7% vs. 7.7% for the EU). This suggests that many people are active in starting a business but may not be successful in establishing a sustainable business. The main barriers to business development in Lithuania include lack of financial resources for business start-up, an unfriendly administrative environment for start-ups, and under-developed network of support institutions.
- While there are many organisations in Lithuania that promote entrepreneurship and provide training and business counselling to people from disadvantaged groups, these organisations and initiatives are not integrated into a comprehensive system. There is currently no Ministry or agency with the responsibility for developing entrepreneurship policies and programmes for people from groups that are under-represented or disadvantaged in entrepreneurship (e.g. women, youth, older people, the unemployed).
- To strengthen inclusive entrepreneurship policies and programmes in Lithuania, the following actions are recommended: (i) improve the tailoring of entrepreneurship support offers for youth; (ii) undertake targeted entrepreneurship promotion for older people; and (iii) create an information platform for entrepreneurship support programmes.

1. INCLUSIVE ENTREPRENEURSHIP OBJECTIVES AND TARGETS

The promotion of entrepreneurship and self-employment of people is an important policy objective in Lithuania. Lithuania's Progress Strategy "Lithuania 2030"¹ calls for all citizens to have an opportunity to start and successfully develop a business. It emphasises the need for a business-friendly environment, and therefore calls for efforts to simplify the business regulations.

Similarly, the National Progress Programme for 2014–2020² places a priority on creating an "environment favourable for economic growth" with an objective on the creation of favourable conditions for entrepreneurship and sustainable business development. Measures foreseen include increasing the availability of business development and support services (e.g. mentoring, business incubation) and ensuring the availability of financial sources for business start-up and development. In addition, the Programme highlights the need to develop entrepreneurial skills among children and

¹ http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=425517&p_query=&p_tr2=2

² <https://www.e-tar.lt/portal/lt/legalAct/TAR.31A566B1512D>

youth. Responsibility for the implementation of these tasks is with the Ministry of the Economy,³ the Ministry of Social Security and Labour,⁴ and the Ministry of Education and Science.⁵

The National Reform Programme (NRP) set employment targets for different population groups, including a target employment rate of 72.8% for population between 20 and 64 years old by the end of 2020. Policy makers hope to achieve this by increasing employment across the labour force and by facilitating the labour market integration of the long-term unemployed, people with disabilities, people with young children and those with caretaking responsibilities. Employment targets have been established for women (69.5%), men (76.5%), seniors (i.e. 55-64 years old) (53.4%). As of the first quarter of 2016, employment rates were: overall (74.2%), men (74.9%), women (73.5%), seniors (63.2%). While many of the employment rate targets have been reached, there is still scope for policy makers to use active labour market measures and entrepreneurship support initiatives to achieve the remaining targets.

2. KEY INCLUSIVE ENTREPRENEURSHIP INDICATORS

Inclusive entrepreneurship policies and programmes often seek to open up business creation and self-employment as a way of participating in the labour market for groups that often face challenges in the labour market. The unemployment rate increased rapidly during the economic crisis and was above the European Union (EU) average between 2009 and 2013 (Figure 1a). Although the rate has fallen in recent years, youth unemployment remains relatively higher. Between 2009 and 2013, the youth unemployment rate was among the highest in the EU.

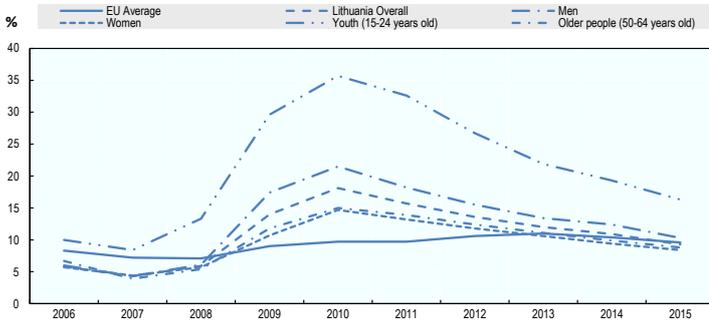
³ <http://ukmin.lrv.lt/>

⁴ <http://www.socmin.lt/en>

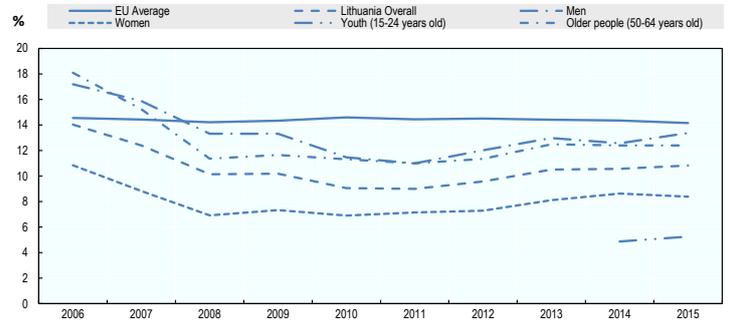
⁵ <https://www.smm.lt/web/lt/>

Figure 1. Key inclusive entrepreneurship indicators

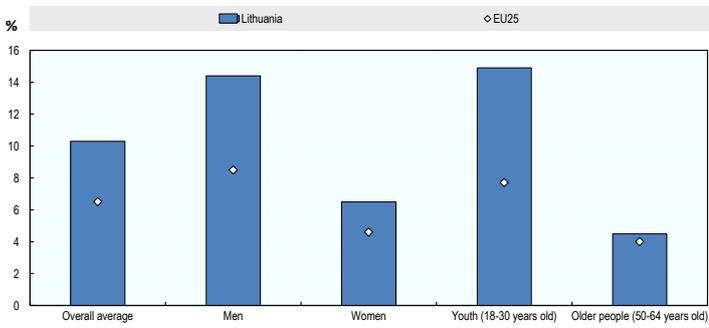
a. Unemployment rate, 2006-15



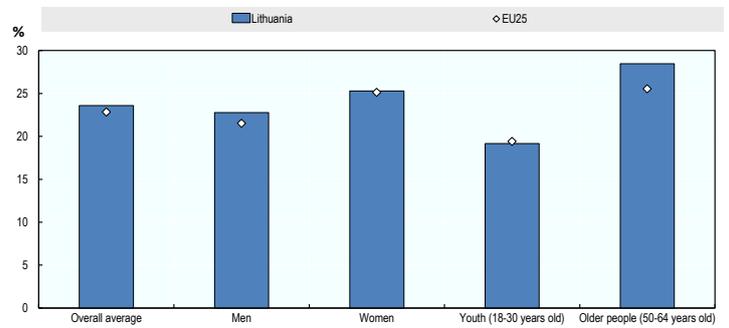
b. Self-employment rate, 2006-15



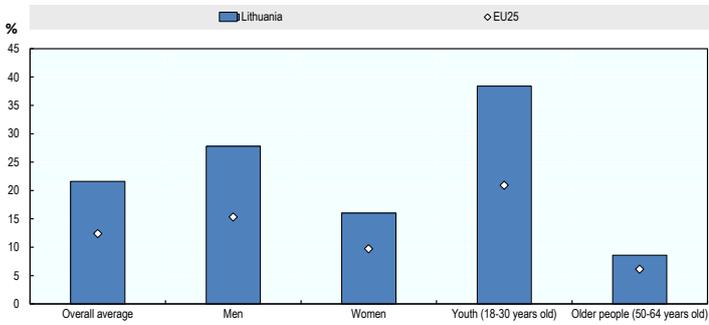
c. TEA Rate, 2010-14 (combined)



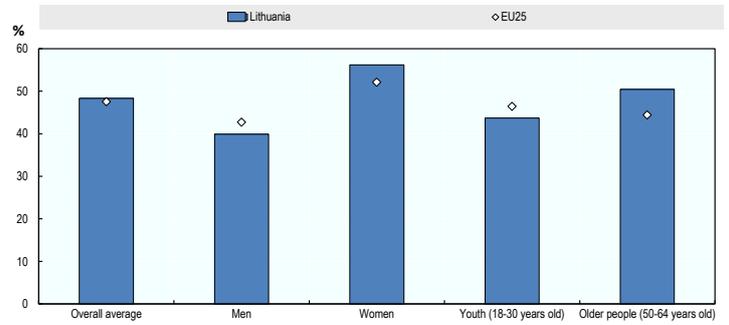
d. Proportion who expect to start a business in the next 3 years, 2010-14 (combined)



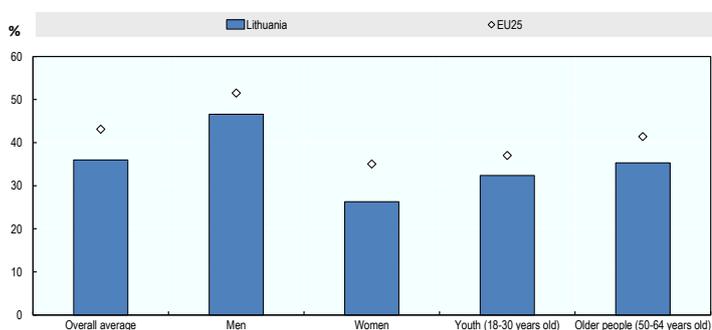
e. Proportion who expect to start a business in the next 3 years, 2010-14



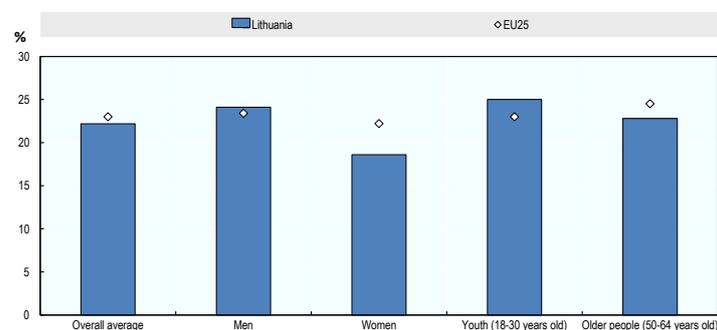
f. Proportion who report that a fear of failure prevents them from starting a business, 2010-14



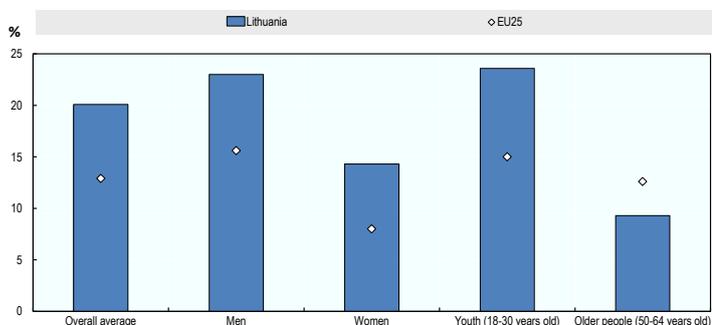
g. Proportion who perceive that they have the skills to start a business, 2010-14



h. Proportion of new entrepreneurs whose products or services are new to all or some customers and who have few or no businesses offering the same products or services, 2010-14



i. Proportion of early-stage entrepreneurs who expect to create more than 19 jobs in 5 years, 2010-14



Note: The self-employment rate is defined as the proportion of those in employment who are self-employed. The TEA rate is the Total 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 c, d, e, f, g, h and i were pooled for the period 2010-14, producing an unweighted average. The EU25 average in panels c, d, e, f, g, h and i covers all EU28 countries, except Bulgaria, Cyprus and Malta.

Source: Panels a and b contain data from Eurostat (2016), Labour Force Survey; Panels c, d, e, f, g, h and i contain data from the 2010 to 2014 Global Entrepreneurship Monitor household surveys that were tabulated for the OECD (2016).

The self-employment rate in Lithuania was lower the European Union average in 2015 (10.8% vs. 14.1%) (Figure 1b). Among different population groups, the self-employment rate was lowest among youth (5.3%) but also well-below the EU average for women (8.4%). However, the self-employment rates for men and older people in Lithuania were above the EU average in 2015.

However, survey data from the Global Entrepreneurship Monitor (GEM) indicate that the proportion of adults in Lithuania involved in starting or managing a new business up to 42 months old (i.e. the TEA rate) was among the highest in the EU between 2010 and 2014 (10.3%) (Figure 1c). The highest TEA rates were among men (14.4%) and youth (14.9%). However, the TEA rate for seniors was approximately equal to the EU average (4.5% vs. 4.0%).

Approximately one-third of Lithuanians saw good opportunities to start a business in the area they live, relative to the European Union average of 35%, and about 20% of Lithuanian respondents intended to start a business in Lithuania within three years (Figure 1d). This was above the European Union average of 12%. However, approximately 48% of Lithuanians admitted that a fear of failure

prevented them from opening a business, which was approximately equal to the EU average (Figure 1e).⁶ A fear of failure was most likely to be cited as a barrier to entrepreneurship by women (56.2%) and older people (50.4%).

Although optimistic about starting up and developing business, only 35% of Lithuanians responded positively to the question “Do you have the knowledge and skills to start a business?”. This was below the European Union average of 40% (Figure 1f). The gap between Lithuania and EU average was the greatest among women (26.3% vs. 35.0%).

Lithuanians were approximately as equal as the European Union average to offer new products or services (Figure 1g). However, there was some variation across the key target groups for the 2010-14 period. Men (24.1%) and youth (25.0%) were slightly more likely than the EU average to offer new products and services and women (18.6%) and seniors (22.8%) were less likely. However, new Lithuanian entrepreneurs appear to be much more likely to expect to create more than 19 jobs in five years during the 2010-14 period (Figure 1i). This was particularly true for youth who were approximately 50% more likely to expect this employment growth than the EU average (23.6% vs. 15.0%).

The main barriers to business creation have been identified by numerous research studies, including a heavy administrative burden for business start-ups; a lack of start-up financing; low levels of business management and entrepreneurship skills; insufficient support services for business; and uneven regional business development. Moreover, the Lithuanian Entrepreneurship Monitor Research also points to difficulty obtaining the necessary licenses and permits.⁷

3. ASSESSMENT OF CURRENT AND PLANNED INCLUSIVE ENTREPRENEURSHIP POLICIES AND PROGRAMMES

3.1. Policy framework

Overall, initiatives promoting entrepreneurship generally fall within the remit of the Ministry of Economy, while actions to support the social integration of under-represented and disadvantaged groups is covered by the Ministry of Social Security and Labour. The Entrepreneurship Action Plan of Lithuania for 2014–2020^{8, 9} was developed by the Minister for the Economy. It defines actions to promote growth in the level of entrepreneurship with three actions: (i) establish a consistent and continuous system of entrepreneurship education; (ii) create favourable environment for the start-up and development of business; (iii) promote entrepreneurship by ensuring accessibility of public services to business, distinguishing entrepreneurship of target groups (e.g. youth, women) and start-

⁶ <http://vz.lt/archive/article/2015/3/4/verslumus-lietuvoje-aukstas-bet-verslininko-statusas-nevertinamas#ixzz4A9zHaO1m>

⁷ http://www.tvm.vu.lt/uploads/pdf/studija_2013.pdf

⁸ http://ukmin.lrv.lt/uploads/ukmin/documents/files/Verslumo_veiksm%C5%B3_planas_2014-2020_1.pdf

⁹ As amended by Order [No 4-282](#) of 30 April 2015 of the Minister for the Economy.

ups, as well as social and regional entrepreneurship, and developing a positive public image of the entrepreneurs.

Entrepreneurship is also covered by the Employment Enhancement Programme.¹⁰ Measures include consultations for business start-up, improved access to business services and financial resources for persons starting businesses, and mainstreaming the development of entrepreneurial mindsets in the national education system. The Programme also provides for a greater focus on promoting entrepreneurship in youth, rural territories and regions with high unemployment levels.

Support for SMEs is also foreseen in Law on the Development of Small and Medium Business,¹¹ which outlines the following forms of support: tax credits and tax concessions, financial support (e.g. soft loans, partial compensation of interests, issue of guarantees, export credit insurance), public services for business (e.g. in business incubators, business information centres, science and technology parks), and other forms of support.

There are also some programmes that provide tailored entrepreneurship support for key target groups. For youth, the promotion of entrepreneurship is outlined in the National Youth Policy Development Programme for 2011–2019¹² under the responsibility of the Ministry of Agriculture¹³ and the Department of Youth Affairs under the Ministry of Social Security and Labour.¹⁴ Also for youth, the Minister for Social Security and Labour of the Republic of Lithuania approved the Youth Guarantee Implementation Plan for 2014–2020¹⁵ in 2013. Further, the measure “Support for self-employment” is scheduled to be implemented between 2015 and 2017 and the main objective to assist young people (under 29) in creating self-employed jobs. The implementing authority for this measure is the Lithuanian Labour Exchange (LLE).¹⁶

For women, support is outlined in the National Programme on Equal Opportunities for Women and Men 2015-2021.¹⁷ It promotes equal opportunities for women and men in the area of employment and labour, including opportunities to start up and develop businesses. A number of initiatives are planned in 2015-17 to strengthen entrepreneurial mindsets among women and to improve financial literacy skills, including individual consultations and seminars. Many actions also focus on supporting women in non-agricultural businesses in rural areas.

There are also a small number of policies that seek to support other target groups in entrepreneurship. Support for self-employment of unemployed people is defined by the Law No X-694,¹⁸ which includes subsidies for the establishment of a workplace or a partial subsidy to obtain a business certificate. Likewise, the National Programme for Social Integration of the Disabled 2013–

¹⁰ <https://www.e-tar.lt/portal/lt/legalAct/TAR.90577540FF26>

¹¹ http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=454172

¹² <https://www.e-tar.lt/portal/lt/legalAct/TAR.10A2087E3527/xbTThuOxdF>

¹³ <http://www.zum.lt/>

¹⁴ <http://www.jrd.lt/>

¹⁵ <https://www.e-tar.lt/portal/lt/legalAct/b4432c10722e11e3bd0ecaffd80c672a/xQojlDJjwE>

¹⁶ <http://www.ldb.lt/>

¹⁷ <https://www.e-tar.lt/portal/lt/legalAct/dc012450b1ca11e48296d11f563abfb0>

¹⁸ http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=478633

2019¹⁹ stipulates that employment opportunities will be created for adults with a disability, including through the promotion of entrepreneurship.

A policy framework for inclusive entrepreneurship support continues to develop. One of the challenges faced is that many of the target population groups are very small in absolute number. An area to be strengthened is to improve the use of monitoring and evaluation to the effectiveness of policy can be better understood. Some monitoring and evaluations are undertaken as conditions for financial support from the European Union Structural Funds, but these evaluations are not systematic.

3.2. Government regulations

Government regulations can support business creation by under-represented and disadvantaged groups. Recent developments in the regulatory environment have sought to lower the cost of business certificates, which are set by local authorities (municipalities). For example, in 2016 Vilnius City Municipality reduced the price for business certificates by 70% for students and 50% for retired people, people with disabilities, registered unemployed and families with children.

More generally, the range of regulatory measures and instruments to support or encourage inclusive entrepreneurship, including the welfare bridge or reduced social security contributions during the first years of operation, are not currently used. This represents a gap in the suite of policy tools that the government has at its disposal.

3.3. Financing entrepreneurship

Financing remains one of the main challenges for all start-ups. As a result, the government launched several actions to improve access to financial resources the periods 2007-13 and 2014-20. The measures foreseen for 2014-20 are similar to those implemented in 2007-13.

Business start-up support for people from under-represented and disadvantaged target groups is largely done through the Entrepreneurship Promotion Fund (EPF), which was established by the Ministry of Social Security and Labour, the Ministry of Finance and INVEGA (i.e. the SME agency). It is managed by INVEGA and the Lithuanian Central Credit Union. This scheme is aimed, *inter alia*, at creating conditions for people to start a business using financial engineering instruments (e.g. loans or grants) in combination with training and counselling. The four main target groups are youth under 29 years old, people over 50 years old, the unemployed and people with a disability. While evaluations are positive overall, some suggest that the EPF has contributed little to the promotion of entrepreneurship for older people, the unemployed and people with disabilities as only a very small number of people from those groups participated in the project (PPMI, 2013).

In addition, there are tailored financial schemes to support the unemployed in business creation. Subsidies for self-employment for registered unemployed or people with disabilities can be provided to: i) people with disabilities who have a work capacity of less than 40% (subsidies vary depending on work capacity) and are registered at the Lithuanian Labour Exchange (LLE); ii) people who are supported through the EU's Globalisation Adjustment Fund; iii) former unemployed persons, who start their own business within 30 months from the last day of registration with the labour exchange and create a workplace for a currently unemployed person. The amount of subsidy for the creation of a self-employed workplace may not exceed 40 minimum monthly wages²⁰ and can be used to partially

¹⁹ <https://www.e-tar.lt/portal/lt/legalAct/TAR.46B1FA2B9435>

²⁰ Currently (in the first half of 2016) gross MMW in Lithuania is EUR 350.

cover income tax payable upon acquisition of business certificates and state obligatory social insurance contributions. Overall, these measures made a small contribution to boosting self-employment among the unemployed, as the number of unemployed beneficiaries is quite small. According to LLE data, nearly 10 000 subsidies are provided annually but the number of people with disabilities who created jobs for themselves is less than 50 per year and the number of former unemployed persons who create jobs for other unemployed persons sent from the LLE is less than 20 per year. However, the direct benefit ratio of support for job establishment (i.e. jobs available three years after being created) is 64%, on average (MSSL, 2015).

There are a number of small-scale schemes that facilitate start-up financing, including Municipal entrepreneurship promotion funds;²¹ Set-up of young farmers;²² Agricultural Loan Guarantee Fund;²³ and European Union support for business start-up and development in rural areas.²⁴ Although these initiatives are viewed as supporting entrepreneurship for disadvantaged groups (including rural youth, women and older people who are especially vulnerable), it is difficult to measure the extent and magnitude of their impact as these initiatives are not well-evaluated.

A number of new activities are planned for the 2014-20 period, including both repayable and non-repayable instruments. These interventions will be complemented with training and individual business counselling. They will be open for all people willing to become self-employed, but priority and more significant financial incentives will be provided to groups that are disadvantaged in the labour market (e.g. young people, people with disabilities, older people), to those who will create “green” jobs and to those in rural areas.

3.4. Entrepreneurship skills

In the 2007-13 programming period, the Ministry of the Economy implemented a number of initiatives to support the development of entrepreneurship skills, but most were not tailored or targeted to specific target groups. One of the exceptions was the first business year baskets (vouchers) scheme that was developed to support youth entrepreneurs. The scheme is managed by Enterprise Lithuania and it provided vouchers to youth who attended entrepreneurship events, which could be used to “purchase” professional business support services within six months, or within 12 months if a business is registered. The most demanded activities were consultations and training on such issues as accounting, business funding sources, contracting, marketing (Eurofound, 2015). This measure has

²¹ These are various business support initiatives implemented by municipalities, usually designed to develop new businesses and support youth initiatives. The funds issue soft loans or grants; sums of funding are at the discretion of municipalities.

²² The project “Business start-up aid for young farmers” implemented within the framework of the Rural Development Programmes for Lithuania 2007–2013 and 2014-2020 to provide young farmers (under 40) financial aid to set up or develop their farms.

²³ This is a financial institution providing guarantees to lending agencies (banks and credit unions) granting agricultural loans. These loans are issued, inter alia, to farmers who start up or develop their farming activities for the acquisition of immovable property, agricultural machines and agricultural products, as well as for turnover funds. This measure can be identified as contributing to support for disadvantaged groups, as it improves opportunities for rural residents

²⁴ Support is provided within the framework of the Rural Development Programme for Lithuania 2014–20. The support is available for farmers, rural residents (natural persons), micro and small enterprises to engage in various non-agricultural activities. This measure provides more opportunities for rural residents to start up business, reduces urban – rural inequality, social exclusion and poverty.

produced very positive results. The businesses operated by those who had used a voucher had a one-year survival rate of 98.9%, relative to 63.3% for the overall population of businesses.

In addition, there are a number of smaller initiatives have been launched to support various target groups in entrepreneurship, some of which are operated by non-governmental organisations and many of these initiatives receive financial support from the European Union. Some recent examples include “Smart Practice - Empowering Entrepreneurial Skills in Higher Education” for youth in higher education, Junior Achievement Lithuania for youth, “Smart Woman”, and “Promotion of entrepreneurship amongst women”.

In the next programming period (2014-20), it is anticipated that policy makers will seek to improve access business development services, including through an increase in the supply. This includes the creation of a National Register of Consultants by the Ministry of Economy so that entrepreneurs can more easily identify relevant support. Screening of professional consultants and management of the network will be done by Enterprise Lithuania.

In addition, integrated support packages are anticipated in the 2014-20 period through the objective “Increase labour demand by promoting entrepreneurship of the population, in particular those who face difficulties on the labour market”. These packages would offer start-up financing, as well as entrepreneurship training and individual business counselling. While everyone will have equal access to this support, more significant financial incentives are expected for people from groups that are disadvantaged in the labour market and for those who creation “green” jobs.

Although both general and tailored entrepreneurship training programmes have been implemented, potential entrepreneurs can have difficulty learning about the available opportunities because there is no co-ordination mechanism that can be used to direct people to appropriate support. There is also a challenge of accessibility for those outside of urban areas.

3.5. Entrepreneurial culture and social capital

Overall, entrepreneurship is not actively promoted as a potential career path, especially for people from under-represented and disadvantaged groups. A limited number of events are organised, including Global Entrepreneurship Week and Enterprise Lithuania’s “Business Rocks” but the impact of these is limited. There are also some awards programmes such as “Entrepreneurial Women” but again the reach is rather limited.

Similarly, there actually are few initiatives that attempt to build specific business networks for entrepreneurs amongst the under-represented and disadvantaged groups. Examples of existing entrepreneurship networks include “Youth Business Clubs” and Network of Business Women. Both of these initiatives organises event and forums.

4. POLICY RECOMMENDATIONS

Inclusive entrepreneurship policies are receiving increasing attention in Lithuania. Tailored support has been developed for youth, and to a lesser extent women, the unemployed and people who

live in rural areas. However, there is very little support offered for older people and migrants. To further advance policies and programmes in this area, the following recommendations are offered:

1. *Improve the tailoring of entrepreneurship support offers for youth.* While many supports for youth entrepreneurs have been implemented recently, more youth-oriented business counselling is needed to inform youth about various business models (e.g. part-time entrepreneurship, franchises, social entrepreneurship). More can also be done to adapt support to the needs of youth, i.e. support for technology companies, crowdfunding models.
2. *Undertake targeted entrepreneurship promotion for older people.* Older people are under-represented in entrepreneurship in Lithuania yet this is a growing population with great potential for contributing in the labour market. There is very little tailored support available for older people, which is a missed opportunity to keep them engaged in society and the labour market. An important first step is to use targeted campaigns to raise awareness about the potential for entrepreneurship and to direct potential senior entrepreneurs to existing supports.
3. *Create an information platform for entrepreneurship support programmes.* Such a platform would support both policy makers (as policy co-ordination tool) and potential entrepreneurs (as a one-stop shop where they could learn about available support). The Ministry of Economy, possibly in partnership with the Ministry of Social Security and Labour, would be best placed to launch and manage such a platform.

5. REFERENCES

Eurofound (2015), “Start-up support for young people in the EU: From implementation to evaluation”, available at: <https://www.eurofound.europa.eu/publications/report/2016/labour-market-business/start-up-support-for-young-people-in-the-eu-from-implementation-to-evaluation>.

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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 5 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.?
- a. Are there public policy actions that attempt to build specific business networks for entrepreneurs amongst under-represented and disadvantaged groups?