



# Inclusive Entrepreneurship Policies, Country Assessment Notes

Italy, 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 proportions of women, youth and older people who were active in starting and managing new businesses between 2010 and 2014 were below the European Union averages. Moreover, these start-ups appear to be less growth oriented than the EU average. For example, only 3.1% of women and 8.0% of youth entrepreneurs expected to create more than 19 jobs in their new business’ first five years of operation, relative to European Union averages of 8.0% and 15.0%. However, the national government has recently increased support for youth entrepreneurship, notably through the Youth Guarantee. Support for women’s entrepreneurship has also been strengthened with the creation of Committees for Female Entrepreneurship, which were set-up by the Ministry for Economic Development and the Union of the Chambers of Commerce. However, there is still room to strengthen support in business creation for people from groups that are under-represented and disadvantaged in entrepreneurship.

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

- Recent public policy initiatives to support people from groups that are under-represented or disadvantaged in the labour market have focused on supporting youth. These policy actions have been developed within the *Imprenditorialità Giovanile* initiative, and are now framed within the Youth Guarantee. There is also strengthened support for women's entrepreneurship, driven by the Committees for Female Entrepreneurship, which were set-up by the Ministry for Economic Development and the Union of the Chambers of Commerce. There have also been strong efforts to support the unemployed in business creation by *Invitalia*. Some regions have also launched support initiatives for these target groups. However, tailored entrepreneurship support for immigrants, people with disabilities and seniors is rather limited.
- Self-employment has traditionally been an important element of the Italian economy. While self-employment rates continue to be high relative to the European Union (EU) average (21.9% vs. 14.1% in 2015), household surveys suggest that people belonging to key social target groups (e.g. women, youth, older people) are less active in pre start-up and new business management than the EU average. Moreover, these start-ups appear to be less growth-oriented than the EU average. For example, only 3.1% of women and 8.0% of youth entrepreneurs expected to create more than 19 jobs in their new business' first five years of operation, relative to European Union averages of 8.0% and 15.0%.
- There are a number of areas where inclusive entrepreneurship policies could be further developed. Access to finance continues to be a challenge for all key target groups and schools have been slow to implement entrepreneurship education in response to the new law on education. Furthermore, the potential for entrepreneurship programmes to help refugees integrate has not been explored.
- Recommendations include: i) strengthen entrepreneurship support within public employment services and improve interactions between them and private sector supports; ii) scale-up the one-stop-shop network of entrepreneurship support centres; iii) increase the availability of entrepreneurship education in high schools and universities; and iv) develop more initiatives to support immigrant entrepreneurship.

## 1. INCLUSIVE ENTREPRENEURSHIP OBJECTIVES AND TARGETS

Inclusive entrepreneurship objectives are defined across a number of laws that provide the legal framework for policy interventions that support people from groups that are under-represented or disadvantaged in the labour market (e.g. women, youth, seniors) in entrepreneurship, as well as in Operational Programmes. Most of these interventions have a clear rationale and targets. For example, much of the current policy focus is on supporting youth in the labour market, including in entrepreneurship. The National Plan of the Youth Guarantee (*Programma Operativo Nazionale "Iniziativa Occupazione Giovani"*) seeks to help 3.5% of participants move into self-employment within six months of finishing the programme.

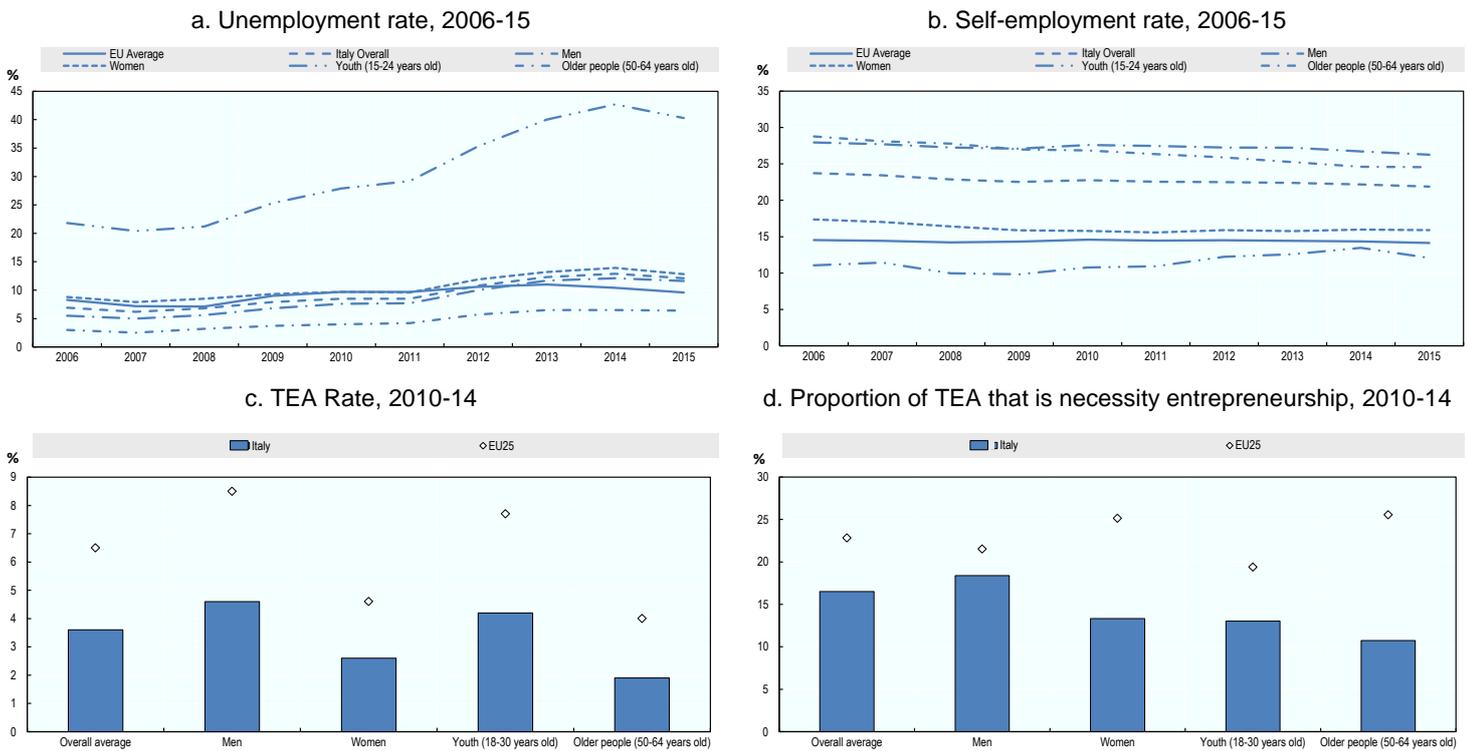
Inclusive entrepreneurship policies also support broader labour market objectives. This includes addressing unemployment by helping people create their own jobs or acquiring skills to improve their employability. The national government has defined a number of labour market targets based on the European Union's 2020 Strategy:

- An employment rate of 67%-69% for 20-64 year-olds by 2020 (European Union-level target is 75%);
- At least 2.2 million fewer people in or at risk of poverty and social exclusion (European Union-level target is at least 20 million fewer people in or at risk of poverty and social exclusion).

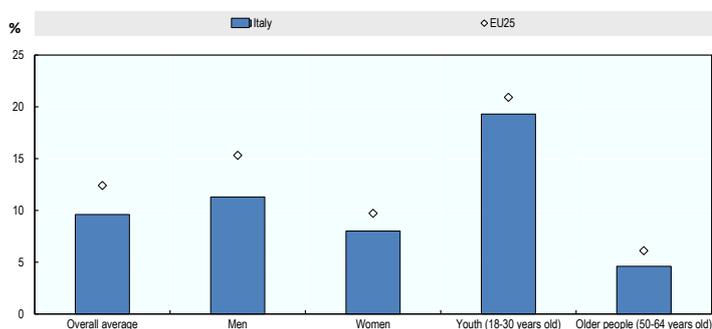
## 2. KEY INCLUSIVE ENTREPRENEURSHIP INDICATORS

Unemployment increased since the onset of the economic crisis in 2008, especially among youth (15-24 years old) (Figure 1a). The youth unemployment rate exceeded 40% in 2015 and was among the highest in the European Union. The youth unemployment was nearly four times the overall unemployment rate, whereas the youth unemployment rate was double the overall rate in most European Union countries. The unemployment rate for other target groups (i.e. women, seniors) also increased after 2008, but not to the same extent as it did for youth.

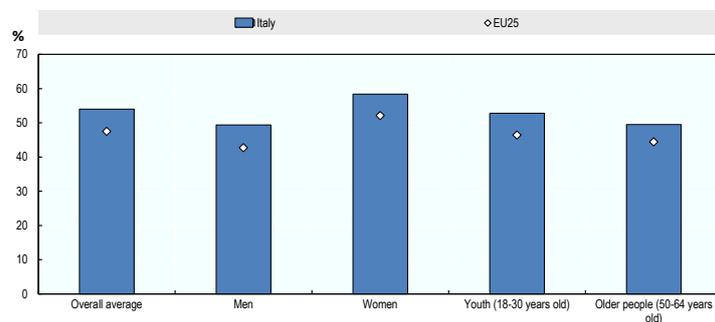
**Figure 1. Key inclusive entrepreneurship indicators**



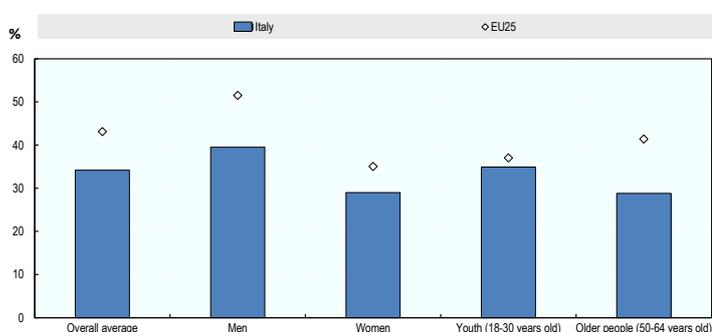
e. Proportion who expect to start a business in the next 3 years, 2010-14



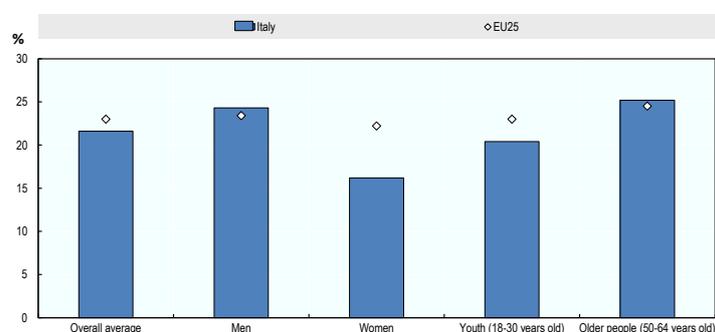
f. Proportion who report that a fear of failure prevents them from starting a business, 2010-14



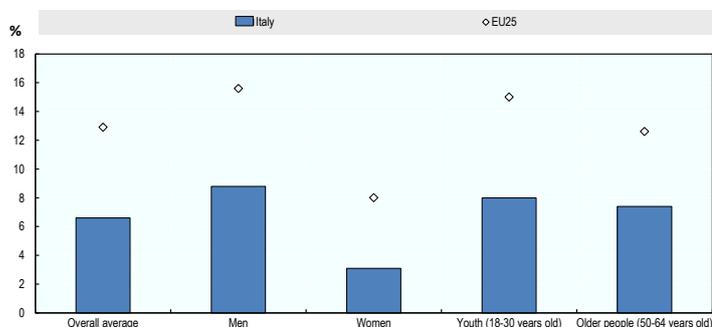
g. Proportion who perceive that they have the skills to start a business, 2010-14



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 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).

Overall, Italians were more likely than the European Union average to be self-employed between 2006 and 2015. However, women appear to be less active in self-employment and business creation relative to men, and also relative to the European Union average for women (Figures 1b and 1c). Women's entrepreneurship began to proliferate in the 1980s and its development has tended to follow

regional development patterns. In the late 1970s and early 1980s, women's entrepreneurship was mostly located in the north-west regions but it grew more rapidly in the southern region in the 1990s and 2000s (*Osservatorio per l'imprenditoria femminile*, 2011). This is largely due to fewer employment opportunities. Female-led firms are clearly concentrated in a small number of industries: Other community, social and personal services (e.g. recreational, artistic, cultural and sporting activities; hairdressing and other beauty treatment; washing and dry-cleaning of textile), Health and social work, Hotels and restaurants, and Education. Further, women tend to operate businesses that are less likely to introduce new products and services than those operated by men (Figure 1h). They also tend to have lower growth potential (Figure 1i) but there is evidence to show that overall, women entrepreneurs contribute more to job creation than men entrepreneurs (*Osservatorio per l'imprenditoria femminile*, 2011). Barriers to women's entrepreneurship have traditionally included difficulties accessing financing (*Osservatorio per l'imprenditoria femminile*, 2004), inadequate public services to support entrepreneurship and labour market participation (*Osservatorio per l'imprenditoria femminile*, 2011), a lack of support for innovation and identifying market opportunities (*II Rapporto nazionale sull'imprenditoria femminile*). Surveys also suggest that women are more likely than men to view fear of failure as a barrier (Figure 1f) and are less likely to report that they have the skills needed for entrepreneurship (Figure 1g).

Youth entrepreneurs are defined as those under 40 years old in the Italian context. In absolute numbers, they have declined since the onset of the economic crisis (-331 000 between 2008 and 2012; *Ufficio Studi di Confartigianato*, 2013), which is a stronger relative decline than in other European Union countries (Figure 1b). Low levels of initial capital and lack of access to credit have played a significant role in this decline (*Centro Studi Unioncamere*, 2012; GfK, 2012). However, youth were also more likely to report that a fear of failure is a barrier to business start-up than the average for youth in the European Union in recent years (Figure 1h). Other barriers affecting young entrepreneurs include a lack of entrepreneurship skills (Figure 1g); negative social and cultural attitudes; a lack of knowledge about the administrative and regulatory framework; and a lack of experience in entrepreneurship (Schoof, 2006).

Ethnic minority and immigrant entrepreneurship is rapidly becoming an important policy issue. Official estimates indicate that there were nearly 500 000 ethnic minority-operated firms at the end of 2015 (9.6% of the total number of business) (*Unioncamere-Infocamere*, 2016). This is an increase of 5.3% over the previous five years, relative to a 0.7% decrease in the number of Italian-owned firms. Ethnic-minority entrepreneurs are, on average, younger than Italian-born entrepreneurs (38 years old vs. 48 years old) and one quarter are women (*Migrantes Caritas*, 2011). These entrepreneurs tend to be located in the most developed regions (Chiesi, 2005; 2011) and often operate in trade and distribution sectors. Moreover, some industries have a very low prevalence of ethnic entrepreneurs due to the high level of initial capital needed (Chiesi, 2011). Other important barriers for ethnic minority entrepreneurs include difficulty navigate the start-up procedures, understand legal requirements and to build networks and partnerships (De Luca, 2011).

There is much less information available on other inclusive entrepreneurship target groups such as the unemployed, older people, people with disabilities. There has been an absolute increase in the number of entrepreneurs who are over 50 years old between 2004 and 2015 (3.1%) but the self-employment rate has decreased over this period (Figure 1b). This indicates that the number of employees over 50 years old has increased at a greater rate. According to various chambers of commerce, there has also been growth in the number of entrepreneurs over 70 years old. Thus the population of entrepreneurs is aging.

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

#### 3.1. Policy framework

Policy interventions for inclusive entrepreneurship began in the 1980s, with initial actions aiming to address the credit constraint faced by (potential) entrepreneurs. These interventions have often taken the form of laws, which were intended to be updated regularly in response to their impacts. In the 1990s, decision-making was shifted to the regions and resulted in a proliferation, and often duplication, of laws (Aronica and Vecchia, 2005).

While there have been many policy interventions to support business creation and self-employment for people from under-represented and disadvantaged groups (e.g. youth, women, unemployed, people with disabilities, former detainees), few national strategies and action plans have been developed to co-ordinate these initiatives. The exception has been youth entrepreneurship policy, and to a lesser extent, women's entrepreneurship policy.

Youth entrepreneurship policy is largely under the responsibility of the *Agenzia nazionale per l'attrazione degli investimenti e lo sviluppo d'impresa (Invitalia)*. *Invitalia* manages all the national policy initiatives promoting entrepreneurship for youth and the unemployed, mostly targeted at disadvantaged regions. The agency is generally considered to offer high quality supports but the proliferation of youth entrepreneurship initiatives by numerous actors in the private, public and non-governmental sectors at the national and regional levels has led to concerns about the co-ordination of policy actions.

Another important actor for youth entrepreneurship support is the Chambers of Commerce. In 2014, the Chambers set up a national network of one-stop shops (*Sportelli per l'imprenditoria giovanile*) for youth entrepreneurship. This network provides youth with free start-up support services, including training, mentoring, and support in accessing credit, microcredit and national or regional grants. These services appear to be effective, but there is scope to strengthen the linkages with other public policy actions.

Also in 2014, the Youth Guarantee Initiative (2014-2020) was implemented. Applying the European Union Recommendation of 22 April 2013, the Italian government launched the *Piano Nazionale della Garanzia Giovani* (National Plan of the Youth Guarantee) in December 2013. This is a long-term plan to promote permanent jobs and self-employment, as well as to combat social exclusion in the regions of Southern Italy. Substantial support is expected for youth who are not in employment, education or training (i.e. NEETs), notably vocational training courses. The Youth Guarantee plan has an initial budget of EUR 6 billion nationwide, including national and regional level resources and matching funding from the European Social Fund (ESF). Approximately 5.7% of the resources are dedicated to the promotion of self-employment and entrepreneurship, mainly within the SELFImployment initiative. This initiative offers entrepreneurship training, coaching and consultancy services to help 18 to 29 years olds develop entrepreneurial ideas and take them to market. The initiative has also established a fund to support youth entrepreneurs who are NEETs.

The Youth Guarantee Initiative is clearly one of the largest labour market initiatives and it faces a number of challenges due to its size. The most significant has been the in-take mechanism. A web portal has been launched but most people enter Youth Guarantee support through the public

employment service. Thus, those youth entering the SELFIEmployment initiative tend to have business ideas with low potential.

The policy framework for women's entrepreneurship has also been longstanding. This support was substantially reinforced in 2003 by the establishment and strengthening of the *Comitati per la promozione dell'imprenditorialità femminile* (Committees for the promotion of female entrepreneurship). These committees, set-up by the Ministry for Economic Development and the Union of the Chambers of Commerce, also include representatives from a wide range of social partners. The committees are designed to monitor challenges faced by women entrepreneurs and propose solutions such as training, networking and assistance on start-up procedures. There is a committee in each Chamber of Commerce, thus building up an extensive national network. This structure is complemented with national and regional projects that are co-funded by the European Structural and Investment Funds. As with youth entrepreneurship support, the proliferation of initiatives and projects has been uneven across the country. The availability and quality of support for women entrepreneurs is heavily dependent on the capabilities of those designing and delivering support at the local level (Mauro and Pigliaru, 2011).

Overall, an area for improvement is monitoring and evaluation, which are under-utilised. There is no independent governmental monitoring or evaluation agency, although there are a number of agencies at the regional level that have this role. There is also very little *ex-post* counterfactual policy evaluation. However, there are efforts to address this challenge. For example, within the context of the Youth Guarantee, IRVAPP from the Autonomous Province of Trento anticipates counterfactual analyses of the Youth Guarantee results. Nonetheless, more attention to evaluation is needed for inclusive entrepreneurship policies so that policy makers can understand what initiatives are efficient and effective.

### **3.2. Government regulations**

The regulatory environment can have a negative influence on entrepreneurship activities, especially for people from under-represented and disadvantaged groups who have lower levels of entrepreneurship skills and less experience dealing with public administration. To address this challenge, a network of one-stop-shops was developed in the 1990s (*Sportello Unico per le Attività Produttive*, SUAP). The impact of these services has been assessed several times over the past decade and early evidence found that they had a positive role in increasing rates of firm creation (Ferrera and Marini, 2004). However, more recent evidence from the SUAP in Tuscany suggests that the potential impact is not fully realised due to an under-qualification of their workforce.

The social security system is also often found to have a negative effect on the levels of entrepreneurship activities (Parker and Robson, 2004; Steinberger, 2005; Hessels et al., 2007). The Italian social security system is based on a fairly wide range of instruments, but it is not as comprehensive as in other European countries and is still biased in favour of money transfers rather than social investments. This widens the scope for markets (including non-profit organisations, which maintain high standards of solidarity) in the sphere of social service provision. However, this policy environment can make it more difficult to introduce entrepreneurship training and mentoring programmes.

The welfare state has undergone many changes in the last 20 years with reforms that aim to cut costs and reduce the role of the government in the economy (Ascoli and Pavolini, 2012). Two reforms are notable for inclusive entrepreneurship. First, reforms have converted public pensions from a fully funded scheme to a "pay as you go" scheme. Under the fully-funded pension system, people frequently took early retirement to become self-employed. However, the pension reforms have

reduced the opportunity for business creation due to funding decreases and a lower probability of early retirement (Barbieri and Scherer, 2009; Ascoli and Pavolini, 2012).

Secondly, labour-market reforms have been introduced by the *Jobs Act* to increase flexibility in the labour market. A significant element of these reforms is to reduce the number of types of contracts and to simplify employment rules. These measures are expected to make it easier for employers to hire or let go of employees, which should encourage entrepreneurs to grow their firms. There are also specific measures to curtail dependent self-employment. These reforms have been welcomed by employer organisations but trade unions have noted that they may actually lead to an increase in job precariousness (Eurofound, 2015).

Finally, there are a number of examples of potential arrangements that allow social security benefit recipients to convert their benefits into a lump sum payment that can be used to start a business. Workers who collect the “mobility” allowance (i.e. an unemployment benefit granted in the case of collective dismissals in firms with more than 15 employees) can access a lump sum payment of the whole benefit in order to start a new business<sup>1</sup> and this concession was subsequently extended to workers under the widespread lay-off scheme known as *Cassa Integrazione Guadagni*.<sup>2</sup>

There are also specific regulatory measures to support migrant entrepreneurship. The Italy Startup Visa programme, which allows non-European Union citizens who propose an innovative start-up in Italy to obtain a visa following a simplified procedure, was extended to non-EU citizens who are already in Italy with a valid residence permit. This new programme – Startup Hub – is a fast-track procedure that converts residence permits to allow for business creation if candidates can demonstrate that a certified incubator has a “willingness to accommodate” their innovative start-up.

### **3.3. Financing entrepreneurship**

There are many laws in place to address access to finance challenges for entrepreneurs from different under-represented and disadvantaged groups (e.g. youth, women, unemployed, people with disabilities). Many of these laws also include provisions for training, coaching and mentoring. This system of financial supports was largely established in the 1980s and 1990s, and there are several tailored policies and instruments that support business creation by the unemployed, women and youth. Many of these national policies have been evaluated and results are often positive (e.g. *Osservatorio per l'imprenditoria femminile*, 2011). However, there are examples of evaluations that find that the benefits of the support is only realised in the short-term, i.e. there is a honeymoon effect (Gennari and Lotti, 2013).

In addition, there are a large number of regional laws to support access to finance for youth and women entrepreneurs. These many laws tend to profile themselves after their national counterparts, but have not been studied as intensively. Carree et al. (2009) assess the effect of regional entrepreneurship policies on firm entry and exit in selected sectors and the results show that entrepreneurship policies do not exert a consistent impact on firm and sector dynamics.

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<sup>1</sup> Law 49/1985 allowed redundant workers to use their accumulated unemployment benefit to capitalise a buyout co-operative. The programme was suspended in the 1990's because it was deemed to contravene European competition law by giving over-generous state support to one form of business model - worker self-management.

<sup>2</sup> No special tax incentives are given to the new entrepreneurs. In Italy, a facilitated fiscal regime has been applicable since 2001 for the first three years of activity to the self-employed starting their own business, provided that their annual revenues are lower than EUR 30 987 (in the case of services, the amount is doubled compared to other activities). This special regime consists of an income tax fixed at 10% and of the exemption from VAT payments.

Microcredit has emerged as an important tool for supporting entrepreneurs from under-represented and disadvantaged groups. However, the most recent comprehensive survey shows that the availability of micro-credit is still quite limited (Provasoli et al., 2009):

- Banks have not yet developed strategies for microfinance and current offers are often included with corporate social responsibility activities;
- Microcredit is limited to small interventions that are offered by non-profit institutions. They typically support personal living expenses (e.g. housing), single-employee firms and craftsmen. Immigrants are increasingly a target for these programmes;
- Women and immigrants draw mainly welfare-oriented micro-credit; production-oriented microcredit goes mostly to youth;
- Microcredit is used disproportionately in some sectors: trade and distribution, accommodation and catering, and the care services;
- Microcredit is not widely available in less developed regions (e.g. Mezzogiorno).

There have been many efforts to develop microcredit in Italy, but initiatives have been extremely differentiated among regions. The law decree 141/2010 was intended to harmonise efforts across the regions. It provides persons and partnerships with finance to a maximum of EUR 25 000, with related business development services. This law targets youth and immigrants. No evaluation of this law has been undertaken so its impact is not yet known. In addition, many projects are currently supported by the European Union through the Programme for Employment and Social Innovation (EaSI). The EaSI Programme supports PerMicro, which offers microcredit for micro enterprises and new start-ups by people from vulnerable groups.

In addition to microcredit, another instrument used to support entrepreneurs from under-represented and disadvantaged groups public procurement. However, Italian research suggests that this has limited potential due to the low trade mark-ups in procurement operations (i.e. starting prices of tenders are too low to cover even personnel cost at wages compatible with national collective agreements) and large delays in payment (IRPET, 2012). Furthermore, Italy has had a longstanding challenge of corruption in public procurement processes.<sup>3</sup>

There are fewer tailored financing support offers for other groups such as seniors. However, there are some small-scale initiatives that facilitate access the detainees (Isfol, 2015).

### **3.4. Entrepreneurship skills**

A number of laws outline measures to support the acquisition of entrepreneurship skills, but many of these are offers that are integrated within financial support measures that target women and youth entrepreneurs.

Recent actions have included an extension of Law 215/1992 in 2009 to strengthen the *Comitati per la promozione dell'imprenditorialità femminile* (Committees for the promotion of female entrepreneurship). These committees, including social partners representatives, are designed to monitor and address the challenges faced by entrepreneurs through training, networking and assistance

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<sup>3</sup><http://www.europarl.europa.eu/document/activities/cont/201212/20121204ATT57266/20121204ATT57266EN.pdf>

on start-up procedures. The impact of these measures is not known as there has been no specific *ex-post* evaluation of these features of the Law (as opposed to its financing side).

Traditionally, entrepreneurship training has been widely available. An example of adult training is the Social Innovation Camp, which is a 48-hour boot camp for new businesses and projects that use the web to achieve a social goal. Many of these types of initiatives are operated by non-governmental organisations and operate on a small scale. However, there is little tailored entrepreneurship training available for seniors, and most initiatives focus on a segment of the senior population (e.g. older women, older unemployed).

There is currently a trend towards using approaches that rely on peer-learning such as mentors and networks. A recent example in Italy is “BE WIN – Business Entrepreneurship Women in Network”,<sup>4</sup> a project co-funded by the European Commission. This project aims to promote and support female entrepreneurship through the implementation of a regional programme that consisted of coaching and mentoring, technical conferences (e.g. web marketing, internationalisation), and the creation of networks. The project was co-funded by the European Commission and co-ordinated by the Union of Chambers of Commerce from the Toscana region. Other interesting local examples of mentoring are the experiences in the Piemonte region (Regione Piemonte and Unioncamere Piemonte, 2010) and in the city of Modena (Bellesia and Moscariello, 2008). Generally speaking, however, in Italy there is yet fairly little mentoring, even less mentoring geared to entrepreneurship, and still less mentoring geared to inclusive entrepreneurship. This is documented by some available data (ISFOL, 2011; 2012) and can also be inferred by the relatively few studies and material about this topic available in the Italian literature.

### **3.5. Entrepreneurial culture and social capital**

There are several active networks that help to promote and support entrepreneurship among under-represented and disadvantaged groups. The network of the Committees for the promotion of female entrepreneurship is very active, but tends to pay more attention to issues of workplace discrimination and work-family conciliation than to promotion of entrepreneurial culture. Youth entrepreneurship, however, is actively promoted through the national network of one-stop shops and the Youth Guarantee. However, little government efforts are underway to promote entrepreneurship to other target groups such as seniors and people with disabilities.

In addition, there are private sector activities to promote entrepreneurship. These tend to be targeted at youth, and often focus on technology sectors. For example, Startup Weekends are regularly organised by Techstars<sup>5</sup> and they support the development of technology-oriented business ideas. However, these Startup Weekends have also stimulated the creation of business accelerators and other entrepreneurship support organisations.<sup>6</sup> These are typically located in larger cities (e.g. Rome, Milan, Naples).

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<sup>4</sup> [www.be-win.it/](http://www.be-win.it/)

<sup>5</sup> [www.app.co](http://www.app.co)

<sup>6</sup> <http://nastartup.it/>

#### 4. POLICY RECOMMENDATIONS

Although Italy has traditionally had a high rate of self-employment, entrepreneurial activities have declined in recent years, especially for women and youth. The policy framework to address the challenges faced by entrepreneurs has a relatively long history and there are many tailored supports for entrepreneurs from under-represented and disadvantaged groups. However, there is room to improve inclusive entrepreneurship policies and programmes in Italy, including some general measures that would assist all entrepreneurs, as well as tailored measures for different target groups. The following recommendations are offered:

1. *Strengthen entrepreneurship support within public employment services and improve interactions between them and private sector supports.* As job centres are to be coordinated by a forthcoming National Agency for Active Labour Market Policies, this requires the set-up of a framework for ensuring nation-wide consistency in the labour-market services offered to citizens, as well as the coordination between the new agency and the regions interested in management of the local labour market.
2. *Scale-up the one-stop-shop approach to the facilitation of entrepreneurship.* This requires coordination among the PES and the SUAP, and a massive investment in the physical and human capital of both structures. A serious spending review should be encouraged in both areas to eliminate unnecessary costs and make new resources available for investment.
3. *Increase the availability of entrepreneurship education in high schools and universities.* A new law on schooling, Law 107/2015, facilitates however the establishment of short-term internships in high schools within private and public entities. This could open up the avenue for more systematic contacts between high schools and networks of start-up facilitators, taking place at the local level without the need for any additional legislation.
4. *Develop more initiatives to support immigrant entrepreneurship.* A key aim of these policies should be the assessment and building up of the human capital of immigrants. In this sense, it is important to second the demand made by immigrants themselves to strengthen training focused on business and legislation.

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